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The Level of Awareness about Green Marketing Concepts Among Saudi Citizens

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ABSTRACT

Green marketing, defined as “the process of development, pricing and promotion of products that do not cause any damage to the natural environment”; started receiving wide acceptance since the early 1990s due to increasing concern for the environment. Though in the initial stages, the concern was focused mainly in the developed world, without much delay it got acceptance in all parts of the world. Now green marketing is part of the overall corporate strategy, and is an essential element that can enhance customer loyalty and increase market share. Green markets have the potential to boost the demand for environmental products in the Arab region, and present a host of opportunities and challenges. However, not many studies have been undertaken in this emerging area in the Arab region. The present study was intended to find out the level of awareness about green marketing in Saudi Arabia. Results revealed that customers in Saudi Arabia have a fair level of awareness about green marketing. No significant difference was found in the awareness level of the respondents based on various demographic factors like age, gender, residential status, and employment status. The study was conducted with a modest sample of 225. There is a definite scope of doing a study with a larger sample across a wide region.

Keywords: Green marketing, Green awareness, Saudi Arabia.

1. INTRODUCTION

The concept of sustainability has opened the floodgates of academic research in various areas. One such area that has been influenced by sustainability is the green movement. The green movement has been the prime-mover that facilitated the origination of a number of disciplines, prominent being “Green Marketing”. It was in the 1970s that concern for the environment, initiated by fears of the effects of exponential

growth in the use of finite resources of earth, started rising (Ottman, 1993; Peattie, 1992). This gave rise to various though processes, the prominent of which is “Green Marketing”. The first ever conference on Environmental Marketing was held by the United States Marketing Association (AMA) in 1975. However, it was only in 1980 that the concept of green marketing was introduced. According to AMA green marketing is the marketing brand or products that are lunched specially for environmental safety.

From early 1980s, customers started shifting their attention towards “green products” (Intel, 1991), and were willing to make a higher payment for going green (Hay & Lichter 2000). It was at this time that the environmental movement gained traction the world over, with consumers preferring products that cause less harm to the environment. Ever since, volumes of literature have been accumulated in this area, and it is still growing (Bhattacharya, 2011; Curlo, 1999; Lee, 2009; Intel, 1991; Rahbar & Wahid, 2011, Lee, 2008; DSouza, 2004).

It is interesting to have a peep into evolution of the concept of green marketing. According to Peattie (2001), the evolution consists of three distinct phases. The details of these phases are presented in Table 39. 1.

Table 39.1
Evolution of Green Marketing

<i>Phase</i>	<i>Nomenclature</i>	<i>Details</i>
1	Ecological marketing	In this phase, the concern for marketing activities was solely to address environment problems. Attempts were also made to suggest appropriate remedies for the various environmental problems.
2	Environmental marketing	In this phase the main focus was on clean technology. This included activities like designing innovative products that addressed pollution and waste issues.
3	Sustainable marketing	This phase that gained prominence in the early 2000s is more comprehensive than the other two phases.

Source: Peattie (2001)

Since, in the initial stages the consciousness about the environment and its adverse effected were limited to the consumers of developed countries (Curlo, 1999), green marketing concepts were limited to such part of the world. As a result, majority of the earlier studies on green marketing have originated from developed countries. However, now there is wide acceptance of green marketing around the globe, irrespective of being developed or developing (Peattie, 2010), including Saudi Arabia (Abdul-Muhmin, 2007). The main objective of the present study is to assess the level of awareness about green marketing among the citizens of Kingdom of Saudi Arabia.

2. REVIEW OF LITERATURE

The concept of green marketing has been defined in various ways. The American Management Association identified it as “marketing of products that are presumed to be environmentally safe”. McDaniel & Rylander (1993) defined it as “marketers’ attempts to develop strategies targeting the environmental consumer”. Coddington(1993), focussing on a different dimension defined it as “marketing activities that recognize environmental stewardship as a business development responsibility and business growth opportunity”. These definitions were narrow as they have focused only on certain aspects of marketing or a section of consumer. Peattie (1995) provided a better definition. According to him green marketing is:

“the overall management process which is responsible for identifying, anticipating and satisfying the requirements of customers and the community in a profitable manner, taking into account the principle of sustainability”.

It is considered as a holistic concept wherein the production, distribution, consumption and disposal of the product results in less damage to the environment; and at the same time contribute positively towards environmental sustainability. Green marketing, according to Pride & Ferrell (2009) is “the process of development, pricing and promotion of products that do not cause any damage to the natural environment”. A recent broad based definition was provided by Polonsky (2011), when he defined it as:

“all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment”.

