

IPSOS INDIA SUSTAINABILITY REPORT 2024

Environment Sustainability
Segmentation and its Implication
for Marketers



Survey Riding on Ipsos IndiaBus





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1. THE CONTEXT





Climate change, a pressing global concern, is a transformative force reshaping our environment and daily lives in profound ways.

As an issue of universal relevance, it impacts each individual, regardless of geographical boundaries. The escalating temperatures, unpredictable weather patterns, and rising sea levels are not just abstract phenomena, but tangible realities that affect the health, livelihoods, and overall well-being of consumers. The implications of climate change are far-reaching and its relevance to businesses and marketers cannot be overstated.

Apart from the fact that companies bear a social responsibility to contribute to the fight against climate change, their influence and reach can be pivotal in driving positive change and promoting sustainable consumption, at the same time creating a positive impact.

Global and country mandates are pushing the agenda into the core of business policies and strategies for driving sustainable economic growth. For marketers, it is important to understand shifts in consumer behaviour and re-evaluate strategies to integrate environmental considerations into branding and communication.

Climate change presents both a challenge and an opportunity for businesses and marketers to innovate, adapt, and contribute to a more sustainable future. In this context, it is important for marketers to understand **how Indian consumers think and behave towards environmental concerns, and how it is impacting their choices.**

2. CURRENT CONCERN FOR THE ENVIRONMENT



The impact of climate change is felt by all

Environmental concerns have been rising.

Globally, as well as for Indians, the concern is real. 92% of Indians are concerned for the environment, while 66% feel it is at risk. So, what are the actions that Indians are taking to address this environmental concern?



The re-use and recycle mindset is ingrained in the Indian culture over generations – be it re-using old clothes and towels for use as cleaning cloth, collecting old newspapers/ magazines to be given to the local junk dealers, re-using leftover pages in school notebooks, or the back of printed paper for further use etc. Indians prefer to get durables, machines, and furniture repaired to extend their usable life.

These are some habits that resonate with all Indians, who are very conscious about anything going to waste, and even conscious of wasteful spending habits. Food wastage is also inherently not in our nature.

While these may seem like the right steps, the impact of these in addressing problems like carbon emissions is comparatively smaller. The average Indian is unaware and unexposed to some of the actions that can be taken for a bigger and 'real' impact viz., initiatives like using renewable energy, efficient cooking habits, efficient housing, living car-free etc.

Most emerging markets would not have the infrastructure or an option to take these actions, which the developed world could possibly take.

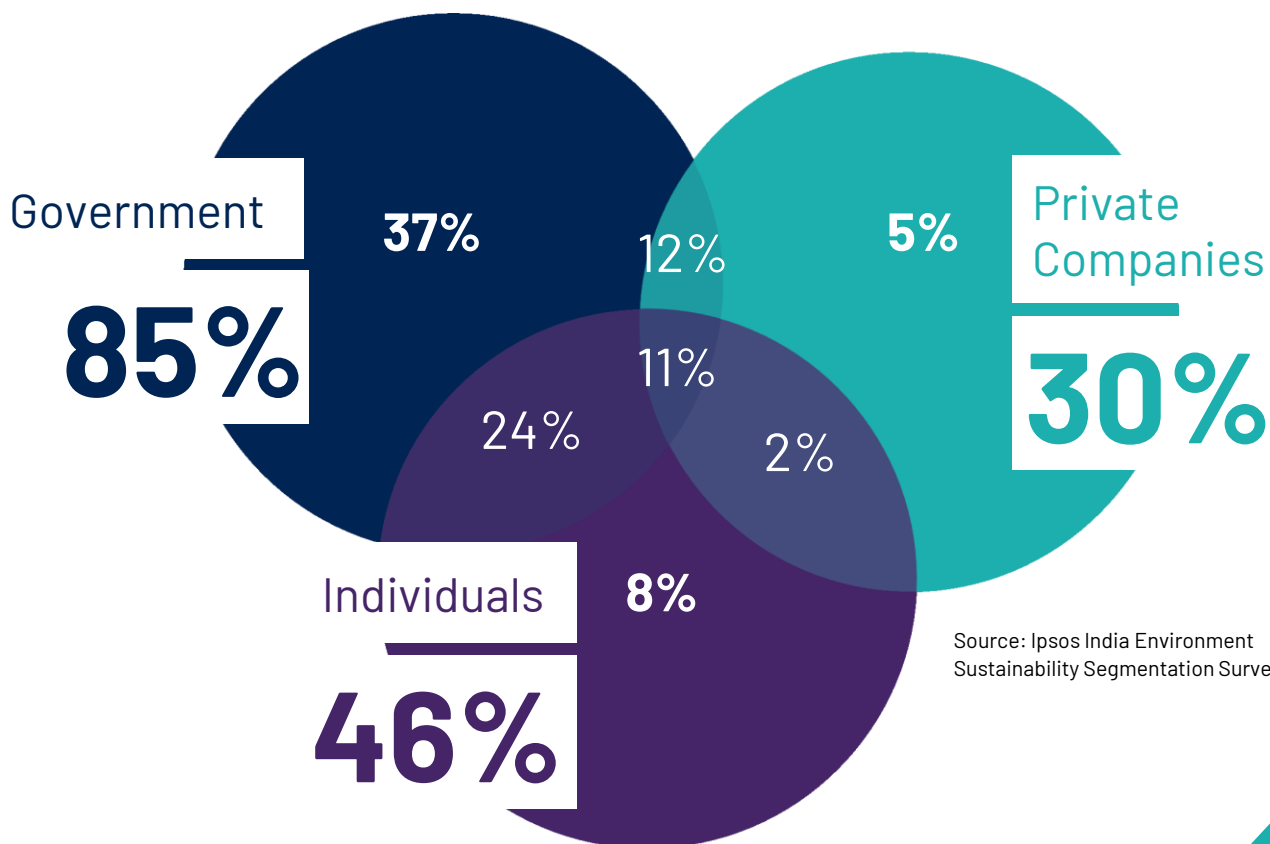
Having said this, India needs to take action to back their sustainability commitments. This underscores the necessity of a collaborative and concerted effort to address the environmental crisis. It presents a powerful message to policymakers, businesses, and individuals alike.

