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Does Consumption Value Matter in Green Purchase?

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Abstract:
Concern about environmental degradation is growing all over the world. Environmental, health, and social issues are some of the main reasons behind the increase in demand for environmentally friendly solutions. Consumers are taking into account environmental factors in their purchasing decisions and consumption. Companies are also responding by offering more environmentally friendly products and incorporating sustainability into their business practices. However, there is still a long way to go in terms of achieving widespread sustainable consumer behaviour and addressing environmental concerns. It is imperative to portray the role of psychological factors in marketing green products and services. Understanding consumption values in relation to a green offering may help the brands to promote green purchases. The present study is an attempt to examine the determinants of consumption values in green marketing through a critical literature review. The findings discover consumption values in terms of Functional Value, Social Value, Emotional Value, Epistemic Value, and Conditional Value. Three new dimensions have been discovered, namely Health Value, Prestige Value and Green Value. The study offers a theoretical understanding on consumption values for future research.

Keywords: *Consumption Values, Green Marketing, Environmentally Friendly, Theory of Consumption Value, Sustainable Consumer Behaviour*

1. Introduction

The shift in consumer behaviour due to environmental degradation has led to the development of a new line of marketing- green marketing. It was previously described as a marketing strategy geared at the ecologically concerned market niche. In its evolution, the notion has undergone significant changes. Many phrases such as “sustainable”, “eco-marketing”, “organic”, “green” and “environmental” have become synonymous with this concept of marketing that respects environmental criteria (Martin & Schouten, 2015; Menon& Menon, 1997; Milanovic et al., 2020; Zvarikova, 2011). The emergence of green marketing has brought significant changes in business practices including marketing of green or sustainable goods and services, stimulating pro-environmental behaviour (Jain & Kaur, 2004). Green marketing is a broader idea that encompasses production as well as distribution, promotion, packaging, and other activities that are less damaging to the environment. It goes beyond simply introducing environmentally safe products. The rapid growth of green marketing is contributing to achieving sustainable development goals. Marketing scholars (Delafrooz et al., 2013; Rahim et al., 2012; Sharma & Trivedi, 2016) have identified various variables (e.g., norms, attitude, knowledge, concern, etc.) and their effects on consumers’ purchase behaviour for eco-friendly items. The rapid growth of green

marketing is contributing to achieving sustainable development goals. However, in daily practice, green purchasing behaviour has not increased extensively due to the attitude-behaviour gap. Therefore, it is imperative to portray the role of psychological factors in marketing green products and services.

2. Objective of the Study

Many empirical studies have been conducted in marketing fields to understand the effect of consumption values on the consumer's purchase intention (Amin & Tarun, 2021; Suki et al., 2022; Tsekouropoulos et al., 2018; Woo & Kim, 2019). However, very few studies have reviewed the current literature on the role of the multidimensional approach to consumption values (CVs) in green marketing. The present study attempts to examine the determinants of CVs in green marketing through a critical literature review.

3. Methodology

The study reviews the existing literature indexed in renowned databases (e.g., Scopus, Web of Science, etc.). Only papers published in the English language in the last five years (2018-2022) have been selected for the review. The relevant keyword search was made – ("Consumption Values") OR ("Perceived Value" AND "Green") to identify the pool of papers. Finally, the papers with the multidimensional approach for measuring consumption values have been selected for review.

4. Literature Review

4.1 Consumption Values

CVs are "a consumer's assessment of the benefits of using an offering based on perceptions and experiences of consumption that facilitate meeting the consumer's needs and desires compared to other alternatives". It is the degree to which a product meets a customer's need; it is defined as the customer's overall judgement of the product's net utility after calculating the product's benefit against the cost of acquisition (Zeithaml, 1988). It describes why consumers buy a certain product, why they choose one product over another, and why they prefer one brand over another (Sheth et al., 1991). Prior literature on CVs reflects that there are two proclivities. The first proclivity is unidimensional whereas the second proclivity is multi-dimensional. The unidimensional approach argues that utility maximization drives choice behaviour (Tanrikulu, 2021). The multidimensional approach argues that there are multiple CVs which affect the choice behaviour of consumers. The uni-dimensional approach has received criticism for being overly simplistic and unable to adequately explain the perceived value, which is more complicated (Hyun & Fairhurst, 2018; Tanrikulu, 2021). The multidimensional approach received greater attention from scholars (e.g., Holbrook, 1999); Sheth et al., 1991; Sinha & Desarbo, 1998; Sweeney & Soutar, 2001).

