

UNIVERSIDAD DEL ROSARIO



Responsible Consumption and its implications on today's society.

Asistente de Investigación (Trabajo de Grado)

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Abstract

Globalization has highlighted the weakness not only of the world economic system, but also the importance for consumers of being aware when buying a product. This, implies a purchase decision process that today's consumer is willing to assume, given the level of commitment and responsibility he feels towards future generations and the environment. However, this purchase decision process has become a challenge for companies to meet their needs according to their demands. Which implies modifications in its production processes, use of recyclable materials, marketing strategies, among other methods that guarantee being able to maintain a loyal relationship with their consumers in the short and long term.

Key Words: Consumption, responsibility, emotions, loyalty, sustainability, customers, behavior, decision.

Resumen

La globalización ha puesto en evidencia la debilidad no solo del sistema económico mundial, sino también la importancia de ser conscientes a la hora de comprar algún producto. Lo anterior implica un proceso de decisión de compra que el consumidor de hoy en día está dispuesto a asumir, dado el nivel de compromiso y responsabilidad que siente frente a las futuras generaciones y el medio ambiente. No obstante, dicho proceso de decisión de compra se ha convertido en un reto para que las empresas satisfagan sus necesidades de acuerdo a sus exigencias. Lo cual implica modificaciones en sus procesos de producción, uso de materiales reciclables, estrategias de mercadeo, entre otros métodos que garanticen poder mantener una relación leal con sus clientes a corto y largo plazo.

Palabras Clave: Consumo, responsabilidad, emociones, lealtad, sostenibilidad, clientes, comportamiento, decisión.

1. Introduction

We live in a world where there is never enough for those who have nothing, but there are plenty of resources to satisfy superficial needs. We live under the ideal of economic growth at any cost, where production, consumerism and waste are its main factors. The inequality of globalization has been present in our daily lives more than ever with the pandemic and health crisis of Covid-19. Unfortunately, the Coronavirus crisis has revealed that the ideal of globalization, the only thing it has caused, is greater inequality where the poor get poorer, and the rich get richer. Covid - 19 has put the world's economic ideal and consumption at stake, criticism, and defining an economic model that's irreversible. That's the reason why, today, consumers are looking for products and services that are committed with sustainable practices and social responsibility.

Globalization is a phenomenon that looks outward, doesn't take into account the internal problems of each country, and what it does, is to force them to modify their rules and adapt them to the new globalized world. The interconnectivity revolution has led to the disappearance of political and business barriers. Somehow, companies influence and shape people's lifestyle in nowadays society (Buerke et al., 2016). As business influence consumers, it also happens vice versa. Buying a product implies a purchase decision process behind, that reflects how companies depend on consumer behavior, their preferences, desires and tastes (Buerke et al., 2016). Does responsible consumption has a relevant effect on consumers purchase decisions? Throughout this article, will be exposed the different reasons why responsible consumption is changing patterns in the world business industries.

According to Lin et al., (2017) more consumers identify with a brand, the stronger would be their commitment and promotion between friends and family. Consumers nowadays look for satisfying their sustainable expectations. The Green Perceived Value (GPV) is a subjective evaluation of consumers green desires Lin et al., (2017). According to their study results, the green programs companies implement, have positive direct influence on consumers; and indirectly influence in brand loyalty. Responsible consumption has converted into the best marketing a company can have. This, has positive effects on green purchase intentions as well as consumers and brands relationship (Lin et al., 2017)

The important question that must be asked at this point, is why consumers look for responsible consumption. Well, uncontrolled consumerism has been one of the main causes why the planet today faces a race against the clock. Consumers had evidenced that with sustainable practices they are also conscious of their well-being (Buerke et al., 2016). Environmental ravages such as deforestation, the emission of gases from different industries and factories, and the misuse of waste has generated an important call for a slowdown in consumption, and respect for societies. As a result, this study concludes that social responsible consumption involves the importance of being aware of others well- being as a community, while personal responsible consumption is being aware of external influences in a person's life. The two of them believe on the importance of making a difference (Buerke et al., 2016).

