


Chapter 13


Virtual Currencies as Financial Incentives for Sustainable Service Consumption

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ABSTRACT

Virtual currencies (VCs) represent an emerging category of digital assets that have the power to revolutionize sustainable service consumption by aligning financial & behavioral rewards. The chapter discusses the concept of sustainability in service marketing & the growth of the new incentive drivers in the form of cryptocurrencies, loyalty points, & tokens. A typology of VCs is introduced, distinguishing centralized from decentralized implementations, utility from security tokens & proprietary from new digital currency-based VC models & mapping their advances in service areas like travel, hospitality, energy, & transportation. The channels through which VC-based incentives, both financial & social, affect real-world behaviors of eco-friendly purchases, energy saving, & sustainable mobility are explored based on real-world examples. Building on the literature, a conceptual model is developed & proposed to map antecedents, moderators, & outcomes. The study recommends core strategic implications for policymakers & service providers on the integration of token programs.

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1 INTRODUCTION

The global interest in sustainable development has grown significantly, prompting businesses and policymakers to explore creative approaches and strategies that promote eco-friendly consumer behaviors. Among these strategies, virtual currencies (VCs) have surfaced as valuable financial tools that can sway patterns of sustainable service consumption (Scheidegger & Raghurir, 2022). Initially created as alternative payment solutions, VCs now include a broader range of digital tokens, loyalty incentives, and blockchain-based assets that extend far beyond simple financial transactions. Governments and industries are beginning to explore how VCs can support sustainable practices. For instance, the luxury fashion industry is integrating blockchain-based tokens into resale and traceability systems to enhance circularity and build consumer trust, further emphasizing the link between VCs and sustainability (Vogue Business, 2023).

These changes reveal an important nexus between sustainable service marketing and digital financial innovation, which needs more thorough study and conceptual investigation, especially as digital transformation becomes part of service delivery in areas like energy, tourism, transportation, and healthcare. While the practical application of VCs in consumer participation and reward schemes is widening, theoretical foundations and conceptual insights into how VCs specifically operate as promoters of sustainable service consumption are still underdeveloped. The vast majority of studies concentrate on the technical or economic aspects of VCs without considering the behavioral and service-related implications (Diniz et al., 2024). Additionally, research on sustainable service marketing has been mostly concerned with consumer education, eco-labeling, and green branding, with minimal focus on digital incentives.

This is an apparent knowledge gap in discovering how VCs can be incorporated in marketing plans to shape intangible and experience-based service consumption (Koniczna, 2025). In the cryptocurrency context, another gap is the carbon footprint of some VCs. According to Kohli et al. (2023), energy-consuming blockchain protocols need to be taken into account when assessing the environmental value of employing VCs as sustainability instruments. But green VCs and stablecoins offer better options (Wolfson et al., 2025). This chapter thus attempts to bridge these gaps by proposing a conceptual framework through which VCs can be utilized as financial incentives for environmentally sustainable service consumption.

The chapter will address the following research objectives:

RO₁: To explore relevant behavioral and economic theories underpinning this intersection.

RO₂: To classify different types of VCs and their applicability to service sectors.

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