2017

Nudging Towards Social Change: The Application of Psychology and Behavioral Economics in Promoting Responsible Consumption

Larissa Chern
Claremont McKenna College

Claremont McKenna College

Nudging Towards Social Change: The Application of Psychology and Behavioral Economics in Promoting Responsible Consumption

Submitted to
Professor Alison Harris

by
Larissa Chern

for
Senior Thesis
Spring 2017
April 24, 2017

Nudging Towards Social Change: The Application of Psychology and Behavioral

Economics in Promoting Responsible Consumption

Larissa Chern

Claremont McKenna College

Acknowledgements

First and foremost, I'd like to express my immense gratitude to my parents. You are my role models and, every day, you inspire me to be the best person I can be. Words cannot describe how much I love you and how grateful I am to have you by my side, every step I take. Amo vocês muito, muito.

I'd also like to thank Professor Harris. I could not have done this without your continued support, smiles, and enthusiasm. I am so glad we got to work on this together and share such an important accomplishment in my undergraduate journey.

Lastly, I'd like to thank my friends. You are the light of my day. Keep shining bright.

Table of Contents

Abstract

With workplace disasters in developing countries increasingly in the news, a major question is how to encourage consumers to use corporate social responsibility as a criterion in purchasing. Distinct from environmental concerns, social responsibility is defined here with respect to the humanitarian aspects of corporate practice, including fair wages and working conditions, equitable treatment of the disadvantaged, and restriction of child labor. Although the idea of *socially responsible consumption* (SRC) was first identified over forty years ago, most recent research on changing consumption habits focuses specifically on *environmentally responsible consumption* (ERC). Combining the psychological concept of social norms with economic emphasis on choice framing, research in behavioral economics has suggested that ERC can be promoted by "nudges," low-cost initiatives that alter the decision environment to favor specific options. Here, we provide an overview of the existing literature on nudges and consumer choice, including the role of social norms, as well as other factors involved in successful social messaging. Previous research on ERC suggests that social norm nudges may result in higher rates of energy conservation, recycling and reuse, and purchasing of ecologically-friendly products. Applying these findings to the domain of SRC, we propose a set of possible interventions to increase consumer attention to social responsibility, highlighting the distinguishing roles of empathy and targeted demographic appeals in nudging consumers towards social change.

Chapter I. Introduction

In April 2013, the world witnessed the biggest industrial accident to date with the collapse of Rana Plaza, an eight-story building in Bangladesh. Initially a five-story structure built exclusively to accommodate shops and banks, Rana Plaza had been illegally extended by three floors which were not recorded on the structure's blueprint ("Bangladesh Building Collapse," 2013). Despite the fact that the original architectural structure was not designed to carry extra weight, the top floors housed five garment factories that supplied to global brands such as Primark, Benetton, Mango, and Walmart. On April 23, the day prior to the collapse, national newscasts informed the country about cracks developing on the building structure and an evacuation plan was suggested by local engineers. Factory managers immediately announced to their workers that the building was safe and demanded that they continue working. According to managers, time was of the essence, as workers were under pressure to complete orders from clients on time (Devnath & Srivastava, 2013). On the next day, April 24, at 9 o'clock in the morning, the building structure gave in and collapsed, taking more than 1,100 lives and leaving approximately 2,500 injured.

This incident is the latest in a long line that have called attention to the rough reality faced by workers in the developing world. Driven by developed countries' extremely high demand for products, appalling work conditions in Bangladesh have led to numerous disabilities and deaths due to violations of fire safety standards (Manik & Yardley, 2012) and child labor laws (Butler & Brignall, 2014). In addition to working in unsafe conditions, Bangladesh garment workers are among the lowest-paid in the world, barely receiving a salary equivalent to the country's stipulated minimum wage (Manik &

Yardley, 2012). Similarly, nearly half of Cambodian garment workers suffer from health

consequences of malnutrition due to low wages, according to the International Labor

Organization (Gerin, 2014).

Since the early 1990s, philosophers started predicting major changes in business

due to increased public expectations that corporations take responsibility for social issues

which they play a part in generating or aggravating (Embley, 1993; Hawken, 1993). In

line with these predictions, big businesses soon started to receive open criticism for

neglecting the social ramifications of their wrongful conduct (Dickson, 2000). The

government also joined society's efforts through a campaign led by the Department of

Labor focused on abolishing apparel sweatshops (Ramey, 1996). More recently, events

such as the Rana Plaza collapse have contributed to a further decrease in the perceived

trustworthiness of big business. As of 2004, 60% of American consumers had a much

more negative opinion of marketing and advertising campaigns than in past years (Smith,

2004). According to a recent Gallup Poll, only 6% of Americans had a great deal of

confidence in big businesses ("Confidence in Institutions," 2014). Similarly, studies have

found an increase in the number of Americans who are willing to be activists and/or

punish companies that behave irresponsibly by switching brand preferences (Webb,

Mohr, & Harris, 2008). These mounting concerns have encouraged consumers to demand

that companies be more socially responsible.

The rising importance of corporate social concerns has catapulted the terms

socially responsible consumer and *socially responsible consumption* (SRC) into greater

use in academic and policy circles. Webster (1975) first defined the socially responsible

consumer as "a consumer who takes into account the public consequences of his or her

private consumption or who attempts to use his or her purchasing power to bring about social change" (Webster, 1975, p. 188). Hence, socially responsible consumers are aware of social issues and believe that their purchasing decisions can make a difference (Webb et al., 2008). Other authors define the socially responsible consumer on a broader basis, also taking the environmental impact of consumers into consideration. Roberts (1993) defines the socially responsible consumer as "one who purchases products and services perceived to have a positive (or less negative) influence on the environment or who patronizes businesses that attempt to effect related positive social change" (Roberts, 1993, p. 140).

The literature on psychology and economic policy regarding environmentally responsible consumption (ERC) has been on the rise. This trend is mainly due to increased societal concerns about climate change and energy conservation (Berg, 2011; Ferraro & Miranda, 2013; Allcott & Rogers, 2012). To encourage environmentally responsible behavior, policy-makers have recently drawn on research from psychology and behavioral economics on how choices are affected by the framework or environment in which they are presented. In particular, behavior may be influenced in desired ways by "nudges" (Thaler & Sunstein, 2009), low-cost initiatives that alter the framework in which choices are presented to favor a specific option. In the realm of ERC, nudges have been applied to encourage energy conservation (Allcott, 2011), towel reuse in hotels (Goldstein, Cialdini, & Griskevicius, 2008), and reduced driving in cities (Lehner, Mont, & Heiskanen, 2016).

In a decade dominated by concerns about climate change, research on socially responsible consumption (SRC)—that which focuses mainly on humanitarian concerns

such as appropriate pay and working conditions, restriction of child labor, and equitable treatment of minority groups—has been somewhat neglected. This thesis is intended to turn attention to SRC, specifically by examining how previous research on ERC nudges may be applied to the realm of SRC. Chapter II provides in-depth background on social norms and nudges based on research from the fields of social psychology and behavioral economics. Chapter III summarizes and discusses the present literature on nudges specifically tailored to promote ERC. Chapter IV explains the importance of SRC and deliberates on possible nudge campaigns within this domain, and Chapter V concludes with final remarks.

Chapter II. Social Norms and Nudging

Humans are complex creatures. Why do we act as we do? Why and how do we, as consumers, choose as we do? Economic theory relies on the canonical assumption that individuals are rational utility-maximizers (Berg, Dickhaut, & McCabe, 1995). That is, if consumers purchase a leather jacket, it is because that is the jacket they prefer, and if not, it is because the utility derived from wearing a leather jacket fails to justify its cost (Sunstein, 2013). Nonetheless, consumers make decisions that maximize their utility. It follows, from this view, that the role of government should be quite simple: policy-makers can correct market failures by adequately informing consumers and implementing policies that correct for externalities and maximize economic utility. In line with this idea, information-based campaigns are the most widely used policy tools to promote conscientious consumption.

However, informative policies rely on the economic rational behavior model, which assumes that individuals are rational utility-maximizers with flawless information processing abilities (Hansen & Schrader, 1997). The validity of these assumptions has been questioned by influential psychologists (Tversky & Kahneman, 1973; Kahneman, 2011), who have shown that individuals have limited rationality, are subject to cognitive biases, and rely on mental shortcuts when making decisions. Because of this, mistakes may arise, leading to deviations from what is socially desirable. For instance, consumers might decline to purchase energy-efficient household appliances, even when it is in their best economic interest to do so (Ferraro & Miranda, 2013), hence imposing an externality on society. Consumers might also fall victim to internalities, harming their future selves by underestimating the consequences of their actions (Herrnstein, Loewenstein, Prelec, & Vaughan Jr., 1993; Allcott & Rogers, 2012).

