

## Does Hedonic and Utilitarian's Product Purchase Intention of New Millennial Influenced by CSR

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### ABSTRACT

The purpose of this study is to determine the shopping values of new millennial. Scarcity of research in this domain triggers to investigate this phenomenon and to evaluate the moderating role of corporate social responsibility toward hedonic and utilitarian value. This research work investigated changes in new millennial behavior toward hedonic and utilitarian product purchase intention. The samples of 197 actual users of products having age (20-35) were analyzed. Measurement tool for variables was adapted form (Chaisurivirat, 2009) study. The result shows that new millennial has dominant hedonic values which are influenced by corporate social responsibility. These values have positive effect on purchase of hedonic products. Corporate social responsibility has strong positive effect on hedonic products as compare to utilitarian products. Research impletion and future direction are discussed in the commentary.

**KEYWORDS:** Hedonic and Utilitarian, Corporate Social Responsibility, New Millennial, Purchase Intention.

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### 1. INTRODUCTION

Consumers always face choices among hedonic and utilitarian alternatives. Either they purchase tasty ice cream which is just for their pleasure and enjoyment or buy juice which is useful for their health. Either they purchase a costly house far from their work location with nice view or they purchase a cheaper house near to their work place. Consumer choice toward purchase intention is influenced by multiple of consumption values (BOLTON & DREW, 1991; Overby & Lee, 2006). The most prominent dimensions are hedonic and utilitarian values that significantly affect consumers purchase intention (Babin, Darden, & Griffin, 1994). Hedonic and utilitarian values have strong impact on consumer satisfaction and purchase intention regarding hedonic and utilitarian products. Previous research (Ryu, Han, & Jang, 2010) suggested that the nature of product has great impact on consumer purchase intention. All products do not give the same pleasure when consumed. For example attitude associated with purchasing utilitarian product are differ from attitude associated with luxuries product.

Utilitarian value is related to overall assessment of functional benefits and sacrifices. Utilitarian value is linked with goal oriented consumption which mainly focuses on fulfillment of basic needs or complete a functional task (e.g. consumption of soap to wash hands). It is incorporated more cognitive characteristics of attitude such as economic "value for the money" (Zeithaml, 1988). In utilitarian values consumer always consider product, price, service and quality features before actual purchase (Hoffman & Novak, 1996). On the other hand we can define hedonic value is overall assessment of experiential benefits and sacrifices like entertainment and escapism. Hedonic consumption is related to pleasure oriented consumption which is mainly motivated by desire for sensual pleasure, fantasy and fun e.g. purchase of costly watch (Hirschman & Holbrook, 1982). In hedonic value consumer always focus on appreciation of experience rather than just for task completion (Babin, et al., 1994).

From above discussion we can divide product into two categories, hedonic & utilitarian. Luxuries good are consumed for hedonic pleasure while necessities goods are used to meet the utilitarian goals. (Levy, 1997; M. Strahilevitz & J. G. Myers, 1998). Hedonic goods often used for experimental purpose, fun, joy & excitement like sports car, perfumes, smart phone, luxury watches, while utilitarian goods often purchased for functional purpose like shampoo, surf, microwaves, refrigerators, personal computer (M. Strahilevitz & J. G. Myers, 1998). Some products may have both hedonic and utilitarian functions in nature. For example purchasing a mobile phone just for call or messaging is treated as utilitarian product another perspective to purchasing a mobile for internet; camera is treated as hedonic product. Similar to hedonic and utilitarian products, consumers have hedonic and utilitarian consumption values. Utilitarian values have relevance to more cognitive perspective of attitude and it emphasis on economic and monetary values of the product.

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In previous research it has been examined that hedonic and utilitarian values influence consumers' purchase intention (Overby & Lee, 2006; Ryu, et al., 2010). The different age cohorts express different consumption behavior toward hedonic and utilitarian products. In literature the findings gave mixed results regarding purchasing preferences of new millennial consumers (Chang, Burns, & Francis, 2004; Kang & Park-Poaps, 2010). Consumers purchase intention varies from industry to industry's products. Most of the previous researches focus on single industry (Hightower, Brady, & Baker, 2000). We further deepen our understanding to determine the cause related corporate social responsibility (after that CSR) influence consumers' purchase intention regarding hedonic and utilitarian values.

