The Role of Cooperator Responsibility Image in Finnish Cacao Industry

Study focus area: eco-efficiency and responsible sourcing

TRAN DANG

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ABSTRACT

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Over centuries, cocoa products are widely consumed all over the world. The demand for this commodity is rising day by day. Cocoa farming is mostly conducted as a small family business and 70% of cocoa plantation are located in Africa. Make Chocolate Fair revealed on their website that even though cocoa deliver high revenue for many businesses around the world, cocoa farmer can only earn 6.6% out from this profit per ton of cocoa sold. Hence, different issues rose up from this poverty and mainly related to human rights and safety at work. Finland, on the other hand, has a cocoa consumption level above an average of 5.5kg per person per year, plus, Finland is part of the Nordic region, where the human rights and morality are highly defined and prioritized.

The objective of the thesis was to find out whether cooperate socially responsible (CSR) image of Finnish cocoa firms would affect consumer choices. The thesis aimed to answer the three following questions: (1) How Finnish cocoa companies are implementing CSR into their businesses? (2) What are the preferences of Finnish consumers towards cocoa products? (3) Does CSR practices of a firm influences consumer choice in purchasing cocoa products?

Literature review was used as the main method to address the topic. Several research papers, articles and books related to cocoa industry, cooperate socially responsible image both in Finland and in the whole world was revised and topic related information was filtered out and presented in the thesis. In addition, around 10 companies’ websites were also reviewed in order to get an overall picture on how cocoa businesses in Finland are coping with CSR issues. Without regards to some research limitation, it was revealed that consumer preferences towards purchasing cocoa products are affected by different reasons: color of packaging, taste, brand popularity, or even prices and promotion. Hence, it cannot be concluded that the social image of a cocoa brand would affect significantly to the consumer choice but only affect indirectly to the consumer preferences. In addition, the finding stated that most of the Finnish cocoa firms are well-aware of the social issue related to responsible sourcing and eco-efficiency. Hence, most of the Finnish businesses and firms are putting their efforts to minimize their impacts to the environment and supporting human rights.

Due to some thesis limitations, further study suggestion are also mentioned. One of these suggestions was to conduct a quantitative research using surveys and interviews methods to get more insight into the Finnish consumer
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# Abbreviations and Terms

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<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>TAMK</td>
<td>Tampere University of Applied Sciences</td>
</tr>
<tr>
<td>CSR</td>
<td>cooperate social responsibility</td>
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<tr>
<td>CR</td>
<td>cooperate responsibility</td>
</tr>
<tr>
<td>EM</td>
<td>environmental management</td>
</tr>
<tr>
<td>LCA</td>
<td>life cycle assessment</td>
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<tr>
<td>RS</td>
<td>responsible sourcing</td>
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1 INTRODUCTION

Cocoa trees, also called cacao trees, grow throughout humid tropics under ideal weather of hot, rainy and tropical under the shade of other vegetation. It is a high demand trade commodity globally in various types of product such as cocoa powder, cocoa butter, cocoa paste or chocolate – the most popular type of product that made from cocoa. Cocoa trees grow primarily in the regions of Africa, Asia and Latin America; in which Africa is the largest cocoa production region accounted for 68% global cocoa production, while cocoa production in Asia and Latin America is accounted for 17% and 15% respectively globally. Even though cocoa is a large and industrialized crop, it is mainly cultivated from small, local family-run farms. In addition, cocoa trees are sensitive to weather, the production yield are significantly affected by the fluctuation in climate change intensifies such as excessive rain or wind within the production region. Thus, since cocoa is a commodity that not only beneficial the world economy but also affecting and affected (by) the environment, there are needs for global efforts to support and improve cocoa production sustainably. (World Cocoa Foundation 2014)

Within current cocoa market globally, the value of cocoa is affected by multi-dimensional stakeholders. There are four trading firms and six manufacturers that dominate approximately 60% of cocoa volume in the cocoa market, and 40% of all cocoa produced respectively. (Cocoa Barometer Report, 2015). Besides, external stakeholders such as NGOs, certifier and governments also have influences on cocoa market; especially when standards, regulations and requirements related to sustainable cocoa sourcing are driven and generated by these external stakeholders. (Auld & Gulbrandsen & McDermott 2008) Cocoa production is overwhelmed with numerous problems towards the society and environment, particularly in the African regions. One of the most challenging plague is the poverty among cocoa farmers with the living earning allowance of less than 2 USD per day. (True Price & Sustainable Trade Initiative 2016) In addition, over 2 million children are being exploited, forced to work or being a worker slave on cocoa farms. (Payson Center for International Development and Technology Transfer 2015) More than that, primary species loss, biodiversity and deforestation in projected areas has been also a tackling issue. (Bitty et al. 2015).

Precisely, European Commission defined CSR in their Commission Staff Working Document published in Brussels on 20th March 2019 as “Corporate Social Responsibility
(CSR) was defined in the CSR Strategy as the "the responsibility of enterprises for their influences on society". To fully meet their social responsibility, companies “should have in place a process to integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders, with the aim of maximizing the creation of shared value for their owners/shareholders and civil society at large and identifying, preventing and mitigating possible adverse impacts.”

One of the most vital concerns of the business management when implementing the concept of Cooperate Social Responsibility (CSR) is the influences of the concept on the firm financial performance. The views in holding CSR practice appears to be costly and generate additional expenses for firms. For examples, investment in pollution reduction, employee benefit packages or donation to the community. Maintaining these expenses might leads a firm to competitive disadvantages. (Alexander & Buchholz 1978) However, in most of the interview with Finnish companies, CSR is viewed as a core value and principles. In the list code of conducts of businesses, social concerns and customer satisfaction are listed as priority. This code of conducts motivates the business to follow and act responsibly to the society and environment. In addition, the firm can argue positively relatively claims that they are socially responsible. (Panapaanaan, V. & Linnanen, L, & Karvon, M. & Phan, V. 2003)

The main objective of this paper is to find out whether implementing CSR practices into business operation could create more positive brand image and attract more loyal customers. The study is focusing on analyzing the brand image of business operate within Finnish cocoa industry. Cooperate social responsibility is a complex and advanced field of study; hence, this paper will be focusing on analyzing two most significant aspect of social responsibility in cocoa industry, which are responsible sourcing and eco-efficiency.

Raised question for this paper includes:

1. How Finnish cocoa companies are implementing cooperate social responsibility into their businesses?
2. What are the preferences of Finnish consumers towards cocoa products?
3. Does cooperate social responsibility activities of a firm influences on consumer choice in purchasing cocoa products?
2 THEORETICAL FRAMEWORK: FINNISH CACAO INDUSTRY & COOPERATE SOCIAL RESPONSIBILITY (CSR)

In order to understand fully this research paper, some basic background information related to the topic will be presented in this part of the paper. This theoretical framework part will include the overview of the Cooperate Social Responsibility (CSR) concept, a bit deeper into each CSR aspect that will be covered and analyzed in this research and finally is an overview of the Finnish cacao industry.

