

**THE IMPACT OF GREEN MARKETING ON CONSUMER BUYING  
BEHAVIOUR IN MAJOR SUPERMARKETS IN NAIROBI COUNTY**

**BY**

**EVELYNE CHEBET MAIYWA**

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## **DECLARATION**

This research project is my original work and has not been presented for any award in any other university.

Sign: \_\_\_\_\_

Date: \_\_\_\_\_

**EVELYNE CHEBET MAIYWA**

**D61/60182/2010**

## **SUPERVISOR'S DECLARATION**

This research project has been submitted for examination with my approval as the University Supervisor.

Sign: \_\_\_\_\_

Date: \_\_\_\_\_

**MS CATHERINE NGAHU**

**SCHOOL OF BUSINESS**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**UNIVERSITY OF NAIROBI**

## **DEDICATION**

This project is dedicated to my loving husband, daughter, and my parents especially my late mother who was my key asset to success and supported me morally in my life. She gave me valuable strength and guidance to excel and achieve my dreams apart from the motherly care and struggle she, together with my father, went through to educate me. I humbly and kindly appreciate their support and prayers that led to the completion of this project within the stipulated timeframe.

## **ACKNOWLEDGEMENT**

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## **ABSTRACT**

In order to keep up with the changing business environment and consumer needs, many organizations around the globe have been forced to adopt green marketing practices for social responsibility issues. Preserving the environment has become the necessity of any competitive organization in the global market. Environmental friendly products with biodegradable packages are preferred by competitive companies in the global market. Adoption of green marketing practices by medium and large supermarkets in Kenya will enhance good company customer relations thus improved social responsibility. This study sought to establish the impact of green marketing on consumer buying behaviour in major supermarkets in Nairobi County-Kenya. In terms of methodology, the study adopted a descriptive cross sectional survey. The target population of this study consisted of 10 major supermarkets in Nairobi County, Kenya. Primary data was collected using semi-structured questionnaires with both close-ended and open-ended questions. The intended respondents of the study were selected from the consumers of the 10 major supermarkets operating in Nairobi County. Descriptive statistics were used to analyse the data collected from all the 10 supermarkets. The study also adopted multiple linear regression and Pearson correlation analysis to establish the relationship between variables of interest. The data collected was analyzed and presented in the form of, tables using frequencies, percentages, mean scores and standard deviation. The findings indicate that supermarkets endeavor to achieve some competitive advantage over their competitors in the dynamic business environment by using different marketing strategies that influence consumers to purchase green products and services. Green marketing strategy is one of the crucial strategies that cannot be left out by competitive organizations. Social responsibility has become the drive of any successful organization in the global market. It can be concluded that, product strategy, pricing strategy, promotion strategy and distribution strategy of any company should emphasize on green marketing practices.

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# CHAPTER ONE: INTRODUCTION

## 1.1 Background of the study

While globalization process continues in its full speed across the world, this has brought environmental problems that affect all living beings negatively. These environmental challenges have started to come to the agenda more and more in the recent years. Consumers now have worries about the future of the world and as a result of this, they prefer environment friendly products. Companies have started implementing their marketing strategies so as to increase awareness on green policies in their pricing, promotion, product features and distribution activities.

According to Peattie (2001), the evolution of green marketing has three phases. First phase was termed as "Ecological" green marketing, and during this period all marketing activities were considered to help solve environmental challenges and provide solutions. Second phase was "Environmental" green marketing and the focus shifted on clean technology that involved designing of innovative new products, which took care of pollution and waste issues. Third phase was "Sustainable" green marketing which came into origin in the late 1990s and early 2000.

Green marketing is a vital component of marketing research which began due to increasing pressure on firms to present eco-friendly behavior. The growth in green marketing over the years has been promoted by adoption of product packaging and presentation to the public. There has been a continuous improvement from environmental marketing practices as a result of legislations and pressure from environmental groups to genuine efforts to improve sustainable marketing plans and behaving in an eco-responsible manner (Polonsky and Rosenberger, 2001)

### **1.1.1 Concept of Green Marketing**

Green marketing can be defined as the effort by a company to design, promote, price and distribute products in a manner which promotes environmental protection (Polansky, 2011). It has also defined 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 occur with minimal harmful impact on the natural environment (Polonsky, 2011). Green or Environmental Marketing consists of 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.

There are self initiated projects as well as Non Governmental Organizations that were formed for environmental purpose. For example, there is The Environmental Trust of Kenya that was formed in 1997, with the purpose of empowering local communities on environmental issues. The organization also organizes cleanup activities along the Kenyan Coast. Many companies have realized the importance of the environment and have clearly been captured in their strategic plans. Chandaria Industries has a Strategic Business Unit that converts waste paper into a reusable product (Kalama, 2007). The obvious assumption of green marketing is that potential consumers will view a product or service's "greenness" as a benefit and base their buying decision accordingly.

The not-so-obvious assumption of green marketing is that consumers will be willing to pay more for green products than they would for a less-green comparable alternative product - an assumption that has not been proven conclusively (Polonsky, 2011). While green marketing is growing greatly as increasing numbers of consumers are willing to back their environmental consciousness with their shillings, it can be dangerous. The

public tends to be skeptical of green claims to begin with and companies can seriously damage their brands and their sales if a green claim is discovered to be false or contradicted by a company's other products or practices. Presenting a product or service as green when it's not is called green washing (Polonsky, 2011)

### **1.1.2 Consumer Buying Behavior**

Consumer behavior is defined as the behaviour that consumer display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs. Consumer behaviour focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption-related items that includes what they buy, why they buy, when they buy it, where they buy it, how often they buy it, how often they use it, how they evaluate it after the purchase and the impact of such evaluations on future purchases, and how they dispose of it (Bello, 2008)

The green consumer is generally defined as one who adopts environmentally friendly behaviors or who purchases green products over the standard alternatives. Green consumers are more internally-controlled as they believe that an individual consumer can be effective in environmental protection. Thus, they feel that the job of environmental protection should not be left to the government, business, environmentalists and scientists only; they as consumers can also play a part. They are also less dogmatic and more open-minded or tolerant toward new products and ideas. Their open-mindedness helps them to accept green products and behaviors, more readily (Shamdasani, 1993).

Making an environmentally friendly product is not enough by itself for a sustainable world. Environmental awareness is also needed in matters regarding consumption. Consumers also have important tasks in this matter as well as the people managing the marketing operations of the businesses. Consumers have started to support the

environment by using their purchasing power and with their post consuming responsibilities. The trend to use environmentally friendly products containing materials which are not harmful to environment and human health (i.e. green products) has become popular among consumers, thanks to this environmental awareness. Within this context, the people who aim to protect themselves and the environment with their purchasing power are identified as “green consumers” (Naturalhaber, 2010).

### **1.1.3 Supermarkets in Kenya**

A supermarket by definition is a departmentalized self- service store offering a wide variety of food and household merchandise. It is larger in size and has a wide selection of items compared to a grocery store, kiosk or shops. A supermarket occupies a large floor space either on a single level or an entire building with multiple levels. They are mostly situated near residential areas or in places of high population like towns and city center, in order to ensure convenience to consumers. Its basic appeal is the availability of broad selection of goods all under a single roof at relatively low prices. Other advantages include ease of parking and the convenience of shopping hours that extend far into the evening and even 24 hours operation (Bore 2007)

There has been a rapid growth and development of supermarkets in Kenya especially during the last two decades. Uchumi supermarket was the first supermarket to be developed in Kenya around 1975. Over the years supermarkets have come up such as Ukwala, Tuskys, Nakumatt, Naivas, Chandarana, Ebrahims, Eastmatt and many other supermarkets now spread throughout Nairobi county. According to a research conducted by Neven and Readorn (2005), it was found that between 1990 and 2003, supermarkets in Kenya grew by a rate of 18% per year. They also found that supermarkets spread from the capital to intermediate and small towns, with 44% of supermarket sales and 58% of

supermarket stores located outside Nairobi in 2003.

