

GREEN CONSUMERISM VS PRICE SENSITIVITY ARE CONSUMERS WILLING TO PAY MORE FOR GREEN PRODUCTS?

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ABSTRACT

This research paper aims to explore the relationship between price perceptivity and green consumerism, concentrating on whether consumers are willing to pay further for eco-friendly products compared to regular ones. As environmental sensitivity rises, a prominent shift in consumer behavior has been observed. Still, in developing nations like India, price remains a major factor impacting consumer choices and can circumscribe environmentally conscious consumption.

To examine this issue, a Likert scale-based survey was conducted among 115 individuals from colourful age groups and backgrounds. The findings revealed that although numerous consumers express concern for the surroundings, a large majority are reluctant to spend money on green products due to financial constraints and affordability issues.

The study concludes that for green consumerism to become mainstream, eco-friendly products need to be more affordable and accessible. Businesses must concentrate on offering sustainable goods at competitive prices. Raising mindfulness and government impulses can also play a pivotal part in encouraging greener choices. However, a wider section of society may shift towards sustainable consumption, eventually contributing to a healthier earth, if these measures are espoused.

Keywords: Green Consumerism, Eco-friendly Products, Sustainable Consumption, Price Sensitivity, Willingness to Pay More, Affordability, Consumer Behaviour, Environmental Awareness,

Financial Constraints, Ethical Consumerism, Purchasing Decisions, Behaviour-Intention Gap, Green Marketing, Eco-labels, Brand Trust, Greenwashing, Climate Change, Conscious Buying, Consumer Education, Packaging Sustainability.

INTRODUCTION

Humans have threatened the well-being of planet earth due to rapid industrialization. Gases like carbon dioxide and methane are major contributors to climate change. Natural disasters like floods, tsunamis, droughts have become quite common. Glaciers are melting, leading to a rise in the sea water level. The developments that mankind has made is leading to the degradation of our natural environment and loss of many species.

In the last few years a major shift has been observed in consumers purchasing behaviour due to the increasing awareness of environmental issues. Brands across various industries are espousing eco-labels, biodegradable packaging, and clean energy product to meet growing consumer demand for responsible practices. Words like —sustainability and

—ecofriendly have now become famous and extremely important concepts in the field of marketing. An increasing number of educated people are now beginning to think how their purchasing decisions can affect nature. This has led to a rise of a concept called —Green consumerism. Green consumerism refers to purchasing products with a focus on the environmental impact of their purchases.

In a country like India where there is a wide income disparity, the products need to be affordable for the masses. The higher income group people may support green products as they can afford to pay a little extra, the other income groups (lower class and middle class) may however, look out for cheaper alternatives. The aim of this research is to find if people are willing to alter their spending habits to protect nature and make the earth a better place to live.

There's limited exploration, especially in the Indian environment, that explores how consumers balance sustainability with affordability. Do ethical intentions convert into action at the cash counter? This exploration seeks to explore that gap. This study is important because it sheds light on the real-life attitude of consumers — not just their values, but their amenability to make sacrifices for the planet. It'll help marketers, policymakers, and sustainable brands understand the mindset of today's consumer.

LITERATURE REVIEW

Green consumerism relates to consumer behaviour that is driven by the desire to protect the environment and reduce the negative impact of human activities on nature. Green consumerism is influenced by various factors,

such as personal values, social norms, environmental awareness, and product information. (ResearchGate, Bengaluru Study).

Consumers now place greater importance on sustainability rather than solely focusing on the price. Sustainability is not just a passing fad but a vital goal for businesses that want to succeed in the long run. Businesses that innovate and create new products and services can benefit from sustainability, as it can help them grow and improve.

Many people care about the environment and want to buy products that are good for it. Some studies show that: One in four people are ready to pay more money for products that are made in a way that does not harm the environment (Deloitte). Many people want to buy brands that help the environment and society, but they do not always do it. Consumers are ready to pay more for products that are environmentally friendly: On average, they are willing to pay 12% more for sustainable products (Bain & Company). Even when the economy is tough, they are willing to pay 9.7% more for Possible - People born in the late 1990s and early 2000s in Portugal care about the environment, think green products are good, and expect more green products in the future. They are also willing to pay more for green products than other people (ScienceDirect). The pandemic has made people think more about the environment and what they buy (McKinsey on Packaging Sustainability). Many people are aware of how the weather is changing and how it affects them (85% of people say they have seen or felt the effects). makes them want to buy and use things that are good for the environment and the future (PwC Survey). People care more about the environment when they buy things, and this affects what they choose to buy, according to a research from Ghana (MDPI).

