



LUND UNIVERSITY
School of Economics and Management

All Bark and No Bite?

A qualitative study of how changes in customer sustainability preferences affects the incorporation of CSR

By:

Lisa Elmér and Julia Hellgren

June 2019

Master's Programme in
International Strategic Management

Supervisor: Pauline Mattsson
Examiner: Ulf Ramberg

ABSTRACT

During recent years, the topic of corporate social responsibility has received a lot of attention. Within the field of research, the responsibilities of corporations have been discussed for decades, but no common ground and definition of the concept is in place. In today's business context where the threat of climate change and other environmental challenges is growing, neither businesses nor consumers can ignore the importance of responsible businesses which are aware of the consequences they have on both the society and the environment.

This study explores the strategic interest, for a corporation within the food industry, to engage in CSR related activities. Furthermore, the study sheds light on strategic challenges facing a corporation within the food industry, caused by an increased awareness among consumers regarding the impact that their consumption has on the society and the environment. The study is of qualitative character using a case study approach and a grocery store located in the south of Sweden, ICA Malmborgs Tuna is the chosen case for the study.

The findings of this study show that changes in customer preferences have had a limited impact on the shaping of the CSR strategy at ICA Tuna. Customers however play an important part as they have certain expectations on the store, which are taken into consideration. Two other factors were found important when deciding which CSR related initiatives to be engaged in. The first factor was the financial impact which the CSR related initiatives had on the business, and the second factor was whether or not the initiatives were aligned with the personal beliefs of the management team.

These results suggest that other corporation in the food industry must be aware of the potential gap between what customers express that they want and what they are actually willing to pay for, when it comes to different CSR initiatives. If a corporation wishes to be more involved with sustainability and other initiatives related to CSR, they should not let their customers' demand be the main driver of their work, but rather ensure that they have someone in a managerial position, which has a personal interest in incorporating CSR into the store's strategy.

Key words: CSR, Sustainability, Customer preferences, Attitude-behavior gap, Food industry

ACKNOWLEDGEMENTS

This thesis was written as a final project of our Master's degree in International Strategic Management at Lund University, School of Economics and Management. Writing a thesis can be enlightening and inspiring, but sometimes also tough and frustrating. We would like to express our gratitude to all those who have motivated us during the last few months and helped us keeping up a positive spirit even during the tough times.

First of all, we would like to thank our supervisor, Pauline Mattsson, for her patience, guidance and valuable insights. We appreciate her dedication in our study and commitment as a supervisor. She has spent several late nights going through our paper and has always been available to answer our questions. May you enjoy many more coffees at Barista, you are absolutely worth it.

Furthermore, we are grateful to all of our respondents who have made this study possible. Thank you all for both good laughter and also new interesting insights. We have learned more about the operations of a grocery store than we could ever have imagined.

Lastly, we would like to thank each other for the teamwork, constructive criticism and all the motivation we have given each other. It takes two to tango, and without one another, this paper would not have been half as good (or anywhere near being done at the time of the deadline). May all of you future thesis writers find a partner as good as ours has been! Now it is time to apply for jobs, see you on LinkedIn.

Lund, 3rd of June 2019

TABLE OF CONTENTS

1. INTRODUCTION	6
1.1. THEORETICAL AND EMPIRICAL INTRODUCTION	6
1.2. PURPOSE STATEMENT	8
1.3. RESEARCH QUESTION	8
1.4. OUTLINE OF THE THESIS	8
2. LITERATURE REVIEW	9
2.1. CSR AS A CONCERN OF THE CORPORATION	9
2.1.1. <i>The historical debate on CSR</i>	9
2.2. CSR AS A CONCERN OF THE CONSUMER	13
2.2.1. <i>Strategic CSR and the empowered stakeholder</i>	13
2.2.2. <i>The unresolved paradox in the role of CSR in consumer behavior</i>	15
2.3. SUMMARY	17
3. METHODOLOGY	18
3.1. RESEARCH APPROACH	18
3.2. RESEARCH DESIGN	18
3.2.1. <i>Single case study</i>	19
3.2.2. <i>Case Selection</i>	20
3.3. DATA COLLECTION	20
3.3.1. <i>Interviews</i>	21
3.3.2. <i>Limitations of the data collection</i>	22
3.4. DATA ANALYSIS	23
3.5. QUALITY OF STUDY	24
3.5.1. <i>Validity</i>	24
3.5.2. <i>Reliability</i>	24
3.6. LIMITATIONS	25
3.7. ETHICAL CONSIDERATION	26
4. EMPIRICAL ANALYSIS	27
4.1. EMPIRICAL BACKGROUND	27
4.1.1. <i>Case description - ICA Tuna</i>	27
4.1.2. <i>ICA Tuna's CSR related initiatives</i>	28
4.2. EMPIRICAL FINDINGS	30
4.2.1. <i>The perception of the typical ICA Tuna customer</i>	30
4.2.2. <i>Changes in customer preferences</i>	31
4.2.3. <i>Managerial implications of the changes in customer preferences</i>	33
4.2.4. <i>Customer expectations, financial gain and personal beliefs</i>	34
5. ANALYSIS & DISCUSSION	37
5.1. THE COMPLEXITY OF THE PARADOX IN CUSTOMER PREFERENCES	37
5.2. ICA TUNA'S CSR INITIATIVES THROUGH THE LENS OF THEORY	39
5.3. PERSONAL BELIEFS ARE PART OF SHAPING THE STRATEGY	42
6. CONCLUSION & FUTURE RESEARCH	45
6.1. CONCLUSION	45
6.2. FUTURE RESEARCH	46
7. REFERENCES	47
APPENDIX A – INTERVIEW GUIDE 1	53
APPENDIX B – INTERVIEW GUIDE 2	54

LIST OF TABLES

TABLE 1 - LIST OF INTERVIEWEES 22

1. INTRODUCTION

The first chapter will introduce the chosen field of study and aims to present the background, problematization and purpose statement of this study. This chapter will further provide the reader with a fundamental understanding of the two different main views within the field of corporate social responsibility (CSR). The chapter will end by presenting the research question and the outline of the thesis.

1.1. THEORETICAL AND EMPIRICAL INTRODUCTION

As of today, CSR is present through-out the corporate world and there is no excuse for corporations to ignore the notion of CSR (Dahlsrud, 2008). The concept of CSR is well-known and has been part of the business literature for several decades. However, there is no unified understanding regarding what these corporate responsibilities are and to what extent corporations should apply it in their business (Grafström, Göthberg & Windell, 2015). Although, numerous efforts to achieve a clear and unbiased definition of CSR has been made, the fact that there is an abundance of definitions makes it difficult both for corporations and academics to be coherent when addressing the concept of CSR (Dahlsrud, 2008). According to Devinney (2009), there are two different main views within the field of CSR, one with a narrow focus on the existence of corporations, agreeing with Friedman (1962) who advocates that the sole purpose of a business is to be profitable and responsible to its shareholders. The other view is a broader one, arguing that corporation must act responsible toward the society as a whole, arguments which are in line with other scholars including Carroll (1979) and Freeman (1984). Furthermore, the stakeholder approach advocated by Freeman (1984) recognized that corporations should take responsibility for the behavior affecting their identified stakeholders (Donaldson & Preston, 1995). It is not only within the academic literature the field of CSR is given attention; the European Commission (2019) has also created a definition of CSR as the “*responsibility of enterprises for their impacts on society*”. Furthermore, to fully meet their social responsibility, the corporation must “*integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders...*” (p. 3).

The environmental aspect of CSR has become of special interest in recent years as the debate on climate change has received increased media attention around the world. Consumers are increasingly becoming more aware of the negative impact that their consumption has on the environment. The following quotation which has been continuously spread through social media since 2012 is highlighting this issue:

“If global consumers consumed as much as the average US citizen, four Earths would be needed in order to sustain them”. (McDonald, 2015)

Corporations are increasingly engaging in CSR activities, and during the past decade consumers have become increasingly aware of, and interested in CSR (Öberseder, Schlegelmilch & Gruber, 2011; Snider, Paul & Martin, 2003; Kassinis & Vafeas, 2006; Welford, Chan & Man, 2007). Corporations are now facing the pressure of empowered consumers who care increasingly about sustainability, especially in the developed, affluent countries, where consumers can afford to pay a price premium for more sustainable products (Chandler, 2016). Quantitative research suggest that customers' purchase intentions are affected by the increased focus on CSR, and that customers are increasingly putting greater value into the corporations CSR initiatives in their purchasing decisions. (Mohr & Webb, 2005; Sen & Bhattacharya, 2001). However, studies have shown that there is attitude-behavior gap where the consumers' concern for ethical standards does not reflect their actual purchasing behaviors (Nicholls & Lee, 2006). Because of this gap, some argue that CSR initiatives play a minor role in the consumption decision (Mohr, Webb and Harris, 2001). Considering how there is a disagreement in the literature field, regarding which role CSR initiatives play in the purchasing decision and also considering the different views of which responsibility a corporation should take for the society and the environment, the literature field gives no direct answer to how business managers should incorporate CSR into their strategy.

As noted by the EU Commission in their definition of CSR, each industry is characterized by a unique set of stakeholder relationships. Given the significance it has on daily consumer life, the food industry is facing pressure from various stakeholder groups to operate with regard to environmental issues (Yeonsoo, 2017). This industry is the third biggest industry in Sweden, and it was amounted for a revenue of approximately 185 billion SEK in 2016 (Livsmedelsföretagen, 2019). In an extensive survey from 2017, comparing many different countries, Sweden ranks as the number one country that cares the most about the environment in the world (Haynie, 2017). (Naturvårdsverket, 2018). One particular environmental question is how the production, distribution and consumption of food is contributing to causing climate change (Nilsson, 2018; Thörnqvist, 2018), as food processing accounts for about 20-25 percent of the total climate impact in Sweden. One can tell that consumers are increasingly worried about the impact that their food consumption has on the environment, as more people are choosing to refrain to eating meat out of environmental reasons (Axfood, 2017; Axfood, 2018). This study therefore examines how a Swedish grocery store works with incorporating CSR into their corporate strategy and how this work has been affected by changes in consumer preferences related to sustainability. Considering the disagreement in the literature field mentioned above, there is a great interest in further exploring this field of study.

1.2. PURPOSE STATEMENT

The purpose of this study is to explore what the strategic interest is, for an organization within the food industry, to engage in CSR. Our intention is to shed a light on strategic challenges the organization face as customer awareness within the field of CSR is constantly increasing. Considering previous research in the fields of CSR the objective of this study is to contribute with better understanding of the role of CSR, in particular sustainability, in relation to consumer preferences and the implications for the organization.

1.3. RESEARCH QUESTION

To this end, a qualitative approach is taken, and the research question is;

How does the perceived change of customer sustainability preferences affect the CSR strategy of a corporation within the food industry?

1.4. OUTLINE OF THE THESIS

The thesis is organized as follows. To guide us through the discussion and analysis, the next chapter will provide the theoretical background based on previous work in the fields of CSR including research about customers' interests in CSR. Subsequently, the methodology is described which elaborates on the chosen research approach, design and data collection, complemented by a reflection about the quality of the study. This chapter aims to describe the process of the thesis and demonstrate that the chosen approach is accurate. Following the methodology, the data collection and findings are presented. The empirical evidence serves as a foundation for the analysis, followed by a discussion of the result of the study. This last part of the thesis refers back to the purpose of the study presented in the introduction and finally, the conclusion is presented followed by suggestions for further research.

2. LITERATURE REVIEW

The purpose of the following chapter is to provide the theoretical background of the chosen field of study. Firstly, the chapter will begin by presenting the theoretical field of CSR and how corporations should include CSR in their corporate strategy. This part will cover the thoughts of some of the main theories on the subject by Archie B. Carroll, Milton Friedman and Ed Freeman. The second part of this chapter will explore a more modern view of CSR, which is the concept of Strategic CSR and the empowered stakeholder by David Chandler. This part will further present different findings regarding how CSR influences the purchasing behavior of consumers.

2.1. CSR AS A CONCERN OF THE CORPORATION

Every big corporations ought to have a strategy for how to run their businesses successfully. The purpose of having a corporate strategy is to extract larger sustained economic rents from a number of businesses than the business would generate on its own (Johnson, 2006). An action can be said to be strategic when it allows for a firm to become better than its competitors (Mazzucato, 2002). One of the most well-known strategists is Michael Porter, who writes about generic strategies in his book *Competitive Advantage: Creating and Sustaining Superior Performance* from 1985. According to Porter, a firm can either follow a low-cost strategy where they compete by price, a differentiation strategy where they compete by uniqueness of some sort, or a focus strategy where they target a specific group of customers. However, as time has passed, the concept of strategy has evolved and in 1996 Porter wrote that companies must be flexible to respond to rapidly to changing competitiveness as well as changing markets. Companies must benchmark continuously to gain efficiencies and stay competitive (Porter, 1996 cited in Mazzucato, 2002). During the last two decades, Porter has come to write several articles on the importance of incorporating CSR into one's business as governments, activists and the media are increasingly holding companies to account for the social consequences of their activities (Porter & Kramer, 2006; Porter & Kramer, 2011). This section of the literature review will further outline the two main views within the field of CSR and how their ideas have been both accepted and criticized over the years.

2.1.1. THE HISTORICAL DEBATE ON CSR

The first view on the responsibilities of a corporation argues that the corporation should have the sole focus of being profitable and maximizing the wellbeing of its shareholders. This view has been advocated by the Nobel Prize-winning economist Milton Friedman. In 1970, he published an article in *The New York Times Magazine* where he argued the following;

[...] there is one and only one social responsibility of business - to use its resources and engage in activities designed to increase its profits so long as it

stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud (Friedman, 1962, p. 178).

This quotation builds upon his ideology presented in his book, *Capitalism and Freedom*, where Friedman argues that corporations cannot have social responsibilities for three reasons: social issues are part of the state's responsibilities, the business managers sole obligation should be to act in the interest of the shareholders and lastly he argued that only human beings can have a moral responsibility for their actions (Friedman, 1970). This argument has been criticized for not considering the role which corporations today actually play in the society. A lot of the focus on business ethics do in fact originate from business executives themselves, as demonstrated by the acts of corporate philanthropy and also codes of conduct which many firms established in the 1920s (Frederick, 2006).

Responses to Friedman argue that Friedman is not taking the considerable amounts of goodwill that firms get from customers by behaving ethically into consideration in his argument. Goodwill of this kind can lead to firm's superior performance over the long term (Gallagher, 2005). Examples of such can be seen in companies such as Carnegie, Cadbury and Lever which have been among the first to utilize company assets to improve both the working conditions and other social conditions of their workers (Blowfield & Murray, 2008). There have been arguments against the fact that goodwill from customers will lead to superior performance. Gallagher (2005) argues that firms often engages in unethical practices because doing so is a way of enhancing their performance. If society's norms of what is ethical would not be in conflict with the capitalist economic system, there would not be any need for the subject of business ethics or much discussion on the topic of CSR. He further argues that most people are not aware of firms which can be classified as "ethical firms" and there are very few consumers that support a firm because of their ethical behavior.

