

IMPACT OF GREEN PRODUCTS ON ROMANIAN CONSUMERS

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Abstract: *The paper presents results of a survey applied to consumers with the goal to identify what is their attitude towards green products (level of recognition of green products and the purchase availability of these products). The survey is a constituent element of Action B1 of the "Promotion of Green Products" project financed by LIFE Plus Program. The aims of program are to develop a campaign to promote consumption and production of green products.*

Keywords: *green products, eco-label, study, consumers, environment*

1. INTRODUCTION

If 10 years ago the concepts of "zero waste factories" and "life cycle analysis" were a novelty was hard to reach, today these notions give every company a greater market visibility, a common way of doing business [1].

One of the key objectives of the EU is an economy based on low consumption of energy and resources.

Romania, as EU member, aligns to States members to raise awareness through a series of environmental campaigns, especially campaigns that refers to green products. One of the activities performed in these campaigns is to set ambitious environmental standards for the market to ensure that products are continuously improved.

In last few years people became concerned about how their actions and economic activities affect the environment. The development strategies of economic agents take into account the ways and possibilities of applying the technology to cause minimal damages to the environment.

The number of companies that adopts a policy of social and environmental responsibility is increasing. This phenomenon is caused by the fact that population becomes more concerned about environmental issues when choosing products and services.

Consumers around the world assert that it is important or very important for a company to be environmentally responsible - according to the "Green Brands (2009)" [2] study.

According to a study made by ISRA Center marketing company, concerned by how companies are perceived by the public, top five companies which develop environment projects in Romania are: Petrom, Cosmote, Vodafone, Carrefour and Coca-Cola. The

considered elements were: credibility, relevance, efficiency, clarity [3].

In Romania, green alternatives are not always obvious or well advertised. It is very important for people to realize that green products represent the quality of life and a comfortable future.

Green market is just beginning its development in Romania. The concept of green product is fairly new for Romanian people and out of food industry, very few products are known. The lack of information among citizens, higher prices of green products and low interest of producers are considered the main reasons of this situation.

Eco-labeling in Romania was first introduced in 2002 by Government Decision (GD) no.189/2002, amended by GD no.236/2007. The GD establishes some measures for enforcement of application of the European Parliament and Council Regulation no. 1980/2000/CE on a revised Community eco-label. Five years later (2007) in Romania only two companies producing textiles and bed mattresses were licensed to use the Eco-label. The European eco-label catalog in 2011 contains only five products made in Romania – two of them are the tourist accommodation.

After approval of Eco-label by the EU in 1992 the amount of eco-labeled products increased significantly. A study from October 2011 shows that more than 1300 eco-labels were granted in EU until the end of 2011. Today the EU eco-label can be found on more than 17,000 products [4].

According to rank of licenses granted by January 2012, Romania is situated on 20th position out of 22 with 5 licenses while the first places are occupied by Italy (9,067 licenses), France (635 licenses) and United Kingdom (278 licenses) [4]. A study conducted by of LIFE PLUS Project team in 2010 shows that the number of eco-labeled companies are 9 of which three for tourist accommodation.

A remarkable initiative of the Ministry of Environment and Development of Romania on eco-labeling was represented by a web portal that provides information on green products. But the web portal didn't increase the interest of consumers or distributors on green products. That's why it is important to identify obstacles for green products in Romania.

2. WORK METHODOLOGY

The paper present the results of research performed in 2010 on the awareness of green products by the population, which is a component activity of Project "LIFE PLUS - Promoting green products".

A questionnaire for consumers/population was designed to identify attitudes and knowledge level of people on green products. Another studied aspect of the survey was the statistical analysis of consumer opinion on buying green products in order to be able to assess trends for the market and society on consumption and marketing of green products [5].

The survey took place from July to October 2010 in two stages. A total of 1140 questionnaires were completed. Operators interviewed 730 respondents in markets and shops, and 410 questionnaires were sent by e-mail. The survey took place in the cities with the largest population of Romania: Bacau, Bucharest, Cluj-Napoca, Sibiu and Timisoara.

In Fig. 1 is presented the contribution of each city to the survey [5, 6, 7].

