# CONSUMER BEHAVIOUR AND SUSTAINABLE CUSTOMER PERCEPTION IN TOKMANNI

Ways to improve customers experience and enhance sustainable customer perception

Case Tokmanni



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#### Abstract

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Tokmanni is Finland's leading discount retailer chain. Tokmanni aims to have responsible sourcing, reduce their environmental impact, and become even more sustainable within their operations. The purpose of this thesis is to find ways in which Tokmanni can improve customers' experience and enhance sustainable customer perception.

Tokmanni has a solid and trustworthy brand, however, one must keep adapting as customers trends change. Based on the rise of demand for sustainable business and products, Tokmanni could publicize their action that contributes to sustainability. Make environmentally friendly products more visible for their customers and fix current issues that are present within their customer service at their physical stores.

Relevant theories were studied and the research method in this thesis is both quantitative and qualitative. Data for the analysis were collected from the survey made based on the topic. Other data collection came from online customer reviews on various Tokmanni stores which were then analysed. The survey gathered information on the current perception Tokmanni customers have of Tokmanni as a brand. The survey measures customers' knowledge of Tokmanni as a business. Furthermore, the survey includes development ideas on sustainability based on customers' responses. The research revealed Tokmanni can further develop their marketing strategy and further improve their customer service.

Keywords Retail, Consumer behaviour, Sustainability, Green product

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#### 1 Introduction

#### 1.1 Background

Understanding consumer behaviour is an important aspect in the success of a business. This thesis will identify, analyse, and correlate data related to consumer behaviour, perception, and transaction in retail stores. Identifying underlying issues for local retailers such as Tokmanni. (Meyer, n.d.)

Consumer trends suggest that consumers are adopting ways to live more sustainably. Consumer behaviour contributes to a large part of the environmental impact. As sustainable consumer behaviour grows, demand for low carbon products and services, and environmentally friendlier choices should be stimulated. (Antonides, 2017.)

Solutions to sustainability issues may seem obvious to some, such as product innovation. However, product innovation is simply a surface view, what lies beneath the success of sustainable product innovation is that often this requires a large sum of investment, political support, consumer acknowledgement, and often willingness to purchase at a slightly higher price point. (Antonides, 2017.)

Sustainable consumer behaviour and product demand push a business towards a more sustainable future. Sadly, even though a business may have started changes and adopted sustainable operations or innovative environmentally friendly products, its' value is not maximised until they also incorporate sustainable branding. (Antonides, 2017.)

Sustainable branding is the image and identity of a specific product, service, and or business that reflect and maintains added value in terms of environmental and social benefits. When businesses commit to value and integrate environmental, economic, and social issues into its' operation rather than prioritize profit-making is when the brand truly turns into a sustainable one. (Oceanpandacreative, 2020.)

The evolution of retail from trading items to trading them for currency. The definition of retail is broad enough to include simple traveling merchants to shopping malls, grocery stores, and e-commerce platforms, these all represent a type of retail. (Meyer, n.d.)

Between 1970 and 1990, multiple discount stores were established in Finland. The success was clear as they offered quality products at low prices. Tokmanni has its roots in discount retail as over the year Tokmanni develops into Finland's largest general discount retailer having various store chains under their brand. (Tokmanni, 2021.)

The recession of the early 1990s had a dramatic effect on the retail sector and many Finnish store chains went bankrupt. However, as people struggle to support the Finnish stores the discount stores' presence became stronger and the customer needed the low prices. Naturally, demand grew for a national chain of discount stores that offer low price products as well as a wide selection and attractive choices. (Tokmanni, 2021.)

In the early 2000s, Tokmanni made the decision to expand and grow as a nationwide chain of discount retail stores. In 2005 and 2006 Tokmanni acquired 45 discount stores from other chains and acquired 10 more in 2007. Since then no new acquisitions happened until 2018 in which Tokmanni bought 9 stores from other discount chains. (Tokmanni, 2021.)

In 2021, Tokmanni reported it has reached a significant milestone as the revenue for 2020 exceeded one billion euros threshold for the first time in their company's history. By the end of 2020, they also reached a record high number of employees of 4,056. (Tokmanni, 2021.)

According to a 2019 survey, 69% of Finns believe that consumption related choice has an impact on extenuating climate change. The majority of Finnish People consider it important to live sustainably and are active in encouraging society to make environmentally friendly choices. Being aware of the significance of consumption choices is important to Finnish people and over 78% of Finnish people agreed that practising a sustainable lifestyle is important. Half of the Finnish people actively reduce their consumption to help reduce environmental stress. There seems to be a strong connection between life satisfaction and responsible choices. (Autere, 2019.)

One of Tokmanni's strategies is sustainable and responsible business conduct. They believe in smart shopping which means responsible sourcing. (Tokmanni, 2021) Responsible sourcing is a commitment by the companies to consider the social and environmental considerations when managing with their suppliers. (International chamber of commerce, n.d.)

The majority of the products that Tokmanni purchases are from Finnish suppliers. The next biggest supplier is China. Aside from Finland and Europe Tokmanni purchase their products mainly from Asia, high risk countries such as China and Bangladesh. They assure the responsibility of their product and operations by visiting the factories and purchasing only from factories where a third party has audited and inspected working conditions and employee rights. During the visit, the working conditions, product quality, production capacity, and factory management are checked. (Tokmanni, 2021.)

Tokmanni respects and demand their partners to also respect human rights. Promoting human rights, adequate living wages as it is one of the issues that come up during human rights assessments, and safe working conditions in their supply chain through audits and training. (Tokmanni, 2021.)

#### 1.2 Research Question

The research question of this thesis is "How can Tokmanni improve customers experience and enhance sustainable customer perception?". This research question is supported with a survey including questions such as would making their sustainable product more noticeable to consumers affect positively on Tokmanni's customers.

As society progress, trend and value changes over time, a company's image must also adjust to keep their brand successful. The goal of this thesis is to answer the research questions mentioned. By collecting data through a survey, existing information online, and comparing them the research questions can be concluded. Development ideas based on the collected

data will be included for retailers with similar situations and interests who may find useful solutions within this thesis.

#### 1.3 Methodology

This research uses primary, secondary data, and main sources. The analysis also includes qualitative and quantitative methods. A tailored survey created for the data collection on this thesis topic was sent out to the public for information gathering, in order to get genuine customer response that is directly related to the thesis topic.

The survey includes questions concerning sustainable products, sustainable operation, and view or discount retail as a brand image as well as the current view of Tokmanni as a company. Suggestions on how to make sustainable products more visible such as via coloured price tag, labels, and promoting Tokmanni's sustainable operation information on the weekly leaflet that are sent to customers nationwide. Review analysis is also included to analyse the current perception of Tokmanni's image.

Secondary data used for this thesis has been obtained through various reliable sources online, the reason for the online sources used as the topic of consumer behaviour and retail has been heavily researched for decades and so the reliability of the existing data is high therefore valid for this thesis in order to make new correlations between the existing data and cater it to specific chosen retail, in this case, Tokmanni. In the survey, an example of visual product A and B has been added as image to evaluate whether or not it being a sustainable would influence consumer behaviour.

#### 1.4 Case Tokmanni

Tokmanni is Finland's leading discount retailer chain. There are approximately 4,000 Tokmanni employees offering versatile and up to date international brand-name products and other high quality products at an affordable price for all of customers' special occasions and everyday life. There are around 200 stores around Finland and an online store. Tokmanni's revenue of 2020 amounted to 1 billion Euro. (Tokmanni, 2021.)

In 2018 Tokmanni created new values generated by teams of employees across Finland. This includes pride in low price, which refers to their offers of good quality product at the lowest possible price. Tokmanni's procurement is sustainable and effective, they care about people and the environment and so acts responsibly in everything they do. Other value includes dare to renew, which refers to the openness for change and adaptability, act sustainably and without failing. Their success is measured through the satisfaction of both their customers and employee. Lastly, do it together, Tokmanni build their culture based on mutual trust and respect. (Tokmanni, 2021.)

At Tokmanni responsible sourcing means that by principle the rights of the people working in their supply chain are met. Furthermore Tokmanni aims to reduce the environmental impact that their factories and supply chain contributes by increasing certification of high risk raw materials and sustainability labelled products. Tokmanni 2020 Achievement includes no serious accidents or faults related to the product sold by Tokmanni, updated general purchasing terms and condition and responsible sourcing guidance taken into usage. Tokmanni's target for 2021 includes, sharpen human rights approach, select sustainability labels set and reduction of the product complaint percentage in the private label products. (Tokmanni, 2021.)

