Green Purchase Behavior: Factors Influencing Consumer Decision-Making

Research Proposal – Academic Skills II

Submitted by: **Katharina Marie Narosy**

Matriculation Number: **113180**

at   **Academic Skills II**
                       Business Consultancy International
                       Summer Semester 2021

Supervisor: **Melanie Hense, BA (FH)**

Wiener Neustadt, 10. May 2021

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Proposal for a Bachelor Paper

1. Research Context and Rationale

The importance of the effects of consumer behavior and the impact of personal purchase decisions on the environment increased, as sustainable consumption is a major variable in the future development of our economy. Green consumption is a sustainable approach towards the purchase of products and offers consumers the possibility to actively contribute to environmental protection (Sun, Liu, and Zhao 2019, 481; Tsai et al. 2020). Both nature and society will profit from a sustainable balancing of the world's ecosystem and a development of the economy into a "green" direction (Wei et al. 2017, 626). Correspondingly, green consumption and the appearance of a sustainable buying behavior increased substantially, which correlates with the growing number of green products and services available on the market (Halder et al. 2020, 1).

To further enhance green purchase behavior, understanding the underlying impacting factors of green consumer decision-making becomes essential for manufacturers and distributors (Tsai et al. 2020, 1) as environmental awareness grows. For this purpose, several research papers already examine which influencing factors have the power to enhance green purchase behavior. However, the results were often limited in terms of geographical area (Wei et al. 2017, 637), incomplete set of factors analyzed (Zaremohzzabieh et al. 2020), or the intention-action gap (ShabbirHusain and Varshney 2019, 105).

In general, the analyzed influencing factors can be divided into two large groups according to their origin – internal and external. On the one hand, certain psychological factors that can be described as internal influencing factors play an important role on the individual level (Sun, Liu, and Zhao 2019, 482). Firstly, environmental attitude and knowledge about the current state of the environment, effects of personal behavior, and perception fall into this category. Secondly, the trust and loyalty of a customer toward a certain brand are also stated as variables with a positive effect on green consumption (Tsai et al. 2020, 9). Lastly, collectivistic behavior and societal norms but also direct social influence is suggested to have an impact on consumer decision-making (White, Habib, and Hardisty 2019, 24; Halder et al. 2020, 1). On the other hand, external factors such as green marketing and so-called greenwashing can impact green decision-making. The perceived incredibility of an advertising message and obvious greenwashing techniques can have a reverse effect (Martínez et al. 2020, 13) as it directly influences a consumer's internal perception and knowledge (Sun, Liu, and Zhao 2019, 491), thereby, giving a reason for a possible connection between external impacts and internal perception. Therefore, ambiguity in the message (Martínez et al. 2020, 1) and the design of advertisements (Kao and Du 2020, 1) are likely to affect the effective engagement of the customer. Another external variable is eco-labeling,

which can be seen as an instrument to emphasize green product attributes (Prieto-Sandoval et al. 2016, 806).

Considering the listed influencing variables and limitations of the conducted research, a research gap has been identified. The effect of external factors on internal perception and individual variables can, hence, be investigated in detail by means of a qualitative approach. The geographical region - Austria - has been chosen as no comparable research has been conducted so far in this area. Overall, this study could help national and international companies and manufacturers operating in Austria to get a better understanding of influencing variables and their significance in the decision-making process of young adults from Austria, leading toward a green purchase behavior[1].

2. Research Objective and Research Question

The differences in cultural norms and social values shape the market characteristics. Thereby, also young adults' consumption behavior depends on cultural and social influences. As it can be concluded from the limitations of other works, it is essential to conduct as many detailed studies as possible to provide higher institutions, companies, and manufacturers with information on how to effectively engage their customers in sustainable consumption and what leads their customers to the desired behavior. To optimally fill the detected research gap, this study will mainly build on influencing factors that have already been identified leading to green consumption behavior to check whether the results of this study agree with previous research outcomes.

This paper should consolidate the existing body of knowledge by exploring and evaluating drivers for green purchase behavior among young adults in Austria. The key objective is to (a) evaluate if this specific consumer group perceives certain factors as influencing toward green consumption and to (b) give insight into which internal and external influencing factors specifically enhance green decision-making.

This study aims to answer the question of which internal and external influencing variables companies or manufacturers have to consider to successfully engage young adults from Austria in green purchasing behavior.

To find answers, a set of sub-questions have to be formulated and integrated into the empirical research process:

> 1: How do social norms and cultural values shape environmental attitude?
>
> 2: Which internal and external factors are perceived to enhance green purchase behavior?

