

The True Cost of Sustainable Consumption

ASUFIN

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About **ASUFIN**

ASUFIN, the association of financial users, was founded in 2009 for the defense and protection of the financial consumer. Registered in **REACU**, it is a member of the **CCU** (Council of Consumers and Users), **BEUC** (Bureau Européen des Unions de Consommateurs), the largest European organization of consumer associations and **Finance Watch**.

ASUFIN has a presence, through its president Patricia Suárez, in the Advisory Council (**BSG**) of the **EBA** (European Banking Authority), the Investor Protection Committee (**IPISC**) of **ESMA** (European Securities and Markets Authority) and the Financial Services Users Group (**FSUG**) of **DG FISMA** of the European Commission where she holds the vice presidency. She is also Vice President of **Finance Watch**.

At the national level, **ASUFIN** actively participates in the promotion of green finance, through **Spainsif**, and in the development of the digital economy, as a partner of the **Alastria** network.

It is also part of the **Finanzas for All** program coordinated by the **Banco of Spain** and the **CNMV**. Within this framework, the association develops, among others, financial and digital education programs, as well as on over-indebtedness and responsible lending, housing, insurance, investment and sustainable finance, within the framework of the 2030 Agenda. For all this, it received the **2021 Financial Education Lifetime Achievement Award** from the **Finanzas Para Todos** program.

About **the authors**

Study carried out by **ASUFIN**'s Studies Department, in collaboration with Antonio Luis Gallardo Sánchez-Toledo and María Molina.

Antonio is a graduate in Business Administration and Management from the Autonomous University of Madrid, specializing in Finance Management and Economic Research. After having worked in the securities company La Caixa (now CaixaBank) and in the Santander Group, he has been working for more than 18 years in the field of consumer protection and financial education, carrying out educational programs that includes the preparation of studies in the field of personal finance and insurance.

María, a Law and Political Science graduate, has extensive experience in the regulatory analysis of sustainable finance, as well as in political advocacy from civil society organizations in regulatory matters and financial education, and consumer rights.

Introduction

This study starts from the following premise: the consumption habits and preferences of consumers are increasingly shifting towards an offer considered sustainable. There are geographical, generational, social divergences, etc., as well as different motivations (health or related to caring for the environment), but the general trend in the choices of the average Spanish consumer is towards more sustainable options.

However, **despite the high percentage of the population that expresses their preference and predisposition towards sustainable consumption options, reality does not achieve such optimistic objectives.** It is true that there may be problems in supply and accessibility; but we will focus here on what we consider the two main obstacles encountered by consumers who, consciously, want to contribute to sustainability objectives through their consumption habits and which are often insurmountable or difficult to overcome: price and truthful information about the product's sustainability.

Finally, we must bear in mind that not everybody understands 'sustainable' the same (some focus on the type of product, its packaging, its origin, the production model...).

The present study does not intend to delve into all these variables, but only to shed light on the differences between the easily accessible options for an average consumer in Spain.






Methodology

Since the ultimate objective of this study is only to analyze the price and information barriers that consumers encounter when opting for more sustainable food consumption, **we have focused the quantitative analysis on a typical basket of goods**. This excludes from our analysis the assessment of the sustainability of the basket itself; that is, we do not assess the sustainability of the basket itself by incorporating modifications to the type of product, but we propose a comparison of prices of equal products in the two modalities: standard production or organic production.

However, we must highlight that the choice of the products that make up the basket can also be modified towards more sustainable habits. For example, the reduction of food of animal origin (mainly red meat), the reduction or elimination of processed and ultra-processed products, etc. In this sense, **the concept of sustainability that we manage here is also linked to an improvement in diet in terms of people's health**.

Additionally, we want to point out that we must not lose sight of the fact that opening up the range of alternative supplies allows us to improve consumption habits in favor of a better balance for health and sustainability and this can also have an impact on a lower price (consumer cooperatives, local or traditional shops, local shops, bulk shops - avoiding the so-called "plastic footprint", supply options and anti-waste consumption, etc.).

Thus, **the quantitative part of this study has been carried out through a shopping experience in 8 establishments between August 14 and August 18, 2023 in Madrid**, in the postal districts: 28008, 28027, 28028, 28030, 28032 and 28050, specifically:

ESTABLISHMENTS	
COMPANY	BUSINESS
	Alcampo Hypermarket
	Carrefour Market and Carrefour Hypermarket
	Supercor and El Corte Inglés Supermarket
	Aldi Supermarket
	Lidl Supermarket
	Mercadona Supermarket (does not offer organic products)

In the **purchase simulation process**, aspects such as:

Product stock.

