Green Advertising and its Influence on Brand Loyalty in the FMCG market, in Durban North

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i. Declaration

I, Demi Fenton, declare that this dissertation is of my own original work. Any secondary research material that has been used in this dissertation has either been a print source or from the Internet. I am well aware that plagiarism is the use of another person's words, ideas and work without appropriate and specific acknowledgement. All sources are referenced using the required Harvard style of referencing and can be found at the end of this document.

I hereby declare that this research report is submitted for the BA Honours in Strategic Brand Communication degree to the Independent Institute of Education and is my own work and has not been previously submitted to another University of Higher Education Institution for degree purposes.

Signed: D Fenton
Student Number: 15000994
Date: 17 September 2018

ii. Acknowledgements

I would like to say a huge thank you to my Dad and Mom for giving me this opportunity to further my education. I would also like to thank my fiancé, family and friends for helping me along this journey. Another big thank you goes to my research supervisor, Mary Robinson, who has helped me hugely.

iii. Glossary of Terms

1. Green advertising

Kumar (2017) describes green advertising as the intention to explain product offerings and other product-related information with the appeal of nature-friendly messages and environmental sustainability. With regard to this research, green advertising will be referred to as, all those advertising efforts which attempt to market products or services through the use of environmental messages. Due to the aim of this research, green advertising forms the focal point and thus conceptualisation of this term is of much importance.

2. Fast moving consumer goods (FMCGs)

FMCGs are small scale consumer purchases which can be made at supermarkets and other similar stores (Investopedia, 2018). FMCGs have a short shelf lives and low profit margins. However, the amount of sales made on them make up for this (ibid). In terms of this research, fast moving consumer goods is referred to as products which are bought by consumers often, at a relatively low cost. This research is focusing particularly on green advertising in the FMCGs market, making it a relevant term to be conceptualised.

3. Brand equity

Aaker (1991) describes brand equity as any asset or liability of a brand which adds to or subtracts from a brand's product offering. Aaker (1991) developed the Brand Equity model which describes a brands asset in four dimensions, namely; brand loyalty, brand awareness, perceived quality, and brand associations. This model will be applied to this research and is therefore of much importance.

iv. Abstract

This dissertation is that of a small-scale study investigating the influence green advertising has on brand loyalty, specifically in the FMCG market in the Durban North area. Green advertising refers to the intention to explain product offerings and other product-related information with the appeal of nature-friendly messages and environmental sustainability. The objective of this research was to gain insights into the influence green advertising had on consumers' brand loyalty by conducting a review of various literary works from past authors. The research was that of a qualitative nature where five in-depth interviews were conducted where respondents were asked a series of questions.

The findings revealed that consumers tried to be eco-friendly in their daily lives, however they found it difficult to become aware of and purchase green products. It can be concluded that consumers lacked education when purchasing green products. Furthermore, the findings showed that consumers may have a level of scepticism toward green advertising and favoured brands who were transparent in their communications. Results also revealed that consumers were willing to pay more for a green product, however the higher price had to be justifiable. It can be concluded that green advertising does influence brand loyalty positively, provided that the brand is transparent in their communications. Though the research is of a small-scale and cannot be generalised, the findings and insights provided could educate brands on the importance of green practices and utilising truthful green advertising methods.

1 Chapter One: Introduction And Overview Of Research

1.1 Introduction

In recent years, businesses have been perceived as the major cause of social, environmental and economic problems and are seen as profiting at the expense of the environment (Porter & Kramer, 2011). As environmental factors become increasingly important, consumers' demand for green products rise and some are even willing to pay a premium (Lin, Lobo & Leckie, 2017). Businesses have thus identified a gap in the marketplace for eco-friendly products (Hassan & Valenzuela, 2016). Corporations have made use of green advertising to attempt to alter the purchase behaviour of the traditional consumer by educating them in the green benefits of a product (ibid). Lu, Bock and Joseph (2013) identify green marketing as a brand's effort to provide consumers with green products.

This study proposes that green advertising has an influence on brand loyalty in the fast-moving consumer goods (FMCG) market, due to the demand for eco-friendly products. Unfortunately, many brands make false claims and use misleading, unsubstantiated information to try sell products (Lin *et al*, 2017). The aim of this study is to understand the influence green advertising has on brand loyalty in the FMCG market and assess the trust consumers have in brands. Human consumption of the environment is a concern that has to be considered, and thus organisations have to take action to be environmentally sustainable (Kim & Yoon, 2017). Green advertising, as a form of marketing, promotes environmentally friendly products and educates consumers on their environmental benefits (ibid).

Previous studies have shown that consumers will more likely choose to purchase a product that is environmentally friendly (Tih, Chan, Ansary & Ahmed, 2016). As a response to this, organisations began to produce more environmentally sustainable goods and reduce harmful actions towards the environment, which contributes to a strong brand equity (ibid). In order to maximise the effectiveness of these green campaigns in the FMCG market, one must consider the relationship between consumers' feelings towards green advertising and its influence on brand loyalty.

1.2 Rationale

The recent growth in concern for the environment has caused many organisations to take part in environmentally friendly practices. This could ideally give organisations a point of differentiation in todays saturated market. It is an organisation's duty to educate consumers about such issues and how purchasing and using eco-friendly products is beneficial (Tih *et al*, 2016). Many organisations have continued to use green advertising to market their green practices (Grant, 2008). Whilst doing so, it is important for organisations to be transparent about their environmental efforts, which will in turn aid in creating brand loyalty among consumers (Lu *et al*, 2013).

This study will explore whether or not the use of green advertising, in the FMCG market, has a strong influence on brand loyalty, therefore creating a point of interest for organisations. Organisations could use this study to gain knowledge about consumer insights and perceptions of green advertising, with a particular focus on brand loyalty, brand awareness, perceived quality, and brand associations. Through consideration of these aspects, understanding of how green advertising in the FMCG market contributes to brand loyalty can be gained. Such understanding can educate organisations in the green advertising field and prompt brands to analyse their current green practices and make the necessary changes to their strategies in order to build brand equity. Brands can therefore understand how effective their current green advertising is, as well as whether environmentally friendly practices and green advertising should be implemented in the future. This study aims to understand whether the use of green advertising sets an organisation apart from others when building brand loyalty, particularly in the FMCG market.

1.3 Problem Statement

Due to environmental concern, firms are expected to produce environmentally friendly products and create awareness around this issue (Tih *et al*, 2016). Khumalo (2014) stresses that brands in the FMCG market must engage with their consumers and thus create innovative products and content. One element which he focusses on is the South African consumer's level of consciousness. Brands need to align themselves with the evolution of their consumers awareness around environmental issues (Khumalo, 2014).

Green advertising plays a major role in this and thus organisations need to be familiar with its benefits (Tih *et al*, 2016). Many organisations have used misleading, dishonest information within their advertising efforts, which can be detrimental to their reputation and decrease consumer brand loyalty (Lu *et al*, 2013). It is vital for brands to fully grasp the importance of transparent, genuine environmentally sustainable efforts and their advantages.

1.4 Research Goal And Research Question

The purpose of this study is to understand whether green advertising has an influence on brand loyalty, specifically in the FMCG market in the North Durban area. This study will provide insights on which FMCG brands consumers show loyalty towards, and if green advertising plays a role in that. This study should conclude with why a brand should consider further research into green advertising as a marketing strategy, as well as how it could aid in building brand loyalty.

What influence does green advertising have on brand loyalty, specifically in the FMCG market, specifically in Durban North?

Secondary questions:
Are consumers aware of the full extent to which a firm is green?
How do consumers feel about green advertising?
How can green advertising be used to build brand equity?

1.6 Objectives

1. To describe the influence green advertising has on brand loyalty in the FMCGs market.
2. To understand if consumers are aware of the full extent to which a firm is green.
3. To determine consumers' feelings toward the use of green advertising.
4. To describe how green advertising could be used to build brand equity.

1.6 Chapter Outline

Chapter 1:
The first chapter introduces the research topic, specified the research questions and clearly stated the four research objectives

Chapter 2:
The second chapter includes the theoretical foundation, the review of previous research, followed by the conceptualisation. The literature review discussed previous studies relating to the research topic and stated previous findings found by other researchers.

Chapter 3:
The third chapter introduced the research methodology, the research approach and design. This chapter also includes the population, sampling, data collection method, data analysis method and ethical considerations.

Chapter 4:
The fourth chapter presents and discusses the findings from this study.

Chapter 5:
The fifth and final chapter links the findings to each objective through conclusions and recommendations. This chapter also discusses suggestions for further research.

