

# MSc International Business Economics Master Thesis

"Green Strategy & Behaviour of International Business Chains"



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# Abstract

The thesis deals with the application of green strategy and behaviour, respectively green behaviour of business chains - Tesco, Penny Market and Kaufland in the territory of the regional city Liberec, Czech Republic. The main aim of the thesis is to find out whether the selected international store chains Tesco, Penny Market and Kaufland are using green business strategies, respectively elements of green marketing and behaviour, based on established green indicators and to what extend. Work within the next goal identifies the motivation of business strings to use green marketing and behaviour, of course, if they use such strategies. The thesis also determines whether the customers of mentioned reflects green behaviour chains in their purchasing, respectively green marketing, and if this behaviour corresponds to the expectations of strings applying these elements. The thesis also touches the issue of disposal of generated waste in the scope of information supplied by management chains.

The master thesis entitled Green Strategy & Behaviour of International Business Chains (TESCO, Penny Market, Kaufland) is divided into two main logical units. The first one is a literary research that theoretically sums up information relevant to the subject. The theoretical part is focused on definitions of basic and related concepts such as green economy, green marketing, consumerism, customer buying behaviour and theoretical definitions of selected indicators of green behaviour. For purposes of this thesis, the indicators of green behaviour are defined as – offer organic food, construction of environmentally friendly buildings, environmentally friendly packaging products, offer reusable shopping bags, paper bags and ecological management of waste.

The second part, i.e. the practical part, focuses on the elaboration of the comparative analysis of the selected chain stores, the evaluation of the results from the conducted pilot survey through the questionnaire and the analysis of the semi-constructed interviews with the representatives of the selected business chains in the territory of the regional city Liberec.

The main finding of the thesis is that although selected chain stores use green strategy, customer's purchasing decisions is not affected by this type of business behaviour as a first priority. Customers prefer a price range and distance to stores from the residence or from the working place over green elements. The thesis also found that each chain has its clients, with different age groups and preferences of green behaviour.

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# 1. Introduction

#### **1.1 Background Information**

The diploma thesis entitled "Green Strategy & Behaviour of International Business Chains" (Tesco, Penny, Kaufland) focuses closely on the current topic, as the environmental perception of the business and its applications, especially in the area of green strategies, is definitely not only topic of present but also the future. Natural resources are exhaustible and it is necessary for the company to approach this fact responsibly. Therefore, environmental protection is taken by many companies as part of corporate social responsibility.

However, chain stores customers are influenced by many factors that affect their purchasing decisions. One of them is Green Marketing for the business, and managers across the globe continue to develop it. However, the positive relationship of the chain stores to protecting the environment does not guarantee that customers will buy environmentally friendly products.

For purposes of this thesis, three business chains were selected: Tesco Stores, Penny Market and Kaufland Czech Republic. The Tesco Stores business chain is chosen for the strongest representation of environment-friendly activities, for example, building the first zero-carbon store. Penny Market and Kaufland are chosen for their stable position on the Czech market and long-term existence in the territory of the regional city. These are the strings that do not represent so publicly about "Green Behaviour" and "Green Market".

For the purposes of the diploma thesis, the factors defining the concept of green behaviour of the business chains, which the author of work considers to be fundamental and the most affecting the customers themselves, are chosen. This is in particular the offer of organic products, eco-friendly store buildings, environmentally friendly product packaging, the offer of recyclable bags and paper bags, and environmental waste management in the form of sorting or recycling of packaging, batteries, take-backs and so on.

Green behaviour is very closely related to Green Marketing, which can be simply defined as offering products that are environmentally friendly, and, in general terms, builds on the ideas of the green economy, a concept that brings a new perspective on economic growth that is in line with the environment and the use of natural resources.

Business chains are large businesses that can positively influence customer behaviour through their position, power and attitude to environmental protection. And it is precisely this behaviour of the chain stores that is very associated with green marketing, respectively green behaviour. Business chains, of course, do not apply the costly green marketing activities of their own have some expectations from "green" customers, since chains of course are also looking to improve their economic situation.

The work, on the one hand, determines whether selected chain stores in Liberec Region apply green behaviour and elements of green marketing and, if so, what is their motivation for this behaviour. On the other hand, it reveals the real behaviour of customers whether chain expectations are fulfilling or not, and whether green behaviour influences customers when choosing a business string for their purchase.

Although this is an actual topic, there is not much research which analyzes the ecological behaviour of customers and whether they react to green business activities. In this, the author sees the greatest contribution of his master thesis.

#### **1.2 Ecological Economics**

The beginnings of ideas related to ecological economics can be included in the period of the 17th century, but its modern concept was formed only at the turn of the 60s and 70s of the last century. Already at this time, experts have tried to find answers to the crucial issues of the negative impacts of economic development on the environment and the human population in terms of expected population growth worldwide and related economic growth. Authors' Simickova and Drastichova in their publication describe the definition of ecological economics, which is widely recognized and published in the journal Ecological Economics by Robert Costanz. They define this term specifically as a direction that: "deals with the interrelationship between ecosystems and economic systems in the widest sense. These mutual weights are the focus of many of our most pressing current problems, such as: sustainability, acid rain, global warming, extinction of species or wealth distribution, but are not well covered by any existing discipline (Simickova, Drastichova, 2013).

#### **1.3** Development of Green Marketing

Green marketing has gone through three phases of development. Organic green marketing is referred to as the first phase and is defined by marketing activities that focus on improving the quality of the environment and establishing a comprehensive solution to the environmental problem. The second phase focused on technologies and production that made it possible to reduce air pollution and minimize waste generation. This stage is called Environmental Green Marketing. The last phase that Dosbabova describes in its work is the so-called Sustainable Development of Green Marketing. This stage corresponds to the basic ideas of Green Economy, which asserts that natural resources are not unlimited. On the contrary, there is an ever-increasing growth in the need and consumption of people across the planet, which forces the producer to produce more and hence to make more use of natural resources. This phase, therefore, points to the need to reduce production of products, human consumption to protect these natural resources and minimize waste generation (Dosbabova, 2012).

Green marketing is currently a highly discussed topic and also a major trend. In practice, green markets are showing increasing tendency due to increased consumer interest not only in environmentally friendly products (Lu, Bock, Joseph, 2013).

#### 1.4 Customer's Consumption and Buying Behaviour

A subset of consumption behaviour is the customer's buying behaviour. Consumer behaviour can be defined as activities or activities related to items for consumption. However, as opposed to buying behaviour, it captures the entire purchase process and does not only cover the use or purchase of the product, as Vajcnerova states in her work. Zamazalova defines consumer behaviour, as well as Koudelka in his publication Consumer Behavior and Marketing, as follows: "Consumer behaviour is the behaviour of people - final consumers, related to the acquisition, use and disposal of consumer products (Zamazalova, 2009, Koudelka, 1997).

In addition, Vajcnerova describes all the phases that the consumer goes through: "from realizing the needs, through deciding on a suitable product variant, own purchase action and also the subsequent use and disposal of the product. In addition, this term also includes capturing the various influences that occur during the process, such as the psychological characteristics of the individual and the characteristics of the psychic processes - perception, memory, thinking, etc. It depends on the decision of each consumer in which way his resources (time, money and effort) will divide "(Vajcnerova, 2013). By the term of the buying behaviour, Zamazalova refers to the purchase itself, customer buying action. She also points to the so-called "black box", which she sees as "the mind of the consumer, which is affected by a number of external factors from the macro and micro environment that activate the processes in the black box. It carries out decisions that result in a certain response in the form of a purchase of a product or service, or a refusal to purchase. The consequences of this

behaviour reverberate into predisposing individuals and their further purchasing decisions (Zamazalova, 2009).

Everyday human behaviour also includes consumer behaviour, with two fundamental questions about "why" and "how" consumers use the products they buy for consumption (Koudelka, 2006).

#### **1.5 Problem Identification**

This section will explore driving concepts, namely "Green Economy" connected with the issues such as sustainable consumption, sustainable development, environmental protection etc. Moreover, research gap will be described together with research question and purpose.

#### **1.5.1** Concept of Green Economy

Not only the concept of the green economy, but also other economic models based on environmental bases, which are very similar to this concept, bring a new perspective on economic growth and the use of natural resources (European Commission, 2015).

Economic growth is linked to very intensive use of natural resources, but of course limited. An important issue, of course, is the imminent lack of food, water and other vital resources for life. That is why world experts and the general public draw their attention to the green economy concept, which brings a new perspective on environmentally-friendly economic growth (the European Commission, 2015).

The topic of the green economy was brought by the United Nations Conference on Sustainable Development, known as the Rio +20, held in June 2012 in Rio de Janeiro. It focused on two basic themes - a green economy in the context of sustainable development towards poverty eradication and institution reform (Leggett, Carter, 2012).

The authors Vavra, Lapka and Cudlinova in their publication state a very clear definition of the green economy in context. "The green economy is not entirely unified, there are more variants and concepts that differ in details and names (New Green Deal, Green Growth, Green Economy) but combine the emphasis on renewable energy sources, the efficient management of natural resources, reducing environmental pollution, economic growth and greater inclusion (reducing poverty and unemployment). The new Green Deal and the Green Economy, together with the Green Growth Concept, have been presented since 2008 as a way to address all the major global challenges of the present - the economic recession (the Green Growth Concept has received the most attention in 2008-2011 and the emphasis on restoring the economic growth was the consequence of the then global economic recession), climate change and the problems of world poverty, in line with the main principles of the concept of sustainable development." (Vavra, Lapka, Cudlinova, 2015)

Green economy was brought to light at the beginning of the 21st century, at the time of the Green New Deal or Global Green New Deal. This is a very young concept, which at this time responded to the current international problems, such as the financial and economic crisis. At present, there is still no single definition of Green Economy stated by members of United Nations (Lapka, Vavra, Subrt, 2012).

Sufficient political support and the proper and cost-effective behaviour of national governments is an essential foundation for a successful green economy. This claim is borne out by Van Jones, who is the supporter of the transition to green economy through political power. Only this power is able to support and enforce the Green New Deal by building a so-called green coalition, especially in the industrialized countries of the world (Jones, 2011).

In the International Chamber of Commerce, the area in which economic growth and environmental responsibility are mutually reinforcing and co-operating, as well as social development in the use and promotion of advanced technologies, is in line with the green economy concept. The Chamber also considers the central role of the business and industry sectors that produce goods, services and the starting point for a transition to a green economy (International Chamber of Commerce, 2011).

The Global Green New Deal issued by the United Nations Environment Program (UNEP) and updated for the G20 summit in Pittsburgh in 2009, sets out key requirements for meeting the Global Green New Deal target, which aims at revitalizing global economy, increasing employment, actively combating climate change, including environmental degradation and poverty reduction (UNEP, 2009).

In 2008, it was proposed that *one percent of the world's gross domestic product* would need to be spent on these issues in the following five areas (UNEP, 2009, p. 1):

- Increasing the energy efficiency of old and new buildings,
- Renewable energy technologies such as wind and solar power, geothermal energy including biomass,

- Sustainable transport technologies such as hybrid vehicles, high-speed rail and bus transport systems,
- Promoting the Earth's environmental infrastructure including freshwater, forests, soil and coral reefs,
- Sustainable agriculture and organic production.

The UN Environment Program addressed the G20, which is the group of countries with the most advanced economies, since it is precisely this union that produces 90% of the world's gross domestic product and is economically capable of supporting the Green New Deal. According to the UNEP text, the G20 represents two-thirds of the total population of the planet producing 80% of the total greenhouse gas emissions per year (UNEP, 2009).

However, a new UNEP document entitled Sustainable Public and Investment Path on the Road to Rio + 20 was published in 2011, and subsequently in February of that year, indicating a change in the achievement of sustainable development by spending two percent of the world's gross domestic product (Dvorakova Liskova, Cudlinova, 2015).

Authors Dvorakova Liskova and Cudlinova in her book mention the areas of support where the funds obtained from two percent of the global gross domestic product should be directed to achieve the goals set in the document "Global Green New Deal" including the financial amount of the investments that are fully in line with areas established by the United Nations Environment Program (Dvorakova Liskova, Cudlinova, 2015). Specifically, these are the following financial amounts and areas (UNEP, 2009)

- \$ 108 billion for the greening of agriculture, including small farmers' farms,
- \$ 134 billion to greening up buildings by improving energy efficiency,
- More than \$ 360 billion for green energy supplies,
- \$ 110 billion to green fisheries, including a reduction in world fleet capacity,
- \$ 15 billion to green the forest management,
- More than 75 billion for the greening of industry, including production,
- \$ 135 billion to green the tourism sector,
- More than \$ 190 billion in greening transport,
- \$ 110 billion for waste, including recycling,
- \$ 110 billion for the water sector, including sewerage solutions.

UNEP, according to Unmübig, Sachs and Fatheuer, is pushing for investment in ten key economic sectors to enable a swift and effective transition to greener development and supports its arguments with econometric calculations. UNEP believes that these resources will effectively support a low-carbon economy and encourage other economies to make more efficient use of resources (Unmübig, Sachs, Fatheuer, 2012).

Van Jones, in his publication, points to a very important fact that concerns the whole society's problem of resource consumption. The author states the following statement: "We behave as if we had a single use of our entire planet - including humans" (Jones, 2011). It also summarizes the pillars of the green economy, respectively environmentalism of social growth. These are: "fair protection for all, equal opportunities and respect for the world. These principles are permanent, and we can build upon them a modern movement from which an open, green economy should be born "(Jones, 2011).

The United Nations Environment Organization considers the green economy an approach that enables human welfare and social justice to be enhanced. At the same time, it also protects the environment and natural resources (Lapka, Vavra, Subrt, 2012).

The European Union stresses that the green economy is not a substitute for sustainable development and does not even create barriers to international trade it should be one of the options how to get to sustainable development. (Dvorakova Liskova, Cudlinova, 2015).

Authors Lapka, Vavra, and Subrt further outlined that in long-term perception, to understand the green economy as a concept improving the living conditions of society, depending on sustainable development. There is no threat to the future generation, and environmental protection is being strengthened (Lapka, Vavra, Subrt, 2012).

The United Nations Conference on Trade and Development (UNCTAD) states in the latest document entitled The Green Economy: Trade and Sustainable Development Implications of 2011 that global progress in sustainable development is driven by raising public awareness as well as enhancing political will in this area. Furthermore, this document points to the progress of the green economy in the world. Market trends are clear, companies with ISO 14001 (Environmental Management Certification) grow from less than forty thousand in 2000 to more than two hundred thousand companies in 2009, with roughly 40% of those businesses in developing countries. There has also been an unprecedented rise in Fair Trade, worldwide. However, the green economy has also hit other areas such as energy, forestry, service

industries and agriculture. Organic farming is currently run on roughly thirty-seven million hectares of land, which means a fourfold increase over the past ten years. Even the global organic food and beverage market has seen unprecedented growth. According to estimates, in 2011, this market has reached a profit of about sixty billion dollars. This is more than a triple increase over the year 2000 (United Nations Conference on Trade and Development, 2011).

On the issue of the green economy, the Ministry of the Environment convened the Green Economy Ambassadors' Forum in Prague in 2009. There were many prominent experts, including Pavan Sukhdev, the head of the international science team, the Economics of Ecosystems and Biodiversity (TEEB). In order to strengthen the importance of the green economy, he said: "The green economy is one that does not consume the available resources faster than they can recover, and the green economy also does not threaten the existence of a person on the planet, but today we consume at least 35% more resources than the planet is capable of to offer and release in the atmosphere five times the greenhouse emissions that the planet is capable of absorbing, and the support to the fossil-based economy should be abolished, which would bring about a global reduction of greenhouse gas emissions of 6% and an increase in global GDP by 0.1%." (Ministry of the Environment, 2009).

#### 1.5.2 Research Gap

Although this is an actual topic, there is not much research which analyzes the ecological behaviour of customers and whether they react to green business activities. In this, the author sees the greatest contribution of this master thesis. There is a demographic gap within the research of customer's of chain stores and their green behaviour across generations and since this thesis focus to age groups from 18 years to 65 and older, it should be great contribution to academic field and for future research. Thesis is also build on both qualitative and quantitative data, as through interviews with chains representatives the view on business strings green strategy & behaviour is analyzed, on the other end of researched topic is shown from perspective of customers, since questionnaire survey is held as well.

The aim of this work is to raise people's awareness of this issue and to push research about the green strategies, sustainable consumption or green behaviour in the academic field a little further. The concept of green economy was investigated by different authors from different perspectives, but non of the works were focused, to analyse ecological behaviour of customers and whether they react to green business activities of chain stores within regional city of

Liberec, Czech Republic. Such research gap and better understanding of this topic should help international chain stores to improve their green strategies and to better comprehend its customers. This thesis should also show today's and future generations how to better understand and realize the importance of terms such as sustainable development, green behaviour or sustainable consumption, because the available resources on this planet are currently used much faster than they can recover, which represent huge problem for future generation. Therefore, powerful international business strings like Tesco, Penny Market or Kaufland can make a difference if their green behaviour strategies positively effects it's customers not just in Czech Republic but in all countries they operate. It would represent "win-win-win situation" since international chain stores would gain more profit from bioproducts and sustainable energy savings from eco-friendly buildings, "green" customers would eat high quality healthy food and use e.g. recyclable bags and most importantly it would be at least small contribution to our "blue planet" and greener future.

#### **1.5.3 Research Question and Purpose**

This study aims to investigate two main phenomena, how and to what extend selected international business strings use the elements of green behaviour on the one end, and on the other how do chain's customers perceive this strategy and reacts to green behaviour and elements of green marketing. The thesis also touches the issue of disposal of generated waste in the scope of information supplied by management chains. These are the issues this work will deal with in the following chapters.

This master's thesis is therefore focused on study of the behavioural patterns of respondents in the field of green economy, using interviews in connection with green strategies, such as green marketing and behaviour. The aim of the thesis is to gain a further insight into the concept of a green economy and to contribute to the recognition of the green behaviour elements. Analyze the attitudes of people, who belong to green consumption society and discover the motives that lead people to buy these products, which would also help business strings to improve existing green strategies.

Last but not least, this work is author's one of two projects initiated by the Ministry of the Environment program within Liberec Region and is intended to help people realize that with green products and green behaviour on everyday activities can each of us contribute to environmental improvement. Other partners of this thesis are contacted business strings Tesco Stores, Penny Market and Kaufland, who agreed to co-operate on the research and the results will be in the end presented and consulted with representatives of these chains. The second project, which is not part of this thesis, due to lack of connection with international business aims to investigate "Throw-away society", people's awareness of waste and excessive wasting in households and also touch topic of recycling in more details. The results of these studies will be published by the Ministry of the Environment within the Liberec Region.

# **Research Question:**

# How green strategy of selected international chain stores effects buying behaviour of "green" customers?

"A Case Study of Tesco Stores, Penny Market, Kaufland"

# Sub Questions:

- *How do selected international chain stores in Liberec Region apply green marketing elements?*
- What are the motivation factors of analyzed chain stores for green behaviour and the application of green marketing practices?
- How do "green" customers of international business strings, reflect on the green behaviour and green marketing practices of selected business strings, and does it match expectation of stores using these elements?

# 1.6 Delimitations

This research paper is limited to its demographic, which means that the point of views is limited of Czech customers of chain stores Tesco, Penny or Kaufland. Furthermore, it is limited to men and woman, who lives in region of Liberecky kraj (Liberec Region), which is only one region out of 13 in Czech Republic, due to limited time as well as study was initiated by the Ministry of the Environment program within Liberec Region and by the municipality of city of Liberec the paper is no extended to whole Czech Republic.

It should be also noted that the thesis is working with data that will be gathered through a pilot survey among selected chain stores customers and through interviews with business strings representatives. It is precisely the chain management information's that will be processed to the extent of the information obtained, which may be a possible limitation of work, since some information's could be internal for the companies in order to keep a competitive edge.

# 2. Theoretical Methodology

This chapter will clarify the methodological approaches made to help the research and data collection methods. It will support the research question by assessing different research philosophies and act as a reference to strategically collect and analyse data.

#### 2.1 **Pre-Understandings**

The reason for choosing this topic of study was due to a growing understanding about the environmental impact that the consumers and chain stores has. After studying at Aalborg University and living 5 years in ecological friendly environment and country, which Denmark undoubtedly is, I felt responsibility for my home country, Czech Republic that the underlying reasoning of the concepts is that in order for a country to thrive, we must continue to consume, but consume in responsible way. One of the other reasons, to take this path for this thesis is my expertise and experience from working for recycling company in Czech Republic, which lead me to various important people in this field and it was offered to me to do such research during the master's thesis by Ministry of the Environment program within Liberec Region. I started to look into my own consumption and see where I could actively make changes to be more mindful of the environment. What I noticed was that there is not that many external pushes helping people to be more sustainable in regards to their consumption. I became determined to change my impact on the environment and change my consumption habits. By looking at friends and family in regards to their consumption I became interested in wondering what externalities could help them be more sustainable without "sacrificing" normal day things.

I am aware that I may have a strong opinion in regards to my preconceptions regarding sustainability consumption, green economy and this might follow with some bias towards the research. I think that my pre-understandings turn into a springboard into finding relevant literature that encompasses this study and can therefore be used as an aid to investigate the research questions and the general purpose of the study, as well as finding relevant literature and theories to aid my analysis of the results.

#### 2.2 Research Paradigm

A research paradigm envelops the philosophical methodology regarding how logical or scientific research ought to be done (Collis and Hussey, 2014). When utilizing the terms

rationality, philosophy it incorporates territories of learning, reality and presence which are consistently evolving and not a settled reality as they are open to advance as more research is made (Collis and Hussey, 2014). A research paradigm ends up individual to the analysts approach on information and depends if the researcher looks at the perception as objective or subjective. By expressing what research paradigm will be utilized, it will set the expectation of the exploration and consider data to be gathered and exhibited in a way that is adjusted to the philosophical methodology approach of data. Saunders (2009) reasons the significance of clarifying the research paradigm expressing *"the research philosophy you embrace contains essential assumptions about the way, in which you see the world"*.

Past research has been founded on a paradigm that has been carried by Kuhn (1962) which gives a clarification only to natural science phenomena of logical achievement. It methodically watched issue to make objective thinking inside the physical world (Smith, 1983; Collis and Hussey, 2014) in more present days there have developed more research paradigms models which can clarify objective and abstract, or so called subjective issues. The two most important research paradigms have developed and are clarified by Collis and Hussey 2014 are: interpretivism and positivism – and are on inverse closures of the research paradigm range.

