

Consumer Satisfaction with Green Credit Card Benefits: The Role of Environmental Self-Accountability and Eco-Label Involvement

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Abstract

Given the critical importance of enhancing the level of ESG practices, the current research examines the impact of credit card users' pro-environmental characteristics (i.e., environmental self-accountability, eco-label involvement) on their satisfaction with credit card benefits related to green life. That is, this research investigates whether consumers' satisfaction with green credit card benefits varies depending on their environmental self-accountability and eco-label involvement. Specifically, we predict that (1) for consumers with high (vs. low) environmental self-accountability, their satisfaction with credit card benefits related to green life will be higher (hypothesis 1); and (2) when consumers have high (vs. low) eco-label involvement, they will be more likely to be satisfied with credit card benefits related to green life (hypothesis 2). An online survey (N = 293) was conducted to test the two hypotheses. In support of the hypotheses, the results indicate that (1) respondents who had high (vs. low) environmental self-accountability were more satisfied with credit card benefits related to green life, and (2) respondents with high eco-label involvement, as compared to those with low eco-label involvement, reported greater satisfaction with credit card benefits related to green life. We suggest an important insight into how credit card companies approaching ESG issues can increase their consumers' satisfaction with green credit card benefits, considering consumers' individual characteristics such as environmental self-accountability and eco-label involvement.

Keywords: *Green Credit Card, Satisfaction, Environmental Self-Accountability, Eco-Label Involvement*

1. Introduction

Today's interconnected environment is increasingly characterized by environmental, social, and corporate governance (ESG) [1]. Environmental degradations yielded the emergence of green marketing and ESG practices of organizations [2]. Green marketing within business involves the development and marketing of green products/services and stimulating pro-environmental attitudes and behaviors [3]. In particular, in the financial services industry, financial institutions and banks are responsible for bringing ethical finance and green finance as a priority, and thus they must market products/services relevant to green finance [4].

Given the critical importance of enhancing the level of ESG practices, credit card companies provide consumers with credit card benefits related to green life as well as with general credit card benefits to improve their consumers' satisfaction. Therefore, the current research examines the impact of credit card users' pro-environmental characteristics on their satisfaction with credit card benefits related to green life. Of all the

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factors that can influence consumer satisfaction with green credit card benefits, we primarily focus on credit card users' pro-environmental characteristics such as environmental self-accountability and eco-label involvement. That is, this research investigates whether consumers' satisfaction with green credit card benefits varies depending on their environmental self-accountability and eco-label involvement. Specifically, we first propose that for consumers with high (vs. low) environmental self-accountability, their satisfaction with credit card benefits related to green life will be higher. Moreover, we propose that when consumers have high (vs. low) eco-label involvement, they will be more likely to be satisfied with credit card benefits related to green life.

The rest of this paper is organized as follows. Section 2 describes the theoretical framework and hypotheses development. The methodology and results are presented in Sections 3 and 4, respectively. Finally, conclusions and implications are outlined in Section 5.

2. Theoretical Background and Hypotheses Development

There have some recent studies on the factors influencing green consumption behavior in the financial services sector [4-7]. Prior research has shown that consumers' green consumption behavior is shaped by their ecological dispositions [8, 9]. For instance, recent research shows that consumers' pro-environmental disposition affects their preference for green credit card benefits [7]. In this research, we primarily focus on consumers' environmental self-accountability and eco-label involvement as one of individuals' pro-environmental characteristics.

First, environmental self-accountability refers to the desire of consumers to practice environmental self-standards [10]. Prior research found that consumers' environmental self-accountability positively influences their attitudes toward green buying [10]. In a similar vein, recent study shows that environmental self-accountability has a positive impact on attitude toward green credit card services [4]. A number of studies have demonstrated that quality evaluation and customer satisfaction are strongly related [11, 12]. In the context of green credit card services, recent research finds that evaluation of green credit card services positively affects overall satisfaction with green credit card services [6]. Accordingly, it is hypothesized:

H1: For consumers with high (vs. low) environmental self-accountability, their satisfaction with credit card benefits related to green life will be higher.

Next, eco-labels can be regarded as useful communication tools for environmental policy only if consumers take them into consideration during the purchase decision process [13]. Consumers get involved with eco-labels when they are inclined towards pro-environmental behaviors focusing on protecting the environment [14, 15]. In addition, it is generally assumed that consumers with high involvement are motivated to experience higher satisfaction [16, 17]. Accordingly, it is hypothesized:

H2: When consumers have high (vs. low) eco-label involvement, they will be more likely to be satisfied with credit card benefits related to green life.