Reducing the climate impacts Is one of the most important responsibility of Tokmanni. Their climate strategy is directly related to their own operations, and the reduction of carbon dioxide emissions and the energy usage of our properties. They also aim to be carbon neutral in 2025 by reducing energy consumptions and efficiently using them. Increase the usage of renewable resources and energy as well as guaranteeing the origin for power. Currently all electricity Tokmanni uses are renewable. Some of the achievement in this area includes some reduction to carbon dioxide emissions at their properties, reduction of power and comparable power consumption, waste recycling rate up to 35% and reuse rate of up to 50%. (Tokmanni, 2021.)

At Tokmanni they ensure possibilities for employees work development and it is essential that their employees are content at work. People manufacturing their product has appropriate. All

the store managers receive occupational safety training, occupational safety system was introduced during 2020, they have increased safety observations in order to develop occupational safety culture and reduce accidents. Tokmanni plans to have compulsory induction training e course taught to all Tokmanni employees, new employees will be provided with customer service training by their supervisors. (Tokmanni, 2021.)

The key to Tokmanni's business integrity is the responsibility towards customers, employees, investors, and other stakeholders. In everything that they do, relevant legislative requirement is followed. During 2020 no case of corruption or privacy violation was found at Tokmanni. (Tokmanni, 2021.)

#### 2 Theoretical background

#### 2.1 Importance of Digital Marketing for Retail

Digital marketing utilizes the internet, devices, social media, search engines, and other channels to reach potential consumers. Digital marketing allows for a new approach in understanding how customers behave compared to traditional marketing. Digital marketing is interactive with customer feedback of two-way interaction between the company and the customer. (Barone, 2020.)

Digital marketing has become the new essential for promoting businesses as traditional advertising alone has its limits. Marketing digitally allows the usage of search engine optimization and marketing which maximises the number of visitors to a specific website ensuring the site's appearance by a search engine. These benefits of online marketing expand visibility which lets the business grows. (Dan, n.d.)

Different types of digital marketing services such as SEO or Search Engine Optimisation optimises your website by creating high-quality content and using relevant keywords and SEM or Search Engine Marketing aims to boost site ranking such as improving conversion and reducing cost per conversion such as pay per click advertising which relies on paid

advertisement. With SEM your advertisement will appear on the Search Engine Results page based on the keywords you have targeted and bid. (Dan, n.d.)

Content marketing is another great type of digital marketing such as blogging and video content, creating quality content to attract potential customers and provide them with valuable information. Blogging is a way to earn readers' trust and grow audiences over time. A true revolutionize digital marketing is Social Media Marketing. A social platform such as Facebook, Instagram, and Twitter have constant active users which makes it the perfect marketing platform for any brand and is extremely versatile. (Dan, n.d.)

As of 2021 Digital marketing and social media marketing has spread all around the world through YouTube, Tik Tok, Instagram, and other platforms. Having a large audience, reaching the right customers, and competing with other companies have become much easier with digital marketing. There are over 4 billion active internet users worldwide which indicate the scale of what the digital landscape has become and will continue to grow. Connecting with a small part of those active users through marketing channels such as websites and social media is now simpler. (Dan, n.d.)

The effectiveness of digital marketing is also apparent, it helps business reach their target audience and there is a wide range of tools available to target market research that will help identify the right audience for you. Since the Covid pandemic businesses have adapted and digital marketing services are becoming more widely used as competing against rival companies digital marketing strategies should be invested to not lose out on online market share and traffic online that could have come to your platforms. (Dan, n.d.)

Though digital marketing presents many benefits there are some challenges as well. Digital marketing strategy works overtime and effort, content quality is also based on content creator skills, and some will always be better than other depending on individuals' creativity and program choices. (Dan, n.d.)

#### 2.2 Importance of Traditional Marketing for Retail

Traditional marketing is a form of promotion that reaches audiences offline. Marketing channels such as print, broadcast, telemarketing, or direct mail. Print includes advertisement in newspapers and other printed material for distribution. The broadcast includes radio and television commercials. Direct mails such as fliers, brochures, catalogues, and other direct mail prints. Telemarketing refers to requested calling over phones. (MarketingSchools, 2020.)

Traditional marketing requires time and effort in crafting a creative successful marketing campaign. Although traditional marketing seems to have been hidden by current digital marketing in many industries it still has its effective ways of boosting your brand. Digital marketing relies on an ongoing stream of promotional material to keep viewers' attention. Traditional marketing is more sustainable and leaves a lingering impression with their audience, as the marketing material last longer producing new material constantly is not needed whereas digital marketing content creator would create and post multiple times a day. (Lucidadvertising, n.d.)

Traditional marketing usually makes audiences feel more secure as it seems more credible, dependable, and established than online marketing. Printed material and ads on a larger medium are viewed as more trustworthy, however, established mediums also mean a bigger budget. Traditional marketing is one of the oldest forms of marketing and many marketers lean towards this method as it has been used and works. (Lucidadvertising, n.d.)

#### 2.3 Benefits of Neuromarketing for Retail

The field of neuromarketing studies the brain to predict and potentially manipulate consumer behaviour and decision making. Neuromarketing has several studies which demonstrate its potential to create value for marketers. Neuromarketing refers to the measurement of physiological and neural signals to gain insight into customers' motivations, preferences, and decisions based on brain scanning and measurement of neural activity, this can help inform advertisers and product developers. (HBR, 2019.)

Interest in consumer neuroscience started in the mid-2000s when business school research demonstrates the impact on the brain from marketing tactics such as advertising and branding. Researchers served Coca-Cola and Pepsi to subjects in fMRI machine and received consistent neural responses when the drinks were unidentified however as the subject could see the brand areas associated with emotions and memories indicated enhanced activity, this shows that brand altered and how it perceives it. (HBR, 2019.)

As science rapidly advances, neuromarketing can give businesses a great advantage, though certain studies can be done through traditional approaches it has its weaknesses. Respondents aren't always honest with their preferences and perceptiona are influenced constantly when there are other variables around which the neuromarketing research could eliminate. Research of this sort can be costly and so there are less costly tools such as eye-tracking and facial coding. (HBR, 2019.)

Research with an eye-tracking program can show whether or not a customer's attention is focused at the right moment on the right thing, such as a brand logo and facial coding can help ensure that an advertisement is triggering the right response. Traditional marketing studies were pit to test against neuro methods such as eye-tracking, heart rate, skin conductance, and more. The results showed significant predictive power over the traditional method which gave useful information for how to improve advertisement creativity and its effectiveness. (HBR, 2019.)

#### 2.4 Importance of Branding for Retail

Branding is a marketing concept that helps customers identify a particular company, product, or individual. Brands are one of the company's most important and valuable assets. With good marketing, a company could keep its brand in the centre of customer's minds. The brand carries a tremendous monetary value and so companies need to protect their brands from a legal standpoint and uphold their brand image for the public. (Kenton, 2020.)

Brands are not meant just for products and corporate but are also now used by individuals as social media is continuously on the rise and growing. Corporate branding is a way for

companies to differentiate themselves from their competitors, things such as pricing, mission, target market, and their company value. Personal brands are created by individuals to build their own personas done through social media images and video posts. Product branding or merchandise branding involves marketing a specific product to a proper target market. Lastly, service branding applies to types of service. (Kenton, 2020.)

Branding is so important as it allows your customers to learn and know what to expect from your company. It clarifies what it is that the company offers how it is different or better than other choices. It represents the business and how it wishes to be perceived. Branding is far from being a simple concept however it can be said that in its basic form is a good grasp of marketing and public relation which consist of identifying, creating, and managing the cumulative assets and action which shapes the perception of a brand. (Dandu, 2015.)

People, markets, and businesses are constantly changing, and the brand must adapt and evolve to keep up with the pace of change. The positioning of the brand must translate into the visual identity, content, ads, operation, services, customer support, and human relation to build a perception. Perception is extremely important as it associates with reputation and can either decrease or increase a brand value whether it be a company, service, or product. (Dandu, 2015.)

Product and company's service quality and function are no longer enough to create a good base for a successful brand image. The brand image now needs to include other aspects such as benefits, vision, mission, and value. Branding decision has gained growing importance as it has a decisive influence on the company's performance, but it is also a challenge for marketers as it has long term effects on the company's image and must rethink their brand in a way that will not confuse their customers. (Todor, 2014.)

The most well-known definition of a brand is a set of tangibles and intangible attributes, represented by a trademark such as a name or logo which creates value and influence. The value of a brand gives a positive differentiation effect when customers react to a product or service. Branding is a strategic decision that follows through its structure to achieve sever key objectives. (Todor, 2014.)

#### 2.5 Consumer Behaviour and Sustainable Consumer Behaviour

Consumer behaviour studies how individual consumer, groups or organization chooses, buys, use goods and services to satisfy their wants and needs. It refers to identifying the motives for the consumer actions in the marketplace. (Chand, n.d.)

