

SOURCES OF CONSUMERS' AWARENESS TOWARDS ECO-FRIENDLY FMCG PRODUCTS IN BALLARI DISTRICT

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ABSTRACT

Consumers' green products awareness is significant in indicating the way of the green products buying decision. Green products, all natural products ensure safety from all dangerous chemicals, and allow families to avoid risky additives that can cause any of these issues. Using eco-friendly/green products improves quality of life in terms of mortality, age, diseases, and illnesses. They ensure the safety of families and the planet. This study aims to investigate the sources of consumers' awareness toward green products. The study has found that promotional activities on eco-friendly products considerably influence consumers green products awareness. Majority of the respondents are aware of green products. This study reveals that green products awareness as the critical factor, which significantly affects consumers green products purchasing decision. This paper contributes to this green awareness issues. The organization can be profited knowing sources of green products awareness. Those it can help green awareness expansion along with green products offer to consumers.

Keywords: Green Product, Awareness, purchase decision, sources of awareness.

INTRODUCTION:

According to the American Marketing Association, green marketing is the marketing of products that are presumed to be environmentally safe. "Green Marketing" refers to holistic marketing concept wherein the production, marketing consumption, disposal of products and services happen in a manner that is less detrimental to the environment. With growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants etc., both marketers and consumers are becoming increasingly sensitive to the need for switch in to green products and services. The shift to "green" is expensive to look at but still is expected to prove advantageous in the long run in terms of cost of product.

An eco-friendly product is supposed to reduce the impact of its consumption on the environment thanks to the use of making-processes, components and recycling techniques which are less harm for the natural environment than those of conventional products (nationalgeographic.com). According to a survey made by the Gallup organization in 2009, around one of fifth of European interviewees think that the action which has the greatest impact on solving environmental problems was "to buy products produced by eco-friendly production" just after "minimizing waste and recycling" action (Flash Eurobarometer 256 – The Gallup Organisation, 2009, p. 7). Furthermore for example in the CPG sector between January 2009 and April 2009 "458 new products hit the market with claims of being eco-friendly" in the United States, compared to 2008, this market is "three times higher in 2009" (corporate-eye.com). Another example in the United States showed that "between 2005 and 2009 green cleaners grew 229%" (marketwire.com). The market of green products is more and more increasing. In this thesis "eco-friendly" as well as "green" products will be used to mention environmental products.

The main objective of the current study is to understand the concept of Green marketing & products and to review some of the studies that have dealt with the concept of Green marketing and to identify the relationship between the various consumer attitudes and eco-friendly products.

LITERATURE SURVEY

Green Marketing has been an important academic research topic since the subject evolved in the late 1970s. From then on, there have been numerous research studies undertaken to address the issues of marketing of eco-friendly commodities and behaviour of consumers with respect to such products. This survey is aimed at providing a conceptual understanding on the research problem, by presenting some of the theoretical and methodological contributions on this area. The study has drawn inspiration and information from an exhaustive review of relevant literature from across the world. A few of them are presented in this study.

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.

Follows, S.B. & Jobber, D. (2000) in their article have tested a consumer model of environmentally responsible purchase behaviour using covariance structural analysis. The model successfully predicted the purchase of environmentally responsible and non- responsible product alternatives.

Chan, R.Y.K. (2001) in his article has examined the influence of various cultural and psychological factors on the green purchase behaviour of Chinese consumers.

Laroche, M., Bergeron, J. & Barbaro-Forleo, G. (2001) in their research article have investigated the demographic, psychological and behavioural profile of consumers who are willing to pay more for environmentally friendly products.

Das, J.K. (2002) in his article has presented the emerging issues and ideas on environmental pollution and also the role of the government and business organisations in India to mitigate the effects of environmental degradation.

Prakash, A. (2002) in his article has explained green marketing as greening products as well as greening firms. This paper has focused primarily on promoting products by employing claims about their environmental attributes or about firms that manufacture and / or sell them. Secondly, it has focused on product and pricing issues.

Diamantopoulos, A., Schlegelmilch, B.B., Sinkovics, R.R. & Bohlen, G.M. (2003) in their paper have tried to explore whether socio-demographics still have a role to play in profiling green consumers. The paper aimed to take a closer look at the role of socio- demographics for profiling of green consumers.

Kim, Y. & Choi., S.M., (2005) have applied the conceptual framework of value- attitude-behaviour relationship in their research in order to identify the antecedents of green purchase behaviour and has developed a model for explaining their influence on ecological consumption.

Elangovan, A. (2006) has tried to identify the environmentally conscious consumers and study their attitude, behaviour and perception towards environment friendly carry packages.

Ottman, J.A., Stafford, E.R. & Hartman, C.L. (2006) in the article have emphasised the concept of green marketing myopia which could lead to disastrous consequences for the marketers.

Dubey, P. (2007) in his research paper has emphasised the role of environmental information on consumers’ decision making process.

