

Ethical Consumerism and Value Concern in India's Sustainable Transformation: An Analysis

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Abstract

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs as defined by the Brundtland Commission and UN Conference on Environment and Development (1992). There are three pillars of sustainability, that is environmental, Social and economic considered as “interdependent and mutually reinforcing”. Hence sustainability means looking ahead while taking into account the equilibrium between economic growth, environmental protection and social well-being. It seems like a knife edge of development. Sustainability seeks to achieve long term prosperity and well-being for present and future generations by unifying economic, environmental and social objectives into a cohesive framework. Thus, the integration of these three pillars enables an equitable model that ensures sustained economic prosperity and social welfare across current and future generations. The amalgamation of Environmental protection, Social equity and Economic prosperity provide the foundation for ethical consumption behaviour which in turn create a resilient and sustainable growth with the dexterity to engross and recover from external and internal shocks.

Keywords: Sustainable Development, Ethical Consumption, external and internal shocks.

1.Introduction

According to Sustainable Development Goal 12, sustainable consumption and production patterns is key to sustain the livelihoods of

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current and future generations. Since the global population reaches at about 8.3 billion people projected to peak around 2080, combined with unsustainable consumption practices is rapidly depleting critical natural resources like fresh water, forests, agricultural lands and energy resources. Humanity is using up natural resources such as food, water, land 1.7 times faster than the planet can regenerate (**Global Footprint Network, 2024**). Similarly High-income countries use six times more resources per capita and are responsible for ten times more climate impacts per capita than low-income countries (**Global Resources Outlook, 2024**). Rapid population growth is the core concern of resource crunch, therefore controlling human number and reducing overconsumption of resources is equally important to preserve and conserve our planet. “Ethical Consumption” is a solution-based initiative related to SDG-12.

Table-1

Sustainable Performance Score and Ranking of Developed and Emerging Economies

Country	Score	Rank
Singapore	0.619	1 st
Switzerland	0.586	2 nd
Denmark	0.583	3 rd
Finland	0.579	4 th
Sweden	0.577	5 th
India	0.551	16 th
United Kingdom	0.536	34 th
Brazil	0.529	42 nd
South Africa	0.521	51 st
Mexico	0.512	61 st
United States	0.508	66 th
China	0.507	68 th
Russia	0.497	85 th

Source: Responsible Nations Index,2026

Table-1 above shows the latest Responsible Nations Index’s ranking and scores of 13 developed and emerging economies of the world in context of sustainable performance. The index measures ethical governance, social welfare, environmental responsibility and global accountability. It also shows how countries of different sizes, economies and political systems measure up in responsibility. Out of 154 countries,

Singapore, Switzerland, Denmark, Finland and other Nordic countries dominate the top rank. Emerging economies like India, Brazil, South Africa, Mexico and China are mid performers. Nordic countries lead globally due to aggressive renewable energy adoption, environmental action, ecological reservation and transparency and sustainability driven governance. Index also shows that there is no connection found between economic and military power and internal, environmental & external responsibility. Size of GDP does not automatically translate into ethical leadership and global responsibility as reflected in the ranking of USA, China and Russia. It is like decoupling the notion of a **Great power from a Good power**.

Ethical consumption is a practical mechanism to translate sustainability & responsibility goals into sensible consumption behaviour. It is not the complete solution but can be regarded as critical tool that empowers consumer citizens to contribute to the wider framework of sustainable consumption.

1.2 Conceptual Framework of Ethical Consumption

Ethical behaviour means aligning choices and acting in accordance with values and principles. It is related to ethics and morals. It provides the moral foundation that guides all actions toward fairness and responsibility. Ethical consumption is the practical expression of that foundation in the marketplace, where individuals translated values like environmental protection and social justice into buying decisions. Ethical consumption refers to the practice of making purchasing decisions based on moral, social, and environmental considerations. It is a cornerstone of sustainable development, as it empowers individuals and communities to align their consumption habits with values such as fairness, responsibility, and ecological balance. By choosing products and services that minimize harm and maximize positive impact, consumers become active agents of change. Basically, ethical consumption means that consumers act with responsibility. Every purchase becomes a statement of value supporting fair wages, protecting ecosystems, and respecting animal welfare. It is about aligning everyday consumption habits with principles of righteousness, sustainability, and empathy.

