



---

## **A Study on Consumer Behaviour towards Eco-Friendly Products in Mumbai City.**

***Tanya Pahwani***

Masters of Commerce in Business Management  
H.R. College of Commerce & Economics HSNC University, Mumbai

---

### **ABSTRACT**

With Mumbai's economy expanding quickly and its population growing, it is important to look at how consumers are behaving when it comes to eco-friendly products. The burden this expansion is placing on the environment highlights the need to understand customers' perceptions of and adoption of eco-friendly items to promote sustainable consumption.

The findings of the research point to an improvement in the customers' perceptions of eco-friendly products. Notably, consumers are becoming more prepared to pay a premium for environmentally friendly items as their awareness of environmental concerns grows. This tendency is more prominent in the younger population and indicates a desire to make purchases that are environmentally sensitive.

Nonetheless, there are major barriers that prevent eco-friendly products from being widely promoted in India. Customers' widespread ignorance of how their purchases affect the environment reduces awareness of the need for eco-friendly products. A significant obstacle is affordability, as many consumers place a higher value on cost than environmental concerns. As a result, eco-friendly products find it difficult to compete with conventional alternatives.

Furthermore, poor waste management and recycling infrastructure makes it difficult to properly dispose of environmentally friendly items, which reduces their overall efficiency. The increased price of environmentally friendly products makes them more inaccessible, especially to consumers with lower incomes, which limits the potential impact of sustainable products.

Despite these obstacles, consumers are showing a positive tendency towards ecofriendly items due to rising environmental consciousness and benefits that they perceive. To properly foster sustainable consumption habits, it is necessary to solve issues with cost and infrastructure as well as to inform customers about the benefits of eco-friendly items.

More information reveals a strong correlation between the opinions of customers and their purchasing behaviour, with age, gender, and income being important demographic variables.

---

### **Introduction**

#### **1. History:**

There has been an increase in interest in eco-friendly products and sustainability during the last few decades. Growing environmental concerns, such as climate change, pollution, and resource depletion, have fuelled this trend. As a result, people have begun to shift their purchasing habits, favouring ecologically friendly products. This essay will present a historical summary of customer attitudes towards environmentally friendly items.

#### **2. About eco-friendly products:**

Eco-friendly items are goods or services that have a low environmental impact. They are made with environmentally friendly materials, production procedures, and packaging. These goods are intended to reduce carbon footprints and harm to the environment. Eco-friendly items are in high demand, and their popularity is growing by the day.

Eco-friendly items are those that are made to reduce environmental damage, conserve resources, and promote sustainable living. These products are made from renewable or biodegradable materials, are manufactured using energyefficient processes, and have minimum packaging waste. They contribute to lower carbon emissions, lower energy usage, and the preservation of natural resources. Solar-powered chargers, organic apparel, biodegradable cleaning products, and reusable water bottles are some examples of eco-friendly products.

### **2.1 Concept of eco-friendly products:**

As individuals grow more aware of the environmental impact of their daily lives, the demand for eco-friendly items has skyrocketed. Eco-friendly items have been developed to have as little influence on the environment as possible, from their manufacture to their usage and disposal. Eco-friendly products come in a variety of forms, ranging from household items to personal care products to food and apparel.

Eco-friendly items are intended to be less detrimental to the environment than conventional alternatives. This can be accomplished in a variety of ways, including employing renewable or biodegradable materials, and minimising the amount of energy or water consumed in the manufacturing process. Eco-friendly items can also be made to be more durable and long-lasting, decreasing the need for replacements and, as a result, waste.

Sustainability is a basic principle of eco-friendly products. Sustainable products are created in such a way that they meet the requirements of the present without jeopardising future generations' ability to meet their own needs. This means that eco-friendly products must be designed to minimise resource use and environmental damage while remaining economically competitive.

### **2.2 Why eco-friendly products?**

Concerns about the environment: As people become more aware of the influence of human activities on the environment, they are opting for eco-friendly products to lessen their carbon footprint and harm to the earth.

Health concerns: Certain eco-friendly products are made of natural, non-toxic ingredients that are better for the environment and human health. Organic and non-toxic cleaning solutions, for example, can decrease exposure to hazardous chemicals and contaminants.

