

Sustainability in Branding: A Real Consumer Concern or Just Good Marketing?

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Abstract

Sustainability is a growing focus for brands, but does it influence consumer decisions? This research investigates whether consumers consider a brand's sustainability efforts when making purchases or if factors like price, convenience, and brand perception play a bigger role. To explore this, we use secondary research to analyse how sustainability messaging affects consumer behaviour across both large, established brands and smaller businesses. Do consumers expect more from big brands while being more lenient with small businesses? Do sustainability claims drive loyalty or merely create a positive brand image? Alongside this, our primary research directly engages with consumers to understand their real purchasing motivations. Do they actively seek out sustainable brands, or is sustainability just an added benefit rather than a deciding factor? By gathering both qualitative and quantitative insights, this study aims to determine whether sustainability as a brand purpose truly matters to consumers or if it is primarily a strategic marketing tool.

Keywords: Sustainability, Consumer Behaviour, Brand Purpose, Small Businesses, Large Brands, Eco-Conscious Marketing, Ethical Consumerism, Green Marketing, Sustainable Consumerism, Corporate Social Responsibility

Objectives:

1. To analyse the influence of sustainability on consumer purchasing decisions.
2. To compare consumer expectations of sustainability efforts between large brands and small businesses.
3. To evaluate whether sustainability drives brand loyalty or simply enhances brand image.
4. To understand whether sustainability is a key decision-making factor or a secondary benefit for consumers.
5. To explore generational differences in how sustainability impacts purchasing behavior.
6. To identify the role of transparency and authenticity in shaping consumer trust regarding sustainability claims.

1. Introduction

Sustainability has become a buzzword in modern marketing. With climate change concerns rising and consumers becoming more aware of their environmental impact, many brands now highlight their sustainability efforts. But does this actually influence consumer decisions, or is it just another marketing tactic?

Over the past decade, consumer awareness surrounding environmental and social issues has increased. As a result, many companies are adopting more sustainable practices and promoting these efforts in their branding. While some brands genuinely aim to make a positive impact, others engage in "greenwashing"—a practice where companies exaggerate or falsely claim environmental benefits. This dual reality prompts an important question: Do consumers really care about sustainability, or do other factors like price and convenience carry greater weight?

Brands are not only motivated by consumer demand but also by increasing regulatory pressures and the need to future-proof their businesses against environmental risks. Sustainability as a business strategy can provide long-term benefits, including cost savings and enhanced brand equity. However, there is a fine balance between genuine commitment and using sustainability as a marketing gimmick. This paper aims to explore whether consumers are aware of these distinctions and whether sustainability efforts truly shape their purchasing behaviours.

This research aims to uncover whether consumers prioritize sustainability when making purchasing decisions. We explore how consumers react to sustainability messaging from both large corporations and small businesses. Do they hold big brands to a higher standard? Are they more forgiving of smaller brands? And most importantly, does sustainability drive actual loyalty, or is it merely a 'feel-good' factor?

2. Literature Review

Consumer Preferences vs. Actual Buying Behaviour

Research shows that while people often say they prefer sustainable brands, their actual purchasing decisions tell a different story. A 2021 Nielsen study found that 73% of consumers globally claim they are willing to change their habits to reduce environmental impact. However, when it comes to making a purchase, only about 26% consistently choose sustainable products, especially if they cost more than conventional alternatives. This shows that while sustainability is important to many, it is often not the top priority when making a buying decision. Price, convenience, and brand familiarity tend to carry more weight in influencing consumer behavior.

The Scrutiny Faced by Large Brands vs. Small Businesses

Larger companies that invest in sustainability often face more public scrutiny. A 2022 report by McKinsey suggests that big brands like Unilever and Coca-Cola are expected to take greater responsibility for environmental impact. Consumers and activists tend to hold large corporations accountable for their sustainability claims, and any discrepancy between what they promise and what they deliver can result in reputational damage.

