



Influence of Consumer Buying Orientation and Pro-environmental Values on their Willingness to Patronise Green Hotels

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ABSTRACT

Objective – Based on the theory of planned behaviour, this study empirically investigated and significantly validated the relationship among hedonistic buying orientation, utilitarian buying orientation, pro-environmental orientation. and willingness to patronise green hotels.

Methodology/Technique – This quantitative study used the survey technique in data collection among hotel customers. 208 online surveys were gathered for data analysis. Sem-pls was used to analyse the hypothesised objectives.

Findings – The findings indicated that pro-environmental values, hedonistic buying orientation and utilitarian buying orientation all have a positive and significant relationship with their willingness to patronise green hotels.

Novelty - The value of this study lies in the novel use of consumer buying orientation as a predictive factor of consumers' willingness to patronise green hotels, and to the best of the authors knowledge, it is among the first to empirically test such relationship. This study is useful to key stakeholders in the hospitality sector and managers of hotels to understand consumers pro-environmental patronage.

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JEL Classification: M31, M39.

Keywords: Consumer Buying Orientation; Willingness to Patronise Green Hotel; Pro-Environmental Value.

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1. Introduction

UN sustainable development goals have triggered production and consumption patterns aimed at achieving a better and more sustainable future for all by 2030. Sustainable value chain has become a business approach to mitigate the tragedy of the commons. Initiatives that promote socially and environmentally responsible behavior while pursuing business value is being leveraged across all economic sectors. The global health crises (COVID-19), coupled with consumers' growing interest in the sustainable environment has also fueled the desire for more eco-friendly products by the hospitality sector.

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Evidently, the hospitality sector has not been left out of this challenge as the tourism industry has been the worst hit by this pandemic. Indeed, the growth of the tourism industry is propelled by the movement of people and the subsequent need created for the hospitality sector. For over two decades now, consumers have been aware and conscious about green and ecologically friendly products pushing companies towards this movement. However, every consumer goes through a cognitive decision-making process to finally make a choice for a product - and there is a high probability of the decision to inform the sustainable consumption pattern of the consumer and also the magnitude of the effect the decision will have on the environment. This implies that every consumer purchase intention has implications regarding not only economics (Stone, 1954) but ethics and sustainability of the environment. And arguably, consumers' intention towards the patronage of hotels are affected by policies that regards the environment as a whole by these hotels (Han & Yoon, 2015). The concept of sustainable consumer behavior explains how consumers attempt to satisfy their needs and preferences while considering its impacts on the environment now, and in the future. This growing link of environmentalism with purchasing and consumption patterns is shaping business strategy towards creating value for the consumer while considering its sustainability impacts. The hotel and accommodation sector of the tourism industry is one of the most waste generating sectors due to its operations. It can be argued from the perspective of the hotels that implementing sustainable initiatives may pay off or not, but what role does the consumers pro-environmental orientation play in the relationship between consumer's shopping orientation (cognitive decision-making process) and willingness to patronize green hotels. Undoubtedly, although some consumers may be environmentally inclined (Goh & Balaji, 2016), they may have challenges translating these intentions into actions. And this green consumerism has expanded in well developed economies but is now gaining grounds in developing economies like Ghana (Mensah, 2011; Breisinger, Diao, Thurlow & Hassan, 2011). Marketers evidently need to understand what the consumer's perspective is towards patronizing green products. Extant literature on the antecedents of green consumer behavior confirms reference groups, routine behavior and ethical values as contributing factors (Welsch & Kühling, 2009). And according to Chatzidakis, Hibbert and Smith (2007), there exists several other factors that inform one's behaviour. Employing the theory of planned behavior, this study assessed the consumer's buying orientation and pro-environmental values as antecedents to their willingness to patronize green hotels. The rest of the paper is organized as follows: review of related literature, followed by the research method, the discussion and implication of results, and finally conclusions and recommendations are presented.

