CONSUMER BUYING BEHAVIOUR TOWARDS CARBON LABELLING (FMCG) IN TESCO SUPERMARKET

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ABSTRACT
Climate change is one of the environmental issues that we are facing and carbon label is one of the eco-practice or initiative taken by Tesco in order to tackle it or reduce it. Consumer buying behaviour on carbon label product in Tesco supermarket is very much critical and depend upon lots of attribute and factors. The carbon label product and non carbon label products both have some feature that differ them with each other. Customers knowledge about these products and differentiate them on the shelf is very much important. Tesco market strategies in order to make carbon label more efficient in the market so that Tesco can make a competitive edge form other retail companies. This also discuss the various factor or strategies Tesco use to drive customer in the shop. Carbon label product encourage the sustainable consumptions or green living but also faces some concerns like low availability, high cost during estimation, low impact value on customer, less visibility of logo and confusing or information about label that can’t be aware them about such product. My study revolves around all these issues and aim and objectives to find the consumer behaviour regarding the carbon and non carbon product in Tesco and also the motivating factor and the market strategies by Tesco developed in consumers to buy such product in the shop. This also discuss the limitation, issues and concern in the carbon label products. The research is taken under full consideration of ethical values and also questionnaire that is taken revolves around my aim and objective and testifies my hypothesis that I have taken. Quantitative analysis is used in this research and all the tools and techniques the way I conducted my research is explain in methodology.

1. INTRODUCTION
1.1 Tesco and carbon labelling
Tesco plc is one of the UK largest retailer and having stores worldwide in 14 countries (Tesco 2011). Tesco is world third largest retailer in the world and acquire of 30.7 % of UK market share (Hall, 2011). Tesco being market leader plays a significant role in climate change now days. In the recent scenario of retail marketing all the retail giants have major issue toward the climate change. In order to tackle this and to gain a competitive edge a new branch of marketing i.e. sustainable marketing is used by Tesco which involves a coherent concept which concerns both the business and environment. Due to global warming the major issues arising is the climate change and carbon labelling is one the steps taken in order to prevent it. Tesco being a market leader take a initiative in reducing the carbon emission during their whole supply chain management and process. Tesco has started its community plan (Tesco plc) in 2007 where they make surveys and ask for customer attitude toward the climate change. There are basically three barriers coming between the customers i.e. Lack of information and awareness, secondly it will be expensive or profitable for them and thirdly whether this kind of contribution will help to lead to whole industry motivation. In order to overcome on all these barriers Tesco use carbon labelling as a communication about the product that give all these information to the customer about the carbon emission during whole process and how they can reduce in their daily life. They are using this on some of the product like on light bulbs, orange juices, detergent and in supply chain management also. This is also called green consumption by Tesco. Tesco not only itself took lots of steps but encouraging their suppliers to come forward for this. Carbon labelling is defined as the reduction in greenhouse gases like co2, methane, chlorofloro carbons which causing the climate change and the impact on the environment during the manufacturing and production of product. That product indicates that it involves the process with minimum carbon emission. This carbon labelling product commits that the each stage of product lifecycle is properly assessed from its raw material to end user and to disposal. Tesco is also using it as a market strategy to drive customers in their shops. This carbon footprint measures how much climate change get affected by greenhouse gases like Co2 in our day to day activities, the diagram below shows a simple day life cycle that results into carbon emission.
according to (Kinver, 2010) UK carbon label product sales pass the 2bn a year a mark and according to a survey done by The Carbon Trust reveals that nine out of 10 UK households bought a carbon-labelled product in the past 12 months. So this shows that this would help in gaining customer equity. Tesco pledge to have 70,00 product to come under the carbon footprint or labelling (Tesco plc). Still there is lots of loopholes and miscommunication that make it still not a mandatory in the retail market. My research goes around the issues and problems this market strategy have and how this really impact the buying behaviour of customers. There are lots of issues that I want to resolve from my research and I try to find out like whether such information is useful enough to change the buying behaviour of customers. The information provide about carbon foot print should be limited to product or also displayed on on shelf or web. How much communication and effort should put by retailers to make it to gain more market profitability. How effectively it helps in making brand reputations. What will be a consumer reaction by seeing lots of label on single product like nutrition descriptions, carbon description; it could be lead to confusion or conflict. Are customers feeling resistance in order to change its buying decisions? I have chosen only supermarket because of time constraint and being a member of Tesco I have full access to the company data Reason for choosing this topic is that it is very current topic and I want to explore the topic more in order to get a in depth knowledge of this topic and to know whether customers are motivated by this or not and what will be their impact on it. Since I am working in Tesco so this is very crucial for my study to know how this carbon labelled product in Tesco effecting their sales and market strategies and planning. Since global warming and climate change is a major concern among the major retailers and in this tough competition where this not much difference among the top retailers like, Morrison, Sainsbury, Wal-Mart how this eco practices help the company to be in profitable position. Since there are lots of concern regarding carbon footprint as according to one of article (Josh Brooks, 2010) it tells there is no significant impact on consumer mind and reliability of data of carbon foot print is still questioned. More over it is also critical because of confusion it creates among the customers about the product. This all data and material I found motivates me to explore more and find out more knowledgeable information for it. By this research I want to find out what are the direct and indirect barriers in this process which hinders the progress of the carbon label products. As Tesco pledge the target of 70,000 product to be being criticized because of this. According to one of survey (How French environmental labelling will affect British businesses 60% of UK are still undecided whether to consider eco-practices in order to choose the product). This research help me to find out how this impact the buying decision of customers for carbon and non carbon labelled product and what are the market strategies in order to motivate them.

