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**Green Marketing Potential as Assessed from Consumer's Purchasing Behaviors:**

**The Case of Ghana**

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## ABSTRACT

Green Marketing has become an important strategy in businesses since the international rise of environmental awareness among countries. With greater awareness rising among the public, especially with reference to the global warming and climate change phenomenon, people have become cautious with regards to their purchases, specifically towards the nature of purchased products. As green marketing continues therefore to evolve not only into a strategy but into a platform across the world, Ghana is still at the onset of a green marketing phenomenon. To therefore assess the direction of this phenomenon, the study is aimed at determining the green marketing potential in Ghana as assessed through the perspective of consumers. Environmental Awareness and Consumer Behavior was used in order to assess the presence of a green potential in Ghana. As environmental awareness is able to serve a clear purpose for green consumerism, consumer behavior is able to show the applicative potential of green consumerism. Through online surveys and questionnaires, results of the study were able to reveal a strong green potential existing in Ghana, both with positive indicators within environmental awareness and consumer behavior. Further, results have also noted specific products that have the greatest potential within Ghana's green market; green food and body care products showed the highest potential for a prospective green business as reflected in bivariate fit analysis.

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## CHAPTER ONE

### INTRODUCTION

#### 1.1 General Introduction

Green marketing generally aims to promote environmentally friendly products and a safe environment where people could stay. At present green marketing is widely becoming a phenomenon throughout the world as concerns on our environment have begun to escalate in the past few decades. Every year, the population of people who are turning towards green brands or environmental friendly products are increasing, thus, magnifying the phenomenon exponentially. Thus, businesses in almost every industry nowadays are flaunting the “green” features of their products and services in every chance they get.

The success, however, of any green marketing strategy is heavily reliant on the consumers it would like to target. For instance, environmental friendly baby products have become a big hit in the United States due to the great awareness and concern of parents about the hazardous effects of non-green products on their children. Ultimately, this awareness and concern have allowed the industry of green baby products to boom within the country—giving rise to the profitability of companies who deliver products such as BPA-free feeding bottles, Anti-Colic Products, Cloth Diapers and more.

In the case of Ghana, however; it is noticeable that the mark of a green market is still uncertain. Through a review of the literature available, it has been discovered that there are very few to none researches that are concerned with green consumerism in the country. To therefore address this need, this research aims to focus on the potential of green marketing strategies in Ghana through understanding the perspective of consumers towards the construct. For the past

few years, several companies have introduced green marketing in Ghana. There are lots of eco-friendly products produced from the country and are being exported to different countries in the world like a local product called the bolga basket. Within the country, however, little attention is paid towards green marketing as far as consumers themselves are concerned. Once the construct is freely accepted in the country, people in Ghana would likely benefit if only the potential of green marketing in the country is given much importance.

## **1.2 Background of the Study**

For the past decades, environmental concerns have received much attention wherein it replicates the rising public concern and the awareness of people on environmental problems. Government institutions and several pressure groups all around the world have been campaigning vigorously for the environment; in addition, the media reporting on environmental issues has increased dramatically. These campaigns have pushed towards plans developed within political decision making such as several laws and regulations to protect the environment. For instance, through the Earth Summit in Rio de Janeiro in 1992 and the follow-up summits in Berlin in 1995 and in New York in 1997, objectives for international collaboration and action has been identified (Keating, 1993), thereby adding to the level of awareness raised towards environmental issues. Due to this increased level of environmental awareness, a positive change within the behaviour of consumers towards environmental products is prevalent nowadays. These changes contribute to the start of a green revolution that aims to thwart further harm to the environment. Despite such advances towards environmental concerns and the rise of green marketing, the construct of green marketing has been misinterpreted and misunderstood in its history.

According to Polonsky (1994):

“Unfortunately, a majority of people believe that green marketing refers solely to the promotion or advertising of products with environmental characteristics. Terms like Phosphate Free, Recyclable, Refillable, Ozone Friendly, and Environmentally Friendly are some of the things consumers most often associate with green marketing. While these terms are green marketing claims, in general green marketing is a much broader concept, one that can be applied to consumer goods, industrial goods and even services. For example, around the world there are resorts that are beginning to promote themselves as "eco-tourist" facilities, i.e., facilities that "specialize" in experiencing nature or operating in a fashion that minimizes their environmental impact.”

(p.1)

As such, it is important to note whether or not a certain population has understood green marketing and has viewed in it proper parameters to therefore determine its success and sustainability within any given location.

Green marketing, in general, is the promotion of different types of goods and services that are considered to be environmentally harmless. These products, are generally designed using natural or recycled resources, and are said to have little to zero negative effect on the ecosystem of the planet. Goods that meet these criteria are often referred to as biodegradable, meaning they help replenish the planet. In addition, eco-brands, eco-labels, and environmental advertisements are added green marketing gears that will allow the easier perception and awareness of green products features and attributes that will consequently guide buyers to products that are environmentally friendly. Innumerable businesses that promotes their products as green has continually grew. (Mansvelt, 2011).

As such, the objective of this study is to examine the purchase behaviour of consumers towards green products and the potential that exist from the perspective of corporate bodies and consumers point. The President of African University college of Communication (AUCC), Mr. Kojoh Yankah (2010) said:

“Ghana’s economy can be tremendously transformed within the short medium terms, if Government takes concrete steps to embrace and vigorously promote Green Technology. Green technology was the blue print for the rapid transformation of the Asian economies, because they took bold decisions to promote green industry which were vital strategies towards the economy, with the use of green technology, Ghana has the advantage, because virtually all the agricultural wastes which generates from agricultural products like sugar, maize, and rice can be used to manufacture plastic bowls, buckets, flower pots, and many other degradable products for local consumption and more importantly for exports.” (p.1)

Chiefly, green technology is a technology that is environmentally friendly, generated and used in a manner that will safeguard the natural resources and the environment. Ghana can possibly produce billions of dollars through converting its agricultural wastes to produce biodegradable products. Considering that Ghana is bestowed with natural resources, the country relies profoundly on agriculture, thus the potential of green revolution in agriculture in the country would greatly benefit the entire economy through sturdy connections between the agricultural sector and the rest of the economy. Furthermore, as Ghana remains to be one of the worlds’ leading producers of gold, and known worldwide as an exporter of cocoa, oil, timber, electricity, diamond, and other mineral resources, the potential of green marketing on the other

hand has not yet been explored, for this reason, green consumerism is not yet given much importance. Since the potential of green marketing in Ghana has not yet been explored, there is no suitable green marketing brand and strategy in the country yet though Ghana has a potential to establish a suitable market for green marketing brands and strategies in terms of food, electronic products, automobile, natural health and personal care products as well as baby products.

### **1.3 Problem Discussion**

Green marketing brands and strategies could possibly be successful in Ghana especially if the potential of the construct is fully researched and understood within the country. As such, to therefore instigate green marketing to develop within the country, this study is aimed at determining the purchasing behaviour of target Markets in Ghana with reference to green marketing, to fully understand the green market potential of the country. To meet such objectives, the specific questions that follow were raised:

1. What are the underlying perspectives of consumers in Ghana on green marketing, green brands and green products—and in relation to current environmental issues and concerns?
2. Would the awareness of consumers in Ghana on environmental issues and concerns affect their perception of the need for a full circulation of environmental friendly products in their country?
3. Is the target market amenable to the consumption of green goods and services once made available within the country?
4. What certain green goods and services have the greatest potential for profitability and return of sustainability within the country?

5. Is there a potential market for green goods and services in the country based on the gathered perceptions of consumers in the country?

#### **1.4 De-Limitations**

This study covers literatures, research questions and structure, a designed research method, and a questionnaire created and distributed to specific residents in Ghana. After which, answers for the research question are tallied through which conclusions were formulated and implications were drawn. The main objective of this study was to determine the potential of a green market in Ghana, particularly the potential of selling environmental-friendly goods and services. This objective was met through determining the consumer's perspectives on green products and services, their effects on the environment and their probable support with regards to the launching of such goods and services within their country. As such, the study will only cover the following set of variables: 1. Green marketing potential or the potential for a green market in Ghana; 2. Perspectives of Consumers (with reference to their purchasing behavior); 3. Possible profitability of green market in Ghana; 4. Possible return of sustainability of a green market in Ghana. As such, the study will not consider the view points of stakeholders, companies, etc., but would only be focused on consumers.

In terms of data collection scope, a questionnaire was used as the main instrument for gathering data from particular residents in Ghana. A set of questions were asked to the participants to assess whether green marketing in the country has a potential. With that detail noted, the study is descriptive in nature with a survey method applied as a technique for data collection processes. The study is not reflective therefore of a case study or of any other forms of qualitative studies. As such, data analysis that will follow will be quantitative in nature rather than qualitative.

## 1.5 Thesis Structure

The whole thesis is patterned after the format recommended in the Masters in Business Administration Course Guide. The sections of the thesis are therefore reflective of the following chapters:

Chapter 1 presents an introduction of the chief subject matter of this study. The main problem of this research is to study is to examine consumers' purchase behaviour towards green products and the potential that exist from the perspective of corporate bodies and consumers point in Ghana, Africa. Other areas discussed within this chapter includes the background of the study, the problem discussion, the delimitations of the study, and the structure of the thesis. Chapter 2 presents an outline of relevant literature that is discussed within this research. Also in this chapter, information and justifications are given in conclusion to the study made. It starts with a review of literature review of green marketing, and green marketing is later distributed into further categories and concepts which are deemed as helpful and necessary to the study. Chapter 3 presents the research methodologies that were used to carry out the research processes, thereby, meeting the objectives of the study. The chapter justifies the correctness of the method chosen for the study and also presents discussions on the research design and the data collection procedures. Chapter 4 presents the results and findings of the study with their corresponding discussions, particularly those of the results of the questionnaire surveys distributed to selected participants from Ghana. These results are presented in logical manners with the help of tabular and graphical presentations. Statistical analyses also used to measure the results of the study were noted as well as with their corresponding results. Additionally, the discussions reflect the existence or absence of a potential within the Ghana Market for goods and services that are of the green nature. Finally, chapter 5 presents an overall summary of the study

as well as the generalizations, conclusions or implications that have been drawn from all the data gathered and interpreted. The chapter also discusses some of the limitations of the study, some threats to validity and reliability and also some recommendations for future and further researches. Below is an outline form of the thesis structure:

1. CHAPTER I: Introduction
  - 1.1 General Introduction
  - 1.2 Background of the Study
  - 1.2 Problem Discussion
  - 1.4 Scope and Delimitations of the Study
  - 1.5 Thesis Structure
2. CHAPTER TWO: Review of Related Literature [and Studies]
3. CHAPTER THREE: Methodology
  - 3.1 Introduction
  - 3.2 Research Design
  - 3.3 Sources of Data
  - 3.4 Data Gathering Tool
  - 3.5 Procedure
  - 3.6 Treatment of Data
4. CHAPTER FOUR: Results and Discussion of Results
5. CHAPTER FIVE: Conclusions and Recommendations

## CHAPTER TWO

### LITERATURE REVIEW AND THEORY

#### 2.1 Introduction

In this chapter, an extensive review of published literatures that could help examine the purchase behaviour of consumers in Ghana, Africa towards green products and the potential of green marketing as a company strategy in the country have been assessed. In order to address the endeavours of this research, it is important to construct an irrefutable literature that is based on different studies made. This chapter will therefore deal with necessary and vital constructs that are attributed to the purposes of this research.