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[1] Limitations: This research will just focus on products and services perceived as green and will not investigate the actual "sustainability" of advertised products or services.

3. Current State of Research

The background for this study is provided by several academic peer-reviewed pieces of research with a publishing date from 2010 onward[23]. To start with, Bangsa and Schlegelmilch (2020, 1, 6f) provide a comprehensive overview of conducted research in the field of "sustainable product attributes" and their connection to customer decision-making. A systematic literature review gave insight that most studies focus on consumer's perceptions, preferences, and the influencing factors of consumer decision-making. Moreover, most studies explore the environmental pillar of sustainability and assume rational decision-making while leaving the contextual social status aside. They further discovered many studies to focus on developed regions and not viewing sustainable purchase behavior from a cross-cultural perspective (2020, 13).

First of all, Sun, Liu, and Zhao (2019, 491) describe green consumption to be impacted mainly at the individual level and explored external situations as influencing factors. Especially, knowledge and attitude are likely to play a significant role in the whole process of green purchase behavior. The following studies will provide deeper insight into this topic.

Tsai et al. (2020, 1f) researched the effects of green marketing on the decision-making process to explore the extent of influence of management, brand image, relationship, and equity on green purchase behavior. Thereby, it combines the internal and the external dimension by showing the influence of a company's activity on customers' perceptions. Overall they developed a system of influencing variables and concluded that – to enhance green consumption – it is most important to improve the brand relationship by increasing trust in a green brand and being recognized as such (2020, 12).

Likewise strongly connected are the credibility of a marketing message and perceived risk on the personal level (Martínez et al. 2020, 20). The underlying hypothesis of greenwashing as a negative influence on consumer relationships by impacting satisfaction and loyalty was discovered to be true. Ultimately, this study helps companies to effectively enhance satisfaction and green purchase decisions by showing how important the truthfulness of a marketing message is; promoting products as green without actually engaging in sustainability and environmental protection was found to have a reverse effect (2020, 13ff).

To further elaborate, an academic research paper by ShabbirHusain and Varshney (2019, 84) revealed that skepticism toward a message, containing information about green products, impacts a consumer's attitude. A green brand image is perceived as offering benefits to the customers sustainability-wise, while at the same time still delivering their usual standards and value. When customers are aware of a company's green efforts, the risk of losing a customer due to skepticism can be reduced. Hence, companies should actively engage in raising

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[2] The articles were published in journals ranked B or above according to the VHB ranking, however, including two exceptions with a ranking of C selected due to their relevance for this research.

[3] Bangsa and Schlegelmilch (2020, 7) provided a tabular overview that suggested that prior to 2010 few papers on the relationship between consumer decision-making and sustainable products have been published.

awareness and communicate their environmental effectiveness to increase green purchase behavior (ShabbirHusain and Varshney 2019, 102).

Overall it can be concluded that the credibility of marketing messages and the perceived environment-protecting efforts of a company influence skepticism and ultimately a consumer's attitude toward green products.

A study conducted by Wei et al. (2017) can confirm these results by presenting valuable research outcomes in the process of investigating how a consumer's environmental involvement, skepticism toward green brands, and messages and trust influence green purchasing. The proposed hypotheses assumed a positive relationship between a customer's trust, their attitude toward green products and the consumer's intention to purchase green products, and sustainable purchase behavior (Wei et al. 2017, 628f). The research confirmed that green purchase behavior is directly influenced by a consumer's intention, which is in turn determined by a customer's attitude toward sustainable products. Environmental involvement and trust in an environmental-friendly brand or product are the underlying positive influencing variables (Wei et al. 2017, 634). Moreover, Wei et al. (2017, 634) proposed that information, its perceived utility, and advertising skepticism play a significant role in green consumption behavior. The results of the study agree with previously mentioned outcomes as it was confirmed that skepticism toward a green marketing message negatively impacts the perceived utility of information. If skepticism is high, green trust will be negatively influenced. Bearing this in mind, trust toward the effectiveness of green products, trust in a company's sustainability efforts, trust in the truthfulness of advertising are the most important underlying variables for a customer's desired positive attitude toward green products[4].

