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# Generation Y and Sustainability

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# Generation Y and Sustainability

An Exploratory Study of the Importance of Using Sustainability  
to Target Generation Y Consumers

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**ABSTRACT**

With the growing trends of eco-friendly actions and sustainability initiatives, one might question the role of the corporation in establishing a stance on these issues. Should corporations be held to the same standards as individuals when it comes to sustainability or are they held to a higher standard? While the answer to this question can be argued indefinitely, each consumer has their own thoughts on the issue and is increasingly voting with their dollars for companies who have the same values and beliefs as themselves. With Generation Y beginning to enter middle age and their years of the highest spending, it is crucial for companies to understand the expectations this generation has of the companies with which they interact and begin to build strong brand loyalties. The following piece is an exploratory study of the sentiments of Generation Y consumers towards the purpose of sustainability within a corporation, the expectations this generation has of the companies with which they interact, and the weight they put on these actions in terms of motivation to continue purchasing from these companies.

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## **INTRODUCTION**

### Statement of Problem

With the growing trends of eco-friendly actions and sustainability initiatives, one might question the role of the corporation when it comes to incorporating sustainability into their business models. Should corporations be held to the same standards as individuals when it comes to sustainability or are they held to a higher standard? While the answer to this questions can be argued indefinitely, each consumer has their own thoughts on the issue and are increasingly voting with their dollars for companies who have the same values and beliefs as themselves. With Generation Y beginning to enter into middle age and their years of the highest spending, it is crucial for companies to understand the expectations this generation has of the companies with which they interact and begin to build strong brand loyalties.

### Purpose of Study

The purpose of the current study is to determine the level of importance for companies to use sustainability initiatives in their pursuit of targeting and subsequently building brand loyalty with Generation Y. While sustainability and green initiatives are trends that have been growing in individuals' daily routines and in the marketplace at large, it is crucial for businesses to be able to understand the perceptions that Gen Y has towards this movement and the expectations that this generation has of the companies with which they conduct business. Determining the way of thinking of these potential consumers towards green efforts and the weight that these individuals place on this concept as a business strategy could prove to be a significant competitive advantage for marketers in the coming years.

### Definitions of Key Terms

#### *Generation Y (Gen Y)*

Generation Y is the demographic cohort including individuals born between the years of 1979 and 1994. Often referred to as Millennials or Echo Boomers, Generation Y is a cohort made up of about 60 million individuals who are all said to have very different preferences and characteristics than that of their predecessors. Generation Y is racially and ethnically diverse, more culturally liberal, and well versed in technology. A singular person from Generation will hence be referred to as a Generation Yer.<sup>1</sup>

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<sup>1</sup> Neuborne, Ellen, and Kathleen Kerwin. "Generation Y." *BusinessWeek* 3616 (1999): 80-88.

### *Baby Boomers*

The Baby Boomer generation is the demographic cohort made up of individuals born between the years of 1946 and 1964. About 76 billion individuals make up this generation. Baby Boomers primarily make up the parents of Generation Yers.<sup>2</sup>

### *Corporate Social Responsibility (CSR)*

There are as many definitions of corporate social responsibility, or CSR, as there are disagreements over the role of the corporation in society. For the current study, CSR will take on the following definition as developed by Lord Holmes and Richard Watts in *Making Good Business Sense*:

“CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.”<sup>3</sup>

### *Sustainability*

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<sup>2</sup> Rosenberg, Matt. "Baby Boom." *About.com Geography*. 27 Mar. 2009.

<sup>3</sup> Baker, Mallen. "Corporate Social Responsibility - What Does It Mean?" *Definitions of Corporate Social Responsibility*. 8 June 2004.

