A Study on Buying Behavior towards Eco-Friendly FMCG Products Based on the Howard Sheth Model

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Abstract

This study investigates the buying behavior towards eco-friendly Fast Moving Consumer Goods (FMCG) products through the lens of the Howard Sheth Model. As environmental concerns escalate globally, consumers are increasingly drawn to products that minimize ecological footprints. The Howard Sheth Model, a seminal framework in consumer behavior analysis, serves as the theoretical backbone to understanding the complex interplay of psychological, social, and marketing factors influencing eco-friendly FMCG purchasing decisions.

Drawing on a combination of quantitative surveys and qualitative interviews, this research explores the key drivers behind consumers' adoption of eco-friendly FMCG products. By analyzing data collected from a diverse sample, encompassing various demographic profiles and consumption patterns, the study elucidates the salient factors shaping consumer attitudes and behaviors in this context.

The findings underscore the multifaceted nature of eco-friendly FMCG purchasing decisions, revealing the pivotal roles of individual motivations, socio-cultural influences, and marketing strategies. Furthermore, the study delves into the intricacies of perceived product attributes, environmental consciousness, and brand loyalty within the framework of the Howard Sheth Model.

Ultimately, this research contributes to a deeper understanding of consumer preferences and decision-making processes in the realm of eco-friendly FMCG products. By illuminating the mechanisms driving buying behavior, it offers valuable insights for marketers, policymakers, and businesses striving to navigate the evolving landscape of sustainable consumption.

Keywords: Eco-friendly FMCG products, Howard Sheth Model, Buying Behavior

Introduction

In recent years, a profound shift in consumer consciousness has emerged, driven by an escalating awareness of environmental challenges and a growing desire to make conscientious choices. This transformation is vividly reflected in the realm of consumer goods, where individuals are increasingly scrutinizing the environmental impact of their purchases. Among the most prominent expressions of this paradigm shift is the discernible trend in consumer buying behavior towards eco-friendly products, particularly within the Fast-Moving Consumer Goods (FMCG) sector.

The term "eco-friendly" encompasses a spectrum of products designed and produced with a commitment to minimizing their environmental footprint. From sustainably sourced ingredients to eco-conscious packaging, these products aim to align consumerism with environmental responsibility. This paradigm shift in consumer preferences has prompted businesses to reevaluate their strategies, placing sustainability at the forefront of product development and marketing initiatives.

This research delves into the multifaceted aspects that shape consumers' attitudes and behaviors when it comes to choosing eco-friendly FMCG products. We explore the factors influencing these decisions. By dissecting these elements, we aim to unravel the intricate tapestry of consumer decision-making in the green marketplace, providing valuable insights for businesses navigating this evolving landscape.

Buying behavior is an interdisciplinary subject of psychology, economics, and sociology. The paper attempts to study the Howard Sheth model of buying behavior as a base that people use while attempting to purchase eco-friendly FMCG products.

To elaborate on our assumption- First, we assume that buying behavior is rational because it is within the buyer's bounded rationality. Also, the behavior is rational within the limits of his cognitive and learning capacities and the constraints of limited information.

Review of Literature

(**Yusuf Balarabe Abduk**, 2021) Wrote a paper to review the consumer's perception of eco-friendly FMCG Products in Ahmedabad. The paper assesses the factors responsible for the gaps in adoption and expectation to adopt eco-friendly FMCG products. Research also identifies the obstacles that respondents perceive to come in the way of embracing the green lifestyle and suggests

various measures that meet customers ‟s expectations and enhance the adaptability of eco-friendly FMCG products.

(**Laura Bacali**,2021) identified the factors predicting youth customer satisfaction towards green products and also analysed the public perception of green brand products in Romania in 2021. A questionnaire was developed and applied to 268 participants. The study proved that a positive attitude toward green products and a level of information were responsible for driving satisfaction. There was also a strong relationship between customer satisfaction and purchase intention.