Range of products offered and typology, with a comparative analysis compared to non-organic products.

The presentation, promotion and labeling of products by the point of sale.

Ability to compare prices between the same organic and non-organic products.

In total, 109 organic products have been analyzed, with their corresponding non-organic peers, always looking for the most homogeneous relationship to be able to compare the results quantitatively.

On the other hand, **in relation to the qualitative analysis, we highlight that the objective is to provide consumers and users with general information that allows the correct choice and alert them of possible claims** or warnings of products that are not really sustainable.

Objective

- Explain the **real cost** of a typical shopping basket compared to another of sustainable products.
- Analyze **price and information barriers** in consumption decisions and habits.
- Provide some **keys** that contribute to minimizing, in part, these obstacles.

Five key points

1

Despite the increasingly widespread desire to opt for sustainable consumption options, consumers face **two main barriers: the price and the (dis)information**.

2

The organic basket practically doubles in price to the normal one, 280.82 euros compared to 141.17 euros, that is 98.90% more, given that one of the main chains in the country, Mercadona, does not yet offer product under the official ORGANIC label.

3

Beyond the data, **the perception of the higher cost in economic terms of the sustainable option often discourages its purchase**, yet conversely, there is a belief that the more expensive product is better (in terms of sustainability, health...).

4

To minimize the **cost**, we must plan and diversify the purchase of the products, taking into account that they come in units or sizes smaller than non-organic ones.

5

In order not to fall into deception, we must understand the official labels and know how to read the products' "fine print", avoiding claims and confusing information. Our study has detected important inaccuracies in the labelling used by chains such as Alcampo.

Shopping **experience**

The purchase simulation process has been carried out in the same way in all the centers, passing through the different aisles. In this process, the following common points and differences have been detected.



The product range is very uneven

There are categories or products that are easy to find in different establishments such as milk, eggs, some canned or certain fruits and vegetables and others that are scarcer, such as fish or even meat, more than just hamburgers or certain chicken products (processed).



The aisles are by category, together with non-organic products

All the centers offer the products in their aisles by category, together with non-organic products, making it easy to compare them. Some points of sale also show them separately with a mix of products (El Corte Inglés, Carrefour, see image 2, in annex) and more generally in specific categories such as fruit and vegetables (El Corte Inglés, Alcampo, see image 3, in annex).



Smaller eco-friendly packaging

In most products, the packaging, especially where there is a clear price difference, is **usually smaller in order to generate a lower-cost appearance**. At this point it is important that, although in different ways, every store offers price information per kilogram to facilitate comparison (see annex, image 4).



Confusing labeling

There are terms such as “bio”, for example, which in most cases are not organic products. Additionally, in Alcampo we have detected multiple examples announced as organic products, even with the anagram that identifies their labeling, in a range of products that, without being organic, have other nutritional components such as low fat, uses of olive oil or organic ingredients (see annex, image 5).



