



Attitude Formation Of Nepalese Consumers Toward Branded Green Products

Ashmita Dahal Chhetri¹, Santosh Sharma²

¹Assistant Professor, Birendra Multiple Campus, Tribhuvan University
orcid.org/0009-0009-3868-1271

²Birendra Multiple Campus, Tribhuvan University

Abstract

Environmental concerns and unsustainable consumption have increased the importance of green marketing and sustainable consumption practices. Although prior studies have examined consumer attitudes toward green products, limited attention has been paid to brand related factors influencing attitudes toward branded green products, particularly in developing countries. This study examines the influence of green price sensitivity and green brand knowledge (brand image, brand awareness, and brand quality) on consumers' attitudes toward branded green products in Nepal. Using a cross-sectional survey design, data were collected from 388 green product users through purposive sampling, and multiple regression analysis was applied. The results show that green brand image and green brand quality significantly and positively influence attitudes toward branded green products, while green price sensitivity has a significant negative effect. However, general attitudes toward green products and green brand awareness do not significantly contribute to brand attitude formation. The findings suggest that Nepalese consumers distinguish between generic green products and branded green offerings, emphasizing quality and brand image over environmental awareness alone. The study contributes to green marketing literature by highlighting the critical role of brand specific factors and offers practical insights for marketers aiming to promote responsible consumption.

Keywords: *Green marketing, Branded green products, Green brand image, Green brand quality, Green price sensitivity, Nepal*

Corresponding author: sharmasantosoo@gmail.com

Introduction

Environmental issues of a global scale, including global warming, climate change, and unsustainable consumption, have become the major reasons for the implementation of sustainable marketing practices. Besides these major concerns, numerous social and economic problems have contributed to the increase in global public awareness, and the response of companies through the adoption of sustainable practices has become their main marketing agenda (Ogiemwonyi, 2022). The Brundtland Commission in 1987, as well as Earth Summits in Rio de Janeiro (1992) and Johannesburg (2002), brought out the urgency of the environmental problems, turning sustainable development into one of the biggest challenges of the world (Mehraj & Qureshi, 2022). Environmental scientists and activists demand businesses and individuals to follow sustainable and eco, friendly consumption practices (Nekmahmud, 2022) and the corresponding marketing management. The demand for eco, friendly products by consumers has followed the awareness of environmental issues. Similarly, businesses have been influenced to provide a variety of environmentally friendly products, such as electric vehicles (Yadav & Yadav, 2024), and governments, including those of Nepal and India, are giving subsidies to promote green products. These initiatives correspond with the 12th Sustainable Development Goal (SDG), which focuses on responsible consumption and production. Green products are sustainable products that are usually referred to as interchangeable, and they are developed to have a minimal impact on the environment throughout their lifecycle. These products are energy, efficient biodegradable, recyclable, or products using renewable resources and practices that support the well, being of both the planet and its inhabitants. By using green products and adopting sustainable lifestyle practices, businesses and consumers are the main actors who, thus, can make a difference in reaching this global goal, contributing to environmental conservation and resource efficiency. Numerous studies have been published on sustainability, which has been the major focus of attention of the research community, with the area of sustainable or green consumption being the main theme in most of the studies (Seo et al., 2023; Tandon et al., 2020; Uddin et al., 2024; Yadav & Yadav, 2024). Consumer attitudes and intentions towards green products or services, such as electric vehicles (EVs) (Ahmad & Harun, 2023; Uddin et al., 2024; Yadav & Yadav, 2024), are the aspects studied in these research works that have been conducted to establish the influence of various factors to that effect. Moreover, the studies have

explored the consumer attitudes and intentions toward organic foods (Tandon et al., 2020), plant, based meat alternatives (Seo et al., 2023), sustainable gaming apps (Ashfaq et al., 2021), and sustainability in general (Ünal et al., 2024). However, these studies have mainly ignored the influence of brand management on green products and have only considered general attitudes toward green products or services. Next, the function of green brand knowledge in the research has been neglected, whereas it releases helpful information about the distinctive features and benefits of the product, such as environmental protection and high quality (Mehraj & Qureshi, 2022).

