

Precursors Of Green Purchase Behaviour: A Study On Generation Y

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ABSTRACT:

Purpose – The purpose of this paper is to examine influence of past environment-friendly behaviour, peer influence and green product knowledge in the context of organic product purchase behaviour.

Design/methodology/approach – Data were collected by sending questionnaires online in major cities of Uttarakhand and a sample of total 102 respondents was collected from the college students of Uttarakhand.

Findings – Past environment-friendly behaviour, peer influence and green product knowledge influenced Indian youth's organic product purchase behaviour,

Research limitations/implications – The study is limited to the youth of Uttarakhand only and did not examine the purchase behaviour of other consumer segments.

Practical implications – The findings can be used by organic product producing companies, for the youth of developing states.

Originality/value - There has been limited research on the subject of youths' purchase behaviour of organic product, specifically in a developing state like Uttarakhand. Companies trying to manufacture organic product in the country may find the results helpful in understanding green buying behaviour of youth residing in developing states.

Keywords - Consumer behaviour, Generation Y, Green product knowledge, Organic product, Past environment-friendly behaviour, Peer influence.

Paper type - Research paper

1. INTRODUCTION

Adaptation of technology is bringing ease in today's era, in the fast running life, but on the other hand it is creating havoc for earth. Consumers have different consuming patterns according to their cultures, Johnson et al in 2004 and Jansson in 2011 emphasized that knowledge of environment issues, attitude towards ecological problems and environmentally friendly behaviour vary across cultures and demographics.

The earth is becoming polluted day-by-day. To save this planet we have to make a chain to stop the pollution and the degradation that we are making for it, may be not intentionally. Consumers are getting aware about the products they are consuming and their repercussions

on their health and environment. So, they are trying to purchase the goods which do not harm the environment and their health also.

To maintain the sustainability of earth, not only consumers are making baby steps but government is also helping in sheer ways. In 2015 UNDP laid down 17 global goals known as Sustainable Development Goals (SDG), which came into effect from 2016. The goals are not only to reduce the poverty but to maintain the sustainability of cities and communities, to provide clean water and etc.

There are many products available in the market which may endanger the health of consumers, as they are made up of chemicals and fertilizers. To reduce this danger, one has to switch his/her consumption pattern. Mere changes will not only protect the health of consumers but may help to sustain earth also. Consumption pattern can change the dirt of this planet; because consumption is perceived as the most influential factor for unsustainable development (Daniel Fischer, Tina Bohme, Sonja Maria Geiger, 2017). It is not enough to make policies for green products but it is necessary that consumers pursue them also; as claimed by Dauvergne and Lister, 2012; Kinzig et al., 2013 that the success of “green growth strategy depends on individuals accepting the policy interventions deemed necessary as voters and choosing “green” products and services”.

There are many reasons laid down by the researchers, behind the buying behaviour of green products. Globalization of consumer culture (Cleveland and Laroche, 2007), rapid increase in disposable incomes and spending in emerging economies (Strizhakova and Coulter, 2013), country's unique history, culture and other condition (Craig and Douglas, 2006; Madden, 2007; McEwen et al., 2006), attitude towards buying organic food is also found positive, by Aertsens et al., 2009; Hughner et al., 2007; Thøgersen, 2010; Torjusen et al., 2004, as far as they believe that organic food is healthier, tastes better and is better for the environment.

2. LITERATURE REVIEW

2.1 Young consumers

Fien et al. in 2008; Heiss and Marras in 2009 emphasized that young consumers are examined as a focus group by researchers, policy-makers and educators and other associated groups for primary unsustainable consumption habit and patterns as they allow to negotiate the information and their regular acts. Young consumers are the one who spend most of the money in economy; over half of consumers spending in the U.S. are attributed to one group of young consumers collectively known as ‘The Millennials’ or ‘Generation Y’ (U.S. Chamber of Commerce, 2012). The consumers come in contact with many people, the type of person with whom the contact is made of consumers, make a scorio difference. Similarly, Capuano and Ramsay in 2011 emphasized that the quality of network impacts the type of consumer decision made by generation Y. Young consumers mostly get influenced by their parents (Sondhi and Basu, 2015)

Reisenwitz and Iyer in 2009 studied that young consumers are interested in more sustainable behaviour, this is the reason, in this research we are willing to explore the ecological behaviour of young consumers. The study on young consumers regarding sustainable consumption behaviour was done by various researchers. Recently in 2016, Lee et al, conducted a study on undergraduate students in the U.S. on a measure of Sustainable consumption behaviour. In India and China, research on green buying behaviour was conducted by Murlidharan and Xue in 2016. Although there are very less researches done on green behaviour, in developing states of India. This is the reason to select a developing state of India, in this research.

