

Sustainable Behavior: How Individuals Practice Sustainability In Their Everyday Lives

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Sustainable Behavior: How Individuals Practice Sustainability In Their Everyday Lives

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Abstract

This paper summarizes the results of a field experiment carried out by Turning Point Macro and Knari Consulting in March 2021, whose goal was to understand how much attention individuals pay to climate change and to environmental and social responsibility - the considerations, which are swiftly becoming pivotal for corporate conduct. During the experiment, we have shared 82 short, sustainability-themed videos with 31 volunteers around the globe, asking them to watch the videos that caught their attention and to report their reaction. We have also conducted two user surveys - one in the middle, and one at the end of the experiment, asking the users about their daily sustainability routines and sustainability themes they identify the most with. We have found that sustainability is gaining traction worldwide: 90.3% of the users surveyed are now incorporating at least one sustainable practice into their daily routine. Not all sustainability aspects receive the same attention, however. While 68% of the users practice recycling and 52% work on improving energy efficiency of their homes, only 13% check an ESG or governance rating when investing in a financial product. Among age groups, millennials show greater commitment to sustainability than general population in 3 out of 5 sustainable behavior categories.

JEL Classification: C93, D10, D71, G11, Q01

Keywords: Field Experiment, General Household Behavior, Social Choice, Investment Decisions, Sustainable Development

*ANY OPINION EXPRESSED ARE THOSE OF THE AUTHOR(S) AND NOT NECESSARILY THOSE OF
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Introduction

In March 2021, Turning Point Macro and Knari Consulting carried out a field experiment, whose goal was to understand how much attention individuals pay to climate change and to environmental and social responsibility - the considerations, which are swiftly becoming pivotal for corporate conduct. During the experiment, we have shared 82 short, sustainability-themed videos with 31 volunteers around the globe, asking them to watch the videos that caught their attention and to report their reaction. We have also conducted two user surveys - one in the middle, and one at the end of the experiment, asking the users about their daily sustainability routines and sustainability themes they identify the most with.

Methodology

During our experiment we sent our volunteers - who included students, professionals and corporate executives and had no explicit or implicit reward for participating in the experiment - 14 daily Google forms with 4 to 8 embedded YouTube videos. We gave our volunteers 30 days to watch the videos and instructed the volunteers to watch only the videos that attracted their attention and to fill in the response form for each video they watched. The response form included whether a participant watched more than 75%, around 50%, or less than 25% of the video, gave the video thumbs up, thumbs down, or had no reaction to it, and would have liked to save the video for future reference. We have also carried out two user surveys, one on the 8th and another on the 15th day of the test.

Our videos focused on such themes as healthy living, biodiversity, cultural diversity, innovation, economics, finance, management, and entrepreneurship. Each video was a minimum of 90 sec and a maximum of 7 min 22 sec long and has been selected from the initial pool of 241 videos.