In green marketing, Chen and Chang (2012) proposed a uni-dimensional approach - Green Perceived Value, to measure CV in green marketing. Later, Haws et al. (2014) developed a six-item scale – GREEN, to measure green CV. However, these studies have limited scope for explaining the complexity of the concept. The theory of consumption values (Sheth et al., 1991) is a more relevant approach to measuring perceived or CV in the context of green marketing.

4.2 Theory of Consumption Values

The Theory of Consumption Values (TCV), proposed by Sheth et al. (1991), is an approach for analysing consumer behaviour in terms of product and service selection. Sheth et al. (1991, pp.160–163) postulated that consumer decision behaviour is based on five CVs: "Functional Value" (FV), "Emotional Value" (EV), "Social Value" (SV), "Epistemic Value" (EPV), and "Conditional Value" (COV). This theory has been applied to a variety of fields, including green products (Biswas & Roy, 2015; Lin & Huang, 2012; Suki, 2016; Kushwah et al., 2019; Rahnama, 2017). However, there is, still, limited application of this theory in green consumer behaviour.

4.3 Role of Multidimensional Consumption Values in Green Marketing

Recently, the application of CVs has been included in green marketing studies. These values have been studied in different contexts of sustainable or green consumption (Biswas & Roy, 2015; Dangelico et al., 2022; Suki et al., 2022; Suphasomboon &Vassanadumrongdee, 2022; Nekmahmud et al., 2022). These studies have identified the effect of multidimensional CVs on consumer choice behaviour.

Suhartanto et al. (2022) aimed to study the consumers' attitudes and behavioural intention towards plant-based food. The study integrated the CVs, environmental concerns and perceived cost. The findings of the study revealed that FV, SV and COV are significant predictors of attitude and behavioural intention. Xu et al. (2022) analysed the consumer perceptions of values, namely safety value (SAV), FV, and green value (GV) for agricultural "green food rice" and "green food apple" on their behavioural intentions. The findings revealed that all the values have a significant and positive effect on the repurchase intention. The FV has a greater degree of influence than the SAV, while the GV has no influence. Chakraborty et al. (2022) studied ayurvedic products through the lens of the TCV. The study analysed the effect of FV, SV, EV, EPV, and COV on purchase intention. The results revealed that FV, EV, EPV, and COV have significant effects on purchase intention towards ayurvedic products. Suphasomboon and Vassanadumrongdee (2022) investigated the purchase intention of consumers for cosmetic products through perceived values. They found a significant effect of perceived FV, EV and SV on ethical concern, but only FV was found to have a significant effect on purchase intention. Suki et al. (2022) found a great influence of SV on consumers' green environmental concern and COV on purchase intention for organic food. Asl and Khoddami (2022) identified that perceived SV is less significant than perceived EV. Rana and Solaiman (2022) studied the determinants of green purchase behaviour (GPB) of environmentally friendly and energy-efficient electronic products. The study found that FV, SV, COV, and EPV are all significant predictors of GPB toward eco-friendly electronic products.

Amin and Tarun (2021) studied CVs' relationship with green purchase intention through three dimensions: FV, SV and EV and found a paramount influence of EV on green purchase intention (GPI). Grębosz-Krawczyk et al. (2021) explored the effect of pro-environmental self-identity (PSI) and GPI mediated through different CVs. The authors found a total mediation effect through SV and a partial mediation effect through EV. There was no mediation effect of FV. In the context of green restaurants, Alsetoohy et al. (2021) measured the effect of sustainability dimensions on the dimensions of CVs of tourists: EV, EPV, HV, prestige value (PV), and FV (taste/quality and price). Jabeen et al. (2021) identified the factors influencing consumers' willingness to buy green energy technologies. They extended the perceived value framework by incorporating new dimensions of cost, benefit, investment risk, and load shedding dimensions along with FV, COV, SV and EV dimensions. Mutum et al. (2020) investigated the effect of CVs as a mediator between PSI and GPB. The authors included COV, EV, EPV, FV, SV, and HV as dimensions of CVs. The result found demonstrated a relationship between PSI and GPB only mediated through EV, EPV, SV and HV values.

Woo and Kim (2019) applied the multidimensional green perceived value to buying behaviour. The authors found a significant effect of FV, COV, SV and EV on consumer attitude. Burucuoglu and Erdogan (2019) examined the role of CVs in responsible consumption re-intention. The authors included six sub-dimensions as FV-Q(quality), FV-P (price), SV, COV (situational), EPV and EV. FVP (Price) and EV significantly affected responsible consumption behaviour. Zailani et al. (2019) determined the influence of different CVs that influences Malaysian drivers' willingness to pay for biofuels. The findings of the study showed that FV, COV, EV, and EPV significantly influence the drivers' willingness to pay for biofuels. SV was found to not be a significant factor. Burucuoglu and Erdogan (2019) examined the relationship between ethical positions, consumption values and responsible consumption re-intention. The findings showed that only two of the sub-dimensions of CVs: FV-P (price) and EV had a significant effect on responsible consumption behaviours.

