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## **WORKING-PAPER - UMR MOISA**

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**WORKING PAPER MOISA 2011-1** 









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## How do consumers react in front of individual and combined sustainable food labels? A UK focus group study

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#### Abstract

A lot of sustainable food labels are now available. They may be complementary or add to the increasing competition of product information in consumers' minds. This paper investigates (1) two focus groups consumers' perceptions about sustainable labels versus other labels, such as origin or nutrition labels, and (2) consumers' reactions to combinations of different sustainable claims or labels. Overall, findings indicate that there is interest in combining different claims into a single label. However, the results also indicate the importance of familiarity, trust and, fit between combinations of labels as well as between a label associated with a brand. While the combination of certain labels can enhance the value of a food product, this study also indicates that other label combinations can detract from a label's value.

#### Keywords

Sustainable food, labels, qualitative study, trust, fit

Comment les consommateurs réagissent-ils face à des labels alimentaires durables et à leur combinaison ? Une étude par focus groups au Royaume Uni

#### Résumé

De nombreux produits alimentaires avec des labels "durables" sont proposés aujourd'hui aux consommateurs. Ils peuvent être complémentaires ou à l'opposé augmenter la concurrence entre les différents éléments d'information dans l'esprit des consommateurs. Cet article étudie les perceptions qu'ont des consommateurs interrogés lors de deux focus groups au Royaume Uni, des labels durables par comparaison à d'autres labels (nutrition ou origine), et leur réaction à des combinaisons de messages et de labels durables. De façon générale, les résultats indiquent qu'il est utile de combiner plusieurs messages sur un même label. Cependant l'étude montre aussi l'importance de la familiarité, de la confiance, de la cohérence perçue entre labels ou entre un label et une marque associée. Certaines combinaisons peuvent en effet faire perdre de la valeur à un label durable au lieu de lui en donner.

#### Mots clefs

Alimentation durable, labels, étude qualitative, confiance, fit

JEL: D100, D800, M310, Q010

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#### 1. Introduction

Since the early 1990s, Western European markets have witnessed the growing popularity of goods that seek to embody 'sustainable consumption' and socially responsible practices that do not jeopardize the needs of future generations. While these concerns were first oriented towards environmental issues, a growing group of consumers have embraced wider ethical issues, including fair trade, animal welfare or workers' welfare (Pirotte, 2007; Zander and Hamm, 2010; Padel *et al.*, 2010). The rising importance of these concerns represents a challenge for many stakeholders. However, the food industry is hesitating about the prominence that it should give to ethical issues given the increasingly competitive market environment. While consumers are facing more and more claims when choosing food products, what is not known today is the extent to which all these claims and attributes compete in consumers' mind or present complementarities that would add value to the food offering. Therefore, there is a need to assess consumers' preferences for salient claims and attributes that would support these practices as well as the need for label certification. Such an assessment is also critical for governmental agencies wanting to decide which one(s) should be supported by and implemented by the food industry.

Hence the objective of this study is first to investigate the perceptions that two groups of consumers in the UK have of sustainable labels vs. other labels such as nutrition labels. Second, this study investigates consumers' reaction to combinations of different labels that reflect different social and/or environmental innovations.

#### 1. 1. Sustainable food labels

For many years, governmental agencies across the European Union have supported organic practices. However, organic food does not address all of consumers' concerns with regard to food production. In brief, the industry and governmental agencies are facing a new challenge in that production practices and the support of these practices are decided both from an

industrial and political perspective, in addition to consumers' expectations of more sustainable ways of producing and consuming food products. A better understanding of consumers' concerns and trade-offs in their choices of food products is thus critical for developing both business strategies and public policies.

When shopping for food, consumers face a multitude of products differentiated by various attributes. Traditionally, price and brand have been perceived as the most salient attributes (Sharp, 2010). However, during the last two decades, consumers have been able to increasingly experience other food attributes and claims including quality signs (such as PDO) and the organic claim (e.g. Soil Association in the UK) that are recognised at the EU level. More recently, other claims have been used to add value to a product. These include: fair trade, low carbon footprint, natural, biodynamic, animal welfare, and other 'sustainable consumption' claims. Some are certified while others are not. The profusion of different labels may present complementarities or add to the increasing competition among products in consumers' minds (Padel et al., 2010).

