

Consumer behaviour towards green products of FMCG

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Abstract

Population Growth, Global Warming, exhaustion of Natural Resources are threatening the future of human beings, develops and revealed the concept of “Green Marketing”. With the ‘triple bottom line’ or the three pillars of business - People, Planet and Profit; gaining more attention day by day, and green is becoming the new mantra of success in any business. On the other side, a new trend of Green Consumerism is also emerging, in which consumers are becoming more aware and concerned about the environment and looking for environment friendly products and companies are also doing their best by adopting Green Production Process.

Keywords: Environment protection, Eco-friendly products, Green marketing, Population Growth

1. Introduction

While globalization process continues in its full speed across the world, this process has also brought some serious problems with it. Leading one of these problems is environmental problems that affect all living beings negatively. These aforementioned environmental problems have started to come to the agenda more and more in the recent years and people have started to talk these negativities. Consumers now have worries about the future of the world and as results of this mostly prefer environment friendly products. In return to these attitudes of the consumers, companies have started to form their marketing strategies so as to appeal increasing awareness of this environment-friendliness. These marketing strategies, named as green marketing, have caused companies to adopt green policies in their pricing, promotion, product features and distribution activities. Apart from producing environment-friendly products and selecting environment-friendly markets, essentially understanding of ‘Environmentally Friendly’ is required to be integrated into the corporate culture.

National Status

The force of going green is now extending to the Asian region, where environmental threats are alarming local government and citizens. The fast growing economy in India has lead to a vigorous rise of financially empowered consumers across who are willing to pay more than previous generations. A progressive degradation of natural resources at a rapid level reveals the concept of green product and green marketing.

Benefits of Green Products



Companies which develop new improved green products and green services with environmental inputs in mind give

themselves access to new markets, new customers, and increase in level of profit, sustainability and enjoy competitive benefits over the companies which are less concerned for the environment.

Importance of the Study



Public concern for environmental issue has gradually but steadily increased over the past three decades consistently appealing to preserve nature and bio-diversity. Indian perspective regarding purchases of green product is also heading towards the same direction. Linking to the consumer behavior towards purchases of green it was suggested that consumer would avoid purchasing of such products which are potentially harmful to the environment.

Review of Related Literature

Chidre Uday kumar & Dr. Pawankumar Sharma in their research article titled Green Marketing in India, International Journal of Commerce and Management Research Volume 2; Issue 3; March 2016; Page No. 101-106 suggested that now this is the right time to select “Green Marketing” globally. It will come with drastic change in the world of business if all nations will make strict roles because green marketing is essential to save world from pollution. From the business point of view because a clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. Green marketing should not be considered as just one more approach to marketing, but has to

be pursued with much greater vigor, as it has an environmental and social dimension to it.

Geeta D. in her research article titled A Study On Consumer Behavior Towards Purchase Of Eco Friendly Products In Coimbatore in Abhinav International Monthly Refereed Journal of Research in Management & Technology Volume 3, Issue 3 (March, 2014), P. No. 1-8 conclude that the current consumption levels are too high and are unsustainable. Hence there is a need for green marketing for shift in the consumer's behavior and attitude towards more environmental friendly life styles. Public are beginning to realize their role and responsibilities towards the environment. Although the change is not happening quickly, it is happening. Business is looking towards gaining an edge in the green market industry by trying to redesign and re-packages their products into more environmental friendly products.

Gujral S.K. in research article titled Green Marketing-Sustainable Development in International Journal in Management and Social Science, IJMSS Vol.04 Issue-03 (March, 2016), P. No. 65-70, concluded that only by having a green product does not result necessarily in a market success. Finding the right target group with efficient market research techniques, taking advantage of existing trends, giving consumers information about green certification and right and credible communication will help to build a real green business. Also, Green marketing should not neglect the economic aspect of marketing and Marketers need to understand the implications of green marketing. Recycling of paper, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment.