The aim of this research is to comprehend the perception of people as consumer and chain stores of green behaviour and sustainable consumption of food. Consequently, an interpretivist paradigm is the most appropriate for this research. Interpretivism takes into consideration exploring the individual impression of people, by estimating a phenomenon and getting knowledge to human perception (Collis and Hussey, 2014). By being empathic to the participants and their comprehension of green behaviour, helpful data can be acquired about how certain elements, for example, mass media, utilization of internet, pressure from surrounding environment has prompted development of considerations and activity within the consumerism (Saunders, et al, 2009). The fundamental purpose when utilizing an interpretivist paradigm is, as expressed by Saunders et al (2009): *"to enter the social world of our exploration subjects and understand their reality from their perspective"*.

The positivist paradigm, or, in other words inverse end of the range to interpretivism, aims to comprehend the world from an objective perspective, and clarify data in a logical way (Collis and Hussey, 2014). This methodology, which has been bolstered by Kuhn (1962), has systematically perceived issue to make objective reasoning inside the physical world (Smith,

1983; Collis and Hussey, 2014). This paradigm would take part in this research, in the way of questionnaire survey of consumers of store chains Tesco, Penny and Kaufland, as it does bolster multiple understandings to describe diverse issues, and its objective to individual considerations.

In the middle of the range of positivism and interpretivism, there have developed more paradigms to approach logical research. Realism expresses as Saunders said: "*There is a settled or fixed reality which is not dependent on the perception of human individuals, it intends to give answers to what is going on around us*". Realism is predetermined with some concerns, as it doesn't trust that it is conceivable to make separation between the researcher and the information that must be gathered (Saunders, et al, 2009). This paradigm was considered for this thesis, however having the capacity to ponder a single phenomenon and putting myself outside of the background is essential with this investigation, when gathering and deciphering the data. However, bit of the realism view approach will be use during the excursion around business strings with its representatives, to see if, reality in the stores match the statements of interviewees.

By choosing the interpretivist paradigm, this research will be able to understand and analyse individual perceptions of managers of chain stores Tesco, Penny and Kaufland in different concepts which were introduced such as: green behaviour, sustainable consumption, green marketing and more. Moreover, by selecting the positivist paradigm, this research will be able to understand and analyse the multiple perceptions of consumers of above mentioned chain stores, in different concepts which were introduced such as: consumerism, green behaviour, and more.

#### 2.3 Research Philosophies

Subsequent to diving into the research paradigms of how data and information can be gathered, and how the diverse rationalities clarify how research can be translated, research philosophies are utilized to clarify how the researcher procedure knowledge and interpret the truth is a critical viewpoint in connection to the investigation of results (Bryman and Bell, 2011). Research philosophies are introduced in bellow.

#### 2.3.1 Ontology

Ontology is as expressed by Collis and Hussey (2014) "The paradigm has a connection concerning which approaches to research philosophies are chosen, in the other words, the nature of reality". There are a couple of various ontological perspectives, and two will be clarified, in particular objective and subjective ontology.

*Objectivism* is more suitable with a positivist paradigm. There is just a single reality and it is external to the researcher (Collis and Hussey, 2014). "*Any information gathered and analysed will be true to the whole population, as empirically proven data clarifies the phenomenon*". This philosophy may be appropriate if a market research was to be conducted, with the end goal to get a general understanding of the topic, since the data gathered would turn out to be profoundly helpful for a large amount of the population.

*Subjectivism* is in accordance with the interpretivist paradigm, since it expresses that subjective nature of the truth is developed through social realities. In this manner, every single individual occasion inside a person's life is the thing that shapes their realities (Collis and Hussey, 2014). Being impacted by family, knowledge from school, access to data from TV and internet, and so on will leave people with various understandings of the world. Actions made by people can come to change contingent upon the context of a circumstances (Saunders, et al, 2009).

An objective ontological philosophy will be utilized as well for this research. The exploration subjects will be examined in an approach to understand and investigate the answers in setting of consumer reality. Knowledge and pre-understanding of consumerism inside the green behaviour will be analyzed thought questionnaire in order to comprehend larger population and empirically prove data to clarify the phenomenon.

To continue, a subjective ontological philosophy will be utilized for this research. The exploration subjects will be examined in an approach to understand and investigate the answers of managers in setting to their individual reality. Knowledge and pre-understanding of green marketing inside the green economy of business strings is individual to them, and therefore it is clear that to comprehend individual understandings in their lives will influence all questions.

#### 2.3.2 Epistemology

Epistemology covers the area of business research concerned about what can be acknowledged as information (Collis and Hussey, 2014). Inside the epistemological theory the ways to deal with substantial knowledge differs relying upon the chosen paradigm.

From an interpretivist approach, which this research is utilizing, knowledge, is firmly related to what information the subject has provided (Collis and Hussey, 2014). In spite of the fact that it probably won't have the capacity to make a generalization of the entire population, the data acquired from an interpretivist position end up legitimate to the research grout, from whom information's were gathered. By gathering helpful data that can be transferred to gained knowledge inside green economy, marketing, sustainable consumption and green behaviour within Liberec Region, it is difficult to make a generalization for the entire population. In any case, by contributing with an examination of various answers, the research will have the capacity to make contributions which are pointed out and different socioeconomics or individuals with particular interests, for example, environmental damage, economical or sustainable practices.

Realism takes the information's as being demonstrated with facts and data, when there is inadequate proof, there is need of legitimacy to the knowledge (Saunders, et al, 2009). It accepts a logical methodology and can in this way quantify data to produce knowledge inside research topic (Saunders, et al, 2009). The point, nonetheless, isn't to make quantifiable information that give general yet realistic responses to the research questions.

An interpretivist approach, as well as realism will be utilized in this thesis to validate and translate knowledge inside the research area. By interpreting results from data with individual understanding from interviews, developed by their reality, it will take into account new understandings inside the area of green marketing and sustainable perception, measures taken to be the chain stores managers. By interpreting results from data with multiple understanding from questionnaire developed to consumers reality, it will take into account new understandings inside the area of consumers mand green behaviour, measures taken to be a sustainable consumer of chain stores, which is positivist approach.

#### 2.3.3 Axiology

This philosophy considers the qualities and moral ethics of individual people (Saunders, et al, 2009). Saunders argues: "since we are all human we can't be liberated from our very own personal qualities, values and view of judgment when studying a phenomenon, and in this way, it ought to be considered while inquiring data, as it turns into an essential piece of the investigation" (Saunders, et al, 2009).

From a positivistic methodology, axiology implies that there is no value of the analyst that gets involved with the examination study the research is just autonomous of any values (Saunders, et al, 2009). This I accept is difficult to gain in any study researched, as a driving enthusiasm of a statement or an issue predominate why the picked area of study is being examined. While, with an interpretivist philosophy the estimation of the researcher is connected to the research question within reach and the characteristic of leading the examination will be impacted by the analyst's values (Saunders, et al, 2009). By utilizing this methodology, there may be too much leverage from an enthusiastic or essential of data regarding the subject and can turn out to be excessively one-sided from the analyst's perspective.

Pragmatic axiology states that values might be subjective or objective to the research however whichever the decision, it will assume a huge role with the study research (Saunders, et al, 2009). Realism inside axiology expresses that there will be inclination from the research as all human beings are individuals and are formed by individual childhood, culture, education, life experiences and so forth, that can't be separated from the research (Saunders, et al, 2009)

This research will comply with the realistic philosophy of the axiological paradigm as value is something that is unavoidable and is motivation to why the problem formulation has been created in the beginning of the thesis. When examining sustainability and perceptions, it is based on individual perspectives and is intrinsically difficult to free the analysis of values. Without values to impact personal minds and guide choices, it is elusive any characteristic scholastic research to be made with various perspectives without realism views.

#### 2.4 Research Approach

There are two primary ways to deal with a research and involve a theory, through an; inductive or deductive methodology. According to Collis and Hussey (2014) "these methodologies are made to state if the investigation will go from the general to the specific, i.e. deductive, or from the specific to make a generalized theory from the findings i.e. inductive". They said "that deductive strategies take on a positivist paradigm, and an inductive strategy would be utilized with an interpretivist approach." Be that as it may, Saunders, et al, (2009) states that "labelling is potentially misleading and of no real practical value". In view of that, to have a clearer manual to drive a proper theoretical takeoff, this paper will pick a methodology which will end up being a guide for the theoretical chapters.

There are three fundamental indicates as why it is necessary to make a research approach which are recommended by Easterby-Smith et al (2008) (Saunders, et al, 2009). It helps to plan research design, from creating or picking theories, to framing the questions for data collecting. While selecting what the study will be about, realizing what the research is attempting to answer, it will be useful to know which approach is most appropriate. A few types of research might be essentially troublesome because of absence of knowledge, and hence the correct methodology is more appropriate to take into account the scientist's essential knowledge (Saunders, et al, 2009).

A deductive research approach is lined up with a positivistic research paradigm. Its point is to demonstrate or refute a logical approach to a problem formulation by testing hypothesis to additionally build up a comprehension of an already conducted theory (Saunders, et al, 2009). A deductive methodology is significant to findings as it clarifies variable motifs, missing patterns and in addition evaluating the collected data to be summed up and generalized for a larger population (Saunders, et al, 2009). According to Bryman and Bell *"through hypothesis testing and empirical findings, at the end of the research the theory can be revised and conclusions can be drawn by offering answers to the research question."* In the other words, to answer the research question, all given variables must be explored in able to get a reliable understanding of the phenomenon (Bryman and Bell, 2011). A deductive system can be viewed as moving from the enormous to the little, where a piece of a theory and hypothesis gets verified with observational help (Collis and Hussey, 2014). Feedback to deductive research approach is that the exploration strategy is exceptionally straight and that it doesn't

consider the reasons variable patterns, it simply is (Saunders, et al, 2009). This methodology isn't appropriate to comprehend perceptions, as it is everything but linear.

An inductive research has an alternate way to deal with hypothesis demonstrating, as it goes from a particular issue (problem formulation) to a general explanation of the population (Collis and Hussey, 2014). In particular, empirically gathered information's is utilized to make a comprehension of the phenomena which is perceived during the research (Bryman and Bell, 2011). By Saunders *"an inductive approach aims to create answers from a social science view, and there is an aim to understand the nature of the problem"* (Saunders, et al, 2009). By gathering subjective information or so-called qualitative data, in other words an inductive research, the researcher can comprehend distinct perspectives, respondent's answer under diverse subjects and comprehend the specific data inside a particular context (Saunders, et al).

#### 2.5 Research Strategy

Selecting a research technique is crucial as it turns into main pillar for how data will be gathered. There are two options that can be consider, a qualitative or quantitative approach (Collis and Hussey, 2014). In spite of the fact that evaluating data is by all accounts the greatest factor in picking a research strategy, impacts relying upon epistemological and ontological methodologies of how knowledge is acquired and the truth is viewed, will naturally impact how data is gathered and estimated (Bryman and Bell, 2014).

As following the interpretivist paradigm with an inductive methodology, and understanding the individual perception of green marketing and sustainability, it is most sensible to complete a subjective qualitative research. By directing a qualitative research, the topic can be contemplated inside-out with less respondents yet at a more point by point and descriptive level. The inverse is complete a quantitative research and clarifying distinctive variables by demonstrating or invalidating hypothesizes dependent on already existing theories, which will take part by the questionnaire to consumers of chain stores and positivist paradigm with an deductive methodology will be utilized, in order to generalize on consumerism and green behaviour.

As the outcome of the respondents will be examined and described, they will be presented from the perspective of the observer. As a qualitative research would involve, this exploration will through gathered information's enable theories to emerge (Bryman and Bell, 2011).

Qualitative data has fewer samples to tests but the analyses of them go inside-out. There is some criticism about how to legitimate qualitative data since there isn't measurable or statistical proof to legitimize how true statements are (Tracy, 2010). On the other side, quantitative research would involve utilizing predetermined theories to clarify the data and statistical proofs are obtained from questionnaire evaluation.

# 3. Theoretical Frame of Reference – Literature Review

This chapter will go through how literature has been obtained critically reviewed for the thesis. Furthermore, previous research which has made contributions to sustainable insight within green economy and behaviour. First, some general background on theoretical concepts will be explained. Then the chapter is going to introduced detailed theories used to more specifically analyse the results, such as green marketing.

# 3.1 Green Economy

The beginnings of ideas related to ecological economics can be included in the period of the 17th century, but its modern concept was formed only at the turn of the 60s and 70s of the last century. Already at this time, experts have tried to find answers to the crucial issues of the negative impacts of economic development on the environment and the human population in terms of expected population growth worldwide and related economic growth. Authors' Simickova and Drastichova in their publication describe the definition of ecological economics, which is widely recognized and published in the journal Ecological Economics by Robert Costanz. They define this term specifically as a direction that: "deals with the interrelationship between ecosystems and economic systems in the widest sense. These mutual weights are the focus of many of our most pressing current problems, such as: sustainability, acid rain, global warming, extinction of species or wealth distribution, but are not well covered by any existing discipline (Simickova, Drastichova, 2013).

Not only green economy has emerged in the last decade as a response to the approach of environmental and ecological economics. Other directions have also emerged, such as sustainability economics or environmental sustainability. A very frequently cited source of this issue is the 1992 article by Common and Perring, entitled "Towards an Ecological Economics of Sustainability". He argues that current economic and environmental approaches are quite different, disjointed, dealing with different phenomena. For ecological sustainability, it is desirable that the allocation of economic resources does not lead to instability of the system of the economy of the environment as a whole (Common, Perrings, 2002).

Another finding of these authors is that economic efficiency is not necessary for ecological sustainability and may even be in conflict with each other. The principle of ecological sustainability is to prioritize the requirements of the whole system above individual requirements (Pezzey, Toman, 2002).

Environmental economics is still a world-class concept, yet this issue is being addressed by countless foreign experts. Therefore, the clear definition is not extinguished. Authors of the publication Environmental Economics: theory and politics define it as using economic and theoretical thinking to increase environmental protection. The fundamental idea of this direction is to analyze the behaviour and actions of society in favour of the environment and its parts and to monitor the conflicts that arise, the basis of which is the different rates of exploitation of rare natural resources. Under the terms of the Czech Republic, environmental economics is used only exceptionally (Slavikova, Vejchodska, Slavik, 2012).

Environmental economics deals with the relationship between the economy and the environment. Experts in this area of the economy not only analyze the reuse of waste products, but also economic incentives and their relationship to the environment and sustainable environmental policies. Environmental economists are examining, for example, the use of renewable energy, the construction of new hydroelectric power plants or the regulation of air pollution. Analyzes can generate cost-effective and sustainable policy measures (EnvironmentalScience.org, 2016).

#### 3.2 Customer's Consumption and Buying Behaviour

A subset of consumption behaviour is the customer's buying behaviour. Consumer behaviour can be defined as activities or activities related to items for consumption. However, as opposed to buying behaviour, it captures the entire purchase process and does not only cover the use or purchase of the product, as Vajcnerova states in her work. Zamazalova defines consumer behaviour, as well as Koudelka in his publication Consumer Behaviour and Marketing, as follows: "Consumer behaviour is the behaviour of people - final consumers, related to the acquisition, use and disposal of consumer products" (Zamazalova, 2009, Koudelka, 1997).

In addition, Vajcnerova describes all the phases that the consumer goes through, from realizing the needs, through deciding on a suitable product variant, own purchase action and also the subsequent use and disposal of the product. In addition, this term also includes capturing the various influences that occur during the process, such as the psychological characteristics of the individual and the characteristics of the psychic processes - perception, memory, thinking, etc. It depends on the decision of each consumer in which way his resources (time, money and effort) will divide (Vajcnerova, 2013). By the term of the buying behaviour, Zamazalova refers to the purchase itself, customer buying action. She also points

to the so-called "*black box*", which she sees as the mind of the consumer, which is affected by a number of external factors from the macro and micro environment that activate the processes in the black box, which can be seen in Figure 1 in the next chapter. It carries out decisions that result in a certain response in the form of a purchase of a product or service, or a refusal to purchase. The consequences of this behaviour reverberate into predisposing individuals and their further purchasing decisions (Zamazalova, 2009).

Everyday human behaviour also includes consumer behaviour, with two fundamental questions about "why" and "how" consumers use the products they buy for consumption (Koudelka, 2006).

#### 3.3 Models of Consumer Behaviour

Consumer behaviour takes place in the interconnection of other components of human action. In the literature, four basic models or approaches of consumer behaviour are defined, each of which emphasizes a different level of conditionality. Namely, these are rational, psychological, sociological and complex models (Koudelka, 2010).

In rational models, the consumer is perceived as an intelligent individual who, in the first place, controls their purchasing decisions according to their economic advantage. Consumer decisions are based on their rational reasoning and various economic calculations (Koudelka, 2010). People evaluate the potential benefits and compare it with commodity prices, revenues and availability of shops (Zamazalova, 2010). Emotions, social feelings, and psychological elements of thought play only a minor or complementary role in these models (Koudelka, 2010).

Psychological models emphasize that psychological processes occurring in the minds of consumers are strongly reflected in consumer behaviour. It is, for example, how the consumer reacts and perceives external stimuli, how the process of learning takes place, and how his / her purchasing decisions reflect earlier and deeply hidden motifs. Behavioural approaches to psychology focus on monitoring and describing the relationship between consumer stimulus and response, and psychoanalytical approaches address how unconscious motives and deep motivations are reflected in consumer behaviour (Koudelka, 2010).

Consumers' behaviour, according to sociological models, is dependent on the social groups in which the consumer lives and which role we play. People in social groups have a strong tendency to adhere to unwritten norms, rules and goals of the group (Koudelka, 2010).

Consumer decision-making can also be influenced by the effort to belong to a social group and gain a new social role or status (Zamazalova, 2010).

The aforementioned models have been going on for decades, which is the best suited to assess buying behaviour. Over time, it has come to the conclusion that neither of them can be defined as the most correct direction. It has been found that the best approach is their mutual combination, as they strengthen their individual strengths and cover the weaknesses of each one. "Complex models are the representation of various influences and factors into extensive interrelated contexts and are generally based on detailed elaboration of predispositions and impacts" (Mulacova, Mulac et al., 2013). The main representative of the complex approach as well as one of the most used models across the different directions is the so-called Model: Stimulus - Black Box - Response (Mulacova, Mulac et al., 2013).

Figure 1 below shows in detail the developed model Stimulus - Black Box - Response. The term "black box" hides the mind of the consumer, which is influenced by marketing stimuli, external environment and various other situational phenomena. In the minds of consumers, processes leading to a purchasing decision take place, which are conditioned not only by the factors mentioned above but also by the predispositions and characteristics of each individual. Therefore, the final reaction of the model is a specific purchasing decision, which includes the stage of the after-buy behaviour (Mulacova, Mulac et al., 2013).



Source: (Mulacova, Mulac et al., 2013)

#### **3.4** Sustainable Consumption

Consumerism, as clarified by English market analyst, Paul Ekins (1991) is "the ownership and utilization of an expanding number and variety of goods and services is the rule social desire and the surest saw course to individual satisfaction, economic wellbeing, and national achievement" (Assadourian, 2010). Contemplating that, sustainable consumption is then clarified by the OCSC (2000) as "utilization that backings the capacity of present and future generations to meet their material and different needs, without making irreversible harm the earth or loss of capacity in natural systems " (Jackson, 2003, Birtwistle and Moore, 2007). Moreover, sustainability has been described by Norwegian PM, Gro Harlem Brundtland as "addressing the requirements of the present without trading off the capacity of future generations to address their own issues" (Kramer and Watchman, 2006). The term sustainable consumption comes up short on a solid definition, as it has an alternate importance or thinking to various individuals. The rise of sustainable consumption was made at an international summit in Rio 1992, where leaders around the world met and discussed the strategies of such issue. The Earth Summit was the first on a global arrangement level to feature the unfriendly impacts that consumerism could have on the earth and how governments could intercede against this rising problem (Bly, et al, 2015). On account of the conceptual meaning of *"future generations"* and *"future environment"* the term needs objectivity while being put enthusiastically, as there is no correct specifying of what the future holds (Schaefer & Crane, 2005).

The examinations and practices of sustainable consumption are mostly looked into from a shopper conduct and marketing viewpoint. What makes individuals end up sustainable consumers, what are the purposes for it, is the supply coordinating the interest (Young, et al, 2010, McNeil and Moore, 2015) are some well known research subjects. A few examinations have demonstrated that however individuals may have a more sustainable mind-set, it won't be transfer to their decision making when obtaining items (Defra 2006: Young, et al, 2010). The examination stretches to additionally comprehend why activities don't talk louder than words, and as indicated by Biel and Dahlstrand (2005), Sener and Hazer (2008) and Wheal and Hinton (2007) these are a portion of the reasons (Young, et al).

- Brand Strength
- Trading off between different ethical factors
- Personalities
- Lifestyles
- Lack of information
- Habits
- Finance
- Demographic characteristics
- Culture

Attempting to improve a general society to end up more sustainable has been tried through various ways and strategy usage for 40 years. Legislative strategies and lobbyist gatherings, among few, have more than once acquainted activities to sustainably consume (Holt, 2012). Notwithstanding, these activities are drawn up from an observationally disproven, obsolete 'moral esteem worldview' which has brought about no adjustment in consumption patterns, even by so-named *"environmental allegiance"* consumers (Holt, 2012). The ethical values

paradigm, presented by Holt (2012) suggests that: a few researchers see consumerism as the social outcome of industrial capitalism (Holt, 2012). Since we are living in a capitalistic society, how are we to free ourselves from unsustainable consumeristic practices.

# 3.5 Decision-making Model of Sustainable Consumption

Where there has been a shift traditional consumption, and also financial, which has incited individuals to consume however they see fit, better comprehend behavioural economics aspects where specialists have characterized key factors which prompt attitude, intention and behaviour (Terlau and Hirsch, 2015). The decision-making model, which was framed through numerous past scientists (Balderjahn, 2013; Carrington, et al, 2010), a social understanding of what choices and impacts lead to a purchaser settling on economical decisions. Factors, as individual, social and situational all assume to take part behind decision making.

Figure 2 Decision-making model of sustainable consumption



Source: (Terlau & Hirsch, 2015)

# 3.6 Extended Producer Responsibility

Extended Producer Responsibility (EPR), is an idea that was presented somewhere in the range of thirty years back is still a work in progress. One of the fundamental specialists in the field whose examination has upheld arrangements made by OECD nations is Thomas Lindqvist. EPR is characterized by Lindhqvist (2000) as "a policy principle to promote total life cycle environmental improvement of product systems by extending the responsibilities of the manufacturer of the product to various parts of the entire life cycle of the product, and

especially to the take-back, recycling and final disposal of the product". The OECD (2001) goes further and demands that "the duty regarding the products is stretched out to the postcustomer phase of an items life." An EPR model has been drawn out, which clarifies the interrelations between bearing obligation regarding: the physical item, the costs, ecological harms connected to the product, and so forth. (Lindhqvist 1992: Lindqvist 2000). The investigations of EPR is for the most part based on WEEE (waste electrical and electronic equipment) complex electrical items, for example, dishwashers, cars, driers or washing machines. However, model tends to be reached out to the recycling incentive of the plastic bottles (PET) in Sweden (Lindhqvist 2000).