1.6 Summary

The recent growth in concern for the environment has caused many organisations to take part in environmentally friendly practices. Consumers are demanding more eco-friendly products (Kim & Yoon, 2017). This chapter has outlined the research topic, purpose and goal, as well as stated appropriate objectives for the research.

2 Chapter Two: Literature Review

2.1 Introduction

This chapter includes a discussion on David Aaker's (1991) Brand Equity Model and how it can be related to green advertising in the FMCG market. The review of previous research includes literary works which are related to this study.

2.2 Theoretical Foundation

David Aaker (1991) stated that the brand leadership paradigm had a goal to create strong brands, through the management of brand equity. He goes on by describing brand equity as any asset or liability of a brand which adds to or subtracts from a brand's product offering (Aaker & Joachimsthaler, 2009). As a result, Aaker (1991) created the Brand Equity model.

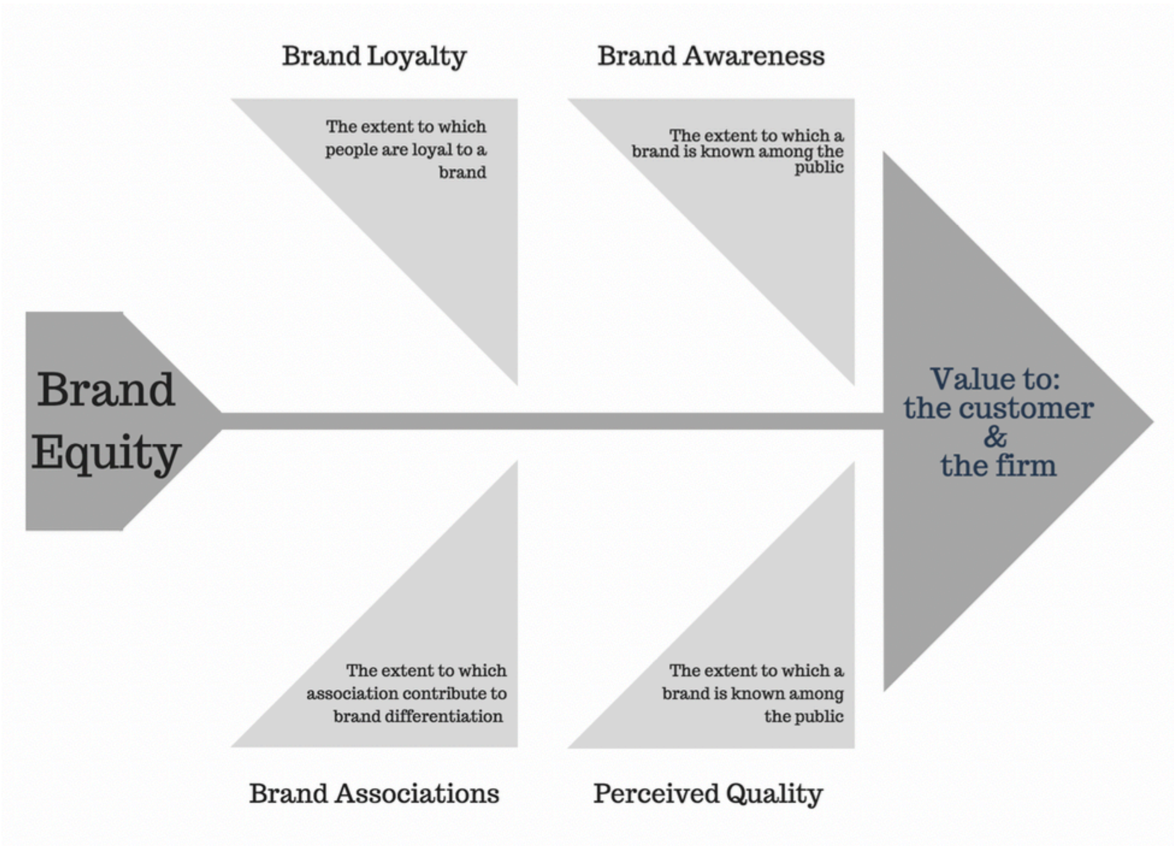
The model describes a brand's assets in terms of four dimensions, namely; brand loyalty, brand awareness, perceived quality, and brand associations (Aaker, 1991). The first dimension, brand loyalty, speaks to the heart of any brand's value (Aaker & Joachimsthaler, 2009) and is the extent to which people show loyalty towards a brand (Aaker, 1991). Brand loyalty is expressed in four factors, the first being reduced marketing costs. This refers to retaining those who show loyalty towards the brand, as it is cheaper than trying to win over new customers (ibid). The second factor is the trade leverage, which customers supply to the brand, as they are a source of trade revenue. The third factor is the help a brand will receive from current customers with attracting new customers, as they will enhance name awareness through social interaction (ibid). The final factor for brand loyalty, is the increase in response time a brand has to counteract competitors. If a brand has loyal customers who are unlikely to switch brands, the time the brand has to respond to competitors will be increased (Aaker, 1991). This study is looking into the ways in which green advertising influences brand loyalty, therefore this theory is most applicable. The researcher will use these elements to assess how green advertising can aid in building brand loyalty in the FMCG market and therefore increasing the success of the brand.

The second dimension described by Aaker is brand awareness. This is explained as the anchor of associations about a brand and is related to the strength of the brand name (ibid). Consumers like to attach good attributes to those brands that are familiar to them, thus forming brand awareness (Aaker & Joachimsthaler, 2009). This research aims to study elements of the purchasing process and the brands which are considered during this process. A large part of the purchasing process relates to brand awareness (Aaker, 1991). This study aims to describe the extent to which a green FMCG brand exists in the mind of the consumer during the purchasing process and whether or not the element of environmental friendliness plays a role in purchasing. In order for this to happen, the consumer needs to be aware of the brand and it's green intentions.

The third dimension which is described by Aaker, is perceived quality. This refers to the role quality plays in reasoning when buying a product, and the level of differentiation compared to competitors (Aaker, 1991). Percieved quality has been empirically shown to affect profitability (Aaker & Joachimsthaler, 2009). In terms of this research, green advertising will be analysed with reference to how it differentiates a green FMCG product or brand from one that is not and how that, in turn, affects brand equity. Another element which will be discussed in this study, is consumers' willingness to pay for green FMCG products. Aaker (1991) states that as a product becomes more complex, such as an environmentally friendly product, price becomes a quality indicator.

The fourth and last dimension of the Brand Equity model is brand associations. Similarly to brand awareness and perceived quality, it is assessed by the consideration in the purchasing process and the position of the brand compared to competitors (ibid). In addition to this, brand associations can be assessed on the positive attitudes and feelings created by a consumer in their mind, as well as the ability to retrieve associations of a brand (Aaker, 1991). This research will be addressing the associations consumers have with green advertising and the way in which they feel toward it during the purchasing process of FMCG products.

Aaker (1991) states that this model is used to understand the various brand equity components and the furture performance of the brand. These components add value to a brand by enhancing its efficiency and the effectiveness of it's marketing strategies as well as increasing brand loyalty and achieving competitive advantage (Aaker, 1991). Pradhan and Prasad Misra (2014) state that consumers, specifically in the FMCG market, who trust brands and show them loyalty, are willing to adopt their brand extensions. There are many ways in which marketers can measure brand equity in order to use it to their advantage when positioning a brand in the respective market (Pradhan & Prasad Misra, 2014). Finally, Aaker explains that when these four compentents increase, brand equity will rise as a whole, therefore adding value to both consumers and brands (ibid).



2.3 Conceptualisation

Green advertising

Kumar (2017) describes green advertising as the intention to explain product offerings and other product-related information with the appeal of nature-friendly messages and environmental sustainability. With regard to this research, green advertising will be referred to as all those advertising efforts which attempt to market products or services through the use of environmental messages. Due to the aim of this research, green advertising forms the focal point and thus conceptualisation of this term is of much importance.

Environmental sustainability

Environmental sustainability involves minimizing negative impacts on the environment and subsequently providing a livable environment for the future (Ulusoy & Barretta, 2016). In this study, environmental sustainability will be referred to as the efforts which organisations make to contribute to the environment on a long-term basis. These efforts, along with educating consumers about environmental sustainability, are also key elements to this study.

Fast moving consumer goods (FMCGs)

FMCGs are small scale consumer purchases which can be made at supermarkets and other similar stores (Investopedia, 2018). FMCGs have a short shelf lives and low profit margins. However, the amount of sales made on them make up for this (ibid). In terms of this research, fast moving consumer goods is referred to as products which are bought by consumers often, at a relatively low cost. This research is focusing particularly on green advertising in the FMCGs market, making it a relevant term to be conceptualised.

