



“CONSUMER AWARENESS AND PERCEPTION TOWARDS ECO-FRIENDLY PRODUCTS” - AN EMPIRICAL STUDY

M.L. Ashok

Research Scholar Research and Development Centre Bharathiar University
Coimbatore – 641 046

**Dr. T.
Aswathanarayana**

Research Supervisor Research and Development Centre Bharathiar University
Coimbatore – 641 046

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. 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 eco-friendly products has not shown enough growth as expected. 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 eco-friendly 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 eco-friendly products in the coming years although at a low pace.

In recent times, environmental issues have received a great deal of discussion in the field of marketing. When the society becomes more concerned with the natural environment, businessmen have begun to modify their behaviour to address the society's new concern. With the growing awareness about the implication of global warming, non-biodegradable solid waste, harmful impact of pollutants, both marketer and consumers are switching to eco-friendly products.

KEYWORDS : Eco-friendly products, Consumer awareness, Perception

Introduction:

The public concern for environmental issues has gradually increased over the past years. Customers have stated demanding eco-friendly products and they pay more attention to the environment and health. Companies have started adopting green marketing practices in their activities as a part of social responsibility and they were trying to reach the customers with their green messages. Eco-friendly products are those products that will not pollute the environment or deplete natural resources, product which can be recycled or conserved, products with natural ingredients and products containing organic elements.

Fast Moving Consumer Goods (FMCG) also known as Consumer Packaged Goods (CPG) 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. In India the FMCG sector is slowly opening its eyes on eco-friendliness.

Consumer Awareness is defined as the way that customer usually knows about certain products and services.

Consumer Perception can be defined as the way the consumers usually view or feel about a certain product or service. It can also be related to expected customer satisfaction of the consumer from a certain product or service.

REVIEW OF LITERATURE:

Polonsky (1994) says that worldwide evidence indicates people are concerned about the environment and are changing their behavior accordingly.

Gurau and Ranchhod (2005) In their study analyzed in reality, companies that pursue green marketing encounter numerous challenges mainly from the variability of demand, unfavorable consumer perception and high cost.

(Aryal, 2009) In his study states that Eco-labels such as 'Biodegradable', 'Sustainable', 'Environmental friendly', and

'Recyclable' are usually unfamiliar or unknown to consumers. The study also revealed that majority of respondents are willing to pay price premium, but the level of acceptability varied considerably.

Sudhir Sachdev (2011) claims that 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.

Maheshwari and Malhotra (2011) In their study found that consumers are not overly committed to their environment and look to lay too much responsibility on industry and Government.

Purohit (2011) in his study on “Consumer buying behaviour on green products” analyzed the consumer attitude, roll of marketing mix in buying intention and relationship between consumer attitude and buying intention towards green marketing. The study found that product, price, place and promotion had significant correlation with buying intention of eco friendly products. The study concluded that consumers were ready to pay high price for eco friendly which cause less pollution to the environment were consumer ready to compensate quality of the product for the benefit of the environment

STATEMENT OF THE PROBLEM:

Awareness about environmental issues is growing day by day. Product choice and buying behaviour of products are changing every day. With regard to product attributes, environmental consideration is the key factor influencing buying decision among consumers. Hence, the study focuses on examining the level of awareness and perception about eco-friendly products among consumers in the FMCG Sector.

OBJECTIVE OF THE STUDY:

The main objective of this study is to analyze the level of awareness among the consumers and their perception towards eco-friendly

products in FMCG Sector.

SCOPE OF THE STUDY:

The concept of green consumption has come into existence in response to the development of eco-friendly products. The eco-friendly products replace the artificial ingredients with natural ingredients and thereby contribute to protecting the environment; the study examines the consumers' level of awareness regarding eco-friendly products in FMCG Sector in Bengaluru city

RESEARCH METHODOLOGY:

A research study was conducted in Bengaluru city selecting a sample of 80 consumers. A questionnaire was designed in order to find out the awareness level of consumers and Perception towards Eco-friendly FMCG products. The secondary data for the review was collected from various journals and websites. The research design is both descriptive and analytical. The reliability of the data was verified by using Cronbach Alpha. The data was analyzed with the help of statistical tools like Simple percentage, Standard Deviation and t-test analysis was made.

