



# A Study on Consumer Perception of Sustainability in Branding Strategies

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## Abstract

This study examines consumer perception of sustainability in branding strategies in the contemporary business environment. With increasing awareness of climate change, environmental degradation, and ethical consumption, sustainability has become a key factor influencing consumer behavior and brand positioning. The research aims to understand how consumers perceive sustainability initiatives and how these perceptions affect brand trust, purchase decisions, and loyalty. A descriptive and analytical research methodology is adopted, using primary data collected through structured questionnaires along with secondary data from academic sources. The findings indicate that consumers perceive sustainable brands as more responsible, ethical, and trustworthy. Practices such as eco-friendly packaging, ethical sourcing, and corporate social responsibility significantly enhance brand image and consumer preference..

Keywords: Consumer Perception , Branding Strategy.

## I. Introduction

Sustainability has become a vital element of contemporary branding strategies due to increasing global concerns such as climate change, environmental degradation, and ethical business practices, alongside rising consumer awareness in the digital age. Modern consumers are more informed and value-driven, often preferring brands that demonstrate environmental responsibility, ethical sourcing, and social commitment. As a result, organizations are integrating sustainability into their core operations and brand positioning to enhance credibility and remain competitive. Sustainable branding involves aligning a company's values, practices, and communication with environmental and social objectives to influence consumer perception and build long-term trust and loyalty. However, despite growing awareness, challenges such as green washing, lack of transparency, and price sensitivity continue to affect how consumers perceive and respond to sustainability initiatives. Understanding consumer perception in this context is essential for organizations aiming to develop authentic, effective, and impactful sustainability-driven branding strategies.

### Objectives Of The Study

- To examine consumer perception toward sustainability-oriented branding strategies in the contemporary market environment.
- To analyze the level of consumer awareness and understanding of sustainability practices adopted by brands.
- To evaluate the influence of sustainability initiatives on consumer purchase intention, brand preference, and decision-making behavior.
- To assess the impact of sustainable branding on consumer trust, brand image, and long-term loyalty.



- To identify key factors such as transparency, authenticity, communication effectiveness, and price sensitivity that shape consumer perception of sustainable brands.

## II. Scope Of The Study

The scope of the study is focused on examining consumer perception of sustainability in branding strategies within the contemporary business environment. It aims to analyze the extent to which sustainability initiatives, including eco-friendly practices, ethical sourcing, and corporate social responsibility, influence consumer behavior in terms of purchase intention, brand preference, and loyalty. The study further explores the relationship between sustainability perception and key branding outcomes such as brand trust, corporate image, and long-term customer engagement. Additionally, it considers demographic variables such as age, income, and education to understand variations in perception among different consumer segments. The scope also includes evaluating the effectiveness of sustainability communication adopted by brands and its role in shaping consumer attitudes and decision-making processes. However, the study is limited to a selected sample of respondents and a specific research context, and therefore the findings may not be generalized to the entire population. Despite these limitations, the study provides meaningful insights for organizations to design authentic, transparent, and consumer-oriented sustainable branding strategies.

## II. Review Of Literature

- Ananya Mehta and Dr. R. Srinivasan (2023)

Ananya Mehta and Dr. R. Srinivasan (2023) conducted an empirical study to analyze how consumers perceive sustainability initiatives adopted by major brands. The study used a structured questionnaire and collected responses from 240 urban consumers, focusing on factors such as eco-friendly packaging, ethical sourcing, and transparency.

The study found that sustainability significantly improves brand credibility and consumer trust. However, it also identified consumer skepticism due to greenwashing, suggesting that brands must adopt authentic, transparent, and measurable sustainability practices to build trust.

- Karthik Rao and P. Nandhini (2022)

Karthik Rao and P. Nandhini (2022) conducted a quantitative study to examine the impact of sustainability practices on brand image and consumer trust. Data was collected from 200 respondents and analyzed using statistical tools such as correlation and regression analysis.

The study concluded that sustainability practices like renewable resource usage and ethical labour significantly enhance brand image and trust. It also highlighted that sustainability acts as a competitive advantage, especially in attracting younger consumers.

- Sneha Iyer and Dr. M. Balaji (2021)

Sneha Iyer and Dr. M. Balaji (2021) investigated consumer awareness and perception of green marketing strategies through a survey of 180 respondents across different income groups. The study focused on awareness of eco-labels, sustainable advertising, and product attributes.



The research found that although consumers are aware of sustainability concepts, their purchase decisions depend on product quality and pricing. It suggested that effective communication and transparency in sustainability claims are essential to influence consumer perception positively.

