

A Study on Consumer Attitude towards Eco-Friendly FMCG Products With Reference To Hubli City in Karnataka.

Dr.B.Nagaraju¹, Thejaswini H.D²,

¹Associate professor, DOS in Commerce, University of Mysore, Mysore, Karnataka.

²Research Scholar, DOS in Commerce, University of Mysore, Mysore, Karnataka.

Abstract: Over the last few decades the environmentalism has emerged to be a very important issue due to increasing in air pollution, poor management of waste, growing water scarcity, falling ground water scarcity, falling groundwater tables, water pollution, preservation and quality of forests, biodiversity loss, land/soil degradation, acid rains, depletion of the ozone layer from chloro fluoro carbons, and many more critical environmental issues. As a result there is an increasing interest from customers towards environmental protections and sustainable development. The customers are decided to use those goods which are environmentally safe and good for health. The primary objective of the study is to assess the level of environmental knowledge and concern of the respondents and also to examine the awareness and consumer attitude towards eco-friendly FMCG product. This study was conducted in Hubli City, Karnataka with a sample size 100. Data was collected both by face to face interviews and email questionnaires. ANOVA test and percentage analysis were used as data analysis tools. The findings of the study reveal that Product label and outdoor advertisement are major sources of awareness towards eco-friendly products. The consumers are aware of the eco-friendly products and are having a positive attitude towards eco-friendly products. It was found that the lack of knowledge and not aware of the benefits are barriers for purchasing eco-friendly products. Majority of the respondents buy eco-friendly products for health purpose. The study concludes that consumer is waking up to the virtues of green products. But it is still a new concept for the majority. The new green movements need to reach the masses and that will take a lot of time and effort. The government, the organization, the masses and the consumers has to join their hands together in bringing the ecological balance.

Keywords: Eco-friendly products, Environmental Knowledge, Environmental Consciousness, Consumer awareness, Consumer Attitude.

I. Introduction

Over the last few decades the environmentalism has emerged to be a very important issue due to increasing in air pollution, poor management of waste, growing water scarcity, falling ground water scarcity, falling groundwater tables, water pollution, preservation and quality of forests, biodiversity loss, land/soil degradation, acid rains, depletion of the ozone layer from chloro fluoro carbons, and many more critical environmental issues. As a result there is an increasing interest from customers towards environmental protections and sustainable development. The customers are decided to use those goods which are environmentally safe and good for health.

Environmentalism has emerged as an important movement in the 21st century. This created a new opportunities for the business organization and the concept of green marketing came into existence. The firms are adopted Green Marketing practices in their activities and they are manufacturing green products as a part of social responsibility. However a large number of studies have been conducted in developed countries on green consumerism, but in India Green Marketing it still in the infancy stage and lacks behind in the field of consumer study.

According to the American Marketing Association (AMA) "Green Marketing is the marketing of products that are presumed to be environmentally safe. It incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising".

Polonsky "Green marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that satisfaction of those needs and wants occurs, with minimal detrimental impact on the natural environment".

Green consumers are those consumers who buy eco-friendly products not because it is becoming fashionable, but because he cares about environmental issues and he search for evidence in the labels that the product is environmental friendly.

Attitude refers to a mental position consisting of a feeling, emotions or opinion evolved in response to an external situation. An attitude can be momentary or can develop into a habitual position that has long-term influence on an Individual's consumer attempts to evaluate a product, services or the like he or she will develop an attitude about the thing being evaluated.

FMCG (Fast Moving Consumer Goods) are the products that are sold quickly at relatively low cost. Though the absolute profit made on FMCG products is relatively small, they generally sell in large quantities, so the cumulative profit on such products can be large. Examples of FMCG generally includes a wide range of frequently purchased consumer products such as toiletries, soap, cosmetics, teeth cleaning products etc.

