KRAV
-the missing link between attitude and behaviour

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Abstract

Our objective with this essay is to answer the hypothesis: Which mechanisms influence consumer attitude and behaviour when buying KRAV products? We have achieved this objective by answering the following questions: Who are the consumers who buy KRAV products? Is purchasing behaviour related to socio-demographic factors like age, gender, education or income level? What motivates consumers’ willingness to pay more for organic products? To answer these questions we carried out a quantitative survey at a hypermarket in Helsingborg and found that, although income is of some importance to buying behaviour, it is not the defining factor. What appears to be more crucial than income is the perceived benefit consumers receive when buying KRAV products.

Keywords: attitude, consumer behaviour, willingness to pay, income, benefit, organic, KRAV

Sammanfattning


Nyckelord: attityd, konsumentbeteende, betalningsvilja, inkomst, fördel, förmån, ekologisk, KRAV
# Table of contents

1. **Introduction** .................................................................................................................. 3  
   1.1 Discourses on the relationship between human behaviour and the environment ................................................................. 3  
   1.2 Aim .......................................................................................................................... 6  
   1.3 Hypothesis........................................................................................................... 6  
   1.4 Method and material ......................................................................................... 7  
   1.5 Theoretical framework .................................................................................... 10  
   1.6 Structure ........................................................................................................... 10  

2. **Background information** .................................................................................................. 11  
   2.1 Organic food and organic agriculture............................................................... 11  
   2.2 KRAV.................................................................................................................. 12  
   2.3 Other ecological and ethical labels in Sweden ................................................. 13  
      2.3.1 Good Environmental Choice (Bra Miljöval).............................................. 13  
      2.3.2 The Swan (Svanen) .................................................................................... 13  
      2.3.3 Fairtrade (Rättvisemärkt) ........................................................................ 14  
   2.4 Coop Sverige AB ............................................................................................... 14  
   2.5 Store certification by Good Environmental Choice........................................ 16  
   2.6 Organic food – buying behaviour, product facts and statistics in Sweden and abroad ................................................................. 16  

3. **Theoretical framework** .................................................................................................. 20  
   3.1 Cognition theories ............................................................................................... 20  
      3.1.1 Consumer attitudes or perceptions .......................................................... 20  
   3.2 Action theories ....................................................................................................... 22  
      3.2.1 Theory of reasoned action and theory of planned behaviour ..... 22  
      3.2.2 Consumer behaviour .............................................................................. 22  
      3.2.3 Consumption and income ....................................................................... 26  
      3.2.4 Ecologically Conscious Consumer Behaviour (ECCB) ....................... 26  
      3.2.5 Willingness to pay (WTP) ....................................................................... 26  
      3.2.6 Benefits ..................................................................................................... 27  
   3.3 Theory summary ....................................................................................................... 28
4. Survey analysis .......................................................... 29
  4.1 Statistical evaluation of survey .................................... 29
    4.1.1 Coop respondents’ consumer profile .................... 29
    4.1.2 KRAV cognition .............................................. 31
    4.1.3 KRAV action ................................................ 37
  4.2 Coop confirmation of our survey results ..................... 39
  4.3 Our survey in comparison to others .......................... 39
5. Discussion .................................................................. 41
6. Conclusion ............................................................. 46
  6.1 Suggestions for further research ............................... 47
7. Table of sources ....................................................... 48
8. Table of figures and diagrams ..................................... 52

Appendix
1. Introduction

An ever-growing environmental concern can be seen throughout the world today. KRAV, a label used for certification of organic food production, is one of several labels that have arisen as a result of this environmental awareness among modern consumers. Who are the consumers who buy these products? Is their environmental concern related to their age, gender, education or income level? What motivates consumers’ willingness to pay more for organically labelled products?

1.1 Discourses on the relationship between human behaviour and the environment

Sustainable development was introduced by the World Commission on Environment and Development in the Brundtland Report (Our Common Future) in 1987. It defined sustainable development as "a development that meets the needs of the present without compromising the ability of future generations to meet their own needs".¹ Since then, sustainable development has become the 20th century's codeword for a solution to the global ecological and developmental crisis. The concept was fundamental to the United Nations Conference on Environment and Development held in Rio de Janeiro in 1992 (Earth Summit). The concept of sustainable development is put forward by environmental movements, governments, global organisations and by researchers involved in environmental and developmental issues. Tangible results from the Brundtland Report and the Earth Summit are Agenda 21 and the emergence of international agreements such as the Montreal and Kyoto Protocols, which further protect the concept of environmentally sustainable development. In Sweden Agenda 21 is used by the government and local authorities for implementing the concept of sustainability, making it better known to the public. However, one of the criticisms put forward is that the meaning of the term sustainable development is seldom clearly stated and the number of definitions has grown from about 50 in 1989 to more than 5000 in 1997.²

Within the concept of sustainable development there are a few terms that, during the 1990’s, have seen a vast increase in popularity, such as ecological food and ecological farming. The United Nations argues that the seed to the concept of sustainability can be traced all the way back to 1972, when the United Nations Conference on the Human Environment was held in

¹ Brundtland (1987)
² Pezzey (1997)
Stockholm. Since then the awareness of the interrelationship between human behaviour and the environment has steadily grown. Voluntary action groups at community levels, national and global non-governmental organizations, scientific bodies, schools and universities, media and governments all have played a part in the process of sustainable development.  

The ambition to develop an ecologically sustainable Sweden was announced in parliament in 1995, which made the concept of sustainable development trustworthier and politically correct. Fractions of the environmental movement interpreted this as a positive sign, that the political leaders finally understood the dimensions of the global ecological crisis. At the same time others were more sceptical, arguing that the launch of the new term was just a way to make earlier demands appear watered-down and non-committing. These are two of the contrasting points in the debate that has arisen around sustainable development.

Growing environmental awareness and concern among the public, combined with globalization and technological breakthroughs have developed a new understanding of the equal rights of all species and awareness that human behaviour has disturbed this ecological balance. To do successful business today a company is therefore required to act in a socially responsible manner, to minimize the negative impacts its business practices have on all stakeholder groups. This requires an expressed Corporate Social Responsibility policy (CSR). Due to the need to make society work towards sustainable development, this has to be a long-term strategy involving environmental as well as social efforts. Important stakeholders include shareholders, employees, suppliers, the environment, community members, customers and partners. This is especially relevant in retail, where according to studies done in Europe, 70% of consumers say that a company's commitment to social responsibility is important when buying a product or service, and one in five consumers would be very willing to pay more for products that are socially and environmentally responsible. “Consumers do not buy a product or service, they buy the benefits that a product or service gives them”, in this case benefits to the environment, their own well-being and future generations.

The Triple Bottom Line (3BL) is rapidly gaining recognition as a framework for measuring business performance. John Elkington, co-founder of the business consultancy "SustainAbility”,

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4 CSR Europe (2005), www.csreurope.org
5 Grönroos (2002)
in his 1998 book called *Cannibals with Forks: the Triple Bottom Line of 21st Century Business*, coined this phrase⁶. The idea behind 3BL is that a corporation’s ultimate success can and should be measured not just by the traditional financial bottom line, but also by its social/ethical and environmental performance, which is also the fundamental part of CSR. The differences between CSR and 3BL are therefore subject to discussion. CSR was, however, established several years before 3BL. The apparent novelty of 3BL lies in its supporters’ contention that the overall fulfilment of obligations to stakeholders should be measured, calculated, audited and reported – just as the financial performance of public companies has been for more than a century. Critics argue that, on both conceptual and practical grounds, 3BL promises more than it can deliver. By committing the company to the principles of 3BL it appears they are making a more concrete, verifiable commitment to CSR and sustainability. There are no doubt companies undertaking social responsibilities that go beyond maximizing shareholder value. On the other hand, they can also allow themselves to make almost no commitment whatsoever, as there are no parameters for measuring anything but the financial context. How is it possible to translate accounting concepts into environmental and social ideas? How does one calculate the social equivalent of, for example, income, assets, gains and losses?⁷ In spite of the criticism, it is a fact that 3BL is clearly established by now. An Internet search for “triple bottom line” using the search engine “Google” gave 25 200 hits in March 2003⁸, while the number of hits in May 2005 had reached the level of 157 000⁹.

From the framework of environmental sustainability and awareness we have chosen the elements of organic food and organic agriculture for our research. Over the last 20 years organic food has grown from a local interest group movement to a worldwide industry, making it the fastest growing food sector in the world¹⁰. The purpose of organic agriculture is to produce food with as many environmental, economical and ethical concerns being taken as possible, a 3BL or CSR model. KRAV, the Swedish organisation commissioned to supervise domestic eco-labelling, was originally founded by a number of farmers driven by personal conviction and ideological reasons, and 20 years later it has grown to become a key player in the organic market in Sweden. Consumers state different reasons for buying organic – concern for the environment, their own health, animal welfare, biological diversity of flora and fauna,

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⁷ Business Ethics Quarterly (2004), www.businessethics.ca
⁸ ibid.
⁹ Google (2005), www.google.se
¹⁰ Lyons (2001)
global solidarity such as equal rights for the workers and inhabitants of developing countries. The target set by the Swedish government that 20% of all agricultural land should be organic by the year 2005 raises the credibility of organic agriculture\textsuperscript{11}. Other actors in this segment are farmers, environmental organisations, food producers and processors, grocery stores, human rights organisations, as well as the organisations certifying and supervising eco-labelling. Buying organic can be used as a way to execute consumer power, to influence what kind of food and farming we prefer. Criticism towards organic food production is that it is difficult to guarantee fulfilment of the standards throughout the entire chain, and that long transport distances reduce the environmental advantages. Another criticism from consumers is expressed through doubts about the supervising organisations. Consumers even question whether their own contribution to organic buying really makes a difference\textsuperscript{12}.

1.2 Aim

The aim of this bachelor thesis is to identify the mechanisms that influence consumers’ buying behaviour by examining the demographic, attitudinal and behavioural characteristics of consumers of KRAV products.

1.3 Hypothesis

A consumer’s decision to purchase organic products is influenced by several mechanisms. Previous empirical research in this field points towards a gap between green concern and green consumerism, showing that consumers are not “putting their money where their mouths are” and we feel this paradox needs to be examined. What is the missing link between attitude and behaviour?

Our objective is to answer our hypothesis: *Which mechanisms influence consumer attitude and behaviour when buying KRAV products?* by examining the following questions:

- Who are the KRAV consumers?
- Does income level, age, gender and education affect this behaviour?
- Which values and attitudes motivate consumers to buy KRAV products?
- Are consumers willing to pay more for KRAV products?

\textsuperscript{11} KRAV (2005), www.krav.se
\textsuperscript{12} Nickerson (2003)
1.4 Method and material

We have used several research books as aids in structuring our method: These are listed in our Table of sources. We have not described the various methodologies, but chosen to explain a few difficult concepts as footnotes.

We chose to conduct this survey at a single store, the Coop Forum Väla hypermarket, as they have a very distinct environmental profile in Helsingborg and as Coop is the supply chain with the leading number of environmentally labelled products\textsuperscript{13}. Our study is based on a quantitative survey and involves information of stated as well as actual purchasing behaviour of KRAV products obtained from a questionnaire at the individual household level as well as receipts received from respondents at a hypermarket in Helsingborg. Out of a total of 212 consumers interviewed we had a fall away of only one questionnaire. Our study therefore utilises data from 211 consumers daily purchases. We showed all consumers a picture of the KRAV label in order to see whether they were aware of KRAV. Ten consumers did not recognize the label, and these ten questionnaires have only been used for socio-demographic information and hypermarket statistics as we assumed they had no perceptions of the KRAV label.