Cost savings: Certain environmentally friendly items, such as energy-efficient light bulbs and water-saving gadgets, can assist to cut utility bills and save money over time.

Consumers are becoming more aware of the social and ethical implications of their shopping decisions. They support firms that stress sustainability and social responsibility by purchasing eco-friendly items.

### **2.3 Why are eco-friendly products important?**

Eco-friendly items are significant because they can help to lessen the environmental impact of human activity. From the items we use to the food we eat, our daily lives have a huge impact on the environment. We may limit the amount of garbage we make as well as the amount of energy and water we use by purchasing eco-friendly products.

Eco-friendly items can be healthier for our health in addition to minimising our environmental effects. Several traditional products contain potentially dangerous ingredients, such as phthalates, parabens, and formaldehyde. Natural or organic ingredients are frequently used in eco-friendly products, making them safer and healthier for us and our families.

---

## **AIMS & OBJECTIVES OF THE STUDY:**

Following are the main aims and objectives of the study:

1. To understand the level of awareness and knowledge consumers have about eco-friendly products.
2. To explore the factors that influence consumer behaviour towards ecofriendly products.
3. To examine the attitudes and beliefs of consumers towards eco-friendly products.
4. To identify the challenges and barriers that consumers face when purchasing eco-friendly products.
5. To assess the willingness of consumers to pay a premium for eco-friendly products.
6. To compare the behaviour of different consumer segments towards ecofriendly products.
7. To assess the level of satisfaction that consumers have with eco-friendly products.
8. To identify the barriers that prevent consumers from purchasing ecofriendly products.
9. To explore the role of personal values and beliefs in consumer behaviour towards eco-friendly products.
10. To identify the potential for future growth in the eco-friendly products market.

---

## **HYPOTHESIS OF THE STUDY:**

The following are the hypothesis of the study:

**1. Hypothesis 1:**

H0: There exists no significant relationship between consumers' attitudes towards eco-friendly products and their purchasing behaviour.

H1: There is a significant relationship between consumers' attitudes towards ecofriendly products and their purchasing behaviour.

**2. Hypothesis 2:**

H0: There is no significant difference in the willingness of consumers to pay for eco-friendly products compared to non-eco-friendly products.

H2: Consumers are willing to pay more for eco-friendly products than non-ecofriendly products.

**3. Hypothesis 3**

H0: Demographic factors such as age, gender, and income have no significant impact on consumers' attitudes towards eco-friendly products.

H3: Demographic factors such as age, gender, and income have significant impact on consumers' attitudes towards eco-friendly products.

**Background/literature review**

1. Jain, N. K. (2014) in his study titled "Understanding Consumer Behaviour Toward Eco-Friendly Products in India," sought to investigate Indian customers' views and behaviour towards eco-friendly items. The poll included 380 Indian consumers from Delhi, Mumbai, and Bangalore. The poll asked about consumers' attitudes toward environmental issues, their purchasing habits, and their willingness to pay for environmentally friendly products. Descriptive statistics and regression analysis were used to analyse the data.

According to the study's findings, Indian consumers have a positive attitude toward environmental issues and understand the significance of sustainable consumption. The study does, however, highlight a mismatch between consumer perceptions and actual purchasing behaviour, as most customers do not actively seek out eco-friendly products. One of the major impediments to the adoption of environmentally friendly products in India is the notion that they are pricey. According to the report, Indian customers are willing to pay a premium for eco-friendly products, but only to a point. Consumer willingness to pay varies by product category, with consumers more willing to pay for eco-friendly products in the food and personal care categories than in home appliances and electronics.

2. Jayakrishnan, R. J. (2017) their research article "Consumer Behaviour Towards Environment-Friendly Products: A Research on Rural Consumers in India" focuses on consumer behaviour towards eco-friendly items in rural India. The study's goal is to better understand rural consumers' purchasing habits, attitudes, and the factors that influence their decision to buy environmentally friendly items. A systematic questionnaire is used to survey 500 rural consumers in the Malappuram region of Kerala, India. According to the study, most rural consumers understand the value of environmentally friendly products, but there is a disconnect between understanding and actual action. It was discovered that rural consumers have a good attitude towards eco-friendly items, and they believe these products to be healthier, safer, and better for the environment.

