

# **“Nestle Green Branding and Consumer Perception: Evaluating Nestle’s Sustainability Packaging Campaigns”**

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## **ABSTRACT**

In an era of heightened environmental consciousness and corporate accountability, green branding has emerged as a critical strategic imperative for multinational corporations operating in the fast-moving consumer goods sector. This research investigates the complex relationship between Nestlé's sustainable packaging initiatives and consumer perception, trust, and purchasing behavior within the Indian market context. The study adopts a quantitative research methodology, employing a structured survey questionnaire administered to 82 purposively selected consumers aged 18 and above from urban and semi-urban areas where Nestlé product maintain significant market presence.

The research reveals compelling insights into contemporary consumer environmental consciousness and its translation into brand loyalty and purchasing decisions. Findings demonstrate that 78% of respondents possess awareness of Nestlé's sustainable packaging initiatives, indicating successful penetration of environmental messaging across diverse communication channels. However, the study uncovers a notable trust gap, with only 62.2% of consumers expressing confidence in the authenticity of Nestlé's environmental commitments, suggesting sophisticated consumer evaluation of corporate sustainability claims and heightened skepticism toward potential greenwashing practices.

The demographic profile predominantly consists of young, highly educated consumers (81.7% aged 18-25, 93.9% holding bachelor's degrees or higher), representing the climate-conscious generation that has integrated environmental values into fundamental decision-making processes. This cohort demonstrates remarkable economic commitment to environmental principles, with 87.8% expressing willingness to pay premium prices for sustainably packaged products, while 68.2% indicate that green branding initiatives significantly influence their purchase likelihood.

Statistical analysis reveals varying levels of engagement across different product categories, with Nescafé commanding the highest consumption frequency (31.7%), followed by KitKat (26.3%) and Maggi (24.4%). The mean scores across key variables indicate moderate to strong positive consumer responses, with brand perception improvement scoring lowest (1.93), indicating strongest agreement that sustainable packaging enhances brand image. However, standard deviation analysis reveals considerable variability in consumer responses, particularly regarding environmental importance (SD: 1.13), suggesting diverse consumer segments with varying levels of environmental consciousness.

The research identifies critical gaps between consumer awareness and trust formation, highlighting the necessity for enhanced transparency, third-party verification, and consistent communication of specific environmental improvements rather than vague sustainability claims. The study contributes significantly to the limited academic literature examining green branding effectiveness in emerging markets, particularly addressing the cultural and socioeconomic complexities of the Indian consumer landscape.

Practical implications suggest that environmental responsibility has evolved from optional corporate social responsibility initiatives to fundamental competitive requirements. The findings indicate that companies failing to develop authentic environmental leadership risk competitive disadvantage as consumer environmental expectations continue strengthening across demographic segments. For Nestlé specifically, the research recommends enhanced message clarity to address the 21.1% consumer uncertainty, implementation of comprehensive trust-building frameworks through independent certification and transparent reporting, and strategic capitalization on the demonstrated premium price willingness through tiered sustainable product offerings.

The study acknowledges limitations including demographic concentration among young, educated urban consumers, cross-sectional temporal constraints, and potential gaps between stated intentions and actual purchasing behavior. Future research directions include expansion to diverse demographic segments, longitudinal behavioral tracking, competitive comparative analysis, and integration of actual purchase data to validate stated preferences.

This research demonstrates that sustainable packaging serves as a significant competitive differentiator rather than peripheral marketing enhancement, with early establishment of credible environmental leadership among environmentally conscious consumers suggesting substantial long-term brand equity returns. The findings indicate broader industry transformation toward environmental responsibility as fundamental business requirement, positioning companies with authentic sustainability initiatives for competitive advantage in evolving consumer markets increasingly defined by environmental consciousness and values-based purchasing decisions.

## INTRODUCTION

In today's world, people are more aware of how their actions affect the environment. Companies are expected to take responsibility for reducing their environmental impact. One way businesses do this is by adopting "green branding." Green branding means promoting products in a way that shows care for the environment, such as using recyclable packaging or committing to zero-waste goals.

