

# IMPACT OF GREEN MARKETING ON CONSUMER ATTITUDE TOWARDS PURCHASING FMCG PRODUCTS

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## **Abstract:**

The focal persistence of this investigation is to recognize how marketing mixes, especially with reference to promotion and pricing and how they can be incorporated by the organizations to guide them to consumption eco-friendly products. The primary focus is on consumer behavior and will be analyzed to understand their perception towards various components of green marketing. This research emphasizes on few aspects of numerous factors secondhand by concerns that has influence on the buyers' attitude towards these products and furthermore there are a lot of categories within FMCG sector and various categories have different approach to the market, however one main aspect of it is promotion as FMCG products needs to be approaching and appealing fast to the consumers, thus all of them engage in promotional activities and the most traditional one is video advertisement and print media advertisement. The study will use a sample of minimum 200 respondents via analysis technique through a structured survey and convenience sampling technique is used. Data are evaluated using descriptive analysis and correlations. It is observed that, Executive sought to be focusing on green displays and even making them more appealing to reach consumers, as unplanned decisions play an important role for daily products particularly when customers go to the store and many items which are not on their shopping list are eventually bought.

**Keywords :** Green marketing, FMCG, Consumer, Attitude, Descriptive Analysis, ANOVA

## **1.0 Introduction:**

According to American Marketing Association (AMA), Green Marketing is defined in three separate aspects as “the marketing of products that are presumed to be environmentally safe” (retailing definition), “the development and marketing of products designed to minimize negative effects on the physical environment or to improve its quality” (social marketing

definition), and the last one being “the efforts by organizations to produce, promote, package and reclaim products in a manner that is sensitive or responsive to ecological concerns” (environments definition). Green Marketing has risen to the prime attention of brands in recent past due to global environment depletion. Today, brands are using this environmental concern as a platform to provide customers with highly sophisticated eco products and promoting eco-friendly practices in their organization to inculcate it as a corporate policy. “Green Marketing plays an important role in the marketing industry as they help solves the rising concerns that all the brands face on how to provide authenticity to the customers and gain their trust. Over the years since marketing has evolved it has evolved and went from production centric to customer and societal centric. From 1970s, majority of the green initiatives exploited the consumers’ interests as they were used merely as an advertising gimmick rather than incorporating it as a corporate policy and integrating them with the values of the organizations. Therefore, over a period of time consumers trust was very hard to gain as all these organizations faced major backlash.

Green Marketing view does not inhibit only to the promotion of the product and serves more purpose:

- To innovate and stem commodities that can draw to the end user and are moderately priced and reasonably priced in nature ad must be environment-friendly products affecting minimal destruction to the society’s scarce resources.
- To epitomise a high value image, ecofriendly mindfulness and, subsequently, growth of biologically friendly goods are required.

Presently there is no standard definition of eco-friendly products as they can be termed as eco-friendly based on presence of different elements which ranges from raw materials, manufacturing process, packaging, distribution, storage. It depends on organization on what component they are primarily focusing on as incorporating them all at once is very expensive and requires major transformation. Today businesses are incorporating green marketing policies for diverse causes as they are focusing on long term survival and to improve their brand equity and to build strategic alliances to carry on the green initiative as aforementioned it is very expensive to integrate all the procedures on own. These objectives also focus on profit taking and to fulfill their social responsibility. According to a survey by Gallop organizations in 2009, thinks that the action has most impact on solving ecological problems

are to purchase food stuffs bent by eco-friendly production” followed by “curtailing waste and recycling”.

#### **Literature Review:**

**K.Sudhalakshmi (2014):** Becoming green has become the new success story and is being considered by group from all walks of life. The overanalyses imply that the customers of Coimbatore district of Tamil Nadu are informed of the eco-friendly FMCG products, and they have beyond apprehension for eco-friendly products. The findings show they are recognizing the eco-friendly FMCG products through the eco-label and thus it can be measured as a major tool for environmentally friendly marketing. The authority, the organization and the customers have to put hands collectively in building awareness of eco-friendly products.

**Dr. B Nagaraju (2016):** This particular study was conducted in the study of Hubli, Karnataka with a sample size of 100 and prior objective was to assess the level of awareness regarding green products and environmental issues and sustainable development. Upon analysis they found that the major source of awareness is product label and outdoor advertising. The major barriers that respondents faced were lack of knowledge towards salient features of various commodities and in what way it makes an eco-friendly product. It was found that majority of the respondents purchase green products for health-related purpose. Even though all the customers from Hubli are aware about environmental issues, the green products however are new concept to them so there is a huge scope for such brands dealing in environmentally friendly products to increase the level of awareness through methods.

