SHEFFIELD UNIVERSITY MANAGEMENT SCHOOL

SUSTAINABILITY CLAIMS ON FMCGs; CONSUMERS' PERCEPTIONS AND COMPANY PRACTICE IN THE UK AND IN GREECE.

A thesis submitted for the degree of Ph.D. at the Management School - The University of Sheffield.

PANAYIOTA ALEVIZOU

MAY 2011

To my wonderful friends Seonaidh and Caroline,

my lovely parents

and my baby Maria

ACKNOWLEDGEMENTS

I would have never been able to write this exciting part of the thesis if some important people in my life hadn't helped me. My dear Seonaidh who suggested this PhD and my lovely Caroline who suggested a similar topic for my MBA dissertation. From the bottom of my heart, thank you and I love you. Nothing would have been possible without your faith in me.

I would also like to thank Gill Musson and Jo Padmore for their valuable contribution and support! Gill and Jo your positive energy and insightful comments have impacted my work in a great degree.

Thank you Mandy and Claudia for all your support during my submission date. I would be totally lost without your help!

A massive thank you to Unilever and especially to Alan and Hamish for their interest in my work. Thank you for offering me one of the greatest opportunities of my life!

I would also like to thank The University of Sheffield Management School for all the support during this study.

I would like to thank my wonderful relatives and friends. Thank you my soul mate Maria for believing in me so much since we were children. Thank you John, Dora, Kosta, Kostandia, Jenny, Francesca, Emilia, Candy, Nayomi for your moral support during these challenging years. A big thank you to all my PhD colleagues. A special thank you to all my focus group members and all my interviewees.

Dr Brethakis, you saved my life. I can never thank you enough! God bless you, your challenging work and all the people you help every day.

I would like to thank my amazing family. My father, my mother, my brother and our recent family addition Vanessa, who stood by me all these years and supported in every possible way my dreams.

Finally, I would like to thank more than anyone else my five year old daughter Maria. She has been patiently encouraging my work and sharing my 'claims hunting obsession' activity for the past two years. My wonderful Maria you are the source of my strength, my hope and my greatest achievement.

Thank you God for keeping me positive and making me believe that for every challenge in life there is always hope.

ABSTRACT

Eco labels and green claims by definition and ideally are meant to be connected with sustainable production and motivate sustainable consumption. Companies are faced with many labelling decisions and consumers are faced with many labelling choices. Both parties complain about misleading claims. Companies argue that consumers claim they want greener products but their purchase behaviour indicates otherwise. Consumers claim that companies use misleading claims on their products and thus, confuse them. There seems to be a communication gap between companies and consumers as well as a gap in the literature exploring this miscommunication.

This research takes a different holistic approach by exploring both consumers and company claim perceptions by using a qualitative research methodology. Focus groups are used to explore consumers' perceptions and interviews are used to examine company labelling practice. Other stakeholders such as governments, NGOs, retailers, media and other organisations seem to play an important role in the area of production and consumption of green claims and thus are explored as part of the theoretical framework used in this study.

The findings indicate that a new wave of claims has emerged. Sustainability claims are used by companies as an on-pack link to their environmental and/or social considerations. The company claim practice is a complex interaction of *internal initiators* and *external influencers*. Consumers decode claims with little guidance from stakeholders and companies and thus, scepticism characterises their perceptions. In both cases issues and perceptions connected to trust and literacy seem to gain importance.

The main theoretical contributions of this study are a company perception typology and a consumer perception typology. The most important methodological contribution is the detailed and well documented qualitative methodology used.

The findings from both parts of the research present implications for both marketers and policy makers. Consumers should be able to make informed purchase decisions and thus policy makers may interfere and offer guidance and support. In a similar manner policy makers can support companies during the claims encoding process.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

1. INTRODUCTION

INTRODUCTION	LITERATURE REVIEW	METHODOLOGY	FINDINGS	DISCUSSION	CONCLUSIONS
• **1.1. Research Problem**	• 2.1. Green Claims	• 3.1. Philosophy	• 4.1. Green Claims	• 5.1. Sustainability claims	• 6.1. Conclusions
• **1.2. Research Aim**	• 2.2. Production	• 3.2. Logic /Form	• 4.2. Production	• 5.2. Production	• 6.2. Contributions
• **1.3. Framework**	• 2.3. Consumption	• 3.3. Design	• 4.3. Consumption	• 5.3. Consumption	• 6.3. Limitations
• **1.4. Definitions**	• 2.4. Stakeholders	• 3.4. Methods	• 4.4. Conclusions	• 5.4. Stakeholders	
• **1.5. Structure**	• 2.5. Conclusions	• 3.5. Summary		• 5.5. Conclusions	

Over the past decade companies have shown a renewed interest for environmental and social issues. This interest has been affecting their labelling practice and a great number of companies have been making on-pack claims. During the same period, research shows that consumers have become more aware of green claims (Mintel, 2006). Furthermore, environmental and social problems are now part of the evening news in countries with a history of low environmental awareness such as Greece.

These environmental and social activities in the past decade have not left inactive the labelling area. Over the last few years recognition of the need to act on climate change has driven a renewed interest in eco labels as a means to drive a widespread transition towards more sustainable lifestyles (Horne, 2009). The market for Organic and Fair Trade products is gaining ground in many countries. Pressure groups are forming alliances with business (i.e. WWF and a toiletries company in Greece). These are only a few of the latest developments regarding the renewed interest in the green issue worldwide. Finally, these developments and activities are taking place within the wider frame of sustainable development.

This interest in green issues in combination with critical global social and environmental problems such as climate change make labelling and green claims even more significant. This is mainly because of the environmental, ethical and social responsibility messages that green claims underline.

The green claims carry a message from companies and organisations to the end users of products and services. These messages have been the subject of research for more than four decades. Additionally, and most importantly, this message links companies to sustainability considerations. One of the most important labelling classifications has been the ISO type classification, which distinguishes three main categories of labels: Type I eco labels (such as the EU eco label) and certifications (e.g. the FSC), Type II company generated claims (such as environmentally friendly) and Type III product declarations (such as energy rating report cards). Eco labels have been the focus of the majority of the studies in the area of labelling given their wider impact and the stakeholders involved. According to Peattie (2009) labelling is an important means of communicating with consumers about sustainable consumption and it plays a crucial role in shopping for food and for domestic appliances. Furthermore, he notes that sustainability labels are also one of the most widely employed communications techniques that aim to influence consumers' behaviour. At this point it should be noted that sustainability labels are mainly considered the Type I eco labels and third party certifications. There are also other green claims in the market that cannot be overlooked such as voluntary labelling schemes and company generated claims.

The green claim stakeholders are not only companies and consumers but also the regulatory bodies, NGOs, the media, and governments. Thus, compared to the early 1990s, producers now are more cautious about using 'green claims', as their initial attempts have been heavily criticized by competitors, consumer organizations and governments (Peattie, 2001; Reinhardt, 1998). Nevertheless, companies continue to make misleading and non-substantiated claims which have caused confusion in the market. This has resulted in consumer mistrust towards companies and their claims (e.g. Polonsky et al, 1995; Kuhre, 1997).

On the other side there has been a great deal of discussion about green consumption and green consumers. Studies indicate a growing interest from the part of the consumer in green consumption. However, there has been a gap in what consumers claim and how they behave in the market given the disappointment in sales of some of the green brands.

Therefore, both consumers and producers are sceptical about green claims. The most notable argument resulting from studies of green claims from the part of the companies is that *consumers claim they want products but the market indicates otherwise* and the most notable argument from the part of the consumers *is that green claims are important but companies cannot be trusted.* These two basic arguments have been found in studies for decades and still current research indicates similar findings. Also, today more than ever green claims are increasing. Furthermore, there is a growing number of labelling certification bodies worldwide. The stakeholders such as retailers and NGOs are starting to get more involved in the green claims area as will be discussed in the following chapter.

In summing up, consumers seem not to trust what companies claim and companies seem not to trust what consumers claim. There is a gap in communication and trust from both ends. There seems to be a problem in the 'companies-claims- consumers' relationship or the CCC link (as it will be referred to in this study). Also, given that claims are important communication instruments for both companies and consumers and overall for sustainable production and sustainable consumption this problematic link offers an important research area. In the following section the problem and its importance will be discussed.

1.1. Research Problem, Research Gap and Research Question

This study is about the exploration of the link between claims or green claims as they are known in the literature, consumers and companies. This Claims-Consumers-Companies (CCC) link is explored in the wider frame of sustainability.

Environmental issues have been studied by academic researchers in such diverse disciplines as economics, sociology, education and psychology since the 1970s (Banerjee, 1998). Also, the interest in eco labels has been extensive and much effort has been invested in their design, use and their effectiveness (Rex and Baumann, 2006). Kilbourne, (1995) notes that research tends to be fragmentary and highly specific with common goals focusing on the identification of ecologically conscious consumers as a target market or the development of scales to assess the level of environmental concern among consumers. Specifically, publications have dealt with green claims in the market, consumers' perceptions of green claims and company adoption of labelling schemes. Claims, consumers and companies have been classified according to shared characteristics in a number of studies (e.g. ISO type of claims, green or grey consumers, company typology and response to sustainability etc.). In the following figure (1.1.) the main areas of research focus are presented.

It should be noted that usually studies have focused on one area at the time. Meaning that the focus of the majority of the studies has been usually either 'green claims', 'companies' or finally 'consumers'. Research has focused on claims and especially on the effects of labelling schemes in the market, the problems associated with eco labelling, the connection of claims with sustainable production and consumption and the regulation and/or legislation and guidelines.

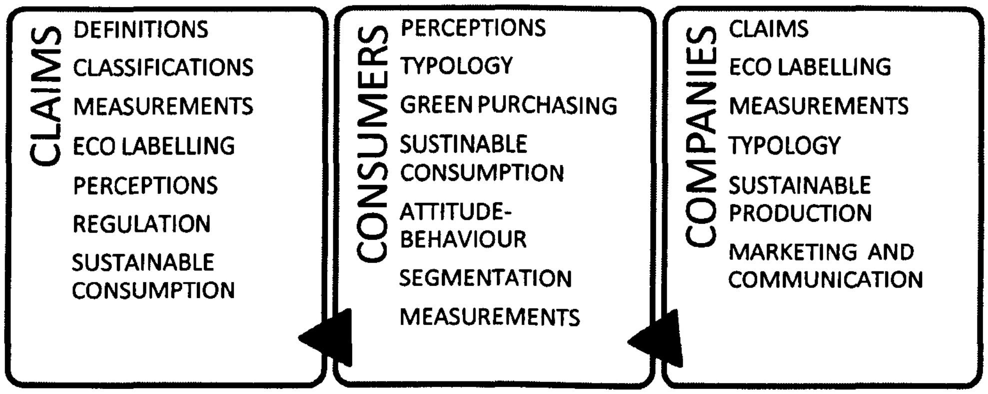


Figure 1.1. Claims, consumers and companies; focus of studies

Research has also focused on consumers and specifically green consumers, their purchase behaviour, their preferences and finally their perceptions. Researchers and marketers have tried to identify, segment and target the green consumer. In this effort they encountered a gap between what surveys (and market measurements and statistics) indicate as consumer preference or purchase behaviour and what is actually observed in the market (e.g. low market share of green products). This attitude behaviour gap has been a popular area of focus for academics and a considerable problem for marketers.

Finally, research has focused on companies and their classification according to their reaction and action towards regulatory pressure and sustainability challenges.

It should be stressed that most studies are surveys, using structured questionnaires and semi -structured interviews. Qualitative research has not been popular in this area given the challenge to access companies as well as the pressure to offer quick numbers and estimations regarding the 'green' market. A detailed discussion of the relevant studies as well as the selected methodology will be done in Chapter 2 and Chapter 3 respectively.

In summing up, the research areas (claims, consumers and companies) have been studied mostly by using a quantitative approach for more than 40 years. Also, there have been studies about the stakeholders involved such as pressure groups and governments and their connection to greener production and consumption.

However, there have not yet been many studies about the CCC link. The importance of labelling in both sustainable production and sustainable consumption is an issue most researchers agree upon. Specifically, it has been reported that following the Rio Earth Summit, Agenda 21 identified eco labelling as a way to encourage consumers to adopt more sustainable consumption patterns through the purchase of products that are more resource and energy efficient (Horne, 2009). Given that labelling is also part of the communication practice of companies and has the ability to influence consumers in their decision making process, research is needed in order to clarify possible reasons for this communication gap (in the CCC link).

Research Problem, Definition and Importance

This study is an exploration of consumers' perceptions of green claims and green claims practices. **The problem is identified as a communication and trust issue in the link between claims, consumers and companies.** Companies and consumers do not trust each other's claims and yet claims are gaining market popularity. This makes the issue of ethical consumption even more challenging. This study closes the loop in this consumer, claim and company circle (or link).

This research area is important mainly because green claims and labels have the ability to influence sustainable production and consumption. **Also, there is a need for more effective and less confusing labelling in the market in order to support ethical production and consumption.** Consumers need to make informed and responsible choices when they select ethical products and companies need to be able to differentiate their products from the competition if they are making substantial improvements.

Implications

This research area has important implications for marketers and policy makers. Marketers are using green claims as one of their communication tools. Also, within the frame of sustainability, green claims can be a part of the sustainability marketing strategy (if one exists) of companies. However, this has not always been the case and companies have been making green claims and demonstrating on-pack sustainability considerations but with no substantial organisational change or production process backup. This gave a bad reputation to the green claims in the market and according to Peattie (2001) this poor reputation of 'green' claims in the early 1990s, has caused many consumers to become very sceptical about the behaviour of companies (Peattie, 2001). Therefore by exploring consumers' and companies' perceptions of claims from both ends and perspectives in the same study new insights may assist marketers to understand consumers better and within the context of the market clarify their labelling practices. This also has important implications for policy makers and especially the effect and the outcome of regulation and guidelines regarding green claims and labelling from both the consumer and company point of view.

Finally, this research has important implications for the Greek market given that there is no other study exploring green claims and consumers perceptions, as well as, company claim practice.

The Researcher and the Study

The researcher has been looking at the green claims in the market and making choices based on the claims for more than twenty years. From 1999 this interest took an academic form and became an MBA dissertation topic. The PhD then followed.

It should be noted that this study started as a comparison amongst four countries France, UK, Greece and Sweden and was funded by the Company. Specifically, the company involved funded the focus groups in the four countries. However, the data that was gathered was immense and it was decided that it would be best not to be included in the PhD. From the four countries Greece and UK were chosen to be included in this thesis for both practical and academic reasons. Out of the four countries studied Greece presented a special interest given the low environmental awareness of consumers and the low sustainability awareness of companies according to the findings from the MBA research in 1999 (Alevizou, 2000). In contrast the UK had higher levels of company and consumer involvement in environmental activities. Also the researcher spent a lot of time in these two countries and both markets were observed throughout the decade.

The focus of the study are fast moving consumer goods (FMCGs) given that consumers encounter green claims daily during their shopping activities. Also the purchase decisions unlike in other sectors are voluntary consumer actions and consumers should be able to justify their selection and their criteria.

1.2. Research Aim, Objectives and Outcome

The aim of this study is to ***explore consumers' perceptions of green claims and company green claim practices.*** This study, thus, incorporates three basic parts and their interaction and has both a theoretical and a practical character. This study will also close this circle of claims (based on the circle of culture, see Literature Review chapter) by exploring company practices and consumers' perceptions. The objectives of this research are:

- to understand the encoding process from a company point of view,
- to understand the decoding process from a consumer point of view,
- to map the stakeholders in the CCC link and clarify their role in the encoding-decoding process of claims,
- to offer recommendations to relevant stakeholders of green claims.

One expected outcome of this research is the contribution to green claims knowledge and specifically the knowledge regarding the green claims encoding and decoding process from both an organisational and a consumer point of reference. The research is organised according to the circuit of culture discussed below.

1.3. Theoretical Framework

This research is a cross cultural study of consumer perceptions and company practice regarding green claims. One theoretical framework that has been applied in cultural studies and especially in marketing and advertising is the circuit of culture developed by Du Gay et al (1997) and has its roots in the work of Stuart Hall (1980). Hall used this model to conceptualise the processes that were encapsulated by watching television. The development of Hall's encoding/decoding model represents an important stage in the conceptualisation of televisual communication (Lewis, 1983). Lewis (1983) explains that the model allows us to conceive of the TV programme not so much as a distortion/ reproduction of the world, but as a stage in a process- a product of a specific set of signifying practices (encoding) whose meanings are ultimately fixed by a second set of signifying practices (decoding). Also, the model is based on his insight that meaning is jointly socially constructed by both the 'author' and the 'reader' in a continuous circuit of moments of production, distribution and consumption of cultural objects (Du Gay et al, 1997).

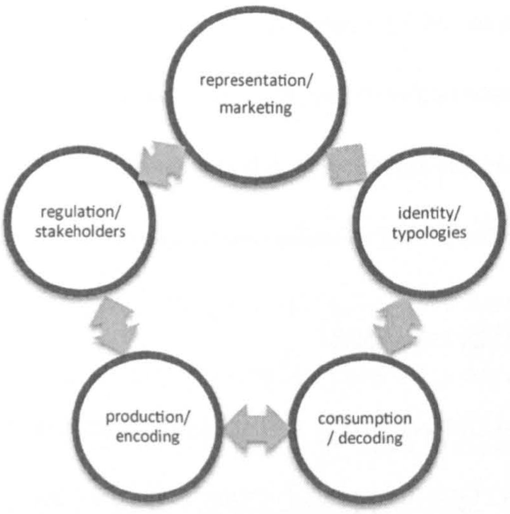


Figure 1.2. The Circuit of Culture and Claims, adapted from DuGay et al (1997)

Specifically, the Circuit of Culture (figure 1.2.) is a framework that suggests that in studying a cultural text or artfact you must look at its representation, identity, production, consumption and regulation. Du Gay et al (1997) suggest that taken together (these 5 points) complete a sort of circuit. These five different aspects will be explored in this study by using the circuit of culture model and adapting it to a circle of claim model (CCM). This model will be discussed in more detail in Chapter 2.

1.4. Definitions

In this study the following terms that are used are defined as follows:

- *ISO Type I eco labels, Type II claims and Type III declarations*. These three Types of environmental claims are part of the ISO 14001 classification of labelling:
    - **Type I (ISO 14024)** labels are based on criteria set by a third party and are multi-issue because they are based on the product's life cycle (PLC) impacts. The Body awarding the label may either be a governmental organisation or a private non-commercial entity (ERM, 2000). Examples are logos and symbols such as the Blue Angel (Germany, 1977), Eco-Mark (Japan, 1989), Environmental Choice (Canada, 1990), EU Daisy (EU, 1992).

- **Type II (ISO 14021)** claims are based on self-declaration by companies. They may appear as symbols, logos, words, pictures or slogans e.g. 'made from X% recycled material', 'ozone friendly'.
- **Type III (ISO/TR 14025)** declarations consist of quantified information based on life cycle impacts. The EU energy panel is an example (even though it is required by regulation).

- *Green Logos or Logos*: this term will be used to describe the logos on the product packaging that refer to environmental and/or social benefits of the product by using colours, words and/or photos of the natural environment.
- *Green labels or environmental certificates*: the term green labels will include environmental certificates such as the ISO Type I labels or certificates such as the FSC.
- *Environmental information*: this term incorporates information on the product packaging that refers to the environment either as instructions, warnings, information or advice.
- *Green phrases*: these are phrases included beneath or on top of a green logo or green label and connect environmental words and/or phrases to the logo.
- *Ethical labels*: these will be labels that refer to animal tests, or other social issues such as fair trade.
- *Green claims* in this thesis will include environmental, social, and ethical information and advice on product packaging. The information can be images, words, symbols, photos, statements and any other scheme linking the product with the environmental and/or ethical issues.
- *Claims*: A claim is essentially a conclusion and the merits of this conclusion can be established by analyzing the arguments on which it is based (Meulenberg, 2003).

Claims will be used to indicate sustainability related links to the products. Thus they will incorporate all the aforementioned categories.

Finally, it should be noted that, terms such as 'sustainability considerations' or 'sustainability issues' and 'sustainability related areas' have been used throughout the document in a vague sense indicating ethical, environmental and social considerations (e.g. from companies).

1.5. Structure

There are six main chapters in this thesis. The first chapter (1. Introduction) contains a discussion about the research problem as well as the research aim and objectives. The theoretical framework that is used in order to better organise the research and the findings is presented. Finally, the basic terms that will be frequently used in this thesis are defined.

Chapter 2 is the review of the related literature. This chapter is organised according to the CCM. The green claims area, the production and representation of claims, the consumption and identity as well as the relevant stakeholders are discussed. In the following chapter (Chapter 3) the selected methodology is presented. The research findings are presented in Chapter 4. Like in the case of the literature review the chapter is structured according to the CCM. In chapter 5 follows a discussion about the findings of this study in relation to previous studies. The theoretical as well as practical contributions are outlined. Finally, Chapter 6 contains the conclusions as well as the recommendations for companies and stakeholders. Additionally the limitations of this study as well as the issues requiring further research are stressed.

2. LITERATURE REVIEW

INTRODUCTION	LITERATURE REVIEW	METHODOLOGY	FINDINGS	DISCUSSION	CONCLUSIONS
• 1.1. Research Problem	• **2.1. Green Claims**	• 3.1. Philosophy	• 4.1. Green Claims	• 5.1. Sustainability claims	• 6.1. Conclusions
• 1.2. Research Aim	• **2.2. Production**	• 3.2. Logic /Form	• 4.2. Production	• 5.2. Production	• 6.2. Contributions
• 1.3. Framework	• **2.3. Consumption**	• 3.3. Design	• 4.3. Consumption	• 5.3. Consumption	• 6.3. Limitations
• 1.4. Definitions	• **2.4. Stakeholders**	• 3.4. Methods	• 4.4. Conclusions	• 5.4. Stakeholders	
• 1.5. Structure	• **2.5. Conclusions**	• 3.5. Summary		• 5.5. Conclusions	

The aim of this study is to explore consumer perceptions and company claim practices by performing qualitative interviews and focus groups. Thus, this study incorporates three basic research topics; firstly, the green claims area, secondly company claim practice and typology and finally, consumers' perceptions of green claims and consumer typology.

In this chapter, there will be a review of the available studies on green claims, on consumers' perceptions and on company claim practices. There is also evidence that other claims stakeholders are influencing this circle of claims (consumers-claims – companies or CCC link). These are the regulators, the media, retailers, governments and NGOs. As de Boer (2003) states it is essential to examine the role of sustainability labelling schemes from the perspective of different stakeholders to assess how and under which conditions this instrument might work. In his study de Boer (2003) found examples that demonstrate that a company's decision on labelling and certification might involve a mixture of competitive and collaborative strategies. Also, the examples in his study indicate that depending on its size, a company may have different reasons for a collaborative approach, but cost savings and risk reductions will always be important.

In conclusion, stakeholders appear to play an important role in the encoding and decoding process of labelling.

This study will be facilitated by using the circuit of culture model (CCM) by Du Gay et al (1997) as a theoretical framework (figure 2.1.).

Given that this study is a comparative study between the UK and Greece culture seems to be an important element.

There are many definitions of culture, however, the one emphasizing the relation of culture to meaning is by Williams (1961). Williams (1961) calls this social definition of culture, "*in which culture is a description of a particular way of life which expresses certain meanings and values not only in art and learning but also in institutions and ordinary behaviour*" (Williams, 1961, p.57).

Williams placed considerable emphasis on the close connection between culture, meaning and communication (DuGay et al, 1997); three issues interrelated and closely linked to production and consumption of green claims that are pivotal in this study. Furthermore, the CCM is valuable for this research into claims practices because it allows the separation of the notion of the production (both physically and culturally) of an object (an environmental claim) in a cultural sense from the 'moment' of consumption of the meaning of that object (Burgess, 1989). At the same time it documents the basic factors affecting (and being affected by) the relationship between the production and consumption of green claims (such as regulation, representation and identity).

In summing up, this chapter will include a discussion about the available studies on claims, company practice and consumer perceptions by using the CCM as a theoretical framework.

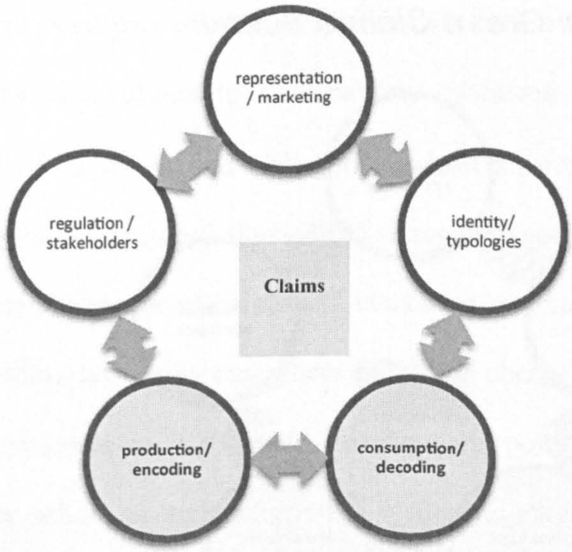
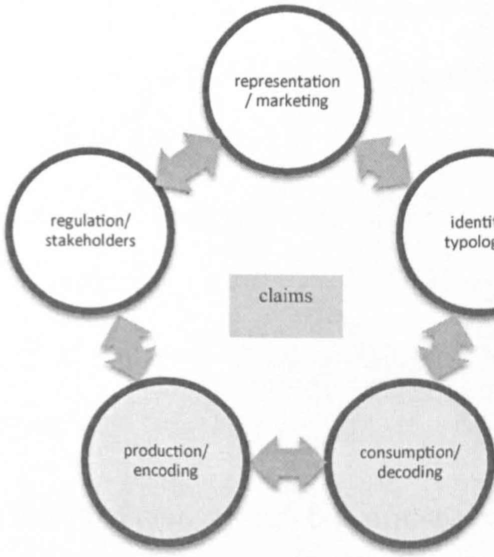


Figure 2.1. The Circuit of Culture and Claims, adapted from DuGay et al (1997)

The focus of the study will be the link between consumer, claims and companies (or the CCC link) as highlighted in figure 2.1. Each section will include the above figure and the relevant issues that will be discussed will be highlighted. It should be noted that the original CCM has arrows linking each circle with all the other circles (or elements). In the above adaptation of the CCM the focus will be the production-claims-consumption interaction with references to the 'identity' and 'representation' areas.

The structure of the Literature Review chapter is organised according to the CCM in five main sections. In section 2.1. green claims will be introduced. A historical background as well as basic definitions and classifications of green claims will be discussed. In section 2.2. the 'production' and 'representation' of claims will be explored. In section 2.3. the 'consumption' and 'identity' aspects will be reviewed and especially, the green claims decoding process. In section 2.4. the 'regulation' as well as the relevant stakeholders will be discussed in relation to the encoding process. Finally, in section 2.5. the basic points of this chapter will be outlined and mapped.

2.1. Framing the Green Claims Scene



As was mentioned above green claims are studied under the scope of sustainability and specifically sustainable production and sustainable consumption.

The concept of **sustainability** for business became popular after the 1984 World Industry Conference on Environmental Management. The World Commission on Environment and Development (WCED, 1987, p. 8) defined sustainable development as "*development that meets the needs of the present without compromising the ability of future generations to meet their own needs*". Sustainable production and sustainable consumption are terms connected to sustainable development and sustainability. Eco labelling schemes and certifications have been created in order to promote both sustainable production and consumption. The World Summit on Sustainable Development *Plan of Implementation* to address unsustainable consumption advocates "*developing and adopting on a voluntary basis effective, transparent, verifiable, non misleading and non-discriminatory consumer information tools*" (UNEP, 2002, p. 7).

Eco labelling within the frame of sustainable development has been a popular research topic. Research has focused on the relationship between eco labels, sustainable production and sustainable consumption. Additionally most research on environmental claims has been part of a school of thought that is dominated by the importance of market based solutions to sustainability problems. As Koos (2011) mentions the purchase of environmental –labelled goods is an important dimension of sustainable consumption. Consumer behavior and changes in consumer behavior has thus received much attention in the academic and marketing community. Jackson (2005) argues that understanding how, why and where behaviors change is an important pre-requisite for making progress in sustainable development policy. The body of knowledge on consumer behaviour and behavioural change is extensive and according to Jackson, (2005) the available conceptual models play two important roles in understanding what motivates consumer behaviour and drives behavioural change (Jackson, 2005). They can help the understanding of the social and psychological influences on both mainstream and pro-environmental (or pro-social) consumer behaviour and they can be (and have been) used as frameworks to test empirically the strength of different kinds of relationships (between values and behaviours for example) in different circumstances (Jackson, 2005). Having said that, this thesis concentrates on environmental claims, as one particular approach to potentially influencing consumer and company behaviour. This will be achieved by exploring consumer and company perceptions of green claims. Ideally, a green claim would suggest a product with certain characteristics (social and/or environmental etc.) that differentiate it from an 'environmental friendliness' point of view from other conventional products. Research has pointed out that this is not always the case and a green claim is not always associated with a green (er) product. There are many definitions of the term **green product**. Peattie (1992) defines the green product as a product or service whose environmental and societal performance is significantly better than conventional or competitive product offerings (p.175). Ottman (1998) states that green products are typically durable, non-toxic, made from recycled materials or minimally packaged. Ottman (1998) also agrees with a number of researchers that green is relative and there are no completely green products, for they all use up energy and resources and create by-products and emissions during their manufacture, transport to warehouses and stores, usage and eventually disposal. Less environmentally 'damaging'- in the aforementioned aspect -products are available in the marketplace.

Many of these 'greener' products have an on-pack **green claim** and in several cases an eco label or a certification. de Boer (2003) states labels are not just messages about a product or a service but claims stating that it has particular properties or features. In fact, even the instrument of labelling itself is a claim, as it refers to certain characteristics of the procedure under which the label is awarded (de Boer, 2003). A detailed discussion about the labelling choices of companies as well as specific types of labels and classifications will follow in the next sections. Finally, labelling is a decision that basically connects the product packaging and the company practice to sustainability considerations.

The environmental considerations along with social considerations of companies are expressed in various ways (campaigns, alliances, funding etc.). The **role of marketing** is important and has been recently revaluated in order to encompass and face up to complex sustainability considerations. There have been considerable advances in marketing and its relation to sustainability in the past thirty years; from societal marketing to green marketing, to sustainable marketing and finally to sustainability marketing (see appendix 1).

Sustainability marketing represents an evolution of marketing that blends the mainstream economic, ethical, environmental and intergenerational perspectives of the sustainable development agenda (Belz and Peattie, 2009). Within sustainability marketing "***sustainability communications*** *opens up the company behind the product* *offering to allow the consumer to learn much more about the company, and to allow for dialogue between the consumer and company so that they can understand and learn from one another*" (Belz and Peattie, 2009, p.180). An important means of communicating with consumers about sustainable consumption is **labelling** (Belz and Peattie, 2009). Of course the term labelling is used in this case as indicating labelling schemes rather than company generated claims. This claim type classification is discussed in the following section (2.1.1.).

In summing up, green claims are part of the product packaging and are part of the overall sustainability marketing (or marketing) strategy of a company.

2.1.1. History, Classification and Related Areas

There are many definitions and classifications of green claims. However, the focus of the majority of the available studies has been eco labelling and certification schemes. Kuhre (1997) distinguishes two major types of environmental labelling; the self-declaration and the third party labelling programs. Most of the studies explore the ISO green claim classification.

In this section the focus of the literature review will be the three type of ISO labels (Type I eco labels, Type II claims and Type III product declarations) and certifications found in the market. Furthermore, the green claims on FMCGs will be explored with occasional references to green claims found in other sectors.

Much effort has been made by the International Organisation for Standardisation (ISO) to structure environmental labelling (Rubik and Frankl, 2005). Rubik and Frankl (2005) mention that in its differentiation of environmental labelling, ISO does not encompass the whole labelling landscape. It omits instruments such as obligatory labels, test reports and trademarks and other issues that are of some importance, such as social affairs, are not included (Rubik and Frankl, 2005). Therefore for the purpose of this study the ISO type of claims will be a guide with the inclusion of broader environmental and social claims. As was mentioned in the previous chapter these green claims will be addressed as 'green claims' (as they are referred to in the literature) or 'claims' (as they have been termed in this study indicating a broader claims sense). Each claim type and the relevant literature are discussed below.

Type I eco labels

Eco labelling and specifically the Type I eco label was identified in Agenda 21 as a way of encouraging consumers to alter their consumption patterns and to make wiser use of resources and energy in the drive for sustainable development into the next century (Erskine and Collins, 1997). The main aim of environmental labelling is to promote and support sustainable consumption (Koos, 2011).

Eco labels in particular have a history of thirty years with the German eco label, Der Blaue Engel, taking the lead in the market. Recently the BMU (Federal Ministry for the Environment, Nature conservation and Nuclear safety (Germany) the company RAL gGmbH and the Environmental Label Jury (Jury Umweltzeichen) have jointly resolved to highlight the message that the eco label communicates even more clearly in its logo by spotlighting the protection targets 'Climate', 'Health', 'Water' and 'Resources' in each Blue Angel label making it even easier for manufacturers and distributors to communicate the environmental advantages of their products to the consumer (Der Blaue Engel Newsletter, March 2009). This indicates, that the first eco label is still successful and regularly updated in order to incorporate crucial contemporary environmental and social issues such as health, climate change and resource consumption.

From a marketing point of view, environmental labels have become one of the most widely employed communication techniques that aim to influence consumer behaviour

(Beltz and Peattie, 2009). Markandya (cited in Zarrilli et al, 1997), identifies a business objective, which is related to gaining competitive advantage from the incorporation of labelling schemes. Wickman (1999) adds the dynamic link between consumers and producers and defines eco labelling as a technique used in environmental policy which has a twofold role; on the one hand to inform consumers about the environmental friendliness of the eco labelled products so that in turn they will have the possibility to influence the environment through their shopping behaviour and on the other hand to influence producers to choose environmentally sound technologies. Krarup and Russell (2005) for example, emphasise the informational aspect of labelling and view environmental labelling as a set of labels that can be attached to any number of different products, but provide information on a single broad topic- the effect of a product's production, consumption and/or disposal on the natural environment. Harrison et al (2005) emphasise the life cycle assessment aspect which is vital to the eco labelling schemes. Thus, according to the authors eco labels are usually based on Life Cycle Assessments and awarded on a pass/fail basis, via third party verification (Harrison et al, 2005). Clear and informative private sector labels make an important contribution to guiding the public towards more sustainable consumption (Harrison et al, 2005) and are meant to encourage sustainable production. Rubik and Frankl (2005) widen the definition by adding more parameters such as the business to business (B2B) aspect, the scope and the label dimension. Specifically, the authors adopt the term Environmental Product Information Schemes (EPIS) and define EPIS as product information tools that provide environmental information from producers to other producers and to professional and private consumers about the environmental features of a product that can be supplied quantitatively, qualitatively and graphically. Also the information can be multi-dimensional or one-dimensional, voluntary or mandatory and its scope might be national, regional or global (Rubik and Frankl, 2005). Finally, Bostrom and Klintman (2008) define eco labelling as a kind of eco-standardisation, and that this type of eco-standard is market-based and consumer-oriented, and it relies on symbolic differentiation. Additionally, they argue that labels are substitutes for our senses and our first-hand knowledge and they provide us with 'mediate transparency' (Boström and Klintman, 2008). This wider definition includes not only eco labels such as the Blue Angel and Environmental Product Declarations (e.g. ISO Type III labels) but also other labelling and certification schemes such as the eco –tax logo in Belgium.

Even though they are not included by definition in the ISO (Type I, II, III labels) classification, **certifications** (e.g. Fair Trade, Organic, FSC) are also part of this study. For example one of the most well-known and accepted (today) certifications is the Forest Stewardship Council certification.

In summing up, there are many definitions of eco labelling which are mainly concerned with ISO Type I Labels. Issues of LCA and impartial third party criteria are basic to most of the definitions. Finally, the Global Ecolabelling Network defines the term as follows: *an eco label is a label which identifies overall environmental preference of a product or service within a specific product/service category based on life cycle considerations* (GEN, 2009). In figure (2.2) a mapping of the available literature related to the definitions of eco labelling is displayed.

According to the definitions, eco labels and certifications are designed to influence and motivate sustainable production and consumption, to provide information to all the relevant stakeholders, to represent and to communicate identities and practices, and to differentiate the company and/or its products from the competition. The newest additions to these definitions are the issue of 'labels as senses substitutes' and the 'symbolic differentiation' issue (both by Boström and Klintman, 2008).

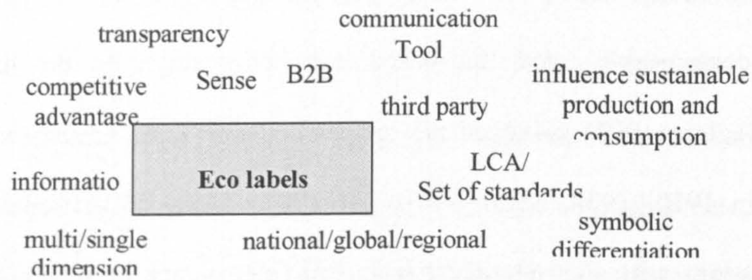


Figure 2.2. Defining eco labelling: technical issues and objectives in definitions

In summing up, Type I eco labels have been one of the most popular research areas over the past few decades; their market effect, their acceptance and support as well as the problems associated with these labels are common research topics. By definition Type I eco labels have been referred to as a differentiation tool or a tool for creating competitive advantage. The EU has made efforts to support their acceptance by both consumers and companies. Given that these type of labels by definition have many advantages to offer to both consumers and companies it would be expected that they would be highly preferred by both companies and consumers. However, as will be seen later in this thesis, a market observation in the FMCGs sector suggests otherwise. This would raise a question of the level of acceptance of Type I eco labels by both parties. Specifically, research into consumer and company perceptions about these type of claims will offer some indications as to what the practical (marketwise) problems (if any) of these labels are.

Type II claims

On the other hand there has been a lot of research and discussion about Type II claims and specifically about how these types of claims create confusion in the market but also about why these types of claims are popular among companies.

ISO Type II claims have been in the market since the late 1970s. Starting in the late 1980s terms such as 'recyclable', 'biodegradable' and 'environmentally friendly' made *"cash registers ring throughout upper-middle-class neighbourhoods from coast to* *coast"* (Ottman, 1998). The author continues that as we approach the millennium 'sustainable' 'compostable', and 'bio-based' are being added to the list. In 1991, Howlett and Raglon (1992) surveyed newspaper and magazine advertisements which were printed in 1910, 1930, 1950, 1970 and 1990. These advertisements revealed product associations with the natural environment (e.g. plants, animals). Furthermore, according to the same survey the environmental references in the advertisements followed the consumer preferences over the years. Self-declared claims (Type II claims) made by individual businesses about the environmental or social performance of their products account for the majority of market-place 'product sustainability' information (ACCPE, 2001).

There are several classifications of Type II claims but they mostly share the underline characteristic that they all are company generated.

Research, dated back to the beginning of the 1990s classified claims mainly by using the products' life cycle. For instance, a content analysis of 100 environmental advertisements by Carlson et al (1993) produced the following generalized list of claim types:

- **Product orientation claims**: the claim focuses on the environmentally friendly attributes that a product or service possesses (e.g. biodegradable).
- **Process orientation claims**: the claim deals with an organisation's internal technology, production technique, and/or disposal method that yields environmental benefits (e.g. 20% of raw materials used in producing this item are recycled).
- **Image orientation** –enhancing claims: the claim associates an organisation with an environmental cause or activity for which there is broad –based public support (e.g. 'we are committed to preserving our forests').

- **Environmental fact claim**: the claim invokes an independent statement about the environment at large or its condition that is ostensibly factual in nature (e.g. the word's rain forests are being destroyed at a rate of two acres per second).

The final version of the typology included one other category; one which seemed to encompass more than one of the classification categories noted above. The above typology has been used by other researchers (e.g. Polonsky et al, 1995) in order to explore the claims found in different markets. Another categorisation which is more product –characteristic specific is by Coddington (1993) who identified three categories of environmental marketing claims:

- **Degradability:** during the early period of environmental marketing and before the 'law' many environmental marketing claims involved degradability. But regulators started to come down on these claims and the media started treating degradability as a scam rather than a cure-all, and as a result degradability claims all but disappeared from the scene.
- **Environmentally-friendly / Ozone Safe:** another popular claim in the early days of environmental marketing was of the environmental friendly, ozone safe, ozone friendly variety.
- **Recyclability/ Compostability:** Uncertainties regarding these terms revolve around the terms' vagueness. Used without further clarification these terms seem to suggest that the product or package in question is universally recyclable or compostable, when that is often not the case.

Davis (1994) argues that environmentally-related activities generally fall into one of three broad areas:

- **Monetary grants**; The author argues that research indicates that money-focussed messages are the most effective for companies who need to improve their image.

They might belong to a sector with a negative environmental image such as the automotive and cosmetic as indicated by Chase (1991) or may be perceived in a negative way because of the products which they market or the nature of their ongoing interactions with the natural environment (such as oil drilling or oil tanker disasters) and/or because of product-related activities (such as waste management or cosmetic animal testing).

- **Resources/support and thirdly corporation-specific/corporation-wide**: Corporate advertising messages which focus on the company's products or the natural environment, no matter how positively-focused, may bring "top-of-mind" these prior negative attitudes and perceptions.

In figure (2.3.) the key characteristics of Type II claims are displayed. The various classifications mentioned above focus on specific product and/or process (pre or post consumption) characteristics or on corporate advertising (e.g. Davis, 1994).

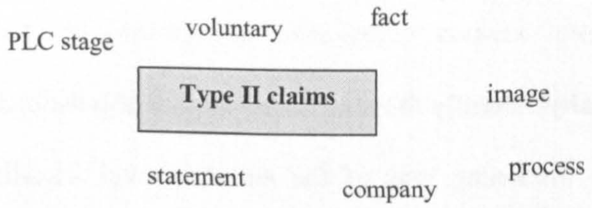


Figure 2.3. Type II claims characteristics in classifications and definitions

In summing up, Type II claims are usually initiated by the company, they are voluntary and they have created many debates and confusion among consumers as will be seen in the following section. This however, has been the case for the past four decades and Type II claims continue to dominate the market. Companies are aware of the confusion and consumers continue to distrust them. Policy makers especially in the US and in EU countries (e.g. Germany, the UK) have dealt extensively with these type of claims in the past (Polonsky et al, 1998).

There is a gap in the literature regarding these types of claims and their presence (increasing or decreasing) in the market given that research has focused mostly on eco labels. More research is needed to investigate the factors that seem to affect their presence in the market. This will be accomplished my exploring consumer, company and stakeholders perceptions of these claims.

Type III declarations

Finally, ISO Type III declarations or Environmental Product Declaration (EPD) is a standardized (ISO 14025/TR) and Life Cycle Assessment (LCA) based tool used to communicate the superior environmental performance of a product or system and is based on a Life Cycle Assessment. This means that it includes information about the environmental impacts associated with a product or service, such as raw material acquisition, energy use and efficiency, content of materials and chemical substances, emissions to air, soil and water and waste generation.

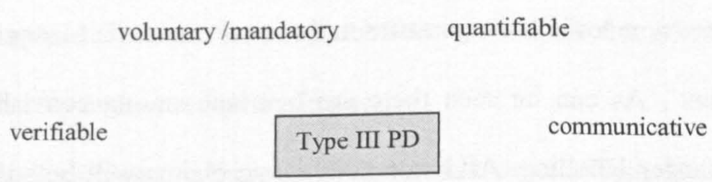


Figure 2.4. Type III (EPDs) characteristics in definitions

In figure 2.4. the main characteristics of the EPDs are mapped. However, these labels are more popular in other sectors such as the white goods sector than in the FMCGs sector.

Other labels (danger, certifications, health and regulation)

Finally, very close to eco labels in the market are certain labels found on food. As Harrison et al (2005) state some compulsory labels can be of accidental value to the ethical consumer. For example, UK food labelling regulations, which require ingredients and country of origin data to be shown, are useful to vegetarians and vegans and those boycotting particular countries or trying to avoid air miles (Harrison et al, 2005). There are social or ethical labels found on food products that can also be found on toiletries and other product categories (such as the Fair Trade label, the Organic label and the GMO free label). As Rubik (2005) indicates in some countries, there has been a global development towards social and ethical labels, linked in particular to products that originate in developing countries and are sold in OECD countries. These are labels that deal with issues such as child labour, union rights and fair trade (Rubik, 2005). Furthermore, in the past ten years, the ethical consumer perceives a more direct link between what is consumed and the social issue itself (Rex and Baumann, 2006). This kind of consumerism mainly incorporates environmental issues but also extends to animal welfare, human rights and labour working conditions in the third world (Tallontire et al, 2001). Finally, some danger symbols make statements about the environment and/ or human health (as required in many cases by regulation). Examples of such labels are: 'non toxic' 'dangerous for the environment', 'dangerous for the aquatic environment'. As can be seen there are overlaps among eco labels, ethical, social, food and danger labelling. All these overlaps in claims will be studied as was mentioned above under the term 'claims'.

The nature of claims

It should be stressed that classifying claims in relation to sustainability is not as straightforward as it may appear to be. Even though earlier in this chapter claims were labelled in a rather simplistic way- as Type I, Type II, Type III, certifications and other labels- it should be stressed that this was done for purely practical reasons given that the focus of this research is consumers' claims perceptions and company claims practice rather than a classification of claims or furthermore a debate as to what constitutes an environmental claim. Nevertheless, it should be noted that there are many issues surrounding the particular nature of each claim making their classification challenging. Meaning that even though the ISO classifies the statement 'CFC free' as a Type II claim it can be debatable as to whether it constitutes a claim or a plain fact. Similarly, on-pack instructions and warnings may or may not be considered as claims. Also, claims may vary in elements that consumers can test for themselves (like recyclable), will have to trust others for information (like biodegradable) and which are unassessable (likes 'sustainable'). For instance Bjorner et al (2004) note that one important distinction between different types of information provision programmes concerns the motivation of the end user of the information. The authors (Bjorner et al, 2004) note that some labels give information that is directly applicable to the end-user (for example, hazard warning labels, such as those on cigarettes and domestically used pesticides, are intended to protect the user or those around them) and other labels give information that is applicable only to the extent to which the user has some degree of concern for wider, more diffuse environmental effects on which the consumer's individual action can hardly make even a tiny impact.

In summing up, there is evidence that certain Type II claims create confusion in the market and can negatively affect other type of claims. Research has focused mainly on Type I eco labels and certification schemes. However, the presence of other labels and claims is also an important factor affecting not only the market but the labelling area altogether and needs further research. Also, there is limited research regarding the available claims in the UK and in the Greece market.

2.1.2. Problems and Impact

There is an on-going debate regarding the problems, the positive and negative effects of eco labelling in the market. There are studies supporting the use of eco labels (Type I eco labels and certifications) and others arguing that eco labels will not change producer and consumer behaviour and/ or will not lead to sustainable development.

The supporting arguments mainly refer to changes in producer and consumer behaviour. Specifically, according to Mitra and Lynch (1995) one function of eco labelling is to improve the flow of information to consumers, who in turn change their information search or product purchase behaviour. These changes in consumer behaviour according to the authors, may in turn lead to changes in producer behaviours. For example, firms may develop new marketing strategies or target different consumers, develop new products and alter the attributes of current products (Moorman, 1998). Consequently this may lead to a reduction in negative environmental impacts. Most importantly, not all consumers in a market need to be affected by the information programme to alter markets; only a subset of consumers need to respond to the information in order to have an impact on producer behaviour (Dunn and Ray, 1980; Moorman, 1998). A 1996 a booklet published by the Nordic Council of Ministers stated that the industry has confirmed that eco labelling of these groups has played a major role in product development (NCM, 1996). The most commonly arguments used in studies to favour labelling schemes are summarised by Morris (1997) and are the following:

- labels can improve the image and/or sales of the company;
- labelling can encourage firms to account for the environmental impact of their production;
- labels can make consumers more aware of environmental issues and problems;
- labelling programmes might help the protection of the environment.

Frankl and Rubik (2005) portrayed the direct and indirect environmental benefits of eco labels through a dynamic impact model. Specifically, the authors state that the direct environmental benefits are: environmental improvements reached through the application of eco labels to products and services. The indirect environmental benefits are according to the authors: linkages between eco labels and public procurement, encouragement of technological innovations and greening of the market, using eco labels as a business benchmark.

On the other hand there are several problems connected with eco labelling. Regarding the issue of information, Harrison et al (2005) point out a problem that all labelling schemes are facing is determining a socially efficient level of information: how to summarise ethical data without oversimplifying it, while maintaining a simple recognisable design so that it can be an effective symbol. Too much explanatory detail creates information overload, while logos are meaningless if no one knows what they mean, or how they can find out (Harrison et al, 2005). In other words, the authors create a question mark regarding the right amount of information available on products.

A problem reported in research is the difficulty of measuring eco labelling market impact (EPA, 1994). In this context, the US Environmental Protection Agency (US EPA 1994, p.5) introduced five indicators for measuring effectiveness, namely: Consumer awareness of labels, consumer acceptance of labels (credibility and understanding), changes in consumer behaviour, changes in manufacturers' behaviour. Other studies (OECD, 1997) have additional indicators for success such as quantitative measures or simply the number of product groups and products labelled. Mattoo and Singh (1994, 1997) developed a model for the study of the market impact of labelling. The conclusion they reached is that labelling reduces output of unfriendly products only if, at the pre-labelling undifferentiated equilibrium price, the quantity demanded by the concerned consumers is greater than the quantity supplied by the environmentally friendly method.

Nevertheless, an eco label is only one of many factors which can influence the market penetration of products (OECD, 1997). Rubik and Frankl (2005) agree and expand that outputs at the product level are often difficult to track back exclusively to eco label impacts since there are other reasons for a product to become more environmentally benign such as changes in business strategy. Thus, the relationship between impacts and outputs is sometimes ambiguous (Rubik and Frankl, 2005).

In summing up, the impact of the eco label on the market for a specific product is difficult to evaluate.

Several weaknesses of eco labelling were identified in a number of studies (Erskine and Collins, 1997; Zarrilli et al, 1997; Morris, 1997) and some studies argue that certification programmes and eco labelling are not the solutions to environmental and/or social problems. For instance, Kiker and Putz (1997) argue that it is highly unlikely that certification will be the ultimate solution to forest depletion. Also, observers have noted that labelling may often represent a short-term solution to a difficult regulatory problem (Golan et al, 2001). The main arguments against eco labelling are (Erskine and Collins, 1997; Zarrilli et al, 1997; Morris, 1997):

- the lack of objectivity in setting the criteria;
- the difficult of setting product category boundaries;
- the arbitrariness of the process of selecting and updating criteria, as it is not possible to estimate accurately all the damage that the entire lifecycle of the product can have on the environment;
- the lack of estimated demand for labelled goods.

Wickman (1999) in his research regarding laundry detergents in Sweden and the use of eco labels mentions another important problem which is the risk of technology lock-in. The author argues that once the properties to be met are fixed, they change only slowly which will have the effect that there will be delays in introducing new technologies in the market. Additionally, great attention is paid in the literature, to the trade effects of labelling schemes, especially for developing countries. Gallastegui (2002) mentions several ways of mitigating the potential harmful effects of the eco labels:

- Internationally based labels developed in participation with foreign countries, especially with developing countries.
- Ensuring that different labelling schemes from different countries are considered as equivalent to each other.
- The offer of technical assistance to developing countries to test and verify both procedures and the different stages of the process.

Overall, there are problems associated with eco labelling, negative and positive effects. Bostrom and Klintman (2008) classified the encouraging and the sceptical arguments regarding eco labelling by separating them into three areas: market, knowledge and governance oriented arguments (see Appendix 2.1.).

In the following table the negative and positive effects of eco labels are presented. In the left column the commonly discussed negative impacts and problems associated with eco labelling are displayed. In the right column the positive impacts and gains from eco labelling are portrayed. It should be noted that this table derived from the available literature on eco labels.

In summing up, Type I eco labels have been a debatable research area where studies argue both positive and negative aspects of eco labelling. Even though this study will not assess the positive and the negative aspects of eco labelling it will explore the company labelling practice (which may be the use of Type I eco labels) as well the company perceptions regarding the positive and the negative aspects of Type I eco labels.

Negative effects/ problems	Positive effects/ benefits
Measurement of market impact	Improve information flow
Oversimplifying environmental issues	NPD
Lack of objectivity	Consumer behaviour
Encourage consumption	Sustainable production
Lack of estimating demand	Producer behaviour
Technology lock in	Information asymmetries
Lack of boundaries in categories	Ban of damaging substances
Generate costs	Public procurement
Claim inflation	Image of company
LCA impact estimation	Promotion of ethical issues
Trade barriers	Technological innovations

Table 1. Literature on Eco labels: challenges and benefits

On the other hand there is less disagreement among researcher regarding the Type II claims. Green claims and especially **Type II claims** were a popular research topic during the 1980s and early 1990s. Researchers, practitioners and legal authorities focused on these Types of claims as well as their misleading and confusing effects on the market. As will be seen in section 2.3. consumers' perceptions of Type II claims was mainly the focus of the studies. Research suggests that mainly Type II claims can be misleading due to lack of substantiation. This has been reported as a problem in the market that may negatively affect other type of labels. This means that the situation where environmental marketing claims are not completely appropriate has several important implications according to Polonsky et al (1998). These are the following (Polonsky et al, 1998):

- Consumers will not be able to reduce their environmentally harmful consumption behavior, because they will not know which products are actually environmentally better.
- Firms who have attempted to become less environmentally harmful will lose any competitive advantage they might have gained because of the increased consumer skepticism.

- There will be less rewards and therefore less motivation on the part of firms in making further environmental improvements, as consumers will "discount" all environmental marketing claims.

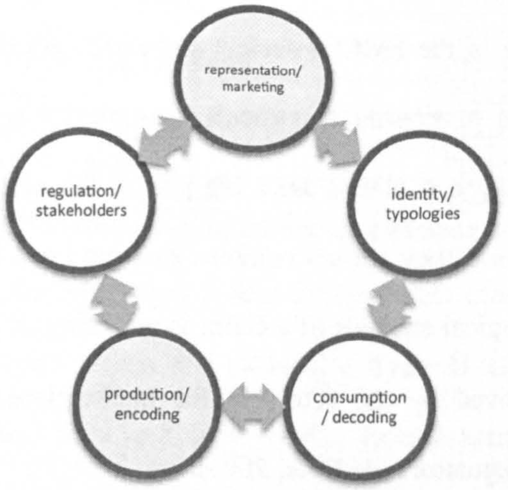
Currently, research and studies focus on eco labelling and Type III product declarations (which are not as popular in the FMCGs sector) and certifications rather than Type II claims who do not seem to present a particular complexity (e.g. less stakeholders involved). Nevertheless, Type II claims are a big part of the problem involving green claims in the market. Even if they are not complex as Type I eco labels they cannot be overlooked because the logical analysis of a claim is one thing; it is another to find out how that claim is perceived by the actors in the marketplace, such as producers, retailers, purchasers and regulators (de Boer, 2003).

Also, there is a gap regarding the current effects of Type II claims and other labels in the market both from the production and consumption point of view as was previously mentioned. This will be one of the issues addressed in this study. Specifically, whether there are any problems and negative effects associated with Type II claims and whether these problems can be addressed.

In summing up, from the literature regarding eco labels and certifications it can be concluded that by definition eco labels have as their main objective to communicate a message or an identity from producers to consumers and vice versa and ideally lead to sustainable consumption and production. In addition other type of claims and labels seem to play an important role (positive and/or negative) in the market. There is a gap in the literature regarding the available claims in the market today and specifically in the UK and in the Greek market. Also, further research needs to be done in order to investigate whether consumers can distinguish these different type of claims and how companies feel about the available claims in the market.

In the following section the encoding process or the production process of claims will be discussed.

2.2. Production and Representation



In this section the production and representation of company green claims practice will be discussed. Du Gay et al (1997) argue that the culture of production is an integral part of the company way of life that informs intra-organisational decisions and activities but also informs the perceptions of outside observers. The production of claims has an effect on the perceptions of the company, the consumers and the stakeholders. Additionally, the claim practice is connected with the marketing strategy of the company and thus representation plays an important role in the encoding and decoding process. Also, representation is the practice of constructing meaning though the use of signs and language (Du Gay et al, 1997). Advertising is a representational practice and it must create identification between the customer and the product (Du Gay et al, 1997). Accompanying the increased consumer concern regarding the environment in the late 1980s and early 1990s, there occurred a growth in green marketing practices and, specifically, green advertising (Carlson et al, 1993; Chase, 1991; Chase and Smith, 1992; Mayer et al, 1993).

As advertising is part of marketing communication, it can be concluded that marketing plays an important role in the production and consumption process of claims, especially in the representation and identity link of the CCM which will be discussed in this section. Specifically, many companies making claims wish to be represented as 'sustainability minded and oriented' and to construct a relevant identity as will be seen in this chapter.

2.2.1. Marketing Decisions

There is evidence that the initial reaction of marketers, both practitioners and academics, to the green challenge has been to try to integrate it within the existing marketing world-view (Peattie, 1999). This view has been identified in the literature as a 'quick fix' solution. Peattie and Crane (2005) argue that the five failed manifestations of green marketing are responsible for the failure of green marketing. These are according to the authors green spinning, green selling, green harvesting, environpreneur marketing, and compliance marketing. For example there are companies connecting green marketing to green claims and green selling. As Kuhre (1997) argues environmental marketing is the voluntary release of environmental information concerning a product or a service by an organisation usually in the form of a label or other forms or marketing. Furthermore, Kuhre (1997) makes suggestions about which type of labelling a marketer should use according to consumer environmental awareness or interest. The author therefore, links consumer awareness, interest and type of claim and suggested the following (Kuhre, 1997):

- When the environmental awareness or interest is high, marketers are advised to use: a label (self –declaration and/or third party certification), a symbol or graphic, a report card, a magazine advertisement, a television advertisement, a radio advertisement, a technical brochure, telemarketing, annual reports, green directory, shelf marketing.

- When the environmental awareness or interest is moderate, marketers are advised to use: a symbol or graphic, a magazine advertisement, a television advertisement, a radio advertisement, a technical brochure, annual reports, shelf marketing.
- When the environmental awareness or interest is low, marketers are advised to use: a magazine advertisement, a television advertisement, shelf marketing.

This link between strategy and labelling awareness levels is more simplistic and issues such as sustainable consumption and production are somehow overlooked. Additionally labelling does not seem to be rooted in the marketing strategy but seems to be perceived only part of the on- pack communication process. However, this view is dated in the late 1990s and recently the role of a marketer regarding labelling theoretically has shifted from green selling to other green marketing communication practices. Also, there is evidence that firms are undertaking environmental improvements in their products for a number of reasons, including a desire to be more socially responsible or a desire to cater to the needs of socially responsible consumers who want to purchase less environmentally harmful products (Polonsky, 1995). Thus, the role of marketing seems to be changing. Specifically, from the first definitions of green marketing to what is called today sustainability marketing the change is substantial and radical.

From societal marketing (Kotler and Zaltman, 1970) to ecological marketing (AMA, 1975; Hennion and Kinnear, 1976), to greener marketing (Charter, 1992), to enviropreneural marketing (Varadarajam, 1992; Menon and Menon, 1997), to environmental marketing (Coddington, 1993), to green marketing (Peattie, 1992; Mintu and Lozada 1993, Ottman, 1993; Peattie and Charter, 1994; Polonsky, 1995) to eco-marketing (Fuller and Butler, 1994) to environmental marketing (Peattie, 1995; Kuhre, 1997; Ackerstein and Lemon 1999) to sustainable marketing (Fuller 1999) and finally to sustainability marketing (Belz and Peattie, 2009), marketing has been revaluated in order to adapt to issues felt to be crucial at that time. For example in the early 1990s Coddington (1993) argues that the environmental marketer adds the environment to the standard mix of decision-making variables. The author (Coddington, 1993), adds that environmental marketing is also about a change in perspective and it demands a new set of procedures for implementing the strategies that arise out of environmental impact consideration, resulting in a fundamental change in how we do business (Coddington, 1993). This linking of marketing with green issues started as 'green marketing' in the early 1990s when Peattie and Charter (1994), defined green marketing as the holistic management process responsible for identifying, anticipating and satisfying the needs of consumers and society, in a profitable and sustainable way. Shrivastava (1994) argues that real change will require business, and all its component disciplines, to go beyond trying to absorb the environment within its existing frame of reference and instead to develop a new paradigm. Finally, Peattie (1999) notes that shifting to a greener marketing paradigm will be difficult given that many of the fundamental and widely accepted assumptions and concepts of marketing are rooted in unsustainable consumption and production. Nevertheless, recently sustainability marketing has been updating the role of marketing within sustainability. According to Belz and Peattie, (2009) *Sustainability marketing is marketing that endures forever, in that it delivers solutions to our needs that are ecologically oriented, viable, ethical, and relationship based* (Belz and Peattie, 2009, p.180). Within sustainability marketing, sustainability marketing communications are considered important given that one of the communication strategies commonly used is product labelling. McDonagh (1998) in his research on sustainable communication practices argues that sustainable communication should not be misconstrued as a quick fix or 'green wash' activity but a radical departure from present communication practices. The author defines the term as follows "*sustainable communications (SMC) is an interactive social process of unravelling and eradicating ecological alienation that may occur between an organisation and its publics or stakeholders...thus by use of 'green, eco or environmental communications' the organisation builds trust in the minds of those in society and permits the approach of an utopian situation of high levels of environmental consciousness and consensus as to how humankind should exist in order to engender ecological sustainability* (McDonagh, 1998, p.599). Additionally, according to Belz and Peattie, (2009) labelling is an important means of communicating with consumers about sustainable consumption and it plays a crucial role in shopping for food and for domestic appliances.

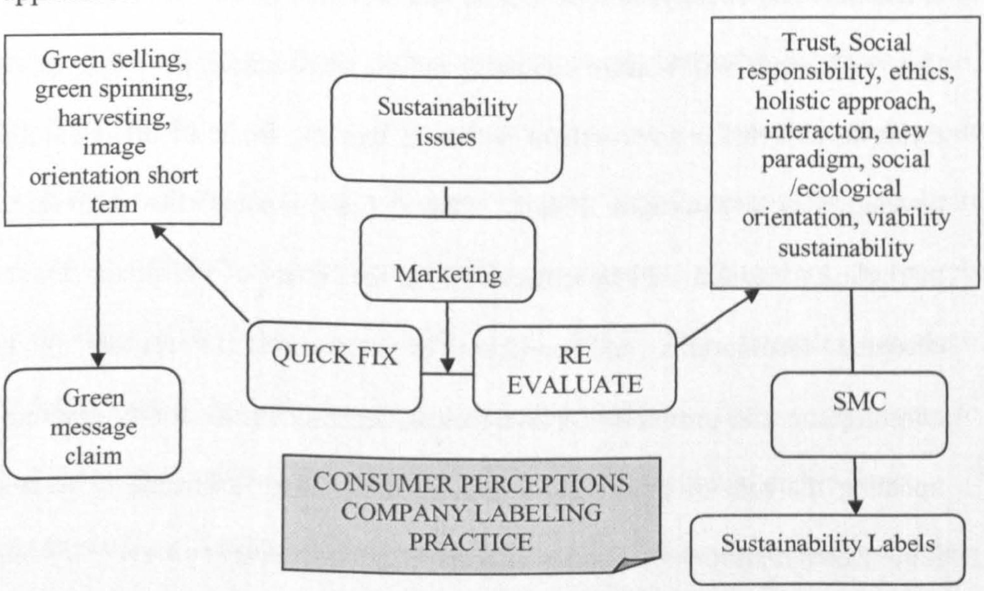


Figure 2.5. Defining a marketing approach to green claims

In summing up, from the literature it can be seen that the role of marketing and consequently labelling has been changing throughout the decades. From a 'quick fix' view of sustainability to a reconsideration of its core values. Within these views the role of labelling is adjusted accordingly. In the first case labelling is connected to green selling and in the second case towards a more sustainable practice according to the above definitions.

As can be seen in figure 2.5. there are two generic directions described in the literature that companies seem to follow marketing and labelling wise. The first is to consider sustainability issues in its current marketing agenda and move towards a 'quick fix' practice. This practice will lead to the mentioned reasons of green marketing failure (e.g. Peattie and Crane, 2005) as was discussed above. In this case a common practice as was seen above (e.g. Kuhre, 1997) is sending 'green messages' to consumers.

The second practice is to revaluate and reconsider the marketing strategy altogether. This leads to new or updated definitions and roles of marketing (such as viability, new paradigm etc.). Consequently sustainability labels as they have been more recently termed (see Belz and Peattie, 2009) are part of sustainable marketing communications practice (SMC).

It has been noted that it is unclear whether all firms using environmental marketing are in fact 'going green' or simply using greenwash to misrepresent their true position (Helvarg, 1996). This means that there are numerous other examples of where the marketing of 'green' products do not have any real environmental impact and in some cases green campaigns have been found to be inaccurate if not outright fraudulent (Kangun and Polonsky, 1995; Lecky, 1993). The aforementioned impact can be negative and/or positive given that all products have some sort of impact.

In their study of collected advertisements in four English speaking countries Polonsky et al (1997) found that US firms are making fewer substantive changes to their activities than the other three countries examined (Australia, UK and Canada).

Nevertheless, the second 'revaluation' direction requires more than a message that the company is going green. This means that substantial organizational and production changes are required.

In summing up, there are several issues that require further research. Firstly, what's the common company practice today in the UK and in Greece? In other words do companies revaluate or use a 'quick fix' labelling practice? And secondly what are consumers' perceptions towards these practices? For instance do consumers realise the difference?

2.2.2. Company Typology and Identity

In the above section the role of marketing and labelling was discussed and two basic paths were drawn from the available literature. In this section the available company typologies will be discussed. These typologies, models and company classifications are linked to the company response to the challenge of sustainability.

One of the early models developed is by Arthur D Little (1989). The model suggests **three stages of corporate greening**: Problem solving; Managing for compliance; Managing for assurance. Another typology by Hunt and Auster (1990), classified companies according to the **progression of environmental commitment** and management responses. The phases of the model are the following:

- the beginner: low financial commitment, no involvement of top management and no environmental program; poor environmental impact knowledge, high potential of accidents. The majority of small and medium sized firms;
- the fire fighter: minor involvement of top management and no formal environmental programs but attempting to resolve issues as they arise, perceiving environmental issues as inconvenience, reactive stance, cost-inefficient way of environmental management;

- the concerned citizen: small but consistent environmental budget, theoretical involvement of top management and a belief that environmental policy is worthwhile, limited efforts, more compliance than integration, glossy advertising and few internal reports;
- the pragmatist: sufficient funding, theoretical involvement of top management and belief that environmental management is important;
- the proactivist: maximum environmental performance, minimal risk, environmental management a priority, full integration in all parts of the organisation.

Peattie (1992) classified several company **responses to the pressure** for a greener performance as follows:

- Head in the sand: some companies assume the environment is a problem which will go away if ignored.
- Defensive: several companies try to discredit the source of the evidence of environmental problems.
- Lip-service: some companies find easier words than action and pay lip-service to green concerns.
- Knee-jerk reactions: some companies put environmental improvement into action but only as a reaction to pressure.
- Piecemeal: some companies react in a piecemeal way and not in a holistic company base way.
- Green selling: some companies discovered that their products are in some way environmentally sound and sell them in that way without considering what consumers need.
- Green marketing: if successfully implemented green marketing can change the entire company.

Roome (1992) suggested a model which **classifies companies in four stages**:

- non compliance: competing environmental and other criteria, cost constrains;
- compliance: operate with consent, clean technology, product LCA;
- compliance plus: pro-active, look beyond legal requirements;
- excellence: organizational and individual values and ethics, systems thinking corporate integration.

Sadgrove (1992) proposes the green grid which consists of **four environmental positions** that a company can adopt:

- the laggard is a company which takes no action to protect the environment and consequently creates a questionable image;
- the punished company; a laggard company which continues to take no action, eventually loses its customers or faces regulatory problems;
- the conformer is the most popular category and includes companies that want to stay within the boundaries of the law while spending the minimum amount possible on environmental protection and interesting consideration is also given to 'the volcano effect' which is an intermediate position between the high risk leader and the safe but law rewarding conformer;
- the leader is a company recognized for its environmental excellence.

Schot and Fischer (1993) offer three stages that **incorporate time periods** and are the following:

- Resistant Adaptation, 1970-1985;
- Embracing Environmental Issues without Innovation 1985-1992; and
- Innovation, 1992.

The Business and International Institute for Sustainable Development model (Trampa, 1994) identifies the following **five stages in the development of corporate responsiveness.**

- Denial. The company denies that it is responsible for environmental problems, ignores the situation and waits for everything to go back to the way it was.
- Threshold awareness. The tactic of the company is the development of 'green public relations' as a strategy.
- Strategic awareness. The company recognizes internally the need for an environmental agenda and improves its practices.
- Strategic acquisition. The manager goes beyond ensuring compliance and tries to adopt proactive policies using environmental audits and stakeholder consultation.
- Flagship implementation. The company adopts an integrated management system and the decision-making focuses on long term objectives and sustainable development.

Recently, Beltz and Schmidt-Riediger, (2010) surveyed online German food processing companies in Germany and classified them in four types of **strategic sustainability marketing**.

- Performers: they account for 27 % of the companies surveyed, address the whole PLC, charge premium prices, target consumers based on socio ecological criteria, small companies, have active communication.
- Followers: 40% of the companies surveyed, target socio-ecologically active consumer but in a lesser extent, motive alliances in communication, higher prices, small distribution channels, mainly medium sized companies.
- Indencisives: comprise 23%, low social product quality, medium ecological product quality, niche market, not after a distinct strategy, stuck in the middle.

- Passives: 10% of the companies surveyed, medium to low socio-ecological quality, price and performance more important, target consumer with no socio-ecological consciousness, larger companies.

From the available studies above the classifications have some issues in common. One of the issues is a relative 'continuum' in the company responses to environmental issues. From high levels of sustainability management to lower unsustainable business practices companies range in their responses to 'pressure'. According to studies businesses are at different stages of corporate responsiveness, depending on such factors as: size, internal corporate philosophy and organizational structure, external environment, including political and social events, legislation, regulations and the neighbouring community, nature of products and production processes, financial/ economic situation of the company and the momentum for resolving environmental issues (Eckel et al, 1992; Schwartz and Connoly, 1993).

Until recently in Greece, companies considered environmental issues as threats to their business while their environmental responsibilities were limited to complying with current regulations (Halkos and Evangelinos, 2002).

In summing up, there are numerous studies classifying companies according to the responsiveness in green pressure. A table containing the most commonly cited classifications is included in the Appendices (see Appendix 2.2.). Companies seem to be classified according to their actions and practices. However, there is a gap in the literature regarding classification of companies according to their claim practice. This classification could be used as a labelling benchmark by companies in the relevant sectors. For instance a company can be a performer according to the classification of Beltz and Schmidt-Riediger (2010) but there is no information about its claim practice.

2.2.3. Labelling Decisions

As was mentioned above labelling is an important part of the sustainable communication strategies. A labelling decision involves the selection of a claim. This selection involves an ISO type of claim or a certification. Labelling decision is a way a company can demonstrate sustainability considerations. Fuller (1999) states that designing messages that meet legal requirements while also communicating environmental information in a meaningful way has been a persistent challenge. Crane (2001) argues that the future integration of ethical messages into mainstream communication channels is posited as the information strategy with perhaps the greatest potential to raise the profile of ethical consumerism. Labelling as a communication practice has a great importance for companies, consumers, stakeholder and the environment.

There are several decisions a company needs to make regarding labelling. These decisions include message format, design and content. These decisions are part of the product packaging design. The importance of **packaging** as a communication tool appears to be growing (Belch and Belch, 1990) and its role as a vehicle for environmental information may prove to be pivotal. However, packaging as a general area of research has been an under researched topic, with much of the packaging research relating to nutritional information (Caudill, 1994). Additionally Polonsly et al (1998) state that most of the research has focused on the accuracy of environmental claims in advertisements with the information on product packaging being largely ignored.

Pujari and Wright (1995) state that the **product design** and development process may have to broaden its focus if it has to address and integrate green issues in a systematic and proactive way. This is a view also adopted by many authors who point out the connection of packaging with green issues communication. For instance Polonsky et al, (1998) state that the product (and package) design should be the focal point of the product strategy while also addressing green issues, since at this stage environmental criteria can be designed in and unwanted characteristics should be designed out. The authors in their study used content analysis to examine the environmental information on dishwashing liquid bottles in a city in Australia. They found seven different informational categories and four accuracy categories were developed. The seven types of environmental information that can be included on product packaging: images, licensing agreement, scientific information, general claims, product claims, logos, pictures (Polonsky et al, 1998). The accuracy categories are: acceptable, poor explanation, no explanation and meaningless. The majority of the product, name, logos, and pictures claims were found to be 'meaningless'. The majority of the scientific claims were found to be with 'no explanation'. Finally, the general environmental claims were 'acceptable'. Furthermore, Ackerstein and Lemon (1999) claim that the specific methods developed by product and brand managers to communicate information via product packaging are countless. The authors argue that there are two forms of environmental marketing prominent among managers; the environmental performance label and the environmental line extension. They found that Greens, showed an enthusiastic preference for environmental performance labels, and that Greens strongly prefer the simplicity and factual nature of environmental labels, as opposed to the more vague, general environmental performance implications of the line extension (Ackerstein and Lemon, 1999).

The above findings have important implications for marketers and policy makers given that a number of studies demonstrate consumer selection of products based on their environmentally friendly packaging or green claims. According to Tallontire et al

(2001, p23), 'the communication role of a product on a shelf cannot be underestimated'. A study of 1000 adults in the US found 67% selected one product over another because of its environment-friendly packaging, formulation or advertising (Smith, 1990).

Another important factor when designing a claim is the **claim format**. Davis (1993) identifies three sub issues associated with environmental message structure and format that must be addressed if marketers are to develop an appropriate consumer's perspective:

- Claim specificity: meaning the degree to which a stated claim is specific or vague and/or ambiguous. The author notes the findings of Carlson et al (1993) specifically that a large percentage of consumers find claims to be "misleading/deceptive".
- Claim emphasis: meaning the amount of emphasis that should be placed on green claims versus the product's traditional core attributes.
- Customer orientation: the author states that another factor affecting the efficiency of green claims is the target customer's motivation to respond.

From the above points it can be seen that the claim decisions are more complex and the company has to decide on a specific claim format and claim emphasis in order to acquire the desired responses by consumers. It seems, however that these points involve mainly Type II claims which is logical given that at the early 1990s Type II claims were increasing and also were a popular research topic as mentioned earlier. This message format and claim importance needs to be updated and incorporate other labelling decisions such as Type I eco labels.

Another important on-pack claim decision is **the use of language**. The choice of a particular language may imply different patterns of thought and different customer motivation (Hollensen, 1998). It has been suggested that language does influence the effectiveness of cross-cultural advertising, especially the effectiveness of image-based advertising compared with information-based advertising (Laskey et al, 2000). The above suggestion is relevant to this cross cultural study especially in the case of green claims and the way they are presented – in words and images- in various countries. The issue of claim translation from country to country is an important issue which has been understudied given the extensive amount of research is on eco labels (which already have a universal form and language). Thus, there is a gap in the literature regarding the cross cultural language challenge related to green claims.

