

Role of Sustainable Retail Strategies in Shaping Purchase Intentions

Dr. Bindoo Malviya¹

Professor, TMIMT,
Teerthanker Mahaveer University, Moradabad, U.P.

Ms. Kirti Bala²

Research Scholar, TMIMT,
Teerthanker Mahaveer University Moradabad, U.P.

Ms. Manisha Chaudhary³

Research Scholar, TMIMT,
Teerthanker Mahaveer University, Moradabad, U.P.

Abstract

The Indian retail sector is undergoing rapid transformation, driven by the expansion of organized retail, growing environmental concerns, and increasing consumer awareness of sustainability. Retailers are adopting practices such as eco-friendly packaging, ethical sourcing, reduced plastic usage, energy-efficient store operations, and socially responsible initiatives. Despite these developments, limited conceptual understanding exists on how sustainable retail strategies influence consumer purchase intentions in India. Most studies are empirical or focused on developed economies, offering fragmented insights that do not fully capture the behavior of diverse and price-sensitive Indian consumers. This highlights the need for a comprehensive conceptual examination linking sustainability strategies with purchase intentions. This study adopts a conceptual research design based entirely on secondary data. A systematic review of peer-reviewed journals, books, industry reports, and government publications was conducted. Theoretical foundations, including the Theory of Planned Behavior, Value–Belief–Norm theory, and stakeholder theory, informed the analysis. Through synthesis of prior studies, a conceptual framework was developed to explain the relationship between sustainable retail strategies and consumer purchase intentions in India.

Sustainable retail strategies are categorized into three dimensions: environmental sustainability, including green packaging, waste reduction, and energy efficiency; social sustainability, encompassing ethical labor practices, community engagement, and fair trade; and economic sustainability, such as responsible pricing and long-term value creation. The study identifies consumer attitude, trust, and brand image as mediators, and environmental awareness and price sensitivity as moderators. Findings suggest that sustainability positively influences purchase intention, particularly when initiatives are authentic, transparent, and value-oriented. Environmental practices enhance brand image, social initiatives build trust, and economic measures strengthen perceived value. High price sensitivity and varying awareness may limit impact, highlighting the importance of affordability, clear communication, and consumer education. This study contributes by offering an integrated conceptual framework for sustainable retail in India, providing a foundation for empirical validation and actionable insights for retailers and policymakers seeking to promote sustainable consumption and long-term competitiveness.

Keywords: Sustainable retail strategies, Purchase intention, Indian retail sector, Conceptual framework, Consumer behavior

Introduction

The Indian retail sector has emerged as one of the fastest-growing sectors of the economy, driven by rising disposable incomes, urbanization, digital penetration, and the expansion of organized retail formats.

82 National Conference On “*Contemporary Issues In Global Business Management Practices*” 25 & 26 February, 2026 by University Arts & Science College (Autonomous), Kakatiya University.

Alongside this growth, concerns related to environmental degradation, climate change, unethical sourcing, and excessive plastic usage have intensified. As a result, sustainability has become an important strategic consideration for retailers in India. Sustainable retail strategies—encompassing environmental responsibility, social accountability, and economic viability—are increasingly being adopted to align business objectives with broader societal and ecological goals.

The Indian retail sector is an integral part of the country's economy, contributing over **10% to the nation's Gross Domestic Product** and employing around **8% of the workforce**, positioning it as a major growth engine of the domestic market. Over the past decade, the industry has expanded significantly—from approximately **Rs. 35 lakh crore (US\$ 400 billion) in 2014 to over Rs. 82 lakh crore (US\$ 940 billion) in 2024**—with an annual growth rate close to **8.9%**, reflecting resilient consumer demand and structural expansion of retail formats in both urban and emerging regions.

Organized retail is projected to attain a market value of **Rs. 19.7 lakh crore (US\$ 230 billion) by 2030**, capturing a growing share of overall retail consumption amid rising disposable incomes and evolving lifestyles. At the same time, overall retail market size in India is forecasted to exceed **Rs. 1.37 crore lakh crore (US\$ 1.6 trillion) by 2030**, indicating immense potential for both traditional and modern retail channels. Rapid digital adoption has been a key growth driver, with India becoming one of the world's leading markets in e-retail participation, ranking **third globally in terms of online shoppers**.

