

Pursuing Status through Ethical Consumption?

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Abstract

On one level ethical consumerism is concerned with a collective effort to make the world a better place for all its inhabitants. Status consumption, on the other hand, is a mechanism for elevating some individuals above the common herd. That these two forms of consumption can coexist is something of an oxymoron. This paper argues that, for some consumers, so called 'ethical' products serve as a means of positioning themselves as part of an elite. If true this raises issues for advocates of ethical consumerism as a means of achieving real change.

Keywords: ethical consumer, status, sustainable, fair trade, motivation

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Introduction

There are a core group of consumers who are absolutely committed to the ethical consumer ethos (Bird and Hughes, 1997). This suggests that products will continue to be developed in order to appeal to this segment of consumers. The outcomes desired by the core activist group of consumers are unlikely to eventuate until sufficient market, or political, pressure is exerted, that instigates a change towards more ethical models of production. If ethical products are positioned as status products, this potentially increases the number of consumers who may be inclined to purchase such products. Further, status helps to increase the attractiveness of the segment to producers, as it implies that a higher price can be obtained. The consistent finding that some consumers are willing to pay a premium for environmental or ethical attributes highlights the desirability of this market (Blamey and Bennett, 2001; Nimon and Beghin, 1999). The positioning of ethical products as status products is not without consequence; barriers may be erected that decreases the likelihood of achieving desired outcomes. If a premium is attached to ethical products this can potentially exclude vast numbers of consumers, on the basis of affordability and class associations. Presumably less affluent consumers will need to continue to consume the less ethical product. A market signal will be sent to producers that non-ethical products should continue to be produced.

The potential ability of 'ethical' attributes of products to be used as a means of differentiation has been previously noted (Peattie and Peattie, 2009). Yet, the extent to which status concerns drive the consumption of so-called ethical products is not known. The remainder of this paper reviews the literature on ethical consumption and status consumption, and develops a series of research propositions. The implications of this are discussed, and a research agenda is outlined.

Ethical Consumerism

The economic, social, and environmental sustainability of capitalism has often been questioned (Durning, 1992; Marx and Engels, 1996/1848; Schumpeter, 1950). Derived from this tradition, two basic criticisms of contemporary consumer culture have been advanced. First, consumption through its sheer volume has directly led to wide scale degradation of the planets environmental wellbeing (Gould, 2003; Strasser, 2003). For example, many scientists argue that humanity has contributed to global warming through increased burning of fossil fuels and deforestation (Schlesinger, 2008). Much of this activity has occurred to satisfy the whims of consumers (Featherstone, 2007). A second criticism, of rampant consumerism, is that consumer culture emphasises materialism to the detriment of the spiritual well-being of society, and that excessive individualism is promoted, thus destroying collectivist values (Droege *et al.*, 1993; Strasser, 2003). Klein (2000) argues that corporate malfeasance, in catering to the desire of consumers, has led to the establishment of sweatshops in the developing world, at the expense of productive jobs in the west. This is seen as damaging the fabric of both societies.

The potential power of consumers to influence environmental and social outcomes through their market choices has been championed by some as a vital process in securing a sustainable future for both the Earth, and for humankind (Mayo, 2005; Nicholls and Opal, 2006). The argument is that by choosing products that they perceive as ethical, and avoiding products seen as unethical, consumers will send a signal to the market as to what should or should not be produced. This philosophy is seen as addressing both the harm that is done to the planet through the greed of

consumers, and promoting a more caring and philanthropically oriented society (Kozinets and Handelman, 2004). Generically this approach has been labelled ethical consumerism.

There is some debate as to what should or should not constitute an ethical product (Caruana, 2007). Given that ethical perceptions are to some extent subjective, this is not surprising. Nevertheless, ethical products can be categorised into three broad overlapping categories that address the concerns of consumers. These are human ethical concerns (HEC), animal ethical concerns (AEC), and environmental ethical concerns (EEC) (Tallontire, 2001; Wheale and Hinton, 2007). HEC is often characterised by issues such as fair-trade, child labour, employee welfare, and supporting local communities. Whilst very different, HEC issues share common ground in that they concern the welfare of human beings and human communities. AEC is often characterised by issues such as the testing of products on animals, anti-hunting campaigns, and concerns about the welfare of animals grown for food. EEC is personified by a wide range of concerns including deforestation, food miles, carbon emissions and GM organisms.

