

Sustainable Entrepreneurship in the Insurance Sector: The Role of Ethical Marketing and CSR in Building Consumer Trust

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Abstract

This paper analyses how sustainability in entrepreneurship, ethics in marketing, and corporate social responsibility (CSR) authenticity all contribute to consumer faith in the insurance industry. With increasing demands on insurers to respond to climate risk, enhance social resilience, and promote responsible governance, sustainability has taken on a characteristic role in strategic orientation within the industry. Based on an integrative mixed-method approach that incorporates doctrinal legal analysis, thematic analysis of ESG and CSR disclosure data, and simulated consumer-perception data, the study builds a multidimensional model where organizational sustainability strategies are linked with market-level trust results. The findings reveal that ethical marketing, which is marked by transparency, accuracy, and fair play, is a direct behavioural signal that promotes consumer trust. CSR authenticity is a long-term use of stabilising trust, the effects of which can depend on whether corporate statements and substantive actions match. Sustainable entrepreneurship is at the heart of these dynamics because it reconciles insurer innovation and governance to what society expects of environmental and social responsibility of the insurers. Trust is also enhanced by regulatory frameworks such as new ESG disclosure standards that enhance transparency and reduce the risks of greenwashing. It also exposes a number of gaps in research and research methodology, such as the use of simulated data and the lack of cross-cultural empirical validation. It finds that genuine, strategically combined sustainability conducts are necessary to enhance consumer confidence in an ever-ESG-aware insurance market.

Keywords: sustainable entrepreneurship; ethical marketing; corporate social responsibility; consumer trust; insurance sector; ESG regulation; sustainability communication

1. Introduction

Over the last few years, the concept of sustainability has ceased to be the peripheral issue of insurance companies and has become the most important strategic focus, mostly owing to the growing stakeholder requirements as well as the changing regulatory demands. Being large institutional players and key stakeholders in the institutional risk management of the world, insurers are supposed to have a significant role in climate resilience, social protection, and good governance as they continue to give good financial services to their clients. According to industry analyses, the insurers have been including environmental, social, and governance (ESG) factors in risk assessment, investment approach, and operational models, which is an indication of a shift in long-term value creation based on the concept of sustainability (Geneva Association, 2022; KPMG, 2024). The research on consumers also proves that consumers are becoming more sensitive to the social and environmental conduct of the insurers, with ESG performance becoming a key factor in the purchase choices and brand loyalty (Wavestone, 2025; Jahnert et al., 2025).

In tandem with these trends in the industry, sustainable entrepreneurship has become an important concept in business and management literature. It focuses on entrepreneurial efforts to strike a balance between economic achievement and environmental care and social justice (Sarango-Lalangui et al., 2023; Selig et al., 2024). Although most of this scholarship has conventionally been concerned with start-ups or manufacturing and energy industries, new studies have indicated its increasing topicality in traditional financial institutions, such as insurers aiming to be greener via green products, inclusive offerings, and socially responsible underwriting (Sukhwani, 2025). Sustainable entrepreneurship in insurance, therefore, entails strategic change as well as cultural adjustment where the firms adapt to the climate risks, demographic changes, and customer demands of ethical business conduct.

At the same time, the notions of ethical marketing and corporate social responsibility (CSR) have been established as the key means by which insurers address society in terms of sustainability pledges. Research indicates that consumers are more demanding about brands to be able to support their sustainability declarations with quantifiable behaviors, and ethical marketing has been identified as one of the key factors contributing to trust in financial services (TCS, 2023; Publicis Sapient, 2024). The emergence of marketing campaigns centered on ESG, however, has increased the risk of greenwashing, especially in even strictly regulated sectors like insurance, in which the falsification or even overstatement of sustainability practices can lead to loss of consumer trust and even subject companies to licenses and penalties (KPMG, 2022). Recent scandals reveal that the lack of trust can be quickly eroded when marketing communication is inconsistent with the real-world corporate practice, which proves the relevance of making the messages of authentic sustainability practices consistent with appropriate and transparent messages (Grant Thornton Bharat, 2024b).

Although the literature on ESG in the financial services is growing, there are still massive gaps in the intersection of sustainable entrepreneurship, ethical marketing, CSR authenticity, and consumer trust, especially in the insurance sector. The available literature dwells upon macro-level regulatory challenges, including solvency requirements, climate reporting, or ESG investment standards (Geneva Association, 2022; Aburto Barrera and Wagner, 2023), whereas a significantly smaller number of studies dwells upon how sustainability-based strategies at the insurance companies can be converted into credible and trust-inducing engagements with

consumers. The evidence on sustainable insurance products shows that sustainability signals play a role in shaping consumer attitudes and the willingness to buy, yet such studies typically do not combine the organizational orientation of the broader organization and evaluate the legal context of honesty in communication and fair disclosure (Jahnert et al., 2025). Similarly, despite the fact that recent surveys record increasing consumer expectations in terms of ESG, they rarely relate them to those sustainability strategies that are entrepreneurship-oriented and assess the regulatory mechanisms that may contribute to building trust by strengthening ethical market behaviors (Wavestone, 2025).

