The consumers perspective on certified coffee
A study of consumer perceptions
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Preface

This Bachelor’s thesis is written as the final part of the economics program with specialization in marketing, from the School of Economics in Gothenburg.

I would like to thank the participants in the study which has contributed by sharing their thoughts and opinions on the subject which has been researched. I would also give thanks to Berat Taraku, my contact at Jacob Douwe Egberts and member of the Coffee Expert Group at the National Agency for Public Procurement. Finally, I would also extend my gratitude to my supervisor Cecilia Solér for the help and guidance which I received when writing the thesis.

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Abstract

This thesis focuses on the consumers perceptions on the five ethical and/or environmental certifications (i.e. sustainability certifications) that can be found on coffee in the Swedish market, namely; Fairtrade, Rainforest Alliance, UTZ, KRAV and the European Union certification for organic farming (EU-organic). It also investigates the motivations behind the Swedish coffee consumer when purchasing coffee with sustainability certifications, and in what they perceive and accomplish by purchasing coffee with sustainability certifications.

The research bases itself through a consumer perception study constructed on a survey of a previously semi-structured interview guide, which results are compared with previously established theory on this subject, in the purpose of determining the consumers perception on the matter of certifications on coffee.

The results of the research have shown that the consumers beliefs about the certifications corresponds relatively well to the aim of the programs behind the certifications. The overall knowledge of certifications; their mission, program, criteria etc., amongst Swedish consumers is still low, yet the Swedish consumers places a relatively high degree of trust behind these certifications on coffee. Consumers adopt a neutral stance towards certified coffee in general, seeing it as an added value to the product more than a necessary trait that their coffee should possess. Consumers prefer to influence and contribute towards betterment of the world as much as possible through their aim when buying coffee with certifications, as the research has shown that consumers value both solving environmental and ethical issues as much when presented with certification on their coffee. Lastly, consumers want to express their altruism and philanthropism when they aim to buy coffee with sustainability certifications.

**Keywords:** Coffee, Consumer perceptions, Sustainability Certifications, Fairtrade, Rainforest Alliance, KRAV, UTZ Certified, European Union certification for organic farming.
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1. Introduction

1.1. Background

Next to crude oil, the coffee is the world's most traded raw material, as well as the most consumed beverage in the developed countries and an important part of the everyday life here in Sweden. The global coffee market is made up of billions of coffee drinkers worldwide and is one of the most growing and lucrative FMCG (Fast moving consumer goods) markets in the world. Coffee production also makes an impact on the environment, as more and more coffee is being cultivated to meet the rapidly rising demand, and in effect, causing increased greenhouse gas emissions through the means of production, processing, and transportation of the coffee (Neno, 2014). In addition, the coffee cultivation is threatened by climate changes due to the sensitive nature of the coffee plant, which in connection with the growing global demand can contribute to the coffee supply decreasing in the near future (Haggar & Schepp, 2012). Sustainable coffee production is one of the environmental solutions that companies in the industry have invested in, and a step in the direction of sustainable development in the aspect of food production (Foresight, 2011).

The main way companies work with sustainability through coffee is through certification and labeling. The amongst the largest certifications in the global coffee market are Fairtrade, Rainforest Alliance and UTZ (Raynolds et al., 2007). As well as KRAV and the European Union certification for organic farming (also known as EU-organic) being prevalent amongst these aforementioned certifications in the Swedish coffee market (Wall & Sjöberg, 2009).

1.2. Problem discussion

Sustainable development permeates our society of today, especially among the companies where it has becoming increasingly important to take social responsibilities and implement and sustainable practices in production and in their business in order to meet customer demand and remain competitive in today's market.

In a plethora of certifications on coffee that are available on the B2C (business to consumer) market, it is seemingly difficult for the common consumer to keep track of these certifications
and the real meaning behind them. This research will measure the degree of knowledge about
the certifications on Swedish coffee (Fairtrade, Rainforest Alliance, UTZ, KRAV and EU-
organic) and uncover the motivations to what drives consumers to be inclined towards
purchasing certified coffee and their motivations behind their attitude.

This thesis is done in association with Jacob Douwe Egberts (JDE), whose representative I
have been in contact which has provided me with guidelines for the thesis. The theme is
considered to be of relevant interest to their company in order to further the understanding of
the consumers' perspective on certifications and labels on so-called "sustainable coffee". In
turn, from a business perspective, the research results can be used to understand the future
growth of the market and give the company opportunities to adapt its marketing strategies
along the company's own sales goals.

1.3. Purpose

The purpose of the work is to investigate consumers' perception of the differences between
certifications and labels of sustainable coffee. The result of the work will describe the
motivations behind and what leads Swedish coffee consumers to choose a certain label in
front of another and provide answers to the current problem regarding the general ignorance
about certifications and labeling among consumers.

1.4. Research Questions

The research questions which has been chosen to answer the purpose of this research are stated
as following:

• What do Swedish coffee consumers associate to the certifications and which are the
  motivating factors for them when buying certified coffee?
• What issue do consumers see as more important to tackle when presented with certifications
  on their coffee; ecological or ethical issues?
1.5. Research limitations

Although measurements are taken to ensure the validity and reliability of data collected are taken, the results of the study cannot be considered conclusive. Due to a limited amount of time, the sample collected is not enough to represent the thoughts of every coffee consumer in Sweden. Instead, the focus of the research was on a limited amount of people which got to represent the general thoughts of the Swedish coffee consumer, in the purpose of finding a pattern in the general attitude and perception towards the different certifications on coffee and uncover the motivations on why consumers would purchase certified coffee.

The places which the participants of the study were sourced from are all situated in Gothenburg, having the sole criteria of being places which are known to have a high degree of coffee consumers, namely workplaces, schools and universities and cafés.