Insights from behavioral economics can help policy-makers better understand human behavior and the factors influencing behavioral change. This collaboration can be useful in devising more effective policies for advancing welfare-enhancing behavior. More specifically, behavioral economists have explored two critical concepts with essential implications for consumer behavior. The first, *choice architecture*, refers to the social background against which decisions are made. Choice architecture is always present in everyday life and plays a key role in determining which decisions are made (Thaler & Sunstein, 2009). Choice architects can influence choice by varying the order in which choice alternatives are presented, the selection of default options, or the framing of information. There is no neutral choice architecture since *any* way in which a choice is presented will have some influence on the decision-maker (Johnson et al., 2012).

The second concept, that of *libertarian paternalism*, refers to approaches that preserve freedom of choice while steering individuals to behave in a certain way. Given that choices are not restricted, it can be considered a soft and nonintrusive type of paternalism. If individuals wish to smoke ten cigarettes in a day or eat unhealthy amounts of sugar, paternalists will not forbid them from doing so. Choice architects simply attempt to move people in the opposite direction—the direction that will make their lives better. Hence, choice architects *nudge* rather than explicitly directing behavior (Thaler & Sunstein, 2009; Sunstein, 2013).

Nudging, the concept that arises from the combination of choice architecture and libertarian paternalism, consists of low-cost, choice-preserving initiatives with the potential to shape behavior in a desired way (Lehner et al., 2016). Nudges refer to conscious changes in the choice architecture that influence individual behavior by guiding choices almost automatically. That is, nudges essentially tap into the non-deliberative aspects of individuals' actions (Lehner et al., 2016). Nudges have already been successfully applied by governments in savings and public health campaigns (Thaler & Bernartzi, 2004; Oullier, Cialdini, & Mullainathan, 2010). Most recently, compelling evidence has emerged suggesting that nudges can also be a promising tool for promoting environmentally-conscious consumption behaviors (Goldstein et al., 2008; Allcott, 2011; Sunstein, 2013; Lehner et al., 2016).

A nudge is a collective term used to refer to different policy tools that governments and policy-makers can employ in order to steer individuals' behavior. Lehner et al. (2016) categorize nudge tools in four different groups: 1) simplification and framing of information; 2) changes to the physical environment; 3) changes to the default

policy; and 4) social norm comparisons. Simplification of information consists of making information more straightforward and presenting it in a way that makes individuals' information-processing and decision-making practices easier. Framing, in the context of nudges, refers to the conscious phrasing of information in a way that elicits certain attitudes or values of individuals. A simple strategy to simplify and frame information is through feedback provision. Informing individuals on how to reach their retirement savings goals can help them devise and maintain a financial plan (Thaler & Sunstein, 2009; Lehner, et al., 2016).

Changing the physical environment can have a significant impact on one's choices. For instance, it has been found that careful and purposeful product placement can nudge people into buying certain products. For instance, products placed closest to the cashier are most frequently sold. Hence, placing fruits, rather than sweets, closer to the cashier nudges people into purchasing more fruits (Goldberg & Gunasti, 2007). Reducing plate sizes in all-you-can-eat restaurants has also been found to reduce portion size, total calorie intake, and food waste (Rolls, Morris, & Roe, 2002; Freedman & Brochado, 2009; Kallbekken & Sælen, 2013).

The third type of nudge refers to people's inherent practice of procrastination, taking the path of least resistance, and lack of desire to go out of their way to seek further information. Predominantly, the default policy or option is the one with the highest compliance rates (Lehner et al., 2016). Studies have shown that participation rates in organ donation are significantly higher in countries where consent to organ donation is presumed (i.e., checking the box of a form means opting out of the program), compared to countries where individuals must "opt in" to become organ donors (Johnson &

Goldstein, 2003). More specifically, when donation is the default option, there can be up to a 16.3% increase in donation participation, potentially increasing the donor rate from 14.1 million to 16.4 million. This illustrates that making changes to the default option can be a powerful tool for implementing changes in behavior.

Lastly, social norms consist of messages that reflect behaviors that are predominant and/or socially acceptable. When salient, social norms can act as a strong guiding force for inducing specific behaviors (Cialdini & Goldstein, 2004). One's environmental efforts have been shown to influence his or her neighbor's (Allcott, 2011). In a prominent field experiment, Goldstein et al. (2008) revealed the power of social norms in increasing towel reuse rates in hotels. When the priority is to successfully increase environmentally responsible behavior, social norms nudging has been found to be most effective (Allcott, 2011; Costa & Kahn, 2013; Schubert, 2017).

More specifically, social norms theory can be used to explain situations in which individuals incorrectly perceive the behaviors of their peers to be different from their own when, in fact, they are not. In social psychology, this misperception is referred to as *pluralistic ignorance* (Miller & McFarland, 1991), which emerges when risky behaviors are usually inaccurately overestimated and protective behaviors are inaccurately underestimated. Because of pluralistic ignorance, individuals may change their own behaviors to approximate the misperceived norm (i.e., *normalization* effect) (Berkowitz, 2003; Schultz, Nolan, Cialdini, Goldstein, & Griskevicius, 2007). In order to correct these misperceptions, social norms nudges rely on indirect methods of persuasion to provide accurate information about how peers predominantly behave without specifically telling an individual what he or she should do. The provided information induces

individuals to modify their conduct without feeling that this change is being imposed on them (Berkowitz, 2003).

There has been substantial controversy in the realm of social psychology concerning the validity and effectiveness of social norms. Some see the theory as essential in understanding human behavior (Berkowitz, 1972; Kerr, 1995), while others see little value in it, claiming it to be vague and difficult to test empirically (Krebs, 1970; Marini, 1984). In order to settle this controversy, numerous studies have been conducted (Cialdini, Reno, & Kallgren, 1990; Reno, Cialdini, & Kallgren, 1993; Kallgren, Reno, & Cialdini, 2010) and have shown that social norms can, indeed, affect human behavior, but the impact of norms can only be established by refining the operational definition of a social norm (Kallgren et al., 2012).

According to Kallgren et al. (2012), the term norm has more than one meaning in scientific use (Schaeffer, 1983). It can refer either to what is commonly done, or to what is commonly approved or disapproved of. In order to differentiate between the two, the terms *descriptive* and *injunctive* norms have emerged. Descriptive norms refer to the perception of the prevalence of a behavior—that is, what most people do. Injunctive norms, on the other hand, express what constitutes socially approved or disapproved conduct: that is, what should be done (Schultz et al., 2007; Kallgren, 2010; Demarque, Charalambides, Hilton, & Waroquier, 2015). Each of these taps into to a separate source of human motivation. Descriptive norms are thought to arise from *informational social influence*, which refers to one's willingness to accept information obtained from another party as evidence about reality (Sherif, 1935; Burnkrant & Cousineau, 1975; Kaplan & Miller, 1987). According to Schultz, Tabanico, and Rendón (2008), this type of influence

operates outside of group settings, which implies that the individual is not motivated by a concern about the opinions and evaluations of fellow group members. Injunctive norms, on the other hand, reflect *normative social influence*, the desire to conform with the positive expectations of others and obtain social approval (Asch, 1955; Deutsch & Gerard, 1955; Cialdini & Goldstein, 2004). Because this type of influence comes into play specifically in group settings, it is exacerbated in cases when one's behavior is under surveillance and the individual cares about the opinions of the other group members (Schultz, Tabanico, & Rendón, 2008).

From childhood, one is taught that the perceptions and judgments of others are frequently reliable sources of evidence about reality. Individuals observe how others think, feel, and act, and use those perceptions to infer what is normal and acceptable in a given situation (Schultz, Tabanico, & Rendón, 2008). Thus, it is not surprising that normative and informational social cues have been shown to significantly shape conduct and decision-making (Burnkrant & Cousineau, 1975; Reno, Cialdini, & Kallgren, 1993). Furthermore, studies have shown that when a group setting is created, normative social influences are significantly enhanced. This is true even if the group situation is trivial and artificially-established (i.e., group assignments in laboratory experiments), and even when conforming produces considerably more errors in judgment (Deutsch & Gerard, 1955). For instance, in Solomon Asch's prominent conformity study (1955), participants engaged in a perceptual experiment in which they had to accurately match the length of a given line with one of other three lines of varying lengths. When the participant was placed in a room as part of a group of other participants (who were, in reality, confederates), the individual made more than twice as many judgment errors as a

comparable participant who made judgments by himself (Deutsch & Gerard, 1955; Asch, 1955). Asch's breakthrough experiment perfectly illustrates the power that normative social influence can exert on behavior. Although the solution to the presented task was highly obvious, participants felt pressured to conform to the opinion of the majority, albeit erroneous.

Cialdini and Goldstein (2004) have further explored the power of social influence and point out three core motivations for why social influence cues effectively lead individuals to conform to what is considered to be the norm: desire for accuracy, desire for affiliation, and the strengthening of a positive self-concept. Desire for accuracy refers to individuals' inherent belief that the majority must be right, even though that may not always be the case. This motivation is related to the aforementioned replication of Asch's study, in which participants conform to information supplied by confederates when making judgments simply because the confederates are presented as a majority. Erb, Bohner, Rank, and Einwiller (2002) found that the influence that the desire for accuracy exerts on subsequent behaviors varies according to one's prior beliefs on the topic at hand. When an individual exhibits prior beliefs that strongly oppose the position the majority holds, conformity arises from a desire to fit in. However, when one has moderate or few prior beliefs on the topic, conformity arises from the conviction that the opinion held by the majority must embody an objective consensus (Erb et al., 2002; Kundu & Cummins, 2013). Similar results have been found in other studies, in which participants displaying higher rates of prejudice were found to sit at a greater distance from an African-American confederate when compared to their less prejudiced counterparts. This distance was exacerbated when the same highly prejudiced participants

learned that their attitudes were shared by a majority of the group (Cialdini & Goldstein, 2004; Sechrist & Stangor, 2001).