3. Method

The targeted population of this study is Korean consumers aged 20 and over who have held and used credit or debit cards. Of the total 300 credit/debit card users who completed the online survey, 7 respondents did not meet study eligibility screening criteria, yielding a final sample size of 293. The final sample was composed of 131 women (44.7%) and 162 men (55.3%). The age profile was as follows: 20 to 29 years = 15.4%; 30 to 39 years = 39.6%; 40 to 49 years = 26.2%; 50 to 59 years = 16.8%; and 60 years and older = 2.0%. The majority of the respondents had a college or university degree (69.6%), and 17.4% of the respondents had a high school education or less, and 13.0% had a postgraduate degree. In terms of the marital status, 64.5% of the respondents are married, while the remaining respondents (35.5%) have never married or are divorced or widowed. Most

respondents (44.0%) reported a yearly household income of less than \$30,000. In sum, the demographic profiles of the sample are displayed in Table 1.

Table 1. Demographic profiles of the sample (N = 293)

Characteristics	Percent (%)
Age	
20-29	15.4
30-39	39.6
40-49	26.2
50-59	16.8
Over 60	2.0
Gender	
Male	55.3
Female	44.7
Education	
Less than high school or high school	17.4
College or university	69.6
Postgraduate	13.0
Marital status	
Married	64.5
Not married (widowed/divorced/never married)	35.5
Yearly household income	
<\$30,000	44.0
\$30,000-\$50,000	33.8
\$50,000-\$70,000	14.3
\$70,000-\$100,000	6.5
>\$100,000	1.4

This study used a seven-point Likert scale to measure the questionnaire items. First, respondents' satisfaction with a variety of green credit card benefits (i.e., credit card benefits relevant to green life) was measured using a single item. Researchers may decide to choose single-item measures in light of their manifold practical advantages [18]. Moreover, for doubly concrete constructs, single-item measures demonstrate predictive validity equal to that of multiple-item measures [19-21]. Specifically, credit card benefits related to green life were as follows: to earn points (1) when using public transportation such as subways and buses, (2) when purchasing eco-friendly products offline or online; (3) when saving energy (electricity/water/gas consumption); (4) when shopping at eco-friendly offline/online stores; and (5) free admission to national parks/recreational forests/botanical gardens. Next, respondents' environmental self-accountability was measured using three items ($M = 5.45$, $SD = 1.08$; Cronbach's $\sigma = 0.93$) [4, 10]. Finally, respondents' eco-label involvement was measured using four items ($M = 4.81$, $SD = 1.23$; Cronbach's $\sigma = 0.89$) [22]. Concerning environmental self-accountability, all the respondents were classified as two groups on the basis of a median split ($M_{dn} = 5.67$): high ($n = 123$) versus low ($n = 170$) in environmental self-accountability. With regard to eco-label involvement, they were classified as two groups on the basis of a median split ($M_{dn} = 5.00$): high ($n = 170$) versus low ($n = 123$) in eco-label involvement.

4. Results

ANOVA was used to test the hypotheses. Hypothesis 1 proposed that for consumers with high (vs. low)

environmental self-accountability, their satisfaction with credit card benefits related to green life is higher. As shown in Table 2, the results indicated that for the respondents who had high (vs. low) environmental self-accountability were more satisfied with credit card benefits relevant to green life (all $ps < 0.001$). Specifically, respondents with high (vs. low) environmental self-accountability reported significantly greater satisfaction: to earn points when using public transportation such as subways and buses ($M_{low} = 4.87$, $SD = 1.37$ vs. $M_{high} = 5.71$, $SD = 1.29$; $F(1, 291) = 28.144$, $p = .000$), to earn points when purchasing eco-friendly products offline or online ($M_{low} = 4.61$, $SD = 1.17$ vs. $M_{high} = 5.33$, $SD = 1.34$; $F(1, 291) = 24.044$, $p = .000$), to earn points when saving energy (electricity/water/gas consumption) ($M_{low} = 4.73$, $SD = 1.28$ vs. $M_{high} = 5.32$, $SD = 1.28$; $F(1, 291) = 15.125$, $p = .000$), to earn points when shopping at eco-friendly offline/online stores ($M_{low} = 4.75$, $SD = 1.26$ vs. $M_{high} = 5.45$, $SD = 1.33$; $F(1, 291) = 20.763$, $p = .000$), free admission to national parks/recreational forests/botanical gardens ($M_{low} = 4.69$, $SD = 1.32$ vs. $M_{high} = 5.39$, $SD = 1.43$; $F(1, 291) = 18.589$, $p = .000$). Thus, the hypothesis 1 was supported.