Table-2

Historical evolution of Ethical Consumption Behaviour

Period	Main Issues/Concern	Action by Consumer
1790s	Slavery and Morality	Boycotts (In UK &US)
1890s	Labour welfare and fairness	Cooperatives and fair trade
1960s	Consumer rights & safety	Consumer Bill of Rights
1970s	Environmental protection	Green Consumption
1980s	Unethical Marketing	Baby Milk Boycott
1990	Human rights and CSR	Ethical purchasing
2000	Sustainability and climate change	Sustainable Consumption
2010	Transparency, ESG, Social justice	Conscious and responsible consumption
2013	Rana Plaza Collapse	Fast fashion accountability
2019	The Greta Thunberg Effect	Buying local, reducing meat consumption & limiting flights
2020	Regenerative & Circular consumption	Recycling, upcycling, rental models and repair services
2023-Present	Digital Product Passports	Emerging regulations, product's carbon footprint and material composition

Ethical consumption has evolved conceptually from a niche activism to conventional framework for sustainability and social justice. Theoretical foundations drawn from behavioural economics, corporate social responsibility (CSR), consumer ethics and sustainable development, reflecting its interdisciplinary nature since the 1990s. There is entire shift in understanding from individual consumer choices to complete transformation through regulation, corporate accountability, and social movements.

1.3 Multiculturalism and ethnic consumption

Multi-culturalism is a global phenomenon. It is a coexistence of diverse culture, tradition and ethnicities within a society. A recently emerging idea related to paradox of multi-culturalism incorporate consumer behaviour theories with ethnicity and ethnic identity according to **Bamossy et al.,1995**. The core idea behind this is that people don't purchase product only rather they buy identity, belonging and memory.

In era of Globalization individual's life is changing every day. It became very important to analyse the transforming consumer behaviour regarding his preferences and choices. According to The Consumer Society: Myths and Structures, goods are consumed not just for utility but for

symbolic meaning in society (**Baudrillard B., 1998**). Thus, to understand these changing dynamics it is imperative to incorporate a multicultural viewpoint according to **Piacentini et al., 2015**. Rise in International trade relations, travel and tourism, increasing trend of immigration and emerging dynamic multimedia platforms has extended global connectivity and provided abundant opportunities for multicultural exploration and cultural exposure.

1.4 Sustainability and ethical consumerism

In 21st Century witnessed the rise in Consumer driven markets that alter global economic activities by dictating what is to be produced and at what scale. Everchanging preferences force supply chains to become agile. It thrives on demand led production, advertising and globalization but can create materialistic cultures and unsustainable practices. Consumerism led to upsurge of consumer demand for varieties of products which drives over consumption pattern and challenge long term resource efficiency with its availability in future. Consumption led marketing practices encourages unsustainable production and consumption (**Parvatiyar & etal., 2021**). When production and trade are driven by consumer demand and profit motives, it prioritizes short term growth and material satisfaction over environmental balance and long-term resilience. Ethical consumerism has emerged as a set of initiatives to safeguard environment and change consumer's attitude to ensure sustainable consumption. It has gained importance in addressing global challenges on sustainable development such as resource depletion, environmental pollution, and radical climate change.

2 Emerging markets for Ethical Consumption

According to McKinsey US consumer survey, about 60% of consumers in United States of America and United Kingdom are willing to pay more for sustainable and eco-friendly products (**2020**). The change in choices of consumers positively influence the production pattern of producers by diverting their inherent tendency of profit seeking to social responsibilities. A consumer citizen in today's world seems to be conscious enough to invoke ethical sourcing and sustainable designing. A study on Global Sustainability: **The Growth Potential of Environmental Change**, envisages 75 % of global consumers feel that environmental sustainability is an important to them, while 66 % of consumers rank sustainability as one of the top five drivers behind a purchase decision (**2022**). The number

of people who said sustainability was an important factor while buying clothes was found 69 % in 2021 according to the report of **Sustainable Clothing Action Plan, wrap**.

2.1 World Most Ethical Companies

Ethisphere annually recognise companies that demonstrate integrity, transparency and ethical leadership. It honours organizations that prioritize ethics, accountability and a commitment to doing what's right while helping them build trust, attract talent and outperform peers.

