

**Legal obligation versus CSR commitment:  
Should marketers claim their sustainable practices are constrained by law?**

**Abstract:**

In the face of growing concerns about the environment and the climate, marketing and consumption are under attack for their lack of ability and proneness to effectively address the problems. Marketers are suspected of greenwashing while consumers are trapped in cognitive dissonance between their attitudes and their consumption behaviors. Many voices are consequently calling for greater regulation and third-party action through legislation. This research investigates whether marketers can take benefits from legal obligations to positively influence consumer behaviors when promoting more sustainable products. An experiment is conducted to compare the effects of two different justifications for a sustainable product benefit: legal obligation vs strategic sustainable commitment. Results show that both arguments are effective, indifferently in terms of attitude and intention, but with some significant difference in terms of perceived price. These results are discussed and lead to theoretical and managerial implications and new research avenues.

*Keywords: legal obligation, greenwashing, sustainable marketing, CSR, regulation*

## Introduction

Literature in marketing has sometime mentioned the negative environmental impacts of consumption incentives (Peattie and Peattie, 2009) but when considering the environmental global issues, it has mostly focused on how to make sustainability a marketing argument and turn it a benefit for businesses and companies (Berns et al., 2009), such as "*identifying new products and markets, leveraging emerging technologies, spurring innovation, driving organizational efficiency, and motivating and retaining employees*" (White et al., 2019, p. 23). Thus, initiatives are multiplying across industries: creating second-hand spaces in clothing stores, repairing household appliances or cell phones, recycling, "greening" ingredients and processes. Consumers are also prone and encouraged to adopt more sustainable behaviors. However, while consumers and businesses are progressively adopting a range of sustainable actions, results are still insufficient as obstacles to the adoption of responsible behaviors are still many (Elhaffar et al., 2020). As an illustration, a new report from UN Climate shows that countries are bending the curve of global greenhouse gas emissions downwards, but stresses that these efforts are still insufficient to limit the rise in global temperature to 1.5 degrees Celsius by the end of the century<sup>1</sup>.

If impulse from consumers and companies, through sustainable marketing approaches, turn out insufficient, institutions and governments may try to foster better practices on the market. In addition to awareness-raising campaigns and monetary or in-kind incentives, laws and regulations designing a stricter frame of obligations and/or prohibitions could be helpful to promote sustainable behaviors (de Oliveira and al., 2022). For instance, in March 2022, the European Commission adopted its proposal for a directive aiming at empowering consumers for the green transition and including obligations for companies to ensure product durability and reparability. On another front, France has just banned disposable plastic tableware. As a result, the fast-food sector has had to switch to washable and reusable tableware. But at the same time, prohibition of pesticides is still under debate. How such legal framing from the policy-makers can impact adoption of more sustainable consumption behaviors?

The aim of this research is to study consumers' reactions to a sustainable feature of a product when presented as a legal obligation with which the company must comply compared to when presented as a company commitment to more sustainable practices.

## Conceptual background

Global warming, the environment, ecology, biodiversity, animal welfare are becoming major issues today, and lead to new and deep concerns for most citizens. As a reaction to such global stakes, sustainability is now presented as a priority in our societies. Since the UN Earth Summit in 1992, sustainable consumption has been defined as "*the use of goods and services that respond to basic needs and bring a better quality of life, while minimizing the use of natural resources, toxic materials and emissions of waste and pollutants over the life cycle, so as not to jeopardize the needs of future generations*" (Ofstad et al., 1994). Sustainable development calls for in-depth reflection on production models and consumption patterns. And this applies for marketing decisions as well. Sustainable marketing emerges as a necessary evolution, as many of the traditional objectives and processes of the discipline have been based on now challenged principles such as individual profits and benefits, overconsumption, and pressure over natural resources. As a result, consumers as companies are still struggling to really adopt virtuous behaviors.