Finally, **the claim content** is an important consideration for companies when they encode green claims. Claims made by companies incorporate various environmental and or ethical issues and thus raise questions of other issues being incorporation in existing labelling schemes. Given the increasing number of ethical claims in the market Rubik and Frankl (2005) question whether it will be wise to integrate social, ethical and environmental labels into the same labelling schemes. The authors state that, whilst there are strong arguments in favour of keeping the environmental and ethical labels separate; there are equally strong arguments for deeper integration. In the short run they argue against the integration of environmental, social and ethical labels; but in the long run they are in favour of such integration (Rubik and Frank 2005). They suggest that for the time being environmental, social and ethical labels should be developed as parallel processes and not as an integrated concept mainly because of market confusion.

In the case of **Type I eco labels and certifications** companies may not have to deal with message content or format but have to consider other issues such as level of label promotion. Companies according to de Boer (2003) may also collectively decide not to compete with each other on a sustainability issue to protect their industry's image and avoid additional costs. However, this will depend on other stakeholders and pressure (de Boer, 2003).

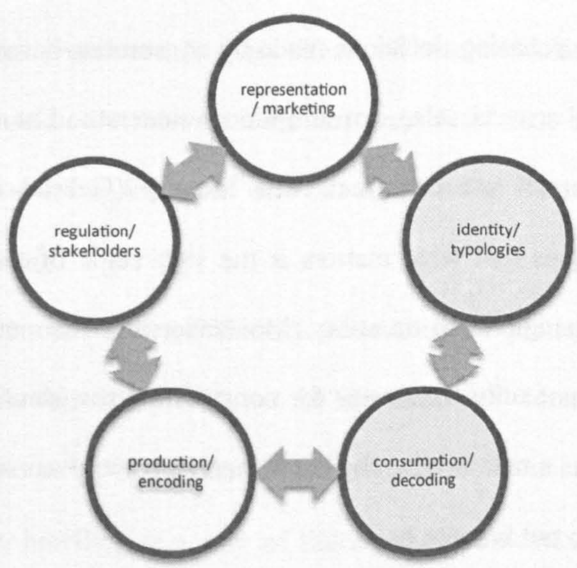
In summing up, from the available studies it can be seen that the type of claim selected, language used, packaging decisions and representation of the claim are issues that companies face.

Packaging seems to play an important role in the communication process. According to Polonsky et al (1998) further research is needed regarding the development of a typology for categorizing packaging information.

Also, what is not clear from the literature is whether these decisions are integrated in the marketing communications strategy and whether these decisions are complementary to an existing marketing practice.

Furthermore, there is a gap in the literature as to how companies deal with the various forms of claims (e.g. health, regulatory, country of origin, social, certifications, ISO type of claims etc.). Finally, there are no available studies regarding the labelling practice decisions and overall the claim encoding process since the majority of the studies focus on claims and their accuracy, consumer perceptions and market effects.

2.3. Consumption and Identity



In the previous sections claims were discussed according to their definitions and classifications. The production of claims and the role of marketing in their representation were looked at. Therefore the literature related to the first part of the link between companies and claims was reviewed. In this section the final part of the link will be discussed and specifically the relationship between claims and consumers. As Du Gay et al (1997) argue although objects are encoded with meaning during their production, the process of production is never fully realized until the moment of consumption. This means that the study of consumption of green claims will complete the circle of claims and the decoding process will give full meaning to the encoding process (and the other way around).

The study of consumption of claims is very important given that an increasing number of consumers base their shopping decisions partly or totally on claims. Also as was mentioned above one of the main objectives of labelling is to stimulate sustainable consumption.

Consumption of claims is closely linked to green products and green consumption given that claims indicate a greener identity. Peattie (1992) defines green consumption as the purchasing and non- purchasing decisions made by consumers, based at least partly on environmental or social criteria. Also, consumption is understood as a language through which consumers express and construct their identity (Gabriel and Lang, 1995). Baudrillard (1998) argues that what matters is the sign value of a commodity, rather than its particular exchange value or utility. Moisander and Pesonen (2002) state that green consumption is not only the means for constructing the identity that consumers seek to have, but also as a means whereby consumers reject a given subjectivity or deny the identity that they do not want to have.

Whitmarsh and O'Neil (2010) note that assertion of identity may be understood as an attempt to establish consistency in our attitudes and actions and continuity across experiences, and therefore appears to be highly relevant in exploring consistency (and, ultimately, spill-over effects) across pro-environmental behaviours. In their research they found that consumers' perception of themselves may influence the way they consume and behave. This has implications for the design of marketing strategies to promote green goods which target green identities (Whitmarsh and O'Neil, 2010). In the UK, DEFRA has adopted this approach by segmenting the public according to their values, identities and background characteristics in order to target these groups with appropriate messages and interventions to encourage greener lifestyles (DEFRA, 2008). In the case of labelling, identity is linked to the products with claims as well as their production and consumption. Thus, what links consumers and their purchase decisions to a desired or not identity.

As Jackson (2005) notes *"...we consume in order to identify ourselves with a social group, to position ourselves within that group, to distinguish ourselves with respect to other social groups, to communicate allegiance to certain ideals...to differentiate ourselves from certain other ideals. We consume in order to communicate. Through consumption we communicate not only with each other but with our past, with our ideals, with our fears and with our aspirations. We consume, in part at least, in pursuit of meaning... "(p.17).*

However, the issue of identity –consumer or producer- is a complex issue. Also the focus in this study will not be the issue of 'identity'. Having said that consumer identities or typologies connected to green products and/or claims are discussed.

Finally, labelling is a way of linking communication-wise companies and consumers. As is noted in many studies one of the main objectives of labelling is the change in consumption patterns which in turn may change production practices. In the following sections consumer segmentation, consumer typologies and consumer perceptions of green claims will be discussed.

2.3.1. Segmenting Consumers

Marketers and researcher have tried to identify the green consumer. There are studies that link specific characteristics to a green shopping behaviour and other studies that indicate a difficultly in isolating the green consumer. Rex and Baumann (2006) after studying green marketing research over the years, conclude that most efforts have been related to the characteristics of individuals, in terms of green consumers, how many there are, how to identify them, and how they behave.

Laroche et al (2001) identified that the study of environmentally friendly consumers can be traced back to the late 1960s, suggesting that Berkowitz and Lutterman (1968), as well as Anderson and Cunningham (1972), broke new ground by studying the **profile** of socially responsible consumers (D'Souza et al, 2007).

Many studies have linked various factors such as demographics, socioeconomics, psychographics etc to green consumers. Diamandopoulos et al (2003) researched the studies about green consumers and sociodemographics and found 39 studies on education, 31 studies on gender, 35 about age and 21 surveys dealing with social class.

Demographics have been considered by several studies to be an important indicator for green purchase behaviour (e.g. McKenzie, 1991; Roberts, 1996; Titterington et al, 1996; Brown and Wahlers, 1998). In general, there appears to be strong correlation between environmental purchase behaviour and the demographic characteristics of income, education and gender (Roper Organisation, 1990). Studies (e.g. Laroche et al, 2001) suggest that the highly socially conscious person is female, predominantly pre-middle aged, with a high level of education and above average socio-economic status (D'Souza et al, 2007). Ackerstein and Lemon (1999) claim that identifying the 'environmental consumer' has not been difficult and that this consumer has most often been described as young, better educated and higher income, occupational status and socioeconomic status than the average (Cude, 1993, Schwepker and Cornwell, 1991). In their survey D'Souza et al (2007) examined the demographic profiles of Australian green consumers in relation to their satisfaction with environmental labelling and found that the highest proportion of respondents that were dissatisfied with labels fell within the age groups of 50–60 +years (53.8%), while the younger generation from 18 to 29 years contributed only 3.8% (D'Souza et al, 2007). The results of the dissatisfaction with labels, arguably, suggests that older consumers are likely to be more concerned about environmental issues and hence be more attentive and critical to the contents of any green labelling provided (D'Souza et al, 2007). In a study by Abeliotis et al (2009) in Greece regarding the profile of the green consumers they took into account their attitudes towards reuse, recycle, or reduction of materials, products or resources. The findings suggest that green consumers typically are middle aged women with low incomes (Abeliotis et al, 2009). Also, the findings from their research indicate that educational attainment does not explain differences regarding their engagement in these activities.

Cornwell and Schwepker (1995) in their study attempted to determine variables that can be used to discriminate between groups who are and who are not willing to purchase ecologically packaged products. The results in this study indicated that demographic variables are not as important as **socio-psychological** variables in understanding the ecologically concerned consumer. Additionally there is research connecting green consumers with specific psychographic characteristics such as political orientation and environmental concerns (Straughan and Roberts, 1999).

Soler (1995) connected green consumers and '**ecological cues**' (e.g. experiences of environment-related problems). Anecdotal evidence suggests that consumers feel positively reinforced by recycling –typically one of their first steps down the path to green- and once engaged they start asking "what else can I do?" (Ottman, 1998). Danish research on spill-over effects has found that individuals are fairly consistent within similar categories of behaviour, and that there are significant correlations across these categories – buying organic food and recycling (.31, $p < .05$); buying organic food and using alternative transport (.16, $p < .05$); recycling and using alternative transport (.17, $p < .05$) – which can be accounted for by common motivational causes (general environmental values and concern) (Thøgersen and O lander, 2006).

Cultural variables have not received much attention but Webster (1975) found that those who were highly involved in community activities scored high on a social responsibility scale.

Perceived consumer effectiveness (PCE) is one of the variables that according to studies explains ecologically conscious behaviour. Consumers who believe in their personal consumer effectiveness are more positive towards and intending to purchase sustainable products (Vermeir and Verbeke, 2004). Specifically, according to Straughan and Roberts, (1999) individuals who are concerned about the environment will only display a more proactive behavior if they feel that their individual actions may be effective in solving eco problems. The extent to which the consumer believes she/he can be effective in pollution abatement is considered to be a predictor of the ecologically concerned consumer (Kinnear and Taylor, 1974; Webster, 1975). Also, the more consumers believe in the power of the individual, the more they buy and use non-polluting products (Balderjahn, 1988).

In a similar way **perceived behavioural control** (PBC) is another predictor of green behaviour (de Pelsmacher et al, 2002). Specifically, PBC is the extent to which consumers believe that their active participation may be effective in the preservation of the environment. Some studies (e.g. de Pelsmacker et al, 2002) argue that consumers with high PBC display more intense environmental behaviour whilst other studies show low levels of correlation (e.g. Antil, 1984).

Ecological consciousness is linked to pro-environmental behaviour (Schlegelmilch and Bohlen, 1996). However, there is no consensus in the literature (Do Paco and Raposo, 2010).

Studies have been contradictory (Martin and Simintiras, 1994) regarding **environmental knowledge**. Maloney and Ward (1973) argued that there is no significant link between knowledge and behavior whereas more recent studies (Chan, 1999) showed that knowledge is a useful variable when predicting behavior.

Environmental affection, or environmental concern, meaning the relevance of emotionality to environmental issues is also used in studies as a predictor of behaviour. Several studies argue that there is a positive association (Maloney and Ward, 1973; Chan and Yam, 1995) and other studies demonstrate that consumers with high **environmental affection** support it with insignificant actions.

The available studies have been summarised in appendix 2.3. From the available studies several criteria will be explored in this study. From a consumer perception of green claims point of view, PCE, PBC, environmental knowledge, ecological cues, and environmental affection will be examined. Having said that the focus of the study will not be the segmentation criteria but an investigation of consumers' perceptions of company claims.

In summing up, the above segmentation criteria have been used in order to identify a greener segment of consumers. Studies have been inconsistent in identifying a green consumer based on specific criteria.

Marketers also have difficulty in targeting this segment and among many stated reasons there is much discussion about the '**attitude –behaviour gap**'. This means that even though the market for green products is generally considered to be both established and expanding after looking at the actual market shares of these products a different picture occurs (Rex and Baumann, 2006). This non enthusiastic response towards the green market has led marketers to believe that there is no market for green products.

The factors identified (Rex and Baumann, 2006) to interfere in this process, with an impact on whether or not the environmentally friendly attitude will result in actual behavior (e.g. the purchasing of ecolabelled products) are summarized below:

- Variations about high and low cost purchases (Diekmann and Preisendorfer, 2000)
- Product associations with earlier behaviours and habits (Biel et al, 1999)
- Consumer perceptions of alternative products availability (Rex, 2002)
- Consumer trust of the environmental information provided (Rex and Baumann, 2006)

Other studies report that a potential explanation for this low green market support is the price, quality, convenience and brand familiarity which are still the most important decision factors (Carrigan and Attalla, 2001), while ethical factors are only taken into account by a minority of consumers. Morris, (1997) argues that one of the most frequently cited of these reasons is that consumers are confused by the plethora of different schemes for labelling products with environmental information.

In summary, the attitude behaviour gap has received much attention in both the marketing and academic communities. Surveys underline a gap between what consumers claim and what they do when they purchase. Consumers often say they are very concerned about sustainability issues, but that their actual purchases are something of a disappointment to many companies that have tried to create 'green' market segments (Peattie, 2001).

Nevertheless, more recent studies shift the focus from the reasoning of a possible market failure and its connection to a 'problematic' and 'questionable' green segment to the **purchase act** itself. In this note the notion of a 'reflexive consumer' refers to a consumer who is not necessarily a social activist, but someone who seeks to make his own individualized risk assessment (e.g. Dupuis, 2000). Also by adopting green or ethical criteria, individuals are complicating their purchase process and their research practices significantly (McDonald et al, 2006). Moreover, many consumers who make an ecologically or ethically motivated choice in the context of a certain product class may not do so in the context of another (Peattie, 2001; McDonald et al, 2006). For example, in an article in USA Today (cited in Charter and Polonsky, 1999), Watson (1998) notes that though many claim to be environmentalists, in reality they 'tend to act more brown than green'. This means that in some cases they use green criteria and in other cases they do not.

Peattie (1999) argues that although the conventional approach to sustainability marketing has been to attempt to understand different types of consumer according to their sustainability concerns, an alternative approach is to try to understand the different type of sustainable **consumption contexts**. In other words instead of studying the individual what should be studied is the consumption act itself. McDonald et al (2006) adopt Peattie's (1999) view that there is no such thing as a green consumer and argue that even if green or ethical consumers could be identified through examining their actions, this would not be sufficient to determine what kind of green or ethical consumer they are. In their study McDonald et al (2006) concluded that green and ethical consumers do not have different criteria from their grey counterparts, but they have extra criteria.

This shift of focus from the individual labelled as 'green consumer' to the shopping act itself is also a gap in the claims literature as the majority of the available studies in this area link green consumers to label-searching.

In conclusion, this study will focus on shopping stories and experience and less on green consumer segmentation criteria. Thus, 'shoppers' were selected for the focus group discussions instead of 'green shoppers' or 'green consumers'.

2.3.2. Consumer Typology and Identity

In 1990 the Roper Organisation conducted a landmark study titled The Environment: Public Attitudes and Individual Behavior for S.C. Johnson & Son of Racine, Wisconsin (Fuller, 1999). The aforementioned report was the first step towards the 'Shades of Green Segments' in the USA and has been converted into the Roper Starch Worldwide's Green Gauge Report an annual marketing information service. As can be seen there the Green Gauge Report shows that two obviously linked demographic variables, income and education, as are important correlates of green behaviour. In appendix 2.4. the most well-known consumer typologies are presented.

A few studies have tried to identify a label searcher type. For example, Rubik and Frankl, (2005) examined the number of commodities for which the respondents had searched or would search for environmental information. The aim was to see if they could identify a label searcher type. They found that 25-50% of all respondents searched for environmental information on two of the three commodities researched. If the searcher type is defined as one who searches for two or all three of the specified commodities, then 32-67% of respondents are in this group. Additionally, D'Souza et al

(2007) in their research tested consumers' demographic profiles in relation to their attitudes to green product labels. The data were collected using a structured questionnaire. The results indicated that some of the demographic variables were significant. Label dissatisfaction was higher in the older and middle age respondents. The key issue arising from the findings is that in order to provide a perception of accuracy in labels, it is an option to use Type I or Type III labelling on products (D'Souza et al, 2007). Other than the stated surveys there is no well known research exploring consumer perceptions' of claims and linking the perceptions with a specific searcher type. Additionally, from the majority of the typologies above it is clear that the various consumer typologies are mainly based on segmentation criteria.

Identifying a label searcher type would provide more information on the link between green claims and green consumption. However, according to the above discussion about the context of a purchase rather than the characteristics of the green consumers this study will not try to profile a green consumer based on characteristics such as demographics. This study will focus on the stories and whether there is any kind of pattern underlying the decision making criteria (always in relation to the claim perceptions-preference). A typology deriving from extra criteria used during the decision making process rather than characteristics of the green consumer is a recent one by McDonald et al (2006). They suggested a consumer typology based on consumer purchase stories (Translators, Exceptors and Selectors, see Appendix 2.4.).

The identification of possible patterns of criteria leading to a label selection (or preference) would have marketing implications given that the search (or not) for specific green claims would be linked to the success (or failure) of a company's green claim practice.

In summing up, there is a gap in the literature given the limited number of studies looking at consumers and the search for labels. Furthermore, the shift of focus from the individual to the purchasing act (e.g. Peattie, 1999) might shed some light on the link between specific labels and their success or failure in the market. Additionally, this study has not included any green criteria in the selection process for the focus group discussions. Therefore one expected outcome will be to see whether consumers consider ethical criteria when they go shopping. This means that the interviewees were 'grey' consumers and thus, it will be useful to see whether green criteria appear in their decision making process.

2.3.3. Consumer Perceptions of Claims

There is limited research available regarding companies green claims perceptions. In contrast there are many studies exploring consumer perceptions of green claims. These studies have identified consumer perceptions of green claims and in many cases have connected them to green purchase behaviour. It has been argued that environmental consciousness does not automatically lead to environmentally friendly behaviour and environmental awareness does not always lead to changes in purchasing behaviour (Pedersen and Neergaard, 2006).

This section will review the literature and pick up on the themes that have been researched in order to identify areas than need to be further explored.

2.3.3.1. Awareness and Search for Green Claims

There is an agreement among researchers that consumer education and labelling awareness play an important role in consumer purchase behaviour (OCDE, 1997). The effectiveness of an environmental label and consequently its actual effects ultimately depend on the extent to which consumers perceive, recognize and act on the information it conveys (OCDE, 1997). Coddington (1993) states that in a late 1990s survey by Environmental Research Associates, a Princeton, New Jersey –based survey house, 1000 adults were asked if they looked for green labelling when they shopped. The answers were as follows: "Always"- 9%, "Usually"- 23%, "Rarely"- 15%, "Once in a while"- 32%, "Never"- 20%, "Don't know"- 1%. Thus, 32% of consumers reported seeking out green labelling on anything other than an extremely infrequent basis. In a more recent survey by DEFRA (2007), 52% strongly agreed or tended to agree that they 'try not to buy products from a company whose ethics they disagree with'. In a similar DEFRA study in 2009, 30% said that they had decided not to buy things because they had too much packaging, 21% said that they bought wood and wood products from certified sustainable sources. According to the results of several studies (e.g. NCM, 1999), recognition of the Nordic Swan label had increased dramatically by the end of the 1990s. Nowadays, more than 80% of consumers in Sweden, Norway, and Finland recognise the White Swan as the Nordic eco label. The figures vary from one study to another, depending on the design of the research (Rubik and Frankl, 2005). Rousseau and Delaet (1998) examined consumer behaviour with regard to shopping in hypermarkets and they found a high degree of confusion among consumers. Only 50% of participants were able to recognise four of the eleven logos shown to them. The EU eco label was almost never recognised or acknowledged. The best well-known label was the Green Dot, but it was often confused with the symbol for 'recyclable' or 'recycled'(Rousseau and Delaet, 1998).

Consumers were asked why they don't look for environmental information in a study by Rubik and Frankl (2005). The respondents were given three alternative answers: "*the production and consumption of these product groups has no impact on the environment*", "*it has never crossed my mind to do it*" and "*I usually forget or have no* *time to search*". The authors found that the most frequent answer is "*it has never crossed my mind to do it*". In other words consumers do not seem to have as a shopping routine the search for a claim. Rubik and Frankl (2005) translated the lack of searching for claims as a lack of interest and only a very small group of respondents (5% or less) reply that they do not believe that the commodities in question have any negative environmental effect.

Another issue that has been discussed in the literature is the conscious or unconscious label response of consumers and what makes consumers aware of labelling. Thogersen (2000) notes that most of the studies are descriptive, the question why consumers know, notice, and use labels is only partially answered. The author suggested that paying attention to eco labels is hardly a goal in itself, but rather a means to a goal and hence it is unlikely that a consumer pays attention to an environmental label unless he or she values protecting the environment, perceives buying more environmentally friendly products as an effective means to achieve this goal and perceives the information that the label conveys as useful for this purpose (Thogersen, 2000). The author finally stresses the importance of label availability and consumer trust as factors affecting label attention.

In summing up, consumers awareness and search of claims in the market seems to be connected with the claim recognition, consumer environmental goals, consumer trust, claim availability, claim awareness and shopping routine. A very important issue is the fact that consumers in some cases do not connect product categories with the need of a claim. Finally, company ethics is for some consumers an important motivator for claim searching. For other consumers the issues of 'thinking about it' overall being aware of claims are issues that keep them from searching for on-pack claims. At this point an important question would be the issue of awareness and search for claims and how companies are addressing it given that companies complain about the relatively limited consumer interest and support for greener products in the market. Therefore, it is interesting to explore the means companies use (and the results) in order to overcome this 'awareness' barrier. The importance of claim awareness is stressed in many studies given that labels are more likely to influence a purchasing decision if the customer has prior awareness and understanding of the label (House of Commons, 2009). Thus, factors such as 'knowledge' and 'understanding' of claims which are discussed below are equally important.

2.3.3.2. Eco Literacy and Understanding

Eco literacy or knowledge and understanding are important when decoding green claims. Recognising a label is not the same as understanding the exact meaning of it (Thogersen, 2000).

Companies and labelling organisations raise questions of over simplification of information on claims as well as too much or too little information on product packaging.

Consumer awareness of broad environmental issues generally does not coincide with their understanding of specific environmental claims (Chignon and Polonsky, 1994). Other studies (e.g. Cude, 1991) found that consumers do not have high level of claim understanding and knowledge or claim related issues (e.g. VOC levels) and that personal (e.g. ignorance about sustainable products) as well as contextual (e.g. lack of sustainable products) factors may inhibit sustainable purchases. The Centre de Recherche pour l'Etude et l'Observation de Condition de Vie (CREDOC) carried out a consumer survey on behalf of the Association Francaise de Normalisation (AFNOR) in 1996 and found that 63% of respondents said that there is a lack of quantitative and qualitative information about 'green products'. Moreover, more than 80% of the respondents were familiar with eco labels or green labels. However, we do not know to which eco labels they are referring (US EPA 1998).

The lack of factual information has been called the "greatest environmental hazard" facing consumers (Schlossberg, 1993). In many countries there is a lack of knowledge and confusion on the concept sustainability and the corresponding logos and labelling. Logos and labelling are often confusing and inadequate for consumers, leading many of them to lose interest in the underlying messages (Verbeke and Viaene, 1999; Verbeke and Ward, 2004). In other words consumers do not know the exact meaning of specific terms such as 'recycled'. For example Viney (1991) has put forward five different possible definitions of the term 'recycled':

- discarded in the garbage, the package will be automatically recycled instead of going to a landfall;
- the package will be recycled if it is discarded in a recycling bin or taken to a collection facility;
- the package is capable of being recycled, but will be recycled only if local collection and processing facilities are available;
- at least 25% of the packages like this are being collected and recycled locally;
- collection facilities for this kind of package are located within five miles of where it was purchased.

In their study Maronick and Andrews (1999) explored how consumers interpret environmental claims made on packages by focusing on aerosols. They examined whether the addition of a qualifying language to unqualified general claims and specific claims (e.g. No CFCs, Won't Harm the Ozone Layer) results in an enhanced absolute (e.g. safe) or relative (e.g. safer than) perceptions of the product as safe for the environment. They examined seven different environmental claims ranging from unqualified general claims such as environmentally friendly and ozone friendly to unqualified specific claims such as No CFCs and claims with general and specific qualifiers. The authors found that there is a misunderstanding by consumers as to what environmental claims mean. Thus claims such as 'environmentally friendly', 'ozone friendly', were interpreted by consumers to mean that the product is safe for the environment.

Rubik and Frankl, (2005) surveyed consumers' perceptions of what an eco label signifies. The respondents were asked to name any environmental label they could spontaneously think of. They followed up this question by asking the respondents what the eco labels they named meant, offering them the following two alternative answers:

- The product has no environmentally damaging effects whatsoever.
- Labelled is less environmentally damaging than unlabelled.

The majority of the respondents gave the right answer: labelled is less environmentally damaging than unlabelled. The percentage of correct answers was 80% for Germany, 89% for Norway, 82% for Italy and 66% for Spain (Rubik and Frankl, 2005).

Researchers agree that even if consumers do understand specific claims, they are usually in no position to evaluate effectively the accuracy of these claims (Schlossberg, 1993).

Additionally, the issue of the importance of information availability regarding labelling practices has been stressed in the literature (Maronick and Andrews, 1999).

In summing up, it seems that consumers do not fully understand what green products are and what green claims signify. There is a certain level of misinterpretation and misunderstanding during the decoding process of green claims.

One question that underlines these findings and needs to be researched is whether companies acknowledge this lack of knowledge and understanding and whether they provide complementary material in order to support their claims (information wise).

2.3.3.3. Green Claim Source Perceptions and Trust

Claim awareness, knowledge and understanding of claims is connected to the perceptions consumers have regarding the source of the claims. This means that consumers may have preferences as to who should regulate and/or place the claims. Thus, it has been argued that consumers tend to prefer **NGOs and consumer organisations** as competent or guarantee bodies and generally do not trust producers and retailers as sources of environmental information (Shaw and Clarke, 1999). There is a general distrust of information from companies among ethical consumers, including on-pack information (Shaw and Clarke, 1999).

Thogersen (2000) notes that unfortunately and perhaps because the state controlled labels are outnumbered so many times by private labels and other types of environmental information, many consumers are uncertain or hold outright erroneous beliefs about who issues state controlled labels. A Norwegian study cited by Thogersen found that this may reduce trust in the Nordic Swan (Tufte and Lavik, 1997).

According to a 1991 Angus Reid Group survey, consumers would have the greatest confidence in a **national-level system** of standards for green claims, and a labelling program would increase the credibility of environmental marketing (U.S. EPA, 1993).

Fuller (1999) mentions that in research (J.W.Thompson, 1991) on spokesperson credibility, consumers ranked their confidence in the various authority figures behind green product promises (claims) in the advertisements in the following descending order: (1) approval by a well known environmental group 39%, (2) approval by an independent laboratory 28%, (3) a scientist's testimonial 19%, (4) a manufacturer's self-declared warranty/claim 9%. Fuller (1999) points out the credibility gap when the messages are only from the manufacturer and stresses the importance and opportunity for manufacturers to form strategic alliances with external organisations.

In a 1993 YouGov poll, 64% of respondents thought companies should use **clearer product labelling,** but only 37% believed government should pass **specific legislation** to compel more responsible corporate behaviour (BITC, 2003). Given that self-certified company labels are widely mistrusted (Cowe and Williams, 2001; Shaw and Clarke, 1999), the role of government in ensuing effective consumer signposting, as well as supporting business efforts to be more responsible, is possibly being underestimated. When asked about the general trustworthiness of companies' green claims, consumers express even more scepticism (Coddington, 1993). Coddington, (1993) argues that most consumers are basically dubious about all manufacturer advertising product claims, environmental or otherwise. Various studies have linked the lack in consumer responsiveness to the green market to the scepticism towards green marketing communications (Gray-Lee et al, 1994). This general scepticism, coupled with **conflicting information about environmental issues** and a few highly publicized instances of **green-gimmick marketing**, has given rise to an attitude that all green products and green-marketing claims are guilty until proven innocent (Coddington, 1993).

In another survey carried out by CREDOC (1999) researchers found that the **credibility** of green products decreased significantly in the late 1990s, with 63% of French consumers in 1999 feeling that there was no guarantee that products actually met the environmental criteria claimed.

Ackerstein and Lemon (1999) argue that consumers would undoubtedly prefer their consumption to be less environmentally damaging, but they are also highly suspicious and **critical of corporate efforts** to use the environment as a sales tool. Also consumers are thoroughly distrustful of green marketing 'hype' and see **little connection** between purchasing green products and helping the environment (Moore, 1993; Mohr et al, 1998).

In a recent survey (Rubik and Frankl, 2005) it was found that consumers seem to be sceptical of green claims on specific products, on green claims from **specific companies**, on green claims overall. Specifically, there are several product categories on the **'blacklist'** (Rubik and Frankl, 2005); which means that there are some product groups with very significant environmental impacts that are rarely eco labelled under the classical ISO Type I schemes (such as cars, fossil fuels, electrical power plants).

Over two thirds of participants in one survey (Lloyd, 2006) distrust information from **large companies** and similar numbers agree that corporations have no morals or ethics (Horne, 2009).

According to Horne (2009) **information overload** for consumers is rife: in one study (Lloyd, 2006), 97% of those surveyed indicated that there 'was more stuff to read than I could ever dream of reading' and 92% indicated that they felt 'surrounded' by information

Overall, **credibility and trust** to a scheme is crucial to its success and depends strongly on the guarantee of the competent body, which must be fully independent but not necessarily part of the administrative body (Rubik and Frankl, 2005).

As can be seen in the studies from the early 1990s to date consumers express a certain degree of mistrust towards companies, green claims or both. It seems that they prefer accreditation from an independent party or an NGO.

What needs to be researched in depth is whether consumers are clear regarding the actual source of the claims. There is also a question of consumer understanding of various claims (whether they are required or not by legislation) on products given that they have to make an informed choice.

2.3.3.4. Price and Barriers

Price is one of the most popular themes of discussion in the green claims area. Rubik and Frankl, (2005) showed that the knowledge of consumer acceptance of a higher price for environmentally friendly products appears to be inconsistent and inconclusive (Rubik and Frankl, 2005).

There are however, studies who found a consumer acceptance of a price premium for greener products. Several studies have shown that at least a number of buyers are willing to pay extra for a product that has been created in a more sustainable manner (Ozanne and Vlosky, 1997). Ackerstein and Lemon, (1999) argue that consumers in general are willing to pay 5% more for environmentally improved and marketed products; more importantly it suggests that some consumers will switch from a less expensive brand to receive the value added by environmental marketing. Loureiro and Lotade (2005) found that consumers are willing to pay a premium for Fair Trade coffee and that this premium is higher than that for organic coffee. Godfrey (2002) concluded that consumers are willing to pay 5% more for ordinary 'green' product alternatives, and even more for specialised products (Godfrey, 2002).

However, other studies show that 52% of consumers were interested in purchasing "earth sustainable" foods, but did not purchase those foods owing to the perceived barriers of lack of availability, inconvenience and price (Robinson and Smith, 2002). Rubik and Frankl (2005) conclude that most studies show that consumers are willing to pay a premium price for environmental products, but this is not always the case (Rubik and Frankl, 2005) and that this willingness is dependent on a large number of well-known factors (e.g. price, quality). On a similar tone Thompson and Kidwell (1998) found that even when a consumer is able to afford sustainable food products, there is frequently insufficient information to encourage them that the extra expense is worth it. Also, Thompson and Kidwell (1998) found that the average price premiums found in stores for organic products ranged from 40% to as high as 175% while much willingness to pay studies have concentrated on premiums from 5% to 25% above conventional prices.

In summing up, it seems that the price is connected to other factors and is one of the barriers of greener consumption. However, it seems that consumers in most studies claim that they are willing to pay extra (usually a 5%) for greener products. At this point it should be noted that there is a gap in the literature addressing consumers' perceptions of the price premium and whether consumers understand what the premium is for and with what product characteristics its connected with.

2.3.3.5. Purchasing Behaviour and Green Associations

There have been surveys since the early 1990s (Research International, 1992) that have shown that people are **concerned** about the environment and are willing to support more eco friendly products. Furthermore, surveys show that consumers **recall** green claims and their purchase behaviour is influenced by the claims. For instance, two-thirds of American adults recall seeing environmental labels or claims when shopping and 54% recall advertisements with such claims, less than half say they have purchased a product due to those claims (Speer, 1997).

A comparative analysis of the effect on Danish consumers of the introduction of the **White Swan** label was undertaken by Bjorner et al (2002). Their results were focused on different brands of tissue paper and the outcome was that the White Swan had a significant effect on their purchase behaviour.

In 2004, 43 % of people in the UK shopped, at least once, in their **local community**. Of these individuals, 17 per cent were motivated to do so primarily to support the community (Co-operative Bank, 2005).

In products where there is a strong link between the consumer's purchasing action and the reduction in environmental impact (e.g. when buying recycled paper) the decision to buy an environmentally friendly product is easily taken according to Rubik and Frankl (2005). However, when the **feedback mechanism** is not clearly perceived by the consumer (as in the case of tourism, where tourists do not have to live with the direct consequences of their actions on a long-term basis), their actions do not follow an environmental pattern (Rubik and Frankl, 2005).

Additionally, Moore (1993) performed in depth interviews with consumers and found a considerable distrust in marketing 'hype' leading respondents to perceive **low association** between 'green' products and helping the environment.

In summing up, the above studies indicate that consumers are willing to demonstrate 'greener' market behaviour. The barriers once more are related to the low association of the available products with the environment (or problems affecting the environment). This raises questions related to the previously discussed issues of consumer knowledge and understanding of both labels and environmental issues. Also, whether a change in information provision would be translated in a change in purchase behaviour.

2.3.3.6. ISO Type Claims and Consumer Perceptions

In this section the available studies exploring specific consumer perceptions of green claims (the ISO type of claims) on products will be discussed.

Certifications and Type I eco labels

Studies about **certification schemes** are increasing the past decade. In the early 1980s and 1990s the focus of the labelling literature were eco labels, product declarations schemes and Type II claims. Recently the increasing presence of certification schemes such as Fair Trade labels and organic labels have been the focus of a number of studies. In a 2005 survey (Co-operative Bank, 2005) it was found that one in two people in the UK are now aware of the Fair Trade mark and that food products bearing this label are experiencing sustained growth in sales. Krarup and Russell, (2005) argues that some researchers have claimed that the recent success of organic labels can be attributable to the ability to represent different things to different people. For instance consumer surveys have consistently indicated that the primary motivation for organic purchases were health concerns (e.g. Pearson 2002).

As for **Type I eco labels** a study in Germany was carried out by Christensen (1987). Most of the interviewees (91%) knew the Blue Angel label, and 86% said that the eco label would make their purchases easier. Christensen also asked about the advantages and disadvantages of the label; 65% believed that eco labelled would cost more than non-labelled products. Also, it was believed that personal emotional attitudes would be influenced positively. In summary, Christensen (1987) concluded that there might be a trade off between the strengthening of the social –emotional aspects and the weakening of financial functional aspects (Christensen, 1987).

There are many studies looking at eco labels and their market effect. Most of the studies focus on the barriers as well as their negative and positive effects.

Type II claims

On the other hand there are many studies focusing on Type II claims and especially their classification, meaning and effect in the market. As was previously mentioned these types of claims have been connected with market confusion and consumer mistrust. For instance, one British study examined consumers' perceptions of environmental claims on laundry detergents (Myburgh-Louw and O'Shaughnessy, 1994). This study found that consumers were very skeptical of environmental packaging information and found much of it to be misleading.

In many other studies (Ford et al, 1990; Pechmann, 1996; Maronick and Andrews, 1999) there are indications that consumers tend to rely upon and find more believable those claims that are more specific and concrete. Also, Maronick and Andrews (1999) note that research suggests that the role of general claims indicates that general claims without qualifications are more likely to be potentially deceptive or misleading than qualified general claims because they are open to interpretation (Darley and Smith, 1993). Specifically, Darley and Smith (1993) found that tangibility and factualness seem to have contributed equally to the claim objectivity effects. Also, Maronick and Andrews (1999) found that the presence of qualifying claims (e.g. environmentally friendly, No CFCs) on certain products was interpreted as the particular products being more environmentally friendly than competing products with no claims. Also these claim qualifiers increase the perception of safety of the product for the environment. In a similar note Stafford (1996) states that tangible verbal claims tend to enhance ad perceptions and attitudes to a greater extent than intangible verbal claims (Stafford, 1996).

Maronick and Andrews, (1999) stress that the difficulty for both marketers and policy makers is that even specific environmental claims may be judged as misleading because they fail to point out that the product may contain other ingredients (e.g. VOCs, HCFCs) that may harm the atmosphere.

As Belz and Peattie (2009) argue the sustainable consumption agenda contains a wide spectrum of **individual issues**, and consumers will vary in the selection of issues that they will connect with and respond to most within their consumption behaviour. In other words consumers may select a specific issue such as animal testing and adjust their purchase behaviour accordingly (the purchase of 'not tested on animals' products). Cude (1993) used open ended questions in order to examine consumer basic understanding of the term "recycled". It was found that 71% of consumers gave acceptable answers to the meaning of the word located on a plastic shampoo bottle. In the same study consumers were asked to define the term 'recyclable'. The acceptable answers were 67% (on a plastic bottle) and 53% on a jar. The findings suggest that consumers have a basic understanding of the term. Less encouraging are the findings by Louis et al (1995) when they explored consumers' basic and in-depth comprehension of the terms 'recycled' and 'recyclable'. Overall, they found that only 5% of the respondents exhibited thorough understanding of the terms. About half of the respondents showed basic understanding of the terms.

Other type of claims

Furthermore, in a study by Ackerstein and Lemon (1999) it was found that Greens, showed an enthusiastic preference for **environmental performance labels**, and that Greens strongly prefer the simplicity and factual nature of environmental labels, as opposed to the more vague, general environmental performance implications of the line extension (Ackerstein and Lemon, 1999).

Ackerstein and Lemon (1999) compared consumer perceptions and preferences among products that had either an **environmental label or were environmental line extensions**. Choice share for the environmentally marketed product improved marginally when the chosen strategy was an environmental label (from 39.7% to 41.3%) and somewhat more dramatically when the strategy involved an environmental line extension (to 46%).

In summing up, most of the available studies on consumer perception focus on specific claims and the language used (e.g. language qualifiers or not, general and specific etc.).

These studies usually measure consumer understanding of specific claims such as 'recycled'. Findings overall indicate high consumer confusion especially for Type II claims. Type I eco labels are reported to have gained consumer trust.

What needs to be further researched is the decoding claim process. This means that more information is needed regarding consumers and the process they follow in order to decode claim information. Also, there is a need to map relationships between different issues explored in the literature such as claim education and claim awareness. Consumer stories may offer new insight in the claims scene and a different perspective of the claims in the market. For instance, consumer perception of Type I eco labels may be ultimately connected during the discussion with culture, NGOs and other factors.

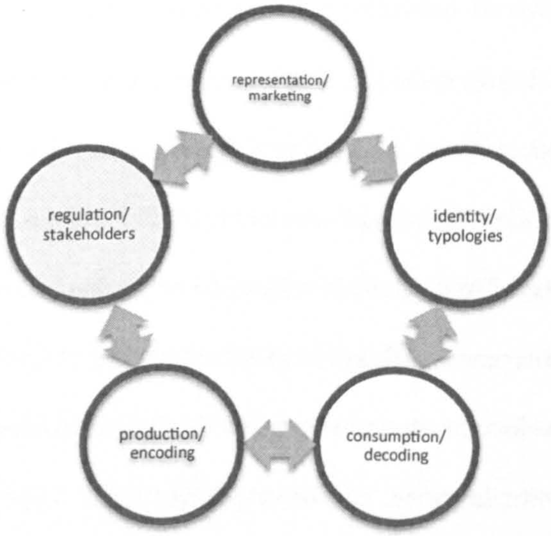
2.3.3.7. Closing remarks

In appendix 2.5. the most important points and gaps in the consumers literature are summarised. These will be the base of the discussion agenda with consumers.

In summing up, as Polonsky et al (1998) state it may be worthwhile to evaluate consumer understanding of various environmental packaging information and to examine how they determine whether the environmental information they are provided is factual. Doing this will provide academics with an understanding of consumers cognitive processes (Polonsky et al, 1998) and therefore enable marketers to develop packaging information that best communicates with consumers.

In the following section the stakeholders that affect and are affected by the encoding and decoding process of green claims will be discussed.

2.4. Governments, Regulation and other Stakeholders



The stakeholders that are reported in studies as affecting both the encoding and the decoding process are governments, regulation, NGOs, retailers, culture, the media, technology and innovations. Also, at the end of each subsection a summary figure will map the available studies and the gaps identified in the literature.

2.4.1. Government and Regulation

According to the CCM, the moment of regulation encompasses the attempt to control cultural activity, from the formal or legal controls of technological infrastructures, regulatory bodies, and institutionalized educational systems to the informal or local controls of cultural norms and expectations (Du Gay et al, 1997). This means that the moment of regulation interferes in the CCC link via formal controls such as regulatory pressure towards companies to the informal controls such as guidance for consumers.

Kuhre, (1997) mentions a critical problem surrounding environmental labelling in the mid 1980s. It appears that many manufacturers at that time began to make confusing and misleading claims on their products. Popular green claims were 'green', 'environmentally friendly' (Kuhre, 1997) which led to consumer confusion and mistrust

(Kuhre, 1997). This inability on the part of consumers to interpret or evaluate environmental advertising has resulted in intervention by governments around the world (Kangun and Polonsky, 1995).

Kuhre (1997) states that the first real coordinated effort to organise labelling was in 1991 by the Strategic Advisory Group for the Environment (SAGE) subgroup on environmental labelling who identified the need for international labelling standards. This effort led to the conception of the **ISO 14000 standards**.

Aaker and Myers (1987) created a typology of four types of misleading corporate advertising claims:

- The entire advertisement gives an impression that is not true, even though all information contained in it is true.
- The advertisement is ambiguous in its meaning. There are at least two different ways in which the information can be understood.
- The advertisement does not disclose all information about the product or claims; e.g. misleading silence.
- The advertisement is 'puffed up'. Puffery 'is a subjective statement of opinion about a product' s quality' (Richards, 1990). This aspect, while not necessarily illegal, needs to be considered as one type of misleading claim, as consumers may take the statements to be factual.

In the UK as Harrison et al (2005) state the government responded in 1998 with a Green Claims Code to help producers to communicate honestly and clearly. The authors add that in 2001 it was made compatible with a new international standard on green claims, ISO 14021, and is accompanied by a leaflet ('Hi, I'm green') which outlines the standard of information consumers should except and explains how to challenge unhelpful claims (Harrison et al, 2005).

In July 2008 the UK Government set out its strategy for improving product sustainability and this recognized that environmental labels can play an important role in communicating the value and purpose of environmental benchmarks and standards to consumers (House of Commons Report, 2009). In 2007 the UK government established a Sub-Committee to examine what action the Government was taking to support and encourage the development of relevant and effective environmental labelling schemes (House of Commons Report, 2009). The Sub-Committee's inquiry aimed to investigate the potential of environmental labelling and focused on a number of schemes as case studies, the environmental labelling of vehicles, green electricity tariffs, white goods, food and recent moves towards embodied carbon labelling (House of Commons Report, 2009). Additionally, since 2009 within the UK, Trading Standards Officers have powers under the Trade Descriptions Act to deal with claims which are demonstrably false or are found to be misleading. The Director- General of Fair Trading can also take action against misleading claims under the Control of Misleading Advertisement Regulations 1998. There are online guidelines for consumers who wish to report a misleading claim (DEFRA, 2009). Specifically consumers can (www.defra.gov.uk/environment):

- Contact the head office of the manufacturer making the claim (or the retailer's head office, if the product is the retailer's 'own brand'). Ask for an explanation of the claim. Ask how it can be shown to comply with the Green Claims Code.
- Where the consumer believes that an environmental claim is simply untrue, or even after explanations from manufacturer or the retailer the consumer believe that a claim may be misleading, it is best to take this up with the local authority trading standards department. The consumer can give them details of the claim that they believe may be false or misleading, and any other information that is relevant.

Also the UK's National Consumer Council (2001) argues that it is not enough for consumers to be provided with information. This stresses the importance of this stakeholder from a consumer point of view as well. Thus the NCC wants governments to implement a national education strategy to promote life-long skills that will enable consumers to analyse and make use of the information (NCC, 2001).

As was discussed in previous sections the use of Type II claims has been creating since the late 1970s market confusion. Hinton and Goodman (2009) argue that given that self-certified company labels are widely mistrusted (Cowe and Williams, 2001; Shaw and Clarke, 1999), the role of government in ensuing effective consumer signposting, as well as supporting business efforts to be more responsible, is possibly being underestimated. The authors note that the UK government has embraced public information campaigns as a strategy to generate pro-environmental behaviour change at repeated intervals since the Earth Summit in 1992 (Hinton and Goodman, 2009). These national campaigns have included 'Helping the Earth begins at home', 'Going for Green' and most recently, 'Are you doing your bit?'. Each of these campaigns called for individuals to learn about how to be a responsible consumer in their everyday lives, covering a range of topics including water and energy use, or the consumption of particular products marked out as more sustainable by the presence of particular 'eco labels' (Hinton and Goodman, 2009).

The Green Claims Code in the UK is supported by the Confederation of British Industry, the British Retail Consortium, the Local Authorities Coordinating Body on Food and Trading Standards and the British Standards Institution (responsible for administering ISO 14021). Recently, the Environmental Labelling report from the Environmental Audit Committee, (published in the UK in 2009), followed the launch of the (British Retail Consortium -BRC) recycling label by the food industry. According to the report, the government should be prepared to legislate on universal labelling schemes and police green labels. In March 2009 the British Retail Consortium (BRC) launched an on-pack label that is divided into three categories: 'widely recycled', 'check local recycling', and 'not currently recycled', to better inform consumers on how to dispose of the packaging. The label is operated by the BRC under a company called On-Pack Recycling Label (OPRL), while WRAP will monitor its effectiveness through changes in local authorities.

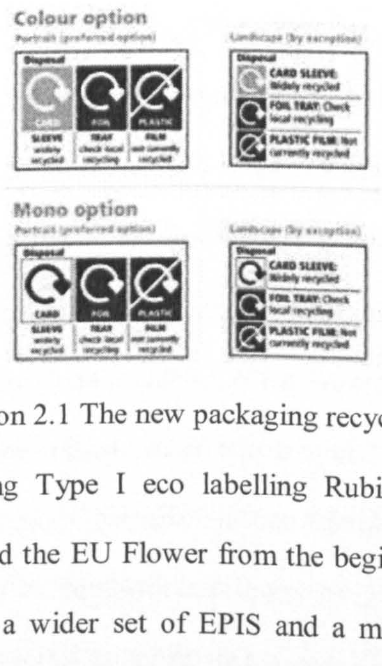


Illustration 2.1 The new packaging recycling logos (UK)

Regarding Type I eco labelling Rubik and Frankl (2005) argue that the UK has supported the EU Flower from the beginning but, in recent years the focus has moved towards a wider set of EPIS and a more integrated policy approach. Harrison et al (2005) add that in Britain, the Advisory Committee on Consumer Products and the Environment (ACCPE) believes that, instead of a national eco labelling scheme, the government should fund a comprehensive 'consumer platform' explaining the environmental, social and ethical impacts of consumer goods. Overall, in the UK, there is an effort to regulate Type II claims and specifically the claims related to recycling and packaging. Also, there is progress regarding communication with consumers and involving them in the elimination of misleading and confusing claims.

In **Greece** the situation is, however, different. Environmental legislation and policy are heavily influenced by European Union directives. In the last decades, Greece has taken big steps in developing a modern environmental policy, harmonised with those of the rest of the EU member states (Souitaris and Pujari, 1998). There are guidelines regarding green claims mainly from pressure groups such as Greenpeace but there isn't any green claims code as in the UK. Greek, as other EU countries may refer to the EU Directive regarding misleading advertising. On the other hand there is the Greek Code of Advertising which is the basic tool of the self-regulation system. This system, which is successfully implemented in many European countries, is also acknowledged in the EC Directive and by the Ministerial Decision 5206/89 of the Ministry of Commerce regarding misleading advertising. The Code applies to all advertisements for any goods and services. The Code sets standards of ethical conduct to be followed by all concerned with advertising, whether as advertisers, advertising practitioners, agencies or media. The Code is to be applied in the spirit as well as in letter (Hellenic Advertising Agencies Association, 1996). The criterion in order to characterise an advertisement as against the standards of ethical conduct is the possible danger of misleading the consumer. The Code applies to the entire content of an advertisement, including all words and numbers (spoken or written), visual presentations, music and sound effects. However, as was mentioned above the process of regulating green claims hasn't demonstrated any significant progress in the past two decades and companies as well as consumers had to refer to the EU guidelines.

The UK is much more active than Greece when it comes to regulating green claims. Furthermore, there is an effort from DEFRA to incorporate consumers and other stakeholders in the green claims area by providing them with guidance not only on the meanings of the claims but also about how to report discrepancies to the appropriate authorities. Additionally, NGOs such a DEFRA are trying to promote greater pro-environmental consumer choice as a matter of policy. In July 2003, DEFRA and DTI jointly published a UK framework for Sustainable Consumption and production entitled 'changing patterns' (DEFRA, 2003).

In Greece there is no such effort and green claims seem to be unregulated, not promoted and unreported.

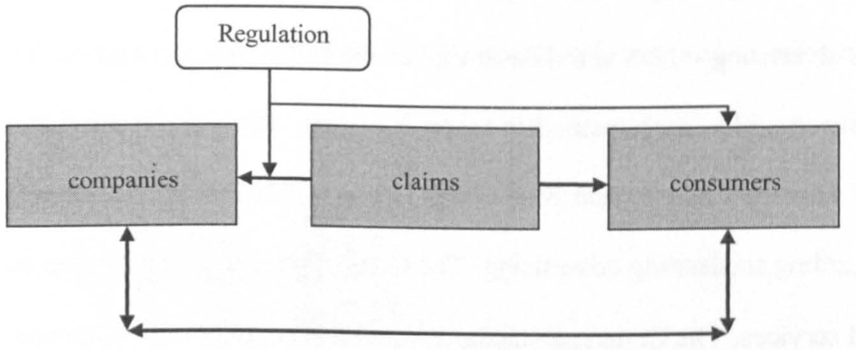


Figure 2.6. Circle of Claims and Stakeholders: Regulation

Overall it should be stressed that it takes time for regulators to identify a problem and implement appropriate legislation and many cases regulators laws which do not completely address the problem or the legislation is difficult to enforce, such as with the existing environmental marketing regulation (Polonsky et al, 1997). As can be seen from the literature that the regulation both attempts to guide companies and control the claims in the market (figure 2.6.). Also regulation can affect the creation of labelling schemes.

Also, as can be seen in figure 2.6. there is limited reference to the regulation and its connection to consumers. Therefore, the regulation effect is closer to companies than to consumers as can be seen in figure 2.6. This means that the pressure or effect of the regulation and governments is on the link between companies and claims. Nevertheless, the UK case recently demonstrates how the regulation can interfere in the decoding process by providing an active role to consumers. There is a gap in the literature as to whether this has been successful from a consumer point of view.

At this point it should also be mentioned that there is limited research into how companies perceive the pressure or the guidelines from regulation given that studies deal with how the regulation interferes in the CCC rather than how companies and consumers perceive this interference. In the figure above the one way arrows from regulation to the CCC link demonstrate that there is a gap in the literature in studies looking into consumers and companies perceptions of the regulation effect (which would justify a two way arrow).

Furthermore, governments can interfere in the company-claims-consumer link as they intend to address consumers' inability to interpret or evaluate environmental advertising (Kangun and Polonsky, 1995). However, there is debate over whether these governmental guidelines have been successful in reducing consumer confusion (Schlossberg, 1993).

Finally, there is a gap in the literature regarding the Greek case and the role of the regulation in affecting or dealing with the available claims in the market.

2.4.2. Stakeholders

Studies indicate various stakeholders who may influence and affect both the claim encoding and decoding process. The most commonly mentioned stakeholders in studies are: NGOs, governments and regulation, retailers, business partners, the media, the market, technology and culture. In this section the available studies regarding stakeholders that are involved in the circle of claims 'companies-claims-consumers' (CCC) will be discussed.

2.4.2.1. NGOs and Pressure Groups

Studies have showed that NGOs and pressure groups seem to be affecting both the encoding and decoding process. Non governmental organizations, the so called 'third sector' or 'civil society' are a relatively new political force in local, national and international arenas (Wapner, 1996; Lipschultz, 1996) and are another important channel of information to consumer/citizens (Princen et al, 1994; Keck et al, 1998). Additionally, for many consumers NGOs are an alternative channel of communication, sometimes judged as having greater credibility than either the government or businesses (OECD, 2001). Finally, some argue (Lowe and Morrison, 1984; Minter, 1985; Brown and May, 1989) that environmental pressure groups are creating increased public awareness of environmental issues, changing opinions and behaviours, and pressurizing governments into more environmentally-sensitive policies through their mobilization of public opinion via media-based campaigns.

NGOs use various ways to disseminate important information and the most commonly used are studies, reports, green shopping guides, campaigns, publications, brochures, videos and the internet (OECD, 2001). Furthermore, according to OECD (2001) study some NGOs have taken a direct role in stimulating market demand for environmentally preferable products and services by developing their own eco labels as a mechanism to inform **consumers** on environmentally friendly products (e.g. the FSC). NGOs such as Consumers International and in the UK the National Consumers Council have assisted in promoting sustainable consumption as well as providing information and guidance to both consumers and business.

According to Murphy and Bendell (2001, p.296) the case of deforestation and the timber trade illustrates the three key ways NGOs are influencing **business**: forcing change, facilitating change and sustaining change. One of the most effective demonstrations of power is the boycotting campaign.

Also, many environmental groups are willing to form a variety of different types of strategic alliances with business (Mendelson, 1994; World Wide Fund for Nature, 1993). Three types of associations are of particular importance: product endorsements, corporate sponsorships and product-licensing (Coddington, 1993; Mendleson, 1994; World Wide Fund for Nature, 1993). Furthermore, Kiker and Putz (1997) argue that a labelling initiative may also create new relationships between companies and NGOs in the development of standards for practices that are sufficiently more sustainable than the conventional ones (Kiker and Putz, 1997).

Supporting or criticizing **labelling schemes** are tools that environmental or social NGOs can use to put pressure on producers and consumers to make progress towards sustainability (Kong et al, 2002).

Morris (1997) addresses the problem of the power of pressure groups for the schemes. It is noted that stakeholders may distort the functioning of the system in both government and privately sponsored schemes (Morris, 1997).

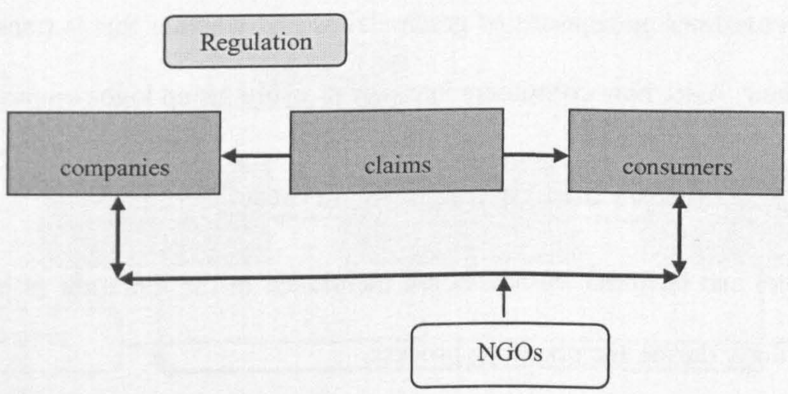


Figure 2.7. Circle of Claims and Stakeholders: NGOs

Examples of the importance of these powers are the cases of Sweden and Germany, where programmes are dominated by environmental organizations, or the case of the EU eco labelling programme, where the industry seems to be in control (Morris, 1997). Finally, NGOs can affect or initiate the development of a certification scheme and that means that the companies involved are prepared to share knowledge 'from the kitchen' and want to learn about a particular activity, such as sustainable resource management

(Kiker and Putz, 1997). The role of NGOs in the development of schemes can be seen from several market examples (e.g. Unilever and the MSC). In contrast to the UK, environmental protection organisations in Greece are relatively few and recently started becoming more organized by trying to create networks and play a more active role in preventing environmental accidents and disaster (Souitaris and Pujari, 1998).

In summing up, NGOs and pressure groups play a vital role in the communication of green claims. Furthermore, they have the power to influence both the production and consumption of green claims. There is no information regarding their impact and influence in the Greek market. As can be seen in figure 2.7. the role of the NGOs and pressure group as indicated in the literature is affecting consumers, companies and claims. There is no information as to how (and whether) NGOs and pressure groups influence the decoding process. Meaning that it is not clear whether they influence or affect consumer perceptions of green claims and whether this is translated in shopping behaviour. Also, how consumers interpret pressure group logos on products.

2.4.2.2. Retailers and Business Associates

Retailers and business associates are mentioned in the literature as influencing factors particularly during the encoding process.

Retailers are intermediaries between consumers and manufacturers. As one of the most important transmission mechanisms between production and consumer demand, they have important influence in the decisions to produce environmentally preferable products (OECD, 1997).

Fuller argues (1999) that the retailing community's selection of products for pass-through sales to consumers reflects the market's current acceptance or rejection of environmentally compatible consumption alternatives. For instance consumers contacted retailers and confronted store managers and employees with tough questions about timber sourcing (Bendell and Murphy, 2000, p.69).

In summing up, Schmidheiny (1992) states that retailers as gatekeepers between manufacturers and consumers have many opportunities to exert pressure in favour of sustainable development.

In figure 2.8. the role of retailers seem to be closer to the encoding process given that they have the ability to 'pressure' companies towards specific labelling directions. Nevertheless, consumers seem to seek information (Bendell and Murphy, 2000) regarding product labelling from retailers. More research is needed to explore the relationship between retailers and consumers. This means that research is needed in order to understand whether the pressure retailers exert on companies for specific on-pack labelling is driven by consumers or other stakeholders.

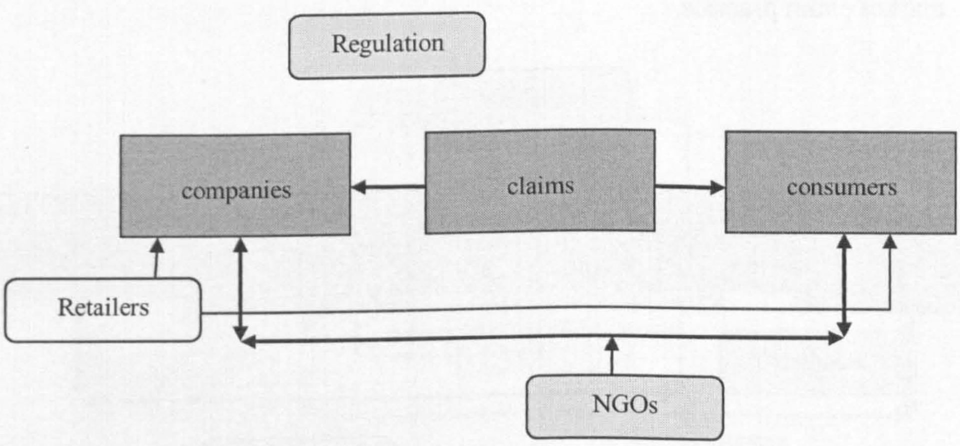


Figure 2.8. Circle of Claims and Stakeholders: Retailers

This will offer a picture of the market dynamics in the labelling area. It would also give an indication -if other factors are involved rather than consumer demand and pressure for labeled products- as to why greener products, as companies claim, do not perform in the market as expected.

2.4.2.3. Market and Competition

The influence of competition in labelling has not been the focus of many studies. What is known is that other market competitors might be influenced by an eco label without asking or applying for that label (Rubik and Frankl, 2005). This implies that competitors may respond by using a related claim.

The market presence and therefore the visibility of eco labelled products have contributed to the label awareness of consumers (Harrison et al, 2005). As a result of the presence of eco labels in the market consumers might be challenged to become more sensitive towards environmental challenges in general and become more environmentally benign in their behaviour (Rubik and Frankl, 2005).

In figure 2.9. the influence of the market stands almost in the middle given that consumers may be aware of the market claims and companies may be influenced by the market claim practice.

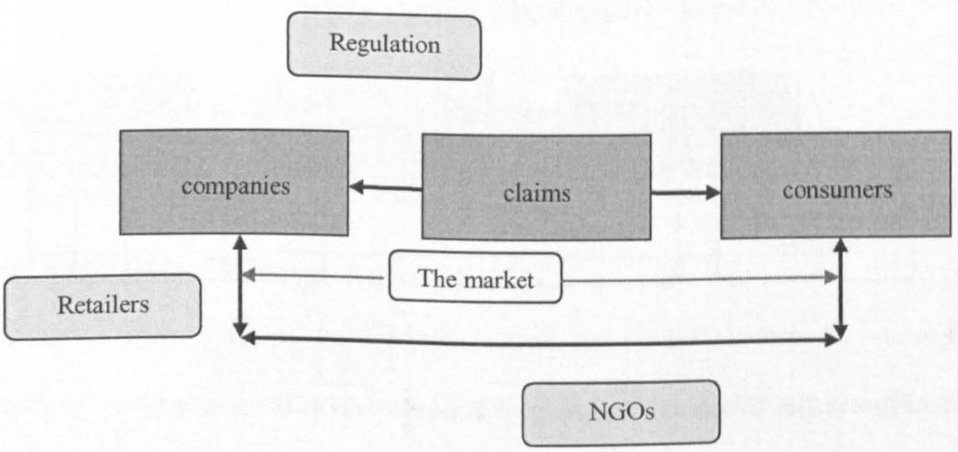


Figure 2.9. Circle of Claims and Stakeholders: Market

Further research needs to be done in order to gain a better understanding of the relationship between claims in the market and the CCC link. By exploring consumer and company perceptions of claims in the market a better understanding of the existing labelling dynamics in the market may be achieved.

2.4.2.4. Media

Studies clearly demonstrate the power of mass-mediated information in making consumers aware of environmental problems (Thogersen, 2005). Such awareness is a prerequisite for value –based choices in favour of the environment (Thogersen, 2005). Meaning that consumer may be influenced by various sustainability topics that are presented by the media (e.g. animal testing) and thus be influenced in the market decisions.

As was previously mentioned Belz and Peattie (2009) state that the sustainable consumption agenda contains a wide spectrum of individual issues, and consumers will vary in the selection of issues that they will connect with and respond to most within their consumption behaviour.

The figure 2.10. maps the role of the media in the CCC link. It seems that the media stand in the middle of the link.

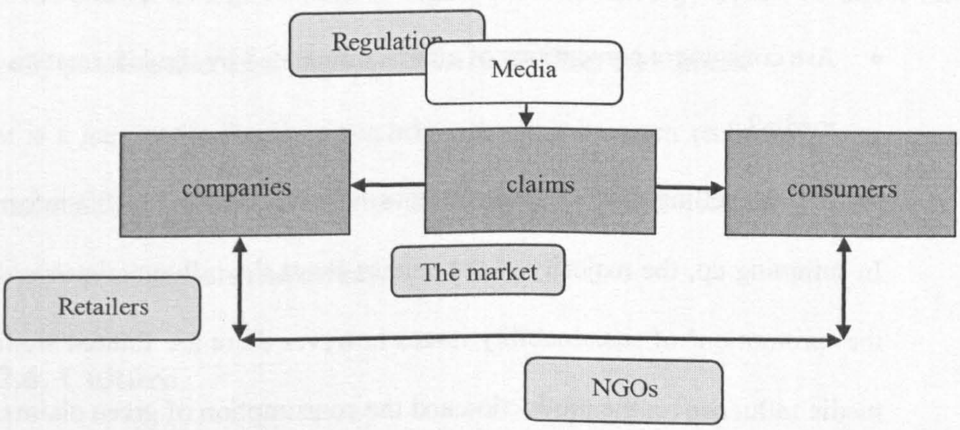


Figure 2.10. Circle of Claims and Stakeholders: Media

Studies indicate that in the early 1970s researchers started to combine content analysis of new media with opinion and attitude survey data (McCombs and Shaw, 1993) and by the 1980s it as thoroughly documented that there is a causal relationship between the issue priorities of the mass media and the salience of social problems among members of the public.

Also, the media is in many cases an important filter through which the public perceives local and global environmental problems and their personal or local relevance or urgency and in some instances these perceptions have a direct impact on consumption patterns (OECD, 2001). This may explain the increasing presence of specific claims in the market according to the issue displayed by the media at a given time. For instance the CFC issue and its connection to the depletion of the ozone layer which was extensively discussed by the media during the 1980s may have been one of the reasons CFC type of claims considerably increased in the market. This underlines the importance of the relationship between the media and the claims available in the marketplace.

Thus, by promoting and extensively dealing with sustainability related issues the media may be promoting certain trends in labelling practice which is an important area for further research.

Specifically, more research needs to be done in the following two issues:

- Are consumers perceptions of claims influenced by the information presented by the media?
- Is the labelling practice of companies influenced by the media information?

In summing up, the majority of the studies stress the influential power of the media and the 'promotion' of sustainability issues however there are limited studies regarding the media influence on the production and the consumption of green claims.

2.4.2.5. Technology and Research

Research and technological advances are often connected to Type I eco labels.

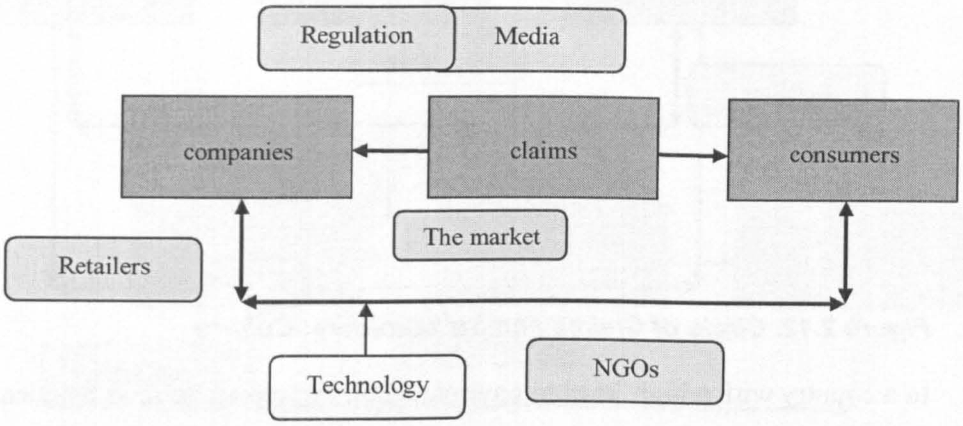


Figure 2.11. Circle of Claims and Stakeholders: Technology

The issue of technology lock in (Wickman, 1999) is connected to eco labelling as was previously discussed. Specifically, studies stress the technology related problems associated with eco labels.

From the studies as can be seen in figure 2.11. technology seems to affect more the company practice and the available claims rather than consumers.

There is a gap in the literature regarding the link between technology and consumers. This means that it is not clear from the literature whether technology interferes in the link between consumers and claims.

2.4.2.6. Culture

Culture has been connected in studies with environmental issues awareness, knowledge and interest. Harrison et al (2005) agree that public awareness and attitudes to eco labels vary considerably depending on the country (Harrison et al, 2005).

Rubik and Frankl (2005) in their survey found that in general terms consumer knowledge of eco labels is high in countries where environmental awareness is high.

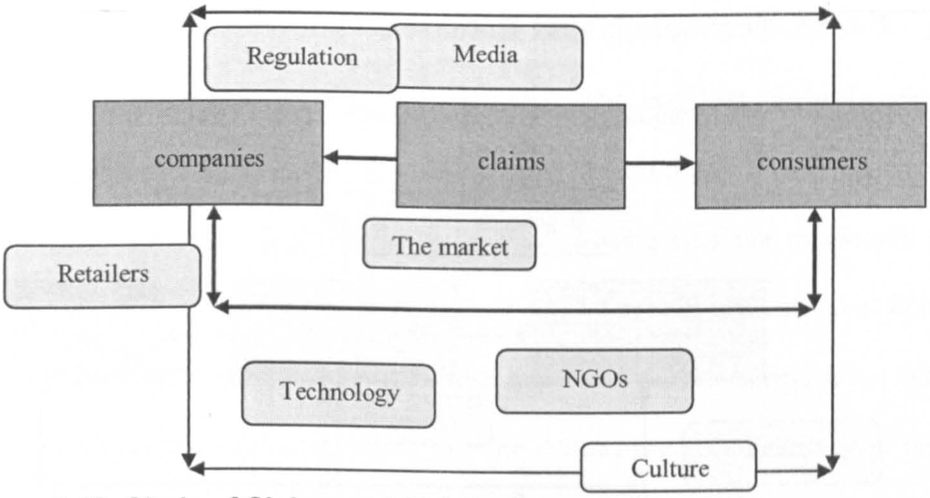


Figure 2.12. Circle of Claims and Stakeholders: Culture

In a country with a high level of environmental awareness, such as Sweden, the level of consumer awareness to eco labels is significant and there is a demand for eco labelled products (Harrison et al, 2005).

In countries such as Germany, Canada and Japan the level of consumer awareness of eco labels seems to vary between 45 to 50 per cent (Harrison et al, 2005).

In figure 2.12 and from the available studies culture seems to influence consumers and their knowledge, awareness and preference for specific labels. On the other hand there is not much research regarding culture associations and company claim practice. Given that this study is a cross cultural study there will be an exploration of cultural associations to claim perceptions and claim practice from both the production and consumption side.

2.4.3. Closing Remarks: Claims and Stakeholders

From the above discussion it seems that stakeholders that influence the encoding and decoding process of claims are governments, regulators, media, culture, the market, retailers, technology and research and finally NGOs.

As can be seen from the mapping figure 2.13. the majority of the studies connect the stakeholders with consumer perceptions (e.g. whether stakeholders affect consumers) and with company reaction and action (e.g. whether and how they affect company claim practice). Meaning that studies mainly focus on company labelling practice and on consumer perceptions of claims.

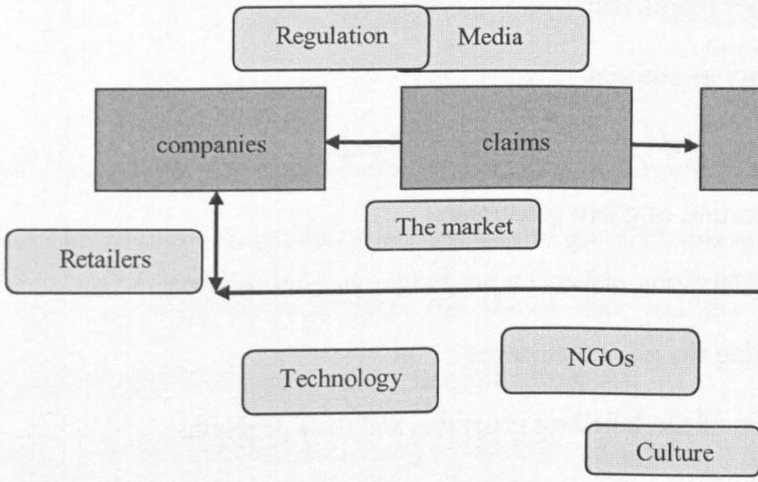


Figure 2.13. Circle of Claims and Stakeholders: Main points

Given that this study is about the circle of claims and specifically about the link of CCC the stakeholders will be explored from a consumer and from a company point of view. This is not usually the case with most of the studies which usually focus on each stakeholder separately.

2.5. Mapping the Circle of Claims

Bostrom and Klintman (2008) argue that more information would assist a better analysis of the consumption and production link/relationship. There is little research that explores company perceptions and environmental claim practices. Also it is not clear who initiates green claims within a company and which stakeholders influence the decisions.

Researching this issue could potentially shed some light on the big gap between the encoding of green claims and the decoding. Furthermore, academics, marketers and researchers have researched consumer perceptions of green claims since the 1970s.

What is common in all the studies is the level of consumer confusion and scepticism. However, there is little research addressing the companies' response to this confusion. The majority of studies on claim production or consumption are quantitative and have contributed to the knowledge of the following issues:

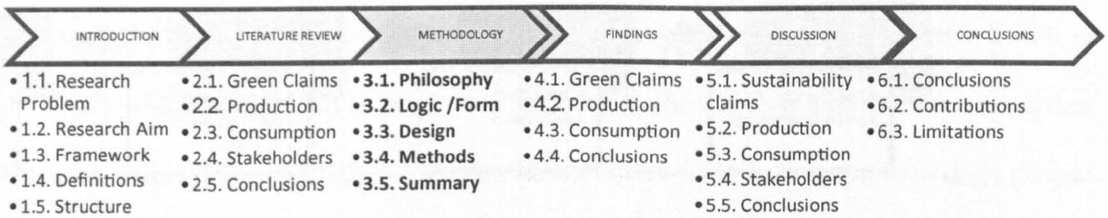
- Consumer scepticism.
- Consumer awareness.
- Consumers and type of labelling preferred.
- Classification of green consumers.
- Specific labelling effects on production or consumption.
- Identifying the green consumer.
- Adoption of eco labelling programs and their problems.
- A classification of companies according to their reaction or action to environmental pressure.
- The role of stakeholders in eco labelling.

Specifically, there seems to be a gap in the literature in the following issues:

- Marketing practices and labelling strategies; the relationship.
- The effects of labelling practices on consumer perceptions; are there any changes in perceptions?
- Are the company and consumer typologies connected to labelling?
- A classification of company labelling practices.
- The role of basic stakeholder in the encoding decoding process.
- Can a label searcher type of consumer be identified?

In the following chapter the methodology selected in order to address the gaps will be discussed.

3. METHODOLOGY



In the third chapter of the thesis the adopted methodology will be discussed. The aim of this study is to explore consumer perceptions of green claims and company green claim practices. In order to accomplish the stated aim and the research objectives an appropriate methodology should be carefully designed.

Research can be classified according to the logic or approach underpinning the inquiry which can be an inductive or deductive approach. It is also important to adopt a philosophical position which can mainly be a positivistic or a phenomenological position. Furthermore, the research design which can be exploratory, descriptive or causal. Finally, the process of the research can be qualitative, quantitative or mixed. These decisions need to be made in order to accomplish the research aim and objectives.

