

**From signal to commitment: How perceived sustainability cues build brand trust and loyalty among Gen Z consumers across cultural orientations**

Nancy Nneoma Nwaukwa\*<sup>1</sup> and Assist. Prof. Dr. Vildan ESENYEL<sup>2</sup>

<sup>1</sup><sup>2</sup>Department of Business Administration, Bahçeşehir Cyprus University, Nicosia, Cyprus

<sup>2</sup>Email: [vildan.esenyel@baucyprus.edu.tr](mailto:vildan.esenyel@baucyprus.edu.tr); ORCID: 0000-0003-2162-1554

\*Correspondence: [nnancynneoma@baucyprus.edu.tr](mailto:nnancynneoma@baucyprus.edu.tr); [nancynwaukwa@gmail.com](mailto:nancynwaukwa@gmail.com); ORCID: 0009-0005-8810-801X

**Abstract**

Generation Z (Gen Z) consumers are increasingly attentive to corporate sustainability, yet they remain deeply skeptical of unsubstantiated environmental and social claims. This tension creates what may be termed a sustainability trust paradox, where sustainability messaging is necessary but insufficient for building durable consumer brand relationships. This paper addresses this paradox by proposing and justifying a conceptual moderated mediation model grounded in signaling theory, relationship marketing theory, and cross cultural consumer behavior research. The model posits that perceived sustainability signals, including third party certifications, transparent corporate social responsibility (CSR) disclosures, and ethically consistent brand behavior, shape brand loyalty among Gen Z consumers through the mediating mechanism of brand trust. Critically, the model integrates cultural orientation (individualism versus collectivism) as a moderating variable that conditions the strength of both the signal to trust and the trust to loyalty pathways. A systematic literature review following PRISMA protocols was conducted, synthesizing 29 peer reviewed studies and 11 supporting theoretical and industry sources published between 2019 and 2025. The review reveals that credible, verifiable sustainability signals are more effective trust builders in collectivist cultural contexts, where community endorsement and social proof amplify signal reception, whereas in individualist contexts, personal relevance, value alignment, and authentic brand transparency are the primary drivers of trust formation and subsequent loyalty. These findings extend signaling theory into the domain of ethical brand communication and offer a cross culturally sensitive framework for understanding Gen Z loyalty formation. Practical implications are discussed for brand managers seeking to design sustainability communication strategies that resonate with this influential consumer cohort across culturally diverse markets.

**Keywords:** Perceived Sustainability Signals, Generation Z Consumer Behavior, Brand Trust, Brand Loyalty, Cultural Orientation, Individualism Collectivism, Signaling Theory

**JEL Classification:** F13, F15, F17, F23

## 1. Introduction

Generation Z (Gen Z; born around 1997-2012) is often described as sustainability-oriented yet highly skeptical of corporate claims. Industry reports suggest that many Gen Z consumers prefer sustainability brands and are willing to pay more for products positioned as environmentally or socially responsible (First Insight, 2023). At the same time, they rarely accept environmental, social, and governance (ESG) messaging at face value. They are quick to challenge perceived greenwashing, often through public criticism or boycott behavior (Hall & Trinquetel, 2024). This creates a sustainability-trust paradox: sustainability is of importance to Gen Z, but it only strengthens consumer-brand relationships when the brand's sustainability efforts are perceived as credible and consistent. We know that sustainability-related cues can influence consumer evaluations and trust. What we still do not clearly know is how perceived sustainability signals translate into durable Gen Z loyalty, and under what cultural conditions this trust-building process is most effective.

Gen Z is emerging as a high-impact consumer segment that is actively reshaping global purchasing norms, creating an increasingly urgent incentive to close the trust gap and engage this influential demographic now (World Economic Forum, 2022). However, their loyalty is often described as conditional or subject to caveats. Evidence from Western markets suggests that many Gen Z consumers actively explore alternatives rather than defaulting to a single preferred brand (McKinsey & Company, 2022). By contrast, reports from more collectivist contexts such as China suggest stronger brand allegiance once trust is established (Yiva Digital, 2021). These observable patterns compellingly suggest that an individual's cultural orientation may shape how Gen Z interprets sustainability claims and how trust translates into loyalty. Importantly, existing findings in the sustainability-loyalty space are not always consistent. Discrepancies often reflect differences in (a) the type of sustainability activity examined (e.g., environmental CSR vs. social CSR), (b) how key outcomes are measured (e.g., loyalty intentions vs. repeat purchase behaviour), and (c) regional or institutional contexts that influence how sustainability claims are evaluated. In summary, we know that sustainability matters to Gen Z, but we still lack clarity on why and when sustainability signals elicit loyalty across culturally diverse Gen Z markets. Although research on sustainable branding and Gen Z is expanding, existing studies rarely integrate perceived sustainability signals, brand trust, brand loyalty, and cultural orientation (individualism-collectivism) into one coherent model. Prior work often examines Gen Z sustainability attitudes or trust formation in isolation, or uses single-county designs that limit cross-cultural explanation. As a result, we lack an integrative framework that explains the mechanism linking sustainability signals to Gen Z loyalty and accounts for cultural variability.

The purpose of this paper is to propose and justify a conceptual model and testable propositions that explain how perceived sustainability signals shape Gen Z brand loyalty through brand trust, under different levels of cultural orientation (individualism-collectivism).

Accordingly, this paper asks: How do perceived sustainability signals influence brand loyalty among Gen Z consumers via brand trust, and how does cultural orientation (individualism-collectivism) moderate this process?

