CHARACTERIZATION OF HUNGARIAN CONSUMER SEGMENTS ACCORDING TO THEIR ENVIRONMENTAL CONSCIOUSNESS

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Agenda

- Theoretical Background
- Steps of the Study
- Research methodology
- Findings of the Study
- Conclusion
Theoretical Background

■ Environmentally conscious consumers
  – purchase goods and services which they believe to have a positive or a less negative impact on the environment (Roberts, 1996)
  – young, highly qualified urban female with middle-to-high income (Paco and Raposo, 2009)

■ Forms of environmentally conscious consumption
  – reducing the consumption of traditional products,
  – demand modification (purchasing environmentally friendly products instead of traditional ones),
  – consuming environmentally efficient products,
  – participation in waste recycling,
  – disapproval, protesting (Meffert and Kirchgeorg, 1994)

Four groups of criteria to identify consumer segments

■ Demographic characteristics
  – age, gender, religion, marital status, education, workplace, income etc.

■ Psychographic information
  – lifestyle, personality, motivation, values, attitude

■ Behavioral characteristics
  – knowledge, product use, purchasing habits, brand loyalty

■ Environmental characteristics
  – concern, perceived consumer efficiency, emotions, commitment, environmental consciousness, subjective norms, consumption of pro-environmental products, information search, willingness to pay extra, etc.
Empirical study

Steps of the Study

**QUALITATIVE STUDY**
- In-depth interviews
- Loging
- Focus group meetings

**QUANTITATIVE STUDY**
- Representative sample (803 respondents)
- Importance of environmental issues and respondents’ concerns
- Level of information about the environment
- Environmental attitude
- Pro-environmental behavior and motivations for these actions

**Limits of consumption**
- Selective waste collection
- Transformation
- Water and energy consumption
- Labeled products
- Sharing experiences
- Understanding obstacles, personal impressions, feelings
- Changes in consumption

**Social effects of consumption**

**Marketing és Média Intézet**

*BUDAPESTI CORVINUS EGYETEM*
Research methodology

- Data collection: between May 15 and May 31, 2010
- Interviews were conducted in person
- Total sample size: 803 respondents
- The sample is representative of the entire population with regard to
  - regions
  - type of settlement
  - age
  - gender

Questions were focused on
- respondents’ concerns
- level of information about the environment
- pro-environmental behaviors
- environmental attitudes

The five behaviors mentioned as **most important**

<table>
<thead>
<tr>
<th>Behavior</th>
<th>Score</th>
<th>Satisfaction Level</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Separate waste collection</td>
<td>4.59</td>
<td>🟩🟩🟩</td>
<td>59.78%</td>
</tr>
<tr>
<td>Reducing energy consumption</td>
<td>4.45</td>
<td>🟩🟩🟩🟩</td>
<td>91.41%</td>
</tr>
<tr>
<td>Purchasing local products</td>
<td>4.24</td>
<td>🟩🟩🟩</td>
<td>42.47%</td>
</tr>
<tr>
<td>Using public transportation instead of a car</td>
<td>4.01</td>
<td>🟩🟩</td>
<td>37.24%</td>
</tr>
<tr>
<td>Choosing an eco-friendly holiday accommodation</td>
<td>3.71</td>
<td>🟩</td>
<td>8.72%</td>
</tr>
</tbody>
</table>
The five actions achieving the highest realization

<table>
<thead>
<tr>
<th>Action</th>
<th>Realization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switching off the lights</td>
<td>91.41%</td>
</tr>
<tr>
<td>Bringing their own shopping bag</td>
<td>73.97%</td>
</tr>
<tr>
<td>Turning off the tap</td>
<td>71.86%</td>
</tr>
<tr>
<td>Separate waste collection</td>
<td>59.78%</td>
</tr>
<tr>
<td>Buying energy-saving bulbs</td>
<td>58.53%</td>
</tr>
</tbody>
</table>

Reasons for pro-environmental behavior

- Home grown food
- Shopping bag
- Use a car if it necessary
- Rechargeable batteries
- Low-temperature washing
- Turn off the tap
- Switch off the lights
- Energy-saving bulbs
- Take the train for holiday
- Eco-friendly detergents
- Waste collection
- Eco-friendly holiday accommodations
- Eco-friendly souvenirs
- Food from the locals
Respondents’ ecological worldview was assessed using the NEP (New Ecological Paradigm) scale