Consumer behaviours are influenced by various factors such as marketing, personal, psychological, situational, and social. In marketing, factors such as design, promotion, packaging, and prices contribute to different behaviour from consumers. Personal factors include age, gender, education, and income level. Psychological factors are based on the attitude towards a product depending on consumers' motives and perceptions. Situational factors such as physical surroundings at the time of purchase can also influence consumer behaviour. Lastly, social factors are based on social status and family. (Chand, n.d.)

Changes are inevitable and this applies to consumer behaviour as well. Over a period of time, depending on the nature of the product, perception on trends and wants changes, preference is based on lifestyle, culture, and time period which are not static. Individuals as consumers also do not behave in the same pattern considering all the factors that can affect each consumer. (Chand, n.d.)

Knowledge of consumer behaviour is essential to understand the effect of various factors that influence consumer behaviour to target the right customer. This allows for appropriate marketing decisions in areas of product design, pricing, promotion, packaging, positioning, and place of distribution for that product or service. (Chand, n.d.)

Marketer studying consumer behaviour allows for better decision-making on how to influence consumer behaviour to increase their purchases while keeping in mind that behaviour varies from product to product based on different factors like age, the standard of living, and status. (Chand, n.d.)

Sustainable consumer behaviour focuses more on the ethical, environmental, and social impact of a business, product, and service. There has been a major shift in buying and

consumption habits, enhanced by the Covid-19 outbreak that made many consumers rethink every aspect of life including consumption choices. (Popescu, n.d.)

Green customer behaviour has prompted businesses to adopt green operations. As environmental problem steadily increases, environmentally conscious consumers also increase. This means there is more demand to purchase products that positively impact ones' health as well as minimize harm to the environment. Green consumers are aware of the obligation to minimize harm, waste and try to maintain a sustainable lifestyle. Some reasons for environmentally conscious consumers not purchasing green products are usually related to lack of awareness on availability. (Roy, n.d.)

Reasons why marketers should be interested in sustainable consumer behaviour, including the fact that conventional marketing is a key driver of negative environmental impact. Secondly, businesses that can adapt to the demand of new consumers that demand sustainability will more likely thrive in the long run and enjoy strategic benefits. Sustainable business is more likely to identify new product markets, emerging technologies, and organizational efficiency. Research suggests that socially and environmentally responsible practices have positive consumer perceptions of the firm, as well as increases in profitability. (White, Habib, Hardisty, 2019.)

Rather than targeting the green consumers' segment, marketer can expand their market for the long-term mutual benefit of the firm and planet. Being blinded by assumptions that marketing is incompatible with goals of sustainability will simply lead to missed opportunities. Marketing and sustainability are very much intertwined as marketing is used to influence consumption, and what it influences can be directly related to sustainability itself. (White, Habib, Hardisty, 2019.)

Typical consumer decision-making is classified as maximizing immediate benefits for self, sustainable choices involve longer-term benefits to others and the planet. Broader marketing strategies with tools to promote sustainability can be useful in this area. (White, Habib, Hardisty, 2019.)

#### 2.6 Retail

Retail psychology focuses on how to influence consumer spending, based on in store experience and marketing targeted to the right consumer group. Using a mix of sales techniques and visual merchandising could affect store ambiance and customer experience. According to Ipsos retail performance, the success of a shop largely depends on how consumers react to the environment and product on display, its colour, the lighting, scent, and music. (Ipsos, 2018.)

Merchandising strategies such as techniques to achieve impulse buys and to highlight offered promotions. The way promotion is highlighted is also important. For example, currently, Tokmanni sales items are in yellow and the signs for product shelf category are hard to find. Shelf manipulation is a technique used by retailers to arrange products in certain ways. (Ipsos, 2018.)

Furthermore, other techniques that are of importance include pricing, manipulating the perception of value and worth by using end of season sales and soon out of stock is effective, as well as using pricing such as €9.99. Incentives too are an attractive way to increase sales conversion, offering half price discounts, percentage, extra or deals such as buy 2 get 1 free could attack customers who would otherwise not consider those products but are now more likely to try due to promotions. Loyalty cards provide customers with reward schemes that psychologically attach customers to a certain retail store and give them a more enjoyable retail experience. (Ipsos, 2018.)

Tokmanni is a discount retail chain. Discount stores format their style in the form of a warehouse, department, discount, and specialty type stores, and are categorized as retailers that sell products at discounted prices. Discount retailers usually buy products in large bulk from manufacturers to receive massive discounts. Mainly discount stores will have similarities of products category that does not have expiry limit or have a longer shelf life. The retailer also buys off-season products such as purchasing holiday decorations such as Christmas decoration early on and therefore receiving a good discount which makes profits when sold during the actual holiday season. By purchasing directly from manufacturing companies,

discount retail reduces the cost of having a broker or middleman expense, with all these methods of reducing cost and lower purchasing price, allowing discount retailers to reduce selling price for their products. (Bhasin, 2020.)

Advantages of being a discount retailer include profits on both retailer and buyer side as retailers receive a large and broad number of customers the customers receive massive sales. Accessibility of purchasing a variety of products under one roof is a benefit for customers of discount retail stores. Discount stores have a comfortable environment in a way that no salesperson is bothering the customer as they take their time to look around each product section. (Bhasin, 2020.)

Disadvantages of discount retail for consumers, it is unlikely that as a customer you will find a fashionable or trendy product in a discount store, variety of products are of private brands and though it might not be accurate to Tokmanni, however, general discount stores have the image of having cheap quality product attach to it. Without the support of a salesperson, the customer has more room and type to explore however that can also lead to frustration as finding a specific product in a large discount store can take time. (Bhasin, 2020.)

#### 2.7 Retail Store Layout

The retail store layout is the strategic use of the area which influences customer experience and purchasing pattern. Store design that uses floor plan and space management such as display, furniture used, and lighting can optimize purchasing behaviour. The layout also includes customer flow, this refers to the way customer navigates in-store and understand customer flow, as well as patterns of interaction between merchandise and store layout, which is critical to management strategy. (Eby, 2017.)

Store layout also includes exterior design such as geographic location of the store, the size of the building, length of walkways from entrance to exit, exterior space for people to gather, colour choice of the building and window display. Strategically managing these factors can either positively or negatively impact customer experience. (Eby, 2017.)

The fundamental objective of store layout planning is to maximize sales and minimize the overall cost. Layout affects consumers' perception of the environment which can encourage or discourage approaching or avoiding a store. Creating a superior customer experience is one of the main objectives of today's retailing environment. (Singh, Katiyar & Verma, 2014, p. 1.)

Customer experience involves the total experience from the search, purchase, consumption, and to the after-sale phase of the experience. This is closely related to the store layout planning and based on the management strategy of a retail firm this can have a drastic impact on customer experience. (Singh, Katiyar & Verma, 2014, p. 1.)

The correlation between a retailer's profitability and customer experience is so closely connected that understanding how customers navigate the store environment as well as the flow of attention spent on the merchandise matters and can suggest where the strong point and weak points are with the store design. (Eby, 2017.)

The window display is an important part of the retail store layout. This allows the business to showcase their product, and physical display done right will always attract a sense of curiosity in a customer. In a high e-commerce competing era, improvement of physical store retailer must be made to keep attracting customer, the window display is a good start. Having decoration and products that represent what you sell at a suitable season or trend can change the attraction level for customers. (CrucialEngineering, 2020.)

In a retail store where there is a vast variety of products all under one roof, it is important to show new or season products on window display to inspire customers to purchase those items or just simply give knowledge to them that these products exist in our store. (CrucialEngineering, 2020.)

To gain the most out of good window display design, a concept and strict planning is a must. A window display should serve a purpose and be designed to target and entice people into the store. Being minimal is more, over cluttering window display with many product offers can degrade the value and give a sense of a chaotic unorganized store. Each time a window display changes it should have a concept, either showcasing a new item, brand, or season. In a way

window display is art, as it not only showcases products but also tell a story that is relevant to the current trend or season and be a topic of discussion for customers viewing them. (CrucialEngineering, 2020.)

Holiday marketing can also be utilized within the retail store layout to add extra value and increase revenue during the holiday season. Shopping during holidays is something customers look forward to, therefore, catching potential customers' attention during an intensive holiday period is important. Businesses should push their creativity and come up with relevant concepts that will entice customers. (Sendpulse, n.d.)

A holiday marketing campaign is necessary and should be planned and strategized ahead of time. Considering all the channels of marketing include social media, email newsletter, and displays. With the right timing, displayed products that are relevant to the holiday season can ultimately boost sales of those product categories. (Sendpulse, n.d.)