Desire for affiliation describes individuals' unconscious tendency to match the behaviors, mannerisms, facial expressions, and vocal characteristics of other individuals (Cialdini & Goldstein, 2004). In experimental laboratory settings, participants have been found to unconsciously conform their facial expressions and mannerisms to closely match those exhibited by confederates (Chartrand & Bargh, 1999). This type of conformity gives individuals the opportunity to gain the social approval of others and build rewarding relationships with them (Cialdini & Goldstein, 2004).

Lastly, goals of self-concept refer to individuals' motivation to affirm their self-concepts and self-esteems. Arndt, Schimel, Greenberg, and Pyszczynski (2002) have shown that those who focus on a fundamental characteristic of their self-worth are less likely to conform to the group's opinion. By exploiting people's desire to establish and maintain a positive self-image, consumers are likely to harness a sense of social identity, making purchasing decisions that express certain values of their self-worth and consequently increase prosocial conduct (Cialdini & Goldstein, 2004; Schubert, 2017).

Collectively, these data from behavioral economics and social psychology suggest that certain concepts, such as social norms, can be exploited to encourage desired outcomes that benefit society as a whole. Building on this framework, the following chapter explores how nudge tools have been successfully applied in the specific domain of environmentally responsible behavior.

Chapter III. Nudges and Environmentally Responsible Consumption (ERC)

With the rise of environmental concerns such as climate change and resource efficiency, behavioral scientists have attempted to help policy-makers better understand human behavior, as well as to devise more effective policies for promoting environmentally responsible behavior through the implementation of nudges (Lehner et al., 2016). Nudges have been shown to effectively reduce environmental impacts in the realms of energy conservation, food consumption, and transport (Watson, Fernandez, Wittmer, & Pedersen, 2013).

The main nudge strategy employed when addressing sustainability issues is that of social norms. The series of programs that employ normative information as a primary tool for changing socially meaningful behaviors has been termed *social-norms marketing*. These campaigns have emerged as an alternative to more traditional approaches, such as informational campaigns and fear-inducing messages, in an attempt to reduce socially undesirable behaviors (Schultz et al., 2007). The rationale behind the social-norms marketing strategy is based on the following pervasive findings: 1) that the majority of individuals overestimate the prevalence of undesirable behaviors, such as drug use in colleges; and 2) that individuals tend to consider their perceptions of peer behavior as a standard of comparison against their own behaviors (Clapp & McDonnell, 2000). The purpose of social-norms marketing strategies is to reduce the occurrence of undesirable conduct by correcting individuals' misperceptions about the prevalence of such conduct (Schultz et al., 2007). As mentioned previously, descriptive norms account for the perception of the prevalence of a behavior by expressing what is commonly done (Cialdini et al., 1991; Demarque et al., 2015).

Previous studies have repeatedly shown that adoption of descriptive norms can significantly increase ERC (Goldstein et al., 2008; Demarque et al., 2015; Lehner et al., 2016). Demarque et al. (2015) simulated a realistic online shopping setting, in which participants were given a budget and asked to browse an online supermarket selection. The store had a total of 84 products, 24 of which had a clearly visible ecological label. Participants in the treatment condition were presented with the following prompt: "For your information, 70% of previous participants purchased at least one ecological product." Those in the norm condition spent up to 38.3% more on green products than those in the control group. In another prominent study, Goldstein et al. (2008) sought to increase participation in towel reuse programs in hotels by measuring the effectiveness of descriptive norm messages versus a standard placard message ("Help save the environment. You can show your respect for nature and help save the environment by reusing your towels during your stay"). They found that compared to the standard placard message, adding a descriptive norm—such as informing participants that "Almost 75% of hotel guests...participated in the program by using their towels more than once"—yielded a higher towel reuse rate (44.1% vs. 35.1% for standard message).

It is evident that social-norms campaigns have the potential to reduce undesired behavior (or increase prosocial behavior) by communicating that detrimental conduct occurs less often than most people believe. However, for individuals who already abstain from undesired behaviors, normative messages might produce inadvertent boomerang effects. For example, the majority of college students overestimate the prevalence of alcohol consumption (Schultz et al., 2007). Because social-norms marketing campaigns provide normative information that serves as a baseline for one's own behavior, the

descriptive norm acts as a point of comparison for individuals above and below the average. This means that a college campaign targeting alcohol consumption consciousness might encourage students who previously consumed more alcohol than the norm to consume less. However, the opposite also applies: the campaign might motivate students who previously consumed below the average to consume more, hence falling a victim of the boomerang effect. Campo and Cameron (2006) ran a social-norms campaign addressing this exact issue on two different college campuses, where they presented students with the following message, "According to a study conducted at the University of Georgia/Cornell in April 2001 by the Harvard School of Public Health, 66% of UGA/Cornell University undergraduates drink less than 5 alcoholic drinks a week" (Campo & Cameron, 2006, p. 212). Following message exposure, the majority of students moved toward the statistic provided. That is, students consuming below the point of comparison increased their alcohol consumption, providing evidence for the boomerang effect.

This boomerang effect could also apply to the domain of ERC (Allcott, 2011; Costa & Kahn, 2013; Demarque et al., 2015). For instance, in the case of Demarque et al.'s (2015) online supermarket simulation, participants who initially intended to exclusively purchase ecological products might be discouraged to do so after being presented with the normative message prompt ("For your information, 70% of previous participants purchased at least one ecological product.") By comparing themselves to previous participants, environmentally-conscious individuals might be led to reduce prosocial behaviors, given that the majority of people are contributing less. This phenomenon is a classic example of "normalization," in which individuals move closer to

the norm: consumers who purchase large amounts of ecologically-friendly products reduce consumption, and consumers who purchase small amounts of ecologically-friendly products increase consumption (Schultz et al., 2007; Demarque et al., 2015).

According to the focus theory of normative conduct (Cialdini et al., 1991), undesired boomerang and normalization effects can be corrected via *injunctive norms*. As described above, whereas descriptive norms refer to perceptions of the prevalence of behaviors (i.e., what is commonly done), injunctive norms refer to perceptions of what is socially approved or disapproved of (i.e., what should be done) (Reno, Cialdini, & Kallgren, 1993; Demarque, 2015). There is a body of evidence that suggests that shifting an individual's attention to a specific source of motivation can change that individual's responses in ways that are compatible with the characteristics of the now more prominent source (Cialdini, Kallgren, & Reno, 1991; Agostinelli, Sherman, Fazio, & Hearst, 1986; Kallgren & Wood, 1986). Following this line of thought, focus theory supposes that if only one of the two types of social norms is salient in an individual's state of mind, it will exert strong influence on subsequent behavior (Cialdini & Goldstein, 2004). This implies that in situations in which descriptive norms might result in unwelcome boomerang effects, those effects may be reduced by adding an injunctive message indicating that the behavior is socially approved (Schultz et al., 2007). That is, turning individuals' focus to injunctive norms is likely to increase desired conduct. Allcott (2011) adds to focus theory by speculating that injunctive norms are likely to be effective because they increase the moral cost of engaging in socially-detrimental conduct.

A notable energy conservation experiment that illustrates the use of injunctive norms is currently being run by a customer engagement company called

OPOWER (Arlington, VA). Nearly 600,000 treatment households receive monthly Home Energy Report (HER) letters comparing the energy consumption of the household to its neighbors with similar-sized homes and those who are in the bottom 20th percentile of energy consumption (Allcott, 2011; Costa & Kahn, 2013). By comparing energy consumption levels, the report employs a descriptive norm. This, in turn, is likely to encourage households that consumed above-average levels of energy to decrease usage. However, as previously shown, the use of descriptive norms also involves a risk. Households that consumed below-average energy levels in a given month are likely to consume more in the following period. In order to combat the possible emergence of these boomerang effects, OPOWER prints smiley faces on comparative energy letters when energy use is shown to be below average. In the opposite case where consumption levels turn out to be above average, a frowning face is printed. By doing so, the company employs an injunctive norm, as the faces convey social approval or disapproval of consumption behaviors (Allcott, 2011; Allcott & Rogers, 2012; Schubert, 2017). According to Allcott's (2011) statistical analysis of OPOWER's program, the effects of HER letters on conservation behaviors are equivalent to a short-run electricity price increase of 11 to 20%, depending on the state. This shows that a simple, low-cost treatment can change consumer behavior as much as substantial price increases.

