

Effect of Cause-Related Marketing in the Chinese Market: Moderating Effects of Product Type and Regional Characteristics*

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Although companies perform societal marketing activities across different cultural regions, previous research was predominantly centered on a specific cultural region—the West. To address this limitation in the literature, the current research examines societal marketing in the Chinese market considering cultural characteristics. China has become the largest market in the world with great potential growth for its vast consumer base. Since there is heterogeneity among regions in China, it is imperative to divide China into several markets for better understanding. Thus, this study investigates different responses of Chinese regional (coastal vs. inland) consumers toward Cause-related Marketing (CM). Our findings reveal that Chinese consumers, in general, prefer utilitarian CM products compared to hedonic CM products, which is the opposite result of findings of the previous research. Further, this was truer for consumers in inland regions, while coastal consumers did not display any preference by product type. The academic and practical implications, limitations, and directions for future research are discussed.

Keywords: Societal Marketing, Cause-related Marketing, Chinese Market, Confucianism, Regional Heterogeneity, Guilt, Product Type

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I. Introduction

A worldwide consumer survey found that 66% of respondents are willing to pay premium prices for brands of firms concerned with social well-being (Nielsen Report, 2015). Therefore, many firms actively engage in various societal marketing activities. As one of the activities, Cause-related Marketing (CM) is defined as “the process of formulating and implementing marketing activities characterized by an offer from a firm to contribute a specified amount to a designated cause when customers engage in revenue-providing exchanges that satisfy organizational and individual objectives” (Varadarajan & Menon, 1988, p.60). CM positively influences consumer attitudes toward a firm and its products (Pracejus & Olsen, 2004; Henderson & Arora, 2010), which leads to increased consumer purchase intention and willingness to pay more for the firm’s brands (Strahilevitz, 1999; Winterich & Barone, 2011). There is increasing attention and growth of CM worldwide in both developed and developing countries (Adkins, 2008; Wymer & Samu, 2009). Since many firms practice CM in markets that differ both economically and culturally, it is crucial for them to also understand how consumer attitudes and responses differ among various markets, before investing on this activity. CM expenditures can be very high; indeed, they were predicted to reach 2.06 billion U.S. dollars

by 2018.

CM encompasses various ethical aspects. Individuals apply various standards based on their society and culture, which includes ethical judgments. Cultural surroundings influence ethics (Bartels, 1967; Hunt & Vitell, 1986), and therefore, judgments and attitudes regarding ethics vary in different cultures (Ferrell, Gresham, & Fraedrich, 1989; Swaidan, 2012). Kim and Johnson (2013) compared the effect of moral emotions on purchase intention for CM products between U.S. and Korean consumers. They found that egoistic moral emotions have a greater influence on product purchase intention of U.S. consumers than Korean consumers. Lavack and Kropp (2003) conducted surveys in Canada, Australia, Norway, and Korea, which analyzed the relationship between enduring beliefs and consumer attitudes to CM. They concluded that such beliefs are related to altruistic behavior, which influences attitudes toward CM. These results imply that cultural characteristics correlate with consumer’s decisions concerning moral behaviors. Most previous studies have noted the differences between Western-Eastern contexts and have been based on the individualism-collectivism theory (Yuan, Song, & Kim, 2011; Ralston et al., 2008). Many research fields have adopted a cross-cultural perspective, but little research has been conducted within a multi-cultural in single country.

Subcultural characteristics related to geography and development level are important forces in

