Exploring Ethical Consumer Among Generation Z Using ICSM Scale

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Abstract. In the current generation, everyone has an unconventional approach to life; they- are different from the previous generation. Some generations had more exposure than the next generations, who were born in 2000 or 1999. This Generation breathes in the digital sphere and is sentimentally connected to internet world. This research is exploratory in nature. The study was conducted at the Business School to evaluate the factors influencing Generation Z's emotions. Personal temperament has a much greater influence on students' reactions. This article gives implications to help marketing managers shape advertising messages to build a worthful experience to Generation Z Customers.

Keywords: Product Quality, Price, Advertising, Consumption, Selling.

1 INTRODUCTION

The attitude and fulfilment of consumers with marketing activity is an essential psychological component in their relationship with the marketing business. In sociology and cultural studies, consumerism is a significant research issue. Consumerism refers to the materialistic strategies and engage in consumption are what makes a person fulfilled. The messages and ideals that continue to resonate in the media are more likely to be absorbed in varying degrees of consumerism, which has also been claimed. The symbols and signs of consumerism reflect today's lifestyle, aspirations, ideas, and it is a symbol of identity. Today, people tend to focus on their identity on consumer goods/services that moved or diversified consumer consumption, especially consumption of goods/services with brand names [10]. Companies do commercial posting to create an impact in the buyers' minds. Nowadays we can see more contemporary advertising which increases familiarity and trust. [8] expressed that the Indian brands are portraying their equality irrespective of multicultural perspective, different body shape, and gender wise by promoting their brand. [7] emphasized that distinguished players worldwide such as &G, Airbnb, and Yoplait are influencing the concepts of building the public opinion to get financial aid to establish their brands.

2   LITERATURE REVIEW

Basically, the Business Ethics Index is made up to represent the proportions of the individual particular-visibility. As more and more people want to be able to do things quickly, delivery and fulfilment are becoming more and more important for businesses to grow. Especially in grocery industries, shoppers are likelier to use these services than have an in-store experience suitable for all age groups. Plus, convenience can motivate people to try new things. 47% of people who use a subscription service say home delivery is why they bought. After the pandemic, only 22% of people said they expected, which shows that people still want to shop in physical stores. But people are not willing to pay more for fast delivery - the average price for 2-hour delivery has decreased from 4-6% last year to 3-3% this year. While younger shoppers with kids are still the most price-sensitive, fast delivery is becoming more and more a part of the customer journey.

As the world recovers from the COVID-19 pandemic, consumer health and sustainability will continue to play a significant role in shaping consumer behaviour. According to a recent report, 70% of consumers say they will prioritize "cleanliness and personal health". Organizations should invest in empowering consumers to make informed decisions around these issues. Gen Z and Gen Zs central the pack with 64% saying they prefer sustainable packaging [15]. As consumers prioritize convenience, delivery, and fulfilment services are becoming an increasingly important factor in driving growth for many organizations [12]. Particularly in the FMCG sectors, shoppers' expectations in the store are interactive atmosphere, efficient checkout procedures, and helpful customer service are influencing variables to get new customers and repeated purchasing from the same store. This trend is especially evident among grocery shoppers of all age groups, with 42% citing delivery and fulfilments as the most important service attribute. Shoppers prefer to do shopping in malls, which influence the impulse purchase attitude and share of wallet concepts are beneficial [5]. Research also shows that ease of delivery can drive consumers to try new shopping models, with 47% of subscription users feels that home delivery service as the reason for their purchase. Shoppers prefer comfortable by ordering whatever they require through online shopping, indicating a continued desire to engage in shopping [13]. Fast delivery has grown expected as an everyday element of customer experience, and Gen-Z customers who have kids are still the most geared up to pay a premium. As the world emerges from the pandemic, health and sustainability will remain key factors in shaping consumer behaviour, according to a recent report. With 70% of consumers indicating that they will prioritize cleanliness and personal health, and 63% agreeing that sustainability will be a critical consideration when determining which stores and brands to buy from, businesses should invest in allowing customers to make informed decisions about these concerns. Some shoppers are interested to shop for grocery packaged items in ecologically friendly packaging. [15]. the companies should consider the preferences in order to remain pertinent and competitive in the marketplace.

