



## A Brief Study on Consumer Perception About Green Products

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### ABSTRACT

*As resources are limited and scarce while human wants are unlimited, it is important for the marketers to utilize the resources effectively and efficiently without wastage as well as to achieve the organization's objective. Green marketing is inevitable for the attainment of long-term mission and vision of an organization. There has been rising awareness among the consumers all over the world concerning protection of the environment. People do desire to bequeath an uncontaminated earth to their offspring. In this paper we try to cover the various forms of environmentally concerned consumer behavior and their determinants. The understanding of environmentally concerned consumer behavior is of importance to consumers, business organizations, policy makers and other stake holders. The last decade has seen a progressive increase in the environmental consciousness across the globe and consumers are becoming more concerned about it. However, despite positive forecasts, demand for green products has not shown enough growth as expected and not much consumers have responded positively due to various factors. Thus, this study endeavors to explore why people do not buy environmentally friendly products by finding out which are the main constraints impeding them to translate their green intentions into actual purchase behavior. Needless to say, paramount significance is going to be attached to green products as they shall come to occupy the centre stage in the market in future years. Corresponding with that, there will be a shift in consumer perception towards green products although at a low pace in coming years.*

**KEYWORDS :** Green Marketing, Green Products, Consumer Behaviour, Consumer Perception

### Introduction:

Since 1970, there is a significant amount of research conducted on consumer behavior for eco- friendly products. Many variables were shown to drive consumer choice in regards to purchasing environmentally friendly products. The growing social and regulatory concerns for the environment has lead an increasing number of companies to consider green issues as a major source of strategic change. For years, there have been warnings about the dangers of climate change, excessive natural resource consumption, and ever-increasing waste generation. Business Organizations are significant users of natural resources - water, energy, fuel, agricultural resources, forest and marine resources. Outputs from Business Organizations and Industrial discharge including packaging waste, solid waste, emissions, and waste-water, also have significant environmental impact, both directly and indirectly. Media headlines consistently focus on stories predicting dire consequences associated with the environment. Since society becomes more anxious with the natural environment, companies have started to adjust their behavior in an attempt to address society's concerns for the natural environment. Some companies have been quick to accept concepts like environmental management systems, waste minimization and recycling of waste water and have integrated environmental issues into all organizational activities. People are conscious about the unfriendly environment product due to their own welfare and hence this issue is very significant in the modern times for India. This paper tries to unearth consumer attitudes and perceptions towards green products in Fast Moving Consumer Goods sector and their willingness to pay on green products.

### Green Marketing:

"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" – AMA

"Green Marketing consists 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

### Green Consumer:

Green consumer refers to consumers who are concerned about the environment in their purchase behavior; activities associated with

the marketplace and consumption habits and consider the effect of their behavior on the natural environment around them. In general, each consumer who shows the environmentally friendly behavior while purchasing a product from the market is called a green consumer. Nowadays people are concerned about the environment and are changing their behavior pattern so as to be less hostile towards it. Research reveals that increasing number of the consumers are asking for environment-friendly products. Most of them feel that environment-friendly products are safe to use. As a result, green marketing has emerged, which aims at marketing sustainable and socially-responsible products and services profitably but without having any adverse effect on the environment. Now is the era of recyclable, non-toxic and environment friendly goods. This has become the new mantra for marketers to satisfy the needs of consumers and earn better profits in a greener way. It includes a broad range of activities like product modification, changing the production process, modified advertising, change in packaging, etc., aimed at reducing the detrimental impact of products and their consumption and disposal on the environment. Marketers are taking the cue and are going green. Green marketer 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 green consumers are the driving forces behind the green marketing process.

### Green Products:

The products those are manufactured through green technology and that caused no environmental hazards are called green products. Promotion of green technology and green products is necessary for conservation of natural resources and sustainable development. We can define green products by following measures:

- Products those are originally grown
- Products those are recyclable, reusable and biodegradable
- Products with natural ingredients
- Products containing recycled contents and non-toxic chemical
- Products contents are under approved chemical
- Products that do not harm or pollute the environment

- Products that will not be tested on animals
- Products that have eco-friendly packaging i.e. reusable, refillable containers etc.

### Objective of the Study:

The Main objective of the study is, to investigate the consumer perception towards green products in FMCG sector and its impact on their purchasing decision.

### Methodology:

Questionnaire method for data collection was employed to explore consumers purchasing behavior and reason for this behavior. The survey was conducted in Bengaluru city. Only 50 respondents belonging to SEC A and SEC B (Socio-Economic classification A and B) were given a questionnaire to fill in. The purpose of selecting respondents from this group was to generate data from people who are well educated and have a decent purchasing power. This number of interviews enabled us to achieve theoretical saturation in our target group. My strategy was to surround a range of green consumers from different age groups, genders and socio-economic groups. The secondary data were collected from relevant journals, books and other published data.