shaping consumer behavior (Child & Stewart, 1997; Nicholls, Mandokovic, Roslow, & Kranendonk, 2000; Zhou, Arnold, Pereira, & Yu, 2010). It is important to consider regional differences within a country like China. Therefore, this study examines the response of Chinese consumers considering the potential and development of CM. China is composed of various regions that have different economic, cultural, and social backgrounds (Yeung & Hu, 1992; Cui & Liu, 2000; Xue, 2005). Zhou et al. (2010) compared shopping styles between coastal and inland regions in China through a review of previous studies. They found that coastal consumers place greater emphasis on fashion, brand, and uniqueness than inland consumers who tend to be conservative and pragmatic. They argue these differences are attributed to the degree of industrialization and westernization. Nicholls et al. (2000) demonstrated that consumers in developed regions have more hedonic consumption opportunity and tendency compared with developing regions. Sun and Collins (2005) found that the level of internalization of western and Confucian values between coastal and inland regions is different. This has led to consumers in the coastal region (Guangzhou) consuming fruit for themselves, for example, while those in the inland region (Urumqi) purchase fruit for others. Because China has become the largest market in the world and has great potential growth as a vast consumer market, it is vital to understand the Chinese market considering these different

characteristics among regions. This research explores whether consumer responses are different between regions in China, and how responses differ. Specifically, this study compares consumer responses to CM between inland and coastal regions of China.

The remainder of this study is arranged as follows: The next section provides the literature review of societal marketing and regional differences in China, and the conflicting results of the effect of product type in consumers' response toward CM. Next, hypotheses are presented and followed by research methods. Then results and discussion were provided. Finally, this study concludes and provides implications and limitations for future research.

II. Theoretical background

2.1 Societal marketing activities in China

Societal marketing activities are becoming an increasingly important source of competitive advantage of firms (Seo, Song, & Yu, 2019; Seo, Song, & Yang, 2018; Yang, Seo, & Song, 2016; Seo & Song, 2015). This also true of China, which has become the largest market in the world based on its growth potential and vast consumer base (Song, 2016). As the consumption culture has matured and the number of multinational firms has increased,

Chinese consumers have become interested in consumption that realizes social values beyond the simple purchase of goods and services. KRC research found that 83% of young consumers in China are willing to buy products from firms which do “good things” for society (Faith Brewitt, 2013). Therefore, many firms are increasing investment in societal marketing activities in order to attract Chinese consumers (see Table 1). CM is becoming prominent in China. By conducting CM, firms can enhance sales and reputation (Strahilevitz, 1999; Pracejus & Olsen, 2004; Winterich & Barone, 2011).

However, many firms have difficulty in establishing effective marketing strategies. It is hard to find adequate guidelines for the Chinese context because existing strategies are West-oriented (Hou et al., 2008; Tang & Li, 2009). Although companies are performing societal marketing activities in almost every market, previous research was mostly conducted in the West. It is essential to establish effective

marketing strategies in target markets (like China) by understanding the culture of the regions.

China has many unique characteristics, including Confucianism as a traditional ideology (Yuan, Kim, Song, & Lee, 2018). Confucian values guide people in seeking harmonious relationships with others and following social rules or structures (Chinese Culture Connection, 1987). Although the importance and influence of Confucianism has reduced, it continues to affect Chinese consumers strongly as the dominant philosophy (Zhang et al., 2005). Following Confucian values, the Yili Group, a Chinese company with a high market share in the dairy industry, has continuously assumed corporate social responsibility (CSR). Their activity and management philosophy are also based on Confucian values including righteousness, faithfulness, and thrift. Capitaland, a real estate firm, conducted a successful advertising campaign in 2010, also focusing on five Confucian values. Furthermore, the impact

<Table 1> Examples of CM in China

Company name	Year	Donation amount (or item)	Donation condition	Cause
Nongfu Spring	2002	1 cent	when each bottle of water is sold	support sports activity
P&G China	2003	Some of sales revenue	when each transaction occurs	build primary schools and libraries in rural Chinese areas
China Merchants Bank	2007	1 RMB	when consumers use their credit card	support sports activity in rural Chinese areas
361°	2013	A pair of shoes	when consumers purchase one pair of 361° brand sports shoes	support people who cannot afford shoes in Chinese rural areas

of Confucian philosophy on societal marketing was revealed in academic research. Sun, Garrett, and Kim (2016) argue that Confucian values influence sustainable marketing in China. The key concepts of Confucianism—benevolence, righteousness, propriety, wisdom, and trustworthiness are connected to sustainability (Deng, 2009; Li, 2010; Sun et al., 2016). Therefore, this study explores Chinese consumers' responses toward CM with the consideration of Confucianism.

