

# A STUDY ON THE FACTORS WHICH INFLUENCE CONSUMERS TOWARDS GREEN FAST MOVING CONSUMER GOODS (FMCG)

Dr. C.K. Tiwari<sup>1</sup>, Namita<sup>2</sup>

<sup>1</sup>Faculty of Marketing, <sup>2</sup>Student of PGDM  
Science & Technology Entrepreneurs Park Harcourt Butler Technological Institute, Kanpur

**Abstract:** Last few decades, In India, the demand of green products is growing faster due to the increased interest of consumers towards Eco friendly product. Fast moving consumers goods are one of the best goods among them. In this research paper the factors which influence consumers towards green FMCG in KANPUR. The factors which influence such as status symbol, harmful for society, harmful for health, price factor and availability. Consumers today are increasingly “thinking green” and are willing to pay more for eco- friendly products. This paper also focuses on the success of efforts put by marketers in bringing green brands awareness in consumer’s mind. Even through the awareness and the usage of Green FMCG products among the people is very low and majority of them are having consciousness about the eco-friendly environment and try to save earth from pollution.

**Keywords:** Green Product, FMCG, Green Marketing, status symbol, harmful for society, harmful for health, price factor and availability.

## INTRODUCTION

In India Fast Moving Consumer Goods are the fourth largest sector in our economy and the FMCG sector in India and recorded a market size of around US\$ 29.4 billion in 2016-17. However, in the last few years, the FMCG market has grown at a faster pace in rural India compared with urban India. The focus on agriculture, MSMEs, education, healthcare, infrastructure and employment under the Union Budget 2018-19 is expected to directly impact the FMCG sector.

This industry also provides lots of employment opportunities about more than three million people in downstream activities. Green marketing term was first discussed in a seminar on “ecological marketing” organized by American Marketing Association (AMA) in 1975 and took its place in the literature. In this seminar where the impact of marketing on natural environment was analyzed with the contribution of academicians, bureaucrats and other participants, ecological marketing concept was defined as follows: Studies regarding adverse or positive impacts on environmental pollution, energy consumption and consumption of other resources as result of marketing. The growth of green marketing research dates back to 1980s when there was emergence of concept of green marketing.

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

Many of the industries are started to adopt the green marketing for products in their activities as a part of social responsibility and they trying to reach their consumers with their green products and green messages. Green products are those products that will not pollute the earth, products can be recycled or conserved products with natural ingredients, products content under approved chemical. This study tries to analyze the attitudes of consumers towards the environmental friendly products of the consumers those who are residing Kanpur The study seeks to answer basic questions about the Kanpur consumers’ personal characteristics’ that influences eco-friendly consumption. Likert Scale Technique is used to quantify variables and Kruskal-Wallis test is used to find out the hypothesis and found that there is a relationship between the personal characters’ and their attitude to purchase the green products which are not harmful to the society and the consumers themselves.

## IMPORTANCE OF THE STUDY

In India production and consumption of goods and services are the most influence factors among Indian consumers environment.

In India consumers seem to more confident on green products, those which are harmless to environment, when compared to their counterparts in China, Canada and USA. According to a survey released on DuPont, majority of Indian consumers are also familiar with green products, have confidence that such products are good for environment and feel that bio-based ingredients enhance desirability of a product.

(Sources: Consumer attitudes and awareness about the green products are the most important guiding factors to purchase the green products. This study to find out the factor which influences consumers towards attitude Green fast moving consumers goods in Kanpur. The main objective of the study is to know the factor which effect on consumer attitude towards FMCG.

## **OBJECTIVES OF THE STUDY**

The main aim of this study is to find out the personal factor which influences green product consumption. The study will also try to know consumer awareness level of the consumers. The other objectives of the study are:

- 1) To find out the factors which affect the preference level of consumers towards eco-friendly products.
- 2) To find out the consumer awareness towards FMCG products
- 3) To identify the factors which effect consumer perception towards eco-friendly products.
- 4) To analyses the level of satisfaction of eco-friendly customers in Kanpur through five point scaling technique.

