

Exploring the Impact of the Strategy of Sustainable Consumer Behavior on Consumers' Consumption Decisions

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Abstract: As global citizens' awareness of environmental issues is increasing daily, a recently invented idea called "sustainable consumer behavior" becomes popular. There are also some debates about whether this new shopping pattern will become mainstream or die out becomes a primary question. Based on past research about sustainable consumer behavior and green products, some patterns and trends about them could be revealed. This paper compiles research regarding sustainable consumer behavior after 2000 and tries to come to a conclusion about the effect this marketing strategy has on consumers' shopping behavior. Among all the essays, 15 essays from Google Scholar were used and analyzed in this essay. As a result, it can be found that researchers hold an optimistic view but with certain critics regarding sustainable consumer behavior. Currently, this new trend cannot bring much profit, but its high potential and popularity make it worthy of being expected. This research would be beneficial for decision-makers promoting sustainable consumer behavior.

Keywords: sustainable consumer behavior, consumption decision, strategy

1. Introduction

As newly appeared concepts, "Green foods" and "Sustainable consumer behavior" means the food produced in an organic way and the shopping pattern that to purchase food for saving the environment or improve health. Recently, it can be noticed that these two ideas are getting more popular. It is normal to hear people talking about a food being "organic," or to see advertisements podcasting how environmentally friendly their products are. It seems like organic foods will take up a large proportion of the food market in the near future; however, this statement still needs a lot of research to testify. Understanding the value of these organic foods will not only help the customers but also help the producers, as they may predict the market and evaluate how much benefit they can get from the food market if they spend more effort on producing green foods. In this passage, some previous research and paper will be concluded, compared, and result into different opinions regarding the green foods' influence over the market, advertisements, and customers. There will also be suggestions and a conclusion that try to predict green foods' value in the future.

2. Literature Review

Due to its popularity and potential, the topic of sustainable consumer behavior and green food marketing has attracted many researchers conducting research on them. Many of them believe that

green foods are playing a pivotal role in the food market [1]. Throughout this research, it is widely acknowledged that the future influence of green food products cannot and will not be ignored, but the problem is, to what extent? Not to say that the performance of the green foods in the current market is still being questioned. According to much research, the market share of green foods is generally low, between 5% to 10% in different areas [1]. Under such circumstances, the prediction and the current situation of green foods seems to have a contradiction, and still waiting for some further research to solve this mystery.

3. Impacts

Consumers' consumption decisions could be highly influenced by the strategy of sustainable consumer behavior, and this paper will explore the mechanism of the impacts from the following four aspects as Table 1 shows.

Table 1: Impacts of the strategy of sustainable consumer behavior.

Aspects	References
Organic Foods in the Food Market	[2]
Citizens' Awareness of Organic Foods	[1] [3] [4]
The Change in Organic Food Advertisements	[4] [5]
The New Targeted Customers of Organic Foods	[6] [7] [8] [9]

3.1. Organic Foods in the Food Market

As many articles suggest, the first and the biggest impact sustainable consumer behavior brings to the food market is the consumers' tendency to organic foods [2]. Even though organic food is still not so welcome in the worldwide food market (Organic foods control a market share of 6% in Switzerland, Austria, and Denmark, and only controlled a market share of 1.5% in France and UK in 2008), there is still an annual growth rate of 10% in the organic food market. Since the huge price premium causes consumers to hesitate or withdraw from buying organic products, it is still persuasive to say that the public's attention on organic food has greatly increased. This means that recently whether food is organic, or inorganic has become one of the primary reasons for consumers to choose food in the market. Just like its name, organic foods are produced in a more sustainable way, thus it is more environmentally friendly and safer from health issues such as obesity than inorganic food. As a result, the consumers who have more financial freedom turn more of their favor toward organic foods.

3.2. Citizens' Awareness of Organic Foods

One of the most profound influences sustainable consumer behaviors brings to the food market is the change in food prices. According to the concept, the consumers who represent the pattern of sustainable consumer behavior tend to focus on environmental sustainability, because they believe that the goods can be beneficial to the whole world. For example, the customers might choose cereal that is packed in the cardboard box rather than cereal in the plastic box. Because cardboard can be decomposed while plastic cannot, which means cardboard is more environmentally friendly. As a consequence, organic foods or green foods usually have a price premium because of a higher cost of producing these goods [1]. Research led by George Lazaroiu found out that the difference between green foods and normal foods can be as much as 40%, due to exceeding cost and additional cost of the farmers and the additional fee on marketing and distributing ends. It will be good news if the customers buy the green foods and then create higher income for the green food producers. However,

whether customers are willing to pay for the overflowing price or not remains uncertain. On the optimistic side, much research has shown the public's high interest in this area. For example, research on green labeled milk in Beijing shows that more than half of the people think it is normal for green food to be more expensive than normal food, and over 80% of the respondents are willing to pay at least 5% of the price premium on green foods compared to normal foods [3]. The research led by Rödiger, Manika, and Ulrich Hamm also states that the market share of organic foods has grown as much as 108% from 2008 to 2015. But on the pessimistic side, the market share for organic foods is still small, and there is no sign that such a trend will be changed recently [4]. Research regarding the sale of organic food in the Chinese market before covid was 63.5 billion yuan. It looks like a big number, but it only takes up 0.8% of the overall Chinese food market. It seems like organic foods are in a rather embarrassing place. While many customers agree on their value and announce that they will pay for them, the number of people who really paid for them is still small. However, the impact of sustainable consumer behavior on the food market is already being made, and there is no way for the foods to go back to the normal price. How to make organic food from a profitable market into an actual benefit is a challenge that every green food producer should think about.