2. Methodology

2.1. Research process

Since the research questions reflect the consumer's attitude and knowledge about certified coffee, a research based on a qualitative method becomes the most appropriate research method for my thesis. The benefits of a qualitative research method are that becomes easier to get a deeper understanding about a subject and easier to generalize about consumer perceptions (Rahman, 2016).

It was initially meant that the research would be based on a semi-structured interview. The interviewees for the research would be pooled from random shoppers buying for coffee at the coffee shelf throughout popular and frequently visited food stores such as ICA, Willys and Coop in various locations in Gothenburg. This method of collecting data proved to be unsuitable and ineffective because of the consumers' unwillingness to participate in the interviews. This was mostly due to people being in a hurry and in a rush to complete their grocery shopping as fast as possible, thus making them unwilling to participate in what would be long interviews of a semi-structured design.
Instead, a survey was redesigned from the semi-structured interview guide in order to collect the primary data needed for the research. The survey was furthermore supplemented with a couple of check-questions about the 5 main certifications on coffee in the Swedish market; Fairtrade, UTZ, Rainforest Alliance, KRAV and EU-organic. This was done to get an understanding of their knowledge and getting to know their associations for the 5 main coffee certifications in the Swedish market.

2.2. Research approach

The data collection for this research is through a qualitative method, specifically through a survey based on a semi-structured interview guide, which also has been complemented by a number of check-questions. The approach chosen for the data analyzing is through an inductive approach where the observations and findings of the research is processed into conclusions which hopefully would lead to the construction of a theoretical model about the phenomenon studied. This could in turn be used in practical applications of real-world cases and problems of similar nature regarding certifications on consumer products.

2.3. Sampling

The sampling method chosen for this research was a snowball sampling technique which is a nonprobability sampling technique where existing study subjects recruit future subjects from among their acquaintances (Goodman, 1961). The people which was chosen for the research was initially amongst acquaintances which consumed coffee and in turn, involved their coffee consuming peers into the research. The only selection criteria for the respondents and limitation to participate was to be a coffee consumer, whereas the people selected in participating in the research was known to reside in coffee consuming environments such as workplaces, cafés and universities, which in effect strengthens the validity of the primary data. The sample size chosen for this research was between 20 to 30 coffee consumers.

2.4. Data collection

The collection of data is mainly based on the research questions which has been stated previously along with the research model used to retrieve relevant data from. The data which has been collected for this assignment has been of primary and secondary types of data.
2.4.1. Primary data

The primary data was collected through surveys with coffee consumers. This survey was based on a previously designed semi-structured interview guide. The basic idea of conducting semi-structured interviews is to optimize the validity of the answers provided (Recker, 2011), this is done by being able to adapt some questions as the interview progresses which hopefully would yield more honest and un-biased answers.

As the data collection process was then redesigned from the initial semi-structured interview guide and shortened down to cover the most relevant topics for the research, the key questions of the interview were made sure to still be present in the survey. The respondents who answered the survey had the same ability to explain and motivate their answers on the questions which were presented in the survey as if they were being interviewed. Some of the questions, i.e. regarding the meaning and beliefs behind the certification was instead chosen to be put in a check-box form in order to facilitate for respondents by giving them suggestions on what the certifications stood for if they had little knowledge of the topic and could not associate the certifications with any of their own meanings.

Furthermore, one of the questions which was stated: “How well informed are you about sustainability issues (i.e. trying to live sustainably)?” was based on a Likert scale, which is enabled the scaling of otherwise qualitative responses into a range from being: “ Barely interested and engaged” to “Very interested and engaged”,

The last question regarding the consumers trust in the certification was meant to give qualitative responses which in turn was interpreted based on 5 categories scaled to the level of trust the consumer had towards the certifications; spanning from “No trust at all” to “Complete trust”.

The research was conducted during a period between late April and early May in Gothenburg, Sweden, 2019. The survey was handed down to acquaintances which in turn recruited the participants from different places in Gothenburg where the common denominator and criteria was being places with a high degree of coffee consumers. These were workplaces such as Astra Zeneca Mölndal, cafés as “Caffè Bistro Da Nino” at Viktoriagatan 4, “Allora Espresso Bar & More” at Kaserntorget 7 and to students attending university in different campuses such as the
School of Business and Law at the University of Gothenburg (Handelshögskolan vid Göteborgs Universitet), and the university college of University West (Högskolan Väst).

2.4.2. Secondary data

The secondary data is sourced from established scientific literature as well as other electronic medias. In order to ensure that the data is reliable, the data was collected from government departments, organizational records and data from official websites. The reason for collecting the secondary data is to validate the research question and provide a background for the analysis, as its main advantage is that secondary data can be accessed relatively easy, yielding larger data sets which would have been impractical for any individual researcher to gather on their own (Dunn et. al, 2015). Furthermore, the secondary data was used for the compilation for the theoretical framework or basis of this research which has aided in understanding the research findings and in the analysis of the results.

2.5. Data analysis

The data which was collected through the survey which was based on a semi-structured interview guide was primarily of the qualitative type, comprising itself in the responses and comments written by the respondents. Some of the questions which yielded qualitative answers could be quantified and processed into quantitative data which made it easier to measure and visually assess the responses from the survey. Seen at the next page is the table containing the questions which the visuals (pie-charts) where created from.
The method I used to process the qualitative data was from a document published by the University of Uppsala called "En liten lathund om kvalitativ metod med tonvikt på intervju" from 1996 (last revision from 2011). Which is an instructional document on how to conduct semi-structured interviews along with processing the qualitative data into information which conclusions can be based upon.