The Brundtland Commission Report released by the UN General Assembly defines sustainability as meeting the needs of the present without compromising the ability of future generations to meet their own needs.<sup>4</sup>

### *Greenwashing*

The Greenwashing Index defines greenwashing as the act of a company or organization spending more time and money trying to convince customers that they are “green” than actually implementing business practices that minimize their environmental impact. An example of this would be a company advertising their progress with green technology when the foundation of the business is actually one that is detrimental to the environment.<sup>5</sup>

### *Triple Bottom Line*

The Triple Bottom Line is the concept that companies are beginning to account for their net social and environmental impacts in addition to their traditional focus on financial sustainability. This concept is often referred to as the concept of the three pillars of People, Planet, Profit.<sup>6</sup>

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<sup>4</sup> McGladrey. "Sustainability in Manufacturing - A Growing Trend." *McGladrey*. Mar. 2010.

<sup>5</sup> Greenwashing Index. "About Greenwashing." *Greenwashing Index*. EnviroMedia Social Marketing and the University of Oregon.

<sup>6</sup> Slaper, Timothy F., and Tanya J. Hall. "The Triple Bottom Line: What Is It and How Does It Work?" *Indiana Business Review*.

## LITERATURE REVIEW

### Climate Change and Developing Awareness of Ecological Footprint

While the sustainability movement was started in the 1970s with the founding of the Environmental Protection Agency and the push of many politicians to tighten regulations regarding the environment, the release of *An Inconvenient Truth* in 2005 was one of the first major media spotlights on global warming concerns. This film galvanized governments and communities alike into the idea that institutions and individuals have the ability to make simple, but distinct, changes to contribute to the green movement.<sup>7</sup>

With climate change brought to the forefront of the media's attention, it is only natural that controversy developed, and has since grown, concerning this movement. Scientists and politicians alike argue the validity of the claims of Al Gore, author of "An Inconvenient Truth", in his book and film. The polarization of this topic is evident in people's opinions on the actions and policies that should be taken to address the issue, or non-issue in some people's eyes. While the consensus is that global warming is a long-term trend, most mainstream scientific organizations agree that the significant increase in warming over the past 50 years is likely related to the increase in greenhouse gas concentrations emitted by humans.<sup>8</sup>

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<sup>7</sup> *Climate of Change*. An Inconvenient Truth. Web. 04 Apr. 2012.

<sup>8</sup> "Global Warming Controversy." *ScienceDaily*. Web. 04 Apr. 2012.

### Sustainability and Green Initiatives as a Trend

With the introduction of climate change warnings in the mainstream media, many individuals have moved towards altering their buying habits in order to be more sustainable. A number of companies have since capitalized on this trend in the market. The performance of green products, even during the time of the recession, is becoming increasingly successful. A study done by the Boston Consulting Group that surveyed nine thousand consumers found that more consumers were “systematically” purchasing green products in 2008 than during 2007, even though the global economy was plunging.<sup>9</sup> The increasing numbers of organic, eco-friendly, “green” products facing consumers are at an all-time high and all evidence points to the fact that products such as this appearing on the market is more than just a fad. According to Datamonitor’s Product Launch Analytics, the number of green products launched in 2009 tripled that of those launched in 2008.<sup>10</sup> While niche companies, such as Seventh Generation, have been specializing in these products for many years, even companies like Wal-mart and Costco are following their leads.<sup>11</sup>

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<sup>9</sup> Hollender, Jeffrey, and Bill Breen. *The Responsibility Revolution: How the next Generation of Businesses Will Win*. San Francisco: Jossey-Bass, 2010. Print

<sup>10</sup> GreenerDesign Staff. "Green Product Trends: More Launches, More Sales." *GreenBiz.com*. 23 Apr. 2009.

<sup>11</sup> Hollender, Jeffrey, and Bill Breen. *The Responsibility Revolution: How the next Generation of Businesses Will Win*. San Francisco: Jossey-Bass, 2010. Print

These changes have been inspired by a number of different motivations. Many businesses have realized the potential to reduce costs by using less energy, water, and paper in the workplace. Although a change that has been happening for years, companies are finding new and creative ways to incentivize employees to be aware of the amount of waste they generate in the workplace. Another driving force behind sustainability initiatives is the increase of governments policies and regulations that place certain standards on the way companies conduct business as it pertains to their levels of sustainability. Finally, many companies have taken their green initiatives a step further by implementing programs, events, and charitable actions that increase awareness of the companies' ecological footprint and work to drive down that impact on the environment as much as possible.

