



Green marketing as a key strategy for sustainable development: A case study of Albanian consumers

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Abstract: Recently efforts have been made in order to achieve sustainable development, which consists of social sustainability, economic sustainability and environmental sustainability in order to reach well-being of present and future generations. In our time the concern for environmental topics and sustainable development has been increasing. Accordingly companies are trying to design new strategies for gaining competitive advantage in the marketplace. Green marketing is one of such strategies used by marketers for reaching sustainable development. Companies need to know consumers' attitude and to adapt new marketing solutions with the focus on determining the expectations and satisfying their needs. In this paper we will attempt to examine the attitude of Albanian consumers toward eco-friendly products. The aim of the survey is to gather information from a consumer standpoint. We will apply various statistical analyses to investigate the demographic variable of consumers who are willing to pay an extra price for eco-friendly products. Findings demonstrate that the profile of consumers with a positive attitude towards eco-friendly products was more likely to be young educated women.

Keywords: sustainable development, green marketing, green products, Chi square test of independence

1 Introduction

In our time the concern for environmental topics and sustainable development has been increasing. Environmental issues have come to the forefront. Unrestrained use of fossil oil has caused climate changes, global resource limitations slow down the progress to sustain the current economic growth strategy. Therefore efforts are being made in order to achieve sustainable development, which consists of social sustainability, economic sustainability and environmental sustainability in order to reach well-being of present and future generations. Sustainable development is the development that meets the needs of the present without compromising the ability of future generations to meet their need' (UNDP, 1987) . Economists are looking for optimal growth model based on economic sustainability, environmental sustainability and societal sustainability.

Many researchers consider sustainable consumption and production (SCP) as a significant key to sustainable development. Sustainable consumption is the use of goods and services that respond to basic needs and bring a better quality of life, while minimizing the use of natural resources, toxic materials and emissions of waste and pollutants over the life cycle, so as not to jeopardize the needs of future generations (UNEP, Symposium: Sustainable Consumption, 1994) According to Hawken for reaching approximate a sustainable development we need to describe a system of commerce and



production in which each and every act is inherently sustainable and restorative (Hawken, 2005) (UNEP, 2011)

The global warming, the high level of pollution and global climate change has affected the behavior of consumers and companies. Due to the environmental concerns companies and consumer has started to rise interest for the eco-friendly products, products that do not pollute the environment. Companies demonstrate their environmental concern in different ways; Green marketing is one of the tools used by companies for achieving sustainable development. Companies do not have to gratify customer only, but they have to take into account the interests of society overall. They have to take into consideration the long-term prosperity not the temporary profits (Huanfeng & Weimin, 2008). Consumers demonstrate their environmental concern by means of buying products that are friendly to the environment (e.g., Green products) or by boycotting products that harm the environment. Companies need to know consumers' attitude and to adapt new marketing solutions with the focus on determining the expectations and satisfying their needs. There are many researches that try to analyze consumer and companies' attitude towards green products in developed countries but such studies however, are fewer in developing countries like Albania. In this paper we will try to estimate the consumer attractiveness towards eco-friendly products in Albania also we will try to identify the demographic variable of consumers who have more worries about environmental problems and have a positive approach towards green products. The purpose of the study is to gain information from a consumer point of view.

This paper is structured as follows: First we critically review the literature on holistic definitions of green marketing. In the second section we briefly describe the objectives and the methodology applied in this paper. The third section provides the data analyses, findings and discussion. Conclusions are given on the last section.

2 Literature Review

We all want to live in a sustainable society. But still no one has found the right model to achieve the sustainable development. Some economists believe that green marketing and green products are the key for solving the problem.

2.1 What does green marketing represent?

Defining green marketing is not a simple task, there is no single definition accepted universally. The first definition is given from the American Marketing Association: "green marketing is the marketing of products that are presumed to be environmentally safe. (Henion & Thomas, 1976) The United Nations defines it as a marketing which encompasses all communication operations undertaken to promote a product on the basis of environmental properties or of its social qualities. It is about selling products on an ethical platform. (UNEP, 2005) According to Charter (Charter M, 1992) green marketing can be defined as: "A holistic responsible management process that identifies, anticipates, satisfies and fulfils stakeholders requirements for a reasonable reward, that does not adversely affect human or natural environmental wellbeing." A more comprehensive definition is given from Polonsky (Polonsky M, 1994): "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".



