

# **AWARENESS AND PRACTICE OF ETHICAL CONSUMERISM AMONG AUTOMOBILE CUSTOMERS**

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## **ABSTRACT:**

*Ethical consumerism is the process of making purchasing decisions based on moral, environmental, and social considerations. It is becoming increasingly important in today's marketplace. The aim of this study is to investigate the variables that affect the consumers when making a purchasing decision of a vehicle. The awareness and practice of ethical consumerism is evaluated using a survey among 100 participants. To access the data and find important trends, statistical tools like Percentage Analysis, Chi-Square and ANOVA were used. According to the survey, buyers are increasingly inclined to consider ethical and environmental concerns when making purchasing decisions. The study highlights the importance of enhancing awareness to promote responsible consumption and the increasing significance of ethical considerations among diverse consumer profiles. These insights can support the marketers and businesses in shaping their approach to meeting the evolving expectations of automobile consumers.*

**KEYWORDS:** *Ethical consumerism, Sustainability, Automobile sector, Consumer awareness.*

## **INTRODUCTION:**

Ethical consumerism is the practice of making purchasing decisions based on ethical, social, and environmental factors. This concept has gained greater thrust in the recent years, particularly in industries with high environmental impact, such as in the automobile industry. There is an increased awareness and concern regarding the moral standards among the individuals, thus resulting in shift from the sole dependence on conventional financial aspects.

The automobile consumers are now beginning to evaluate the purchasing decision based on the impact it has on the environment, in addition to traditional factors such as price, brand and performance. This change is part of an overall shift in society towards sustainability and holding the businesses accountable.

The aim of this study is to assess the level of awareness among automobile customers regarding ethical issues in the industry, examine the extent to which ethical considerations affect the purchase decisions and the consumers perception on normal, electric and hybrid vehicles.

## **OBJECTIVES:**

- To analyse the demographic profile of automobile industry consumers.
- To assess the level of awareness about ethical issues in automobile industry.
- To explore the frequency of customers prioritising ethics over other factors like price, brand, or performance.
- To identify customer perception of different types of vehicles in relation to their ethical and environmental benefits.

## **STATEMENT OF PROBLEM:**

The automobile sector is going through a significant transformation as increasing number of consumers are making purchasing decisions based of ethical considerations. However, the traditional factors like price, brand loyalty, and vehicle performance still play a major role while drawing a conclusion. Despite the rising awareness of sustainability in the current market, a considerable number of consumers are unaware the ethical implications of the decisions they make. Further, there is lack of clarity about the different options (Electric, Hybrid and Petrol/Diesel vehicle) the consumers possess and its ethical implications. The disconnect between the consumer awareness and consumer behaviour presents a challenge in promoting ethical consumerism. Thus, there is a critical need to investigate consumer understanding and the extent to which this influences the purchasing decisions.

## **REVIEW OF LITERATURE:**

**Dr. Shabbirali Sherali Thavara (2026)** in “Green Mobility Choices: A Study on Consumer Perception and Purchase Preference Towards Electric Vehicles,” conducted a study which shows that environmental concerns and social media are important drivers when drawing a conclusion. The study was conducted among 412 participants, using tools like reliability tests, description statistics, factor analysis and regression analysis.

**Priya Nangia et al. (2023)** reviewed 203 studies on responsible consumption behaviour. The study revealed that responsible consumption behaviour is shaped by social, ethical, environmental and economic factors. Bibliometric analysis was used to identify key themes like social values, CSR, ethical obligations, and environmental concerns.

**Eleni Papaoikonomou et al. (2011)** using qualitative methods with 40 participants, studied the attitude-behaviour gap in ethical consumption in Spain. The study highlighted the need for market level support and increased consumer awareness.

**Martha A. Starr (2009)** used survey data from 1000 adults to examine the ethical consumption behaviour. They study revealed that social norms and peer behaviour strongly influence ethical choices. Awareness and ethical cues support the promotion of ethical consumerism.

**Emese Gulyas (2008)** explored ethical consumption as an emerging social movement that shaped markets and policies based on a survey of 1015 adults. This study identified different forms of ethical consumer actions and highlight the increasing societal impact of ethical consumerism.

### **LIMITATION OF STUDY:**

- The time constrains limit the extent of study about the various aspects of ethical consumptions in the automobile industry.
- Maintaining the attention and engagement of participants presented a challenge.
- The possibility of personal bias may have influenced the interpretation of data and findings.
- The study is restricted only to Chennai city.

### **RESEARCH METHODOLOGY:**

The research followed a descriptive and cross-sectional design to assess consumer awareness and practices related to ethical consumerism in automobile sector. The study primarily uses a quantitative approach, with data collected at a single point in time through structured questionnaires consisting of four sections:

**Part 1:** Demographic Profile.

**Part 2:** Awareness about Ethical Consumerism.

**Part 3:** Customer Participation in Ethical Consumerism.

**Part 4:** Consumer Perception regarding different categories of vehicles.

SPSS was used to analyse the data. The demographic profile of the respondents was analysed using Percentages Analysis and the association between the customer behaviour and purchasing decisions was investigated using techniques such as Chi Square, and ANOVA.

## ANALYSIS AND INTERPRETATION:

Results of Percentage analysis using the demographic details provided by the respondents.