By accepting EPR, an organization is consenting to assuming liability for the waste their items create. The issues encompassing this practise is that it probably won't be economically suitable, for some stores, or the producers to assume liability for their waste once it has reached its finish "*product life cycle*" (Spicer and Johnson, 2002). In any case, the examination of EPR just returns three decades and along these lines some may state the technique is still in its beginning stage and subsequently the gainful side probably won't have emerged yet (Lifset, et al, 2013). Most EPR is glanced through the extent of industrial ecology, attempting to oversee squander, utilizing new recourses, and "closing the loop" to utilizing assets in a circular way (Lifset, et al, 2013). The motivation is to make items that are effortlessly reused when their life expectancy is up, and simple to manage until at that point (Mayers and Butler, 2013). However, research is limited among the scholars with answering the question if EPR mainly enhances recycling, yet does not advance to the reusing of materials (Lifset, et al, 2013).

EPR frameworks can be arranged into four unique zones – mandatory, voluntary, individual or collective schemes. Every single diverse plan attempt and discover motivators between buyer and producer to cooperate. By having mandatory schemes, producer responsibility organization (PRO) can be contracted and have obligation regarding encouraging gathering of certain waste (Watson, et al, 2015). A case of a mandatory EPR under seeing a PRO is gathering of batteries inside 12 EU nations (Mayers and Butler, 2013). By getting a PRO, that company will then be in charge of the accumulation and management of waste (Mayers and Butler, 2013).

Moreover, EPR frameworks can be ordered into up-stream or downstream where upstreaming is increasing the value of the item after it has been gathered or delivered i.e. expanding the lifecycle, and to down-stream an item is to diminish the estimation of an item i.e. a shirt turn into a window cleaning cloth (Lifset, 1993). The ideal would be for each reused item to be up-cycled as it would be value adding, be that as it may, this is normally difficult to do (Gupt and Sahay, 2015). By up-streaming thorough innovation of the reused material must be made all together for the item to pick up a more intrinsic value (Fell and Montes). The picture beneath demonstrates the characterization in a life-cycle evaluation of up-or down-streamed collectables.





Source: (Gupt & Sahay, 2015)

Utilizing EPR in a consumerism and foot chain context can be troublesome, as it is difficult to control the habits of customers to do not waste, recycle and use or reusing foot and products, since, it is just the customers that have the command to pick what to do when they dispose of their things (Fell and Montes, 2015). On the other hand, supermarket chains make their own policies and strategies, which can make difference.

#### 3.7 Green Marketing

The above mentioned authors point to the interest of many organizations in environmental issues. The authors of Elena Fraj, Eva Martínez and Jorge Matute consider the organization's key activities related to its management and the use of innovative technologies such as pollution prevention technologies (Fraj, Martínez, Matute, 2013).

Numerous foreign authors also claim that the active integration of environmental issues into strategic management makes it possible to transfer potential environmental threats to competitive opportunities for the organization, resulting in improved organizational performance and competitive advantage. This is confirmed by the authors T. Douglas, W. S. Chow, S. Vachon and R. D. Klassen and M. A. Ates (Fraj, Martínez, Matute, 2013).

Green marketing has gone through three phases of development. Organic green marketing is referred to as the first phase and is defined by marketing activities that focus on improving the quality of the environment and establishing a comprehensive solution to the environmental problem. The second phase focused on technologies and production that made it possible to reduce air pollution and minimize waste generation. This stage is called Environmental Green Marketing. The last phase that Dosbabova describes in its work is the so-called Sustainable Development of Green Marketing. This stage corresponds to the basic ideas of Green Economy, which asserts that natural resources are not unlimited. On the contrary, there is an ever-increasing growth in the need and consumption of people across the planet, which forces the producer to produce more and hence to make more use of natural resources. This phase, therefore, points to the need to reduce production of products, human consumption to protect these natural resources and minimize waste generation (Dosbabova, 2012).

Green marketing is currently a highly discussed topic and also a major trend. In practice, green markets are showing increasing tendency due to increased consumer interest not only in environmentally friendly products (Lu, Bock, Joseph, 2013). There are many definitions of green marketing, but the author of the article mentions the Grewal and Levy (2008) definition as a strategic effort for companies to provide customers with environmentally friendly products (Lu, Bock, Joseph, 2013).

The American Marketing Association defines green marketing in the sales, social and environmental terms. The sales definition of green marketing includes the marketing of environmentally-friendly products. The socio-marketing defines not only the marketing of products but also their development in order to positively influence or reduce negative environmental impacts. Lastly, according to White, an environmental definition that strives for such a production, promotion, and packaging system that will flexibly respond to environmental problems and drive people to ecological responsibility (White, 2010).

Juraskova identifies the concept of Green Marketing with environmental or ecological attributes. This term means advertising or advertising of products with environmental characteristics. However, it sees its wider significance in the form of marketing based on traditional foundations, but with a focus on organic products. As Juraskova states, green marketing includes methods, processes, ideas that help to meet the set goals of the company. The fact that these businesses are motivating to protect the environment and the efficient use of natural resources is consumer demand, but in the form of so-called green needs. Green marketing is also closely associated with the introduction of "green" changes in the production process, packaging technology, product changes or distribution. This fact also affects the issue of product recycling (Juraskova, 2012).

Peattie a Charter states that the first manifestations of green marketing can be traced back to the 1970s when environmental concerns were first raised by the company, and the concept of organic marketing was created. The authors refer to Hennison and Kinnear, who described this fact in 1976. However, over the years, the Green Movement developed and thus gradually transformed the original concept of organic marketing into today's green marketing, which the authors define as an integrated process of management responsible for identification, anticipating and meeting the needs of customers and society as a whole, in a profitable and, in particular, sustainable way (Peattie, Charter, 2003).

The authors quote that Green Marketing applies to all marketing activities that are being carried out to facilitate commodity or service shifts to meet the needs of people as a result of reducing negative environmental impacts (Weisstein, Asgari, Siew, 2014).

#### 3.8 Greenwashing

Greenwashing is inherently associated with Green Marketing. This has been a phenomenon since the eighties of the last century, but has gained momentum in recent years in connection with increased demand for organic products. In this respect, companies see the opportunity to increase their profits (Dahl, 2010). Simply speaking, greenwashing is a presentation of fictitious information about the environmental focus of businesses and their products. The aim
is to create confidence for consumers to buy organic products. If this behaviour is revealed, it is of course punished (Dahl, 2010).

CSR can be viewed as a methodology to impact clients into trusting that the organization taking mindful actions, and the expectation can now and then bounce back if clients see it as a showcasing or marketing plan, to be specific greenwashing (Niinimäki, 2015). There has been an ascent scholarly writing done on the impression of greenwashing which likewise is referred to as CSR-washing, and is talked about from activists who are pushing more remote than being "*O.K*" with the CSR activities produced and using by companies. Some even say that CSR is shallow advertising (Pope and Wæraas, 2015). Some scholars has even demonstrated that the consumers believe that CSR is fake (Alves, 2009: Pope and Wæraas, 2015), and a few examinations are pushing that CSR ought to be abandoned totally for its counterproductive effect (Mayser and Zick 1993; Parguel et al. 2011; Wagner et al. 2009, Pope and Wæraas, 2015).

Since 2011, more than 250 of the biggest firms on the planet make yearly CSR reports (Chapple and Moon 2005; Lakatos et al. 2011; Penn et al. 2010; Rolland and Bazzoni 2009, Pope and Wæraas, 2015) be that as it may, consumers once in a while search out the data. Purchasers lack trust and certainty that CSR is of good strategy, and along these lines, some case that the ascent of CSR-washing is hurting even those that are trying to do good things (Parguel, et al, 2011: Wood, 2015). The academic research made regarding this subject demonstrates that there is small comprehension of how the exposing of greenwashing could make consumers remove themselves from an organization or a brand (Wood, 2015).

As per Wood (2015), the rise of greenwashing has been because of the ascent of markers understanding the need to speak to the rising concern of buyers to have about the earth and the environment. By labelling products with words such as organic, sustainable, fair, gentle (Bodger and Monks 2010; Ekstrand and Nilsson, 2011, Woods, 2015), firms manipulate buyers into trusting these ethos' that are being introduced, and can result into a buy.

# 3.9 Corporate Social Responsibility

In recent years, businesses have increasingly felt social responsibility, with which green marketing is very closely linked. This growing corporate responsibility stems from the everworsening environmental situation and the growing interest of society in its protection (Chen, Chang, 2012). Horvatova, who sets out the corporate social responsibility definition published by the European Commission in the following wording: "Corporate social responsibility is the voluntary integration of social and environmental interests into daily activities and interactions with corporate stakeholders, who are all persons, organizations or institutions, which affect their performance or are influenced by the operation of the firm or institution. These include, for example, customers, employees, the public, suppliers, state and local authorities, trade unions, agencies, banks, media, etc." (Horvathova, 2016)

Jacquelyn A. Ottman claims that CSR affects both company and business management including brands. CSR is based on cooperation with all already mentioned stakeholders, who may be affected by its environmental and social practices (Ottman, 2011).

Boukal and Vavrova also point to the importance of corporate social responsibility. They differentiate between several generic levels that can be understood under this term. It is not just about the responsibility of the employees of the company, but also about the responsibility to cooperate with representatives or non-governmental non-profit organizations operating in the region, and especially the responsibility for the environment in the given location. This responsibility is manifested by the above-mentioned authors, especially by favouring ecological production, environmental protection and economical use of natural resources (Boukal, Vávrova, 2008).

The individual levels of corporate social responsibility are mentioned by Horvatova, who already provides a more detailed division through the so-called *"triple bottom line"*. This is an economic, environmental and social area. The economic sphere of corporate social responsibility according to the author represents, for example, the mechanisms and systems preceding the formation of bribery and corruption, company codes on the correct behaviour of the company, ethics, transparency, innovativeness, behaviour towards customers, etc. The environmental area is presented by the environmental policy of the company, production demands, high-quality waste management system, environmental protection and minimization of waste generated and negative effects on the environment. The social area includes issues of employee protection, health, communication, gender equality, and human resources management. Horvatova also lists factors that do not include Corporate Social Responsibility. These include, for example, compliance with legislation or sponsorship (Horvathova, 2016).

Corporate Social Responsibility "represents a complex of activities that are related to the observance of general standards that will help to eliminate the negative impacts caused by the

operation of the company and include the publicly beneficial activities of the companies" (Boukal, Vavrova, 2008). Scholars Weisstein, Asgari and Siew consider it necessary to emphasize the fact that businesses are increasingly taking on CSR and the production of environmentally friendly products (Weisstein, Asgari, Siew, 2014).

# 3.10 CSR of Supermarkets

## 3.10.1 Environmentally Friendly Supermarket Buildings

In general, environmentally friendly and economical buildings can be identified as not only minimizing negative impacts on the environment, not only during their use but also during construction or final disposal. However, an aesthetic framework is also addressed, which corresponds to the surrounding environment (TBZ-info, 2009).

The first eco-friendly trade was built in the Czech Republic by Tesco Store in eastern Bohemia in 2011. This is an eco-hypermarket, which boasts a zero carbon footprint. The energy self-sufficient woodwork produces an absolute minimum of carbon dioxide (Construction - Expert Magazine for Construction and Engineering, 2011).

"The self-sufficiency of the building is provided by two cogeneration units, which produce enough energy for the overall operation of the hypermarket. As a fuel, clean rape seed oil is used, from which the units produce not only electrical energy, but also heat for heating and cooling for cooling the building. Solar collectors are installed on sloping roof skylights. Both cogeneration units and solar collectors are connected to an absorption heat exchanger, which is used to convert hot water to a cool one, which is becoming another possible source of cooling for object cooling in the summer. In the roof there are gray skylights allowing natural lighting of the sales area. The lighting of the sales area is dimmable, responds to daylight gains and automatically adjusts the intensity of artificial lighting to achieve the desired level of illumination. Rainwater is captured in a storage tank and subsequently used to flush toilet, wash floors or green water "(Ekolist.cz, 2011).

## 3.10.2 Ecological Packaging

The ecological characteristics of the product can in practice also bring competitive advantage. Cichovsky defines these benefits on the basis of the ecological designation of the product as follows (Cichovsky, 2002):

- "The product bears the **ISO 13 000** mark it signals purchasers that they carry the most environmentally friendly product in line with the philosophy and rules of sustainable development of the planet, the brand reflects the highest degree of environmental competitive advantage,
- the product was manufactured in accordance with ISO 13 001 it indicates to the purchaser that the product was manufactured in environmentally friendly manner, where the production process was ecologically audited, it is the highest ecological advantage of the product,
- the product bears the **Ecological free assortment** that is, the product is environmentally friendly and does not burden or minimize the environment during its existence, it is a competitive advantage of a high level for customers that are guided by the philosophy of sustainable development,
- the product labelled **Green Punkt** this designation indicates that it is a product that is recyclable in the context of non-waste technologies, again represents a high competitive advantage for customers who, in their lifestyles, have a philosophy of sustainable development of the planet."

Eco-friendly product packaging is one of many factors that affect customer purchasing decisions. Another important element can be the labelling of environmentally friendly products. However, the problem is that many consumers lack sufficient information about this label and are unable to understand the higher price that characterizes such products (Vysekalova, 2011).

Brezina, in his publication, also points to the crucial fact that there has been an incredible increase in the use of plastic as a packaging material for food, especially at the expense of glass. It sets out the intellectual conflict of many experts in the world - which packaging is more environmentally friendly and therefore more environmentally friendly. It stresses that it is necessary to look for the life cycle of a given package through a very complex analysis that compares raw material and energy consumption, air and water pollution and the possibility of recycling (Brezina, 2009). As Brezina states, *"the production of glass bottles spends more than a third more energy than bottles made of plastic. Returnable bottles must be thoroughly* 

cleaned, which is a heavy burden for the environment by wastewater, full lye and disinfection." (Brezina, 2009).

Havel states that only packaging material accounts for thirty to fifty percent of the total volume of waste produced by people. It should be noted that only a small proportion of these packages can be recycled and used for further processing. Havel considers the combination of materials, foamed polystyrene and polyvinyl chloride (PVC) as the biggest problem. In particular, PVC recommends substitution with more environmentally friendly substances and technologies, as polyvinyl chloride is associated with the production of toxic substances from production to disposal (Havel, 2013).

The sorting of glass containers is, however, more obvious to every person than sorting those plastic ones. However, plastic packaging also has some advantages. One of them is the low weight of food stored in them, especially fluids. Just because of the low weight, it is possible to buy a larger quantity of food in one purchase.. The problem is the insignificant accumulation of plastics in landfills. Brezina sees the solution of this situation in improving the waste sorting system and its subsequent processing on the production lines of the companies that produce the necessary products (Brezina, 2009). This is also supported by Havel.

#### 3.10.3 Plastic bags

However, plastic bags are perceived more and more by society according to the authors of Clapp and Swanston as a possible danger to the environment in terms of deterioration in the living conditions not only of humans but also of animals (Clapp, Swanston, 2009). Rios, Moore and Jones emphasize that plastic bags are not biodegradable, falling apart only on smaller and smaller pieces. These parts may pose a great risk to animals in the form of possible swallowing or entanglement. (Rios, Moore, Jones, 2007). Ellis, Kantner, Saab and Watson focus on the ecological footprint of plastic bags and bags. The production of these packaging materials has an impact on the environment already in the production of the oil needed for their production. Other negative impacts are associated with their transport from the place of origin to the place of use, the use of companies and, of course, disposal (Ellis, Kantner, Saab, Watson, 2005).

Spokas in his article lists very interesting numbers for grasping the issue. For the sake of the world, up to 1.5 trillion plastic shopping bags are used every year (Spokas, 2007). Despite

these high figures, many authors agree that this is a fraction of the waste due to the recycling possibilities (Clapp, Swanston, 2009; Rios, Moore, Jones, 2007). To produce one hundred billion plastic bags a year, twelve million barrels of oil are used. It is in this context that Clapp and Swanston stress the fact that they are products that affect the supply of fossil fuels and also have their share of climate change (Clapp, Swanston, 2009).

As already outlined, the issue of overuse of plastic packaging is worldwide. It is therefore up to individual states and members of the society whether they are willing to exchange plastic bags and bags for environmentally friendly alternatives such as reusable cloth bags or direct purchase of food in jars to reduce negative environmental impacts. Consequently, some countries also introduce various restrictive measures, such as taxes (Ellis, Kantner, Saab, Watson, 2005).

Mudgal highlights the rise in global plastics production. In 1950, this indicator was 1.5 million tonnes, while in 2008 it was already incredible 245 million tonnes of plastics production (Mudgal, 2011). The most restrictive legislation on the use of plastic bags is implemented in Bangladesh, specifically since 2002. These are regulations prohibiting the production, sale and use of polyethylene packaging (Sen, 2002).

However, it is important to note that, despite all efforts, plastic production may continue to increase, although in recent years the level of this indicator has more or less stabilized (Yintii, Anim-Gyampo, Braimah, 2016).

#### 3.10.4 Environmental Waste Management and Greening of Organizations

"At present, mankind has begun to think about the priorities of future development, which forces society to address environmental protection as one of the policy priorities of all countries in the world. At the same time, the use of pollutants and wastes should be taken not only as an aspect of reducing harmful effects on the environment, but also as a source of extraction of non-traditional energy sources with a positive economic effect " (Pyrolun, 2017).

The condition for the recycling of the waste generated and its subsequent re-production is, of course, sorting according to the type of material. The most typical categories of waste disposal are plastics, paper, glass, metals and bio-waste (Jurca, 2013).

In Sweden, one solution for efficient sorting of waste is the system of determining a certain amount of the financial amount, respectively, advances for metal and plastic packaging products. The prepayment is already included in the price of the product and every seller has to reissue it, which is also supported by the Swedish legislation. Returnable packaging can be delivered either directly to the vendor's hands or to take-back vending machines. Empty cans are collected and then shipped for recycling (Sedlacek, 2013).

The Swedish system for backing up such packaging is called "*Returnpack*". He also proved very well in Denmark or Germany. More than fifteen thousand businesses, such as supermarkets (Hogg, Elliott, Croasdell, Ballinger, Versthorst, Cullen, and Bendali, 2011) are listed in this system.

"I see the advantage of the back-up system also in transport logistics. An ideal model would be if carriers who import beverages in aluminium packaging into final outlets (such as supermarkets), at the same time, choose from the final outlets empty, pressed aluminium beverage containers and then transfer them to their suppliers, from whom the same method of transport to its primary producer, the company that produces beverage packaging. Such a system of transport would therefore not increase the amount of fuel used and thus transport would not have a negative impact on the environment " (Sedlacek, 2013).

Sweden has made advances on cans with beer or lemonade already in 1984, a decade later, followed by PET bottles. The main reason was to remove the litter in a public area. For example, in 2006 people in Sweden returned ninety percent of large PET bottles, seventy-two percent of small plastic bottles, and eighty-five percent of beverage cans. The Ministry of the Environment of the Czech Republic has already expressed its desire to go through this *"Swedish"* way (Aktualne.cz, 2007).

In Sweden, up to 99% of municipal waste is collected each year. Swedish households are highly disciplined in this respect and use almost ubiquitous special containers. Half of municipal waste is used for energy production in incinerators. However, there is no air or environmental pollution, as incinerators are equipped with effective dry filters and other technologies. It is also important to note that in Sweden waste incineration for energy production is a non-controversial topic, unlike other countries in the world (Swedish Institute, 2015).

Sweden is active in other areas of environmental protection. For example, company H&M has begun accepting used clothing from its customers, offering discount coupons for further purchases. Optibag invented a machine for separating garbage bags through their different colours, such as a green bag containing food or a red bags paper. Interestingly, some public litter bins are equipped with music-producing loudspeakers in the city of Helsingborg, which is seen as another motivating factor for waste sorting (Swedish Institute, 2015).

Expenditure on technology and overheads associated with greening organizations can bring a high financial burden on the enterprise itself. However, this is balanced by the savings achieved by reducing raw material and energy input requirements, reducing the need for packaging or reducing the cost of waste disposal (Peattie, Charter, 2003).

The authors of Green, Zelbst, Meacham and Bhadauria have found that environmental and economic performance has no direct impact on the performance of the organization as a whole, rather it indirectly influences it through operational performance. The company's internal environmental management is positively linked to green information systems, which are a prerequisite for successful investment, "green" purchasing and eco-design (Green, Zelbst, Meacham, Bhadauria, 2012).

## 3.11 Green Marketing Mix

As already mentioned above, Green Marketing is based on traditional marketing mix. However, within the marketing mix of green marketing, it is still necessary to take into account the environmental impact of each of its components (Salakova, 2012).

When designing marketing strategies, we need to find the right tool to reach out to customers and make them connect business to business. The task of marketing management is to choose activities that would build up and strengthen this relationship. One of the traditional descriptions of these activities speaks of a marketing mix that was previously defined as a set of marketing tools that companies use to reach their marketing goals. McCarthy divides these instruments into four groups called 4P: product, price, place, and promotion. Therefore, companies are preparing a mix of products, services and pricing, using a communications mix of advertising, sales promotion, events and experiences, public relations, direct marketing and personal sales to reach business goals and to attract target customers. An enterprise can more or less modify these tools to maximize their effectiveness in a certain situation (Demel, 2013). As can be seen from the above, it is necessary to enrich the classic components of the marketing mix with the green elements. Jerabkova defines the elements of green marketing mix according to Miroslav Foret. Green marketing is therefore characterized as follows (Jerabkova, 2012):

- *"Product"* green products should avoid the use of harmful substances, packaging should be recyclable and easy to dispose of. It is therefore necessary to improve the production process, but also to improve the product. Industrial producers, government authorities and consumers have given the impetus to start looking at the product in terms of its environmental impact. Plant greening can be an important differentiation strategy that many consider to be a competitive advantage,
- "Price" it is a tool of the company's marketing mix, which brings the company income, the price is determined in various ways, each way has its pros and cons. determining the amount of the price therefore affects not only the internal stimuli but also the external, together with the psychological factors. From the beginning, when organic products began to sell, customers were willing to buy at higher prices with a good feeling of being environmentally friendly. However, initial euphoria has declined significantly and customers have started to focus on prices,
- "Place" distribution should be in line with green logistics, which seeks to optimize freight transport to avoid negative environmental impacts. This is especially about reducing the total weight of packaging, using paperboard instead of foamed PVC. There should also be feedback between suppliers and consumers, in particular about supplier recommendations for recyclable, dismantled and reused products, and the legislation also requires that certain types of products be withdrawn. Producers and stores then announce the event that the customer can buy a new product at a bargain price and the old model can be rolled back at a buyout price. This way prefer producers who are obliged to dispose of their old goods,
- **"Promotion"** promotion is often viewed as a mere publicity by the general public, but it is not just a part of promotion, including sales promotion, public relations, personal sales and direct marketing, ecology is used in the promotion itself very

positively. The consumer easily recognizes the effort to sell anything the business has done to protect the environment.