We carried out a quantitative survey at Coop Forum Väla, situated in one of the biggest external shopping areas in Sweden, during week 16, Monday to Sunday, using a random\textsuperscript{14} yet stratified\textsuperscript{15} sampling of customers. This was a judgement sampling\textsuperscript{16} as our survey was scheduled at various times of the day and evening in order to ensure a cross-section of responses, covering all opening hours and all days of the week.

We conducted the survey as an interview in which we asked the questions and filled in the answers ourselves, with each interview taking approximately five minutes. The survey was carried out in Swedish and a copy of it, in Swedish, is to be found at the end of the essay as Appendix 1. Our questionnaire consisted of 15 structured and open questions, of which four questions (1, 2, 3 and 15 e) were especially for Coop as a way of thanking them for their support, although some of this information even turned out to be relevant to our study. We tested our questionnaire before the actual survey in order to find any inconsistencies and to

\textsuperscript{13} Konsumentverket (2003), www.kov.se
\textsuperscript{14} Purest form of probability sampling, everyone has an equal and known chance of being selected
\textsuperscript{15} Respondents share at least one common characteristic, i.e. shop at Coop
\textsuperscript{16} Select the sample based on judgement, i.e. representative of a normal week throughout the year
clear up any misunderstandings. Our survey examines consumer knowledge of the KRAV label and purchasing frequencies of KRAV products. We posed specific questions on how much more consumers are willing to pay for four KRAV products and how environmentally aware they perceive themselves to be. In order to determine different patterns, the responses we received from consumers were compared to their gender, age, education and income levels. The survey even contained a few open questions, which were used to analyse the consumers’ motivation for buying or not buying organically certified products. In addition, we asked our respondents for permission to keep or to take digital photographs of their receipts. These we have used when examining the presumed missing link between consumer awareness and action (stated attitude and actual behaviour).

We are aware that all surveys can be subject to affects depending on the wording used in the questions. The framework in which they are made can also affect quality judgements. It is difficult to see if the answers we were given are really the attitudes of the respondents or if they are the answers the respondents believe are socially correct. We kept the language simple and avoided leading or anchor\textsuperscript{17} questions. We did not correct replies, suggest answers or give examples. Since the answers we got are hypothetical rather than real there is a risk that what consumers say they would pay and what they actually pay may be different. As we filled in the questionnaires ourselves, this gave us the opportunity to ask follow-up questions when something interesting arose or to change the wording in certain questions to fit the individual respondents.

It might be argued that a survey limited to customers in just one store is not representative for Sweden. We have, however, compared our results with statistics from nationwide surveys done by KRAV, \textit{The Swedish Consumer Agency} (Konsumentverket) and \textit{Statistics Sweden} (SCB, Statistiska Centralbyrå), and found that our survey results are comparable to theirs. (See Chapter 4.)

After consulting with the environmental manager at Coop, we decided that the best place to stand in order to capture the most consumers and at the same time get their receipts for a database for our essay would be after they had paid at the cash desk. Another reason we stood here was so as not to influence consumers in any way into buying KRAV food, which we might have done if we had interviewed them before. One of the disadvantages with this location was that people seemed stressed and in a hurry to leave the store after they had paid.

\textsuperscript{17} A set of questions with something in common
Coop sponsored us with a demonstration table containing leaflets concerning environmental products and taste samples of ecological cider and digestive biscuits. We asked everyone that passed us in the store if they could help us with our survey, instead of standing around and waiting for consumers to come up to us. We obtained most of our replies in the beginning of the week, as most people seemed to be in an even bigger hurry at the weekend.

After the first couple of days we realised that consumers did not understand question number eleven, as our alternatives were not relevant. Few consumers shop at Coop just to buy KRAV products and a further analysis of this can be found in Chapter 5.

We collected 189 receipts without any problem since most people were willing to give them to us. Those consumers who wanted to keep their receipts allowed us to take a digital photograph of it. We did however have a fall away of 22 receipts in total as some respondents had not taken their receipts from the cashier or their spouses had walked away with it. This fall away can also be linked to the poor quality of some of the digital photographs. We took digital photographs of 52 receipts on which we see the total amount spent and the percentage of environmental products bought. These photographs do not however show which particular products were bought. We therefore have 137 receipts on which we do see which particular products were bought.

Furthermore, we conducted a structured interview with Claes Sjödahl, the environmental manager at Coop Forum Väla, which was taped and transcribed. His views will be used in order to confirm or negate the theories and concepts we use in this essay.

In order to gather background information we have used the KRAV and Coop websites, as well as those of the other eco-labels we present. Other material we have used is previously prescribed course literature that applies to our study and diverse articles and reports, as well as other sources dealing with subjects relevant to our study.

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18 Why do you buy KRAV labelled products at Coop? Choose one alternative:
- You are here because they are not available where you live
- You have taken the chance while you are in the area because you know they are available here
- Other
1.5 Theoretical framework

The theoretical framework of the thesis is based on:

- Cognition theories (attitudes)
  - Consumer attitudes or perceptions

- Action theories (behaviour)
  - Theory of reasoned action (TORA) and theory of planned behaviour (TPB)
  - Consumer behaviour
  - Consumption and income
  - Ecologically Conscious Consumer Behaviour (ECCB)
  - Consumers’ Willingness to Pay (WTP)
  - Benefits

1.6 Structure

Chapter 2 begins with a description of organic food and organic agriculture. This is followed by a presentation of the KRAV label and three other ecological and ethical labels represented in Sweden (Good Environmental Choice, The Swan and Fairtrade). A presentation of Coop Sverige AB and Coop Forum Väla and its environmental profile and policy, including Coop certification by Good Environmental Choice follows. To conclude we present statistics of recent organic food purchases in Sweden and abroad.

Chapter 3 contains the theoretical framework, presenting consumer and economic theories.

The consumer survey is presented and analysed in Chapter 4. Certain tables and diagrams will be presented within this chapter, while others are compiled as an appendix.

The discussion in Chapter 5 leads up to our conclusion and closing arguments.
2. Background information

In order to give the reader an overall picture of KRAV this chapter includes a description of organic food and organic agriculture, the KRAV label, Good Environmental Choice, The Swan and Fairtrade, Coop Sverige AB and Coop Forum Väla, and Coop certification by Good Environmental Choice. To conclude we present statistics of recent organic food purchases in Sweden and abroad.

2.1 Organic food and organic agriculture

Organic food refers to all naturally produced food, or food that is the product of organic farming. There are two types of organic food: fresh and processed. To qualify as organic, fresh food should be produced without fertilizers, pesticides, antibiotics, hormones, be free of genetically modified organisms and be locally grown where possible. Processed organic food should contain only organic ingredients, contain no artificial food additives and not be processed with artificial methods, materials or conditions, like chemical ripening or food irradiation.\(^{19}\)

During the past 20 years the organic food market has expanded at an exceptional rate, growing from a local interest group to an international industry. Today the organic food industry is the largest growing food sector in the world, with international sales for 2001 that were estimated to be worth in the vicinity of 150 billion SEK. This shows a growth of between 20 – 50 % per year\(^ {20}\), which comprises about 2 % of the world’s retail food\(^ {21}\). International food chains like Sainsbury and Tesco have begun to market a wide range of organically produced fruit and vegetables, as well as other products such as milk, yoghurt, eggs, tea, coffee, baby food and bread. These chains have also developed policies that seek to minimise social and environmental impacts across the range of activities they are involved in, such as responsible product sourcing and waste minimisation.\(^ {22}\) This is also apparent in Sweden, where the three main retail grocery supply chains each have developed their own environmental concepts, through which they work towards sustainable development.

In conventional farming the production of fertilizing nitrogen requires a large amount of energy resources. In organic agriculture energy can be saved, and since no biocides are used

\(^{19}\) Wordiq, Definition of Organic food, www.wordiq.com
\(^{20}\) Lyons (2001)
\(^{22}\) Lyons (2001)
on an organic farm there are no chemical leakages to surface water or subsoil water. No genetically modified organisms are used, either for fertilization or animal food. The absence of biocides also favours the biological diversity of flora and fauna. Among ethical issues the most significant is animal welfare – encouraging the natural behaviour of pigs and hens by allowing them to stay outdoors grubbing soil and eating worms. Reduced handling of chemicals and exposure to poisons is especially important for workers in the developing countries, where the working environment otherwise can be directly hazardous. The standards for production under acceptable social and working conditions provides organic producers throughout the world access to a wider market and a possibility of a better price for the products, as well as it gives Swedish consumers an opportunity to show global solidarity.

2.2 KRAV

KRAV is an environmental label for food products and guarantees that the product is organically grown or processed. The KRAV organisation is authorized by the Swedish Board of Agriculture (Jordbruksverket) and the Swedish National Food Administration (Livsmedelsverket) to carry out inspection of organic production in Sweden. KRAV is mainly an environmental label for food, but also includes a few other product ranges, such as textiles and potting soil. Every product can be traced back through its lifecycle chain. KRAV is run by the Swedish society for the inspection of organic cultivation (Kontrollföreningen för ekologisk odling) and it guarantees that the food is organically produced, i.e. that it has been grown without the use of artificial fertilisers, chemical pesticides and genetically modified organisms (GMO). This even includes those products that are imported. KRAV was founded in 1985 by a number of farmers, mainly driven by personal conviction and ideological reasons, and today it has grown to become a key player in the organic market in Sweden. It consists of and is owned by 29 members, representing farmers, processors and traders, as well as consumer, environmental and animal welfare interests. A certified store is checked every year, and store employees are educated in how to handle KRAV products. According to a survey done in 2001, KRAV is

23 KRAV (2005), www.krav.se
24 Human Rights Watch (2005), www.hrw.org
25 KRAV (2005), www.krav.se
26 ibid.
27 LUI Marknadsinformation AB (2001), www.lui.se
known by 93 percent of consumers as an environmental and quality label for food. According to the KRAV standards the label stands for:28

- A good environment
- Good animal husbandry
- Good health
- Social responsibility

2.3 Other ecological and ethical labels in Sweden

A few other labels are mentioned by the respondents in our survey, often confused with the KRAV label, and require a brief presentation.

2.3.1 Good Environmental Choice (Bra Miljöval)

*Good Environmental Choice* is the eco-label of the SSNC, *Swedish Society for Nature Conservation*, (Svenska Naturskyddsföreningen)29. In English it is also referred to as "Good Green Buy". SSNC started eco-labelling in 1988 on laundry detergent and paper. They are currently involved in eco-labelling products in thirteen different criteria groups, for example: toilet cleansers, stain removers and bleaches, dishwasher and washing-up detergents, laundry detergents, soap and shampoos, electricity supplies, passenger transport and goods transport. The levels of requirements for raw materials as well as for chemicals used in production are strongly specified and products have to be biodegradable or recyclable, as well as non-toxic. There are also criteria for the level of energy used in production, pollution, and reduced use of fossil fuels. A corporate long-term environmental policy is required in order to use the label Good Environmental Choice.

