

# A Study on the Influence of Sustainable Marketing Strategies on Consumer Behavior with Special Reference to Chennai & Chengalpattu (Rural Areas)

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## Abstract

*In recent decades, environmental awareness has significantly grown among the people of India. To protect future generations from pollution, many are turning to eco-friendly products and green marketing practices. Social media and sustainable marketing strategies have played a crucial role in educating consumers about products that are safe for the environment. Marketers recognize the importance of staying competitive, and as such, they're leveraging green marketing to attract and retain their customers. In cities like Chennai, residents have better access to the internet and are more engaged with social media platforms. This urban population tends to be more informed about eco-friendly products compared to those in rural areas. Therefore, it's also essential to examine how sustainable marketing practices impact rural consumers. The present study focuses on the sustainable marketing strategies on consumer purchasing decisions in Chennai as well as in the rural areas of the nearby district Chengalpattu. A structured questionnaire was used to collect the primary data, such as demographic information, assess levels of awareness, frequency of purchases, and identify key factors and obstacles that affect the adoption of sustainable products in these two distinct regions. Surprisingly, the findings reveal that consumers in Chennai and Chengalpattu are not completely aware of sustainable products.*

*Keywords: Environment, Eco-friendly, Leverage, Sustainability, Strategy*

## Introduction

Sustainability means “satisfying our own needs without compromising the ability of future generations to meet their own needs” by UN Brundtland report, 1987. This was reframed as “Triple Bottom Line” approach by John Elkington. Environmental, Social, Economic factors were considered as the Triple Bottom Line. Sustainability marketing means considering the social impact and the

environmental impact of a product or service of an organization. In the present scenario, Green marketing or Eco-friendly products or Sustainability marketing, is considered as a marketing strategy of the organizations. Creating new customers is important, but retaining existing ones for the future is equally crucial. Sustainability marketing encompasses more than just the environmental effects; it also takes into account the socio-economic factors that influence consumers. There is a common misconception that sustainability marketing solely refers to eco-friendly or organic products. In reality, sustainability marketing encompasses a broader range of practices, including the promotion of organic goods, support for a pollution-free environment, reusable packaging, sustainability training, consumer education, ethical sourcing, energy conservation, and the reduction of carbon emissions etc. Organizations should prioritize not only their profits but also the well-being of society and the environment.

### **Importance of Sustainability Marketing**

- ✓ Sustainable products provide long term-value, benefits, and positive social impact on the consumers.
- ✓ Organizations that honestly engaged in sustainable products can create brand value, and brand loyalty to their products also improves trustworthiness.
- ✓ Consumers who are deep climate activists will value the sustainable products and be ready to buy even at a higher price and refer others to buy.
- ✓ Creates awareness among the consumers and brings positive changes in their attitude towards their buying behavior.
- ✓ Helps to expand the business in the new markets and increases their profitability.
- ✓ Through sustainable marketing, companies reduce their greenhouse gas emissions and support ESG regulations.

### **Review of Literature**

**Pratap Chandra Mandal, The International Journal of Social Ecology and Sustainable Development in January 2022**, conducted research on **the promotion of sustainable marketing: strategies and initiatives**. He examined the literature of consumerism, environmentalism, and the promotion of sustainable marketing. The study further explores the responsibilities businesses have toward the environment and the initiatives undertaken by various companies. Employing a qualitative methodology, the research did not collect primary data. The study concluded that companies and businesses must acknowledge their responsibilities and commitments to their customers and society as a whole and actively work toward creating and sustaining a sustainable environment.

**Stephen I Ternyik, SSRN Electronic Journal, January 2024**, provides a comprehensive review of literature on sustainable marketing strategies. This study is organized into three key observations. Observation A examines the marketing mix, Observation B addresses the challenges posed by population growth, and Observation C explores the role of creativity in marketing. Ternyik concludes that marketing is fundamentally a value-driven management activity. Furthermore, he highlights that the economic scarcity of essential sustainability inputs may result in technical bottlenecks.

Aqsa Khalid from Kanpur Institute of Management Studies conducted an insightful study on sustainable marketing and its societal impact on August 23, 2023. The research focused on marketing strategies and opportunities that encourage eco-friendly lifestyles. Its main objective was to thoroughly examine the dynamics of sustainable marketing practices and their effects on consumer behavior and community well-being. Utilizing secondary data and thematic analysis, the study featured case studies from renowned companies such as Patagonia, Unilever, Tesla, and The Body Shop. The findings reveal the significant transformative potential of sustainable marketing. The study also encourages policymakers to support sustainable practices through regulatory frameworks that reward environmentally responsible strategies. Additionally, it suggests that consumers use their purchasing power to bolster demand for eco-friendly products and hold businesses accountable for their commitments.