1.2 Reason for choosing Tesco supermarket
In this research I am going to analysis what are the customer buying behaviour in terms of carbon labelling on fast moving consumer goods (FMCG) in Tesco supermarket. Reason for choosing Tesco is that being the market leader it hold major share of UK business and always took initiative in environmental activities. Tesco is the first ever company to build a non zero carbon commission store name in Ramsey, Cambridgeshire (Tesco plc). Being the member of Tesco Company I know how much they are emphasizing on this step to generate a market and customer equity toward their actions. This will not only encourage the low carbon business but also enables other companies to have ethical work process. According to Tesco’s Trevor Datsun “carbon labels could have a far greater impact on consumer behaviour than Green Club card promotions – which offer double loyalty points for energy-efficient items or organic produce also Carbon labelling is potentially far more powerful in that it will enable customers to make greener choices across all ranges in their everyday consumption” (Deans, 2008). This research I want to find out how this market strategies of Tesco help to drive the customer to shop in Tesco and whether customers are interested in such offers like more rewards for greener choices. Tesco made a website which indicate and give guidelines for reducing carbon foot print. How customers making product choices in terms of carbon labelling and non carbon labelling product is another objective in this research. Tesco making lots of efforts in order to aware customers about their carbon label range for example in Tesco's flagship London store in Cromwell Road, Kensington they organize a “footprint Friday” (carbon -label, 2011) where customers can look for carbon label range products and get more useful knowledge about reducing the carbon emission

1.3 Research aim
Research aim is to find the impact on buying behaviour on consumers with carbon labelled on FMCG products and market strategies used by the Tesco.

1.4 Objectives
This revolves around three objectives which justify my aim. They are the following:-
1. The first one is what are the buying pattern of customers with carbon and non carbon labelled product (FCMG) in Tesco supermarket.
2. Secondly how the carbon labelled products help in driving customers for shopping.
3. Thirdly how are Tesco market strategies in terms of carbon labelling product.

In order to have a differentiation among the other market competitors like Sainsbury and Mark & Spencer Tesco is trying different market strategies to tap the customer attention and to acquire customer equity. This aim is very much suitable to current market conditions. By implementing the eco-practices like carbon labelling company can not only make customer socially and environmentally concern but also took competitive advantage form other retailers. This research will help me to find out what is buying pattern for carbon label product as compares to non carbon label product. In order to make it feasible or good business strategy what is Tesco doing in terms of marketing and promoting the carbon label products is very critical. Buying criteria and pattern of consumer can largely impacted by the channel of communications and awareness about the carbon label product.

1.5 Research framework
My research structure start with introduction which involves background description, aim and objective and research framework and issues related to it. This is followed by literature review which involves various journal, case studies, articles and website information. After this my research is structures as methodology involved in it like what kind of research method I am developing for this kind of research. Then finding and discussions and in last stage conclusion and recommendation.
have taken some material from my research proposal also which is purely mine and mention where ever is taken. Research framework is very much important in terms of structure of the research like how will be the layout of the research , what steps will be taken to full fill its requirements .This tell which approach one is using and on what ground your theoretical framework is based. The main target for my research is general public and it is purely for the fulfillment of academic qualification .In this different process involves which are depended on each other like , literature reviews , data gathering , data presentations and analysing and conclusion .This research contains both type of approaches i.e. inductive and deductive .Reason for both the approaches, as in this research I am looking into different theories proposed in different literature also the same time evolving of some new theories from my research .As I am studying the consumer behaviour in my research and by analysing the different buying pattern can result into new theories and this also help in testing my hypothesis so this research is a mixture of both the approaches .For example in the research theory involve is grounded theory is involved which is inductive in nature .My research involves different interpretation, convention and different patterns related to consumer behaviour and this help in building the knowledge .This type of researching is called constructive type of research .This type of approach not only help in understanding the consumer attitude , buying pattern toward the carbon label product but also help in understanding how Tesco use its marketing strategy to gain some customer equity .

2. LITERATURE REVIEW

2.1 Carbon labelling and climate change

Carbon Footprint is a term used to describe an estimate of the amount of harmful environmental emissions created by a person, organization or process”. (Nartova,2009).According to Sir Terry CEO of Tesco this carbon labelling will “give our customers the power to make informed green choices for their weekly shop, and enlist their help in working towards a revolution in green consumption.” Chamay. M et al. (2008).In UK Tesco is working with carbon trust in carbon foot print (Tesco plc) which is a company dealing with access the rate of carbon emitted during a product lifecycle Climate change is basically by the green house gases that involve major proportion of CO2 and minor portion of green house gases like , methane , nitrous oxide and chloro flouro carbon emitted from refrigeration aerosols .According to one of the report from UKERC (Rebecca White, 2007) The UK’s climate change emissions are dominated by carbon dioxide with relatively small contributions from methane, nitrous oxides, HFCs/PFCs and sulphur hexafluoride and this is likely to be relatively representative of most UK production sectors. According to one of article if the companies are not actively participating in the current climate change then it would lead to be a serious consequence in the year 2020. (Limited, 2006) In today scenario where everyone is too concern about the environment awareness, companies are also seeing this perspective as a market advantage to gain equity of customers.According to (Elin Roos, 2011) customers are not fully attract by this and there are lots of miscommunications in this .My research revolves around these issues .According to journal byElin Roos, (2011) since this carbon labelled product do not bring any personal benefits for customers like organic and nutrition descriptions does . It doesn’t impact much and also lack o fmarketing information about the product and low availability is another reason for its less effectiveness. In one of the journal by Norm Borin, (2011) explain the impact of carbon and non carbon labelled product on consumer mind and it is found that there is not any significant impacts on customer mind of product with carbon labelled and product without carbon labelled product. Another things come in light is the kind of initiative is very short term and can’t be taken by industries for long time. Herbert Kotzab, (2011) States that long term plan is very limited in many firms. Herbert Kotzab, (2011) in their research took 100 retailing companies to find out the environmental practices they are doing and it is found out that there such no long term plan involves in terms of eco practices. Tesco took an initiative in this and already declared their plans and target setup to year 2050 but still many of its green initiative schemes are pending and need to be more focused. Many companies are doing this and Tesco is one of UK largest company (Tesco plc) having crucial involvement. The discussion is that even though companies are doing lots of eco-practices there are not any significant movement in market regarding this.Customers are mostly confused by too many labels on the product and presence of such label doesn’t motivate them much. More communication and marketing strategies should be used to full fill both requirement .According to journal Schmidt, (2009) consumption and increasing demand of carbon labelled product will indicate its true picture .According to him the carbon emission in each cycle of supply chain management should be analysis and passed to next cycle so that they can analysis and try to reduce it .Customer should know easily by this numbers and should help them also to reduce their individual carbon foot print .Marketing planning is most crucial in this case otherwise it lead to big market mistake. Environmental activities involve lots of cost and it it not cost effective in the end it will lead to loosing of customers , shareholders and credibility. Author state that the eco practice that has been done by business leaders is align with their management goals and this help both ways to find drivers that accelerate and gaps that can become potential risk. Tesco and many other companies are doing with this with their suppliers and some suppliers form Tesco already is in this progress like walker, hand dryer , innocent juices etc (Tesco plc ). There are some hurdles in this as according to one of article (consume, 2011) it says the process of estimating the carbon emission involves too much cost and telling the actual cost may worry the suppliers as they may lose that bargaining power and trade secrets if they revealed the true cost of the product Since consumers and society is now more aware of this they can be motivated by such factor .In one of research the author (Michael Jay Polonsky, 2011) raised very critical point on the carbon labelled product and supply chain emissions .According to author (Michael Jay Polonsky, 2011) who will be responsible for emission and it will be the customers who pay the cost indirectly. Companies should have certain criteria which explain the whole process and how it impacts the end users also.

