The Influence of Sustainability Labels on Consumer Purchasing Decisions for Food Products

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Abstract

Sustainability labels communicate environmental, social or ethical information about food products that consumers may not be able to verify themselves. This paper examines how those labels influence consumer awareness, trust, product evaluation, purchase intention and purchasing behaviour. It is a secondary research paper based on a narrative review of academic research and policy literature, including consumer studies, reviews and international survey evidence. Findings indicate that labels can encourage favourable product evaluations and stated preferences, but their effects on actual purchasing vary. Understanding, trust, price, availability, income and social influences all matter. An India-focused survey of 498 consumers associated reported behaviour toward sustainability-labelled foods with awareness, environmental consciousness, moral obligation, subjective norms and purchase intention; income moderated the study's model (Sharief & Panghal, 2023). The paper recommends specific and verifiable claims, clear label design, accessible explanations, consumer testing, and evaluation using real-world purchasing data. It concludes that labels can support informed decisions but work best alongside policies and market conditions that make credible sustainable options available and affordable.

Keywords: *sustainability labels, food purchasing, consumer behaviour, eco-labels, consumer trust, India*

1. Introduction

Food purchasing is influenced by price, taste, convenience, nutrition, brand and availability. Sustainability adds other considerations, including environmental impact, production practices, animal welfare, labour conditions and sourcing. Consumers may not be able to verify these characteristics by looking at or tasting a product. A label can make selected information visible at the point of purchase.

The term *sustainability label* covers different types of information and schemes. Some labels identify a particular attribute, such as organic production, animal welfare or fair trade. Others communicate environmental impact, such as

carbon emissions or a broader footprint. Labels also differ in who sets their criteria and verifies compliance: they may be public, third-party certified, industry-managed or self-declared.

Evidence suggests that sustainability labels can influence consumer evaluations, but their impact is not uniform. Research identifies awareness, comprehension, trust, price, income, availability and social norms as important influences. The OECD's international study, based on a survey of 37,000 consumers in 40 countries, found that interest in sustainability claims, trust and willingness to pay varied across countries and consumer groups (Deconinck et al., 2025). A separate India-focused survey linked several personal and social factors to reported behaviour toward sustainability-labelled foods (Sharief & Panghal, 2023).

This paper examines how sustainability labels influence food purchasing decisions. It sets out the study objectives, describes its methodology, reviews relevant literature, presents the main findings and offers recommendations for research, policy and practice.

2. Objectives of the Study

General objective

To examine how sustainability labels influence consumers' purchasing decisions for food products, including the roles of awareness, understanding, trust, price and social influences.

Specific objectives

1. To identify the main types of sustainability information communicated on food labels.
2. To examine how consumer awareness and understanding relate to product evaluations, purchase intentions and reported purchasing behaviour.
3. To assess how trust in labels, certifiers and verification systems shapes consumer decisions.
4. To consider how price, income, availability and convenience affect purchasing of labelled foods.
5. To review the roles of environmental concern, moral values and social norms in consumer responses.
6. To identify limitations in existing research, particularly the gap between stated intentions and observed purchases.
7. To recommend ways to improve label clarity, credibility, accessibility and evaluation.

3. Literature Review

3.1 Meaning and purpose of sustainability labels

A sustainability label communicates information about one or more environmental, social or ethical characteristics of a food product. It may describe environmental impact, production standards, animal welfare, labour conditions, sourcing or related attributes.

The information matters because many sustainability characteristics are difficult for consumers to assess directly. However, labels do not necessarily measure the same things. The OECD reports that environmental labels use varied measurement approaches and differ in which impacts they include. A claim about one attribute should therefore not be assumed to represent a product's overall sustainability unless the standard supports that broader conclusion (OECD, 2025).

3.2 Consumer awareness and understanding

Awareness is a prerequisite for label use, but recognising a label does not mean understanding its criteria. Cook et al. (2023) report that consumers may struggle to interpret sustainability information, particularly when it is technical or

presented without explanation. They discuss visual formats, including traffic-light approaches, as potentially easier to process than complex text or figures.

The OECD's survey of 37,000 consumers in 40 countries found that consumers expressed interest in several sustainability claims, while understanding and trust varied. The study also found substantial differences across countries, indicating that consumer responses depend partly on wider national contexts (Deconinck et al., 2025). Together, these findings point to a need for labels that make specific claims in understandable language.

3.3 Effects on evaluations and purchasing

Reviews generally find that sustainability labels can improve product evaluations, preferences or stated purchase intentions. Cook et al. (2023) report that labels can affect consumer attitudes and purchasing behaviour, while noting that effects in real consumer settings can be small. They also describe reported willingness to pay for labelled products, with effects varying by label type and context.

A central issue is that purchase intention differs from actual purchasing. A consumer may say they prefer a labelled product but select another option because it is cheaper, more familiar or easier to find. The OECD's analysis underscores the importance of trust, income and other contextual factors in consumers' willingness to pay for products carrying sustainability claims (Deconinck et al., 2025). Evidence about stated preferences should therefore not be treated as proof of increased sales.

3.4 Trust and credibility

Consumers need to trust that a label's claim is meaningful and supported. Questions about who sets the standard, what it measures and whether compliance is verified can affect credibility. Cook et al. (2023) identify trust and certification as important issues in consumer responses to sustainability labelling. The OECD likewise identifies trust as a factor shaping interactions with environmental claims and argues for credible, transparent approaches to food labels (OECD, 2025).