2.1 Cooperate Social Responsibility Overview

For the past few decade, the argument over the important of proper relationship between a business with the society has focused on the subject of Cooperate Social Responsibility (CSR). (Klonoski 1991) Even though, over many years, people have attempted to define Cooperate Social Responsibility, the definition of this term still remains ambiguous and vague. (Makower 1994)

There are two existing general arguments was used to defined CSR, first one argues that businesses are obligated to only maximize their profits within boundaries that formed by the law and follow the society ethical constraints; and the other one entitles businesses to broader range of obligation toward the society. (Schwartz & Carroll 2003) Conversely, CSR can be now defined as the responsibility of businesses for their impact on the society. (European Commission)

As a helpful way of breaking down and graphically describe the concept of CSR, the Carroll’s “Pyramid of Cooperate Social Responsibility” (Figure 1) have been utilized by numerous of theorists and researchers. (Wartick & Cochran 1985) More than that, Carroll’s Pyramid CSR domains have been used widely among scholars in Social Issues in Management field. (Wood & Jones 1994) With such widely uses, Carroll’s pyramid is considered as a leading paradigm of CSR in the field of social management. (Schwartz & Carroll 2003).
Although, there is vital value contains in Carroll’s domains, however, the use of the pyramid might create confusion and misconception for some applications. First of all is the misunderstood in the priorities of four domains mentioned in the pyramid model (Schwartz & Carroll 2003) which can be proved by an example from Reidenbach, R. and Robin, D. in 1991 whom used the pyramid concept in analyzing the moral development in a cooperation. Reidenbach and Robin presented that the highest and most advantages level of moral development of a cooperation is the ethical within the cooperation and the lowest, while the base of their pyramid is the least advantages and important is the amoral cooperation. Which totally opposite with the Carroll’s pyramid model. Secondly, the arrangement of all domains in Carroll’s pyramid does not represent fully the overlapping characteristic of CSR domains, a disadvantage that will be recognized later by Carroll himself in 1993. (Schwartz & Carroll 2003) Such integration and inter-interaction of all CSR domains cannot just be captured exclusively all the tension between economic and ethical or between the economic and philanthropic domain. (Carroll 1993)

Consistently with the fundamental presentation of four domains within the CSR in Carroll’s pyramid, a new three domains model of CSR was invented using Venn diagram to exclusively demonstrate the interconnection of all the domains mentioned in Carroll’s diagram except for the philanthropic domain. By using Venn diagram, three domains of
CSR including economic, legal and ethical are not only being represented equally also showing their significant relation (as presented in Figure 2) (Schwartz & Carroll 2003)

![Figure 2: The three-domain model of Cooperate Social Responsibility (Schwartz & Carroll 2003)](image)

Federal, state and local jurisdictions are maintaining the society expectation through the forms of regulations and laws. Businesses are expected to follow and be responsive these laws and regulations. This is considered as a part of ethical domain in CSR. A firm has a responsibility to accomplish the ethical expectation from the general population and relevant stakeholder. The economic domains fall into the category where business activities are captured with the intention to have direct or indirect impact to the economy. (Schwartz & Carroll 2003)

This paper will focus on the ethical domains of the CSR in which two main aspects significantly related to cacao industry, eco-efficiency and responsible sourcing will be covered and analyzed more deeply.

### 2.2 Cooperate Social Responsibility in Finland Overview

After became independence, policies and regulations of Finland are under control by the country government in guiding their society and economic practices. The economy of Finland after that was be able to develop fast forward under the strong influence of Nordic
industrial style. As can be explained by the small in size of Nordic communities, the industrial boom was developed with the fundamental of ethos and care of partnership and pragmatic cooperation of Christian Enlightenment. (Olkkonen & Quarshie 2019)

The economic in Nordic region are continuously growing by the concept of welfare model consists of equality, universalism and wellbeing even though the model were criticized as utopia for trading off the efficiency for the equality. (Kangas & Kvist 2012) The Nordic economic policy is formed by taking into account the compatible negotiation between three parties: business, trade unions and the state with the aims to support the business in making their contribution to the economy, creating profits while maintain the equality in employment (e.g., decent wages, working conditions, working conditions, etc…) as well as environmental-friendly operations. (Witoszek & Midttun 2018)

Nordic countries in general and Finland as an individual creates initiatives in creating the combination between the state welfare and CSR. However, CSR programs has traditionally been rare in Finnish companies, but with the direction of current EU-level regulation and global trends, these can be significant changes the status of CSR within Finnish firms into more important in the future. (Witoszek & Midttun 2018)

2.2.1 Cooperate Social Responsibility in Finland: Characteristics

The characteristic of CSR in Finland can be explicitly analyzed in three directions: within public sector, private sector and non-profit sector & civil society. (Olkkonen & Quarshie 2019)

Firstly, within the public sector, Finland in general is socially and politically stable for developing a business due to its multi-party system. The infrastructure of CSR within businesses and firms are shaped by both hard laws and soft laws. (Olkkone & Quarshie 2019) In addition to that, Nordic region are always popular for their social democracy where social and environmental regulations and programs are most advanced amongst other countries in the world. (Strand, Freeman, & Hockerts 2015)

In term of social issues, businesses in Finland, trade unions and the state are following the ground rules for labor market such as minimum wages, working hours, paid sick leaves, parental leaves and more. (Bergholm & Bieler 2013) Besides, working condition
and environment are also strictly followed under the regulation of Occupation Health and Safety Acts where all the firms and companies are entitled to the responsibility in providing safe working environment for their employees such as the instruction for uses of chemical or product safety. (Ministry of Economic Affairs and Employment in Finland)

In term of environmental aspect, there are several European level laws and action that need to be taken into account as well as national taxation on limiting environmental impacts as well as the intensive implementation policy and campaign of National Energy and Climate Strategy 2030. (Ministry of Economic Affairs and Employment in Finland) However, laws and regulations are not acting as the main driver for the implementation of CSR into businesses in Finland. Customers, top management, owners, investors are key stakeholders that drive the implementation of CSR into a firm’s activities. (FIBS 2017)

Secondly, within the private sector, Finnish businesses have been participating in its innovation-driven phase, where sustainability are playing a vital role in the firm’s culture. Even though SME are growing relatively slowly, Finnish companies regularly appear in global ranking in term of sustainability and CSR and offering green products and services more than an average of EU. (Olkkonen & Quarshie 2019)

The focus of CSR within businesses are different based on their driven actors. Private sectors in Finland can be separated into three groups based on their driven actors as large-scale firms focusing on exporting their products to foreign market, domestic and traditional small & medium businesses and innovation driven small and medium businesses. Large scales firms are commonly following the standard ISO14001 and SA 8000 to prove their sustainable operations. While domestic small and medium businesses tend to follow the domestic social and environmental regulation and rarely voluntarily adopting actions in sustainability and CSR responsibilities. On the contrary, innovative small and medium business tends to build their businesses based on sustainable values from the beginning instead of adopting slowly the concept of CSR into their business in the later stage. (Mikkilä, Panapanaan & Linnanen. 2015)