**Keshav Kansana (2016),**The study explores the idea of green marketing as a critical argument in sustainable development, putting stress on the major challenges on part of the participants-political, humanitarian, consumers, and corporate leading to aim partial purpose of building a long-term suggestion in terms of need on environment. Furthermore, the study arrives at some suggestions about the belief of Green Marketing in relationship of consumerism and corporate responsibility.

#### **Problem Statement:**

Due to increasing environmental concerns, consumers are cautious about how they are engaging with society’s resources and their attitude have significantly changed and are now aware about what they are purchasing and its impact on the society. Amidst this critical

situation, brands are focusing on providing eco-friendly products and services to the customers which are different from conventional products and requires different process altogether. In same way, marketing for such products are comparatively different from that of conventional ones. The main problem is to understand what part of eco-friendly products with respect to 4P concerns them the most.

**Q1:** How does promotion and prices from 4P play a major role in influencing consumers to purchase eco-friendly products?

**Q2:** Apart from 4P's is there any factor that influences consumers to purchase eco-friendly products?

**Q3:** What are consumers' perception towards eco-friendly products and their advertisements in particular?

#### **Objectives of the study:**

- To examine relationship between consumer's purchase behavior of eco-friendly products and the promotional activities.
- To investigate whether shift in price due to environmentally friendly features affect the purchase intentions of consumers.
- To study how much consumer, spend on different FMCG sectors in eco-friendly sectors.

#### **Hypotheses:**

**1. H0:** There is no significant relationship between satisfaction towards eco-friendly products and attitude towards eco-friendly products.

**H1:** There is a relationship between satisfaction towards eco-friendly products and attitude towards eco-friendly products.

**2. H0:** There is no impact of consumers' attitude towards eco-friendly products advertisements on purchase of eco-friendly products

**H1:** There is an impact of consumers' attitude towards eco-friendly products on purchase of eco-friendly products

#### **RESEARCH DESIGN:**

Questionnaire was divided in three different sections each focusing on different components required to complete the research. Section one focuses on demographic data of the respondent which helps us to understand the foundation of their lifestyle which the second section of the

questionnaire is and focuses on their day to day activities and includes basic interaction with eco-friendly products. The third and final component digs deep into green marketing and product attributes. As we studied in the introduction about the FMCG sector and its presence in India, we have included the major categories and how frequently they are bought by the respondents i.e. food, household products, healthcare products and apparel or accessories.

### Research Design:

Our research design is the avenue in which we store, process, analyze and associate data to the kind of study. We will pick concise and informative forms of study. Descriptive study' uses a set of systematic procedures and measures in order to acquire raw data and to make information structure describing the prevailing features of a given target population.' In order to provide primary data, with a focus on descriptive form, we have opinion poll on the marketing mix, the knowledge, the WOM, and the attitudes of consumers towards eco-friendly goods that improve their acquisitions (action). Demonstrates and assumptions are tested in order to link the factors listed for our analyses. Explanatory research emphasizes research to understand the variables (factors) that influence green attitudes, buying or otherwise consuming green goods, in order to develop the relation between the variables and the issue. For example, the marketing mix components should be illuminated to link approaches and obtaining behavior of environmentally responsive goods. The explicatory experiments clarify and address a few questions about "why," which have been comprised in the queries and underlined in the statement.

### Sample Size:

The analysis will use a sample of minimum 200 respondents and will be collected majorly from Kanchipuram District

### ANALYSIS AND INTERPRETATION:

#### Hypothesis 1

Correlations			
		Purchase as it satisfies	Attitude Attention
Purchase as it satisfies	Pearson Correlation	1	.413**
	Sig. (2-tailed)		.000
	N	247	247
Attitude Attention	Pearson Correlation	.413**	1

	Sig. (2-tailed)	.000	
	N	247	247
**. Correlation is significant at the 0.01 level (2-tailed). <b>Figure 4.2.2</b>			

The above data is related to the correlation test done between the two variables i.e. the satisfaction towards purchase of eco-friendly products and attention paid towards green advertisements. N is 247 which is the number of observations that have been correlated. The level of significance is  $\alpha$  (alpha) and the value of alpha is 0.05. If the p-value is less than 0.05 then the alternate hypothesis is accepted and if the p-value is more than 0.05 then the null hypothesis is accepted.

The significance (2-tailed) is the p value which is .00. The value .00 is less than 0.05 so the alternate hypothesis is accepted and the null hypothesis is rejected.