This research will persistently try to answer these questions. What are the dominant values of new millennial about purchasing hedonic and utilitarian products? Does a company's CSR affect their purchase intention regarding hedonic and utilitarian products?

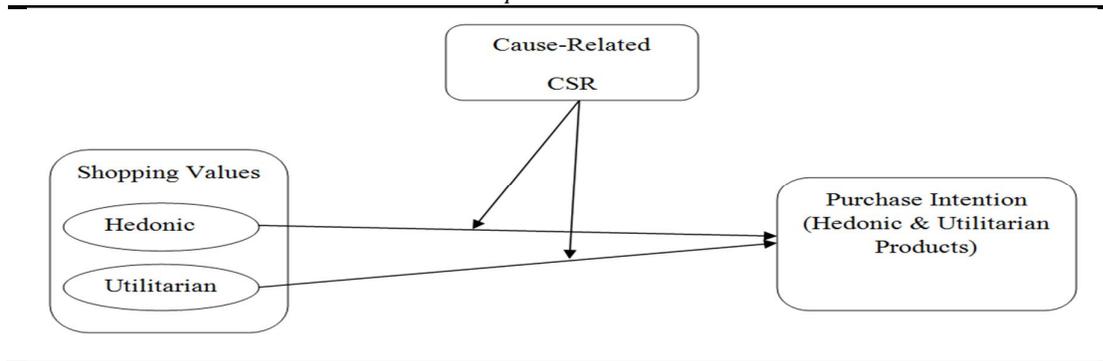
The objectives of this research are to determine the relationship between nature of product and purchase intention of new millennial. Curiosity arises to explore the CSR influence on new millennial purchase intention. The researchers also try to identify the pattern of purchase intention of new millennial about hedonic and utilitarian products. Do hedonic and utilitarian purchase intentions of consumers affected by CSR of that specific company.

## 2. THEORETICAL BACKGROUND AND HYPOTHESIS

### 2.1. *New millennial purchase intention*

In the past luxury brands were associated only with elite groups but nowadays luxury brands are switching their focus on newly emerged market called Generation Y, therefore according to Neuno&Quelch (1998) luxury brand are associated with pleasure, fun, regardless of the price and sort out as non-necessities to an individual(Nueno & Quelch, 1998).The number of consumers among Y Generation spends more on these non-necessities goods rather than utilitarian goods(Tan, Teoh, Tan, Teo, & Tan, 2013). New millennial are tend to be well educated and have internet knowledge, mostly university students aged between 18-24 and they are more willing to buy expensive products (Li, Jiang, An, Shen, & Jin, 2009).Generation Y inclination toward luxury product is more because they perceive these expensive brands are helpful to depict their social identities and for stylish personalities (Knight & Kim, 2007).In addition to the booming and materialization of societal trend on luxury products consumptions among Gen Y who seize high purchasing power have been clearly observed in current society. Youths aged 19 to 25 constitute the wealthiest group in the Gen Y in China. Due to the accessibility of product alternatives and the strong influence of online media nowadays, youths have greater exposures towards luxury branded product as compared to the past generation (Martin, 1996).

Figure 1  
Conceptual Framework



As we know the characteristic of new millennial, they have more buying power as compared to previous generation and they spend more money on luxury products to show uniqueness. Consumers need for uniqueness is grounded in Snyder & Fromkins, uniqueness theory (Snyder & Fromkin, 1980), which provide evident that individual's search of material goods is to distinguish themselves from others(K. T. Tian, Bearden, & Hunter, 2001). New millennial spend more on hedonic products therefore it is reveals that they have more hedonic values in personalities as compared to utilitarian values.

*Hypothesis H1:* New Millennial has more hedonic shopping values as compared to utilitarian shopping values. Therefore they are more intended to purchase hedonic rather than utilitarian products.