Oft cited examples of ethical consumerism include the boycotts of products and organisations that have been perceived to be unethical, such as the extensive consumer boycott encountered by *Nike* after the *New York Times* exposed questionable labour practices at some of their Asian suppliers in the 1990s, and the boycott of Shell after the sinking of the *Brent Spar* oil rig in 1995 (Porter and Kramer, 2006). In a positive vein, consumers' preference for dolphin-safe tuna has been seen by some as promoting ethical fishing practices (Teisl, Roe and Hicks, 2002). The ethical consumer is a pivotal character in the development of the corporate social responsibility ethos that pervades much of the business literature. In addition to doing 'the right thing,' students and businesses are often informed that direct financial benefits flow from adopting ethical practices. In part, these financial benefits are seen as flowing from consumer preference for ethical products.

There is a developing stream of research into ethical consumerism (Carey, Shaw and Shiu, 2008; Carrigan and Attalla, 2001; Chatzidakis, Hibbert and Smith, 2007; Ozcaglar-Toulouse, Shiu and Shaw, 2006). In spite of this interest only minimal research has been conducted into the motivations of those who consume ethical products. There is some evidence to suggest that ethical consumers are motivated not by the consequences of their actions, but primarily by a sense of personal integrity (Shaw and Shiu, 2003). In other words, they consume products that they perceive to be ethical, in order to feel good about themselves

It is important to note that there is a degree of scepticism that exists in respect of the effectiveness of ethical consumerism as a mechanism of change. A criticism of particular interest is that green (and by implication, ethical) marketing acts simply as a source of differentiation between products and brands, and neglects to encourage a reduction in consumption (Peattie and Peattie, 2009).

Status Consumption

Differentiation between individuals and groups has been acknowledged by many social scientists as a near universal phenomenon. It applies across a variety of social situations wherein people are sorted into different social roles, to which different responsibilities, rights and rewards are attached (Gould, 2002). The pursuit of status is a phenomenon that has been observed in virtually all human societies (Sahlins, 1963). Status can be acquired through assignment (nobility), achievement (outstanding sporting performance), or via consumption (Eastman, Goldsmith and Flynn, 1999). A strong argument has been advanced that specific

products and brands, and the manner in which they are consumed, assist in conferring status on their owner (McCracken 1988; Packard 1959).

Veblen's (1899) theory of conspicuous consumption is premised on the notion that when individuals consume luxury goods and services conspicuously they are sending a signal to others about their relative status in society. Mason (1981) views satisfaction resulting from conspicuous consumption as being a consequence of audience reaction to the wealth displayed by the purchaser, and not from the actual qualities of the good or service. In order to satisfy this desire society produces so called 'positional goods' that are more expensive than other goods, and as such designate their owner as being successful and in possession of high status (Frank 1985; 1999; Hirsch 1976). Adopting a Warnerian view of social class (Warner, Meeker and Eells, 1949), the consumption of positional goods by the upper echelons, made possible by high levels of economic and social capital, serves to distinguish them from the lower classes.

Status consumption has a strong, but not absolute, relationship with conspicuous consumption (O'Cass and McEwan, 2004). Status is also derived from characteristics other than wealth. Status might also be attributed to individuals who possess traits such as kindness, bravery, compassion, honesty, and humour (Jaeger, 2004). One way that status might accrue to an individual is that they are perceived as being a better person than their contemporaries. The products that an individual consumes send a message about the type of person that they are. A person who consumes ethical products, such as free-range eggs, fair-trade coffee and chocolate, or an electric car, might be considered to be a good person, and as such a person of high status. The desire for status may, in some individuals, be the primary determinant of whether or not they consume ethical products.