3   RESEARCH METHODOLOGY

The ICSM is a multifaceted tool used for analyzing the mood or attitude of the home sector towards consumer marketing and it's a lot functional component. As a result, [7]

conducted a benchmark study on how customers react to their exchange competitors and the development of marketing. The consumer research community now has access to additional information, including a description of the measure, the index's historical trend, and empirical ties to macroeconomic variables.

ICSM: It correlates to four acknowledged fields of marketing activity that affect or are experienced by customers, namely product, price, promotion (especially advertising) [11] and distribution (defined by retail service).

The Integrated Customer Service Management (ICSM) is made up of four Likert multi-item scales. The researcher got response from google form questions. The return of the questionnaire can take place in a very short period. More importantly, the criteria for an instrument, including this questionnaire, are valid and reliable. A sample is a population segment or a group of several parts of the people. This section explains to examine the population [6].

The instrument was developed using the following procedures

- Creating a grid of questions for each variable according to operational definitions and indicators.
- Making a list of questions based on the hands for each variable.
- The next step is to prove the construct validity for each variable.
- In addition, instruments that meet the construct validity criteria are tested for empirical or statistical validity using field tests and reliability levels.

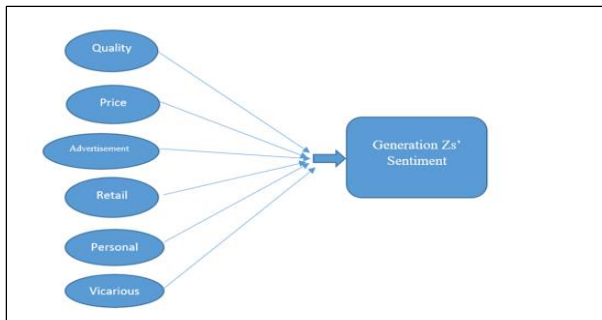The conceptual model shown in fig.1 illustrates the factors influencing the sentiments of Gen Z

Fig. 1. Conceptual model

4   Results and Discussion

4.1   Reliability

Reliability is the difference between the true score variance and the observed score variance of a scale. If the scale is less prone to error, then the results will be consistent across observations and studies. Reliability analyses, implies true scores for a given variable. It is also known as the ability of any measuring instrument for the best results. There are several ways to measure a tool's reliability.

Reliability of the Scales: Cronbach's Alpha Reliability Coefficient was estimated for ICSM, a multidimensional measure of consumer sentiment towards marketing that is constructed together with its subscales. The aggregate group (n=60) has its alpha coefficients calculated. The high alpha values found imply that the scales employed in the study have a high internal consistency. For factors Cronbach's alpha is a measure of reliability that ranges from 0 to 1. The closer the Cronbach's alpha coefficient is to 1.0, the better the internal consistency of the scale items. Cronbach's alpha reliability for the questionnaire is 0.96, which is acceptable. As a result, Cronbach's alpha improves for all alpha levels, indicating higher dependability.

4.2   Analysis of Variance

Table 1. ANOVA

		Sum of Squares	Df	Mean Square	Cochran's Q	Sig
Between People		2712.5	149	18.20		
Within People	Between Items	903.2	59	15.31	1455.76	0.00
	Residual	4587.9	8791	0.52		0.00
Total		5491.2	8850	0.62		0.00
Total		8203.7	8999	0.91		0.00

Grand Mean = 1.68, Source: Primary Data.

Inference: Cochran's alpha is the most commonly used measure of the questionnaire's internal consistency (reliability) Thus, from the above table, Cochran's Q value is 1455.768 with a grand mean of 1.68.

