Environmental Consciousness, Environmental Education, Conspicuous Consumption and Re-Buying Decisions on Network Marketing in Turkey

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ABSTRACT
The network marketing as a direct sale method has been widely recognised in Turkey. Today the consumption is not only comprised of the diversity of provided goods and services or their functional use but also some other various reasons. The functional consumption is generally considered the main reason behind the purchasing behaviour. Additionally, the consumers are influenced by the social meaning transmitted by a product or brand like a social expression of status or image. Moreover the consumers has become increasingly aware in respect of making product choices to fulfil their needs in the way to minimise the impact on the environment and their own health. The sample size of this research is a group of 504 people among the network-marketing customers in Turkey. The role of environmental consciousness and environmental education in the impact of conspicuous consumption on the re-buying decisions was assessed through an interview method. The structural equation methodology was utilised to evaluate the relations between the research variables. The model was tested with the structural equation method and a significant positive impact was identified between the environmentally product consciousness and re-buying decision. Unlike the environmentally product consciousness, no significant relation was identified between the conspicuous consumption and re-buying decision.

Keywords: conspicuous consumption, environmental consciousness, environmental education, network marketing, re-buying

INTRODUCTION

The direct sale is one of the oldest commercial distribution methods (Babu & Anand, 2015). The direct sale is the mean used by a firm for business relations and business operation. “Multi-level” or “network” marketing as a type of direct marketing is a type of business that uses independent representatives in selling product or services to your family, friends and acquaintance (Girish & Dipa, 2015). Network marketing is a major and global industry (Muncy, 2004) and is preferred in Turkey for various fields.

People purchase prominent/luxurious products not only for their functional uses but also for meeting their social needs for a limited time through indicating wealth and status (Nunes et al., 2011). Additionally, the conspicuous consumption is defined “as the motivational process used by the individuals to improve their social
attitude through consuming/using consumption products that bring or symbolise status of an individual and others in their surroundings (Souiden et.al. 2011). Pursuant to the conspicuous consumption theory, people consume high observable products to point out their own possessions and wealth to others (Perez-Truglia, 2013). In the last twenty years, the concerns on ecological innovation (or eco-innovation) have become more prominent in practice and academia (Peng & Liu, 2016). As people start to have more environmental consciousness and get environmentally educated, it has become an element that varies the consumer behaviours (Zhang et.al. 2015). In consideration with the environmental consciousness among the consumers, the researchers note that the environmental quality is an effective factor in the product demand function (Liu, et.al. 2012). The concerns increasing towards the protection of natural environment and environmental ethics had changed the buying behaviours of consumers (Kim, & Chung, 2011) and the consumers have started to choose ecologically conspicuous companies (Han, & Kim, 2010). Environmental education is much richer and more profound in its aspirations than the idea of sustainable development encourages. It is essentially concerned with an understanding and appreciation of the environment and the significance of the natural order, including our place in it. (Bonnett, 2007) It is also believed to be affective on consumer behaviour.

This research aims to measure the role of environmental consciousness in the impact of conspicuous consciousness on the re-buying decisions among the customers of a company that adopted a network marketing strategy with a large consumer network, through a practice.

LITERATURE REVIEW

Peterson and Wotruba (1996) defined the direct sales “face-to-face selling away from fixed retail location”. All of the direct selling is not network marketing (Dyer, 2001). The estimations concerning the people buying goods and services from the network marketing organisations are high (Kustin & Jones, 1995). MLM (multi-level marketing) as a type of direct marketing includes the no shop retailing based on the face-to-face communication between the sales assistant and potential buyer (Keep & Vander Nat, 2014). Multilevel marketing is comprised of a marketing approach motivating the participants in promoting a specific product among friends (Emek et.al. 2011). “Multilevel” or “network” marketing is a type of business using independent representatives to sell goods or services to your family, friends and acquaintance. This is a business strategy comprised of participants from every level; the upper level generates return with the sustainability of the business at the lower level. A representative earns commissions from the retail sales and the retail sales realized by the recruited people (Girish & Dipa 2015). It is easy to be a part of MLM and seems like a good way to be your own boss (Taylor, 2014). Multilayer marketing is diverse and complicated business architecture (Tyre, 2015). The distributors that fail in multilayer marketing waste their money and time in addition to losing their confidence (Hiranpong, et.al. 2016). The income under a MLM enterprise is based on the combination of product sales and employment process (Pang & Monterola 2017).
The consumption and associated behaviours are observed in the majority of industrialised and pre-industry communities (Ryabov, 2016). Thorstein Veblen (1899) introduced the conspicuous consumption theory into the economy in order to describe the behavioural features of upstart/new-rich class that rose during the social transformation of Industrial Revolution in 1800s (Jin et.al. 2015). Similar to the concept of materialism, the conspicuous consumption is the behaviour where an individual exhibits his wealth through significantly luxurious spending (health care, furniture, clothing, emergency service etc.) (Trigg, 2001). The conspicuous/riveting goods vary from the general consumption goods in being the prestige as the primary features (Podoshen, et.al. 2011). People purchase the conspicuous/riveting goods not only for their functional benefits but also for meeting their social needs through showing wealth and status (Nunes et.al. 2011). Additionally, the consumption is used as a signal for the non-observed income (Friehe & Mechtel, 2014). Therefore, the conspicuous/riveting expenditure is deceptive. As an alternative, the conspicuous consumption becomes an expression of socio-economic status (Ryabov, 2016). In the hierarchy model of Maslow, the dimension of prestige might be considered as a high-income status but also a desire to buy luxury brands to be respected by others (Pham & Nasir, 2016).

