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The Awareness And Implementation of Green Concepts In Marketing Mix: A Case of Malaysia

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Abstract

The concept of green marketing has become the buzzword in the last decade as a result of dramatic increase in environmental consciousness worldwide. Consumers are increasingly realizing the importance of protecting the environment through product choice while companies are increasingly considering the impact of their activities to the environment. This study will looked at the level of awareness on green product concepts among marketing managers and whether there is a connection between their awareness with convictions in their day to day operations. A survey on personal care products manufacturers in peninsular Malaysia was carried out to fulfill the objectives of this study. The main finding was there is significant relationship between manager's awareness on green concepts and the practice of green programs or activities at a company. The study also found correlation between manager's awareness and the implementation of green concepts in company's marketing mix. In response to the overall findings of the study, several recommendations were made.

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1. Introduction

Over the past few years, the environment has become a persistent public issue (Baumann & Rex, 2006) with some calling the 1990s as the “Earth decade”, or “the decade of the environment” (Bradley, 2007). Some environmental problems has been link to human consumption, and this has brought the environmental awareness in many parts of this world has increased and this has been further translated into their attitude towards purchasing green products. Many of these consumers not only give pressures on the firms but they also have taken personal steps to reduce their personal impact on the environment via activities such as recycling and reusing their household items (Prakash, 2002). Consumers are demanding green options and are willing to pay a premium price (Charter & Polonsky, 1999).

Although green marketing is a more persistent issue in the western countries, the emerging economies in Asia are not left too far behind. Interest in green marketing is not only hailed as panacea for struggling companies (William & Sinkula, 2005). In fact, as observed by Crane & Desmond (2002), consumer awareness on environmental issues are steadily gaining ground in this part of the world. Therefore, businesses need to give environmental responsibility a high priority, not only for the sake of the consumers but also to increase business effectiveness. Firms with good records on the environment are seen as well managed and visionary. Successful marketing of green goods and services both reduces the consequences of environmentally non-sustainable business practices and improves organizational performance (Hart & Milstein, 1999; Ginsberg & Bloom, 2004).

2. Literature Review

Green marketing has been well recognized as broader concept by scientific community and defined in various ways all over the world. Polansky (1995), in his research has defined green marketing as a marketer’s attempt to develop strategies targeting the environmental consumers. The term has also been describes as an organization’s efforts at designing, promoting, pricing and distributing products that will not harm the environment (Fuller, 1999). Essentially, it refers to the markets of products that are less toxic than normal, are more durable, contain reusable materials or are made of recyclable materials (Ottman, 1992). Green marketing is the holistic management process responsible for identifying and anticipating satisfying the needs of customers and society in a profitable and sustainable way (Peattie & Crane, 2005).

A green consumer can be identified to be one who avoids any product which may harm damage to any living organism, cause deterioration of the environment during process of manufacturing or during process of usage, and consume a large amount of non-renewable energy (Elkington, 1994). There have been a number of different factors which are instrumental in promoting green consumers to purchase green products. Extensive research over the years identifies; increased level of information availability on environmental sustenance, green advertising by corporation, increased concern for environment, and increase in popularity of green products by social and environmental charities (Ottman, 2008).

For the purpose of establishing awareness towards green marketing, particularly on the aspect of products, previous research discovered that companies attempt to augment consumer awareness of the products and its environmental attributes in the hope of bringing about purchase behavior (Prakash, 2002). However, the actual nature of the link between environmental awareness and environmentally behavior is still to be established. Previous research by Bonni and Oppenheim (2008); Maheswari and Malhorta (2011); and Tolliver-Nigro (2009) have discovered that environmental awareness has little impact on behavior. Awareness of the benefits of a green product’s use on the environment may have an impact on whether or not product is purchased and consumed (Murthy, 2010).

3. Research Methodology

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