Other labelling

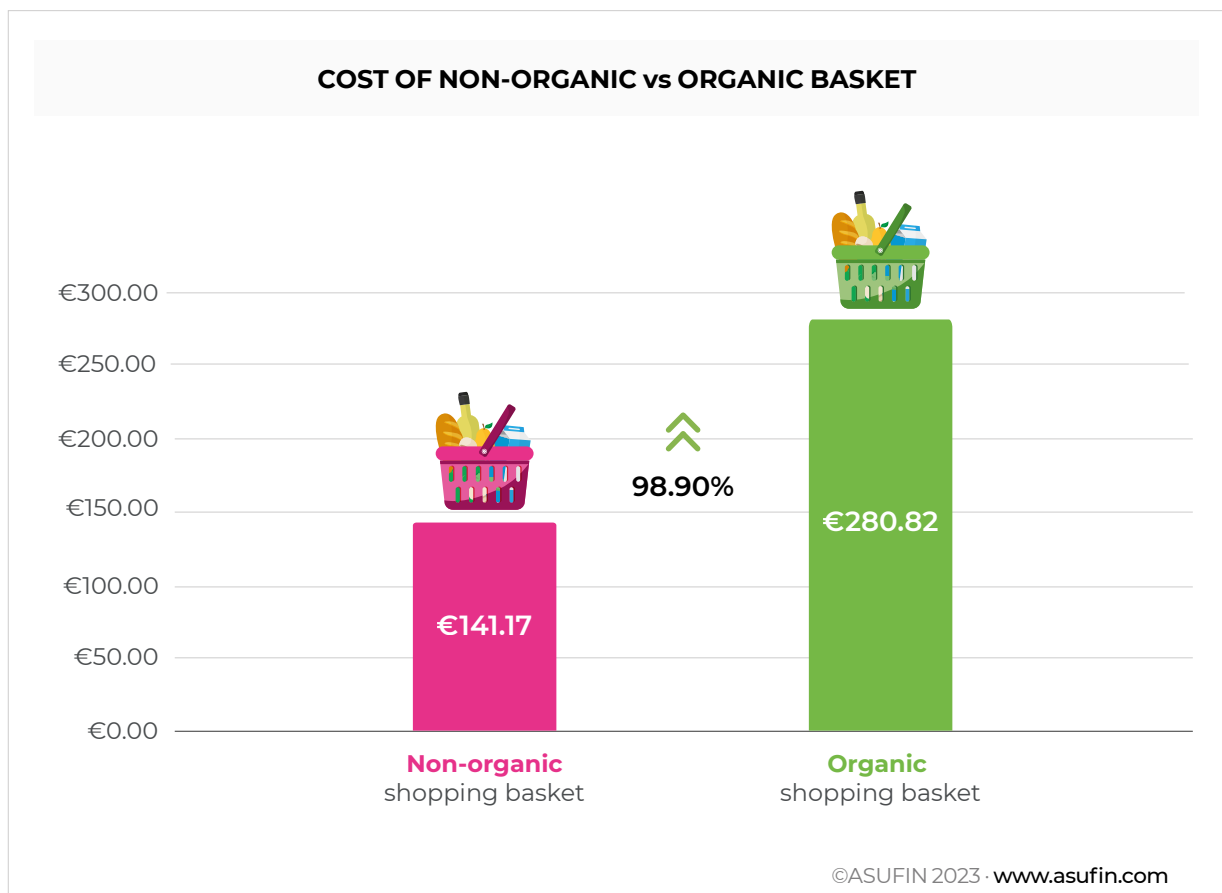
In fresh products there are other types of labeling that differentiate products **based on production that responds to standards of good practice**; for example, the case of wild fish (El Corte Inglés) that cannot have ecological labeling as sustainable fishing (see annex, image 6).

Quantitative analysis (prices)

We compare a **typical shopping** basket in which most of the selected products are included, to the equivalent non-organic products, with these premises:

- **Cover a wide range of products.**
- **Homogenize the products within the organic range.**
To present those that most closely resemble the presentation and quality with a standard product, for example, preserves presented in small-sized glass containers.
- **More expensive product = “better”.**
Despite the above filter, in many cases it is also necessary to equalize the weights and quantities in non-organic products to facilitate comparison.

The result is that the organic basket practically doubles in price in comparison to the typical basket: **280.82 euros** compared to **141.17 euros**, **98.90%** more. With differences ranging from 315.00% or 290.00% in oatmeal cookies or sliced bread, to less than 30.70% in olive oil or 27.30% in veal fillets.



SHOPPING BASKET EXAMPLE
(ORGANIC PRICE vs NON-ORGANIC PRICE)

PRODUCT	ORGANIC PRICE	NON - ORGANIC PRICE	DIFERENCE
Oatmeal Cookies (400 gr.)	€5.47	€1.32	315.10%
White Sliced Bread (400 gr.)	€3.99	€1,02	290.10%
Fresh salmon (1 kg.)	€47.63	€15.22	213.00%
Chickpeas (1 kg.)	€5.18	€1.77	193.50%
Chicken breast fillets (1 kg.)	€26.87	€10.27	161.60%
Chicken legs (1 kg.)	€13.92	€5.47	154.50%
Chocolate spread	€2.99	€1.20	150.20%
Cured pork sausage (250 gr.)	€8.13	€3.58	127.10%
Macaroni (500 gr.)	€2.45	€1.11	120.20%
Breakfast cereals (500 gr.)	€4.68	€2.23	109.60%
Ground veal (1 kg.)	€16.28	€8.18	99.00%
Potatoes (2 kg.)	€3.89	€1.99	96.00%
Corn snack (250 gr.)	€3.23	€1.68	91.90%
Veal burger (1 kg.)	€19.39	€10.37	87.00%
Bananas (1 kg.)	€3.19	€1.72	85.50%
Smoked salmon (100 gr.)	€8.11	€4.41	83.90%
Rice (1 kg)	€2.84	€1.55	83.10%
Chicken broth	€1.55	€0.85	82.40%
Coffee (500 gr.)	€15.00	€8.35	79.60%
Eggs [6]	€2.66	€1.54	72.30%
Fried tomato (300 gr.)	€1.62	€0.94	72.20%
Apples (1 kg.)	€4.20	€2.48	69.10%




















