

EXPLORING THE FACTORS INFLUENCING CONSUMER ADOPTION OF SUSTAINABLE PRODUCT

Ankita Patel*

ABSTRACT

People's growing concern about the environment and the pressing need to develop have changed how consumers buy eco-friendly products. This research looks at what makes people choose these products such as personal beliefs social pressure, knowledge about the environment, product features, and money matters. Through observing what people think, their plans to buy, and what stops them, it seeks to know what might drive and hinders the wide use of sustainable products. It also checks how marketing plans, government rules, and companies' social duties affect what consumers pick. The results show that people's choices are complex and that sustainability needs to match what consumers want and what society values. This study provides relevant information to the businesses, regulators, and environmentally conscious advocates interested in promoting better buying habits in pursuit of a greener tomorrow.

Keywords: Consumer Behaviour, Eco-Friendly Products, Personal Beliefs, Social Pressure, Environmental Knowledge, Product Features .

Introduction

Growing environmental issues over the recent past have been re-thought by human beings and organizations to revert to the contribution the former brings to the world as a whole. The resource loss and ecological damage caused by pollution, global warming and so on, the sustenance is more prone to the need of turning towards a sustainable attitude. This is evident in the green and eco-friendly products craze as individuals become increasingly aware of their role in the protection of the environment. However, even as this interest increases, adoption of green products is still uneven depending on numerous factors. This study seeks to observe the most significant factors that drive consumer adoption of green products by analyzing drivers and barriers to purchase behaviour.

Personal beliefs, social influence, environmental awareness, product characteristics, and economy are at the epicentre of this study. Recognizing these factors is vital for businesspeople, policymakers, and environmentalists to encourage more environmentally friendly consumption patterns. This study will also determine the impact of promotion activities, governmental efforts, and corporate social responsibility on consumers' choices. Through the application of in-depth research on people's behaviour, feelings, and hurdles that come along in securing sustainable purchase practices, the present research endeavours to discover what motivates and wipes out green purchasing. Through investigation of what pushes and holds back the use of environmentally friendly commodities, the research hopes to bring intelligent information to help marketing strategies, policy interventions, as well as corporate social responsibilities of companies in a way that together the world will become greener and more environmentally friendly.

* Assistant Professor, Commerce, IEHE, Bhopal, M.P., India.

Literature Review

Nath and Agrawal, 2023: This study highlights eight barriers affecting consumers' buying intentions towards sustainable products in India. These include low willingness to pay, perceived poor functional performance, limited availability of sustainable products, and difficulty in integrating such products into daily usage habits. Addressing these barriers is essential to marketers and policymakers interested in promoting sustainable consumption.

Sharma, Gaurav, 2023: This research evolving consumer behavior towards sustainability highlights a critical challenge in sustainable consumption: the gap between attitudes and actual purchasing behavior. While many consumers express concern for environmental issues, this concern does not always translate into tangible actions, such as purchasing sustainable products. The review identifies several key factors contributing to this discrepancy, offering insights into the complexities of consumer decision-making and the need for targeted interventions.

Niemann and Ormsby, 2020: This research highlight that consumers who are more aware of climate change are more inclined To make sustainable choices, but their willingness to act varies with socio-economic factors.

Objectives

- To investigate the relationship between price and consumers' decision to purchase sustainable products.
- To examine the impact of price sensitivity on consumers' willingness to pay for sustainable products.
- To identify the demographic factors that influence consumers' price sensitivity and willingness to pay for sustainable products.

Research Hypothesis

H⁰¹: There is an impact of pricing on the user of sustainable product.

Research Methodology

For the purpose of collecting data, both the sources of data collection i.e. primary and secondary methods were used. For first-hand data a questionnaire was used and secondary data was gathered from various journals and articles to get more knowledge about the topic.