The second view on the responsibilities of a corporation argues that the corporation should have a broader focus on taking responsibilities for all of its stakeholders. One of the most cited authors who has contributed a lot to the development of this view is Edward Freeman known for his *Stakeholder theory*. This theory has a broader view on which parties the corporations must be responsible to, and that includes not only the shareholders but also the social context around the corporations and the parties within that context who can affect or are affected by the corporations. This parties are said to have a stake in the organization, and therefore this theory shifts the emphasis from stockholders to stakeholders. A stakeholder is not only a financial claimant, but also customers, suppliers, and employees among others (Freeman, 1984). This mindset has existed in the literature before the 1980s, but it is Freeman who is considered to be the proponent and the one introducing the stakeholder approach in his book *Strategic management: a stakeholder approach* published in 1984.

Each stakeholder group can either be very simplified or described in detail and Freeman (1984) argues that the degree of heterogeneity and subjectivity of each group is important to

acknowledge. Furthermore, the importance of each stakeholder group differs across businesses, a primary stakeholder for one corporation might not be as important to another, hence the primary concept of the stakeholder theory is that an organization must take multiple stakeholders into account. Therefore, stakeholders must include and capture a broad range of groups but also ignore those with little or no impact on the corporation (Freeman, 1984). Most actors fit primarily into one of the stakeholder groups, although some actors can fit into several stakeholder groups at once (Post, Preston & Sachs, 2002). In order to manage its stakeholder, Freeman & Reed (1983) identify three levels of understandings. Firstly, the groups need to be identified and mapped out, secondly their stakes need to be realized and lastly the relationship between the stakeholder and the organization needs to be acknowledged. The stakeholder theory has become a well-known ideology and endorsed by many organizations.

However, critics argue that the theory lacks specificity and considered an unrealistic state for corporation. In order to be rational in decisions and tradeoffs with the competing interest of different stakeholder, explicit guidance of how to make these tradeoffs would be necessary (Jensen, 2005). Further criticism is presented by Stieb (2009) who argues that the stakeholder theory asks more questions than it answers. The stakeholder theory suggests that if the distribution of wealth is unequal between stakeholders, there needs to be a redistribution from only the shareholders of the corporation to the other stakeholders concerned as well. This is problematic however since there is no guarantee that every stakeholder involved is impacted and affected enough by the corporation's business to be motivated to use their time and money to make this redistribution happen. Furthermore, the theory gives no indication of which of the stakeholders should be compensated and by how much. Stieb (2009) gives additional criticism to the fact that the stakeholder theory suggest that those directly affected by the corporation should be taken into consideration, and thus ignores those who are indirectly affected by the businesses of the corporation.

The second view on CSR has been further advanced by Archie B. Carroll who is often portrayed on the opposite side of Friedman on the spectrum of discussing the social responsibilities of corporation. In 1979 Carroll defined CSR as "*the social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of organizations at a given point of time*" (Carroll, 1979, p. 500). Following the criticism that the stakeholder theory was not providing the satisfactory pragmatic approach which would be needed by business managers to implement CSR (Claydon, 2011), Carroll (1991) was one of the first academics to make a distinction between different types of organizational responsibilities, which he presented in his *Pyramid of Corporate Social Responsibilities*.

Carroll (1979) argues that CSR is a multidimensional construct which is made up of economic, legal, ethical and philanthropic responsibilities of a business. Firstly, organizations are basic economic units, hence *economic responsibilities* are a fundamental role of organizations to produce services and goods which are wanted by the society, to be profitable and to enable job creation. The *legal responsibilities* are represented by the rules by which the society permits

the organization to fulfil its strategic mission. The *ethical responsibilities* are those which goes beyond the legal requirements, they reflect the societal norms that one should be fair and not do any harm. These norms reflect the behaviors of people which are not made into law but is still expected by the members of society. Lastly are the *philanthropic responsibilities*, these are the ones which the society expects the organizations to do voluntarily. The difference between ethical and philanthropic responsibilities is that consumers desire philanthropic activities as they add value to the community however, they would not consider an organization to be unethical if they do not meet their philanthropic obligations (Carroll, 1991).

Carroll (1979) presents the different categories as simultaneous responsibilities for corporations. The categories are not mutually exclusive, the classification rather portray how the history of business early emphasis the economic, following the legal aspects before the later concern of ethical and philanthropic aspects. Moreover, the framework provides a classification scheme for the different social responsibilities and can be used to identify the reasons behind different initiatives and activities, taken together the responsibilities constitutes the corporation as a whole (Carroll, 1979; 1991). However, Carroll's model has been criticized for adopting and applying a level-based pyramid approach, as it gives the impression of a staged hierarchy in which movement is based on a fixed criterion. Furthermore, like most models, Carroll's pyramid gives the impression as being a theoretical abstract which has been removed from the complex realities of the world it seeks to explain (Jones, Bowd & Tench, 2009). The pyramid is not considerate of the recent trend which integrates the economic, social and environmental aspects of corporate responsibility. Managers today are likely to use the banner of sustainability or the triple bottom-line approach to describe their work with CSR. This suggest that Carroll's model has limited instrumental value in today's business context (Jones et al., 2009).

Additionally, the pyramid has been criticized as it is striving for universality, but it has not been properly tested in contexts outside of the United States. There is current evidence which suggests that different cultures and subcultures give different nuances to the meaning of each component of the pyramid and might also assign different relative importance to the different components (Ahamad Nalband & Al Kelabi, 2014). A study showed that New Zealand consumers rank ethical responsibilities as the most important followed by legal and philanthropic responsibilities. The results from the study were consistent with results from other developed countries such as France and Germany (Maignan, 2001). These results differ from other studies executed in the US, China and Egypt where consumers prioritized economic obligations over the other social responsibilities (Abd Rahimet, Jalaludin & Tajuddin, 2011; Kolkailah, Aish & El-Bassiouny, 2012). This could be explained by the fact that the achievement of profits allows for companies to continue to give individuals opportunities for employment and added benefits such as housing and healthcare, which might be valued higher in these countries than in others (Ramasamy & Yeung, 2009).

2.2. CSR AS A CONCERN OF THE CONSUMER

During the first decade of the 21st century, consumers have become more interested in CSR (Carrigan & Attalla, 2001; Maignan, 2001). According to several authors, there is an increasing demand among consumers for more eco-friendly products and services, which many entrepreneurs from various business fields have considered when altering their existing services and/or products (Chan, 2011; D'Souza & Taghian, 2005; Ottman, 1992). While Carroll has been criticized for putting too little emphasis on environmental CSR, David Chandler's main focus is sustainability in his concept of Strategic CSR. Chandler (2016) argues that corporations in today's business environment cannot ignore including sustainability into their corporate strategy because of the empowered stakeholder. The empowered stakeholder being described by Chandler is mainly the firm's customer, which will hold the firm to account for how they work with CSR (Chandler, 2016). However, the opinion of those arguing that customers care more about CSR today has not been unchallenged. Research shows that there is an attitude-behavior gap where the consumers' concern for ethical standards does not reflect their actual purchasing behaviors (Kim, Forney & Arnold, 1997; Nicholls & Lee, 2006). Because of this gap some argue that CSR still only plays a minor role in consumption decisions (Mohr et al. 2001; Mohr & Webb, 2005). The following subchapter will first explore the framework of Chandler followed by a theoretical discussion on the role of CSR in consumption decision.

2.2.1. STRATEGIC CSR AND THE EMPOWERED STAKEHOLDER

In his book from 2016, *Strategic Corporate Social Responsibility*, Chandler writes about how firms operate in today's global business environment and how they can optimize performance in the interconnected world which we all live in. He introduces the concept of *Strategic CSR* which he defines as “a pragmatic philosophy that is grounded, first and foremost, in the day-to-day operations of the firm. [...] *Strategic CSR* is central to the firm's value creating activities and ultimately its success in the market” (Chandler, 2016, p. 248). According to Chandler, Strategic CSR is not an option and it is something that all firms are doing to some extent, but some firms do it better than others. Even though Strategic CSR might appear to lead to similar outcomes as Porter and Kramer's *shared value*, he argues that there is a great difference between the two:

“Porter and Kramer argue that charitable goals should be considered equally with operational goals and firms should then utilize their market-based skills and expertise to solve both kinds of problem—in other words, that they should become less like for-profit firms and more like social entrepreneurs, government agencies, or nonprofit organizations. [...] While there is certainly an important role for social entrepreneurs in CSR, it is naive to suggest all companies should exist primarily to solve problems motivated by altruism” (Chandler, 2016, p. 260).

As Chandler aims to place CSR in a contemporary context, he states the five trends which he believes are the reason behind why firms should consider CSR as an integral component of their strategy; affluence, sustainability, globalization, communications and brands. The concept of

affluence builds on the fact that CSR issues tend to receive more attention in countries which are richer and more developed. When people have jobs, savings and security they can also afford the luxury to choose in a different way from people living and working in emerging economies. In short, affluence leads to a more engaged civil society. The second trend, *sustainability* refers to how the impact of heightened affluence is enhanced by a growing concern for the environment. Greater extreme weather events repeatedly remind consumers all over the world that our planet has ecological limits. The third being *globalization*, is explained as due to the consequences of globalization, consumers are now holding companies to account for all parts of their operations, even if some of them are taking place abroad. For example, it just to be for firms to outsource their manufacturing to a different country and not having to take responsibility for the working conditions or the impact it had on the environment, in the early stages of globalization than it is today. *Communication* is the fourth trend is explained as that the influence of the Internet is growing at a rapid pace, any CSR related violations are brought to the attention of the public instantly. Thanks to today's smartphones with high-quality cameras and mini cameras such as the GoPro, anyone can capture and spread whatever scandal they witness in an instant. Lastly, there is the trend of *brands*. Chandler states that today, more than ever before, a firm's reputation is very precious as it is hard to establish but easy to lose. Brands are a driver of CSR as they raise the stake of businesses. Chandler writes that: "*all things equal, brands that are trusted by stakeholders will be more successful in the market than those that are not trusted*" (Chandler, 2016, p. 38).

With regards to these five trends, Chandler builds up a theory about empowered stakeholders who are able to create an economy that meets the needs of society, as long as they're willing to do so. Chandler is of the opinion that firms must serve the interest of the majority and not the minority. However, according to Chandler, CSR is not only about the firm being responsible for their stakeholders, but also about the stakeholders being responsible of holding the firm to account for its actions. Stakeholders must reward firms' activities which are beneficial, and punish activities which are decremental, to the society and the environment. The firm can make sure that they are looking to the interest of the majority of their stakeholders by the usage of a *CSR filter*, which Chandler describes as a conceptual screen through which strategy makers evaluate their social context in which they are conducting business, when they make strategic decisions, in order to assess the impact that their decision has on the firm's different stakeholders. Chandler believes that capitalism offers a system of incentives and constraints to make that possible, however it requires the active participation of all stakeholders to shape the outcomes which serve their best interest.

Stieb (2009), as mentioned above, has criticized the stakeholder theory for not taking into account that the stakeholders might not be motivated enough to spend their time and money on holding the firm to account when the firm's actions is not being considerate of the society and the environment around it. Chandler (2016) tackles this argument by suggesting that stakeholders and especially customers today do not lack the motivation needed to hold the firm

accountable for its actions because of the five trends explained above. In his book, Chandler puts little emphasis on the role of governmental regulations, what Carroll would refer to as legal responsibilities, and is almost exclusively focusing on the customer's role in pushing corporations into taking ethical and discretionary responsibility for their businesses.

2.2.2. THE UNRESOLVED PARADOX IN THE ROLE OF CSR IN CONSUMER BEHAVIOR

There are several reasons to why consumers have become more interested in CSR. One reason on the supplier side is that firms are progressively engaging in CSR activities which they are spending more and more effort on communicating to their customers. Another reason on the consumer side is that consumer advocate groups are putting light on irresponsible corporate behavior, for example through boycotts and similar activism (Snider et al. 2003). The food industry has experienced the increased pressure to operate in an eco-friendlier manner, because of solid and liquid water disposal, packaging, deforestation, water and soil pollution, and food waste (Fox, 1997; Wade, 2001). Some argue that because stakeholders are now considering the environmental CSR to be the most important aspect of a company's CSR efforts, food companies cannot afford the financial and reputational risks which potentially occur from having a lack of environmental commitment (Kassinis & Vafeas, 2006; Welford et al. 2007). Advocates of CSR has performed studies which show that working proactively with CSR can result in positive financial performance, with enlarged consumer preferences for new products and a willingness to pay more for the firm's products (Brown & Dacin, 1997; Sen, Bhattacharya & Korschun, 2006; Trudel & Cotte, 2008).

However, the ones arguing that CSR has become an increasingly important matter of consumers, which corporations cannot ignore, are faced with some contradictory findings. Öberseder et al. (2011) has studied the role of CSR in consumption decision and they highlight two shortcomings of the stream of research described above. The first shortcoming is that most studies uses an experimental setting which induces artificial awareness for CSR. These studies' results are of limited relevance since the effect on consumers' actual buying behavior is not captured. A second shortcoming is brought up as the fact that most of these studies suffer from the social desirability bias of the respondents. Respondents are likely to give the answers which they believe will be considered as the right answers which are in alignment with the social norms of the society which they live in (Auger & Devinney, 2007). Through the study, Öberseder with others note that overall, CSR is of minor importance to the interviewees compared to other purchase criteria such as price, quality, brand or service. These findings are in accordance with previous research showing that CSR is not highly prioritized by most consumers (Lichtenstein, Drumwright & Braig, 2004; Belk, Devinney & Eckhardt, 2005; Bray, Johns & Kilburn, 2011).

However, Öberseder et. al. (2011) was able to establish a few factors which influenced the role of CSR in the consumer's purchasing decision. The two core factors found were information and personal concern. The consumer needed to have a relatively large amount of information

about a firm's CSR initiatives in order to take them into consideration. Additionally, this information had to be in alignment with the person's own personal interests. This factor is depended on the attitudes which each consumer has about initiatives related to fair wages, sustainable practices, organic production et cetera. Hence the factor is very subjective in nature. Furthermore, the financial situation of the consumer was a central factor in the decision process. Sufficient financial resources are a prerequisite for considering a firm's CSR activities as a purchase criterion. When all core and central factors were met, the last thing which influence the consumer's decision was the peripheral factors. The authors established those to be the consumer's image of the company, the credibility of CSR initiatives and the influence of their peers (for example colleagues and friends). Bray et al. (2011) has conducted another study on ethical consumption and have found that similar factors as Öberseder et al. (2011) influence consumer behavior. They noticed however that additional to price, personal experience, ethical obligations and lack of information, quality perception and cynicism also affected the purchasing decisions. Some participants in their study perceived for example Fairtrade products to be of less quality than the traditional alternative product.