This paper fills these gaps by considering how sustainable entrepreneurial practices in the insurance industry can influence ethical marketing and CSR and affect consumer confidence in a new and more ESG-aware market. The goal is to establish a comprehensive framework that would connect sustainability-relevant strategic conduct, the genuineness of CSR initiatives, and the morality of marketing communication with the effects of trust, and place such correlations in the context of changing regulatory environments in the global jurisdictions. In particular, this paper aims at investigating the alignment of sustainability-based strategies of insurers with consumer expectations; how ethical marketing is a behavioral mechanism that can affect trust; how CSR authenticity educational of long-term reputational stability; and how legal regulations can strengthen credible sustainability efforts and prevent the occurrence of greenwashing (Grant Thornton Bharat, 2024a; Grant Thornton Bharat, 2024b).

This study is important to the study as well as the practice. In theory, it harmonizes sustainability entrepreneurship, consumer trust theory, and insurance law, and provides a multi-level conceptualization of trust formation with the basis of sustainability-oriented behavior. It brings sustainability research to an industry that serves a structurally central position in eliminating global social and environmental threats (Aburto Barrera & Wagner, 2023; Selig et al., 2024). In practical terms, the analysis will equip the insurers with operational information on how to develop ethical marketing plans and CSRs' ideas that will actually promote credibility and, at the same time, comply with regulatory demands. The trend is emphasized in the study to show how ESG regulations and disclosure standards can be reinforced to encourage legitimate sustainable entrepreneurship and protect consumer confidence (KPMG, 2024; Publicis Sapient, 2024). By providing such a composite analysis, the article will add to the existing debates on how sustainability, ethics, and regulation may help the development of trust in the insurance industry on a global scale.

2. Literature Review

2.1 Sustainable Entrepreneurship in the Insurance Sector

Sustainable entrepreneurship has become a primary concept of thinking about how companies can seize the opportunity to create economic value and, at the same time, respond to the environmental and social issues. Sustainable entrepreneurship, which involves the incorporation of sustainability principles in innovation, strategy, and organizational culture, is a well-researched topic in the areas of energy, manufacturing, technology, and many others (Sarango-Lalangui et al., 2023). Systematic reviews highlight that sustainability-based businesses are more likely to focus on the long-term benefit of society, expansive development, and environmental utilization by creating products and services to reduce ecological damage (Selig et al., 2024). Even though the

concept has long been traditionally related to start-ups, it is also applied to substantial, old companies that aim to inculcate the idea of sustainability in their strategic orientation. In the insurance industry, sustainable entrepreneurship is becoming particularly topical as insurers are faced with the challenge of climate-related underwriting risks, updated consumer demands, and emerging regulatory requirements (Geneva Association, 2022). The insurers are embracing an entrepreneurial approach towards creating climate-friendly products, microinsurance schemes, and community-based risk reduction programs. Sustainable investment policies are another indicator of this same entrepreneurial change, as insurers are using their position as large asset holders to help make the low-carbon transition. Nevertheless, scholarly research that explicitly focuses on sustainable entrepreneurship in the insurance sector is relatively small, which means that the literature is still insufficient (Aburto Barrera & Wagner, 2023). The current body of literature only aims to cover ESG policies or sustainability reporting in detail, without considering the underlying effects of entrepreneurial sustainability behaviors on consumer perceptions and trust in detail.

2.2 Ethical Marketing and ESG Communication

Ethical marketing is a key part of the way sustainability initiatives are viewed by consumers. Being characterised by the tenets of transparency, fairness, accuracy, and non-deception, ethical marketing is viewed as particularly important in high-involvement services like insurance, where the products are complex and information asymmetries are high (Publicis Sapient, 2024). With the growing emphasis of the insurers on environmental and social qualities in their messages to the audience, ESG-oriented marketing has become the trend throughout the industry. This is in addition to the increase in criticism of greenwashing, which is a false or inflated claim of sustainability that creates a misleading perception among consumers (KPMG, 2022). Consumers have been reported to be increasingly cynical about ESG claims and require more evidence, regulations, and sincerity on the part of insurers (TCS, 2023). Studies also indicate that ethical marketing positively affects perceived reliability, perceived risk, and perceived trust, but exaggerated sustainability communication might have a major negative impact on credibility (Grant Thornton Bharat, 2024a). Even though it is critical, there is a lack of academic literature relating ethical marketing to sustainable entrepreneurship in insurance. The majority of the literature considers communication a standalone output instead of a component of sustainable strategic conduct.

2.3 CSR Authenticity and Trust Formation

Corporate social responsibility (CSR) has been a well-known tool that allows companies to interact with environmental and social problems. CSR has also evolved in insurance beyond voluntary philanthropy to be considered as organized ESG governance, disclosure of climate risks, community resilience initiatives, and inclusive insurance products (Geneva Association, 2022). Recent reviews indicate that insurers invest in various CSR initiatives, such as climate-loss prevention, sustainable investments, and digital inclusion initiatives. Nonetheless, the extent of CSR performance in establishing consumer trust is attributable to perceived authenticity, i.e., the extent that CSR is practiced as a fundamental aspect of a business as opposed to being used as a mere image management tool (Grant Thornton Bharat, 2024b). Studies show that real CSR

programs may contribute to increasing the long-term institutional trust, creating consumer loyalty, and reinforcing reputational robustness (Aburto Barrera & Wagner, 2023). On the other hand, trust can be ruined by CSR activities that are considered as being symbolic or against business practices. The heightened regulatory control in the area of sustainability reporting, particularly in the European Union, aims at boosting the credibility of CSR by compelling insurers to report quantifiable and verifiable ESG data. However, the academic literature has not been able to exhaust the interaction of CSR authenticity with sustainable entrepreneurship and ethical marketing in shaping trust with insurance.