#### 1. 2. Consumers' reactions to sustainable labels

More than 40 years ago, Taylor (1970) suggested that social innovations occur in response to the rise of environmental and social problems. As society becomes increasingly aware of the environmental and social problems related to agriculture, new patterns in production, distribution and consumption emerge. Since many of the attributes related to production or distribution processes are not tangible, e.g. organic or fair trade, producers and distributors need ways to communicate to consumers, and consumers need ways to identify desired attributes. Labels and certification are common means by which this information can be transmitted and verified. The process is necessarily dynamic as it takes time to identify and implement practices that address social problems, to develop and implement standards, to create and disseminate labels and certification. Consumers also need time to become aware of

and utilize the labels. Nor is the process of consumption homogenous; not every consumer has the same values or desires the same attributes. Even when consumers value sustainability or social justice objectives, they may not act on them. In other words, values shared by consumers do not necessarily drive behaviour. Weinstein (1988) provides an explanation, he emphasizes the importance of knowledge as a precursor to action in the context of adopting new behaviours; consumers need to be aware of an issue, and believe that it has some relevance to society and to themselves personally before they can develop an intention to act, and then act. While different factors influence each stage, there is no predetermination that consumers ultimately will act, only that at any given stage they have passed through the previous ones. For example, one cannot have an intention to buy a product if one has not heard of it.

Aside from the issue of social desirability or the importance of social norms in addressing the well known problem of why consumers' actions do not always align with their attitudes (Grankvist and Biel, 2007), Guagnano et al. (1995) add to the understanding of consumer choice by focusing on the role of context specifically with respect to sustainable behaviours. Their Attitude-Behavior-Context (ABC) model proposes that when context is neutral or facilitating, attitudes may align with behaviour, but when context is not favourable there is discord between values or attitudes and actions. Monetary costs, time, complexity and inconvenience are examples of context that impede behaviours. As was shown by Ellen (1994), facilitating context can override attitudes; thus Guagnano et al. (1995) find that making recycling easy has a bigger impact on people's recycling behaviour than their environmental attitudes.

The Alphabet Theory (Zepeda and Deal, 2009) builds on ABC and Value Belief Norm theory (Stern et al., 1999) by explicitly incorporating knowledge and information seeking as integral to the formation and modification of attitudes and values. In the context of organic food

shoppers, these consumers have a higher level of knowledge as well as information seeking behaviour. It is not surprising that those who value social innovations seek out information about them.

We know that most consumers do not look at food labels most of the time (Higginson, et al, 2002), and Pieniak, Aertsens and Verbeke (2010) demonstrate that subjective knowledge in the context of organic products choice, has a greater impact than objective knowledge. While the lack of variation in the objective knowledge construct may overstate the statistical results, their study gives ample evidence regarding the importance of subjective knowledge in consumer choice.

However, as Hoogland, Boer and Boersema (2007) point out, this makes it all the more important to understand what consumers get out of labels when they do look at them. They conduct an experiment with widely recognized organic labels and find that additional information enhances consumer perceptions of organic products as well as increases the perceived value of organic products. As the additional information in their study consists of details about the organic standard, it is clear that while consumers recognize and value the logo, they do not have complete information about what it means.

These results raise several questions in light of the proliferation of labels. If consumers know so little about a widely recognized label, how do less well-known labels fare? And if the interaction between a label and details about what it means enhance the perceptions and values of a product, what about the interaction of different labels that reflect different social or environmental innovations?

#### 1.3 Complementarities or competition among sustainable labels

Most research on sustainable labels investigates the importance of sustainable labels without comparing it with the importance of other attributes. Not surprisingly, such studies reveal that adding a sustainable attribute to a product adds value. For example, Loureiro et al. (2001)

show that eco-labelled apples are more desirable than regular apples and less desirable than organic, when food safety, the environment, and children's needs are considered. When considering all three choices, the eco-labelled product is found to be an intermediate choice among consumers.