The survey also found that the pricing and availability of environmentally friendly items are important variables influencing rural customers' purchasing decisions. According to the study, most rural consumers are willing to pay a premium for eco-friendly items, but their availability is limited in rural areas.

**Secondary data**

The CSR Journal stated, "Almost 90% of Millennials would choose a sustainable and eco-friendly product over any non-sustainable counterparts. One of the most significant benefits of brands switching to "eco-friendly" is making a major appeal to the new generation, especially in urban areas. However, several companies are still stuck in the myth bubble that going green will increase their manufacturing cost. On the contrary, recycled products are a way more affordable option. Also, eco-friendly habits help prevent energy wastage, which lowers utility bills and reduces overheads in the future. Furthermore, sustainable, and eco-friendly brands have a different image in the urban audience. Somewhere it takes your brand image beyond profits and business. Also, empathy towards nature and animals helps your brand expand its reach."

**Case study on Adidas Company: Adidas:**

Adidas AG is a multinational corporation headquartered in Herzogenaurach, Germany, that was established in 1949. It is a global leader in the production of sports shoes, apparel, and accessories.

Adidas is a well-known brand that offers a wide variety of products such as running shoes, basketball shoes, soccer cleats, tennis shoes, exercise clothes, and accessories such as bags, watches, and sunglasses. The business is well-known for its iconic three-stripe logo and has supported several well-known athletes, teams, and events over the years. Adidas is also dedicated to sustainability, and it has launched several initiatives to reduce its environmental impact and encourage social responsibility.

**2.1 Adidas's Eco-friendly Products:**

Adidas is dedicated to sustainability and has recently launched several ecofriendly products. Here are a couple of examples:

- Adidas has launched Primegreen, a line of high-performance recycled materials used in its goods. Primegreen is manufactured from recycled polyester and does not contain virgin polymers. Running shoes, training tights, and jerseys are among the items in the assortment.
- Adidas has collaborated with Parley for the Oceans to create footwear and apparel created from recycled plastic. Parley Ocean Plastic, which is made from recycled plastic waste collected from beaches and coastal communities, was used by the business.
- Adidas has developed the Futurecraft Loop, a completely recyclable shoe. The shoe is made completely of thermoplastic polyurethane, which can be disassembled and remade into new shoes.
- Adidas has also developed environmentally friendly packaging for its products. The quantity of paper used in the shoeboxes has been reduced, and more recycled materials are now used.

### ***2.2 Adidas & eco-friendly products concept:***

In recent years, Adidas has made efforts to integrate more sustainable practises and eco-friendly materials into its products. These efforts may have boosted the company's sales because many consumers are becoming more environmentally conscious and ready to support companies that prioritise sustainability. Adidas stated that sales of its sustainable products had increased by 27% year on year in 2020. By 2024, the business plans to use only recycled polyester in all its products, and it has started several initiatives to reduce waste and carbon emissions in its supply chain.

While it's difficult to say how much of an effect Adidas' sustainability efforts have had on sales, it's clear that the company considers sustainable practises to be an important part of its business strategy. Adidas has been working to make their product production and general company operations more environmentally friendly. This has included initiatives to minimise waste, conserve resources, and use environmentally friendly materials.

By 2020, Adidas aimed to use 100% sustainable cotton in all their goods. They've also collaborated with Parley for the Oceans to develop a collection of shoes and clothing created from recycled ocean plastics. Furthermore, Adidas has implemented a closed-loop manufacturing method in which materials from old products are recycled to make new ones.

Adidas has also incorporated environmentally friendly practises into their company operations. They have solar panels installed at their offices, a carbon reduction programme in place, and an internal sustainability team to supervise their environmental initiatives.

Overall, Adidas has made significant efforts to become more environmentally friendly in both product production and company operations, demonstrating a strong connection between the brand and environmentally friendly products.

### ***2.3 Consumer Behaviour towards Adidas's eco-friendly products:***

Price, perceived value, brand loyalty, and sustainability beliefs all influence consumer behaviour towards Adidas's eco-friendly goods. Consider the following important points:

- Price: Adidas' eco-friendly goods may be more expensive than their standard products. Some consumers may be willing to spend a premium for environmentally friendly products, while others may not be.
- Consumers may perceive Adidas' eco-friendly products to be of higher quality or more socially responsible than their normal products, which may influence their purchasing choices.
- Consumers who are loyal to the Adidas brand may be more likely to buy eco-friendly goods than those who are unfamiliar with the brand.
- Consumers who prioritise sustainability in their purchasing choices may be more apt to purchase Adidas' eco-friendly products, even if they are more expensive.
- They have introduced several environmentally friendly product lines, including their Parley for the Oceans collection, which incorporates recycled ocean plastic into their goods.