The supermarket industry in Kenya has certainly assisted many manufacturing firms, small businesses and producers of various commodities including farmers to dispose and sell their products effectively and efficiently to the benefit of all parties involved. Neven and Readorn (2005) observed that the growth of supermarkets has stimulated the rise of a new class of farmers. Their growing market share implies that they are becoming increasingly important as transformers of the marketing industry through job creation and economic value addition.

The retail sector, (which includes the supermarket) has portrayed a tremendous growth which serves as an important indicator to the country's growing economy Neven and Readorn, (2005).The variables within their environment have also exhibit change patterns and behaviors. The consequence of all these, has been an increased competition and rivalry among firms within this sector.

#### **1.1.4 Major Supermarkets in Nairobi County**

Nairobi being the capital city of Kenya since independence, it has attracted local and foreign investors in business. Supermarkets being one of the businesses that have attracted quite a number of investors, they can be categorized as key drivers of the Kenyan economy. Their business practices play a major role in social responsibility initiatives thus providing opportunities for the supermarkets to maintain long term relationships with their customers. This study concerns itself with the mainstream supermarkets within Nairobi County. These refer to those with fifty or more employees in their day to day operations and cover from 15,000 to 60,000 square feet in area (Ngatia 2000).

Supermarkets have revolutionized the products and are rapidly penetrating the urban retail food market in Kenya and spreading beyond the initial market niches to food markets of the lower income-groups (Ngatia, 2000). Having penetrated processed and staple food markets have recently begun to make inroads into fresh fruits and vegetables category (Mukuria 2011). In terms of the presence of supermarkets, Kenya is the second most advanced country after South Africa, with over 206 supermarkets and 18 hypermarkets (Economic Survey 2009).

There are at least six big Kenya owned supermarkets including Nakumatt, (which is the largest), Chandarana, Uchumi, Tuskys, Naivas and Ukwala which is the smallest of the giants (Njenga, 2006). There are at least 165 supermarkets and 13 hypermarkets in Kenya's cities and largest towns of Nairobi, Mombasa, Nakuru, Eldoret and Kisumu, (Economic Survey 2009). Supermarkets in Kenya (Nairobi) have moved on to create brand differentiations in order to position themselves and have also introduced customer loyalty cards and 24 hour shopping concept and price uniformity across outlets. All these have led to increased supermarket power.

### **1.1.5 Green Marketing Challenges Facing Supermarkets in Kenya**

A study by Kangis (1992), proposes that the challenges both for marketing specialists and for consumers, are due to several issues, such as the lack of an acceptable definition for green marketing, the absence of a clear understanding of cause-and-effect relationships in matters affecting the environment, and the overt and covert reasons for concern about such issues. He suggested that, in the hands of unscrupulous marketers, green marketing can turn into green gold.

Vasanthakumar & Bhatt (1993) suggested that, since inputs, manufacturing processes, distribution, use and disposal methods are decided during the design stage, any company

venturing out with a green marketing program must start with green design. They present source reduction and waste management strategies to cut down wastes, and also present a method to compare green design alternatives which can provide designers with guidance to select superior designs. As product must meet several criteria, they suggested concurrent rather than sequential product development approach and Concluded with tips for top management to improve green design in their organizations.

Although a large number of retail firms are practicing green marketing, it is not an easy job as there are a number of problems which need to be addressed while implementing Green marketing. The major challenges to Green marketing which have to be faced are New Concept, Cost factor, Attitudes, Appropriateness, Non-cooperation and avoiding green myopia. Green marketing is a new concept in Kenyan literate and the urban consumer is getting more aware about the merits of Green products. The consumer needs to be educated and made aware of the environmental threats.

The new green movements need to reach the masses and that will take a lot of time and effort. The second challenge faced by supermarkets in implementation of green marketing is Cost Factor. Green marketing involves marketing of green products/services, green technology, green power/energy for which a lot of money has to be spent on R&D programs for their development and subsequent promotional programs which ultimately may lead to increased costs.

The Third Challenge is Customers Attitudes; the customers may not believe in the firm's strategy of Green marketing, the firm therefore should ensure that they undertake all possible measures to convince the customer about their green product, the best possible option is by implementing Eco-labeling schemes. Eco-labeling schemes offer its approval to environmentally less harmful products. Eco-label program was initiated in Germany in



1978. Sometimes the customers may also not be willing to pay the extra price for the product.

Green marketing will be successful only in the long run. Hence the business needs to plan for long term rather than short term strategy and prepare for the same, at the same time it should avoid falling into lure of unethical practices to make profits in short term. The other challenge is non cooperation; The Supermarkets practicing Green marketing have to strive hard in convincing the stakeholders and many a times it may fail to convince them about the long term benefits of Green marketing as compared to short term expenses. Avoiding Green Myopia is another challenge faced by retail markets in Kenya. Green marketing must satisfy two objectives: improved environmental quality and customer satisfaction. Misjudging either or overemphasizing the former at the expense of the latter can be termed green marketing myopia.

## **1.2 Research Problem**

Green marketing is the process of selling products or services based on their environmental benefits. Such products or services may be produced and packaged in an environmentally friendly way. According to Uydaci (2002), Green marketing serves two purposes: to develop goods that can appeal to the consumer, reasonably affordable prices and environment-friendly products causing minimal damage and reflects an image of high quality, environmental sensitivity and hence production of products compatible with environment.

Green marketing is very essential for the sustainability of an organization these days. (Unruh and Ettenson, 2010). Although a large number of retail firms are practicing green marketing, it is not an easy job as there are a number of problems which need to be addressed while implementing Green marketing. The major challenges to Green

marketing which have to be faced are New Concept, Cost factor, Attitudes, Appropriateness, Non-cooperation and avoiding green myopia.

In Kenya, several studies on green marketing have been carried out in recent years. Kiongera (2003) carried out a research on green marketing practices in the cement industry, Obuya (2003) on determining the extent to which manufacturing firms in Nairobi practice green marketing, Kenyatta (2004) on eco-marketing in the service industry, while Kalama (2007) researched on Green marketing practices by Kenya petroleum refineries. Given the gaps poised by the above empirical studies. The aim of this study, by analyzing the impact of green marketing on consumer buying behavior in major supermarkets in Nairobi County will determine whether there is a significant relationship between them and if there is, to reveal direction and level of this relationship and hence to give advice to companies producing environment-friendly products.

This study provided insight into the response of major supermarkets operating in Nairobi County to consumer buying behavior by answering the following question: “What is the impact of green marketing on consumer buying behavior in major supermarkets in Nairobi County?”

### **1.3 Research Objective**

This study sought to establish the impact of green marketing on consumer buying behavior in major supermarkets in Nairobi County.

### **1.4 Value of the Study**

Companies that develop new and improved products and services with environment inputs in mind give themselves access to new markets, increase their profit sustainability, and enjoy a competitive advantage over the companies which are not concerned for the environment. There are basically five reasons for which a marketer should go for the

adoption of green marketing. They include opportunities or competitive advantage, corporate social responsibilities (CSR), government pressure, competitive pressure and cost or profit issues.

Organizations will through this study get an insight on how best to construct investment portfolio among other industry firms. Competitors will use the study as a tool to analyze weakness and strength of their opponents to enable them make decisions to outperform them. This study will provide a tool that will help firms not only in comparing future profitability with their opponents but also in making decisions that will enable them outshine their competitors. Regulators will be able to understand the importance of operational risk management to firm's performance, hence formulate rules that will make the preparation of financial statements to be more objective.