On the other hand, small businesses often have an advantage when it comes to sustainability branding. Consumers perceive smaller companies as more ethical and community-oriented. For example,

businesses like Phool, which recycles floral waste to make eco-friendly products, or Ecokaari, which upcycles plastic waste into handmade fashion accessories, have built a loyal customer base by focusing on sustainability in a way that feels authentic and mission-driven.

The "Attitude-Behavior Gap" in Sustainable Consumerism

A study published by Harvard Business Review (White et al., 2019) highlights the well-known "attitude-behavior gap." This refers to the disconnect between what people say they care about and how they actually behave. Many consumers express concern about the environment and claim they want to support sustainable brands. However, factors like affordability, product quality, and availability often take precedence over sustainability when it's time to buy.

For example, a 2023 Deloitte survey found that younger generations, especially Millennials and Gen Z, are more likely to support brands that prioritize sustainability. However, older generations still focus more on value for money rather than eco-friendly credentials. This generational divide suggests that while sustainability is gaining traction, it has not yet become the most influential factor in consumer decision-making across all age groups.

Trust and Transparency: The Key to Gaining Consumer Support

Sustainability claims alone are not enough to convince consumers. The 2022 Edelman Trust Barometer report found that consumers are more likely to trust and engage with brands that provide clear, transparent, and measurable sustainability results. If companies make vague or exaggerated claims without providing evidence, they risk losing credibility.

For example, brands like Patagonia have successfully built trust through transparent communication about their environmental efforts. They openly discuss their challenges and progress, which makes consumers believe in their commitment to sustainability. On the other hand, companies that engage in "greenwashing"—a deceptive practice where businesses exaggerate or falsely claim sustainability efforts—often face backlash. When a brand is caught making misleading claims, it can lose customer trust and loyalty, which is difficult to regain.

The Psychological Aspect of Sustainable Buying Choices

Another interesting factor influencing sustainable consumerism is psychology. Research suggests that people are more likely to choose sustainable products when they see a direct benefit for themselves. According to a study by Grimmer & Woolley (2014), consumers are more inclined to purchase eco-friendly products if they believe it will improve their own health or product quality. This means that companies promoting sustainability should also highlight practical benefits that matter to consumers.

For instance, many organic food brands market their products by emphasizing health benefits rather than just focusing on environmental impact. Similarly, companies selling eco-friendly cleaning products highlight their safety for children and pets, making the sustainability aspect a secondary but important selling point.

3. Methodology

We adopted a mixed-method approach, combining secondary research with primary data collection:

1. **Secondary Research:** Analyzed reports, case studies, and academic papers on sustainability in branding.
2. **Primary Research:** Conducted surveys and interviews with 150 respondents across age groups and socioeconomic backgrounds to understand real purchasing motivations.

Survey questions focused on:

- Do you actively seek sustainable brands?
- How much does sustainability influence your purchase decision?
- Are you more likely to trust a large brand or a small business when they make sustainability claims?
- Does sustainability increase your loyalty to a brand?
- What other factors—such as price or convenience—is more important than sustainability?
- How do you verify whether a brand’s sustainability claims are genuine?
- Would you pay extra for a product if you knew it was made in an eco-friendly way?
- Do you prefer brands that talk about sustainability openly on social media?
- Have you ever stopped buying from a brand because you found out they were harming the environment?
- When choosing between two similar products, does sustainable packaging make a difference in your choice?
- Do you think big brands or small businesses do a better job at being eco-friendly? Why?

The combination of qualitative and quantitative insights provided a comprehensive understanding of how sustainability fits into consumer decision-making.

Survey Analysis and Insights

Survey Sample:

150 respondents from different age groups and socioeconomic backgrounds.

Key Survey Findings:

Question	Findings
Do you actively seek sustainable brands?	52% said yes, but only 28% make sustainability a top priority.

How much does sustainability influence your purchase?	37% said it's a secondary factor; 21% said it's a deciding factor.
Are you more likely to trust a large or small business on sustainability?	68% trust small businesses more than large corporations.
Does sustainability increase brand loyalty?	42% said yes, but price and convenience still play a bigger role.
Would you pay extra for eco-friendly products?	41% are willing to pay a premium, but 59% prioritize affordability.
Have you ever stopped buying from a brand due to environmental harm?	46% said yes, showing that sustainability concerns can impact brand loyalty.
Does sustainable packaging affect your purchase choice?	57% said yes, especially in younger demographics.