2.2 The impact of product type

Products can be classified into hedonic and utilitarian types. Generally, frivolous or hedonic products are purchased for fun and pleasure; on the contrary, practical or utilitarian products are purchased for fulfillment of functional goals and solving problems (Holbrook & Hirschman, 1982). People instinctively seek pleasure, but simultaneously feel guilty and need to justify the guilt (Hirschman & Holbrook, 1982). Hedonic consumption causes guilt, and consumers then seek to justify or rationalize the purchase (Kivetz, 1999). Okada (2005) presented the justification theory that consumer decision making is contingent on overcoming the guilty feeling when hedonic value is confronted with practical value. He argued that hedonic consumption or choice is fueled with the option of moral justification. Thus, one way of reducing the guilt is to justify consumption through good behavior. Benevolent or moral value from altruistic behavior offsets

the guilt resulting from hedonic product purchase or consumption (Kivetz & Simonson, 2002; Khan & Dhar, 2006; Mishra & Mishra, 2011). Therefore, product type has been regarded as a main variable in the CM-related literature (Burnett & Lunsford, 1994; Seo & Song, 2019a).

Most research draws conclusions that consumers respond more positively to hedonic CM products than utilitarian CM products (Strahilevitz & Myers, 1998; Burnett & Lunsford, 1994; Winterich & Barone, 2011; Seo & Song, 2019b). Drawing on the justification theory, the effect of CM is likely to be greater when applied to hedonic products than to utilitarian products (Burnett & Lunsford, 1994; Strahilevitz & Myers, 1998; Kivetz & Simonson, 2002; Winterich & Barone, 2011). Strahilevitz and Myers (1998) showed that the guilt derived from hedonic goods may be offset by values associated with altruistic behavior. Zemack-Rugar, Rabino, Cavanaugh, and Fitzsimons (2016) put an emphasis on guilt by demonstrating that guilt-sensitive consumers perceive hedonic products more attractive when it was tied to cause, but consumers with low sensitivity to guilt do not.

However, some research found conflicting results (Subrahmanyam, 2004; Wang, 2016) revealing that the consumer choice rate was higher when the CM product was utilitarian rather than hedonic. It is noteworthy that this research was conducted in the Chinese context.

Subrahmanyam (2004) inferred that it was likely that Confucian values affected choice rates. Under the influence of Confucianism, Chinese consumers generally are conscious about price and quality of products, and are not likely to be impulse buyers (Li & Xiao, 1999; Tai, 2005; Dickson et al., 2004). Furthermore, "Face" is a salient concept in Chinese culture. Chinese regard losing face as shameful, and thus tend to practice altruistic behavior in front of others in order not to feel shame (Bedford & Hwang, 2003). Shame differs from guilt in that it is about the feeling of losing face in front of others (Lutwak, Panish, & Ferrari, 2003). Unlike guilt, shame has little to do with hedonic products or their consumption. The results reveal why Chinese consumers showed more positive response toward practical CM products.

2.3 Regional differences in China

China is a big market and has undergone continuous change. As a result of economic reforms in the early 1990s, different lifestyles have emerged in China (Wei, 1997). Dou, Wang, and Zhou (2006) emphasized that China is not a homogeneous market; rather it has high heterogeneity in its consumer market. For multinational corporations, consumer heterogeneity and disparity in regions of China present challenges in local markets (Cui & Liu, 2000).

In the literature, value and/or lifestyle differences were often found between inland and coastal

regions (Yeung & Hu, 1992). There is a difference in the degree of openness and the process of historical development between the two regions (Zheng, 2006). Coastal regions have served a prominent role through contact with western goods and values. Through the import and export business, the region has featured rapid economic development. Furthermore, the region attracted investment from many foreign investors and firms. Thus, the coastal region still dominates the industrial sector and maintains high levels of development in China (Chen & Wu, 2005). It has also become westernized, accepting western-oriented values such as individualism and hedonism (Ralston et al., 1993; Xin-an, Grigoriou, & Ly, 2008; Zhou et al., 2010). Nicholls et al. (2000) demonstrated that consumers in developed regions have more hedonic consumption opportunity and tendency when compared with developing regions. It can therefore be inferred that consumers in coastal regions are more likely to seek hedonism and purchase goods for hedonic motives. Dickson et al. (2004) showed that consumers in coastal regions are more engaged in shopping for hedonic purposes.