2. Literature Review

2.1 Theory of Planned behavior

Scientists and researchers alike have over the years investigated and tried to explain the complex nature of human behaviour. And concepts of social attitude and personality traits have been touted as important factors to predict and explain people's behaviour. The theory of planned behavior (TPB) has been used by several studies to predict and understand human behavior. The TPB is an extension of the theory of reasoned action (TRA) (Ajzen & Fishbein, 1977), and both assume that intentions are an immediate predictor of our actions. The TPB posits that intentions to perform certain behaviors or acts in a certain way is influenced by an attitude towards the behavior, subjective norms, and perceived behavioral control; and these intentions, together with perceptions of control over behavior, influence the behavior to occur (Ajzen, 1991 p. 179). The TPB has been applied in different environments and context to understand and predict behaviors, specifically, in the context of green consumerism in the hospitality sector (Wang, et al., 2019; Paul, Modi & Patel, 2016). According to Park and Ha (2012), green consumerism includes the use of environmentally friendly products, practicing of proper waste disposal or recycling methods. It is noteworthy that TPB allows for the exploration of the impact other contextual variables have on consumer's behavior (Kumar, Manrai & Manrai, 2017). Based on the flexibility of the theory, this study included consumers buying orientation and pro-environmental values to measure their willingness to patronize green hotels. The concept of green hotel

basically refers to a hotel or accommodation unit that practices eco-friendly policies to protect the environment.

2.2 Model description and hypothesis development

2.2.1 Consumer Buying Orientation

Researchers of consumer behaviour have over the years of investigations discovered that a lot of consumption activities gives the consumer both a hedonistic and utilitarian effect. According to Babin, Darden and Griffin (1994) consumers are significantly impacted by their hedonistic and utilitarian values (self-oriented) to arrive at a buying decision. Hedonistic values, on one hand, refer to the emotional benefits a consumer derives from shopping for particular products while utilitarian values are explained by the 'work' mentality of the shopping (Babin et al., 1994). Booking a hotel is much involving because it is an infrequent activity, hence consumers need to critically evaluate their preferences versus what is offered at a good price. People, therefore, spend a considerable amount of time and effort on finding the most appropriate hotel accommodation to suit their taste. However, there is an overload of choice as consumers are exposed to numerous lists of hotels to choose from. This is where the utilitarian values set in - viewing the process of searching for a hotel as work or a task and how successful the search was (Holbrook, 1986). Thus, it involves a consumer searching for information due to necessity and not as a recreation, nevertheless, when the search for hotels rouses the consumers' emotions due to the adventure and pleasurable experience of the search, hedonistic values are thus perceived (Babin, et al., 1994). And because people's values motivate and affect their interpretation of information available to them, which subsequently influences the performance of a particular behaviour by means of intentions, this study contends that these values act as motivation which actually influences the behavioural intention to book a green hotel. There is some extant literature which supports that contextual factors including personal values of consumers influence their intention to purchase green hotels (Perlaviciute & Steg, 2015). The study, therefore, hypothesized that:

H1: There is a relationship between hedonistic buying orientation and consumers' willingness to patronise green hotels.

H2: There is a relationship between utilitarian buying orientation and consumers' willingness to patronise green hotels.

2.2.2 Pro-environmental Values

The introduction of the New Environmental Paradigm (NEP) has seen a rise in interest for environmental issues and its importance by society (Catton & Dunlap, 1978). According to Dunlap and Jones (2002), environmental orientation refers to the degree to which humans are aware of the impact of the world activities on the environment and willingly contribute efforts towards its solution. Hence, pro-environmental orientation explains the consumers' understanding on environmental challenges and their conscious effort to act in a way which reduces or eliminates such impact on the environment. This orientation actually enables consumers to focus on environmental/green practices while processing information on hotels they plan to patronise. Rahman and Reynolds (2016) contend that such consumers put in a lot of effort to reduce the consequences their consumption pattern may have on the environment. Arguably, pro-environmental consumers will be motivated to patronise green hotels based on their green orientation. And some studies have confirmed a relationship between consumers with pro-environmental orientation and their intention to patronise green products (Verma, Chandra & Kumar, 2019). The study, therefore, hypothesized that:

H3: There is a positive relationship between consumers pro-environmental orientation and their willingness to patronise green hotels.

