

A Turn in Green Purchase Intentions through Eco-Labeling

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Abstract - To catch the customer and sustain in the market, Eco-labeling is emerging as a buzzword in the market. Eco labels are defined as a apparatus which influences the Purchase Intentions of the customer. It has been recognized that Eco – Labeling leads to Consumer Attrition influence the purchase decision of the customer. Existing Research explore a discussion that how Eco labels build consumer attrition and influence buying decision or behavior of the customer. This is a review conceptual paper which represents the synthesis of all the possible factors for measuring the pre buying behavior of the customer. A framework is proposed which haul customers towards Green Buying Decision through Eco labeling. As Eco labeling create customer attrition with various factors like generating awareness, knowledge, trust and so on to influence purchase intentions of the customer. Finding shows that Eco Labeling coerce the Green Purchase Intentions of the customer and considered as a unique source for the Marketers. Conclusion Drawn out as Eco labeling aids customer attraction & trust towards the labeled product which directs to influence the purchase intentions of the customer.

Keywords - Eco-Labeling, Consumer Attrition, Green Purchase Intentions, Consumer Perception.

I. INTRODUCTION








The issue of depletion of the ozone layer has brought the concern of consumer, industries and government of every country in a same context. The government laid down various schemes for industries to work with clean technologies with a view of environmental protection. Even though customers are ready to pay higher premium for Green products. Eco labels are attached to the product quality standard & Eco friendly criteria which is laid down by the government or standard certification bodies. There are various Eco labels which are performing their task in India as well as in other countries.



Consumer's purchase intention is known as a skewed and broad field in consumer behavior and part of purchase decision making. People across the globe tend to prove the different response towards many determinants that believed to stimulate one's purchase intention. Marketers, researches and academician are increasingly running tests and research to identify the best determinant or approach that can create intention of a particular product to their targeted customers and customize it to them in which latter might engage them in a real purchase. Scholars by navigating the purchasing process, found one of the pillars that make the whole purchasing process to be the purchase intention. In general, Spears and Singh (2004) along with

Peter and Olson (2008) agreed that purchase intention can be defined as a consciously decided plan to make an effort to purchase a particular product or service. Aligned with the definitions above, Lee (2008) defined green purchasing as “the purchasing of procurement efforts which give preferences to products or services which are least harmful to the environmental and human health”.

While Chan (2001), defined green purchasing as a specific kind of eco-friendly behavior that consumers perform to express their concern to environment. Bergeron (2004) quoted that, “research in social psychology suggests that intentions are the best predictor of an individual's behavior because they allow each individual to independently incorporate all relevant factors that may influence the actual behavior”. This is supported by Armstrong et al., (2000) work which found out that purchase intention is an accurate measure of future sales compared to other sales forecasting tools in general. Besides, it also provides a more precise forecast rather than just an approximate of past sales trends. Adding to this, Newberry et al., (2003) stated that purchase intention is common tools used in predicting purchase behavior. Correspondingly, the most comprehensive theory to assist in explaining the effect of variables on purchase intention is the Theory of Planned Behavior (Ajzen, 1985; 1991).

The Whole world comes to a same platform with a anxiety of Eco friendly environment. As Global Ecolabelling Network (GEN) is a platform which link a world of environmentally preferable products and services. World Trade Organization (WTO) has also shifted their focus towards Ecolabelling with an initiative towards protection of the environment. In India also there are various organizations or certification bodies which maintain the standard of the product and mark it as a “Green”, “Eco – friendly” or “Eco – labeled” product. As we listed few certification bodies working as a benchmark of Green and Clean Environment.

Eco labeled certified bodies	Logo	Practices
Best Aquaculture Practices (BAP Certified)		BAP certification is currently available for shrimp farms and hatcheries, and seafood processing plants.
The Better Environmental Sustainability Targets (BEST)		to reduce emissions from lead battery plants and recyclers, and prevent lead poisoning through an incentive program for companies.
Bio Suisse		Indicates fully organic, produced in Switzerland. More than 90% of the raw materials come from Switzerland
Bonsucro		reduce the environmental and social impacts of sugarcane, by designing a Standard and program to transform the sugarcane industry.
EarthCheck		EarthCheck is a benchmarking certification and advisory group for travel and tourism.
Ecomark		A government operated seal of approval program for environmentally preferable consumer products.
Goodweave		The GoodWeave label is your best assurance that no child labor was used in the making of your rug.

