

ECO-FRIENDLY MARKETING AND CONSUMER AWARENESS – AN ANALYTICAL STUDY

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ABSTRACT

Problem of effective disposal of waste is the order of the day, whether it is biodegradable or non-biodegradable. The biodegradable waste could be managed so effectively with much gain, as it can be broken down in a reasonable amount of time. In case of non-biodegradable wastes are those who cannot be decomposed by natural agents. They remain on earth for thousands of years without any degradation. The awareness regarding this is to be created among the consumers so that the product which helps in the protection of environment will be produced. This paper tries to study the consumer awareness with regard to eco-friendly products.

Keywords: Biodegradable, Non-biodegradable, Degradation, Consumer awareness.

INTRODUCTION

Environmental pollution has increased to such a level that if we do not act today, then there will be no tomorrow. One of the best solution for this problem is to use more eco-friendly products and eco-friendly methods instead of plastic products. Eco-friendly products are those products that cause no harm or very minimal loss to the environment. Most of the people believe that eco-friendly marketing refers solely to the promotion and advertising of products with environmental features. Generally terms like biodegradable, phosphate free, recyclable, refillable, ozone friendly and environment friendly are most of the things consumers often associated with eco-friendly marketing.

ECO-LABELLING

“Eco-labelling” is a voluntary method of environmental performance certification and labelling that is practised around the world. An ecolabel identifies products or services proven environmentally preferable overall, within a specific product or service category. The goal of eco-labelling initiatives is to promote sustainably managed fisheries and highlight their products to consumers. Product claims associated with eco-labelling aim at tapping the growing public demand for environmentally rely on life-cycle assessment to determine the environmental impact of a product ‘from cradle to grave’.

Who employs eco-friendly marketing?

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

- Use recycled materials in product production
- Use eco-friendly energy
- Reduce production waste (in both energy & materials)
- Use eco-friendly methods, including sustainable and organic agriculture
- Buy/sell locally, reducing transportation energy
- Reduce product packaging
- Make products reusable and recyclable

For what kind of customers is eco-friendly marketing effective?

A majority of polls indicate that consumers favour eco-friendly products, and are willing to pay more for them. However, the fact is that higher-priced eco-friendly products have always struggled for market share. In many industries they garner only 3% of total market share in the consumer market, in business-to-business markets, eco-friendly marketing often commands greater results. This does not mean that the majority of purchasers do not care about eco-friendly 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% of consumers are engaged by eco-friendly marketing at some level, with about 17% of consumers highly engaged. This consumer group, referred to as Lifestyles of Health and Sustainability are those most likely to pay a premium for eco-friendly products.

The 4 P's of Eco-Friendly Marketing

Product – An eco-friendly product must be absolutely eco-friendly, or it will not sell to those who are ever vigilant of how the material world is impacting our planet.

Price – This is the toughest challenge when it comes to mainstreaming eco-friendly products. The solution is to steadily work towards bringing prices down or up to the same level as those types of products that are not sustainable.

Place – Sell where going eco-friendly is almost fanatical. This is one area in the marketing mix where social media can be advantageous, but then the seller runs up against shipping criticisms.

Promotion – Promotion includes elements like: advertising, public relations, social media marketing, email marketing, search engine marketing, video marketing and more. These must be supported by a well-positioned brand to truly maximise return on investment.

STATEMENT OF THE PROBLEM

Our environment is always changing. There is no refusing that. However, as our environment changes, so does the need to become increasingly aware of the problems that surround it. Global warming has become an undisputed fact about our current livelihoods; but the people have low awareness about the environmental issues. Usage of plastic and artificial products are the main reason for these issues. Buying behaviour and choice of the products are changing day by day. With regard to product attributes, environmental consideration is the key factor influencing buying decision among consumers. The purchase decision is based on demand, price, and availability of the products. Hence, the study focuses on examining the awareness about eco-friendly products among the consumers.

LITERATURE REVIEW

Dr. Shruti P Maheswari (2014) in this study on “awareness of green marketing and its influence on buying behaviour of consumers” analysed the awareness and attitudes of consumers in Madhya Pradesh. The study found that the green product performance was significantly affected by environmental beliefs. **Ferraz, S.B. Buhamra, C. Laroche, M., & Veloso, A.R. (2017)** in their study on “Green products: A cross-cultural study of attitude, intention and purchase behaviour” demonstrated the positive and direct relationship between intention and behaviour. In this study data analyses were conducted using confirmatory factor analysis and structural equation modelling. The study was concluded that Canadian students are willing to pay more for green products and abdicate higher quality products to favour the environment than Brazilian students. **D. Suganya & Dr. S. Kavitha (2017)** in their study “A study on consumer awareness towards eco-friendly products” analysed the awareness level, buying behaviour and level of satisfaction towards eco-friendly products among the consumers at Coimbatore. The study was conducted with 100 respondents. The study concluded that green products are liked by consumers but because of poor awareness and high prices has not been fully accepted by them.

