



REVIEW OF RESEARCH

ISSN: 2249-894X

IMPACT FACTOR : 5.7631 (UIF)

UGC APPROVED JOURNAL NO. 48514

VOLUME - 8 | ISSUE - 9 | JUNE - 2019



A SERIAL MEDIATION ANALYSIS BETWEEN AWARENESS OF GREEN PRODUCTS AND PURCHASE INTENTION TOWARDS GREEN PRODUCTS – AN EMPIRICAL STUDY

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ABSTRACT:

The importance of protecting our environment has achieved crucial importance in the present context. We see a lot of manmade disasters which look like natural disasters. The human beings need to own up responsibility of these disasters and do the needful in order to avert these disasters. All the human beings around the world need to have enough awareness as to how they impact the wellbeing of the earth. One major responsibility that the human beings can take up is the using of green products in their everyday life. The present research is trying to look into this area and carry out a serial mediation analysis between awareness of green products and the purchase intention of the consumers. The present study is located in the Tirunelveli district of Tamil Nadu. A total number of 507 respondents have selected for the present study. The present study revealed that out of the various paths that has been tested in the present study, the path that involves the awareness on green products creating attitude among the consumers and that becoming environment knowledge which will result in the purchase intention of the consumers is the most effective path compared to other paths.



KEYWORDS: Awareness, Green product, Attitude, Environmental Concern and Purchase Intention.

INTRODUCTION:

Environmental issues across the board are gaining momentum in every society. Consumers in the modern technological era have every information about environmental problems at their fingertips. Their concern over the issues in question pave the way for that people realize the fact

that population is a great cause of concern. This, in turn, helps people to prefer from mainstream products as against greener products. Greener products are said to have lesser impact on the environment. All these above-mentioned cause and effect much greater influence on the corporate world. This results in that corporate companies have begun to show their concern for

environmental issues across the board. There are very many organizations such as Nike, Philips, Panasonic, UV&W, and Organic India that are said to have started producing green products. People across the globe started realizing the emerging needs of becoming green and adopting green behaviour. Royal Challengers Bangalore, a Bangalore based franchise of

Indian Premier League has switched over to 'Go Green'. Go Green is an initiative that addresses various environmental degradation issues.

Unlike the bygone years, the modern era keeps people alert on environmental issues. The modern technological era came into realization only in the 1950s. With that the focus on environmental issues gained momentum. This paved the way for the establishment of National Environmental Policy Act, 1969 in the United States.

Preserving environment came into greater focus with the national and international policy and with the first celebration of Earth Day in 1970 and the United Conference on the Human Environment held in Stockholm in 1972 (Kinoti, 2011; The Public and Environment, UNEP, 1988). Consumers are one of the most important aspects. Hence, any commitment on their part towards environment reflects deeper insights in justifying the environment related issues (Jain and Kaur, 2004). The awareness on environmental issues from consumers' and public's perspective results in the precondition of environmental preservation. The modern day lifestyle is different that it sees a kind of pace and hectic.

People, irrespective of their status, across the globe are fond of purchasing. The modern day purchasing has taken a different stratum in which people purchase things for fulfilling their needs and desires. Here, the unpleasant aspects are overlooked. This shows that people are quite unaware of the link between consumption choices and the environmental consequences (Ahmad & Juhdi, 2008). At this juncture, with the aim to promote the objective of sustainable development, green products and green consumption gaining momentum (Wang, 2009). Lampe and Gazda (1995) reported that in a European survey 75% of Europeans were in the favor of "urgent steps to protect the environment" and most "were prepared to pay the extra costs" (Lampe and Gazda, 1995; Knight and Dimmler, 1989). Customers understand the importance of environmental protection. Environmentalism is given utmost importance in the marketplace (Han et al., 2009; Kalafatis et al., 1999; Brown, 1996). With the growing importance of environment friendly things, consumers with ecological concern in developed countries started taking sides with eco-friendly products. The great demand for green products sees business houses very active in producing things and catering to the needs of the consumers. The concerns for ecology and the increasing demand for eco-friendly products by consumer groups paves the way for a new philosophy in marketing field known as 'Green Marketing' (do Paco et al., 2010; Peattie and Charter, 1997; McDonagh and Clark, 1995). According to Polonsky, "Green or Environmental Marketing includes components that cater to the needs of the consumers across the board. The bottomline here is meeting the consumer needs without much affecting the environment. (as quoted in Polonsky, 1994). Therefore, the recent developments on products manufacturing pay great attention to go with nature and preserving the environment. In a survey conducted by Green Market Alert shows that of all the new products that came out in 1991, 12.6% are green and 41% products made green claims in case of all household products (Vlosky et al., 1999; Anonymous, 1993). In yet another survey conducted by Roper organization, Americans prefer products that are environmental friendly. In purchasing green products, Americans are ready to pay more. (The GfK Roper Yale survey, 2008). Another survey taken over by Roper organization (2011) reveals that 73% of the Americans are aware of environmental issues and problems, while 29% reported that they prefer things that are packed in recyclable material (The Environment: Public Attitudes and Individual Behaviour, The GfK Roper Green Consulting, 2011).

OBJECTIVE OF THE STUDY

To analyze the relationship among customers' knowledge on environment, level of awareness and attitude, environmental behavior and purchase intention towards Green products.

METHODOLOGY

As far as the present study is concerned, the researcher has targeted 630 sample respondents from the nine blocks. Among the 630 respondents, only 563 respondents returned the filled questionnaire. From that 563, only 507 complete responses were selected for the present research. However, respondents have been selected by Convenience sampling technique from Non probability sampling method.