**Jin Yong Park, Sreeram Veeraiya Perumal, et al. American Journal of Economics and Sociology, May 2022**, has done research on sustainable marketing strategy as an essential tool of business. The study focused on various points such as the importance of sustainable marketing strategies, their recent focus, consumer expectations, business value, and the benefits of sustainable marketing. It gives an elaborate theoretical viewpoint on the marketing strategy. The study concluded that the companies should educate their consumers to buy sustainable products and not to compromise their values.

### **Objectives of the Study**

1. To analyze and understand the consumer behavior regarding sustainable products among urban and rural consumers.
2. To evaluate the effectiveness of sustainability marketing strategies in influencing consumer purchasing decisions in Chennai and rural areas of Chengalpattu District.
3. To assess consumers' understanding of sustainable products and their willingness to purchase them.

## Research Gap

Numerous studies on sustainable marketing strategies have been carried out. However, the impact of sustainability marketing strategies on customer purchasing behavior has received relatively little attention. In addition to filling this research gap, this study examines the influence of sustainable marketing on consumer behavior in urban and rural areas. Only 50 responders were chosen from each region due to time constraints. The impact of sustainability on Indian customers can be further investigated through more research.

## Research Methodology:

The current study is descriptive in nature and employed a purposive sampling method for data collection. A structured questionnaire was designed and distributed to consumers, from which data was gathered. Only 50 respondents were selected from each region to collect the necessary information. The questionnaire consists of 15 multiple choice questions and the Frequency analysis, Friedman ranking, Descriptive statistics, T-test and One-way ANNOVA is used for the interpretations. Primary data collected through questionnaire were used for Tables and.

## Data Analysis and Interpretation

**Table 1 Demographic Variable of Respondents**

| Characteristics             | Variables    | Frequency  | Percentage (%) |
|-----------------------------|--------------|------------|----------------|
| <b>Age Group (in Years)</b> | Below 18     | 4          | 4.0            |
|                             | 18-25        | 41         | 41.0           |
|                             | 26-35        | 19         | 19.0           |
|                             | 36-45        | 20         | 20.0           |
|                             | 46-55        | 13         | 13.0           |
|                             | Above 55     | 3          | 3.0            |
|                             | <b>Total</b> | <b>100</b> | <b>100.0</b>   |
| <b>Gender</b>               | Male         | 45         | 45.0           |
|                             | Female       | 55         | 55.0           |
|                             | <b>Total</b> | <b>100</b> | <b>100.0</b>   |
| <b>Marital status</b>       | Married      | 51         | 51.0           |
|                             | Unmarried    | 49         | 49.0           |
|                             | <b>Total</b> | <b>100</b> | <b>100.0</b>   |
|                             | Illiterate   | 5          | 5.0            |

|                                |                         |            |              |
|--------------------------------|-------------------------|------------|--------------|
| <b>Education Qualification</b> | Up to Schooling         | 11         | 11.0         |
|                                | UG                      | 43         | 43.0         |
|                                | PG                      | 22         | 22.0         |
|                                | PD                      | 19         | 19.0         |
|                                | <b>Total</b>            | <b>100</b> | <b>100.0</b> |
| <b>Occupation</b>              | Student                 | 42         | 42.0         |
|                                | PE                      | 33         | 33.0         |
|                                | GE                      | 1          | 1.0          |
|                                | SE                      | 6          | 6.0          |
|                                | RE                      | 2          | 2.0          |
|                                | HM                      | 12         | 12.0         |
|                                | Others                  | 4          | 4.0          |
|                                | <b>Total</b>            | <b>100</b> | <b>100.0</b> |
| <b>Family size</b>             | 1                       | 1          | 1.0          |
|                                | 2                       | 10         | 10.0         |
|                                | 3                       | 21         | 21.0         |
|                                | 4                       | 46         | 46.0         |
|                                | More than 4             | 22         | 22.0         |
|                                | <b>Total</b>            | <b>100</b> | <b>100.0</b> |
| <b>Family Annual Income</b>    | Up to Rs.50,000         | 18         | 18.0         |
|                                | Rs. 50,001 - 1,00,000   | 18         | 18.0         |
|                                | Rs.1,00,001 - 22,00,000 | 23         | 23.0         |
|                                | Above 2,00,000          | 41         | 41.0         |
|                                | <b>Total</b>            | <b>100</b> | <b>100.0</b> |
| <b>Area of living</b>          | Chennai                 | 50         | 50.0         |
|                                | Chengalpattu            | 50         | 50.0         |
|                                | <b>Total</b>            | <b>100</b> | <b>100.0</b> |
| <b>familiarity</b>             | NAF                     | 17         | 17.0         |
|                                | SF                      | 22         | 22.0         |
|                                | MF                      | 38         | 38.0         |
|                                | VF                      | 20         | 20.0         |
|                                | EF                      | 3          | 3.0          |
|                                | <b>Total</b>            | <b>100</b> | <b>100.0</b> |