Table-3

List of Selected Honourees of Developed countries

Company	Country	Industry
Aflac	USA	Insurance
Ecolab	USA	Industrial Manufacturing
International Paper	USA	Paper & Packaging
Kao Corporation	Japan	Consumer Products
Milliken & Company	USA	Textiles & Chemicals
PepsiCo	USA	Food & Beverage
Accenture	Ireland	Consulting
Cummins	USA	Automotive
Colgate-Palmolive	USA	Consumer Products
Dell Technologies	USA	Technology

Source: World's Most Ethical Companies,2026

Major developing such as Brazil, China, India, South Africa, Mexico, South Africa and Turkey shows rise in socially responsible consumption. The main reason for this may be attributed to growing middle income groups, consumer spending and rise in conscious consumption behaviour. Consumers are becoming more aware of social and environmental values and considered ethical aspects while choosing their consumption bundles.

Table-4

List of selected Honourees (Emerging Economies)

Company	Country	Industry
Infosys	India	Software & Services
HCLTech	India	IT Services
Lenovo	China	Technology
Natura & Co	Brazil	Consumer Products
Grupo Bimbo	Mexico	Food & Beverages
OCP Group	Morocco	Chemicals

Source: World's Most Ethical Companies,2026

3. Significance of Ethical Consumption

- **Egalitarianism, Social Justice & Human rights:** Ethical consumption ensures fair wages, safe working conditions, and respect for human rights, particularly for workers in developing countries.
- **Sustainable resource management & Environmental Protection:** Choosing eco-friendly products reduces pollution, conserves resources, and mitigates climate change.
- **Animal Welfare:** Avoiding products tested on animals or derived from exploitative practices promotes compassion and humane treatment.
- **Consumer Empowerment:** Ethical consumption transforms buyers into agents of change, influencing corporate behaviour and market trends.
- **Cultural Preservation:** Provide support to local artisans and promote traditional practices helps maintain cultural heritage and community resilience.
- **Creating a Circular Economy:** Ethical consumption accentuates buying less, repairing, thrifting, recycling and upcycling.
- **Promote sustainable and mindful consumption:** Responsible shopping choices and Ethical consumerism.

4. Need for Ethical Consumption

- **Globalization Impact:** With supply chains spanning continents, consumer choices directly affect distant communities and ecosystems.
- **Climate Change Impact:** Rising emissions and resource depletion demand urgent shifts toward sustainable consumption patterns.
- **Asserting Corporate Accountability:** Ethical consumption pressures companies to adopt transparent, fair, and sustainable practices.
- **Policy Gaps:** Inadequate regulations make consumer-driven ethical choices essential to fill the void.
- **Future Generations:** Ethical consumption safeguards resources and ecosystems for the well-being of future societies.

5. Challenges on the way of implementation

Implementing ethical consumption faces significant barriers, basically the value-action gap, when consumers have strong environmental and social awareness but they fail to translate their intention into actual

purchases. It may be due to various reason such as misinformation, convenience, habit or budget constraints. Some of them are as follow:

- **Greenwashing:** It is often coined as an illusory market practice where are company produces untrue imprint and makes ambiguous claims related to environmental benefits. These misleading claims breaks consumer trust.
- **Cultural diversity:** Cultural differences and different traditional perspectives within a society, organization and community decides about the priority and practice of ethical consumption behaviour, in this case ethical consumption becomes localized behaviour rather than a universal standard.
- **Accessibility Barrier:** Adoption of sustainable and cruelty free products seems to be less popular despite of environmental and moral concerns, higher costs and premium price tags limit its widespread adoption.

5.Prospects of ethical consumption behaviour in India

Indian consumers are increasingly express a value driven preference, while price and misleading information still poses a barrier in adoption of ethical products. An article on Green Marketing in India highlighted the trend of green marketing in India and described the reasons of why companies are adopting new marketing strategies and environment policies to promote their products and business ethics (2010). **According to Maheshwari et al.** in India, the consumer's increasing awareness of ethical products and green technologies has pushed numerous companies to introduced eco-friendly products in the market (2011).

A study investigates the gap between the values and purchasing power is still one of the important constraints. More than 60% consumers want to adopt ethical brand but only 21% of them were willing to pay higher prices (Nielsen,2022). The study on Green Banking practices and customer satisfaction shows that there is a growing demand among consumers for ethical options (AA Mir, 2025).

Ethical consumption accounts about 20% sales of key FMCG (Fast Moving Consumer Goods) categories. India also leads global south in affordable sustainability. Hence the prospects for ethical consumption in India are strongly driven by youth demographics, premiumization, digital transparency, growing climatic concern, cultural alignment and emerging restructured sensible and responsible consumerism in the country.