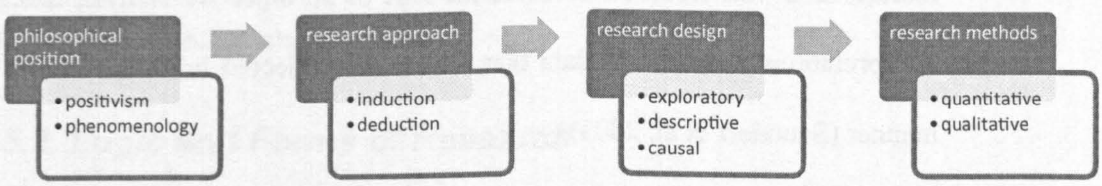
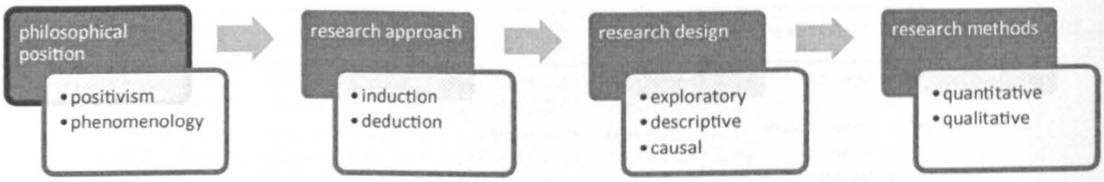


Figure 3.1. Methodology chapter: methodological decisions

The methodology chapter is organised according to the questions that need to be answered. Figure 3.1 is used as a guide throughout the chapter. Each section as well as the selected approach will be highlighted.

3.1. Philosophical Position



The philosophical position adopted in a research project is of a great importance as it affects the research design and, as Hussey and Hussey (1997) state, the methodology used. The term paradigm refers to the progress of scientific practice based on people's philosophies and assumptions about the world and the nature of knowledge; in this context; about how research should be conducted (Hussey and Hussey, 1997). The two main research paradigms are the positivistic and the phenomenological. Hussey and Hussey (1997), state that there has always been a considerable blurring concerning their strict distinction.

The key idea of **positivism** is that the social world exists externally and that its properties should be measured through objective methods, rather than being inferred subjectively through sensation, reflection or intuition (Easterby-Smith et al, 2002). The researcher in this tradition assumes the role of an objective analyst, making detached interpretations about those data that have been collected in an apparently value –free manner (Saunders et al, 2003).

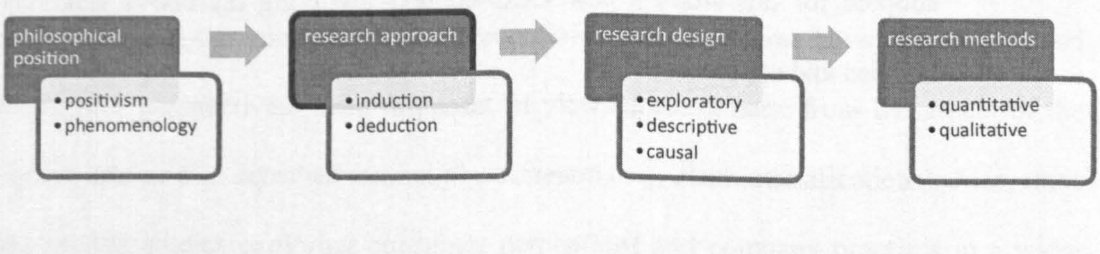
The second paradigm is the **phenomenological** paradigm that was developed as a result of criticisms of the positivistic paradigm and is concerned with understanding human behaviour from the participant's own frame of reference (Hussey and Hussey, 1997). This phenomenological approach according to Hussey and Hussey (1997) stresses the subjective aspects of human activity by focusing on the meaning, rather than the measurement, of social phenomena.

Given the concern for understanding individual perceptions of green claims the phenomenological position has been adopted for this research. One of the strengths of the phenomenological position is understanding people's meanings (Easterby-Smith et al, 2002) which is essential in order to contribute to the development of new or existing theories. Thus, it is essential to focus on human behaviour and on the meanings people attach to actions rather than measure the green claims phenomenon as it has been done many times in the past by using a positivistic approach.

For example the aim of this research is exploring consumers' perceptions. What is known from the literature is the issue of confusion. Surveys have shown a number of times that there is mistrust and confusion towards green claims. Adopting a quantitative view would contribute to this existing knowledge meaning to whether there is a confusion or not towards green claims. This would contradict or validate previews surveys. However, the focus is perceptions of claims and not agreement (or not) towards a stated confusion. Perceptions will underline further issues such as problems connected to the stated and known market confusion.

In summing up, this phenomenological approach will offer a wider picture of consumers and their perceptions of claims, companies and stakeholders and thus not focus only on claims as a detached phenomenon.

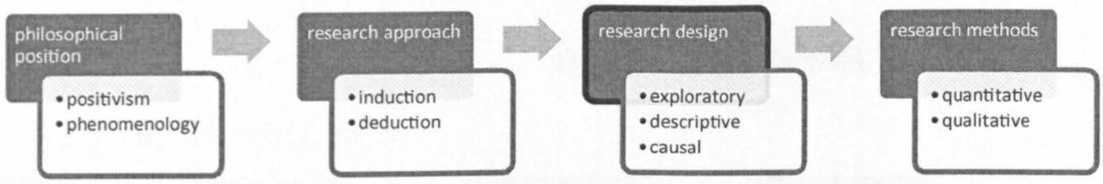
3.2. Logic and Forms of Research



Regarding the research logic an important issue to consider is whether one is clear about the relationship with theory that will be adopted. Saunders et al (2005) note that this is whether the research should use the deductive approach (testing theory), in which one develops a theory and hypothesis (hypotheses) and designs a research strategy to test the hypothesis or the inductive approach (building theory), in which one would collect data and develop theory as a result of the data analysis. In other words research can be classified as **deductive** as moving from the general to the particular or **inductive** in which theory is developed from the observation of empirical reality (Hussey and Hussey, 1997).

The theoretical foundations of consumer perceptions and company practices of green claims are limited. This suggests an inductive approach as more appropriate especially where data is needed in order to contribute to the development of new theories. Also, it is important to understand the context in which green claims, consumers and companies interact. Therefore, as Saunders et al (2005) note an inductive approach would be particularly concerned with the context in which such events were taking place and thus the detailed study of a small sample of subjects might be more appropriate than a more superficial study of a larger number as with the deductive approach. For instance instead of focusing on the claims (various classifications) and testing consumers opinions the focus will start from consumer stories and slowly evolve and move towards the market, the claims, the stakeholders and the companies. Given the phenomenological position adopted for this study a new CCC context involving the above stakeholders will be mapped and explored.

3.3. Research Design

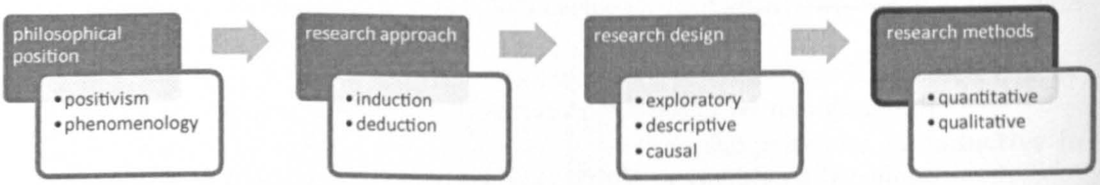


Research can be classified in terms of its purpose as well as by the research strategy applied (Saunders et al, 2005). Research can be classified as: exploratory, descriptive or explanatory (causal).

Robson (2002), states that **exploratory** studies are a valuable means of finding out what is happening, to seek new insights, to ask questions and to assess phenomena in a new light. **Descriptive** research describes phenomena as they exist. Accurate portrayal of a persons, events or situations profile is the object of descriptive research (Robson, 2002, p.59). In other words this research strategy is designed to provide further insight into the research problem by describing the variables of interest. Finally, **explanatory** studies establish causal relationships between variables. The emphasis here is on studying a situation or a problem in order to explain the relationship between variables (Saunders et al, 2003). In other words causal research is designed to provide information on potential cause and effect relationships.

This research can be classified as exploratory research given that the main objective is to assess the green claims phenomenon in a new context and point of view; the production and the consumption of green claims. Green claims have been researched from three perspectives: from the point of view of consumers; from the aspect of the companies; or as a detached market phenomenon (e.g. claim classifications). Also, there are limited studies exploring consumer perceptions and company practices in a wider green claim production and consumption context. Thus, as Hussey and Hussey (1997) argue when there only a few earlier studies to which we can refer for information about the issue or the problem exploratory research can be conducted.

3.4. Research Methods



Research can be differentiated, according to the approach adopted by the researcher, as either a quantitative or a qualitative research approach.

A **quantitative** approach involves collecting and analysing numerical data and applying statistical tests while the **qualitative** approach involves examining and reflecting on perceptions in order to gain an understanding of social and human activities (Hussey and Hussey, 1997).

3.4.1. Quantitative Research

Quantitative research involves the collection of information that is quantifiable and it is not open to the same level of interpretation as qualitative research (Brassington and Pettitt, 2003). There are four main ways of gathering quantitative data according to Easterby-Smith et al, (2002). These are: interviews, questionnaires, tests/measures and observation. Questionnaires and quantitative interviews have been used in green consumer research. As was discussed in the literature review there is available information from a number of surveys measuring the green claims phenomenon throughout the decades. There is a need to discover new ideas and patterns and the 'why' behind the 'what' in the area of green claims. Also, this research has adopted the phenomenological philosophy and is an inductive research and this suggests a qualitative approach as Bryman (2001) notes that qualitative data is more suitable for the inductive approach while quantitative data is more suitable for the deductive approach.

3.4.2. Qualitative Research

The stress in qualitative research is on the understanding of the social world through an examination of the interpretation of that world by its participants (Bryman and Bell, 2003). In other words this type of research is especially useful for investigating perceptions, knowledge, beliefs, motivation, attitudes and intentions rather than as Brassington and Pettitt (2003) note utilising quantitative data derived from probability – based samples.

To date consumer perceptions of green claims have been researched mainly by using quantitative methods, as was discussed in the literature review chapter. This has offered an overall picture of the perceptions consumers have about green claims. Issues such as confusion and mistrust are themes that reoccur in every study. A qualitative approach would offer the 'why' and 'how' behind these perceptions. Furthermore, there is a great need to link consumer perceptions and company green claim practices in a new context as this may produce new ideas, patterns and research directions. Furthermore, this research has a cross cultural character and Kalafatis et al (1999) note that because the researcher is often not familiar with the foreign market to be examined, qualitative research is crucial in cross-cultural marketing research. The qualitative methods used are focus groups and interviews. Focus groups are used to explore consumer perceptions of green claims. Qualitative semi structured interviews (Cooper and Schindler, 1998) with company managers are used as this is an exploratory study in order to gather data from the company perspective. Two countries will be examined and contrasted; the United Kingdom and Greece.

3.4.2.1. Focus Groups

Focus groups are normally associated with phenomenological methodology (Hussey and Hussey, 1997) and as Morgan (1997) argues focus groups are an excellent method for establishing the 'why' behind the 'what' in participant perspectives.

Asbury (1995) defines the focus group as a group of 6 to 12 individuals who are similar in some way and come together to discuss an issue of specific interest to the researcher. Thus, focus groups are group interviews used in research that can yield rich data through participant interaction. The interview facilitator or focus group moderator guides the discussion of a group of people (the focus group members) involved in a common situation and/or background. Of course focus groups are more complex and have many difficulties such as cost and access. Oates (2000) points out the difficulty of access when it comes to selecting focus groups as a research method tool. These difficulties can be serious obstacles for research using focus groups and will be addressed later in this chapter.

Focus groups are considered the most appropriate qualitative method for exploring consumer perceptions of green claims on FMCGs for the following reasons:

1. ***The 'why' behind the 'what'***. In the area of green claims and consumer perceptions as can be seen from the literature review, the findings have been relatively static as they examine either consumer perceptions or company practices. Furthermore, regarding the accepted knowledge this research goes beyond it and it is the appropriate method to use as Morgan (1988) notes that the ability to explore topics and generate hypotheses, particularly when one is not interested in repeating the accepted wisdom in the field, is one of the strengths of focus groups. Questionnaires and structured interviews are the methods that have been used in the majority of the studies. Asbury (1995) pointed out if the researcher is interested in understanding

some issue from the perspective of a specific population, or has reason to believe that previous treatments of that issue have not sufficiently included that essential perspective, or both, then perhaps focus groups should be considered. This is the case with this research which goes deeper in exploring a well known area but from a different and wider context.

2. ***A well known research area from the participants' perspective.*** Morgan (1988) suggests that focus groups can be used as the sole research strategy on a project to explore new research areas or to examine well-known research questions from the participants' own perspective (p.24). Consumers and their perceptions are the focus in the first part of the research. Focus groups will provide rich data as consumers and their personal experiences will be the focus of discussion. Their perceptions and ideas will be explored thought group interaction which may lead to new insights, ideas and possibly perception patterns.
3. ***Expose their reasoning.*** As Oates (2000), points out a focus group is more than a group interview or discussion because of the community of interest shared by the group and the use of participants' interaction as research data (Oates, 2000). Participants are obliged to expose their reasoning behind their own opinions, allowing the researcher to explore and record such interaction (Oates, 2000). Their explanation, personal shopping stories and purchase experience will built on the 'why' which cannot be done to the same extent with the use of quantitative methods.
4. ***Discover the unexpected.*** Finally, the value of the technique lies in discovering the unexpected, which results from a free- flowing group discussion (Morgan, 1997). New ideas and new research directions are valuable for this study given that consumers and companies will be explored in relation to one another.

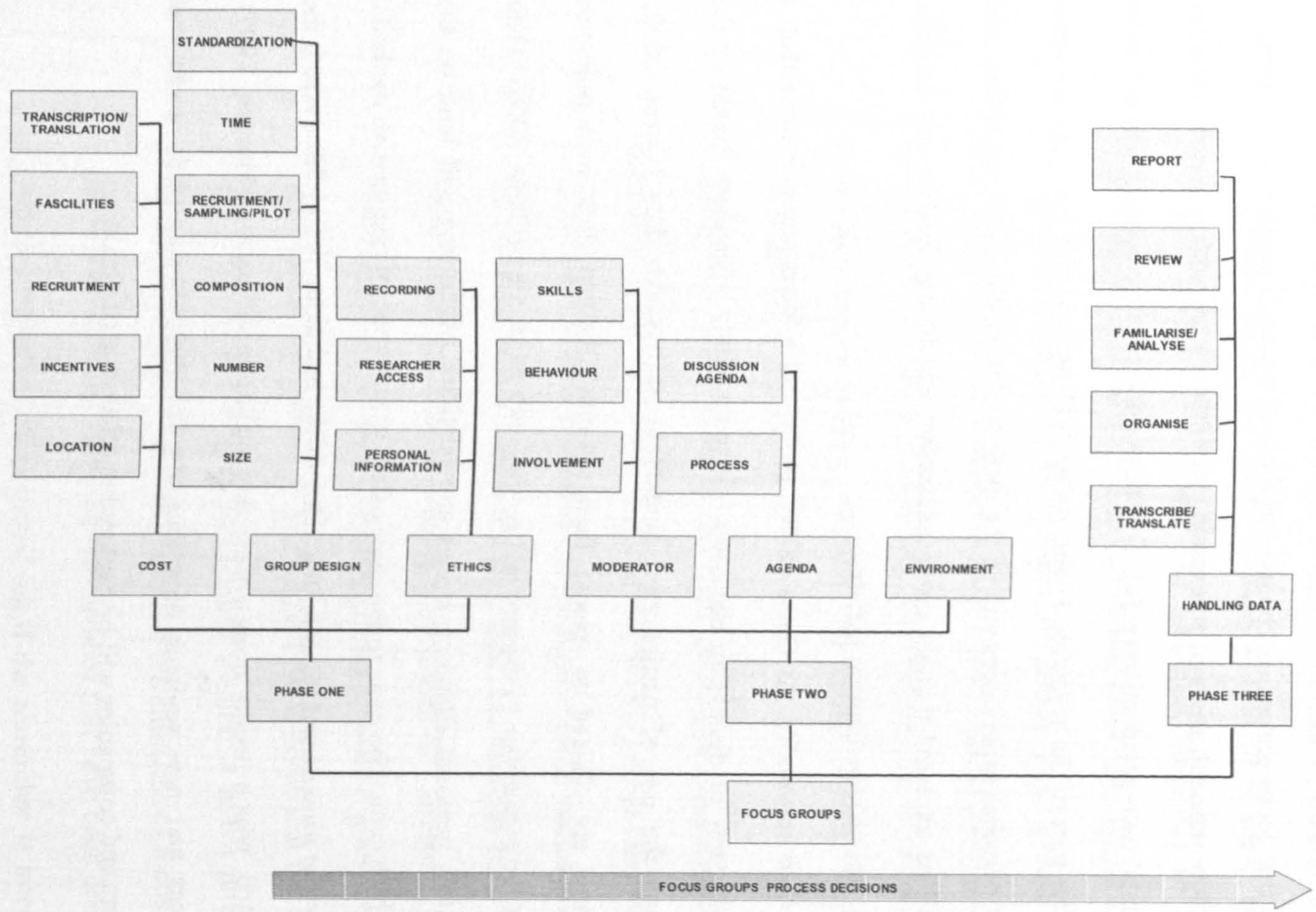


Figure 3.2. Focus group process design decisions

In summing up, focus groups are not the most popular method for this area of study given many of the challenges (and the cost) associated with them. Focus groups were chosen instead of interviews because of the possibility to discover the unexpected as was mentioned above. It was felt that this group interaction feature of focus groups will be the key to understand the CCC link. Stories and experiences, associations and cues, agreement and disagreement, acceptance and scepticism, questions and opinions, emotions and suggestions and the build up group effect would not be possible with any other research method as with focus groups.

In figure 3.2. the focus group design decisions are presented. The focus groups in this study were designed in three phases.

PHASE ONE-PRE FOCUS GROUPS

1. **Cost considerations.** The main cost considerations are the location (city and venue) and the incentives offered to the groups. Other cost considerations involve the use of a recruiting agency, the rent of recording facilities, the tape transcriptions and translations and finally the products used for the discussions. In the case of this research the company carried the cost of focus groups in both countries.

- *Location.* It was decided that the location of the focus groups would be the cities of Manchester and Athens. The cost of travelling and the cost of the venues was carried by the company.
- *Incentives and offerings.* Morgan (1988) notes that with very specialized groups, cash incentives may be necessary. A twenty pound notes as an incentive was given to all focus group members. Also snacks were offered during the sessions.

- *Recruiting.* Both in the UK and in Greece a recruiting agency was hired in order to find the appropriate focus group members. The cost in both cases was carried by the company.
- *Facilities.* There was no need to rent video recording facilities as a simple voice recorder was used. The cost of the room was also carried by the company.
- *Transcriptions and translations.* In both countries the transcriptions and translations were done by the researcher.

2. **Group design.** Morgan (1992) has argued that an emphasis on research design would generate explicit principles that would replace the 'rules of thumb'. In other words the researcher can design the focus groups based on the research objectives and not follow specific 'rules' regarding focus group number, structure etc. This was the case with the focus group design decisions. The groups were designed as follows:

- *Size.* The number of focus group members is very important for the success of a group discussion. Morgan (1988) states that the number of participants who are invited to a focus group is one element of the research design that is clearly under the researcher's control. Morgan (1992) reviewed the bases for determining group size and suggests that even fewer members can be recruited when the topic is emotionally charged and can generate high levels of participant involvement, while larger groups worked better with more neutral topics that generated lower levels of involvement. Also, Kruger (1988) reports the greatest success with 6 to 8 participants, perhaps even fewer with complex issues and Kinnear and Taylor (1996) state that having more than 8 people within a focus group tends to diminish the opportunity for some respondents to participate. For this study the focus group members were 8 per group. The number of interviewees was manageable during the discussion and every member had the opportunity and was encouraged to express an opinion.

- *Number of groups*. Zeller (1993), states that the most common rule of thumb is that most projects consist of four to six focus groups. Many authors (Calder, 1977; Zeller, 1993; Lunt and Livingstone, 1996) argue that the data become 'saturated' when little new information emerges after the first few groups, and moderators can predict what participants will say even before they say it. Six focus groups were performed for this study in each country. Saturation in Greece was reached in the fourth focus group.
- *Composition.* The respondent group should be composed of people with fairly homogenous characteristics (Kinnear and Taylor, 1996). Some research organisations avoid grouping men and women together, as well as teenagers and younger children, in order to avoid interactions and conflicts among group members on issues not relevant to the study objectives. Also as Krueger (1988) suggested that it is better if participants do not know one another prior to the focus group. In this study the participants did not know one another and did their own daily shopping. Therefore in all the focus groups conducted the members had a common experience (daily shopping), which was of a fundamental necessity since as Asbury (1995) states it is important that potential participants have the common experience that is the key to the research focus.
- *Sample and recruitment.* Morgan (1996) states that the most obvious kind of segmentation captures something about the research topic itself. A recruitment agency was used in order to find the focus group members. The agency used a screening questionnaire that was designed in collaboration with the researcher. The

following segmentation criteria were used in order to determine the sample in both Greece and the UK:

- All male 20-30 yrs single/married/co-habiting all pre-family;
- All female 20-30 yrs single/married/co-habiting all pre-family;
- All male 20-35 yrs married or co-habiting with children under 16 at home;
- Male and female 20-35 yrs married or co-habiting with children under 16 at home;
- All female empty nesters 50-65 single/married/ co-habiting;
- Male and female empty nesters 50-65 single/married/ co-habiting;

It should be stressed that even though the segmentation criteria that were used were age and gender the focus of the study was not the demographic criteria. This was done in order to facilitate discussion and to have groups with homogenous characteristics (Kinnear and Taylor, 1996).

An extra group was performed as a pilot group in each country and will be discussed latter in this section.

Finally, specific instructions were given to the agency in order not to mention details about the research topic. Interviewees were informed that the discussion would be about their daily shopping. This was done in order to capture the genuine reactions of the interviewees and later combine them with their shopping stories and opinions.

- *Time.* The duration of the focus groups as well as the time they were performed were selected after considering the needs of the project and the time availability of the interviewees. Morgan (1996) argues that the length of the groups, meaning the period of time that is needed to establish rapport with the respondents and explore in depth their beliefs, feelings, ideas, and insights varies and can last up to about two hours. One hour and a half was considered adequate for the focus groups in this study. Focus groups were performed late in the afternoon when interviewees were available.

- *Standardisation.* Standardisation addresses the extent to which identical questions and procedures are used in every group (Morgan, 1996). The project used a certain degree of standardisation in order to allow high levels of comparability (Morgan, 1996). However, there were several variations for example the order of some questions or some group activities, as Morgan (1996) mentions that even the most standardised designs allow minor variations that accommodate the unique aspects of each group, in order to avoid what Merton et al (1990) called the fallacy of adhering to fixed questions. After the first few focus group of this study saturation was achieved in several research themes. Thus, it was decided to use one of Morgan's (1993) approaches to standardisation in which compromises the design and organizes the questions in each group according to a 'funnel' pattern that begins with a fixed set of core questions and then proceeds to a variable set of specific issues (Morgan, 1993). The author argues that this approach has the advantage of maintaining comparability across groups for the first part of each discussion but allowing the later section of each group to vary according to the emergent needs of the research.

3. **Ethics.** One of the most important aspects of this research is the ethical aspect. Specifically:

- *Personal information.* The real names of the members and their contact details will never be publicised. Participants were asked if they wanted to use pseudonyms or their real names. The use of real names was not considered a problem and therefore the real names were used. A name badge with their first names was used and proved to be very useful as respondents addressed each other by the first names which made them feel relaxed. Also, at this phase participants were provided with an A4 sheet to sign that analytically mentioned the university, the researchers' area of study as well as the supervisors' name and university contact details. Also the incentives were given prior to the discussion.

- *Researcher access.* Also, the researcher could be contacted prior to or after the group session and business cards were given to the focus group members in case they needed to contact the university or they needed information regarding the research or the researcher. This was done in order to increase their feeling of security and their satisfaction with having contributed to an academic research project.
- *Recording.* Morgan (1988) notes that videotaping is rather intrusive, and is therefore not recommended. In order to keep track of every point made within the focus groups the use of a voice recorder seemed necessary. None of the participants objected. The use of the voice recorder proved vital especially during the analysis of the focus group discussions. It was easier to quote verbatim from the participants. Also, notes were kept before, during and right after the end of the discussions.

PHASE TWO –THE FOCUS GROUP PROCESS:

1. **The moderator.** There have been a lot of recorded qualities of a skilled moderator such as specialisation (Kinnear and Taylor, 1996) as a number of individuals are being interviewed simultaneously. Specifically, the following issues related to the focus groups moderator are addressed:

- *Involvement.* Morgan (1992) has characterised focus group designs according to the moderator's level of involvement, from more structured (high degree of involvement) to less structured (low degree of involvement). According to the author the degree of involvement depends firstly on the questions asked and the topics discussed and secondly, it depends on the way groups are managed and participant interaction is controlled (Morgan, 1992). In this project a high level of involvement was favoured in the first groups and until saturation is achieved in the main research areas. This is because of the marketing aspect of the study as most marketing approaches to focus groups (e.g. Greenbaum, 2000) have typically advocated a more structured control of group dynamics. In the final focus groups a less directive style of interviewing was used given the academic nature of the project and as Morgan (1996) argues the less directive style accomplishes the social science goal of generating new knowledge for an audience of peer reviewers.

- *Behaviour and assistance.* Asbury (1995) argues that at times the moderator may use a co facilitator to take notes of nonverbal behaviours or other dynamics that cannot be recorded on audiotape. No co facilitator was used during the focus groups of this study. The moderator handled the focus groups and made the focus group members feel secure and relaxed.
- *Skills.* Great skill, experience, knowledge of the discussion topic, and intuitive insights into the nature of group dynamics are required to accomplish the task of the moderator (Kinnear and Taylor, 1996). The moderator demonstrated sensitivity towards the participants and the discussion, interest for their opinions and stories, enthusiasm, and friendliness. At the same time there was a need for serious and firm behaviour given that in times various jokes and references shifted the discussion into areas that were not relevant. Overall, participants felt relaxed and interested in the discussion.

2. **The focus group agenda.** Two issues are addressed in this section. The overall focus group discussion process and the focus group discussion agenda.

- *Process.* The overall focus group process contains the general focus group rules the pilot group and the focus group event. **The rules** that were set by the moderator are mainly related to the absence of external noise and interruptions. Focus group members were encouraged to switch off their mobile phones and enjoy the discussion. Food and refreshments were given prior to the discussion. The moderator mentioned that all opinions are important and everyone is encouraged to participate. Furthermore, practical issues such as the duration of the groups as the use of recording equipment were mentioned. The **pilot** focus group took place at the university with fellow students and friends. The pilot group has not been included in the findings chapter. The contribution of the pilot group was mainly related to technical and practical issues such as the number of participants and the duration.

  Also the researcher arranged several meetings with an experienced focus group moderator hired by the company. The actual **event** took place in Manchester and in Athens.

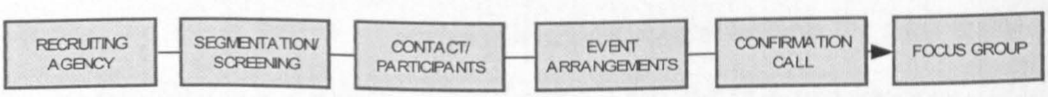


Figure 3.3. The pre focus group event process

As can be seen in figure 3.3. the first step towards the focus group event was to contact a recruiting agency in Manchester and in Athens. There were regular meetings regarding the segmentation, the screening questionnaire and the sampling requirements. The agency contacted the selected participants. Then the agency in collaboration with the researcher made arrangements for the focus group venue. All participants have to be well informed regarding the details of the event. The night before the day of the event each member was contacted by the agency in order to confirm their participation. In case anyone could not make it they had to contact the agency on time who in turn would find another participant. All the members showed up in both countries.

- *Discussion agenda.* The discussion agenda is included in the appendices (see appendix 3). The agenda was organised in such a way as to explore different issues at different times of the discussion. In figure 3.4. the issues explored with the agenda are presented. There are three dimensions in the focus group agenda.

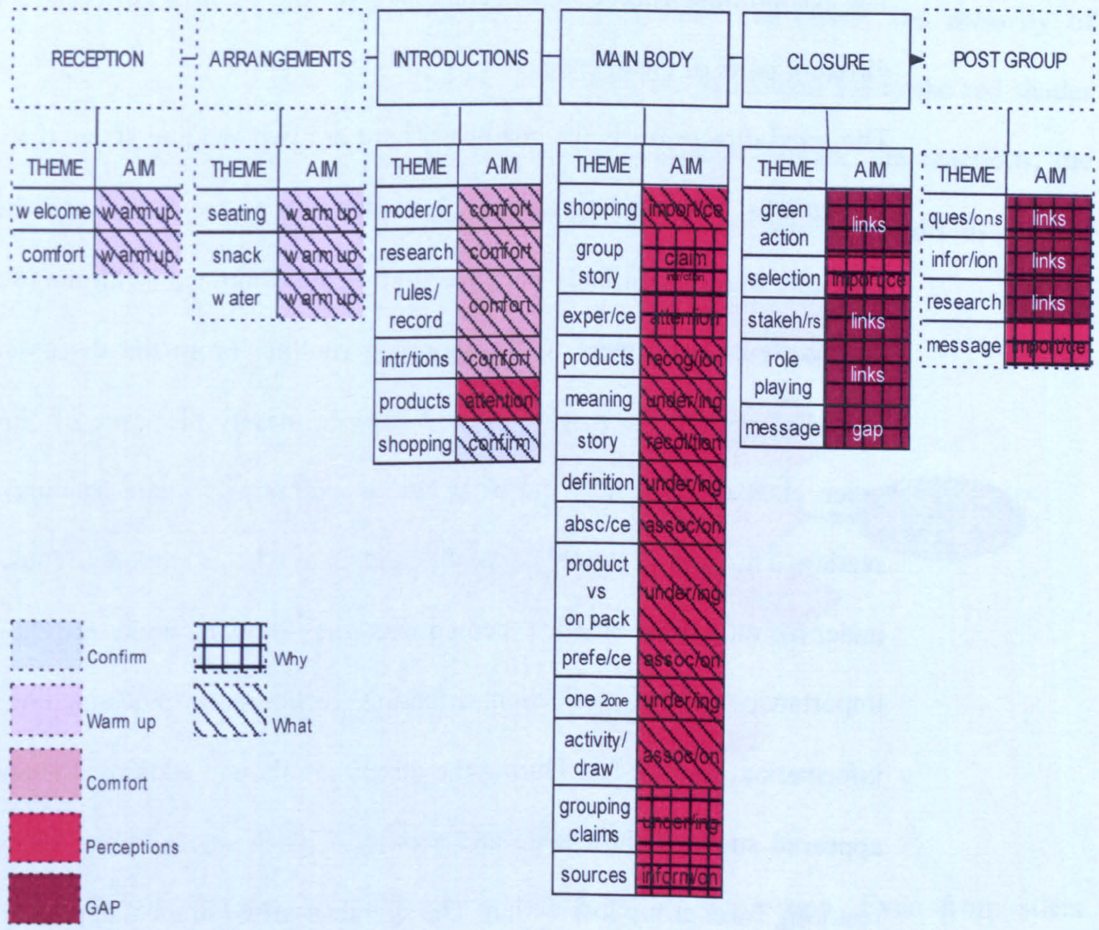


Figure 3.4. The focus group agenda process: three dimensional grid

The *first dimension* involves the six parts of the discussion. Therefore, the first two parts (reception and arrangements) were used in order to warm up participants, offer the incentives, sign the forms of consent, and make them feel comfortable. The three following parts are the main body of the discussions. Finally, the last part is considered as important for the focus group analysis as the first two parts. Sussman et al (1991) used a design from small group research and administered questionnaires before and after focus groups to find out if the discussions changed the participants' attitudes and found the predicted 'polarization' effect –attitudes became more extreme after the group discussion. This was the case with the focus group discussion in both countries. This will be discussed in the following chapter.

The *second dimension* of the agenda involves the colours. Different colours signify different parts of the agenda.

The *third dimension* is the shading. There are two shading styles the diagonal and the squares. The shading assists the exploration of the 'what' and the 'why'. For example, in the main body part, the first theme examined (with the use of different questions) is consumers' daily shopping routine. From the discussion about the shopping routine the researcher will explore mainly the issue of 'importance' of green claims. Also the issue of 'what' is examined (square shading) in the same section. This grid is flexible and not rigid as to what it explores. Thus, for example under the red colour labelled 'perceptions' the following issues are explored: criteria importance, claim introduction, attention, recognition, understanding, association, information, knowledge. During the discussion though additional themes and issues appeared such as knowledge and activity. This is one of focus group advantages resulting from group interaction. The agenda assisted in the mapping and analysis of consumer perceptions.

Overall focus group experience:

The focus groups are complex and challenging. The overall experience, however, was rewarding considering the amount of data that was gathered. Overall, as is displayed in figure 3.5. the focus group experience can be broken into four parts.

The warming up part, the main discussion, the effects of the issues discussed and the data accumulated. The four shades indicate the depth of the interviewees' interest in the discussion. For example a few interviewees were not interested in participating at all (grey area). Other interviewees showed interest in the discussion (pink) whereas others continuously shifted the discussion either by making constant jokes or other irrelevant references (shaded pink). These interviewees could either continue the discussion or become 'not interested'. However, the majority of interviewees seemed to get deeper into the discussion and this led to the red shades ie. the idea generation, the suggestions, the recommendations, the reactions, the information. All this led to the data that was accumulated from all the discussions.

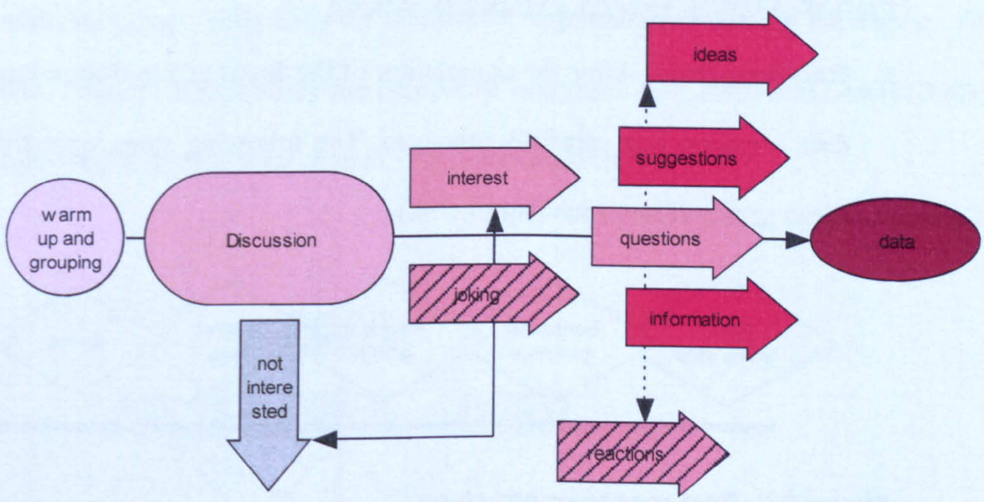


Figure 3.5. The focus group discussion experience

Finally, notes were kept in all the areas of the discussion. Even from silent interviewees since as Asbury (1995) notes it is hard for the researcher to know what the silence means. However, silent participants were a minority in this study. This group experience presented additional group level patterns that are discussed in the findings chapter (Chapter 4.).

3. **The environment.** An important part of the focus group discussions is the physical setting. Most researchers believe the physical setting is very important to the

effectiveness of the group session (Carey, 1994). The atmosphere should include a relaxed feeling, so that informal and spontaneous comments are encouraged (Kinnear and Taylor, 1996). The focus groups in the UK took place in an easily accessible venue the recruiting agency arranged. The Greek focus groups took place in a central well known hotel. Coffee, tea, water and a snack were offered to all interviewees. Carey (1994) notes the advantages of food in establishing a comfortable environment. Finally, several issues that were taken care of were the lighting of the room, the air conditioning and the access to various facilities such as the bathroom.

PHASE THREE –POST FOCUS GROUPS

1. **Handling Data.** After the completion of the focus group discussions the amount of data acquired was carefully managed. The following steps were followed after the focus group discussions (figure 3.6.).

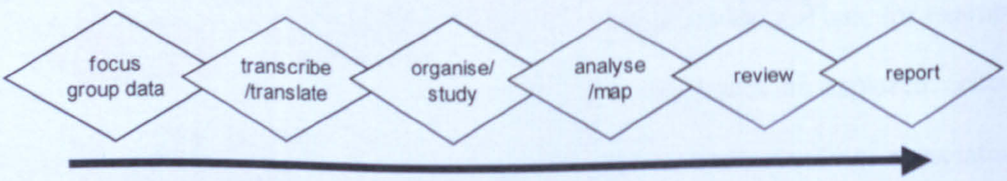


Figure 3.6. Data management steps

- *Transcribe and translate.* After the completion of each discussion the transcription and translation (in the case of the Greek interviews) was done by the researcher. It was important to transcribe the focus group discussion in such a way as to capture both the verbal and the non verbal information. This was assisted by the notes that were taken during the discussions.

- *Organise and study.* After the transcription and the translation of the discussions data was organised according to themes of discussion. This led to maps with themes that were used for the data analysis. During this step the data are studied in detail.
- *Analyse and map.* Kinnear and Taylor (1996) suggest the following steps in analysing the focus groups: review the research purpose; thoroughly study the group discussions; create categories; identify potential relationships; and a final report. A similar procedure is suggested by Clavin and Lewis (2005) who mention that there is a wide range of analytical procedures that can be adopted and suggest that the typical measures used for focus group research fall into six phases: Organising the data; Generating categories, themes and patterns; coding the data; testing emerging understandings; searching for alternative explanations; writing the report. For the data analysis of this study the procedure suggested by Clavin and Lewis (2005) was followed with minor adjustments by the researcher.

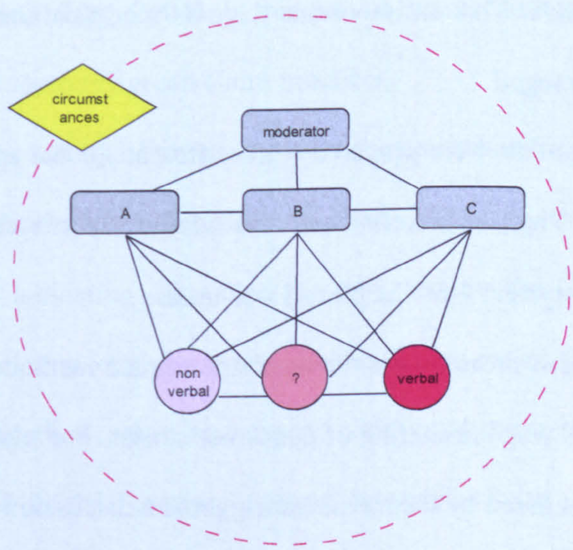


Figure 3.7. The data mapping and analysis of the research

In figure 3.7. the data mapping process is described. After the completion of each group the above map was used in order to analyse the data. The levels of analysis are:

- The group interaction (A)

- The interaction between moderator and interviewees (B)
- The interviewees interaction (C)
- The non verbal communication
- The verbal statements
- The question marks (references, questions, jokes etc.)
- The social and market circumstances at the time of the discussion (e.g. recycling campaign in Greece).

The analysis incorporated the above levels in order to get an overall and a complete picture of the discussion. Clavin and Lewis (2005) argue that insights include both those expressed overtly by the members of the group and those that are hidden in so much as they exist inherently behind what is articulated. Each discussion was mapped on an A3 sheet of paper and then contrasted, compared and studied.

- *Review.* At this stage data would be reviewed in case changes needed to be made in the discussion agenda. This an important stage as modifications to the later focus groups could be arranged.
- *Report.* The reports that were prepared were different for the sponsoring company and the university. Thus, a marketing and an academic report were prepared. In both reports a quotation system (see Chapter 4) was used.

In summing up, the focus groups were the most appropriate method for this study. One of the main advantages was the sharing of consumer stories. For instance one issue that was mentioned and discussed by the members triggered a discussion on a different issue in a limited amount of time. This quick variation of themes initiated many times by focus group members may not always include themes from the discussion agenda and thus offer a different perspective of the entire issue. For instance the agenda did not include discussion about recycling activities however the interviewees kept discussing about recycling and its challenges. Even though this was not included in the agenda it offered indications of ecological cues in the mind of the consumers (connecting purchase and recycling activities). It should also be noted that focus groups would be very effective with companies. This however, is very challenging at least on a PhD level. Therefore interviews were selected and will be discussed in the following section.

3.4.2.2. Interviews

Interviews are a method of collecting data in which selected participants are asked questions in order to find out what they do think or feel (Hussey and Hussey, 1997). The purpose of this technique is to get below the respondent's surface reactions and to discover the more fundamental reasons underlying the respondent's attitudes and behaviour (Kahan, 1990). Also to see a research topic from the perspective of the interviewee and to understand how and why they came to have this particular perspective (King, 2004). In this part of the research interviews will be used in order to examine company green claim practices.

There is a variety of green claims in the market and research has shown that consumers are sceptical and confused about them. Therefore, on the one hand there is previous research indicating consumer reaction, and on the other hand there are many green product claims on supermarket shelves. There seems to be a communication gap at this point (between what consumers claim and how the companies respond) as was discussed in the literature review. Interviews with companies can help address this confusion by indicating reasoning or explanation for the available green claims on their products. In figure 3.8. the interview design process for this study is presented. Like in the case of the focus group design there are three phases in the design. These are discussed below.

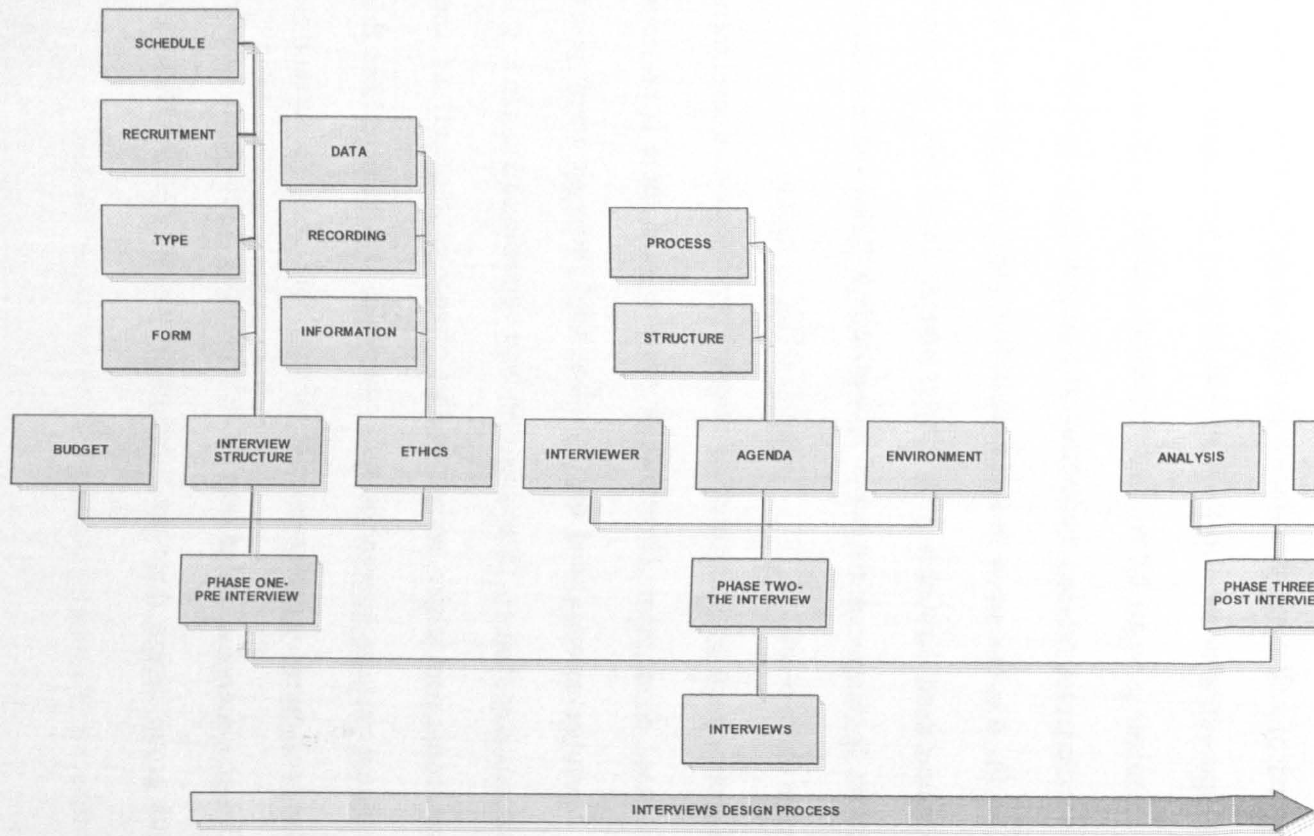


Figure 3.8. The interviews process design decisions

PHASE ONE- PRE INTERVIEW

1. Budget. The interviews for this project were self funded. Therefore, the budget was an issue to consider. The cost considerations for the telephone interviews were the cost of long distance calls made. In the case of the face to face interviews the cost involved the travel expenses to and from the place of the interview and in several cases the long distance calls that were made in order to book the interview. The budget was one of the main reasons that the majority of the interviews were telephone interviews given the distance considerations.

2. Interview structure

- *Form of interview.* Interviews can be differentiated according to their form or as Saunders et al (2003) note the form of interaction that is established between the researcher and the participants. Thus, they can be face to face, telephone, electronic or group interviews. Managers are more likely to agree to be interviewed, rather than complete a questionnaire, especially where the interview topic is seen to be interesting and relevant to their current work (Saunders et al, 2003). This was the case with Greek interviews.

  Telephone interviews tend to be shorter, more structured, and more efficient in reaching fast and with low cost a geographically dispersed sample than face-to-face interviews (Arksey and Knight, 1999). Also, interviewees seem to be more willing to participate and the cost is low. Telephone interviews were used in this study because experts were identified in different countries, making face-to-face interviewing impractical and as Saunders et al (2003) argue qualitative interviewing by telephone is likely to be appropriate only in particular circumstances (more for a follow up to face to face) or long distance where access is difficult.

- *Type of interview.* There are several different interview typologies. One typology is structured, semi structured or unstructured interviews (Saunders et al, 2003). Another typology by Healey (1991) and Rawlinson (1993, 1994) differentiates between standardised and non standardised interviews. Whereas another typology (Robson, 2002) is the respondent and the informant interviews. Saunders et al (2005) argue that there is an overlap between these different typologies. This is an exploratory study and semi –structured in –depth interviews can be helpful to 'find out what is happening and to seek new insights' (Robson, 2002, p.59).
- *Recruitment.* Recruiting managers to discuss their company green claim strategy was a challenging process. The companies were selected according to the on-pack green claims found in supermarkets in the UK and in Greece. It should be mentioned that snowball sampling was also used as Saunders et al (2003) note that it is commonly used when it is difficult to identify members of the desired population. The recruiting process followed is shown in figure 3.9.

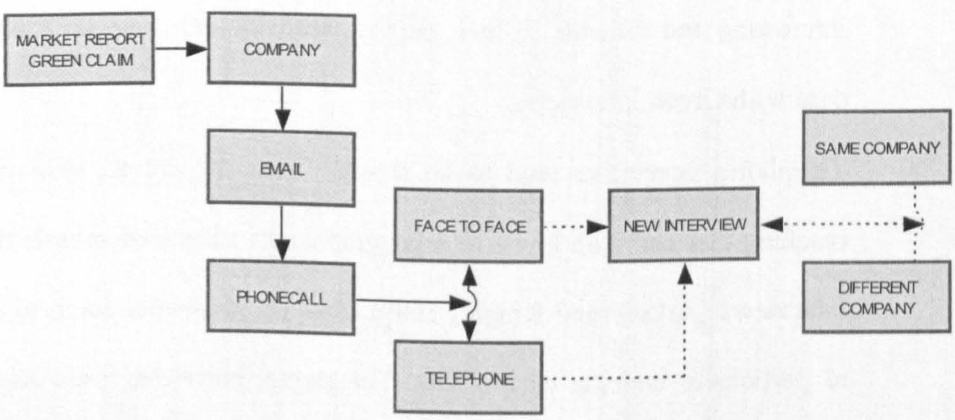


Figure 3.9. Interview recruiting process

In summing up, a green claim was found and the company was contacted for an interview. An email was sent with a summary of the project and the contact details of the researcher. Several companies replied to the email and others did not. In both cases a follow up call was made. This led to an interview or a refusal to be interviewed. In case companies agreed to be interviewed arrangements were made. The majority of companies agreed to a telephone interview. A few managers suggested potential interviewees in other companies. In several cases they suggested an interviewee in the same company but in a different department.

- *Scheduling.* The scheduling involves the time of the interview and the duration. The decision about the time of the interview was something interviewees had the freedom to decide. The time of the interview was around lunch time in both countries. The duration of the interview varied according to the form of the interview. Therefore, the time interviewees dedicated for a face to face interview was longer than the time dedicated for a telephone interview. The interviews lasted from twenty minutes to one hour and a half.

3. Ethics. Saunders et al (2003) note that in the context of research, ethics refer to the appropriateness of researchers' behaviour in relation to the rights of those who become the subject of the work (p.129). The following ethical issues were addressed in this study.

- *Information.* The information provided to companies was twofold. Firstly, the interviewees were provided with the full contact details of the researcher (the university, the course and the number they could reach the interviewer as well as the supervisor). This information was provided via an email that was sent to the company as was mentioned above. Secondly, it was felt necessary to provide a short summary of the research as well as the themes of the discussion.
- *Recording.* Interviewees in both face to face interviews and telephone interviews were given the choice to decide whether a voice recorder could be used. In a few cases interviewees did not wish to be recorded. In these cases the researcher kept notes.

- *Confidentiality.* Companies are confused about the green claims and many companies misuse them on their products. Photos of the green claims were taken (see Chapter 4) and the relative companies were interviewed. However, the data (company name, logo, information, and interviewee) will not be published. The data is kept somewhere safe and will be destroyed after the completion of the study.

PHASE TWO –THE INTERVIEW

1. Interviewer. Many of the green claims that were found were felt by the researcher to be questionable. The researcher kept in mind two important issues. Firstly, the interviewees should not be placed in a difficult and defensive position. Secondly, the interviewer should carry out the interview with an open mind. This agrees with King (2004) who notes that one key feature of phenomenological methods is the emphasis placed on the need for the researcher to consciously set aside his or her presuppositions about the phenomenon under investigation.

As will be seen in the agenda, after the end of the interview the researcher kept notes or recorded the interviewee reactions or the key points that were noticed and used them on an individual company report form.

2. Agenda

- *Structure.* Hussey and Hussey (1997) state that it is important to ensure that all the interviews are conducted in the same way. This not only means that the same questions should be asked, but also that they should be posed in the same way. It is also important that each respondent will understand the question in the same way. On the other hand, Saunders et al (2003) argue that the researcher can have a list of themes and questions to be covered, although these may vary from interview to interview. The order of the questions may also vary depending on the conversation flow. Also additional questions may be required to explore the research questions and objectives. This flexibility seemed appropriate for this study. The interview agenda process is displayed in figure 3.10. The idea behind the agenda is similar to the focus group agenda.

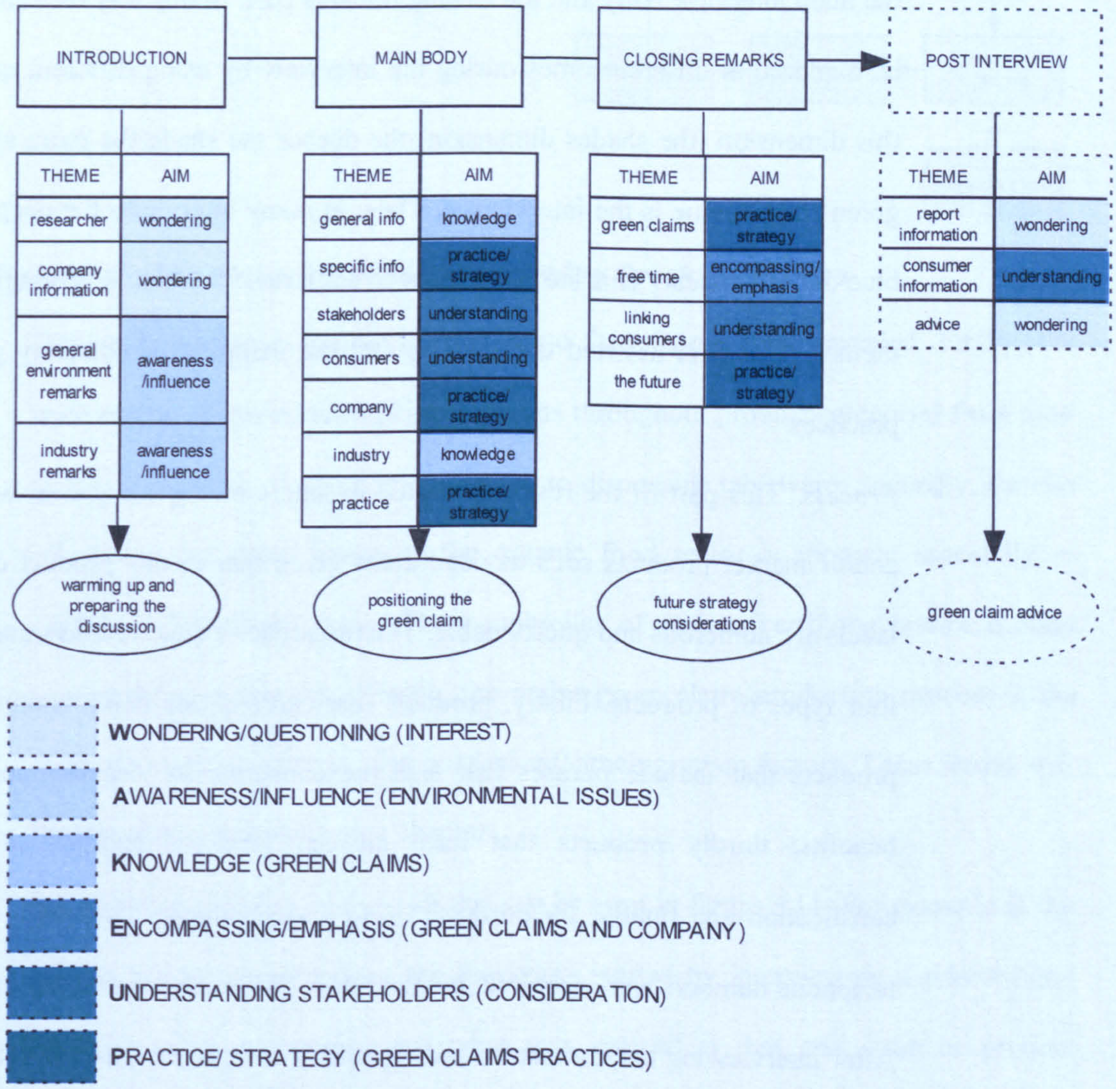


Figure 3.10. The interview agenda process: two dimensional grid

The above agenda grid aims to explore company green claim practices. The interview agenda grid has two dimensions. The first dimension involves the part of the discussion which is divided into four parts. The order of the four parts remains the same in all interviews in both countries. These are the introduction, the main interview body, the closing remarks and the post interview part. Notes were kept in all four parts and they are equally important for the research. The second dimension is the issues explored which can be seen in different shades of blue. These issues are explored all across the interview. For example 'strategy' is discussed in two parts: the main interview body and the closing remarks part. In this way the same issue can be explored at different times during the interview by using different questions. In this dimension (the shades dimension) the deeper the shade the more aware of the green claims issue is the interviewee. Thus, in many interviews the deeper shade of blue did not appear. This led to issues such as 'lack of a labelling strategy' and other themes. This grid assisted the analysis and the mapping of company green claim practices.

- *Process.* This part of the research started by interviewing companies who produce and/or market products such as deodorants given that in this product category the labels are numerous and questionable. The researcher visited retailers and purchased four types of products. Firstly, products that carry questionable claims; secondly, products that include phrases that lead the consumer to visualize environmental benefits; thirdly products that have an eco label or another environmental certification and finally, for products using a green theme. Addresses, emails and telephone numbers were acquired and the interview recruiting process commenced.

  After interviewing the companies and especially companies who market deodorants and have on-pack claims related to the ozone it was decided that a new direction should be given to the research. Saturation was achieved from the first interviews and the findings did not add any considerable insights to previous studies. Thus, the researcher took a different approach in order to capture the driving influencing factors of eco labelling and better represent the green claims production process.

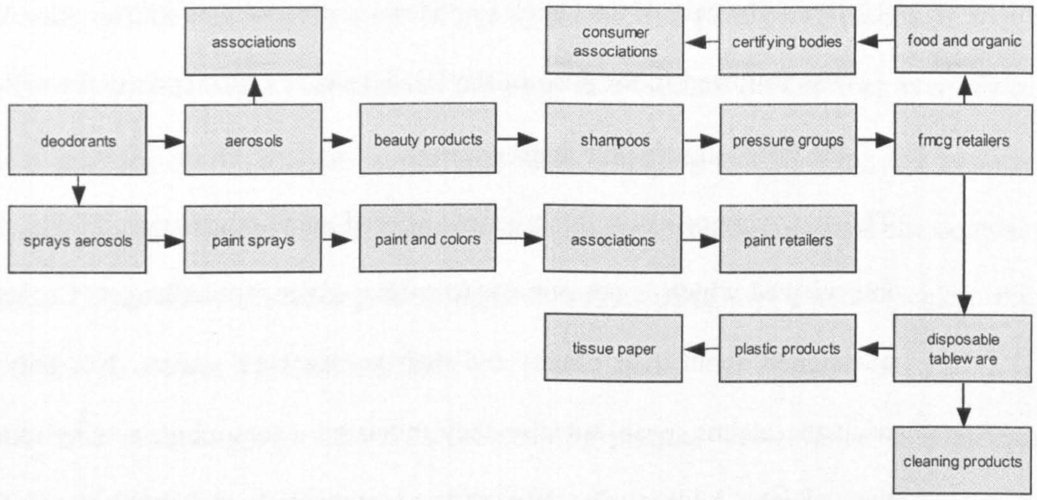


Figure 3.11. The triggering effect: interviewing Greek companies

During this research reprogramming stage three issues were revealed. Firstly, the wide spread of environmental green claims throughout product categories from food to 'Do it yourself' products and toiletries to disposable tableware. Secondly, the rise of various certifying bodies in the organic food sector is apparent especially in organic and 'natural' shops. These umbrellas of various certifying bodies contain some confusing aspects. Thirdly, the entire green claim production process is the result of multiple external and internal influencing green factors. These issues will be discussed in the following chapter.

The interviews followed the path that can be seen in figure 3.11. For example in the case of the Greek interviews the procedure started by interviewing deodorant and beauty product companies and what was noticed is that one issue or product triggered an interesting look into another. Starting from the deodorants and overall aerosol products it was felt necessary to discuss the green claims scene with the appropriate association. Therefore, the Hellenic Aerosol Association was contacted and interviewed. Overall, this process offered new ways of looking at eco labelling and different wider perspectives. This circle of labelling interviews had as a result the overall external and internal outlook of labelling in each county. In the specific figure the case of the Greek interviews is presented as an example. A similar process was followed in the case of the UK interviews. Both processes will be discussed in the following chapter in great detail.

This new way of researching claims offered many advantages. Firstly, companies were interviewed which is not popular in studies given its challenges. Companies were then questioned about their claims and their competitors' claims. Not only they explained what the claims mean but also they indicated a reasoning; a 'why' and 'how' behind their claims. Additionally they made connections to stakeholders and finally and most importantly they made comments on the messages consumers send them (through the focus groups). In many cases they indicated that they will take into account the recommendations of consumers and in some cases the comments of the researcher (several typing mistakes on claims).

Interview challenges:

Interviewing companies about their green claims practices had several challenges such as access and ethics. The following table indicates the main interview challenges and the way they were confronted.

CHALLENGE	COURSE OF ACTION
Sensitivity of the green claims issue	Discussion about market on product claim/claims.
Managers opinion represents a company practice	Initially focus the discussion on the claim found on a product. Discussion then snowballed in overall company claim practice.
Access (company, interviewee)	Email and /or telephone contact and follow up.
Time (interview, follow up)	Face to face and telephone interviews.
Ethics (information)	Researcher information Recorder used only after consent Data to be kept anonymous Tapes destroyed after the research
Post interview (after request)	Short summary report to be handed after thesis publication.

Table 2. Interview challenges

Specifically, the green claims area as can be seen in the literature review is something companies have been sensitive about. This presents a challenge since companies may not want to share information regarding their green claim practices. This was tackled by references to practical issues such as company product on-pack green claims. It should be stressed that one of the challenges of company interviews is the fact that interviewees will be speaking on the account of the companies. Meaning that labelling is a sensitive issue and interviewees will have to express an opinion and also represent the company practice. This was tackled by discussion specific company claims, which then snowballed in a general claim discussion.

Access was a challenging and a time consuming process. However, a standard pre interview process was strictly followed. Another challenge was time, as the planning of the interviews was very time consuming. This was unavoidable and in many cases telephone interviews were the answer. As was mentioned in the case of the focus groups, ethical issues are extremely important for this study. Interviewees were provided with clear and verifiable information regarding the researcher and the research. Also the researcher requested their permission in both face to face interviews and telephone interviews in order to record the discussion. Only one interviewee objected to the recorder (telephone interview) and the researcher kept notes. The tapes from all the discussions will be destroyed after the end of the research

3. Environment

Face to face interviews took place in the company offices where interviewees felt comfortable.

PHASE THREE–POST INTERVIEW

1. Analysis. Morse (1994) argues that all the different approaches to analysing data are based on the four processes described below:

- *Comprehending* the setting, culture topic before the research. In the existing debate as to how much the researcher should know before the research the view of Morse

(1994) was adopted who argues that the researcher needs to be familiar with the literature but should remain distant.

- *Synthesising* involves drawing together themes and concepts and forming patterns.
- *Theorising* involves developing theoretical schemes until the best scheme is developed. The author proposes four methods. The first is to identify beliefs and values and link them with theory. The second is to use lateral thinking and make connections to concepts and data from other settings. The third is construction of data by induction. Finally, links and patterns can by hypothesised and tested for verification.
- *Recontextualising* is the introduction of new models and linkages to an existing theoretical context.

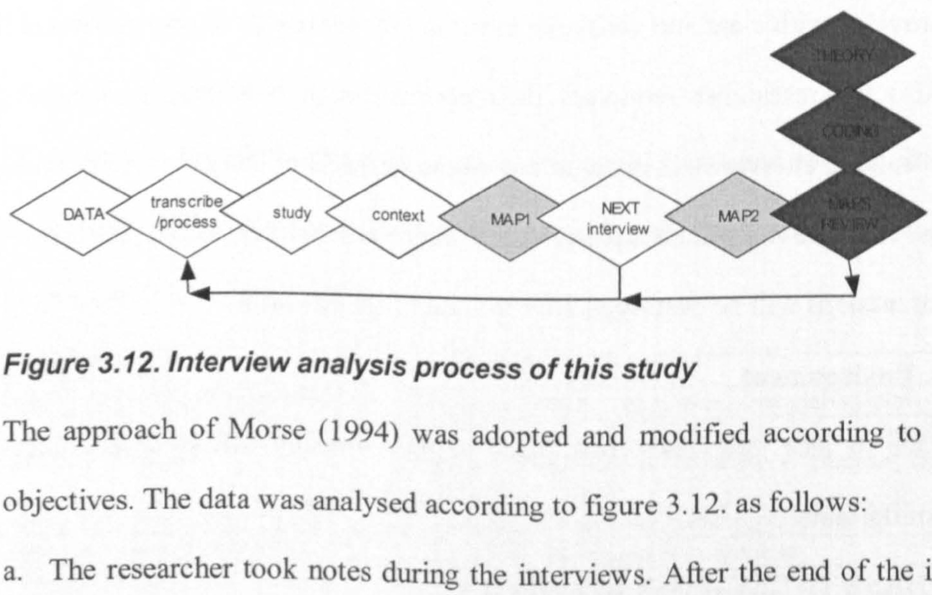


Figure 3.12. Interview analysis process of this study

The approach of Morse (1994) was adopted and modified according to the research objectives. The data was analysed according to figure 3.12. as follows:

a. The researcher took notes during the interviews. After the end of the interview the notes along with the tapes were immediately transcribed and translated. Data analysis started as soon as the first interview was conducted. After each interview the interview data, the company details, the interview details and the comments from the interview were inserted in a 'company report sheet'. Robson (1993) calls this sheet a session summary sheet.

b. The second step is the study of the interview. This includes the familiarisation with the interview data as well as the notes kept during the discussion.

c. The third step is an important step as it places the interview in a wider context. The green claims of the company, the company website and green claim market practices are reviewed and contrasted to the interview. This leads to the following step which is the mapping.

d. The mapping is done on a sheet which is generated from the interview agenda (from figure 3.10). It is a flexible approach to coding or open coding (Strauss and Corbin, 1998) which was considered more suitable for this research in order to retain flexibility in dealing with data and allowing exploration of new ideas, meanings and relations. Each interview had a unique map.

e. After each interview the new map was reviewed and contrasted with the previous one and this process continued until the final interview. By the time of the last interview the coding process had generated themes, patterns and new ideas. These were placed in the green claims theory context. Finally, the overall interviews map was linked with the focus group findings.

2. Reporting

After having analysed and reviewed the data a proper report should be prepared. In the case of the interviews the only report that is prepared is the one included in this thesis. For confidentiality reasons no report will be distributed to companies before the thesis publication.

3.4.2.3. Data Issues and Research Update

At this point data quality issues have to be addressed. As Easterby-Smith et al (2002) point out qualitative researchers need to take it further by developing theoretical themes and highlighting patterns grounded in the data in a way that can be recognised by an external body. Lincoln and Guba (1985) have suggested four criteria that should be used to evaluate a phenomenological study and assess the quality of the analysis.

- Credibility demonstrates that the research was conducted in a way that the subject was correctly identified and described.
- Transferability is concerned about whether the findings can be applied to another sufficiently similar situation to allow generalisation.
- Dependability should show that the research process is systematic, rigorous and well documented.
- Confirmability should be used as a criterion where the study has described the research process fully and it is possible to assess whether the findings flow from the data.

Credibility has been improved as suggested by the authors by persisting observation of the subject under study and by peer debriefing by colleagues on a continuous basis. Dependability, transferability and confirmability have been addressed by using a carefully designed and well documented research methodology.

3.5. Closing Remarks

This is an inductive and an exploratory study adopting a phenomenological approach as it is important to understand the meanings consumers and companies attach to green claims. As Saunders et al (2005) note this approach may also lead the discussion into areas that had not previously been considered but which are significant for the understanding, and which help to address the research question and objectives, or indeed to help formulate such a question. Furthermore, qualitative interviews are used as Kinnear and Taylor (1996) claim that the individual interview can be useful when the marketing problem relates to particularly confidential, sensitive, or potentially embarrassing issues, or when group pressure or norms would affect the responses.

In this study focus groups were used in order to explore consumers' perceptions of green claims. Six focus groups were performed in the UK (Manchester) and six in Greece (Athens). Each group had 8 interviewees and it lasted two hours approximately. The incentive was a twenty pound note. The translation and transcription of the groups were done by the researcher after the completion of the group and a group report was prepared. The analysis was therefore, done in 2001-2002.

The interviews with companies in the UK were 15 telephone interviews (from 19 that were initially contacted) and 14 email communications (from twenty emails sent) specifically with companies who could not be interviewed due to location, who had a 'not tested on animals' logo on at least one of their products or who had a Type I eco label. The Greek interviews were 35 (7 face to face and 28 telephone interviews) out of the 36 companies that were initially contacted. The interviews in both countries started in 2005 and ended in 2006.

In summing up, the purpose of this study is to explore consumer perceptions of green claims and company green claim practices. Consumers and companies were interviewed using focus group and semi structured interviews respectively resulting in a phenomenological description of themes (connections, gaps, patterns) related to green claims.

4. RESEARCH FINDINGS

INTRODUCTION	LITERATURE REVIEW	METHODOLOGY	FINDINGS	DISCUSSION	CONCLUSIONS
• 1.1. Research Problem • 1.2. Research Aim • 1.3. Framework • 1.4. Definitions • 1.5. Structure	• 2.1. Green Claims • 2.2. Production • 2.3. Consumption • 2.4. Stakeholders • 2.5. Conclusions	• 3.1. Philosophy • 3.2. Logic /Form • 3.3. Design • 3.4. Methods • 3.5. Summary	**• 4.1. Green Claims** **• 4.2. Production** **• 4.3. Consumption** **• 4.4. Conclusions**	• 5.1. Sustainability claims • 5.2. Production • 5.3. Consumption • 5.4. Stakeholders • 5.5. Conclusions	• 6.1. Conclusions • 6.2. Contributions • 6.3. Limitations

The aim of this study is to explore consumers' perceptions of claims and company green claims practices in the UK and in Greece. The research methods used are focus groups and interviews.

As was discussed in the literature review consumers seem to be confused by the claims available in the market and feel that companies are using green claims mainly as a selling point. On the other hand companies claim that there is a gap in what consumers claim and their actual purchase behaviour. Both companies and consumers seem to complain about misleading claims. In addition, various stakeholders seem to interfere in the CCC (consumers-claims-companies) link. In conclusion, there seems to be a communication gap between companies and consumers and also a gap in the literature addressing this communication issue.

In this chapter the gaps identified in the circuit of culture and specifically the CCC link that were discussed in the literature review will be addressed. The research findings will be presented in this chapter and in the following chapter the research gaps will be discussed.

In this chapter the quotes from focus group members as well as interviewees from companies will be displayed. However, due to practical reasons (word limit) the quotes will be summarised and will be included as original quotes in the appropriate appendix.

Every time a company interviewee is quoted a parenthesis will include the following information: the size of the company, the sector and the product category, the job title of the interviewee and the country (for example, multinational company, FMCGs/ Disposable Tableware, Marketing Manager, UK). Every time a consumer is quoted the parenthesis will include the name, the group mix and the country (for example, Maria, empty nesters, mixed group, UK). This quoting system provides useful information linked to the presented and discussed data. For instance, when the size of the company is discussed the quote will indicate whether the interviewee belongs to a multinational/ large, medium or small size company. Similarly, when a focus group member is quoted information will be displayed regarding their country, and the group mix.

This chapter contains four main sections. In section 4.1. the claims found in Greece and in the UK will be discussed. In section 4.2. the encoding and representation process will be discussed. This section will contain the findings from the interviews with companies in both countries. Section 4.3. contains the findings from focus group discussions in both countries. Finally, in section 4.4. the Circle of Claim (CCC link) and the various stakeholders that were found to affect it will be summarised. As was also done in the literature review the CCM (circle of culture model) will be used as a guide to indicate the area of focus.

4.1. The Green Claims in the UK and in Greece

The UK market was observed for changes in claims between 2000 and 2009. The first claims observation stage in the UK was from 2000, when the focus group research begun, to 2004 when the focus group research ended. The second claims observation stage in the UK was from 2004 to 2009. During this time the interviews with the selected companies in both countries were performed. Similarly, the Greek market was observed for changes in claims from 2000 to 2010.

Documentation regarding new green claims or changes of the existing ones in the market was kept during the entire study. Furthermore, the packaging of the majority of the products bought from 2000 to 2010 has been kept in order to track changes in claims. When a new claim was noticed in the UK and the Greek market the product was bought, photographed and filed.

The product categories researched were mainly fast moving consumer goods and several product categories from other sectors such as textiles and hobby products (for example paint).

This section contains a detailed discussion of the green claims found throughout the study in the UK and in Greece.

The major FMCGs retailers in both countries were visited in order to 'shop' for green claims. It was noticed that in several product categories such as the food product category there were major changes in the claims scene from 2000 to 2010, while in others such as the tissue paper product category the situation remained relatively inactive.

Shopping for green claims in Greece was an interesting and on going process given the variety of Type II claims and certifications that were found in the market. The observation of possible changes in claims was facilitated in Greece compared to the UK market due to the amount of time spent for research in the specific country. Furthermore, in Greece in 2004 one of the biggest recycling campaigns was launched. It should be noted that in the same year the Olympic and Paralympic Games were held in Athens and there was a major reorganisation of the city. Posters (see illustration 4.1, 4.2.), environmental advertisements (illustration 4.3.) recycling bags, energy saving instructions and blue bins can be found countrywide. It is a common practice to find recycling sites in various central locations in Greece from large retailers such as IKEA. Usually, they support a Greek recycling organisation (such as TEXAN which is supported by IKEA) by providing discount coupons to consumers who recycle. This is also a practice of a multinational claiming to sell environmentally friendly cleaning products.

Illustration 4.1. Posters of Greek recycling campaigns; 2004-2010

Illustration 4.2. Posters recycling sites for oil and bottles from a large retailer; 2009

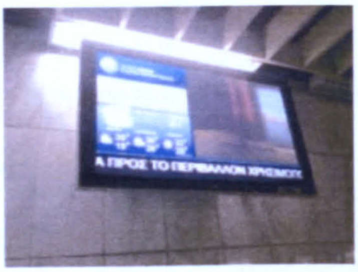


Illustration 4.3. Environmental advertising in the Athens Metro station; 2010

This was a second major attempt (the first attempt was in the late 1980s early 1990s) to persuade Greek consumers to recycle. This fact is also something a few Greek retailers remember:

> *"...no it was the early 1990s... and we had some recyclable bags and we had a big campaign regarding the protection of the environment from plastic..." (Greek large retailer, FMCGs, Store Director, face to face interview.)*

From the beginning of the 2000s, and incrementally throughout the decade major changes have been observed in the Greek market regarding both green claims and environmental issues. Two of these changes are the increasing number of on-pack claims and the availability of 'greener' product choices. Additionally, the weather changes and other global environmental issues have been on the news regularly and the environment has become a popular topic of discussion in the daily newspapers and magazines (e.g. Ecological Challenge, Sustainability, by the daily newspaper Ethnos). This renewed interest in environmental issues has not left intact the business community. From banking to travel agencies and from FMCGs to white goods and energy, today the Greek market is overflowing with claims. The following illustration (4.4.) is a small example of the green claims affecting various sectors. The first photo in illustration 4.4. is a new company producing environmentally friendly cooking pans and in the second photo there is an 'environmentally friendly' claim on a refreshments fridge found in an ice cream shop. Other sectors that have been affected by this renewed environmental interest and advertise their environmental responsibility with posters and leaflets are the banking and tourism sectors (illustration 4.5.).

Illustration 4.4. Advertising posters in Greece; 2010

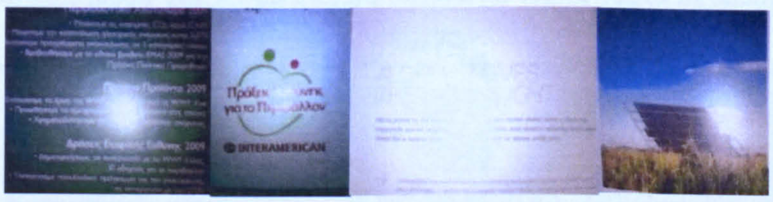


Illustration 4.5. Green claims in banking and tourism; 2010

Finally, during the second stage of the study various sustainability awards have made their appearance in Greece. (e.g. Illustration 4.6.).