3. CORPORATE SOCIAL RESPONSIBILITY

In the past company are solely motivated by profit making strategies and a very little care is to be taken for society , environment and community , but with the changing market and increasing competition and with increasing awareness among the people CSR comes in light which involves every responsibility an organization should have for society , community, environment workers and customers .According to Moir, (2001) CSR is a term defined as the responsibility of an organization for its workplace , people, ethics , human rights, society , marketplace and environment .In the recent scenario this all is very critical assets for a Business to run in this
competitive world where all these entities are interconnected to business. According to Watts, (2004) stated that “Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large”. There are various models and theories involved in this. According to Mele, (2004) there are mainly four basic theories that comprises a CSR which tell the relationship among the business and society. According to Mele, (2004) first is the instrumental theory that explains the CSR as mean of gaining the profit secondly political theories which explain the relationship and social power of organization. Thirdly integrative theory according to which business should depend upon society and must operate according with social values. Fourth one is ethical theories which explain the relationship among the society business and ethical values. Overall the CSR help in making company image among the mind of customers and this help the company to implement their market strategy incorporating these theories in their mind because these are the important area where market strategies need to be focus. CSR is basically distinguish in two factors (Bento, 2005) i.e. external and internal and mainly focus in three areas i.e. economic, social, and environmental. External factor according to author (Bento, 2005)is that it involves the activities that impact the environment and the internal is the stakeholder. Certain areas in this is the workplace conditions, equal opportunities and work family balance, training and development and environmental activities. Authors explain the external theory in which company has to look after the external stakeholders like community, society, suppliers, consumers, shareholders, investors and business partners. Authors (Bento, 2005) describe their alignment with three responsibilities i.e. social, economical and environmental. CSR is also explained from the models by some authors to know more its importance in the corporate world. There are some other theories and models that explain the CSR and its importance in the business market. 3C-SR Model by John Meehan, (2006) explain how effectively managers can connect the socially aware ethical consumers with their CSR strategies to achieve social and economic goals. This model is very effective in explaining the carbon reduction labelling strategy to achieve the business financial objectives because there should be a strategy to keep the both in regular pace. There are three views on model of CSR that explain the different approaches for the CSR and explain that how it is relevant to today current market conditions. This model explain that the primary goal of a business is to make profit rather than social and to keep shareholder in interest while breaking any law. In my opinion I am bit agree with the approach but in the current scenario where it is found out in many surveys that company not following social activities performs less efficiently than other. In carbon reduction or carbon footprint the whole concept arises due to worse climate change and the consequence that we are facing so although it is a strategy to gain customer equity but also a step toward social activities to create environment more safely. Conceptual model of CSR which based on a pyramid model distinguished by four categories according to society expectation toward the business. According to Carroll (1997, 1991, and 1999) from bottom to top categories are explained as below:-

1. Economic responsibilities to produce quality foods and services to generate the revenues
2. Legal responsibilities to work within the legal requirements and follow the rules and regulations
3. Ethical responsibilities for the society to work within society moral framework.
4. Discretionary responsibility that involve in the voluntary development

Another approach in this CSR is Werhane’s Alliance Approach(2007, 2008) stated that there are small other groups that surrounds the corporation and have same value as stakeholders for example customers, employees, community, governing bodies, human and natural environment suppliers and even in some case the competitors. It is differ in the way stakeholder theory is that it decentralizes the corporation but take each sectors or surroundings group as main focus to tackle the problem or start a new plan. It involves more moral imagination than stakeholder theory of CSR. The steering wheel for Tesco is one of the key thing that Tesco used to keep focus on each stakeholder. There is another model in the following picture named as SAC influenced CSR program model or socially anchored competency model. (O’Brein, 2001) This model explain various critical aspects of business they are: identification of core skills, identifications and analysis of key stakeholders, strategic alliances, socially anchored competencies, integration and learning, social benefit and business benefit. This model identify different skills that align with company collective learning. In current market condition where there is lots of competition and strategy which are easily imitated by other competitors this model help to develop different concepts which are unique and can’t be easily replicated.