Bray et al. (2011) also noticed that some participants were skeptical towards some of the ethical options. The participants did not believe that most of the extra price premium they paid actually reached the end beneficiary as they believed that much of it is just intercepted by the selling company. The consumer's mistrust in corporate activities related to CSR is a well-studied phenomenon, often referred to as greenwashing. A company which engages in greenwashing is executing poor environmental performance while simultaneously engaging in positive communication about their environmental performance. There are several different ways in which this can occur. It can be for example that the company hides the true trade-off of their product or that there is not enough proof behind a product statement which is being advertised (Northen, 2011). Between the years of 2000 and 2010, the consumer and capital markets for green products and services expanded rapidly. In 2009 the consumer market for green products and services was valued at 230 billion US dollars and it was expected to grow to 845 billion US dollars by 2015 (Burbano & Delmas, 2011). Northen (2011) describes the increased advertisement of these products as a green tsunami. The so-called green tsunami of advertisement involves companies putting a lot of money on marketing their products and services as sustainable and environmentally friendly.

Another study of interest is made by Yeonsoo (2017) who studies consumer responses to environmental CSR in the food industry. Yeonsoo has compared how the responses differs between when a firm is performing passive versus proactive CSR. He describes passive CSR initiatives as what Carroll would classify as financial and legal responsibilities, siding with shareholders and strictly adhering to the minimum prescribed by laws and regulation. Proactive CSR on the other hand is similar to what Carroll calls ethical and discretionary responsibilities, for example when a company engages in ethical conducts such as long-term sustainability. The study's results showed that corporations which engage themselves with proactive CSR get a much more positive respond than those who engage themselves mainly in passive CSR.

The mixed evidence on how CSR affects consumer purchasing has several implications for managers. As the payoff from CSR programs is not guaranteed and may take a lot of time, managers are hesitant to invest costly in CSR initiatives and a passive approach might appear to be a safer, easier option which still enhances shareholder value and fulfills the basic societal requirements (Mohr & Webb, 2005). As of today, business managers are struggling to decide to what extent they should show their commitment to environmental sustainability (Yeonsoo, 2017). In their study, Öberseder et al. (2011), concludes that business managers face two fundamental options regarding their investments in CSR. They can either ignore consumer's interest in CSR and not integrate CSR initiatives into their marketing activities or they can choose to focus on CSR positioning, and CSR in their marketing communications. Companies are only suggested to communicate those CSR initiatives which are related to the company's core business in order to not lose credibility.

2.3. SUMMARY

The first part of this chapter has given the reader an overview of the thoughts of some of the most cited authors within the field of corporate social responsibility. Generally, there are two main views within the field of CSR. The first one believes that corporations should have a narrow view on their business, focusing only on their stakeholder and being profitable. The second view on the other hand is broader and believes that corporations must take responsibilities for all of their shareholders. Both views have been criticized by several authors. Friedman's view on corporations have been criticized for being outdated in today's modern business context as it does not take into consideration the amount of goodwill which companies can get from their customers. Carroll's framework acknowledges this goodwill but is however criticized for not treating the environment and the society as two different areas of CSR. This section of the literature review will be used in the analysis of the empirical findings in order to investigate in which ways, and the reasons behind why, the chosen case company works with different CSR initiatives.

Early authors within the field of CSR are mostly focusing on the corporation's responsibility for the society, in which it conducts its businesses, and have not discussed the role which the society plays in directing the corporation's CSR work. Therefore, the second part of the chapter discusses the responsibility of the society and the consumer, as they according to Chandler are responsible of holding the corporations to account for its actions. Chandler argues that there are five trends which has contributed to why consumers today put more pressure on companies and their work with CSR and sustainability. However, there is a lot of studies which show that consumers are not always willing to pay the price premium of ethically produced products. This attitude-behavior gap among consumer, speaks against the fact that consumers today are increasingly rewarding corporations for their CSR work. The second part of the literature review will be used to analyze how the customers of the chose case company has been, and currently are, affecting how the case company works with incorporating CSR into their strategy.

3. METHODOLOGY

The purpose of the following chapter is to provide a detailed and transparent justification of the applied research methodology. First, the research approach will be motivated, and the case selection presented which is the foundation of the later introduced methods of data collection and analysis. Lastly, the quality and the reliability of the research will be examined, and ethical considerations will be declared. This chapter aims to demonstrate that this study has followed applied practices and that the study is based on professional work.

3.1. RESEARCH APPROACH

The relationship between theory and research is often illustrated as a distinction between two different research approaches, referred to as a deductive or an inductive approach, where the former represents a relationship where theories drive the research approach and the latter when theory is a product of the research process. However, in qualitative research a third approach has emerged within business research, as well as within other social scientific disciplines, called the abductive approach (Bryman & Bell, 2015). Bryman and Bell (2015) explains abduction as a puzzle which need to be explained and which involves an iterative process, going back and forth between the empirical data and the theory, in order to give clarity of the phenomena. Since this research aims to examine and understand how and why organizations incorporate sustainability as a part of their corporate strategy in relation to consumer preferences, an abductive approach guided by theory will be used. The abductive approach has elements of both the deductive and the inductive approach, hence the abductive approach is overcoming the limitations of them both. However, the abductive logic often involves the researcher to conclude the best explanation from competing explanations and interpretations. Therefore, the researcher's ability to think rationally is considered to be a limitation of the abductive approach, which will be further examined in subchapter 3.7 *Limitations*.

3.2. RESEARCH DESIGN

The chosen design of the study is of qualitative character using a case study research methodology as the strategy of inquiry. In general, there are two distinctions of research strategy, sometimes acknowledge as different designs, being either quantitative or qualitative (Bryman & Bell, 2015; Creswell & Creswell, 2018). Quantitative design emphasizes quantification in the collection of data with the principal orientation of testing theory which often involves experimental and longitudinal designs. By contrast, qualitative design emphasizes words rather than quantifications in the data collection. The two designs represent differences in the role of data collection and analysis, although this distinction makes the designs seem incompatible, it is argued that they can be combined in what is called a mixed-

method (Bryman & Bell, 2015; Creswell & Creswell, 2018). Supposing that a quantitative research design was chosen, the data collection would have been of statistical nature and this would have made it possible to conduct more specific measurements as well as comparable of variables, such as gender, age and level of employment. Nevertheless, a quantitative research design would have been relevant in order to generalize and make the result applicable for a broader set of corporations. However, a qualitative research design is considered appropriate and suitable to meet the purpose of this study as it does not aim to measure or generalize in its analysis, the nature of this study and focal point is rather to get in depth understanding. In business research, the case study approach is a widely used research design within qualitative research (Bryman & Bell, 2015). Related to this, Yin (2003) argues that case studies are suitable when the purpose of the research is to extend the knowledge about dynamics and processes, which validates the chosen design of our study as our research aims to answer questions like “how” and “why” in relation to strategic decisions and sustainability. Furthermore, this research employs an exploratory single case study approach based on the line of reasoning from advocates such as Eisenhardt (1989) and Yin (2003), among others (Easterby-Smith, Thorpe & Jackson, 2015; Bryman & Bell, 2015).

3.2.1. SINGLE CASE STUDY

In agreement with Yin (2003), Eisenhardt (1989) argues that a case study approach seeks to explore and understand the factors and dynamics in a particular case. In our case, this is appropriate as we strive to examine the factors on how consumer preferences affect the corporate CSR strategy in the chosen case. In addition, the chosen case study approach fulfills what Yin (2003) presents as three conditions estimating the adequacy of using a case study approach. First being, to explore rather than define, second, that the focus relates to a contemporary phenomenon that, lastly, cannot be manipulated by investigators. The single case study approach was chosen in order to gather a rich empirical data collection as the basis for the analysis. However, in order for a single case study to be a relevant research design the particular case must be considered as either critical, unusual, common, revelatory or longitudinal according to Yin (2003). On the one hand, the chosen case Ica Kvantum Malmborgs Tuna (hereafter referred to as Ica Tuna), can be considered as a common case in relation to the different rationales presented by Yin (2003) as it aims to “to capture the circumstances and conditions of an everyday situation”. On the other hand, one can argue, that the case can be defined as unusual as the organization have incorporated sustainability initiatives only operating in the chosen supermarket and not within other stores under the brand ICA. White Guide Green has, for the second time, reviewed and assessed Swedish supermarkets from a sustainability perspective and currently Ica Tuna is nominated for their sustainability work within waste management (Ica Malmborgs, 2019).

Apart from fulfilling the general criterion, Bryman and Bell (2015) claim that a single case study includes aspects such as providing a holistic view which reveals factors about the particular case and situation, which is considered to be an advantage for this particular research.

Although, the validity and reliability of the study will be discussed later in subchapter 3.6 *Quality of study*, it is relevant to further reflect on the limitations of a single case study. As noted by exponent of case study research, a single case is not applicable to generalize for the population, however, the aim for this research is not to generalize the findings to other cases or populations beyond this particular case (Bryman & Bell, 2015).

3.2.2. CASE SELECTION

Defining the unit of analysis is a major step when conducting qualitative single case study which is needed to evaluate the particular case, in order to ensure that the case is in fact relevant for the particular study (Yin, 2003). The unit of analysis in this research is a corporation and the case company, ICA Tuna, was selected based upon the fact that this grocery store has incorporated multiple CSR initiatives into their strategy. Initiatives with focus on sustainability, such as Resurskocken and Food2Change, as well as the fact that have certifications for being an environmentally friendly and sustainable supermarket store was the basis for this purposive selection. Thereby, the case selection is not random which according to Eisenhardt (1989) is neither necessary nor preferable. Another aspect making the case relevant for this study, is the critical customer. According to the employees of the company, the inhabitants of Lund have always been critical consumers in general, with a high degree of concern of the effects of their consumption, and ICA Tuna has a large customer segment which consists of young academics that are considered to be environmental conscious. Furthermore, when Ica Tuna was selected as the case company of this study, the authors were under the impression that the customers seemed to have a considerable impact on the grocery store and its offerings. Therefore, ICA Tuna was identified as a relevant actor within the food industry to study, in order to understand how customer preferences related to sustainability affects an actor within this industry works with CSR in their strategy. Additionally, accessibility is another factor which influenced the case selection, considering the convenient location of the grocery store as well as the good relationship it has with Lund University, as it has participated in several academic studies previously. The close location has made the collaboration between the respondents and authors of this paper flexible, particularly when conducting interviews on the terms of the respondents.

3.3. DATA COLLECTION

The data collection is a crucial part of the research as the building of the empirical foundation depends on the method being used to collect the data (Bryman & Bell, 2015). There are numerous ways of collecting data when conducting research, the data can for example be of primary or secondary nature. Primary data refers to data which has been collected by the researchers and the latter refers to data which has been collected by others, with a different purpose than the purpose of this study, such as written company reports or articles (Easterby-Smith, Thorpe & Jackson, 2015). In case studies, a combination of different types of data collection is common (Eisenhardt, 1989). In this research, the data collection consists of both

primary and secondary data. Primary data was collected through semi-structured interviews and secondary data such as published articles, company reports, and previous studies was used for a broader understanding of the chosen case.

3.3.1. INTERVIEWS

Because of the open-ended nature of the research question and the purpose of this study, qualitative interviews as a method of collecting data is considered appropriate (Bryman & Bell, 2015). Methods of qualitative interviewing varies and Bryman and Bell (2015) mention unstructured and semi-structured interviews as two major types of interviews. Although both types of interviews are considered to be flexible, they are considerably different when it comes to structure. Most qualitative interviews can be categorized mainly into one of the two different types (Bryman & Bell). In this research, the data was primarily conducted through qualitative semi-structured interviews, with guided open-ended questions in order to elicit the respondents' own opinions on the topic, but still keep the control over the line of questioning (Bryman & Bell, 2015; Creswell & Creswell, 2018). Using semi-structured interviewing allowed more specific issues to be addressed and was based on a set of themes in order to guide respondents through the interview and not risk miss out on important aspects.

Using purposive selection, Anna who works as a sustainability and change project manager, was the initial contact of the researchers, because of her relevant position at Ica Tuna (Bryman & Bell, 2015; Creswell & Creswell, 2018). In order to get in contact with other respondents of interest for our research, Anna proposed potential employees which the researchers could interview. Therefore, the qualitative semi-structured interviews were conducted with department managers, in order to explore how Ica Tuna incorporates CSR into their strategy and how customers have influenced this incorporation. The proposed respondents were chosen based on their relevance to this study, their knowledge and their experience, in line with the snowball sampling strategy (Bryman & Bell, 2015). It is argued, that the technique of snowball sampling rarely can be considered as representative according to Bryman and Bell (2015), however, with respect to the purpose of this research, this critic will be of minor manner of the research. Additionally, shorter interviews with employees in the store was made, to conduct the internal interpretations about customer awareness and preferences. These interviews followed a similar approach in being semi-structured, but were these respondents were chosen directly by the authors, as they added another dimension of interest to the study (Bryman & Bell, 2015).

In qualitative research knowing the appropriate sample size is considered a difficulty, as it is impossible in advance to know when theoretical saturation is achieved (Bryman & Bell, 2015). The sample size should be big enough to achieve data saturation, theoretical saturation or informational saturation but not too big to conduct a deep analysis (Bryman & Bell, 2015; Creswell & Creswell, 2018). Taking this into consideration, the data collection continued until saturation was achieved according to the authors. In sum, the empirical data consists of six interviews, each interview lasted for thirty minutes to one-and-a-half hour, and followed an

interview guide (Appendix A) in order to cover the areas of importance, while leaving room for discussion and interpretations. As mentioned, the first interview was held with Anna, and then three other interviews were held with Mia, Christian and Therese, all middle managers with different responsibilities within the grocery store, for example head of fruits and vegetables. Lastly, two salespersons with many years of experience was interviewed in a shorter setting, these interviews consisted of a smaller set of questions with a narrower focus on customer preferences (Appendix B). In line with the flexible and open nature of data collection and interview guide, questions were not consistently asked in the same manner, see *Table 1* for further information about the interviewees.

