



FACTORS DETERMINING THE CUSTOMERS LEVEL OF SATISFACTION TOWARDS THE ECO-FRIENDLY PRODUCT WITH REFERENCE TO COIMBATORE CITY

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Abstract

The rapid economic growth in the past years have witnessed increasing customers' consumption worldwide causing environmental deterioration through over-consumption and utilization of natural resources. The aim of this research is to examine youth attitudes towards intention to purchase green product. In today's society whereby technology is rapidly growing day by day, it is one of the main causes towards the changes in the environment. Objectives of the study, To identify the determinant of customers level of satisfaction towards the Eco-friendly product with reference to Coimbatore City. Methodology of the study, Primary data was collected through questionnaire in order to investigate our research objective. 700 sets of questionnaire were distributed to the respondents. The collected data were then complied by using the Software Package for Social Sciences. ANOVA tool is used in this study. Suggested in this study, There is very little academic information available about green customers in India. To create more awareness about eco-friendly products. Conclude this study, Increased customer demand will help reduce cost of production, easy to purchase of eco-friendly products.

Introduction

The rapid economic growth in the past years have witnessed increasing customers' consumption worldwide causing environmental deterioration through over-consumption and utilization of natural resources (Chen & Chai, 2010). It is anticipated that if the current trend of economic growth and irresponsible consumption pattern continues, the environment degradation would worsen. The consequences of environmental degradation are global warming, depletion of stratospheric ozone layer, pollution of sea and rivers, noise and light pollution, acid rain and desertification (Ramlogan, 1997). On a global level, there is an increased awareness of global warming and adverse climate conditions and as a result there is a spur in interest toward environmental protection and sustainable development. A general deterioration in the physical environment is driving individuals and organizations to implement changes for improving the current state of the environment.

As such, shift towards more sustainable consumption patterns is required and it is important to increase people's environmental awareness and consciousness. People, as customers, can reduce their impact on environment and make a positive difference through their purchasing decisions. The belief is that the customer's pro-environmental concern is one of the determinants of their "green buying" behaviour i.e., buying and consuming products that are environmentally beneficial (Mainieri et al., 1997). Customers can reduce their impact on environment and make a difference through their purchasing decisions. The rising number of customers who prefer and are willing to buy eco-friendly products are creating opportunity for businesses that are using "eco-friendly" or "environmentally friendly" as a component of their value proposition.

Customers who are concerned with the environment and are knowledgeable about the environmental issues when shopping try to purchase only eco-friendly products (Laroche, Bergeron & Barbaro-Farleo, 2001). Increasing pro-environmental concerns and awareness of eco-friendly products among customers have resulted in their green buying behaviour. Recent increase in the number of individuals who are willing to pay more for the eco-friendly suggests that the market for eco-friendly products is ever expanding (Laroche et al., 2001). Previous research conducted internationally suggests that the eco-friendly category of customers is continuing to evolve and that customers tend to vary in terms of their acceptance of eco friendly products and lifestyle (Josephine Pickett-Baker, Ritsuko Ozaki). Buying eco-friendly products have become all the rage among customers with pro-environmental concerns.

Statement of the Problem

The aim of this research is to examine youth attitudes towards intention to purchase green product. In today's society whereby technology is rapidly growing day by day, it is one of the main causes towards the changes in the environment. Nevertheless, these changes in the environment may be positively or negatively affected. It is the role of people to have the right mindset in order to keep the environment healthy. Thus, this survey is conducted to find out the factors affecting customers' attitude in purchasing green products. To zoom in further, this research will be targeted on youth, with age ranging from 17 to 25. Therefore, there are one dependent variables (overall satisfaction) other are fifteen independent variable that had been identified in this research paper to understand the factors that could determine the customers level of satisfaction towards eco-friendly products.



Objectives of the Study

1. To identify the determinants of level of satisfaction towards the Eco-friendly product with reference to Coimbatore City
2. To offer the suitable suggestions to create awareness of eco- friendly products to customer.

Methodology of the Study

Primary data were collected through questionnaire in order to investigate our research objective. 700 sets of questionnaire were distributed to the respondents. The collected data were then compiled by using the Software Package for Social Sciences (SPSS). The SPSS help to carry out the reliability test, descriptive analysis, ANOVA tool in this study carries out to determine the significance of contributing to level of satisfaction of customer.