Environmentally friendly

Environmentally friendly is a term which refers to not conducting harmful acts upon the environment (Tih *et al*, 2016). With regard to this research, the term 'environmentally friendly' to explain products and actions which do not harm the environment.

Eco-friendly products

Eco-friendly products, as explained by Sony, Ferguson and Beise-Zee (2015), are products which express environmental features, such as recyclable elements, certifications of environmental friendliness and financial support of an environmental cause. In this study, eco-friendly products will be considered, as the focus is on green advertising and its use when trying to sell eco-friendly products.

Brand equity

Aaker (1991) describes brand equity as any asset or liability of a brand which adds to or subtracts from a brand's product offering. Aaker (1991) developed the Brand Equity model which describes a brands asset in four dimensions, namely; brand loyalty, brand awareness, perceived quality, and brand associations. This model will be applied to this research and is therefore of much importance.

Brand loyalty

Klopper and North (2016) describe brand loyalty as the consumer's willingness to repurchase products or services from the same brand. Aaker (1991) refers to brand loyalty as the extent to which people show loyalty towards a particular brand. With green advertising, brand loyalty forms the focus of this research and therefore forms an integral part.

LSM

The LSM (living standards measure) is one of South Africa's most used marketing tools today (SAARF, 2017). LSM measures and divides people, by their living standards only, into 10 groups. Group one being the lowest, and group ten being the highest (ibid). In this research, LSM groups 7-10 will be focused on as they form the highest standards of living sets. In South Africa, those that fall within these groups are employed, educated and earn a household monthly income of over R20 000 (Chronis, 2012).

2.4 Review Of Previous Research

There proved to be a large body of research regarding the topic of green advertising, as well as firms' moves toward becoming green due to consumer demand and the quest to save the planet (Kim & Chung, 2011). This literature review will consider four key issues, namely; environmental sustainability and green products, educating consumers, brand trust and loyalty, and willingness to pay. Each section will be relating to the dimensions discussed previously in the theoretical foundation.

Environmental sustainability and green products

Consumers have become increasingly aware of the destruction of the natural environment and have thus begun to demand that corporations engage in strategies to try to conserve the environment (ibid). This demand has led to more green products, as businesses have identified a gap in the market (Hassan & Valenzuela, 2016). In order to advertise these green products, green advertising must take place. Kumar (2017) describes green advertising as the intention to explain product offerings and other product-related information with the appeal of nature-friendly messages and environmental sustainability. Consumers are exposed to a large number of products which express environmental features, such as recyclable elements, certifications of environmental friendliness and financial support of an environmental cause (Sony, Ferguson & Beise-Zee, 2015). These products which are environmentally friendly are a result of cleaner manufacturing processes (D'Souza & Taghian, 2005), alternative technology or implementing green principles (Grant, 2008).

Kim and Chung (2011) stress the importance of conducting research to understand consumer behaviour in order to devise an effective marketing strategy, as well as evaluating the competitive environment (Christian, Velleman & Mackay, 2013). Through research conducted by Nidumolu, Prahalad and Rangaswami (2009), it was evident that a large number of consumers prefer to purchase environmentally friendly goods, thus creating a competitive advantage for those green brands. Lin *et al* (2017) use the term eco-advantages, which they describe as competitive advantages gained through green branding. Kim, Oh, Yoon and Shin (2016) argue that green advertisements may instill acceptance of green products, by entering their minds, but does not necessarily generate purchase behavior. Hartmann and Ibanez (2006) further added to this statement by saying that persuasive efforts to make consumers ‘green’, have a had a very limited effect.

Porter and Kramer (2011) explain that when businesses are involved in environmentally friendly practices, there is a far higher social benefit as green marketing motivates consumers to embrace green products. However, a number of consumers are not willing to give up certain products or ways of life, just to go green (Lu, Bock & Joseph, 2013). Hartmann and Ibanez (2006) suggest that this lack of willingness to go green would be because the perceived individual benefits of green behaviour are not directly related to observable improvements in the environment. They carry on to say that a challenge for green marketers, is to increase the perceived benefits of the individual by adding value to green products (Hartmann & Ibanez, 2006). Another challenge for marketers of green products, is to build a corporate reputation of environmental responsibility. This is of great importance in many multinational corporations and is a function of both policy and practice (Abdelzaher & Newburry, 2016).

Ulusoy and Barretta (2016) state that organisations need to be a part of the sustainability movement, which involves minimizing negative impact on the environment and subsequently providing a livable environment for the future. It is a requirement for companies, in the eyes of consumers, to be environmentally responsible these days (D'Souza & Taghian, 2005). Organisations need to follow a number of specific laws, one being environmental laws, and a green product is the manifestation of this ecological effort (Sony *et al*, 2015). Nidulolu *et al* (2009) explain that leadership is key when implementing sustainable efforts. They state that when top management of a firm focus on a problem, change follows smoothly, however, stakeholders have the upper hand when it comes to forming a firm’s green behavior and efforts (Abdelzaher & Newburry, 2016).

Educating consumers

The primary goal of green advertising is to inform consumers of the benefits of purchasing green products, as well as bring awareness to the availability of such products (Kim & Yoon, 2017). Kumar (2017) adds that green advertising aims to develop consumer understanding and improve their knowledge about green products. The use of eco-labels has been successful in getting consumers to engage in reading to heighten their understanding of environmental concerns and thus change their purchase behaviour (Ferguson, Hair, Silva & Mollah, 2017). Consumers rely on the information in eco-labels to help make informed purchasing decisions (ibid). Meaningful Brands (2017) express the importance of relevant content as it informs, entertains, inspires and helps consumers when making decisions. One can create good content from understanding what matters to consumers and what they expect from green products (Havas Group, 2017). To be more effective, firms need to intensify their communication efforts regarding their green products (Lu *et al*, 2013). Ways in which firms could do so, is to invite consumers to access the firm's case studies, use technologically innovative applications and put emphasis on certifications awarded to the firm due to their sustainability efforts (Kumar, 2017).

Kim and Chung (2011) express that environmental consciousness guides people when making green purchasing decisions and it forms a basis for green consumption. The more environmentally conscious a consumer is, the more intrinsically motivated they are to process green messages (Kim *et al*, 2016). Grant (2008) added that the more people engage with green products, the more knock-on effects it has regarding the community. Ferguson *et al* (2017) found that reference group norms motivated consumers to engage with sustainable products. Hassan and Valenzuela (2016) added that environmental consciousness was increased in areas which were affected by natural disasters, such as floods and hurricanes.

The results of D'Souza and Taghian's (2005) research showed that there is a significant difference between low and high involvement of consumers in environmental concern. Green positioning will increase consumer knowledge and therefore strengthen the influence on green purchase intentions (Lin *et al*, 2017). In order to stimulate actual green purchase actions, firms need to educate consumers about the firm's green initiatives and its benefits (Sony *et al*, 2015). This is critical in forming attitudes about green products. Kim *et al* (2016) showed that those who were confident in their attitudes, had a stronger attitude-behaviour consistency than those who lacked confidence. Kim and Chung (2011) considered that past behaviours could help predict future purchasing patterns and that consumers learn from previously interacting with green products.

Research has shown that the main factors which concern consumers when purchasing green products are health and safety (Nidumolu *et al*, 2009). Lu *et al* (2013) surveyed a number of university students and found that they were mostly concerned with the long-term effects that products have on their health and environment, leading to the purchase of green products. They also expressed that education was the underlying factors of this phenomena and that a higher level of education brought about a higher level of environmental consciousness (Lu *et al*, 2013). Tih, Chan, Ansary & Ahmed (2016) added that those with less environmental concern respond better to green claims rather than financial claims.

Brand trust and loyalty

Although educating consumers about green products and their benefits are important, consumers have become increasingly sceptical about their credibility (Kim *et al*, 2016). Tih *et* al (2016) uses the term 'attitude-behaviour gap' when scepticism is evident. Marketers need to use truthful and credible messages when engaging in green advertising, as it is more persuasive (ibid). D'Souza and Taghian (2005) state that when credibility is low, it could lead to changes in brand attitude and this could lead to a potential loss in sales. Consumers form feelings and attitudes about a brand when they encounter green advertisements, and this forms beliefs about the brand (ibid). Chen and Leu (2011) found that scepticism of green claims had a negative effect on brand attitude and thus purchase intention. Grant (2008) expresses that green acceptance is made through a judgement and that judgements are based on credible sources. Sony *et al* (2015) say that corporate social responsibility (CSR) is widely used to gain credibility and a genuine competitive advantage. They also state that firms profit from CSR initiatives through the increased purchase intention of consumers and their willingness to pay a higher price, but the consumer demands must be met (ibid). However, even if the initiatives are absolutely genuine, people do not like it when firms capitalise off of environmental problems (Grant, 2008). Abdelzaher and Newburry (2016) found that CSR practices, which incorporate a component of environmental responsibility, is a source of corporate reputation and in turn, green reputation. Communicators must do their best when it comes to expressing all the good work done by so many different brands (Baird, 2016).