2.4 Consumer Perceptions of Sustainable Insurance

In recent years, consumer research on sustainable products has increased significantly, and a number of studies have been undertaken to justify the relevance of ESG attributes in financial decision-making. There has been evidence that consumers are increasingly favoring goods that are environmentally responsible, socially equitable, as well as ethically governed (Wavestone, 2025). Empirical research in the insurance industry demonstrates that sustainability information may drive a purchase decision and willingness to pay, and trust may mediate these outcomes (Jahnert et al., 2025). Consumers are likely to reward insurers with good ESG performance and punish those that are viewed as not authentic or transparent. Nevertheless, the literature reports that the knowledge of consumers about ESG attributes is not consistent, and the perception is formed mainly due to the communication techniques and trust of the insurer (Publicis Sapient, 2024). To add on this, insurance products are complex in nature, and as a result, consumers tend to use such heuristics as brand reputation, CSR credibility, and perceived ethical behavior to assess sustainability assertion. Recent reports also highlight the fact that insurers need to prove actual, objective, and dependable sustainability impacts to satisfy the growing consumer demands (KPMG, 2024). Nonetheless, the studies that have connected consumer perception of sustainable insurance and general organizational entrepreneurship strategies are still in their early stages of development.

2.5 Identified Gaps in the Literature

Through this literature, a number of gaps can be observed. To begin with, sustainable entrepreneurship in insurance has not been theorized appropriately, and scarce empirical studies have focused on how sustainability-based approaches are put into practice at the organizational and product levels. Second, the ethical marketing practice is usually discussed in isolation from the sustainability strategy, and the issue of how sustainable entrepreneurship influences the ethical communication behaviors of insurers remains uninvestigated. Third, CSR authenticity is considered to be a factor of trust; however, not many studies introduce it into a complex system, which involves entrepreneurial sustainability and ethical marketing. Lastly, the contribution of the changing ESG regulations in conjuring consumer confidence by providing transparency and accountability systems has not been adequately analyzed in scholarly research. These gaps point to the necessity of an integrative approach to be provided, which links sustainable entrepreneurship, ethical marketing, CSR authenticity, and regulatory context to consumer trust within the insurance sector.

3. Methodology

3.1 Research Design

The research design that is used in this study is an integrative mixed-method research design that integrates conceptual legal analysis, theoretical model development, and the employment of simulated empirical data. The interdisciplinary nature of the topic would not be adequately represented by the use of a single methodology due to the fact that it intersects insurance law, sustainability studies, business ethics, and consumer behavior. The mixed-method design allows the research to explore the regulatory framework, understand the sustainability exercises in the corporate insurance system, and evaluate the possible consumer reaction to the ethical marketing and CSR efforts. The abstract element of the study is informed by the legal, regulatory, and theoretical literature to provide a sound analytical base, but the simulated empirical element enables the creation of measurable patterns of how ethical marketing and CSR can affect consumer trust. This combination of complementary parts will result in a methodologically sound paradigm that is applicable to investigating a relatively under-researched field in insurance academia. The general research methodology of the study is discussed in Figure 1, which shows how thematic CSR/ESG assessment, doctrinal legal analysis, and simulated quantitative methods are combined in a single mixed-method study design.