SHOPPING BASKET EXAMPLE
(ORGANIC PRICE vs NON-ORGANIC PRICE)

PRODUCT	ORGANIC PRICE	NON - ORGANIC PRICE	DIFERENCE
Goat cheese (1 kg.)	€19.55	€11.64	68.00%
Chocolate (100 gr.)	€1.97	€1.18	67.10%
Marmalade (350 gr.)	€2.62	€1.61	62.60%
Packaged asparagus (205 gr.)	€6.85	€4.47	53.00%
Flour (1 kg.)	€1.83	€1.24	48.20%
Tomatoes (1 kg.)	€4.58	€3.12	46.80%
Grape juice (1 L.)	€1.99	€1.39	43.20%
Semi-skim milk (6 L.)	€7.60	€5.50	38.20%
Extra virgin olive oil	€11.75	€8.99	30.70%
Veal fillets (1kg.)	€18.83	€14.79	27.30%
TOTAL	€280.82	€141.17	98.9%






To analyze these disparate differences in greater detail, the selected products have been grouped by categories, also showing a large disparity by groups. Thus, for example, although the veal fillet was the one with the least difference between the normal and the organic option in the basket as a whole, **if we analyze the differences more globally, in all meats, including some processed products (ground veal, hamburgers) and different types of chicken, this difference expands to 100.30%.**

However, the largest differences were found, on the one hand, in the group of legumes (with 217.00%), cereals and breakfast (with 155.80%), pasta (105.90%) and meats (100.30%), while, on the other hand, the smallest were in canned fish (42.10%), milk (38.20%) and olive oil (30.70%).

DIFFERENCE BETWEEN ORGANIC PRICE vs NON-ORGANIC PRICE (BY PRODUCT CATEGORIES)

CATEGORY	DIFERENCE
 Legumes	217.00%
 Cereals and breakfast	155.80%
 Pasta	105.90%
 Meat	100.30%
 Fish	88.60%
 Rice	83.10%
 Broths	82.40%
 Coffee	79.60%
 Eggs	72.30%
 Cheeses	68.00%
 Chocolates	67.10%
 Fruits and vegetables	66.80%
 Snacks and appetizers	56.80%
 Vegetables preserves	50.90%
 Flour	48.20%
 Juices	43.20%
 Fish Preserves	42.10%
 Milk	38.20%
 Olive oil	30.70%

Finally, although they are not homogeneous shopping baskets, since the product ranges they offer have great differences, **we did want to see the differences between the same products in the different establishments:**

ORGANIC PRICE DIFFERENCE vs NON-ORGANIC PRICE (BY STORES)	
COMPANY	DIFERENCE
	133.30%
	85.70%
	77.60%
	65.00%
	54.00%

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The **price** barrier

After this analysis of the data collected in order to talk about the barriers that consumers encounter when they want to make their shopping basket more sustainable, **we find that the first of these barriers is price:**



Inflation

In relation to price, the inflationary context has already revealed the rise in the cost of the shopping basket¹. There is no doubt that **this factor also limits the choices of the many consumers who stated that they are willing to pay a higher price for a better product in terms of sustainability.** However, the reduction in purchasing power requires, at the very least, limiting how this extra cost is “invested” and opting for adjustments in household spending, investment and savings decisions; minimizing the comparative importance of the sustainable factor, especially in certain products, prioritizing other factors such as products on sale, promotions, etc.



Shrinkflation or invisible inflation

Faced with the reputational risk and reduced demand due to rising prices, some brands choose to hide this increase in product price by maintaining the price but reducing the quantity of product. There are even small price increases in some products despite this reduction in product, which means a double increase in the final price. This practice not only applies to greener or more sustainable products, but is widespread in the packaged goods market.

