

Research identifies barriers to ethical buying

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Dr Paul Burke has been looking at why people do, or don't, buy ethical products such as chocolate or coffee. Credit: Nathan Rodger

We know consumers buy ethical products for a range of reasons, from concerns about animal welfare to their own health, but Australian research has for the first time ranked the relative importance of the factors that determine whether consumers will – or won't – shop responsibly.

The research found that while 41.5 per cent of people are positive about ethical purchasing, nearly 60 per cent are negative, indifferent or ambivalent.

While most consumers say they are willing to pay more for "responsible" products, and statistics show such spending is on the rise, ethical



products remain just a small proportion of sales, says Dr Paul Burke, a researcher with UTS Business School and an associate member of its Centre for the Study of Choice.

"We wanted to know what matters most when consumers decide whether they will, or won't, buy ethical products," says Dr Burke. "We also wanted to know how this differs across different types of consumer."

In research just published in the prestigious *European Journal of Marketing*, Dr Burke and fellow researchers Dr Christine Eckhert and Stacey Davis rank 25 reasons consumers choose or reject ethical products. They also identify the characteristics of three "clusters" of consumers, those who are positive, negative and ambivalent.

Those characteristics provide clues about how to best influence these groups to buy responsibly, the researchers say.

Overall, the reason most commonly cited for ethical purchasing was that it helps make a difference, the study found. The most commonly cited reason for not buying responsibly was confusion about what makes a product ethical.

Using personal interviews and an online survey, the researchers were able to group consumers into three clusters: the largest being positive about ethical purchasing (41.5 per cent), another that was negative or indifferent (33.5 per cent) and those with a "mixed" view (25 per cent).

Those with a positive view were more likely to be female, aged 55 or more, tertiary educated and support Liberal rather than Labor. Those with a negative view were more likely to be male, aged 35-54, less likely to hold a university degree and tended to support Liberal rather than Labor. Those with a "mixed" view were more likely to be female, have a degree and support Labor or the Greens.



Those who were ambivalent were often confused by the available information and sceptical about the claims being made, Dr Burke says. "There's a need to clarify for consumers how their consumption makes a difference in minimising harm to humans, animals or the environment," he says. "Doing that may shift those ambivalent <u>consumers</u> to a more positive view."

Steps such as clearer labelling, and perhaps formal regulation of labelling to address issues around scepticism and trust, could also help.

As for the negative group, "there are merits in understanding their cynicism rather than ignoring their views, or waiting for those views to somehow change", he says.

The research suggests, for instance, that the benefits of ethical products should be presented in ways that are relevant to the consumer. "A consumer who might not consider buying a hybrid vehicle because it helps the environment might consider buying one to reduce fuel costs," Dr Burke says.

The research confirmed the view that marketers of ethical products would do best by targeting women, but it dispelled notion that people buy ethical products for "public" reasons such as social status or being an opinion leader. Instead personal reasons such as health and wellbeing are more important.

People buy ethical products because...

- 1. It helps make a difference
- 2. They genuinely care about the issue
- 3. The products are healthier
- 4. They can save money
- 5. The product is higher quality



People don't buy ethical products because...

- 1. They're confused about what makes a product ethical
- 2. They're too expensive
- 3. They are sceptical about how ethical products are
- 4. They don't give it much thought
- 5. They have to go to specialty stores

Provided by University of Technology, Sydney

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