Table-5

Consumer preferences related to ethical consumption

Preference Type	Response Percentage
Climate and Environmental Consciousness	92%
Local & Ethical sourcing of goods	53%
Sustainable Packaging of food	49%
Data Ethics & Privacy	82%
Food safety priority	84%
Cultural heritage influence	74%
Willingness to pay more for sustainability	73%

Source: PwC's Voice of the Consumer 2025 survey

Tabel -5 above shows that Indian consumers are strongly prioritizing health, affordability, and sustainability in their preferences to purchase as about 73 % are willing to pay more for environmentally responsible products.

5.1 Analysing Indian Consumer behaviour

India standouts as a intensifying consumption environment, which is demonstrated by the 60% contribution of private consumption to GDP (2023). According to Pwc survey report Indian consumer market is poised to become the world's third largest owing to growth of middle- and high-income households, urbanization, expanding rural market, improved outreach and demographic dynamics of youth population. Driven by rapid industrialization and urbanization Indian consumer's demand are gradually shifting towards circular economy practices, eco-friendly products and ethical sourcing Responsible consumption is not just a niche trend but a mainstream driver of consumer behaviour in India, knotted with sustainability and global responsibility.

5.2 Major Consumer Archetypes in Indian modern retail market

The most prominent emerging consumption archetypes driving the transformation of consumer buying behaviour includes:

- a) **The Value-Conscious LOHAS (Lifestyles of Health & Sustainability):** It is a fascinating fusion archetype in India's evolving market. A global segment of consumers who prioritize wellness, eco-friendliness, and ethical consumption. Unlike western LOHAS consumer, Indian LOHAS consumers want sustainable and healthy products but at fair price.

- b) **The Circular & Thrifty Minimalist:** These group of consumers in India is shaped by sustainability, frugality and conscious consumption. Their traits include circular mindset, minimalist lifestyle, thrift orientation and eco-conscious values.
- c) **The “Vocal to Local” Patriot:** These types of consumers prioritize local made products, and national interest. They make their purchasing decision not only based on price and preferences but to preserve cultural identity. They are motivated by the idea of Atmanirbhar Bharat (self-reliant India).
- d) **The Eco-tech mobility adopter:** These group of consumers blend environmental consciousness with technological and innovation.
- e) **The Intentional Action Gap-Bridger:** These groups are well informed about sustainability and ethical consumption but not able to translate their intension into action due to affordability and convenience barriers.

5.3 Changing Consumer Values & Behaviour: Driven by rising disposable income and digitalization, Indian consumption market are expanding rapidly with enlarged middle-income households in the country. Indian consumers have shifted their focus towards value driven purchase, sustainability is considered as a buying criterion for most of the buyers today but still there exist a value paradox, that is the discrepancy between a consumer’s environmental and social values and their actual purchasing behaviour in average population

6. Conclusion

Ethical consumption is not a luxury but a necessity in today’s interrelated world. It bridges the gap between individual responsibility and collective sustainability, ensuring that economic growth does not come at the expense of human dignity or environmental health. By embracing ethical consumption, societies can move closer to achieving a balance between prosperity, justice, and ecological integrity. The global economy is experiencing a excessive ethical reformation where the commercial profits does not solely determine the performance of business world rather it is also driven by its alignment with core values of justice, transparency, sustainability and affluence. The foundation of this change is emergence of aware and sensible consumer whose buying behaviours are becoming less likely to be guided by prices alone. The crux of this reshaping

consumerism in India is guided by a unique mix of our traditional values like Ahimsa i.e. non-violence, Swadeshi i.e. local self-reliance and Minimalism i.e. simplicity along with modern aspirations of sustainability, global relevance and digital empowerment (**Grover M, 2024**). India is the 6th largest growing economy of the world with nominal gross domestic product of about \$4.15 trillion. However, with changing demographic dynamics and growth of lower middle class, India is growing into advanced consumer economy and could become the world's third largest consumer economy according to **World Economic Forum** (2018). The future of ethical consumption in India lies in its transition from an urban premium choice to a tech-enabled mainstream behaviour driven by youth population and climate concern. This shift directly links to India's growth by creating green markets, rural jobs and high value exports. It also reinforces resilient growth with less climate risks and supply chain shocks. Thus, ethical consumption becomes a significant strategy for balancing all three pillars of sustainability, ensuring inclusive economy's growth.

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