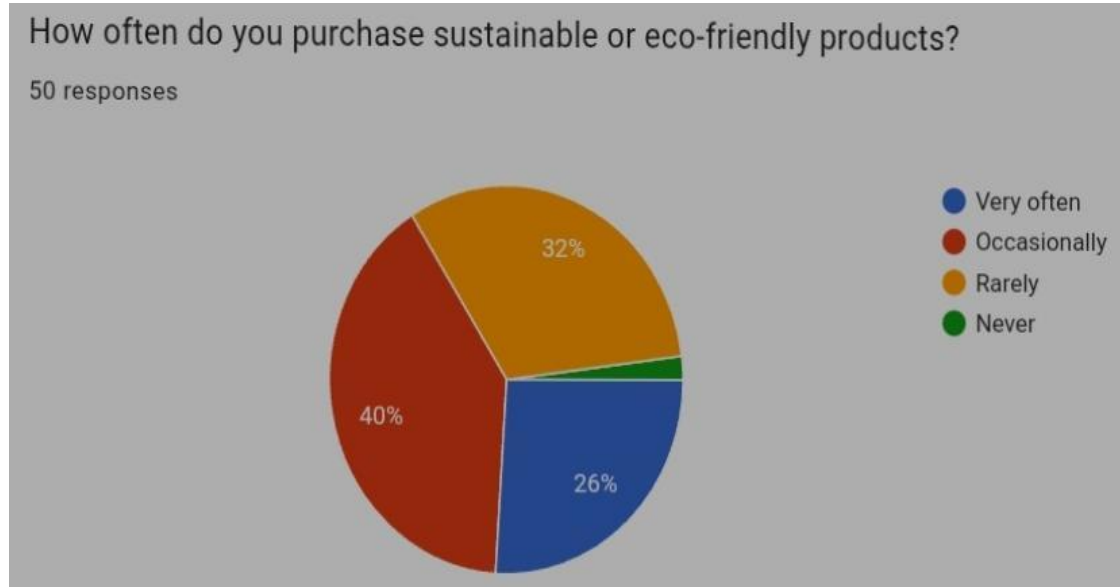
The purpose of this study was to find Exploring the factors influencing consumer adoption of sustainable products, a questionnaire was circulated by convenience method which was filled out by participants from Bhopal who were from the age group of 18-50 years. To further check the relevance of the hypothesis, a Chi-square test is used.

Analysis and Interpretation



Interpretation

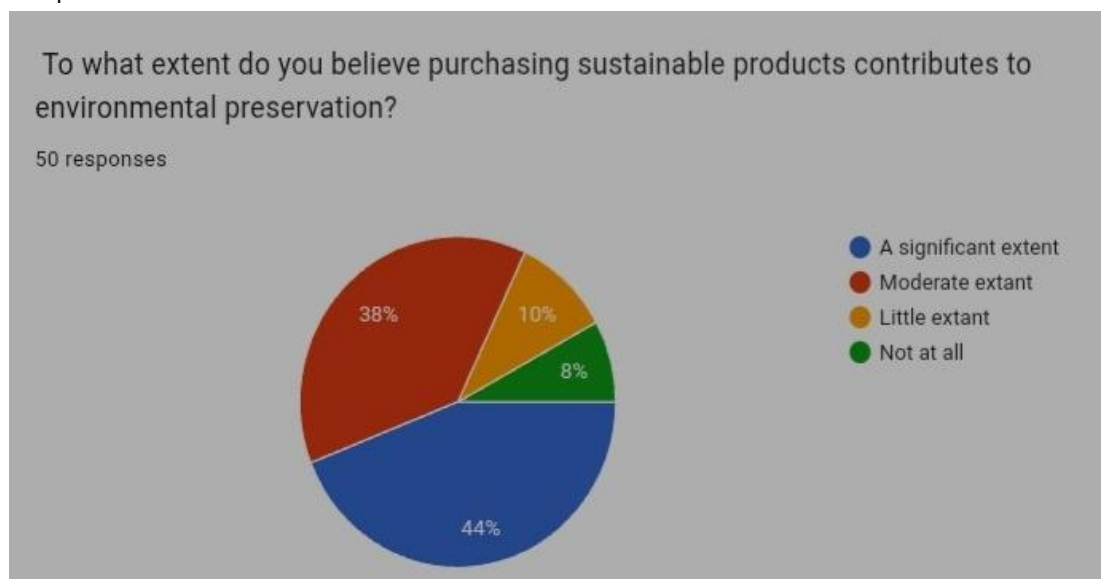
The survey results show Out of 50 participants, 74% of the respondents said price matters when purchasing sustainable goods, while 26% said it does not. This tells us that majority of consumers care about price when purchasing sustainable products.

**Interpretation**

ased on a survey of 50 individuals, the rate of purchasing sustainable or eco-friendly products is as follows:

- **Occasionally:** 40% Rarely: 32% Very often: 26% Never: 2%

Based on this data, it can be seen that although a large percentage of individuals purchase sustainable products from time to time, there are still a large number of individuals who do not purchase such products even from time to time.



Interpretation Based on 50 responses, the extent to which people believe purchasing sustainable products contributes to environmental preservation is:

- **A significant extent:** 44%, Moderate extent: 38%, Little extent: 10%, Not at all: 8%



The survey had 50 replies, and the findings are as follow ; 56% of the people are willing to pay an additional 10%.18% of the people are willing to pay 20% more.26% of the people are not ready to pay more.

This means that more than half the respondents (56%) are willing to pay a little extra for green or sustainably produced goods, with the remainder (but still a major proportion) 26% not willing to pay anything extra.

Table showing the observed values of the people

User Purchase	Yes	No	Total
Yes	59	15	74
No	23	3	26
Total	82	18	100

	O	E	(O-E)	(O-E) ²	(O-E) ² /E
User and purchase	59	60.68	1.69	2.822	0.046
User and not purchase	23	21.32	1.68	2.822	0.132
Not user and purchase	15	13.32	(1.68)	2.822	0.211
Not user and not purchase	3	4.68	(1.68)	2.822	0.602
Total			0		0.991

Degree of freedom = (c-1) (r-1) = (2-1) (2-1) = 1

Table value at 5% level of significance = 3.841

Since $t_{cal} < t_{tab}$ (0.991 < 3.841), we accept the H01 which shows there is an impact of pricing on the user of sustainable product.