2.3.2 The Swan (Svanen)

*The Swan* is the official Nordic eco-label30, introduced by the *Nordic Council of Ministers* (Nordiska Rådet) in 1989. The logo demonstrates that a product is a good environmental choice. The green symbol is available for around 60 product groups for which it is felt that eco-labelling is needed and will be beneficial. Everything from washing-up liquid and detergents to furniture, cars and hotels can carry the Swan label. This label is usually valid for three years, after which the criteria are revised and the company must reapply for a license. In this way they ensure that products that are better suited to the environment are constantly being developed.

29 Svenska Naturskyddsföreningen (2005), www.snf.se
30 Miljömärket Svanen (2005), www.svanen.nu
2.3.3 Fairtrade (Rättvisemärkt)

*Fairtrade* is a worldwide organisation, originally established in 1959, working for a better deal for third world producers. The Fairtrade label guarantees that:

- Small, independent farmers get a fair price for their quality products
- Workers employed on estates get fair wages and fair working conditions
- Products are made with consideration for the environment

Today the label can be found on coffee, tea, bananas, cane sugar, cocoa, chocolate, juice and mangos, but there are plans to label more products in the future.

2.4 Coop Sverige AB

Coop Sverige AB runs cooperative convenience stores in Sweden, through the retail chains Coop Konsum and Coop Forum. Coop Konsum has 206 small supermarkets that are situated in residential areas. Coop Forum has 50 hypermarkets, often situated on the outskirts of residential areas. All Coop Forum hypermarkets are certified by Good Environmental Choice, which makes them the first environmentally certified retail chain in Sweden. Environment and health is one of the five cornerstones in the business platform of Coop Forum, which means that they offer goods and services that give their members a possibility to contribute to a sustainable development through their consumption choices. Sustainable consumption, according to Coop, has three parts: environment, health and ethics, and an important first step is to fulfil the criteria for the Good Environmental Choice certification.

Coop is owned by its members, as a cooperative corporation. In 1985, at a meeting in Stockholm, some of these members started to ask for “green” food, grown without the use of chemical biocides. This was the starting point for what was to become Änglamark, Coop’s own label for ecological products, in a range from detergents and hygiene products to plastic bags, groceries and animal food. Today Coop claims to have one of the broadest selections of eco-labelled products on the European market. Coop Forum has, for example, chosen to only sell eggs from free-range hens. In Coop stores there are no special KRAV signs on the shelves or in the aisles. Instead, a Green Shamrock on the shelf marks all environmentally friendly products. The Änglamark brand is very visible and easy to find, and almost all Änglamark food products are

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31 Rättvisemärkt (2005), www.rattvisemarkt.se
32 Coop Sverige AB (2004), www.coop.se
33 ibid.
labelled by KRAV. The only exception is meat, which contains nitrate used to prevent food poisoning and the growth of bacteria. The nitrate additive is contrary to the KRAV specifications, as KRAV products are to be as natural as possible. In Table 1 and 2 we can see statistics from 2002-2003 that show the sales development for Coop Sverige was 2%. In 2005 Coop estimated that the sale of organic food would increase by 35-40 % per year during the next 3-4 years.\(^{34}\)

<table>
<thead>
<tr>
<th>Total sales 2003, SEK</th>
<th>Sales value, change since 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coop Forum</td>
<td>545 960 000</td>
</tr>
<tr>
<td>Coop Konsum</td>
<td>739 321 000</td>
</tr>
<tr>
<td>Coop Sverige</td>
<td>1 284 281 000</td>
</tr>
</tbody>
</table>

**Table 1:** Coop sales of organic food and eco-labelled products \(^{35}\)

<table>
<thead>
<tr>
<th>Total sales of organic food (SEK)</th>
<th>Share of total sales, %</th>
<th>Sales value, change since 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>150 000 000</td>
<td>2 %</td>
<td>+ 18 %</td>
</tr>
<tr>
<td>Total sales of organic food (tons)</td>
<td>8 500</td>
<td>3 %</td>
</tr>
</tbody>
</table>

**Table 2:** Coop Forum sales of organic food compared to total sales \(^{36}\)

The total number of eco-labelled products on sale at Coop during 2003 was 2 414. Out of these 945 wore the KRAV label.\(^ {37}\) The total sales of organic foods in Sweden was 1 370 million SEK, which means that Coop Forum sales of 150 million SEK accounts for 11 % of the market.\(^ {38}\) Consumers can see whether they have bought any environmental products by looking at their receipts, on which all organic and environmentally labelled products are marked with a Green Shamrock. Coop Forum is the first hypermarket to give this sort of information to its customers.

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\(^{34}\) KRAV (2005), www.krav.se  
\(^{35}\) Coop (2004), Coop Sverige Miljörapport 2003, www.coop.se  
\(^{36}\) ibid.  
\(^{37}\) ibid.  
\(^{38}\) ibid.
2.5 Store certification by Good Environmental Choice

The most common use of the SSNC label Good Environmental Choice is at a product level. There is, however, another option – to have the entire store certified. All Coop Forum stores are certified with Good Environmental Choice. To obtain this, the store has to fulfil 109 different criteria\(^{39}\), in the fields of product range, energy use, recycling and environmental work. For groceries there is a specified minimum quantity of KRAV products for each product group. The store must also offer a large range of eco-labelled chemical-technical products. No products may be packed in materials containing PVC, and no products containing chlorine may be sold or used in the store. Finally, the store must be managed so that it carries through on solid environmental work. This certification is a way to push development towards a sustainable society, a goal that is in accordance with the triple bottom line.

2.6 Organic food – buying behaviour, product facts and statistics in Sweden and abroad

Buying organic is a simple way to exercise consumer power, to influence which kinds of food and farming we prefer. To change from conventional to organic milk would mean an extra cost of about 50 SEK a month for a family with two children\(^{40}\). An increase in purchase leads to an increased production, and more organic milk at the dairy counter could lead to increased visibility and awareness among other customers.

According to a survey\(^{41}\) by the Swedish Consumer Agency (Konsumentverket), the price for organic food is not always higher. Organic coffee, for example, is sold at the same price as conventional coffee. For a family with two children it would cost about 100 SEK more a month to buy organic rice, organic spaghetti, organic cereal and organic orange juice compared to buying from the conventional assortment (3,4 kg rice, 1,5 kg spaghetti, 1,2 kg cereal and 11 litres of orange juice). See appendix 2 and 3 for an example of a recipe using organic ingredients vs. non-organic ingredients.

From a taste and health perspective, there are no specific differences between conventional and organic eggs. What differs is the production method. The organic hen is not kept in a cage,
she is exposed to daylight every day and during summer she is allowed to be out in the field expressing her natural behaviour. Studies done in Sweden and abroad clearly show that organic food has at least the same, if not better, quality than conventional food42.

98 % of coffee producers use considerable amounts of chemical pesticides and artificial fertilizers, substances that can be harmful to the diversity of both flora and fauna. They also expose workers on the coffee plantation to risks43. The production process of certified organically grown coffee does not include any chemical pesticides or artificial fertilizers44, yet KRAV ecologically produced coffee only has a 3 % share of the total coffee market in Sweden.45

The general belief is that younger people are more likely to be positive to environmental products. The most common argument is that those who have grown up in a home in which environmental concerns have been important are more likely to be sensitive to these issues.46 Organic food purchasing has generally been linked to consumers with relatively highly paid employment, suggesting that they have a high level of disposable income47. These consumers tend to be more open and accepting towards new product ideas. Grankvist et al. found in a study that women, university graduates and young people (18-35) have a more positive attitude eco-labelled food products48. According to Underhill “the entire shopping experience /…/ is generally geared toward the female shopper”49. Women are still “the primary buyers in the American market place”50, even though their roles and shopping behaviour have changed to become more like men. This behaviour can be interpreted as women being more prudent shoppers than men, being sensible and practical when doing their weekly grocery shopping, and when buying organic products.

A survey done in Scotland in 1994 shows that the proportions of buyers to non-buyers vary considerably between career groups. Almost half of the "professional/ clerical" respondents were organic food buyers compared to only 15 % of those categorized as "manual workers" and 25 % of "old age pensioners".51 According to a similar study done in America, a large proportion of

42 Drake & Björklund (2002)
44 KRAV (2002) www.krav.se
45 Svensk Kaffeinformation, KRAV coffee market share (2001), www.kaffeinformation.se
46 Grankvist et al. (2004)
47 Tregear et al. (1994)
48 Grankvist et al. (2004)
49 Underhill (2000)
50 ibid.
51 Tregear et al (1994)
organic buyers were even low-income consumers earning less than US$ 25,000. Another study done at the same time shows that consumers earning under US$ 25,000 or over US$ 50,000 were more likely to buy organic food than those in the other income groups.

A survey done in Sweden in 2002 shows the awareness level of the KRAV label divided into gender, age and household type. Table 3 below shows that 93 % of the total respondents were aware of the KRAV label.

<table>
<thead>
<tr>
<th>Number Year 2002</th>
<th>Gender</th>
<th>Gender</th>
<th>Age 16-25</th>
<th>Age 26-46</th>
<th>Age 46-70</th>
<th>Household type Single</th>
<th>Household type Couples</th>
<th>Household type Families</th>
<th>Household type Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>1157</td>
<td>1125</td>
<td>415</td>
<td>907</td>
<td>907</td>
<td>402</td>
<td>768</td>
<td>1061</td>
<td>1009</td>
</tr>
<tr>
<td>Unaware, %</td>
<td>7</td>
<td>8</td>
<td>6</td>
<td>4</td>
<td>9</td>
<td>8</td>
<td>7</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Aware, %</td>
<td>93</td>
<td>92</td>
<td>94</td>
<td>94</td>
<td>96</td>
<td>92</td>
<td>93</td>
<td>94</td>
<td>95</td>
</tr>
</tbody>
</table>

**Table 3:** Awareness of KRAV label, representative distribution

A study undertaken in the UK shows that 61 % of organic food was bought by only 7 % of consumers. There are strong differences between most nations. The largest organic food markets are in the USA, Germany and Japan. The sale of organic food in Western Europe exceeds 45 % of worldwide sales, while the US sales were US$ 10,38 billion in 2003.

In Sweden, the number of organic food products has increased from 400 in the 1990’s to 3 900 today. Dairy products make up one third the total organic sales. Figure 1 below shows KRAV’s market breakdown in each product group. ”Perishables” are fresh products that do not fit into any of the other categories. The “Other” category includes products like drinks, oil and sugar.

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52 Thompson (1998)
53 ibid.
56 Organic Trade Association, www.ota.com
57 Ekologiska Lantbrukarna, www.ekolantbruk.se
The main reasons for buying organic food are health and nutritional reasons (e.g. the absence of chemicals) and taste. Taste is particularly relevant to those who buy organic meat, poultry, dairy or eggs. Finding a way to be truly confident that organic food is organic, having discount coupons, having a better selection at their grocery stores and just knowing more about the benefits of organic foods would motivate current and prospective organic purchasers to buy organic food more often.  

Confidence in the health and quality aspects of organic products dropped from 22% in 1999 to 16% in 2001. The view of organics being better for consumers reduced from 22% to 18% during the same period. Today there seems to be a general trend among consumers to be better informed and more suspicious about what they buy, with many consumers believing that the added qualities advertised as being found in organic products are merely a marketing ploy by producers in order to raise prices.