Another stream of research has attempted to compare the respective importance of sustainable labels and other attributes. This literature suggests that different consumers segments may react differently to information on sustainable labels. In a survey in 2002 on Fair-trade coffee (De Pelsmacker et al., 2005), 808 Belgian respondents from a university had to taste and choose between several coffee types. On the basis of the importance they attach to coffee attributes, and their willingness to pay (WTP) for Fair Trade coffee, respondents were divided in four clusters: For "Fair Trade lovers", a Fair Trade label on coffee is the most important attribute; "Fair Trade likers" tend to choose Fair Trade coffee but pay attention above all to the blending (arabica beans). The "flavour lovers" and the "brand lovers" do not really pay attention to the Fair Trade label but pay more attention to, respectively, taste and brand. In the same vein, Tagbata and Sirieix (2008) tested organic and Fair Trade chocolate products on a sample of 102 consumers. Results showed that organic and Fair Trade labels increased the average consumers' WTP, and were used to identify three consumer clusters. The first cluster represents people who are insensitive to the label. For the second cluster, the organic and Fair Trade labels' influence on improving the image of the products is positive and important. Finally, for the third cluster, the value of the organic and Fair Trade label is determined by the product's taste.

Auger et al. (2010) examined the role that two different sustainable attributes (namely environmental and labour conditions) play on consumer choice by studying the trade-offs that consumers make between tangible attributes and two intangible attributes: brand and country

of origin. They show that sustainable attributes can influence consumer choice even when intangible attributes are included in the research design.

Finally, some studies go further than investigating individual sustainable attributes, or addressing the relative importance of sustainable vs. other attributes, by comparing different sustainable attributes. Loureiro and Lotade (2005) compared consumers' WTP for Fair Trade, shade grown, or organic coffee labels, using a payment card format. Their results showed that consumers are willing to pay higher premiums for Fair Trade or shade grown coffee labels than for organic coffee. Tagbata and Sirieix (2008) also found that the WTP for Fair Trade chocolate was higher than the WTP for organic chocolate. Remaud et al. (2008) measured the importance given by Australian wine consumers to the organic attribute versus another ecofriendly claims (carbon neutral or environmentally responsible) as compared to two other attributes: price and region of origin. They used a discrete choice experiment to test the importance and the utility attached to each level of each attribute. Their results indicated that organic, as an attribute, is valued very little by the average Australian wine consumer, but a minority of wine consumers (one segment) do value eco-friendly wines and are willing to pay a price premium for them. Unfortunately, this study did not describe the perceptions consumers have of different eco-friendly labels. The goal of this research is to compare consumers' perceptions of different sustainability labels to assess how they might be competing or complementary.

#### 1.4 Questions of communication and trust

In the literature that we examined, consumers' reactions to sustainable labels are inferred by their stated preferences or WTP. In contrast, Teisl et al. (2002) conducted a qualitative study in order to let consumers explain their reactions to sustainable labels. They found that the credibility of the endorsing entity is a central issue, together with the design and format of the

information. Consumers tend to place a higher level of credibility on products that feature endorsements from relatively familiar entities and they prefer standardized formats that permit comparisons between products. Tang et al. (2004) add that both visual and verbal labels have been shown to have significant individual and additive effects on the purchase of sustainable products. More generally, some authors (Teisl et al., 2008; Poelman et al., 2008) point out the importance of well-designed labelling practices, as they significantly impact individuals' perceptions of the products' sustainability.

This study is based on the same qualitative approach as the study by Teisl et al (2002), since it is a first step towards understanding consumers' reactions to sustainable labels and not just inferring them from WTP or stated preferences measures. Our study differs from Teisl's study by also investigating consumers' reactions to and perceptions of combinations of sustainable labels.

The rest of the paper is structured as follows: the next section presents the methodology, followed by a results section that investigates (1) the perceptions that consumers in the UK have of sustainable labels vs. other labels, such as origin or nutrition labels, and (2) the reaction of consumers to combinations of different labels that reflect different social or environmental innovations. The next section discusses the results highlighting two main issues, namely the importance of familiarity and trust and, the question of complementarities or competition between labels. Conclusions and both research and managerial implications are then discussed.