### Generation Y Differences

Generation Y is most commonly considered those born between the years of 1979 and 1994. Made up of 60 millions individuals, this group vastly outnumbered the generation preceding it and greatly rivals the Baby Boomer generation of 72 million. There are many demographic characteristics of Gen Y that make it distinctly different from the previous generations. Of the 60 million individuals, only one out of every three Gen Yers is Caucasian. This growing racial and ethnic diversity has caused Gen Y as a whole to be more

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open-minded and accepting of new ideas. With divorce rates heightening and single-parent homes becoming more common, there are more Gen Yers growing up with one parent than in previous generations, with one in four living in a single-parent household.<sup>12</sup> Along with these demographic differences, Gen Y exhibits some distinct psychographic differences that make themselves unique from past generations. These psychographic differences include technology usage, entitlement and self-confidence attitudes, and a desire to express their individuality.

Unlike past generations, Gen Yers are not only adept when it comes to the use of technology, but they have grown up with the infusion of technology into their daily routines. For this reason, Gen Y is attracted to higher levels of stimulation and is often said to get bored very easily. Gen Yers are attuned to visual symbols and therefore put much value on being able to develop a unique self-image of themselves.<sup>13</sup>

Often referred to as the Trophy Kids generation, Generation Y is perceived by other generations as having a sense of entitlement. Child-centric homes and a self-esteem movement in schools have cultivated this attitude, and while previous generations scrutinize these sentiments of entitlement,

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<sup>12</sup> "Why Generation Y Isn't Buying Your Products | RetailCustomerExperience.com." *Retail Customer Experience*. 4 Feb. 2010.

<sup>13</sup> "Gen Y: Empowered, Engaged, Demanding." *US News Money*. US News, 21 Sept. 2009.

the Baby Boomer generation, as parents and teachers of Gen Yers, are greatly responsible for this attitude development.<sup>14</sup>

### Market Demands of Generation Y

As a result of these differences in demographics and psychographics from previous generations, Gen Y is said to have extremely high expectations of the companies from which they decide to purchase products. Experience with technology has given Gen Yers a strong understanding of the capabilities of companies to create close connections with consumers. Consequently, Gen Y expects companies to offer great customer service and faster product turnover. Gen Y is also willing to engage with companies to let them know what their wants and demands are.

Because of their attraction to visual symbols, Generation Y expects products and services that are more personally relevant to themselves. Customization has become a feature that Gen Yers not only value, but also expect from their companies. Failing to be able to understand what it is that this generation is asking for will be the downfall of many companies in the coming years. J. Walker Smith, a managing partner at Yankelovich Partners Inc. states, "Most marketers perceive them as kids. When you do that, you fail to take in what they are telling you about the consumers they are

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<sup>14</sup> Wolfe, Ira S. "Trophy Kids: What Goes around Comes Around!" *Success Performance Solutions*. Business 2 Business, Mar. 2009.

becoming."<sup>15</sup> It is crucial for companies to understand that the distinctive buying habits that Gen Y is developing now will likely follow them as they reach middle age and their high-spending years of their life.

## **METHODOLOGY**

### Research Questions

In order to determine the importance that Gen Y places on green efforts and sustainability initiatives and their consequent purchase habits from companies employing these initiatives, this study will investigate the following research questions:

1. Does Generation Y regard sustainability as an altruistic or strategic concept?
2. How important does Generation Y believe sustainability is for individuals, organizations, and communities?
3. To what extent do Generation Yers engage in sustainable behaviors?
4. To what extent are Generation Yers compelled to engage with companies that display acts of sustainability?

