



## S. Social Impact

# Creating Sustainable Value by Closing the Green Gap

ESCP Impact Paper No 2021-41-EN

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**Deloitte.**



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### **Abstract**

Research has documented a “green gap”, showing that consumers’ positive attitudes toward sustainability and environment protection do not translate into actual consumption behaviors. This paper aims to present the main factors explaining the gap between consumers’ attitudes and their behavior and to provide guidelines for managers and public policy makers to reduce this gap and contribute to shaping more sustainable consumer behavior.

Keywords: Sustainable consumption, green gap, sustainable marketing, decision making process.

# Creating Sustainable Value by Closing the Green Gap

## Introduction

Increasingly, consumers claim to be willing to change their consumption behavior toward more sustainable practices and to expect transparent and concrete actions toward sustainability from brands. Worldwide, sustainability-related markets are growing, leading firms to develop sustainable development processes to benefit from these opportunities. Consequently, for a growing number of organizations, adopting practices in conformity with the three pillars of sustainability (social, economic, and environmental) has become a requirement for firm performance (Cowan and Guzman 2020).

However, numerous studies have documented that whilst consumers have highly positive opinions about environment protection, these favorable environmental attitudes do not translate into actual consumption behaviors (Wiederhold and Martinez 2018). “While up to 90% of North American consumers report being concerned about the environmental impact of their purchases, for the most part, behavioral changes have not been evidenced” (Cleveland et al. 2012, p.294). This unfortunate situation, referred to as the “green gap,” makes it difficult to predict future demand for sustainable products. Worse still, this situation may discourage firms from making financial efforts to adopt environmentally respectful practices, as they would not be certain to elicit the expected consumer response.

This paper has two objectives. First, it aims to review the relevant literature to build a panorama of the main factors behind the gap between consumers’ attitudes and their behavior. Second, it aims to provide guidelines for managers and public policy makers to reduce this green gap and contribute to shaping more sustainable consumer behavior.

## Antecedents of the Green Gap

Academic research has identified several antecedents of the green gap. This section presents some of the most influential factors, distinguishing between different levels of consumer-related issues: the role of sustainable attributes in consumers’ decision-making, the extent to which they are convinced by sustainable claims, and their knowledge of sustainability.

### ***Consumer Decision-Making***

*Product Evaluation Criteria.* Sustainability is far from being the only criterion consumers use to make purchase decisions. For decades, consumers have learned to make choices that, as per their perceptions, maximize their pleasure or interests. They take into account many evaluation criteria, such as price, brand image, and quality/performance, which reduces, or sometimes annihilates, the relative influence of a sustainability-related attribute on their final decision (Luchs et al. 2012). Changing such habits in the decision-making process takes time even for the most convinced consumers.

*Situational Factors.* Important situational factors prevent consumers from focusing on sustainability questions during their decision-making process. First, in today’s accelerating societies, time pressure leads consumers to speed up their decisions and focus on the most visible clues, such as merchandising and store layout, which regularly make consumers overlook their ethical concerns (Ní Choisdealbha and Lunn 2020). Second, social pressure may inhibit sustainable choices when social stigma is associated with sustainable options, as is the case with vegan or organic food in certain geographic areas (Lazaric et al.

2020). Finally, the limited availability and visibility of sustainable options among brand ranges and store assortments are also considered obstacles to transforming sustainable attitudes into actual consumption (Nguyen et al. 2019).

## **Consumer Conviction**

*Greenwashing and Skepticism.* The many baseless “green” promises made by brands have made consumers skeptical. This is the result of decades of “greenwashing,” which occurs when brands claim to develop sustainable offers when, in fact, they use spurious arguments. For brands that are sincerely sustainable, this represents a real challenge: once they have invested in changing their production processes, it is critical for them to be able to build a differentiated image compared to less virtuous competitors. If consumers do not believe their claims, the return on investment is compromised.

*Perceived Consumer Effectiveness.* If consumers do not act in accordance with their values, it may also be because they feel their behavior has a negligible impact compared to the actions of the multitude of industrial actors. This personal characteristic, called perceived consumer effectiveness, leads consumers to believe that individual efforts cannot be useful in resolving environmental issues, and it represents an important determinant of the green gap (Tucker et al. 2012).

## **Consumer Knowledge**

*Consumer Attitude Measurement.* The gap between consumers’ declared attitudes and their actual behavior also relates to the tools used to measure these attitudes. Indeed, the environmental values declared by surveyed consumers are overstated due to social desirability bias; that is, respondents exaggerate their answers to be seen in a more positive light (Auger and Devinney 2007). Thus, it is not surprising, for instance, that while 75% of French consumers claim they regularly buy organic food products, organic food only represents 5% of the French food market.