Another external variable influencing the customer decision-making process is eco-labels, which – as green advertisements – hold the property of impacting skepticism toward a brand (ShabbirHusain and Varshney 2019, 97). Furthermore, a study on the influence of eco-labeling on green consumer behavior conducted in Australia suggests that labeling information has a strong relation with green purchase decisions (Di Martino, Nanere, and Dsouza 2019, 219f). It enables customers to inform themselves about the green attributes of a product, increases environmental awareness and knowledge about eco-labels (2019, 217). However, the same study discovered a general environmental attitude to also play a significant role in green consumption. To nearly the same extent as eco-labeling information environmental attitude influence customers toward green purchasing decisions. Therefore it can be further concluded that information influence a customer's knowledge and should also be considered as impacting variables of a consumer's attitudes and ultimately, green purchase behavior.

While external factors are the most powerful influencing tools, Sun, Liu, and Zhao (2019, 491) state psychological factors as the second most relevant variables and demographic

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[4] These results will be incorporated in this study's empirical research part by analyzing how trust is influenced and how this impacts green purchase behavior in young adults living in Austria.

factors as the least influencing. To start with, the influence of internal consumer characteristics such as cultural values (Halder et al. 2020, 1) and consumer attitude and subjective norms (Zaremohzzabieh et al. 2020, 10) could be a significant determinant of green consumption behavior. Secondly, it was found that long-term planning as a cultural value has a positive impact on green consumption while tradition negatively influences green purchase behavior (Halder et al. 2020, 6)[5]. Moreover, collectivism has been found to correlate positively with green purchase behavior (Halder et al. 2020, 7). Interpreted as seeing the protection and preservation of the environment as important for the welfare of future generations, it enhances green consumption – equal to environmental knowledge and attitude. Looking at social behavior from another perspective, Di Martino, Nanere, and Dsouza (2019, 216) define group pressure in a customer's social environment and the feeling of obligation and acceptance in a social group as a factor of influence of green purchase behavior. Gaining approval and social desirability have also been explored by White, Habib, and Hardisty (2019, 25), who discovered that social influence can greatly impact a customer's purchase behavior. Being identified as a green consumer can lead to social desirability and therefore, influence how a customer behaves in a decision-making situation. Certain manners that are seen as socially desired will be repeated and ultimately lead to the formation of habits.

4. Research Method

Qualitative Research Approach
As this study aims to understand the influencing factors of green purchasing behavior, consumers' perceptions of external and internal impacts on the decision-making process have to be explored. Influencing factors of green consumption themselves have been thoroughly evaluated in some studies and the corresponding results and relevant findings are interpreted as the current state of research. Based on the underlying quantitative studies, this paper tries to qualitatively obtain a deeper understanding of the influencing factors of green consumption in combination with the corresponding social and cultural environment. To achieve detailed insights into peoples' minds, interviews as a qualitative research method emerge to be most appropriate (Gordon and Langmaid 199, 3 in Donoghue 2000, 52).

Special attention has to be given to differences in people's perceptions and the resulting uniqueness of the cases. The research aims to discover experiences, current behavior patterns, and, how opinions and the consumption process are altered by the influence of internal and external variables. As the sample size is small, generalization and quantification should not be generated and synthesized (Showkat and Parveen 2017, 9).

Moreover, gaining deeper insights is relatively time-consuming, which is why only a small number of people participate in the study. It allows uncovering the reasons for green consumption and the impact certain variables have on the decision-making process in detail.

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[5] This gives reason for this study to discover the long-term values of young adults in Austria to facilitate the interpretation of green consumption intentions.

It is necessary to elaborate on answers given by the interviewee during the interview to reinforce statements and understand the underlying reasons why a certain answer was given.

Data Collection

Due to the ethical nature of the topic, there are possible obstacles in gathering data. To reduce certain biases, several issues have to be considered and resolved: First, the interviews should be conducted in a relaxing environment as the semi-structured interview contributes to the interviewees' comfort with the interviewer and the questions. A familiar atmosphere leads to open and honest answers, and the participant should not feel any shame in giving certain answers or urge to present himself or herself differently. Secondly, for personal questions, projective techniques will be applied. With third-person questions, the respondent can answer more openly as attitudes and motivations are ascribed to another person and thereby, only indirectly to the participant (Gordon & Langmaid 1988, 101-106 in Donoghue 2000, 49). Moreover, pictures tend to increase the willingness to express feelings and emotions (Gordon & Langmaid, 1988:95-98 in Donoghue 2000, 49). All those measures increase truthfulness and reduce the risk of receiving socially desirable answers. To conduct the interviews, an interview guideline will be set up. After a pre-testing, there is the chance to alter the structure.