The remainder of this paper is structured as follows. Section 2 reviews the literature and develops the conceptual framework and propositions. Section 3 outlines the methodology; Section 4 synthesizes the literature with respect to the propositions and discusses the theoretical and managerial implications. Section 5 concludes with limitations and directions for future research.

## 2. Literature Review

Signaling theory explains how observable cues reduce information asymmetry between firms and consumers (Spence, 1973). In marketing, signals such as warranties, pricing, or certifications communicate unobservable brand qualities, including reliability and integrity (Kirmani & Rao, 2000). In the context of sustainability marketing, perceived sustainability signals, such as eco-labels, transparent CSR reporting, ethical sourcing disclosures, and carbon-neutral claims, serve as indicators of a brand's environmental and social commitment. These are some of the qualities consumers look for when evaluating a brand's sustainability claims. In this paper, CSR initiatives are treated as a category of perceived sustainability signals, alongside other observable sustainability cues. Effective signals are those perceived as credible, meaning they are third-party verified, costly to imitate, or consistently demonstrated over time (Connelly et al., 2010; Nguyen, 2022).

To capture the loyalty of the digitally native Gen Z, brands must recognize that credibility is not merely important; it is paramount, as this target audience operates as a collective, highly effective force that relentlessly scrutinizes sustainability claims through immediate digital platforms, unfiltered peer commentary, and intense social media scrutiny. Prior studies consistently show that visible, verifiable sustainability signals enhance perceived authenticity and brand trust (Theocharis & Tsekouropoulos, 2024). In contrast, vague or exaggerated claims, often labelled 'greenwashing', undermine trust and may trigger adverse consumer reactions (Hall & Trinquetel, 2024). Recent empirical evidence confirms that CSR and sustainability initiatives act as credible brand-level signals that influence consumer evaluations. For instance, Chi and Phan (2024) found that CSR is positively associated with customer loyalty across contexts. Similarly, Amoako et al. (2024) show that environmental and social CSR dimensions boost brand knowledge and loyalty. The literature establishes that credible sustainability signals can strengthen brand trust among Gen Z. However, it remains unclear how the effectiveness of these signals varies across cultural contexts. This gap motivates integrating cultural orientation into the signaling-trust relationship, leading to Proposition 1.

**Table 1. Theoretical Foundations Underpinning the Conceptual Model**

Key Work (Author, Year)	Core Idea	Relevance to Constructs
Job Market Signaling (Michael Spence, 1973)	In markets with information asymmetry, actors use observable, often costly signals to convey unobservable quality.	Provides the basis for treating sustainability actions and claims as signals that reduce uncertainty and shape Gen Z perceptions of brand integrity and trust.
Dimensionalizing Cultures: The Hofstede Model in Context (Hofstede, 2011)	Proposes cultural dimensions (e.g., individualism–collectivism) for the systematic comparison of societies.	Provides the foundation for cultural orientation as a moderator, explaining why Gen Z, in individualist vs. collectivist cultures, interprets sustainability signals and forms loyalty differently.
Signaling Theory: A Review and Assessment (Connelly, Certo, Ireland & Reutzel, 2011)	Synthesises signaling theory in management; explains when signals are credible (observable, costly, complex to fake) and how receivers interpret them.	Bridges abstract signaling theory and business practice, justifying why credible, hard-to-fake sustainability signals (e.g., third-party certifications, consistent CSR*) should build brand trust.

Note: \*CSR = Corporate Social Responsibility

Table 1 summarises the key theoretical foundations that underpin our use of perceived sustainability signals, brand trust, and cultural orientation in the proposed model.

### 2.1 Brand Trust as a Mediator

Brand trust refers to the average consumer’s willingness to rely on the brand’s ability to perform its stated function (Chaudhuri & Holbrook, 2001). Recent work suggests that perceptions of authenticity and ethical alignment are essential for Gen Z consumers when forming trust-based judgements (Baghel, 2023). Trust is central in relationship marketing: consumers commit to brands they trust (Morgan & Hunt, 1994). For Gen Z, this trust hinges on perceived authenticity and ethical consistency. A growing body of empirical work supports the mediating role of trust in the conversion of perceptions of sustainability into loyalty. Sobaih et al. (2025) and Monfort et al. (2025) highlight that perceptions of sustainability primarily build loyalty through trust. Vuong et al. (2023) illustrate that CSR boosts loyalty among airline customers by building brand trust and reputation. Intriguingly, these dynamics resonate across diverse product categories in emerging working papers (Jerab, 2025), signalling a powerful, overarching trend in how the trust-loyalty

relationship is rapidly evolving. We know that brand trust is a key mechanism linking perceptions of sustainability to loyalty. What remains underexplored is how cultural orientation may shape this mediating process for Gen Z consumers. Addressing this limitation supports Proposition 2 and sets the stage for cultural moderation.