### 2.2. *Corporate Social Responsibility and Purchase Intention*

In the literature there is not sufficient consensus about definition of corporate social responsibility (CSR); therefore (Lai, Chiu, Yang, & Pai, 2010) demonstrated CSR as legal and ethical obligations of firm regarding its

all stakeholders. The emphasis on CSR issues and activities have increased since 1990 and it demonstrated often as political agenda, corporate strategy or to response global world (Blombäck & Wigren, 2009). Because of the importance of CSR consequences; not only most of the firms pay attention but also participate in CSR activities. The purchasing intention and behavior of consumers is not just static to product quality, price and brand in resent saturated product market; it moved beyond to these factors. As prior investigation (Sun, Zhao, Xia, & Hu, 2011) suggest that corporate social responsibility is going to be prominent concern of organizations as well as consumers in China, therefore its implications are vast in different contexts. The reasons to investigate CSR stems in number of fields (Z. Tian, Wang, & Yang, 2011). Hence companies are taking serious steps to show that they are social responsible(Cheung, Jiang, & Tan, 2012).

Due to the importance and significance of the CSR, we investigate its moderating role in the context of new millennial shopping values and their purchase intention toward hedonic and utilitarian products. The organizations show and propagate their CSR commitment to their stakeholder such as consumers, regulators, investors, media, shareholders, employees, and suppliers (Beckmann, 2007). Socially responsible corporations exhibit significant association with their sales, purchase intention, financial condition, and reputation. In the existing literature; it has examined that consumers show favorable attitude towards firms that are involved in CSR(Becker-Olsen, Cudmore, & Hill, 2006). Company social responsibility has a positive effect on new product evaluation. Consumer evaluation of new product is higher when company corporate association is low. When consumer knows about company corporate relationship it will have power to manipulate the perception of company product (Brown & Dacin, 1997). Consumer give preference to those products which are linked with some social causes and the clarity of social message insert more effect on purchase intention.

### 2.3. *New Millennial Purchase Intention and Corporate Social Responsibility*

Generational cohort in China is categorized each decade wise, like people born in 60s; 70s and 80s. The generation which commonly accepted under the label of 80s is considered as new millennial. A generation that recently interred between the age of 20-30 in 21st Century; either is called the Millennial, the Next Generation or the Generation Y-ers(Jennings, 2000). In their research, it claimed that there is little known about their characteristics and purchase intention. It is a great challenge for companies to analyze their attitude and bring out the best and concrete plan and solution for Generation Y.

The perspective of the new millennial purchase behavior is being focused for several reasons; first they have flexible purchasing power. The young generation spend large portion of their money on luxury products. Second, the new millennial inclination toward specific products, their bands and their usefulness developed and established in the age of 15-25 (Meyer, 2001). Meyer (2001) demonstrated that if markets ignore this important period in which consumers established their preferences then they had to spend two times more expense in order to capture the same intention of consumers. Third, global consumer market contains the large portion of youth which is significant part of total population. So it would be hard for companies, marketers, researchers and practitioners to ignore such a huge segment (Phelps, 1999). Forth, It has immense important that new millennial are surely future potential customers for companies with extended money and spending pattern (MMR, 2000).

CSR concept in China has been improved from last few years. Mostly high profitable companies are much conscious regarding CSR and they take serious steps to show that they are socially responsible. In China youth is treated as future decision makers and their role in evaluation of CSR activities is high as compared to others. Young generation encourage those companies which are socially responsible. So we can say youth purchase intention is positively related with company's CSR(Wang & Juslin, 2011).Chinese consumers show positive attitude towards social responsible companies in term of corporate evaluation and purchase intention. Consumer age and income has influence in evaluation of the CSR activities of the firms because matured consumer has more critical insight to look at the CSR of company. And consumer with high level of income usually purchase branded and expensive products, so they are more conscious bout product specification and designated cause(Lee & Shin, 2010).

Consumer's awareness regarding CSR activities plays a vital on their purchase intention. Thus if consumers have high level of understanding regarding CSR activities then they show more positive attitude towards companies' product and purchase intention (Lee & Shin, 2010).Organizational CSR in term of donation significantly influences the hedonic nature of products as compared to practical products(Michal Strahilevitz & John G. Myers, 1998). It is observed by many researchers that Chinese new millennial are more conscious toward face saving attitude in purchasing products that's why they purchase branded product to show their status and prestige, new international life (McEwen, Fang, Zhang, & Burkholder, 2006) and they prefer those companies which are socially responsible, therefore it is expected their hedonic values is influenced more with CSR which generate positive affect toward purchase intention of hedonic products.