Sustainability claims on products are more popular than before. Products that claim to be sustainable grow faster than products that do not. (Seuss, 2020). Consumers trust brands that have "guilt-free" options, such as packaging that can be recycled or delivery that does not harm the environment (Dr. Seuss, 2020). Anupam Pareek). More and more, people want businesses to be open, responsible, and long-lasting (McKinsey). Possible Many consumers want to buy products that are good for the environment, but they cannot afford them because they are too expensive. (Bain & Company) Businesses face a problem because people often say they want to buy something but do not actually buy it (HBR).

Green consumerism is a transformative force reshaping consumer behavior and market strategies. Businesses need to make sustainable products more affordable and easy to use, and show how they help the environment, to meet the growing demand for them.

The trend is stronger among younger people and in places where climate change is happening.

RESEARCH METHODOLOGY

This section highlights how the exploration took place, including the data collection system, analysis and ways.

EXPLORATION OBJECTIVES

- To find how apprehensive consumers are of the environmentally friendly products.
- To understand the position of price perceptivity among the consumers
- To explore if consumers are willing to pay further for the eco-friendly products.
- To estimate consumer choice- if they prefer choosing between eco-friendly or normal products.
- To explore demographic factors like age and gender that affect eco-friendly purchases.

RESEARCH DESIGN

The study is grounded on a quantitative exploration design, using a descriptive check system/survey method.

Primary Data

A structured questionnaire was made on Google Forms. The questions were grounded on a Likert scale. The questions were each close ended and the focus was on these areas-

- If people are apprehensive of green products
- Amenability to pay further amount of money for green options.
- Significance of environmental impact v/s price.
- If television advertisements/announcements convert consumers to choose green products.

Sample Size and Characteristics

- Total repliers -115
- Gender -Ladies (63.5%) Males (36.5)
- Age groups 18- 25(49.6%), 26- 40(13.9%), 41-60(30%)
- Location-Mumbai, Maharashtra

Technique for Sampling

Convenience sampling method was used to gather information online. They were substantially communicated through social media platforms like WhatsApp and emails. Respondents were scholars, working population and housekeepers in Mumbai region.

This system has been helpful to gather information at a quick pace but it may not represent the total population of India.

Data Analysis Tools

The gathered data was analyzed completely using styles of bar graphs, pie maps and percentage analysis to identify patterns and preferences. These tools were veritably helpful to interpret and understand the preferences of the repliers.

LIMITATIONS

- The sample size is small and only representative of one region (Mumbai). The findings therefore cannot be generalized to the total of India.
- Responses are self-reported which means there may be a bias or misreading while answering the question.
- Convenience sampling doesn't fully represent the whole population of India. The sample had limited repliers from pastoral areas which might have affected the diversity of opinions

DATA ANALYSES AND INTERPRETATION

1. Survey Demographics -

- Total Responses: 115
- Gender: 63. 5% Female, 36. 5% Male
- Age Group: Majority from the 18–25 age group. This shows that the data largely reflects the opinions of young, female consumers – a group often more aware of sustainability issues.

2. Key Insights from Survey Questions-

➤ High Awareness & Interest in Green Products.

- 81. 8% agree/strongly agree they understand what green products are. 57. 4 % actively seek eco-friendly options while shopping. This indicates a strong base-level awareness and willingness to engage in sustainable behavior.

➤ Skepticism About Green Marketing Claims

- 44. 3% of respondents are neutral about trusting companies' green product claims.
- This neutrality may reflect uncertainty or doubt, possibly due to greenwashing (false sustainability claims).

➤ Support for Sustainable Brands

- A high 72. 2% say they are more likely to support a genuinely sustainable brand. .
- T
- his confirms that consumers are willing to reward authenticity and real efforts towards sustainability.

➤ Willingness to Pay More – With Limit

- 53% said they are willing to pay slightly more for green products.
- 62. 6 % are comfortable with a 5–10% price premium.

- However, 34.8% would avoid eco-products if the price is too high, and 26.1% still prefers cheaper, non-green options.

- This shows a clear willingness to spend more, but only within reasonable limits.

➤ **Value for Money is a Concern**

- 51.3% feel that green products are overpriced compared to the benefits they offer.
- This suggests that many consumers don't believe they are getting enough value for the extra cost. .

➤ **Information Drives Interest**

- 71% said they would buy green products more often if given more information.
- This highlights a knowledge gap - many are willing but don't feel fully informed.

➤ **Sustainability Advertising Has Limited Impact**

- While 49.5% say sustainability-focused ads influence their choices, 35.7% remain neutral.
- This shows that ads have some effect, but trust and content quality matter more.

➤ **Long-Term View on Green Buying**

- 57% see paying more for green products as a good long-term investment.
- However, a significant 30.7% are neutral, meaning many still prioritize short-term affordability.

