Motivations for Green Consumption in an Emerging Market

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Abstract
This paper concerns with an assessment of green motivations in an emerging country like Pakistan. The renewable energy source is one of the most important topics of discussion during these days. The growing world population has increased energy consumption which is responsible for environmental hazards and global warming. Similarly, the dependence on fossil fuels has become a crucial challenge towards the requirement of energy sources. In this scenario, the demand for renewable energy plans has emerged and attracted the researchers and marketers to develop competitive and eco-friendly products. Pakistan is a developing country and facing enormous energy crises since last decade. Government of Pakistan has taken many initiatives but the issue is still not resolved. Therefore, renewable energy is one of the most feasible solutions to overcome this challenge. This paper seeks to identify peoples’ perception towards green consumption in Pakistan. Various factors including quality of life, environmental consciousness, quality and price, information and knowledge awareness have been taken as indicators which influence green consumption. A survey based questionnaire technique is used along with non-probability snowball sampling consisting of 511 responses from the larger cities of Pakistan. The results are quite significant and entails; these factors have positive effect over green product consumption in Pakistan. Further, it is argued that Pakistani market has a great potential and promising future for Green products.

Keywords: Green products, Green consumption, Green consumption, Sustainability, renewable energy, go green.

Introduction
The energy source is always considered to be a pivotal building block in the social and economic development of an economy. It is a critical element that provides input which strengthens the economy of a country by all means. All the developed nations are energy efficient and continuously struggling for more efficient ways of production. The increasing demand of energy has become a crucial challenge in today’s world. The unsustainable energy consumption leads to severe environmental issues including air pollution, waste generation, water issues, land pollution and most alarming global warming. Currently, we found ourselves totally dependent on conventional ways of energy production from fossil fuels which are expected to run out by 2015. These issues have compelled the society to change their consumption patterns and purchasing behaviors.

The rapid growth in global population and technological advancements has set a series of standards for the enhancement of better living standard. For that instance, consumers are more aware with the environmental issues and want to engage themselves in eco-friendly activities. Consequently, the phenomenon of green consumption evolved as a new paradigm in marketing discipline under contemporary consumer research for marketers and researchers. To overcome these challenges numerous researches have been taken in developed countries while only few efforts have been seen in developing nations like China and India. Lee (2008), argued green consumption research is relatively less in developing countries as compare to developed countries.

According to Kamran (2018), the emergence of renewable energy sources have attracted the researchers and marketers to develop more effective energy sources which must be eco-friendly and affordable. Presently, renewable energy sources including solar, wind power, hydro and bio mass replacing conventional energy sources coal, oil and gas etc. Ritter et al. (2015), explained green product refers to something which strives to protect or enhance natural environment by conserving energy or source which do not pollute or spread toxic agents or any kind of waste. Gleim et al. (2013), argued many companies and enterprises are investing in green products and marketing but green consumption is relatively slow. Polonsky (2011), favored the argument by stating people buying behavior of green consumption is low as expected.

The notion of green consumption started from early 70’s in western societies to overcome the adverse effects of pollution cultivated from industries and other energy consumption resources. The first American green brand introduced in early 80’s and exploded in American market (Elliott, 2013), (Kaufmann, Panni, & Orphanidou, 2012). According to Gleim et al. (2013) and Echegaray (2014), a declining trend observed in green product
consumption while there is only 4% market share of green products. Green consumption is considered to be a vital element in the environmental reforms and acknowledged by super national organizations like European Union. Khalil (2014), noted the EU has made a resolution which bounds member countries to produce at least 22.1% energy from the best renewable energy sources. Numerous studies are found estimating renewable energy potential in various countries to harness the usable form of energy from various sources. Mainly studies are on solar renewable energy (Uddin W, 2016).

Pakistan is a developing country comprising approximate 210 million populations. It is the 33rd largest country with area of 881,913 square kilometers. In the previous decade, the energy requirements have been increased significantly (Khalil & Zaidi, 2014). The policy of energy production failed badly which resulted 5201 MW shortfall as on June 2015 which was consistent since last five years (Kamran, 2018). Zafar et al. (2018), noted in 1980, hydro power energy share was 70% of total energy which had remained only 31% in 2009 due to political instability and lack of administrative measures. According to Zafar et al. (2018), Government of Pakistan took first initiative towards renewable energy plan in 2006 with purpose of creating energy mix and shifting burden from conventional energy sources to renewable. Conversely, the plan undergone lots of hurdles and challenges which resulted partial success.

