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# Sustainability labels for food products:
# A literature review on consumer's behavior, challenges, and opportunities

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## BACKGROUND

- **Sustainability labels (SL)** first burst between the 1980s and the 1990s, as a method to increase transparency along the food chain and provide consumers with information in order to encourage sustainable consumption (Schader, et al., 2014).
- A proliferation of SL has occurred, counting nowadays with around **465 ecolabels** registered, of which **148** belong to the **food sector**.
- The different approaches to sustainability and the recent boost of labels might be generating **confusion for consumers**, which affect their final decision to use SL.

## OBJECTIVE AND METHODOLOGY

To analyze how consumers behave towards sustainability labels from an **economic approach** and to identify which are the factors that influence consumers decisions.

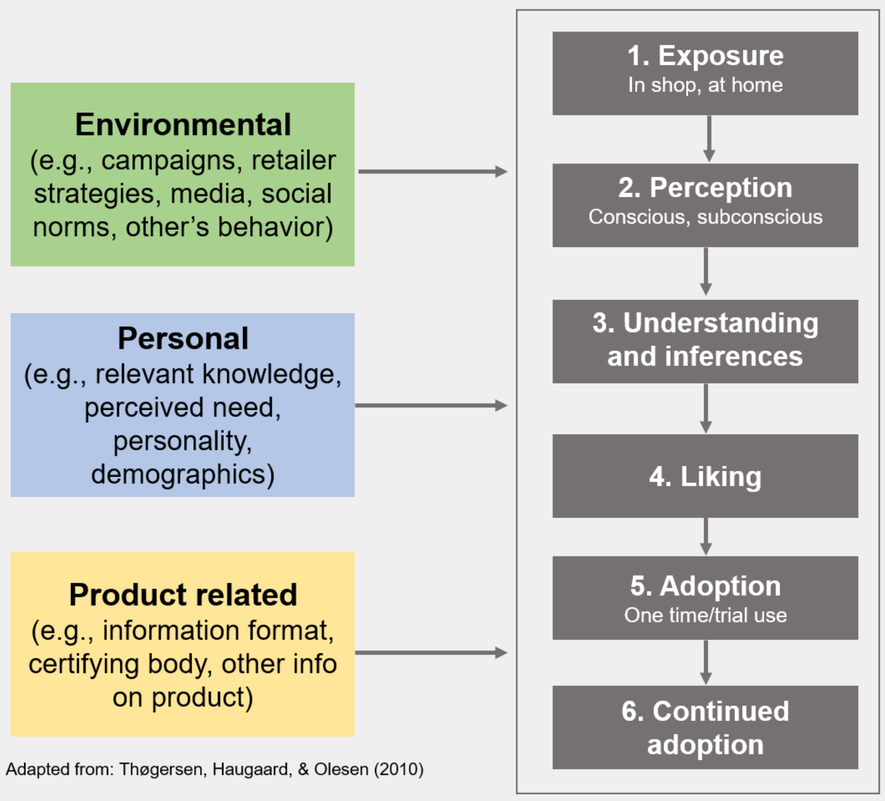
The study was based on a **literature review**, which included academic papers, reports by international institutions, and international indexes.

## RESULTS

- In agriculture, sustainability needs to be understood as a **multidimensional concept,** with an **environmental dimension** (whether trade-offs between present and future needs enable the agricultural activity to be sustainable over time), and an **ethical dimension** (related to trade-offs between consumers and other subsumed stakeholders).

- Literature suggests that most SL have their **own approach** about sustainability and usually just prioritize one of the dimensions to promote sustainable consumption.

**Factors that influence consumer's use of SL**




Adapted from: Thøgersen, Haugaard, & Olesen (2010)

### CHALLENGES

1) The proliferation of sustainability labels appears to create **confusion among consumers**.

2) There is a **high amount of information** on food packages among which consumers have to decide. Sustainability labels face a big competition with information about price, nutrition, ingredients, etc.

**Self-reported use of food label information by consumers**

*When buying food and drink products, how often do you look for the following information on the packaging?*

| | Label Information | Mean |
|---|---|---|
| 1 | Price | 6.09 |
| 2 | Best before/use by date | 5.94 |
| 3 | Quantity/size of product | 5.23 |
| 4 | Brand | 4.73 |
| 5 | Ingredients list | 4.32 |
| 6 | Nutritional benefits | 4.12 |
| 7 | Cooking instructions | 4.08 |
| 8 | Nutrition information | 4 |
| 9 | Country of origin | 3.98 |
| 10 | Portion information | 3.65 |
| 11 | Health benefits | 3.63 |
| 12 | Health logo/symbol | 3.23 |
| 13 | Organic status | 3.17 |
| 14 | Environmental impact *(e.g. production, transport)* | 2.98 |
| 15 | Ethical impact *(e.g. working conditions, fair trade)* | 2.97 |
| 16 | Allergy information | 2.75 |

1 = "Never" and 7 = "Always"
*Adapted from Grunert et al. (2014).*

3) The **lack of a common framework** for sustainability labels makes it difficult to compare their impact, monitoring and evaluation systems.

### OPPORTUNITIES

A standardized label that summarizes how sustainable the product is?


*Adapted from: Engels et al. (2010)*

## CONCLUSIONS

- Most consumers relate Sustainability Labels only to an **environmental** dimension, and neglect the ethical dimension.
- The availability of SL can be said to foster consumers' use only when they have a **clear motivation** and **understanding** about what sustainability means and how it affects the production process of a specific food product.
- The implementation of a standardized label would also face important challenges such as the variation between the farm production systems and its implementation by different certifiers.

**Selected references:**
Engels, S. V, Hansmann, R., & Scholz, R. W. (2010). Toward a sustainability label for food products: an analysis of experts' and consumers' acceptance. Ecology of Food and Nutrition, 49(1), 30–60
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Schader, C., Grenz, J., Meier, M. S., & Stolze, M. (2014). Scope and precision of sustainability assessment approaches to food systems. *Ecology and Society*, *19*(3)