Harendra Pal Singh Chauhan & Dr. Ramesh Kumar Chaturvedi in their research article titled Changing paradigms of green marketing and innovation in International Journal of Commerce and Management Research, Volume 2; Issue 4; April 2016; Page No. 18-21 advocates that it is no doubt to say that marketing in the 21st century has changed phenomenal from its traditional marketing. Now both the marketers and the consumers are looking for innovative things which not only fulfill their requirements but sustain their environment also. Green marketing is based on the premise that businesses have a responsibility to satisfy human needs and desires while preserving the integrity of the natural environment. Legislation is a useful tool for effecting social change; it has a tremendous advantage over moral persuasion in terms of speed and efficacy of implementation, although its results are not always as intended.

Research Problem



To gain a competitive advantage in the changing world, firms are following the demand trend of customers and make improvements of this development over time. On one hand, marketing and marketers have come to understand the importance of valuing and maintain a long term relationships with stakeholders who are rejoining reciprocal trust and loyalty. On the other hand, environmental management as a strategic tool not only improves control and reduces environmental impact but also develops business opportunities for company managers. The green marketing concept could be operational by using the green marketing-mix. Hence many companies started to be more socially responsive towards developing environmentally friendly activities and putting in numerous efforts to keep in-step with the environmental movement.

Research Objectives

1. To study & compare gender with their attitude towards environment and green Products.
2. To study consumer attitude towards green product.
3. To study the consumers attractiveness towards green products in FMCG and their Impact on purchasing decision.
4. To evaluate consumer attitudes and perception regarding green products in FMCG Under seven Ps.

Hypotheses

H1: There is significant difference between male and female in their environmental attitudes & purchases of green products.

H2: The 7 Ps & other factor have a significant correlational impact on the consumers buying decisions.

Scope of Study

The scope of the study revolves around two prime focuses i.e. one from consumer point of view and other from organization point of view.

- **From consumer perspective** – qualitative Eco-friendly product at a lesser price
- **From organization Perspective** – Customer satisfaction, brand loyalty, & profit maximization.

Limitations of Study

1. The study comprises of green marketing and its impact on consumer behaviors with respect to selected FMCG aspects only.
2. For research purpose only selected top brand of selected companies & consumers were identified for research.
3. The study relies heavily on primary as well as on secondary data.
4. The Study is restricted to three districts of Vidarbha of Maharashtra only.
5. The result arises from research may or may not be applicable to other parts of states or countries.

Tests

Basic Statistical Technique such as Percentage, Deviation, and Rank Order Method may be used primarily and later on by analyzing the questionnaire and collected data different Statistical test will be applied.

Universe and Sample

The present research study deals with the various aspects of *Green Marketing* and its impact on Consumer Behavior in three major districts of Vidarbha of Maharashtra i.e. (Nagpur, Amravati, Akola). The Major focus of the study is to understand Consumer Behavior. The present study was conducted in the FMCG and the consumer who purchases

consumer durable products therein. Respondent’s category comprised with students, academic staffs, office workers, housewives, business people and managers of several companies those who have much exposure to the FMCG category. For the research study purpose Simple Random Sampling Method (SRSM) was used.

Sr. No.	Districts	Respondents	Respondents Category
01	Nagpur	140	Students, Employees, Business people, Workers, Housewives, and Managers of companies.
02	Amravati	90	
03	Akola	70	
Total		300	

Primary Data

In order to obtain reliable & authentic information from the respondents, attempt has been made to obtain primary data. For that purpose, a detailed questionnaire was administered. The questionnaire contained various aspects of Green Marketing and its impact consumer behavior. Personal interviews and

observations were also made.

Secondary Data

Secondary Data was collected through Annual Report of Companies, Books, Journals, Magazines and other related literature.

Data Analysis & Discussion

Table 1: Environmental impact on Purchases Green Product:

Sr. No	Age	Level of perception			Total	%
		Agree	Neutral	Disagree		
01	18-30	47(85.45)	01(1.82)	07(12.73)	55	18.33
02	30-40	62(91.18)	02(2.94)	04(5.88)	68	22.67
03	40-50	89(89.89)	02(2.02)	08(8.08)	99	33.00
04	50 and above	69(88.46)	03(3.84)	06(7.69)	78	26.00
	Total	267	08	25	300	100

(Source: Primary Data)

On the basis of age of the respondents it was noticed that the highest percentage levels of perception of consumer towards environmental impact on purchases of green product was

observed to be highest in the age of group of 40-50 (89.89%) years and were totally agree in favor of purchase green product.