Organisations must be purpose-driven in order to build more sustainable relationships with stakeholders and grow their bottom line (Christian, Velleman & Mackay, 2013). Porter and Kramer (2011) propose that firms must create shared value, which combines economic value as well as social value through addressing environmental needs and challenges. Ulusoy and Baretta (2016) stress the importance of organisational dependability, as consumers rely on organisations to do what they say they will. Christian *et al* (2013) explain that consumers turn to brands which align with their values and that are dependable in order to receive some form of inspiration. By building this dependability, firms can build customer loyalty and can thus encourage customers to work with the environmental efforts of the firm (Hassan & Valenzuela, 2016). However, Sony *et al* (2015) argued that consumers have more trust in non-profit organisations than profit organisations. Brand trust refers to a brand's ability to keep consumers engaged and to ensure that they become brand loyal (Havas Group, 2017).

Ulusoy and Barretta (2016) state that consumers lose trust in brands when false and misleading environmental claims are made. Research conducted by the Cone Convention found that the majority of consumers were willing to boycott a brand who made fraudulent green claims (ibid). Kim and Yoon (2017) describe 'green washing' as the disinformation presented by firms to portray an environmentally responsible corporate image. This should be discouraged due to ethical reasons and in order to create positive attitudes among consumers and therefore brand loyalty (ibid). Several companies are found guilty of false advertising about their environmental attributes, as well as making use of deceiving acts to mislead consumers about their actual environmental practices (Lu *et al*, 2013). In an effort to combat these false claims and decrease in brand trust, regulations and guidelines were formed with the hope that consumer perceptions improve (ibid). Lin *et al* (2017) state that green washing could cause consequences such as green risk perception which could affect the entire green market and be a barrier for green purchases. In order to build credibility and believability, Kumar (2017) suggests that advertisements need to exhibit proofs of the said environmental behaviour and that a firm's ethical code of conduct should contain eco-friendly practices. Lin *et al* (2017) adds to this statement by saying that organisations need to allocate more resources on decreasing consumers' distrust and help develop a strong green brand image which will enhance green brand loyalty.

Willingness to pay

Ulusoy and Barretta (2016) claim that most consumers purchase products from firms which they perceive to have a positive impact on the environment. These green consumers are often willing to pay a premium price for products that they feel passionate about (Barber, Kuo, Bishop & Goodman, 2012). Barber *et al* (2012) also expressed that this is good news for those firms wanting to integrate green practices and policies into their business practices and attract environmentally conscious consumers. Lin *et al* (2017) claims that green brand image plays an important role in the decision to pay a higher price. This involves green trust, satisfaction and brand equity (ibid). Attitudes have proved to be the primary explanation for higher price purchase intention (Sony *et al*, 2015). Lin *et al* (2017) explained that consumers are willing to incur the high costs to gain social approval. Ferguson *et al* (2017) added that reference groups influence green purchase behaviour and increases environmental consciousness. Consumers feel that they should purchase higher priced green products in order to fit in (ibid). Kim and Yoon (2017) stated that the greater the perceived benefit, the greater the will to purchase these higher priced, green products. Lu *et al* (2013) argued this by finding that a large portion of consumers found that they didn't purchase green products for a variety of reasons, the biggest reason being the cost. Hassan and Valenzuela (2016) found that some respondents from their study claimed that green advertising was a ploy to make them feel guilty and spend more money.

Another element regarding cost that was proposed by Nidumolu *et al* (2009) was that by spending more money on green products and practices, consumers save money in the long run, such as reducing the electricity bill by using energy saving lightbulbs, and thus proves to be a motivation for purchasing green products. This also applies to firms with green practices, as they lower costs and time by reducing inputs (ibid). Porter and Kramer (2011) stated that for a small extra cost, firms can adopt environmentally friendly practices and yield net cost savings. Christian *et al* (2013) stated that if a firm implements a green strategy correctly, their bottom line will improve. It is also evident that the money a firm or consumers spend, will be invested in something positive and sustainable (ibid).

The first theme of this literature review looked into literary works which explained the need for environmental products and how consumers are exposed to these products. Kim and Chung (2011) identified that consumers demand green products and green practices, due to environmental consciousness. The second section of the literature review, educating consumers, discussed how education about the environment and the increase in environmental consciousness can increase green purchasing (Ferguson *et al*, 2017). The third section, brand trust and loyalty, looked into how consumers can be skeptical toward green advertising due to green washing (Kim &

Yoon, 2017). To add to this, Lu *et al* (2013) stated that a large number of firms have been caught with fraudulent green claims. Tih *et al* (2016) explained that firms need to use truthful claims to build brand trust. Lastly, willingness to pay was discussed to conclude the literature review. It was found that many consumers would pay a premium for products which they perceived to positively affect the environment (Barber *et al*, 2012). Porter and Kramer (2011) also added that by going green, firms could save money in the long run.

However, none of the above-mentioned authors identified whether or not green advertising acts as a point of differentiation when building brand loyalty among consumers. It was found that the literature failed to describe the influence green advertising has on the development and creation of brand loyalty and whether or not this form of marketing sets a brand aside from others in their categories.

2.5 Summary

Chapter two has discussed Aaker's Brand Equity Model and how it can be used to study green advertising. Key terms related to the literature have been conceptualised and the research has reviewed previous research. The literature review has been divided into four themes, namely; environmental sustainability and green products, educating consumers, brand trust and loyalty, and willingness to pay.

3 Chapter Three: Research Methodology

3.1 Introduction

Chapter three provides an in-depth analysis of the research methodology used throughout the study. This chapter discusses the research design, approach, population, sampling, data collection method, data anlysis method, trustworthiness, ethical considerations and limitations. Through using this research methodology, the researcher was able to generate insight into consumers feelings toward green advertising and how it affects brand loaylty. From this, the researcher was then able to compile findings which successfully achieved the research objectives.

3.2 Paradigm

The research paradigm in which this study fell under is interpretivism. An interpretivistic nature in research inserts a human interest into the study, which results in gaining a deeper understanding (Du Plooy-Cilliers, Davis & Bezuidenhout, 2016). Maree (2016) explains that interpretivism is based on the assumption that human behaviour is affected by the knowledge of the social world and thus assists researchers in making sense of the phenomenon being studied. This directly applies to this study, as the researcher will be looking into how green advertising effects brand loyalty. Therefore, the main aim was to create meaning and understanding of the phenomenon.

Respondents were asked open ended questions in order to gain such an understanding. The researcher looked into how each respondent believes, experiences and views green advertising as well as how green advertising effects their loyalty towards FMCGs brands. Once this understanding was gained, the researcher reflected upon it and identified specific findings.

In terms of epistemology, the researcher gained knowledge by observing and understanding the participants during the interviews which will be conducted (Du Plooy-Cilliers *et al*, 2016). The reality of this study, being the ontological view, was captured through interview schedules and understanding of participants (ibid). In line with the interpretivistic nature, as well as the above mentioned epistemological and ontological view, the researcher valued the element of understanding when studying the phenomena.

The methodology which was used in this study was that of a qualitative approach. This involves understanding, exploring and describing human behaviour, which is the objective of this study (Maree, 2016). This also involves understanding why people do what they do and their attitudes towards specific phenomena (Du Plooy-Cilliers *et al*, 2016). This study is qualitative as the researcher's focus is to understand respondents' attitudes and create meaning around green advertising in the FMCG market.

3.3 Design

Research aim

Descriptive research has a purpose to describe phenomena, their characteristics and the relations between them (Du Plooy-Cilliers *et al*, 2016). Due to the interpretivistic and qualitative nature of the research, it can be seen as descriptive in aim as its intention is to identify and describe the influence green advertising has on brand loyalty, specifically in the FMCGs market. Through this, the researcher has described and understood the relationship between green advertising and brand loyalty in the FMCG market systematically. The elements considered in this research are green advertising and brand loyalty, with brand equity as an overarching concept.

Line of reasoning

This research made use of deductive theorising, which refers to reasoning from general assumptions to specific assumptions (Du Plooy-Cilliers *et al*, 2016). In this line of reasoning, a pre-existing theory is considered to inform the current study. This research made use of deductive theorising as the researcher has looked at Aaker's Brand Equity model and has applied this to green advertising. The researcher applied deductive reasoning by conducting a literature review, with specific focus on green advertising. Therefore, the understanding which is gained by reviewing previous literature was applied to the phenomenon of how green advertising influences brand loyalty, specifically in the FMCG market.

