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Examining Loyalty and Situational Value in Green Retail and Service Establishments

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Abstract

The existing literature on consumers' willingness to pay a premium for green products and services has yielded conflicting results. These disparities can be attributed to an overreliance on classifying consumers as either willing or unwilling to pay extra for eco-friendly offerings based on their individual traits. Yet, there remains a significant gap in our understanding of the situational elements that can drive consumers to choose environmentally responsible options, even when they may not inherently possess pro-environmental characteristics. This research, consisting of two studies, sheds light on how loyalty and situational value can enhance consumers' willingness to pay higher-prices at green stores. Our research focuses on contrasting consumer responses within green and non-green retail and service settings, with particular attention to the perspectives of both environmentally conscious and risk-taking consumers. The findings hold significant implications for practitioners aiming to overcome obstacles to green purchases in a practical manner.

Key words:

Situational Value; Loyalty; Green Consumers; Risk; Green Stores; Retail and Services; Sustainability

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1. Introduction

Human behavior plays a pivotal role in shaping our world, exerting influence on pressing environmental concerns such as climate change, pollution, and biodiversity loss. To effectively address these challenges, gaining insights into the human behaviors capable of mitigating their adverse effects is crucial. In today's society, the adoption of environmentally sustainable practices has gained paramount importance. Within this context, green consumption, encompassing the purchase and utilization of eco-friendly products, emerges as a crucial avenue for individuals to proactively contribute to environmental preservation and safeguard the natural world (Hou and Sarigöllü, 2022; Juvan and Dolnicar, 2017; Yarimoglu and Binboga, 2019). This category of behavior has garnered substantial attention within the realms of consumer research (Peattie, 2010) and the literature on retailing (Jaiswal and Kant, 2018; Kumar and Polonsky, 2019; Kumar and Utkarsh, 2023; Paul et al., 2016; Rizzi et al., 2022.

Specifically, within the field of retailing and consumer services, numerous studies have explored PEB from various theoretical perspectives, such as the theory of planned behavior (TPB; Hsu, Chang, and Yansritakul, 2017; Sreen, Purbey, and Sadarangani, 2018; Sun, Leng, and Xiong, 2022), the theory of reasoned action (TRA; Roh, Seok, and Kim, 2022), the knowledge-attitude-behavior model (Dhir et al., 2021), the theory of consumption value (TCV; Roh, Seok, and Kim, 2022), the value-attitude-behavior model (Cheung and To, 2019; Van Tonder et al., 2023), the motivation-opportunity-ability model (MOA; Dong et al., 2022), regulatory focus theory (RFT; Chang et al., 2019), and by considering individual traits (Hsu, Chang, and Yansritakul, 2017; Sadiq

et al., 2021; Wang et al., 2021) and cultural factors (Patel, Trivedi, and Yagnik, 2020; Sreen, Purbey, and Sadarangani, 2018). These studies aim to investigate and explain the consumption of green products/services and green retail patronage.

In this study, we depart from the conventional perspective and focus on green retail patronage and green services consumption from a unique angle: examining how loyalty and situational value influence consumer responses to green products and services. Traditionally, the concept of value revolves around the balance between quality and price, often defined as a ratio between the two (Zeithaml, 1988; also see Sánchez-Fernández and Iniesta-Bonillo, 2007 for a review). Under this framework, consumers typically seek to maximize value by obtaining high-quality products at lower prices. Much of the existing research in this domain has emphasized the role of perceived value as a precursor to loyalty (Chen, 2015; Chai, Malhotra, and Alpert, 2015; Dwivedi et al., 2012; El-Adly, 2019; Lin, Lobo, and Leckie, 2017; Molinillo et al., 2021) and green purchasing behavior (Bhardwaj et al., 2023; Roh, Seok, and Kim, 2022), as well as the formation of brand loyalty within sustainability contexts (Park and Kim, 2016).

However, our research poses a fundamentally different question: Are there circumstances in which consumers willingly pay a premium for green products and services to maximize value? To address this question, we introduce the concept of situational value, a multifaceted construct encompassing Consumer (C), Object (O), and the Purchase Situation (S). This inquiry is particularly important because eco-friendly products are often more expensive for consumers (Guyader, Ottosson, and Witell, 2017), and the willingness to pay more (WTPM), often referred to as the green premium, has been identified as a major barrier hindering the adoption of green products and services, especially among individuals lacking environmental motivation, and it is crucial to identify marketing strategies that can mitigate this barrier (Wei, Ang, and Jancenelle,

2018). Our forthcoming studies reveal that in specific contexts characterized by elevated risk, certain consumer segments do indeed exhibit a willingness to pay higher prices, potentially as a safeguard for risk mitigation.

The study unfolds in two phases. Study 1 examines the impacts of loyalty and value on willingness to pay higher prices in a retail context (grocery store), while Study 2 tests the generalizability of these findings in a service context (spa). This study contributes to the existing literature in three key ways, offering valuable insights for green marketers, retailers, and service providers. First, it is the first empirical study to examine the interplay between loyalty and situational value concerning consumer, object, and situational characteristics in both retail and service settings, providing comparative insights. Second, it sheds light on the effects of emotion and reason in influencing behaviors such as willingness to pay higher prices for green products and services based on loyalty and situational value. Third, our study adds to the growing body of knowledge in green marketing and green retailing by comparing the effects of loyalty and situational value in green and non-green retail and service environments. In doing so, we provide evidence that green marketing can effectively enhance customer loyalty and willingness to pay higher prices. This is particularly important, as consumers are generally hesitant to pay premium prices for environmentally friendly products and services by default.

2. Theoretical background and hypotheses

2.1. Situational value vs. loyalty

In accordance with the definitions offered by Woodruff and Gardial (1996, p. 54) and Holbrook (1999), we define situational value as "a customer's understanding of the outcomes within a specific usage context, facilitated by a particular product or service offering." This perspective diverges from the traditional notion of value, which hinges on the comparison of

benefits to costs. Differing from this, loyalty, as defined by Oliver (1999, p. 34), involves "a steadfast commitment to consistently repurchase or revisit a preferred product or service, irrespective of situational influences or marketing efforts that might otherwise induce switching behavior." Consequently, both situational value and loyalty can lead to a willingness to pay a premium. While loyalty implies a steadfast reliance on a single product across all situations, situational value arises when consumers choose different products depending on the context.

Thus, situational value and loyalty represent related yet distinct concepts. Loyalty revolves around the interaction between a specific consumer and a particular object (C × O), whereas situational value incorporates situational factors, resulting in a three-way interaction between the consumer, object, and situation (C × O × S). In essence, loyalty prevails when a consumer consistently chooses a specific product irrespective of the situation (Oliver, 1999). Conversely, situational value emerges when a consumer opts for different products based on the situation. This interplay of influences has been recognized as a significant driver of consumer behavior (Assael, 2006). For instance, one consumer may exclusively use a single kitchen knife for all culinary needs (indicative of loyalty-based usage), while another may switch to a fillet knife for fish deboning (indicative of situational value-based usage). Similarly, some patrons may favor one restaurant for all dining occasions, whereas others select different eateries for diverse meal experiences (breakfast, brunch, dinner dates, etc.).

These situational factors essentially reveal how, what, when, with whom, and why people make purchases and use products. To illustrate, the "why" aspect might pertain to why someone buys something, such as purchasing a gift for someone instead of buying something for themselves. These situational factors influence our choices when we shop. For instance, a person might choose a less expensive item for themselves but opt for a pricier one when buying a gift for

someone else. This paper contends that the value consumers derive from a situation depends on a combination of factors: the type of consumer they are, the specific product or store they are considering, and the circumstances under which they intend to purchase or use the product or service (Belk, 1975; Assael, 2006).

2.2. Green consumers and loyalty

To investigate our primary hypotheses, we conducted two studies. The first hypothesis revolves around the concept of loyalty (C × O). As discussed earlier, this hypothesis explores whether a specific type of consumer consistently chooses to buy from a particular store, regardless of the purchase situation. Research in this field suggests that a combination of product-specific values and personal values better explains green purchase intentions (Bhardwaj et al., 2023). To examine this hypothesis, we focused on green consumers as representatives of the "consumer (C)" aspect in our model. Green consumers are individuals who prioritize products that provide social benefits and strongly believe in environmental protection (Haws et al., 2014; Newman et al., 2014; Roberts, 1995; Shrum et al., 1995). Consequently, they are more inclined to purchase organic and natural products, as well as products that contribute to societal and environmental well-being.