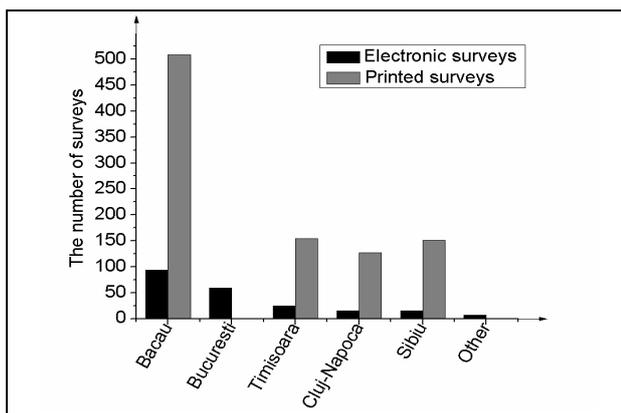


Fig. 1. Contribution of each city to the survey

The analysis of respondent answers shows that actions with significant impact on the environment are waste management (51.4 %) as the most important tool in the fight for environmental protection.

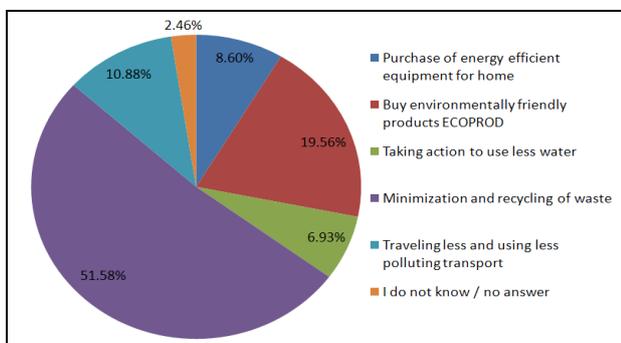


Fig. 2. Distribution of answers to the question "Which of the following actions have the significant impact on environmental problems"

About 19 % of respondents believe that buying green products is the solution (Fig. 2) for better environment. It is gratifying that respondents correctly identified a major

source of pollution – transport. The solution offered by respondents was reducing traveling by bus or opting for a travel by less polluting cars.

Another important fact identified in the results of survey was that 48 % of respondents identified green products on the Romanian market and about 43 % said that the Eco-label plays an important role in their purchasing decisions. These results are in line with Eurobarometer survey from 2009 that indicated that 45 % of Romanian citizens said that the Eco-label plays an important role in their purchasing decisions [8, 6].

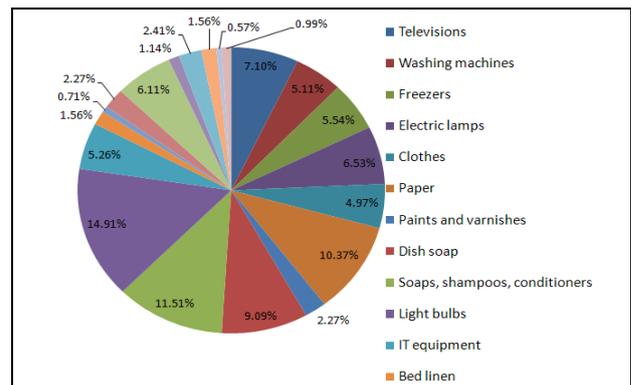


Fig. 3. Distribution of green products identified by consumers

The green products identified by consumers are presented in Fig. 3. On top of this hierarchy are the bulbs. In fact bulbs have the label similar to type I and are a major eco product sold in Romania. A study in 2008 showed that 70 % of citizens had at least one green product at home and 90 % intend to buy such product [9, 6]. Regarding recognition of green products, the correct identification of green products is a problem for a large number of respondents 46.14% [6].

The people who have problems in identifying green products (have problems -16.40 %, not sure - 26.14 %, do not know - 10.96 %) are equal to the number of people who can easily identify green products 46.49 % [6]. This result shows the confusion between green products and organic products. It is a fact that most consumers don't have a clear picture of what is a green product. Consumers' associate terms such as "environmentally friendly" with green products, but in many cases this is just a green wash.