LIMITATIONS:

- The study is restricted to Bengaluru city only and the result may not be applicable to other places.
- The result obtained is based on the respondents' opinion, so there is a chance of consumer bias.

ANALYSIS AND DISCUSSION:

Table 1 : Demographic Profile of the Respondents

Demographic Element		Number of Respondents	Percentage
Gender	Male	32	40
	Female	48	60
Age	Below 20 Years	03	3.8
	21 – 30 Years	29	36.3
	31 – 40 Years	30	37.5
	More than 40 Years	18	22.5
Educational Qualification	School Level	05	6.3
	Diploma/Degree	28	35
	Post – Graduation	37	46.3
	Professional	10	12.5
Occupation	Student	06	7.5
	Home Maker	07	8.8
	Employed	62	77.5
	Business	02	2.5
	Others	03	3.8

From the above table it was found that 60% of the respondents were female and 40% of the respondents were male, 37% of the respondents were in the age group of 31 – 40 years followed by 36.3% between 21 – 30 years, 22.5% more than 40 years and only 3.8% of the respondents were less than 20 years of age. With respect to educational qualification, it was observed that 46.3% of the respondents had post-graduation qualification, whereas 35% had their diploma/degree, 12.5% professional and only 6.3% with school level education. With regard to occupation, 77.5% of the respondents were employed, 8.8% were homemakers, 7.5% were students, 3.8% were others and 2.5% were business people.

Table 2 : Source through which respondents came to about eco-friendly products

Source	Number of Respondents	Percentage
Family Members or Relatives	18	22.5
Friends/Colleagues	13	16.3
Neighbours	06	7.5
Dealer or Sales Representative	01	1.2
Advertisement and Media	27	33.8
Articles in Magazines or Journals	15	18.7

It was found from the above table that 33.8% of the respondents came to know about the eco-friendly products through Advertisement and Media, 22.5% of the respondents came to know through their family members or relatives, 18.7% of the respondents through Articles in Magazines and Journals, 16.3% of the respondents through their Friends and Colleagues, 7.5% of the respondents through their Neighbours and 1.2% of the respondents came to know about eco-friendly products through the Dealers or Sales representatives.

Table 3: Mean, Standard Deviation and Reliability

Construct	Mean	Standard Deviation	Cronbach Alpha
Awareness of Eco-friendly Products	3.91	0.71	0.73
Perception on Eco-friendly Products	3.63	0.50	0.82

With regard to awareness of eco-friendly products, the respondents agree they are aware ($M = 3.91$, $SD = 0.71$) and their perception is neutral towards eco-friendly products ($M = 3.63$, $SD = 0.50$). Cronbach Alpha reliability values for both the constructs more than 0.70.

Table 4: Independent Sample t-test between Awareness, Perception of Eco-friendly Products and Gender

	Male		Female		t - test
	Mean	Std. Deviation	Mean	Std. Deviation	
Awareness of Eco-friendly Products	3.88	0.69	3.94	0.72	-.386 ^{ns}
Perception on Eco-friendly Products	3.64	0.47	3.62	0.53	.151 ^{ns}

An Independent sample t-test was conducted to find whether difference of opinion exists among respondents based on gender. No significant difference exists among male ($Mean = 3.88$, $SD = 0.69$) and female respondents ($M = 3.94$, $SD = 0.72$) on awareness $t(78) = -0.386$. It was also found that male ($M = 3.64$, $SD = 0.47$) and female respondents ($M = 3.62$, $SD = 0.53$) does not have any difference in their opinion relating to perception on eco-friendly products $t(78) = .151$.