Organizations perceive environmental marketing to be an opportunity that can be used to achieve its objectives and have a moral obligation to be more socially responsible; Governmental bodies are forcing firms to become more responsible; Competitors environmental activities pressure firms to change their environmental marketing activities; Cost factors associated with waste disposal, or reductions in material usage forces firms to modify their behavior.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter presents a review of related literature on the subject under study presented by various researchers. This will include examining green marketing and consumer buying behavior, theoretical foundation, marketing mix and conceptual framework.

### **2.2 Theoretical Foundation**

According to Coddinton (1993) green marketing has been an important academic research topic since origin. Attention was drawn to the subject in the late 1970's when the American Marketing Association organized the first ever workshop on Ecological marketing in 1975 which resulted in the first book on the subject entitled Ecological Marketing by Karl Henion & Kinnear (1976). Peattie and Crane (2005) claims that despite the early development, it was only in the late 1980's that the idea of Green Marketing actually made an appearance because of the consumers growing interest in green products. Green marketing was given prominence in the late 1980s and 1990s after the proceedings of the first workshop on Ecological marketing held in Austin (1975).

According to Peattie (2001), the evolution of green marketing has three phases. First phase was termed as Ecological" green marketing, and during this period all marketing activities were concerned to help environment problems and provide remedies for environmental problems. Second phase was "Environmental" green marketing and the focus shifted on clean technology that involved designing of innovative new products, which take care of pollution and waste issues. Third phase was "Sustainable" green marketing. It came into prominence in the late 1990s and early 2000.

During 1990s, the concern for environment increased and resulted in to increasing challenges for the companies Johri and Sahasakmontri (1998). Dutta, B. (2009) stated that Green Marketing involves developing good quality products which can meet consumer needs and wants by focusing on the quality, performance, pricing and convenience in an environment-friendly way. Another study by Grant (2008) aims to look at how companies obtain a greener strategy and what is the future of green marketing. A study by Elam, (2011) proposes to determine the effect of green marketing tools on consumer's actual purchase behavior in case of Penang (Malaysia).

A survey was carried out on 250 Chinese, Malay, Indian and other races that represent the Penang population. Factor analysis, Cronbach alpha and multiple regressions were used to identify factors impact on Penang consumers actual purchase behavior. The result revealed that customer's trust in eco-label and eco-brand and their perception of eco-brand show positive and significant impact on their actual purchase behavior. Unruh and Ettenson (2010) believed that developing green products make sense for organization and the need to determine the best path forward. They introduced and described three broad strategies that companies can use to align their green goals with their capabilities: Accentuate: Strategy involves playing up existing or latent green attributes in your current portfolio. Acquire: Strategy involves buying someone else's green brand.

Architect: Strategy involves architecting green offerings building them from scratch. Green marketing mainly focuses on four issues. These issues are: first, importance of green marketing; second, impact of green marketing on firms' competitiveness and performance; third, improving effectiveness of green marketing. Green Marketing-Need In the present scenario, challenge is to keep the customers as well as consumers in fold and even keep our natural environment safe which is the biggest need of the time.

Companies may lose many loyal and profitable customers and consumers due to absence of green management. In today's innovative business world of high technology due to growing community and consumer interests in green and socially responsible products, increased community pressure on companies to internalize externalities, such as health issues, neighborhood amenity, climate change; environmental and governmental legalizations and initiatives; innovative technologies and approaches of dealing with pollution, improved resource and energy efficiency, and to retain old (loyal and profitable) customers and consumers, it is very much urgent to implement green marketing.

Further green management produces new environment friendly customers which lead to increase in sales and profits of an organization that leads to growth and development of business; it also leads to good public image of the organization. Government regulations around the globe are very strict and the whole world is talking about global warming, climate change and environment protection the companies would be left with no option but to adopt green marketing otherwise it might be too late to survive in the greener world.

### **2.3 Green Marketing**

Green marketing can be defined as the effort by a company to design, promote, price and distribute products in a manner which promotes environmental protection (Polonsky, 2011). Green marketing covers the overall brand of marketing activities undertaken by companies in a manner that they promote manufacture of products which have a positive impact on environment or alternatively reduce negative impact on the environment.

## **2.4 Consumer Behavior**

Kotler (1994) define consumer behavior as the behavior of individuals in regards to acquiring, using, and disposing of products, services, ideas or experiences. Consumer behavior also includes the acquisition and use of information. Thus, communication with consumers and receiving feedback for them is a crucial part of consumer behavior which is of great interest to marketers. Kotler (1994) highlighted the major factors influencing consumer buying behavior; these include Cultural, Personal, Psychological and Social factors.

Cultural factors include a consumer's culture, subculture and social class. These factors are often inherent in our values and decision processes. Social factors include groups (reference groups, aspirational groups and member groups), family, roles and status. This explains the outside influences of others on our purchase decisions either directly or indirectly. Personal factors include such variables as age and lifecycle stage, occupation, economic circumstances, lifestyle (activities, interests, opinions and demographics), personality and self-concept. These may explain why our preferences often change as our 'situation' changes. Psychological factors affecting our purchase decision include motivation, perception, learning, beliefs and attitudes (Kotler, 1994).

## **2.5 Green Marketing and Consumer Buying Behavior**

The consumer's world over in general and Kenya in particular are increasingly buying energy efficient products. In Kenya, around 50 % of the consumers prefer environmental-friendly products, and around 60 % may be considered healthy conscious (Kenyan Marketing Magazine, 2012) Therefore, green marketers have diverse and fairly sizeable segments to cater to. Many retail markets in particular major supermarkets like Nakumatt, Uchumi, Tuskys and Naivas have started realizing that they must behave in an

environment-friendly fashion and believe both in achieving environmental objectives as well as profit related objectives. Various regulations recently framed by the government to protect consumers and the society at large led to the adoption of Green marketing as a compulsion rather than a choice. For example, the ban of plastic bags in many parts of the country, and prohibition of smoking in public areas.

### **2.5.1 Environmental Awareness and Purchasing Green Product**

A consumer with environmental awareness can be defined as an ecologist who has grasped his/her self-efficiency against environmental pollution and has a sense of responsibility with respect to future generations and the whole humanity in his/her use of resources. Conscious consumers with environmental awareness can assess the presence of environmental resources, their cost of use as well as the impact of this use to the environment and to themselves (Babaoğul and Ozgun2008).

Aslan, conducted a survey on 400 university students at Kafkas University. According to this study, students are aware of green purchase and use of products that are harmful to the environment, features of the purchased product, superfluous packaging or wrapping, how to dispose of these products after using, even after the purchase that information about purchased product are important for student. Aslan (2007). Aracıoğlu conducted a survey study with 360 questionnaires in İzmir. According to this study, when environmental pollution and awareness of environmental protection increase, they affect consumer buying behavior. Also participants were aware of the importance of recycling for protecting the environment and the prevention of environmental pollution (Aracıoğlu and Tatlıdil, 2009).



### **2.5.2 Green Product**

Environmental pollution increased rapidly throughout the industrialization period leading to a great reaction which was born against products hazardous to the environment. When the hazardous contents of a product became one of the factors influencing the purchase decisions of consumers, businesses started to manufacture environmentally friendly or in other words green products and to create green product policies (Uydacı, 2002: 113). Grail Research conducted a survey on 520 US Green consumers in June 2009.

Target individual respondents were between the ages of 18- 65 years old, who were aware of green products and who had purchased green products in the past. According to this study, Consumers think of green products as those that minimize the impact on the environment (e.g. energy-efficient, recyclable, natural or organic). Only 30% of consumers consider reducing water usage to be a green practice Product labels and word of mouth are the primary sources of information about green products and companies for consumers (Grailresearch 2010).