For businesses and marketers, this suggests a significant opportunity to align their products and messaging with the environmental values of their consumers. For policymakers, it's a clear mandate to prioritize environmental sustainability in their policy-making decisions. For individuals, it's a call to action to adopt sustainable practices in their daily lives.

What are the Indian consumers expectation in this regard?

85% say it's the Government's responsibility, while 46% feel individuals themselves should do something towards this cause.

Shared responsibility between the Government, Industry and Citizens



Source: Ipsos India Environment Sustainability Segmentation Survey, 2024

Where do companies come in?

Only 30% feel it's the responsibility of Private Companies, as they don't see any direct action being taken by these organisations. That said, being a collectivist society, Indians place their expectations for 'responsible action' on the community, the authority or institutions. Indians are looking to the government – and increasingly also to the business sector, to act around sustainability. The Indian Government has taken several large-scale actions in this regard (See Sidebar: Examples of Sustainability Initiatives by the Government).

While we do take some actions as individuals or in communities, as a culture we also have a short-term orientation. Indians would not make compromises in a period of great economic development such as right now, for some unseen future benefit. Given this, Companies can take the lead, and begin these conversations to start building empathy, and further, equity, with the consumers.



At Pernod Ricard India, we prioritize Sustainability and Responsibility as fundamental aspects of our business. In 2023, we proudly embarked on a pioneering journey by eliminating 500 million pieces of permanent mono-cartons from our brand packaging.

This industry-first initiative exemplifies our commitment to making a tangible difference. By doing so, we aim to significantly reduce our carbon footprint by 7310 tonnes annually, preserve 2.5 lakh trees, and divert 18745 tons of waste from landfills. We are gratified by the positive reception and acknowledgement from our diverse stakeholders.



Minoo Phakey
Chief Innovation Officer,
Pernod Ricard India

Sidebar: Sustainability initiatives by Indian Government

Swachh Bharat Mission



Sources: sbmurban.org/ and swachhbharatmission.gov.in/sbmcms/index.htm

The Swachh Bharat Mission was launched by the Government of India in 2014 with the aim of promoting cleanliness, hygiene, and sanitation across the country. In last 9 years, it includes all aspects of sustainable waste management practices like reduce, reuse and recycle. Through this mission the Government has also initiated the ban on single use plastic in the country. The waste collection has been extended from dry waste and wet waste to cover hazardous waste and e- waste.

Muft Bilji Yojana



Source: myscheme.gov.in/schemes/pmsgmb

Muft Bilji Yojana is a government scheme that aims to provide free electricity to households in India. The scheme was launched by Prime Minister Narendra Modi on February 15, 2024. Under the scheme, households will be provided with a subsidy to install solar panels on their roofs. The subsidy will cover up to 40% of the cost of the solar panels. The scheme is expected to benefit 1 crore households across India. It is estimated that the scheme will save the government Rs. 75,000 crore per year in electricity costs.

Jal Jeevan Mission



Source: jaljeevanmission.gov.in/

The Jal Jeevan Mission was initiated by the Government of India with the objective of providing safe and adequate drinking water through individual household tap connections to all rural households in the country. The mission also focuses on the sustainability of water supply systems, such as the creation of local infrastructure for rainwater harvesting, groundwater recharge, and management of household wastewater.