### ***2.4 Conclusion:***

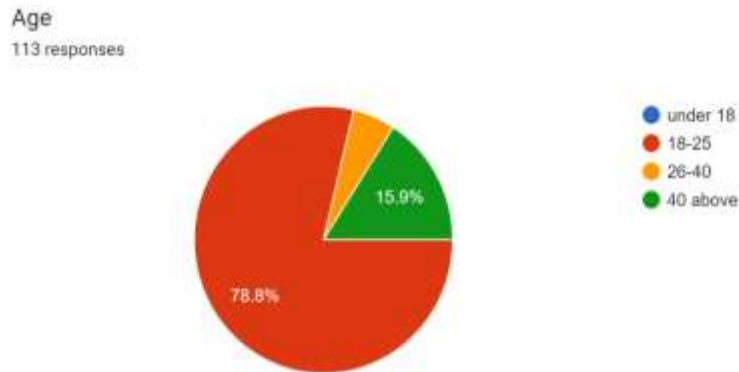
Consumers are growing concerned about the environmental impact of their purchases and are searching for brands that prioritise sustainability. Adidas has made efforts to address these concerns by using recycled materials, reducing water usage in manufacturing, and collaborating with organisations such as Parley for the Oceans to create products made from ocean plastic.

Consumer attitudes towards these environmentally friendly products are usually positive, with many consumers willing to pay more for products that are sustainable and environmentally friendly. It is essential to note, however, that the availability of these products, their price points, and marketing efforts all play an important part in consumer purchasing decisions.

Overall, it can be stated that adidas's efforts towards sustainability have been well received by consumers, and that there is a growing market for environmentally friendly goods. As a result, companies that prioritise sustainability are more likely to see increased consumer loyalty and sales.

### Primary Data (analysis and interpretation)

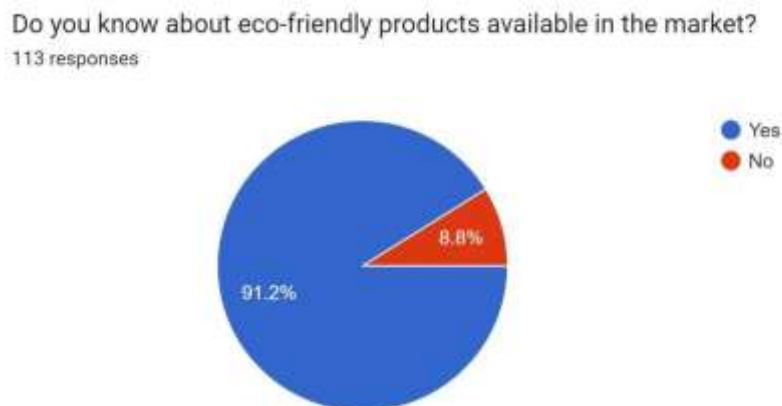
Question 1: What is your age?



#### Analysis:

Most of the respondents who were surveyed are in the age group of 18-25 years (78.8%), followed by respondents in the age group of 40 years & above (15.9%) and least were in the age group of 26-40 years (5.3%). The diversification in the age groups highlights the different perceptions of consumers of various age groups ensuring that it covers as many differentiations as possible of opinions between those age groups.

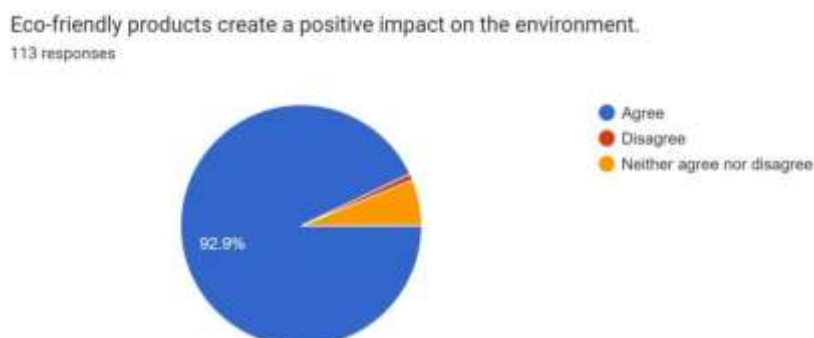
Question 2: Do you know about the eco-friendly products available in the market?