During the last years some leading companies have adopted greener methods to marketing. There are several reasons why companies use Green Marketing:

- Corporats use green marketing as an opportunity to increase their sales and to enhance competitive advantage (Polonsky M, 1995) (Chen YS. Lai SB., 2006) (Porter E., 1995); (Chen YS, 2010) (Chen YS, 2008); (Young W, 2008) (BAKER, 2003) (Shirsavar & Fashkhamy, 2013).
- They try to show a more ethical and social responsibility image (Freeman, 1994) (UNEP, 2010) (Waddock, 2006).
- Governments and international environmental regulations are forcing firms to become more responsible. (Waddock, 2006), (Nai-Jen Chang, 4 October, 2010) (Moir, 2001).
- Several stakeholders pressed companies to reduce their negative impact on society and the environment (Charter M, 1992) (Polonsky M, 1995) (UNEP, 2010) (Freeman, 1994).

2.2 Profile of green consumer

So who are green consumers we are trying to analyze?

Nowadays consumer has realized that their purchasing behaviour has a direct impact on many environmental problems. (Laroche M., 2001). An indicator for this is the increasing number of consumers willing to pay an extra price for buying eco-friendly product.

Specific target groups have particular behaviour and attitude towards sustainability. The policy makers should utilize this for achieving sustainable development with more efficiency (Gilg, Barr, & Ford, 2005).

Demographic characteristics that reflect green consumers attribute like gender, age, education. Income was analyzed by different authors (e. g (Ottman, 2011) (Diamandopoulos A, 2003), (Gilg, Barr, & Ford, 2005), (Saxena & Khandelwal, 2008) (Saxena & Khandelwal, 2010) (BAKER, 2003) (Mônica Cavalcanti Sá De Abreu, 2010) (AWAN & RAZA). Although many researches have been done on the demographic variable of green consumer the results are still mixed and sometimes contradictory.

Based on gender some studies have shown that females have stronger attitudes toward environmental quality than males, other studies show that males have a higher concern over environmental issues. (Diamandopoulos A, 2003) (BAKER, 2003).

Other studies have shown that there are strong socio- demographic associations with age and education. Young people and educated people have an advanced worry about environmental problems. (European Commission, 2013). However this environmental concern is not always translated into purchasing behaviour (Young W, 2008).

According to (Leonidou, Leonidou, & Kvasova, 2010) consumers who are collectivistic, long-term oriented, politically active, deontological, and law obedient are more likely to have pro-environmental attitude.

3 Objectives

This study analyses consumer attitude towards environmental issues, the role of green marketing in achieving sustainable development in Albania. It tries to evaluate the influence of gender, income age and education on a consumer approach towards green marketing.

3.1 Proposed hypothesis

1. H1: Gender is not related to attitude toward eco-friendly products.
2. H2: Age is not related to attitude toward eco-friendly products.
3. H3: Education doesn't relate to attitude toward eco-friendly products.
4. H4: Income is not related to attitude toward eco-friendly products.

3.2 Methodology

We have used exploratory research design for this study. We have used primary and secondary data. Primary data were collected from 250 consumers by using the personal survey method. A structured questionnaire was used for measuring consumer attitude toward green products. The non-probability sampling approach, where the respondents are not selected casually and have not the same chance to be selected, was adopted in our work. Respondent's represent both genders' different incomes, education level, and age group. Our data collections last 10 days from 1 July 2013 to 10 July 2013, 100 responses were collected by using Internet and 150 responses were collected by using written form. Secondary data was selected from books relevant journals and from other published data. We included our findings in IBM SPSS Statistics of ver20. 0, using descriptive statistics the Chi square test of independence is used to show if there are difference in consumer behaviour and attitude between the genders, income, age and education. The Chi square test for independence is conducted by assuming that there is no relationship between the two variables being examined. The alternative hypothesis is that there is some relationship between the variables.

