



Achieving SDG 12: Bridging the Intent- Action Gap among Young Consumers

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In today's world, current production and consumption levels are unsustainable, decimating the Earth's natural resources, while contributing to massive waste and pollution that threatens our environmental health.

Accordingly, the United Nations has called on us to find ways for more sustainable consumption and production to alleviate stress on natural resources and environmental health. This idea is captured in Sustainable Development Goal 12.

Visit any shopping mall, any bazaar, any open market, and you'll find that – the world over – youth are shopping in massive numbers. They are the future of consumption and production. And they pose the best opportunity for affecting change. They're motivated, socially conscious and optimistic.

Looking at Asia specifically, we find that over half the world's 1.8 billion young people live there, quickly emerging as the next generation of business innovators, entrepreneurs, factory owners, government leaders, human rights defenders, and organizational heads. Increasingly, they are using their political voices, wallets, and professional influence to shape our societies.

In the marketplace, many young people want to consume responsibly – to buy products created with environmentally-friendly methods, under conditions where workers are treated well, and in workplaces that uphold high ethical standards. And yet, despite these 'intentions', we find many young people tend to be more swayed by brand, discounts and price at the point of purchase.

If we want a world that consumes and produces goods more responsibly and more sustainably, we need to understand how young people make decisions about what they buy. What do they think about sustainability? What is their understanding of that term? And how does sustainability influence their shopping choices? Why do young people express the desire to consume responsibly but then deviate from those intentions when they ultimately choose their product?

To better understand how youth arrive at their choices, we need to consider the contexts in which young people actually make these choices. Choices are a function of several factors – economic, political, cultural and social – all of which influence the path from intention to action. While traditional research has examined the drivers of choice at a stated level, we need to delve more deeply and investigate the unstated factors that influence choice.

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To this end, we adopted a behavioral sciences approach to answer these questions and uncover the subconscious motivations of youth in the marketplace. This approach helps us identify the choice drivers working at implicit levels that produce gaps between stated intention and action. The insights from this process can help provide ideas for designing policies and interventions to incentivize youth to consume more responsibly while also motivating States and businesses to align their operations with ethical and responsible conditions.

To accomplish these objectives, we employed a range of qualitative and quantitative methods:

- To distill the motivations of young people as consumers
- To discover how they define sustainability and what role that idea plays in their shopping decisions; and
- To understand how choice drivers influence decision-making among young people who want to consume responsibly but often sway from that ideal at the point of purchase

In this study, as a starting point, we offer three basic takeaways:

1

When it comes to sustainable consumption among youth, there is a intent-action gap. Sustainability figures prominently in the initial stages of researching a purchase, as well as their satisfaction after making a purchase. However, concerns about sustainability fall from view when the purchase is actually made. What happens to that initial impulse to buy sustainable goods?

2

Most young people feel that producers bear the primary responsibility for making products sustainably, in terms of environmental impact and labor practices. Why don't youth feel a larger sense of that responsibility as a consumer? And, on the flip side, why don't youth recognize their potential power to push for more responsible practices?

3

When it comes to responsible consumption, youth tend to consider (or privilege) concerns about environmental practices while paying less attention to labor practices and the ethical treatment of workers.



Business, Human Rights and Responsible Consumption

Business activities impact the lives of millions of people around the world. They can be a powerful driver for sustainable development, offering access to social and economic opportunities as a pathway to prosperity. However, business enterprises can adversely impact human rights, often disproportionately affecting the most vulnerable people in our societies.

Adopted in 2011, the UN Guiding Principles on Business and Human Rights (UNGPs) – the most authoritative and widely adopted set of principles for responsible business – call on governments and companies to identify, prevent, mitigate, and remedy actual and potential human rights abuses. The UNGPs are not only a guide to help businesses respect human rights in their operations, but also provide a roadmap for businesses to contribute to the 2030 Agenda and the Sustainable Development Goals.

Achieving SDG 12 (Responsible Consumption and Production) will require a concerted effort on behalf of businesses, governments, and citizens to demand and actualize new modes of production and consumption that phase out fossil fuels, reduce our environmental footprint, demand stronger corporate responsibility, and realize high standards for ethical treatment of all people in the workplace and in the areas where businesses operate. A focus on business and human rights (BHR) is an integral part of this process.

Young people have a powerful role to play in this shift – as electors and consumers – in promoting sustainable consumption and production and inspiring reforms among States and the private sector that encourage responsible business conduct.