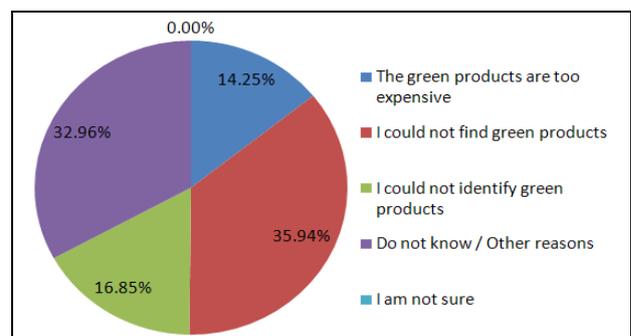


Fig. 4. Distribution of answers to the question "What are the reasons for not buying green products in the last two months?"

The studies carried out in France [10] showed that 42 % of consumers don't know how to identify green products and 75 % of them believe that responsible consumption is synonymous with lower consumption. These results indicate inability of consumers to identify green products. Moreover, 46 % of respondents admit that they have purchased green products lately. Other studies carried out in EU countries showed that the increased amount of eco-labels contributed to consumer confusion [11].

Another misconception was highlighted in survey results - the green products are more expensive than ordinary products (Fig. 4).

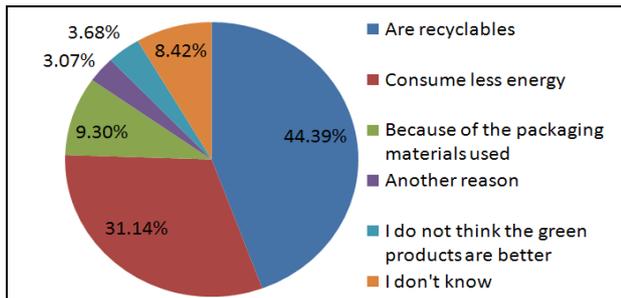


Fig. 5. Distribution of answers to the question "Why do you think that green products are better?"

To the question "why green products are better than ordinary one?" the respondents indicated product recyclability followed by low energy consumption. Only 33 % of respondents believe that green products are better (Fig. 5).

Although the price of products is a more important factor than impact of product on the environment in the policy of purchasing, about 72 % of respondents are willing to spend more money for green products (Fig. 6). Results are almost identical to the Eurobarometer survey (2008) which shows that 75 % of Europeans are willing to buy green products even if they are more expensive [10]. This trend has been identified in other countries since the 80's [12].

According to results presented in Fig. 6, it is clear that 45 % of consumers will not pay more than 5 % for green products. This result is in accordance with the results from Romania (Eurobarometer, 2009), which showed that buying green products is not necessarily seen as a regular business and that consumers are willing to pay very little for green products [13].

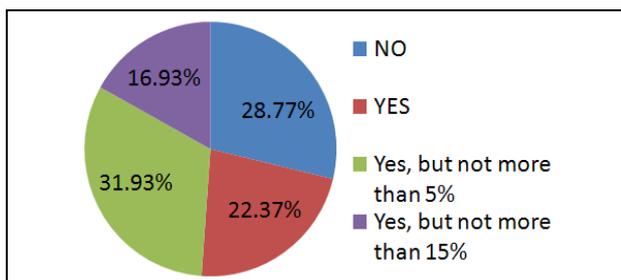


Fig. 6. Distribution of answers to the question "Are you willing to pay more for green products?"

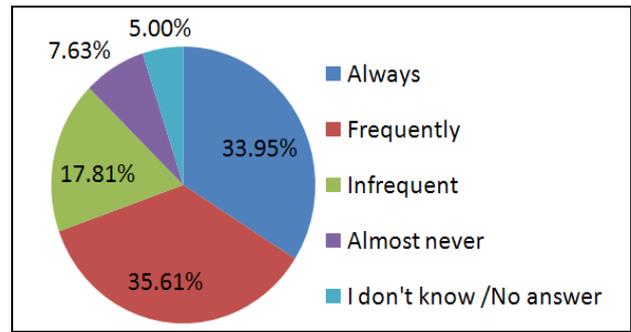


Fig. 7. Distribution of answers to the question "When you buy products that use electricity or fuel, consider energy efficiency?"