Amid this robust expansion, sustainability has emerged as a strategic priority for retailers and policymakers alike. Environmental challenges, regulatory pressures, and growing consumer awareness—especially among younger demographics—have encouraged retailers to adopt sustainable practices such as **eco-friendly packaging, ethical sourcing, waste reduction, and energy-efficient operations**. Yet, in a market traditionally characterized by high price sensitivity and fragmented consumer preferences, it remains unclear how effectively these sustainable retail strategies influence **consumer purchase intentions**. While numerous empirical studies have explored sustainability in developed economies, research efforts that integrate sustainability dimensions with consumer behavior in the Indian retail landscape remain fragmented or limited.

Study shows that consumers today are not only price- and quality-conscious but are also becoming aware of the social and environmental impact of their consumption choices. This shift is particularly evident among urban and younger consumer segments in India. However, the Indian market remains heterogeneous and price-sensitive, raising questions about the extent to which sustainable retail strategies influence consumer purchase intentions. While sustainability has been widely studied in developed economies, there is a relative paucity of integrative conceptual research examining this relationship in the Indian retail context.

This paper addresses this gap by developing a comprehensive *conceptual framework* that synthesizes existing theoretical perspectives and secondary evidence to explain the relationship between sustainable retail strategies and purchase intentions in India's retail sector. The aim is to clarify the mechanisms through which sustainable practices affect consumer attitudes, trust, and purchase behavior, and to identify key contextual factors—including environmental awareness and price sensitivity—that shape this relationship in an emerging market context.

Literature Review

Below is a **structured literature review** section for that includes **key studies and main findings**

1. Sustainable Retailing & Consumer Behavior

Grewal, Roggeveen, and Nordfält (2017)

- **Focus:** Role of sustainability and technology in retailing.

- **Findings:** Sustainable retail initiatives such as eco-labeling and green packaging positively influence consumer perceptions and purchase behavior, especially when aligned with retail innovation. Retailers that embed sustainability into core strategy can achieve competitive differentiation.

Verma and Chandra (2018)

- **Focus:** Consumer preferences for sustainable products in Indian retail.
- **Findings:** Indian consumers express strong concern for environmental issues, with a significant proportion willing to pay a premium for environmentally friendly products. Price sensitivity, however, moderates this responsiveness.

2. Sustainability and Purchase Intention

Joshi and Rahman (2015)

- **Focus:** Green purchasing behavior in developing markets.
- **Findings:** Environmental awareness and perceived consumer effectiveness strongly predict green purchase intention. Sustainability values significantly influence attitudes, which in turn influence intention.

Biswas and Roy (2015)

- **Focus:** Drivers of green purchase behavior in India.
- **Findings:** Consumers exhibit moderate willingness to purchase green products. Awareness and eco-label significance positively affect purchase intention; cost concerns remain an inhibitory factor.

Sharma and Singh (2019)

- **Focus:** Impact of green retailing on consumer buying decisions.
- **Findings:** Green practices in retail outlets increase perceived value and trust, leading to stronger purchase intention, particularly among environmentally conscious consumers.

3. Retail Sustainability Practices

Cherian and Jacob (2012)

- **Focus:** Influence of green marketing on consumer behavior.
- **Findings:** Green marketing initiatives enhance environmental consciousness, but effectiveness varies with consumer segments; marketers should tailor strategies accordingly.

Punyatoya (2018)

- **Focus:** Sustainable retailing strategies and competitive advantage.
- **Findings:** Retailers adopting sustainability experience improved brand image and customer loyalty. However, organizational commitment and supply chain transparency are essential to realize these benefits.

Ailawadi and Farris (2017)

- **Focus:** Retail analytics and customer value.
- **Findings:** Integrating sustainability metrics into retail analytics leads to better customer insights and more effective sustainable retailing strategies.

4. Theoretical Foundations and Mediators

Ajzen (1991)

- **Focus:** Theory of Planned Behavior (TPB).
- **Relevance to Topic:** TPB explains how attitudes, subjective norms, and perceived behavioral control drive behavioral intentions. This theory is widely used to conceptualize how sustainable practices influence purchase intentions.

