

## CONSUMER BEHAVIOR AND SUSTAINABLE MARKETING

Oana DURALIA<sup>1</sup>

<sup>1</sup>Lucian Blaga University of Sibiu, Romania, 0000-0003-3712-7163

**Abstract:** *Economic development and technological progress in recent decades have led to a considerable increase in the comfort and convenience of consumers' use of products and services, but this has also led to major and irreversible environmental changes such as air pollution, climate change, and global warming. As a result, these issues significantly affect the sustainability of economic, environmental, and social development, highlighting once again the need to inform and raise consumer awareness of sustainable purchasing behaviour, in conjunction with the identification and implementation of sustainable marketing strategies at micro and macro level.*

*This paper aims to analyse the influencing factors acting on sustainable consumption behaviour, with a theoretical approach to the concepts coupled with research from secondary data sources on sustainable consumption of products and services in different sectors.*

**Keywords:** *Sustainable Consumption, Green Products, Consumer Decision Process, Sustainable Marketing*

**JEL classification:** *M31, Q10*

### 1. Introduction

The issue of sustainability has been often debated and analysed over the last 30 years. In a narrow sense, sustainability can be seen as the ability of a system to continuously maintain and regenerate itself. At least since the last industrial revolution, each generation has left a better technological legacy than the one it received, but this has resulted in an ecological imbalance that has been continuously perpetuated from one generation to the next. While sustainability is a natural component of the planet, it is not so natural for human beings. Therefore, sustainability is understood as an opportunity for all people to live satisfying and productive lives, preserving or restoring the natural and economic systems that make their well-being possible (Martin, 2014).

While some specialists associate sustainability with concepts such as reuse, renewal, and recycling, it is actually perceived as a three-dimensional approach to objectives, through economic, environmental, and social lenses (Cavagnaro & Curiel, 2012).

The discrepancy between current practices and truly sustainable practices is huge. The first step in creating solutions lies in a clear understanding of the problems that need to be solved. There are three critical dimensions of sustainability, and the world's current crises need to be understood and addressed at all three levels:

- Social problems exacerbate environmental problems while environmental problems intensify social problems. Environmental degradation leads directly to humanitarian problems such as malnutrition and disease. Given the absolute necessity of natural systems for human survival, all human activities should be carried out with the aim of environmental sustainability, defined as the continued preservation of essential ecosystems and their functions (Hawken, 2007).
- Economic sustainability can be defined as the ongoing ability of an economic system to meet human needs and can also be seen as a necessity for human well-being. The global economy is arguably the system with the greatest impact on both society and the natural environment. People depend on economic systems for almost all their material needs. When the economy suffers, people suffer, and the reciprocal is also true. The economy depends on human productivity, and

<sup>1</sup> email address: oana.duralia@ulbsibiu.ro

individuals whose needs are not met cannot contribute to the economic development of their community.

- Social sustainability refers to the continued ability of communities to ensure the health and general well-being of their members.

The orientation towards the implementation of sustainable practices in the economy has emerged since the publication of the Brundtland Report in 1987, which specified “the need to use a development model that meets the requirements of the present without compromising the ability of future generations to meet their own needs” (Mancuso et al., 2021).

Consequently, the concept of “green economy” having as major objectives social equity and the fight against poverty, protection of the environment and biodiversity, and the efficient use of resources, has emerged as a means of allocating resources to meet inter- and intra-generational needs in an equitable manner (Bassi, 2023).

According to The United Nations Environment Programme, sustainability and sustainable consumption implies the use of products and services that meet basic needs and enhance quality of life while minimising the use of natural resources and toxic materials, and the release of waste and pollutants over the life cycle, so as not to endanger the needs of future generations (<https://www.unep.org/explore-topics/sustainable-development-goals>)

Marketing and stimulating consumer demand have often been criticised as an important part of the problem of unsustainable economic growth. However, marketing offers a set of tools that can be used as part of the solution to the problems of unsustainable growth (Kleanthous & Peck, 2004). Thus, the concept of sustainable marketing has emerged. It can be defined as the process of creating, communicating, and delivering value to customers in such a way that both natural and human capital is conserved or enhanced (Martin, 2014).