UNDP defines sustainable consumption as using and disposing of goods and services that do not compromise the ecological and socioeconomic conditions of all people.¹ And by that definition, consumption is considered responsible if it meets one or more of the following criteria:

- Consuming products with minimal environmental impact
- Consuming products according to their respect for social norms and impact on society
- Consuming products that respect health standards
- Consuming products that are manufactured under ethical and moral conditions



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¹ United Nations Development Programme (2017). “UNDP’s Strategy for Inclusive and Sustainable Growth.” New York: United Nations. www.undp.org/sites/g/files/zskgke326/files/publications/UNDPs%20Inclusive%20and%20Sustainable%20Growth-final.pdf





Why Behavioral Science?

For this study, researchers aimed to distill young people’s thoughts, feelings, and motivations when thinking about sustainability and putting sustainability into practice as consumers.

Behavioral science focuses on implicit or unstated motivations, making it a suitable approach to see past a respondent’s tendency to give ‘socially desirable’ answers to the true motivations behind an action. For example, while most youth will tell you they care greatly about sustainability, behavioral science finds that few youth actually put their intentions into practice when it comes to responsible consumption.

However, we should note, this does not imply that youth alone bear responsibility for bridging this gap. Governments, the private sector and other actors have a vital role to play in creating enabling conditions that encourage and enable responsible consumption and a fuller view of the ethical and environmental factors that go into production.

For purposes of this particular investigation, behavioral science can help us do three important things:

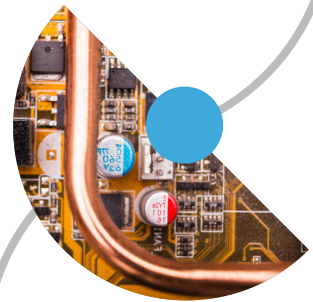
- Diagnose barriers preventing people from adopting a certain behavior
- Understand the ‘enablers’ that help people achieve their aims
- Design more impactful interventions to bridge gaps between intent and action

For example, many young people say that sustainability is important to them, but do they do the ‘right thing’? Even with the best of intentions, young people often fall short of their desire to act in the best interest of people and the planet. But what exactly prevents them from following through?

If we can recognize the barriers, then we can design interventions that help youth bridge the intent-action gap in the marketplace.

To answer these questions, and others, we engaged youth across Asia with three objectives:

- To examine knowledge and attitudes about sustainability among young people
- To understand young people’s willingness to pay a premium for sustainable goods and services
- To understand youth practices in sustainability





Research Methods

We began our study in India and Bangladesh (Study #1) to find out how youth define sustainability in terms of responsible consumption.

Three methods were used in Study #1:

Implicit association tests (IATs): We used IATs to capture subconscious associations with sustainability. At an implicit level, do young people have a positive disposition towards sustainability?

Vignette experiments: Each participant received a subset of vignettes with carefully constructed and systematically varied description of company practices and were asked if they would consider purchasing a product from the described company. Trade-offs were presented to the participant. For instance, would they consider purchasing an unsustainable product if it is heavily discounted?

Conflict groups: We used focus groups with creative conflicts to spark debate on sustainability, exploring questions like What is sustainability? Who is responsible for sustainable business practices – the consumer, the State or the business?

With this data in hand, we broadened the study to young people across Asia (Study #2).

Using surveys, we asked them to recall their most recent purchase across three categories – fashion, cosmetics, and technology – and trace their paths from researching the item they wanted to buy to making the purchase in the store.

At each step of the purchase journey, they were asked to describe how they thought about sustainability and, in that moment, what factors did they consider to decide whether to purchase a product. By doing this, we can see what aspects of sustainability mattered to young people when looking for items they want, and how much price and/or other factors such as brand and discounts influenced their initial desire to buy sustainable products (or support companies with sustainable practices and ethical work practices).

Combining these two studies provides a strong foundation from which to derive some initial conclusions about why the intent-action gap persists among young people who want to be responsible consumers.

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BEHAVIOURAL SCIENCE: HOW DID IT HELP?

To reveal inconsistencies between what young people claim to feel and what actions they ultimately take, we employed several innovative methods to collect data that would uncover behavioural insights:

Implicit association test: An implicit association test (IAT) is a psychological test designed to measure how quickly and automatically your brain associates two different concepts or ideas. The IAT helps us understand how our minds can make automatic associations, even if those associations don't align with our consciously held beliefs or values.