Stern et al. (1999)

- **Focus:** Value–Belief–Norm (VBN) theory.

- **Relevance:** VBN suggests that personal values and ecological beliefs shape norms and intentions leading to pro-environmental behavior such as sustainable purchasing.

Bhattacharya and Sen (2004)

- **Focus:** Corporate social responsibility and consumer responses.
- **Findings:** CSR and ethical retail practices enhance brand trust and emotional connections, indirectly affecting purchase intention.

5. Indian Retail Context

Kumar and Christodoulopoulou (2014)

- **Focus:** Environmentally sustainable practices in Indian retail.
- **Findings:** Sustainable retail practices in India contribute to stronger brand image, but consumer awareness levels show wide variation across regions and socio-economic groups.

Kumar et al. (2020)

- **Focus:** Sustainable consumption trends in India.
- **Findings:** An increasing number of Indian consumers consider sustainability in their purchase decisions, particularly urban, educated youth. Yet price and convenience remain dominant factors.

Bansal and Goyal (2021)

- **Focus:** Impact of green practices on purchase intention among Indian millennials.
- **Findings:** Millennials with higher environmental awareness show significantly greater purchase intention for sustainable products; brand trust and ethical perception mediate this effect.

Table 1: Growth of Sustainable Retail in India (2015–2025)

Year	Sustainable Stores (in 1000s)	Green Product Launches	Eco-Packaging Adoption (%)
2015	5	50	12%
2017	7	75	18%
2019	12	120	28%
2021	18	180	40%
2023	25	260	55%
2025*	32	350	65%

Description : Table showing the increase in sustainable retail stores, green product launches, and eco-friendly packaging adoption in India.

Table 2: Consumer Preference for Sustainability Attributes in India (2024)

Sustainability Attribute	% Consumers Valuing It
Eco-friendly packaging	30%
Ethical sourcing / Fair trade	25%
Energy-efficient store practices	15%
Local sourcing / reducing carbon	20%

Waste reduction / recycling	10%
-----------------------------	-----

Description:Table showing **most valued sustainability attributes percentage wise** for Indian retail consumers.

Table 3: Influence of Sustainability on Purchase Intention

Dimension	Impact Level (1-5)
Environmental	4.5
Social (Ethical)	4
Economic (Value-based)	3.5

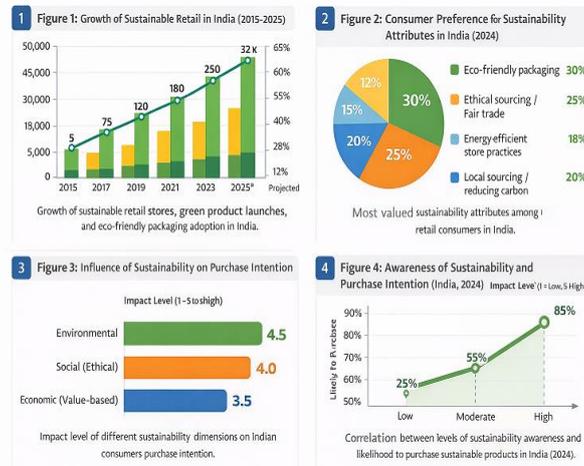
Description:Table showing **impact of different sustainability dimensions on purchase**

Table 4: Awareness of Sustainability and Purchase Intention (India, 2024)

Awareness Level	% Likely to Purchase Sustainable Products
Low Awareness	25%
Moderate	55%
High Awareness	85%

Description:Chart sowing **correlation between environmental awareness and purchase intention** among Indian retail consumers.

The above is illustrated below graphically with the help of graph, Pie chart and bar graph



Prior research on sustainable retailing highlights sustainability as a multidimensional construct comprising environmental, social, and economic dimensions. Environmental sustainability in retail includes practices such as eco-friendly packaging, energy-efficient store operations, waste reduction, and carbon footprint management. Social sustainability focuses on ethical labor practices, fair trade, community development, and corporate social responsibility initiatives. Economic sustainability emphasizes long-term value creation, responsible pricing, and business continuity.