Lastly, the non-profit sectors are those to be referred as third party or civil society such as non-governmental organizations (NGOs), professional cooperate social responsibility
and associations, trade unions and other CSR cooperatives in Finland. (Olkkonen & Quarshie 2019)

2.2.2 Cooperate Social Responsibility in Finland: Trends in Finnish CSR

In general, CSR has become a phenomenon across all business around the world. The visibility of this phenomenon can be shown in the expanding number of business, firms, cooperation joining the global initiatives such as United Nation (UN). (European Union Regulation 2016/679) More than that, companies are also adapting many different management systems, reporting frameworks and guidelines such as Global Reporting Initiatives (GRI) and OECD Guidelines for Multinational Enterprises as well as following existing standards related to CSR such as ISO 26000 from International Organization for Standardization. (Olkkonen & Quarshie 2019)

Domestically, large Finnish companies have also adopted systems, standards and certificates to prove their engagement and involvement in CSR as well as constantly improving and increasingly offering certified products to their customers such as Fairtrade products. (Fairtrade Finland 2019) According to United Nation, in 2018, there were 50 large Finnish companies and 28 SMEs participated in the Global Compacts; Finnish companies are compromising to the universal principles of human rights and protecting the environment.

In most of the interview with Finnish companies, CSR is viewed as their core value and principles, each business came up with their own code of conducts that meet their visions and strategies. Some of these codes of conducts addressing important social concerns such as customer satisfaction, respect for the environment or employee’s well-being (as shown in Figure 3 below). These codes of conducts are good in a sense that it motivates the business to follow and act responsibly to the society and environment. In more general view, by adapting and following these code of conducts, Finnish firms can argue positively relatively claims that they are socially responsible. (Panapanaan, Linnanen, Karvonen & Phan 2003)
CSR is also related to Finnish way of thinking as one have to be responsible and behave ethically. This strong concept goes well together with the general culture of Northern Europe, where morality and human rights are valued the most in the society. Therefore, it is not a surprise to hear from managers from a Finnish claims their responsibility towards the society and environment. More than that, CSR exists in reality within every business in Finland, not just words written on paper or “self-evidence” that was taken out for granted. CSR are more to the meaning and values of morality keys such as trust, and transparency are all the key cores values of most of business in Finland. (Panapanaan, Linnanen, Karvonen & Phan 2003)

<table>
<thead>
<tr>
<th>Core values or principles</th>
<th>Observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer satisfaction</td>
<td>9</td>
</tr>
<tr>
<td>Pursuit of quality/excellence</td>
<td>6</td>
</tr>
<tr>
<td>Continuous improvement</td>
<td>5</td>
</tr>
<tr>
<td>Respect for employees (and others)</td>
<td>5</td>
</tr>
<tr>
<td>Profitability</td>
<td>5</td>
</tr>
<tr>
<td>Trust</td>
<td>4</td>
</tr>
<tr>
<td>Openness</td>
<td>4</td>
</tr>
<tr>
<td>Respect for the environment or environmental protection</td>
<td>4</td>
</tr>
<tr>
<td>Honesty</td>
<td>2</td>
</tr>
<tr>
<td>Cooperation</td>
<td>2</td>
</tr>
<tr>
<td>Independence</td>
<td>2</td>
</tr>
<tr>
<td>Creativity/Innovation</td>
<td>2</td>
</tr>
<tr>
<td>Service to society</td>
<td>1</td>
</tr>
<tr>
<td>Enterprising spirit</td>
<td>1</td>
</tr>
<tr>
<td>Importance of compliance</td>
<td>1</td>
</tr>
<tr>
<td>Initiative</td>
<td>1</td>
</tr>
<tr>
<td>Flexibility</td>
<td>1</td>
</tr>
</tbody>
</table>

*Total number of observed companies: 12*

FIGURE3. Core values and principles of Finnish Companies (Panapanaan, Linnanen, Karvonen & Phan 2003)
2.2.3 Cooperate Social Responsibility in Finland: Ongoing challenges

As discussed above, the practices of CSR in Finland have become increasingly important and professional. In the large firms, responsibilities and sustainability are strategic core priorities, 41% of large firms have taken the United Nation Sustainable Development Goals as one of their business strategies. (FIBS 2018) In which climate changes, human rights and loss of biodiversity are accepted as global companies challenges that need to be solved by the cooperation of businesses and legislation. (FIBS 2019)

Climate changes is tackled as the main challenges for all the firms with 58% respondents while the biodiversity protection is not yet recognized as the main focus challenges with only 8% respondents. Almost all the companies are considering sustainability and cooperate responsibility is essential for their business and building reputation is the main reason standing behind this consideration. Additionally, due to the newly announced EU Data Protection Law, securing customer information is now a new issue that has been taken with serious manner, adding up to the list code of conducts to follow by companies. Supporting equality and diversity in personnel has also become one of the most important CSR metrics for Finnish businesses. (FIBS 2019 & FIBS 2018)

Despite all the evidence in the growing progress of CSR, more ambitious actions still need to be taken by cooperates in several areas in the future. (Olkkonen & Quarshie 2019) For example, Finnish is considered as a high-income country in the world, therefore, Finland also has a high carbon footprint, as the evidence, despite all the sustainability and CSR efforts of Finnish business, in 2018, Finns used up their shares of the planet’s renewable natural resources by mid-April. In the other words, we would need 3.6 planets to satisfy people’s resources needs if everyone in the world is living like Finns. The most driver for resource consumption in Finland including energy production, traffic and food production. (Ryynänen 2018)

As presented in Figure 5, The safe-levels of four environmental concerns in the planetary boundaries have now been crossed including biodiversity loss, biogeochemical flows, land-system change and climate change. (Stefan et al. 2015)
In Finland, the report comes from Ministry of the Environment in 2014 indicates that biodiversity loss, climate change and the eutrophication of the Baltic Sea are currently being areas that need particularly concern from Finnish society. For instance, even though Finland has 73% forest covered of all land area, standing in top list of European Countries in high forest land coverage (Yle 2018); plus, with the development of sustainable forestry practices in Finland, biodiversity of forest in Finland has benefited more or less, the downward trend in forest biodiversity has not yet been enough well-treated and facing an intensive pressure due to the growth in commercial forestry (Ministry of the Environment 2014).