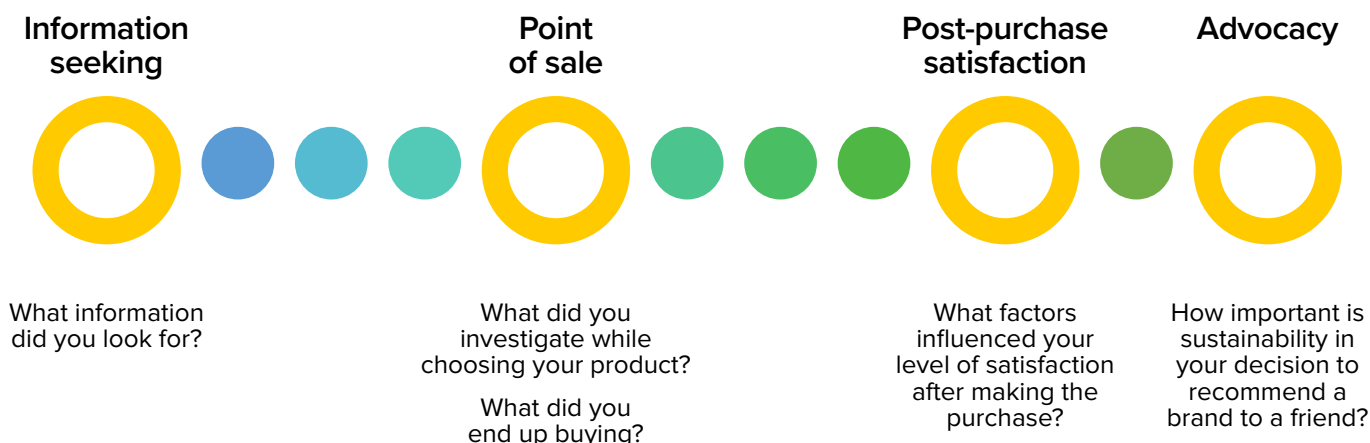
Trade-offs using vignette experiments: Carefully constructed and systematically varied descriptions of situations – in this case, company practices – are usually shown to respondents within surveys in order to elicit their judgments about these scenarios.

Conflict group discussions: This method is a focus group, but with a twist. Participants with opposing views on sustainability are invited to bring alive both sides of the debate.

Simulated purchase experience: Participants were asked to recall their most recent purchase in the domain of fashion, cosmetics or technology. Through this simulation, their most cited influences in making their choices were uncovered.

TRACKING THE PURCHASE JOURNEY

The graphic below illustrates the four key points along the purchase journey that the study investigated, as well as some of the questions that were posed to young consumers. Their responses provide insight on what factors most influenced their decisions – while researching purchases and in the marketplace – and how they felt and communicated to others about what they bought after making a purchase.



STUDY #1

Mapping Attitudes towards Responsible Consumption in Bangladesh and India

For the first study, we talked to 1,900 people* (age 18-25) in India and Bangladesh to learn how young people think about responsible consumption, including their conceptions of 'sustainability'.

We chose India and Bangladesh because both countries share a rich cultural history with strong similarities in education levels, manufacturing, and potential for economic growth. Against this backdrop, we believe the youth in these countries will play a major role in the future of consumption and production in a global context.

Through the study, we found that young people in India and Bangladesh think about sustainability along five dimensions:

- **Environmental degradation**, and the need to protect the environment: Ideas commonly mentioned were climate change, global warming, and water, air, and soil pollution.
- The process of **'taking care'**: If you nurture a sapling it will grow into a fruit-bearing tree, and vice versa.
- **Quality and longevity** of products: Both are very desirable attributes and are seen as the positive consequence of 'taking care' in processes.
- **Ethical practices**: What is good for production and profit of international companies may not be good for local environment and labour.
- Actions that are **'futuristic'**: Driven by an understanding of future needs and considerations.

From the data collected in India and Bangladesh, we found the following attitudes about sustainability.

“ Sustainability hinges on preserving resources for future generations. We need to strike a balance between the environment and development. We need to strike a balance with nature.

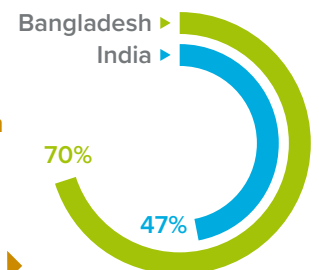
FEMALE STUDENT
DELHI, INDIA

WHO IS RESPONSIBLE FOR SUSTAINABILITY

84% of all surveyed agree that consumers have moral responsibility to engage in sustainability practices

73% of all respondents said sustainability concerns need to be part of the central bottom line of any business

When asked who should be accountable for sustainable consumption, youth in both countries felt that producers were primarily responsible, but to varying degrees.