In line with this, we chose to concentrate on retailers and service providers and utilized organic stores as representatives of the "object (O)" aspect in both of our studies. Retailers and service providers play a pivotal role in influencing consumers to buy eco-friendly products because of their proximity to consumers. They act as gatekeepers between consumers and eco-friendly products, potentially encouraging them to pay higher prices for green products and services (Guyader, Ottosson, and Witell, 2017). Organic stores offer a wide range of organic products and services, often associated with health and environmental benefits, and are typically priced higher (Juhl, Fenger, and Thøgersen, 2017; Wang et al., 2021). In Study 1, we focused on organic versus

non-organic grocery retailers. In this context, we examined a specific purchase "situation (S)" involving the choice between buying meat or detergent. We selected this scenario because it introduced a purchase situation with a physical risk component. Additionally, meat products have been observed to be particularly susceptible to situational influences when compared to other product categories (Assael, 2006).

To build on and validate the findings from Study 1, Study 2 shifted its focus to service providers and compared organic spas to non-organic spas. In this context, we also altered the purchase scenario to involve the acquisition of a spa certificate, either as a gift or for personal use. This modification introduced a different dimension of risk, specifically, social risk. Since the inclination to pay premium prices for organic products varies among individuals (Juhl et al., 2017), we anticipate that in both studies, green consumers will demonstrate a greater willingness to pay higher prices at organic establishments compared to non-organic ones, regardless of the purchase situation.

We base this hypothesis on the notion that loyalty fundamentally depends on the alignment between the attributes of a specific consumer type and those of a particular object. Research by Juhl, Fenger, and Thøgersen (2017) highlights the significance of universalism as a likely trait of green consumers, who prioritize choices that contribute to societal well-being. Universalism, as defined by Schwartz (1994, p. 22), denotes "understanding, appreciation, tolerance, and protection for the welfare of all people and for nature." Drawing from Festinger's (1957) cognitive dissonance theory, Thøgersen (2011) proposed that, especially at the outset, the purchase of organic products is positively associated with universalism. This implies that green consumers, deeply rooted in a value system centered on universalism, may perceive choosing organic products as a moral obligation that cannot be easily dismissed. Furthermore, previous studies have concluded that

green consumers naturally gravitate towards products that resonate with their identity. Self-identity serves as a means of differentiation from others and a projection of one's future self (Dermody et al., 2018). Notably, Lim et al.'s (2023) study highlighted the role of pro-environmental self-identity (PSI) as a critical determinant impacting sustainable goods consumption. As a result, it is plausible that green consumers are more likely to willingly pay premium prices at organic stores, regardless of the specific products they choose (be it meat or detergent) or the circumstances under which the purchase is made (gift or personal use). In alignment with this rationale, we anticipate that green consumers feel an internal pressure to maintain consistency in their choices, signifying their willingness to pay higher prices for both purchase situations (Study 1: meat vs. detergent; Study 2: gift vs. personal use) when shopping at an organic store.

H1: Willingness to pay higher prices is higher for green consumers compared to non-green consumers at organic, but not at non-organic stores, regardless of the situation.

2.3. Risk orientation and situational value

For our second hypothesis, we delved into the concept of situational value (C × O × S), which pertains to situations where a specific type of consumer is willing to pay more for a particular type of object, but only under specific purchase situations. To add depth to our analysis of consumer characteristics, we included risk orientation as a relevant factor. This was because risk orientation was expected to encourage a greater willingness to pay a premium price to avoid a purchase situation perceived as risky. To be more precise, we explored whether consumers' risk orientation would interact with the store's type (organic vs. non-organic) and the purchase scenarios, particularly situations where one scenario carried a higher perceived risk. Risk orientation represents a general personality trait or disposition that finds enjoyment in taking risks, distinct from an individual's perception of the actual risk level in a given activity or choice (Weber

et al., 2002). Importantly, risk orientation is not solely dependent on the context in which it is applied.

Despite this, situational factors, alongside decisional and personal factors, have the potential to influence risk-taking behaviors (for an overview, see Jami 2019). In the context of consumer decision-making, information serves as a means to reduce risk (Berlyne, 1957), and in the absence of any other information, a higher price often signals higher quality (Monroe, 1973; Rao and Monroe, 1989), thereby reducing uncertainty. Consequently, we posit that a willingness to pay a premium price essentially represents a high-risk activity undertaken to mitigate situations of uncertainty (see Ou and Qian, 2022). In simpler terms, risk-takers might be more inclined to take the risk of paying higher prices to ensure a favorable outcome in an uncertain condition. In our present research, one purchase situation may inherently entail a greater risk compared to another (e.g., higher physical risk when purchasing meat as opposed to detergent; or higher social risk when acquiring a spa gift certificate for a friend versus for oneself). Therefore, we anticipate that the purchase situation will play a moderating role when risk becomes the central consumer trait under examination.

In the case of organic stores, the willingness to pay higher prices is expected to be high for both risk-taker and risk-avers consumers, regardless of the purchase situation. In simpler terms, we do not anticipate any substantial difference between risk-takers and risk-averse consumers across both purchase scenarios when they shop at organic stores. This expectation arises because both groups generally foresee higher quality products and are willing to pay premium prices at organic stores for various product types.

H2a: Willingness to pay higher prices is similar for risk-taker and risk-averse consumers at organic stores, regardless of the purchase situation.

Conversely, within non-organic stores, both groups expect to encounter lower prices. Consequently, the overall willingness to pay a premium price is anticipated to be lower for both risk-takers and risk-averse consumers in non-organic stores in comparison to their counterparts shopping in organic stores. However, the act of paying higher prices inherently involves taking a risk, essentially constituting a higher initial cost to acquire the product. Therefore, within a non-organic store, the group inclined towards risk-taking is expected to be willing to embrace this risk by paying a premium when the purchase situation carries a higher degree of uncertainty. In simpler terms, compared to their risk-averse counterparts, risk-takers are more likely to accept the challenge of paying higher prices in a risky scenario, such as when purchasing meat or a gift, within a non-organic store where the outcome of the purchase carries more uncertainty. This concept closely aligns with the notion of situational value as presented in our research. For these risk-taking consumers, there is a heightened perceived value in paying a premium within a non-organic store when confronted with a situation that introduces a higher level of risk to the purchase.

H2b: Willingness to pay higher prices is higher for risk-taker compared to risk-averse consumers at non-organic stores only when the purchase situation involves higher risk.

2.4. Mediating role of emotion and reason

We also examined the mediating roles of emotion and reason in this research. We employed these fundamental concepts from social psychology to gain insight into how the interactions in our hypotheses – both the two-way and three-way interactions – affect the willingness to pay higher prices. In simpler terms, we sought to understand whether these two concepts could shed light on why the combination of the consumer, store type, and purchase situation leads to a greater willingness to pay.

Rational responses by consumers involve thoughts that consider their own self-interest and personal goals (Kotler, 1965). Given that the situation or context can trigger these goals (van Osselear and Janiszewski, 2012), one could argue that reason, in the form of rational responses, would also vary based on the type of situation. However, it is worth recalling our earlier argument that green consumers, driven by a moral imperative, find it in their best interest to resist situational influences and maintain consistency between their "green" attitudes and their behavior across all products in an organic store. To do otherwise would create dissonance – a conflict between attitudes and behaviors – and violate the moral code these green consumers uphold. If they genuinely hold "green" attitudes, then aligning their behavior accordingly is the rational course of action. Therefore, we believe that reason can elucidate why green consumers are willing to pay a higher price at organic stores regardless of the situation.