Findings and Suggestions

Findings

- **Consumer Education and Aspiration for Sustainability:** Even though the sustainable item was more expensive, consumers also reflected a high level of awareness and aspiration toward sustainability, which would imply that sustainability and social values may outrank price for some consumers.
- **Price Sensitivity:** It was seen during our research that price sensitivity existed in some groups of consumers, but it was not appearing to be the core driving factor for purchasing sustainable goods. Several consumers were willing to pay a little extra for such products that appeal to their value system, specifically those who feel environmental sustainability to be most essential.

- **Market Segmentation:** The research indicated that the effect of price on buying behaviour differed across consumer segments. Younger consumers and higher-income consumers were less price-sensitive and more sensitive to sustainability issues.
- **Other determinants of purchasing decisions:** Other determinants, like product quality, reputation of the brand, and convenience, ranked as stronger drivers in the purchasing decision process compared to price for buying sustainable products.

Suggestions

- **Consumer Education Focus:** Since price was not a determining element in purchasing sustainable products, the consumers need to be educated more on the environmental and personal benefits of sustainability over the long run. This would reinforce consumer sentiment towards sustainable products irrespective of cost.
- **Target Specific Market Segments:** Companies must coordinate their product and marketing strategy with various consumer segments by income level, environmental concern, and product preference. For instance, younger consumers or high-disposable-income consumers can afford to pay a premium for green products.
- **Improve Accessibility:** An effort has to be put in to bridge the cost difference between sustainable and unsustainable products. This can be achieved through improved efficiency in production, subsidization, or pro-policies that lower the cost of sustainable products for everyone.
- **Embed Sustainability in Brand Image:** Firms must embed sustainability in their brand image since, according to this study, the majority of consumers are willing to prioritize the environment before price. This promotes brand loyalty and pulls in a consumer base that cares about sustainable practices.
- **Future Study:** Although this study recorded no effect and thus adopted the null hypothesis, other independent factors or future study locations would involve investigating other independent factors or study locations geographically where price would have more influence. Lastly, studying social influence or external influences like government actions or economic downturn could be yet more enlightening regarding consumer preference

Conclusion

The study has thus noted the very important role played by price in environmentally sustainable product decisions by consumers, although not the only factor. While the extent of concern regarding price among most consumers for ecologically sustainable products is high, there are gigantic proportions of consumers willing to pay extra for environmentally sustainable products, which means that ecological sustainability and values are of greater concern than considerations among some consumer groups. Demographic considerations like income and age also impact price sensitivity and willingness to pay, with younger and richer consumers more willing to pay a premium for sustainable products.

The research also showed that price is not the only driver, with product quality, brand reputation, and convenience being more powerful drivers in the consumer's buying decision for most consumers. Therefore, it is important that businesses pay attention not just to price strategies but also to informing consumers about the long-term environmental and individual advantages of green products. Segmenting market areas, enhancing access, and integrating sustainability into brand image will further help accelerate the transition towards green products. This study leaves it open for the possibility of later studies to use other independent factors that affect purchases, including government policies, economic conditions, or social variables that can help find more information regarding consumer behaviour among various geographic environments.

References

1. Joshi, Y., & Rahman, Z. (2015). Factors affecting green purchase behaviour and future research directions. *International Strategic Management Review*, 3(1–2), 128–143. <https://doi.org/10.1016/j.ism.2015.04.001>
2. White, K., Habib, R., & Hardisty, D. J. (2019). How to SHIFT consumer behaviors to be more sustainable: A literature review and guiding framework. *Journal of Marketing*, 83(3), 22–49. <https://doi.org/10.1177/0022242919825649>

3. Leonidou, C. N., Katsikeas, C. S., & Morgan, N. A. (2013). "Greening" the marketing mix: Do greeners lead to greener? *International Journal of Business and Social Science*, 44(2), 158–174.
4. Nguyen, T. N., Lobo, A., & Greenland, S. (2017). The influence of cultural values on green purchase behaviour. *Marketing Intelligence & Planning*, 35(3), 377–396. <https://doi.org/10.1108/MIP-12-2015-0220>
5. Kumar, P. (2016). State of green marketing research over 25 years (1990–2014): Literature survey and classification. *Marketing Intelligence & Planning*, 34(1), 32–54. <https://doi.org/10.1108/MIP-03-2015-0061>
6. Liobikienė, G., Mandravickaitė, J., & Bernatoniienė, J. (2016). Theory of planned behavior approach to understand the green purchasing behavior in the EU: A cross-cultural study. *Ecological Economics*, 125, 38–46. <https://doi.org/10.1016/j.ecolecon.2016.02.008>.

