Exploring Pet Owners’ Personality Trait, Decision-making Style and Purchase Behavior- the Mediator of CSR

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ABSTRACT

Pet-related products have created the business opportunity for over 30 billion dollars (Commercial Times, 2015), indicating that pet owners pay highly attention on pets. This study assumes the thinking processes consumer hesitation phase, which would be motivated through other factors. Thus, this study examines the relationship between personality traits and corporate social responsibility (CSR) perceptions, and the mediator of CSR perception between decision-making style and purchase behavior for pet owners. The findings reveal the personality traits except neuroticism positively influence all dimensions of CSR perceptions, and conscientiousness does not influence philanthropic responsibility. CSR perception mediates the effect of decision-making style on purchase behavior. CSR perception would be an important factor to influence purchase behavior in consumer hesitation phase. Environmental responsibility and philanthropic responsibility are more important for pet owners in Taiwan. This study suggests strengthening CSR perception to affect purchase behavior during consumer thinking process, and corporations would produce and develop recycle, low-carbon, and clean energy pet-related products to benefit pets.

INTRODUCTION

Taiwan faced with declining birthrate, aging, single and the increasing DINKs in recent years. Pets-raising become a part of family and is increasing recently. According to Bureau of Foreign Trade of Ministry of Economic Affairs of Taiwan (2012), the total pet food imports amount from $57,080,618 in 2005 to $100,117,247 in 2011. The amount, invested by pet owners, has been grown to 57% which shows the importance of pet consumption in Taiwan. Pet owners are willing to spend more on pet food amounts. But Animal Protection Office and Consumer Protection Committee examined a total of 127 pet foods for the food safety on December, 2013, 100 products are not in accordance with Product Labeling Act, giving a 79% unqualified rate. The ethical issues of pet foods still exist. Basil and Weber (2006) sought to differentiate underlying personality traits that impact support for corporate social responsibility (CSR) and normative views of CSR. They found that customers posing personality traits were more likely to try products based on company’s CSR efforts. The personality is one of the factors, which may affect the attitude to CSR. Besides, openness has also been found to positively influence citizenship behavior (Abu Elanain, 2008). Thus, this study explores whether personality traits of pet owners may influence CSR perceptions.

Holmes and Watts (2000) explored business taking account of CSR means that business promise to have ethical behavior for society, employee and community. Customer thought products had good quality and could trust it when business thought about CSR (McWilliams and Siegel 2000). Dodd and Supa(2011)
found customer prefer to buy products that business exhibited social responsibility. Therefore, customers attach great importance to CSR when they buy products. The procedure of consuming would go through from cognition to decision-making and purchase behavior (Kotler & Armstrong, 2005). It shows that there is a consumer hesitation phrase during thinking process. CSR perception could be a mediator to affect purchase behavior in the hesitation phrase. Thus, this study explores whether CSR perception is the mediator between decision-making style and purchase behavior.

**LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT**

The Conception of Personality Traits and CSR Perceptions

Personality is a unique mode of personal feelings and behavior (Phares & Chaplin, 1997). A disposable personal in life, how to think, feel, act and react (Magnusson, 1989). The characters are elements of personality traits (Allport, 1961). Personality traits is stable in a person's life, and is an important component factors (Costa & McCrae, 1992). Big Five Personalities is derived from trait theory. It is widely used in measuring personality traits, cross-cultural examination (Costa, Terracciano & McCrae, 2001). Most of researches support this model (Goldberg, 1990; Hofstee, De Raad, & Goldberg, 1992; Katigbak, Church, & Akamine, 1996; Somer & Goldberg, 1999; Digman & Shmelyov, 1996). Agreeableness individuals would be cooperative (Barrick & Mount, 1991; Digman, 1990; Kichuk & Wiesner, 1997; Neuman & Wright, 1999), trust in others, and competent in building friendship (Digman & Inouye, 1986); conscientiousness individuals are described as responsible, persistent, and cautious (Barrick & Mount, 1991; Digman, 1990; Neuman & Wright, 1999; Thoms et al., 1996); extraversion individuals have a social disposition, actively to converse with others, and strongly to participate in team work (Barrick et al., 1998; Barrick & Mount, 1991; Costa & McCare, 1992; Digman, 1990); neuroticism individuals are strongly associated with agitation, fearfulness, depression, anxiety, nervousness, and hurtfulness (Costa & McCrae, 1985); openness to experience is described as the individuals being imaginative, curious, having a variety of interests, and dealing with everything without prejudice (Barrick & Mount, 1991; Costa & McCare, 1985). This study adopts the five factors of personality trait.