2. Methodology

For writing of this article, was used and strategy based on the systematic review of articles found in the databases provided by the Universidad del Rosario, where the results obtained by each article were classified by theme, year and citation. The requirements for the information to be relevant were mainly that the title of the document had to be related to responsible consumption and sustainability. Additionally, the technique of filtering the articles from 2016 to 2021 was used in order to obtain the most recent information. As a complement of the above, the articles were filtered from highest to lowest number of citations. It was preferred to use English as a language, to avoid interfering the research results, and thus finding the largest volume of information as possible. Taking into account that responsible consumption is strongly related to sustainability, it was very important to filter the theme so that the articles were focused on business management and marketing.

As mentioned above, the databases provided by the university such as Scopus, Web of Science and EBSCO were consulted. The search for the articles was carried out during the second semester of the year 2021, in order to filter the really forceful and complete articles regarding concepts, and information that would contribute to the investigation.

Finally, it was fundamental to organize the information both by topic and by chronological order, with the objective of having an organized structure to the article. References are subject to APA regulations with all the information strictly required regarding citations.

3. The importance of Responsible Consumption

Responsible consumption according to a definition proposed by the 1994 Oslo Symposium on Sustainable Consumption (Ofstad, Westly, & Bratelli, 1994), is the use of products and services that accomplish their main objective of satisfying an specific need, while minimizing the use of natural resources, toxic materials, emissions of waste and pollutants over the life cycle, without compromising future generations.

The constant events that had happened around the world, generate concern and creates commitment to maintain a sustainable planet for future generations, to leave them a planet under good conditions (Shiel et al., 2019) Culture, is a very important concept to mention, because looking for a sustainable planet and being responsible consumers, is about leaving behind individualism and applying collectivism.

In the study of Lopez et al., (2017) the author places a consumer as a philanthropist that is looking and caring for others. As mentioned before, there is a position where a person's recognizes itself as a community member where his actions have effects on others. In social terms, there's constant concern about belonging to a globalized world with economic, financial and social crisis.

There's an ethical framework of social responsibility that suggests although organizations as individuals, the obligation to act for the benefit of society at a long term (Su & Swanson, 2017). Scientists had begun to realize that patterns and levels of contemporary consumption are not ecologically sustainable, which has warned the whole planet. This is the reason why, consumerism doesn't need to be understood only as the action of purchasing, but the whole process behind the production and the after use of a product (Su & Swanson, 2017).

Consequently people are getting informed, interested and involved on how the system works. Overall they are getting to know how to minimize the negative impacts. The study (Lopez Davis et al., 2017) concludes that citizens should be responsible not only of their purchasing choices, but also of the influence that their daily acts and decisions will have on the economic, social and environmental spheres of life.

4. Defining a Responsible Consumer Profile

There are responsible consumer behaviors that have been measured in different dimensions such as environment, society, and economy. However, the current study (Tammo Straatmann & Karsten Muller, 2016) shows additional dimensions that might be important to include for segmentation purposes, such as the socio-psychological and financial well-being of consumers. The results suggests that persons who regard sustainability as important are also more conscious of how their personal well-being is influenced by consumption.

Moreover, this consciousness is a reflection on their consumption choices and decisions. Consumers who embrace and practice responsible consumption are aware of the negative effects of consumption on the world (Lim, 2017). Technology and social media had facilitated the exchange of information between societies. Because of this, today's consumers are looking forward to individual comfort, convenience, and choice (Lim, 2017).

The study made by (Balderjahn et al., 2018) presents six different consumers profiles of typology groups: The first one is called “financially careless” consumers, with the highest household income, which are not very concerned about sustainability and lack of consciousness.

There is a second profile, which they call “Non-simplifiers” who have least concern and are the most highly educated. The third group is called the “financially careful simplifiers”, who have the lowest interest on collaborative consumption modes. Fourth profile, “socially conscious financial simplifier” is characterized by high level of social and economic concern, but not for environmental issues. Nevertheless they have below levels of education and their majority are women. Profile five “Sustainable, non-collaborative consumers”, corresponds to people who have self-orientation and demonstrates a higher importance of sustainable consumption. They spend more money in sustainable products. Finally, the sixth group “Sustainable consumers” have the highest concern about social, economic and environmentally issues. The curious thing is that the study concludes they are the ones with lowest income and their behavior patterns are consistent.