## 2.2 Brand Loyalty and Gen Z Consumers

Gen Z is often pegged for having zero loyalty, driven by endless scrolling, a million other options just a click away, and algorithms constantly pushing the next new thing (Rosário & Casaca, 2025; SAP Emarsys, 2025). This does not mean they cannot be loyal; what they show is conditional loyalty. They form strong attachments when a brand truly mirrors who they are, stands for what they believe is ethically right, and helps them express their authentic selves. When we refer specifically to purchasing green or sustainable products, self-brand congruence is the single most important factor in whether Gen Z remains loyal over the long term. Prior findings on sustainability-driven loyalty among Gen Z are mixed, while meta-analyses generally report a positive relationship between CSR and loyalty (Chi & Phan, 2024; Vieira et al., 2023), the magnitude of this relationship varies substantially. Differences are often attributable to national context, CSR type, and whether loyalty is measured by intention, advocacy, or repeat-purchase behaviour. We know that sustainability can encourage Gen Z loyalty under certain conditions. What remains unclear is why similar sustainability initiatives produce strong loyalty effects in some markets but weak or inconsistent impact in others. This suggests that loyalty formation among Gen Z cannot be fully understood without accounting for cultural orientation, motivating propositions 3a and 3b.

## 2.3 Cultural Orientation as a Moderator

Cultural orientation shapes how consumers interpret brand information and evaluate credibility. The individualism-collectivism dimension (Hofstede, 2011) is particularly relevant to the formation of trust and loyalty in collectivist cultural orientations. Trust is not something Gen Z decides alone in a vacuum; it is often socially mediated. Gen Z consumers rely on peer approval, community norms, and in-group endorsement when assessing brands. We observe this playing out in places such as Vietnam and Turkey. In those emerging markets, brands that emphasize doing good for everyone, social responsibility, or national progress are way more likely to build that essential trust and loyalty (Hoai and Du, 2025; Mohamed & Ünsalan, 2025). Once trust is established, loyalty tends to be reinforced through social norms and group identification.

In individualist cultural orientations, Gen Z places greater emphasis on personal relevance, authenticity, and consistency with individual values. Trust is built when sustainability signals align with personal ethics and are communicated transparently, even when imperfections are acknowledged (Baker, 2020). Loyalty in these contexts is more fluid and contingent on continued personal validation. Additionally, individualist Gen Z may be more prone to switching brands for novelty or to better align with emerging trends and values (Feger, 2025). They do not have the



same external social pressure to stay loyal. As such, brands in individualist contexts must continuously engage and re-engage Gen Z on an individual level, for example, via personalized sustainability commitments (allowing customers to support specific causes with purchases, etc.) to maintain loyalty. Macro-contextual factors such as national institutions, CSR type, and cultural values influence CSR effectiveness (Peng et al., 2025). We know that cultural values influence sustainability evaluations. What remains insufficiently theorized is how cultural orientation systematically moderates both the signal-trust and trust-loyalty relationships among Gen Z. Integrating cultural orientation as a moderator addresses this gap and underpins Propositions 3a and 3b. While industry reports and emerging studies provide contextual insights, the propositions advanced here are primarily grounded in established peer-reviewed research in signaling theory, relationship marketing, and cross-cultural consumer behavior.

### 2.4 Conceptual Framework and Propositions

Bringing together the above themes, we propose a conceptual model (Figure 1) that illustrates a moderated mediation framework in which perceived sustainability signals positively influence brand trust, which, in turn, enhances brand loyalty. Cultural orientation (individualism-collectivism) moderates both the relationship between perceived sustainability signals and brand trust and the relationship between brand trust and brand loyalty. The positive effects are expected to be stronger in collectivist cultural orientations than in individualist cultural orientations.

**Table 2. Key Constructs and Roles in the Conceptual Framework**

Construct	Role in Model	Description / Examples	Expected Effects
Perceived Sustainability Signals	Independent Variable	Observable cues of a brand’s sustainability (e.g., eco-labels, CSR initiatives, ethical certifications).	Positive impact on Brand Trust
Brand Trust	Mediator	Consumers’ confidence in the brand’s reliability, integrity, and honesty.	Positive impact on Brand Loyalty
Brand Loyalty	Dependent Variable	Consumers’ commitment to the brand (repeat purchases, advocacy, resistance to switching).	Outcome of higher trust
Cultural Orientation (Individualism-Collectivism)	Moderator	Cultural emphasis on personal versus group values	Strengthens effects in collectivist contexts

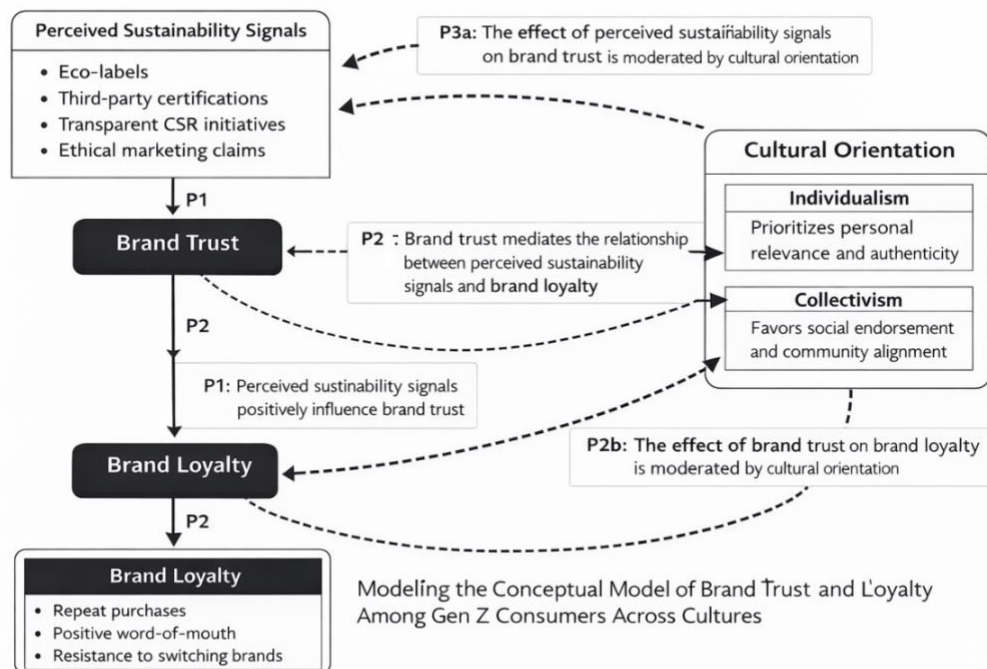
Note: Examples are illustrative

Table 2 defines each construct in the model and its expected relationships. Based on the literature review and theory, we formulate the following propositions:

- Proposition 1(P1): Perceived sustainability signals have a positive effect on brand trust among Gen Z consumers.
- Proposition 2 (P2): Brand trust mediates the relationship between perceived sustainability signals and brand loyalty among Gen Z consumers
- Proposition 3a (P3a): The positive effect of perceived sustainability signals on brand trust is stronger in collectivist cultural orientations than in individualist cultural orientations.
- Proposition 3b (P3b): The positive effect of brand trust on brand loyalty is stronger in collectivist cultural orientations than in individualist cultural orientations.

Together, these propositions describe a moderated mediation process in which perceived sustainability signals influence Gen Z brand loyalty through brand trust, with the strength of both relationships contingent on cultural orientation.

**Figure 1. Conceptual Model of Gen Z Loyalty Formation**



**Source:** Author’s own elaboration (diagram created using Canva)

Perceived sustainability signals influence brand loyalty through brand trust. Cultural orientation (individualism-collectivism) moderates both perceived sustainability signals-brand trust relationship and the brand trust-brand loyalty relationship, with stronger effects expected in collectivist cultural orientations.

### 3. Methodology

This study adopted a systematic literature review (SLR) approach, inspired by PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses), to develop and justify the proposed conceptual model. The review aimed to synthesize current knowledge at the intersection of sustainability marketing, Gen Z consumer behavior, brand trust and loyalty, and cross-cultural psychology.

#### 3.1 Search Strategy

Database searches were conducted systematically, and leading journals in sustainability, branding, and cross-cultural studies were reviewed to ensure coverage of high-impact research. Keywords included combinations of: “Gen Z” OR “Generation Z.” “sustainability” OR “CSR” OR “corporate social responsibility.” “brand trust.” “brand loyalty.” “signaling theory.” “individualism” AND/OR “collectivism.” Search filters limited results to English-language publications from 2019 to 2025. To complement academic insights, the paper included reports from reputable industry sources to capture emerging and evolving market trends relevant to Gen Z.

#### 3.2 Inclusion and Exclusion Criteria

Inclusion criteria: Empirical or theoretical studies focused on Gen Z or young consumers, sustainability/CSR, brand trust or brand loyalty, or cultural orientation, published between 2019 and 2025, in English.

Exclusion criteria: Articles without relevance to consumer behavior; technical or engineering-based sustainability papers; and reports lacking conceptual or empirical contribution (e.g., purely descriptive marketing summaries).

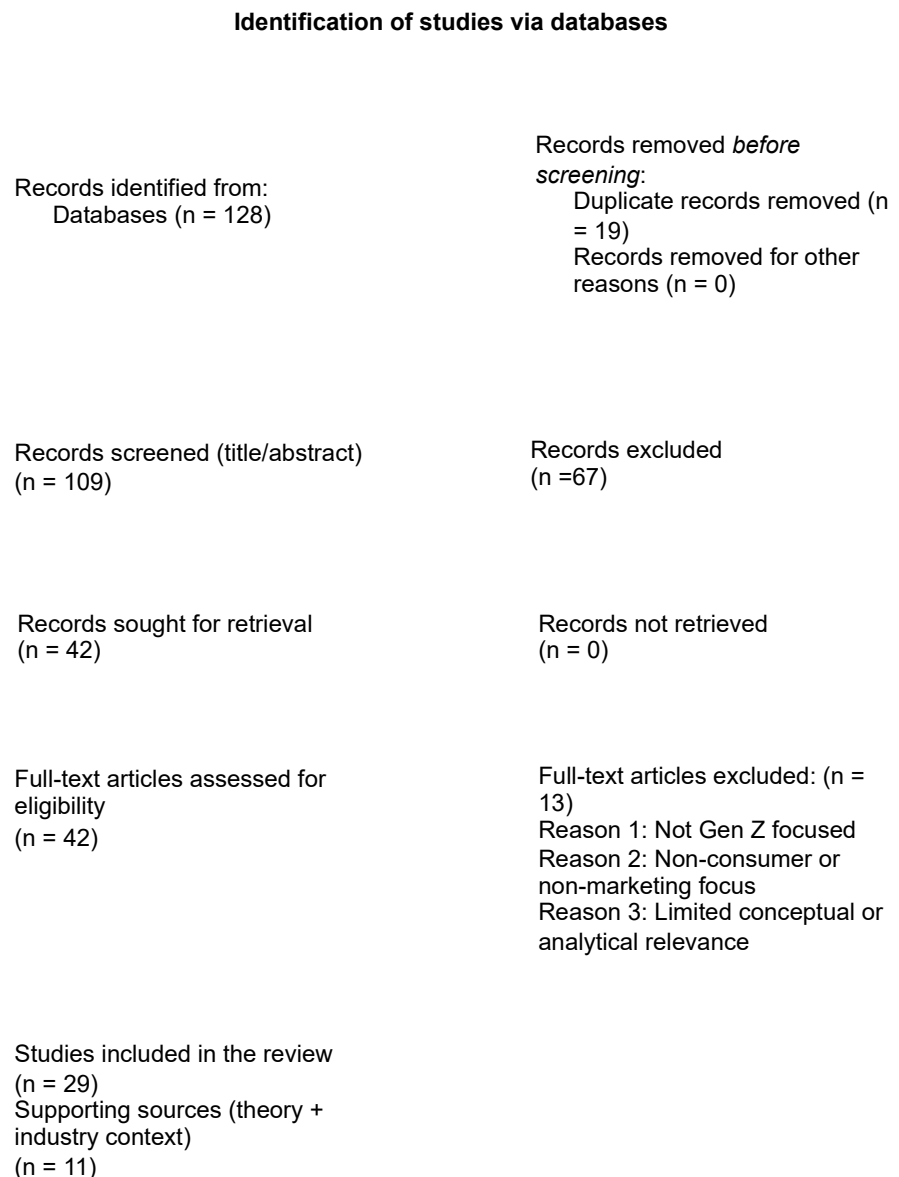
#### 3.3 Screening and Selection Process

