

The Role of Marketing and Business-to-Consumer Nudging in Fostering Sustainable Consumption

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The goal of marketing strategies is to increase sales and eventually create new consumer needs. As a result, marketing has a reputation for representing the cause of unsustainable overconsumption. But can marketing tools also be part of the solution by «nudging» consumers toward more responsible choices?

Tackling global challenges such as climate change requires, at least, a dualistic perspective. On the one hand, there are structural issues for which individuals cannot do much about; for instance, energy provision at the country level is governed by forces that are mostly out of single individuals' control. These are often systemic and supply-side issues that are best addressed by macro-level institutions: multinational corporations, international organizations, and governmental panels such as the United Nations Climate Change Conference. On the other hand, there are behavioral issues upon which individuals have some degree of control; for instance, consumer choice of food, means of transport, clothing, and housing can significantly impact, directly or indirectly, the outcome of carbon emissions. These are areas where demand-driven trends and micro-level behaviors can change, if not significantly influence the aggregate output.

A typical example of the latter is the field of sustainable consumption, which is based on the idea that individual consumers' behavior can contribute to tackle global systemic issues such as climate change; particularly by reducing man-made carbon dioxide emissions. In fact, eating animal-based products, traveling by car and airplane, raising the heating temperature of houses and offices, as well as buying new clothes, are environmentally harming actions that each of us can avoid to some extent. The total impact of these behaviors is approximated by the so-called ecological footprint calculator, which derives the amount of CO₂ emitted by each of these consumption choices.¹ In this sense, individual actions sum up until they impact positively (or negatively) on the overall ecological system.

¹ There are many versions of the ecological footprint calculator, some of them being adjusted and tailored for country-level characteristics. In Switzerland, the WWF created its own, which can be found here in three different languages: <https://www.wwf.ch/de/nachhaltig-leben/footprintrechner>, last accessed: 14.02.2023.

The question then becomes whether and to what extent governments, organizations, and companies are eager to effectively influence individuals' behavior in one direction or another; and if so, how do they?

Marketing: part of the problem or the solution?



Although marketing is often perceived as causing the problem rather than contributing to the solution of sustainable consumption, this brand slogan is an example of how the former can support responsible clothing consumer choices.

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Although governmental institutions can profit from implementing specific interventions (e.g., taxation), most public policy is by default welfare-oriented; meaning that its application is intended to tackle social challenges and eventually increase individual or societal wellbeing. This does not necessarily stand for organizations such as for-profit corporations, which are normally driven by private interests. However, this same characteristic is one of the reasons why companies have generally been more effective at influencing citizen-consumer choices by advancing and developing cutting-edge techniques in order to change the behavior of their customers.

Lying within the broad area of marketing, these techniques originally see their rationale in the need for acquiring market shares by competing against other companies within the same industry sector; to put it simply, for businesses to sell more of their products or services. However, marketing strategy has also been able of creating new consumer needs from scratch; namely, artificially building human desires that are non-existing prior to the creation of the item itself. Instead of fulfilling and satisfying consumers' wants by providing them reasonable product or service solutions, marketing increasingly specialized in making consumers internalize the arbitrarily produced lack of items yet to be crafted. Therefore, marketing has been considered as part of the problem rather than as a possible solution to the sustainability crisis.

Nonetheless, the fact that marketing is seen as contributor to economic growth and, in turn, the current climate emergency is also due to its historical development. In fact, modern marketing practice boomed in the second half of the twentieth century, when growth was widely desired and explicitly targeted at both the national and corporate levels. However, like any other set of tools, marketing can be used for different purposes; and thus serve as a powerful device to overcome the most common barriers to sustainable consumption. Some of these barriers depend on *economic* factors, such as consumers' disposable income, and are subject to fiscal or monetary incentives. Others, instead, are *behavioral* factors that subtly influence our consumption choices and are shaped by marketing practices. Finally, some are related to *sociocultural* factors that deeply influence consumer attitudes since they are embedded in people's habits and are therefore difficult to change through economic or behavioral policies.

“Green nudges” for more responsible choices

While the first group of factors is traditionally tackled by economic policy, such as tax regulation and subsidy programs, the second one is gathering increasing attention since the findings of psychologists Daniel Kahneman and Amos Tversky were elaborated by the work of Richard H. Thaler and Cass R. Sunstein. They define a *nudge* as “any aspect of the choice architecture that alters people's behavior in a predictable way without forbidding any options or significantly changing their economic incentives.”² As behavioral policy typically conceives individuals as flat-minded, with limited self-control, and “predictably irrational,”³ *nudge marketing* leverages these psychological features by framing

2 Thaler/Sunstein (2008), p. 6.

3 Ariely (2008).

consumers' choice environment in order to influence their decisions either for profit motives or promoting socially desirable behaviors such as sustainable consumption.⁴

Instead of persuading consumers and catching their attention as advertisers do, nudge marketers build their business strategies around people's behavioral features. Rather than classifying the consumer population by demographic (e.g., age, gender), economic (e.g., income), and cultural (e.g., language, religion) factors like traditional marketers do, nudgers target specific "behavioral types" defined by their cognitive biases and design tailored behavioral interventions to steer the choices of that group of individuals. For instance, banks may design their digital platforms (i.e., private e-banking) in a way that nudges loss-averse consumers to subscribe into saving plans. Implemented with this outlook, such intervention would adjust this consumer bias (i.e., loss aversion) toward a rationally desirable behavior, namely that of saving more.