In contrast, people in inland regions have been employed mainly in agriculture. Inland regions are less industrialized than coastal regions, and thus regarded as rural areas. People in inland regions hold indigenous values, which means that pure Confucianism is still strong (Zheng, 2006; Ralston et al., 1993). They have

an inclination toward conservatism (Sun & Collins, 2006). They are less individualistic and less self-centered than people in coastal regions. Therefore, inland consumers are more likely to be driven by traditional values.

Given these disparities, Zhou et al. (2010) argue that appropriate and effective strategies of coastal regions could be inappropriate and less effective in inland regions. In spite of some research exploring differences between coastal and inland markets of China, it did not focus on the impact of those differences in societal marketing contexts. Tian et al. (2011) conducted a survey on CSR in Wuhan, an underdeveloped inland area, and Shanghai, a developed coastal area, having different levels of cultural values too. However, they interpreted the result at a micro level without applying regional disparity, merely considering demographic characteristics. Therefore, this study examines the consumers' responses toward CM products by region, focusing on regional differences.

III. Hypotheses development

As previously mentioned, most studies have found that consumers show more positive responses to CM for hedonic products rather than utilitarian products. Individuals are motivated to enjoy themselves, but in the process feel both pleasure and guilt. As one way to reduce

or offset guilt from hedonic consumption, consumers are inclined to behave altruistically (Strahilevitz & Myers, 1998; Kivetz & Simonson, 2002; Zemack-Rugar et al., 2016). Therefore, consumers tend to prefer or buy hedonic products when it is tied to a cause.

However, the opposite results were found in studies concerning the Chinese context (Subrahmanyam, 2004; Wang, 2016). Researchers of these studies suggest that different consumer responses from previous studies conducted in the western context are attributed to unique consumer characteristics related to Confucianism.

Confucianism incorporates frugality, which restrains one in pursuing hedonic values (Faure & Fang, 2008; Wang & Lin, 2009; Thompson, 2011). China is still affected by Confucianism as a traditional philosophy. Its frugal mentality has a significant impact on consumers' daily lives and their attitudes toward debt, saving, and spending patterns (Wei & Pan, 1999; Wang & Lin, 2009). Long-term orientation (LTO) is one of the main values in Confucianism (Ralston, Kai-Cheng, Wang, Terpstra & Wei, 1996). For long-term oriented consumers, product quality, functionality, and price are important in decision-making (Tse, 1996; Lane et al., 2006). Thus, Chinese consumers are reluctant to seek hedonism by traditional norms that emphasize thrift and value consciousness (Wang & Rao, 1995; Wang & Lin, 2009; Thompson, 2011). Considering this kind of unique characteristics and cultural influence, guilt may not be likely

to be the universal decisive factor in consumer response to CM products in the Chinese context. Given the close relation between Confucian values and utilitarian seeking, we expect that Chinese consumers would prefer practical/utilitarian CM products to frivolous/hedonic products.

Hypothesis 1: Chinese consumers prefer utilitarian CM products to hedonic CM products.

China is not only a powerful and rapidly developing market but also a complex one. Due to the heterogeneity among regions, marketers need to understand different regional characteristics to perform effectively in China (Dou et al., 2006; Ralston et al., 1996).

As referred to earlier, people in coastal regions have a cosmopolitan and individualistic disposition when compared with inland people (Zhang et al., 2008; Xinan et al., 2010). Hedonism is classed as one of the sub-dimensions of individualism symbolized as a western trait (Ralston, Holt, Terpstra, & Kai-Cheng, 2008; Joshanloo & Jarden, 2016). Zhou et al. (2010) found that the shopping style of consumers in coastal regions is hedonistic. Zemack-Rugar et al. (2016) demonstrated that consumers who are sensitive to guilt evaluate a hedonic product more positively when it is tied to a cause than not. The predominant findings among relevant studies imply that consumers in coastal regions are likely to have positive attitudes toward hedonic CM

products if they can reduce guilt from hedonic consumption.

