
DETERMINANTS OF GREEN PRODUCT BUYING DECISION AMONG ROMANIAN CONSUMERS

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Abstract

The study has focused on the Romanian customer's buying decision for green products. To this end, 915 respondents were questioned, for various purposes, such as: perception about green products; importance of being green when buying products/services; description of the buying decision process for green products; factors for adoption of and resistance to green products (enhancers and barriers); and influence factors in choosing the brand in the green products market and their importance level.

The main results show that the Romanian customers are very much interested in environment protection, considering that they can do something to help the environment and not leave it just in the responsibility of others. When take into consideration the green purchasing, customers rely on different factors, such as: quality, long product life, price, and brand. An important conclusion is that the green purchasing is a financially dependent decision.

Keywords

green purchasing, green consumer, green acquisition, eco products, green product buying decision

JEL Classification

M10, M38

Introduction

The present research aims to identify the main determinants of Romanian consumers' green purchasing decision process.

Green purchasing is a complex way of ethical purchasing decision making behavior and it is considered a form of socially responsible behavior (Joshi and Rahman, 2015). As a social responsible consumer, the green consumer is taking into consideration the public consequences of his private consumption and is trying to use his purchasing power in order to produce social change (Moisander, 2007). The products purchased have a smaller impact on the environment for they are obtained using safer materials for the environment, are recyclable and also require less packaging (Chan and Chai, 2010). A few examples of ecological products would be: organic detergents, energy-efficient light bulbs, herbal substances, organic electronic products, organic food, solar energy, reusable water bottles, alternative and hybrid fuel vehicles, etc.

Academic literature has used terms such as „green purchasing”, „green acquisition” or „adoption of green product” in order to explain the purchasing behavior of products with a low environmental impact.

Green purchasing refers to purchasing ecological products and avoiding environmentally harmful products (Chan, 2001). Green purchasing can be measured both by intention and by actual behavior. The intention of buying green refers to the consumers' desire to buy organic products and identifies the motivational factors that influence the consumers' buying behavior (Ramayah et al., 2010).

Beckford et al. (2010) showed that the intention of buying green is a significant predictor of green buying behavior; purchase intention positively influences the probability of a customer's decision to buy organic products.

Karunaratna et al. (2017) have tried to understand the factors that can influence the green buying behavior that affects the educated young consumers and they have also tried to offer guidelines to the companies in formulating and implementing the ecological and sustainable marketing strategies. The factors identified included social influence, attitude towards the environment, knowledge about the environment, responsibility towards the environment, government initiative and exposure to environmental messages through the media.

Kabadayı et al. (2015) shows the results of a quantitative study on young Turkish consumers regarding how the consumer's guilt, self-monitoring and perceived efficacy of the consumer influence their intention for organic consumption.

Hessami and Yousefi (2013) recommends that, through appropriate advertising and strategic plans, the government and politicians make people aware of issues such as environmental damage, air pollution, global warming, increased e-waste, the consequences of using conventional products, and also of the benefits of using environmentally friendly products. Following the same idea, schools and universities should provide education to entrepreneurs and managers who, in addition to profitability and sales, must pay greater attention to the health of the consumers in the community interest.

The Government, which is the largest purchaser of products and services in any country, must focus its purchases on products that are compatible with the environment and encourage, directly and indirectly, more consumers towards the consumption of environmentally friendly products and services.

The subsequent parts of this paper are as follow: the research methodology section, results and discussions and conclusions and suggestions.

1. Research Methodology

1.1. Research purpose

The present study is focused on Romanian consumers of green products, analyzing their buying decision process, in order to identify the determinants of such a process.

1.2. Objectives

This research is split in three sections, as presented below, each section having a series of secondary objectives:

- a) Perception about green products
- b) Importance of being green when buying products/services
- c) Description of the buying decision process for green products
- d) Factors for adoption of and resistance to green products (enhancers and barriers)
- e) Influence factors in choosing the brand in the green products market and their importance level

1.3. Source of Information

The researched community is represented by Romanian consumers of green products. The observation unit coincides with the survey unit and is represented by the person who decides on and buys green products.