#### Analysis:

Out of 113 respondents, majority of them (91.2%) know about the eco-friendly products available in the market, whereas only few (8.8%) of them are not aware about the eco-friendly products available in the market.

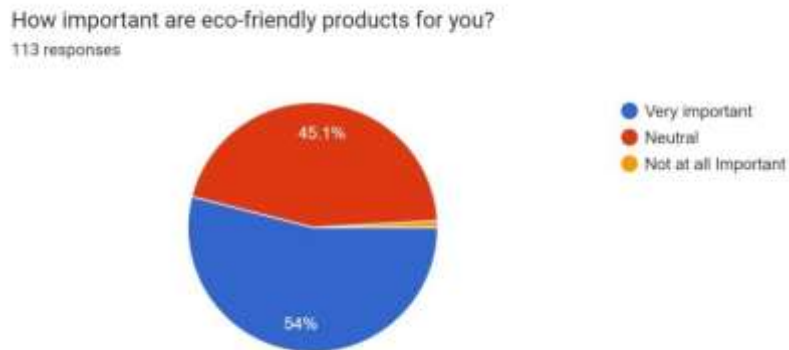
Question 3: Eco friendly products create a positive impact on the environment.



**Analysis:**

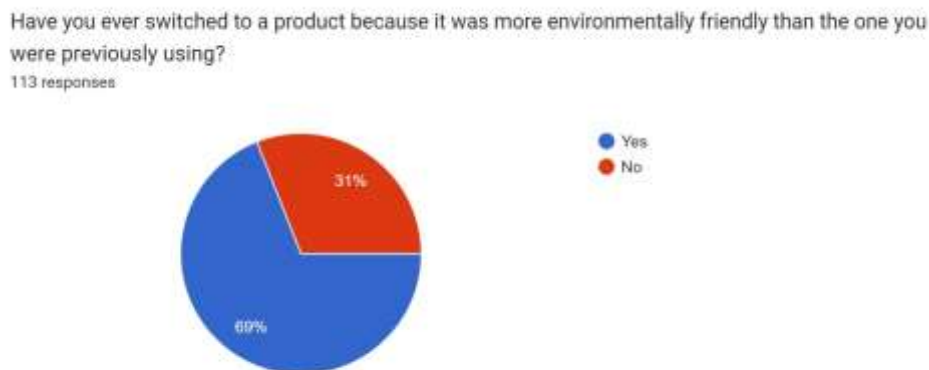
Majority (92.9%) of the respondents agree that eco-friendly products create a positive impact on the environment whereas few (6.2%) neither agree nor disagree to the statement that eco-friendly products create a positive impact on the environment. Out of 113 respondents one of them disagrees and believes that eco-friendly products do not create a positive impact on the society.

Question 4: How important are eco-friendly products for you?

**Analysis:**

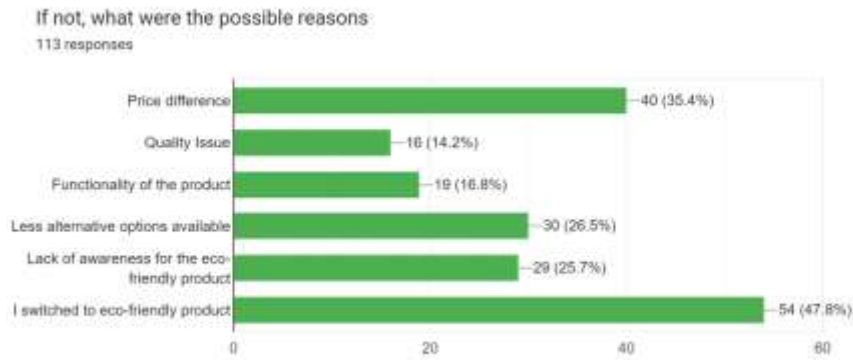
Majority (54%) of the respondents think that eco-friendly products are very important for them. Other half of the respondents (45.1%) are neutral towards the concept of eco-friendly products being important for them. Out of 113 respondents, one of them thinks eco-friendly products are not at all important for him/her.