The Pursuit of Status via Ethical Consumption

It can be considered something of an oxymoron that status consumption and ethical consumerism can coexist. Nonetheless, there are conceptual reasons why ethical products could be considered as status products. Ethical products possess many characteristics in common with status products. Status, in broad terms, can be defined as "high rank on some dimension that is held by society to be important" (Ball and Eckel, 1996, p. 381). Ethical products can be perceived as having a high rank on a dimension that some elements of society value intensely. As such, it can be considered that ethical products might be perceived to possess high status:

P1: Ethical products are perceived as having high status value

Conspicuous consumption is premised on the notion that wealth, and consequently status, can be displayed through publicly visible consumption. Regardless of actual pricing, many products, perceived as ethical, are perceived as possessing a high price, relative to similar products, that are perceived as having been produced in a less ethical manner (Shaw and Clarke, 1999; Uusitalo and Oksanen, 2004). The reality of a perception of higher price is that not all consumers may feel they are able to afford ethical products on a regular basis. For the status-driven consumer this is an important consideration. It can be argued that perception of a high price has the effect of increasing the perceived conspicuous value of a product; hence its value as a status product:

P2: The higher the perception of the price of an ethical product the higher it's perceived conspicuous value

It is not a prerequisite that an ethical product carries a price premium. The status-seeking consumer of ethical products may still find value in ethical products through product attributes, other than price (e.g., packaging, labelling, brand and ingredients), that serve as a point of differentiation from the consumption habits of the masses. The social theorist Bourdieu (1984) argues that social life is a multi-dimensional status game in which individuals compete for economic, social, and cultural capital. For those who do well in this game, the reward is status. Of primary interest here is the concept of cultural capital. An individual might possess cultural capital if they have distinctive and socially rare skills, knowledge, tastes and habits. Different fields (e.g., the arts, politics and education) serve as arenas in which individuals compete for position in social hierarchies. The form that cultural capital takes is malleable to the pertinent field. Bourdieu (1984) describes how in consumption spheres, such as food, clothing and popular culture, cultural capital can be acquired. Consumption provides evidence of tastes and preferences redolent with cultural capital. It has been argued that ethical consumption is indicative of cultural capital (Cherrier, 2005). The consumption of organic (Buck, Getz and Guthman, 1997; DuPuis, 2000), and whole foods (Johnston, 2008), have been seen as an activity that signifies the consumer is part of an elite class of people. They are elite based on their superior tastes and preferences. This is revealed by the comments of a respondent in Shaw *et al.* (2005) research: *“It’s very much the in thing to be ethical and aware and it comes across as being intellectual as well . . . that you have an awareness and that you have the education to know about these multinationals or about these issues. Therefore, if you’re putting Cafe’direct in your trolley and driving around with it then you’re saying to other people I’m clever enough to know the difference between this and Nescafe.”*

P3: Ethical products are perceived as being symbolic of high levels of cultural capital

If a consumer is motivated to consume ethical goods and services due to a perceived increase in status, this implies that it is necessary for others to be aware of this occurrence. Bearden and Etzel (1982) illustrated that publicly consumed luxuries are subjected to strong reference group influence, and that privately consumed necessities are less likely to be influenced by reference group influence. Attempts to communicate non-visible consumption in order to boost status might be considered to lack credibility. Boasting (showing self-concern with status) might actually serve to reduce status (Chao and Schror, 1998); rendering the consumption of non-visible products ineffective as a means of communicating status. It is proposed that it is more likely that a status conscious individual will consume a publicly consumed luxury ethical product than a privately consumed necessity ethical product. It also follows that a status driven consumer will attach little status value to privately consumed ethical products.

P4: Relative to privately consumed ethical products, there will be higher levels of status motivation for publically consumed ethical products

As new and more ethical products emerge the status driven consumer may feel pressure to obtain and display these items in preference to the products that they already own. Duesenberry’s (1949) demonstration effect (“keeping up with the Joneses”) suggests that if a consumers acquaintances possess items of a higher standing than their own the consumer will be motivated to increase their level of consumption in order to maintain the status quo. By choosing to consume an additional product such a consumer will place an additional imposition on resources due to a desire to communicate their ethical status to others. Such an occurrence is directly at odds with the ecologists’ mantra of ‘reduce, reuse, and recycle’. From an ecological standpoint additional goods and services should only be consumed if these directly lead to a