1.4. Data Collection

Research method: data was collected through a face to face survey. The questionnaire had 18 questions, most of them with standardized answers, so as not to overload the respondent. There are, however, a few open-ended questions, just to give the research participant the opportunity to provide as much relevant information as possible. The questionnaire includes both questions directly related to the purpose of this survey, as well as other questions derived from the need to know as much as possible about the researchers' behavior.

The data collection process was carried out by the specialists of the project team, who developed the following specific activities of a direct quantitative research: questionnaire programming, data collection, interview verification, export of the database in Excel / SPSS format. The data was collected in the between 3rd of May - 1st of June, 2019.

Sample size: Being a representative research (both in terms of quantity and population structure), with a maxim margin of error +/- 3%, a confidence level of 95% and an 30% incidence level within the whole community (the share of Romanian consumers of green products), the total sample is 915 people.

The sample structure was determined using the proportionate stratified sampling method, depending on gender (46% male and 54% female), age (11% born before 1965, 38% born between 1966 and 1979, 39% between 1980 and 1995, and 12% born after 1995), education (5% middle school, 44% high school, 29% university, and 22% postgraduate studies) and personal monthly income (43% under 2.500 lei, 44% between 2.500 and 4.500 lei, and 13% with an income over 4.500 lei).

2. Results and discussions

The analysis will be presented accordingly to the research objectives, going from the more general perspective on green products to the more specific determinants of the buying decision process.

2.1. Perception about green products

Considering that both literature and practice make a strong connection between green products usage/consumption and environment protection, we have started our research with testing a series of statements about these two concepts.

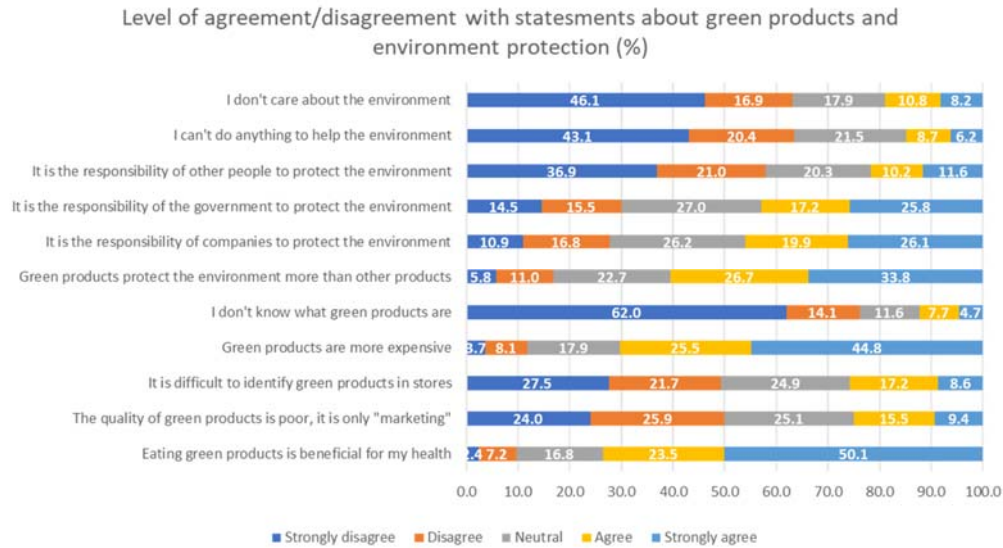


Fig. no. 1 Perception about environment protection and green products (% for level of agreement with each sentence)

Source: Authors' computation

As it can be seen from Figure no. 1, that presents the distribution of respondents on the 5-level scale of agreement, and Table no.1, that shows the average score for level of agreement/disagreement with each sentence, on a scale from -2 to 2 (where 2 means total agreement), respondents are very much interested in environment protection (1st statement), considering that each of them can do something in order to help the environment (2nd statement), not leave it just in the responsibility of others (3rd statement). It's interesting to see that for statements no. 4 and 5 there is a neutral opinion, meaning that people are not yet decided on the role of government and companies when it comes to environment protection.