Nestlé is a global food and beverage company that has adopted green branding strategies. This study explores how Nestlé's use of sustainable packaging and environmental promises influence how consumers see the brand, how much they trust it, and whether they are more likely to buy its products because of these efforts.

### 1.1 Background of the Study

Environmental degradation, driven by climate change, deforestation, plastic pollution, and overconsumption of natural resources, has emerged as one of the most pressing global challenges. As awareness about ecological issues rises, consumers are beginning to evaluate not just the quality or cost of products, but also the environmental values of the companies that produce them. This shift in consumer behavior has sparked the evolution of green branding—an approach where businesses adopt and promote environmentally sustainable practices as part of their brand identity.

Green branding reflects a shift towards sustainability. It encompasses a wide range of actions, including the use of biodegradable packaging, reducing carbon footprints in manufacturing, sourcing sustainable raw materials, and engaging in community environmental programs. Companies that align themselves with these values often enjoy higher consumer loyalty, positive public image, and long-term trust. This has also created an opportunity for brands to position themselves competitively in increasingly eco-conscious markets.

### 1.2 Green Branding in the FMCG Sector

The fast-moving consumer goods (FMCG) sector, which includes everyday products like food, beverages, cleaning supplies,

and toiletries, is a major contributor to packaging waste and environmental pollution. Products in this sector are consumed rapidly and generate vast quantities of plastic waste. As such, the FMCG industry is under growing scrutiny to innovate and implement sustainable practices. The transition from traditional plastic packaging to biodegradable, recyclable, or reusable materials is now a major area of investment and innovation in the sectors. Brands are now realizing that sustainability can be a business driver rather than a cost. Eco-conscious packaging, transparency in sourcing, and environmental responsibility are becoming selling points. Customers expect their favorite brands to take an active role in solving environmental problems. In response, many FMCG companies are transitioning to green branding models. Firms are not only updating their production practices but also integrating sustainability into marketing communications to better connect with consumers.

**1.3 Why Focus on Nestlé?** Nestlé is a leading global food and beverage company with a strong presence in India. These products are consumed by millions of Indians daily, giving Nestlé enormous influence and responsibility. With such a widespread consumer base, the sustainability actions taken by Nestlé are highly visible and impactful.

Nestlé India has been around for over 100 years. It sells products like Maggi noodles, Nescafé coffee, KitKat chocolates, and dairy items. Nestlé has made strong commitments to the environment. Some of its green initiatives include:

- Nestle targeting 100% recyclable packaging by 2025.
- Replacing plastic with paper-based packaging for some products.
- Nestle's project Hillaari promotes recycling and cleanliness.

These efforts help Nestlé reduce pollution and appeal to consumers who care about the environment.

- Nestlé has launched several initiatives under its sustainability mission. These include:
- Committing to make all its packaging recyclable or reusable by 2025.
- Replacing plastic straws and wrappers with eco-friendly alternatives.
- Launching Project Hillaari, aimed at improving waste segregation and management in Indian tourist cities.
- Collaborating with government and NGOs to promote environmental education.

Nestle goes green, help the planet. This makes Nestlé an ideal case study for understanding the power and impact of green branding in India.

## LITERATURE REVIEW

### Introduction

In recent decades, green branding has emerged as a critical focus area in marketing, particularly within the fast-moving consumer goods (FMCG) sector. Scholars such as **Peattie and Crane (2005)** introduced the concept of green branding as the strategic incorporation of environmental and sustainability values into a brand's identity. It involves a comprehensive integration of eco-friendly principles across production, packaging, and communication. According to **Chen (2010)**, companies that successfully embed these values are more likely to gain consumer trust, differentiate themselves in crowded markets, and cultivate long-term brand loyalty. **Ottman et al. (2006)** added that green branding must be authentic and holistic—superficial claims not backed by substantive action can erode trust and harm brand equity.

Several studies have explored how consumers perceive and respond to green branding. **D'Souza et al. (2007)** found that environmental consciousness, perceived authenticity, and alignment with personal values significantly influence consumer preferences. Delmas and Burbano (2011) cautioned that greenwashing—where brands exaggerate or fabricate sustainability

claims—leads to consumer skepticism. Thus, transparency and credibility are essential. Carlson et al. (1993) emphasized the role of clear communication, third-party certification, and visible eco-labeling in fostering consumer confidence in environmental claims.