#### 2.2 Marketing

It is at times mistakenly thought that marketing is performed only when you find customers (Green, G., Williams, J., 1996). The word 'marketing' today has clearly been defined. Marketing was advertising; this is what some thinkers or even business managers say, but marketing is a lot more than advertising and selling. Several organisations are now concerned in building up different marketing activities to satisfy or to even exceed the needs of different groups of consumers. This different group of consumers has, in a way helped with the development of new goods, products and services. Specialisation in products being sold is also achieved. A great deal of new concepts are developed and implemented to reach consumers. Network Marketing, Relationship Marketing, Direct Marketing are some of the concepts developed nowadays. The main mantra of today's marketing activities is purchasers' satisfaction, a wide range of consumer producer goods have been designed with the development of new markets and new selling opportunities, and for many marketing has become a good profession. Marketing is occupying a vital place in business activity in many developing countries, market

motivated economies are achieving power globally and even the socialist countries begun studying the marketing concepts in a scientific way for them to be actively introduced to their internal distribution designs. (Hundekar, S.G. Appannaiah, H.R. Reddy, P.N., 2010).

Marketing is the responsibility of the management, not just a function delegated to specialists (Silk, J., 2006). In addition, the American Marketing Association (AMA, 2004) defined marketing as a an organizational role and course of procedures for communicating, producing, and delivering value to customers, dealing with customer relationships in a manner that will benefit both the organization and its stakeholders. Sharma, S.P. Joshi, Dilip B., 2008, also described marketing as a discipline in business which is accountable for developing programmes to obtain and keep hold of their customers. Moreover, one of its major functions is to understand customers and their consumption patterns. It is often said that today's consumer backdrop is shaped by two powerful forces, --technology and globalization. In relation to these innovations in technology and globalization, problems created by industrial activities have created ecological problems; a very good example of this is Global warming. Other paradigms are, air pollution and natural resource scarcity (Brown, 1993). In 2007 Gunther denoted that global warming was the "game changer" and that firms probably will no longer attempt to function in vacuum in relation to environmental issues. Businesses face pressure to become "environmentally correct" (Chambers and Whitehead, 1993) with the dispute that environmental policies will boost the business' economic performance (Gore, 1992). Gore also suggested that a better balance between economic and ecological variables need to be found. Gladwin (1992, pg.1) emphasized "If goals of sustainability are to be achieved, firms must be reformed, redesigned and restructured to minimize the negative ecological impacts". Miles and Covin had the same opinion with Gore and continued the discussion emphasizing requirements which are

agreeing to simultaneously improve environmental and financial performance so as to persuade different companies to hunt for innovative techniques to make use of green marketing and management as the primary tool to improve their company's reputation, increase competitive advantage and eventually boost financial performance (Miles and Covin, 2000, pg.299). Hence, company's practising the green marketing strategy may be in a stronger spot, wherein these companies will consequently increase their competitive advantage in sustainability and more importantly, increase in profit. Different stakeholders must also be involved to make green campaigns successful (Ottman, J., 2007).

The fundamental role of marketing in the enterprise was drawn from the fact that marketing is a procedure through which a firm produces value for its selected purchasers. Moreover, value is created by meeting customer requirements, therefore a firm must define itself not by the product it offers in the market, but by the customer benefit it offers (Silk, A., 2006).

### **2.3 Green Marketing**

According to Sam Windsor, "Everything is green. Energy is green, household cleaners are green, and so many others are green". But nowadays we do not really know what is green and what is not. We are surrounded with green; green is featured in advertising and used as a marketing instrument by both public and private business sectors, green is all over the news broadcasts. People talk about becoming green, green jobs, carbon counteracting, and the famous reduce, reuse and recycle program. Businesses have "greener products" and even politicians have their green platforms too (Windsor, S. 2010). All the activities of man affect the environment; this explains why green issues are now being incorporated by different academic disciplines in their literature. In marketing, this is especially true. With the developing concern of the general

public for the environment, almost all businesses started to incorporate activities that chiefly focus on meeting the new concerns of the society. Business establishments' easily adapted new concepts like waste minimization concerns and environmental management systems in all their organizational activities. At present, ecological issues are becoming the main concern of all corporate bodies that are being called upon to preserve the ecological balance of nature by certifying that all their products are a hundred percent biodegradable and does not entail haphazard use of the earth's limited natural resources. Furthermore, the involvement on environment campaigns has directed to legislations and as a result all firms are now required to abide with regulatory methods. Consequently, ecological marketing is also called green marketing; today, it has come of age and a marketing student needs to understand its nuisances. Gradually, the number of ecologically friendly products available in the market is increasing (Saxena, 2005). Marketing is a major activity in business wherein the environmental issues have obtained a great deal of discussion among the well-known and professional journalists. "Green Marketing" and "Environmental Marketing" these terms frequently come out in the popular press. In addition, green marketing activities became the main concern of almost all public governments around the world, eventually this concern made the government come out with regulations on the said activities. Green marketing or environmental marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such as the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment (Polonsky, 1994b:2). This description assimilates a great deal on the traditional part of the marketing definition that is "All activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants" (Stanton and Futrell, 1987). Consequently it guarantees that the interest of the entire organization and all of its consumers is

safeguarded because voluntary exchange will not materialize unless both the buyer and seller will benefit equally. Furthermore, the definition above includes safeguarding nature by making an effort to lessen the unfavourable impacts of this exchange on the environment.

Green marketing is a holistic process that predicts, identify and satisfy in an ecologically sustainable manner the requirements of the consumers and the general public. To understand further this definition of green marketing, the thought of holism and sustainability is discussed; the word holism connotes taking into account all the aspects that affect the production of services or products, the delivery as well as the marketing procedure. This means the firm's source of supply, distribution rules, product disposability or recyclability, pollution management and marketing communications must all correspond to the sustainability prerequisites. Furthermore, holism suggests taking into consideration the welfare and interest of the company's stakeholders, wherein all those particular individuals and groups with significant interest in the marketing attempts and its consequences. For an instance, the suppliers, distributors, customers, the consumers and relevant community interest groups of different manufacturer's. Sustainability on the other hand means that the effect of all marketing or product or service related activities on the environment must be cautiously administered so that the activities can carry on into the future without damaging the natural resources, but this doesn't mean the activities do not completely have an impact on nature; it has, but nevertheless, it requires extremely careful analysis and management of every single aspects of the system so that effects can be lessened eventually (Charter and Polonsky, 1999).

Mansvelt also defined green marketing as an emerging advanced system of advertising and labelling of products, goods and services that are advertised by claims of either reduced or abolished negative effects in the ecology (Mansvelt, J., 2011). In addition, Mansvelt discussed

that green marketing took place as early as 1975 when the American Marketing Association held a workshop on ecological marketing. This AMA workshop brought together researchers, college professors, scholars, practitioners, and public policy makers to assess the impacts of marketing activities on the environment (Gupta, E.K.R., 2008). During this workshop, ecological marketing was defined as: the study of the positive and negative aspects of marketing activities on pollution, energy and none energy resource.

Green lifestyle products spurred the interest of people towards this workshop, specifically products that became popular during the 1970's. Throughout this decade, certain companies such as Ben and Jerry's Homemade and Nike started to release corporate social responsibility reports, these reports increased traditional financial reports to further investigate a company's impact on the environment. During the 1980's, green marketing had its genesis and became a phenomenon, also throughout this year corporate social responsibility reports and buzzwords "sustainable development" and "green consumerism" gained popularity (Mansvelt, 2011).

## **2.4 Twenty Rules of Green Marketing**

Twenty rules of green marketing are also created which are essential strategies to play by the new rules. ***Green is the mainstream.*** In the past years, few people forming groups of genuine green consumers existed; today every generation is somehow attached to the green revolution. In fact, there now exists categories of green consumers all around the world. (2) ***Green is cool.*** Before green has been viewed within negative connotation, however, as of today, green has become a worldwide trend. In fact, green consumers these days are the biggest influences on purchasing powers and behaviours. For instance, celebrities and other highly regarded groups or individuals who cater towards green products are seen as trendsetters within current markets

worldwide. (3) ***Greener products work equally or better-and are often worth a premium price.*** Due to advances in technology, we have moved forward from days where green products were often ignored and were attributed with low qualities and values. As of today, the most expensive products are those that are labelled as organics, hybrid, and environmental friendly. (4) ***Green inspires innovative products and services that can result in better consumer value, enhanced brand, and stronger company.*** Managers, those from big transnational companies to small businesses, no longer consider the environment as an extraneous variable that presents difficulties in advertising, marketing and managing strategies. These days, the environment is the primary source of high rates of returns on investment for any company. (5) ***Values guide consumer purchasing. Historically, consumers bought solely on price, performance, and convenience.*** These days, premium attention is drawn towards the value that is attached to every aspect of purchasing products. For instance, people no longer simply take into consideration the price, quality and convenience of a product; rather, they think outside and also consider how these products could affect the environment through their packaging, manufacturing, etc. (6) ***A life-cycle approach is necessary.*** A life-cycle approach, which refers to a technique used in assessing the long-term condition of a product, is used to assess the impacts of any given product on the environment. Therefore, claims such as recyclable or reusable are no longer enough for consumers since these materials still create wastes that are deemed as harmful to the environment. (7) ***Manufacturer and retailer reputation count now more than ever.*** Manufacturers as well as retailers are also taken into consideration at the onset of a purchase. The surroundings wherein products are made and stored are also often taken into account by consumers—thus, immediate background checks on companies are already gaining a certain amount of necessity with regards to green consumption. (8) ***Save me!*** Green consumerism is also

reflective, not only of advocacies to help the environment. Consumers are not only concerned with saving the planet, but rather, they are even more concerned with protecting their health. As such, products must cater to their needs with regards to health, money and also to proficiency.