Equation 1 Chi square formula

$$\chi^2 = \sum_{i=1}^N \frac{(O_i - E_i)^2}{E_i}$$

O_i: Observed value

E_i: Expected value (Ioannidi, 2005)

We consider a level of significance below 0,05

3.3 Limitations:

At the time of writing this article, we faced some restrictions. These are some of them:

- there is insufficient and rare information about green marketing and green consumer in Albania.
- The recent government information is not sufficient.

Our secondary data came from different academic article journal's books of marketing management and consumer behaviour. It was hard to select the article related to our research because there were fewer studies made for consumer behaviour in developing countries also it was difficult to summarize the conclusions because there were some contradictions.

4. Findings and discussions

4.1 Descriptive statistics

Our sample is composed from 250 responds. We have more female than male but the difference is not high. 44,4% of our sample is composed of young people who are less than 34 years old. More than half of responding are from high educated people 73.9%. Most of them have an income 17% have a lower income and 67% has a middle income. A large percent of the respondents (71.2 %) feel responsible for environmental issues, 52% of them would prefer eco-friendly products more than traditional but only 36,5% would pay an extra price for purchasing green products.

4.2 Quality measurement.

Table 1: Chi square test for gender

Chi-Square Gender * Attitude

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12,020 ^a	2	,002
Likelihood Ratio	12,407	2	,002
N of Valid Cases	250		

a. 0 cells (0,0%) have expected count less than 5. The minimum expected count is 10,40.

Chi square test for gender reject the null hypothesis H1 (for H0: t- calculated 12,020 is more than t-critical two-tail 7,378; also, p-value two-tail is 0.002 lower than set alpha 0.05 therefore we reject H0). We accept the alternative Hypothesis gender is related to the attitude towards Eco friendly products. The woman tends to have a more positive attitude toward eco-friendly products.

Table 2: Chi square test for age

Chi-Square Age * attitude

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14,687 ^a	4	,005
Likelihood Ratio	14,960	4	,005
N of Valid Cases	250		

a. 0 cells (0,0%) have expected count less than 5. The minimum expected count is 5,24.

Chi square test for independence is highly significant for H2 We reject the null hypothesis and accept the alternative one . (p-value is 0.005and t-calculated is 14.5687 higher than t- critical11,143), which supports the view that age is related with consumer attitude towards environmentally friendly products. We reject the null hypothesis.

Table 3: Chi square test for Education

Chi-Square Tests Education * Attitude

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	27,415 ^a	4	,000
Likelihood Ratio	26,941	4	,000
N of Valid Cases	250		

Chi Square test for independence indicate that results are highly significant at 1% for H3 as p-value is 0.0 even less than 0.01 (alpha 1%), and t-calculated is 27.415 (much higher) as compared to t-critical at 1% (18,867), hence H0 is rejected and H1 is supported. These results provide strong evidence to conclude that education is related with consumer attitude towards environmental friendly (green) products.

Table 4: Chi square test for income level

Chi-Square Income level * attitude

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8,696	6	,191
Likelihood Ratio	11,480	6	,075
N of Valid Cases	250		

Chi square test for Income level accept the null hypothesis H4(for H0: t- calculated 8,696 is more than t-critical two-tail 12,592; also, p-value two-tail is 0.1921 higher than set alpha 0.05 therefore we accept H0). Which shows that income is not related with consumer attitude toward Eco friendly products.

5 Conclusions

It's quite obvious that consumer now days are more concerned about environmental issues. Consumers in developing countries, like Albania, are highly worried too about environmental problems and have a positive attitude towards eco-friendly products. As a result of our finding consumer in Albania prefer green products more than traditional one, they feel responsible for the environmental issues. This



positive attitude is not always translated to purchasing behaviour, only 36% of our respondents would pay an extra price for purchasing an Eco friendly product.

Results show that some socio-demographic are responsible for consumer attitude toward environmental issues they can be used to profile the environmental attitude of consumers. Even though both genders have a positive attitude towards green product female have a more positive behaviour (H1). Also consumer age and education influence their attitude (H2, H3) but income is not related with consumer attitude H4.

We believe that companies should use this positive attitude toward eco-friendly products for gaining a competitive advantage in the future. Targeting consumers based on their attitude is a good strategy that companies could use for becoming leader in Albania market place.

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