TABLE 1 - LIST OF INTERVIEWEES		
<u>Name</u>	<u>Position</u>	<u>Years of employment</u>
Anna	Sustainability and change project manager	15 years
Mia	Head of fruits and vegetables	7 years
Christian	Head of meat, in store meatpacking & smoked fish	25 years
Therese	Head of bread, delicacy, fish and the kitchen	23 years
Marianne	Salesperson	11 years
Helena	Salesperson	7 years

The collected data was conducted through interviews held in Swedish, mainly to make the respondents secure in their answers and to make sure that they were not constrained by language difficulties. The interviews were all held face-to-face and recorded, with consent from the respondents, and later transcribed. However, there are potential language and translation problem associated with the collected data as the research is presented in English and the data therefore needs to be translated by the authors (Bryman & Bell, 2015). Xian (2008) presents difficulties associated with translation of collected data as there is words with no equivalent meaning in English, there could be problems because of sociocultural differences and the role of the translator. Taking this into consideration, translation of the collected data will follow a sensemaking process and handle carefully throughout the research.

3.3.2. LIMITATIONS OF THE DATA COLLECTION

Although data collection through interviews can be beneficial in qualitative research, the chosen strategy for collecting the data also includes some obstacles as it demands the researchers to have a high degree of interpersonal skills, even better observational skill and to be flexible by asking explorative and follow up questions during the interviews (Creswell & Creswell, 2018). To overcome these challenges the interviews were based on two principles. First, they followed an interview guide, as mentioned above. Second, the authors' mutual attendance during the

interviews was crucial, separating responsibilities between one interviewer asking the questions and another one observing and taking notes. Both authors have previous experience in qualitative research including semi-structured interviews, which was beneficial in the process of data collection. However, each interview is different and therefore there is no guarantee that the previous experiences was beneficial during these specific interviews.

3.4. DATA ANALYSIS

As mentioned previously, this research is based on a case study of a single corporation, Ica Tuna, which has collected empirical data both from salespersons, middle managers and the sustainability and change project manager of the store. Therefore, this research involves multiple levels of analysis. Compared to quantitative research, there is no unified approach when analyzing data within qualitative research (Bryman & Bell, 2015). This imply that many different approaches are possible to apply in this step of the research and this part aims to provide the reader with a transparent description of the chosen method for data analysis.

When the empirical foundation had been collected through interviews, the primary data was transcribed, summarized and codified into relevant themes. Although qualitative computer software program has become a popular assistance within research, the data analysis in this research was hand coded. Hand coding is a time-consuming process and the researcher has no choice but to go through all recordings and transcribe all of the data by hand (Creswell & Creswell, 2018). Using a computer software may be a more time efficient procedure to code the data, however, the programs require time and skill to learn in order for them to be used efficiently (Bryman & Bell, 2015). Because of the limited time frame of ten weeks, as well as the limited size of data collection, hand coding was chosen in order for the researchers to gain in depth understanding of the particular case. If the data collection would have been of a bigger size, the time of learning the software programs might have been minor, relative the time of hand coding the data. Because all information in qualitative research cannot be used, a later step in the procedure of data analysis was to winnow the data, which according to Guest, MacQueen and Namey (2012) means that the researcher should focus on some of the data while exclude other parts. During the interviews some topic arouse, which mattered in the situation but without relevance for the thesis, such as food safety. These kinds of topics were therefore excluded.

After winnowing the data, in order to form codes, this study followed Tesch's (1990) eight step process. The process is an iterative approach, starting by carefully going through the data collection in order to understand the material and lastly cluster the data into categorizes. According to Creswell (2013) a smaller number of themes is preferred in qualitative research. The coding was made with regard to the formed interview guide and on basis of frequently occurring concepts and sorted into six different categories; greenwashing, profitability, sustainability as a philosophy, customer preferences, effect of changing preferences, pressure

from customer. The identification of themes was conducted with regard to the previous presented theory in the literature review, however not excluded by other emerging themes and as mentioned followed by the process presented by Tesch (1990). The narrative of each theme is presented together with the findings in the empirical chapter. The last step of the analysis consisted of identifying relevant trends and bringing clarity to how and why corporations incorporate CSR in their strategy and its correlation with changes in customer preferences.

3.5. QUALITY OF STUDY

According to Creswell and Creswell (2018) essential aspects of any research design is the validity and reliability. Commonly, researchers consider these parts to be important although different scholar emphasize different aspects of these two parts, therefore the meaning of the concepts needs to be altered (Bryman & Bell, 2015). In this study, the four aspects; *construct validity*, *internal validity*, *external validity* and *reliability*, presented by Yin (2009) will be evaluated in order to estimate the quality of the study. *Internal validity* is used only for explanatory or causal studies, not for exploratory studies and will therefore be excluded.

3.5.1. VALIDITY

Validity in qualitative research is relatively high in its nature but is still important to evaluate because validity is about determining whether the findings are accurate from the standpoint of both the researchers and the participants of the study (Creswell & Creswell, 2018). This is done by first evaluating the construct validity followed by the external validity. Yin (2009) argues that the construct validity reflects the clarity of what is being studied, that the chosen measures are accurate and that they are measuring what they intend to. Strategies of construct validity in this thesis is triangulation of different data sources to ensure that the collected data is accurate. The external validity reflects the generalizability of the findings and has been a major barrier in case study research, particular as it is conducted as a single case study. Although, the purpose of this study is to generate in depth knowledge, rather than to generalize, this study does rely on analytical generalization, as the aim is to make generalized findings which can contribute on previous theory. If replications of comparable studies would be conducted, the result might be applicable for similar grocery stores. A broader set of case studies would, together, strengthen the validity of the analysis and conclusion of this study, and would potentially be a foundation of generalizability.

3.5.2. RELIABILITY

The reliability serves as a final test of the quality the study and involve the research to be presented with regard to accuracy and transparency (Yin, 2009). The objective is to ensure, if the same case study was conducted, that the findings and result would be the same. Hence, excluding errors and biases is a main part of reliability. In order to handle this aspect, Yin (2009) suggest that the research process need to be documented with detailed information about the steps and procedures. In this study, the methodology has been presented in detail with a high degree of transparency, as the narrative of the themes in the data analysis will be described in

the empirical part and lastly, the interview-guides will be presented in *Appendix A* after the references, in the end of the paper. Additionally, both with regards to reliability as well as validity, the transcriptions will be available for review and presented to the supervisor. Although, efforts have been made to enhance the reliability of the study, the authors are aware that qualitative research is challenged by its subjective nature, mentioned by Bryman and Bell (2015). The difficulties of replication are acknowledged as one cannot ensure that the researcher has managed to exclude all potential biases nor expressed all aspects of the interview setting and/or the data analysis.

3.6. LIMITATIONS

This part reflects upon the limitations of the study and represents the weaknesses acknowledged by the authors. The purpose of the section is to enlighten the limitations in order to prevent for future research and replications to suffer from similar problems. In the end of the last chapter of this study the authors will present suggestions for future research with regards to limitations of the study. Compared to quantitative research, qualitative research is not directed by strict guidelines in the research process of conducting data collection and analysis (Bryman & Bell, 2015). Therefore, common criticism is targeting qualitative research, Bryman & Bell (2015) presents four areas of critique. Qualitative research is, too impressionistic and subjective, difficult to replicate, hard to generalizing the findings and non-transparent in the methodology. However, Bryman and Bell (2015) state that as the number of articles and books in the field of qualitative research is emerging, such as Yin (2003; 2009), which advocates clear recommendations how qualitative research should be carried out and presents ways to overcome the mentioned challenges. The procedures and processes throughout the research have been conducted with regard to the criticism and with guidance from Yin.

The limited amount of time available for this research has been the first and foremost limitation of the study. Due to the constrained timeframe the research could never be longitudinal because of the fact that it has bounded to its short time. As mentioned above, the research approach and the design of the study includes limitations, but there are also limitations particular for this study. Firstly, the role of Ica Tuna should be judged in a critical manner. The case was selected based on its relevance for this research, but the company's interest in this study can be questioned. One can argue that the supermarket is participating in the study because of marketing and brand image related reasons. Additionally, ICA Tuna puts a lot of effort into their work with sustainability and this research could be considered valuable for their continuing work with CSR. Either way, the grocery store's possible hidden interests should be considered as a limitation, since it might shape the findings as the respondent potentially want to illustrate a picture different from the reality.

Secondly, the selection of respondents is an important issue to reflect upon. The first contact with Ica Tuna was made with Anna based on purposive selection as she is the sustainability and change project manager of the store. The data collection continued by using the snowball

sampling technique, which was guided by Anna. As mentioned previously, the strategy is criticized for not being representative as the selection is based upon previous respondents. The guidance by Anna helped increase the quality of the data collection as she suggested respondents who have been within the company for many years and who are all responsible for different departments in the supermarket. One can argue that findings based on answers from these respondents can give a misrepresented view of the opinions of the overall staff of Ica Tuna. Employees working either part-time or with shorter experience with the company would, probably, not be indoctrinated in the sustainability strategy in the same extent as Anna nor the employees with responsibilities in different departments. The authors of this thesis are aware of this limitation, however, since the aim of this study is to get in depth knowledge, the access to respondents relevant for the study was considered valuable.

Creswell & Creswell (2018) presents another limitation regarding qualitative studies which focuses on the researcher's role and reflexivity. As mentioned, when applying an abductive approach, the researcher's ability to think rationally is crucial as it is a direct limitation of the approach. As the researcher is heavily involved and share experience with the respondents, the researcher's, as an inquirer, need to explicitly identify reflexivity in bias, values and personal background as these factors can shape the interpretation formed through the study (Creswell & Creswell, 2018). As CSR is currently trending and highlighted in media as well as an important aspect for both of the authors of this study, reflections have been made throughout the process with regard to the role and reflexivity.

3.7. ETHICAL CONSIDERATION

There has been an ethical debate within research since the 1960s and today there is professional associations, such as American Academy of Management and Association of Business Schools, that have addressed the issues of inconsistency regarding ethical considerations in research by formulating code of conducts for their members (Bryman & Bell, 2015). Within business research, discussions about ethical consideration have been broken down by Diener and Crandall (1978) into four main areas based upon issues recurrent in the field. Essentially, whether there is harm to participants, lack of informed consent, invasions of privacy and lastly whether deception is involved (Bryman & Bell, 2015). Overall, these four areas overlap to some extent but all aim to protect the integrity of the research community and research participants.

These areas of ethical consideration were taken into account and followed throughout the process of conducting the research. However, there is not always a wish for participants to be anonymous in research projects (Bryman & Bell, 2015), just as the case of this research. With consent, the names of the respondents as well as the areas of responsibilities will be included. The integrity and confidentiality of the participants is not threatened and therefore the authors see no risk of harm for the participants.

4. EMPIRICAL ANALYSIS

Following chapter presents the empirical foundation of this study, which have been found vital in order to answer the research question. The chapter will first present relevant background information about Ica Tuna's operations as a grocery store, followed by how they work with CSR related activities. The second part of the chapter will firstly present the coded data which looks at the employees' perception of their largest customer segments, secondly it will examine how the customer preferences have changed and the managerial implications of these changes. Lastly, the chapter will examine other factors which have been affecting how Ica Tuna works with incorporating CSR into their strategy.

4.1. EMPIRICAL BACKGROUND

This subchapter aims to give the reader a basic understanding of ICA Tuna as a supermarket and their CSR related activities. The first part of the chapter presents the case chosen for this study, by providing a more detailed description about ICA Tuna and the context in which the store operates. The second part will then present which kinds of CSR related activities ICA Tuna have been engaged in, during roughly the last ten years. As mentioned previously in the methodological chapter, this study is based on semi-structured interviews with six different employees of Ica Tuna. The respondents will be referred to by their first name as agreed upon during the beginning of each interview.

4.1.1. CASE DESCRIPTION - ICA TUNA

ICA Tuna is one of eight ICA grocery stores located in Lund, a medium sized city in south of Sweden. Apart from the ICA stores, there are number of different brands of grocery stores and supermarkets, spread out around Lund. ICA Tuna first opened their doors in 1972 and is today one of the bigger grocery stores in Lund. In 2007 they went into a cooperation, with five other ICA stores, called "Malmborgsgruppen", hence the name ICA Tuna Malmborgs (Anna, interview, Mar. 26, 2019). This group has been a role model when it comes to sustainability initiatives and the Malmborgs name serves as a strong brand known for its usage of locally and freshly produced products, and also for focusing on the individual in the society and the environment (ICA, 2019).

Every ICA grocery store in Sweden is a part of ICA Sweden, which is a part of the business group ICA Gruppen. ICA Sweden has about 36 % of the market share and is thereby the leading grocery retailer in Sweden. The different ICA stores cooperate with ICA Sweden, mostly when it comes to logistics, sourcing, IT, marketing and communications. However, most ICA stores are owned by a retailer, and the retailer operates the store independently. It is thereby possible for the retailer to create his/her own concepts and offers, depending on the local demands of the

customers (ICA Gruppen, 2019). In the case of ICA Tuna, ICA Sweden have set some regulations which they have to follow, but other than that they have a lot of freedom to run the store in the way they see fit (Anna, interview, Mar. 26, 2019). During the interviews, ICA Sweden is not mentioned to have had any impact on how ICA Tuna works with incorporating CSR into their strategy.

Since 2001, ICA Tuna is run by Stefan Billing, who is the son of the previous owner which means that the store has been managed by the Billing family ever since it was founded in the 70s. ICA Tuna have about 25 employees working full-time in the store and an additional 50 employees working part-time in their different departments (Mia, interview, Apr. 10. 2019). Furthermore, the store is located in Lund, which is characterized by its university, Lund University. In 2015, the urban area of Lund had about 87 000 inhabitants, and 20 000 of those were full-time students (LKF, 2015; Statistiska centralbyrån, 2017). The store is located east of the city center only a few hundred meters from both the business faculty and the engineering faculty, hence university students, faculty members and highly educated individuals are important segments of customers, according to the interviewed employees (Anna, interview, Mar. 26, 2019; Christian, interview, Apr. 11. 2019; Therese, interview, Apr. 24. 2019)

4.1.2. ICA TUNA'S CSR RELATED INITIATIVES

Anna works as a sustainability and change management project leader at ICA Tuna. Together with her husband Stefan, they started a project called *Resurskocken* which has received a lot of media attention, being the subject of several studies and articles (Sjöden 2011; Sörbring 2011; Nordstrand, 2015). *Resurskocken* started in 2008, as an initiative to reduce the food waste of the store, as Ica Tuna at that time were wasting a lot of money on thrown-out food, in order to decrease their costs. Anna has a lot of previous experience from the food industry and was motivated to do something about the food waste out of two main reasons. Firstly, at the time the store was showing red numbers, meaning that they were not making any profit which according to Anna is disastrous for a firm operating in the supermarket industry. Secondly, Anna had a personal belief that it is ethically wrong to throw away food and that they should do as much as possible to minimize the store's food waste (Anna, interview, Mar. 26, 2019). After the introduction of *Resurskocken's* waste management program, which was implemented together with training of the different floor managers in how to reduce waste, 80% of what otherwise would have been thrown out was being reused in the program (Sörbring, 2011). However, *Resurskocken* has led to increased personnel costs, since employees spend extra time going through all of the grocery store's fresh products in order to sort out what can and should be used in the program, and a chef has also been hired to work full time with cooking the food (Anna, interview, Mar. 26, 2019). Overall, Anna describes how they are not making any money on using the food waste to cook lunches, but that was never the purpose of the project anyway, the financial goal of the project has been to come out even.