4.3   FACTOR ANALYSIS

Measurement model results for Factor Analysis:

Study variables	Mean	Std. Deviation	Extraction
Quality	1.83	1.531	0.77

Price	3.78	2.195	0.62
Advertising	2.65	1.459	0.59
Retail or Sell	3.27	2.024	0.61
Personal/Past	3.38	.958	0.88
Vicarious/Past	2.98	.965	0.81
Personal/ Future	2.40	.643	0.83
Vicarious/future	2.35	.709	0.79

Source: Primary Data

Inference: Varimax principal component analysis (PCA) was performed on eight items using orthogonal rotations. The extracted scores are greater than 0.6, which is sufficient to investigate the underlying dimensions that explain the correlations between the various variables or items. The KMO value is 0.79, it is conducted to examine the strength of partial correlation between the sentiment's variables.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.954	24.424	24.424	1.954	24.424	24.424	1.003	12.533	12.533
2	1.427	17.839	42.262	1.427	17.839	42.262	1.002	12.529	25.062
3	1.126	14.074	56.336	1.126	14.074	56.336	1.002	12.524	37.586
4	.953	11.911	68.248	.953	11.911	68.248	1.002	12.523	50.109
5	.785	9.815	78.062	.785	9.815	78.062	1.002	12.520	62.629
6	.668	8.347	86.410	.668	8.347	86.410	.999	12.494	75.123
7	.585	7.316	93.725	.585	7.316	93.725	.996	12.455	87.577

| 8	.502	6.275	100.000	.502	6.275	100.000	.994	12.423	100.000

Extraction Method: Principal Component Analysis.

Inference: The variance explained by the retrieved components before rotation is shown in the table above. The extracted solution's cumulative variability explained by these eight components is roughly 25%, a difference of 18% from the baseline solution. As a result of the latent factor unique to the original variables and variability, approximately 18% of the variance explained by the first solution is lost. The variation explained by the extracted factor after rotation is shown in the table's rightmost part.
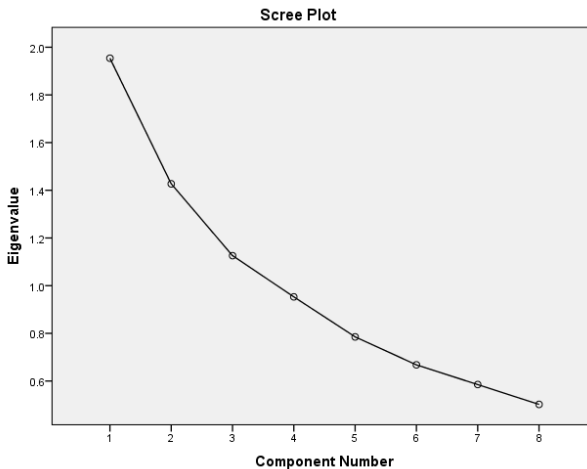
Fig. 2. Eigen values

Inference: In the above plot x-axis represents component number and y-axis represent eigen. and it shows the variables in the rotated factor space. This diagram explains the items organized in the common rotated space.

Component Plot in Rotated Space
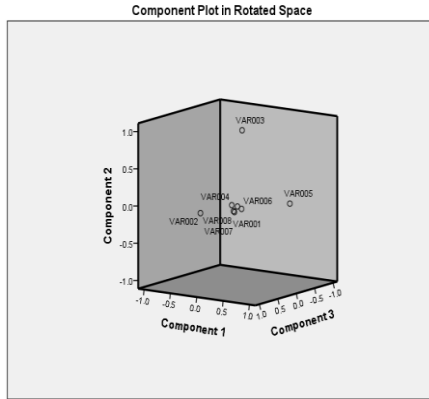
Inference: The above plot explains the components (factors) in the rotated factor space. It helps to see the components (factors) are organized in the common rotated space.

4.4   Chi Square Analysis

Hypothesis: Is gender have significant impact towards consumer purchasing sentiments among Generation Z?