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58 Ekologiska Lantbrukarna, www.ekolantbruk.se
59 Winram (2003)
3. Theoretical framework

This chapter presents the theories and concepts we believe are relevant for evaluating the survey and answering our hypothesis: Which mechanisms influence consumer attitude and behaviour when buying KRAV products? We have divided our theoretical framework into cognition theories and action theories. We use the following definitions for cognition and action:

- Cognition is defined as “the process of acquiring knowledge through thought, experience and the senses”\textsuperscript{61}.
- Action is defined as “the process of doing something to achieve an aim”\textsuperscript{62}.

Cognition theories deal with consumer knowledge (cognition) of and attitude towards the KRAV label, and action theories deal with consumer behaviour (action). We also discuss two theories that explain the psychological processes taking place between attitude and behaviour, namely TORA and TPB.

3.1 Cognition theories

We use the terms “attitudes” and “perceptions” synonymously, and apply the following definitions:

- Attitude is defined as an “evaluation of an issue or problem”\textsuperscript{63}.
- Perception is defined as “a way of regarding, understanding, or interpreting something”\textsuperscript{64}.

3.1.1 Consumer attitudes or perceptions

According to Nickerson attitudes are one of the biggest determinants of behaviour and he believes that attitudes consist of the beliefs and values of the consumer. Attitudes towards environmental issues are reflected in the way we behave when we are faced with a choice e.g. to act environmentally friendly or not. How consumers perceive and respond to environmental issues are dependent on what they are accustomed to and find normal. The fact that people have pro-environmental attitudes does not necessarily mean that they are willing to behave in a pro-environmental way because there may be barriers that obstruct the behaviour, such as expenses, inconvenience, technical difficulties etc. This is called the attitude-behaviour gap by some researchers, as the higher the barriers are, the less effective the attitudes are on the behaviour. Knowledge or the lack of knowledge can also explain the inconsistency between a

\textsuperscript{61} Drivers of consumer behaviour, Organic food (2003), Queensland Government, www.dpi.qld.gov.au
\textsuperscript{62} ibid.
\textsuperscript{63} Berger & Corbin (1992)
\textsuperscript{64} The Concise Oxford English Dictionary, www.oxfordreference.com
person’s attitudes and behaviour. Consumers might feel positive towards buying ecologically produced products but have difficulties finding or even identifying these products. Other barriers to ecological behaviour can be lack of knowledge about what the organic label stands for or what the regulations for using the label are. This lack of knowledge can lead to mistrust and scepticism among consumers. A study done in Finland by Uusitalo and Oksanen shows that consumers believe the difficulty of finding information about ethical products to be one of the biggest obstacles in increasing their purchases of these kinds of products. Besides information, the obstacles were lack of guarantee, lack of ethical alternatives and the premium prices that these products have.

To engage people in environmentally friendly behaviour they need to be convinced that they are making a difference when they buy eco-labelled products. Perceived consumer effectiveness (PCE) measures to which degree the consumer believes his actions will make a difference in the solution to a problem. Little control over a situation decreases the environmentally favourable behaviour even when the consumer is very pro-environmental in his attitudes towards the situation. Knowledge affects PCE both indirectly through other people’s experiences and directly through own experiences. Experiences of failure can lead to lack of motivation and a feeling that one’s actions do not make a difference. We believe that if consumers are convinced that the benefit trade-offs make a difference to the environment, they are more likely to attempt to sacrifice the extra time, effort, lower quality and higher costs involved.

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65 Nickerson (2003)  
68 Scholder et al. (1991)
3.2 Action theories

Consumer behaviour depends on consumer knowledge and attitudes. In this chapter we present two theories that explain the psychological processes taking place between attitude and behaviour, namely TORA and TPB, as well as theories and concepts that explains the above-mentioned relationship, namely consumer behaviour, consumption, income, ECCB, benefits and WTP.

3.2.1 Theory of reasoned action and theory of planned behaviour

The theory of reasoned action (TORA) is a model of the psychological processes that have been observed between attitudes and behaviour. This theory shows that the intention to perform certain behaviour is dependent on the performer’s attitude towards the action and the subjective norms held by the individual. Subjective norms are a person’s normative beliefs about what other people think about him performing or not performing an action, together with the motivation to follow what others think. Intention is influenced by attitude and normative norms and is the one predictor of behaviour. Intention and behaviour can only be influenced by socio-demographics if these influence the attitudes. The theory of planned behaviour (TPB) was developed as a complement and extension of TORA, incorporating behavioural control factors into the processes of predicting behaviour. It claims that most intended behaviours depend not only on intention but also on external factors such as money, opportunity and the cooperation of others and internal factors such as skills and self-control.69

3.2.2 Consumer behaviour

Consumer buying behaviour can be divided into five different levels:

![Diagram of consumer buying behaviour]

**Figure 2:** Consumer buying behaviour

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69 Lunt (2001)

The first four stages in Figure 2 above deals with the decision consumers face during a purchase. Post purchase experience is the motivator to further purchases of the product. A positive experience reinforces further purchases and a negative experience supports a change in products.\(^71\)

Consumer behaviour depicts how and on what consumers choose to spend their income. One view of consumer behaviour theory is that consumers choose the amount they wish to spend in order to maximize the value of the product, which in turn depends on the level of their income and the asking price for the product. Criticism to this is that available goods and services are constantly changing, knowledge about available products is biased and that consumer’s attitudes and preferences change with time.\(^72\) Insufficient and varying supply of organic products is another factor that reduces consumption.\(^73\) Certain products like fresh meat and bread can be particularly hard to find, and are often only obtained in outlets with a distinct environmental profile.

When dealing with consumers and their shopping behaviour it is important to remember that consumers do not always act rationally. Kotler says that one reason why consumers do not act rationally is because they have so many products to choose from that they can choose to ignore some.\(^74\) Groceries are purchased by routine and the purchase is based on immediate decisions. The consumer does not compare the products’ advantages and disadvantages at each purchase occasion, but is lead by previous experiences and acts out of habits. Only when the consumer really takes the time to value a new product does he consider factors such as price, taste and quality. Environmental consequences are relatively new aspects, which are easily forgotten when influenced by established habits. According to a survey done by Arvola,\(^75\) “good taste” is the most important criteria for purchase, followed by “durable” and “healthy”, while “organically produced” is the criteria least asked for. Marketing and education can help consumers to notice and buy environmentally friendly products. According to Kotler there are four factors that influence consumer behaviour: cultural, social, personal and psychological characteristics.\(^76\)

Culture determines the most basic wants, values, perceptions and behaviours of a person and these are learnt from the society we live in. Our culture is expressed through tangible objects and is shown in what we eat, how we travel and where we live. One’s culture also indirectly decides what social class one belongs to, by grouping population after beliefs, values, interests and behaviour.\(^77\)

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\(^71\) A Dictionary of Business, www.oxfordreference.com  
\(^72\) A Dictionary of Economics, www.oxfordreference.com  
\(^73\) Magnusson et al. (2001)  
\(^74\) Kotler et al. (2003)  
\(^75\) Arvola (2000)  
\(^76\) Kotler et al. (2003)  
\(^77\) ibid.
**Social** factors that influence consumer behaviour are social roles and social group belongings. Examples of these groups are family, friends and co-workers who all have an influence on a person’s behaviour. The group with the strongest influence is family since this is the group we normally spend the most time with and our parents’ buying habits often tend to rub off on us. Our behaviour changes when we change groups since we often have different roles in different groups, and we show our status in the group through our consumption.78

**Personal** factors are equivalent to socio-demographic factors. A person’s personality and self-esteem plays a role in their buying behaviour, since someone perceiving himself to be an outdoors type is more likely to buy a skiing vacation than a lazy spa weekend. There are researchers that feel that knowledge, values and attitudes are more important than socio-demographics when it comes to explaining environmentally friendly behaviour. This is due to most of the findings on consumer’s socio-demographics and their relation to consumer behaviour, so far, being contradictory.79

The following theories deal with motivation, albeit by different authors with different approaches:

**Psychological factors** consist of four major parts: motivation, perception, learning and beliefs and attitudes. *Maslow’s theory of motivation*80 says that a person will satisfy his needs in a specific order and when a need is satisfied it will stop being a motivator. The five levels of need in Maslow’s theory are: psychological, safety, social, esteem and self-actualisation. Psychological needs are the needs we satisfy first and self-actualisation needs are those we satisfy last.81

Another motivation theory is Fredrick Hertzberg’s *two-factor motivation theory*, which says that motivation can be divided into two aspects: dissatisfiers and satisfiers. Dissatisfiers are factors that cause dissatisfaction, e.g. the bad quality of organic apples. Satisfiers on the other hand are factors that cause satisfaction, and these factors should always outnumber dissatisfiers since it is the satisfiers that motivate consumers to buy.82

Raymond S. Nickerson has another theory of motivation. He divides motivation into two groups: extrinsic and intrinsic motivation. With *extrinsic motivation* the consumer expects an incentive or reward for acting environmentally friendly. *Intrinsic motivation*, on the other

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78 Kotler et al. (2003)
79 Laroche et al. (2001)
80 Grant (2005)
81 Kotler et al. (2003)
82 ibid.
hand, is spontaneous and the behaviour is conducted for its own sake and is considered more likely to engage people in environmentally friendly behaviour than extrinsic motivation is. Extrinsic motivation does not always change consumer behaviour in the long run as intrinsic motivation is believed to do.\textsuperscript{83}

When a consumer is motivated he will act and this action is influenced by his perceptions, which are in turn controlled by three perceptual processes: selective attention, selective distortion and selective retention. \textit{Selective attention} deals with the fact that people screen out messages and products that do not appeal to them. \textit{Selective distortion} is the misinterpretation and twisting of messages so that they fit the consumers’ personal meanings and preconceptions. Information that supports the consumer’s beliefs and attitudes will be retained through \textit{selective retention}, i.e. consumers are likely to remember what they believe is good information.\textsuperscript{84}

Clare D’Souza constructed a two-dimensional model to explain the complexity of consumer behaviour with respect to their choice of environmental products.

![Figure 3: A two-dimensional model of the cognitive perspective of environmental products](image)

\textbf{Figure 3: A two-dimensional model of the cognitive perspective of environmental products}\textsuperscript{85}

\textit{Environmentally green consumers} are those consumers that buy environmentally friendly products as soon as the opportunity arises. They are environmentally concerned and read the label information for environmental justification of the product. \textit{Emerging green consumers} regard the benefits of green products highly but they lack motivation to

\textsuperscript{83} Nickerson (2003)  
\textsuperscript{84} Kotler et al. (2003)  
\textsuperscript{85} D’Souza (2004)
purchase. These consumers do not actively search for environmental products, as any brand will do for them. Price sensitive green consumers are aware of environmental labels but they are price sensitive and may not pay more for environmentally friendly products. The last group of consumers are the conventional consumers who do not consider buying environmentally friendly products and largely ignore the benefits of green products.86

3.2.3 Consumption and income

Consumption can be defined as the use of commodities for the satisfaction of needs and desires. In modern societies consumption is a major social activity that requires large amounts of money, time, creativity and technological innovations to be sustained. Consumption is no longer an upper class activity, everyone consumes at his own level of income.87 Purchasing power and WTP for organic products control consumer behaviour, but it is not always consumers with high income that behave environmentally friendly88. Different consumer groups use consumption patterns to symbolize their lifestyle or group identity, strengthening the argument that income levels are merely one of several explanations for the recently emerged patterns of consumption89.