#### 2. Method

#### 2.1. Categories of food labels/message

In this study 13 food labels and one verbal message were tested. Nine labels were chosen because they referred to sustainable (environmental or social) aspects, two of them being a combination of different types of information described above. Since "local" is often

associated to sustainable labels e.g. organic (Padel et al., 2010), two "local" labels and one local message were added. Finally, two labels that provided nutritional information were included because nutrition labels are ubiquitous and nutrition facts therefore may be taken into account by a lot of consumers, and could interact with the other labels during the purchasing decision. The following table gives more details about the different categories of labels used in the research protocol.

Table 1. Selected labels and message details.

Category	Description	Logos
Sustainable labels Social responsibility	Labels that certify good working conditions and fair prices to producers	FAIRTRADE MAX HAVELAAR
Carbon emissions	Labels that inform about carbon emissions	working with the Carbon Trust 100g co2 per serving . Climate Friendly Food
Organic agriculture	Labels that certify the products were organically produced	ORGANIC FARMERS GROWERS
Sustainable agriculture	Labels that indicate the products were grown with practices that had a low impact on the environment	TESCO LENVIRON FARMING.
Combinations	Labels that combine two or more of the categories defined above	COGS REGULATION OF SECUM

Local Origin	Labels that mention the provenance of the product	« Grown within a 30-mile radius »
Nutritional information	Labels that give nutritional information about the product	Per serving  kcal 140 7%  of an adult's GDA

#### 2.2. Data-gathering

Two focus groups were conducted in April 2010 with one held at Edinburgh University, in Scotland and a second one at Newcastle University, in England. Participants were recruited via email sent to people from each university. They received a 10-pound voucher for volunteering.

The focus groups were structured into four parts: the participants' criteria for fruit and vegetable selection, their responses to the labels/messages, their preferred/rejected combinations of the labels/messages, and finally what they thought about sustainable labels. In order to both accurately record responses and to facilitate independent responses, each discussion was preceded by a short written response.

The first part began with written responses to questions on the selection criteria for fruit and vegetables purchase. The purpose was to see if people spontaneously talked about labels. The questionnaire was followed by a discussion about labels for fruits and vegetables. Participants were asked to describe what came to mind when we said, "labels for fruits and vegetables," and what they associated with those labels. Participants were invited to share their answers to the second question of the questionnaire with others in the group. This question asked if their selection of fruit and vegetables was guided by the presence of a label, and if so, which label and why. Following this discussion, each participant was given an

envelope containing the 14 labels/message used in this study. They were given another questionnaire that asked them to describe what they thought about each label. To conclude this part, they were invited to share with the others what they had written. As an introduction for the third part, participants were asked to think about the possibility of having multiple labels on the same product. Then they were asked to individually make their own combinations of labels, both the most and the least attractive to them. They were asked to write down these combinations and describe why they made their selections. Finally, people were asked to share their responses with the others in order to compare their points of view. The fourth and last part focused on sustainable labels and was exclusively oral. We explained to the participants that sustainable labels include labels such as organic, sustainable agriculture, carbon footprint, and the combinations. The first question was designed to understand the importance of sustainable labels on people's choice when purchasing fruit and vegetables. The participants were then asked if they always understand the meaning of sustainable labels, and if they thought that those labels were understandable to everyone.

#### 2.2. Data-analysis

The focus groups were tape-recorded and transcribed. The data analysis has been conducted in two phases. First we looked at each individual responses and focus group transcript and looked for indicators of categories. Categories were then compared, selected and collapsed into broader thematic groups for the analysis.

#### 3. Main Results

The following section investigates the perceptions that consumers in the focus groups have of sustainable labels vs. origin or nutrition labels. Second, it investigates the reaction of consumers in front of the combination of different labels that reflect different social or environmental innovations.

#### 3.1. Perceptions of sustainable vs. other labels

#### **Perceptions of sustainable labels**

Sustainable labels include labels for sustainable agriculture (LEAF, Nurture by Tesco), labels for organic agriculture (Organic farmers and the European label), carbon footprints labels (Carbon Trust and Climate Friendly Food) and a fair trade label (Max Havelaar).