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<sup>15</sup> Neuborne, Ellen, and Kathleen Kerwin. "Generation Y." *BusinessWeek* 3616 (1999): 80-88.

These research questions should craft a more specific idea of how Gen Y consumers view sustainability efforts and the expectation of corporations to meet particular standards as it pertains to green initiatives.

### Research Design

In order to gain a better understanding of these inquiries, twelve in-depth interviews of Gen Y college students from various backgrounds have been conducted. As shown in Exhibit One of the Appendix, fourteen questions formed the foundation of open-ended discussions about the purpose of sustainability within a corporation, the expectations this generation has of the companies with which they interact, and the weight they put on these actions in terms of motivation to continue purchasing from these companies. For a complete list of interview questions, see Exhibit One of the Appendix.

The first research question addresses the issue of whether or not consumers believe it's ethical for corporations to approach sustainability as a marketing tactic as opposed to a genuinely altruistic action. By determining the answer to this question, one can better gauge whether or not consumers are skeptical of the advertising of different steps taken by companies to look sustainable. As defined in the Introduction of this study, greenwashing has become an ordinary occurrence in media and advertising, therefore determining if consumers from Gen Y can see through these superficial acts of kindness would give companies an idea of how to go about developing sustainability campaigns.

The second research question was formed to ascertain the importance that Gen Yers place on sustainability. While green products have become a trend in the market, Gen Y is said to be the least sustainable generation, particularly because of the increased number of individuals from this generation with electronics and cars. Because of this, it is important to determine what importance they place on being “green” citizens.

Building on the second research question, the third research question focuses on the degree to which Gen Yers actually incorporate sustainability into their daily actions and routines. These actions can include, but are not limited to, recycling, using energy efficient light fixtures, carrying reusable water bottles, and riding bikes or public transportation in place of motor vehicles. The differentiation between this research question and the previous one will give companies an idea of whether or not Gen Yers practice actions that are similar to their vocalized beliefs.

Finally, the fourth research question will hone in on whether or not members of this generation are persuaded by sustainability actions of businesses when making purchasing decisions. This question will also give companies an idea of how consumers view sustainability of a product in relation to other important product attributes.

### Collection of Data

For the collection of data, this study interviewed college students from Generation Y only. While convenience only permitted this study to interview students a large public university in the southeastern United States, it is

noted that there are potential differences in Generation Y sentiments towards sustainability when taking regionalism into account. To ensure a test group of diverse individuals, participants were chosen in order to create a group of students with different majors, ages, and backgrounds. On average, interviews lasted about 30 minutes and were conducted individually. The purpose of the study was explained to respondents and a couple of important terms were defined for the students in order to give them a basis for answering the interview questions.

### Analysis of Data

*Part One: Does Generation Y regard sustainability as an altruistic or marketing tactic?*

*1. What do you believe are the correct motivations of companies for being sustainable?*

When asked what they believed are the correct motivations for incorporating sustainability into business practices, eight of the twelve participants responded that they felt companies should be environmentally friendly for the sake of making the planet a better place or for the well being of future generations. Only two of the respondents said they felt that companies should engage in sustainability in order to “maintain a good corporate public image.” One of these two interviewees went as far as saying, “Sustainability is one of the easiest ways to be favored in the eyes of the general public.”

According to these responses, it would seem that Generation Y generally sees sustainability as an altruistic concept and expects companies to engage in environmentally friendly actions for the sake of trying to be better citizens of the

community. Many respondents recognized that taking future generations in consideration should be part of their long-term business plan.

*2. Should companies operate purely to make a profit or exhibit notable, non-profit-making behavior towards the community in which they conduct business?*

For the responses to this question, there was an even split of three respondents answering that companies should operate to make a profit and three saying they believed businesses should be more focused on giving back to the community. This being said, the remaining six participants explained that companies should be equally focused on both concepts. These interviewees noted that there would be no option to give back to the community if business wasn't profitable. One participant in particular explained, "You get the 'big wigs' that just want to make money and I don't think that makes a sound company."