### **2.5.3 Green Price**

A lower price caused by cost saving will encourage consumers to buy environmentally friendly products. When the demand for a product is price responsive, a lower price will be a more successful strategy for the company. When the price is held at the same level, positive properties of the product about the environment can be used as a competitive advantage element. In case the price of the product is higher, importance should be given to promotion of differentiated green product and also there should be consumers ready to overpay for the product. In this case, important thing is level of price Emgin and Turk (2004). Grail Research conducted a survey on 520 US Green consumers in June 2009. According to this study, consumers who never bought green products are deterred from

purchasing them because they are perceived to be too expensive. Price is the main reason consumers choose not to buy green products (Grailresearch 2010)

#### **2.5.4 Green Promotion**

Green promotion provides the opportunity for the consumer to get together with businesses showing environmental responsibility. The advertising policy aims to create an environmentally friendly business image in the eyes of the consumer and give message to consumers about the product. To achieve this goal, advertising campaigns, promotion, public relations and other marketing tools are adopted. This requires both internal and external communication (Uydaci, 2002). Shrum and others (1993) conducted a study on 3690 people, According to this study woman, both green buying variables are associated positively with the belief that advertising is insulting and the tendency to switch channels during advertising, suggesting that women who tend to buy green are more skeptical of advertising than women who do not. In contrast men's skepticism toward advertising appears to be unrelated to their green buying behavior (Shrum at al. 1995)

#### **2.5.5 Green Place/ Distribution**

Place represents the location where a product can be purchased. It can include physical as well as virtual stores. Some of the revolutions in marketing have come about by changing this marketing variable. Product distribution should be of the acceptable channels, and clearly and properly placed at environmentally safe place where there is no contamination whatsoever. For green businesses to be established and become competitively priced, companies have to ensure that their distributors are concerned of the environment and ascertain that they establish a green distribution strategy (EPA, 2007).

The choice of where and when to make a product available will have significant impact on the customers a company attracts. Very few customers will go out of their way to buy green products merely for the sake of it. Marketers looking to successfully introduce new green products should, in most cases, position them broadly in the market place so that they are not just appealing to a small green niche market, but the location must also be consistent with the image the company wants to project rather than being dominated or compromised by the image of the venue. The location must differentiate the company from its competitors. This can be achieved by in-store promotions and visually appealing displays or by use of recycled materials that emphasize the environmental and other benefits (EPA, 2007).

#### **2.5.6 Green Demographics**

A number of past studies have analyzed relationship between demographic variables and attitudes of consumers. Such variables, if significant in terms of statistics, offer easy and efficient ways for to segment the market and capitalize on green attitudes and behaviors for marketers. Roberts conducted a survey on 235 students in a big university in order to determine green consumer behaviors in the new century. As result of this study, psychographics appear to be more effective than demographics in explaining variation in college students' ecological awareness consumer behavior.

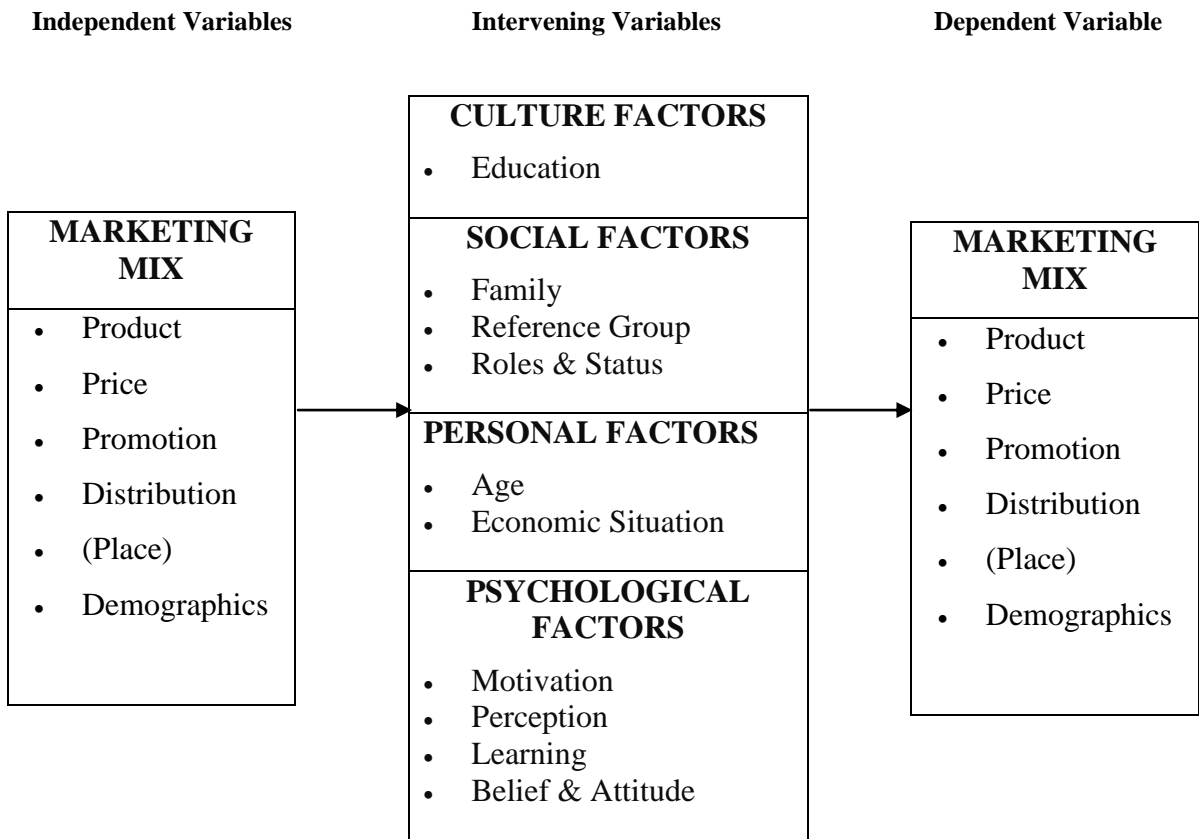
A person's belief that individuals can play an important role in fighting against environmental destruction is likely to be the driving force behind ecologically awareness consumer behavior. This relationship was held across samples of adult consumers and with college students in the present study, suggesting a stable green consumer profile. Diamantolopoulos and others (2003) conducted a study on 1697 questionnaires in Britain. According to this study, demographic variables were found insufficient to determine

green consumer profile.

However, according to this study women were more related to the environment and they display pro environmental behaviors. Married couples are more likely to have pro environmental behavior. There is a negative correlation between age and pro-environment attitude. There is a positive correlation between education, information and attitudes and behavior. However, in high social class, environmental information, quality, and participating in green activities were not supported Keleş (2007). Tilikidou ve Delistavrou (2008) conducted a survey in Greece with 420 household. As a result of this study, it was concluded that citizens who more frequently adopt pro-environmental non-purchasing behaviors are all highly educated people. These citizens are not many, neither strongly engaged in most of these behaviors.

The non-purchasing ecological behaviors are all positively correlated to recycling attitudes and locus of control. Recycling behavior was better predicted by recycling attitudes, while post-purchasing behavior and ecological activities were better predicted by the other behaviors. Consumers who were mostly involved in recycling and non-energetic, rather traditional activities were mostly influenced by their positive attitudes towards recycling as well as by their social responsibility. It was also found that those who were engaged in one type of the non-purchasing pro-environmental behavior were more likely to engage in another type as well (Tilikidou and Antonia, 2008).

**Fig 1: Conceptual Framework**



Source: (Author, 2013)

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter outlined the methods that were used by the study to achieve its set objective through presenting research design, a description of the population, data collection method and data analysis.

