A small charge for a big result: The case of M&S shows that choice can encourage positive environmental behaviour

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Encouraging individuals to change their behaviour towards the environment is an increasingly important area of policy-making. Julian Le Grand and Kate Disney find that the introduction of a charge for plastic bags in Marks and Spencer shops successfully encouraged proenvironmental behaviour and explore the implications for environmental policy.



Policymakers are increasingly interested in knowing how people can be persuaded to curb the waste they make, to decrease the air and water pollution they generate, to throw away less, or to reduce their carbon footprint. This interest generates a number of questions. Should government rely upon people's sense of social responsibility or their feelings of public duty to behave appropriately, perhaps by simply supplying individuals and households with information about the environmental cost of their activities? Or should government instead try

directly to regulate or in other ways penalise activities that have an adverse impact on the environment?

Regulation could take the form of imposing bans or other legal restrictions on those activities. An alternative is to provide a financial incentive to reduce the activities by imposing a charge or tax on them, or on the waste they generate. We have studied the case of the retailer Marks and Spencer (M&S), which introduced a five pence charge for plastic bags in 2008 and found the change successfully encouraged pro-environmental behaviour. If a significant shift in social beliefs and action can be the result of a relatively small fee over a relatively short period of time, the implications for social and health policy could be enormous.

Between April and December 2008 we conducted two surveys to assess behaviour and motivation: a 'before' survey when plastic bags were freely available and an 'after' survey following the introduction of the 5 pence charge at M&S locations in London, Brighton and Swindon. We found the charge on plastic bags not only increased the reuse of such bags in M&S but also at other stores where there was no charge. Specifically:

- 17 per cent of respondents stated in the 'before' survey that they would reuse bags more at M&S in the future, compared to 38 per cent in the 'after' survey.
- 38 per cent of respondents were more likely to reuse at other food stores (where there is no charge) with only 0.7 per cent saying that they were less likely.

The second finding is particularly interesting. For it suggests that the proenvironmental behaviour has been 'crowded-in': that is, it has been internalized to such an extent that people reused bags in stores even when there was no incentive to do so. Moreover, we found evidence that bag reuse may have quickly become internalized to such an extent that it was no longer even simply a social norm, but had become a moral norm for shopping not only at M&S but at other food stores. For example:

- the 'after' survey showed that after the introduction of the charge people were 41 per cent less likely to agree with the statement "People (society, friends or family) would criticize me if I used a bag".
- Before the charge, 69 per cent of respondents strongly or partly agreed that people would only use less plastic bags if there was a financial incentive. This dropped to 52 per cent in the 'after' sample.

On the question of guilt, more contradictory results arose about the intrinsic motivations of the M&S customers. Whilst, 65 per cent of the 'before' survey respondents agreed that they felt guilty if they took a plastic bag, only 48 per cent of 'after' survey respondents reported feeling in the wrong. There are two possible explanations for this result: Making a five pence payment to charity for the bag freed them from the burden of their guilt, or perhaps that guilt no longer plays any role at all after the change because customers were motivated by a genuine desire to reuse their bags due to positive adherence to and identification with the moral norm.

Ryan and Deci's <u>self-determination theory</u> helps explain the psychological processes which might be underpinning these results. The theory proposed is that external stimuli will *crowd-in* or induce more altruistic behaviour if it is perceived as supporting or reinforcing but that it will *crowd-out* (or reduce altruistic behaviour) if it is perceived as controlling. The M&S regulation supported a policy that most people believed in (reducing plastic bag consumption), that was regarded as fair, that gave a choice about the relevant behaviour rather than being forced into it, and that made people feel that they were supported. It is these winning set of features which successfully resulted in internalized pro-environmental behaviour.

To generalize these results, further study is required with a larger sample size of more diverse customers and stores. A longer time period would provide more insight into how internalized the behaviours really became and perhaps pinpoint the exact tipping point to that internalization. But nonetheless there may be useful lessons to be learned from natural experiments such as this. To deal properly with environmental problems we must find policies that not only make it economically sensible to behave responsibly with respect to the environment, but that also enhance our fundamental motivations for doing so. The results of this study suggest that charging for environmental 'bads' in some contexts may be just such a policy.