Illustration 4.6. Third Environmental Awards for Greek companies; 2010

On the other hand the situation in the UK market is less drastic throughout the decade and more organised as Type II claims are decreasing in the market and are replaced by other type of claims such as eco labels, industry association suggestions and third party certifications.

Overall, in Greece the area of claims (on-pack, adverting and market) have been dramatically and incrementally changing compared to the UK where the situation seems less active claim –wise.

4.1.1. Sectors and Product Categories

In the current study the main focus are FMCGs. Various product categories were researched for claims such as toiletries, food, tissue and paper. Furthermore, some product categories that were looked at such as paint and other chemicals belong to other sectors. The occasional reference to these product categories from other sectors (such as chemicals) is made in order to get an overall picture and make general comparisons of the claim situation in different sectors. As can be seen each sector and in many cases each product category follows a different pattern of claim practice.

A product category with noticeable changes in claims is the **toiletries** category. In the UK market and specifically on deodorants, the 'CFC free' logo has decreased considerably. In many cases major brands don't include any kind of ozone related logo. In other cases the CFC logos were replaced by the phrase 'aerosols do not contain CFCs' and more recently by the phrase 'aerosols do not contain CFCs as required by regulation'. These changes were observed from 2000 to 2009 and took place in the market gradually. As will be seen later in the chapter these changes that were observed in the market were also confirmed and justified by the British Aerosol Manufacturers Association (BAMA). Several claims that were found in the market during the first stage of the study are displayed below (illustration 4.7.).

Illustration 4.7. Aerosol claims in the UK market; 2000-2004

As was mentioned above most of the CFC free claims in the UK market have decreased and gradually have been replaced by the BAMA logo suggestions. Furthermore, in the second stage of the study most of the products in illustration 4.7. have been replaced by other products with new packaging and 'CFC' claims have been replaced by the association logo and in some cases by no logo at all.

In Greece, the situation in the aerosols category is changing in similar ways. Most of the deodorants have no on-pack claims at all and several have slightly changed the wording or the logo. Still, Type II claims seem to be the basic characteristic of this product category. In the following illustration (Illustration 4.8) claims found on aerosols during the first stage of the study are displayed.

Illustration 4.8. Aerosol claims in Greece; 2000 -2004

As can be seen in illustration 4.8. claims such as 'No CFGs' 'Ozone SAFED' 'No CFSs' 'Ozone FRIENTLY' and 'we work for a better environment' are claims that characterise the sector in the specific time period. Recently, there are some minor changes in the sector and mainly from large and multinational companies who have eliminated the CFC claim from their aerosols.

In the first stage of the study, in the UK the claims found on shampoos and beauty products were rare and mainly Type II claims (see illustration 4.9.). In the later stage of the study organic claims became more popular (see illustration 4.10.). The use of certifications such as the Soil Association and EcoCert were found on a few UK products. A few companies have launched their own claim standards (see illustration 4.11.) and other companies continue to make Type II claims (see illustration 4.12.).

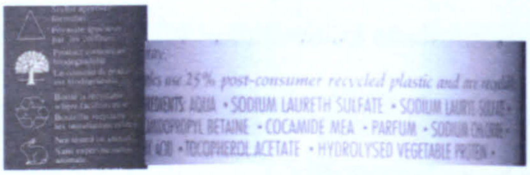


Illustration 4.9. Type II claims on shampoos; 2000-2004

Illustration 4.10. Certifications on beauty products; 2004-2009

Illustration 4.11. Company Standards; 2004-2009

Illustration 4.12. Ingredients, location and anmal testing claims; 2004-2009

In Greece in the beauty products category, there were considerable changes throughout the decade. In the beginning of the study the claims found on shampoos and other toiletries were relatively rare. There were claims related to biodegradability and the recyclability of the packaging. A rare practice was green image claims such as the products listed below (illustration 4.13.) by large retailers claiming 'with respect for the environment' and including information regarding product biodegradability.

Illustration 4.13. Green image claims 'green leaf' brand; 2000-2004

In the second stage of the study, claims found on beauty products were related to the organic content and had a certification such as EcoCert (French organic certification), AIAB, DHO and ICEA (illustration 4.14. foreign and Greek certifying bodies). Two of the most popular and oldest certifications in Greece is DHO and BIO Hellas. It is worth mentioning that the product in the first photo in illustration 4.13. is still in the market but the company applied for a certification and has now an entire 'green leaf' line of organic certified products (see illustration 4.16.).

In several cases organic claims were found on products without the official certification logo (such as illustration 4.15.).

Illustration 4.14. Organic logos in Greece

Illustration 4.15. Body wash claiming to be based on 'natural' and 'organic' ingredients

Illustration 4.16. Terra Leaf-2011; new version of Green Leaf

Furthermore, after 2004 a few Greek products were found carrying the WWF logo (see 4.17). The specific product and/or the company's name were found on the pressure groups' website.

Illustration 4.17. WWF logo on shampoo; 2004-2009

A relatively new approach in the shampoos category is the listing of the ingredients (especially parabens, silicons, petrochemicals). Meaning that the product packaging contains a relatively large area where environmental, health, social and animal safety information is displayed. This was initiated by the two largest Greek companies producing 'natural ingredients based' toiletries. As will be seen later this is a new way of incorporating health, environmental and social logos.

Illustration 4.18. Listing of ingredients from a Greek multinational; 2010

Overall in the specific sector the changes are noticeable and the claims especially in Greece have increased.

The main claim found on disposable bags either freezer bags or litter bags in the UK was related to biodegradability and specifically the amount of time required for the bag to biodegrade (illustration 4.19.). Furthermore, packaging information relating to recyclability was something common in the market. These claims were found in the UK market throughout the decade.

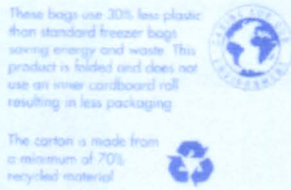


Illustration 4.19. UK Freezer bags; 2000-2004

In the second stage of the study there plastic bags carrying claims in the UK have increased. The FSC logo is nowadays a common claim practice.

Illustration 4.20. UK Plastic bin bags; 2009

In Greece these sort of claims appeared mostly in the second stage of the study and are currently increasing (see illustration 4.21.).

Illustration 4.21. Greek litter bags; 2010

The other category that seems to carry many claims is the disposable tableware products category. These products are plastic and/or paper and in Greece have claims such as 'ecological product' or even 'CFC Free' (illustration 4.22). This is something interesting since according to interviewed companies CFCs were not used in the specific sector.

Illustration 4.22. CFC Free logo on Greek plastic cups; 2000-2004

Additionally, in Greece in the specific product category claims such as 'ecological product', 'environmentally friendly' were a common practice (illustration 4.23).

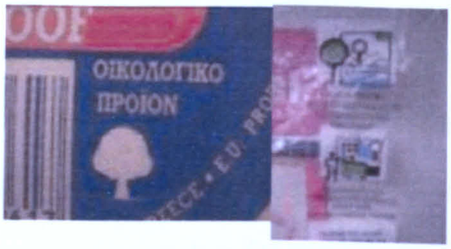


Illustration 4.23. 'Ecological product' and 'Environmentally friendly' Greek claims

In the second stage of the study these claims decreased and were replaced by 'recyclability claims' of the product or/and its packaging (illustration 4.24.). Another claim in this product category is related to the product toxicity and thus claims such as 'non toxic' are a common practice (illustration 4.25.).

Illustration 4.24. Recyclable plastic cups; 2000-2010

Illustration 4.25. Non Toxic straws; 2004-2009

In Greece in the tissue paper category only a few brands carried a claim. One of the brands that were found recently in the market is Terra Leaf (illustration 4.16.). The specific brand (retailers' own brand) includes beauty products and paper products. Another brand who launched greener alternatives is BRAND D. The same brand had a green line extension in the late 1990s and beginning of the decade and recently relaunched a new green line called 'go green'(illustration 4.26).

Illustration 4.26. Greek tissue paper company in 1999 and in 2011

In the UK market, on tissue paper a common claim in the early stages of the study is the recyclability/recycled content of the product and/or its packaging. In illustration 4.27 common practices on the specific category are displayed. Other common practices were Type I eco labels and Type II claims (see illustration 4.28.)

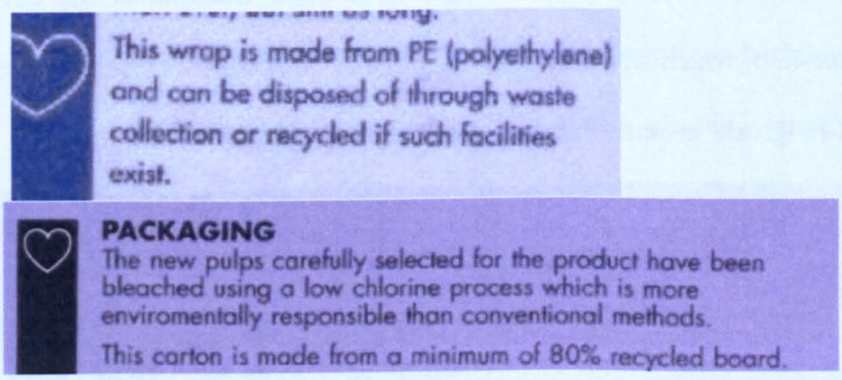


Illustration 4.27. UK packaging information; 2000-2004

Illustration 4.28. Type II claims on tissue paper; 2000-2004

In the later stage of the study, new type of claims were added in the UK tissue paper category. These claims are certifications and eco labels (see illustration 4.29.). Additionally companies supporting various campaigns have a relative logo (see last photo in illustration 4.29.). This is a common practice in the bottle water category as will be seen later.

Illustration 4.29. UK tissue paper category; 2009

Products with many claims, especially in the Greek market, throughout the study are the cleaning sponges. In Greece it was noticed that the specific category had numerous claims related to CFCs. In the second stage of the study the CFC related claims were replaced by 'eco friendly product' claims. A good example is the first claim on illustration 4.30. which was found on a sponge in 2000-2004 and was recently replaced by an entire 'green' product line (see first photo in illustration 4.31.).

Illustration 4.30. Green claims on cleaning sponges; 2000-2004

Illustration 4.31. Green claims on cleaning sponges; 2010

Similar claims were found in the first stage of the study in the UK market (illustration 4.32.). These claims have now decreased and in many cases have disappeared. The common logos found on these products are related to the recyclability of the product and/or the packaging.

Illustration 4.32. Product information on a cleaning sponge; 2000-2004

Most of the products in the above categories in both countries carry the Green Dot, Mobius Loop and the Tidy man logo -or an inscription 'please recycle' -on the back of the packaging. These logos were found in various colours and shapes especially in Greece.

A logo that was used in the beginning of the decade in several detergent brands with no information was the Wash Right, campaign logo (illustration 4.33.). This logo was initiated by the International Association for Soaps Detergents and Maintenance products (AISE). Many companies did not include the accompanying instructions as required by AISE. Recently it has been replaced or accompanied by the Sustainable Cleaning logo by AISE. Several companies however keep both logos on their products. There are several companies that have an entire cleaning range of products such as Ecover (illustration 4.34.). The company is still active in the UK and currently launched its products in the Greek market.

Illustration 4.33. Wash Right Campaign; UK and Greece

Illustration 4.34. Ecover in 2000 and in 2009

In Greece finding claims on detergents in the beginning of the study was challenging. They were not a common practice for the sector. One exception was a claim found on a natural olive oil based soap (illustration 4.35.). The product with the claim is still available in the Greek market. In the middle of the study there were products such as 'green way' (illustration 4.36.) which provided information about their biodegradability and labelled themselves as green.

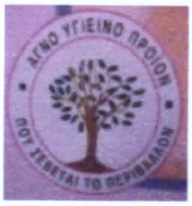


Illustration 4.35. 'Natural healthy product who respects the environment'; 2000-2009

Illustration 4.36. Green way; 2005

Nowadays, in Greece it is quite common to find a product in this category with a sustainability related claim. There are green brands, line extensions, certified and eco labeled products, Type II claims, products supporting various sustainability causes.

Illustration 4.37. Products and claims in the detergent sector; 2010

In the UK a label that was found on several chlorine (bleach) brands was the 'not tested on animals' logo (illustration 4.38.). The animal testing related logos were found on many different cleaning products. The animal tested logo was found on a window cleaning product as well. Specifically, the product was endorsed by the British Union for the Abolition of Vivisection (BUAV) organisation which was interviewed.

Illustration 4.38. Animal Tested logos; 2000-2004

In Greece this product category rarely had claims apart from the 'dangerous for the environment' logo. However, in the pesticides category logos 'dangerous for the environment' can be found next to 'does not harm the ozone' logo (illustration 4.39.).

Illustration 4.39. Claims on one product in Greece; 2000-2010

Hobby products such as paint and DIY products have several logos on them such as the FSC and the VOC logos. Several of the products such as paint were also found under the Ethical Products category of the Greenpeace and WWF website in both countries.

In Greece another intriguing sector that offered rich data was the chemicals sector and specifically the paint based products. These products according to the interviewees have specific labelling requirements that will be discussed in a later section (illustration 4.40.).

Illustration 4.40. Claims on paint products; 2004-2010

In other product sectors such as the textiles in the UK a couple of brands were found having the Soil Association logo and several other brands having the Fair Trade logo. There were some brands of cotton based products that had the Soil Association logo.

In Greece a logo found on textiles is the textile industry logo in illustration 4.41. Additionally, several products today have the EU daisy.

Illustration 4.41. Textile industry logos

Finally, it was observed that the food sector became a sector with many 'organic' claims and 'Fair Trade' claims in both countries in the second stage of the study. Popular labels are the Soil Association Accreditation for organic products, the MSC, the FSC and the Fair Trade label (see illustration 4.42.). Initially, fair trade and organic labels were found mainly on tea, on coffee and on food (illustration 4.43.).

Later on these labels were noticed in additional sectors and product categories such as toiletries and textiles. A trend in the UK market recently is also labels encouraging consumers to consume locally grown vegetables and products. Research confirms that most consumers are prepared to try local foods (at least in principle), but this is usually conditional upon it being measured against issues of price, convenience, accessibility and perceived quality (Weatherall et al, 2003). Recently in Greece there were a few similar logos in a major retailer.

Illustration 4.42. Claims on food packaging; 2009

Illustration 4.43. Coffee and tea products in the UK and in Greece; 2009

The 'dolphin friendly' logo was found on many tuna brands in both countries and there were not any considerable changes throughout the decade. In both countries on mineral water bottles there were claims regarding the company's sustainability related activities (illustration 4.44.).

Illustration 4.44. Greek and UK mineral water; 2009

A considerable change in the FMCG sector in Greece is the fact that major retailers have a special section in their shops with organic and fair trade products. In the beginning of the study organic and fair trade products were sold in 'specialised' organic shops and were rare. In Greece the three organic certifying bodies in the beginning of the decade have now increased in twelve certifying bodies. This can be seen in the variety of certifying bodies available in the Greek market (see illustration 4.45.)

Illustration 4.45. Certifications in the Greek market; 2004-2010

The certifying bodies are private companies and are under the control of the Ministry of Agriculture (by paying a fee). Additionally, there are numerous foreign organic logos such as USDA, FSC, EcoCert etc. Type I eco labels such as the EU daisy remained unpopular during the decade in the FMCGs sector in the UK. In Greece however, after the second stage of the study the EU eco label could be found on a few FMCG products. Overall, there are changes in green claims in both countries. In figure (4.1.) the most popular green claims found in major FMCGs retailers from 2000 to 2009 in the UK market are portrayed. Specifically, in the first column the claims found in the first stage of the study in the UK market are displayed. In the second column the changes observed in the second stage of the study are highlighted. The red highlighted labels are the ones replaced by other labels. For example the wash right label has been replaced by the sustainable cleaning label. The product found carrying the 'Going for Green' label have replaced it with specific product recyclability information.

The 'community trade' label was found on several products (e.g. The Body Shop) which has now been replaced by the Fair Trade label. The yellow highlighted labels indicate changes in the UK green claims market. For instance, most of the CFC and ozone related claims were replaced by the 'Aerosols do not contain CFCs' as suggested by BAMA.

The number of products with images and wording implicating the environment have decreased. Products carrying Fair Trade FSC, MSC, organic certifications and Soil Association labels have considerably increased.

The WRAP (Waste and Resources Action Program) guidelines have replaced in several brands the vague recycled and recyclable claims.

The highlighted logos with pink colour are new logos that appeared on products recently. Therefore, logos such as 'GMO Free', 'Free Range', 'Compostable' are becoming more popular.

Furthermore, companies indicate their environmental commitment with company activity statements such as 'for every tree we use we plant three'. Several companies have introduced their own standards such as the Body Shop 'eco-conscience product' logo. Several cleaning products have placed 'ecological information' on the product packaging.

Finally, the non highlighted logos on figure 4.1. haven't presented any considerable changes.

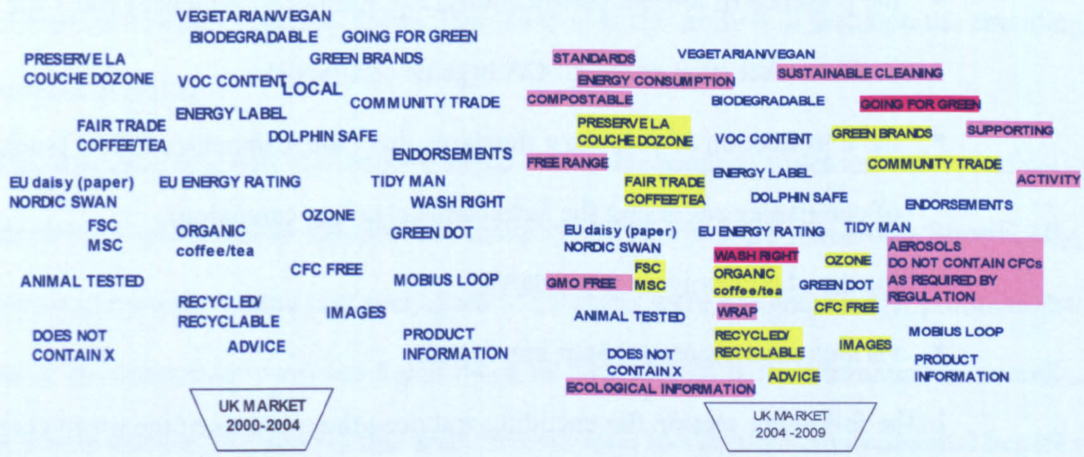


Figure 4.1. The UK green claims market; 2000- 2009

In figure 4.2. the changes in the Greek market claims scene are displayed according to the changes observed throughout the decade.

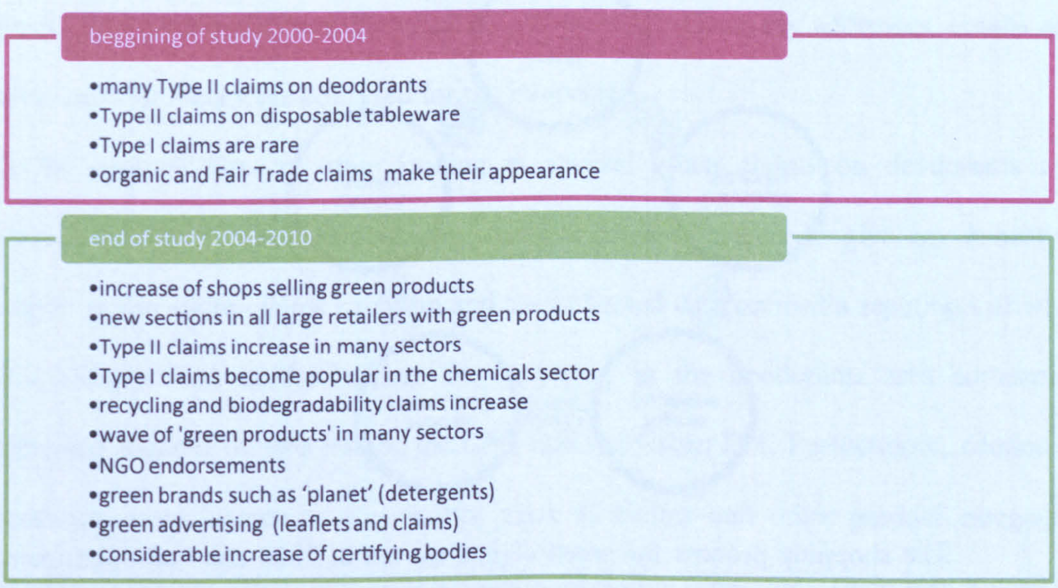


Figure 4.2. Green claims in the Greek market; 2000-2010

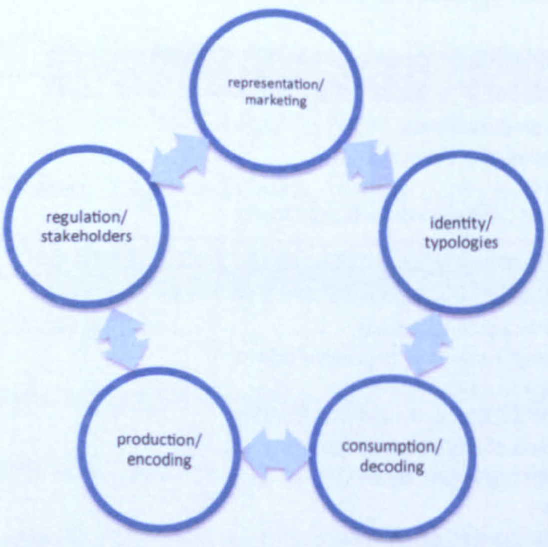
Overall, it was observed that the claims found in both countries in supermarkets from 2000 to 2010 have changed in the following ways:

- the introduction of new logos and/or standards,
- the increase of certifications,
- the decrease of Type II claims and finally the static Type I eco labels,

- the presence of foreign certifications (e.g. Rainforest Alliance) and Type I eco labels in the market such as the USDA organic certification,
- the introduction of voluntary standards that most companies follow (such as the 80% of companies endorsing the sustainable cleaning campaign),
- the set of company own standards,
- various campaigns and activities logos.

In the following section the encoding and decoding process of the green claims found in both markets will be discussed.

4.2. Production and Representation: Encoding Process



The shopping process for green claims started in 2000 and had three main objectives. The first one was to record the green claims that were found in the market, the second objective was to shop for products that carried a claim in order to show the claims to consumers and the third was to contact the companies and interview them about the claims found on their products. The shopping process took place in major retailers and many products with green claims were purchased. Consumers were show the products and companies were interviewed. Furthermore, the internet was used in order to gain an overall picture of the claims scene. This section of the study will focus on the encoding process of claims.

The shopping research started with companies who produce toiletries and specifically deodorants given that in this product category the claims were numerous. Specifically, the retailers were visited and four types of products were bought. Firstly, products that carry environmentally related logos (such as 'friendly to the environment') secondly, products that include phrases that lead the consumer to visualize environmental benefits of the product (such as green images, descriptions and phrases) thirdly, mainstream products that carry claims, products that list their ingredients with reference to environmental and/or ethical issues (such as references to phosphates or parabens), and finally mainstream products that had no claims at all. Company addresses, emails and telephone numbers were collected for the interviews.

In the case of Greece, after looking at several green claims on deodorants and contacting the appropriate companies, the process didn't seem to give any evocative insight in the entire claims situation and the collected data seemed a repetition of what was already seen in the market. For instance, in the deodorants area companies remained focused on two issues; the CFC and the Green Dot. Furthermore, deodorant producers were known to use mainly Type II claims and other product categories seemed intriguing since they used a variety of claims. Therefore, there was a need to look beyond deodorants and toiletries. Additionally, there was a wide spread of green claims throughout product categories from food to 'Do it yourself' products and toiletries to disposable tableware. It was therefore felt that a view into a different sector would provide interesting remarks. Therefore, the chemicals sector and specifically the paint based products were explored. Also, the rise of various certifying bodies in the organic food sector is noticeable especially in 'special' shops selling organic, locally grown and fair trade products.

The interviews with companies in the UK were 15 telephone interviews and 14 email communications specifically with companies who could not be interviewed, who had a 'not tested on animals' logo on at least one of their products or who had a Type I eco label. The Greek interviews were 35 (7 face to face and 28 telephone interviews).

The interviewees in Greece were in some cases very talkative and in other cases hard to find and thrifty with information and time. In all the cases, however, they were surprised with the topic of discussion. Furthermore, they showed true interest in the research and requested a short feedback. Interviewees were in the case of small companies the owner/s of the company, in the case of medium companies the company owners or the managers of various departments. Finally, in the case of large companies the interviewees were either the brand managers or managers from the technical department or from the R&D department; depending on which department was responsible for labelling matters.

The Greek interviews started by deodorant companies (see figure 4.3.) and beauty products and what was noticed is that one issue or product triggered an interesting look into another. Starting from the deodorants and generally aerosol products it was felt necessary to discuss the claims scene with the appropriate association. Therefore, the Hellenic Aerosol Association was contacted and interviewed. The interview triggered the beauty products category and specifically several shampoo brands that had a logo of a pressure group. This fact would lead to the interview of the pressure group which in turn indicated collaboration and alliances with retailers of FMCGs regarding eco labelling. Another triggering effect came from the aerosol paint spray products that led to interviews with paint companies and retailers. Furthermore, sectors such as colours and paint products were looked at considering the hints for a particular pattern of claims practice. Overall, this process offered new ways of looking at claims and from different perspectives. In Greece for example saturation in several product categories came after a couple of interviews and in others after interviewing several company stakeholders. Sectors such as the chemicals sector due to the related EU regulation are constantly shaping a particular claims practice that could remind similar claim patterns of the late 1980s. These sectors of chemical products that could be included in large supermarket chains considering the wide popularity of "do it yourself" products is under the EU microscope for the past 10 years due to several harmful substances the products include such as VOCs (Volatile Organic Compounds). VOC related claims are in this case a central part of the company's communication process. Finally, disposable tableware companies were interviewed and triggered interviews in the plastic and paper product categories.

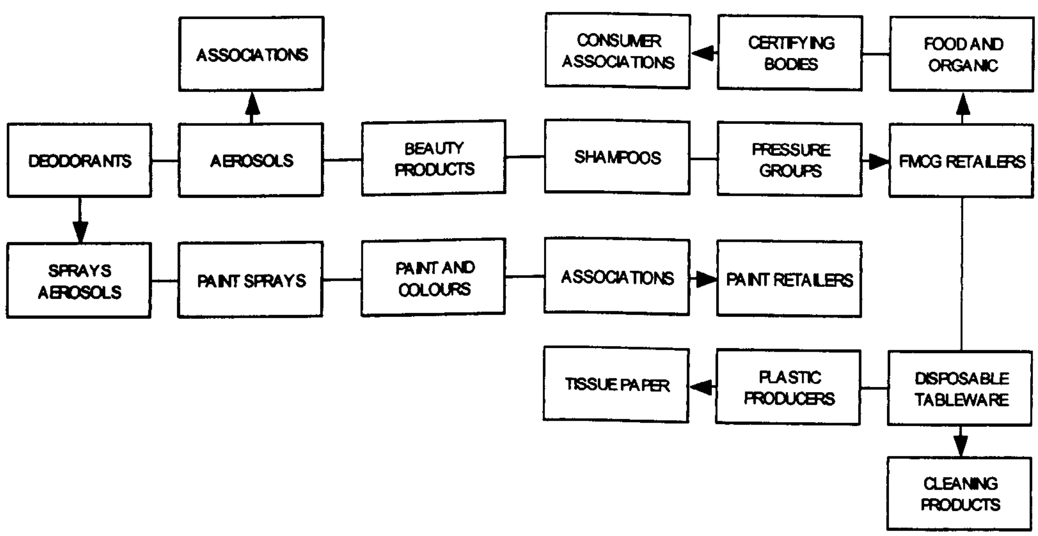


Figure 4.3. Greek Interviews Trigger Effect

There are several unique characteristics in the UK claims scene compared to the Greek one that facilitated the mapping of the company's claim practice. One of the main characteristics is the use of the company website in order to provide information about environmental and or social company activities. Several companies provide information about their claims while others do not reference their claim practice at all. Additionally, sustainability appears to be one of the themes most companies discuss and promote on their websites. Overall, there are four main issues –or four facilitators-that are detected in the UK market regarding claims.

Firstly, in the UK the presence of pressure group, governmental organisations and NGOs is noticeable. Campaign logos such as 'Going for Green' were also found on products in the beginning of this study. These organisations conduct research on claims periodically and offer feedback to companies and advice to consumers. There are many publications available online from each organisation related to green claims on various consumer product categories. Furthermore, a few of these organisations have a section on their website, the 'ethical consumption' section where more 'ethical' companies and products are displayed. Several of the pressure groups have also sections where they boycott companies with 'questionable' practices. A few NGOs and Governmental organisations were interviewed such as DEFRAs' Eco labelling Unit, the NCC, Greenpeace, WWF and BUAV. The reason that these organisations were interviewed was because of their extensive research into claims as well as their advice towards companies and consumers. These interviews triggered a look into the industry associations considering the changes in legislation in several sectors (such as the chemicals sector). This had as a result the look into several chemical companies and several deodorants given that, changes in green claims were obvious in these sectors (e.g. the VOC and CFC labels). Thus, the industry associations such as the Chemicals Industry Association (CIA) as well as the British Aerosol Manufacturers Association (BAMA) were interviewed. This interviews and research triggering effect can be seen in figure 4.4.

Secondly, it was noticed that the company websites have information regarding sustainability and company claim practices. This offered the opportunity to include specific company labelling information in the interview agenda. However, the stated information did not cover all aspects of a company's claim practices and further information was needed. One sector that needed to be explored was the cleaning products sector and particularly the 'animal testing' logos. This triggered interviews and emails to companies that had an 'animal testing' related logo as well as the interview of BUAV regarding the specific logo standards. Furthermore, the websites facilitated the interviews given that gaps could be identified between what companies claimed on their websites and what claims were made on their products. One of the most important problems with claims is the issue of green washing and freeloading. As was discussed in the literature review many companies making Type II claims contribute to market confusion. As will be seen later by reviewing the claims of companies on their websites, by studying the available claims in the market and by interviewing the managers about the claims on both the websites and the market possible gaps and asymmetries were identified which were later addressed in the interviews.

Thirdly, a characteristic of the UK market is the widely recognised and used organic and other certifications. In the UK there are several certification bodies that are recognised and used in Europe such as the FSC, the MSC and the Soil Association. The logos of these bodies can also be found in many EU countries such as Greece and France. These bodies have lists of companies that use their logo. From these bodies the Soil Association was interviewed. The reason this interview was important for this study was that many retailers did not include the Soil Association Logo on their organic certified products. This was however the case in the first stage of the study. Today the specific logo can be found on organic products.

Finally, in the UK industry initiatives such as the Wash Right campaign were found to be popular and accepted among companies. The Wash Right logo was found on many companies in the beginning of the research. However, several companies did not use the logo as advised by AISE and use it without the required instructions. All these market observations and interviews and in particular their triggering effect can be seen in figure 4.4. Thus, initially, companies were interviewed which then triggered interviewing NGOs, industry associations and certification bodies. These interviews as can be seen led to interviews in specific sectors or organisations. For example, a large company who had information on the website regarding sustainability and produced among other things cleaning products had a specific 'not tested on animals' claim. The product category however, should not have 'animal tested' related claims. This fact led to the interview of BUAV regarding the related advice and/or legislation. In turn, this led to more interviews with cleaning product companies which led to interviews with retailers given that the majority of the specific claims were found on retailer generic brands. This example of the triggering or snowballing effect is highlighted below.

Figure 4.4. The Research and Interviews Triggering Effect in the UK

The study and the observation of the UK and the Greek market as well as the company interviews and email communication led to the following mapping of claims *internal initiators,* factors or associations. Specifically, the above research indicated three internal characteristics or *initiators* –as they will be called for the purpose of this study- of claims.

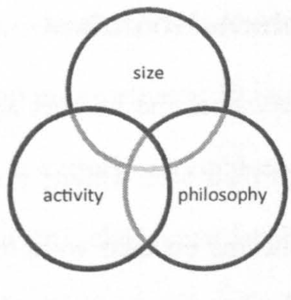


Figure 4.5. The UK and Greek market: fundamental internal claim initiators

These internal initiators (figure 4.5.) are interrelated, they are fundamental company characteristics and they can affect the role (if any) of the claims practice. Specifically, the initiators are:

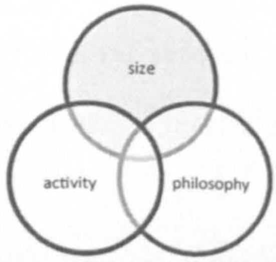
- the size of each company (small, medium, large, multinational),
- the industry and/or the sector in which the company is active (for example the FMCG sector, or the chemicals sector) as well as the importing and exporting activity,
- and finally, the company philosophy and/or the practical, market and commercial importance of sustainability related issues (e.g. The Body Shop, Ecover in contrast to companies who launch green product lines for a specific period of time, or to companies who are not active in the 'green field' at all).

Each of these company characteristics is discussed below in relation to the claims. It should be stressed that these characteristics all exist and affect simultaneously the claim practice but for the purpose of this study will be discussed as three different (but interrelated) criteria. Finally, these internal initiators affect and are affected by external dynamics or *influencers* and from this interaction the company claims options are generated. The following sections discuss the internal initiators, the external influencers and finally their interaction which defines the company claim practice.

4.2.1. The Encoding Process: Internal Initiators

It was concluded from the market observation, the internet and the interviews, that a large number of companies regardless of their size, activity and philosophy state some ethical, social and/or environmental concerns on their websites and/or on the product packaging via green claims. This was more the case of the UK than the case of Greece. In summing up, three internal initiators seem to influence company sustainability claim decisions.

4.2.1.1. Company Size and Financial Considerations



Along with the other two main claim initiators the company size seems to play an important role when projecting a claim. This is more obvious in the case of Greece as will be seen later. In the UK, small and medium size companies seem to prefer Type II claims whereas multinationals follow a specific labelling strategy mostly determined by the headquarters. This was the case with a multinational that was contacted via email regarding Type I eco label on one of its products. The response was the following:

> *"...as I wanted to clarify some of your queries* ***with my colleagues at COMPANY R' headquarters in Germany****..." (German multinational company, UK Corporate Communications Manager, email reply regarding Type I eco label)*

In Greece **multinational companies** revealed some common features regarding claims. The most prominent characteristic of this group of interviewees is their ease in the discussion regarding sustainability related issues. They follow the guidelines of the foreign headquarters. Additionally, the headquarter websites are linked with the local

Greek company websites. However, the links to the Greek websites have limited and in many cases no information at all regarding labelling practices.

There are a few **multinational** companies in Greece that have information on their website about their claims and labelling practices. The interviewees were aware in most cases what the labels meant and what overall the ethical issues signify for the mother company.

It seems that the larger the company the more specialised departments are created for sustainability issues. The interviewed managers were also involved in various local activities and took part in eco labelling and environmentally related workshops and seminars.

However, the departments in several cases have debates about claims and whether logos should be included on products, packaging or overall adopted as a company practice. The technical and legal departments believe in essential information and specifically information "*that adds some value*" and slightly disagree with Type II claims. The following is the opinion of the technical department manager who stated his view regarding the company label and left the final decision to the brand manager. Thus, this reveals two sides of the claims practice. The marketing side of claims, where the marketers use it as a communication tool and the legal side of labelling, where the department indicates whether an issue should be summarised on a label for legal reasons.

> *"...yes well I am against that...and that's why I don't agree with logos such as the one you saw...**it makes me furious and it shouldn't be used**. So what I did **was let the marketing and the creative departments do whatever they liked** and understand as long as they didn't use logos that **they** shouldn't..." (German multinational in Greece, FMCGs/ Toiletries, Marketing Manager and Total Quality Department Manager, teleconference)*

However, there are **large companies** in Greece who include CFC related logos. Their main concerns are consumers and the media. Meaning that they don't want the media and/or consumers to incriminate their products as it has been the case with many companies in their sector before (see Appendix 4, Q1).

There are other large companies who view such Type II claims having a negative effect. This view agrees with consumer perceptions of the variety and number of available claims as will be discussed later. Specifically one manager stated:

> *"...so you end up seeing a globe on the product here and a tidy man there and the recycling logo and finally so many logos on one product that* ***you get confused*** *as to what they mean why they exist etc..." (UK multinational company in Greece, FMCGs/Detergents Regulatory and Technical External Affairs Management, telephone interview)*

Another similar view for the Greek claims scene comes from a **multinational company** in Greece who believes that logos and claims have to offer some value to consumers (see Appendix 4, Q2).

From the above quotes it is apparent that these managers believe that a green logo and especially a CFC related logo offers no real value to the product or to the consumer and suggest a different communication practice. In one of the interviews the interviewees were the marketing manager and the technical department manager (via teleconference) and had a debate regarding the ozone related logo.

> *"...yes and* ***I will disagree with you regarding the logo****. I don't think that all consumers are aware that aerosols do not harm the environment... because in the future we don't know what will happen so even if we took it out of the product now we may place it back soon because there is this attention to global warming issues now etc...you see that this entire issue is coming back and you don't know what you will do in the future regarding consumers OK? You know if they will start looking at the environmental issues again...you will have to* ***assure them...communicate to them*** *that this does not harm the environment..."(German multinational in Greece, FMCGs/ Toiletries, Marketing Manager and Total Quality Department Manager, teleconference)*

There are cases of **multinationals** simply translating the foreign product information. In these cases knowledge and information regarding eco labelling and regulations are minimal.

Recently, and in some companies there is a shift of claims responsibility from the 'translation departments' to specialised departments or environmental departments. These departments are responsible for labelling issues among other issues such as legal packaging information. These departments slightly disagree with current Type II claims and prefer to move towards other ways of communication. However, in many cases claims move back and forth between these departments and the marketing department where brand managers seem to make the final decision (figure 4.6.). The marketers from the interviews seemed more keen to include a label as labelling is seen a communication tool.

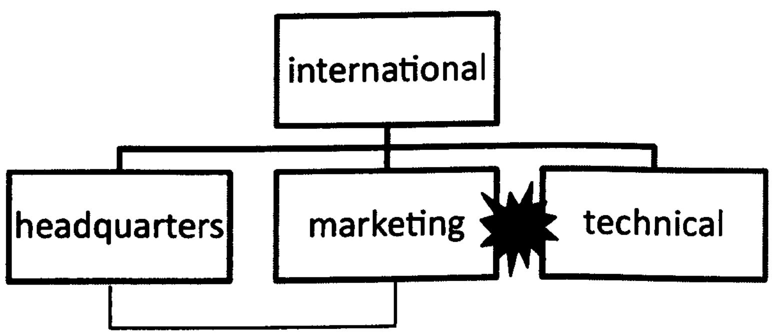


Figure 4.6. Labelling and claim decisions and departments in Greece

The study indicated not only debate and contradiction between departments regarding a claim but also contradiction of two on-pack claims on a specific product. A very interesting case is an insect repellent product that has two claims on the back of the product. One is about the ozone friendliness of the product and the other is about the dangerous effects of the product to the environment. This product sends a mixed message to consumers and managers think that they should include both labels in order to better inform consumers about the effects and characteristics of the products.

Overall it can be concluded **that multinational and large companies** have decreased Type II claims. Also that multinational companies have a more unified and centrally directed labelling practice. Additionally, it can be seen that especially in large companies in Greece the role of labelling is attached and affected by more than one department and in many cases this creates confusion and debates among departments. The following quote is from a large company in Greece and demonstrates the complexity and relative flexibility of the claim decision making process for some companies (see Appendix 4, Q3).

> *"..well, there are three labels and they mean three different things. Furthermore,* ***three different departments*** *deal with them. So the first label..." (Large Greek company, FMCGs/ Toiletries, Brand Manager, telephone interview)*

In the case of small and medium size companies in Greece the interviewees were from the quality control department, from the marketing and sales department or the owners of the companies. These companies outlined several important problems regarding claims in Greece. The majority of the labels found in the market came from medium and small companies. These companies were mainly Greek and in many cases exported their products abroad. Thus, slightly different rules apply in their case given that their clients were countries such as Germany and France where apparently labelling is in many cases an unwritten 'requirement'. This aspect of the medium size companies given its importance will be discussed in the following section titled: Company Activity and Sector Profile.

The majority of these companies especially in Greece related the claim practice with the financial status of companies and specifically the costs associated with a claim. Nevertheless medium and small size companies have a tradition of making claims on their products.

The aerosols, for example, as was discussed earlier are a common location for the claims. The companies responsible for this type of claims argue that the claims are important for the products because consumers have a misperception that aerosols damage the ozone. This was a popular opinion in both countries.

> *"...not more than two decades...they were banned in the end of the 1980s...**Therefore, this logo is there...has been left there...simply because the problem was intense** and **consumers were really troubled**...so that's why we still keep the logo. **We are aware of the facts but are consumers aware of the facts?**..." (Greek large company, FMCGs/Cleaning Products and Pesticides Chemical and Technical Department Manager, telephone interview)*

Additionally, managers argue that they cannot take CFC relate claims off the product because then the competition will have an advantage over them. This is an interesting opinion given that according to the same managers consumers have never made claim related enquiries.

Finally, medium size companies in Greece follow CFC claim patterns of multinational and large companies (see Appendix 4, Q4).

Managers in medium size companies are more knowledgeable regarding labelling than managers/ owners of small companies in Greece. This was obvious is the discussion about the Green Dot programme. They are aware that it is a programme where they have to pay a fee in order to use the label a fact that is almost unknown to the smaller companies.

> *"...of course we think of the environment...we do. That's **why we have the labels** and that's why we pay recycling fees. The label you see has **recycling rights**. We pay a company so recycling can be possible..." (Greek medium size company, FMCGs/Toiletries and food, Marketing director, telephone interview)*

Overall, it seems that this type of labels are decreasing in large companies and increasing in medium and small companies. The main justification is that these claims are an informative tool and a selling point (see Appendix 4, Q5).

Overall, in the sector the CFC claim as well as the product recyclability facts are used in various ways and take various forms. These managers belong to companies where the owners are in the board of the Plastic Manufacturing Association and continue to use labels with no true value to the final consumer (see Appendix 4, Q6).

There are not many companies that have an eco label in Greece. Managers claim that there are serious marketing issues involved in the entire promotion of the EU daisy. As the director of the above company mentioned:

> *"...no **it is not an issue of being promoted well (The EU Daisy) but an issue of not being promoted at all**" (Medium size company, Textiles, Marketing and Sales director, telephone interview about Type I eco label)*

In the cleaning products sector in Greece it seems that there are problems regarding claims from medium and small size companies. The main products are cleaning clothes or sponges and similar items. The main logo used is the ozone related label. Several claims that were found on products contained spelling mistakes. When asked about what the 'Ozone Safe' claim means interviewees replied that they haven't used Freon during the production process. Additionally, several of these companies mentioned that their clients abroad require the logos something that reminds the claim practices followed in the disposable tableware section (see next subsection). Overall 'ozone safe' and 'ozone free' are common logos in this category. The interesting logos though are the ones claiming that the product is 'ecological'. The justification for these labels and in several cases entire 'green product lines' is the recyclability of several materials used or the technology used that requires less or no chemicals (added by the final consumer) for cleaning.

On a similar note other medium and small size companies producing cleaning products or detergents claim to be 'working for a better environment'. They include the specific logo with no further explanations and/or information. In the case of the washing powder with an 'environmentally friendly' claim the owner claimed that the product is '*based on natural ingredients'*. This is again the case of a few medium and small size companies in Greece who increasingly have started using the word 'natural' on their products. Given the excessive use of the word 'natural' on claims recently (year 2011) a multinational has launched a new claim stating that one range of its beauty products is "based on edible ingredients'. Given that the claim was recently found in the market future research is needed in order to decode the language used. For instance to explore whether 'edible' ingredients is a different word for 'natural' ingredients.

Overall, when it comes to medium size companies the environmental information is related to the regulation, the customers and the overall product image. Companies in this category make claims according to the three factors above. Additionally, a few companies in this sector claimed to be on their own without any kind of guidance when it comes to green claims (see Appendix 4, Q7).

Finally, **smaller companies** follow similar claim practices as medium size companies in Greece. In this category of companies the company owners were interviewed. The majority of the interviewed companies were producers of beauty products. An increasing number of small companies are organic product companies. What portrays this category of small Greek companies is the number of green claims, the limited knowledge of sustainability issues and the knowledge of basic labelling regulation requirements. Additionally, several companies mistake the Green Dot for a label indicating that consumers should recycle and believe that there are substances such as CFGs and CFSs. Mostly they don't belong into any kind of association something that increases the gap between the company practice and claims.

> *"...I have seen a lot of the ones you have on your paper...anyway,* ***by studying various EU directives*** *regarding the products specifications...you can find some relative information without getting a final suggestion as to which logos are official. Which labels you can use as a*

> *producer...which label is the standard one..." (Small size company, FMCGs/Toiletries, face to face interview, company owner)*

Finally, there are several company owners who mistrust environmental information and have a negative view of the entire labelling scene.

> *"...**our soaps are ecological because they nave natural extracts** ... As for the labels I will tell you that as a consumer I would never read the label underneath the logo..." (Greek Medium size company, FMCGs/Detergents, Company Owner, telephone interview regarding 'ecological product')*
>
> *"...**I don't think the Greeks care about these issues yet**..."(Small size Greek company, FMCGs/Toiletries, company owner, face to face interview about, spelling mistake on product)*
>
> *"...all these environmentally friendly and related issues are a **utopia**. All of them! They are!..."(Greek Medium size company, FMCGs/Detergents, Company Owner, telephone interview regarding 'ecological product')*

The above company has recently re launched the same product and supports it with an advertisement on national television stating that the product 'respects the environment'. Additionally, the company has left the same logo on its product *'with respect to the environment'* and supports it with information on bullet points on the back of the product packaging linking its environmental friendliness to the use of natural ingredients.

A few of these small company owners are not only cynical about labelling but also about certification and accreditation systems such as ISO and organic certified products (see Appendix 4, Q8).

A few small companies consider the financial aspect of 'greener products/ production'. Other medium size companies have dealt with the associated cost (see Appendix 4, Q9). Several managers and company owners of small size companies link this cost consideration with the overall expensive alternative products available in the market (see Appendix 4, Q10).

As mentioned above small beauty products producers have the majority of the claims in Greece. The company owners have the final word regarding the labels. Their designer usually suggests a specific product design including various green logos (usually found in a DVD) but the final confirmation comes from the company owner. In many cases the logos are in a foreign language (as they are found in the DVD, see Appendix 4, Q11).

Many manufacturers don't know the exact translation of CFCs. They do know that these are banned substances but not how they should be written on the product.

> *"...those chlorofluorocarbons.... there are a lot of CFCs so one of them is the one we mention;* ***CFSs****..."(Small size company, FMCGs/Toiletries, face to face interview, company owner*

> *"...NO* ***CFGs?****...it means that the gas that we use for the product is not one of those gases that affect the ozone..." (Small size company, FMCGs/Toiletries, face to face interview, company owner)*

Another interesting fact is the Green Dot label is used by several small companies that are not part of the programme. The owners seem to believe that the Green Dot can be used by all companies given that it is the logo of recycling. They also believe that the colours may vary according to the rest of the product packaging (see Appendix 4, Q12).

Finally, small companies believe that consumers will eventually see and take into account the company and not the labels. Labelling is seen as a decorative factor and mainly related to recycling and the ozone.

What was really interesting to observe was the reaction of several producers that had claims with mistakes on their own products criticizing the claims of other producers.

> *"...****this one means nothing!*** *What's "ozon free"? Nothing hahahah!..." (Small size company, FMCGs/Toiletries, face to face interview, company owner also, owner of product with CFSs claims criticising 'ozon free' claim)*

Many small company producers had their products made in a different country and thus used a foreign logo (see Appendix 4, Q13).

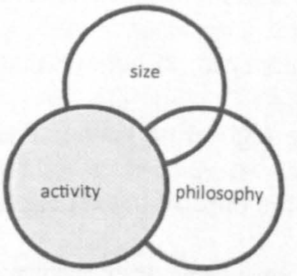
Overall, it is a vague situation in green claims within the small company category in Greece. There is a major communication gap between the companies and the labelling stakeholders. Also at this point especially in Greece there is no policy interference or guidance of any kind and this is obvious in the following quote:

> *"...no there is no cost associated but there should be some regulation that requires us to place this logo. If there is such regulation that obliges us to place these logos we do so, if not...err...***is there any legislation that says that we are required to put these logos***?..." (Small size company, FMCGs/Toiletries, face to face interview, company owner)*

The situation is less dramatic in the UK but still Type II claims are something small and medium size companies seem to prefer.

However the size of the company is also related to the following initiators- activity and philosophy -which are discussed below.

4.2.1.2. Sector Claim Approach and Company Commercial Activity



In this study *company commercial activity* will indicate whether a company is importing or exporting its products abroad. It was found that this is an important claim initiator and even though it could be discussed in the section exploring external influencers of claims it was felt that having or not having a claim was linked to the activity or exporting or importing which is an internal company fundamental decision. Of course most of the companies mentioned during the interviews that the claim was a 'requirement' from their partners and clients abroad which will be discussed in a following subsection.

Also, in this section the claim approach of the sectors will be discussed in relation to the claim approach of a company. These claim approaches of each sector will also be discussed in the section exploring external influencers. Nevertheless it was felt that some companies mention the 'trend' of the sector as something radically important for their overall claim approach. Meaning that according to the sector claim approach companies have to make beforehand a decision regarding their own claim approach. This is obvious in the Organic product sector or the chemicals sector.

Sector Claim Approach and Relevance

In every industry sector, companies may have to face regulatory pressure and they can select to either be proactive or reactive towards that pressure. This also affects the claim practices. In Greece most of the medium size companies (and several large companies) selling paint based products have a logo on their products. The main driver according to the interviewees is the changing regulation that has been affecting and pressuring the specific sector. Thus, the situation in this sector is changing dramatically. The companies seem to follow two different claim paths. Firstly, there are manufacturers that have been proactive and have eliminated VOCs before the regulation pressured them. Many of these companies have moved towards the EU eco label. They have labelled several of their products as 'ecological'. Furthermore, they have the EMAS in their company and the ISO 14001. All these labels are on their products along with the EU eco label and the VOC label.

The second claim path companies in this sector seem to follow involves logos with green phrases such as 'eco friendly' along with VOC type claims. These companies have not applied for any Type I eco label and link their claims to product characteristics and the environment. Several companies by using a Type II claim state that the product is odourless and thus friendly to the user and the environment (see Appendix 4, Q14).

These companies pose an indirect competition threat to the ones eliminating VOCs and applying for the EU daisy according to one interviewee from the specific sector. This is an opinion shared also by the president of the Hellenic Chemical Industries Association. Therefore, this case reminds the CFC case in the 1980s when CFC free was replaced by 'eco friendly' or 'ecological' claims. This case however, is much more misleading as the VOC label seems to be vague. The regulation specifically sets VOC limits but leaves open the label design. The wording, according to the association should be specific as the regulation dictates. Companies don't seem to apply that according to the interviewees. In both aforementioned cases companies design and show their own version of the VOC logo along with phrases such as 'we are protecting the environment' when the levels of VOCs are not clearly stated. Hence, the VOC label can take multiple forms and be accompanied by various vague and statements and phrases. Many retailers confirmed the above by saying that they were not exactly sure what the VOC means but these VOC related logos are 'good' and they should be included on the packaging. According to these retailers if a company does not have the specific logo the retailer could not stock its products because this would be against the regulation and the retailer could be fined.

When the companies were asked regarding such type of vague labels and especially the VOC label they replied that it is a regulation omission (see Appendix 4, Q15).

This is an opinion that disagrees with the opinion of the association (regarding the regulation). Specifically regarding the limits what was mentioned by the interviewee of the association was that the guidance they offer to their members is clear (see Appendix 4, Q16).

Other than the EU label, the Blue Angel, the NF Environnement as well as the Nordic Swan are labels well known by retailers and popular in the paint market. Finally, a surprising label was the exact B&Q VOC label found on several products in the market. The interviewed retailer confirmed that this is simply because it is an imported product and the logos as well as the packaging remain unchanged.

One interesting case is a company producing colours and paint products listed in a Greek pressure group website under 'ethical consumption'. The producer confirmed during the short telephone interview that not all of the offered products are 'eco friendly'. The pressure group mentioned that there is no financial incentive involved and all of the products have to pass strict tests in order to be displayed on the website. This was the case with other pressure groups in Greece.

Overall, there are indications of a general movement of the sector towards the EU Daisy. The regulation seems to play an important part for labelling decisions in this sector. Nevertheless, there is a communication and claim confusion given that companies who are using Type II claims are claiming to be eco friendly a claim that is also made by companies using Type I eco labels. Overall, in this sector in Greece the situation is changing dramatically. In the UK two companies were interviewed from the specific sector however, they did not include green claims on their products.

Another interesting case is the paint spray aerosols that use the 'CFC free' logo when according to several interviewees in the specific sector there was never an issue with the use of CFCs. This also seems to apply in other product categories such as disposable tableware as will be seen later. The majority –if not all- of the similar products in the sector have a similar logo on them. When the owner of the company was asked about the specific logo the answer was intriguing. The main arguments are that these labels are used in order to inform consumers that the products don't contain CFCs and that the specific claims are used as a selling point. Thus, according to the same manager if/when one producer eliminates the logo then the rest of the companies will follow (see Appendix 4, Q17).

In the disposable tableware section in Greece according to managers of small and medium size companies there is no environmental related pressure. It is interesting however, how companies pick up the regulation pressure that one irrelevant sector receives and incorporate it in their own sector. This is a characteristic of medium and small size companies rather than larger companies.

> *"....a lot of our products come in contact with food so we are pressured in that sector...in the* ***health and safety sector.*** *That's the most important..." (Greek medium size company, FMCGs/ disposable tableware, Quality Dept. Manager justifying the claim 'friendly to the environment logo' on disposable tableware)*

What the view of this sector offered to this study was how external and internal factors may dramatically change and sometimes confuse the market with multiple claims. There are obviously communication gaps in many directions and these result in more claims and confusion. Having said that a similar situation is in the disposable tableware sector where especially in Greece companies make claims related to issues affecting other sectors.

Specific labels may be required by certain retailers in a country. A large UK DIY retailer as well as the Body Shop (recently) have developed their own logos and turned them into industry standards or requirements.

As the social responsibility advisor claimed

> *'...this is a way* ***of encouraging the suppliers*** *and associates towards ethical practices...' (Multinational UK retailer, DIY, Social Responsibility Advisor, telephone interview)*

Furthermore, the industry sector seems to play an important role for the claims practice. The issue of claim relevance to the sector is something that would come up during the interviews. For instance a few UK managers during the interviews mentioned the claims and sector relevance issue.

> *"...If you have a product where the impact is determined by design then I think Type I eco labels addressing the major impact are appropriate. Let me give you an example. For instance Video Recorders..." (UK Multinational company, FMCGs Technical External Relations Manager, telephone interview)*

In summing up, the sector seems to influence the choice of the claim practice in both countries. Most companies seem to be influenced by the sector practice and either adopt the practice, create a similar practice (e.g. company generated claims) or create standards. Very close to this initiator is company exporting and importing activity which will be discussed below.

Commercial Activity

As mentioned in previous sections companies who decide to export their products are in some cases 'pressured' to have a certain type of claim. On the one hand it depends heavily on the market and specifically on "*what consumers want at the time*" and secondly it depends on the demands from the specific sector in the specific country as discussed in the previous subsection.

In the case of the Greek market several interviewed companies had a label (Type I label or Type II claim) only because their client who is based in a foreign market requested that label as discussed above. For several companies this claim issue is detached from the company philosophy and involves clearly the exporting 'requirement'.

The above interviewed Greek companies don't promote the eco labels in Greece and specifically the fact that they have a label. They don't believe that this is important to the local market. This is a view held by a few Greek interviewees.

It was also noticed that in the UK, companies use a different labelling practice for the UK market and a different one for the foreign markets. In the disposable tableware sector and specifically in the plastics sector sales managers were interviewed and claimed that they only use Type II claims when they export their products for instance in France. The managers also claimed that they use no such claims in the UK market and that it is the first time eco labelling was brought up (see Appendix 4, Q18).

In Greece in the same sector managers offer the following main reasons for the CFC free claim on plastic cups. Firstly, companies mention that it is a business client requirement and secondly the claim itself is not a lie per se nevertheless, it is not a sector-relevant claim either (see Appendix 4, Q19).

There are similar cases for the detergent sector in the UK and their exported products in markets such as the Nordic markets where the Nordic labels seem as a market entry requirement. One of the cases that demonstrate the necessity of eco labels in certain foreign markets is the case of a UK multinational and the acquirement of the Nordic Swan as was discussed in the literature review chapter. The Swan was considered as 'compulsory' in order to stock the products on the supermarket shelves of the large retailers. If the companies did not have the logo then their products could not be stocked in the supermarkets. This was one of the cases discussed with the company's manager (see Appendix 4, Q20).

What was also observed in both the Greek and the UK market was the presence of many different foreign certifications such as the USDA and eco labels such as the Nordic Swan. The Nordic swan was found on batteries and the USDA was found on beauty products. Thus, paint products were found having the Blue Angel, aerosols were found having green logos in foreign languages, printing paper was found having the Nordic Swan etc. The companies importing them have made no change on the packaging of these products and in many cases had no idea regarding the actual meaning of the claim.

It is worth mentioning that the ISO standard seems to disapprove of the appearance of Type I Labels such as the Nordic label in UK or other countries besides the country of origin. Some companies claim that Type I eco labels have value to the counties they were designed for (see Appendix 4, Q21).

The wording is also confusing given that it is similar to the wording of products having Type I eco labels. The manufacturer claimed that their clients need the label on the product (see Appendix 4, Q22).

Many managers from small and medium size companies in the same sector claim that this logo appearance is simply because the environment is 'back in fashion' and a lot of companies in their sector try to take advantage of that (see Appendix 4, Q23).

Several other companies have moved from the CFC logo to translating the recyclability of paper in general as 'ecological product'. Mainly their justification is that this logo is a selling point (see Appendix 4, Q24).

However, there are several Greek companies that are aware of the above fact but insist not to promote their products on recyclability grounds (see Appendix 4, Q25).

There is though a case when foreign customers take Greek companies a step further away from Type II claims by requiring the EU label. This is the case with several **textile companies** that produce 100% cotton underwear (90% organic cotton) and have been awarded the eco label (see Appendix 4, Q26). Nevertheless, managers admit that the label is a requirement for their clients abroad. The same managers also believe that Greek consumers don't really care about eco labels and a Type I label is enough for the foreign market (see Appendix 4, Q27).

In conclusion, it appears that a company belonging in a sector and/ or exporting products in other countries is somehow 'preconditioned' to follow specific claim paths. This appears to be the case for both countries meaning that the factor of a 'country' plays a certain role in the company claim practice. However it is also an external influencer as will be seen later in this chapter.

4.2.1.3. Company Philosophy and Fundamental Values

There are many levels of sustainability integration into a company's philosophy and core values. Overall, a company can base its labelling and claims purely on sustainability grounds, or incorporate sustainability issues in its labelling practice or finally not consider sustainability issues at all. Of course within these three basic classifications there are variations. Furthermore, this internal *initiator* is related to the size of the company and its activity. One example is The Body Shop, a multinational company who is basing its labelling on environmental and ethical issues and who goes beyond eco labelling to setting its own market labelling standards. The size is related to the activity and the sector. This company operates labelling wise in a different manner than a small company in Greece basing its labelling practice on organic certification who will follow the labelling trends of the sector. These labelling choices will be discussed in section 4.2.3. In conclusion the company philosophy along with the market a company is operating are decisive factors for the claim practice (see Appendix 4, Q28).

Specifically, in the UK companies, most managers seemed to be aware of sustainability issues and most of the companies –multinational and large companies- had an environmental, social and/or ethical corporate policy which could be found online. As was mentioned in previous sections this was less the case with small and medium size companies in Greece.

This internal initiator can lead companies to adopt overall three claims practices. Firstly, companies that within their aim and objectives have not included sustainability considerations. Secondly, companies that have a certain degree of consideration for these issues and incorporate them in their activities and finally companies that built their entire strategy upon sustainability issues. These three categories are not strict categories given the interaction of internal and external factors however offer several indications regarding claim practices in both countries.

Thus, in the first case where a company hasn't thought of sustainability issues, fall mainly small companies and several medium size companies and their main objective is to survive and gain a good reputation in the market. Their objective is quality or/and affordable prices. Their clients are mostly local shops. These companies noticed that their competitors place green claims on their products and sometimes considered of using green claims on their own products. These are not companies that have base their philosophy on sustainability.

> *"...yes, so they wash the baby's clothes for the first year of its life and then the baby develops a resistance to all the detergents and they can wash its clothes later on with all the detergents.* ***This is a good company philosophy don't you think?****..."(Greek Medium size company, FMCGs/Detergents, Company Owner, telephone interview regarding 'ecological product')*

In this case green claims are used mostly as a competition and communication tool. In several cases (see second quote below) these companies aren't aware of what an environmental philosophy incorporates.

> *"...no we don't have any* ***(ethical philosophy)...maybe it is early to have one. What do they do exactly?*** *I mean besides recycling what else? We recycle our carton...we place them in a machine and the recycling company collects them..."(Greek Medium size company, FMCGs/Detergents,*

Company Owner, telephone interview regarding 'ecological product')

There is also the case where medium size companies with Type I labels belong in this category of companies since the label is used as a passport to foreign markets. Again it is a case of survival but in a European market level. This is a different case which will indicate the profile of the second company category. Companies that incorporate ethical issues in various degrees in their aim and objectives.

> *"...exactly* ***so there is environmental responsibility from the company anyway.*** *We are also part of the Responsible Care programme...so from there... we believe that no matter what we do as a company if consumers aren't aware and aren't knowledgeable and don't understand when you mention about environmentally and user friendly products then you know...it is a combination...we also think it is a marketing issue..." (Greek medium size company, Chemicals, General manager, telephone interview about CFC claims)*

Specifically, what needs to be answered and is difficult is whether these companies started by an ethical philosophy or the regulation (and/or market) guided them towards that direction. Nevertheless, they state active involvement in sustainability issues (see Appendix 4, Q29).

However, they are changing their eco labelling according to the needs of the market and the policies of their headquarters. Research regarding sustainability issues is an on-going process for some companies (see Appendix 4, Q30).

Finally, there are the companies who claim to base their entire operation and business on ethical issues. In both countries the products of such companies can be found in special 'organic' or 'natural' shops and recently in large retailers. They see labelling as the basic communication tool and they issue leaflets and newsletters in order to effectively communicate their philosophy. After interviewing several of these companies it was clear that there are consumers in the market leaning towards their ethical direction.

"...We believe and we work for a better environment. This affects human health as well. ***We export our products*** *to the US and in many EU countries...they have been successful for the past 20 years!* ***Animal testing and ethical issues are vital for us...*** *" (Multinational, Greek company, FMCGs/toiletries, marketing manager)*

Overall this internal factor initiating labelling practice is important and is less influenced by the external forces or influencers described in the following section.

4.2.2. Encoding Process: The External Influencers

After discussing the internal *initiators* of company claim practices, the external *influencers* will be discussed. Even though the encoding decision process happens internally several external influencing factors affect the final on-pack claim.

From the interviews as well as the market observation the following factors seem to influence the claim practices of companies in both countries but in different ways and levels. These are external factors, criteria or *influencers* as they will be called for the purpose of this study. They seem to influence and are influenced by the green claims practices. The most commonly occurring (during the interviews in both countries and the market observation) external influences are the following ones.

4.2.2.1. Market and Competition

The UK market is affected by sustainability issues according to the interviewed UK managers. Companies appear to adopt a claim practice and are proactive or reactive to the pressure from the market and specifically the competition.

When a company operates into a specific market environment where the competition applies a certain type of labelling then the company is more likely to respond in a similar way. This is obvious from the similarity of the green claims in each sector on a certain time period. For instance 'CFC free' and Type II claims were a common claim practice on deodorants in the late 1980s. Lately the scene has changed and 'CFC free' is not found as frequently on aerosols. The competition as an *influencer* is closely related to the internal *initiator* discussed in the previous section -Sector Claim Approach.

The competition is an external influencer and was mentioned especially by Greek managers. In the UK competition was not mentioned quite often as an important claim influencer. Managers seem to mention the corporate philosophy and specifically internal initiators rather than the competition. In contrast in Greece managers were clearer regarding the influence of the specific factor in their claim practice.

> *"**we will take them (claims) off when the rest of the companies take them off**...it is a matter of who will do it first" (Greek medium size company, Chemicals, General manager, telephone interview about CFC claims)*

When the weight of the internal initiators is on the company philosophy then it is more likely that the company will operate in a particular market, with a particular claim. The competitors will have similar type of green claims. For instance, Ecover will operate in a market where competitors are using similar type of claims such as Type I eco labels. Overall, the preferred claims in this case seem to be Type I eco labels and certifications such as Fair Trade and the Soil Association.

The other internal initiators such as size and activity also affect the labelling paths when interacting with the competition. For instance, if the competitors of a medium size company operating in a foreign country apply for a certain type of certification or eco label then it is more likely that the company will react in a similar manner. This fact was confirmed by companies in both countries as discussed in the previous sections.

When the weight of the initiator is the company size multinationals and large companies seem to follow particular claim practices and invest in other ways of demonstrating sustainability commitment.

It seems that for some companies green claims is not a solution towards better communication practices whereas other companies try to influence the industry with their own standards. This was the case with a UK large DIY retailer who managed to turn their green VOC logo into an industry standard which influenced the chemicals market. Therefore, companies in the UK are not only affected by competition and the market but in several cases manage to affect the market and the competition.

In conclusion the competition affects the companies in various degrees. However, there are companies that take into account only the competition and adopt the labelling practiced in their market. This 'superficial' claim practice is mainly based on Type II claims. This is the case regarding the confusion created in Greece about the VOC claims (see Appendix 4, Q31).

Overall the competition and the market are important influencing forces regarding eco labelling strategies. This is more obvious in the case of Greece (see Appendix 4, Q32).

In the chemicals sector for example there are specific labelling requirements such as VOC labels, ISO and EU Daisy (or other Type I Labels). These are not only market requirements but also the unwritten rules of competition. Companies in this case, have no choice but to follow the regulation and the industry suggestions and practice. Nonetheless, there are companies in Greece for example who have turned into Type II claims. In the UK in the specific sector eco labels are not as popular.

In summing up, the market and the competition claim practices seem to influence companies.

All companies do not appear to be influenced in the same manner. There are companies who have been proactive regarding their claims and other companies have been relatively passive.

In figure 4.7. as can be seen companies are influenced in a great degree by the market and their competitors.

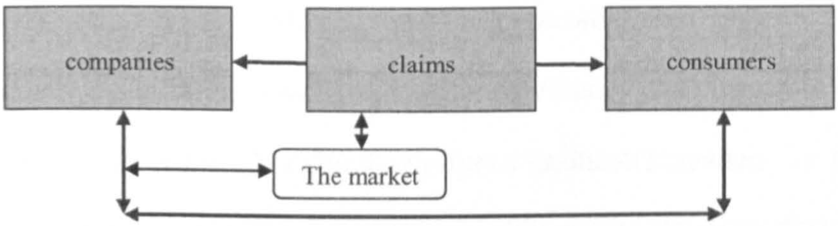


Figure 4.7. Encoding process and external influencers: Market and competition

It should be stressed that the above figure is related to the encoding process. The market as will be discussed later in this chapter influences the decoding process as well.

4.2.2.2. Retailers

As was mentioned in the literature review retailers in some countries such as Sweden can influence the claims in the market. In Sweden for instance retailers required Type I eco labels in order to stock company products in the detergent sectors.

> *"...**Swedish retailers have gone and applied for an eco label for their stores and one of the criteria is that you have to have a certain proportion of eco labelled products on your shelves as well as other things**..."(UK multinational company, Technical External Relations manager, telephone interview)*

This has been causing trade problems in many multinationals as they do not have a choice as to follow specific labelling practices. This labelling requirement can also affect companies within the same country. For instance in the UK there are several companies who have their own standards such as a large UK DIY retailer and The Body Shop. These companies claim to propose specific labelling standards to their business partners.

> *"...that's what I mean it has become...having **developed the logo ourselves,** on our own paint ranges...because obviously we stock our own brand i.e. COMPANY P paint and paint from third party suppliers...but basically we not only require our own products to be labelled with the information that we put on but **we also require our producers,** third party producers you know for D. or C. to put the same label on their paints that they supply to us..." (UK DIY Large Retailer, Social Responsibility Advisor, telephone interview)*

Finally, large retailers in the UK have their own organic and in several cases fair trade range of products. Many of the retailers according to the Soil Association in 2006 (time of interview) were reluctant to place the accredited logo (of the Soil Association) on their organic range. This was also noticed in the market in 2005- 2006 where the Soil Association logo was not on retailers' organic range of products. This fact in the second stage of the study has changed and the specific logo can be found in the majority of the UK products. The above indicates that retailers can not only apply pressure on companies but also on labelling and certification schemes.

Overall, retailers in the UK seem to influence directly or indirectly the green claims of companies. This may happen in the following ways. Firstly, by requesting specific labels on company products; secondly, by applying for labels for their own range of products and negotiating the terms with certification schemes, thirdly by setting standards for their partners and finally by giving importance in greener alternatives (e.g. including a stand or a row for organic and fair trade products).

In contrast, in Greece there is no such indications regarding large retailer labelling requirements (see Appendix 4, Q33, Q34).

Recently however, large retailers in Greece have noticed this increasing demand for organic and 'natural' products and started offering their own range of products in lower prices than the organic products shops. Another important factor is that most large retailers have environmental and social information in their websites but don't require similar information from the companies. Unless there is a specific market trend or need. As one retailer summarised:

> *"...we sell organic products and environmentally friendly products because consumers asked for them. This demand started the past couple of years... must have been a year or so...and we started slowly with some products like carrots, apples and then widen the range. Now we have all the products in an organic alternative.* ***If next year they ask for eco friendly shampoos that what we will sell...****" (Large*

Greek FMCGs Retailer, Store Manager, face to face interview)

As can be seen in the Greek case retailers seem to be driven by the market and by consumer requests rather than the other way around.

In the paint sector the retailers approach is different. The interviewed retailers were strict regarding the products and the labels required by law given that the regulation could affect them as well. Meaning that they could be fined if they were found selling products with no VOC logos (see Appendix 4, Q35).

Retailers collaborate with pressure groups in Greece in order to promote recycling. This is one of the latest popular retailer and company initiatives. Many retailers offer further information regarding recycling, recycling bins and bags etc. In 2006 WWF and a large French retailer in Greece launched a leaflet and a small campaign regarding eco labelling and what each green label means. Therefore, it can be concluded that retailers in Greece seem to be getting more active by initiating and supporting labelling related activities. However, there is no information as to whether they require specific labels or certifications. One of the major Greek retailers that was interviewed mentioned that for organic food the requirement is to have an organic certification.

In Figure 4.8. it can be seen that retailers are influencing both companies and the market and this is more the case of the UK than the case of Greece. In the case of Greece retailers seem to be more influenced by the market and specifically by what consumers demand. They also seem to be less interested in imposing their own labelling requirements.

In summing up, retailers have the power to set standards and influence the labelling practice of companies.

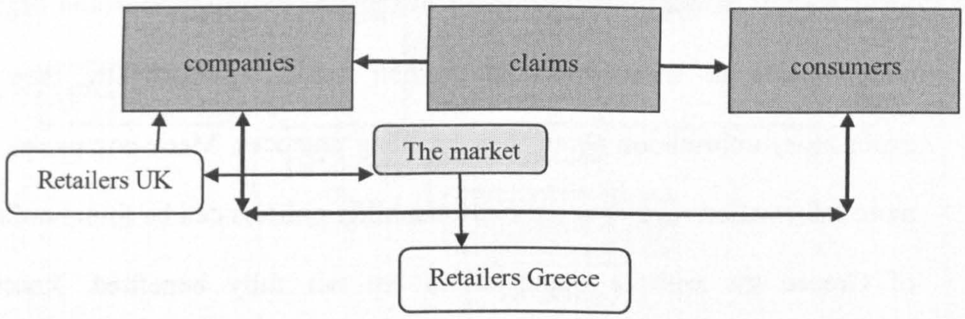


Figure 4.8. Encoding process and external influencers: Retailers

This is more the case of the UK than the case of Greece. However, in Greece the situation is currently changing with the introduction of 'greener' product lines and retailer sustainability related initiatives.

4.2.2.3. Technology and Labelling Schemes

Another stakeholder who influences and appears to be influenced by companies is technology. One direct effect of technology is the availability of alternative 'greener' technologies. These technologies may be used for the production of greener products. Thus in this section technology and certification and labelling schemes will be discussed from the company point of view.

In the UK fourteen companies were contacted via email regarding animal testing claims on several of their products. In the beauty products sector several companies had the specific logo and others did not. Emails were sent to both company categories. The replies mainly included animal testing activity reasoning such as human safety and available technological alternatives. In most cases companies in the UK indicated that they are funding research into alternative ways of testing the ingredients or the finished products. This was not the case with Greece as animal testing logos were mainly found on several organic certified products.

Technology can also assist companies and organisations to communicate their sustainability practices. With the use of the internet companies and organisations can communicate to their stakeholders their values. Additionally they can provide explanatory information about their labelling practices. Many companies indicated that more information regarding their sustainability policies can be found online. In the case of Greece the website opportunities are not fully benefited. Recently however companies include their website address on the products. This was not the case with small and medium size companies in the beginning of the study. Recently there have been some efforts from small companies to operate a web site. Overall though, the available information regarding labelling practices in Greece is limited.

Finally, one of the issues that links technological advances and green claims is the issue of technology lock-in. This was one of the main problems of eco labelling that was discussed in the previous chapter and has influenced large and multinational companies in the UK who are also exporting their products to Europe.

> ***"...and that means that Swedish consumers (because of the eco label requirements) do not benefit from some of the advances that can occur in Western Europe..."***
> *(UK Multinational company, FMCGs/ cleaning products Technical External Relations Manager, telephone interview)*

In Greece only a few manufacturers mentioned technology as a factor influencing their labelling practice. However, there was a discussion regarding the packaging changes according to new available technologies.

In Figure 4.9. it can be seen that technology in the UK is closer to companies who seem to be influence as well as influence technological advances. This effect was mentioned by companies in the UK. In Greece no such effect was noted by companies.

One of the effects of technology in the labelling area is the creation of labelling schemes but also the creation of many process related Type II claims. This effect is discussed below.