(**Bhanu Pratap Singh**, 2019) Conducted research on the topic of consumer Awareness towards Green Marketing concluded that Consumers in Indore city is getting awareness about green marketing and eco-friendly activities. He also found that society plays a significant role in this activity in their daily lives. Most consumers are buying green products and following the green marketing concept. They also follow eco-friendly activities and want an eco-friendly environment. But lack of promotions and less availability of green products at retailers' end makes less preference for green product buying behavior from the consumer end. There are positive attitudes and awareness in Indore city consumers towards green marketing

Measurement of Buying Behavior: Howard Sheth Model (1960)

According to Howard Sheth, the buying behavior theory relies on four components- inputs variables, perceptual and learning constructs variables, output variables, and exogenous variables.
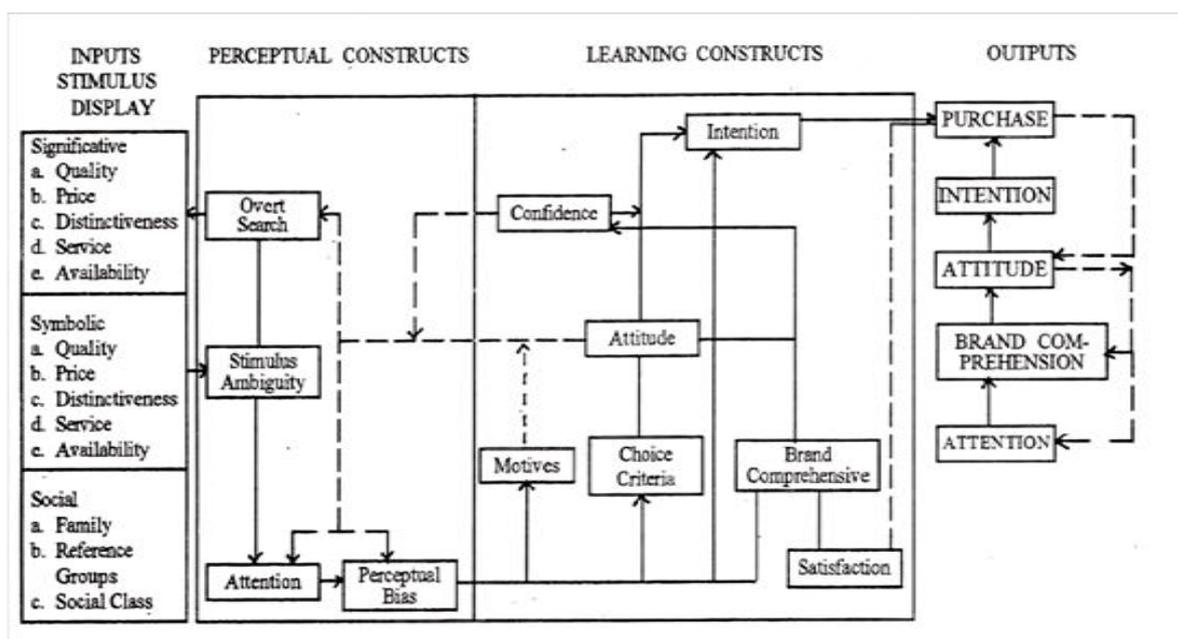
Inputs Variables

Input variables include Information clues about the attributes of the product in terms of brand quality, price, distinctiveness, and availability. These cues are significative or symbolic; they come from impersonal sources like advertisement and promotional activities by the firm. The primary source is commercial advertisements and buyers' social environment. Social environment may include his family reference groups, social class, culture, etc. The buyer's social environment is non-commercial and noncontrollable by the form hands it is considered a personal source of information input.

Perceptual and Learning Variables

The hypothetical constructs are divided into two: the perceptual constructs and another is the learning constructs. the perceptual constructs deal with how individual pursue and respond to the information that comes from the input variables, ultimately stopping them maybe some information that does not merit attention, and intake is subject to a perceived uncertainty and lack of meaningfulness of information received this lead to stimulus ambiguity to search for information about the product, and then the information received according to buyers on the frame is then disposition or distorted that is what regarded as a perceptual bias.