Marketing starts from identifying consumer needs and ends with measuring customer satisfaction, which ultimately translates into the economic results of the organisation; consequently, the sustainable marketing system must also prioritize delivering value to its customers.

## **2. Sustainable Consumer Behaviour**

In recent years, the segment of environmentally conscious consumers has grown considerably, and more and more consumers have adapted their lifestyle and greatly increased their consumption of green products, thus trying to minimize resource and energy consumption, and reduce the amount of toxic waste and pollutants affecting the environment (Kong et al., 2014)

Encouraging sustainable consumption behaviour, defined as a way of conserving the planet’s resources as well as promoting individual well-being, is becoming the main goal towards sustainable development (Wang & Udall, 2023). Consumers contribute substantially to the triggering and manifestation of environmental and social problems, either directly, as a result of emissions resulting from the consumption of products or indirectly, as a result of the demand shown for the purchase of goods that generate negative environmental impacts along the value chain.

Consumers’ purchasing decisions are driven by their needs, which can be biological, social, or psychological and are influenced by both endogenous and exogenous factors. Sustainable consumption therefore aims to meet the needs of the individuals without compromising the ability of other people to meet their present or future needs.

Traditionally, successful marketing culminates in a sale to a customer who will develop some level of loyalty or long-term relationship with the manufacturer or marketer. Successful sustainable marketing ends with the sale of a product that does not violate the system conditions for a sustainable society, to a customer who has the knowledge, motivation, and resources to use the product in a sustainable way. Ideally, both the customer and the marketer should develop a relationship that creates value for the marketer, the customer, the society and the environment. Hence, sustainable marketing consumers become active collaborators that care for the planet and promote positive social change.

Sustainable marketing meaningfully engages consumers in marketing processes. They are more than just target segments; they become co-marketers or even sometimes adversaries of organisations and their marketing programmes, significantly influencing other consumers through shared references, the so-called word-of-mouth. In sustainable marketing, consumers can also play an active role in the supply chain. Through activities such as recycling, consumers can collect and supply many of the important resources for production, such as paper, glass, plastics and metals (Martin, 2014).

Therefore, companies need to clearly communicate the sustainable practices adopted to improve consumers' perception of their products and increase the share of sustainability as a purchasing factor, which will automatically lead to positive word-of-mouth from consumers and the creation and development of brand communities strongly focused on the idea of sustainability, resulting in increased consumer loyalty and, implicitly, an increase in sales volume (Mancuso et al., 2021).

Consumers' concerns about the environment and green products will affect their purchasing decisions (Pinto de Moura et al., 2012), and in order to promote green products, retailers need to pay attention to consumer preferences and decision-making processes (Cherrier et al., 2011) and, not least, to factors that influence sustainable purchasing behaviour (Wang et al., 2020).

Three categories of influencing factors are analysed when studying consumer behaviour in general, i.e. psychological, social factors, and individual consumer characteristics (Engel et al., 1995).

In the analysis of sustainable purchasing behaviour, the moral identity of the individual and the group to which they belong are considered as determinants of sustainable purchasing behaviour, along with other factors, such as the altruism of the individual and the advocacy efforts of organisations, which could bridge the gap between the individual's values and the manifest behaviour (Wang & Udall, 2023).

Knowing the factors influencing green purchase intention as the main predictor of future purchase behaviour is another approach that has gained momentum in specialized literature in recent years. Thus, cognitive factors (perceived green value, perceived green quality, perceived green risk, perceived behavioural control, consumer perceived efficiency, consumer environmental knowledge) along with individual consumer characteristics (environmental concern, environmental confidence and attitude) and social factors are considered as determinants of purchase intention of sustainable products (Zhuang, Luo&Riaz, 2021).

Although broadly speaking, the decision-making process for purchasing sustainable products is the same as the traditional, classical one, there are some differences to be mentioned in the case of sustainable consumption.