CSR means a business targets not only fulfill the economic and legal obligations, but also should be concerned about the environment and society (McGuire, 1963). Businesses should reduce the negative side on society to the minimize impact when in the pursuit of their interests (Morf, Schumacher & Vitell, 1999). Any act or activities which can generate benefits to the society should not be limited to the company's interests and legal requirements (Mc Williams & Siegel, 2001). Committee for Economic Development, CED, USA, put forward three concentric view of CSR from the view of social hierarchy including the inner circle, the intermediate circle, and the outer circle (Carroll, 1991). Carroll (1996) demonstrated the Four-Part CSR Model including philanthropic responsibilities which business are expected to be responsibility for, ethical responsibilities which business are asked for, legal responsibilities which business have to pay attention for and economic responsibilities which business have to do for. Thus, this study consider the perception of CSR be divided into environmental responsibility, philanthropic responsibility, legal responsibility and economic responsibility.

Pet owners' could be influenced by personal values, beliefs, perception and experiences. It has been proposed that individual personality traits influence ethical decision making (Ferrell, & Gresham, 1985; Hunt, & Vitell, 1986, 1992; Marks, & Mayo, 1991). Thus, the following hypotheses are proposed:

**H1:** Pet owners' personality traits may positively impact CSR perceptions.
The Conception of Decision-making Styles and Purchase Behavior

Decision-making style is a decision-making habit, a personal special mode for receiving messages and response decision-making (Harren, 1979). When faced with a critical situation, based on personal habits, the reaction by individual thinking is the decision-making style (Scott & Bruce, 1995). Decision-making style is defined as the differences react on belief and values when decision-makers perceive self-cognition and person-context interactions (Ismail, 2011). Rowe and Boulgraides (1992) believe that "decision-making style" is the thinking and reaction for a decision-maker facing the problem, their ways of cognition, value and adjustment stress. Consumer decision-making style would be influenced through self-reflection and feedback toward information (Hawkins, Best, & Coney, 1995). Rowe and Boulgarides propose four kinds of decision-making style in 1992 follows as: (1) Directive Style: Decision-makers stress the logic efficiency, looks forward to power and emphasis on short-term quick decisions; (2) Analytic Style: Decision-makers like to collect a lot of information and will consider a number of alternatives; (3) Conceptual Style: Decision-makers use multiple sources of information and consideration of various alternatives, idealistic tendencies and also stressed the ethical and value; (4) Behavioral Style: Decision-makers can accept the suggestions and often shows caring side with the others, work with empathy. This study explores the four decision-making styles.

The goal of purchase behavior is to satisfy consumer purchasing intention (Schiffman & Kanuk, 1991). Kotler (2002) proposed that purchase behavior is a process of seeking, choosing, purchasing, using, evaluating products for individuals to satisfy their needs and desires. Armstrong and Kotler (2007) emphasized that purchase behavior begins before buying but has not ended after buying; hence, marketer should pay attention on decision-making process because consumer satisfaction would reflect on word of mouth and repurchasing. Corporations would increase consumer loyalty and repurchasing when consumers realize their needs would be satisfied by purchase behavior (Kotler & Armstrong, 2005; Danziger, 2007). This study focused on word of mouth, loyalty, and repurchasing of purchase behavior. Consumer purchase behavior will be affected by self-concept (Kotler & Armstrong, 1994). Purchase process usually forms through five stages such as self-assessment procedures, the establishment of brands, products or services, the formation of purchase intentions and purchase decisions and post-purchase behavior (Kotler & Armstrong, 2005). Therefore, the following hypothesis is posited:

**H2:** Pet owners’ decision-making style may positively impact purchase behavior.

The Conception of CSR Perception, Decision-making Style, and Purchase Behavior

In the past decade the CSR literature stream has focused on stakeholders, consumers especially (Brown & Bacin 1997; Marin & Ruiz 2007; Mohr & Webb 2005; Sen & Bhattacharya 2001). Lee, Park and Rapert (2011) consider that the awareness of consumers on CSR activity is the social activity of the company which they support. Customers will not have a negative consumer perceived ethicality for businesses is very important (Brunk, 2010). There are highly positive correlations between businesses fulfill their CSR and consumers loyalties (Marin et al., 2009). CSR will have a positive impact on purchase decisions (Auger et al., 2003). Lichtenstein et al (2004) suggest that the achievement of CSR activities could help to improve the business evaluation, increasing consumer purchase behavior. When consumers perceive the businesses pay their CSR, consumers would be willing to upgrade their willingness to buy, to encourage these businesses commit to CSR and more willing to pay higher prices to buy the businesses' goods (Ramasamy & Yeung, 2009). Thus, the following hypotheses are proposed:

**H3:** Pet owners’ CSR perception may positively impact purchase behavior.
According to Sproles’ (1985) work, the concept of consumer decision-making style was described as the decision-making behavior led by psychology and cognition while consumers make purchasing decision. As Kotler and Armstrong (2005) noted that customers’ decision-making affected purchase behavior and CSR affected purchase behavior. Whether the issue that this study will discuss is the CSR could be a mediator between decision-making and purchase behavior? Thus, the following hypothesis is proposed.

**H4:** Pet owners’ CSR perception is the mediator between decision-making style and purchase behavior

### METHODOLOGY

#### Research Framework and Sample

Research frame of this study shows the relationship between pet owners’ personality traits, CSR perceptions, decision-making styles and purchase behavior. It is shown as figure 1. Taiwan’s pet owners are the objects of the study. Issued a total of 600 questionnaires, collected 492 valid questionnaires, and the effective rate is 82%.

![Figure 1: Conception of Framework](image)

#### Reliability Analysis

This study uses Cronbach’s $\alpha$ to measure data consistency. Personality trait of Cronbach’s $\alpha$ value is 0.84. Perception of CSR of Cronbach's $\alpha$ value is 0.95. Decision-making style of Cronbach’s $\alpha$ is 0.86. Purchase behavior of Cronbach's $\alpha$ value is 0.84. The various dimensions of Cronbach’s $\alpha$ values are higher than 0.80, indicating that the questionnaires in this study have good reliability.

#### Validity Analysis

This study uses convergent validity and discriminant validity to inspect questionnaire validity (Anderson & Gerbing, 1988). The evaluation criteria of convergent validity adopts of the proposed
A combination of composite reliability, CR, is greater than 0.6 by Bagozzi and Yi (1988). In this study, CR value of CSR perception is 0.90, CR value of decision-making style is 0.77, CR value of purchase behavior is 0.84. All CR values are greater than 0.6 to express each variable has with good convergent validity. Capron (1999) is taken as the criteria for assessing discriminant validity, when the absolute value of the coefficient of roots and other value AVE is greater than the dimensions of the correlation coefficient, which is to support the existence of discriminant validity. The findings show that CSR perception, decision-making style, and purchase behavior of the AVE values are greater than the correlation coefficient, such as the absolute value of other factors of Table 1. Therefore, this mode has considerable discriminant validity after the test for the overall mode fit. In this model, GFI = 0.94, AGFI = 0.91, NFI = 0.94, RFI = 0.92, CFI = 0.95, and these values are all great than 0.90. RMR = 0.02, and low than 0.05. PNFI = 0.71, PGFI = 0.60 and these two values are great than 0.50. The above indicators show that the mode has a good degree of adaptation.