The above observations raise important questions about how to design effective interventions for ERC and other domains. Demarque et al. (2015) synthesizes three main techniques that can be applied to counter the negative effects of social norms campaigns. As stated above, the first consists of focusing individuals' attention on injunctive norms that express social approval and thus counteract possible unwanted effects of descriptive

norms. The second technique builds upon the first, and suggests that descriptive norms be presented exclusively to those displaying undesired behaviors. Lastly, the third is to present descriptive norms that are framed positively, which increases the effectiveness of the message. This is particularly important when the norm in question is a minority behavior, but the goal is to increase the behavior without resorting to exaggeration or deception. It is possible to tweak descriptive norm messages by exploiting linguistic polarity (affirmative versus negative context), as well as verbal and numerical quantifiers. For instance, verbal quantifiers with a positive polarity, such as *a few, some,* and *many* draw attention towards reasons for performing the behavior under study. On the other hand, quantifiers with a negative polarity, such as *few, not many,* and *at most,* draw attention to reasons against (Schultz et al., 2008). Although *few* and *a few* describe roughly the same quantity, the sentence *"A few people went to the party because..."* encourages the reader to think of reasons why people went to the party, whereas the sentence *"Few people went to the party because..."* encourages the reader to think of reasons why people did not go (Moxey & Sanford, 1993; Geurts & Nouwen, 2007; Demarque et al., 2015). Hence, a simple linguistic manipulation can increase the effectiveness of normative messages while still preserving the accuracy of content. Supporting this idea, Demarque et al. (2015) found that linguistic manipulation does have the potential to encourage people to buy green products, although they failed to directly compare the effectiveness of the same numerical probability when framed positively versus negatively.

Although the effectiveness of social norms campaigns for ERC promotion has led to their widespread adoption, these effects are influenced by targeted individuals'

perceived affiliation, status, and proximity relative to the comparison group. For instance, Costa and Kahn's (2013) work has revealed that the effectiveness of green nudges can vary according to individuals' ideological affiliations. The experimenters measured participants' ideology on the basis of their registered political party, indicators of residing in a liberal or conservative community, and willingness to pay for energy generated from renewable sources. Following receipt of HER letters, political liberals reduced their electricity consumption by a larger percentage than conservatives. More specifically, it was found that liberals were more likely to reduce air-conditioning use in the summer. This same group was also 15% less likely to reject receiving the reports and less likely than conservatives to assert that the reports were useless (Costa & Kahn, 2013). Additionally, in response to receiving a normative message of "good" vs. "room for improvement" in their reports, conservatives increased consumption by 5.7% whereas liberals increased it by only 0.9% (Costa & Kahn, 2013). This implies that the size of one's potential boomerang effect depends on his or her ideology. In this case, liberals are likely to display fewer undesirable behaviors, consistent with the pro-environmental stance taken by major liberal parties.

The effectiveness of green nudges can vary not only by ideological affiliation, but also according to individuals' general demographics. Ferraro and Miranda's (2013) study indicated that renters are less likely to have energy-efficient appliances, such as clothes washers and dishwashers, in comparison to residence owners. This observation may emerge from the fact that residence owners have greater social connections to their neighbors and neighborhood, and thus tend to be more responsive to pro-social messages. Another explanation for this behavior may be that landlords tend to buy cheap appliances

when tenants pay for utility bills. The experimenters also found that, in general, locations with poor households, many renters, and/or low water consumption are the least likely to produce behavioral changes in response to social norms nudges. This, in turn, implies high response rates from wealthier, owner-occupied households with high water consumption levels.

The aforementioned towel study by Goldstein et al. (2008) provides greater insights into the small details that lead to divergences in the effectiveness of social norms nudges on ERC. In Stage 2 of the experiment, the researchers specifically manipulated the participants' proximity to the social comparison group (Goldstein et al., 2008). Participants were split into five different treatment groups. As in the initial experiment, those in group 1 were presented with the standard hotel placard message, whereas those in group 2 were presented with the descriptive norm. Group 3, on the other hand, was presented with the following information: "75% of the guests who stayed in this room (#xxxx) participated in our resource savings program by using their towels more than once." Note that "(#xxxx)" would be replaced with the participant's current room number. Group 4 received a message emphasizing the participant's identity as a "citizen" rather than a "guest" by stating "Join your fellow citizens in helping to save the environment." Lastly, group 5 saw the same message as group 4, but with further emphasis on the participant's individual identity (e.g., "Join the men and women who are helping to save the environment"). Subjects in treatment group 3 displayed the highest rates of participation: the "same room identity" descriptive norm condition yielded a towel reuse rate 49.3% higher than the average of all four other treatment groups. Therefore, individuals are more likely to be influenced by descriptive norms when the

setting of those norms is comparable to the setting they are currently occupying (Goldstein et al., 2008).

Given the implications of Goldstein et al.'s (2008) towel study regarding the specificity of social norms messaging, one question is whether the results have withstood replication. Three attempts have been made to replicate the original study at locations in the United States, Austria and Switzerland, and Germany (Bohner & Schlüter, 2014). Analyzing towel reuse at a resort in the United States, Schultz, Khazian, and Zaleski (2008) found that, in comparison to a control condition, solely presenting descriptive norms failed to increase participation in the reuse program. Only a combination of descriptive and injunctive norms yielded higher participation rates. Moreover, in contrast to the original findings, the experimenters observed a slightly higher towel reuse rate in the "general identity" (hotel room guest) condition than in the "same room identity" condition. These controversial findings, however, are hard to interpret, as the number of participants in each treatment group varied significantly. Due to this asymmetrical assignment to conditions, noise in the responses of the control group may have contributed to the failure to find effects for descriptive norms. Nevertheless, these observations suggest that perhaps neither the descriptive norm nor the "same room identity" effects may be robust phenomena.

A second replication by Reese, Loew, and Steffgen (2014) took place in alpine holiday resorts in Austria and Switzerland. In accordance with the initial results, they found that fewer towels were used in the "same room identity" condition than in the "general identity" condition. However, the normative message was found to be no more effective than the standard environmental message. In light of these inconsistent results,

Bohner and Schlüter (2014) conducted their own replication at two hotels in Germany. They found that, overall, reuse rates were high and that both descriptive norm and standard messages increased participation rates compared to a no-message control condition. However, as in Reese et al. (2014), descriptive norm messages were again no more effective than the standard message. Effects of proximity were inconsistent, and hence, difficult to interpret.

This divergence in results might reflect a higher adoption of environmentally-conscious behavior in Europe as compared to the United States. Both of the experiments performed in European countries displayed much higher baseline participation rates in comparison to the studies conducted in the United States: for example, over 82% in (Bohner & Schlüter, 2014) versus 44% in (Goldstein et al., 2008). This pre-existing environmental inclination in Europe might also help explain the failure to find significant effects produced by descriptive norms and proximity manipulations. This observation, in turn, suggests that the effectiveness of green nudges might be subject to cultural differences. In cultures where there is already a strong norm for environmentally-friendly behaviors, little or no nudge may be needed to produce ERC. Much as ideological affiliation influences the effectiveness of nudges to minority behaviors in energy conservation (Allcott, 2011; Costa & Kahn, 2013), cultural differences in baseline ERC may influence individuals' sensitivity to nudges based on injunctive norms.

In summary, empirical work suggests that social nudges can be an effective tool in promoting ERC, as good as or perhaps even better than traditional financial incentives or policy-based approaches. Although there are some caveats depending on the ideology and demographics of the targeted group, nudges seem to be a useful tool for tackling

issues where ethical behavior conflicts with economic and/or cognitive disincentives, such as the cost associated with taking an action, the effort required to behave in a different way, or the force of habit that induces people to maintain certain behaviors. Given that these issues are also relevant for socially responsible consumption (SRC), a further question is how nudge strategies can be devised to promote SRC behaviors.

Chapter IV. Applying Nudges to Socially Responsible Consumption (SRC)

As previously discussed, the concept of *environmentally responsible consumption* refers to changing one's consumption habits based on how they directly affect the environment (i.e., energy conservation, recycling habits, and pollution levels). However, there is also increasing awareness of how poor labor conditions in the developing world support the low cost of products for Western consumers. This has led to concern about social issues that directly affect individuals and humanitarian concerns and the desire for *socially responsible consumption* (SRC; Webster, 1975). Examples of important issues for SRC include, but are not limited to: equitable treatment of the disabled, minority groups, and women; appropriate pay, working conditions, and working hours; and restriction of child labor.

These humanitarian issues may seem too complex to tackle. However, numerous social scientists emphasize the power of consumers to effect positive change (Rudell, 2006; Webb et al., 2008; Powell & Zwolinski, 2011). Consumers have the ability to force companies to adhere to regulations, thereby stimulating better codes and inspections. Numerous grassroots efforts, boycotts, and human rights foundations have increased overall consciousness of the dangers of sweatshop labor in developing countries (Human

Rights Watch; Fashion Revolution). Studies have also indicated that approximately one-third of the United States adult population qualifies as consumers of healthy and sustainable lifestyles, taking social issues into account when making purchases (Cortese, 2003). According to the data, this consumer base is likely to be willing to pay a premium for products made in a way that minimizes harm to society (Rudell, 2006).