* Breakdown of youth involved in the study: Gender – 54% male, 46% female; Age – 59% 18-21 years old; 41% 22-25 years old, Country – 51% Bangladesh, 49% India

HOW DID IDEAS ABOUT SUSTAINABILITY DIFFER BETWEEN YOUNG PEOPLE IN THE TWO COUNTRIES?



In India, sustainability was associated with the environment and concerns about preserving resources for future generations and striking a balance between ecosystem health and development.



In Bangladesh, we found a more diverse set of associations as youth expressed sustainability as a concept that applied not only to the environment, but also to concerns about product durability, ethical business practices, and eco-friendly production methods.

What do youth think can be done to motivate businesses to adopt more sustainable practices?

- Government must play a role with policy that encourages more sustainable behavior.
- Price ceilings are needed to enable more purchases of sustainable products to allow brand loyalty to develop.
- Inclusive price mechanisms to promote sustainable goods would help all strata of society participate.

When exploring youth's willingness to pay a premium for sustainable goods and services, four points stood out:

- Eco-friendly products are price inelastic. Seventy-nine percent of young people will pay higher prices.
- Youth will pay premium if product is eco-friendly, but veer toward cheap options when products are unsustainable.
- Paying 'premium' was defined as paying 10% average market prices. Beyond this, the products were unaffordable.
- Youth want to know the production philosophy of companies and they want proof of sustainability claims.

“Producers can lie about things. They might say that they are giving proper wages to the workers. But, you see in the news that proper wages and not paid.

How can we decide about a sustainable product based on the producer? We will need proof.

MALE EARLY JOBBER
CHITTAGONG, BANGLADESH

Given these dominant themes, we offer six takeaways from the Bangladesh/India study:

●●● Youth define sustainability, in order of importance, as environmental preservation, durable products, process of taking care, ethical business practices, and actions that are “future focused.”

●●● Sustainability has strong explicit associations with the environment, whereas other areas such as labour rights and corporate social responsibility were not as strongly associated.

●●● Youth express willingness to pay a premium for eco-friendly products but are otherwise susceptible to low product prices with unsustainable practices.

●●● At an explicit level, youth claim to be positively disposed to sustainability. This positive disposition is also reflected implicitly as sustainability = good.

●●● Sustainability is seen primarily as the responsibility of the producer, and not the consumer.

●●● Youth expect transparency, government endorsed certification standards, and substantiable proof of sustainability claims made by producers.

STUDY #2

Exploring Consumption Practices across Asia

With a better understanding of how young people define sustainability and their opinions about sustainability, we tackled the larger question about “How do youth make their purchase decisions?”

Using a survey of nearly 5,000 young people (54% male, 46% female), youth were asked to recall their most recent purchase in fashion, cosmetics or technology and to trace how they decided on these purchases. Then we inquired about each part of the purchasing process – from information gathering to the actual purchase – to see how motivations and the importance of sustainability changed throughout.