Singh, S.P. (2008) in his paper has attempted to introduce the terms and concept of green marketing, discuss the importance of going green, examine the reasons for green marketing philosophy and also discuss the problems associated with green marketing.

Babington, C.J., Siwar, C., Fariz, M.A. & Ara, B. R. (2010) in their article have highlighted the e-waste recycling practice within the material recovery facilities (MRF) studied in Selangor and Penang, the guidelines overseeing the e-waste recycling activities, stakeholders and future plans for e-waste management in Malaysia.

Mishra, P. & Sharma, P. (2010) in their article have discussed how businesses have increased their rate of targeting green consumers, those who are concerned about the environment and allow it to affect their purchasing decisions. The paper has identified the three particular segments of green consumers and has explored the challenges and opportunities businesses have with green marketing.

Sharma, Y. (2011) has focused on the changing consumer behaviour towards the usage of green products. The article has explained the four stages of lifecycle of green products – development, production, consumption and disposal.

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.

The 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. (Dr.B.Nagaraju, Thejaswini H.D 2016).

RESEARCH GAP IDENTIFY

Many literatures and surveys which examine the consumer behavior cover on different subjects and disciplines and determine the factors influencing the green marketing attitudes towards purchase of the products.

My purpose is to look into the green marketing in the view of the consumers' perception towards purchase of eco-friendly products. Therefore i will analyze the four marketing mix elements, word of mouth and satisfaction and how they influence the perception of the consumers to make purchases of the FMCG eco-friendly products. This topic is focused on the purchase of green products in the fast moving consumer goods (FMCG) sector also called consumer packaged goods (CPG) sector which are non-durable goods. Products that consumers frequently buy and use immediately such as the food, beverages, clothing, the health care products and household products; which are mainly sold in retail stores and having a short useful life (business.qandas.com and investorwords.com).

Previous studies such as those of Wannimayake and Randiwela (2008, p.13) or Vernekear and Wadhwa (2011, p.71) showed that product and package have an important impact during the purchase decision of green product from the FMCG sector. However these surveys were made in countries such as Sri Lanka or India so according to cultural differences it can be difficult to generalize.

The study has been conducted by Md. Zillur Rahman Siddique & Afzal Hossain (May 18, 2018) with an objective to explore the sources of consumers' awareness toward green products and its impact on purchasing decision in Bangladesh. Different green products source is important tools to guide the consumers' green products awareness. This research examines environmental concern, knowledge, eco-friendly products, social media, promotional activities on eco-friendly products and reference groups influence consumers to green products awareness and its impact on their purchasing decision. However these surveys were made in country in Bangladesh so according to cultural differences it can be difficult to generalize.

ML Ashok, Dr. T Aswathanarayana (July 2018) their Study revealed that Most of the consumers prefer eco-friendly products because of the reason that the products are eco-friendly in nature and cause less harm for the environment and some of the consumers prefer as the eco-friendly products are healthy from this analysis it was found that majority of the consumers are ready to pay more price for the eco-friendly products. Most of the consumers are buying eco-friendly products at present and are going to continue to purchase it in future also. From the above analysis it was found that Perception of consumers had a significant positive impact on Purchase intention of consumers towards eco-friendly products. However the study is restricted to Bengaluru City and the results may not be applicable to other places.

Most extreme research and mindfulness programs were led in major propelled nations and evidently in India it is a similar case that research and awareness was directed in cutting edge metro urban areas and in this investigation I have pick Ballari District it's one of the districts of Hyderabad Karnataka Region where it is casually called as in reverse locale in Karnataka state in general improvement. Thus I might want to comprehend the state of mind of purchasers towards eco-friendly products. Subsequently my title of research is "Sources of Consumers' Awareness towards Eco-Friendly FMCG Products in Ballari District".

This research could have significant and vital impact on the readers as far as the role of consumer plays in the green marketing on the FMCG research and the safeguarding of the earth from depletion resources. Further, it could reveal which marketing strategies that companies should adopt to understand better consumers' needs in term of eco-friendly product.

OBJECTIVES OF THE RESEARCH

1. To study the consumers awareness of eco-friendly FMCG products.
2. To know the consumers perception towards eco-friendly FMCG products.

Hypothesis:

Following hypothesis are formulated to articulate the objectives of the present research:

H1- A significant and positive relationship exists between Product and awareness towards eco-friendly FMCG products.

H2- A significant and positive relationship exists between Product and perception towards eco-friendly FMCG products.

Limitation

- This study is limited to Ballari District of Karnataka State of India only and hence cannot be generalized.
- The learn is based on the view expressed by consumer only.
- This learn was fully based on respondents' analysis; hence there are more chances for human bias.

METHODOLOGY OF THE RESEARCH

Research Approach:

Quantitative research:

The research approach is quantitative in nature. Quantitative research is "the collection of data that involves larger, more respondent's samples and numerical calculation of results".