### *Consumer cognitive dissonance*

---

<sup>1</sup> <https://unfccc.int/fr/news/les-plans-climatiques-restent-insuffisants-necessite-de-plus-d-ambition>

From the consumer side, the literature in consumer behavior has largely demonstrated the growing sensitivity to environmental and social issues, and their consequences on consumption patterns (Sheth et al., 2010). At the same time, the gap between attitudes and behaviors has been a continuous subject for researchers in marketing (ElHaffar et al., 2020). The gap emphasizes the observed contradictions between declared sensitivity to the global issues faced by humanity and the consequent favourable attitudes toward sustainable consumption, and the observed sustainable consumption behaviors. These later are clearly limited compared to individual, materialistic, hedonic and short-term driven behaviors. Faced with cognitive dissonance, consumers adopt strong and efficient reduction strategies to alleviate, dilute or transfer their responsibility in the resolution of the global, collective and more long-term problems. In conclusion to this first observation, it seems that relying on consumer/citizen actions may not be sufficient to extend the necessary move toward sustainability (Jacobsen and Dulsrud, 2007).

#### *Companies tugged between CSR and greenwashing*

From the point of view of the companies, awareness of the global stakes is growing as well. Conscious of the timely concerns of their own consumers, aware of the possible implications on their corporate and brands' image, they have developed more sustainable contents, products and actions, as part of their "Corporate Social Responsibility" (CSR). CSR has been defined as a business model integrating social and environmental concerns, in addition to profit, in corporate management and strategy. However, here again, immediate and short-term concerns for profits, tend to override more biospheric and collective objectives in the business priorities of companies. Piloting CSR is for many companies a difficult option in a competitive context, as most actions required will cost more than benefit to the company. From the company side, "CSR is only possible as long as it is profitable" (Jacobsen and Dulsrud, 2007, p.479). The benefits of their sustainable moves, mostly expected from the increased positive attitude of their consumers, compete with either economical risk if their actions are not perceived/beneficial, or, on the contrary, threat of being accused of greenwashing if their claims are perceived as overpromising and their efforts as deceptive (De Jong et al., 2020). As companies are naturally inclined to invest resources in CSR efficiently (i.e. maximizing returns in reputation and at the same time minimizing costs), they are easily confronted to the risk of greenwashing in case they are perceived as not "walking the talk" (Berrone et al., 2017). Greenwashing is defined as "the act of misleading consumers regarding the environmental practices of organizations or the environmental benefits of a product" (Delmas and Burbano, 2011, p. 66). Even if it does not necessarily involve intentionality, its effects have been demonstrated mostly negative on consumers attitudes and reactions (De Jong et al., 2020). As a consequence, companies tend to look for evidence and justification of their actual commitments, for example using labelling strategies (Atkinson and Rozenthal, 2014).

#### *Marketing calling for more regulation?*

Admittedly that neither consumers nor firms can really impulse an in-depth transformation toward more sustainable consumption behaviors, some scholars start considering third party incentives (De Oliveira et al., 2022). Research in sustainable marketing today questions the capacity of the discipline to really generate virtuous behaviors, and suggest to consider a wider perimeter than the only couple supply and demand as far as sustainable consumption practices are concerned (Davies et al., 2020). For example, Kemper and Ballantine (2019) suggest that sustainable marketing should develop not only through the development of more sustainable offers (auxiliary sustainable marketing) or the promoting of more sustainable consumer lifestyles (reformative sustainable marketing) but should also include and rely on more general transformation of the consumption context including a critical reflexion on norms and

institutions. They question the role of the public policy makers and legislators. In a similar way, social marketers tend to consider that upstream measures imposed to the market through laws and regulations should be considered as ways to foster more virtuous choices and acceptance of the related sacrifices (Hoek and Jones, 2011; Peattie and Peattie, 2009). In a western context based on market regulation, freedom to undertake and free competition, how is perceived a legal obligation constraining companies to more sustainable products by the consumers?

### *Legal obligation versus corporate sustainable commitment*

Aim of this research is to investigate how consumers may react to a product sustainable feature when it is presented as a legal obligation imposed to the company. Will perceptions be different if it is presented as a voluntary decision from the company?

The following hypotheses are based on the positive effect of sustainable arguments on attitudes, intention to buy a more sustainable product, and the related price premium, all effects being demonstrated in previous literature (Ha-Brookshire and Norum, 2011; Hamzaoui et al., 2010). Additionally, they also posit that attitude, intention to buy and psychological price will be higher when the company argue that the feature is justified to comply to a legal obligation than when it is motivated by a spontaneous decision of the company to improve sustainability of its product. Indeed, we suppose that legal obligation disclosure would lower the consumer perception of a possible greenwashing from the company and enhance the perceived effectiveness of the benefit. As an extrinsic (compared to an intrinsic motive), upstream legal obligation would reduce in a greater extent consumer skepticism (Leonidou and Skarmeas, 2017). This leads to the following hypotheses:

Hyp. 1: Attitude toward a product with sustainable feature will be higher if it is presented as a legal obligation than if it is presented as a CSR commitment.

