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DOI: 10.1111/spol.12729

ORIGINAL ARTICLE

WILEY

Buying for good: Altruism, ethical consumerism and social policy

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Abstract

The extent of altruistic behaviour and its relationship to the market has been a major interest of social policy analysts since the pioneering work of Richard Titmuss. Here we report on empirical research into such behaviour in consumer markets where self-interest might be expected to dominate but whose participants are increasingly demonstrating more ethical concerns. We discuss three factors that have been hypothesized to affect the extent and depth of altruistic behaviour by individuals in such markets: the degree of personal sacrifice involved in the purchase, the reputation of individuals with their family and friends and individuals' sense of self-identity. Using an online survey method, we measure consumers' motivations for real purchases in two different ethical consumerism settings: (RED) and Fairtrade. We find evidence to support all three hypotheses and conclude with some of the implications for social policy.

KEYWORDS
(RED), altruism, ethical consumerism, Fairtrade

1 | INTRODUCTION

Ever since the pioneering work of Richard Titmuss, social policy theorists and practitioners have been interested in the understanding of altruistic or prosocial motivations and the role of the market in affecting both the prevalence and depth of such motivations. Titmuss (1970) argued that the greater the role of the market, especially in the area

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of welfare and social services, the lesser the opportunity for the exercise of altruism—to the detriment not only of those services but also to the wider society which would be poorer both socially and economically. Since then, the importance of such motivations and their relevance to the respective roles of the market, the state and the non-profit sector have been the focus of work by economists, philosophers and psychologists as well as social policy analysts (Ashraf & Bandiera, 2017; Besley & Ghatak, 2005; Bowles, 2008; Frey, 1997; Le Grand, 2006; Oliver, 2019; Schwartz, 1983).

It is thus of interest to explore the role of altruistic motivations in a classic market situation: the purchase and consumption of consumer goods. If Titmuss was right, such motivations should not be present in such a market, crowded-out by self-interested concerns such as the price and the quality of the relevant goods. This may have been true in the 1960s and early 1970s: the time that Titmuss was writing. However, in recent decades, consumers have become increasingly attentive to social and ethical considerations in areas such as global labour standards, energy consumption, environmental sustainability and animal welfare: a trend often referred to as ethical consumerism (Anderson & Cunningham, 1972; Auger, Devinney, Burke, & Louviere, 2003; Chen, 2001; Crane, 2001; Kinnear, Taylor, & Ahmed, 1974; Torjusen, Lieblein, Wandel, & Francis, 2001).

More precisely, ethical consumerism is the social phenomenon where consumers in their purchasing decisions take account of concerns wider than their immediate self-interest in the purchase concerned. Thus, the Fairtrade movement reflects an interest in the well-being of those working in the supply chain of the commodities the consumers are purchasing. Many foods are now labelled as organic, free-range, vegetarian or vegan, partly to meet consumers' (self) interest in their own health but also to address their wider concerns for animal welfare and the preservation of the environment. There is a growing number of organizations that provide certification for suppliers that meet specified ethical standards, such as B-Corps (all types of business) and the Marine Stewardship Council (for suppliers of sustainable sea-food). And there are specific products associated with funding specific causes, such as TOMS shoes (donating shoes to people in need) and (RED) (HIV/AIDS in Africa and now COVID-19).

Within such developments, market transactions can no longer be construed simply as private actions for reciprocal private gain; the transaction is imbued, at least for the ethical consumer, with some objective of public or social benefit. Dean (2019) describes social policy as the "study of the social relations necessary for human well-being and the systems by which well-being may be promoted or… impaired"; in this sense, ethical consumerism, as a fusion of philanthropy or political activism with market exchange, presents as a significant new mechanism and set of behaviours within the social policy field.

Specifically, ethical consumerism can be seen as a complement to more conventional instruments of social and economic policy in a number of ways. First, there is a market regulation function: ethical consumerism offers an additional mechanism for mitigating the negative externalities of market behaviour, especially in conditions where government regulation is ineffective or incomplete. Consumer behaviours can, for instance, push corporations to adopt improved labour conditions or environmental sustainability in order to maintain or enhance competitive advantage. Second, there is a revenue-raising function. Ethical consumerism can increase the sum of funds available to tackle social problems: certain forms of ethical consumerism, especially in the context of cause-related marketing and firms' donations to good causes, can increase the amount of philanthropic capital available for public benefit. Third, ethical consumerism may be an avenue for political signalling or civic expression. Through their consumer behaviours, individuals can signal to policy-makers their belief in a particular issue, a belief enacted through their willingness to spend or withhold money in a particular way. Consumer boycotts, as well as putting market pressure on a corporation, highlight a perceived problem to policy-makers. Examples include the attempts to reduce flying or boycotts of tax-avoiding companies such as Amazon. Finally, ethical consumerism may potentially build bridges across different social groups and bring like-minded individuals together in the manner of more traditional social movements.