We found the conceptual roots of this phenomenon with the information integration theory (GiulioTononi); which demonstrate that the prior human attitude integrates with the new information, hence attitudes developed and shaped as people receive. They evaluate and integrate information which they receive with their prior attitude(N. H. Anderson, 1981). Therefore we can say that consumers behavior/intention toward product purchase influenced with respect to the information s/he receives. Information integration theory has immense importance in judgment, decision making and attitude change(N. H. Anderson, 1971). In the conceptual framework, first we

established the link between shopping values of new millennial and their purchase intention. After that we provide them information about organization's CSR and then analyze the moderating effect of cause-related CSR.

*Hypothesis H2:* Corporate social responsibility (cause related marketing) moderate the relationship between hedonic shopping values and millennial purchase intention, further more moderating influence of CSR on hedonic is greater than utilitarian shopping values.

### 3. METHODOLOGY

#### 3.1. Sample and Data Collection

The target sample of the following research was the potential and actual users of the given products. Researcher asked them to fill the questionnaire according to their last purchase experience. We collected responses from the university students in different universities of Shanghai. The researcher distributed 250 questionnaires among the university students but 210 were received, out of that 197 questionnaires were useable for analysis. The thirteen questionnaires dropped due to incompleteness. The response rate was 84% and 78.8% were consider appropriate. The researcher has taken sample from Shanghai because of several reasons. First, we use random sample strategy for this research. Second, our focus is on new millennial and maximum consumers are university students. Shanghai represents the large market share in consumer market and availability of most of the utilitarian and hedonic products are easy. To get the response from the target sample survey questionnaire was distributed among the people who are between the ages of 20-35. In the first phase we gave them questionnaire which was asked about their values toward hedonic and utilitarian products. It was also asked about their purchase intention toward specific products.

In second phase, researcher gave them description on one page about given company's CSR. So they clearly read and understand given description about CSR. After that, they were again asked about their purchase intention toward specific product and their values about hedonic and utilitarian products.

#### 3.2. Measurements

The questionnaire for this research was adapted from the previous researches. Therefore scale for purchase intention, and hedonic and utilitarian values taken from (Chaisurivirat, 2009), Purchase intention scale contain three items, such as "I am intended to purchase Apple's product". Therefore for hedonic shopping values scale contain 11 items, like that "During the trip, I felt the excitement of the hunt" and "While shopping, I felt a sense of adventure". For utilitarian shopping values scale contain 4 items, such as, "I accomplished just what I wanted to on this shopping trip". The detail and description about CSR was taken from the website of each organization(Company, 2013). Original questionnaire was in English but for more understanding for Chinese respondents; it was converted into Chinese language by Chinese literature students of Master class. The translational reliability of scale was confirmed after conversion. Before conducting the main study, a pretest was conducted with 27 respondents, randomly selected from university students to insure whether the respondents clearly understand the questionnaire and reliability of the scale was confirmed. Little modification was done in the scale. Reverse coding of 3 questions in the scale was converted into simple questions because respondents perceived those questions out of context and were answering inconsistently. For analyzes the internal consistency of the questionnaire; researcher used Cronbach's Alpha to confirm the reliability of the scale. The values of each variable and its items are given below.

### 4. RESULTS

In table 1 the Cronbach's Alpha value is given for each variable that is above the acceptable threshold. In the literature 0.70 is the acceptable value of Cronach's Alpha for questionnaire's internal consistency (Santos, 1999).