So, there is a significant relationship between satisfaction of purchasing eco-friendly products and attention paid to the green advertisements. The reason there is a positive relationship here is because consumers before making a purchase are exposed to it through advertisement as a promotional tool and since aforementioned in individual analysis majority of respondents pay keen attention to the green advertisements.

<b>Correlations</b>			
		Purchase as it satisfies	Attitude Trust
Purchase as it satisfies	Pearson Correlation	1	.346**
	Sig. (2-tailed)		.000
	N	247	247
Attitude Trust	Pearson Correlation	.346**	1
	Sig. (2-tailed)	.000	
	N	247	247
**. Correlation is significant at the 0.01 level (2-tailed). <b>Figure 4.2.3</b>			

- The significance (2-tailed) is the p value which is .00. The value .00 is less than 0.05 so the alternate hypothesis is accepted and the null hypothesis is rejected.

So, there is a relationship between Trust in green claims made by the brands and satisfaction towards purchasing of green products.

<b>Correlations</b>			
		Purchase as it satisfies	Attitude Misleading
Purchase as it satisfies	Pearson Correlation	1	.238**
	Sig. (2-tailed)		.000
	N	247	247
Attitude Misleading	Pearson Correlation	.238**	1
	Sig. (2-tailed)	.000	
	N	247	247

\*\* . Correlation is significant at the 0.01 level (2-tailed).

**Figure 4.2.4**

- The significance (2-tailed) is the p value which is .00. The value .00 is less than 0.05 so the alternate hypothesis is accepted and the null hypothesis is rejected.

So, there is a relationship between satisfaction derived from purchase of eco-friendly products and whether green advertisements can be misleading. Basee on the responses we received, majority of repondents had a neutral stance on this aspect however, second highest majority believed that they are not always misleading. Thus, consumers are able to derive satisfaction.

<b>Correlations</b>			
		Purchase as it satisfies	Attitude Verification
Purchase as it satisfies	Pearson Correlation	1	.284**
	Sig. (2-tailed)		.000
	N	247	247
Attitude Verification	Pearson Correlation	.284**	1
	Sig. (2-tailed)	.000	
	N	247	247

\*\* . Correlation is significant at the 0.01 level (2-tailed).

**Figure 4.2.5**

- The significance (2-tailed) is the p value which is .00. The value .00 is less than 0.05 so the alternate hypothesis is accepted and the null hypothesis is rejected.

So, there is a relationship between the satisfaction derived from purchasing eco-friendly products and verification made by consumers of green claims made by the brands. This helps the consumers to ensure the reliability of their purchases and understand any complexed elements used by the manufacturers which ensures that the product is eco-friendly in nature.

As a whole we can conclude that there is a positive relationship between the attitude of consumers towards eco-friendly products and the satisfaction towards derived from consumption of eco-friendly products. Thus, the alternate hypotheses is accepted and null hypotheses is rejected.

## Hypotheses 2

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.163 <sup>a</sup>	.026	.010	.45663
a. Predictors: (Constant), Attitude Verification, Attitude Misleading, Attitude Trust, Attitude Attention				

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.371	4	.343	1.644	.164 <sup>b</sup>
	Residual	50.459	242	.209		
	Total	51.830	246			

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error			
1	(Constant)	.245	.102		2.399	.017
	Attitude Attention	-.022	.033	-.049	-.648	.518
	Attitude Trust	.034	.036	.070	.944	.346
	Attitude Misleading	.058	.028	.138	2.095	.037
	Attitude Verification	-.045	.028	-.109	-1.596	.112
	a. Dependent Variable: Buy eco-friendly products in last 3 months					

Dependent Variable: Buy eco-friendly products in last 3 month

b. Predictors: (Constant), Attitude Verification, Attitude Misleading, Attitude Trust, Attitude Attention

**Figure 4.2.6**

The value of p is 0.164 which is more than value of significance that is  $\alpha$  is 0.05 so the null hypothesis is accepted and the alternate hypothesis is rejected.

So, there is no impact of consumers' attitude towards eco-friendly products advertisements on purchase of eco-friendly products

2.6% of my independent variable i.e. attitude of green consumers is explaining the purchase behavior which is my dependent variable.

