

**AN INVESTIGATION OF THE PROFILE OF THE GREEN  
CONSUMER SEGMENT IN AUSTRALIA AND THE FACTORS THAT  
INFLUENCE CONSUMERS' PURCHASE INTENTIONS IN THE  
CONTEXT OF ECO-FRIENDLY FAST MOVING CONSUMER GOODS**

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**A thesis submitted for the degree of**

**Doctor of Philosophy of the University of New England**

**May 2014**

## **CERTIFICATION**

I certify that the substance of this thesis has not already been submitted for any degree and is not currently being submitted for any other degree or qualification. I certify that any help received in preparing this thesis and all sources used have been acknowledged in this thesis.



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## ABSTRACT

Existing research conducted on the purchase behaviour of consumers purchasing eco-friendly products has up until now been contradictory and presented mixed results. Studies conducted in the US, Europe, and Asia has shown widely varying patterns of behaviour amongst consumers of eco-friendly products. Therefore, generalisations about consumer behaviour for these products remains elusive. The ever changing demographics of customers who purchase eco-friendly products has also contributed to the complexity associated with identifying the consumers who are more likely to purchase these products. Consequently, Australian companies have not been able to effectively develop targeted strategies to market eco-friendly fast moving consumer goods (FMCGs) that cater specifically to the diverse consumer population of Australia. The aim of the thesis was firstly, to develop a profile of the consumer segment that is more likely to purchase eco-friendly FMCGs in the Australian context. Secondly, to identify the factors that influence the green product purchase intentions of those consumers. Addressing these objectives will allow marketing managers to develop more effective segmentation strategies that accordingly target the segment, and also to develop marketing strategies that take into account the influencing factors of consumer purchase intentions.

27 qualitative focused interviews were conducted to identify the factors that influence Australian customers' green product purchase intentions when they buy eco-friendly FMCGs. A survey instrument was then developed on the basis of the findings of the qualitative focused interviews and a review of past literature. Once the scales were purified, a final survey of 310 respondents was conducted to confirm the various factors that influence customers' purchase intentions, and also to develop a profile of the green customer on their various demographic and behavioural characteristics.

The results of the first phase of the survey showed that seven factors influenced Australian customers' green product purchase intentions. These factors were: green product perceived value, green products' environmental concern and commitment, green advertising, availability, green trust, subjective norms, and personal beliefs and values. The second phase of the survey showed that other than the two factors of 'green advertising' and 'subjective norms', all the other factors significantly influenced the purchase intentions of the customers. It was found that the typical customer most likely to purchase eco-friendly FMCGs was a woman, married or in a de-facto relationship, of Anglo-Australian descent, in the 41-50 age

bracket, who has attained a post-graduate level of education and engages in various eco-friendly activities.

From a managerial standpoint, the findings highlight the need for eco-friendly products to both deliver the core benefit of the product, and have little or no detrimental impact on the natural environment. The implications of the results indicate that marketers of such products need to align their pricing strategies with the benefits provided by these products.

Furthermore, the importance of the easy availability of eco-friendly products was paramount to consumers. Therefore, making eco-friendly FMCGs readily available would further enhance customers' purchase intentions. Most importantly, the findings showed how critical it is for marketers of such products to gain the trust of the customers. Gaining the trust of consumers needs to be done by substantiating claims made in advertisements and messages about eco-friendly products. Raising the level of trust about these products, will go a long way to expanding the customer base of eco-friendly products. The findings that present the demographic and behavioural characteristics of the customers who are more likely to purchase such products, will allow marketers to identify their target market more effectively and develop strategies to cater to this segment. Due to the fact that the study was conducted solely in the city of Sydney using a non-probability sampling method, future research could explore whether these results can be generalised to other cities, countries, and cultural contexts.

## ACKNOWLEDGMENTS

This PhD has been a long and often arduous journey that presented many challenges. It would not have been possible without the constant support of some individuals to whom I shall be forever indebted.

I would like to express my deepest gratitude to my principal supervisor, Dr. Jennifer Rindlfeish, and my co-supervisor, Dr. Fredy-Roberto Valenzuela for their constant support, guidance, and encouragement during this period. Their feedback was crucial to the successful development of this thesis.

I would like to thank Professor Ray Cooksey for taking the time to go through the questionnaire. His suggestions and guidance were invaluable.