Question 5: Have you ever switched to a product because it was more environmentally friendly than the one you were previously using?

**Analysis:**

Majority of the respondents (69%) have switched to a product because it was more environmentally friendly than the one, they were previously using. Whereas (31%) few of them stuck to the product they were using than switching over to environmentally friendly product.

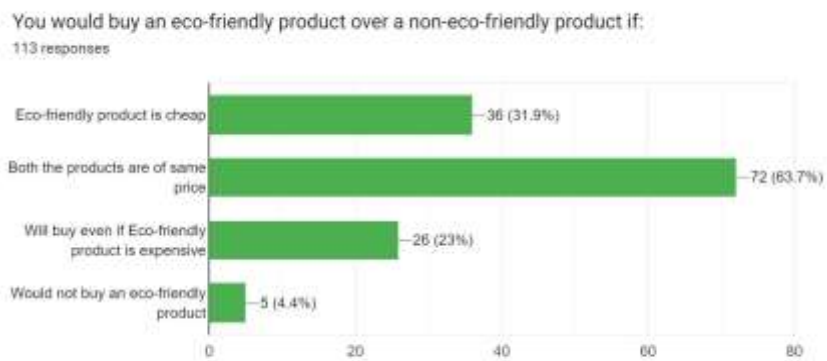
Question 6: If not, what were the possible reasons?



**Analysis:**

Out of 113 only 54 respondents (47.8%) switched to ecofriendly products when asked about the reason to remaining respondents for not switching majority (35.4%) of them did not switch to eco-friendly product because of price difference, few respondents (26.6%) did not switch because less alternative options were available and few (25.7%) of them did not switch because of lack of awareness for the eco-friendly product in the market followed by few (16.8%) respondents who did not switch due to functionality issue of the product and remaining (14.2%) did not switch because of quality issue of the product.

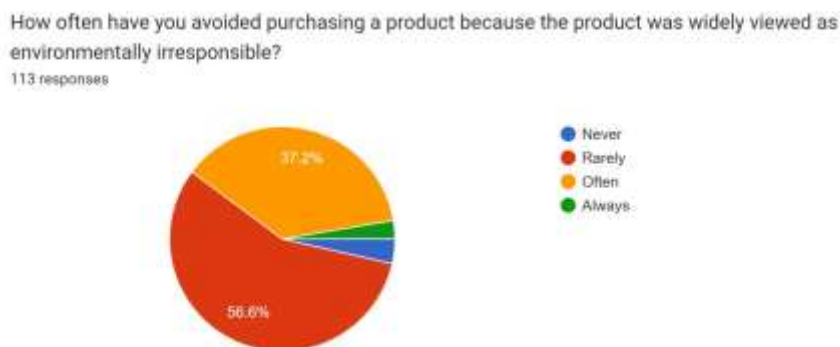
Question 7: You would buy an ecofriendly product over a non-ecofriendly product if:



**Analysis:**

Majority (63.7%) of the respondents will buy an eco-friendly product over a non-ecofriendly product if both the products are of same price, whereas other (31.9%) respondents will buy if eco-friendly product is cheaper than non-ecofriendly product. Few (23%) respondents will buy an eco-friendly product over a non-ecofriendly product even if eco-friendly product is expensive, remaining (4.4%) respondents will not buy an eco-friendly product over a non-ecofriendly product at all.

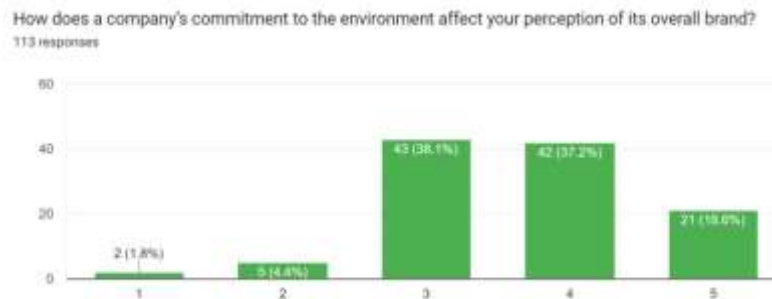
Question 8: How often have you avoided purchasing a product because the product was widely viewed as environmentally irresponsible?