II. Review Of Literature

Environmental marketing is also known as Green Marketing, sustainable marketing and ecological marketing. Worldwide evidence indicates people are concerned about the environment and are changing their behavior accordingly (Polonsky, 1994). (Brudtland commission, 1987), development that meets the needs of the present without compromising the ability of future generations to meet their own needs (Rowell, 1996). Green or environment marketing consist of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment (Polonsky 1994). (Peattie (2001), described evolution of Green marketing in 3 phases. First phase is termed as “Ecological” green marketing and during this period all marketing activities are concerned to help environmental problems and provide remedies for environmental problems. Second phases “Environmental” green marketing and the focus shifted on clean technology that involved designing of innovation new products, which take care of pollution and waste issues. Third phase was “sustainable” green marketing came into prominence in the late 1990s and early 2000. “Product that incorporates the strategies in recycling or with recycled content, reduced packaging or using less toxic materials to reduce the impact on the natural environment is known as Green products or eco-friendly products (Elkington, 1999). There is a growing interest among the consumers all over the world for protection of the environment. The green consumers are the main motivating force behind the green marketing process. It is their concern for environment and their own well being that drives demand for eco-friendly products, which in turn encourages improvements in the environment performance of many products and companies (Sudir Sachdev,2011). FMCG sector is a considerably large sector in the economy which has to open their eyes on eco-friendliness. The FMCG sector is one of the growing industries that concern about the green marketing issues (Ramanakumar, 2012). Green marketers can attract customers on the basis of performance, money savings, health and convenience or just plain environmental friendliness, so as to target a wide range of green consumers.

Need For The Study

This study tries to investigate the consumer awareness and attitude towards eco-friendly FMCG products. The consumers of the Hubli city are having a positive or negative attitude is to be analyzed.

Objectives

1. To assess the level of environmental knowledge and concern of the respondents.
2. To examine the awareness and consumer attitude towards eco-friendly products.
3. To explore the barriers to their eco-friendly purchase.

Methodology

The research has selected the respondents on the convenience sampling method with a sample size of 100. Hubli city in Karnataka is selected for the study. Primary data have been extracted by using structured questionnaire. SPSS have been used to analyze the data. Frequency and ANOVA test is used to analyze the data.

III. Analysis And Interpretation

The results of the analysis of the collected data are presented below:

Demographic profile of the respondents

Table 1

Demographic variable	Classification	No. of respondents	Percentage
Gender	Male	69	69%
	Female	31	31%
Marital Status	Married	84	84%
	Single	16	16%
Age	Below 20	02	02%
	21-30	17	17%
	31-40	44	44%
	41-50	25	25%
	Above 51	12	12%
Education	Higher secondary	01	01%
	Under graduate	12	12%
	Graduate	63	63%
	Post graduate	15	15%
	Professional	09	09%

Status	Employee	40	40%
	Business	13	13%
	Professional	24	24%
	Homemaker	13	13%
	Retired person	07	07%
	Others	03	03%
Monthly family income	Below 25000	27	27%
	25001-50000	50	50%
	50001-75000	14	14%
	75001-100000	04	04%
	Above 100001	05	05%

A study of the above table and revealed that majority of the respondents of the study (69%) was male and 31% of them are female. A vast majority of them (84%) were married and the remaining 16% of them were single.

The table also revealed that 44% of the respondents belonged to the age group 31-40, 25% of them were in the age group of 41-50, 17% of them were in the age group of 21-30, 12% were above the age of 51 and 2% percentage of the respondents were below 20.

On the basis of education 63% of the respondents were found to be graduates, 15% of them were post graduates, 12% of them were under graduates, 09% of the respondents were professional and a small percentage of 01% of them are having the education of higher secondary.

On the basis of employment status of the respondents 40% of them are employee, 24% of them were professional, 13% of them homemaker, 13% of them were businessman, 7% of them retired persons and 3% of them belong to other category.

A majority of the respondents (50%) are having the monthly family income of Rs. 25001-50000, 27% of them are below the income Rs. 25000, 14% of them are having the income of Rs. 50001-75000, 4% of them are above income of Rs.100001, 5% of them are having the monthly family income from Rs.75001-100000.

A majority of the respondents (49%) are having the family size of 4 members, 38% of them are having the family size 3 & below, 13% of the respondents are having family size of 5 and above.

Sources of Awareness

Table no 2

Sl. NO	Source of Information	Percentage
1.	Radio	11
2.	Television	08
3.	News paper	12
4.	Outdoor advertisements	18
5.	Product label	31
6.	Websites	05
7.	Word of mouth	15

The table clearly reveals that nearly 31% of the respondents believe that product label is major sources of awareness towards eco-friendly FMCG products. 18% of the respondents have revealed that outdoor advertisement has made them to aware of eco-friendly products. 15% of them found that word of mouth is sources of information and 11% & 12% find that newspaper and radio has made them aware of eco-friendly products. 8% and 5% of them find that television and newspaper has made them to know about eco-friendly FMCG products. It was found that television and websites are week in spreading awareness towards eco-friendly products.