Figure 1: Experiment Participants

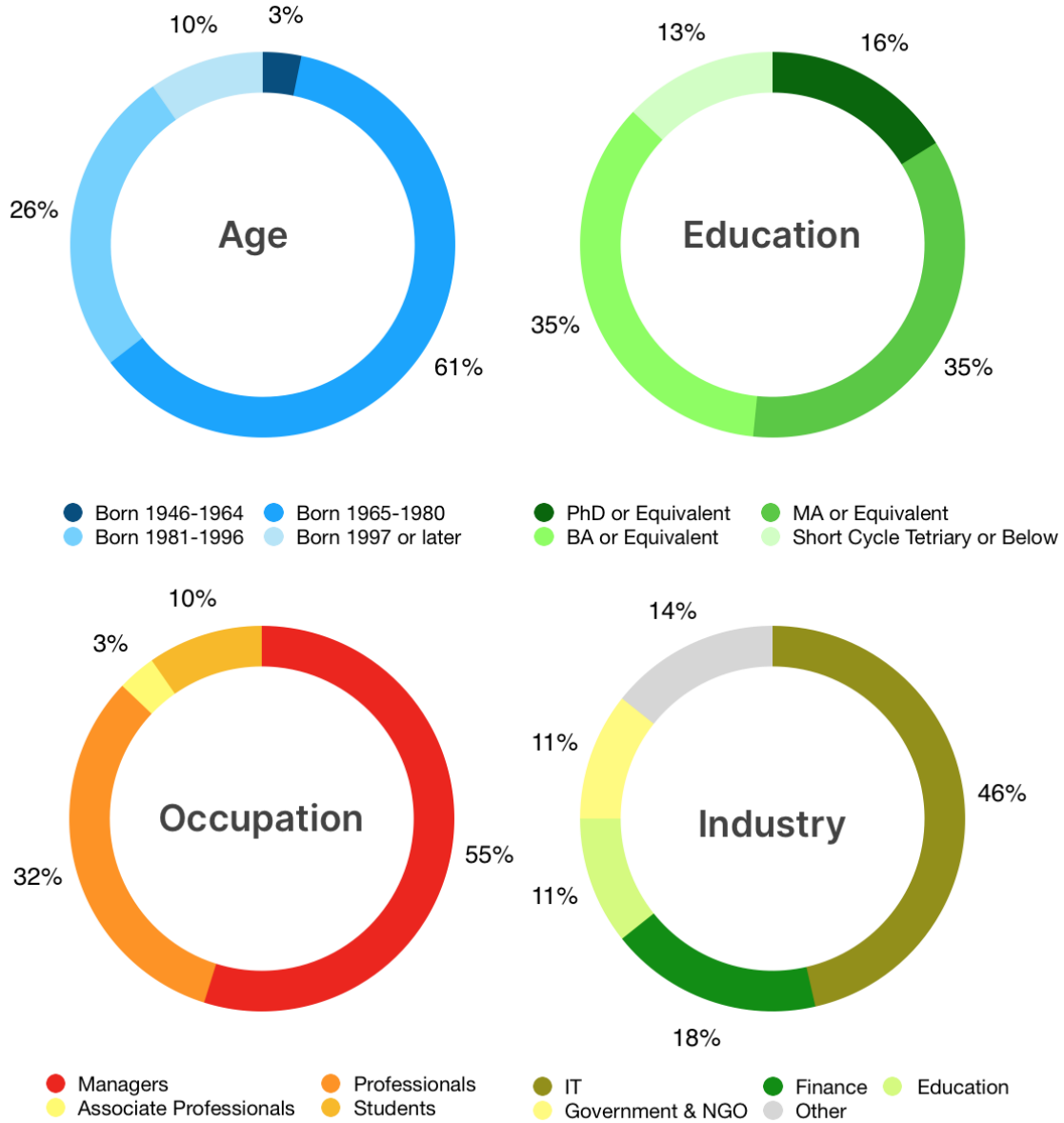


Table 1: Video Providers List

Provider	Videos	Total Time	Provider	Videos	Total Time
A16Z	3	0:09:50	Nordea	1	0:04:07
Abigail James	3	0:13:57	PIMCO	1	0:04:20
ARK Invest	2	0:08:47	Refinitiv	1	0:02:48
BBC Earth	4	0:13:11	Sequoia	1	0:01:17
Bloomberg	9	0:27:44	Smithsonian	4	0:12:43
BNP Paribas	1	0:02:14	Sngpre Mgmt U	3	0:10:06
Business Insider	5	0:29:05	Sprouts	3	0:12:44
CNBC	1	0:04:24	Stanford	4	0:12:28
CNN GBS	6	0:20:52	StartupBC	2	0:06:17
Food52	2	0:04:32	TD Ameritrade	1	0:07:06
FT	2	0:05:49	TED ED	6	0:26:31
Gordon Ramsey	2	0:07:20	UBS	1	0:05:41
Hosco	2	0:07:30	WSJ	1	0:05:39
Insead	4	0:10:24	Y Combinator	4	0:14:50
N Geographic	3	0:09:42	Total	82	5:01:51

Table 2: Selected Questions from Our Surveys³

Q1. How old are you?