Programme for the Endorsement of Forest Certification (PEFC)		It works throughout the entire forest supply chain to promote good practice in the forest and to ensure that timber and non-timber forest products are produced with respect for ecological, social and ethical standards.
Sustainable Agricultural Network		Certifies farms for coffee, bananas, cocoa, orange, pineapple, flower and fern farms according to environmental and social standards.

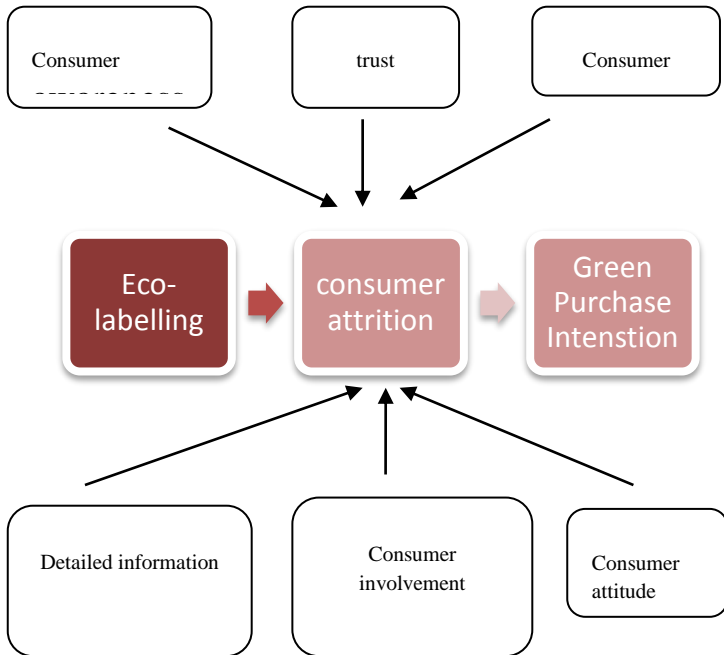
Therefore, on a universal level, there is growing concern of the environment, climate conditions and awareness about global warming. So, it stimulates their interest and concern towards sustainable growth and environmental protection. It is very imperative to increase the environmental awareness and consciousness among consumers, which through a positive light towards Green Purchase Intension. Mainieri (1997) belief that the consumer’s pro-environmental concern is one of the determinants of their “green buying” behavior, *i.e.* buying and consuming products that are environmentally beneficial

II. RESEARCH GAP / NEED OF THE STUDY

With increase in the concern and consciousness about the global environment every country stepped out with few initiatives towards green technology, green manufacturing, green consumptions, green buildings and various schemes towards eco friendly environment. But However, the Question arise that Can Eco labels influence Purchase Intentions of the consumer? & Do Marketers able to gain the consumer attrition through Eco Labelling?

This paper necessitate to answer these questions that how eco labels can influence buying behavior of the customer. Why eco labels are the vital benchmark set for quality products. Accordingly, the increase in the number of eco labels day by day needs to understand the perception of the customer towards eco labels. And this paper identifies all the factors which investigate consumer attraction towards eco labeled products therefore, A Model is proposed which influence Green purchase intentions of customers through Eco Labels.

III. PROPOSED MODEL



Source: Author's

The proposed model represents the design of the review conceptual paper that Eco labels proceed as a parameter to gain customer attention by generating awareness, knowledge, Trust, Providing Information, Customer Involvement & Attitude towards product which led to focus a positive light towards customer purchase intention i.e. Green Purchase Behavior.

