

# A STUDY ON ECO-FRIENDLY OF FMCG PRODUCTS WITH SPECIAL REFERENCE TO CONSUMERS OF RURAL AREAS IN COIMBATORE DISTRICT

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## Abstract

Today we are facing effects of the global warming on ecological and sociological life and human activities are primary driver for it. Global warming (GW) caused by many things but manmade cause probably do the most damages like, Pollution by burning fossil fuel (oil, coal, gas etc.) they given off CO<sub>2</sub>. And another major man made cause of GW is population, more population means more food requirements means more transportation and more transportation causes again more CO<sub>2</sub>. Since CO<sub>2</sub> contributes for global warming, increased population makes the problem worse because we breathe out CO<sub>2</sub>. Also the trees can convert CO<sub>2</sub> to oxygen but for land utilization. we cut down the trees for our homes, buildings, roads and transportation purpose sometimes also to fulfill our basic need. So we are constantly taking maximum advantage of our natural resources but nothing back in return.

**Key words: Global warming, rural area, Green FMCG products.**

## INTRODUCTION

Now, today both buyers and sellers have developed the concern about the future of the world and as its effects on customers buying attitude for preferring environment friendly or eco-friendly products. By considering this change in preferences of customers the production companies have changed their production process and are tending to produce more eco-friendly products.

“Green consumer as one who avoided products that are likely to be endanger the health of the consumer or others; cause significant damage to the environment during manufacture, use or disposal; consume a disproportionate amount of energy; cause unnecessary waste; use materials derived from threatened species or environments; involve unnecessary use of, or cruelty to animals; adversely affect other countries.” Elkington (1993: 94).

The green consumer is generally defined as one who is adopt environment friendly behaviors and/or who purchases green products over the standard alternatives. Green consumers are most internally-controlled as they believed that an particular consumer could effective in environmental protection. Thus, they felt that the job of environmental protection will not be left to the government, business, environmentalists and scientists only; they as consumers can also play a part.

## Fast Moving Consumer Products (FMCG)

With increase in population and increasing consumption quantitatively, with the market started absorbing various products. Similarly, there is a change in consumption pattern also. This resulted in rapid demand for the products which made it fast moving goods. Youth and even middle age persons are also using these products with higher and higher frequency. The products also show change in rapid ways by adding new features in a very short period of time.

FMCG products and having very high volume in purchasing and therefore constitutes a major portion of consumption. Similarly, this consumption needs a long supply chain and the number of consumers also forms a very wide web of consumers.

Indian Brand Equity Foundation (IBEF) states in their reports, FMCG is the fourth largest sector in the Indian economy, this sector grown with annually average 11% over the last decade. And the rising incomes and growing youth population have been key growth drivers of the sector.

#### **Rural Area Consumers:**

India is showing very fast change of realization and therefore, earlier town places like Coimbatore in Tamil Nadu is turning in to smaller towns and areas or villages in the last decades are tuning in to RURAL Areas. The consumer dwelling in these areas has show following characteristics from consumer's behavior point of view. The key characteristic of such emerging RURAL AREA Consumer is that they are becoming early adopters and also desire to consume more and more as well as what is available to Rural Consumers.

The market size is increasing with a good rate for FMCG products. Tooth cleaning sticks or rough dust (Rakhundi) was very commonly in villages two decades before and now hardly there would be very few families are using it. This generation and also earlier generation have shifted tooth paste or tooth powder. The shift from stones for rubbing the skin is replaced by Soaps

Youth is very eager to change to more sophisticated ruralized kind of goods, products and commodities as they are available as well as awareness exists. Thus from marketing point of view the real growth of market is in RURAL AREA Areas Thus new market are at Pockets of RURAL AREA Areas which shall in next five to six years will become Rural and rural village today shall grow to RURAL AREA Areas. Thus for FMCG products have the growing markets available in these pockets.

#### **Why Rural Area?**

The facts mentioned above in above sufficiently show the significant density of population and FMCG consumption is the function of Population. A separate band of segment which is not studied as with separate attention although rural and rural consumer studies are abundantly available. Coimbatore District is one which is economically and socially advanced against the villages and districts in Vidharbh and Kokan. The consumers in these villages have good purchasing power as Sugar and allied products like Milk and Poultry make the District moderately rich and the land is not Famine Prone now and even in the past.

#### **Why FMCG?**

The growth of FMCG is evident from the report of Mckinsey. The products are increasing day by day. If we look at the range of Personal Care Products then one can understand how many and how fast the products are being added into FMCG sector. Considering the above facts it is essential to have a research in these combined factors. The outcome of the research would throw light on developing marketing efforts and strategies which are full of green initiatives. How they can affect the consumer behavior by educating them and promoting the products. The green product shall render benefits to a society at large. Thus, FMCG is selected on the merits of their volume which would be increasing proportion with more vulnerable to degrading of environment particularly because of its packing as well product ingredients.

### **REVIEW OF LITERATURE**

Haofu Fan and Lin Zeng [11] June 2011, the paper studies the factors influencing the Chinese Consumers and finds that cultural, social and psychological factors are influencing consumer behavior. Product contents are having highest rating. Price is rated at second level. Extreme green strategy is suggested by the author. Thus marketing efforts are in gap and have good market future in China.