The initial database search, shown in Figure 2 below, illustrates the PRISMA-style screening and selection process and identified 128 records. After removing 19 duplicates, 109 titles and abstracts were screened. In accordance with the inclusion/exclusion criteria, 42 studies were reviewed in full. Of these, 29 directly informed the model’s constructs. An additional 11 supporting studies from theory and industry sources were referenced.

Each study was reviewed for methodological design, population focus, conceptual coverage, and relevance. The literature was categorized into core components and assessed for convergence or divergence. Most studies support a positive relationship between CSR and trust/loyalty. While

some show mixed or weak effects in the absence of credibility cues, suggesting that trust acts as a mediating factor.

**Figure 2. PRISMA Flow Diagram of study identification, screening, and inclusion**



Source: Page MJ, et al. BMJ 2021;372:n71. Doi: 10.1136/bmj.n71.

### **3.4 Validity and Reliability Considerations**

To reduce bias and enhance validity, we triangulated across multiple databases, prioritized peer-reviewed journals, and assessed each study's quality, with a focus on geographic diversity. Industry reports were used cautiously, relying on robust data or observable trends. No primary data were collected; however, our systematic analysis strengthens the framework. Limitations, such as inconsistent findings across cultures, are identified as opportunities for future research. The 29 core studies underpin the propositions and model in the next section.

## **4. Discussion and Implication**

This section discusses the conceptual relationships proposed in the model and positions them within existing literature on sustainability marketing, brand trust, and cross-cultural consumer behaviour. The discussion directly links the theoretical insights and managerial implications to Propositions P1-P3b.

### **4.1 Perceived Sustainability Signals and Brand Trust (P1)**

In line with Proposition 1, the literature suggests that perceived sustainability signals positively influence brand trust among Gen Z consumers. When Gen Z spots a company doing something good ("perceived sustainability signals"), it positively influences where they trust that brand. They are not passive observers; they act like critics, really evaluating brand behavior and responding best to things that are totally transparent, externally validated, and consistent with the brand's stated values (Theocharis and Tsekouropoulos, 2024; McKinsey and Company, 2022). Drawing on signaling theory (Spence, 1973; Connelly et al., 2010), such signals reduce information asymmetry and convey unobservable brand attributes, including ethical commitment and long-term orientation.

Significantly, trust formation depends not only on the presence of sustainability signals but on their perceived intent. If a brand's green initiative appears cynical or merely a symbolic PR stunt, trust gains are minimal or may even backfire (Chatzopoulou & de Kiewiet, 2020). Conversely, being transparent about limitations or ongoing challenges can actually build credibility (Baker, 2020). These insights extend signaling theory into the ethical domain by highlighting that value-based signals are subject to a stricter credibility threshold than traditional quality signals.

Theoretical implication (P1): This reinforces the conceptualization of sustainability actions as ethical trust signals and positions Gen Z as a particularly trust-sensitive audience.

### **4.2 Brand Trust as a Mediating Mechanism (P2)**

This section lines right up with Proposition 2, the research consistently shows that brand trust mediates the relationship between perceived sustainability signals and brand loyalty. Sustainability initiatives really only influence loyalty if they manage to build trust first; it is not a direct jump from 'green' to 'loyal customer'. Empirical studies across sectors demonstrate that trust serves as

the psychological mechanism that flips ethical perceptions into real-world behaviour, things like buying repeatedly, telling friends about the brand, and resisting the urge to switch competitors (Sobaih et al., 2025; Monfort et al., 2025; Jerab, 2025).

For Gen Z, this mediation (‘middleman’) role of trust is incredibly important. Given their low default loyalty and high sensitivity to authenticity, trust functions as a gatekeeper: without trust, sustainability messaging rarely produces durable loyalty. This explains why some sustainability campaigns generate awareness but fail to secure behavioral commitment.

Theoretical implication (P2): The model clarifies the trust-loyalty pathway in sustainability marketing and supports a mediated view of Gen Z loyalty formation grounded in relationship marketing theory.

### **4.3 Cultural Orientation as a Moderator (P3a and P3b)**

The discussion also supports Propositions 3a and 3b, which posit that cultural orientation (individualism-collectivism) moderates both the signal-trust and trust-loyalty relationships.

