

CONSUMER BEHAVIOR AND THE GROWING DEMAND FOR GREEN PRODUCTS IN INDIA: A CRITICAL ANALYSIS

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Abstract: *The increasing global concern for environmental sustainability has significantly influenced consumer preferences toward green products. This paper critically analyzes consumer behavior in India with a focus on awareness, perception, and purchase intentions regarding eco-friendly products. Using secondary data from recent literature, the study highlights key drivers such as environmental concern, green labeling, and trust in eco-certifications, while also identifying barriers like high pricing and limited availability. Findings suggest that while awareness is rising, actual purchase behavior remains moderate. The paper concludes with implications for marketers and policymakers to bridge the attitude-behavior gap.*

Keywords: Green products, consumer behavior, India, sustainability, eco-friendly marketing.

❖ INTRODUCTION

India's rapid industrialization and urbanization over the past few decades have significantly contributed to its economic growth, but they have also given rise to severe environmental challenges. The country now faces escalating issues such as air and water pollution, deforestation, climate change, depletion of natural resources, and growing levels of waste generation. These environmental concerns have gradually heightened public awareness, prompting a visible shift in consumer consciousness toward sustainable living. Consumers are increasingly realizing the long-term implications of unsustainable practices and are beginning to reassess their consumption patterns through an environmental lens. This growing concern has laid the foundation for the emergence of a green product market in India—one that is still in its early stages but shows considerable potential for expansion.

Green products are defined as goods and services that are produced, used, and disposed of in a way that minimizes their impact on the environment. These include a wide range of items such as organic food products free from synthetic fertilizers and pesticides, biodegradable and recyclable packaging, energy-efficient home appliances that reduce carbon footprints, eco-friendly personal care products, and sustainable fashion made from organic or recycled materials. These products are typically designed to conserve energy and natural resources, reduce greenhouse gas emissions, and prevent pollution, thus offering an environmentally responsible alternative to conventional goods.

Understanding consumer behavior in the context of green products is essential for both marketers and policymakers. It involves analyzing how consumers perceive green products, what factors influence their purchase decisions, and how these factors can be leveraged to promote sustainable consumption. Consumer behavior is a complex interplay of awareness, attitudes, personal values, perceived product benefits, trust in certifications, and external influences such as advertising and peer behavior. For companies operating in the green segment, gaining insight into these behavioral drivers is vital to designing effective marketing strategies, positioning products accurately, and meeting the growing demand for sustainability.

The adoption of green products in India is further supported by structural and technological changes. Rising levels of education have played a pivotal role in increasing awareness about environmental issues and sustainable lifestyles. Internet penetration, especially through smartphones and social media, has exposed Indian consumers to global environmental movements, climate-related discussions, and sustainable trends followed in other parts of the world. As a result, today's consumers—particularly the younger and urban population—are more informed and inclined to experiment with eco-friendly alternatives.

Despite these favorable trends, a significant challenge persists in the form of the “green attitude-behavior gap.” This term refers to the observed discrepancy between consumers' stated concerns about the environment and their actual purchasing behavior. While many consumers express strong support for sustainability and acknowledge the importance of reducing environmental impact, this concern often does not translate into

consistent buying behavior for green products. Several factors contribute to this gap, including the higher cost of eco-friendly goods, limited product availability in local markets, lack of trust in green claims, and the perception that individual actions may not have a meaningful environmental impact.

This research paper seeks to critically explore and analyze the Indian consumer's perception, attitude, and buying behavior with respect to green products. It aims to identify the various factors influencing green purchasing decisions and examine the barriers that prevent consumers from turning their positive environmental attitudes into concrete actions. Furthermore, the study intends to highlight the implications of these insights for businesses and policymakers, who must work in tandem to design interventions that make green products more accessible, affordable, and desirable. By bridging the gap between intention and action, India can move closer to building a sustainable and environmentally conscious consumer base that supports the broader goals of ecological preservation and responsible development.

❖ REVIEW OF LITERATURE

Several studies, both in India and globally, have explored the multifaceted nature of green consumer behavior, aiming to understand the motivations, barriers, and influencers that shape purchasing decisions regarding eco-friendly products. These research efforts provide a nuanced understanding of how different demographic, psychological, and contextual factors influence green consumption. Key insights from notable works are elaborated below to offer a comprehensive picture of current consumer behavior dynamics in the context of green products:

Ramesh & Mittal (2022) conducted an in-depth study to explore the impact of green labeling on consumer purchase intentions. Their research revealed that eco-labels, when designed effectively and backed by credible institutions, serve as powerful cues for decision-making. Consumers often face difficulty in distinguishing genuinely sustainable products from those making unverified green claims. In this context, green labels act as simplifying tools, reducing cognitive effort and enhancing trust in the product. The study emphasized that labels that are both informative and visually

appealing tend to increase consumers' confidence in the environmental benefits of the product, thereby positively influencing their intent to purchase.