Hyp. 2: Intention to buy the product with a sustainable feature will be higher if it is presented as a legal obligation than if it is presented as a CSR commitment.

Hyp. 3: Psychological price of the product with a sustainable feature will be higher if it is presented as a legal obligation than if it is presented as a CSR commitment.

### **Methodology**

In order to validate the proposition that a sustainable marketing argument will be better accepted by the consumer, in terms of attitude, intention to buy and willingness to pay, when presented as a legal obligation than as a responsible move, an experiment is conducted. 254 consumers are submitted to either one version of a stimulus presenting a pack of biscuits, first neutrally, then with a claim mentioning the use of eggs from free-range hens, (1) in compliance with the law regulating farming conditions or (2) in line with our commitment to responsible consumption and better farming conditions (see illustrations in appendix n°1). Explained variables are measured using existing scales: Attitude is measured using a 3-item scale adapted from Beatty and Kahle (1988). Intention to buy is measured using two items from Azjen (1991). Willingness to pay is approached through perceived correct price. Manipulation checks are conducted measuring stimulus credibility, perceived product sustainability and perceived product compliance to the law. They show that the two stimuli are correctly perceived as different. All scales were first tested on a first convenience sample of 80 students from a French university; they all show satisfactory psychometric qualities. Appendix 2 presents the detailed scales used and their main characteristics in terms of means for both sub-groups and reliability (Cronbach alpha). Respondents showing a score of perceived credibility of the stimulus below

the mean were discarded, reducing sample size from 254 to 232, of which 109 were submitted to stimulus 1 and 123 to stimulus 2. Both groups showed no difference in terms of age, gender, concern for environment and concern for animal welfare.

## Results

Firstly, paired sample mean comparisons before and after submission of the stimulus show that adding an argument promoting free-range hen eggs improves attitude, intention, and perceived price of the biscuit pack (Table 1).

**Table 1: Paired sample mean comparisons before/after stimulus**

Scales	Before stimulus N = 232 Mean	After stimulus N = 232 Mean	Sign.
Attitude	4,38	4,62	0.001
Intention to buy	4,06	4,42	0.000
Psychological price	2,05	2,20	0.000

Secondly, ANOVAs conducted on the two groups do not show any significant difference in attitude and intention, whether the argument be presented as a legal obligation or as a sustainable strategy of the company. In contrast, there is a significant perceived price difference between both groups (table 2). When justified by legal obligation, the sustainable argument allows a lower increase of perceived price than when justified by strategical CSR commitment.

**Table 2: Group differences according to justification of the sustainable argument**

Scales	Stimulus	Legal obligation N = 109 Mean	Strategic commitment N = 123 Mean	Sign.
Difference in attitude after stimulus presentation		0.2016	0.2096	0.953
Difference in intention to buy after stimulus presentation		0.3414	0.3256	0.891
Difference in perceived price after stimulus presentation		0.08€	<b>0.21€</b>	0.004

## Discussion and implications

The hypotheses that compliance to a legal obligation for the promotion of a product with sustainable feature will generate better attitude, intention to buy, and higher perceived price than if the benefit is promoted as a spontaneous move of the company are not validated. Although the sustainable feature shows to have a positive effect on those variables, such effect remains marginal, and its justification (legal obligation versus CRS commitment) does not contribute to any difference in consumer reactions. How consumers react to more directive legal framework forcing companies and products to become more sustainable is still an open question (Atkinson and Rosenthal, 2014, De Jong et al., 2020). In particular, more has to be discovered about the role of the source motivating the sustainable characteristics of the product (governments and institutions versus individual corporate commitment) and the mechanisms in the consumer decision process. The mediating role of perceived greenwashing remains here unclear. Our findings do not confirm that legal obligation could serve as an argument against consumer perceived greenwashing. Indeed, there is no significant difference in our results between both groups in their perception of the stimuli in this regard. The legal obligation-based argument is not less perceived as greenwashing than the self-declared commitment here. Moreover, the significant price difference suggests that consumers tend to value more corporate individual commitment than compliance to the law when price-evaluating a sustainable

product. While they do not seem to penalize any greenwashing behind marketers' self-asserted sustainable claim for their products, they may integrate that marketers will have lower merits if they are just constrained by law, which could be understandable as competitive pressure should lower if all actors are forced by such same law (Atkinson and Rosenthal, 2014).