So, given the potential contribution of ethical consumerism to social policy goals and hence to public benefit, it becomes important to build a picture of the phenomenon, its nature and its limits. And that is the principal motivation for this paper. We now have a considerable body of empirical knowledge about, for instance, motivation within the public sector (Perry, Hondeghem, & Recascino Wise, 2010), but there is as yet little empirical investigation of the

actual motivations in this emerging policy area of ethical consumerism upon which policy-makers and practitioners can draw. Understanding individuals' motivations to participate is a significant step in building this picture, and we can begin to consider ways in which policymakers or businesses might encourage such motivations and enable such behaviours.

The paper concentrates upon the motivational bases of altruistic behaviour and their application to two different cases of ethical consumerism. The following section discusses three theories concerning the factors that affect the presence, depth and extent of altruistic behaviour. The first focuses on the personal sacrifice that an individual may make in undertaking an altruistic act. The second concerns the impact of the acts on the individual's reputation among family, friends and other observers. The third relates to the individual's self-identity and internal evaluation of his/her behaviour. The paper's next section discusses two case studies of ethical consumerism—(RED) and Fairtrade—and explains the data collection process. There are then two sections providing the results and discussing the extent to which they support the theories. A concluding section examines the implications for social policy.

2 | MOTIVATION AND ALTRUISM

Altruistic behaviour can be defined as actions that, in the absence of material reward and often at some apparent personal cost to the actor, are intended to improve the well-being of others (or, increasingly, the well-being of the planet). This study explores factors that affect the nature, direction and strength of individuals' altruistic behaviours, and how these may influence their consumption activities. More specifically, we present evidence concerning three specific factors that have been hypothesized as likely to be important in the decision to undertake altruistic behaviour. These are the extent of the personal self-sacrifice involved in undertaking the activity (Le Grand, 2006); the impact of the act on the reputation of the individual with his or her family and friends (Bénabou & Tirole, 2006) and the degree to which the act validates or conforms with an actor's self-identity or self-image (Akerlof & Kranton, 2000; Bénabou & Tirole, 2006).

The sacrifice hypothesis incorporates the proposition that, for individuals to consider an activity that they undertake as truly altruistic, there needs to be some degree of personal sacrifice or opportunity cost involved (Kaler, 2000; Le Grand, 2006). The sacrifice could take the form of time, as in the case of unpaid volunteers helping to care for vulnerable people; of money, as with philanthropic donations or of some other limited resource that the individual values. That the extent of sacrifice may be an important factor in affecting the extent of altruistic behaviour has been demonstrated in a number of studies. Auger et al. (2003), for instance, provides estimates of how much consumers are willing to pay for different ethical features associated with products, including biodegradability, the extent of animal testing and the involvement of child labour. Perry et al. (2010) include sacrifice as one of the motivational bases for public service motivation.

This idea runs counter to a standard proposition in micro-economic theory: that, ceteris paribus, higher external rewards to an activity would lead to the individual undertaking more of the activity concerned. Under the sacrifice hypothesis, higher external rewards may be associated with lower levels of an altruistic activity. Le Grand (2006) argues that this idea may help explain the phenomenon of "crowding-out", whereby the introduction of external positive incentives, such as payment for blood donation that was Titmuss' (1970) focus or paying a wage to volunteers that was Frey's (1997), might lead to a *reduction* in the activity concerned, not an increase, as standard economic theory would suggest. In terms of ethical consumerism, the sacrifice hypothesis would predict that, if there were some degree of sacrifice involved in purchasing the ethical product instead of a non-ethical but otherwise equivalent product—such as a higher price for the former—this would strengthen the motivation for such purchases and lead to more of it being purchased.

The second hypothesis explored in this study is that what matters to individuals is their reputation as a moral person among family or friends, and that they undertake altruistic behaviour—behaviour that impacts positively on the well-being of others—so as to bolster that reputation (Bénabou & Tirole, 2006; Freestone & McGoldrick, 2008). In this

case, the behaviour is driven not so much by a direct concern for others but as a more self-focused concern to be viewed as the sort of person who is concerned for others. As such, there can be a debate about whether this is altruism at all. However, inasmuch as there is a departure from consumer interests, as conventionally understood, towards prosocial behaviour, we include reputational concerns within our broad frame of altruistic action in this study.

Evidence that reputation can be an important factor in affecting altruistic behaviour comes from a study by Ariely, Bracha, and Meier (2009), showing that people give more to a good cause if others can observe them doing it. Applied to ethical consumerism, the implication is that the extent to which the purchasing activity concerned is observable by the relevant external audience will be a driver of that activity; for, if it were not observable, undertaking the activity would have little impact on reputation, positive or negative.

