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A Study on Ethical Consumerism and Conscious Buying

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Abstract: Ethical consumerism and conscious buying are reshaping markets as consumers prioritize sustainability, fair trade, and corporate transparency. Awareness of environmental and social issues influences industries like fashion, food, and technology. Consumers seek eco-friendly products, fair trade certifications, and ethical sourcing, driving businesses to adopt CSR initiatives and transparent supply chains. However, green washing threatens trust. Digital platforms and social media amplify awareness, empowering consumers to make informed choices. Governments are introducing sustainability policies, reinforcing ethical consumerism's impact. This movement drives systemic change, shaping corporate strategies and economic policies for a more sustainable global economy.

Keywords: Ethical consumerism drives demand for eco-friendly products and transparency, prompting businesses to adopt sustainable practices

1. INTRODUCTION

Ethical consumerism and conscious buying are becoming more important as people choose products that match their values. Consumers are now thinking beyond price and quality, considering how products impact the environment, workers, and society. This shift is driven by concerns about pollution, climate change, fair wages, and human rights. Many businesses are responding by offering eco-friendly, cruelty-free, and ethically sourced products to meet the growing demand for sustainability. Certifications like fair trade and organic labels help consumers make informed choices. Social media and online platforms also play a key role in spreading awareness and holding companies accountable. However, challenges like green washing, where companies falsely claim to be sustainable, make it necessary for buyers to research brands carefully. Ethical consumerism has the power to influence business practices and government policies, promoting a fairer and greener future. By making mindful purchases, consumers contribute to a healthier planet and a more just society.

2. REVIEW OF LITERATURE

"The Rise of Ethical Consumerism: Marketing Strategies for the Conscious Buyer" This review paper delves into the growing trend of ethical consumerism, analysing how businesses are adapting their marketing strategies to appeal to conscious buyers. "Ethical Consumerism in Emerging Markets: Opportunities and Challenges" This article examines the dynamics and challenges of ethical consumerism in emerging markets, offering future research directions in this area. "Why The Rise of Sustainability Is A Shift In Consumer Consciousness" This article discusses the notable shift in consumer behaviour towards more sustainable products and conscious buying. "Ethical Consumption: A Review and Research Agenda" This paper focuses on individuals' ethical concerns when making consumption decisions, highlighting the impact of these choices on the environment and society. "Ethical Consumerism on Consumers' Purchase Intentions and Actual Purchase Behaviors" This study investigates the effect of ethical consumerism on consumers' purchase intentions and actual purchase behaviours, providing empirical data on the subject. "Conscious Consumerism Is Not Ethical Consumption" This article critiques the concept of conscious consumerism, arguing that it does not equate to ethical consumption and discussing the limitations of consumer-driven ethical initiatives. "Conscious Consumerism Is a Lie. Here's a Better Way to Help Save the World" This article challenges the effectiveness of conscious consumerism, suggesting alternative approaches for individuals to contribute to global sustainability efforts.

3. OBJECTIVE

- To analyze consumer trends in ethical purchasing.

- To examine impacts of conscious buying on firms.
- To evaluate corporate strategies for sustainability.
- To assess challenges like green washing risks.
- To explore policies promoting ethical consumption

To analyze consumer trends in ethical purchasing: This objective aims to examine how consumer preferences are shifting toward ethical purchasing, including factors like sustainability, fair trade, and corporate social responsibility. It involves identifying key motivations, market demand, and barriers to ethical consumption. By analyzing trends, businesses can adapt strategies to meet consumer expectations, enhance brand reputation, and drive positive social and environmental impact.

To examine impacts of conscious buying on firms: This objective explores how conscious buying influences firms, including shifts in business models, supply chain practices, and marketing strategies. It examines the financial and reputational effects of ethical consumerism, such as increased brand loyalty, competitive advantage, and operational challenges. Understanding these impacts helps firms adapt to evolving consumer values and drive sustainable, socially responsible growth.

To evaluate corporate strategies for sustainability: This assesses how corporations implement sustainability strategies to balance profitability with environmental and social responsibility. It examines initiatives like green innovation, ethical sourcing, and carbon footprint reduction. By evaluating effectiveness, challenges, and industry best practices, businesses can refine their approaches to meet regulatory standards, enhance brand reputation, and drive long-term sustainable growth.

To assess challenges like green washing risks: This objective examines challenges businesses face in genuine sustainability efforts, including the risks of green washing misleading consumers about environmental benefits. It explores regulatory pressures, consumer skepticism, and the difficulty of balancing profitability with sustainability. By assessing these challenges, firms can develop transparent, credible strategies that foster trust, compliance, and long-term success in ethical markets.