(9) ***Businesses are their philosophies.*** Businesses are now assessed according to what they stand for—their principles and values—and no longer according to how they are built. (10) ***Sustainability represents an important consumer need, and is now an integral aspect of product quality.*** Green marketing is not only a preference or a viewpoint – it is the way of the company. As such, it is imperative that products must be green and that they must reflect a sense of responsibility not only towards the environment but also towards the society. (11) ***The greenest product represents new concepts with business models with significantly less impact.*** The most innovative green products are the most valued. Green products need to advance towards sustainability and not only be repetitive of what is already evident within the community. There must be a constant effort renew and revitalize old concepts and traditions in order to achieve more and in order to create more significant impacts. (12) ***Consumer's don't necessarily need to own products; services can meet their needs, perhaps even better.*** Green marketing must not be limited to the manufacturing of green products, but must also include services that are of equal value. For example, electronic versions of books (eBooks) are proven to be a service that efficiently meets the needs of consumers. (13) ***The brands consumers buy and trust today educate and engage the in a meaningful conversation through a variety of media, especially via websites and online social networks.*** Green Marketing is already inclusive of advances in technology – traditional forms of communication such as print and paid advertising is no longer enough in promoting green marketing as a strategy. (14) ***Green consumers are strongly influenced by recommendations of friends and family, and trusted***

*third parties*. Due to a phenomenon noted as greenwashing, trust is an important tool in the success of any green marketing strategy. As such, influences through recommendations by families, friends, and genuine third parties (NGOs and eco-labellers) are a necessity within green marketing. (15) ***Green consumers trust brands that tell all.*** Brands or companies that practices “radical transparency” are often trusted by consumers the most. Radical transparency is achieved through disclosing all information to the public, whether good or bad. The willingness of any company to do such entitles them to genuine principles that are highly regarded and appreciated by customers. (16) ***Green consumers don’t expect perfection.*** Consumers are not looking for perfect and faultless products and services; rather, they are looking at the height of the standards raised by a company in achieving their environmental goals. (17) ***Environmentalists are no longer the enemy.*** Environmentalists must not be regarded as critics to any company, but rather, must be considered as allies in achieving the goals set by the company. Partnering with environmentalists who can provide irrefutable suggestions would make a very solid green marketing strategy. (18) ***Nearly everyone is a corporate stakeholder.*** Corporate stakeholders are no longer inclusive of only customers, employees and investors. Due to the ability of every individual to create an influence that could affect the behaviour of any other individual, almost everyone is already considered as a stakeholder. (19) ***Authenticity.*** Bringing something new and innovative in the market will help a product stand out. As such, recycling logos or biodegradability claims are no longer enough—brands must keep on developing new foundations that would reflect their sustainable benefits to the environment and to their consumers. (20) ***Keep it simple.*** Less is more. In the advocacy of promoting the environment and other issues that concern health and safety, it is imperative that simplicity be made as a mirror that would reflect the nature of these concerns. These strategies deal with greening existing products and

discovering sustainable ones; communicating believably and impactfully, to be able to work practically with different stakeholders so as to extend one's resources and address the needs of consumers genuinely and systematically (Ottman, J., 2011).

Concern, awareness and intent to purchase the right thing surely are on the radar screens of almost all consumers in the developed world at present. Green also significantly influences agendas of government officials, non government organizations, news media, different church leaders, educators and even Hollywood celebrities. Only a few marketing issues have been discussed concerning green or sustainability for the past decades. Moreover, in a few short years, it has been observed that a large number of consumers budge from being extremely sceptical regarding the performance of green products to the commoditization of green in various categories. The most recent expansion of green media, products, services and marketing has brought with it a sea of confusion and a lack of trust, all of which risk undermining the entire green movement and returning to us an era of consumer apathy. (Ottman, J., 2001).

## **2.5 Greenwashing**

One major reason why purchasers give of negative feedback with green products is the so called greenwashing. As defined by environmentalists, greenwashing (derived from “whitewashing”) is a type of spin wherein green PR or green marketing is used dishonestly to endorse the perception that the products of a company are eco-friendly. In addition, Terra Choice developed the seven sins of greenwashing namely: (1) *Sin of hidden trade-off*, it focuses on a narrow attribute such as recycled content without regard to other impacts; (2) *Sin of no proof*, it focuses on promoting energy efficiency or recycled content without proof; (3) *Sin of vagueness*, these are statements such as chemical free or non toxic; (4) *Sin of irrelevance*, which is

promoting CFC free, since CFC has been banned for nearly 30 years; (5) *Sin of lesser two evils*, these are organic cigarettes; (6) *Sin of fibbing*, these are certified organics when no such certification exists; (7) *Sin of worshipping false labels*, wherein a label or image gives the impression of a third-party endorsement when it does not exist (Windsor, S., 2010).

## **2.6 Green Marketing Significance**

Based on the definition, Economics is the study of how people consume inadequate resources to satisfy their unlimited desires (Mc Taggart, Findlay, and Parkin, 1992: 24), comes the question of why green marketing is important. Accordingly, man has limited resources on earth, but nevertheless man needs to provide for the unlimited wants of the world. “Freedom of choice” mostly prevails in the marketing society today, individuals and organizations have the right to attempt to have their wants satisfied has generally been accepted. Businesses face inadequate natural resources, but nonetheless they ought to develop new or alternative ways of meeting the wants of both, consumers and the industry, as well as to achieve the selling objectives of the organization (Gupta, 2008). Throughout the eighties, pressure groups such as the Greenpeace and Friends of the Earth turned the society’s attention to the major environmental problems that the earth faces. Worldwide, several inter-governmental bodies and the government expressed their concern regarding issues such as acid rain, the ozone layer, the conservation of rainforests, air pollution and water pollution. Furthermore, manufacturers of a wide variety of products have voluntarily exerted effort to play their part in undertaking environmental issues as response to the legislation. At first there was immense burst of eagerness on the part of manufacturers, retailers, and consumers to build up a green stance, today, it is beginning to be recognized by everyone that the main issue is no longer if they are green, but more on the extent of their greenness. Developments in manufacturing technology resulted to the

production of environmentally friendly products. Cars run on lead free petrol and have catalytic converters to reduce pollution (Wimsatt and Lozada, 1996), an example of this is the famous Toyota Prius; it is likely the most successful green product in the United States since 2001. It provides punters with all they look for. Supplemental advertisements flaunt its environmental bona fides. With energy prices on the rise, the Prius has been marketed for its superior fuel efficiency, and a PR machine fuels efforts to link the car to environmentally conscious celebrities and causes. Reports show that buyers purchase this product because of “Conspicuous Conservation” — informing others that they are environmentally wise. Moreover, the producers of washing detergents and powders already attempted to modify their products to create less impact on the environment; in addition manufacturers of leading brands such as the Persil and Ariel now endorse their green credentials on their packaging and on their advertising campaigns.

Africa2Green, an affiliate of Return2Green International, is a known firm in Ghana devoted to develop, produce and sell as well as to modify hazardous and non-biodegradable products. One of the most recent green technologies created by a Professor in Malaysia, called the MZ-3, is now currently being introduced in Ghana. MZ-3 is the leading technology for industrializing and utilizing agricultural waste, these include straw stalks, nuts shells and grain shells. The MZ-3 technology generates different kinds of containers ranging from pots to essential house items. Currently, an extensive range of flower pots are being produced with MZ-3 and are exported to the United States, South Korea, Europe, Japan, Australia and many other countries. For the past 20 years, the discoverer, Professor Mouzhi Zhou has engaged to several ecological and environmental researches, concentrating on the aspects of straw stalk, and focusing on a specific industrialization and utilization technologies (Ghana News Agency, 2011).

While green marketing rummage around to maintain the quality of the natural world by some means, a chief advantage of its use is often its appeal to consumers who are environmentally conscious. Green marketing activities involve any number of means to protect, protect, improve, or reduce damage to the natural environment as well as human health (Dacko, 2008). The primary issue is that the world only has limited resources with which, we make an effort subsequently to satisfy the unlimited wants of man, but by arbitrarily consuming Earth's natural resources, we are in fact denouncing future generations to substandard lives – indeed a very sad legacy. For that reason, a clear trade off flanked by consumption at a later date or by future generations will occur. There are only a few who accept that the Earth is no longer a resource at the disposal of human beings to make use of and dispose after, rather it is believed to be a “collective custodial trust” that is to be preserved, enhanced, and passed on to the next generation in a healthier state than we found it. Increasingly, this objective is being considered by the more progressive nation's populations and organizations as, sacrosanct. From this point of view, as consumers and organizations struggle in the midst of problems on Earth's limited natural resources, newer technologies and methodologies of satisfying their unlimited wants are now being developed. Generally, the objective of green marketing is to communicate this objective and provide the means to attain this objective. Green marketing communicates and keeps an eye on how organizations are determined to transform their internal and external processes, supply chains, infrastructure, systems and technologies in order to achieve the above objective. It is an important contributor to ensure that organizations thrive in future, not only as an integral part of the Green Supply Chains.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1 Introduction**

This study was aimed at examining the potential for a green market in Ghana in terms of profitability and return of sustainability from the perspective of consumers or target markets. Specifically it dealt with an in-depth analysis of the potential of green marketing in the country and its effect on the consumers. In order to develop a solid starting point for drawing conclusions essential in this study, certain steps and procedures were taken into account by the researchers. The following is a given discussion of the methodology undertaken in this study. This chapter is therefore reflective of a number of topics used to describe and assess the procedures used mainly for data collection and analysis within this study. Research designs, techniques, methods, sources of data, tools for data gathering procedures, sampling and participants, treatment of data, and all other vital information as to how participants were determined, how data was collected, and how data was analyzed, are presented within this chapter.

#### **3.2 Research Design**

With reference to the nature of the study, as well as the objectives and goals sought after. A survey was chosen since the study is concerned with consumer perception of green market products. This type of data gathering method is more accurate and we will be able to study and analyze the data gathered with statistical tools. This will help us come up with well rounded conclusions that are based on the results of treatment of the data.

### 3.3 Research Methods

This research is based on the descriptive survey questionnaire method which aims to study a given population's present existing condition that is based on a given set of samples. The study aims only to examine consumer's perspective in Ghana to determine the potential of a feasible green market. Therefore, the study is not bent on the introduction of extraneous variables that may affect the relationship of the existing variables within the study. The survey method that is utilized is done through the questionnaire method – the use of questionnaires to collect information from the sample. We used a questionnaire in order for us to be able to gather data more accurately with the least amount of time and hassle for the subjects in order to maintain the candour of the responses. The survey method was perceived as fitting for the objectives of this study as it seeks to distinguish data within certain parameters, thereby creating a solid approach to the collection and gathering of needed data.

Due to the distance of the data collectors from the respondents, an online survey method was used for the study. The use of an online survey makes it more convenient for participants to take the survey. The online survey method is a method in which respondents are to answer a set of questions aimed at the objective of the study through the internet. This method is also similar to traditional forms of survey, however, the medium of sending and collecting questionnaires are made possible through online means. This was particularly chosen to make the data collection streamlined as well as to reduce costs of travel, printing and collection of data. The process itself is further tackled in the discussions that follow.

### 3.4 Sources of Data

Primary sources of data are reflective of the answers of participants used from the data collection process. Responses gathered through the use of questionnaire are able to address the objectives of the study and the questions that were raised from the onset of this research. As such, they are considered as the main data to be processed and evaluated. Some sources of data, those that are considered as secondary, were also gathered from the literature that was reviewed within this study. The literature presents significant information with regards to the objectives of the study and is also particularly helpful in the interpretation of findings and results.