Affective response, as defined by Westbrook (1987), encompasses a distinct category of mental phenomena characterized by consciously experienced subjective emotional states. To put it simply, it represents an individual's psychological state in a given context, encompassing both positive and negative dimensions. It is worth noting that the widely used term "emotion" includes both subjective affect and arousal, as Buck (1984) pointed out. Davis (1989) proposes that consumers' affective responses and attitudes frequently arise from their perceptions. In other words, when consumers evaluate an object, environment, or phenomenon, they generate concerns, whether positive or negative, which then trigger corresponding emotional reactions (Hekkert, 2006; Scherer et al., 2001).

Within the scope of our investigation, we have placed particular emphasis on positive emotions. We contend that risk-averse individuals, in contrast to their risk-taking counterparts, are less prone to experience positive emotions when faced with a high-risk purchase decision in a non-

organic store due to the heightened perceived risks associated with such decisions. These relatively augmented positive emotions in risk-takers, in turn, are likely to fuel a greater willingness to pay higher prices to acquire a product.

3. Study 1: Grocery retailer

3.1. Sample and procedure

We recruited a sample of 307 individuals from Amazon Mechanical Turk (M-Turk) for this study. Among the respondents, 55% were male, 44.3% were female, and 0.7% chose not to disclose their gender. The largest age group (49.2%) fell within the 25-34 age bracket, followed by 35-44 (17.9%), 18-24 (13%), and 45-54 (12.1%) age groups. Only 7.8% of the sample fell outside of these age groups.

Participants were randomly assigned to one of four experimental conditions: two store types (organic vs. non-organic) and two situations (high risk: meat vs. low risk: detergent). They were instructed to first imagine themselves considering a visit to a grocery store located half a mile from their home to buy either meat or detergent. Subsequently, they were informed that the store they were shopping at was either organic (free of chemicals, pesticides, and antibiotics) or non-organic.

Participants were randomly assigned one of four scenarios, after which they were required to answer questions concerning both their emotional and rational responses. Following this, participants provided information on their willingness to pay higher prices, green orientation, and risk orientation (detailed measurements can be found below). Furthermore, to validate the effectiveness of the risk manipulation, participants were requested to assess the overall risk inherent in purchasing the product assigned to them. Demographic information was collected last. To maintain the study's validity, participants were prompted, towards the end of the questionnaire,

to recall the specific situation they were initially asked to imagine. Those participants who could not accurately recall either the product or the type of store mentioned at the beginning of the questionnaire were excluded from the final analysis. In total, we analyzed 299 questionnaires.

3.2. Measurements

Independent variables. Green orientation was assessed using a scale consisting of six items, with responses ranging from 1 (strongly disagree) to 7 (strongly agree). A sample item is: "I would be willing to publicly demonstrate for an environmental cause, such as clean air" (Antil and Bennett, 1979). These six items were averaged to create a green orientation score, which demonstrated high internal consistency (Cronbach's $\alpha = 0.85$). To categorize participants into two groups (green vs. non-green), we conducted a median split based on the green orientation scale (*Median* = 4.5). Following this split, 49.8% of respondents were assigned to the non-green group, while the remaining 50.2% were assigned to the green group. Risk orientation was evaluated using four items, rated on a scale from 1 (strongly disagree) to 7 (strongly agree). Sample items included: "Compared to most people I know, I enjoy taking risks in life" and "Compared to most people I know, I am inclined to gamble on various things" (Burton et al., 1998). Initially, two items were reverse-coded, and then we computed a composite score by averaging responses to all four items, resulting in a high level of internal consistency (Cronbach's $\alpha = 0.86$). To classify participants into two risk orientation groups (risk-averse vs. risk-taker), we employed a median split (*Median* = 2.75). Consequently, 50.2% of respondents (those with risk scores of 2.75 or lower) were categorized as risk-averse, while the rest were identified as risk-takers (49.8%). The manipulation of store type involved asking respondents to imagine shopping at either an organic or non-organic store. This choice was made because of its association with consumers' green orientation. Indeed, green consumers typically hold strong pro-environment attitudes and are more inclined to use

organic and natural products, as well as those that contribute to societal and environmental well-being in general. Finally, we presented a purchase scenario in which participants had to choose between buying meat (high risk) or laundry detergent (low risk), as this scenario introduced physical risk in a purchase situation. Meat products, in particular, have been observed to be more susceptible to situational factors compared to other product categories (Assael, 2006).

Confound checks. We assessed the frequency of shopping at organic or non-organic grocery stores, the frequency of purchasing meat or laundry detergent, and gender as potential confounding factors because previous research has suggested moderating effects of gender and frequency use in similar contexts (Molinillo et al., 2021). Regarding the frequency of store visits, a 2 (meat vs. detergent) × 2 (organic vs. non-organic) MANOVA was conducted, using the frequency items ("How often do you shop at organic stores that offer products free of chemicals, pesticides, and antibiotics?" and "How often do you shop at non-organic grocery stores that do not offer products free of chemicals, pesticides, and antibiotics?") as dependent variables. This analysis revealed no significant main effects or interactions between the situation and store variables (all p-values > .05). Further, an ANOVA with store type as the independent variable and the question "How often do you eat meat?" (rated on a scale from 1: never to 7: very often) as the dependent variable showed no significant main effect ($F(1, 150) = .024$, $p = .88$). Similarly, respondents in the organic store condition did not significantly differ from those in the non-organic store condition in terms of how often they used detergent ($F(1, 149) = 2.03$, $p = .16$). In relation to gender, previous studies have yielded somewhat inconclusive results regarding environmental concern, with some suggesting that women are more environmentally conscious than men (Fransson and Gärling, 1999), while others have reported the opposite (Stern et al., 1993; Stern et al., 1995). To account for any potential impact of gender on the dependent variable due to

differences in "green" orientation between males and females, we conducted an ANOVA with gender as the independent variable and green orientation as the dependent variable. The results revealed no significant difference between males (M = 4.26) and females (M = 4.53) concerning their green scores ($F(1, 296) = 1.62$, $p = .201$). Consequently, none of these variables will be included in further analyses.

Mediators. We assessed positive emotions using a set of six items adapted from Chaudhuri and Micu (2018), with responses ranging from 1 (strongly disagree) to 7 (strongly agree). These items were: optimistic, hopeful, encouraged, generous, considerate, and confident. To ensure that participants remained connected to the specific purchase situation presented to them, we incorporated the exact scenario into each question. For example, a question regarding the emotional response of optimism for the "meat & organic grocery store" scenario was framed as follows: "Buying meat at this organic grocery store makes me feel optimistic." We averaged the six items to create an emotion score with high internal consistency (Cronbach's $\alpha = .93$). Following the assessment of emotional responses, participants revisited the scenario and responded to six statements measuring their rational responses, with responses ranging from 1 (strongly disagree) to 7 (strongly agree). These items were tailored to the description of the specific store presented to the participants. They evaluated whether the store's benefits outweighed its costs, its overall value, whether using the store was advantageous, whether it represented a wise decision, whether it was the rational choice, and whether the store offered precisely what the participant needed for that particular shopping situation (Chaudhuri and Micu, 2018). The items' scores were averaged to create a rational response score with high internal consistency (Cronbach's $\alpha = .91$).

Dependent variable. Willingness to pay higher prices was measured using a set of two items, both designed to assess participants' willingness to spend more when shopping for a

product. These items were phrased as follows: "When shopping for meat/detergent, I would be willing to pay a higher price at this organic/non-organic grocery store compared to other stores" and "When shopping for meat/detergent, I would prefer to shop at this organic/non-organic grocery store, even if another store advertised a lower price" (rated on a scale from 1: strongly disagree to 7: strongly agree). These two items demonstrated a strong positive correlation ($r = .795$, $p < .01$) and were averaged to create a composite score representing participants' willingness to pay higher prices.

3.3. Results

We initially assessed the effectiveness of the risk manipulation in our study. This manipulation involved presenting two distinct products, namely meat and detergent, as they represented scenarios with varying degrees of physical risk associated with the purchase. We conducted a 2 (high-risk situation: meat vs. low-risk situation: detergent) × 2 (store type: organic vs. non-organic) ANOVA with perceived risk ("In your opinion, how risky is buying meat/detergent at a grocery store?") as the dependent variable. The analysis revealed a lack of significant main effects for the store type and the interaction between situation and store. However, as anticipated, it showed a significant effect related to the situation. Specifically, participants reported a higher perceived risk associated with purchasing meat ($M = 2.71$) compared to detergent ($M = 1.70$, F (1, 299) = 48.58, $p < .001$). This outcome indicates that our manipulation of the risk situation was successful.