Buying Intention of Eco-Friendly FMCG Products

Table 3

Sl. No	Buying intention	Percentage
1	For serving environment	33%
2	For health factors	46%
3	For the appreciation from others	14%
4	For pressure from someone	05%
5	For I saw many people purchase them	12%

The table reveals that majority (46%) of the respondents buy eco-friendly products for health reasons.33% of them purchasing eco-friendly products for serving the environment. 14% of them purchasing them for the appreciation from others. 12% of them purchase it for that they saw many people purchase them and 5% of them are buying it for pressure from someone.

Testing Of Hypothesis

1. HO: There is no significant difference in environmental knowledge and concern of the respondents among the respondents of different status.

H1: There is a significant difference in environmental knowledge and concern of the respondents among the different status of respondents.

Table 4

ANOVA							
			Sum of Squares	df	Mean Square	F	Sig.
ENVIRNEMNTAL KNOWLEDGE/AWARENES * STATUS	Between Groups	(Combined)	116.281	5	23.256	3.217	.007
	Within Groups		4626.575	640	7.229		
	Total		4742.856	645			

Source: Field Survey.

The result obtained through ANOVA in table 4 gives the status of respondents are having significant difference in environmental knowledge. It is seen that at 5% significance level. The calculated value is more than the value 0.05. Hence null hypothesis is rejected and accept the alternative hypothesis.

2. HO: There is no significant difference in environmental concern of the respondents among the respondents of different status.

H1: There is a significant difference in environmental concern of the respondents among the different status of respondents.

Table 5

ANOVA							
ENVIRNEMNTAL COMMITMENT * STATUS	Between Groups	(Combined)	1466.010	5	293.202	10.303	.000
	Within Groups		18213.067	640	28.458		
	Total		19679.077	645			

The result obtained through ANOVA in table 5 gives the status of respondents are having significant difference in environmental concern. It is seen that at 5% significance level. The calculated value is less than the value 0.05. Hence, accept the null hypothesis and reject the alternative hypothesis.

3. HO: There is no significant difference between consumer awareness and education of the respondents.

H1: There is a significant difference between consumer awareness and education of the respondents.

Table 6

ANOVA							
			Sum of Squares	Df	Mean Square	F	Sig.
I am aware of eco-friendly product and its relative merits	Between Groups		.445	3	.148	.572	.636
	Within Groups		11.677	45	.259		
	Total		12.122	48			
I am aware of the harm that non-biodegradable goods can cause to the earth.	Between Groups		.927	3	.309	.910	.444
	Within Groups		15.277	45	.339		
	Total		16.204	48			
I can differentiate between eco-friendly product and harmful products.	Between Groups		.691	3	.230	.916	.441
	Within Groups		11.309	45	.251		
	Total		12.000	48			

The result obtained through ANOVA in table 6 gives that there is a significant difference in consumer awareness and education of the respondents. It is seen that at 5% significance level. The calculated value is more than the value 0.05. Hence null hypothesis is rejected and accept the alternative hypothesis.

4. HO: There is no significant difference between consumer attitudes towards eco-friendly products among the respondents of different income group.

H1: There is a significant difference between consumer attitudes towards eco-friendly products among the respondents of different income group.

Table 7

ANOVA							
			Sum of Squares	Df	Mean Square	F	Sig.
I read label before buying to see if contents are environmentally safe	Between Groups		.655	3	.218	1.051	.380
	Within Groups		9.345	45	.208		
	Total		10.000	48			
Eco-friendly products are not widely advertised and hence not popular.*	Between Groups		.344	3	.115	.340	.797
	Within Groups		15.207	45	.338		
	Total		15.551	48			