The applicability of green marketing in the coming years is topic of many experts dealing with this issue. These experts agree on several facts that Green Marketing will have a significant impact in the coming years. These elements are mentioned by Stengl - these are "development of technologies that do not respect nature and harm the environment, a major problem is also in companies that are unwilling to take into account the state of our planet and whose main aim is profit. Not every company is willing to devote resources to ensuring a greener approach in its activities. Most companies use green marketing only to attract customer attention in their marketing strategies" (Stengl, 2016).

Peattie and Charter also point to an important societal fact that in recent decades there has been an increase in the number of people on the planet, as well as developments in technology, products, markets, including marketing and business. All these aspects affect the increasing use of natural resources at an unsustainable pace, which is associated with high risks in terms of increasing the company's environmental debt. According to the authors, significant negative social and environmental consequences will be created. These reasons are a major source of thought for the company to further develop and implement the necessary measures to minimize these consequences, including the development of green marketing in future years (Peattie, Charter, 2003).

Stengl also mentions the primary practices of firms to ensure the effectiveness of green marketing (Stengl, 2016):

- *Be genuine* actually do what the company claims in its green marketing strategy. Adapt the rest of the corporate policy, such as employee training, research and development, to match the goals of green marketing chosen by the company,
- *Educate the customers* the company must let people know that they are "green" through appropriate campaigns and at the same time let customers know why the use of green marketing is important, otherwise they lose green principles and their value to customers,
- *Giving customers the opportunity to take part* the company has to adapt the benefits of its environmentally beneficial actions so that their customers are also involved.

Some experts, especially ecologists, criticize the concept of green marketing through the argument that changing shopping habits will not save the world. Peattie and Charter however, oppose that green marketing brings the desired improvement in the environmental performance of businesses, leading to a sustainable way of protecting the environment, including sustainable consumption. This, however, requires that individual economies become more sustainable through green recycling, fair trade or energy efficiency (Peattie, Charter, 2003).

# 3.12 Green Consumers

Green consumers can be characterized as requiring products that are environmentally friendly, but they are not willing to sacrifice product quality or change their lifestyle (Lu, Bock, Joseph, 2013).

Shabani and other co-authors of an article on this issue define Green Consumers as consumers who care about the environment, its development and protection. In view of this idea, they also influence their purchasing behaviour and consumer habits. Green consumers, however, are not only looking to buy products, but also to choose jobs or the way and place to spend their holidays (Shabani, Ashoori, Taghinejad, Beyrami, Fekri, 2013).

In summary, Green Consumer is every consumer who behaves ecologically. Green consumer behaviour can be divided into two basic categories: behavioural categories related to the reduction of energy consumption and the category of green purchasing decisions for goods and services. A practical example of green consumer behaviour can be, for example, the purchase of insulated houses, passive houses or the purchase of energy-saving cars (Shabani, Ashoori, Taghinejad, Beyrami, Fekri, 2013).

Pressure and consumer interest in green business behaviour and increasing demand for environmentally friendly products in connection with changing consumer values and lifestyles are, according to Lu, Bock and Joseph, the main motivating factor for introducing green strategies and expanding the supply of organic products. They also point to authors Schuhwerk and Lefkoff-Hagius, who have already stated in 1995 that consumers need to be involved in the company's environmental activities, thereby increasing their demand for these friendly products (Lu, Bock, Joseph, 2013).

Lu, Boc and Joseph present the breakdown of "*five green consumer segments*" according to the Roper Organization, which was conducted in the United States of America. Shabani and

other co-authors of a scientific article on green consumers are equally divided. They are consumers of the so-called *True Blue Green* segment who are willing to invest in environmentally friendly products, engage in recycling, composting and other environmental activities. People included in this group are the most environmentally conscious of all. The second is the *Green Back Green* segment. These consumers are also willing to invest in more expensive, environmentally friendly products, but do not actively engage in environmental action. Their participation in the environmental process is therefore presented through the spending of funds for this activity. Consumers of the *Sprouts* segment agree with legislation and other environmental legislation, yet they are unwilling to invest in more expensive, environmental products. Consumers of the *Grousers Group* are convinced that their duty is not to address environmental issues and to avoid any higher costs when purchasing. The last group is called *Basic Brown*, who takes the view that personal, business or political efforts can not solve ecological problems in any way (Lu, Bock, Joseph, 2013; Shabani, Ashoori, Taghinejad, Beyrami, Fekri, 2013).

However, Weisstein, Asgari and Siew emphasize that awareness and environmental protection alone do not encourage consumers to buy environmentally friendly products. Here are other, very important factors, such as price, trust, brand and product quality. The price is the biggest obstacle for green consumers to buy environmentally friendly products (Weisstein, Asgari, Siew, 2014).

#### 3.13 **Bio-products**

Demand for bio-quality food is constantly rising, in every developed country in the world, including the Czech Republic. This fact is confirmed not only by the authors cited, but also by the Czech Chamber of Commerce. According to Dolezalova, Picha and Navratil, the Czech market shows great potential in the sale of organic food. The largest market in terms of the volume of sales of organic products in the European Union is represented by the German market, namely a thirty percent share of approximately EUR 3.5 billion. A share higher than one billion Euros is reported by the UK, Italy and France (Dolezalova, Picha, Navratil, 2009).

The above mentioned fact that the demand for bio-products is increasing in the Czech Republic confirms the development of the overall turnover of organic subjects, including exports. In 2006 turnover amounted to 760 million Czech crowns, which was almost 50% higher than in 2005. Organic food represented 0.35% of the total food consumption in the Czech Republic and the average consumption of organic food per capita in crowns was less

than 75 crowns (Ekolist.cz, 2007). In 2007, Dolezalova, Picha and Navratil anticipated an increase in turnover with an estimated turnover of CZK 2.5 billion in organic food in 2010. According to the statistical survey of organic agriculture carried out by the Institute of Agricultural Economics and Information, the total turnover of organic food in 2010 reached 2.1 billion crowns including exports, the average consumption of organic food per capita in the Czech Republic was below the level of two hundred crowns. However, there is an increase in the share of organic food in total consumption, which was 0.7% (Institute of Agricultural Economics and Information, 2012). The latest view of this issue is provided by the Ministry of Agriculture through an annual Organic Farming Yearbook, which states that the total turnover of organic food in the year 2014 reached CZK 3.19 billion, the average annual consumption still remains below the two hundred crowns. Again, the share of organic food in the following Table 1.

Indicator / Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total turnover with organic food including exports (in CZK billions)	x	0,84	1,39	1,95	1,98	2,1	2,24	2,4	2,72	3,19
Consumption of organic food in the Czech Republic (in CZK billions)	0,51	0,76	1,29	1,8	1,61	1,6	1,67	1,78	1,95	2,02
Share of organic food in total food and beverage Consumption (%)	0,18	0,35	0,55	0,75	0,65	0,63	0,65	0,66	0,71	0,72
Consumption of organic food per capita per year (in CZK)	50	74	126	176	154	151	158	169	185	191
Chain share of organic food turnover (%)	57	67	68	74	68	67	64	64	64	57

Table 1 Development of the organic food market in the Czech Republic from 2005 to 2014

Source: Ministry of Agriculture, 2016

"The structure of the main categories of organic food in the Czech Republic has been stable for some time. The highest interest is in the category of Other Processed Foods, which has a 33% share, with a quarter representing ready-made meals of the type of children's nutrition. The second position keeps the category of Milk and Dairy products (22%). The third category is Fruit and Vegetables (14%), including fruit and vegetable juices. Most organic food is traditionally bought by Czech consumers in retail chains (41%), second in healthy food stores (25%). Sales through drug chains, especially DM drug store, represent the third major outlet with a 17% share. The share of direct sales of organic food products is significantly increasing and represents a 10% share of the total consumption of organic food in 2014 " (Ministry of Agriculture, 2016).

Moudry and Prugar in their publication define not only the organic product but also the organic food. It states that the organic product *"is a vegetable or animal origin obtained in organic farming and determined on the basis of a certificate for organic food production"* (Moudry, Prugar, 2001), according to the Law on Organic Farming. For organic food, *"food produced under the conditions laid down in the Organic Farming Act and meeting the quality and health requirements laid down by special regulations for which a bio-food certificate has been issued"* (Moudry, Prugar, 2001).

It is clear from the above mentioned requirements that organic food is more expensive for final consumers, which is, of course, due to costly bio-production. This is precisely the fact that shoppers can prefer cheaper products sometimes at the expense of quality asked. It should be noted, however, that the *"BIO"* is not only a domain of food, but also of cosmetics or textiles. The condition, however, is the origin of organic farming (MéBIO, 2016).

In connection with the promotion of the sale of organic food, the Ministry of Agriculture prepared a 2017 competition for their promotion in the presumed amount of thirty million crowns. This is the country's first investment in a campaign to promote organic food. According to the Ministry of Environment and Ecological Agriculture, there is enough bio-production in the Czech Republic, but we lack the processors. The ministry also plans to invest up to twelve million crowns in a project to transform conventional farms to organic farming (EnviWeb, 2016).

The Ministry of Agriculture understands organic agriculture as a new method of land management without the use of chemicals that have negative impacts not only on the environment but also on human and animal health. Organic farming is an element of the whole system of agrarian policy of the Czech Republic. The aim of this kind of farming is not only to protect the environment but also to promote biodiversity. (Ministry of Agriculture of the Czech Republic, eAGRI, 2009-2016) The Ministry of Agriculture is responsible for this issue, including compliance with all legislative rules in the Czech Republic.

"Organic farmers ensure long-term fertility and biological activity of the soil through natural methods of fertilizing without agrochemicals and crop protection against pests without pesticides, alternating crops. Organic agriculture represents a chance for the Czech agricultural landscape, which returns the typical elements "(Havel, 2013).

The European Commission defines the concept of bio-economy, which also includes sustainable and organic farming, and reflects the need for the company to move to the use of renewable energy, as it sees the future competitiveness of the European Union (European Commission, 2012). However, in connection with the publication of the Innovation for Sustainable Growth: a bio-economy for Europe by the European Commission, Schmid, Padel and Levidow point to the fact that many farmers are not just commodity producers but also good food providers and ecosystem managers (Schmid, Padel, 2012).

# 4. Practical Methodology

Introducing methods of designing the research, and strategies of how to collect and present the data is reviewed. Furthermore, an introduction of the participants of the research is giving.

# 4.1 Research Design

The research philosophy for this thesis follows two paradigms an interpretivist and positivist therefore, certain contexts have been suitable for designing the research. The aim is to understand the perception on how green strategy of selected international store chains effects buying behaviour of "green" customers. This research will use exploratory case studies as the research method.

A case study's aim is to explore a chosen phenomenon (Collis & Hussey, 2014), and therefore it could be suitable for this research, as it is aiming to better understand the phenomenon of green strategies and behaviour of chain stores. The research's exploratory natures support the idea that random variables or relationships between them can be studied and further comprehend (Saunders, et al, 2009). Moreover, a case study is the investigation of a single event, person, location or an analysis of a specific organization (Bryman & Bell, 2011) and upon consideration; it would be more suitable to have a cross-case analyses.

A cross-case analyses is more often related with quantitative research (Bryman & Bell, 2011) however, a research on the usage of cross-case design showed that the use of the design was found almost equally within qualitative or quantitative approach, from studying many papers from different scholars in the past (Bryman, 2006).

Thoughts of the outline of the research were made whether to lead a case study, crosssectional study or grounded theory research. Grounded theory can be alluded to as an aggregate interpretivist look into design, as it utilizes no past theories of hypothetical references to lead its study and research (Collis and Hussey, 2014). By not being guided by past information's or previous research, the approach does not slight any valuable information, since everything has a similar level of value (Collis and Hussey, 2014).

Because of absence of time and experiences, the grounded theory was dismissed, as it appeared excessively troublesome of an assignment, making it impossible to look at and test new theories and make complete new categorizations and frameworks inside chosen topic. Along these lines, with the assistance of some theoretical framework and backgrounds, a cross-case investigation, utilizing a case, namely international store chains Tesco Stores, Penny Market and Kaufland to portray how they perceived green behaviour and strategy which goes hand to hand with it. It feels like the most appropriate approach for this thesis.

## 4.2 Data Collection

The elaboration of the master thesis preceded the study of the specialized literature on the selected topic, on the basis of which a literary research and review was written. The primary and secondary sources of information are used for the work itself. Primary data of this paper are semi-structured interviews with representatives of selected store chains and outcomes from a questionnaire survey amongst the customers of the given business. Secondary data is represented by information obtained from the literature, expert articles and websites of selected institutions.

For this thesis, I have utilized semi-structured interviews as my technique to collect data because of the studies interpretivist approach. By utilizing prepared interview, it will take into account a characteristic unfurling of sub questions or other information important to the topic (Collis and Hussey, 2014). Also excursion of selected three chain stores will take place during the interview, which corresponds with realism paradigm. Subjective meetings will be done on 3 representatives of business strings, who wished to stay anonymous. So the qualitative interviews will be done on these three managers, enrolled at selected chain stores Tesco, Penny and Kaufland. Moreover, since I look at the phenomena also from positivism approach a second source of primary data will be questionnaire taken on customers of above mentioned store chains. In order to better understand their green customer's, deeper understanding of larger population on the topic is necessary for selected business strings for choosing the right green strategy and improve the green marketing approaches.

Secondary data will be collected from selected chain stores international and Czech website to provide some insight on the company as a case. Since there is extensive information through sustainability reports, annual reports and general information on the company's web pages, this data will be sufficient to the case as well.

#### Semi-structured interviews

Originally it was contacted 4 business string. Three of them agreed to co-operate on the study topic, except the chain store Lidl. All three interviews were held in Czech the results of the interviews were transcribed into Czech and then translated to English. Though this might

constitute for some lost data, I decided it was better to keep the interviews in the most natural and comfortable setting as possible to not lose any viable information due to language barriers. Being fluent in both languages, any loss of data is not likely.

This is a qualitative data and exploring a phenomenon of understanding the perceptions of people, namely how they perceive green strategy and behaviour, and it is most suitable to collect data in this way. Having semi-structured interviews allows every subject to answer and interpret different concepts in their own way, but it also allows for any other relevant information to be brought forward and flexibility in questions (Bryman & Bell, 2011).

The general background structure for the interview is divided into three phases. Questions from the first round are focused on the basic characteristics of the selected chain store, in the second it is analyzed in detail the relation of chain store to green marketing and elements of green behaviour. The third contains questions about how waste management and business practices are dealt with.

A controlled interview with the Tesco Stores chain was conducted with the leading store manager in Liberec. The company's central information line was also contacted to provide further information, but mutual cooperation was not established. The justification for this situation was that it was too internal information. Face-to-face interview was held in Tesco Store and took about an hour including excursion around the store in order to demonstrate the application of green elements.

Penny Market in particular the marketing department was also addressed by the e-mail route to provide an official statement on the basis for the semi-structured interview. However, the chain refused to provide any information beyond that provided on the chain's store website. Therefore, the director of the Penny Market for Liberec Region was personally addressed and the interview as well as excursion took place

The Kaufland Czech Republic in Liberec was not willing to provide any information, so the company's official spokesperson in Prague was contacted through the email and phone call, so the case and semi-structured interview was consulted through correspondence. Spokesperson answered all questions through e-mail correspondence and one 30 min phone call. Excursion through the store was made by individual observation of the author.

#### Questionnaire Survey

As a second source of primary data of this thesis has been chosen questionnaire survey, which was carried out among the customers of selected store chains, in order to determine whether they perceive the factors of green behaviour and green marketing or not. The questionnaire can be seen in Appendix of the thesis. It contains a total of 21 questions divided into three main areas. The first is to identify the customer's general information's, the other identifies the customer's relationship to the environment and the perception of elements of green behaviour and marketing. The third area focuses on customer buying habits and food wasting. The survey was also carried out in Czech language, since all respondents were Czech citizens; questionnaire was later on translated to English for purpose of this master thesis.

The research was carried out on the territory of the regional city of Liberec in the premises of the selected chain stores. Specifically, in front of the Tesco Stores in J. Borecky street, the Penny Market store in Rudolfovska street and Kaufland Czech Republic in Na Sadkach street. The customers were addressed personally, at different times of the day. It was filled in using an online questionnaire at tablet device to avoid excessive use of paper. The web server www.survio.cz was used for the questionnaire, in which the individual answers were recorded. The average time for filling in a single questionnaire was approximately seven to ten minutes. The total number of respondents who were approached and willing to cooperate is 250. In order to see the research question from perspective across generations, the questionnaire was deliberately divided equally between 5 age groups from 18 years old respondents up to 70 and older group.

# 5. Empirical Findings

This section will introduce secondary data about the case companies Tesco Stores a. s., Penny Market s. r. o. and Kaufland Czech Republic their green strategies within the company and use of green behaviour elements, followed by primary data collected from 3 representatives through semi-structured interviews. The primary data of interviews will be introduced and cross-case analyses will be introduced. Furthermore, questionnaire survey questions will be analyzed together with graphical showcase of answers to all question asked.

# 5.1 The Case Study of Tesco Stores a. s., Penny Market s. r. o., Kaufland Czech Republic

Within this chapter are briefly presented the analyzed store chains operating in the Czech Republic - Tesco Stores a. s., Penny Market s. r. o. and Kaufland Czech Republic

# 5.1.1 Tesco Stores a. s.

Tesco was established in England in 1919 when a British royal soldier, Jack Cohen, began to sell food from surplus war supplies. Five years later, he launched the first product of his own brand, namely Tesco tea. The name was derived from the initial names of the associates of T. E. Stockwell and Jack Cohen (Aktuálně.cz, 2016).

It currently operates in twelve European countries and Asia. Specifically, they are Great Britain, Ireland, the Czech Republic, Slovakia, Poland, Hungary, Turkey, India, Malaysia, Thailand, China and South Korea. However, this chain appeared in the Czech Republic in 1996 and is currently the largest chain store in the country. Moreover, Tesco did not only sell food, but also provide financial services, Tesco Mobile and Tesco petrol stations. Tesco has already built several types of stores, from supermarkets, hypermarkets to Expres and Extra stores, offering customers additional services in the field of optics, pharmacies, telecommunication, etc. (Tesco Stores ČR, Ltd., 2011).

This company has come to market during its existence with many innovations. As a first brand began with nutritional labelling of products, and was also the first to mark its first private label, namely TESCO Value. In 2009, was founded the Tesco Endowment Fund (Tesco Stores ČR a. S., 2011). This fund includes, for example, support for the education and training of children and young people, the selection and preparation of environmentally focused projects or social support for health care or socially disadvantaged people, etc. (Potex, 2016).

In the Czech Republic, the company expanded with other smaller stores that have become part of it. In 2006, Tesco took over the network of Carrefour and Edeka stores and in 2011 through the franchise network Zabka and Koruna (Aktuálně.cz, 2016).

The main philosophy of this company is to provide the customer with the best goods and services and become a store for everyone. Tesco is one of the most important business companies in the Czech Republic in terms of number of employees and financial indicators. There are almost 14,000 people working in shops, headquarters, and distribution centres (Tesco Stores, Inc., 2011). Annual revenues of the company reached CZK 42.5 billion at the turn of 2015 and 2016 (Aktuálně.cz, 2016). There are two stores in the area of the town of Liberec.

### 5.1.2 Penny Market s. r. o.

Penny Market has been on the Czech market since 1997 and employs more than seven thousand people. It is a subsidiary of the REWE international business chain based in Germany, which is one of the most important companies in an international context, which implies that Penny Market is represented in many European countries. There are more than 350 stores in the Czech Republic, of which four are in Liberec region (Penny Market, 2017).

Penny Market is presented by offering its customers mainly Czech brands or goods from Czech manufacturers. At the same time, it seeks to meet the wishes of customers and regional specialties according to the region (Penny Market, 2017). The company also points to the core elements of corporate culture and social responsibility and its values. Penny Market supports many ecological, economics, social support and employee care activities (Penny Market, 2017).

## 5.1.3 Kaufland Czech Republic

Kaufland has been operating in the Czech Republic since 1998, when it built its first store in Kladno, but its history dates back to 1930. This year, Josef Schwarz merged with an existing wholesale company, creating Lidl & Schwartz KG. The cradle of this company is Germany, where it currently operates the most stores. Another hundred stores are located in Poland, Croatia, Romania, Bulgaria, Slovakia and, of course, in the Czech Republic (Kaufland Czech Republic v.o.s., 2017), where it operates one hundred and twenty-six stores and employs eighteen thousand seven hundred people.

The first large-scale Kaufland self-service shop was built in Neckarsulm in 1984. Years 2009 and 2010 were very important for this company in terms of introducing its own meat production associated with Purland brand and the introduction of its own private K-Classic brand. In 2011, Kaufland opened its 100th store in the Czech Republic (Kaufland Czech Republic v.o.s., 2017). There are two stores in Liberec region. It is one of the first supermarkets to be opened on the territory of the regional city, namely November 19, 1998.

# 5.2 The attitude of the analyzed store chain to the environmental protection according to their official Czech websites

### **Tesco Stores a. s.**

Tesco Stores ČR publishes on its official website many information about its attitude towards environmental protection. Regarding the activity of store chains of environmental trend, Tesco can be regarded as a pioneer in this area. It is engaged, for example, through the already mentioned Tesco Endowment Fund, building eco-friendly retail buildings, a wide range of recyclable bags, etc. It also plays a significant role in the field of social assistance and help. Company also organizes a food collection for needed or supported customers by selected associations. As it was possible to find out from the interview, selected Tesco store in Liberec is actively supporting and closely cooperating with the non-profit organization Blueberry in Vesec caring for people with disabilities, including their families.

As part of the internal set-up of the company towards environmental protection, Tesco has a "Plan of Responsible Neighbourhood", which includes environmental care and efforts to become part of the local community. It includes programs to promote economic development with respect to the environment, building fair and equitable relationships with suppliers, building new energy-efficient stores, or installing energy-saving measures at existing ones, replacing plastic bags with environmental variants and introducing transportation close to shopping centres, especially in large cities (Global Retail in Europe, 2014).

