



Communicating Eco-Friendly Benefits: Why Accidental Improvements May Be Better Received by Consumers

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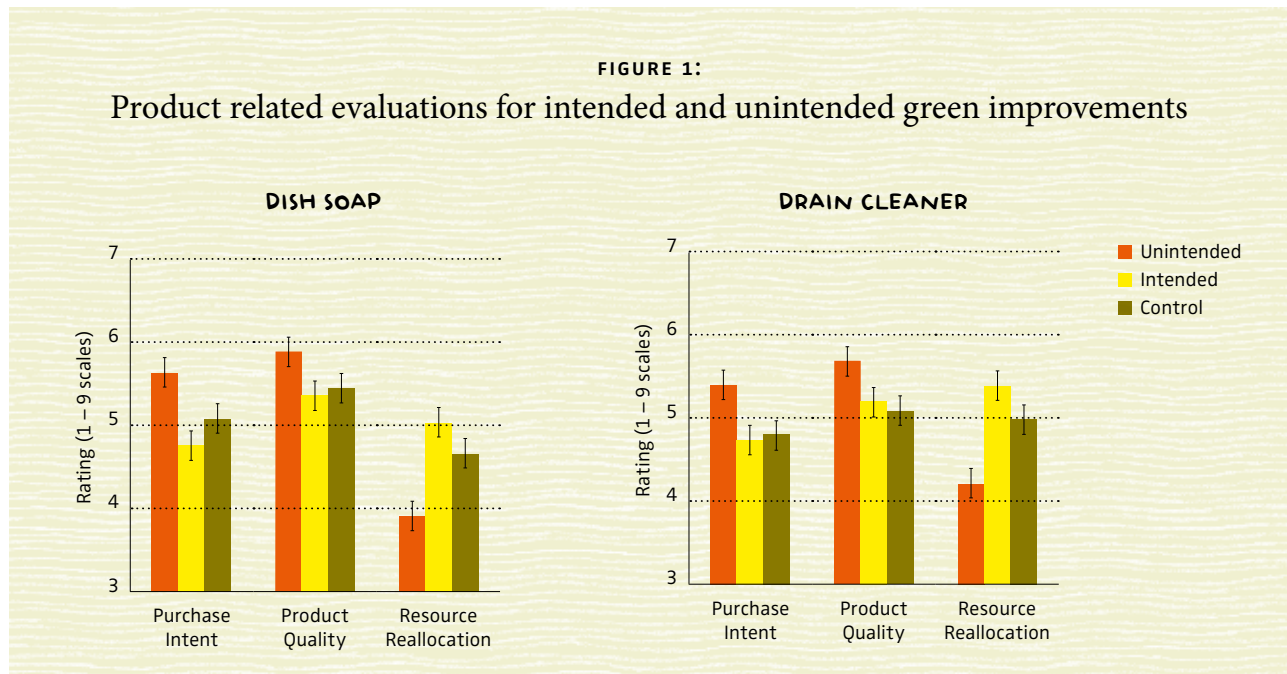
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Going green on purpose? /// Imagine a company that has developed a new product that is better for the environment. One option is for the company to advertise that the green benefit was intended: It may highlight that it is concerned about the sustainability of its products and as a result, it developed a new product that is better for the environment. Alternatively, the company may communicate that the green benefit was actually an unintended side effect. For example, it may advertise that it was trying to develop a new product that satisfied some other goal and that the environmental benefit was merely a by-product of those efforts. Which of these two approaches will be most effective?

Although common wisdom would say that intending to make a product more environmentally safe should be preferred to unintentionally doing so, the present studies demonstrate the opposite effect: When a company manufactures a product that is better for the environment, consumers are less likely to purchase it if the green benefit is perceived as intended than when the same environmental benefit is perceived as an unintended side effect. In other words, intending to make a “greener” product may actually lead to a decrease in consumer interest.

Why consumers are wary of green product improvements

/// It turns out that this effect results from consumers’ theories about the relationship between a company’s intentions and its allocation of resources. In short, consumers consider a company’s resources to be zero-sum: Improvement in one field leads to a drawback in another. Therefore, when a company intends to make a product better for the environment, consumers assume that in order to make a product more eco-friendly, the company spent less on actual product quality.



In other words, intended enhancements – in contrast to unintended ones – lead consumers to suspect lower product quality, which reduces their purchase interest.

To demonstrate this, we had three different groups evaluate a hypothetical cleaning product. In all cases, the product was described as “significantly better for the environment than competing brands.” For one group of participants, the green improvement was described as intended, while for a second group of participants, the green improvement was described as unintended. In the third group, there was no mention of the company’s intentions. For each product, all participants then answered a series of questions that assessed their perceptions of product quality, their beliefs about resource allocation, and their purchase intent.

