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## Exploring the relationship between sustainability claims, Consumer Perceptions, and brand loyalty towards green marketing

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### Abstract

*As sustainability has become a priority, green marketing has changed from a niche to a core strategy for brands. Increasing awareness of environmental and social issues has encouraged both companies and consumers to rethink their choices. Green marketing centres on promoting sustainable, environmentally friendly, and socially conscious goods. Still, discussion continues about whether sustainability claims lead to long-term brand loyalty.*

*This research examines how consumers interpret sustainability messages. The psychological and behavioural responses show how sustainability claims affect brand trust, consumer attitudes, emotional connection and long-term loyalty.*

*The quantitative data were collected from a diverse demographic. The findings suggest that sustainability claims do influence consumers' perceptions, trust, loyalty, and emotional attachment. The study also highlights the risks of greenwashing, when brands make exaggerated, unverified environmental claims that damage long-term loyalty.*

*The results show that credibility and transparency are crucial, and their effects differ across demographic groups, with younger consumers and those with stronger environmental responsibility exhibiting higher commitment to a sustainable brand.*

*This study also identifies the factors influencing consumer loyalty in a changing eco-conscious marketplace. The findings provide practical solutions to improve green marketing strategies.*

**Keywords:** *Green Marketing; Sustainability; Brand Loyalty; Consumer Perceptions; Trust; Brand Commitment.*

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### I. INTRODUCTION

Green marketing, also known as eco-friendly, sustainable, and socially conscious marketing, is a crucial component of marketing as it now reflects changes in customer attitudes. As customers' awareness of environmental issues has grown, it is now essential for businesses to properly explain their social and environmental initiatives.

Today's consumers are more discerning and knowledgeable than ever before, which begs the

question of whether sustainability promises build brand loyalty or are met with suspicion. According to some studies, eco-friendly policies and sustainability claims increase customer loyalty and trust, but other studies indicate that consumers may be sceptical of these promises due to greenwashing.

### II. LITERATURE REVIEW

#### Green Marketing and Sustainability Claims

Promoting goods and services with environmental effects such as lower carbon footprints, eco-friendly materials, and sustainable production methods is known as "green marketing" (Peattie, 2010). Energy efficiency without environmental harm and sustainability claims to improve a brand's reputation and attract environmentally aware customers. The eco-conscious consumer considers sustainability important. (Chen, 2010). A product's value increases with these claims, leading to consumer loyalty and satisfaction. But not every customer has the same opinion about green marketing claims. Customers vary in their behaviour; some are motivated to support, while others do not respond.

The literature aims to understand how consumers see green marketing and its impact on brand loyalty. The significance and how businesses can take advantage of various marketing opportunities associated with environmentalism (Coddington, 1993). The environmental impact on brand loyalty, consumer attitudes and intentions proposed that truthfulness and openness in socially conscious assertions are essential for understanding consumer behaviour (Raska et al., 2012).

Green marketing strategies has impact on consumers' intentions to make eco-friendly purchases. The impact of green marketing on consumer purchase intentions was examined with emphasis on green advertising, brand recognition, equity, and innovativeness. Whether these correlations were moderated by green satisfaction and awareness (Majeed, 2022). The impact of green marketing on consumer behaviour, evaluated, emphasised the significance of understanding consumer attitudes in promoting green efforts and the importance of brand messaging and the total brand experience on consumer behaviour (Kuria, 2024).

Consumers who have higher environmental values are more inclined to accept brands that make sustainability claims, according to the Value-Belief-Norm (VBN) theory (Stern et al., 1999). Customers with low environmental value are not influenced and are more

motivated by price, quality, etc.

Customers who strongly connect with environmentalism are more likely to support businesses that support green practices, according to research by Kaur et al. (2021). Over time, these customers may become more loyal to sustainable companies due to their emotional commitment.

## Consumer Perceptions of Green Marketing in India

As consumers' awareness of how their decisions affect the environment grows, many of them choose companies that exhibit environmental responsibility. The 2020 Nielsen poll found that around 73% of Indian consumers are prepared to pay more for companies that have ethical and sustainable business practices.