3.3. The Change in Organic Food Advertisements

The idea of sustainable consumer behavior already has an impact on customers' shopping patterns. Though it sounds like an unfamiliar term for the customers, almost everyone has heard of organic foods or green foods. Some research noted that from 2016 to 2017, over 300000 instagram users had posted 15000000 interactions regarding organic foods [5]. Therefore, it can be assumed that the increasing popularity of sustainable consumer behavior has been influencing the food advertising strategy for a long time. In many food advertisements, the products are often described as "green", "organic", "natural", or "environmentally friendly". Compared to some old advertising strategies, which focus more on hiring advertising endorsers, stating the high quality of their products, or relying on the brand effect, this new trend of advertising strategy has proved that it is worthy to be implemented [4]. A research focus on people's willingness to pay for green food has shown the importance of green food advertisement. In this research, the research group designed a survey to investigate the Beijing people's WTP (willingness to pay) of green foods, and overall awareness of green foods. The Results showed that as much as 93.7% of the respondents had heard of green foods, and 87.7% of the respondents had bought green foods before. But what is behind the seemingly huge success of green food is people's misinterpretation. The same research showed that 30% of the people mistaking green foods as natural food, and half of the people cannot recognize the right logo of green food. The survey which showed people's tendency towards organic foods also demonstrated people's loyalty towards several big brands. In short, it is hard to say whether people choose organic foods based on the idea that they can protect the environment, or simply based on their brand. People's misunderstanding of green foods also adds weight to the opinion that customers buying organic foods or green foods is not because they agree with the green foods' mission. Therefore, despite the growing numbers of advertisements for green foods, their usefulness is still not clear.

3.4. The New Targeted Customers of Organic Foods

Lastly, the arrival of organic foods on the food market also gives the producers a chance to switch their target customers. Because of the concept of organic foods, many food products now have a much clearer customer population. For example, it is notable that some advertisements emphasize that their products are healthier or produced in a way that creates no pollution on the environment. This is because healthy food may attract customers who suffer from obesity problems, and environmentally friendly foods can attract customers who are concerned about environmental issues. While globally

people with obesity problems have doubled, to switch attention onto them seems much more realistic [6]. To change the targeting customer population is probably more useful than it seems to be. The research led by Wei, Shuqin, Tyson Ang, and Vivien E. Jancenelle regarding consumers' WTP towards organic foods shows that people with high environmental concerns will pay up to 13% of the price premium on organic foods compared to normal foods [7]. There is much research done to figure out the potential population, which is interested in organic foods, but the results vary [8]. Yu Weiping concluded in the research that the organic food market in China is optimistic because young generations are willing to buy these products. The research of Wijekoon, Rusitha, and Mohamad Fazli Sabri states that the affecting factors of green food purchase intention and behavior (GPI and GPB) include "customers' attitudes, environmental concerns, environmental knowledge, PBC, subjective norms, perceived consumer effectiveness, and awareness" [9]. While Wei, Shuqin, Tyson Ang, and Vivien E. Jancenelle came out with the conclusion that the WTP of green foods is associated with the customers' environmental consciousness and ability [7]. Although there is not a clear answer for this, to figure out the potential customer population is definitely a subject that green food producers should work on.

4. Suggestions

The good side of the green food is that it had been widely accepted on the society, and most people had already acknowledged its value. Therefore, people would like to buy them for the first few times because of they have a good impression on them, and those advertisements can leave a stronger impression on those customers with less effort, which might make those green food brands easier to be spreaded out. From these perspectives, the green foods are worthy to be invested in the future. However, the downside of the green foods is also very clear. Due to the price premium and the lack of well-known brands, the green food market is still way behind the traditional food market. By rising the society's awareness of the environment or encouraging a new lifestyle, the consumers might be interested in paying for the green foods for one or two times, but likely not for a long term. In order to attract costumers for a long term, there are lots of things should be improved on the green foods market, but they cannot be achieved in a short period of time. Those green foods on the market are being expected, but there are still many critics towards them. Some people casts doubt on whether green food can protect the environment or not, since without a change on social norms, the influence of the green foods will be very insignificant [10]. Objectively, there are still many problems with the green food market, making it too immature to become a big market. So It might not be a good idea to spend to many resources on the green food market, although it might dominant the whole food market in the future.

5. Conclusion

This paper compiled several previous research regarding green food market and sustainable consumer behaviors, trying to come out with an objective view about them. It can be noticed that the green foods are attracting more and more attention but is not producing enough profit. Generally, the market share of the green foods over the world is lower than 10%, which is an unsatisfying outcome considering how much resources had been used. One of the primary reasons is that these green foods are more expensive than normal foods, making people hard to effort them in a long term. The research above has listed the factors causing the price premium, including the higher costs in producing, in advertising, and marketing. Although the majority of the consumers accept the existence of the price premium and are willing to pay 5% more, usually the green foods can exceed the normal price to up to 40%, which is way more than what consumers can effort.

But the good side of the green foods is that they are propelling some changes to the market. For example, it can be noticed that recently many advertisements are trying to show how “environmentally friendly” their products are. It seems like people are willing to buy the foods which are using decomposable packings and organic ingredients, as if they can save the environment by doing so. At the same time, some customer populations are more valued because they might be the targeted population of the green foods. Before the impact of green foods on the food market come to an end, the changes they have brought should not be ignored.

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