In case of CSR this is very important as a CSR strategy is very critical and this model helps to coordinate the CSR marketing strategy along with social benefits to gain business benefits. This model is very helpful in certain market conditions where market is very sensitive to society and environment impact. (O’Brein, 2001) Some of the key points about the SAC influenced program model is that it is designed to full fill corporate social and business objectives. It focuses on stakeholders also and plan strategy taking them also in account. In current market condition where survival is very critical and in retail market where there is not much difference in services and pricing getting customers attention is very difficult. With increasing mass media and communication and with the help of technology customers are now more aware and want these retailers also to do the same thing for society and environment. Tesco plc CSR is comprises all its commitment toward environment, community, suppliers and to the customers. Tesco is sharing its profits and revenue in its CSR activities and one of them is the environmental factor. Tesco actively doing it and all its current, future plans are there in CSR that how they going to achieve it, what are the target period. (Tesco plc).This is used as a marketing tool to generate revenues according to one of survey (Peter Jones D. C., Marketing and corporate social responsibility within food stores, 2007), UK top 10 supermarket giants apply CSR themes to stores like, fair trade, organic food, support to local food, environment awareness, value for money, charitable donations and community support and different management strategies is used to utilize them to gain revenue. Tesco merges both its business and environment values in order to make climate more safer and cleaner and carbon labelling is one of the steps taken. Tesco sets some target and also planning to become zero carbon emission stores in UK up to 2050. (Tesco CSR REPORT 2011). Tesco sets certain targets for their carbon labelling and according to Tesco CSR report 2011 Tesco has labelled around 1100 everyday product. (TESCO CSR, 2011). According to one of journal (Peter Jones D. C., Sustainability in the global shop window, 2011) CSR is basically fusion of three main area i.e. social economical and environmental factors, since climate change is one of the
biggest issues now days so carbon labelling is one of the ways to tackle it. CSR is one of the tools used to get a market edge from other competitors and it also result into long term business advantage and company objectives. (Alan D. Smith, 2007). In order to full fill the requirement of CSR stakeholders and shareholders should be agreed for the progress of business. (Elms, 2006) This is very true in case of carbon labelling project as this type of process involves lots of investment and also lot of business risk, so it should be ensured that the shareholders and stakeholders should have confidence in that particular strategy. In some cases it is found that the CSR are just taken as a documentation by the company and the commitment to it is not 100%. According to one of the article (Peter Jones D. H., 2011) its come under the light that most of the UK leading retailers model of sustainability is very weak and there is lots of communication gap. Since with the carbon labelled product Tesco is doing a lot but still there is a lack of marketing communication among the customers about the products. Tesco is doing a lot but still there is a lack of marketing communication among the customers about the products. Tesco carbon labelled commitment in the CSR is sometime criticized and reason for that is the steady slow progress of this movement among the retailers and with its suppliers. Tesco used its own theoretical model in order to achieve the CSR objectives. They called it steering wheel (figure 2) (Tesco plc). This wheel is solely describe the key performance indicators and company goal and objectives for their any business project or goal. According to one of CSR model by Carroll (1979) ethical responsibilities is one of the key responsibility of an organization. This concludes that Tesco current policies in terms of CSR for carbon labelling is very much market oriented and very strategic in order to gain customer equity and also the revenues for the business.

4. SUSTAINABILITY

Another important term is the sustainability the concept is very much critical for CSR as the root factor focusing on greener safer lifestyle. This is the one of the core approach of many companies like WAL-MART, Sainsbury Mark and Spencer. There are lots of issues that give rise to sustainability in emerging market. Climate change is one of the biggest issue and companies are doing progressively in this case to stop it. Tesco and along with other major retailer add a new concept in their CSR is the sustainability marketing, this word means it is the process of adding values to a product or services by means of social and environmental benefits. It also incorporate the brand image also, for example Tesco is a retail brand and adding and social and environmental value to its product will help in gaining customer equity. Customers are switching more to sustainable marketing then normal products and follow more eco practices for example carbon label product. Since there is not going in the environmental issue and company is taking it as a marketing challenge and try to input some sustainability marketing strategies that help them in future business and also to acquire more customer attention. According to one of article by Knobloch, (2011) it defines the sustainability marketing is planning, implementing, organizing and controlling the marketing resources in order to full fill the customers, requirement while taking consideration of social and environmental factors along with alignment of corporate objectives. Previously it is always a debate that it is not a profitable to have a business with Sustainability but now days where technology and media plays a critical role in communicating with customers the Sustainability and marketing can be align to give much more safer environment for customers along with their financial goal. Tesco declared to be carbon free up to year 2050 and target its 70,000 product to be have carbon labelled. (Tesco plc). People prefer to encourage such has passed 2 billion in just three year that mean the sustainability marketing is taking its pace and help the customer and company to encourage it more. (Buckler, 2010). There is one approach is used by Chinese firms (Liqin Ren, 2009) which suited here best is the SCA model. This model is sustainable competitive advantage. Chinese firms use this approach in order to find some sustainable sources by inventing new things and process in marketing. Since Tesco is working in UK as a major retailer and since there are lots of market competition SCA approach help in marketing innovation which help in gaining more market share and help in generating revenue along with sustainability. Carbon labelling is one of the step as this is the necessity in climate change problem nowadays and this marketing innovation not only help in sustainability but also help in generating revenues. This model help to find out their unique SCA and use it as marketing tool to gain marketing advantage. There are different other marketing concepts that companies like Tesco is using it as marketing strategy to generate profitability. Presence of such label not only shows company responsibility toward climate change but also improve the brand image of company, this explain their concern for environment and also help in increased customer loyalty, gaining extra edge in the market, there are three major challenges that today business environment has is sustainable business, brand sustainability and capability of leaders to manage it. Tesco being a market leader should have capability to manage their sustainability approach. Tesco is being criticised earlier due to their eco practices so it is very critical to make marketing plan and execute it. Marketing mix strategy incorporate with environmental factors give rise to new concept called environmental marketing mix. Since consumers are finding these eco-practices like carbon labelling very confusing due to communication gap, relation to the sales of such labelled product. Now days customers are very much oriented to sustainable shopping and motivate to shop in such market. Different market strategies are used by companies to make their product unique in the market.

In retail companies all the product are same and there is not much difference except the prices, the presence of such label make a difference and such market strategy help to add value to product and customer motivated to buy them even if they are costly Companies strategic decision making is one of key steps manager should follow for sustainable marketing

5. CONSUMER BEHAVIOUR

Another important link in this is the consumer behaviour. Consumer is the ultimate power who decides any company plans future and success. Customers now days are very aware and intellectual and like to show their interest which is morally and ethically mean to their business. In the past there was not much awareness among the people about the eco practices but due to climate change issues people now strongly opt for such products which are more eco concern in nature and like to shop where it is encouraging and motivating. Consumer purchasing behaviour now days is very much diverted from normal products to eco products. The main idea for the companies is the profitability but now days presence of products change the consumer and companies way of operating in the market in the UK. (deans, 2008)

According to one of article (Elham Rahbar, 2011) author find out that people trust the eco labels and they have positive perception about such product and this impacts their buying behaviour. Consumer behaviour is not always very predictable according to Michael P. Vandenbergh, (2011) consumer sometime affected by such labels and sometimes do not have
any effect of it. The main agenda is to make a bridge so that consumers can understand the eco labels and try to motivate them to reduce their individual carbon emissions. The idea of label is not to radically change the consumer behaviour but try to change the buying attitude so that they can try it and try to motivate other also. In one of the article in order to make customer more attentive toward such companies some companies like using colour code system in order to explain the customers which company product has more than average footprint. (Following the footprints, 2011). It should be widely accepted by consumers, suppliers and organisation. Consumer mind can be manipulated, a carbon label products have some edge over the non carbon label product as it carbon labelling product shows it care for climate change and definitely it impact the customers Tesco using its market strategies to tap the interest of eco concern customers and also those who motivated by such activities.