Climate change is another major global challenge with the most concerns standing on the rising in global temperature (global warming), especially this disproportionately affects severely the areas around North and South poles. In Finland only, the average temperature
has increased over 2 °C while the average increased temperature globally is “only” 1 °C. (Finnish Meteorological Institute 2014) As a prediction, if the effort in reducing the emissions is not effective enough, the average temperature in Finland and Arctic area is expected to rise as much as 4 °C. The biodiversity is respectively also being affected severely. (Ministry of Environment 2014)

In term of equality and diversity in personnel, there are still lots of room for improvement for businesses in Finland. For example, immigrants (both men and women) are facing different various type of discrimination in the Finnish Job Market. (THL 2018) Moreover, there are also a concern related to the consistent inequality in pay-wage between men and women when men are having on average 16% higher salary than woman. (THL 2020)

2.3 Finnish Cacao Industry Overview

Cacao comes from cacao tree, is an unusual tree that can only be cultivated in a certain limited area and under climatic conditions. The cultivating process require large efforts from human persistence and ingenuity. Cocoa trees are natively growing in the nature of tropical forest of the Amazon under the semi shade, warmth and high humidity condition. It is first brought to the Europe by Columbus and his fellow countryman, who to first recognize the economic value of the trees. Over centuries, the development of cocoa, chocolate and confectionery has become an exceptional phenomenon. (Bernard 1989) Historically, global cocoa demand has been rising steadily on an average of 2-3% annually. (GASFP 2021) The global cocoa bean market size was estimated for the year of 2018 is 9.94 billion USD and projected to expand at 7.3% compound annual growth rate (CAGR). (Grand View Research 2019)

In Finland, the cocoa annual consumption was estimated at level of 2.1kg per capita in 2016. There are three types of cocoa beans that are being imported to Finland: common grade (Forastero), high grade (Criollo) and high grade (Trinitario). Common grade (Forastero) cocoa bean is accounted for 80% of the global cocoa production. The bean has the flavor of fruity and citric. High grade Criollo is accounted for 5 to 10% of global cocoa production. The bean has the flavor of bitter and aromatic. High grade Criollo can easily be processed and originally from Trinidad. High grade Trinitario cocoa bean is accounted for 10 to 15% of global cocoa production. Trinitario has the hybrid flavor between Forastero and Criollo. (Finnpartnership 2018)
There are several different types of cocoa products existing in Finland such as cacao butter, cacao powder or chocolate; in which chocolate remains the most popular products amongst all. Finnish cocoa market is dominated by few famous domestic brands such as Fazer, Panda, Brunberg, Dammerberg and Kultasukklaa. Besides that, the Finnish market also have several popular imported brands such as Lindt, Nestle from Switzerland, Marabou or Cloetta from Sweden and Magnum from England. (Finnpartnership 2018)

Most of the Finnish chocolate are sell at the store of several big retailer such as S-group, K-group and Lidl. Most of the cacao products in Finland are imported from around Europe and was counted for the value of €150 million annually from 2013 to 2016. The large shares for Finnish imported cacao products are in the hand of Sweden, Germany and Netherlands. In term of exporting cocoa products, Finland is placed at 19th rank in EU/EFTA region, with the export values remains €67 million annually for the period of 2013 to 2016. (Finnpartnership 2018)

In total, for the period from 2008 to 2017 (Figure 6), average annual production value of manufacturing cocoa products in Finland is €437.5 million; whereas in 2013 production value got to its high peak, encountered for €574.6 million; other than that, annual Finnish cacao production value remains quiet steadily over the years. (Statista 2021)
2.4 Cooperate Responsibility: Eco-efficiency Aspect

Cocoa is a commodity that not only on high demand but also having some major impacts on the society as well as the environment. (Läderach, Martínez-Valle, Schrotth, & Castro 2013) Sustainable cocoa production requires effective and well-performed cocoa policy that consider both biodiversity and social perspective. (Franzen & Mulder 2007) However, current cocoa producing areas is predicted to become climatically unsuitable by 2050 that requiring crop change and adaptation of agronomic management as well as certain specific strategies to reduce the impact of the cocoa production to the environment (e.g., climate change) and the stakeholders involved in the process (e.g., cocoa farmers). (Läderach, Martínez-Valle, Schrotth, & Castro 2013) Additionally, as stated in the section 2.2.3, currently, CSR in Finland is facing the ongoing challenge to tackle the problem of preventing climate change (e.g., global warming) and reducing the loss in biodiversity. (Olkkonen & Quarshie 2019) It is important to have an overview on the eco-efficiency aspect of the cocoa production in order to understand more about the concept of CSR in cocoa production in Finland.

2.4.1 Eco-efficiency in CSR Overview

The ethical obligations of a business that are required by a general group of population and related stakeholders are recognized as ethical domains of CSR. Activities that are not included in the ethical domain when: (1) by nature, the activity is amoral, (2) the activity still occur even though it conflicts with undoubtful moral principles or (3) the activity are only implying to gain benefits for the cooperation/business but not for the interest of relevant stakeholders. (Schwartz & Carroll 2003)

Virtually, all of the activities in the economical/ethical domain will involve passively into the compliance with the laws as well as being motivated with the maxim “good ethics is good business”. Hence, Eco-efficiency is one of the aspects covered in ethical domains but can also be considered as the overlapping domain of economical/ethical respectively. (Carroll 1993)
On another hand, some argument also stated that focusing on eco-efficiency of every manufacturing process and business performance not only impact possibly to the environment but also help the organization to manage and approach to multi-dimension schemes. Succeed in performing eco-efficiency create a good framework for a business to meet the expectation the three domains of CSR: being ethically, economically and legally towards the environment, society and economy. Furthermore, eco-efficiency creates the opportunity for a firm to perform life cycle assessment on their products which will permits more long-term beneficial access such as the impact of the assessment to determine the firm’s CSR strategies. (Llera & Aranda 2011)

### 2.4.2 Eco-efficiency in Cacao Industry

Agriculture sector is significantly affecting the environment from the land use change to the greenhouse gas emissions (EHG), ecotoxicity or human health impacts. (Caffrey & Veal 2013) Agriculture activities that involve mainly the human labor to achieve higher yield or industrialized operation that are largely mechanized can be considered as intensive farming. (Bridgeman 2020)

Intensive farming can bring both advantages and disadvantages on the environment, however, the disadvantages outweigh the advantages. For instance, monocropping is one of the intensive farming features, whereas large amount of land is cultivated and planted with single species such as corn, wheat or soy. Monocropping requires the uses of fertilizer and pesticide to increase the production yield, hence, it causes some major impact on the environment such as soil depletion. Industrial agriculture is accounted for approximately 20% of global total emissions, interfere the natural carbon sequester role of soil, thus, contributes largely to the climate change. Beside the climatic concerns, industrialize intensive farming with the uses of fertilizer and pesticide pose a serious impact on the pollution of ground and surface water as well as producing a vast amount of waste to the environment. (Bridgeman 2020)

Even though, cocoa is a large, industrialized crop that grow under the tropical climate with ideal weather of hot, rainy, tropical and mainly cultivated from small, local family-run farms, (World Cocoa Foundation 2014) surprisingly, many studies proved that cocoa production not only contributes positively to the economy but also provides beneficial values to the environment. For instance, traditional cocoa grows in a semi-natural agro-
forestry setting and under shade of other vegetation, creating a prosperous and reliable habitat for many species. (Conversion Alliance 2013)