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In a study on determinants of green packaging, Singh and Pandey (2018) important dimensions: EPV, FV, symbolic value (SYV), altruistic value (AV), and biospheric value (BV) that influence the buyers' willingness to pay a premium price. The author found that all the identified dimensions have a significant influence on the willingness to pay for green packaging. Tsekouropoulos et al. (2018) conducted a study to identify the most important factors during the intention to buy online green products. The authors found a positive association between the intention to buy and the perceived value dimensions, namely FV-Q (quality), FV-P (price), EV and SV. Huang and Perng (2018) measured the impact of environmental measures on FV, EV, and SV perceived values. The result showed a positive effect of the environmental measure on the dimensions of perceived CVs.

5. Discussion & Implications

This research demonstrated the main influencing dimensions of CVs in the context of green marketing. The findings show the major dimensions of CVs identified from the literature review, namely FV, SV, EV, COV, HV, PV and GV.

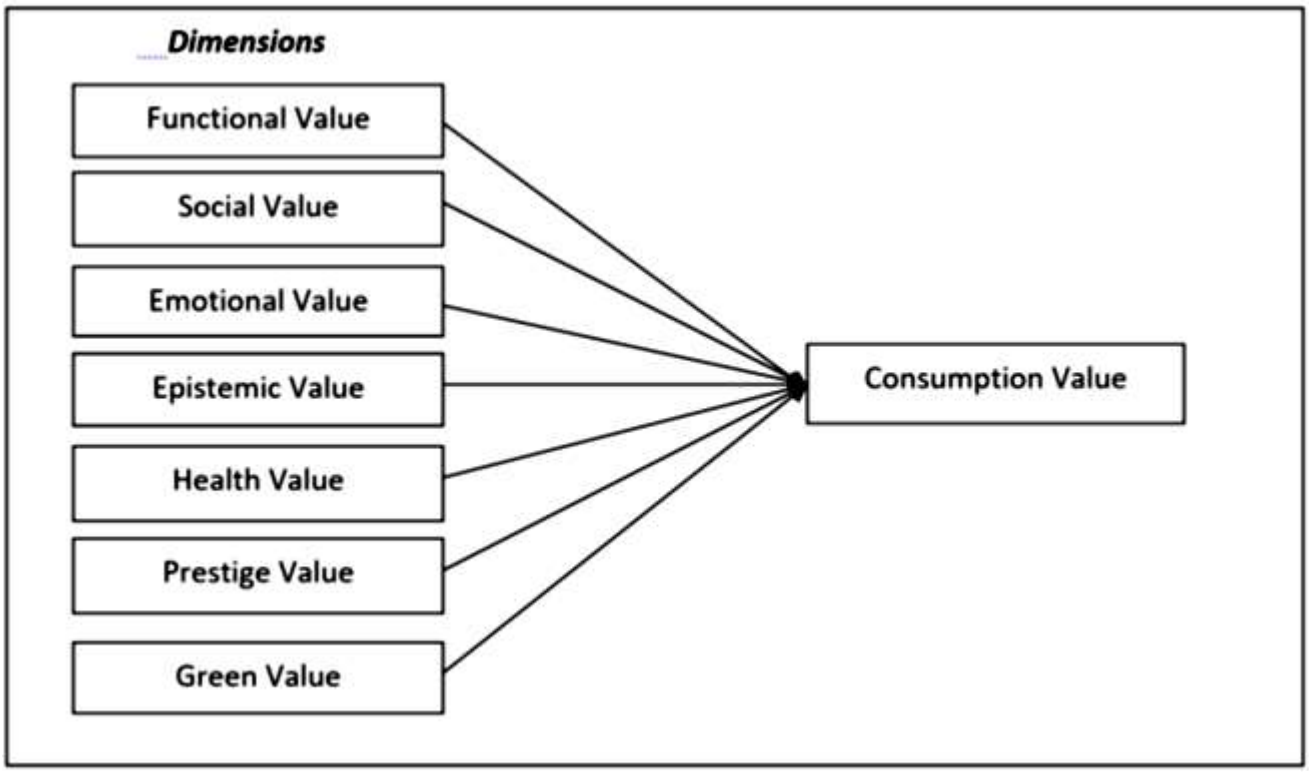

Fig 1.: Major Dimensions of Consumption Values

5.1 Major Dimensions of Consumption Values

(A) Functional Value

The FV dimension of CV refers to the usefulness or utility that a product or service provides to the consumer. It is based on the idea that consumers purchase products or services to fulfil certain needs or desires, and the FV dimension focuses on the practical aspects of the products or services, such as their ability to perform their intended function, durability, and ease of use. This dimension may help marketers to understand how consumers evaluate the functional aspects of products and services, and how these factors influence their purchasing decisions.