*3. Do you see an opportunity for these two concepts to work together? In other words, do you believe by engaging in society in not-for-profit ways, companies are able to increase profits and market share?*

A resounding twelve respondents answered that they believed there was a direct connection between giving back to the community and increasing profits. Participants

explained that engaging in the community results in “good will towards the company,” a better “persona of the business,” and more support from their local community in general. It is important for companies to be cognizant of this connection in Gen Y consumers’ minds. This being the case, one respondent explained that it was unnerving to him to never really know what the motivations behind these actions are. This interviewee explained that he always tried to judge the intentions behind advertising campaigns displaying kind acts to determine if they seemed genuine or not.

*Part Two: How important does Generation Y believe sustainability is for individuals, organizations, and communities?*

*4. How much importance to you place on sustainability?*

When asked how much importance they placed on sustainability in their own lives, ten out of the twelve respondents explained that they felt they put a fairly significant weight on being sustainable in their daily routines, although most of these interviewees also answered that they believed they could be doing more. Two of the respondents answered that they only place a little importance on sustainability. These respondents explained that it was not very convenient for them to be sustainable.

*5. Do you feel sustainable actions are necessary?*

Of the twelve respondents, nine participants said that they feel sustainable actions are necessary. While this question was left open-ended as far as how “necessary” was defined, most of these nine explained they felt that without more sustainable actions, future generations would be put at an extreme disadvantage. One respondent answered

that sustainable actions are not necessary. The final respondent explained that she wouldn't like to think of sustainability as necessary but instead she felt it was "preferred." She went on to say, "People should do it because they want to do well and, in turn, see the greater good from it."

*6. What do you see as the future of the planet if truly sustainable actions are not worked into the daily lives of individuals?*

When asked what they saw as the future of the planet if sustainable actions are not taken, eleven of interviewees recognized that the planet would continue to deteriorate and that future generations would be in unfavorable conditions. Only one participant answered differently, saying they felt that they couldn't accurately speculate on what the condition of the planet will be like in the future. Based on these answers, there seems to be a general consensus within Gen Y when it comes to understanding what the result would be of continued harmful actions towards the environment.

*Part Three: To what extent do Generation Yers engage in sustainable behaviors?*

*7. What, if any, behaviors do you exhibit that might be considered sustainable?*

While almost all of the respondents answered in Question #4 that they place a significant amount of importance on sustainability, it was apparent when asking this question that Gen Y generally does little to really exhibit sustainable actions in their daily lives. Most of these actions were attributed mostly to convenience, such as recycling bins being easily at hand on the university's campus. Some participants said they also tried to carpool when possible and often tried to keep reusable water bottles with them. Few respondents mentioned purchasing products that were more sustainable than competitors'

products. There was little mentioned about electricity and water conservation. As found with the question regarding the amount of importance they place on sustainability, it was evident in this question as well that the participants would like to be doing more to live more sustainably.

*8. Are you working to live more sustainably?*

When asked if they were working to live more sustainably than they currently are, the majority of respondents said that they were unfortunately not doing anything to be more environmentally friendly. Four of the interviewees responded that they tried to do what they can when the opportunity presents itself and the remaining two interviewees answered confidently that it was a continuous work in progress to be more sustainable. It was apparent with most respondents that there was a sense of guilt that accompanied not doing more.

*Part Four: To what extent are Generation Yers compelled to engage with companies that display acts of sustainability?*

*9. Do you expect companies to engage in sustainable actions?*

When asked if they expected companies to engage in sustainable actions, the twelve respondents gave quite varying answers. Of the twelve, five of the interviewees said that they did expect companies to be sustainable, four said they did not expect it, two said they expected it to a certain extent, and one respondent said they more expected it from large corporations than smaller, local businesses. To some degree, eight of the

respondents expect some amount of effort towards sustainable actions in their business operations.