For several centuries, cocoa constitutes a valuable role in the changes of lowland tropical forest landscapes in Africa, Asia and Latin America. (Schroth & Harvey 2007) In many regions, cocoa farming requires the plantation in agroforestry system that replaces the original forest ecosystems causing severe deforestation. (Ruf & Schroth 2004) Contrary to unsustainable land use that replaces natural forest, cocoa trees are planted under structurally complex shade vegetation contributes to the conservation of a considerable amount of the original forest biodiversity under suitable cocoa farming methods. (Schroth, Harvey & Vincent 2004)

More than that, the environmental safety of cocoa production can be enhanced by integrating pest management that involve the biological control of pests and diseases plus the integration of using pest-resistance cocoa crop. In addition, reducing the use of fossil fuels in farming or calendar spraying can also help with the sustainable environmental control of cocoa farming. (James et al. 2017)

2.5 Cooperate Responsibility: Responsible Sourcing Aspect

Over recent centuries, business operations are under pressure to fulfil their duty towards the society and environment. Consumers, investor, governance, stakeholders are all care about the responsibility that a firm willing to take towards the ethical side of their business, including the transparency and responsible sourcing within business supply chain in order to avoid and monitor different negative impacts that could happen. (Ramchandani, Bastani & Moon 2020) For instance, for the ethical society aspect, International Labor Organization once announced in their report that within 450 global supply chain’s workers, 168 million are subjected to child labor, 21 million are forced to work and 12 million annual death occurs due to the unsafe working environment. (Human Rights Watch 2016) For the environment, supply chain businesses contribute over 80% of water loss, 60% in greenhouse gas emissions and 67% in deforestation. (The Sustainability Consortium 2016) Hence, the need to apply CSR to every business firm and access all of the negative ethical issues are desired. CSR in responsible sourcing defines standards and goals in order to minimize child labor, safety at work as well as minimizing impacts to the environment. (Ramchandani, Bastani & Moon 2020)
Responsible sourcing is a big challenge for a firm, requiring strong actions, well-functioning governance, transparency and visibility throughout their supply chain network. (Sodhi & Tang 2018) Firms must have suitable standards and goals to encourage only positive supplier behaviors, audits supplier practices or evolve in the third-party agencies such as Fairtrade. (Thorlakson et al. 2018) Besides that, it is also required that a firm must persuasively communicate about their responsible sourcing to their end-of-cycle consumers through marketing or on package labeling. (Kraft et al. 2019)

2.5.1 Sensibility in Cacao Industry

Cocoa trees, also called cacao trees, grows throughout humid tropics under ideal weather of hot, rainy and tropical under the shade of other vegetation. (World Cocoa Foundation 2014) Thus, those countries with cooler climate such as European region or North America can’t grow themselves this type of commodities, hence, over centuries, the industry of importing cocoa are expanding larger and larger. In addition, it could be proved that cocoa, coffee or tea are mainly grow in the low- or middle-income regions of the world, leads to the sensibility in many different aspects such as human and labor right or sustainable farming. (MarketLine 2015)

Cocoa trees grow primarily in the regions of Africa, Asia and Latin America; in which Africa is the largest cocoa production region accounted for 68% global cocoa production. (World Cocoa Foundation 2014) In addition, cocoa farming is mainly conducted within a small family field from 2 to 5 hectares, globally only 5% cocoa plantations come from large field of 40 hectares or more. As a high demand commodity, Cocoa deliver high revenue return for large businesses, however, cocoa farmers are getting less and less the share from that revenue. Cocoa farmers could earn only 6.6% the value of a tone’s cocoa sold, and many farmers only earn less than 1.25 USD Dollar per day. (Make Chocolate Fair) Hence, many different issues rose up because of this poverty such as child labor, human rights or safety at work; in which child labor was a difficult challenge to overcome for a long period of time.

Labor practices that are unacceptable are usually found in in the production of cocoa, coffee and tea. Due to the family model farming practices, it is common for children to participate in the farming work to help their families. (MarketLine 2015) According to
International Labor Organization, 68% of children are unpaid worker of their own family farm or similar environment. The FAO suggest the possibility for older children to participate in family work to learn basic soft skill, but only under a certain number of working hours and under certain tasks that provide enough safety for the child as well as the characteristic of the work shouldn’t interfere with the ability to pursue education of the child. For 200 000 children working in cocoa industry, 12 000 of them was reported as slaves to whom were trafficked abducted from neighboring countries. (MarketLine 2015). Hence, exploitation in child labor not only unethical but also counterproductive, but it is still a remaining challenge to overcome in cocoa supply chain.

2.5.2 Responsible Sourcing in Cacao Industry

Since the ethical issue arise in African region related to child labor and human rights, companies are prompt to find out solutions to deal with public concerns. However, in practice the implementation of CSR strategies to tackle global challenges while maintaining business profits is proven to be very complicated and risky for business bottom lines. Nevertheless, focusing on transparency and communicating CSR appeared to be a good practice in modern sustainability management, especially in sourcing products from sensitive region like Africa. (Lalwani et al. 2018)

In supply chain management, code of conducts is widely use across agriculture, manufacturing and services sector. Code of conducts help a business to specify behaviors, standards, expectation and goals towards their supplier. Code of conducts are usually suggested and recommended by the industry professional. Besides, maintaining healthy partnership with supply chain stakeholders such as suppliers, vendors or logistic provider, is also a key method to sustain the network and ensure the transparency as well as responsibility in sourcing products. Social sustainability is considerably increase if a firm and their stakeholders are working directly with each other as well as the partnership is strongly hold. (Lalwani et al. 2018) It is also necessary to practice positive partnership with fair-trade associations, environmental agencies and local governments (Quarshie et al. 2016)

Cocoa supply chain consists of the relationship in multi-level stakeholder relationship as well as the multi-steps in cocoa products manufacturing (Haynes et al. 2012) More than that, the importation and production of cocoa products also concentrate mostly in the
sensitive region of Africa politically and socially, plus the threshold for cocoa production environmentally also fast approaching. (Neilson 2007) In addition, as discussed in section 2.5.1, the major problem in cocoa production and cocoa plantations was child labor and human rights, hence, the reputation of a brand can be affected severely they import cocoa from irresponsible source of products.

For a business, positive partnerships in cocoa supply chain are significant to accomplish the goals of sustainability and creating good values toward the public image, suitable practices can eventually build trust, and creating more competitive edge for a firm with their competitors. (Shapiro & Rosenquist 2004)
3 RESEARCH METHODOLOGIES

The general purpose of this research paper is to create a fundamental overview for the Finnish cacao cooperative when it comes to creating company image to attract more customer loyalty towards the firms. Combined methodologies will be used in this paper is qualitative research method in which literature reviews is there main target tool.