### 3.5 Data Gathering Tool

Data used within the study are to be gathered from chosen respondents using a questionnaire in the form of an online survey. A questionnaire is a research instrument consisting of a series of questions and other prompts for the purpose of gathering information from respondents. It is an essential tool to gather data, a tool to compare data open to different techniques of analysis, a tool to gather unbiased information often reflected within one on one interviews or other survey-related methods, and a tool used to engage respondents' attention to the study. The questionnaire was structured in such way so that we can extract the desired data to be treated. The initial part would contain the demographics such as age, gender, location and occupation. The questionnaire used was principally divided into two parts:

1. ***Environmental awareness***: This section of the questionnaire addresses the level of concern of citizens from Ghana with regards to the growing threats to our environment and natural resources. This part of the questionnaire was specifically designed to create avenues for interpretation of further data collected. The awareness level will certainly

instigate the awareness and need for green marketing within any community or country. This part of the questionnaire had questions that pertain to the awareness of the respondents with regard to the risk that is being faced by the environment. Awareness of global warming was also tackled and if the respondents believe that global warming can lead to the destruction of nature. Respondents were also asked if they believe that there is still a chance to stop global warming. These questions were formulated with gathering data on the environmental awareness of the respondents in mind. This is central to the study because if there is no awareness then there can be any market for green marketing.

2. **Green Marketing:** This part, on the other hand, is aimed at discussing the potential of the green market. This is done through the formulation of questions that determine whether or not the respondents have considered the need for green marketing. A need for green marketing will ultimately depict the demand for it, thus presenting a potential for the market. This part of the survey focused on the awareness of the respondents on the existence of green friendly products as well as if they have patronized and will patronize these products in the future. This part of the survey was also used to measure the feasibility and market for green products in Ghana. This part of the questionnaire is now based on the products that are patronized and also asks about the potential products that they are willing to purchase. Data gathered here will help determine the conclusions for the study and will ultimately determine the potential of green marketing in Ghana.

The questions are also aimed at determining which products or services have the highest potential for profitability and return of sustainability within the country. The results of these questions will specify which markets are most likely to respond to green concepts.

### **3.6 Participants/Samples**

From the country's population of approximately 24,223,231 (*Source: CIA World Factbook*) sample participants were gathered through the following criteria:

- (1) Aged 18-64 years old
- (2) Literacy Level- able to read and write
- (3) Belonging to the urban sector of society

With the parameters set, about 50% of the population meets the criteria above. As evaluated from readings on statistical reports of Ghana's population. As such, a population of 12,111,616 was considered for the computation of the sample size. Additionally, a confidence level of 95% was used with a corresponding confidence interval of 5. Using these given values, the sample size is equal to 384 participants. These participants were recruited through online means of communication. To efficiently target a wide range of consumers in Ghana, online means of procuring data were used. Predominantly, participants were recruited through the use of social networking, specifically through the local social networking sites: GhanaNation.com, and Kokoliko.com. These sites were particularly used to efficiently target participants from the country. As such, international social networking sites such as Facebook and Twitter were not used accordingly since a focused means of gathering participants may prove to be difficult through these networks.

### **3.7 Sampling Procedures**

From the determined sample size of 384 participants, online means of recruitment were observed. As noted, two social networking sites were used to contact prospect participants for the

study. To do so, purposive sampling was utilized by the researchers. Purposive sampling presents a means of gathering sample participants through easier means. It is further described by Agarwal (2007) as a type of sampling wherein the selection of units entirely depends on the choice of the investigator. This was specifically chosen in order to generate a sample population that could truly reflect the whole perception of consumers in Ghana. As such, participants that were reflective of the criteria were specifically contacted and no random procedures of choosing respondents were used. However, the researchers make sure that the sample population they have procured is as extensive as possible in its demographical criteria in order to represent the consumer population of Ghana effectively. For instance, the location of the participants was taken into consideration, whereby participants from Accra, Kumasi, and other states/regions were contacted in order to distribute data efficiently. Ages were also considered and the researchers have secured that participants do not only reflect a certain age group, the same goes for educational backgrounds, social classes, etc.

### **3.8 Participant Recruitment**

Participants were first recruited through the initial distribution of a letter via email which describes the intention of the researchers to gather data with regards to their study. A total of 450 people were firstly contacted in case others would ignore the emails sent or in case they would express no intention of participating in the study. The study, along with its objectives, backgrounds and significances were presented to the prospect respondents in order to brief them about the importance of the data gathering process being executed. Once the participants agree to be a part of the study, a consent form is sent to them via email procuring their agreement to provide necessary information needed through the act of answering an online survey.

Additionally, confidentiality issues of the participants were addressed in order to note that all

answers and information provided in the questionnaires will be used strictly for the purposes intended and any information disclosed by the participants will not be released to the public via any means. After consent forms are signed, links to online surveys were provided.

### **3.9 Data Gathering Procedure**

The study was firstly conducted through a thorough review of existing literature. The existing literature has determined some key variables and concepts that could serve as focal points within the study. As such, a framework for the study, including a set of objectives and plans for research processes were designed by the researchers. Then, tools for data collection such as questionnaires were created so as to fit the data needed to be gathered for the purpose of analysis and drawing of conclusions necessary for the study. After the finalization of questionnaires, sampling was done to measure the sample population to be utilized for the study. Once the respondents were determined, constructed questionnaires were then distributed to the number of respondents within the study through online means (emailing and social networking). A time period or a due date was set for the submission of the answered surveys.

Data gathered was then subject to immediate treatment and/or analysis so as to arrive to the answers and conclusions of the study. Tabulations and other graphical transformations were applied on collected data and further treatment through the use of statistical tools was done. After results have been treated, interpretation processes ensued with the help of existing literature.

### **3.10 Treatment of Data**

To analyze data gathered from the procedure, specifically data gathered from the questionnaires, the study employed qualitative means and statistical means of data analysis. Qualitative Data Analysis or QDA was utilized in order to examine the qualitative nature of the

data gathered and in order to procure an in-depth understanding of the responses provided by the client. To facilitate QDA, logical or matrix analysis, discourse analysis, and thematic analysis were used to analyze the results, thereby targeting the objective of determining the potential of a green market in Ghana. On the other hand, two modes of various statistical measures were used to guarantee that the data gathered is treated in an unbiased and unprejudiced manner: descriptive and inferential statistics. Both of these modes of statistics were used as a means of understanding the quantitative nature of gathered data. While descriptive statistics presented frequencies, means and other details of the responses gathered; inferential statistics measured the significance of the responses gathered and validated whether or not the responses truly signified any vital implications for the study.

Through the interrelation of all of these forms of analyses, the researchers are able to come up with comprehensive reports on the data gathered and are also guided efficiently through the processes of implication-finding and establishment of conclusions.

## CHAPTER FOUR

### RESULTS AND DISCUSSION OF RESULTS

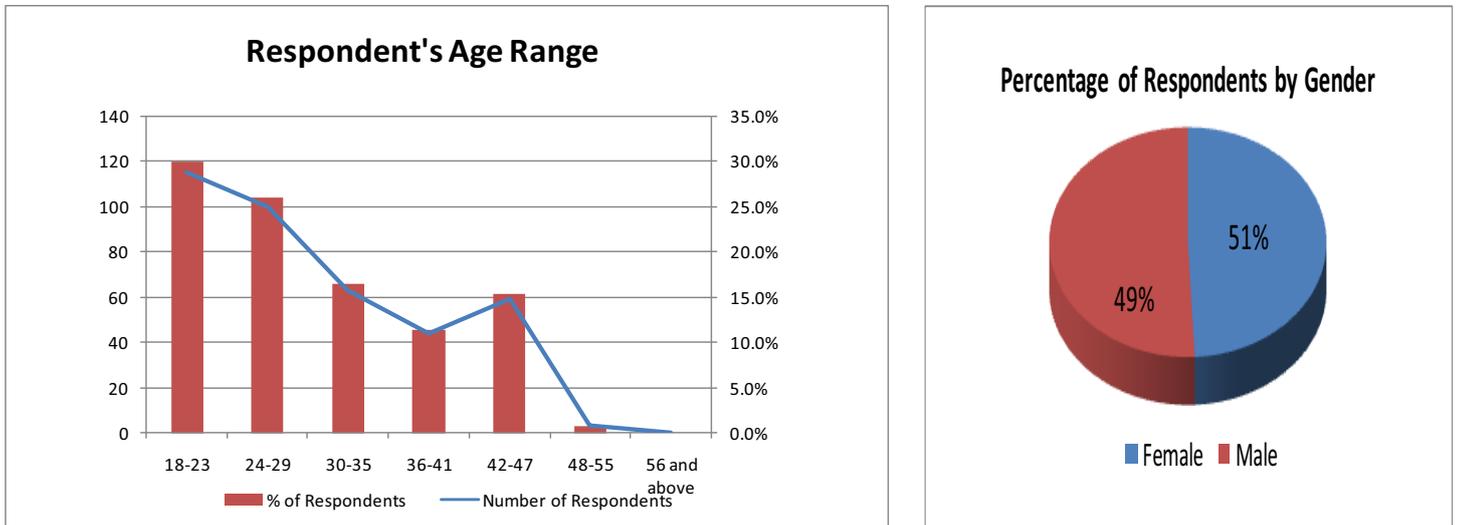
#### 4.1 Introduction

The study, “Green Marketing Potential as Assessed from Consumer’s Purchasing Behaviors: The Case of Ghana” was conducted in order to determine the potential of a green market or industry in Ghana with regards to several established parameters such as environmental awareness and green product awareness. A total of 384 participants were surveyed, representative of the population of Ghana, and their perceptions on the issue under discussion were gathered through the use of questionnaires. The questionnaire utilized by the researchers was divided into two parts; part one specifically targeted the environmental awareness of participants in Ghana and the second part specifically targeted green product awareness, consumerism, and potential. The results of these data collection procedures are further presented below:

#### 4.2 Demographical Data

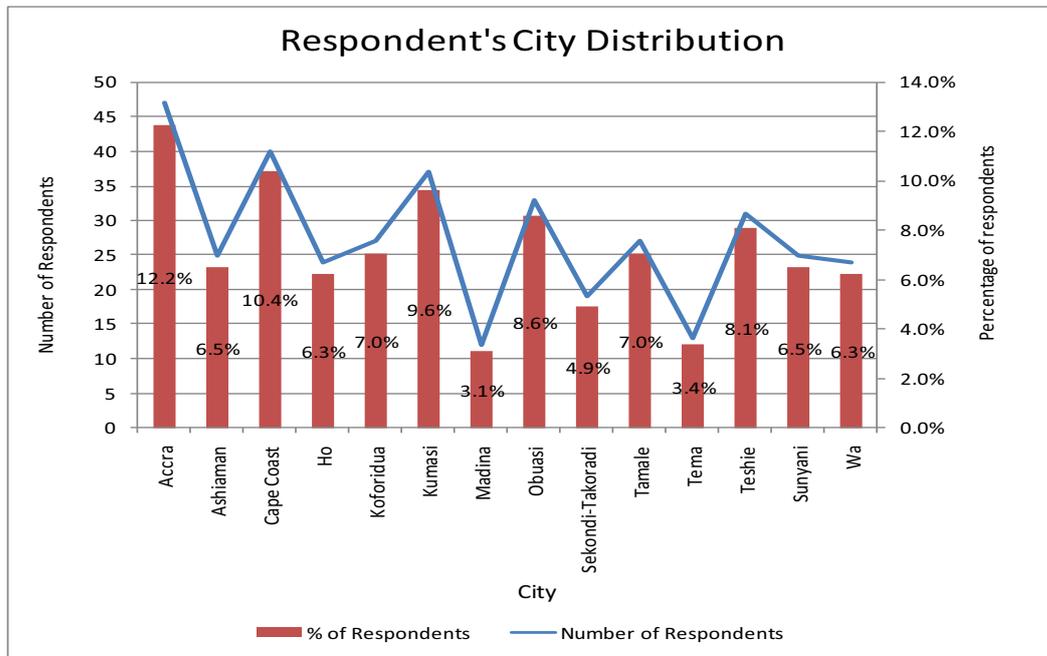
From the 384 participants surveyed within the study, demographical data was assessed in order to create a profile of the surveyed population; demographical parameters are inclusive of the following characteristics: (1) Age, (2) Location/City, and, (3) Gender. Most of respondents belonged to the age bracket of 18 to 29 years old, attributing to almost half of the total number of respondents, while the other half of the surveyed population fall under the bracket of 30 years old and above. As to gender, the sample population was evenly distributed with 49% reflective of the male population and 51% reflective of the female population. See figure 4.1 below.