3. SEGMENTS IN INDIA

**BASED ON ENVIRONMENT
SUSTAINABILITY**

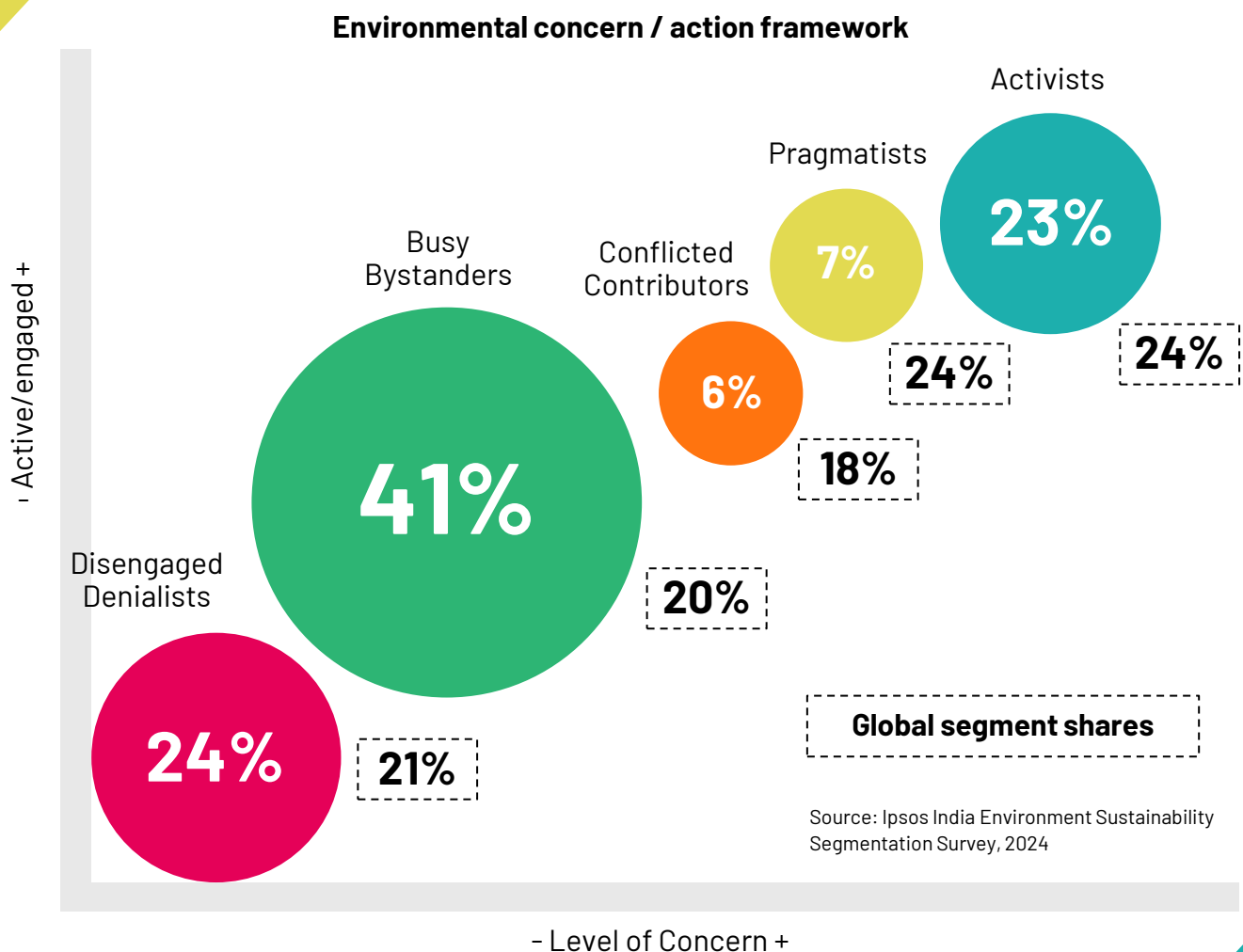


How do Indian citizens stack up on attitude and behaviour related to environmental sustainability?

Ipsos's Environment Sustainability Segmentation is a global framework which classifies consumers based on their level of concern for the environment and the amount of action/intended action there is by individuals to reduce their own impact on the planet.

Using this framework, Ipsos India conducted a survey to gauge where do Indians stand based on how they feel and what they do in the context of environment sustainability.

The five segments as defined within the framework are **Activists, Pragmatists, Conflicted Contributors, Busy Bystanders, and Disengaged Denialist.**





Highest on the engagement and concern continuum, this segment makes up **23% of the population**. They believe the environment is at a critical stage and the world must act now. This group is most active in making eco-friendly choices – 49% claim to recycle as much as possible, 70% use low-energy bulbs, and 77% follow a vegetarian diet. They are willing to compromise their lifestyle for the sake of the environment (91% prefer domestic/local products over foreign), indicating a strong commitment to sustainability. Given a strong profile skew towards affluent older individuals from NCCS A, climate activism might be a choice more accessible to the wealthy. Given their affluence level, 86% are willing to pay extra for ethical, sustainable goods.