A final hypothesis relates to actors' self-identity. In this case, the point of reference is not how others judge the actor, as in the case of reputation, but instead how the actor internally judges his/her own behaviour—a desired psychological state being derived from acts that are perceived to conform with the actor's self-identity in a given context. Self-identity or "self-image" has been recognized as a motivational factor for prosocial behaviour (Akerlof & Kranton, 2000; Batson & Powell, 2003; Bénabou & Tirole, 2006; Freestone & McGoldrick, 2008) but the multidimensional complexity of the relation of self-identity, psychological satisfaction and prosocial behaviour is rarely explored. Two mechanisms are proposed here. The first is value conformance: psychological well-being derives from behaviours that are perceived by the actor to conform with his/her moral values (Akerlof & Dickens, 1982). Such value conformance will itself have different manifestations, contingent on an actor's values and the particular context. Drawing as an example from research into public service motivation (Perry et al., 2010), the referent value might range from compassion or care for others, to social justice or to a sense of civic duty. The second proposed mechanism is associated with group identity. In this case, psychological well-being derives from behaviour that is perceived to conform with the values or goals of a social group to which the actor belongs or aspires to belong—for instance, adherence to a social movement or cause. Given that actors have multiple identities (Sen, 2007), the operation of self-identity as a motivational force for prosocial behaviour depends upon the actor, the context and the actor's interpretation of the context. This is especially relevant to a context such as ethical consumerism, where apparently contrasting identities (for instance, ethical citizen and self-focused consumer) may be present simultaneously.

The hypotheses to be investigated are not mutually exclusive. The reputation and sacrifice effects may be related. Individuals may be concerned to demonstrate to others that they are making a personal sacrifice when undertaking an altruistic activity because otherwise their reputation as an altruist may be undermined. This may form part of a deeper explanation for crowding out effects. The presence of material rewards for an otherwise apparently altruistic activity that may compensate—or more than compensate—the individual for any personal sacrifice she makes may create doubt among observers about the altruistic motive for performing the activity: what Bénabou and Tirole (2006, p. 1660) call an "overjustification effect". And, if the individual is aware of this, she may reduce her involvement in the activity concerned. Nor are self-identity and sacrifice exclusive. An emphasis on self-sacrificing behaviour might be considered a particular case of value conformance—self-sacrifice, for instance, being a valorized behaviour in some religious traditions or associated with notions of public service (Perry et al., 2010).

In short, this paper explores individuals' motivations for making ethical purchases. It examines the impact of three distinct but connected factors that have been hypothesized as affecting such altruistic or pro-social behaviour: the extent of the personal sacrifice involved in the purchase, the individual's reputation with family and friends and the individual's self-identity as a moral person.

Some previous studies of ethical consumerism have investigated hypothetical purchases of ethical products and have found some evidence relating to the three factors. For instance, Auger et al. (2003) studied motivations using discrete choice experiments, which required subjects to state their purchase intentions for 32 hypothetical products in two categories—bar soap or athletic shoes. They found that purchase intentions were substantially impacted by ethical considerations, and in fact, participants were willing to make a sacrifice and pay extra for products that had desirable ethical attributes, such as a premium of up to $0.87 for bar soaps that do not feature animal testing and

$10.29 for shoes that did not involve child labour in manufacturing. They published further analyses of their data a few years later which suggested that while respondents are willing to make a monetary sacrifice for a more ethical alternative, they were not willing to sacrifice product functionality (Auger, Devinney, Louviere, & Burke, 2008). In Belgium, Pelsmacker, Driesen, and Rayp (2005) used a similar methodology to measure the willingness to pay for Fairtrade coffee. They surveyed 808 participants and found that the respondents were willing to pay an average price premium of 10% for a Fairtrade label. However, at that time, the actual price premium for Fairtrade coffee in Belgium was 27%, in which only 10% of the sample was prepared to pay. This might be explained by the argument put forth by Elliott and Freeman (2005), that, while consumers are willing to pay more for products made under good conditions, the price of the products affects how much more. For example, participants in their study were willing to pay 28% more for $10 items, and 15% more for $100 items in support if the products were made under good conditions. Furthermore, they were also willing to pay more for the information or the assurance that the product was made under good conditions.

There is also some empirical evidence that is line with our other two hypotheses. Freestone and McGoldrick (2008) examined the motivations of about 1,000 individuals for ethical behaviour using 22 positive and negative motivational statements. Among these was one motivational statement that reflected a concern for reputation, "People who matter to me would respect me for being concerned about this issue" received a mean support of 4.57 on a scale of 1–7, indicating that reputation is an important factor motivating ethical consumerism. Further, two statements that concern a consumer's self-identity, such as "I feel better about myself if I take some form of action against firms that violate this issue" and "This is an issue that I like to be associated with" had mean levels of agreement of 5.31 and 4.99, respectively, thus lending support to our third hypothesis as well.

These studies offer valuable insights into the motivational factors underlying ethical consumerism. However, it is important to note that all the studies discussed above focused on hypothetical products and market simulations, so it is possible that the answers were swayed by a social desirability bias leading to an overestimation of the importance of ethical product features. Our paper contributes to the empirical literature on ethical consumerism by examining motivations for real purchase decisions taken by consumers in the marketplace.

3 | METHODS

To obtain relevant data, we conducted a survey of consumers in two different ethical consumerism settings: (RED) and Fairtrade. Each setting was chosen for its particular characteristics that enabled the specific theories of the factors affecting altruistic behaviour—sacrifice, reputation and self-identity—to be explored.