Window display gives customers instant information, ideas of what other similar products the store may or may not have, it attracts and builds a positive image. It brings brand awareness, a unique display can help you stand out from the other retail business in the area, it is also an effective way to highlight promotional offers. (Nibusinessinfo.co.uk, n.d.)

#### 2.8 Sustainable Business Operation

Sustainability focuses on meeting the needs of the present without having to compromise the future generation's needs. The concept includes the economy, environment, and people. In recent years companies are making public commitments to live up to sustainability standards through reducing waste, investing in renewable energy, and supporting a preferential organization that is also working towards a more sustainable future as a business. (Grant, 2020.)

Sustainability enables businesses to think of the long-term impact their business may contribute to. These include environmental, social, and human impacts. Many companies currently issue self-sustainability goals to show their commitment to striving towards

sustainability through reducing packaging waste of reducing overall emissions by a certain percentage. Other ways of achieving sustainability can be done by lowering energy usage or sourcing product from fair trade organization and ensuring their waste are disposed of properly and with carbon footprint being as small as possible. (Grant, 2020.)

The three-pillar of sustainability which is the economy, environment, and people are the main aspect and should be prioritized. From the ecological standpoint, the company should use natural resources in a way that is waste-free and does not deplete the resources at a high pace. Global ecoefficiency can be achieved by minimizing the effect on the environment with the goods and services being produced. (Leonard, n.d.)

Social sustainability is the ability for all individuals in a community to have access to equal or similar resources which comes with city planning programs, demonstrating an understanding of the basic needs of all residents. Economic sustainability is the new reality that a company must consider while planning long-term strategies for business development. In this 21st century, business needs more than just products, sales, and profit to succeed. (Leonard, n.d.)

Developing new sustainability operation models can be costly, however, a mentioned the partnership of industry and community will have many benefits for the business such as better employees and a positive public image that will continue to receive support by customers as most customers want to support a high quality of life for current and future generations. (Leonard, n.d.)

Moving towards sustainable production and operation is a complex task and process which takes time and commitment. The company would need to base its decision on a longer timeline and potential impact. Investors would need to adjust their expectation for returns as immediate profit would most likely take a long time as many small to medium size companies that commit to the sustainable development of resources have modest earning in the earlier stages. (Grant, 2020.)

Investors today use environmental, social and governance metrics to analyse an organization's ethical and sustainable impact from factors like footprints, water usage, development efforts,

and diversity within the company. Research shows that companies with sustainability initiatives help improve stable financial performance while gaining public support. adopting a sustainable mindset that are align with the company's goals, mission, value, and reputation is also one of the strongest motivating factors for employees. (Spiliakos, 2018.)

Being a sustainable business can lead to a competitive advantage. Consumer research suggests that when consumers know that a company is mindful of its impact on the environment as well as the society makes consumers more likely to purchase their product or services. This is also why making consumers aware that your business, product, or service is sustainable is essential, the more apparent that a business is sustainable the more trust consumer will develop. (Ecoofficiency, n.d.)

Adopting a sustainable business operation can also improve efficiency in the long run, as effective usage of raw material and better management of resources can reduce production costs. There are many other benefits associated with becoming a sustainable business, such as increasing investment opportunities, improving energy efficiency, and quality of employee recruitment. Employees want to work with companies that are heading toward being proactive and environmentally friendly. Research reports that companies with sustainability programs increase employee morale and efficient business process as well as employee loyalty. (Ecoofficiency, n.d.)

While maximising profit margins and innovating new and creative products can impress your customer, these are not the only priorities. Other values such as social responsibility and sustainable values can help establish a strong brand identity. Sustainable manufacturing enhance efficiency as the materials equipment and methods are handled in a way that produces less waste. Decades ago sustainable manufacturing was viewed more as a marketing tactic, however, in recent years entrepreneurs realize its importance. (Brown, 2017.)

Plenty of benefits that come from being a sustainable business includes innovation. When a company becomes committed to sustainability, it will most likely need to replace the current method and replace materials with a more environmentally friendly option. This can be lead to innovation as challenges fuels creativity. Some sustainable innovation has led to a reduction

in production cost as well as increasing the rate of production in the long run. It is also possible that as the material is replaced, it results in a higher quality product. (Brown, 2017.)

One of the main reasons why manufacturers have not turned to sustainable practices includes costs. As is true that at the beginning of change there needs to be a large investment, however, this will pay itself back. For instance, if a business relies on non-renewable material, without changing the rate of consumption, there is a possibility that as the material becomes scarce the cost will steadily rise until that material becomes unavailable. (Brown, 2017.)

Companies require uniqueness to have a strong selling point. Incorporating sustainable practices and being environmentally conscious can make one stand out. Eventually, this will result in an easier marketing campaign as consumers want to support businesses that reflect their values. Adapting to sustainable operation also shows commitment in order ways as this means your company is a step ahead of the environmental regulation compliance and certifications. This means that you eliminate the possibility of having to suddenly renew your operation if new legislation on the sustainable operation were to be introduced in the future. (Brown, 2017.)

Environmentally aware customer is more common now than it did decades ago. Either they want to reduce their impact on the environment or believes that eco-friendly product is safer, it shows that there is a market to attract. Ultimately, sustainability is not just a positive term to help your business look better than others. Conserving the planets' natural and non-renewable resource greatly support the current state of the environment. (Brown, 2017.)

Sustainable branding is more than ever essential for one's business. As consumer interest rise in environmentally and socially conscious alternative, sustainability attributes are becoming important in brand success. As population increases which inevitably results in more waste and damages to our environment, environmental protection has become one of the top priorities for individuals, companies, and countries around the world. (Oceanpandacreative, 2020.)

Sustainability branding is the process of creating and maintaining an identity of a specific product, service, or business that reflects the special added value in terms of environmental and social benefit. A sustainable brand has meaning and purpose that is beyond simply making profits. A brand is perceived as sustainable if it can convey sustainable benefits which are obvious and noticeable by a relevant consumer. Therefore, sustainable brands must have an integrated culture for success and trust between consumers and the brand. (Oceanpandacreative, 2020.)

Green marketing is a strategy in which companies emphasize their sustainability effort or benefits to the environment, either through their operation or type product and services, however this some leads to greenwashing. (Oceanpandacreative, 2020.)

Greenwashing is when a company invests more in claiming to be sustainable rather than being sustainable. This misleads consumers about the sustainability of the company, their product, or services. As sustainable operation success is directly related to consumer trust, greenwashing can severely harm the reputation for the long term and diminish customers' overall trust in your brand. (Oceanpandacreative, 2020.)

Sustainable branding is more than just eco-labelling. Environment, economic and social aspect is taken into consideration. Integrating and translating sustainable principles into real consumers takes time, investment, and consistency. Consumers nowadays are willing to adopt a new lifestyle and have already begun operating from a sustainable mindset. When brands reach out to consumers, they should not contradict what message is being sent out and what their efforts reflect for sustainability. (Oceanpandacreative, 2020.)

#### 2.9 Green Product

Environmentally friendly product or green product is a term for a sustainable product designed to minimize its environmental impacts during its whole life-cycle and even after it turns into waste. Green products usually identify with two main goals, firstly, reducing waste and secondly maximizing resource efficiency. Some characteristics include being manufactured using toxic-free ingredients and are environmentally friendly, can be recycled,

reused, and is biodegradable, comes with eco-friendly packaging, uses the least resources, is eco-efficient, has reduced carbon and plastic footprint. (Das, 2021.)

There are many advantages of going green for brands. Some advantages include access to a new market as green consumers are willing to pay more. Competitive advantage as going green is a big competitive advantage currently. Positive public image when brands do contribute positively to society and the environment it automatically enhances the image. Brand loyalty, set of loyal green customers who prefer green products. (Das, 2021.)



Figure 1. Eco Labels Finland: Ecolabelindex, n.d.

There are 38 ecolabels just in Finland alone. (Ecolabelindex, n.d.) Ecolabelling is a voluntary method for businesses to receive environmental performance certification and labelling that is practised around the world. An eco-label represents the product or service that has been proven on some standard that it is environmentally preferable such as demonstrating that it can reduce the overall environmental impact. (Globalecolabelling, n.d.)

Ecolabels come with a variety of benefits. To fit the standard of being sustainable, the need to innovate ways to sustainably produce will push companies to create a new and potentially better operational strategy. Ecolabels also represent the evolving consumer interest in more sustainable and eco-friendly products. Furthermore, this can influence consumer behaviour

towards more environmentally friendly products. When a company is producing products or services which are certified with ecolabels, they are also supporting economic sustainability. (Ecosystemunited, n.d.)

