

SOCIAL MEDIA AND GREEN CONSUMPTION BEHAVIOR OF MILLENNIALS

Ayushi Awasthi, Dr. Mini Amit Arrawatia

Research Scholar, Jayoti Vidyapeeth Women's University, Jaipur

Professor, Jayoti Vidyapeeth Women's University, Jaipur

ABSTRACT

Globalization and economic growth has brought substantial shifts in consumption practices, production and technology revolution in the wake of sudden spurt of social media usage among young consumers. The social media platforms have become a reliable source of communication with consumers and are shaping consumers' purchase intentions. Therefore, a framework was developed to explain and empirically verify the factors shaping green purchase intentions. Three factors Social media usage, Interpersonal Influence and E-WOM have been taken as exogenous variables. The model was tested and validated statistically with the help of structural equation modeling. The impact of social media usage was found to be most influential on purchase intention. The findings of the study will aid marketers to better understand how social media plays an important role in shaping consumers' purchase intentions and how social media can be leveraged in a better way to encourage green consumption among millennials.

Keywords: Social Media Usage, Interpersonal Influence, e-WOM, SEM

INTRODUCTION

Globalization and economic development have led to significant shifts in consumer behavior, manufacturing methods and a revolution in technology, with a large range of internet use and market acceptance. Social media has become one of the most effective consumer marketing gears and is increasingly entwined into the normal lives of consumers, changing the way customers and marketers interact with each other. Social media has arisen as an electronic communication platform in this scenario by sharing information, ideas and content created by users through networking and blogging. More than 70% of American millennials use social networking channels, frequently with several accounts on various sites and smart phone apps.

Millennials were the first buyers to rise in the world of global interdependence, which made them more open to ethical issues than others. In addition, the childhood years of millennials lead to a rise in media coverage of environmental concern and predisposition. Millennials are thought to be mindful of environmental concerns. Millennials are more than just familiar with environmental concerns while creating buying decisions or are mindful of CSR and resilience. The Nielsen study (2015) has shown that millennials are the most reluctant generation to pay a premium for green items, particularly when produced by companies with positive social and environmental contributions. Furthermore, millennials follow employers that pose simple, optimistic messages about their CSR and environmental initiatives. Bedard et.al (2018) has

analyzed the motives of millennials to purchase green goods, the use of social media as a marketing tool and its consequences but still there is, however, a gap in a research exploring the role of social media and behavioral regulation by millennials as potential drivers of their consumer behavior. Prusa, P., & Sadílek, T. (2019) have studied the perception of green consumers and presented a model for green consumption. Analysis into millennial consuming patterns is important due to their increased purchasing power and impact of this generation on the total workforce. Several studies in the past have revealed that social media affects the buying behavior of millennials but despite that there is an unwillingness among millennials towards green consumption. Since more than any other generation, social media is essential for the everyday lives of millennials, therefore, the study is required to understand the green consumption behavior and how social media affects it.

Looking at the importance of social media, it is important to understand how social media as a platform shapes young consumers' perception towards eco-friendly products. This study aims to find the factors shaping consumer perception towards green purchase intention and its subsequent impact on green purchase behavior. The findings of the study would help marketers to frame strategies to motivate millennials towards green products.

Theoretical Background and Hypothesis Development

Social Media Usage and Green Purchase Intention

Singh et al. (2012) stated that social media has pioneered how companies and people connect between green and non-green goods, encouraging consumers to buy more engaging and competitive products. Organizations are searching for expanded visibility through various social platforms to reach customers across digital networks. In 2012, Smith and Brower stated that millennials in particular favor green businesses with a large web inclusion. Customers mainly use social media to get and ingest product-related information. Therefore, the online existence of a product is crucial for the final customer buying decisions. Wang et al., (2012) said that interactions between social media influence purchasing decisions both directly (by urging buyers to respond to peers) and implicit. Furthermore, social media experiences are linked positively to brand faith and product attitude. Because of the immersive existence of the social media listed earlier, both corporations and peers networks play a very important role in shaping buying decisions made by principle of social influence is used to analyze the use of social media as social media contains an excess of the populated networks, powerful virtual proximities, and content created by the users. Therefore, customers would eventually build a trust in a green brand by regular, supportive interactions delivered across social media platforms. So the principle of social influence indicates that the use of social media has a strong effect capacity in a definitive partnership. The above literature has helped us to deduce that social media usage affects purchase intentions and propose the hypothesis that:

H1: Social media usage is positively related to green purchase intentions.

Interpersonal Influence and Green Purchase Intention

Katz and Lazarsfeld proposed that customers pursue marketing recommendations to satisfy the wish to join a group or strengthen the group relationship. It proposed further that opinion-seeking conduct could be studied as a mechanism of socialization. Via the cycle of product socialization and contact, opinion seekers may be encouraged to create or reinforce their bonds with the community and gradually become indirectly sensitive to normative influences. This claim is further reinforced by practical confirmation that interpersonal factors can influence customer buying decisions. Green customers trying to join a green group may demonstrate their desire to buy green goods as a signal that they want to adhere to the social expectations set by the green community they want to belong to.