In comparison of conducting a semi-structured interviews with the respondents, the information that was written by the respondents was shorter and more concise to the topic asked in comparison with the longer answers which would have been yielded through the interviews. This in particular facilitated the process of decoding the data greatly, when compared to the same process for the semi-structured interviews.
The keywords which were the most frequently answered sentences and words were able to be bundled up and grouped depending on their relevancy and similarities into forming so called themes (patterns of similar underlying meanings). For example, if respondents chose to mention “reducing poverty” and “helping the communities of the farmers”, this would then be grouped together to form a theme based on the underlying meaning of “ethical issues”.

Since there was no analysis model in this research due to the simplicity of the data produced by the survey, a visual analysis of the results was enough to be able to see patterns in the responses which were given.

3. Theory

3.1. Consumer perception

Consumer perception is a marketing concept which communicates what consumers think about a brand, a company or its offerings. This can take form in positive or negative feelings, perceptions, attitudes, expectations, experiences etc. that a customer has towards the subject in question. Schiffman and Kanuk (2004) defines the concept of perception as “the process which an individual selects, organizes, and interprets stimuli into a meaningful and coherent picture of the world”.

In relation to the decision-making process of a consumer which defined by Kotler et. al (2005) as consisting of 5 steps as follows: “Need recognition”, “Information search”, “Evaluation of alternatives”, “Purchase decision” and “Post-Purchase evaluation”. Perceptions influences the stages of evaluation and the stage of information gathering as the external information gathered is interpreted and influenced according to perception of the consumer. Consumers’ perceptions are thus crucial when trying to understand the purchase behaviors of consumers (Durmaz, 2011), and therefore relevant to marketers as they are required to understand the perceptions of their customers well, in order to create and formulate marketing strategies.

Regarding the theme about how the consumer perceive certifications on food items, some studies has produced similar conclusions; pointing out at a pattern of consumers in general
having low levels of knowledge about sustainability labels, including: certifications, standards and how regulation is conducted. (Gerrard et. al, 2013; Janssen & Hamm, 2011)

The main characteristics which consumers base their decision-making on when purchasing coffee has shown to be factors such as taste, quality, price and good value for the money, with certifications and labeling being characteristics which are less interesting when purchasing coffee (McGarry & Romberger, 2010). The average coffee consumer is understandably more immersed about how the product generates utility for themselves, as a Fairtrade coffee which been examined and compared to a conventionally produced coffee of the same brand, was rated lower in consumers’ perceptions when the same characteristics was used in the comparison (McGarry & Romberger, 2010).

Additionally, consumers have been shown to have a neutral attitude on certified coffee when asked about their attitude and revealed from their purchase decisions (Hermansson & Olsson, 2014).

It has also been shown that consumers were willing to pay higher premiums for ethical brandings such as Fairtrade and shade grown coffee labels than for organic coffee (Loureiro & Lotade, 2005). Fairtrade labeled coffee has also been shown to being most preferred over eco- and bio-labels (De Pelsmacker et. al., 2005). Additionally, Fairtrade along with KRAV has shown to be the most recognized certifications out of all certifications on coffee on the Swedish market (Wall & Sjöberg, 2009)

3.2. Sustainable development

Sustainable development is often defined as “a process of economic development that satisfies the needs of today without jeopardizing the future of coming generations and their possibilities to satisfy their needs (UN, 2016) . This term has become more and more relevant and discussed about within our society due to the ongoing climate change, as even companies has become involved to try adapting their business practices to become as sustainable as possible, as general goals of taking more responsibility for the betterment of the world in both a both local setting and as well in a global setting. This means that companies are required to think more about the
long-term impacts of their businesses and adapt a more global view on how their business impacts the world.

Furthermore, the term of sustainable development is since previous not clearly defined, yet the three main dimensions that the term addresses are: ecological, economic and social development (Elvingson, 2013).

3.3. The Certifications

The focus on this research lies on five certifications; Fairtrade, Rainforest Alliance, UTZ, KRAV and EU-organic. These certifications have in common that they; all have environmental or ethical criteria along with that they can all be found on coffee which is being sold in Sweden. However, these certifications are distinct from one another when closely examined as their structure, modes of governance and their regulatory/monitoring procedures differs from one another. The certifications which are viewed as based on solving ethical issues are; Fairtrade, Rainforest Alliance and UTZ. While KRAV and EU-organic being organic labels that focuses more on environmental work.

3.3.1. Fairtrade

Fairtrade Sweden is the Swedish representative in Fairtrade International, which is an independent organization that works with promoting fair trade through issuing certification licenses to its cooperants, along with influencing retailers to develop, expand and market their range of Fairtrade-labeled goods (Fairtrade Sverige, n.d.). The Fairtrade certification is found on various types of commodities, mainly food items, and is aimed at improving working and living conditions through fair trade for producers and employees in countries with widespread poverty (Fairtrade, Kort om Fairtrade, 2016).

Fairtrade is the most famous production certification globally and thus has the greatest impact on living conditions in developing countries (Enelow, 2009). Fairtrade's vision is to create a safe and sustainable world trade in human justice in developing countries (Fairtrade Sverige, n.d.). This is done by increasing the supply and demand of Fairtrade-labeled goods and spreading information to increase consumer awareness and knowledge of Fairtrade.
Fairtrade is mainly aimed at small scale farmers who are then organized into cooperative groups. This facilitates for the smaller producers as they can cooperate with each other, which due to poverty, are afflicted by reduced social conditions and lack of knowledge on effective and sustainable crop cultivation methods i.e. technologies and pesticides. The producers who are affiliated with Fairtrade are shown have better living conditions, due to the cooperation giving them an improved salary level, knowledge and overall better environmental conditions as a result of the guarantee of minimum price on their crops (Granefelt & Söderberg, 2017).