Sustainability claims influence consumer perceptions, especially for products with a green label, environmental certifications in food, fashion, personal care, and home goods. Although sustainability is gaining popularity, there are still sustainability claims doubts. According to Deloitte, in 2022, more than 60% of Indian consumers doubted the accuracy of green promises, believing they might be examples of greenwashing. As a result of this mistrust, there is a greater need for transparency and third-party certifications (like Fair Trade, Organic, or Energy Star) to support sustainability claims.

In India, Gen Z and Millennials, the two most environmentally concerned consumer groups, give sustainability top priority while making purchases. These are the generations that are more inclined to advocate for sustainable brands and to speak out about their ideals.

KPMG (2020) research indicates that younger generations prefer sustainable products and are prepared to adjust their lifestyles with their environmental values.

Higher disposable incomes, access, and exposure to companies with sustainability programs are

contributing to the rise in sustainable shopping trends in urban regions, particularly in Tier 1 and Tier 2 cities.

According to a BCG report, 44% of Indian consumers are willing to use brands that share values, such as ethical sourcing and sustainability, even if more than their rivals.

Social media has a significant impact on consumers' views on sustainability. Indian brands use Instagram, Facebook, and Twitter to promote their green initiatives and to interact with environmentally conscious customers. Influencers on YouTube and Instagram have emerged as important channels for marketing eco-friendly goods, particularly in the fashion and lifestyle.

An increasing number of green startups in India are offering sustainable alternatives. These are companies that specialise in organic food, electric cars, sustainable packaging, and renewable energy sources.

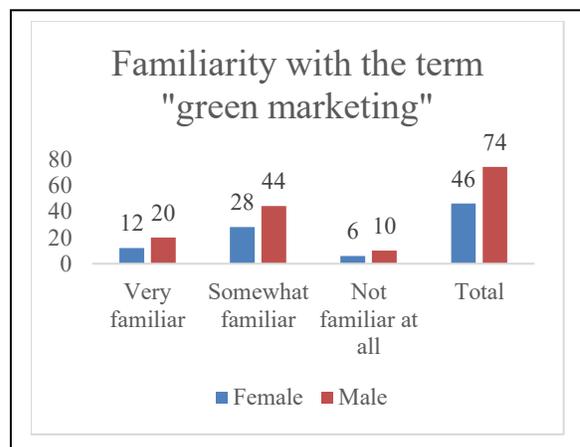
Another issue is the financial barrier to sustainable use, which raises the product's price. Price sensitivity still affects a sizable section of the population, particularly in more cost-conscious parts, even though urban consumers are willing to pay more.

### III. RESEARCH METHODOLOGY

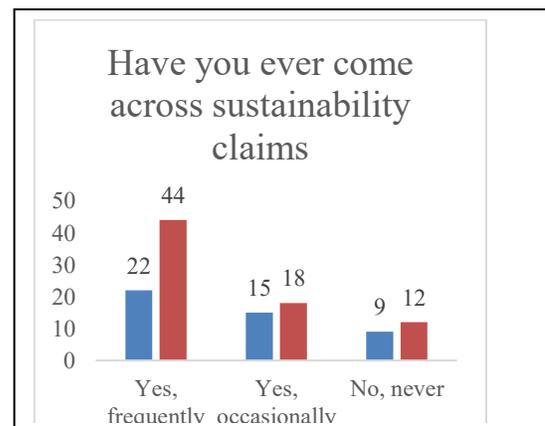
There has been a notable increase in consumer awareness about environmental issues in India. As urbanisation and media consumption grow, more people are exposed to sustainability-related messages. This study helps to understand consumer perceptions of sustainability claims and their impact on brand loyalty. The research methodology includes:

A structured questionnaire to measure their awareness of green marketing claims, attitudes toward sustainability, and their loyalty to brands that promote eco-friendly practices. The survey had questions about purchasing behaviour, trust in sustainability claims, and brand loyalty intentions. 120 completed questionnaires analysed and interpretations obtained.

### IV. RESULTS & ANALYSIS



The Fig .1 analysis shows that many respondents are familiar with the green marketing term, the promotion of products based on their environmental benefits.



