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A study on problems faced by the consumers' towards green FMCG products in Coimbatore City

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ABSTRACT

A clean environment is essential for healthy living of all creatures, it will become poisoned with various environmental issues like global warming, ozone depletion, pollution, loss of biodiversity and deforestation etc, for this concern all over the world various government, business organizations and consumers are started avoiding the products that are harmful for the environment. In order to protect our environment, the FMCG manufactures are produced their products in an ecofriendly way. The major segments of green FMCG distinctly classified into four different segments like Food and Beverage industry, Home Care, Personal care and Electronics, it is an important contributor to India's Gross Domestic Product. The study is descriptive in nature both primary and secondary data to be considered for this analysis. 710 samples are randomly selected in the area of Coimbatore city and analyzed for the study. Through this study Problems towards green FMCG products have been analyzed and provide the suitable suggestions to improve the services.

Keywords— Eco Friendly, Major Segments of Green FMCG, Gross Domestic Product, Problems

1. INTRODUCTION

Over the recent decades' environmentalism has arisen as a very important issue due to increased pollution and climate change, global warming, ozone depletion, loss of biodiversity and deforestation and many more crucial environmental issues. Considering the importance of the environment around the globe various government, business organizations and consumers are started avoiding the products that are harmful for the environment. The FMCG industry is one of the rising industries associated with the green marketing challenges. The FMCG industries have realized that consumers prefer products that do not harm the natural environment as also the human health. As a result, the FMCG industries adopting green practices by the way of product modification, changes in production process, packaging changes, reducing consumption of energy and water as well as modifying advertising. The major segments of green FMCG distinctly classified into four different segments like Food and Beverage industry, Home Care, Personal care and Electronics. In India more than seven hundred million consumers and accounting for 50 percent of the total FMCG market, it is an important contributor to India's Gross Domestic Product. Coimbatore city is the fourth investor friendly city in India, it is the second largest city of Tamil Nadu and one of the fastest growing cities in India with high standards of living based on the economics and demographics.

FMCG (Fast Moving Consumer Goods) products are manufactured from natural ingredients extracted from plants, herbs and flowers under eco-friendly conditions and it does not contain phosphates, no petroleum products, cruelty free, free from harmful synthetic chemicals, artificial colors and fragrances. Examples of green FMCG generally include a wide range of frequently purchased consumer products such as toiletries, soap, shampoo, cosmetics, tooth cleaning products, shaving product and detergents, as well as other non-durables such as glassware, bulbs, batteries, paper products, consumer electronics, packaged food products, soft drinks, tissue paper, and chocolate bars.

2. REVIEW OF LITERATURE

Gatersleben, B., Steg, L. & Vlek, C. (2002)¹⁰ in their studies article have provided an environmentally giant measure of household consumer behaviour (that is, Combined direct and indirect energy use) and in comparison, with a commonplace social science measure of pro-environmental behaviour. Large scale field studies have been performed among representative samples of Dutch households. The effects showed respondents who indicate they behave more pro-environmentally do no longer always use less power. Also, pro environmental behaviour is greater strongly related to attitudinal variables, whereas household power use is primarily related to variables such as earnings and household size.

Sharma, Y. (2011)⁶⁴ has focused on the changing consumer behaviour towards the usage of green products. The article has explained the four stages of lifecycle of green products –development, production, consumption and disposal. After explaining

about the green marketing mix, the article has suggested that companies hoping to embed sustainability have to reframe their strategies. Connecting sustainability with the core business operations and consumers means the CR team must work with other parts of the business, including brand, marketing and R&D this permits opportunity for innovation. Green marketing has got to be pursued with much great vigor, because it both environmental and social dimensions.

3. STATEMENT OF THE PROBLEM

Today we are facing serious environmental issues, in order to change this situation people are started demanding for the products which are good for the environment as well as health. Increasing interest of the people the consumption of green FMCG products plays an important role in our daily life. The consumers are facing the problem in high price, availability, lack of support services for green FMCG products and limited range of varieties. In this situation it is required to find out and problems faced by the consumers.

4. SCOPE OF THE STUDY

The study is conducted to find out the Consumers' problems towards the green FMCG Products in Coimbatore city. The FMCG market in Coimbatore city fragmented with the products are produced by many green FMCG companies and sold in their brand names and also the market being dominated by unbranded, unpackaged, home-made products. Hence the study is very essential to this particular area. To attempt the specified objectives, 710 respondents were selected.

5. OBJECTIVE OF THE STUDY

To analyze the problems faced by the consumers while using the green FMCG products.

6. RESEARCH METHODOLOGY

A pilot study was conducted with 50 consumers of retail outlets in Coimbatore city. Interview schedules were used as a major tool for the survey respondents to obtain first-hand information. To gather information from the sample respondents, field survey technique was implemented. The interview schedule was pre-tested and revised to match this study's purposes. Totally 710 respondents were taken for the study. In this analysis both the primary data and the secondary data were used. The primary data was collected with the aid of an interview schedule from green FMCG consumers in Coimbatore City. The secondary data is taken from various sources, such as journals, magazines, directories, books, blogs, and brochures. In this study, the tool of Garrett Ranking was used to classify the consumers' problems with green FMCG products in the city.