In terms of managerial implications, this research suggests that when promoting some sustainable product characteristic, marketers can claim they are thus complying to external regulation with the same positive effects than if they were mentioning their own commitment to sustainability. This is a satisfactory argument for policy- and lawmakers as it can help them to defend that stricter legal framing will be not less accepted by consumers than spontaneous corporate commitment.

From a theoretical point of view, this research, based on a quantitative study, remains exploratory by nature. It aims at considering the legal framework for sustainable marketing and the promotion, acceptance, and implementation of more virtuous behaviors both for consumers and companies. Findings contribute to the growing debate about the role of policy makers in forcing market actors to engage on better production and consumption practices and how such obligation will be accepted by and helpful to those actors (Jacobsen and Dulrud, 2007). But more has to be done to identify the mechanisms and consequences of their action.

### **Limits and research avenues**

This research shows some limits. Methodologically first, we can regret that the efficiency of the stimulus built for the experiment and the limited size of the sample may have penalized the results. In particular, the consumption decision process of the chosen product may rely mostly on core attributes such as main ingredients and price ; and the stated information about the sustainable and somehow marginal element regarding its production and its motives may not have been considered by the respondents. A more dramatized stimulus may have led to better effects, but external validity should then be accurately controlled. A more involving product may have also enlightened better the researched effects. Duplications of the experiment in this sense would be interesting. More conceptually, we need to sophisticate the theoretical model by investigating the role of possible important mediators. Perceived product- and company-greenwashing, but also perceived environmental responsibility of the company might be introduced as pertinent mediators. Additionally, consumer profiles, in terms of environmental concern, concern for animal welfare, or expectations for stronger manufacturer environmental responsibility could help as moderators to identify the types of consumers who could be sensitive to a stricter legal pressure on manufacturers, brands and companies.

## References

- Atkinson, L., & Rosenthal, S. (2014). Signaling the green sell: The influence of eco-label source, argument specificity, and product involvement on consumer trust, *Journal of Advertising*, 43(1), 33-45.
- Ajzen I. et Fishbein M. (2000), Attitudes and the Attitude-Behavior Relation: Reasoned and Automatic Processes, *European Review of Social Psychology*, 11, 1, 1-33.
- Barksdale, H. C., & Darden, W. R. (1972). Consumer attitudes toward marketing and consumerism, *Journal of marketing*, 36(4), 28-35.
- Beatty S.E. & Kahle L.R., (1988) – Alternative hierarchies of the attitude-behaviour relationship: the impact of brand commitment and habit, *Journal of the Academy of Marketing Science*, Vol. 16, n° 2, 1-10
- Berrone, P. (2016). *Green lies: How greenwashing can destroy a company (and how to go green without the wash)*. Scotts Valley, CA: CreateSpace Independent.
- Berns, M., Townend, A., Khayat, Z., Balagopal, B., Reeves, M., Hopkins, M. S., & Kruschwitz, N. (2009). The business of sustainability: what it means to managers now. *MIT Sloan Management Review*.
- Davies, I., Oates, C. J., Tynan, C., Carrigan, M., Casey, K., Heath, T., ... & Wells, V. (2020). Seeking sustainable futures in marketing and consumer research. *European Journal of Marketing*, 54(11), 2911-2939.
- De Jong, M. D., Huluba, G., & Beldad, A. D. (2020). Different shades of greenwashing: Consumers' reactions to environmental lies, half-lies, and organizations taking credit for following legal obligations. *Journal of business and technical communication*, 34(1), 38-76.
- Delmas, M. A., & Burbano, V. C. (2011). The drivers of greenwashing. *California Management Review*, 54, 64–87
- De Oliveira, U. R., Gomes, T. S. M., de Oliveira, G. G., de Abreu, J. C. A., Oliveira, M. A., da Silva César, A., & Aprigliano Fernandes, V. (2022). Systematic literature review on sustainable consumption from the perspective of companies, people and public policies. *Sustainability*, 14(21), 13771.
- ElHaffar, G., Durif, F., & Dubé, L. (2020). Towards closing the attitude-intention-behavior gap in green consumption: A narrative review of the literature and an overview of future research directions. *Journal of cleaner production*, 275, 122556.
- Gordon, R., Carrigan, M., & Hastings, G. (2011). A framework for sustainable marketing. *Marketing Theory*, 11(2), 143–163.
- Ha-Brookshire, J. E., & Norum, P. S. (2011). Willingness to pay for socially responsible products: case of cotton apparel. *Journal of consumer Marketing*, 28(5), 344-353.
- Hamzaoui Essoussi, L., & Linton, J. D. (2010). New or recycled products: how much are consumers willing to pay?. *Journal of Consumer Marketing*, 27(5), 458-468.
- Hoek, J., & Jones, S. C. (2011). Regulation, public health and social marketing: a behaviour change trinity. *Journal of Social Marketing*, 1(1), 32-44.
- Jacobsen, E., & Dulsrud, A. (2007). Will consumers save the world? The framing of political consumerism. *Journal of Agricultural and Environmental Ethics*, 20, 469-482.
- Kemper J.A & Ballantine P.W. (2019) What do we mean by sustainability marketing?, *Journal of Marketing Management*, 35:3-4, 277-309
- Leonidou, C. N., & Skarmeas, D. (2017). Gray shades of green: Causes and consequences of green skepticism. *Journal of business ethics*, 144, 401-415.