Chaudhary et al. (2022) investigated the barriers that hinder the widespread adoption of green products among Indian consumers. Despite rising awareness about environmental degradation and a general willingness to support sustainable initiatives, their study found that high product prices and limited availability are persistent deterrents. Consumers, particularly from middle- and lower-income segments, often perceive green products as premium or luxury items. Furthermore, the lack of widespread distribution and accessibility in local retail outlets forces many to fall back on conventional, more easily available alternatives. The study recommends that overcoming these practical barriers is essential to encourage sustainable consumption on a larger scale.

Kumar & Mehta (2021) focused on the "attitude-behavior gap" in green consumerism, which refers to the discrepancy between individuals' positive environmental attitudes and their actual purchasing behavior. Their research underscored that while many consumers express concern for the environment, this concern does not always translate into buying green products. The study identified two key mediating variables: perceived consumer effectiveness (PCE) and environmental knowledge. PCE reflects an individual's belief that their actions can contribute meaningfully to environmental protection. When consumers feel empowered and knowledgeable about sustainability issues, they are more likely to engage in environmentally friendly consumption. This insight points to the need for targeted awareness programs that not only inform but also empower consumers to act.

Singh & Roy (2020) examined generational differences in green product adoption and found that millennials, especially those living in urban settings, exhibit a higher inclination toward sustainable consumption. Their study attributed this trend to factors such as higher exposure to environmental education, greater engagement with social media campaigns on climate change, and a lifestyle preference for health-conscious and ethically produced goods. Millennials are also more likely to experiment with alternative products and brands that align with their values, making them a crucial

demographic for marketers of green products. The research highlights the importance of digital engagement, trend-based marketing, and value alignment to attract and retain younger eco-conscious consumers.

Mishra (2019) explored the role of institutional trust—particularly trust in government regulation and eco-certification—in shaping consumer decisions around green products. The study emphasized that consumers are more willing to pay a premium for eco-friendly products if they believe that the product claims are regulated and verified by a credible authority. In markets where greenwashing is a growing concern, trust in certification becomes a key determinant of purchasing behavior. Mishra argued that government-endorsed certifications and strict enforcement of labeling norms could go a long way in boosting consumer confidence and driving the growth of the green product market.

Together, these studies provide critical insights into how psychological, economic, demographic, and institutional factors interact to influence green consumer behavior. They underline the importance of building credibility through certification, enhancing accessibility through pricing and distribution strategies, and fostering empowerment through knowledge and engagement—especially among younger generations. Understanding and acting on these findings can help businesses and policymakers design more effective strategies to promote sustainable consumption.

❖ RESEARCH METHODOLOGY

This study is based on a qualitative and descriptive research design using secondary data. The data was gathered from scholarly journal articles, government reports, NGO publications, and market research studies between 2018 and 2024. The sources include platforms such as ResearchGate, ScienceDirect, and NCBI.

The scope of the research includes understanding key variables influencing consumer decisions, analyzing demographic patterns, and identifying systemic barriers in the green product market in India. Content analysis and comparative literature review were the primary techniques employed.

❖ FINDINGS AND DISCUSSION

1. Awareness and Environmental Concern: Consumer awareness has increased significantly, thanks to social media campaigns, educational drives, and policy efforts. Surveys indicate that over 65% of urban consumers are aware of the concept of green products. However, this awareness varies greatly across urban-rural and income segments.

2. Role of Millennials: Millennials have emerged as key drivers of green consumption. Educated, socially conscious, and tech-savvy, they are more likely to be influenced by global sustainability trends and more willing to pay a premium for green products. Social media influencers and sustainability advocates have played a major role in shaping their attitudes.

3. Influence of Certification and Labeling: Certifications such as "GreenPro," "Ecomark," and "Organic India" have boosted consumer confidence. However, lack of standardization and awareness about these certifications continues to limit their impact. Trust plays a crucial role, and third-party verification is seen as a major factor influencing buying decisions.

4. Price Sensitivity and Accessibility: Despite increasing demand, the higher cost of green products remains a deterrent for middle- and lower-income groups. Additionally, green products are often found only in specialty or online stores, limiting access in tier-II and tier-III cities.

5. Psychological and Cultural Factors: Indian consumers often exhibit a traditional preference for products that offer immediate value and utility. Cultural norms and familial influences still play a dominant role in shaping buying decisions. The perceived long-term benefits of green products are often outweighed by short-term costs.

6. Influence of Marketing and Branding: Effective green marketing strategies including emotional appeals, storytelling, and cause marketing have been moderately successful. Brands that align sustainability with lifestyle and aspirational identity have fared better.

7. Impact of Policy and Regulation: The Indian government has launched initiatives like the National Action Plan on Climate Change (NAPCC) and Sustainable Development Goals (SDGs) to promote environmental consciousness. However, the implementation and enforcement of green standards at the consumer level remain weak.