Green consumers should therefore be driven to constantly collect renewable information from diverse outlets to select the right products.

This claim is backed by the research by Vining and Ebreo (1990), which found that people who were more dedicated to green habits, such as recycling, were more likely to turn to friends or environmental conservation details than others. Feick et al. (1986) reported that opinion seekers gather knowledge or views from informal sources to determine goods and make purchasing decisions. Evidence indicates that informative interpersonal factors may affect customer decision-making processes in product reviews, product selection, and purchasing decisions. Therefore, green customers are extremely likely to rely on climate experts or opinion leaders' knowledge to purchase climate goods in the green sense. In the light of above literature, the hypotheses is proposed:

H2: Interpersonal influence is positively related to green purchase intention.

E-WOM and Green Purchase Intention

Word-of-mouth contact is essentially a message about the product or service of a client, or about the business itself, in the form of feedback about the success of the product, hospitality, integrity, level of operation, and certain issues viewed and encountered by someone else. The messages sent may be either positive or pessimistic depending on what the message-giver thinks about the programs it embraces. As mainstream messaging has been phased behind, the shift in messaging paradigms has also shifted customer behavior. Till date, consumers favor word-of-mouth, since the distribution of personal-experience-based information is considered credible. Word-of-mouth contact may have a significant impact on consumers. Wang (2015) clarified that EWOM affects consumer purchasing decisions. Lamba et.al (2016) have reported that customer buying decisions were affected by EWOM. With the EWOM, consumers may get a lot more intimacy with other customers and get a quicker response on product information. Where information on products or services is not clear, consumers usually seek more data and citations from other source information, besides official sources of product details. Accordingly, this study considered that the electronic word-of-mouth could spread much more information to consumers

which further affect the purchase intention. The EWOM affects the purchase intention and is an antecedent of purchase intention. Therefore, we suggest the hypothesis:

H3: EWOM is positively related to Purchase Intention.

Green Purchase Intention and Green Purchase Behavior

Yadav and Pathak (2017) define intention as the readiness of a person to conduct a specific behavior. As it catches the motivation to act, including readiness to participate and heightened effort, a person is willing to exercise. As per the theory of planned behavior, the performance is the product of actions when the action is voluntary in nature. In 2017, Yadav and Pathak, found evidence of a strong correlation in the context of green products for both behavioral intentions and green buying behavior. Consumers who are highly involved have to make a deliberate purchase without condition. Green purchase intention defined as the want of customers towards acquisitions of green products. Intentions describe the driving factors that influence green buying behavior among consumers. According to the research by Richa. C & Samrat. B, 2018 green purchase intention facilitates green purchase behavior in a positive way. Since intention facilitates the purchase behaviors. Therefore, it is taken as antecedent of purchase behavior and the following hypothesis is proposed in support of the literature.

H4: Green Purchase Intention affects green purchase behavior positively.

Conceptual Framework

This paper has developed a framework to understand the green purchase intention of millennials. The variables were identified based on literature and are important in predicting green purchase intentions. The variables selected for the framework are: Social Media Usage, Interpersonal Influence, E-WOM, Green Purchase Intentions and Green Purchase Behavior.

METHODOLOGY

The present study has undertaken quantitative analysis on collected data. The pilot study had been administered with a sample of 50 respondents. Items were developed using existing literature for three constructs and existing scales for purchase intention and behavior had been borrowed. The questions were finalized after ensuring quality and objectivity of the instruments. The questionnaire was developed to test the propounded hypothesis.

The Instrument

The existing scales have been designed to capture the constructs taken in the study. Previous studies conducted in similar contexts have been made for selection of these scales. Likert scales were for measurement of data. The questionnaire was composed of two parts.

Demographic details were given in the first section and second sections contains 21 items used to measure the five constructs except EWOM, all constructs were captured using four items scale. To measure social media usage, interpersonal influence and EWOM, items were developed after going through literature and in consultation with domain experts. The scales have been improved to ensemble the context and some of the items of the scales have been deleted due to low factor loadings.

Structural Equation Model

The SEM bond regression and confirmatory factor analysis to measure a series of interrelationship between constructs of the proposed model. Measurement model and Structural Model are two main elements of SEM. The relationship of latent constructs to its variable is measured by measurement model whereas structural models examine the power of the relations. It also tests the strength of the relationships.

The Measurement Model

The confirmatory factor analysis has tested the proposed model. In SEM, before proceeding for relationship testing in the constructs, the model is supposed to have high degree of validity and reliability. The hypothesized model has been tested with the help of scales mentioned in the instrument sections. Total 21 items have been used to measure five constructs in the model. The proposed model has been measured using scales mentioned in the Instrument section.