Thus, in the need recognition stage, the consumer becomes aware of an unmet need, and in the case of sustainable products this is not translated only the need for clean food and water, but also as the need to sustain the social and environmental systems that provide them. Consumers are becoming increasingly aware and less tolerant of toxins in food, air and water, which has led to a considerable increase in demand for organic food and textile products or electric vehicles in recent years. Growing awareness of the consequences of climate change may also influence how consumers understand and assess their safety needs. In addition, the need to belong and integrate into a group with which they share the same moral values, as well as self-fulfilment needs that focus on the deepest qualities of the human being, may make consumers aware of the importance of purchasing sustainable products.

Sustainable consumption orientation leads to active consumer involvement in the information search process. While in the case of conventional products the internal search for information is more used by accessing information stored from previous experiences, in the case of External research most often involves finding new sources of information, regarding packaging of sustainable products, as well as information identified in social media or through commercial channels, that are valuable sources of information gathering. However, the biggest challenge consumers face in the information search process is a phenomenon known as "greenwashing", where companies make very vague or misleading claims about environmental protection. The existence of bodies to oversee this type of information and third party certification can remove these doubts and reduce the phenomenon of consumer misinformation.

In the alternatives evaluation stage, the consumer basically compares the costs and benefits associated with a purchase. For individuals who are oriented towards sustainable consumption, sustainability is one of the criteria for assessing alternatives, along with other attributes such as product price, technical and functional characteristics, product characteristics or brand reputation, and it is usually the most important criterion for assessing alternatives.

In the so-called outcome stage, the consumer has to decide whether or not to buy one of the alternatives under evaluation, and there is also the possibility to postpone the decision or to replace the product initially considered with another one that emerged during the evaluation of the alternatives. Also at this stage, the consumer is faced with decisions such as the method of payment, the method of delivery and the packaging of the product, which in the case of sustainable products, can be a major decision given the environmental impact of packaging.

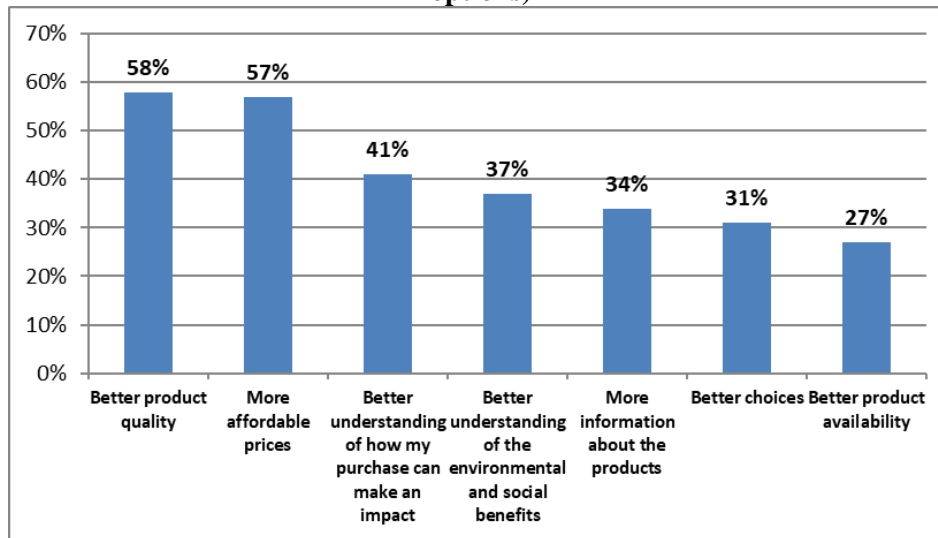
The final stage of the purchasing decision process concerns post-purchase behaviour, when the consumer uses or disposes of the purchased product. At this stage, they basically compare their initial expectations with the performance obtained after using the product, and if the latter is equal to or better than the initial expectations, satisfaction is achieved. Contrary, dissatisfaction is manifested, leading to cognitive dissonance (the state of dissatisfaction felt by the consumer). In the case of consumption of sustainable products, consumer satisfaction is closely related to the need for authentic product taste, the need for security and safety in terms of individual health and the health of others, and the moral values of the individual that lead them to choose a sustainable product over a conventional one. Post-purchase behaviour for sustainable products takes on multiple valences that do not end at the moment of consumption, but can later extend to the behaviour of composting vegetable waste or recycling packaging, thus directing valuable resources back into the supply chain. Because the concepts, practices, and technologies associated with sustainability are relatively unfamiliar to many consumers, the decisions to purchase sustainable products can result in demanding and high-involvement situations for consumers (Martin, 2014).