Though ecolabels were introduced as a positive visual representation, it can result in greenwashing if some unregulated ecolabels are used, which consumers may not always notice. Moreover, it is difficult to show whether labels have such a significant positive impact on consumers other than green consumers. Labels can be costly for smaller producers and labels may tempt producers to markup prices unnecessarily high. (Ecosystemunited, n.d.)

Labels such as the EU-Ecolabel have strict regulations, though all eco-labels are strict to a certain extent. EU-Ecolabel has environmental criteria that are set by a panel of experts that consider the product's whole life cycle from extraction of raw materials to production, packaging, and transport until they are used and then thrown out. (EuropeanCommission, n.d.)

EU-Ecolabel is recognised across Europe. From the B2C standpoint, this can increase awareness about the benefits of the environmental product as mindful purchasing consumer increases. On the B2B level, companies are facing more and more pressure to work with manufacturers of products that has ecolabels. This new unwritten requirement for investors can become a key for new business opportunities. While the process of checking whether your product complies with the criteria you may find ways to optimize some production processes as a result, this can increase profitability, reputation and add value to your brand. (EuropeanCommission, n.d.)

Another form of visualizing eco and sustainable products involves smart design. Designing products in steps to ensure that it is safe and sustainable can be done with a design team working with a product designer, material engineers, chemists, toxicologist, and sustainability experts for instance. While designing it is also important to map the potential impact throughout a products' life cycle. (EuropeanEnvironmentAgency, n.d.)

While the product may be sustainable, the packaging itself should also try to meet the standards. Sustainable packaging is recyclable, safe for the people and the environment, reducing its ecological footprint and environmental impact. To put it simply it is sustainable if it is recyclable, renewable, and reusable. (Vos, 2019.)

Sustainable packaging should be beneficial, safe & healthy for individuals and society throughout its life cycle. It should meet market criteria for performance and be sourced, manufactured, transported, and recycled using renewable energy. Another way of complying with sustainable packaging criteria is to use renewable or recycled source materials, manufactured using clean production technologies and is effectively recovered and utilized in biological or industrial closed-loop cycles. (Sustainablepackaging, 2011.)

The most apparent thing currently is that more than ever businesses are going green, and ecofriendly marketing is on the rise. Though transitioning to a green business seems tricky, it can be done with some dedication and consistent action done in small steps. Any steps toward sustainability are appreciated by the customers, whether it be from a sourcing, operation, or product design point of view. (Troncoso, 2021.)

#### 2.10 Social Media

Social media are online services that allow you to interact with others, share and create content through online communities. You can promote your brand and businesses. Let customers know about your goods and services as well as find out what customers think of your businesses through reviews. You also attract new customers and build a stronger relationship with existing ones through consistent and reliable content creation. (BusinessQueensland, 2020.)

Customers are constantly adapting to the latest trends. The trend does not only include fashion but also natural changes such as the holiday season or seasons overall. The customer relies on brands to be more socially aware than they are, and so retail businesses will only succeed if they keep an eye out on current trends. To successfully adopt a trend and

incorporate it into your business retailers need to keep experimenting. Experimentation can be done across several social media platforms or campaigns. (Statusbrew, 2021.)

Retargeting campaigns allows paid advertisement of your brand to be shown to shoppers who had earlier visited your website, ads will be shown either to their social media channels or search results on Google and other websites. Therefore, to maximise your retargeting campaign the messages in the ads should entice call to action and be eye-catchy. By tracking and comparing the retargeting effort across several channels, you will optimize your campaign toward marketing objectives. (Statusbrew, 2021.)

Another important aspect of social media is the ability to collect feedback from your social customers. Feedback is like a free guide for the growth of your business. Actively collecting customer feedback ensures that you are keeping up with your customer's needs. The best resource to understanding your customer is the customers themselves. When collecting feedback you need to pinpoint why you are seeking their inputs. (Statusbrew, 2021.)

Social media can also be used as a customer service tool. Studies suggest that consumers are likely to recommend a brand to their family and friends only if they had a positive experience with a brand on social media. Social media includes any online platform such as websites, Facebook, Instagram, and other similar platforms. The smoother and memorable customer experience you provide the more likely they will return as a customer and bring in other customers as well. (Statusbrew, 2021.)

One of the main online platforms that retail needs to focus on is the website. Sales are the best way to business success and therefore, website sales cannot be overlooked. By having a well-designed website you can reach more consumers which results in more opportunities to make sales. Websites do not simply enhance sales but also provide the necessary information consumers need to make an informed purchasing decision. The website helps customers obtain the information they need to convince them of the benefit they will have by purchasing products through you. (LyfeMarketing, 2019.)

#### 3 Research and Analysis

This research is conducted individually and not done in cooperation with Tokmanni. The first part of this thesis research and analysis were conducted by analysing customer reviews. These reviews are from 10 semi-randomly selected Tokmanni store throughout Finland. The selection was done through searching all Tokmanni store location on google maps in Finland. This method was done in order to visually pinpoint all Tokmanni store location in Finland. Semi randomization was done by picking one to two store per city and from the two selecting the one with higher review count in order to increase the reliability of the overall reviews.

Lastly, survey analysis was conducted to gain data on consumers' current perception of Tokmanni and their opinion on possible new marketing techniques Tokmanni could use to attract sustainable consumer market and make their effort to be a sustainable business more visible to the public.

#### 3.1 Tokmanni's Google Online Review Analysis

The 10 Tokmanni stores that are analysed includes, Tokmanni Espoo Espoontori, Tokmanni Vaasa, Tokmanni Jyväskylä Seppälänkangas, Tokmanni Oulu Jukola, Tokmanni Kuopio Volttikatu, Tokmanni Hämeenlinna City Center, Tokmanni Tampere Kaukajärvi, Tokmanni Lahti Laune, Tokmanni Rovaniemi, and Tokmanni Helsinki Kaisaniemi. All these stores have an average star rating between 3.7 - 3.9 and review numbers of 600 and above. While selecting the stores for analysing, most of the Tokmanni store that were seen in between the selection also had star ratings just below 4. (Google review, n.d.)

From all the selected stores that were mentioned, the reviews mentioned by several reviewers includes.

Positive reviews:

- Good customer service
- Great pricing
- Good location

- Cleanliness
- Wide range of products are available
- Consistent product promotions cycle
- Staff are knowledgeable on where items are
- Layouts are well thought out, easy to find the desired products.
- Good parking space (From outdoor Tokmanni stores)
- Consistency in stocking the products
- Good selection of Christmas item
- Good product arrangement (Google review, n.d.)

#### Negative reviews:

- Cramped
- Confusing layout
- Tags placed on the wrong product
- Poor customer service and impolite
- Double charging on item by accident
- Hard to navigate with a shopping cart
- Charging full price on promotional items
- Promotional items not clearly visible and are hard to find
- Clothing line available at Tokmanni are outdated and out of trend
- Product slightly damaged or not in perfect condition but are still sold
- Online availability data does not match the actual availability at the store (Google review, n.d.)

Based on these reviews that were collected it shows that Tokmanni is overall doing an excellent job with their branding, customer services, store layout, and marketing. However, based on the negative reviews that were included it shows that some inconsistency issues that can be improved.

As shown in both the positive and negative sections, customer service was mentioned. This means that even though the customer service is mainly good, there can be improvements in

the staff management training. For staff training, there could be stricter and clearer guidelines of how Tokmanni's customers should be treated regardless of the situation.

Great pricing was only mentioned in the positive section, which means Tokmanni is keeping the pricing relative to their company's purpose and is keeping it consistent throughout all their stores. Other reviews that were mentioned only in the positive section are the fact that Tokmanni's stores are easily accessible due to their locations, the stores are clean, and that there is a wide range of products available, which is within Tokmanni's goal.

Further reviews are about the promotions at Tokmanni. Even though there are many positive reviews on the consistency of product promotion cycles and positive comments on product arrangements, there also seem to be some issues with the promotional products. Based on the negative reviews, this includes, "Charging full price on promotional items" and "Promotional items not clearly visible and are hard to find". From these reviews, some improvements can be made.

A new marketing strategy for promotional items in store can be done, such as rearrangement of display for sales product, or clearer and bigger signs on top of the sections where the sales items are. As for, charging promotional items at full price, unless it was the customers' mistake, this can be avoided by including a program at the register where it will recognize the sales item based on data imputed weekly for the items that will be on sale.

One type of review that was mentioned often and is not seen in the negative section is the fact that Tokmanni's staff are knowledgeable on where items are. Which is a great sign as this means staff have received informative training on Tokmanni's store layout and current products. Additionally, another positive reviews that are not mentioned in the negative sections is the fact that there is a good parking space for customer and a good selection on Christmas item, which means Tokmanni is keeping up with seasonal change and trending products.