Despite this study, it is also important to mention the willingness consumers have to pay for sustainable products. According to (Wei, Ang, & Jancenelle, 2018) such willingness is not due to the consumers’ feeling that their actions will have a significant impact but due to their concern about the environment, not how much impact they feel they will have on the environmental issues.

Regardless of whether a person decides to consume responsibly, the (Rezvani, Jansson, & Bengtsson, 2018) study shows that nowadays governments are implementing new laws looking forward to sustainability. Which means that there is social motivation for inviting consumers to be responsible (Rezvani, Jansson, & Bengtsson, 2018).

The study of Shiel et al., (2019) demonstrated findings where parenting is related to the constant concern to develop a more responsible consumption in the world. It evidenced that most of the young parents are the ones who show greater interest in accepting these practices given the

need to leave a better planet as a legacy to their own children, and to give rise to the development of emotions and a more altruistic, prosocial frame, that may not be experienced otherwise.

Therefore, it's clear that this type of consumers are characterized by having motivational reasons to apply responsible consumption in their lifestyle. Also, their level of compromise, and socio demographic variables influence in the purchase decision. In general, this market tends to be people with a high level of intellectuality and income, who are much more inclined and interested in this type of consumption.

5. Results

GPV is directly related to brand loyalty. The satisfaction a customer feels, and the level of compromise they have when they buy a product they know has had a sustainable process, plays a fundamental role in the purchase decision. However, it's important to mention the relevance transparency behavior companies must have with their customers to generate a special bond for brand loyalty. Creating an emotional bond between a brand and a customer, helps to predict their behaviors, preferences and lifestyle, which guaranties sales and a great marketing strategy. Emotions are a vital part of human existence. Its important understand better how emotions may be linked to the identification processes a consumer has, and how that aligns with their purpose and positioning of a company (Su & Swanson, 2017).

As it was mentioned before, sustainability has become the focus to attract consumers to different brands. Undoubtedly, consumer responsibility covers environmental, social, and economic aspects. Consequently, the importance of stakeholders at a certain company to put into

practice during their production processes, both environmental, economic and social sustainability strategies is increasingly relevant. Today's stakeholders pressure business to involve sustainability in community members, supply chain partners, and into their corporate strategies (Wei, Ang, & Jancenelle, 2018). This is the reason why, companies are obligated to communicate to their consumers from the marketing area, how the development of their products arises in order to merchandise their processes as transparent as possible: The study (Cerri, Testa, & Rizzi, 2018) proves that there's an effect to communicate campaigns as providing information about green products on consumer attitude. This way, responsible consumers receive information and make choices about purchasing or not products.

This study also discuss about ethics when it comes to the way in which companies transmit the information they want their consumers to know. The study of (Cerri, Testa, & Rizzi, 2018) demonstrates that ethics is the second most important aspect to predict attitude towards green products; and influence how consumers evaluate products to make a decision. This means, that responsible consumers give high value to transparency, respect, and equity standards of a product. Thus, since values are seen as an important facet in the motivation of responsible consumer behavior, it's important to understand how and when they translate into behavior.

Consumption patterns today have shown that consumers are no longer passive consumers. Responsible consumption is a clear example. This means that they don't buy just to buy, but rather they care and take their time to investigate what they want to buy. Nowadays, the process of buying implies an addition of steps such as search for information and recommendations. The foregoing refers to the interest and knowledge that the customer seeks about a product or service, before making a decision purchase. This investigation can be excessively exhaustive as it can also be not. It all depends on the type of consumer, and the product or service he is looking forward to satisfy

a need. As mentioned above, they seek to be participants in the process of creating and developing the products. Which has generated a new trend in the market such as product customization: Consumers are no longer passive recipients of products; they are active participants of a consumption experience for their own (Wei, Ang, & Jancenelle, 2018).

Responsible consumption implies making decisions about a purchase that are benefiting both: a person as a customer, as well as society. The important thing for companies is not to focus on attracting a specific market niche, taking into account that subjectivity prevents it from doing so. On the contrary, what should be invested in, is being able to generate the greatest possible attractiveness, through honest processes offering an exciting experience for the client to buy from a brand that is contributing positively to sustainability as well as his doing so. Finally, the cognitive elements to be taken into account end up showing the interest of the consumer for a certain product at the moment that a match is made between their beliefs and purposes, with what the brand is offering them. Thus, the findings of (Muniz, Guzmán, & Paswan, 2019) demonstrate that the immediate change in brand loyalty is the key dimension to convert into value that consumers in general, and mostly responsible consumer's associate to the brand.