The biggest initiatives taken by ICA Tuna, which are related to sustainability, is according to Anna that they are KRAV certified and that they have received the Nordic Swan Ecolabel. In order to receive these certificates, a company must follow an extensive number of requirements. When a product is KRAV certified, it means that the product has been ecologically produced and that the wellbeing of the nature, the climate, the animals and the human beings, has been taken into consideration in the production process. Receiving the KRAV certification as a store means that the store has to follow the general requirements of KRAV and a number of additional terms. These terms involve for example that the store has to offer a minimum amount of different KRAV certified products and that they have to educate their employees in how to provide transparent data and documentation of their operations (KRAV, 2018). A store which has received the Nordic Swan Ecolabel should offer organic products, work proactive in order to reduce its contribution to climate change and have a focus on waste management. Furthermore, the store is expected to have implemented a holistic approach of including environmental activities throughout its operations (Nordic Ecolabelling, 2018).

Apart from having received the Nordic Swan Ecolabel and the KRAV certificate, and working with reducing the food waste through Resurskocken, Ica Tuna has taken several other initiatives within the field of CSR. In the interview with Mia, who is the head of the fruits and vegetables department, she stated that Ica Tuna is trying to minimize their usage of plastic packaging and that all the plastic bags in the fruits and vegetable department is made out of sugar cane. Furthermore, the margin has been decreased on some of the organic products in order to increase the sales of these products. Additionally, Ica Tuna has decided to only sell organic bananas as they believe that the working conditions are better in the organic banana farms. Ica Tuna also work a lot with recycling and the remaining food waste which cannot be used by Resurskocken is used to produce biogas (Mia, interview, Apr. 10. 2019). Moreover, the department manager of bread, delicacy, fish and the kitchen, Therese, states that the store has the aim of letting their employees travel by train and not by airplane when going to different trainings and other events around the country. Another initiative related to sustainability is that the store changed its whole refrigerator and freezer system last year in order to use less electricity when running their business.

Furthermore, in 2018 Ica Tuna started cooperating with an organization called Food2Change which works with collecting leftover products from stores and restaurant, which can then be picked up by people who are subscribers of the program (in order to be eligible to sign up to the program you have to make a low salary of maximum 13 000 SEK per month) (Food2Change, 2019). Ica Tuna is not only giving away food, but they are also donating money to different nonprofit organizations in the society, for example youth sports organizations (Anna, interview, Mar. 26, 2019).

4.2. EMPIRICAL FINDINGS

This subchapter aims to present the coding of the data which is of interest in order to answer the research question; *how does the perceived change of customer sustainability preferences affect the CSR strategy of a corporation within the food industry?* Therefore, the first part of this chapter will present the respondents view on who they believe to be their most important customers and what the characteristics are of these customers. The second part will describe the codified data of if, and how, the employees of Ica Tuna believe that their customers' preferences have changed in the last decade. The third part describes the managerial implications that these changes might have had. Lastly, the fourth part will discuss potential additional factors other than changes in customer preferences which might be driving Ica Tuna to incorporate CSR into their strategy.

4.2.1. THE PERCEPTION OF THE TYPICAL ICA TUNA CUSTOMER

According to Anna, Ica Tuna has about 25 000 customers each week. During the interviews, the respondents were asked to describe the typical customer of Ica Tuna. The respondents gave a quite unified picture of their largest customer segments. A large amount of their customers are university students, studying at the faculties and living in the student accommodations, located nearby the store. According to Mia, the students are often a bit stressed and make small purchases many times a week rather than stocking up on food once a week. Therese and the department manager responsible for meatpacking and smoked fish, Christian, also mentions another large segment of middle-aged people, often couples which have grown-up children who no longer lives at home. This segment of customers has more money and has a higher demand of more expensive and luxurious products than the students.

When asked to characterize the customers of Ica Tuna, all respondents were of the opinion that they have a unique type of clientele which differs a lot from customers in other cities and villages in Lund's surroundings. The inhabitants of Lund are described as being more critical in their purchasing behaviors:

“In all of the analysis [made by the customers] there is also a bit of critique on consumption in Lund. If you consume in Lund, you are not quite consuming as you do in Malmö, in Lund there is a need for something more. Which means that you have high demands, you have travelled, seen, read, and tasted a lot, [...], it is a reflective target group” - Anna

“There was a great difference when I came from my former job in Eslöv, over there it was enough that I could answer 85 % of the customers' questions, then I could guess the answer to the remaining 15 % myself, but here in Lund you cannot do that. You have to know what you are answering otherwise you will get follow up questions which you do not know how to handle” - Mia

“There is a great difference [in what customers buy], it is enough that you go to outside of Kävlinge. [...], it is the same with the environment, you are not supposed to eat that much meat, there is more awareness here than there is on the countryside” - Christian

Overall, the respondents describe the typical Ica Tuna customer as a concerned customer who asks questions about their products and who are front-runners on the topic of sustainable food. On this topic, Anna gives the example of how the political party Miljöpartiet grew strong in Lund in the 70s and that falafel was sold in Lund already in the 80s. Therese describes how customers often give the employees their opinion on which products they should include in their offerings by saying “*you should have this, and you shouldn't have that*” and describes this attitude as a Lund-attitude.

Furthermore, the fact that Ica Tuna has a lot of university students as customers adds on to the employees' impressions that their clientele is concerned with the consequences that their purchases have on the society and the environment. Several of the respondents mention how students have changed, from only eating very basic food into putting more time and effort into their food consumption:

“The students are very aware, so the whole vegetarian concept has developed a lot. That's how it is, students are much more aware today than they used to be. We used to sell pasta and noodles to students, but we don't do that a lot anymore” - Therese

“Students are not what they used to be, when I was a student the students ate pasta with ketchup, dining out during lunch was very rare. It had to do with the prices [...]” - Anna

4.2.2. CHANGES IN CUSTOMER PREFERENCES

When coding the data regarding the respondents' thoughts on whether or not consumer preferences for CSR and sustainable food has changed in recent years, the results are quite mixed. The preferences seem to have changed in favor of sustainable food in some ways. The majority of the respondents mention how the demand for locally produced products, and products produced in Sweden, has grown a lot. Therese believes that the biggest change among the consumers is that they demand a higher quality in food and Swedish food products. Additionally, Christian gives the example that customers prioritize buying meat which is locally produced over buying meat which is KRAV certified. Mia has noticed the same type of prioritizing in the fruits and vegetables department, where customers would rather buy non-organic Swedish food than organic food produced in a different country. Furthermore, the interviewed employees also mention the up and coming trend of flexitarianism when asked about if and how the consumer preferences have changed. Marianne who works as a salesperson at ICA Tuna says the following on this topic:

“It has changed quite a lot actually, many people eat vegetarian food here [in the lunch counter], they want to know if the chicken is Swedish and those kinds of things. They think quite a lot about the environment” – Marianne

Christian has noticed in the meat packing department that they sell a lot of less meat now than they used to and Mia makes the comment that the sale of vegetarian products has increased drastically in the last two to three years. According to Christian this is out of environmental concern and because of an increased concern for the animal welfare. He believes that people used to care more about the animal welfare aspect of meat production than they do today. However, during her interview, Anna highlights how the while the number of people eating vegetarian food has increased a lot, this does not apply to everyone:

“When it comes to meat, there is still a lot of people who eats a lot of meat. That’s still the case. We can get blinded by the fact that we believe that we or our friends, or those who we compare ourselves to, has made a different choice. That makes us think that everyone has made this choice. And it dangerous to think so, all of our 25 000 customers a week is not on board on this train, no way” - Anna

Anna gives a different example of last year when Ica Tuna decided not to offer the traditional mixed grill plate, with different types of meat. In that case they noticed that a number of customers chose to visit other supermarkets instead where they could buy the traditional grill-plate. As they have to be able to attract all customers, they decided to start selling the plate again. Furthermore, customers are considered to be increasingly influenced by media, as scandals and bad news travel fast. Christian gives an example on the topic of animal rights:

”We have sold a lot of chicken meat recently. But every now and then, there is a news clip about the welfare of the chickens and then the sales are decreasing again. Media has a great influence on the customers” - Christian

Something which speaks against the fact that consumer preferences for CSR related initiatives and sustainable food has increased a lot in recent years is that the respondents are under the impression that the price still matters the most to customer. Both Mia and Marianne mention how organic food for example is much more expensive than non-organic food. The majority of respondents believe that most customers prioritize price over sustainability when purchasing food. Both Therese and Christian mentions that they have received the request that they should offer KRAV certified meat. Once they have acted on this request by purchasing KRAV certified pork, they haven’t been able to sell all of the pork due to the much higher price than on the non-certified pork. Christian gives another example which demonstrates how customers still prioritize price as one of the most important factors:

“We do not sell that much meat because you are not supposed to eat meat, but as soon as we have a discount on minced meat, numbers are increasing and all of a sudden everyone eats meat. Price is absolutely the most important factor to most customers, not to everyone but to many” - Christian

Therese agrees that the customers might have a big interest in sustainability and other topics related to CSR, but this interest is not always reflected in their purchasing behavior:

“There is probably not a lot of people who think about how a product can be Swedish, but that it might have been shipped to Italy for packaging and then back to Sweden again. So yeah, that’s the way it is when it comes to certain things. [...], many people might want to do much more than what they actually do. They talk a lot, but all of a sudden they are buying something different than what they were talking about” – Therese

4.2.3. MANAGERIAL IMPLICATIONS OF THE CHANGES IN CUSTOMER PREFERENCES

Overall, the managerial implications of the changes that the staff has seen in consumer preferences regarding CSR and sustainable food, seem to have been minor. Ica Tuna has made a few changes due to these preferences, but they are generally working in the same ways as before. Mia states that they have in fact brought in more and more Swedish fruits and vegetables due to an increased demand for these products, however the demand for imported fruit and vegetables is still present:

“[...] now I am talking about fruits and vegetables which goes bad quickly, we would rather not sell blueberries from Chile, but we are forced to. But we do favor the organic and the Swedish, the locally produced groceries” - Mia

The respondents further state that they have brought in a lot more vegetarian and vegan products, because of a great increase in the demand for these substitutes to meat. Furthermore, Mia describes how these substitutes has been brought out in the store to a fridge of their own, next to the fruits and vegetables, as Ica Tuna wanted the substitutes to be more visible and easier to find for the customers.

Even though there has been an increasing demand for vegetarian and locally produced food, it is clear that profitability is still the main factor affecting the strategy of Ica Tuna. Mia for example, has to raise the price on some products in order to compensate for the loss of profit due caused by initiatives related to sustainability:

“Somethings, you can make the customer pay for. For example, the bags in my department which are made out of sugarcane. If they cost a few pennies more per bag, I will charge 21.90 for the oranges instead of 21.50. It doesn’t hurt the customer, they still get oranges that are worth the price, but I’m able to make up for that loss of profit” - Mia

Anna describes that there is a high rivalry among the grocery stores in Lund and further highlights how the main focus of ICA Tuna is to survive, by being profitable. It is important for example that the Food2Change program does not compete with Resurskocken. Groceries which could be used in Resurskocken and thereby contributing to making profit are not to be donated to Food2Change. The purpose of the Food2Change program is thereby to only donate food and products which cannot be used by Resurskocken.

Moreover, the respondents were asked if they believed that the majority of the customers, buying food at the lunch counter, knows that parts of the food are cooked by the usage of what otherwise would have been food waste. The respondents have very different views on the

knowledge of the customers, Helena, who also works as a salesperson, believes that the majority of the customers knows about Resurskocken whereas Marianne thinks that unfortunately, not a lot of customers knows about it. When Christian is being asked if he believes that more customers would buy their food from the lunch counter if there was a roll-up with information about Resurskocken next to it, he says the following:

“I don’t know if people would buy more of it. [...]. We should be better on telling people. But once you are there in the store, you know this better than I do, don’t you pick whatever you are craving for? If it’s a long line, you don’t go there, and students might be on a short break. I don’t think we would have increased our sales a lot” - Christian

Either way, the number of customers which potentially does not know about the Resurskocken waste program, does not seem to have any implications on Ica Tuna’s marketing strategy of the program. Ica Tuna has decided not to advertise the program a lot since they do not seem to believe that this would make more customers buy their lunches. Additionally, some of the respondents even believe that additional advertisement could have negative effects as their customers are quite critical and they could perceive advertisement which portrays Ica Tuna as a sustainable grocery store, as provoking:

“It is like what we talked about with Lund, there is a limit to how much of an environmental hero a grocery store can be. We have received a lot of positive feedback, awards and diplomas [...] and it is nice, but at the same time we are still what we are, and we are not the World Wildlife Fund. We are a store, so of course we are contributing to consumption [...]. But it’s about that, one cannot brag about things which there is no ground for, I think it is really embarrassing when firms are doing that” - Anna

“I believe that there is a satiation there as well [...], we are really good and we have a lot of social involvements, but in some way it’s kind of like ‘yes, yes’, people don’t want to hear it too much” - Mia

However, Christian has the belief that it could benefit the store if they were better at communicating how they work with reducing food waste through Resurskocken. He sees how it could result in a lot of goodwill and that the customers would be impressed by their work, if they were better at advertising their work. Although on the same topic, Anna seems unsure that additional advertisement would be worth the cost of creating and spreading it:

“Everything that we are communicating is a cost, a cost of buying new roll-ups and new informational things, and if you are to make a campaign you need to do it properly, otherwise there is no point in doing it at all and it costs a lot of money. And then we have to know that we will be able to make the same amount in profits later, otherwise these cost will make the Resurskocken program less profitable and that is not the point” - Anna

4.2.4. CUSTOMER EXPECTATIONS, FINANCIAL GAIN AND PERSONAL BELIEFS

The empirical findings presented above show that changes in consumer preferences seem to have had a limited impact on how Ica Tuna has chosen to incorporate sustainability into their

strategy. However, the analysis of the empirical findings has shown a number of other factors which have impacted the shaping of ICA Tuna's corporate strategy. Although changes in customer preferences have had a limited impact, the opinions of the customers and the society in which ICA Tuna is conducting their businesses do matter for how ICA Tuna have chosen to work with CSR. Although this is not a phenomenon which the respondents describe as new or something which has increased in the last few years, but rather something which has always played a part in ICA Tuna's work with CSR. Mia for example, that the interest for organic food has been present for a long time:

“When organic food was first introduced to the market, the interest increased really quickly, but I feel like it has stagnated a bit. There is not a lot of new organic products being introduced other than what is already offered on the market” - Mia

Additionally, Anna argues that the preferences for sustainable food among consumers in Lund is not something which has grown popular in the last few years. According to Anna, Lund has had this mindset and preferences among their consumers for a much longer time due to the city's unique culture, minted by the university. When Anna is being asked who she believes to have had the highest expectations on ICA Tuna to contribute to the society, the customers or the employees, she answers the following:

“I think it's more in general. I cannot say that it is only the consumers, our customers who expect that we should be engaged in the things which they are engaged in [...]. So, they probably think like... it is not that we get a lot of extra points for being Nordic Swan certified, but once they know of it, they believe it's a good thing, that ICA Tuna is good”
– Anna

When talking further about ICA Tuna's involvement with different parts of the community in Lund, Anna describes it as something which ties the store together with their customers:

“We support a lot of youth sports organizations here in Lund, a lot of them. We do this because it is the children of our customers. It is something which ties us together, and this involves charity work, or such things, it always does. [...]. People always want something from their local store, they have the perception that we have a lot of things, it has always been like this” - Anna

Furthermore, when coding the data, two other main reasons were found to influence the store's work with sustainability and other CSR related questions; financial reasons and the personal beliefs of the management team of the store. The greatest factor which influenced Ica Tuna into starting with the Resurskocken waste program, in order to decrease the amount of food waste, was the financial factor according to Anna:

“There is quite a lot of talk about food waste and waste, often about food waste in general. But for us, the food waste is actually the financial waste. To us it's just not that wasting food is unethical, it's that wasting food is also wasted money” - Anna

Several other initiatives related to CSR have been taken because it makes sense to do so financially. The new freezers and refrigerators were implemented to reduce the amount of energy usage in the store, which is not only good for the environment, but it also cuts down the store's cost. Additionally, when asking Mia about why she believes that they choose to donate leftover products to the Food2Change program, she answers that they do it because they want to help. However, she does mention that there is a financial aspect of the program which is beneficial to ICA Tuna:

“There is some profitability to it, we don't have to pay for handling the waste. The waste containers are weighed every time they are being picked up. However, that's not the main reason why we do it, we do it because we want to help” - Mia

It happened during several interviews that the respondents answered like Mia did, that “*it is the right thing to do*” or “*that is the way we work at Ica Tuna*”. The respondents were then asked who they were referring to when they said “*we*” and it was then brought up that the CEO Stefan, and his wife Anna plays an important role in Ica Tuna's work with CSR related initiatives. Both Mia, Christian and Therese brought up how Stefan and Anna have played a big role in deciding that Ica Tuna should do what they can in order to benefit the society and the environment:

“[...] both Anna and our CEO, they're married, they have this mindset when it comes to organic food, sustainability and Fairtrade. Anna is part of the board of Fairtrade City, and, well, so I am I. But they had already set the standards [...]. I got to take part of their mindset and I've reconsidered a bit” - Mia

“I think it [Food2Change] is probably about pure thoughtfulness from our CEO. That there are people in need. If it's not selling, then we might as well give it away instead. It's a waste to through away food when there are people who needs it. So, I think it's a great thing” – Christian

During her interview, Anna also mentions how working with the society and the environment is a personal belief of hers and Stefan's:

“At some point it is about taking a moral standpoint, and that is important to us. It is like what Stefan is saying, we need to live with this store, we are living with it. We live here in Lund, our kids go to school in Lund. This is where we are, we are the local market [...]” - Anna

In other words, many of the CSR initiatives of ICA Tuna seem to have been implemented because they are in alignment with the personal beliefs of Anna and Stefan, who has a lot of influence over shaping the strategy of Ica Tuna. This is applicable for both the initiatives of CSR which is about lowering the costs in order to stay profitable, such as minimizing food waste, and the initiatives which are not financially profitable such as lowering the price on organic food or giving away food to the Food2Change program.

5. ANALYSIS & DISCUSSION

This chapter will discuss the empirical findings from the former chapter, by the usage of previous theory in the field of CSR and consumer purchase behavior, which has been presented in the literature review in chapter two. This chapter will analyze ICA Tuna's work with incorporating CSR into their strategy and how their work has been affected by changing consumer preferences. The purpose of this kind of analysis is to shed new light on how, and out of what reasons, companies within the food industry work with incorporating CSR into their corporate strategy.

5.1. THE COMPLEXITY OF THE PARADOX IN CUSTOMER PREFERENCES

The employees of ICA Tuna have quite mixed views on how their customers' preferences for sustainable food have changed over the last years. Even though some of the respondents have noticed an increased demand for vegetarian and locally produced food, the respondents share the perception that many of their customers still prioritize price over CSR related matters. They have also noticed that even though customers might express their interest in sustainable and ethically produced food, they do not always walk their talk. It seems that CSR plays a similar role in the customers of ICA Tuna's consumption decision as have been found in previous studies (Lichtenstein, et al. 2004; Belk et al. 2005; Bray et al. 2011). Öberseder et al. (2011) noted that consumers often suffer from social desirability bias, where they will give an answer which is modified to fit the current social norms of the context which they are in, when asked about their consumption. The respondents describe how consumers in Lund, and especially university students are more concerned with societal and environmental questions. This attitude among the inhabitants of Lund might pressure customers of ICA Tuna to express a certain interest and critical mindset towards their food consumption, and the effect it has on the society and environment, which is however not quite reflected in their actual purchasing behavior. These findings are likely to be applicable to other customer segments in other geographical areas. This suggests that corporations in other settings which perceive their customers as having a critical mindset towards consumption and CSR related activities, should evaluate if the concern of the customers are actually reflected in their purchasing behavior when forming their offers.

On the other hand, Öberseder et al. (2011) found that the financial situation of the consumer is a central factor in the decision process. University students is stated to be one of the largest customer segments of ICA Tuna, and the employees have the perception that the financial situation of this segment has changed in recent years. This seem to have had influence on this segment's purchasing decisions, as students previously would only buy pasta and noodles, but they seem more willing today to spend time and money on their food consumption. However,

this perception is then contradicted by the answers given by the respondents in which they state that price is still the most important factor to the majority of their customers. Other than the university students, middle aged people in the middle to upper class is mentioned as well, as an important customer segment of ICA Tuna. This group of customers would have the financial means needed to weigh in CSR in their purchasing decisions according to the study by Öberseder et. al. (2011). It is mentioned that this customer segment demands a different set of products which are more expensive and luxurious, but the respondents do not mention that CSR is of special importance in the purchasing decision of this segment. Hence, based on the results from ICA Tuna, it is unclear to which extent the financial situation affects the role which CSR plays in the purchasing decision. One would be wise to avoid making the assumption that one's customers will have a greater interest in and will be willing to pay more for CSR related initiatives, only because they are doing well financially.

Furthermore, according to Mohr and Webb (2005), business managers are hesitant to invest in costly CSR initiatives since they are uncertain about the payoff of such initiatives. This seems to be the case for Anna as well, who is the project leader of the Resurskocken program, as she states that an increased amount of marketing of the program would be costly, and that such an investment would not necessarily be profitable in the end. When analyzing ICA Tuna's CSR strategy by looking at the two choices given by Öberseder et al. (2011) it seems like ICA Tuna has chosen the second choice of not integrating CSR initiatives into their marketing activities, to any greater extent. Additionally, the study conducted by Bray et al. (2011) shows that some consumers are cynical and believe that the most of the benefits from the increased price on products which have been produced in an ethical and sustainable matter, will end up with the retailer and not the actual producer of the product. This type of skepticism towards companies and their potential greenwashing activities is something which Anna further seems to be aware of. She states that even though ICA Tuna has done some great work related to sustainability, they are in fact contributing to consumption. She mentions how it would be embarrassing to brag about their work related to sustainability, and seems to be of the opinion that, such kind of marketing would rather hurt their credibility than strengthen it.

The paradox in the role of CSR in consumer behavior which is described in subchapter 2.2.2, seem to be present in the perceptions of the employees at ICA Tuna, as they believe that the customers' preferences have changed in some ways, but that they remain the same as before in other ways. The changes in consumer preferences have had some managerial implications for ICA Tuna, but overall these implications seem to be of minor importance to how they operate their business. The main initiatives related to CSR, such as donating money to the local community, promoting the selling of organic products, minimizing food waste and receiving the KRAV certificate and the Nordic Swan Ecolabel, is something which the store has worked with for many years. The next part of the analysis will therefore look at what other factors have played an important role in ICA Tuna's work with incorporating CSR into their strategy.

5.2. ICA TUNA'S CSR INITIATIVES THROUGH THE LENS OF THEORY

David Chandler (2016) argues that the firm is not only to be responsible for its stakeholders, but the stakeholders, and especially the customers, are also responsible for holding the firm to account for its actions. In the case of ICA Tuna, we can see that the customers are critical, and it might seem like they are holding ICA Tuna responsible since they express a concern for the society and the environment which ICA Tuna is part in. However, the employees of ICA Tuna share the perception that the customer's actual purchasing behavior is not consistent with this concern. If the customers were truly dedicated and wanted to hold ICA Tuna to account for their actions, they would reward the store by buying the groceries which they believe have been produced in an ethical and sustainable manner, even though it would come at a higher price. The customers would also retain themselves from purchasing products which they believe to be detrimental to the society and the environment. It has been made clear however in the empirical findings that most customers prioritize price over CSR related factors, for example there are customers who would normally not eat meat, but chose to do so, as soon as it is on sale. Seeing how consumers as a stakeholder group has had limited impact on ICA Tuna's work with CSR, it becomes interesting to look at what other factors have had an important role in the shaping of ICA Tuna's CSR strategy.

Even though Friedman's view from the 70s, on the responsibility of corporations, might seem outdated in today's modern business context as has been argued by Frederick (2006), Friedman still has an interesting point. It is obvious that ICA Tuna does not have a sole focus on maximizing profits, as some CSR related initiatives have costed them money and are not considered to generate any particular amount of goodwill from customers. However, making profit is an important aspect which is clearly affecting how they run their business. During the interviews with Mia and Anna for example, it becomes clear that there is a big focus on each department being profitable on an individual level, and Anna states that their main focus as a store is to survive by being profitable. If one would not acknowledge the importance which profits plays in shaping the strategy of ICA Tuna, one would not get a very good understanding of how they run their business. Most initiatives which has been good for the society and the environment has also been good for ICA Tuna's profit, such as minimizing the use of electricity or being more careful when inventorying their products to minimize the costs of food waste. It is likely that there is a greater focus on profitability and price management as ICA Tuna is competing in the food industry which is characterized by competing with low prices rather than differentiation. Bigger grocery stores and supermarkets must aim to offer all different types of food products compared to a store which only sales one type of product, for example a bakery or a charcutier which can focus on competing with unique offerings and high-quality products. Therefore, when analyzing other players within the food industry similar to ICA Tuna, it is important to consider how they might be limited in their work with CSR due to the high price competitiveness of the industry.

Although many initiatives have given financial gain to ICA Tuna, some of the things which the store is engaged in does not seem to have any direct impact on their profits according to the respondents themselves. The fact that ICA Tuna is donating money to local nonprofit organizations and is giving away leftover food and hygiene products to the Food2Change program, is examples of this. Hence, ICA Tuna must have additional factors which they consider to be important other than just being profitable. The stakeholder theory presented by Freeman (1984) emphasizes how corporations must be considerate of all their stakeholders, not just their stockholders. One can argue that ICA Tuna shares this view as they have taken initiatives which aims to support other stakeholder groups. One example of this is that they are being considerate of their suppliers and the suppliers' working conditions when they have chosen to promote and sell organic food. They also seem to be considerate of the society as they are both donating money to local youth sports clubs, and products to people living on low wages, through the Food2Change program.

However, the critique of the stakeholder theory presented by Stieb (2009) seems to be adequate in the case of ICA Tuna. Stieb argues that the stakeholder theory asks more questions than it answer as the theory gives no guidance of how a firm should prioritize between their stakeholders. Anna brings up the aspect that it is hard for consumers, including herself, to prioritize among different ethical aspects. An example of such a prioritization can be when the consumer has to decide between buying an organic product because of better working conditions for farmers and potentially less damage to the ecological system, and buying a non-organic locally produced product which, in its production then has led to less transportation which results in less carbon dioxide emissions and thus has a smaller impact on global warming. ICA Tuna has to make the same kind of prioritization when they decide which groceries they include in their offering and which products they want to lower the marginal and the price on, in order to encourage the customer to buy more of it. This challenge that ICA Tuna is facing is likely to be challenge of other actors in the industry as well. Öberseder et al. (2011) suggests that the core factors which affects the customers purchasing decision is information and personal concern. Therefore, actors in the food industry could benefit from identifying which ethical questions are the most important to their customers, and make sure to focus on communicate adequate information about initiatives related to these questions.

Another model which is closely related to the stakeholder theory, as it shares the view that corporations must consider other aspects than their financial and legal responsibilities, is Carroll's pyramid. Carroll (1979) presents the pyramid as a framework which can be used to identify the reasons behind different initiatives and activities. All of the sustainability initiatives mentioned above could be considered to be what Carroll describes as ethical and philanthropic responsibilities since they go beyond only making profit and following legal requirements. Saving electricity could be considered mostly an initiative related to cutting cost and therefore making more profit, however this initiative is described by the respondents to be just as much about minimizing the use of energy for the sake of the environment. Carroll states however that

the categories are not mutually exclusive and therefore some of ICA Tuna's initiatives could be considered of both economic and ethical character. However, other initiatives such as using sugarcane based plastic bags, donating money and products to charity, and using waste food as ingredients in their lunch counter would be considered to be solely of ethical or philanthropic character.