The Fig 2 analysis shows that many respondents have come across sustainability claims (e.g., eco-friendly, organic, recyclable) in the marketing of products or services

A significant portion of consumers is skeptical of



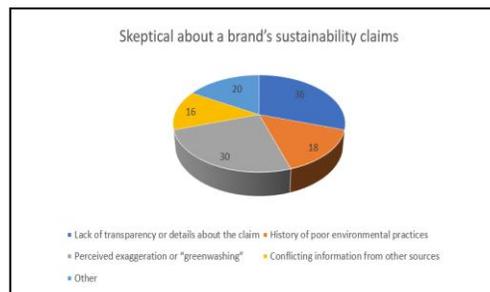
sustainability claims as in Fig 3, particularly in industries where greenwashing is prevalent, such as fashion and food. Transparency, including third-party certifications and detailed information about product



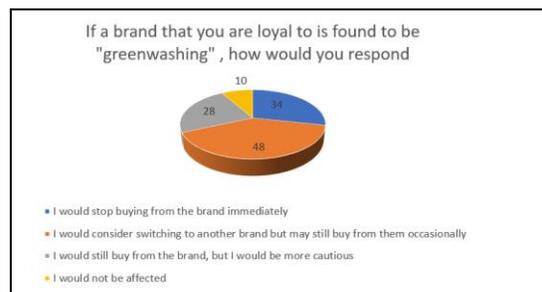
sourcing and production methods, was identified as a key factor in building consumer trust. Brands that provide clear evidence of their environmental impact are more likely to inspire long-term loyalty.

The findings in Fig 4 shows that brands with long-standing commitments to environmental sustainability and transparency enjoy high levels of customer loyalty. Customers often engage with the brand beyond the point of sale, supporting its environmental initiatives and advocating for its sustainability efforts, further reinforcing Long-Term brand loyalty and Repeat Purchases.

Consumers strong in environmental values showed a higher level of emotional attachment to sustainable



brands as in Fig 5, leading to higher brand loyalty. This was particularly evident in apparel and electric vehicles, where consumers valued the brand's commitment to sustainability not only as a product benefit but also as a reflection of their own values for Emotional Attachment and Brand Loyalty.



The survey results in Fig 6 indicated that respondents are more likely to purchase products from brands that make clear and credible sustainability claims. However, when claims were vague or unsubstantiated, the likelihood of purchasing decreased. Results revealed that consumers were more likely to support brands they perceived as genuinely committed to environmental causes rather than those engaging in "greenwashing." The Fig 7 analysis highlighted that brands with long-standing commitments to environmental sustainability and transparency enjoy high levels of customer loyalty. Customers often engage with the brand beyond the point of sale, supporting its environmental initiatives and advocating for its sustainability efforts, further reinforcing Long-Term brand Loyalty and Repeat Purchases.

**TABLE 1: CORRELATION ANALYSIS**

	<i>Mean</i>	<i>Std. Deviation</i>		<i>Sustainability claims</i>	<i>Perceived credibility</i>	<i>Consumer trust</i>	<i>Purchase intention</i>	<i>Brand loyalty</i>
Sustainability claims	3.92	.72	<i>Pearson Correlation</i>	1				
			<i>Sig. (2-tailed)</i>		.000	.000	.000	.000
Perceived credibility	3.89	.70	<i>Pearson Correlation</i>	.62**	1			
			<i>Sig. (2-tailed)</i>	.000		.000	.000	.000
Consumer trust	3.85	.74	<i>Pearson Correlation</i>	.59**	.66**	1		
			<i>Sig. (2-tailed)</i>	.000	.000		.000	.000
Purchase intention	3.90	.71	<i>Pearson Correlation</i>	.56**	.59**	.68**	1	
			<i>Sig. (2-tailed)</i>	.000	.000	.000		.000
Brand loyalty	3.88	.76	<i>Pearson Correlation</i>	.61**	.63**	.69**	.73**	1
			<i>Sig. (2-tailed)</i>	.000	.000	.000	.000	

**Interpretation:**

The results above show a significant positive correlation. It means that when Indian consumers perceive sustainability claims more strongly, it is associated with higher levels of credibility and trust, leading to purchasing more, with increased loyalty.

