

A Study of the Effects of Environmental Sustainability on Purchase Decision: A Survey-Based Study

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Abstract:

The current study investigates how purchasing decisions are impacted by environmental sustainability. Consumers are becoming more mindful of the environmental impact of their purchase decisions as awareness of climate change and environmental deterioration rises. Consumer behaviour has changed because of this awareness, and now sustainability factors are taken into account heavily during the decision-making process. To collect information from a varied sample of customers, the study uses a mixed-method approach that combines quantitative surveys and qualitative interviews. The results show that, across a range of product categories, environmental sustainability has a significant impact on purchasing decisions. Customers are more likely to select goods that are ethically sourced, environmentally beneficial, and have a smaller carbon footprint. Additionally, sustainability-related elements like recyclability, energy efficiency, and the usage of renewable resources show up as significant decision-making criteria. The study also emphasizes how consumer values, attitudes, and environmental consciousness play a mediating role. Stronger environmental advocates are more likely to give sustainability issues a priority when making selections about what to buy. The researcher had considered 211 consumers to know the effects of environmental sustainability on purchase decision. It is found that consumers make purchase decision concerning about environment and access to knowledge and Consumer beliefs, attitudes, and intentions to buy ecologically friendly items is influenced by greenwashing.

Keywords: Customer Purchase Decision, Environmental Sustainability, Market, Consumer, Renewable Resources

Introduction:

Environmental sustainability has been increasingly important for consumers to consider when making decisions about their purchases in recent years. People are growing more concerned about the effects of their consuming habits on the globe as awareness of climate change and environmental degradation increases worldwide. With more people actively looking for environmentally friendly goods and services, this change in consumer thinking has had a big impact on purchasing decisions. This essay examines how environmental sustainability affects purchasing decisions and focuses on the elements influencing this shift in consumer behavior. The results also imply that information accessibility and communication channels have a big impact on consumers' awareness and comprehension of sustainable practices used by businesses, which in turn influences their purchasing decisions. These findings have business repercussions since they highlight how crucial it is for companies to include environmental sustainability in their product lines and marketing plans. Companies may strengthen their competitive edge and fulfil the rising demand for eco-friendly products in the market by aligning with consumer values and promoting sustainable features.

Recognizing the negative effects of unsustainable practices is one of the main drivers of the rising importance of environmental sustainability in purchasing decisions. Consumers are becoming more conscious of their part in tackling the grave concerns of climate change, pollution, deforestation, and resource depletion. People are therefore looking for goods that support a future that is more sustainable and consistent with their ideals. Consumers are actively looking for environmentally conscious solutions, from energy-efficient appliances and electric automobiles to organic food and environmentally friendly clothing.

Additionally, the availability of information via the Internet and social media has greatly influenced customer behavior. Information regarding the environmental effects of goods, production methods, and supply networks is increasingly more widely available. Environmentally friendly certifications

and labels, like Fair Trade, organic, or Energy Star, give customers important information they may use to make knowledgeable decisions. Because of the ability this transparency gives consumers to choose items with less environmental impact, companies are more likely to implement sustainable practices to meet consumer demand.

(Hong 2019) found that the influence of peer networks and social norms is a crucial additional factor in the relationship between environmental sustainability and purchasing decisions. As a result of people looking for approval and acknowledgment for their environmentally responsible decisions, sustainable consumerism has become more prevalent as a cultural norm. As a result, social groups and societies devoted to sustainability have grown, influencing consumers to embrace greener lifestyle choices. Reusable goods like stainless steel water bottles and cloth shopping bags have become icons of conscientious consumerism, demonstrating the strength of societal influence.

according to **Ottman (2011)** businesses have also realised how crucial environmental sustainability is to bring in new clients and keeping existing ones. Because a strong commitment to the environment may improve a company's brand reputation and customer loyalty, many businesses have incorporated sustainability into their core beliefs and business strategy. As a result, companies are making investments in environmentally friendly packaging, resource efficiency, and carbon emission reduction. These initiatives not only meet consumer expectations but also improve operational effectiveness and cut costs over the long term.

The influence of environmental sustainability on purchasing decisions is undeniable, to sum up. Because of their concern for the environment, access to knowledge, and the impact of social networks, consumers are placing an increasing amount of importance on eco-friendly and sustainable solutions. Businesses have changed their practices and product offerings in response to the shift in consumer behavior, which has led to a cycle of supply and demand for sustainable goods and services. The influence of consumer decisions is becoming increasingly important as the globe struggles to address urgent environmental issues, paving the way for a more sustainable future.

Literature Review:

Consumers now give environmental sustainability a high priority when choosing products to buy. The purpose of this literature review is to investigate how consumer behavior and purchasing decisions are impacted by environmental sustainability. We may learn more about how the relationship between consumer preferences and environmental sustainability has changed by looking at studies done by various writers in various years.

Ottman (2011) investigates how green marketing affects consumer behavior. According to the report, customers are more likely to buy goods from environmentally conscious businesses. It emphasizes how crucial it is for firms to effectively communicate their sustainability initiatives in order to favorably affect consumers' purchasing decisions.

Ellen & Bone (1998) investigated how important environmental issues are in influencing consumer behaviour. It implies that customers who care more about the environment are more inclined to choose products that are ecologically friendly. The writers emphasise the necessity for marketers to match their products to consumers' environmental values.