Time dimension

This research was cross-sectional in nature due to the fact that the data which was collected from the respondents, was at one specific point in time (Du Plooy-Cilliers *et al*, 2016). This research is cross-sectional as it aims to describe the influence green advertising has on brand loyalty in the FMCG market currently. There was no pre-test and post-test design, only one set of interviews carried out with the respondents, and from this, data was drawn.

Method

The purpose of this study was to understand whether green advertising has an influence on brand loyalty, specifically in the FMCGs market. This study provided insights on which product brands consumers show loyalty towards, and if green advertising plays a role in that. In order to gain these insights and ultimately gain understanding of such a phenomena, the researcher carried out in-depth semi-structured interviews. Prior to these interviews, the researcher compiled an interview schedule comprising of a set of questions to act as a guideline.

3.4 Population

Due to the focus of the research, being green advertising and brand loyalty in the FMCG market, it was a prerequisite for the target population to do their own shopping and fall within the 7-10 LSM group. The target population of this study was those individuals, both male and female, who are between the ages of 25 and 55, who do their own grocery shopping, and fall within the 7-10 LSM group.

Due to the size of the target population, it is almost impossible for the researcher to access each individual in this population. Therefore, an accessible population needs to be identified (Du Plooy-Cilliers *et al*, 2016). The accessible population are those who the researcher has direct access to, and for the purpose of this research, it is those individuals who fit the specific criteria and are situated in Durban North. The accessible population is situated in the Durban North area as this is the area in which the researcher is situated. Due to the area in which the research is being conducted, all respondents are in the 7-10 LSM groups.

3.5 Sampling

The units of analysis in this research were the individuals who were included in the study. In this case, the individuals which were analysed for this research proposal were individuals who fit the population parameters and agree to take part in the research.

Non-probability sampling was used for this study as it is almost impossible to access the entire population. The sample was selected from the accessible population through means of careful consideration and specific sampling methods (Maree, 2016). Individuals were therefore be randomly selected, although they still met the population parameters (ibid). In the case of qualitative research, the representativeness and reliability of the sample is not considered to be important compared to that of probability sampling.

The sampling method which the researcher has chosen to utilise is purposive sampling. With this sampling method, the researcher may choose all those who fit the above discussed population parameters of the study perfectly. However, there is a fairly high chance of researcher bias (Du Plooy-Cilliers *et al*, 2016). The researcher selected four specific respondents based on their environmental awareness. The researcher had a list of possible respondents, which were used to choose from. If a respondent was unable to take part in the study, the researcher will chose the respondent who was next on the list.

In the case of this study, the sample was narrowed down due to the sheer size of the population that falls within the population parameters. Due to the qualitative nature of this research and length of the interviews which took place, only five respondents were chosen. These individuals were sourced from the Durban North area.

3.6 Data Collection Methods

Due to the qualitative nature of this research, in depth interviews were used as the chosen data collection method. The aim was to gain rich, descriptive data of what the respondents believe, and how they view and experience a particular phenomenon

(Maree, 2017). If utilised correctly, in depth interviews can be ideal for gaining in depth understanding of individuals.

With regard to this research, semistructured interviews took place with four different respondents. The researcher made use of this data collection method by having a two-way conversation with respondents, one at a time, with the intention of exploring the respondent's views and beliefs of green advertising and its influence on brand loyalty in the FMCG market. The main focus was on the respondents' own perceptions and open-ended questions were asked (Maree, 2016). However, the researcher was attentive to other lines of inquiry that could be further explored, leading to more, relevant information. The researcher also became aware of possible deviation from the focus of the interview. When this happened, the researcher directed the respondent back with appropriate questions and direction (ibid).

Walter (2011) describes in depth interviews as having a process to its practices and outlines specific phases for conducting such interviews. The researcher used these phases as a general guide. Each interview was started with a preparatory period consisting of general conversing in order to build a relationship with the respondent (Walter, 2011). Thereafter, the researcher explained what the interview entailed and what the focus was on. Once again, the respondent's confidentiality was assured. The researcher then started the interview by explaining the purpose of the research, in this case, identifying whether green advertising has an influence on brand loyalty in the FMCG market, and explaining who the researcher is (ibid). The researcher aimed to gain rapport and trust with the respondents to ensure a relaxed, open minded interview.

Prior to the interviews, the researcher compiled an interview schedule comprising of 11 questions, seen in appendix 1. Each question on the schedule was of relevance and aided in gaining an in-depth understanding of the respondents' beliefs about the influence green advertising has on brand loyalty. This acted as a guide for the researcher during the interview and each question was addressed by the researcher and respondent. The researcher's prior knowledge on the research topic aided in compiling the questions (Walter, 2011). This knowledge was gained through the review of previous research seen in section 2.4.

With consent, the researcher held such interviews at the home of the respondents so that the researcher could see what fast moving consumer goods the respondents had in their homes. The researcher also took an audio recording of the entire interview with the appropriate consent from the respondents. In addition to the audio recordings, the researcher employed good listening skills throughout the interview and payed special attention to the respondents' body language (Walter, 2011). Through this, the researcher was able to generate probing questions based on the respondent's feelings and attitude. These probes lead to a greater depth when understanding respondents (ibid).

With the appropriate consent received, the audio recording was highly beneficial to the researcher. Directly after each interview, the researcher listened to the recordings and thereafter created a transcript. This was done to ensure that the researcher gathered the appropriate information and gained the relevant understanding. In addition to the recordings, a journal was kept noting every step taken and decision made throughout the entire process.

3.7 Data Analysis Method

After the interviews had been conducted, the researcher listened to the audio recordings, which were taken during the interview sessions, and scribe out what was said by each respondent. Thereafter, the researcher made use of line-by-line coding and read the transcripts and analysed them word for word, as well as highlighted important words and phrases (Maree, 2017). Main themes in the transcript were identified and the most relevant themes were analysed. The themes which were used are those used in the literature review, namely; environmental sustainability and green products, educating consumers, brand trust and loyalty, and willingness to pay. The researcher made use of spider diagrams for the various themes and use key words to group ideas together. After doing so, the researcher wrote a summary of the relevant information gained during these interviews. From this, the researcher was be able to put together detailed findings.

Line-by-line coding is a very detailed method of analysis which can ensure that the researcher views every word which has been said by the respondents (Maree, 2017). The researcher was able to analyse the responses thoroughly through the use of this coding method and was able to gain useful insights relating to the previously stated research objectives (ibid). These insights included information regarding the influence that green advertising has on brand loyalty, specifically in the FMCGs market, and how this could build brand equity. By engaging with respondents, information concerning consumer feelings toward and awareness of green advertising was gained, as well as the extent to which consumers are aware of a brand's green practices. This form of data analysis is the most appropriate way of analysing qualitative data, however, it can be time consuming (ibid).

3.8 Trustworthiness

Due to the qualitative nature of this research, trustworthiness needs to be considered and validity and reliability can be disregarded. Trustworthiness refers to the overarching term used to measure reliability and validity in qualitative data using a set of different elements (Du Plooy-Cilliers *et al*, 2016). There are four elements which make up trustworthiness, namely; credibility, transferability, dependability and confirmability (ibid).

Credibility refers to how accurate the research's findings are and how confident the researcher is about these findings (Maree, 2016). The researcher can increase the credibility of this research by spending more time with respondents. The researcher was ensured credibility by spending ample time with each respondent, ensuring they fully understood each question asked and recorded each answer received. The researcher also employed good listening skills to ensure each answer was understood on the researchers part (Walter, 2011). In addition to the good listening skills, the researcher kept close attention to the respondents body language, thus reflecting their feelings and attitudes to different questions (ibid).

Transferability, unlike generalisability, allows viewers of the research to make connections between elements of the study and their own experiences (Maree, 2017). It allows for other researchers to transfer the findings to their study (Maree, 2017). The researcher ensured transferability by fully contextualising the research to allow readers to transfer the findings into their own setting.

Dependability can be achieved through the use of an inquiry audit, which is done to ensure that if the study was carried out again, similar results would be obtained (ibid). The researcher also carried out a pilot test to ensure coherency in the interviews and a journal, containing notes through each step in the research, was kept throughout the process. The data analysis process was documented in the journal to ensure that others can view the decisions the researcher has made, as well as how the findings were constructed (ibid).