- Born in 1997 or later
- Born 1981-1996
- Born 1965-1980
- Born 1946-1964
- Born in 1945 or earlier

³ Our surveys focused on a number of topics, including the experiment design itself. Here we provide the details of questions pertaining to sustainability only

Q2 What does sustainability mean to you?

When you think about sustainability, what themes do you think about (check all that apply)

- Biodiversity and nature
- Corporate governance, transparency and values
- Corporate sustainable performance
- Cultural diversity
- Environment and climate change
- Green economy and resilient growth
- Healthy living
- Innovation (including FinTech, Big Data, Blockchain, and AI)
- Sustainable industries (agriculture, energy, healthcare, infrastructure, etc.)
- Sustainable investment and green finance

Q3 Is sustainability a part of your daily routine?

When you incorporate sustainability in your daily lives, what actions do you take (check all that apply):

Healthy Living:

- I learn about health
- I regularly exercise
- I focus on eating healthy food
- I am a vegetarian/vegan
- I work on self-improvement

Sustainable Home

- I separate garbage (for recycling)
- I do my best to make my household energy-efficient

Sustainable Consumer

- I check whether products I buy are organic/sustainably sourced or energy efficient
- I opt to purchase organic/sustainably sourced or energy-

efficient products even if they cost more

Sustainability News

- I read news about sustainability

Sustainable Investing

- If I invest in a financial product (a company stock, an ETF, etc.), I check its ESG/sustainability/governance rating
- If I own a financial product (a company stock, an ETF, etc.), a drop in its ESG/sustainability/governance rating will make me sell what I own

Q4 Was taking a part in this experiment worth your time?

- Yes
- No

Q5 What topics have you found the most engaging?

We have shown you videos on several topics. Which topics have you found the most engaging/worth your time to watch so far? (Select in the order of preference)

- Culture
- Economics/Finance
- Entrepreneurship
- Food
- Health/Human Body
- Innovation/Start-Ups
- Management/Leadership
- Nature

Limitations

Because our experiment was designed to generate insights into actual rather than declarative user behavior (i.e. it tracked video watch time and reactions, as well as asked about sustainable actions accomplished), it was conducted on a limited tester set.

Furthermore, our experiment involved a self-selected group of volunteers. The gender of our testers was approximately even (51.6% female and 48.4% male), Our group was highly educated (with 87% having a Bachelor's degree or above), high earning (with 87% classified as managers or professionals according to International Standard Classification of Occupations) and hailed predominantly from information technology, financial services, education and public service industries (86% total classified using UN's International Standard Industrial Classification of All Economic Activities).