*10. In the following list, what would you consider the most and the least important product attributes?*

*Quality, Price, Sustainability, Relevance to Self-Image, Customer Service*

*If sustainability is not the most or least important of these attributes, where does it rank in your decision-making process of a purchase?*

For a complete breakdown of the way these product attributes were ranked, see Exhibit 2 of the Appendix.

Quality was pretty consistently ranked the most important attribute with price usually following as second. While there was some discrepancy in how respondents listed the remaining three attributes, the scoring left sustainability in third overall as the next most important attribute. While this shows that sustainability as an attribute is not a priority to Gen Y consumers, it is generally something that the participants say they consider when making purchases.

*11. Are you more compelled to buy products from a company that exhibits sustainability in their daily business operations?*

Of the twelve interviewees, nine answered that they are more compelled to buy from companies that are more sustainable. One respondent explained that this shows a “sense of being loyal to the community” and many others spoke to sustainability showing a general care for more than just increasing profits.

*12. How often do you conduct your own research to find out how sustainable the products are that you use on a daily basis?*

The majority of respondents answered that they rarely or never do their own research to determine how sustainable the products they use are. One interviewee responded that they do some research on this topic and no participants gave a definitive yes. This information seems unsurprising based on the rankings given to sustainability as a product attribute in Question #10 but goes counter to the fact that most of the participants responded that they place a fair amount of weight on sustainability in their daily lives.

*13. Do you have any other thoughts on the role of companies in sustainability and green initiatives?*

When asked if they had any other thoughts on the role of companies when it comes to sustainable actions, the most reoccurring theme in the answers was a desire for transparency from those in the business world. One respondent answered with the following – “I see [companies] role as that of fellow citizens, so as not to produce something or sell something that is harmful. Like neighbors. Not only for the sake of profits.” Another participant explained that if more companies were to make it better known that they were working to become more sustainable, that customer would be more

apt to purchase from them. Finally, there were a number of respondents that recognized the influence that companies can have on the market by introducing products or concepts, such as sustainability, that in turn become trendy and result in consumer following suit. This want of transparency translates to a sense of trust with Gen Y and this is the foundation for building a stronger sense of brand loyalty with these consumers.

*14. What are your general thoughts on the role of business in society?*

Most respondents answered that business is a necessary part of society and that consumers find great value in the things that companies produce. While many of these respondents say they recognize the need for businesses to continue to grow and increase profits, they also believe that it is crucial for companies to do this in a way that is ethical, responsible, and with the least negative effect possible on the surrounding community and environment.

One participant spoke about her fear of not knowing everything that's happening throughout business operations and the prospect of certain actions being taken that are not in the best interest of the end consumers. Another respondent quotes, "Businesses should better the society and consequently, the environment, while maintaining a positive image through company regulation and responsibility." Based on these answers, it is apparent that Gen Y expects companies, no matter how big or how much influence they exert, to take pride in being part of the community and, as a result, showing their support in a variety of ways.

## **FINDINGS AND DISCUSSION**

### Description of Findings

After analyzing each of the individual interview questions, it is evident that there are three main overarching trends regarding Gen Y's attitude towards sustainability. Firstly, there seems to be a disconnect between what Gen Y values from companies and what they value in their own lives. Also, there is a slight tilt towards company characteristics rather than product attributes when it comes to how Gen Y values sustainability. Finally, Gen Y is much more dependent on the information they gain directly from companies than their own research when it comes to sustainable business activities.

There is an interesting disconnect between what Generation Y values in their own lives and what they value in a company. Although most of the respondents said they believe sustainability is very important to them, it is apparent that this is not a value that they actively work into their daily routines. Despite this, most all of the respondents answered that they are more compelled to buy from companies that exhibit sustainability. One might assume that consumers generally search for companies that share a similar platform of values and beliefs as themselves. On the contrary, it seems as if Gen Y looks to companies to fill a void in their lives, such as not being as sustainable as they would like.

