

## **Green Consumption or Green Confusion**

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*Green Marketing is a growing phenomenon that has evolved over the last few decades. Various organizations made attempts at defining terms and regulating behavior in the interest of protecting the consumer and fostering a spirit of fair competition. This paper uses the Theory of Reasoned Action (TRA) coupled with the bandwagon effect as a basis for examining the impact of green marketing on consumer behavior. The hypothesis that a bandwagon effect exists was examined using two groups (students and non-students). The results indicate that there is a bandwagon effect among non-students.*

### **INTRODUCTION**

According to the American Marketing Association, the actual term “green marketing” came into prominence in the late 80’s and throughout the 90’s. Everywhere consumers go, they are faced with green options, including things like reusable grocery bags, chemical free cosmetics and detergents, and even hybrid automobiles.

Despite the growing trend of green marketing, the Federal Trade Commission (FTC) has not updated its environmental advertising guidelines, known as Green Guides, since 1998. At that time, phrases like carbon footprint, renewable energy, and biodegradable were not common and were not properly defined. This means that today, ten years later, these terms are still being used without any official guidelines, making it difficult to examine and evaluate products that claim sustainable materials and carbon neutrality. This can leave consumers confused and even cause them to lose faith in claims altogether (Story, 2008).

#### **How Did We Get Here?**

The concept of ecological concern was composed of a buyer’s attitude that must express concern for ecology and s/he must indicate purchasing behavior that is consistent with maintaining the ecological system. Also of importance, the findings indicated the existence of a substantial segment that exhibits

little or no concern about pollution aspects of products. The authors felt that the ecological segment is perhaps best defined psychologically and that it may also be defined in terms of lifestyles.

Concern over the environment has evolved through several distinct phases. In the sixties, the ecology movement focused on pollution and energy conservation. In the nineties, environmental issues were used as a source of competitive advantage in business and politics. Individual and societal concerns over environmental issues became increasingly apparent to the casual observer when the twenty-first century drew near (Straughan & Roberts, 1999). This resulted in an expanded list of issues that fall within the domain of environmental responsibility.

### **How Do We Define Environmental Terms?**

Environmental terminology is a challenge to markets and marketing. It can be difficult to understand exactly what the terms mean and what the uses and misuses of each term are.

Some terms that have been defined by the United States FTC are recyclable, recycled content, compostable, biodegradable, and ozone friendly. According to The FTC there are restrictions on new terminology. For instance, the label “eco safe” is deceptive if it makes claims that have consumers think the product is good for the environment when these claims cannot be backed up. Another deceptive label is “ozone safe” (Rosch 2008). Another source for making environmental claims is ISO 14021:1999.

The Environmental Protection Agency (EPA) lists definitions for a number of terms. When we think environment protection one logical place to start is pollution prevention. To pollute “is to contaminate (an environment) especially with man-made waste” (Merriam Webster, 2012). Pollution prevention is defined as “source reduction and other practices that reduce or eliminate the creation of pollutants through: increased efficiency in the use of raw materials, energy, water, or other resources; or protection of natural resources by conservation. Source reduction is any practice that “reduces the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment (including fugitive emissions) prior to recycling, treatment, or disposal”. Source reduction also includes any practice that “reduces the hazards to public health and the environment associated with the release of such substances, pollutants, or contaminants. The term includes: equipment or technology modifications, process or procedure modifications, reformulation or redesign of products, substitution of raw materials, and improvements in housekeeping, maintenance, training, or inventory control.” (EPA 1999). “Recycled products are made from products that have been melted down or ground up and made into new products. Or they may have been made from materials that are used, reconditioned or remanufactured. If a product is labeled recycled because it contains used, reconditioned or remanufactured parts, the label also must say the product is “used,” “reconditioned” or “remanufactured” unless that fact is obvious to the buyer. If a label says “recycled,” it must tell the percentage of recycled content—unless it’s 100 percent. (FTC 1998).” “Ozone safe” and “ozone friendly” claims mean that neither the product nor its packaging harms the atmosphere by contributing to the depletion of the stratospheric (upper atmosphere) ozone layer or to the formation of ground-level ozone (FTC 2000). There are other terms such as compostable, degradable, reusable, designed for disassembly etc... that are defined by ISO 14021:1999 or the FTC and captured in other documents that provide guidelines for their use (European Commission 2000) (FTC 2010). There is wide recognition that additional guides need to be developed further as there is ambiguity over some terms and revisions to Green Guides have attempted to address them.

“Vague or general claims may sound warm and fuzzy, but generally offer little information of value. Claims that a product or service is “environmentally friendly,” “environmentally safe,” “environmentally preferable,” or “eco-safe” or labels that contain environmental seals — say, a picture of the globe with the words “Earth Smart” around it — are unhelpful for two reasons: First, all products, packaging and services have some environmental impact, although some may have less than others. Second, these phrases alone do not provide the specific information you need to compare products, packaging, or services on their environmental merits. Look for claims that give some substance to the claim — the additional information that explains why the product is environmentally friendly or has earned a special seal (FTC 1999).

There are attempts at educating and supporting the consumer and making companies more responsible. For example, Green Seal certified categorizes and approves products which help to identify environmentally friendly practices. The website [www.betterworldshopper.org](http://www.betterworldshopper.org) gives information on social and environmental responsibility of companies and is based on five years of research, has a database of over 1000 companies, and looks at human rights, community development, animal protection, and more.

The concept of the carbon footprint is gaining popularity. An individual's carbon footprint is basically the impact he or she has on the environment due to the carbon used during daily life. Worldwide, cities such as Newcastle, England; Wellington, New Zealand; and Vatican City are seeing the value of having a carbon-neutral footprint and are in the process of working in that direction. China and Abu Dhabi are building new cities that will not use petroleum products for power and public transportation.

