

Sustainability rankings, prizes and the consumer opinion with regard to them

Abstract

Creating sustainable growth and making people familiar with the concept are today's major concerns as information about the importance and practice of sustainability is relatively scarce. Sustainability rankings give information and guidance to people, they are remarkable, have illustrative and didactic functions and can help understand the relevance of sustainability.

Sustainability prizes also give people an idea of which companies, cities, people have done the most for the environment, society and sustainability. Like rankings, prizes are evaluated and awarded based on a complex system of criteria.

In order to assess the effect of these lists we have conducted a short online survey to find out how people relate to these sustainability rankings, and how these prizes and gratifications affect their attitudes towards different brands, or whether they influence people's decisions on buying a particular product or not. This survey gives us a somewhat deeper insight into consumers' emotions and perceptions regarding whether they consider the companies or cities at the top of the ranking to be of better quality, and if this way they represent a higher level of trustworthiness and reliability, or not.

Keywords: sustainability ranking, sustainability prizes, city ranking, company ranking

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Introduction

The aim of the study is to present sustainability rankings and prizes and to assess consumers' attitudes towards them. First of all, we present some of the major sustainability awards in Hungary along with some of the winners in 2018. Then we give an insight into our survey and online questionnaires in which we have examined the importance of sustainability and sustainability challenges for people, the importance of sustainability and environmental considerations, values in purchasing, and the impact of corporate sustainability awards and recognitions.

Theoretical framework

Many different awards are granted each year for sustainability achievements. These awards and rankings are meant to honour companies, cities and individuals who have done the most for sustainability, and perhaps make people more aware of the importance of sustainability. They include the Sustainable Future Award or the Deloitte Green Frog Award.

Sustainable Future Award is a sustainability award that is granted in three different categories each year. In 2018, Ferenc Molnár (Ilcsi Beauticians) received the Change Leader Prize, while in the category of female leaders there were several award winners including Barbara Verő (Nestlé). Best Business Solution Award was granted to three companies, MOL Plc., Heineken Hungária Sörgyárak Zrt. and Biofilter Environmental Protection Co. (BCSDH 2018).

Deloitte Green Frog Award is granted in Central Europe to a regional company for the best sustainability report. "The aim is to reward outstanding performance in the production of non-financial reports in Central European countries." In 2018 OTP Bank Plc. won the category of Best Corporate Sustainability Report and BorsodChem Zrt. earned a first-place award in the best first report category (Green Frog 2018).

Various sustainability rankings are also created to award companies or cities. Each year a ranking is made for cities based on the assessment of three different pillars of sustainable development (people, planet and profit). The first of these pillars is valued on the basis of health, education, income equality, crime and other aspects. The second pillar contains performance in the fields of energy consumption, use of renewable energy, garbage disposal, air pollution, natural disaster risks and greenhouse gas emis-

sions. The third pillar concerns public transport, tourism, GDP per capita values, internet accessibility, unemployment rate and business aspects (Arcadis 2018).

Methodology

The main objectives of our online questionnaire research were to measure the importance of sustainability and sustainability challenges for people, the sustainable and environmentally friendly aspects and values in purchasing, the impact of corporate sustainability awards and the sustainability rankings of cities.

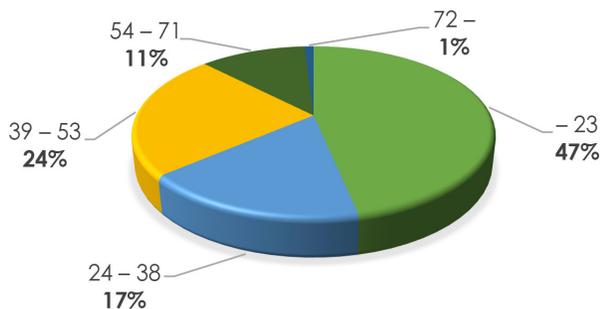
Method and questioning technique: quantitative research/online questionnaire survey. The quantitative research “means a research methodology that quantifies the data and is generally used for statistical analysis” (Malhotra 2008:179). People were asked to fill out an online questionnaire, which aimed to obtain information from the respondents who filled it out by using a structured questionnaire sample (Malhotra 2008: 215).

Sampling method: We used the well-known snowball method by sending a link (<http://www.kerdoivem.hu/kerdoiv/1032221262/done/>) to our friends through the Neptun higher education software’s messaging function to get to BBS ZFBA students and faculty e-mails or Facebook to reach lecturers. Members of the target group were asked to fill out the questionnaire and forward it to their friends and colleagues. Thus we have reached 105 people in all. Sampling was carried out between March 13 and 28, 2019.