**Table 1: Validity Analysis of Each Variable**

<table>
<thead>
<tr>
<th>Variable</th>
<th>CSR perceptions</th>
<th>Decision-making styles</th>
<th>Purchase behavior</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSR perceptions</td>
<td>0.69 (0.83)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decision-making styles</td>
<td>0.46 (0.68)</td>
<td>0.42**</td>
<td>0.30**</td>
</tr>
<tr>
<td>Purchase behavior</td>
<td>0.60**</td>
<td>0.57</td>
<td>0.57</td>
</tr>
</tbody>
</table>

Note 1: Diagonal digital is the value of AVE and brackets digital is the values of AVE roots.
Note 2: **The correlation coefficient between variables reached the significant levels in a significant level α = 0.01.

**Hypothesis Testing**

This study examines the relationship between personality traits, CSR perceptions, decision-making styles and purchase behavior. The findings show that the personality traits have a significant positively impact on CSR perceptions. CSR perceptions have a significant positively impact on purchase behavior. Decision-making styles have a significant positively impact on purchase behavior. Therefore, all dimensions of the personality traits have a significant positively impact on all dimensions of CSR perceptions, except conscientiousness trait does not influence philanthropic responsibility. And neuroticism trait has a significant negative impact on all dimensions of CSR perceptions. There show as table 2. Otherwise, the standardized regression weight of environment responsibility and philanthropic responsibility are higher than legal and economic responsibilities.

**Table 2: Hypothesis Testing Results of Personality Traits affect CSR perceptions**

<table>
<thead>
<tr>
<th>Personality traits</th>
<th>Agreeableness</th>
<th>Conscientiousness</th>
<th>Extraversion</th>
<th>Neuroticism</th>
<th>Openness to experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment</td>
<td>7.76***</td>
<td>3.12**</td>
<td>6.54***</td>
<td>-6.85***</td>
<td>3.86***</td>
</tr>
<tr>
<td>responsibility</td>
<td>(Yes)</td>
<td>(Yes)</td>
<td>(Yes)</td>
<td>(Yes)</td>
<td>(Yes)</td>
</tr>
<tr>
<td>Philanthropic</td>
<td>6.17***</td>
<td>1.69</td>
<td>6.91***</td>
<td>-4.49***</td>
<td>3.54***</td>
</tr>
<tr>
<td>responsibility</td>
<td>(Yes)</td>
<td>(No)</td>
<td>(Yes)</td>
<td>(Yes)</td>
<td>(Yes)</td>
</tr>
<tr>
<td>Legal</td>
<td>6.15***</td>
<td>2.88**</td>
<td>5.44***</td>
<td>-6.02***</td>
<td>5.27***</td>
</tr>
<tr>
<td>responsibility</td>
<td>(Yes)</td>
<td>(Yes)</td>
<td>(Yes)</td>
<td>(Yes)</td>
<td>(Yes)</td>
</tr>
<tr>
<td>Economic</td>
<td>6.86***</td>
<td>3.11**</td>
<td>8.19***</td>
<td>-4.50***</td>
<td>4.15***</td>
</tr>
<tr>
<td>responsibility</td>
<td>(Yes)</td>
<td>(Yes)</td>
<td>(Yes)</td>
<td>(Yes)</td>
<td>(Yes)</td>
</tr>
</tbody>
</table>

Note: ** means p<0.01, *** means p<0.001
The Mediating Role of CSR Perception

This study examines the mediating effect of CSR perception, referring to Baron and Kenny (1986) proposed intermediary way, take Williams, Edwards, and Vandenberg (2003) with SEM mode verification, it shall meet the following four conditions: (1)Independent variables (decision-making style) need to have a significant relationship for intervening variables (CSR perception); (2)Independent variables (decision-making style) need to have a significant relationship on dependent variable (purchase behavior); (3)Intervening variables (CSR perception) need to have a significant relationship on the dependent variable (purchase behavior); (4) Independent variables (decision-making style) and intervening variables (CSR perception) need to have a relationship to the dependent variable (purchase behavior) and the effect of independent variables (decision-making style) must be weak than the second effect.

The results find after testing variables mediating effect that decision-making style to CSR perception has a significant relationship which satisfy the first condition, decision-making style to purchase behavior have the significant relationship which satisfy the second condition, CSR perception to purchase behavior have the significant relationship which satisfy the third condition, and decision-making style and CSR perception have the significant relationship to purchase behavior which satisfy the fourth condition. The standardized regression coefficients of the fourth condition 0.05 are less than the second condition 0.67, decision-making style and CSR perception have not significant relationship to purchase behavior which satisfy the fourth condition. Thus informed, the mode of CSR perception variables completely mediated.