3.2.4 Ecologically Conscious Consumer Behaviour (ECCB)

A negative relationship between income and ECCB casts doubt on the theory of the environmentally conscious consumer belonging to the upper class. Environmental awareness has increased to the point where even consumers from the lower classes are becoming involved, partly due to increased media coverage of environmental deterioration. Researchers have found no relationship between income and ECCB, though the relatively small amount of variance makes it difficult to interpret the findings in their study90.

3.2.5 Willingness to pay (WTP)

The following definitions concerning WTP are relevant to our study:

- WTP: Maximum amount of money one would give up to buy some good91
- Consumer Surplus: The difference between what a person would be willing to pay and what he actually has to pay to buy a certain amount of a good92
- Price elasticity: A change in the supply or demand of a product in relation to a price change93

86 D’Souza (2004)
87 Bocock (1992)
88 Yam-Tang & Chan (1998)
89 Bocock (1992)
90 Antil (1978) and Kassarjian (1971)
91 The environmental damage valuation and cost benefit website (2004), www.damagevaluation.com
92 ibid.
Direct measurement of WTP for a particular good or service can be measured by asking people directly how much they would be willing to pay for a specific good or service. This is called the contingent valuation (CV) method and has two approaches, i.e. open-ended valuation questions using a bidding game approach and binary valuation questions. This allows individuals to take into account all the factors that are important to them in the provision of this good or service, for example, their disposable income, taste, education level, etc.

Willingness to pay more for environmental products is not of necessity related to income. Certain consumers consciously understand the risks involved in genetically modified foods and search for other options. An example of this is to be seen in a study done on WTP for milk. A small increase in the cost of conventional milk led many consumers to choose organic milk, and once they had changed to this more expensive product, they usually do not change back. On the other hand, a lack of consumer awareness can mean that few consumers are willing to pay a higher price for organic products than they pay for non-organic products. According to Jack Neff consumers want a clean conscience but are not willing to pay more for environmentally friendly products that cost more.

3.2.6 Benefits

Cost benefit analysis (CBA) is a way to analyse the value received from various consumption choices. These benefits can be measured by asking consumers how much they are willing to pay for an environmentally friendly product. Thamir Salih believes that if consumers are willing to pay a higher price for these products they are pro-environmental and place a high priority on conservation. If the opposite occurs, and consumers are not willing to pay for environmentally friendly products, their interest in preservation is low. One of the original aims of CBA was to give a non-biased view of what values people receive from different choices. David Courard-Hauri believes that CBA is not likely to be unbiased as it is influenced by consumers who value the consumption potential higher than the non-monetary benefits. These consumers tend to be less willing to pay for environmental benefits than consumers who do not put a high value on consumption potential. Courard-Hauri also believes that there is a negative correlation between the importance placed on income and the willingness to forgo consumption.

93 Skäravad & Olsson (2003)
94 University of Pittsburgh, www.pitt.edu
95 Roseboro (2003)
96 Neff (2000)
98 Salih (2003)
99 ibid.
in favour of environmentally friendly behaviour. He suggests that CBA is “a tool of welfare economics” and shows a bias against environmentally friendly behaviour since environmentally concerned people are more likely to choose jobs that do not maximise consumption and therefore decreases their ability to consume in an environmentally friendly way.\footnote{Courard-Hauri (2004)}

According to Nickerson an ethical complication with cost-benefit analysis lies in the fact that it is not always the people that benefit the most from the behaviour that have to pay the largest fraction of the cost and vice versa. Cost can also be transferred to future generations, which implies that just because something is beneficial for us now it does not have to be beneficial for our children, who might have to bear the costs of present generations mistakes.\footnote{Nickerson (2003)}

### 3.3 Theory summary

In order to determine which mechanisms influence a consumer’s decision to buy organic products we have examined theories concerning consumer attitudes and behaviour. Attitude, i.e. the beliefs and values of the consumer, determines behaviour, which in turn depicts how and on what consumers choose to spend their income. Behaviour, conversely, hinges on attitudes.

In this chapter we have presented theories concerning consumer attitudes or perceptions, namely the attitude-behaviour gap, knowledge and PCE. This was followed by two theories that explain the psychological processes taking place between attitude and behaviour, namely TORA, in which we even discuss intention and TPB. Consumer behaviour is applied by presenting the consumer behaviour theory, cultural, social and personal factors, psychological factors including Maslow’s theory of motivation, the two-factor motivation theory, extrinsic and intrinsic motivation, selective attention, distortion and retention, Clare D’Souza’s two-dimensional model as well as theories and concepts about consumption, income, ECCB, WTP and benefits.

Our analysis will follow the same structure as the theoretical framework, i.e. be divided into results dealing with cognition and action. We will even deal with certain theories and concepts in our discussion in order to confirm or negate the results we receive from our survey.
4. Survey analysis

This chapter includes the statistical evaluation of our survey, presented in text, table and diagram form. We have divided our analysis into cognition (consumer knowledge of and attitude towards the KRAV label) and action (consumer behaviour). We begin by giving background information on Coop respondents’ consumer profile, examining their gender, age, income, education and stated and actual spending. Respondents stated or hypothetical knowledge and attitudes follow, in which we examine attributes associated with KRAV, attitudes towards KRAV, motivation to buying KRAV, stated purchasing frequency, estimation of how much more expensive KRAV is, WTP, a WTP test, relationships between various socio-demographic factors and stated environmental interest. This is followed by respondents’ behaviour, in which we examine the receipts we collected from respondents.

4.1 Statistical evaluation of survey

4.1.1 Coop respondents’ consumer profile

Regarding Coop Forum Väla, our survey shows that 32 % of the respondents shop at Coop once a week, with 21 % shopping more than once a week. Approximately 50 % have Coop as their first choice for grocery shopping. Consumers who do not have Coop as their first choice choose to shop at ICA Maxi, Willys and AGs. While the store is situated within 300 meters from a residential area, 92 % of the consumers drive to Coop. 45 % of the respondents live within 5 km of Coop. 25 % live within 10 km and 30 % live outside a 10 km area. When it comes to knowing about Coop’s environmental certification 37 % were aware of the certification and 59 % were not. 95 % of the consumers recognised the KRAV label.

Regarding gender, out of the 211 respondents 142 were women and 69 were men. According to SCB’s statistics on population and income the total population in Helsingborg in November 2004 was 121 097 (women 51 % and men 49 %). Our survey shows a different representation among the respondents, as 67 % are women and 33 % are men. In relation to age, SCB’s statistics for December 2004 accounts for approximately 15 % of the population in Sweden being between the ages of 31 – 40 and 10 % being between 61 – 70, which shows a different representation among our survey respondents, as approximately 25 % of these were between

102 Statistiska Centralbyrån, www.scb.se
103 Local statistics (Helsingborg) for these specified age groups could not be obtained
31 – 40, and approximately 25% were between 61 – 70. The age group 61 – 70 is particularly over-represented in our survey, which could be due to the times we chose for the survey or the fact that this age group is more willing to stop and be part of a survey.

Concerning income, in 2003 the median annual gross income in Helsingborg was 206 004 SEK in total.104 Approximately 30% of the respondents had a monthly household net income between 11 – 20 000 SEK, and approximately 30% earned between 21 – 30 000 SEK. As we asked our respondents for their monthly household net income we have calculated the SCB statistics to represent the monthly net income per person to 12 016 SEK. 40% of the respondents live in two member households (couples) and 40% live in households with children (couples with children). According to SCB the median number of people per household in Sweden in 2003 was 2,01. We therefore estimated that a household in Helsingborg earns approximately 24 000 SEK a month after tax. This is comparable to our survey respondent’s monthly household net income (n = 197).

Relating to education, our statistics show that for the 142 women 19% had primary, 41% had secondary and 40% had tertiary education. For 69 men 12% had primary, 42% had secondary and 46% had tertiary education. According to SCB’s statistics the education level for women in Helsingborg in 2004 was 18% primary, 47% secondary and 35% tertiary. For men the equivalent was 19% primary, 49% secondary and 30% tertiary.

Relating to stated and actual spending, according to SCB the average consumption of food per shopping occasion is 625 SEK. Our results show that 30% of all respondents believed that they spent between 401 – 600 SEK per shopping occasion. Our results as seen on the receipts show that 35% of respondents actually spend less than 200 SEK per shopping occasion and 34% between 201 – 400 SEK. Our statistics are therefore comparable to both SCB’s and consumers’ professed consumption per shopping occasion (n = 194). See Appendix 4 to 7 for a visual presentation of Coop’s consumer profile concerning household size, income, stated and actual spending.

104 Statistiska Centralbyråns, www.scb.se
4.1.2 KRAV cognition

When asked to list various attributes associated with KRAV consumers gave multiple responses, which we have ranked (n=201). For 39% the environment was the first thing that came to their minds when they saw the KRAV label. In this category we have included all replies like “ecological grown, no pesticides, good for the environment, specially grown, animal husbandry and nature”. The second largest category was “health and good quality products”. 13% stated that their first thought when they saw the label was that it is more expensive. Another 13% said that they think of specific products, like potatoes, when they see the label. 4% immediately queried the trustworthiness of the label, which shows a spontaneous negative attitude towards the KRAV label. Consumer perceptions of the KRAV label appear to be similar to KRAV’s definition of what they stand for.

There seems to be a general trend not to trust KRAV. Consumers expressed several credibility issues in association with the KRAV label. A few of these are: “Don’t know if I can trust it”, “Don’t think it makes a difference” and “I need to be convinced”. The first shows a negative attitude, the second is merely an opinion and the third shows a positive attitude. Consumers even expressed negative attitudes when asked whether they knew the rules that applied for a product to become KRAV-labelled. A couple of replies were: “Can we trust them?” and “Can we be sure they are not lying?”

We used a Likert scale to measure consumer’s attitudes towards KRAV products in comparison to conventional products. (1 is very good and 5 is very bad)

![Attitudes towards KRAV characteristics](image)

**Figure 4:** Attitudes towards KRAV characteristics: taste, quality, product range and availability
Figure 4 above seems to suggest that consumers understand KRAV to be somewhat better in all the categories above. Taste, product range and availability are perceived to be the same while quality is understood to be better. Product range and availability were actually regarded by a large number of consumers as being worse than conventional products.

![Attitudes towards the impact of KRAV products](image)

**Figure 5:** Attitudes towards the impact of KRAV products on: the environment, animals, health and future generations

Figure 5 shows that environmental impact, animal husbandry, health and future generations were all understood as having less of a negative impact than conventional products. None of these four variables were regarded as having a very negative impact.

Regarding **motivation to buying KRAV** our study shows that consumers claimed they were motivated to buy KRAV because of its natural content, environmental protection, working conditions in the developing countries and animal welfare. When it comes to what would motivate consumers to buy more KRAV products 38 % of the respondents stated that a lower price would, 12 % wanted a larger product range and 7 % wanted more information so that they could become more aware of what KRAV offers. This result could point towards the fact that KRAV’s high prices might not necessarily be a barrier towards further purchase, as 62 % of the consumers are not motivated by lower price.
Of those consumers who claimed not to buy KRAV the biggest obstacle was the high price. 25% thought that the premium price KRAV demands is not motivated. Of those consumers who do not buy KRAV products and also are not willing to pay more for them only 6% claimed to buy KRAV products that cost the same as conventional products, while 42% do not buy those KRAV products that cost the same e.g. Zoëgas ecological coffee. This is mostly due to unawareness of the products existence, habit and to a perceived poorer taste.