To test our first hypothesis, we conducted a 2 (green vs. non-green consumer) × 2 (high-risk situation: meat vs. low-risk situation: detergent) × 2 (store type: organic vs. non-organic) with willingness to pay higher prices as the dependent variable. The results revealed several significant effects: firstly, a significant main effect of green orientation (F(1, 291) = 16.23, $p < .001$);

secondly, a significant main effect of store type ($F(1, 291) = 80.45$, $p < .001$); and thirdly, a significant two-way interaction between store type and green orientation ($F(1, 291) = 13.97$, $p < .001$). No other effects in this model reached statistical significance.

Further analyses clarified our findings. As hypothesized, green consumers, compared to their non-green counterparts, were willing to pay higher prices at organic stores for both meat ($M = 4.56$ vs. $M = 3.22$, $F(1, 74) = 10.18$, $p < .001$) and detergent ($M = 4.37$ vs. $M = 3.25$, $F(1, 72) = 10.18$, $p = .002$; see Figure 1). However, when shopping at non-organic stores, there was no significant difference in willingness to pay higher prices between green and non-green consumers for either meat ($M = 2.29$ vs. $M = 2.40$, $F(1, 73) = .16$, $p = .69$) or detergent ($M = 2.62$ vs. $M = 2.41$, $F(1, 73) = .65$, $p = .43$; see Figure 2). In conclusion, our first hypothesis (H1) is fully supported.

************ FIGURE 1 AND FIGURE 2 ABOUT HERE ************

To test the mediating effect of reason (i.e., rational response), we introduced the reason score as a covariate and conducted a 2 × 2 × 2 ANCOVA model. Notably, the influence of reason in this model was statistically significant ($F(1, 289) = 33.12$, $p < .001$). More importantly, the previously observed two-way interaction between green orientation and store type became non-significant when reason was included in the model. Subsequent follow-up analyses indicated that the previously significant difference between green and non-green consumers in their willingness to pay higher prices in organic stores was no longer significant, both for meat ($p = .19$) and detergent ($p = .52$). Thus, these findings support the mediating role of reason.

In a separate 2 × 2 × 2 ANCOVA model, we then explored the mediating role of emotion. Although the impact of emotion was significant ($F(1, 290) = 92.97$, $p < .001$), introducing it as a covariate did not alter the significance of the results. Green orientation, store type, and their two-

way interaction all remained statistically significant in the model (all *p*-values < .01). Consequently, positive emotions were not found to play a mediating role in this particular case, aligning with our initial expectations.

To examine our second hypothesis, we conducted a 2 (risk orientation: risk-averse vs. risk-taker) × 2 (situation: meat vs. detergent) × 2 (store type: organic vs. non-organic) ANOVA using willingness to pay higher prices as the dependent variable. The analysis revealed significant main effects of risk orientation ($F(1, 291) = 5.06$, $p = .025$) and store type ($F(1, 291) = 77.79$, $p < .001$), as well as a significant three-way interaction ($F(1, 291) = 3.75$, $p = .054$). The remaining effects were not statistically significant. Further examination of the results clarified our findings. As hypothesized, when shopping at organic stores, there was no significant difference in willingness to pay higher prices between the two risk-oriented groups for either meat or detergent (see Figure 3), which fully supports H2a. In contrast, when shopping at non-organic grocery stores, risk-taker (vs. risk-averse) consumers showed a greater willingness to pay higher prices for meat ($M = 2.83$ vs. $M = 2.08$, $F(1, 72) = 6.88$, $p = .011$), but not for detergent ($M = 2.50$ vs. $M = 2.49$, $F(1, 73) = .002$, $p = .96$). Therefore, H2b is supported (see Figure 4).

************ FIGURE 3 AND FIGURE 4 ABOUT HERE ************

Furthermore, we explored the potential mediating roles of reason and emotion using a similar approach. Initially, we conducted a 2 × 2 × 2 ANCOVA with reason included as a covariate. The effect of this covariate was notably significant ($F(1, 289) = 51.45$, $p < .001$). However, the inclusion of reason did not alter the significance of the other effects. Therefore, as expected, reason did not demonstrate a mediating role in this model.

In a separate analysis, we ran a 2 × 2 × 2 ANCOVA, this time with positive emotion as the covariate. The effect of this covariate was highly significant ($F(1, 290) = 100.29$, $p < .001$). The

only effect that was affected by the introduction of this covariate was the three-way interaction, which became non-significant ($F(1, 290) = .67$, $p = .42$). This change provides support for the mediating role of emotion, in line with our initial expectations.

3.4. Discussion

Study 1 offered empirical support for the idea that consumers' willingness to pay higher prices is contingent upon the specific purchase situation (whether it carries inherent risks) and the nature of the retail establishment (in our study, organic or non-organic stores) where this situation unfolds. This reaffirms our hypothesis that the perceived value of a product or service varies across different consumer types. The results underscore that the concept of value is relative and hinges on the interplay between the consumer profile, the type of store, and the specific purchasing context. In particular, our findings reveal that environmentally conscious consumers (green consumers) consistently display a greater willingness to pay higher prices when shopping at organic stores, regardless of whether they are purchasing meat or detergent. However, this relationship does not hold when they shop at non-organic grocery stores. In addition, our study demonstrates that the role of reason is pivotal in explaining why green consumers exhibit a heightened willingness to pay higher prices at organic stores, irrespective of the purchase situation.

Furthermore, our investigation unveiled an interesting pattern concerning consumers' risk orientation. Specifically, we observed that individuals inclined toward risk-taking were more willing to pay a premium for meat (though not for detergent) when purchasing from a non-organic store. In contrast, when immersed in the context of an organic store, there was no difference in willingness to pay between risk-takers and their risk-averse counterparts, regardless of the purchase situation, be it meat or detergent. Our interpretation of this finding hinges on the idea that paying a higher price inherently carries an element of risk, and risk-takers tend to embrace such

ventures when they perceive an advantage. Therefore, in the case of meat, a product with a higher physical risk factor, risk-takers see value in paying more, but this holds true exclusively within the domain of non-organic stores. In these non-organic establishments, they harbor uncertainty about the meat's quality, and they employ the option of a higher price as a means to alleviate their doubts, particularly because meat carries a greater physical risk.

We also anticipated that emotions would serve as a mediating factor in this relationship. This hypothesis stemmed from our belief that perceiving a situation as high-risk in a non-organic store would result in weaker positive emotional responses among risk-averse consumers compared to risk-takers. Conversely, risk-takers would experience relatively stronger emotional responses. These heightened emotional responses, in turn, would drive their greater willingness to pay a premium for products. Indeed, our findings provided support for the mediating role of emotions, as evidenced by the three-way interaction losing significance when emotion was introduced as a covariate in the analysis. Overall, the results of Study 1 lend strong support to our hypotheses. In Study 2, we extended our inquiry by employing different purchase situations, thereby examining whether these observed patterns could be replicated in an alternative context characterized by a distinct type of perceived risk, specifically social risk as opposed to physical risk.

4. Study 2: Spa Services

In this study, we introduced a different purchase scenario, where participants were asked to imagine themselves contemplating the purchase of a spa certificate, either as a gift for a close friend or for their personal use. By doing so, we aimed to elicit higher levels of social risk within the purchase context. Our primary objective in this study was twofold: firstly, to assess the robustness of the findings from Study 1, and secondly, to extend these findings to purchase situations characterized by a greater propensity for social risk, as opposed to physical risk. In

essence, we hypothesized that, overall, green consumers, in comparison to their non-green counterparts, would exhibit a greater willingness to pay a premium for the spa certificate, especially when it is designated for use at an organic spa. This anticipated willingness to pay more would apply irrespective of whether the certificate was intended as a gift for a close friend, a scenario inherently associated with greater social risk, or for their own personal use. Additionally, we expected that individuals inclined towards risk-taking behavior would be more motivated to pay a higher price for a non-organic spa certificate when confronted with a purchase situation characterized by elevated social risk. This inclination stems from their use of this higher price as a strategy to alleviate any reservations they might harbor regarding the quality of the spa services.