### **3.2 Research Design**

This study used exploratory research method. This is because it sought to gain insights and ideas as well as clarify concepts (Iacobucci & Churchill 2010). It enabled the researcher define the problem more concisely Kothari (2004). The problem under study being the impact of green marketing on consumer buying behavior in major supermarkets in Kenya?"

### **3.3 Population**

The populations that were observed in this study comprised the consumers from the 10 major supermarkets that are licensed and operated within Nairobi County (appendix iii). A list was obtained from the Nairobi City Council Department of Licensing which reveals supermarkets operating in this area. This study was a census study where customers of all the 10 major supermarkets were used to determine the problem under investigation. The sampling unit consisted of 4 consumers from each selected supermarket. Therefore, 40 consumers were used as a representative sample of the 10 supermarkets operating in Nairobi Kenya.

### **3.4 Data Collection**

The data collected was primary in nature. It was collected by way of a structured questionnaire (see appendix 2). The questionnaires were administered through personal

interview by the researcher to the respondents who were the consumers. The interviews were conducted on Saturday and Sunday afternoon when customers were relaxed. This method was preferred in this study due to the small size of the population which was conveniently reached and contacted and also due to the need to provide clarification where necessary.

### **3.5 Data Analysis**

The data collected in the research was edited, coded and entries made into made into statistical software (Statistical Package for Social Sciences, SPSS version 20). This involved converting quantitative (nominal and ordinal data) into numerical codes. Descriptive statistics was run which consisted of frequencies, percentages, means and standard deviation to summarize the data. The study also adopted multiple linear regression and Pearson correlation analysis to establish the relationship between variables of interest. Specifically, multiple linear regression analysis was used to determine the joint relationship between independent and dependent variables. The regression model was:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \varepsilon$$

Y = Consumer Buying Behaviour

$\beta_0$  = Y intercept

$\beta_1$  to  $\beta_5$  = regression coefficients

$X_1$  = Behaviour

$X_2$  = Price

$X_3$  = Product

$X_4$  = Promotion

$X_5$  = Place

$X_6$  = Demographic

$\varepsilon$  = error term

Pearson correlation analysis was determined if there was a relationship between the promotion mix strategies and growth. This included the nature, magnitude and significance of such relationship. Pearson Correlation analysis was conducted at 95% confidence level ( $\alpha = 0.05$ )

## **CHAPTER FOUR: DATA ANALYSIS, DISCUSSIONS OF RESULTS**

### **4.1 Introduction**

This chapter presents the analysis of the data collected and discusses the research findings on the impact of green marketing on consumer buying behaviour in major supermarkets in Nairobi County-Kenya. All completed questionnaires were edited for accuracy, uniformity, consistency and completeness. The response rate of 100% (10) supermarkets was achieved. This good response was attributed to the fact that quite a good number of the respondents interviewed were knowledgeable to fill the questionnaires. Summaries of data findings together with their possible interpretations were presented by use of frequency tables measuring responses in form of mean scores, percentages, frequencies, variances and standard deviation.

### **4.2 Demographic profile of the respondents**

#### **4.2.1 Educational level of Respondents**

The Respondents were asked to indicate their educational level.

**Table 4.1.1 Educational level of Respondents**

<b>Academic level</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Diploma	9	22
Degree	22	56
Postgraduate	9	22
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data.**

As shown in Table 4.1.1, slightly over half of the respondents (56%) were degree holders.

Another 22% of the respondents were diploma and postgraduate holders.



#### 4.2.2 Gender of Respondents

The Respondents were asked to indicate their gender.

**Table 4.1.2 Gender of Respondents**

<b>Academic level</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Male	20	50
Female	20	50
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data.**

As shown in Table 4.1.2, 50% of the respondents interviewed were male while 50% of them were female respondents respectively.

#### 4.2.3 Ages of the Respondents

The Respondents were asked to indicate their age.

**Table 4.1.3 Ages of the Respondents**

<b>Age(Years)</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Below 20 years	8	20
21-30 years	14	40
31-40 years	8	20
41-50 years	4	8
51 and above years	6	12
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Research data.**

As indicated in Table 4.3.1, 20% of respondents were aged below 20 years. 40% of them were aged between 21-30 years. 20% of them were aged between 31-40 years. 8% of them were aged between 41-50% and 12% of them were 51 years and above.

#### 4.2.4 Duration of Operation

Respondents were asked to indicate the duration which they have been buying products from the supermarket and their responses are summarized in Table 4.1.4:

**Table 4.1.4 Period of buying products**

<b>Period of buying products</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Up to 1 year	4	10
2 – 3 years	8	20
4 – 5 years	8	20
Over 5 years	20	50
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data.**

Table 4.1.4, shows that 50% of the respondents indicated that they have been buying products from the supermarkets for a period of more than 5 years. Another 20% of them had been buying products from the supermarkets for a period of 2-3 and 4-5 years. And still another 10% of them had been buying products from the supermarkets for a period of up to 1 year.

#### 4.2.5 Duration of supermarkets operation in Nairobi County

Respondents were asked to indicate the duration which the supermarket had operated and their responses are summarized in Table 4.1.5:

**Table 4.1.5 Duration of supermarkets operation in Nairobi County**

<b>Duration of Operation</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Less than 5 years	8	20
5 – 10 years	8	20
11 – 15 years	20	50
16 – 20 years	4	6
Over 20 years	0	0
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data.**

Table 4.1.5, shows that 50% of the respondents indicated that their supermarkets had operated for a period of less than 11-15 years. Another 20% of them had operated for a period of 5-10 and less than 5years. And still another 6% of them had operated for a period of 16-20 years.

#### **4.2.6 Size of the Supermarket**

The respondents were further asked to mention the size of their supermarkets and they gave the answers depicted in Table 4.1.6:

**Table 4.1.6 Size of the Supermarket**

<b>Size of the Supermarket</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Small Sized Supermarket	10	20
Medium sized supermarket	10	20
Large Sized Supermarket	20	50
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data.**

As shown in Table 4.1.6, 50% of the respondents indicated that the supermarkets were large sized in the market. Another 20% of them indicated that the supermarkets were medium and small sized in the market. Both of them indicated that this was due to the market share held by the supermarkets and management structure

### 4.3 Green Marketing

The respondents were asked to indicate whether they understood green marketing. Their answers are summarized in Table 4.1.7:

**Table 4.1.7 Understanding Green Marketing**

<b>Understanding Green Marketing</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Yes</b>	<b>40</b>	<b>100</b>
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data.**

As shown in Table 4.1.7, a 100% of the respondents indicated that they understood green marketing practices even though it was not a common practice in the Kenya industries. Most of the respondents associated green products with environmental friendly products that did not cause or caused less harm to human life. Some indicated that green products are symbolized by green color meaning the environment.

### 4.4. Application of Green marketing practices

The respondents were asked to indicate the extent to which they applied green marketing.

**Table 4.1.8 Application of Green marketing practices**

<b>Extent of applying Green Marketing practiced</b>	<b>Frequency</b>	<b>Percentage (%)</b>
No	30	90
Yes	10	10
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data**

As shown in Table 4.1.8, a large majority (90%) of the respondents indicated that supermarkets in Nairobi did not apply green marketing practices due to high costs associated while 10% of them indicated that they applied green marketing for social responsibility issues.

#### **4.5 Knowledge of Green Product**

The respondents were asked to indicate their knowledge on green products. Their responses are presented in Table 4.1.9:

**Table 4.1.9 Knowledge of Green Product**

<b>Knowledge of Green Product</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Yes	40	100
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data**

As shown in Table 4.9.1, 100% of the respondents indicated that they had knowledge on green products and some even went ahead to give examples of green products.