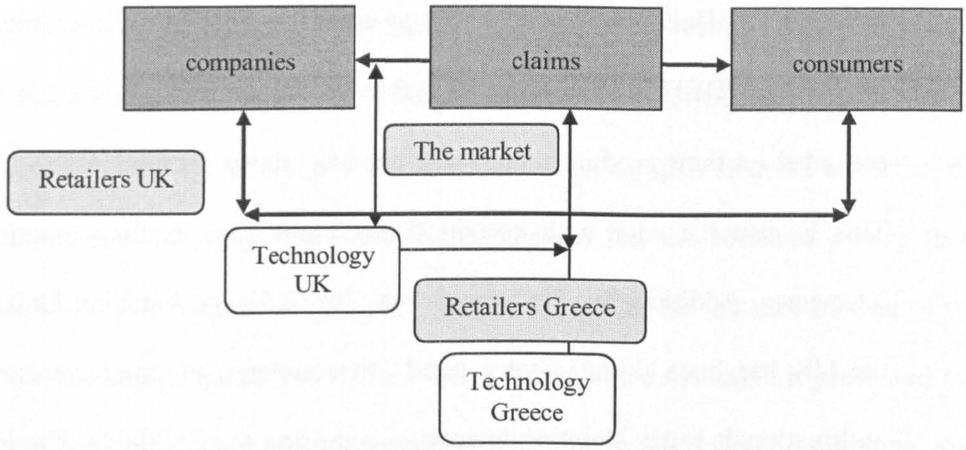


Figure 4.9. Encoding process and external influencers: Technology and Schemes

In summing up, when technology and claim practices interact the following issues can occur:

- technology lock-in,
- interactive communication with stakeholders regarding labelling (e.g. website information and interaction),
- movement towards sustainable technologies (or not)

Technology can affect **claims and schemes**. In the UK there are several certification bodies and there are no national eco labels. The companies in the UK like in Greece use the EU eco label. According to DEFRAs eco labelling unit who is also responsible for the award of the EU eco label, "*there was a big promotion a while ago (year of interview: 2006) in the UK and there are thoughts of promoting it widely in the near future*".

However, the EU eco label is not a very popular eco label in the UK and in the Greek FMCGs market. Nonetheless, the situation is changing in Greece given the currently highly promoted environmental issues.

One explanation of not seeing eco labels on FMCGs is the relevance of the label with the product sector. Additionally, it can be the fact that several companies may actually have the EU Daisy but are reluctant to advertise it or place it on their products. The interviewee (DEFRA) mentioned that these companies do not want to advertise the EU eco label on their products. They just need the daisy for business to business purpose. This is also the case with certain Greek companies as they mentioned during the interviews. Additionally, the interviewee (DEFRAs eco labelling Unit) mentioned that the UK has been doing a very good job compared to other counties and there are multinationals today showing interest in acquiring the EU daisy. The indications in the market of FMCGs are less supportive. However, it should be noted that Type I eco labels are mostly used in other sectors such as white goods rather than in the FMCGs sector. Nevertheless, several of the managers interviewed were less supportive of the eco label (see Appendix 4, Q36).

The reasons as the interviewed managers mentioned vary and for some companies having the EU daisy alone doesn't really mean something. As they claim there are other things that need to go hand in hand with the daisy (see Appendix 4, Q37).

Finally, a few UK small and medium size company managers haven't heard of the EU eco label (or EU Daisy).

> *"...**I have never heard of the EU eco label**..."(Medium size FMCGs/disposable tableware, quality coordinator, telephone interview)*
>
> *"... I don't know the EU daisy..." (UK Animal rights pressure group)*

However, the companies seem to favour certificates such Fair Trade, MSC and FSC. The Soil Association is also a certificate preferred by many companies especially when there are organic products involved.

> *"...**We also display the FSC** with is the timber logo for the Forest Stewardship Council logo alongside that for some of the hard woods we use the TFT tropical forest trust logo so..." (UK Large Retailer, DIY, Social Responsibility Advisor, telephone interview)*

The Soil Association interviewee claimed that consumers recognise their logo more and thus many companies prefer it. The problems a few certification bodies have with companies regarding labelling is the fact that large companies don't advertise the fact that they have the logo. The association disagrees but the companies have that right according to the regulation. Thus, in a large UK retailer for instance instead of the Soil Association logo you can find "UK5" which is how the association is presented on-pack (its number). The association mentioned that this is an issue of branding and that companies follow their own labelling practices. This was the case in the middle of the study. The situation today is entirely different as along with the organic statement the Soil association logo can now be found on final products.

Overall, the available certification bodies seem to gain company preference. What is not clear from the interviews is whether these certifications are created after demand or by the company initiatives. What can be concluded by reviewing the market and interviewing companies is that certification can be initiated by companies, affect companies and be affected by companies.

In Greece certifications and the EU daisy seem to be preferred by companies that base their philosophy on sustainability issues. Type I eco labels seem to be the way to export products in European markets. Finally, this type of labelling affects company practices. As will be discussed later in this chapter the numerous Greek certifying bodies are competing with one another and according to an interviewee from a certifying body *"certification bodies end up lowering their standards and prices due to numerous available competing certifications"*. This consequently makes it easier for producers in Greece to be certified as organic producers. However, these type of certifications and eco labels were found on products competing in a niche greener market. The exception is multinational companies and foreign franchises who seem to 'transfer' or translate their certifications in the Greek market.

In summing up, technology can also affect the labelling schemes and the claims available in the market. There are many Type II claims that are based on the production process or new technologies used. There are many examples in the Greek market where companies state on their products that they have used new 'cleaner' technologies.

4.2.2.4. Media and Culture

As was discussed in the previous chapter the media seem to influence the companies regarding the green claims both indirectly and directly. The direct influence is for example through the report of vague company claims or company practices on the news. A few Greek interviewees claimed that their claim practices are influenced in a great degree by the media action and reaction. Specifically these companies make Type II claims because as a manager stated this "*protects the company from the media*".

> *"...So why have claims? Because we are in danger! From the media like I said before..."(Greek large company, FMCGs/Cleaning Products and Pesticides Chemical and Technical Department Manager, telephone interview)*

In the UK in contrast the media are seen as watchdogs and companies seem not as keen as to make green claims. The media would expose companies in case they made any unsubstantiated claims in the UK.

One incident discussed during the interview with a large DIY retailer is some negative pressed received. The interviewed manager mentioned that the policy of the company regarding the environmental issues started to get proactive when some bad media attacked the company a while ago. It seems that it was one of the starting points for the company's environmental and ethical policies and labelling choices which partly demonstrates the power of the media on company claim practices.

> *"...you can probably say that yeah. It was a result of some media inquiries which resulted in negative press........ yeah it had to do with timber and whether or not it was illegally sourced..." (UK multinational DIY retailer, Social Responsibility Advisor, telephone interview)*

The indirect impact is for example via the promotion of specific issues and problems such as child labour and by sensitizing consumers regarding sustainability issues. In other cases companies see issues promoted by the media as a fashion issue (see Appendix 4, Q38).

Overall, the media are used by NGOs, companies, governmental organisations and the industry and they affect the company environmental claim practices. For instance, Type II claims and especially the CFC free issue on deodorants were the focus of attention in the late 1980s which in turn affected the way companies communicated the specific issue to consumers. Besides the media working as an industry watch dog they can also work in favour of companies. Companies recognise the possibilities the media present regarding the communication of their sustainability related practice.

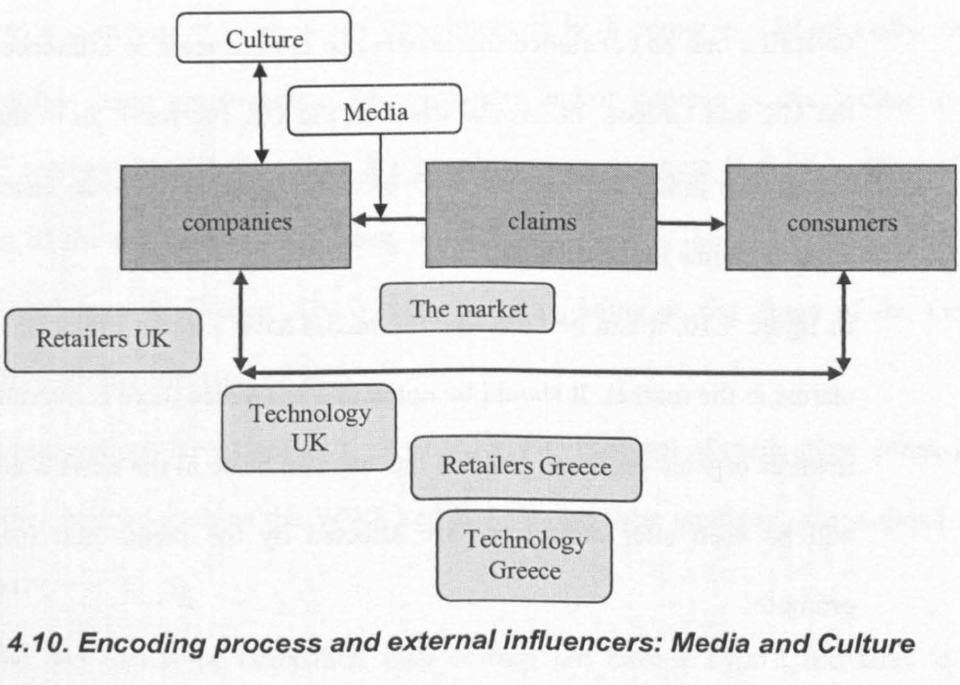


Figure 4.10. Encoding process and external influencers: Media and Culture

Culture is also an important factor affecting the claim practices and this is obvious in the case of Greece and the UK. In the UK animal testing, recycling and other social issues are important to consumers and can affect their choice of products. British consumers mentioned that they expect to find environmental information on aerosols and products that might have been tested on animals. When asked whether they noticed any environmental information prior to the session several consumers said they had noticed claims, mainly related to recycling, animal testing, and CFCs. These issues have been heavily promoted in the past decades by the media as consumers in the UK mentioned. In Greece consumers in the first stage of the research did not seem to be overall affected by environmental and social issues. This was also a view held by companies (see Appendix 4, Q39).

Current research indicates that a considerable number of Greek consumers are starting to incorporate recycling into their lifestyle. As was mentioned in previous sections the media are currently promoting sustainability issues in Greece. Preliminary findings of recent research indicate ecological cues in Greek consumers linking media, recycling and awareness of greener products.

Overall it can be concluded that media and culture seem to influence the claims in both the UK and Greece. In several cases in the UK the result from the pressure is more sustainable practices whereas in Greece the pressure in some cases can increase the Type II claims in the market.

In figure 4.10. it can be seen that the media have a direct effect on companies and the claims in the market. It should be noted that in Greece there is overall a relative mistrust towards organic products and this has been an issue in the news a number of times. As will be seen later consumers are affected by the media and the information they promote.

As for the culture factor it is influencing how companies view the claims in the market and their own response and this was more obvious in the case of Greece than the case of the UK.

4.2.2.5. NGOs

The power of pressure groups and other nongovernmental organisation over company sustainability practices was discussed in the literature review chapter. Companies collaborate with NGOs in several ways. The collaboration can be either supporting and funding of a campaign or a cause, funding research for a sustainable solution to a problem and supporting the organisation.

In both countries products were found having an NGO logo and specifically a logo from WWF or BUAV. Both NGOs were interviewed in the UK.

In Greece, Greenpeace and WWF were interviewed. Even though they don't prefer the word endorsement in the eyes of the consumers it is indeed a powerful endorsement. This was a common view by many consumers in both countries. Additionally, these organisations issue green guides for consumers and/or companies. According to the specific organisations these guides are based on research done in Greece. One of the findings of the organisation according to the interviewee is the recognisability of the Blue Angel logo in Greece. There was no such finding at any stage of the Greek research regarding this type of logo.

These organisations have their own set of criteria and several of them allow companies to use their logos –such as the WWF and BUAV- on their products (see Appendix 4, Q40, Q41).

Also, the fact that some companies may or may not have a Type I eco label is not important for these companies who have their own set of tests and standards.

Companies who have another eco label like a Type I eco label do not seem to play an important role for these organisations.

> *"...It wouldn't make a difference..." (Answer to the question: if Type I eco labels play any kind of role in acquiring the logo - UK, pressure group interview)*

There are a few relatively active pressure groups in Greece and the number of companies supporting their work and collaborating with them for a cause is currently growing. It seems that internal initiators such as size, activity and philosophy don't play a decisive role given that chemical companies are also displaying products on the pressure group websites.

Overall, it was concluded that pressure groups operate as 'labels' themselves with a set of requirements. There are pressure groups that have their own set of strict criteria and others that deny the word certification and prefer the word collaboration and do not see themselves as 'labels'. This generates issues of confusion regarding which groups have their own set of criteria and which do not and which products have been through inspection and which have only supported financially the group (see Appendix 4, Q42).

In the UK consumers acknowledged the role of the pressure groups especially as industry bad practice 'inspectors'. Companies on the other hand did not mention the groups as an influencing factor for their labelling practice. There was a case that was mentioned by an interviewee of the multinational company Y regarding collaboration with an international NGO in order to launch their eco labelled cleaning product in Germany. According to the interviewee consumers were not very influenced by the fact that this product was endorsed by the specific NGO given that the product was a considerable market failure.

Companies in Greece don't seem to mention this pressure group or NGO effect. However, companies seem to acknowledge the lack of active involvement of consumer organisations and associations in the labelling area (see Appendix 4, Q43).

NGOs in Greece are addressed with newsletters to their members only. This was the answer of the consumer protection agency when asked about eco labelling and confusing logos in the market. Companies on the other hand are not reported for any eco labelling or ethical issue and therefore Type II claims are increasing in Greece.

The discussion with the consumer protection agency was an indication that consumption related to eco labelling 'was not a priority' at the time of the interview (2007). Furthermore, in order to report something (a vague or misleading claim) to the association someone has to become a member. In order to receive information about various matters, membership is also required (see Appendix 4, Q44).

Overall, in the UK these organisations are more active and recognised by both consumers and companies than in Greece. Additionally, this different level of involvement the UK organisations have is also recognised by Greek organisations as seen in quote 44 (Appendix 4, Q44.)

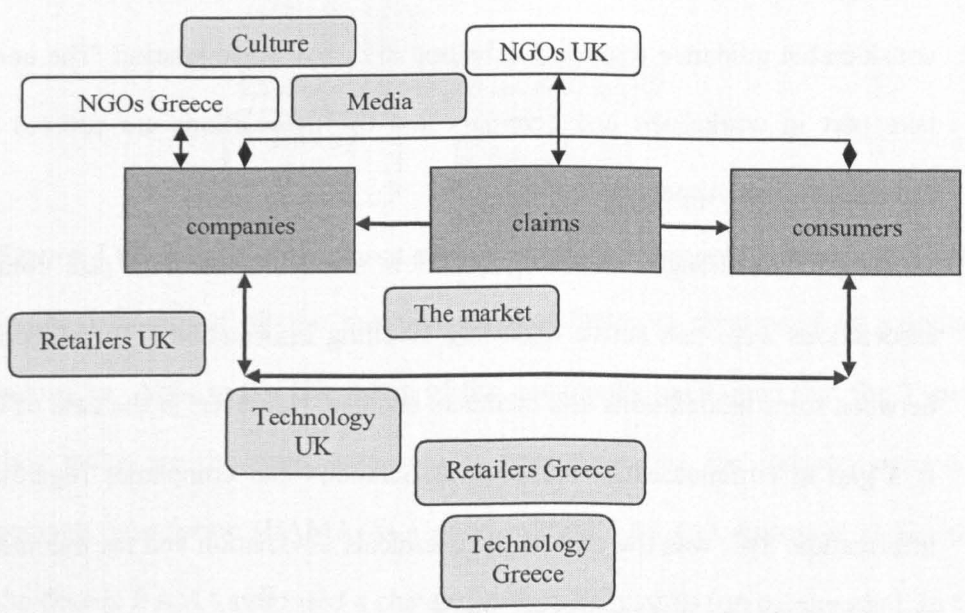


Figure 4.11. Encoding process and external influencers: NGOs

In figure 4.11. NGOs in Greece seem closer to the companies meaning that collaborations and support is something that that is practiced currently. In the UK it seems that NGOs are active in the certification field (e.g. MSC) as well as supporting and/or being supported by companies. However, the difference seems to be the issue of balance as NGOs in the UK seem to be supporting consumers, schemes and companies. There are no such indications for the case of Greece.

4.2.2.6. Industry Associations and Industry Initiatives

The study indicates that the industry associations influence in a considerable degree the green claims made by companies in the UK. In Greece the industry associations are relatively active, however, in many cases companies don't follow their suggestions. There seems to be a communication gap between some associations and their members. This was the case in the chemicals sector where companies did not apply the VOC label according to the suggestions of the relative association and claimed not to have adequate guidance.

After interviewing the Greek chemicals association it was stated that the sector had considerable guidance regarding labelling and relative regulation. The companies can take part in workshops and seminars and the associations are sources for updated information (see Appendix 4, Q45).

In many cases though, according to a few small and medium size companies their associations were less active regarding labelling information. The relationship overall between some associations and members is close. However, in the case of Greece there is a gap in communication between associations and companies regarding labelling information. This was the case of the chemicals association and the members regarding the VOC issue that was mentioned above.

Also the interviewed associations claimed to organise informative workshops in order to change the overall perception that consumers have of the sector.

"...the Hellenic Association or Perfumes and Toiletries known as SBAK ***organises relevant workshops with consumers****. We try to persuade consumers that we are not as terrible and bad as the media think and picture us..." (SBAK, telephone interview)*

In Greece a few small companies do not belong to a certain association and therefore, are not updated regarding labelling requirements and even programmes such as the Green Dot. In many cases owners have to do their own research and find the specific logo from CDs and include it on their products.

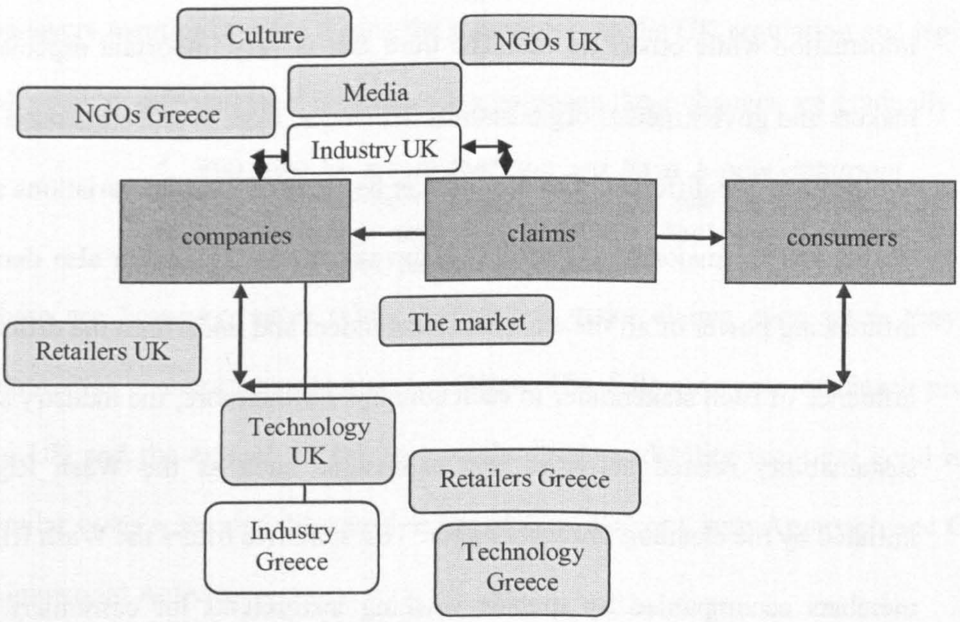


Figure 4.12. Encoding process and external influencers: Industry Associations

In the UK almost all the interviewed manufacturers mentioned an association they belong to. Also, in the UK many of the companies mentioned that the Type II claims they make are the ones suggested as appropriate by the industry association. The aerosols association (BAMA) is a good example. As was discussed earlier throughout the decade BAMA proposed a change on the CFC claims (on deodorants). In Greece the situation as can be seen from the market observation is a bit different given the variety of CFC related claims. The interviewed aerosols association mentioned that most members are importing their products from abroad or are multinationals that simply translate the relevant logo (see Appendix 4, Q46).

Three basic points arising from quote 46 (see Appendix 4, Q46).

Firstly, that there is a perception gap between association and companies. The companies claim that consumers are not aware of the CFCs issue and the association is claiming the exact opposite. Secondly, that there is a difficulty homogenising the available CFC claims in the market due to location of production. Finally, there is the issue of association membership. Some companies (possibly members) get the information while others do not. The third fact is very important especially for policy makers and governmental organisations. However, there is still a question as to why the two markets are different. The UK market has less CFC claim variations and the Greek market has the majority of the CFC claim variations. This point also demonstrates the influencing power of all the external stakeholders and underlines the different degree of influence of each stakeholder in each country. Furthermore, the industry sectors initiate sustainability related activities and campaigns such as the Wash Right campaign initiated by the cleaning products sector. This initiative offers the Wash Right logo to its members accompanied by specific washing instructions for consumers. This as was mentioned in the previous chapter is now replaced by the sustainable cleaning initiative. Recently in the cleaning sector other initiatives have been created such as 'Our Home-Our Planet'.

> *"...yes, so by putting on logos that only few consumers can understand doesn't add any value to the product. So it is best to follow some industry initiatives..." (UK multinational company in Greece, FMCGs/Detergents Regulatory and Technical External Affairs Management, telephone interview)*

In both countries the industry associations and initiatives play an important role for the claim strategies of their members. This however, is more relevant in the case of the UK.

In summing up, and as can also be seen in figure 4.12 there is a communication gap in between certain associations and their members in Greece. In the UK there are no indications of a communication gap.

Therefore, certain associations assist their members and consequently the market by constant advice regarding misleading and irrelevant claims.

4.2.2.7. Regulation, Legislation and Government

The influence of the regulation and governmental organisations was something managers mentioned often during the interviews. In the UK regulation and legislation is followed by managers and if changes are proposed these changes are gradually applied.

> *"...You may be aware that now we have a new detergent regulation which defines how a product will be labelled..." (UK Multinational company, FMCGs Technical External Relations Manager, telephone interview)*

There are however, cases where companies make claims even when they are not required as a sector according to regulation. The following case of bleach products in the UK and the animal testing logo or the biodegradability issue are good examples. Similar cases were also discussed in the section: Sector Claim Approach and Company Commercial Activity.

The companies especially the ones who don't believe in Type II claims demonstrate their concern for this type of company labelling practice (see Appendix 4, Q47).

Several companies used logos such as 'harmful to the environment' as required by regulation and when they were asked they mentioned that they have to provide all the information to consumers so they can make an informed choice.

> *"...however, it is our responsibility to put the information (Harmful to the Environment) that will help the consumer make the choice. If then they decide that they do not wish to buy that product...err...we provided them with the information they require..."(UK, multinational DIY retailer, Social Responsibility Advisor, telephone interview)*

All manufacturers in both countries mentioned the regulation as a factor influencing their labelling and/or environmental practices. Overall, the companies are aware of the changes in regulation and especially when and how these changes affect their labelling practice (see Appendix 4, Q48).

There seem to be overall three company patterns in both countries. The first one involves companies who are proactive to regulatory pressure and change. This is a more proactive type of claim practice. Companies in this category base their labelling practice on a planned and proactive labelling communication practice (see Appendix 4, Q49, Q50).

The second one is the reactive position. Companies in this category in both countries react to the regulation changes and set as a target the regulation deadlines. Labelling for these companies usually indicates basic regulation requirements. An example of this case is the paint industry and the VOC logos. In many cases companies create Type II claims.

> *"...in our industrial products and our detergents what we care about is the number and percentages of several damaging to the environmental and to human health active agents...ingredients. These numbers are required by law to include ..." (German multinational in Greece, FMCGs/ Toiletries, Marketing Manager and Total Quality Department Manager, teleconference)*

Finally, there are companies who are reactive but generate Type II claims before any substantial change has taken place at a company level. This is a more passive position. Companies in this category seem to consider claims somehow irrelevant with the regulation pressure. These companies seem to follow and adopt claims available in the market.

> *"...**Green DOD? What's that**? That's something that I hear for the first time...are there rights for using the logo?? because in theory...in practice I don't know...I am troubled now...because this is an international label. It is as if you are required to pay in order to put the "flammable" logo. I don't know...I wasn't aware of that. I will research the matter*

more..." (Greek small size company, FMCGs/Toiletries Greek Owner having the Green Dot label on the products)

Furthermore, companies in Greece felt that the government is responsible for the lack of active involvement in environmental issues.

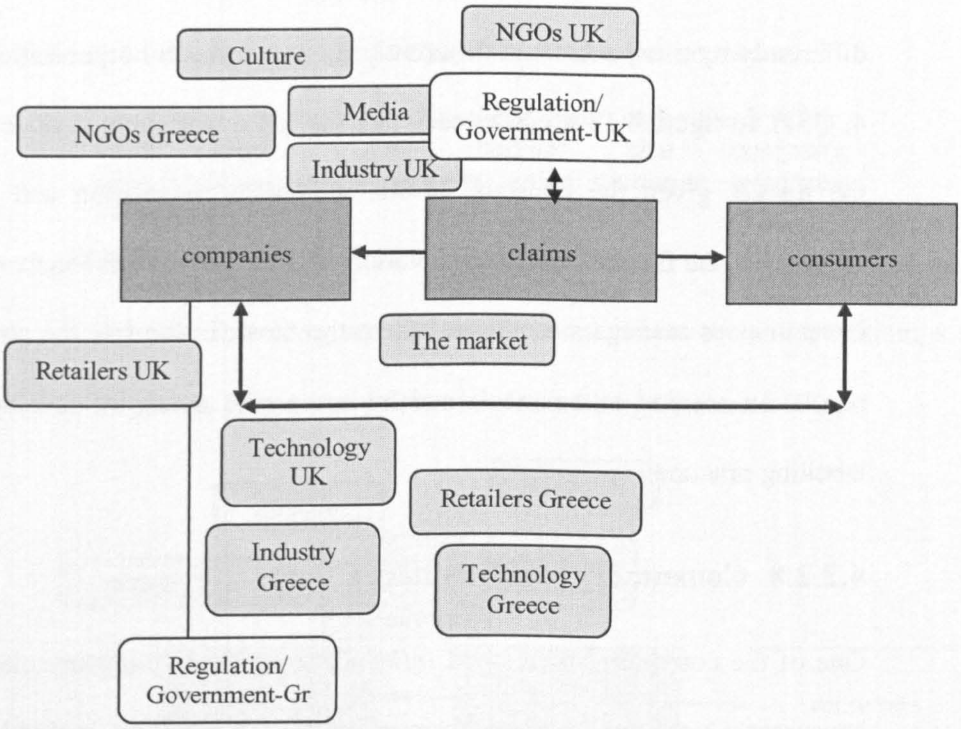


Figure 4.13. Encoding process and external influencers: Regulation and Government

Thus, the government, the local authorities and municipalities were in some cases blamed for the unseen results of the millions of euro paid by companies for recycling purposes and programmes.

> *"...Furthermore, **governmental organisations are responsible too**...and I haven't heard of any kind of move from their part and I am informed and I participate to anything relevant...even this famous Green Dot on the products and which in Athens doesn't really work ...and I am informed and knowledgeable –being part of the Hellenic Recycling Company- have so many questions about how this works! And imagine that Brand f is paying 30.000 euro per year for this programme without taking anything back! So all this money that should be going to the programme and to communication strategies...so you can really take advantage of this system...**unfortunately nothing is happening**! ...' (German multinational in Greece, FMCGs/*

Toiletries, Marketing Manager and Total Quality Department Manager, teleconference)

Another issue troubling several companies in Greece is the different decoding process of the same legislation by companies and by legal authorities. There seem to be a communication gap in this area. Meaning that the same regulation/legislation is decoded differently by companies and differently by governmental organisations (see Appendix 4, Q51). In figure 4.13 it can be seen that the UK government is close to the 'claims' in the market given the constant advise, guidelines, legislation and pressure towards companies. In Greece the EU regulation and EU Directives seem to influence more companies as managers mentioned them the most. In the UK the government and the regulation seemed to be mentioned by companies as an influencing factor for their labelling practice.

4.2.2.8. Consumers and Business Clients

One of the commonly mentioned *influencers* regarding company claim practice is the consumer. Consumers are also business clients but the focus in this section is the final consumer. Additionally consumers could be included in the discussion above about the 'market' as an influencer. However the importance of this external influencer needs to be discussed separately even if overlaps appear.

In the following section there be a discussion in detail about consumer perceptions of company claims. In this section consumers will be discussed from the company point of view and specifically if and how companies consider consumers when they make claim decisions.

As was discussed in the previous chapter according to companies there is a gap between what consumers claim and how consumers behave in the market and managers realise that fact (see Appendix 4, Q52).

However, large and multinational companies in both countries acknowledge the need **for consumer** information and state that consumers do care about labelling and greener products (see Appendix 4, Q53).

In both countries according to several interviewees from small and medium size companies consumers **don't contact them regarding labelling issues**.

> *"…nobody has asked us about our green logos the 5 years I work here…" (UK medium size company, FMCGs/Disposable tableware, sales manager, telephone interview)*

In the case of Greece the majority of the companies claimed that this is the first enquiry they receive regarding labelling and the environment. There are similar findings from the Greek focus groups where consumers claim something similar.

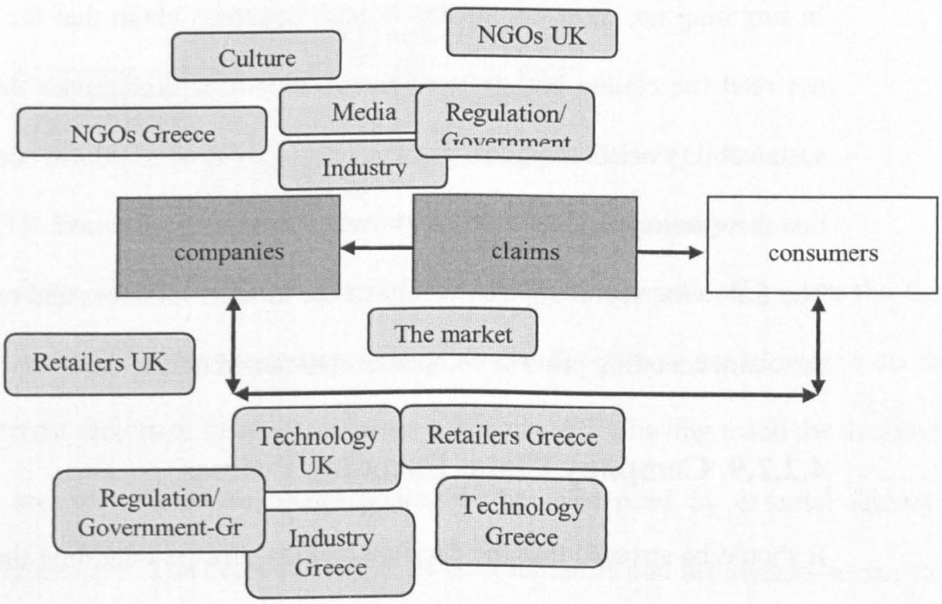


Figure 4.14. Encoding process and external influencers: B2C and B2B

However, the situation is different in business to business communication as was mentioned in previous sections and specifically when the consumer is a business client. In both countries interviewees acknowledged the labelling needs of their **business clients**.

Additionally, there are companies that **avoid advertising** or publicising their labelling practice and especially their eco labels to final consumers. This is also noted by the DEFRA eco labelling unit.

When it comes to the final consumer UK multinational companies try to find the best way to communicate their messages. According to the companies this is not always done via labelling.

In figure 4.14. consumers in both countries seem to be a factor that companies consider when selecting a claim approach. However, this consideration is less influential or even indirect than other factors that seem to influence the claims decision making process in a greater degree.

In summing up, most companies in both countries claim that the final consumer does not read the claims but some of them –mostly multinationals and companies with a sustainability oriented philosophy- feel that they need to inform consumers regardless of that fact (see Appendix 4, Q54).

The following section is a summary of the internal initiators and external influencers of the claim encoding process companies mentioned during the interviews.

4.2.2.9. Company Claim Encoding Process

It should be stressed that the decision making process regarding the labelling practice is different for every company and in many cases for each product.

Also, it is important to mention that not all factors (internal or external) were mentioned by the companies as influencing. Meaning that some companies mentioned the government as influencing their claims and other companies mentioned consumers.

And finally, it should be noted that the differentiation between internal and external was done by companies (without the classification as internal/external) when they mentioned the basic driving factor for making a decision to label their products. Thus, companies seem to relate labelling decision with the fact that they are small companies and the cost of greener production is high, or that it is part of their philosophy or part of a business agreement. The company patterns (from the mentioned factors) led to the *internal initiator* classification.

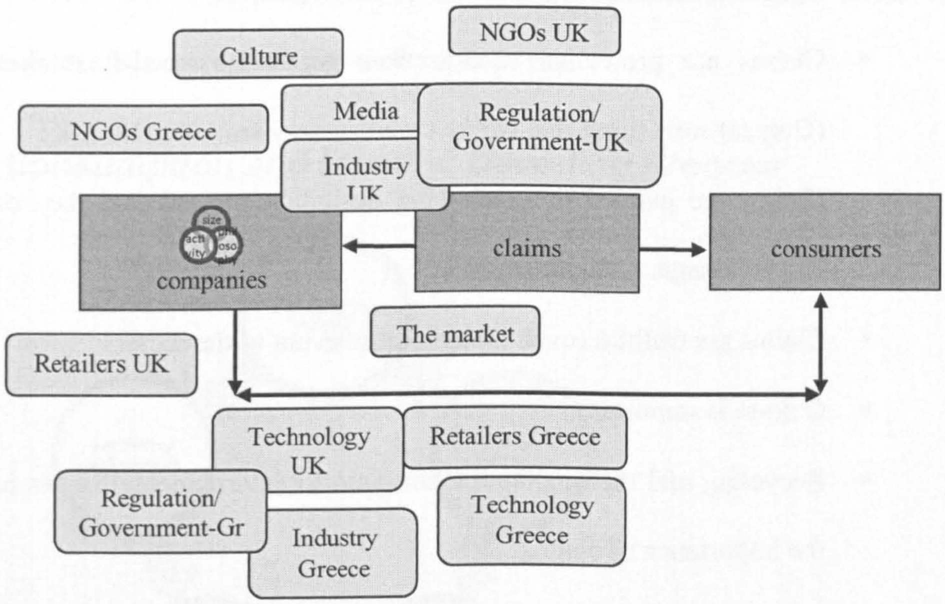


Figure 4.15. Encoding process; internal and external influencers

From the above discussion about *internal initiators* and *external influencers* the figure 4.15. was drawn. The companies appear to relate the decision or not to make a claim in certain internal factors or *internal initiators* of claims. After having made the decision to enter the area of claims companies appear to be influenced by external factors or *external influencers*. The degree of effect of both initiators and influencers seems to be different in the two countries. The main influencers are the regulation, the media, culture, available certifications and technologies, the retailers, the NGOs, the industry and the market (both consumers and competitors).

4.2.3. Summary and Company Perceptions

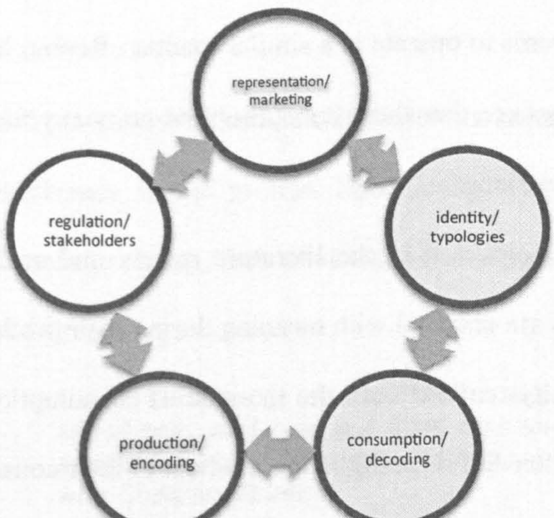
In summing up, from section 4.2. Production and Representation the companies seem to have the following perceptions of claims which are:

- Claims will create a mess in the market;
- Claims are a good selling point;
- Claims are part of the marketing plan;
- Claims are backed up by either of the following: research, regulation, associations, alliances, available eco labels or certifications;
- Claims are protective shields from regulation, media, market and consumers (Greece) something that works the other way around in the UK;
- Claims are part of the packaging designing process and they can be altered –in colour, image, content, wording;
- Claims are truthful (even though not relevant to the sector);
- Culture is important;
- Recycling and the media attention paid to environmental issues has been elevating the importance of claims;
- Competition is a factor elevating or eliminating claims;
- Retailers have been less influential on the final company claim practice than other stakeholders in Greece;
- Clients have been a major factors pushing towards making claims;
- The end consumer cares more about price, quality and performance;
- Price, image and performance are more important factors than sustainability claims;
- Associations and consumer organisations are active (UK) and not highly active (in Greece);
- Regulation is a problem;
- We have no guidance;
- Claims are in fashion;
- We protect the environment;

- We are not the ones damaging the environment;

In addition, it seems that companies make claim decisions and decode like consumers and many perceptions companies hold are similar to the perceptions consumers express. Finally, like in the case of consumers companies have ecological cues. Thus, many interviewees while discussing about claims made references and comparisons to other environmentally related activities such as recycling.

4.3. Consumption and Identity: Decoding Process



A great number of companies as was discussed above encode their sustainability considerations via on-pack claims. Companies state that the on-pack claims are a way of communicating company practices and considerations. Additionally, companies mentioned that these logos are mainly addressed to consumers and to business clients. From the above research findings one issue that keeps coming up is the issue of company identity. Specifically, the identity companies wish or do not wish to have. There were companies who linked their practice purely on product quality and price grounds and other companies who linked their practice to environmental considerations. Phrases like '*who we are*', '*what we care about is*', '*what we want to show is*', '*our promise to consumers*', '*our corporate philosophy*' may indicate desired and non desired company identities. The above phrases were connected by the companies to their on-pack claims. Thus, is can be concluded that one way of communicating the company's identity is by making (or not) claims. It should be stressed that what is meant by 'identity' is the 'greener' character of a company. A similar notion is also valid for consumers. As Moisander and Pesonen (2002) state green consumption is not only the means for constructing the identity that consumers seek to have, but also as a means whereby consumers reject a given subjectivity or deny the identity that they do not want to have. The relationship between companies, consumers and claims regarding the issue of identity seems to operate in a similar manner. Research into both consumers and companies demonstrate that these consumer and company identity questions have degrees, levels and variations.

Additionally, as was mentioned in the literature review and as Du Gay et al (1997) argue although objects are encoded with meaning during their production, the process of production is never fully realized until the moment of consumption. Meaning, that the green claims acquire their full meaning in the moment of their consumption.

4.3.1. Consumer Segmentation

In this study consumer segmentation variables were not a research focus. It should be stressed that what was required from consumers in order to participate in this study was to be regular shoppers of FMCG goods. This was a requirement given that consumers within the groups would share their actual shopping stories and routine.

Nevertheless, as was discussed in the methodology chapter the focus groups were designed in such a way as to facilitate discussion as well as observing larger groups sharing a similar demographic profile (such as age group and family status).

The quoting system used has provided information regarding the group composition. Therefore, direct links between quotes of consumer perceptions and factors such as gender and age group can be drawn. Again, it should be stressed that demographic variables were not the focus of this study. The purpose was to discover and discuss actual claim stories from the consumer-shopper point of view.

It was found that consumers who had a family (children or grandchildren) were more sensitive towards environmental issues than younger consumers. Also, both young male and female consumers became more environmentally sensitive when the issue of future generations (their children) crossed their mind. Thus, phrases such as "*but we won't be here in 100 years*" were in some cases followed by "*however, our children, or our children's children will be…*".

As this study is a cross cultural study, **cultural variables** did seem to be coming up as discussion themes in the groups. Specifically, Greek consumers were linking their perceptions of the claims, their environmental consciousness and ecological knowledge to their culture in a negative way.

> *"...In Greece it is difficult because we are not sensitised...and I do not think that anyone will start doing something now..."(Dimitris, All Male married or co-habiting with Children, Greece)*

On the other hand UK consumers mentioned that they were not <u>as</u> ecologically sensitized as consumers in other countries such as Sweden or Germany.

> *"...in certain parts of Europe, I think Scandinavia, they are far more advanced than we are...(consumer n. 2 interrupts and adds) and Germany!..." (Richard, Male-Female, married or co-habiting with Children under 16 at home, UK)*

Also in Greece the green claims discussion and many of the on-pack claims were something new to consumers. It seemed that consumers in both countries were 'discovering' green claims on the displayed products but the UK consumers had previous examples and stories to share regarding green claims. Finally, consumers in both countries in the end of the discussion expressed interest and general frustration regarding the available claims in the market and the lack of relative information.

Overall, culture is a factor that seems to be mentioned by consumes in both countries and connected to the lack of (or limited availability of) information, knowledge, sensitization and education.

> *"...we are not supplied with information are we?..."(Phillip, Male-Female married or co-habiting with Children under 16 at home, UK)*

> *"...anyway...I don't seem to understand all these logos...we are not educated..."(Nicole, Male-Female married or co-habiting with Children under 16 at home, UK)*

Another variable that seemed to be coming up often during the discussions was the issue of **'ecological cues'** and specifically recycling. The issue of ecological cues was also found in the company part of the research. There were times when the discussion would drift from claim perceptions to recycling practice or problems, something that was also noticed in company discussions especially in Greece.

> *"...we are 7 people and we all say, "it is good to protect the environment" and we say, "we want environmental information on the products"! But who recycles? No one!..."(Eleni, Male and Female Empty Nesters, Greece)*

> *"...Because there are people that do not even know what recycling is and that's what I believe...I have never seen a recycling campaign in Greece..." (Christina, All Female Single/Married/Co-habiting, Greece)*

In both countries most consumers did not believe that they could **make a difference** simply as individuals but they could make a difference organized as a group. There were however, consumers who believed in their power to change undesirable market situations.

Factors such as **PCE** and **PBC** were not looked into in great detail but consumers' behavior and perceived effectiveness seem to entail recycling activities rather than labelling searching decisions.

> *"...I believe that the responsibility consumers have is recycling the products when they are done using them..." (Pandelis, All male Single/married/co-habiting, pre family, Greece)*

Finally, consumers expressed in many occasions feelings such as frustration, sensitivity, feeling good **sentiments** and overall most of the interviewees were expressing themselves in a rather intensive way (sometimes positive and sometimes negative). This was concluded from their opinions, stories, their vocabulary, their body language and their expressed interest after the discussion. There are indications from the group discussions that these **feelings** may under certain circumstances motivate label recognition or even label searching. For instance as will be seen in the following section strong feelings about animal testing make certain consumers look for the appropriate logo. Similarly, consumers sensitized about child labor or social issues may look for a fair trade logo and finally consumers with environmental and or health concerns may search for 'greener' brands or the organic certification logo.

These reactions were held on the A4 discussion sheet (see methodology chapter) along with the group transcription and were analyzed along with consumers' stories.

4.3.2. Decoding Process: Consumers Perceptions

In this section the findings from the study regarding consumer perceptions of company claims will be discussed. The following sections are in a specific order according to the discussion agenda. Consumers were encouraged to share their shopping stories in the beginning of the discussion. Later they were asked about their shopping priorities and finally, they were presented the products (with and without claims) and asked for comments.

4.3.2.1. Claim Search, Awareness and Consideration

In this section consumer shopping priorities, claim search, claim awareness and claim considerations will be discussed. This section involves consumer perceptions before presenting products and the on-pack claims. This was done in order to assess whether claims were part of the shopping stories.

For UK consumers environmental considerations while shopping for FMCGs were not a main priority. What seems important for UK consumers are, the product price ("*value for money*" e.g. special offers "*buy one get one free*"), brand name (especially for toiletries and personal care products) and product quality (effectiveness). Consumers initially did not mention any kind of environmental consideration when they shop for household or personal care products. Older female consumers with children and empty nesters are interested in a good product price and also in the product appearance and presentation (e.g. aesthetics, packaging, smell). Male consumers in similar age groups look at price and personal satisfaction from the products and are less keen to switch brands.

Environmental considerations do not influence the shopping decisions of Greek consumers. A few consumers who claimed to check for environmental information on products they later admitted that having environmental information or not would not encourage them or prevent them from buying a product. Greek consumers seek good product quality when they go shopping for FMCGs. It seems that advertising, especially adverts on TV, influences their shopping decisions in a great degree. When they were asked about their shopping priorities advertising and brand name came up frequently. Price is also a priority especially for cleaning products and always in conjunction with good quality.

Therefore, in both countries price and quality as well as brand and aesthetics seem to be important to consumers. After the above factors, and in some cases in combination with the above factors, come environmental considerations.

The majority of the consumers did not mention environmental information on FMCGs as a main shopping priority. There were a few consumers especially in the UK who mentioned 'animal testing' logos as a requirement when they shop for beauty products (face cream and cleansers). In most discussion groups the researcher had to ask whether consumers checked for environmental information on products or not. The answer overall is that they do not check for information. Nevertheless, many consumers in the UK were aware of claims. They shared their stories regarding some occasions when they bought a fair trade labelled product. This was not the case with Greek consumers. Even though Greek consumers have noticed environmental information related to the ozone on several products (without having any further knowledge), overall the issue of claims for the majority was a totally new experience,

> *"'PRODUCT V in particular which I am holding right now is a product I always buy for my husband. I know he enjoys the smell and the value. However it's the first time I notice the logo..."(Timi, All Female Single/Married/Co-habiting, pre family Greece)*

Therefore, the recognition and awareness rate of claims in Greece is very low. In the UK it is considerably higher as consumer shared their stories about how and where they have seen claims before the discussion. The main sources of information as will be discussed in detail later are the media.

As for claim consideration a few consumers seem to consider claims dealing with a specific problems such as animal testing or fair trade. In these cases claim awareness and consideration was higher. The UK consumers mentioned that they expect to find environmental information on aerosols and products that might have been tested on animals.

> *"I would see if the product is tested on animals before I even buy it..."(Melanie, All Female Single/Married/Co-habiting, pre family, UK)*

But generally the environmental benefits are overlooked in both countries.

*"...**the product is something that you need**" (Peter, All Male married or co-habiting with Children, UK)*

"I noticed that the majority of the products mention some sort of environmental information...I do not believe that you should judge a product from having or not that sort of information..."(Katerina, All Female Single/Married/Co-habiting, pre family Greece)

In summing up, in both countries consumers were not fully aware of the claims and when they were aware and considered them it regarded specific issues and problems such as animal testing. In Greece the level of search and awareness of claims is very low.

4.3.2.2. Claim Reaction, Knowledge and Understanding

In the previous section consumer shopping priorities, consumer claim awareness and considerations were discussed. The focus was consumer stories and overall consumer claim considerations before displaying the products. In this section the research focused on consumer reaction, knowledge and understanding of claims presented during the groups. This was a way of offering consumers the opportunity to link their previously narrated stories and experiences with specific product claims presented at this phase of the discussion.

Additionally, a very important if not the most important aspect of the focus group discussions in this research is the witnessing of consumer reactions to the presented product claims. When consumers started looking at the products, the claims were almost the last thing they noticed. The researcher in many cases had to draw the attention of the group to product claims given the low claim awareness. Thus, when the attention of the group during the session *was* drawn to environmental information displayed on products, only a few consumers expressed a preference towards 'environmentally friendlier' products when they had the 'distinguishable' choice between two products,

"...If it was like same price for the two products and this was 'environmentally friendly' and this was not...then I would buy

the 'environmentally friendly' one...especially with 'tested on animals'... with a big sign saying 'this is tested on animals' I would not buy it..."(Sally, All Female Single/Married/Co-habiting, pre family UK)

A small percentage of young male consumers mentioned that environmental information concerns women more than men,

*"...this one says "it does not contain agents that damage the ozone layer"...**I know women go for that stuff** but I don't because...**I won't be here!** You know what I mean! I think women by nature see things differently than men who just go pass the product take it off the shelf and there we go...because all you think is "I don't want to be in here too long" (Jack, All Male empty nesters, UK)*

However in general terms and in both countries,

"...none of us look for this kind of information..." (Alan All Male Single/married/co-habiting, pre-family, UK)

Claim reaction seems to be linked to claim knowledge given that consumer seem to react positively towards claims they understand and are knowledgeable about such as 'animal testing' or 'packaging recyclability'. However, knowledge of claims (both existence and actual meaning) is overall low in both countries.

Overall, in the UK consumers viewed many claims with suspicion and disbelieve. Whereas in Greece, consumers seemed to have just discovered product claims. The environment was mentioned a couple of times as a consideration in Greece but related to the packaging of the product especially when the product is a detergent (eco-friendly packaging, less packaging). Other claims such as animal testing claims occasionally came up during the discussion but were not mentioned in the start of the discussion as a shopping story. This was the case with both countries.

"...I check whether the product is tested on animals or not...and I prefer products that are not..."(Christina, All Female Single/Married/Co-habiting, pre family Greece)

Nevertheless, a number of consumers in both countries stated that maybe they should start looking for product claims next time they go shopping. This indicates that something during the discussion triggered their interest or curiosity.

It should be stressed that the above reaction and opinion about claims and claim searching was expressed in the initial phase of the discussion. Meaning that the discussion had not moved into the ISO Type of claims. Specifically, several consumers who in the beginning of the discussion claimed to be willing to look for information on products at the end of the discussion felt differently. Suspicion and confusion as well as disbelief characterised their final statements. On the other hand there was a considerable number of consumers who at the end of the discussion claimed that they will be looking at on-pack claims in a more critical manner. Overall in both countries consumers expressed interest in claims made by companies. At this point what seems important for further research is to be able to perform discussion groups with the same consumers after a certain period of time. This could provide useful information regarding the movement in claim searching process. This would be very useful in the case of Greece where major changes are currently happening in the market. This also will add a new dimension to the focus group methodology.

4.3.2.3. Claim Source and Claim Purpose Perceptions

At this point of the discussion consumers have become familiar with the displayed products and the claims. The agenda at this phase discussed initial consumer reaction regarding the source of the claims. It should be stressed that initial consumer reactions for various explored issues changed at the end of the discussions (and in some cases more than once). Even though consumers were aware of the fact that the on-pack claims were different from product to product an initial consumer perception regarding the source of the claims (meaning who is placing the claims on the products) was that these claims were required by the government and by the relative regulation. At the end of the discussions many consumers seemed to change their mind especially after having listened to other consumers. In particular, many consumers stated at the end of the discussions that these claims were made by companies.

Regarding the claim source perceptions young UK consumers especially male consumers seem to be confused as to whether the claims are regulated or not. They are uncertain about their opinion and they keep asking one another.

Nevertheless, the majority of the UK consumers concluded that companies may be the ones responsible for the on-pack claims but overall consumers were not sure as to who is responsible for placing the claims.

Something similar to the UK confusion regarding the claim source happened in Greece where consumers seemed to change their minds throughout the discussion about who is behind the claims. In the beginning of the discussions consumers stated that the government was responsible for the claims only to decide at the end of the discussions that it is the companies who make the claims.

Overall Greek consumers believe that the claims come from the government and from governmental organisations. The majority though stated that they were not sure.

But what seems to be common in consumer concluding opinions in both countries is the question of information and control. Meaning that consumers felt uninformed regarding the source of the claims as well as the existence or not of a relative inspection body.

When UK consumers were asked about the purpose for the on-pack claims they concluded that it is way to boost product sales or product image. Also consumers seem to point out the target market which was in many cases mentioned as the environmental lobby.

A lot of young Greek consumers viewed the green claims as, a means of consumer information, sensitisation, and a way to sell the products. Older consumers believe that claims are on products in order to mislead and confuse them. The issue of culture kept coming up during the Greek discussions (see Appendix 4, Q55).

What was also concluded is the identification of the possibly target market for the claims. Consumers mentioned that these claims and practice would appeal to "*those people who care*", "*the environmental lobby*", "*the environmentalists*" or even to consumers in other countries who seem more environmentally sensitised. By making these associations consumers excluded themselves from the 'green/er' consumer identity. This is an important finding for the specific time period (beginning of the 2000s) and is an issue that will be researched in the future in order to explore this identity 'distancing' of consumers in that specific time from the 'greener segment'.

4.3.2.4. Claim Perceptions: The ISO Type of Claims

This part of the focus group agenda included the discussion about specific on-pack claims. Additionally, there was a discussion regarding the case of claim absence on some products in contrast to claims presence on other products. This section and discussion phase was broken down in three major parts. The first part is the perceptions of Type I eco labels, the second part is the perceptions of Type II claims and the third part is about Type III declarations. In the UK as well as in Greece the discussion started however, with Type II claims given that especially in Greece consumers were not familiar with claims.

<u>Type I eco labels UK</u>

The UK consumers' mistrust for the Type II claims seemed to influence less positively their views of Type I labels.

There was however a small preference in favour of the EU Daisy but with several considerations and comments as to the association of the specific logo design with the underlined environmental benefits of the product. Some consumers mentioned that the Daisy reminds them of the 'flower power' movement in the 1960s and 1970s. The opinion widely held even in this category of claims was mainly the *"lack of awareness"* of such claims.

After discussing amongst them they concluded that the EU logo is an environmental award. Several consumers saw it as something positive since it was more '*official*' than the Type II claims that had upset them, while others expressed a wish to have a more global organisation to control and award claims.

Overall, the view of an award coming from the EU was positive (only when backed up with education and awareness about such award).

When it came to other Type I eco labels displayed on UK products consumers expressed confusion and mistrust given that they could not relate the design (e.g. the Nordic Swan) with environmental benefits.

Hence Type I labels are negatively affected by Type II claims. However, Type I labels are a bit higher in the level of consumer trust of claims (viewed as '*more official*') but the level of their awareness and recognition in UK is extremely low. Older consumers said:

> *"they appeal to me as much as any other environmental claim...you know just because I don't know the background behind it, it doesn't mean that I believe it anymore than I believe any other claims..."(Paul, Male-Female married or co-habiting with Children under 16 at home, UK)*

It is worth mentioning that the ISO standard seems to disapprove of the appearance of Type I labels such as the Nordic label in the UK or in other countries besides the country of origin. Almost all consumers linked the 'Nordic label' with highly environmentally educated consumers from Nordic countries.

Type I eco labels Greece

Type I label in Greece at the time of the research were hard to find. There is also lack of Greek environmental norms like the 'NF' in France or the BSA in UK. Greek consumers after discussing Type I labels concluded that the main difference from Type II claims are issues of verification and control. Another difference they came up with was the issue of 'regrouping' environmental issues in a single logo. Several consumers saw this as something positive since it would save them time and 'trouble of reading the products' not to mention diminishing the number of Type II claims. Other consumers viewed Type I labels as a sort of award for the overall company environmental contribution.

While other more sceptic (especially young) consumers saw it as something negative that gives them no environmental information for the products and requested something 'more' than a Type I eco label. From this aspect they seem to support Type II claims as they appeared as more 'talkative' and 'informative'.

A very important issue that upset almost all the older Greek consumers was the fact that there was no Greek Type I eco label and that on a lot of Greek products the Nordic Label could be found (a very confusing fact for them).

> *"...well they should put it in Greek so people can notice it. The housewives are the ones that do the shopping! Another thing that we can notice is that the particular one is a Nordic label...well...what is it doing here in Greece? Why don't we have a Greek one? Doesn't Greece have an opinion on these issues?" (Melpo, All Female Empty Nesters, Greece)*

Nevertheless, Greek consumers were more positive towards Type I eco labels because of the issue of official "*control*". Even though in the beginning they were keen about governmental control towards the end the majority brought up the issue of Greek governmental "*inducement*".

The EU label received more consumer confidence than any other national label. Consumers seem to link the claim with the EURO, which would be -at the time of the study- part of the Greek market.

Greek consumers also had problems relating the design of Type I eco labels with environmental differentiation of the product. They also believe that Type I eco labels are '*attached to the country of origin*".

Consumers that could read and understand English did not understand the images of Type I labels and used their imagination in order to interpret the Nordic Label found on batteries sold in Greece.

All consumers seemed positive towards the idea of "*an independent organisation that controls these claims*" but requested the same symbol or logo in all the countries. They also felt that logos in Greece should have explanations (or words attached) in Greek something that they keep mentioning during the discussion.

Type II claims UK

Type II claims seem to trouble consumers in both countries the most. Most of the claims considered as misleading by guidelines and the ISO Standards were found on many UK and Greek products. This includes claims such as 'environmentally friendly', 'Safe for the environment', 'Ozone Safe', 'Ozone Friendly', 'Recyclable', 'No CFCs', 'biodegradable' etc. As was previously mentioned in Greece there were products will spelling mistakes.

In the UK a lot of consumers believe that there are many 'recycled' or 'recyclable' logos because according to consumers there are "*different levels of recyclability*". It will be interesting to see whether in the UK this perception has changed with the introduction of OPRL logos.

Some of the most frequent Type II claims in UK are:

- 'ecological product', which consumers found vague and ambiguous;
- quantitative (comparative) information on products were seen as something positive especially by Empty Nesters.

Positive comments were given to claims stating detailed environmental information such as a percentage of recyclability (i.e. 100% recyclable). However, female consumers saw 'recycled' products as lower in quality. When they were asked if they buy recycled tissue paper they replied that they would never do so. Older women shared a similar view. Men don't seem to have a problem with recycled tissue paper if the paper is of a good quality.

Claims with pictures of the earth, trees, rivers, green colours and animals were presumed to be environmentally friendly in the beginning of the discussions, but overall caused doubt and suspicion. This was due to the fact that nature images were not always accompanied by related information and consumers begun to have doubts.

The claim 'not tested on animals' was viewed somehow as a 'must have' but claims such as '*product not tested on animals but it is likely that ingredients will have been tested at sometime in the past*' created a general disappointment and mistrust for the claim.

Women were more sensitive towards animal testing and claimed that they base several of their purchase decisions on the specific claim.

'Ozone friendly', 'ecological product', 'earth friendly', 'environmentally safe' were claims found on UK products that along with an image (e.g. a butterfly) claimed environmentally differentiation. However, the mentioned claims were viewed as vague, misleading and source of mistrust, suspicion and confusion. This like in many other cases was towards the end of the discussion about Type II claims.

Consumers were also confused as to whether some Type II claims were referring to the packaging or to the product itself.

Dolphin friendly was a claim that almost all UK consumers were familiar with. Especially women claimed to look for the specific claim. The main justification they offered for checking the claim was that the issue was given a lot of attention by the media a while ago. Dolphin Safe and Dolphin Friendly are very popular on UK tuna products. Still a small percentage of young male consumers seemed confused with the particular claim.

Other packaging information (i.e. codes and numbers) along with the environmental information seemed to confuse older consumers.

The Green Dot and the Mobius Loop created some confusion. The most prevalent view of both the logos was that the 'packaging' is recyclable.

Empty Nesters did not know what the 'Green Dot' was, some mentioned that it might mean "*recyclable content...*"

There is an ongoing debate as to whether include or not the CFC Free claim on the products and especially on aerosols. CFCs were banned in the early 1990s. Consumer groups pressure manufacturers not to display the 'CFC Free' claim on their products. Manufacturers come back with answers such as "*consumers want this information, they still believe that the aerosols are sources or CFCs*".

The results from this research suggest that 'CFC Free' claim creates a lot of confusion to consumers. It is noticed that even though consumers who were aware of the CFC ban in the early 1990s, tend to be confused as to whether all the aerosol manufacturers have complied with the regulation or not.

The two of the three views demonstrate consumer lack of updated information regarding CFCs. Another issue that was stressed was the replacement of CFCs since consumers believe that the gas that has replaced CFCs is also harmful and will be "exposed" years later as something damaging to the ozone layer.

Overall UK consumers believe that these type of claims are *"way too many"* and also *"too vague and irrelevant"* and finally *"need to be standardised"*.

The overall confusion and mistrust Type II claims created a negative domino effect on other logos and eco labels.

> *"and how we would know that the recycling sign is true? What makes it different than all the other "CFC Free" signs and "eco-friendly" signs?" (Sally, All Female married or co-habiting with Children under 16 at home)*

Type II claims Greece

Technical claims issues were more important to Greek consumers. Meaning that consumers were upset by the use of a foreign language, by the wording of the claims and by the design of the logo. Wording of some claims 'we work for a better world' along with 'it does not contain agents that are considered to damage the ozone' created confusion and frustration to consumers in Greece (see Appendix 4, Q56).

Problems were also created with the wording of several cleaning products that had: 'among other ingredients it also contains…'

> *"…that seems bad as an introduction…it rings a bell that* ***something suspicious is happening****. It would be better if they kept quiet about it…" (Dimitirs, All Male married or co-habiting with Children, Greece)*

The CFC free claim can be found on aerosol and non-aerosol products, on plastic cups, and on cleaning sponges. The most common reaction was trying to translate in Greek the claim (always found written in English) only to end up not being able to do so.

Young consumers were not aware of what CFCs are but could imagine by translating the claims from English to Greek that CFCs must harm the environment.

> *"...**CFCs it means Care Friendly**... of something..." (Euis, (All Male married or co-habiting with Children, Greece)*
>
> *"yeah, maybe something that has to do with the **plastic packaging?** I think that maybe we can get an idea from the shape of the logo, but it doesn't ring a bell..." (Christina, All Female married or co-habiting with Children under 16 at home)*
>
> *"...yes! And the other one...how do they call it...err...the one guys that has no C N...what you call those...**CNF?**..."(Nikos, All Male married or co-habiting with Children, Greece)*
>
> *"...no one does Dimitra! **We don't know their scientific English vocabulary!** We don't even know the scientific Greek vocabulary...!!!" (Ioanna, All Female Empty Nesters, Greece)*
>
> *"...**we don't know what it does not contain that harms the ozone!!** We don't know!!!..." (Dimitra, All Female Empty Nesters, Greece)*

After the discussion of CFCs and the fact that consumers were not aware of their actual meaning the researcher asked about the 'No CFGs' claim. Consumers started asking each other only to conclude that it is another scientific term they are not aware about.

In the mind of Greek consumers both the Green Dot and the Mobius Loop have the same meaning.

Another issue that kept coming up was the issue of recycling. Several consumers claimed that they recycle. Others claimed that they want to but there are no facilities and minimum governmental initiative. Several consumers also mentioned that their children are encouraged to recycle at school but still the issue of non-accessible (or even available) recycling bins kept coming up.

The claims 'Ozon free' and 'Ozone safe' on sponge created confusion. The majority of the respondents simply tried to translate the particular claims. The other problem they found was linking the claims to the products. They could not understand how a sponge could harm the environment and what was the link between a sponge and the ozone. This underlines the importance of the claim relevance to the product and the sector. The most common answers were that the product is safe and it is not "*from the ozone*", or that "*...companies did not use agents that damage the ozone layer...*"or that "*the water that it absorbs...and it doesn't get toxic?*". Consumers questioned each other whether these products are meant to be consumed by scientists. This finding underlines the argument against providing too much scientific information consumers.

The 'Ozone Friently' claim was found with a spelling mistake and only young consumers had the knowledge of the English language and could distinguish the typing mistake, while all consumers viewed the 'ozone friendly' claim as vague or scientific. Overall, consumers became upset.

Dolphin safe related claims can be found on Greek tuna and received the most unexpected consumer justifications. The most common ones were that the product is not from dolphins or from illegal fishing.

Consumers' perceptions of animal testing related claims were also unexpected. The most prevalent view was that products not tested on animals are actually dangerous for human beings. After talking about the claim consumers said that they will be careful from that point on not to prefer products with the particular logo. Especially surprised were female older consumers.

> *"on this one it even shows an animal!!!" (All Female Empty Nesters, Greece)*
>
> *"oh...does this mean that other products are tested on animals? This is the first time I hear it!" (All Female Empty Nesters, Greece)*
>
> *"it sounds like a bad product...if I read something like that I would not buy the product" (All Female Empty Nesters, Greece)*
>
> *"oh...it is dangerous..."(All Female Empty Nesters, Greece)*

"yes it is...since it was never tested on animals..."(All Female Empty Nesters, Greece)

Only a couple of younger Greek consumers claimed never to buy products that are actually tested on animals. It is noteworthy that it was hard to find products holding the particular claim in Greece.

Overall a consumer summed up everyone's feeling by saying,

*"...let's say that on Brand E **I don't find that the 5 or 6 logos you said are the problem.** If there are 5 or 6 let them be...I don't mind but this product hasn't got any sort of **environmental identity** even if it had 100 logos...they mean nothing!"*

From the above quote there are indications that consumers may become more critical of claims once they encounter many different claims on products.

Type III declarations UK

UK Consumers did not hold strong opinions about the Type III declarations, which consist of quantified product information based on life cycle impacts in line with the ISO Standards. Of course this type of claims was not found on FMCGs. However it would be interesting to explore consumer understanding of this type of claims. Nevertheless, consumers had already suggested during the discussion about Type II claims a similar type of labelling (see Appendix 4, Q57).

When they were shown a leaflet of a product based on the Type III declaration they came with positive comments and offered their own examples and stories.

***"...I mean they get stricter on emissions so they should start working the same idea with the products..."** (Scott, All male Single/married/co-habiting, pre family, UK)*

But another view that was also widely held and indicates the labelling relevance to the sector was that cars can never be environmentally friendly.

Type III declarations – Greece

It was a challenge introducing Type III declarations to Greek consumers given that consumers had just discovered on-pack labelling. The researcher distributed the same image of a PLC like in the UK. The most common reactions were that this involved the recycling process. Consumers were not willing to analyse each stage of the PLC and in several cases they felt uncomfortable and complained for their lack of knowledge.

All consumers were positive about having information about all the product life cycle. However, two categories of consumers can be distinguished.

The first category is comprised mainly of younger consumers that actually have suggestions about the Type III declarations and view Type III declarations as something feasible. The second one has trouble seeing Type III declarations on FMCGs. The common suggestion in the first case was some sort of rating scale.

It is very surprising that the **first reaction** toward a claim that included the PLC seemed *"unfeasible" and "difficult"* by young consumers. However after taking away the picture of the PLC and towards the end of the discussions when the moderator asked about *"the ideal claim"* almost all suggestions by young consumers included a sort of Type III declaration (see Appendix 4, Q58, Q59).

The second category of consumers had problems seeing Type III declarations mainly for the following reasons:

- Too complicated for the consumer;
- Impossible to represent on a product;
- Companies do not want to either give that information or pay attention to all the PLC;
- It requires a level of knowledge.

Finally, they all requested a label that was the same internationally, if possible, that would show the level of environmental performance of a product (with numbers or different size) but in each country attached with information (as little as possible) in the local language.

Overall, consumers at the end of the discussions claimed that they need something more than just a picture on the products.

During the discussion about each ISO type of claim consumers presented problems (obstacles of claims), made associations and links (for instance claims associated with recycling activity and expensive organic products) and finally, made connections to other stakeholders (such as the media, consumer organisations and governments).

4.3.2.5. Claim Searching Obstacles

In both countries certain issues made the discussions challenging. These involved practical issues such as claim visibility, readability and language. These main obstacles have important implications for both countries. For instance, in Greece the claims are in a foreign language and thus any claim found in the Greek language was viewed in a positive way.

Specifically, empty nesters that could read a claim and understand its meaning were so excited that they would say, "*good! I understand that! Bravo! that's a good claim" (All Female Empty Nesters, Greece)*.

The claims on certain products are too small. The issue of claim visibility came up in both countries especially with empty nester groups. The researcher had asked the participants to bring and put on their glasses but even then they had problems finding and reading the claims.

A lot of participants (especially Empty Nesters) could not read the claims. Not only because the letters were tiny but also because they had not learned how to read. This is a very sensitive issue in Greece.

Another issue was the level of information and the vocabulary used by companies. Therefore a claim such as, 'does not contain agents that damage the ozone layer' was something too scientific for some empty nesters (when someone else read it).

> *"...**you have to put on a good pair of binoculars and hire a good translator in Greece**...!"(Melpo, All Female Empty Nesters, Greece)*

One of the areas that have received much attention as was previously discussed is the issue of price and whether consumers are willing to pay a higher price for greener alternatives. The findings seem to be inconsistent. In this study it was found that a small number of consumers mentioned that they would pay more,

> *"...but the nation as a whole has cried out for these things and manufacturers have been provided them...but I think they have to bring the prices down..." (Sally, All Female married or co-habiting with Children under 16 at home, UK)*

Younger consumers in the UK seem to mention price as the main barrier towards eco-friendly shopping.

> *"...yeah...and your choice goes down to "the trees or your bank account"..." (Dan, All Male Single/married/co-habiting, pre-family, UK)*

Older consumers seem to share the above view.

The main reasons given by UK consumers for 'not checking' the products they buy were: trusting the brand for not being harmful, believing that that the claims are somehow regulated and lack of time for reading and looking for claims.

Mostly, though the main reason seems to be the fact that they don't think of reading the environmental information on the products.

> *"I mean to be honest, before I come here* ***I had no idea, I have never ever thought about it..."****(Scott, All Male Single/married/co-habiting, pre-family, UK)*

But for the majority of the consumers, "*it's not your primary buying concern...*".

In Greece the situation was somehow different since consumers were faced with something they had never noticed before. They mostly discovered green claims on the products during the focus groups. The researcher spent quite a lot of time trying to encourage consumers to acquire a general view of claims.

Greek consumers often accused themselves during the group sessions of "*not being environmentally educated*", "*not being prepared for the sessions*" and "*not being environmentally sensitised*".

In summing up, consumers do not check mainly because as a consumer summed up (for all the groups)

> *"it is not an issue of what I want or like.* ***In order to notice something you have to acknowledge its existence.*** *To know that it is there..."(Louisa, All Female Empty Nesters, Greece)*

4.3.2.6. Claim Associations, Emotions and Ecological Cues

During the discussions consumers in both countries made similar claim associations. Meaning that during the claim discussion consumers kept linking the claims with other activities such as recycling and in many cases associated claims with price. In particular, consumers associated claims with "*expensive organic food*" and "*recycling*".

There were cases when claims were associated with lower quality goods and lower product effectiveness. A lot of consumers seemed to link eco-friendly products to products that are friendly to the human skin and/or health. Also, a few consumers stated that the product must be less harsh to the skin given that it contains less chemicals and it states that it is environmentally friendly.

Another important issue that came up during the discussion especially about Type III declarations was claim relevance of the claims to the product category. Greek consumers expect to find environmental information on aerosols, detergents and *"products that contain harsh chemicals"*. This view was similar to the view held by UK consumers.

Another important association was the effect or the result of a claim. The expressed preference from several consumers towards "environmentally friendlier" products was related to the possibility of harming the environment in a 'visible' way (i.e. 'animal testing') and the visibility of information presenting the product as offering a wider social benefit (i.e. against child labour in third world countries).

The reasoning of the preference towards 'environmentally friendly' products and logos such as 'fair trade' was mainly linked with emotions *"feeling good about it"* doing *"your bit for the environment"* and having a *"clear conscience"*. Thus, even though price as an issue came up quite often consumers seem to be willing to pay a bit more for social issues related to their consumption activities,

> ***"but there is issues like that, that I would pay… I do it because it makes me feel good!…"*** *(Nicole, Male-Female married or co-habiting with Children under 16 at home, UK)*

Finally, consumers associated greener products with cost. Thus many claimed that they consume less or more responsibly due to financial reasons rather than environmental.

4.3.2.7. Consumer Perceptions of Claim Stakeholders

As was discussed in the section regarding the claims encoding process and specifically the external influencers, stakeholders seem to play a vital role in the encoding process. The question of their influence during the decoding process was also one of the topics of discussion during the focus groups. In this section consumers' perceptions of claim stakeholders will be discussed.

Technology and Research

There is a perception though held by consumers that greener alternatives are not as effective as conventional products. In the UK empty nesters and older men and women mentioned the lower quality of eco-friendly products especially cleaning products.

Overall consumers could not trade what products and characteristics they perceived as being high quality with greener products which they characterised often as low quality products.

Governments and Regulation

Governments were often mentioned as a stakeholder who controls and regulates the claims made by companies. Furthermore, consumers in both countries in the beginning of the discussion thought that the claims were placed on the product packaging by the government. In the case of Greece the EU regulation was mentioned more often than the Greek regulation. Consumers in Greece felt that they had no support or information regarding the claims in the market by their government. They also had the perception that the claims are regulated and that any misleading claim in the market would be a reason for a company to be penalised. Initially a similar perception was held by UK consumers. However, after a while and during the discussion they concluded that claims are not as regulated as they initially thought. UK consumers were more positive than Greek consumers towards governmental support and information. Overall, consumers felt that they have no information or guidance by the government.

Market and Competition

The competition was considered as a way of keeping misleading claims out of the market. Consumers believed that company competitors would report untruthful claims. Consumers also felt confused from the market when they focused on claims. Most of the groups concluded that this confusion is rooted to the fact that all companies are making the same sort of claims.

Media

The media were often mentioned as a means of understanding claims and acquire more information. There were cases where consumers mentioned specific TV shows (in the past) and documentaries dealing with companies and their environmental practice.

From all the stakeholders the media was mentioned as the most influential. Consumers recalled a few types of labelling that were promoted by the media. They also believed that companies should produce documentaries with information about the production process. Finally, consumers requested more information about claims and companies through television and radio shows.

> *"they spend millions on TV ads with models and beautiful women doing this and that...why not spend a little more to show us what is the environmental impact of the products during all the stages..."*

NGOs

NGOs and pressure groups were mentioned especially regarding issues of claim verification, company pressure and label accreditation. Pressure groups were also perceived by some consumers as the ones having to deal with the environmental problems.

From the discussions consumers did not seem to mention any kind of support they took from pressure groups. They also felt that NGOs role is to protect the environment rather than inform and guide consumers. In the case of the UK consumers mentioned specific groups such as WWF and Greenpeace. Consumers claimed that they would like to be informed by these groups and furthermore they would like an accreditation scheme by these groups. NGOs are overall perceived as more trustworthy than companies. Nevertheless, none of the consumers mentioned the NGOs as an information source for claims.

Retailers

Retailers were seen as a possible information source in both countries. Especially, as a way to inform consumers about the claims on the products they offer. Some consumers proposed that the retailers should inform them about the meaning of the claims with leaflets and special in shop locations. None of the groups mentioned any kind of support from retailers (information-wise).

Companies

This was a discussion topic with many contradictions. Consumers initially believed that companies place the claims on their products only to conclude that companies are misleading them and they are using claims as a selling point.

Nevertheless, many UK consumers mentioned companies as possible information sources. Consumers discussed about company transparency during the production process as well as advertising their product claims. Advertising was mentioned in many groups as a way of creating awareness and understanding of environmental problems and the associated claims.

They want to trust that the companies are willing to do more than what they are doing for the environment, starting by offering truly eco-friendly products. They also see the manufacturers in a negative way since the majority of the consumers believe that all they want is to make easy profit at the expense of the environment. Additionally the issue of proof and the fact that consumers have no access to information behind the claims was something mentioned quite often in both countries.

*"...**but you have no way proving them wrong**...you are obliged to trust someone...or else..."(Sofia, All Female Empty Nesters, Greece)*

Even though consumers want to trust that the companies are doing something positive for their environmental education, a small reference to the plethora and variety of the claims found on the products during the discussion is enough to make them doubt that something concrete is happening.

Finally, the issue of branding came up and consumers connected brands to greener practice. The Body Shop came up many times during the group discussions as a positive company image. Young female consumers seem to be aware of its image as company opposed to animal testing.

*"I have this Body Shop cream that says, 'against animal testing' but with Body Shop **you just assume** that don't you!" (Melanie, All Female married or co-habiting with Children under 16 at home, UK)*

Greek consumers could not find an environmentally sound company or example but seemed much less critical than British consumers.