CONCLUSION AND DISCUSSION

In the collected sample, 53.5% were female and 46.5% were male; 69.7% were graduated from college; 56.3% had an average income under $20,000; 83.1% had no child; 80.7% were single. The results showed that a majority of participants were single with no child, which means pet owners have more free time to consider the pet needs. 75.2% participants kept one pet; 57.1% kept pets for 1-3 years, the reason may be because pet owners expect to interact and obtain friendship with pets, and take pets as companions (Harker, Collis, & McNicholas, 2000). Numerous participants (68.4%) are generation Z. Generation Z individuals are brought up in great environment and afford to consume what they want. Hence, pet owners no longer consider whether they could afford the spending but realize whether the consumption could satisfy their sensation. When pet owners perceive themselves and pets are respected, pet owners would spend money on pet-related products. Numerous participants (68.4%) have been volunteers who have taken basic training, have mission of social responsibility, and develop internal values and personality of voluntariness. The results showed that volunteer training could relate to individual CSR perception.

Personality traits are related to individual’s thinking, sensation, action, and reaction (Magnusson, 1989). The results showed personality traits are positively related to CSR perception. Individuals who are agreeableness, extraversion and openness to experience would tend to identify with CSR initiative. Pet owners who are conscientiousness would tend to value environmental, legal, and economic responsibilities but would not affect their perception toward philanthropic responsibility. Conscientious individuals are self-discipline to take their responsibilities; meanwhile, this study identified philanthropic responsibility that individuals would take the responsibilities including helping social vulnerable groups as well as stray animals, and take part in community activities which belong to extra responsibilities. It showed that pet owners in this study would limit the responsibility to their own responsibility.
Neuroticism people tend to have negative thinking, lack for sense of safety and trust toward corporations; in addition, they would believe that corporations would not take the environmental, philanthropic, legal, and economic responsibilities. The findings show corporations still have the opportunity to arrange the best sales strategy in advance while realizing pet owners’ personality traits. For instance, corporations may emphasize the importance of responsibility for pets or consumers to increase pet owners’ repurchase behavior especially for agreeableness people. Corporations may stress the importance of legal responsibility (e.g. legitimacy and safety) on pet-related products for conscientious people. Also, corporations may clarify completely legal responsibility, pay attention on rational economic responsibility, and then engage in philanthropic responsibility in order to avoid pet owners’ skepticism and rebuild purchase behavior because neuroticism people are skeptical.

Decision-making style is a kind of personal response (Scott & Bruce, 1995). The study explores decision-making style positively influence purchase behavior. Pet owners with directive style emphasis logic efficiency. Corporations can offer them a clear package of information. Pet owners with analytic style think about all goodness and badness of the products before they buy. Corporations can offer a list of many alternatives for them. Pet owners with conceptual style like to get any messages that they can. Corporations should try their best to send pet owners’ desire of knowledge. Pet owners with behavioral style can accept suggestions and care about others. Corporations may give some tips of how to make good use of products, and the way to contact professional assistance after using products in order to increase pet owners’ purchase behavior. Likewise, CSR perception positively influence purchase behavior. Corporations should make pet owners to perceive their CSR engagement (e.g. CSR promotion) to effectively influence owners’ purchase behavior.

CSR perceptions mediate between decision-making styles and purchase behavior. People would hesitate when consuming. Therefore, corporations may adopt some useful strategies to increase CSR perception and in turn to influence consumer behavior. These strategies may include sales persons inform consumers about CSR engagement in brick-and-mortar stores to shorten purchasing hesitation phase, and strengthen CSR information during purchasing hesitation phase in virtual stores. In addition, when corporations engage in CSR activities would mostly affect pet owners’ perception on environmental and philanthropic responsibility. It shows that pet owners could perceive the impact of global warming and the importance of environmental friendly. Therefore, creating and producing recycling, low-carbon, and clean energy pet-related products are the most important sustainable strategy for further development.

REFERENCES