4.1. Sample and procedure

A sample of 146 participants was recruited from Amazon M-Turk for this study. The sample comprised 52.7% male participants and 47.3% female participants. The age distribution within the sample closely mirrored that of Study 1, with the largest group falling within the 25-34 age bracket (47.9%), followed by the 35-44 age group (30.1%). The 18-24 age group represented 8.9% of the participants, while 13% of the participants were aged 45 or older.

A similar procedure was employed in this study, with participants randomly assigned to one of four experimental conditions, characterized by the combination of two store types (organic vs. non-organic) and two purchase situations (for self vs. as a gift). Participants were instructed to envision themselves buying a one-hour spa certificate, intended either as a personal indulgence or as a gift for a close friend. This certificate could be redeemed at a spa located approximately half a mile from either their own home or their friend's residence. It is important to note that, to ensure that other factors did not impact the results, participants were informed that the quality of spa services, the ambiance, and the professionalism of the staff, essentially every aspect, would be

identical to that of a typical spa. The key distinction lay in the spa's use of organic materials, depending on the assigned scenario (organic or non-organic).

After reading the scenario assigned to them at random, participants were asked to respond to questions gauging their emotional reactions and rational responses. In line with the protocol of Study 1, they also provided input on their willingness to pay higher prices, their green orientation, and their risk orientation. Furthermore, to validate the effectiveness of the risk manipulation, participants were requested to assess both the overall risk and the social risk inherent in the purchasing scenario (self vs. gift) assigned to them. Finally, demographic information was collected.

4.2. Measurements

Independent variables. We assessed participants' green orientation using the same set of six statements, employing a rating scale from 1 (strongly disagree) to 7 (strongly agree) as adapted from Antil and Bennett (1979). These statements were then averaged to compute a green orientation score (Cronbach's α = .82). Subsequently, a median split was performed (*Median* = 4.67) on the green orientation scale, categorizing participants into two groups: green and non-green consumers. This division resulted in 47.3% of participants falling into the non-green group, while the remaining 52.7% were classified as part of the green group. To assess consumers' risk orientation, we employed a risk avoidance scale consisting of six items, using the same 7-point rating scale (1: strongly disagree; 7: strongly agree), as adapted from Lee et al. (2005). Sample items included statements like "I do not choose risky alternatives" and "I would rather be safe than sorry." These items were averaged to generate a composite score indicative of risk orientation (Cronbach's α = .80). We once again performed a median split on the composite score (*Median* = 4.92) to distinguish between risk-taker (50.0%) and risk-averse consumers (50.0%), with the

former characterized by lower scores on the risk avoidance scale and the latter by higher scores. Consistent with the methodology employed in Study 1, participants were directed to imagine the spa certificate as being intended for either an organic or a non-organic spa establishment. This selection was made to align with the consumers' green orientation. Furthermore, the choice of a spa was relevant in the context of our manipulation, where participants considered buying a spa certificate either as a personal indulgence or as a gift for a friend. This manipulation aimed to create a purchase scenario associated with elevated risk, specifically social risk.

Confound checks. We examined the potential confounding factors of frequency of shopping at organic/non-organic stores and gender in this study. Initially, a 2 (situation: self vs. gift) × 2 (store type: organic vs. non-organic) MANOVA was conducted, employing the frequency-related items as dependent variables. These items were centered on how often participants shopped at organic using only organic products, as well as how frequently they shopped at non-organic stores. The analysis revealed no significant main effects and no significant interaction between situation and store type (all *p*s > .05). Regarding gender, we conducted a one-way ANOVA to compare green orientation scores between the two gender groups. In line with the findings of Study 1, the results indicated no significant difference between males (M = 4.47) and females (M = 4.55) in terms of their green orientation ($F(1, 144) = .463$, $p = .644$). Consequently, these variables were excluded from further analyses.

Mediators and dependent variable. We employed a measurement approach and procedures similar to those utilized in Study 1. Specifically, we assessed participants' emotional response (Cronbach's α = .87) and rational response (Cronbach's α = .87) using the same scales employed in Study 1, wherein responses were measured on a scale ranging from 1 (strongly disagree) to 7 (strongly agree). To measure participants' willingness to pay higher prices, we employed two

items. Participants were asked to rate their agreement with the following statements: "I would be willing to pay a higher price to purchase a spa certificate for myself/my close friend at this organic/non-organic spa compared to other spas," and "I would prefer to purchase this organic/non-organic spa certificate for myself/my close friend, even if another spa advertised a lower price" (rated on a scale from 1: strongly disagree to 7: strongly agree). These two items exhibited a high level of correlation (r = .790, p < .001) and were subsequently averaged to generate a willingness to pay higher prices score.

4.3. Results

In this study, we manipulated participants' perceived risk by presenting two distinct purchase situations: one for buying a spa certificate as a gift and the other for purchasing it for oneself. To assess overall risk perception, we employed a single item: "In your opinion, how risky is buying a spa certificate for yourself/your friend?" A one-way ANOVA comparing responses between these two purchase scenarios yielded significant results (F(1, 144) = 5.81, p = .017). Specifically, participants expressed a higher level of overall risk associated with buying a spa certificate as a gift (M = 2.44) compared to buying it for themselves (M = 1.96).

Furthermore, we measured perceived social risk through a single item: "How likely is it that buying a spa certificate for yourself/your friend could cause others to think badly of you?" Once again, we observed a significant difference between the two purchase situations (F(1, 144) = 4.76, p = .031). In this case, participants perceived a greater degree of social risk when buying a spa certificate for a friend (M = 2.26) as opposed to purchasing it for themselves (M = 1.76). Thus, our manipulation effectively elicited variations in perceived risk across the two situations.

The results of Study 1 demonstrated a consistent pattern where green consumers exhibited a higher willingness to pay higher prices in the context of organic grocery retailers, regardless of

whether they were purchasing meat or detergent. However, this trend was not observed in non-organic grocery stores. In Study 2, we conducted a similar analysis, employing a 2 (green orientation: green vs. non-green) × 2 (situation: self vs. gift) × 2 (store type: organic vs. non-organic spa) model with willingness to pay higher prices as the dependent variable. The results revealed a significant main effect of store type ($F(1, 138) = 40.83$, $p < .001$) and a significant two-way interaction between store type and green orientation ($F(1, 138) = 4.08$, $p = .045$).

Upon closer examination of these results, it becomes apparent that both green and non-green consumers exhibited a strong willingness to pay higher prices at organic spas ($M = 4.76$ vs. $M = 4.59$). Furthermore, green consumers, in contrast to their non-green counterparts, demonstrated a greater willingness to pay higher prices when purchasing an organic spa certificate for themselves ($M = 4.70$ vs. $M = 3.71$, $F(1, 35) = 4.53$, $p = .040$). However, this difference did not reach significance when the purchase was intended for a friend ($F(1, 37) = .13$, $p > .10$; see Figure 5). Conversely, there were no significant differences in willingness to pay higher prices between green and non-green consumers when purchasing a non-organic spa certificate, whether for themselves ($M = 3.02$ vs. $M = 3.31$, $F(1, 35) = .67$, $p = .419$) or for a friend ($M = 2.80$ vs. $M = 3.11$, $F(1, 31) = .53$, $p = .471$; see Figure 6). These findings suggested that the influence of perceived risk in the purchase situation was more prominent in the context of service establishments compared to that of goods retailers, thus offering partial support for our hypothesis H1.

************ FIGURE 5 AND FIGURE 6 ABOUT HERE ************

Furthermore, we explored the mediating role of reason (rational response) using a 2 × 2 × 2 ANCOVA model, incorporating reason as a covariate. This model unveiled significant main effects for reason ($F(1, 137) = 21.83$, $p < .001$) and store type ($F(1, 137) = 28.26$, $p < .001$).

However, the introduction of reason to the model rendered the previously significant two-way interaction effect between green orientation and store type non-significant ($F(1, 137) = 1.78$, $p = .185$). Subsequent analyses revealed that the distinctions between green and non-green consumers concerning their willingness to pay higher prices for an organic spa certificate were not statistically significant, regardless of whether the purchase was for themselves or for a friend (both ps > .05). Thus, as predicted, reason serves as a mediating factor in this context.