7. LIMITATIONS OF THE STUDY

- The geographical scope of the study is confined only to the city of Coimbatore and, thus, the results of the study cannot be extended to other parts of the state or world in their original form.
- The research is limited only to individuals who live in the city of Coimbatore and also in this research contained only selected green FMCG products.

8. DATA ANALYSIS AND INTERPRETATION

8.1 Garrett's Ranking Techniques

The calculated percent position is converted into scores with the help of Garrett's table. The scores of each person are then applied for each factor, and then the total value of the scores and the mean score values are determined. The most important factor is known to be the variables having the highest mean value. In this analysis the methodology of Garrett rating is used to learn the customers' most important problem while using the green FMCG goods. In this analysis, Garrett's rating techniques were used to know the highest problem faced by the respondents. The FMCG products in this analysis are categorized in three groups

- Food and Beverages Products
- Personal care Products
- Health care Products

8.2 Food and Beverage Products

Table 1: Problems towards green food and beverage products

	Total	Mean	Ranks
These products are too expensive than non - green FMCG products			
It is difficult to read the label in order to ensure the benefits is involved in green	36378	48.39	VII
Non availability of green FMCG products	35491	47.21	VIII
Unproven Technology	38469	51.17	V
Limited range of varieties	42570	56.63	II
Green FMCG products are not the cheapest and own a weaker brand position	40330	53.65	IV
Insufficient scientific knowledge	32743	43.55	IX
Lack of support services for green FMCG products	36805	48.96	VI
Low competition	42222	56.16	III
The product reviews are not good	32557	43.31	X

Source: Primary Data

Inference

Table 1 reveals that, there are ten major problems faced by the consumers towards green Food and beverage products. It is

observed from the above table, “These products are too expensive than non - green FMCG products” was ranked first by the respondents with the total score of 45504 and the mean score of 60.53. “Limited range of varieties” was ranked second with the total score of 42570 and the mean score of 56.63. “Low competition” was ranked third with the total score of 42222 and the mean score of 56.16. “Green FMCG products are not the cheapest and own a weaker brand position” was ranked fourth with the total score of 40330 and the mean score of 53.65. “Unproven Technology” was ranked fifth with the total score of 38469 and the mean score of 51.17.

“Lack of support services for green FMCG products” was ranked sixth with the total score of 36805 and the mean score of 48.96. “It is difficult to read the label in order to ensure the benefits is involved in green FMCG products” was ranked seventh with the total score of 36378 and the mean score of 48.39. “Non availability of green FMCG products” was ranked eighth with the total score of 35491 and the mean score of 47.21. “Insufficient scientific knowledge” was ranked ninth with the total score of 32743 and the mean score of 43.55, “The product reviews are not good” was ranked tenth with the total score 32557 and the mean score of 43.31. It is concluded that the respondents are highly suffered with the problem factor such as “These products are too expensive than non - green FMCG products, Limited range of varieties and Low competition. These three factors are most important problems faced by the green FMCG customer towards Food and Beverage Products.

8.3 Personal Care Products

Table 2: Problem Towards Personal Care Products

	Total	Mean	Ranks
These products are too expensive than non - green FMCG products	45502	60.53	I
It is difficult to read the label in order to ensure the benefits is involved in green FMCG products	42571	56.63	II
Non availability of green FMCG products	36803	48.96	VI
Unproven Technology	32565	43.32	X
Limited range of varieties	35489	47.21	VIII
Green FMCG products are not the cheapest and own a weaker brand position	40332	53.65	IV
Insufficient scientific knowledge	36376	48.39	VII
Lack of support services for green FMCG products	42220	56.16	III
Low competition	38469	51.17	V
The product reviews are not good	32740	43.55	IX

Source: Primary Data

Inference

Table 2 reveals that, there are ten major problems faced by the consumers towards green personal care products. It is observed from the above table, “These products are too expensive than non - green FMCG products” was ranked first by the respondents with the total score of 45502 and the mean score of 60.53. “It is difficult to read the label in order to ensure the benefits is involved in green FMCG products” was ranked second with the total score of 42571 and the mean score of 56.63. “Lack of support services for green FMCG products” was ranked third with the total score of 42220 and the mean score of 56.16. “Green FMCG products are not the cheapest and own a weaker brand position” was ranked fourth with the total score of 40332 and the mean score of 53.65. “Low competition” was ranked fifth with the total score of 38469 and the mean score of 51.17.

“Non availability of green FMCG products” was ranked sixth with the total score of 36803 and the mean score of 48.96. “Insufficient scientific knowledge” was ranked seventh with the total score of 36376 and the mean score of 48.39. “Limited range of varieties” was ranked eighth with the total score of 35489 and the mean score of 47.21. “The product reviews are not good” was ranked ninth with the total score of 32740 and the mean score of 43.55. “Unproven Technology” was ranked tenth with the total score of 32565 and the mean score of 43.32. It is concluded that the respondents are highly suffered with the problem factor such as “These products are too expensive than non - green FMCG products, It is difficult to read the label in order to ensure the benefits is involved in green FMCG products and Green FMCG products are not the cheapest and own a weaker brand position. These three factors are most important problems faced by the FMCG customer towards green Personal care products.