COSMETICS

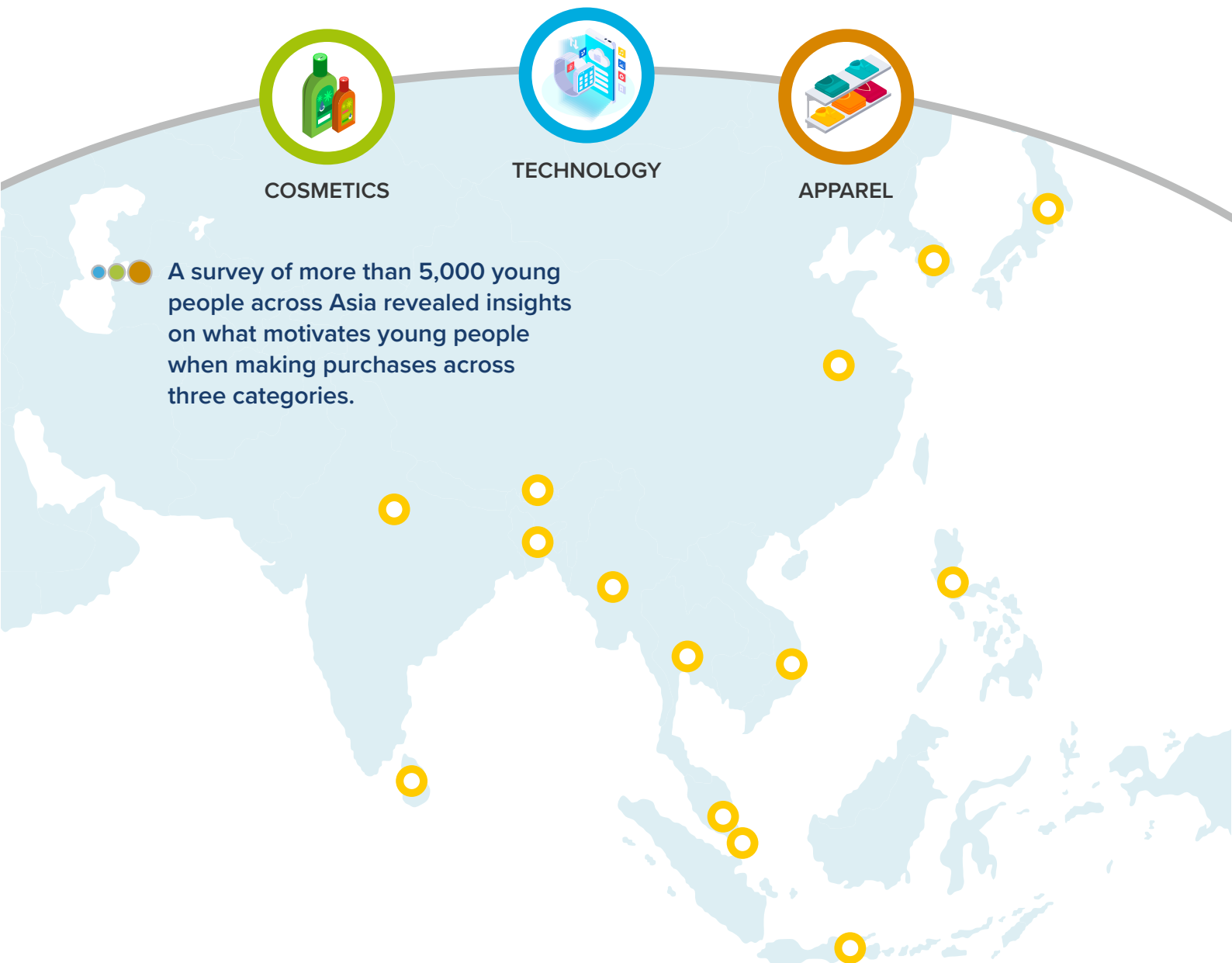


TECHNOLOGY



APPAREL

 A survey of more than 5,000 young people across Asia revealed insights on what motivates young people when making purchases across three categories.



Five main ideas stand out...

- When seeking information about sustainability in products, two-thirds of young people rated sustainability as a very high priority during the information seeking phase of a purchase.
- However, for all three categories of products (fashion, cosmetics and electronics), price, brand, and popularity were the most cited influences.
- Product certifications, eco-friendliness, and labor practices rank low as a consideration for young people at the point of purchase in all categories.
- Young people do not appear to see the connection between product certification, eco-friendly raw materials, and ethical business practices, on one hand, and the concept of 'environmentally-friendly', on the other. This finding suggests a strategic entry point for future marketing work on this topic.
- Young people expressed concerns about ethical labor practices only in reference to electronic goods.

MIND THE GAP

The study found that although young people expressed **intentions** to shop responsibly, this did not always reflect in their **actions** at the cash register.

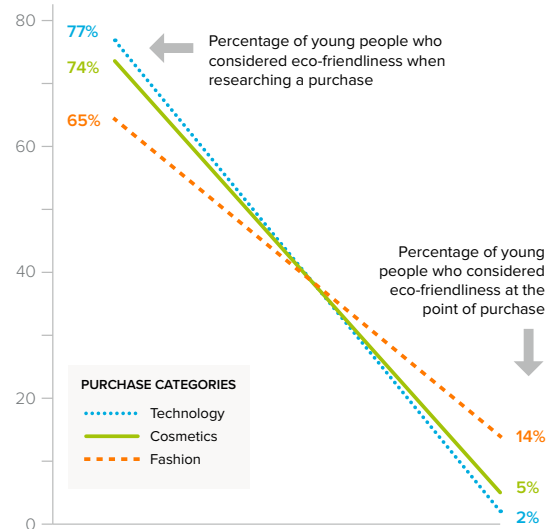
This is the intent-action gap.

