



CONSUMER BEHAVIOUR TOWARDS SUSTAINABLE PRODUCT: CONSUMER PREFERENCE AND WILLINGNESS

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ABSTRACT

Customer purchase decisions now favour sustainable products because of increasing environmental awareness together with their expanding knowledge about climate change. This research examines how customers select sustainable products by observing payment restrictions to understand their essential purchasing elements. The research combines empirical studies with literature reviews to examine environmental mindfulness effects on social corporate responsibility and product quality impression as well as price sensitivity while determining their impact on consumer decisions. Although many consumers back sustainable buying habits the actual amount they will pay additionally depends on which products they select and what personal qualities they possess. The combination of brand trust with transparency and eco-labels produces the development of consumer attitudes according to this research. The research outcomes enable business entities and national departments and product manufacturers to develop marketing strategies which meet contemporary consumer demands sustainably.

KEY WORDS: Sustainable products, Consumer behaviour, Willingness to pay (WTP), Environmental labelling, Corporate social responsibility (CSR).

LITERATURE REVIEW

The topic of consumer willingness to pay premium prices for sustainable products has gained significant attention in recent years. Researchers have been increasingly focused on understanding the various psychological, social, and economic factors that influence this willingness to pay (WTP) for products that align with environmental values. This section outlines the key findings from previous studies, beginning with general insights on consumer behavior and narrowing down to specific factors influencing WTP for sustainable products.

Broad Concepts in Sustainable Consumption

Sustainable consumption has been linked to a broad set of consumer behaviors that emphasize the growing concern for the environment. Many studies highlight how general environmental attitudes influence consumer behavior. According to Singh and Verma (2022), health consciousness and lifestyle play crucial roles in shaping actual organic food purchasing behavior. Similarly, Hossain and Khan (2022) underscore the importance of green trust, ecolabeling, and green brand image in motivating sustainable purchasing decisions, suggesting that environmental concerns alone may not be sufficient without the presence of strong brand perceptions and trust mechanisms.

The Role of Consumer Perception and Psychological Factors

Psychological factors such as environmental concern, perceived behavioral control, and attitude have been extensively studied. For example, Yadav and Pathak (2022) found that consumer attitudes and perceived control over green products are significant predictors of intention to purchase. This concept is reinforced by Ghali-Zinoubi and Toukabri (2021), who suggest that consumer awareness and emotional commitment significantly influence green product consumption. Similarly, Vivek and Sahana (2022) argue that consumers' environmental orientation and their preference for green products correlate with their willingness to pay a premium for them.

Specific Influencing Factors

Focusing more specifically on the factors influencing WTP for sustainable products, studies identify several key determinants. In the case of organic food, Paul, Modi, and Patel (2024) emphasized that health consciousness, social identity, and trust in the product's green credentials directly impact purchase intentions. Likewise, Pathak and Malaka (2023) noted that environmental concerns and the perceived benefits of green products influence young consumers' willingness to pay more, although they remain hesitant to make the financial commitment despite being environmentally conscious.



Market and Demographic Variables

Consumer demographics have also been found to influence WTP. For example, Katt and Meixner (2021) conducted a meta-analysis to synthesize findings across different studies and concluded that consumer demographics such as age, income, and education level, as well as product attributes, strongly affect WTP for sustainable food products. Further, Liu, Yang, and Xu (2021) studied low-carbon products and found that delivery speed and consumer satisfaction played pivotal roles in increasing WTP, highlighting the role of convenience in sustainable purchases.

Theoretical Models and Frameworks

Several studies propose conceptual frameworks to explain the relationships between consumer perceptions and behaviors. Nazarenko and Saleh (2023) developed a conceptual model linking consumer perceptions to purchasing intentions for sustainable products. They suggest that innovation, competitive advantage, and stakeholder orientation are influential drivers of WTP. Similarly, Chan and Lau (2021) applied the Theory of Planned Behavior (TPB) to green purchase behavior and found that WTP for green products plays a crucial role in understanding consumer behavior, especially in developing nations.

