

A Study of Consumer Perception over Sustainable Business Development

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ABSTRACT

Economies either developing or developed have long witnesses the importance on consumer perception. The strategies adopted by the companies in these economies have proven at timed the capacity sustainable strategies had. Leading companies know that sustainability is good business. No longer a practice done for legal or charitable reasons, it's a growth strategy. Despite many positive actions by companies, consumers still seem confused. A recent YouGov survey found that although 73% of British citizens consider sustainable living to be important to them, more than a third admits being confused about what they should, or shouldn't do to do. The following paper highlights an consumer perception towardqs sustainable approach of businesses and a clear opportunity for businesses to start inspiring behavior change and get sustainable living accepted by the mainstream.

Keywords: consumer perception, sustainable growth, behavior change, sustainable living

INTRODUCTION

The Indian consumer today

Of the nations in the world the Indian consumer stands first among the 63 nations surveyed in the global consumer confidence index with a score of 136 points at the end of December 2006 and still the numbers are increasing. The Indian consumer bifurcated into two-urban and rural is still attracting marketers across the world. The class being huge middle class, relatively affluent, and a small portion of economically disadvantaged class with spending anticipate to double around 2025(IBEf,2018).The rationale to this is the favorable population composition and increasing household disposable incomes. These are the main reasons the world sees India as the next emerging market. Literature shows that the steady economic robust growth and incomes shall increase up to USD 4 trillion by 2025.The maximum spending is likely to occur in the food, consumer durables, transport and communication sectors. The contributors to this state are the market size and equal and capitalized government initiatives.

MARKET SIZE

1. Social media presence have strengthen the influence the Indian consumers to splurge on good things
2. Electronics market is flourishing up to USD 100 Billion , with television industry to gain momentum with USD 11.78 billion
3. Smart phones have put Indian on a different scale in the world of consumers, wit 14% increase y-o-y with 124 million units.

THE INVESTMENTS

According to data released by the Department of industrial Policy and Promotion (DIPP) The FDI was huge in the field of electronics market worth USD 1.836 million up to December 2017.

THE GOVERNMENT INITIATIVES

1. The government has vision to make the consumer market more strong by passing a consumer protection bill approved by the Union Cabinet, to make the existing laws more strong with a effective broader scope.
2. The government is to set up 365 factories thereby generating 8000,000 jobs by 2025 in the field of mobile industry for producing batteries.

3. Incentive schemes are newly started especially in the electronic sector, for reducing the imports by 2020
4. 100% FDI in electronic systems and design and manufacturing sector.

THE ROAD AHEAD

The challenge is in sustaining the rate of development by joint initiatives by the government and the people in the nation. However Indian consumers or the consumers in the world have to look upon how sustainable the products are produced and marketed per say. The rationale being that the ecological, social and economical aspects of the goods/products being consumed will decide the future of the world. As such Business development entails tasks and processes to develop and implement growth opportunities within and between organizations.^[1] It is a subset of the fields of business, commerce and organizational theory. Business development is the creation of long-term value for an organization from customers, markets, and relationships.^[2]

While in the process of Business development the focus of organizations/marketers should be on the sustainable products and services along with the process of production. Sustainability (from 'sustain' and 'ability') is the process of change, in which the exploitation of resources, the direction of investments, the orientation of technological development and institutional change are all in harmony and enhance both current and future potential to meet human needs and aspirations.

SUSTAINABLE BUSINESS DEVELOPMENT

Those in businesses need to envision a 'sustainable corporation' for the future. Three elements have been suggested by, among others, Jacobs (1991, p60) as providing a starting point in exploring the implications which arise for economic, social and environmental behaviour if sustainable development is pursued. These are: (i) a need to embed environmental considerations in the economic policy making process, (ii) an inescapable commitment to equity (both between and within generations) and (iii) a reconsideration of the meaning of development which recognizes the concept as being wider than economic growth.

In an environmental sense, one would consider whether or not an organization's activities are ecologically sustainable. Thus, one may consider how activities impact upon global environmental stability (particularly climate change), biodiversity, resource availability and use, waste assimilation capacities and population carrying capacities. These concerns focus broadly on the 'efficiency' with which the environment is used, hence this element is often described as eco efficiency

The figure 2 below shows how organizations can provide themselves with a gap analysis of their offerings to the consumer. The following key points can be used as a frame of reference by organizations to produce/offer sustainable products and services.