In Pakistan hydro power energy is the main sustainable energy source contributing to the major energy requirements. 80% energy is produced from crude oil, hydel energy contributing 11%, coal producing 6% followed by nuclear energy 2% and LPG 1% (Zafar, Rashid, Khosa, Khalil, & Rashid, 2018). As per Khalil (2014), Government of Punjab in Pakistan is taking serious steps towards the development of renewable energy plans to overcome electricity shortfall. A 2000 MW project Quaid e Azam solar power company is completed with collaboration of Asian development bank. Furthermore, Chinese and Turkish companies have shown interest for investment in renewable energy plans. In this regard, China power investment (CPI Group) has signed four various projects covering 660 MW & 300 MW which will be installed at Lahore city and Bahawalpur.

Uddin et al. (2016) & Kamran (2018), argued, Pakistan is located at the region which has the highest isolation for solar energy systems. The world bank has mentioned different areas including Sindh, Baluchistan and some desert areas of Punjab which are very promising for Solar production. If solar energy programs are properly executed, then the energy crises can be eradicated and it will enhance the economic development of country.

**Why Green consumption?**

According to Zahari (2016), the burning of fossil fuels results ignition of carbon dioxide which is further responsible for global warming. Many countries are taking initiatives to reduce the adverse effects of fossil fuels by creating renewable energy plans. Likewise, UK government has set the target to reduce “greenhouse gas emissions” by 80% till 2050. Another reason to switching on renewable energy is cost. Most of the energy source is oil and gas while their prices are increasing day by day. Renewable energy plan will not only help in reducing energy cost but also to overcome oil dependence (Mei, Ling, & Piew, 2012).

Furthermore, following are the key benefits of switching to green consumption:

- Cheaper fuel bills as solar, wind power and hybrid sources are less costly.
- Cost efficient as compare to oil and gas prices.
- It will make environment clean by providing fresh air and reducing global warming.
- It also reduces respiratory diseases which normally spread through pollution.
- Rehabilitation of areas suffered from industrialization.
- It will lead to self-sufficiency in energy consumption which is essential for economic and social development.
- Less infrastructure required which results affordable distribution and consumption.

**Literature Review**

Green products have not been assigned official listings and classifications internationally. However, the World Trade organization’s committee of Trade and environment (CTE) have organized discussions and preliminary listings have been established for these products (Hamwey, Pacini, & Assunc, 2013). Dangelico & Pontrandolfo (2010), stated some characteristics of green products which include recycling of materials, materials which do not harm the environment, minimal packaging, lack of harm to health while satisfying genuine needs. According to Ritter et al. (2015), there are several elements which influence the population to perform green consumption. Quality of life, environmental...
consciousness, price and quality of products, knowledge and information and social context strongly influence the consumers to buy green products.

**The Theory of Planned Behavior**

Ajzen (1985), presented “theory of planned behavior” which was an extension of “theory of reasoned action” is a powerful tool in assessing human behavior and intentions towards the consumption of certain product and innovation. Ajzen (1985), enriches the concept by adding additional element of “perceived behavioral control”. The main intention behind this element was to examine the non-volatile behavior of individuals which force them towards actual behavior (Sheppard, Hartwick, & Warshaw, 1988). Norberg et al. (2007), stated intention to perform something always have positive relation with actual outcome and inclusion of various factors could refrain desired outcome. Further, it is argued that if someone has strong perceived behavioral control, there is more possibility of actual behavior in the same direction.

According to Albarracin (2001), “theory of planned behavior” better predicts behavioral intentions rather than “theory of reasoned action.” The theory is a strong analytical tool for assessing health related searches and the results are quite impressive. Hence, it is noted the theory is also used in examining the prosocial behaviors (Linden, 2011).

**Variables of the Study**

Quality of life is widely discussed phenomenon during these days. The main discussion over this topic is to provide a sound and healthy lifestyle without compromising on the health hazards (Ritter A. M., Borchardt, Vaccaro, & Pereira, 2015). According to Hamwey (2013), subsequent quality of life can trigger green consumption. Similarly, religiousness leads to personal satisfaction which is outside from view point of materialistic culture while materialism takes consumption as pleasure.

Environmental consciousness leads to shaping habits which minimize environmental effects. According to Hast et al. (2015), people who are concerned with environmental issues more tend towards green consumption. Lee (2008), further extended personal benefits are also correlated with environmental consciousness. Therefore, people will tend towards green consumption if they are having personal satisfaction at same (Jaiswal & Kant, 2018).