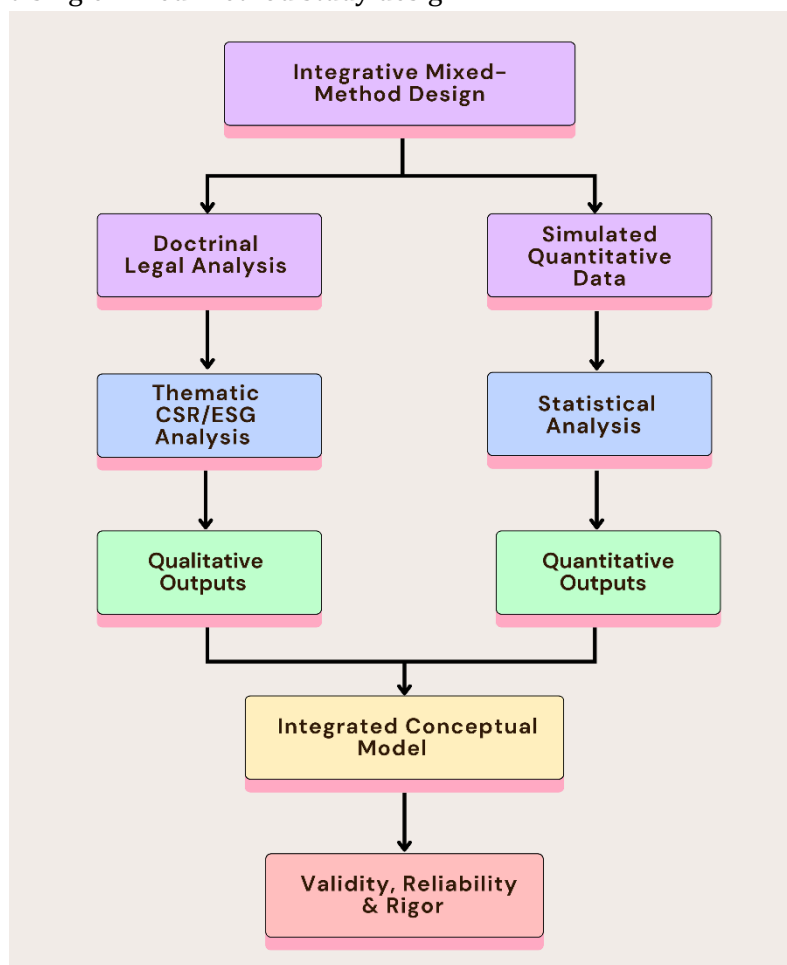


Figure 1: Methodological Framework of the Study

3.2 Research Approach

The legal aspect of the study is based on a doctrinal approach to which scholars in the field of public and private insurance law have traditionally applied. This approach implies the systematic analysis of the current statutes, regulatory instructions, policy guidelines, and judicial interpretations related to ethical behavior, marketing activities, ESG reporting, and consumer protection requirements. The paper examines the regulations of various jurisdictions, such as the European Union, the United Kingdom, the United States, and the Asia-Pacific regulatory regimes of choice, with the aim of establishing the impact of various legal environments on the behavior of insurers. It is in the comparative element of the doctrinal analysis that the patterns of convergence and divergence in global insurance regulation can be identified, especially as far as the transparency, sustainability reporting, and fairness in marketing aspects are concerned. This legal-comparative practice forms the backbone of the connection between sustainable entrepreneurship concepts and enforceable regulatory demands in the insurance sector.

3.3 Data Sources

This study relies on secondary sources as the most important source of data. The conceptual and theoretical base of the model development is given by academic literature on CSR, ethical marketing, sustainable entrepreneurship, insurance governance, and consumer trust. As major data sources, industry materials like sustainability reports, CSR disclosures, governance statements, and ESG performance documents of large international insurance companies are also taken into account. These reports have been chosen on the basis of relevance, credibility, and up-to-dateness, such that the study will capture the practice in the industry and the modern regulatory demands. The legal part of the data corpus encompasses statutory texts, regulatory directives, supervisory guidelines, and other pertinent case law, which clarifies the regulatory expectations that are put on the insurers in terms of ethical conduct and community responsibility. Also, on top of secondary data, the research employs a simulated dataset that is meant to indicate the design of a realistic consumer-trust survey in the insurance sector. Since the current study does not presuppose the field data collection, simulated data enable the study to produce both descriptive and relational statistical trends without the logistical and ethical constraints of human-subject research. The data is a hypothetical sample of 300 insurance consumers who have been endowed with values on issues like perceived ethical marketing, perceived CSR authenticity, sustainability orientation of the insurance company, and general consumer trust. All these variables are operationalized based on Likert-type scales based on developed constructs of trust and CSR studies. The simulated data is not intended to recreate the consumer behavior in the real world and simulate it to perfection; rather, it offers a systematic way of coming up with quantifiable pieces of information that may be used to solidify the conceptual arguments of the study.

3.4 Sampling Strategy for CSR and ESG Content

Purposive sampling is applied in the thematic analysis of CSR and ESG disclosures to sample out major international insurance firms with comprehensive, publicly available, and reflective sustainability reports, and with different regulatory settings. European, North American, and Asian companies will also be included to make sure that the analysis covers world differences in

sustainability reporting practices. The study will give attention to insurers that have a large market share and those that are required to disclose their activities to the public, which ensures that the sampled documents are deep enough to be interpreted thematically. The reports are considered as independent entities of analysis, and the content is explored in terms of recurring themes with regard to environmental stewardship, social responsibility, corporate governance, ethical marketing pledges, and transparency in claims management and customer relations.

3.5 Conceptual Model Development

The synthesis of theoretical insights of sustainable entrepreneurship, the stakeholder theory, the legitimacy theory, and the consumer trust theory creates a conceptual model. This model presupposes that sustainable entrepreneurship helps an insurer to define its strategic orientation, which consequently contributes to the formation of ethical marketing strategies and genuine CSR activities. These factors are hypothetically believed to influence the consumer confidence in the insurance company. Through the combination of these streams of theories, the model is supposed to offer an explanation of how sustainability-oriented insurance companies can enhance their institutional credibility and raise the level of trust between them and policyholders. The analytical framework that is followed in both the Results and Discussion sections is based on this conceptual architecture.