6. Responsible Consumption and Collaborative Economy

Responsible consumption involves and is related to the shared economy which is defined as the process of distributing what is ours to others for their use and the act of receiving and taking something from others for our use (Nadeem, Juntunen, Shirazi, & Hajli, 2019). In other words, it corresponds to the actual phenomenon of collaborative consumption. Some examples the article puts on discuss of collaborative economy, are companies such as Airbnb, Uber, Wework. In

Colombia for example, we have Rappi. This type of economies are characterized by operating under an efficient and not very complex level of operation. They work with a scheme in which the labor and assets are underutilized, generating self-employment. The case of Uber, for example, is the driver who has to drive his car during the daily period of time he decides, to offer a service. They work under virtual platforms, which are responsible for connecting the client with the service acting as a facilitator only. For this reason, they are known as companies that generate self-employment. Sharing economy platforms empower consumers to participate to offer and specify solutions, that's called value co-creation" (Nadeem, Juntunen, Shirazi, & Hajli, 2019).

The interesting thing about this type of economies is that they co-create between different partners. They share diverse ideas, strategies and initiatives that create added value and differentiation between competitors: Co-creation facilitates companies not only to gain a competitive advantage, but also corporate reputation and brand value (Nadeem, Juntunen, Shirazi, & Hajli, 2019).

7. Conclusions and Evaluation

As a general conclusion, today's young generations are looking for companies that offer products and services based on sustainability. Specially because of the constant concern that has been created over the years, after evidencing excess consumption, consequences and affectations that it brings. Responsible consumption involves behaviors that have to do with factors such as environment, society and economy, This has been a challenge for companies, which have been involved in the commitment to enforce their production processes under a sustainable responsibility scheme. A process that involve stakeholders and consumers directly. This ends up

being a point of added value for companies and customers who are looking for exclusive and increasingly personalized products.

Transparent information and respect for cultures is the base of responsible consumers and companies, as fundamental value that is translated into behavior and purchase decision. Additionally, customers' evaluation of transparency, has a positive direct influence on their green value perceptions and they indirectly influence brand loyalty via GPV. (Lin, Lobo, & Leckie, 2017)

There are many academics who had explored responsible consumption topic, they always encourage consumers to choose sustainability first. However, as it tend to be a relatively new topic, scholarship still lacks understanding of how to encourage more sustainable patterns of consumption, especially for the society in the long term. (Tammo Straatmann & Karsten Muller, 2016).

Consequently, it's important for researches to look forward more trends, information, industries and probably solutions to consumerism for future years. However, as it was exposed in this article, consumers are tending to practice responsible consumption as they are being aware of consumerism in the world. As a result, responsible consumption requires of a transformation of the system, which involves society as a whole, and depends exclusively of convincing decisions and changes worldwide. Certainly, nowadays there's still a lack of consensus of society, governments and companies.

The fundamental contribution of this article to the literature is that despite being a fairly recent topic, it serves as a guide for other students and authors who seek to consult information mostly focused on business. Because responsible consumption is a subjective and complex issue,

it's important to make a call to society about the importance of changing our consumption habits. Likewise, it can serve companies as a tool to learn more in depth about the trends that consumers have today, and thus adjust their strategies in the short term. In addition, it's important to mention that responsible consumption is an issue that involves all industries, and that in the future it can generate a great competitive advantage if measures are being implemented now. Taking into account that a large part of the studies showed lack of awareness and ability to contribute to a problem that overwhelms us all, such as responsible consumption.

Finally, it's important to get to know some aspects that can be improved for writing this article as extending the study metrics. Future researchers are recommended to involve more data and mathematical studies that have to do with the topic even though it's subjective. Likewise, find more study variables as well as other industries in order to do a have more specific studies.

Another aspect to improve and take into account is the methodology implemented for the selection of articles. Choosing the chronological order tends to somewhat limit the use of other articles that can provide valuable information as well.

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