On the other hand, consumers in inland regions are conservative and value traditional principles like Confucianism (Sun & Collins, 2006; Li, Zhou, Nicholls, Zhuang, & Kranendonk, 2004). As result of the influence of Confucian values, family-orientation and thrift restrain hedonism in rural regions (Thompson, 2011). Previous research suggests inland consumers make decisions based on utilitarianism (Zhou et al., 2010; Sun & Collins, 2006). Based on these results, unlike coastal regions, consumers in inland regions are not likely to show preference for hedonic CM products. Rather, it is expected that they prefer utilitarian CM products as a result of a “pure Confucian” tendency.

In summary, consumers in coastal regions are more likely to respond positively to hedonic CM products, while those in inland regions might prefer utilitarian products. However, this does not mean that coastal consumers have negative attitudes toward utilitarianism. Due to Confucian values being shared by all Chinese (March, 1974), there is a high probability that consumers in coastal regions positively evaluate utilitarian CM products too. In other words, consumers’ responses to hedonic CM products would be different between regions by the unique characteristics of coastal regions alone, and not as a response to utilitarianism in itself. Prior studies argue that consumers in coastal regions follow indigenous philosophy and are simultaneously

western-oriented in their daily lives and decision-making processes (Ralston et al., 1993, 1996; Thompson, 2011). This is referred to as 'crossvergence' in Ralston et al. (1993), and the researchers examine the coexistence of individualism and Confucianism in coastal regions. The level of Confucianism in coastal regions was not differ from the level of inland regions. Therefore, we argue that coastal consumers show a similar degree of preference for both hedonic and utilitarian CM products since they are likely to be affected by both traditional and western values.

Hypothesis 2: Consumer preference for CM products in coastal regions will not be different depending on product type.

Hypothesis 3: Consumer preference for CM products in inland regions will be different depending on product type.

IV. Method

4.1 Pre-test

We conducted a pre-test to select stimuli. 20 participants were presented five sets of frivolous and practical products. They were asked to evaluate the utilitarian and hedonic properties of each product, and rate each by using a 7-point scale (1=extremely practical, 7=extremely

frivolous) (Stayman & Batra, 1991). In addition, they evaluated whether the prices of products of each set is similar, to control the influence of product price. Participants perceived all products according to product character (e.g., luxury bag M=6.79, refrigerator M=3.24). We selected a set which has the highest price similarity among the product sets. Finally, shampoo (utilitarian product) and coffee (hedonic product) were chosen as stimuli.

4.2 Experiment design and sample

To test our hypotheses, we used a 2 (Region: Coastal vs. Inland) x 2 (Product type: Utilitarian vs. Hedonic) between-subjects experiment online. First, we made fictional advertisements for the experiment. One advertisement was for normal products which were not tied to any cause, and another for CM products. The normal product ad was composed of a simple catch phrase and product image that reflected the general product category. There was no brand name; we just named the normal product as BRAND B to control for the effects of branding. On the other hand, the CM product ad (BRAND A) was the same as the BRAND B ad except for price and additional statements made regarding donation (rate, cause). Specifically, respondents were told that 10% of the price would be used to support impoverished children. The difference between the prices of the two products was the same as the size of the

donation. Both advertisements showed the product price at the same location. Each participant was presented with fictional advertisements that displayed the two ads simultaneously on one page.

A total of 126 respondents (70 from coastal regions and 56 from inland regions) were present, consisting of 68 (54%) males and 58 (46%) females. The ages of the respondents ranged from 20 - 50 (20 - 29: 45.2%; 30 - 39: 28.6%). Workers had the highest ratio of the respondents' job (see Table 2).

