

THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

Departmental Research Seminar

The Price-Sustainability Heuristic By



Prof. Silvia Bellezza
Columbia University

Date : 31 Mar 2025 (Mon)
Time : 10:30 am – 12 noon
Venue : Online via Zoom

Abstract

The price of a product inherently communicates information to consumers. For instance, the price-quality heuristic implies that consumers tend to associate higher quality attributes with products that are more expensive, all else being equal. In this project, our focus lies in understanding the inferences consumers draw about sustainability based on price, referred to as the price-sustainability heuristic. Across several studies, we demonstrate that the price-sustainability heuristic follows an inverted U-shaped curve, wherein consumers perceive both cheap and luxury products as less sustainable than moderately priced alternatives. In Study 1, we assign respondents to different prices and find that mid-priced apparels are viewed as more sustainable compared to both lower- and higher-priced options. In Study 2, we replicate these findings and find the same pattern of results while also controlling for the actual aesthetics of the product. Study 3 substantiates the inverted U-shaped relationship in a ranking task within-subjects. Study 4 replicates this effect across various product categories, such as food, technology, and furniture. Finally, Study 5 examines the processes at play and shows that perceptions of ethical production and quality influence sustainability judgments, with mid-priced products regarded as balancing affordability, ethics, and quality. In contrast, consumers consider price as a signal of sustainability, believing that very cheap products save costs and cut corners at the expense of ethics, while expensive products tend to use resource-intensive materials.

Prof. Silvia Bellezza is an Associate Professor of Business in Marketing at Columbia Business School. Her research focuses on status signaling in consumption. Specifically, her work examines traditional status signals (e.g., conventional luxury brands and products) and alternative status signals (e.g., minimalism, vintage, sustainable luxury). Prof. Bellezza's research has been published in top-tier academic journals, including the *Journal of Consumer Research*, *Journal of Marketing Research*, and *Management Science*. Her work has also received extensive media coverage in popular outlets, such as *The New York Times*, *The Wall Street Journal*, *The Atlantic*, and *Scientific American*. Before joining Columbia, she earned her doctorate in marketing at Harvard Business School and worked in the marketing departments of L.V.M.H. and Dannon. Prof. Bellezza currently teaches the Sustainable Marketing elective to MBA and Executive MBA students.

All interested are welcome.



THE HONG KONG
POLYTECHNIC UNIVERSITY
香港理工大學

Department of
**MANAGEMENT
& MARKETING**
管理及市場學系