#### 4.6 Source of Knowing Green Product

The respondents were asked to indicate the source of knowledge on green products. Their responses are presented in Table 4.1.10:

**Table 4.1.10 Source of Knowing Green Product**

<b>Source of Knowing Green Product</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Through online and television advertising	30	75
By using an apple product that are distributed by company	0	0
By receiving gift vouchers	0	0
Through your friends	10	25
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data**

As shown in Table 4.1.10, majority of the respondents interviewed indicated that they got to know about green products through online and television advertisements which emphasized on green colours in product adverts. While 10% indicated that they knew green products through friends. None indicated knowing the green product by using an apple product that is distributed by company or receiving gift vouchers since the approaches were expensive to the supermarkets.

#### 4.7 Frequency of buying Green Product

The respondents were asked to indicate the frequency of buying green product. Their responses are presented in Table 4.1.11:

**Table 4.1.11 Frequency of buying Green Product**

<b>Green Product</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Yes	40	100
No	0	0
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data**

As shown in Table 4.11.1, 100% of the respondents indicated that they bought green products from the supermarkets because of emphasize by the supermarkets to consumers and regardless of the high cost of purchasing green products.

#### **4.8 Primary Consumptive Purpose of Buying Green Products**

The respondents were asked to indicate the primary consumptive purpose of buying green products. Their responses are presented in Table 4.1.12:

**Table 4.1.12 Primary Consumptive Purpose of Buying Green Products**

<b>Primary Consumptive Purpose of Buying Green Products</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Health Purpose	34	90
Better taste	2	10
Gift giving	2	10
Trial Purpose	2	10
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data**

As shown in Table 4.1.12, 90% of the respondents indicated that their primary consumptive purpose of buying green products was due to health purposes while 10% of the respondents said were due to better taste, giving gifts, and trial purposes.

#### 4.9 Reason that would influence the purchase of green products

The respondents were asked to indicate reasons that influenced them to buying green products. Their responses are presented in Table 4.1.13:

**Table 4.1.13 Reason that would influence the purchase of green products**

<b>Factors that influence the purchase</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Price	10	25
Reliability	10	25
Availability	10	25
Brand Awareness	4	10
Product awareness	4	10
Interest	2	5
Other	0	0
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data**

As shown in Table 4.1.13, 25% of the respondents indicated that, the reason behind their purchase of green products was the price, reliability and availability of the product in the market. 10% of the respondents indicated that, brand awareness and product awareness of the product influenced them to purchase green products. 5% of them indicated that they were influenced by their interests.

#### 4.10 Frequency of Buying Green Product

The respondents were asked to indicate their frequency of buying green products. Their responses are presented in Table 4.1.14:



**Table 4.1.14 Frequency of Buying Green Product**

<b>Frequency of Buying Green Product</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Once a month	4	10
Twice	8	20
Within 3 months	8	20
More than 3 month	20	50
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data**

As shown in Table 4.1.14 50% of the respondents indicated that they take a period of more than three months to purchase a green product since they were unavailable in supermarkets. 20% of them indicated that they bought green products twice a month due to health benefits. 20% of them indicated that they bought green products within a period of three months due to the cost associated with the products while 10% of them bought the green products once a month due to cost of the products.

#### **4.11 Value of Green Marketing**

The respondents were asked to indicate the value of green marketing. Their responses are presented in Table 4.1.15:

**Table 4.1.15 Value of Green Marketing**

<b>Extent</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Strongly agree [5]	28	88
Agree [4]	12	12
Neutral [3]	0	0
Disagree [2]	0	0
Strongly disagree [1]	0	0
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary Data**

As shown in Table 4.1.15, 88% of the respondents strongly agreed that green marketing is of great value to consumers as the initiatives were to protect the environment and production of quality products to consumers. 12% of them also agreed that green marketing practices play a key role in promoting social responsibility. None of the respondents indicated neutral, disagree or strongly disagree respectively.

#### **4.12 Role of Green Marketing in solving environmental problems**

The respondents were asked to indicate the role of green marketing in solving environmental problems. Their responses are presented in Table 4.1.16:

**Table 4.1.16 Role of Green marketing in solving environmental problems**

<b>Extent</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Strongly agree [5]	28	88
Agree [4]	12	12
Neutral [3]	0	0
Disagree [2]	0	0
Strongly disagree [1]	0	0
<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Primary data**

As shown in Table 4.1.16, majority of the respondents (88%) indicated that green marketing play a major role in solving environmental pollution thus promoting social responsibility between the supermarkets and the community. 12% of them also agreed that green marketing practices play a key role in reducing environmental pollution. None of the respondents indicated neutral, disagree or strongly disagree respectively.

#### 4.13 Frequency of application of Green Marketing Strategies by the Supermarkets to influence consumer buying behaviour

The respondents were asked to indicate green marketing strategies applied by the supermarkets to influence consumer buying behaviour. Their responses are presented in Table 4.1.17:

**Table 4.1.17 Frequency of application of Green Marketing Strategies by the Supermarkets to influence consumer buying behaviour**

Green marketing Strategies	N	Very important [4]	Moderately Important [3]	Slightly Important [2]	Not important [1]	Total (%)	Mean
Product packaging	40	41.5	36.6	14.6	7.3	100	4.90
Disposal of products waste	40	48.6	4.9	43.9	2.4	100	4.44
Educating customers on environmental matters	40	43.9	7.3	46.3	2.4	100	4.41
Participation in environmental cleaning	40	68.2	7.3	48.8	2.4	100	4.37
Production of posters and adverts reflecting environment concern	40	4.9	43.9	31.7	19.5	100	4.37
Sponsoring of environmental conservation activities	40	2.4	7.3	48.8	68.2	100	3.32
Incorporation of environmental concern in your marketing policies	40	0.00	26.8	29.3	43.9	100	3.26
Embed environmental concern in your supermarket values	40	7.3	36.6	14.6	41.5	100	3.22

**Source: Primary data.**

As shown in Table 4.1.17, the respondents mentioned that Product packaging strategy was considered important by the consumers with a mean of (4.90). Disposal of products

wastes was considered an important strategy by the consumers and was ranked second with a mean score of (4.44). Educating customers on environmental matters was considered important by the consumers and was ranked third with a mean of (4.41). Participation in environmental cleaning was considered important by the consumers and was ranked fourth with a mean score of (4.37). Production of posters and adverts reflecting environment concern was considered important and was ranked fifth with a mean of (4.37). Sponsoring of environmental conservation activities like tree planting exercises was considered important and was ranked sixth with a mean of (3.36). Incorporation of environmental concern in marketing policies of the supermarket was considered important and was ranked seventh with a mean of (3.26). Embedded environmental concern in the supermarket values was ranked eighth with a mean of (3.22).

## **CHAPTER FIVE: SUMMARY, CONCLUSIONS, DISCUSSIONS AND RECOMMENDATIONS**

### **5.1 Introduction**

This study sought to find out the impact of green marketing on consumer buying behaviour in major supermarkets in Nairobi County-Kenya. In addition, this chapter outlines; summary of the findings, conclusions, discussions, recommendations, policy recommendations, limitations of the study and suggestion for further studies

### **5.2 Summary of the Findings**

This study sought to establish the impact of green marketing on consumer buying behaviour in major supermarkets in Nairobi County-Kenya. Green Marketing strategies are crucial for every business for it to survive the current economic turbulent and environmental challenges. To achieve objectives like profit maximization, offsetting costs of operations, business survival and gaining competitive advantage in the market, organizations need to focus on green marketing practices for the benefit of the society. Social responsibility by companies promotes benchmarks of competitive companies in the global market.

It was established that most of the respondents understand green marketing but they perceived the concept as a practice of well developed countries since they had adequate technology and policies of managing waste disposal. In Kenya this was a concept that will take decades to be realized due to cost implications associated with green marketing strategies. Regardless the policies developed by Kenya National Environmental Authority, little emphasize is put on green marketing by many supermarkets in order to minimize costs and maximize profits. Policies that were in place were not reinforced by different stakeholders due to little understanding of the concept of green marketing.