The truth is that while confronting rising prices, there are only limited solutions, such as the reduction of VAT on commodities. But shrinkflation is an abusive commercial practice because it is deceptive. Therefore, some countries such as France and Germany are already taking measures to prohibit and, where appropriate, sanction these practices; Spain seems to also be studying measures, without actions having been announced at the moment.

¹At ASUFIN we have monitored the impact of the increase in price in the shopping basket during the first half of 2023, despite the effect of the reduction in VAT on basic products.



Percepción

From the quantitative analysis, we can verify the reality that the cost of more sustainable products is higher than non-sustainable counterparts. However, the mere perception that “sustainability is expensive” is **already a disincentive in many cases for the search for more sustainable alternatives**, as well as for a deeper review of our consumption habits.

As we will see later, introducing some changes in consumption habits and sources can reduce the price gap.

However, here are other constraints and risks that, again, take us away from the most sustainable choice:

■ Lack of time.

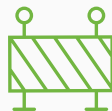
It leads us, often, to less planning, as well as to shop at a single point or to acquire products that, due to their characteristics (processed) and/or packaging, are less sustainable (even if the product is correctly labeled).

■ Health.

When the motivation for more sustainable consumption is health, we might believe claims of products that do not respond to a healthier diet and have nothing to do with sustainable production, as we will see below.

■ More expensive product = “better”.

When the price gap is not an issue in itself, the assumption that a more expensive product is “better” (again in terms of health and sustainability), can also lead to incorrect choices from this point of view.



Obstacles that keep us from purchasing more sustainable

Inflation

Shrinkflation or invisible inflation

Lack of time

Health

More expensive product = “better”

The (dis)information barrier

On the other hand, disinformation could produce a rebound effect on the interest expressed by consumer preferences; in other words, often **advertising claims make it impossible to recognize the true value of a product and its comparison in terms of sustainability**, consumers could see their initiative in changing habits frustrated. To these, we can add the lack of “nutritional education” and the explosion of certificates and logos that, real or not, can lead to wrong choices even when the purpose of choosing the most sustainable product is maintained.

As we saw in the case of the price barrier, perception also plays an important role here: **the assumption of misleading claims and widespread greenwashing practices can discourage the desire for more sustainable consumption**. The truth is that the proliferation of stamps, certifications, etc., as well as the risk of misleading advertising, require additional effort to be able to properly choose a more sustainable basket. However, knowing some keys and incorporating them into our shopping and eating habits will be very useful. Thus, in the next section, we want to provide some keys that will allow us to integrate small changes when planning our purchase, incorporating improvements in terms of sustainability.



Widespread greenwashing practices

They can discourage the desire for more sustainable consumption.

Some keys to overcoming barriers

1

Back to basics against the high prices of sustainable products

■ More fresh, less processed foods.

As we see throughout this study, an improvement in consumption habits has a clear impact on health; and vice versa: the **WHO recommends** greater consumption of fresh foods, minimizing processed foods and avoiding ultra-processed foods. In terms of sustainability, **fresh food requires fewer treatments** and improves the possibilities of not packaging or using more environmentally friendly packaging.

■ Planning.

The weekly planning of our menu allows, on the one hand, **to be more aware of the healthy balance of our consumption habits**; on the other hand, this planning will also allow us to find better alternatives, know the seasonal products and where to buy them at a better price.

■ Diversification of consumption sources.

Closely linked to the above, **spending time planning and finding sustainable consumption alternatives** nearby can mean improving our basket both in terms of sustainability and price.



Keys to improving sustainability

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Fresh food + Planning + Local products

2 Information against misinformation

There are countless seals, certificates, etc. that appeal to different aspects of the sustainability of a product, which does not mean that it covers the whole product.

Without carrying out an exhaustive analysis, probably intractable (since there are local and regional certificates, etc.) and endless (as long as they proliferate continuously), we would like to highlight **some keys for consumers to focus on** when transferring their consumption preferences to more sustainable products.

On the one hand, **understand and identify some official certificates on the type of production from which the product comes**. In this regard, the certificate for the European Union's organic production and animal welfare guarantee for products of animal origin stand out.



On the other hand, we recommend examining the **characteristics of the product**, relating to:

■ Ingredients label.

This information is very valuable, especially considering some fundamental issues:

The **order** of the ingredients indicates the amount in which each ingredient is found in the product.

The **number** of ingredients is important: the more ingredients a product has, it is considered more processed; therefore, the general recommendations are to prefer those with five or fewer ingredients.