*Lack of Knowledge.* Finally, a lack of consumer knowledge of sustainability represents an important limit to sustainable consumption. Despite the increasing media spotlight on sustainability-related questions, most consumers still have relatively limited knowledge of the ecological and social processes associated with the products they consume. Consumers tend to develop perceptual biases when assessing the environmental and social impacts of the products they purchase, and this misinforms their purchase decisions (Schmitt et al. 2015). The recent proliferation of eco-labels has compounded this confusion, and consumers struggle to grasp which environmental benefits are communicated and who is the actual source of the information (Brecard 2014).

## **Closing the Green Gap**

In the face of these challenges, it is necessary to find solutions to allow a better fit between consumer attitudes and decisions. Areas for potential solutions are presented below.

## **Focusing the Decision on Sustainability Concerns**

*Shaping New Habits.* After decades of basing their purchase decisions on non-intrinsic choice criteria, consumers must modify their purchase habits and routines. Academic research provides a set of potential solutions to reach this goal. A system based on incentives and penalties, mostly in monetary form, according to the level of product sustainability can shift consumer decisions. Implementation demands a real account of the

environmental and social credentials of the product in the final price. Moreover, tools such as prompts and easy messages made available to consumers just before purchase, placed by brands on packaging or displayed by retail managers on the store shelf, would be useful in influencing consumers to adopt the desired sustainable behavior (White et al. 2019).

*Providing Simple and Contextualized Information.* To orient consumer decision-making toward sustainable attributes, it is necessary to make information about these attributes as easily accessible to consumers as a price tag or a brand image anchored in memory. Mobile apps can be of great utility in this regard. Owing to their ability to present information with simplicity, in a way that is immediately understandable for consumers, mobile apps such as Yuka can reorient consumers toward sustainable choice attributes. Moreover, due to the ubiquitous properties of mobile apps, this reorientation operates in the store context at the moment of purchase, when the influence of this information on consumer choice is at its maximum (Ochs and Schmitt 2021).

*Nudging.* Sometimes, the most efficient way to close the gap between attitudes and behavior is to try to directly influence behaviors. Nudging is a technique based on positive reinforcement and indirect suggestions that aims to directly influence consumer behavior without going through the conscious gate of attitudes. It has proven to be efficient in driving consumers toward sustainable options (Lee et al. 2020). For instance, to make people throw their cigarettes in an ashtray rather than dropping them on the ground, dividing the ashtray into two parts and asking people to vote for their favorite footballer, Messi or Ronaldo, has been shown to be more influential than laboriously explaining the tremendous pollution generated by cigarette butts.

*Changing Social Norms.* Research also shows that the most efficient messages are the ones that present sustainable behaviors as desirable social norms that are adopted by a growing group of people (Hofenk et al. 2019). For instance, a message showing that many people recycle their waste is more convincing than a message explaining rationally why recycling is useful in fighting climate change. The adoption of sustainable behavior is often more a question of social influence than personal attitudes.

## **Increasing Consumer Conviction**

*Sending Adapted Messages.* Low levels of perceived effectiveness among consumers are largely due to the types of messages consumers receive. Often owing to fear and guilt, these messages eventually have the opposite effect to the intended one—that is, they dissociate climate change from consumer responsibility. First, reactions to fear are based on the human survival instinct that makes people react to immediate and visible dangers. Unfortunately, despite the spectacular natural phenomena witnessed recently, climate change does not represent an urgent and concrete enough phenomenon for most consumers. Second, guilt often leads to a reaction of mental counter-argumentation and eventually to a strong denial of the message. This is a defense mechanism based on self-esteem preservation. Conversely, positive messages showing opportunities for concrete actions and simple changes in routines are the most efficient ones to drive consumers toward sustainable choices.

*Increasing the Perceived Benefit of Sustainable Options.* Better communication of the benefits derived from the choice of sustainable options also has the potential to increase the level of consumer conviction. The type of benefit advertised is generally either self-oriented or other-oriented. A self-oriented claim, for example, shows that the consumer will benefit from the cost reduction realized from energy savings. An other-oriented claim represents a benefit for society, such as global warming reduction. Message efficiency depends on the context of consumption of the product (Green and Peloza 2014). When products are consumed in a public context (e.g., cars), other-oriented benefits are more

efficient. When products are consumed in a private context (e.g., mattresses or washing machines), self-oriented benefits should be favored.

