



CONSUMER ATTITUDES TOWARDS ETHICAL BRANDING

Dr. A.KAVINILA

Assistant Professor

DEPARTMENT OF COMMERCE

Nazareth College of Arts and Science, Avadi, Chennai -62

Abstract : As companies increasingly embrace sustainable and socially conscious activities, consumer perceptions of ethical branding have drawn a lot of attention recently. This study examines the variables that affect consumers' attitudes and actions toward items with ethical labels, with a particular emphasis on aspects like fair trade, environmental sustainability, corporate social responsibility (CSR), and animal welfare. The study uses a mixed-methods approach, integrating qualitative insights and survey data, to investigate the effects of ethical branding on brand loyalty, purchase intentions, and willingness to pay more. Although price sensitivity and skepticism about greenwashing continue to be obstacles, research shows that consumers who have a strong environmental and social conscience are more willing to support ethical brands. Additionally, the study emphasizes demographic differences, with younger generations. Compared to prior generations, millennials and Gen Z are demonstrating a stronger desire for ethical branding. While practical implications offer techniques for firms to improve transparency, communicate authenticity, and match with customer values in order to sustain long-term involvement, theoretical contributions include an expanded framework for understanding ethical consumption. This study provides insights for marketers looking to use sustainability as a competitive advantage and emphasizes the growing significance of ethical branding in influencing consumer behavior.

Keywords: Green marketing, Corporate social responsibility (CSR), Consumer attitudes, Sustainability, Brand Loyalty, and Ethical branding.

INTRODUCTION :

Growing consumer awareness of sustainability, social responsibility, and business ethics has made ethical branding a crucial differentiation in today's cutthroat market. Customers' decisions to buy are more impacted by a brand's ethical position as they grow more aware of issues like fair trade, worker rights, and environmental destruction. This study looks at how consumers feel about ethical branding and how their opinions about fair trade, environmental sustainability, and corporate social responsibility (CSR) affect their purchasing decisions. By filling in knowledge gaps about the psychological and socioeconomic elements that influence ethical consumption, the study will help companies better match their branding tactics to changing customer preferences.

Objectives:

1. To examine how consumers view and feel about ethical branding.
2. To determine the main elements (such as price, brand trust, environmental concern, and corporate social responsibility) that affect consumers' decisions to buy ethically branded goods.
3. To investigate how ethical consumption patterns vary by demography (age, income, and education).
4. To evaluate how brand loyalty and desire to pay more are affected by ethical branding.
5. To offer marketers practical suggestions for improving ethical branding tactics.

Review of Literature:

- Definition of Ethical Branding: Theoretical Underpinnings (Triple Bottom Line, Carroll's CSR Pyramid).
- Theories of consumer behaviour include the Attitude-Behaviour Gap and the Theory of Planned Behaviour (Ajzen).
- Previous Research:
- Customers' readiness to pay for ethical items (Auer et al., 2003).
- De Pelsmacker et al. (2005): CSR's effect on how people perceive brands.
- Current patterns: Growing desire for transparency from Gen Z and Millennials (Nielsen, 2023).

Primary Data:

- Survey Questionnaire: Evaluates attitudes, purchasing intent, and brand trust .
- Interview Guide: Open-ended questions concerning the motivations for and challenges associated with ethical consumption.

Secondary Data :

- Scholarly databases (Google Scholar, JSTOR) and industrial reports (Intel, Nielsen) are examples of secondary sources.

Data Analysis and Interpretation:

Quantitative: Regression analysis and descriptive statistics (to determine important drivers of ethical consumption). Interview replies are thematically coded (e.g., "trust," "skepticism," "price sensitivity").