The environmental ethical values have become increasingly important for the businesses as well as the consumers. The deterioration of natural environment day-by-day led the increase of importance for the green environment, which is defined as the ethical consumption in addition to the efforts of protecting the natural environment (Yadav & Pathak, 2017). Moreover, the environmental concern might be defined as the level of consumer concern regarding the threats towards the environment (Hassan, 2014). When the consumer has begun to care about the environment and prefer environmental friendly products and services, such concerns and the environmental awareness created the environmental friendly consumption named as ‘green consumerism’ (Yadav & Pathak 2016). The recent environmental crisis increased the environmental concerns of consumers. On the other hand, the impact of existing environmental problems and the environmental deterioration had been realized by the global consumers and consequently, they started to put effort for the protection of environment (Danish, & Naved, 2016). The environmental deterioration and sustainability are considered as the most crucial problems in our world and the awareness regarding all aspects of environment has improved (Dagher, & Itani 2014). The green products have become popular with the improvement of consumer consciousness and legal regulations. The green production may become an important dimension of business strategy for the manufacturers aiming sustainable development and long-term benefit (Yu, et.al. 2016).

The popularity of green production is not enough for sustainability, environmental education is also important to generate green friendly customers. Environmental education helps to achieve awareness, knowledge, attitude and responsible behavior about environment. It is generally agreed that environmental education is a process that creates awareness and key to solve pollution problems in long term. For Chawla & Cushing (2007) environmental club members in schools who advocate greening their whole school yard, for example, may begin by planting a garden in one corner. This kind of mastery modeling points to the importance of talking through processes of overcoming challenges and finding strategies for green success. Along with other household actors, children are implicated in localised efforts to manage global resource sustainability. As learners in educational systems that are being redesigned to encompass messages of sustainability, children are moreover positioned as ‘agents of change’ through sustainability education. (Walker, 2017)

There are various concepts under the literature describing the consumer behaviours based on the benefit of environment and community or the motivation in bringing less harm. Some of them are: conscious consumption (Ellen, et.al., 1991), socially responsible consumption (Roberts, 1995), significant consumption (Stern, 2000) and Moreover, the consumers might act in the way of responsible consumption and prefer the products or companies that pose less damage on the environment and society. In consideration with the international literature, there are various approaches in the classification of responsible consumption behaviour. The concepts under this scope are environmentally-conscious consumption types that are named as environmental friendly, ecological, green, sustainable (Anderson & Cunningham, 1972; Fisk, 1973; Webster, 1975; Antil, 1984; Straughan & Roberts, 1999; Moisander, 2007; Webb, 2008; Leonidas et.al, 2010; Cleveland et.al., 2012).
RESEARCH MODEL AND HYPOTHESIS

The aim under the scope of this study is to identify findings the impact of environmental consciousness and conspicuous consumption scales on the re-buying decision through structural equation model. In other words, the aim is to analyse the impacts of environmental product consciousness and conspicuous consumption habits on the re-buying decision. Therefore, the developed model is given in Figure 1.

As can be seen from the Figure 1, the model is developed with the assumption as the environmental product consciousness and conspicuous consumption scales have an impact on the re-buying decision.