Confirmability is achieved when the researcher accurately portrays the sample in the findings with no evidence of researcher bias (Du Plooy-Cilliers *et al*, 2016). Once achieved, confirmability can ensure that when another researcher may look at the data and come to similar conclusions. The researcher made use of an audit trail in order to enhance the study's confirmability and ensure transparency. The researcher also excluded any personal bias to ensure a confirmable result.

3.9 Ethical Considerations

Ethics are vital in conducting research as they may affect those who are impacted or impact the study (Maree, 2017). The researcher should be mindful of ethical issues, as it will minimise the harmful effects which may be caused by the study (ibid). The researcher interviewed respondents with their consent (appendix 2), and did not interview any minors, mentally ill or people in captivity. No experiments were conducted on the respondents. Prior to the research, an ethical consent form was sent to the institute's ethics committee (see appendix 3).

This study was not held in anyone's home without permission of the resident and audio recordings will took place only if consent was given. All data was stored under secure lock and key and computers were password protected. The respondents' identity have been kept confidential. The researcher has also refrained from inserting any researcher bias. The study had no negative effects on the respondents as the research topic in not psychologically taxing on any individuals.

3.10 Limitations

Limitations are constraints in research which are out of the researcher's control (Du Plooy-Cilliers *et al*, 2016). It is important for the researcher to identify these limitations in order to increase the trustworthiness and credibility of the research (ibid).

The first limitation which the researcher will encounter is that this research is only qualitative in nature. Due to this, this research will only be merely understanding the influences of green advertising, rather than drawing anything from it.

Secondly, the focus of this research is on green advertising as opposed to other forms of advertising. This research will thus only be beneficial when studying green advertising.

Another limitation which can come about when conducting in depth interviews is that it only assesses the experiences of a small sample of people (Walter, 2011). This is a limitation in this research as only four respondents were interviewed. Thus this research could give only a shallow insight into the phenomenon.

Because of the flexibility of in depth interviews and the conversation-like communication used in the interviews, researcher bias is likely (ibid). Researcher bias could occur without the researcher even knowing it, by making use of the social desirability effect. This refers to presenting themselves in a good light and concealing controversial information (ibid).

Finally, this research has only considered certain demographics which could prove to be a limitation. This study is only considering those who live in the Durban North area and fall within the 7-10 LSM group. Therefore, the data received from the respondents could be skewed.

3.11 Summary

This chapter clearly outlined the research design and approach used by the researcher. Qualitative research was the selected approach as it allowed the researcher to gain an in-depth understanding of consumers and their feelings toward green advertising. Target population, sample size and data collection and analysis methods were discussed. Ethical considerations were discussed to ensure that the researcher conducted the research ethically.

4 Chapter Four: Findings And Discussion

4.1 Introduction

Chapter four contains the presentation and discussion of the research findings which was derived from the data collected during the in-depth interviews. The finding have been discussed in four themes which emerged from the data analysis. These findings have been presented in a word cloud format for each theme. It should be noted that this was a small-scale study of a qualitative nature and thus has not been generalised.

4.2 Presentation And Discussion Of Findings

The researcher conducted five interview sessions with a total sample of five individuals. Each of these sessions were conducted in the respondents homes, with their permission. The distributed "explanatory information sheet" and consent forms can be found in Addendum 2. The following provides a summary and discussion of each main theme which emerged from responses given throughout the interview schedule, as well as a critical evaluation of the findings in the broader context of the research. Four main themes have been identified, which correspond with the literature review. The findings of each theme have been presented in a word cloud, including key words and phrases highlighted during the data analysis.

4.2.1 Environmental Sustainability And Green Products

The first theme which the researcher identified is environmental sustainability and green products. This was discussed previously in the literature review and involved literature speaking to the purchasing of environmentally friendly products and the consumer trend toward purchasing green. These products, which are environmentally friendly, are a result of cleaner manufacturing processes (D'Souza & Taghian, 2005), alternative technology or implementing green principles (Grant, 2008).

When thinking of environmental sustainability, respondents identified that this involved the entire manufacturing process a company goes through to create a product. The respondents identified that sourcing supplies ethically and using correct waste disposal was all a part of a brand being green. Each respondent took some form of green initiative in their daily lives, with the most popular green practice being recycling. Through research conducted by Nidumolu, Prahalad and Rangaswami (2009), it was evident that a large number of consumers prefer to purchase environmentally friendly goods, thus creating a competitive advantage for those green brands. However, respondents of this current research, expressed that they found it difficult to purchase green products and were unsure of which products were actually green and which were not. There was a mutual feeling of under-communication about eco-friendly or green products. Many respondents ideated that supermarkets should have a dedicated green product section in order to increase the ease of shopping for consumers.

Respondents expressed that if there were to be some form of green advertising, that this would definitely influence their purchase decisions positively. This contradicted Hartmann and Ibanez's (2006) statement about green persuasive efforts having a very limited effect. Respondents added by saying that they would, at the very least, give the green product a try. Respondents spoke about how they feel better about themselves and their purchase decisions when buying green products and that they thought it was better for their own consumption as well.

A challenge for marketers of green products is to build a corporate reputation of environmental responsibility and thus gain awareness around their green practices (Abdelzaher & Newburry, 2016). When asked about their awareness level of green FMCG brands, respondents struggled to mention a brand name straight away. However, with consideration, the respondents spoke about Woolworths and the green practices which they employ. The respondents perceived Woolworths to be a green brand and expressed that when shopping there for FMCGs, they felt that they were purchasing ethically. D'Souza and Taghian (2005) stated that in the eyes of consumers, it is a requirement for companies to be environmentally sustainable and responsible. The respondents confirmed this by stating that they feel that it is definitely a requirement for each brand to employ some form of green practice. Respondents expressed that each brand should look for the greenest way to do things at each stage of the manufacturing process. The respondents also added that a brand should do so because they are a meaningful brand who truly want to be sustainable and not just to look good in the eyes of consumers. Respondents stated that they would appreciate alternatives to harmful products. The respondents used the example of disposable nappies and spoke about how they take years to biodegrade. They explained that an alternative to disposable nappies from a brand such as Huggies, would be a real breakthrough in green practices.

4.2.2 Educating Consumers

The second theme which has been identified during the data analysis is education consumers. The primary goal of green advertising is to inform consumers of the benefits of purchasing green products, as well as bring awareness to the availability of such products (Kim & Yoon, 2017). The previously discussed literature review analysed and synthesised various literary works which spoke about the education of consumers. The researcher found that respondents spoke about educating consumers, not only about green products but about green practices which they could employ at home.

Ferguson *et al* (2017) state that by using eco-labels, consumer engagement and understanding is heightened with regard to environmental concerns and therefore influences consumer purchase decisions. The researcher found that the respondents added to this by stating that they were not that aware of green FMCG goods, however they are learning as they actively seek out information in order to educate themselves. The respondents stated that if they were conveniently informed and educated, they would purchase the green product. In order to stimulate actual green purchase actions, firms need to educate consumers about the firm's green initiatives and its benefits (Sony *et al*, 2015). Respondents also expressed that through advertising done by non-profit organisations, they have been educated about items that are harmful to the environment, such as straws and chewing gum. The respondents however, also mentioned that when purchasing some products, they found it difficult to switch from their usual brand to a greener brand as they did not know what to expect. The Havas Group (2017), speaks about the importance of good content and how a brand needs to understand what matters to the consumer and what they expect from a green product.

To be more effective, firms need to intensify their communication efforts regarding their green products (Lu *et al*, 2013), as respondents stated that they found it difficult to find eco-friendly products. Respondents made it clear that when shopping for FMCGs, they were almost completely unaware of eco-friendly products. The researcher did find that the respondents spoke to their respective reference groups about environmentally friendly practices and green products. This reinforces what Ferguson, Hair, Silva and Mollah (2017) stated about reference group norms that motivated consumers to engage with sustainable products. The respondents also spoke about educating others when they speak about green practices with their friends. They also mentioned that larger brands should be educating the masses in South Africa, not only about green products, but about easy ways to be environmentally friendly in their own homes. It was found that a higher level of education brought about a higher level of environmental consciousness (Lu *et al*, 2013).

4.2.3 Brand Trust And Loyalty

The third theme which emerged during data analysis was brand trust and loyalty. Although educating consumers about green products and their benefits are important, consumers have become increasingly sceptical about their credibility (Kim *et al*, 2016). The researcher identified that when it came to the perceptions of the greenness of FMCG brands, the respondents had more negative things to say about them than positive things. From this, the researcher then identified that respondents took notice of negative news rather than positive news more often.