➤ **Green Buying Seen as a Discretionary Expense.**

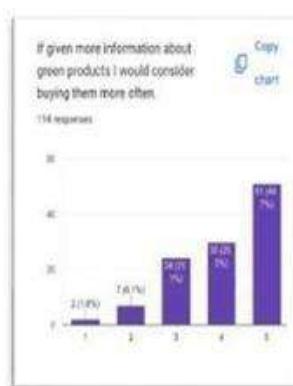
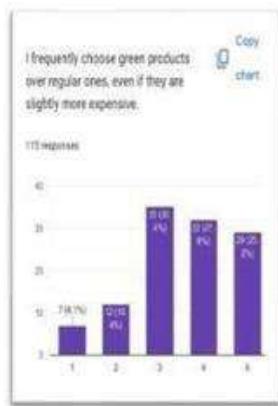
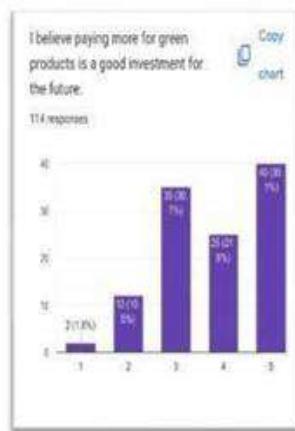
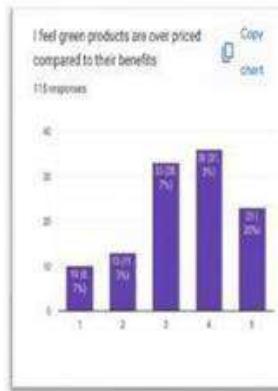
- 37.4% said they buy green products only when they have extra money.
- This supports the idea that green purchases are not yet viewed as a daily essential, but more of a premium lifestyle choice.

➤ **Price Matching Can Drive Adoption**

- A large 66.1% would buy green products if prices matched or were cheaper than regular options.
- This is a key insight – affordability could drastically increase green product adoption.

SURVEY RESULTS





CONCLUSION

The findings of this study highlight a growing awareness and willingness among consumers to support green products. Most respondents showed a positive attitude toward ecofriendly purchasing, and many were even ready to pay a slightly higher price to support sustainability. However, this willingness has clear limits — especially when the price becomes significantly higher or the benefits of the product are not clearly visible.

Our research shows that price remains the most important barrier to the adoption of green products. While people do care about the environment, their choices are still largely shaped by affordability. Many view green products as a —nice to have— rather than a —need to have— something they would consider only when they have extra money to spend.

One important insight is that a large number of consumers would switch to green alternatives if they were priced the same or cheaper than regular products. This shows that the desire for sustainability is there, but it must be supported by better pricing, clear information, and trust.

RECOMMENDATIONS

1. Make Green Products Affordable-Brands should work on reducing costs or offering budget-friendly green alternatives so that eco-friendly choices are accessible to all income groups.
2. Educate Consumers- Clear and honest communication about the environmental and personal benefits of green products can help people feel more confident about their purchases.

In conclusion, people do want to make responsible choices — but to turn that desire into action, green products must be affordable, trustworthy, and clearly beneficial.

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ANNEXURE

Questionnaire: Green Consumerism vs Price Sensitivity Purpose of the Questionnaire:

The purpose of this survey was to find the attitude of people towards eco-friendly products. Do they support the idea of sustainability and are willing to pay more for it compared to the cheaper, non-friendly alternatives available in the market?

Instructions to Respondents:

To indicate their level of agreement with each of the statements below by choosing any one of the options on the given Likert scale.

- 1 – Strongly Disagree

- 2 – Disagree
- 3 – Neutral
- 4 – Agree
- 5 – Strongly Agree

The questions included in the survey are as follows-

Respondent details- Full Name: (Answer)

Email Address: (Answer)

Age Group:

18–25 26–40 41–60 60+

Likert Scale-Based Questions (rate between 1-5 where 1 stands for strongly disagree and 5 for strongly agree)-

1. I am aware of what eco-friendly or green products are.
2. I trust companies that claim their products are environmentally friendly.
3. I avoid eco-friendly products if they are priced too high compared to alternatives.
4. I am willing to pay 5–10% more for a product if it is environmentally friendly.
5. I actively look for eco-friendly options while shopping.
6. I choose products mainly based on price, not sustainability.
7. I would prefer a cheaper product even if it is not eco-friendly.
8. I would support a brand more if it openly follows sustainable and green practices.
9. I frequently choose green products over regular ones, even if they are slightly more expensive.
10. I believe paying more for green products is a good investment for the future.
11. Advertisements that highlight sustainability influence my buying choices.
12. I only consider buying green products when I have extra money to spend.
13. I feel green products are overpriced compared to their benefits
14. I would buy green products if their prices match or are lower than non-green products.
15. If given more information about green products I would consider buying them more often.