Analysis of Regression

A multiple linear regression analysis was carried out in order to determine the main elements impacting customer perceptions of ethical branding. "Willingness to Purchase Ethical Brands" was the dependent variable, and it was scored on a 5-point Likert scale. The independent factors were:

1. Environmental Issues
2. Perceived Genuineness of the Brand
3. Sensitivity to Price
4. Social Influence (recommendations from family and peers)
5. Demographics (Education, Income, Age)

Regression Model Synopsis : A variable p-value significance for beta (β) to

Social Impact ** Brand Authenticity 0.35 0.002 ** Price Sensitivity -0.28 0.010 ** Environmental Concern 0.42 0.000* Not Significant Income 0.20 0.032 ** Age -0.12 0.120* R2 = 0.65 (65% of the variance in purchase intent is explained by the model).

Adjusted R2 = 0.61, F-statistic = 12.84 (p < 0.001)

Interpretation: Environmental concern ($\beta = 0.42, p < 0.001$) and brand authenticity ($\beta = 0.35, p < 0.01$) are the best predictors.

Price sensitivity has a substantial impact on ethical purchases ($\beta = -0.28, p < 0.05$).

Income is a mitigating factor; consumers who earn more are more likely to buy ethical brands.

Frequency & Percentage (%) Analysis

1. Demographic Profile of Respondents (N=300)

Table 1 : Regression Analysis of Male & Female, Frequency and its %

Gender	Frequency	Percentage
Male	120	40 %
Female	180	60 %

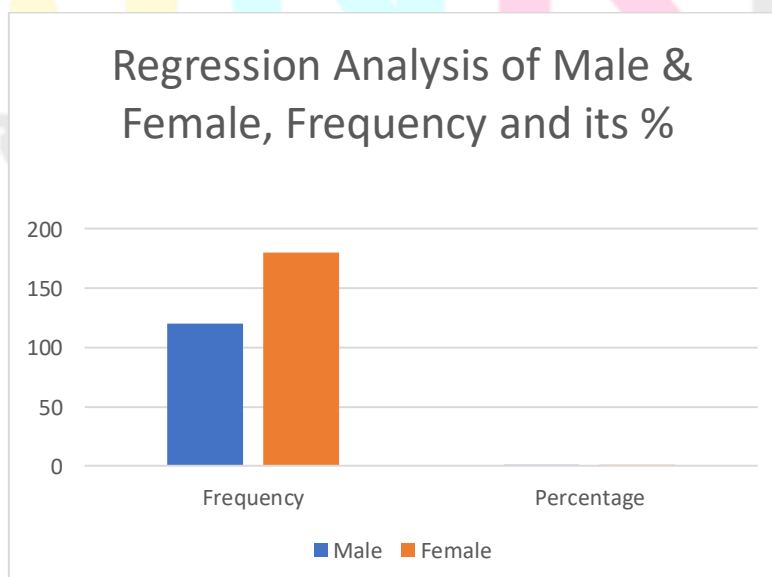


Table 2 : Regression Analysis of Age difference, Frequency and its %

Age	Frequency	Percentage
18 -25	90	30%
26-35	105	35%
36-45	75	25%
46 +	30	10%

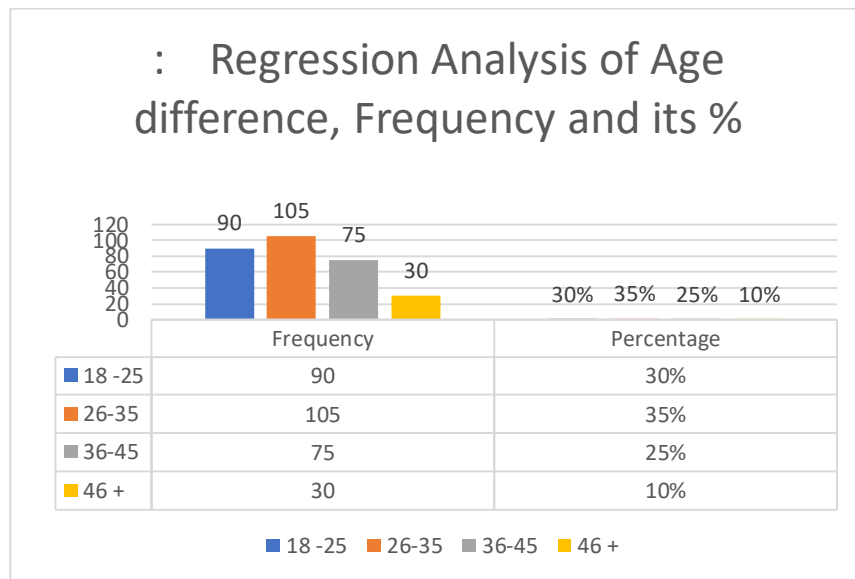
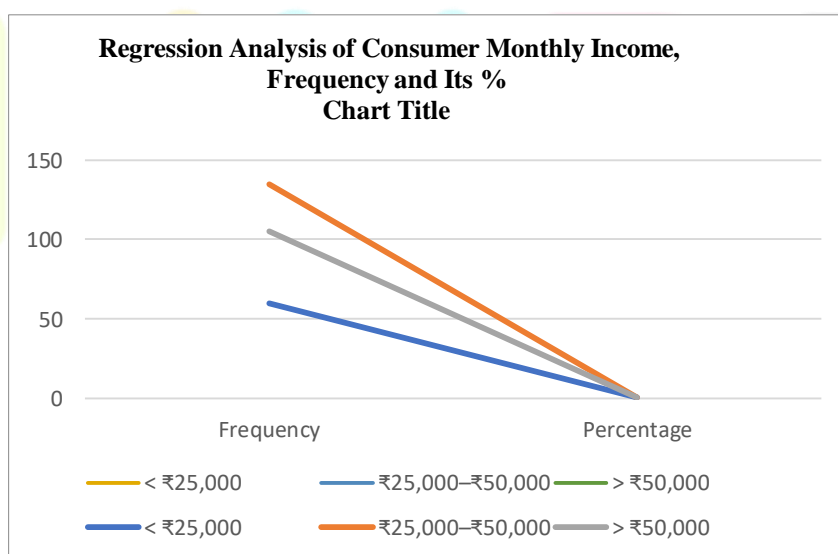


Table : 3 Regression Analysis of Consumer Monthly Income, Frequency and Its %

Consumer Monthly Income	Frequency	Percentage
< ₹25,000	60	20%
