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**Green Marketing: A Study of Consumers' Attitude towards ECO Friendly  
FMCG Products**

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**ABSTRACT**

An environment is all of the conditions, circumstances, etc. that surround and influence life on earth, including atmospheric conditions, food chains, and the water cycle. Thus, the environment is our surrounding that includes living as well as non-living things. The non-living components like land, water, air, temperature etc. influence how animals, plants and we as human beings live in a particular area. Living creatures too are dependent on each other for food, shelter etc. If any of the environmental elements change, it automatically becomes harder and sometimes fatal for living organisms like these to survive. Increasing awareness on the various environmental problems has led a shift in the way consumers go about their life. There has been a change in consumer attitudes towards a green lifestyle. People are actively trying to reduce their impact on the environment. However, this is not widespread and is still evolving. Organizations and business however have seen this change in consumer attitudes and are trying to gain an edge in the competitive market by exploiting the potential in the green market industry. The current study introduces the concept of green marketing and looks into the various ways in which the different attitudes towards ECO Friendly FMCG Products. Chi square test is used as data analysis tools.

Keywords: green marketing, green products, consumer attitude, Eco-friendly FMCG products

**Green Marketing**

When shoppers enter the grocery store to stock up on the week's meals, there are typically several thoughts that cross their minds. For one, what does the product cost? Secondly, are there any specials available that could change their shopping lists?

More recently, shoppers are asking additional questions on their weekly shopping excursions: is the product environmentally friendly? Is the product organic? Is it worth the extra cost?

Different agencies and organizations offer various definitions of green marketing (sometimes called environmental marketing, or eco-marketing), they generally agree that it is the marketing of

products and companies that promote the environment in some substantial way. Some definitions look for environmentally “safe” or “sustainable” production, while others seek to reduce a company’s “carbon footprint.”

In either case, green marketing involves more than simply presenting an environmentally friendly product. It also speaks to, and actively promotes, a company’s processes and business practices as having low environmental impacts. Some business practices, such as reducing production waste or energy costs, are good for both the environment and business profitability.

Since all product production involves the consumption of energy and the production of some amount of waste, any company could potentially participate in green improvements and marketing. In practice, however, different companies participate in green marketing based on their estimation of its dollar and non-dollar value, with some businesses devoting their mission statements to green practices.

- **Ben and Jerry’s** was one of the first brands to make green values part of its mission statement. The ice cream promotes natural ingredients and business practices that promote the health of the earth. Its parent company, Unilever, which manages more than 400 brands, has halved its greenhouse emissions in the last 15 years, while producing products that are eco-friendly and using packaging that is either easily recyclable or biodegradable.
- **Whole Foods** is an organic food supermarket that not only sells green foods, but also advocates for green practices by promoting wind energy, biodegradable food packaging, and water conservation.
- **Starbucks** has long been a promoter of sustainable coffee-growing practices, paying a premium price to encourage farmers to adopt more environmentally-friendly practices. Its Shared Planet initiative promotes environmental responsibility among its stores, employees, and customers.

A majority of polls indicate that consumers favour green products, and are willing to pay more for them. However, the fact is that higher-priced green products have always struggled for market share. In many industries they garner only 3 percent of total market share in the consumer market; in business-to-business markets, green marketing often commands greater results. This does not mean that the majority of purchasers do not care about green marketing, but it does mean that they also care about other competitive value propositions, including quality, convenience, and cost.

The National Marketing Institute estimates that about 80 percent of consumers are engaged by green marketing at some level, with about 17 percent of consumers highly engaged. This consumer group, referred to as LOHAS (Lifestyles of Health and Sustainability), are those most likely to pay a premium for green products. As a group, they are more affluent and better educated than the general population. A related market segment, designated Naturalites, constitute an additional 19 percent of the population. This group (also more affluent and educated than the general population) is interested in green products as they appeal to health considerations. They are highly likely to buy organic foods, but are less interested in green marketing for durable products.

Highly price-sensitive consumers are the least responsive to green marketing. For those with less disposable income, being thrifty with their money becomes a more immediate concern. Green marketing therefore faces a particular challenge in times of economic slowdown, as price becomes a bigger factor in consumers’ purchasing decisions.

