

Exploring the Role of Green Innovations in Startups: Consumer Acceptance and Entrepreneurial Challenges

Anjali Pandey*

School of Commerce, DAVV, Indore

Shivani Mishra

Acropolis Faculty of Management and Research, Indore

Pallavi Pattan

School of Commerce, DAVV, Indore

Abstract: The growing emphasis on sustainability has made green innovation an essential driver of environmental responsibility and entrepreneurial growth in India. This study explores the multifaceted relationship between consumer acceptance and startup success in the green innovation sector. We include analyzing consumer awareness, adoption drivers, and barriers to purchase; identifying entrepreneurial challenges in implementation; and evaluating management strategies that promote sustainable innovation. Using a mixed-methods approach, data were collected through structured questionnaires from 103 consumers (50.5% male, M age = 38.4 years, 81.6% graduate-educated) and 50 green entrepreneurs (M firm age = 4.6 years, 62% <50 employees) across 18 Indian cities. We employed χ^2 tests, ANOVA, correlation analysis, and regression modeling to test hypotheses. Findings reveal that while 81.6% of consumers demonstrate awareness of green products, affordability ($R^2 = 0.38$, $p < .001$) and perceived quality remain dominant purchase drivers. However, 35% identify high cost as the primary barrier, with willingness to pay premiums averaging 10-15% across income groups. Entrepreneurs face multifaceted challenges dominated by regulatory barriers (24%), financial constraints (22%), and supply chain limitations (20%). Paradoxically, consumer education shows minimal correlation with market performance. Strategic alliances demonstrate perceived importance (74% consider them important or very important) yet lack statistically significant influence on consumer acceptance ($R^2 = 0.001$, $p = .828$). The study's implications extend to theory and practice: consumer adoption follows behavioral economics principles influenced by price-quality perception trade-offs and reference group effects; entrepreneurial success depends equally on addressing structural constraints (finance, regulation) and market-facing strategies. Recommendations include tiered pricing models, regulatory simplification, research-backed marketing, and government incentives for supply chain development.

Keywords: Green Innovation, Sustainable Entrepreneurship, Consumer Acceptance, Entrepreneurial Challenges, Startups, Behavioral Economics, India

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* Corresponding author. Email: dr.anjali70@rediffmail.com