### **3. Secondary data sources research on consumer behaviour for sustainable products**

Sustainability has become an important factor in defining business strategies, affecting the most important corporate functions and changing the way value is created, communicated, and distributed (Mancuso et al., 2021). The phenomenon of global warming is no longer just a target on the agenda of international bodies in all domains. It has become a real fact that we are facing globally and therefore companies have sought to find business models that meet the requirements of sustainable development, models that protect both the planet and the population, but also their possibilities to achieve their economic and financial goals. In all these moves towards a sustainable economy, companies must also be supported by consumers, who are the key pillar in all the actions taken; the extent to which they receive and respond to the organisations' initiatives depends on the extent of the changes they generate.

According to a survey conducted by the IBM Institute for Business Value on a sample of 16,000 consumers in 10 countries, 51% of respondents said that the issue of sustainable development is more important in 2022 than in 2021, with 93% of respondents pointing out that the Covid-19 pandemic has contributed substantially to the awareness of the planet's problems. Furthermore, 49% of the consumers surveyed admitted they would pay more to purchase products certified as sustainable compared to 2021, with 83% of respondents saying they would be more likely to purchase sustainable products if 3 of the following factors were present in the market (Figure 1)

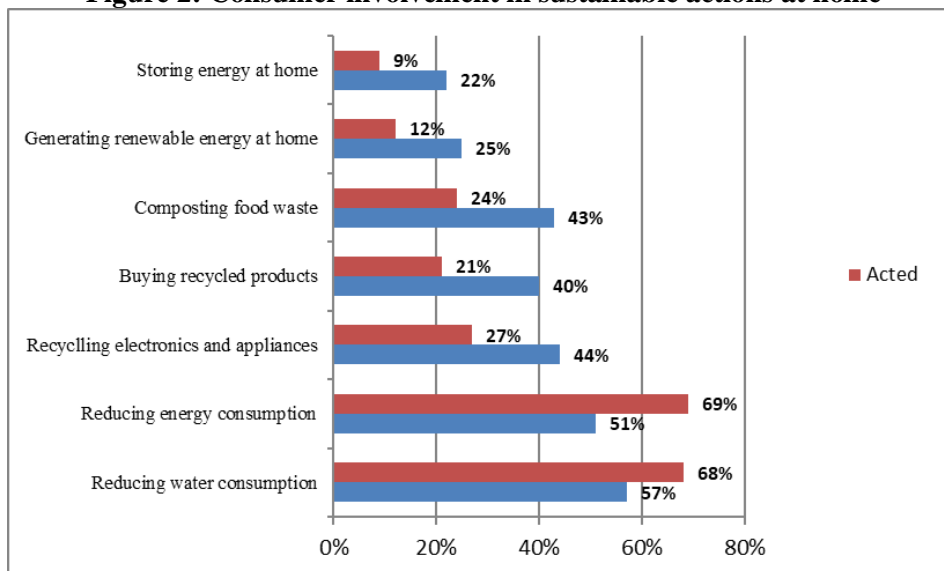
**Figure 1: Main reasons that would encourage consumers to buy more sustainable products (3 options)**



Source: IBM Institute for Business Value, Balancing sustainability and profitability How businesses can protect people, planet, and the bottom line (<https://www.ibm.com/thought-leadership/institute-business-value/en-us/report/2022-sustainability-consumer-research>)

In order to support companies in their initiative to promote a sustainable economy, consumers need to change their consumption habits and this starts with their actions at home. Although many consumers say they are willing to buy recycled products (40%), compost food waste (43%) and recycled electronics and appliances (44%), the reality indicates that far fewer are doing so (Figure 2).