According to Mintel (2014), in the US, around 12 per cent of the customers are considered “green” as they prefer only environmentally friendly goods. Around 68 per cent were named “light green” as they were found to be aware of such products. These customers buy green products sometimes. Overall it was estimated that one third of the American customers are willing to pay more towards green products (Hanas, 2007). The number of green consumers is now increasing at a rapid pace.

The concept is also referred to as “green consumerism”, “environmental marketing”, “sustainable marketing”, etc. Now green consumerism has opened up a host of new business avenues and firms are striving to improve their image as green marketers. Some consider green marketing as a twin edged weapon that offers “bottom-line incentives and top-line growth possibilities”. This is achieved through technologies that are environment friendly, and at the same time cost effective (Laughland & Bansal, 2011). For companies, green marketing has the potential to enhance customer loyalty and the overall market share. It is now part of the overall corporate strategy. Certain companies have gone one step ahead to create a sense of environmental value in customers. Through the creation of such environmental values, such companies have succeeded in creating eco-sensitive market segments. These segmentations have propelled the companies to be frontrunners in the markets they serve, and create an unchallenged niche market (Ottman, 1998). According to Eze & Ndubisi (2013), there is tremendous potential for the growth of green marketing domain, and firms that are involved in it are most likely to enjoy a certain level of competitive advantage, as they have an environmentally friendly nature and are social responsible. Further, green marketing has definite direct links with general industrial ecology concerns and environmental sustainability.

An organisation can have three ecological goals, viz. reducing resources use, recycling of products, packaging, etc., and strengthening ecological awareness among the customers. According to Minnikova (2013) to achieve the ecological goals, companies can choose various green marketing strategies like:

1. value–calculation processes like modern environmentally-friendly technology ideal for producing green goods,
2. appropriate management systems like decrease environmental influence, and
3. manufacturing of environmentally friendly products like eco-products, recycling of wastages, eco-packaging, etc.

However there is the flipside too. There are many social scientists who opine that Green marketing is yet to serve its intended purpose. Their argument in favour of this is that consumers mostly prefer green

product only “when all other things are equal”. In reality, it is observed that in most situations the “all other things” are seldom equal for the consumers. However, not all are pessimistic.

Two approaches to green marketing have been identified – defensive and assertive approaches. Defensive approaches are the ones that have the minimum government environmental regulations to protect themselves from penalties. Assertive approach focuses on the importance of the environmental performance. Both these approaches are different and use different marketing strategies (Darnall, 2008). Certain green campaigns educate people by spreading awareness about the issues in our environment (Menon & Menon, 1997). There are others that persuade consumers to buy their products by enhancing their brand name, by associating it with a social issue. Available evidences suggest that the demand for green products is driven by growing consumer awareness. There is also enough evidence to show that knowledge and certain important life events could create and increase attitudinal change towards environmental awareness and the resultant green behaviours. This awareness could in turn work to strengthen the knowledge further (Zhen, 2016). Keller (1993) presented a model, wherein the customer’s response to marketing activities was correlated with customer’s brand knowledge and brand awareness. According to this model an average consumer who is having low levels of knowledge and awareness of a green product will be less inclined to purchase it. Hackett (2000) is of the view that though there is increasing eco-awareness in almost all market economies, there are still considerable barriers to make consumers ecologically informed. Researchers attribute these barriers to the motivational and practical complexity of green consumption. Many studies have found out that consumers are becoming more aware about environmental products, and are willing to pay a premium for such products (Lee, 2008; Lee, 2009; Rahbar & Wahis, 2011). This is indeed a welcome sign.

The present study intends to know the level of green awareness in the Al-Kharj region of Saudi Arabia. Studies have also been undertaken in the Middle East region, including Saudi Arabia about green marketing and green awareness. A few such studies are reviewed in the following section.

Green Marketing Studies in the Region

According to the Economic and Social Commission for Western Asia (2011) green markets have the potential to boost the demand for environmental products in the Arab region. This could present the region with a host of opportunities and challenges. The opportunity is that such markets would provide the countries of the region with great opportunities for further trade. The challenges include the high costs associated with the various barriers that may they have to face during the transition period. Not many studies have been undertaken in the MENA region about Green marketing. However, there a quite a few studies that require mentioning. Alsmadi (2008) measured the environmental consciousness of customers in Jordan. A study by Almossawi (2014) examined certain environmental factors of the educated youth in Bahrain, and found that youth scored reasonable for attitude but low for knowledge, concern, and behaviour.

