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MASTER'S IN MANAGEMENT

MASTER´S FINAL WORK

PROJECT

SUPPLIERS' EXPECTATIONS AND PRACTICES REGARDING
SUSTAINABILITY COMMUNICATIONS

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SUPERVISION:
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ABSTRACT

Sustainability has been discussed amongst academics and its importance is being more visible in the latest years since the impacts humans have on the environment have been emphasised more and more in today's society. For businesses, sustainability is many times seen as a way to achieve some reputation instead of being used for the benefit of the company, by reducing expenses and saving resources. Therefore, this research aims to address how can the analysed Company strengthen its sustainability communication with its stakeholders, in particular suppliers. To determine the best practices for the firm to use in this communication, the research analyses the suppliers' expectations regarding their client's sustainability communications and proposes practices to achieve those expectations. The methodology used to conduct this study is an action research method with a qualitative approach, using semi-structured interviews to evaluate suppliers' expectations and a benchmarking of the food and beverages industry to compare their sustainability practices. The main conclusions drawn from this research are that suppliers expect their clients to communicate with them more frequently and directly, about sustainability issues and their sustainability performance. It was also possible to suggest practices to the Company regarding its Supplier Code of Conduct, its collaboration with suppliers to reduce carbon emissions, and the creation of a channel for engagement with this stakeholder. The two main contributions of this study are the identification of suppliers' expectations contributing to an unexplored field, and the given recommendations to the Company that can also be applied to other similar companies.

KEYWORDS: sustainability communication, stakeholder's expectations, suppliers.

RESUMO

A sustentabilidade é um tema que tem sido discutido entre académicos e a sua importância tem sido mais visível nos últimos anos, uma vez que os impactos que os humanos têm no ambiente têm vindo crescer cada vez mais na sociedade de hoje em dia. Para as empresas, a sustentabilidade é muitas vezes vista como uma forma de alcançar alguma reputação, em vez de ser utilizada em benefício das mesmas, reduzindo as despesas e economizando recursos. Por conseguinte, este estudo visa abordar a forma como a Empresa em análise pode reforçar a comunicação da sustentabilidade da empresa com os seus *stakeholders*, em particular os fornecedores. Para determinar as melhores práticas a utilizar pela empresa nesta comunicação, este estudo analisa as expectativas dos fornecedores relativamente às comunicações de sustentabilidade dos seus clientes e propõe práticas para atingir essas expectativas. A metodologia utilizada para realizar este estudo é um método de investigação de ação com uma abordagem qualitativa, utilizando entrevistas semiestruturadas para avaliar as expectativas dos fornecedores e um *benchmarking* da indústria alimentar e de bebidas para comparar as suas práticas de sustentabilidade. As principais conclusões retiradas deste estudo são que os fornecedores esperam que os seus clientes comuniquem de uma forma mais frequente e direta, sobre questões de sustentabilidade e o sobre o seu desempenho relativamente a sustentabilidade. Foi também possível sugerir práticas à Empresa relativamente ao seu Código de Conduta do Fornecedor, à sua colaboração com fornecedores para reduzir as emissões de carbono, e à criação de um canal para o envolvimento com este *stakeholder*. As duas principais contribuições deste estudo são a identificação das expectativas dos fornecedores que contribuem para uma área de estudo pouco explorada, e as recomendações dadas à Empresa estudada que também podem ser aplicadas a outras empresas semelhantes.

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1. INTRODUCTION

The purpose of this research is to address a real issue proposed by a real Company, denominated in this work as "Company", namely how to strengthen its sustainability communication with its many stakeholders. The group of stakeholders chosen to pursue this study were the suppliers. In order to determine the best practices for the firm to use in this communication, the research analyses the suppliers' expectations regarding their client's sustainability communications and proposes practices to achieve those expectations.

The term "sustainable communication" was first used in 2011 by Godemann and Michelsen, and its significance has grown as a result of the increasing awareness of the social and environmental consequences of human behaviour (Godemann, 2021). Therefore, sustainability communication emerged as the social process addressing both the causes and potential solutions for the current social and environmental problems (Godemann & Michelsen, 2011).

This research aims to understand what the companies in the food and beverages industry are doing when communicating their sustainability practices to their suppliers, and what are the suppliers' expectations regarding sustainability practices and communication with their clients. Therefore, the main research questions of this work are: what are the expectations of suppliers regarding the Company's sustainability practices?; and how can the Company communicate these practices to its suppliers?

