

Having Moral Goals and Making New Markets: Three Ways to Create Sustained Demand

Margo Enthoven, University of Groningen, The Netherlands

Entrepreneurs who introduce new moral or sustainable products can face a lack of demand when they start. With these three tips they can reach out to consumers.

More and more entrepreneurs try to address their moral or sustainability goals through their business. For instance, they address climate change or animal welfare by introducing new products. This is not always easy. Consumers often say that they prefer more moral products, but don't always manage to buy them. As a result, entrepreneurs face a lack of demand for new moral products. This article introduces three strategies to overcome this barrier.

When entrepreneurs face a lack of demand for moral products, they need to create demand. Thankfully, they are not alone. Social movements have been creating demand by destroying existing markets for decades. Especially in the animal movement, activists have strongly advocated to end fur, meat and zoos and have been successful in influencing the public opinion. For instance, 84% of consumers in the Netherlands now think that wearing fur is unacceptable. By demonizing products such as fur, activists create space for new markets.

The ways in which entrepreneurs and activists reach out to consumers make or break new markets. Only when consumers keep buying the new products, and keep demand up, can new markets become established. Yet, we do not know how activists and entrepreneurs together can change consumer demand in a way that sticks. Getting consumers to change their behavior for good – by convincing them to become moral consumers – can be the basis for new markets. Entrepreneurs reaching out to consumers can learn lessons from both entrepreneurs and activists.

To find out how entrepreneurs can facilitate moral consumerism, we study activists and entrepreneurs in the Netherlands who address problems in the animal industry. Both activist and entrepreneurial strategies can provide lessons for entrepreneurs who want to introduce moral or sustainable products. We have interviewed vegan and vegetarian activists, entrepreneurs who create meat substitutes and others who have introduced animal-friendly products. We find three strategies that entrepreneurs can use.

The three key strategies to change consumer behavior are creating a “one of us” mentality, making the story less moral and using art or symbols to reach consumers. Here’s how entrepreneurs can reach consumers:

- Entrepreneurs try to create a “**one of us**” **mentality** right away. They **connect** with consumers and show them that they are on the same team. One entrepreneur admits to consumers that he eats meat occasionally, while he tries to reduce it. They are relieved, because he doesn’t try to tell them what to do. He admits that he isn’t perfect. Rather, he wants to help them to reach a goal that he also shares: reducing meat consumption.
- Entrepreneurs and activists often try to **make it less moral**. Consumers can be afraid of being a “goody-two-shoes”. To circumvent this, entrepreneurs and activists try to connect to things the consumer already does or likes. They **broaden** their arguments to include other reasons for consumers to change. For instance, many tap into the health food trend by pointing out the health benefits of being vegan. Using a health argument for making a diet change makes it less moral for the consumer.
- If you often pass activists on the street, you know that they try to **shock** consumers with horrible video footage from the animal industry, for instance, from slaughterhouses. Entrepreneurs usually don’t shock consumers like this, and with good cause: consumers don’t like to hear that what they do is wrong. They want to feel good about themselves. When entrepreneurs want to inform consumers about sustainability or animal welfare, they can **use art or symbols** to reach consumers. One of our entrepreneurs sold a sausage that was 15 times longer than a meat sausage to show that you can grow 15 times more plant protein on the same piece of land. This got her message across – but without negative effects. Instead, she was considered an ingenious and inspiring storyteller.

Entrepreneurs and activists both try to change consumers so that they become moral consumers. This helps them to fight their cause and enables starting a new business. We have three recommendations for entrepreneurs who want to create sustained demand for moral or sustainable products: *connect* to consumers’ goals, *broaden* your arguments for change and *use symbols or art* if you want to convey negative information.

CONTACT: Margo P.M. Enthoven; m.p.m.enthoven@rug.nl; (T): +31 58 205 5000; University of Groningen; Wirdumerdijk 34, 8911 CE Leeuwarden, The Netherlands.