Eco labeling and Green Purchase Intentions

Customers are very well concerned about the product and labels before making their purchase decision. Any eco labeled products occurs as a innovation in the mind of the customer as eco labeled product differs from the non labeled product. Eco label has been a very important tool in influencing consumers purchase intention for green products in which attached to this product packaging. A report by the Massachusetts Department of Environmental Protection (2002) suggested that the difficulty in identifying and locating green products is one of the barriers for purchasing green products. Giridhar (1998) referred to eco-labels as the product's collective environmental performance. D'Souza et al., (2006) reported that eco-labels are increasingly being used by firms to promote the identification of their green products.

Eco-labels are potentially attractive instruments informing consumers about the environmental impact of their purchasing decisions, while simultaneously providing producers with a tool for extracting market place preference and thus market share (Rashid, 2009). In the same study by Nik Abdul Rashid (2009), awareness of eco-label has been found to yield a positive effect on consumer's green product purchase intention. Therefore it is established from several previous studies that eco-labels

have influence on green product preferences especially those with strong concern for the environmental.

Consumer Attrition and Green Purchase Intentions

The intention to buy eco-labeled products is reflected most clearly in consumers' search for and attention to this kind of information. Based on survey data collected by the European Consortium for Comparative Social Surveys (COMPASS) in 1993, I analyzed the frequency of paying attention to eco-labels in Britain, Ireland, Italy, and (two samples from) Germany (Thøgersen, 2000b). A large majority of consumers in these countries seem to pay attention to ecolabels when they shop, at least sometimes. Only from 8 percent (Great Britain) to 15 percent (Ireland) never do that. Other more recent studies find a similar attentiveness to environmental information. For example, a survey in 1997 found that 61 to 71 percent of random samples of consumers in the Nordic countries claimed that they "sometimes" or "always" check out the environment friendliness of the products they buy (Lindberg, 1998).

The Swedish Consumer Agency monitored the self-reported purchase of eco-labeled products yearly between 1993 and 1997. In this period, the share of respondents claiming that they bought eco-labeled products regularly rose from 37 to 51 percent (Konsumentverket, 1993, 1995/96, 1998). These numbers are supported by market data. For example, in 1994 eco-labeled products already had captured more than 60 percent of the detergent market and more than 80 percent of the copying and printing paper market in Sweden (Backman et al., 1995).

Consumer awareness and Consumer Attrition Knowing that a label exists is a prerequisite for using it in decision making. This basic type of knowledge is typically measured as (aided and/or unaided) recall in surveys (e.g., Dyer and Maronick, 1988; OECD, 1997a). The results vary widely, reflecting the presence of labels in the stores, the efforts put into promoting a label, the clarity of the label's profile, and its perceived self-relevance for consumers (Van Dam and Reuvekamp, 1995). A 1999 survey in the Nordic countries found that between 61 and 75 percent of random samples in Norway, Sweden, and Finland were able to recall the Swan label unaided when asked about which eco-labels could be found on products in their country (Palm and Jarlbro, 1999). Recurrent surveys show that awareness about the Swan label was built gradually in these countries since its introduction in the early 1990s (Backman et al., 1995). In Denmark the unaided recall in 1999 was a much lower 18 percent. Although the Swan label was introduced in the other Nordic countries in 1989, Denmark only became a full member of this labeling scheme in the beginning of 1998, which undoubtedly explains the difference. Between 1997 and 1999, aided recall of the Swan label in Denmark rose from 37 to 51 percent. During that time, the label was promoted through newspaper and magazine ads, leaflets in shops, and public relations work and the number of Swanlabeled products in the shops rose from 1,000 to 1,300 (Kampmann, 2000).

Trust and Consumer Attrition

Consumer Trust has been defined as the truster's expectation that the trustee is willing to keep promises and fulfill obligations (Rotter, J.B., 1971; Dwyer, R. et.al., 1987; Hagen J.M.; Choe, S., 1998.). Trust has been recognized as important in both marketing and management research (Garbarino , 1999; Schoorman, F.D., 2007). The issue of trust is specifically considered to be valuable in analyzing situations where the truster is vulnerable (Perrini, F., et.al., 2010.) Consumer trust, especially for organic food market, is a vital issue since consumers are not generally able to prove whether a product is an organic product, not even after consumption (Janssen 2013). It is very vital to have consumer trust in the product integrity since the credence attribute "organic" mostly involves a considerable price premium (Jahn. 2005; McCluskey 2000) claimed that third-party certified labeling signifies a tool for gaining consumer trust in credence goods markets. However, some other studies reported that third-party certification reduces the paradox of information asymmetry between producer and consumer only if consumers trust the certification scheme (Jahn. 2005; Golan, E. et.al. 2001; Albersmeier. 2010)