#### *4.3.1 Collectivist Cultural Orientation*

In collectivist contexts, where community comes first, sustainability signals that a focus on collective welfare, social responsibility, or community endorsement is more likely to build strong trust (Hoai and Du, 2025; Mohamed and Ünsalan, 2025). Once trust is established, loyalty tends to be reinforced by social norms and group identification, thereby strengthening the link between trust and loyalty. This supports the expectation that both relationships in the model are amplified in collectivist orientations (P3a and P3b).

#### *4.3.2 Individualist Cultural Orientation*

In individualist contexts, where personal identity is key, Gen Z consumers evaluate sustainability signals through the lens of personal relevance and authenticity. Trust builds when the message aligns with their own personal values and when the brand is totally honest, even admitting their flaws (Baker, 2020). Loyalty is less set in stone; it is more fluid. The minute a brand stops aligning with individual values, Gen Z is likely to switch brands. This results in comparatively weaker, but still positive, effects in the model.

Theoretical implication (P3a-P3b): Sustainability does not work the same way everywhere; building trust and loyalty with eco-messages is a culturally specific process, not a one-size-fits-all universal outcome.

### **4.4 Managerial Implications Linked to the Model**

The conceptual framework offers several actionable insights directly grounded in the propositions: Trust-first sustainability strategies (P1-P2):

Brands targeting Gen Z should prioritize credibility over visibility. Third-party verification, consistent sustainability reporting, and long-term commitment are essential for transforming sustainability signals into trust and loyalty.

Culturally adaptive communication (P3a-P3b):

- In collectivist markets, focus marketing on how actions help the entire community, get local approval, and contribute to the greater good
- In individualist markets, focus on raw authenticity, how it personally aligns with their values, and transparent storytelling about the brand's journey, including successes and failures.

Participatory engagement to reinforce trust (P2):

Co-creation initiatives, such as involving Gen Z in sustainability decisions or showing them exactly how you track progress, make your sincerity feel real, which in turn deepens loyalty.

Transparent response to missteps (P1-P2):

When sustainability goals are missed, speak up immediately and fix it; silence is deadly. For Gen Z, being an honest, imperfect brand is better than looking like you are trying to hide something or being deceptive.

Practical contribution: The model provides a roadmap for designing culturally sensitive strategies that convert Gen Z's sustainability expectations into enduring brand loyalty.

## 5. Conclusion

This paper proposed and justified a conceptual moderated mediation model explaining how perceived sustainability signals shape brand loyalty among Generation Z consumers through the mediating mechanism of brand trust, with cultural orientation (individualism versus collectivism) moderating the strength of both pathways. Drawing on signaling theory, relationship marketing theory, and cross cultural consumer behavior research, the model offers an integrative framework that addresses a gap in the existing literature, namely the absence of a coherent account of how sustainability signals translate into durable Gen Z loyalty across culturally diverse markets. The central theoretical contribution of this paper lies in extending signaling theory beyond traditional quality and price signals into the domain of ethical brand communication. Brand trust is identified as the critical psychological gateway through which sustainability signals must pass before they can produce meaningful loyalty outcomes. Without trust, even well resourced and visible sustainability campaigns are unlikely to generate lasting behavioral commitment among Gen Z consumers. Equally important, the model demonstrates that this trust formation process is not culturally uniform. In collectivist orientations, socially endorsed and community facing signals carry disproportionate weight, while in individualist orientations, personal value alignment and radical transparency are the primary levers of trust and loyalty. Beyond its theoretical contributions, this paper carries meaningful practical relevance. Gen Z represents the fastest growing consumer

force in global markets, and its members are entering peak purchasing years with well formed sustainability expectations and a demonstrated willingness to penalize brands perceived as deceptive. Organizations that treat sustainability communication as a compliance exercise or a reputational hedge will find this generation unforgiving. Those that invest in genuinely credible, culturally calibrated sustainability strategies stand to gain not only the transactional loyalty of repeat purchase but the relational loyalty of advocacy, co creation, and long term brand identification.

### 5.1 Recommendations

Brands targeting Gen Z should treat credibility as the foundation of all sustainability communication. Third party certification, independently verified carbon or social impact reporting, and long term consistency across brand touchpoints are not optional enhancements but prerequisites for trust formation. Vague or aspirational sustainability language, particularly without evidence or accountability mechanisms, risks triggering the greenwashing skepticism that characterizes this generation and may produce reputational damage that outweighs any short term messaging gain. Sustainability communication strategies should be adapted to the cultural orientation of the target market rather than deployed uniformly across regions. In collectivist markets such as Vietnam, Turkey, South Korea, and much of sub Saharan Africa, brands should emphasize community benefit, collective impact, and locally relevant social endorsement. Partnering with respected community organizations, local environmental groups, or nationally recognized figures can meaningfully amplify signal credibility. In individualist markets such as the United States, Australia, and Northern Europe, the emphasis should shift toward personal narrative, individual values alignment, and transparent storytelling that acknowledges both progress and shortcomings in the brand's sustainability journey. Digital engagement channels should be recognized as primary arenas in which Gen Z evaluates sustainability credibility. User generated content, peer reviews, and influencer commentary function as informal third party signals that shape trust perceptions independently of brand controlled messaging. Brands should therefore design sustainability initiatives with shareability and peer validation in mind, and should actively monitor and respond to digital scrutiny rather than treating it as a reputational risk to be managed in silence.