### Literature Review

The majority of the consumers have awareness about the negligence and causality in buying any product, like use of plastic bag while shopping cause environment deterioration. But very few consumers have clear understanding of brands of eco-friendly products, available in the market. Samples have mentioned some of the organic and herbal products as eco-friendly. This indicates the failure of marketers in positioning its eco-friendly brands in perfect

manner. Manufacturers of Eco friendly product need to create awareness *about their products using various effective Medias* (Dipti Shankar Barge and Dinkar Khashaba More- 2014).

The responsibility of environment protection should be communal driven efforts. In current state of affairs consumer awareness towards green marketing has augmented and majority of them favor eco friendly products. Thus consumers give more inclination towards environment friendly products rather than those products which are detrimental to the environment. Consumer awareness can be increased by the government in association with NGOs, it would be more important to develop appropriate and affordable technologies so that green products achieve wider acceptance on a significant scale, so as to make a perceptible impact on protecting the environment (Gurmeet Singh H-2013).

Youth of today is evolving and are exposed to huge information. Undoubtedly there is environmental awareness among the respondents, so are eco-friendly products. But still lack consumer education about green product and its features. Green marketing provides an opportunity to companies to increase their market-share by introducing new eco-friendly products to have a competitive advantage (Aditya Maheshwari and Dr. Gunjan Malhotra 2011).

It is quite evident from the above findings and discussions that industries in India are quite positive in practicing green marketing philosophies for sustainable development. All the three types of companies i.e. Durable, Non- durable and Services have positive attitude for green philosophy and green practices and of the opinion that sustainable development through green marketing is the new mantra of success and growth. Findings of another study performed by authors on consumer in India state that "People in developing countries like India too have high concern for greener environment and have an overall positive attitude towards green marketing". "Their preferences are shifting from grey products to green products and their awareness for environmental concern is high". "In future more and more consumers will prefer green products and they also feel that in future, the companies having green image will be preferred over the others" (Saxena, R. and Khandelwal, P2009).

Green marketing covers the overall brand of marketing activities undertaken by companies in a manner that they promote manufacture of products which have a positive impact on environment or alternatively reduce negative impact on the environment. Today green marketing is a vital component of marketing research which began due to increasing media exposure and pressure on firms to present eco friendly behaviour. The growth in green marketing over the years has been promoted by adoption of product packaging and presenting to the public these improvements. Over the years there has been a subtle shift from practicing environmental marketing practices as a result of compulsion identified as a result of legislations and pressure from environmental groups to genuine efforts to improve sustainable marketing plans and behaving in an eco responsible manner (Polonsky and Rosenberger, 2001).

### **Need for the Study**

This study tries to investigate the consumer awareness and attitude towards eco-friendly FMCG products. The attitude of the consumers of Hyderabad city is to be analyzed.

### **Objectives of the Study**

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

### Hypothesis

**HO1:** There is no significant difference in environmental knowledge and concern of the respondents among the respondents of different status.

**Ha1:** There is a significant difference in environmental knowledge and concern of the respondents among the different status of respondents.

**HO2:** There is no significant difference between consumer awareness and education of the respondents.

**Ha2:** There is a significant difference between consumer awareness and education of the respondents.

**HO3:** There is no significant difference between consumer attitudes towards eco-friendly products among the respondents of different income group.

**Ha3:** There is a significant difference between consumer attitudes towards eco-friendly products among the respondents of different income group.

### Research Methodology

#### Primary Data

A set questionnaires were distributed to various educated segments of society in Hyderabad. These questions measured consumers' awareness, knowledge about the environmental issues and eco-friendly products, trust in the performance of ecofriendly products and their willingness to pay more for those products. The questionnaire also included general demographic questions such as age, gender, sex, qualification & occupation etc. Hypothesis testing is done using Chi-square through Microsoft Excel.