Accounting for only **7% of the population**, this group (skewed towards older working males) believes the environment is at risk, but there is still time to act. 92% of this segment consider themselves to be sustainable/ethical consumers. They believe a concerted effort by the government; private companies and citizens together is required towards this issue. Their pragmatic approach and belief in collective effort could potentially influence their consumption decisions and lifestyle choices. Belonging to the affluent class, this again suggests that financial security has a direct impact on shaping mindsets about the environment/ climate change and making choices accordingly.

Environment-friendly choices are accessible only to the more affluent in India currently; for the rest there are competing priorities.



This segment, which makes up **6% of the population**, has mixed feelings about the state of the environment and the urgency of addressing the crisis. They are conflicted between believing that there is still time to act and thinking that it's too late to prevent environmental collapse. There is also a prevalent belief within this group that companies are not doing enough for sustainability (91% agree with this statement). Their conflicted stance might influence their engagement level and the type of environmental actions they are willing to undertake.



This is the largest segment, comprising **41% of the population**. They have a lower level of active engagement and concern about the environment, with many seeing it as not a priority. Their concern for other pressing issues like financial security often overshadows the urgency to address environmental issues. They believe that tackling environmental concerns and climate change is the responsibility of the Government, while at the same time, the Government needs to focus on the economy (provide jobs, control inflation etc.), even at the risk of environmental damage (90% agree).



Lowest on the engagement and concern continuum, this segment makes up **24% of the population**. They are primarily young, unmarried females from NCCS BCD in Metros/Tier 1 cities. They believe that the responsibility lies with the government and think that companies are already doing enough for sustainability. Therefore, they see no reason for individual action. This detachment from seeing themselves as part of the solution, prevents them from considering the environment as a factor in their decision making. In their lives, they would tend to prioritize value for money, convenience and habit above the environment.



It's interesting to note that globally the segments are more equitably spread across the five groups. In comparison, India clearly has three segments emerging depending on their level of environmental concern/engagement.

This brings to light how India is yet to evolve as a market as far as environment-led practices are concerned. We see a bottom-heavy consumer segmentation. Disengaged Denialists and Busy Bystanders are not primed to take 'action' or concerted efforts towards the environment. In a developing country like India, people are prioritizing their growth and progress.

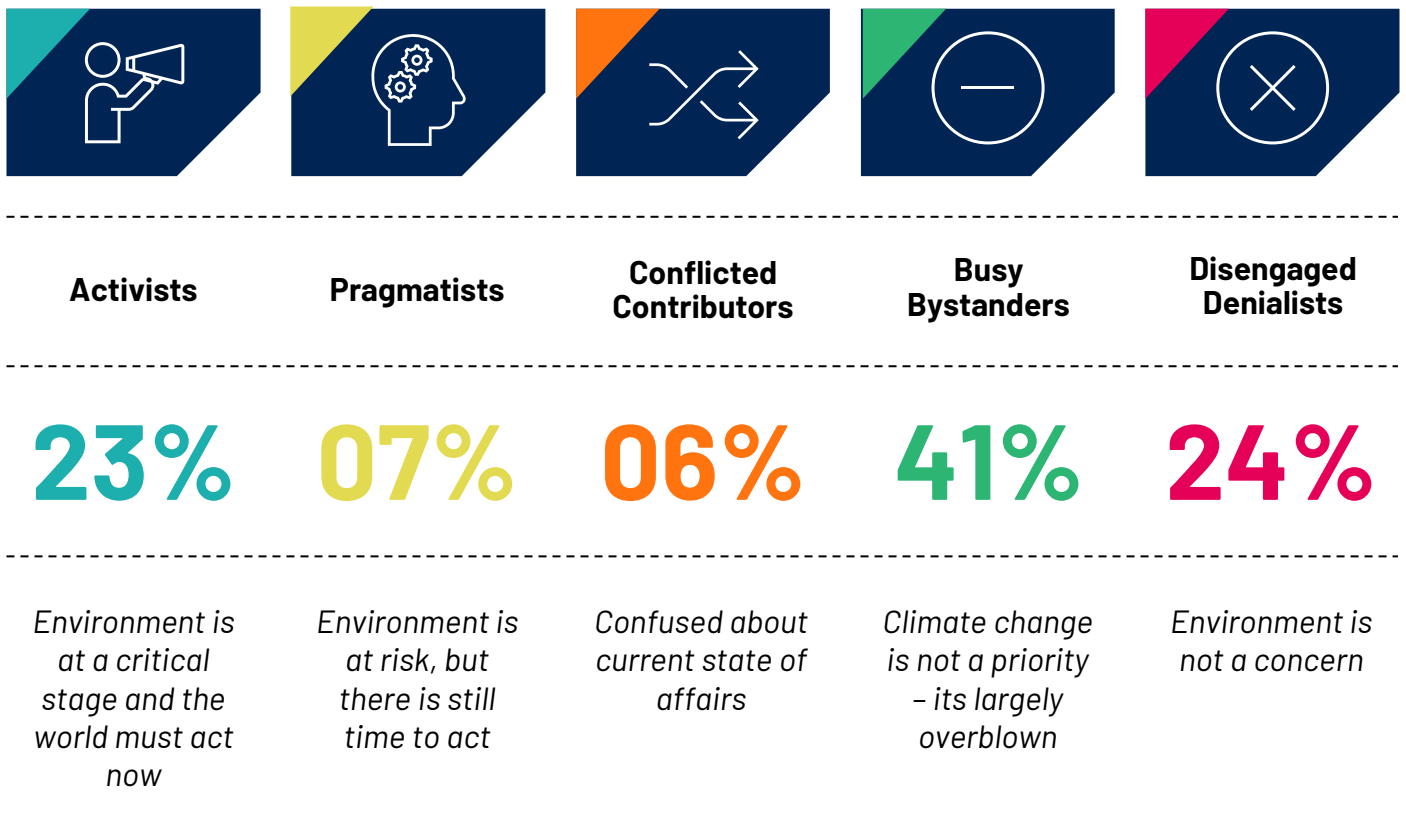
The Pragmatists and the Activists are the financially secure affluent class who can afford to make choices for purchasing more sustainable products.