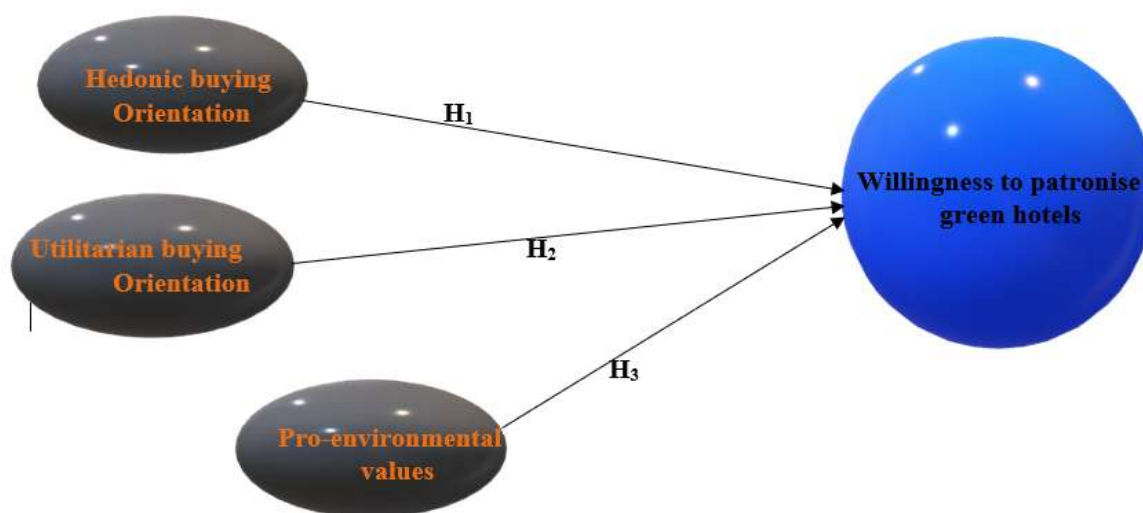


Figure 1: Conceptual framework with hypothesis

3. Research Methods

Quantitative approach was adopted in this study since relationships among pro-environmental values, hedonistic buying orientation, utilitarian buying orientation and willingness to purchase were assessed. The survey method was employed, and a questionnaire was used as a data collection instrument, administered via google forms (online survey). The target population included postgraduate students on distance and sandwich programmes because available statistics shows that most of them are working-class who may have patronised the services of hotels. 208 responses were obtained after one month with constant reminders. Nevertheless, the sample size met the minimum required sample size for the analytical approach employed. The partial least squares-structural equation modelling technique was deemed appropriate because our sampling procedure was non-probability. Again, primary data-based work hardly achieves the requirement of parametric analytical approach. Hence, it was vital to use an approach that is non-parametric for robustness and power.

3.1 Instrument and Measurement

The questionnaire was made up of items measuring hedonistic and utilitarian orientation, pro-environmental values and willingness to patronise green hotels. Hedonistic and utilitarian orientation was adapted from Babin, et al. (1994) conceptualisation of hedonistic and utilitarian shopping values. Pro-environmental orientation was based on the New Environmental Paradigm Scale (Dunlap et al., 2000). All items were scored on 5-point Likert-type scales. Finally, after conducting a reliability test, five indicators (B07, EV1, EV2, EV6, WTP 7) were not included in further analysis.

4. Results

4.1 Measurement Model

Composite reliability values of 0.7 and higher are recommended (Bagozzi & Yi, 1988) and Table 1 depicts above 0.7 composite reliabilities. To check for convergent validity, Average Variance Extracted (AVE) was used which showed AVE values above 0.5 (Bagozzi & Yi, 1988) hence convergent validity was achieved.