|  |              |            |              |
|--|--------------|------------|--------------|
| <b>Frequency of purchasing Eco-friendly products</b> | N            | 10         | 10.0         |
|  | R            | 26         | 26.0         |
|  | ST           | 38         | 38.0         |
|  | OF           | 22         | 22.0         |
|  | A            | 4          | 4.0          |
|  | <b>Total</b> | <b>100</b> | <b>100.0</b> |

*Sources: Primary Data*

### **Inference:**

Based on the data in the table, it's evident that the primary consumers of eco-friendly products are mostly in the age bracket of 18-25, while very few are over 55. Among these consumers, undergraduates form the largest group, with 43 participants, compared to just 5 who are illiterate. The breakdown by gender and marital status shows nearly equal representation. Students lead the way in purchasing eco-friendly products, followed closely by private sector employees. While only 3% of respondents reported being extremely familiar with eco-friendly products, a notable 17% indicated they were not familiar at all. On a positive note, 38% recognized themselves as moderately familiar with them. In terms of purchasing habits, 4% reported consistently buying eco-friendly products, while 10% stated they never select these items.

**Table 2 Friedman ranking test for motivation to buy the Eco- friendly products**

**Null Hypothesis:** There is no significance among mean rank towards the motivation for buying Eco-friendly products.

| Reasons  | Mean | Rank | Chi square value | P value |
|--|------|------|------------------|---------|
| Health conscious   | 3.06 | 1    | 25.002           | 0.000   |
| Concern for the environment                              | 3.24 | 2    |                  |         |
| Cost savings in the long term                            | 3.40 | 3    |                  |         |
| Better quality / durability                              | 3.41 | 4    |                  |         |
| Social status/image                                      | 3.92 | 5    |                  |         |
| Others (influence of advertisement, friends & relatives) | 3.98 | 6    |                  |         |

*Sources: Primary Data*

*Note: Significant at 1% level*

**Inference:**

Since the Chi-square value is 25.002 and the P-value is 0.000, the null hypothesis is rejected at the 1% level of significance. There is a significant difference in the ranking, and the health consciousness drives the consumers for eco-friendly products. The next motivational factor is the environmental concern. Very few are motivated by the advertisements, friends, and relatives to buy the eco-friendly products.

**Table 3 Descriptive statistics for avoiding Eco – friendly products**

| Problems                            | Mean |
|-------------------------------------|------|
| Higher cost                         | 4.16 |
| Lack of availability                | 3.78 |
| Doubts about product quality        | 3.65 |
| Green washing (false advertisement) | 3.49 |
| Lack of awareness                   | 3.44 |
| No visible benefits                 | 3.21 |

*Sources: Primary Data*

**Inference:**

From the above table, it is inferred that the majority of the respondents avoid buying eco-friendly products because of high cost, and the next nearest reason is lack of availability of the products. Their doubts about the products, misleading advertisements, lack of awareness, and no visible benefits are closely affecting the purchasing decisions of the consumers.

**Testing of Hypothesis**

**Table 4: T test for significant difference between ‘Male’ and ‘Female’, ‘Married’ and ‘Unmarried’, ‘Nuclear’ and ‘Joint’ with respect to satisfaction level of the respondents on eco-friendly products.**

|                       |             | Mean  | SD    | T value | P value |
|-----------------------|-------------|-------|-------|---------|---------|
| <b>Gender</b>         | Male        | 18.44 | 3.101 | -1.363  | 0.176   |
|                       | Female      | 19.33 | 3.317 |         |         |
| <b>Marital Status</b> | Married     | 19.16 | 3.114 | 0.714   | 0.477   |
|                       | Unmarried   | 18.69 | 3.374 |         |         |
| <b>Area of living</b> | Chennai     | 19.62 | 3.398 | 2.323   | 0.22    |
|                       | Chengalpatu | 18.15 | 2.882 |         |         |

*Source: Primary Data*

**Inference:**

According to t test, the significant value is greater than 0.05( $P > 0.05$ ), alternative hypothesis rejected. Hence, there is no significant difference between 'male' and 'female' 'married' and 'unmarried' 'nuclear' and 'joint' with respect to satisfaction level of the respondents on eco-friendly products.