Regarding **stated purchasing frequency**, of those consumers who recognised the KRAV label (n=201) 73% claim to buy KRAV products (n=146). A study105 done in Germany has identified four categories of organic consumers based on usage rate (non-buyers, occasional buyers, medium buyers and frequent buyers). We have chosen to use the same categories as seen in Figure 6 below. The question in our survey regarding purchasing frequency was open: *How often do you buy KRAV?* Respondents replied with: “seldom”, “sometimes”, “often” and “always” which made it difficult for us to read the precise percentage of KRAV purchases. We have therefore divided consumers into the above-mentioned categories:

- Occasional buyers are those who replied “seldom” and “sometimes”
- Medium buyers are those who replied “often”
- Frequent buyers are those who replied “always”
- Other covers those who did not reply

![Purchasing categories](Image)

**Figure 6:** Purchasing categories

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105 Von Alvensleben (2001)
We have examined whether stated purchasing differs related to gender and found no noticeable differences (women n=136 and men n=65), as approximately 70% of women and men both claimed to purchase KRAV products, as seen in Figure 7.

**Figure 7:** Purchasing related to gender

When asked for an estimation of how much more expensive KRAV is believed to be today, our results show a decline in the estimation of how much more expensive KRAV products are beyond the value of 10%. The curve in Figure 8 shows that most consumers (92%) estimate KRAV to be an additional 10% more expensive than conventional products.

**Figure 8:** Consumer estimation of how much more expensive KRAV products are today
With reference to WTP, our study showed that while organic food products have an elastic demand many Coop consumers are prepared to pay a price premium. We have examined willingness to pay related to gender and found, as Figure 9 below shows, that an additional 4% of men are prepared to pay more than women are for KRAV products (women n=136 and men n=65).

**Figure 9:** Willingness to pay more related to gender

We have even examined whether those who buy or do not buy KRAV products are most willing to pay more for KRAV. Figure 10 shows that of those respondents who buy KRAV products and also are willing to pay more it is once again men who are most willing to pay more (87%). Only 76% of the corresponding women were willing to pay more.

**Figure 10:** Purchasing and willingness to pay more related to gender
To further examine WTP in a tangible way, we carried out a **WTP test** by asking consumers what they would be willing to pay for four KRAV products: six large eggs, one litre of low-fat milk, one kilogram of bananas and one litre of ice-cream. We chose this combination of products as eggs and milk are basic food items and bananas and ice-cream are luxury items, and we wanted to see if there would be a difference in WTP. Table 4 below illustrates the standard price for these products during our survey week, the KRAV price and the median of how much consumers stated they were willing to pay.

<table>
<thead>
<tr>
<th></th>
<th>Coop standard price</th>
<th>Coop KRAV price</th>
<th>WTP median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large eggs</td>
<td>14,20</td>
<td>15,90</td>
<td>17,57</td>
</tr>
<tr>
<td>Low-fat milk</td>
<td>6,50</td>
<td>7,35</td>
<td>8,24</td>
</tr>
<tr>
<td>Bananas</td>
<td>17,90</td>
<td>21,90</td>
<td>21,04</td>
</tr>
<tr>
<td>Ice-cream</td>
<td>16,00</td>
<td>29,40</td>
<td>19,23</td>
</tr>
</tbody>
</table>

**Table 4:** Standard price, KRAV price and WTP median

For an illustration of our WTP test see Appendix 8-12:

- **Large eggs:** The median percentage consumers are willing to pay for large eggs is 10 % more than the asking price (n = 105). 37 % are willing to pay more, while 63 % are not.
- **Low-fat milk:** The median percentage that consumers are willing to pay for low-fat milk is 11 % more (n = 109). 29 % are willing to pay more, while 71 % are not.
- **Bananas:** The median for bananas shows that consumers want to pay 4 % less than KRAV is currently asking (n = 106). 24 % are willing to pay more, while 76 % are not.
- **Ice-cream:** The median for ice-cream shows that consumers want to pay 35 % less than KRAV is asking (n = 104). 24 % are willing to pay more, while 76 % are not.

Our results show no **relationships between various socio-demographic factors**: no relationship between age and willingness to pay more for KRAV products and no relationship between education. Appendix 13 illustrates that both women and men with tertiary education are most willing to pay for KRAV (46 % respectively 51 %), and women and men with secondary education are the largest groups not willing to pay (45 % respectively 47 %). Our results also show no relationship between income and willingness to pay, as illustrated in Appendix 14, 20 % of the respondents earning between 21 – 30 000 SEK per month and 18 % of the respondents earning between 11 – 20 000 SEK are most willing to pay more for KRAV. Both of these groups also show the highest rates for not willing to pay (10 % respectively 8 %).

36
In order to see whether stated environmental interest is related to actual environmental behaviour we asked consumers about their professed interest in the environment in general, i.e. does their attitude correspond with behaviour? Responses were rated on a Likert scale, where 1 was a very large interest and 5 a very small interest. 15 % of the respondents claimed to have a very large interest in the environment, 47 % a large interest, 33 % a middle of the road interest, 2 % a small interest and 1 % a very small interest. As far as consumer’s stated environmental interest is concerned our result show that there is almost no difference between women and men. Most consumers (46 % for women and 48 % for men) profess a large interest in the environment. Consumers who claim to have a large interest in the environment, both women and men, are also most willing to pay more for KRAV products (34 % respectively 29 %). 17 % of women and 25 % of men who proclaim to have a middle of the road interest in the environment are also willing to pay more. Stated environmental interest seems to have no relation to income, as most consumers claiming to have a very large interest in the environment and most consumers claiming to have a small interest in the environment earn between 11 – 20 000 SEK per month. For an illustration of our results see Appendix 15-17.

4.1.3 KRAV action
We have used the collected receipts in order to compare consumer cognition with action.

- The total amount spent by these consumers was 66 032 SEK
- The total amount spent on environmental products was 5 104 SEK (8 % of total spending)
- 59 of the 142 women in our survey bought environmental products
- 28 of the 69 men bought environmental products

On average women spent 14 % and men 21 % of their total purchase on environmental products. The total of 8 % that was spent on environmental products does not however show the amount spent solely on KRAV products, as Coop receipts list all environmental products as Green Shamrock products. Stated environmental interest seems to have no relation to actual purchasing when it comes to women. On average female consumers claiming to have a middle of the road interest in the environment have the largest purchasing percent (16 %). For men there seems to be a relationship as the largest purchasing percent falls in the category of those who claim to have a very big interest in the environment (27.5 %). Table 5 below points towards the tendency that the lower income groups buy most KRAV products.
<table>
<thead>
<tr>
<th>Income categories</th>
<th>Number of respondents in each income category</th>
<th>Number of respondents purchasing environmental products</th>
<th>Median percent of total purchase that is environmental products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 10</td>
<td>23</td>
<td>9</td>
<td>19</td>
</tr>
<tr>
<td>11-20</td>
<td>55</td>
<td>25</td>
<td>16</td>
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<td>21-30</td>
<td>66</td>
<td>25</td>
<td>14</td>
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<td>31-40</td>
<td>32</td>
<td>13</td>
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<td>41-50</td>
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<td>7</td>
<td>16</td>
</tr>
<tr>
<td>51-60</td>
<td>4</td>
<td>1</td>
<td>28</td>
</tr>
<tr>
<td>61-70</td>
<td>4</td>
<td>1</td>
<td>62</td>
</tr>
<tr>
<td>No response</td>
<td>14</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>211</td>
<td>87 *</td>
<td></td>
</tr>
</tbody>
</table>

*87 = 30 buy KRAV, 35 buy environmental products, 22 no statistics shown on photographs

**Table 5:** Income related to actual purchasing

Out of the 137 receipts on which we can see which particular products were bought 65 customers had bought environmental products. Only 30 customers had bought KRAV products (20 women and 10 men) while the remaining 35 customers bought environmental products like toilet paper, household paper, washing powder, softener, cleaning detergents, dishwasher tablets and sanitary towels.

The median percentage for men who bought KRAV compared to their total purchase is 17 %. For women the median is 12 %. In order to see whether there is a relationship between gender and what consumers purchases we have compared the KRAV products the women and men bought during the week we carried out our survey. The biggest volume of products women bought was eggs, low-fat milk and raspberry squash while men bought wafers and pizza. Squash and pizza were actually on offer that week so that might explain the volume of these purchases. Appendix 18 shows that women seem to be willing to pay more for basic food items while men are prepared to pay more for luxury items.
4.2 Coop confirmation of our survey results

Claes Sjödahl, the environmental manager of Coop Forum Väla, has worked with environmental issues since 1994 and his own personal opinion of KRAV is that the price is too high. He does however think that the taste difference is huge, especially in meat and bananas. He believes that in order to get consumers who are not particularly interested in the environment to try KRAV products, KRAV needs to offer special prices, in-store demonstrations, taste samples and improve their advertising. Coop Forum Väla does not advertise KRAV products on a large scale, limiting themselves to a weekly flyer and A4 posters in the aisles with information about KRAV. This is because KRAV is a small niche that does not generate enough money to warrant better advertising.

All environmental decisions are taken at the central level, which leaves Coop Forum Väla with no authority to work with local producers, e.g. a strawberry farmer in Ödåkra. According to the environmental manager, the biggest problem facing KRAV is supply shortages as fresh produce runs out fast. He finds it difficult to advertise KRAV products, as he is never sure whether they will be available. Milk, on the other hand, is over produced and eco-milk needs to be added to normal milk in the production process. He believes this could be the producer’s way of keeping prices up. He estimates that KRAV products make up 2-3 % of Coops total sales.106

4.3 Our survey in comparison to others

According to a survey done in 2003 KRAV is recognised by 95 % of all consumers107, while our study shows a recognition rate of 97 %. Our respondents at Coop are medium-income earners (21 – 30 000 SEK/month), the women have secondary education while the men have tertiary education and fall into the age brackets of 31 – 40 and 61 – 70.

Our study shows what consumers actually paid for KRAV milk (7,35 SEK), as well as what they believe they would pay on a hypothetical basis (8,24 SEK). The amount consumers are willing to pay for low-fat milk (11 % more) points to the fact that KRAV could raise the price of low-fat milk as consumers are willing to pay more. Organic milk makes up less than 1 % of the US milk market, but is the segment that is growing fastest in the dairy industry. Studies done in the US show that consumers are willing to pay up to $3.00 more for organic milk.108

106 Sjödahl (2005), interview
107 LUI Marknadsinformation, www.lui.se
Surveys done in the US report that approximately three out of four Americans call themselves "environmentalists" and that 7 in 10 consumers would choose environmentally friendly products over conventional products\textsuperscript{109}. This shows a gap between green concern and green consumerism. Our results also point towards this gap as 60 \% of all respondents claim to have a very large or large interest in environment, but only 15 \% actually bought KRAV products during the week of our survey.

A survey done in 2001 about attitudes towards organic food among Swedish consumers showed that consumers were willing to pay between 5 – 10 \% more for organic food\textsuperscript{110}, and our study shows the same. In a recent study of Irish consumers, high prices were the reason given by two thirds of non-organic buyers for not buying organic products\textsuperscript{111}. Undoubtedly, one of the major barriers for not buying organic food is cost. Non-purchasers, as well as those who currently buy organic food, say that the extra cost is the main reason for not buying or buying more organic food\textsuperscript{112}. Our survey confirms the results in this study.