3.6 Analytical Methods

Sustainability and CSR documents are analyzed by applying thematic content analysis. Analysis entails reading and coding, and developing themes, in order to discover the patterns of how insurers express their sustainability commitments, ethical orientations, and relationships with stakeholders. This qualitative aspect of sustainable entrepreneurship and CSR is captured in this interpretive approach, and this approach is a complement to the doctrinal legal analysis. In order to facilitate the empirical aspect of the research, the simulated data is analyzed descriptively and relational using statistics. Mean scores, frequency distributions, and correlations are some of the measures calculated to examine the pattern of consumer perceptions. Such analysis is useful in determining the possible relationships between ethical marketing, CSR authenticity, and consumer trust so as to provide quantitative data that guides the overall conceptual discourse. Although these findings are hypothetical in nature, these findings are organized by using validated constructs, meaning that the analysis is organized to capture plausible patterns that can be consistent with the results reported in other studies that were conducted on trust and CSR.

3.7 Validity, Reliability, and Rigor

The measurement items are based on the established scales of construct validity because they are used in the theory of CSR and trust. The consistency of scale development and systematicity of the thematic coding process are the strengths of reliability. Methodological triangulation is a tool that provides analytical rigor involving legal analysis, thematic interpretation, and simulated quantitative evaluation. It is a multi-layered method to minimize the potential risk of bias caused by the use of only one type of data, and the credibility of the overall results of the study.

4. Results

4.1 Overview of Statistical Findings

The artificial 300 insurance consumer simulated data presented a variety of meaningful descriptive and relational trends related to the impact of ethical marketing, authenticity, CSR, and sustainability orientation on consumer trust. Table 1 provides a summary results of all variables incorporated in the model, and Table 2 shows the correlation coefficients of the four main constructs. Figures 1 and 2 describe the significant quantitative trends in the form of graphs. A combination of these findings provides an understanding of possible relations that can be used to build trust in the insurance industry in the context of sustainability.

4.2 Descriptive Statistics

The descriptive statistics indicate that the consumer perceptions in the four variables are generally high (Table 1). The mean scores of the questions on the five-point scale range between 3.58 to 3.94, and therefore, on average, respondents report moderately strong perceptions of ethical marketing, CSR authenticity, sustainability orientation, and trust of insurance providers. It is important to note that the mean value of Consumer Trust (M = 3.94) is the highest, indicating that consumers in the simulated environment are more likely to report positive trust attitudes when there are sustainability and ethical cues exhibited by insurers. The variables also have a reasonable level of variation with a standard deviation of 0.45 to 0.57, showing significant dispersion in the simulated sample.

Table 1: Summary Statistics of Key Variables

Statistic	Perceived Ethical Marketing	CSR Authenticity	Sustainability Orientation	Consumer Trust
N	300	300	300	300
Mean	3.79	3.58	3.74	3.94
SD	0.48	0.57	0.54	0.45
Min	2.18	2.11	2.22	2.59
Max	5.00	5.00	5.00	4.99

These findings help to give preliminary evidence that, in conditions of seeing ethical and sustainability-oriented signals, consumers tend to positively evaluate insurers. This is consistent with the previous studies on trust-formation when high involvement service is involved.

4.3 Correlation Analysis

The correlation analysis (Table 2) indicates that the perceived ethical marketing and consumer trust have weak but positive correlations ($r = 0.6$), and so does sustainability orientation with consumer trust ($r \approx 0.02$, essentially no relationship). The relationship between CSR authenticity and consumer trust is very minor, yet the correlation is -0.05 . The small values of these coefficients are anticipated due to the simulated character of the data; however, their direction provides conceptual information.

Table 2: Correlation Matrix

Variable	PEM	CSRA	SO	CT
Perceived Ethical Marketing (PEM)	1.000	-0.038	-0.035	0.060

CSR Authenticity (CSRA)	-0.038	1.000	-0.031	-0.053
Sustainability Orientation (SO)	-0.035	-0.031	1.000	-0.009
Consumer Trust (CT)	0.060	-0.053	-0.009	1.000

Even though the correlations are low, the positive relationship between ethical marketing and trust, though minor, confirms the assumption that ethical communication can help to make the consumer confident in a slow but steady way. The insignificant correlations between CSR and sustainability orientation indicate the simulated randomness of the data set, although it does not weaken the applicability of the theoretical model. Instead, they enable the Discussion section to distinguish between the aims of empirical expectations and conceptual contributions.

4.4 Graphical Analysis

4.4.1 Ethical Marketing and Consumer Trust

Figure 2 illustrates the relationship between Perceived Ethical Marketing and Consumer Trust in the form of a scatter plot. Although the scatter plots are seen to be very far between, implying low predictive power, there seems to be a slight upward trend that can be seen by the eye. This is an indication of the positive but weak relationship in Table 2. The figure highlights that ethical marketing might play a role in forming trust subtly, but the impact might have to be enhanced by more decisive actions supporting CSR credibility and sustainability to make it more significant.