The guideline for the in-depth interview will include an introduction to the research topic and the circumstances of the study. A declaration of consent needs to be signed by the interviewee, guaranteeing their approval of recording and transcription while ensuring they understand the full anonymization of any answers given. The content consists of pre-determined questions including relevant sub-questions while leaving room for spontaneous follow-up questions. The first group of questions explores the general buying behavior by focusing on everyday items like food, clothes, and commodities. It shall be analyzed how the selected people shop and make buying decisions, to reveal usual behavior patterns and underlying reasons. Secondly, the focus lies on the general sustainability behavior, environmental awareness, and beliefs in as well as measures of environmental protection. The third category of questions will focus on cultural and social norms and values to gain insight into how these are perceived to influence a person's decision-making generally. In the fourth stage, external variables will be explored in detail – green marketing, eco-labels, brand image, environmental organizations, and trust in these. It aims at revealing the knowledge about companies' and peoples' sustainability behavior and the actions taken toward environmental protection. For this section, a set of pictures will support the questioning to facilitate the process by visualizing abstract concepts as well as displaying labels and brands. This also helps to ensure a common understanding of a topic, since people can have different ideas of abstract topics and makes a detailed description of a certain topic beforehand redundant. The last major question will combine cultural and social values with brand trust and perceived credibility to reveal which factors have the greatest influence on green consumption behavior.

The interviews will take place in an online setting over the platform Zoom. The interviewees will receive detailed instructions and a link as well as the date and time for the interview. A total of 9 individual interviews will be conducted, each lasting roughly 30 minutes. The pre-testing process will help to adapt the questions in terms of time and structure.

Sample

Due to the time-consuming process of conducting and analyzing in-depth interviews, only a small sample size is recommended (Showkat and Parveen 2017, 9). As this research aims at exploring green purchase behavior and underlying influences of young adults living in the different provinces of Austria. The research objective, determines the sample composition and simultaneously, the scope of diversity. However, the aim is still to obtain the broadest possible amount of insight and include as many dimensions as possible. Ultimately, nine people between the age of 20 and 25 will be interviewed for the study with one respondent per province. The interviewees share similarities in demographics such as age, family size, and backgrounds such as rural and urban lifestyles and Austrian societal norms. However, genders will be included in equal parts, income should vary and cultural values will be more diverse. A non-probability sampling technique will be used as the sampling is a non-random process; convenience sampling will be employed. Concerning the selection process, in the first step participants will be selected by convenience. As a second step, snowballing can be used to build up contact between the researcher and further participants for the study – this will be done if no participants matching the criteria can be found in the direct environment of the researcher. The recruiting process starts in May 2021 and potential participants will be interviewed in a phone call to evaluate if they match the criteria. Furthermore, participants will be incentivized with a small goodie bag including sustainable food and hygiene products with a value of €20 per person.

To acquire the data, as a first step, a data-collection plan will be set up. In this case, a schedule for the time and date of the meeting will be determined and communicated to the participants via e-mail. The participants will receive the declaration of consent via mail or email and have to sign and send it back before the interview. Secondly, as the interview setting is the online meeting platform Zoom, the interviews will be recorded via the platform and downloaded after the interview. The interviews will be around 20 minutes each and in this time, the main and sub-questions will be asked and answered. To capture the data, finally, it will be transcribed. After that, the recordings will be deleted.

Data Analysis

Qualitative data collected from the in-depth interviews will be transcribed. The program Maxqda will be used for the transcription and analyzing procedure. In a first step, the interviews will be written down with simple transcription, which means only whole sentences and phrases are captured but breaks and filling words are not accounted for. For the relatively large amount of text, a category system has to be developed to receive a better overview and be able to conclude, find similarities and discrepancies. Therefore, an inductive technique will be applied, where initial ideas for categories will be noted down while reading the transcriptions. After skimming through all interviews, the category system should be close to its final version. Each category will be given a one-sentence description to define and limit its scope. With the developed category system, all interviews will be analyzed in detail, and sections or whole sentences will be ascribed to one category. Alteration of the categories is still possible. Ultimately, the finalized category system and the assigned phrases will be

exported as an Excel document. Eventually, phrases and sentences will be compared and the key findings will be summarized.

5. Structure of the Paper

5.1. Results
      5.1.1. Explanation of social/cultural values and environmental attitude
      5.1.2. Perception of social and cultural values
      5.1.3. Environmental awareness and attitude
5.2. Discussion: Influencing factors of green purchase behavior
      5.2.1. Internal influencing factors
      5.2.2. External influencing factors
5.3. Conclusion
5.4. Limitations and future research

6. Bibliography

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