3.1 | (RED)

(RED), a non-profit organization, licenses the right to sell products that are branded as (PRODUCT)^{RED} to major retail corporations such as Apple, GAP and Nike. A percentage of profits or revenue from the sale of branded (RED) products are donated to the Global Fund, a UN organization that invests in programmes fighting AIDS and other diseases. Since its launch in 2006, (RED) has generated over $650 million. (RED) claims to have impacted nearly 180 million people through prevention, treatment, counselling and HIV testing and care services (RED, 2020a, 2020b, 2020c).

Two features of (RED) products contributed to its selection as a case for the current study. First, since every (RED) product bears the (RED) label and is coloured red, it offers consumers a signalling opportunity and reputational benefits for their pro-social choice. Second, (RED) products are generally equivalent to non-(RED) versions in terms of price, function and quality. In almost all cases, there is no financial sacrifice in the purchase of the (RED) version.

3.2 | Fairtrade

The aim of the 'Fairtrade' movement is to improve the trading conditions for marginalized producers and workers, especially in developing countries (World Fair Trade Organization, 2020). Fairtrade International and associated organizations license products to display the Fairtrade logo; the logo indicates that products have been independently verified as produced, traded and sold in accordance with Fairtrade standards. There are over 6,000 Fairtrade products, of which bananas, cocoa beans and coffee are some of the most successful (Fairtrade International, 2018). Products are available in supermarkets, independent shops and cafés, through catering suppliers and wholesalers, and online.

Fairtrade product prices are set independently by manufacturers or retailers and include the premium paid to producers; they are therefore priced higher than equivalent non-Fairtrade products. The premium generally falls between 10 and 15% of the commercial price for fresh fruits and vegetables, tea, coffee, herbs and spices (Fairtrade International, 2019).

Two features of Fairtrade are useful for exploring consumer motivations. First, because of the price premium, the choice of a Fairtrade product requires a financial sacrifice. Second, there are limited possibilities for the ethical nature of these purchases to be observed by family or friends—at least compared with (RED). Hence reputation, as a motivation for a prosocial act, might be less relevant in this case.

Both (RED) and Fairtrade in principle offer the possibility of self-identity as a motivating force. The purchase of products under either scheme might bring psychological satisfaction by conforming with an actor's values or with their perceived group identity as a member of a wider movement.

We can note the different policy contributions that these cases offer. Fairtrade seeks to provide a market regulation function. It responds to a perceived market failure—the vulnerability of actors in the supply chain and their apparent unjust treatment. The premium paid for Fairtrade products promises direct mitigation of conditions for suppliers of Fairtrade goods; further, consumers' privileging of ethical behaviours in the supply chain may put pressure on other market actors to imitate. (RED), in contrast, is primarily a revenue-generating mechanism: it raises philanthropic funds for social problems unrelated to the market products.

3.3 | Participant selection

Primary data was collected through an online survey on Prolific, a web platform established for survey research. The survey was advertised on the Prolific website to their participant pool and was targeted to individuals residing in the United Kingdom or the United States. This was important because these are the two largest markets for (RED) products. To encourage participation, each respondent was given £2 to complete the survey, which typically took 10 min. The stated purpose of the study was "to understand how individuals make purchase decisions in the marketplace". The study description was kept vague in order to reduce the effect of demand characteristics, where in participants subconsciously change their responses to fit their interpretation of the hypothesis (Orne, 2009). The survey was open for 1 week and was completed by 2020 respondents in total who self-selected into the study through the Prolific website.

The sample composition is shown in Table 1. The dominant age group was 18 to 40-year olds (71%), with two-thirds of the sample identifying as women and two thirds in employment. 71% of the sample were British, and 21%, American. Just over half of respondents had an undergraduate or higher qualification, the median income of the sample lay between £10,000 and £29,999 per annum.

3.4 | Data collection

The survey focused in turn on the cases of (RED) and Fairtrade. Participants were asked whether they had heard of (RED) or Fairtrade, whether they had purchased a (RED) or Fairtrade product and whether they were aware of the (RED) donations to the Global Fund or the Fairtrade practices at the time of purchase.

TABLE 1 Participants' characteristics

		%	Count
Age	Below 18	0.15%	3
	18–30	38.12%	770
	31–40	33.02%	667
	41–50	16.63%	336
	51–60	8.56%	173
	61–70	3.07%	62
	70+	0.45%	9
Gender	Female	66.44%	1,342
	Male	32.87%	664
	Non-binary	0.69%	14
Employment status	Student	11.29%	228
	Homemaker	10.69%	216
	Employed, part-time	21.63%	437
	Employed, full-time	44.36%	896
	Unemployed	4.85%	98
	Retired	3.47%	70
	Unable to work	3.71%	75
Nationality	British	70.64%	1,427
	American	20.99%	424
	Other	8.37%	169
Education	Master's degree or doctorate	14.41%	291
	Undergraduate degree	41.49%	838
	Trade/technical/vocational training	15.50%	313
	School education up to 18 years	17.72%	358
	School education up to 16 years	8.91%	180
	Other	1.98%	40
Income	Less than £10,000	24.07%	486
	£10,000 to £29,999	45.52%	919
	£30,000 to 49,999	20.51%	414
	£50,000 to £69,999	5.40%	109
	£70,000+	4.50%	91
	Total		**2020**