Similar results emerged when examining emotion as a potential mediator. The ANCOVA, which included emotion as a covariate, revealed significant main effects for both emotion ($F(1, 137) = 8.57$, $p = .004$) and store type ($F(1, 137) = 20.91$, $p < .001$). However, the previously observed interaction between store type and green orientation became non-significant ($F(1, 137) = 1.93$, $p = .167$). Subsequent analyses indicated that there were no significant differences between green and non-green consumers when purchasing an organic spa certificate for themselves or for a friend (both ps > .05). Thus, similar to reason, emotion also exerts a mediating influence in this study.

Our second hypothesis posits that risk-taker consumers will exhibit a higher willingness to pay higher prices than risk-averse consumers at non-organic spas (but not at organic spas), and when purchasing for a friend, but not when purchasing for themselves. To assess this hypothesis, we conducted a 2 (risk orientation: risk-averse vs. risk-taker) × 2 (situation: gift vs. self) × 2 (store type: organic vs. non-organic) ANOVA, with willingness to pay higher prices as the dependent variable. The analysis revealed a significant main effect of store type ($F(1, 138) = 46.84$, $p < .001$) and a marginally significant three-way interaction ($F(1, 138) = 3.49$, $p = .064$). None of the other effects in this model reached statistical significance.

Follow-up analyses align with our hypotheses. As expected, there were no significant differences between the two risk-oriented groups regarding their willingness to pay higher prices when purchasing a certificate at an organic spa for themselves (M = 4.69 vs. M = 4.05, F(1, 35) = 1.87, p = .180) or for a friend (M = 4.71 vs. M = 4.67, F(1, 37) = .006, p = .938; see Figure 7), confirming H2a. In contrast, as anticipated, risk-taker consumers, compared to their risk-averse counterparts, displayed a greater willingness to pay higher prices when buying a certificate at a non-organic spa for a friend (M = 3.44 vs. M = 2.62, F(1, 31) = 5.10, p = .031), but not for themselves (M = 3.09 vs. M = 3.23, F(1, 35) = .16, p = .69; see Figure 8). Thus, H2b is supported.

************ FIGURE 7 AND FIGURE 8 ABOUT HERE ************

We proceeded to investigate the potential mediating roles of reason and emotion. Initially, a 2 × 2 × 2 ANCOVA model was employed with reason included as a covariate. Surprisingly, the three-way interaction remained significant even after accounting for reason (F(1, 137) = 4.03, p = .047). Therefore, reason did not emerge as a mediating factor in this context, in line with our expectations. Similarly, when emotion was introduced as a covariate in a separate ANCOVA model, the main effect of positive emotions was significant (F(1, 137) = 11.20, p = .001). However, the three-way interaction effect persisted as marginally significant (F(1, 137) = 3.80, p = .053), even with emotion considered as a covariate. Contrary to our expectation, emotion did not seem to mediate the observed effects.

Upon closer examination of the data, it was found that participants actually experienced a more positive emotional response in the gift-purchase condition (M = 5.22) compared to the self-purchase condition (M = 4.68; F(1, 144) = 9.08, p = .003), and at the organic store (M = 5.42) compared to the non-organic store (M = 4.44; F(1, 144) = 36.56, p < .001). Furthermore, a

significant positive correlation was observed between positive emotional response and willingness to pay higher prices ($r = .421$, $p < .001$).

However, it is noteworthy that neither store type nor purchase situation significantly interacted with participants' risk orientation in predicting positive emotion ($p > .10$). Additionally, when comparing the purchase situations, both risk taker ($M = 4.14$ vs. 4.74; $F(1, 36) = 3.43$, $p = .072$) and risk averse consumers ($M = 4.04$ vs. 4.87; $F(1, 30) = 3.45$, $p = .073$) reported lower levels of positive emotional response when buying a non-organic spa certificate for themselves compared to buying for a friend.

4.4. Discussion

The results of Study 2 largely mirror those of Study 1, aligning with our expectation that the concept of value hinges on the specific consumer type, the type of store, and the purchase situation. However, Study 2 does introduce two noteworthy deviations from the findings of Study 1. First, the results reveal that green consumers are more inclined to pay higher prices for an organic spa certificate when they purchase it for themselves and not when they buy it for others. This divergence from Study 1 suggests that the purchase situation indeed plays a pivotal role in this new context.

The difference in outcomes can be attributed, at least in part, to the nature of the purchase situations employed in Study 2. Specifically, it is important to note that both purchase situations in Study 1 (meat and detergent) were self-directed, meaning that both products were intended for personal consumption (i.e., the self). In Study 2, however, a divergence occurs, as one purchase situation is self-directed (buying for oneself), while the other is other-directed (buying for a friend). Consequently, it is not surprising to observe that green consumers, who strongly identify with environmentally conscious self-views, are more willing to pay premium prices when they

themselves are the intended users of an organic spa certificate. This insight is further bolstered by the mediation role of positive emotion, signifying that green consumers experienced more positive emotional responses when purchasing an organic spa certificate for their own use.

Second, and contrary to our expectations, emotional response did not serve as a mediating factor when examining the role of risk orientation in this study. Despite participants reporting more positive emotional responses when purchasing a certificate at an organic spa compared to a non-organic one, and when buying it for a friend as opposed to themselves, our hypothesis regarding emotion as a mediator was not supported.

Interestingly, we observed that both risk-oriented groups reported experiencing lower positive emotions when acquiring a non-organic spa certificate for themselves, compared to buying it for a friend. This suggests that the prospect of receiving personal spa treatment (an inherently intimate experience) at a non-organic establishment (which possibly offers a less healthy experience) may have hindered positive emotions in some participants, irrespective of their risk orientation. In essence, these findings hint at the significant influence of the purchase situation, overshadowing individual factors like risk orientation in Study 2.

5. Discussion, implications, and future research

Across two studies, involving consumers varying in their green orientation and risk orientation, we uncover a nuanced interplay between loyalty and situational value. Our findings highlight that consumer loyalty is not a universal trait but rather store-specific, contingent on the type of store involved. For example, green consumers may demonstrate loyalty to organic grocery retailers but seek situational value when shopping at spas establishments. This underscores the importance for managers to earn the loyalty of green consumers for each store type independently.

In Study 1, we discovered that green consumers exhibit loyalty by being willing to pay higher prices at organic grocery retailers, regardless of the purchase situation. This loyalty effect was primarily explained by reason rather than emotion. Green consumers, when loyal to a retailer, tend to make rational decisions, choosing what they perceive as the wisest option. Therefore, retail managers should tailor their appeals to this rationality, emphasizing consistency and downplaying emotional factors. Such rational appeals can range from appeals to be consistent in their choices (e.g., "Keep doing what you have always done") to appeals that encourage green consumers to ignore the emotional reasons for being non-loyal (e.g., "Change is NOT fun in the produce aisle"). Future research might explore how other consumer characteristics, such as a preference for consistency (PFC; Cialdini et al., 1995) or higher need for cognition (Cacioppo and Petty, 1982), may impact loyalty and willingness to pay more.

In Study 2, we observed that green consumers are willing to pay more at organic spas, but only when purchasing for themselves, which aligns with a situational value perspective. What's intriguing is that both emotions and reason played significant mediating roles in this context. Green consumers experienced heightened positive emotions when selecting a spa for themselves, indicating that specific store types and purchase situations are fertile ground for emotional appeals.

For marketers, this opens up avenues to captivate green consumers by leveraging emotional appeals that emphasize pleasure and joy. These appeals could span from encouraging them to indulge themselves (e.g., "Pamper Yourself") to urging them to embrace the sheer delight of their choices (e.g., "Just feel the joy") when making hedonic product selections for personal use. In these instances of self-indulgence, emotions appear to hold more sway than rational considerations.

Future research could delve further into different product categories to ascertain the optimal balance between emotional and rational appeals for green consumers in diverse retail and service settings. In essence, there is a need to explore how retail consumers, whether green or not, navigate the complex "crossfire" of emotions and reason (Higgins, 1987) when shopping across various store categories and purchase situations. This investigation holds promise for refining marketing strategies in response to these intricate dynamics.