### Findings of the Study:

**Consumer Skepticism** - Many of the early products designed to be environmentally responsible, such as electric cars and recycled paper, did not meet the basic expectations of consumers. These early disappointments have made it tougher to convince today's consumers that green products work as well as those that they are intended to replace, or are worth higher prices. In their search for guidance on consumption choices, people trust the peer groups' opinion and opinions shared in the blogs more than any other source of information. 64% of consumers now consider blogs as a reliable source of information, and more than 55% trust consumer-generated media. In addition to the traditional marketing criteria, customers want to judge the following environmental elements too:

- How environmentally friendly is the product?
- Are the manufacturing, packaging and promotion of green products sustainable?
- Is the marketing credible or just green wash?
- During this study it was found that manufacturers do not clearly state environmental benefits on product packaging
- It is not clear to the general people that what kinds of benefits to expect in a given environmental friendly product.
- There is no legal authority that can certify environmental claims made by the manufacturers

### Promotional Activities:

Extremely meek promotional activities have been taken by the Government or Chambers of Commerce and the related authority as well. Sustainability considerations either drive or influence the buying decisions of more than 50% of the shoppers interviewed in our study. However, for most green shoppers, sustainability considerations are an important purchase driver, but secondary to other dominant purchase drivers. For most shoppers sustainable considerations become a tie-breaker only when other factors are in relative parity. However, once a more sustainable product has captured the shopper's commitment it tends to create brand stickiness by retaining the shopper's loyalty through repurchase. This study found that although interest in buying green product extended across all age, income and education levels, with 86 percent of respondents open to considering sustainable products, less than 30% of shoppers actively consider them when buying. Yet only 50% of those who consider buying eco friendly products actually found green products on retail shelves and just 22% actually purchased them.

### Key Issues for Business:

Significant opportunities exist in the development of new sustainable markets. Green marketing must satisfy two objectives – Improved environmental quality and customer satisfaction. The top reasons majority of the consumers do not buy green products included beliefs that they require sacrifices, inconvenience, higher costs, and lower performance without significant environmental benefits. In practice, green appeals are not likely to attract mainstream consumers unless they

also offer a desirable benefit, such as lesser price or improved product performance. To avoid green marketing myopia, marketers must fulfill consumer needs and interests beyond what is good for the environment. To be effective, company's strategy and messages need to be convincing i.e. they must be backed by facts and figures. Companies need to make environmental friendly products easily available and affordable and without compromising on performance and at no extra costs for the consumer. In order to have a credible, sustainable brand, companies must have operational integrity and their communications have to strike the right balance between visibility and transparency. An integrated marketing communications approach and/or a holistic approach using eco-labels may better educate consumers on the social and environmental impacts may influence their purchasing decisions. In addition, studies have shown that, in making purchasing decisions, consumers use labels only when they trust the message conveyed; therefore, labels should be promoted in a way that conveys trust. A familiar brand label or product look may serve as a cue initiating an automatic response or habit. The top three means of identifying a product as green for consumers surveyed were through packaging/labeling, in-store signage and brand advertising. During recent years consumers have been asked to show environmental concern. A frequent and successful implementation of this new intention will result in a new habit that replaces the old one.

### Role of Government:

Support from the Government is essential, since some businesses will always seek to place profit before service. One of the most important aspects is to work closely with Government in framing the laws and regulations and new tax framework for the development of new sustainable market.

### Conclusion:

More than 50% of the consumers remain suspicious of green wash i.e. environmental claims that could be considered false, unsubstantiated or unethical. The products available in today's market carry a wide range of labels, on-pack claims and elements of design that are meant to inform and reassure consumers on health, safety, environmental or social concerns. Several brands, including grocery retailers, have developed their own labels; other brands use endorsements from non-certifying (but trusted) third parties, or on-pack claims (such as natural) to convey sustainability attributes. Many consumers remain confused about which products are better for their health, society and the environment. In regards to eco-labeling, many experts have suggested that consumers are confused due to inappropriate labeling. Research has shown that consumers do not always understand environmentally friendly labels attached to products. Eco-labels such as biodegradable, sustainable, environment friendly and recyclable are usually unfamiliar or unknown to consumers. Nevertheless, labels can play an important role in fostering sustainable consumption when used as a part of package measures. Further, there is an unrealistic expectation of the consumers who are not usually willing to spend time understanding these issues and are rarely are prepared to pay more for sustainable products. In the absence of green certifications, eco-labels and other indications of a product's environmental performance, the final decision frequently comes down to corporate reputation. Majority of shoppers (80%) surveyed indicated they are ready and willing to consider more sustainable products, but the reality was that only less than 20 percent of the shoppers purchased green products. There is a substantial gap between the market's readiness for sustainable products and the actual delivery of those products to the shopper's market basket. Consumers are becoming turned off about purchasing green products at the last step. The largest opportunities to capture shoppers interested in green products involve building awareness, educating the consumers by creating awareness, making green products easier to find and recognize, enhancing in-store communications, making it available at affordable cost and inspiring consumers at the store shelf. Although 50% percent of customers surveyed looked for and found green products, but only 22 percent of the customers surveyed actually purchased them.

A good sustainable product strategy provides clear visibility and selling cues to the consumer to highlight green products in the assortment. Retailers and manufacturers need to work together to determine the appropriate assortment of green products, minimize out-of-stocks, and clearly identify green products in the store. About 30% of the respondents who would buy green products indicated that

they are not yet inspired to look for them. Awareness and education move people along their green learning curve. Many consumers do not always understand the social and environmental benefits of products and are often confused by the messages in the media.

In-store communication strongly influences green purchasing. Some of the consumers remain unsure of product performance or product quality; they assume sustainable products would not perform as well. Retailers and manufacturers can leverage these vehicles to address quality and performance questions and motivate the customers to become purchasers. To address these issues, retailers and manufacturers need to provide more co-ordinated communication and education about sustainability. They need to educate the consumers on product benefits, social and environmental benefits. To conclude, consistent, aligned messaging in stores, online, in advertisements and involving other touch points is a critical step in converting the consumers into green product purchasers.

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