8.3 Household Care Products

Table 3: Problem Towards Household Care Products

	Total	Mean	Ranks
These products are too expensive than non - green FMCG products	45510	60.64	I
It is difficult to read the label in order to ensure the benefits is involved in green FMCG products	38555	51.37	V
Non availability of green FMCG products	42144	56.15	III
Unproven Technology	32590	43.42	X
Limited range of varieties	42586	56.74	II
Green FMCG products are not the cheapest and own a weaker brand position	36903	49.17	VI
Insufficient scientific knowledge	32679	43.54	IX
Lack of support services for green FMCG products	36363	48.45	VII
Low competition	40256	53.64	IV
The product reviews are not good	35325	47.07	VIII

Source: Primary Data

Inference

Table 3 reveals that, there are ten major problems faced by the consumers towards green Food and beverage products. It is

observed from the above table, “These products are too expensive than non - green FMCG products” was ranked first by the respondents with the total score of 45510 and the mean score of 60.64. “Limited range of varieties” was ranked second with the total score of 42586 and the mean score of 56.74. “Non availability of green FMCG products” was ranked third with the total score of 42144 and the mean score of 56.15 “Low competition” was ranked fourth with the total score of 40256 and the mean score of 53.64. “It is difficult to read the label in order to ensure the benefits is involved in green FMCG products” was ranked fifth with the total score of 38555 and the mean score of 51.37.

“Green FMCG products are not the cheapest and own a weaker brand position” was ranked sixth with the total score of 36903 and the mean score of 49.17. “Lack of support services for green FMCG products” was ranked seventh with the total score of 36363 and the mean score of 48.45. “The product reviews are not good” was ranked eighth with the total score of 35325 and the mean score of 47.07. “Insufficient scientific knowledge” was ranked ninth with the total score of 32679 and the mean score of 43.54. “Unproven Technology” was ranked tenth with the total score 32590 and the mean score of 43.42. It is concluded that the respondents are highly suffered with the problem factor such as “These products are too expensive than non - green FMCG products, Limited range of varieties and Non availability of green FMCG products. These three factors are most important problems faced by the green FMCG customer towards Household care Products.

9. FINDINGS OF THE STUDY

• Problem faced by the respondents towards green food and beverage products

The respondents are highly suffered with the problem factors such as “These products are too expensive than non - green FMCG products, Limited range of varieties and Low competition. These three factors are most important problems faced by the green FMCG customer towards Food and Beverage Products.

• Problem faced by the respondents towards personal care products

The respondents are highly suffered with the problem factor such as “These products are too expensive than non - green FMCG products and It is difficult to read the label in order to ensure the benefits is involved in green FMCG products and Lack of support services for green FMCG products. These three factors are most important problems faced by the FMCG customer towards green Personal care products.

• Problem faced by the respondents towards house hold care products

The respondents are highly suffered with the problem factor such as “These products are too expensive than non - green FMCG products, Limited range of varieties and Non availability of green FMCG products. These three factors are most important problems faced by the green FMCG customer towards Household care Products.

10. SUGGESTIONS

After evaluating the different factors relevant to the problems towards green FMCG products it found that progress remains to be made. Bearing this in mind, the following recommendations are made to improve the quality and services of green FMCG products. The respondents face serious problems such as “These products are too expensive than non - green FMCG products, Limited range of varieties and Low competition. Therefore, it is recommended that green FMCG companies make pricing strategies as affordable and that more FMCG companies take priority over green products and expand their product line with green foods and beverages as well. The respondents are highly suffered with the problem factor such as “These products are too expensive than non - green FMCG products, It is difficult to read the label in order to ensure the benefits is involved in green FMCG products and Lack of support services for green FMCG products towards personal care products. Consumers are looking for more clarity in label order to ensure the health and environmental benefits involved in the products. So, it is recommended that the FMCG companies encourage the pricing strategy of green FMCG products and respond the queries of the consumer. The FMCG companies will also need to resolve the customer suspicion of overused labels and make them to understand the importance of the ingredients and the degree of attention consumers are applying to the products they buy. The respondents are confronted the problem factors such as “These products are too expensive than non - green FMCG products, Limited range of varieties and Non availability of green FMCG products towards household care products. The green FMCG companies are suggested that therefore take appropriate measures to afford household care products with the fair prices and introduce more varieties of green household care products and ensure continuous supply.

11. CONCLUSION

In recent years, the green FMCG sector has have received a good influx. In Coimbatore city the green FMCG market is gradually increasing and it is also competitive. In recent days we have seen a lot of innovation in the manufacturing process and improvement in the quality of green FMCG product. With this revolution in green technology the FMCG product also increases. The people are mainly price conscious and many of them have curiosity what is in green product they don't have clear idea, some of them may switch to other quality product with low price. The consumers are facing these sorts of issues. The FMCG companies therefore need to recognize the price of the green product in order to improve this situation, proper advertisement and accessibility would definitely help to raise awareness as well as the buying power of the green FMCG product consumer.

12. REFERENCES

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