Reliability Statistic		
Variable Name	Cronbach's Alpha	N of Items
Purchase Intention of Apple	.771	3
Purchase Intention of UniLever	.749	3
Purchase Intention of Apple After CSR	.817	3
Purchase Intention of Unilever After CSR	.862	3
Hedonic Shopping Values	.863	11
Utilitarian Shopping Values	.770	3

The demographic of respondents shows maximum respondents 'education was bachelor degree. It was 90 respondents which represent the 45.7 per cent of total sample. Other respondents (under bachelor, Master and PhD) showed the percentage 11.7 per cent, 26.9 per cent and 15.7 respectively. The numbers of female respondents were 102 which represent the 51.8 per cent of total sample. The male respondents were 95 with 48.22 per cent of total sample. Hence respondents having the age 20-25 were 142 that represent the 72.1per cent of total sample.

Respondents having the age 25-30 and 30-35 were 23.4 and 4.6 percent respectively. In our sample 188 respondents were single and 9 were married that represent 95.4 and 4.6 per cent of total sample.

Correlation Matrix shows the association and relationship between variables. The table 2 of correlation matrix is describing the relationship between the variables. Hence, the most important finding that support our proposition is, hedonic shopping values positively and significantly (.419\*\*at 0.000 significant level) related to purchase intention of apple’s products. We have proposed that the new millennial in Shanghai, China demonstrate more inclination towards hedonic products than utilitarian products (0.164\*at 0.000). Therefore, Apple’s products are hedonic products and it shows stronger, positive and significant relationship with hedonic shopping values of new millennial.

<b>Correlation Matrix</b>		<b>Mean</b>	<b>Std. Deviation</b>	<b>PIA</b>	<b>PIU</b>	<b>PIAA</b>	<b>PIUA</b>	<b>HSV</b>	<b>USV</b>
<b>PIA</b>	Pearson Correlation	4.9188	0.8973						
<b>PIU</b>	Pearson Correlation	4.6768	1.0926	0.018					
<b>PIAA</b>	Pearson Correlation	5.5668	0.9913	0.325**	0.185**				
<b>PIUA</b>	Pearson Correlation	5.0034	1.161	0.230**	0.130	0.554**			
<b>HSV</b>	Pearson Correlation	4.5695	0.9107	0.419**	0.103	0.488**	0.131		
<b>USV</b>	Pearson Correlation	4.4518	0.9443	0.018	0.164*	0.102	0.197**	0.258**	

Note:\*\* Correlation is significant at the 0.01 level (2-tailed).

Purchase Intention of Apple (PIA), Purchase Intention of Unilever (PIU), Purchase Intention of Apple after CSR (PIAA), Purchase Intention of Unilever after CSR (PIUA), Hedonic Shopping Values (HSV), and Utilitarian Shopping Values (USV).

Similarly, the correlation of Utilitarian has insignificant relationship (0.018) with hedonic products (Apple’s products) and they have positive significant relationship (0.164\*) with utilitarian products (UniLever Products).

After reading the detail description about CSR of hedonic and utilitarian products the purchase intention of the new millennial changed significantly toward both hedonic and utilitarian products. The results show stronger correlation of new millennial hedonic shopping values with hedonic products (.488\*\*) and utilitarian products (0.197\*\*). It reveals that CSR effect on the hedonic values of new millennial is stronger as compared utilitarian values because the change in the correlation of hedonic values was (0.069\*\*) and the change in correlation of utilitarian values was (0.033\*\*) because of CSR. It supports our hypothesis that the CSR affect more on hedonic values as compared to utilitarian values of new millennial.

The results of table 3, model summary demonstrated that the value of R Square is (0.184) which represent 18.4per cent variation in purchase intention is due to hedonic and utilitarian shopping values of new millennial. But after CSR the model showed value of R Square is (0.239) which represents23.9 percent variation in purchase intention due to hedonic and utilitarian shopping values. It implies that purchase intention is influenced by CSR. Therefore the regression values changed after introducing and demonstrating organizational CSR.

<b>Model Summary</b>				
<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>
<b>Before CSR</b>				
<b>1</b>	.429	.184	.176	.8145
<b>After CSR</b>				
<b>2</b>	.489	.239	.231	.8693

Note: Predictors: Utilitarian Shopping Values (USV), and Hedonic Shopping Values (HSV)

Dependent Variable: Purchase Intention Apple (PIA)

Table 4 represents the regression coefficient. It demonstrated interesting results that the hedonic shopping values of the new millennial have significant and positive effect (0.438 at 0.000) on purchase intention of hedonic products (purchase intention of Apple’s products). One the other hand utilitarian shopping values of the new millennial have negative and insignificant effect (-0.092 at 0.152) on purchase intention of hedonic products (purchase intention of Apple’s products).After demonstrating the organization’s CSR to the respondent, in post analysis we found that effect of hedonic shopping values on purchase intention of hedonic products increased to (0.538 at 0.000) but the negative effect of utilitarian shopping values on purchase intention of hedonic products decreased little(-0.027 at 0.690).

