Consumer choices: Going green to be seen

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What motivates consumers to buy eco-friendly products? Are people’s choices linked to their concern for the environment and thus to be viewed as expressions of altruism, or are motives fragile and self-serving reflections of concern about social status within the community?

Such questions were raised when investigating how consumers respond to tactics used by marketers to encourage them to ‘go green’. Environmental concern is a motivating factor for consumers, so by emphasising the eco-friendly benefits of a product or service, marketers can influence consumer behaviour by encouraging them to believe that they are contributing towards a better world and that their choices matter.

In a series of experiments, we tested people’s reactions towards ‘green’ choices, and their motives for purchasing them, through exposure to a variety of scenarios that caused them to reflect upon their social status or reputation. After this motive manipulation came a further test in which participants simply had to decide between a ‘luxury’ product and a ‘green’ equivalent. The products on offer in luxury and ‘green’ versions included a washing machine (value US$1,100), household cleaning fluid (US$7), and a car (US$30,000).

The luxury version of the car came with leather upholstery, expensive sound system and everything else you would expect from a model at the top of its price range. The eco-efficient vehicle was in the same price bracket and came from the same manufacturer.

Which would they choose? Traditional theories predict that when primed to think about status, our social motives direct us to pick the bigger, flashier option: we would want, for example, a Mercedes over a Toyota Prius any day. Counter-intuitively, the people in our tests expressed a greater preference for the ‘green’ alternative.

But why might this be so? Evolutionary theories offer us some clues about this paradox through the understanding of altruism, or prosocial behaviour. In some species of the animal kingdom, and indeed with certain tribal cultures, we see a phenomenon known as competitive altruism. Simply put, it’s a case of striving to outdo your neighbour, not through bigger and better material goods, but by bigger and better acts of selfless concern, and by incurring costs (a show of wealth) whilst doing so.

But how could we show that competitive altruism came into play, and that status motives were a factor in ‘green’ purchasing decisions? When repeating our earlier experiment, we changed the relative price of the two products to ascertain if status motives did indeed influence the desirability of ‘green’ products. This time the ‘green’ option was presented as being more expensive than the luxury one. If altruism functioned as a social signal, in part because it is a public show of one’s wealth, then increasing the price of a ‘green’ product might actually cause it to be more attractive for individuals motivated to gain status. Indeed, this is exactly what we found.

This goes against the grain of traditional marketing wisdom: that is, to make environmentally friendly products more attractive to consumers, they need to be priced lower. To the contrary, our findings show that status motives can lead to consumer preference for ‘green’ products that are more expensive than their ‘non-green’ equivalents.

However, this does resonate with observations made in the United States. A good example is when the tax breaks for hybrid cars were abolished. Prices increased as a result and unexpectedly...
sales started to skyrocket. Making hybrid car more expensive suddenly made them more attractive to people. So dramatic was this effect that we can only describe the Toyota Prius as a self-promoting billboard of pro-sociality. To prove if ‘green’ products really could function as a personal signal to show how pro-social individuals are, we manipulated our luxury versus ‘green’ choice further and sought to see if people would make the same choices if their purchases were made privately.

In the privacy of their own homes, out of the view of others, we discovered that most people’s apparent altruistic concern for the planet suddenly disappears and eco-friendly choices are forsaken in favour of luxury items. Have them make the purchase out in the open where others can see and the consumer is magically motivated to prefer the ‘green’ product to the ostentatious choice.

This shows us that status can actually motivate some consumers to buy eco-friendly products. Whilst they may indeed be genuinely concerned about such issues, at least a part of their motive relates to status and their desire to be seen as a good person in society. Making the purchase is a blatant show of wealth. It sends a message that the purchaser can afford the goods financially, and is prepared to sacrifice luxury for the sake of the environment. We call it “Going green to be seen”.

Asking society to ‘go green’, to become more environmentally aware and to make conscious decisions based on eco-friendly motives, is unquestionably very important. Understanding the strategies public policy makers and others can use to greatest effect in promoting such campaigns becomes then the hinge upon which their success swings. We have investigated just one tactic that can be used to encourage people to make more eco-friendly choices through the manipulation of social motives. Other tactics are available, such as the economic benefits mentioned earlier.

It should be noted that to encourage people to become more environmentally motivated over the longer term, it is far better to motivate them intrinsically rather than extrinsically. If you want people to adopt a greater degree of pro-environmental behaviour then awareness and concern for ‘green’ matters need to be engendered as personal issues rather than as matters of incentive.

Beyond tactics for stimulating behavioural motives, what we learn is that the pricing of ‘green’ products can create paradoxical results in consumers. Typically businesses would expect demand to rise as prices go down. Instead, we find that the opposite can be true. Comparisons can be drawn between eco-friendly and luxury products: if Louis Vuitton, Gucci or Cartier items were priced at Walmart levels overnight, then their desirability would disappear with the rustle of a cheap carrier bag. Make the price of the eco product more expensive, and for consumers that product becomes more desirable.

As we have found, when social motives are stimulated, consumer preference is for the ‘green’ option rather than the supposedly aspirational product – but only when that choice is made publicly. As consumers, being concerned for the environment is, it appears, something that some people prefer to engage in when their actions are at once conspicuous and good for their reputation.

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