Consistent with our second hypothesis, our findings from both studies underscore that consumers with a higher risk orientation are indeed more inclined to pay premium prices, and this inclination is subject to the interplay of purchase situations and store types, capturing the concept of situational value, as we discussed earlier. However, an intriguing twist emerges when we delve into the mediation aspect. In Study 1, emotions take the center stage, elucidating how and why risk-taker consumers are willing to pay more. It is essential to note, though, that this emotional mediation did not manifest in Study 2, shedding light on the role of emotions in distinct purchase contexts. This divergence between the two studies could be attributed to the differential risk perceptions stemming from the purchase situations involved. Study 1 centered on scenarios with physical risk, whereas Study 2 introduced the element of social risk. The variations in emotional mediation might be a consequence of these differing risk profiles.

Moving forward, a compelling avenue for research lies in exploring and understanding risk-oriented consumers' emotional dynamics across various purchase situations. Are there specific types of situations that trigger pronounced positive or negative emotional conflicts in this consumer segment? As indicated in our Study 2 discussion, certain purchase situations might elicit heightened positive emotions of desire and enjoyment, potentially outweighing the negative sentiments associated with risk in the minds of risk-taker consumers. This suggests an alternate

kind of “crossfire” – one pitting positive against negative emotions, particularly those tied to perceived risk.

Future research should dig into the emotions people experience during shopping, especially when they are in different types of stores or buying on various occasions. By understanding these emotional nuances, we can gain deeper insights into how risk-oriented shoppers act and what they prefer. This knowledge can be valuable for marketers aiming to customize their strategies for this group, thus improving their ability to engage and serve these customers effectively.

6. Concluding remarks

This study contributes to the field of retailing and consumer services. It explores the distinctions between loyalty and value in both retail and service contexts, offering insights into the intricate dynamics of consumer behavior influenced by emotion and reason, especially regarding their willingness to pay higher prices. Moreover, it advances the green marketing literature by comparing loyalty and value effects in green and non-green retail and service environments. Notably, this research underscores the potential of green marketing in enhancing customer loyalty and increasing willingness to pay more, aligning with the growing consumer preference for eco-friendly products and services. These findings provide valuable guidance for future research and strategic decisions in the continuously evolving retail and service sectors.

Declaration of Generative AI and AI-assisted Technologies in the Writing Process

During the preparation of this work the authors used ChatGPT in order to improve language and readability. After using this tool/service, the authors reviewed and edited the content as needed and takes full responsibility for the content of the publication.

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Figure 1

Study 1 – Consumers' Willingness to Pay Higher Prices at Organic Stores (Means)

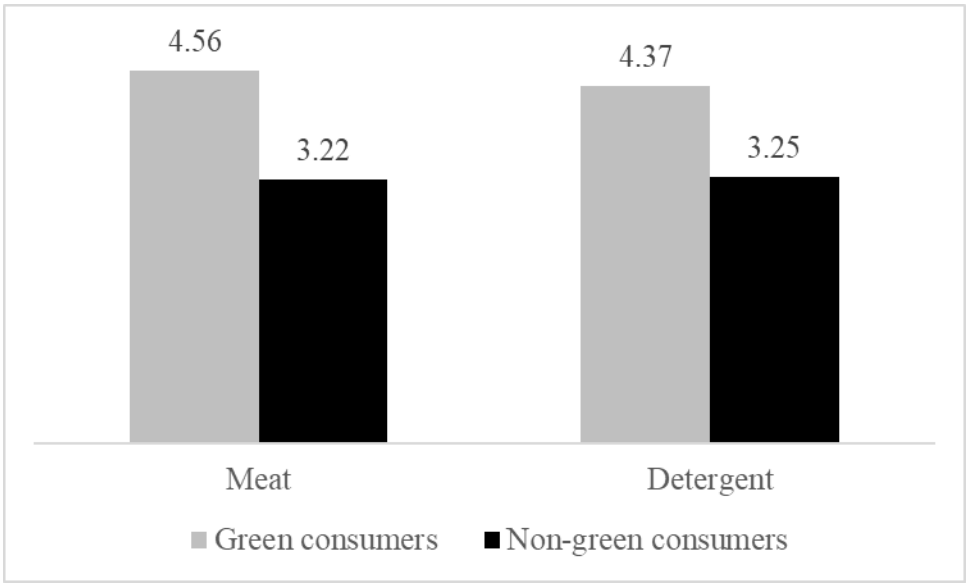

Figure 2

Study 1 – Consumers' Willingness to Pay Higher Prices at Non-Organic Stores (Means)

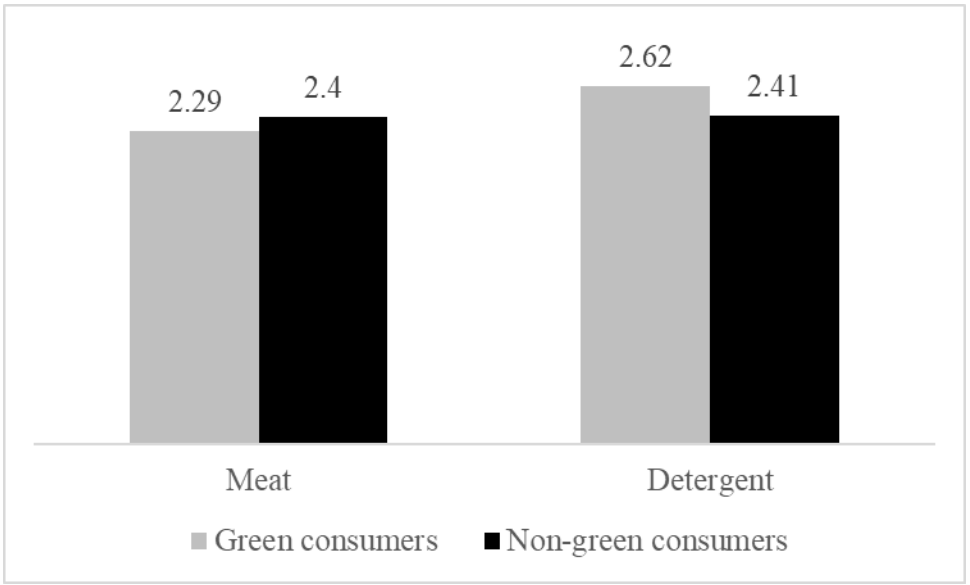

Figure 3

Study 1 – Consumers' Willingness to Pay Higher Prices at Organic Stores (Means)

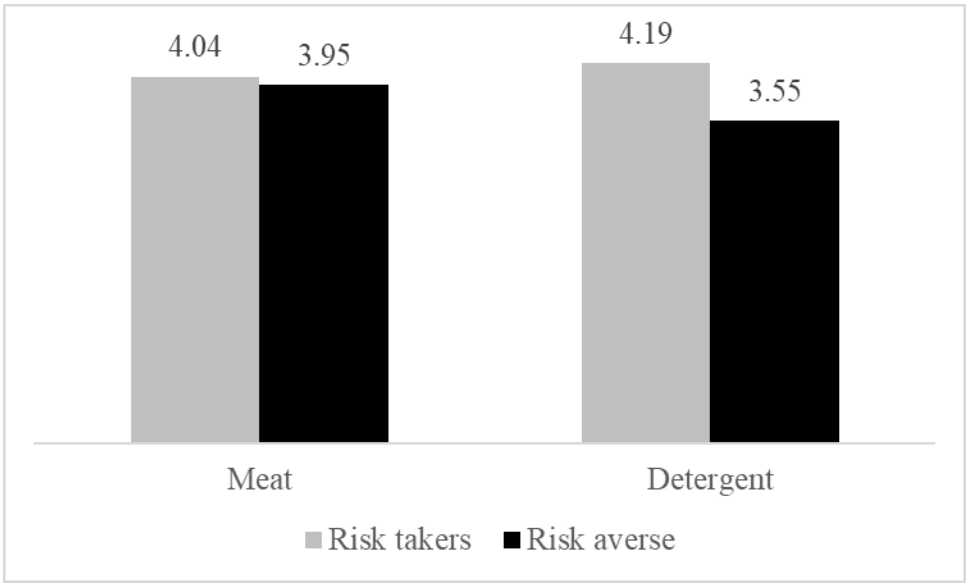

Figure 4

Study 1 – Consumers' Willingness to Pay Higher Prices at Non-Organic Stores (Means)