Nevertheless, this approach has its limits. Although behavioral interventions such as nudges are, in principle, universally applicable, their effectiveness may vary depending on different factors affecting the environment where they are implemented. Far from being a priori generalizable, nudges are in fact highly context-dependent, with social, political, and cultural variables having an enormous impact on their implementation outcome. Furthermore, their time consistency is weak; despite their proven effectiveness on single consumption choices, the long-term effects of behavioral interventions are contested. In other words, the question remains whether "green nudges"⁵ – albeit effective – are capable of changing long-term habits and creating responsible consumption patterns.

4 Singler (2015a).

5 Singler (2015b).



“Green nudges” are behavior change interventions that steer individual choice toward the most sustainable option; for instance, by making salient the potentially harmful environmental consequences of energy overconsumption.

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The challenge of changing consumer culture

This challenge has been examined by researchers from different fields, who indicated numerous reasons for nudges’ effectiveness being generally reduced in the long term. Whereas the so-called *attitude-behavior gap* explains why consumers expressing responsible purchase intentions may not align their consumption choices accordingly, the process through which individual behaviors transform into steady attitudes is more complicated and nuanced. That is also because consumption patterns and trends are ultimately determined by abstract and incommensurable factors such as the consumers’ cultural upbringing, social texture, and political environment rather than merely by behavioral features and heuristics – the latter being dependent on, informed and shaped by the former, not vice versa. In light of this, fostering sustainable consumption does not only mean nudging consumers toward responsible choices but it also requires transforming their single behaviors into routine habits overtime.

In conclusion, behavioral interventions such as nudges directed at promoting sustainable choices is a limited approach for building and establishing responsible consumption patterns. Behavioral policies shall be complemented not only by traditional economic incentives or regulations, but also, and especially, by deep interventions that change *consumer culture* as a whole. Just as “cool hunters” capture potential fashion trends in cities’ suburbs, “culture shifters” would detect, analyze, and shape consumer habits toward more responsible choices.

This is intended to help create, transform, and disseminate new narratives of sustainable consumption that, in turn, support and foster responsible attitudes; shared stories that shift consumers' behavior toward consistent habits, not just nudge them to take single choices. The good news is that the power of narratives to drive market trends is very high.⁶ The bad news is that changing consumer culture is a much more complicated task than implementing consumer nudges; establishing “nudge units” and behavioral science consulting may not be enough.



Albeit its crucial role in reducing carbon emissions, responsible consumption only represents one side of the story; sustainable production, including product packaging, is as much fundamental in tackling climate change.

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6 Shiller (2019).

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About the author



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Zusammenfassung

Ausgehend von der Annahme, dass die Konsument:innen in Bezug auf systemische Probleme wie den Klimawandel über eine gewisse Handlungsmacht verfügen, untersucht dieser Aufsatz die Rolle von Marketing und Business-to-Consumer Nudging (B2C Nudging) bei der Förderung eines nachhaltigen Konsums. Trotz ihres Rufs, eher Ursache als mögliche Lösung der Probleme zu sein, können Marketinginstrumente dazu beitragen, verhaltensbedingte und soziokulturelle Barrieren zu überwinden, die verantwortungsvolle Entscheidungen normalerweise verhindern. Während Nudges kognitive Voreingenommenheit (Bias) nutzen, um angepasste Entscheidungsarchitekturen zu entwerfen, die auf bestimmte «Verhaltenstypen» abzielen, ist ihre Wirksamkeit kontextabhängig und langfristig begrenzt. Die Etablierung nachhaltiger Konsummuster erfordert vielmehr tiefgreifende Veränderungen innerhalb der Konsumkultur: Die Gesamtheit der Gewohnheiten, Einstellungen und Diskurse beeinflusst letztlich die Entscheidungen der Konsument:innen auf Dauer.

Résumé

Cet article examine le rôle du marketing et du *business-to-consumer nudging* ou *B2C nudging* dans l'encouragement à la consommation durable, partant du principe que les consommatrices et consommateurs ont un certain pouvoir d'action ou une certaine agencité dans le cadre des problèmes systémiques tels que le changement climatique. Les outils du marketing, bien qu'ils soient perçus davantage comme cause plutôt que comme solution potentielle aux problèmes, peuvent aider à surmonter les barrières comportementales et socioculturelles qui empêchent habituellement de faire des choix responsables. Alors que les *nudges* exploitent les biais cognitifs pour concevoir des architectures de choix sur mesure ciblant certains «types comportementaux» spécifiques, leur efficacité reste dépendante du contexte et limitée à long terme. La création de schémas de consommation durable nécessite plutôt de profondes transformations au sein de la culture de consommation: l'ensemble des habitudes, des attitudes et des narratifs qui influencent en fin de compte les choix des consommateurs et consommatrices au fil du temps.