This is also reflected in Ipsos's study on What Worries the World – for India, the top concerns in 2023 were inflation (48%) and unemployment (44%), and climate activism/ concerns for the environment (9%) appear much lower in the ladder - only at Rank 11/12.

In the Ipsos Global Trends 2023 for India, we saw the urban masses, who were impacted economically by the pandemic, now wanting to maximize their economic activities. They have a fear of being left behind in an economically progressive India.

Summing up, we can conclude that while concern for the environment is high, any overt action on the consumer's part must be an 'easy and convenient' choice, not requiring too much effort and changes, and no incremental price outlay.

Segments at-a-glance





“No matter how advanced the technology is, it needs to be relevant for customers. The awareness of environment-friendly technologies is increasing among customers and hence as a focused effort, our strategy is to offer eco-friendly choices across all segments.

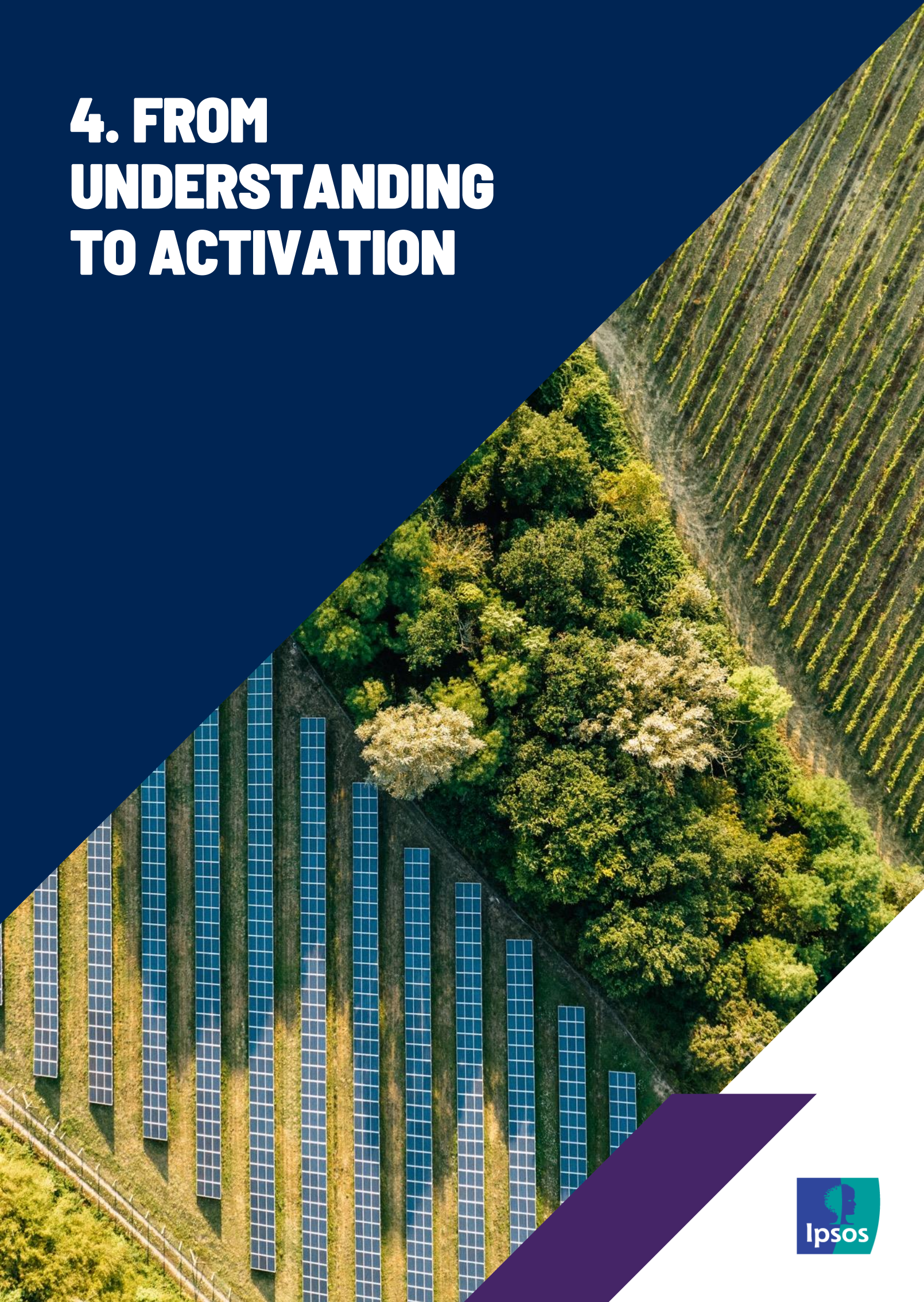
For maximum carbon reduction, MSIL is pursuing multiple powertrain technologies and fuel approaches. Today, we offer the widest CNG portfolio of 14 offerings, strong hybrids and efficient combustion engines.