Table no. 1 Average score for level of agreement/disagreement with each statement, on a scale from -2 to 2 (where 2 means total agreement)

| No | Sentence | Average score | Interpretation |
|----|---|---------------|------------------|
| 1 | I don't care about the environment | -0.82 | Total disagree |
| 2 | I can't do anything to help the environment | -0.85 | Total disagree |
| 3 | It is the responsibility of other people to protect the environment | -0.62 | Total disagree |
| 4 | It is the responsibility of the government to protect the environment | 0.24 | Neutral |
| 5 | It is the responsibility of companies to protect the environment | 0.33 | Neutral |
| 6 | Green products protect the environment more than other products | 0.72 | Mostly agree |
| 7 | I don't know what green products are | -1.21 | Mostly disagree |
| 8 | Green products are more expensive | 1.00 | Agree |
| 9 | It is difficult to identify green products in stores | -0.42 | Tend to disagree |
| 10 | The quality of green products is poor, it is only "marketing" | -0.40 | Tend to disagree |
| 11 | Eating green products is beneficial for my health | 1.12 | Agree |

Source: Authors' computation

The statement no.6 makes the connection between environment protection and green products, and we can see that most respondents make a strong correlation between these two aspects.

Before starting the dedicated discussion on green products, we had to make sure that people are familiar with this category, statement no.7 showing us a high level of declared awareness, respondents stating that they know what green products are, fact that helps them identify these products more easily in stores (9th statement).

The statement no.8 lets us understand more on the perceived image of green products, as most respondents agreed to the fact that these products are more expensive, and it's not just marketing there (10th statement), it's about quality.

Although they are perceived as being more difficult to purchase from a financial point of view, the demand for green products exists, as they are associated to health by the majority of consumers (11th statement).

2.2. Importance of being green when buying products/services

Besides the generic factors, such as quality, product life, price and brand, respondents were asked if they take into consideration when buying different products/services also the option of being green. As it can be seen in Table no. 2, there is a slightly important declared level for pollution reduction (3.75 on a scale from 1 to 5), as well as for being friendly to the environment in general (3.53). Other dimensions of green products/services, such as saving energy, reducing the greenhouse effect or being easy to recycle are not so highly evaluated in terms of importance, mostly due to the fact that people are not yet educated in these areas.

Table no. 2 Average score for the importance of different factors taken into consideration when buying products/services

| | Factors | Average score |
|----|---|----------------------|
| 1 | Quality | 4.53 |
| 2 | Long product life | 3.97 |
| 3 | Price | 3.95 |
| 4 | Brand | 3.76 |
| 5 | <i>The product helps reduce pollution</i> | 3.75 |
| 6 | <i>The product is environmentally friendly</i> | 3.53 |
| 7 | <i>The product helps to conserve the environment</i> | 3.51 |
| 8 | <i>The product helps to save energy</i> | 3.45 |
| 9 | <i>The product helps to reduce the greenhouse effect</i> | 3.28 |
| 10 | The product is recommended by a friend | 3.23 |
| 11 | <i>The product is easy to recycle</i> | 3.18 |
| 12 | By buying that product I contribute to local economic development | 3.11 |
| 13 | My friends have the same product | 2.68 |
| 14 | The product is fashionable | 2.47 |

Source: Authors' computation

2.3. Description of the buying decision process for green products

In order to understand the factors behind green products purchase, we have to identify the categories of products most often associated with this concept. Table no. 3 shows us that food

is the only category directly linked to green (1st statement), whereas for personal hygiene and household cleaning products there are more people that do not make the association (2nd and 3rd statements). One think is clear: purchasing green products is a financially dependent decision (5th statement).

Table no. 3 Average score for level of agreement/disagreement with each sentence, on a scale from -2 to 2 (where 2 means total agreement)

| No. | Sentence | Average score | Interpretation |
|-----|---|---------------|----------------------------------|
| 1 | I make green purchases when it comes to food | 0.29 | Neutral with a tendency to agree |
| 2 | I make green purchases when it comes to personal hygiene products | -0.08 | Neutral |
| 3 | I make green purchases when it comes to household cleaning products | -0.54 | Tend to disagree |
| 4 | I make green purchases depending on how long I have available for shopping | -0.10 | Neutral |
| 5 | I make green purchases according to the budget I have | 0.72 | Tend to agree |
| 6 | I make informed decisions (I inform myself) about which green product to buy from all existing ones | 0.13 | Neutral |
| 7 | I decide to buy green products while I am shopping, depending on the information available in the store | 0.14 | Neutral |

Source: Authors' computation

One of the most important steps in the buying decision process is the information activity, where consumers gather as much data as possible from the market, before making their short list of option. As it can be seen from sentences 6th and 7th, for green products there is still a fog over the information process, which can lead to misconceptions and unweighted decisions.