3.1 Research Methodologies: The Combination of Qualitative Research Model

Qualitative and quantitative are argued and proposed to be utilized together to explore and answer research questions from all possible angles. The combination of two methodology seek to answer more diverse questions and strengthen the research finding. (Fakis et al. 2014) The differentiation between these two methods remains poorly defined, however, in a literal way of definition, the qualitative methods are more sensitive and proximate to the subject while quantitative methods are less sensitive and more remote from the subject. Hence, quantitative methods tend to be used toward large scall dataset, objective measure, statistical analysis while qualitative methods tend to be used toward smaller dataset and subjective measurement. (Newsome 2016)

In this paper, literature review was used as the qualitative research method. The main objective of this research paper is to determine whether cooperate social responsibility focusing on two main aspects: eco-efficiency and responsible sourcing would create major effects on the loyalty and preferences of consumers in Finland. In order to achieve this purpose, a general picture can be first painted based on literature reviews from existing research papers, books and articles, then more insight details can be added by collecting related data from cacao consumers who are living in Finland with different personal background from existing papers and articles. By this way, more angles and perspective can be later on considered and analyzed.

3.2 Research data and information collection

Data presented in this paper can be separated in two main categories: data related to consumer behavior when purchasing cocoa products and data related to how a business behave towards the CSR in cocoa industry.
Beside reviewing existing research papers, articles and books, websites of several business and firms in Finnish Cocoa industry will also be reviewed in order to see the overall big picture of how all the Finish Cocoa firms are reacting to the CSR matter. The list of the reviewed companies will be discussed in the result section as well as included in the Appendix 1.

3.3 Analyzing the Data and Writing Process

Data analyzing starts at the beginning of the research writing process which can be both systematic and non-systematic. In systematic process, each phase of the data will be investigated individually. Then move to the next step, all the data will be cross analyzed, where all the cases, situations, answers, statistic are compared to each other to find similarities, relations and differences. Beside the comparison, the background theories defined at the beginning of the research process will also be reviewed against all the collected data. (Eriksson & Kovalainen 2008)

In addition, the systematic process of analyzing a scientific study can also be divided into 5 main steps: identification, disaggregation, categorizing, comparing and relating. The first step is identification where boundaries and definitions related to the objective will be formed, this will help to clarify and keep the direction of the research on a clean track. Disaggregation is equal to break things into part, where the purpose is to focus on small details in order to understand the big picture. Categorizing is the next step, where all the data, arguments are separated into categories or subcategories. Comparing and finding relation (relating) between those categories along same dimensions, and scales are the next important processes as these two steps would contribute to the determination of more proximate result to the original objective/phenomenon. (Newsome 2016)

This paper was written for academic purpose, where main focus audiences are engineering students, academic practitioners and business stakeholders. Therefore, the results and conclusions were written in more practical and general to simplify all the information retrieved. However, since the paper is also a thesis, detail description about the methodologies, study designs were also described.
3.4 Research Limitation

Since cooperate social responsibility is a very broad terminology of study, thus, for easier approach and more straightforward to the objectives of the study, objective of author study program as well as the need of the stakeholders who support this paper, the topic will focus on three main aspects of CSR: environmental management, eco-efficiency and responsible sourcing.

Another significant limitation of this research paper is the language constraints: There are plenty of research paper written in Finnish related to the Finnish Cacao market insight as well as consumer behavior in Finland, unfortunately, the amount of paper conducted in English related to the topic are limited. Besides, the main language of this paper is English, plus, the author is not a native Finnish speaker, therefore, information can be limited to a certain extend that needed to be considered and mentioned.

In addition, the data sample collected in this paper is also relatively small. In order to have more general picture to the topic, the paper is more focusing on using literature review method to collect arguments and summarizing findings from existing scientific paper to generate conclusion and discussion to argue for the initial hypothesis.

Lastly, even though in general, as a part of Nordic business culture where the environment and society are the priorities before any business activities, most of the Finnish firms has been taken CSR and sustainable practices into account for a long period times (Olkkonen & Quarshie 2019), though, the information about these practices are not widely published. Most of the company websites are underdeveloped and has not been updated for a long period time, excepts for those big players in the market such as Fazer and Brunberg, hence, during the literature review process, the author encountered some difficulty when trying to take deeper inside on how every individual cacao firm (both small and big players) have been taking their roles in term of CSR and sustainability within the circle of Finnish cacao market.
3.5 Research Implementation

This chapter will simplify the research process by demonstrate each phase of the research as a figure (Figure 7). The topic of the thesis was generated during the internship of the author at the company KS. After recognizing the thesis topic, the research was moved on with literature reviews where background and necessary information was gained in order to generate an outline for the study.

FIGURE 7. The research processes

This paper complexity stands from the difficult in merging theoretical background with the collected data as well as merging the cooperate responsibility idea with the different form of cooperate engagement in cacao industry in Finland as well as integrating these theories with consumer behaviors and preferences towards chocolate firms.
4 RESULTS

This chapter represents the result of the research. The sample collected for this research is relatively small as the available materials related to Finnish cocoa products that were conducted in English are limited (as stated in the section 3.4 Research Limitation). The result will be presented into two sections.

The first one is to answer the first question mentioned in the objective: How Finnish cocoa companies are implementing cooperate social responsibility into their businesses? This initial section gives an overlook on: (1) how the current cocoa market in Finland is doing, (2) are they all following the code of conducts related to CSR, (3) and do businesses care about their society and environment.

The second one is to answer the second question and the third question mentioned in the objective, which are:

1. What are the preferences of Finnish consumers towards cocoa products?
2. Does cooperate social responsibility activities of a firm influences on consumer choice in purchasing cocoa products?

These two questions will help to tackle the main objective of this paper: determine whether CSR practices of a firm have impacts on their consumer choice, behaviors and loyalty.

4.1 Cooperate responsibility under the eyes of Finnish cacao cooperate

This part of the research was conducted in order to answer the first question stated in the paper objective (see section 1 Introduction): How Finnish cocoa companies are implementing cooperate social responsibility into their businesses? A list consists of 10 Finnish cocoa companies were revised and analyzed based on predetermined list of criteria (as shown in Table 1).
Table 1. Information criteria for revised companies

<table>
<thead>
<tr>
<th>No.</th>
<th>Criteria</th>
<th>Number of websites has the required information</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CSR strategy and vision</td>
<td>7</td>
</tr>
<tr>
<td>2</td>
<td>Responsible sourcing program</td>
<td>7</td>
</tr>
<tr>
<td>3</td>
<td>Eco-efficiency (e.g., using natural ingredients)</td>
<td>4</td>
</tr>
</tbody>
</table>

These criteria will cover three aspects: (1) company’s CSR strategy and vision are criti-
cized based on the information company provide on their website related to their thinking
and practices on CSR/ sustainability; (2) responsible sourcing program determine whether
the company put efforts in conducting a responsible sourcing practices such as Fairtrade
or Cocoa Trace program; (3) eco-efficiency define company’s practices in protecting the
environment such as using sustainable packaging or using natural ingredients.