Going forward, the company will work on a bouquet of technologies that are relevant to customers and help offset emissions, both.”



Ram Suresh Akella
Executive Officer,
Maruti Suzuki India Limited

4. FROM UNDERSTANDING TO ACTIVATION



So, what does this mean for marketers?

As companies gear up to proactively influence environmental concerns, the primary task would be to **understand where the consumers are currently and track their evolution** to ensure the brands can be in the right place with the right message along the consumer's journey. As we have seen, Indian consumers have a complex mix of high concern, and good

intent, combined with a lack of knowledge and high expectations. At the same time, one size doesn't fit all; the consumer segments show varying degrees of acceptance of the problem, actions taken and priorities for them. **Each of the consumer segments need to be targeted differently.**



Recommendations for targeting each of the prominent segments in India

Activists

They walk the talk and believe in clear action. Activists can act as 'early adopters' for various sustainability initiatives and can help create aspirations for the rest to follow. Clearly marketed initiatives towards sustainability will work well with this segment. Given their affluence, and also concern for the environment, they are more likely to pay a premium for sustainable initiatives.

- Eco- friendly plastic free packaging
- Locally sourced products
- Plant based and Vegan options
- Products and services that facilitate a sustainable lifestyle - zero waste/ reduced impact on environment

Busy Bystanders

This is a segment where it will be the format of delivery that will be key to engage these time-poor but still environmentally concerned individuals. Since this group believes that the government should focus on the economy, even at the risk of environmental damage, companies can emphasize how their products or services contribute to economic growth while minimizing environmental impact. They can demonstrate how sustainable practices can also lead to job creation and economic stability.

- Open to buying 'sustainable' for no extra cost or effort
- Brand task: Resolve their guilt + remove the friction of the decision by providing a sustainable offer

Disengaged Denialists

The key is to pull them into the sustainability discourse by connecting with what matters to them more and forming associations that play to their values and needs. Considering this group's lack of interest in sustainability, brands might need to appeal to other aspects that they value, such as product quality, affordability, design, or functionality.

- Public awareness /social media campaigns to drive awareness
- Educate consumers on the benefits of sustainability adoption and its positive long-term impact on the environment



For our brand Otrivin, the branding purpose is built on the platform of breathing better. Thinking bigger in the context of pollution which is affecting our ability to breathe good air, we partnered with schools and placed air purifiers in the classrooms and converted the carbon into pencils.