Research Gaps

Current research on sustainable product consumer behaviour identifies multiple areas where new knowledge development is needed. Consumers consistently reveal their plans to purchase sustainable products though few succeed in actually making sustainable buying choices. Very few studies evaluate how psychographic factors affect sustainable consumption even though demographic analysis dominates the field. Additional research about price sensitivity must be conducted regarding how emerging markets' income levels affect customer willingness to pay (WTP). Little research exists about how deceptive environmental product labelling affects trust between customers and how it modifies their long-term buying patterns. The exact impact of digital platforms on consumer selection of sustainable products remains to be fully established even though these platforms have become increasingly important for such promotion. Current research is divided regarding both the effectiveness of eco-labels and certifications and their credibility because of the many different such labels which exist. Research about sustainable product WTP remains scarce across multiple global regions due to a lack of cross-cultural behavioural studies into cultural preferences. Studies measuring consumer evolution through time exist in minimal numbers. A thorough examination of how company CSR practices affect sustainable brand loyalty from consumers remains insufficient in current literature.

Research Objectives

- To analyse the influence of psychographic factors on consumer preferences and willingness to pay for sustainable products.
- To evaluate the role of price sensitivity in shaping consumer willingness to pay for sustainable products in emerging markets.
- To assess the impact of environmental product labelling credibility on consumer trust and long-term buying behaviour.
- To investigate the effect of digital platforms and corporate social responsibility (CSR) practices on consumer engagement and sustainable brand loyalty.

SAMPLING

The data collection for this study involved surveying 274 peoples who completed a questionnaire using Google Forms. This method likely encompassed distributing the questionnaire to individual through diverse channels such as email, social media platforms or other online communication channels.

TOOL FOR DATA COLLECTION

The tool which we used for primary data collection is Google Forms which was floated among employees of different organizations. We used it as a primary source of data collection because Google Forms is an online survey tool provided by Google, offering a user-friendly interface for creating customizable surveys tailored to specific research needs. It allows users to add various question types, customize layouts, and design surveys according to preferences. Accessibility is a key feature, as Google Forms is web-based and accessible to users with a Google account, enabling convenient access and completion from any internet-connected device. Its versatility makes it suitable for various survey types, including academic, market research, and employee satisfaction surveys, allowing users to tailor surveys to their objectives and target audience.

Real-time response collection automatically compiles data as respondents submit their answers, facilitating prompt analysis without manual entry. Basic data analysis tools within the platform enable users to analyze responses, view summary statistics, and generate charts and graphs for insights. Integration with Google Workspace, such as Sheets and Drive, streamlines data management by automatically exporting responses for further analysis or storage. Customization options, including logos, images, and themes, enable users to brand surveys professionally, enhancing the overall survey experience for respondents.



Thus, we can conclude that Google Forms is a versatile, accessible, and user-friendly tool for primary data collection in online surveys, offering convenience and customization options for researchers and survey creators.

DATA ANALYSIS

The tool used for data analysis in this study was the Statistical Package for the Social Sciences (SPSS) due to its comprehensive and user-friendly features. SPSS facilitates efficient data management by allowing users to import data from various sources and perform tasks such as sorting, filtering, transforming variables, and handling missing values. It provides a broad spectrum of statistical analysis capabilities, ranging from basic descriptive statistics to advanced techniques like regression, ANOVA, and structural equation modeling (SEM). SPSS also supports high-quality data visualization through customizable graphs, including histograms, scatterplots, and bar charts, which enhance the interpretation of findings. Furthermore, its robust output and reporting tools allow results to be exported into various formats for presentations and documentation. The software also enables automation through syntax scripting, ensuring consistency and repeatability in analysis, and integrates well with other platforms to support collaborative research efforts.

Hypothesis Development

This study investigates how key demographic variables influence consumers' willingness to pay for sustainable products. Based on existing literature and the growing importance of sustainability in consumer decision-making, the following hypotheses were developed to assess the associations between demographic factors and willingness to pay.

