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“Get Real!”
Individuals Prefer More Sustainable Investments

Abstract

Are individuals willing to put their pension savings on the table to promote sustainability when their choice has real consequences? We ran a large field study with a pension fund that granted its members a real vote on whether the fund would increase its sustainable investments. We compare the results to a group of participants that made the identical choice, but then hypothetically. Our results show that 66.7% favor to invest their pension savings more sustainably. Strikingly, the support for sustainable investments is equally high in the hypothetical and real choice, showing an absence of a hypothetical gap. We show that our results are driven by strong social preferences, not by confusion or a lack of information. These findings highlight that pension funds and other investment managers can benefit from revealing their clients’ preferences more broadly than only financial preferences.