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Influence of retailers' commitment to sustainable development on store image, consumer loyalty and consumer boycotts: Proposal for a model using the theory of planned behavior



Laure Lavorata*

Université East of Paris, Institute of Management Research, 61 avenue du général de gaulle IUT TC, Université Paris 12, 94000 CRETEIL, France

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ABSTRACT

This research has a twofold objective: first, to propose a tool for evaluating retailers' commitment to sustainable development as perceived by consumers (RCSD); second, to test a conceptual framework adapted from the Ajzen and Fishbein (1980) model and to study the impact of RCSD on the retailer's image, consumer loyalty and boycotts. Structural equation modeling was used to test the hypothesized relationships. The study confirms the link between RCSD and the consumers' positive image toward the retailer and suggests that sustainable development practices can help retailers build a good image among consumers. But there is no link between RCSD and consumer loyalty, showing that sustainable development is not a purchase criterion for consumers.

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1. Introduction

"Retailing with a difference. Retailing with a conscience. Retailing is not about maximizing profits. Nor is it about seeing a fantastic opportunity and saying 'hey we can make big bucks there'. That is not retailing" (Suzanne Ackerman Berman/Pick n Pay, Corporate Transformation Director, quoted by Morrison and Humlen, 2013). These words show that retailers have become aware that they need to take sustainable development into account in their practices. Defined by the Brundtland (1987) report as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs", sustainable development has increasingly figured in company policies and is today regarded as an important business goal by many stakeholders (Sheth et al., 2011). Over the last few years, retailers have been implementing various practices that take account of sustainable development: elimination of plastic bags at checkouts, reduction of CO2 emissions, internal codes of good conduct (e.g. in relation to child labor), improvement of employment practices (male/female wage parity, hiring of handicapped workers, etc.), and so forth. In the UK, Tesco has a policy of using wood products from certified sources and Sainsbury's is committed to combating obesity. In the United States, Wal-Mart has since 2005 published an annual report with regard to its environmental commitments (greenhouse gas emissions reduction, etc.) and has positioned itself as a "green and socially responsible company". This positioning can be understood as a desire to enhance its image, since according to one study, 8% of Wal-Mart customers have stopped recommending the brand because of its reputation (Damperat and Dussart, 2007). In France, Monoprix has since 1998 been enlarging its provision of "sustainable" products (organic products, environmentally friendly products, and fair trade products) and encourages people to change their consumption patterns by purchasing products for their quality-of-life characteristics, including sustainable development in their design.

Aggeri et al. (2005, p. 15) show that companies' discourses and approaches regarding sustainable development frequently express "a desire to be in compliance with social demands, in the knowledge that such compliance is merely symbolic and has little connection with the company's real business". Thus mass retailing needs to find new models, and to focus on its customers and not only its shareholders: the issue for retailers is on one hand better satisfying consumers by introducing more fair trade products and on the other setting up local initiatives and building real partnerships with its suppliers. Consumers thus expect concrete evidence of retailers' social commitment and, as stakeholders, they can play a major role in the development of retailers' sustainable development practices. It therefore seems relevant to analyze not only consumers' perception of such practices, but also the impact on their behavior. For Sheth et al. (2011), a customer-centric approach to sustainability is of critical interest for all firms endeavoring to prosper in today's environment and intending to continue doing so in the future. As underlined by Hult (2011), market-focused sustainability means greater market orientation. However,

^{*}Tel.: +33 1 45 17 19 26/33 6 81 19 42 01; fax: +33 1 45 17 19 28.

E-mail address: lavorata@u-pec.fr

Chabowski et al. (2011, p. 56) note "that sustainability research has not become a widely studied topic in premier marketing journals" and such studies focus primarily on green marketing (Polonsky, 2011). Yet although there has been considerable research devoted to the retail sector (Journal of Retailing or Journal of Retailing and Consumer Services, for example), there are still relatively few academic studies that focus on sustainable development in the field of retailing and analyze this concept from the consumers' point of view. For example, Oppewal et al. (2006) have attempted to establish a link between socially responsible practices in shopping malls and their attractiveness as perceived by consumers. Other researchers have studied the influence of sustainable development actions on consumers' shopping behavior (Schramm-Klein et al., 2009) or the CSR commitments reported by the UK's 10 leading retailers, including Marks and Spencer and Tesco (Jones et al., 2007). The findings often reveal the influence of such actions on consumer attitude or trust, but few studies have attempted to provide a tool for measuring sustainable development as perceived by consumers, and these studies do not propose models but only investigate links between variables.