The conceptual model of research is based on the analysis of relationships between the environmental consciousness and conspicuous consumption, which are considered to have an impact on the re-buying decision. Hence, the anticipated relationship is that the environmental consciousness is a positive predictor for the re-buying decision while the conspicuous consumption is negative predictor. Although the main hypothesis of research is to evaluate the impact of environmental consciousness and conspicuous consumption on the re-buying decision, the research is modelled to find answers to various questions through various sub-hypotheses. First of the sub-hypotheses is the analysis of the relationship between the conspicuous consumption scale and environmental consciousness. Our logical presentiments indicate that there is an opposite relationship between the environmental consciousness and conspicuous consumption. The other sub-hypotheses of the research are the assessment of relationships among the participants between the demographical, descriptive characteristics and re-buying decision, environmental consciousness and conspicuous consumption tendency. Within this framework, the re-

Figure 1. Structural Equation Model Diagram
buying decision, environmental consciousness and conspicuous consumption tendency among the participants with different demographical characteristics. The research hypotheses are listed as follows starting with the main hypothesis.

**H1**: There is a positive and significant relationship between the environmental consciousness and re-buying decision.

**H2**: There is a negative and significant relationship between the conspicuous consumption tendency and re-buying decision.

**H3**: There is a negative and significant relationship between the conspicuous consumption tendency and environmental consciousness.

**H4**: There is a significant relationship between the demographical features and re-buying decision.

**H5**: There is a significant relationship between the demographical features and environmental consciousness.

**H6**: There is a significant relationship between the demographical features and conspicuous consumption tendency.

### DATA ANALYSIS

The conspicuous consumption scale statements developed by Hız (2011), environmental consciousness statements by Straughan and Roberts, (1999) and re-buying decision statements by Taylor and Baker (1994) were used in developing the questionnaire. Under the conspicuous consumption scale, there are two sub-dimensions measuring the Consumption and Rationality Statement via Status, Luxury and prestige Statements. The sub-dimension under the environmental consciousness scale as environmental responsibility consciousness, recycled product use consciousness and buying and using environmental friendly products were used for the analysis. In the determination of such dimensions, only confirmatory factor analysis was conducted on the conspicuous consumption and re-buying scales as they have specific factor structures; whereas exploratory factor analysis was performed on the environmental consciousness scale as it has various scale structures in various literatures; and then the factor structure was subject to the confirmatory factor analysis for the validation.

Primarily, the aim in this research was to obtain preliminary information regarding the demographical distribution of multi-layer marketing businesses selected for the “pilot trial” on 120 people. The generated data was tested for the reliability through Cronbach Alpha following “factor analysis”; and then the variables for the main questionnaire was identified via factor analysis. As the pre-analysis indicated that there was no significant relationship among men, the sample was only comprised of women to deliver more sound results and the analysis was completed through the data from women. The final questionnaire was applied to 530 women, who had information about the products of the multi-layer marketing company, through interview technique. As 26 of the questionnaires were filled out incorrect and careless that was found after the preliminary assessment, such questionnaires were dismissed from the research. After this dismissal, the number of observation became 504. The data collected through the questionnaire were analysed by IBM SPSS 22.1. The research is based on the statistical techniques, yet equation model was used rather than the regression analysis. IBM SPSS AMOS was used for the structural equation model and confirmatory factor analysis.

After the establishment of structural equation model, some modifications proposed by the AMOS program were implemented to bring the fit indices of model to the appropriate values. The modifications were based on the assumption that there is a relationship between the observable variables and high covariance coefficients. Our model indicated that 4 fit indices are within the acceptable limits where the other two are very close to such limits but still out of them. The model might be considered as a compatible model in its current status.
FINDINGS

Table 1 shows the descriptive statistics collected via the questionnaire for the women under the scope of this research.

The findings on the structural equation model parameter assumptions were given in Table 2.

Considering Table 2, the first standing out significant relationship between the scale of environmental consciousness and re-buying decision as seen under our H1 hypothesis. The environmental consciousness predicted the re-buying decision in statistically significant with 0.554 coefficient at the 95% confidence level (p<0.05). In other words, the re-buying decisions of participants increase with the environmental consciousness.

The conspicuous consumption scale is another scale assessed to identify the impact on the re-buying decision. Upon the evaluation of table, there is no statistically significant impact of conspicuous consumption at 95% level (p>0.05). Consequently, a negative and significant relationship between the conspicuous consumption
and re-buying decision under H2 hypothesis, and the analysis indicated that there is no impact of conspicuous consumption tendency on the re-buying decision.

In consideration with the conspicuous consumption scale, the luxury and prestige statement factor had a statistically significant contribution on the scale with 1.263 coefficients. Another factors under the scale as consumption and rationality contributed on the scale in the statistically significant way with 0.661 co-efficient.

The contributions of environmental consciousness sub-dimensions are statistically significant and vary between 0.807 and 1.010.