Specific criteria, transparent methods and credible oversight may make claims easier to assess. By contrast, vague language or unclear verification can cause uncertainty and weaken trust.

3.5 Price, income and availability

Even consumers who value sustainability may not purchase labelled products if they are unaffordable or unavailable. The OECD's cross-country survey found that willingness to pay for most sustainability claims was higher among consumers with higher incomes and education, although patterns varied by claim and country (Deconinck et al., 2025). This finding highlights the role of economic circumstances: positive attitudes alone do not remove budget constraints.

3.6 Evidence from India

Sharief and Panghal (2023) surveyed 498 Indian consumers and used a model to examine factors associated with behaviour toward sustainability-labelled foods. They reported that awareness, environmental consciousness, moral obligation, subjective norms and purchase intention were significantly associated with reported consumer behaviour. Income moderated the study's model.

These findings suggest that consumer responses involve awareness as well as personal values, social expectations and economic circumstances. Since the study relies on survey responses and modelled relationships, it does not establish that a specific label causes a rise in actual purchases. Its findings should not be assumed to represent all consumers across India's diverse regions and retail settings.

4. Methodology

Research design

This study uses a **secondary, narrative literature-review design**. It synthesises published research and policy sources on sustainability labels and consumer food purchasing. It does not collect new survey, interview or experimental data.

Sources and search approach

Sources were identified through searches of academic and policy publications using terms related to *sustainability labels*, *eco-labels*, *food purchasing*, *consumer behaviour*, *consumer trust*, *willingness to pay*, and *India*. Priority was given to systematic or narrative reviews, international policy research and studies that directly examined consumer responses to sustainability-labelled food products.

The sources informing this draft include:

- A narrative literature review on consumer interaction with sustainability labelling on food products (Cook et al., 2023).
- An OECD study of consumer responses to environmental sustainability claims, drawing on 37,000 respondents in 40 countries (Deconinck et al., 2025).
- An India-focused survey study of 498 consumers purchasing sustainability-labelled food products (Sharief & Panghal, 2023).
- OECD policy analysis on building trust in environmental food labels (OECD, 2025).

5 Methodological limitations

- The paper relies on published research, which varies in scope, methods and populations. Survey responses and purchase intentions do not necessarily reflect actual shopping behaviour.
- The India-specific study provides useful local evidence but does not represent all Indian consumers.
- The review also does not independently assess every included study's risk of bias.

These limitations mean that the findings should be interpreted as an evidence-informed synthesis, not as a comprehensive estimate of the effect of labels on sales.

6. Findings

The literature reviewed for this paper points to five main findings:

1. **Labels can shape consumer evaluations.** Sustainability labels may improve product perceptions and stated preferences, but their effects vary by label, product and consumer group (Cook et al., 2023).
2. **Understanding is not guaranteed.** Consumers may notice a label without knowing exactly what it certifies or measures. Clear wording and accessible explanations are important (Cook et al., 2023; Deconinck et al., 2025).
3. **Trust matters.** Consumers' response depends partly on whether they believe the claim and the system behind it is credible (Deconinck et al., 2025; OECD, 2025).
4. **Economic circumstances constrain choices.** Price, income and availability can prevent consumers from acting on sustainability preferences (Deconinck et al., 2025).
5. **Indian survey evidence points to multiple influences.** Awareness, environmental consciousness, moral obligation, subjective norms and purchase intention were associated with reported behaviour in the study of 498 consumers; income moderated the model (Sharief & Panghal, 2023).

A further finding concerns the evidence itself: many studies measure stated intentions or survey responses. These are informative, but they do not always show whether labels change actual purchases over time. The distinction should be kept clear when drawing conclusions.

7. Recommendations

For policy-makers and certification bodies

- Define each label's criteria and scope so consumers can tell what it does—and does not—mean.
- Ensure that environmental and social claims are supported by transparent evidence and credible verification.
- Make information about standards and certification accessible, while keeping the main front-of-pack message concise.
- Coordinate standards where possible and clearly explain differences between schemes to help consumers compare claims.

For food businesses

- Avoid broad claims that are not clearly substantiated. Name the specific attribute being communicated.
- Use legible wording and test the label with intended consumers before using it widely.
- Provide accessible supporting details about criteria and verification, for example through a website or QR code.
- Consider price and availability: a label has limited practical value if the product is difficult to find or unaffordable.

For researchers

- Measure actual purchasing where possible, using retail, field or online-shopping data in addition to surveys.
- Test whether consumers understand labels as intended across language, income, education and regional groups.
- Study how trust, price, income and product availability interact with different label designs.
- Expand India-specific research across regions and retail settings, building on existing survey work without treating one sample as nationally representative.

These recommendations align with the evidence that trust, understanding and economic context influence consumers' interaction with claims, and that policy should support credible and usable information rather than relying on labels alone (Deconinck et al., 2025; OECD, 2025).

8. Conclusion

Sustainability labels can help consumers evaluate food products and may encourage more favourable attitudes or purchase intentions. Their influence depends on whether consumers notice and understand the claim, trust its verification, and can afford and access the product. Indian survey evidence also suggests that environmental concern, moral obligation, social norms and purchase intention may be associated with reported behaviour, with income playing a moderating role (Sharief & Panghal, 2023).

Labels are best viewed as one part of a broader effort to support informed and sustainable food choices—not as a complete solution by themselves.

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