There are a few studies conducted in Saudi Arabia, which are worth mentioning. Alhassan & Muhmin (2006), using a sample size of 232, conducted a study to assess the willingness to perform environment friendly behaviour. Alsmadi (2007) studied the attitudes of customers regarding environmental consciousness and purchase behaviour. The study succeeded in establishing a relationship between the two variables. Another study by Abdul-Muhmin (2007) examined the willingness of consumers’ to be environmentally friendly. Alam, Almotariri & Gaadar (2012) studied the challenges and opportunities that are faced by green marketing in the Kingdom of Saudi Arabia. Alibeli & Johnson (2009) conducted a study in four Middle

East countries (Saudi Arabia, Bahrain, Jordan and Qatar) to find out the level of environmental concern. The study found that Jordanians displayed higher levels of environmental concern than the other countries. According to them this could be due to the fact that the other countries studied are big oil producers, and they consider that environmental issues may threaten their oil-based economic prosperity.

A study among Saudi students about their green awareness was conducted by Hello and Momani (2014). It measured consumer awareness about green marketing, and impact of this concept while making purchase decisions. The study found positive trend among youth towards buying green products and rationalization of consumption.

It was observed that though a few studies have been conducted among customers of Saudi Arabia, no research has been conducted regarding the level of customer awareness about green marketing. There is considerable research gap regarding consumer awareness impacting the concept of green marketing. The present work is a modest attempt to address this gap in literature.

Objective

The objectives identified for the study are:

1. To find out the level of awareness about green marketing in Saudi Arabia,
2. To asses if there exists any significant difference in the awareness about green marketing, based on various demographics

3. METHODOLOGY

The awareness level about green marketing was assessed using an eight item structured questionnaire. The items were drafted based on the available literature, and were intended to assess the level of awareness of the respondents about the construct. The questionnaire had a five point scale. It also had a section that elicited the demographics of the respondents. The questionnaire was administered on the samples directly. Data were collected from a sample of 225 respondents. The respondents pertained to various demographics, which is presented in Table 39.2.

Table 39.2
Demographic particulars of the sample

	<i>Demographics</i>	<i>Number</i>	<i>Per cent</i>
Gender	Male	159	70.66
	Female	23	10.22
	Did not respond	43	19.11
	Total	182	100
Age	19-28 years	143	63.55
	29-38 years	53	23.55
	39-48 years	18	08.00
	49-58 years	4	01.77
	No response	7	03.11
	Total	225	100

<i>Demographics</i>		<i>Number</i>	<i>Per cent</i>
Employment status	Employed	110	48.88
	Not employed	111	49.33
	No response	4	01.77
	Total	225	100
Residential status	Saudi National	189	84.00
	Expatriate	27	12.00
	No response	9	04.00
	Total	225	100
Income	Below 10,000 SAR	80	35.55
	10,000-20,000 SAR	93	41.33
	20,000-30,000 SAR	33	14.66
	30,000 SAR & above	11	04.88
	No response	9	04.00
	Total	225	100

From the table it can be seen that the sample pertained to various demographics, and hence can be considered to be representative in nature.

Reliability

Reliability provides the required precision for the testing instrument (Kerlinger, 1986). Only a reliable instrument can be considered to have the required validity. The internal consistency of reliability examines the consistency of the test scores within itself (DeVellis, 1991). Crocker & Algina (1986) is of the opinion that for having high reliability, there should be high inter-item correlations between the items. According to Hair et. al., (2006) the correlation of item-to-total should exceed 0.50. The item to total correlation scores of the test instrument was assessed and the same is presented in Table 39.3.

Table 39.3
Item to total correlation of the test instrument

<i>Item number</i>	<i>Correlation score</i>
1	.531
2	.712
3	.734
4	.683
5	.685
6	.761
7	.751
8	.734
Mean	27.98
Standard deviation	7.296

From the table it can be seen that all the r values are above .5. This denotes high levels of internal consistency. The internal consistency can also be assessed using Cronbach Alpha. According to Nunnally

(1978) the suggested α standard for internal consistency is .70. The Cronbach α of the testing instrument was assessed, and the value was found to be .848. This denotes high levels of reliability for the instrument.