In the international context, Tesco is committed to reducing the carbon footprint of its sales units, distribution and headquarters by 50 percent by 2020, compared to 2006. By 2050, it wants to become a global carbon neutral company (Barliev, Sedlak, 2010). In 2007, it built a hypermarket in Žatec, which was the first energy-efficient store in the Czech Republic, but not a carbon footprint free. Year later, after a great success was another one built in Prague. Just in 2007, more than seven thousand tons of CO2 were saved, thanks to additional

arrangement measures in new and existing stores (Ekolist.cz, 2011). Specifically, the Žatec hypermarket improved thermal isolation of walls and roofs, change of entrance for customers and supply ramps, ventilation systems in bakeries, automatic control of lighting on the sales area and in the parking lot, automatic cooling control and heating of the sales area or lighting in the background for employee with motion sensor (Nazeleno.cz, © 2015). In 2009, Tesco Stores purchased CNG cars for retail stores in Prague, and at the turn of 2009 and 2010, the company equipped some stores with cooling technologies called "Cooltec" with a natural CO2 refrigerant (Ekolist.cz, 2011). The breaking year was 2011 for Tesco Stores ČR, since the first energy-saving hypermarket building with zero carbon footprint in Europe was exhibited, namely in Jaromer (Ekolist.cz, 2011). It is an energy self-contained building and the main technical specifications are already mentioned in the chapter 2.6 of this master thesis called "Environmentally friendly supermarket buildings". The construction of such an environmentally-friendly store did not take significantly longer, as in the case of the hypermarket Jaromer it lasted for eighteen weeks. The total investment was about thirty percent higher than for a comparable "non-ecological" hypermarket (Ekolist, 2011).

#### Penny Market s. r. o.

As already mentioned in the characteristics of this company, it is based on several pillars of social responsibility. One of these is the area of environmental protection, which is definitely not indifferent to this chain store. Penny Market itself states that "they are trying to find the best solutions that are not only environmentally friendly but also improve comfort for both employees and customers. We aim for ecology, environmental improvement and energy savings "(Penny Market, 2017).

Company is part of many environmental projects and the leading projects that this chain presents on the official website in conjunction with the "Green and Penny" slogan are two projects with a national and international context. The Penny Market became the main partner of the leading ecological competition in the Czech Republic, the so-called Ecological Oskar with the official name of the E.ON Energy Globe Award of the Czech Republic (Penny Market, 2017) awarding *"projects and ideas that help save nature and energy "*(E.ON Energie, as, 2017). Penny also supports the sale of sustainable marine food - Marine Stewardship Council (Penny Market, 2017). The no less important and beneficial activities of Penny Market are in the area of sustainable stores. Particular activities in this context are, for example, the Energy Management according to international standards, when the Energy

Management System was implemented in accordance with ISO 50001 (more detailed explanation of ISO 50001 can be found in Chapter 5.4.3 Results of the interview with Kaufland Czech Republic). Penny Market is currently working on installing LED light sources (by the end of 2018, about 100 stores), saving more than half of the energy required for lighting. Similarly, the company introduces so-called clever technology in stores to re-extract heat from the exhaust air, as well as a system that uses waste heat from cooling and freezing technology. These measures can save up to 40% of heating costs by R & D, and by the end of this year they should be applied to 18 Penny Markets. Moreover, in stores are replacing non-compliant boilers with modern condensers, which are economical and safer. The remote control of air conditioning, heating and lighting for the highest efficiency of the store operates in all stores of this chain. Penny Market fulfils the international standard ISO 22 000 for its ten outlets, headquarters and three central warehouses as the only chain store in the Czech Republic, which guarantees customers that the goods are controlled from the warehouse to the final sale. This ensures complete food safety (Penny Market, 2017).

Penny Market, in support of Czech farmers, works closely with seventeen suppliers, mainly fruit and vegetable growers, as well as thirty-five regional bakers (Penny Market, 2017). This chain is also active in the social field, as it volunteer in charity events and since 2012 has been working with the "Kapka Naděje" endowment fund (Penny Market, 2017).

#### **Kaufland Czech Republic**

Also Kaufland takes the environment into account in its business activities. Kaufland Czech Republic is fully aware of its responsibility resulting not only from extensive logistics, but also from the size of its stores and adjacent warehouses. The company has taken on several key actions and commitments to strengthen its environmental responsibility, which are included in the package of measures to promote environmental protection, in particular through the efficient and responsible use of natural resources. Kaufland has established its own system for the use of renewable energy sources for cooling the offered goods, heating and air conditioning of the shop through the already described recuperation system. Through Kaufland Czech Republic offers environmentally-friendly packaging to its customers, so a wide range of drinks in glass bottles are introduced. Also, with regard to the supply chain, company calls for environmental protection through transport in organic packaging of fruit, vegetables or meat, this minimizes the amount of waste produced. The sorting of waste and its take-back, namely paper, cardboard, foil, wood, polystyrene, bio-waste and scrap, which is

sent for further processing, is obvious for the analyzed company. Every week's newspaper are printed to 100 percent recyclable paper, and all used office supplies are environmentally friendly and are recycled to their full potential after their use. Thanks to the involvement in the electro mobility development project, which is part of the CEZ Group for energy future, such project began in January 2012 and Kaufland built charging stations for electric cars in the parking lots of selected stores. The benefits of this project are clearly seen by Kaufland in improving the air thanks to use of electric cars and greener energy consumption. Unfortunately, there is no station installed in Liberec region, currently are these stations concentrated in Prague. Kaufland Czech Republic received a very prestigious award in 2010 Emissions Certificate from EKO-KOM for the active protection of the environment and the reduction of the carbon footprint (Kaufland Czech Republic, 2017).

# **5.3** Green behaviour of selected store chains in an international context according to official foreign websites

#### **TESCO**

Company TESCO Stores has been successfully presenting itself in the field of environmental protection and closely related green marketing, demonstrating by wining of the prestigious Green Supply Chain Award 2011 by the chief experts from Global Supply organization in China (Tescoplc.com, 2011). A great effort and aim to meet the goal of becoming a carbon-neutral company by 2050 has also been awarded by the Grocer Gold Award, which awarded TESCO in 2012 as Green Trader of the Year. TESCO also offers more than a thousand products with a zero carbon footprint (Tescoplc.com, 2012). The company, in collaboration with the United Nations, is striving to educate children in the field of environmental protection and to raise their awareness of the importance of this. As part of that, the so-called eParan Green Leaders Program (Tesco-plc.com, 2013) was set up in South Korea in 2013. In the same year, was fulfilled the set-up of measures to plant nine million trees as support for the environment. Company is also committed to promoting green purchasing habits among consumers by rewarding green points by replacing plastic bags and purchasing environmentally friendly products. With such concept, TESCO came to market first (Tescoplc.com, 2013).

TESCO declares its goal to actively protect the environment by including itself as a company in the so-called Dow Jones sustainability index. However, this chain store supports a wide range of other projects, such as wind power, geothermal heating, or fully automated recycling lines (Tescoplc.com, 2006). Other activities fully confirming the company's activities for environmental protection are set out in an official documentation. At the turn of 2009 and 2010, TESCO launched a new "ekoweb" in Poland and re-launched a website in the UK to raise awareness of environmental issues and provide customers with tips on how to operate a more eco-friendly lifestyle. Climate leadership has been recognized through a number of awards, including the Carbon Trust Standard. Company also earned the highest rating and overall prize for the most ecological company in the Sunday Times Green List (Tescoplc.com, 2009). It is also important to note that this chain store has won countless national awards in this area in the countries where is operating.

#### PENNY

The primary commitment of the chain from 2006 is to halve greenhouse gas emissions per square meter by 2022, thereby actively contributing to the protection of the environment and the climate. Unfortunately, the Czech website does not inform about this fact. Unlike Czech stores, in Germany, the offer of gentle bags is more varied. The first is a bio cotton bag certified by GOTS, which means it is produced under environmentally and socially friendly conditions. Relatively new is a bag made of two PET bottles called "Petra" and is very sustainable, since its production raw material enables its high resistance to environmental influences and long service life. Offered paper bags come from responsible forest management (Penny, Janosch AG, 2017). Unfortunately, Penny Market Ltd. does not indicate whether Czech paper bags are of the same origin. Likewise, the Czech and German official sites do not award any prizes to this chain for environmental activities.

With regards to the supply of organic products, PENNY represents its private label Naturgut on its official German website, under which it offers a wide range of these foods, vegetarian snacks and local regional products (Penny, 2017). PENNY products that have a positive environmental or social impact are with the PRO PLANET logo to inform customers about responsible shopping and sustainable products (Penny, Janosch AG, 2017). Unfortunately, the products of Naturgut or the PRO PLANET label are not offered to customers in Czech stores.

As already mentioned, within the PENNY network it cooperates with local farmers. It also approves animal welfare, i.e. good life condition and treatment. On the German PENNY website, it stimulates its customers to minimize waste of food.

## Kaufland

The information on the activities of this chain store in the context of environmental and climate protection coincides with the information provided by the Czech press spokesman of Kaufland Czech Republic. Kaufland use many modern technologies, especially in the field of heating, which are energy efficient and save the environment. Their utilization not only reduces energy costs, but also fulfils the CO2 commitment by reducing CO2 emissions by 20 percent over five years (Kaufland Stiftung & Co. KG DE, 2017). Further information are similar as those on the Czech website, these include the construction of recharging stations for electromobiles, the printing of newspapers on recyclable paper, etc.

Animal welfare is absolutely crucial for Kaufland. In 2009, Kaufland started to promote a more equitable animal breeding project, mainly focused on rabbit breeding. For this project Kaufland received the Das Werte Kaninchen award from International Compassin in World Farming in 2015. However, this is not a single recognition within this area. The chain also won the Das Goldene Ei, so called Golden Egg, three times from the same organization for the voluntary renunciation of cage eggs. Kaufland is a member of the Lean and Green global initiative, which has target to produce a 20% less CO2 emission in the next five years. Since March 2014, Kaufland has taken on its international fair trade goals, for which it has also been awarded the Fair Trade Award. Kaufland also won countless German prizes, for example, the Most Popular Supermarket, Sustainable Retailer 2015 or Merchant of the Year 2016/2017 (Kaufland Stiftung & Co. KG DE, 2017).

## 5.4 Semi-structured Interview

As a part of the primary data collection of the thesis, semi-structured interviews were conducted with the management of the analyzed chain stores to identify important information about the green behaviour, application of green marketing and other issues. The background for a controlled interview is in the appendix of this paper. In order to maintain personal anonymity, the names of the employees with whom the interview has been carried out are not mentioned in the work.

A controlled interview with the Tesco Stores chain was conducted with the leading store manager in Liberec. The company's central information line was also contacted to provide further information, but mutual cooperation was not established. The justification for this situation was that it was too internal information.

Penny Market s.r.o. in particular the marketing department was also addressed by the e-mail route to provide an official statement on the basis for the semi-structured interview. However, the chain refused to provide any information beyond that provided on the chain's store website. Therefore, the director of the Penny Market for Liberec region was personally addressed.

The Kaufland Czech Republic in Liberec was not willing to provide any information, so the company's spokesperson was contacted through the email and phone call, so the case and semi-structured interview was consulted through correspondence.

The general background structure for the interview is divided into three phases. Questions from the first round are focused on the basic characteristics of the selected chain store, in the second it is analyzed in detail the relation of chain store to green marketing and elements of green behaviour. The third contains questions about how waste management and business practices are dealt with.

### 5.4.1 Results of the Interview with Tesco Stores a. s.

There are two Tesco stores in the territory of the Liberec regional, the interview was conducted directly with the Tesco Stores director for this region. According to the official website of the company, 198 stores (Tesco Stores ČR, as, 2017) operate in the Czech Republic in total. This company has the tools of green marketing and elements of green behaviour has been introduce for more than a decade and is socially proclaimed to be the most "green" amongst the chain stores. It is a chain that has won many awards for the greenest seller, and in an international context, its extensive activities to reduce the carbon footprint of not only stores but also food in the form of an effective supply chain are widely recognized. More detailed information's are provided in Chapter 5.3 "Green behaviour of selected store chains in an international context according to official foreign websites" of this diploma thesis.

The company uses many elements of green marketing, including selected green behaviour indicators. Tesco Stores in the Czech Republic are very active in the construction of ecofriendly business buildings, as already mentioned in Chapter 3.10.1 of *Environmentally Friendly Supermarket Buildings*. It is the first retail chain in Czech, which has built a store with a zero carbon footprint. Another indicator of green behaviour is also the sale of organic food, ecological recycling and sorting of waste, offer of paper bags, specifically in the bakery section. Furthermore, company also focus to organic product packaging, recyclable bags and take backs of light sources. Regarding the reduction of the total weight of packaging, it is a fact that the store itself is not able to influence directly. In this respect, it depends on the supplier. However, if the effort to reduce the weight of packaging were to be achieved, it would have to be decided by the top management of the chain about this issue. The store manager does not see increased financial demands compared to normal marketing in the application of green behaviour or green marketing elements, thanks to long-term engagement in green technologies, when building stores and usage of green elements within the store.

Primary expectations from the application of green marketing are based on an economic basis in the form of an increase in company profits, but they are not the only factor. Another incentive is to increase the number and satisfaction of "green" customers and to participate in environmental protection. From the perspective of the company, the expectations of customer's behaviour from the point of view of green marketing influence, respectively green behaviour are fulfilled. The director acknowledges that the demand for bio-quality products has a markedly increasing character, as well as foods for special nutrition, especially glutenfree or lactose-free products.

As the head of the Tesco Stores, the director also expressed about the economic benefits of green marketing. It sees them in particular as increasing the company's profit in the form of increased customer interest and reducing the cost of waste processing. Tax reductions are not relevant, as well as the store does not feel any advantage in terms of increasing competitiveness.

Tesco Stores applies the same approach worldwide in all stores, including green marketing and other related issues. All stores are interconnected and communicate the necessary information and experience not only from the area of this problematic. However, it has not been possible to find out whether it is cooperating with another company abroad that operates green marketing elements, as it was internal information.

Tesco Stores does not consider another business chain to be a green marketing competitor. However, the chain will, of course, closely monitor the development of Lidl's decisive move, which in March of this year introduced only paper bags to reduce the consumption of plastic at prices. Nevertheless, Tesco does not consider such move as significant step to their position. As regards the treatment of waste in the form of foodstuffs that pass through their shelf-life products are handled in several ways. The meat products are stored in the kafiler boxes and taken by the authorized company to the rendering plant for subsequent harmless processing. The chain store closely cooperates with the official hunters under the Forest Management for Liberec Region, which provides no longer for sale vegetables and pastries for subsequent use as animal feed. Other foods are stored in municipal waste. Other waste, especially in the form of packaging material, is sorted into special sorting containers and then passed to a partner who discards the waste. Specifically, it is the company Rumpold, s.r.o.

The interview also touched on the importance of selected environmental promotion activities. Specifically for the store, it is a matter of course the sorting of waste, the use of recycled paper, two-sided printing of documents and active support of the environment through projects with ecological subtext. An unforgettable activity is definitely videoconferencing rather than commuting by car for business meetings. As far as possible, employees use walking to meet the necessary activities.

The last question was focused on the issue of the construction of environmentally friendly building in the North Bohemia region, respectively in Liberec area. It was not possible to obtain an official statement from the central management of the company, but it is certain that, if the new store is built and not only in the North Bohemian region, it would fulfil the basic ecological parameters of the store. There is no exclusion of the construction of a zero-carbon footprint store. The whole interview can be seen in the Appendix.

#### 5.4.2 Results of the Interview with Penny Market s. r. o.

The Penny Market store in Liberec has been operating since 2006 and is one of four stores operating in the territory of the regional city. Although, Penny's management is aware of the growing demand for organic products, despite the fact Penny is in this range to be included as to have least of these products.

Chain offers its customers in the baker's section paper bags, recyclable bags and provides space for taking back light bulbs and small electrical appliances. Employees of the company sort waste, especially paper and plastics, and then send them to the Prague headquarters, where they are further treated. Unfortunately, it was not possible to obtain more detailed information about their processing. The above elements have been introduced in this chain relatively briefly, less than ten years ago, of which recyclable bags have been used just since the last year.

From the point of view of the economic demands of the use of green marketing, the director was unable to say whether it's financially more demanding than usual. Nevertheless, she admits "that the sorts of waste generated lead to lower processing costs. The main motivation for green marketing is to participate in protecting the environment and increasing customer satisfaction. However, the reality is quite different by the chain store employees, customers seem to be unaffected by green marketing and elements of green behaviour or even ignoring them."

From the above it is clear that this company wants to continue to improve to work on fulfilling not only on selected indicators of green behaviour. This is why it follows and inspires the green activities from other chains in the Czech Republic and abroad. Penny Market is definitely aware of the active green behaviour and application of green marketing of other chain stores, whether it concerns only the range of organic products or the construction of completely eco-friendly business buildings. However, in the overall context of Penny Market, it was not possible to obtain official information on how the top management of the company approached this fact. The interviewee itself does not realize how many or what types of products are offered in eco-friendly packaging. As she noted, *"their amount is apparently minimal."* 

Another range of questions from an interview touched on the issue of waste management. All foods that have undergone their shelf-life are, as well as packing material, sent to the headquarters where they are further processed. As already mentioned, unfortunately, it was not possible to obtain an official statement of the company about the way waste is processed.

For the analyzed company, there are three common things to do: sorting waste in the shop, using recyclable paper in offices, and using teleconferences instead of commuting by car for business meetings. The whole interview can be seen in the Appendix.

### 5.4.3 Results of the Interview with Kaufland Czech Republic

As mentioned above, Kaufland Czech Republic operates two stores in the regional city Liberec, employing almost two hundred employees including brigades. The analyzed company has the elements of green marketing and green behaviour promote for more than ten years. In particular, it is about the construction of environmentally friendly building, the saving of energy through alternative energy sources, the sale of organic food, the environmentally friendly waste recycling and sorting, the supply of paper and recyclable bags, the environmental packaging of products, the reduction of the total weight of packaging and their take-backs.

Assessing the economic demand for using green marketing, including elements of green behaviour, is complicated by the spokesperson of the company. In some areas, especially with regard to the construction of environmentally friendly stores and the installation of modern technologies, this marketing is of course more expensive than usual. However, it should be noted that, for example, sorting, take-backs and recycling of waste can earn to its own needs.

The main motivation of Kaufland Czech Republic is only the opportunity to participate in social protection of the environment and increase customer satisfaction. Customer satisfaction also raises and customer's respond better than the Kaufland expected when it comes to the impact of green marketing and green behaviour, since demand for environmental friendly product in past years rapidly increasing and more "green" customers evolving. The company has been following an increasing trend over the last three years in purchasing organic food, using and purchasing paper bags and recyclable bags. The company also records the everincreasing use of the possibility of taking back packaging, batteries and other products. Benefits from the application of the green behaviour chain store are seen in particular as the increase in competitiveness compared to other chains and the reduction of the costs of waste processing and the heating of the stores, due to the recuperation system in the store. Recuperation system to produce heat is a system that uses heating which is created during the cooling process, so no primary fuel is consumed.

Kaufland Czech Republic is also inspired by the use of green marketing from abroad. For internal reasons, however, the company did not say what kind of businesses it is. Within the Czech Republic, it perceives the use of green marketing and behaviour in all chain stores, especially in the field of eco-friendly construction, sale of organic products and sorting and recycling of waste. It sees this as an opportunity for mutual inspiration and improvement in green marketing.

The spokesman of the company also expressed his views on the issue of waste management. *"End-of-life food products are disposed of ecologically"*, but this process has not been concretized. The information could not be found on the official website of the company and the employees of the store in Liberec did not comment on this issue. "It is important to note that these food products remain the absolute minimum, due to the established and optimized procedures and technologies". Spokesman of Kaufland also said: "They are designed in such a way that the so-called temperature chain for fresh foods is maintained at all times, and the optimum storage procedure for all foods, so that their minimum durability can be maintained to the full extent as stated by the manufacturer". This seemingly simple logic, however, has a big and positive impact on how quickly goods get from the production line to the shelf, and for what goods the customer sees and takes on the shelf in the store. In this regard, Kaufland has made a number of optimizations in recent years and has introduced control rules that minimize excessive wasting of goods. Just like other chains, Kaufland Czech Republic, at the end of the minimum shelf life, reduce its price and allow for an accelerated sale. Especially for this reason, the employees of the store perform food controls several times a day, especially for delicate fresh goods. As far as packaging material is concerned, it is sorted out and then passed to a partner who discards the waste. Waste further utilizable is environmentally-processed.

For Kaufland and its employees, some activities are common in the whole of the Czech stores, which also allow participation in the protection of the environment. These include the sorting of waste in stores, the use of recyclable paper, the use of tap water instead of water in plastic bottles, duplex printing of documents, active environmental support, for example through projects with ecological subtext and teleconferencing rather than commuting to work related meetings.

Last but not least, it has to be mentioned that since 2017 the chain has carried out its activities in accordance with the standard ČSN EN ISO 50001. For this reason all the stores that will be built in the Czech Republic since last year will be environmentally friendly. Standard EN ISO 50001 Energy Management Systems entered into force in January 2012. "Standard CSN EN ISO 50001 specifies the requirements for the creation, implementation, maintenance and improvement of this management system. Its implementation is intended to reduce greenhouse gas emissions and other related environmental impacts and reduce energy costs through the systematic management of energy management. The standard can be applied to all types of energy used and to organizations of all types and sizes "(Office for Standardization, Metrology and Testing, 2017). The whole interview can be seen in the Appendix.

## 5.5 Cross-case Analyses of Selected Chain Stores

Regarding the attitudes of individual chain stores to the protection of the environment, at present it is already a crucial issue and a trend that is, to a greater or lesser extent, addressed by every chain in the world. Naturally, the selected chains are no exception. Comparative analysis is based on available information on Czech and foreign websites and managed interviews.

Regarding the time the chains already applies green marketing tools and elements of green behaviour, Penny Market is the shortest one, since has been dealing with such strategy less than ten years, and some of the elements just in the last few years. On the contrary, Tesco Stores and Kaufland have been active in the field of environmental protection for more than ten years. The structured interview revealed that Tesco Stores does not see a significant competitor in green marketing. However, Kaufland has been developing significant steps in recent years, and it should be noted that customers are responding better than the chain has expected. This is characterized by an increase in purchases of organic products, the use of recyclable bags and paper bags, and the use of take-back packaging over the last three years. Tesco Stores said customers are reacting as expected. The offer of organic products, as well as food for special nutrition, has prompted the anticipated interest of the customers. Penny Market, on the other hand, finds that customers are completely unaffected by elements of green behaviour and marketing, even ignoring them. However, the rationale can be found within the scope of these activities. The range of organic products is the narrowest of the analyzed chains and for example the ecological bags are offered only a year. As an environmentally friendly store design, customers who do not actively find this information are not able to judge in any way.

TESCO can boast many prestigious awards from international organizations and praiseworthy activities that recognize the chain's environmental activities. These are, for example, the Green Supply Chain Award or the Green Trader of the Year. These recognitions will only enhance the leadership of chain in this area. Even the very ambitious commitment to reduce the carbon footprint of the chain by 2050 to zero, is progressive. However, reputation of Kaufland is as well good in this field, as the chain holds several awards, but rather in the field of fair treatment of animals and the quality of the food offered. Reducing carbon footprint of Kaufland stores is also nothing new for the company, since they committed to reduce CO2 emissions by twenty percent over the next five years. The steps taken are effective, as

evidenced by the EKO-KOM certificate. Also Penny Market guarantees that the carbon footprint of one square meter of store will be halved by 2022. Unfortunately, Penny Market does not have a world-class award, but participation of Penny in the Ecological Oskar competition is praised.