**Analysis:**

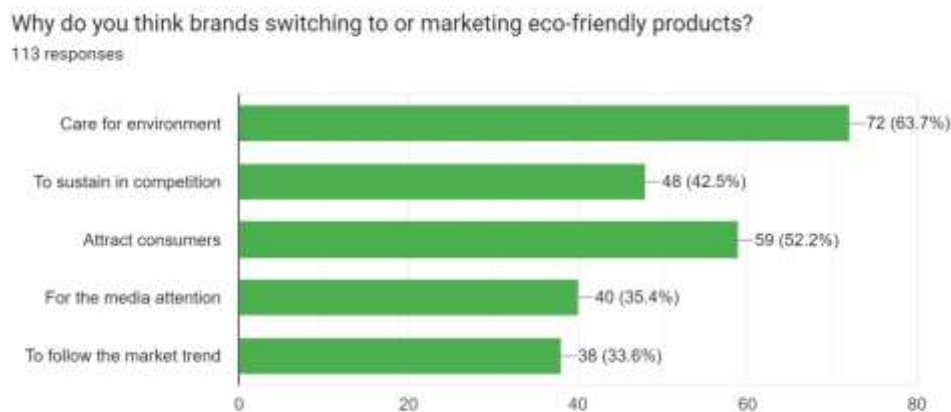
Majority (56.6%) of the respondents have rarely avoided purchasing a product because the product was widely viewed as environmentally irresponsible, whereas (37.2%) many of them often avoided purchasing a product because the product was viewed as environmentally irresponsible, and few (3.5%) never avoided whereas remaining (2.7%) always avoided purchasing a product because the product was widely viewed as environmentally irresponsible.

Question 9: How does a company's commitment to the environment affect your perception of its overall brand?

**Analysis:**

Out of 113 respondent 43 (38.1%) of them chose 3 on scale, followed by 42 (37.2%) respondents sticking on number 4 on followed by 21(18.6%) respondents who choose 5 where 5 being good that means they think companies commitment to environment affects their brand perception in a good way, whereas 5 (4.4%) respondents choose 2, remaining 2 (1.8%) respondents choose 1 which means companies commitment to the environment affects their perception of its overall brand in a very bad way.

Question 10: Why do you think brands switching to or marketing eco-friendly products?

**Analysis:**

When asked about the reason for brands switching to or marketing eco-friendly products majority (63.7%) of the respondents think it is done because the brand cared for the environment, whereas other (52.2%) respondents think it is done only to attract customers, few (42.5%) also think companies do this to sustain in competition, many (35.4%) of them also think media attention is the major reason for switching or marketing eco-friendly products, the remaining (33.6%) respondents think it is done to follow the market trend.

**Findings and suggestions:**

The goal of the Mumbai study on consumer behaviour towards eco-friendly products was to ascertain the attitudes and purchasing patterns of Indian customers regarding eco-friendly goods. The study, which had 113 individuals in Mumbai and was conducted via a Google Form survey, yielded insightful results.

Consumer Attitudes: A noteworthy 91% of participants were aware of and had a positive attitude regarding environmentally friendly items. Despite this optimism, there was a general lack of confidence in the efficacy and dependability of eco-friendly products, which highlights the necessity for manufacturers to improve the quality and usefulness of their offerings.



**Purchase Behaviour:** 69% of participants transitioned to environmentally conscious merchandise. Reducing environmental damage and promoting sustainable living were among the driving forces. The adoption of eco-friendly items was significantly influenced by the individual's responsibility to protect the environment.

**Purchase Obstacles:** Several obstacles prevented customers from buying environmentally friendly goods, with price standing in the way of their purchases. Additional obstacles were the accessibility of the product, distrust, inadequate product details, restricted substitutes, functional worries, and perceived quality problems.

**Consumer Perceptions:** Most consumers chose to purchase eco-friendly items due to cost-effectiveness or price parity. The overall opinion of the brand was not greatly impacted by the brand's commitment to the environment.