	Cases					
	Valid		Missing		Total	
	N	%	N	%	N	%
Demo-graphic Quality *	60	100.0%	0	0.0%	60	100.0%

Source: Primary Data

Table 2. Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	7.680[a]	4	0.004
Likelihood Ratio	8.709	4	0.069
Linear-by-Linear Association	.264	1	0.608
N of Valid Cases	60		

The Pearson Chi-square, which is less than 0.005. Because there is some correlation between male and female purchasing feelings. As a result, the null hypothesis is rejected, whereas the alternative hypothesis is accepted. As a result, gender has a considerable impact on consumer purchasing emotions among Generation Z. Even [1] investigated six features that serve as strong predictors of online repurchase behaviour among Gen Z consumers.

4.5   Paired t-Test Analysis

Research **Question:** Is there a distinct selection dimension of Generation Z that influences purchasing sentiments?

Table 3. Paired sample T test

Paired Samples Statistics		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Quality	1.83	60	1.531	0.198
	Price	3.78	60	2.195	0.283
Pair 2	Quality	1.83	60	1.531	0.198
	Advertising	2.65	60	1.459	0.188
Pair 3	Price	3.78	60	2.195	0.283
	Personal/Past	3.38	60	0.958	0.124
Pair 4	Price	3.78	60	2.195	0.283
	Personal/Future	2.40	60	0.643	0.083
Pair 5	Price	3.78	60	2.195	0.283
	Vicarious/Past	2.98	60	0.965	0.125
Pair 6	Advertising	2.65	60	1.459	0.188
	Vicarious/future	2.35	60	0.709	0.092

Source: Primary Data.

Table 4. Correlation

		N	Correlation	Sig.
Pair 1	Quality & Price	60	-.076	0.561
Pair 2	Quality & Advertising	60	-.118	0.371
Pair 3	Price & Personal/Past	60	-.016	0.902
Pair 4	Price & Personal/ Future	60	.159	0.226
Pair 5	Price & Vicarious/Past	60	.126	0.336
Pair 6	Advertising & Vicarious/future	60	-.273	0.035

Source: Primary Data .

Table 5. Paired Sample T Test

		Paired Differences							
					95% Confidence Interval of the Difference				Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	
Pair 1	Quality - Price	-1.950	2.770	0.358	-2.666	-1.234	-5.452	59	0.000
Pair 2	Quality - Advertising	-0.817	2.236	0.289	-1.394	-.239	-2.829	59	0.006
Pair 3	Price - Personal/Past	0.400	2.409	0.311	-.222	1.022	1.286	59	0.203
Pair 4	Price - Personal/ Future	1.383	2.187	0.282	0.818	1.948	4.900	59	0.000

Pair 5	Price - Vicarious/Past	0.800	2.283	0.295	0.210	1.390	2.714	59	0.009
Pair 6	Advertising - Vicarious/future	0.300	1.788	0.231	-0.162	0.762	1.300	59	0.199

Source: Primary Data

Inference: There is a significant difference among the dimensions of Generation Zs purchasing sentiments with respect to personal past with future price and Vicarious past and Vicarious future price. [6] findings suggested that consumers purchases are compared with necessary product purchases is much lower in other luxury purchases, and this study investigates some of the possible reasons for this lowered propensity to detect or act on ethical issues in luxury consumption.

5   Discussion

Gen Z is a generation of socially conscious and digitally savvy, two-third of Gen Z prefer products directly from brands (58%) against 41% on average across all age groups. 75% of the Gen Z consumers have significant interactions with physical store. It is observed that two-third cite a better buying experience for the only reason is that they purchase directly, but rest access to loyalty program. There are two gaps in current research on ethical consumerism that need to be filled. For starters, recent research on ethical consumption has focused far too much on demand and far too little on supply-side considerations, such as the motivations of businesses who sell ethical things to customers. The second issue is the 'attitude-behavior gap' or 'ethical purchasing gap. We can conclude from this poll that being data-driven allows shoppers retail firms can use supply and demand trends for making informed decisions about where to stock their goods, how to tailor products and services, and so on, and improve the Gen Z customer experience. Marketing and advertising managers can use the findings of this study to develop advertising messages that use these two stimuli to help a company perform better. [14] concluded that Gen Z shoppers contributing towards more CSR which strongly increases the ESG practices and corporate sales are incredibly fruits the revenue to the Organization.

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