Joana Cristina Gamboia Fonseca (2015) in his study “The impact of green marketing practices on consumer buying decision” analysed the results show customers tend to be influenced by green marketing practices and are more motivated when aware of the environmental issues. This study was based on the literature review and it was conducted a questionnaire to 250 customers. **Abdul Samad Shaikh, Dr. Mustaghis-ur-Rahman (2011)** in their study “Consumer Perceptions of Green Products: A Survey of Karachi” investigated consumers’ awareness of environment, their attitude towards environment protection, and their perceived functionality of eco-labels. The study has been found that there is no correlation between consumers’ attitude to protect environment and acceptance of environment friendly products.

OBJECTIVES OF THE STUDY

- ❖ To study about the consumer awareness towards eco-friendly products in the market
- ❖ To identify the factors influencing the customers to buy the product
- ❖ To offer suggestions for development

RESEARCH METHODOLOGY

The data for the study has been collected from Tirupur city on convenience sampling method. Field survey was conducted to collect the primary data from 100 respondents through questionnaire method. The secondary data for the review were sourced from various research agencies both official and unofficial newspapers, journals and magazines. The data was analysed with the help of statistical tools like Simple Percentage and Descriptive statistics was made. The research design is both descriptive and analytical.

ANALYSIS AND INTERPRETATION

The data collected through the well-structured questionnaire are analysed and interpretations made on the basis of such analysis are represented as below:

TABLE 1: Demographic Profile of Respondents

S.No	Variable	Groups	Mean	S.D	No.	t-value	f-value	Table value	Sig
1	Age	17-25 yrs	19.92	2.57	38	-	2.599	2.699	NS
		26-35 yrs	20.43	2.40	42				
		36-45 yrs	20.53	2.50	15				
		45-55 yrs	23.20	2.49	5				
2	Gender	Male	20.64	2.80	39	.787	-	1.984	NS
		Female	20.23	2.38	61				
3	Educational Qualification	Under graduate	20.90	2.95	21	-	.697	3.090	NS
		Graduate	20.37	2.54	51				
		Post graduate	20.04	2.25	28				
4	Employment status	Employed	20.00	2.72	40	-	1.116	2.699	NS
		Own business	21.50	2.50	12				
		Student	20.30	2.18	20				
		Homemaker	20.39	2.53	28				
5	Monthly income	Less than 25000	18.72	2.49	18	-	3.116	2.467	*
		25001-50000	20.54	2.36	37				
		50001-75000	20.81	2.70	31				
		75001-100000	22.00	2.52	7				
		More than 100000	20.43	.79	7				
6	Marital status	Married	20.36	2.66	64	0.160	-	1.984	NS
		Unmarried	20.44	2.37	36				
7	Size of family	1-2 members	18.33	1.86	6	-	2.281	3.090	NS
		3-4 members	20.62	2.41	63				
		5-6 members	20.32	2.80	31				
8	How long are you using eco-friendly products?	2 years or less	19.59	1.80	17	-	1.854	2.467	NS
		2-4 years	19.97	2.52	39				
		4-6 years	20.53	2.43	17				
		6-8 years	21.53	2.33	15				

		Above 8 years	21.25	3.47	12				
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NS – Not Significant

* - Significant at 5% level

** - Significant at 1% level

Awareness scores were found out by adding the ratings of the awareness values. Higher the score higher the awareness. It is seen from the above table that the mean awareness score is high for 45-54 years age group (23.20). The lowest mean score is 19.92 i.e 17-25 year's age group. The mean awareness score is high for male (23.20) and the lowest mean score is 20.23 for female. In educational qualification the mean awareness score is high for under graduate (23.20). The lowest mean score is 20.04 for post graduate. The mean awareness score is high for 21.50 for own business and the lowest mean score is 20.00 for employed respondent. The mean awareness score is high for 22.00 for the monthly income of 75001-100000 and the lowest mean score is 18.72 for less than 25000. In marital status the mean awareness score is high for unmarried (20.44), the lowest mean score is married (20.36).

The highest mean awareness score of size of family is 3-4 members (20.62) and the lowest mean score is 1-2 members (18.33). In duration of usage of eco-friendly products the highest mean score is 6-8 years (21.53), the lowest mean score is 2 years or less (19.59).

The awareness scores were compared among different group of personal variables. The following hypothesis were framed to test for significant differences among the groups of personal variables.