Analysis of Variance

The analysis of variance is a powerful statistical tool for tests of significance. The test of significance based on t-distribution is an adequate procedure only for testing the significance of the difference between two sample means. In a situation when we have three or more samples to consider at a time, an alternative procedure is needed for testing the hypothesis that all the samples are drawn from the populations with the same mean. The basic purpose of the analysis of variance is to test the homogeneity of several means.

The ANOVA used for studying the differences among the influence of various categories of one independent variable on a dependent variable is called one-way ANOVA. The ANOVA is designed to test whether a significant difference exists among the three or more sample means. In this analysis, the total variance in a set of data is divided into variation within groups and variation between groups. The analysis of variance technique is used when the independent variables are of nominal scales and the dependent variable is metric or least interval scaled.

Various factors influence the overall satisfaction towards Eco friendly product

The respondents were asked to indicate their opinion in the five point scale for the level of satisfaction items, arranged as Strongly Agree, Agree, Neither Agree nor Disagree, Disagree and Strongly Disagree. The ratings for each item were assigned as Strongly Agree,-5 Agree-4, Neither Agree nor Disagree-3, Disagree-2 and Strongly Disagree-1. The higher the rating on a particular item indicates that the respondent is more in agreement on that particular item. The descriptive statistics mean, S.D, minimum and maximum were found out for each item and are tabulated in the table given above. It is seen from the above table that all the items were having ratings ranging from a minimum of 1 to maximum of 5. The average rating for all the items varied between 3 and 4. However, the item, ‘Quality products and durability of the product is found to be the most influencing item on level of satisfaction made by the respondent with the highest mean rating of 5.00. This shows that the respondents agree on this item, followed by the item ‘product segmentation with a mean rating of 4.64. All the other items had mean rating between 3 and 4 showing that the ratings for most of the items on average fall between ‘neither agree and nor disagree’ and ‘agree’. The standard deviations of most of the items centered around one indicating that the variation in the responses varied between a min of 3 and maximum of 5 for most of the respondents.

Table 1, Factors that influence the level of satisfaction towards Eco-Friendly Products - Mean Score ANOVA Descriptive Statistics

	N	Minimum	Maximum	Mean	S.D
Overall Purchase Decision Score	700	22.00	110.00	49.4140	10.6223

Source: Primary Data.

The above table shows that the customer decision on purchase scores of respondents vary from a minimum of 22 to a maximum of 110. It is intended to group the respondents into 3 major type’s namely low, medium and high level of decision on purchase at hyper-market. For this purpose Mean and S.D are calculated. The respondents who have obtained scores of Mean – 0.5 S.D were classified into low level of decision on purchase and the respondents who score more than Mean+0.5 S.D were classified into high level of satisfaction. The scores of the respondents falling between Mean-0.5 S.D and Mean+0.5S.D are grouped as Medium level of satisfaction at eco product. The various purchase decision scores of various factors were compared across the Low, Medium and High overall decision on purchase of respondents and the results are discussed below.



Null Hypothesis (H0) The available in the market scores do not differ based on the low, medium and high groups overall satisfaction of respondents.