The respondents expressed that they were not sure if there were even FMCG brands which were actually green. They also spoke about how they felt like they were being lied to when exposed to green advertising. Tih *et* al (2016) uses the term 'attitude-behaviour gap' when scepticism is evident. D'Souza and Taghian (2005) state that when credibility is low, it could lead to changes in brand attitude and this could lead to a potential loss in sales. The researcher identified that if their scepticism was confirmed, the respondents were more than happy to stop supporting that brand and urge others to do the same. Research conducted by the Cone Convention confirms this by finding that the majority of consumers were willing to boycott a brand who made fraudulent green claims (Ulusoy & Barretta, 2016).

The respondents identified Uniliever as an FMCG brand that employed green practices. However, the respondents expressed that this was contradictory as their products were still tested on animals and contained palm oil that was unethically sourced. Chen and Leu (2011) found that scepticism of green claims had a negative effect on brand attitude and thus purchase intention. The respondents said that brands should employ green practices because they wanted to do good, not to make money off of an environmental issue by charging much more for their products. The respondents expressed that they did not want to pay for a brand to be green and that a brand should be green at their own expense. Even if the initiatives are absolutely genuine, people do not like it when firms capitalise off of environmental problems (Grant, 2008). Kumar (2017) suggests that advertisements need to exhibit proofs of the said environmental behaviour. The respondents reinforced this by saying that they want to see campaigns that show the results after employing green practices.

4.2.4 Willingness To Pay

The fourth and last theme which emerged from the research conducted, was willingness to pay. The researcher identified this as a smaller but crucial theme in the research. Lin *et al* (2017) claims that green brand image plays an important role in the decision to pay a higher price, this involves green trust, satisfaction and brand equity. The respondents stated that they were willing to pay more for a product that was environmentally friendly.

Consumers are often willing to pay a premium price for green products that they feel passionate about (Barber *et al*, 2012). All of the respondents try to be as environmentally sustainable as they can in their daily lives, and this involves trying to purchase green products. The respondents stated that they feel good about themselves when they purchase green products. Barber *et al* (2012) also expressed that this is good news for those firms wanting to integrate green practices and policies into their business practices and attract environmentally conscious consumers. The respondents expressed that if they perceive a brand as trustworthy, they will buy their products.

Lin *et al* (2017) explained that consumers are willing to incur the high costs to gain social approval. Ferguson *et al* (2017) added that reference groups influence green purchase behaviour and increases environmental consciousness. The respondents confirmed this by stating that they often speak about green practices and eco-friendly products with friends. The respondents also stated that they try to do what their friends and family are doing, as well as what is on social media. The respondents further stated that they are willing to pay more for a green product that is justifiable and from a brand that is trust worthy. Kim and Yoon (2017) stated that the greater the perceived benefit, the greater the will to purchase these higher priced, green products. However, the respondents stated that they were not willing to pay “ridiculous” amounts of money for a green product. All of the respondents stated that the price of a green product must be relative and justifiable.

4.3 Summary

In this chapter, the researcher has identified and discussed the four main themes which had emerged from the in-depth interviews. The first theme discussed environmental sustainability and green products. It was found that respondents tried to be eco-friendly in their daily lives, however they found it difficult to become aware of and purchase green products. The second theme discussed educating consumers. It can be concluded that the respondents were very environmentally conscious yet lacked education when it came to purchasing green. The third theme discussed brand trust and loyalty. Findings showed that respondents had a level of scepticism toward green advertising and favoured brands that are transparent. The fourth and final theme which was reviewed, discussed consumers’ willingness to pay. It was found that the respondents were willing to pay more for a green product, however the higher price had to be justifiable.

5 Chapter Five: Conclusions And Recommendations

5.1 Introduction

The fifth and final chapter contains conclusions and recommendations derived from the findings. Each objective has been addressed and appropriate conclusions have been drawn from the findings. Following each objective's address, recommendations for brands regarding green advertising, have been made. Suggestions for further research have been made and a final concluding remark ends the dissertation.

5.2 Research Questions And Objectives Addressed

5.2.1 Objective One

To describe the influence green advertising has on brand loyalty in the FMCGs market.

Findings from research

Results indicated that green advertising did play a role in brand loyalty in the FMCGs market. It was evident that if a brand who was claiming to be green was found to be conducting harmful actions toward the environment, consumers would be quick to boycott that brand. It was also found that consumers would influence their friends to boycott that same brand.

The researcher also found that consumers were willing to try green products and if they worked for the consumer, they would become loyal to that brand. The respondents expressed that once they were loyal to a brand, it would take a lot to break that loyalty. The researcher also identified that brand trust had a large role in creating green brand loyalty. Many consumers have an increasing level of scepticism when it comes to green advertising, therefore effecting brand loyalty.

Conclusions

In conclusion, green advertising does have an influence on brand loyalty if the consumer perceives the advertising to be truthful. A common theme which emerged from the research was that respondents doubted the green advertising which they were exposed to. Respondents acted more favorably when they had trust in the brand about their green practices.

Recommendations

Even though this is a small-scale study, it can be recommended that brands communicate their green practices with the utmost transparency. A brand should always be truthful in each of their advertising campaigns in order to gain the trust of consumers and build lasting relationships.

5.2.2 Objective Two

To understand if consumers are aware of the full extent to which a firm is green.

Findings from research

It was found that respondents had a lack of awareness when it came to green FMCG brands. The respondents were unable to name FMCG brands which conducted green practices and admitted that they were unaware to the full extent to which a firm is green. However, after some time, respondents recalled seeing products which were eco-friendly.

Results showed that respondents were, to some extent, environmentally friendly in their daily lives. However, when shopping for FMCGs, they were unable to identify products that were eco-friendly and expressed their lack of awareness. The respondents also stated that when a negative remark was made about a brand, they conducted further research to confirm their suspicion. Furthermore, when green advertising occurred, the respondents did not conduct research to find out if it was in fact truthful but did have a level of scepticism.

Conclusion

It can be concluded that a majority consumers do know the full extent to which a firm is green, however, they do have their suspicions. A common theme which was exposed during the research conducted, was that respondents did not confirm whether a brand was in fact green until there was a negative allegation against them.

Consumers also conducted research about green practices which they could employ in their day-to-day lives rather than whether a brand is green or not.

Recommendations

This is a small scale study, however, it can be recommended that brands conveniently educate consumers about the brand's green practices through green advertising and the use of eco-labels. Furthermore, brands should issue an immediate response when issues occur concerning the brand's environmental practices.

5.2.3 Objective Three

To determine consumers' feelings toward the use of green advertising.

Findings from research

It was evident that consumers favored brands which were eco-friendly or employed green practices. The respondents stated that if they were to be exposed to green advertising, it would positively influence their purchase decisions. Respondents also expressed that advertising an eco-friendly product would increase their willingness to pay more. However, respondents explained that when purchasing green products, they were not willing to pay double the price of a regular product and said that the extra money spent should be justifiable.

Furthermore, results showed that consumers felt that each and every brand should employ some form of green practice and should look after the environment around them. The respondents expressed that they enjoyed seeing the results of a brand's green practices through advertising.

Conclusion

It can be concluded that consumers have a positive feeling towards green advertising and favour those brands which are transparent about their green efforts. Although consumers feel positively about this, they do have some level of scepticism and want brands to be truthful with their advertising.

Recommendations

It can be recommended that every brand conduct some form of green practice or produce an eco-friendly product. Moreover, when a brand advertises about a green product or green practice, they must be completely transparent about their actions. It can also be recommended that brands educate consumers about green products, as well as green practices which they can employ in their daily lives.

5.2.4 Objective Four

To describe how green advertising could be used to build brand equity.

Findings from research

Using Aaker's Brand Equity Model (1991), the researcher evaluated green brands with regard to four elements, namely; brand awareness, brand loyalty, brand associations and perceived quality.

The researcher discovered that there was a lack of awareness when it came to green brands in the FMCG market. The respondents expressed that they wanted to purchase green products but found it difficult to become aware of such products. It can be concluded that green products exist in the mind of consumers during the purchasing process. Respondents stated that they would purchase a green product over a regular product if they were exposed to green advertising and aware of eco-friendly products.

The researcher found that consumers were loyal to brands which produced eco-friendly products or utilised green practices. Respondents stated that if they used a product which was green and which they liked or enjoyed using, they would remain brand loyal. The respondents also expressed that if they were to find out that a brand was conducting activities which were harmful to the environment, they would boycott that brand. Therefore, it can be concluded that consumers will remain brand loyal to a brand that is green, however, if they suspect that the brand is conducting harmful activity, they would no longer be loyal.