Other reviews that are related to each other and are mentioned in both the negative and positive section is the fact that there is good consistency in the stocking of products at the

store. However, in the negative reviews, it has been mentioned by many customers that the product availability at the store shown in Tokmanni online pages does not always match the availability at the store. This can once again be fixed by integrating data sent to the website section of product availability with the product that was bought through the register at the store.

Furthermore, issues that are mentioned in the negative reviews that are based on multiple reviewers' negative experiences includes, tags being placed on the wrong product, double charging on an item, which has been mentioned by more reviewers than other issues, products that are damaged or not in perfect conditions are still sold and that the clothing line offered at Tokmanni's store are simply outdated and out of trend.

The solution for such issues can include, once a day a staff member could go through all the section and make sure the tags have not been moved, removed, and placed correctly. As for double charging, this issue can be quite difficult to fix as it is based on the cashiers' focus and alertness. But it can be announced to the staff that this is an issue that was mentioned by multiple customers and so to be more alert while registering the product at check out.

For a product that is damaged or not in perfect conditions, it could be an idea to have a specific section for slightly damaged product and have them at small discounts. As for the clothing line, the variety and quantity could be reduced which will give more capital to focus on quality and trendier items.

Lastly, reviews on Tokmanni's shop layout were mentioned. Reviewers say the layout is well thought out which makes it easy to find the desired products, but it was also mentioned that it is hard to navigate with a shopping cart and slightly cramped. This could refer more to some specific Tokmanni stores, it is important to have the layout spacing between each aisle big enough for carts to navigate without disturbing other customers' navigation.

#### 3.2 Survey Results and Analysis

The purpose of the survey aims to study consumer behaviour based on redesigning marketing strategies for sustainable and environmentally friendly products to enhance sustainable consumer perception. The survey was viewed by more than 400 potential customers as the viewers all lives in Finland. However the total response of this survey is 45 in which 8 are not Tokmanni customers. The survey was posted on social media channels such as LinkedIn and Instagram to target the right audience, which are people who live in Finland.

However, as the number of responses is relatively low, the responses may not depict an accurate image of all Tokmanni customer perception. However, this analysis results can be used as a general reference for retailers that are moving towards sustainable business as all the responses are based on a survey that is customized to fit the topic of sustainability. The responses number may be low, but they are valid in relation to the topic.

The customers' opinions were anonymous to obtain a sincere response. The main questions that were asked are where they shop Tokmanni products from such as online or at the physical stores. Questions related to sustainability and their knowledge of Tokmannis' sustainable operation. Opinion on new marketing strategy for sustainable products and how environmentally conscious the consumers are.

Q.1 Do you shop at Tokmanni including online store? (If you answer No, please do continue answering, you can simply imagine Tokmanni as any other retail store you do shop at).

45 responses

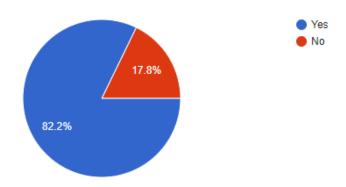


Figure 2. Results for question 1 (Appendix 1)

As seen in Figure 2, 82% are customers of Tokmanni while the rest are not. Firstly, this suggests that the response to this survey is reliable as more than 80% of the respondent are customers of Tokmanni and so has more accurate knowledge of the company. Lastly, 17% of non Tokmanni customers suggest that there are still potential customers that Tokmanni has not reached, and the opportunity to gain new customers still exists.



Figure 3. Results for question 2 (Appendix 1)

Figure 3 shows that the physical store is still predominantly used compared to the online store, however, roughly 17% do use both which suggests that the online store could become more popular in the future. Because customers shop at the physical store more, it means that Tokmanni should also prioritize in-store customer service rather than online services.

Customers that only shop online was at 4.4% this suggests the popularity of Tokmanni's online store could rise further in the future and so some work could be done to improve the performance of the website in order to keep those online customers coming back.

Q.3 Are you aware that Tokmanni as a company prioritize sustainable operation?

45 responses

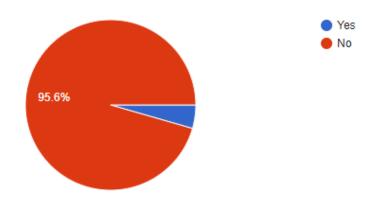


Figure 4. Results for question 3. (Appendix 1)

The results suggest the opportunity for Tokmanni to publicize their incentive on becoming a sustainable brand. Over 95% are unaware that Tokmanni prioritizes sustainable operation, therefore work can be done to improve the visibility of their efforts to the public as this can greatly benefit their brand as shown in the sustainable business operation theory.

Q.4 Now, as you are aware that Tokmanni is and strives to be a sustainable business in the future has this information positively impacted your view of Tokmanni as a company?

45 responses

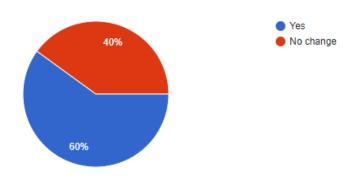


Figure 5. Results for question 3. (Appendix 1)

The results for Figure 5 imply that if Tokmanni were to publicize their efforts to be sustainable, this could positively affect their customer and their brand image as a whole.

As more businesses are taking steps toward becoming more sustainable and producing environmentally friendly products, it is a good idea for Tokmanni to promote their efforts. Many customers in recent years are very appreciative of brands that are transitioning from low-cost production for higher quantity to fair cost production from legal and fair sourcing for higher quality and more sustainable products.

Overall, publicizing the sustainable aspect of their business will do better than harm and may also the attract sustainable customer who may have previously not shopped at Tokmanni due to the lack of knowledge of Tokmanni's business operation.

Q.5 If Tokmanni were to report their annual sustainable operation achievements monthly or annually on the back of the weekly leaflet they send nationwide (Reference Figure 1.) Would you appreciate this as a customer and read it?

45 responses

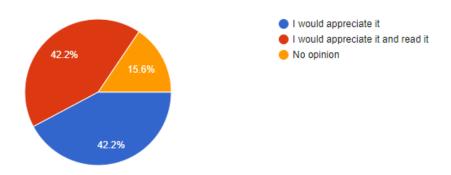


Figure 6. Results for question 5. (Appendix 1)

Based on this question, the response clearly indicates the movement of customers becoming more sustainable conscious. The idea of having the operation achievements including the sustainable aspect of the operation on the leaflet for customer to read seems positive and over 80% appreciates the idea, though only 40% says they would truly read it.

Q.6 Do you consider yourself environmentally conscious 45 responses

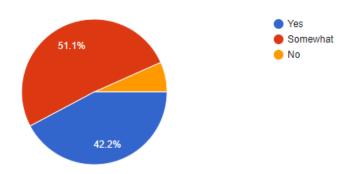


Figure 7. Results for question 6. (Appendix 1)

Figure 7 indicates what was previously mentioned in the theory about green customer behaviour. As the number of environmentally conscious consumer increases, the demand to purchase product from sustainable business naturally also increases. Therefore, focusing on green marketing and publicizing company information that shows sustainable efforts is important in allowing customers to become more aware of the current actions the brand is taking.

Based on the Figure 7 results, over 90% are environmentally conscious and 40% are completely conscious customers. Thus, prioritizing and transitioning marketing strategies to improving green customer perception will only positively impact Tokmanni as a company.

Q.7 When walking around Tokmanni's store or browsing their online store, is it obvious to you as a customer what product is or is not environmentally friendly and sustainably produced 45 responses

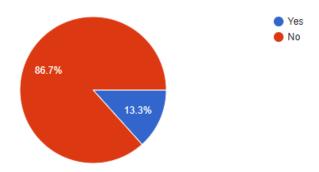


Figure 8. Results for question 7. (Appendix 1)

34

The results for the current perception and awareness of Tokmanni customer on sustainable products in Tokmanni indicates that there is a need for improvement. Over 86% responded that sustainable products are not obvious for customers which is a sign that new development for marketing strategy of such product is needed.

To make the sustainable products in Tokmanni more visible, many options are available in order to support this change. The price tag for sustainable product could be designed slightly different to normal products that are not clearly marked as sustainable or environmentally friendly. Alternatively, these products could be placed on a green shelf which requires more effort and so changing tags could be the easiest change.

Q.8 If you answered "Yes" in the previous question please explain how is it obvious. If you answered "No" you may skip this.

5 responses

Figure 9. Question 8. (Appendix 1)

The results for respondents who could notice the sustainable products in Tokmanni stores included that it was obvious to him/her from certain packaging style. Another respondent commented that they notice it from personal research and last relevant comment imply that they read the labels and materials used.