## **REVIEW OF THE LITERATURE**

W.M.C.B. Wanninayake & Pradeep Randiwela, “Consumer Attractiveness about Green FMCG Products - an Empirical study” (2008) the purpose this study was to find the consumer attitudes and perceptions towards eco- friendly products in FMCG sector and their willingness to pay on eco-friendly product. This study was based on both primary and secondary data. 100 respondents were selected for the survey and respondents were asked to answer the prepared questionnaire. The questionnaire was designed to obtain the consumers attitudes and perception regarding eco-friendly FMCG products under four value added areas such as product designing, packaging, place and promotion that lead towards the motivation of consumption. The secondary data were collected from relevant journals, books and other published data.

Ramana Kumar K. P. V. & Manoj Krishnan C.G, “Consumer Attitude towards Green Products of FMCG Sector: An Empirical Study (2012), The find out current economy growth in regarding to the and the patterns of consumer’s consumption and behavior worldwide are the main cause of environmental deterioration. The shortage of natural resource, which seriously affects human beings existence and development, environment protection has become the world wide focus.

Sudhalakshmi.K& Chinnadorai. K.M, “Awareness Level of Consumers towards Green FMCG Products with Special Reference to Coimbatore District (2014)” In recent days, environmental issues have received a great deal of discussion in the field of marketing. With the growing awareness about the implication of global warming, non-bio degradable solid waste, harmful impact of pollutants etc., both marketer and consumers are switching to eco-friendly products and many companies have accepted their responsibility not to harm the environment and not to waste the natural resources. The research study took place in Kanpur district of Uttar Pradesh. A questionnaire is designed in order to find out the awareness level of consumers towards green FMCG products in order that 100 respondents were taken for the study. Going green has become the new success mantra and is being discussed by people from all walks of life.

Namita Rajput, Ruchika Kaura, Akanksha Khanna, “A Study Of Consumers' Attitudes And Purchase Intentions Towards Environmental: Friendly Products In FMCG Sector In India”2014, The aim of this study is to examine factors which influence the purchase of environmental friendly products in FMCG (Fast Moving Consumer Goods) sector in India and to exhibit the factors used by companies from the marketing-mix elements (the product, the price, the place and the promotion) that have an influence on green purchase attitudes and to examine if some factors are more important than others. Also, the others factors from the view point of the consumer like word of mouth and satisfaction will be examined

Maheswari. R, Sakthivel.G, “Customer’s attitude and awareness towards green products with reference to Coimbatore – An analytical study” (2015) “Green Marketing” is a newer issue in the eyes of marketers. “Green Marketing” is defined as the marketing of products that are presumed to be environmentally safe. There is a common perception among the general population that the term green marketing refers only to advertising or promoting products that possess environmental characteristics. People associate terms such as recyclable with green marketing.

## **REASEARCH METHODOLOGY**

The research was carried out in Kanpur region between 8<sup>th</sup> May 2018 to 8<sup>th</sup> July 2018. The research was carried out with the help of structured questionnaire. The questionnaire was filled by the customers in order to know the factor which influence consumer towards green FMCG Type of research: Exploratory research

Structured questionnaire was used in the research as research instrument. The primary data is collected through questionnaire to find out the factor who influence consumers towards green fast moving consumer goods with the possible response of strongly agree to strong disagree.

Five point Likert scale (1, 2, 3, 4, 5) technique was used to quantify the variables. The measurement items of the variables were created based on the literature review. A convenient sampling design was followed and intercept method was used for data collection. One hundred fifty consumers are targeted where one hundred respondents found valid respondent for the study

### 1. Data collection:

The data was collected of 100 people

### 2. Data Analysis

Kruskal-Wallis, MS excel has been used in this research. Frequency charts, pie diagrams and bar diagrams are used in the analysis.

### DATA INTERPRETATION AND ANALYSIS

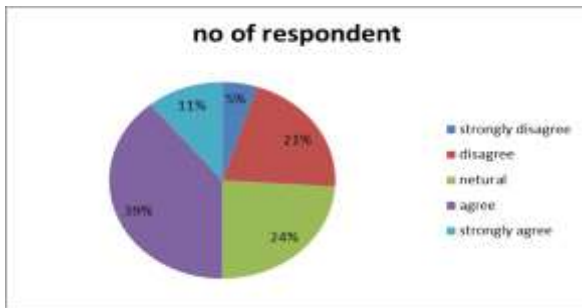
The findings of the primary data have been analyzed and given in the form tables. Table 1 shows the demographical profile of the consumers.