- Rahul Verma and S. K. Joshi (2020)

Rahul Verma and S. K. Joshi (2020) conducted a study to analyze the influence of sustainability initiatives on consumer buying behavior. Data was collected from 210 respondents using structured questionnaires focusing on environmental concern and brand ethics.

The study found that sustainability positively influences purchase intention and brand preference. However, price sensitivity was identified as a key barrier, indicating that companies must balance sustainability with affordability to reach a wider consumer base.

- Neha Kapoor and Dr. L. Prakash (2019)

Neha Kapoor and Dr. L. Prakash (2019) examined the relationship between corporate sustainability initiatives and brand loyalty using a sample of 190 respondents. The study analyzed factors such as CSR activities, environmental responsibility, and ethical branding.

The results showed that sustainability enhances consumer trust, emotional attachment, and long-term loyalty. The study recommended that sustainability should be integrated into the core brand strategy rather than treated as a promotional activity

### **III. Research Methodology**

#### **Research Design**

The study adopts a descriptive research design, as it aims to analyze and interpret consumer perception of sustainability in branding strategies. Descriptive research is suitable for understanding patterns, attitudes, and opinions of consumers regarding sustainability practices adopted by brands. It enables the researcher to systematically describe the characteristics of the population and examine relationships between variables such as awareness, perception, and purchase behavior.

#### **Sample Size**

The study is based on a sample size of 100 respondents, selected to represent a diverse group of consumers. The sample includes individuals from different age groups, income levels, and educational backgrounds to ensure a comprehensive understanding of consumer perception toward sustainable branding.

### **IV. Data Collection Methods**

#### **Primary Data:**

Primary data is collected through structured questionnaires distributed to respondents. The questionnaire includes both closed-ended and scaled questions to capture consumer awareness, perception, and behavior toward sustainability in branding.



### **Secondary Data:**

secondary data is collected from journals, research papers, articles, websites, and industry reports related to sustainability, branding strategies, and consumer behavior. This helps in building a theoretical foundation for the study.

### **Sampling Technique**

The study uses a convenience sampling method, where respondents are selected based on accessibility and willingness to participate. This method is appropriate for exploratory and descriptive research where quick and efficient data collection is required.

### **Tools for Data Analysis**

**The collected data is analyzed using the following statistical tools:**

#### **Percentage Analysis**

Used to represent data in percentage form for easy interpretation of consumer responses regarding awareness and perception.

#### **Chi-Square Test**

Applied to examine the relationship between categorical variables such as consumer awareness and purchase decision.

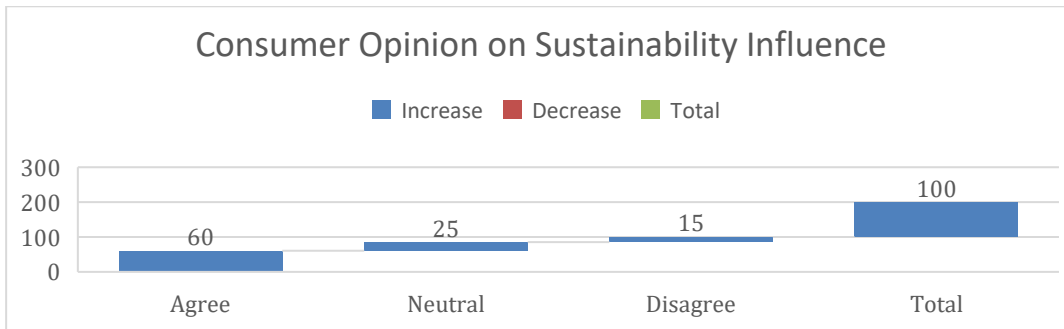
#### **ANOVA Analysis**

Used to determine whether there is a significant difference in consumer perception across different demographic groups, particularly age groups.

#### **Frequency Analysis**

Table: Consumer Opinion on Sustainability Influence

Response	Frequency	Percentage (%)
Agree	60	60%
Neutral	25	25%
Disagree	15	15%
Total	100	100%



**Interpretation:**

The above table shows that 60% of respondents agree that sustainability influences their purchase decisions, while 25% remain neutral and 15% disagree. This indicates that sustainability plays a significant role in shaping consumer behavior.

Descriptive Statistics

Table: Perception of Sustainability by Age Group

Age Group	Mean Score	Standard Deviation
18–25	75	8.2
26–35	65	7.5
36+	50	6.8

**Interpretation:**

The table indicates that respondents aged 18–25 have the highest mean perception score (75), followed by 26–35 (65) and 36+ (50). This suggests that younger consumers are more inclined toward sustainable branding.