According to one of the article by Paula, (2010) explain that the eco label fail to deliver any useful and convincing information to customers and make it more confusing as there are lots of other are descriptive labels as it doesn’t tell which is more eco friendly and which is not According to him there are certain other potential environmental issues which is not include in carbon label products like water scarcity, pollution and resources exploitation. The ultimate power in market is the customers, their buying decision decide that which company product or market strategy is a success or failure. Carbon labelling is very much depend on consumer behaviour. Anything entering in the new market creates a buzz among the customers and if it is addressed properly company gains the customer equity. According to one of the article (Elin Roos, 2011) since customer are more conscious toward the environment but still their lots of loopholes in between which not making it enough impacting. Carbon label have some impact on consumer mind but all depends upon the way it is communicated and addressed to the consumer as consumer now days have lots of options to choose in the market. According to Foxall, (1993) the marketing strategies require to understand different traits of customer buying behaviour and also in-depth knowledge is required as it involves lots of human psychology. Authors also describe various patterns where customer buying decision is motivated like environmental consequence like climate change, and people get motivated by such factors. According to Galloway, (1999) there is always a non linearity and irreversibly in consumer behaviour and cannot be judge under same condition again and again. This model is very suitable in terms of carbon labelled product as it helps in explain how this market strategy help to motivate customers to shop in Tesco. Being a market leader and common name in people mind, the eco practices done by it easily motivate the customer to choose more green options. The theory that describes the consumer behaviour is the role theory in a book by Michael Solomon, (2002) according to which consumer present situations or the role in which he is will decides its buying behaviour and consumption for example in the case of carbon label if the customers is in intellectual field or interested in environmental activities this strategy will surely tap their interest. Consumer behaviour involves various stages in which consumer plays different roles for example purchaser where he decide to buy any product depends upon it experience, attitude and need and influencer role where he influence or motivates other to buy which they felt is suitable. Same is the case with the carbon label consumer shows influence to other by choosing such product and motivate them to be part of climate change. Michael Solomon, (2002) stated in his book that there is basically two types of factor degree of individual involvement and brand difference. Since all the product is same the presence of different labels on them help to make a differentiation and also this impact on their degree of involvement. According to one of the article by (Deci, 2000) explain there are two factors in motivation theory intrinsic and extrinsic factors and this help in deciding customer buying or purchasing decisions. Intrinsic motivation involves the internal satisfaction of one to do certain task. Another factor is extrinsic which is influenced by social factors or external factors like community etc. In relation to the carbon labelled product such description labels motivate both intrinsic and extrinsic factor and it help to gain customer equity.

According to article (Jerome K. Vanclay, 2011) media and technology provide help to project the customer attentions and interest in the carbon labelled product before they come to market as this help in building curiosity among the customers. Azen (1991) found a new approach called theory of planned behaviour (in diagram) which is based on three critical fundamental beliefs first is behavioural, secondly subjective and thirdly control. These three belief measure the consumer behaviour. The main important part is the behaviour intentions which is totally control by three factors firstly the attitude, secondly behavioural control, and thirdly is subjective norms. Attitude is measure by the positive or negative the impact consumer have on certain product or services and how they react on it i.e. what it impacts on their behaviour. Secondly is the subjective norm which means belief or attitude, the customer apply to himself for certain product or service this attitude or belief that can come through either by social or personally apply and last one is how effectively and intelligently they can control their perceptions in certain course of action. This help in determining their planned behaviour. In terms of carbon label it is very important as this help in knowing people perceptions and beliefs toward such product. According to, Kalafatis (1999) stated that in order to introduce the green marketing in the market, planned behaviour is very important and display the important roles in terms of understanding the impact of these practices on buying behaviour of customers.

6. THEORY OF LEARNING

Learning process is very critical where companies is introducing any market strategies in the market as product or services. Since this learning become a communication to make interest in customers mind. This will also help in sorting out the confusion in customer mind for carbon labelled products. According to one of the journal by Hopkins, (2006) it describes two theories regarding the learning process is the self based and reinforcement which tells the second one leads to misconception and wrong where as self belief is appropriate as it involves the personal experience hence more reliable. Learning plays a critical role presence of carbon label on product and its importance only known to them if they learn about the climate change, eco practices and individual carbon footprint. Another model that explain the consumer buying behaviour and attitudes toward certain products. The model is social cognitive model and it is purposed by Pincus (2004) and it is also known as social learning theory (Vanessa Ratten, 2007). It explains the various critical factors of consumer buying behaviour like reason of choosing certain products, equity toward certain products. It also explain that such kind of behaviour is the result of their past or present individual experience and also the viewpoints of others. This theory is very suitable in terms of carbon labelled product. People come to know about such labels only when they learn from others or themselves and share the experience. Consumer buying behaviour is very much depend upon this.

Another theory that relates with customer buying behaviour of customer is Behavioural perspective model. This model is
purposed by Foxell in 1990. The model describes the consumer buying pattern under different conditions. This model is very much critical in terms of understanding the consumer buying pattern for carbon labelled product and what are factors that motivate them. According to this model there are basically three forces or factor that controls the consumers buying behaviour. According to Foxall (Foxall, The behavioural perspective model: Consensibility and sensuality, 1999) explain the model (figure 1) that is The BPM provides an account of consumer choice founded on behaviour analysis; that is, it explains purchase and consumption responses in terms of the contingent relationships among the behaviour in question, its stimulus antecedents, and its reinforcing and punishing consequences”. It explained different buying pattern in different environment. The first factor is the hedonic that results from the experience gained after buying, owing and consuming that good, secondly informational reinforcement that generate form the consumer choices and it buying patterns and thirdly is the aversive stimuli is the consumer buying cost how much it is spent.

Behaviour perspective model help in choosing a certain product depend upon customer buying history and its past experience. Carbon labelled product help the customer to reduce their carbon footprints and is economical in such a way so that customer from their past experience used such product, since the outcome is to help to reduce the climate change which encourage people like to adapt it more, concepts as the consumption or buying of such products totally depend upon the awareness and consumer attitude as in the consumer mind also, how they think of such eco practices by the giant companies.