These responses indicate that sustainable product in Tokmanni is only obvious to passionate green conscious customer. It is highly unlikely for normal customer who are willing to buy sustainable product but unwilling to do their research to notice the difference in the same way as these respondee.

Q.9 As mentioned above, the store price tag are in black fonts on white background. Assuming that Product B is the coffee you usually purchase and Product A is of a similar price, it is sustainably produced and environmentally friendly, however you would only know that by doing your own research or picking the product up and reading labels / description. Which product are you purchasing?

45 responses

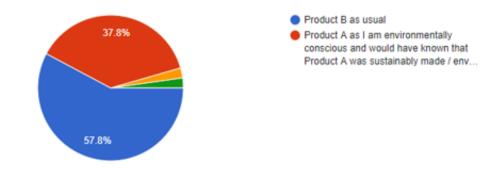


Figure 10. Results for question 9. (Appendix 1)



Figure 11. Sample image of Product A and Product B

In this section of the survey, before moving on to question 9, a section heading explaining the current price tag style Tokmanni uses was mentioned. This was the heading explanation: "Currently at the physical store the product price tags have a white background with black fonts, and promotional products have a yellow background with black fonts. Online price tags use red fonts". After this note and a sample image of product A and Product B shown in Figure 11 were introduced and made aware to respondees, the question in Figure 10 was then asked.

The result shows that even if product A is a sustainable product and has information on it being so on the package, it is unlikely that consumers would have noticed or had the incentive to pick them up and read labels. Around 58% said that they would just go with the usual Product B whereas 38% would have chosen product A, either because they are environmentally conscious and would have known that the product is sustainable, or they actually do read the information on the packaging. Regardless, improvements can be made in order for the sustainable product to be more visible to all types of consumers.

Q.10 If Tokmanni were to introduce a way for their customer to visibly notice which product has been verified as sustainably produced or environmentally friendly based on some standards would you appreciate this?

45 responses

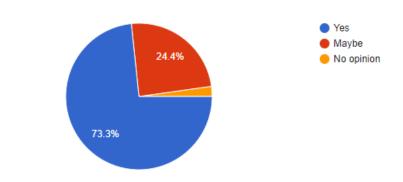


Figure 12. Results for question 10. (Appendix 1)

According to the results on Figure 12, there is a clear demand for sustainable products. Over 70% of respondee would appreciate it if Tokmanni would introduce a way for their customer to easily see which product is sustainable and environmentally friendly. Around 24% selected "maybe" which indicates a more neutral effect but does not necessarily mean that they won't appreciate it. This could be a development idea for the future.

By making sustainable products in Tokmanni's store more visible, it can enhance sales of products that are relatively higher priced which is good for Tokmanni but at the same time allows customers to feel more content with their purchase and possibly improve customer experience.

Q.11 For example if a product were up to standard of being sustainably produced or environmentally friendly, the price tag background could be changed to light green instead of the general white and for online store the font of the price could be changed from the general red to light green. What do you think of this idea as a customer?

33 responses

Figure 13. Results for question 11. (Appendix 1)

As the response to the question in Figure 13 are long answers, the overall response will be summarised. Relevant responses include, "It will help me purchase the products I look for, but I am not sure if the price in green is enough for me to understand" This response is excellent as it indicates that the idea is good but can be further developed to avoid confusion. Second relevant response mentions that a green icon such as green leaf emoticon could be included next to or in the tag to indicate that the product is sustainable, which is an excellent concept. The third relevant respondee mentions that from his/her experience other international retail stores have big tags that indicate if a product is sustainable or environmentally friendly, which means this concept can easily be executed in Tokmanni as well.

Overall responses were positive, with a few mentioning the fact that it could be confusing which is fair and further development is needed. General responses were that is a good/great idea and logical. All responses can be seen in Appendix 1.



Figure 14. Different coloured price tag concept

Q.12 Referring back to Q.9, if your usual purchase is product B but with the new change Tokmanni has introduced (Figure 3.) it is now clearly visible to you that product A is environmentally friendlier / sustainably produced, would you now reconsider your purchase? 45 responses

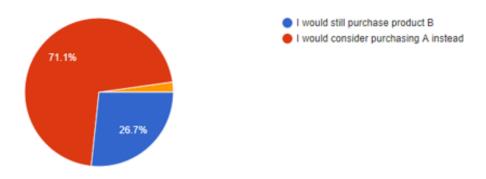


Figure 15. Results for question 12. (Appendix 1)

Before question 12 was asked, another sample image was shown in the survey as seen in Figure 14. This made the concept previously mentioned more visual in order for the respondee to really imagine how it would be like if the tag colours were altered. After the sample image was shown the response for question 12 from Figure 15 is as follows. With the more obvious signs of product A being sustainable, over 70% would now rather buy product A which is slightly more expensive but is clearly sustainable.

Roughly 26.7% says they would still purchase product B, this can either be from product loyalty, affordability or environmentally friendly product are just simply not their priority based on personal preference. Before the price tags were altered almost 60% would still buy product B which has now been reduced to 26.7% with the changes in the price tags. This suggests that the concept could be highly effective.

You may give opinion on how this survey could have improve with an additional question, adjustments or additional information.

7 responses

Figure 16. Feedback from respondee. (Appendix 1)

In this section, some responses were extremely valuable. One respondent mentioned that Alko has little bubbles on their price tag that indicates various things including if it is vegan, organic, and much more. The respondee also says that he/she purchase wine based on this info regardless of the price, and a similar system could be put in place for Tokmanni's price tags.

Lastly, a respondee mentioned a good way to further develop this survey was to have field study regarding this topic. This was considered however due to the pandemic, doing a field study was not preferred. Furthermore asking respondee comments face to face can result in bias responses as they are influenced by many variables compared to an anonymous survey that can be answered by any Tokmanni customer at the comfort of their own personal space.

### 3.3 Survey Conclusion

Based on the concepts mention in the survey and the responses, the results were mainly positive. Though the response number are only from 45 relevant customers, based on these responses there are trends that shows there is a correlation for demand of sustainable products even within customers who are not necessarily a sustainable conscious customer. There is also a highly positive response to publicizing and appreciation for Tokmanni's sustainable operation and actions.

### 4 Conclusion

Based on both the review analysis and survey analysis that was conducted, overall Tokmanni is a strong solid brand with loyal customers based on online reviews analysis. Each analysis suggests that there is room for improvement as is for any business, but also suggests a chance for remarketing Tokmanni in a certain way to enhance the perception of sustainable consumers.

Tokmanni's image overall is a discount store. The issue with marketing retail as a discount store rather than max value could result in a lost customer market that Tokmanni could have attracted with some adjustment within their marketing strategies.

Instead of the image of being a discount store, it should be a max valued store, so best value for your price. Rather than having the image of offering the cheapest product, it should be the highest quality for the lowest possible price which can be perceived more positively than low/discount price. This would also nicely complement making sustainable products more visible.

Since it has luxury items that do not match the discount/low price image from the recent inclusion of supplying branded products including Chanel, Dolce & Gabanna, and more. By slightly altering the concept of price and value Tokmanni could retain and re-attract customers whose financial status is higher than just targeting mainly low and middle-income families and consumers.

Tokmanni's website could either have a filter system for verified sustainable products on their website or create a stamp/logo system that is attached to a corner of the product price tag to visibly show the customer what has been verified to be sustainable. As for the physical product in-store, small labels on the actual product can be missed, aside from passionate and knowledgeable sustainable customers, your average customer who would appreciate selecting a more sustainable choice may not want to invest the time into picking up each product to look for label or description. Description of whether the product is or is not sustainably made/green/ or cruelty-free can also be confusing for the average consumer.

Therefore an easier more visible solution could be considered such as changing the price tag colour for such product or the addition of a logo imprint for sustainable product price tag. All price tags in Tokmanni are on white background with black font prices, and yellow for discounted ones. The white background could be changed to pastel light lime for verified sustainable products which would be a much easier and more noticeable way to market and promote those products.

From the research and survey that was conducted, green consumerism is clearly on the rise and therefore retailers must adjust and adapt to remain relevant and attract a new group of consumers. The review analysis suggests the need for more informative guidelines for staff

training to reduce negative reviews on customer services and reduce check-out mistakes such as double charging or charging full price on promotional items.

Other improvements include adjustments to certain store layouts that may be too cramped for smooth navigation of customers with shopping carts based on the customer review analysis. Lastly, introducing a way to make sustainable products sold at Tokmanni more visible to all Tokmanni's customers and publicizing sustainable actions that contributes to sustainability. This can be done either through social media marketing or traditional marketing such as on their promotional leaflets that are sent out nationwide. Tokmanni has a huge potential to attract new customers with low effort. By making slight marketing adjustments and altering some current layouts, Tokmanni could become an even stronger brand than it is now.