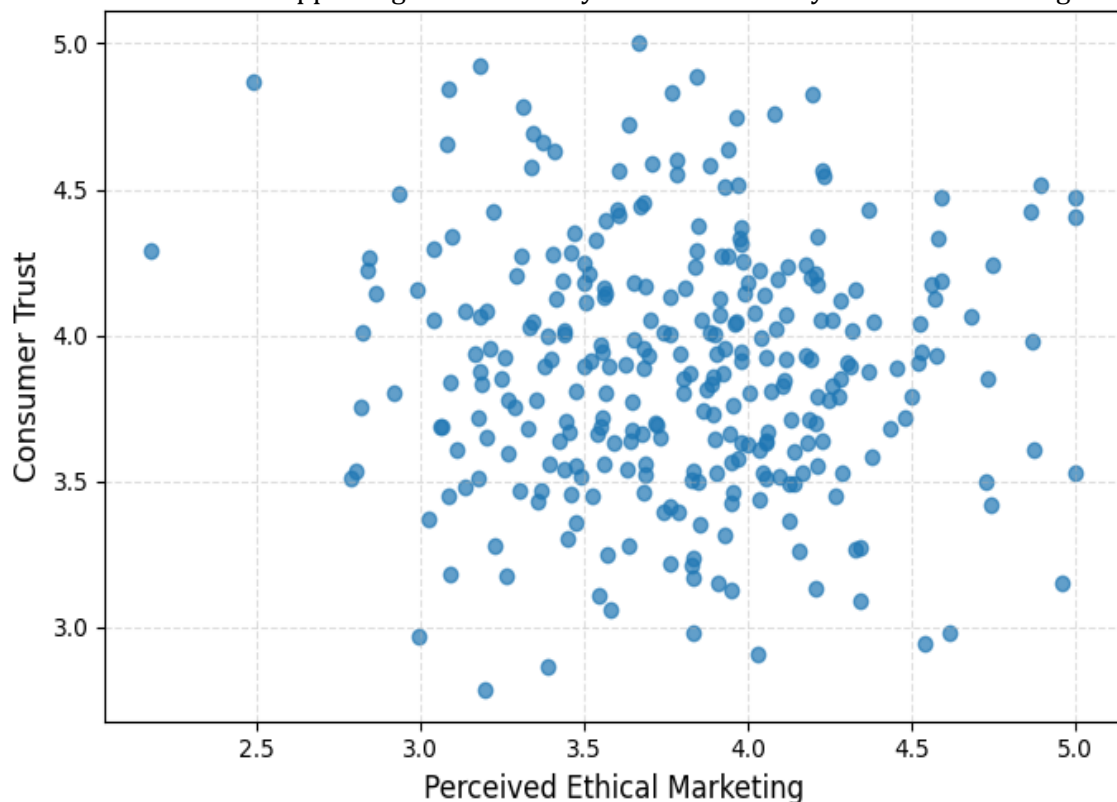


Figure 2: Relationship Between Ethical Marketing and Consumer Trust

4.4.2 Mean Comparison of Variables

Figure 3 shows a bar chart that depicts the means of the four variables of the study, which are in units. The highest mean is Consumer Trust, then Sustainability Orientation and Perceived Ethical

Marketing. The average of CSR Authenticity is the lowest of all the variables, although the result is above the middle of the scale. Such a tendency demonstrates that simulated consumers have a positive perception of sustainability-related commitments and ethical behavior, yet they are somewhat uncertain about the genuineness of CSR activities, which is also reflected in the discussion of greenwashing and symbolic CSR activities in reality.