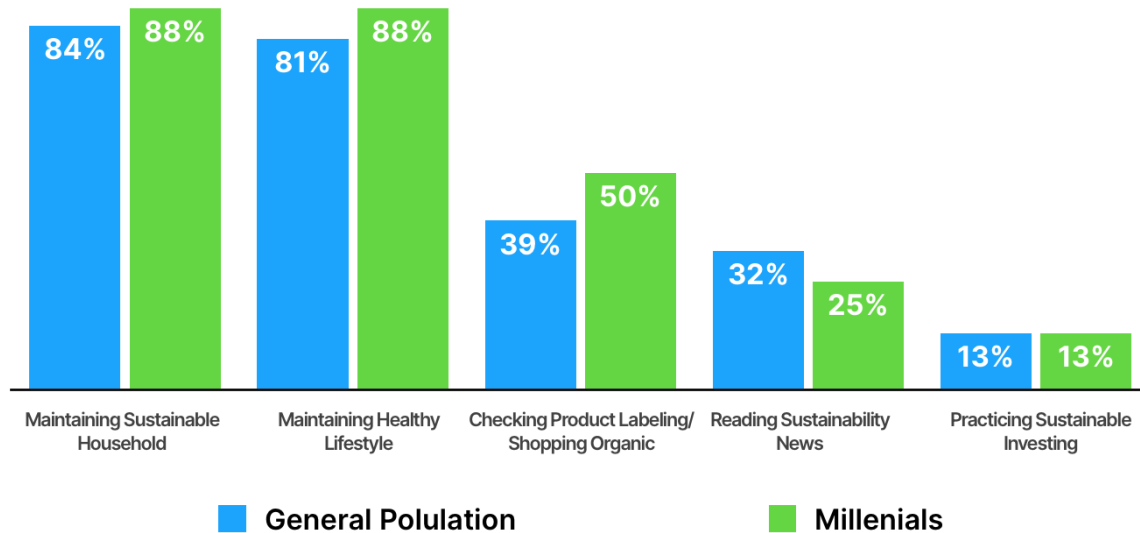
Key Finding 1

Sustainable Behavior Takes Hold

Results from our user survey indicate that sustainable behavior has entered mainstream. 90.3% of the experiment participants reported to have engaged in at least one sustainable behavior, be it making one's home sustainable by recycling or by saving energy, focusing on self-improvement or eating healthy food, paying attention to product labeling and actively looking for organic or sustainably sourced goods, reading news about sustainability or making sustainability-guided investment decisions. 84% of participants reported to have engaged in sustainable behavior across 2 or more categories, and 45% across three or more.

Figure 2: Commitment to sustainability has entered mainstream

When you incorporate sustainability in your daily lives, what actions do you take (check all that apply)



Key Finding 2

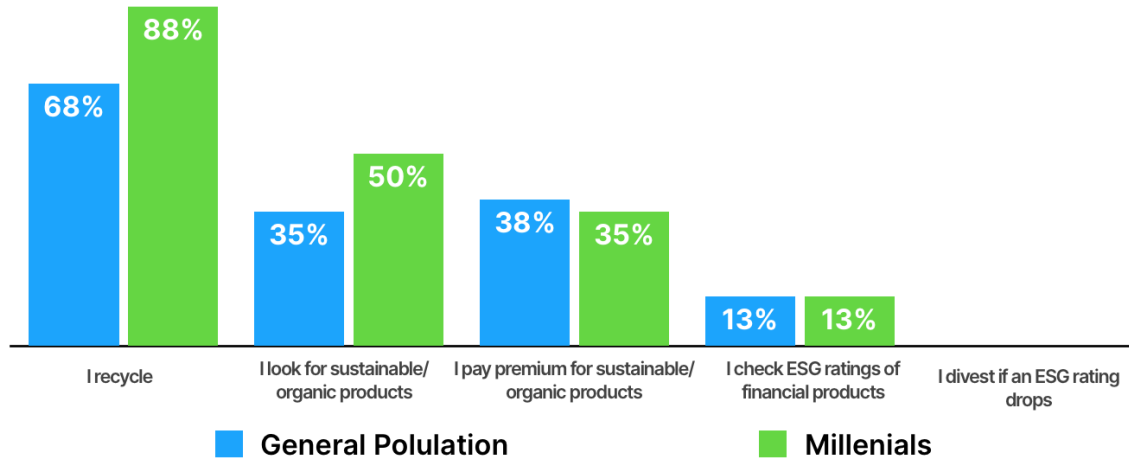
Recycling Leads, Sustainable Investing Lags

Across the range of specific sustainable behaviors, recycling is a clear leader: it is practiced by 68% of general population and 88% of millennials. Millennials also lead when it comes to learning about health (63% vs. 52%), checking whether products they buy are organic or sustainably sourced (50% vs. 35%), and paying a premium for sustainably sourced, organic or energy efficient products (38% vs. 35%).

Unlike sustainable consumption, suitable investing remains a challenge. Only 13% of both general population and millennials pay attention to ESG, sustainability, or governance rating of a financial product (a stock, an ETF etc.) and not a single one of our respondents is willing to divest if an ESG rating of the financial product they have been holding were to drop.