The survey elicited data about the salience of both self-interested and altruistic motivations within participants' purchases. The term 'self-interested' is used here to describe consumer behaviours as conventionally understood, where the purpose is to meet the actor's own material requirements. Such self-interested motivation was thus explored through a focus upon the material aspects of the product that might inform a typical consumer purchase, such as its design, quality and colour. Other questions explored the three proposed motivational factors identified above. To explore reputation effects, buyers of both Fairtrade and (RED) were asked whether products were purchased because their ethical nature would be appreciated by family and friends. To explore sacrifice as a motivating factor, those who purchased Fairtrade products were asked about their perception of the amount of the premium

that they had paid and about their attitude towards the premium. There is no price premium in the case of (RED), but there is the possibility of sacrifice around colour: participants were asked whether they would choose a (RED) product even if it was offered in a colour they disliked. Finally, several questions explored self-identity as a motivating factor, focusing on support for the "cause" connected to (RED) and Fairtrade. In the case of (RED), two further questions explored specific sub-dimensions of self-identity. First, participants were asked whether they derived satisfaction from the reduction in retailers' profits: this question focused on social justice or political view as the value basis for behaviour. Second, as an attempt to gain insight into any group identity mechanism, participants were asked whether they liked "being associated" with (RED). In the case of Fairtrade, participants were asked if they believed in Fairtrade and wanted to support the movement.

A consumer purchase does not always imply deliberate choice between different products—for instance, if availability is constrained. Participants in both cases were asked whether their purchase decision was characterized by a lack of choice rather than deliberate motivation, which we term a "neutral" motivational state. Participants were also invited to give short qualitative explanations of their attitudes towards consumption of (RED) and Fairtrade products.

4 | RESULTS: (PRODUCT) RED

From our sample of 2020 participants, a third (33.6%) had heard of (RED). Of these about a quarter had purchased a (RED) item, often an Apple product.[1] In comparison to the overall sample, purchasers of (RED) were younger, more likely to have a postgraduate degree, more likely to be full-time employed and had a higher income. These age and income characteristics are not unexpected, given that the most commonly purchased (RED) products are relatively expensive technological goods.

Approximately half of the individuals who had heard about (RED) knew that a portion of profits or revenue from every purchase is donated towards AIDS in Africa. Of those who had actually purchased a (RED) item, the proportion who were aware was 65.5%—in other words, over a third of those who bought a (RED) product were not aware of its ethical dimension. Such a purchase without awareness of the ethical dimension is akin to a standard consumer purchase; so in the following analysis, we focus specifically upon the motivations of those who were aware of the ethical dimension of (RED) at the time of purchase.

Responses of this group to the motivation questions are listed in Table 2. The most supported motivation was self-interested: *I like the design of the product* (82.2%), but the second and third were altruistic: *I am happy to support the partnering brand in their cause* (80.4%), and: *I feel strongly about the cause* (72%). The self-interested motivation: *I like the product best in the colour* was reported by 69.2% of the respondents.

What of the theories of the factors hypothesized as affecting altruistic motivation: sacrifice, reputation and self-identity? More than a third (40.2%) of those who were aware of the ethical dimension included the reputation motivation in their lists (*The (RED) branded product would be a signal of my conscious shopping behaviour—something that's appreciated by the people around me*). This seems a sizeable response, given that it could be interpreted as more self-oriented than some of the other motivations, with some respondents possibly more reluctant to explicitly acknowledge the significance of this motivation or indeed to admit it at all. So these figures may represent the lower bound of the actual level of its support.

In most cases, (RED) products are priced the same as their non-(RED) equivalents, so there is no financial sacrifice involved. For some respondents, this was part of the attraction. As one described:

> The product costs no more than the unbranded version and helps a charity so it's a win-win situation in my opinion. I'm always happy to support charities so I would actively look for (RED) branded products.

TABLE 2 Motivation for buying (RED) for individuals aware of ethical dimension when making purchase

Motivation for picking (RED) item	Respondents who answered "applies to me"
I like the design of the product	82.24%
I am happy to support the partnering brand in their cause	80.37%
I feel strongly about the cause and want to do my bit to fight AIDS in Africa	72.01%
I like the product best in the colour red	69.16%
I like being associated with (PRODUCT) RED	59.81%
It makes me happy that the big brands make lesser profits as a result	43.93%
The (RED) branded product would be a signal of my conscious shopping behaviour—something that is appreciated by the people around me.	40.19%
The product I purchased was only available in a (PRODUCT) RED version	29.91%

However, for some respondents at least, there could be a preference sacrifice. Over a quarter of the sample said that they would be likely to buy a (RED) product even if they disliked the colour. Amongst those who did actually buy (RED) products, more than a third (34.5%) said that they would be likely to buy the product even if they disliked the colour, and over half (58%) of those stated that the colour red was not amongst their top three motivations for buying the (PRODUCT) RED. Although we cannot directly infer from this that they disliked the colour in these particular cases, there is at least the strong possibility that they did so (or at least that red was not their preferred colour)—which in turn suggests a willingness actually to incur a degree of sacrifice in pursuit of an altruistic cause. This mixture of attitudes—some willing to incur sacrifice, others not—is shown by these participants:

> I actually don't like the colour red but would like someone to benefit from something I would've bought anyway.