2.4. Factors for adoption of and resistance to green products (enhancers and barriers)

Analyzing the determinants of buying decision process for green products means also identifying what favors and what prevents a higher consumption of such products.

One of the most important enhancers is linked to environment protection and, especially, animals, which can indicate a future USP (Unique Selling Proposition) for communication strategies on this market. Also, on a positive note, respondents mentioned that they feel safer consuming green products and they feel that they are making a change.

As already identified, the most important barrier is related to the higher price that green products have, fact that make consumers turn to other less expensive alternatives. The other factors that discourage respondents from buying green products are linked to the poor knowledge about this category, which makes people choose better known or more popular products from the shelves.

Table no. 4 Enhancers and barriers in buying green products

| Enhancers - factors favoring the purchase of eco products - | Barriers - discouraging factors when buying eco products - |
|---|---|
| I am glad that they are not tested on animals and that they protect the environment | They are very expensive |
| I feel safe consuming / using such products | I am in a hurry to buy a product quickly |
| I feel like I'm making a change | I do not realize to what extent a product is truly environmentally friendly |
| I feel educated | It is too difficult to choose, so I buy a well-known brand |
| I feel happy | I do not know what the green symbol means |
| I feel like I belong to a similar community | --- |

Source: Authors' computation

2.5. Influence factors in choosing the brand in the green products market and their importance level

On a scale from 1 to 5, the most important factors mentioned by respondents were, naturally, quality and price, with an average score higher than 4 (as it can be seen in Figure no. 2). The third most important factor is one with a higher relevance for this product's category – trust in brand. This is linked to what consumers also mentioned as enhancing factor of green product's consumption – feeling safer (see Table no. 4).

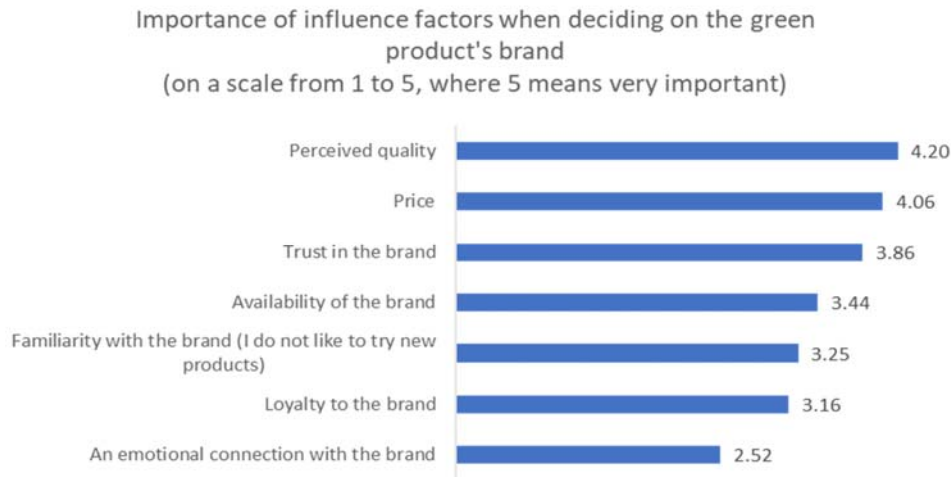


Fig. no. 2 Average importance of factors influencing the decision on green product's brand

Source: Authors' computation

What is interesting to notice is that this trust does not come from own experience, as respondents are not yet familiarized with or loyal to green product's brands, which automatically excludes also the emotional connection that could have been made with such brands.

Conclusions and suggestions

The study has investigated the Romanian customer's buying decision for green products. The results show that the customers are concerned about the environment and consider that they

can make a noticeable difference through their acquisitions. It is interesting to underlie the idea that Romanian people are not yet decided on the role of government and companies when it comes to environment protection.

As a rule, customers firstly associate green products with food and less with hygiene products. The most important barriers in green acquisitions are price, the lack of information about these products, and a sort of mistrust in communication strategies related to this category. Even though the green products are perceived as more expensive than the „regular” products, there is an important demand for this type of products, as they are associated to health by the majority of consumers.

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