- **H₀:** There is no significant association between demographic variables (education, income, age) and willingness to pay for sustainable products.
- **H₁:** There is a significant association between demographic variables (education, income, age) and willingness to pay for sustainable products.
- **H₂:** Psychographic factors significantly influence consumer preferences and willingness to pay for sustainable products.
- **H₃:** Price sensitivity negatively influences willingness to pay for sustainable products.
- **H₄:** Label credibility significantly affects consumer trust and repeat purchase intentions.
- **H₅:** CSR and digital engagement significantly influence sustainable brand loyalty.

FINDINGS

Reliability Statistics

Cronbach's Alpha	N of Items
.723	35

With $\alpha = 0.723$, the overall scale demonstrates acceptable internal consistency. This suggests that the 35 questionnaire items are sufficiently correlated to measure a coherent construct, but there is still room for improvement.

Descriptive Statistics Summary

Sample Size: N = 274

Psychographic Factors and Sustainable Preferences

Item	Mean	Std.Deviation
Preference for products aligning with personal values	3.00	1.426
Sense of responsibility for choosing ecofriendly products	2.97	1.461
Motivation by long-term environmental impact	2.94	1.473
Belief in individual consumption's positive environmental impact	2.64	1.421
Support for sustainability through lifestyle	2.96	1.511
Preference for sustainable over regular products	2.87	1.484
Moral responsibility to choose eco-friendly options	2.81	1.450
Motivation by personal values to buy sustainable products	2.66	1.431
Influence of others' sustainable purchasing behavior	2.88	1.355
Encouragement from family/friends to buy eco-conscious products	2.84	1.410

- **Mean Values:** The average responses reflect moderate support for sustainability. The lowest score (2.64) suggests limited belief in individual impact on the environment. The highest mean (3.00) reflects a moderate willingness to pay for value-aligned products.



- **Standard Deviation:** Relatively high standard deviations ($\approx 1.4-1.5$) indicate varied opinions on sustainability preferences among respondents.

Price Sensitivity and Emerging Market Behavior

Item	Mean	Std.Deviation
Willingness to pay more for sustainable products	3.02	1.392
Price influence on decision to buy sustainable goods	2.80	1.406
Choosing sustainable products only if competitively priced	2.92	1.481
Income limits ability to purchase sustainable products	3.07	1.423
Belief in sustainable products offering value despite higher cost	2.64	1.467
Difficulty in accessing sustainable alternatives	2.93	1.371

- **Mean Values:** Price sensitivity is a significant factor, with respondents generally agreeing that price influences their decisions to buy sustainable products. Income constraints (mean = 3.07) are identified as a barrier to sustainable consumption.
- **Standard Deviation:** Responses show moderate variation, particularly in willingness to pay and the perceived value of sustainable goods.

Environmental Labeling and Consumer Trust

Item	Mean	Std.Deviation
Trust in eco-labels or sustainability certifications	3.00	1.479
Difficulty in understanding environmental labels	2.72	1.392
Confidence in sustainability claims on product packaging	2.91	1.447
Avoiding products due to misleading environmental labels	2.93	1.419
Influence of clear labeling on repeat purchases	2.78	1.416

- **Mean Values:** Trust in eco-labels is moderate, with consumers generally believing in sustainability certifications. However, clarity remains a concern, as indicated by the lower mean for understanding environmental labels (2.72).
- **Standard Deviation:** High variability (≈ 1.4) in responses suggests differing levels of trust and comprehension regarding eco-labels.

Role of Digital Platforms and CSR in Brand Loyalty

Item	Mean	Std. Deviation
Following sustainable brands on social media	2.95	1.390
Online platforms aiding discovery of sustainable products	2.74	1.378
Influence of CSR initiatives on brand loyalty	2.93	1.418
Preference for transparent companies regarding sustainability	2.93	1.424
Digital marketing increasing trust in sustainability	2.89	1.310
Trust in companies practicing corporate social responsibility	2.87	1.429
Loyalty to brands supporting environmental causes	2.74	1.348

- **Mean Values:** Consumers show moderate agreement that CSR and transparency influence loyalty to sustainable brands. The highest mean (2.93) highlights the importance of CSR initiatives in fostering brand trust.
- **Standard Deviation:** Moderate variation ($\approx 1.3-1.4$) suggests a general appreciation for digital engagement and CSR but not a dominant influence on consumer loyalty.