> If I like the product equally in red then I would buy it but if I prefer another colour then I would buy my preferred colour instead.

Most obviously, there are strong indications of a self-identity effect. The most frequently cited altruistic motivations stress a positive evaluation of the "cause" as a reason for purchase. Less frequently (but still over 40% of those who purchased a (RED) product), there is a reference to satisfaction from the reduction in corporate profit—a motivation that implies some conformance to a political position or social justice value system rather than simply compassion for the other. We can note, too, a potential group identity effect, with nearly 60% of (RED) purchasers taking satisfaction from "being associated" with (RED).

Qualitative comments reveal a diversity of values to which participants are seeking to conform. For some, the value is compassion for those in need:

> I like to give something back to people less fortunate.

For others, there is a more political notion of fair distribution:

> If my purchase can benefit someone else, then why not buy it? Why should all profits go to shareholders or level 1 managers, who already make so much?

For many there is a notion of "giving back", implying conformance with some kind of public duty:

> [I would purchase RED] because it helps give something back to society.

There was, finally, some indication of a tension between reputation and self-identity effects. For some participants, public displays of charitable giving did not conform with their self-image:

> I don't like doing things for the purpose of advertising that I support some cause.

> Giving for me is personal, I don't really want or need a way to scream look at me. I made this ethical choice.

5 | RESULTS: FAIRTRADE

Among our sample of 2020 participants, nearly 93% had heard about Fairtrade, of whom 94% were aware of the meaning behind the label. 90.8% of those who had heard about Fairtrade had purchased a Fairtrade product. 84.1% of the total sample (1,698 respondents) reported that they had purchased a Fairtrade product. 80.7% of those Fairtrade purchasers were aware at the time of purchase that the product was likely to cost more than non-Fairtrade equivalents.

96% of participants who reported having purchased a Fairtrade product also reported being aware of the ethical dimension of Fairtrade. We only focus on the motivations of this subset. The motivation questions and responses to them are listed in Table 3. The predominant motive in buying Fairtrade among this group was altruistic. 58.8% of respondents included among their motivations: *I believe in Fairtrade and want to support this movement*. 19.7% reported a primarily self-interested motivation: the quality of the product. Most of the other motivations reported were neutral (neither altruistic or self-interested). Thus 19.4% said that the choice was not deliberate, 10.6% that Fairtrade was the only product available and 11% that they purchased the product because they spotted it first. Of those who made a deliberate choice (i.e., excluding those who had 'neutral' motivations), the proportion was even larger—86.7% of the respondents reported an altruistic motivation, which includes *I believe in Fairtrade and want to support this movement* as well as *My friends/family/peers appreciate my choice to buy Fairtrade*.

What of self-identity, reputation and sacrifice? There is a potentially strong self-identity effect here—the most frequently cited motivation being belief in the Fairtrade cause, suggesting some conformance of behaviour with caring or justice-focused values:

> Fairtrade has had a large impact on my local community and now that I live abroad, I see it as a way of giving back even if I can't do it directly.

TABLE 3 Motivations of purchasers aware of ethical dimension of Fairtrade when making purchase

Motivation for picking fairtrade product	Share of respondents
I believe in Fairtrade and want to support this movement	58.8%
The Fairtrade product is usually of better quality	19.7%
It wasn't deliberate: I only realised after the purchase that the product had a 'Fairtrade' label	19.4%
I spotted the Fairtrade labelled variety first	11%
The only product available was Fairtrade	10.6%
My friends/family/peers appreciate my choice to buy Fairtrade	3.3%

Reputation, on the other hand, seems to have little motivating power as a driver for altruistic purchases of Fairtrade. The proposal around reputation (*My friends/family/peers appreciate my choice to buy Fairtrade*) attracted little support: just 3.3% included it among their motivations. This is not surprising since the degree of observability—key to the reputation effect—within the purchase of these products is likely to be low. This also confirms that belief in the cause of Fairtrade is not driven by external concerns but by internal self-evaluation—a self-identity effect.

What of sacrifice? To investigate this, respondents were asked a set of questions concerning the price premium. 80.7% of those who bought Fairtrade were aware at the time of purchase that the product was likely to cost more than the non-Fairtrade equivalent. Of these, over a quarter (27%) believed the premium was 0–10%, more than half (51%) believed that it was between 10 and 20%, 18% believed it was 20–30%, and 4.3% believed it was above 30% (as noted earlier, the actual premium is around 10–15%).