Packaging shows a brand's eco-commitment. **Magnier and Crié (2015)** observed that packaging often serves as the first tangible proof of a company's green values. Eco-friendly packaging—whether recyclable, biodegradable, or reusable—can shape perceptions and influence purchase decisions. **Steenis et al. (2017)** extended this by noting that consumers assess packaging not only for its environmental value but also for functional attributes like durability, ease of use, and aesthetics. This interaction between sustainability and usability often determines the success of green packaging campaigns in the FMCG industry.

India presents a complex yet compelling market for studying green branding. With growing urbanization and middle-class expansion, awareness around sustainability is increasing, albeit unevenly across regions and socioeconomic groups. **The TERI (2018)** report indicated a rise in environmental concerns among urban Indian consumers, but highlighted persistent barriers in terms of product availability and affordability. **Joshi and Rahman (2015)** reported that Indian consumers evaluate green products based on both intrinsic (moral, ethical) and extrinsic (price, quality) motivators. Younger, educated consumers in Tier-1 cities display a stronger inclination toward sustainable consumption, while rural populations remain more price-sensitive and pragmatic. These dynamics underscore the need for context-sensitive green marketing strategies that address diverse consumer expectations.

Despite Nestlé's global leadership in sustainability, academic literature focused on its green branding efforts—especially within the Indian context—is sparse. Nestlé's Sustainability Report (2022) outlines several initiatives, including a commitment to 100% recyclable packaging by 2025 and significant reductions in carbon emissions. However, empirical studies examining how Indian consumers perceive and respond to these initiatives are limited. **Kumar and Singh (2021)** suggested that multinational companies like Nestlé must bridge the gap between global sustainability standards and localized consumer realities. Nestlé's collaborations with environmental NGOs, its use of biodegradable materials, and grassroots education programs reflect its effort to adapt its green branding to Indian sensibilities, but these measures remain under-explored in academic research.

To further understand consumer behavior, several theoretical models are relevant. Ajzen's Theory of Planned Behavior (1991) explains that behavioral intentions arise from attitudes, social norms, and perceived control—factors that significantly influence green purchasing decisions. **Stern et al.'s Value-Belief-Norm Theory (1999)** posits that personal values and environmental awareness create a moral obligation that motivates sustainable behavior. **The Elaboration Likelihood Model (Petty & Cacioppo, 1986)** provides insights into how consumers process green messages, distinguishing between logic-based central processing and emotion-driven peripheral processing. These frameworks help understand consumer responses.

Based on this literature, several research gaps are evident. There is a noticeable absence of region-specific studies that assess how green branding impacts consumer trust and purchasing behavior in India. Little is known about how different demographic segments interpret and act upon Nestlé's sustainability messages. Furthermore, few studies have connected these theoretical models with actual consumer insights in India, especially in relation to eco-friendly packaging. This highlights the need for more nuanced and empirical research to evaluate the efficacy of Nestlé's green branding in the Indian context.

In summary, while green branding has evolved as a strategic imperative for companies, its impact varies significantly across geographies and consumer segments. Green marketing works best when it's honest, clear and respectful. Nestlé's sustainable packaging campaigns offer a timely and relevant case for exploring these themes, especially in India's rapidly transforming consumer landscape. The current research seeks to address the identified gaps by generating empirical insights into consumer perceptions and behavioral responses to Nestlé's green branding initiatives in India.

## RESEARCH METHODOLOGY

### Introduction

Research methodology affects the quality of results. This chapter outlines the methodology adopted to investigate how Nestlé's green branding

— particularly through sustainable packaging campaigns — affects consumer trust, brand image, and purchasing decisions. In the context of global concerns about environmental degradation and increasing consumer demand for sustainable products, brands like Nestlé are incorporating eco- friendly messages and practices into their public image.

