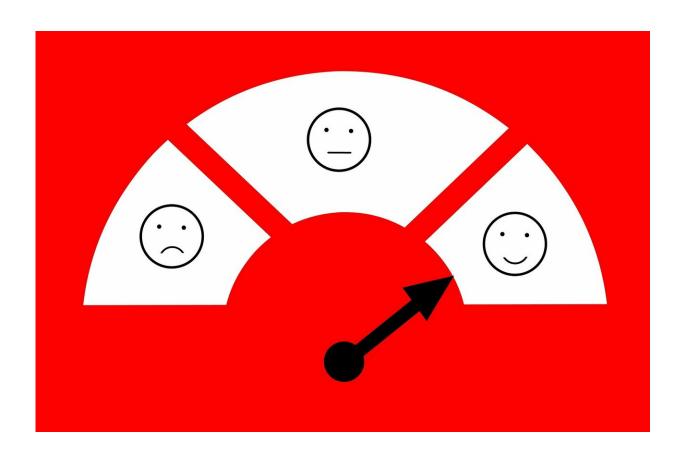


Is less more? How consumers view sustainability claims

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Researchers from City University of Hong Kong, Hong Kong Baptist University, and The Chinese University of Hong Kong published a new paper in the *Journal of Marketing* that offers consumer insights to guide marketing teams' communication of products' negatively framed



attributes.

The study forthcoming in the *Journal of Marketing* is titled "When Less is More: How Mindset Influences Consumers' Responses to Products with Reduced Negative Attributes" and is authored by Vincent Chi Wong, Lei Su, and Howard Pong-Yuen Lam.

As companies embrace sustainability and circular economy concepts, they are transforming products and services to reduce <u>negative impacts</u>. By so doing, they can help preserve the environment for future generations, burnish their corporate social responsibility credentials, and, ideally, drive sales with values-based consumers. But is it true that sustainability claims increase sales?

The study challenges this common intuition and finds that a marketing claim of reducing negative product properties may be interpreted by consumers in one of two ways: 1) view the claim as improving the product relative to its previous state; or 2) draw attention to a negative product feature that might otherwise have been overlooked. Moreover, whether such claims have positive or <u>negative influence</u> depends on whether consumers interpret such claims through an incremental or entity <u>mindset</u>. Consumers with an incremental mindset (i.e., the tendency to think of attributes as malleable) take a trend-based view of a reduction in negative attributes, which results in improved product evaluations. In contrast, consumers with an entity mindset (i.e., attributes are unlikely to change) view these claims negatively.

The researchers first manipulated consumers' mindsets by exposing them to marketing materials such as advertising slogans, promotional direct mail, and spokespersons' quotes. Results show that activating consumers' incremental (vs. entity) mindset leads to more favorable evaluations for luncheon meat with sodium nitrite reduced by 30%, for frozen mussels with reduced microplastic content, and for antidiabetic drugs with



reduced side effects. In other studies, the researchers measured consumers' chronic incremental and entity mindsets and show that those with a dominant incremental (vs. entity) mindset preferred stereo speakers with 50% less non-recyclable materials, bottled water with plastic materials reduced by 35%, and yogurt with 50% reduced sugar. Ironically, communicating a reduced negative attribute leads to poorer sales compared to no communication for consumers with an entity mindset.

The findings have managerial marketing implications. Wong explains, "Our research provides new techniques in marketers' toolbox to activate more easily consumers' incremental versus entity mindsets as a controllable variable. In addition, companies intuitively expect that promoting a reduction in negative attributes should benefit sales as opposed to doing nothing. Our findings imply that communicating a reduced negative attribute might have unintended consequences if consumers approach it with the wrong mindset." Accordingly, marketers should estimate the potential risks of such communications and carry out such communication strategically (along with properly activating consumers' mindset).

Su adds that, "Marketers may also strategically induce these mindsets to fight against competitors." To entice consumers from a competitor's product that claims a reduction of a negative attribute, marketers may activate an entity mindset using advertising slogans (e.g., De Beers' "A diamond is forever"). Moreover, slogans for significant social events can also temporarily prime different mindsets (e.g., Barack Obama's "Change we can believe in" likely activated an incremental mindset). Marketers can strategically leverage such social events as opportunities to promote products containing reduced negative attributes. "Importantly, individuals in Western countries (e.g., Americans) typically hold entity beliefs whereas those in Eastern countries (e.g., Chinese) typically hold incremental beliefs by default. Thus, promotion



strategies for products with reduced negative attributes need to be customized across cultures," says Lam. Similarly, <u>consumers</u>' incremental versus entity mindset can be traced to demographic, geographic, or political ideology information. Marketers need to consider these factors when promoting products with a reduced negative attribute.

More information: Vincent Chi Wong et al, When Less Is More: How Mindset Influences Consumers' Responses to Products with Reduced Negative Attributes, *Journal of Marketing* (2020). DOI: 10.1177/0022242920920859

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