The organization also helps growers gain a stronger position in the market, by increasing the productivity and supporting the farmers ability to organize themselves (Granefelt & Söderberg, 2017). Despite this, not all producers can sell the whole harvest as Fairtrade-labeled, indicating that the companies and consumers have a significant role in contributing to the well-being of Fairtrade producers (Bartholdson, 2005).

### 3.3.2. Rainforest Alliance

Rainforest Alliance is a non-profit organization that works to preserve biodiversity and promote sustainable development. Their method of working is through influencing and bettering everything from soil management and land use, to business practices and customer behavior. (Rainforest Alliance About, 2019) Certified producers work to preserve biodiversity and to create economically, socially and environmentally sustainable livelihoods for the workers and their communities which they are a part of. (Rainforest Alliance, 2019).

The Rainforest Alliance’s sustainable agriculture program is targeted towards farmers and the certification of farms ranging from all sizes (small, medium and large), these Rainforest Alliance certified farms produce more than 100 different types of crops, ranging from everything from avocados, cinnamon, coffee, palm oil and potatoes, as well as tea, cocoa, bananas, flowers and cattle. (Rainforest Alliance, Crops, n.d.)

In recent years, the Rainforest Alliance has expanded its work with smallholders, which today accounts for the large majority of farms certified by the organization (Rainforest Alliance, 2016). To obtain certification, the producers must meet the Sustainable Agriculture Network (SAN) standard. The standard is intended to conserve ecosystems, protect biodiversity,
waterways, forests along with reducing the agrochemical use as well as assuring the well-being of workers and local communities. (Rainforest Alliance, Farm Certification, n.d.)

Only crops that have been sourced from certified producers may be promoted and marketed as Rainforest Alliance-certified. (Rainforest Alliance, Sustainable Agriculture Certification, n.d.). The certification requirements are that 50% of criteria under a certain group of criteria are achieved, and 80% of overall. Several of these criteria are considered critical and must be complied with in order for a farm to earn and keep its certification (Rainforest Alliance, Sustainable Agriculture Standards, 2006)

The program of Rainforest Alliance has also been criticized by academics, who believe the Rainforest Alliance certification provide green-wash coverage for transnational corporations by enabling businesses such as i.e. Chiquita and Kraft a cheap way to reach the ethical customer market. (Jaffee, 2007; Nicholls & Opal, 2005) Some controversial issues which has been attributed to Rainforest Alliance include the lack of certification scheme, minimum guaranteed prices, and the use of the label on coffee containing only a fractional percentage of certified coffee beans, i.e. 30% of certified coffee beans. (Ingenbleek & Reinders, 2013). The Rainforest Alliance allows a lower involvement of certified raw materials to increase the aggregate demand for certified products in the growing countries, so as the demand for certified crops is increased in the long run. As there is no minimum price set on Rainforest Alliance certified crops by its purchasers, producers are instead able to use the certification label as a bargaining tool to negotiate a better price for i.e. their coffee. (Rainforest Alliance Certified Coffee, 2016)

3.3.3. UTZ

UTZ, formerly called UTZ Certified, is a program and label for sustainable farming. The UTZ label is featured mainly on coffee, but also tea, cacao and as of recently, hazelnuts. (UTZ Products, 2018) The UTZ program is the largest program when it comes to sustainable farmed coffee in the world, covering everything from good agricultural practices to fair social and living conditions, farm management and the protection of the environment. (UTZ, 2018)

The UTZ certification gives indication to the consumers that the product which has been UTZ certified is sourced from farm to the point of sale in a sustainable manner. In order to become
a UTZ certified supplier, all UTZ suppliers have to follow the UTZ Code of Conduct, which consists of expert guidance and training on how to improve the quality and quantity of the crops, better farming methods, working conditions and care for the environment. (UTZ Certification, 2018).

In order to assure the guarantee that a UTZ certified product is linked to a UTZ certified producer, the UTZ program is complemented by Chain of Custody requirements. These are administrative, logistical and technical requirements that has been implemented in order to facilitate traceability of certified products and helping to ensure the transparency of the entire value chain. Some of these requirements includes i.e. criteria for separation of UTZ certified products and non-UTZ certified, conventional products, record keeping of direct suppliers and buyers etc. (UTZ, 2018)

In contrast to the Fairtrade certification program, no minimum purchase prices are set for the crops from UTZ suppliers. Instead, the focus on good agricultural practices in the UTZ program is meant to enable farmers to increase the yield and the quality of their crops, consequently increasing their income. (UTZ, 2016) The aim of the UTZ program is thus to promote sustainable farming and being beneficial for those involved in the program from a socioeconomic standpoint. (UTZ Measuring Impact, n.d.)

UTZ has since January 2018 merged into the Rainforest Alliance to combine the strengths of respective programs, in order to create a more impactful program for the betterment of the world. (UTZ About Us, 2018) Until the publication of the new program in 2019, the UTZ and Rainforest Alliance certification programs will be running in parallel with each other. (UTZ About us, 2018)

3.3.4. **KRAV**

KRAV is a Swedish economic association which develops rules for organic farming, animal husbandry, processing etc., including requirements concerning their own KRAV certification, along with conducting information activities regarding their own certification. (KRAV, 2019). Its certification, the KRAV label, is a well-known label that mainly certifies for organically grown or produced goods on the Swedish market. The KRAV brand shows that a product is
produced on an organic basis with extra high requirements on animal care, health, social responsibility and climate impact. (KRAV, 2018).