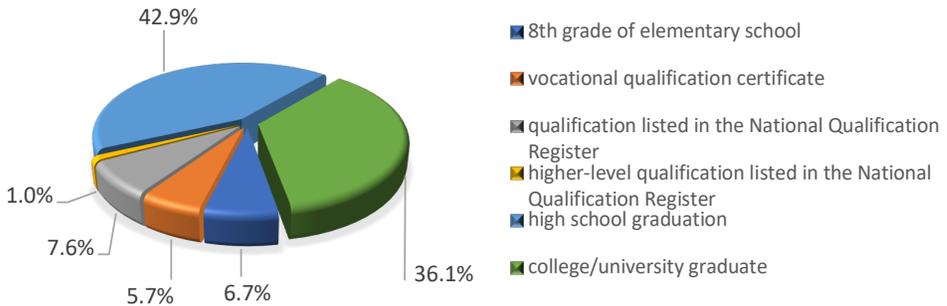
Analysis technique: Statistical methods were used for the analysis, mean values and ratios and distributions were calculated and analysed. In order to illustrate our results graphics generated by kerdoivem.hu and the Microsoft Excel programme were used.

Findings

Figure 1. Age distribution of respondents



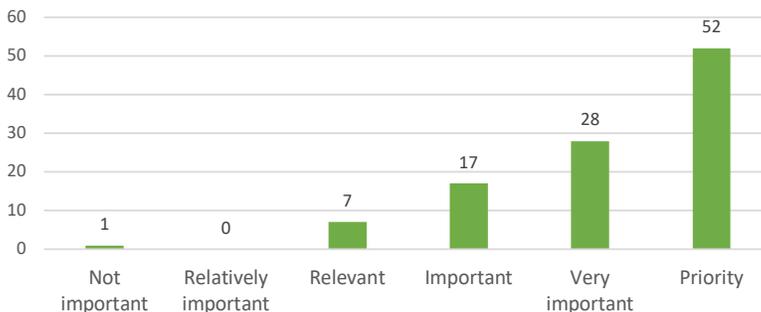
Source: own compilation based on our survey

Figure 2. *Distribution of respondents by educational level*

Source: own compilation based on our survey

More than three-quarters of the respondents were women, a total of 71 people, while we only had 34 men in the sample.

The biggest age group in our sample was the one with people under the age of 23, from a world dominated by digital technologies, who are naturally connected to the World Wide Web every day, with instant and unlimited access (Hands 2018). Members of this age group make up 47% of total respondents. 18 members of the generation Y (aged 23–38) and 25 members of the generation X (39–53 years) filled out the questionnaire. From the 54–71 year-old category only 12 (Baby Boomers) people were reached, while we only had one person in the sample from the category of 72 years and above (“veterans”) as shown in *Figure 1*.

Figure 3. *The importance of sustainability in respondents' lives*

Source: own compilation based on our survey

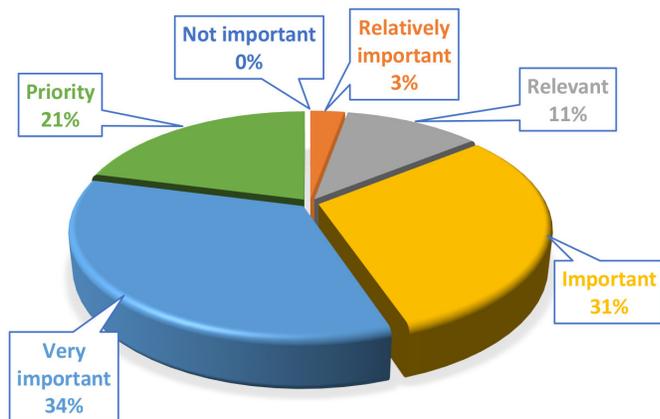
7% of the respondents live in Budapest, the capital city, while a total of 38 people (36%) live in county towns and also 36% in other cities. The remaining 21% of the respondents were from smaller villages.

As *Figure 2* illustrates, 43% of the respondents have a secondary school diploma. But college/university graduates also filled out the questionnaire in large numbers; they amounted to 36% of the total number of respondents. In addition, 7% of the respondents completed the 8th grade of elementary school, 6% received a vocational qualification certificate, 7% had a qualification listed in the National Qualification Register, and only 1% had a higher-level qualification listed in the National Qualification Register.

Most respondents found the issue of sustainability quite important, and nearly one half of them said it was part of their everyday lives.

As to the subjective perception of the threat of sustainability challenges, opinions have already varied. Most respondents considered sustainability challenges rather threatening, but only less than one third considered them to be of high importance based on the threat they pose.