**Figure 2: Consumer involvement in sustainable actions at home**



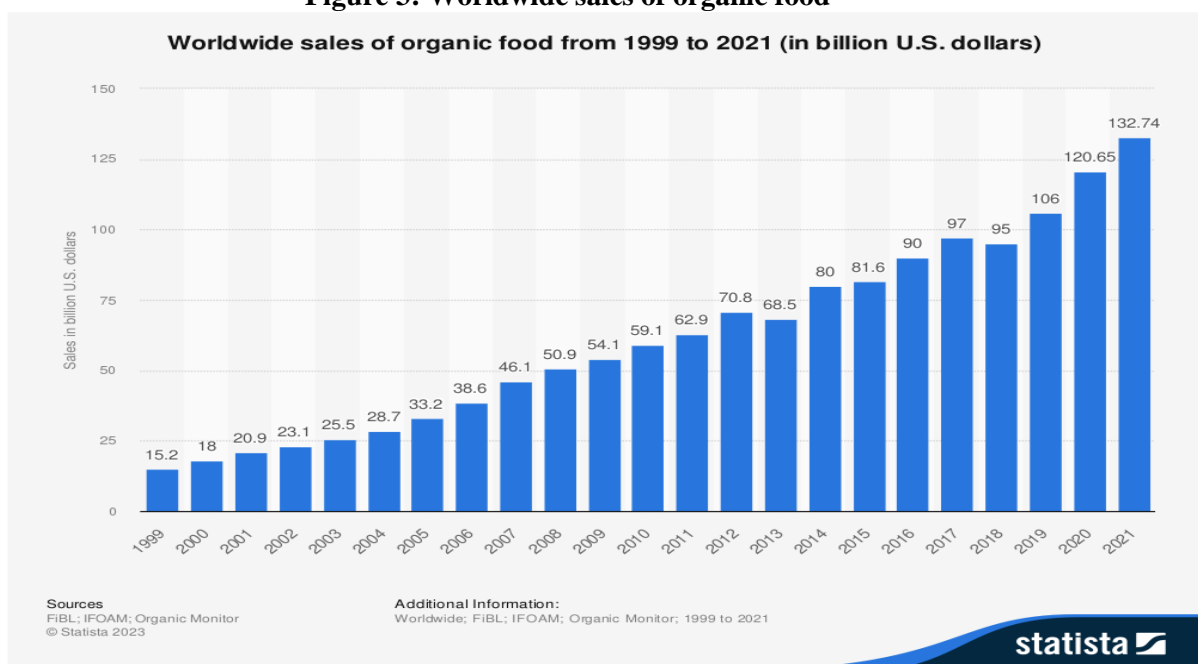
Source: IBM Institute for Business Value, Balancing sustainability and profitability How businesses can protect people, planet, and the bottom line (<https://www.ibm.com/thought-leadership/institute-business-value/en-us/report/2022-sustainability-consumer-research>)

An analysis of the main areas of activity reveals that 34% of total carbon dioxide emissions are the result of food consumption, while 1/3 of household environmental impacts, including water and energy consumption, water and soil pollution and gas emissions, are caused by food and beverage consumption (Meixner, Riefler & Schanes-art1). This determines more and more consumers to change their food consumption habits and move towards organic food (Figure 3).

Another area where changes in purchasing behaviour are visible in the direction of shifting consumer decisions towards more environmentally friendly alternatives is transportation. By 2022, 4 in 10 consumers declared they travelled at least once a month in a personally owned electric vehicle, with this shift reducing demand for traditionally powered vehicles and planes by 15% and 14% respectively (<https://www.ibm.com/thought-leadership/institute-business-value/en-us/report/2022-sustainability-consumer-research>).