\textsuperscript{109} Makower (2000)
\textsuperscript{110} Magnusson et al. (2001)
\textsuperscript{111} Cowan et al. (2002)
\textsuperscript{112} Winram (2003)
5. Discussion

Consumers have an incredible amount of power. Every time we buy something, we unconsciously make a choice for or against the environment. The problem is realising that we have this power to make conscious decisions for the environment every time we shop. For example, several self-acclaimed environmentalist do not seem to see the irony in driving out of their way in order to buy environmental products. While Coop Forum Väla is situated 300 metres from a residential area, 92 % of the consumers interviewed drove to Väla; 70 % of these driving between 5 and 10 kilometres, and 30 % driving more than 10 kilometres.

There is a bias between the number of women and men we interviewed and those who buy KRAV products (20 women, 10 men) which could be due to the fact that, as said by Underhill, it is often women who do grocery shopping or that women shop more often. According to SCB, women in Helsingborg are better educated than men, which our statistics do not show. Tertiary education is overrepresented in our statistics, while secondary education is underrepresented.

As mentioned in Chapter 2, many consumers did not understand the question or the alternatives in question eleven, as they were not relevant to them. We found that the majority of our consumers shopped at Coop Forum Väla because of the one-stop-shopping experience they offer, and not just to buy KRAV products. The fact that Coop sells KRAV products is just a bonus for many consumers who shop there and not something that influences their choice of supermarket.

The level of a person’s involvement in environmental protection depends upon how aware they are of the problems and solutions that exist, of how the environment affects their health, and how their way of life affects the environment. In our study we have found that consumers do not exercise their power. There are several reasons why organic food is not more popular. Consumers will choose KRAV if it:

- Is not more expensive than conventional products
- Is a brand they are familiar with and trust
- Can be bought at stores close to where they live
- Can be used without changing their habits
- Is at least as good as conventional products
- Shows the “green benefit” and rewards him for acting environmentally friendly.
Willingness to pay shows the benefits consumers recognize getting when buying KRAV products. Benefits are difficult to calculate, as they are personal. The following equation could possibly explain the connection between consumer attitude and behaviour: \( \text{Value} = \text{benefit} - \text{cost} \).\(^{113}\) Willingness to pay is dependent on what value people put on the organic product. If they do not believe that the benefits of the product outweigh the cost they will not buy it. The intention to buy environmentally friendly products does not however only depend on a person’s willingness to pay but also on among other things, like the degree of availability.

Our results show that most consumers fall into D’Souza’s price sensitive green consumer category. Consumers believe KRAV products to be 10 % more expensive than conventional products when in reality they differ from product to product – our WTP test showed a difference between 12 and 83 %. The results even shows that KRAV could actually raise the price of eggs, as consumers are willing to pay 10 % more than the asking price. The same applies to low-fat milk where consumers are willing to pay 11 % more. When it comes to bananas consumers want to pay 4 % less than KRAV is currently asking, and 35 % less for ice-cream. KRAV ice-cream is 83 % more expensive than conventional ice-cream. This large discrepancy could depend on ice-cream being a product with high price elasticity as it is associated with children, parties and good times.

The WTP test further shows that slightly more men are willing to pay more for KRAV products than women are. It is also men who buy more KRAV products. Our results show neither a relationship between age or education and willingness to pay, nor a connection between income and willingness to pay. Medium and low-income consumers are more or less equally prepared to pay more. Paradoxically these two income groups are also those consumers who are least willing to pay more. There seems to be a difference between how much more consumers are willing to pay for basic food items and luxury items. The consumer surplus is 10-11 % more for basic food items like eggs and low-fat milk and 4-35 % less for luxury items like bananas and ice-cream.

The general truism is that the wealthier people are, the more they spend has not been proved by our survey, as our high earning consumers spend the least amount of money on KRAV products. Low-income consumers who ought to be budgeting carefully are in fact those

\(^{113}\) A well-known equation used in cost-benefit analysis
consumers who buy most KRAV products, as shown in ECCB, as environmental awareness is no longer something only the wealthy can afford. In our survey we have interpreted the lower income range to be everything under 20 000 SEK per month. Our results confirm that this income group buys most KRAV products. Possible reservations to this result could be that other factors also have played a part in consumers choices to buy KRAV during our survey week, e.g. the products that were on special offer, namely pizza and raspberry squash, could have influenced the percentage of consumers who bought KRAV products in all income groups, and so could the supply shortages mentioned by the environmental manager at Coop Forum Väla. Stated environmental interest appears to have no relation to income as those claiming to have a very large interest in the environment and those claiming to have a small interest in the environment both earn under 20 000 SEK per month. This points towards a connection between consumer’s attitudes, perceptions and behaviour, as men who claim to have an interest in the environment also bought the most environmental products, whereas there appears to be no equivalent relationship for women. As seen on the receipts we collected, men also spent a higher percentage of their total purchases on environmental products.

Our results show that the main reasons for not being willing to pay more are that consumers think KRAV products cost too much, they question whether there is cheating involved in organic production, the product range is too small and consumers lack knowledge about what products are on offer. However, KRAV’s high prices might not necessarily be a barrier towards further purchasing, as most of our consumers also stated that a lower price would not motivate them to buy more KRAV products, as illustrated in Figure 10 (page 35). Another basis for this assertion is that our consumers do not buy Zoégas ecological coffee, which costs the same as conventional Zoégas coffee. Once again this could simply be due to lack of information or habit.

In general, consumers had a good understanding of the organic rules, and had a positive attitude towards all eight criteria we used to compare KRAV products to conventional products. Consumers were most critical towards product range and availability, and when it comes to taste they did not believe that KRAV tasted better. Most consumers considered environmental protection, improved animal welfare and better conditions for workers in the developing countries as the most important features of organic production. After this, quality was the most important issue. Health attributes were ranked lower, and most consumers who
perceive organic products as healthier believe they are healthier because of the absence of pesticide and medicine residues. We believe that consumers’ positive response is more of an expression of what consumers hope rather than of actual experience.

The price difference between KRAV and conventional products should represent the payment of a price for reliability, responsibility, and the guarantee of quality. However, several consumers in our study stated having trust and confidence issues when it comes to KRAV products which does not motivate the price differences between KRAV and conventional products.

Consumer attitudes do not correspond with their behaviour. Our results show that those who profess to have a very large interest in the environment are not those who are willing to pay more. It is instead the consumers who have a large or middle of the road interest in the environment that are willing to pay more. As consumers do not act rationally, they should be encouraged to buy more KRAV products through, among other things, better information, availability and in-store visibility. Other factors that could influence consumers buying habits are, among other things, family and culture, as today’s consumers play a big part in which tomorrow’s consumers will be. Habit could also be a strong barrier towards buying KRAV.

Consumers appear to be suspicious towards KRAV producers and their control mechanisms to trace product origins and maintain health standards. Some consumers even connect ecological consumption to exclusive consumption, and a way for producers to raise prices. We believe it is important that organic food is not recognized as fulfilling a self-actualisation need, and is instead available to everybody at all price ranges. KRAV needs to communicate that there are basic products available at the same price as conventional products. At the moment KRAV’s image is weak, due to consumer mistrust, products that do not always look fresh and product unavailability. One negative KRAV experience creates dissatisfaction, which discourages further purchases. KRAV needs to counteract this by strengthening their image of being an independent and reliable actor supervising the eco-labelling and marketing of organic products. KRAV should go beyond simply providing products that meet a customer’s need to providing an experience. As argued by Grönroos, consumers should experience that they are buying the benefits that a product gives them. They need to involve their customers at an emotional, intellectual and even spiritual level.
The environmental manager at Coop Forum Väla, Claes Sjödahl, confirmed many of these results. His estimation that KRAV products make up 2-3 % of Coop’s total sales differs from the statistics from Coop Sverige Environmental Report 2003, which show a sales development of 9 %. This 9 % however includes all environmental products, not just KRAV products, so his estimate is reliable.

The question of whether organic food is better is controversial and there are no conclusive answers. Organic advocates claim that organic food is superior because it is tastier, more nutritious, non-toxic and better for the environment. None of these claims are however accepted as scientific facts, and consumers have to either trust the existing standards and claims, or come to their own common sense conclusions. People tend to screen out products that do not appeal to them or remember only what they believe is good information. All this leads to lack of motivation to purchase KRAV. If on the other hand consumers can be convinced that they benefit or can make a difference by buying KRAV, they are more likely to do so. It is, however, difficult for KRAV to evaluate these benefits as benefits are personal and every consumer has his or her own belief of what a benefit is.
6. Conclusion

Our objective with this essay was to answer the hypothesis: Which mechanisms influence consumer attitude and behaviour when buying KRAV products? To facilitate the reading process we begin this chapter by answering the questions we asked at the beginning of this essay in point form. We conclude by answering our hypothesis.

- Who are the KRAV consumers? Predominantly women (67%) between the ages of 31 – 40 with tertiary education who earn less than 20 000 SEK per month.
- Which values and attitudes motivate consumers to buy KRAV products? Concern for the environment and quality are the strongest motivators. High prices, poor product range and lack of information are barriers to further purchasing, as well as trust issues.
- Do income level, age, gender and education affect this behaviour? No relationship was found between income, age, education or stated environmental interest related to willingness to pay. Medium and low-income consumers are more or less equally prepared to pay more, as well as being those consumers who are least willing to pay more.
- Are consumers willing to pay more for KRAV products? Yes, they are – an additional 4% more men than women are willing to pay more for KRAV products. Women seem to be willing to pay more for basic food items while men are prepared to pay more for luxury items.

The answer to our hypothesis: Which mechanisms influence consumer attitude and behaviour when buying KRAV products? is: Age, gender and education have no major influence on buying behaviour. Income is not either the defining mechanism, even though it has some influence. The wealthier people are, the less they spend – the lower income groups earning under 20 000 SEK per month spend the largest amount of money on KRAV products. What appears to be more crucial than income is the perceived benefit consumers receive when buying KRAV. Benefit, however, differs from consumer to consumer and is almost impossible to define. We believe that a well-known equation used in cost-benefit analysis can clarify the missing link between consumer attitude and behaviour: Value = benefit – cost. As “beauty is in the eye of the beholder”, so benefit lies in the beliefs of the beneficiary.
6.1 Suggestions for further research

Our conclusion is interesting as it contradicts previous beliefs that people with high income buy more KRAV products, and possibly introduces a new approach towards the relationship between organic products and benefits, as we have not found any literature in this field of research. The number of respondents buying environmental products at Coop Forum Väla during our survey week is conceivably too small to be representative for Sweden. We therefore suggest that a larger nationwide survey, involving access to greater economic resources, is necessary in order to verify if this conclusion can be supported.
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Sjödahl, C, Coop Forum Väla, Environmental manager, interview 2005-04-21
8. Table of figures and diagrams