As a whole there is no impact of consumers' attitude towards eco-friendly products on purchase of eco-friendly products. Therefore, null hypotheses is accepted and alternate hypotheses is rejected. Consumers' attitude towards eco-friendly products is not enough to convince them to purchase the product. There are other elements such as product quality, salient features of the products which makes a huge difference on purchasing decision

But individually looking at all the four factors which were considered for this research i.e. attention towards green ads, Trust in green claims made by the companies, Misleading of green ads and whether consumers verify the green claim made by the companies. Below are the individual metrics and their analysis

- In the case of attention paid towards the green advertisement the value of p is 0.518 which is more than 0.05, then the alternate hypothesis is rejected and the null hypothesis is accepted. So there is no impact of paying keen attention to green advertisement and purchase of green products.
- In the case of trust, the value of p is 0.346 which is more than 0.05, then the null hypothesis is accepted and the alternate hypothesis is rejected. So, there is no impact between trusting the green claims made by the organizations and their impact on purchasing of green products.
- In the case of misleading, the value of p is 0.037 which is less than 0.05, then the null hypothesis is rejected and the alternate hypothesis is accepted. So, there is an impact of misleading of green ads on purchasing decision of eco-friendly products.
- In the case of verification, the value of p is 0.112 which is more than 0.05, then the null hypothesis is accepted and the alternate hypothesis is rejected. So, there is no impact of verification of green advertisements on purchasing eco-friendly products.

### Hypotheses 3:

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.132 <sup>a</sup>	.017	.013	.91034
a. Predictors: (Constant), Purchase as it deals with climate change concerns				

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.580	1	3.580	4.320	.004 <sup>b</sup>
	Residual	203.036	245	.829		
	Total	206.615	246			
a. Dependent Variable: Intend to purchase green product						
b. Predictors: (Constant), Purchase as it deals with climate change concerns						

- The value of p is 0.039 which is less than value of significance that is  $\alpha$  is 0.05 so the alternate hypothesis is accepted and the null hypothesis is rejected.

So, there is an impact of future concern towards climatic change on purchasing decision for future purchasing of eco-friendly products.

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.032	.173		5.950	.000
	Purchase as it deals with climate change concerns	-.113	.054	-.132	-2.078	.004

a. Dependent Variable: Intend to purchase green products

**Figure 4.2.7**

The value of p is 0.04 which is less than significance value that is  $\alpha$  is 0.05, therefore the alternative hypotheses is accepted and null hypotheses is rejected.

The r square value is .017 which is 1.7% of independent variable which is future concern towards climate change is explaining the dependent variable i.e. intention to purchase green products.

## SUMMARY OF FINDINGS:

### Findings:

Upon research we found that the gender distribution in the research was pretty even with male respondents edging by 6%. There were significant differences in attitude towards the green advertisements which were primarily based on their exposure towards green marketing. Our main focus was on consumer satisfaction derived from attitude towards eco-friendly products and the future climatic concerns on future purchasing patterns.

Based on our literature review we found that green marketing faced a lot of backlash in its initial stages and due to that it was difficult for the brands to recover as their goodwill and brand equity was majorly affected. We found that there are a lot of facts that affect the purchasing decision of eco-friendly and just the mere fact that it is eco-friendly in nature is not enough convincing for people to buy the product.

Out of three hypotheses, in two hypotheses alternate were accepted and in case of attitude towards green marketing on purchasing of green products, there was no relationship.

## RECOMMENDATION AND CONCLUSION:

Satisfaction was very significant among all the criteria that marketing managers would find the superior benefit of eco-friendly goods. Consumers stress the end-value of the supplies to reprise items. Satisfaction influences the attitude and assessment of other Swedish nationalities to buy so that customers can seek opinions in order to produce eco-friendly products which meet the demand of consumers. The effects of consumer satisfaction will lead to increased sales, market shares and brand loyalty. Most scholarly accepted customers are worried about the value of the firms' goods and practices that do not harm the environment.

Moreover, the location and the quality of products should not be ignored, managers should also make efforts on site, because although we did not find a negative link during our study between "accidental decision buys" and "I do recognize everywhere green products are in my hypermarket," this must have stood reasonable for the reason that, the less you know where green products are the retentive you buy them on the unplanned basis. Executives should be fixing on green displays and even making them more appealing in order to reach consumers, as unplanned decisions play an important role for daily products particularly when customers go to the store and many items which are not on their shopping list are eventually bought.

## Further Research

In additional study, it could be valuable to combine quantitative with qualitative research by establishing a triangulation: interview some FMCG companies that promote environmentally-friendly and traditional goods to learn what strategies they adopt depending on the various products. Observe in supermarkets how customers are behaving on green goods may allow FMCG managers to enhance their strategies. Implement a better sales point; improve product quality, etc. Very specific products might also be useful and other factors linked to employment, for example, in a further survey incorporated.

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