Due to the missing pieces in the brand, attitude literature, the current paper moves the discussion to the brand attitude formation in green products. So this paper identifies the factors that affect consumers' attitudes towards green products offered by environmentally friendly brands.

Literature Review

In this paper, it is hypothesized that an individual with a positive attitude towards branded green products, driven by a favorable attitude of green products, is more likely to purchase branded green products (Ajzen, 1991; Westaby et al., 2010). In the sustainability domain, a number of studies have successfully demonstrated a positive influence of attitude on purchase intention (e.g., Ahmad & Harun, 2023; Ashfaq et al., 2021). More specifically, in the green product context, previous studies found a significant positive influence of attitude towards green products on green purchase intention (e.g., Chatterjee et al., 2022; Tandon et al., 2020). For instance, Yadav and Yadav (2024) found that attitude positively influenced intent to purchase electric vehicles (EVs). Further, Mehraj and Qureshi (2022) found a significant positive influence of attitude towards green brands on green purchase intention. The consumers who have prior experience with green products tend to develop an attitude toward them (Gautam & Pokhrel, 2023). A positive attitude toward green products can lead to a favorable attitude of branded green products, while a negative attitude may reduce acceptance of these products. Similarly, the positive attitude toward branded green products strengthens the intention to purchase the branded green products. Therefore, this paper hypothesized that:

H1. Attitude towards green products positively influences attitude towards branded green products.

The reasons, such as price savings (Ahmad & Harun, 2023) and environmental benefits (Ashfaq et al., 2021), are powerful drivers of both attitude and behavioral intention, as people feel more confident in themselves when they have reasons to justify and validate the behavior they intend to perform (Westaby, 2005). Similarly, in this paper, price sensitivity is considered one of the key factors influencing consumers' attitudes toward green products. Existing literature reveals that environmentally conscious consumers are willing to pay a premium for sustainable products (e.g., Casado-Díaz et al., 2020; Wang, 2024). Green price sensitivity in this case acts as a factor that strengthens the positive impact of consumer's attitudes toward green products. Indeed, their environmental concern is what mostly motivates them to accept the higher price. A research by Hsu et al. (2017) pointed out that price sensitivity has the potential to elevate the positive relationships between purchase intentions and the underlying factors. Besides that, Ogiemwonyi (2022) revealed a strong positive relationship between green price sensitivity and consumer's green behaviors, which implies that the extent of price sensitivity that consumers show can determine their willingness to carry out environmentally friendly behaviors. Thus, environmentally conscious consumers are more likely to consider that paying more for green products is a reasonable and even commendable act. Hence, this study anticipates that:

H2. Green price sensitivity positively influences attitude towards green products.

A wide range of research including those by Huang et al. (2014) and Mehraj and Qureshi (2022), have found that green brand knowledge has a strong positive influence on attitudes toward green brands and goods. More specifically, a study conducted by Liu et al. (2020) in the context of green restaurants found a significant positive influence of brand awareness and brand image on both the affective and cognitive components of brand attitude. Further, Salehzadeh et al. (2023) found a significant positive influence of green brand image on green brand attitude in various automobile brands. Moreover, Saeed et al. (2023), in a study involving 402 hybrid car users, identified a more direct and a significant positive relationship between all the green brand knowledge constructs (green brand awareness, green brand quality, and green brand image) and green brand buying behavior. Therefore, it is reasonable to argue that consumers with higher perceived green brand quality, strong green brand awareness, and a positive green brand image are more inclined to form favorable attitudes toward branded green products. When consumers recognize tangible (such as quality) and

intangible benefits (such as brand image), they are more likely to demonstrate positive attitudes toward branded green products, ultimately leading to pro-environmental purchasing decisions. Therefore, this paper hypothesizes that:

H3. Green brand quality positively influence attitude towards green products.

H4. Green brand awareness positively influence attitude towards green products.

H5. Green brand image positively influence attitude towards green products.