The ingredients is where we find the so-called **food additives** and it is convenient **to identify** some of the most harmful to our health if we want to improve our habits in this regard. As a general recommendation, it is advisable to avoid those that have more than two additives that may be necessary for their conservation. para su conservación.

■ Nutritional table.

Beyond the calories (although they can also be analyzed in greater detail, especially in cases where medically guided diets must be followed), **the nutritional table shows us what the product contributes to our diet**. Proteins, carbohydrates, fats, fibers, salt, vitamins and minerals: the balance must be observed in the diet as a whole, although some general guidelines allow for a better choice based on this information:

In relation to **carbohydrates**, they always contain additional information that breaks down the proportion of which are sugars: the lower the proportion of sugars, the better.

Fats: as in the previous case, they are broken down into saturated fats. It is advisable, if not to avoid them completely, to minimize their consumption as much as possible (a maximum of 7% per day).

In relation to **salt**, the World Health Organization suggests a maximum of 5 grams of salt per day. It should be borne in mind that salt, as a preservative, is present in high percentages in processed products.

■ Recycled, recyclable or compostable packaging.

This information is no longer related to a sustainable choice for health reasons, but to another fundamental element in relation to the impact of consumption on the environment. **It is important to minimize the waste in our consumption**, as well as to promote the tendency to make it as environmentally friendly as possible, with consumers also being responsible for knowing and proceeding with its correct disposal.

■ Origin.

It is mandatory that the product contains the information of the country of origin of the product itself and the place of packaging. Both data are relevant and must be taken into account when assessing our choices due to the footprint they represent, as well as processing they have had. In many products, the origin of the packaging in our country is easily identifiable, which should not lead to the conclusion that this product is of the same origin (it often occurs with fruits, vegetables, fish, meats, oils, etc.).

Other product information to read with **caution**:

As we have already pointed out, behind sustainable consumption decisions, there are often, exclusively or in conjunction with others, reasons of individual health, in search of a better balanced diet.

■ **Nutri-score.**

This system was incorporated into the Spanish market in 2021, although it was created back in 2005 and some European countries had already been using it. Its objective was to simplify the information into a color-coded traffic light and letters (A, B, C, D, E) so that consumers could quickly and visually identify the quality (in terms of health) of a processed or packaged product.

However, **the Ministry of Consumption has already warned that, only with this information you can not conclude that the product is good or bad for our health.**

The truth is that the Nutri-score assessment is directly related to the nutritional table of the product. However, it does not take into account other elements that we can analyze from the direct observance of this table in conjunction with the ingredients and taking into account the information that has already been noted. If we compare this information with the Nutri-score index, the conclusions about many of the products we find in the markets can be very inconsistent.



■ **Claims such as bio, natural, enriched, light...**

The term “bio” does appeal to a type of toxic-free production; however, it says nothing about other phases of production such as packaging, components that may not be really healthy (for example, it may contain organic sugar, but this is still as unhealthy as non-organic sugar). **In the case of the adjective “natural” that many products incorporate, it only refers to the fact that, at some point, that product incorporates some natural or fresh ingredient, but it does not say anything about its production or the other contributions of the final product.** On the other hand, other products that are defined as “enriched” with vitamins or other a priori beneficial components, do not stop being added, which, in fact, are usually introduced in unhealthy processes; on the other hand, they do not contribute anything in terms of sustainable production information or not. The same goes for light products that go through phases of greater processing or incorporate a greater amount of water to dilute the proportion of fats and calories.

Conclusions

Price and information are the two main obstacles consumers face when shifting their food purchasing choices towards more sustainable options. But behind both these obstacles, we find a variable that often limits many aspects of our lives: time. Analyzing, planning and looking for sustainable and healthy consumption alternatives to incorporate into our baskets is within our reach; however, it is necessary to spend some time to understand what we are talking about when discussing improving consumption habits in these terms.

We hope that this brief analysis will help interested people understand some basic and fundamental keys that, once integrated into their daily lives, allow for better decisions in their shopping basket without entailing a disproportionate increase in cost.

Annex. Images



Image 1.
Example of conflicting products (ORGANIC and non-ORGANIC).



Image 2.
Aisle specialized in organic products that makes it easy to compare.



Image 3.
Aisle specialized in organic fruit and vegetables.



Image 4.
Organic product with a lower weight (500 g) than what is usually marketed as non-organic (1 k)



Image 5.
Product advertised as organic that is not, in Alcampo.



Image 6.
Labeling of certified sustainable fishing.

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