Respondents felt that both labels for sustainable agriculture lacked information. However, the LEAF label was generally regarded (by 11 of 16 respondents) as a nice idea even if it would not necessarily influence their decision to purchase. Conversely, eleven of the sixteen participants viewed the Tesco/Nurture label suspiciously as an attempt to "green-wash" or manipulate consumers due to the fact this label was the initiative of the supermarket brand Tesco, "It is an attempt by TESCO to have a green or environmental meaning. However the Tesco brand completely cancels this out for me" (*FG2, Male, 38, Student*).

For many, organic food also meant good food; 12 viewed the Organic Farmers label mostly positively, and the certification adds something reassuring and trustworthy that would attract the positive respondents. The additional European labelling inspired confidence for a few individuals, but not for others, who wondered about it.

Many participants said they were concerned about carbon emissions. Therefore, 12 respondents viewed the Carbon Trust label positively or at least as a reasonable label, but no one exuded much enthusiasm for it. Three others had very strong negative feelings, "I think this label is a nonsense really and see as a 'fudge factor' calculation. Carbon band-wagon. It doesn't mean manufacturers/producers are good to the environment. It might be good in terms of carbon but what about phosphors, nitrate, greenhouse gases (NO<sub>2</sub>)" (*FG2*, *Female*, *36*, *Environmental scientist*). While no one was familiar with the Climate Friendly label, the respondents generally liked the design. However, this did not mean they trusted or liked the label, and as with the Carbon Trust label, this seems partly due to lack of receptiveness to the message.

The last label respondents examined was the Max Havelaar label. One comment summarized the ideas evoked by most of the participants, "It is a well-known symbol" (*FG1*, *Female*, *56*, *Secretary*). Familiarity evoked trust and overall, thirteen of the respondents viewed the Fairtrade label positively.

# Perceptions of labels combining several sustainable aspects (COGS and Organic Fairtrade)

While it was clear no one was familiar with the COGS label, it was viewed positively by nine of the respondents, and the rest were mostly favourable but wanted more information, or said it would depend on the quality of the product. One commented, "It makes me think of community as local group with good values. Trustworthy" (*FG1*, *Female*, *36*, *Administrator*). Others remained rather suspicious because the logo did not give enough information to them, "This label doesn't not have a clear message" (FG1, 8). "Where is Sequim? It wouldn't alone convince me to buy" (*FG2*, *Male*, *27*, *Post-doctorate Research Associate*).

Most people were no more familiar with the organic Fair trade label, but seemed to like the idea of combining organic and Fair-trade. "It is slightly more attractive than Fairtrade alone due to quality of production/farming techniques" (*FG2*, *Female*, *25*, *PhD Researcher*). On the other hand, others seemed more reluctant and suspicious about this combination, "It is a combined approach to satisfy some proportion of consumers but is not entirely useful to me. I might take one of these if there is a similar product that is not labelled, but I'm sceptical" (*FG2*, *Female*, *44*, *Lecturer*). Another expressed his preference for the fair-trade part of the label, "Organic and fair trade: fair-trade is positive, organic is not, too fussed. But country of origin would be important" (*FG2*, *Male*, *27*, *Post-doctorate Research Associate*).

#### Perceptions of origin and nutrition labels

Origin and nutritional labels were included in the study in order to investigate their possible complementarities or competition with sustainable labels. One message and two labels of

origin that were presented - Grown within a 30-mile radius, Made in Cheshire and, Quality-Origin Ireland- were well received but appear as not sufficient by themselves. Among those expressing reservations, the factors included: quality, price, preference for sustainable production, and sales venue or location. Several were concerned by the lack of information provided by the labels and one person explains for the first message that "This doesn't give any info on production techniques, CO2, production" (FG2, Male, 27, Post-doctorate Research Associate). As regarding the Quality-Origin Ireland label, ten of the respondents across the categories mentioned the quality stamp, questioning what it meant and who certified it. "Not sure what quality they are checking. I prefer things that are good for environment, not tomatoes that are perfectly round" (FG2, Male, 23, Researcher).