Nevertheless companies seem to confuse consumers rather than help them during the decoding process.

In summing up, from all the above stakeholder, the media seem to assist consumers especially with environmental knowledge and awareness. The other stakeholders seem more influential towards companies.

4.3.2.8. Consumer Responsibilities

Only, a few UK consumers were involved in an environmental activity (aside from recycling). Overall, most of the consumers who recycled were UK consumers. In Greece consumers complained that there were no sites for recycling (in 2002) and thus they could not recycle. However, there were a couple of consumers at the time of the interviews who claimed to recycled paper.

Regardless they do admit a bit of responsibility as to the way they use and dispose of the products. Particularly UK consumers mentioned that their consumption and usage activities can have a great environmental impact. In Greece consumers mainly mentioned recycling as their responsibility. Nevertheless, consumers seem to realise that their responsibility goes beyond recycling and purchasing green products.

> *"...well consumers do! Things like for example...**washing in 40 degrees reducing the washing powder**...etc"(Jennifer, All Female married or co-habiting with Children under 16 at home, UK)*

Empty Nesters consume less products for economy reasons (saving money) rather than for environmental reasons. Nevertheless, at the end all UK consumers agree that companies should be held responsible for environmental problems (see Appendix 4, Q60).

Many consumers believe that the consumer suffers the consequences and also even if consumers do their bit for the environment no one will be there to notice (see Appendix 4, Q61).

Greek consumers give themselves great responsibility towards the environment (i.e. they believe that they should recycle). This also can be concluded by the fact that they give a greater degree of importance at the last stage of a product's life cycle.

But at the end of the group discussions, like UK consumers, they transfer the responsibility to manufacturers and the government.

> *"...they have responsibilities because they make these products...what can I do? Not buy the product? But I need it! I have no choice!"(Ntina, Male-Female married or co-habiting with Children under 16 at home, Greece)*

Consumers in both countries realise their responsibilities as individuals but overall believe that companies should be the ones held responsible for the environmental problems and their solutions.

4.3.2.9. Conclusions and Remarks

The main conclusions regarding the opinions consumers in both countries have about ISO type of claims are:

- They all feel that the design of Type I labels is not as successful as the design of Type II claims something very important since a eco label should reflect the environmental superiority of a product.
- UK consumers viewed Type I labels more positively than Type II claims. Many consumers perceived Type I labels in the same way as Type II claims. However, they need to be communicated in a different way so UK consumers can understand them. Consumers raised the issue of a global logo but overall feel 'safer' with a Type I label than with a Type II claim. Overall, Greek consumers preferred Type I labels from Type II claims since consumers would feel safer with an 'official stamp' (as they called Type I labels) but definitely not coming from their government.
- Greek consumers see Type III declarations as something difficult to happen because it requires "*knowledge and access to information*" a view that can easily be explained by the mistrust Greek consumers have towards Greek organisations and control systems as well as by the fact that they are not environmentally educated. However, in both countries consumers suggested this Type III of label without realising that they were discussing about the PLC

- Greek consumers mentioned that they will be more careful from that point and on with what they buy and the claims they look for. Meaning that within the discussion several factors trigger consumer interest.
- In both countries consumers felt tricked, mislead and confused with Type II claims. This sort of label made a lot of consumers especially in Greece welcome Type I labels.
- In both countries consumers realised that they are responsible in all the stages of the PLC for environmental consequences.
- The main problem consumers had with both types of labelling is the issue of label differentiation. When consumers start being philosophical about the entire labelling situation what they require is a sort of grading. At the end of the discussions all consumers request a sort of Type III declaration.

4.4. Conclusions and Main Points

Companies seem to include a wide variety of labels on their product packaging and this was more the case of Greece than the case of the UK. Findings indicate that product packaging is used as a marketing tool for companies and their claims. Furthermore, many companies in the UK backup their packaging claims on their websites and with other means such as information leaflets. In Greece, at the time of the study this was not the case. Recently in Greece companies are using various means such as advertising and other activities in order to demonstrate their sustainability related activities.

Findings at the time of the study indicate that consumers link health labels, social labels and danger related labels with green claims and criticize them in a similar context. Additionally it was found that consumer cannot discriminate between voluntary and mandatory labelling. Overall consumers seemed to be unaware of claims and confused.

The influence of claim stakeholders is more obvious in the encoding rather the decoding process. This was concluded from both the interviews and the focus groups.

The implications of the above findings for marketers, policy makers and other stakeholders will be discussed in chapters 5 and 6.

5. DISCUSSION AND CONTRIBUTION

INTRODUCTION	LITERATURE REVIEW	METHODOLOGY	FINDINGS	DISCUSSION	CONCLUSIONS
• 1.1. Research Problem	• 2.1. Green Claims	• 3.1. Philosophy	• 4.1. Green Claims	**• 5.1. Sustainability claims**	• 6.1. Conclusions
• 1.2. Research Aim	• 2.2. Production	• 3.2. Logic /Form	• 4.2. Production	**• 5.2. Production**	• 6.2. Contributions
• 1.3. Framework	• 2.3. Consumption	• 3.3. Design	• 4.3. Consumption	**• 5.3. Consumption**	• 6.3. Limitations
• 1.4. Definitions	• 2.4. Stakeholders	• 3.4. Methods	• 4.4. Conclusions	**• 5.4. Stakeholders**	
• 1.5. Structure	• 2.5. Conclusions	• 3.5. Summary		**• 5.5. Conclusions**	

In the previous section consumers' perceptions of green claims and company green claims practice were discussed. In Chapter 5 there will be a discussion of the findings as well as a discussion about the theoretical and practical contributions of this study.

This study, instead of classifying claims according to their vagueness or their voluntary or mandatory nature, took a different approach. Claims in this study have been explored from the point of view of companies and through the perceptions of consumers, meaning that the encoding process has been studied from a different viewpoint. The conclusion is that companies in many cases use claims in order to satisfy one or more of their stakeholders. In other cases, companies choose a more sustainable approach. Specifically, what was mentioned by companies was that regulation, philosophy, company action, industry and company initiatives, media and NGO action and reaction, culture, B2C and B2B requirements, company or industry standards and finally, single or multiple issues are influencing their claim practice. Therefore, multiple stakeholders get more actively involved in a company's labelling practice and the promoted issues depicted via claims vary from product to product, in form, language, image, content, affiliations and sustainability suggestions. The company remains responsible for this management of sustainability issues and stakeholders' involvement and opens new ways of on-pack communication.

Also, this study instead of looking at the effects and classifications of claims available in the market according to the ISO categorization, looked at the company claim practice. So instead of classifying the claims according to their voluntary/ mandatory, vague and misleading nature as they exist in the market, this study explored the how and why behind each company practice (thus each type of claim). For instance, studies have shown the misleading nature of company generated claims and the underlying fact that claims are used for marketing reasons (e.g. Kuhre, 1997). This study by exploring the WHY and HOW behind these claims took a more holistic (by exploring stakeholders) and yet claim-specific approach from the company's point of view. What was found and has supported previous studies is that misleading, vague, unsubstantiated claims are still in the market. However, what is not indicated in other studies is the difficulty companies have eliminating these Type II claims. Companies indicate that they are not assisted communication-wise by other stakeholders. Also companies state they are pressured by the market to keep making Type II claims. In the case of Greece several company managers argued that the regulatory bodies misunderstand the labelling regulation and thus 'push' them towards Type II claims. This study indicates a more complex root of the Type II claims problem. This finding of course does not imply that companies are making Type II claims because of external stakeholder pressure and that they have no alternative. This study found that there are choices (or claim paths) companies follow (or can follow) with marketing and policy implications. This process of encoding and decoding claims is discussed in the following sections.

The structure of this section will follow the CCM, as was done in the case of the literature review and the findings chapters.

5.1. From Green Claims to Sustainability Claims

In the literature review chapter there was a discussion of the various definitions of labelling and specifically the ISO classification of claims. Additionally, it was stressed that labelling in related areas such as heath, product information, danger notices (toxic, non toxic, country of origin, ingredients) is gaining importance in the labelling field given their connection with social and ethical issues affecting consumer purchase decisions (such as boycotting specific countries or calculating air miles). These labels were included in the study. Findings at the time of the study indicate that consumers link health labels, social labels and danger related labels with green claims and criticize them in a similar context. However, consumers indicate preference in certain labelling areas such as 'animal testing'.

On the other hand, companies seem to include a wide variety of labels on their product packaging and this was more the case in Greece than it was in the UK. Findings indicate that product packaging is used as a communication tool by companies and their sustainability claims. Furthermore, companies in the UK backup their packaging claims on their websites or/and with other means such as leaflets and educational seminars. This study underlines that Greece has not fully explored other means of information dissemination when it comes to on-pack claims. Nevertheless, there is an increasing use of sustainability claims in the Greek market.

What is concluded from the findings in both countries is that sustainability claims create a synergy between on-pack claims and other means of sustainability marketing communications and also they include and incorporate a wide area of sustainability concerns (health, animal, social, environmental related etc.). This finding which is visible nowadays in the Greek market indicates a new wave of claims called **'sustainability claims'**. These claims resemble the well-known Type II claims, meaning that they are still company generated and sometimes vague, however they indicate some sort of company action and/or fact which may or may not be related to the claim. For instance, as was mentioned in the previous chapter there are claims, mostly Type II ,in the Greek market stating social responsibility (on plastic litter bags) given that a small percentage of the paid price is offered for a social cause. The specific brand offers no information regarding the biodegradability of the product, like most of its competitors, and deals with a specific social issue. Additionally, the logo side by side with the company claim belongs to the supported organisation. Furthermore, in half the product packaging there is a short storyline as to how this animated 'litter-eater' figure as it is called came to earth in order to help reduce litter and transform it into a house for the children and calls on consumers to buy the product in order to support the organisation and in particular build a home for neglected and abandoned children. The company has also advertised its social support and has supported educational recycling initiatives in Athens. This is how the company connected the product with the claim. This specific company has differentiated its claims from the majority of its competitors by stating its social responsibility and by using the product packaging in combination with other marketing communication tools. Therefore, it is making a social claim, backing up the claim with funding of a social cause (generated by the paid price, thus by consumers), supporting an environmental recycling campaign and differentiating itself from the competition who is competing purely on product biodegradability grounds. This is a recent labelling development in Greece and recently (May 2011) a few more companies have followed. One of them is selling chewing gum and advertises on-pack (with wide green letters) that it supports children with cancer. Along with this claim is the portrait of the most popular and famous performer in Greece. This brand is standing side by side with organic chewing gum. This underlines Carlson et al (1993) classification of three types of claims and specifically '**Image orientation**' where the claim associates an organisation with an environmental cause or activity for which there is broad –based public support (e.g. we are committed to preserving our forests). Nevertheless, in the case of litter bags and chewing gums the 'saving children' statement is far from how the company is affecting the environment. The classification of environmental advertisements (not on-pack) by Davis (1993) as '**Monetary grants**' seems to be closer to the claiming practice these companies aim to achieve. Davis (1993) however, mentioned that this practice is more suitable for companies with a negative image such as oil companies. Also, the author studied corporate advertisements rather than on-pack claims. This has important implications in the market given that consumers may prefer the visible social cause over the environmental cause (behind an organic logo). Additionally, competition may feel that they have more to gain by supporting on-pack a cause rather than reorganising their production process in order to produce more sustainable products. Policy makers may at this point interfere and regulate what can be advertised on the product packaging. The packaging is the link between consumers and companies. The packaging may communicate information about the product in order for consumers to make informed choices.

In the UK, another example of this new wave of claims is the Type II claims large and multinational companies use, which are presented as standards (for suppliers and partners). Again this type of claim is a Type II claim, however, the company is backing up the claim and setting it as a standard for current and future collaborations. In the meantime the company is using additional labels such as fair trade and organic labels for its products and in many cases for one product. Therefore, the use of Type I eco labels, Type II claims and certifications may be found on one company product. The company website and the support of NGOs along with other initiatives complement its labelling communication practice. In this case however, the specific company has an ethical business philosophy approach and thus, this strong internal initiator has been an important factor for its labelling practice. In the UK there is a slight indication of the use of labelling as a 'power' game within industries (who will impose labels or make the first move to acquire, replace or remove a label or a standard). In Greece the use of claims is not as industry influential but nonetheless companies compete in similar grounds by the use of Type I eco labels, certifications or Type II claims.

In summing up, the market especially in Greece given that sustainability is practically a new concept for companies, is moving towards new levels of product on-pack labelling. In the following sections definitions and characteristics of sustainability claims will be discussed as well as their differences compared to green claims, environmental claims, and sustainability labels.

5.1.1. Sustainability Claims Characteristics

From green claims that were the focus of guidelines for the past decades to eco labels and the ISO categorization of claims to sustainability labels, today sustainability claims appear to be gaining ground on product packaging. de Boer (2003) stated, labels are not just messages about a product or a service but claims stating that it has particular properties or features. In fact, even the instrument of labelling itself is a claim, as it refers to certain characteristics of the procedure under which the label is awarded (de Boer, 2003). In other words labelling attached to a product may by definition indicate that the product has certain sustainability related characteristics compared to the unlabelled products. This is not the case with some companies who act as 'free riders' in certain schemes such as the Green Dot where they don't pay for the scheme.

The basic characteristics of sustainability claims are the following:

1. **B2B and B2C tools.** This characteristic is more the case of companies exporting their products in foreign markets. From the literature it was shown that eco labels and specifically Type I eco labels can become a trade barrier (Isolda et al, 1997; Wickman, 1999; Galarraga, 2002). This was also stressed as one of the main problems eco labelling is facing worldwide (Wickman, 1999). What was not mentioned in the literature and was found in this study with important market implications is that Type II claims can also be a 'requirement' when exporting products abroad or in several cases marketing products locally.
2. **Competitive advantage tool.** Companies as indicated in the literature review used eco labelling (mainly Type I eco labels and certificates) as a competitive advantage tool (e.g. Markandya, 1997). This is supported by this study. However there are two points worth stressing. Firstly, it was found that even though several companies, in many cases large companies, perceive their eco label or certification as a competitive advantage they do not communicate it to consumers with an on-pack logo. As was mentioned in the previous chapter this may be a 'branding' issue or simply companies acquire the logo for a B2B purpose. This was mostly the case in the UK as confirmed by DEFRAs' LU in mid 2000s. Secondly, companies consider other forms of labelling such as Type II claims as offering a competitive advantage and a selling point. This is something that hasn't been mentioned in the literature.
3. **Sustainability claims perceived as protective 'shields'.** As discussed in the previous chapter a few companies perceive Type II claims as protective shields from the media and from the negative perceptions consumers hold for some issues such as CFC free claims. This resembles the green claims in the market found in the 1980s when companies made vague and misleading claims. This

characteristic is not found in the literature given that companies are mainly interviewed regarding eco labelling. Nevertheless, this also implies a communication gap between companies and regulatory bodies as well as consumers, meaning that companies feel they have to use Type II claims (e.g. CFC free) in order not to be 'attacked' by the media and by negative consumer perceptions. This has important marketing implications given that in many cases the claims are irrelevant to the sector. Marketers have to be careful regarding the claim relevance to their sector otherwise as the findings indicate consumers may be confused. Also, the media will have more substantial reasons to expose the company for misleading claims and this will negatively affect the company image. In summing up, it is best not to have a CFC free claim on plastic cups and be perceived by consumers as not environmentally friendly (an issue which can be arranged with proper company communication) than to be exposed by the media for misleading claims.

4. **Dynamic link and interaction of internal initiators and external influencers.** Sustainability claims are initiated within the company and are generated according to parameters such as company philosophy view of sustainability, company size, company industry, activity and are shaped by the influence of external stakeholders or factors. There are not many studies linking these characteristics as they are linked in this particular study. This is an indication of an overall context of the encoding and decision making process that can be further researched regarding specific internal associations with external influencers and the degree of influence.

5. **They are product, market, country and time specific.** From this study one of the findings worth stressing is the issue of a context of a product. As was

discussed in the literature review there are no green consumers only green purchase decisions. Furthermore, as it as noted in the literature review the same consumer may include green criteria for one purchase and not for another. On a similar note there no green companies only specific 'product claim decisions'. Also, in many cases it was noticed that companies behave as consumers. Thus, a company may include green criteria for one of its products and not for another. This makes it difficult to classify companies according to their labelling practices into the available company classifications or the greening process of their organization. This means that the available typologies cannot be fully applied in the case of specific claim practice. In the following sections there will be a discussion about the typologies available in the literature and the typology found in this study.

6. **They indicate collaboration with other marketing mix elements** which results in many cases in a more complex decision making and in several cases conflicting process (technical department, marketing department, packaging design department and legal department). There haven't been many studies looking at claims internally and from the organizational (decision making) point of view. Labelling and claim practice may be a part of an environmental department or the marketing department. Communicating sustainable production is an important part of sustainability marketing communications. Claims however, should not be vague like in many cases explored in this study. Further research needs to be done in order to clarify the role of labelling within marketing.
7. **They are a mix of sporadic sustainability related concerns in various areas** such as health, social, animal, ethical, regulatory, environmental areas. This is

evident in the case of several brands of beauty products where in a special on-pack product site several irrelevant to the production or product environmental/social issues are mentioned. As was mentioned in the literature Rubik and Frankl (2005) argue whether it will be wise to integrate social, ethical and environmental labels into the same labelling schemes and suggest that this should not be the case at this time. However, this study indicates that companies have found ways to integrate these issues but not into eco labelling schemes but in sustainability claims. The authors (Rubic and Frankl, 2006) foresee relative consumer confusion if these are incorporated in eco label standards as well as overall damage to eco labels and certifications. This was confirmed by this study as it will be seen in the later section discussing consumer perceptions of claims. Additionally, this study supported Crane's (2001) argument that the future integration of ethical messages into mainstream communication channels is posited as the information strategy with perhaps the greatest potential to raise the profile of ethical consumerism. This study found that consumers may integrate ethical criteria (e.g. animal testing) and messages they see from advertisements into their shopping process (e.g. against animal testing labels).

8. **They link the claim with a specific external influencer or factor (e.g. as required by regulation, or support/ supported by an NGO).** In this case the company is stating an involvement, initiative or compliance with regulation which is not a misleading fact but it is also not directly connected to the final product. Company alliances with NGOs and pressure groups is not something new (see Mendelson, 1994; World Wide Fund for Nature, 1993; OECD 2001). As was stated in the literature according to OECD (2001) NGOs have taken a direct role in stimulating market demand for environmentally preferable

products and services by developing their own eco labels as a mechanism to inform consumers on environmentally friendly products. Consumers as noted in many studies (e.g. OECD, 2001) seem to have more confidence in NGOs and pressure groups than in companies. What was found though is that pressure groups in particular may support a company at one time and then withdraw their support. The influence of such behaviour could not be seen in this study as it would require more sets of focus groups periodically in the decade. In other words when does the company's product good status end, literally, and in the eyes of consumers? Another issue is that products from specific companies are endorsed by NGOs (by displaying them on their websites) but it is unknown to what extent this influences consumers' perceptions of other company products.

9. **They indicate company 'power' within an industry.** They are used as an 'industry influencing' tool (e.g. multinationals setting specific labelling standards for their partners, suppliers and/or clients). This is a relatively new practice and it doesn't mean that a company initiates a certification (such as MSC and Unilever) but that a company initiates and imposes (on business partners) an industry claim practice as an industry standard (such as VOCs logos by B&Q). This issue has important implications for certifications and labelling schemes. It seems that companies are now competing with labelling schemes. This practice however is not widely employed in the UK (two multinationals in the UK were found with this practice).
10. **View the issue of 'backing up' and 'substantiation' of green claims in a peripheral rather** than a direct manner. Language is an important element as words link sustainability with companies. The wording used on claims as was explored in the previous chapter is an important element for both consumers and

companies. The wording used can be a source of consumer information as well as consumer confusion. This is a complex issue companies are facing given that consumers still find claims to be confusing and vague. This confirms what Fuller (1999) stated a decade ago about the challenge business is facing regarding message structure and consumer communication needs. There still seems to be an unresolved issue in this area. As was indicated in the points above some companies do back up their claims (they do invest in research or they do fund social causes) but what they seem to back up has nothing to do with their products, packaging or processes.

11. **Shifting the focus from what the product is about to what area of sustainability the company is interested in.** This is also connected to the above points. This is a practice that even though is not new to product packaging, is something increasingly gaining popularity, particularly in Greece. However, company initiatives in the UK in several cases are mentioned on the product packaging as was demonstrated in the previous chapter. The detergents industry is a good example for this practice. Again like in the previous point this practice is reminiscent of corporate advertising claims classifications by Davis (1993). However these claims are on-pack claims rather than corporate advertisements.
12. **Adopt and adapt to claims made by other sectors/industries.** This is becoming one important characteristic of Type II claims found in both markets as companies are making irrelevant but non misleading claims. As was previously discussed many companies have been making claims that are not relevant to their sectors but apply to other sectors and are not untruthful. This is the case with the bleach claiming 'not tested on animals'. Consumers seem to be sensitive towards the specific label and thus these companies gain consumer

preference when it comes to labelling. The literature and specifically the classifications mentioned in the literature do not discuss the use of claims that are irrelevant to the sector.

13. **Elevate the importance of product packaging as a sustainability marketing communication tool.** Whether this 'sustainability theme' expansion of claims is a repetition or a flashback to what green claims were in the 1980s the product packaging is gaining importance as a location of sustainability claims and company marketing communications. The importance of product packaging as a communication tool appears to be growing (Belch and Belch, 1990) and its role as a vehicle for environmental information may prove to be pivotal. Nevertheless, there are many indications from this study that product packaging can be misused by companies in their communications practice. The issue of packaging use and/or misuse has not been the focus of any research to date.

5.1.2. Sustainability Claims: Definition and Differentiation

One point of differentiation of sustainability claims in relation to what green claims have been all along is that companies making the claims (several types of claims from the ones classified in the previous chapter) are in many cases moving towards the otherwise neglected and misunderstood 'green niche market'. By incorporating various sustainability themes companies are not after the 'traditional' green consumer but after the consumer who can include green criteria in the everyday shopping routine. There are indications from the company interviews and the market observation that this market for the time being is not a 'green niche market' but a 'reachable and active market'. Sustainability claims can be the proof.

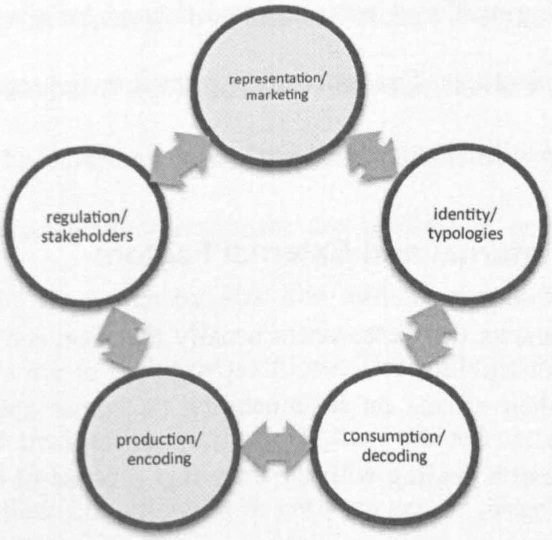
As was seen in the literature review the ISO type of claims and the certifications have been the focus of many studies and definitions. What sustainability claims add is the overall company labelling practice. Therefore, it is not only selecting an eco label versus a certification but the identification of specific sustainability areas and the specific 'claim practice mix'. Meaning, that certain companies identify sustainability or regulatory areas and communicate a company action which even though it is not illegal per se it is shifting the focus from the product to company activity or interest. Additionally, labelling becomes a 'tailor made' practice accommodating current market needs as was mentioned above.

Figure 5.1. The ISO type of claims, certifications and Sustainability Claims

In figure 5.1. the characteristics widened by the sustainability claims which were previously discussed are highlighted in pink color. The non highlighted areas are related to the ISO type of claims and the certifications. Several characteristics have been added to the basic characteristics offered by definitions. The most important characteristic of these claims is that companies are adapting their practice according to market, consumer, media, industry, regulatory, time and competition requirements. Additionally, company image claims are gaining popularity on product packaging. And finally, labelling is becoming a 'status' and 'power' instrument used by companies in certain industries.

In summing up, ***sustainability claims are an important part and the peak of an overall company labelling practice which has been generated by internal company initiators and/or influenced by external influencers and has as a main objective the connection of the company with sustainability via the product packaging.*** This type of labelling practice widens the characteristics of 'traditional' green claims to a wider, flexible, interactive and adaptable type of labelling leading to a **peripheral rather than direct way of labelling.** This has important implications for marketing as well as consumers. In the following section there will be a discussion of the application and/or generation of this type of labelling practice by companies.

5.2. Production and Representation



As was mentioned in the previous chapter the process of production and representation will include the encoding process and the representation of sustainability claims from the companies. Du Gay et al (1997) in their discussion of the culture of production argue that the production process both influences and is influenced by internal and external stakeholders. Therefore they imply an interactive link between the organisation internally and the stakeholders externally. This study supports the above connection between internal and external stakeholders and factors and they will be discussed in more detail in this section.

Furthermore, this study supported the strong influence of culture, by comparing two countries in both the production and the representation process. The use of signs and language are central to the encoding process and specifically to the representation as discussed by Du Gay et al (1997). Companies, however, are not always using advertising for their claims and in this study it was found that companies place more weight on the product packaging rather than on advertising activities (such as leaflets) in order to create the identification between the product and its consumers as indicated by the authors.

In summing up, culture, language and signs have been pivotal factors in this study given that they are underlining preferred meanings and desired /or not company as well as consumer images and identities. The process of production and representation of claims will be discussed in the following sections.

5.2.1. Discussing Internal and External Factors

The literature review shows that researchers usually focus on eco labels, eco labelling and certification and their effects on sustainability, consumer and producer behavior. There is not much research dealing with the encoding process of claims internally and from a company perspective.

However, from the existing studies and especially the company classification area of research several issues can be depicted regarding claims and company characteristics. Additionally, there are references to the **size of the company**, its **philosophy** and their connection to a certain company typology. In other words previous studies have classified companies in a typology and indicated common company characteristics (in each classification). For example Hunt and Auster (1990), classified companies according to the progression of environmental commitment and management responses. One phase is 'the beginner'. The authors then indicate that companies who exhibit a low **financial commitment**, no involvement of top management, no environmental program, poor environmental impact knowledge and are mostly small and **medium sized firms** belong to this classification.

Other classifications and typologies work in a similar manner by portraying specific company profiles and characteristics- such as size or philosophy- according to their greening process. It should be stressed that the initiators and influencers found in this study in many cases are included in the typologies of other studies. This study however, divided basic (basic to labelling and basic company foundations) company characteristics into internal and external.

The company typology by Hunt and Auster (1990), classified companies according to the progression of environmental commitment and management response by making links to the **company size**. Other internal factors such as organisational commitment and top management responses are mentioned as pivotal for this classification. In relation to the company size the authors mentioned that small and medium size companies are in the early positions. The findings from the current study indicate that small and medium size companies have indeed certain difficulties and thus the study supports their classification in early stages of greening. However, even though small and medium size companies mentioned the cost associated with greening the organisation and possibly adopting eco labels or available certifications their main reasoning for making vague, misleading or overall sustainability claims were related to external factors such as clients, media and regulation rather than internal ones such as top management response.

Additionally, the financial status of the company has been often mentioned as an obstacle in responding to the sustainability needs in a more radical manner. The level of **financial commitment** and the company size is also underlined in many available classifications (e.g. Hunt and Auster, 1990; Roome, 1992; Trampa, 1994; Beltz and Schmidt-Riediger, 2010). In these typologies low levels of financial commitment are connected to early stages or 'positions' in the greening or compliance process and classification. In the classification of companies by Beltz and Schmidt-Riediger, (2010) according to their strategic sustainability marketing practice the 'Performers' and the higher ends of company classifications consist of smaller and medium size companies. However, it must be noted that ecological criteria used by companies on their products was a main factor for the classification. Thus 'performers' according to the classification give importance **to ecological criteria** and are usually small companies. The current study supports the classification in relation to labelling and claims made by companies that are influenced by internal factors such sustainability values, the marketing mix and external factors such as possible target market. This means that companies that base their philosophy, core values and labelling policy on sustainability are indeed on the higher ends of the sustainability marketing classification. However, in the 'Passives' category of companies this study adds an exception to the rule given that a few large and multinational companies have been found to be active and create standards and certifications and have been diminishing Type II claims.

Additionally, these companies who constitute a small exception to the rule -larger companies who work towards sustainability marketing communications- have the financial ability to re-evaluate their marketing process. What was also found in the current study is the use of specialised departments and sustainability advisors in the companies that are working towards 'greener' production and sustainability communication. Nonetheless, this study confirms that price and performance are more important for this type of company given their target market.

The encoding process and specifically the internal initiators found in this study can be found in classifications and company typologies encountered in other studies. There are no known studies looking at the company encoding process internally. Studies rather look at the overall company response to sustainability and connect certain factors such as size and philosophy to a specific position in a typology.

As was discussed in the previous chapter external factors such as NGOs and pressure groups, government and regulation, retailers, the market and competition, the media, the available technological advances, and culture have been influential in sustainability claims made by companies.

5.2.2. Encoding Decision Making Process

During the interviews companies justified their on-pack claims and offered information as to how they reach a final claim practice decision. Several companies for example attributed the claim to one external influencer such as consumers and mentioned that the above external influencer led to the selection of the final claim design that was found in a CD (containing various logos). These companies, as was mentioned, are mainly small and medium size companies. Other companies mentioned a process that started a long time ago, involved internal initiators (at that time or later on) and was (and constantly is) influenced by *external influencers*. These two different groups of companies went through a decision making process regarding their final labelling practice. This decision making process (based on the five –stage decision making process, Kotler, 1997) involves the companies who selected to relate themselves to sustainability issues. Nevertheless, the figure 5.2. also indicates a decision making process for those companies who selected not to get involved in the claims area.

The figure 5.2 contains seven stages. The five basic stages of the decision making process and two additional ones. The first one indicates a basic company and philosophy orientation as well as the internal initiators interaction. And a second one which indicates that the process is repeated for the same product in a different country, market, or time.

The first stage involves the internal initiators and a fundamental company decision as to whether it should be linked with sustainability considerations.

If a company proceeds at the second stage it is most likely that a claim decision will be made. There is also a chance that the company will decide not to proceed in the claims area but to remain active (in other ways) in the sustainability area.

The second stage of the process is the problem recognition. At this stage the external influencers play a vital role. Thus, the media, the regulation, consumers and NGOs seem to influence this stage where companies have detected a need for a claim practice as well as a need to deal (via on-pack communication) with a sustainability related problem.

The third stage involves information search from the part of the company. In this stage the external influencers such as technology and available certifications seem to influence the company decision the most.

The fourth stage is the evaluation of information. Companies at this stage seem to have accumulated all the available information regarding the labelling choices and are in the process of evaluation. At this point the internal initiators will play a vital role as they will indicate the most appropriate approach for the company (e.g. according to its philosophy or financial status). The fifth stage involves the adoption of a claim practice (or claim) and finally the sixth and seventh stages involve the results (financial, image, market etc) of the selected labelling practice and the repetition of the process after a specific period of time or for a different place and product.

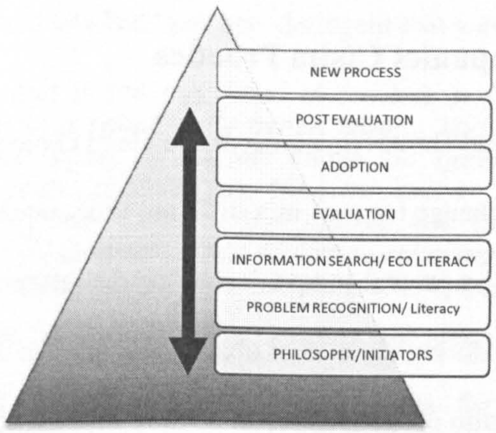


Figure 5.2. The Encoding Decision Making Process

In summing up, companies seem to follow a specific decision making process. However, there are also companies that have decided to distance themselves from a green claims practice. From the above decision making process companies select the following labelling practices.

5.2.3. Companies Claim Practice and Claim Practice Typology

This constant interaction between the discussed external and internal factors leads to the encoding decision making process discussed in the previous section. The claim practices companies end up selecting (after the decision making process) are discussed in this section. These practices were mentioned by the companies that were interviewed and involve only on-pack claims.

From the market study and the interviews it was concluded that companies make the type of claims discussed below. These different types of claims also indicate the external or internal factor that had influenced the final on-pack claim the most. Thus, for instance when a company is mostly affected by regulation will be probably more inclined into selecting a certification or a Type I eco label (such as the chemicals sector and the EU eco label). These choices or sustainability claims as well as a company claim practice typology are discussed below.

5.2.3.1. Companies Claim Practice

As was discussed above companies make claim choices for one or more of their brands and they may change (or not) in a different time, market, country or industry. This fact was confirmed by several companies during the interviews. The following claim choices keep occurring during the market observation and the company interviews. Even though they are not claim classifications in a traditional sense like voluntary/ mandatory, ISO Type I, II and III, or other classifications discussed in the literature review chapter they are stating a company concern, interest and involvement. They link the company with a sustainability oriented issue and these are the following: green brands, Type I and III labels, certifications, NGO standards, Type II claims, campaigns and initiatives, industry association suggestions and guidance, regulation and schemes, a combination approach and no claim.

Green Brand

This option involves mainly companies launching a green brand (such as So Organic by Sainsbury's) or a green product line ('organic certified' retailers product line extensions). This option is related more to the company philosophy initiator, meaning that the company decides whether entering a 'greener' area is something related to their corporate philosophy given that this would include more than a Type II claim.

Companies like Ecover and The Body Shop have selected this direction regarding corporate philosophy and labelling. Furthermore, within this labelling option other options might be incorporated as was mentioned above (e.g. a company can apply for Type I eco label and/or a certification). Multinationals have been hesitant regarding this option given that there have been cases where they have launched a 'green' product line or a 'green' brand and have been unsuccessful. This was the case with a UK multinational and an eco labelled 'greener' detergent that was launched in Germany.

> *"... We had in the past tried to **market in Germany our product in a specifically green label**... and it taught us a lot about trying to market things on green credentials alone...yeah...because it became niche and it took something like 0,8% of the market and frankly it is a commercial disaster..." (UK Multinational company, FMCGs, Technical External Relations Manager, telephone interview)*

The above quote from the manager demonstrates that green consumers are not always willing to trade off convenience and other criteria for a greener product. The aforementioned product was targeting the green segment of consumers however it required some effort (combining products) and consumers were not willing to make the extra effort. Also the company by targeting and trying to lock the product in the green segment paid less attention to what conventional consumers need and invested more on what was perceived by the company as less environmentally damaging.

What also has been an indirect approach to this practice is acquiring green brands. A well-known example is L'Oreal's recent acquisition of The Body Shop.

Large UK retailers and recently large Greek retailers seem keen to select this option. In several major retailers in both countries one can find alternative 'greener' products (retailers' own brand). This was confirmed during the interview with a large Greek retailer who mentioned that "*consumers have asked for greener products and we have offered them*".

Consumers are more receptive towards this practice and they seem to recall green brands and associated green brands with environmentally friendly products. However, there were a number of consumers who connected green brands with expensive prices and also with lower quality and performance. The challenge for marketers using this option is to combine other elements of the marketing mix and promote to consumers their 'greener' products. Consumers suggested advertising, information leaflets, documentaries and purchase effects, meaning that consumers need to be aware of the effects their purchase has on the environment.

The most important implication for policy makers is that in Greece recently many 'green brands' have been launched which seems to be in certain aspects questionable. Entire product lines and brands claim to be eco friendly based on minor improvements and technological innovations (e.g. sponges that can clean without the use of chemicals, or detergents based on natural ingredients). More examples are given in the findings chapter.

Type I and Type III label

Companies may opt to apply for a Type I eco label (or Type III for other sectors such as white goods) for one or more of their products or brands. This would be the case with the use of the EU Daisy logo on tissue paper by a UK retailer (see Appendix 5, Q1).

Multinationals also apply for the EU eco label or other national eco labels such as the Blue Angel or the Nordic Swan when these eco labels are required in order to enter a foreign market such as the Swedish market. Several UK brands have a Type I label in other countries. According to the interviewed manufacturers this is a requirement. DEFRAs' LU who is the body responsible for awarding the EU Daisy in the UK mentioned during the interview that there are many large companies who have shown interest in the EU daisy but haven't applied yet. These manufacturers according to DEFRAs' Eco Labelling Unit, (LU) do not want to promote the fact that they have the eco label on their products. This is against DEFRAs suggestions. The manufacturers want to use the label *for business to business purpose* as DEFRAs LU stated.

Many large paint companies in Greece have Type I labels such as the EU daisy. Other Type I labels can be found in both countries such as the Blue Angel and the Nordic

Swan. Overall the specific path is preferred in Greece rather than in the UK. Still the recognition rate in both countries was extremely low at the time of the focus groups and the interviews.

Certification

Certifications seem to be one of the most popular claim options currently in the UK and in Greece and especially in FMCGs. This option can be selected in three ways. The first way is the initiation of a certification program. With this direction a company has identified a problem and in collaboration with an NGO or a pressure group (or the industry) creates a label. One example is Unilever who joined forces with WWF to find a solution for the rapid decline of the world's fish stocks through over-fishing (WWF, 2010). Together they created the Marine Stewardship Council (MSC) which certifies sustainable fisheries and provide brands with an MSC eco label to use on packaging (Gowland, 2010). The second direction is an indirect labelling decision by supporting certifying bodies. An example is FMCGs producer Unilever who recently funded the farming of 180,000 tonnes of RSPO (Roundtable on Sustainable Palm Oil) certified palm oil and by 2015 all of its palm oil will be sustainable. The third way is to apply for a certification and/or request a certification from suppliers. For instance B&Q announced that they will only buy FSC certified material when seeking tropical hardwood plywood, in line with its progressive procurement policy (B&Q press release 4/09/09).

From the interviewed companies several mentioned the importance of such certifications for their market. Additionally, a few companies mentioned that consumers have requested logos such as Fair Trade or FSC. From the interviewed certifications bodies in Greece (who are increasing in number) it was confirmed that more and more producers seek organic certification.

One of the certification bodies in Greece mentioned that the criteria are different from one inspection body to another. This means that some producers can be awarded an organic certification based on strict control and criteria while others on less strict criteria. This has important implications for the organic products market and for policy makers given that some products have been subject to strict criteria and others have not. Therefore, organic certification bodies in Greece tend to become a profitable 'company' rather than a certifying organisation. In the UK the Soil Association accreditation is the most commonly used for organic products.

NGO Standards or Logo

This claim choice involves NGO and pressure group endorsements, alliances, support, and standards. The role of the NGOs was discussed in the previous section however, this labelling choice is something companies appreciate given the pressure they receive from the media or pressure groups. In both countries there were companies who displayed the pressure group logo on their products or on their websites (see Appendix 5, Q2).

This choice is becoming popular in Greece and many companies support the work of NGOs. What was stressed during the interviews with pressure groups and companies in both countries is the issue of 'strict criteria' and pressure group 'control'. The words 'collaboration' and 'support' were also mentioned by companies.

> *'...**yes, we work with WWF**, that's why you found their logo on our products, but this has now **expired**...'(Greek multinational company, FMCGs/ toiletries, Brand manager, telephone interview)*

Additionally, this choice for the companies means that their brand will be displayed on the pressure group website.

> *"...yes you can ...I can give you the website where you can go and find the companies we work with. It is www. Gocrueltyfree.org. that takes us to our website that has all*

the information you need about the logo. It is an internationally run logo and it has a full list of all the companies that have the logo in the UK, the US and the EU..." (Pressure group, UK)

Overall, this is another claim choice for the companies which in some cases means that they have been inspected and in other cases that they support the work of the group. From the interviewed companies only a small number mentioned such collaboration. A number of the interviewed companies that did mention such collaboration mentioned it in a positive way (for their image) and other interviewed companies mentioned that the NGO support they received made no difference to consumers.

Type II Claim

Companies choosing this labelling direction issue a Type II claim regarding the standards or policies (e.g. 'our suppliers are FSC certified'), the packaging (e.g. 'Recyclable packaging'), the product (e.g. 'Eco friendly'), the company practice or fact (e.g. 'we respect the environment by reducing X substances', or 'not tested on animals) or the company itself (e.g. 'we are committed to protecting the environment').

The following quote is from a company not having an animal related claim which demonstrates how complicated the issue is. This also raises questions for other companies having such claims and how specific their wording is.

> *"...The company has ended animal testing on all our finished consumer products except when required by law...**It's our policy to use the minimum number of animals necessary while working toward our goal of the reduction and replacement of animals...** We treat them as if they're our own pets. They are adopted into loving homes or placed in our retirement facility when their help is no longer needed... we've invested over $190 million in alternatives, making us an industry leader... **we're also working with the FDA** and respected animal welfare groups, such as the Humane Society of the United States, to work on reforming regulations and validating alternative methods..."(American FMCGs multinational company, customer relations, email reply).*

There were companies in the UK who had the 'not animal tested' logo but also information regarding the ingredients and whether they have been tested on animals in the past. There were also companies having the logo on their products even though as a product category it doesn't need to be tested on animals. At this point it was not possible to access the company for an interview. This is a good point for further research given that these irrelevant claims are present in many sectors as was discussed above.

Small and medium size companies were interviewed in both countries regarding their Type II claims. Most companies stated that consumers or their business clients require the specific labels (see Appendix 5, Q3)

Other companies stated that it is a marketing tool and they will use it as long as their competitors use similar tools (see Appendix 5, Q4, Q5).

However, there is a shift away from these types of claims mostly in the UK market. In Greece given the current heavy promotion of the environment companies increasingly make Type II claims. Again the justifications involve the media, consumers and their misunderstanding of CFC related issues, the business clients and the markets abroad.

Campaign, Initiative and Single/Multiple Issues

This claim choice represents firstly, the support or the creation of a campaign regarding an issue or a problem. An example found in the market would be the BRAND E 'campaign for real beauty and self esteem fund' which intends to promote self esteem. Companies in this category spot a social or environmental problem and work with the industry, an NGO or alone to address it. Secondly the creation of an initiative such as 'OUR HOME OUR PLANET' (with the support of The World Land Trust). And finally the support of industry initiatives such as the Wash Right campaign. Companies that are part of these initiatives mentioned it as a positive point. '*Working with the industry*' is a phrase used by a few interviewed large companies (see Appendix 5, Q6).

Various certification bodies as was previously mentioned are initiated by such collaborations. What is noticeable in the Greek market is companies supporting social campaigns (such as 'child support campaigns') and stating it on their products which sometimes can take most of the packaging space. These companies were not interviewed given that this is a recent development in the Greek market and the interview process had been already completed.

Company Own Standards

One company practice gaining popularity among multinationals is the setting of standards for business partnerships. One recent example is The Body Shop which introduced an eco-conscious standard. The symbol appears on products that meet the company's stringent set of environmental criteria (The Body Shop, 2010). The criteria involve raw materials, toxicity, biodegradability, FSC certified paper and packaging.

Multinationals in the UK seem to have an influence over their industry given that many eco labels have managed to become industry standards. A good example is the VOC label of B&Q (see Appendix 5, Q6). These companies encourage their suppliers to work according to certain set of standards and award the specific logo. The B&Q logo comes with a certain nominal fee as the social responsibility advisor claimed.

This sort of claim is practiced by large and multinational companies who have the appropriate market power to set rules for business collaborations. The following quote is from a UK multinational who is preparing a relative labelling practice.

> *"...I mean we have this draft proposal for this sustainability accreditation system and we also have something involved with it which is about* ***communication with consumers through a variety of means...*** *" (UK Multinational company, Technical External Relations manager, telephone interview).*

Industry Association

This labelling choice involves companies who follow the required or advised logos by the appropriate **industry associations**. The majority of the companies using this type of claim come from the deodorants sector. BAMA is updating and suggesting to its members logos related to the CFC issue in the UK. Within the timeframe of this study the suggested logo was altered twice. Companies in the UK are getting updates and support by their association. In Greece the advice is limited to regulation requirements as discussed above.

> *"...Oh the environmentally friendly symbol is not ours but it was simply adopted by the aerosols manufacturers to show that it was a clean if you like formulation..."(UK, medium size company, quality coordinator, telephone interview)*

Companies mentioned that their CFC related claim is the one suggested by the industry association. This kind of claim is also noticeable in the chemicals sector where companies made constant reference to the regulation and their association. This type of claim therefore is mainly influenced by regulation. This fact was mentioned by both the associations and the companies.

Regulation, National Schemes or Legislation

In this claim choice (regulation and schemes) companies are reactive or proactive as was mentioned above. Interviewees from companies mentioned regulation often as a reason for labelling (see Appendix 5, Q7).

The main claims associated with this choice are the Green Dot, the toxic or other harmful substances information (VOC) and other labels that are required by regulation. An example is the Green Dot scheme which is covered under the European 'Packaging and Packaging Waste Directive - 94/62/EC' and it is binding for all companies using packaging. Nevertheless, there were a few small companies in Greece who made these kinds of claims failing to comply with legal requirements. The interviewed companies overall in both countries mentioned regulation and schemes as important part of their labelling practice.

Combination

This is the most common claim practice of companies. As was mentioned above these labelling choices are interrelated and one choice can be seen similar or/and overlap with another. For example on company can use Type I eco label, create a Type II claim and support the work of an NGO. This mix of claim choices is gaining preference in both countries.

No Claims

This option however, is mostly an option for small and medium size companies. Several companies claimed the logo on a product doesn't signify environmental commitment and there are better ways of communicating environmental achievements. Other companies claimed that these type of claims are not something they have considered as a company but might consider it in the future. In the case of the CFC issue large companies claim that these types of logos have no real value to consumers and thus they have been taken off of the product packaging since they are misleading.

However, this type of practice seems to be diminishing.

Summary

In summing up, from the above discussion of the preferred labelling choices it can be seen that each company is influenced by a different combination of initiators and influencers. For instance the basic external *influencers* in Greece are: regulation, the market and customers. In the UK companies seems to be influenced more by the internal initiators than the external influencers. Companies go through an encoding decision making process and select one of the eleven indicated labelling paths.

5.2.3.2. Companies Claim Practice Typology

In the previous sections the internal initiators and the external influencers of company claims were discussed. After the encoding decision making process and from the interaction of these internal and external factors companies may link their sustainability consideration with an on-pack claim in eleven general ways discussed above. Therefore, companies make claim decisions for their products and seem to follow a claim pattern. Also, there are indications that claiming is more a sporadic, a flexible and a product – tailored process rather than a single rigid company labelling choice.

Hence, in the same way that there is no 'green' consumer, as discussed in the literature review, there is also no 'green' company based on its claim choices. Thus, each claim should be looked at a certain market-place-time context rather than indicate an overall company labelling practice. This means that a claim found on one of the company products may not be found on another (even if it is the same product in different countries).

Several companies share certain characteristics according to their claim choices that group them into six different categories. Even though these categories are based on company patterns of claims choices they are not rigid and companies may under certain circumstances move from one category to another. It should be noted though that the patterns indicate a movement from left to right rather than the other way around. But then again it depends on the situation. Therefore a company who is currently 'generating' the market cannot suddenly turn into a company who is 'covering' itself from sustainability issues and claims. This indication is related overall to a company practice level. On a product and context level the movement is constant and in all directions (either left or right) as was mentioned above. Therefore, one product can be 'covering' at one time or place and then 'generating' in another time or place.

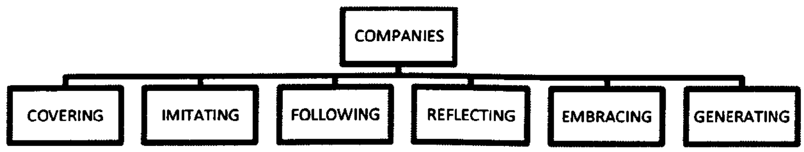


Figure 5.3. Company Labelling Patterns

These groups indicate overall, the way companies view and make product claim choices. This is not a company classification in a traditional sense but rather a product claim practice classification. Flexibility and movement at a company level are its characteristics. It should also be noted that this classification involves the connection of certain claim practices with basic company characteristics, meaning that the covering direction is linked and preferred by small and medium size companies and the generating direction is linked with multinationals. Each of these categories or directions is discussed below.

The six directions are the following: The Covering, the Imitating, the Following, the Reflecting the Embracing and the Generating.

The Covering direction includes claims made by companies when they show no sustainability on-pack considerations. Their aim and objectives are mainly financially oriented and there is less pressure by the market or the regulation to incorporate sustainability issues within the wide company labelling practice. There are no green claims on their products and no appropriate department to deal with relative issues. There is no specific indication that claims will be incorporated in their future communication strategy since their competitors are working in similar terms. Mainly, these companies are small or medium size companies that haven't thought of these issues or rejected them as irrelevant to their business practice. In this case there is no encoding process at all since these companies keep themselves isolated from sustainability areas.

The second claim practice direction is the **Imitating** category. This eco labelling direction consists of companies who use green logos as a marketing tool or a competition and regulation shield.

> *"... therefore, before you see your product being incriminated in the news ...in the papers...because we see that from time to time...**you put the logo**..."(Greek large company, FMCGs/Cleaning Products and Pesticides Chemical and Technical Department Manager, telephone interview)*

These companies are companies who have seen claims on the competing products and included them on their packaging design along with the rest of the required labels. Mostly this direction is followed by small and medium size companies with no sustainability orientation who also might export their products abroad. The encoding process is on the surface and the label is not backed up by any solid labelling practice. The green logo is mainly a Type II claim and is added by the graphic designer –usually downloaded from the internet of from a CD and in several cases copied by the competition. The Greek market is full of these types of logos and the managers in many cases have forgotten about them. In some cases company owners mentioned that it is "*something extra to add on the packaging*" and that "*competitors have the logos as well*". In this case there is no labelling encoding process on the part of the company. The label has two objectives. Firstly, to market the product as not damaging to the environment and secondly to present to product as equal –in the environmental aspect- to the competition. Both of these objectives are usually accomplished by including a Type II claim on the product. This category of companies is less pressured by most of the external influencers and the initiators of eco labelling mainly are related to activity and size.

Very close and similar to the **Imitating** category is the **Following** category of companies. These companies have given some thought to labelling because in one way or another they have been pressured by the market and/or regulations. These companies may use labelling as a marketing tool like the Imitating category but in this case there is a process involved. Their philosophy is pressured (or directed) towards an environmental direction by their major clients. The managers follow the requests of the customers that lead them to either a Type I label or a Type II claim. Labelling can be initiated when they enter foreign markets where labelling is important for the final consumer and these companies are 'required' to understand and apply it.

The fourth claim path is the **Reflecting** path. This path is a path some companies from the **following** path can practice. Most of these companies are medium large and multinationals. As mentioned in a section above these large companies have a relatively structured environmental and social practice and are constantly being involved into various sustainability projects. Additionally, these companies consider the issue of backing up the claims they make. These companies prefer Type I labels, certification, green branding and campaigns and industry schemes. In summing up, there is a sort of 'reflexion- incorporation- policy' process and thus internal initiators affect the final claim decision more than external influencers like in the case of the following category.

The fifth claim path is the **Embracing** path. These are companies who base their philosophy purely on environmental and ethical issues. Most if not all of their products are considered to be 'greener products'. They may be small, medium or large companies that incorporate the highest degree of ethical issues within their company aim and objectives. They are active locally, nationally or internationally and eco labelling or claims are essential communication tools. In Greece these companies use words such as 'natural', 'environmentally friendly' and 'organic ingredients' in order to demonstrate a difference in their philosophy. The company is well aware that the market needs more than green images and scientific information. The labelling process is part of the communication strategy and there are experts dealing with labelling issues. The final label is influenced by external factors such as regulation, pressure groups, NGOs and the market. When other labels are added reminding consumers that the company 'respects the environment' or that the products are environmentally friendly they are usually added on the front of the product packaging along with images of nature or animals depending on the product category. The label communicates a general or specific issue such as animal issues or biodegradability issues. Type II claims, certifications, and NGO endorsements are very common for these companies but the claims are usually backed up by a general sustainability practice. Examples of companies are the Body Shop, KORRES and Apivita.

> *"Each one of our logos is based on our philosophy overall as a company" (Greek multinational company, FMCGs/ toiletries, Brand manager, telephone interview)*

Finally, the **Generating** route is followed by companies who have the power to impose their own standards and labelling requirements in the market. These companies are also active in the environmental and social field. They usually select a combination of labelling and have decreased Type II claims. These companies use claims and specifically logos as a 'market power' instrument. DIY UK retailer and recently the Body Shop have their own set of criteria and logo for their business partners.

> *"...well take the **paint one for example, we developed it**... the one where you see the high, low, medium etc on the paint products with the round circle with the earth in it. That's our development...we basically developed it and started using it in the mid 1990s...about 1995 **and it has now become an industry standard** ..."(UK, multinational DIY retailer, Social Responsibility Advisor, telephone interview)*

In summary, companies seem to create patterns when they select a claim practice for their product (s). The above six patterns do not attempt to classify companies according to their characteristics but according to a claim choice at a specific time, market and location. It is indication of a claim practice rather than a classification of companies according to their characteristics.

Company Claiming Practice Typology and Company Typologies

One of the factors common in a number of studies which seems to be affecting the company responses to greening has been 'regulatory pressure' or 'market pressure'. For instance, Peattie (1992) classified companies according to the pressure for greener performance. This study supports several company reactions to this pressure. Thus, in relation to claims practice some companies still keep their 'head in the sand' and remain inactive in the sustainability claims area.

Additionally, the current study supports the 'defensive' stance of companies who particularity prefer Type II claims. They usually justify the claims as a sort of '*pressure from the market or the media*' and also as *'not having a choice*'. Additionally, the 'knee-jerk' reaction is especially visible in the chemicals area where regulation has been extensively tight recently and various types of claims have been found on the majority (of Greek) products. Large and multinational companies have also had a similar reaction in the past –especially after some bad media stories- as the study indicated and have moved from this category to a more reactive category. Therefore these companies move towards a claim classification linked to 'compliance plus' (Roome, 1992), and 'strategic acquisition' (Trampa, 1994).

It should be stressed that the company labelling patterns are based on the product 'context'. In this section the classification of companies according to the labelling practice -from the current study-will be discussed in relation to available company classifications regarding sustainability. Furthermore, the classification according to sustainability claims made by companies in this study has some common grounds and a slight differentiation from the available classifications discussed in the literature review chapter.

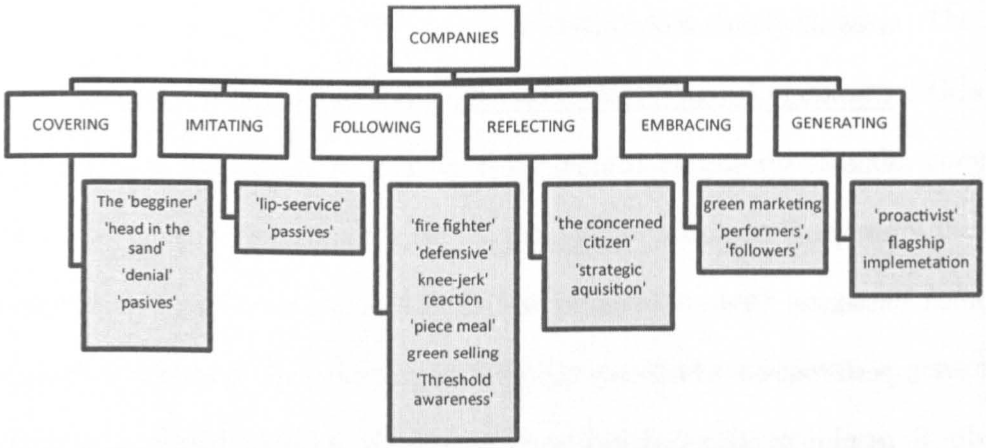


Figure 5.4. Company classification based on SC versus company 'green' response

In figure 5.4. it can be seen that the available company classifications discussed in the literature review chapter have links to the classifications that derived from this study. However, it seems that from the available company classifications (other studies) more than one (classification) can fit under a SC classification. Meaning that the 'embracing' classification of this study has links with both 'performers' and 'followers' by the classification of Beltz and Schmidt-Riediger (2010). This implies that a labelling practice classification even though it shares some common characteristics with company classification according to organisational adjustments and practices (other studies) it offers a more accurate profile of the claim practice (of one company, on one product, in one market, at one time). For instance, a multinational can adopt a claim practice that is 'imitating' for one of its products and a claim practice which is 'generating' for another. As was mentioned in the previous chapter company sustainability claim choices were classified according to the claim made on a specific product. In conclusion, company claim decision making processes can be linked to the consumer decision making process when it comes selecting sustainability claims. Also, using a claim based on green credentials on one product doesn't necessarily mean that they use the same process for a different product. The classification by McDonald et al (2006) based on consumer purchase stories into three basic categories seem to be extended to companies, meaning, that classifications such as 'translators', 'exceptors' and 'selectors' –and in addition traditional 'grey' consumers can be transferred to companies. Thus, companies can include green criteria in their claim for one product and not for another.

Therefore, in selecting specific sustainability areas and communicating company action by using sustainability claims the majority of the companies can be classified as 'selectors' (as selecting an issue to represent as a product claim). Similarly to consumers they communicate sustainability issues (at various levels) on one product and not for another. For example, they may contribute to a social cause (child labour), use the relative claim on one of their brands and have no claim (or link to sustainability) on a different brand. This way is in many cases a peripheral way of labelling. Companies classified as '**following**' who use Type II claims, or base their claims on NGOs, associations and regulation can be linked to this group.

The second group of companies can be linked to 'translators'. These companies are knowledgeable about labelling and sustainability issues and are relatively sensitised and active in the labelling field. They translate current sustainability concerns into claims in either a direct or peripheral manner. Their main influence of their claims comes from external factors such as regulation, media, consumers and pressure. However, they find ways of demonstrating their action via claims. Under this category the '**reflecting**' and **embracing**' claim action indicate an overall sustainability minded labelling practice on one or more of their brands or products. Green line extension and green branding is one of the characteristics of these categories. The difference is that the embrace category can easily turn into an exceptor given that the core values are related to sustainability areas.

The 'exceptors' are companies who belong to active associations, are also active in the sustainability arena in terms of their core philosophy such as The Body Shop. These include the smallest percentage of companies who base their claims on their philosophy and sustainability values and thus communicate it appropriately. Companies classified as '**generating**' claims can fit into this category. These companies translate their values into sustainability claims. They sometimes operate in niche market and target consumers who are sensitive in various sustainability areas.

Finally 'grey' companies account for a large number of companies using **covering** and **imitating** claim practices. Usually these companies use no claim or Type II confusing and misleading claims such as claim irrelevant to their industry as discussed in the previous section.

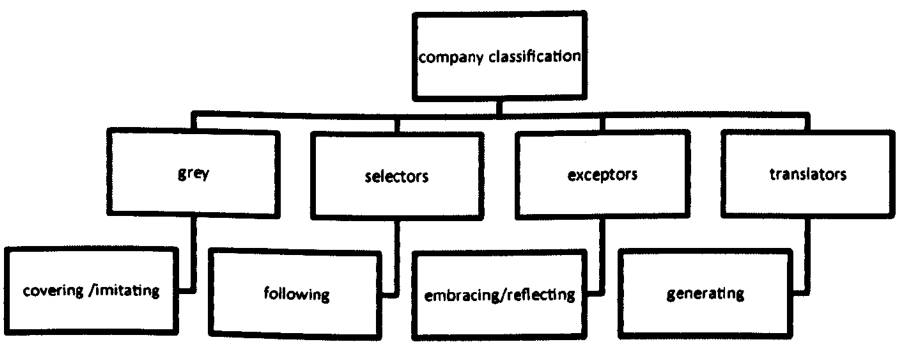


Figure 5.5. Company classification according to claim selection

Additionally, it should be stressed that as companies can move from one claims classification to another similarly it has been found that they can move from being grey to selecting or translating. This has been done by their selection of a labelling practice (from the eleven ones discussed in the previous chapter) for one product, at one market at one specific time.

In summing up, companies making sustainability claims have common grounds with relative company classifications but also act as consumers of available claim choices.

There is a limited amount of qualitative research regarding company perceptions of sustainability claims (SC) and the encoding practice. One of the reasons is that the majority of the studies are surveys based on structured questionnaires. Additionally, research has been focusing on specific type of labelling such as eco labels and certifications and measure or study their effect in various sustainability areas. Another reason is the difficulty of accessing companies and discussing labelling practices. This difficulty can be attributed to the fact that labelling for many companies is a less important factor or a 'sensitive' subject. And finally an important reason is that this is an extensively time –and resource- consuming process.

Company perceptions according to the current study vary and in some cases are internally contradictory (one company department disagrees with another). They have been discussed in detail in the previous chapter. However, these claim perceptions seemed to be in many cases connected with the company perceptions regarding the greening of the organisation.

As in the case of consumers companies as well **have ecological cues**, meaning that during many interviews companies shifted the discussion from labelling to their recycling and waste management activities. Additionally, it was noticed that many interviewees had **similar perceptions to those of consumers**. For example some interviewees from companies mentioned the confusion of claims in the market.

The main contribution in the Production and Representation area has been the company **typology according to a product context**. Also the fact that companies **can behave as consumers** in the market by incorporating green criteria in one of their products and not in another. **Sustainability claims offer companies this choice** with both important marketing and policy implications.

5.2.4. Marketing and Sustainability Claims

It should be stressed that this study did not evaluate the marketing strategy or company perceptions of marketing or sustainability marketing strategy but the companies' specific labelling practices and perceptions. This means, that the following discussion about marketing and sustainability claims is the result of companies linking claims with specific (or not) marketing areas such as packaging, advertising or product. Additionally, even though labelling has been traditionally studied as part of company marketing practice it was found that within a company multiple departments contribute to the final claim. Also, in several cases the marketing department does not deal with sustainability claims and this is the case with some multinational companies in the UK where environmental or sustainability advisors act as basic decision makers. In the case of Greece, claims sometimes move back and forth between legal, marketing and quality departments and in many cases this is causing disagreements among the departments regarding the form and content of the final claim. Furthermore, Fuller (1999) states that designing messages that meet legal requirements while also communicating environmental information in a meaningful way has been a persistent challenge which was supported by this study given the contradictions and miscommunication within companies regarding specific claims. There are however, a few large Greek companies that have assigned environmental departments to deal with their claims. These departments accumulate information from other departments as well as their own research -and make the final decision. There were of course cases in both countries where the claims were requirements from external factors and thus the company simply applied the necessary logo.

In summing up, this study found hints of what Peattie (1999) indicated as an initial reaction of marketers, to the green challenge by integration of issues within the existing marketing world-view. This view has been identified in the literature as a 'quick fix' solution and in many cases is still practiced in both countries. Specifically, many companies add sustainability in their standard mix of decision making variables as noted by many authors (e.g. Coddington, 1993; Kuhre, 1997) in the beginning of the 1990s. This leads to the failure of green marketing as discussed in the literature review (e.g. Peattie and Crane, 2005) given that reasons offered by companies regarding their claims such as 'a selling point', 'competitors have a similar practice', 'fashion' or what the 'market wants right now' fit into the quick fix marketing category. This study has identified additional factors for such practice. External stakeholders such as the media as mentioned by several companies influence companies either to quick fix sustainability into their current marketing practice or radically change their marketing practice. Usually, large companies and multinationals (especially in the UK) were found in the second category whereas small and medium size companies were mainly found in the first category. In figure (5.6.) sustainability claims were added after this study as a company practice that is a result of both marketing paths.

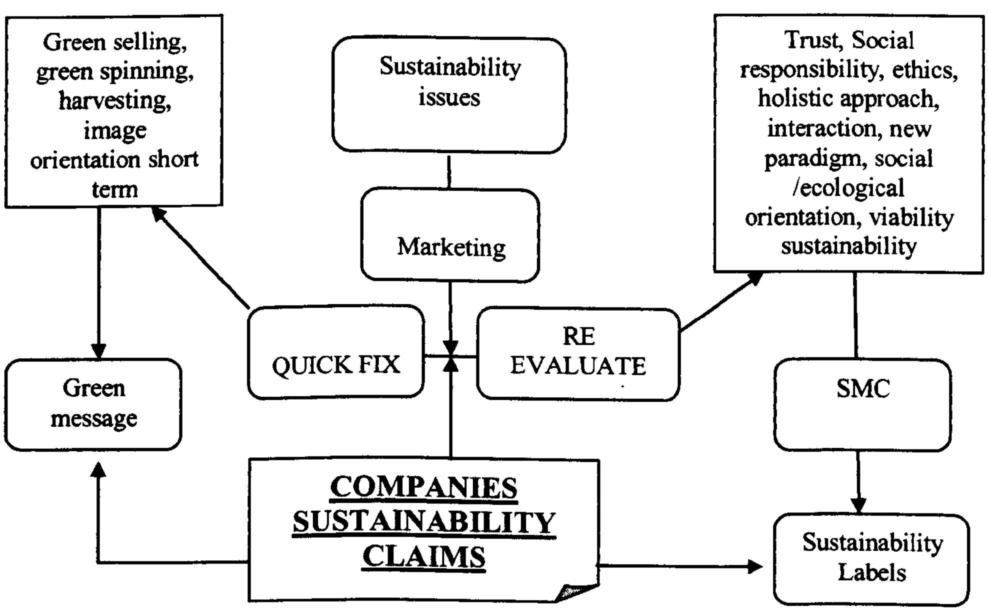
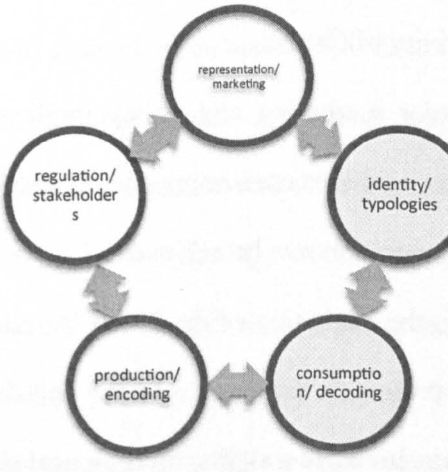


Figure 5.6. Sustainability Claims and Marketing Practice

In summing up, sustainability claims can be part of both marketing paths and even after two decades companies still select a quick fix marketing practice claim wise.

Sustainability claims are currently increasing in countries such as Greece. This issue needs the attention of policy makers, authorities and governmental organizations. This shift of focus from the production process to other social activities implies a slower progress towards sustainable production and sustainable consumption. If labelling is meant to assist sustainable development there may be a need for stricter control and regulation of these new waves of claims. The problem is that this peripheral way of labelling (such as campaigns and NGO standards) can be substantiated however it is still misleading (by shifting consumer attention), meaning that several of these claims are harming Type I eco labels and certifications. Additionally, companies as well as consumers need information and guidance. From the interviews especially in Greece there were suggestions of lack of information from NGOs and governmental organizations. Especially small and medium size complained that they did not have guidelines and guidance regarding labelling. Marketers have to decide whether on-pack communication should include sustainability considerations. Additionally, companies have to decide whether labelling is part of the environmental department, the legal or the marketing department.

5.3. Consumption and Identity: Decoding Process



The issue of identity is an issue that appeared as a theme in the focus group discussions. Additionally, this study supports the view of Moisander and Pesonen (2002) who state that green consumption is not only the means for constructing the identity that consumers seek to have, but also as a means whereby consumers reject a given subjectivity or deny the identity that they do not want to have. Focus group members, often made references to 'environmental sensitivity', 'their culture', 'those environmentalists' or other similar identifications. In many cases they made positive identity associations for themselves and negative identity associations for pressure groups or other stakeholders. For instance, consumers especially in the UK demonstrated sensitivity towards 'animal testing' claims and identified themselves as 'sensitised' towards this issue. The same happened to a lesser extent in Greece. On the other hand for many other green claims and green areas overall consumers restricted themselves from the responsibility and from what 'those environmentalists' are doing or should be doing for the environment. Reference to culture was especially noticed in Greece where consumers identified the nation as 'not so environmentally sensitised'. Similar identity association was done in the UK with the difference that consumers claimed 'not to be <u>as</u> sensitised <u>as</u> consumers in the Nordic countries. The issue of identity as suggested by the Circuit of culture is also connected with the production of claims and thus many companies in Greece made similar references as consumers did regarding environmental sensitivity of Greeks.

One interesting issue with major marketing and policy implications is whether the negative and positive identity associations consumers and companies make, can change and if so, under which circumstances this can be achieved.

The current study took place in the beginning of the 2000s but additional focus groups were done as part of another project in the middle of the decade and the end of the decade (in Greece). **The findings indicate a slight, incremental shift from negative to positive identity associations with sustainability related issues.**

In summing up, in the mind of consumers and in many cases companies green claims are linked with '*those environmentalists*' and '*people who care about these issues*'. However positive identity associations did occur but with specific issues such as animal testing where consumers seemed to understand more what the claim means. Consumer perceptions will be discussed in the following sections.

5.3.1. Segmenting Green Consumers

Many studies have been trying to identify the green consumer as well as associate specific consumer characteristics to a specific purchase pattern. **Demographics** have been mentioned often as a green consumer segmentation factor. One recent study looking at the demographic profiles of Australian green consumers in relation to their satisfaction with environmental labelling is by D'Souza et al (2007). The results suggest that older consumers are likely to be more concerned about environmental issues and hence be more attentive and critical to the contents of any green labelling provided. Demographic variables were not the focus of this study and thus similar findings could not support or contradict the above statement. Having stressed that there are have been several studies supporting the idea that older consumers, in their late thirties and above, are greener regarding responsibility towards the environment for the sake of their children and grandchildren and overall future generations.

Research connecting green consumers with specific **psychographic characteristics** such as political orientation and environmental concerns (Straughan and Roberts, 1999) was supported by the findings of this study. Specifically consumers with interest in specific social, environmental or overall sustainability related issues could recognise and remember relative company claims. Thus, the **awareness and recognition** of specific labels such as WWF or 'not tested on animals' was higher when consumers were concerned for animal protection issues. This variable is very close to another variable which links **ecological consciousness** with pro-environmental behaviour (Schlegelmilch and Bohlen, 1996). However, Do Paco and Raposo, (2010) note that there is no consensus in the literature. There were consumers in the current study that claimed to be ecologically active and minded, however, this fact did not influence positively or negatively their claims perceptions. Nonetheless, they did have more knowledge than the rest of the consumers regarding technical green jargon on products. Studies connecting **environmental knowledge** and pro environmental behaviour have also been contradictory (Martin and Simintiras, 1994). This fact is supported by this study and specifically there were consumers who had higher levels of knowledge and did not base their shopping decision on claims.

What was found in both countries is that **ecological cues** can influence consumer perceptions of labels. Soler (1995) connected green consumers and 'ecological cues' (e.g. experiences of environment-related problems). As green purchase stories rather than green consumers are the focus of this study the above findings could not be verified nor contradicted. Nonetheless, experience and environment related action such as recycling were mentioned along with product claims. This ultimately supports the anecdotal evidence underlined by Ottman (1998) which suggests that consumers feel positively reinforced by recycling –typically one of their first steps down the path to green- and once engaged they start asking "what else can I do?" (Ottman, 1998).

There were, however, several cases where consumer experience and knowledge about certain company social practices negatively influenced their perceptions of specific claims. For instance there were several consumers that worked for a company that has been launching itself as socially responsible and consumers indicated that their work experience as employees in the specific company indicated otherwise.

Consumers felt that specific social or environmental claims made by companies should be back up by a **sustainability- oriented organisation**. Thus ecological cues in the labelling area can be associated with negative and/or positive brand perceptions.

As was mentioned above consumers made **associations and assumptions** about their culture and their environmental sensitivity and knowledge. In both countries consumers had similar views regarding which countries are more socially and environmentally sensitised. In the literature cultural variables have not received much attention but Webster (1975) found that those who were highly involved in community activities scored high on a social responsibility scale. This study underlines the need for further research into **cultural circumstances that elevate consumer concern for sustainability** issues.

Another variable that according to studies explains ecologically conscious behaviour is '**perceived consumer effectiveness**' (PCE). According to many studies (e.g. Kinnear and Taylor,1974; Webster 1975; Balderjahn, 1988; Straughan and Roberts, 1999) individuals who are concerned about the environment will only display a more proactive behaviour if they feel that their individual actions may be effective in solving eco problems. This is a topic that was discussed extensively in this study and consumers had interesting debates. Firstly, there were consumers who agreed that they can make a difference with their purchasing power and secondly there were consumers who believed that their purchasing power is not important and cannot make a difference. In these two basic categories consumers react either in a positive active manner -and boycotting was often mentioned as one powerful instruments in their hands –or in a negative and passive manner where they claimed that they cannot solve the 'problems' and other stakeholders should take action as they are more responsible for the problems. In the first category of consumers labelling seemed more interesting than in the second category. This finding is also linked to another variable studied the '**perceived behavioural control**' (de Pelsmacher et al, 2002) which is the extent to which consumers believe that their active participation may be effective in the preservation of the environment. Again studies have been contradictory. In this study recycling was often mentioned by consumers as an environmentally friendly action and several consumers recognised that they were contributing in a way towards environmental problems.

Environmental affection, meaning the relevance of emotionality to environmental issues is also used in studies as a predictor of behaviour and partly underlined by this study. However, consumers demonstrated claim knowledge and greener purchase behaviour when social and animal issues were at stake rather than environmental.

Finally, what was found in this study and might be connected with the variable above is that consumers often connected purchasing or greener products with their own **emotions** and feeling of doing their bit, or feeling good about themselves. Animal testing, dolphin safe, fair trade and community trade labels were often mentioned positively by consumers.

The **attitude behaviour gap** has received much attention in both the marketing and academic communities. Surveys underline a gap between what consumers claim and what they do when they purchase. Consumers often say they are very concerned about sustainability issues, but that their actual purchases are something of a disappointment to many companies that have tried to create 'green' market segments (Peattie, 2001). Moreover, many consumers who make an ecologically or ethically motivated choice in the context of a certain product class may not do so in the context of another (Peattie, 2001; McDonald et al, 2006). For example, in an article in USA Today, Watson (1998) notes that though many claim to be environmentalists, in reality they 'tend to act more brown than green'. These above findings have been partly supported by this study.

One of the greatest advantages of focus groups for this area of study is the observation of this much argued in the literature 'attitude –behaviour' gap. Specifically, at the beginning of the group discussions consumers were asked to share their shopping stories. Only a minority of consumers claimed to look for claims on products. When the discussion focused on claims consumers seemed confused and claimed that these green claims are not a priority for them when they go shopping. Finally at the end of the discussion some consumers stated that they will '*check for claims from now on*'. These consumers were not green consumers but grey. Consumers mentioned cost of purchases which supports Diekmann and Preisendorfer's (2000) study and the trust in the environmental information provided (Rex and Baumann, 2006). In summing up, from the discussions **the attitudes seemed to present a smaller gap with the shopping behaviours**. This doesn't mean that the attitude behavior gap is contradicted but that consumers are clear as to what they are looking for in the market; which is price, quality, value and performance. Finally, more research is needed in order to explore and focus on the 'attitude behavior' gap with grey consumers instead of green consumers and with the use of qualitative research methods. The use of focus groups in this area or research is a methodological contribution given that it shed a different light on the attitude behavior gap.