Today, there are about 3,800 farmers and 700 processing companies which bears KRAV-certified production, along with 700 KRAV-labeled stores and 1,200 KRAV-approved restaurants. (KRAV, 2019) All companies that use the KRAV label pay a license fee to the KRAV association. These funds are then used to market the KRAV brand and inform about what it stands for. Any profit made is not paid out to the members but instead re-invested into the organization, thus making KRAV a non-profit organization. (KRAV, 2019)

The Swedish KRAV label ensures that chemical pesticides, artificial fertilizers or genetically modified crops are not used, and that animal welfare is good. The label controls the entire chain from farming to food production. (KRAV, 2018) The organization has a high reliability in the Swedish market among consumers, as they have strict certification controls for products and companies which bear their label, these controls are conducted at least once a year. In comparison to the EU's minimum rules for organic production, the EU-organic, KRAV has in some instances more far-reaching rules than the latter, in for example, when it comes to animal care. KRAV also has rules for climate and social considerations, which the formerly mentioned label, EU-organic lacks. (KRAV, 2018)

While purpose of the KRAV certification is to be an informative label in order for consumers to recognize an organic produce or product. KRAV however, takes initiatives towards environmental so well as socioeconomic improvements through its rules for climate and social considerations set on their producers. These rules are for instance meant to reduce their emissions and overall contributing to greater biodiversity which comes with organic farming and production, along with protecting the rights and the welfare of the workers etc. (KRAV, 2018)

3.3.5. EU-organic

The European Union certification for organic farming, also known as EU-organic is the official eco-label of the European Union, which holds the same criteria in all EU countries. The products are examined from raw material to waste and environmental considerations should be
The EU organic logo is meant to give a coherent and standardized visual identity to the organic products which are produced in the European Union, making it easier for consumers to identify organic products in markets along with helping farmers market their organic produce and products across the entirety of the EU. (European Commission, n.d.) Hence, the main aim of this certification is strictly to be an informative label, which means that this certification technically does not stand for any improvements in solving socioeconomical nor environmental issues.

The use of the EU-organic logo is compulsory for most organic products and must be displayed according to a specific set of rules. This in order to prevent consumer confusion, help maintain trust in organic food and support the authorities in their inspection regimes. Next to the EU organic logo, a code number of the control body must be displayed as well as the place where the agricultural raw materials composing the product have been farmed. (European Commission, n.d.)

The organic logo can only be used on products that have been certified as organic by an authorized control agency or body. Meaning that the producers have fulfilled strict conditions on how their products must be produced, processed, transported and stored. The logo can only be used on products containing at least 95% of organic ingredients, and additionally further complying to further strict condition for the remaining 5% of non-organic ingredients. (European Commission, n.d.)

The main differences between the KRAV-label and EU-organic logo, which programs both strive for sustainable food production, is that KRAV has stricter and more developed rules or criteria on different areas: Animal welfare is given greater priority, which in the case of i.e. pigs means that they are able to roam freely and along with stricter rules on slaughter. The focus on health is greater, i.e., the addition of nitrite is not allowed in KRAV-labeled food products. Companies are needed to take more environmental responsibility along with taking special measures to ensure that the environment they work in is not negatively affected by their production. Similarly, companies that works with KRAV must also be able take greater social responsibility through the KRAV-imposed rules, which also means that in comparison to EU-organic has a greater degree of credibility, as KRAV has many rules which ensures the compliance of cooperators. Lastly, the KRAV criteria covers more areas which the EU-organic program lacks, as for fishing, shops and restaurants. (KRAV, 2018)
4. Results and analysis

The total number of respondents for the survey was 25 people, as 30 surveys was printed out in total and handed out to be distributed amongst coffee consumers in these aforementioned places. When it comes to the check-box questions about the meaning behind the certifications, it should be noted that some of the respondents has crossed more than one alternative, hence depicting the sum of the answers more than the actual sum of respondents for some questions. The findings from the survey are as follows:

The majority of the respondents answered that they are moderately aware of the topic of sustainability and engaged in living in a sustainable manner. A lesser part of the respondents answered that they were more aware and involved in sustainability than the average respondents. Only 3 of the 25 of respondents answered that they were less aware and involved in living sustainably than the most frequent answer which was “moderately”.

![How well informed are you about sustainability issues (i.e. trying to live sustainably)?](image)
The majority of the respondents believed in that the Fairtrade program worked by contributing towards fair trade along with tackling poverty and socioeconomic issues. The respondents were clearly familiar with Fairtrade and their mission, probably due to it already having a significant presence on consumer market since before, or its certification being clear with its name on what its mission tries to accomplish, or a combination of them both. The respondents felt the surest when asked about Fairtrade as there was not a single answer recorded that a respondent did not know about the meaning of the Fairtrade label.
The respondents were mostly unsure about the UTZ certification and what its program stands for, as it can clearly be observed on the diagram that this particular question about UTZ had the largest spread of answers along with being the certification which the respondents showed the least knowledge of its program and association to.

The respondents were mostly unsure about the UTZ certification and what its program stands for, as it can clearly be observed on the diagram that this particular question about UTZ had the largest spread of answers along with being the certification which the respondents showed the least knowledge of its program and association to.

What do you believe UTZ works towards? (i.e. stands for)

What do you believe Rainforest Alliance works towards? (i.e. stands for)
The clear majority of respondents answered that Rainforest Alliance aims with improving the environment and biodiversity. There was little doubt amongst the respondents about the meaning of this certification. The meaning and their mission of this particular certification is clearly communicated due to the word Rainforest being integrated into the name of the certification.

The similar results were revealed for the KRAV certification in comparison to the results from Rainforest Alliance. It is evident based on the results that KRAV has an association towards the protecting the environment and improving the biodiversity according to the respondents.
The EU-organic certification was mostly associated with protecting environment and improving the biodiversity. The result of this certification mirrored the results of Rainforest Alliance and KRAV respectively, showing to follow a similar pattern when it comes to the answers attributed to these mentioned certifications. The clear majority of people believed them to be an organization which work is aimed at protecting the environment and biodiversity, which is fact incorrect as the aim of the EU-label is only to signify organic goods traded in the EU, not engaging in any work aiming to improve actual socioeconomic or environmental issues.