I always look into the products having less hazardous substances in it.	Between Groups	.698	3	.233	.522	.670
	Within Groups	20.077	45	.446		
	Total	20.776	48			
While shopping, I always check if the products I buy are environmentally safe.	Between Groups	.064	3	.021	.055	.983
	Within Groups	17.609	45	.391		
	Total	17.673	48			
I go in search of eco-friendly products if it is not available in one shop.	Between Groups	.590	3	.197	.591	.624
	Within Groups	14.961	45	.332		
	Total	15.551	48			
I take a chance to convince my family members to buy eco-friendly products	Between Groups	.430	3	.143	.557	.646
	Within Groups	11.570	45	.257		
	Total	12.000	48			
I appreciate the package/design of eco-friendly products.	Between Groups	.867	3	.289	.779	.512
	Within Groups	16.684	45	.371		
	Total	17.551	48			
I believe in the information on eco-friendly package.	Between Groups	1.442	3	.481	1.533	.219
	Within Groups	14.109	45	.314		
	Total	15.551	48			
I pay attention to eco- friendly advertising.	Between Groups	.205	3	.068	.229	.875
	Within Groups	13.427	45	.298		
	Total	13.633	48			
I believe in the eco-friendly advertising.	Between Groups	.126	3	.042	.154	.926
	Within Groups	12.282	45	.273		
	Total	12.408	48			
I am ready to pay little extra price for eco-friendly products.	Between Groups	.573	3	.191	.843	.478
	Within Groups	10.202	45	.227		
	Total	10.776	48			
I have to shift to a greener lifestyle.	Between Groups	.541	3	.180	.648	.588
	Within Groups	12.520	45	.278		
	Total	13.061	48			
Eco-friendly products will not perform as same as normal brands.	Between Groups	.250	3	.083	.212	.888
	Within Groups	17.709	45	.394		
	Total	17.959	48			

The result obtained through ANOVA in table 7 gives that there is a significant difference between consumer attitudes towards eco-friendly products with different income group of respondents. It is seen that at 5% significance level. The calculated value is more than the value 0.05. Hence null hypothesis is rejected and accept the alternative hypothesis.

5. H0: There is no significant difference in barriers to the purchase of eco-friendly products among the respondents of different income group.

H1: There is a significant difference in barriers to the purchase of eco-friendly products among the respondents of different income group.

Table 8

ANOVA						
		Sum of Squares	Df	Mean Square	F	Sig.
High cost	Between Groups	3.518	5	.704	.912	.473
	Within Groups	493.795	640	.772		
	Total	497.313	645			
General lack of availability	Between Groups	8.092	5	1.618	.741	.593
	Within Groups	1398.764	640	2.186		
	Total	1406.856	645			
Lack of knowledge about eco-friendly products	Between Groups	27.748	5	5.550	6.348	.000
	Within Groups	559.540	640	.874		
	Total	587.288	645			
Not aware of the benefits	Between Groups	24.035	5	4.807	4.530	.000
	Within Groups	679.074	640	1.061		
	Total	703.108	645			
Not durable	Between Groups	5.666	5	1.133	1.502	.187
	Within Groups	482.788	640	.754		
	Total	488.454	645			

The result obtained through ANOVA in table 8 gives that there is significant difference in barriers of purchase of eco-friendly products among the different income group of the respondents. The lack of knowledge about the green products and not aware of the benefit are having the value of less than 0.05. Hence we accept the null hypothesis in this to case and reject the alternative hypothesis.

The high cost, general lack of availability & not durable values are more than the value 0.05. Hence we reject the null hypothesis and accept the alternative hypothesis.

The result obtained through ANOVA in table 4 gives the status of respondents are having significant difference in environmental knowledge. It is seen that at 5% significance level. The calculated value is more than the value 0.05. Hence null hypothesis is rejected and accept the alternative hypothesis.

Findings Of The Study

1. Majority of the respondents are belongs to the age group of 31-40.
2. Nearly 63% of the respondents are having the educational qualification of graduation.
3. 50% of the respondents are having the monthly family income range from Rs.25001-50000.
4. Product label and outdoor advertisement are major sources of awareness towards eco-friendly products.
5. Majority of the consumers are aware of the Eco-friendly FMCG products and are having a positive attitude towards Eco-friendly FMCG products.
6. It was found that the lack of knowledge and not aware of the benefits are barriers for purchasing eco-friendly products.
7. Majority of the respondents buy eco-friendly products for health purpose.

IV. Conclusion

The study concludes that consumer is waking up to the virtues of green products. But it is still a new concept for the majority. The new green movements need to reach the masses and that will take a lot of time and effort. The government, the organization, the masses and the consumers has to join their hands together in bringing the ecological balance.

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