**Table 5 One-way ANOVA for significant difference between socio economic profile and satisfaction level of the respondents on eco-friendly products**

|                                      |                          | Mean  | SD    | F Value | P Value |
|--------------------------------------|--------------------------|-------|-------|---------|---------|
| <b>Age Group<br/>(In Years)</b>      | Below 18                 | 17.50 | 2.380 | 0.869   | 0.505   |
|                                      | 18-25                    | 18.85 | 3.245 |         |         |
|                                      | 26-35                    | 18.26 | 3.541 |         |         |
|                                      | 36-45                    | 19.65 | 3.014 |         |         |
|                                      | 46-55                    | 19.85 | 3.363 |         |         |
|                                      | Above 55                 | 17.33 | 3.055 |         |         |
| <b>Educational<br/>Qualification</b> | Illiterate               | 18.40 | 1.817 | 1.392   | 0.243   |
|                                      | Up to<br>Schooling       | 18.73 | 2.453 |         |         |
|                                      | UG                       | 18.21 | 3.328 |         |         |
|                                      | PG                       | 20.00 | 3.324 |         |         |
|                                      | PD                       | 19.58 | 3.405 |         |         |
| <b>Occupation</b>                    | Student                  | 18.50 | 3.459 | 1.869   | 0.094   |
|                                      | PE                       | 20.30 | 3.117 |         |         |
|                                      | GE                       | 19.00 | .     |         |         |
|                                      | SE                       | 18.33 | 3.386 |         |         |
|                                      | RE                       | 19.50 | .707  |         |         |
|                                      | HM                       | 17.33 | 1.826 |         |         |
|                                      | Others                   | 17.50 | 3.109 |         |         |
| <b>Family Annual<br/>Income</b>      | Up to<br>Rs.50,000       | 20.22 | 3.021 | 1.805   | 0.151   |
|                                      | Rs. 50,001 -<br>1,00,000 | 18.44 | 3.776 |         |         |



|                              |                            |       |       |       |       |
|------------------------------|----------------------------|-------|-------|-------|-------|
|                              | Rs.1,00,001 -<br>22,00,000 | 18.00 | 2.985 |       |       |
|                              | Above<br>2,00,000          | 19.10 | 3.113 |       |       |
| <b>Family size</b>           | <b>1</b>                   | 24.00 | 0.00  | 2.087 | 0.089 |
|                              | <b>2</b>                   | 18.60 | 2.914 |       |       |
|                              | <b>3</b>                   | 19.95 | 3.721 |       |       |
|                              | <b>4</b>                   | 18.15 | 3.238 |       |       |
|                              | <b>More than 4</b>         | 19.50 | 2.464 |       |       |
| <b>Familiarity</b>           | NAF                        | 18.82 | 2.789 | 1.096 | 0.363 |
|                              | SF                         | 18.41 | 3.217 |       |       |
|                              | MF                         | 18.68 | 3.189 |       |       |
|                              | VF                         | 19.60 | 3.775 |       |       |
|                              | EF                         | 22.00 | 1.000 |       |       |
| <b>Frequency of purchase</b> | N                          | 18.80 | 3.048 | 2.524 | 0.046 |
|                              | R                          | 18.92 | 3.440 |       |       |
|                              | ST                         | 18.05 | 2.770 |       |       |
|                              | OF                         | 19.86 | 3.550 |       |       |
|                              | A                          | 22.50 | 1.732 |       |       |

*Source: Primary Data*

### Inference:

Since all the significant values are greater than 0.05 ( $P > 0.05$ ), the alternative hypothesis is rejected, and the null hypothesis is accepted, which means there is no significant level of difference in the socio-economic profile of the respondents, and there is a significant difference in the frequency of buying the eco-friendly products.

### Findings:

From this study, the middle-aged group of respondents and the educated people are the most frequent buyers of eco-friendly products. Most of the respondents are having environmental awareness, but the illiterates are not having sufficient awareness. Among the consumers of eco-friendly products, health and environmental consciousness play a vital role in their buying behavior. Due to the high cost and non-availability of the products, many are not willing to go for eco-friendly products.

## **Conclusion & Suggestion:**

As global warming and environmental pollution pose serious threats to future generations, it's crucial to enhance public awareness of sustainable products. Consumers at every level need education on eco-friendly products. While environmental studies are part of school curriculum, access remains limited for those who are uneducated. To make a real difference, the cost of eco-friendly products needs to be lowered, ensuring availability everywhere and at all times. Marketers must take proactive steps towards sustainable development to safeguard the well-being of the next generations.

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