Overall, based on the results from the questions about the certifications and their meaning from the survey, the respondents have shown to possess a low general knowledge about the 5 main certifications on Swedish coffee. This finding is consistent to previous research and theory stating that consumers in general have little knowledge about sustainability labels (Gerrard et. al, 2013; Janssen & Hamm, 2011). The respondents however place the most recognition behind Fairtrade and KRAV as evident from their responses, as Fairtrade was shown to be the certification which respondents felt the surest about when asked about its meaning since there was no one that could not place. KRAV was the certification that stood out as being the most recognizable of the 3 certifications which were perceived as similar based on the results from the survey, as motivated by some of the respondents:

“I know about KRAV the most, even if I believe that they work towards the same goals as Rainforest Alliance and EU-Organic”

“I actively search for KRAV-certified food items when shopping for groceries.”

“...I really only know about Fairtrade and KRAV.”

These findings are also reinforcing previous research which has shown that these two certifications; Fairtrade and KRAV are the most recognized ones out of all certifications on coffee on the Swedish market (Wall & Sjöberg, 2009)
When asked about their coffee preferences, the majority of the respondents said that they chose filter coffee from popular Swedish household brands such as Gevalia, Zoegas and Löfbergs Lila, but also Arvid Nordqvist. Others responded that their preferred choice of coffee was instant coffee and espresso capsules from both premium brand such as Nescafé and Nespresso.
along with their counterparts from brands such as Fairglobe and Bellarom which are private-house brands of LIDL. Some respondents which described themselves as coffee enthusiasts opted to choose whole beans from Italian brands such as Lavazza, Primo Aroma and Passalacqua, as well as buying ground coffee beans for brewing Turkish coffee.

Out of all respondents, only two of the respondents specifically answered that they sought after certified coffee brands such as Fairglobe (a LIDL private-label brand of certified and organic goods) and Arvid Nordquist ECO Selection, respondents had largely a neutral stance in towards certified coffee, seeing it as beneficial but inconsequential in their coffee choice, which ties in with findings from Hermansson and Olsson (2014) where consumers also proved to have a neutral attitude and perception towards certified coffee.
When followed up and asked about choosing coffee based on certifications, respondents mainly answered that did not they chose their coffee based on certifications, yet by factors such as price, taste etc. and being driven by a purchase habits or a loyalty towards as specific coffee brand. Others stated that they did chose their coffee based on one or several certifications. Those who chose according to certification where either actively seeking out coffee with certifications from Fairtrade, Rainforest Alliance and with labels claiming that the coffee was ecologically grown (no emphasis on choosing KRAV or EU-organic). For those others which sometimes chose certified coffee and more spontaneously than the others, the only importance was that the coffee they chose had to have a certification on them, no matter which one.

The answers from this question corresponds with theory from previous studies by Grunert et. al., from 2014 and McGarry & Romberger, from 2010, which since previously has pointed out that sustainability labels plays a minor role in consumer’s food choices. Instead, the consumer chooses to place higher value and focus on attributes as price, taste and quality when purchasing food items.

<table>
<thead>
<tr>
<th>Question</th>
<th>Categories</th>
<th>Themes</th>
<th>Keywords</th>
</tr>
</thead>
<tbody>
<tr>
<td>How would you describe your contribution to the betterment of the world when choosing certified coffee?</td>
<td>I purchase certified coffee</td>
<td>Ethical labels (Fairtrade, Rainforest Alliance, UTZ)</td>
<td>Increasing the welfare of the producer, Helping the communities of the producers, Better the work condition of the workers, Preventing child labour</td>
</tr>
<tr>
<td></td>
<td>Eco-labels (KRAV, EU-organic)</td>
<td>Knowing I support a good cause</td>
<td></td>
</tr>
<tr>
<td></td>
<td>I don't purchase certified coffee</td>
<td>My funds helps with protecting the environment, Strengthening biodiversity, Reducing pollution, Counteract GMO cultivation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No comments</td>
<td>As mentioned above</td>
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When asked to motivate about how they as consumers view their contribution towards the betterment of the world when choosing certified coffee, many of the respondents mentioned that they did not think further than simply hoping that their funds from purchasing certified
coffee were being used by the organizations as means of fulfilling the goals of their projects. As motivated by some respondents, they simply knew that they supported a good cause by purchasing certified coffee and did not think much further regarding their purchases than that, probably due to the low-involvement type of purchase which is characteristic for coffee as it is a FMCG-good (Radder & Huang, 2008). When asked what they would accomplish by buying certified coffee, the respondents talked about supporting poor farmers, better their work conditions, protecting the environment, reducing pollution etc., as described above. Thus, perceiving certifications on coffee as being assurances for a positive change whether it’s for an ethical or an environmental cause.

**Table:**

<table>
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<th>Question</th>
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<th>Themes</th>
<th>Keywords</th>
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</thead>
<tbody>
<tr>
<td><strong>What would you rather prefer to solve with your purchase of certified coffee?</strong></td>
<td>Ethical issues</td>
<td>Comments</td>
<td>Reduce poverty</td>
</tr>
<tr>
<td></td>
<td>Ecological issues</td>
<td>Comments</td>
<td>Protect the environment</td>
</tr>
<tr>
<td></td>
<td>Both of them are as important for me</td>
<td>Comments</td>
<td>As mentioned above</td>
</tr>
<tr>
<td></td>
<td>No comments</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The respondents mostly answered that both types of issues are important for them when being presented as solvable issues by purchasing certified coffee. There was however a slight preference towards solving ethical issues through their purchase of certified coffee as evident from their responses. Some respondents further motivated their answers more deeply on what they saw to be the most critical issues within these two categories as seen above.