4.3 Measurement

Preference for CM products was examined using a scale developed by Chang (2008). This scale consisted of five items: "I prefer product A to B"; "I would like to recommend A to family or friends"; "My opinion of A is higher than that for B". Reliability analysis of the scale yielded a Cronbach's alpha of 0.979. The

measures for the *prior attitude toward the products* (coffee and shampoo) were based on a modified version of Verlegh, Steenkamp, and Meulenberg (2005). Reliability analysis of the scale yielded a Cronbach's alpha of 0.960. In order to evaluate the *guilt from hedonic consumption*, five items were employed from Lee-Wingate and Corfman (2010) based on feelings about spending money on frivolous or hedonic products [e.g., guilty, regret, reluctance]. After one item was removed using exploratory factor analysis, the Cronbach's alpha for the scale was 0.945. *Confucianism* was assessed by three items taken from Park, Rehg, and Lee (2005), including "I accept Confucian ethics as standards of conduct" and "Confucian virtues are important to me." Reliability analysis of the scale yielded a Cronbach's alpha of 0.921. All variables were measured using multiple items employing a 7-point Likert scale (1 = strongly disagree, 7 = strongly agree). Reliability was acceptable (Bagozzi & Yi, 1988).

<Table 2> Summary of respondents

Category		Frequency	Percent
Region	Coastal	70	55.6
	Inland	56	44.4
Gender	Men	68	54.0
	Women	58	46.0
Age	Under 20	11	7.4
	20~29	57	45.2
	30~39	36	28.6
	More than 40	22	17.5
Total		126	100

4.4 Validity and Reliability Tests

To measure a construct validity of each variable, we conducted an explanatory factor analysis (EFA). We subjected both the dependent and independent variables to a principal component analysis with Varimax rotation. Only items with factor weights greater than 0.5 were retained for next steps of analysis (Zaichkowsky, 1985). We measured the reliability of the scales by computing Cronbach's alpha for all the multi-item measures. 0.7 was a minimum acceptable value (Nunnally, 1978). Cronbach's alpha exceeded the minimum acceptable value for all the factors.

V. Results

5.1 Manipulation check of product type

Participants were asked to rate products on a 7-point scale (1=extremely practical, 7=extremely frivolous) utilizing the same scale as

the pre-test. Results showed that shampoo (utilitarian product) was perceived to be more practical than coffee (hedonic product) and vice versa (shampoo: $M=1.69$; coffee: $M=5.97$). The manipulation of product type was successful ($t=29.630$, $p=0.000$).

5.2 Hypotheses testing

5.2.1 Hypothesis 1: The impact of product type on the consumer preference for a CM product

We predicted that Chinese consumers would exhibit a higher preference for utilitarian CM products than hedonic products. To examine the effects of product type on consumer preference, we conducted the analysis of covariance (ANCOVA), using the consumers' original attitude toward shampoo and coffee as covariates. As shown in Table 3, we found a significant main effect of product type ($F=12.165$, $p<0.01$).

As shown in Figure 1, we confirmed that Chinese consumers expressed preference for

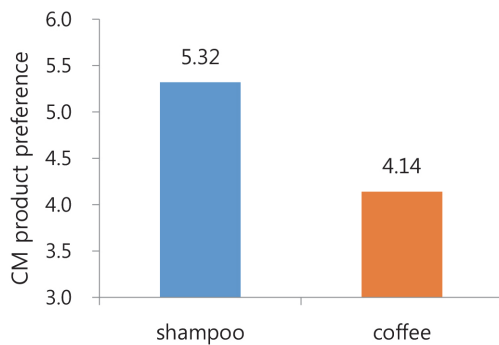
〈Table 3〉 Consumer preference for CM product by product type

DV : Preference for CM product					
	Sum of squares	df	Mean squares	F	Sig.
Prior attitude(shampoo)	11.160	1	11.160	3.570	.061*
Prior attitude(coffee)	63.578	1	63.578	20.338	.000***
Product type	38.030	1	38.030	12.165	.001***
Error	381.383	122	3.126		

* $p<.10$ ** $p<.05$ *** $p<.01$

CM products to products without cause when the product was utilitarian. We can infer that Chinese consumers are not likely to evaluate the CM product utilizing the “offsetting guilt” motive. This implies that Chinese consumers have been influenced by Confucianism which emphasizes frugality and a long-term orientation. Since they generally tend to be reluctant toward pursuing hedonism, there is a lower chance of choosing or preferring hedonic CM products to avoid guilt.