Methods

This paper applied the cross-sectional survey research design (Thomas, 2023). The population of the study were consumers who have prior experience of using green products or brands or at least basic awareness of green products. The green brand-conscious consumers were selected because it was deemed reasonable to investigate green purchase behaviors from regular green consumers to represent the population better (Gautam & Pokhrel, 2023). Since there is a lack of a sampling frame for green conscious consumers in Nepal, this paper applied non-probability purposive sampling for data collection. For this, sample respondents were selected from different inclusion criteria, such as green consumers with brand knowledge and awareness of at least one sustainable brand, before filling out the questionnaires. Since selection of respondents with knowledge or experience relevant to green brands ensures the better representativeness of the population (Liu et al., 2021). Krejcie and Morgan (1970) stated that a sample size of 384 can explain the population with representativeness and homogenous nature of green consumers. Overall, data were collected from 388.

Measures

Five point 5-point Likert scale ranging from 1 = “strongly disagree” to 5 = “strongly agree” was used in the survey to measure the model constructs. Further, the demographic information was captured by four questions, such as age, gender, level of education, and names of the green brands that the consumers were aware of. The scales are described in detail as follows.

The measurements of attitude towards green products, attitude towards branded green products, green brand image, and green brand awareness were adapted from

Mehraj and Qureshi (2022). Attitude towards green product is operationalized as customers' perception on green products as environment friendly and therefore useful. A sample item for each construct included: "I believe that green brands/products are environmentally friendly.". Attitude towards branded green product is defined as preference towards the brand that is branded as green and environment friendly. The sample item is "I feel that, overall, this brand of green product that I just bought is good". Brand image is defined as environment friendly product which is represented by the statement "The green brand that I recently bought meets environment standard". Green brand awareness is defined as familiarity of the brand of eco-friendly products which was measured by the statements like "The green brands that I have bought has good environmental reputation". Similarly, Green price sensitivity was measured by five items adopted from Ogiemwonyi (2022). A sample item included: "I will prefer to pay higher for the green product that has good quality." Green brand quality is defined as the product capability of protecting and conserving environment. A sample item included: "The quality of green brands is regarded as the best benchmark with respect to environmental concern." Cronbach's alpha of all the construct except green price sensitivity (.666) are greater than .700.

Before distributing the actual questionnaire, consumers were provided with an introduction and a brief explanation of green products, followed by questions related to the model constructs and demographic information (e.g., age, gender, level of education). The purpose, process, benefits, risks, and ethical considerations of filling out the questionnaire were explained to respondents. Data were collected from consumers by visiting eco-friendly stores, such as organic grocery stores, electric vehicle showrooms, eco-friendly boutiques, and farmers' markets, which were located in different areas of Chitwan district and Kathmandu valley. Out of 400 total respondents, responses were further screened for inappropriate coding (2), missing values (6), and unengaged responses (4). The final 388 respondents were processed for the final data analysis procedure.

Results and Analysis

Demographic Profile

Table 1 represents the demographics of the participants, where the majority of respondents were in the age group of 20-40 (77.71%), making them the most

frequent consumers of green brands in this study. Second, The majority of responses from females 60.5%. The majority number of respondents were from bachelor' level of education (49.5% each). Finally, Mama Earth (health and beauty products) was the most popular green product captured in the study (21.6%), followed by TATA Nexon EV (19.8%).

Table 1

Demographic Profile of Respondents

| Demographics | Frequency | Percentage |
|---------------------------|------------------|-------------------|
| Age (in Years) | | |
| Less than 20 | 25 | 6.4 |
| 20-40 | 299 | 77.1 |
| Above 40 | 64 | 16.5 |
| Gender | | |
| Male | 152 | 39.2 |
| Female | 235 | 60.5 |
| Others | 1 | 0.3 |
| Education Level | | |
| Below Bachelor | 18 | 4.6 |
| Bachelor Level | 192 | 49.5 |
| Master Level | 174 | 44.8 |
| Above Master | 4 | 1.0 |
| Green Brands Names | | |
| Mama Earth | 84 | 21.6 |
| TATA Nexon EV | 77 | 19.8 |
| Eco Sathi Bag | 43 | 11.1 |
| Hyundai Kona EV | 33 | 8.5 |
| Kasa Fashion Wears | 31 | 8.0 |
| Mato Brand | 21 | 5.4 |
| Other brands | 99 | 25.52 |