The theory states that ethical responsibilities are those which are expected by the society, and if the company would not engage in such initiatives, they would be considered unethical (Carroll, 1991). This suggests that those kind of CSR related initiatives would not give the company a competitive advantage but is rather the minimum which is required by the customers and the society in which the company is conducting their businesses. Anna expresses how the initiatives of contributing to the society through donations is something which is expected by the customers and society. When people walk into a grocery store and see all the products which are for sale, they make the judgement that the store has a lot of financial resources, which suggests that they should be able to spend money on donations and other charitable activities. The same goes for several of the other initiatives, such as the work which has resulted in receiving the Nordic Swan Label and the KRAV certification. This is not something that the respondents believe to be a competitive advantage which the customers truly appreciate, but rather something that is expected of them, and something which the customers perceive as a good thing once they know about it. Other initiatives such as minimizing their use of plastic is probably something which might have been perceived as a philanthropic responsibility before, but as the public has been increasingly aware about the problems with plastic waste, it would be perceived as an ethical responsibility which the customer expects the company to be engaged in. Overall, by applying Carroll's pyramid of corporate social responsibilities, when analyzing the respondents views on ICA Tuna's CSR initiatives, it seems like they are engaging in most of them because it is something which is expected of the customers and the society, rather than because it will give them any larger amount of good will and a competitive advantage over other grocery stores. These findings suggest that as a manager of a grocery store, one cannot expect to receive a lot of benefits from being involved in philanthropic responsibilities. However, initiatives which are first perceived as philanthropic are likely to become alleged as ethical responsibilities as time goes by and the customers become increasingly aware of the problematization of, and the reasons behind the initiative. In that sense actors in the supermarket industry can benefit from analyzing the actions of their competitors as customers will expect them to engage in the same kind of initiatives as they do, sooner or later.

Although the pyramid is helpful in understanding why corporations engage in different CSR initiatives it has been criticized for not grasping the importance of treating sustainability and society as two separate aspects of corporate responsibility. The findings of this study suggest for example that sustainability is a topic which has received much more concern from customers today, than for example the working conditions of suppliers, or the welfare of the animals in meat production. When talking about the topic of profitability, neither of the respondents

expresses any concern that their jobs could be threatened by a decrease in profits. The fact that consumers in Sweden, which is one of the furthest developed countries, does not value economic responsibilities such as the company providing the society with job opportunities, is in alignment with the study of Maignan (2001). The study shows that this is often the case in developed countries, whereas in other countries where there is a lack of social protection, consumers value the economic responsibilities of corporations more (Ramasamy & Yeung, 2009).

In his theory on Strategic CSR, Chandler (2016) emphasizes the importance for corporations to consider sustainability when shaping their strategy, and he further states that they should do so out of five main reasons; affluence, sustainability, globalization, communications and brand. In the case of ICA Tuna, one could argue that affluence and an increased focus among consumers on sustainability, are two important factors which should influence the corporation into getting more involved with sustainability. However, even though the employees of ICA Tuna has seen an increase in the interest regarding some matters related to sustainability among their customers, this increased interest does not seem to be reflected in the customers purchasing behavior. Globalization seem to be of less importance among ICA Tuna's customers today as customers rather purchase locally produced food than food which has been imported from other countries. Based on some of the answers from the respondents, ICA Tuna's CSR initiatives seem to be somewhat related to maintaining their brand as a grocery store which is engaged in their customers and the society that they are conducting their business in. However, one example which shows that ICA Tuna's brand seems to be of less importance to the customers is when they stopped offering a traditional mixed grill-plate. In this case it seemed liked the barrier of switching grocery stores was very low among the customers of ICA Tuna. Chandler brings up the trend of communications as something which could motivate ICA Tuna to avoid engaging in unethical behavior as our findings show that negative media attention travels very fast, rather than encouraging them to engage in ethical behavior as it has been presented above that the customers do not seem to give ICA Tuna any extensive amount of goodwill for their initiatives related to sustainability. Overall, Chandler's suggested five reasons to why corporations must increasingly take sustainability into account when shaping the strategy have had a limited impact on ICA Tuna's work with CSR. It is therefore reasonable to question whether all of these five reasons play an important role to other actors in the food industry, especially in other countries than Sweden, where the affluence and general interest for sustainability might be lower.

5.3. PERSONAL BELIEFS ARE PART OF SHAPING THE STRATEGY

The analysis above has shown that changes in consumer preferences have had a limited impact on how ICA Tuna has chosen to shape their strategy in the last decade or so. However, this does not mean that the consumers have no influence on the CSR initiatives of the grocery store. Some of the initiatives have been taken because ICA Tuna believes that these are activities which the customers and the society expect them to be engaged in. These initiatives are taken

to avoid negative critique from customers rather than to gain goodwill and a competitive advantage. Other initiatives are directly related to profit, and ICA Tuna is engaged in them because it is good for the society and the environment but most of all, there is financial profit to be gained from these initiatives. However, some initiatives such as Resurskocken, which means going to extreme lengths in order to minimize their food waste, donating food to the farmers in need during the drought in the summer of 2018, and also donating leftover products to the Food2Change program, are initiatives which does not give ICA Tuna any increased profits or is somethings which they believe that the customers expect of them. Nonetheless, these are initiatives which are related to CSR that ICA Tuna has chosen to engage in. Our empirical findings show that these initiatives are mainly taken because of the personal beliefs of the management team of ICA Tuna.

The theories on CSR, presented in the literature review, often discuss the responsibility of the corporation towards its different stakeholders, and certain theories such as the concept of Strategic CSR presented by Chandler (2016) further discusses the stakeholders' responsibilities towards the corporation. However, most of these theories do not consider the role of the individual human being as a corporate manager. The stakeholder theory (Freeman, 1984) does state that one person can be part of several stakeholder groups, meaning that an employee of a company can also be the company's customer et cetera. However, the theory does not explicitly discuss how a customer, or an employee, can be a part of the corporation and together with the rest of the employees, this individual is actually constituting the corporation itself. Nor does Chandler (2016) discuss how an increased concern for the environment, not among the customers, but among the corporate managers might push corporations today to integrate sustainability into their corporate strategy. The fact that Friedman (1970) states that corporations cannot have social responsibilities, because it is only human beings that can have a moral responsibility for their actions, clearly points out the incorrect division which separates corporations from the human individual.

The empirical findings of this study show that all of the department managers, Mia, Christian and Therese, believe that the CEO of ICA Tuna, Stefan, and his wife Anna, who is working with sustainability and change management, have played an essential part when it comes to including sustainability and other CSR related initiatives in the grocery store's strategy. One could argue that Anna would probably do her best to emphasize their personal involvement of shaping the strategy, in order to look good in front of the interviewers. However, Anna has made it clear during her interview that their main reasons for engaging in most of the initiatives are related to profit and/or expectations from customers and the society. It is only in some of her answers that Anna shares her personal beliefs which involves for example that it is wrong to throw out food and that ICA Tuna shall do what they can to help, based on their prerequisites as a grocery store. Furthermore, ICA Tuna has chosen not to advertise their initiatives related to CSR to any greater extent. This gives the impression that Anna and Stefan's concern for the

environment and society is genuine and not something they have made up to make themselves and the store look better on paper.

In summary, in the case of ICA Tuna, the customer's expectations on the grocery store has had some effect on how they work with integrating CSR. However, an increased concern among the consumers, for certain ethical questions mostly related to sustainability, does not seem to have had any greater impact on how ICA Tuna is shaping their corporate strategy. This is caused by the fact that most customers have a gap in their purchase-attitude behavior as they prioritize price over CSR related matters. This plays out in the sense that the customers are not managing to hold the grocery store to account for their actions in the way which Chandler (2016) believes is necessary in order to make the corporation take responsibility for all of its stakeholders. However, when it comes to ICA Tuna, the personal interest, in ethical matters, of the management team, drives the store into taking more responsibility for both the society and the environment, than what is demanded by the customers.

6. CONCLUSION & FUTURE RESEARCH

6.1. CONCLUSION

ICA Tuna in Lund is a grocery store with employees who has the perception that their customers have a growing concern and awareness regarding how their consumption affects the society and the environment. Yet, the customers' increased concern does not seem to have had any major impact on how ICA Tuna shapes their offerings with regards to CSR related questions. This is caused by the employees' perception of an attitude-behavior gap among consumers, which has also been identified in previous studies in the field of CSR's role on consumption decisions. However, the lack of influence from the growing concern among customers does not mean that the customers have played no part in the shaping of ICA Tuna's work with CSR. The management of ICA Tuna believes that the society and the customers of theirs, is of the opinion that the store has certain ethical responsibilities which they should engage in, such as donating money to some of the local, non-profit, organizations. ICA Tuna's engagement in these commitments are done to avoid being perceived as an unengaged and unethical company, rather than in order to gain goodwill and a competitive advantage.

Furthermore, the supermarket industry is a competitive one, where being profitable plays a very important role when a grocery store sets its corporate strategy. In the case where CSR initiatives can be implemented without resulting in any increased costs, these initiatives are implemented without any question since they benefit the society and the environment and increases or has no impact on the profitability of the store. The reason behind why the store engages in initiatives which has no impact, or even a negative impact on the profitability of the store, is that these initiatives are in the personal interest of the management team. The CEO and his wife are two individuals which drives ICA Tuna into taking more responsibility for both the society and the environment, than what is demanded by their customers. Previous literature has made the wrongful division of separating human beings from the corporations. The case of ICA Tuna shows that just as Chandler suggests, customers as human beings should force the corporation into taking on more responsibility for their actions, the management team as human beings can take this role. They can ensure that the corporation engages in activities which are beneficial to their external stakeholders, if these activities are aligned with their own personal beliefs.

The aim of this study has been to answer the question of how a grocery store's perception of changes in customer preferences, related to sustainability, affects how they work with incorporating CSR into their strategy. The case study of ICA Tuna shows that as a manager of a grocery store, one must be aware of the potential gap between what customers express that they want and what they are actually willing to pay for, when it comes to different CSR initiatives. If a corporation wishes to be more involved with sustainability and other initiatives related to CSR, they should not let their customers' demand be the main driver of their work, but rather ensure that they have someone in a managerial position, which has a personal interest in incorporating CSR into the store's strategy.

6.2. FUTURE RESEARCH

As discussed in the methodology chapter, the scope of this study has been limited given that this paper is conducted as a Master thesis, the time frame of the study has been restricted to a few months. The picture given on the changes in customer preferences is based on the respondents' memories of the past compared to their view on the present. A longitudinal study where the researchers asked the respondents about their current work with CSR, at several different points in time, would give a more accurate picture of how they are currently working, and how they have been working, with incorporating CSR into their strategy. By using this method, uncertainty in the reliability of the respondent's answers would be reduced as there would be a lower risk of them basing their opinion on memories which might be biased. Additionally, it would allow the researchers to make their own observations regarding how the store's work has actually changed, as it would not be dependent on the perceptions of the employees. We therefore suggest future research to study a grocery store, or a similar actor within the food industry, for a longer period of time, conducting several interviews with the same respondents in order to collect richer and more reliable collection of data.

Furthermore, another limitation due to the limited scope of this study is that the number of respondents has been restricted to six employees. In order to get a better understanding of how the salesperson and the department managers' view on changes in consumer preferences affect the shaping of the corporate strategy, it would be beneficial to interview a broader group of employees. For example, the CEO and CFO would be of great interest as they are likely to be a big part of shaping the strategy, and they are likely to have additional insights on how sustainability and other CSR initiatives are being incorporated into the strategy. Based on this limitation, a suggestion for further research is to study both employees that works in the store and interacts directly with the customers as well as those managing the strategic processes on a higher level.

Lastly, our study has only investigated the perceived view of the customer preferences, and we have not studied the customer preferences by actually interviewing customers. Although, these types of studies face the challenge of the attitude-behavior gap, it would be of interest to compare the opinion of customers with the employees' view of the customers' opinions. Furthermore, since we have noted how the management team of ICA Tuna plays a vital part in shaping their CSR strategy, we recommend further studies to incorporate the same factors which has previously been measured within the field of Social Entrepreneurship (Alvord, Brown & Letts, 2004). Previous studies within this field have mostly focused on smaller businesses and could therefore shed new light on the role which the individual plays in the corporation, when being applied to a bigger corporation such as ICA Tuna.

7. REFERENCES

- Abd Rahim, R., Jalaludin, F.W. & Tajuddin, K. (2011). The importance of corporate social responsibility on consumer behavior in Malaysia, *Asian Academy of Management Journal*, vol. 16(1), pp. 119-139
- Ahamad Nalband, N. & Al Kelabi, S. (2014). Redesigning Carroll's CSR Pyramid Model. *Journal of Advanced Management Science*, vol. 2(3), pp. 236-239
- Alvord, S.H., Brown, D. L. & Letts, C. W. (2004). Social Entrepreneurship and Societal Transformation: An Exploratory Study, *The Journal of Applied Behavioral Science*, vol. Sep, pp- 1-23
- Auger, P., & Devinney, T. (2007). Do what consumers say matter? The misalignment of preferences with unconstrained ethical intentions. *Journal of Business Ethics*, vol. 76(4), pp. 361–383
- Axfood. (2017). Vegotrenden 2017: Inte fler, men oftare. *Axfood*. Available online: <https://www.axfood.se/media-och-opinion/pressmeddelanden/2017/11/vegotrenden-2017-inte-fler-men-oftare/> [Accessed: 9 April 2019]
- Axfood. (2018). Vegotrenden 2018: Mer och allt oftare. *Axfood*. Available online: <https://www.axfood.se/media-och-opinion/pressmeddelanden/2018/10/vegotrenden-2018-mer-och-allt-oftare/> [Accessed: 9 April 2019]
- Belk, R. W., Devinney, T., & Eckhardt, G. (2005). Consumer ethics across cultures. *Consumption, Markets and Culture*, vol. 8(3), pp. 275–289
- Blowfield, M. and Murray, A. (2008). *Corporate Responsibility: An Introduction*, Oxford University Press, Oxford
- Bray, J., Johns, N., & Kilburn, D. (2011). An exploratory study into the factors impeding ethical consumption. *Journal of Business Ethics*, vol. 98(4), pp. 597–608
- Brown, T. & Dacin, P. (1997). The company and the product: Corporate associations and consumer product responses. *Journal of Marketing*, vol. 61, pp. 68–84
- Bryman, A. & Bell, E. (2015). *Business Research Methods*. Oxford University Press, Oxford
- Carrigan, M., & Attalla, A. (2001). The myth of the ethical consumer—Do ethics matter in purchase behavior? *Journal of Consumer Marketing*, vol. 18(7), pp. 560–577
- Carroll, A. B. (1979). A three-dimensional conceptual model of corporate social performance. *Academy of Management Review*, vol. 4(4), pp. 497–505
- Carroll, A.B. (1991). “The Pyramid of Corporate Social Responsibility: Toward the Moral Management of Organizational Stakeholders”. *Business Horizons*, vol. July-August, pp. 39-48.