Figure 3: Not all sustainable behaviors gets the same amount of attention

When you incorporate sustainability in your daily lives, what actions do you take (check all that apply)



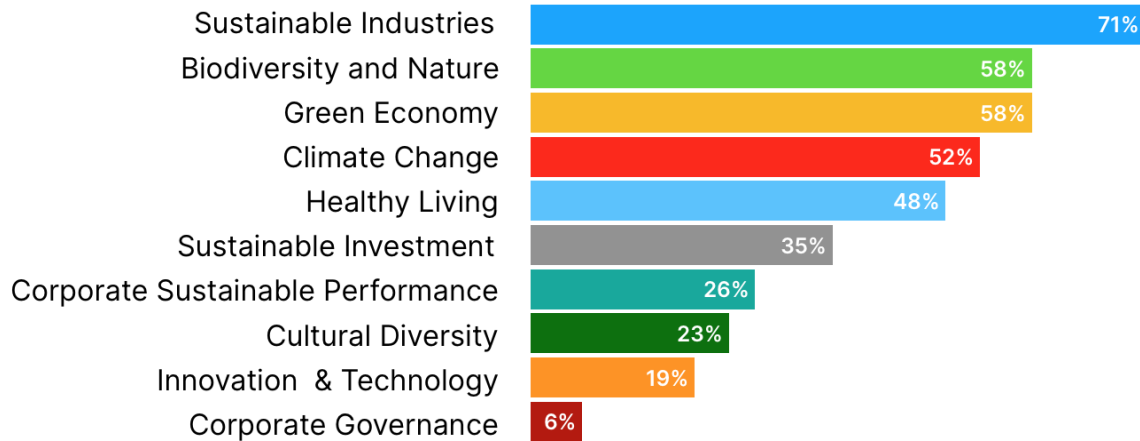
Key Finding 3

Sustainability Awareness Comes in Many Shades

There is no right or wrong way to think about sustainability - our survey indicates that it means different things to different people. Industry-driven sustainability (such as sustainable agriculture, renewable energy, etc.), biodiversity, green economy and climate change are the four overall leading themes among general population. Themes preference is somewhat different among millennials, the top ones being sustainable industries (88%), healthy living (75%), green economy (50%), biodiversity and nature (38%) and innovation (38%).

Sustainable investing does not fare well, being chosen by only 35% of the general population and 25% of millennials. Corporate governance (6% for the general population, 13% for millennials) scores lower than corporate sustainable performance (26% and 25%), potentially indicating the premium placed on performance.

Figure 4: Sustainability means different things to different people (general population)
When you think about sustainability, what themes do you think about (check all that apply)



Key Finding 4

People are willing to learn about sustainability

During the course of the experiment, our 31 participants watched the sum total of 57 hours 48 minutes of video, out of 156 total hours available (5 hrs 02 video minutes multiplied by 31 users), averaging 21 min 52 sec per visit. Millennials spent even more time learning, averaging 23:33 minutes per visit. 74% of the participants said that taking part in the experiment was worth their time.