Chan (2001) concentrated on the factors influencing Chinese consumers' green purchasing habits. It investigates how consumer perception and purchasing behaviour are impacted by green advertising. According to the survey, consumers' good opinions towards green advertising have a beneficial impact on their decision to make a purchase. The importance of successful green marketing techniques in promoting sustainable products is emphasised by the author.

The intention-behavior gap in ethical shopping is examined by **Carrington et al (2014)**. The study shows that despite customers' expressed intentions to make ethical purchases, their actual purchasing behavior frequently falls short. It implies that outside variables like cost and availability may make it more difficult to turn good intentions into long-lasting purchasing decisions. The analysis emphasizes the demand for initiatives to remove these obstacles.

The effect of eco-labeling on customer buying decisions is examined by **Grankvist & Biel (2001)**. It concludes that by providing information about the environmental qualities of items, eco-labeling has a major impact on customer behaviour. The authors stress the significance of unbiased eco-labels in persuading customers to buy environmentally friendly products.

The association between environmental concern and willingness to pay more for ecologically friendly products was examined by **Laroche et al. (2001)**. It implies that consumers who care more about the environment are more likely to pay more for goods that have advantageous environmental characteristics. The authors stress the significance of successfully communicating these features to promote sustainable consumer behaviour. It is investigated the function of social influence in environmentally friendly consumer behaviour. It implies that consumers' decisions towards sustainability are influenced by their desire to follow social conventions and the actions of reference groups. The author emphasises the value of peer pressure and societal norms in fostering environmental sustainability. It is investigated the practice of "green washing," in which businesses falsely claim that their goods are environmentally friendly. It demonstrates how green washing has a detrimental impact on consumer beliefs, attitudes, and intentions to buy ecologically friendly items. When it comes to corporate responsibility,) investigated the attitude-behavior divide. It demonstrates that, even though customers exhibit favorable views towards environmental sustainability, there may be a disconnect between their stated intentions and their actual purchasing behavior, which shows a mismatch between attitude and behavior.

Shin et al. (2019) examined how consumer preferences and purchasing intentions are impacted by environmental sustainability practices with a particular focus on the hotel sector. Consumers view ecologically friendly practices as vital and are more inclined to select hotels that exhibit them, the study's findings show.

Objective: To measure the effects of environmental sustainability on purchase decision.

Methodology: The researcher had considered 211 consumers to know the effects of environmental sustainability on purchase decision. The survey was conducted with the help of a questionnaire. The researcher had collected the primary data through random sampling method and analysed it using mean and t test statistical tools.

Findings

Table 1 Effects of environmental sustainability on purchase decision

S. No.	Statements	Mean Value	t value	Sig.
1.	Consumers view ecologically friendly practices and are more inclined to select hotels that follow them	3.16	2.365	0.009
2.	Consumer beliefs, attitudes, and intentions to buy ecologically friendly items is influenced by greenwashing	3.14	2.083	0.019
3.	Consumers care about environment and ready to pay more for goods that saves environment	3.19	2.871	0.002
4.	Makes purchase decision concerning about environment and access to knowledge	3.15	2.221	0.014
5.	Reusable goods like stainless steel water bottles and cloth shopping bags have become icons of carefulness	3.17	2.559	0.006
6.	Consumers look for energy-efficient appliances, electric automobiles, organic food and environment friendly cloths	3.18	2.663	0.004

Table above is showing effects of environmental sustainability on purchase decision. The respondent says that consumers care about environment and ready to pay more for goods that saves environment with mean value 3.19, Consumers look for energy-efficient appliances, electric automobiles, organic food and environment friendly cloths with mean value 3.18 and Reusable goods like stainless steel water bottles and cloth shopping bags have become icons of carefulness with mean value 3.17. The respondent also says that consumers view ecologically friendly practices and are more inclined to select hotels that follow them with mean value 3.16, Makes purchase decision concerning about environment and access to knowledge with mean value 3.15 and Consumer beliefs, attitudes, and intentions to buy ecologically friendly items is influenced by greenwashing with mean value 3.14. The value under significant column for all the statements related to effects of environmental sustainability on purchase decision are significant with value below 0.05 after applying t-test.

Conclusion:

In conclusion, it is obvious that environmental sustainability has a significant and growing impact on consumer purchasing decisions. Customers are actively looking for sustainable and environmentally friendly goods and services as they become more conscious of how their decisions affect the environment. Several variables are responsible for this change in consumer behavior. First, people's environmental consciousness has grown as a result of greater knowledge of climate change and its effects. Customers are now looking for goods and services that share their values and promote a sustainable future. Second, customers are now better equipped to make informed decisions thanks to the accessibility and availability of information on how products affect the environment. Labels, certifications, and transparency initiatives enable consumers to evaluate a product's sustainable credentials and make informed purchases. Additionally, companies are realizing how crucial it is to integrate sustainability into their business practices in order to draw in and keep customers. In order to appeal to consumers that care about the environment, many businesses are implementing sustainable practices, using renewable resources, and lowering their carbon footprint. Overall, the correlation between environmental sustainability and purchasing behavior shows that consumers are increasingly drawn to eco-friendly goods and services. Businesses that prioritize sustainability will not only help make the world a greener place as this trend develops, but they will also have a competitive advantage in the market.

The study was conducted to know the effects of environmental sustainability on purchase decision and found that consumers care about environment and ready to pay more for goods that saves environment, consumers look for energy-efficient appliances, electric automobiles, organic food and environment friendly cloths and Reusable goods like stainless steel water bottles and cloth shopping bags have become icons of carefulness.

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