For the relationships between the scales, there is a statistically significant relation between the environmental consciousness scale and conspicuous consumption scale with an inverse covariance by -0.109 coefficient. As foreseen under H3 hypothesis, the related relationship is bilateral and the increase in one of the scale causes a decrease in the other. When the representing facts of scales were taken into consideration, the interpretation might be as follows: “environmental consciousness increases when conspicuous consumption habit decreases, environmental consciousness decreases when conspicuous consumption increases, which supports the H3 hypothesis.

Then the relationship between environmental consciousness, conspicuous consumption and re-buying scales and the descriptive features were analysed. Therefore, marital status, number of children, age, educational status, employment status, occupation and income variables were used as grouping variables.

In social sciences, a normal distribution as a result of Kolmogrov-Smirnov is very rare as in the economy science. In social sciences and behavioural sciences, the skewness and kurtosis values might be taken into consideration for a normal distribution assumption. According to Tabachnick and Fidell (2013), the skewness and kurtosis values between +1.5 and – 1.5 can be considered as sufficient for a normal distribution assumption (Tabachnick and Fidell, 2013). The whole skewness and kurtosis values of the scale and sub-dimensions are between +1.5 and – 1.5. Hence, the data can be interpreted as close to the normal distribution and the parametric statistical techniques might be utilised.

In consideration with H4 Hypothesis, the relations between the re-buying decisions and demographical variables are summarised in Table 3.

Pursuant to the significance values of T-test and Anova statistics, the test statistics significance levels calculated for the Re-Buying Decision are higher than 0.05. Therefore, there is no statistically significant difference at 95% level in terms of Re-Buying Decision for the marital status, number of children, employment status, occupation and income levels.

In consideration with the statistically significance values for the Anova test conducted with the educational status, the significance levels calculated for the Re-Buying decision scale is less than 0.05. Hence, there are statistically significant differences at 95% confidence level between the participants with various educational statuses in terms of re-buying decision as shown in Table 3.

<table>
<thead>
<tr>
<th>Demographical Variables</th>
<th>Relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marital status</td>
<td>No statistically significant difference.</td>
</tr>
<tr>
<td>Number of Children</td>
<td>No statistically significant difference.</td>
</tr>
<tr>
<td>Education</td>
<td>The re-buying decision scale average scores of bachelor graduate participants are higher than the participants with primary education and associate degree. In other words, the participants with bachelor degree have more re-buying decision levels than the participants with primary education and associate degree.</td>
</tr>
<tr>
<td>Employment Status</td>
<td>No statistically significant difference</td>
</tr>
<tr>
<td>Occupation</td>
<td>No statistically significant difference</td>
</tr>
<tr>
<td>Income Level</td>
<td>No statistically significant difference</td>
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</table>

**Table 3.** Relationship between demographical features and re-buying decision
Pursuant to \textbf{H5} Hypothesis, the relationship between the environmental consciousness and demographic variables are summarised in Table 4.

Pursuant to the significance values of T-test and Anova statistics, the test statistics significance levels calculated for the using and buying environment friendly products, environmental responsibility consciousness, tendency to use recycled products and environmental consciousness are higher than 0.05. Therefore, there is no statistically significant difference at 95% level in terms of using and buying environment friendly products, environmental responsibility consciousness, tendency to use recycled products and environmental consciousness.

In consideration with the statistically significance values for the Anova test conducted with the educational status and employment status, the significance levels calculated for the environmental consciousness is less than 0.05. Hence, there are statistically significant differences at 95% confidence level between the participants with various educational statuses as shown in Table 4.

In consideration with \textbf{H6} Hypothesis, the relations between the conspicuous consumption and demographical variables are summarised in Table 5:

Pursuant to the significance values of T-test and Anova statistics, the test statistics significance levels calculated for the sub-dimensions of status, luxury and prestige, consumption and rationality and conspicuous consumption are higher than 0,05. Therefore, there is no statistically significant difference at 95% level in terms of the sub-dimension status, luxury and prestige, consumption and rationality and conspicuous consumption.

Pursuant to the significance values of T-test and Anova statistics calculated with the dependent variables of marital status, number of children, education, employment status and different income levels, the test statistics significance levels calculated for the conspicuous consumptions are lower than 0.05. Therefore, there is statistically significant difference at 95% confidence level between the participants with various marital status, number of children, education, employment status and income level in terms of the sub-dimensions shown in Table 5.