**TABLE - 1 DEMOGRAPHICAL PROFILE OF THE RESPONDENTS**

PARTICULARS		No of Respondent	% of Respondent
Age of Respondent	Upto 20	13	13
	20-40	64	64
	40-60	20	20
	Above 60	3	3
	<b>Total</b>	<b>100</b>	<b>100</b>
Gender of Respondent	Male	23	23
	Female	77	77
	<b>Total</b>	<b>100</b>	<b>100</b>
Education level of the respondent	secondary	8	8
	Graduate	50	50
	P G	32	32
	Professional	9	9
	Other	1	1
	<b>Total</b>	<b>100</b>	<b>100</b>
Occupation of the respondent	Student	37	37
	House wife	4	4
	Employed	48	48
	Entrepreneur	9	9
	Retired person	2	2
	<b>Total</b>	<b>100</b>	<b>100</b>
Family size of the respondent	Up to 4 member	54	54
	4-6 member	32	32

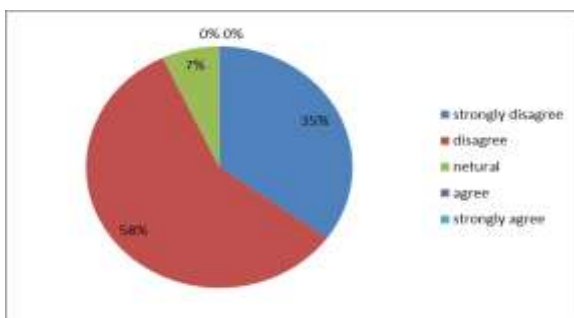
	6-8 member	12	12
	Above 8 member	2	2
	<b>Total</b>	<b>100</b>	<b>100</b>
<b>Monthly income of the respondent</b>	No Income	<b>37</b>	<b>37</b>
	Below 10000	<b>6</b>	<b>6</b>
	10001- 20000	<b>40</b>	<b>40</b>
	20001-30000	<b>8</b>	<b>8</b>
	Above 30000	<b>9</b>	<b>9</b>
	Total	<b>100</b>	<b>100</b>

1) Is Green Products usage is the status symbol in the society?



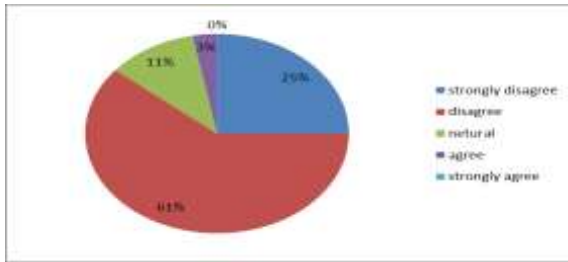
The above chart represents 39% of the respondent agree, 24% of the respondent neutral, 21% of the respondent disagree, 11% and 5% of the respondent are strongly agree and strongly disagree respectively towards the status symbol of the society.

2) Do Green Products create any harm to society?



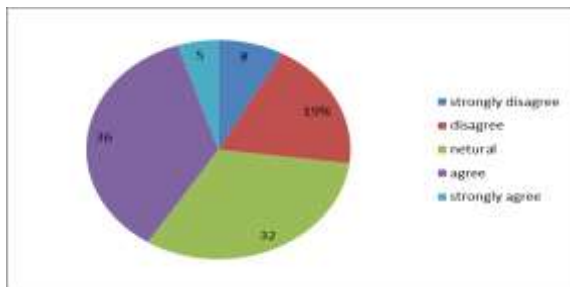
The above chart represents 7% of the respondent neutral, 58% of the respondent disagree, 35% of the respondent are strongly disagree towards harmful to the society.

**3) Do Green Products create any harm to the health?**



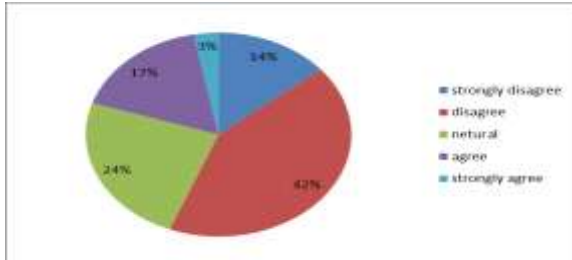
The above chart represents 61% of the respondent disagree, 11% of the respondent neutral, 3% of the respondent agree, 25% of the respondent strongly disagree respectively towards harm to the health.