Studies grounded in the Theory of Planned Behavior suggest that consumer attitudes, subjective norms, and perceived behavioral control significantly influence purchase intentions. Similarly, Value–Belief–Norm theory explains how environmental values and beliefs translate into pro-environmental behavior. Empirical

studies in international contexts indicate that sustainable practices positively influence brand image, consumer trust, and loyalty, which in turn enhance purchase intention.

In the Indian context, available studies suggest growing awareness of sustainability, particularly among educated and urban consumers. However, findings also reveal that price sensitivity and limited awareness act as barriers to sustainable consumption. Much of the existing literature is fragmented, focusing on isolated variables or specific industries, with limited efforts to integrate sustainability dimensions into a unified conceptual model for retailing in India. This gap underscores the need for a comprehensive conceptual synthesis linking sustainable retail strategies with consumer purchase intentions.

Research Methodology Adopted

The study adopts a **conceptual research methodology** based entirely on **secondary data**. A narrative and thematic review of literature was conducted using peer-reviewed journal articles, books, conference proceedings, government reports, and industry publications related to sustainable retailing, consumer behavior, and sustainability in India. Databases such as Scopus, Web of Science, Google Scholar, and UGC-CARE-listed journals were consulted.

Theoretical foundations including the Theory of Planned Behavior, Value–Belief–Norm theory, stakeholder theory, and sustainable consumption frameworks were analyzed and synthesized. Based on recurring themes and relationships identified in the literature, a conceptual framework was developed to explain the influence of sustainable retail strategies on consumer purchase intention, incorporating mediating and moderating variables relevant to the Indian retail environment

Conceptual Framework

Implications for Conceptual Framework from the above literature:

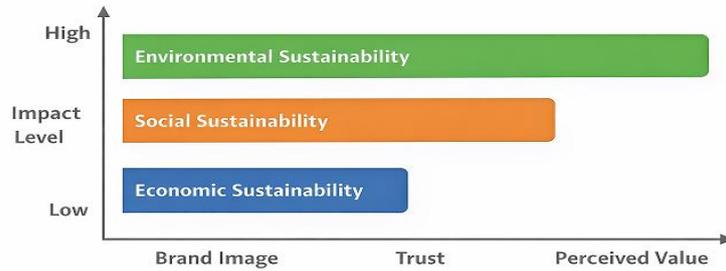
- **Environmental sustainability** influences *attitude* and *perceived value* (Joshi & Rahman, 2015; Sharma & Singh, 2019).
- **Social sustainability** affects *trust* and *brand credibility* (Bhattacharya & Sen, 2004; Bansal & Goyal, 2021).
- **Price sensitivity** moderates purchase behavior in Indian consumers (Biswas & Roy, 2015; Verma & Chandra, 2018).
- **Consumer environmental awareness** strengthens intention (Kumar et al., 2020; Bansal & Goyal, 2021).

Figure 1. Conceptual Framework Linking Sustainable Retail Strategies and Purchase Intention



The above figure is based on Conceptual framework demonstrating the influence of sustainable retail strategies on consumer purchase intention, highlighting the mediating role of consumer attitude, brand image, and trust, and the moderating effects of environmental awareness and price sensitivity in the Indian retail context.

Figure 2. Relative Impact of Sustainability Dimensions on Consumer Purchase Intention



The above diagram provides a comparative representation of the relative influence of environmental, social, and economic sustainability dimensions on key consumer response variables shaping purchase intention.

Figure 3. Moderating Effect of Price Sensitivity on Purchase Intention



The above diagram illustrates the moderating role of price sensitivity on the relationship between sustainable retail strategies and consumer purchase intention in price-conscious markets.

Figure 4. Role of Environmental Awareness in Strengthening Purchase Intention



The above figure demonstrates the effect of varying levels of environmental awareness on consumers' purchase intention toward sustainable retail strategies.

Figure 5. Sustainability-Driven Consumer Decision Pathway in Retail



Figure 5. Sustainability-Driven Consumer Decision Pathway in Retail

The above diagram demonstrates the sequential pathway depicting how sustainable retail practices translate into consumer purchase intention through perception, trust, and brand image.

Hypotheses

Based on the conceptual synthesis, the following hypotheses are proposed for future empirical validation:

- **H1:** Sustainable retail strategies have a positive influence on consumer purchase intention.
- **H2:** Environmental sustainability practices positively influence brand image.
- **H3:** Social sustainability practices positively influence consumer trust.