RESULT ANALYSIS AND DISCUSSION

Path between Awareness on green Products and Purchase Intention with the mediators of Attitude towards Green products and Environmental Behaviour

Y = Purchase Intention

X = Awareness on Green Product

M1 = Attitude towards green product

M2 = Environmental Behaviour

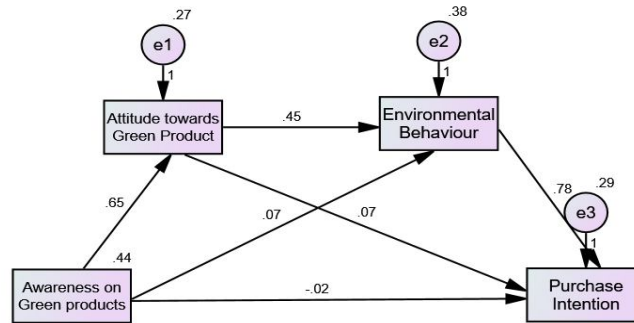


Fig.4.16 Direct and Indirect Paths between awareness on green Products and Purchase Intention

**Table No.1
Regression Weights**

Paths			Estimate	S.E.	C.R.	P	Label
Attitude	<---	Awareness	.645	.035	18.688	***	Supported
Environment behaviour	<---	Attitude	.448	.053	8.390	***	Supported
Environment behaviour	<---	Awareness	.070	.054	1.297	.195	Rejected
Purchase	<---	Environment behaviour	.777	.038	20.217	***	Supported
Purchase	<---	Awareness	-.016	.047	-.346	.729	Rejected
Purchase	<---	Attitude	.069	.049	1.398	.162	Rejected

The above path analysis table talks about the relationship between independent variables and dependent variables. In all the variables except a few, the p value is less than 0.05 and therefore the null hypothesis is not rejected. Thus it is clear that there is a positive relationship between awareness and attitude. Similarly there is a positive relationship between attitude and environmental behaviour. There is also a positive relationship between environmental behaviour and purchase intention. Only in the case of the relationship between awareness on green products and environmental behaviour, the relationship between awareness and purchase and the relationship between attitude and purchase, the p value is greater than 0.05 and hence the null hypothesis is rejected. Therefore, there is no significant relationship between the independent variable and the dependent variable.

Table No.2

Total effect of X on Y					
Effect	SE	t	p	LLCI	ULCI
0.31	0.05	6.10	.00	0.21	0.41

Direct effect of X on Y					
Effect	SE	t	p	LLCI	ULCI
-0.02	0.05	-0.35	0.73	-0.11	0.08

Table No.3

Indirect effect key				Result
Indirect Path 1 :	Awareness ->	Attitude ->	Purchase	N.s
Indirect Path 2 :	Awareness ->	Attitude ->	Environment -> Purchase	S
Indirect Path 3 :	Awareness ->	Environment ->	Purchase	N.s

N.s – Non significant S – Significant

Table No.4

Indirect effect(s) of X on Y				
	Effect	Boot SE	BootLLCI	BootULCI
Total IDE :	0.32	0.05	0.23	0.41
Indirect Path 1:	0.04	0.03	-0.02	0.11
Indirect Path 2:	0.22	0.03	0.17	0.29
Indirect Path 3:	0.05	0.04	-0.03	0.13

Table No.5

Ratio of indirect to total effect of X on Y						
	Effect	Boot SE	BootLLCI	BootULCI	Mp (Mediation %)	Mediation Level
Total IDE :	1.05	0.16	0.8	1.46	100	FM
Indirect Path 1:	0.14	0.11	-0.05	0.37	14	NM
Indirect Path 2:	0.73	0.16	0.51	1.12	73	FM
Indirect Path 3:	0.18	0.13	-0.1	0.4	18	NM

Note: FM – Full Mediation , NM – No mediation

The above path analysis involving serial mediation provides the total, direct and the indirect effect between level of convenience and post purchase behaviour. Among all the serial mediation, the mediation of awareness, attitude, environment and purchase intention has the highest impact on the purchase intention of the consumers. It has a 73 percent increase in the purchase intention of the consumer. With regard to other serial mediations like awareness, attitude and purchase and awareness, environment and purchase there is no mediation effect of 14 and 18 percent respectively upon the consumers.

CONCLUSION AND IMPLICATIONS

A clean and green environment is very necessary for the overall wellbeing of the people on earth. But, the reality is that the people themselves don't realize this fact. That is the reason why there arises a lot of problems that affects the earth and living beings on earth. It affects not only the human

beings but all life on earth is affected. The people living on earth needs make sure that the environment that they live in stays clean and safe for them to continue to live on. This can happen only when all the people come together as an entity leaving aside their difference such as consumer, industrialist, environmentalist, government agent, etc. Due the rapidly expanding population around the globe, the industries are working overtime to meet the needs of the consumers and while doing so, they neglect the environmental concerns.

One of the major problem that the government around the world and trying to tackle urgently is the usage of non-degradable plastic products. Plastic takes a very long time to degrade and therefore it has a sever effect upon the environment. The people and the government have realized the ill-effect plastic has upon the environment around us and are trying take action. Governments are banning the usage of non-degradable plastics. But, people are still using it without knowing completely the ill-effects of plastic. That is the reason why it is necessary to involve all the stakeholders in an attempt to save the environment.

The present research tried to analyze the knowledge level of the consumers regarding the environment, their awareness level about the green products and how these two leads to the purchase intention of the consumers with regard to the green products. Only when people are aware about the environmental impact of the products that they buy, they will be responsible towards their purchase and the environment can be protected. But the present research has highlighted that the consumers are yet to be brainstormed about the necessity of green products. Not only the consumers, but the companies also are neglecting their responsibilities towards the environment and are exploiting it without any hesitation. The mediating agency between these two parties is the government and it is the government's responsibility to make sure that the interest of the consumers and the interest of the companies are in line with the interest of the environment.

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