Table 4 gives respondents' attitudes to the premium. Over half (57.6%) of all respondents who were aware of the Fairtrade label's ethical dimension agreed or strongly agreed with the statement *I am happy to pay a price premium for Fairtrade products because it is the right thing to do*. Of those who actually bought a Fairtrade product, 61.2% agreed or strongly agreed. But, for a small but significant number of respondents, there was a tension. While they reported that they were happy to pay the premium because it is the right thing to do, they also agreed or strongly agreed that *the premium discourages me from purchasing Fairtrade products*: just under one-fifth of the respondents who were aware of the ethical dimension of Fairtrade (16.8%) and who were aware and bought Fairtrade (16.3%) agreed or strongly agreed with both statements. Over 72% of those who agreed with both statements were in the bottom half of the income distribution in our sample (less than £29,999).

We note also that 41.5% of aware respondents agreed or strongly agreed with the statement *I am happy to pay a price premium for Fairtrade products because I believe they are better quality*. This response represents a more traditional consumer focus on price and quality, and yet it is not necessarily felt by respondents to exclude the ethical dimension: 60.7% of the respondents who agreed/strongly agreed that they were happy to pay a premium because it is the right thing to do also agreed/strongly agreed with the proposition around better quality. This suggests that they are willing to make a sacrifice for the ethical aspect of the product, but that they also feel that they are getting some personal benefit from the act.

Qualitative responses brought out some of these tensions. Participants were willing to pay a premium, but only if their circumstances allowed, the sacrifice could not be too great:

> It was at a previous time when I had more income, so I was happy to spend the extra money when it was available.

TABLE 4 Attitude towards the price premium—share of respondents who agreed or strongly agreed with statements

Statement	Respondents aware of the ethical dimension of the Fairtrade label	Respondents aware of ethical dimension and bought a Fairtrade product
The premium **discourages** me from purchasing Fairtrade products	37.37%	34.05%
The premium **does not affec**t my likelihood to purchase a Fairtrade product	43.40%	45.82%
I am happy to pay a price premium for Fairtrade products because it is the **right thing to do.**	57.62%	61.23%
I am happy to pay a price premium for Fairtrade products because I believe they are **better quality**	41.52%	44.11%

> I usually purchase whatever is in my budget, so if Fairtrade is only a little more expensive then I can purchase them but it is dependent on price.

Amongst the purchasers of Fairtrade who are aware of the meaning of the label and who stated *I believe in Fairtrade and want to support this movement* 77.7% agree or strongly agree that they are happy to pay the premium because it is the right thing to do. 14.4% of these also agree that the premium discourages them from purchasing Fairtrade; however, that could be explained by the fact that over three quarters of them (75.7%) fall into the bottom half of the income distribution in our sample.

All this suggests that the motivation structure is complicated. The responses reflect the complex effect of the premium. There appear to be three distinct effects. The first is a positive impact on the purchasing decision resulting from the feeling of doing the right thing, probably arising from the feeling of personal sacrifice that paying the premium involves; the second, another positive effect resulting from the impression that the premium signals higher quality and the third, a negative impact on purchasing arising from the opportunity or personal cost effect. The first effect is an altruistic motivation; the second and third effects are self-interested and fit within the traditional price model of standard economics, albeit operating in opposing motivational directions because of the contrasting impacts of raised prices as either cost or quality signal.

6 | CONCLUSION

Ethical consumerism is an emerging new frontier of social policy. In principle, consumers' altruistic motivations can be mobilized to push for enhanced environmental outcomes and human well-being within market transactions; across a number of functions, ethical consumerism can potentially remedy market and government failures. This study captures a snapshot of ethical consumerism behaviours, and the motivations for these, in two cases with subtly different characteristics. A specific objective of the study is to break down the concept of altruistic or prosocial behaviour into distinct subcategories of motivation. In so doing, it identifies in more intricate detail why individual actors engage in these potentially useful activities and sheds light on how such behaviours might be encouraged.

This study has sought to disaggregate specific factors that may lie behind prosocial behaviour and submit these to empirical investigation. There is support for all three hypotheses concerning altruistic motivation that are of particular interest: reputation, sacrifice and self-identity. More than a third of those purchasing a (RED) product who knew of the cause included the reputation motivation in their lists. As noted above, this seems a significant response, given some respondents might be reluctant to acknowledge this motivation. If this reluctance does exist, then these figures represent the lower bound of the actual level of its support. The fact that few Fairtrade purchasers cited the impact on reputation as a motivation can be explained by the low observability of the activity.

Paying the premium was described as *the right thing to do* by over half of our sample who bought Fairtrade, suggesting that a majority were prepared to make a material sacrifice in order to further a non-self-interested cause. Indeed, by assenting to the phrase 'the right thing to do', they could be interpreted as making a universal judgement that everyone should behave in this way. So, it appears as though the presence of the premium and the sacrifice involved enhanced the motivation associated with the purchase of Fairtrade products. Although there was no price premium in the case of (RED), there were indications from the data that some kind of sacrifice might be relevant, with over a quarter of the sample saying that they would be likely to buy a (RED) product even if they disliked the colour. Amongst those who did actually buy one or more (RED) products, more than a third (34.5%) said that they would be likely to buy the product even if they disliked the colour. Finally, there are strong indications of a self-identity effect in the cases of both (RED) and Fairtrade.