Analysis and Discussion

The data has been analysed with the help of statistical techniques like *t*-test, ANOVA, etc., using SPSS. The results are presented in the following sections:

The respondents were categorised based on the level of awareness of green marketing. It was done based on the following:

1	Higher level of awareness	Mean + ½ Standard deviation
2	Medium awareness	Those with scores between high & low level of awareness
3	Low awareness	Mean – ½ Standard deviation

Based on the above formula, those having mean scores above 21.286 were considered as having high level of awareness. Those having mean scores below 6.694 were having low level of awareness. The details pertaining to the awareness level is presented in Table 39.4.

Table 39.4
Breakup of the sample based on awareness about green marketing

No	Level of awareness	Number	Percent	Mean	Standard deviation
1	High awareness	85	37.8	35.1	3.18
2	Medium awareness	69	30.6	28.2	2.10
3	Low awareness	71	31.6	19.4	4.23

It can be seen from the table that the sample is having fair awareness about green marketing. While 37.8 per cent had high level of awareness (with a mean of 35.1), 30.6 per cent had medium awareness (mean 28.2), and 31.6 per cent had only low awareness (mean 19.4). Combining the high and medium groups, it can be considered that 68 per cent of the samples are having a fair level of awareness about green marketing. This is indeed a welcome sign. Marketers could focus their attention in enhancing the level of awareness so that the customer loyalty can be built, without much effort, by bringing in green products.

It was also an objective of the study to find out if there exists any significant difference in the awareness about green marketing, based on various demographics. The *t*-values about green awareness of the respondents, based on demographics are presented in Table 39.5.

Table 39.5
Data and *t*-value based on demographics

	Particulars	Number	Mean	SD	<i>t</i> -value
Gender	Male	159	27.98	7.39	.757*
	Female	23	26.74	7.03	
Residential status	Resident	189	27.82	7.17	-1.175*
	Expatriate	27	29.56	7.23	
Employment status	Employed	110	27.84	8.03	-.413*
	Unemployed	111	28.24	6.55	

Note: *Not significant

It can be found from the table that there is no significant difference in the awareness level of the respondents based on demographics like gender, residential status, and employment status. However, the higher mean value of the males indicates that they are having higher levels of awareness. The expatriates were having higher levels of awareness than the Saudi nationals. One of the significant finding is that the unemployed are having higher levels of awareness than employed. This may be due to the fact the most of the unemployed are youth and due to better education levels, they may be exposed to the concept of green markets. However, further studies need to look into this aspect in a more in-depth manner.

The ANOVA for green awareness based on age is presented in Table 39.6.

Table 39.6
Table showing ANOVA based on Age

	<i>Sum of squares</i>	<i>Df</i>	<i>Mean square</i>	<i>F-value</i>
Between groups	702.600	4	175.65	3.443**
Within groups	11222.289	220	51.010	
Total	11924.889			

Note: **Significant at 0.01 level

The ANOVA value (3.443) of the analysis based on age revealed a significant difference at 0.01 level, denoting that there is significant difference between the different age groups for green awareness.

4. CONCLUSION

The present study looked into the awareness level of green marketing in the Al-Kharj region of Saudi Arabia. A study of this nature with the dimensions presented here has not been undertaken in the kingdom. The analysis of data has presented a mixed result. There is a definite need to enhance the green awareness of the people of Saudi Arabia, for with the major corporate have a big role to play. There are considerable evidences to suggest that knowledge and awareness influences behaviour. A number of studies have established a positive relationship between environmental knowledge and attitudes (Bedrons, 2007; Cheah& Phan, 2006; Sharifah et. al., 2005; Tilikidou, 2007; Yeoh and Paladino, 2007). The present study also found that the consumers of Saudi Arabia have a fair knowledge and awareness about green marketing. These findings augur well for marketers in Saudi Arabia.

However, much needs to be done in the country regarding environmental awareness and green marketing. The Environmental Performance Index (EPI) brought out jointly by the researchers of Yale and Columbia Universities, World Economic Forum, Geneva, and Joint Research Centre of the European Commission (EPI, 2012) has placed Saudi Arabia among the lowest level countries. For the sake of sustainable growth and clean existence of the planet, there is a definite need for Saudi Arabia to go in for increasing the awareness level of its citizens about green trends to adequately higher levels. As such concerted efforts by marketers, educational institutions and the appropriate governmental agencies will go a long way in enhancing the green awareness of the masses. The present study was conducted in the Al-Kharj region with a modest sample. A study with further higher sample, with more variables will help in bringing out a better picture about the concept. It is expected that more studies will be done in this interesting area.

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