4. Key Findings from the Research Paper

1. General Consumer Attitudes Toward Sustainability

While consumers express interest in sustainability, actual purchasing behavior does not always align with their stated preferences (attitude-behavior gap).

A 2021 Nielsen study found that 73% of global consumers claim to support sustainable brands, but only 26% consistently purchase eco-friendly products, especially when cost is a factor.

Price, convenience, and brand familiarity are still dominant factors influencing purchase decisions over sustainability.

2. Large Brands vs. Small Businesses

Large brands like Unilever and Coca-Cola face more public scrutiny over their sustainability claims. Consumers expect them to have a larger impact but also hold them accountable for any greenwashing (exaggerated or misleading sustainability claims).

Small businesses are perceived as more authentic and ethical when they promote sustainability. Examples include Phool (recycling floral waste) and Ecokaari (upcycling plastic waste), which have built strong consumer trust.

Consumers tend to be more forgiving of small businesses compared to large corporations when sustainability efforts fall short.

3. Consumer Generational Trends

Millennials and Gen Z are more likely to support sustainable brands than older generations. Older consumers still prioritize value for money over eco-friendliness.

A 2023 Deloitte survey showed that younger generations are driving sustainable consumerism, but it hasn't yet become the top decision-making factor across all demographics.

4. Trust and Transparency Matter

Sustainability claims must be backed by clear and measurable evidence to gain consumer trust. Brands

like Patagonia succeed by openly sharing their sustainability challenges and progress. Consumers are increasingly rejecting greenwashing; misleading sustainability claims can damage brand reputation and trust.

5. Key Psychological Factors in Sustainable Buying Decisions

Consumers are more likely to choose sustainable products when they see personal benefits, such as better quality or health advantages.

Organic food brands and eco-friendly cleaning products successfully market sustainability alongside direct personal benefits (e.g., safer for health, pets, and children).

Key Takeaways and Recommendations for Brands:

- Consumers care about sustainability, but price and convenience often outweigh eco-conscious decisions.
- Younger generations (Millennials and Gen Z) are leading the shift toward sustainable purchasing.
- Small businesses are perceived as more genuine in their sustainability efforts than large brands.
- Transparency is crucial—brands must back up sustainability claims with real data to gain consumer trust.
- Marketing sustainability should include personal benefits (e.g., health, safety, and quality), not just environmental impact.
- Sustainable packaging plays a growing role in consumer decisions, especially among younger buyers.

Conclusion:

The findings of this research suggest that while sustainability is an important factor for many consumers, it is not always the driving force behind their buying decisions. Many people say they prefer sustainable brands, but factors like price, convenience, and brand trust often take priority when making a purchase. This highlights the gap between what consumers say they value and how they actually behave.

One key takeaway is that small businesses are generally trusted more when it comes to sustainability, as they are seen as more ethical and community-focused. In contrast, large corporations face greater scrutiny, with consumers expecting them to prove their commitment to sustainability. If brands fail to back up their claims with real actions, they risk losing customer trust.

The study also shows that sustainability can increase brand loyalty, but only if companies communicate their efforts in a transparent and relatable way. People are more likely to support eco-friendly brands if they see direct benefits, such as better product quality or health advantages.

Additionally, packaging plays a major role in purchasing decisions, with many consumers preferring brands that use sustainable materials. However, cost remains a barrier, as not everyone is willing to pay extra for eco-friendly products.

Sustainability in branding is a mix of real consumer concern and smart marketing. While companies must genuinely commit to environmental responsibility, they also need to present their sustainability efforts in a way that connects with consumer needs. Transparency, affordability, and personal benefits

are key to closing the gap between intention and action. If brands can balance these factors, sustainability can be both a powerful marketing tool and a meaningful step toward a greener future.

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