**Figure 4.1: Respondent's Gender and Age Range**



Geographical locations were also evenly distributed as much as possible; however, due to the fact that respondents have been recruited via the internet through social networking, still a number of cities have been targeted the most. For instance, majority of the surveyed sample population came from the Greater Accra region, reflective of the cities of Accra, Tema, and Teshie. Other cities with significant representations in the sample population were from Cape Coast (Central Region), and Kumasi (Ashanti Region). Thus, in order to fully recognize the whole population of Ghana to reflect the reliability of the results of the study, the demographical population was as evenly distributed as possible.

**Fig. 4.2: Respondent's City Distribution**



### 4.3 Collected Data from Questionnaire

Questionnaires used in the study were processed as a means of collecting the needed data able to offer answers to the set of objectives and research questions used within this study. The enumerated research questions are as follows:

- (1) what are the underlying perspectives of consumers in Ghana on green marketing, green brands and green products—and in relation to current environmental issues and concerns?;
- (2) would the awareness of consumers in Ghana on environmental issues and concerns affect their perception of the need for a full circulation of environmental friendly products in their country?;

- (3) is the target market amenable to the consumption of green goods and services once made available within the country?;
- (4) what certain green goods and services have the greatest potential for profitability and return of sustainability within the country?; and,
- (5) is there a potential market for green goods and services in the country based on the gathered perceptions of consumers in the country?

The results explicated from the questionnaires that target the questions above are further discussed within the following paragraphs. The discussions will be guided strictly according to the questionnaires used rather than the research questions themselves, this was done in order to achieve a more systematic means of facilitating the discussion.

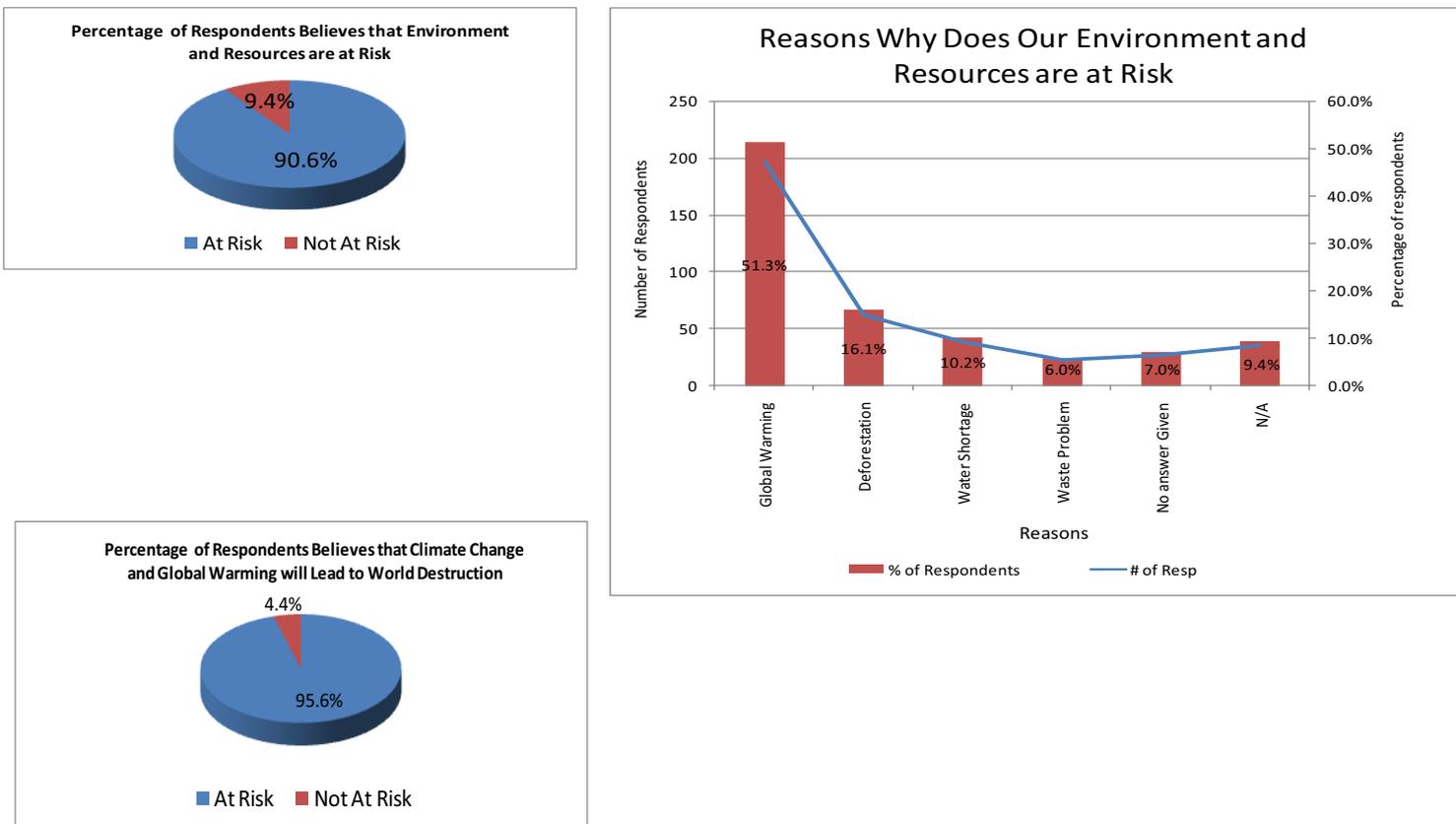
#### **4.3.1 Part 1 – Environmental Issues and Concerns**

Environmental Issues and Concerns were firstly assessed within the questionnaire in order to develop an idea on the level of environmental awareness present among the residents in Ghana, with the regards to the purposes of the need to instigate green marketing strategies and techniques across nations within the world. The environmental awareness of citizens would heavily result to the implications of a true potential for green marketing within the country as it is believed that unless a distinguishable concern for the environment is present within a specified location, a green marketing potential is relatively low or could possibly be absent as well. Thus, questions on environment and natural resources, global warming, climate change, and other environment-related issues were raised.

The first question assessed the awareness of participants with regards to the depletion of their environment and natural resources, and the corresponding causes that they believed might have caused such risk. A total of 90.6% of the surveyed population agreed that their environment

and natural resources were at risk – a very significant number as compared to the 9.4% that negated the claim. Among the significant value of 90.6%, almost half of them believe that the risk was due to the renowned phenomenon of global warming, while others referred to issues on deforestation, water shortage, and waste problem (See Figure 4.3). Significantly, global warming awareness is present within the country. Though it has not been regarded as the primary cause of environmental hazards and risks, it significantly contributes to the level of environmental awareness of citizens within Ghana.

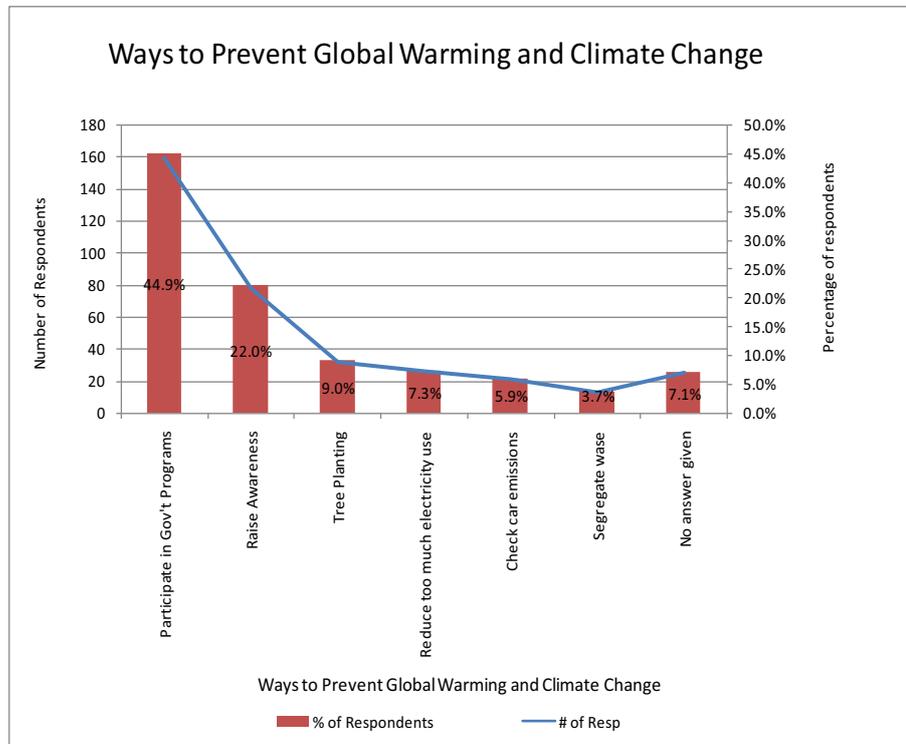
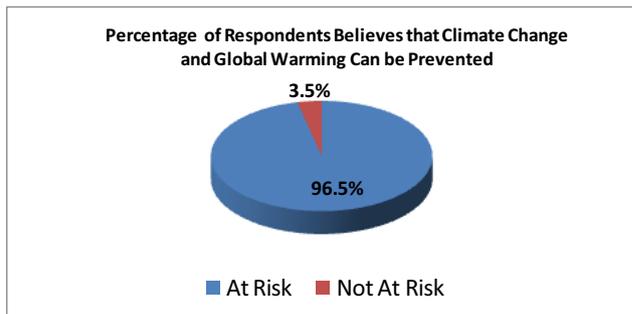
**Figure 4.3: Presumed Reasons for Environmental Risks and Hazards as Perceived by Ghanaian Residents**



The second question further capitalized on environmental threats, but with a specific reference to the phenomenon of global warming or climate change. With results that are comparative to that of the first question, majority of the respondents again believed that environmental threats with regards to global warming are actively present in today's society. Moreover, the third question was bent on assessing the prediction that global warming could be the ultimate cause of *world destruction*; again, with results comparative of the first two questions, participants agreed (95.6%) that the world could indeed end through these environmental hazards.