All analyzed chain stores during the construction or modernization of existing stores are focused on environmental protection. As Kaufland and Penny Market also said, it also complies with the ISO 50001 standard. The most prominent approach is Tesco Stores, which builds carbon-free stores around the world, uses state-of-the-art heating and cooling technology for stores that are installed also in already existing buildings and the introduction of car transport for an alternative drive fuels for the supply of stores. All these features are applied by Tesco in all the stores it operates. This issue is dealt with by the other two chain stores as well, in accordance with the aforementioned ISO standard. They both apply the system of heat recovery and cooling to stores, thus trying to reduce their energy intensity. In addition, Penny Market installs LED lighting into stores.

In order to encourage customers to behave in an environmentally friendly manner, only the TESCO chain is active, unfortunately not in the Czech Republic. As Tesco director said "perfect customer awareness of the gains and benefits of their environmentally buying behaviour is the absolute basic for the success of such strategy. However, in order not to be just a short-term issue, it is necessary to motivate them with certain tools". One of them is the concept of so-called "green points" introduced by Tesco in several countries, for example in Slovakia, where it's very successful. After purchasing labelled, environmentally friendly and harmless products, customers will earn points on their customer card, obtaining a number of points for discount books for different assortments. As part of this issue, survey was conducted in Tesco Slovakia, which was attended by thirty people of different ages. Half of the respondents, who were currently ignoring any alternative offers of the chain in the form of recyclable bags, paper bags, bio-products, etc., after informing them about the possibility of obtaining green points and the consequent discount benefits, were willing to think about change of their purchasing behaviour in line with the environment lifecycle. The other half immediately said that would use this opportunity. Of course, the results of this "mini poll" can not be generalized or considered representative of the whole population, but it can be inferred that if financial compensation is provided to customers, they are willing to change their purchasing behaviour and to think about their everyday activities that affect the environment in negative way. Through this program, every person can realize his/her contribution to environmental protection, which can also motivate everyone to other ecological activities. The next step of Tesco Stores in the Czech Republic in favour of reducing the number of used plastic bags and reducing their number by 2019 to ninety pieces per person is through online purchases. A customer requiring a wrapping in plastic bags will pay fifteen Czech crowns. However, if it is preferable to deliver food without them, of course, this fee would not apply.

The problem of processing waste generated at the Penny Market chain is difficult to assess due to the lack of information provided, as they just stated that the sorted waste are sent to the headquarters, where is further processed. Nor does the official website provide any information about this process. Contrary, the Kaufland chain stated that part of the packaging material and the food with expired durability is ecologically processed and the second part is handed over to the partner, who then liquidates it. Only Tesco Stores has provided specific information. Meat products are gently processed in rendering plants, fruits, vegetables and pastries are further used as feed for cooperating hunters. The others are deposited in municipal waste or handed over to partner company Rumpold, who liquidates them. The most environmentally friendly waste treatment is therefore declared by Kaufland, but without any concrete evidence. Kaufland also recovers the most extensive categories of waste.

Kaufland as the only one of the analysed chains is striving to reduce the overall weight of packaging by negotiating with suppliers of used materials. They also apply the most environmentally-friendly activities within the framework of environmental protection, which were discussed within the interview. For Kaufland, it is obvious to waste sorting, recyclable paper use, tap water instead of packed, double-sided printing of documents, active support for the environment by supporting environmental projects and using video calls and teleconferences. Tesco Stores only don't uses tap water among these activities, and for Penny Market is typical only waste sorting, recyclable paper use and videoconferencing.

The cross-case analysis also shows the amount of revenues and the status of selected chain stores according to this indicator. The latest ranking is published in the magazine "Goods & Sales", prepared by GfK Czech and which lists website Aktuálně.cz. Kaufland Czech Republic occupied the first place in 2018 with domestic sales of more than 55 billion Czech crowns. Tesco Stores fell to a third position with less than 42 billion Czech crowns and Penny Market is the fifth with revenues of about 32 billion Czech crowns (Aktuálně.cz, 2018).

The author of this thesis has done a point assessment of the specified indicators of green behaviour, depending on the extent to which the chain store fulfils its strategy. Scoring is
done and based on the information obtained from the interviews and the officially published articles and chain stores website. Points are given from 1 (least) to 3 (most). The results are shown in Table 2 below.

Green behaviour indicators	Tesco Stores	Penny Market	Kaufland
Assortment of organic products	3	1	2
Eco-friendly stores	3	2	2
Environmentally friendly packaging	1	1	1
Recyclable shopping bags	3	1	2
Paper bags	3	3	3
Ecological waste management (recycling, take- back)	2	1	3
Total score	15	9	13

Table 2Point evaluation of analyzed chain stores in terms of the fulfilment of selected indicators of green behaviour

Source: own composition

In the organic product indicator, most points scored Tesco Stores for the widest assortment of these food products and their placement separate from regular products, as it could be seen during the excursion with director of the store. Kaufland gained a one point less, because of their inclusion with common foods, but the range of organic sentiment and bio products is also broad. Penny Market offers green customers the least of these products. All chain stores deal with the construction of environmentally friendly stores, but only Tesco Stores have already built a zero carbon store. As proven by research of analyzed chain, they all offer a standard supply of food in environmentally friendly packaging of products, none of which have gained an advantage in this respect. The Tesco Stores offers most and different kinds of recyclable shopping bags, as Kaufland offers paper and completely decomposable bags. Penny Market offers to its customers only a jute bag. Paper bags are available in all chains. The best solved waste recovery has Kaufland, as the only one in the interview has declared their ecological processing. For the take-backs of light sources and for having agreements with local hunters about food for animals, Tesco Stores was at the second-best spot and the third-place for Penny Market who take-back of electrical equipment and flashbulbs.

In the overall evaluation, Tesco is therefore chosen as the greenest chain in established green performance indicators. This is also evidenced by the awards mentioned in the thesis.

#### 5.6 Questionnaire Survey

As a second source of primary data of this thesis has been chosen questionnaire survey, which was carried out among the customers of selected store chains, in order to determine whether they perceive the factors of green behaviour and green marketing or not. The questionnaire can be seen in Appendix of the thesis. It contains a total of 21 questions divided into three main areas. The first is to identify the customer's general information's, the other identifies the customer's relationship to the environment and the perception of elements of green behaviour and marketing. The third area focuses on customer buying habits and food wasting.

The research was carried out on the territory of the regional city of Liberec in the premises of the selected chain stores. Specifically, in front of the Tesco Stores in J. Borecky street, the Penny Market store in Rudolfovska street and Kaufland Czech Republic in Na Sadkach street. The customers were addressed personally, at different times of the day. It was filled in using an online questionnaire at tablet device to avoid excessive use of paper. The web server www.survio.cz was used for the questionnaire, in which the individual answers were recorded. The average time for filling in a single questionnaire was approximately seven to ten minutes.

The total number of respondents who were approached and willing to cooperate is 250. In the following chapter the questionnaire is elaborated in detail on individual questions.

### 5.6.1 Questionnaire Survey Analyses

General information's	Options	%	answers
Gender	male	34%	86
	female	66%	164
	18 - 25 years	20%	50
	26 - 35 years	20%	50
Age	36 - 55 years	20%	50
	56 - 70 years	20%	50
	70 years and older	20%	50
	student	32,50%	81
	working	49,70%	124
Current status	unemployed	3%	8
	on maternity leave	6,90%	17
	pensioner	7,90%	20
	primary education	7%	17
	secondary vocational school	20%	50
Education level	secondary education (gymnasium)	36%	90
	higher professional education	6%	15
	university (Bachelor, Master or higher degree)	31%	78
	to 1 000 Kč	4%	11
	1 001 Kč - 10 000 Kč	21%	53
Income group	10 001 Kč - 20 000 Kč	44%	108
	20 001 Kč - 30 000 Kč	21%	53
	30 001 Kč or more	10%	25
Place of residence	city	83%	207
	village	17%	43
Type of housing	house	36%	90
	flat	64%	160
	none	48%	121
Children	under 4	21%	52
	4 to 17	23%	57
	18 or more	8%	20
	1 to 2	45%	113
Members of household	3 to 4	47%	118
	5 or more	8%	19

Table 3 Questionnaire – general information's

Source: own composition

As can be seen in Table 3 the first round of questions addresses the general information's of the addressed customers. The number one question was the gender addressing. It is clear that

more women were addressed, namely 164. As far as age is concerned, the same number of customers for each age category was deliberately chosen to ensure the corresponding information value of the whole questionnaire. Thus, the total number of customers requested for each category is 50, as can be seen in the table.

Of the total number of interviewees, almost half is employed (49%), followed by students (32%) then by people receiving pensions and on maternity leave with almost 8% respectively 7%. The smallest group of respondents were indicating their status as unemployed, of whom only 26 were (3%). Another monitored variable was the highest achieved education of the respondents. An indispensable question for the general information of the customers is the discovery of their highest education attained. From this it can be estimated that the highest representation among the customers has a secondary education (gymnasium) with 90 correspondents, 78 stated university educations either bachelor or of the master's degree, 50 have completed secondary vocational education with an apprenticeship certificate, 17 correspond basic education and 15 graduates of a higher professional degree.

The fifth question divided the respondents into five established income groups. Despite the negative expectations of the author of the thesis, the addressed respondents were willing to categorize them without any problems. The most respondents receive income from CZK 10,001 to CZK 20,000, namely 108. In the category from CZK 1,001 to CZK 10,000 and from CZK 20,001 to CZK 30,000 were included in the same way after 53 respondents. Up to one thousand receive only 10 addressed. With an income above 30 001 CZK, 25 respondents were included.

The questionnaire touched the place and type of current residence, with only two choices - city and village, respectively house or flat. Specifically, 207 respondents indicated the place of residence of the city, with the remaining 43 villages. Of 250 respondents 2/3 are living in flat as one third lives in the houses.

An important question for identifying a respondent was to find out if they have or don't have children living with in a common household and their age. The results are also interpreted in Table 2. It almost equally distributed the households with and without children, since 48% answer "none" to this question, contrary to the fact that the number of respondents who have children (129 respondents) who live in a household, so this question was balanced. Additionally, 57 respondents are cohabiting with children between the ages of 4 and 17, to continue 52 respondents have children under 4, and 20 with the age of the child over 18 years

of age. Respondents could give more answers depending on the number and age of the children. In connection with questions 8 and 9, the questionnaire affected the total number of members living in the respondent household. Most respondents, exactly 118, live in the household by 3 to 4 people, 113 lives single or in the pair and only in 19 household lives 5 or more members.

The second part of questions about the relationship of respondents to the environment and the green behaviour start with the tenth question dealing with the issue in which of the analyzed chains buy respondents most often. Therefore, Tesco Stores, Penny Market and Kaufland were included in the answers. From Figure 4, it is quite obvious that the most visited chain among the respondents is Tesco Stores, as it was mentioned by 119 people, another 70 mentioned as the most frequent purchase place Penny Market and 61 Kaufland.



Figure 4 In which of these chain stores do you shop most often?

Source: own composition

The question in which customers were asked to indicate the importance of the factor offered, which affects their place of purchase, is question 11. In the Figure 5, the above mentioned factors are shown on the horizontal axis under the numbers, in order. Specifically, it is: *1. I am used to it, 2. I have it close to home, work, 3. The offer of organic products, 4. The offer of Czech products, regional foods, 5. Recyclable bags, paper bags, 6. Discount actions , cheap assortment, 7. Wide assortment of consumers goods (e.g. clothing). These seven indicators are deliberately chosen. Their goal is to find out whether people prefer shopping convenience (1* 

and 2), environmental green activities (3, 4 and 5), or the price and wide assortment (6 and 7.).



Figure 5 Why do you mostly shop in the chain store that you tagged in question 10?

#### Source: own composition

It is quite obvious that the most important thing for purchasing in a particular chain is the price factor, the proximity of the shop and the fact that customer already used to the chain and are oriented in the store and in the products offered. It is also important for respondents to offer Czech and regional products. On the contrary, it is completely unimportant for addressed customers in the overall range of organic products and paper bags and recyclable bags.

The twelfth question focused on what customers actually think under the green behaviour of chain stores, and they could identify a maximum of two responses from the offer. This limitation should exclude the fact that the respondents, without any thought, and for speeding up filling in the questionnaire, have identified all options offered. The resulting opinion is interpreted in Figure 6 below. In the response to this question, the questionnaire provided the set indicators for the green behaviour of this thesis. This is an offer of bio-products, eco-friendly buildings of shops (energy self-sufficient buildings, wooden construction, daylight lighting, rainwater capture for use on toilets, recharging equipment for electric cars near the

shop), product packaging, recyclable shopping bags, paper bags, recycling and waste management (sorting, take-back) and other categories. As outlined Figure 6, 119 respondents have identified eco-friendly packaging, recyclable shopping bags and paper bags. Only three less votes have been given the option of organic waste management, sorting and take-back. A total of 97 respondents identified the supply of organic products and the construction of eco-friendly retail buildings. The four addressed customers introduced the possibility of another, namely the cleanliness and freshness of the shop.



Figure 6 What do you think of under green behaviour of chain stores?

Source: own composition

In question 13, the respondents had to indicate whether they perceive, take into account or completely ignore the established factors of the green behaviour of the chain stores. Therefore, Figure 7 the order numbers on the horizontal axis correspond to the set indicators of green behaviour, which are as follows: *1. The offer of organic products, 2. Environmentally friendly building shops, 3. Environmentally friendly products packaging, 4. Recyclable shopping bags, 5. Paper bags and 6. Ecological waste management (sorting, take-back).* 





Source: own composition

Most of the respondents mentioned the first factor of green behaviour, i.e. an indicator of organic products, such as the one that they take into account when buying and therefore attending the specific chain store. The second most frequent reason is organic waste management in the form of its sorting and take-back. As far as the perception of the element is concerned, they are most aware of the offer of paper bags and recyclable bags. On the contrary, they do not even take into account or perceive environmentally friendly store buildings.

Figure 8 presents whether respondents are interested in environmental protection. Specifically, 154 addressed are at least passively interested and only 28 respondents are not interested in this issue at all. 68 respondents were not sure.



Figure 8 Are you interested in environmental protection?



Another question showing environmental protection indicator was about if customers take own shopping bag or if always buy new one in the store. Almost half of the respondents time to time buy or takes old shopping bag from home, reasoning for that as they said is that sometimes they forget the bag at home or when they go to store just for few thing, but ends up with more goods. One third of respondents take bag always from home, due to two main reasons, to save money for new bag and to be ecological. Rest of the respondents namely 22% always buy a new bag as they said that they don't care or that it's for them most comfortable way.



Figure 9 you take your own shopping bag or you always buy new one in the store?

Source: own composition

Sixteenth question requested customers to give an approximate amount they spend a month on buying food for the entire household. Along with 95 replies, the addressed customers reported an amount of CZK 3,001 to CZK 6,000 and CZK 6,001 and more. Up to CZK 3,000 purchases exactly 60 addressed customers. A graphical representation is given in Figure 10. To continue, the frequency of purchases of food, which is captured in Figure 11 was next question. Furthermore, the most frequent form of transport for shopping is also recorded in Figure 12. The most frequently researched customers are buying several times a week (155 respondents) by using a car (122 respondents). A lot of people buys daily (83 respondents), and once or twice a month purchases only 9 respondents. Three customers answered another option, two said *"as needed"*, and one did not participate at all, so he was unable to answer this question. Many people go shopping on foot (83 respondents), 33 people use the public transport. Twelve uses a different means of transport, namely a train.

Figure 10 What amount of money do you spend monthly on buying food for your entire household?



Source: own composition

Figure 11 How often do you buy food?



Figure 12 What transportation do you use most often when buying food?



Source: own composition

Question concerns the frequency of purchases of respondents in specialized stores, such as healthy nutrition stores and farmers' markets can be seen in Figure 13. Occasionally 83 respondents shop in these specialty stores, 80 rarely, 42 never visited these shops or markets, 41 shops regularly, and 4 were unsure. Regarding the health care of respondents, the absolute and relative frequency of answers is interpreted graphically in Figure 14, with respondents being able to select multiple (max. 2) answers. The most frequent way is regular movement (153 respondents), adherence to the principles of healthy eating (124 respondents), use of

vitamin supplements (101 respondents), and meditation exercise (74 respondents). A total of 28 respondents do not care about their health in any way.



Figure 13 How often do you shop in healthy nutrition stores or at farm markets?

Figure 14 How do you care for your health?



Source: own composition

The last question graphically shown in Figure 15, deal with the issue of throwing out expired or spoiled food in the households. The most frequent time period is "rarely". This was in particular 119 addressed. Purchase of food to the extent that the customer is able to consume and avoid food waste is exactly by 23% of respondents. Furthermore, 13% of them reported a monthly interval, 9% weekly and 7% were not entirely sure.





Source: own composition

#### 6. Analysis and Discussion

This section will give a thorough analysis of the results and draw conclusions as to how the results can be interpreted, as well as discussing the results. After general summary of the questionnaire survey conducted among customers of analyzed chain stores will follow selected contexts influencing the perception of the green behaviour of the chain stores. The chapter will end with discussion of analysed topic.

#### 6.1 Solutions and Results

As already assumed at the beginning of this thesis, the results of the work are influenced by the extent of the information provided by the management of analyzed chain stores. The spokesperson of Kaufland Czech Republic and the directors of Tesco Stores and Penny Market for the Liberec Region gave an official statement on the research topic. Atop of that 250 questioners were gathered from above mentioned chains customers of different age groups as a second source of primary data. Finally, secondary data have been obtained from stores websites as well as from sufficient articles.

# A general summary of the questionnaire survey conducted among customers of analyzed chain stores

A pilot survey among the 250 respondents purchasing in the selected chains has brought in general terms a number of interesting findings. From the point of view of general results it can be stated that the respondents were significant share of women and people living in the city and most often store to shop was Tesco Stores chain. Respondents spend more than three thousand crowns per month on food at an average income of between CZK 10,000 and CZK 20,000. The main reasons for regular purchases in a given chains are above all the price and discounts on the range of offered goods, proximity from home or work and, last but not least, the fact that the respondents are already used to the store, which they known and already have favourite products in the assortment.

Under the concept of green behaviour, respondents are particularly interested in the offer of paper bags and recyclable bags, environmentally friendly packaging of products and ecological waste management (sorting, take-back). By far construction of environmentally friendly store buildings ended in the last place as the least recognise thing, which is an interesting fact the chain stores should look at.

It has also been shown that respondents are not supportive of the chain with action in the field of environmental protection for purchasing decisions. No established indicator of the green behaviour of the chain stores has been given the priority or been essential for customers to purchase and therefore visits one of the stores (see Figure 7). Nevertheless, when are customers in the store, the most important factor, which they take into account is the indicator of the supply of bio-products and the return of waste, including their ecological disposal. However, respondents were not completely indifferent to green behaviour, except for the construction of environmentally friendly store buildings, at least other indicators they perceive when taking shopping decisions.

Although 154 respondents are at least passively interested in protecting the environment, as part of their purchases made several times a week or daily as this two options consist 95% of customers, almost 50% cent of respondents use car as transportation to store, which is harmful to nature due to exhaust gases. No significant food wasting was found as respondents throw food away, and the sample of respondents surveyed rather does not visit healthy food stores or agricultural markets. The overwhelming majority of respondents at least in some way care for their health, especially by regular exercise as running and by eating healthy food.

#### Selected contexts influencing the perception of the green behaviour of the chain stores

# Influence of the respondents' age on the perception of the green behaviour of the chain stores

From the viewpoint of the respondents' age, several fundamental differences can be deduced not only from the point of view of buying habits but also from the interest in environmental protection and the perception of green behaviour and marketing of selected chain stores.

With regard to the age group of *18-25 years*, it takes into account when choosing a place of purchase an offer of bio-products (21 respondents) and ecological waste management, respectively take-back (22 respondents). Other set indicators of green behaviour are actively perceived. Although the factor for the construction of environmentally friendly shopping malls in shopping behaviour is not so known among consumers, 33 respondents consider it as the main feature of the green behaviour. Most important, when shopping is for them the price of the assortment (28 respondents), the proximity of the shop from the place of residence or employment (25 respondents) and the offer of Czech and bio-products (21 respondents).

For second category of *26-35 years* old is the most common product of bio-products, which is also most often taken into account by the customers, when thinking about green behaviour (28 respondents). This group differs from other age categories by what it considers most important in buying - and this is the supply of Czech and regional foods (26 respondents) and organic products (21 respondents). 19 respondents consider the price of the assortment to be important.

The third category *36-55 years* under the term of green behaviour of the chain stores most often referred to ecological waste management (sorting, take-back) (27 respondents). This group may already see a certain diversion from the organic product offer, which is no longer taken into account in its purchase, as the previous category (14 respondents take into account). On the other hand, the price of the assortment and the discounts selected (35 respondents) and the proximity of the shop and a certain habit for chain are important for 28 customers.

According to the category of *56-70 years*, the green behaviour of the chain is ecological waste management, sorting and taking back, which most often take into account when choosing a place of purchase (14 respondents). The paper bags indicator (13 respondents) is also considered, but others have already dropped. The most important is the price of the assortment (42 respondents) and also the proximity of the shop (37 respondents), including the fact that they are already accustomed to the favourite store (31 respondents).

Respondents in age **over 70 years** say that green behaviours apply strings through organic waste processing and take-back, which is also most often taken into account (16 respondents). Most, however, consider the surprisingly offer of recyclable shopping bags (20 respondents) and perceive paper bags (18 respondents). Other indicators of green behaviour are beyond their interest. Typical for them is the demand for discount goods (44 respondents), the proximity of the shop (37 respondents) and the familiarity of the offered products (36 respondents).

Age group	The most perceived factors of green behaviour by each group of respondents
18-25 years	offer of organic products, ecological waste management
26-35 years	offer of organic products
36-49 years	offer of organic products
50-64 years	ecological waste management
65 years or more	offer of recyclable bags

Table 4 Results of green behaviour preferences according to respondents' age

Source: own composition

# Influence of children in the households on respondents perception of the green behaviour of chain stores

A more detailed analysis of the responses of childless respondents (121 respondents) and those living in a joint household with children (129 respondents) provided some findings. Consumers with no children mostly perceive ecological waste management (34 respondents) and recyclable bags (29 respondents), while the families with children focus on organic products (64 respondents) and ecological waste management (54 respondents). Both categories agreed on the fact that discount actions, the closeness of the store and a certain habit for the chain are very important for their buying behaviour. Families with children often mentioned the aspect of the offer of Czech products (63 respondents).