Table 4					
Regression Coefficient					
Model	Un standardized	Coefficients	Coefficients		
	B	Std. Error	Beta	T	Sig
<b>Before CSR</b>					
Constant	3.328	.362		9.195	.000
HSV	0.438	.066	.444	6.617	.000
USV	-0.092	.064	-.096	-1.438	.152
<b>After CSR</b>					
Constant	3.228	.386		8.357	.000
HSV	0.538	.071	.495	7.630	.000
USV	-.027	.068	-.026	-.400	.690

Note: Dependent Variable is Purchase Intention Apple (PIA).

Table 5 represents the model summary of regression analysis that demonstrated the model fitness. The 3.1 percent variation in dependent variable is due to utilitarian and hedonic shopping values. After explaining the CSR of the organization to the respondent the model fitness increased. The effect of independent (utilitarian and hedonic shopping values) increased on purchase intention of utilitarian product (Unilever Products) and the value of R square increased from 3.1 percent to 4.5percent. It implies that the CSR demonstration to the respondents have adverse influence on their shopping values that ultimate effect on purchase intention.

Table 5				
Model Summary (Regression Analysis)				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
<b>Before CSR</b>				
1	.176	.031	.021	1.0811
<b>After CSR</b>				
2	.213	.045	.036	1.1406

Note: Predictors: Utilitarian Shopping Values (USV), and Hedonic Shopping Values (HSV)

Dependent Variable: Purchase Intention Unilever (PIU).

The table 6 represents the regression coefficient regarding utilitarian product purchase intention. Regression unstandardized beta shows (.088) at insignificant (0.379) for hedonic shopping values toward utilitarian product purchase intention. It implies that one unit change in hedonic shipping values enhance 8.8 per cent change in dependent variable purchase intention of utilitarian products. The hedonic shopping values after organization's CSR demonstration change to (0.093) which is not significant. It demonstrated that hedonic shopping values of new millennial did not have any effect on utilitarian product and involvement of CSR did not influence significantly. However utilitarian values effect (0.085 at 0.045) with utilitarian products become significant (0.089 at 0.017) after CSR demonstration.

Table 6					
Regression Coefficient					
Model	Un standardized	Coefficients	Coefficients		
	B	Std. Error	Beta	T	Sig
<b>Before CSR</b>					
Constant	3.563	.480		7.417	.000
HSV	.077	.088	.065	.882	.379
USV	.171	.085	.148	2.017	.045
<b>After CSR</b>					
Constant	3.549	.507		7.002	.000
HSV	.109	.093	.086	1.181	.239
USV	.215	.089	.174	2.402	.017

Note: Dependent Variable Purchase Intention Unilever (PIU)

The table 7 represents compare means, and t-test. It was done because we want to analyze the difference between pre and post purchase intention of hedonic and utilitarian products. Table 8 demonstrated that in pre-analysis the mean of purchase intention of hedonic product (Apple's products) is 4.9187. After explaining organization's CSR to the respondents, their purchase intention toward hedonic products significant changed and mean was 5.5668. Therefore the t-values of pre and post analysis were 76.939 and 78.822 respectively.

Similarly the purchase intention of utilitarian products demonstrated difference, like the in pre-analysis the mean and t-value was (4.7055; 60.270) respectively. Hence after explaining organization's CSR to the respondents, in post analysis their mean and t-values changed like 5.0033 and 60.459 respectively.