Yet, although a majority of consumers report being against the use of sweatshop labor (Pollin, Burns, & Heintz, 2004), consumer polls may not always be the most accurate source of information due to *socially-desirable responding* (Holtgraves, 2004). Respondents often have a motivation to protect their self-concept and the image they project to others (Paharia, Vohs, & Deshpandé, 2013), which might produce distorted data. Further experiments have raised caveats about consumers' attitudes towards sweatshop labor. Participants considering a Caribbean vacation with questionable labor practices were more likely to cite financial justifications in favor of suspicious labor practices when deciding to take the trip themselves versus when the trip in question was to be gifted to a friend. Moreover, agreement with economic justification for sweatshop labor increases with increasing desirability of the product under question (Paharia et al., 2013). These findings illustrate the factors driving decision-making processes that sometimes limit our rationality and hence lead us to deviate from achieving socially-desirable outcomes.

As seen from the previous discussion of ERC, nudges potentially provide a means to correct for these cognitive faults in a nonintrusive way in order to encourage SRC. In particular, the humanitarian aspect of these issues suggests that social norm interventions may be particularly effective for encouraging SRC. Previous research has found the

effectiveness of social norms interventions is influenced by factors including the clarity

and frequency of the social norm message, and the groups targeted by the messaging

campaign (Perkins, 2003).

With respect to transmitting clear positive messages about norms, social norms

programs should include unambiguous factual statements based on current data (Perkins,

2003). Including images of relatable individuals engaging in positive activities may help

reinforce the positive message. It is essential that the image be chosen carefully and

presented in a way that cohesively supports the verbal message being delivered. For

instance, verbally stating that the majority of the population does not engage in heavy

drinking and simultaneously displaying an image of an individual passed out following a

night of drinking is likely to result in a confusing overall message. It follows, then, that it

is crucial to eliminate any "scare messages" about problem behavior and negative

consequences attached to them. Campaigns with unclear messages and incongruent

images are likely to increase misperceptions of the prevalence of negative conduct, as

well as transmitting a confusing juxtaposition of positive messages and negative visuals

or vice versa (Perkins, 2003, p. 282). It follows from this line of thought then, that the

most effective efforts to promote SRC should combine positive verbal messages with

positive images. That is, a campaign that verbally advocates for SRC behaviors should be

supported with an image that emphasizes the positive aspects of SRC rather than one that

illustrates the plight of workers in the developing world. Although this idea runs counter

to existing efforts to publicize unfair wages and working conditions, these data suggest

the importance of using consistent imagery regardless of the message. For example, a

positive verbal message *in favor* of SRC should be associated with an image that

exemplifies the positive consequences of fair labor practices, whereas messages about the

negative consequences of socially-irresponsible consumption should be accompanied by

images depicting the toll of labor exploitation in emerging countries. Hence, this factor

cited by Perkins (2003) might need some refinement when adapted to the domain of

SRC.

Another factor to consider is the frequency of social norms efforts that are

channeled toward society. Displaying a message once—even if in clear language,

accompanied by a carefully-selected image, and supported by the best data—is not

sufficient. Besides not being noticed by the majority of the population, it is likely to be

dismissed as untrue by those who do take note of it because of their belief that the

misperceived norm is valid. Hence, social norms must be seen and/or heard multiple

times in order for viewers to actually internalize them. In order to maximize

effectiveness, the message should be presented in a sustained campaign over a long

period of time. Perkins (2003) argues that the forces that produce misperceptions are in

play every day, inducing generalizations about others' conduct from observations and

discussion of the sensationalized activities of the extreme few. Following this line of

thought, efforts should be made to propagate these messages on every type of media

possible. While some people read newspapers, others prefer to stay updated through

online channels. Others mostly listen to the radio or are avid fans of social media.

Employing a variety of modes of communication not only expands the targeted public,

but also intensifies exposure as individuals encounter the same message in various

different contexts and situations. In the case of SRC, this aspect of social norms

messaging is particularly relevant, given the "information gap" most consumers face with

respect to understanding the process between the acquisition of raw materials and the completion of finished goods.

The third and final factor that Perkins cites is expanding norms messaging to the entire population, rather than targeting specific groups. Clear social norms messaging efforts might not be beneficial if only a small, homogeneous segment of the population is targeted. In the case of misconduct by a target group, such as binge drinking on college campuses, misperceptions in the larger population regarding the target group's conduct can create internal psychological pressure or permission to engage in such behaviors (Perkins, 2003). With respect to SRC, this strategy would certify that norms are delivered to individuals who are more open to consuming responsibly, as well as those who dismiss the importance of responsible consumption. If, for instance, only individuals who are already aware of the importance of SRC are targeted, that would result in only a small proportion of the population consuming responsibly. Moreover, given that this group is already aware of SRC, the messaging efforts might not produce such significant positive changes in behavior since individuals might be consuming responsibly even prior to being exposed to the social norms campaign. On the other hand, if only individuals who are not aware of/open to SRC, are targeted, the messages will most likely be dismissed altogether. Additionally, there are various individuals whose consumer profiles fall in the middle of the spectrum, who are neither strongly opposed nor in favor of SRC. Targeting as many different groups as possible would guarantee that these neutral individuals are exposed to norms for SRC as well.

In addition to these general considerations, SRC may be further distinguished from other types of responsible consumption by the comparative ease of perspective-

taking, the ability "to understand the subjective experiences of another self" (Underwood & Moore, 1982; Wispé, 1986). The current literature on prosocial and pro-environmental behavior suggests that attitudes of concern are rooted in an individual's value system (Feather, 1982; Stern & Dietz, 1994; Dickson, 2000). That is, one's displayed level of concern for social and environmental issues depends on his or her values, derived from cultural and individual factors including altruism, fairness, and tolerance. Moreover, previous studies have indicated that, when asked to take the perspective of an animal being harmed by pollution, participants displayed significantly higher levels of concern for the environment versus when asked to think objectively (Schultz, 2000). Combined, this data indicates that although prosocial and environmental concern highly depend on an individual's value system, levels of concern can be manipulated through a process of perspective-taking that consequently induces empathy, or the ability to share the subjective feelings of another (Singer & Tusche, 2013). This suggests that by asking the consumer to draw a parallel between him or herself and the millions of workers in inappropriate conditions, empathy could be used to maximize the success of appeals to promote SRC.

Indeed, appeals to empathy have featured prominently in recent attempts by nonprofit organizations to encourage SRC practices and consumers' awareness of the process behind the production of various goods. One such nonprofit that has recently received significant media traction is Fashion Revolution (Dearden, 2015; Hepburn, 2015). Established in the UK immediately after the collapse of Rana Plaza, the organization aims to raise awareness of "the true cost of fashion" (Rivera, 2016) and show consumers that it is possible to enact positive change. To do so, the nonprofit has

created a campaign organized around the slogan "Who made my clothes?" encouraging consumers to demand transparency from brands, persuading them to take responsibility for the appalling working conditions in the industry's supply chain. In 2014, Fashion Revolution pushed to name April 24th—the anniversary of the Rana Plaza factory collapse—as Fashion Revolution Day. On this day, in order to promote conscious consumption and pay respects to the lives lost due to this and other similar events, social media users are encouraged to post photos showing the labels of their clothes accompanied by the hashtag #whomademyclothes (Dearden, 2015). In addition to "hashtag activism," the organization regularly publishes videos of workers from the developing world telling their personal stories. These two campaigns therefore rely heavily on empathy generation, as well as diminishing the "information gap" pervasive in the retail industry.

Reports indicate that in April 2015, the second year of the Fashion Revolution Day campaign, 64 million Twitter and Instagram users shared the hashtag and the organization's website was accessed 16.5 billion times ("RGS-IBG Annual International," 2016). With coordinators in over 80 countries and a broad base of followers, Fashion Revolution's support gives it significant power in advocating for change with governments, brands, and retailers ("RGS-IBG Annual International," 2016). However, in the absence of substantive data on consumption patterns and corporate social responsibility initiatives, questions remain about the effectiveness of these types of social media campaigns (Hepburn, 2015). Given the relative recency of these efforts, it may be some time before we can quantify the effects of this approach.

Although the empathy approach appears to be generating interest in SRC, particularly in the fashion industry, a further question is how nudges and social norms can be harnessed to maximize and complement these efforts. Drawing on the ERC literature (Perkins, 2003; Schultz et al. 2007; Allcott, 2011; Demarque et al., 2015), I propose three major avenues for improving SRC campaigns: use of injunctive norms, increased frequency and/or pervasiveness of messaging, and physical environment changes.

First, in designing norm-based campaigns for SRC, it is crucial that consumers be informed about what percentage of the population is concerned with the practice of SRC. While it is important to communicate reliable and precise data, one must also keep in mind the tools that language manipulation can offer. Designing a campaign informing consumers that "*At least* one-third of the United States population takes social issues into account when making purchases" is much more powerful than one that communicates that "*At most* one-third of the United States population takes social issues into account when making purchases" (Cortese, 2003). As previously observed with ERC nudges, it is essential that descriptive norms be followed by injunctive norms. Simply informing consumers about the percentage of their peers that consumes consciously might lead to boomerang effects. Adding injunctive norms to SRC norm-based campaigns can significantly mitigate these unwanted effects. For example, communicating that "At least one-third of the United States population *exercises admirable citizenship* by consuming consciously" is likely to produce more desirable results and reduced boomerang effects than simply stating that "At most one-third of the United States population consumes consciously."