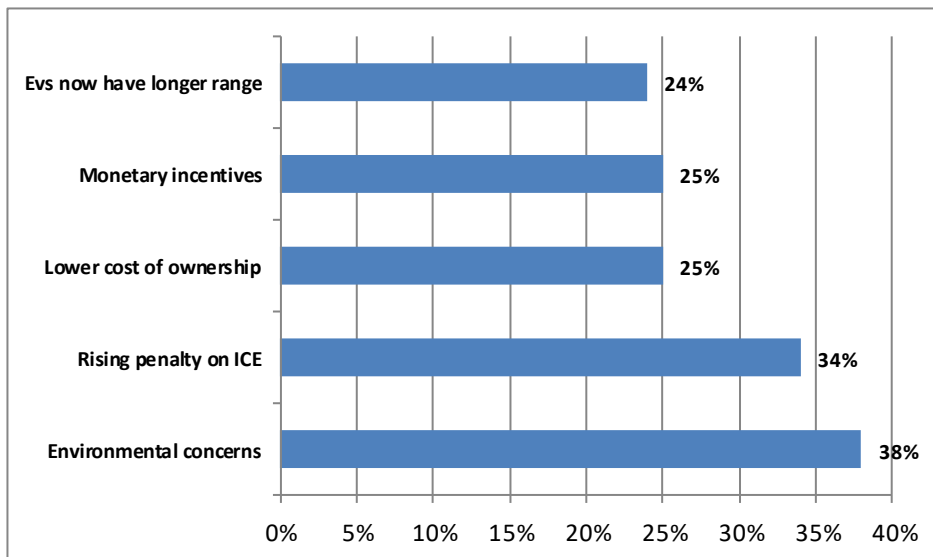
According to global estimates, the electric vehicle market is projected to reach \$906.7 billion in 2028, compared to \$411.02 billion in 2021 (<https://www.statista.com/outlook/mmo/electric-vehicles/worldwide>). In terms of reasons for consumers to purchase electric cars, 38% of respondents said concerns for a clean environment were the primary motivator, while 34% of respondents mentioned the lack of charging stations as the primary reason for not buying an electric car (Figures 4 and 5).

**Figure 3: Worldwide sales of organic food**



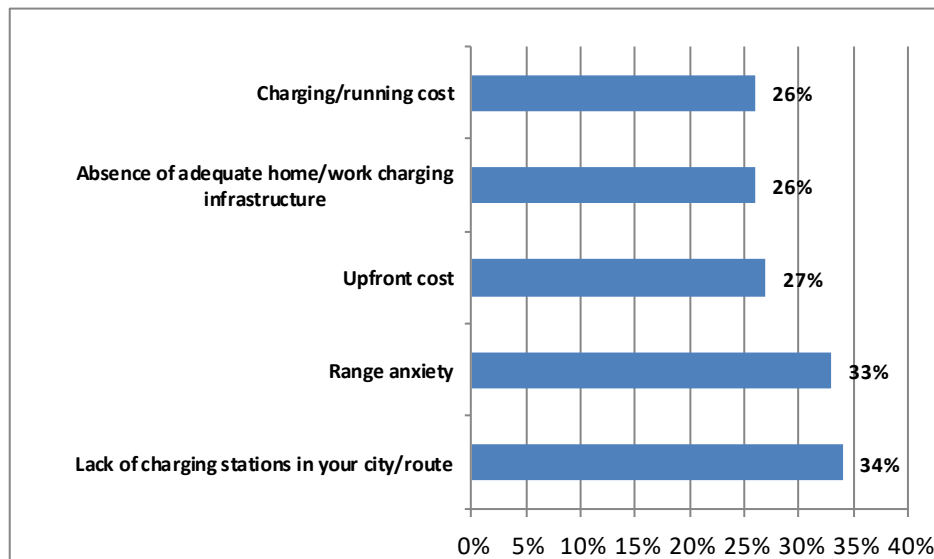
Source: <https://www.statista.com/statistics/273090/worldwide-sales-of-organic-foods-since-1999/>

**Figure 4: Main reasons for buying electric cars worldwide (March 2022)**



Source: <https://www.statista.com/statistics/1314926/leading-motivator-to-ev-purchase-worldwide/>