2.2 Studies on influence of peer influence on organic clothing purchase behaviour

Several studies have discussed the role of environment friendly attitude, eco-literacy, and environmental consciousness on green product purchase behaviour (Shrum et al.,1994; Chan, 2000; Kim and Chung, 2011). In this research the focus is that peer influence has positive influence on the purchase behaviour of organic clothing. Prior studies postulated that influence of family, social norms and motivation forms the environment friendly attitudes which are the result of behavioural, cognitive and affective components (Klafatis et al., 1999; Chan and Lau, 2002; Milfont and Duckitt, 2004; Ahn et al., 2012). When people make consumption choices for themselves they seek acceptance and approval from others by choosing the same products that is actually selected by other people, as their social reward (Clark and Goldsmith, 2005)

2.3 Studies on organic product purchase behaviour

Several studies have found relationship between various factors and organic clothing purchase behaviour. In a research initiative conducted by Gam et al., (2010), a relationship between consumer characteristics and willingness to purchase children's organic clothing was found. Though mothers are unwilling to pay premium price for purchasing organic clothing, their environment concerns, environment friendly behaviour, recycling behaviour were related to organic cotton clothing involvement. However, fabric softness was the major reason for purchasing organic clothes.

Green buying behaviour is influenced by lifestyle, altruistic values, concern towards environment, knowledge about green products, disbelief towards the claims made by firms for environment, attitude towards green consumption the intention of consumers to buy green products (Haanpaa, 2007; Mostafa, 2009). Moreover, Jansson et al., (2010) believe that Swedish consumers' adopters and non-adopters of environmentally friendly innovations were differed on norms, attitude, novelty seeking behaviour, and perception about innovations. If the innovation is less complex, compatible and appeared easy to use then consumers' are willing to adopt eco-innovations. Further study conducted by Lee (2008) on adolescents,

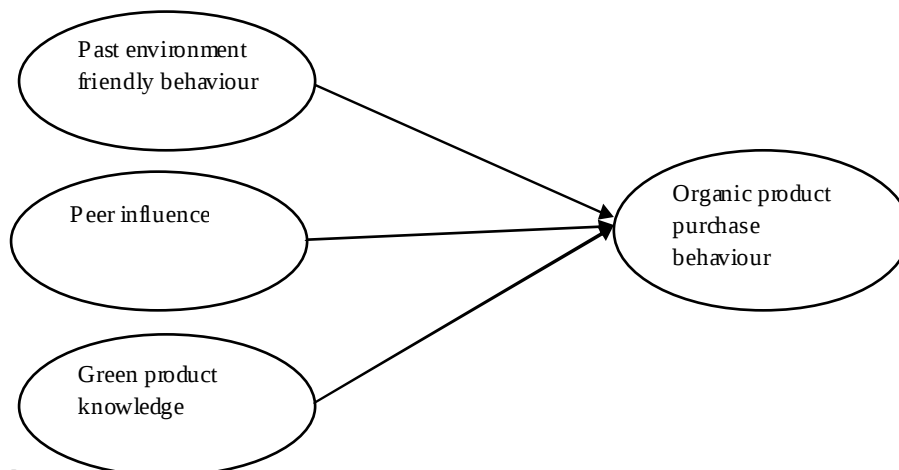
found that societal influence, concern towards environment, self-image and perceived environment responsibility impels the green purchase behaviour. Bamberg and Moser (2007), laid down the fact that attitude is good predictor of behaviour.

Based on the above mentioned literature review, following hypotheses were laid down for examination regarding the relationship between past environment friendly behaviour, organic product knowledge, peer influence and organic product purchase behaviour.

H₁: Past environment friendly behaviour positively impacts organic product purchase behaviour.

H₂: Peer influence positively impacts organic product purchase behaviour.