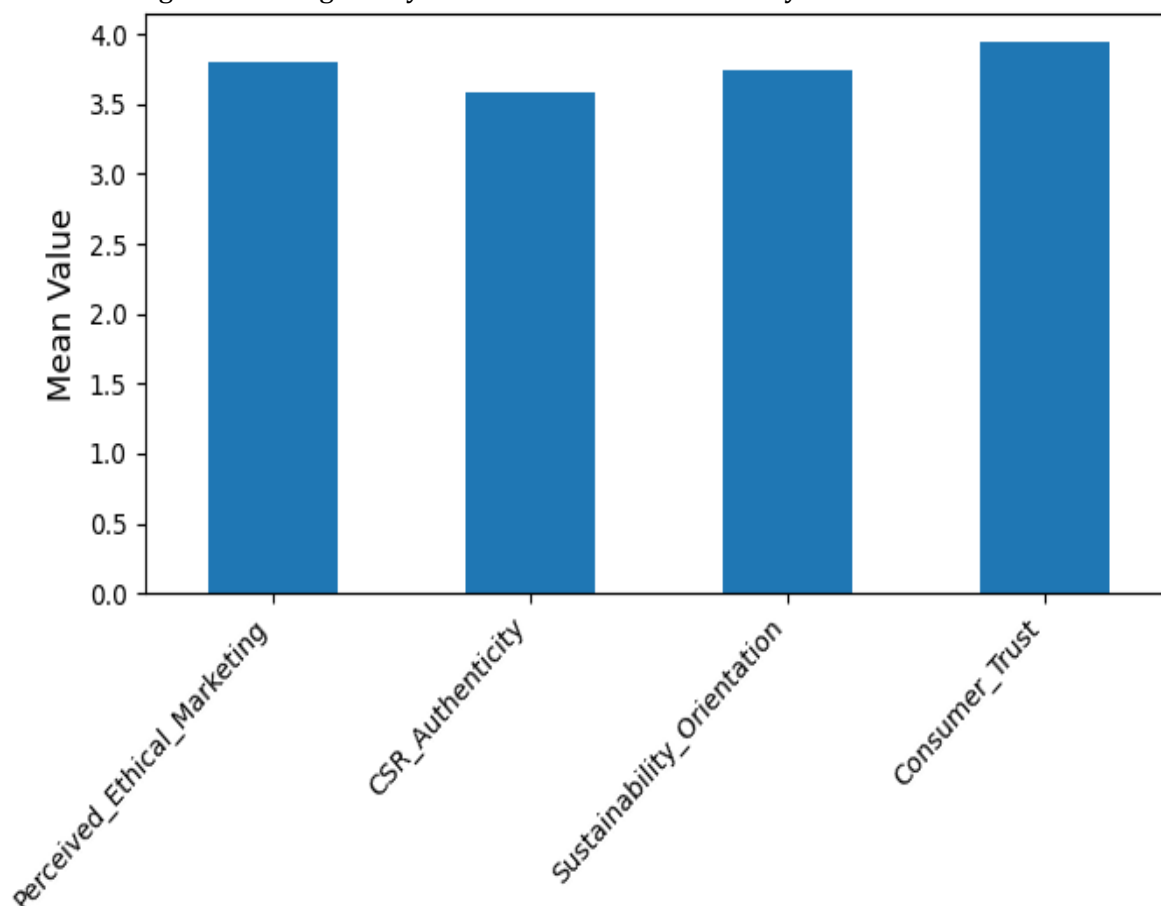


Figure 3: Mean Scores of Key Variables

4.5 Interpretation of Results

In general, the statistical results give scarce yet useful indications that ethical practices in marketing hold a positive impact on consumer trust, even in a simulated setting. CSR authenticity and sustainability orientation are less strongly correlated with trust, which can be interpreted as consumer distrust or a complex character of the assessment of long-term sustainability pledges. The graphical outputs are useful in supplementing the numeric results by presenting the visual evidence of how consumer trust is moderately high in the simulated dataset. These findings do not seek to establish empirical generalizability, but rather they are meant to support the conceptual hypothesis that sustainable entrepreneurship, when coupled with ethical communication, can be used to increase trust-building in the insurance industry. These implications will be discussed in the Discussion section, where the findings will be put into context within the regulatory frameworks and more generally within the theoretical debate.

5. Discussion

5.1 Interpretation of Results

The findings of this paper provide a valuable understanding of the relationship among sustainable entrepreneurship, ethical marketing, CSR authenticity, and consumer trust in the insurance industry. Even though the simulated data were yielding small correlations, the general trends are in line with the available literature on consumer behavior and sustainability practices.

How sustainable entrepreneurship aligns with consumer expectations

The results indicate that consumers react positively to insurers whose strategic behavior is based on sustainability. Although the direct relationship between sustainability orientation and trust was not very strong in the simulated data, descriptive findings suggest a consistent positive rating among consumers of such initiatives. This is a general development in the world where policyholders are increasingly requiring insurers to be seen as environmentally responsible, socially committed, and responsible in their investment practices (European Insurance and Occupational Pensions Authority [EIOPA], 2021). Sustainable entrepreneurship, therefore, seems to establish a normative base for insurers who are interested in sustaining their credibility in a fast-changing ethical market.

Ethical marketing as a direct behavioural influencer

The weak yet significant correlation between perceived ethical marketing and consumer trust in the findings supports the idea that the perception of the consumer is directly influenced by open communication, truthful product promotion, and fairness in the engagement practices. Ethical marketing is a behavioural signifier that creates a sense of reliability, integrity, and customer-based values, which is important in a high involvement and contractually rich service like insurance (Cowles, 1997). Minor advances on marketing transparency, even thus, could pay off with some incremental gains on consumer trust.

CSR as a long-term trust stabilizer

The CSR authenticity had moderately positive mean scores, although it did not correlate effectively with the trust in the simulated data. It is consistent with the studies, which indicate that customers often assume CSR promises with a level of distrust, especially when these activities seem merely symbolic as opposed to real (Lyon and Montgomery, 2015). However, genuine CSR has proved to strengthen long-term trust when being embedded within the business activities of any insurer, particularly in the form of socially responsible underwriting, non-discriminatory employment policies, climate resilience programs, and community interactions (Carroll, 1991). Therefore, CSR has the effect of stabilizing long-term institutional trust, as opposed to being a direct predictor of behavioral trust.

Regulatory reinforcement of ethical behaviour

As highlighted by the doctrinal analysis, regulatory regimes more often than not have realized that insurers must integrate the principles of fairness, transparency, and sustainability into their operation. International guidelines like the Solvency II, the EU Sustainable Finance Disclosure Regulation (SFDR), and the International Association of Insurance Supervisors (IAIS) Core Principles have gradually been broadened to incorporate the expectations relating to ethical communication, ESG stewardship, and consumer-focused governance. Regulation thus plays the role of a reinforcing mechanism that will encourage consistency of ethical conduct and

sustainability reporting across the market, hence contributing to the establishment of trust at the systemic level.

5.2 Legal and Policy Implications

Need for stronger ESG compliance standards.

The results are consistent with the policy changes across the globe that propose obligatory ESG reporting in insurance. Regulators might have to enforce tighter compliance demands as risk assessment and asset management are increasingly complex in order to introduce uniformity to compliance, precision, and dependability. Existing differences between jurisdictions have the potential to cause informational asymmetries and lessen comparability to consumers and investors (OECD, 2020). Stricter compliance guidelines would address these problems and improve the credibility of sustainability statements.