Chi-Square Test

Table: Crosstabulation Table

Awareness / Decision	Agree	Neutral	Disagree	Total
Aware	30	10	5	45
Not Aware	20	15	20	55
Total	50	25	25	100



#### Chi-Square Test Results

Test	Value	df	Asymp. Sig (p-value)
Pearson Chi-Square	10.85	2	0.004

#### Hypothesis:

- **H<sub>0</sub>:** No relationship between awareness and purchase decision
- **H<sub>1</sub>:** Significant relationship exists

#### Interpretation:

Since p-value (0.004) < 0.05, the null hypothesis is rejected.

There is a significant relationship between consumer awareness and purchase decision.

#### ANOVA (Analysis of Variance)

##### ANOVA Table:

Source of Variation	Sum of Squares	df	Mean Square	F Value	Sig.
Between Groups	450	2	225	5.20	0.012
Within Groups	1300	27	48.15		
Total	1750	29			

#### Hypothesis:

- **H<sub>0</sub>:** No difference between age groups
- **H<sub>1</sub>:** Significant difference exists

#### Interpretation:

Since p-value (0.012) < 0.05, the null hypothesis is rejected.

There is a significant difference in sustainability perception among different age groups.

## V. Findings

- The analysis reveals that consumer awareness of sustainability plays a crucial role in influencing purchase decisions, as supported by the Chi-square test indicating a statistically significant relationship between awareness and buying behavior.
- A majority of respondents demonstrate a positive perception toward sustainable branding, associating such brands with higher levels of responsibility, ethical standards, and credibility.
- Sustainability initiatives such as eco-friendly packaging, ethical sourcing, and corporate social responsibility significantly enhance brand image and consumer preference.



- The ANOVA results indicate a statistically significant difference in perception across age groups, with younger consumers (18–25) exhibiting a stronger inclination toward sustainability compared to older groups.
- The findings suggest that younger consumers are more influenced by environmental and social concerns, making them a key target segment for sustainable branding strategies.
- Despite favorable attitudes, price sensitivity remains a major constraint, as many consumers are hesitant to pay premium prices for sustainable products.
- The study identifies the presence of an attitude–behavior gap, where consumers express positive opinions about sustainability but do not consistently reflect these in their actual purchasing decisions.
- Moderate levels of awareness and limited understanding of sustainability concepts further contribute to this gap, indicating the need for improved consumer education.
- Consumer trust is strongly influenced by the authenticity and transparency of sustainability claims, with misleading or exaggerated claims leading to skepticism.
- Digital media and brand communication play a significant role in shaping consumer perception, highlighting the importance of clear and consistent messaging.

## VI. Suggestions

The study suggests that organizations should focus on strengthening consumer awareness of sustainability practices through effective communication and targeted marketing campaigns, as awareness has a direct impact on purchase decisions. Brands must ensure transparency and authenticity in their sustainability initiatives by providing clear, verifiable, and consistent information to build long-term consumer trust and avoid skepticism associated with greenwashing. It is also recommended that companies design strategies that cater to younger consumer segments, who demonstrate a higher inclination toward sustainability and are more responsive to environmentally responsible branding. Additionally, businesses should strive to balance sustainability with affordability by adopting cost-effective production methods or offering value-based pricing to reduce price sensitivity among consumers. Furthermore, companies should invest in consumer education programs to enhance understanding of sustainability concepts and their benefits. Effective use of digital platforms and social media is also essential for communicating sustainability efforts and engaging consumers. Finally, organizations should integrate sustainability into their core business strategies rather than treating it as a promotional tool, ensuring long-term impact, credibility, and competitive advantage.

## VII. Conclusion

Sustainability has emerged as a critical determinant in shaping modern consumer perception and branding strategies in today's dynamic and competitive marketplace. The study clearly establishes that consumers are increasingly aware of environmental and social issues, and this awareness significantly influences their perception of brands and purchasing behavior. The findings indicate that sustainability is no longer considered an optional or supplementary aspect of branding but has become an essential component that directly impacts brand image, trust, and long-term loyalty.



The analysis highlights that consumers tend to perceive sustainable brands as more responsible, ethical, and trustworthy, thereby strengthening brand credibility and preference. Statistical results, including Chi-square and ANOVA, confirm that consumer awareness has a significant relationship with purchase decisions and that perception varies across demographic groups, particularly age. Younger consumers demonstrate a stronger inclination toward sustainability, making them a key segment for brands aiming to implement effective sustainability strategies.

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