Table 2: Attitude of consumer towards Purchases Green Product

Sr. No	Gender	Level of perception			Total	%
		Agree	Neutral	Disagree		
01	Male	199(92.99)	04(1.87)	11(5.14)	214	71.33
02	Female	75(87.20)	03(3.49)	08(9.30)	86	28.67
	Total	274	07	19	300	100

(Source: Primary Data)

On the basis of gender it was clearly noticed that 92.99% Male respondents & almost 87.20% female respondents showed

significant positive attitude towards purchases of green products.

Table 3: Impact of Educational Qualification on purchases of Green Product

Sr. No	Qualification	Level of perception			Total	%
		Agree	Neutral	Disagree		
01	Below SSC	09(69.23)	02(15.38)	02(15.38)	13	04.33
02	SSC-HHSC	29(78.38)	03(8.11)	05(13.51)	37	12.33
03	Degree/Diploma	174(97.21)	-	05(2.79)	179	59.67
04	PG	67(94.37)	-	04(5.63)	71	23.67
	Total	279	05	16	300	100

(Source: Primary Data)

Educational qualification has a great impact on purchases of green product. As is revealed from the data it was observed that respondents possesses degree or diploma showed more intent

towards purchases of green product.97.21% respondents shows keen willingness for purchases of green product.

Table 4: Factors desirable while buying green products.

Sr. No.	Factor	Level of perception			Total	%
		Agree	Neutral	Disagree		
01	Price	51(98.08)	-	01(01.92)	52	17.33
02	Eco-friendly Product friendly Product	38(88.37)	02(04.65)	03(06.98)	43	14.33
03	Place	11(91.67)	-	01(08.33)	12	04.00
04	Promotion	13	-	-	13	04.33
05	Performance	17	-	-	17	05.66
06	Package	14	-	-	14	04.66
07	Process	03	-	-	03	01.00
08	Quality	36(94.74)	02(05.26)	-	38	12.66
09	Brand	38(90.48)	01(02.38)	03(07.14)	42	14.00
10	Convenience	10(83.33)	01(08.33)	01(08.33)	12	04.00
11	Health and safety	25(96.15)	-	01(03.85)	26	08.66
12	Environment Protective	27(96.43)	-	01(03.57)	28	09.33
	Total	283	06	11	300	100

(Source: Primary Data)

While purchases of green product some of the factor plays an important role in purchase decision making. Respondents during the course of survey opined that price of the product is

an crucial factor in purchase decision making followed by Brand of the companies, ecofriendly product, quality of the product, and so on.

Chi Square Test

Sr. No.	Factors	D.F.	T. V.	C ²	Significant	Accepted/Rejected
01	Age	6	12.592	2.957	05	A
02	Gender	2	5.991	3.426	05	A
03	Education	6	12.592	16.603	05	R
04	Product	12	21.026	0.081	05	A
05	Price	12	21.026	0.1	05	A
06	Place	12	21.026	0.1	05	A
07	Promotion	12	21.026	0.9	05	A
08	Performance	12	21.026	0.5625	05	A
09	Package	12	21.026	0.25	05	A
10	Process	12	21.026	0.25	05	A

The above chi square table indicates that only apart from educational factor all other factors indicate significant relationship between factor desirable for purchasing green products.

Conclusion

The effective green product & marketing requires vigorous application of good marketing principles to make green product more desirable for consumer. Green product requires renewable and recyclable material, which is some time costlier but for the sake of environment it is too necessary. Consumers select products and new innovations that offer benefits they desire. Green Marketing must satisfy two objectives: improved environmental quality and customer satisfaction. The marketer need to know what is the relevance of Social Marketing in order to protect the environment and to improve the quality of life and are concerned with issues that include conservation of natural resources.

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