- Chan E. W. S. (2011). Implementing environmental management systems in small- and medium-sized hotels: Obstacles. *Journal of Hospitality & Tourism Research*, vol. 35, pp. 3-23
- Chandler, D. (2016). *Strategic Corporate Social Responsibility*. 4th edition. SAGE Publications
- Claydon, J. (2011). A new direction for CSR: the shortcomings of previous CSR models and the rationale for a new model. *Social Responsibility Journal*, vol. 7(3), pp. 405-420
- Creswell, J. W. & Creswell, J. D. (2018). *Research Design: qualitative, quantitative and mixed method approaches*. 5th Ed. Los Angeles: SAGE
- Creswell, J.W. (2013). *Research Design: qualitative, quantitative and mixed method approaches*. 4th edition. Thousand Oaks CA: Sage Publication
- Dahlsrud, A. (2008). How corporate social responsibility is defined: An analysis of 37 definitions. *Corporate Social Responsibility and Environmental Management*, vol. 15(1), pp. 1–13
- Devinney, T. (2009). Is the socially responsible corporation a myth? The good, the bad, and the ugly of corporate social responsibility. *The Academy of Management Perspectives*, vol. 23(2), pp. 44–56
- Diener, E & Crandall, R. (1978). *Ethics in Social and Behavioral Research*. Chicago: University of Chicago Press
- Donaldson, T. & Preston, L. E. (1995). The stakeholder theory of the corporation: Concepts, evidence, and implications. *Academy of Management Review*, vol. 20, pp.65–91
- D'Souza, C. & Taghian, M. (2005). Green advertising effects on attitude and choice of advertising themes. *Asian Pacific Journal of Marketing and Logistics*, vol. 17, pp. 51-66
- Easterby-Smith, M., Thorpe, R., & Jackson, P. (2015). *Management and Business Research*, London: SAGE
- Eisenhardt, KM. (1989). Building Theories from Case Study Research. *Academy of Management Review*, vol. 14(4), pp. 532-550
- European Commission (2019) Corporate Social Responsibility, Responsible Business Conduct, and Business & Human Rights: Overview of Progress. *Ec.europa.eu*. Available online: <https://ec.europa.eu/docsroom/documents/34482> [Accessed: 8 May 2019]
- Food2Change (2019). Medlemskap, bli medlem. *food2change.se*. Available online: <https://www.food2change.se/bli-medlem.html> [Accessed 14 May 2019]
- Fox, M. W. (1997). *Eating with conscience: The bioethics for food*. Troutdale, OR: New Sage Press

- Freeman, R.E. & Reed D.L. (1983). Stockholders and stakeholders: A new perspective on corporate governance. *California Management Review*, vol. 25(3), pp. 88-106
- Freeman, R.E. (1984). *Strategic management: a stakeholder approach*. Boston [Mass.]: Pitman
- Friedman, M. (1962). *Capitalism and Freedom*. University of Chicago Press, Chicago
- Friedman, M. (1970) The social responsibility of business is to increase its profits. *New York Times Magazine*, vol. Sep
- Frederick, W.C. (2006). *Corporation, Be Good!*. Dog Ear Publishing: Indianapolis
- Gallagher, S. (2005). A strategic response to Friedman's critique of business ethics. *Journal of Business Strategy*, vol. 26(6), pp. 55-60
- Grafström, M, Göthberg, P & Windell, K. (2015). *CSR: Företagsansvar i förändring*. 2nd edition. Liber AB.
- Godfrey, P. C. & Hatch, N. W. (2007). Researching corporate social responsibility: An agenda for the 21st century. *Journal of Business Ethics*, vol. 70(1), pp. 87–98
- Haynie, D. (2017). Countries That Care the Most About the Environment. *usnews.com*. Available online: <https://www.usnews.com/news/best-countries/articles/2017-04-21/countries-that-care-the-most-about-the-environment> [Accessed: 13 March 2019]
- ICA. (2019). ICA Tuna och Malmborgs. *Ica.se/butiker*. Available online: <https://www.ica.se/butiker/kvantum/lund/ica-kvantum-malmborgs-tuna-2780/butiken/ica-tuna-och-malmborgs/> [Accessed: 25 April 2019]
- ICA Gruppen. (2019). ICA Sweden - The leading grocery retailer in Sweden. Available online: <https://www.icagruppen.se/en/about-ica-gruppen/our-operations/ica-sweden/> [Accessed: 24 May 2019]
- ICA Malmborgs (2019) White Guide Green. *Malmborgs.se*. Available online: <http://malmborgs.se/white-guide-green/> [Accessed: 20 May 2019]
- Jensen, M. C. (2005). Value maximization, stakeholder theory and the corporate objective function, *Journal of Applied Corporate Finance*, vol. 14(3)
- Jones, B., Bowd, R. & Tench, R. (2009). Corporate irresponsibility and corporate social responsibility: competing realities, *Social Responsibility Journal*, vol. 5 (3), pp. 300-310
- Johnson, P. (2006), Corporate Strategy: Purpose, in Peter Johnson (ed.) *Astute Competition (Technology, Innovation, Entrepreneurship and Competitive Strategy, Volume 11)* Emerald Group Publishing Limited, pp.141-155
- Kassinis, G., & Vafeas, N. (2006). Stakeholder pressures and environmental performance. *The Academy of Management Journal*, vol. 49, pp. 145–159.

- Kolkailah, S.K., Aish, E.A. & El-Bassiouny, N. (2012). The impact of corporate social responsibility initiatives on consumers' behavioral intentions in the Egyptian market, *International Journal of Consumer Studies*, vol. 36(4), pp. 369-384
- Kim, Y-K., Forney, J. & Arnold, E. (1997) Environmental Messages in Fashion Advertisements: Impact on Consumer Responses, *Clothing and Textiles Research Journal* vol. 15(3), pp. 147-154
- KRAV. (2018). KRAVs regler 2019-2020 Available online: <https://www.krav.se/regler/kravs-regler-2019-2020/14-butik/14-4-dokumentation/> [Accessed: 24 May 2019]
- Lichtenstein, D. R., Drumwright, M. E. & Braig, B. M. (2004). The effect of corporate social responsibility on customer donations to corporate-supported nonprofits. *Journal of Marketing*, vol. 68(4), pp. 16–32
- Livsmedelsföretagen. (2019). Branschfakta. Available online: <https://www.livsmedelsforetagen.se/branschfakta/> [Accessed: 9 May 2019]
- LKF. (2015). Lund växer. *lkf.inpublix.com*. Available online: <https://lkf.inpublix.com/strategiplan/lund-vaxer/> [Accessed: 26 April 2019]
- Maignan, I. (2001). Consumers' perceptions of corporate social responsibilities: A cross-cultural comparison. *Journal of Business Ethics*, vol. 30(1), pp. 57–72
- Mazzucato, M. (2002). *Strategy for Business*. 1st edition. SAGE Publications: London.
- McDonald, C. (2015). How many earths do we need? *BBC News*. Available Online: <https://www.bbc.com/news/magazine-33133712> [Accessed: 13 mars 2019]
- Miljöpartiet. (2019). Vårt parti. *mp.se*. Available online: <https://www.mp.se/om> [Accessed: 14 May 2019]
- Mohr, L. A., & Webb, D. J. (2005). The effects of corporate social responsibility and price on consumer responses. *Journal of Consumer Affairs*, 39(1), pp. 121–147.
- Mohr, L. A., Webb, D. J., & Harris, K. E. (2001). Do consumers expect companies to be socially responsible? The impact of corporate social responsibility on buying behavior. *Journal of Consumer Affairs*, 35(1), pp. 45–72
- Naturvårdsverket (2018). Matsvinn. *Naturvardsverket.se*. Available online: <https://www.naturvardsverket.se/Miljoarbete-i-samhallet/Miljoarbete-i-Sverige/Uppdelat-efter-omrade/Avfall/Matsvinn/> [Accessed: 13 March 2019]
- Nicholls, A. & Lee, N. (2006). Purchase Decision-Making in Fair Trade and the Ethical Purchase 'Gap': Is there a Fair Trade 'Twix'?', *Journal of Strategic Marketing* vol. 14(4), pp. 369-386

- Nilsson, M. (2018). En tredjedel av all mat slängs. *sverigesnatur.org*. Available at: <http://www.sverigesnatur.org/aktuellt/en-tredjedel-av-all-mat-slang/> [Accessed: 15 April 2019]
- Nordic Ecolabelling. (2018). Nordic Ecolabelling for Grocery Stores. Available at: https://www.svanen.se/contentassets/85ca4e52dcd74b1bb41459ea7863061d/kriteriedokument_079_dagligvarubutiker_engelska2.pdf [Accessed: 24 May 2019]
- Nordstrand, M. (2015). Mycket mat missar munnen. *Epoch Times*. Available at: <https://epochtimes.se/mycket-mat-missar-munnen/> [Accessed: 14 May 2019]
- Ottman, J. (1992). Environmentalism will be the trend of the '90s. *Marketing News*, 7(13).
- Porter, M. (1985). *Competitive Advantage: Creating and Sustaining Superior Performance*. 1st edition. The Free Press: New York
- Porter, M.E. & Kramer, M.R. (2006). Strategy & Society. The link between competitive advantage and corporate social responsibility. *Harvard Business Review*, pp. 1-13
- Porter, M.E. & Kramer, M.R. (2011). Creating Shared Value. *Harvard Business Review*, pp. 1-17
- Post, E. J., Preston, E. L. & Sachs, S. (2002) Managing the Extended Enterprise: The New Stakeholder View. *California Management Review*, vol. 45(1), pp. 6-28
- Ramasamy, B. & Yeung, M. (2009). Chinese consumers' perception of corporate social responsibility (CSR), *Journal of Business Ethics*, vol. 88 No. 1, pp. 119-132
- Sen, S., Bhattacharya, C. B. & Korschun, D. (2006). The role of corporate social responsibility in strengthening multiple stakeholder relationships: A field experiment. *Academy of Marketing Science*, vol. 34. 158–166
- Sjöden, K. (2011). Mat är för billigt. *Göteborgs-Posten*. Available at: <https://www.gp.se/mat-%C3%A4r-f%C3%B6r-billigt-1.806264> [Accessed 14 April 2019]
- Snider, J., Paul, R. H., & Martin, D. (2003). Corporate social responsibility in the 21st century: A view from the world's most successful firms. *Journal of Business Ethics*, vol. 48(2), pp. 175-187
- Statistiska centralbyrån. (2017). Tätorter 2015; befolkning 2010–2018, landareal, andel som överlappas av fritidshusområden. *scb.se*. Available at: https://www.scb.se/contentassets/55b2d3dbe48a4dcc85f93f4db599d868/mi0810_2015a01_sm_mi38sm1601.pdf [Accessed: 26 April 2019]
- Stieb, J.A. (2009). Assessing Freeman's stakeholder theory, *Journal of Business Ethics*, vol. 8(3), pp. 401-414

- Sörbring, K. (2011). Rädda maten - lär dig älska resterna. *Expressen.se*. Available at: <https://www.expressen.se/nyheter/inloggad/radda-maten---lar-dig-alska-resterna/> [Accessed 10 April 2019]
- Tesch, R. (1990). *Qualitative Research: Analysis Types & Software Tools*. Bristol, PA: Falmer Press
- Thörnqvist, I. (2018). Ny global rapport: Matsvinnet ökar i världen. *svt.se*. Available at: <https://www.svt.se/nyheter/inrikes/matsvinn> [Accessed: 15 April 2019]
- Trudel, R. & Cotte, J. (2008). Does it pay to be good. *MIT Sloan Management Review*, vol. 50(2), pp. 61–68
- Wade, J. A. (2001). Stakeholders, ethics and social responsibility in the food supply chain. In J. F. Eastham & S. D. Ball (Eds.), *Food supply chain management* (pp. 111–123). Oxford: Butterworth-Heinemann
- Welford, R., Chan, C., & Man, M. (2007). Priorities for corporate social responsibility: A survey of businesses and their stakeholders. *Corporate Social Responsibility and Environmental Management*, vol. 15, pp. 52–62
- Xian, H (2008) "Lost in Translation?" Language Culture and the Roles of Translator in Cross-cultural Management Research, *Qualitative Research in Organizations and Management*, vol. 3(3), pp. 231-45
- Yeonsoo, K. (2017). Consumer Responses to the Food Industry's Proactive and Passive Environmental CSR, Factoring in Price as CSR Tradeoff. *Journal of Business Ethics*, vol. 140(2), pp. 307–321
- Yin, R.K (2003). *Case Study Research: Design and Methods*. 3rd edition. Thousand Oaks, CA: Sage Publication
- Yin, R.K (2009). *Case Study Research: Design and Methods*. Chapter 4. 4th edition. Thousand Oaks, CA: Sage Publication
- Öberseder, M. Schlegelmilch, B. B. & Gruber, V. (2011). Why Don't Consumers Care About CSR?: A Qualitative Study Exploring the Role of CSR in Consumption Decisions. *Journal of Business Ethics*, vol. 104(4), pp. 449–460

APPENDIX A – INTERVIEW GUIDE 1

Sustainability initiatives

- We have read about two main project which you work with, Resurskocken and your collaboration with Food2change. Tell us more about what your thoughts were when you went into collaboration with Food2change.
- We assume that this program does not benefit you financially. What are your motives for being part of this program?
- Have you done other major initiatives related to CSR and sustainability?
- How are you directed/affected by the ICA business group? Are there any limitations to what kind of initiatives you may engage in as a grocery store. Do initiatives like Food2change and Resurskocken have to be approved by the ICA group in advance?

Resurskocken:

- We have read in an article from 2011 that “the project should break even, we do not demand more than that”. Is this still your financial view of the project?
- How does Resurskocken affect your profitability?
- What has the development of your food waste looked like since 2010, is it decreasing for each year or has it reached a level where it stays the same?
- We have also read that Resurskocken is based on the fact that all food which you cook shall have been sold at the end of the day, so there is no food waste from the food waste so to speak. How often does it happen that you do not sell everything which you have cooked?
- How much food is being used which does not come from what would otherwise have been wasted food, when you make the lunches?
- The chicken and the potato which you offer every day, is that complementary products which you buy new?

Stakeholder and consumer preferences

- All firms have different stakeholders, which ones would you say are the most important ones to ICA Tuna?
- What does your typical customer look like? Which segments do you sell the most to? Who do you make the most money out of?
- How does the preference for ethical and sustainable food vary between different segments?
- What is your view on how the customers’ willingness to pay for sustainable food has changed over the last ten years?
- How have you marketed Resurskocken over time? Has your marketing strategy changed?
- What would have been the pros and cons if you were to market Resurskocken more as a “sustainable” lunch alternative?

APPENDIX B – INTERVIEW GUIDE 2

- What is your view on how the employees have responded to the Resurskocken initiative? What could be the pros and cons of this initiatives for them?
- How do you work to continuously make sure that the employees remain engaged in these types of initiatives?
- What does the future look like? Do you have any other initiatives related to CSR and/or sustainability happening within the nearest future?