#### Sampling

- 1) Sample Size - 120 consumers
- 2) Sample Unit - Consumers of Hyderabad City
- 3) Sampling Technique - Convenient sampling

#### Secondary data collection

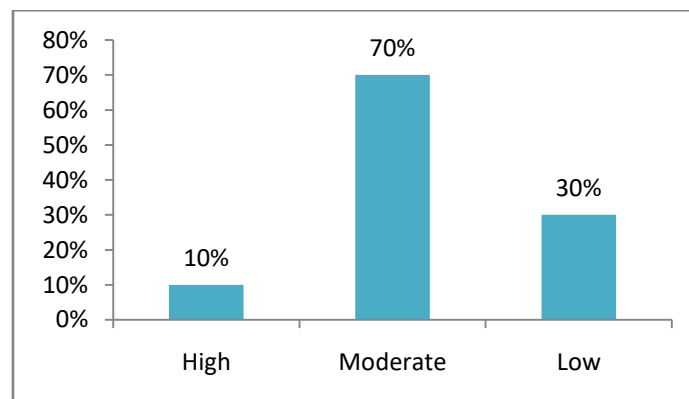
Website, books, journals and articles, websites, newspapers, magazines, case studies.

### Analysis and Result

#### 1) Cost of Eco friendly Product

**Table -1**

High	10%
Moderate	70%
Low	30%



**Figure -1**

**Interpretation:** From the above table it is revealed that 70% of the consumers have an impression that the costs of Eco friendly products are moderate

## 2) General lack of availability

Table -2

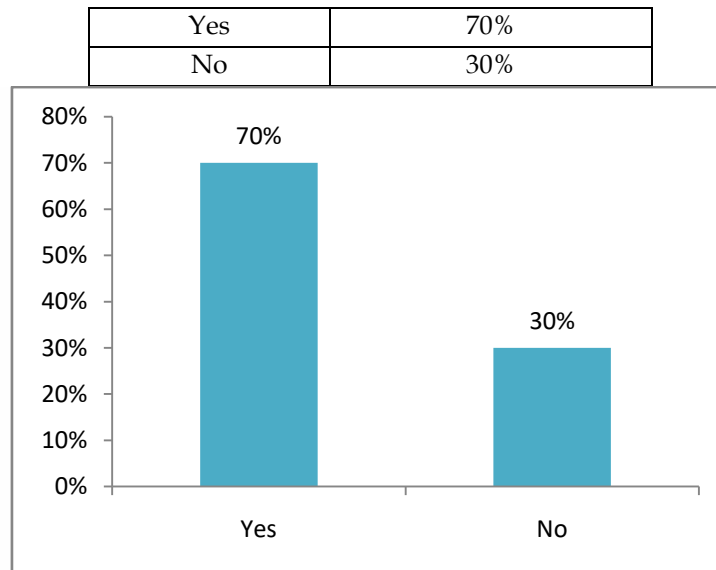


Figure -2

**Interpretation:** From the above table it is revealed that 70% of the consumers have an impression that Eco friendly products are not available all over the place.

## 3) Not aware of the benefits

Table -3

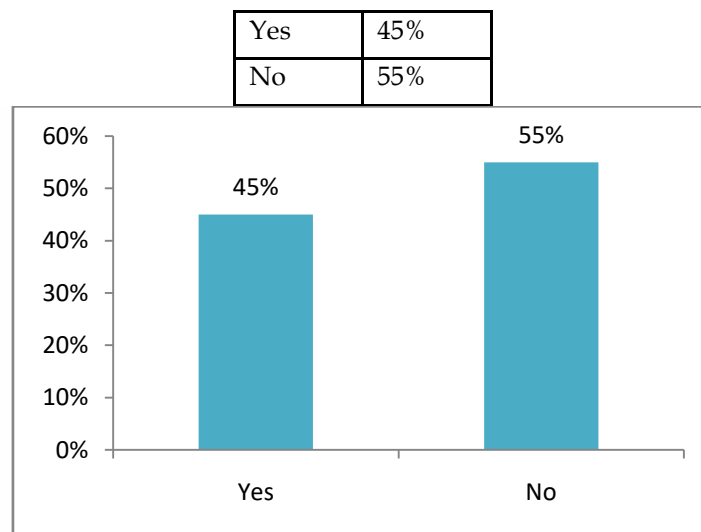


Figure -3

**Interpretation:** From the above table it is revealed that 45 % of the consumers are aware of the benefits of Eco friendly products.