Despite notions, however, of the increasing environmental threats present within today's society, still, the residents of Ghana believed in solutions or ways that could somehow prevent environmental threats, specifically with regards to the global warming phenomenon. A total of 96.5 % of the participants agreed that further destruction of the world's resources could be prevented through various means. Figure 4.4 shows the means offered by the participants in preventing the further spread of global warming within the country and accordingly, within the context of the whole world.

**Figure 4.4: Ways to Prevent Global Warming and Climate Change as Perceived by Ghanaian Residents**



The figure above evidently depicts that the role of the government, with the corresponding support of the citizens, constitute the highest perceived means of preventing global warming or climate change (44.9%). In essence, this process has a more general connotation as compared to other answers that were offered such as “reduce too much use of electricity” and “check car emissions”. Though general in thought, residents of Ghana could have relied on the grounds that the government could instigate more actions for preventing the threats of global warming through legislative and executive means. Additionally, about a fifth of

the surveyed population also agreed that increasing the level of environmental awareness could significantly contribute to the further prevention of global warming and its corresponding effects to our environment.

From Part One of the questionnaire, it is evident that the population of Ghana is very much aware that natural and environmental resources are at risk and that there is an evident existence of threats towards our environment, specifically captured in the phenomenon of global warming. From these results, the researchers believe that an ample basis for establishing a green marketing potential within the country is present. This further reflects the statement made by Reibstein (2004), on which he mentioned:

The potential environmental gains of an ecological focus in public sector buying are substantial (p.318).

By which he meant that consumer spending with regards to ecological foci could presumably lead to environmental gains. Apart from this however, the researcher also believes that ecological focuses, with reference to the world's current situation under the issue of global warming, could potentially lead to marketing success—such is the concluded case for Ghana.

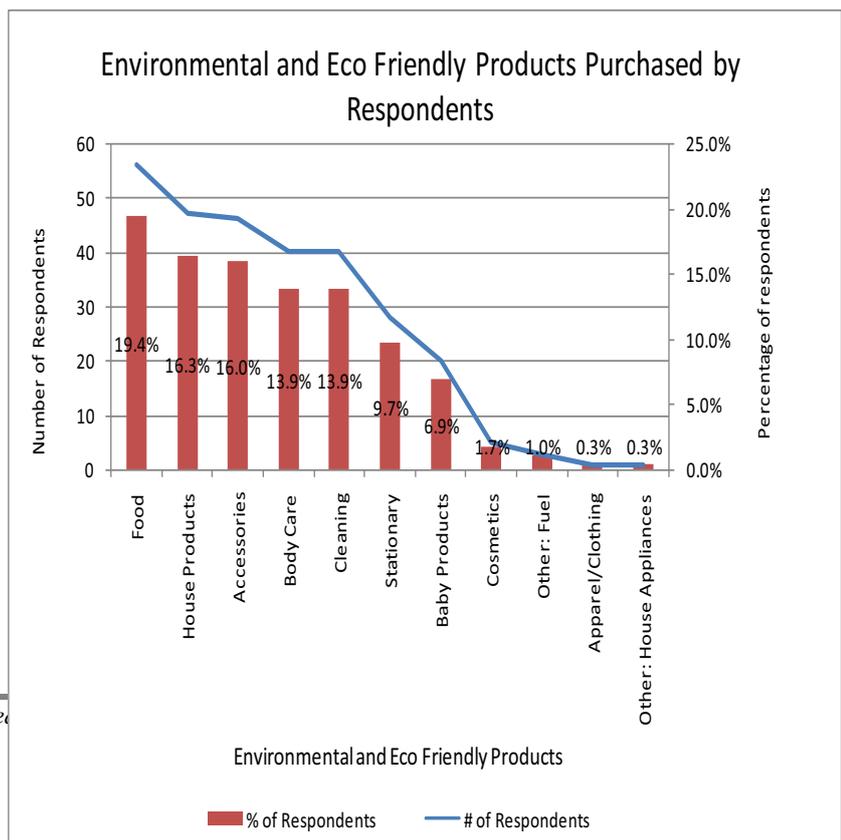
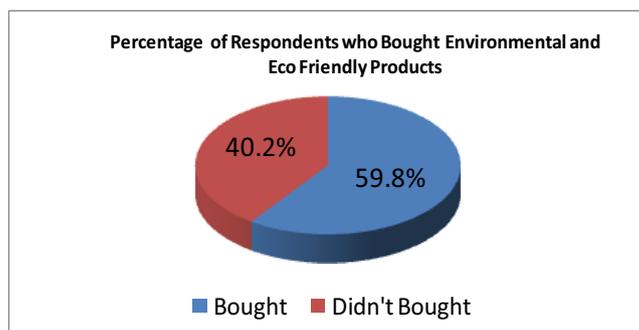
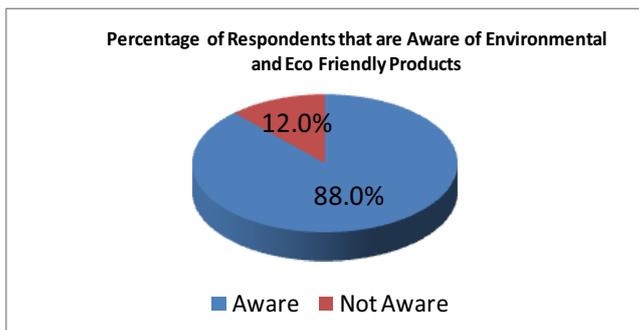
#### **4.3.2 Part 2 – Green Marketing**

In the first part of the discussion, bases for establishing an existing potential for green marketing in Ghana has been verified through gathered data. In this following discussion, this assumed potential is further explored through directly targeting the existence of green products within the country and the corresponding purchasing and spending behaviors of citizens with regards to such products. The first question assessed the exact awareness of participants with regards to eco-friendly or environmental friendly products. A total of 88% of participants were

aware of these products, while 12% of the sample population was not. Participants who were not aware of green products were advised not to continue with the survey as their responses to the remaining questions in the questionnaire could no longer be characterized as valid for the purposes of achieving reliable results.

The remaining participants were then asked on their recorded purchases of green products and only 40.2% of the participants claimed that they have bought environmental friendly products while the majority of them did not (59.8%). It was therefore evident that despite the awareness of green products, not much of the population positively reacted to this awareness as the application, through the effort of purchasing, is not relatively present. Of the participants that did purchase eco-friendly products, categories of consumed or purchased products were further evaluated as shown in Figure 4.5.

**Figure 4.5: Environmental and Eco Friendly Products:**

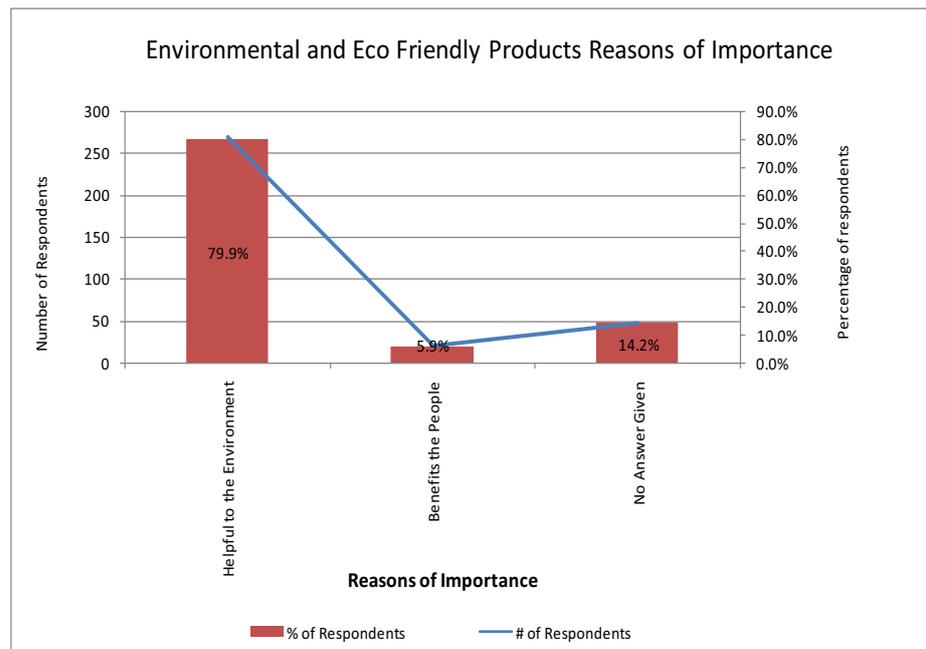


The figure above shows that most purchased products fell into the food category, though respondents were not asked to further specify these products, green food products are reflective of healthy and nutritional processed and unprocessed foods available in the market. Food products achieved through the means of organic farming are currently the most popular forms of green food products purchased by the public (Mansvelt, 2011); it is therefore assumed that surveyed participants responded to products of organic farming. Additionally, the green revolution in Ghana could have resulted as well to the increase of green food products available in the market. A significant percentage of house products, accessories, body care products, and cleaning products have also been bought by the surveyed participants. Specifically, the rise of green accessories in Ghana such as *bolga baskets*, recycled glass earrings, and more, could have contributed to the significant purchases of green accessories as well.

Further investigation of green marketing potential was addressed through determining the participants' perspectives of the importance of green products to the environment. Remarkably, all participants (88% of the total) responded that green products were indeed helpful to the environment, despite previous results that showed majority of them have not purchased green products. Reasons offered as to the perceived importance of these green products were again reflective of environmental awareness, whereby most of the participants believed that green products were specifically helpful to the environment. Additionally, the specific case for Ghana was assessed whereby the researchers questioned the perceptions of consumers on whether or not Ghana should invest more on these green products. Again, the results significantly showed that all of the participants (88% of the total) agreed that Ghana should invest more on these green products; however, a significant number of participants were blank on what kind of products could Ghana invest in (see Figure 4.5). Thirty-eight percent of responses were left blank or no