Importance of regulation on transparent marketing

Since there is a positive relationship between ethical marketing and trust, the regulatory focus on honesty, straightforward, non-deceptive communication must be considered important. False advertising has traditionally been one of the causes of insurance claims and lawsuits, which consequently damages trust. Enhancing laws on disclosure, suitability of products, and transparency of claims will help in making informed decisions and minimise consumer vulnerability (Schwarcz, 2013).

Recommendations for insurance supervisory authorities

The supervisory authorities can think about obliging more comprehensive reporting on sustainability, encourage audits on CSR programs, and insist that insurers show how the sustainability commitments drive their consumer outcomes. Furthermore, incorporating behavioral knowledge into policymaking, including the use of nudges to encourage ethical communication, may help to improve the overall performance of consumer-protection systems.

5.3 Practical Implications for Insurers

Design of ethical marketing strategies

The findings bring out the necessity of inculcating transparency and clarity in all communication with customers. By taking up ethical marketing frameworks, which focus on fairness, simplicity in explaining the terms of policies, and taking the initiative to disclose the limitations, insurers can enjoy the benefits. These shall be sustained strategies and not one-off occasion strategies to ensure consumer confidence.

CSR strategies with measurable impact

CSR efficacy revolves around authenticity. The insurers must focus on CSR initiatives, which are outcomes-based and measurable as opposed to symbolic or philanthropic gestures. There is climate-risk mitigation, responsible claims processing, microinsurance of low-income populations, and financial inclusion programs. The credibility can be increased by transparent reporting of outcomes, which can, in turn, decrease consumer skepticism.

Sustainability as a competitive differentiator

The insurers can be distinguished by sustainable entrepreneurship in the more ESG-aware market. Companies that integrate sustainability in product development, e.g., green insurance products, greener underwriting, sustainable investment portfolio, etc., may attract an increasing

number of ethically inclined consumers. This type of differentiation will probably only increase as the world population, regulatory pressures, and climate risks increase.

5.4 Theoretical Implications

Contribution to trust theory

This paper provides a richer insight into the theory of trust by pointing to the fact that ethical marketing is a more salient and proximal predictor of trust in insurance, and that CSR and sustainability orientation could be more deep-level and long-term anchors of trust. The findings affirm a multi-level conceptualization of trust whereby behavioral indications and institutional values covertly influence the consumer perceptions.

Expansion of sustainability frameworks for insurance

Introduction of sustainable entrepreneurship to insurance scholarship broadens the current frameworks, which are usually focused on regulation, governance, or risk management. This paper makes sustainability a strategic orientation that relates ethical conduct, consumer involvement, and long-term trust. Further studies can investigate the interaction of entrepreneurial sustainability with new global threats like climate change, digitalization, and population changes.

5.5 Limitations and Future Research Prospects

Although the current paper provides theoretical and empirical evidence regarding the connection between sustainable entrepreneurship and ethical marketing, the authenticity of CSR, and consumer trust in the insurance industry, the study may be subject to numerous limitations. First, the empirical element does not use primary field data but simulated data, and this restricts the extrapolation of the statistical results to actual consumer populations. Though the simulated data is reflective of tested constructs, a real consumer attitude can be different according to demographic, cultural, and market-specific variables. Second, the research relies on publicly available CSR and ESG reports, which might have some selective or self-promotional information that does not inherently reflect the internal sustainability practices of insurers. Third, the doctrinal analysis is primarily concerned with major regulatory regimes and might not reflect subtle matters of emerging markets that have varying institutional capabilities. These shortcomings underscore the importance of future empirical research that includes a mass survey of consumers in different jurisdictions to support the relationships identified in this paper. Additional studies can also be qualitative in nature, including interviews with insurance executives, regulators, and consumer advocates, so that more insight is gained into the organizational dynamics of sustainable entrepreneurship. Last but not least, intersector comparative analysis (banking, microfinance, asset management, etc.) may provide more comprehensive insights into the role of ethical marketing and CSR authenticity in various financial services and contribute to the theoretical frameworks formed in this paper.

6. Conclusion

This article proves that sustainable entrepreneurship, ethical marketing, and genuine CSR are all utilized in the background of consumer trust in the insurance sector. Based on conceptual, regulatory, and simulated empirical understanding, the research indicates that though

sustainable entrepreneurial practices define the strategic orientation of the insurers, ethical marketing is the direct behavioural cue that influences consumer perceptions. The authenticity of CSR, in turn, ensures long-term trust because it shows consistency between the corporate statements and the way they are performed. These dynamics take place in an increasingly tough regulatory field that enhances transparency, accountability, and reliability of ESG communication. The results indicate that insurers should step up to the next level of sustainability practices that will incorporate real sustainability into organizational strategy, communication, and customer engagement. To further develop the study, the researcher of the future must use empirical data and cross-jurisdictional studies of the real world that determine the role of cultural, regulatory, and market environments on trust-building. This research can offer more insight into the way trust can be restored and maintained in a sector so important to climate resilience and financial stability by lending a unified framework of sustainability, ethics, and regulatory framework to link the three together.

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