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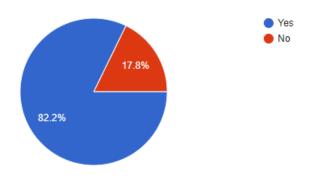
# Remarketing Tokmanni

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This survey aims to study consumer behavior based on redesigning marketing strategies for sustainable and environmentally friendly products to enhance sustainable consumer perception.

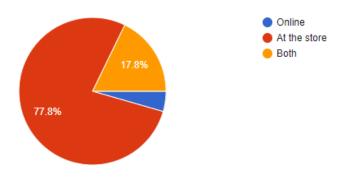
Q.1 Do you shop at Tokmanni including online store? (If you answer No, please do continue answering, you can simply imagine Tokmanni as any other retail store you do shop at).

45 responses

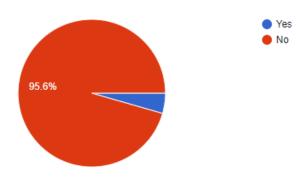


Q.2 Do you shop online or at the physical store?

45 responses



Q.3 Are you aware that Tokmanni as a company prioritize sustainable operation? 45 responses



Q.4 Now, as you are aware that Tokmanni is and strives to be a sustainable business in the future has this information positively impacted your view of Tokmanni as a company ?

45 responses

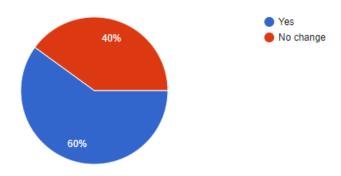
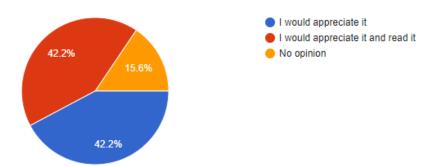


Figure 1.



Q.5 If Tokmanni were to report their annual sustainable operation achievements monthly or annually on the back of the weekly leaflet they send nationwide (Reference Figure 1.) Would you appreciate this as a customer and read it?

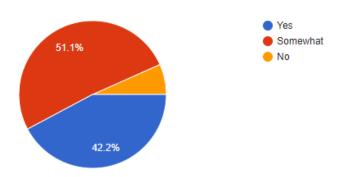
45 responses



# Sustainable products

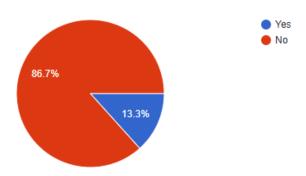
Q.6 Do you consider yourself environmentally conscious

45 responses



Q.7 When walking around Tokmanni's store or browsing their online store, is it obvious to you as a customer what product is or is not environmentally friendly and sustainably produced

45 responses



Q.8 If you answered "Yes" in the previous question please explain how is it obvious. If you answered "No" you may skip this.

5 responses

Very cheap is often not sustainable, thus cant imagine tokmanni to be. Sustainability shows in the price. Sustainable products almost always promote the fact they are sustainable, since its a selling point for them.

When products are branded "green", I assume they are sustainably produced. However, this could just be a marketing gimmick.

Due to the raw materials involved

I have done research by my self

Company Materials used

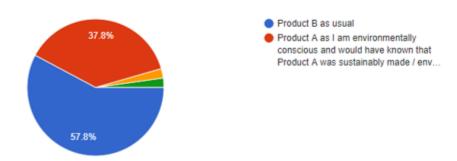
Currently at the physical store the product price tags has white background with black fonts, and promotional products has yellow background with black fonts. Online price tags uses red fonts.

Figure 2.



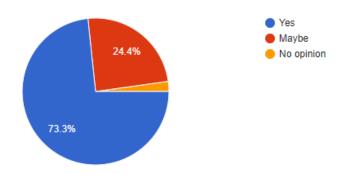
Q.9 As mentioned above, the store price tag are in black fonts on white background. Assuming that Product B is the coffee you usually purchase and Product A is of a similar price, it is sustainably produced and environmentally friendly, however you would only know that by doing your own research or picking the product up and reading labels / description. Which product are you purchasing?

45 responses



Q.10 If Tokmanni were to introduce a way for their customer to visibly notice which product has been verified as sustainably produced or environmentally friendly based on some standards would you appreciate this?

45 responses



Q.11 For example if a product were up to standard of being sustainably produced or environmentally friendly, the price tag background could be changed to light green instead of the general white and for online store the font of the price could be changed from the general red to light green. What do you think of this idea as a customer?

33 responses

Good idea

It will help me purchase the products I look for but I am not sure if the price in green is enough for me to understand

Sounds awesome!

Great idea to make it easy for customers to notice more easily sustainable products

I think that would be a great idea, but the meaning of the tag would have to be very obviously indicated in by Tokmanni in multiple occasions, so it does not cause confusion in customers. By this I mean that the customers might misunderstand green as a new way of telling that the product is cheaper than usual. Also, I would wonder how they would indicate that the product is on sale then if it is both, sustainably produced and on sale at the same time. For online, this problem is not as challenging, because I think the price could be the color that it used to be, but there could be a green leaf or something as addition to indicate, that the product is sustainable.

Yes! Great idea, like number plates in Austria, electric cars always have green one.

Test-worthy, but it labels all other products immeadiately as "bad-red" and sustainable as "good-green"

Good idea!

This is a good, easily understandable idea.

Okay

"sustainable" and "environmentally friendly" are too vague terms. A product may be vegan, and thus they label it as environmentally friendly, but at the same time its environmentally friendly in different ways. Perhaps it being green would make me more likely to buy it, but something saying its environmentally friendly doesnt actually make it so.

I think that would be a great practice! For example in some other international retail stores they either have a big tag to indicate that a product is sustainable and environmentally friendly or they have a special isle in the store that has all the bio/sustaibable/environmentally friendly products of different kinds.

Sounds interesting. Although online the pairing of green and red may be a bad idea as the
connotation with red would be "bad" against the "good" green. Possibly not something a company
wants for their products. Maybe a rating like 3 leaves put on the image of the product. A kind of
Tokmanni sustainability rating. And products that are sustainably produced could be rated on how
well this sustainability is achieved so that the customer knows when it is just marketing and when
not.

It sounds good

Can be effective

Great idea!

Seems to be easy to notice. Also I would look for information on how is it more suistainably

I think its a great idea. I would choose the sustainable product

I think it's not a bad idea but might be confusing to older generation customers. I suggest to keep the white background and add an image of a leave on the corner the same way as organic products are marked in other stores. Similar marking system will help customers understand the new mark easily without having to be introduced to

I would appreciate the change since it reduces the effort needed to consciously make sustainable choices while shopping. I would especially appreciate if the criteria for sustainability are easily accessible.

Really nice

I think that the green color would give more attention to product. That would help people buy that product even often if they have already noticed it.

Decent idea, could be further developed to avoid confusion

Seems logical

Could work

Good idea to make purchasing items easier for customers that want to make sustainable purchases

Good

sounds good

Yes I believe making a clear distinction would be a good idea it also signals their consumer without them having to look too hard

The idea to make it easier to spot the environmental friendly products sounds great. Even small green icons/logos could be used

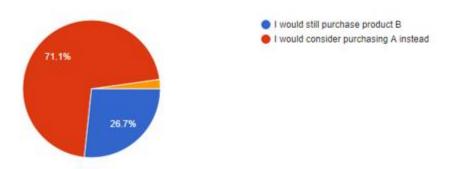
It's a good idea, but it could confuse the customers in the beginning.

The green should be neutral but otherwise a great idea

Figure 3. Different colored price tag concept.



Q.12 Referring back to Q.9, if your usual purchase is product B but with the new change Tokmanni has introduced (Figure 3.) it is now clearly visible to you that product A is environmentally friendlier / sustainably produced, would you now reconsider your purchase? 45 responses



# Thank you for your participation

You may give opinion on how this survey could have improve with an additional question, adjustments or additional information.

7 responses

Alko has little bubbles on the shelf price tag (at least for wine) which tell you which products are organic, vegan etc. I buy my wine based on this info even if the price is higher. A similar system might be more informative.

### Maybe fewer questions

This is a good clear way to ease my choice.

Questions about demographic (age and occupation, income, location) of the participants would benefit the study. Since Tokmanni serves a wide range of customers, without demographic information the study will assume the survey result represents the customers of Tokmanni while it could miss a whole section of customer. What will also support the study is to do field study by asking Tokmanni customers these questions at their physical stores. Anyway good survey and good luck!

You should specify whether the two coffees taste the same. I like coffee B, so that's why I drink it. I might be scared to try coffee A because I don't know how it tastes.