

"Greening" packaging may confuse consumers if not done carefully

WHAT WAS THE RESEARCH QUESTION?

Could some environmentally friendly packaging and labeling be leading consumers to perceive eco-friendly products as inferior to regular products?

Category ambiguity is an important concept for understanding how consumers respond to products. It's easiest for consumers to evaluate a product when it obviously belongs to a group of similar items and can be rated against them. When it's not clear which group a product belongs to, consumers can experience category ambiguity, become confused, and lose interest.

Could some packaging and labeling practices create category ambiguity for environmentally-friendly products and cause consumers to underrate product performance?

WHY IS THIS STUDY IMPORTANT?

Many consumers say they want environmentally-friendly products, but then they don't buy them. The problem may be category ambiguity caused by packaging and labeling practices.

When consumers don't see enough evidence for slotting a product into the "environmental" category, they may rate it not against other environmental products but against regular

products.

This false grouping works against the environmental product because eco-friendly options are generally perceived as performing less well than standard offerings.

HOW DID THE RESEARCHERS CONDUCT THE STUDY?

The researchers conducted three interlinked experiments involving a total of 361 undergraduate students. In each case, students were shown images of products that featured either a single environmental cue—the colour green or an eco-label—or both cues. The researchers chose a different cleaning product for each study: Tide laundry detergent, Dawn dishwashing soap, and Colgate toothpaste.

In each experiment, participants were asked to respond to the different product images by rating the product's performance and stating the likelihood of their buying it. Researchers ran participant data through a computer simulation to analyze the effect of these reactions on the intent to purchase.

Ethan Pancer, Lindsay McShane, and Theodore J. Noseworthy, "Isolated environmental cues and product efficacy penalties: The color green and eco-labels," *Journal of Business Ethics* 143, no.1 (June 2017): 159-77.



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WHAT WERE THE MAIN FINDINGS?

Through each phase of the study, participants consistently rated product performance as follows:

Green colour only	Inferior to regular product
Eco-label only	Inferior to regular product
Green colour and eco-label	Equivalent to regular product

These results supported the hypothesis that a single environmental cue causes "category ambiguity," in other words, a confused consumer. This confusion corresponds with a negative impact on perceptions of product performance.

"...a product with green packaging and no eco-logo (i.e., an ambiguous environmental cue) leads to significantly lower purchase intentions than an identical non-green product, and this drop occurs following a decrease in perceived efficacy."

The computer simulation further showed that participants were significantly less likely to buy the products perceived as less effective.



HOW CAN YOU APPLY THE FINDINGS IN YOUR BUSINESS?

- Whether or not you're selling eco-friendly products, consider how a product's packaging and labeling align with categories in the consumer's mind. Is it clear to the consumers against which group of products they should evaluate your product?
- If you're using green on packaging, keep in mind that it signals "eco-friendly" to many consumers, even if that's not your intended message.
- When you're packaging an environmentally friendly product, include multiple "environmental cues" to make it easy for consumers to understand it fits the environmental category. The colour green and eco-labels are just two of many possible cues you could use.