---

## Suggestions:

The report offers several recommendations for improving India's adoption of eco-friendly products. Among them are:

1. **Educating Customers:** Companies can take the lead in consumer education by highlighting the advantages of eco-friendly products and how consumer behaviour affects the environment through a variety of venues.
2. **Increasing Accessibility:** By working with local businesses and providing incentives for carrying these items, eco-friendly products may be made more widely available.
3. **Offering Incentives:** To encourage customers to select environmentally friendly products, provide discounts, loyalty plans, and prizes.
4. **Developing Trust:** Gaining third-party certifications, proving a dedication to sustainability, and offering reliable and accurate information are all ways to build trust.
5. **Partnering with Environmental Organisations:** Working together to encourage the use of eco-friendly goods and to increase awareness, one might partner with environmental organisations.
6. **Working with the Government:** Assisting the government in enforcing legislation to reveal environmental repercussions and provide incentives for sustainable and eco-friendly product development.
7. **Providing High-Quality Products:** Making research and development investments to provide eco-friendly products that are both inexpensive and of high quality.

---

## Conclusion

The study emphasises that, in light of the nation's rapid economic expansion and environmental issues, it is critical to comprehend how customers see and buy environmentally responsible items. The results show a favourable shift in consumer views, with many saying they would be ready to pay more for environmentally friendly products because they think they will be healthier and better for the environment. However, barriers including customer ignorance, worries about cost, and limited recycling facilities make widespread adoption difficult. Despite these obstacles, a positive trend in consumer behaviour towards environmentally friendly items is being driven by rising environmental consciousness. Promoting sustainable consumption requires resolving cost concerns, enhancing infrastructure, and providing ongoing consumer education.

Additionally, the study finds a strong correlation between customers' opinions and their purchase behaviour, with demographic variables being a major influencing element. Overall, the survey indicates that Indian consumers are more inclined to select and buy eco-friendly items due to increased environmental awareness, highlighting the need of ongoing efforts to promote sustainability.

---

## Bibliography

Jain, N. K. (2014). "Understanding consumer behavior towards eco-friendly products in India". Jayakrishnan, R. J. (2017). "Consumer Behavior Towards Environment-Friendly Products:

Alves, G. (2020). Majority Indians purchasing based on social responsibility, inclusiveness and environmental impact. Economic Times. <https://economictimes.indiatimes.com/magazines/panache/majority-indians-purchasing-based-onsocial-responsibility-inclusiveness-and-environmentalimpact/articleshow/77299600.cms?from=mdr>

Dhar, G. (2022). Rise of eco-friendly products in Indian market. Indian Retailer.

<https://www.indianretailer.com/article/whats-hot/retail-trends/rise-of-eco-friendly-products-inindian-market.a7723>

(2022). Predicting Consumer Green Product Purchase Attitudes and Behavioral Intention During COVID-19 Pandemic. Front. Psychol.

<https://www.frontiersin.org/articles/10.3389/fpsyg.2021.760051/full>

Emmert, A. (2021). The rise of the eco-friendly consumers.

<https://www.strategy-business.com/article/The-rise-of-the-eco-friendly-consumer>

Bhattacharya, A. (2022). The big shift away from chemicals: Rise of green consumerism. Times of India.

<https://timesofindia.indiatimes.com/blogs/voices/the-big-shift-away-from-chemicals-rise-of-green-consumerism/>

The CSR Journal (2014, June). Eco-friendly Brands in India on Their Voyage of Sustainability <https://thecsrjournal.in/eco-friendly-brands-in-india-on-their-voyage-of-sustainability/>

parisi, D. (2019). Why Adidas sees sustainable products as a 'growth opportunity for years to come'.

<https://www.glossy.co/fashion/why-adidas-sees-sustainable-products-as-a-growth-opportunity-for-years-to-come/#:~:text=The%20growth%20Adidas%20has%20seen,which%20it%20saw%20this%20quarter>

<https://www.glossy.co/fashion/why-adidas-sees-sustainable-products-as-a-growth-opportunity-for-years-to-come/#:~:text=The%20growth%20Adidas%20has%20seen,which%20it%20saw%20this%20quarter>

(Adidas group) More sustainable materials and circular services

<https://www.adidas-group.com/en/sustainability/environmental-impacts/more-sustainable-materials-and-circular-services/#/cotton/>