Secondly, while sustainability doesn't seem to be a priority when it comes to product attributes, Gen Y is more apt to be won over by companies that exhibit sustainability as a core competency. Often, products are individually promoted as sustainable, even when other products from that

company don't necessarily exhibit that same quality. Based on the interviewees' perceptions of sustainable products, often they quickly disregard these products because they associate these with a cost premium. On the other hand, when asking what their sentiments were towards a company that engages in sustainability as a whole, the interviewees were quick to respond that they would be compelled to better consider this brand as an option.

Lastly, it is important to note that the participants admitted to doing little to no research to find out what products are actually sustainable. Because of their dependence on technology, many believe that Gen Y is active in finding information about their products via the Internet, yet when it comes to sustainability, this perception is generally not accurate. Gen Y consumers rely on messages directly from companies to learn what products are sustainable and what actions are being taken to help make the company more environmentally friendly as a whole.

### Implications

Taking these findings into consideration, there are many implications of this study for companies hoping to attract and, subsequently, build brand loyalty with Generation Y consumers. The first implication is that Gen Y consumers might be looking to companies to fill a void in their daily lives when it comes to values. Companies are in the mindset that trends should be

detected strongly in the market before taking risks to satisfy this trend. On the contrary, many interviewees in this study explained that they often look to companies to start trends and that they believe consumers will follow suit if the business world sets an example. The influence of companies in society has seemingly grown to the point where they are demand makers rather than demand satisfiers. While this study can only associate this shift to sustainability, it still shows the growing force of companies on the market.

Another inference from this study is the fact that Gen Y consumers much more desire a company that does greater good as a whole entity, rather than one that solely offers a line of sustainable products. This might be attributed to consumers seeing companies as “fellow neighbors,” as one respondent mentioned in her interview. A company that cares about the environment shows so much to their customers – loyalty, good will, and responsibility. Gen Y consumers will feel much more connected to a company that exhibits this sort of personality through the things they do.

Finally, contrary to the idea that most Gen Yers are willing to perform their own research to find information about their products solely because of their dependence on the Internet and technology, this does not seem to be the case with sustainability. Because of this, companies must realize that the information they disseminate about their green initiatives might be the only interaction that Gen Y consumers have with them when it comes to sustainability. This being the case, companies must be able to create messages that are genuine and honest with consumers about the actions that are being

taken. Many respondents spoke about the prospect that some companies might be using greenwashing in their advertising to win consumers over but that many times the audience can see through these empty messages.

Realizing that consumers are becoming more and more knowledgeable and questioning about the information they receive through media outlets is something that all marketers should be able to understand.

### Potential Future Research

As Generation Y enters their greatest spending years, understanding their ideosyncracies is important for companies to succeed. This study has shown how important it is for marketers to incorporate sustainability into their campaigns and gives insight as to how to do so successfully. This being said, there is still plenty of opportunity for research so that this information can be expounded and put to good use. One opportunity for future research would be determining a metric for weighing sustainability and how it impacts purchasing decisions. This would bring this study to a quantitative level to better measure the impact that promotional efforts towards sustainability have on the consumer.

Another opportunity for continued research on this topic would be to craft a study specifically to measure the impact that sustainable products versus sustainable advertising campaigns have on Gen Y consumers. It has begun to be apparent in this study that there is a difference between the two,

but developing a study to determine exactly why this difference exist would prove to be very valuable for companies.

Finally, gaining a better understanding of the disconnect between personal values and qualities that consumers value in companies would give insight to how consumers choose between companies that are seemingly similar. As mentioned before, one might assume consumers look to companies with similar values yet this study shows that there seems to be evidence that Gen Y consumers see companies as a way to fill a void in their values and to resolve a sense of guilt. Exploring this concept and determining if this is something that is really present would give companies an upper hand in positioning themselves when it comes to their brand personalities.