Table 2. Results: the role of environmental self-accountability

	Low environmental self-accountability (n = 170)		High environmental self-accountability (n = 123)		F-value	p-value
	Mean	SD	Mean	SD		
(1) To earn points when using public transportation such as subways and buses	4.87	1.37	5.71	1.29	28.144	0.000
(2) To earn points when purchasing eco-friendly products offline or online	4.61	1.17	5.33	1.34	24.044	0.000
(3) To earn points when saving energy (electricity/water/gas consumption)	4.73	1.28	5.32	1.28	15.125	0.000
(4) To earn points when shopping at eco-friendly offline/online stores	4.75	1.26	5.45	1.33	20.763	0.000
(5) Free admission to national parks/recreational forests/botanical gardens	4.69	1.32	5.39	1.43	18.589	0.000

Hypothesis 2 proposed that when consumers have high (vs. low) eco-label involvement, they are more likely to be satisfied with credit card benefits related to green life. As shown in Table 3, it was found that respondents with high eco-label involvement, as compared to those with low eco-label involvement, reported greater satisfaction with credit card benefits related to green life (all $ps < 0.001$). Specifically, respondents with high (vs. low) eco-label involvement reported significantly greater satisfaction: to earn points when using public transportation such as subways and buses ($M_{low} = 4.80$, $SD = 1.54$ vs. $M_{high} = 5.53$, $SD = 1.19$; $F(1, 291) = 19.482$, $p = .000$), to earn points when purchasing eco-friendly products offline or online ($M_{low} = 4.41$, $SD = 1.35$ vs. $M_{high} = 5.28$, $SD = 1.12$; $F(1, 291) = 36.866$, $p = .000$), to earn points when saving energy (electricity/water/gas consumption) ($M_{low} = 4.49$, $SD = 1.41$ vs. $M_{high} = 5.33$, $SD = 1.11$; $F(1, 291) = 30.443$, $p = .000$), to earn points when shopping at eco-friendly offline/online stores ($M_{low} = 4.50$, $SD = 1.32$ vs. $M_{high} = 5.44$, $SD = 1.19$; $F(1, 291) = 40.991$, $p = .000$), free admission to national parks/recreational forests/botanical gardens ($M_{low} = 4.48$, $SD = 1.41$ vs. $M_{high} = 5.35$, $SD = 1.28$; $F(1, 291) = 30.367$, $p = .000$). Thus, the hypothesis 2 was supported.

Table 3. Results: the role of eco-label involvement

	Low eco-label involvement (n = 123)		High eco-label involvement (n = 170)		F-value	p-value
	Mean	SD	Mean	SD		
(1) To earn points when using public transportation such as subways and buses	4.80	1.54	5.53	1.19	19.482	0.000
(2) To earn points when purchasing eco-friendly products offline or online	4.41	1.35	5.28	1.12	36.866	0.000
(3) To earn points when saving energy (electricity/water/gas consumption)	4.49	1.41	5.33	1.11	30.443	0.000
(4) To earn points when shopping at eco-friendly offline/online stores	4.50	1.32	5.44	1.19	40.991	0.000
(5) Free admission to national parks/recreational forests/botanical gardens	4.48	1.41	5.35	1.28	30.367	0.000

5. Conclusion

The present research examines the influence of credit card users' pro-environmental characteristics (i.e., environmental self-accountability, eco-label involvement) on their satisfaction with green credit card benefits. That is, this research investigates whether consumers' satisfaction with credit card benefits related to green life varies depending on their environmental self-accountability and eco-label involvement. Specifically, we predict that (1) for consumers with high (vs. low) environmental self-accountability, their satisfaction with green credit card benefits will be higher (hypothesis 1); and (2) when consumers have high (vs. low) eco-label involvement, they will be more likely to be satisfied with green credit card benefits (hypothesis 2). An online survey was conducted to test the two hypotheses. Respondents assessed their satisfaction with credit card benefits related to green life (i.e., to earn points when using public transportation such as subways and buses, to earn points when purchasing eco-friendly products offline/online, to earn points when saving energy (electricity/water/gas consumption), to earn points when shopping at eco-friendly offline/online stores, and free admission to national parks/recreational forests/botanical gardens). Consistent with the hypotheses, the findings indicate that (1) respondents who had high (vs. low) environmental self-accountability were more satisfied with credit card benefits related to green life, and (2) respondents with high eco-label involvement, as compared to those with low eco-label involvement, reported greater satisfaction with credit card benefits related to green life.

This research suggests an important insight into how credit card companies approaching ESG issues can increase their consumers' satisfaction with green credit card benefits, considering consumers' individual pro-environmental characteristics such as environmental self-accountability and eco-label involvement. Specifically, our findings imply that individual pro-environmental characteristics may be an effective segmentation and targeting tool in enhancing consumer satisfaction with green products or services. Given that heightening the level of environmental self-accountability and eco-label involvement can lead to consumers' greater satisfaction with green products or services, marketers can activate their target consumers' environmental self-accountability and eco-label involvement through a variety of subtle marketing communication techniques. Moreover, considering the marketers' assessment of consumers' environmental self-accountability and eco-label involvement, marketers can choose consumers with higher level of environmental self-accountability and eco-label involvement as their target consumers.

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