Regulatory frameworks governing sustainability claims should be strengthened to require minimum standards of evidence for environmental and social assertions made in consumer facing communications. Mandatory disclosure requirements and standardized eco label criteria would reduce the information asymmetry that currently allows low credibility signals to compete with genuinely substantive ones, thereby rewarding brands that invest in authentic sustainability practice.

## 5.2 Limitations And Future Research

While our paper provides a novel conceptual framework, it has several limitations that open avenues for future research:

- This paper is conceptual and not empirically tested. Future research should validate the model, especially the mediation (P2) and moderation (P3a, P3b) effects, through multi-country surveys or experimental designs. For example, researchers could expose Gen Z participants in individualist and collectivist cultures to different sustainability messages and measure the resulting levels of trust and loyalty
- We focused on individualism-collectivism as the sole cultural dimension, but culture is multi-layered. Future work should incorporate other cultural values (e.g., uncertainty avoidance, long-term orientation) or use individual-level measures like idiocentrism/allocentrism to refine predictions, particularly regarding P3a and P3b.
- We treated Gen Z as one big group, but they are not all the same. Factors like gender, how worried they are about the environment, and how active they are in causes probably affect how they respond to sustainability messages. Future studies could dive deeper into these subgroups or compare Gen Z behaviour to Millennials or Gen Alpha to see if this trust-loyalty dynamic is unique only to this generation
- Beyond trust, variables such as authenticity or consumer-brand identification might mediate the link between sustainability and loyalty. Also, future research should explore additional outcomes, such as advocacy, willingness to pay premiums, and resistance to negative brand information.
- Gen Z engages with sustainability signals online. Future research should examine how influencers, user-generated content, or what the algorithms decide to show them affect whether they believe a brand's sustainability claims.

## Acknowledgement

This research was conducted as part of the author's MBA studies at Bahçeşehir Cyprus University and did not receive any specific funding. The author appreciates the institutional support provided and would like to thank Assist. Prof. Dr. Vildan Esenyel for her guidance throughout the study.

## References

- Amoako, G. K., Dartey-Baah, K., Naatu, F., Acquah, I. S. K., & Gbrah, A. Y. B. (2024). Corporate social responsibility and brand performance: Evidence from Ghana. *Journal of International Management*, 30(4), Article 101161. <https://doi.org/10.1016/j.intman.2024.101161>

- Baghel, D. (2023). The role of Influencer Authenticity and Brand Trust in shaping consumer behavior: Strategies to engage Generation Z. *ShodhKosh: Journal of Visual and Performing Arts*, 4(1). <https://doi.org/10.29121/shodhkosh.v4.i1.2023.3327>
- Baker, J. (2020, December 15). Is your brand about to get cancelled for greenwashing? *Forbes*. Retrieved September 12, 2025, from <https://www.forbes.com/sites/jessibaker/2020/12/15/is-your-brand-about-to-get-cancelled-for-greenwashing/>
- Chaudhuri, A., & Holbrook, M. B. (2001). The chain of effects from brand trust and brand affect to brand performance: The role of brand loyalty. *Journal of Marketing*, 65(2), 81–93. <https://doi.org/10.1509/jmkg.65.2.81.18255>
- Chatzopoulou, E., & de Kiewiet, A. (2020). Millennials' evaluation of corporate social responsibility: The wants and needs of the largest and most ethical generation. *Journal of Consumer Behaviour*, 19(6), 539–550. <https://doi.org/10.1002/cb.1882>
- Chi, H., & Phan, H. (2024). Revealing the role of corporate social responsibility, service quality, and perceived value in determining customer loyalty: A meta-analysis study. *Sustainability*, 17(10), Article 4304. <https://doi.org/10.3390/su17104304>
- Connelly, B. L., Certo, S. T., Ireland, R. D., & Reutzel, C. R. (2010). Signaling theory: A review and assessment. *Journal of Management*, 37(1), 39–67. <https://doi.org/10.1177/0149206310388419>
- Feger, A. (2025, April 28). Brand loyalty is fading among Gen Z and millennials. *EMARKETER*. Retrieved August 8, 2025, from <https://www.emarketer.com/content/brand-loyalty-fading-among-gen-z-millennials>
- First Insight. (2023). *The state of consumer spending: Gen Z shoppers demand sustainable retail* [Online report]. <https://www.firstinsight.com/white-papers-posts/gen-z-shoppers-demand-sustainability>
- Greeven, M. J. (2024, February 7). Nike dominates the Chinese apparel market for now, but 'Guochao' is changing the game. *IMD Business School for Management and Leadership Courses*. <https://www.imd.org/ibyimd/asian-hub/nike-dominates-chinese-apparel-market-for-now-but-guochao-is-changing-the-game/>
- Hall, J., & Trinquetel, K. (2024, August 14). The fear of being perceived as a "Greenwasher." *Kantar*. Retrieved August 1, 2025, from <https://www.kantar.com/north-america/inspiration/brands/the-fear-of-being-perceived-as-a-greenwasher>
- Hoai, L. T., & Du, P. T. (2025). The impact of cultural factors on online consumer behavior of Gen Z in Vietnam: A study in Hanoi, Vietnam. *Journal of Ecohumanism*, 4(2). <https://doi.org/10.62754/joe.v4i2.6567>