<Figure 1> Consumer preference for CM product by product type



5.2.2 Hypotheses 2 and 3: The interaction effect of region (Coastal/Inland) and product type (Utilitarian/Hedonic)

Table 4 reports that the interaction effect is significant ($F = 8.451, p < 0.01$). Specifically, consumers in coastal regions did not show different responses by product type ($t = 1.923, p > 0.05$), whereas inland consumers clearly preferred utilitarian CM products to hedonic products ($t = 6.225, p = 0.000$). Consequently, H2 and H3 were supported (see Fig. 2).

Furthermore, we analyzed the differences of guilt and Confucianism between the two regions. Using our logic, guilt from hedonic consumption may be perceived higher in the coastal respondents group than in the inland group. On the contrary, the perceived level of Confucianism may have no significant differences between these two groups. Results of the t-test indicate that consumers in coastal regions felt stronger feelings of guilt than inland consumers ($M_{\text{coastal}} = 4.02, M_{\text{inland}} = 2.64; t = -4.977, p = 0.000$). As expected,

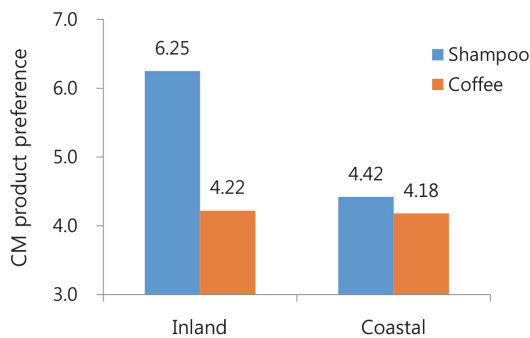
<Table 4> The interaction effect of region and product type

DV : Preference for CM product					
	Sum of squares	df	Mean squares	F	Sig.
Prior attitude(shampoo)	8,026	1	8,026	2,822	.096*
Prior attitude(coffee)	69,543	1	69,543	24,451	.000***
Product type(A)	34,050	1	34,050	11,971	.001***
Region(B)	13,345	1	13,345	4,692	.032**
A*B	24,037	1	24,037	8,451	.004***
Error	120	120	2,844		

* $p < .10$ ** $p < .05$ *** $p < .01$

there was no difference in Confucianism between the two groups ($M_{\text{coastal}}=5.86$, $M_{\text{inland}}=6.10$; $t=1.046$, $p>0.10$). This result supports previous research that consumers in coastal regions have both Confucian and western-style ideals (Ralston et al., 1993; Thompson, 2011). Consequently, they did not evaluate hedonic and utilitarian CM products differently because of the impact of guilt and Confucian values.

〈Figure 2〉 The interaction effect of region and product type



VI. Conclusions

This study explored the impact of product type on Chinese consumers' responses toward CM products and the interaction effects between product type and region. Unlike previous research conducted mainly in western cultures, Chinese consumers prefer utilitarian CM products to hedonic products. This implies that the guilt from hedonic consumption might not be the

main influential factor in some markets such as China. In addition, this study examined whether responses between coastal and inland consumers differed. We found consumers in inland regions expressed a higher preference for utilitarian to hedonic CM products, while coastal consumers did not display preference by product type. The results indicate that regional areas in China have similarity as well as disparity, and those are reflected in consumer attitudes and decisions.

6.1 Academic and practical implications

This study provides several implications and directions for future research. First, there is a lack of research concerning consumer perception or evaluation of societal marketing in China, although China is vast and a continuously growing consumer market. Thus, this study extends the scope and knowledge of CM-related research in the Chinese context. Also, we provide strategic guidelines for marketers facing challenges in China. We argue that in China, the strategy of societal marketing including CM needs to be differentiated from other countries or markets based on the uniqueness of the Chinese market. Our results emphasize a deep understanding of consumers from a cultural perspective. Marketers need to consider the uniqueness of their target market to attract consumers.