The results are presented in Figure 1 and show that purchase intent and perceived product quality were significantly higher in the group with the unintended green effect than in the intended condition. Also, participants thought that the company had diverted more resources away from product quality in the intended than in the unintended condition. Interestingly, when no information was presented regarding intentions (in the third group), the results were similar to the intention-scenario. This shows that consumers appear to naturally assume that green improvements are intentional.

In a follow-up experiment we introduced a “care-about-both” scenario where a company explicitly stated that they intended to improve both the product’s environmental benefits and its quality. Nonetheless, the results followed the same pattern as those in the intended and control conditions. Therefore, explicitly stating that the company cares about both the environment and quality is not sufficient to overcome consumers’ lay theories and a resulting decrease in purchase intent.

Is it always better for benefits to be unintended? ///

The answer is, “no,” it actually depends on the type of benefit. Specifically, in another experiment we found that this effect depends on whether or not the benefit in question is inherent to the product’s composition. For example, green benefits are typically inherent to the product itself and involve features like increased biodegradability or less harmful chemicals. In contrast, benefits such as fair trade or CSR reflect actions of the whole company and are separate from the product.

When we compared the same manipulations of intended and unintended CSR benefits, the results were reversed: An intended fair trade agreement increased purchase intent more than when social benefits to the overseas workers were the result of unintended changes, such as new local regulations (Figure 2).

How to communicate green product enhancements successfully

Our results show that doing good does not necessarily imply doing well for a company. Ironically, in the case of green products it can even be quite the contrary. Deliberately enhancing a product with environmental benefits to make it more appealing may actually lead to a decrease in consumer interest. However, our findings also suggest a number of ways that manufacturers of green products might find useful to best communicate environmental or social benefits, while avoiding any potential losses in consumer interest.

> **Communicate “green” cautiously** /// Companies improving a basic product feature like making something more eco-friendly should either position the improvement as unintended or emphasize that the primary goal is improving the quality of the product. Some companies have used the “green-is-a-by-product approach” successfully. When Anheuser Busch released the new aluminum bottles for their top-selling beers in 2005, the campaign highlighted how the new bottle looked different from others in the marketplace and considerably downplayed the significant environmental benefit of using aluminum. Similarly, when Apple Computers rolled out designs for its new unibody laptops, the company highlighted that its innovative use of aluminum was central to the improved performance and durability of the laptops and that the green benefits of using aluminum were a by-product of those efforts.

Slogans like “we keep the planet in mind with every bottle we design,” which was used by Method – a certified B corporation that manufactures household cleaning and personal care products – seem risky in the light of our results. Even BMW’s “Efficient Dynamics” campaign for more environmentally sustainable automobiles that claimed that their goal was “to increase both efficiency and performance at once,” might not be enough to resolve consumers’ doubts about reduced quality in other respects.

> Concentrate communication on specific market segments

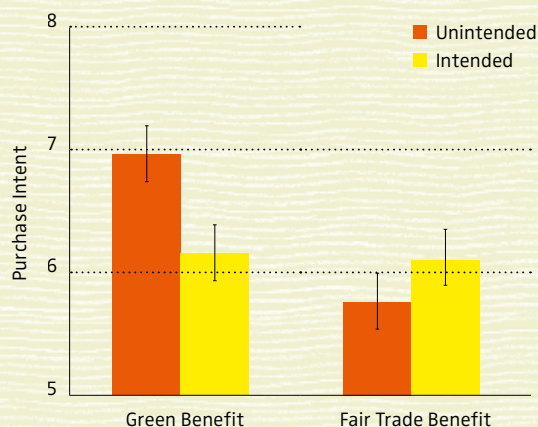
/// While our results showed a very robust skepticism concerning planned green product qualities, the situation might change for people with a pronounced concern for the environment. In an additional experiment we compared two groups with either high or low environmental awareness. Indeed, for participants that had higher awareness, the manipulation of intention had no effect on the ratings of perceived product quality. For such segments it seems less risky (and might even be beneficial) to point out that the product is intentionally eco-friendly.

> Consider other ways of demonstrating responsibility

/// Besides being green, there are many other ways for companies to show that they care beyond their immediate business goals. Those still pondering their social positioning may benefit from responsible action that is independent from product enhancements. Companies that emphasize fair trade or sustainable production practices or their donations to charity can communicate those actions without worrying that it will affect perceptions of their products while maintaining a boost in reputation.

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FIGURE 2:
Different reactions to green
and fair trade benefits



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