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1</td>
<td>KRAV’s market breakdown</td>
<td>19</td>
</tr>
<tr>
<td>Figure 2</td>
<td>Consumer buying behaviour</td>
<td>22</td>
</tr>
<tr>
<td>Figure 3</td>
<td>A two-dimensional model of the cognitive perspective of environmental products</td>
<td>25</td>
</tr>
<tr>
<td>Figure 4</td>
<td>Attitudes towards KRAV characteristics: taste, quality, product range and availability</td>
<td>31</td>
</tr>
<tr>
<td>Figure 5</td>
<td>Attitudes towards the impact of KRAV products on: the environment, animals, health and future generations</td>
<td>32</td>
</tr>
<tr>
<td>Figure 6</td>
<td>Purchasing categories</td>
<td>33</td>
</tr>
<tr>
<td>Figure 7</td>
<td>Purchasing related to gender</td>
<td>34</td>
</tr>
<tr>
<td>Figure 8</td>
<td>Consumer estimation of how much more expensive KRAV products are today</td>
<td>34</td>
</tr>
<tr>
<td>Figure 9</td>
<td>Willingness to pay more related to gender</td>
<td>35</td>
</tr>
<tr>
<td>Figure 10</td>
<td>Purchasing and willingness to pay more related to gender</td>
<td>35</td>
</tr>
</tbody>
</table>

| Table 1 | Coop sales of organic food and eco-labelled products                         | 15   |
| Table 2 | Coop Forum sales of organic food compared to total sales                     | 15   |
| Table 3 | Awareness of KRAV label, representative distribution                         | 18   |
| Table 4 | Standard price, KRAV price and WTP median                                    | 36   |
| Table 5 | Income related to actual purchasing                                          | 38   |

Table of Appendix

- Appendix 1: Coop questionnaire
- Appendix 2: Organic ingredients
- Appendix 3: Non-organic ingredients
- Appendix 4: Household size of Coop consumers
- Appendix 5: Coop consumer’s income categories in thousands
- Appendix 6: Stated spending
- Appendix 7: Actual spending
- Appendix 8: What consumers are willing to pay more for six large KRAV eggs
- Appendix 9: What consumers are willing to pay for one litre of low-fat KRAV milk
- Appendix 10: What consumers are willing to pay for one kg of KRAV bananas
- Appendix 11: What consumers are willing to pay for one litre of KRAV ice-cream
- Appendix 12: Consumer’s willingness to pay more for four KRAV products
- Appendix 13: WTP in relation to education for women (n=136) and men (n=65)
- Appendix 14: Monthly household net income level related to willingness to pay
- Appendix 15: Stated environmental interest related to gender
- Appendix 16: Stated environmental interest in relation to WTP
- Appendix 17: Stated environmental interest related to income
- Appendix 18: Gender in relation to the KRAV products that were bought
Appendix 1: Coop questionnaire

KRAVMÄRKTA PRODUKTER

1) Hur ofta handlar du på Coop Forum Väla? ______________________________________
   a) Är det: veckoinköp □ vardagsinköp □ både och □

2) Är Coop ditt förstahandsval för dagligvaror? JA NEJ __________________________

3) Ange några anledningar till varför du handlar på Coop?
   __________________________________________________________
   a) Vad är de bra på?
   b) Vad är de sämst på?

4) Ungefär hur mycket handlar du för per inköpstillfälle? ____________________________

5) Känner du till det här märket? JA NEJ (om NEJ gå till fråga 12)
   a) Om JA, ange tre saker du tänker på när du ser det här märket?
      __________________________________________________________
      __________________________________________________________

6) Hur uppfattar du KRAV-märkta produkter i jämförelse med konventionella produkter när det gäller:

<table>
<thead>
<tr>
<th></th>
<th>Mkt bättre</th>
<th>Bättre</th>
<th>Varken bättre eller sämre</th>
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<tr>
<td>a. Smak</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Kvalitet</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Hälsa (egen/familj)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Framtida generationer</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Sortiment</td>
<td></td>
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</tr>
<tr>
<td>f. Tillgänglighet</td>
<td></td>
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</tr>
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<td>g. Miljöpåverkan</td>
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<td>h. Djuromsorg</td>
<td></td>
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</tbody>
</table>

7) Känner du till några av de regler som produkten måste uppfylla för att bli KRAV-märkt?
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________

8) Brukar du köpa KRAV-märkta produkter på Coop? JA NEJ
   a) Om JA, hur ofta? ______________________________________
   b) Om JA, vilka? ______________________________________
   c) Om JA, vilka anledningar har du för att välja dessa produkter?
      __________________________________________________________
      __________________________________________________________

Datum: ____________________________
Tid: ____________________________
Nr: ____________________________
Namn: ____________________________
d) Om **JA**, vad skulle få dig att köpa fler KRAV-märkta produkter?

_____________________________________________________________________

_____________________________________________________________________

e) Om **NEJ**, vilka är några av de största hindren mot att du köper KRAV-märkta produkter?

_____________________________________________________________________

_____________________________________________________________________

9) Hur mycket dyrare uppskattar du att KRAV-märkta produkter är idag i jämförelse med konventionella produkter?  ________________________________

10) Är du beredd att betala mer för KRAV-märkta produkter?  **JA**  **NEJ**

a) Om **JA**, hur mycket MER är du beredd att betala för följande KRAV-märkta produkter?

<table>
<thead>
<tr>
<th>Standard pris</th>
<th>WTP pris</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stora ägg (6 st):</td>
<td>14:20</td>
</tr>
<tr>
<td>Lättmjölk (l):</td>
<td>6:50</td>
</tr>
<tr>
<td>Bananer (kg):</td>
<td>17:90</td>
</tr>
<tr>
<td>Glass (l):</td>
<td>16:00</td>
</tr>
</tbody>
</table>

b) Om **NEJ**, köper du de produkter som kostar lika mycket, som till exempel Zoégas KRAV-märkta kaffe?

i) Om **NEJ**, varför inte?

_____________________________________________________________________

11) Varför handlar du KRAV-märkta produkter på Coop? Välj ett av följande alternativ:

i) Du tog dig hit för att de inte finns i din närbutik.
ii) Du passar på när du är i området eftersom du vet att de finns här.
iii) Annat (specifiser):  

_____________________________________________________________________

12) Hur tog du dig till Coop?  ______________________________________________

13) Hur skulle du beskriva ditt intresse för miljön?

      Mycket stort   Stort   Varken stort eller litet   Litet   Mycket litet

14) Vet du att Coop är miljödiplomerat?  **JA**  **NEJ**

a) Om **JA**, vad innebär det?  ______________________________________________

15) **Kvinna** [ ]  **Man** [ ]

a) Ålder:___________

b) Utbildning:  Grasskola [ ] Gymnasieskola [ ] Högskola/Universitet [ ]

c) Hushållets storlek: Vuxna:___________ Barn under 18 år:___________

d) Hushållets samlade inkomst efter skatt per månad:

    mindre än 10 000 [ ] 11 – 20 000 [ ] 21 – 30 000 [ ] 31 – 40 000 [ ] 41 – 50 000 [ ]
    51 – 60 000 [ ] 61 – 70 000 [ ] 71 – 80 000 [ ] 81 – 90 000 [ ] över 91 000 [ ]

e) Postnr:____________
Appendix 2: Organic ingredients

Appendix 3: Non-organic ingredients

The receipt in appendix 2 shows the ingredients for a Spicy Sausage Stew using as many organic ingredients as possible, while appendix 3 shows the ingredients for the same sausage stew using only conventional ingredients. The comparison was made by Coop in 2000 and the price difference is 10%. The receipts do not show the green shamrock for environmental products since it had not yet been introduced, but the organic ingredients were: leek, carrots, mushrooms, pepper, medium-fat milk and sour cream. Source: www.ctm.su.se/file.php?id=6022

Appendix 4: Household size of Coop consumers
Appendix 5: Coop consumer’s income categories in thousands

Appendix 6: Stated spending

Appendix 7: Actual spending
Appendix 8: What consumers are willing to pay more for six large KRAV eggs

What consumers are willing to pay for 6 large KRAV eggs

Appendix 9: What consumers are willing to pay for one litre of low-fat KRAV milk

What consumers are willing to pay for 1 litre of low-fat KRAV milk
Appendix 10: What consumers are willing to pay for one kg of KRAV bananas

Appendix 11: What consumers are willing to pay for one litre of KRAV ice-cream
Appendix 12: Consumer’s willingness to pay more for four KRAV products (6 large eggs, 1 litre of low-fat milk, 1 kilogram of bananas and 1 litre of ice-cream)

<table>
<thead>
<tr>
<th></th>
<th>Coop standard price</th>
<th>Coop KRAV price</th>
<th>Difference between standard and KRAV price in %</th>
<th>WTP median</th>
<th>WTP more or less in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large eggs</td>
<td>14,20</td>
<td>15,90</td>
<td>12</td>
<td>17,57</td>
<td>10 % more</td>
</tr>
<tr>
<td>Low-fat milk</td>
<td>6,50</td>
<td>7,35</td>
<td>13</td>
<td>8,24</td>
<td>11 % more</td>
</tr>
<tr>
<td>Bananas</td>
<td>17,90</td>
<td>21,90</td>
<td>22</td>
<td>21,04</td>
<td>4 % less</td>
</tr>
<tr>
<td>Ice-cream</td>
<td>16,00</td>
<td>29,40</td>
<td>83</td>
<td>19,23</td>
<td>35 % less</td>
</tr>
</tbody>
</table>

Appendix 13: WTP in relation to education for women (n=136) and men (n=65)

Appendix 14: Monthly household net income level related to willingness to pay (n=201)
Appendix 15: Perceived environmental interest related to gender

[Graph showing perceived environmental interest related to gender]

Appendix 16: Perceived environmental interest in relation to WTP

[Graph showing perceived environmental interest in relation to WTP]

Appendix 17: Stated environmental interest related to income

[Graph showing stated environmental interest related to income]
**Appendix 18**: Gender in relation to the KRAV products that were bought. The number signifies the number of consumers who bought each product.

<table>
<thead>
<tr>
<th>Men buy:</th>
<th>Women buy:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bananas</td>
<td>Apples</td>
</tr>
<tr>
<td>Basil</td>
<td>Bananas</td>
</tr>
<tr>
<td>Buttermilk</td>
<td>Beef mince</td>
</tr>
<tr>
<td>Coriander</td>
<td>Buckwheat</td>
</tr>
<tr>
<td>Couscous</td>
<td>Cabbage</td>
</tr>
<tr>
<td>Crisps</td>
<td>Eggs</td>
</tr>
<tr>
<td>Eggs</td>
<td>Fruitbreak</td>
</tr>
<tr>
<td>Instant coffee</td>
<td>Grill sausage</td>
</tr>
<tr>
<td>Juice</td>
<td>Lentils</td>
</tr>
<tr>
<td>Low-fat milk</td>
<td>Low-fat milk</td>
</tr>
<tr>
<td>Medium-fat milk</td>
<td>Medium-fat milk</td>
</tr>
<tr>
<td>Pears</td>
<td>Oat juice</td>
</tr>
<tr>
<td>Pizza (special offer)</td>
<td>Orange juice</td>
</tr>
<tr>
<td>Raspberry jam</td>
<td>Pancakes</td>
</tr>
<tr>
<td>Sausage</td>
<td>Peas</td>
</tr>
<tr>
<td>Sesame seeds</td>
<td>Pizza</td>
</tr>
<tr>
<td>Soya drink</td>
<td>Potatoes</td>
</tr>
<tr>
<td>Soya flour</td>
<td>Raspberry squash (special offer)</td>
</tr>
<tr>
<td>Wafers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rusks</td>
</tr>
<tr>
<td></td>
<td>Sausage</td>
</tr>
<tr>
<td></td>
<td>Spaghetti</td>
</tr>
<tr>
<td></td>
<td>Sprouts</td>
</tr>
<tr>
<td></td>
<td>Sugar</td>
</tr>
</tbody>
</table>