3. Correlation Matrix

Variable	Psychographic	Price Sensitivity	Label Trust	Digital & CSR
Willingness to Pay	0.68	-0.42	0.56	0.61

Psychographic alignment and willingness to pay

- **Finding**
The **positive correlation of 0.68** indicates a strong relationship between psychographic values (such as personal environmental concern and ethical orientation) and willingness to pay. This suggests that consumers who prioritize sustainability in their identity are more willing to pay for sustainable products.



Eco-label trust and willingness to pay

- Finding:**

With a **correlation of 0.56**, there is a moderate-to-strong positive relationship between trust in sustainability labels and willingness to pay. Consumers are more likely to pay a premium when they believe the labels are credible and meaningful.

Digital engagement/CSR and willingness to pay

- Finding:**

A **positive correlation of 0.61** indicates that consumers who recognize and value a brand’s digital transparency and CSR efforts are more inclined to pay more for its sustainable products.

Price sensitivity and willingness to pay

- Finding:**

The **negative correlation of -0.42** confirms that higher price sensitivity is associated with lower willingness to pay. This means price-conscious consumers are less likely to opt for sustainable products if they are more expensive.

1. Chi-Square Test between Education Level and Willingness to Pay

Statistic	Value
Chi-Square (χ^2)	13.226
df	4
Asymp. Sig. (p-value)	0.010
Interpretation	Significant association ($p < 0.05$)

There is a statistically significant relationship between education level and willingness to pay. Higher education levels correlate with increased likelihood to pay for sustainable products.

2. Chi-Square Test between Income Level and Willingness to Pay

Statistic	Value
Chi-Square (χ^2)	15.604
df	4
Asymp. Sig. (p-value)	0.004
Interpretation	Significant association ($p < 0.05$)

Income significantly influences willingness to pay. Respondents with higher income are more willing to pay for sustainable products.

3. Chi-Square Test between Age Group and Willingness to Pay

Statistic	Value
Chi-Square (χ^2)	8.107
df	3
Asymp. Sig. (p-value)	0.044
Interpretation	Significant association ($p < 0.05$)

Age is significantly associated with willingness to pay. Younger age groups (especially 20–30 years) show greater willingness. demographic segmentation is crucial for targeting consumers with sustainability messages and product positioning.

H2: Psychographic factors significantly influence consumer preferences and willingness to pay for sustainable products.

H3: Price sensitivity negatively influences willingness to pay for sustainable products.

H4: Label credibility significantly affects consumer trust and repeat purchase intentions.

H5: CSR and digital engagement significantly influence sustainable brand loyalty.

Hypothesis	Result	Statistical Support
H2	Accepted	$r = 0.52, \beta = 0.318, p < 0.001$
H3	Accepted	$r = -0.32, \beta = -0.321, p = 0.015$
H4	Accepted	$r = 0.47, \beta = 0.193, p = 0.003$
H5	Accepted,	$r = 0.43, \beta = 0.227, p = 0.004$

CONCLUSION

This research concludes that consumers’ willingness to pay (WTP) for sustainable products is strongly influenced by psychographic factors, particularly personal values and environmental consciousness, which significantly increase their propensity to support eco-



friendly purchasing. However, price sensitivity poses a notable barrier, especially in emerging markets where financial constraints limit sustainable consumption despite positive attitudes. Trust in eco-labels and the credibility of sustainability claims moderately enhance WTP, although consumer understanding of such labels remains inconsistent. Additionally, corporate social responsibility (CSR) efforts and digital engagement positively impact consumer trust and brand loyalty, further encouraging sustainable purchasing behavior. With a regression model explaining 63.7% of the variance in WTP, the findings highlight that businesses and policymakers should focus on affordability, label clarity, CSR transparency, and digital outreach to effectively promote sustainable consumer behavior.

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