Figure 4. *Distribution of sustainability aspects in shopping*



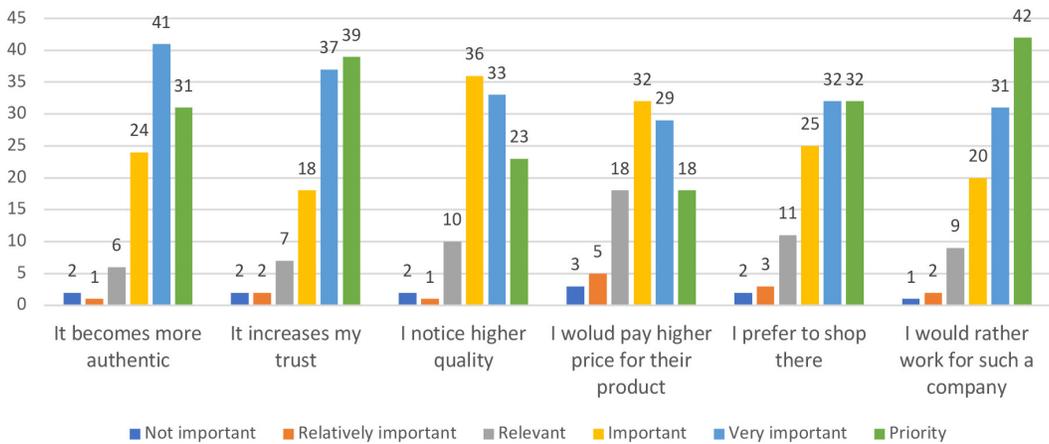
Source: own compilation based on our survey

Respondents were also asked to assess on a Likert-scale from one to six the subjective importance of sustainability issues when purchasing a product or using a service. It turned out that more than 85% of them take these aspects into consideration and more than half of them said it played a significant role in their lives.

People were also asked how much they care about buying environmentally friendly products. Distribution here is quite similar to the responses we received for sustainability issues. Only 10% of respondents were less likely to choose these products compared to others.

All in all, it can be stated that only a small part of the responses were “negative”, i.e. only a small percentage of the respondents, up to 10%, thought that a company would not become more credible, more reliable, nor would they buy from them or work for them after receiving such recognition. This is illustrated in *Figure 5*, where the results for various aspects are summarised. It can be concluded that sustainability prizes and awards are important, because consumers prefer buying these companies’ products due to their higher quality and reliability.

Figure 5. Evaluation of the impact of recognition on aspects

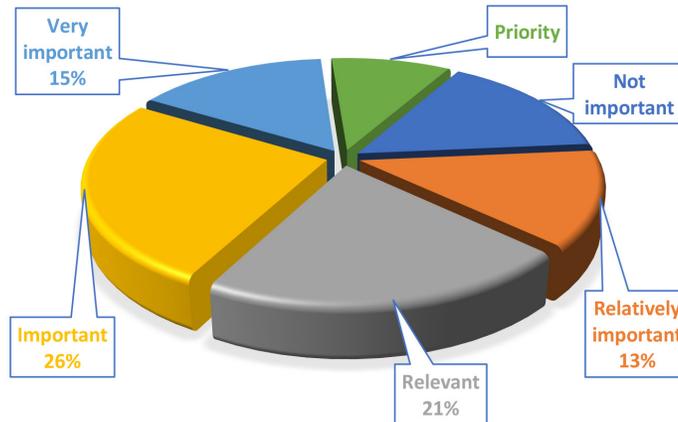


Source: own compilation based on our survey

Respondents were also asked whether their decisions would be influenced by city rankings if they were to move to a different city, whether for work-related or private reasons. Only half of them gave a positive answer.

Conclusion

Figure 6. *Distribution of the importance attached to city rankings*



Source: own compilation based on our survey

The aim of the research was to measure the importance of sustainability and the will to take sustainable considerations into account when purchasing, the attitudes towards a company after it receives sustainability recognition, and the role of rankings in choosing a new place to live.

The research was carried out using quantitative methods, including an online questionnaire between March 13–28, 2019.

The issue of sustainability and the challenges related to it are quite significant for the respondents; more than half of them said they consider it as a top priority.

These opinions can be asserted in shopping as consumers also take sustainability into consideration when choosing products and services, but generally speaking, buying environmentally friendly products is more important for the respondents than taking these aspects into consideration.

Sustainability prizes and awards can also affect consumer buying habits. Most of the respondents believe that these make a company more credible and reliable, and they would prefer to buy their products and work for it.

Nonetheless, when moving to another settlement, city sustainability rankings are usually taken into account by our respondents as a point of reference.

Overall, the majority of our respondents consider sustainability to be important and prizes and awards for companies and cities have a positive impact on individuals' consumer opinion.

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