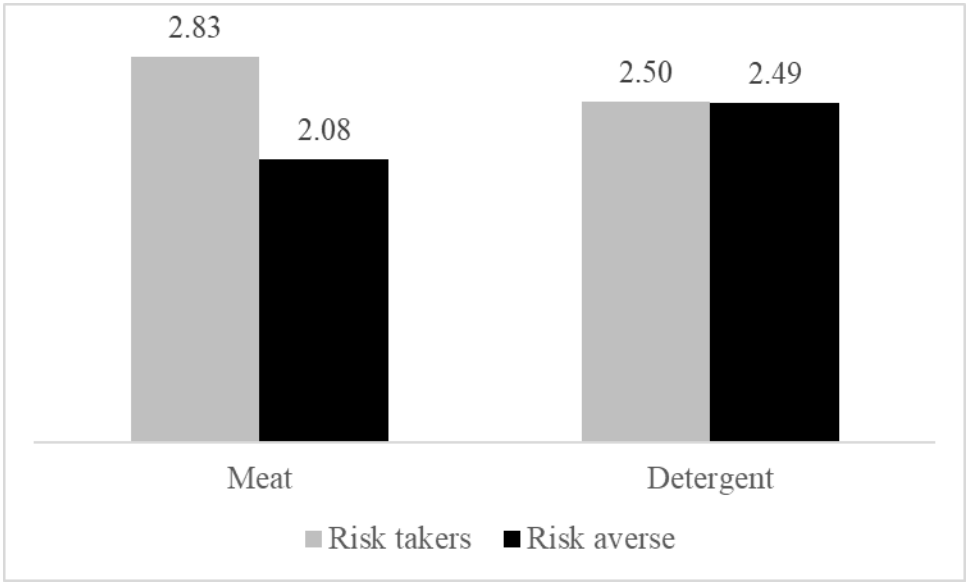

Figure 5

Study 2 – Consumers' Willingness to Pay Higher Prices at Organic Spas (Means)

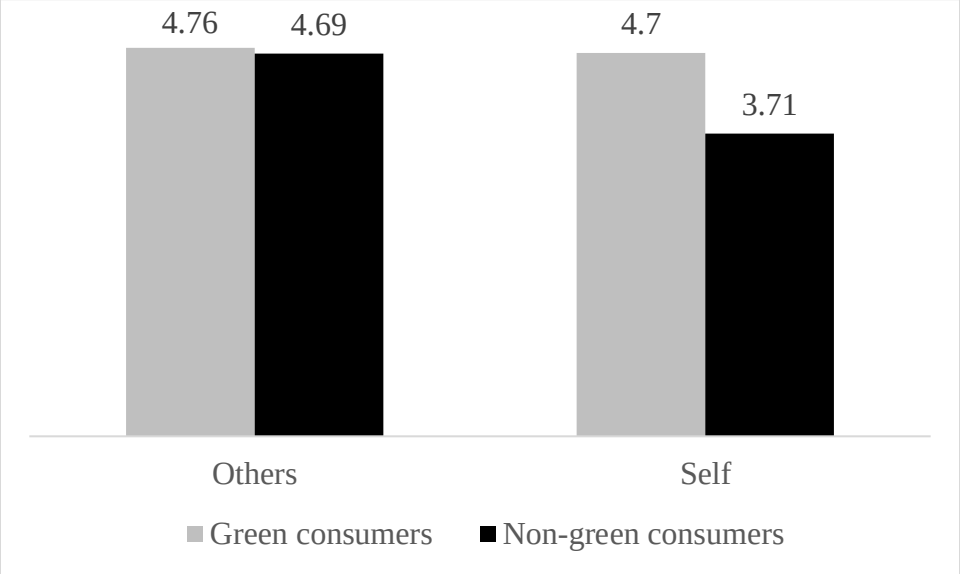

Figure 6

Study 2 – Consumers' Willingness to Pay Higher Prices at Non-Organic Spas (Means)

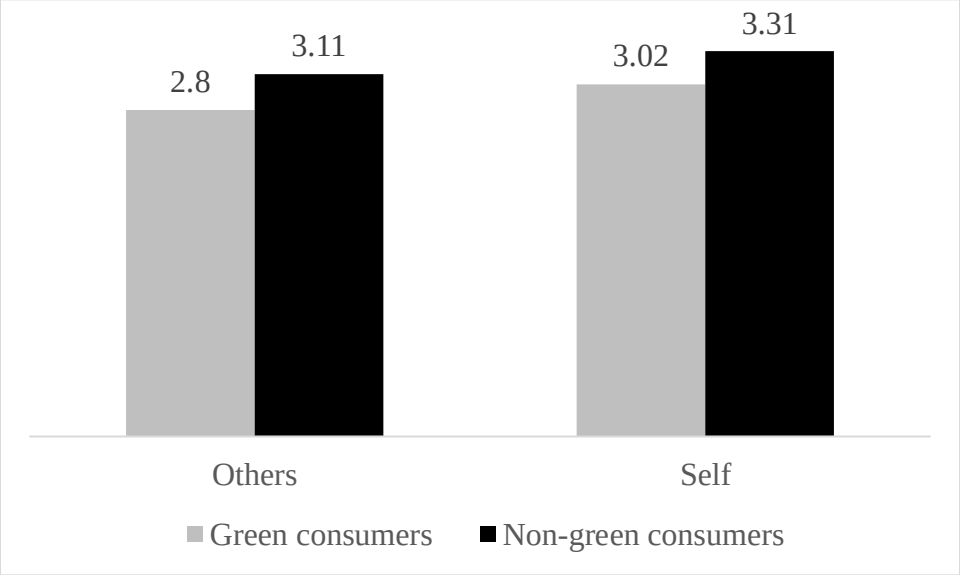

Figure 7

Study 2 – Consumers' Willingness to Pay Higher Prices at Organic Spas (Means)

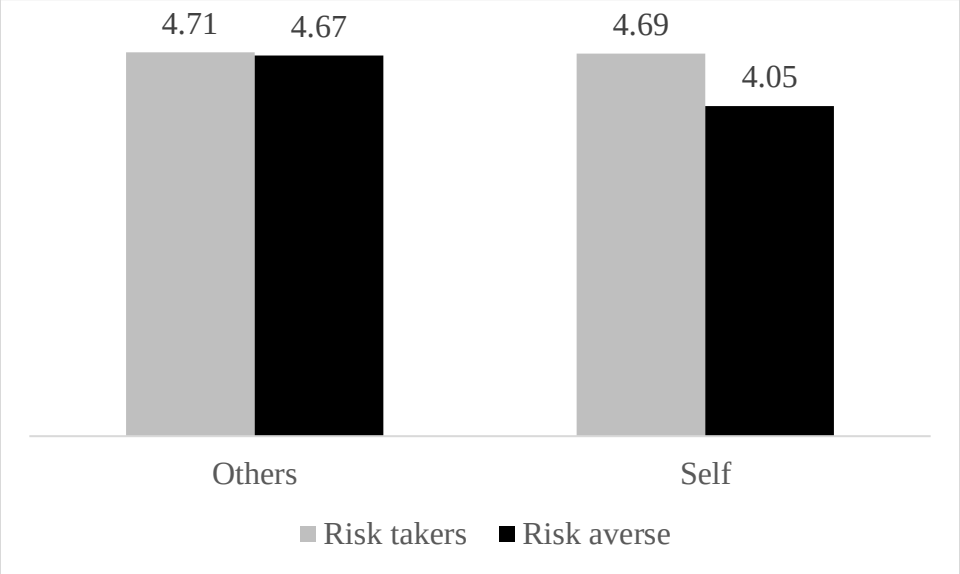

Figure 8

Study 2 – Consumers' Willingness to Pay Higher Prices at Non-Organic Spas (Means)