Energy consumption is also an important factor to consider when purchasing a product. The reason is not the environmental protection but the energy price (Fig. 7). About 70 % of respondents say that they take into account energy efficiency when buying a product that use electricity (TV set, Computer) or fuel (boilers, vehicles). This is in accordance with the results of the Eurobarometer survey from 2009, which indicates that most respondents (from countries in which the survey was applied) said that in most cases they take into account energy efficiency when buying products that use electricity or fuel (59 % Cyprus, 85 % Germany) [14, 15].

To the question about how distributors can help promoting green products, half of respondents believe that better information can improve things. In the EU approximately 30 % of citizens responded that the best way to promote green products is better consumer information [8]. The respondents consider that increasing the visibility of green products on the shelf and a corner dedicated exclusively to green products in a store is a less important method of promoting. Green products are niche products in Romania and marketing campaigns in the media about green products are poor [14, 16] that's why promoting green products is crucial. A percentage of 76 % of respondents consider necessary implications of public authorities in promoting green products [6].

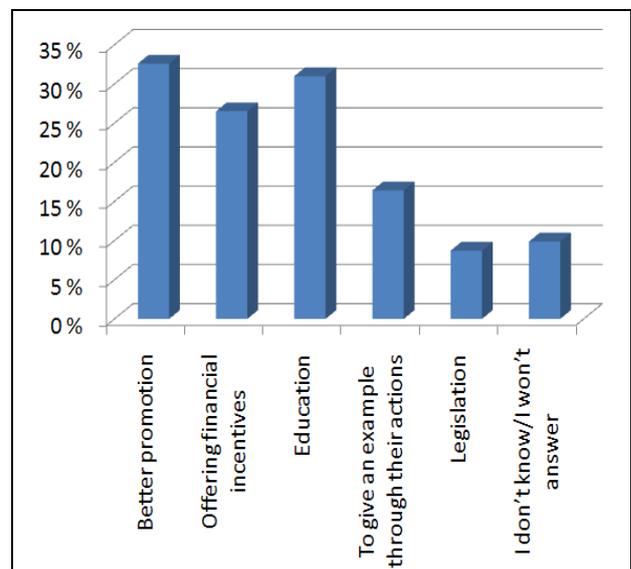


Fig. 8. Distribution of answers to the question about the role of public authorities in promoting green products

The most important way to involve public authorities in this process, in the opinion of the consumers, is promoting green products and education of consumers, offering financial incentives (Fig.8).

About 66 % of respondents said that creating a database of green products could increase the sales of green products. Approximately 80 % of respondents indicate that special shelves should be placed in supermarkets to easily identify green products. The results clearly indicate that the population needs assistance in identifying green products and to understand their benefits [6].

3. CONCLUSION

Correct identification of green products is a problem for many consumers.

More than half of consumers consider waste management the most important tool in combating environmental problems and second tool in purchasing green products.

Although the level of awareness among consumers of eco-labels is not very high, about 48 % of respondents identified green products on Romanian market and about 43 % said that eco-label play an important role in purchasing decisions.

More than 46 % of respondents have purchased green products in the last two months. The low rate of acquisition of green products can be explained by the fact that non-food products are bought more rare than food. Another factor is the concept that green products are more expensive.

The light bulb was the most bought green product followed by TV set (6.35%) and 5.21% bought soaps, shampoos or conditioners. About 72 % of respondents are willing to spend more money on green products, although the price of the product it is considered an important factor in establishing purchasing policy.

Survey results clearly indicate that people do not know how to identify green products due to lack of information, the criteria to identify green products and benefit of using green products for final consumer.

The education of consumers on the consumption of green products will contribute to changing patterns of production and consumption and minimizing human and industrial activities on the environment.

The citizens confidence in the public authorities and consider that public authorities have to implicate in the promotion of green products, but consumers need to be "animated" and the good practices like education and the image of public authorities are not being taken into account by consumers.

The results clearly indicate that identification and purchasing of green products is still a problem for citizens and population need help in order to identify the green products and to understand the advantages of them.

The future perception of consumers on green products will be identified by two surveys together with the campaigns of promoting green products in markets and seminars for distributors.

4. ACKNOWLEDGEMENTS

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