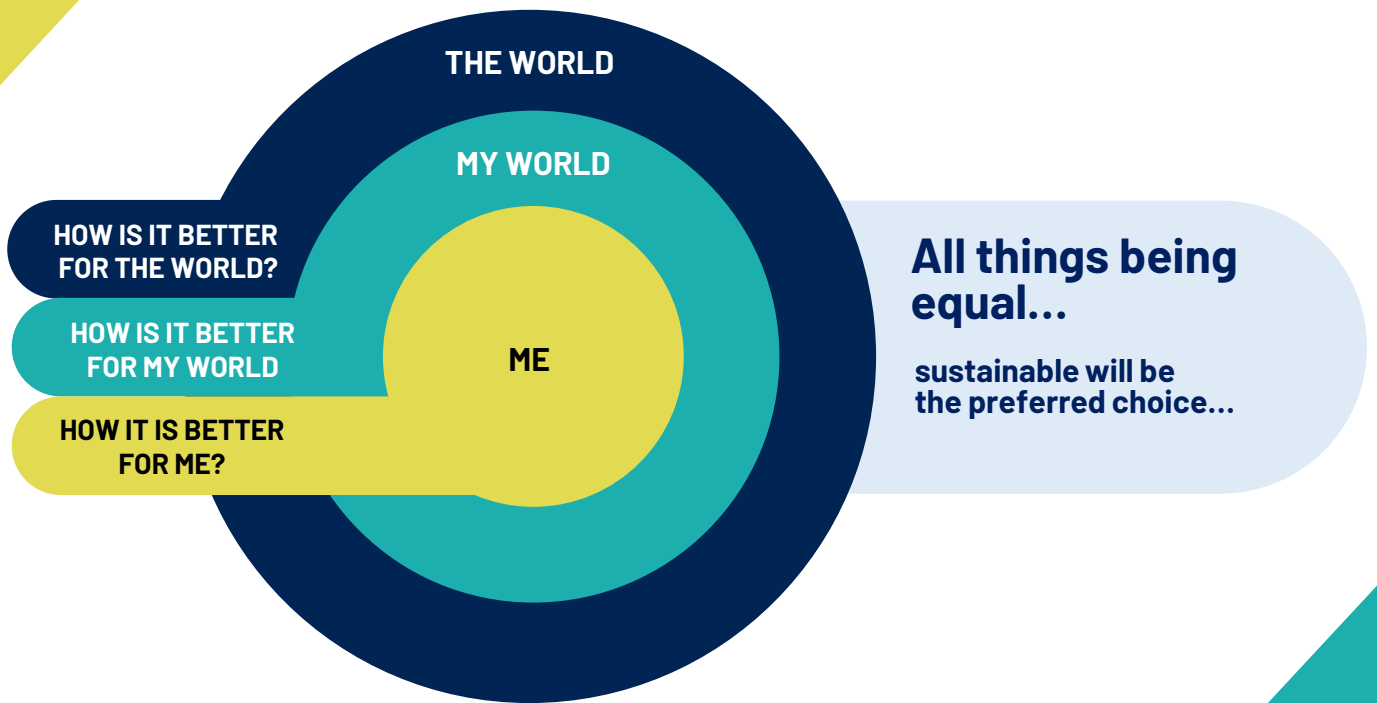
On World Pollution Prevention Day, we asked kids to write letters using these Pollution pencils.

The intent of the brand is to spread a message towards better breathing and better quality of life.



Anurita Chopra
Chief Marketing Officer,
India SubContinent, Haleon

Differentiate in a clutter



Brands have a window with consumers to communicate directly about their values and benefits. Given that non-wasteful sustainable habits are already ingrained in the Indian culture, even before sustainability/eco-friendly became the topic of the hour, brands can effectively leverage these habits to cue their sustainability leanings.

As consumer segments evolve and move up the ladder, awareness of the problem, solutions and actions to be taken also evolve. It is imperative for brands to have their fingers on this pulse and be able to answer these questions in the context of their business:

- *What are the consumer expectations concerning climate change concerns?*
- *How actively engaged are they in their actions/ behaviour towards the environment?*
- *As a brand, how can you address their concerns related to the environment?*
- *What positive impact can this build on your brand equity and overall perceptions in the consumer's mind?*



In conclusion

Indian consumers exhibit fragmented concern for the environment. This report provides a guidance to marketers to embrace the chaos and lead the way to inform and educate, helping to move consumers towards the right actions. Based on the understanding of the consumer segments, one can tailor sustainability initiatives to the key segments that emerge for the business, to achieve the **maximum impact** for the brand, with a better understanding of the message, its tonality and the optimum way to communicate such messages.

Brands need to look at ways in which their sustainability claims and benefits make the most sense to consumers, by viewing them from a **consumer problem-solving** perspective. It is important to keep in mind that **consumer priorities** fall distinctly towards **short-term** and immediate rewards, affecting people's worlds, especially so in a populated and complex market like India.

There is an unwillingness to compromise or sacrifice immediate gains for some unseen future benefit, hence building awareness/ educating and working with consumers as 'partners' towards this cause will be strategic in sustainability initiatives.

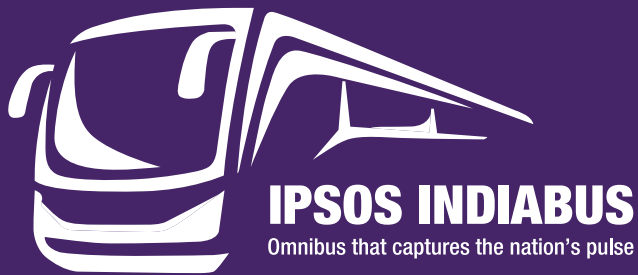
Sustainable marketing is not just a trend; it is **a path** to connect, engage, and thrive in a conscious marketplace, making brands beacons of positive change in consumers' eyes. Concern for the environment provides businesses with an opportunity to connect with their consumers and build brand equity at the same time. Being in the vulnerable south, the climate crisis will become more urgent for India and the consumers will evolve from their current mindsets.

