# Assessing the consumers' level of understanding of sustainability labels on food. Similarities and differences in two consumer groups

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Master's Thesis

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## **Problem Statement**

Sustainable consumption is a major instrument to provoke a change in how products are produced, traded and used.

- Sustainability labels provide product transparency and enable
  consumers to include sustainability claims in their purchasing decision.
  But sustainability concerns have to compete with a number of other
  factors, not only price but healthfulness, sensory quality, etc.
- The profusion of available labels on the market substantially weakens individual schemes.
- Insufficient and non-transparent labeling criteria result in consumer distrust and misinterpretation of labeling criteria.

# **Scientific Questions**

The scientific questions deal with the problems of **how consumers see** and understand certain sustainability labels and what could be the factors influencing the individual understanding.

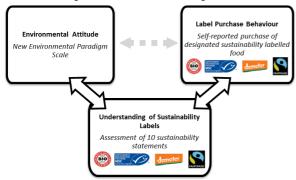


Figure 1: Research model implemented in online survey

# **Method: Online survey**

The three components of the model and their relations were investigated using four selected sustainability labels on food: AMA Organic Seal, MSC, Demeter, Fairtrade label.

Data were collected by means of an **online survey** among  $\it{two consumer groups}$  ( $\it{n_A}$ =141 and  $\it{n_B}$ =103).

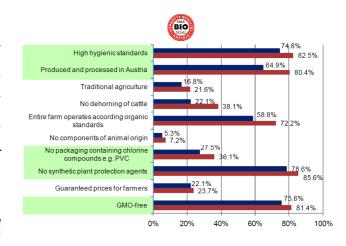






#### **Results**

- Both sample groups belong to the population of green consumers and therefore the results are one-sided.
- The overall understanding of the four labels was medium to high, that is 7 to 9 points out of 10, with only punctual misunderstandings.
- The understanding was assessed using 10 statements about label criteria which participants evaluated individually.
- The two sample groups were similar in that they were equally accurate in their understanding of the label criteria, although group B evaluated three of the four labels significantly more positive than group A.
- It was not possible to find a relation between the environmental attitude and the accuracy of the consumers' understanding of the label. This means that among the group of green consumers the label understanding is equally distributed.



■ Group A (n=131) ■ Group B (n=97)

Figure 2: Personal understanding of the AMA Organic Seal in the sample groups (criteria actually included in labeling standards highlighted in green)

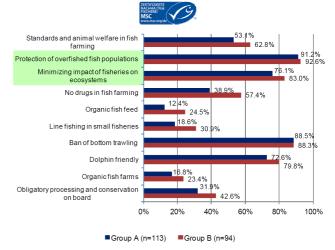


Figure 3: Personal understanding of the MSC Label in the sample groups (criteria actually included in labeling standards highlighted in green)

## Results

However, frequent buyers of products with certain sustainability labels assumed more criteria to be included in the labeling standards than in fact are. Nonetheless, their overall understanding is not significantly more accurate than that of consumers who buy the label less often.

#### Selection of literature

**Brécard, D. (2013).** Consumer confusion over the profusion of eco-labels: Lessons from a double differentiation model. Resource and Energy Economics.

**Hoogland, C. T., de Boer, J., & Boersema, J. J. (2007).** Food and sustainability: Do consumers recognize, understand and value on-package information on production standards? Appetite, 49(1), 47-57.

Kollmuss, A., & Agyeman, J. (2002). Mind the gap: why do people act environmentally and what are the barriers to pro-environmental behavior? Environmental Education Research, 8(3), 239-260.