There is a growing awareness of environmental issues, which is encouraging businesses and organizations to take actions such as those in China and Abu Dhabi in order to appeal to the general public. Some organizations offer incentives to their employees to reduce their carbon emissions. British led companies are providing employees with things such as bicycles, flexible work arrangements, and train tickets, in an effort to demonstrate their commitment to the reduction of carbon emissions.

Individuals can even act to reduce their carbon footprint. Currently, consumers can purchase carbon-offsets (Prescott & Taylor, 2008; Story, 2008). These offsets promise to use the consumers' money in a way that will reduce carbon emissions, for example planting trees. Ultimately, the emissions reduced should cancel out carbon that the individuals buying the offsets have produced, leading to carbon neutrality.

## **CONSUMER INTEREST**

The contributing factors to a consumer purchasing a green product versus a traditional version of the same product need to be identified.

Understanding consumer awareness can help explain consumer interest and behavior. Consumers today are generally more environmentally aware than in the past. In the 1990s' there was concern about acid rain. At that time, the United States created the Acid Rain Program which capped emissions from power plants and helped reduce the occurrences of acid rain (Prescott & Taylor, 2008). This program demonstrated that steps can be taken to help improve the environment and may have encouraged individuals to consider what they could do to make a difference. After this, greenhouse emissions came into view and received publicity in the mass media (D'Souza, Taghian, Lamb, & Peretiak, 2007).

Social-altruism and egoism may also play a role in influencing green behavior, as well as willingness to take political action. Several studies addressed the premise that consumers' attitudes and responses to environmental appeals are a function of the belief that individuals can positively influence the outcome to such problems. This attitude or belief is referred to as perceived consumer effectiveness (PCE). Findings have been fairly conclusive that PCE surpasses all other demographic and psychographic correlates examined (Straughan, 1999)

## **THEORY OF REASONED ACTION**

The Theory of Reasoned Action (TRA) is a general theory of human behavior that examines the relations among beliefs, attitudes, intentions, and behaviors (Ajzen & Fishbein, 1980; Fishbein, 1967; Fishbein, 1980; Fishbein & Ajzen, 1975). Beliefs, attitudes, intentions, and behavior are all related and can be used to predict what someone will or will not do. The Theory of Reasoned Action and its continued relevance today is shown in a variety of ways: Trafimow's (2009) "The Theory of Reasoned Action: A Case Study of Falsification in Psychology", Golan and Banning's (2008) "Exploring a Link Between the Third-Person Effect and the Theory of Reasoned Action: Beneficial Ads and Social Expectations", Baker, Morrison, Carter, and Verdon's (1996) "Using the Theory of Reasoned Action (TRA) to Understand the Decision to Use Condoms in an STD Clinic Population", Fishbein's (2008) "A

Reasoned Action Approach to Health Promotion”, and White, Charles, and Nelson’s (2008) “The role of persuasive arguments in changing affirmative action attitudes and expressed behavior in higher education”.

All of this comes together in helping to explain why attitudes do not always predict behavior, in that there is much more than attitudes affecting behavior. These concepts can help explain why many people express their support for “being green” and say that they care about the environment, but at the same time, they are not taking any steps to actually live in a green way. Beliefs are affected mostly by attitudes, experiences, feelings, and social norms. Concepts like subjective norms, perceived behavioral control, perceived personal outcome, and perceived social acceptance by others are important predictors of behavior (Wilson, 2008).

Many major corporations have embarked on green consumption initiatives. It is common to find green tag isles in supermarkets and department stores. This may have a bandwagon effect on the consumers who could buy green products just because it is the “in” thing to do and not because of their own beliefs system. The authors hypothesize that there is a bandwagon effect related to green marketing and the actions of consumers.

## METHOD

In accordance with TRA, a study was conducted. The survey used belief statements followed by six corresponding evaluation statements to determine respondents’ attitudes towards the behavior (purchasing and consuming green products). After that, six normative belief statements are listed with corresponding motivation to comply measures for three referent others (family, friends, and neighbors). This was to determine respondents’ subjective norm measures and their perceptions of the social pressure to purchase/consume green products. Respondents in both the student and non-student samples were instructed to indicate their level of agreement/disagreement with these statements using a 5-point Likert scale.

## DATA ANALYSIS AND RESULTS

To test for the bandwagon effect the authors correlated beliefs scores of both the student and the non-student sample to their actual green consumption behavior.

**TABLE 1**  
**CORRELATION MATRIX FOR THE STUDENT SAMPLE**

		B1	B2
Green consumption behavior	Pearson Correlation	.178**	.187**
	Sig. (2-tailed)	.002	.001
	N	301	302

**TABLE 2**  
**CORRELATION MATRIX FOR THE NON-STUDENT SAMPLE**

		B1	B2
	Sig. (2-tailed)	.000	
	N	202	202
Green consumption behavior	Pearson Correlation	.122	.148*
	Sig. (2-tailed)	.084	.036
	N	202	202

An examination of the above tables indicates that the student sample shows a statistically significant but small correlation between the beliefs and green consumption behavior. The non-student sample results are more indicative of the bandwagon effect hypothesized by the authors. Both the correlations are small in magnitude and one of them is weakly significant at the 0.1 level.

#### **CONCLUSION AND DIRECTION FOR FUTURE RESEARCH**

Our study indicates that there is a bandwagon effect among the non-student population in our survey. Continued research in this area includes additional analysis to determine what types of green marketing terms inspire an increased level of bandwagon effect when compared with other green marketing terms.

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