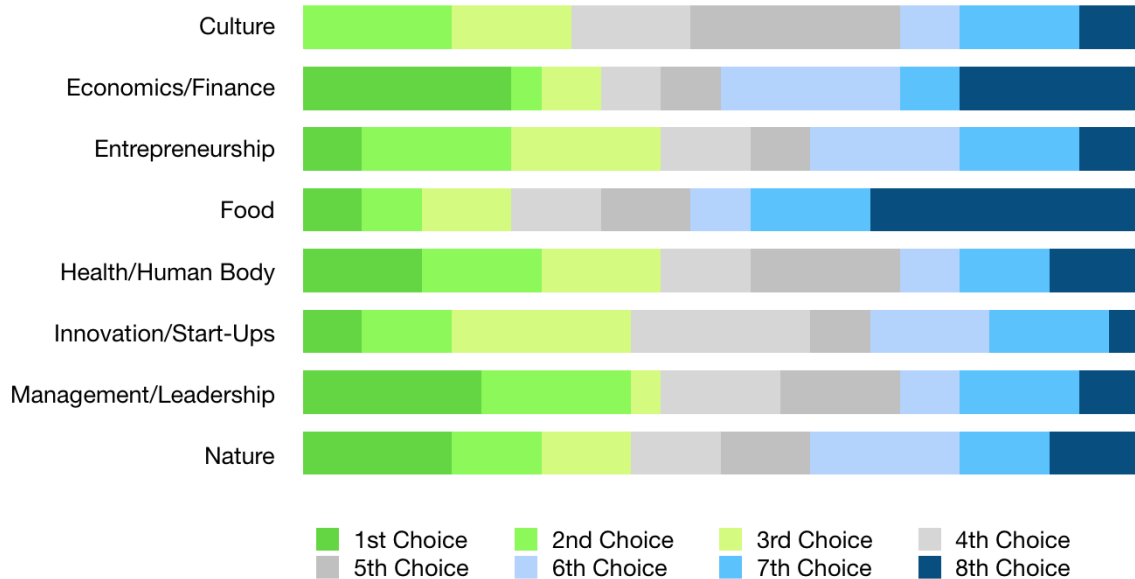
Key Finding 5

Closing sustainability interest gap

Limited affinity our survey participants expressed towards sustainable investing has been more than compensated by their interest in learning about sustainable economics/finance and sustainability-focused management/leadership. These two topics have been ranked as number one learning choice by 25% and 21% of the users, respectively. To us, this indicates a potential opportunity for engaging individuals on this subject and closing sustainability interest gap.

Figure 5: Next steps - what the users like learning about

We have shown you videos on several topics. Which topics have you found the most engaging/worth your time to watch so far? (Select in the order of preference)



Conclusions

Our experiment data and our user surveys indicate that sustainable behavior is entering mainstream. While sustainability means different things to different people - and different people place different priorities upon various sustainability themes - a common ground of universally recognized topics is emerging. On a practical level, sustainable consumption and running sustainable household are taking the lead.

Sustainable investing, while a top priority for asset management industry, remains a less important consideration for individual asset owners, once investor actions are taken into account.

Despite this seemingly disappointing conclusion, individual asset owners are very keen to learn about economics and sustainable finance, indicating that an opportunity exists to both increase their engagement and enhance their knowledge.