The research focuses on consumers' perceptions of these sustainability claims, particularly whether they are informed, convinced, or influenced by them in their buying behavior. Given the aim to capture measurable, analyzable consumer attitudes, a purely quantitative methodology is adopted. This chapter discusses the research paradigm, research design, population and sampling strategies, data collection tools, ethical protocols, and analysis methods in comprehensive detail.

### Research Paradigm

The foundation of any academic study lies in its philosophical orientation or research paradigm, which defines the underlying beliefs about how knowledge is constructed and validated. This study adopts a positivist paradigm, which supports the view that knowledge should be derived from observable and measurable facts, rather than subjective interpretations or personal experiences. Positivism emphasizes empirical evidence, objectivity, and generalizability, making it the most suitable approach for this research.

By using this paradigm, the study operates on the assumption that consumer perceptions and attitudes toward green branding can be measured numerically and analyzed statistically. This aligns well with the research objectives, which are designed to test the relationship between awareness of green branding and consumer behaviors such as trust, brand loyalty, and willingness to pay a premium. The positivist framework ensures that findings can be quantified, compared especially in relation to awareness of green branding, perception of Nestlé's eco-initiatives, and across groups, and interpreted in a generalizable manner.

### Research Design

A research plan helps gather and analyze data. for this study, a descriptive, cross-sectional quantitative design has been selected. The descriptive nature allows the researcher to systematically document and interpret patterns in the data, the behavioral responses to those initiatives. The cross-sectional design implies that data will be collected at a single point in time from a sample population, rather than tracking behavior over an extended period.

This design is particularly well-suited for business and consumer studies where quick, efficient data collection and broad population representation are required. Furthermore, it allows for cost- effective research implementation, a key consideration for a master's-level study with limited resources. The design will enable the researcher to measure key variables such as environmental awareness, brand trust, and purchase intention, and to examine their interrelationships using statistical tools.

### Research Objectives

A clear goal keeps research on track. The methodology described in this chapter is constructed to fulfill the following objectives:

- To assess the level of consumer awareness regarding Nestlé's green branding efforts, with a focus on sustainable packaging initiatives such as recyclable materials, plastic-neutral commitments, and carbon-reduction pledges.
- To evaluate consumer perceptions of the authenticity and trustworthiness of Nestlé's environmental claims and how they influence the brand's reputation in the eyes of consumers.
- To analyze whether Nestlé's green branding has a measurable impact on purchase decisions, including willingness



to switch brands, pay more, or recommend the brand to others.

- To explore how demographic factors such as age, gender, education, and income influence consumer responses to green branding.

These objectives align with the survey questions and analysis techniques employed, ensuring that all aspects of data collection are purposeful and results-oriented.

**Data Collection Method—Both primary data from surveys and secondary data from past established studies from literature reviews.**

#### **Primary Data Collection:**

Survey Questionnaire for this research, data collection is conducted exclusively through a **structured questionnaire**, which allows for the standardized collection of quantifiable data from many participants. The questionnaire is developed based on previous research in green marketing and consumer behavior, with modifications to suit the Nestlé context and focus on sustainable packaging.

The Survey cover these main topics:

**Section A: Demographic Information** Captures respondent age, gender, educational background, occupation, etc. This data is essential for segmenting responses and understanding how different consumer groups perceive Nestlé's green branding differently.

**Section B: Awareness of Nestlé's Sustainable Packaging** Questions in this section determine whether consumers are familiar with Nestlé's environmental initiatives, including recyclable packaging, biodegradable materials, and zero-waste factory goals. This section also gauges the frequency with which consumers notice green logos or environmental messages on Nestlé products.

**Section C: Perceptions of Brand Authenticity and Trust** This part of the survey assesses the perceived credibility of Nestlé's claims. It includes Likert-scale items that explore whether consumers believe that Nestlé is genuinely committed to environmental values or merely engaging in greenwashing for public image.

**Section D: Behavioral Intentions and Purchase Decisions** This section measures how Nestlé's green branding influences consumer behavior. Questions explore willingness to pay more for sustainable packaging, switch from less sustainable competitors, and recommend Nestlé products due to environmental efforts.