7. METHODOLOGY
(Extracted from my own previous research proposal submitted to college of technology on 17 august 2011 via turnitin.)

The research methodology is purely on qualitative approach and design according to aim and objectives of research. This section provides the detail explanations of structure of methodology which includes questionnaire development, population and study sample, sample size and section of sample, sources of data, collection of data, data analysis, and data presentation. This will also explain some critical issues like logistic needed and ethical consideration. The methodology is very critical in my study as it gives a systematic approach to my research and since my research is purely on qualitative so it helps me a lot to carry out in much practical way. The research I used is based on the primary and secondary analysis research methodology. My research is quantitative analysis. In this methodology I have chosen a questionnaire which help in collecting the data. In secondary analysis different case study, journals, case studies and articles are taken in order to broaden the knowledge and current status of the topic to make it more reliable and valid to date. This research methodology is important as the consumer behaviour and conditions can vary and this help in monitoring the change. This kind of research help in understanding some social phenomenon like consumer behaviour, buying pattern, attitudes. This research uses some of critical information about Tesco market strategies and carbon labelling from Tesco website. The questionnaire consist of both open and close ended, the benefit of using it is that it provide wider information. The limitation in the methodology is the standard questionnaire which can lead to bias and can’t give exact answer that we need but close to it. The level of control on online and face to face will be different in both case. It can be more time consuming but this kind of research produce reliable data and result. Another methodology that I want to include in this is participative enquiry methodology which involve researcher in research as part of that firm. Since I am working for Tesco my personal experience and my ease to access data help to introduce this type of methodology in the research.

In this quantitative research I am using the grounded theory that involves the observing the certain group resulting into evolving new theories. According to Banning (1995) stated that “The theories are grounded in the group’s observable experiences, but researchers add their own insight into why those experiences exist. In essence, grounded theory attempts to reach a theory or conceptual understanding through step wise, inductive process.” (Colorado state university). Benefits of using the grounded theory is its progressive nature and provide detail knowledge of context and day to day events. This is originated from the data we collected and analysis hence more rationale to study. It gives relationship between consumer behaviour, action and meaning in this research proposal. Research methodology is very important as it told us about what type of research it is, what kind of approach is using to carry out the research what are the methods that involves in it. This research is purely academic as the main audience in this is general public. In different areas of study it involves the literature review and other data gathering, representing and analysis tools.

This research is of both inductive and deductive approach. As in this research proposal I have theories and model and hypothesis to test so I am going to use the inductive approach and it result into some new theory or observations involved in it. So this research is not purely inductive or deductive but a fusion of both. Reason for choosing these approaches is that it is need of my research as it include testing of some theory and also emerging of some new theories from the observation of finding I will get from the data. I am using grounded theory that is purely inductive in process. Being more constructivist type of researcher my research has influence of this. This involves the building of knowledge through different ways like interpretation, convention, perceptions and belief. This help in understanding the current beliefs and attitude toward the carbon labelling on FMCG products and they influence by it and how Tesco using its marketing tactics. The data collected is very much from real Tesco site during the trading hour. The data collected is reliable and represent a certain section of population who shared their information about carbon labelling product. 30 questionnaire that I have taken on the site is very effective as the both the stores are very differ to each other also from the data collection I can measure that is there any difference in the stores about the consumer behaviour for the carbon label. In data collection I have taken some help of some Tesco staff who are also my colleague so this way I am able to get my data on time. The data is collected between 21 January to 3rd of February. The data collected from real marketing scenario so it is more reliable and up to date as this questionnaire is designed according to current market situation. The whole data collection is taken into three separate segmentation like age, profession and sex. This type of segmentation helps in getting better results which we can explain according to their category. The limitation of data collection is that sometimes data collected is not reliable and unproductive and do not represent true picture then it will be difficult to develop discussion from that thing. Data collection is very much critical in terms of reliability and validity. The data I got is from reliable sources and valid up to date as this is taken from direct market conditions and the responses I got from questionnaires is truly depicts the market condition. This kind of data collect provides high level of confidence as this data based on numerical data. Since the consumer behaviour is very critical and non linear relationship is there in the behaviour the data obtain through quantitative will be more appropriate as this will
tell how much % of people thinks of certain buying pattern. Internet based sources for data collection especially social network is best method to gain data collection. This method is cheap and doesn’t cost any cost .According to one of journal by Yaniv Poria, (2003) explain internet based data collection is best and cost effective way to collect the data and very helpful in gaining the consumer behaviour aspects. Few hurdles that I faced during gathering of data are sometimes the people are not very much keen to fill the form. Also I got some unproductive responses on the web based survey which do not have any potential aspects. Time limits one of the major constraint and collecting data and putting in right way to get results properly is very much critical in terms of data collection.

In this type random type of data collection is done so that there will be equal opportunities for everyone .Data that collected in survey through web source survey software and in face to face mode is separated to find if there is any variation or not.

8. DISCUSSION

According to Smithers, (2010) the consumption of carbon label reached £2 bn a year in UK market .But there are lots of question regarding the carbon label product like Tesco role in this and consumer buying behaviour for such products .This section will discuss, analysis the whole data collected on these main areas that justify my aim and objective for this survey. My analysing will reveals the loopholes, drawbacks, and the gaps that hinder the growth of such product in the market and why there is not much usage or encouragement about carbon label product. In this analysing part I have also analysis two different stores, since there is difference in their store format I am going to find out if there is any difference in both of them in terms of consumer buying behaviour or both faces the same obstacles.