According to Lin & Huang (2012), perceived quality of green product may lead to intentions towards green consumption. According to Rogers, (2003), innovation plays a significant role in adoption. Some consumers are also willing to pay more for green consumption (Gleim, Smith, & Cronin Jr, 2013). More often, peoples’ perception regarding value of green products is different and can only be accessed in long run while (Dangelico & Pontrandolfo, 2010) believed, the green marketing can play crucial role in this scenario.

Information and knowledge is a key influential factor towards actual behavior. Roger, (1995), explained awareness is the only variable which is responsible for purchase intention. Green marketing role is crucial in the process of go green. The awareness of green products has been observed low in the market (Spangenberg, Fuad-Luke, & Blincoe, 2010). Therefore, it is suggested on various levels to communicate environmental benefits, health benefits and economic benefits in short and long run about green products (Baharoon, Rahman, & Fadhl, 2016); (Anvar & Venter, 2014).

Gerrard & Barton (2003), noted several studies have witnessed, a customer will more intend towards consumption of a product which is in line with his cultural values and subjective norms. Ajzen, (1985), further explained peer pressure from family, social circle and surroundings influences on the choice of particular consumption. Taylor & Todd (1995), argued social influence directly impacts on purchasing behavior. Sustainable energy sources could attract consumers towards green consumption in developing countries if it reduces poverty and hunger (Echegaray, 2014).

Furthermore, the implementation of green policies will spread a positive approach in social context of a region which will enhance green consumption (Sarumathi, 2014), (Langer, 2014), (Boztepe, 2012).

**Methodology**

This Section includes the layout of research process and planning. Following research model this study is intended to analysis.
From the above conceptual model it can be inferred that quality of life, Environmental consciousness, Quality and price, information and knowledge and social context effect the Green product consumption.

Data collection

A developed questionnaire is utilized to study the model. Questionnaire was adopted from Ritter et al. (2015). Population is the consumers of Pakistan. Though population is not known so study using non Probability sampling technique of snowball sampling. Sample space for the study is Lahore, Karachi and Islamabad which are three capital and most diverse populated cities of Pakistan. Sample size of the population is minimum 385 is required along with 5% margin of error. Questionnaire is distributed through social websites. Scale for all constructs utilized is 5 point Likert scale so OLS regression is supposed to be used. Study having normal constructs as reliability rest shows that all variables value is around .70. Total 511 responses were taken to conduct this study.

Results and Conclusion

<table>
<thead>
<tr>
<th>Variables in the equation</th>
<th>B</th>
<th>S.E.</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of life</td>
<td>.316***</td>
<td>.076</td>
<td>.000</td>
</tr>
<tr>
<td>Environmental consciousness</td>
<td>.015***</td>
<td>.023</td>
<td>.002</td>
</tr>
<tr>
<td>Quality and price</td>
<td>.155***</td>
<td>.043</td>
<td>.000</td>
</tr>
<tr>
<td>Information and knowledge</td>
<td>.211***</td>
<td>.051</td>
<td>.000</td>
</tr>
<tr>
<td>social context</td>
<td>.030**</td>
<td>.030</td>
<td>.017</td>
</tr>
<tr>
<td>Constant</td>
<td>.175</td>
<td>.161</td>
<td>.279</td>
</tr>
</tbody>
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Note: ***, **, * Indicate significant at 1%, 5% and 10% level of significance.

Variables in equation tables shows that all variables having highly positive significant relationship with green product consumption. Quality of life (.316), Environmental Consciousness (.015), Quality and price (.155), Information and knowledge (.211) are significant at 1% level of significance whereas Social Context (.030) is significant at 5% level of significance. Overall independent variables explains green production consumption 58%. Results are consistent with Ritter et al. (2015).

It can be understand that Quality of life is key factor as individual wants to enhance quality of life would be using green products for the better of society and tomorrow. Environmental Consciousness within individuals will verily shows the interest in better-ness of society. If quality and price of the product is same then more preferably people will consume green products. At the part of information and knowledge, they will have it more they will move towards green products more. Social context also cares about the society, people do care about tomorrow and influence each other in daily regarding this too. This study having implications for green products producers that if they could manage the price and quality they would be having better business. And to Policy makers’ that people will invest in their future. Awareness could move them towards better tomorrow.
References