**4) Are Green Products costly?**



The above chart represents 36% of the respondent agree, 32% of the respondent neutral, 19% of the respondent disagree, 5% and 8% of the respondent strongly agree and strongly disagree respectively.

**5) Does Green Product is easily available?**



The above chart represents 17% of the respondent agree, 24% of the respondent neutral, 42% of the respondent disagree, 3% and 14% of the respondent are strongly agree and strongly disagree respectively.

**Which of these factors influence the customer towards green FMCG products (table<sup>3</sup>)**

(Status symbol, harmful for society, harmful for health, price factor and availability.)

Most important factor = 5, moderately important =4, Important =3, somewhat important =2, and less important =1

Status symbol	Harmful for society	Health	Price factor	Availability
4	1	1	5	3
2	1	2	3	4
4	2	3	2	3
2	1	1	3	2
4	2	2	5	2
4	2	2	5	2

4	2	2	5	3
4	2	2	3	3
2	1	1	1	1
5	2	2	4	2
2	1	2	3	1
4	2	1	3	4
5	1	1	1	2
5	2	1	3	2
2	2	2	3	3
4	1	4	3	4
4	1	1	1	5
3	1	2	3	5
3	2	2	2	4
4	2	2	4	2
5	2	3	4	2
4	2	2	4	2
4	2	2	3	2
4	1	1	4	4
4	1	1	4	1
3	2	1	3	1
3	3	3	3	3
3	2	3	3	3
4	3	2	4	1
3	1	2	4	3
1	2	2	3	2
4	1	2	4	4
5	2	2	4	2
3	1	2	4	1
3	2	2	2	2
2	2	2	2	2
4	2	4	4	4
5	2	2	2	2
4	2	2	2	2

2	2	2	2	2
5	2	1	1	3
2	2	2	4	4
2	2	1	3	2
3	2	2	2	3
4	2	2	4	2
4	2	2	4	3
2	2	2	4	4
4	1	3	3	1
4	1	2	4	3
3	2	2	2	2
3	2	2	4	2
3	2	2	4	5
1	1	2	3	2
4	2	2	3	4
4	1	2	4	1
4	3	3	2	3
4	2	2	3	2
4	2	3	3	4
4	1	1	4	3
3	1	1	4	3
2	2	2	4	3
2	2	2	3	4
3	1	1	4	4
2	1	1	1	2
2	1	2	4	3
2	1	2	4	3
2	2	2	3	4
2	1	1	1	1
3	2	2	4	2
3	2	2	3	3
2	2	2	2	2
4	2	2	4	2







**(4) Decision about the null hypothesis**

Since it is observed that  $\chi^2=147.947 > \chi^2_{df}=9.488$ , it is then concluded that the null hypothesis is rejected.

Using the P-value approach: The p-value is  $p=0$ , and since  $p=0 < 0.05$ , it is concluded that the null hypothesis is rejected

**(5) Conclusion**

It is concluded that the null hypothesis  $H_0$  is rejected.

Therefore, there is enough evidence to claim that the not all population medians are equal, at the  $(\alpha = 0.05)$

Significance level.

**FINDINGS AND CONCLUSION**

- Majority of the respondents represents their status symbol while using eco-friendly products.
- Most of the respondents use eco-friendly FMCG product as it is not harmful for their health.
- The respondent's awareness about eco-friendly FMCG product is high.
- Majority of the respondents are aware and prefer using eco-friendly FMCG product for the welfare.
- The most of the respondent who prefer using eco-friendly FMCG product fall in the age group of 20-40 as they can easily afford it.
- Most of the respondent who prefer eco-friendly product is female as they are more health conscious.
- The above table<sup>3</sup> shows well the factors affecting the customer towards green FMCG products and the satisfaction level of customer towards growing green products and the market.
- Green marketing nowadays also used as a marketing strategy by companies to grow there market.

**LIMITATION OF THE STUDY**

- The primary data collected only for two month period of May to July 2018
- More than 29 lakh people living in Kanpur district. Where 150 people are targeted for the purpose of research but only 100 respondents are take part for the purpose of research.
- Convenient random sampling technique has been used for collecting the data.
- The data have been collected to understand the attitude and awareness level of the consumers about the green FMCG products. The study is not for a specific product.
- People were not aware about the FMCG products, so it was quite difficult to collect the data.
- As the study was not for a specific product. The data have been collected to understand the attitude and awareness level of the consumers about the green FMCG products.

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