\textbf{DISCUSSIONS AND CONCLUSIONS}

The environmental consciousness, conspicuous consumption and re-buying decision scales are tested in the related model. The model was tested with the structural equation method and a significant positive impact was identified between the environmentally product consciousness and re-buying decision. Unlike the environmentally product consciousness, no significant relation was identified between the conspicuous consumption and re-buying decision. According to the research findings, there is an opposite relationship between the conspicuous consumption and environment friendly product consciousness. According to the results of this research, the environmental consciousness is a crucial factor in choosing among various brands. The significant factors in re-buying a product are the tendencies to buy and use environment friendly products (ecological products), environmental responsibility consciousness (choosing among the alternatives that are less harmful to the environment) and to use recycled products.

The environment friendly product consciousness and background components show the social sensitivity beliefs. According to the findings of Straughan and Roberts (1999), the environmental interest is not an inseparable element in the environmentally consciousness behaviour regardless being important. This research indicated that
The environmental responsibility, tendency to use recycled products, tendency to buy and use environment friendly products as the main components of conscious consumption. Particularly, the environmental responsibility consciousness has a central role when assessed with other components.

The sub-components of conspicuous consumption indicate the attitudes of individuals towards gaining status and looking impressive. Bearden and Etzel (1982) stated at a consumer panel that between specific brand and products, there are significant differences between basic needs and luxury. Similarly in this research, there are differences between the environment friendly product consciousness and conspicuous consumption tendency in certain products in consumers. The conspicuous consumption scale were evaluated under the status, luxury and prestige statements and found as closely related to each other. The findings indicated that the perceptions regarding the value indicators showing an ownership to a specific group are effective in choosing products.

The tests performed for such purpose reflected that there are differences between the environmental consciousness and conspicuous consumption, and age, marital status, number of children, educational status, employment status and income level. There is no variance between the participants for the agreement to the statements in terms of their occupations. Especially as it can be seen from the table 4, the participants with bachelor degree are more sensitive in buying and using environment friendly products.

In the real world where the competition and dominant powers exist, the companies should define their communication and placement strategies in accordance with the attitudinal features of target groups. For instance, the companies should train their consumers about using their products in a more environment friendly way as such

<table>
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<tbody>
<tr>
<td>Marital status</td>
<td>The consumption and rationality perception, status, luxury and prestige habits of single participants are higher than the married participants. The conspicuous consumption habits of single participants are higher than the married participants.</td>
</tr>
<tr>
<td>Number of Children</td>
<td>The average value of conspicuous consumption scale for the participants with no children is higher than the participants with 1-3 children. There is no other group with statistical significance in other bilateral comparisons.</td>
</tr>
<tr>
<td>Education</td>
<td>The primary school graduate participants care about the consumption and rationality more when compared with the high school graduate participants. The primary school graduate participants care about the consumption and rationality more when compared with the participants with bachelor degree. In other words, the primary school graduate participants are more interested in conspicuous consumption than the high school graduate participants.</td>
</tr>
<tr>
<td>Employment Status</td>
<td>Unemployed participants are more sensitive about the consumption and rationality than the working participants.</td>
</tr>
<tr>
<td>Occupation</td>
<td>No statistically significant difference.</td>
</tr>
<tr>
<td>Income Level</td>
<td>To be precise, the participants with an income of 4000 TL and above are more sensitive about the status, luxury and prestige than the participants with an income level of 0-1000 TL and 1001-2500 TL. To be precise, the participants with an income of 4000 TL and above are more sensitive about the consumption and rationality than the participants with an income level of 0-1000 TL and 1001-2500 TL and 2501-4000 TL. To be precise, the participants with an income of 4000 TL and above are more sensitive about the conspicuous consumption than the participants with an income level of 0-1000 TL and 1001-2500 TL and 2501-4000 TL.</td>
</tr>
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information exchange would increase their buying decisions through getting wider between consumers. In terms of education, majority of studies that tested the level of formal education/literacy, have found that a higher education increases awareness of sustainability issues (Yuan and Zuo, 2013) leading to positive green consumer behavior (Diamantopoulos et al., 2003; Schwartz and Miller, 1991). Similarly, the communication and placement strategies facilitate the companies in the accomplishment of their social targets. The implementation of communication and placement strategies transmitting social messages to the consumers are suitable for the environment friendly products. On the contrary, the implementation of communication and placement programs transmitting status and prestige messages by the companies is suitable for the luxury products.

This research delivered some findings from a consumer-oriented perspective. The adoption of a producer and consumer perspective would be beneficial to develop a holistic approach. Additionally, the inclusion of only women in this research as well as in a limited number is also a restriction.

The analysis of consumers with the tendency of conspicuous consumption is recommended. The assessment of moderator variables for the environment friendly products in effecting the consumer choices are recommended for the future studies. Additionally, the re-buying of various product groups for the purpose of assessing the interest of various reference groups at different levels should be analysed under the future researches.

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