Second, this study contributes to the enhanced

understanding of the impact of regional heterogeneity in China on consumer attitudes and behaviors. Particularly, it is valuable for examining inland consumers since most previous research aimed at coastal regions due to their higher importance as a market (Zhou et al., 2010). There is a lack of understanding of China's great range of inland regions. Currently, however, many foreign firms are focusing on the inland region market too. Further, the Chinese government is increasing infrastructure investment in inland regions (Jiang & Prater, 2002). Therefore, it is meaningful to explore consumer responses in inland regions as compared to the coastal market.

Third, we empirically verified the "crossvergence" of coastal regions. Future research can explore the different consumer responses among inland regions in China, coastal regions in China, and other countries. For example, Korea has been adopting Confucianism (Hofstede, 1980; Xu, 2006; Zhang et al., 2005), and also has a western style in many aspects. Therefore, it is possible to regard coastal regions in China and Korea as very similar markets. Most previous studies concerning CM conducted in Korea found similar results with studies conducted in western cultures. This implies that the two markets are part of the same cultural sphere; however, they do have disparity between their inland and coastal regions. Although cross-cultural research was conducted in the societal marketing field (Baughn & McIntosh, 2007;

Vaidyanathan et al., 2013; Alon et al., 2010), these studies primarily compared the differences among markets based on the individualism-collectivism classification (Yuan, Song, & Kim, 2011; Ralston et al., 2008). Therefore, "within-culture" studies can enrich the related research.

Finally, we speculate that Chinese consumers are likely to purchase CM products in order to not lose face. In the Chinese context based on Confucianism, shame is linked to losing face. Chinese consumers practice benevolent behaviors for the purpose of not feeling shame (Bedford & Hwang, 2003). In other words, they may choose CM products to save or keep face rather than having guilt. Future research can examine the role of shame on consumer response toward societal marketing in Chinese culture.

6.2 Limitations and future research

This study has some limitations. We selected shampoo and coffee as stimuli. Those would be classified as lower priced consumer goods. Additional studies could test higher priced goods or durable goods to increase the robustness and generalizability of the results. Next, the effect of coffee which is covariate was significant ($p < .01$). Chinese enjoy tea. Although coastal consumers are more individualistic and possesses facets of Western cultures, they basically internalize and share Confucian-based values with inland consumers (Zhou et al., 2010).

Therefore, if the hedonic product stimulus was tea instead of coffee, a different result may be drawn. Future studies might try to conduct experiments using various kinds of stimuli. Third, societal marketing activities including CM influences word-of-mouth about the brand or firm (Vo, Xiao, & Ho, 2019). Therefore, it is necessary to do research on the interaction with word-of-mouth, and further research on the effect of advertising (Zhang, Yuan, & Song, 2020; Song, Yoo, & Lee, 2016; Song, Kim, Kim, & Lee, 2019; Lee, Kim, & Song, 2010; Song, Yuan, & Kim, 2009). Forth, the impact of societal marketing activities on marketing strategy need to be more specified. Future studies can analyze the relationship between long-term performance such as customer loyalty behavior (Lee, Kim, Yoo & Song, 2019; Song, Kim, & Ko, 2017; Song, 2014; Song, Kim, & Ko, 2014), customer relationship performance (Song & Kim, 2019; Song, Kim & Kim, 2013), customer lifetime value and customer assets (Song, Kim & Kim, 2016; Song & Kim, 2020; Song, 2018; Song & Kim, 2016; Song, Kim & Lee, 2009) for specification. Lastly, we divided China into coastal and inland regions. However, this is not sufficient for understanding the heterogeneity of the Chinese market. Previous studies considered six or seven regional markets (Ralston et al., 1996; Cui & Liu, 2000). Therefore, regions can be further subdivided in future research to achieve a deeper understanding of regional

disparity within China.

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