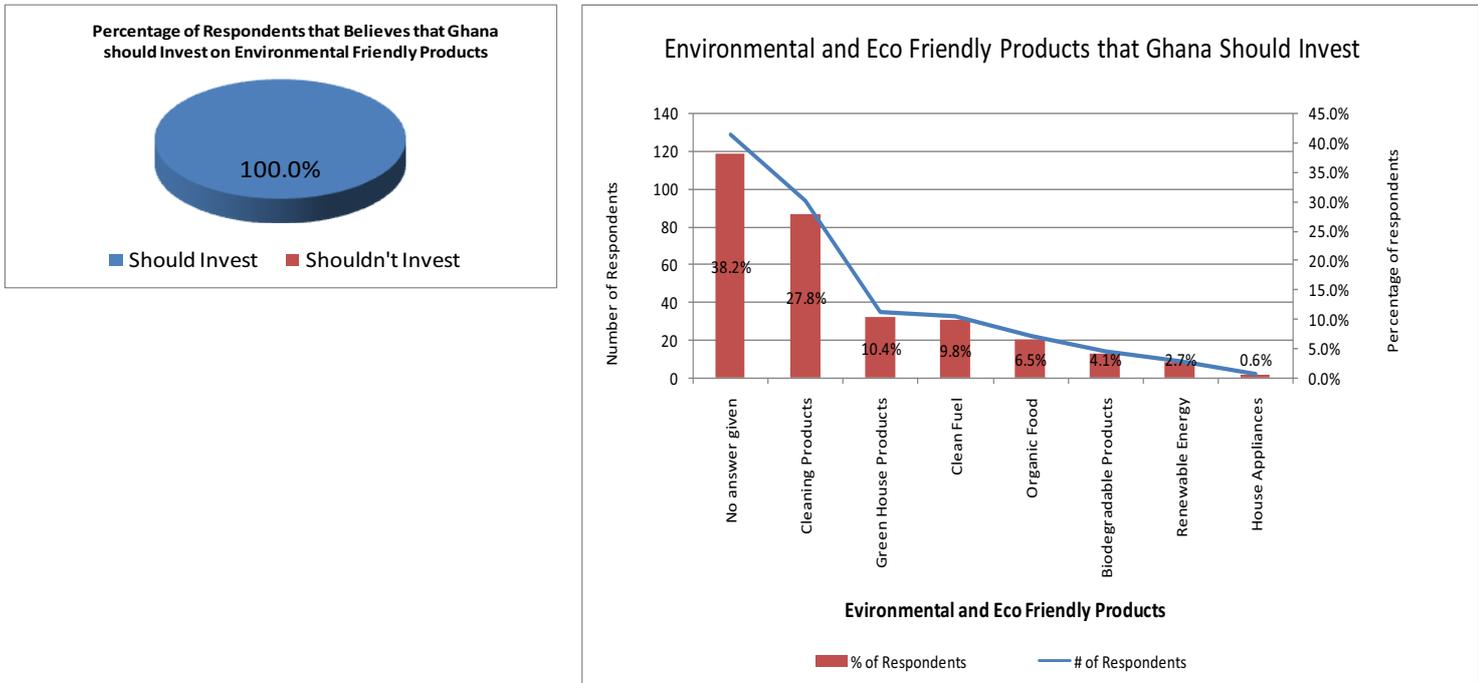
answers were given, the remaining portion of the hundred percent, however, capitalized on the investment of green cleaning products, house products, clean fuel, food, other biodegradable products, and house appliances. Some respondents have also answered that Ghana should invest in renewable forms of energy—which could also be considered as a green product from an environmental perspective. In the figure below we also see that the respondents unanimously believe that environment products are important and these help not only the environment but people as well.

**Figure 4.6: Environmental and Eco Friendly Products:**



**Figure 4.7: Green Products that Ghana Should Invest In as Perceived by Ghanaian**

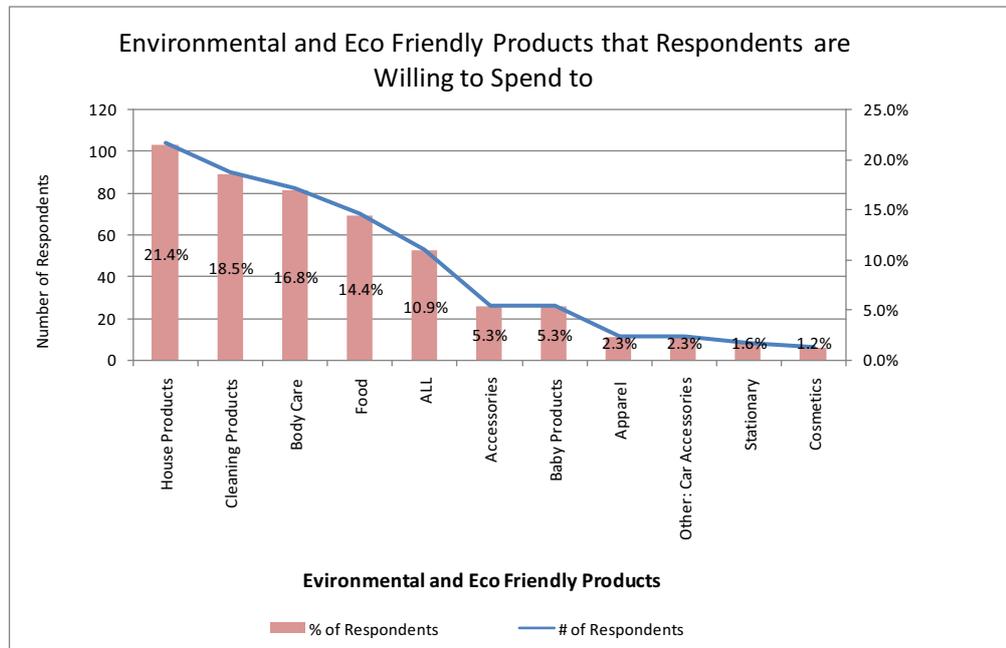
**Residents**



Again, green product potential was further evaluated through determining which products are the most marketable in Ghana, with regards to the willingness of participants on their consumer spending behavior. The surveyed participants revealed that they were willing to spend money on green products; most specifically on house products (21.4%), cleaning products (18.5%), and body care products (16.8%) (See Figure 4.7). A few of the surveyed participants expressed their intention to buy green stationary products (1.6%) and green cosmetics (1.2%). Additionally, 10.4% of respondents mentioned that they were willing to spend their money on all of the categories of green products listed within the questionnaire.

**Figure 4.8: Green Products which respondents are willing to spend on**

I. Environmental and Friendly Products the Respondents are Willing to Spend to:



The results, as depicted in the table above, particularly reveal which green products have the most potential in Ghana. House products, cleaning products, body care products and even food – which are basically reflective of basic needs and commodities, have the most potential in Ghana, and are deemed to be most successful. The constant demand for such goods, due to their underlying nature as a necessity, could very much contribute to its potential; investments on lines of products reflective of these categories are therefore recommended by the researchers.

In the figure below it is shown that 100% of the respondents believe that eco friendly products can alleviate the growing environmental concerns. The data shows the reasons chosen by the respondents and the highest that they chose is that it is friendly to the environment.

**Figure 4.9 Why should Environmental and Eco Friendly Products Should be Alleviated?**



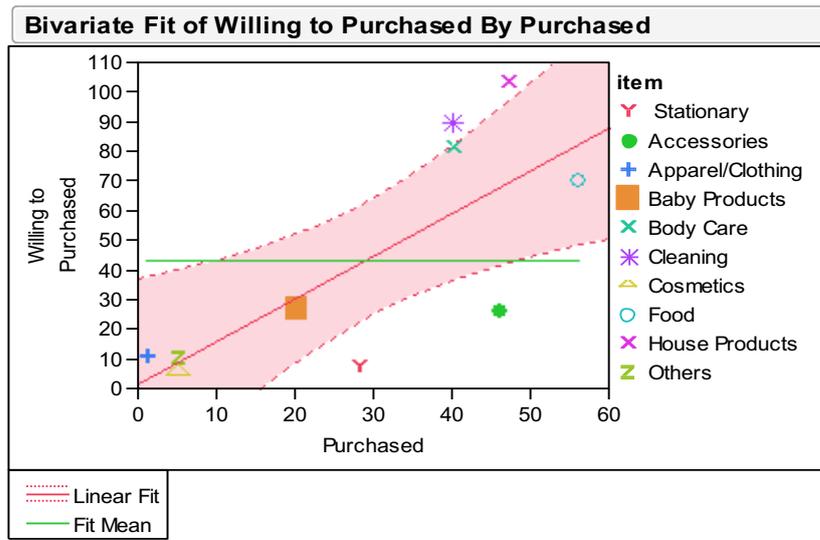
Finally, the questionnaire assessed the perceptions of respondents on the further importance of these green products through the question: “*With reference to environmental problems that we are currently facing, do you think the creation and development of environmental-friendly products could help alleviate these growing concerns?*” Again, all surveyed participants believed that such products could truly contribute to the prevention of environmental problems within our world, such as that of global warming. With such a strong conviction displayed the residents of Ghana, a potential for green marketing is further supported. Specifically, participants have also revealed that such perceptions on green products contributed not only to the environment, but as well as to the improvement of health conditions among the population.

#### 4.4 Statistical Analysis

To further test the validity of the results presented above, certain statistical tests were applied on a number of the results gathered within the study. Firstly, a correlation test between

recorded purchases of green products against that of green products willing to be purchased was conducted. The results are further depicted in the figure below:

**Figure 4.10: Bivariate Fit of willing to be purchased by purchased**



**Summary of Fit**

RSquare	0.565706
RSquare Adj	0.511419
Root Mean Square Error	26.96953
Mean of Response	43.4
Observations (or Sum Wgts)	10

**Analysis of Variance**

Source	DF	Sum of Squares	Mean Square	F Ratio
Model	1	7579.558	7579.56	10.4207
Error	8	5818.842	727.36	<b>Prob &gt; F</b>
C. Total	9	13398.400		0.0121*

**Parameter Estimates**

Term	Estimate	Std Error	t Ratio	Prob> t
Intercept	1.6201688	15.4998	0.10	0.9193
Purchased	1.4506886	0.449392	3.23	0.0121*

**Correlation**

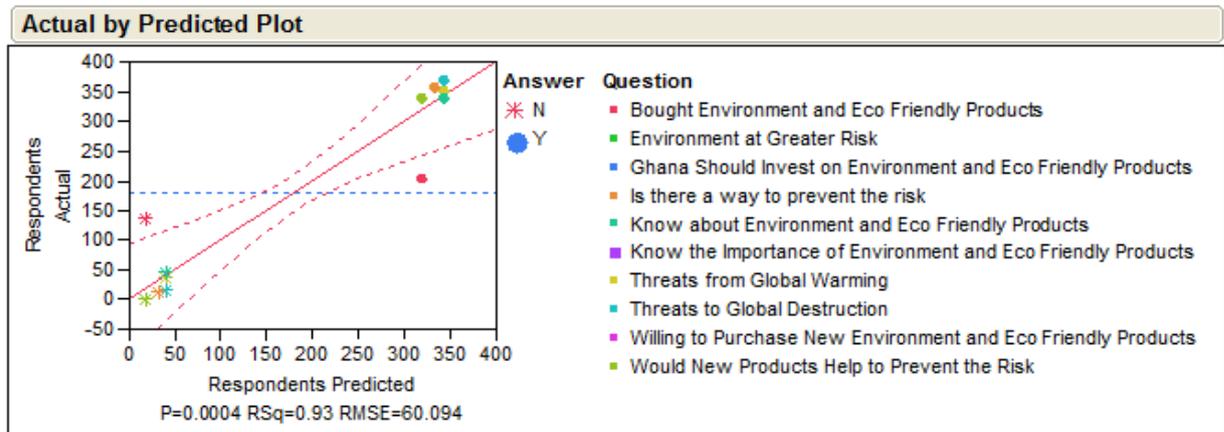
Variable	Mean	Std Dev	Correlation	Signif. Prob
Purchased Products	28.8	20.00444	0.752134	0.0121*
Willing to Purchase Products	96.4	38.58382		

The figure shows that correlation values between environment and eco friendly products purchased vs. willing to purchase are reflective of an Rsquare of 0.566 (~ 56% as predicted that the willing to

purchase products will be sold). In essence, from the list of products that participants were willing to spend on, with a reference to the previous purchases they have made, about 56% of products that were deemed as possible for purchasing could be actually sold. Though the figure is not as relatively high as it was in the QDA, the figure still presents a grounded potential for a green marketing industry to ensue within Ghana. The data above also shows that the purchased data is significant ( $p < 0.05$ ) and can serve as a basis on which product to invest in. Thus showing that previously recorded purchases must be considered in the green marketing plans and strategies as they could significantly provide a prediction for which green products could be most successful in the market. Specifically, the figure has also shown that food followed by body care products might be the best product to invest in as shown on the bivariate fit graph – being on above mean and within the shade of confidence fit. Therefore, greater potential rests food and body care products, despite QDA revealing that most consumers are willing to spend on house and cleaning products.