This slight preference towards solving ethical issues can be explained through theory from both Loureiro & Lotade (2005) and De Pelsmacker et al. (2014) which since previously points out that consumers indeed show a slight preference towards ethical certifications such as Fairtrade than organic certifications, when presented with either ethical or organic labeling on coffee. Since the findings from this research has shown and proven that respondents associate organic labels such as KRAV and EU-organic with environmental benefits, so are the results of the survey in accordance to the previously mentioned theory about this subject.
To conclude the survey, the consumers were asked about how much confidence and trust they place on the certification programs and that they act as promised. This question was asked in order to get an overall understanding about the consumers trust and attitude about the certifications. A slight majority of the respondents answered that they trusted the certifications very well and that their programs acted and fulfilled their goals as promised. A slightly lesser, but still significant part of respondents claimed that their trust was towards the certifications was limited to being reasonable and below that level of trust.

Some respondents had a general sceptic view towards certifications and believed that their purpose is to deceive people into paying a higher price for the certified coffee rather than actually trying to improve environmental and social condition. Some further comments about the certifications being perceived as a marketing strategy was mentioned:

“I trust that they do as promised, even if much of it seems to be purely for marketing.”

“I’d say I trust them to about 50%, I believe much of it to be marketing.”

When mentioning trusted certifications, a few respondents answered that they specifically trusted and sought after Fairtrade and KRAV products, not mentioning any of the other
certifications. This may be due to the already significant presence these two certifications have on the Swedish market, which has built up their reputation as being trusted organizations and certifications.

5. Discussion

5.1. Conclusions

The results from the survey were mostly expected and unsurprising as it more or less matched the theoretical basis. Certifications as a selection criteria was not the most important criteria for Swedish coffee consumers when choosing coffee, instead it was shown that factors such as price, taste etc. dictated which coffee was selected and purchased, enforcing the theory behind the previous studies on this subject by Grunert et. al., from 2014 and McGarry & Romberger, from 2010. Sustainability labels has been shown through the research that they still are a minor factor which plays into the coffee choices of consumers, as well as consumers having a neutral stance towards certified coffee, seeing it as an added bonus to the product which they bought which adds to the overall value of the product, more than a necessary trait that their coffee should possess.

Nevertheless, certifications remain to be important signifiers of aid and improvement in the perception of the consumers, as motivated by the respondents when asked if they could put their trust behind the certification, which the majority answered positively; that they could trust the certifications and the programs behind them.

Most of the consumers were aware of the aims behind the certifications based on their beliefs and associations towards the different certifications which where asked about in the research. UTZ was, however, the least known certificate among the respondents as the respondents were uncertain on what they represented. Fairtrade along with KRAV was the most recognized certificates according to the respondents, and the ones which most trust was placed behind based on the comments that people left. Fairtrade was most probably due to its namesake and long presence on the Swedish market the certification which people correctly believed that they saw to improving the world through a socioeconomic approach. KRAV was however grouped together with Rainforest Alliance and EU-organics as certifications that predominately
dedicated themselves to protecting the environment and improving the biodiversity. While this might be true for Rainforest Alliance, KRAV and EU-organics are however certifications with the primary aim to inform the consumers that they are purchasing an organic product (and making sure it has been processed according to strict criteria with fair conditions, and beyond for KRAV’s part). The environmental benefits which can be attributed to the programs behind these two certifications are seen from their perspective as a byproduct of promoting organic farming.

In comparaison to theory, the conclusion about the consumers and their understanding behind the certification is that its low, and perhaps higher than stated by previous studies by Gerrard et. al, 2013, and Janssen & Hamm, 2011 on this topic when it comes to the Fairtrade and KRAV certifications. This conclusion is also supported with findings from this research, showing that consumers wrongly associate organic labels such as KRAV and EU-organic with environmental benefits, while this might be true for KRAV towards a certain degree, the EU-organic label is strictly an informative label aimed to inform consumers about organic content in products sold within EU.

When asked about why the consumers bought certified coffee, the common answer to this question was to support a good cause and be able to make a positive difference for the world. Their motives ranged all from helping the world from a socioeconomic standpoint to protecting the environment and planet for the sake of future generations. Therefore, based on this evidence, the conclusion is that consumers want to express their altruistic and philanthropic side when they aim to buy coffee with sustainability certifications.

The results from the research has shown that consumers see both types of issues (environmental and ethical) as important for them when being presented as solvable issues by purchasing certified coffee. There was however a slight preference towards solving ethical issues through their purchase of certified coffee as evident from the research. To why some consumers see ethical issues as being more important than the environmental ones is unclear based on the research, as there lacks deeper knowledge on how they evaluate these issues in comparison to each other.
5.2. Implications

The implications of this research for companies in the coffee industry such as for example JDE, is that the consumers perceive the sustainability certifications on their products as positive and adding to value and meaning behind their purchases and consumption. Consumers prefer to influence and contribute towards a positive impact on the world as much as possible through their aim when buying coffee with certifications.

Although consumers tend to still much rather go for a cheaper or tastier coffee instead of choosing one which is perceived inferior but guaranteed to be made from sustainably sourced material, the consumers place trust on these certifications as assurances and tools to help real people and communities involved in these programs along with the environment as a whole. Past discoveries have shown that some of the certifications (specifically Rainforest Alliance) have been tools for companies to be able to greenwash their businesses and deceive the consumers into thinking that they are part of a positive contribution along with as a company, be able to gain legitimacy. (Jaffee, 2007; Nicholls & Opal, 2005)

Companies should be mindful when working with the certifications, as well as the organizations behind the certifications (through maintaining and furthering their standards and criteria’s as well as monitoring their licensees according to their policies) as these are constructs built upon consumers trust. This means that the certifications are sensitive to mismanagement etc. which could lead to negative repercussions; such as decreasing the overall reliability of certifications, which in the long-run could increase the skepticism about certifications as this, as well as this research, has proven that it exists in the minds of the consumers.