Another valuable concept from the ERC literature is the importance of establishing partnerships when designing norm-based campaigns. One thoroughly discussed example of such a partnership is that created by OPOWER, the customer engagement company that collaborated with electric utility providers in order to provide households with reliable information about their energy consumption. Today, OPOWER has expanded into an engagement platform providing 60 million consumers with energy reports online (Opower). In designing a partnership similar to OPOWER's specifically targeting SRC, one option would be to create an informational bridge between retail stores and nonprofits such as Fashion Revolution. Retailers throughout the country could pair up with national nonprofit organizations focusing on SRC awareness and offer their clients the option to join the nonprofit's database in exchange for a store discount. Once entered into the database, consumers allow the organization to send them weekly, ongoing emails alerting them of growing trends in SRC and recounting real anecdotes by workers in developing countries, telling readers about their reality and the process that goes into producing the goods we consume. Each email should be a piece of a large-scale, continuous norm-based campaign, transmitting clear, positive descriptive norms accompanied by images that cohesively support the verbal message. This campaign proposal satisfies all three factors that Perkins (2003) notes should be perfected in order to craft a successful social norm intervention: it transmits a clear message; delivers messages in consistent frequency, establishing a long-term intervention; and finally, expands norms to consumer bases with different levels of SRC awareness. Some consumers will likely be lured into joining the database simply for the store discount while others will actually take interest in SRC-related issues, hence constructing a

heterogeneous target group. This is a simple, low-cost, and effective way of increasing SRC awareness given that these nonprofits are already in operation. This nudge intervention would simply consist of propagating organizations' efforts into broader consumer bases.

Another option would be to expand SRC nudges beyond norm-based efforts, into the realm of physical environment changes. As previously discussed in Chapter II, changing the physical environment in which choices are made can significantly impact one's decisions (Lehner et al., 2016). If, for instance, products made in SRC-friendly ways were more readily available for the public, preference for these products might increase. Consumers have previously indicated a concern for SRC and a strong will to not only favor socially responsible companies, but also to punish firms that behave irresponsibly (Sen & Bhattacharya, 2001; Pollin et al., 2004; Becker-Olsen & Simmons, 2002; Webb et al., 2008). This allows one to assume that if SRC-friendly products were more widely available in the market, consumers would prefer to spend their dollars on such products rather than their SRC-unfriendly counterparts.

Although these solutions seem simple, Roberts (1996) identifies an attitude-behavior gap when it comes to the consumption of green products, which might be applicable to SRC as well. While consumers profess their willingness to spend more for eco-friendly products, supermarkets find themselves overstocked with these exact same products. It turns out that in reality, consumers do not buy the products their claim to prefer. Possible explanations for this gap include: 1) low convenience and availability associated with these goods; 2) confusion about the importance of consuming green products; and, 3) the higher price point of green products in the market (Roberts, 1996).

Although making products more readily available in the market would address the

convenience issue, the findings of (Roberts, 1996) suggest that further informational

nudges may be necessary to reduce potential confusion about why SRC matters. Indeed,

previous studies have highlighted that greater knowledge about apparel industry issues

may lead to greater concern for industry workers (Dickson, 2000).

On the other hand, the issue of higher prices associated with SRC is more difficult

to tackle. As previously discussed, even though consumers report being in favor of SRC,

they are likely to cite economic justifications in favor of questionable labor practices

when the product under consideration is highly desirable (Paharia et al., 2013). Because

outsourcing production to developing countries significantly decreases firms' costs, firms

that produce goods in SRC-compliant ways end up with a higher price point or lower

profit margins. Addressing the previously mentioned issues of convenience and

confusion might potentially increase consumers' willingness-to-pay for higher-priced

SRC-compliant products. However, as studies have shown (Holtgraves, 2004), there is no

concrete indication that this would occur, given that participants' socially-desirable

responding behaviors produce distorted data. Hence, the literature on consumption

behaviors and SRC could be significantly enriched if the phenomenon of socially-

desirable responding were to be resolved. For now, it remains a weakness that limits the

procurement of reliable information.

Previous research has indicated that, similar to ERC, the demographics of targeted

groups matters when nudging toward SRC. Despite the fact that, since the 1990s,

Americans' overall values have been following a continuous trend from a self-centered to

a more socially-centered focus (Dickson, 2000), people's individual belief and value

systems do play a role in how willing they are to adopt SRC-compliant behaviors

(Vinson, Scott, & Lamont, 1977). For instance, younger consumers have been found to

hold more favorable attitudes toward regulation of the apparel industry (Butler & Francis,

1997). Additionally, consumers who rank the highest on ERC/SRC scales tend to be

high-income females (Arcury, 1990; Webster, 1975). As female labor force participation

increases, this demographic group shows a potential for growth in numbers (Fernández,

2013). This indicates that SRC efforts only stand to benefit from this fundamental

demographic change. Moreover, combining the observations of previous researchers

(Webster, 1975; Arcury, 1990; Butler & Francis, 1997), we can deduce that young high-

income female consumers constitute the demographic group that is the most likely to

support SRC efforts.

  Although this information indicates a potential specific target group for SRC

nudges, as discussed above, it is important to educate members of society beyond the

ones that fit into this target group. That being said, this information does reveal that

perhaps certain campaigns could be especially modified to tap into the greater empathy or

openness to responsible consumption issues that this specific target group might

experience. For instance, this group's strong presence on social media makes this

demographic ideally positioned to receive online messages from nonprofit organizations

such as Fashion Revolution. This indicates a potential for greater recognition of this

organization's work and possibly more extensive proliferation of information, which may

reduce the "information gap" described above. In addition, when it comes to purchasing

garments, young high-income females have been shown to be heavily influenced by the

fashion media. They also shop for fashion items more frequently than other demographic

groups, display increased monthly spending on clothes, and, given their admiration of public figures, are more influenced in their buying habits by celebrities (Birtwistle & Moore, 2007; Morgan & Birtwistle, 2009). These characteristics set this group apart from the remainder of the population and suggest that tackling this specific group may enhance the effectiveness of SRC campaigns.

Chapter V. Conclusion

In a decade dominated by concerns about climate change, ERC issues have overshadowed those related to SRC. Policy-makers, psychologists, and behavioral economists have collaboratively engaged in extensive research in order to better understand the factors that influence environmental decision-making and behavioral change. However, most of this research is tailored specifically for the realm of ERC, focusing specifically on strategies for environmental issues such as encouraging energy and water conservation.

At the same time, catastrophes such as the Rana Plaza collapse highlight the humanitarian toll of standard corporate practices, particularly in the retail sector. Here we examined how previously researched strategies for encouraging conscious ecological consumption can be adapted to the realm of SRC. However, advances in SRC will require a change in the calculus involved in purchasing decisions, with social responsibility taking a more central role in people's criteria for purchasing goods. The fact that we have, and still are, witnessing a growing trend in concerns for ERC and an increasing preference for organic products indicates that there is a powerful potential for SRC to

flourish. By modifying the choice architecture of the retail environment, SRC nudges can

strengthen this potential and effect social change in our society.

References

Agostinelli, G., Sherman, S. J., Fazio, R. H., & Hearst, E. S. (1986). Detecting and
identifying change: Additions versus deletions. *Journal of Experimental Psychology,*
Human Perception, and Performance, 12, 445-454.

Allcott, H., & Rogers, T. (2012). The short-run and long-run effects of behavioral
interventions: Experimental evidence from energy conservation. *American Economic*
Review,104(10), 3003-3037. doi:10.3386/w18492

Allcott, H. (2011). Social norms and energy conservation. *Journal of Public*
Economics,95, 1082-1095. doi:10.1016/j.jpubeco.2011.03.003

Arcury, T. A. (1990). Environmental attitude and environmental knowledge. *Human*
*Organization, 49(*4), 300-304.

Arndt, J., Schimel, J., Greenberg, J., & Pyszczynski, T. (2002). The intrinsic self and
defensiveness: Evidence that activating the intrinsic self reduces self-handicapping
and conformity. *Personality and Social Psychology Bulletin,28*(5), 671-683.
doi:10.1177/0146167202288011

Asch, S. E. (1955). Opinions and social pressure. *Scientific American, 193,* 31-35.

Bangladesh building collapse death toll passes 500. (2013, May 03). Retrieved from
http://www.bbc.com/news/world-asia-22394094

Becker-Olsen, K., & Simmons, C. J. (2002). When do social sponsorships enhance or
dilute equity? Fit, message source, and the persistence of effects. *Advances in*
Consumer Research,29, 287-289.