**Figure 5: Main reasons hindering the purchase of electric cars worldwide (March 2022)**

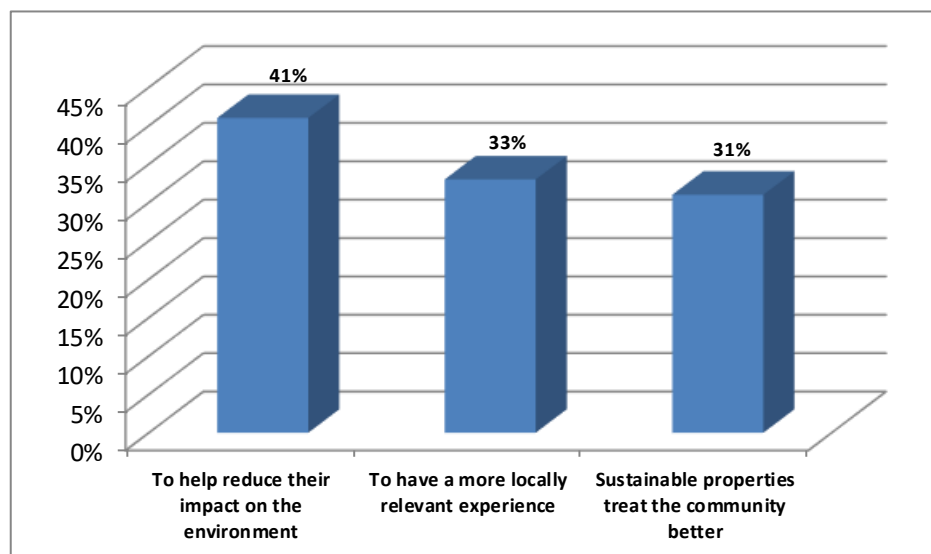


Source: <https://www.statista.com/statistics/1314914/leading-inhibitors-to-ev-purchase-worldwide/>

On the tourism services market, the changes are equally radical in terms of the sustainable alternatives that consumers are opting for, with ecotourism having a global market of \$181.1 billion in 2019 and an estimated \$333.8 billion in 2027 (<https://www.statista.com/topics/1916/green-tourism/#topicOverview>).

In what regards the motives for purchasing sustainable packages, 41% of the respondents indicated a reduction of the negative environmental impact, while 33% said that the option of ecotourism was based on a desire for an authentic local experiences (Figure 6).

**Figure 6: The main reasons why tourists opt for ecotourism packages (February 2022)**



Source: Statista, Sustainable Tourism Worldwide, p. 24, <https://www.statista.com/topics/1916/green-tourism/#topicOverview>

#### 4. Conclusions

Although the drive towards sustainable development is urgently needed, delays in implementing sustainable strategies in organisations can significantly reduce the scope for action. The first step in reorienting the activities of the companies towards sustainable growth is to change the mindset of consumers as demand motivators for sustainable products and services. To achieve this, companies should adopt sustainable marketing strategies that could facilitate:

- Finding a balance between financial and social and environmental objectives;
- Communicating to inform and educate stakeholders about sustainability objectives (consumers, employees, suppliers, collaborators);
- Integrating innovative technologies in the design and development of products using recycled materials or renewable energy;
- Providing incentives for consumers to move towards sustainable consumption;
- Encouraging consumers to actively participate in brand communities where they can share their positive experiences of consuming sustainable products, thereby promoting sustainable brands.

#### References:

- Bassi, F. (2023). European Consumers' Attitudes towards the Environment and Sustainable Behavior in the Market. *Sustainability*, 15, 1666. <https://doi.org/10.3390/su15021666>
- Cavagnaro, E. and Curiel, G. (2012). *The Three Levels of Sustainability*, Greenleaf Publishing Ltd, Sheffield, UK
- Hetes, A., Nadkarni, S., Brand Dubai: Sustaining its Luxury Image in Anukrati, S., Juan Ignacio, P.F., Azizul, H. (2020). *Sustainable Destination Branding and Marketing, Strategies for Tourism Development*, CABI.
- Cherrier, H., Black, I. R., and Lee, M. (2011). Intentional non-consumption for sustainability: consumer resistance and/or anti-consumption? *Eur. J. Mark.* 45, 1757–1767. doi: 10.1108/03090561111167397
- Zhuang, W., Luo, X., Riaz, M.U. (2021). On the Factors Influencing Green Purchase Intention: A Meta-Analysis Approach. *Front. Psychol.* 12:644020. doi: 10.3389/fpsyg.2021.644020
- Engel, J. F., Blackwell, R. D., and Miniard, P. W. (1995). *Consumer Behavior*, New York, NY: Dryden Press.
- Hawken, P. (2007). *Blessed Unrest*, New York: Penguin Group (p. 13) in Martin, D., Schouten, J. (2014). *Sustainable Marketing*, Pearson New International Edition.