The learning construct deals with the stages from the buyer's motives to his satisfaction in a buying situation here, the Purchase intention is an outcome of the interplay of buyer motive comma choice criteria, brand comprehension, resultant brand attitude, and confidence associated with the Purchase Decision. Motives represent the goals the buyer seeks to achieve from purchasing learned needs. Brand comprehension is the knowledge about the products and the brand's characteristics. Also, it includes the degree of confidence the buyer has about the brand's comprehension, choice criteria, and buying intention. Another component it includes is feedback, and lastly, satisfaction refers to the post-purchase evaluation of brand comprehension and attitude.

Output Variables

The output variables include the set of hierarchical responses starting from attention to purchase. Here, the Purchase is the actual purchase of a product or service that brings the sequential result of the attention. It includes brand comprehension, which is the statement of the buyer's knowledge of the product class, and brand attitude, which refers to the evaluation of the satisfying potential of a brand. Finally, the buyers' intention showcases the verbal

statement made in light of the above factors that the preferred brand will be bought the next time the buying is necessitated.

Exogenous Variables

Finally, the model contains some exogenous variables that are not precisely defined but are taken as constant. Some exogenous variables are the importance of the Purchase, time at the disposal, personality traits, financial status, etc.

- **Importance of Purchase:** The importance of purchase refers to the degree of involvement or commitment to different product classes. It is examined through inter-product studies. The importance of purchase will influence the size of the evoked set and the magnitude of the search for information.
- **Time Pressure:** Time pressure is when the buyer feels pressed for time because of various environmental influences. Time pressure creates inhibition and unfavorable effects on the search for information.
- **Financial Status:** It is a constraint that the buyer feels because he lacks financial resources. This may affect his purchase behavior by creating a barrier to purchasing the most preferred brand.
- **Personality Traits:** Personality traits include self-confidence, self-esteem, authoritarianism, and anxiety. These Variables differ from individual to individual and are topic-free. Its effects are exerted across different product classes.
- **Social Groups:** These include the formal social organization such as family and reference groups, which influence a consumer's behavior. It sometimes also includes organization settings that have organization variables like power, status, and authority. Organization, both formal and social, is a crucial variable because it influences most of the learning construct.

Objectives

- To provide an understanding of the concept of the buying behavior model by Howard Sheth and to highlight the need and importance of Buying behavior.
- To understand the factors affecting the buying behavior of consumers towards eco-friendly FMCG products with reference to the Howard Sheth model.
- To study the significant relationship between various demographic factors and the four sets of variables of the Howard Sheth Model.

Research Methodology

The present study is focused on finding the major characteristics that affect the buying behavior of consumers towards eco-friendly FMCG products. The study is conducted in Indore, Madhya Pradesh, and the data is collected using a well-structured questionnaire among 200 respondents using convenient sampling. The independent demographic variables of the analysis were age, gender, education, profession, Income, and Marital Status.

The main factors that were analyzed during the study are advertisements of eco-friendly FMCG products, Prices of Eco-friendly products, 100% natural products, symbols/certifications, repeat purchases, referring products, paying extra prices, and time constraints.

The measurements of the four dimensions of decision-making according to Howard Sheth's model were applied to analyze consumers' buying behavior towards eco-friendly FMCG products. According to the characteristics of buying behavior, we tailored 12 questions in the four dimensions (input variables, hypothetical constructs, Exogenous variables, and Output variables). Each answer to the question ranges from 1 (strongly disagree) to 5 (strongly agree), with a higher score indicating a more significant impact of the factor on consumption decision-making.

Data Analysis

Objective 2: To understand the factors affecting the buying behavior of consumers towards eco-friendly FMCG products with reference to the Howard Sheth model.

Means of attributes regarding consumption and buying behavior have been calculated to identify which factor is most important for consumers in order to change their buying behavior.

