

# The Influence of Eco-Labels on Consumer Behaviour Toward Sustainable Clothing: A Study on Awareness and Purchase Decisions

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**Abstract.** This research investigates the impact of eco-labels on the awareness, trust, and buying behaviour of consumers towards sustainable clothing in India. As the global and local conversations around sustainability intensify, consumers are more concerned—not only about what they are wearing, but how and where the clothing is manufactured and produced. Eco-labels, which are the trust signals of green brands, help in a brand’s eco-labels awareness, brand perception, brand custodianship, and eco-labels perception mapping through information transparency. Focusing on a mixed-method approach comprising 200 surveys and 10 in-depth interviews of retailers in metropolitan cities, the study analyses the relationship among the three variables, namely awareness, trust, and purchase decisions. The results indicate a significant positive relationship ( $r = 0.63$ ) between awareness of eco-labels and purchase behaviour, with trust serving as a pivotal mediator. This research contributes to practical implications of strengthening eco-labels communication for sustainable consumption and provides directions towards brands and policymakers.

**Keywords:** Eco-labels, Sustainable Fashion, Consumer Behaviour, Purchase Intentions, Environmental Awareness

## 1.Introduction

Fashion encompasses one of the most vibrant industries worldwide, and relative to most other activities, it is more destructive to the environment. The unnecessary usage of water, the dyeing processes, and the subsequent disposal of the fabric all contribute immensely to the degradation of the environment. As the world shifts towards more sustainable and responsible practices, consumers are beginning to view fashion differently, and this shift in thinking has given rise to the emergence of eco-labels. Eco-labels are market instruments and serve as a means of granting brands the right to promote their sustainable practices as a way of gaining a competitive advantage.

In India, marketed as ‘sustainable fashion,’ this concept is increasingly being adopted, particularly among urban young makers. However, the gap between the rising awareness of environmental issues and actual practice is confusing and difficult to explain. The issue that this study attempts to address is how Indian consumers perceive eco-labels, how ‘eco-labeling’ is transaction motivated, how this ‘skepticism’ towards eco-labels is being resolved, and the role of trust in their eco-label awareness concerning their purchasing intentions.

## 1.1ReviewofLiterature

Sustainable Fashion: Fletcher [1] and Niimimaki [2] understand sustainability in fashion to be a holistic approach that covers green materials and ethical production and also considers product durability in use. Numerous companies in the world today are tailoring their value propositions to sustainability in order to garner legitimacy and goodwill from consumers. Eco-Labels as Informational Tools: As discussed in the work of Thogersen [3], eco-labels serve as cognitive guides that help break down and simplify complex sustainability concepts. Delmas and Grant [4] concluded that eco-labels of high credibility issued from trusted certifiers increase the perceived value and willingness of consumers to pay a price premium for the product. Trust and Consumer Behaviour: Peattie [5] and Ottman [6] assert that the willingness to engage in green consumption on the part of the consumer is a function of the level of awareness, perceived omissions, and the credibility of the eco-labels. On the other hand, D’Souza and others [7] observe that unclear standards or misinformation can serve to undermine trust and confuse consumers. Akenji et al. [8] further add that the emotional aspect and social identity are important in reinforcing the purchase behaviour towards the sustainable product.

Barriers and Gaps: Gleim et al. [9] distinguished the so-called attitude-behaviour gap where consumers care for sustainability, but do not take action due to confusion, price sensitivity, or lack of access to sustainable alternatives. White et al. [10] in the same line pointed out the importance of message visibility and simplicity in promoting better and more sustainable choices. Indian Context: Narayan & Jana [11] and Singh & Bansal cited that Indian urban consumers appreciate eco-labels but do not have any information or knowledge about them. Mehta & Raj [13] disclosed that social media storytelling and influencer marketing greatly improve eco-label awareness and understanding in Gen Z. Gap Identified: Very few Indian studies have touched upon the triad relational dynamics of awareness, trust, and purchase behaviour. This research attempts to fill that gap by exploring the interplay and impact of these elements in decision-making within the Indian sustainable fashion industry.

## 1.2 Objectives of the Study

1. To evaluate the level of consumer awareness of agro-ecological labels on clothing.
2. To evaluate the impact of eco labels on consumer trust and purchasing behavioural intentions.
3. To research the effect of eco labels awareness on consumer purchasing behaviour.

## 1.3 Statement of the Problem

Even with heightened awareness for the environment and the increasing number of eco-labels, consumer uptake continues to be weak in developing markets such as India. Even as eco-labels are created to communicate sustainable product use, the varying benchmarks, poor dissemination, and the rampant existence of “greenwashing” lead to a trust deficit. Trust as an intermediate variable between awareness and purchase intent is largely absent in the literature on Indian fashion. This study seeks to understand the relationship between awareness, trust and purchase behaviour to develop appropriate marketing strategies for sustainability.

## 2 Methodology

Research Method - Exploratory and Descriptive

Sample - 200 respondents, urban consumers aged 20-35, and 10 fashion business owners

Sampling Method - Stratified random sampling selected from the metropolitan regions of Bangalore, Delhi, and Mumbai.

Data Collection Method -

- Administration of a formatted survey. Tiered Likert-type scales assessing the circles of recognition, trust, and purchasing involvement.