Results were totally different for nutritional labels (1 of 5 a day and kCal per serving). The "1 of 5 label" evoked a mostly negative response; 10 people said they did not like it or would not use it, mostly because they felt it was redundant or paternalistic. Eleven of the respondents felt the kcal label was not a bad thing, but not personally relevant. One person strongly disliked the label, "I dislike the calorie counting label. I think it takes pleasure out of food and encourages people to eat at the basis of 'food as fuel.' These labels ruin people's palates" (FG2, Female, 44, Lecturer).

To conclude, overall, many of the labels were not familiar to the participants, however, in some cases they still generated strong feelings that resulted in the participants accepting or rejecting the labels. In general, the labels of origin tended to be better received than the nutrition labels. The sustainability labels were diversely received: levels of information, familiarity, trust are different across the labels. To complete these results, the second part of the study investigates which combination(s) of labels would add value to sustainable products and which combination(s) would be rejected.

#### 3.2. Combinations of labels

#### **Ideal combinations**

It should be noted that two respondents<sup>1</sup> rejected any labels on fruit and vegetables. Among the rest, the Fairtrade Max Havelaar label and the 30-mile label were more often chosen as part of ideal combinations than the other labels <sup>2</sup>. The Max Havelaar label was the most popular label in both focus groups; eleven chose it in combination with a variety of other labels, often related to origin or sustainability and occasionally (five times) with a nutrition label. While some explained why, there were also many who did not give a reason for their choice. Given the comments about this label discussed above, we believe that people did not feel it was necessary to justify their choice. This label is so "well-known" and trustworthy that its presence on a product seems obvious and desirable for these people.

The 30-mile label was the second most popular, cited by eight respondents as being one of the preferred combinations and was surprisingly frequently combined (5 of 8 times) with the Fairtrade label, showing that some consumers do no longer associate Fair Trade with poor countries in the Southern hemisphere.

We could discern two groups of participants according to their ideal combinations. The first group chose combinations that evoked concern about sustainability, both social and environmental aspects and associated the local dimension. For example, one person chose to combine the "Grown within a 30-mile radius" logo and the logo COGS because "These two labels in conjunction give a local and (at least the impression of) social dimension to the product and nothing says sustainable louder to me" (FG2, Male, 38, Student).

The second group, all in the first focus group, chose sustainability and personal concerns in their ideal label combinations. One participant chose the Fair-trade Max Havelaar, COGS, and the 1 of 5 a day labels because he found this combination, "Eye-catching/clear

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<sup>&</sup>lt;sup>1</sup> Both were older (44 and 60 years old) married females with postgraduate education.

<sup>&</sup>lt;sup>2</sup> Both the Carbon Trust label and the 1 of 5 labels were chosen by four respondents each. The Cheshire and kcal labels were chosen by three respondents each. The LEAF label was chosen by two respondents and the Ireland by one.

message...linked with good health of both consumers and the planet" (FG1, Female, 55, Primary teacher). Personal concerns were related to health, nutrition or the desire to know where their food comes from. No one mentioned any concerns regarding pleasure or other hedonistic aspects in their ideal label combinations.

#### **Rejected combinations**

Not only was the Nurture Tesco label rejected by itself, it was chosen by thirteen people as part of their least desirable combination. It was viewed negatively by itself and in combination with other labels because people perceived it as green-washing or contradictory (e.g. in combination with the 30 mile or organic fair trade) and/or too vague or unfamiliar to be meaningful.

Given the generally negative perception towards nutrition labels it was not surprising that the 1 of 5 label (nine of sixteen) and the kcal label (seven of sixteen) were strongly disliked in combination with other labels (most frequently the Nurture Tesco); the dislike seemed to stem from perceptions that these nutrition labels were paternalistic (respondents did not want to be told what to eat) or superfluous for fruits and vegetables (because either they felt they ate enough fruits and vegetables or kcal from fruits and vegetables are not worrisome).