H01 – the awareness score do not differ significantly among the age groups

H02 – the awareness score do not differ significantly among the gender

H03 - the awareness score do not differ significantly among the educational qualification

H04 – the awareness score do not differ significantly among the employment status

H05 – the awareness score do not differ significantly among the monthly income

H06 – the awareness score do not differ significantly among the marital status

H07 – the awareness score do not differ significantly among the size of family

H08 – the awareness score do not differ significantly among the duration of usage of eco-friendly products

RESULT

The ANOVA result for age group shows that the calculated f-ratio value is 2.599 which is less than the table value of 2.699 at 5% level of significance and it is inferred that the mean awareness scores do not differ significantly. Hence the H01 is accepted. The t-test result for gender shows that calculated t-value is 0.787 which is less than the table value of 1.984 at 5% level of significance and it is inferred that the mean awareness scores do not differ significantly. Hence the H02 is accepted. The ANOVA result for educational qualification shows that the calculated f-ratio value is 0.697 which is less than the table value of 3.090 at 5% level of significance and it is inferred that the mean awareness scores do not differ significantly. Hence the H03 is accepted. The ANOVA result for employment status shows that the calculated f-ratio value is 1.116 which is less than the table value of 2.699 at 5% level of significance and it is inferred that the mean awareness scores do not differ significantly. Hence the H04 is accepted. The ANOVA result for monthly income shows that the calculated f-ratio value is 3.116 which is higher than the table value of 2.467 at 5% level of significance and it is inferred that the mean awareness score is differ significantly. Hence the H05 is rejected.

The t-test result for marital status shows that calculated t-value is 0.160 which is less than the table value of 1.984 at 5% level of significance and it is inferred that the mean awareness scores do not differ significantly. Hence the H06 is accepted. The ANOVA result for size of family shows that the calculated f-ratio value is 2.281 which is less than the table value of 3.090 at 5% level of significance and it is inferred that the mean awareness scores do not differ significantly. Hence the H07 is accepted.

The ANOVA result for how long are you using eco-friendly products shows that the calculated f-ratio value is 1.854 which is less than the table value of 2.467 at 5% level of significance and it is inferred that the mean awareness scores do not differ significantly. Hence the H08 is accepted.

Consumer Awareness of Eco-Friendly Products

		Low	Average	High	Very high	Total	Mean	S.D
I am aware of the benefits of eco-friendly products for health	No		4	74	22	100	4.1800	.47948
	%		4.0	74.0	22.0	100.0		

I am aware of the benefits of eco-friendly products for the environment	No		3	73	24	100	4.2100	.47768
	%		3.0	73.0	24.0	100.0		
I am aware of the point of purchase for eco-friendly products	No		22	57	21	100	3.9900	.65897
	%		22.0	57.0	21.0	100.0		
I am aware of various brands offering eco-friendly products	No	1	19	61	19	100	3.9800	.65103
	%	1.0	19.0	61.0	19.0	100.0		
I am aware of various symbols/ certifications/ other identifiers	No	1	17	60	22	100	4.0300	.65836
	%	1.0	17.0	60.0	22.0	100.0		

24% of the respondents have very high awareness on I am aware of the benefits of eco-friendly products for the environment. 74% of the respondents have high awareness on I am aware of the benefits of eco-friendly products for health. 22% of the respondents have average awareness on I am aware of various brands offering eco-friendly products and I am aware of various symbols/ certifications/ other identifiers.

Awareness ratings were assigned on 1-very low, 2-low, 3-average, and 4-high, 5-very high. Mean ratings were found out for each item. Higher the ratings higher the awareness. The mean ratings were between 3.5 & 4.5 for all the items. The highest mean rating is 4.21 for I am aware of the benefits of eco-friendly products for the environment. The lowest mean rating is 3.98 for I am aware of various brands offering eco-friendly products that is average the awareness level of the respondents for the item is 'high'.

LIMITATIONS

1. This study is restricted to Tirupur city only and the result may not be applicable to other places.
2. The findings and suggestions may not be suitable to all respondents since it is based on the opinions and views of 100 respondents only.

RESEARCH IMPLICATIONS AND CONCLUSION

The basic objectives of the research was to study about the consumer awareness on the availability of eco-friendly products. In this regard the consumers taken for this study knew about the awareness towards eco-friendly products. Consumers have very high awareness on the benefits of eco-friendly products for the environment. However, consumers have average level of awareness on the point of purchase for eco-friendly products. Therefore marketers should take the steps to improve the sales promotion activities. Overall, it is evident that the consumers have the awareness on the benefit and brands of eco-friendly products.

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