Berg, A. (2011). Not roadmaps but toolboxes: Analysing pioneering national

  programmes for sustainable consumption and production. *Journal of Consumer*

  Policy,34, 9-23. doi:10.1007/s10603-010-9129-2

Berg, J., Dickhaut, J., & Mccabe, K. (1995). Trust, reciprocity, and social history. *Games*

  and Economic Behavior,10(1), 122-142. doi:10.1006/game.1995.1027

Berkowitz, A. D. (2003). Applications of social norms theory to other health and social

  justice issues. In *The social norms approach to preventing school and college age*

  substance abuse: A handbook for educators, counselors, and clinicians. San

  Francisco, CA: Jossey-Bass.

Berkowitz, L. (1972). Social norms, feelings, and other factors affecting helping and

  altruism. In L. Berkowitz (Ed.), *Advances in experimental social psychology* (Vol. 6,

  pp. 63-108). San Diego, CA: Academic Press.

Birtwistle, G., & Moore, C. (2007). Fashion clothing – where does it all end up?

  International Journal of Retail & Distribution Management,35(3), 210-216.

  doi:10.1108/09590550710735068

Bohner, G., & Schlüter, L. E. (2014). A room with a viewpoint revisited: Descriptive

  norms and hotel guests' towel reuse behavior. *PLoS ONE,9*(8).

  doi:10.1371/journal.pone.0104086

Burnkrant, R. E., & Cousineau, A. (1975). Informational and normative social influence

  in buyer behavior. *Journal of Consumer Research,2*, 206-215.

Butler, S., & Brignall, M. (2014, February 05). Bangladesh garment factories still

  exploiting child labour for UK products. Retrieved from

https://www.theguardian.com/world/2014/feb/06/bangladesh-garment-factories-child-labour-uk

Butler, S., & Francis, S. (1997). The effects of environmental attitudes on apparel purchasing behavior. *Clothing and Textiles Research Journal, 15*(2). 76-85.

Campo, S., & Cameron, K. A. (2006). Differential effects of exposure to social norms Campaigns: a cause for concern. *Health Communication,19*(3), 209-219. doi:10.1207/s15327027hc1903_3

Chartrand, T. L., & Bargh, J. A. (1999). The chameleon effect: The perception-behavior link and social interaction. *Journal of Personality and Social Psychology,76*(6), 893-910. doi:10.1037//0022-3514.76.6.893

Cialdini, R. B., & Goldstein, N. J. (2004). Social influence: Compliance and conformity. *Annual Review of Psychology,55*, 591-622. doi:10.1146/annurev.psych.55.090902.142015

Cialdini, R. B., Kallgreen, C. A., & Reno, R. R. (1991). A focus theory of normative conduct: A theoretical refinement and reevaluation of the role of norms in human behavior. *Advances in Experimental Social Psychology, 24*, 201-234.

Clapp, J.D., & McDonnell, A. (2000). The relationship of perceptions of alcohol promotion and peer drinking norms to alcohol problems reported by college students. *Journal of College Student Development*, *41*, 19-26.

Costa, D., & Kahn, M. (2013). Energy conservation "nudges" and environmentalist ideology: Evidence from a randomized residential electricity field experiment. *Journal of the European Economic Association,11*(3), 680-702. doi:10.1111/jeea.12011

Dearden, L. (2015, April 24). Fashion Revolution Day: #whomademyclothes campaign

    remembers Rana Plaza disaster. Retrieved from http://www.independent.co.uk/life-

    style/fashion/news/fashion-revolution-day-whomademyclothes-campaign-

    remembers-rana-plaza-disaster-10201871.html

Demarque, C., Charalambides, L., Hilton, D. J., & Waroquier, L. (2015). Nudging

    sustainable consumption: The use of descriptive norms to promote a minority

    behavior in a realistic online shopping environment. *Journal of Environmental*

    Psychology,43, 166-174. doi:10.1016/j.jenvp.2015.06.008

Deutsch, M., & Gerard, H. B. (1955). A study of normative and informational social

    influences upon individual judgment. *The Journal of Abnormal and Social*

    Psychology,51(3), 629-636. doi:10.1037/h0046408

Devnath, A., & Srivastava, M. (2013, April 25). 'Suddenly the floor wasn't there,' Factory

    survivor says. Retrieved from https://www.bloomberg.com/news/articles/2013-04-

    25/-suddenly-the-floor-wasn-t-there-factory-survivor-says

Dickson, M. A. (2000). Personal values, beliefs, knowledge, and attitudes relating to

    intentions to purchase apparel from socially responsible businesses. *Clothing and*

    Textiles Research Journal,18(1), 19-30. doi:10.1177/0887302x0001800103

Embley, L. L. (1993). *Doing well while doing good: The marketing link between business*

    & nonprofit causes. Englewood Cliffs, NJ: Prentice-Hall.

Epley, N., & Gilovich, T. (1999). Just going along: Nonconscious priming and

    conformity to social pressure. *Journal of Experimental Social Psychology,35*(6), 578-

    589. doi:10.1006/jesp.1999.1390

Erb, H., Bohner, G., Rank, S., & Einwiller, S. (2002). Processing minority and majority communications: The role of conflict with prior attitudes. *Personality and Social Psychology Bulletin,28*(9), 1172-1182. doi:10.1177/01461672022812003

Fashion Revolution. Retrieved from http://fashionrevolution.org/

Feather, N. T. (1982). *Expectations and actions: Expectancy-value models in psychology*. Hillsdale NJ: Erlbaum.

Fernández, R. (2013). Cultural change as learning: The evolution of female labor force participation over a century. *American Economic Review,103*(1), 472-500. doi:10.1257/aer.103.1.472

Ferraro, P. J., & Miranda, J. J. (2013). Heterogeneous treatment effects and mechanisms in information-based environmental policies: Evidence from a large-scale field experiment. *Resource and Energy Economics,35*(3), 356-379. doi:10.1016/j.reseneeco.2013.04.001

Freedman, M. R., & Brochado, C. (2009). Reducing portion size reduces food intake and plate waste. *Obesity,18*(9), 1864-1866. doi:10.1038/oby.2009.480

Confidence in institutions. (2016, June 16). Retrieved from http://www.gallup.com/poll/1597/confidence-institutions.aspx

Gerin, R. (2014, October 02). Cambodian garment factory workers suffer from lack of nutrition. Retrieved from http://www.rfa.org/english/news/cambodia/workers-survey-10012014180239.html

Geurts, B., & Nouwen, R. (2007). "At least" et al.: The semantics of scalar modifiers. *Language, 135,* 533-559.

Goldberg, M. E., & Gunasti, K. (2007). Creating an environment in which youths are

    encouraged to eat a healthier diet. *Journal of Public Policy & Marketing,26*(2), 162-

    181. doi:10.1509/jppm.26.2.162

Goldstein, N. J., Cialdini, R. B., & Griskevicius, V. (2008). A room with a viewpoint:

    Using social norms to motivate environmental conservation in hotels. *Journal of*

    Consumer Research,35, 472-482. doi:10.1086/586910

Hansen, U., Schrader, U. (1997). A modern model of consumption for a sustainable

    society. *Consumer Policy, 20*(4), 443-468.

Hawken, P. (1993). *The ecology of commerce.* New York: Harper Business

Hepburn, S. (2015, April 14). Can a hashtag change the fashion industry? Retrieved from

    https://www.theguardian.com/sustainable-business/sustainable-fashion-

    blog/2015/apr/14/can-a-hashtag-change-the-fashion-industry

Herrnstein, R. J., Loewenstein, G. F., Prelec, D., & Vaughan, W. (1993). Utility

    maximization and melioration: Internalities in individual choice. *Journal of*

    Behavioral Decision Making,6(3), 149-185. doi:10.1002/bdm.3960060302

Holtgraves, T. (2004). Social desirability and self-reports: Testing models of socially

    desirable responding. *Personality and Social Psychology Bulletin,30*(2), 161-172.

    doi:10.1177/0146167203259930

Human Rights Watch. Retrieved from https://www.hrw.org/

Johnson, E. J., & Goldstein, D. (2003). Medicine: Do defaults save lives?

    Science,302(5649), 1338-1339. doi:10.1126/science.1091721

Johnson, E. J., Shu, S. B., Dellaert, B. G., Fox, C., Goldstein, D. G., Häubl, G., . . .
Weber, E. U. (2012). Beyond nudges: tools of a choice architecture. *Marketing Letters,23*(2), 487-504. doi:10.1007/s11002-012-9186-1

Kahneman, D. (2011). *Thinking, fast and slow* (1st ed.). New York, NY: Farrar, Straus and Giroux.

Kallbekken, S., & Sælen, H. (2013). 'Nudging' hotel guests to reduce food waste as a win–win environmental measure. *Economics Letters,119*(3), 325-327. doi:10.1016/j.econlet.2013.03.019

Kallgren, C. A., Reno, R. R., & Cialdini, R. B. (2010). A focus theory of normative conduct: When norms do and do not affect behavior. *Personality and Social Psychology Bulletin,26*(8), 1002-1012. doi:10.1177/01461672002610009

Kallgren, C. A., & Wood, W. W. (1986). Access to attitude-relevant information in memory as a determinant of attitude-behavior consistency. *Journal of Experimental Psychology, 22,* 328-338.