According to (Ozanne 2003), "along with confusion about the language used in environmental labeling, consumers do not trust industry to make accurate environmental claims". It has also been reported that consumer distrust and confusion over manufacturers' environmental claims resulted in the demand for third-party labeling schemes (Baker. 1993; Eden . 1994; Erskine. 1997). More than two-thirds of the respondents in one survey distrust information from large companies and similar numbers agree that companies do not have moral or ethics (Lloyd. 2006) . A survey conducted in four European countries (Norway, Spain, Germany and Italy) on consumer trust in delivery of eco-labels came up with identical results (Gertz. 2005). It was found in several studies that consumers have a hard time in understanding what labels are aimed at communicating, and uncertainty about what a label means could be associated with mistrust (Thøgersen 2013) showed that consumers pay attention to and use environmental labels in their buying decisions only if they trust such labels. Janssen and Hamm (Janssen. 2012) identified consumer trust as one of the crucial factors for the success of third-party certified eco-labeling scheme.

Consumer Knowledge and Consumer Attrition

Increased familiarity with a brand may result in a better developed knowledge structure—both in terms of the knowledge an individual has stored in memory as well as what people perceive they know about a brand (Brucks 1985). Here, "knowledge" is meant to measure consumers' familiarity with the functional aspects of eco-labels and their verification process.

The ability to process information is influenced by both knowledge and individual's ability to retrieve knowledge (Celsi 1985) . It is also argued that people having more knowledge are better able to deploy that knowledge in understanding messages (Gregan-Paxton. 2001). This is

evidenced in some studies on product labeling such as Drichoutis, Lazaridis and Nayga (Drichoutis. 2005) and (Jasti and Kovacs. 2010) that suggest that more knowledgeable the consumers are about nutrition, the more likely they use the label information related to fat, calories, and ingredients. Consumer knowledge, in particular, about the verification process of eco-labels is important to consider in evaluating their perception of eco-labels. (Galarraga Gallastegui. 2010) argued that the choices of consumers will depend on the subjective interpretation of the labels' credibility if they lack a thorough knowledge of the verification process of the various environmental labels. In another study, (Verbeke. 2008) argued that product information, such as logo, can have positive impact on consumers' choice of food only when they have adequate knowledge about the issue at hand.

Detailed Information and Consumer Attrition

Here, the "information" basically refers to the nature and amount of information each eco-label provides. Part of the reason why consumers rarely search out, read or properly process all of the information available when shopping is likely to be the way in which the information itself is presented: the type, complexity and amount of information provided . The amount and level of information will be there which help customer to know more about the product and create a comfort zone while using that product. Consumer scientists have long argued that excessive information can cause information overload for the consumers (Scammon. 1997) . It is also argued that additional information can create distraction from more authoritative information sources (Roe. 1999). On the flip side, adding to the amount of information is likely to improve a person's ability to correctly spot eco-friendly products (Teisl. 2005). Moreover, additional amounts of information can augment the perceived credibility of a label (Teisl. 2003).

Consumer Involvement and Consumer Attrition

"Consumer involvement" has been defined and operationalised in many different ways. Having no consensus, many researchers define involvement as the extent to which a stimulus or task is relevant to the consumer's existing needs and values (MacInnis.1989 and Petty . 1983).

After reviewing past conceptualizations in advertising research, (Laczniak, Muehling and Grossbart. 1989) suggested two components of involvement in advertising.

- (1) Pay more attention to the ad message,
- (2) Focus more on brand processing as opposed to non-brand processing.