Secondary Data:

To get insight into the research area and develop the hypothesis, the literature from the following sources is reviewed:

- a. Library & E-libraries and Information available on Internet.
- c. Journals, Periodical, Newsletters, Magazines and report from Industry associations.

Primary Data: Primary data is collected through structured questionnaire.

Research type:

Research design is the way how we collect, process and analyze data and we link to the research type. In this connection I will select a **descriptive and exploratory research types**.

Data Collection Method:

Sampling:

Choice of non-probability sample:

As I decided to follow a quantitative approach and consequently to elaborate a social survey, the sampling method used is a key point in the research process.

Population:

First step in sampling method is to select the sample in a group of units that is called population. As all the people who live in Karnataka cannot be interviewed, residents in the Ballari District have been chosen as my population.

Convenience sample:

Shiu et al. (2009, p. 480, p. 726) defined the convenience sampling as a "sampling technique which samples are drawn to the convenience of the researcher" and which is "often used in the early stages of research because it allows a large number of respondents to be interviewed in a short period of time". As respondents of Ballari District, I have an easy access to this region, so I can have access to a big number of potential respondents.

Sample size and Composition of sample:

To reduce the sampling error, the largest the sample is the more the data can be generalized and representative of the population. As a non-probability sample is used, the sample size is "a more or less subjective judgment made by the researcher". For my study it will be relevant to be able to obtain a sample of around **100 respondents**.

Data Collection:

There are three main modes of administration to spread a self-completion questionnaire: supervised, postal and Internet. My choice is concentrated on supervised mode and the Internet.

Data Analysis:

Independent and ANOVA test

For the analysis of each factors (marketing-mix elements, WOM and satisfaction I could use descriptive statistics but also **correlation tables**, independent and paired sample Test in order to prove if my comparisons were relevant or not.

FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS:

- ✓ Majority 58% of the respondent's male.
- ✓ Majority 54.9% of the people below the age group of 18-24 years.

- ✓ Mostly 81.4% of respondents says yes and they are aware of green products.
- ✓ Mostly 68.6% of respondents select average to describe their level of awareness.
- ✓ Majority of people became aware by television to purchase ecofriendly products.
- ✓ 67.6% of people are aware of benefits of eco- friendly products.
- ✓ Majority of 80.4% of people agree that they prefer buying ecofriendly products when price discounts are offered.
- ✓ Majority of 60.8% of the respondents are willing to pay more for green products.
- ✓ Majority of 69.6% of respondents are strongly influence buying behavior on products.
- ✓ Majority of 36.3% of people buy ecofriendly products once in week.
- ✓ 77.5% of people think eco-friendly products are worth to money.
- ✓ Majority of people use eco-friendly products for impact on future.
- ✓ 93.1% of people are satisfied by using eco-friendly products.
- ✓ Majority of people agree that eco- friendly products are more effective than regular marketing.

SUGGESTION:

1. Technology want to be delivered into production of the goods so that you can lessen the price of green merchandise. Recyclable products need to be the recognition. Eco designs may be carried out wherein the range of components use can be minimum. Energy green system can be used which may be a higher one time investment however a profitable one in long run.
2. More green merchandise should be provided to the store three. Government should offer subsidies in equipments and machinery supporting in preserving surroundings green. The manufacturers may be given loans on less interest. Tax exemptions should be accelerated
3. The life span of product should be extended to lessen the frequency of buy.
4. Marketers can promote the goods the usage of inexperienced idea and growth attention which intern will inspire stores to maintain extra of inexperienced products.
5. The advertisement must cognizance on personal benefits of consumers instead than on environment. This will lure clients greater than every day.

CONCLUSION:

Going inexperienced has emerge as the brand new success mantra and is being mentioned by using people from all walks of lifestyles. The above take a look at suggests that the customers of Bellary district of Karnataka are aware about the eco-friendly FMCG merchandise and that they have more issue for green products. The study indicates they're figuring out the green FMCG products through the eco-label and consequently it may be taken into consideration as a primary

Tool for Environmental advertising and marketing and advertising. The authorities, the corporation and the customers has to put hands collectively in growing cognizance of inexperienced products.

The environment is beneath an important danger. We all clients or stockholders want to be a part of palms to pop out of the situation. Marketers have initiated the technique through introducing "eco-friendly Marketing". The shops in patanjali stores are assisting the concept. Most of the retailers are of the opinion that green merchandise are preferred through way of purchasers however due to bad focus and excessive prices have now not been completely followed through them. As far as clients are involved the eye degree is developing and has started out imposing them in their ordinary life.

SUMMARY

Green marketing is a concept that has gained much importance in this modern era. The term Green Marketing refers to the planning, development and promotion of the products or services that satisfy the needs of consumers without affecting environment. In this research study a serious attempt to be made to know the awareness level and perception amongst consumers towards eco-friendly products, factors effecting consumer buying behavior for eco-friendly products and to provide suggestions to marketers for promoting eco-friendly products and consumers.

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