Abstract

Environmentalism has fast emerged as a worldwide phenomenon due to the rising evidence of environmental problems. In the modern era of globalisation, it has become a great challenge to keep the customers as well as consumers in fold and even keep our natural environment safe and that is the biggest need of the time. Environmental pollution is a buzz word in today’s business environment. The growing social concern for the environment has emerged as a key concept in marketing—i.e., Green Marketing. Green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising.

The changing consumer preferences with concern for future generations, environmental protection, and responsibility for the results of human activities require enterprises to have new decisions and new ways for the creation of competitive advantage. Currently, sustainable development, i.e., a compromise between environmental, economic, and social objectives of society is inevitable to reach the well-being of the present and future generations. Green marketing is a phenomenon which has developed particular significance in the modern market. This has emerged as an important concept in India as in other parts of the developing and developed world, and is seen as an important strategy of facilitating sustainable development.

The Fast Moving Consumer Goods (FMCG) sector is an important contributor to India’s GDP and it is the fourth largest sector in the Indian economy. The sector is excited about a burgeoning population whose incomes are rising which is willing to spend on goods designed to improve lifestyle. FMCG sector is one of the growing industries and they have increasing recognising the various competitive advantages and opportunities to be gained from eco-sustainability and green marketing. Organisations and business however has seen change in consumer attitudes and are trying to gain an edge in the competitive market by exploiting the potential in the
green market industry. However, a better understanding of consumer behaviour is necessary especially in the FMCG sector. Therefore, the study titled "GREEN MARKETING WITH SPECIAL REFERENCE TO FAST MOVING CONSUMER GOODS (FMCG's)" is relevant for the companies to know the various green marketing practices followed by the FMCG companies and also the consumer’s preference towards green products in the FMCG sector.

The objective of this research is to investigate consumer preference towards green products in the FMCG sector and analyses the factors affecting green purchasing behaviour. The research also looked into the green marketing mix elements, and explored the impact of green marketing practices of FMCG Companies on Green Brand Image, Green Satisfaction, Green Loyalty and Green Brand Equity of the customers of green products specifically Fast Moving Consumer Goods (FMCG’s). Qualitative approach was adopted for the study by using a questionnaire and the total sample composed of 620 respondents from five districts of South Kerala - i.e. Trivandrum, Kollam, Alappuzha, Ernakulam & Pathanamathitta. Furthermore, stratified random sampling was used to collect data.

The findings of the study show that the best predictor of green purchasing behaviour is environmental attitude followed by perceived environmental responsibility, environmental concern, perceived seriousness of environmental problems, perceived effectiveness of environmental behaviour and governments role. At the same time Green Brand Image, Green Satisfaction, Green Loyalty of the customers affects their Green Brand Equity. Further, the Green satisfaction, Green Trust, Green Loyalty of the customers of affect their Green Brand Equity. The green communication campaigns enabled customers to reaffirm their loyalty and conviction towards the environment and company. Customers who have pro-green would never go for an alternate product even if there is a hike in price provided he has the purchasing power to possess Convenience, Shopping and Speciality goods. The most important component in the marketing mix which influences the customers of different types of goods (i.e., Convenience, Shopping and Speciality goods) is the quality of the product. The product quality should not be overlooked since consumers
relate price with quality. The customers are deterred from purchasing green products as they are perceived to be too expensive. All these findings are proved by applying sound statistical modelling.

The result of the research can serve as a guideline for firms to strategise their marketing approaches that caused buying behaviour while analyzing the demographic characteristics would give firms better knowledge towards targeting these groups of people. This study also offers practical guidelines to marketers who are planning to target the Kerala market. The understanding on the changing consumption pattern of Kerala consumers and the value of attachment, they gave to the environment provides useful insights that are especially pertinent to an improved understanding of Green Purchasing Behaviour in the Kerala market.