- Holotová, M., Nagyová, L., Holota, T. (2020). The impact of environmental responsibility on changing consumer behaviour – sustainable market in Slovakia. *Economics and Sociology*, 13(3), 84-96. doi:10.14254/2071-789X.2020/13-3/6
- IBM Institute for Business Value. (2022). Balancing sustainability and profitability How businesses can protect people, planet, and the bottom line(<https://www.ibm.com/thought-leadership/institute-business-value/en>)
- Kleanthous, A., Jules, P. (2004). Let Them Eat Cake: Satisfying the New Consumer Appetite for Responsible Brands, World Wildlife Fund, [http://assets.wwf.org.br/downloads/let\\_them\\_eat\\_cake\\_full.pdf](http://assets.wwf.org.br/downloads/let_them_eat_cake_full.pdf) in Martin, D., Schouten, J. (2014). *Sustainable Marketing*, Pearson New International Edition.
- Kong, W., Harun, A., Sulong, R., and Lily, J. (2014). The influence of consumers perception of green products on green purchase intention. *Int. J. Asian Soc. Sci.* 4, 924–939 in Zhuang, W., Luo, X., Riaz, M.U. (2021). On the Factors Influencing Green Purchase Intention: A Meta-Analysis Approach. *Front. Psychol.* 12:644020.doi: 10.3389/fpsyg.2021.644020
- Mancuso, I., Natalicchio, A., Panniello, U., Roma, P.(2021). Understanding the Purchasing Behavior of Consumers in Response to Sustainable Marketing Practices: An Empirical Analysis in the Food Domain, *Sustainability*, 13, 6169, <https://doi.org/10.3390/su13116169>
- Martin, D., Schouten, J. (2014). *Sustainable Marketing*, Pearson New International Edition.
- Pinto de Moura, A., Cunha Luís, M., Castro Cunha, M., and Costa Lima, R.(2012). A comparative evaluation of women’s perceptions and importance of sustainability in fish consumption: an exploratory study among light consumers with different education levels. *Manag. Environ. Qual.* 23, 451–461. doi: 10.1108/14777831211232263 in Zhuang, W., Luo, X., Riaz, M.U. (2021). On the Factors Influencing Green Purchase Intention: A Meta-Analysis Approach. *Front. Psychol.* 12:644020.doi: 10.3389/fpsyg.2021.644020
- Wang, B., Udall, A.M. (2023). Sustainable Consumer Behaviors: The Effects of Identity, Environment Value and Marketing Promotion, *Sustainability* 2023, 15, 1129. <https://doi.org/10.3390/su15021129>
- Zhuang, W., Luo, X., Riaz, M.U. (2021). On the Factors Influencing Green Purchase Intention: A Meta-Analysis Approach. *Front. Psychol.* 12:644020.doi: 10.3389/fpsyg.2021.644020
- <https://www.ibm.com/thought-leadership/institute-business-value/en-us/report/2022-sustainability-consumer-research> accessed on 30 October 2023
- <https://www.statista.com/statistics/273090/worldwide-sales-of-organic-foods-since-1999/> accessed on 21 November 2023
- <https://www.statista.com/outlook/mmo/electric-vehicles/worldwide> accessed on 21 November 2023
- <https://www.statista.com/statistics/1314926/leading-motivator-to-ev-purchase-worldwide/> accessed on 21 November 2023
- <https://www.statista.com/statistics/1314914/leading-inhibitors-to-ev-purchase-worldwide/> accessed on 21 November 2023
- <https://www.statista.com/topics/1916/green-tourism/#topicOverview> accessed on 21 November 2023
- <https://www.unep.org/explore-topics/sustainable-development-goals> accessed on 30 October 2023