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## GREEN PREFERENCE AMONG CONSUMERS, AN OPPORTUNITY FOR GROWTH IN ECOPRENEURSHIP

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### ABSTRACT

*The present day market thinks 'Green'. The environmental concerns among consumers are increasing since the past two decades as reported by researchers and scholars across the globe. This trend has awakened many researchers and industrial experts around the world. The green trend of the market can be one of the major factors that can contribute towards a sustainable growth. There are many entrepreneurs who are in the road towards the development of a greener business model. Ecopreneurship is now recognized as a segment of entrepreneurship that can rebuild the future of the world. There is a great need for more ecopreneurs for building up a sustainable world. The awareness about the problems posed by the present day marketing to ecosystem is now increasing tremendously. This has been attributed to the growth in the green preferences among consumers based on several studies. There is a need for a better understanding about the opportunities for ecopreneurship. The study aims to understand the consumer green preferences. The study also probes into the level of trust for ecopreneurship and thereby helps in understanding the opportunity for growth in ecopreneurship. The study is conducted with special reference to FMCGs in Ernakulam, Kerala.*

**(Key words:-** Ecopreneurship, Green Preference, Environmental Concern, Sustainable Development )

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### INTRODUCTION

The concern for environmental well-being has been increasing since the 1980s. There is a great increase in the number of consumers who are referred to as green consumers and this has caused the industries to think of green as a very significant aspect for their marketing success. The pro-green attitude among the consumers are regarded to be very important factors by the present day marketers. This increase in green consciousness among consumers is considered as an opportunity by the modern marketers. This is seen as an opportunity to increase their financial returns by offering green claims that appeal to these green consumers. However this also paved way for green washing by marketers who exploit the green value of the consumers by offering fake green products and false green claims. It is also identified from several studies that consumers are also highly cautious about their green purchases. This paper tends to explore the green preferences of consumers to identify the opportunities for ecopreneurship in Ernakulam.

### REVIEW OF LITERATURE

Innovation and dynamism are regarded as two key components of entrepreneurial success. According to Joseph A. Schumpeter profit can be achieved through innovation. Innovation will contribute to utilization of existing means of production in different ways. According to him innovation is the main factor contributing to competitiveness and dynamism. (Schumpeter 1934)

The present market is more conscious about the need for sustenance. Present generation of entrepreneurs are having a more pro-environmental attitude. The concept of ecopreneurship is considered to contribute to sustainability and as a more competitive one in the present market. People who create sustainable businesses which is aimed at protecting the environment are known as Green entrepreneurs or ecopreneurs (Kirkwood et. al. 2010). Implementing innovations in such a way that can promote green economy can be referred as Green entrepreneurship (Farinelli et al. 2011).

The ability of a company to exploit opportunities is referred to as Proactiveness. The changes in the market are observed by a company to identify opportunities. (Dess et. al 2005). Conventional businesses nowadays often have to respond to a pressure of acting more responsibly. The big difference is while conventional firms, with their history of prioritizing economic logics, often only are responding in a "win-win" or even a "green washing" way (Greenwood et al., 2011) Business marketing campaigns and Government efforts are making the terms 'Green Products' and 'Green consumption very popular. (Ottman et. al. 2006) Green marketing is an effective solution to environmental problems and this requires a good understanding of consumer purchasing behavior and also designing effective subsidy policies and marketing strategies. (Jo. et al. 2017)

### Preference For Green Products

New product development requires a good insight into customer preferences. The basis of the perceptions of the product value and the outcome of customer evaluations of the product benefits can be referred to as customer preferences. (Zeithaml, 1988) There is a steady increase in preference for green products as a greater emphasis is laid on issues related to deforestation and with an aim to reduce the carbon footprint. (Technavio Research. (8AD 2016)). Products that have a minimal detrimental impact on the environment during the entire life cycle are known as green

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products or environmentally friendly products (Ljungberg, 2007). Desired appearance, functionality, price, and consideration towards the environment throughout their lifetime of the product are desired qualities of a green product. (Kaebernick et al., 2003).

**Trust For Ecopreneurship**

Turst for ecopreneurship is a willingness to rely on an ecopreneur on the belief or expectation and ability about environmental performance. We refer to the attributes used to measure green trust in Chen (2010) to measure trust for ecopreneurship. Slight modification has been made to the statements used its measurement includes five items:

1. You believe that the ecopreneur’s environmental image can be relied upon.
2. You think that the ecopreneur’s environmental functionality is dependable.
3. You believe that the ecopreneur’s environmental are trustworthy.
4. The environmental performance of the ecopreneur meets your expectations.
5. The product is able to keep the promises made for environmental improvement.

**SIGNIFICANCE OF THE STUDY**

Ecopreneurship is a means by which the gap between the sustainably business practices and sustainable development can be closed. There is a great need for gaining a better understanding on the concept of ecopreneurship. This study explores the opportunities for ecopreneurs by identifying the green preference and the level of trust for ecopreneurship. This helps in gaining a better understanding about the possibilities for prospective ecopreneurs.

**STATEMENT OF THE PROMBLEM**

Ecopreneurship is a new approach of entrepreneurship to contribute towards sustainable development, there is a great need to understand the opportunities of ecopreneurship. The study focuses on identifying the green preferences of consumers and to assess their level of trust on ecopreneurship and thereby understand the opportunities of ecopreneurs. The study is conducted in Ernakulam, with special reference to FMCGs.

**OBJECTIVES**

1. To understand the level of preference for green products among consumers in Ernakulam.
2. To identify the major reasons for the preference towards green products.
3. To identify the level of trust among consumers for ecopreneurship in Ernakulam.
4. To analyze the opportunities in ecopreneurship in Ernakulam.