About half of the participants rejected combinations with the Climate Friendly label, as they felt it was unfamiliar and had no meaning. To a lesser degree some of the origin labels were rejected in combination with other labels (Ireland by three of sixteen, 30 mile radius by two of sixteen, Cheshire by two of sixteen) because either they were thought to be vague/unfamiliar or in combination with the Nurture Tesco label, to be in conflict. The same could be said of combinations that included sustainability aspects <sup>3</sup>. The reasoning was either that they felt the combinations did not fit or were potentially greenwashing, or they felt that the labels were too

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<sup>&</sup>lt;sup>3</sup> three rejected combinations with the Carbon Trust label, three rejected combinations with the LEAF label, two reject combinations with the fair trade label, and two rejected combinations with the organic fair trade label

vague or unfamiliar to be meaningful. It is notable how strongly some people rejected information that was unfamiliar (e.g. the Carbon Trust label).

The only labels that were not mentioned by anyone as being part of the worst combination were the organic farmers and growers label and the COGS label. What is interesting about this is that the former was quite familiar but the latter was not. Both combine images and words and both refer to organic and either community or farmers. It is not surprising that good design and word choice appeal to consumers even if they are not familiar with the label. However, it does not necessarily mean they prefer these labels. The organic label, while not offensive and familiar, was only chosen by two of the respondents as part of a preferred combination. The COGS label, though unknown, faired better; it was actually the third most popular choice, being chosen by six respondents as part of their preferred label combination.

#### 3.3. Knowledge, familiarity and trust

"But this carbon thing, I mean, it's an entirely imaginary concept! I mean you're not dealing with real things. But what is a carbon footprint?! ...it just causes people to get upset, they don't know what it is all about and what's the point of this?!" (FG1, Female, 36, Administrator). Thus, understanding sustainable labels is not just about knowledge and information, people also need to be familiar with concepts such as a carbon. Many also agreed that labels should be simpler to be understandable by anyone "It should be visually clear what it is, because again there are number of adults who have difficulties to read things. And so you can have all the messages you like, but it has to be understood by people" (FG1, Female, 55, Primary teacher).

Besides knowledge and familiarity, trust is a key factor. Trust is dependent on credibility and control. As one person commented, "I think it has to be clear who's made the decision about it. Who is the regulating body" (*FG1*, *unknown Female*).

These results confirm and complete existing literature on labels perception and trust. More precisely they confirm the importance of the credibility of the endorsing entity (Teisl et al, 2002).

#### 3.4. Complementarities or competition

Complementarities appears both between different sustainable labels but also between sustainable labels and labels dealing with personal concerns. Label combinations were rejected for two reasons: either because the participants did not like any of the labels or they felt the combination was contradictory. The former combinations reflected a mix of mistrust, lack of understanding, caution, or even disinterest. For instance one person combined the labels for Climate Friendly Food, Nurture Tesco, Carbon Trust, and 1 of 5 a-day because he considered that the first 3 labels were, "vague and 'jumping on the bandwagon' of climate change without being informative" and " because I don't like being told I must eat 5 a-day" (FG1, Female, 56, Secretary).

Contradictions may appear between some dimensions and associated values (e.g. sustainability with personal concerns) but the study revealed the importance of two other types of contradictions due to (1) oppositions between the labels content (FT and local) and (2) contradictions between the promise and the source image, which makes "good" labels guilty by association (Tesco with other labels or FT with big companies brands).

Some combinations were rejected because of perceived contradictions between the different labels contents. The most obvious is local and Fair-trade, "I was wondering about having the 'Grown within the 30-mile radius' and the Fairtrade or this French one, because those are usually from other countries, so you can't combine them and also...the low carbon one, it's not gonna be low carbon if it comes from a different country" (FG 2, Male, 23, Researcher). Respondents also rejected combinations as contradictory due to the promise and the source image. One participant had this to say about combining a Fair-trade label with the Nurture

Tesco label, "Tesco's attempt at showing a sustainable nature seems abhorrent! Linked with a recognised anti-exploitation desire such as Fairtrade would make me deeply uncomfortable" (FG2, Male, 38, Student). Indeed, the use of the widely trusted Fair-trade Max Havelaar label by corporations appears to have tainted its reputation among some of the participants who perceive it as no longer trustworthy.