My heartfelt thanks also go to Dr. Sujana Adapa for her guidance during the qualitative phase of the study.

My gratitude and sincere thanks go to my parents, brother, and friends who have always been a constant source of encouragement.

To all the respondents who took their time and patiently participated in the interviews and the surveys, this study would never have been possible without your participation.

Words will not be enough to acknowledge the role of my wife, Rozana, and my daughter, Rheanna. Without their constant support, patience, and encouragement this thesis would never have been possible.

Last but not least, I would like to thank the Almighty for giving me the opportunity and the strength to successfully complete this venture.

## TABLE OF CONTENTS

<b>CERTIFICATION</b> .....	<b>II</b>
<b>ABSTRACT</b> .....	<b>III</b>
<b>ACKNOWLEDGMENTS</b> .....	<b>V</b>
<b>TABLE OF CONTENTS</b> .....	<b>VI</b>
<b>LIST OF TABLES</b> .....	<b>X</b>
<b>LIST OF FIGURES</b> .....	<b>XII</b>
<b>CHAPTER 1: INTRODUCTION</b> .....	<b>1</b>
1.1    INTRODUCTION .....	1
1.2    BACKGROUND OF THE STUDY AND RESEARCH OBJECTIVES.....	1
1.3    RESEARCH CONTEXT .....	4
1.3.1    Research site .....	5
1.4    NEED FOR AND SIGNIFICANCE OF THE RESEARCH.....	6
1.5    OVERVIEW OF THE THESIS .....	7
1.6    SUMMARY.....	8
<b>CHAPTER 2: LITERATURE REVIEW</b> .....	<b>10</b>
2.1    INTRODUCTION .....	10
2.2    BACKGROUND OF THE STUDY .....	10
2.2.1    Green products .....	13
2.2.2    Consumer behaviour in the context of green products .....	18
2.3    Derivation of variables .....	26
2.3.1    Product perception .....	26
2.3.2    Green product perceived value .....	27
2.3.3    Packaging.....	27
2.3.4    Eco-labelling.....	29
2.3.5    Environmental knowledge .....	30
2.3.6    Environmental concern .....	31
2.3.7    Environmental advertising.....	32
2.3.8    Price .....	34
2.3.9    Green trust.....	35
2.4    Integrated framework .....	36
2.5    PURPOSE OF THE STUDY, RESEARCH PROBLEM, AND RESEARCH OBJECTIVES .....	39
2.5.1    Purpose of the study.....	39
2.5.2    Research problem .....	39
2.5.3    Research objectives.....	39
2.6    SUMMARY.....	39

## **CHAPTER 3: METHODOLOGY.....41**

3.1	INTRODUCTION .....	41
3.2	METHODOLOGICAL PARADIGM OF THE STUDY .....	41
3.3	CONTEXT OF THE STUDY .....	42
3.4	OVERVIEW OF THE RESEARCH METHODOLOGY .....	42
3.5	EXPLORATORY STAGE .....	44
3.5.1	Review of existing literature on green product purchase intention .....	44
3.5.2	Interviews.....	44
3.5.2.1	Development of interview questions .....	45
3.5.2.2	Information confidentiality and ethics approval .....	46
3.5.2.3	Pilot study .....	46
3.5.2.4	Main qualitative focused interviews .....	47
3.5.2.5	Transcription and data analysis.....	49
3.5.2.6	Ensuring trustworthiness of the qualitative findings .....	49
3.6	CONFIRMATORY STAGE .....	51
3.6.1	Quantitative survey .....	51
3.6.1.1	Questionnaire development .....	51
3.6.1.2	Questions on behavioural characteristics.....	52
3.6.2	Operationalization of constructs .....	52
3.6.2.1	Social and individual factors influencing consumers' eco-friendly product purchase intentions.....	57
3.6.2.2	Questions on demographic characteristics.....	58
3.6.3	Information confidentiality and ethics approval .....	59
3.6.4	Pre-test of the questionnaire.....	59
3.6.5	Pilot survey .....	60
3.6.5.1	Sample selection .....	60
3.6.6	Data analysis procedures.....	61
3.6.6.1	Data preparation.....	61
3.6.6.2	Outliers and normality check .....	62
3.6.6.3	Exploratory factor analysis .....	62
3.7	MAIN SURVEY.....	63
3.7.1	Outliers and normality check .....	64
3.7.2	Confirmatory factor analysis (CFA) .....	64
3.7.3	Hypothesis testing and path analysis .....	66
3.7.4	Model assessment .....	66
3.7.5	Multivariate Analysis of Variance (MANOVA) .....	67
3.8	METHODOLOGICAL LIMITATIONS .....	67
3.9	SUMMARY.....	67