Appendix: Video List

Day	Video	Creator	YouTube Description	Duration	Category 1	Category 2	Category 3
1	1	Bloomberg	Why Recycling Isn't Quite Working Anymore	00:03:56	Economics/Finance	Innovation/Start-Ups	
1	2	Stanford	Four Ways Good Leaders Become Great Ones	00:04:34	Management/Leadership	Entrepreneurship	
1	3	Gordon Ramsey	Gordon Ramsay's Prawn Tostadas	00:03:14	Food		
1	4	Smithsonian	Tree Frog Effortlessly Skydives Away from Hungry Snake	00:03:31	Nature		
1	5	CNN GBS	Trying the Hardest Cheese in the World	00:03:06	Culture		
2	1	Bloomberg	Why We're Moo-ving Toward Decarbonization	00:04:56	Economics/Finance	Innovation/Start-Ups	
2	2	FT	The digital technologies transforming the supply chain	00:02:26	Economics/Finance	Innovation/Start-Ups	
2	3	SMU	Management of Renewable Energy SMU Research	00:03:06	Economics/Finance	Innovation/Start-Ups	
2	4	CNN GBS	This is Where Your Wine Corks Come From	00:04:06	Culture		
3	1	Sprouts	The Pygmalion Effect	00:04:46	Management/Leadership	Entrepreneurship	
3	2	Sprouts	The Learning Organization: Is Your Company Ready for the Future?	00:04:02	Management/Leadership	Entrepreneurship	
3	3	Insead	Hermia Ibarra: Fresh Approaches to Leadership Development	00:02:42	Management/Leadership	Entrepreneurship	
3	4	Insead	The critical importance of communication in leadership	00:01:32	Management/Leadership	Entrepreneurship	
3	5	HOSCO	Hospitality Influencers: Serge Trigano	00:04:00	Management/Leadership		
3	6	HOSCO	Hospitality Influencers: Claire Smith	00:03:30	Management/Leadership		
3	7	Stanford	The Strategic Importance of Empathy	00:03:19	Management/Leadership	Entrepreneurship	
3	8	Stanford	Strong Values Give You the Advantage	00:01:19	Management/Leadership	Entrepreneurship	
4	1	Smithsonian	A Coconut Octopus Uses Tools to Snatch a Crab	00:02:34	Nature		
4	2	Smithsonian	How Vampire Bats Suck Blood for 30 Minutes Unnoticed	00:02:41	Nature		
4	3	CNN GBS	Why This Japanese Farmer Plays Music for His Konnyaku Potatoes	00:04:03	Culture		
4	4	CNN GBS	How Ancient Palestinian Soap Is Made	00:02:23	Culture		
4	5	BBC Earth	Shaolin Kung Fu Training: Spectacular Display Caught From Satellite	00:02:12	Culture		
5	1	Bloomberg	Astra's Race to Space	00:04:28	Innovation/Start-Ups	Economics/Finance	
5	2	Bloomberg	The Global Chip Shortage and How to Fix It	00:02:18	Economics/Finance	Innovation/Start-Ups	
5	3	Bloomberg	Flintstones Had Better Monetary System Than Bitcoin: Roubini	00:04:18	Economics/Finance	Innovation/Start-Ups	
5	4	Bloomberg	Can Big Tech Weather Rising Interest Rates?	00:01:07	Economics/Finance		
5	5	Bloomberg	Hyundai Will Only Sell Electric Cars By 2040	00:02:43	Economics/Finance	Innovation/Start-Ups	
6	1	Sequoia	Outsider Insight: Carl Eschenbach "The only number that matters"	00:01:17	Entrepreneurship	Management/Leadership	
6	2	StartupBC	Demo Day Pitch Privasee	00:03:12	Innovation/Start-Ups	Entrepreneurship	
6	3	TED ED	What would happen if you didn't sleep	00:04:34	Health/Human Body		
6	4	Abigail James	Secrets of a celebrity Facialist - Face massage for Acne & Sensitive s	00:04:41	Health/Human Body		
6	5	BBC Earth	Army Ants Rampage Through The Forest	00:03:50	Nature		
7	1	Y Combinator	Coping with Founder Depression	00:03:34	Entrepreneurship	Management/Leadership	
7	2	Y Combinator	What successful founders focus on	00:04:17	Entrepreneurship	Management/Leadership	
7	3	Y Combinator	Why Fundraising Is Different in Silicon Valley	00:03:23	Entrepreneurship	Management/Leadership	
7	4	A16Z	Understanding and Defining Sales Channels	00:03:29	Entrepreneurship	Economics/Finance	Management/Leadership
7	5	A16Z	Engaging Sales: How Much to Spend on Marketing vs. Sales?	00:04:41	Entrepreneurship	Economics/Finance	Management/Leadership
7	6	A16Z	Segmenting Markets for Go-to-Market	00:01:40	Entrepreneurship	Economics/Finance	Management/Leadership
8	1	TED ED	What would happen if you didn't drink water? - Mia Nacamulli	00:04:51	Health/Human Body		
8	2	TED ED	How does your body know you're full? - Hilary Coller	00:04:33	Health/Human Body		
8	3	Abigail James	Massage to help get rid of puffy, tired eyes	00:04:38	Health/Human Body		