T-Statistic	Mean Difference	T	df	Sig (2-tailed)
<b>PIAB</b>	4.9188	76.939	196	.000
<b>PIUB</b>	4.6768	60.079	196	.000
<b>PIAA</b>	5.5668	78.822	196	.000
<b>PIUA</b>	5.0034	60.459	196	.000

Note: Purchase intention Apple before (PIAB), Purchase intention UniLever before (PIUB), Purchase Intention Apple after (PIAA), Purchase Intention Unilever After (PIUA).

## 5. DISCUSSION

The results of our research demonstrated interesting findings. As we proposed that new millennial have more hedonic shopping values as compared to utilitarian shopping values, the result of model fitness in table 3 reveals that hedonic and utilitarian shopping values have the R square (0.184) when dependent variable is purchase intention of hedonic products (Apple’s products). On the other hand the result of model fitness in table 5 reveals that hedonic and utilitarian shopping values have the R square (0.031) when dependent variable is purchase intention of utilitarian products (Unilever’s products). Hence we can conclude that model with predicting variable “purchase intention of hedonic products” is more appropriate then having “purchase intention of utilitarian products” prediction variable. Hedonic and utilitarian shopping values showed more variation with purchase intention of hedonic product (Apple’s products) then purchase intention of utilitarian products (Unilever products).

In other word we can argue that the new millennial have dominant hedonic values so that they inclined more toward the hedonic products. Therefore model with hedonic product purchase intention is showing greater fit than the model with utilitarian product purchase intention. Hence research hypothesis first “The new millennial have greater hedonic shopping values as compared to utilitarian shopping values” is consistent with study results (H.-S. Kim, 2006).Millennial purchase intention toward hedonic products (Apple’s products) significantly and positively influenced by their hedonic shopping values. In other words millennial purchase intention toward hedonic products is more dependent on their hedonic shopping values than utilitarian shopping values. As table 4 demonstrated the beta coefficients of hedonic shopping values is greater than utilitarian shopping values(Zhou, Arnold, Pereira, & Yu, 2010).

Another important finding of the study was that the proportion of increase in the effect of hedonic shopping values on the purchase intention of hedonic product by CSR is greater than utilitarian shopping values. These finding are consistent with hypothesis 2 that is “Moderating role of corporate social responsibility between hedonic shopping values and millennial purchase intention toward hedonic product is greater than utilitarian shopping values”(Michal Strahilevitz & John G. Myers, 1998).We found significant difference in purchase intention of new millennial regarding hedonic and utilitarian product’s purchase intention. As we have demonstrated in table 7 of our result section. We observed this difference due to explaining the organization’s CSR to the participants. Therefore CSR positively effect on the consumer purchase intention (David, Kline, & Dai, 2005; Z. Tian, et al., 2011).

New millennial have dominant hedonic value which shows they have different consumption pattern as compared to old generation. Reason is that there is age related motivational differences between elderly and young adult consumers and young generation has dynamic purchasing behavior as compared to previous generation, therefore these differences influence their information processing and outcomes(Fung & Carstensen, 2003; Williams & Drolet, 2005;Parker, Hermans, & Schaefer, 2004). The new millennial did not struggle so much to make money as their previous generation did, therefore they have greater affluence and consumerism characteristic (Lan, Ma, Cao, & Zhang, 2008).

The finding of this study is consistent with previous study which identifies hedonic and utilitarian values influence consumer satisfaction and ultimately satisfaction influence behavioral intention(Ryu, et al., 2010).New millennial like fun, enjoyment so their behavioral intention is influenced more by hedonic value which generate positive effect toward hedonic product. As we discussed above that hedonic values are related to those product which consumers used for their entertainment, fun, joy and recreation. It reveals that the money which consumers used on entertainment, fun and recreational activities is surplus from their basic necessities. Therefore they feel more inclination to spend small portion money for social welfare or to purchase product of that firm who contributing for social welfare. In parallel to hedonic values, consumers have utilitarian values. The consumer express utilitarian values when he/she emphasis on economic or monetary values of products. It reveals that consumer has just enough money which fulfills his/her utility. Therefore consumer will not show or show relatively little inclination toward spending portion of money on welfare or to purchase the product of that firm which contributing to social welfare and this is similar with previous research of (M. Strahilevitz & J. G. Myers, 1998) who found that donation is more effective in hedonic product rather than utilitarian product.