## **CHAPTER 4: QUALITATIVE RESEARCH FINDINGS.....70**

4.1	INTRODUCTION .....	70
4.2	Characteristics of respondents .....	70
4.3	RESULTS OF QUALITATIVE FOCUSED INTERVIEWS .....	73
4.3.1	Features consumers look for when purchasing fast moving consumer goods.....	73
4.3.2	Consumer perception of green products .....	78
4.3.3	The pros and cons of eco-friendly fast moving consumer goods .....	81
4.3.4	Willingness to recommend green products.....	81
4.3.5	Negative experiences with green products .....	81

4.3.6	Consumers' eco-friendly behaviour.....	82
4.3.7	Consumers currently purchasing green products.....	86
4.3.8	How to retain current customers.....	87
4.3.9	How to attract new customers.....	89
4.3.10	Issues related to the marketing mix of green products.....	92
4.3.11	Importance of natural ingredients in certain types of FMCGs.....	92
4.3.12	Consumer perception of eco-friendly packaging.....	95
4.3.13	Effect of price on consumers' decisions to buy green products.....	98
4.3.14	Effect of availability on consumers' decision to buy green products.....	101
4.3.15	Consumer perception of green advertising.....	104
4.3.16	Role of culture and background on consumers' decision to purchase green products.....	108
4.4	SUMMARY.....	112

## **CHAPTER 5: MODEL DEVELOPMENT AND RESEARCH HYPOTHESES.....113**

5.1	INTRODUCTION.....	113
5.2	RESEARCH HYPOTHESES.....	113
5.2.1	Development of Hypotheses 1 and 2:.....	114
5.2.2	Development of Hypotheses 3 and 4:.....	115
5.2.3	Development of Hypotheses 5 and 6:.....	116
5.2.4	Development of Hypothesis 7:.....	116
5.2.5	Development of Hypothesis 8:.....	117
5.2.6	Development of Hypothesis 9:.....	117
5.3	CONCEPTUAL MODEL OF THE STUDY.....	118
5.4	PRE-TEST.....	119
5.5	PILOT SURVEY.....	120
5.5.1	Descriptive statistics of the sample.....	120
5.5.2	Demographic profile of respondents.....	120
5.5.3	General pattern of behaviour of the respondents.....	122
5.5.4	Initial data screening results.....	124
5.5.5	Main findings of the pilot survey.....	124
5.5.6	Factor labelling.....	127
5.6	REVISED MODEL OF THE STUDY.....	129
5.7	HYPOTHESES TO BE TESTED.....	130
5.8	SUMMARY.....	131

## **CHAPTER 6: QUANTITATIVE RESEARCH FINDINGS.....133**

6.1	INTRODUCTION.....	133
6.2	MAIN SURVEY.....	133
6.2.1	Demographic characteristics of respondents.....	133
6.2.2	Behavioural characteristics of respondents.....	136
6.3	MAIN FINDINGS.....	139
6.3.1	Initial data screening results.....	139
6.3.2	Results of confirmatory factor analysis (CFA).....	139
6.3.3	Empirical investigation of the factors influencing consumers' green product purchase intentions.....	142



6.3.3.1	Results of path analysis.....	143
6.3.4	Results of MANOVA tests .....	149
6.4	SUMMARY.....	153

**CHAPTER 7: DISCUSSION AND CONCLUSION.....154**

7.1	INTRODUCTION .....	154
7.2	DISCUSSION OF THE FINDINGS .....	154
7.2.1	Research objective 1: To investigate how various factors affect consumers’ green product purchase intentions .....	155
7.2.2	Research objective 2: To investigate the relationships and the strength of the relationships that exists between each of the different factors and the green product purchase intentions of consumers.....	158
7.2.3	Research objective 3: To study the characteristics of the segments willing to purchase green products .....	162
7.2.4	Research objective 4: To present a holistic picture of the demographic and lifestyle characteristics of the green consumer .....	166
7.3	THEORETICAL IMPLICATIONS OF THE STUDY .....	167
7.4	PRACTICAL IMPLICATIONS OF THE STUDY.....	169
7.5	LIMITATIONS AND DIRECTION FOR FUTURE RESEARCH.....	171
7.6	CONCLUSION .....	172