- Ofstad, S., Westly, L., Bratelli, T., & Miljøverndepartementet, N. (1994). Symposium: sustainable consumption: 19-20 January 1994: Oslo, Norway. Oslo, Norway: Ministry of Environment.
- Peattie, K., & Peattie, S. (2009). Social marketing: a pathway to consumption reduction?. *Journal of business research*, 62(2), 260-268.
- Shahsavari, T., Kubeš, V., & Baran, D. (2020). Willingness to pay for eco-friendly furniture based on demographic factors. *Journal of Cleaner Production*, 250, 119466.
- Sheth, J. N., Sethia, N. K., & Srinivas, S. (2011). Mindful consumption: A customer-centric approach to sustainability. *Journal of the academy of marketing science*, 39, 21-39.
- White, K., Habib, R., & Hardisty, D. J. (2019). How to SHIFT consumer behaviors to be more sustainable: A literature review and guiding framework. *Journal of Marketing*, 83(3), 22-49.



## Appendix 1: Presentation of the stimuli

### Stimulus 1: legal obligation



Price

16 Cookies  
200 g

We have used eggs from free-range hens, in compliance with the legal obligation of law E-302 of January 13, [2019](#) regulating farming conditions.

### Stimulus 2: Company strategy



Price

16 Cookies  
200 g

We have used eggs from free-range hens, in line with our commitment to responsible consumption and better farming conditions

## Appendix 2 : Scale description

Scale	Number of Items	Example of item	Cronbach alpha	Legal obligation	Corporate commitment	Means difference Sign.
				N=109	N=123	
				Mean	Mean	
Attitude toward product before stimulus	4	I like this product	0,956	4,34	4,41	0.749
Attitude after	4	idem	0,962	4,60	4,65	0.797
Purchase intention before	3	It is likely that I buy such a product in the future	0,928	4,00	4,12	0.627
Purchase intentions after	3	idem	0,945	4,39	4,45	0.785
Psychological price before	1	What price do you think is right for this product? Enter the price in euros and cents	-	2,02	2,08	0.652
Psychological price after	1	idem	-	2,11	2,28	0.212
Product credibility	3	This product could very well exist	0,703	5,97	5,87	0.158
Perceived product sustainability	4	This product is good for the environment	0,883	4,32	4,23	0.615
Perceived product legal compliance	4	This product complies with the law	0,854	4,42	4,88	0.001
Perceived product greenwashing	4	The selling points of this product are questionable	0,743	3,77	3,79	0.868
Environmental concern	6	I am very concerned about the environment	0,915	5,59	5,53	0.759
Animal welfare concern	4	I am very concerned about animal welfare	0,815	5,26	5,09	0.363

*All scales in a 7-point Likert format (Totally disagree/Totally agree) except for perceived price variables*