From the finding it is clear that even though Tesco is appreciated what it is doing for climate change in terms of carbon label still lots has to be done to make it more motivated and feasible in the market .Since lots of respondents given me responses are male and most of them are student so they are much familiar with the concept as they are studying in the school, university or browsing on the internet for the information .The major sample are in age of 20-35 and more aware of Tesco carbon labelling eco–practices. This age has more exposure to news and media and more keen to know about the current market news as most of them are in the profession or in academic. The demographic in marketing is very critical. According to author Maureen FitzGerald, (1996) the change in the demographic areas like profession , age , gender effect directly and indirectly in terms of advertising , sales promotions and effect on the purchase behaviour of consumer .This apply to carbon label products as how these label perceive by differ age group should be promoted according to that . Customers know the importance of climate issue and concern about the climate change that is happening .There are lot of people who know about the carbon label but most of them confused with fair-trade and organic product. The reason for it is the communications is misleading and too many labels on product cause distraction rather than motivating factor. Labels having fair trade logo, organic logo and carbon logo result into more confusions rather than any transparency and most of the people in my survey that too many labels on the product result into low impact of carbon label logo on them. The whole survey revolves around the consumer behaviour regarding such eco practices done by Tesco and also what are the Tesco market strategies in order to drive customer to shop in Tesco for carbon label product. Information about your target area is very critical in marketing. There are many factors in market segmentation like age, sex, profession are one of them which affects the consumer buying behaviour. Cluster analysis (Christopher, 1969)is very critical now days in bigger MNC like Tesco where a single market can be segmented on different potential factors for business .So having general information about the group is very important as it comes to know about consumer buying behaviour. Tesco introduce the carbon label and it is very much important that people know about such product .Tesco is the first company who officially declare themselves to reduce the carbon footprint of the company .My analysing from data is that this is a really a social initiative , or just another market strategy to gain some equity from the customers, so that they can shop more in Tesco .My study reveals that since people now about such product and love to come to shop in Tesco but price and quality are the topmost priority but least percentage come for specially for buying the carbon label product . Since there are lots of people know about the carbon available but still there is not exact meaning they know about it. In a support for this, a government report in April 2011 (Hubbard, 2012) is published in which they mention that out of every 10 people 7 people recommend the sustainable fish but only 30 % buy it actually. The issue in most of the cases is that they do not know what that actual mean and how to choose it form other normal products. Same applies to the carbon label product as lots of people know or heard about it but lots of confused with fair trade and organic product because that are lots of similar terms comes in eco-practices .Also the information awareness that should be more from Tesco side is very less as compared to other sources like news and media, internet and through friends. Other supermarket is not following the same trend and not assuring much on carbon label promotion and advertisement. According to (Hubbard, 2012) a people like buy such product but they prevent the large information these label spread so other supermarket tend to follow the simple logo like fair trade and organic as these are easy to explain, same not apply to carbon logo product. Since Tesco is starting its carbon label product range in the market people should be aware of that .It is very important in terms of Tesco as Tesco invest money in these low carbon eco – practices and response is needed to check the feasibility of this market strategy. People response to carbon label product in the Tesco is not much. According to my survey people buying criteria for carbon label product is least; frequency with which they shop is very less for carbon label products. Most of the come to shop Tesco because of their price factor and quality least come on the basis of carbon label product in the Tesco .Most of them like or prefer the carbon label product in the Tesco but buying behaviour is much broader concept and only factor can’t change their buying behaviour .Most of them appreciate what Tesco doing in terms of eco practices but still they are not following it. According to Mullins, (1985) consumer behaviour like changing buying pattern often depends upon need and expectation and motivation is the factor that helps them to satisfy their need. In my study I found that People are really motivated by the Tesco campaign of carbon labelling product but there are other intrinsic and extrinsic factor that need to satisfy consumer buying attitude to buy such product. In whole the brand image of Tesco for carbon label doesn’t work well in this case and need to look upon the strategies to drive customer in the store. What are the expectations of customer from such eco practices is very critical .Even though they are eco friendly or they are good for environment even though it is not guarantee that customer will buy it .There are lots of other factors which involve around it. In my survey I analysis that customer strongly suggest such kind of practices and appreciate Tesco for being a good social responsible company but lots of people thinks this is a kind of
differentiation strategy to keep their edge in market. Price factor is key issues people and lots of people are not willing to pay more for carbon label product that’s why they opt other product. According to Irene Daskalopoulou, (2006) people like to shop where there is more price fairness and this decide their spending level in that store. According to one of survey conducted by Srinivasan, (2010) find out that only 12% of people like to accept the price premium for eco product and similar findings I got in my survey where a major section say no to price premium for carbon label product. Carbon label product may have higher prices because of extra cost involve in estimating the carbon emission which directly affect the price of such product. There is lots of confusion on the labels as people not find it effective. Carbon label products is bit different from fair trade, organic products and is generally people get confused with this. In my survey I found lots of people know carbon label but they can’t judge between the other label. The lack of information, communications the way label interprets is very much critical in order to have a lasting impact on customer. Changing the buying pattern of a consumer is not a rapid or dynamic process but gradual process which took time to motivate customer to buy such product. Since carbon label facing lots of problem in my research I found that, visibility of logo is the main Carbon label product differentiation from other product also lacks there. It is too confusing as it does not tell about the percentage or rating it reduces the climate change or carbon emission. Even on the shelf when they have to buy product then also they can’t differentiate it with other non carbon label product. In this tight credit crunch and recession where every company is trying to cut their expenditure extra investment will be a big issue and risk because carbon labelling involves extra investment and if it is not perceived or response not get as estimate this will be a big potential risk for business. Currently according to Vaughan, (2012) Tesco is thinking to drop their carbon labelling scheme as it involves extra cost and on this basis they are thinking to slow down this pace. Analysing of two stores one is Tooting and another is in Streatham both stores are different in terms of sales, format and range of the products, Tesco in Streatham has more range then the tooting Express. In these two stores I am going to analysis the consumer behaviour regarding the carbon label product. Following is the table showing the description of both stores Number Survey Medium Format Sales 92-121 Face to face Tooting Tesco express Express (small) 30-40k/week Consumer behaviour in two differ stores regarding the carbon label product is very critical. From this we can analysis if there is any difference in terms of size format or location of the store about the awareness of carbon label products. Since Tesco in Streatham having more range of product then tooting express hence more exposure of carbon label products. We can judge more but it is not only criteria to judge the response. In whole as all responses we analysis that people are not aware of it due to poor communication and low awareness about it. There is not enough proper channel of communication for customer to know about it. People appreciate the Tesco market strategy but not sure about their changing buying behaviour. I have analysis both of store on the basis of consumer buying behaviour toward the carbon label product. Since as mention earlier in the analysis the loophole or the drawbacks that hinder the progress of carbon label product are like communication, awareness, visibility of logo etc. These are very critical in analysing consumer behaviour to know how in this stores as this will help to understand the much easily.