**REFERENCES.....175**

**LIST OF ACRONYMS .....200**

**APPENDICES.....201**

APPENDIX 1A.....	202
APPENDIX 1B.....	203
APPENDIX 1C.....	204
APPENDIX 1D.....	205
APPENDIX 2A.....	206
APPENDIX 2B.....	216
APPENDIX 2C.....	218
APPENDIX 2D.....	219
APPENDIX 3A.....	220
APPENDIX 3B.....	225

## LIST OF TABLES

Table 2.1: Green product definitions in academic literature	16
Table 3.1: Surveys and their relationship to construct development and testing	51
Table 3.2: Items relating to green product perceived value	53
Table 3.3: Items relating to green advertising	54
Table 3.4: Items relating to eco-labels	55
Table 3.5: Items relating to availability of green products	55
Table 3.6: Items relating to green trust	56
Table 3.7: Items relating to green product purchase intentions	57
Table 3.8: Items relating to personal and social factors influencing purchase of eco-friendly FMCGs	57
Table 3.9: Indices used to test the adequacy of the model fit	65
Table 4.1: Demographic characteristic of respondents	71
Table 4.2: Shopping traits of the respondents	72
Table 4.3: Factors affecting consumers' purchase decisions	73
Table 4.4: Consumer perception of green products	78
Table 4.5: Willingness to recommend green products	81
Table 4.6: What consumers view as eco-friendly behaviour	83
Table 4.7: Consumers currently buying green products	86
Table 4.8: Added features that might influence consumers to continue purchasing green products	87
Table 4.9: Factors that will encourage non-buyers of green products to actively seek and buy green products	89
Table 4.10: Importance of Natural Ingredients in certain types of FMCGs	92
Table 4.11: Factors pertaining to eco-friendly packaging	95
Table 4.12: Effect of price on consumers' decisions to buy green products	98
Table 4.13: Effect of availability on consumers' decision to buy green products	102
Table 4.14: Consumer perception of green advertising	104
Table 4.15: Role of culture and background in consumers' decisions to buy green products	108

Table 5.1: Demographic characteristics of survey respondents	121
Table 5.2: Behavioural characteristics of survey respondents	123
Table 5.3: Process followed for purifying the scale measuring factors influencing consumers' green product purchase intentions	125
Table 5.4: Final solution of exploratory factor analysis	126
Table 5.5: Factor labels	127
Table 6.1: Demographic characteristics of respondents	134
Table 6.2: Model fit indices of the first order CFA model	140
Table 6.3: Standardised regression weights of items	142
Table 6.4: Summary of path analysis results	148
Table 7.1: Profile of customers most likely to purchase eco-friendly FMCGs	167

## LIST OF FIGURES

Figure 2.1: Detailed conceptual framework for analysing and understanding attitudes (Source: Barr & Gilg, 2007)	20
Figure 2.2: Predicting paying attention to eco-labels and the purchase of labelled products (Source: Thøgersen, 2000)	21
Figure 2.3: Conceptual model of customers' perception formation of environmentally safe products (Source: D'Souza et al., 2006)	24
Figure 2.4: Thøgersen's norm-activation model for the prediction of environmentally-friendly packaging choice (Source: Thøgersen, 1999)	28
Figure 2.5: Mostafa's model of green purchase behaviour (Source: Mostafa, 2007)	31
Figure 2.6: An integrated framework for analysing the impact of green marketing tools and other social and individual factors on consumers' green purchase intention derived from past literature	38
Figure 3.1: Sequential research Design of the Study	43
Figure 5.1: Conceptual model of the study	119
Figure 5.2: Revised conceptual model of the study	130
Figure 6.1: Frequency of grocery shopping	136
Figure 6.2: Person doing the shopping	136
Figure 6.3: Respondents' attitudes towards the environment	137
Figure 6.4: Number of respondents who make an effort to purchase eco-friendly FMCGs	137
Figure 6.5: Number of respondents who always purchase eco-friendly FMCGs	138
Figure 6.6: Portion of shopping that is eco-friendly	138
Figure 6.7: Path analysis	144