Kaplan, M. F., & Miller, C. E. (1987). Group decision making and normative versus informational influence: Effects of type of issue and assigned decision rule. *Journal of Personality and Social Psychology,53*(2), 306-313. doi:10.1037/0022-3514.53.2.306

Kerr, N. L. (1995). Norms in social dilemmas. In D. Schroeder (Ed.), *Social dilemmas: Perspectives on individuals and groups* (pp. 31-48). Westport, CT: Praeger.

Krebs, D. L. (1970). Altruism: An examination of the concept and a review of the literature. *Psychological Bulletin, 73,* 258-302.

Kundu, P., & Cummins, D. (2013). Morality and conformity: The Asch paradigm applied to moral decisions. *Social Influence,8*(4), 268-279. doi: 10.1080/15534510.2012.727767

Lehner, M., Mont, O., & Heiskanen, E. (2016). Nudging – A promising tool for sustainable consumption behaviour? *Journal of Cleaner Production,134*, 166-177. doi:10.1016/j.jclepro.2015.11.086

Manik, J. A., & Yardley, J. (2012, December 17). Bangladesh finds gross negligence in factory fire. Retrieved from http://www.nytimes.com/2012/12/18/world/asia/bangladesh-factory-fire-caused-by-gross-negligence.html

Marini, M. M. (1984). Age and sequencing norms in the transition to adulthood. *Social Forces, 63,* 229-244.

Miller, T., & McFarland, C. (1991). When social comparison goes awry: The case of pluralistic ignorance. In *Social Comparison: Contemporary Theory and Research* (ch. 11). Hillsdale, NJ: Erlbaum.

Morgan, L. R., & Birtwistle, G. (2009). An investigation of young fashion consumers' disposal habits. *International Journal of Consumer Studies,33*(2), 190-198. doi:10.1111/j.1470-6431.2009.00756.x

Moxey, L. M., & Sanford, A. J. (1993). *Communicating quantities: A psychological perspective*. Hove, UK: Lawrence Erlbaum Associates Ltd.

Opower: Customer engagement platform for utilities. Retrieved from https://opower.com/

Oullier, O., Cialdini, R., & Mullainathan, S. (2010). Improving public health prevention

with a nudge. *Improving Public Health Prevention with Behavioural, Cognitive and*

Neuroscience, 38-46.

Paharia, N., Vohs, K. D., & Deshpandé, R. (2013). Sweatshop labor is wrong unless the

shoes are cute: Cognition can both help and hurt moral motivated reasoning.

Organizational Behavior and Human Decision Processes,121, 81-88.

doi:10.1016/j.obhdp.2013.01.001

Perkins, H. W. (2003). The promise and challenge of future work using the social norms

model. In *The social norms approach to preventing school and college age substance*

abuse: A handbook for educators, counselors, and clinicians. San Francisco, CA:

Jossey-Bass.

Pollin, R., Burns, J., & Heintz, J. (2004). Global apparel production and sweatshop

labour: Can raising retail prices finance living wages? *Cambridge Journal of*

Economics, 28(2), 153-171. http://dx.doi.org/10.1093/cje/beh06

Powell, B., & Zwolinski, M. (2011). The ethical and economic case against sweatshop

labor: A critical assessment. *Journal of Business Ethics,107*(4), 449-472.

doi:10.1007/s10551-011-1058-8

Ramey, J. (1996, July 16). Reich sees summit as the turning point in sweatshop wars.

Retrieved from https://wwd.com/fashion-news/fashion-features/article-1126945/

Reese, G., Loew, K., & Steffgen, G. (2014). A towel less: Social norms enhance pro-

environmental behavior in hotels. *The Journal of Social Psychology,154*(2), 97-100.

doi:10.1080/00224545.2013.855623

Reno, R. R., Cialdini, R. B., & Kallgren, C. A. (1993). The transsituational influence of social norms. *Journal of Personality and Social Psychology,64*, 104-112. doi:10.1037//0022-3514.64.1.104

Rivera, L. (2016, April 21). The true cost of 'fast fashion': why #whomademyclothes is trending this week. Retrieved from http://www.independent.co.uk/life-style/fashion/fashion-revolution-2016-the-true-cost-of-fast-fashion-a6991201.html

Roberts, J. A. (1993). Sex differences in socially responsible consumers' behavior. *Psychological Reports,73*(1), 139-148. doi:10.2466/pr0.1993.73.1.139

Roberts, J. A. (1996). Will the real socially responsible consumer please step forward? *Business Horizons,39*, 79-83. doi:10.1016/s0007-6813(96)90087-7

Rolls, B. J., Morris, E. L., & Roe, L. S. (2002). Portion size of food affects energy intake in normal weight and overweight men and women. *American Journal of Clinical Nutrition,76*, 1207-1213

RGS-IBG annual international conference 2016. (2016, September 1) Retrieved from http://conference.rgs.org/AC2016/225

Rudell, F. (2006). Shopping with a social conscience: consumer attitudes toward sweatshop labor. *Clothing and Textiles Research Journal,24*(4), 282-296. doi:10.1177/0887302X06293063

Schaeffer, L. S. (1983). Toward Pepitone's vision of a normative social psychology: What is a social norm? *Journal of Mind and Behavior, 4,* 275-294.

Schubert, C. (2017). Green nudges: Do they work? Are they ethical? *Ecological Economics,132*, 329-342. doi:10.1016/j.ecolecon.2016.11.009

Schultz, P. W. (2000). Empathizing with nature: The effects of perspective taking on

concern for environmental issues. *Journal of Social Issues,56*(3), 391-406.

doi:10.1111/0022-4537.00174

Schultz, P. W., Khazian, A. M., & Zaleski, A. C. (2008). Using normative social

influence to promote conservation among hotel guests. *Social Influence,3*(1), 4-23.

doi:10.1080/15534510701755614

Schultz, P. W., Nolan, J. M., Cialdini, R. B., Goldstein, N. J., & Griskevicius, V. (2007).

The constructive, destructive, and reconstructive power of social norms.

Psychological Science,18(5), 429-434. doi:10.1111/j.1467-9280.2007.01917.x

Schultz, P. W., Tabanico, J. J., & Rendón, T. (2008). Normative beliefs as agents of

influence: Basic processes and real-world applications. In *Frontiers or social

psychology: Attitudes and attitude change* (pp. 385-409). New York, NY: Psychology

Press.

Sechrist, G. B., & Stangor, C. (2001). Perceived consensus influences intergroup

behavior and stereotype accessibility. *Journal of Personality and Social

Psychology,80*(4), 645-654. doi:10.1037//0022-3514.80.4.645

Sen, S., & Bhattacharya, C. (2001). Does doing good always lead to doing better?

Consumer reactions to corporate social responsibility. *Journal of Marketing

Research,38*(2), 225-243. doi:10.1509/jmkr.38.2.225.18838

Sherif, M. (1935). A study of some social factors in perception. *Archives of

Psychology,187*(60).

Singer, T., & Tusche, A. (2013). Understanding others: Brain mechanisms of theory of

mind and empathy. In *Neuroeconomics: Decision Making and the Brain* (pp. 513-

532). Saint Louis, MO: Academic Press.

Smith, W. (2004). Consumer resistance to marketing reaches all-time high, marketing

productivity plummets. *Yankelovich Partners, AAAA Conference*.

Sunstein, C. R. (2013). Behavioral economics, consumption, and environmental

protection. *SSRN Electronic Journal,* 1-28. doi:10.2139/ssrn.2296015

Thaler, R., & Benartzi, S. (2004). Save more tomorrow™: Using behavioral economics

to increase employee saving. *Journal of Political Economy,112*(S1).

doi:10.1086/380085

Thaler, R. H., & Sunstein, C. R. (2009). *Nudge: Improving decisions about health, wealth

and happiness*. London: Penguin Books.

Tversky, A., & Kahneman, D. (1973). Availability: A heuristic for judging frequency and

probability. *Cognitive Psychology,5*(2), 207-232. doi:10.1016/0010-0285(73)90033-9

Vinson, D. E., Scott, J. E., & Lamont, L. M. (1977). The role of personal values in

marketing and consumer behavior. *Journal of Marketing,41*(2), 44-50.

doi:10.2307/1250633

Watson, D., Fernandez, J. A., Wittmer, D., & Pedersen, O. G. (2013). Environmental

pressures from European consumption and production: A study in integrated

environmental and economic analysis. *Publications Office of the European Union,2*,

124.

Webb, D. J., Mohr, L. A., & Harris, K. E. (2008). A re-examination of socially

responsible consumption and its measurement. *Journal of Business Research,61*(2),

91-98. doi:10.1016/j.jbusres.2007.05.007

Webster, J. F. (1975). Determining the characteristics of the socially conscious consumer.

Journal of Consumer Research,2(3), 188-196. doi:10.1086/208631

Wispé, L. (1986). The distinction between sympathy and empathy: To call forth a

concept, a word is needed. *Journal of Personality and Social Psychology,50*(2), 314-

321. doi:10.1037/0022-3514.50.2.314