9. CONCLUSION

The main aim of the research is to find the consumer buying behaviour toward the carbon labelling in Tesco supermarket. Research investigates the attributes related to the carbon labelling buying behaviour also how strategically Tesco implicated it in store to drive customers and patronise them for coming to shop. This research not only help me to full fill my academic criteria but also help to generate the awareness among the people so that they know more about the product and feel responsibility of individual in this climate change issue. The whole data gathering, data evaluation and analysis I got from the research is very critical in testing my hypothesis. Consumer behaviour toward eco practice is very much depend upon the company and how it approaches to customer. In these eco practice most of the customer not willing to pay the additional amount this product cost unless the whole benefits and awareness is given to customer so that it full fill their basic need. Climate change is everyone responsibility and it lead to be a change if individual come forward for it. As far as Tesco role in climate change it is not that impacting or motivated. People felt like motivated but it doesn’t affect their buying attitude. Carbon label product has a good intention but the channel of communication from where customers are perceiving it is very much weak. Tesco own role to promote it is at very low level and not encouraging for others. Another loophole in this is the trend is not followed by other retailers so it can’t impact the society that much. Research also investigate the consumer buying behaviour for carbon label and non carbon label product also.

In this research I analysis that most of the people prefer the product but at actual time of buying they fail to recognise these product. The whole research is very much effective in terms of knowing the green initiative and practice done and how customer response to them. Since people recommending it but lack of information, communication and lack of awareness about such practice lead it to absolute. For any business like Tesco ultimate thing is the profitability and generating revenue and it is very critical here as company facing recession a lot and if responses from such eco-practices not come well them they have to think on it again. Recently there is news of Tesco that they are thinking of stopping carbon label initiative on the ground of cost (Vaughan, 2012). Such things not affect the company’s but people buying attitude also. Since this whole operation not only involve lost of investment but also the time consuming most of retailers are not encouraging in their firm. It comes to picture that information about the carbon label products not worthy for customers, Customer can’t understand the information associated with it and also the visibility in the stores or logo is not understand by them so can’t make choices.

Another one is the availability of such product is very low and people have lots of choice for product so these things hinder the growth. The thing that comes in light is the information given by labels, since these carbon label tell individual also to reduce their carbon footprint but it do not tell the how much financially people can save from these products which this product fail to depicts. There is another thing that come in light is the price factor for such product. Since these are the eco label and most of people know that it is everybody responsibility to reduce the climate change issue still lot of people are not willing to pay additional prices for such product. So price is critical factors in such product. Customer do not want to comprise on the price. This research not only shows the issues now day but also reflect the awareness of customers and their willingness to accept such factor. This research not only reflect the true picture of current scenario but also shows current market consumer buying attitude. Marketing is all about getting your product in right market and right place with full information. Carbon low impact as compared to other logo is a biggest demerit and customer want simple explanation of labels because only few customers spend time on reading this. This label fail to convey
message in simple way and customer can’t felt confident while buying it. Tesco role is not influencing as

Tesco pledge to have its 70,000 product to be carbon label but in the research I found that availability of such product is very low in the store so people do not know much about it. This research also concludes that the consumption of carbon label product will be more if communication is properly conveyed and it also encourages the sustainable consumption. The responses from the customers are very uncertain because of low impact of information and access to information is very less. Since the market is so tense and in UK most of the business is retail business and all are doing the same market strategy to gain customer equity. Tesco explains its strategy as a social responsible company but in research I analysis that most of them do not agree with it and thinks it is a way to differentiate them from other retailer and it is true to an extent and some of that also think that it is just purely a business growth. Since lots of eco-practice are going in the market like fair-trade, organic but carbon label still ahead from them in terms of sales as I mention this in literature review. But still lots of improvement is needed in order to make it more efficient. Customers confusion over the product should be clarified and managers need to understand its importance in conveying this in the store. So, make more impact. Other important thing that it should incorporate the price with quality and information should be enough to motivate them to buy carbon label product. Tesco incorporate lots of commitment about the carbon label product in the store in their corporate social responsibility report but transparency to customer is very important and this thing need to be addressed properly and this help in motivating them to tend to follow the eco-practices. In order to successfully to do my survey properly time management is the key, I have plan according to each section so that I can devote time to each part. My aim and objective revolves around consumer behaviour in order to get a depth in knowledge I have taken two store which are different in terms of sales, area and customers it experience, by this I try to justify my aim and objectives. Data collection is the main part where most of the aim and objective I can draw out from my questionnaire because my questionnaire is made according to consideration of the aim and objective. Ethical value of responded is taken as extra care and all views are kept as confidential and represent as aggregate.

10. Limitation & Recommendation

The whole research is very rigorous and lots of difficulty is faced during the planning and development of the dissertation. The data collection is the tough task as online questionnaire is easy but face to face questionnaire filling is a challenge. People are not willing to fill the form because of the time so to manage them and convinced them for the research was the challenge. Finding the exact material and responses is very critical I have done lots of questionnaire but in most of the cases I have to drop that because of the improper filling of the forms. During the whole research my staffs as I am working in Tesco corporate me a lot and help me to convince people to fill questionnaire. Another limitation is the data collection can be more but due to time constraint can’t done more of that. More data will help me to generalise the ideas more broadly and in depth. Since the carbon label product doesn’t have much impact on buying behaviour still there is lot of hope in this if the visibility and awareness is created. News and media can play a critical role and help to change gradually behaviour change of the customers toward the carbon label products. Also this not only help companies to increase their brand reputation and equity among the consumers but also help company to developed low carbon emission technology which help in climate change. Credibility or reliability of such product can be increased if third part involve in estimation or certification of carbon label product. Further study can help even. Tesco to check or analysis carbon label product and market strategy Cost of implementation can be accessed and controlled and can be improved if all other retailers join hand in this carbon labelling. Further study in this碳 carbon labelling can help in better understanding of consumer behaviour for sustainable consumptions also help the marketing mangers to develop some more strategy to keep the pace of eco-practice. Climate change is biggest concern among all the major retailers and if all the retailers try to convinced their suppliers to help them in estimation of carbon mission it help them to reduce this and also help them to invent low carbon emission technology.

11. Reference


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