

An Exploration of Consumers' Perceived Sustainability Value and its Outcomes: A Mixed Method Study in India

“But to keep options open for future generations, present generations must begin now, and begin together, their efforts to achieve sustainable development.”

Brundtland Report, (1987 p. 5)

Sustainable marketing has become a new mantra for organizations to increase profitability, differentiate from their competitors and also to access new markets (Choi & Ng, 2011). More recently, there has been a considerable increase in the number of brands marketed as socially and environmentally responsible (sustainable brands). While consumers' have positive attitude towards sustainable brands and are also willing to buy such brands, this positive attitude do not translate into actual purchase behavior. Thus, there is still a gap between the attitude and behavior of consumers towards sustainable brands.

Since marketers invest heavily in technical and innovative modifications in the existing basic products (Steg & Velk, 2009) to bring new sustainability oriented offerings to market, the variable demand for such brand offerings can represent a costly endeavor with low probability of return (Ramirez, 2013). This is a compelling reason to understand the consumer behavior and preferences relating to sustainable brands so that they could be incorporated in making necessary amendments in the brand offerings as well as in the marketing strategy in line with the requirement.

This research contributes to the existing literature by further exploring the factors that enable or hinder the adoption of and develop relationship with a sustainable brand (Ramirez, 2013; Simpson & Radford, 2014). This research draws upon existing literature on consumer value, relationship marketing and sustainable consumer behaviour to develop a theoretical model. Although theory played an important role in discovering key constructs i.e. consumer satisfaction and trust that can mediate the relationship between perceived sustainability value, loyalty and consumer citizenship behavior towards a sustainable brand. However, given the limited prior findings on the types of perceived value of a sustainable brand and its behavioral outcomes, the study employed a sequential-mixed method (qualitative +quantitative) research design. A preliminary qualitative study using in-depth interviews was conducted with the two fold objective of 1) exploring different types of values and costs which consumers' associate with a sustainable brand and 2) confirming the occurrence of postulated constructs as well as exploring any other variables that may help in better explaining the relationship between these constructs.

The analysis of interviews categorized several motivations to pursue sustainability criteria including, health-related motivations, consumer identity and status, altruistic motives. The analysis further revealed that each individual purchase was framed by situational factors that negatively affect perceived value of sustainable brands including, performance skepticism, time and efforts involved in searching for brand and information related to brand and the amount paid by the consumer.

The findings of qualitative study provide understanding on elements, namely satisfaction, trust, loyalty, and consumers' voluntary behaviour that are particularly important in determining strong relationships with sustainable brands. From analysis of the interviews

arises another factor that seem to affect the development of the consumer relationship with sustainable brands i.e. consumer gratitude. Several participants acknowledge the benefits of sustainable attributes (eco-friendly, fair trade) that engender feelings of gratitude in consumers; they appreciate the environmental and social contributions of brands and express thankfulness to sustainable brands for fulfilling their moral and environmental goals. Grateful people contribute to the welfare of brand and engage in behaviors including, favorable word of mouth and trying a new product.

Another factor that emerged from the interview analysis is pro-sustainability orientation (an individual's strength and virtues allowing him/her to protect oneself, others and the environment). This is probably because Indian culture is collectivist in nature (Hofstede, 1980; Triandis, 1995). People in collectivist culture are more concerned towards others well-being and environmental issues. These findings also corroborates with previous studies (McCarty & Shrum, 1994). Thus, these findings enhance our understanding of sustainable consumer behavior. To this end, the findings advocate the need to include and examine these variables in relation to sustainable brands.

Based on the findings from the qualitative study and intensive literature review, a survey was developed. A pilot was conducted using a student sample (n=100) to validate the instruments in the Indian context. All measures show high reliabilities, with cronbach's alpha ranging from 0.70 to 0.82. There are positive correlations among key variables - perceived sustainability value, consumer gratitude, pro-sustainability orientation, satisfaction, trust, and loyalty and consumer citizenship behavior. For the main study, the researcher will test the postulated hypothesis using structural equation modeling.

This research fulfils an identified gap in the sustainable marketing literature, as it incorporates two dimensional view of sustainability (social and environmental brand attributes) and examines its influence on consumer behavioural outcomes. Secondly, the consumer value framework, which is central to here proposed model, provides a rich understanding of actual sustainable behavior of consumers that comprises both the situational and the brand offering factors leading to rational consumer choice. No previous study has developed and tested an integrated model examining the relation between consumers' perceived sustainability value and their behavioral outcomes such as loyalty and customer citizenship behavior along with the mediating role of consumer gratitude, trust and satisfaction. This study by considering the moral emotional dimension (i.e. feelings of gratitude) of consumer behaviour furthers our understanding on how the effectiveness of sustainability value is based not only on cognitive elements but also on emotional ones. Additionally, the consideration of differentiating consumer characteristic (i.e. pro-sustainability orientation) may provide an enhanced understanding of the way sustainable consumers behave.

This research will also provide new insights for marketing practitioners. Empirical findings will equip marketing practitioners with knowledge on the benefits and costs that consumers' associate with a sustainable brand most important to make their value offerings more attractive for the various consumer segments. A better understanding of the consumers' perceived sustainability value would enable marketing managers to better tailor advertising and other communication messages. Supporting the factors that facilitate and removing the barriers that hinder sustainable product choices would enable marketing managers to satisfy and retain customers.