The triple impact felt in India – climate, pollution and biodiversity loss – is getting some media attention and this will grow in the coming future – creating more awareness and the need for action.

The key to good sustainability-led marketing initiatives – communicate **without greenwashing**, tailor your approach to the mindset of your consumers, price it right without expecting consumers to pay a premium and educate the consumer to initiate and fuel personal responsibilities.

A stronger connection between the Government, businesses and consumers towards this task will yield **multi-fold results** towards environmental action.

Methodology



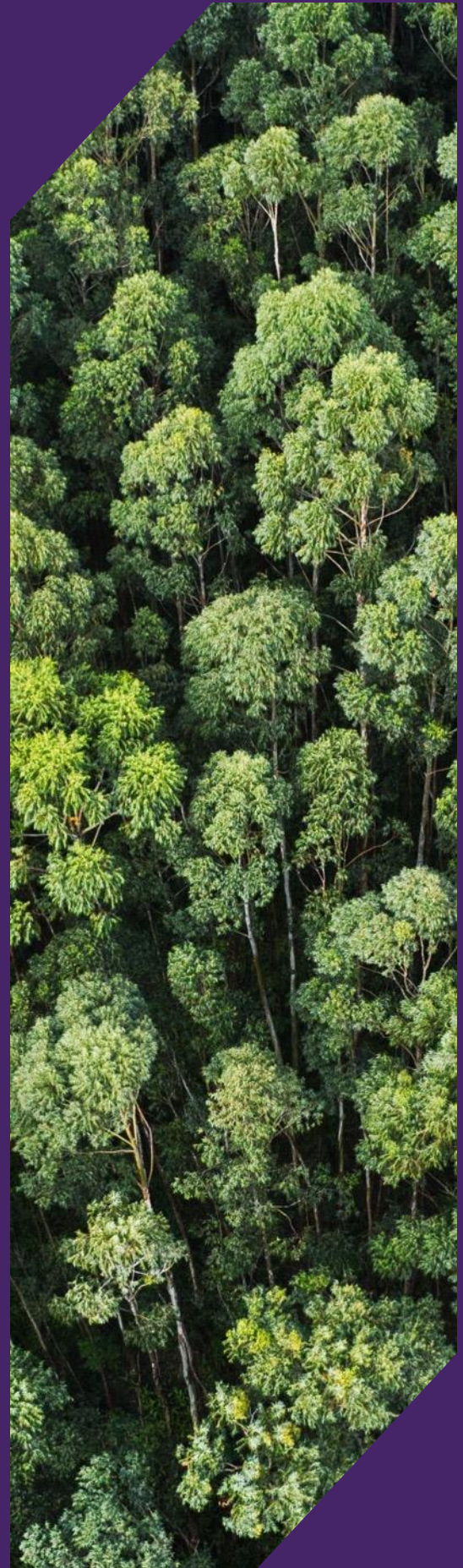
The survey was conducted using Ipsos IndiaBus, which is a monthly pan India omnibus conducted by Ipsos India on diverse topics, among 2200+ respondents per month from NCCS A, B and C households, covering adult male/ females across all four zones in the country.

The survey was conducted across 16 cities - mix of Metros, Tier 1, Tier 2 and Tier 3 towns, providing a robust and representative view of urban Indians.

The respondents were surveyed both face to face and online. The data was weighted by demographics and city-class population to arrive at national average.

Reference Papers

- Sustainability and Advertising - Read [here](#)
- Environment Sustainability: Who cares? - Read [here](#)
- ESG across Borders: The cultural Context - Read [here](#)
- More Equal than Others - Read [here](#)
- Mapping the Journey to Sustainable pack - Read [here](#)
- Embedding ESG in Experience - Read [here](#)
- What worries the World - Read [here](#)
- It is Time for Brands to bring the Sustainability Conversation to Consumers - Read [here](#)



How can Ipsos help in your sustainability initiatives

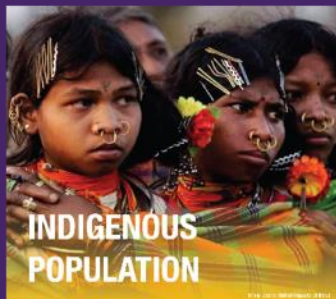
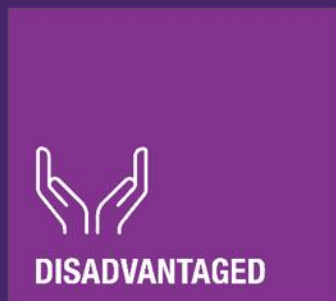
Ipsos advises businesses on how they should address sustainability and helps them to define, manage and communicate their sustainability priorities across Corporate Reputation, Public Affairs, Innovation, Communication, Social Intelligence and Behaviour Change (MAPPS).

Ipsos ESG solutions



Ipsos Public Affairs Expertise in ESG

(Environmental, Social and Governance)



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