- Qualitative analysis through semi-structured interviews with the merchants.

Analysis Technique - Research was quantified and analysed through statistical software SPSS by use of Pearson’s regression and correlation computations, whereas qualitative data was analysed through thematic coding.

## 3 Data Analysis and Interpretation

### 3.1 Demographic Overview

Out of 200 respondents, 65% were aged 25-35, 58% were female and 72% had at least graduate-level education. For 55% of respondents, monthly income was in the range of 40,000-80,000 rupees. This corresponds with the findings of Singh & Bansal, which classified the urban and educated youth as the first adopters of sustainable fashion.

### 3.2 Awareness Level Analysis

Most respondents, 65%, identified GOTS, Fair Trade, and OEKO-TEX as eco-labels (i.e. to whom eco-labels are attributed):

- \* 40% were able to specifically define each label.
- \* 25% have perceived labels, but are uncertain.
- \* 35% have never paid attention to eco-labels.

There are major eco-labels and labels which are defined as lesser (sub-labels) (sub-label eco-labels) and are predisposed to be ignored. There are label detectors and label non-detectors. The label non-detectors for lesser and major labels have high percentages and are equal to 35%, which are those who are defined as label non-detectors.

It was determined from a chi-square test ( $p < 0.05$ , threshold 0.05) that those with higher education had a higher awareness of eco-labels. Among the poorly or uneducated, eco-label awareness is minimal and absent.

### 3.3 Trust Analysis

Among respondents who were aware:

- 52% trusted eco-labels
- 31% were neutral
- 17% distrusted them on account of greenwashing.

Regression Analysis:  $R^2 = 0.41$ ,  $\beta = 0.58$ ,  $p < 0.05$ . Trust is a mediator between awareness and purchase behaviour. Consumers with trust in third-party verified eco-labels (like Fair Trade) showed a higher propensity to purchase.

### 3.4 Purchase Behaviour Analysis

48% claimed to have bought clothing because of the presence of eco-labels. Among these, 70% were willing to pay a 10–20% markup.

**Table 1: Purchase Behaviour Comparison Between High-Trust and Low-Trust Consumers**

Variable	Mean (High - Trust )	Mean (Low-Trust )	P-Value
Purchase Frequency (Per Year)	3.6	1.8	0.01
Willingness to pay Premium (%)	18.4	7.2	0.03

### 3.5 Correlation Analysis

**Table 2: Correlation Between Awareness, Trust, and Purchase Behaviour**

Variables	Awareness	Trust	Purchase Behaviour
Awareness	1	0.59**	0.63**
Trust	0.59**	1	0.68**
Purchase Behaviour	0.63**	0.68**	1

( $p < 0.01$ )

Awareness and trust together explain ~54% of variance in purchase behaviour.

### 3.6 Retailer Insights

**Table 3: Retailer Observations on Eco-Label Consumer Interaction**

Theme	Frequency	Insight
Consumer Curiosity	8/10	Questions about organic /ethical fabrics
Communication Gap	7/10	Staff lack eco-label knowledge
Price Sensitivity	6/10	Hesitation at Premium pricing

Storytelling Need	9/10	Customers respond to respond to sustainability narratives
Greenwashing Fear	5/10	Concerns about label authenticity

**Retailers confirmed a “last-mile” communication gap affecting purchase behaviour.**

**4 Extended Discussion**

**4.1 Awareness–Trust–Behaviour Nexus**

Awareness fosters trust, which drives purchasing. Mirrors Theory of Planned Behaviour (Ajzen, 1991).

**4.2 Price Barrier**

Even aware consumers struggle between ethics and affordability (Gleim et al., 2013).

**4.3 Trust Deficit**

Multiple labels without standardization reduce credibility.

**4.4 Behavioural Segmentation**

**Table 4: Consumer Segmentation Based on Awareness and Trust**

Segment	Characteristics	% of Sample Behaviour
Eco-Engaged	High awareness + high trust	34% Frequent buyers, Brand loyal
Eco-Curious	Moderate awareness +low trust	45% Occasional Buyers
Eco-Indifferent	Low awareness +Low Trust	21% Price Driven Sustainability

**4.5 Global Comparison**

India’s eco-label awareness (65%) is lower than Western markets (>80%) but trust-to-purchase conversion is relatively high.

**5 Findings**

- One's awareness of a product correlates positively with purchase intent.
- The relationship between awareness and purchase intent is bridged by trust.
- Signals of ethics and quality on the labels are appreciated by consumers.
- The communication of retailers constitutes a major gap which hinders its uptake.

**6 Recommendations**

1. The use of public information campaigns utilising influencers and educational content for Eco-Label Literacy.
2. Eco-label frameworks standardisation on Regulatory Standards with government support.
3. Retail Practice: Staff training on the label's message.
4. Interactive Transparency: QR codes for product tracing.
5. Sustainability through Affordability: Value-based messaging and tiered pricing.

**7 Conclusion**

Eco-labels serve as educational components on the environment as well as measuring the level of consumer control. Trust and awareness holistically formulate the consumer involvement of patronising the sustainable fashion movements. Investment in transparency, integrated storytelling, and standardised certifications are essential for brands. Advocacy comes through trust, enabling consumers to be brand ambassadors and further sustainable living as a way of life.

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