- The fifteen items distributed into three factors
  - Skepticism towards technology
  - Concern about the disastrous consequences of upsetting the balance of nature
  - The right of man to resources

- Based on the factors, we managed to identify four clusters
  - Skeptics (223 respondents)
  - Indifferents (130 respondents)
  - Sensitives (245 respondents)
  - Egocentric pushers (184 respondents)

\[2011.02.18.\]

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Skeptics think that our planet does have the necessary amount of resources, but mankind lacks the knowledge needed to handle the problem.

<table>
<thead>
<tr>
<th>Skeptics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Values</strong></td>
</tr>
<tr>
<td>✓ sense of belonging</td>
</tr>
<tr>
<td>✓ good relationship with others</td>
</tr>
<tr>
<td><strong>Characteristics</strong></td>
</tr>
<tr>
<td>✓ avoidance of littering</td>
</tr>
<tr>
<td>✓ local products</td>
</tr>
<tr>
<td><strong>Focus of consumption</strong></td>
</tr>
<tr>
<td>✓ economic reasons</td>
</tr>
<tr>
<td>✓ sensitive towards the social environment</td>
</tr>
<tr>
<td>✓ risk aversion</td>
</tr>
</tbody>
</table>
**Indifferents** have faith in technological progress and believe that it is the answer to environmental problems, as well.

<table>
<thead>
<tr>
<th>Indifferents</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Values</strong></td>
</tr>
<tr>
<td>✓ sense of belonging</td>
</tr>
<tr>
<td>✓ sense of safety</td>
</tr>
<tr>
<td><strong>Characteristics</strong></td>
</tr>
<tr>
<td>✓ avoidance of littering</td>
</tr>
<tr>
<td><strong>Focus of consumption</strong></td>
</tr>
<tr>
<td>✓ health consciousness</td>
</tr>
<tr>
<td>✓ low risk aversion</td>
</tr>
<tr>
<td>✓ high price consciousness</td>
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</tbody>
</table>

**Sensitives** consider the exhaustion of resources and the upsetting of nature’s balance a very real threat of the future. They do not believe that human creativity and technological improvements would be sufficient to contain the problem.

<table>
<thead>
<tr>
<th>Sensitives</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Values</strong></td>
</tr>
<tr>
<td>✓ environmental protection</td>
</tr>
<tr>
<td>✓ self-actualization</td>
</tr>
<tr>
<td>✓ sense of creation</td>
</tr>
<tr>
<td><strong>Characteristics</strong></td>
</tr>
<tr>
<td>✓ avoidance of littering</td>
</tr>
<tr>
<td>✓ reduce household waste</td>
</tr>
<tr>
<td>✓ local products</td>
</tr>
<tr>
<td><strong>Focus of consumption</strong></td>
</tr>
<tr>
<td>✓ environmental and health consciousness</td>
</tr>
<tr>
<td>✓ risk aversion</td>
</tr>
<tr>
<td>✓ more sensitive towards home environment</td>
</tr>
</tbody>
</table>

Marketing és Média Intézet
BUDAPESTI CORVINUS EGYETEM
Egocentric pushers consider the narrowness of resources and the fragility of nature’s balance to be real issues, yet they have faith in human knowledge.

**Values**
- enjoyment of life
- sense of creation

**Characteristics**
- optimistic
- informed
- strong intention for building an image

**Focus of consumption**
- activities visible to the outside world

Pro-environmental behaviors are restricted to simple activities

**Findings**
- Eco-friendly behaviors in home environment motivated by economic reasons.
- Volunteering and more complex activities are not yet typical
- A relatively higher share of environmentally friendly consumer are college graduates come from households with a monthly income above HUF 350,000

**Further research**
- Engagement process
- Place specific pro-environmental behavior
- External factors
  - fiscal incentives
  - regulatory system
  - institutional environment
  - social practices

**Conclusion**
1. Our society is becoming aware of the significance of environmental problems.
2. The population reported a moderate level of information.
3. Consumer responsibility is restricted to environmental, rather than moral, issues.
THANK YOU FOR YOUR ATTENTION!

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