Note(s): Based on authors' calculation

Source(s): Created by authors

Table 2*Regression analysis*

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|-------------------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .505 | .204 | | 2.473 | .014 |
| | Attitude towards GP | .070 | .046 | .062 | 1.530 | .127 |
| | Green price sensitivity | -.194 | .061 | -.151 | -3.164 | .002 |
| | Green brand image | .355 | .070 | .290 | 5.104 | .000 |
| | Green brand awareness | .099 | .062 | .088 | 1.592 | .112 |
| | Green brand quality | .578 | .056 | .494 | 10.268 | .000 |

a. Dependent Variable: Green brand attitude F=74.718 and p=.000, R²=.502

The table 2 indicated model fit and significance of relationship among the variables with high degree of overall impact on dependent variable. It is obvious that attitude towards green product in general do not lead to formation of attitudes towards branded green product. Ultimately customers buy branded product but general attitude towards environment friendly products does not matter in such purchase. Similarly insignificant relationship between green brand awareness and attitudes towards branded green product also indicated that although customers may recognize the brand as eco-friendly through different sources but the awareness do not induce attitude formation towards the brands of green branded products.

The table indicated that branded quality perceptions and brand image has positive effect on attitudes towards the green brand. However, price sensitivity has negative effect on the attitudes towards green branded product. These results indicated that customers prefer branded green product if it has quality and image as environment friendly but price should not be higher than non-green branded products.

Discussion

This paper aims to understand the factors influencing Nepalese consumers' attitude towards branded green products in Nepal. The result indicates that an attitude towards green products does not necessarily develop a favorable attitude towards branded green products. The finding of this paper indicates that consumers differentiate between generic green products and branded green products. Further, consumers who

show a favorable attitude towards green products necessarily form positive attitudes towards branded green products. In absence of such attitude, green products will not be recognized and purchased by the customers. There are other factors such brand knowledge on quality and image which contribute in consumers' attitudes towards branded green products.

This paper supports that brand image and brand quality indeed positively influence on formation brand attitudes of green product. The results indicate that consumers' perceptions of green brand quality and brand image directly influence their attitudes toward those brands. In line with previous studies (e.g., Liu et al., 2020; Saeed et al., 2023), these findings highlight the importance of green brand knowledge in shaping consumer attitudes toward branded green products. Overall, it suggests that when consumers view a brand as offering high-quality, sustainable options, they are more likely to have a favorable opinion of those brands. Additionally, awareness of a brand's commitment to sustainability is not enough to contribute in formation consumers' attitudes toward green brands. In contrary, the price that is usually high in green products have negative effect on the attitude formation.

Implications of the Paper

Theoretical Implications

This study sets the stage for forthcoming research in green marketing by showing how crucial green price sensitivity and brand knowledge are. Also, due to limited literature in the field of green marketing in Nepal, this paper might act as a source of inspiration for green marketing scholars in Nepal to conduct further research. Future research might delve into various aspects of green purchasing behaviors in Nepal.

Managerial Implications

The strong positive impact of consumer attitudes towards branded green products underlines the, necessity of developing favorable brand, specific knowledge among customers. Marketers can do this by promoting sustainability through consistent messaging, providing transparency in their operations, and showing authenticity in their environmental initiatives of their green products. Such activities can be instrumental in converting positive attitudes to actual purchase decisions. Furthermore, this study

points out that green consumer values play a vital role in forming attitudes and giving reasons for purchasing decisions. To win this, firms need to harmonize their products and marketing strategies with the environmental values of their target consumers. Thirdly, the negative impact of green price sensitivity on consumer's attitudes toward branded green products indicates that firms should provide green products at competitive prices to promote consumers' favorable attitudes. Marketers should work towards lowering the cost and price of green products or brands to elicit positive responses. Different authorities and stakeholders of Nepalese sustainable development goals could have evidence, based green behavioral practices in the Nepalese context. They might accomplish the 12th goal of responsible consumption and production by revealing the green purchasing goals of Nepalese customers.

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