It was established that application of green marketing practices by supermarkets was uncommon practice since it was associated with additional costs to consumers in the market. Product packaging, disposal of products wastes, educating customers on environmental matters, and participation in environmental cleaning were green marketing strategies that were not followed by supermarkets in Nairobi. Top management of the supermarkets perceived the green marketing practice as a cost to the organization and did not embrace the environmental conservation culture to the values of the organization. Inadequate trainings and awareness concerning environmental conservation to employees was not reinforced by top level managers.

Consumers had inadequate knowledge on green products due to lack of adequate awareness by the supermarkets and relevant authorities to consumers concerning the concept of green marketing. The only source of knowing green products was through the television. This also was a disadvantage to the consumers who did not have a television. It was evident that supermarkets did not use appropriate media to sensitize consumers on green products.

It was established that consumers take a long period of time to purchase green products even though they had knowledge on green products. It was also established that the primary consumptive purpose of buying green products was due to health issues and environmental conservation purposes. The reason that was behind the consumer purchase of green products was the price, reliability and availability. Other factors that influenced consumer buying of green products were product and brand awareness.

Consumer frequency of buying green products took some time before repeat purchase was experienced due to the cost associated with the product. It was established that green marketing play a major role in promoting environmental conservation initiatives and

social responsibility between the company and the consumers. The study established that the role of green marketing in solving environmental problems was considered crucial by the respondents. This was due to the initiative of producing green products, green pricing, green distribution, and green promotion practices by supermarkets.

The frequency of application of green marketing strategies by the supermarkets to influence consumer buying behaviour was highly valued by the supermarket management but little was done to implement the practices due to costs associated. Some of the green marketing practices that were suggested included; product packaging, disposal of products waste, educating customers on environmental matters, participation in environmental cleaning, production of posters and adverts reflecting environment concern

The study established that most of the supermarkets did not put more emphasize on environmental conservation due to high costs that are associated with packaging materials. The study established that inadequate reinforcement of environmental policies by the supermarkets contributed to slow adoption of green marketing practices among the supermarkets. Due to lack of top management support in terms of financial budget posed a major challenge to implementation of green marketing practices. Reinforcement of environmental policies by supermarkets and inadequate support from the management contributed to slow adoption of green marketing practices. Inadequate environmental campaigns by NEMA were another challenge of effective implementation of green marketing practices.

### **5.3 Conclusions**

The findings indicate that supermarkets endeavor to achieve some competitive advantage over their competitors in the dynamic business environment by using different marketing strategies influence consumers to purchase products and services. Green marketing strategy is one of the crucial strategies that cannot be left out by competitive organizations. Social responsibility has become the drive of any successful organization in the global market. It can be concluded that, product strategy, pricing strategy, promotion strategy and distribution strategy of any company should emphasize on green marketing practices. For companies to gain competitive edge in the global market, green marketing practices should be institutionalized in both small and large organizations based on organizational culture.

This study suggests that marketing like other functional areas of a business contribute to environmental concerns facing the world today. Therefore, it has a role to play in looking for solutions to these environmental problems. The study further suggests that marketing through green marketing and specifically green marketing strategies is addressing the challenge with positive outcomes of improved organizational performance and better physical environment. It can be concluded that green based products create less waste, use fewer raw materials, and saves energy.

Companies that are first to put their environmental innovation on the shelves enjoys competitive advantage. Green based products are higher in quality in terms of energy saving, performance, convenience and safety. Green products offer consumers with the benefits of healthier, more fulfilled lives and power to make the world a better place and well co-ordinate. Use of all green marketing strategies will result in better physical



environment in terms of reduced air and water pollution, waste energy depletion, global warming, deforestation, depletion of natural resources, and rate of landfills.

It is concluded that if a proper mechanism is put in place in regard to investment in green marketing by supermarkets operating in Kenya, supermarkets in the global market will gain competitive advantage in the market thus contributing to social economic developments in Kenya. Training of staff, capital advancement and in reasonable terms, good business operating environment and good business practices, the supermarket industry in Kenya will contribute to social economic developments of the Kenyan people both in rural and urban settings. Environmental conservation will enhance the living standards of the people thus minimal global warming challenges.

Manufacturers of consumer goods face various problems when they attempt to integrate environmental attributes into their marketing mix. The inclusion of environmental issues in the marketing mix is often motivated by the organization's desire to address consumers' increased level of environmental awareness. However, producers face problems when they attempt to utilize environmental marketing like: a lack of credibility, consumer cynicism and consumer confusion over claims.

Strategic alliances with environmental groups can assist manufacturers of consumer goods to overcome these problems, as well as provide other advantages, including increased access to environmental information, increased access to new markets, publicity and reduced public criticism and education of consumers about key environmental issues relating to a firm's product. To achieve these benefits, producers need to follow a careful selection process when choosing an environmental strategic alliance partner. This selection process includes determining alliance objectives, specifying outcomes desired and determining the fit between the organization,

environmental group and target market.

#### **5.4 Discussions**

Green marketing focuses on undertaking all marketing activities while protecting the environment. On the other hand sustainable development demands that the future generations inherit the natural environment in the same state or better as inherited by the previous generations. This calls for the protection and improvement of the environment. Green marketing mix strategies include developing green-based products, green logistics, green promotion, green pricing and green consumption.

The general strategies are not limited to marketing discipline but may be used by marketing as well as other functional areas of organization in dealing with problem of sustainability. They include; adoption of eco-marketing orientation as a business philosophy, government intervention, undertaking life-cycle analysis and teaming up for success (Polonsky et al, 1997). It is the task of the marketer to redirect the needs of the consumer towards consumption that is ecologically least harmful.

Government and Social organizations should compel all the organization to practice Green Marketing for sustainable development. Customers too will be ready to pay premium price for green products. Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigor as it has societal and environmental dimensions. Marketers also have the responsibility to make the stakeholders aware about the need and the advantages of green products.

The green marketers will have full support of the Government, and the consumers also will not mind paying more for a cleaner and greener environment. The success of organizations in green marketing or sustainable marketing lies on reorganization,

restructuring and redesigning of many processes and systems within the organization. Like total quality management, sustainable marketing requires the involvement of employees from all functional areas, including marketing, production, procurement, accounting and information systems (Polonsky et al, 1997).

## **5.5 Recommendations**

### **5.5.1 Policy Recommendations**

The study found out that most of the respondents understood green marketing and green products but they perceived the concept as a practice of well developed countries since they had adequate technology and policies of managing waste disposal. Therefore, this study recommends supermarkets to use appropriate channels of communication to create adequate awareness of green products to consumers including the radio, social media, print media, and outdoor publicity.

The study found out that application of green marketing practices by supermarkets was uncommon practice since it was associated with additional costs to consumers in the market. Therefore, this study recommends that the Government to reinforce the practice by using relevant authorities like Kenya National Environmental Authority to ensure supermarkets adopt green marketing practices. The study found out that Product packaging, disposal of products wastes, educating customers on environmental matters, and participation in environmental cleaning were green marketing strategies that were not followed by supermarkets in Nairobi. Therefore, this study recommends that Government intervention initiatives to be put in place to enable supermarkets to package their products with biodegradable materials and educate consumers on green products using appropriate media channels.

The study found out that top management of the supermarkets perceived the green marketing practice as a cost to the organization and did not embrace the environmental conservation culture to the values of the organization. Therefore, this study recommends that, top management of supermarkets should be in the front line to institutionalize green marketing culture to the organization. The study found out that consumers had inadequate knowledge on green products due to lack of adequate awareness by the supermarkets and relevant authorities to consumers concerning the concept of green marketing. Therefore, this study recommends that consumers need to be sensitized about green products by supermarkets by social responsibility programmes.