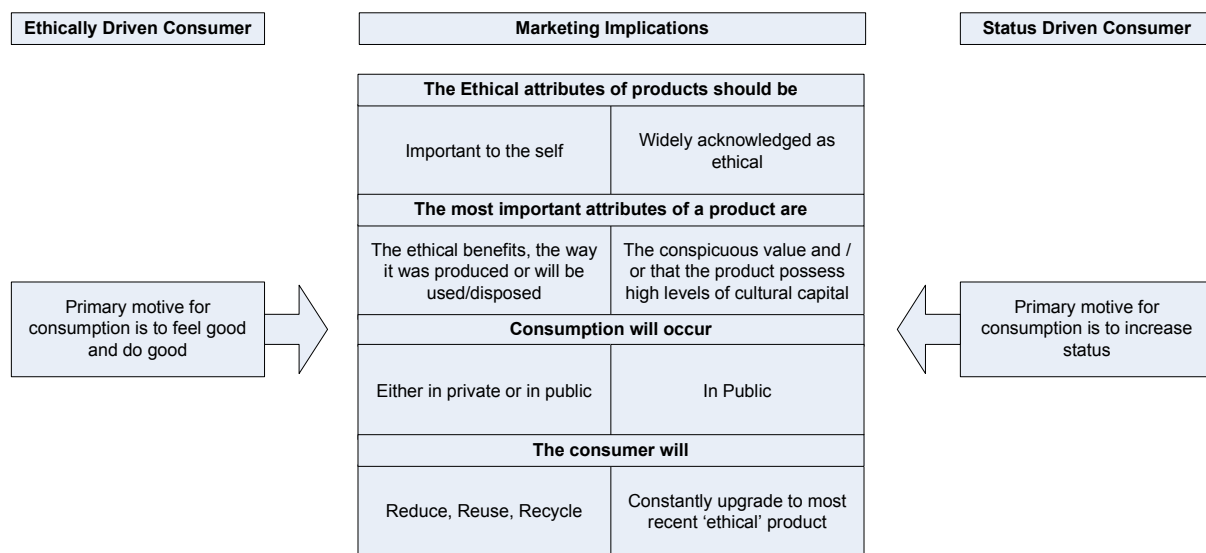
reduction in harm over time. Hence, it is plausible that a difference will exist between the consumers of ethical products in their frequency of purchase of ethical products, dependent on whether their primary motivation for consumption is ethicality or status.

P5: Relative to ethically motivated consumers, status motivated consumers of ethical products will be more likely to consume the latest model of a product.

Implications and Research Agenda

Some of the marketing implications of the nature of consumer motivation for the consumption of ethical products are summarised in Figure 1. It can be argued that consumption of ethical products driven by a desire for status will not necessarily result in greater ethicality. The upper social classes do not appear to be inclined to question why those with lower economic and cultural capital have barriers to the consumption of ethical products (Johnston, 2008). Such an attitude implies that ethical products will continue in the foreseeable future to remain a source of differentiation between groups and individuals. Lower social groups will continue to consume non-ethical products thus encouraging unethical practices.

Figure 1: Proposed Implications of Motivation for Consuming Ethical Products



In this research the perspectives of individuals from different socio-economic backgrounds are theoretically interesting. It is possible that lower-socio economic individuals will be less familiar with high status ethical products and may view the association of status with ethical products differently than individuals from higher socio-economic backgrounds. Hence, a stratified purposive sampling approach will be used to ensure that the sample is representative of a range of social groups. Parent teacher associations at schools with different decile ratings (The New Zealand Ministry of Education classifies schools by decile ratings, a proxy for socio-economic status) will be approached to recruit participants from amongst their ranks in return for a small donation. It is proposed that the research propositions put forward in this paper are investigated by way of depth interviews in order to obtain rich qualitative data (Seidman, 1991). It is acknowledged that social desirability bias is likely to be an issue in this research as consumers are unlikely to admit to consuming ethical products for status reasons. A projective interviewing approach will be employed to minimise socially desirable responses (Rook, 2006).

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