**Comparison of Factor Scores by Overall Satisfaction (Low, Medium, High)
 ANOVA - TABLE**

		N	Mean	Std. Deviation	F VALUE	P.VALUE	NS/S
<i>AVAILABLE IN THE MARKET</i>	<i>LOW</i>	227	4.01	0.91	44.12	0.000	S
	<i>MEDIUM</i>	252	4.37	0.48			
	<i>HIGH</i>	221	4.58	0.49			
	<i>Total</i>	700	4.32	0.70			
<i>PRODUCT RANGE</i>	<i>LOW</i>	227	3.26	0.68	220.102	0.000	S
	<i>MEDIUM</i>	252	3.87	0.60			
	<i>HIGH</i>	221	4.44	0.50			
	<i>Total</i>	700	3.85	0.76			
<i>CREATIVITY</i>	<i>LOW</i>	227	3.26	0.69	196.946	0.000	S
	<i>MEDIUM</i>	252	4.11	0.60			
	<i>HIGH</i>	221	4.29	0.46			
	<i>Total</i>	700	3.89	0.74			
<i>PRODUCT DESING</i>	<i>LOW</i>	227	3.14	0.34	435.652	0.000	S
	<i>MEDIUM</i>	252	3.76	0.66			
	<i>HIGH</i>	221	4.58	0.49			
	<i>Total</i>	700	3.82	0.78			
<i>PRODUCT SEGMENTATION</i>	<i>LOW</i>	227	3.28	0.45	324.324	0.000	S
	<i>MEDIUM</i>	252	3.75	0.66			
	<i>HIGH</i>	221	4.58	0.49			
	<i>Total</i>	700	3.86	0.76			
<i>QUALITY OF THE PRODUCT</i>	<i>LOW</i>	227	3.54	0.50	171.49	0.000	S
	<i>MEDIUM</i>	252	4.00	1.34			
	<i>HIGH</i>	221	5.00	0.00			
	<i>Total</i>	700	4.16	1.04			
<i>DURABILITY OF THE PRODUCT</i>	<i>LOW</i>	227	3.47	0.50	511.809	0.000	S
	<i>MEDIUM</i>	252	4.00	0.71			
	<i>HIGH</i>	221	5.00	0.00			
	<i>Total</i>	700	4.15	0.81			
<i>PRICE OF THE PRODUCT</i>	<i>LOW</i>	227	3.74	0.44	76.724	0.000	S
	<i>MEDIUM</i>	252	3.75	0.68			
	<i>HIGH</i>	221	4.29	0.46			
	<i>Total</i>	700	3.92	0.60			
<i>OFFERS AND DISCOUNTS</i>	<i>LOW</i>	227	3.25	0.69	53.537	0	S
	<i>MEDIUM</i>	252	3.74	0.82			
	<i>HIGH</i>	221	4.04	0.92			
	<i>Total</i>	700	3.67	0.88			
<i>EMPHASIS OF GREEN</i>	<i>LOW</i>	227	3.12	0.63	43.161	0	S
	<i>MEDIUM</i>	252	3.77	0.66			
	<i>HIGH</i>	221	3.33	1.03			
	<i>Total</i>	700	3.42	0.83			
<i>NUMBER OF POINT OF SALES</i>	<i>LOW</i>	227	3.39	0.73	20.48	0	S
	<i>MEDIUM</i>	252	3.37	0.48			
	<i>HIGH</i>	221	3.71	0.71			
	<i>Total</i>	700	3.49	0.66			



PROMOTION OF THE PRODUCT	LOW	227	3.13	0.62	57.192	0	S
	MEDIUM	252	3.35	0.68			
	HIGH	221	3.83	0.82			
	Total	700	3.43	0.77			
NGO AGENCIES	LOW	227	3.01	0.53	166.631	0	S
	MEDIUM	252	3.25	0.44			
	HIGH	221	3.97	0.75			
	Total	700	3.40	0.71			
PROMOTION OF THE PRODUCT	LOW	227	2.78	1.12	195.099	0	S
	MEDIUM	252	3.37	0.48			
	HIGH	221	4.27	0.70			
	Total	700	3.46	1.00			
USAGE OF THE PRODUCT	LOW	227	2.41	1.07	245.796	0	S
	MEDIUM	252	3.66	1.31			
	HIGH	221	4.56	0.50			
	Total	700	3.54	1.35			