The study found out that consumers took a long period of time to purchase green products even though they were partially knowledgeable on green products. Therefore, this study recommends that continuous awareness to be done to consumers on green products for them to continue to purchase the green products. The study found out that the reason that was behind the consumer purchase of green products was the price, reliability and availability. Therefore, this study recommends reasonable prices to be fixed by supermarkets on green products to encourage consumption.

The study found out that the frequency of application of green marketing strategies by the supermarkets to influence consumer buying behaviour was highly valued by the supermarket management but little was done to implement the practices due to costs associated. Therefore, this study recommends the Government need to reduce taxes on green products to encourage consumption.

The study found out that most of the supermarkets did not adopt green marketing at a very great extent due to high costs experienced in terms of packaging products, sponsorship, environmental cleaning and advertising. Therefore, this study recommends

government intervention in regulating taxes imposed on packaging materials thus promoting environmental conservation. The ministry of environment and natural resources should reinforce green marketing practices through monitoring activities of supermarkets in the competitive business environment. It is recommended that the Government should provide stimulus to encourage and support the manufacturers who are manufacturing green products by providing subsidies. Awards and recognition should be given to those who successfully practice green marketing by NEMA which becomes a motivating factor for others to implement it.

Kenya National Environmental Authority should carry out social advertising on a large scale through various Medias like television, radio, newspapers, and the internet in order to promote environment friendly practices and promote the consumption of green products. Kenya Bureau of Standards should ensure promotion of Eco-mark or Eco-labeling is done to create awareness not only amongst manufacturers but also consumers.

The study found out that most of the supermarkets did not value green marketing practices at a great extent due to inadequate knowledge about green marketing practices. Therefore, this study recommends that supermarkets should establish policies of environmental conservation that can be institutionalized in the organizational culture in order to gain competitive advantage in the market.

It is recommended that the Government of Kenya should formulate and adopt regulation policies that promote the balancing of ecological and economic activities. It should reform the production and consumption practices through mandate and incentives. The Government of Kenya should participate in procurement, research and development and international cooperation; and actively promoting environmental issues by partnering with the industry.

## **5.6 Limitations of the study**

The consumers of supermarkets were usually very busy and therefore they required a lot of time in order to fill in the questionnaires. The challenge was overcome by giving the respondents the questionnaires at the right time. Inadequate financial resources affected the results of the study. Accommodation and stationary costs delayed the exercise but early preparation and support from well-wishers were sought. Getting accurate information from the respondents was one of the major challenges since some of the consumers were threatened that the information may be used against them. The challenge was minimized by assuring the respondents of confidentiality of the information they gave.

Most of the respondents were unwilling to give the information due to negative perception of the study. The challenge was minimized by giving incentives to respondents in order to get positive response and accurate information. The location in distance and terrain while trespassing the Nairobi County proved to be a bone of contention coupled with dusty grounds which posed a danger to personal health as far as common colds are concerned.

## **5.7 Suggestions for Further Research**

Future studies should explore the reasons behind the green marketing practices in different industries in Kenya. Researchers should go ahead and establish the reasons behind the slow adoption of green marketing practices and consumer buying behaviour in medium and large Supermarkets in Kenya. Future studies will minimize the challenges experienced by supermarkets when trying to adopt green marketing practices to influence consumers.

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## **APPENDICES**

### **Appendix I: Introductory Letter**

**C/O University of Nairobi,  
P.O Box 30197-00100,  
Nairobi.  
Kenya.**

**TO WHOM IT MAY CONCERN**

**Dear Respondent,**

#### **REF: MBA RESEARCH STUDY**

I am a student pursuing a Masters degree in Business Administration at the University of Nairobi. In partial fulfillment of the requirements to the award of the Masters degree, I am required to carry out a study on **“impact of green marketing on consumer buying behavior in major supermarkets in Kenya”**

The choice is based on your strategic importance in the achievement of organizational goals hence improved performance of the company in terms of efficiency and effectiveness. I kindly request your assistance by availing time to respond to the questionnaire. A copy of the final report will be made available to you at your request. The information given will be treated with utmost confidentiality for the purpose of this study only. Your assistance will be highly appreciated.

**Thank you in advance.**

## Appendix II: Questionnaire

Please supply the required data by filling in the blanks where space is provided or by ticking against the most appropriate answer.

Respondents name..... [Optional]

### Section A: Respondent demographics

1. Please indicate your highest academic level

a) Diploma

b) Degree

c) Post graduate [Masters]

**2. Gender**

d) Male

e) Female

**3. Age**

a) Below 20

b) 21-30

c) 31-40

d) 41-50

e) Over 50

### Section B: Duration of Operation

1. For how long have you been buying products from this supermarket?

a) Up to 1 year

b) 2 – 3 years

c) 4 – 5 years

d) Above 5 years

2. For how long has this supermarket operated in Kenya?

a) Less than 5 years

b) 5 – 10 years

c) 11 – 15 years

- d) 16 – 20 years [    ]
- e) Over 20 years [    ]

3. What is the size of the supermarket that you shop in terms of market share?

- a) Large sized supermarket [    ]
- b) Medium sized supermarket [    ]
- c) Small sized supermarket [    ]

**Section C: Green Marketing Practices**

4. What do you understand by the term “green marketing practices”?

.....  
 .....

Is Green Marketing practiced applied by your Supermarket on a large extent?

- Yes [    ]                      No [    ]

5. Do you know about green product?

- Yes (    )  
 No (    )

6. How did you know about green products

- Through online and television advertising (    )  
 By using an ample product that are distributed by company (    )  
 By receiving gift vouchers (    )  
 Through your friends (    )

7. Have you ever bought any green products?

- Yes (    )  
 No (    )

8. If yes, What is the primary consumptive purpose of buying green products?

- Health Purpose (    )  
 Better taste (    )  
 Gift giving (    )

Trial Purpose ( )

Other (Specify).....

**9.** What are the reasons that would influence your purchase of green products, from very important to least important (1- 7)

Price ( )

Reliability ( )

Availability ( )

Brand Awareness ( )

Product awareness ( )

Interest ( )

Other (Specify) .....

**10.** How Frequent do you purchase green products

Once a month ( )

Twice ( )

Within 3 months ( )

More than 3 month ( )

**11.** Do you agree that green products are able to fulfill your changing needs and requirements as per change in social environment

Strongly agree ( )

Agree ( )

Neutral ( )

Disagree ( )

Strongly disagree ( )

**12.** Do you agree that green marketing plays an important role in creating value, understand your needs and requirements and resolve environmental problems.

Strongly agree ( )

Agree ( )

Neutral ( )

Disagree ( )

Strongly disagree ( )

**13. How frequent does the supermarkets engage in following green marketing practices to influence consumer buying of products and services?**

<b>Green marketing Strategies</b>	<b>Continuously</b>	<b>Yearly</b>	<b>Semi-annually</b>	<b>Quarterly</b>	<b>Not at all</b>
Product packaging					
Disposal of products waste					
Educating customers on environmental matters					
Participation in environmental cleaning					
Production of posters and adverts reflecting environment concern					
Sponsoring of environmental conservation activities					
Incorporation of environmental concern in your marketing policies					
Embed environmental concern in your supermarket values					



### **Appendix III: List of Major Supermarkets in Nairobi, Kenya**

1. Buruburu mini-supermarket
2. Chandarana supermarket
3. Continental supermarket
4. Karen supermarket
5. Muthaiga Minimarket
6. Nakumatt Holdings Ltd
7. Tuskys supermarket
8. Ukwala supermarket
9. Uchumi supermarket
10. Naivas supermarket

**Source: Nairobi Supermarket Directory (2012)**