**Table 2: Regression Analysis**

Predictor	$\beta$ (Standardised)	t-value	P value	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	F value	Significance(F)	Result
Sustainability Claims	0.49	8.15	<0.001	.49	.24	.23	132.66	<0.001	Significant
Constant	-	-	-						

**Dependent Variable-Brand loyalty**

**Interpretation:** The regression analysis shows that sustainability claims predict brand loyalty, with a  $\beta$  of 0.49 and  $p$  less than 0.001. It is significant. The model accounts for 23 per cent of the variance in brand loyalty. It is substantial for consumer behaviour studies in India.

## V. DISCUSSION

The findings suggest that sustainability claims positively influence brand loyalty, especially when they are perceived as authentic and substantiated by evidence. Brands need to localise sustainability claims with India-specific environmental narratives.

Prioritise sustainable, affordable communication to sustainable high-end sustainability communication. Government-backed sustainability communication and disclosures help to improve credibility. Many doubt sustainability communication as risky, not transparent, and misleading.

Indian consumers see value and the company as relatively to a higher price point. This indicates that greenwashing has a highly significant effect on trust and loyalty in India, and transparency and certification (such as BIS labels, FSC, and Energy Star India) also carry significant importance.

## VI. LIMITATIONS

This study examines consumer perceptions of green marketing, sustainability, and impact on brand loyalty; however, several limitations to be acknowledged.

1. The sample used in this research may not accurately reflect the broader consumer population. As the sample consists of individuals with strong environmental beliefs, the findings may not represent the general public's views on sustainability claims. Future investigations should strive for a more diverse sample including various demographic and psychographic segments to provide a more thorough understanding of consumer behaviour.

2. The study was conducted in a specific geographic location, and consumer perceptions of green marketing may vary across different cultural and economic contexts. Local factors, such as regional environmental challenges, sustainability initiatives, and cultural norms, can influence consumer reactions to green marketing. Expanding the research to encompass multiple regions or countries could improve the comprehension of global consumer perceptions.

3. While the study highlights genuine sustainability claims, it does not thoroughly explore the potential negative impacts of greenwashing, where companies make misleading or unverified environmental claims. Future research should examine how consumer perceptions of green marketing are affected when there is suspicion of a brand engaging in greenwashing, as this could significantly influence their attitudes.

4. The measurement of brand loyalty primarily depended on self-reported attitudes and intentions, which may not accurately predict actual consumer behaviour. Future research could focus on analysing real purchasing patterns or conducting longitudinal studies to assess whether stated loyalty aligns with authentic brand engagement in practice.

5. The study concentrated on broad sustainability claims and did not delve into specific categories of these claims (such as carbon-neutral, cruelty-free, or fair trade) and their unique impacts on consumer perceptions. Future research can examine how different types of brand sustainability claims resonate with consumers and their loyalty alterations.

6. The research does not consider the broader economic and competitive environment, including aspects such as price sensitivity or the presence of competing brands utilising similar green marketing strategies. These external factors may influence or modify the relationship between green marketing and brand loyalty, and future studies could investigate how these variables interact with sustainability claims.

Addressing these limitations in future research would improve the understanding of how green marketing influences consumer perceptions and brand loyalty across different contexts and over extended timeframes.

## VII. CONCLUSION

In the context of sustainability, it is very crucial to understand consumer perception and brand loyalty. Although many are ready to support environmental values, there are challenges of scepticism about greenwashing. India is witnessing a shift to more

sustainable consumer behaviour due to increasing awareness, a younger eco-conscious population, and growing expectations from brands for transparency and authenticity in their sustainability claims. However, the potential for green marketing is enormous, and sustainability practices have to be increasingly authentic, backed with evidence as consumers are becoming critical and discerning. For businesses, it will be crucial to stay ahead of the curve in terms of sustainability innovation and build strong, authentic connections with the growing eco-conscious consumer base. This would only be possible if companies became more transparent in their sustainability efforts, and could substantiate their claims by consistently demonstrating their commitment to environmental and social responsibility. In a market where the demand for sustainable products is on the rise, brands that can navigate these challenges effectively will gain an advantage.

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