To explore policies promoting ethical consumption: This objective examines policies that encourage ethical consumption, such as government regulations, corporate sustainability initiatives, and consumer incentives. It explores how taxation, subsidies, labeling standards, and awareness campaigns influence purchasing behavior. By analyzing these policies, businesses and policymakers can refine strategies to promote responsible consumption, drive sustainability, and align market practices with ethical and environmental goals.



FIGURE 1. Model for Ethical Consumerist and Conscious Buying

4. THE ETHICAL CONSUMERS

Mounting ethical concerns viz. human ethical concerns, animal ethical concerns and environmental concerns (Wheale and Hinton, 2007), the rising prominence of these concerns within mainstream media, the coming out of organised consumer activist groups and the increasing availability of ethical products, all have shown the way to better consumer understanding in relation to the impact of their buying and use behaviour (Connolly and Shaw, 2006). The term 'ethical consumer' was used to describe those consumers, who considered environmental issues, animal issues and ethical issues, including oppressive regimes and armaments, when shopping (Mintel, 1994). Moreover, this term is now commonly used referring to such a consumer group. It is to note that Ethical consumerism infers to consumer choices based on the social, non-traditional components of products (Auger et al., 2003) as well as personal and moral beliefs (Carrigan et al., 2004), with responsibility to the environment, society and fight for expressing their values through boycotting behaviour (De Pelsmacker et al., 2005). Examples of ethical concerns include environmental/green issues, sustainability concerns, workers' rights, country of origin, arms trade, fair trade and animal welfare. 'Green' consumerism, it should be noted, is subsumed within the wider category of ethical consumerism (Carrington et al., 2010). From 'green' beer (a carbon neutral beer) and hybrid car technology to 'Fair Trade'-endorsed tea and chocolate, marketing strategies targeted at the ethically minded are widely being adopted to knock into potentially money-making market segments and to promote the ethically responsible and environmentally etiquette (Carrington et al., 2010), though research developing a deep understanding of the ethical consumer is limited (Shaw et al., 2005).

5. RESPONSES

Business responses refer to how companies react to external factors, such as market changes, customer demands, societal issues, or economic conditions. These responses can take various forms, including adapting business strategies, modifying products or services, implementing sustainability initiatives, or adjusting pricing models. Businesses may also respond to public concerns or crises by enhancing their corporate social responsibility efforts, improving transparency, or shifting focus to meet ethical standards. Effective business responses help companies maintain their competitiveness, reputation, and customer loyalty in a rapidly changing environment

6. FAIR TRADE

Fair Trade is a global movement that aims to ensure fair wages, ethical working conditions, and sustainable practices for producers in developing countries. It focuses on empowering marginalized workers, often in

agriculture or craft sectors, by providing them with better trade terms, a stable income, and access to global markets. Fair Trade certification guarantees that products are made with respect for human rights and environmental sustainability, allowing consumers to support businesses that prioritize social justice, economic equity, and environmental responsibility

7. CUSTOMER RESPONSE

It is argued that the potential power of consumers to influence environmental and social outcomes through their market choices appears a crucial process in providing a sustainable future for the earth inhabitants. By choosing products that they perceive as ethical and avoiding products seen as unethical, consumers will send a signal to the market as to what should or should not be produced. In addition to this they will have courage to boycott unethical companies. Boycotting is way ethical consumers try to send feedback by choosing and buying certain products and services over others due to social considerations (Ozcaglar-Toulouse et al., 2006; Shaw and Shiu 2002). It is also known as positive buying or affirmative buying (Harrison et al., 2005). An example of it is the purchase of fair trade or environmentally friendly products

8. CONCLUSION

Ethical consumerism and conscious buying have become essential drivers of sustainable and responsible business practices. As consumers increasingly prioritize environmental and social values in their purchasing decisions, businesses are being encouraged to adopt ethical sourcing, sustainable production, and transparent supply chains. This shift not only promotes eco-friendly products but also ensures fair labor practices and corporate accountability. Despite its positive impact, ethical consumerism faces challenges such as green washing, misinformation, and accessibility of sustainable options. However, the rise of digital platforms and regulatory policies has strengthened consumer awareness and accountability, pushing companies to uphold ethical standards. Looking ahead, ethical consumerism has the potential to shape global economic and environmental policies, driving systemic change in industries worldwide. By making informed and responsible purchasing decisions, consumers play a critical role in fostering a more sustainable and just society, ensuring that ethical considerations remain a key focus in global commerce

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- [3]. "Ethical Consumption: Why Should We Understand It as a Social Practice?"Published in the International Journal of Consumer Studies in 2022, this article argues for a multilevel and interconnected understanding of ethical consumption, considering its integration with other social practices and the influence of sociotechnical regime.