This research therefore has a twofold objective. First, we propose a tool for evaluating retailers' commitment to sustainable development as perceived by consumers, that we will call RCSD. Indeed, as pointed out by McWilliams et al. (2006) and Chabowski et al. (2011), research on sustainable development in marketing is in its infancy and theoretical frameworks, measurement, and empirical methods have yet to be established. We hope our research will fill this gap. Second, there is no consensus on a single model, even though Sheth et al. (2011) have developed a consumer-centered model incorporating sustainable development. We therefore decided to use Ajzen and Fishbein's (1980) theory of planned behavior in this study, because when referring to behavior and attitude in marketing, it is the most frequently used (Pookulangara et al., 2011) and seems to be appropriate for studying sustainable development. We propose testing a conceptual framework adapted from this model by integrating the impact of RCSD on retailers' brand and on consumers' loyalty or boycott.

2. Theoretical framework of the research and hypotheses development

Aggeri et al. (2005, p. 2) emphasize that sustainable development is associated with positive values and "is an elastic concept that everyone can give a different meaning to". Companies have, moreover, appropriated this definition, and the notion of sustainable development has become "synonymous with durability, or even a management tool" (Capron and Quairel-Lanoizelée, 2004, p. 22). They add that corporate social responsibility (CSR) comes to be the concrete expression of sustainable development issues or the contribution of businesses to sustainable development. But for authors such as Hult (2011), there is a difference between the two concepts because "market-focused sustainability can be a strategic resource" (p. 2): consumers are not included in the CSR framework and consequently are not connected to the organization's competitive advantage. In the retail sector, consumers appear to be the most important stakeholder: in this theory, stakeholders are individuals or groups with legitimate interests in regard to the company (Donaldson and Preston, 1995), and Pasquero (2005, p. 22) points out that "the social positioning of the company and its discourse aims to ensure the company's legitimacy by establishing the relevance of its business in relation to society's needs". But in reality, criteria other than legitimacy play a part, particularly power (Mitchell et al., 1997): in the retail sector, companies must not only legitimate their business in the eyes of consumers, but must also take into account the power of consumers. They put pressure on retailers to define the rules in regard to social practices – trade unions, human rights at work, banning of child labor, good governance and transparency of management, while also demanding products that meet environmental criteria (Capron and Quairel-Lanoizelée, 2004). But the question arises as to the best way of measuring sustainable development.

2.1. How can retailers' sustainable development be measured?

In order to differentiate economic performance (oriented toward shareholders' interests) from performance oriented toward all stakeholders, the concept of corporate social performance has been developed (Pasquero, 2005). Thus in the 1990s there emerged the Triple Bottom Line approach under the impetus of financiers who, over and beyond a company's financial performance, wanted to measure its societal performance. This term Triple Bottom Line distinguishes three aspects of sustainable development - economic ("profit"), social ("people") and environmental ("planet") – and, moreover, many companies use it in their sustainable development reports and press releases (e.g. Shell, Dow Chemicals, Carrefour, Auchan, etc.). According to the Triple Bottom Line terminology, a certain number of indicators are provided around the three pillars of sustainable development: economic (products, etc.), social (professional training, malefemale parity, etc.) and environmental (reduction of packaging, reduction of CO₂ emissions, etc.). Thus organizations such as the global reporting initiative (GRI) promote this tool, which provides "a sustainable development reporting reference system that is as credible as financial reporting, that is, founded on principles of comparability, rigor and verifiability" (Aggeri et al., 2005, p. 94). For Chabowski et al. (2011, p. 56), these dimensions may be viewed "as the basis for integral market-oriented resources, capabilities and competitive advantage vis-à-vis marketplace competitors". We decided to use these three indicators to measure RCSD because they can help researchers analyze sustainable development practices.

2.2. Adaptation of the Ajzen and Fishbein model

In Ajzen and Fishbein's theory, "behavior is a function of a person's intention, which in turn is hypothesized to depend on that person's attitude toward the behavior and his/her subjective norms" (Bagozzi et al., 1992, p. 500). Ajzen and Fishbein (1980) defined behavioral intention as "an individual's likelihood of engaging in the behavior of interest" and it is the direct antecedent of the actual behavior. As indicated by Bagozzi et al. (1992), behavioral intention is a mediating variable between subjective norms (a), perceived behavioral control (b), attitude (c) and behavior. Subjective norms are defined as the individual's perception that "most people who are important to him or her believe that he should or should not perform the behavior in question" (Fishbein and Ajzen, 1975, p. 302). In a consumer context, shoppers' purchase decisions are likely to be influenced primarily by family and nonfamily referents (Pookulangara et al., 2011). In the case of sustainable development, it can be supposed that subjective norms have a major effect on behavioral intentions, insofar as consumers believe it to be socially acceptable to buy fair trade products or that they should boycott particular retailers. Moreover, as shown by Oberseder et al. (2011), an important variable in integrating CSR into consumer behavior is peer influence, which can be linked to subjective norms. The second variable (b), perceived behavioral control, is defined as the individual's belief as to the ease or difficulty of adopting a particular behavior (Ajzen and Fishbein, 1980). Usually results show the positive influence of this variable on behavioral intention (Ajzen and Fishbein, 1980; Pookulangara et al., 2011).

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