Another research constraint was significantly shown in this action point, when most of
the website of Finnish business firms are underdeveloped or not-up to date, making it
difficult to give a general picture as well as generate concrete conclusions based on the
information gathered from their websites. However, in general, all of the business firms
working in cocoa industry, especially those selling chocolate products do have their own
code of conducts related to CSR in term of responsible sourcing and eco-efficiency by
trying to obtain different certificates to show as a prove for their responsibility toward the
society such as Fair-trade label and eco-label.

Only those big players in the market such as Fazer – the most famous Finnish chocolate
company, are showing more information about their visions and strategy towards the sus-
tainable in cocoa production and manufacturing process. In addition, they also put for-
wards standards and goals to achieve the equality in human rights of cocoa labor market,
since the source of their cocoa ingredients are mainly coming from African regions.

4.2 Cooperate responsibility under the eyes of Finnish cacao consumer

The part of the research took an action on reviewing all the existing research paper, arti-
cles and books that related to the topic, whereas there were ten papers were taken into
view. Due to lack of documents related to domestic market of Finland, the research also
carried out reviewing papers related to cocoa consumer behavior in the world. All revised
papers addressed different research topics as well as adopted various methodological approaches.

Table 2. Papers using in this study (references for these papers are shown in References section)

<table>
<thead>
<tr>
<th>Type</th>
<th>No.</th>
<th>Name of the paper</th>
<th>Authors &amp; Publishing Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global consumers</td>
<td>1</td>
<td>Consumers’ willingness to pay for ethical attributes</td>
<td><em>Li-Wei Mai.</em> Published 2014</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>How do chocolate lovers balance taste and ethical considerations?</td>
<td><em>Eline Poelmans and Sandra Rousseau.</em> Published 2016</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>The role of organic and fair trade labels when choosing chocolate</td>
<td><em>Sandra Rousseau.</em> Published 2015</td>
</tr>
<tr>
<td>Finnish consumers</td>
<td>4</td>
<td>Are You a Chocolate Lover? An Investigation of the Repurchase Behavior of Chocolate Consumers</td>
<td><em>Park Thaichon, Charles Jebarajakirthy, Puja Tatuu &amp; Rahul Gautam Gajbhiyeb.</em> Published 2017</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Price segment stability in consumer goods categories</td>
<td><em>Hans H. Stamer and Hermann Diller.</em> Published 2006</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>Sensory segments in preference for plain chocolate across Belgium and Poland</td>
<td><em>Renata Januszewska and Jacques Viaene.</em> Published 2001</td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>Taking a Stand through Food Choices? Characteristics of Political Food Consumption and Consumers in Finland</td>
<td><em>Mari Nivaa and Piia Jallinojab.</em> Published 2018</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>The effect of gender, age and product type on the origin induced food product experience among young consumers in Finland</td>
<td><em>Tommi Kumpulainen, Annu Vainio, Mari Sandell and Anu Hopia.</em> Published 2017</td>
</tr>
</tbody>
</table>
As shown in Table 2, ten papers were revised, in which, 6 out of ten are related to global consumer behavior and the rest are related to Finish consumer behavior towards purchasing cocoa products. Based on these revised papers, the results related to consumer behavior toward purchasing cocoa products globally and domestically falls into three categories: (1) consumer preferences, (2) cocoa product characteristics, (3) economic. Consumer preference category include taste and health preferences. Products attributes include consumer preferences in packaging, brand, size, and sustainable/eco-friendly label such as Fairtrade. Price, promotion and campaign are included in the economic category.
5 CONCLUSION & DISCUSSION

In conclusion, even though different efforts and actions has been made in order to achiev-
ing CSR goals, there are still big room for improvement for businesses and firms in Fin-
land to tackle more challenges related to CSR and sustainability, especially in thechal-
lenes of protecting our climate (prevent climate changes) and biodiversity loss. Finnish
firms and businesses need to take more initiatives in their own visions and strategies to-
towards the environment and society. Even if the desire outcome and actions are difficult
and the future is unfolding, every individual, businesses, organizations are also should
take actions and keep the benefits for the whole society in their mind. (Olkkonen &
Quarshie 2019)

Throughout the research process, the conclusion can be drawn in order to answer the three
questions raised up at the begin of this paper:

1. How Finnish cocoa companies are implementing cooperate social responsibility
   into their businesses?

CSR is also related to Finnish way of thinking as one have to be responsible and behave
ethically. This strong concept goes well together with the general culture of Northern
Europe, where morality and human rights are valued the most in the society. Therefore,
it is not a surprise to hear from managers from a Finnish claims their responsibility to-
wards the society and environment. More than that, CSR exists in reality within every
business in Finland, not just words written on paper or “self-evidence” that was taken out
for granted. CSR are more to the meaning and values of morality keys such as trust, and
transparency are all the key cores values of most of business in Finland. (Panapanaan,
Linnanen, Karvonen & Phan 2003)

As stated above, CSR practices in the Nordic regions are normally and widely accepted
amongst most of the businesses due to the high morality culture of this regions. Hence,
within most of the Finnish cocoa business firms, more or less, every companies usually
have their own visions and strategies to minimize their impacts to the environment and
maintain the equality and human rights within the society. (Panapanaan, Linnanen, Kar-
vonen & Phan 2003)
CSR exists within every business in Finland, not just a word written on paper. As a proved, during the Finnish cocoa companies’ websites revision, as we can see that seven out of 10 companies have shown their visions and strategies on the website about their concern for the environment and society, especially for the cocoa industry, the fair-trade and responsible sourcing are two main key drivers. Most of the companies are willing to payout a certain amount of expenses to obtains certificate that prove the origin of their chocolate ingredients, most of the business are well aware of the responsible sourcing and care about the traceability of their cocoa beans. It is not unusual for consumer to encountered with a website where information about the firm sustainability visions is well declared and explained.

2. What are the preferences of Finnish consumers towards cocoa products?

Chocolate is one of the most popular products that were made from cacao and being a favorite snack for millions of people around the world. In general, products that were made form cocoa such as cocoa butter, cocoa powder or chocolate are all low involvement products: with relevant information easily available, prices are comparable and relatively cheap; hence, the situation where consumer have to purchase these products are usually engage with low involvement (little consideration), the reason for purchasing could be for special occasion, buy as gift for as a treat for themselves. (Lybeck, Holmlund-Rytkönen & Sääksjärvi 2007)

However, due to lack of the concreate quantitative research method, to collect more precisely the thoughts and insight from Finnish cocoa consumer via surveys or interviews, the answer for this question is still skeptical. Since the data collected from literature reviews are mainly applied for the global consumer behaviors, or to some extend are applied to general European consumer. Hence, it can be assumed now as a hypothesis that Finnish consumers preferences towards cocoa products are similar to their preferences towards purchasing food products in general.