H₃: Green product knowledge has a positive impact on organic clothing purchase behaviour.



Source: Author's compilation

3. RESEARCH METHODOLOGY

3.1 Sample

Sample was collected by sending questionnaires online to young consumers aged between 16 to 24 years in state of Uttarakhand, India. After screening of 150 responses, 102 questionnaires were used for data analysis. Sample consisted of 56.86% of female respondents. The validity of the instrument came out to be 0.767 checked using Kaiser–Meyer–Olkin (KMO) and Bartlett's test of sphericity. KMO established sample adequacy as the value was above 0.50 (Kaiser, 1974; Field, 2009).

3.2 Measures

Past environment behaviour, peer influence and green product knowledge are independent variables and organic product purchase behaviour is dependent variable. Past environment behaviour was measured using scale given by Pickett-Baker and Ozaki's, 2008. Organic

product knowledge was measured using scale given by Kim and Damhorst, 1998. Peer influence and organic product purchase behaviour was measured by scale given by Lee, 2009. The scale ranged from 1 (strongly agree) to 5 (strongly disagree). Reliability of the scale was checked using cronbach's alpha which came out to be 0.838, indicates that the internal consistency of the scale is satisfactory. The Cronbach's alpha values are in the acceptable range of 0.5–1 (Field, 2009).

3.3 Results

The objective of the research is to study the influence of past environment behaviour, peer influence and green product knowledge on purchase behaviour of young consumers towards organic product. A multiple regression was run to predict organic product purchase behaviour from past environment behaviour, peer influence and green product knowledge. Past environment behaviour, peer influence and green product knowledge positively predicted organic product purchase behaviour, $F(3, 98) = 16.185$, $p < .0005$ and $R^2 = .340$ indicating that 34% of variation can be explained in organic product purchase behaviour by the model containing past environment behaviour, peer influence and green product knowledge supporting all the hypotheses (Table 1). Past environment behaviour and peer influence added statistically significantly to the prediction of organic product purchase behaviour ($p < .05$). Green product knowledge positively influences green organic purchase behaviour but found out to be insignificant. Table 2 shows peer influence has the highest impact on the organic product purchase behaviour, followed by past experience of the consumer.

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.583 ^a	.340	.320	2.71653	.340	16.815	3	98	.000

a. Predictors: (Constant), Peer Influence, Product Knowledge, Past Experience

Table 2: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	4.198	1.848		2.272	.025
Past Experience	.237	.101	.248	2.347	.021
Product Knowledge	.218	.112	.165	1.951	.054
Peer Influence	.285	.088	.335	3.226	.002

a. Dependent Variable: Organic Product Purchase Behaviour

4. DISCUSSION

Based on the above findings the researcher posits that in Uttarakhand green past environment behaviour, peer influence and green product knowledge influences the organic product purchase behaviour of young consumers. As the research was based on young consumers, it can be depicted that young consumers of developing states are also becoming aware about the organic product. It can be said that they are becoming more aware about the environment and its problems. The findings posit that past environment friendly behaviour, peer influence and green product knowledge are the major predictors of organic product knowledge. The earlier research depicts that past experience of youth with green products, environment-friendly values and awareness of green brands were allegedly important (Khare and Varshney, 2017). Moreover, as conducted by Lee in 2008 the social influence, environmental concern, self-image and perceived environment responsibility predicts the green purchase behaviour.

The research shows the scope of green products in developing states like Uttarakhand. There is a need to market green products in developing states also as there is a big scope for the marketers in these states. However, most of the marketers of green products are concentrating

on developed and metro states only. This study will help the marketers to know the potential of green products in the developing states.

5. RESEARCH LIMITATION

The research contains some limitations like it focused only on Generation Y of Uttarakhand state only and other segments of the consumers were neglected for the existing study. The Uttarakhand state was chosen as it has lot of potential for green product and the researcher wants to seek the influence of product knowledge in a developing state. The research considered only those consumers who had experienced green products earlier also as it was to be depicted the influence of past-environment friendly behaviour. The further scope for research is the same can be conducted for the middle-aged and old aged consumer's intentions and behaviour towards purchasing of Green product. Since this is also true that the cost of the organic products are very high and it suits the purchasing power of middle-aged and old-aged consumers.

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