* - Significant at 1% level. P.valie <0.01

Among the respondents the group belonging to high overall satisfaction constitutes the highest mean of 5.00 and the low group of overall satisfaction have scored lowest mean of 3.13 on quality of the product, durability of the product and promotion of the product. This shows that respondents with high overall purchase decision scores have higher attitude towards quality of the product, durability of the product and promotion of the product also. In order to find whether the quality of the product and durability of the product and product designing and product segmentation differs according to low, medium and high groups of overall satisfaction of respondents the following hypothesis was framed and tested. Among the respondents the group belonging to high overall satisfaction constitutes the highest mean of 4.44 and the low group of overall satisfaction have scored lowest mean of 3.26 on product range offers. This shows that respondents with high overall satisfaction scores have higher attitude towards product range also. Among the respondents the group belonging to high overall satisfaction constitutes the highest mean of 4.29 and the low group of overall satisfaction have scored lowest mean of 3.26 on creativity offers. This shows that respondents with high overall satisfaction scores have higher attitude towards creativity also. Among the respondents the group belonging to high overall satisfaction constitutes the highest mean of 4.04 and the low group of overall satisfaction have scored lowest mean of 3.25 on offers and discounts. This shows that respondents with high overall satisfaction scores have higher attitude towards offers and discounts also. Among the respondents the group belonging to high overall satisfaction constitutes the highest mean of 3.33 and the low group of overall satisfaction have scored lowest mean of 3.12 on emphasis of green This shows that respondents with high overall satisfaction scores have higher attitude towards emphasis of green also. Among the respondents the group belonging to high overall satisfaction constitutes the highest mean of 3.71 and the low group of overall satisfaction have scored lowest mean of 3.39 on number of point sales. This shows that respondents with high overall satisfaction scores have higher attitude towards number of point sales also. Among the respondents the group belonging to high overall satisfaction constitutes the highest mean of 3.83 and the low group of overall satisfaction have scored lowest mean of 3.13 on promotion of the product. This shows that respondents with high overall satisfaction scores have higher attitude towards promotion of the product also. Among the respondents the group belonging to high overall satisfaction constitutes the highest mean of 3.97 and the low group of overall satisfaction have scored lowest mean of 3.01 on NGO services. This shows that respondents with high overall satisfaction scores have higher attitude towards NGO services also. Among the respondents the group belonging to high overall satisfaction constitutes the highest mean of 4.27 and the low group of overall satisfaction have scored lowest mean of 2.78 on promotion of the product This shows that respondents with high overall satisfaction scores have higher attitude towards promotion of the product also. Among the respondents the group belonging to high overall satisfaction constitutes the highest mean of 4.56 and the low group of overall satisfaction have scored lowest mean of 2.41 on assuage of the product This shows that respondents with high overall satisfaction scores have higher attitude towards usage of the product also.

One-way ANOVA was applied to find whether significant difference exists between Low, Medium and High groups of Overall satisfaction score with respect to various factors namely Available in the market, product range, creativity, product design, product segmentation, quality of the product, durability of the product, price of the product, offers and discounts, emphasis of green, number of point of sales, promotion of the product, NGO services, promotion of the product and usage of the product. All the F-test value is at 1% level of significance. Since the P value is less than the 0.01, it inferred that there is significant difference among the Low, Medium and High groups of overall satisfaction with respect to various factors namely



Available in the market, product range, creativity, product design, product segmentation, quality of the product, durability of the product, price of the product, offers and discounts, emphasis of green, number of point of sales, promotion of the product, NGO services, promotion of the product and usage of the product. Hence the null hypothesis is rejected and alternative hypothesis is accepted.

Suggestions of the Study

1. Today, environmental or green marketing, a strategic marketing approach is a recent focus in business endeavours. Increasing focus on environmental issues can be seen as an indication that pro-environmental concerns have emerged as a potential strategic concern for businesses. With an increase in the social and political pressures, profit driven firms embraced green marketing strategies and exploited these environmental issues as a source of competitive advantage.
2. The businesses were motivated to adopt the concept of green marketing provided that customers demonstrate a high degree of environmental concern and hence translate this into environmental friendly purchasing commitment. Government should take necessary steps. Severity of environmental deterioration is necessitating technological changes but also changes in attitude and behaviour of customers.
3. Businesses that offer products which are designed and manufactured with an environmental marketing mix have a strategic competitive advantage. Environmental or ecological issues are of importance to customers who are environmentally conscious when making a purchase. Hence, a better understanding of customer preferences in this instance should allow businesses to acquire more market-applicable approach to sustain in the competitive market.
4. There is very little academic information available about green customers in India, to create more awareness about eco friendly products.

Conclusion

While environmental concerns could emerge as one of the powerful drivers that influence purchase, it has actually not resulted in the ability to command a sustainable premium: customers are willing to buy eco-friendly products, but not pay the higher price. Increased customer demand will help reduce costs of production, easy to purchase of eco-friendly products. Awareness among customers that their buying choices can make a difference to the environment should be promoted to accelerate the consumption of eco-friendly products.

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