Breakout Session 1: Consumer behavior/ Social Interventions

Panelists

- Josh Abbott, Professor, Global Institute of Sustainability and Innovation, Arizona State University (online)
- David McLaughlin, Environmental Sustainability Policy, RI Department of Environmental Management
- Lisa Erdle, Director of Science & Innovation, 5 Gyres Institute
- Sarah Davis, PhD student, Biological and Environmental Sciences, University of Rhode Island & founder of Mapping Microplastics
- Emi Uchida, Professor, Environmental and Natural Resource Economics, University of Rhode Island

Randomized evaluations for evidence-based decision making Testing the impact of nudges on plastic bag reduction: A pilot study in Dhaka, Bangladesh

> Emi Uchida Professor, Environmental and Natural Resource Economics University of Rhode Island

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Impact evaluations are a part of evidencebased policymaking

Enhances accountability, refine scarce budget allocations, learning, guide program design and policy decisions

Reshaping public policy: A global shift in focus from <u>inputs</u> to <u>outcomes and</u> <u>results</u>

More impact evaluations needed for water policies and programs in general.

They are useful when:

- there are alternative/competing solutions and decision makers want to know which ones are more cost effective (or other criteria)
- the solutions are not guaranteed to work and decision makers want to know whether or not they work, if not why, and which ones are more cost effective

To provide reliable evidence, projects need to be designed with impact evaluation in mind

5 components of program evaluation

Needs Assessment

Theory of Change

Process Evaluation

Impact Evaluation

Programs often focus on reporting the inputs and immediate outputs:

how much money is spent How many observation points are monitored how many people participated in workshops/training

Cost Effectiveness Analysis

Randomized evaluation is a gold standard in applied economics



Randomly assign the interventions to create a comparison group that mimics the counterfactual (what would have happened to that person/group if there were no intervention).

- Because members of the groups (treatment and control) do not differ systematically at the outset of the experiment,
- Any difference that subsequently arises between them can be attributed to the intervention rather than to other factors
- If properly designed and conducted, randomized experiments provide the most credible method to estimate the impact of a program.

Can a simple reminder reduce plastic bag use? A pilot field experiment in Bangladesh

with Md Tahsin Hasan, PhD Candidate Environmental and Natural Resource Economics University of Rhode Island



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Behavioral nudges as a complement to regulatory or pricing approaches to reduce plastic bag consumption

- Retail customers use 1-5 trillion plastic shopping bags per year worldwide (Excell et al. 2018).
- Regulations banning plastic bags or imposing fees have limited effectiveness in developing countries like Bangladesh due to inadequate monitoring and enforcement, a thriving black market, and pressures from the plastic industry (Muposhi et al., 2021).
- This study examines the effectiveness of behavioral nudge (recurrent reminder message) through a randomized field experiment in Bangladesh.



Bangladesh, a south Asian country with a population of 170 million and one of the first countries to implement single-use plastic bag ban. In set, pinned locations are three study areas in the capital, Dhaka.

74% go for grocery shopping three times or more weekly
47% said they throw away plastic bags without further use
51% never use reusable bags for grocery shopping and 32%rarely use reusable bags (source: original survey in July/August 2022)

Theory of Change: an application to reminder messages



A pilot randomized experiment with customers in grocery and vegetable shops in *bazars* in Dhaka, Bangladesh

- Two stage random sampling (3 regions, 5 shops from each region
 = 15 vegetable and grocery shops)
- Every third customer recruited for the study, three weeks of data on consumer spending and the number of plastic bags taken





A vegetable shop in the retail market in Dhaka, Bangladesh. Photo: Mahmud Hossain Opu, Dhaka Tribune.



A grocery shop in the market in Dhaka, Bangladesh Photo: Financial Express

Shopping voucher cards: left is the common front side; Middle is the treatment group and rightmost is the control group

Results

Average Treatment Effect

- On average, customers in either treatment group used 33% less plastic bags than the control group
- Reminder-only group used 28% less plastic bags compared to the control group
- Reminder + reusable bag group used 36% less plastic bags compared to the control group



Histogram of number of plastic bags used in each shopping trip

Figure 1. Distribution of plastic bag use among participants irrespective of treatment. Most of the participants used 1-5 bags per shopping trip.



Figure 2. Distribution of plastic bag use among participants. The control group has the median of 3 bags per shopping trip while the treatments have 2 bags per trip. On average, participants in the control arm used 3.48 bags per trip while treatment one used 2.49 bags and treatment two used 2.21 bags per trip.

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