The convergent validity, discriminant validity and reliability have been checked for the proposed model. Internal consistency is a measure of the reliability of diverse survey items that intend to measure the same characteristics. Cronbach's alpha indicates inner consistency. The Cronbach alpha score was calculated for each construct and is presented in Table 1. All constructs are good on reliability. Social Media Usage, Interpersonal Influence, EWOM, Purchase Intention and Purchase Behavior have the reliability score of 0.85, 0.81, 0.79, 0.91 and 0.79 respectively

Convergent validity test the amount of commonness among the indicators of the constructs (et al., 2010). This is assessed by standardized factor loadings which further confirms the worth of indicator variables and confirms its representation of the latent constructs. All observed variables factor loading falls between 0.69 and 0.93. It confirms the relations of individual variables to its constructs and therefore, confirms the convergent validity.

This confirms observed variables are acceptable and relate to their constructs. Therefore, convergent validity is confirmed.

Structural Model: To confirm the propounded hypothesis in the research model, the structural model has been performed using SEM. All goodness of fit measures are within the desired range and are accepted. This proves the validity of the structural model as per the fit indices and allows us to proceed further to test the research hypothesis proposed in our research model.

The beta coefficient elucidates the contribution of independent variables towards dependent variables. All hypotheses are found positive in nature. Factors such as Social Media Usage, Interpersonal Influence, EWOM and Purchase have been found to be significant and have a different beta coefficient. The different factors contribute different weights to purchase intention towards green products.

CONCLUSION

The presence of social media has made it an attractive mode of communication for companies. Companies have realized the power of social media as a platform to connect with consumers and promote their goods on social media. Social media holds huge potential for growth in time to come. As social media has become an important mode of connecting with millennials, therefore, it must be utilized to its fullest to leverage its benefits for society. The current paper has studied the role of social media in shaping millennials' purchase intentions towards green consumption. Shifting behavior towards green consumption practices will help in saving of resources, improving environment and reduction in wastage of resources.

Theoretical Implications

The current study has extended the existing literature by providing valuable insights. The study has explained the role of social media in shaping green purchase intentions of millennials. Millennials, being a significant chunk of the population, occupy an important role in consumption and have responsibility towards the environment. Therefore, this study has provided the framework needed to understand the green purchase intentions of millennials.

Managerial Implications

The adoption of green consumption has become imperative to consumers and companies both. Companies should strive through social media platforms as a part of environmental responsibility to create awareness among consumers about green consumption. As most of the consumers are present on the social media platforms. Therefore, the findings of the study would provide insights to companies about how they can use social media platforms to encourage green consumption among Indian consumers. Green consumption would be optimized with the increased environmental awareness through social media platforms.

LIMITATIONS & DIRECTION FOR FUTURE RESEARCH

The current study is not free from the limitations. The sample size used in India is too low to represent the entire country. The large sample size could have been helped towards generalizing the findings to the population. Second, social media habits and consumption varies across countries. As this study has been carried out in India, therefore it requires replication in some other countries before generalizing the findings. The current study has only used three factors that shape purchase intention for green products. The future study must extensively use literature

to add more factors to this model to enhance their understanding towards how green intentions are shaped, future studies must segregate the sample according to generation because all generations are different from each other with respect to social media usage.

REFERENCE

- Bedard, S. A. N., & Tolmie, C. R. (2018). Millennials' green consumption behaviour: Exploring the role of social media. *Corporate Social Responsibility and Environmental Management*, 25(6), 1388-1396.
- do Paco, A., Shiel, C., & Alves, H. (2019). A new model for testing green consumer behaviour. *Journal of cleaner production*, 207, 998-1006.
- E. Schlosser. (2005). posting versus lurking: Communicating in a multiple audience context. *Journal of Consumer Research*, 32(2) 260–265.
- Ellison. N.B., Steinfield, C. & Lampe, C. (2007). The benefits of Facebook friends: social capital and college students' use of online social network sites, *Journal of Computer-Mediated Communication*, 12(4)1143-1168.
- Flynn LR, Goldsmith RE, Eastman JK. (1996). Opinion leaders and opinion seekers: Two new measurement scales, *Journal of the Academy of Marketing Science* 24(2), 137–147.
- G. Shao (2009). Understanding the appeal of user-generated media: A uses and gratification perspective, *Internet Research*, 19(1), 7–25.
- Goldsmith, R. E., & Horowitz, D. (2006). Measuring motivations for online opinion seeking, *Journal of Interactive Advertising*, 6(2). Hajli, M. (2014). A study of the impact of social media on consumers, *Journal of Market research*, 56(3), 387-404.
- Haws, k. L, Winterich, K, P. & Naylon, R.W. (2014). Seeing the world through green-tinted glasses: green consumption values and responses to environmentally friendly products, *Journal of Consumer Psychology*, 24(3): 356-354.
- Lu, L., Bock, D., & Joseph, M. (2013). Green marketing: what the millennials buy, *Journal of Business Strategy*, 34 (6), 3-10.
- R. A. Shang, Y. C. Chen, and H. J. Liao (2006). The value of participation in virtual consumer communities on brand loyalty, *Internet Research*, 16(4), 398–418.