Table 1: Mean of Buying Behavior Attributes

Statistics									
		advertisement	Price	100% natural	Symbols/ certifications	Repeat of purchase	refer	Extra price	Time Constraint
N	**Valid**	200	200	200	200	200	200	200	200
	Missing	20	20	20	20	20	20	20	20
	Mean	3.9100	1.6500	1.6500	1.6350	1.500	1.3950	2.1550	2.5400
	Mode	4.00	2.00	1.00	1.00	1.00	1.00	2.00	2.00

Std. Deviation	.88647	.51850	.74853	.77769	68.729	633 23	.972 547	1.43481
Minimum	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Maximum	5.00	3.00	4.00	4.00	4.00	4.00	5.00	5.00

Table 1 showed that the highest mean of advertisement related to eco-friendly FMCG products is the most critical factor that affects the buying behavior of consumers, with a mean value of 3.91.

Time constraint is another factor that strongly affects the buying behavior of consumers, as it is justified by the mean value of 2.54. Paying an extra price for eco-friendly FMCG products is the third most affecting factor, with a mean value of 2.15.

The price of eco-friendly FMCG, 100% natural products, and symbols/certifications on eco-friendly FMCG products almost influence the buying behavior with the mean of 1.65, 1.65, and 1.63, respectively.

Reference to Eco-friendly products is the least influencing factor, with a mean value of 1.39.

Objective 3: To study the significant relationship between various demographic factors and the four sets of variables (Input, perceptual and learning, output and exogenous variables) of the Howard Sheth Model.

Ho 1: There is no significant relationship between demographic factors and four sets of variables of the Howard Sheth Model.

Ho1.1: There is no significant relationship between **Age** and four sets of variables of the Howard Sheth Model.

Table 2: Age and buying Behavior (input variables)

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sidedd)
Pearson Chi-Square	28.120[a]	16	.031
Likelihood Ratio	30.360	16	.016
Linear-by-Linear Association	.598	1	.439
N of Valid Cases	200		

a. 13 cells (52.0%) have expected count less than 5. The minimum expected count is .08.

The analysis in table 2 shows the effect of age on the four variables, it is a significant effect as P value lies under the confidence level of 0.05. It shows that age has a positive impact on the buying behavior of eco-friendly FMCG products.

Ho1.2 There is no significant relationship between **Gender** and four sets of variables of the Howard Sheth Model.

Table 3: Gender and buying Behavior (input variables)

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sidedd)
Pearson Chi-Square	3.679[a]	4	.451
Likelihood Ratio	4.392	4	.356
Linear-by-Linear Association	.366	1	.545
N of Valid Cases	200		

a. 4 cells (40.0%) have expected count less than 5. The minimum expected count is .74.

The analysis in Table 3 shows the effect of Gender on the four variables, it is not significant as P value is more than the confidence level of 0.05. P value .45>.05 It shows that Gender does not have an impact on the buying behavior of eco-friendly FMCG products.

Ho1.3 There is no significant relationship between **Education** and four sets of variables of the Howard Sheth Model.

Table 4: Education and buying Behavior (input variables)

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sidedd)
Pearson Chi-Square	28.120[a]	16	.031
Likelihood Ratio	30.360	16	.016
Linear-by-Linear Association	.598	1	.439
N of Valid Cases	200		

a. 13 cells (52.0%) have expected count less than 5. The minimum expected count is .08.

The analysis in table 4 shows the effect of education on the four variables, it is a significant effect as P value lies under the confidence level of 0.05. It shows that education has a positive impact on the buying behavior of eco-friendly FMCG products.

Ho1.4 There is no significant relationship between **Profession** and four sets of variables of the Howard Sheth Model.

Table 5: Profession and buying Behavior (input variables)

	Value	df	Asymptotic Significance (2-Sided)
Pearson Chi-Square	49.921	16	.000
Likelihood Ratio	39.745	416	.001
Linear-by-Linear Association	.072	1	.789
N of Valid Cases	200		

The analysis in table 5 shows the effect of profession on the four variables, it is a significant effect as the P value lies under the confidence level of 0.05. It shows that profession has a positive impact on the buying behavior of eco-friendly FMCG products.

Ho1.5 There is no significant relationship between **Income** and four sets of variables of the Howard Sheth Model.