The research was able to gain insight into how consumers felt about brands engaging in green practices and their brand associations of such. The respondents felt that every brand in the market should be conducting green practices and looking after the environment. Respondents also stated that it was nice to see brands doing something good for the planet. Therefore, it can be concluded that consumers have positive brand associations of green brands or brands which produce eco-friendly goods.

The last element of Aaker's Brand Equity Model is perceived quality. The researcher was able to identify what a green brand or product's perceived quality is in the eyes of consumers. The respondents explained that a product being green was a distinct differentiator in the purchasing decision and that they would almost always choose a green product over one that is not. It can be concluded that perceived quality of a green product or brand plays a major role in the consumer decision making process. Aaker (1991) states that as a product becomes more complex, such as an environmentally friendly product, price becomes a quality indicator. The researcher identified that the respondents would pay a premium for a product which was eco-friendly, however, it had to be justifiable.

Conclusions

It can be concluded that green advertising can increase brand equity, as green advertising increases each of the four elements which make up brand equity. Therefore, by increasing each of these components, they will add value to the brand by enhancing its efficiency and the effectiveness of its marketing strategies. By doing so, the brand will achieve a competitive advantage, especially during the current trend to save the planet (Kim & Chung, 2011) and increase brand loyalty among consumers. The final result will be that value is added to the customer, the brand and the environment.

Recommendations

It can be reccomended that all brands that employ some form of green practice or produce eco-friendly products should make use of green advertising. Furthermore, each piece of green advertising should be completely truthful and made based on consumer insight. Green advertising can be used to build brand equity and therefore should be utilised by brands.

5.3 Suggestions For Further Research

The research which was conducted focused on green advertising and its effects on brand loyalty. This was a small-scale study over a short period of time. There are many different aspects of green advertising which can be utilised by brands and thus further research could focus more narrowly on the various aspects. It can also be suggested that brands conduct further research on how green would resonate with their particular target market.

A further suggestion would be that brands conduct research of a longitudinal nature. Due to the small scale if this study, the long-term effects are not known. The researcher could interview respondents about the topic, then present the respondents with various stimuli and conduct the same interview again.

It can be strongly recommended that brands conduct extensive research into green practices and environmental sustainability and how these could potentially increase brand equity. Such practices could add value to both the brand and their customers.

5.4 Concluding Remarks

Consumers have become increasingly aware of the destruction of the natural environment and have thus begun to demand that corporations engage in strategies to try to conserve the environment (Kim & Chung, 2011). This demand has led to more green products as businesses have identified a gap in the market (Hassan & Valenzuela, 2016). Therefore, this research aimed to answer the question; what influence does green advertising have on brand loyalty, specifically in the FMCG market, in Durban North? The researcher employed a qualitative research design and utilised in-depth interviews in order to achieve the research objectives.

The findings showed that consumers tried to be eco-friendly in their daily lives, however they found it difficult to become aware of and purchase green products. It can be concluded that consumers lacked education when purchasing green products. Furthermore, the findings showed that consumers may have a level of scepticism toward green advertising and favoured brands that are transparent in their communications. Results also revealed that consumers were willing to pay more for a green product, however the higher price had to be justifiable. It can be concluded that green advertising does influence brand loyalty positively, provided that the brand is transparent in their communications.

The author has sincerely enjoyed completing this dissertation and has learnt an extensive amount about green advertising, as well as research methodology. Furthermore, the author has received unforeseen results, however was still happy with the outcome. Though the research is of a small-scale and cannot be generalised, the findings and insights provided could educate brands on the importance of green practices and utilising truthful green advertising methods.

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Addendum A: Interview Schedules

1. How environmentally friendly are you in your daily life? Please elaborate. (Do you have recycling bins, energy saving light bulbs, save water?)

2. What do you understand by environmental conservation and green practices?

3. How did your awareness/green consciousness develop and when? (With regard to FMCG brands)

4. When doing your grocery (everyday items) shopping, how aware are you of products that are eco-friendly or green? Tell me more about this level of awareness.

5. How do you become aware of these eco-friendly products?

6. How does the advertising of green products influence your purchase behaviour?

7. To what extent would you say that ‘a brand being green’ effects your loyalty to a brand?

8. Would you purchase a product that is green over a product that is not? How come?

9. At what price differential would you buy a green product over an ordinary product? Please elaborate.

10. How aware are you of the extent to which FMCG brands are green?

11. Do you feel every brand should engage in some form of environmentally friendly practice? Why do you say this?

Addendum B: Explanatory Information Sheet And Consent Form

To whom it may concern, my name is Demi Fenton and I am a student at Vega School of Brand Leadership I am currently conducting research under the supervision of Mary Robinson about the influence green advertising has on brand loyalty. I hope that this research will enhance our understanding of educating brands in the field of green advertising as a marketing strategy.

I would like to invite you to participate in my study. In order to explain to you what your participation in my study will involve, I have formulated questions that I will try to fully answer so that you can make an informed decision about whether or not to participate. If you have any additional questions that you feel are not addressed or explained in this information sheet, please do not hesitate to ask me for more information. Once you have read and understood all the information contained in this sheet and are willing to participate, please complete and sign the consent form below.

What will I be doing if I participate in your study?

I would like to ask you a few questions about your experience with green advertising during an in-depth interview. If you decide to participate, you can choose to withdraw at any time or to decide not to answer particular interview questions.

Are there any risks/ or discomforts involved in participating in this study?

There are no direct risks or benefits to you if you participate in this study. You might, however, indirectly find that it is helpful to talk about your experiences when viewing green advertising. If you find at any stage that you are not comfortable with the line of questioning, you may withdraw or refrain from participating.

Do I have to participate in the study?

- Your inclusion in this study is completely voluntary;
- If you do not wish to participate in this study, you have every right not to do so;

- Even if you agree to participate in this study, you may withdraw at any time without having to provide an explanation for your decision.

Will my identity be protected?

I promise to protect your identity. I will not use your name in any research summaries to come out of this research and I will also make sure that any other details are disguised so that nobody will be able to identify you. I would like to ask your permission to record the interviews, but only my supervisor, I and possibly a professional transcriber (who will sign a confidentiality agreement) will have access to these recordings. Nobody else, including anybody at Vega School of Brand Leadership will have access to your interview information. I would like to use quotes when I discuss the findings of the research, but I will not use any recognisable information in these quotes that can be linked to you.

What will happen to the information that participants provide?

Once I have finished all interviews, I will write summaries to be included in my research report, which is a requirement to complete my BA Honours in Strategic Brand Communication. You may ask me to send you a summary of the research if you are interested in the final outcome of the study.

What happens if I have more questions about the study?

Please feel free to contact me or my supervisor should you have any questions or concerns about this research, or if there is anything you need to know before you decide whether or not to participate. You should not agree to participate unless you are completely comfortable with the procedures followed.

My contact details are as follows:
Demi Fenton
073 883 3348
demtyne@gmail.com

The contact details of my supervisor are as follows:

Mary Robinson

083 375 3922

mrobinson@vegaschool.com

CONSENT FORM FOR PARTICIPANTS

I, ____, agree to participate in the research conducted by Demi Fenton about the influence green advertising has on brand loyalty.

This research has been explained to me and I understand what participation in this research will involve.

I understand that:

1. I agree to be interviewed for this research.
2. My confidentiality will be ensured.
3. My name and personal details will be kept private.
4. My participation in this research is voluntary and I have the right to withdraw from the research at any time. There will be no repercussions should I choose to withdraw from the research.
5. I may choose not to answer any of the questions that are asked during the research interview.
6. I may be quoted directly when the research is published, but my identity will be protected.
7. I may allow audio recordings of the interview process.

________________________ ________________________

Signature Date

Addendum C: Ethical Clearance Letter

THE INDEPENDENT INSTITUTE OF EDUCATION

1 August 2018

Student name: Demi Fenton
Student number: 15000994
Campus: Vega School Durban North

Re: Approval of Honours in Strategic Brand Communication Proposal and Ethics Clearance

Your research proposal and the ethical implications of your proposed research topic were reviewed by your supervisor and the campus research panel, a subcommittee of The Independent Institute of Education's Research and Postgraduate Studies Committee.

- Your research proposal posed no significant ethical concerns and we hereby provide you with ethical clearance to proceed with your data collection.

- There may be some aspects that you still need to address in your proposal. If this is the case, feedback will be provided to you in writing. You will need to address these aspects in consultation with your supervisor.

In the event of you deciding to change your research topic or methodology in any way, kindly consult your supervisor to ensure that all ethical considerations are adhered to and pose no risk to any participant or party involved. A revised ethical clearance letter will be issued in such instances.

We wish you all the best with your research!

Yours sincerely,

M Robinson
Supervisor

A Bozas
Co-ordinator

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