*Developing Transparency.* As greenwashing practices have undermined consumers' trust in brands' sustainability claims, brands should move away from the intangible and blurred green messages often used in advertisements and focus on the tangible and concrete sustainable benefits brought by their products. In this regard, the circular economy is a true goldmine. Brands should concretely show the virtual loops they can bring to the material life cycle of their products: building products to last and favoring product maintenance, repair, upgrade, reuse, and resale rather than replacement. Following the same logic, a product service system changes the access mode of the product from ownership to mere usage by developing a subscription or sharing system. It decreases the number of items produced and solves the issue of planned obsolescence (Schaefers et al. 2016).

## **Developing Consumer Knowledge**

*Improving Consumer Education.* Numerous improvements can be made in the area of consumer education on environmental and social issues. Many actors have a role to play in this regard. Schools and universities are particularly well placed to act. Indeed, they can influence young individuals, who are not only tomorrow's consumers but also future leaders and decision makers and who will, therefore, be in an ideal position to act (Bascoul et al. 2013). NGOs also have huge potential for action and impact on people as consumers as well as citizens. Organizations such as Greenpeace or WWF have already had a significant influence on the decisions of leading companies. Institutional organizations such as the UN also play a key part in this network. Finally, the media, which relays scientific publications and important events, amplifies the information that consumers need to make fully informed choices.

*Using Social Media.* The use of social media is also critical. Consumers, especially those of the younger generations, use social media sites such as Twitter as privileged information sources and platforms for self-expression. Such a feeling of engagement is key to convincing consumers to actively take part in the change for a more sustainable world. It can convince them to change their decisions or denounce bad practices by certain brands. The speed at which messages are diffused grants social media a huge impact. Social media also derive power from the nature of the information source: consumers tend to develop a higher level of trust in sources that are not seen as commercial but as peers and fellow consumers and citizens (Cosenza et al. 2015).

## **Conclusion**

This paper has examined antecedents of the consumer green gap and potential solutions that can be implemented to close it. Table 1 provides an overview of the main insights of the paper. Many actors have a role to play in this objective of closing the attitude-behavior gap and leading consumers as well as public and private organizations toward higher levels of sustainability. Many have taken on this role, and many still have a long way to go. The clock is ticking, as the time available to put things right is limited. As this essay indicates, business schools such as ESCP Business School are particularly well placed to act. This is why we are developing an increasing number of programs around sustainability, particularly concerning issues linked to consumption.

Table 1. Antecedents and Potential Solutions to the Green Gap

| Domain                          | Antecedents   | Potential Solutions  |
|---------------------------------|---|--|
| <b>Consumer Decision-Making</b> | <ul style="list-style-type: none"> <li>- Product Evaluation Criteria: Attributes such as price or brand image outweigh sustainability concerns.</li> <li>- Situational Factors: Time pressure, promotions, or social norms deflect consumer attention from sustainability.</li> </ul>                             | <ul style="list-style-type: none"> <li>- Shaping New Habits: Systems of incentives, penalties, and prompts can refocus consumers toward sustainable attributes.</li> <li>- Simple and Contextualized Information: Simple information available at the moment of purchase, for instance via mobile apps, can focus on sustainable attributes.</li> <li>- Nudging: A soft influence on behavior can be more efficient than attempts to change attitudes.</li> <li>- Changing Social Norms: A switch in the social desirability of sustainable behavior can be very influential.</li> </ul> |
| <b>Consumer Conviction</b>      | <ul style="list-style-type: none"> <li>- Greenwashing and Skepticism: The lack of trust in advertised green claims decreases sustainable purchase intentions.</li> <li>- Consumer Perceived Effectiveness: Consumers have the impression that their consumption has a limited impact on global issues.</li> </ul> | <ul style="list-style-type: none"> <li>- Sending Adapted Messages: Positive messages highlighting simple opportunities for action are more influential than messages based on fear and guilt.</li> <li>- Increasing the Perceived Benefits of Sustainable Options: Claims based on products' consumption context have higher conviction power.</li> <li>- Developing Transparency: Brands should focus on concrete and tangible sustainable arguments.</li> </ul>  |
| <b>Consumer Knowledge</b>       | <ul style="list-style-type: none"> <li>- Measurement of Green Attitudes: Social desirability bias generates wrong perception measurement.</li> <li>- Lack of Knowledge: Consumers have limited knowledge of sustainability issues.</li> </ul>   | <ul style="list-style-type: none"> <li>- Improving Consumer Education: Schools, universities, NGOs, institutions, and the media have a huge role to play in informing consumers about sustainable issues.</li> <li>- Using Social Media: Social media are particularly influential regarding sustainability questions.</li> </ul>  |

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