Figure 2 Strong and weak sustainability		
Aspect	Strong sustainability	Weak sustainability
Focus of the pursuit of sustainability and the impetus for change.	Fundamental examination of the relationship between humans and their environment and with each other	Concerned to prevent an environmental catastrophe which would threaten human society
View of nature human interaction	Humans and nature are not separate from each other and harmony between the two is sought	The natural environment is a resource, humans need to better master the environment to solve present problems.
What do we wish to sustain?	Other species, not just the human species are to be maintained.	The human species is what we are seeking to sustain.

The gap between the present and a sustainable future.	Present situation is a long way from a sustainable one, it is so far away it is almost impossible to imagine what sustainability looks like. The time span of change may take 150-200 years	Present situation is near to a sustainable one, over next 30-50 years it should be reached.
Extent of change required.	Fundamental, structural change is likely to be required.	Sustainability is achievable with incremental adjustment of the current system.
Nature of the process of getting to a sustainable path.	Likely to require a participatory, transparent and democratic process. Technical fixes may generate more side effects than they solve.	Authoritative and coercive structures can be utilized (for example, market forces). Greater technological development will allow problems to be solved.
Relevance of ecojustice concerns - Who is to be sustained?	Intragenerational equity is an integral and essential part of sustainability. Focus on third world conditions and aspirations cannot be avoided.	Intragenerational equity is a separate issue, sustainability focus is primarily on ecological issues, equity issues will follow from them. Primary focus is on sustaining Western populations.
Sustainable in what way?	The nature of economic growth may need to be redefined or abandoned as a dominant goal. This raises questions about how we currently measure and view development.	Sustainability of the Western civilization at, at least, the current level of economic development. There is a belief that economic development is actually essential for the pursuit of sustainability.

Fig 2 : Key points for sustainability categories

Extracted from: Bebbington and Thomson (1996) and adapted from Redclift (1987), Gray et al., (1993) and Turner (1993).

CONSUMER PERCEPTION TOWARDS SUSTAINABILITY

As a marketing concept it encompasses a customer's impression, awareness and or consciousness about a company or its offerings. Indian industry has been fast growing. Customers are changing their perceptions towards the products preferring environment friendly products because there is a growing awareness to protect the environment. As resources are limited, it is important for the marketers to utilize the resources efficiently. Promotion and adoption of green products & technologies is necessary for conservation of natural resources and sustainable development. As a result, companies are using strategies for the promotion of adoption of green products and services. However, the acceptability of green marketing concept is still lacking. The reason are lack of awareness about eco friendly products and services, in-effective advertisements by manufacturers, lack of standardization of government rules and regulations.

There is a need to identify components/factors that help the consumers to take decisions for consuming the eco friendly products/services. Factors desire, trustworthiness, preference, ethical, awareness, initiative, social welfare. There has to be a check over standardization to certify a product as organic unless some regulatory bodies get involved in providing the certification. A standard quality control board needs to be in place for such labeling and licensing. Also, there is lack of general awareness. Consumers need to be educated and made aware of the environmental threats related to it. The new green movement needs to reach the masses and that will take a lot of

time and efforts. The investors and corporate world need to view the environment as major long-term investment opportunities, the marketers need to look at the long term benefits from this new green movement. The first rule of green marketing is to focus on customer benefits, the primary reason why customers would prefer to buy specific products at first place. Therefore companies should motivate consumers to switch brands or even pay premium for the greener alternatives. It is not going to help if a product is developed which is absolutely green in various aspects but does not fulfill the customer satisfaction criteria. Also if the green products have high prices then again it will lose its market acceptability. Therefore companies should make long run policies for Environment sustainability

Sustainable consumption is based on a decision-making process that takes the consumer's social responsibility into account in addition to individual needs and wants (Meulenberg, 2003). Everyday consumption practices are still heavily driven by convenience, habit, value for money, personal health concerns, hedonism, and individual responses to social and institutional norms (FSA, 2000; IGD, 2002a, 2002b; SDC, 2003), and, most importantly, they are likely to be resistant to change.

Road Ahead

Organisations should imbibe the sustainability strategy into the business strategy. For this the top management should consider the sustainable policy and define a mission statement for the organisation. The benefits reaped from this are that core values, goals and objectives of the organizations shall be derived. As such the departmental policies should be framed as per the sustainable policy. It is essential for the organizations to create communication channels and systems to deliver the objective of sustainability in the work processes followed by the individual's true contributors to the organizations value chain. A consumer who shall buy products from such organisation who value sustainability shall also get a message through different mediums of communication the significance of sustainable products. As such the demand shall also increase and viciously the manufacturing of such products/services shall also increase within the economy.

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