# Influence of the respondents' income on the perception of the green behaviour of the chain stores

In terms of income, it can be seen that people with lower incomes (up to CZK 10,000) are more likely to follow the purchase price of the assortment and the proximity of the shops instead of any ecological chain activities. On the contrary, people with higher incomes pay more attention to their health, as they buy more often on farm markets and in healthy nutrition stores. They take environmental waste (sorting, take-back) and organic products into account when purchasing, which is also the most important aspect when deciding where to buy food. For this group is also an important factor in the supply of consumer goods. They also buy more often, but although they are highly interested in protecting the environment, they are mainly buying by cars.

#### Customers' characteristics based on chain store preference

*Tesco Stores* indicated a total of 119 respondents as preferred. Respondents of this chain take into account the wide range of organic products (67 respondents), the offer of recyclable bags (48 respondents) and also take into account the ecological waste management and take-back (42 respondents). In terms of importance, they favour the proximity of the shop and, of course, the price of discounts in the form of discounts on the assortment. Tesco customers spends more than 6 000 CZK per month for food with shopping frequencies of several times a week, and most of the purchases use car as transportation. Since a wide range of organic products and other food for special nutrition can be found in the store's very own bio-product shelf section, its customers do not have a regular need to visit farmer markets or healthy nutrition stores.

The most frequent visitors of Tesco Stores are therefore generally respondents who most reflect in their purchase the factors of green behaviour as chain's strategy. These are younger customers with children looking primarily for organic products, the offer of recyclable bags and waste collection, sorting and subsequent ecological disposal. As during the interview was shown by director of chain for Liberec Region, from all analyzed chains the widest range of organic products is in Tesco Stores, as the only chain store has its own section just for these environmental friendly products. Tesco also has most recyclable bags in its stores, visibly located alongside information on positive environmental impacts when used, as well as chain offers take-backs of light sources. Contrary to that green elements, customers as in other two chains are completely not familiar with chain's eco-friend buildings which is in case of Tesco Stores exemplary. More information for customers on these achievements could help the chain to increase even more the green customer base among different age groups.

For regular visitors of *Penny Market*, with a total of 70 respondents, the most typical requirement is the demand for discount actions on the assortment (56 respondents), the proximity of the chain from the place of residence (53 respondents) and the role of the factor that customers are use to this shop and its products (46 respondents). This corresponds to the age of the respondents, because this chain is visited by the overwhelming majority of people over the age of 70 and in the 56-70 age groups. Regarding the green behaviour of chain store in the respondent's purchasing behaviour, only 18 respondents reflect waste collection, 14 paper bags and 10 recyclable bags. In the vast majority, respondents said they did not take into account any of the green behaviour indicators they offered. For groceries they spend

roughly CZK 6,000 per month, with individuals or households of two members. In most cases, it is a cohabitation of partners without children, or with children of adulthood. Most often, they make their purchases several times a week, using car-mobility and walking. This group of respondents has a very low, or no attendance, of healthy nutrition and farm markets.

Penny Market customers are, therefore, older people and people of retirement age who are not aware of, or even ignored, green marketing and green behaviour. This finding corresponds fully with the statement of the director of the chain within Liberec Region, according to which the customers are completely unaffected by all ecological efforts of the company. The only aspect that Penny Market realizes is the striking demand for bio-products, which Penny Market offers least compared to other chains. According to the results of the primary data, the chain should think about distribution and offer more of this assortment as is not in place, as regular customers of this chain are older age groups, who looks mainly for price and discount events. Therefore, the introduction of more bio-products should attract new green customers from younger age groups.

Customers of Kaufland Czech Republic are various with respondents in the 26-35 age group (19 respondents), 36-49 (15 respondents) and 18-25 (14 respondents) of the total 61 respondents among those who named this chain as the most visited. The share of multiple households with children and childless people is almost equal, with families with children up to 4 years of age (20 respondents) being the most common. The most important thing about purchasing is the low price range (34 respondents), the proximity of the home and workplace, and the offer of Czech and regional products (equally after 28 respondents). On the contrary, paper bags, recyclable bags and a range of organic products are completely unimportant to them, although at least 41% of them are passionate about environmental protection. The most common answer to what kind of green behaviour factor they took into account when purchasing was the sorting, take-back and environmental management of waste (28 respondents). Respondents in Kaufland Czech Republic, according to the estimated monthly expenses for the purchase of food, spend least among all three analyzed chain stores, from CZK 3,000 to CZK 6,000, with a frequency of several times a week, and using a car in particular. As far as food waste is concerned, they almost never throw it away, processing all purchased food in time. Healthy nutrition and farmers' markets are visited occasionally.

Typical customers of Kaufland are people under 49 years of age searching for Czech and regional foods, taking into account the take-back of the waste. From the call with spokesman

of the company we know that Kaufland focus heavily on take-back and environmental management of waste as indicator of green behaviour, since they have in front of every Kaufland store entrance number of containers for all kind of materials visible to all customers and are the best chain of all analyzed within this green indicator. It registers an increasing tendency to buy organic products, the use of recyclable bags and paper bags over the last 3 years. However, the questionnaire survey revealed that these factors are completely unimportant for Kaufland customers. Better information's about Kaufland green marketing could help the chain to pick up new customers, since offer of bio-product and environmental buildings are on place. Furthermore, own section of bio-product as in Tesco Stores would be more visible for green customers of this chain and since these product already are in the store it would be wise to clearly show them in the shelf's.

Gathered information showed that each of the analyzed chains has its own groups of client, which are specific. Again, it should be noted that in general, for all customers, the price of the assortment is decisive when choosing where to shop.

# The results of the comparative analysis of the chain stores in terms of their green behaviour

The comparative analysis of selected chain stores regarding the attitude towards the environment and the point assessment in terms of the fulfilment of the individual indicators of green behaviour can be seen in the *Chapter 5.5* of this thesis where was found that each of the analyzed chains is currently dealing with the issue of environmental protection. To a greater extent, Tesco Stores which has also received a number of significant international awards for its "green" activities. Tesco is most prominent in protecting the environment and exhibiting stores with a zero carbon footprint or very environmentally friendly. It also introduces efficient technologies into existing outlets. It is the only chain that has pledged worldwide by 2050 to be a completely carbon footprint free from its sales to all related activities, including supply links.

Kaufland excels especially in the field of waste treatment, which is disposed of in an ecological way. It also offers customers the most extensive categories of waste that they take back. Kaufland fulfils other set indicators of green behaviour, but not to such an extent as the above mentioned Tesco. Even this chain has committed itself to reducing the carbon footprint by twenty percent by 2021, but it is not yet completely minimized. However, it is necessary to appreciate all activities carried out by the chain to be environmental protective.

Penny Market can be described as a "newcomer" in green marketing and green behaviour strategies. Although it offers a wide range of organic products in Germany, unfortunately there is a very limited supply in the Czech Republic as well as recyclable bags and other alternatives to plastic bags. However, it is necessary to appreciate the waste take-backs, which is a little wider than at Tesco Stores and the gradual introduction of technologies into new and existing stores, which are in harmony with nature. From the activities of this chain, it is possible to see that it is inspired by the introduction of elements of green behaviour and marketing from other chain stores.

#### Comparison of official Czech and foreign websites of selected chain stores

Regarding the comparison of Czech and foreign official chain's websites, the information in the case of Kaufland totally coincides, including the information's provided by the press spokesperson. The Tesco awards can be found only on foreign websites. For the Penny chain, its 2006 commitment to reduce greenhouse gas emissions per square meter by half by 2022 is only published on foreign websites, where Penny actively presents a wide range of ecological bags and presents its private label Naturgut, under which chain offers a wide range of organic food, vegetarian snacks and local regional products. However, these are not offered in the shelves of Penny Market stores in the Czech Republic.

#### 6.2 Discussion

As Trojanek says, based on internationally researched investigations, consumers have been prudent in recent years and are interested in the attitude of the company they are shopping in, the attitude towards the environment and how they are presented in the area of social responsibility. That's exactly what 77% of UK residents and even 96% of citizens of India account for in their purchases. Michael Peters Group, a consulting firm in 1989, has developed research of interest and willingness of US consumers to buy higher-priced goods and services in recyclable and biodegradable packaging. The result was clearly positive. The final recommendation for traders was that if they offer customers a "greener" product, there will be an increase in interest and number of customers (Dosbabova, 2012). However, the research of this thesis did not show compliance with these studies to full extend. Customers in Liberec Region prefer as the main elements the price of the assortment or the proximity of the store. Therefore, they do not fully reflect when shopping, whether the product is "greener" or the activities of chains in the interest of environmental protection in the context of corporate social responsibility.

Vysekalova states in its publication the study of Gfk Panel Services Deutschelnden for the European Community of Cardboard Packaging Products, which has shown that two-thirds of the addressed consumers regard the environmental friendliness of product packaging as one of the major factors influencing their purchasing behaviour. However, it is unfortunately not stated how many members had a sample of consumers (Vysekalova, 2011). If the results of this study were extended to the sample of the questionnaire survey of the thesis, they would not be confirmed. Only 36 respondents out of 250, not two-thirds, said that their purchasing behaviour and decision-making in buying food in selected chains will be affected by eco-friendly product packaging.

#### 7. Conclusion and Recommendations

The conclusion that has been drawn from the data will be presented by answering the research questions and purpose of the research. Further on, recommendations for further research and implications will be presented.

#### 7.1 **Recommendations**

Overall recommendations resulting from the thesis analyses for chain stores are two. The first is to ensure that customers are more aware of the activities they are doing to protect the environment, through information boards, leaflets, or in customer news, since most of the respondents are not aware e.g. about ecological friendly store buildings. The second recommendation is the introduction of reward schemes for the purchase of environmentally friendly products or reuse of their own bags. Customers that are always taking own bags is just 33%, this system has proven itself abroad and through similar competitions, an increase in interest in environmental protection could bring changing the purchasing behaviour of customers and emphasizing the positive contribution of each individual to the benefit of nature.

Individual recommendations for each chain store resulting from the thesis are for Tesco Stores to focus as mentioned above to green element of eco-friendly buildings, since customers as in other two chains are completely not familiar with chain's eco-friend buildings which is in case of Tesco Stores widely use internationally. More information for customers on these achievements could help the chain to increase even more the green customer base among different age groups. According to the results of the primary data, Penny Market should think about distribution and offer more of bio-products assortment as it is not in place, in other countries but Germany. Regular customers of this chain are older age groups, who are looking much more for price and discount events than in other chains. Therefore, the introduction of more bio-products should attract new green customers from younger age groups. Better information's about green marketing needs also Kaufland, as it could help the chain to pick up new customers, since offer of bio-product and environmental buildings are on place. Furthermore, own section of bio-product as in Tesco Stores which would be more visible for green customers of this chain and since these product already are in the store it would be wise to clearly show them in the shelf's.

#### 7.2 Suggestions for Future Development

New idea and suggestion for practice in the future is to change the design of roofs of stores that could be used secondarily. In particular, it would be the installation of green roofs and small trees on top of the store, where could be a resting place for customers or a playground for children. Of course, this is only a theoretical proposal that would have to be consulted with experts in the field of building and architecture. It would also have to be calculated the amount that would cost the store's construction over the cost of a *"regular"* store. The *"greening"* of real estate has recently been a major trend, which has allowed people to become more and more aware of ecology. With regard to *"greening"* chain stores and providing resting time to customers, it would definitely be more acceptable for the company to build Greenfield stores.

#### 7.3 Conclusion

The main objective of the work was to find out whether the selected international business strings of Tesco Stores, Penny Market and Kaufland in the territory of the regional city of Liberec are using green strategies, respectively elements of green behaviour, according to established indicators and how it effect "green" customers. A partial goal was to find out what the motivation of business chains is for this behaviour, of course, if they use it. It further analyzes the real behaviour of consumers to meet the expectations of selected chains.

As the most "green" chain store, by terms of established indicators of green behaviour has been identified the Tesco Stores chain, which is recognized in this area as well in the international context. The activities of Kaufland are also very praiseworthy and stand out in the field of waste treatment, which are disposed of in a completely ecological way. Penny Market can be labelled as a "newcomer" in green strategies and green behaviour.

The information provided from the conducted interviews with selected chain store representatives suggests that the analyzed chains, to a greater or lesser extent, the indicators of green behaviour are fulfilling. Not only Tesco Stores does actively present its positive approach and activities in line with environmental protection, but also the other selected chains deal with the issues of green behaviour and green marketing. Mutual differences are therefore minimal.

#### Green marketing

Regarding the economic links with the application of green marketing and behaviour, it was not possible to obtain detailed internal information. This paper only points to the fact that Tesco Stores does not consider green marketing more expensive than "normal". Kaufland, through a press spokesman, said that some elements of green marketing are more expensive, such as the construction of environmentally friendly outlets, but the waste sorting can also be profitable. Penny Market representative was not able to answer this question from its position.

#### Summary of the results of the questionnaire survey

The questionnaire survey has produced some important findings. Generally speaking, the main reasons for regular purchases of customer in researched stores are on the first place nonenvironmental elements as the price and discounts on the products offered, the proximity from home or work and, last but not least, the fact that they are already familiar with the chain, where are oriented and have favourite products. It has also been shown that respondents are not conducive to environment-friendly chain activities for purchasing decisions. No established indicator of the green behaviour of the chain store has been selected as most important when shopping and because of that variable visiting selected chain. Nevertheless, the most important factor, according to frequency of occurrence, is the indicator of the supply of bio-products and the return of waste, including their ecological disposal. However, respondents did not seem totally indifferent to green behaviour. Except for the construction of environmentally friendly store buildings, at least other indicators perceive their shopping decisions.

#### Effect of age on the perception of the green behaviour of the chain stores

The best reaction to indicators of green behaviour respond to customers aged 26-35 with children up to 4 years of age, who take the highest consideration at the point of purchase of organic products and Czech food, others groups perceive green elements to a some extent. On the other hand, people over the age of 55 recognise mostly take-back waste collection and environmental treatment at the point of purchase. They do not neglect the offer of paper bags and recyclable bags, with the indicator of recyclable bags taking into account people over 65 years of age. Other factors of green behaviour are unimportant for them, and they prefer the price of the assortment and the proximity of the store.

#### Influence of children in the households on respondents perception of the green behaviour

Childless families take the most environmentally friendly waste management and offer recyclable bags when purchasing, while families with children offer organic products and ecological waste management. Both categories agreed on the fact that discount actions, the closeness of the store and a certain habit for the chain are very important for their buying behaviour. Families with children often mentioned the aspect of the offer of Czech products.

#### Influence of income on the perception of green behaviour

The customers with a monthly income higher than CZK 20 000 responded positively to the indicators of the green behaviour of chain stores, as compared to one with less income. All age categories ignore and do not take into account the construction of environmentally friendly store buildings when purchasing, as they do not even know about this fact.

A questionnaire survey among customers has also fount that each of the analyzed chains has its clientele, which has the same typical features. The most frequent visitors of Tesco Stores are younger customers with children looking primarily for organic products, recyclable bags and waste collection, sorting and environmental disposal. Conversely, Penny Market customers are older and retired people who do not see or even ignore green marketing and green behaviour. Typical customers of Kauflan are people under 49 years of age searching for Czech and regional foods, taking into account the take-back of the waste.

#### **Outcomes**

On the basis of the information obtained from the conducted interviews with the representatives of analyzed chain stores can be said that monitored chains have consistently stated that the main expectations from the application of green marketing elements, respectively green behaviour is to increase customer satisfaction and participation in environmental protection. Only Tesco Stores said it hopes to increase the company's profit and the number of customers as part of its implementation.

From the analyses of gathered data can be said that The Tesco Stores business chain behave more greenly in established green behaviour indicators than other selected store chains. This can be confirmed on the basis of the information obtained from the interviews conducted with the representatives of the chains and the official websites. It is also illustrated in Table 2 Point evaluation of analyzed chain stores in terms of the fulfilment of selected indicators of green behaviour in Chapter 5.5 *Cross-case analyses of selected chain stores* from the point of view of attitude towards environmental protection.

The questionnaire survey has shown the fact that respondents choose the place of purchase mainly based on price and the discount action. This opinion was expressed by 153 respondents out of a total of 250. Even within the established context, the author came to the conclusion that although some respondents are effected to the elements of green strategy and behaviour better, according to the age, income and occurrence of the children in the household, the majority of the people asked, respond more to the price of the assortment, the closeness of the store and the custom to the products and favourite store.

#### 7.4 The Importance and Benefits of this Study

The results obtained in this master thesis could serve as a basis for the green strategies and business decision making of chains in the territory of the regional city of Liberec, taking into account the typical clientele of the given chains. The author also sees the benefit of this study in the fact that, for the time being, similar research in Liberec has not yet been carried out and reveals a part of the purchasing behaviour of the citizens in Liberec Region and the people who shop there.

The recommendations provided aims to increase customer awareness of chain stores activities in favour of nature and to introduce reward schemes for the purchase of environmentally friendly products.

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### Semi - Structured Interview for Representatives of Selected Chain Stores – Tesco Stores, Penny Market, Kaufland

Dear Madam, dear Sir,

My name is Daniel Knap and I am a student of International Business Economics at Aalborg University, Denmark. The submitted interview is the basis for the elaboration of the master thesis entitled "Green Strategy & Behaviour of International Business Chains", which is very close related to green marketing. Green behaviour is defined by the following factors for the needs of work: organic products, eco-friendly business buildings, use of environmentally friendly product packaging, recyclable bags and paper bags and ecological disposal of waste generated (sorting, take-back). The information obtained from the interview serves only to the practical part of this thesis.

Thank you very much for your time and willingness to participate in the research.

Regards,

BSc. Daniel Knap

1. Are you using some of the CSR or green marketing elements mentioned, respectively green behaviour? (multiple responses can be marked)

construction of eco-friendly store buildings: energy self-sufficiency, wooden construction, day light lighting, rainwater capture for use on toilets, recharging equipment for electric cars near the shop, etc.
sale of organic food
saving energy using alternative energy sources (solar, wind)
recycling of waste
encouraging customers to behave environmentally friendly, e.g. through competitions, promotions
offer paper bags
organic packaging of products
recyclable bags
reducing the total weight of the packaging
using paperboard instead of foam PVC
re-selection or purchase of products, packaging, batteries, etc.
other:

.....

2. If you answered yes to question 1, if you are using some of the CSR and green marketing tools, how economical is that strategy for you - more expensive than usual?

YES
NO
Don't know, I am not sure

If "YES" in which ways particular ?

.....

3. If green marketing tools are introduced in your business, how long?

less than 3 years
3 to 10 years
10 years or more
is not implemented

4. If you use CSR and green marketing tools, what are the expectations of such strategy? (multiple responses can be marked)

increasing the number of customers
increasing customer satisfaction
increase the profits of the company
participation in environmental protection
other:

.....

5. Does real behaviour of customers differs from your expectations regarding the impact of CSR and green behaviour?

they react better than we expected
they react as we expected
they appear to be unaffected or even ignored by green behaviour

If you respond that customers are responding **better than you expected**, please indicate how the actual behaviour differs:

	Increasing tendency to buy organic food for the last 3 years
YES NO don't	know, we do not follow
	Increasing trends in the use of recyclable bags over the last 3 years
YES NO don't	know, we do not follow
	The increasing tendency of using paper bags for the last 3 years
YES NO don't	know, we do not follow
	Increasing tendency of returning packaging, batteries, etc. in the last 3 years
YES NO don't	know, we do not follow
	Others:
6.	What, in your opinion, are the economical benefits of green marketing? (multiple responses can be marked)
reduc tax re	asing business profits in the form of increased customer interest action of waste treatment costs eduction asing competitiveness

7. If you do not use any CSR and green marketing tool or green elements, what's the main reason? (multiple responses can be marked)

	high c	ost	
	high cost it does not bring any benefits to the competitiveness of the business		
	1	not an activity that is within the planned future development of the company	
		important thing	
	1	only a trendy issue	
	other		
	1	·	
	8.	Are you following the green marketing trends abroad?	
	1		
	YES		
	NO		
		<u>If YES</u> :	
	we ar	e inspired	
	1	e in touch with these businesses, we work together	
	other		
	other	·	
	9.	You know the fact that some of your competitors are applying elements of green behaviour?	
	YES		
	NO		
		If YES, what chain store it is? What tools of green behaviour does a given	
		competitor apply?	
	10.	How do you perceive the green behaviour of your competitor?	
	wear	e better	
$\vdash$		e inspired by for future introduction	
	1	onitor the position of a given chain of business to see, if this behaviour brings the benefits	
		since the position of a given chain of basiness to see, if this behaviour brings the benefits	

in any way, this issue does not interest us

11. What happens to foods theirs shelf life is closing to expiration date?

they are ecologically processed, destroyed
transport to landfill
use for charity purposes
discount sale
we do not have food with a past shelf life, we sell all the food
other use:
·

12. How do you dispose of waste - especially packaging material?

ecological processing for further use
transport to landfill
we pass on to a partner who discards these wastes
we work with the Local Authority to liquidate these wastes
other:
·

.....

.....

13. What is a matter of course for you as a company and your employees? (multiple responses can be marked)

recycling
using recycled paper
using tap water instead of water in plastic bottles
double-sided printing of documents
active support for the environment, for example through projects with ecological subtext
using a company electric car

14. Is your company's intention to build environmentally friendly store buildings in the Liberec Region?

.....

15. If you have not used CSR and green marketing tools so far, or did not know about them, will you consider such strategy after these questions?

YES
NO

### Semi - Structured Interview for Representatives of Selected Chain Stores – Tesco Stores

Dear Madam, dear Sir,

My name is Daniel Knap and I am a student of International Business Economics at Aalborg University, Denmark. The submitted interview is the basis for the elaboration of the master thesis entitled "Green Strategy & Behaviour of International Business Chains", which is very close related to green marketing. Green behaviour is defined by the following factors for the needs of work: organic products, eco-friendly business buildings, use of environmentally friendly product packaging, recyclable bags and paper bags and ecological disposal of waste generated (sorting, take-back). The information obtained from the interview serves only to the practical part of this thesis.

Thank you very much for your time and willingness to participate in the research.

Regards,

BSc. Daniel Knap

1. Are you using some of the CSR or green marketing elements mentioned, respectively green behaviour? (multiple responses can be marked)

X	construction of eco-friendly store buildings: energy self-sufficiency, wooden construction, day light lighting, rainwater capture for use on toilets, recharging equipment for electric cars near the shop, etc.
X	sale of organic food
	saving energy using alternative energy sources (solar, wind)
X	recycling of waste
	encouraging customers to behave environmentally friendly, e.g. through competitions, promotions
X	offer paper bags
X	organic packaging of products
X	recyclable bags
	reducing the total weight of the packaging
	using paperboard instead of foam PVC
X	re-selection or purchase of products, packaging, batteries, etc.
	other:

Regarding the reduction of the total weight of packaging, it is a fact that the store itself is not able to influence directly. In this respect, it depends on the supplier. However, if the effort to reduce the weight of packaging were to be achieved, it would have to be decided by the top
management of the chain about this issue. And regarding encouraging customers to behave environmentally friendly, e.g. through competitions, promotions this strategy is used e.g. in Tesco Stores Slovakia and other Tesco stores abroad, but unfortunately not in Czech Republic, yet.