So the study confirms that consumer behaviours are not always an expression of material self-interest within a private transaction. Altruistic motivations can exist within consumer market activity; they are not crowded out by directly self-interested concerns but exist in complex and nuanced interaction with such concerns. Our evidence

suggests that these motivations might be strengthened in various ways, so that the supply of ethical consumers or the extent of their behaviours might be increased. In particular, there is support here for the relevance of motivational theories of sacrifice, reputation and self-identity to the field of ethical consumerism. Thus, the association of the transaction with a degree of sacrifice can be a motivating force for consumers. So too can the extent of observability of the altruistic activity, which contributes to the positive reputation of the individuals concerned among their family and friends. Self-identity is a significant motivational driver and appears to exist separately from sacrifice effects (in the case of Fairtrade) and reputational effects (in the case of (RED)).

However, the study also indicates the complex mix of motivations within ethical consumer activity—and how the relative salience of altruistic and self-interested motivations may change depending on the product or transaction context. This in turn creates challenges of context sensitivity for retailers and policy-makers in the ethical consumer field. Take sacrifice, for instance. Some extent of sacrifice specifically in terms of monetary premium or colour of a product may be motivating, but sacrifice in terms of style, functionality and quality may not be. In short, promoting sacrifice may need to focus on price or non-essential quality aspects.

Issues around observability and reputation also require sensitivity. While the findings here indicate the positive effect of being seen by others to be acting ethically, there is a caution. An over-emphasis on observability of altruistic acts can risk the perception that the motivation is self-serving (a self-interested desire for reputation) rather than prosocial (Bénabou & Tirole, 2006). The risk is twofold: over-justification in terms of internal self-identity that reduces positive psychological benefits and an erosion of the very reputational effect that is sought by displaying one's altruism to others. The policy and practice challenge is, therefore, again one of balance and sensitivity to context, actors and effect. The approach of (RED) is, arguably, an example of such sensitivity—the signal of altruism is subtle (a colour) rather than aggressive. In sum, if it is a goal of policy and practice to increase engagement in ethical consumerism to support the policy functions described earlier, then such sensitivity to delicate combinations of motivational mechanism is necessary.

There are other policy implications. The government can use the results of this kind of research to support activities in its own sphere. Thus, if personal sacrifice, self-identity and reputation are important motivators of altruistic activities, as our results suggest, policies designed to affect these could (in the spirit of Titmuss) support the provision of social services. Volunteer staff at hospitals or schools sometimes wear uniforms to increase their visibility. Such visibility, as a signal of the individual's altruism that is recognized by observers, may crowd in or strengthen altruistic motivation by acknowledging sacrifice or supporting actors' self-evaluation of their own behaviour as moral. Payment for blood "donation" or indeed for any form of voluntary activity may reduce (or even eliminate) the sacrifice involved and is indeed likely to cause crowding out of the voluntary component, as Titmuss argued. Charitable donations of time and money could be made more public—as indeed we see in certain forms of community fundraising such as Comic Relief—although in such cases, there can remain a hazard of crowding out: too much community recognition, or even too much enjoyment in the case of Comic Relief, might compromise a sense of sacrifice or the evaluation of behaviours as conformant with values.

There are many questions about the effectiveness of ethical consumerism in making a meaningful contribution across the three social policy functions—market regulation, revenue-raising, political signalling—described in the Introduction. Such debates lie beyond the scope of this paper. There is, however, one relevant concern: do the very mechanisms that are used to increase individuals' motivations support or impinge upon impact and outcomes? In the present study, the different dimensions of altruistic motivation retain in common some sense of an underlying positive affective state, whether derived from conformance to self-identity, from pleasure at being recognized as ethical, or from fulfilment of duty by being sacrificial. Ethical consumerism behaviours might therefore be directed towards those areas that have affective appeal or are familiar as a political cause, not those of greatest need; it may be directed to emotionally attractive, rather than empirically proven, solutions. In consequence strategies to increase engagement in ethical consumerism may not be accurately aligned with maximising social benefit. There is a parallel here in the context of philanthropic giving, where appeals to emotion can generate more resources—but not necessarily to those causes where interventions are most impactful (MacAskill, 2015). Improved information, including independent verification of companies' ethical claims by civil society organisations, is one way forward to support

more impactful consumer decisions (Delmas, Lyon, & Jackson, 2020). Such potential tensions and trade-offs between increasing participation in ethical consumerism and the social impact of such ethical consumerism initiatives require further exploration.

ACKNOWLEDGEMENTS

This research was supported by the Marshall Institute at the London School of Economics. We received helpful comments from Nava Ashraf, Stephan Chambers, the referees for this journal and the participants at the second Marshall Institute Research Institute Symposium, January 2019.

CONFLICTS OF INTEREST

The authors declare no conflicts of interest.

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ENDNOTE

[1] The most common (RED) purchases in this survey were, in order: iPhone RED, iPod RED, Converse RED shoes, GAP RED T-shirts and Apple watch RED band.

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How to cite this article: Le Grand J, Roberts J, Chandra G. Buying for good: Altruism, ethical consumerism and social policy. *Soc Policy Adm*. 2021;1–15. https://doi.org/10.1111/spol.12729