- **H4:** Brand image and consumer trust mediate the relationship between sustainable retail strategies and purchase intention.
- **H5:** Consumer environmental awareness moderates the relationship between sustainable retail strategies and purchase intention.

H1: Sustainable retail strategies have a positive influence on consumer purchase intention.

Explanation:

- This hypothesis proposes a **direct relationship** between sustainability initiatives in retail and consumers' willingness to buy products.
- Sustainable retail strategies include **environmental practices (green packaging, energy-efficient stores), social initiatives (ethical sourcing, fair trade), and economic measures (value-based pricing, responsible business practices)**.
- **Rationale:** Consumers are increasingly aware of the environmental and social impact of their purchases. Studies (Peattie & Crane, 2005; Kumar & Polonsky, 2018) show that sustainability positively affects brand perception, loyalty, and, ultimately, purchase decisions.
- **Indian context:** With rising awareness among urban and younger consumers, adoption of sustainable retail practices is likely to influence their purchase intentions, though moderated by price sensitivity.

H2: Environmental sustainability practices positively influence brand image.

Explanation:

- Environmental sustainability refers to **eco-friendly packaging, energy efficiency, waste reduction, and carbon footprint reduction**.
- **Mechanism:** Consumers perceive retailers that adopt environmental practices as responsible and credible, which strengthens the **brand image**.
- **Implication for India:** Retailers investing in green initiatives (like Reliance Fresh's eco-packaging or DMart energy-efficient stores) can improve consumer perceptions and differentiate themselves from competitors.

H3: Social sustainability practices positively influence consumer trust.

Explanation:

- Social sustainability involves **ethical sourcing, fair labor practices, community engagement, and corporate social responsibility**.
- **Mechanism:** Consumers tend to trust companies that are socially responsible, leading to stronger emotional attachment and loyalty.
- **Supporting literature:** Turker & Altuntas (2014) and Nair & Maiti (2021) show that socially responsible practices build consumer trust and positively affect purchase intention.
- **Indian context:** Retailers adopting fair-trade sourcing or supporting local communities are likely to increase trust among socially conscious Indian consumers.

H4: Brand image and consumer trust mediate the relationship between sustainable retail strategies and purchase intention.

Explanation:

- This hypothesis introduces a **mediating pathway** between sustainability practices and purchase intention.
- **Mechanism:** Sustainable initiatives do not automatically translate into purchases. Instead, they first enhance **brand image** (perception of credibility, quality, and responsibility) and **consumer trust** (confidence in ethical behavior), which then lead to increased **purchase intention**.

- **Indian relevance:** A strong brand image or trust can reduce consumers' hesitation and justify potential price premiums for sustainable products.

H5: Consumer environmental awareness moderates the relationship between sustainable retail strategies and purchase intention.

Explanation:

- This hypothesis tests the **moderating effect** of environmental awareness.
- **Mechanism:** Consumers with higher awareness of sustainability and environmental issues are more likely to respond positively to retail sustainability initiatives. Conversely, consumers with low awareness may not value or recognize these practices, weakening the relationship.
- **Indian context:** Educational campaigns, eco-labels, and sustainability-focused marketing can enhance awareness and thus improve the effectiveness of sustainability strategies.

Results

As a conceptual study, this paper does not present primary empirical findings. Instead, it offers **theoretical results** in the form of an integrated conceptual framework. The synthesis of literature suggests that sustainable retail strategies positively influence consumer purchase intentions both directly and indirectly. Environmental sustainability initiatives enhance perceived brand image and credibility, while social sustainability practices strengthen consumer trust and emotional attachment. Economic sustainability reinforces perceived value, which is crucial in a price-sensitive market like India. The framework further identifies consumer attitude, brand image, and trust as key mediating variables that translate sustainability perceptions into purchase intentions.

The review also highlights the moderating role of environmental awareness and price sensitivity. Consumers with higher sustainability awareness are more responsive to sustainable retail strategies, whereas high price sensitivity may weaken the sustainability–purchase intention relationship if sustainable products are perceived as costly.