8	4	Abigail James	What order should I apply my skincare?	00:04:38	Health/Human Body		
8	5	N Geo	Brain 101 National Geographic	00:03:58	Health/Human Body		
8	6	N Geo	Heart 101 National Geographic	00:02:41	Health/Human Body		
8	7	N Geo	Lungs 101 National Geographic	00:03:03	Health/Human Body		
9	1	Wall Street Journal	NFTs Are Fueling a Boom in Digital Art. Here's How They Work	00:05:39	Economics/Finance	Innovation/Start-Ups	
9	2	TD Ameritrade	What is a SPAC? Special Purpose Acquisition Companies Explained	00:07:06	Economics/Finance	Innovation/Start-Ups	
9	3	ARK Invest	5 Reasons to Pay Attention to the Digital Transformation	00:03:50	Economics/Finance	Innovation/Start-Ups	
9	4	ARK Invest	5 Reasons to Pay Attention to the Genomic Revolutio	00:04:57	Economics/Finance	Innovation/Start-Ups	
9	5	UBS	UBS Research Academy: Can you value disruptive companies?	00:05:41	Economics/Finance	Innovation/Start-Ups	
9	6	PIMCO	2021 Global Economic Outlook in Brief	00:04:20	Economics/Finance		
9	7	Refinitiv	Is Bond Volatility Warning Stocks?	00:02:48	Economics/Finance		
10	1	BNP Paribas	Humanity has no future without biodiversity	00:02:14	Economics/Finance		
10	2	BBC Earth	Wild Hamster Has A Graveyard Feast	00:02:54	Nature		
10	3	BBC Earth	Crabs Trade Shells in the Strangest Way	00:04:15	Nature		
10	4	Smithsonian	Frogsicles: Frozen But Still Alive	00:03:57	Nature		
10	5	Nordea	Climate change impact in Greenland	00:04:07	Economics/Finance		
11	1	Business Insider	How Rotting Vegetables Make Electricity World Wide Waste	00:05:31	Innovation/Start-Ups	Economics/Finance	Entrepreneurship
11	2	Business Insider	How Used Chopsticks Are Turned Into Tables, Tiles, And Other Furni	00:05:47	Innovation/Start-Ups	Economics/Finance	Entrepreneurship
11	3	Business Insider	How Banana Waste Is Turned Into Rugs, Fabric, And Hair Extensions	00:05:26	Innovation/Start-Ups	Economics/Finance	Entrepreneurship
11	4	Business Insider	Flip-Flops Made From Plants And Algae Can Help Reduce Plastic Poll	00:07:22	Innovation/Start-Ups	Economics/Finance	Entrepreneurship
11	5	Business Insider	How Sacred Flowers Are Turned Into Incense Sticks World Wide W	00:04:59	Innovation/Start-Ups	Economics/Finance	Entrepreneurship
12	1	SMU	Pervasive Computing SMU Research	00:04:08	Innovation/Start-Ups		
12	2	Sprouts	The Design Thinking Process	00:03:56	Management/Leadership	Entrepreneurship	
12	3	TED ED	The science of spiciness - Rose Eveleth	00:03:54	Health/Human Body		
12	4	CNN GBS	Breeding the World's Hottest Pepper	00:03:19	Culture		
12	5	Food52	Three Salting Methods for Cooking with Samin Nosrat	00:01:54	Food		
13	1	CNBC	Collectors buying NFTs with cryptocurrency gains could face high tax	00:04:24	Economics/Finance	Innovation/Start-Ups	
13	2	Bloomberg	Uber to Reclassify 70,000 U.K. Drivers as Workers After Ruling	00:02:42	Economics/Finance	Innovation/Start-Ups	
13	3	StartupBC	Demo Day Pitch Coupay	00:03:05	Innovation/Start-Ups	Entrepreneurship	
13	4	Insead	Storytelling for a job interview #bicycle guy	00:03:16	Management/Leadership	Entrepreneurship	
13	5	Stanford	Make the Most of Your Virtual Communications	00:03:16	Management/Leadership	Entrepreneurship	
13	6	TED ED	Is it bad to hold your pee? - Heba Shaheed	00:03:58	Health/Human Body		
13	7	TED ED	How the food you eat affects your brain	00:04:41	Health/Human Body		
14	1	Insead	3 strategies for any job transition Hermia Ibarra	00:02:54	Management/Leadership	Entrepreneurship	
14	2	SMU	Driver Guidance System	00:02:52	Innovation/Start-Ups		
14	3	Y Combinator	Michael Seibel - How to get your first ten customers?	00:03:36	Entrepreneurship	Management/Leadership	
14	4	CNN GBS	Cooking With Poison in Japan	00:03:55	Culture		
14	5	Gordon Ramsey	Gordon Ramsay's Cinnamon Eggy Bread with Quick Stewed Apples	00:04:06	Food		
14	6	Food52	How to Pan-Sear Steak with Samin Nosrat	00:02:38	Food		
14	7	FT	Reflation-mania' sweeps the stock market Charts that Count	00:03:23	Economics/Finance		
14	8	Bloomberg	What You Need To Know About the Stocks/Bonds Correlation	00:01:16	Economics/Finance		