(B) Social Value

SV assesses the understanding of the effectiveness extracted from the relationship among social gatherings (Sun et al., 2022). SV is an imperative driving element of the customer decision process (Sheth et al., 1991). SV suggests a distinct conception of what the social order believes or how it would act towards purchasing customers. Marketers must understand the social values, norms, and preferences

of their target audience to effectively communicate the social benefits of their products. By aligning with certain social values, marketers can build a strong brand identity, brand loyalty and brand reputation that appeals to consumers who share those values.

(C) Emotional Value

The EV dimension of CV refers to the way in which a product or service evokes emotions in the consumer. This can include factors such as feelings of nostalgia, belonging, excitement, and happiness that are associated with the product or service. EV can be created through branding and marketing, which can evoke feelings of trust, confidence, and familiarity. For example, a consumer may have an emotional attachment to a certain brand of clothing because it reminds them of happy memories from their childhood. EV can also be subjective and personal, as different people may have different emotional associations with the same product or service. Marketers may focus on the EV of consumers through their advertisements making them feel nostalgic and emotional; and influencing their purchase decision.

(D) Epistemic Value

This dimension of CV refers to the extent to which a product or service allows a consumer to acquire new knowledge or understanding. This can include factors such as educational content, information, and skills that are associated with the product or service. EPV can also be associated with the product or service that allows a consumer to explore new experiences, perspectives and cultures. By highlighting the epistemic value of their products, marketers can provide transparent and accurate information about their products mitigating the potential risks associated with misleading claims and misinformation and also helping to address the growing demand for accountability and transparency in the marketplace.

(E) Conditional Value

It refers to the perceived value of a product or service that is dependent on certain conditions or situations. These conditions can include external factors such as the price of the product or service, or internal factors such as the consumers' personal preferences or beliefs. This dimension is often used in marketing and consumer research to understand how different factors such as price or brand, influence the perceived value of a product or service for different consumers. Understanding the COV dimension can help businesses to better target their products or services to specific segments of the market, and to price them in a way that is perceived as fair and reasonable by consumers.

(F) Health Value

The HV value dimension of CV refers to the extent to which a product or service has a positive impact on a consumer's physical and mental well-being. This can include factors such as nutritional value, safety, and efficacy of the product or service in promoting health and preventing illness. By positioning their products as healthier options, marketers can differentiate themselves from competitors and appeal to health-conscious consumers. Product ensuring the health value may help marketers to enhance their brand image and association providing them with higher brand equity.

(G) Prestige Value

This dimension of CV refers to the extent to which a product or service is associated with status or social status. Consumers may be willing to pay a premium price for products or services that are perceived to be prestigious because they believe it will change their social status or prestige in the eyes of others. Marketers can leverage the prestige value dimension by positioning their products or brands as symbols of social status, luxury, or exclusivity.

(H) Green/ Environmental Value

The GV dimension in CV refers to the environmental benefits of a product or service. This can include things like a product being made from renewable materials, being energy efficient or having a low carbon footprint. Research shows that when consumers purchase green products, they consider the impact the product may have on the environment and health of the consumer. Companies can develop and promote environmentally friendly products to appeal to consumers who prioritize green values. Marketers can identify and target environmentally conscious consumers as a separate market segment and tailor their marketing messages and offerings to meet their needs and green values.

6. Conclusion

The present study systematically reviewed the selected literature on CVs in the context of green marketing for the last five years (i.e. 2018-2022). This conceptual paper sheds light on the multidimensional approach to measuring CVs that various studies have proposed (Holbrook, 2006; Sheth et al., 1991; Sweeney & Soutar, 2000). The literature review argues that there has been a major focus given on a few dimensions of CVs, namely FV, EV and SV (Asl & Khoddami, 2022; Amin & Tarun, 2022; Huang & Perng, 2018). The studies encompassing all the dimensions of the theory of CVs are very limited. A few studies included different dimensions along with the general perceived values dimensions, such as HV (Mutum et al., 2020), GV (Xu et al., 2022), and PV (Alsetoohy et al., 2021). The study also identified that CVs are considered as the antecedent of green purchase intention and green consumer behaviour. This systematic review adds significant value to the existing literature on green marketing. The empirical investigation of the dimensions identified may give comprehensive knowledge about the role of CVs in the context of green marketing.

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