As Fairtrade and KRAV was shown to be the most trusted certifications amongst Swedish coffee consumers, due to their long presence and good communication of their values and program. Thus, the organizations behind Rainforest Alliance, UTZ and EU-organic certifications could see to that consumers in Sweden are better informed about their values and programs, which in turn could be beneficial as increased trust could be built between the consumers and their certifications maintaining a clear and effective communication about themselves.
6. References

Articles and literature:


Web pages:


Files:

7. Appendix

7.1. Survey

Namn, ålder, yrke

Hur pass insatt är du i hållbarhetsfrågor (dvs. försöker leva enligt ett miljömässigt hållbart sätt)?

*Kryssa in det alternativ som stämmer dig bäst:*

- [ ] Väldigt lite
- [ ] Lite
- [ ] Sådär
- [ ] Mycket
- [ ] Väldigt mycket

Vilken typ av kaffe köper du mest, samt från vilket kaffemärke? (t.ex. Gevalia, Löfbergs Lila m.fl.)

*Kryssa in det alternativ som stämmer dig bäst:*

- [ ] Bryggkaffe
- [ ] Snabbkaffe
- [ ] Espressokapslar
- [ ] Övrigt (Var god och fyll i):

Kaffemärke(n):

Väljer du ditt kaffe medvetet utifrån hållbarhetscertifieringar (Fairtrade/UTZ/Rainforest Alliance m.fl.), om inte hur väljer du det annars?

Kommentar:
På vilket sätt tror du Fairtrade arbetar på? (dvs. står för)
*Kryssa in det/de alternativ som enligt dig stämmer mest:*

- ○ Bekämpa fattigdom/socio-ekonomiska problem
- ○ Bidra till rättvis handel
- ○ Bidrar till att förbättra miljön/biodiversiteten
- ○ Övrigt (Var god och fyll i):

På vilket sätt tror du UTZ arbetar på? (dvs. står för)
*Kryssa in det/de alternativ som enligt dig stämmer mest:*

- ○ Bekämpa fattigdom/socio-ekonomiska problem
- ○ Bidra till rättvis handel
- ○ Bidrar till att förbättra miljön/biodiverstiteten/minimera utsläpp osv.
- ○ Övrigt (Var god och fyll i):

På vilket sätt tror du KRAV arbetar på? (dvs. står för)
*Kryssa in det/de alternativ som enligt dig stämmer mest:*

- ○ Bekämpa fattigdom/socio-ekonomiska problem
- ○ Bidra till rättvis handel
- ○ Bidrar till att förbättra miljön/biodiverstiteten/minimera utsläpp osv.
- ○ Övrigt (Var god och fyll i):

På vilket sätt tror du Rainforest Alliance arbetar på? (dvs. står för)
*Kryssa in det/de alternativ som enligt dig stämmer mest:*

- ○ Bekämpa fattigdom/socio-ekonomiska problem
- ○ Bidra till rättvis handel
- ○ Bidrar till att förbättra miljön/biodiverstiteten/minimera utsläpp osv.
- ○ Övrigt (Var god och fyll i):
På vilket sätt tror du Ekologiskt-certifierat arbetar på?

Kryssa in det alternativ som enligt dig stämmer mest:

- Bekämpa fattigdom/socio-ekonomiska problem
- Bidrar till rättvis handel
- Bidrar till att förbättra miljön/biodiverstiteten/minimera utsläpp osv.
- Övrigt (Var god och fyll i):

Vad vill du helst stå för med ditt val av kaffe, att lösa ekologiska (miljö) problem eller etiska (socio-ekonomiska, t.ex. bekämpa fattigdom)?

Kommentar:

Hur hade du kunnat motivera att ditt val av kaffe påverkar till att förändra världen till ett bättre? (dvs. Hur hade du beskrivit det du gjort för att bidra till förbättring genom att köpa en viss typ av kaffe som visar sig vara certifierad)

Kommentar:

Hur pass mycket tillit har du på att (Fairtrade/UTZ/RA osv.) gör sitt arbete rätt (dvs. verkligen står för vad de säger)?

Kommentar:
7.2. Interview guide

Intervjuguide

Intervjusterlek: 20–30 personer
Plats: Diverse matbutiker, vid kaffehyllorna
Tid: 20–25 april 2019

Namn, ålder, yrke

Köper du mycket kaffe?

Vilken sorts kaffe köper du mest av (dvs. varumärke samt typ)?

Jag ser att du valde (Fairtrade/UTZ/RA/KRAV/EU-organic) kaffe, baserade du ditt val av kaffe just på certifieringen?

Om inte, vad är annars viktigt för dig när du handlar kaffe?

Vad ser du med (Fairtrade/UTZ/RA/KRAV/EU-organic), dvs. vad tänker du på när du ser certifieringarna?

Ifall du kunde lösa ekologiska eller etiska(socio-ekonomiska) problem genom ditt kaffeval, vilket av de hade varit viktigast för dig?

Låt oss nu prata om det de positiva bidragen du hade stått för genom att köpa certifierat kaffe, vad hade du sagt att den certifiering du valt gör för att rädda världen?

Hur pass mycket tillit har du på att (Fairtrade/UTZ/RA/KRAV/EU-organic) gör sitt arbete rätt?

Och slutligen, hur pass insatt är du i detta med hållbarhet; både att veta om hållbarhetsfrågor och i att försöka leva hållbart.