**TABLE-1**  
**PERCENTAGE ANALYSIS**

| PROFILE                   |                          | PERCENTAGE |
|---------------------------|--------------------------|------------|
| Gender                    | Female                   | 46         |
|                           | Male                     | 54         |
| Age                       | 21-30                    | 25         |
|                           | 31-40                    | 30         |
|                           | 41-50                    | 24         |
|                           | Above 50                 | 21         |
|                           | Under Graduate           | 26         |
| Educational Qualification | Post Graduate            | 45         |
|                           | Professional Course      | 29         |
|                           | Student                  | 19         |
| Occupation                | Self Employed            | 29         |
|                           | Employed                 | 25         |
|                           | Home Maker               | 27         |
| Annual Income             | Below Rs.5,00,000        | 19         |
|                           | Rs.5,00,001 - 10,00,000  | 29         |
|                           | Rs.10,00,001 - 15,00,000 | 24         |
|                           | Above Rs.15,00,001       | 28         |

**Source: Primary Data**

With 46% of participants being female and 54% being male, the respondent's demographic profile shows a well-balanced gender distribution. Most of the respondents are between the ages of 31 - 40 years (30%), followed by 21 - 30 years (25%), indicating that young to middle-aged adults make up the majority. According to background information, a significant proportion (45%) are postgraduates, indicating that the sample group is highly educated. The respondent's occupations reflect a variety of economical background, with a fair distribution among self-employed people (29%), homemakers (27%), and employed people (25%). Regarding annual household income, most respondents earn between Rs. 5,00,001 and Rs. 10,00,000 (29%), while a notable portion also fall within higher income brackets. Overall, the sample comprises a diverse, educated and economically stable group, indicating a capacity for informed decision-making, which is important when examining consumer behaviour and ethical considerations.

### **CHI SQUARE ANALYSIS:**

**H0:** There is no association between age and the awareness of ethical consumerism in the context of buying vehicles.

**H1:** There is an association between age and the awareness of ethical consumerism in the context of buying vehicles.

**TABLE-2**  
**CHI-SQUARE TESTS**

|                                 | Value               | Df | Asymp.<br>Sig. (2-<br>sided) |
|---------------------------------|---------------------|----|------------------------------|
| Pearson Chi-Square              | 15.378 <sup>a</sup> | 12 | 0.221                        |
| Likelihood Ratio                | 18.453              | 12 | 0.103                        |
| Linear-by-Linear<br>Association | 0.003               | 1  | 0.954                        |
| N of Valid Cases                | 100                 |    |                              |

**Source: Computed Data**

The association between age and awareness of ethical consumerism in connection to purchasing a vehicle was evaluated using a Chi-Square test. There is no significant association between the two variables, as indicated by the p-value of 0.221 that was obtained, which is higher than the standard limit of 0.05. As a result, we fail to reject the null hypothesis and reach the conclusion that respondents understanding of ethical consumerism is not significantly influenced by their age. This indicates that awareness of ethical consumerism is generally consistent across the different age groups within the sample.

### **ANOVA ANALYSIS:**

**H0:** There is no significant difference in the prioritization of environmental and ethical considerations when choosing a vehicle across different annual household income groups.

**H1:** There is a significant difference in the prioritization of environmental and ethical considerations when choosing a vehicle across different annual household income groups.

**TABLE-3**  
**ANOVA**

|                   | Sum of<br>Squares | Df | Mean<br>Square | F     | Sig.  |
|-------------------|-------------------|----|----------------|-------|-------|
| Between<br>Groups | 5.454             | 3  | 1.818          | 1.776 | 0.157 |
| Within Groups     | 98.256            | 96 | 1.024          |       |       |
| Total             | 103.71            | 99 |                |       |       |

**Source: Computed Data**

A one-way ANOVA was conducted to determine whether there were significant differences in the importance placed on ethical and environmental factors among different yearly household income groups when purchasing a vehicle. The analysis yielded a p-value of 0.157, which is greater than the conventional significance level of 0.05. This indicates that respondent's prioritization of ethical and environmental considerations does not vary significantly across income levels. Therefore, we fail to reject the null hypothesis and conclude that financial status does not have a significant impact on how much importance individuals assign to these factors, suggesting that moral and environmental values are relatively consistent when choosing a vehicle.

## **SUGGESTIONS:**

- Create inclusive marketing that appeals to all genders by focusing on sustainability and ethical values.
- Target younger consumers with messages that highlight the environmental benefits and ethical value of sustainable vehicles.
- Promote vehicles with strong ethical features to self-employed individuals who may prefer value-driven choices.
- Since awareness of ethical consumption is similar across age groups, offer eco-friendly, affordable vehicle options for all ages.
- Avoid assuming income-based preferences; instead, use a values-based strategy that emphasizes the long-term benefits of choosing ethical vehicles.

## **CONCLUSION:**

The automotive industry is now embracing sustainability, environmentally friendly technology, and business ethics in order to cater to changes in the values of consumers. The findings of this study suggest that both ethical and environmental concerns have significance among different populations of people. Ethical consumerism does not seem to be affected by age since there does not appear to be any variation in awareness or understanding of the concept due to age differences. Also, financial status does not seem to play a important role when buying an automobile since ethical and environmental considerations carry importance regardless of how much one earns. Overall, the result suggests that ethical consumerism is a significant concept which emphasis the need for value centered approaches when targeting the automobile consumers.

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