Laxminarayanan Das, [14], March 2012, The author speaks about the gaps in terms of awareness of consumers, concern, and promotion. He prescribes social media spread, financial assistance, tax concessions, financial supports and other kind of support to manufactures. In nutshell the author concludes about the need for motivation for bringing environmental products and environmental or green marketing in to reality.

Vidushi Bhatnagar and Himani Grewal [23] December, 2012. The authors made a point that green products have better performance and then it can with the loyalty of the consumers. Through the performance of the product, by delivering good quality and environmental friendliness if loyalty of consumers attained then

the price would get automatically justified. The author has given the reason for the loyalty and price relationship is that slowly but surely the consumers are becoming more and more eco responsible citizens.

## LIMITATIONS OF THE STUDY

Every study has some limitations and the reason is that all the dimensions cannot be embraced in one stroke. The limitations of the study can be enumerated as follows:

1. The study pertains to a particular class of product i.e. FMCG and does not take into consideration Industrial products which also have sizable impact on environment
2. The study does not examine perception of consumers regarding Marketing Strategies of the companies
3. The study is not a comparative study with Rural and Rural parts

## OBJECTIVES OF THE STUDY

1. To find out the factors, responsible for the gaps in awareness in RURAL AREA consumers.
2. To study the factors influencing in buying behavior of RURAL AREA consumers in relation to FMCG products in general and Green FMCG products.
3. To suggest the measures that, would meet RURAL AREA consumers' expectations and improve adoptability of Green FMCG products. The suggestions shall be for all the stakeholders.

## METHOD OF RESEARCH

The chapter contains the similar discussions but specific to three elements of the context: (a) Green Marketing (b) Fast Moving Consumer Goods (FMCG) Products (c) Rural Area. Similarly, FMCG products are also stated in details in above chapters. There are numerous products which belong to under the category of consumer goods. These are routinely purchased goods which are more over become the commodities but green element again reshape as goods.

Product Categories and Products:

The spirit of the study tends to make an inquiry with a thrust on youth and therefore the products which are selected for the study from the vast domain are from the following categories. 1. Personal Care Products 2. Food Beverages 3. Electrical Products 4. Stationary Products.

### Research Design:

Type of Research is of Descriptive and Diagnostic nature and the method selected for the study is corresponding to the type. Survey Method is used for the purpose of the study in collection of primary data for consumer respondents and retailers.

### Nature of Sampling:

Geographical based (Since related to 12 villages covering RURAL AREA areas), Cluster (as clusters of youth and non youth are selected) Stratified (as male or females with age groups of (18-35) yr and male and females together above 35yr) convenience random (as selection of elements is made not in specific way but and according to convenience of selection and at random. (As and where came across the consumers)

### Sampling Method:

The method of sampling depends on the type of the study. The most suitable method from the view point of nature of the study and being the method of survey is applied the method can be described as Purposive Convenient Simple Random Method. The purposive part is to only include RURAL AREA Villages and taken villages in ascending of population as it is not a census survey. Secondly the respondents are taken in the age group of 18 to 35 i.e. youth as 70 % of the population and the rest are above the age of 35. After this purposive element the selection of respondents is at random and taken conveniently

## ANALYSIS AND INTERPRETATION

Advertisement Efforts Sufficiency:

Level of Sufficiency	Sufficient	Not Sufficient	Don't Know	Total
Males	112	486	109	707
Females	124	298	102	524
Total	236	784	211	1231

Inference: Only 21 % respondents are of the opinion that present advertisement efforts are sufficient. This clearly indicates the shortness in advertising of FMCG products.

## Recommendation Position

Level of Sufficiency	Recommend	Not Sufficient	Not Recommend	Don't Know	Total
Males	608	486	98	01	707
Females	448	298	74	02	524
Total	1056	784	172	03	1231

Inference: The products have a very strong support from the consumers as the respondents who are in favor of recommendations are 86 %. Thus the products are well accepted and have crossed the Introduction Stage of a Product Life Cycle and has at mid way of second stage of Product Life Cycle which is called as Growth Stage , This is also supported by incremental average sales is 4 %.

## SUGGESTIONS

RURAL AREA Green FMCG market as a separate segment and create a strong niche market through special type of marketing efforts as regards 04 Ps and other factors. The market has good potential and stands in between rural and rural markets. It is growing in its size by average growth of 08 percent and shall grow with higher percent in coming years. The consumers need to develop such habits which are suitable to call them a caring citizen and should not throw the packaging and residual in such a way as road side waste which would degrade the environment. As a responsible citizen the consumer should use non plastic bags and containers. Similarly, separating wet and dry disposals should be religiously made by them.

## CONCLUSION

Massive Retailing is essential to reach the consumers and availability imbalance is necessary to be reduced. The positioning of Green FMCG products need to be revisited and suitable to RURAL Area positioning design should be evolved RURAL Consumers and their preferences have not been objectively considered despite growing market potential. The companies should consider the preferences before chalking out the Marketing Plan for RURAL Area.

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