Table 1: Validity and Reliability.

	Loadings	Composite Reliability	AVE
Pro-environmental Values			
EV3	0.695	0.907	0.620
EV4	0.840		
EV5	0.726		
EV7	0.769		
EV8	0.860		
EV9	0.821		
Hedonistic Buying Orientation			
BO1	0.692	0.887	0.567
BO2	0.709		
BO4	0.766		
BO5	0.786		
BO6	0.753		
BO9	0.807		
Utilitarian Buying Orientation			
BO3	0.793	0.823	0.700
BO8	0.879		
WTP			
WTP1	0.829	0.906	0.617
WTP2	0.804		
WTP3	0.843		
WTP4	0.849		
WTP5	0.719		
WTP6	0.649		

Fornell and Larcker (1981) proposed that the square root of the AVE values for every construct should be higher than the correlation values between that constructs and other constructs to achieve discriminant validity. Based on the results in Table 2, the Fornell-Larcker criterion was achieved and for that matter, discriminant validity was met.

Table 2: Fornell-Larcker Criterion.

	Pro-environmental Values	Hedonistic Buying Orientation	Utilitarian Buying Orientation	WTP
Pro-environmental Values	0.788			
Hedonistic Buying Orientation	0.230	0.753		
Utilitarian Buying Orientation	0.305	0.543	0.837	
WTP	0.602	0.389	0.393	0.786

4.2 Structural Model

4.2.1 Path coefficient

Adopting a significant level of 5%, the path coefficient values of the model were all significant and the t-statistics were also lower than 1.96, in Table 3. As shown in Table 3, the relationship between Pro-environmental Values and WTP was statistically significant ($\beta = 0.517$; $t = 10.068$; $p = 0.000$). The study also showed a statistically significant relationship between Hedonistic Buying Orientation and WTP ($\beta =$

0.202; $t = 3.373$; $p = 0.001$). Finally, the relationship between Utilitarian Buying Orientation and WTP was also significant ($\beta = 0.125$; $t = 1.988$; $p = 0.047$).

Table 3: Statistics of Path Coefficients.

Hypothesis	Path Coefficients (β)	T Statistics ($ O/STDEV $)	P Values	Decision	Effect size (f^2)
Hedonistic Buying Orientation -> WTP	0.202	3.373	0.001	Supported	0.051
Utilitarian Buying Orientation -> WTP	0.125	1.988	0.047	Supported	0.019
Pro-environmental Values -> WTP	0.517	10.068	0.000	Supported	0.430

4.2.2 Coefficient of determination

The coefficient of determination value as shown in Table 4, that is the R^2 value of 0.440 of WTP (the dependent variable) indicates that the three independent variables (hedonistic buying orientation, utilitarian buying orientation and consumers pro-environmental values) explain 44.0% of the variance in WTP.

Table 4: Coefficient of determination (R^2) and assessment.