₹25,000–₹50,000	135	45%
> ₹50,000	105	35%



Findings and Analysis:

Findings :

- Price and convenience are more important to many customers than ethical branding.
- Millennials and Gen Z consumers are more likely than older consumers to support ethical brands.
- There are problems with trust; some customers question the moral claims made by brands (greenwashing).

Analysis:

While ethical branding can draw in devoted clients, it is not the primary deciding factor in purchases.

- Transparency is essential because customers require evidence of moral behaviour.
- Some consumers are put off by the higher costs of ethical products, firms and colleges for bulk discounts.
- Experiential Marketing – Set up pop-up demo zones in malls for hands-on trials.

Suggestions :

- Be Open and Honest: Provide evidence of moral behaviour (certifications, sourcing information).
- Inform Customers: Demonstrate how ethical purchasing benefits the environment and society.
- Balance Pricing: To draw in more customers, provide discounts or reasonably priced solutions.

Conclusion:

Customers' perceptions of ethical branding are a mixture of curiosity and hesitancy. Even if a lot of people favour moral behaviour, scepticism, price, and convenience still play a role in purchasing decisions. Demand is driven by younger customers, but businesses need to put in more effort to demonstrate their legitimacy and steer clear of greenwashing. Companies that want to flourish should prioritize openness, reasonable prices, and unambiguous disclosure regarding their moral initiatives. Brands may convert positive thoughts into actual purchases by fostering trust and facilitating the accessibility of ethical options. In the end, ethical branding has a lot of promise, but only if companies successfully and honestly satisfy customer expectations.