For example, more than 65% of young people considered 'eco-friendliness' when researching purchases across the three categories of fashion, cosmetics and technology.

However, when it came time to actually make the purchase, this number dropped to less than 14% in all categories.

See graph →

How high does eco-friendliness rank at different parts of the purchase journey?



Fashion n = 1,704, Cosmetics n = 1,716, Technology n = 1,546

Given the stated concerns about wanting to be responsible consumers, we found a gap between the interests of youth and their consumption practices.

How do we understand the nature of the gap and what does our understanding tell us about possible strategies to bridge that gap and inspire more responsible consumption?

Here are four insights...

1

CONSUMER-CITIZEN EMPATHY GAP

Sustainability ranks high when youth are seeking information about a product, but becomes a much lesser priority (behind price, brand and discounts) at the time of actual purchase. What kinds of interventions can keep sustainability in the forefront throughout the entire purchase process?

2

BOUNDED RATIONALITY

Sustainability is a large and complex concept, so much so that consumers can feel their individual decisions will not matter or influence the state of the environment. For that reason, tools like carbon footprint calculators help quantify (and simplify) daily decisions to show individuals that their choices do matter.

3

SALIENCE BIAS

Youth focus more closely on issues they can see or relate to. Therefore, they focus on eco-friendly and/or sustainable products because they relate to the environment they know and enjoy. On the other hand, because they do not (or cannot) see the presence of fair trade or unethical labor practices, they tend to focus on those issues less when making a purchase.

4

FUNDAMENTAL ATTRIBUTION ERROR

This error is a form of cognitive bias wherein people underemphasize environmental factors for someone's behavior and overemphasize personal qualities or personality for that behavior. For example, John is late to the party not because of traffic (which is true) but because John has a reputation for being selfish (and thus, late). In the current context, the study finds that young people blame producers for unsustainable practices rather than putting that responsibility on consumers.



Building the Bridge

Stepping back a moment, we find two key insights regarding young people's conceptions of sustainability, which, in part, helps explain the gap between intention and action:

- Youth believe the State and private sector are primarily responsible for sustainability and do not recognize their potential power as consumers to affect change in business practices, and BHR more generally.
- When thinking about sustainability, youth tend to focus on environmentally-friendly aspects of production and consumption, and overlook the business and human rights aspects highlighting fair and ethical labor practices.

Keeping these insights in mind, we suggest a few ways forward to motivate and inspire more sustainable behavior, with drivers that influence youth, the State, and the private sector.

How can we keep sustainability concerns active and influential at the point of purchase?

- Call attention to the intent-action gap in responsible consumption.
- Employ styles of messaging with youth to promote the importance of sustainable consumption to offset their concerns about price and popularity.
- Stress the idea that individuals working collectively can influence societal change regarding business practices.
- Highlight clear and significant disincentives arising from a purchase, such as comparing the environmental impact of buying a sustainable good versus a non-eco-friendly one.

How can we activate a stronger citizen mindset dedicated to sustainable production and consumption?

- Simplify complex ideas such as sustainability with concepts and calculations, for example, finding a metric that works like carbon footprint.
- Distinguish the difference between sustainable products and sustainability. Sustainable products do not necessarily limit the expansion of production processes (which puts a burden on the environment). Proper conceptions of sustainability should address this larger aspect of the consumption-production cycle.





How can we motivate long-term behavioral change among youth?

Here's one approach...

The three Ps: Popularize, Preference and Premium

- Raise the popularity and social status of those who engage in responsible consumption (e.g., through a marketing campaign that highlights a celebrity or influencer who promotes sustainable living). Social media platforms such as Facebook, Instagram and TikTok are obvious early choices for this work.
- Doing this will raise the profile of sustainable and responsible consumption, making it a stronger preference among youth in the marketplace.
- Once producers and sellers see that sustainability matters to youth, they will move in that direction and the resulting competition will generate premium prices for consumers as an important first step for building brand loyalty in the long-term.

In conclusion, these findings offer an important starting point for consumers, businesses, and governments to push for establishing more responsible practices that benefit people without harming the environment.

Together, these findings can form the foundation of a business case for creating and institutionalizing sustainable business practices that attract consumers while safeguarding ethical and environmental concerns.

Besides identifying critical intervention points for facilitating behavioral change for consumers, these finding also highlight the potential benefits of price premiums and brand equity for businesses, informed by behavioural insights about the beliefs and practices of youth whose consumption decisions will impact global business and the environment in the coming decades.