Table 6: Income and buying Behavior (input variables)

	Value	df	Asymptotic Significance (2-Sided)
Pearson Chi-Square	16.076	8	.041
Likelihood Ratio	17.110	48	.029
Linear-by-Linear Association	4.006	11	.045
N of Valid Cases	200		

The analysis in table 6 shows the effect of Income on the four variables, it is a significant effect as the P value lies under the confidence level of 0.05. It shows that Income has a positive impact on the buying behavior of eco-friendly FMCG products.

Ho2.6 There is no significant relationship between **Marital Status** and four sets of variables of the Howard Sheth Model.

Table 7: Marital Status and buying Behavior (input variables)

	Value	df	Asymptotic Significance (2-Sided)
Pearson Chi-Square	17.046	4	.002
Likelihood Ratio	16.842	4	.002
Linear-by-Linear Association	2.788	1	.095
N of Valid Cases	200		

The analysis in Table 7 shows the effect of Marital Status on the four variables, it is a significant effect as the P value lies under the confidence level of 0.05. It shows that Marital Status has a positive impact on the buying behavior of eco-friendly FMCG products.

Among the four sets of variables of the Howard Sheth Model, buying behavior is mainly affected by Input, Perceptual, and learning variables. However, Output variables and exogenous variables have less impact on the buying behavior of consumers.

Thus, we can say that input variables (significative and symbolic attributes) that include advertisements and promotion of the products play a crucial role in shaping the buying behavior of consumers. While personality traits, time pressure, and social groups have the least impact on the buying behavior of eco-friendly FMCG products.

Conclusion

In conclusion, this study sheds light on the intricate dynamics of consumer buying behavior towards eco-friendly Fast Moving Consumer Goods (FMCG) products, underpinned by the theoretical framework of the Howard Sheth Model. Through a comprehensive examination of individual motivations, socio-cultural influences, and marketing strategies, several key insights have emerged. Firstly, the findings emphasize the importance of advertisements which play a critical role in shaping consumer preferences and purchase decisions.

Secondly, the Howard Sheth Model provides a valuable lens for understanding the role of four variables (Input, perceptual and learning, output and exogenous variables) in influencing consumer behavior. By delineating the stages of cognitive processing, the model elucidates the various inputs—ranging from personal needs and perceptions to external stimuli—that inform eco-friendly FMCG purchasing decisions.

However, while the study illuminates many facets of eco-friendly FMCG buying behavior, several avenues for further research remain. Future studies could explore the impact of cultural differences, socioeconomic factors, and technological advancements on consumer attitudes and behaviours toward sustainability. Additionally, longitudinal studies could provide insights into the evolving nature of eco-conscious consumerism over time.

In essence, this study underscores the importance of integrating environmental sustainability into marketing practices and product offerings. By aligning with consumer values and leveraging the insights gleaned from the Howard Sheth Model, businesses can not only meet the growing demand for eco-friendly FMCG products but also contribute to a more sustainable future for generations to come.

Limitations and Future Scope

The research provides an amazing insight into the buying behavior of eco-friendly FMCG products in Indore city; nonetheless, this study has certain limitations. One of the fundamental limitations of the study is the sample size. The study includes a limited sample size of 200, which needs to be more comprehensive for understanding the relationship between customer perception and purchase behavior towards eco-friendly products.

Another area for improvement is the area of research. This research is confined to the Indore region only; thus, a larger area would have given more accurate results. The lack of a sampling frame and the data collection method are other drawbacks of this study. The convenient Sampling method was chosen, which is less robust than the simple sampling method.

This research also includes limitations regarding theories and concepts of eco-friendly FMCG products. Eco-friendly products are researched but not in the Fast-Moving Consumer Goods sector; thus, there needed to be more predetermined predictors or hypotheses to study.

Another drawback of this study is that only some factors affecting customers' choices were considered. So, there can be changes in results if we cover most of the factors. Factors are emotions and store-related attributes were not studied, although they can make a huge difference to study.

This study has increased the scope of future studies; using more specific behaviors rather than general statements will make the research more profound and great. Another area of research is studying factors other than demographic factors. Considering attitudes and behavior models for research will give better

results. Also, considering the study's perceived customer effectiveness, environmental knowledge, and environmental concern will give appropriate results.

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