### 5.1. Contribution

The research has significant contribution in its relevant field and context. First this research empirically investigated and prioritized the new millennial purchasing values. It is found that new millennial have dominant

hedonic purchasing values and these hedonic values influence their purchasing intention toward different nature of product. Second, purchase intention of new millennial is analyzed with different nature of product, hedonic and utilitarian products. Therefore congruence between new millennial purchasing values and nature of product enhance their purchase intention. Third, organizational corporate social responsibility moderating role is analyzed on different nature of products with different purchasing values of new millennial. Corporate social responsibility's effect on hedonic nature of the product was greater as compared to utilitarian nature of product.

#### 5.2. *Implication*

The relationship between hedonic values of Chinese new millennial and their effect on hedonic product is helpful for marketer to better understand the new millennial spending behavior. New millennial have momentous discretionary power which makes them dominant trendsetters and sheer size of young population make them rigid to ignore (MMR, 2000). Therefore marketers can identify new market segment opportunities and establish their strategies to target new segment of young consumers in China.

The organizations that are producing hedonic products should focus more on their corporate social responsibility aspects because consumer's purchase intention significantly influenced by CSR and it generate positive effect on purchase intention of hedonic product. Although organization's CSR also important for utilitarian products but the proportion of the influence on hedonic nature of products is greater than utilitarian nature of products.

The new millennial represents large portion of market share in China, approximately Chinese nation has about 270 million people age between 18 to 30 (Chinese, 2013), therefore organizations should address to their shopping values for increasing their potential sales. The organization's CSR spending should be consistent with the shopping values of the target segment and the nature of product. Providing right products and services to the target consumers has immense importance for marketers (J.-O. Kim, Forsythe, Gu, & Moon, 2002). Enormous competition among organizations left little potential to capture market share, therefore products have hedonic function will leverage the new millennial purchase intention (Sun, et al., 2011). High purchasing power of Chinese youth as compared to old generation (Tully, 1994) and Western influence has shifted the values of Chinese youth toward openness, cultural flexibility and enjoyment of life (P. M. Anderson & He, 1998). Chinese youth, especially from upper middle class is more aware and rigorous toward branding (Atsmon, Dixit, Leibowitz, & Wu, 2011). Thus organizations make their marketing strategies, segmentation, advertising and promotion campaigns in light of their changing values.

It is important for brand managers to establish a clear marketing communication to win consumer's trust, which provide details about how firm's CSR programs have helped them to solve social problems by especially stressing the results and sustainability rather than only introducing the form and input of their CSR activities. This study found that consumers' awareness of CSR activities and their purchase intentions are linked positively. More awareness regarding CSR will lead to clearer message and have more positive effects on consumers' purchase intentions.

#### 5.3. *Limitation and future direction*

We intend to demonstrate research limitation of this research, although greater efforts have been done in conducting and an investigation unique research context. The research context is limited to the new millennial purchase intention and their shopping values. Hence CSR moderating effect claimed in this scenario. Second, the respondents were university students which do not represent the total population of consumers. Third, data was collected from the different parts of only Shanghai city and the sample for study is small, therefore results generalizability is limited. Purchasing values of new millennial and nature of products were analyzed; future investigation should include general population, influential factors on their values and purchase intention. Different consumer segment's purchasing trend on the basis of age, gender and income level should explore. The service cause related corporate social responsibility was taken as moderator, hence other type of corporate social responsibilities such as health cause, environmental cause and wild life protection cause need to be investigated. Future research requires to emphasis number of industries and different product categories to investigate.

#### 5.4. *Conclusion*

In conclusion the researcher demonstrates that new millennial have dominant hedonic shopping values and showed greater inclination toward hedonic nature of products. The organization's service cause related CSR have greater positive and significant impact on the hedonic shopping values of the new millennial. Utilitarian shopping values of new millennial have insignificant and positive relationship with hedonic nature of product but it has less proportionate to utilitarian nature of products. Thus dual nature of product, like having hedonic function and relation with any social cause fascinate the new millennial of China. Concurrence between new millennial values and functional benefits of product in addition with CSR has immense significant for Chinese as well as foreign organizations.

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