5.3.2. Decoding Process: Consumer Perceptions

There are many studies by both practitioners and academics exploring consumer perceptions of green claims. These studies are mostly quantitative and deal with percentage of consumer level of greenness (attitudes towards environmental issues) and consumer green (or not) purchase behaviour. However, this study looked at consumer perceptions in many green claim areas. Consumer perceptions were discussed in detail in the previous chapter. In this section there will be a discussion of the findings in relation to the available literature.

The view held by Kardash (1976) based in the observation that **all consumers are potentially green consumers**, because if two products were identical in every way but one was less damaging to the environment then most consumers would select the least damaging product was fully supported by the findings of this study. Also the current study found that consumers frequently mentioned that if they had a **choice** between two similar products they would choose the more environmentally friendly version even if it were a bit more expensive. In order to reach the above conclusion and statement consumers spent quite a long time arguing and discussing on-pack claims. Meaning that their attention was on green claims. In summing up, the study indicates that **consumers might choose the more environmentally friendly version when their attention is focused on the environmental feature**. This study indicated that when consumer attention is on product price, quality and other criteria (performance and aesthetics) the greener alternative product in the market might be neglected. This factor is often overemphasized by companies who fail to consider eco labelling as one possible way to overcome these factors. Ottman et al (2006) discuss about the relative marketing myopia and specifically how research indicates that many green products have failed because of green marketing myopia—marketers' myopic focus on their products' 'greenness' over the broader expectations of consumers or other market players (such as regulators or activists).

Additionally **the packaging** of products was mentioned as one of the priorities after price and quality. This supports the findings by Tallontire et al (2001 p. 23), who claim that '*the communication role of a product on a shelf cannot be underestimated*'. Indeed consumers give an importance to packaging and to overall product image. **However, the claims on the packaging, their visibility, their readability, the language, the design were found to be problematic**. This has not been underlined in other studies. The technical issues of the on-pack claims have to be addressed by marketers and policy makers. A study in the USA (Smith, 1990) of 1000 adults found that 67% selected one product over another because of its environment-friendly packaging, formulation or advertising (Smith, 1990). This study partly supports the above findings given that consumers do consider product packaging and advertising but not ultimately base their decisions on related green factors. There were many consumers who mentioned recyclable packaging and recyclable products. This supports recent findings by studies (DEFRA, 2009) that report relatively high percentage of consumer stating that they had decided not to buy things because they had too much packaging.

In the following sections consumer perceptions of specific product claims as well as related areas will be discussed.

5.3.2.1. Awareness, Search and Recognition

According to the available studies (Coddington, 1993; OECD, 1997) labelling awareness and recognition influence purchase behaviour. In 2002 survey, older consumers believed improved labelling was key to enabling their ethical purchasing (Carrigan et al 2003). This study found supporting arguments and specifically consumer recognition and awareness of claims can under some circumstances and in several cases lead to the selection of a particular product. The issue of consumer awareness of course has more than one level. Therefore, there are consumers that are generally aware of the existence of claims and environmental problems and continue to disregard them as an influencing factor in their purchasing activities. On the other hand there are consumers that are sensitised and particularly aware of environmental or social problems and consider them when making a purchase. It was found that in this category consumers were more aware and influenced by social labels than by environmental. This was discussed in detail in the previous chapter.

There have been surveys since the early 1990s (Research International, 1992) that have shown that people are **concerned** about the environment and are willing to support more eco friendly products (Coddington, 1993; DEFRA, 2007). Furthermore, surveys (Speer, 1997) show that consumers **recall** green claims and their purchase behaviour is influenced by the claims. This study did not find such considerable number of consumers searching for labels. However, the study took place in the beginning of the 2000s and as was mentioned before circumstances in both countries have changed.

In addition claims have been changing in form, frequency and content throughout the decade as was observed in this study.

In the same DEFRA study 52% of consumers strongly agreed or tended to agree that they 'try not to buy products from a company whose ethics they disagree with'. Even though consumers in the current study mentioned bad company practices most of them did not link their purchase behaviour to company 'questionable' actions. There were however consumers that were more concerned about ethical issues and mentioned the possibility of a boycott.

The issue of claim and **label recognition** has been mentioned quite often by consumers in the current study. According to the results of several studies (e.g. NCM, 1999) recognition of the Nordic Swan label had increased dramatically by the end of the 1990s. Moreover, according to the same studies more than 80% of the respondents were familiar with eco labels or green labels. This is not the case in either of the studied countries. Thus, consumers in both countries in this study did not recognise any of the Type I eco labels. However, they seem to be more aware and recognise Type II claims, organic and fair trade certifications than Type I eco labels. This supports findings from a study (Rousseau and Delaet, 1998) that includes all ISO Type of claims consumers were found to be highly confused of claims and only 50% of participants were able to recognise four of the eleven logos shown to them. Additionally consumers seems to recognise the Green Dot, but it was often confused with the symbol for 'recyclable' or 'recycled' (Rousseau and Delaet, 1998). These findings are fully supported by this study. However, even though consumers were confusing the symbols and their meanings in many cases they did not seem to confuse terms and jargon such as recycled or recyclable.

Consumers were asked **why they don't look for environmental information** in the research by Rubik and Frankl (2005). The responses given by consumers were in a certain degree similar to the ones given in this study. Specifically the answers: "*the production and consumption of these product groups has no impact on the environment*", "*it has never crossed my mind to do it*" *and "I usually forget or have no time to search"* and *"it has never crossed my mind to do it"* were the same answers given by consumers in the current study.

In summing up, the following issues are stressed. Consumers do not link the products they buy with any kind of considerable environmental impact; the awareness of claims is minimum; time constrains as well as consumer attention spam are important factors for not searching for claims. Finally the issue of trade-offs kept coming up in this study as consumers did not seem very willing to sacrifice product performance or personal convenience.

5.3.2.2. Knowledge and Understanding

These two factors have been connected in studies with possible positive environmental purchase behaviour. Both factors are associated with the level of information available to consumers, meaning that there has been a connection between knowledge and understanding of claims and purchase behaviour. On the other hand the lack of information may not lead to greener purchases. Schlossberg, (1993) mentioned that the lack of factual information has been called the "greatest environmental hazard" facing consumers. This was confirmed in this study and consumers were often frustrated because of the lack of information connected to labelling. However, there were also consumers that felt overwhelmed by the amount of claims and information in the market. Similar findings are underline by Horne (2009) stating that information overload for consumers is rife: in one study (Lloyd, 2006), 97% of those surveyed indicated that there 'was more stuff to read than I could ever dream of reading' and 92% indicated that they felt 'surrounded' by information.

Additionally, consumers make connections between lack of information and the level of knowledge and understanding they have for specific labels and issues. In other words studies have shown that consumers do not know the exact meaning of specific terms such as 'recycled'. For example, Viney (1991) has put forward five different possible definitions of the term 'recycled' which were also supported by this study especially in the case of Greece. Having said that policy makers, companies, associations, governmental organisations and local authorities need to intervene at this point of the decoding process and eliminate possible confusion regarding issues such as recycling/recyclable. As was found in this study and will be discussed below recycling is a considerable ecological cue when it comes to consumers and their attention and awareness of labels. What was also surprising in this study is the similar lack of knowledge certain companies have for the specific 'recyclable' claim and its legal requirements. In several cases in Greece companies acted like consumers and confused the Green Dot with the Mobius Loop. Therefore lack of information, awareness and knowledge regarding specific issues and claims generated by those issues exists in both ends of the encoding and decoding process.

Rubik and Frankl, (2005) surveyed consumers' perceptions of what an eco label signifies and found that the most common answer (from two offered) was that the labelled product is less environmentally damaging than unlabelled. Similar preference and perception of what eco labels signify were found in this study. Additionally consumers connected Type I eco labels with 'official labels' and company awards for environmental performance. This is in accordance with a 1991 Angus Reid Group survey, where it was found that consumers would have the greatest confidence in a national-level system of standards for green claims, and a labelling program would increase the credibility of environmental marketing (U.S. EPA, 1993). However, it should be noted that consumers did not recognise any of the Type I eco labels that were shown to them during the focus group discussion.

Overall, at the end of the focus group discussions consumers seemed to be confused by the available type of claims on products and agreed that they could not evaluate any claim accuracy nor they were aware of an organisation responsible for eliminating misleading claims. This finding agrees with the note by Schlossberg (1993) that researchers agree that even if consumers do understand specific claims, they are usually in no position to evaluate effectively the accuracy of these claims (Schlossberg, 1993).

Finally, there is also a lack of information about green products and what they are. This was the case with this research where green products were linked to the '*expensive organic products*' available in the market. This confirms similar findings by the Centre de Recherche pour l'Etude et l'Observation de Condition de Vie (CREDOC) who carried out a consumer survey on behalf of the Association Francaise de Normalisation (AFNOR) in 1996 and found that 63% of respondents said that there is a lack of quantitative and qualitative information about 'green products'.

Also this study supports the fact that consumers are thoroughly distrustful of green marketing 'hype' and see little connection between purchasing green products and helping the environment (Moore, 1993; Mohr et al, 1998). Additionally, similar findings were found in the case of a few Greek companies where several interviewees were sarcastic and negative about the 'green products' in the market calling them a 'utopia'. Several of these companies have recently relaunched their products (the same ones that were found in the beginning of the previous decade) with even more weight given to environmental claims.

In summing up, consumers need information in order to make informed decisions. The kind of information they require varies and includes on-pack information regarding recyclability/recycled packaging, company ethics and practices and finally information as to what labels mean and what they signify.

5.3.2.3. Environmental Claim Source and Perceptions

It has been argued that consumers tend to prefer NGOs and consumer organisations as providers of environmental information. There is a general distrust of information from companies among ethical consumers, including on-pack information (Shaw and Clarke, 1999). This study stresses issues of distrust towards companies and especially companies making Type II claims. Pressure groups and NGOs were preferred as a source of information and also as industry watch dogs. Therefore, it is not surprising that one of the popular claim categories as discussed in the encoding process is associated with collaborations and support from pressure groups. Additionally, consumers perceived that environmental problems were more the problem of NGOs than their own problems. NGOs play an increasingly important role in the encoding and decoding of claims. However, findings in this study indicate a relatively feeble communication process between NGOs and consumers especially in Greece.

In one study Fuller (1999) mentions that research indicates that consumers require information and approval by the following stakeholders: approval by a well known environmental group 39%, (2) approval by an independent laboratory 28%, (3) a scientist's testimonial 19%, (4) a manufacturer's self-declared warranty/claim 9%. The findings in this study support consumer preference -as a source of label information –of pressure groups and third party independent organisations. There were however, consumers requesting information from companies via advertising and other methods of communication. Nevertheless, companies were perceived as responsible for many environmental problems and the level of credibility after the end of the discussions seemed to be diminished. This supports research stating that over two thirds of participants in one survey (Lloyd, 2006) distrust information from large companies and similar numbers agree that corporations have no morals or ethics (Horne, 2009).

Additionally, consumers mentioned that claims are used by companies as a marketing gimmick. This supports findings in previous studies such as Ackerstein and Lemon (1999) who argue that consumers would undoubtedly prefer their consumption to be less environmentally damaging, but they are also highly suspicious and critical of corporate efforts to use the environment as a sales tool.

The issues of label clarity and presentation was often mentioned by consumers and studies demonstrate that indeed 64% of respondents (study by YouGov poll, 1993), thought companies should use clearer product labelling.

Governments were frequently mentioned as a source of information especially in the UK. Findings in similar areas indicate that consumers did not consider government intervention to be the solution to improving their ability to shop ethically' (Carrigan et al, 2003, p33) which was not fully supported by the current study. However, Greek consumers held a more negative view of governments as supporting their ethical purchase but believed that governments are controlling company claims. Similarly a 2005 European survey of consumers trust in delivery of eco labels found identical results across all four countries polled (Norway, Spain, Germany and Italy): consumer or environmental organisations were ranked first, independent bodies were ranked second, while governments were ranked third and retailers were last (Gertz, 2005).

5.3.2.4. Price and Obstacles

Studies (e.g. Rubik and Frankl, 2005) have been inconsistent when it comes to whether consumers are willing to pay more for greener products. There are studies that mention a specific percentage (e.g. 5%) that consumers are willing to pay more for greener products (Ackerstein and Lemon, 1999; Godfrey, 2002) and other studies stating specific product categories (Loureiro and Lotade, 2005) that consumers support such as fair trade coffee and organic products. Finally other studies do not support such findings and show that consumers are willing to pay a premium price for environmental products, but this is not always the case (Rubik and Frankl, 2005) and that this willingness is dependent on a large number of well-known factors (e.g. price, quality).

This is supported by the findings from this study which indicate that consumer priorities when they go shopping are price, quality and performance but in several cases consumers do consider other factors such as fair trade and organic products. The perception of higher price of organic products is transferred to higher price of products with claims. Consumers believe that "*these products with logos are more expensive*".

What has been added to the literature was the difficulty on the part of the consumers to justify the more expensive status of some labelled products. Another important finding is that consumers could not separate labelled products according to their price, meaning that any product with a claim (any type of claim) was judged under the same umbrella and under similar criteria. This perception of price has important implications for policy makers and will be discussed in the following section.

One of the main findings was that consumers did not know the exact reason for the more 'expensive' status of these products. Most of them however, claimed that the products with claims are less polluting.

5.3.2.5. Specific Claim Perceptions

In this section there will be a discussion of specific claim perceptions according to the ISO classification of claims.

Type I eco labels

In 2004, 43 % of people in the UK shopped, at least once, in their **local community**. Of these individuals, 17 per cent were motivated to do so primarily to support the community (Co-operative Bank, 2005). These findings were supported by this study as the issue of local shopping came out during the discussion. However, the number of consumers seemed to be less than that found in the aforementioned study.

As mentioned by other studies (e.g. Moore, 1993; Rubik and Frankl, 2005) the **feedback mechanism** is not clearly perceived by the consumer especially in their shopping activities. The findings indicate that consumers can easily satisfy their need for feedback with specific labels such as 'recyclable', 'recycled' or 'not tested on animals', meaning that Type II claims offer this specific advantage. **Thus, for Type I eco labels a great challenge is to offer consumers feedback regarding the logo** (the Type I eco labels they are supporting). Nonetheless, certifications seem to have tackled this issue of feedback given that they deal with specific environmental and/or social problems. Consumers bought fair trade products because they felt that they were helping a social cause. The findings support other studies (e.g. Ford et al, 1990; Pechmann, 1996, Maronick and Andrews, 1999; Pearson, 2002; Co-operative Bank, 2005; Russel, 2005) who state that consumers are becoming more aware of certifications and that their success is attributed to the fact that they represent a wide variety of issues and also that consumers can understand what they mean. Darley and Smith (1993) found that tangibility and factualness seem to have contributed equally to the claim objectivity effects.

In many other studies there are indications that consumers tend to rely upon and find more believable those claims that are more specific and concrete.

As for **Type I eco labels** this study does not support findings from other studies (e.g. Christensen (1987) of high recognition of Type I eco labels. One of the reasons might be the fact that the author focuses on Nordic consumers rather than in the UK and in Greece where these logos (the Swan) should not be found according to the ISO standards.

The design of Type I eco labels was also mentioned as an obstacle. Consumers did not associate it with environmental benefits. This fact stresses the importance of label design and label promotion to all the stakeholders. It seems that companies in Greece who have applied for Type I eco labels have the same perception, as they claimed that the eco label was not promoted at all in Greece.

Type II claims

In their study Maronick and Andrews (1999) and Stafford (1996) explored how consumers interpret environmental claims made on packages. They found that claims such as 'environmentally friendly', 'ozone friendly', were interpreted by consumers to mean that the product is safe for the environment. This is fully supported by this study. Meaning that Type II claims do confuse consumers and when they are examined side by side with Type I eco labels as was done in this study and it was found that several consumers preferred Type II claims as they understood them more than Type I eco labels.

This study supports the confusion consumers feel for Type II claims (Myburgh-Louw and O'Shaughnessy, 1994). The issues of packaging and logo design (location, wording language) was raised again by consumers who felt that even though they understood the logos they had to try and locate them or read them.

Overall consumers preferred certifications and the idea behind Type I eco labels and Type II declarations. This study supported issues of low label awareness, confusion, mistrust, scepticism, limited information and overall preference for claims that consumers can understand. The advantage of performing focus groups for this research was great given that focus groups are not reported by studies as a common method to discover consumers' perceptions of claims but instead there is a preference for quantitative research.

The interest and the **contribution of focus groups** is attributed to the fact that the moderator can observe consumers exchange opinions and experiences and at the same time comment on the products they explore. What was observed is that certain issues would come up more than once during the discussions (such as recycling, or the lack of information). Other issues would be overlooked (such as the understanding of Type I eco labels, or consumer responsibilities). Also, consumers often changed opinion regarding the products and/or the claims. This does not mean that the final opinion will not change in time nor that it will change. This variation and change in opinion though is something observed more easily in focus groups. It also indicates areas where marketers can interfere in order to strengthen their labelling practice. Finally, this is a methodological contribution of this study in the encoding and decoding process of claims.

5.3.2.6. Closing Remarks

In appendix 5.8. a summary table contains the findings of this study and major issues from other studies.

In summing up, the basic contribution of this research in the existing literature is the fact that there can be a movement in consumers' perceptions of claims. This has led to the consumer typology but not in order to profile a searcher type based on segmentation criteria but to offer areas where marketing and policies can interfere in order to weaken of strengthen a claim or an issue.

5.3.3. Decision Making Process

Like in the case of the companies consumers seem to go through a decision making process when purchasing goods and decoding claims. The decoding process for some consumers takes place in the shop when they see a green claim on a product and for others in a different time when they see or hear about a green claim. In the following figure (5.7.) it is assumed that the decoding process commences when a claim is noticed. The decision making process model (Kotler, 1997) was used and adapted to the claim decoding and selection process.

From the discussion consumers were not always aware of the claims and for the majority it was a new experience. However, there were consumers who already had an experience with claims.

In both cases consumers initially raised the issue of claim **awareness.** This is the first step towards the claim selection. This is an important stage for marketers. Consumers need to be aware of the claims in the market. Advertising creating awareness about the claims was suggested by consumers. The government at this stage can offer guidance regarding the claims that are encountered in the market. Research by NGOs and pressure groups can be available online regarding labelling issues. This stage is considered the most important and has been overlooked by marketers.

Consumers after discussing about claim awareness during the focus groups became preoccupied with technical characteristics or **practical characteristics** of the claims such as claim design, readability, noticeability, clarity, language, visibility and claim location. The importance of the product design and label location (and other technicalities) has been stressed in the previous chapter. Marketers, making claims may be careful in this stage. Consumers may be well aware of the logos they use but may not be able to read or find them on the products. In order to select a claim consumers must be able to find and read it.

When the claims were noticed, read or viewed by consumers during the focus group discussions the issue of claim understanding and the issue of **knowledge** (general environmental or claims specific) was raised by consumers. At this stage consumers who were more knowledgeable about claims and environmental issues became more

interested in the subject. Consumers who had limited knowledge either became curious and started asking questions either became unattached and uninterested.

The next stage is **information accumulation**. This is where consumers accumulate information about the claim and the issues it underlines. Information sources at the time of the study were advertisements and documentaries.

This will take consumers in the next stage where they will **evaluate the information** and finally make a claim choice (e.g. selecting an animal testing related logo). At this stage retailers can assist consumers regarding the claims.

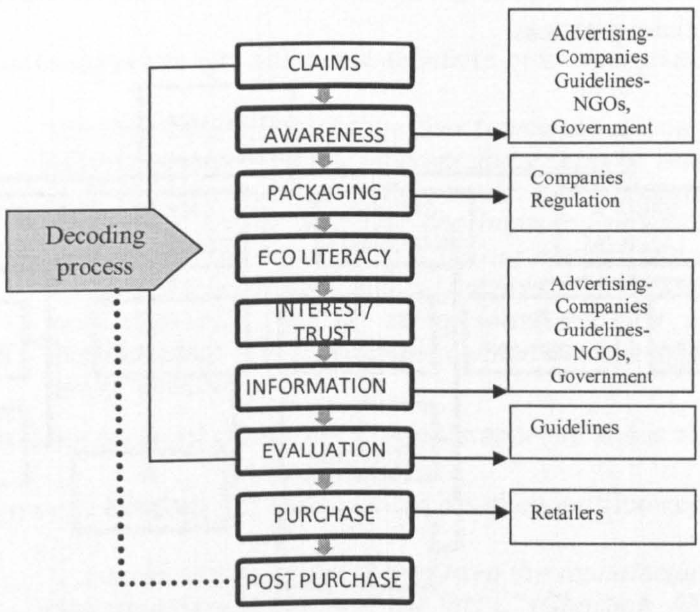


Figure 5.7. Consumer decision making process and stakeholders (adopted from DMP, Kotler 1997)

The final stage of the decision making process involves the overall experience of the consumer and their decision whether the claim and the product fulfilled the **expectations**. The red arrows indicate that the decoding process is ongoing for claims. Consumers may still decode the claim and the information after the product purchase. However, there are stages in the decision making process consumers don't need to go through again, meaning, that when consumers familiarize themselves with a Type I label they don't need to go, for instance, through the awareness or evaluation stages. In the next section a consumer perceptions typology based on consumer stories and experience will be discussed.

5.3.4. Consumers' Perception Typology

The focus group discussions have also indicated patterns in consumers' perceptions. They have also indicated possible movement within the different perception directions. This classification is not about green product purchases or a green consumer typology. This classification is an indication of possible changes in perceptions according to company claim practices.

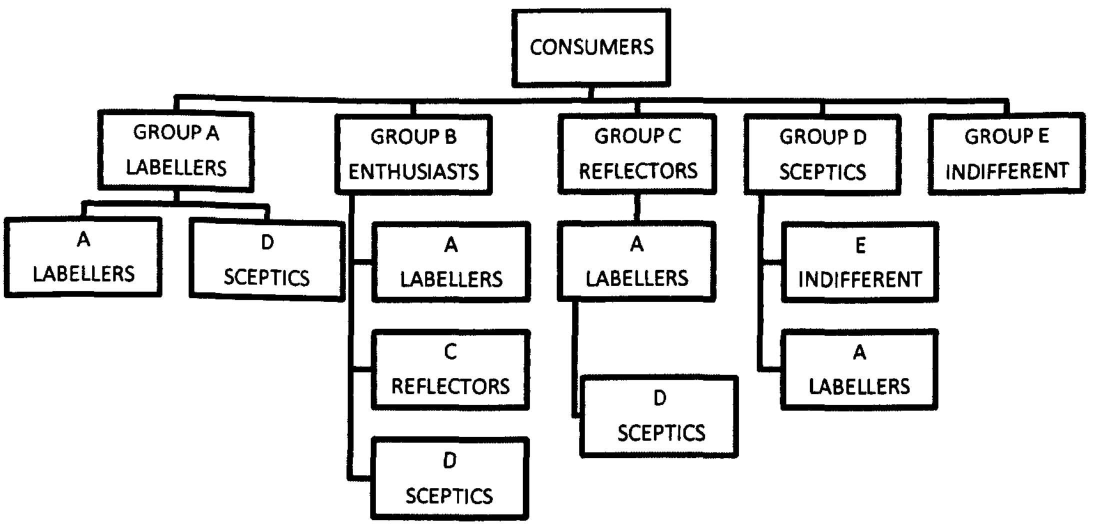


Figure 5.8. Consumer perception paths

The consumer perception paths are the following (figure 5.8.):

1. **Labellers**: Consumers usually are involved in an environmental and/or social activity and are more knowledgeable regarding sustainability issues. Their attitudes and knowledge influences the way they look at labelling. These perceptions may either remain positive towards labelling or turn into **sceptics**. Ecological cues are basic to this category of consumer perceptions. Additionally, the reasoning for the preference towards 'environmentally friendly' products was mainly linked with

emotions *"feeling good about it"* doing *"your bit for the environment"* and having a *"clear conscience"*.

2. **Enthusiasts**: these labelling perceptions usually follow the media and deal with labelling in a 'fashionable' manner. Thus, when certain trends in the market indicate preference towards a specific label these perceptions can be positive towards the label, can **reflect** or can become **sceptics.**

3. **Reflectors**: the perceptions in this category are the result of as specific lifestyle that cannot easily change. Consumer perceptions in this category are based on practical issues such as financial issues and labelling is adjusted according to other priorities. These consumers can turn either into **labellers** or into **sceptics.**

> *"another thing is that if they had brainwashed you with TV adverts, documentaries, environmental reports, and all that stuff that, for example, they could say, "batteries have mercury or zinc or whatever and harm the environment so you should buy batteries that do not contain any of those liquids! Or the batteries you buy should be recyclable" I am sure that we would be more sensitised and careful..." (Ksenofontas, All male Single/married/co-habiting, pre family, Greece)*

4. **Sceptics**: this group of consumers express scepticism and is either based on wanting to incorporate labelling into their lives or based on indifference regarding labelling.

> *"...I would like to be convinced from the manufacturer ...but hey, they have to convince me first..." (Christina, All Female Single/Married/Co-habiting, pre family UK)*

5. **Indifferent**: this category of consumers do not find any link between their lives and company labelling practices and wish to remain indifferent. As one consumer summed up:

> *"...Pull my hand I don't look..." (Gina, All Female Single/Married/Co-habiting, pre family UK)*

The above typology is not an attempt to classify consumers into categories according to common characteristics. The above category involves consumer perceptions and stories of specific company claims. It is a classification of perceptions and indications of possible (or not) changes. This typology has important marketing implications as consumers seem to be able to look towards additional criteria than the ones they are using in their everyday shopping process.

Overall the issue of decoding claims has many problems in many aspects. There is obviously a communication gap between consumers and companies but also between consumers and stakeholders.

The available studies regarding consumer typologies are related to overall stance on green issues and consumer purchase behaviour. A few studies have tried to identify a label searcher type as was discussed in the literature review. The most relevant studies identifying a possible searcher type are from Rubik and Frankl (2005) and D'Souza et al (2007). However, the study by Rubik and Frankl (2005) examines specific commodities such as washing machines and tissue paper. Their findings are optimistic and state that if the searcher type is defined as one who searches for two or all three of the specified communities, then 32-67% of respondents are in this group. Even though the current study focused on FMCGs the percentage of a label searcher type seems optimistic. However, three basic factors and limitations have to be taken into account. Firstly that Rubik and Frankl (2005) focused on eco labelling (ISO Type I and III) selected specific commodities which include washing machines and the labels included on washing machines are well known to the public given their connection to energy saving. The current study researched FMCGs, a sector with not many areas to apply eco labels but relatively popular with Type II claims.

Secondly, the current study is qualitative study using focus groups –which is not the most popular method used in this area or research due to its challenges and relatively high cost as discussed in the methodology chapter. Therefore consumer reactions and perceptions were discussed in depth and possible contradictions were identified in consumer stories during the groups. Thirdly, the focus groups for this study took place in the beginning of the 2000s whereas Rubik and Frakl's study was in the middle of the decade. Claims have been moving fast in the past decade and thus the five years play an important role. Having noted that a 'searcher' type was not identified per se in the current study but indications of how consumers view labelling and their perceptions of various claims were mapped in a related 'perception movement typology'. As was stated in the literature review chapter Peattie (1999) argues that although a conventional approach to sustainability marketing has been to attempt to understand different types of consumer according to their sustainability concerns, an alternative approach is to try to understand the different type of sustainable consumption contexts. This approach was adopted in this study and instead of linking the label searcher type with levels of consumer greenness a different approach was applied, meaning that consumers were studied according to their specific purchase stories, stated experience and claim preference. As is was mentioned in the literature review McDonald et al (2006) adopt Peattie's view (1999) that there is no such thing as a green consumer and argue that even if green or ethical consumers could be identified through examining their actions, this would not be sufficient to determine what kind of green or ethical consumer they are. In their study McDonald et al (2006) concluded that green and ethical consumers do not have different criteria from their grey counterparts, but they have extra criteria. This was supported by this study where consumers did not characterise themselves as green consumers however, in several cases they selected a product based on its claims. The suggested typology by McDonald et al (2006) include three categories discussed in previous chapters. Many **selectors** were found within the focus group members. Consumers stated that they feel good when they select an organic or fair trade product and several of them recycled and mentioned that they were doing their bit. **Exceptors**

and translators were less popular within the groups. Nevertheless a change in perceptions towards claims was recorded throughout the discussion. What was noticed though, was that consumer perceptions were 'flexible'. This means that there were cases where consumers searched for specific labels such as animal tested or fair trade but ignored and/or did not recognise other labels. Then again this falls under the product context discussed earlier. Other than the aforementioned typology which looks at consumer purchase stories in several sectors there are other typologies trying to identify and classify the green consumer. These typologies were discussed in previous chapters however the label searcher typology mentioned above is mapped according to specific purchase stories. The classification from the current study was discussed in detail in the previous section. In the figure below the searcher patterns are connected to the typology by McDonald et al (2006).

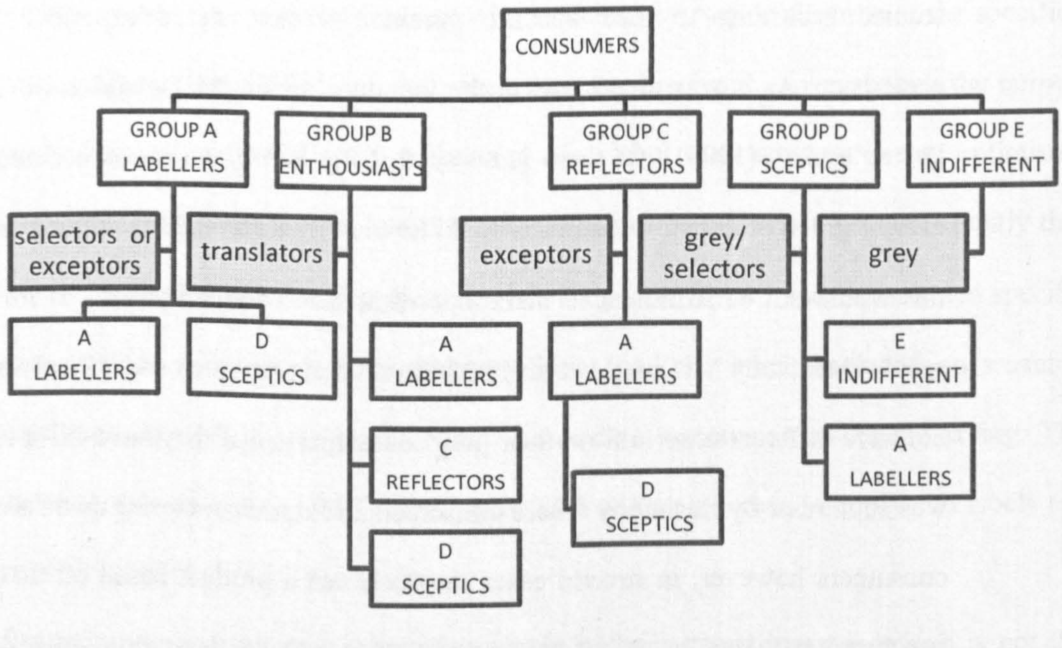


Figure 5.9. Green consumer typology (McDonald et al, 2006) and grey consumers

Figure 5.9. indicates that there are common criteria in the context of a purchase between green consumer typologies and grey consumers. This means that grey consumers have also set of green criteria and they may use them under certain circumstances. For

example the Group A was a group of consumers who looked at labelling and were more aware of certain claims in the market. Some of them claimed to recycle and several of them based their purchasing on ethical criteria. These **labellers** can be easily characterised as **selectors** or **exceptors.** These points of connection with green consumers offer a great opportunity for marketers.

The theoretical aspect of the contribution of this typology is the confirmation of the fact that green consumers don't have different criteria but extra ones (McDonald et al, 2006). In summing up, grey consumers also have green criteria which can be strengthened or weakened by external stakeholders and under certain circumstances (e.g. advertising, national campaigns). In other words, there is no such thing as a grey consumer either.

5.3.5. Focus Group Overall Methodological Contribution

During the focus group discussions notes were kept overall for the group members and for the discussion process. Overall, it was noticed that there was a common pattern in all the groups at a group and a discussion level.

This pattern had to do with the perceptions and their variations in opinions and reactions according to different phases of the discussion agenda. Therefore, a common pattern in both countries was the following:

1. Consumers initially shared their stories where there were no emotional or feeling expressions and variations. The discussion was not intense but rather a narration of a shopping routine. Consumers sat back on their chairs and discussed their shopping habits, priorities and process. The basic statements at this point had to do with the time spent for shopping and the interest -or not- they had for the shopping process in general (whether they enjoyed shopping or not).

2. At this point the researcher posed a question regarding other shopping criteria and considerations –in addition to price, quality, performance and image. Consumers' reaction was to remain quiet for a while, sometimes look at each other and ask themselves or others whether there are other reasons or criteria. In a few cases some consumers mentioned about animal testing logos. Overall though in both countries this question was followed by silence and calm confirmation of their earlier stated criteria.
3. At this phase the researcher introduced the products by placing them on the table and asking consumers to hold them and discuss them in general. The interest of the members for the discussion was lifted a bit at this point and consumers started to comment on brands they had seen before and products they use at home. Again the interest was mainly on the products and not on the claims.
4. After providing the consumers enough time to check the products and possibly notice or mention product claims- which was seldom the case- the researcher asked whether consumers notice(d) additional information on the products. Several consumers started pointing out animal testing logos, CFC logos and recyclable/recyclability logos. Their interest in this point was lifted a bit more and consumers who were previously relaxing on their chairs started exploring the product and the claims. This phase was interesting given that consumers have also started to discuss with each other, compare claims, products, share claim stories. Thus the interaction and the interest were basic characteristics in this part of the discussion. What started to be visible especially from some consumers was *curiosity*. Most of the consumers seemed ready to discuss brands and products satisfaction and were not prepared to discuss claims. Thus, curiosity for this new – for most of them- issue was raised. This phase slowly focused the discussion topic

on claims. Therefore, there were three cases of consumer attitude. Firstly consumers who became curious and more interested, secondly consumers who became interested and started monopolising the discussion by using humour, and polarised reactions and thirdly consumers who remained uninterested and unattached.

5. This part of the discussion focused on specific issues and claims. The three types of 'focus group members' had to be moderated carefully given that they could easily influence the attitudes of the entire group for instance by making constant jokes or sarcastic comments. At this point vague claims would be discussed and several of the claims contained spelling mistakes. It was noticed that the second category of focus group members influenced the opinions of the first group by making jokes. In many cases consumers expressed preference for some claims but lowered their voice and spoke to the member right beside them. This was noticed from the first groups and it was felt that too many jokes (even thought they are a finding regarding the claims) may influence the outcome of the discussion. The focus in the case of the vague claims was the level of wording and associations to meanings and perceptions. Thus instead of making jokes about spelling mistakes consumers focused on the meaning of the claims and their decoding process (eg, CFC safed).
6. After having discussed the claims overall and especially being confused by Type II claims consumers started expressing opinions and ideas more vividly and by using feelings and emotions. This seemed to be the peak of the group discussion given the variation of opinions, questions, interest, interaction, statements and expressions. This was a point where some consumers contradicted their own previous opinions or stated factors that could increase their interest and their claim searching process. The body language noticed at this stage was accompanied by relevant statements. Thus confused consumers would express disappointment and would level up their

voice and interested consumers would state satisfaction and claim that they will look for claims next time they go shopping. This part also included consumer environmental responsibilities –while shopping or overall- where consumers suddenly became quiet then admitted their part of the responsibility only to finally lift the tone of the voice and shift the greater part of the responsibility to companies and governments.

7. Finally consumers either stayed after the group discussions in order to get more information or quietly left.

In summing up, consumers discussed their shopping priorities, discovered or recognised the claims, remembered stories and experiences, commented on other claims and got more involved in the conversation, made suggestions and accusations, discussed their involvement and responsibilities and finally, indicated preference -or not- towards claims and claim searching activity.

One of the advantages of focus groups was witnessing factors that seemed to affect consumer perceptions. This change of initial claim opinion was also one of the basic advantages these groups presented for this study. Also, this change of opinion is connected to strong focus group dynamics, opinions, characters within the group (e.g. 'discussion leaders', humour and polarised reactions, This means that there are the initial consumer stories (pre product display), then the consumer perceptions before the ISO type discussion and finally consumer perceptions in the end of the discussion. Changes in consumer opinions were kept as notes by the researcher during the discussions. In many cases they were questioned and discussed within the groups. It should be stressed that discussing these changes in opinions was a sensitive practice and was done in a way as to not make consumers feel positive or negative about this change in opinion.

Additionally, what can be noted by the existence of this 'change in opinion' is that these claim perceptions are not always rooted deeply in consumers' habitual shopping behaviour. This is a point of interference a path for further involvement for both companies and organisations. This change in opinion was also the case during the discussion of the ISO Type of claims as well as in other issues. There were however issues were consumer would not and did not change their opinions as they seemed to be rooted and connected into their core values and practices. Animal testing issues, health and social issues seem to gain steady statements from consumers.

In summing up, there were cases of changes in opinion and others with no changes in opinion. This means that there are drivers and motivators directing to claims and claim searching (animal testing, fair trade) and other drivers keeping consumers from searching for claims (plethora and visibility of claims). Furthermore, from the discussions it was concluded that claims and claim searching partly involves feelings and emotions as well as ecological cues. Advertising seems to play an important role especially in the awareness and recognition of claims. Many consumers stated that advertising has a positive effect on their product choice while others suggested advertising for the sake of claim awareness. Finally, two main issues derived from these discussions. Firstly, the existence of a decoding and decision making process and secondly, a certain movement in opinions which indicated a consumer typology (mostly perceptions typology rather than consumer typology).

5.4. Stakeholders and Encoding –Decoding Process

From the findings of this study it can be seen that stakeholders are influencing the encoding process more than the decoding process. From the focus group discussions consumers claimed to be unaware, uninformed, unknowledgeable and finally complained about the entire claim market.

In summing up, stakeholders were mentioned by both consumers and companies. In the case of consumers the issue of information was often mentioned. This means that consumers mentioned that retailers, the government, media, and NGOs can provide them with information about labelling. On the other hand stakeholders mentioned that they are close to both companies and consumers with advice and guidance.

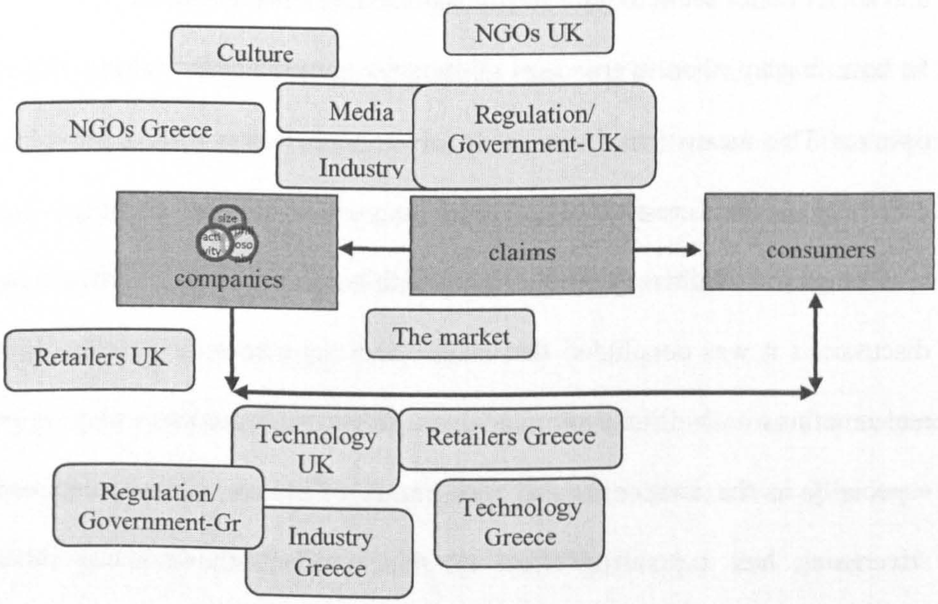


Figure 5.10. Stakeholders and the CCC link.

In Greece stakeholders (figure 5.10) may be closer to the consumer side given that companies believe consumers are not informed thus companies continue to make Type II claims. Various stakeholders can assist the market by providing information regarding the available claims.

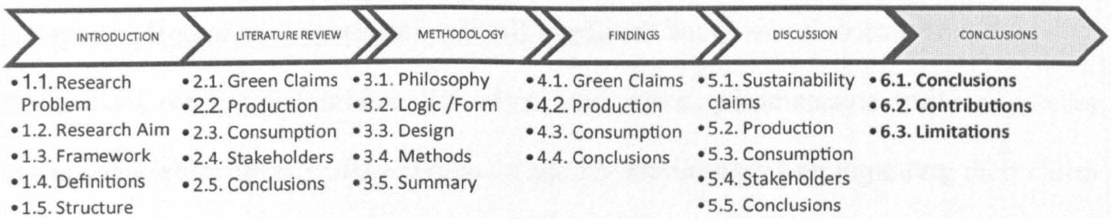
5.5. Summary of Contribution

- **Sustainability Claims** are a peripheral way of making claims. Companies use the product packaging in order to advertise their environmental considerations.
- There is a need for a **balance in product and /or company endorsements** by NGOs as consumers place a great deal of trust in pressure groups and select them as their primary preferred information source.
- A mapping of claims and changes throughout the decade showed more active changes in the Greek market than in the UK market. This type of increasing labelling is creating confusion to both companies and consumers. The plethora and variety of claims **is damaging eco labels and certifications**.
- **The encoding process of claims is a complex process** and companies are not always clear as to which department should have the responsibility of the claims practice.
- Companies are not clear as to **what the claim practice signifies** and **its effect on** the market.
- The role of the packaging is growing given that corporate advertising is moving from mainstream advertising channels to **the product packaging**. Sustainability considerations of companies are advertised on the packaging of the products.
- **Eleven company choices** of on-pack claims where identified. Also, companies were classified according to **claim practice and perceptions into six categories**. The more important contribution however, is the fact that companies behave **like consumers in the market**. This means that they might take into account ethical criteria for one of their products/brands and not for another.
- Market observation indicates that companies are moving towards a **greener identity**. Consumers in countries such as Greece demonstrate incremental signs

of environmental responsibility and desire to do more for the environment. This was in the beginning of the 2000s and recent research confirms this positive change in consumers' perceptions and attitude towards the environment.

- **Consumer perception typology** was outlined and a possible movement in perceptions was indicated.
- **Methodological contribution with both the interviews and the focus groups.** The research methods selected provided useful information and in many cases a 'why' and a 'how' behind consumer perceptions. Thus, the attitude –behaviour gap is seen from a new perspective.

6. CONCLUSIONS, LIMITATIONS,FURTHER RESEARCH



This chapter contains the main conclusions of this research, the basic areas of contribution to theory, methodology and practice, the limitations of this study and the areas for further research. Specifically, in section 6.1. the conclusions of this research will be summarised. In section 6.2. the theoretical, practical and methodological contributions will be noted. Finally, in section 6.3. the limitations and the areas for further research will be discussed.

6.1. Conclusions

The research question, the aim and objectives were addressed in Chapter 4 and Chapter 5. The aim of this research was to explore consumers' perceptions of green claims and company green claim practice in the UK and in Greece. This research took a holistic approach in order to explore consumer perceptions and company green claim practice. Thus, instead of focusing on consumption or on production this thesis explored their interaction via the encoding and decoding process of green claims. Nevertheless, the three main areas of research were consumers, claims and companies.

<u>Green claims in the UK and in Greece</u>

In this thesis green claims were explored as one particular approach to potentially influencing consumer and producer behaviour.

An increasing number of green claims were noticed in both countries. The claims were documented throughout the decade and changes in numbers as well as in nature were recorded. It was found that Type II claims are increasing in both markets and in Greece they are increasing more than in the UK. Additionally, Type I eco labels have been more popular in the Greek market than in the UK. Certifications such as Fair Trade and organic logos can be found in both countries and in a wide variety of products. A difference between the two countries regarding certifications is the fact that in Greece the number of certifying bodies is considerably increasing whereas the UK market is dominated by the Soil Association certification. Thus, in the UK the green claims situation is not as fragmented and diverse as the situation in Greece and has a rather unified outlook.

Another important finding in both countries was the fact that claims and specifically eco labels from other continents (and different countries) were found in the local markets. This implies that the labelling practice has not gained as much attention as it deserves from many companies who do not consider the cultural implications involved when 'exporting' the claim along with the product packaging template.

Finally, it was found that recently a pattern of labelling has been dominating both markets. These claims were labelled 'sustainability claims' and they differ in several aspects from the conventional green claims as to what they cover. These aspects were covered in Chapters 4 and 5. In summing up, '***sustainability claims are an important part and the peak of an overall company labelling practice which has been generated by internal company initiators and/or influenced by external influencers and has as a main objective the connection of the company with sustainability via the product packaging.*** This type of labelling practice widens the characteristics of traditional green claims to a wider, flexible, interactive and adaptable type of labelling leading to a **peripheral rather than direct way of labelling.**

Company claim practice in the UK and in Greece

The number of findings in this part of the research was immense and in many cases unexpected. Companies in Greece have slightly different opinions regarding their claim practice than companies in the UK. For instance, in Greece a few companies, especially medium size companies, saw claims as protective shields from regulation, the market and the media. Specifically, the interviewed managers mentioned that they use green claims in order to demonstrate environmental responsibility so they won't be attacked by the media. In the UK, companies considered Type II claims as a way of attracting negative media attention. The interviewed managers mentioned that they are reluctant to use green claims (Type II claims) on their products given that the media could question the nature of the claims which may lead in negative publicity (in case there is a lack of substantiation). Nevertheless, in both countries small and medium size companies exporting their products in European markets viewed in several cases the Type II claims as a prerequisite.

Companies in both countries agree that too many claims in the market will create a mess and consumers will eventually get confused. The claims clutter is believed to bring market confusion regarding the source of the claims and in many cases a distrust towards Type I eco labels (e.g. Tufte and Lavik, 1997; Thogersen, 2000).

Certain small and medium size companies in Greece believe that green claims are part of the art work and packaging design and they can be altered –in colour, image, content, wording -as desired. In several cases in Greece programs such as the Green Dot are included in the list of altered claims. This fact may distort the credibility of claims and in many cases the universal character of certain symbols.

Many company external stakeholders are pointed out as essential influencers of a company green claims practice. Specifically, it was found that competition and the market are driving factors in eliminating or increasing green claims on product packaging. An important finding which constitutes a strong theoretical contribution, is the fact that the company decision making process regarding the claim practice starts internally and gets influenced by external factors. The external stakeholders were mapped according to the level of influence on a company claim practice in both countries. Finally, a specific company labelling decision making process, as well as, eleven labelling paths were documented in both countries.

Another unexpected finding was the fact that instead of the conventional picture of information asymmetry and a power imbalance between consumers and companies, amongst SMEs in particular there were equal levels of confusion and uncertainty. This has immense practical implications. Another important finding in the case of the companies is that in many cases companies use eco labels to partly lock their products into a small green market niche. Companies especially in Greece raised the issue of culture as influencing their claims. Other factors mentioned by companies were fashion and regulation.

In summing up, companies in both countries use sustainability claims as a way to communicate their sustainability considerations. However, the level of confusion is high in both consumers and several SMEs.

Consumers' perceptions in the UK and in Greece

The findings in this part of the research were less unexpected than the findings regarding company claim practice.

One important finding was the issue of on-pack claims and their visibility, readability and awareness.

Two issues that were consistently appearing in this part of the research was the issue of consumer trust and company and claim credibility. Consumers 'need' to trust the claims and the companies behind them as they mentioned during the discussions but circumstances do not allow them to. For example the number, variety and form of claims in the market may in a certain degree distort the image of labelling and create confusion and scepticism. Consumers also, were not aware of the source of claims and were uncertain as to who issues and/or controls the claims.

Another finding that was consistent in both countries was the fact that consumers owned responsibility in the way they consume as well as the way they use the products. This shifts the focus from recycling activities to consumption and usage activities and can have important practical implications.

Finally, the importance of eco literacy and the extent to which consumers understand green issues and the claims related to them was elevated during the discussions. Consumers in Greece in contrast to consumers in the UK felt more unguided, uneducated and '*alone*' when it comes to environmental literacy. For the majority of the focus group members green claims were something they had never encountered when shopping for FMCGs. Activities such as recycling early in the 2000s were something 'other countries practice'. It should be stressed however that during the end of the decade the issue of recycling became something many Greeks adopted as an everyday routine.

In summing up, consumers stressed the issue of eco literacy, education, awareness, credibility, trust, scepticism, responsibility and interest.

Companies, Claims and Consumers

This research took a holistic approach and instead of studying either claims or consumers or companies, it studied each one in relation to the others. What was found was that the communication links are extremely weak and problematic. Thus, companies encode claims as part of their product communication process but without assisting their decoding process. In other words companies in many cases encode claims but without taking into account the decoding requirement such as consumer information. On the other end consumers seem to adopt a rather passive stance towards the decoding process and either ignore claims altogether or stick to the claims they recognise and trust. Finally, irrespective of the encoding and decoding process the claims as a market characteristic are increasing in both markets. The forms of the claims however differ between the two countries and as it was extensively discussed in the previous chapters claims in the UK follow a more regulated path (influenced by the available GOs and NGOs) than claims in Greece.

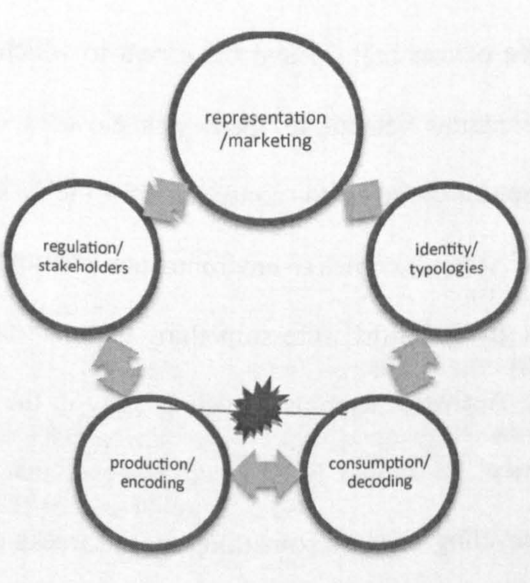


Figure 6.1. Problematic link between companies, claims and consumers.

The above findings imply important practical implications and make certain strong contributions to theory. The most prominent ones are summarised below.

6.2. Theoretical, Methodological and Practical Contributions

This research contributed to theory, methodology and practice in a number of ways. The most important contribution was however the exploration of the issue of green claims by using a qualitative methodology and a holistic rather than a fragmented research approach. In other words this research was an exploration of an encoding and decoding process between companies and consumers. The qualitative approach offered rich data and unexpected findings in both countries.

One of the strongest theoretical contributions of this research was the exploration of the decision making process companies go through in order to encode the claims and the exploration of the decision making process consumers go through in order to decode the claims. Research has traditionally focused on consumers or companies or claims and has studied each one in a great depth and degree. Nevertheless, the encoding decision making process has been understudied given the challenge of company access. Thus, one strong contribution to theory is the breaking down of the company encoding process in *internal initiators* and *external influencers*. The encoding process has not been previously documented in this depth.

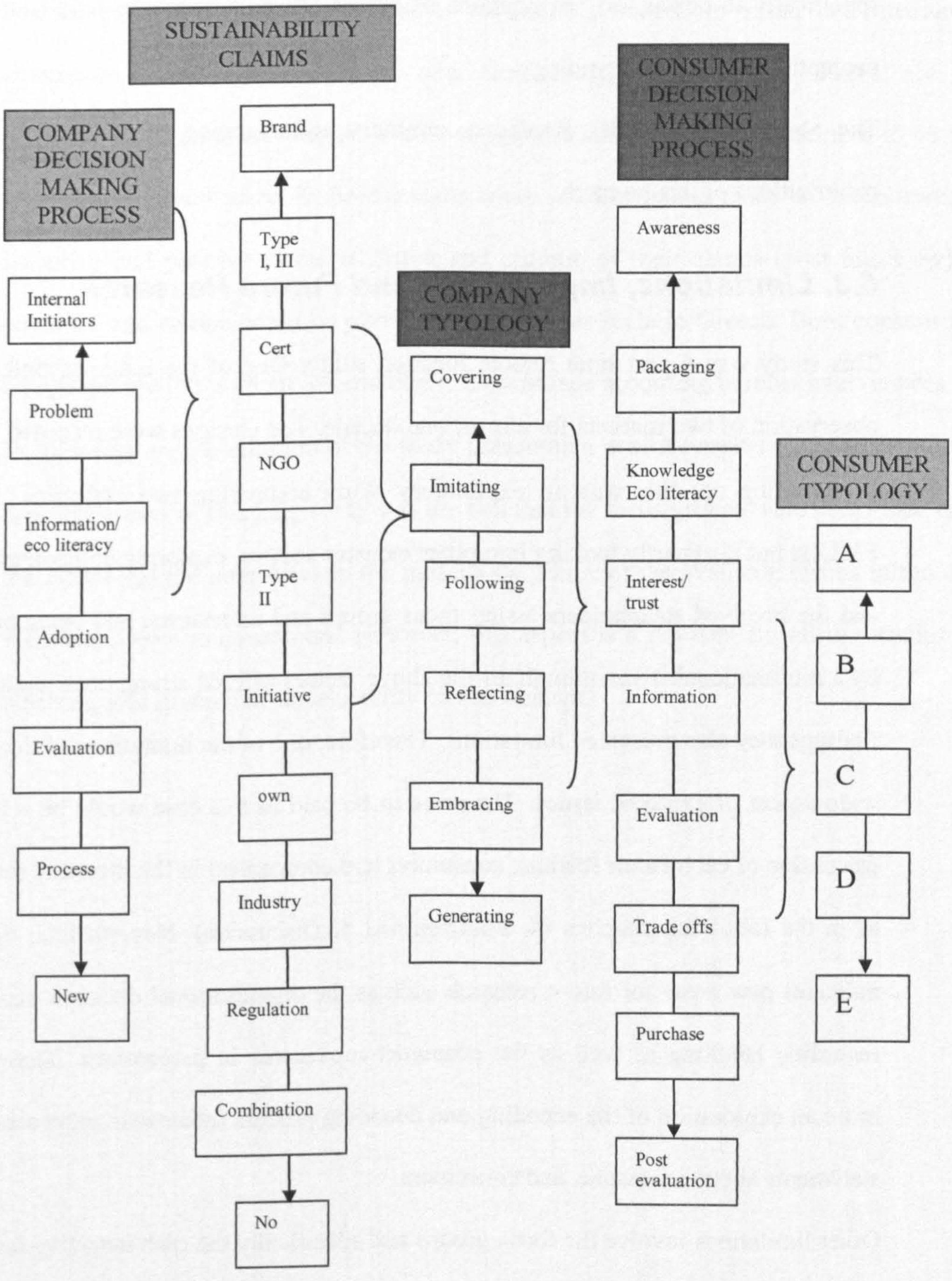
From an organisational point of view issues such as eco literacy, information asymmetry as well as communication challenges were documented. This draws the attention to inter organisational factors affecting labelling decisions rather than market factors. This also constitutes an area for future research into organisational behaviour and eco labelling.

Eleven company choices of on-pack claims were identified. Also, companies were classified according to claim practice and perceptions into six categories. The more important contribution however, is the fact that companies behave like consumers in the market. Meaning that they might take into account ethical criteria for one of their products/brands and not for another.

A consumer perception typology was documented. The contribution however as well as the area for future research is the fact that the typology is more a 'movement' of perceptions rather than a classification of consumer types. Theories and models of consumer behaviour have demonstrated that consumer behaviour (attitudes, purchase behaviour, values) are difficult to change. This typology indicates a movement in consumers' perceptions (interrelated to company provision of information, to active consumer associations, retailers involvement etc.) of claims. This also presents a practical contribution as marketers may design communication strategies and labelling practices that can facilitate this 'consumers' perceptions movement' in favour to their products.

A very important methodological contribution is the use of qualitative research methods in an area dominated by quantitative research. This facilitated this holistic overview of labelling and its in depth exploration. This research had also a cross cultural character which allowed a more in depth discussion with both consumers and companies. Finally, this research generated a focus group and interview detailed step by step process as well as a well-documented process of data analysis.

In summing up, the basic contributions can be seen in figure 6.2.



6.2. The Encoding and Decoding Process: basic contributions to theory

This figure starts from the encoding process and specifically the company decision making process (see first column). This process leads companies to the second column which is the selection of one of the eleven available labelling practices. The selected path will portray a company typology (see third column). This will lead to the decoding process and specifically to consumers' perceptions of claims. These perceptions lead to the consumer perception (movement) typology.

The above figure finally is also a summary and mapping of the basic findings and contributions of this research.

6.3. Limitations, Implications and Future Research

This study was a part time remote location study. One of the main advantages was the observation of two markets for almost one decade. The changes were recorded and studied. In summing up, this was an exploratory study comparing two countries, focusing on FMCGs but also partly looking into other industry sectors, exploring companies, consumers and the involved stakeholders, using focus groups and interviews, and being partly funded by a multinational. Even though all the above factors offered strong contributions and rich findings they also presented limitations. Therefore, one of the limitations of this study is the wide aspect of explored issues. The price to be paid in this case would be a less in depth discussion of each factor (claims, consumers and companies) in the literature review as well as in the following chapters (4. Findings and 5. Discussion). Nevertheless, this approach indicates new areas for future research such as the organisational decision making process regarding labelling as well as the consumer movement in perceptions. These results are more an exploration of the encoding and decoding process rather than generalised and rigid statements about companies and consumers.

Other limitations involve the focus groups and specifically the cash incentive involved. This may distort to sample as cash poor and time rich consumers are probably more keen to participate in the discussions.

Nevertheless, the opportunities focus groups present compared to other methods such as interviews are great. One interesting area for further research is the attitude behaviour gap.

Firstly, whether consumer attitudes and their purchase behaviour is as far as it is portrayed to be. Secondly, whether the gap can be filled (e.g. With education, information etc.).

On the part of the companies further research is needed in small and medium size companies, their claim practice and the relative stakeholders. There are many communication gaps between small size companies and stakeholders that need to be further researched and addressed. In Greece many small size companies that were interviewed were receptive and positive to the feedback and critique of their claims (post interview). This guidance and advice could be performed on a wider scale in Greece. Both consumers and companies are left without information and assistance according to most interviewees.

In summing up, the duration of the study presented a positive aspect observation wise. The negative aspect of this long study was the fact that the focus groups were performed early in the 2000s and the interviews in the mid 2000s. Many of the available claims in the market were not shown to consumers. However, this aspect is a problem for all the studies in the labelling area given that sustainability claims change.

REFERENCES

Aaker, D. A. and Myers, J. G. (1987) *Advertising Management*, Prentice-Hall, Englewood Cliffs, N.J.

Abeliotis, K., Koniari, Ch. and Sardianou, E. (2010) The profile of the green consumer in Greece. *International Journal of Consumer Studies*, 34, 153–160.

ACCPE (2001) *Choosing green- Towards more sustainable goods and services.* www.defra.gov.uk/environment/consumerprod/accpe (Accessed January 2006)

Ackerstein, D.S, and Lemon, K.A. (1999) Greening the brand – environmental marketing strategies and the American consumer. In Charter M. and Polonsky J. (eds) *Greener Marketing – a Global Perspective on Greening Marketing Practice*, Greenleaf: Sheffield, 233–254.

Antil, J. H. (1984) Socially responsible consumers: profile and implications for public policy. *Journal of Macromarketing*, 4, pp18–39.

Arksey, H. and Knight, P.T. (1999) *Interviewing for Social Scientists: An Introductory Resource with Examples.* Thousand Oaks, CA: Sage Publications

Asbury, J.E. (1995) Overview of focus group research. *Qualitative Health Research*, 5 (4), pp. 414 - 420.

Balderjahn, I. (1988) Personality variables and environmental attitudes as predictors of ecologically responsible consumption patterns. *Journal of Business Research*, Vol. 17 No. 1, p. 51-6.

Banerjee, S. B. (1998) Corporate environmentalism and the greening of strategic marketing: Implications for marketing theory and practice. In: Charter, M. & Polonsky, M. J. (eds.). *Greener marketing. A global perspective on greening marketing practice,* pp. 16-40. Aizlewood's Mill: Greenleaf.

Baudrillard, J. (1998) *The Consumer Society: Myths and Structures*, Sage Publications, London (1998).

Belch, G. and Belch, M. (2001) *Advertising and promotion – an integrated marketing communication perspective.* 5th Ed. Boston: McGraw Hill.

Belch, G.E. and Belch, M.A. (1990) *Introduction to Advertising and Promotion Management.* Richard D. Irwin, Inc., Howewood JL, U.S.A..

Belz, F. M. and Schmidt-Riediger, B. (2010) Marketing strategies in the age of sustainable development: Evidence from the food industry. *Business Strategy and the Environment*, 19: 401–416.

Belz, F.K. and Peattie, K. (2009) *Sustainability Marketing*. Glasgow: John Wiley & Sons Ltd.

Bendell, J, and Murphy, D. (2000) Planting the seeds of change: business–NGO relations on tropical deforestation. In Bendell J (ed.) *Terms of Endearment. Business, NGOs and Sustainable Development*, Greenleaf: Sheffield; 65–78.

Berkowitz, L. and Lutterman, K. G. (1968) The traditional socially responsible personality. *Public Opinion Quarterly*, 32 (1968), pp. 169–185.

Biel A., D. Eek and T. Gärling, (1999) The importance of fairness for cooperation in public-goods dilemmas, P. Juslin, H. Montgomery, Editors , *Judgment and decision making*, Erlbaum, Hillsdale, NJ (1999), pp. 245–259.

Bjorner, T. B., Hansen, L. G. and Russell, C. S. (2004). Environmental labeling and consumers choice; an empirical analysis of the effect of the Nordic swan, *Journal of Environmental Economics and Management* 47: 411–434.

Boström, M., and Klintman, M. (2008) *Eco-standards, product labelling and green consumerism.* Basingstoke: Palgrave Macmillan.

Brassington, F. and Pettitt, S. (2003) *Principles of Marketing*. Prentice Hall, London

Brown, J. and Wahlers, R., (1998) The environmentally concerned consumer: An exploratory study, *Journal of Marketing Theory and Practice*, Vol. 6, No. 2, pp. 39–47.

Brown, M. and May, J. (1989) *The Greenpeace Story*. Dorling Kindersley, London.

Bryman, A. (2004) *Social Research Methods*, Oxford University Press, Oxford.

Bryman, A. and Bell, E. (2003) *Business Research Methods*, Oxford University Press, Oxford.

Burgess, J. (1989) The Production and Consumption of environmental Meanings in the Mass Media: A researcher agenda for the 1990s. *Transactions of the Institute of the British Geographers*, N.S. 15: 139-161.

Burgess, R. (1995) *Computing and Qualitative Research,* London, JAI Press.

Calder, B.J. (1977). Focus groups and the nature of qualitative marketing research. *Journal of Marketing Research, 14,* 353-364.

Calvin, B. and Lewis, A. (2005) Focus groups on consumers ethical beliefs, in Harrison, R. (Eds),*The Ethical Consumer*. Sage Publications, London.

Carey, M. A. (1994) The group effect in focus groups: Planning, implementing, and interpreting focus group research. In J. Morse (Ed.) *Critical issues in qualitative methodology research*. Thousand Oaks, CA: Sage.

Carlson, L. Grove, S.J. and Kangun, N. (1993) A Content Analysis of Environmental Advertising Claims: A Matrix Method Approach. *Journal of Advertising,* 22 (3) September , pp. 27-40.

Carlson, L., Grove, S. J., Kangun, N. and Polonsky, M. J. (1996) An international comparison of environmental advertising: Substantive versus associative claims. *Journal of Macromarketing*. Vol. 16 No. 2 pp 57-68.

Caudill, E. M. (1994) Nutritional Information Research: A Review of the Issue. *Advances in Consumer Research,* 21, 213–217.

Chan, R. Y. K., and Yam, E. (1995) Green movement in a newly industrializing area: A survey on the attitudes behavior of Hong King citizens. *Journal of Community and Applied Social Psychology,* 5(1), 273-84.

Charter, M. (1992) *Greener marketing* Greenleaf Publishing, Sheffield

Chase, D. (1991) P&G gets top marks in AA survey, *Advertising Age: Green Marketing Revolution Issue*, No.29 January pp. 8-10.

Chase, D. and Smith, T.K. (1992) Consumers Keen on Green but Marketers Don't Deliver. *Advertising Age*, 63, pp 2-4

Coddington, W. (1993) Environmental marketing's new relationship with corporate environmental management. *Total Quality Environmental Management*. Vol. 2, No. 3, pp. 297-302.

Cooper, D.R. and Schindler, P.S. (1998) *Business Research Methods* Irwin, 6th Edition.

Cowe, R. and Williams, S. (2000) Who are the Ethical consumers? Manchester, *The Cooperative Bank.* Ethical Investment Research and Information Services (EIRIS) website,http://www.eiris.org.

Crane, A. (2000) Facing the Backlash: Green Marketing and Strategic Re-orientation in the 1990s. *Journal of Strategic Marketing*, 8, pp. 277-296.

Cude, B. J. (1993) Consumer Perceptions of Environmental Marketing Claims: An Exploratory Study. *Journal of Consumer Studies and Home Economics*, Vol. 17 No. 4 pp. 207-225.

Cude, B.J. (1991) *Comments Prepared for the July 1991 FTC Public Hearings on Environmental Marketing and Advertising Claims*. Washington, DC.

D'Souza, C., Taghian, M., Lamb, P. and Peretiatko, R. (2007) Green decisions: demographics and consumer understanding of environmental labels International *Journal of Consumer Studies,* 31

Darley, W. K. and Smith, R.E. (1993) Advertising Claim Objectivity: Antecedents and Effects. *Journal of Marketing*, 57 (October): 100-113.

Davis, J. J. (1992) Ethics and environmental marketing. *Journal of Business Ethics*, 11, pp. 81-87.

Davis, J.L. (1993) Strategies for environmental advertising. *Journal of Consumer Marketing* 10(2): 19–36.

de Boer, J. (2003) Sustainability labelling schemes: the logic of their claims and their functions for stakeholders. *Business Strategy and the Environment*, 12, pp. 254-264.

De Pelsmacker, P., M. Geuens, and J. Van den Bergh (2002) *Marketing communications: a European perspective*, 2nd ed., Harlow: Financial Times Prentice Hall DEFRA. (2007). *Survey of public attitudes and behaviours toward the environment: 2007.* London: Department for Environment, Food and Rural Affairs.

Defra (2000). Green Claims - Practical Guidance, How to make a good environmental claim

Defra (2002) *Survey of Public Attitudes to Quality of Life and to the Environment - 2001*. London, Department for Environment, Food and Rural Affairs.

Defra (2007) *Waste Strategy for England 2007*. London, Department for Environment, Food and Rural Affairs.

Defra (2008) *A Framework for Pro-Environmental Behaviours*. London, Department for Environment, Food and Rural Affairs.

Delaet, D., and Rousseau, C. (1998) Logos environnementaux sur les emballages. CRIOC.

Der Blaue Engel Newsletter, (2009) March, *Blue Angel Newsletter* retrieved from http://www.blauer-engel.de/en/blauer_engel/press/newsletter/index.php(accessed on march 2009).

Diamantopoulos, A., Schlegelmilch, B.B., Sinkovics, R.R. and Bohlen, G.M. (2003) Can socio-demographics still play a role in profiling green consumers? A review of the evidence and an empirical investigation. *Journal of Business Research*, 56(2), 465-80.

Diekmann, A. and Preisendörfer, P. (2000) Umweltsoziologie. Eine Einführung, Rowohlt, Reinbek

Diekmann, A. and Preisendörfer, P. (2003) Green and greenback. The behavioral effects of environmental attitudes in low-cost and high-cost situations, *Rationality and Society,* 15, pp. 441–472.

Do Paco, A.M. and Raposo, M.L.B. (2010) Green consumer market segmentation: empirical findings from Portugal. *International Journal of Consumer Studies*, 34, pp. 429–436.

Du Gay, P., Hall, S., Janes, L., Mackay, H. and Negus, K. (1997) *Doing Cultural Studies. The Story of the Sony Walkman*. London, Sage.

Dunn, D.A. and Ray, M.L. (1980) "A plan for consumer information system development, implementation and evaluation" in *Advances in Consumer Research.* Vol. 7, 250-254

Dupuis, E. (2000) Not in my body: rBGH and the rise of organic milk. *Agriculture and Human Values*, 17 (3), 285-295.

Easterby-Smith, M., Thorpe, R. and Lowe, A. (2002) *Management Research: An Introduction*. Sage, Newbury Park and London.

EPA, (1994). *Determinants of effectiveness for environmental certification and labeling programs.* EPA-742-R-94-001. Abt Associates, Inc., Washington, DC.

Erskine, C. and Collins, L. (1997) Eco-labelling: success or failure? *The Environmentalist*, 17, pp. 125–133.

Fuller, D. A. and Butler, D. D. (1994) Eco-marketing: A Waste Management Perspective, *Proceedings of Academy of Marketing Science 1994 Annual Meeting.* Scranton.

Fuller, D.A. (1999) *Sustainable Marketing: Managerial – Ecological Issues.* Sage Publications, London.

Gabriel, Y. and T. Lang (1995), *The Unmanageable Consumer: Contemporary Consumption and its Fragmentations*. London, SAGE Publications.

Galarraga, I. G. (2002) The Use of Eco-labels: a Review of the Literature. *European Environment,* 12(6), pp. 316-331.

GEN (1999) *The Ecolabelling Guide "A Guide to Ecolabelling Around the World*", October 1999.

Gray-Lee JW, Scammon DL, Mayer RN. (1994). Review of legal standards for environmental marketing claims. *Journal of Public Policy and Marketing* 13: 155–159.

Greenbaum, T.L. (2000) *Moderating Focus Groups –A Practical Guide for Focus group Facilitation.* Thousand Oaks, CA: Sage Publications, Inc.

Halkos, G. and Evangelinos, K. (2002) Determinants of Environmental Management Systems Standards Implementation: Evidence from Greek Industry. *Business Strategy and the Environment*, Vol 11, No 6, pp 360-375.

Harrison, R., Newholhm, T. and Shaw, D. (2005) *Introduction. In The Ethical Consumer.* Sage, London.

Healey, M. J. and Rawlinson, M. B. (1994) Interviewing techniques in business and management. In Wass, V.J. and Wells, P.E. (ed) *Principles and Practice in Business and Management Research.* Aldershot, Dartmouth.

Healey, M.J. (1991) 'Obtaining Information from business', in Healey, M.J. (ed), *Economic Activity and Land use: the changing information base for local and regional studies.* Harlow, Longman pp 198-250.

Healey, M.J. and Rawlinson, M.B. (1993) Interviewing business owners and managers: a review of methods and techniques. *Geoforum* 24, 339-355.

Hellenic Advertising Agencies Association, (1996)

Helvarg, D. (1996) The big green spin machine. *The Amicus Journal*, Vol. 18 No. 2, pp. 13-21.

Henion, K. and Kinnear, T. (1976) A guide to ecological marketing, in Karl E. Henion and Thomas C. Kinnear (Eds) *Ecological Marketing.* Colombus, Ohio: America Marketing Association.

Hinton, E. and Goodman, M. (2009) Sustainable Consumption: Developments, considerations and new directions *Environment, Politics and Development Working Paper Series*, Department of Geography, King's College London.

Hollensen, S. (1998) *Global Marketing: a market response approach.* Hertfordshire: Prentice Hall.

Horne, R.E. (2009) Limits to labels: The role of eco-labels in the assessment of product sustainability and routes to sustainable consumption. *International Journal of Consumer Studies*, 33, pp. 175–182.

House of Commons Environmental Audit Committee, (2009) *Environmental Labelling,* Second report of Session 2008-2009.

Howlett, M and Raglon, R. (1992) Constructing the Environmental Spectacle: Green Advertisements and the Greening of the Corporate Image, 1910-1990. *Environmental History Review* Vol. 16, No. 4, pp. 53-68.

Hunt, C., Auster, E (1990) "Proactive environmental management: avoiding the toxic trap", *Sloan Management Review*, Vol.31 No.2 pp7-18.

Hussey, J. and Hussey, R. (1997) *Business Research: An Applied Approach*. 5th edition McGraw-Hill, New York.

Jackson, T. (2005). Motivating Sustainable Consumption: A Review of Evidence on Consumer Behaviour and Behavioural Change U. O. Surrey, ed. *httpwwwcompassnetworkorgimagesuploadMotivatingSCfinalpdf*, (January). Available at: http://www.comminit.com/en/node/219688/306.

Kahan, W.A. (1990) Psychological Conditions of Personal Engagement and Disengagement at Work. *Academy of Management Journal*, 33(4), 692.

Kalafatis, S.P. Pollard, M., East, R. and Tsogas, M.H. (1999) Green marketing and Ajzen's theory of planned behaviour: a cross-market examination. *Journal of Consumer Marketing*, Vol. 16 Issue 5.

Kangun, N. and Polonsky, M.J. (1995) Regulation of Environmental Marketing Claims: A Comparative Perspective. *International Journal of Advertising*, 13(4), pp. 1-24.

Kardash, W.J. (1976) Corporate responsibility and the quality of life. In Henion, K.E, and Kinnaer, D. (eds). *Ecological Marketing*, AMA: Chicago, IL.

Kiker, C.F. and Putz, F.E. (1997) Ecological certification of forest products: economic challenges. *Ecological Economics*, 20(1): 37–51.

King, N. (2004) Using interviews in qualitative research, in C.Cassell and G.Symon (Eds.) *Essential Guide to Qualitative Methods in Organizational Research*. London: Sage.

Kinnear, T. and Taylor, J. (1973) The effects of ecological concern on brand perceptions. *Journal of Marketing Research*, 10, pp. 191–197.

Kinnear, T. C., and Taylor, J. R. (1974) Identifying Ecological Buying Segments Through Attitude Measurement. *Journal of Business Administration*, 3, 33-43.

Kinnear, T. Taylor, R.J. (1996) *Marketing Research, an applied approach*. Fourth edition McGraw-Hill, Inc.

Kong, H., Zhao, J., Wu G., Ma, K. (2002) Ecosystem health and environmental management. *Environmental Science*, 23(1): 3.

Koos, S. (2011) Varieties of Environmental Labelling, Market Structures and Sustainable Consumption across Europe: A Comparative Analysis of Organizational and Market Supply Determinants of Environmental-Labelled Goods. *Journal of Consumer Policy*, 34(1), pp. 127-151.

Krarup, S. and Russell, C.S. (2005) *Environmental Information and Consumer Behaviour.* Edward Elgar Publishing.

Krueger, R. A. (1988) *Focus groups: A practical guide for applied research.* Newbury Park California, U.S.A.: Sage Publications, Inc.