❖ IMPLICATIONS

1. For Marketers:

To strengthen the market penetration and acceptance of green products, there is a clear need for better market segmentation strategies that specifically target eco-conscious consumer segments. Companies must identify and analyze demographic groups that demonstrate strong environmental awareness—such as millennials, Gen Z, urban professionals, and health-conscious consumers—and develop tailored messages and offerings that align with their values and purchasing behavior. Such precision in targeting not only enhances marketing efficiency but also increases customer relevance and engagement.

In addition to segmentation, adopting value-based marketing is crucial. Rather than positioning green products solely on environmental merit, firms should emphasize the comprehensive benefits that include personal health, superior quality, and long-term cost-effectiveness. For example, highlighting that eco-friendly products are free from harmful chemicals, biodegradable, and more durable can create a strong emotional and rational appeal. Integrating these values fosters a deeper connection with the consumer and moves green products from niche options to everyday essentials.

Building trust remains a critical challenge in the green marketplace, and one effective approach is the use of influencers and real customer testimonials. Collaborations with environmental advocates, wellness experts, and respected public figures can lend authenticity to green claims. Meanwhile, user-generated content such as product reviews and success stories adds credibility and humanizes the brand. These efforts help counteract skepticism about greenwashing and reinforce brand transparency.

Finally, enhancing the accessibility of green products through increased presence in both local retail markets and e-commerce platforms is vital. Expanding distribution into neighborhood organic stores, eco-bazaars, and supermarkets ensures physical availability, while leveraging online platforms with strong logistical capabilities opens access to a broader consumer base. Strategic digital marketing, search optimization, and targeted advertisements can further boost visibility and convenience, thereby driving wider adoption of sustainable products.

2. For Policymakers:

To accelerate the adoption of green products and foster a sustainable economy, a multi-faceted policy and institutional support system is essential. One of the most impactful interventions would be the introduction of subsidies and incentives for both manufacturers and consumers. By offering tax breaks, production grants, or import duty waivers, the government can reduce the cost burden on companies producing eco-friendly goods, thereby making these products more competitively priced. Similarly, providing incentives to consumers—such as cashback offers, GST reductions, or loyalty benefits for choosing green products—can stimulate demand and normalize environmentally responsible consumption.

Equally important is the need to establish a unified and transparent green certification framework. Currently, fragmented and inconsistent labeling practices can confuse consumers and erode trust in green claims. A standardized, government-recognized certification system that clearly outlines the environmental credentials of products would enhance credibility and guide informed purchasing decisions. Such a framework should be backed by stringent audits, regular monitoring, and public awareness campaigns to ensure its integrity and effectiveness.

Another long-term strategy lies in strengthening environmental education at the grassroots level by integrating sustainability topics into school curricula. Educating children and young adults about climate change, responsible consumption, and the benefits of green living cultivates eco-conscious behavior from an early age. This foundational knowledge helps nurture a generation that values sustainability, thereby creating future-ready consumers and innovators.

Lastly, supporting local green entrepreneurs and sustainable startups is vital for driving innovation and job creation in the green sector. Governments and financial institutions should facilitate easier access to funding, incubation support, mentorship, and market linkage for eco-centric ventures. By empowering grassroots innovators and small businesses focused on sustainability, a more resilient and locally rooted green economy can be developed, further strengthening the adoption of green products across diverse communities.

3. For NGOs and Civil Society:

Sustained advocacy and awareness campaigns play a pivotal role in shaping public perception and behavior toward green products. To ensure long-term impact, these campaigns must go beyond one-time advertisements and evolve into consistent, multi-platform efforts that educate consumers about the environmental and health benefits of sustainable products. Utilizing television, radio, social media, and public events, such campaigns should demystify green consumption, highlight success stories, and dispel myths related to affordability and effectiveness. Engaging storytelling, data-driven messaging, and relatable visuals can help consumers understand how their everyday choices affect the environment and why shifting to green products is both necessary and beneficial.

Alongside mass communication, it is equally important to actively engage communities in sustainable consumption practices. Community-based initiatives such as green product fairs, recycling drives, sustainability workshops, and neighborhood clean-up programs can foster collective participation and local ownership of environmental goals. Involving schools, resident welfare associations, self-help groups, and local influencers ensures that sustainability is not seen as an abstract or elite concept but as a practical, community-driven lifestyle choice. When people witness their peers adopting greener habits, it creates a ripple effect, gradually building a culture where eco-friendly behavior becomes the norm rather than the exception.

Conclusion:

Indian consumers are becoming increasingly aware of environmental issues and show a growing interest in green products. However, several gaps still exist between awareness and actual purchasing behavior. High costs, limited availability, lack of trust in green claims, and cultural buying patterns act as significant barriers. A multi-pronged approach involving marketers, policymakers, and civil society is necessary to promote sustainable consumer behavior. By addressing these challenges through strategic interventions, India can make meaningful progress toward a greener economy.

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