Finally, our results also show that, even when there is no contradiction between labels, the perceived value of labels does not always increase once combined with other labels. In fact, most of the combinations the participants like are made up of individual labels they liked, and one participant considered that some labels were better alone than combined. "They do not fit well together with each other. Some are sufficient on their own but not convincing together" (FG1, unknown Female).

#### 4. Discussion

#### 4.1. Label profusion and lack of meaning

The findings of the two focus groups indicate that having more labels available to characterise food products does not necessarily add value for food buyers. When consumers do value more labels, it is because they are easy to understand, i.e. they do not require reading a lot of text. We assume that consumers of sustainable food products do have a rational decision making process: that is, those consumers who value sustainability, search for sustainable labels, and choose to buy such products when the perceived benefits exceed the costs. Thus, consumers who are more aware of environmental and social concerns and are more highly involved in sustainable issues are more likely to purchase sustainable goods. However, a few focus group respondents indicated that context is crucial to their behaviour, as Guangano et al. (1995) indicate. In most cases, consumers purchase food products on the basis of habit. Therefore, a sustainable label may not be purchased primarily because of its sustainable content, but

because it's widely and easily available. Therefore, we would agree with Pienak et al (2010) that subjective knowledge or familiarity has a great impact on buyers' behaviour.

#### 4.2. Implications for managers and policy makers

Some recommendations can be suggested on the basis of these results. For those involved in sustainability labels (whether private, non-profit or government), as with any brand, it is important to have: good imagery, a clear message, to promote and protect one's reputation, and the question of fit is of the utmost importance (Zdravkovic et al., 2010). It is clear that sustainability labels need to be mindful of associating themselves at their own risk with corporations. Indicating why it is important that corporations sell organic, fair trade etc could be a relevant strategy if they can show results in terms of beneficial impacts to counter the image of greenwashing. For example, one could imagine a campaign by a large retailer that emphasized how their ability to purchase and promote large volumes of organic and fair trade products could transform the quality of life of many thousands of people and mitigate environmental problems on large areas of land in developing countries. Our results indicate that if they want to be effective, they should acknowledge that there is scepticism, and address concerns about greenwashing head on with facts. Otherwise, Tesco would be better off not highlighting the fact that Nurture is a Tesco brand. The focus group participants reacted negatively to Tesco as a corporate brand, clearly contradicting the purpose of Nurture itself. For policy makers, the results imply the need not just to come up with compelling and clear labels that involve characteristics that consumers want, but also to inform and educate people. The carbon labels in particular point to the need for consumer education; what does it mean, why does it matter? The results confirm those from Guagnano et al. (1995) and Ellen (1994) highlighting the importance of context to get "buy-in" from consumers and the need to facilitate context to change behaviours. Most people do not really want to think about what they themselves can do about climate change; just like recycling or conservation of energy or

water, they need to see the simple things they can do, understand the context and feel that they can make a difference.

#### 5. Conclusion

First, this study demonstrates very diverse perceptions of sustainable food labels. The upshot is that the Tesco Nurture label was nearly universally disliked and the Fair-trade label was the most liked label. Of the sustainability aspects, climate clearly hit a nerve, with strong rejection of the climate friendly label by most and the Carbon Trust by some, although a few saw the latter label as useful. However, the fact that respondents did seem to like different characteristics (organic, local, fair-trade, climate change mitigation) does imply the need for further analysis.

Second, our results show that there seems to be interest in combining different aspects into a single label. Third, the results also indicate the importance of familiarity and trust. Among the groups, we observed a general lack of familiarity with most of the labels and a tendency to be sceptical about unfamiliar labels and general claims. Trust is also necessary: a good design that evokes local community can lead to more positive perceptions but not if the source is perceived as untrustworthy, e.g. a corporation.

Finally, this study reveals the importance of fit, between labels or between a label and a brand. Indeed, while some combinations of labels can enhance their value, this study does indicate that certain combinations of labels can detract from a label's value. Further research on the question of fit is thus needed.

This study faces a number of limitations: only two focus groups were involved, and they were both highly educated groups. The selection of labels was carefully made to represent different aspects of sustainability but more labels could have been included. To better understand issues related to familiarity, trust and fit in future research on sustainable food labels, other qualitative research has to be done, involving more consumer samples.

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