**RESEARCH METHODOLOGY**

**Data Collection:** - The study is purely based on primary data. Data was collected through a structured questionnaire from consumers during shopping. The variables Green Preference, Green Trust and Willing ness to purchase green products were measured using a Five Point Likert Scale.

**Sampling:** - Data was collected from a sample of 130 consumers from 10 supermarkets and 2 hypermarkets in Ernakulam out of which 8 of them were incomplete, 122 responses were used for the study.

**Data Analysis:** - Data was analyzed using percentage analysis and Average Ranking Analysis.

**RESULT AND DISCUSSION**

The study was conducted using the responses received from of 122 consumers. The following table provides the demographic details of the respondents.

**TABLE 1: Demographic Analysis**

Sl.No	Particulars	Classification	Numbers	Percentage
1	Age	18 – 25	25	20
		26 -45	30	25
		46 – 65	32	26
		Above 65	35	29
2	Gender	Male	57	47
		Female	65	53
3	Educational qualifications	Upto SSLC	8	7
		HSC	16	13
		Degree/Diploma	24	20
		Post Graduate	35	29
		Professional	20	16
		Others	19	15
4	Occupation	Self employed	29	24
		Private	72	59
		Government	21	17
5	Monthly Income	Upto 25,000	35	29
		25,001 – 50,000	46	38
		50,001 – 1,00,000	33	27
		Above – 1,00,000	8	6



The preference for green products over normal products was identified using the statement ‘ I prefer products that are ecofriendly and that are of no or less harm to myself and the environment’. It is observed that 64 percent of the respondents prefer green products over normal FMCG products.

The preference for green products among consumers were measured using the attributes appearance functionality, price and Green characteristics. The consumers were asked to mention the most preferred attribute of green products. It is observed that majority of the consumers prefer the attribute Green Characteristics ( 37%), followed by functionality( 30%).

**Table 2. Green Product Preference**

Sl.No	Attribute	Number	Percentage
1.	Appearance	23	19
2.	Functionality	37	30
3.	Price	17	14
4.	Green Characteristics	45	37

The major reasons for preference towards green products were identified using the technique of average ranking. The respondents were asked to rank the provided reasons for the preference towards green products. The main reason for preference for green products is identified to be Quality, followed by Environment Protection. The third major reason for the preference of green products is identified as Benefits

**Table 3 Average Ranking Analysis**

Ranks	4	3	2	1	Total	Mean	Rank
<b>Green Image</b>	33	30	14	45	122		
<b>Score</b>	<b>132</b>	<b>90</b>	<b>28</b>	<b>45</b>	221	1.81	4
<b>Environmental protection</b>	33	20	49	20	122		
<b>Score</b>	<b>132</b>	<b>60</b>	<b>98</b>	<b>20</b>	310	2.54	2
<b>Quality</b>	30	50	25	17	122		
<b>Score</b>	<b>120</b>	<b>150</b>	<b>50</b>	<b>17</b>	337	2.76	1
<b>Benefits</b>	26	22	34	40	122		
<b>Score</b>	<b>104</b>	<b>66</b>	<b>68</b>	<b>40</b>	278	2.27	3

The level of trust for green entrepreneurs were measured using five statements which were measures on a five point likert scale, the average of mean score for each statement was used to measure the level of trust. It can be inferred that majority of the consumers have a satisfactory level of trust on ecopreneurs - 3.45.

### FINDINGS

1. The level of preference for green products among consumers in Ernakulam is satisfactory, 64 percent of the respondents prefer green products over normal FMCG products.
2. Green Characteristics (37%) followed by functionality (30% ) are the attributes most preferred by consumers in green products.
3. The main reason for the preference towards green products is identified to be Quality, followed by Environment Protection.
4. The level of trust for ecopreneurs is satisfactory, 3.45 among the respondents.
5. The green preference and trust for ecopreneurship among the consumers in Ernakulam shows that there is opportunity for growth in ecopreneurship in the FMCG sector.

### SUGGESTIONS

1. The level of trust for ecopreneurship among consumers can be further enhanced by providing green products of better quality and functionality.
2. The ecopreneurs can improve their product preference by improving the green characteristics and the functionality of the products as these attributes are preferred most by the consumers.
3. The ecopreneurs can use their green innovations to enhance the green preference of the consumers.
4. The ecopreneurs can play an important role in contributing to a sustainable development by educating the consumers about the significance and benefits of ecopreneurship.

### CONCLUSION

The study was conducted to explore the opportunity for growth in ecopreneurship by identifying the green preferences and trust for ecopreneurship among consumers in Ernakulam, with special reference to FMCGs. The study reveals that there is a satisfactory level of green preference among the consumers. The attributes that are most preferred by the consumers in green products are, green characteristics and functionality. The major factor that contributes to the green preference of consumers as reported by the respondents is Quality, followed by Environment

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Protection. The level of trust for ecopreneurship is satisfactory. It can be understood that there is a scope for growth in ecopreneurship in Ernakulam.

#### **LIMITATIONS**

1. Study was based on the data collected during a period of two weeks.
2. The study considers only the preference for green products and trust on ecopreneurship. There are other factors including willingness to pay green premium and green purchase intention are not considered in the study.
3. The area of study was confined to Ernakulam, Kerala.

#### **SCOPE FOR FURTHER RESEARCH**

The study has focused on the opportunities for ecopreneurs in Ernakulam based on the green preference and the level of trust among consumers for ecopreneurs. There is a need for better understanding on the support systems available for the development of ecopreneurship. There is a need for a greater level of understanding about the aspects such as purchase intentions and willingness to pay green premium among the consumers.

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