- Hofstede, G. (2011). Dimensionalizing cultures: The Hofstede model in context. *Online Readings in Psychology and Culture*, 2(1), Article 8.
- Jerab, D. (2025). *Exploring the influence of CSR activities on consumer trust, brand loyalty, and overall brand equity* [Manuscript submitted for publication / Working paper]. SSRN. Retrieved September 10, 2025, from [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=5086935](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5086935)
- Kirmani, A., & Rao, A. R. (2000). No pain, no gain: A critical review of the literature on signaling unobservable product quality. *Journal of Marketing*, 64(2), 66–79. <https://doi.org/10.1509/jmkg.64.2.66.18000>
- McKinsey & Company. (2022). Mind the gap: Gen Z and greenwashing. (L. Hilton Segel & H. Hatami, Eds.). *Gen Z Insights Newsletter*.
- McKinsey & Company. (2023). Loyal Z: Why Gen Z customers won't be tied down to one brand. *Gen Z Insights Newsletter*.
- Mohamed, Z. A., & Ünsalan, M. (2025). The effect of Hofstede Cultural Dimensions on brand equity: The mediating role of perceived usefulness. *Pazarlama ve Pazarlama Araştırmaları Dergisi*. Advance online publication. <https://doi.org/10.15659/ppad.18.1.1414678>
- Monfort, A., López-Vázquez, B., & Sebastián-Morillas, A. (2025). Building trust in sustainable brands: Revisiting perceived value, satisfaction, customer service, and brand image. *Sustainable Technology and Entrepreneurship*, 4(3), Article 100105. <https://doi.org/10.1016/j.stae.2025.100105>
- Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58(3), 20–38. <https://doi.org/10.1177/002224299405800302>
- Nguyen, M. (2022, September 27). *Social science theory*. Bookdown. Retrieved August 3, 2025, from <https://bookdown.org/mike/social-theory/>
- Page, M. J., McKenzie, J. E., Bossuyt, P. M., Boutron, I., Hoffmann, T. C., Mulrow, C. D., Shamseer, L., Tetzlaff, J. M., Akl, E. A., Brennan, S. E., Chou, R., Glanville, J., Grimshaw, J. M., Hróbjartsson, A., Lalu, M. M., Li, T., Loder, E. W., Mayo-Wilson, E., McDonald, S., ... Moher, D. (2021). The PRISMA 2020 statement: An updated guideline for reporting systematic reviews. *BMJ*, 372, Article n71. <https://doi.org/10.1136/bmj.n71>
- Peng, C., Eisend, M., Xiang, D., Chen, Z., & Zhao, H. (2025). A meta-analysis of corporate social responsibility effects: The role of stakeholder type and country factors. *International Journal of Research in Marketing*, 42(3), 809–826. <https://doi.org/10.1016/j.ijresmar.2024.11.003>

- Rosário, A. T., & Casaca, J. A. (2025). Brand loyalty and Generations X, Y, Z. *Journal of Ecohumanism*, 4(2). <https://doi.org/10.62754/joe.v4i2.6426>
- SAP Emarsys. (2025). The death of brand loyalty? Gen Z drives a loyalty 'recession.' <https://emarsys.com/press-release/the-death-of-brand-loyalty-gen-z-drives-a-loyalty-recession/>
- Sobaih, A. E. E., Gharbi, H., Brini, R., & Aliane, N. (2025). Exploring the mediation effect of brand trust on the link between tourism destination image, social influence, and brand loyalty. *Societies*, 15(1), Article 9. <https://doi.org/10.3390/soc15010009>
- Spence, M. (1973). Job market signaling. *The Quarterly Journal of Economics*, 87(3), 355–374
- Theocharis, D., & Tsekouropoulos, G. (2024). Sustainable consumption and branding for Gen Z: How brand dimensions influence consumer behavior and adoption of newly launched technological products. *Sustainability*, 17(9), Article 4124. <https://doi.org/10.3390/su17094124>
- Vieira, V. A., Wolter, J. S., Falcão Araújo, C., & Saraiva Frio, R. (2023). What makes the corporate social responsibility impact on Customer–Company identification stronger? A meta-analysis. *International Journal of Research in Marketing*, 40(2), 475–492. <https://doi.org/10.1016/j.ijresmar.2022.09.002>
- Vuong, B. N., Voak, A., Hossain, S. F. A., Phuoc, N. T., & Dang, L. H. (2023). Impact of corporate social responsibility on customer loyalty through brand trust and brand reputation: Evidence from low-cost airlines. *Transportation Research Procedia*, 80, 111–118. <https://doi.org/10.1016/j.trpro.2024.09.015>
- World Economic Forum. (2022, March 18). Gen Z cares about sustainability more than anyone else – and is starting to make others feel the same way. Retrieved September 10, 2025, from <https://www.weforum.org/stories/2022/03/generation-z-sustainability-lifestyle-buying-decisions/>
- Yiva Digital. (2021). *How marketers win in China's Gen Z with consumer insights* [Blog post].
- Zhang, J., Smith, C., & Lee, K. (2023). Gen Z and the sustainability loyalty gap. *Journal of Global Marketing*, 36(1), 45–59. <https://doi.org/10.1080/08911762.2022.2101234>
- Zhou, J., Poh, F., Zhang, C., & Zipser, D. (2020). *China's Gen Z are coming of age: Here is what marketers need to know*. McKinsey & Company. Retrieved September 10, 2025, from <https://www.mckinsey.com/cn/our-insights/our-insights/chinas-gen-z-are-coming-of-age-heres-what-marketers-need-to-know>