The survey uses a simple 5-point Likert scale in responses. The scale measure attitudes from strongly disagree to strongly agree.

#### **Sampling Strategy**

##### **Sampling Technique**

The study employs a **non-probability purposive sampling technique**. This approach involves selecting participants based on specific characteristics — in this case, individuals who are familiar with Nestlé products and are likely to have noticed or formed opinions about its green branding. Purposive sampling is appropriate for studies where the objective is to gain detailed insights from a relevant subset of the population rather than aiming for broad generalizability.

By focusing on informed and engaged consumers, the research ensures that responses are meaningful, especially when evaluating subtle perceptions about branding, packaging, and trust.

##### **Sample Size and Population**

A total of 82 respondents will be surveyed. The population includes consumers aged 18 and above, drawn from urban and semi-

urban areas where Nestlé products are widely available. Recruitment is done via online platforms such as WhatsApp, email, Facebook groups, and university networks to ensure diversity in terms of age, gender, income, and education.

This sample size is considered adequate for descriptive statistical analysis and enables subgroup comparisons without requiring complex sampling logistics or large-scale fieldwork.

### Data Analysis Techniques

The data collected through the questionnaire will be analyzed using Microsoft Excel. The following methods will be used:

#### Descriptive Statistics

**Frequencies and Percentages:** Used to summarize demographic characteristics and response distributions.

**Mean and Standard Deviation:** Helps understand the average level of agreement or disagreement with survey items and the variability in responses.

This basic analysis provides an overview of how respondents perceive Nestlé's green branding efforts and how widespread certain attitudes are.

**Bar Charts and Pie Charts:** These visual tools will be used to present the data graphically. Bar charts are especially helpful for comparing multiple responses side by side (e.g., awareness levels across several green initiatives), while pie charts effectively show proportions within a single question.

## FINDINGS

### 5.1 Summary of Findings

1 This study examined how Nestlé's green branding initiatives, particularly sustainable packaging, influence consumer behavior in India. Through surveying 82 consumers, we discovered some fascinating insights about how people really think about environmental marketing.

2 The results show that most consumers (78%) are aware of Nestlé's sustainable packaging efforts, which is impressive given how cluttered the marketing landscape is today. However, what's interesting is that while people notice these efforts, their trust levels are more cautious - only 62% fully trust Nestlé's environmental commitment. This suggests consumers have become smarter about distinguishing between genuine efforts and marketing hype.

Perhaps the most encouraging finding is that 87% of respondents are willing to pay more for environmentally responsible products. This isn't just talk - 68% said these green initiatives actually influence their buying decisions. For a generation that grew up hearing about climate change, environmental responsibility has become a real factor in how they choose products.

The demographic profile reveals why these findings matter so much. With 82% of respondents aged 18-25 and 94% holding college degrees, we're looking at the future of consumer markets - educated, environmentally conscious, and willing to put their money where their values are.

### 5.2 Implications of Findings

These findings tell us something important about how business is changing. Being eco-friendly is now a must to stay competitive. When nearly 9 out of 10 consumers say they'll pay more for sustainable products, that's a market signal companies can't ignore.

For Nestlé specifically, the results suggest their green branding strategy is working, but there's room for improvement. The gap between awareness (78%) and full trust (62%) indicates consumers want more transparency and proof, not just promises.

## CONCLUSION

This comprehensive statistical analysis reveals that Nestlé's green branding initiatives operate within a highly receptive consumer environment characterized by strong environmental consciousness, significant premium price willingness, and meaningful behavioral influence. However, success requires addressing authentic trust development and communication clarity challenges.

The research demonstrates sustainable packaging serves as significant competitive differentiator rather than peripheral corporate social responsibility initiative. Early establishment of credible environmental leadership among young, educated consumers with strong environmental values suggests long-term brand equity returns as this demographic maintains brand relationships throughout their lifetime. The findings indicate broader FMCG industry transformation toward environmental responsibility as fundamental business requirement rather than optional enhancement, with companies failing to develop authentic environmental initiatives risk in competitive disadvantage as consumer environmental expectations continue strengthening.