Additionally, a statistical test on the significance of Yes or No questions was applied within the study. This was done in order to validate the previous QDA. Such validities were measured through the use of the ANOVA and Summary of Fit Technique, thus resulting to more conclusive means of implication finding and conclusion making with the study. The results of this test are further reflected in Figure 4.11.

**Figure 4.11: Significance of Y/N Answers to Questions**



**Summary of Fit**

RSquare	0.933996
RSquare Adj	0.860659
Root Mean Square Error	60.09368
Mean of Response	179.65
Observations (or Sum Wgts)	20

**Analysis of Variance**

Source	DF	Sum of Squares	Mean Square	F Ratio
Model	10	459915.30	45991.5	12.7356
Error	9	32501.25	3611.2	<b>Prob &gt; F</b>
C. Total	19	492416.55		0.0004*

The figure above depicts that answers of respondents with the regards to the questions answerable by Y/N are significant (Prob>F = 0.0004) and has Rsquare value of 0.93 (>90% as predicted that the respondents do have positive views with environment and eco friendly products). Thus, results of yes or no questions within the study, as reflected within the QDA are further validated through this test. As such, assumed potentials made within the previous discussion, specifically with regards to the potential of green marketing in Ghana, have also been validated.

## CHAPTER FIVE

### CONCLUSIONS AND RECOMMENDATIONS

This study has been particularly concerned with evaluating the existing green marketing potential in Ghana through assessing consumer perspectives. In essence, the study particularly addressed the issue of environmental awareness in order to determine the potential of a green market and also utilized existing perceptions of green products to verify potentials established by environmental perceptions of participants. By doing these, the study is aimed at answering the questions that were posed at the onset of this study which particularly targeted the following:

- (1) underlying perspectives on green marketing;
- (2) environmental awareness;
- (3) green marketing potential as perceived by consumers;
- (4) green goods and products.

The following discussions will assess these areas, reflecting on the results of the QDA and Statistical Analysis that were applied within the study. Additionally, recommendations with regards to these discussions will also be presented.

#### **5.1 Underlying Perspectives on Green Marketing**

From the results gathered within the study, it is evident that a level of awareness with regards to the green marketing and green products does exist among the residents of Ghana. However, this awareness has not been fully developed and converted into practical applications which could truly verify successful green marketing strategies. Results specifically revealed that

participants knew about green products, however, a majority of them have not recorded any purchases of such products. Additionally, respondents also agreed that the country should invest more on such green products, however, a significant percentage of this population were clueless as to what products were most suitable for investment. However, when asked about their willingness to purchase such products, they positively responded, with even 10% of the surveyed respondents claiming that they are willing to purchase all of the categories listed within the questionnaire. From these assessments, it is apparent that citizens in Ghana understood the importance of green marketing, despite not having a holistic understanding of the concept. In essence, they are also most willing to be a part of such strategies, in their efforts of contributing to the betterment of the environment. Therefore, the researchers correspondingly recommend that this understanding held by the residents of Ghana be used to the advantage of green marketing investors, not only for the sole purpose of profit, but as well as for the environment.

## **5.2 Environmental Awareness**

Part one of the questionnaires used within the study was particularly attributed to determining the level of environmental awareness present within the surveyed population. The results revealed that the level of environmental awareness was high and was suitable to be used as a basis for establishing a green potential within Ghana. Beyond such results, implications also reflect that the green marketing strategies that could be released as a result of such a potential must be firmly grounded on environmental principles as residents are particularly conscious about their environment. Therefore, products that fully reflect the aim of reducing threats, risks, and hazards to the environment have more potential for success as compared to those that loosely adopt environmental measures.

### **5.3 Green Marketing Potential as Perceived by Consumers**

Overall, a green marketing potential does exist from the perceptions of consumers. Their level of environmental awareness, their awareness of the existence of green marketing products, their agreement for the investment of more green products in Ghana, and their willingness to spend money on such products all reflected a positive potential for green marketing in Ghana. Since the level of potential is considerably high and has been further validated by statistical evaluations of Yes or No answers to questions within the data gathering tools of the study, it must be treated to a great extent reflective of precise planning and effective executions. The potential that has been evaluated by consumers must be treated as a platform itself and not merely as a basis in order for green marketing to fully develop within the country.

### **5.4 Green Goods and Products**

Results and their corresponding discussions reflected that a potential for green marketing and green products do exist in Ghana, specifically, statistical tests verified that food and body care products are the most viable for investment; however, QDA similarly revealed that a potential for house products and cleaning products also exists. In essence, all products could somehow be considered as viable for investment; however, there are those that were perceived as more successful. For a company wishing to achieve a more profitable business, it is strongly advised that an analysis on previously recorded purchases be compared with products willing to be purchased in order to fully determine which products and corresponding strategies will most likely generate desired profit or income. From the results of the study, current products that have the highest potential for investment are body care and food products; however, it must be noted

that these trends could vary from time to time as recorded purchases of respondents are subject to change, even to the extent of daily basis.

## **5.5 Summary**

From the conclusions, implications, and recommendations presented, this study therefore generally concludes that a green marketing potential does exist in Ghana with basis on consumer perspectives. Environmental awareness and Green Product awareness have mostly contributed to the establishment of this potential as residents of Ghana are extensively aware of the implications of both concepts. Although results reveal that a potential for all types of products are somehow present, food and body care products present the highest potential in a green market in Ghana. This does not mean, however, that it could be the most successful product as varying trends change over time. It was therefore recommended that a comparative analysis of previous purchases and of products willing to be purchased be done in order to fully establish which products could have the highest potential. Seeing that varying trends and changes in time could easily affect the potential of green products, investors are advised to be strategic and focused, not only on profit but even on environmental measures in order to fully develop the potential and harness it into a wide green marketing concept present within Ghana.

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## APPENDIX A

October 29, 2011

Dear Sir/Madam:

Greetings!

Our study, entitled: “Green Marketing Potential As Assessed from Consumer’s Purchasing Behaviours: The Case of Ghana” is concerned with finding out the potential of a green market within our country, Ghana. Green Marketing has been a very revolutionary construct that is changing economies and nation within our world today. Due to recent climate changes and the increase in environmental disasters around us, a great attention has been shifted towards ways and measures that humans could develop in order to help our world. But more than the desire to be an advocate of nature, green marketing has also opened an avenue for people to be cautious about their health, physical well-being and safety. As such, the implications of the construct are greater than it previously was. In our country, however, green marketing has not been fully developed and there is obviously a lack in the market with regards to environmental aspects. One way for green marketing to succeed is for consumers to be as receptive as they could to the products and services that are pro-environment. To therefore find out whether or not our country is ready for a green marketing revolution, our study is aimed at understanding consumer behavior, particularly, purchasing behavior, with reference to green products and services. As such, we are soliciting for your participation for the objectives of this study to be

met. Attached within this email is an online questionnaire that will gather the needed data for your study. Any personal information you give will be highly kept confidential by our team. Thank you for your time, consideration, and support.

## APPENDIX B

Green Marketing Potential as Assessed from Consumer's Purchasing Behaviors:

THE CASE OF GHANA

Online Survey Questionnaire

Name (*Optional*): \_\_\_\_\_

Sex: \_\_\_M \_\_\_F

Occupation: \_\_\_\_\_

Age: \_\_\_\_\_

City/Province: \_\_\_\_\_

### PART ONE: Environmental Issues and Concerns

*This section discusses the consumer's awareness on environmental changes occurring within our world and on the implications drawn out from them.*

1. Do you think our environment and natural resources are at a great risk? Why?

*Please justify your answer in the spaces that follow.*

Yes

No

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2. Do you believe we are facing threats to the environment such as global warming and climate change?

Yes

No

3. Do you believe in predictions that climate change and global warming will soon lead to the destruction of not only our natural resources, but eventually of our world?

*If you answered no to this question, please proceed to “PART TWO: Green Marketing” of this questionnaire.*

Yes

No

4. Do you think we could find ways to prevent these from happening?

Yes

No

5. What are some steps that you have taken or that you are willing to take to help alleviate these threats to our environments?

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## PART TWO: Green Marketing

*This section discusses the consumer’s over-all perception on green marketing, green products, green services, and more.*

1. Have you heard about environmental-friendly or eco-friendly products?

*If you answered no to this question, please do not proceed with the survey.*

Yes

No

2. Have you bought any environmental-friendly products from the market?

*If you answered no to this question, please proceed to question no. 4.*

Yes

No

3. What kinds of environmental-friendly products have you purchased?

*Please check all that apply.*

Baby Products (Clothes, Feeding Bottles, Pacifiers, etc.)

Body Care (Shampoo, Conditioner, etc.)

Cosmetics (Make-up, Lio gloss, Eyeliner, Nail Polish, etc.)

Food (Organic Cereal, Brown Rice, etc.)

Cleaning (Detergent, Dishwashing Liquid, etc)

Apparel/Clothing

House Products (Air freshener, drapers, tissue papers, etc.)

Accessories (Bags, Jewelry)

Stationary (Paper, Crafts, etc.)

Other: \_\_\_\_\_

4. Do you think these products are important? Why?

*Please justify your answer in the spaces that follow.*

Yes

No

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

5. Do you think Ghana must invest more in these environmental-friendly products? Why?

Yes

No

6. What specific environmental-friendly products or services would you like to be available within Ghana?

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7. Would you be willing to spend more on environmental-friendly products and services if ever they are available?

Yes

No

8. What environmental-friendly products or services are you willing to spend on?

*Please check all that apply.*

Baby Products (Clothes, Feeding Bottles, Pacifiers, etc.)

Body Care (Shampoo, Conditioner, etc.)

Cosmetics (Make-up, Lio gloss, Eyeliner, Nail Polish, etc.)

Food (Organic Cereal, Brown Rice, etc.)

Cleaning (Detergent, Dishwashing Liquid, etc)

Apparel/Clothing

House Products (Air freshener, drapers, tissue papers, etc.)

Accessories (Bags, Jewelry)

Stationary (Paper, Crafts, etc.)

Other: \_\_\_\_\_

9. With reference to environmental problems that we are currently facing, do you think the creation and development of environmental-friendly products could help alleviate these growing concerns? Why?

*Please justify your answer in the spaces that follow.*

Yes

No

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--end of questionnaire—