As an information tool, consumer understanding and perception of eco-labels is assumed to be influenced by their degree of involvement with the environmental issues. The significance of the influence of consumer involvement on information processing and purchase behavior can be traced back in the earlier studies. (Sherif. 1961). The most classic model regarding consumer involvement in

marketing is said to be the one developed by (Engel, Blackwell and Miniard. 1995) that categorized consumers into two types on the involvement scale: highly involved consumers and lowly involved consumers. Highly involved consumers are meant to be more receptive to stimuli from advertising or other messages whereas lowly involved consumers are said to be not so easily influenced by marketing stimuli (e.g., advertising or other messages). Enduring involvement is referred to as the relevance of a product category that a consumer has with (Espejel. 2009). Situational involvement, as the name implies, is referred to consumers' involvement which is context specific and accordingly short-term in nature (Richins 1991).

Broadly in marketing literature, the issue of "consumer involvement" as a variable to influence different aspects of consumer decision making has been examined in various ways. Since the focus of this study is on "eco-label", which is, at least from marketing perspective, a communication tool, the issue of consumer involvement will be centered on its likely influence on consumers' information processing and responses to marketing stimuli.

Consumer Attitude and Consumer Attrition

Consumers generally welcome informative product labeling (Bekholm and Sejersen, 1997; Forbrugerstyrelsen, 1993). Specifically regarding eco-labels, a previously mentioned study found that from 64 to 91 percent of representative samples in Denmark, Norway, Sweden, and Finland agreed that eco-labels are needed (Palm and Jarlbro, 1999). A positive attitude toward eco-labels depends on the consumer believing that he or she can help attain a valued goal (e.g., Forbrugerstyrelsen, 1993; Nilsson et al., 1999; Palm and Windahl, 1998). Just as unit pricing helps the consumer obtain the goal of value for money and nutrition declarations facilitate health-related goals, environmental labeling helps consumers obtain environmental goals. Hence, a positive attitude toward eco-labels is only likely if consumers desire environment-friendly products.

Green Purchase Intentions

Consumer choice has a great impact on the environment. Many programs have been supported and executed to influence the purchase intentions of customer so, they lead to ecological purchasing or green purchasing. Eco labels attract customer intentions and position their product as "Healthier", "Standard Quality", "Eco – Friendly". Etc. these will work as an additional benefit and help to gain customer attention, trust, loyalty and repeat purchase.

IV. CONCLUSION

Eco-labeling is expected at reducing pollution and resource use associated with consumption by influencing consumer choices and, through these, companies' product policies. In the past couple of decades, eco-labeling has turned into a popular environment policy instrument all over the world. Few schemes have been sufficiently thoroughly evaluated to be able to draw conclusions about their success. From those that have, it seems that, under the right conditions, ecolabeling can indeed lead to a substantial reduction in pollution and resource use. However, it takes time and a committed effort to build eco-labeling success. In

particular, consumers have to go through an often time-consuming decision making process through which they first become aware of the label, and of labeled products, and then acquire sufficient knowledge to use it as a guide in decision making and to trust the message it conveys. A positive attitude toward eco-labels probably follows more or less automatically from knowledge and trust, but forming a positive attitude toward buying a specific eco-labeled product may take longer because time-consuming tradeoffs need to be made. Therefore, decision making about eco-labels is a gradual process and one that consumers go through at an uneven pace. Among other things, consumer receptiveness toward this kind of information and, hence, the pace depends on their environmental concern.

The U.S. Environmental Protection Agency reports that if environmental labeling is to be an effective policy tool, a number of conditions must hold true. First, product evaluations must be known and accurate. Secondly, product standards must be associated with significant environmental differences among products. Thirdly, this information must be disseminated to consumers. Fourthly, consumers must understand environmental issues and product-specific information well enough to make informed purchasing decisions. Finally, the label must have substantial market penetration in order to affect a significant number of producers.

V. FUTURE IMPLICATIONS.

The implication of this study is primarily limited to preparing a strong theoretical and practical foundation for further empirical research on consumer intentions of eco-labeled products. In order for marketers and other concerned parties this study will facilitate to design, revamp and implement effective and successful eco-label schemes to influence the customer perception towards the green products, green purchasing and eco labels.

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