Kuhre, W. L. (1997) *ISO 14020s Environmental labelling- marketing: efficient and accurate environmental marketing procedures.* Prentice Hall, London.

Laroche, M., Bergero J. and Barbarot-Forleo, G. (2001) Targeting consumers who are willing to pay more for environmentally friendly products. *Journal of Consumer Marketing*, 18: 503-520.

Lecky, S. (1993) Green blues. *The Sydney Morning Herald*, May, p. 41.

Lincoln, Y. S. and Guba, E. G. (2000) Paradigmatic controversies, contradictions, and emerging confluences. In: Denzin, N. K. and Lincoln, Y. S. (eds) *Handbook of Qualitative Research.* 2nd edition. Thousand Oaks, Sage. pp.163-88.

Lipschultz, S. (1996) Hours and Wages: The Gendering of Labor Standards in America. *Journal of Women's History* 8.1.

Little, A. D. *Inc. (1989), State*-of-the-*Art Environmental, Health* and *Safety Management. Programs*: How *Do You Compare*? Arthur D. Little Inc., Cambridge

Lloyd, S. (2006) Future shock. *Business Review Weekly, 4 May, 38.*

Lowe, P. and Morrison, D. (1984) Bad news or good news: environmental politics and the mass media. *Sociological Review*, 32: 75-90.

Lunt, P. and Livingstone, S. (1996) Rethinking the focus group in media and communications research. *Journal of Communication*, Vol. 46(2), pp. 79-98.

Maloney, M. P. and Ward, M. P. (1973) Ecology: Let's hear from the people. *American Psychologist.* 28, 583-586.

Maloney, M.P., Ward, M.P., and Braucht, N.G. (1975) A revised scale for the measurement of ecological attitudes and knowledge. *American Psychologist*, Vol. 30, pp.787-91.

Markandya, A., Mason, J., Taylor, T.J. and Perelet, I. (2001) *A Dictionary of Environmental Economics.* Earthscan: London.

Maronick, T.J. and Andrews, J. G (1999) The Role of Qualifying Language on Consumer Perceptions of Environmental Claims. *Journal of Consumer Affairs*, Vol. 33.

Martin, B. and Simintiras, A.C. (1994) Determinants of green purchase behaviour: a review of the literature and an agenda for future research. In Carson, D. (Eds) *Marketing: Unity in Diversity, Proceedings Annual Conference of the Marketing Education Group*, University of Ulster, pp.628-37.

Mattoo, A. and Singh, H.V. (1994) Eco-labelling: policy considerations. *Kyklos*, 47(1): 53–65.

Mayer, R.N., Scammon, D. and Zick, C.D. (1993) Poissoning the well: Do Environmental Claims strain Consumer Credulity? *Advances in Consumer Research*, Volume 20, pp: 698-703.

McCombs, M. E. and Shaw, D. L. (1993) The Evolution of Agenda-Setting Research: Twenty-Five Years in the Marketplace of Ideas. *Journal of Communication*, 43: 58–67.

McDonagh, P. (1998) Towards a theory of Sustainable Communication in Risk Society: Relating issues of sustain ability to marketing communications. *Journal of Marketing Management*, 14, pp. 591-622.

McDonald, S. and Oates, C.J. (1999) Golden goose or wild goose? The hunt for the green disposer. *Proceedings of the Business Strategy and the Environment Conference*. ERP: Shipley.

McDonald, S., Oates, C., Alevizou, P.J., Young, W. & Hwang, K. (2006) Communication strategies for sustainable technologies: identifying patterns in consumer behaviour. *Greening of Industry Network Conference, University of Cardiff.*

McKenzie, D. (1991) The rise of the green consumer. *Consumer Policy Review*, 1 (2), 68-75.

Mendleson, N. (1994) Environmental marketing business partnering at AFC-developing strategic alliances. Environmental Marketing: Critical Success Strategies for Reaching the Green Consumer. *Proceedings of the 1994 Conference, Sydney*, No.February 22-23, pp.87-103.

Menon, A. and Menon, A. (1997) Enviropreneurial Marketing Strategy: The Emergence of Corporate Environmentalism as Market Strategy. *Journal of Marketing*, 61 (1), pp. 51 – 67.

Merton, R.K., Fiske M, and Kendall P.L. (1990) *The Focused Interview*. New York: Free Press. 2nd ed.

Minter, R. (1985) Time to go green. *Ecos*, 6(3).

Mintu, A. T. and Hector, L. (1993) Green Marketing Education: A Call for Action. *Marketing Education Review*, Fall, Vol. 3 (3), pp. 17-25.

Mohr LA, Eroglu D, Scholder-Ellen P. (1998). The development and testing of a measure of skepticism toward environmental claims in marketers' communications. *The Journal of Consumer Affairs* 32*(1):* 30–55.

Moisander, J. and Pesonen, S. (2002) Narratives of sustainable ways of living: constructing the self and the other as a green consumer. *Management Design*, Vol. 40 (4), p. 329-342.

Moore K. (1993) An emergent model of consumer response to green marketing. *In* Proceedings of the 1993 EMAC Conference, Chias J, Sureda J *(eds). Marketing for the New Europe:* Barcelona; 955–974.

Moorman, C. (1998) The market –level impacts of information: Competitive responses and consumer dynamics. *Journal of marketing Research,* 34 pp82-98.

Morgan, D. (1988). *Focus Groups as Qualitative Research.* Newbury Park, CA: Sage.

Morgan, D. L. (1986) *Focus Groups as Qualitative Research*, London, Sage.

Morgan, D. L. (1993) *Successful Focus Groups: Advancing the State of the Art.* Newbury Park, CA.: Sage

Morgan, D. L. (1996). 'Focus groups', *Annual Review of Sociology* **22**: 129-152

Morgan, D. L. (1997) *Focus Groups as Qualitative Research*. 2nd edition. Thousand Oaks, Sage.

Morgan, D. L. (1998) *Focus Group Kit 2: Planning Focus Groups*. Thousand Oaks, Sage.

Morgan, D. L. and Krueger, R. A. (1993) When to use focus groups and why. In: Morgan, D. L. (ed) *Successful Focus Groups: Advancing the State of the Art.* Newbury Park, Sage. p.3-19.

Morgan, D. L., and Krueger, R. A. (1998) *The focus group kit.* Thousand Oaks, CA: Sage.

Morgan, D.L. (1992) "Designing Focus Group Research." In *Tools for Primary Care Research*. Sage Publications. Thousand Oaks, CA.

Morris J. (1997) Green Goods? Consumers, Product Labels and The Environment, *Studies on the Environment*, 8.

Morse, J.M. (1994) Designing funded qualitative research. In Norman K. Denzin and Yvonna S. Lincoln (Eds.), *Handbook of qualitative research* (2nd ed., pp.220-35). Thousand Oaks, CA: Sage.

Murphy, D. F. and Bendell, J. (1998) Do-It Yourself or Do-It together? The Implementation of Sustainable Timber Purchasing Policies by DIY Retailers in the UK, in T. Russel (ed.), *Greener Purchasing: Opportunities and Innovations,* Greenleaf Publishing, Sheffield, p. 118-134.

Myburgh-Louw, J. and O'Shaughnessy N. J. (1994) Consumer Perception of Misleading and Deceptive Claims on the Packaging of "Green" Fast Moving Goods. *American Marketing Association Educators Proceedings Enhancing Knowledge Development in Marketing* Vol. 4, pp. 334-353.

National Consumer Council, (1996) *Consumers' perceptions of green claims in advertising."*

Oates, C. (2000) The Use of Focus Groups in Social Science Research, in Burton, D. (Ed) *Research Training for Social Scientists*, London, Sage, pp 186-195.

OECD (1997) *Eco-Labelling: Actual Effects of Selected Programme*. Paris.

OECD (2000) *Towards Sustainable Consumption Patterns, A Progress Report on Member Country Initiatives*, Secretary General of the OECD.

Ottman, J. (1998) *Green marketing: opportunity for innovation*. 2nd ed, North London, Hertfordshire, London.

Ottman, J. A. (1993) *Green marketing: Challenges and opportunities*. Lincolnwood, IL: NTC Business Books.

Ozanne, L.K. and Vlosky. R.P. (1997) Willingness to pay for environmentally certified wood products: A consumer perspective. *Forest Products Journal.* 47(6): 39-48.

Peattie, K (1992) *Green Marketing*, Longman, London.

Peattie, K. (1995) *Environmental Marketing Management. Meeting the Green Challenge*. Pitman.

Peattie, K. (1998) Golden goose or wild goose? The hunt for the green consumer. *Proceedings of the Business Strategy and the Environment Conference*. ERP: Shipley.

Peattie, K. (1999) Rethinking marketing: Shifting to a greener paradigm. In: Charter, M. and Polonsky, M. J. (eds.). *Greener marketing. A global perspective on greening marketing practice* , pp. 57-71. Aizlewood's Mill: Greenleaf.

Peattie, K. (1999) Trappings versus substance in the greening of marketing planning. *Journal of Strategic Marketing,* 7: 131–148.

Peattie, K. and Charter, M., (1994) Green Marketing. In: Baker, M.J. (ed.), The Marketing Book, 3rd Edition. Butterworth-Heinemann, pp. 691-712.

Peattie, K. and Crane, A. (2005) Green marketing: legend, myth, farce or prophesy? *Qualitative Market Research: An International Journal*, 8 (4), 357-370.

Pechmann, C. (1996) Do Consumers Overgeneralize One-Sided Comparative Price Claims and Are More Stringent Regulations Needed *Journal of Marketing Research,* 33 (May):150–162.

Polonsky, J. M. Carlson, L. Grove, S. and Kangun, N. (1997) International environmental marketing claims Real changes or simple posturing? *International Marketing Review,* 14 (4).

Polonsky, M. J. and Mintu-Wimsatt, A.T. (1995) *Environmental Marketing: Strategies, Practice, Theory and Research.* New York: Haworth Press.

Polonsky, M., Bailey, J., Baker, H., Basche, C., Jepson, C. and Neath, L. (1998) Communicating environmental information. Are marketing claims on packaging misleading? *Journal of Business Ethics*, 17 , 281-294.

Polonsky, M.J. (1995) A stakeholder theory approach to designing environmental marketing strategy. *Journal of Business & Industrial Marketing*, Vol. 10 No. 3, pp. 29-45.

Princen, T., and Finger, M. (1994) *Environmental NGOs in World Politics: Linking the Global and the Local.* London: Routledge.

Pujari, D. (2006) Eco-innovation and new product development: understanding the influences on market performance. *Technovation*, 26(1), pp. 76-85.

Pujari, D. and Wright, G. (1995) Design dimensions of greener product strategy results from a multi case study of companies in Britain and Germany. In: Bergdaà, M. (ed. Marketing today and for the 21st century. *Proceedings of the 24th annual conference of the European Marketing Academy*, pp. 953-971. Cergy-Pontoise: ESSEC.

Rex, E. (2002) *The role of consumers in the market shift towards greener products.* Master Thesis, Environmental Systems Analysis, Chalmers University of Technology, Göteborg, Sweden.

Rex, E. and Baumann, H. (2004) *Expanding the green practice of LCA: The first decade of life cycle assessment activity in the Swedish forest products industry.* CPM-report 2004:1. Göteborg, CPM.

Rex, E. and Baumann, H. (2005) Implications of an interpretative-based understanding of LCA practice. In 11th *Annual International Sustainable Development Research Conference.* June 6-8 2005, Finlandia Hall, Helsinki Finland.

Richards, J. (1990) A new and improved view of puffery. *Journal of Public Policy and Marketing*, 9, pp. 73-84.

Roberts, J. A. (1996) Green consumers in the 1990s: profile and implications for advertising. *Journal of Business Research*, Vol 36, issue 3, pp 217-231.

Robinson, R., Smith, C. (2002) Psychosocial and Demographic Variables Associated with Consumer Intention to Purchase Sustainable Produced Foods as Defined by the Midwest Food Alliance. *Journal of Nutrition Education and Behavior* 34: 316-325.

Robson, C (1993) *Real World Research*. Blackwell, Oxford.

Robson, C. (2002) *Real World Research*, 2nd Ed, Blackwell, Oxford.

Roome, N. (1992) Developing environmental management strategies. *Business Strategy and the Environment*, 1, pp.11–24.

Roper Reports. (1990) *The Roper Organization.*

Rubik, E.F. and Frankl, E.P. (2005) *The future of eco-labelling.* Greenleaf Publishing Sheffield.

Sadgrove (1992) *The Green Manager's Handbook.* Aldershot, Gower.

Saunders, M., Lewis, P. and Thornhill, A. (2003) *Research Methods for Business Students.* 3rd edition. Harlow, Financial Times Prentice Hall.

Schlegelmilch, B.B., Bohlen, G.M., and Diamantopoulos, A. (1996) The link between green purchasing decisions and measures of environmental consciousness. *European Journal of Marketing,* 30(5): 35–55.

Schlossberg, H. (1993) Environment Attracts Students, Corporate Sponsors. *Marketing News*, 27 (1), p. 10.

Schmidheiny, S. with the Business Council for Sustainable Development (1992) *Changing Course: A global perspective on development and the environment.* MIT Press, Cambridge MA, USA.

Schot, J. and Fischer. K. (1993) The greening of the industrial firm. In *Environmental strategies for industry,* 3-33. Washington, D.C.: Island.

Schwepker, C. H., and Cornwell, T. B. (1991) An examination of ecologically concerned consumers and their intention to purchase ecologically packaged products. *Journal of Public Policy and Marketing*, 10(2), 1-25.

Shaw, D., Clarke, I. (1999) Belief formation in ethical consumer groups: an exploratory study. *Marketing Intelligence and Planning,* Vol. 17 No.2 and 3, pp.109-19.

Shrivastava, P. (1994) Castrated environment: Greening organization studies. *Organization Studies*, 15: 701-720.

Smith, T. W. *(*1990*)*. Classifying Protestant denominations. *Review of Religious Research,* 31, 225-245.

Soler, C. (1995). *Ecologically-friendly buying.* Oslo, Norway: Cappelen Akademisk Forlag.

Souitaris V, Pujari, D. (1998) Strategic Environmental Management in the Greek Chemical Industry: Results from and Exploratory Study of Selected Companies, *Business Strategy and the Environment,* 7(3), p.134-149

Speer, Tibbett L. (1997). Growing the Green Market. *American Demographics,* 19 (August):45–49.

Stafford, Marla Royne.(1996) Tangibility in Services Advertising: An Investigation of Verbal versus Visual Cues. *Journal of Advertising*, 25, 3:13–28.

Straughan, R.D. and Roberts, J.A. (1999) Environmental segmentation alternatives: a look at green consumer behaviour in the new millennium. *Journal of Consumer Marketing* 16(6): 558–575.

Strauss, A. and Corbin, J. (1998) *Basics of Qualitative Research*, 2nd edition, London, Sage

Sussman, S. (1991) Curriculum development in school-based prevention research. *Health Education Research: Theory and Practice*, 6(3).

Tallontire, A, Rentsendorj, E. and Blowfield, M. (2001) Ethical Consumers and Ethical Trade: A Review of Current Literature. *Policy Series 12. Chatham, UK: Natural Resources Institute.*

The ISO 14000 family of standards, guides and technical reports including drafts (2002) (Accessed September 2005) Available from: http://www.iso.org/iso/en/prods-services/otherpubs/iso14000/family.pdf.

Thogersen, J. (2000). Psychological determinants of paying attention to eco-labels in purchase decisions: Model development and multinational validation. *Journal of Consumer Policy*, 23, 285-313.

Thøgersen, J. (2004) A cognitive dissonance interpretation of consistencies and inconsistencies in environmentally responsible behavior. *Journal of Environmental Psychology*, 24(1), 93-103.

Thogersen, J. Olander, F. (2002) Human values and the emergence of a sustainable consumption pattern: A panel study. *Journal of Economics Psychology*. Vol. 23. pp.605-630.

Thompson G.D., and J. Kidwell, 1998. Explaining the choice of organic produce: cosmetic defects, prices, and consumer preferences. *American Journal of Agricultural Economics*, 80: 277-287.

Tietje, C. (1995) Voluntary eco-labelling programmes and questions of state responsibility in the WTO/GATT legal system. *Journal of World Trade* 29(5): 123–158.

Titterington, A., Davies, C. & Cochrane, A. (1996) Forty shades of green: a classification of green consumerism in Northern Ireland. *Journal of Euro-Marketing, 5, 43–55.*

UNEP, (2002) Background Paper for the Ministerial Level Consultations: *Promoting Sustainable Consumption and Production Patterns,* UNEP/GC.22/8/Add.2, Governing Council of the United Nations Environment Program, Nairobi.

UNEP, (2005) *The Trade and Environmental Effects of Ecolabels: Assessment and Response*.

Varadarajan, P.R. (1992) Marketing's Contribution to Strategy: The View from a Different Looking Glass". *Journal of the Academy of Marketing Science*, 20 (fall), pp.323-43.

Verbeke, W.A.J. and Viaene, J. (2000) Ethical Challenges for Livestock Production: Meeting Consumer Concerns About Meat Safety and Animal welfare. *Journal of Agricultural and Environmental Ethics* 12 (2):141-151.

Vermeir, I. and Verbeke, W. (2004) Sustainable food consumption: exploring the consumer attitude-behaviour gap. *Working Paper 2004/268, Faculty of Economics and Applied Economics, Ghent University, Ghent.*

Viney, R.M. (1991) Labelling more than a one word answer: Church & Dwight Exec. *Advertising Age,* Vol. 22 No.1.

Wapner, P.K. (1996) *Environmental Activism and world civic politics*. State University of New York Press.

Webster, F. E., Jr. (1975) Determining the Characteristics of the Socially Conscious Consumer. *Journal of Consumer Research*, 2, 188-196.

Whitmarsh, L. and O'Neill, S. (2010) Green identity, green living? The role of pro-environmental self-identity in determining consistency across diverse pro-environmental behaviours Accepted for publication in Special Issue of the *Journal of Environmental Psychology* on 'Identity, place and environmental behaviour'

Wickman, K. (1999) *Eco-labelling: is it an efficient instrument to help consumers? : the cause of laundry detergents in Sweden*

Williams, R. (1961) *The Long Revolution.* Hammondsworth, Penguin.

Wong V, Turner W, Stoneman P. (1996). Marketing strategies and market prospects for environmentally-friendly consumer products. *British Journal of Management* 7(3): 263–281.

World Commission on Environment and Development (WCED) (1987) *Our Common Future.* Oxford University Press: Oxford.

World Wide Fund for Nature (1993), *Corporate Relationships*, WWF-Australia, Sydney.

Youssef, B.A. and Abderrazak, C. (2009) Multiplicity of Eco-Labels, Competition, and the Environment. *Journal of Agricultural & Food Industrial Organization*: Vol. 7: Iss. 2, Article 7.

Zarrilli S., Jha, V., and Vossenaar, R. (1997) *Eco-Labelling and International Trade.* Macmillan, London.

Zeller, R. A. (1993) Focus group research on sensitive topics: Setting the agenda without setting the agenda. In D. L. Morgan (Ed.), *Successful focus groups: Advancing the state of the art* (pp. 167-183). Newbury Park, CA: Sage.

Zimmer, M.R., Stafford, T.F., and Stafford, M.R. (1994) Green issues: dimensions of environmental concern. *Journal of Business Research* 30: 63–74.

APPENDICES

APPENDIX 1

Term	Location /year	Definition	Important Comments
Social Marketing	Philip Kotler and Gerald Zaltman (1970)	The application of marketing concepts and techniques to the marketing of various socially beneficial ideas and causes instead of products and services in the commercial sense' (Fox and Kotler, 1980:25)	This definition implicitly includes ideas on the preservation, conservation, and protection of the physical environment as a component of social marketing (Lozada and Mintu-Wimsatt, 1995)
Ecological Marketing	American Marketing Association – (1975)	The concept of ecological marketing was developed in the 1970s. It was particularly concerned with all products and production methods that: -have served to help cause environmental problems -may serve to provide a remedy to environmental problems.	ecological marketing is seen as the study of positive and negative aspects of marketing activities on pollution, energy depletion and non-energy resource depletion
	Henion and Kinnear (1976)	'...the study of the positive and negative aspects of marketing activities on pollution, energy depletion and non energy resource depletion...' (p.1)	A more market approach
Greener Marketing	Charter (1992)	A holistic and responsible management process that identifies, anticipates, satisfies and fulfils stakeholder requirements, for a reasonable reward, that does not adversely affect human or natural environmental well-being	Holistic approach and the natural environment
Green Marketing	Peattie, (1992)	"the holistic management process responsible for identifying, anticipating and satisfying the requirements of customers and society in a profitable and sustainable way	Holistic process
Enviropreneurial Marketing	Varadarajam (1992) Menon and Menon (1997)	The process for formulating and implementing entrepreneurial and environmentally beneficial marketing activities with the goal of creating revenue by providing exchanges that satisfy a firm's economic and social performance objectives	Emphasis on economic and social firm performance
Environmental Marketing	Coddington (1993)	-An environmental marketing programme should emerge from broader issues arising from the relationship of a firm and its stakeholders -Marketing activities that recognise environmental stewardship as a business development responsibility and business growth opportunity.	Environment as an addition to the existing marketing mix

		-The environmental marketers adds the environment to the standard mix of decision-making variables	
Green marketing	Mintu and Lozada (1993)	The application of marketing tools to facilitate exchanges that satisfy organisational and individual goals in such a way that the preservation, protection and conservation of the physical environment is upheld	Organisational goals and environmental conservation
Eco-marketing	Fuller and Butler (1994)	Eco marketing refers to products and packages that have one or more of the following characteristics: (1) are less toxic, (2) are more durable, (3) contain reusable materials, or (4) are made of recyclable materials.	Eco marketing and product characteristics
Green Marketing	Peattie and Charter (1994)	The holistic management process responsible for identifying, anticipating and satisfying the needs of consumers and society, in a profitable and sustainable way.	The use of the word holistic by the authors also highlights the necessity to consider environmental issues within the whole organization and not only the marketing department
Green Marketing	Polonsky (1995)	The term relates to how an organisation's activities affect the natural environment. This definition includes the activity of promoting products as having characteristics that do not harm the natural environment, e.g. green marketing claims.	Products and effects on the environment
Environmental Marketing	Kuhre (1997)	Is the voluntary release of environmental information concerning a product or a service by an organisation usually in the form of a label or other forms or marketing.	The author believes that it is up to the creative imagination of the marketer to determine the appropriate type or form of marketing to communicate the environmental message The author links environmental marketing with environmental labelling
Sustainable Marketing	Fuller (1999)	Sustainable marketing as the process of planning, implementing and controlling the development, pricing, promotion and distribution of products in a manner that satisfies the following three criteria: (1) customer needs are met, (2) organisational goals are attained, and (3) the process is compatible with ecosystems.	Marketing mix and eco systems
Environmental Marketing	Ackerstein and Lemon (1999)	The marketing or promotion of a product based on its environmental performance or an improvement thereof. Environmental or green marketing represents both a vast opportunity and a potential minefield	Promotion of product based on eco performance. Issues of risk and opportunity

Sustainability Marketing	Belz and Peattie, (2009)	*Sustainability marketing is marketing that endures forever, in that it delivers solutions to our needs that are ecologically oriented, viable, ethical, and relationship based*	Marketing that endures forever, viable and ethical.

Table 3. Marketing Definitions

APPENDIX 2

Appendix 2.1.

MARKET		KNOWLEDGE		GREEN GOVERNANCE	
Encouraging	*Sceptical*	*Encouraging*	*Sceptical*	*Encouraging*	*Sceptical*
Labelling empowers consumers	Labelling is insufficient because it cannot scale up	Labelling helps consumers and professional buyers get the most concise type of information.	Labelling is pseudo-science	Labels are more credible than other standards	Labelling adds another layer of rules to an already overregulate d industry
Labelling creates new business opportunities	Labelling provides the market with miscellaneous separations of identical products	Labelling criteria assists in informing about sustainable practices.	Labelling does not take environmental and social consequences sufficiently into account	Labelling is part of a promising regulatory Plan B or promising regulatory supplement	Labelling is based on excessive power of external stakeholders
Labelling stimulates a green image of progressive companies	Labelling creates unfair advantages for big businesses	Labelling stimulates the production of new knowledge	Labelling allows only for limited traceability	Labelling is part of a broadening of power in society , which is beneficial to democracy	Labelling implies an excessive consumer responsibilit y
Labelling stimulates a green image of progressive industry sectors	Labelling stimulates an inflation of green claims			Labelling is politically efficient due to its collaborative nature	Labelling provides only a shallow transparency
	Labelling disturbs the continuity of business plans			Labelling helps to develop friendlier relations across groups	Labelling processes disregard the experience of public authorities
	Labelling is about marketing rather than about reduction of external harm				Labelling is often based on special interests of private rule -setters

Table 4. Bostrom and Klintman (2008): encouraging and sceptical arguments

APPENDIX 2.2.

Author	Typology	Maim idea
Arthur D. Little (1989)	▪ Problem solving ▪ Managing for compliance ▪ Managing for assurance	**Stages of problem solving**
Hunt and Auster (1990)	▪ Beginner ▪ Fire fighter ▪ Concerned citizen ▪ Pragmatist ▪ Proactivist	**Progression of environmental commitment**
Peattie (1992)	▪ Head in the sand ▪ Defensive ▪ Lip-service ▪ Knee-jerk reactions ▪ Piecemeal ▪ Green selling ▪ Green marketing	**Corporate responses to the pressure for a greener performance**
Roome (1992)	▪ non compliance ▪ compliance ▪ compliance plus ▪ excellence	**Looking at regulatory and policy issues**
Sadgrove (1992)	▪ Laggard ▪ The punished company ▪ Conformer ▪ Leader	**Green performance grid and the volcano effect – movement classification according to action**
Schot and Fischer (1993)	▪ Resistant Adaptation ▪ Embracing Environmental Issues without Innovation 'Innovation	**Chronological classification**
Business and International Institute for Sustainable Development model (BBISD) (1994)	▪ Denial ▪ Threshold awareness ▪ Strategic awareness ▪ Strategic acquisition ▪ Flagship implementation.	**Stages in the development of corporate responsiveness**
Beltz and Schmidt-Riediger, (2010)	▪ Performers ▪ Followers ▪ Indencisives ▪ Passives	**Types of sustainability marketing**

Table 5. A summary of the available studies on company classification

APPENDIX 2.3.

Variable	Research details
Demographics (age)	Some studies suggest that there is no significant correlation (Kinnear et al, 1974) others that there is a significant and negative correlation (Van Liere and Dunlap, 1981) and others that there is a significant positive correlation (Samdahl and Robertson, 1989)
Demographics (gender)	Some studies suggest that women are more likely to present pro-environmental behavior (Banerjee and McKeage, 1994; Mostafa, 2007). Other studies (Laroche et al, 2001) suggest that gender is significant to differentiate consumers that are willing to pay more. Other studies indicate the opposite (Shrum et al, 1995)
Education level	Higher education relating to better access to information and frequently acting in favor of the environment (HGranzin and Olsen, 1991. Other studies have not confirm such fact (Mainieri and Barnett, 1997)
Income	Higher income can translate to buying green products more

	frequently (e.g. Straughan and Roberts, 1999)
Perceived consumer effectiveness (PCE)	Link of environmental knowledge- attitude- behavior. One of the variables that best explains ecologically conscious' behavior (Straughan and Roberts, 1999)individuals who are concerned about the environment will only display a more proactive behavior if they feel that their individual actions may be effective in solving eco problems.
Perceived behavioral control (PBC)	The extent to which consumers believe that their participation may be effective in the preservation of the environment. Some studies (e.g. de Pelsmacker et al 2002) argue that consumers with high PBC have a more intense environmental behavior and other studies show a low levels of correlation (e.g. Antil, 1984).
Environmental knowledge	Studies have been contradictory (Martin and Simintiras, 1995). Maloney and Ward (1973) argued that there is no significant link between knowledge and behavior whereas more recently Chan (1999) showed that knowledge is a useful variable when predicting behavior.
Ecological cues	Anecdotal evidence suggests that consumers feel positively reinforced by recycling –typically one of their first steps down the path to green- and once engaged they start asking "what else can I do?" (Ottman, 1998).
Environmental affection	The relevance of emotionality to environmental issues. Several studies argue that there a positive association (Maloney and Ward, 1973; Chan and Yam, 1995) and other studies demonstrate that consumers with high EA support it with insignificant actions.
Ecological consciousness	Ecological consciousness is linked to pro-environmental behavior (Schlegelmilch and Bohlen, 1996). No consensus in the literature (Do Paco and Raposo, 2010).

Table 6. Summary of consume segmentation criteria

APPENDIX 2.4.

Consumer typology	Authors- year
▪ **Activists** (likely to buy green) ▪ **Realists** (worried about the environment sceptical about green products) ▪ **Complacent** (somebody else's problem) ▪ **Alienated** (unaware of green issues)	Ogilvy and Mather, 1992
▪ **True blue Greens** (major purchasers and recyclers) ▪ **Greenback Greens** (buy or give but no lifestyle changes) ▪ **Sprouts** (care but spend a little to buy) ▪ **Grousers** (somebody else's problem) ▪ **Basic Browns**(won't/don't care)	US Roper Starch Worldwide, 2000
• **Green consumers** (pro environment, willingness to pay more, high perceived consumer effectiveness, high education, income and car owners) • **Green activists** (pro environment, low willingness to pay more, strong activists, high education, own a car) • **Latent greens** (local environmental concerns, high willingness to pay more, not active, not yet car owners, live in large urban areas) • **Inactives** (lowest level of environmental concerns, not engaged in eco activities, low PCE, over 65, low levels of education and income, not drivers)	Environics International 2000 (Canada) Very interesting the inclusion of a drivers licence or a car ownership....strong demo views.
• **Onlookers** (26%, moderately concerned, no changes in lifestyles) • **Conveniently conscious** (35%, aware, fairly concerned blame brands, change their lifestyles)) • **Positive choosers** (31%, highly aware, feel concerned and guilty, buy good , boycott bad)	United Kingdom (Tiltman, 2007)

• **Principle pioneers** (4%, committed positive choosers, install alternative energy sources) • **Vocal activists** (4% concerned, aware, and active positive choosers, vocalise their concerned)	
• **LOHAS** (lifestyles of health and sustainability LOHAS; 19% LOHAS leaders and followers, regularly purchase eco products, loyal and active • **Naturalites** (19%;consumer green products but more for personal health reasons) • **Drifters** (25%; concerned with the image than actual execution, price sensitive) • **Conventionalists** (19%; no green outlook but they have green practical behaviours, economy oriented) • **Unconcerned** (17%; do not practice environmental responsibility)	USA, Natural Marketing Institute (NMI) 2007. Psychographics
• **LOHAS leaders** (8%; highly committed and active) • **LOHAS leaning** (41%; poised to follow but they have price issues) • **LOHAS learners** (46%; recently became aware of green issues, find it too complex) • **LOHAS laggards** (5%; do not care and are highly unlikely to adopt LOHAS)	Australia (2007) Based on LOHAS
• **Selectors:** grey in some aspects and grey in others • **Translators:** personal philosophy about consumption • **Exceptors:** green in certain aspects of their lives but with exceptions	McDonald et al, 2006
• **The Uncommitted** (36%- young people (18-34), educated, living in urban environments. Have the knowledge but don't translated into behaviour) • **The Green Activists** (35%, 24-34 and 45-54, high education levels, more qualified jobs, pro environmental activities ands perceptions sceptical towards claims and advertising) • **The undefined** (29%, high age groups, low education, negative position towards eco issues, activists (?) positive towards recycling, sceptical of claims, little knowledge and interest, low PCE)	Portugal Do Paco and Raposo, (2010), quantitative

Table 7. Green Consumer Typologies

APPENDIX 2.5.

	TOPIC	KEY FINDINGS	AUTHORS
1.	**Consumer Scepticism: are consumers sceptical of green claims?**	Consumers are sceptic of company claims – Three levels of scepticism	Coddington (1993)
2.	**Consumer Preference: Green Product or Green Label ?**	-Consumers slightly prefer green line extensions -Green Consumers prefer Type I Labels -Browns are less discriminating	Ackerstein and Lemon (1999)
		Consumers are suspicious of how green the 'green' product really are	CREDOC (1999)
3.	**Consumer Trust: Who do consumers trust?**	NGOs and Consumer organisations	Rubik and Frankl (2005)
		Consumers do not consider government intervention to be the solution to improving their ability to shop ethically	Carrigan et al (2003)
4.	**Consumer Awareness of green claims: Are consumers aware of green claims?**	-Consumer awareness is high in countries where environmental awareness is high -Significant difference in consumer awareness from one product group to another	Rubik and Frankl (2005)
		80% of consumers were familiar of green claims	CREDOC (1996)

5.	**Consumers and their Consumption Activities: do they link their consumption with the problems?**	Consumers prefer less damaging consumption but are critical of company efforts	Ackerstein and Lemon (1999)
6.	**Fair Trade label: consumer perceptions**	-High awareness -Increasing consumption based on the label	Co-operative Bank 2005
7.	**Not Tested on Animals claims: consumer perceptions**	-Decreasing consumption based on the label -Indication of the need for a universally accepted mark	Co-operative Bank 2005
8.	**Local Shopping: consumer perceptions**	Consumers want to support their local community	Co-operative Bank 2005
9.	**Organic Products: consumer perceptions**	-Health reasons -organic is different thing to different people	Krarup and Russell (2005)
10.	**Labels that consumer recall and their meaning: which labels are consumers able to recall?**	labelled is less environmentally damaging than unlabelled	Rubik and Frankl (2005)
		The best well-known label was the Green dot, but it was often confused with the symbol for 'recyclable' or 'recycled'.	Rousseau and Delaet (1998)
11.	**Type I Labels: do consumers recognise Type I labels?**	more than 80% of consumers in Sweden, Norway, and Finland recognise the White Swan	NCM (1999)
		-The EU eco label was almost never recognised or acknowledged	Rousseau and Delaet (1998)
12.	**Type I Label: does it influence their shopping behaviour?**	White Swan had a significant effect. on product choice	Bjorner et al (2002)
		-91% knew the Blue Angel label - 86% said that the eco-label would make their purchases easier -Eco labelled products cost more -Emotions closely linked with eco label	Christensen (1987)
13.	**Eco label request: do consumers need eco labels?**	- consumers need the EC energy rating on white goods	McDonald et al (2006)
		Older consumers believed improved labelling was key to enabling their ethical purchasing	Carrigan et al (2003)
14.	**Type II Labels: consumer perceptions**	-Mistrust -Sceptical -Negative overall perceptions	Common finding in all the research available
15.	**Type III Product Information Schemes: consumer perceptions**	-Consumers need the EC energy rating on white goods	McDonald et al (2006)
16.	**The Green Dot: consumer perceptions**	-Is often confused with the symbol for 'recyclable' or 'recycled'	Rousseau and Delaet (1998)
17.	**Companies Are Good Claims consumer perceptions**	-are likely to contribute to consumer confusion about environmental advertising	Carlson et al (1992)
18.	**Search for green claims: why consumers don't**	-never crossed consumers mind to check -lack of interest	Rubik and Frankl (2005)

	look for green claims		
19.	**Information required: what information consumers want?**	Source reduction, use of recycled materials, recyclability of packaging, solid-waste management, toxic-materials, toxic-waste management, long-term commitment to environment, local recycling support.	Rubik and Frankl (2005)
20.	**Price issue: Are consumers willing to pay more?**	- inconsistent and inconclusive knowledge -Several studies(Godfrey, 2002) argue that consumers are willing to pay more	Rubik and Frankl (2005)

Table 8. Summary of Research on Consumer Perceptions of Green claims

APPENDIX 3

Discussion Agenda

TOPICS AND QUESTIONS -THE SESSIONS

INTRODUCTION

The moderator is going to introduce herself and provide nametags to each member asking him/her to share any kind of information he/she wants (see also "Focus Group Meeting Program"). Also "permission" will be acquired from participants for recording the session and confidentiality will be promised. Also in this part of the discussion the moderator will "set the rules" (see also "Focus Group Meeting Program") making sure that all participants understand the purpose of their presence in the room.

Then the moderator is going to mention that she is a student exploring "consumers perceptions on several product features".

WARM UP DISCUSSION PHASE

In this phase the moderator will ask a general question to the participants in order to loosen them up. The question will involve shopping in general and it depends on each group as to the way it will be asked (i.e. women's group will be asked about the pleasure of shopping -if any).

The following sections will follow the ***"Choose- Use/Reuse- Dispose"*** *model since product green claims regard all of the mentioned activities (choosing, using/reusing, disposing)*

SECTION ONE- SHOWING THE PRODUCTS

(**Choose**: Issues to be covered: General Consumer attention, shopping decisions, product information and preference reasoning)

The moderator will bring on the table all the products (see "Green Claims On French Products") and will observe the first reaction of the participants (for a couple of *minutes without talking and by participating in the "observation stage" her self without any comments).*

Then the following questions will be addressed to the focus group members (the researcher will keep a great deal of flexibility in respect to the order and the timing of the questions depending on the "status" of the discussion at the time):

- I'd like to know whether each one of you does the shopping, alone? How many times per week? Where do you go shopping? (*we are focusing on FMCG*)
- How long does it take you usually to complete your shopping? *(It is useful to find out if the shopping is a routine shopping or not and then ask different questions to participants to take longer to complete the shopping looking at the grounds on how they choose).*
- Which channels of information influence usually your shopping decisions? *(In what extent? in what way? how?)*
- From all the products (i.e. body spays, tissue paper, detergent) you see on the table I'd like each one of you to discuss which one would he would buy if they where the only ones available (*many companies and well known brands have been included along with the price of each product.)* and why? Expand on the reasoning. *(this way the moderator will find out consumer priorities when they go shopping*).
- What will make you buy the product again?
- Id like a top 5 of your priorities (product features) when shopping...(*we will all take turns on that).*
- Lets sum up on what we look for when we make our shopping decisions (the closing question depends again on the status of the discussion)
- *NB. In this stage the moderator will not mention the environmental information on products if none of the participants do so. If a focus group member mentions it the moderator will remember it and bring it up in the second section of the discussion. The aim of this section is to find out as much as possible about the main reasons (and information channels) that influence consumer decision-making (and behaviour) when shopping and expand on that (still on the* ***Choosing stage*** *of General product information (will try not to stay long in this phase)*

SECTION TWO- ENVIRONMENTAL INFORMATION

From Product information (product claims) going to Environmental Product information (green claims).

- Can you indicate some product information or claims (as we will be calling them from now on?) (*listen*)
- Someone (if so, the moderator will mention the name/s) mentioned about the environmental information (we will be calling it green claims) on a product. Would you expand on that?
- Can you find environmental information (green claims) on the products that you are holding? What is the exact information you see? Feel free to examine any product you like.
- Are you familiar with the green claims?
- Id like you all to tell me which green claim is the most familiar to you and what your interpretation of it?
- Have you ever noticed green claims on other products besides the ones I have on the table? (Expand on that depending on answers). *Would you try to remember when you saw it? Where? What was your reaction? Your thoughts?*
- In what kind of products do you expect to find green claims? Which kind of products is considered to be environmentally friendly for you? Expand on this issue. Why do you expect to find green claims in the mentioned product? if you don't find it what will be your thoughts? Reactions? Decisions?
- I need general comments from each one of you, whatever comes to your mind, for the following words (*I will be saying the words and taking answers*): "green claims" "recyclable" "Recycled", "CFCs", "degradable", "biodegradable", "photo degradable", "recharged" (batteries), "environmental friendly", "safe for the environment", "preserving our trees and forests", "ozone Friendly", "ozone safe" (*preferably by showing products barring the mentioned claims to the participants*).
- On the current products which claim is best for you? why? What would make the rest even better? Why? What kind of claims characterise "environmentally friendly" products? Can you all please draw (no El Greco skills required) a claim that you find appealing or you would like to see on what you consider

environmentally friendly products? Why do you think that that claim (what they described or draw) is appealing?

- I'd like you all to imagine and "dress" (i.e. colour, price level (premium? Cheap?), environmental information, company if you like, design, and features) of your "environmentally friendly" product you would launch as manufacturer (you can use the paper and draw it or take notes).
- Can you group the products available on this table the way you think appropriate? Why? (Explanation of the way participants have grouped the products- Why?). Discussion of common characteristics (according always to them).
- *In this point Green claims classified as Type I, II, and III will be discussed (by showing consumer different type of green claims and asking them to comment and in a way "categorise" the sort of claim. No explanations will be offered by the moderator the views from the different types of claims will be categorised by the moderator later in the analysis.*
- How important in the "environmental information" (the green claims) on products for each one of you? Expand a lot.

SECTION THREE - GREEN CLAIMS AND CONSUMERS

Moving to the second and third phase of the model "use/reuse and dispose"

Are you involved in any way into any environmentally positive actions? (*listen*)

Which according to your opinion are consumers' responsibilities toward the environment? You think consumption activities have any kind of positive-negative impact on the environment? Expand.

Companies initiatives to demonstrate more "environmentally friendly" consumption behaviour? What do consumers think? (e.g. wash right)

SECTION FOUR - GREEN CLAIMS AND COMPANIES

- Do consumers really understand the way companies communicate the environmental information on products?
- Who do you hold responsible for the environmental information on all the products (even the ones they don't find clear enough- if that's the case...).
- What companies (that demonstrated an environmentally sound policy) or "environmentally sound" efforts made can you remember? What would be the reaction to a proven misleading company environmental claim?

- What actions will you willing to take against brands that claim to be environmentally sound but are believed not to be? Are you prepared to favour Brands with substantiated environmental information on their products?
- What is your idea of the "right price" for an environmentally sound product?

SECTION FIVE - ADVICE AND RECOMMENDATIONS

(Role playing 1) Imagine you are the Advertiser/manufacturer - trying to convince consumers that the product is really offering a significant environmental benefit when really it isn't.

(Role playing 2) Imagine you are the Advertiser/manufacturer - trying to convince product is really offering a significant environmental benefit and it really is!

- Do you need environmental information on products? If yes in what form?

(as consumers) What would you advise the manufacturers, the retailers, the advertisers, the consumers, the government, other party?

- What channels of communication that they would use would "reach" you better?
- What would change your mind or consuming behaviour? (to participants that are not that "concerned" with environmental issues).
- What was the most surprising, thing-fact, you realised out of this discussion? What will you do? What comes to your mind?

APPENDIX 4

COMPANY QUOTES

1. *"...well I can tell you why we included the word CFC ('the product does not contain CFCs'). When this issue was in the news...* ***we didn't want people to incriminate our products****...So we concluded that this was the logo that could be used and that it gave the appropriate information to consumers..."(Greek large company, FMCGs/Cleaning Products and Pesticides Chemical and Technical Department Manager, telephone interview)*
2. *"...there are so many logos in the market not only on aerosols but also in various products...so you find local logos, voluntary logos etc...so* ***there are hundreds of*** *logos and I believe that other than the ones required by regulation* ***there should only be logos that offer some value to the consumer.*** *We have several sustainability projects that we work on and they do offer advice etc to consumers...****they add some value...****" (UK multinational company in Greece, FMCGs/Detergents*

Regulatory and Technical External Affairs Management, telephone interview)

3. *"..well, there are three labels and they mean three different things. Furthermore,* ***three different departments*** *deal with them. So the first label the one with the WWF has to do with our* ***social and ethical policy****. The BUAV logo has to do with the* ***R&D*** *of the company and specifically the policy against animal testing. So this logo has to do with our production practice and our ethical policy. There is also a third logo that's involves the Greek recycling company. This is a programme that we participate in. Well as I mentioned these are three different departments. There is the R&D, the* ***General Managers' environmental and social funding activities*** *etc..." (Large Greek company, FMCGs/ Toiletries, Brand Manager, telephone interview)*

4. *"...anyway the industry created various logos other saying that "the product does not harm the ozone" other was saying "environmentally friendly" etc...* ***this started by the multinationals****...each one of them had its own logo or a group of them shared the same logo etc...so anyway we ended up having the one you saw..." (Greek large company, FMCGs/Cleaning Products and Pesticides Chemical and Technical Department Manager, telephone interview)*

5. *"...****we want to alert consumers*** *and the public because we believe that no matter what we do as a company if consumers aren't aware and aren't knowledgeable and don't understand when you mention about environmentally and user friendly products then you know...it is a combination...****we also think it is a marketing issue****... consumers have started asking about these issues. We have launched and some eco friendly products..." (Greek medium size company, Chemicals, General manager, telephone interview)*

6. *"...as I said there aren't many things I can tell you regarding the environment or the label...just that many of our basic materials are recyclable like polypropylene or paper...****other than that we don't have anything further****...anything environmental...you know any kind of environmental activity...* ***Our company is very careful*** *during the production process. We try to be very careful and not pollute..." (Greek Medium size company, FMCGs/Detergents, Company Owner, telephone interview regarding 'ecological product')*

7. *"...in Greece there is no such policy...I mean* ***every producer has his own agenda when it comes to these issues****. There is no such common policy like the ones you described. Producers and* ***manufacturers don't have a common solution*** *when it comes to these issues. We don't have any kind of guidelines..." (Small size company, FMCGs/Toiletries, face to face interview, company owner)*

8. *"...however, a lot of producers have these certifications so they can give a sort of "prestige" to their products. So they come and tell the consumer, "see? I have ISO certification!" and also they go beyond that and* ***mislead consumers because as you***

know the ISO is not for the product per se but for the raw materials, you know the chemicals and the company... That's misleading. Also, I don't know if you know this but this entire ISO story...well companies are behind it... which means that they are making profit from it. ..."(Small size company in Greece, FMCGs/ Detergents, company owner, face to face interview)

9. *"... **it is just an integral part I mean there was probably an initial cost associated with the move**...in addition to the actual labels themselves it is more the actual ingredient within the product so where we were in terms of our VOC emissions 15 years ago is very different to where we are now... ...however that over the lifetime of the change is probably easily absorbed if you like...it is not one off huge cost..." (Greek medium size company, chemicals/paint, chemicals department manager, telephone interview)*

10. *"...The raw materials **are more expensive** when it comes to green products. That's why the green products like the organic products are much more expensive. Also, don't think that the "organic" products are 100% green! **They have a lot of chemicals too.** I know for a fact that the shampoo cannot foam without chemicals –I have seen it... I recently spoke with someone that owned a shop with these kind of products regarding the use of chemicals and he said, " well if I said something like that I would be lying", and he continued, "it is just that the percentage of chemicals is not as much as in the other regular products". So...they **do have chemicals. They would not be effective if they hadn't.** How will our hair clean? How would we get the germs out of our house? ...How? ...How?..."(Greek Medium size company, FMCGs/Detergents, Company Owner, telephone interview regarding 'ecological product')*

11. *"...wait a minute...you are absolutely right. To be honest I missed that...**We have a serious problem here** and I will tell you what the problem is. You have many different business partners (advertising agencies) and you assume that what they offer what they do is correct. When they confirm that the label is like that..." (Small size company, FMCGs/Toiletries, face to face interview, company owner)*

12. *"...yes of course! **It is the label of recycling!** I have seen it on many products. They use it quite a lot. But that label is used mainly on paper products isn't that right?...yes, exactly...but as for the bottles...we don't know if consumers actually recycle them...and this label with the arrows you have the possibility of painting it in different colours! **So our packaging is red and we paint the arrows pink and white. We read that somewhere...I can't remember.** Yes, this doesn't mean that it has to be grey and white..."(Small size company, FMCGs/Toiletries, face to face interview, company owner)*

13. *"...We have on our hair products that we **import from Italy and simply translate the logos** that Italians have specified. We have the CD with the logos and we have instructions as which*

logos to use and how..."(medium size company, FMCGs/Toiletries, telephone interview, brand manager)

14. *"that is our label the company's label not regulation so we can distinguish some of our products compared to the competitor ones...for example some products have this classic odour ...so we **try to separate our products** with the label since we try to decrease as much as possible the included odour...or the dangerous for the user substances..."(Greek medium size company, Chemicals, General manager, telephone interview)*

15. *"...I know what you mean...you are right but I think that is a **regulation omission**. There is no label for the VOCs as there is for other issues such as the CE label. So on this matter there is no label. Another omission of the regulation that we researched and we didn't find any answer **is when does a company put 'Low VOCs'... under which limit?** We know the limits of the VOCs that you can have in colour products...**but if it is VOC Ok, or VOC Low or Medium or zero...we don't know**...there have to be specific limits that a regulation can provide...otherwise each company will place whatever they think is the best...**for marketing reasons** and let's be honest that it won't be absolutely correct...we know that!..."(Greek medium size company, Chemicals, General manager, telephone interview)*

16. *"...there is no logo for Low VOCs but there is this typical phrase according to the regulation which has to be mentioned...meaning that it should be noted that the specific product belongs to a certain category and that the category provides a max X gr. of VOC limit and that the product has a max X level. **That's a typical phrase so if you simply see 'low VOC' it is a marketing thing of each company.** The law requires that the company mentions the specific phrase.....so the 'Low VOC' label is mostly communicative rather than informative...**So that's (regulation) really clear** and **I don't think there is any room for misunderstanding**..." (Hellenic Association of Chemical Industries, President, telephone interview)*

17. *"...these products **never had anything to do with Chlorofluorocarbons** or with a substance that harms the ozone. The propellants never had...I mean in paint sprays there were never such substances.... the point is that in our country things run very slow. So even though in Europe...in Germany this logo may be difficult to find because consumers are aware that there is no such issue as CFCs in aerosols...so the logo is not useful....**in Greece things are different**. There is a chance for **commercial reasons** one company to claim that their product does not harm the ozone because they have the logo and their competitor doesn't so the other product harms the ozone. **So it is a matter of who is going to make the start...someone will take them off and then the rest of the producers will follow**... these labels are mostly used for **marketing reasons...These labels are used as a selling point...**" (Greek medium size company, Chemicals/paint, Founder, telephone interview)*

18. *"...CFCs weren't an issue in our sector but they were used by some companies as a blowing agent...that had an impact that's why we carry the CFC symbol. This was about 20 years ago...**yes, we manufacture in France so those products will carry that logo**...the UK products don't carry the logo..." (UK Medium size company exporting, FMCGs, Sales Manager, telephone Interview)*

19. *"..yes well the CFC free logo you found on our products...basically I have to say that the product is polystyrene which by itself is CFC free...and believe me the most important reason that we have the logo is...and the truth is...generally the culture in Greece when it comes to these issues is not as advanced as the culture in several western countries...so a lot of times we put the labels on the products or we declare that we are in accord with a norm when in reality we always were...it is just that we hadn't declared that back then. **So when a European client asks us to put the logo on we do so since the product is CFC free anyway**. For example in France there is such culture and the clients ask for the logo, the client goes and checks on the product for the logo. The client wants to see the logo CFC free because the ingredient is CFC free. **So the client insists on having the logo...when in reality the ingredient is by itself CFC free**. There was never an issue about CFCs there..." (Greek medium size company, FMCGs/ disposable tableware, R&D Department manager, telephone interview about 'cfc free' clam on cups)*

20. *"...what has happened is the Swedish retailers have gone and applied for an eco label for their stores and one of the criteria is that you have to have a certain proportion of eco labelled products on your shelves as well as other things..." (UK Multinational company, FMCGs, Technical External Relations Manager, telephone interview)*

21. *"...So there are some labels that are used within the EU that **have a meaning**. Using local logos for a variety of things has no meaning. Unless of course it is absolutely important. Also if the labels are important in the country the products are sold- and I am referring to the Blue Angel for Germany and the Nordic Swan for the Scandinavian countries- then they add value and are important..." (UK multinational company in Greece, FMCGs/Detergents Regulatory and Technical External Affairs Management, telephone interview)*

22. *"...it is a **requirement from our suppliers and our customers** to have ecological paper which is inspected by all the relevant organizations. This is the case because we supply big companies and customers abroad who set several standards...so we comply with the standards so we can keep these big and important customers..." (Greek medium size company, FMCGs, marketing manager, telephone interview regarding the 'ecological product' claim on paper based disposable tableware)*

23. *"...well...I can tell you this...err...look unfortunately...and this is also the case with our company... ...**the promotion of several***

***environmental characteristics that the products may have**...is mainly done for promotion of the company and the products... this is simply a **case of something being in fashion now**. I mean that previously it was in fashion to have a quality certification like the ISO 9000...or something like that...today these logos and the environment are in fashion – unfortunately- and I am saying unfortunately because this shouldn't be the objective...right?" (Greek medium size company, FMCGs/ disposable tableware, R&D Department manager, telephone interview)*

24. *"...**but there is no such thing as ecological straws**...there are straws that are recyclable. Anyway that's why I say that unfortunately -given that there is not much environmental culture in Greece- producers don't mention their environmental efforts...you know what I mean. **But I am telling you that generally you will see that many companies mention it for commercial and advertising reasons**. There won't be a different reason. So at this time believe me it is the number one reason for having such logos and promoting the environmental credentials for your products. **Right now it is the number one way to promote your products**..."(Greek medium size company, FMCGs, Quality department manager–opinion for a competitors' claim regarding ecological straws)*

25. *"...I believe that a lot of other companies if you check have done the same when in reality they work towards that direction. Especially on plastic products where there are several materials that are recyclable as it is...like polyethylene, propylene, polyester etc...all of these are recyclable anyway. Therefore, any company that produces something that contains these ingredients ...well its products are recyclable. Now, **whether they promote it or not** I think it has to do with neglecting it or trying to promote it...and not because they do not work towards that direction..." (Greek medium size company, FMCGs, Quality department manager–opinion for a competitors' claim regarding ecological straws)*

26. *"... to be honest given that we export products to Germany and Germans are much more sensitised with these issue that's the reason we have the label...and yes, they have some terms because for them and their consumers these issues actually mean something and are important. **Those consumers value the eco labelled products or the organic products**...and they are willing to pay 10 cents more for an eco labelled or certified product. That's the reason why we as an export company – foreign customers are the customers for our company- we have the EU daisy and the ISO. **Because let's be honest if in the foreign markets customers don't see the ISO or the Eco labels they feel a bit awkward towards the products...**"(Medium size company, Textiles, Marketing and Sales director, telephone interview about Type I eco label)*

27. *"...**meaning that a customer (abroad) wanted to see the logo**...wanted a visible logo...apparently because previously there was a confusion regarding polystyrene and CFCs and it was necessary for such logo to be visible. But generally I guess*

you are aware that polystyrene does not contain CFCs...so ***a business client (importer) asked for the logo****. So we have the logo on the cups now..." (UK medium size company, FMCGs/Toiletries, telephone interview, company sales manager)*

28. *"...****well you come back to the company philosophy and values****...and whether you are a company that...if your values are specifically in terms of the environment and appealing to a small segment of the market rather than providing products for the vast majority of the population...(UK Multinational company, technical external relations manager, FMCGs, telephone interview)*

29. *"...Very much yes! As you know H. is a German group of companies. They have as a company principle to always give priority to anything...to any issue that is related to the environment. The company tries to use as much as possible 'ecological' raw material and* ***H. was the first to ban during the 1980s*** *a chemical substance...." (German multinational company in Greece, FMCGs/toiletries Marketing Manager, face to face interview)*

30. *"...basically B. was the first company in 1998 that produced ecological paint in Greece... and generally the philosophy and orientation of the company is the production of ecological and environmentally friendly products. This is* ***now combined with*** *the EU Directive at least in our sector...where the regulation has changed...and by starting in 2007 and ending in 2010..." (German multinational in Greece, Chemicals, brand manager, telephone interview)*

31. *"...well these products with lower VOCs are already in the market and there are certain producers that claim their products to be super environmentally friendly when in reality they are not...****consumers seem confused because these labels are confusing. They are not used correctly****..." (Greek medium size company, Chemicals, Founder, telephone interview)*

32. *"...we go where the* ***market takes us****. So surely the market due to the EU wants us to work towards specific labelling directions and we as a company try to work towards specific directions...but having a logo or not has entirely to do with the demands of our business clients...so these things are linked to what the* ***market will ask from us****..." (Greek medium size company, FMCGs/ disposable tableware, R&D Department manager, telephone interview)*

33. *"...yes, again someone from our sales team sold it there and probably mentioned the label. So maybe the logo had something to do with selling the product.* ***But then again the people responsible for stocking these products don't know much****. Don't have the knowledge to understand the benefit or what the logo means..." (Greek small size company, FMCGs/Toiletries, face to face and telephone interview, company owner –CFSs claim)*

34. *"...no, mainly that's the **kind of agreement that we do with the company** and how much will the company pay to be placed in a better shelf. There is no environmental criterion there at all..." (Greek large retailer, FMCGs, Store Director, face to face interview)*

35. *"...They have started putting on the products eco labels. This year eco labelling is compulsory. In 2007 they are required to have them...well from 2008 **we will be fined** if we are caught selling products without labels....no I don't know the difference between the labels yet...I am afraid that I don't know what they mean. But I guess that we will be informed by our association soon...or by our suppliers..." (Greek small retailer, Chemicals, owner, face to face interview)*

36. *"... **well it depends in what context we will be using it really**... but no we haven't thought of applying for the daisy...err the Mobius loop for example we use on the packaging that needs to be recycled we also put the SPI codes on if it is plastics... the...I know what logo you mean...err...but the honest answer is probably no..." (UK medium size company, FMCGs/Disposable tableware, telephone interview)*

37. *"...**we can get into an argument about eco labels. I** am not against eco labels per se. I want to provide the appropriate information in the most appropriate way to achieve ends which justify the means and this is a personal view not a company view. The Type I eco label for some products I think is entirely appropriate. Let me explain what these products are..." (UK Multinational company, FMCGs/ cleaning products Technical External Relations Manager, telephone interview)*

38. *"...well, it depends on the time, **the issues on the news** the fashion...if green products are in fashion, consumers ask for them and companies offer them..... so this means **that fashion is the issue!** If eco friendly products are in fashion we buy them and companies offer them. So its fashion not beliefs and attitudes..." (Greek Medium size company, FMCGs/Detergents, Company Owner, telephone interview regarding 'ecological product')*

39. *"...yes well the CFC free logo you found on our products...**basically I have to say that the product is polystyrene which by itself is CFC free**...and believe me the most important reason that we have the logo is...and the truth is...**generally the culture in Greece when it comes to these issues is not as advanced as the culture in several western countries**..." (Greek medium size company, FMCGs/ disposable tableware, R&D Department manager, telephone interview)*

40. *"...So with any products that we include in our catalogue or you know that we endorse we...**it has to pass the environmental criteria so they can get our logo.** So it is not any government or anything... it is a logo that signifies that the company has passed strict criteria. We don't just give away the logo..."(UK, Pressure Group A, interview)*

41. *"...It is an internationally run logo and it has a full list of all the companies that have the logo in the UK, the US and the EU.* ***We advise consumers to only trust our logo...****we are the only standard that have this strict monitoring in place..." (UK, pressure group B interview)*

42. *"... I will explain to you what happens. There are products that have licensing which basically means that our pressure group gives the right to use its logo on the product in exchange with some financial incentive. Our* ***organisation doesn't certify the product...****it is not a certifying organisation. As for Company N...the company has...labels its products as "natural products"...and the cosmetic range is not 100 % clean I mean that they are not organic...certified organic...and our arrangement with the company was that on some products...on specific products they can include our logo and accompany it with the phrase: "Company N supports the work of Pressure group B Hellas". This was an agreement that recently* ***has expired. So we agreed that because of the confusion this issue has caused to consumers regarding our logo****...meaning that a lot of consumers confused the logo with some sort of environmental certificate. So we agreed that this was not the right way to go about this because of all the misunderstanding. Also we thought that if some of the products were damaged then this would be dangerous for us as well. So we didn't want to take the responsibility for anything negative that might happen to the company. And consumers would think "oh there is the Pressure group logo so this product must be good" (International Pressure group in Greece)*

43. *"...I also believe that there is a great degree of blame regarding this fashion issue you mentioned before on the* ***consumer associations****. I mean companies are to blame with their various confusing logos as well but consumer protection agencies should inform consumers regarding these issues. .."(German multinational in Greece, FMCGs/ Toiletries, Marketing Manager and Total Quality Department Manager, teleconference)*

44. *"...listen the list may be longer now but we cannot know about that (organic claims) right now... well there was a while ago a suggestion to help via our newsletter that our members receive...because we are not an environmental organisation we are a consumer organisation...so sometimes we might have some environmental issues in our magazine and if we can help with something and we can make several suggestions...* ***don't confuse us with the UK it is not the same thing unfortunately****..." (Greek Consumer Protection Agency)*

45. *"...****We offer guidance when it is needed****...basically we* ***interfere*** *when the regulation is altered and when something needs to be noted...we interfere in the philosophy...when there are problems that the industry sectors cannot solve...as for the VOCs, well we were discussing this issue since the* ***directive started to change****. Since then we have* ***organised workshops*** *and* ***seminars*** *and we have informed them* ***with articles in newspapers*** *and in our newsletter and in our website etc. So whoever doesn't know the max level of VOC is* ***ignorant****. There*

are some ones that started labelling their products and minimising VOCs quite early so hence the label "low VOCs". Otherwise they should now include numbers and that phrase. If they don't then they will have problems next year in the market..." (HACI, president, interview)

46. *"... well...in our association there are only a few companies-members* ***who produce aerosols in Greece****...not companies who produce their aerosols abroad...what can I say...there* ***is no common policy*** *on this issue...no, a lot of our members are multinational companies and follow the same policy.* ***Company F Hellas for example follows the same policies as Company F France.*** *So they are covered by their own companies and policies...so we don't have a separate campaign about* ***CFCs because there is no false impression that aerosols are to blame.*** *However, these facts should be taught in school so consumers will be aware of these issues..." (Greek aerosol manufacturers association, telephone interview)*
47. *"...I have to say on a personal level and a scientific level this ... maybe because I am an insider...this actually infuriates me because it is one of these* ***green wash claims which is misleading****... Now they say that they haven't tested the product on animals well we don't test product on animals either ... yeah...because we don't believe in claiming things which actually are truthful but misleading..."(UK Multinational company, FMCGs Technical External Relations Manager, telephone interview)*
48. *"...however, there are regulations* ***that pressure towards that direction****...so regulation is really important there...also another important issue is competition...and companies one by one move towards that direction...err...basically that's all. I believe that sooner or later every company will go towards that direction..."(Greek medium size company, Chemicals, General manager, telephone interview)*
49. *"...it is something that we initiated. We wanted to be proactive so we found that it was something that could be problematic and a proactive stance...and start working with our suppliers* ***rather than waiting for some regulation to force us down there****. In that case we would be more reactive and that would be more costly..."(UK, multinational DIY retailer, Social Responsibility Advisor, telephone interview)*
50. *"...well during the 1980s regulation was pressuring the companies with several environmental regulations. The headquarters in Germany however always did research in order to replace various damaging substances.* ***We knew that someday the regulation would pressure companies and we were prepared****..."(German multinational company in Greece, FMCGs/toiletries Marketing Manager, face to face interview)*
51. *"...and you know how the legal authorities saw that directive? They thought that all the labels should be engraved. Not only the triangle. All the logos! So we have this problem and also the other thing that we explain to them that some labels are voluntarily labels and we are not obliged to put them and they*

*don't get it! **They don't understand the regulation!** Especially with the engraved triangle and the fact that not all logos must be engraved..." (Greek large company, FMCGs/Cleaning Products and Pesticides Chemical and Technical Department Manager, telephone interview)*

52. *"...**There are consumers claiming that they want the information and that comes against other research** that we have done that says that they don't read the labels. I know that routinely we use to get people phoning the care line and asking about usage instructions and say that it would be a good idea if you put them on the pack. When in fact it was always on the pack. It was just that they did never read the pack..."(UK Multinational company, FMCGs/ cleaning products Technical External Relations Manager, telephone interview)*

53. *"...I would argue that consumers do care. We have...err...in the same way you initially contacted us we have the social responsibility email address and we get quite a lot...on a weekly basis we get a number of queries with regards to the environmental impact of our products for example and "I am thinking of buying a kitchen from you guys, is the wood in this range FSC?" or "is it from a legally sourced or whatever?" (UK, multinational DIY retailer, Social Responsibility Advisor, telephone interview)*

54. *"...no it was a company objective...but **slowly consumers start to ask for such products**...I mean we are still years away from where England or Austria or Switzerland is...many years...but...at least it is encouraging and positive the fact that there **is a starting point here somewhere**...and there can be progress in the production and distribution of these products in Greece as well..."(Greek large size company, Chemicals, General manager, telephone interview)*

CONSUMER QUOTES

55. *"...I believe that all this mistrust that we have comes from the **country** we live in. You can see that there is **no objectivity** and you can **buy your way through everything.** But if you go to Germany you can see that they are more organised as a country...why should I trust all this? **Maybe it is an issue of culture and where you live**...I live in Greece...if I lived in Germany or another place where they are more reliable maybe I would doubt less..."(Evi, All Female married or co-habiting with Children under 16 at home, Greece)*

56. *"...I will call this guy here and insult him! I will explain why I am saying this. Because they used the word "**considered**"! They try to pass through the message that "even if we have these agents in our products it is ok! No problem! Because it is not verified that these agents damage the ozone, so it's ok to have them anyway!". They make me mad with the way they are handling it!..." (Dimitris, All Male married or co-habiting with Children, Greece)*

57. *"...this one has got four symbols... different ones and it makes it kind of dull doesn't it? I mean if it is that good it should have one symbol that suggests that...is should have like EU1, which is bullet proof, and it not going to damage nobody, EU2 you know like... I don't know... (The others start laughing) well whatever I don't know...the EU2 won't harm the ozone...but the same symbol...because all the different symbols are very confusing and very vague..."(Scott, All male Single/married/co-habiting, pre family, UK)*

58. *"...can I say something? **I would like to see a scale**. So you could know how the product has been made and it can be accredited with some stars. Maybe...for example 3/5, 4/5 stars so we can...so I can know...either you tell me...each company does its own tricks in order to present its products environmentally superior, better than all the rest! Therefore I want to make my own comparison but to know that the scale is **checked by an independent organisation** that I can trust. For me the problem is that right now we can see all these green claims and they all say "recycled" or something else...So overall they are one way or another 'covered' (she means manufacturers) but I am sure that some companies must be better than some others...that's what I would like to know..."(Christina, All Female married or co-habiting with Children under 16 at home, Greece)*

59. *"...or the logo can be in **different colours** from 1 up to 10 and the consumer will know what each colour represents...and in which colour each stage corresponds...and depending on which stage the company has been good at or careful at they can add tick (√)..."(Zoih, All Female married or co-habiting with Children under 16 at home, Greece)*

60. *"...**I think it is their responsibility**! They are manufacturing the products! It is not the individuals' responsibility! **It is not my responsibility to save the earth**...I am doing my bit making sure that my bottles are in the cans or where they go but when it come to using the products...you know the way you use them I think they are responsible!" (Gina, All Female married or co-habiting with Children under 16 at home, UK)*

61. *"...**we are penalised in this country** it is like what I said before we can all do our bit for the environment but if the government is going to make these **standards why should we suffer** in the price that we pay for and the tax of the petrol we put in the car and in fact they want to get everybody off the road and into the tram or busses because it is more environmentally friendly (she says that in an ironic kind of way)...**we suffer all the time I think...we really do!**"(Gina, All Female married or co-habiting with Children under 16 at home, UK)*

APPENDIX 5

COMPANY QUOTES

1. *"...with certifications like ISO 14001, EMAS, and the Charter Sustainable Cleaning, we demonstrate that sustainability is an integral part of our entire production chain...Through the use of the European logo ECO-Flower on our products we demonstrate the special environmental orientation of our entire company..." Multinational company, Corporate communications manager, email reply regarding Type I eco label)*

2. *"...the company has developed the most stringent of non animal testing policies on our own brand product range. In the case of toiletries,* ***our systems are reviewed by BUAV*** *and their endorsement is used to communicate to our customers that this claim is credible and* ***independently verified****...we have also used other media such as carrier bags, leaflets and magazine advertising to assure customers of our stringent policy on our toiletries products, and we continue to work with* ***BUAV to reduce, refine and replace*** *animal testing during the development and manufacture of other product areas...The use of the* ***BUAV endorsement*** *is product specific, and our packs clearly state that the* ***product itself is independently approved by BUAV..."****. (UK, Large Retailer, Customer Relations Manager, email reply)*

3. *"...I do understand what you are saying there, however I do see benefits to both kinds of eco labelling. obviously before everybody have heard about CFCs and HCFCs if we put that onto a label the general public would look at it and say 'I don't understand what's this I don't care if it contains CFCs and HCFCs anyway' which is why we adopted the ozone friendly symbol. That symbol has become very widely used and in America they don't want that symbol on their products anymore they want the statement about CFCs.* ***At this point in time we will continue to run with this label...****"(UK, medium size company, quality coordinator, telephone interview)*

4. *"...At the end of the day we need to* ***show*** *that we do have that awareness... and it is there to show that we do understand what goes into the formulation and we do try to formulate things that have minimal impact on the environment..."(UK, medium size company, quality coordinator, telephone interview)*

5. *"... well I feel...****whilst I understand that it might cause confusion it is also very good for us as a company from a business perspective*** *to show that we do have awareness of the environment and the impact that some of our products could potentially have on the environment therefore,* ***I think that the removal of that label simply because of lack of understanding of the general public***

__wouldn't really be a good business decision__..."(UK, medium size company, quality coordinator, telephone interview)

6. *"...well take the __paint one for example, we developed it__... the one where you see the high, low, medium etc on the paint products with the round circle with the earth in it. __That's a B&Q development__...we basically developed it and started using it in the mid 1990s...about 1995 __and it has now become an industry standard__ .... to be honest with you I don't know. But I don't imagine that...well we might have charged a nominal fee but ultimately we are more...we are happier...that what we developed has been accepted and it is now being used by the industry as a standard..." (UK, multinational DIY retailer, Social Responsibility Advisor, telephone interview)*
7. *"...and generally the philosophy and orientation of the company is the production of ecological and environmentally friendly products. This is now combined with the EU Directive at least in our sector...where the regulation has changed...and by starting in 2007 and ending in 2010... it changes all the colour and paint specifications and colours have to be produced with more...I would say more...ecological and friendly to the environment raw materials..."(Green large company, Chemicals, Quality coordinator, telephone interview)*

Appendix 5.8.

	TOPIC	KEY FINDINGS	AUTHORS	THIS STUDY
1.	Consumer Scepticism: are consumers sceptical of green claims?	Consumers are sceptic of company claims – Three levels of scepticism	Coddington (1993)	**Consumers can become sceptical once they become aware and informed.**
2.	Consumer Preference: Green Product or Green Label ?	-Consumers slightly prefer green line extensions -Green Consumers prefer Type I Labels -Browns are less discriminating	Ackerstein and Lemon (1999)	**Green brand can be easily remembered and trusted.**
		Consumers are suspicious of how green the 'green' product really are	CREDOC (1999)	**Consumers have trouble identifying the green aspects of the products.**
3.	Consumer Trust: Who do consumers trust?	NGOs and Consumer organisations	Rubik and Frankl (2005)	**NGOs and Governments**
		Consumers do not consider government intervention to be the solution to improving their ability to shop ethically	Carrigan et al (2003)	**Governments are seen as information sources – through campaigns. Issues of government mistrust in the case of Greece.**
4.	Consumer Awareness of green claims: Are	-Consumer awareness is high in countries where environmental awareness	Rubik and Frankl (2005)	**Awareness of claims is higher in the UK where environmental awareness is**

	consumers aware of green claims?	is high -Significant difference in consumer awareness from one product group to another		**high.**
		80% of consumers were familiar of green claims	CREDOC (1996)	**Not supported.**
5.	Consumers and their Consumption Activities: do they link their consumption with the problems?	Consumers prefer less damaging consumption but are critical of company efforts	Ackerstein and Lemon (1999)	**Consumers indicate that their environmental purchase responsibility is connected to the disposing of products (recycling). Ethical consumption is not fully understood.**
6.	Fair Trade label: consumer perceptions	-High awareness -Increasing consumption based on the label	Co-operative Bank 2005	**Supported in the case of the UK.**
7.	Not Tested on Animals claims: consumer perceptions	-Decreasing consumption based on the label -Indication of the need for a universally accepted mark	Co-operative Bank 2005	**Variations of the animal tested logo are not noticed by consumers. Product relevance to the logo is not understood by consumers.**
8.	Local Shopping: consumer perceptions	Consumers want to support their local community	Co-operative Bank 2005	**Starting to gain importance.**
9.	Organic Products: consumer perceptions	-Health reasons -organic is different thing to different people	Krarup and Russell (2005)	**Consumers perceive organic to be expensive -they link organic to other labelled products and higher prices.**
10	Labels that consumer recall and their meaning: which labels are consumers able to recall?	labelled is less environmentally damaging than unlabelled	Rubik and Frankl (2005)	**Language important and findings from other studies are fully supported.**
		The best well-known label was the Green dot, but it was often confused with the symbol for 'recyclable' or 'recycled'.	Rousseau and Delaet (1998)	**Confusion between the Green dot and Mobious Loop exists.**
11	Type I Labels: do consumers recognise Type I labels?	more than 80% of consumers in Sweden, Norway, and Finland recognise the White Swan	NCM (1999)	**Type I eco labels are not recognised by consumers.**
		-The EU eco label was almost never recognised or acknowledged	Rousseau and Delaet (1998)	**The findings are supported.**
12	Type I Label: does it influence their shopping behaviour?	White Swan had a significant effect. on product choice	Bjorner et al (2002)	-
		-91% knew the Blue Angel label - 86% said that the eco-label would make their purchases easier -Eco labelled products cost more -Emotions closely linked with eco label	Christensen (1987)	**The emotional aspect is supported by this study. Eco labelling as an idea appeal to consumers.**
13	Eco label request: do consumers	- consumers need the EC energy rating on white	McDonald et al (2006)	**Consumers indicated similar labelling (e.g. to**

	need eco labels?	goods		**energy rating) for FMCGs.**
		Older consumers believed improved labelling was key to enabling their ethical purchasing	Carrigan et al (2003)	**Supported.**
14	Type II Labels: consumer perceptions	-Mistrust -Sceptical -Negative overall perceptions	Common finding in all the research available	**Supported but variations in these perceptions exist. It did not seem all black and white.**
15	Companies Are Good Claims consumer perceptions	-are likely to contribute to consumer confusion about environmental advertising	Carlson et al (1992)	**Supported.**
16	Search for green claims: why consumers don't look for green claims	-never crossed consumers mind to check -lack of interest	Rubik and Frankl (2005)	**Supported.**
17	Information required: what information consumers want?	Source reduction, use of recycled materials, recyclability of packaging, solid-waste management, toxic-materials, toxic-waste management, long-term commitment to environment, local recycling support.	Rubik and Frankl (2005)	**Recycling related information is what consumers understand.**
18	Price issue: Are consumers willing to pay more?	- inconsistent and inconclusive knowledge -Several studies(Godfrey, 2002) argue that consumers are willing to pay more	Rubik and Frankl (2005)	**Consumers cannot connect the price-higher price- to product characteristics. If the price is higher, then the product is considered a luxury good. If the price is lower, then the product is considered not of a good quality. Price has important implications.**

Table 9. Summary of Research on Consumer Perceptions of Green claims and Contribution