2. If you answered yes to question 1, if you are using some of the CSR and green marketing tools, how economical is that strategy for you - more expensive than usual?

	YES
X	NO
	Don't know, I am not sure

If "YES" in which ways particular ?

Answer is "NO", thanks to long-term engagement in green technologies, when building stores and usage of green elements within the store.

3. If green marketing tools are introduced in your business, how long?

less than 3 years 3 to 10 years X 10 years or more is not implemented

- 4. If you use CSR and green marketing tools, what are the expectations of such strategy? (multiple responses can be marked)
- **X** increasing the number of customers
- X increasing customer satisfaction
- X increase the profits of the company
- **X** participation in environmental protection

other:

.....

.....

5. Does real behaviour of customers differs from your expectations regarding the impact of CSR and green behaviour?

	they react better than we expected
X	they react as we expected
	they appear to be unaffected or even ignored by green behaviour

If you respond that customers are responding **better than you expected**, please indicate how the actual behaviour differs:

#### Increasing tendency to buy organic food for the last 3 years

X	YES
	NO
	don't know, we do not follow

#### Increasing trends in the use of recyclable bags over the last 3 years

YES	
NO	
ما م ا	

don't know, we do not follow

#### The increasing tendency of using paper bags for the last 3 years

YES
NO
don

NO don't know, we do not follow

#### Increasing tendency of returning packaging, batteries, etc. in the last 3 years

YES
NO
don't know, we do not follow

#### Others:

I acknowledge that the demand for bio-quality products has a markedly increasing character, as well as foods for special nutrition, especially gluten-free or lactose-free products.

6. What, in your opinion, are the economical benefits of green marketing? (multiple responses can be marked)

2	K	increasing business profits in the form of increased customer interest
Σ	K	reduction of waste treatment costs
		tax reduction
		increasing competitiveness
		other:

From an economical benefit of green marketing point of view, I can see in particularly in company's profits in the form of increased customer interest and reducing the cost of waste processing. Tax reductions are not relevant, as well as I do not feel any advantages in terms of increasing competitiveness.

# 7. If you do not use any CSR and green marketing tool or green elements, what's the main reason? (multiple responses can be marked)

high cost
it does not bring any benefits to the competitiveness of the business
this is not an activity that is within the planned future development of the company
an unimportant thing
this is only a trendy issue
other:

8. Are you following the green marketing trends abroad?

Χ	YES
	NO

If YES:

we are inspired
 we are in touch with these businesses, we work together other:

Tesco Stores applies the same approach worldwide in all stores, including green marketing and other related issues. All stores are interconnected and communicate the necessary information and experience not only from the area of this problematic. However, I can not tell you whether or with whom Tesco co-operating with another company abroad that operates green marketing elements, as it is internal information. 9. You know the fact that some of your competitors are applying elements of green behaviour?

X YES NO

# If YES, what chain store it is? What tools of green behaviour does a given competitor apply?

We do not consider another business chain to be a green marketing competitor. However, we will, of course, closely monitor the development of Lidl's decisive move, which in March of this year introduced only paper bags to reduce the consumption of plastic at prices. Nevertheless, Tesco does not consider such move as significant step to our position.

10. How do you perceive the green behaviour of your competitor?

X	we are better
	we are inspired by for future introduction
	we monitor the position of a given chain of business to see, if this behaviour brings the benefits
	in any way, this issue does not interest us

11. What happens to foods theirs shelf life is closing to expiration date?

X	they are ecologically processed, destroyed
X	transport to landfill
	use for charity purposes
	discount sale
	we do not have food with a past shelf life, we sell all the food
	other use:

With regards to treatment of waste in the form of foodstuffs that pass through their shelf-life products are handled in several ways. The meat products are stored in the kafiler boxes and taken by the authorized company to the rendering plant for subsequent harmless processing. We closely co-operates with the official hunters under the Forest Management for Liberec Region, which provides no longer for sale vegetables and pastries for subsequent use as animal feed. Other foods are stored in municipal waste. Other waste, especially in the form of packaging material, is sorted into special sorting containers and then passed to a partner who discards the waste. Specifically, it is the company Rumpold, s.r.o.

12. How do you dispose of waste - especially packaging material?

	ecological processing for further use
	transport to landfill
X	we pass on to a partner who discards these wastes
X	we work with the Local Authority to liquidate these wastes
	other:
	- 

13. What is a matter of course for you as a company and your employees? (multiple responses can be marked)

X	recycling
X	using recycled paper
	using tap water instead of water in plastic bottles
Χ	double-sided printing of documents
Χ	active support for the environment, for example through projects with ecological subtext
	using a company electric car

An unforgettable activity is definitely videoconferencing rather than commuting by car for business meetings. As far as possible, employees use walking to meet the necessary activities.

14. Is your company's intention to build environmentally friendly store buildings in the Liberec Region?

I can not give an official statement as it has to come from the central management of the company, but it is certain that, if the new store is built and not only in the North Bohemian region, it would fulfil the basic ecological parameters of the store. There is also no exclusion of the construction of a zero-carbon footprint store.

15. If you have not used CSR and green marketing tools so far, or did not know about them, will you consider such strategy after these questions?

YES
NO

## Semi - Structured Interview for Representatives of Selected Chain Stores – Penny Market

Dear Madam, dear Sir,

My name is Daniel Knap and I am a student of International Business Economics at Aalborg University, Denmark. The submitted interview is the basis for the elaboration of the master thesis entitled "Green Strategy & Behaviour of International Business Chains", which is very close related to green marketing. Green behaviour is defined by the following factors for the needs of work: organic products, eco-friendly business buildings, use of environmentally friendly product packaging, recyclable bags and paper bags and ecological disposal of waste generated (sorting, take-back). The information obtained from the interview serves only to the practical part of this thesis.

Thank you very much for your time and willingness to participate in the research.

Regards,

BSc. Daniel Knap

1. Are you using some of the CSR or green marketing elements mentioned, respectively green behaviour? (multiple responses can be marked)

	construction of eco-friendly store buildings: energy self-sufficiency, wooden construction, day light lighting, rainwater capture for use on toilets, recharging equipment for electric cars near the shop, etc.
Χ	sale of organic food
X	saving energy using alternative energy sources (solar, wind)
X	recycling of waste
	encouraging customers to behave environmentally friendly, e.g. through competitions, promotions
Χ	offer paper bags
Χ	organic packaging of products
Χ	recyclable bags
	reducing the total weight of the packaging
	using paperboard instead of foam PVC
X	re-selection or purchase of products, packaging, batteries, etc.
	other:

We offer our customers in the baker's section paper bags, recyclable bags and we provide space for taking back light bulbs and small electrical appliances. Employees of the company sort waste, especially paper and plastics, and then send them to the Prague headquarters, where they are further treated. Recyclable bags have been used just since the last year. I do not even know how many or what types of products are offered in eco-friendly packaging their amount is apparently minimal.

2. If you answered yes to question 1, if you are using some of the CSR and green marketing tools, how economical is that strategy for you - more expensive than usual?

	YES
	NO
Χ	Don't

NO Don't know, I am not sure

If "YES" in which ways particular ?

------

3. If green marketing tools are introduced in your business, how long?

	less than 3 years
X	3 to 10 years
	10 years or more
	is not implemented

- 4. If you use CSR and green marketing tools, what are the expectations of such strategy? (multiple responses can be marked)
- increasing the number of customers
- **X** increasing customer satisfaction
- increase the profits of the company
- **X** participation in environmental protection
- other:

From the point of view of the economic demands of the use of green marketing, I am not sure whether it's financially more demanding than usual marketing. Nevertheless, the sorts of waste generated lead to lower processing costs.

The main motivation for green marketing is to participate in protecting the environment and increasing customer satisfaction. However, the reality is quite different from my employees,

customers seem to be unaffected by green marketing and elements of green behaviour or even ignoring them.

5. Does real behaviour of customers differs from your expectations regarding the impact of CSR and green behaviour?

X

they react better than we expected

they react as we expected

they appear to be unaffected or even ignored by green behaviour

If you respond that customers are responding **better than you expected**, please indicate how the actual behaviour differs:

Increasing tendency to buy organic food for the last 3 years

YES
NO
don

don't know, we do not follow

Increasing trends in the use of recyclable bags over the last 3 years

YES
NO
don

don't know, we do not follow

#### The increasing tendency of using paper bags for the last 3 years

YES
NO
don

don't know, we do not follow

#### Increasing tendency of returning packaging, batteries, etc. in the last 3 years

YES
NO
don

NO don't know, we do not follow

Others:

.....

6. What, in your opinion, are the economical benefits of green marketing? (multiple responses can be marked)

	increasing business profits in the form of increased customer interest
Χ	reduction of waste treatment costs
	tax reduction
	increasing competitiveness
	other:

7. If you do not use any CSR and green marketing tool or green elements, what's the main reason? (multiple responses can be marked)

.....

high cost
it does not bring any benefits to the competitiveness of the business
this is not an activity that is within the planned future development of the company
an unimportant thing
this is only a trendy issue
other:

8. Are you following the green marketing trends abroad?

X	YES
	NO

If YES:

Xwe are inspiredwe are in touch with these businesses, we work together

other:

.....

9. You know the fact that some of your competitors are applying elements of green behaviour?

X	YES
	NO

If YES, what chain store it is? What tools of green behaviour does a given competitor apply?

We want to continue to improve to work on fulfilling not only on here selected indicators of green behaviour. This is why we follows and inspire the green activities from other chains in

the Czech Republic and abroad. Penny Market is definitely aware of the active green behaviour and application of green marketing of other chain stores, whether it concerns only the range of organic products or the construction of completely eco-friendly business buildings.

10. How do you perceive the green behaviour of your competitor?

	we are better
X	we are inspired by for future introduction
	we monitor the position of a given chain of business to see, if this behaviour brings the benefits
	in any way, this issue does not interest us

11. What happens to foods theirs shelf life is closing to expiration date?

	they are ecologically processed, destroyed
	transport to landfill
	use for charity purposes
	discount sale
	we do not have food with a past shelf life, we sell all the food
X	other use:

All foods that have undergone their shelf-life are, as well as packing material, sent to the headquarters in Prague, where they are further processed. Unfortunately, I can not give you an official statement of this company's activity about the way the waste is processed, as it is relatively new strategy and by that its internal information.

12. How do you dispose of waste - especially packaging material?

	ecological processing for further use
	transport to landfill
	we pass on to a partner who discards these wastes
	we work with the Local Authority to liquidate these wastes
X	other:

Unfortunately, I can not give you an official statement of this company's activity about the way the waste is processed, as it is relatively new strategy and by that its internal information.

13. What is a matter of course for you as a company and your employees? (multiple responses can be marked)

X	recycling
Χ	using recycled paper
	using tap water instead of water in plastic bottles
	double-sided printing of documents
	active support for the environment, for example through projects with ecological subtext
	using a company electric car

Also we use teleconferences instead of commuting by car for business meetings.

14. Is your company's intention to build environmentally friendly store buildings in the Liberec Region?

Again this is internal information; I can only say that we are planning the reconstruction of some of the stores within Liberec Region.

15. If you have not used CSR and green marketing tools so far, or did not know about them, will you consider such strategy after these questions?

YES
NO

## Semi - Structured Interview for Representatives of Selected Chain Stores – Kaufland Czech Republic

Dear Madam, dear Sir,

My name is Daniel Knap and I am a student of International Business Economics at Aalborg University, Denmark. The submitted interview is the basis for the elaboration of the master thesis entitled "Green Strategy & Behaviour of International Business Chains", which is very close related to green marketing. Green behaviour is defined by the following factors for the needs of work: organic products, eco-friendly business buildings, use of environmentally friendly product packaging, recyclable bags and paper bags and ecological disposal of waste generated (sorting, take-back). The information obtained from the interview serves only to the practical part of this thesis.

Thank you very much for your time and willingness to participate in the research.

Regards,

BSc. Daniel Knap

1. Are you using some of the CSR or green marketing elements mentioned, respectively green behaviour? (multiple responses can be marked)

x	construction of eco-friendly store buildings: energy self-sufficiency, wooden construction, day light lighting, rainwater capture for use on toilets, recharging equipment for electric cars near the shop, etc.
X	sale of organic food
X	saving energy using alternative energy sources (solar, wind)
X	recycling of waste
	encouraging customers to behave environmentally friendly, e.g. through competitions, promotions
X	offer paper bags
X	organic packaging of products
X	recyclable bags
X	reducing the total weight of the packaging
	using paperboard instead of foam PVC
X	re-selection or purchase of products, packaging, batteries, etc.
	other:

Elements of green marketing and green behaviour we promote for more than ten years. In particular, it is about the construction of environmentally friendly building, the saving of energy through alternative energy sources, the sale of organic food, the environmentally

friendly waste recycling and sorting, the supply of paper and recyclable bags, the environmental packaging of products, the reduction of the total weight of packaging and their take-backs.

2. If you answered yes to question 1, if you are using some of the CSR and green marketing tools, how economical is that strategy for you - more expensive than usual?

X	YES
	NO
	Don

IO )on't know, I am not sure

### If "YES" in which ways particular ?

Assessing the economic demand for using green marketing, including elements of green behaviour, is complicated, in some areas, especially with regard to the construction of environmentally friendly stores and the installation of modern technologies, this marketing is of course more expensive than usual. However, it should be noted that, for example, sorting, take-backs and recycling of waste can earn to its own needs.

3. If green marketing tools are introduced in your business, how long?

less than 3 years 3 to 10 years X 10 years or more is not implemented

4. If you use CSR and green marketing tools, what are the expectations of such strategy? (multiple responses can be marked)

	increasing the number of customers
X	increasing customer satisfaction
	increase the profits of the company
X	participation in environmental protection
	other:

.....

5. Does real behaviour of customers differs from your expectations regarding the impact of CSR and green behaviour?

X	they react better than we expected
	they react as we expected
	they appear to be unaffected or even ignored by green behaviour

If you respond that customers are responding **better than you expected**, please indicate how the actual behaviour differs:

#### Increasing tendency to buy organic food for the last 3 years

X	YES
	NO
	don't know, we do not follow

#### Increasing trends in the use of recyclable bags over the last 3 years

Y	X
Ν	
1.	

don't know, we do not follow

#### The increasing tendency of using paper bags for the last 3 years

Χ	YES
	NO
	don

NO don't know, we do not follow

#### Increasing tendency of returning packaging, batteries, etc. in the last 3 years

YES NO don't know, we do not follow

#### Others:

The main motivation of our company is only the opportunity to participate in social protection of the environment and increase customer satisfaction. Customer's satisfaction is also rising in recent years and they respond better than we expected when it comes to the impact of green marketing and green behaviour, since demand for environmental friendly product in past years rapidly increasing and more "green" customers evolving. The company has been following an increasing trend over the last three years in purchasing organic food, using and purchasing paper bags and recyclable bags. The company also records the ever-increasing use of the possibility of taking back packaging, batteries and other products.

- 6. What, in your opinion, are the economical benefits of green marketing? (multiple responses can be marked)
- increasing business profits in the form of increased customer interest
  x reduction of waste treatment costs
  tax reduction
  x increasing competitiveness
  other:

Benefits from the application of the green behaviour are seen in particular as the increase in competitiveness and the reduction of the costs of waste processing and the heating of the stores, due to the recuperation system in the store. Recuperation system to produce heat is a system that uses heating which is created during the cooling process, so no primary fuel is consumed.

# 7. If you do not use any CSR and green marketing tool or green elements, what's the main reason? (multiple responses can be marked)

.....

high cost
it does not bring any benefits to the competitiveness of the business
this is not an activity that is within the planned future development of the company
an unimportant thing
this is only a trendy issue
other:
·

8. Are you following the green marketing trends abroad?



#### If YES:

we are inspiredXwe are in touch with these businesses, we work togetherother:

We are also inspired by the use of green marketing from abroad. For internal reasons, however, I can not say what kind of businesses it is.

9. You know the fact that some of your competitors are applying elements of green behaviour?



# If YES, what chain store it is? What tools of green behaviour does a given competitor apply?

Within the Czech Republic, we perceive the use of green marketing and behaviour in all chain stores, especially in the field of eco-friendly construction, sale of organic products and sorting and recycling of waste. We see this as an opportunity for mutual inspiration and improvement in green marketing.

10. How do you perceive the green behaviour of your competitor?

	we are better
X	we are inspired by for future introduction
	we monitor the position of a given chain of business to see, if this behaviour brings the benefits
	in any way, this issue does not interest us

11. What happens to foods theirs shelf life is closing to expiration date?

X	they are ecologically processed, destroyed
	transport to landfill
	use for charity purposes
Χ	discount sale
	we do not have food with a past shelf life, we sell all the food
	other use:

End-of-life food products are disposed of ecologically, but that is all I can say. It is important to note that these food products remain the absolute minimum, due to the established and optimized procedures and technologies. They are designed in such a way that the so-called temperature chain for fresh foods is maintained at all times, and the optimum storage procedure for all foods, so that their minimum durability can be maintained to the full extent as stated by the manufacturer. This seemingly simple logic, however, has a big and positive impact on how quickly goods get from the production line to the shelf, and for what goods the customer sees and takes on the shelf in the store.

In recent years we had introduced control rules that minimize excessive wasting of goods. Just like other chains, also Kaufland Czech Republic, at the end of the minimum shelf life, reduces its price and allow for an accelerated sale. Especially for this reason, the employees of the store perform food controls several times a day, especially for delicate fresh goods.

12. How do you dispose of waste - especially packaging material?

X	ecological processing for further use		
	transport to landfill		
Х	we pass on to a partner who discards these wastes		
	we work with the Local Authority to liquidate these wastes		
	other:		

As far as packaging material is concerned, it is sorted out and then passed to a partner who discards the waste. Waste further utilizable is environmentally-processed.

13. What is a matter of course for you as a company and your employees? (multiple responses can be marked)

Χ	recycling
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- X using recycled paper
- X using tap water instead of water in plastic bottles
- X double-sided printing of documents
- X active support for the environment, for example through projects with ecological subtext
- using a company electric car

For our company and its employees, some activities are common in the whole of the Czech stores, which also allow participation in the protection of the environment. These include the sorting of waste in stores, the use of recyclable paper, the use of tap water instead of water in plastic bottles, duplex printing of documents, active environmental support, for example through projects with ecological subtext and teleconferencing rather than commuting to work related meetings.

14. Is your company's intention to build environmentally friendly store buildings in the Liberec Region?

I do not have such information, but since 2017 the chain has carried out its activities in accordance with the standard ČSN EN ISO 50001. For this reason all the stores that will be built in the Czech Republic since last year will be environmentally friendly.

15. If you have not used CSR and green marketing tools so far, or did not know about them, will you consider such strategy after these questions?

YES
NO

## Questionnaire survey for customers of selected chain stores – Tesco Store, Penny Market, Kaufland

Dear Madam, dear Sir,

My name is Daniel Knap and I am a student of International Business Economics at Aalborg University, Denmark. The submitted questionnaire is the basis for the elaboration of the master thesis entitled "Green Strategy & Behaviour of International Business Chains". The survey consist 21 questions and takes from 5 to 7 minutes. The questionnaire is completely anonymous and serves only for the purpose of processing the practical part of the study.

Thank you very much for your time and willingness to complete it.

Regards,

BSc. Daniel Knap

1. Gender:

Male
Female

2. Age:

18 - 25 years
26 - 35 years
36 - 55 years
56 - 70 years
70 years and older

3. What is your current status?

student
 working
 unemployed
 on maternity leave
pensioner

#### 4. Education level:

	primary education
	secondary vocational school
	secondary education (gymnasium)
	higher professional education
	university (Bachelor, Master or higher degree)

### 5. Please select one of the income groups:

to 1 000 Kč
1 001 Kč - 10 000 Kč
10 001 Kč - 20 000 Kč
20 001 Kč - 30 000 Kč
30 001 Kč or more

## 6. Please indicate your place of residence:



### 7. Please select type of housing:



#### 8. Do you have children (multiple answers possible)?

none
under 4
4 to 17
18 or more

#### 9. How many members does your household have?



10. In which of these chain stores do you shop most often?

Tesco Stores
Penny Market
Kaufland

11. Why do you mostly shop in the chain store that you have tagged in question 10? In the following table, please highlight the cross-sectional importance of each factor: 1 - important, 2 - partly important, 3 - not important

	1	2	3
Reason	important	partly important	not important
I'm used to it			
I have it close to home, work			
Offer of bio-products			
Offer of Czech products, regional food			
Recyclable bags, paper bags			
Discount action, cheap assortment			
Wide assortment of consumer goods (e.g. clothing)			

12. What do you think of under green behaviour of chain stores? (maximum 2 responses can be selected)

offer of bio-products

eco-friendly store buildings (e.g. energy self-sufficient buildings, wooden construction, daytime running lights, rainwater capture for use on toilets, recharging facilities for electric cars near the shop)

environmentally friendly product packaging, recyclable shopping bags, paper bags

ecological waste management (sorting, take-back)

other:

.....

13. Do you perceive or do you take into account, when shopping, those factors of "green" behaviour of chain stores? Please cross-select a factor: 1- I perceive, 2- I take into account, so I shop there, 3 - I do not perceive and not taking into account

Factor	1 I perceive	2 I take into account, so I shop there	3 I do not perceive and not taking into account
offer of bio-products			
eco-friendly store buildings			
environmentally friendly product packaging			
recyclable shopping bags			
paper bags			
ecological waste management (sorting, take- back)			

14. Are you interested in environmental protection?

ANO
NE
Don't know, I am not sure

15. Do you take your own shopping bag or you always buy new one in the store?

I take my own bag from home
Sometimes I buy a bag
I always buy bag in the store

16. What amount of money do you spend monthly on buying food for your entire household?

to 3 000 Kč 3 001 Kč - 6 000 Kč 6 001 Kč or more

17. How often do you buy food?

daily
several times a week
1x - 2x a month
other

18. What transportation do you use most often when buying food?

automobile
public transport
walking
other:
·

19. How often do you shop in healthy nutrition stores or at farm markets?

Regularly
Sometimes
Rarely
Never
I do not know, I'm not sure

20. How do you care for your health? (multiple responses can be marked)

healthy food
regular movement (including running, gym)
meditation exercises (e.g. yoga)
vitamin supplements
l do not

21. How often do you dispose expired or spoiled food in your household?

weekly
monthly
rarely
never, I buy a quantity of food that I process in time
do not know, I'm not sure