	R^2	Assessment
WTP	0.440	Moderate

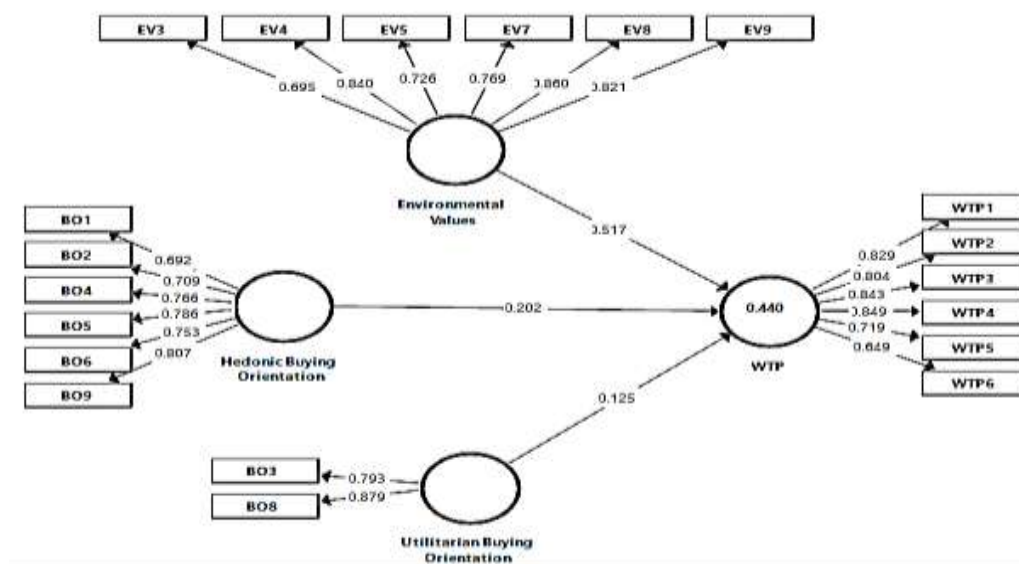


Figure 2: Structural Model

5. Discussion and Implications

This study sought to examine consumers thought process regarding their willingness to patronise green hotels. The first hypothesis was supported as hedonistic buying orientation had a significant and positive relationship with consumers' willingness to patronise green hotels. Thus, consumers who are concerned about their feelings (emotional worth) of enjoyment or fun while searching for hotels are willing to patronise

green hotels. For example, a study by Dey and Srivastava (2017) found that indeed, a hedonistic buying value has a significant relationship to an impulse buying behaviour. Also, this finding is supported by Jaini et al. (2019) as they found hedonistic buying values to influence pro-environmental values which subsequently influences consumers green purchase behaviour. The second hypothesis was also supported as utilitarian buying orientation significantly and positively affected consumers' willingness to patronise green hotels. Consumers with a utilitarian orientation tend to be rational because they see the search for hotels as a work hence analyse every information in detail (Chang & Cheng, 2015). This study is consistent with Liu, Yuen and Jiang (2019) who found that utilitarian consumers are more likely to patronise a sharing facility which has a clearly defined eco-friendly impact. Lastly, the pro-environmental orientation of consumers also had a highly significant and positive relationship with the willingness to patronise green hotels. This finding is consistent with a study by Wang (2020) who found that a consumer's environmental concern and knowledge influences their attitudes and intentions to patronise green products.

This study, to the best of the authors' knowledge is arguably among the first to empirically test and also validate significant antecedents (hedonistic buying orientation, utilitarian buying orientation and pro-environmental values) to consumers' willingness to patronise green hotels in a developing economy using SEM. Practically, hoteliers will find this study useful as appropriate marketing communication tools can be employed to increase awareness of their green practices and environmental policies to the consumer. Their promotions can also be targeted at consumers, augmenting the hedonistic and utilitarian experience of the hotels.

6. Conclusion and Recommendations

The study sought to investigate the decision-making process of consumers on their willingness to patronise green hotels. Specifically, it introduced consumer buying orientation (hedonistic and utilitarian) and the consumers' pro-environmental values as antecedents to their willingness to patronise green hotels. Adopting the theory of planned behaviour, it examined hedonistic and utilitarian buying behaviour and pro-environmental orientation as predicting the willingness to patronise green hotels. The findings revealed that all the exogenous variables had a positive and significant relationship with the endogenous variable.

It is recommended that stakeholders in the sector as well as hotel managers should communicate more through marketing campaigns on sustainable consumption patterns in order to increase awareness of the hotel's green practices to consumers – this is due to the results of the study which suggests that consumer's pro-environmental values influence their willingness to patronise green hotels. Meaning, activities that promotes green consumerism should be augmented and appropriate opportunities (loyalty programmes) should be created to encourage such habits among consumers. The study also highlights the importance of hedonistic and utilitarian buying orientation on willingness to patronise green hotels, hence hoteliers can identify and exploit these factors to their benefit.

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