Strategy for purchasing food products of Finnish consumers may vary based on different context related to food safety and food quality. Consumer appeared to act very responsibly logically towards choosing their own food and mainly concerning about the chemical and biological risk of food, e.g., checking nutrient label before purchasing a product. Quality and safety are to be seem as the main driver in consumer preferences, however,
the preferences can still be affected by many other factors such as ethics, ecology and price. (Järvelä, Mäkelä & Sanna Piironen 2006) However, even though when they know how to acts and think logically, they still may fail to do so. Lack of time seems to be the main common reason for consumer to purchase a product illogically and risky but to some extends, it can be defined as the sensitivity to the situation. (Clayton et al. 2003)

3. Does cooperate social responsibility activities of a firm influences on consumer choice in purchasing cocoa products?

It is proved from several papers that, the consumer decision on purchasing a cocoa product is depending in different factors, in which CSR image of a brand is not a main driver. As stated above, consumer behavior when purchasing cocoa products can be separated into three categories: (1) consumer preferences, (2) cocoa product characteristics and (3) economic. When it comes to chocolate products, the most famous products made from cocoa, the dominant point falls into consumer preferences category including taste and health concerns. Consumer tends to choose to buy a chocolate product for its taste or spontaneous decisions more than focusing on other aspects related to brands such as CSR image. In addition, consumer decisions towards a product are also affected significantly by the economical reason: prices, promotion and campaign. Social-demographical affects strongly on the consumer preferences towards cocoa products.

However, the cocoa product characteristics category which include the packaging outlook, brand images, eco-friendly/ fair trade label, also affects particularly a group of people. It is usually happening for the case of local brands store such as handcraft chocolate brand, then the CSR brand image can have some power over the consumer decision, but only indirectly. Which means, the loyalty of the consumer to brand are not only defined by the brand CSR image, but still mainly being driven by other factors such as taste, outlook of the products and especially prices, campaign and promotion. (Lybeck, Holmlund-Rytkönen & Sääksjärvi 2007)

Finnish consumer, however, may adopt different strategies when purchasing a food product. For examples, a consumer can favor organic product but choose non-organic products because of the availability or prices. Routines also plays as an important role in consumer behavior, to some extends, it can affect their common choices and strategies to particular group of products and their everyday actions can be justified by this routine. This again
prove the flexibility in consumer choices. (Järvelä, Mäkelä & Sanna Piirainen 2006) Hence, it can be concluded that, even though the perception of Finnish consumers is high in morality, their choice towards purchasing cocoa products can be varied. Some might favor and care about the CSR image of the brand, but they would still choose the products with better looking packaging or with better price promotion.

5.1 Further Study Suggestions

Cocoa companies were engaged into broader ecosystem that was changing their perception and acceptation towards being responsibly and ethically to the society and environment. (United Nations Office of the High Commissioner for Human Rights 2011) Businesses play an important role in changing the transparency and responsibility in cocoa sourcing activities. In addition, company decisions appear to be affected significantly by the cost of sustainable sourcing integration. Some stakeholders still agree to move away from collecting certificates or joining responsible program to save cost for the company. (Thorlakson 2018) Hence, further study research is needed for aspects related to how stakeholders, NGOs and other third party’s opinion can influence on the process of implementing responsible sourcing practices. (Moog & Spicer & Bohm 2014)

Last but not least, due to lack of quantitative research methodology of this paper, further research could be further implemented by collecting surveys and interviews result from Finnish cocoa consumers as well as Finnish cocoa businesses. By this way, more concrete data insight related to the cocoa market in Finland could be formed.
REFERENCES


Appendix 1. List of revised Finnish cocoa product company’s websites and their approaches on CSR.

*This appendix is only the short summary data collected when reviewing company’s websites. Further aspects related will be discussed in the discussion section.*

<table>
<thead>
<tr>
<th>Name of the company</th>
<th>Company’s website</th>
<th>Company’s CSR visions and strategy</th>
<th>Certificates and award winnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Fazer</td>
<td><a href="https://www.fazer.com/">https://www.fazer.com/</a></td>
<td>Fazer is leader in Chocolate manufacturing in Finland. The company has clear vision and goals towards the society and environment with annually sustainable reports; whereas they committed to 50% less emissions, 50% less food wastes, 100% responsible sourcing and some products are plant-based. (More on the website)</td>
<td>Has their own direct program for sustainability and responsible sourcing. Besides, the company also have several other certificates prove their cocoa origin such as Cocoa UTZ Certified, Rainforest Alliance or Fairtrade Cocoa Program.</td>
</tr>
<tr>
<td>2 Dammenberg</td>
<td><a href="https://www.dammenberg.fi/">https://www.dammenberg.fi/</a></td>
<td>Self-announced ethical produced chocolates, with responsible sourcing and self-roasted cocoa bean as well as promised for natural ingredients in their products</td>
<td>Fairtrade, Organic, Vegan labels</td>
</tr>
<tr>
<td>3 Panda</td>
<td><a href="https://www.panda.fi/">https://www.panda.fi/</a></td>
<td>Panda is one of the leading companies in Finnish Cocoa Industry. Company compromises with their mission to protect the environment with different actions. For instance, their sustainable, recyclable packaging, promoting carbon exchange campaign or proudly claim palm-oil free products. (More on the website)</td>
<td>Received numerous of awards and possess several different certificates related to CSR and protecting the environment.</td>
</tr>
<tr>
<td>4 Suklaatehdas</td>
<td><a href="https://suklaatehdas.com/">https://suklaatehdas.com/</a></td>
<td>Importing cocoa directly from small farm in South America in order to ensure the transparency in their supply chain network. The</td>
<td>International Chocolate Award Certificate</td>
</tr>
<tr>
<td></td>
<td>Company Name</td>
<td>Website</td>
<td>Description</td>
</tr>
<tr>
<td>---</td>
<td>--------------</td>
<td>---------</td>
<td>-------------</td>
</tr>
<tr>
<td>5</td>
<td>Kultasuklaa</td>
<td><a href="https://kultasuklaa.fi/">https://kultasuklaa.fi/</a></td>
<td>Self-announced ethical produced chocolates, taking responsibility for their cocoa bean products. However, no further information was shown on the website.</td>
</tr>
</tbody>
</table>
| 6 | Taiga Chocolate | https://taigachocolate.com/ | Committed to sustainability in three main aspects: cocoa trace, packaging design and natural ingredients | 1. Using natural ingredients  
2. Cacao Trace program |
| 7 | Chjoko | https://chjoko.com/ | No information or company has no practices related to CSR | No information or company has no certificate related to CSR practices |
| 8 | Petris Chocolate | https://petris.fi/ | Self-announced ethical produced chocolates with the traceability of their cocoa bean. However, no further information was shown on the website. | International Chocolate Award Certificate |
| 9 | Annan Suklaa Tehdas | https://www.anannansuklaanans.fi/ | No information or company has no practices related to CSR | No information or company has no certificate related to CSR practices |
| 10 | Chocosomnia | https://chocosomnia.fi/ | No information or company has no practices related to CSR | No information or company has no certificate related to CSR practices |