### Testing Of Hypothesis

**HO1:** There is no significant difference in environmental knowledge and concern of the respondents among the respondents of different status.

**Ha1:** There is a significant difference in environmental knowledge and concern of the respondents among the different status of respondents.

Table -4

Sr No	Hypothesis	Test	Significant Value	Std Value	Greater than/Less than	Accepted/ Rejected
1	Environmental Knowledge and concern of the respondents.	Chi-Square	0.152215	0.05	Greater	HO-Rejected

**Interpretation:** The result obtained through Chi square in the above table gives there is a significant difference in environmental knowledge and concern of the respondents among the different status 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.

**HO2:** There is no significant difference between consumer awareness and education of the respondents.

**Ha2:** There is a significant difference between consumer awareness and education of the respondents.

**Table -5**

Sr No	Hypothesis	Test	Significant Value	Std Value	Greater than/Less than	Accepted/ Rejected
1	I am aware of eco-friendly product and its relative merits	Chi-Square	0.078444	0.05	Greater	HO-Rejected
2	I can differentiate between eco-friendly product and harmful products.	Chi-Square	0.44	0.05	Greater	HO-Rejected

**Interpretation:** The result obtained through Chi square in the above table gives there is a significant difference between 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.

**HO3:** There is no significant difference between consumer attitudes towards eco-friendly products among the respondents of different income group.

**Ha3:** There is a significant difference between consumer attitudes towards eco-friendly products among the respondents of different income group.

**Table -6**

Sr No	Hypothesis	Test	Significant Value	Std Value	Greater than/Less than	Accepted/ Rejected
1	I read label before buying to see if contents are environmentally safe	Chi-Square	0.195148	0.05	Greater	HO-Rejected
2	I always look into the products having less hazardous substances in it.	Chi-Square	0.0641	0.05	Greater	HO-Rejected
3	While shopping, I always check if the products I buy are environmentally safe.	Chi-Square	0.19043	0.05	Greater	HO-Rejected
4	I go in search of eco-friendly products if it is not available in one shop.	Chi-Square	0.7543	0.05	Greater	HO-Rejected
5	I take a chance to convince my family members to buy eco-friendly products	Chi-Square	0.3596	0.05	Greater	HO-Rejected
6	I appreciate the package/design of eco-friendly products.	Chi-Square	0.5127	0.05	Greater	HO-Rejected
7	I believe in the information on eco-friendly package.	Chi-Square	0.346	0.05	Greater	HO-Rejected

8	I pay attention to eco- friendly advertising.	Chi-Square	0.31064	0.05	Greater	HO-Rejected
9	I am ready to pay little extra price for eco-friendly products.	Chi-Square	0.505	0.05	Greater	HO-Rejected
10	Eco-friendly products will not perform as same as normal brands.	Chi-Square	0.314	0.05	Greater	HO-Rejected

**Interpretation:** The result obtained through Chi square in the above table gives there is a significant difference between consumer attitudes towards eco-friendly products among the respondents of different income group. 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

- Majority of the consumer have an impression that the costs of Eco friendly products are moderate.
- Majority of the consumers have an impression that Eco friendly products are not available all over the place.
- Comparatively less number of the consumers is aware of the benefits of Eco friendly products.
- From the study it is found that the consumers have contrastive environmental knowledge and concern about eco friendly FMCG products.
- From the study it is found that the consumers are not much aware and education about eco friendly FMCG products.
- From the study it is found that the consumers have contradistinctive attitude towards eco friendly FMCG products.

#### Conclusion

The study concludes Green consumers are environmentally conscious but exhibited restrained behaviour when it came to actual purchase of eco-friendly commodities. This is because consumer is not much aware about the benefits of the eco friendly product which is leading to a contradistinctive attitude towards the green product. 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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