Table 5: Analysis of Variance Test

			N	M	SD	F - test
Age of the Respondents	Awareness of eco-friendly products	Below 20 Years	03	3.67	1.20	0.532 ^{ns}
		21 – 30 Years	29	3.84	0.70	
		31 – 40 Years	30	4.03	0.60	
		More Than 40 Years	18	3.87	0.82	
		Total	80	3.91	0.71	
	Perception on eco-friendly products	Below 20 Years	03	3.94	0.35	8.606 ^{ns}
		21 – 30 Years	29	3.84	0.49	
		31 – 40 Years	30	3.31	0.38	
		More Than 40 Years	18	3.75	0.46	
		Total	80	3.43	0.50	
Educational Qualification	Awareness of eco-friendly products	School Level	05	3.60	1.21	1.573 ^{ns}
		Diploma/Degree	28	3.81	0.66	
		Post Graduation	37	3.93	0.69	
		Professional	10	4.30	0.48	
		Total	80	3.91	0.71	
	Perception on eco-friendly products	School Level	05	3.80	0.46	1.567 ^{ns}
		Diploma/Degree	28	3.61	0.48	
		Post Graduation	37	3.69	0.53	
		Professional	10	3.33	0.40	
		Total	80	3.43	0.50	
Occupation	Awareness of eco-friendly products	Student	06	4.11	0.91	0.640 ^{ns}
		Home Maker	07	3.86	1.12	
		Employed	62	3.93	0.65	
		Business	02	3.83	0.24	
		Others	03	3.33	0.33	
		Total	80	3.91	0.71	

Perception on eco-friendly products	Student	06	3.97	0.25	1.720 ^{ns}
	Home Maker	07	3.48	0.53	
	Employed	62	3.61	0.51	
	Business	02	4.08	0.59	
	Others	03	3.28	0.25	
	Total	80	3.43	0.50	

(N – No. of Respondents, M – Mean, S.D. – Standard Deviation)

Analysis of Variance test was made in an objective to find whether difference of opinion exist among the respondents relating to awareness and perception of eco-friendly products based on demographic variables namely age, educational qualification and occupation. It was depicted that respondents with different age group does not have any difference of opinion on awareness of eco-friendly products, but difference of opinion was noted relating to Perception on eco-friendly products. Respondents in the age group below 20 years (M = 3.94, SD = 0.35) had the highest mean score followed by respondents in the age group of 21-30 (M = 3.84, SD = 0.49), More than 40 years (M = 3.75, SD = 0.46) and 31 – 40 years (M = 3.31, SD = 0.38). Further no difference of opinion was noted among the respondents with different educational qualification and occupation on awareness and perception of respondents on eco-friendly products.

Findings of the Study:

- 40% of the respondents were males and 60% of the respondents were females
- Majority of the respondents were of the age group of 21 – 40 years
- Majority(46%) of the respondents had post-graduation qualification, whereas 35% had their diploma/degree
- Majority (77.5%) of the respondents were employees
- Majority (56%) of the respondents came to know about the eco-friendly products through advertisements in media and through family members and relatives
- There is no much difference with respect to awareness and perception towards eco-friendly product between the different age group respondents.

Suggestions:

Government should take more initiative and make policies to promote eco-friendly products in the market and the marketers and the Government agencies should create more awareness among the people about the need and utility of eco-friendly products. Along with that customers should also develop their self-interest to use the eco-friendly products in their day to day life.

Conclusion:

Majority of the respondents were aware about the eco-friendly products existing in the market. Government should take more initiative and make policies to promote eco-friendly products in the market and the marketers and the Government agencies should create more awareness among the people about the need and utility of eco-friendly products. By the findings of the study, it can be concluded that people of all the strata of society are interested in purchasing eco-friendly products in order to control the increasing environment pollution. The manufacturers should maintain the good quality of the products added to the eco-friendly nature and make such products evident to the consumers through a different packaging in order to be easily identified by the consumers.

Hence, with proper initiative by the Government and the marketers, eco-friendly products should be produced and marketed for the benefit of the future generation of the country.

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