## **SUMMARY**

With sustainability and green products becoming more prominent, it is critical that companies evaluate their stance on these topics and be able to communicate that clearly to their consumers, particularly Generation Y as

they move into their years of greatest spending. Based on this study, it is evident that Gen Yers expect a certain degree of environmental responsibility from the companies they interact with and are attracted to companies that show this devotion to the local community and planet. Using this information to position themselves appropriately, companies can create a distinct competitive advantage moving into the future as Gen Yers begin to build strong brand loyalties that will continue for the rest of their lives.

## **APPENDIX**

### Exhibit One: Interview Questions

*Part One: Does Generation Y regard sustainability as an altruistic or marketing tactic?*

1. What do you believe are the correct motivations of companies for being sustainable?

2. Should companies operate purely to make a profit or exhibit notable, non-profit-making behavior towards the community in which they conduct business?
3. Do you see an opportunity for these two concepts to work together? In other words, do you believe by engaging in society in not-for-profit ways, companies are able to increase profits and market share?

*Part Two: How important does Generation Y believe sustainability is for individuals, organizations, and communities?*

4. How much importance to you place on sustainability?
5. Do you feel sustainable actions are necessary?
6. What do you see as the future of the planet if truly sustainable actions are not worked into the daily lives of individuals?

*Part Three: To what extent do Generation Yers engage in sustainable behaviors?*

7. What, if any, behaviors to you exhibit that might be considered sustainable?
8. Are you working to live more sustainably?

*Part Four: To what extent are Generation Yers compelled to engage with companies that display acts of sustainability?*

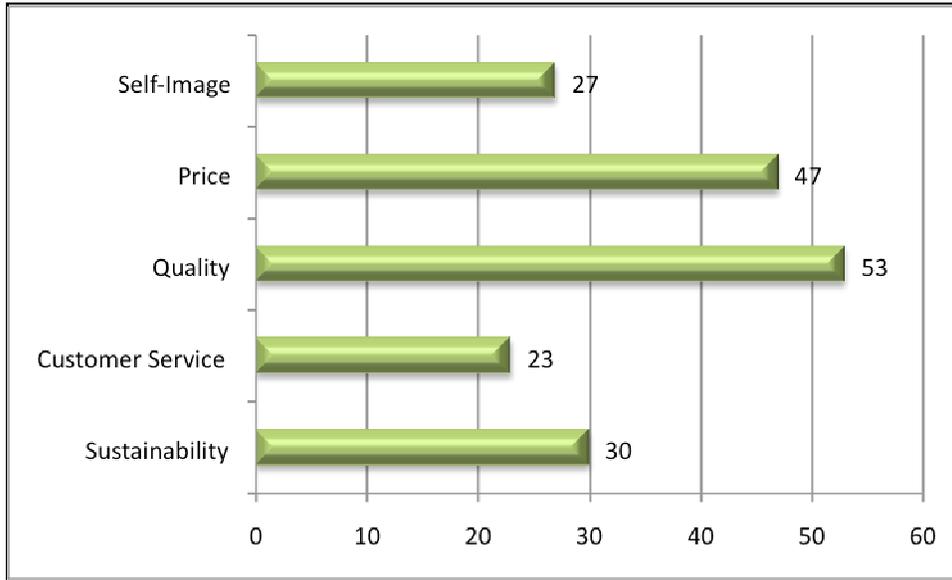
9. Do you expect companies to engage in sustainable actions?
10. In the following list, what would you consider the most and the least important product attributes?

Quality, Price, Sustainability, Relevance to Self-Image, Customer Service

If sustainability is not the most or least important of these attributes, where does it rank in your decision-making process of a purchase?

11. Are you more compelled to buy products from a company that exhibits sustainability in their daily business operations?
12. How often do you conduct your own research to find out how sustainable the products are that you use on a daily basis?
13. Do you have any other thoughts on the role of companies in sustainability and green initiatives?
14. What are your general thoughts on the role of business in society?

### Exhibit Two: Product Attribute Vote Rankings



\*Rankings were determined by a scoring scheme based on the way interview respondents ranked product attributes in purchasing decisions. Attributes named as most important scored a five, second most important a four, etc.

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