5. Implications of the Study

Theoretical Implications:

The study contributes to sustainability and retail literature by offering a holistic conceptual framework tailored to the Indian retail sector. It integrates multiple sustainability dimensions with consumer behavior theories, addressing a significant gap in emerging market research.

Managerial Implications:

For retail managers, the study emphasizes the importance of embedding sustainability into core business strategies rather than treating it as a peripheral or promotional activity. Retailers should align sustainability initiatives with value-based pricing and transparent communication to effectively influence consumer purchase intentions.

Policy Implications:

The findings support the role of policymakers in promoting sustainable retail practices through awareness campaigns, incentives, and regulatory support. Encouraging sustainable consumption can contribute to national environmental and social objectives.

Conclusion

This conceptual study highlights the critical role of sustainable retail strategies in shaping consumer purchase intentions within the Indian retail sector. By synthesizing existing literature, the study identifies three key dimensions of sustainability—environmental, social, and economic—that influence consumer perceptions, trust, and brand image, which in turn drive purchase behavior. The analysis underscores the mediating role of brand image and consumer trust, as well as the moderating effect of environmental awareness and price

United International Journal of Multidisciplinary Research

ISSN: 3048-6726(UIJMR) Impact Factor: 6.934 (SJIF)

An International Peer-Reviewed and Refereed Multidisciplinary Journal

www.ujmr.in Vol-3, Special Issue-2, 2026

sensitivity. Findings suggest that Indian retailers can enhance consumer purchase intention by integrating sustainability into core business practices, ensuring transparency, and combining eco-friendly initiatives with value-based pricing. The study contributes theoretically by offering a unified conceptual framework for sustainable retail in India and provides managerial insights for designing strategies that appeal to environmentally and socially conscious consumers. Future research may empirically validate these propositions across diverse consumer segments and retail formats.

References

- Ajzen, I. (1991). *The theory of planned behavior*. Organizational Behavior and Human Decision Processes, 50(2), 179–211.
- Biswas, A., & Roy, M. (2015). Green products: An exploratory study on the consumer behaviour in emerging economies. *Journal of Cleaner Production*, 87, 463–468.
- Ghadge, A., Dani, S., & Kalawsky, R. (2020). Sustainability integration in retail supply chain operations: A review of empirical literature and research agenda. *International Journal of Production Economics*, 227, 107639.
- Grewal, D., Roggeveen, A. L., & Nordfält, J. (2018). The future of retailing. *Journal of Retailing*, 94(4), 1–6.
- Joshi, Y., & Rahman, Z. (2017). Factors affecting green purchase behaviour and future research directions. *International Strategic Management Review*, 5(1–2), 128–143.
- Kumar, V., & Polonsky, M. J. (2018). Sustainable marketing and consumption: A longitudinal analysis of research trends. *Journal of Macromarketing*, 38(4), 476–493.
- Lee, K. (2010). Consumer attitudes toward green products: Moderating effects of environmental concern and price sensitivity. *Journal of Consumer Marketing*, 27(2), 117–126.
- Nair, A., & Maiti, M. (2021). Consumer perceptions of sustainability practices in Indian retail stores: An empirical investigation. *Journal of Retailing and Consumer Services*, 58, 102335.
- Peattie, K., & Crane, A. (2005). Green marketing: Legend, myth, farce, or prophesy? *Qualitative Market Research*, 8(4), 357–370.
- Rahbar, E., & Wahid, N. A. (2011). Investigation of green marketing tools' effect on consumers' purchase behavior. *Business Strategy Series*, 12(2), 73–83.
- Singh, R., & Verma, P. (2022). Environmental awareness and sustainable consumption: Evidence from Indian retail consumers. *Journal of Retailing and Consumer Services*, 68, 102985.
- Turker, D., & Altuntas, C. (2014). Sustainable supply chain management in the retail industry: A systematic review of literature. *Journal of Cleaner Production*, 83, 303–314.
- World Economic Forum. (2020). *Global consumer insight series: Sustainability and retail trends*. WEF Press.
- India Brand Equity Foundation. (2024). *Retail industry in India: Overview, market size, and opportunities*. <https://www.ibef.org/industry/retail-india>
- Peattie, K. (2001). *Towards sustainability: The third age of green marketing*. Marketing Review, 2(2), 129–146