To address the first research question, selected suppliers of the Company were interviewed using a semi-structured interviewing technique aiming to identify their expectations. The second research question was answered by conducting a benchmarking analysis based on secondary data from the sustainability reports of companies in the food and beverage industry.

This research has two main contributions. The practical contribution of the study is the suggestion of practices to the Company, and other companies in the industry, to improve its sustainability communication, by comparing the diverse practices other firms have implemented. In a theoretical approach, the study is fundamental since it contributes to an unexploited field in the literature on the identification of stakeholders' expectations and concentrates on suppliers, a group of stakeholders that is frequently overlooked. The

contribution of this study to the literature is that it identified the main problem for suppliers regarding its clients' sustainability communication which is the lack of direct communication and engagement in the upward stream of the supply chain, which is something that suppliers expect and value.

This document has four chapters in it. The first one is a literature review, which aims to present the definitions of sustainability and sustainability communication, what it is, and the primary discourses that are its origin. This is followed by a review of the various approaches to sustainability communication, and the last theme that is reviewed is the identification of stakeholders' expectations. The literature review finishes with a conceptual framework that is followed throughout the study. The methodology chapter that follows breaks down the qualitative approach that was used and describes the data gathering and analysis processes while also outlining the study strategy. The third chapter explains how the data was analysed and concludes with a discussion that seeks to provide answers to the study's research questions. The conclusion includes a succinct assessment of the study, its drawbacks, and recommendations for further investigation.

2. LITERATURE REVIEW

The literature review is divided into four main sections. The first section will review the concept of sustainability. The following section frames sustainability communication in a theoretical foundation, reviewing the concepts of environmental, risk and science communication. Presenting also the sustainability communication' approaches found in the literature, and reviewing sustainability communication on businesses. The third section analyses the stakeholders' expectations and how to identify them. Finally, a conceptual framework for this study's data analysis is presented in the last part.

2.1. *Sustainability*

Sustainability communication cannot be properly discussed without first clarifying sustainability and sustainable development concepts (Godemann & Michelsen, 2011).

In 1713, the scientist Hans Carl Von Carlowitz wrote the first, known, time the term sustainability (Heinberg, 2010). Since then, the concept has been evolving and gaining attention, and was during the 1980s that the theme became fundamental to the environment and development (Godemann, 2021).

In 1987, the term gained it most used definition when sustainable development was defined as "*development that meets the needs of the present without compromising the ability of future generations to meet their own needs.*" (Brundtland, 1987, p. 24). However, some critics rose due to "*its failure to explicitly note the unsustainability of the use of nonrenewable resources and for its general disregard of the problem of population growth.*" (Heinberg, 2010, p. 1). This criticism is closely linked with Griggs, et al. (2014) argument of "*long-term sustainable development needs to be conceptualized in terms of an economy and society sustained within Earth's life-support system*" (Griggs, et al., 2014, p. 24), due to the extent of humans' impact on Earth and the environment.

This new definition reshapes the thinking about sustainability and the creation of knowledge on this topic. Sustainability does not fit into a single discipline, so it is considered an integrated approach that addresses different environmental and development concerns (Godemann, 2021).

There are still, many open debates about the meaning of the term, without reaching an accurate definition for 'sustainability'. As a result, anyone that uses the word

'sustainability', must clarify its connotation (Kidd, 1992). For this reason, the purposes of this work will define sustainability by its most common definition, stated by the World Commission on Environment and Development, in 1987.

2.2. *Sustainability communication*

Before studying sustainability communication, it is first needed to clarify what is communication. Communication occurs when information refers to a specific matter or has a special connotation. The meaning is created by the sender, however, the receiver depicts the information in its own way, even if it does not coincide with the sender's intention (Gutteling & Wiegman, 1996).

In 2011, when Godemann and Michelsen (2011) introduced the term sustainable communication, concerns about economic, ecological, social and cultural distortions were already being emphasised (Godemann & Michelsen, 2011). Over time, the importance of sustainability communication has increased due to the social and environmental effects of human behaviour becoming more critical for the impact of global environmental climate change on all species and the uneven development of societies (Godemann, 2021). This urges the need for "*a social process of mutual understanding that deals with both the causes of these developments and their possible solutions*" (Godemann & Michelsen, 2011, p. 4), namely sustainability communication.

2.2.1 *Environmental, risk and science communication*

As stated before, sustainability communication has become more and more relevant, over time. Thus, it is necessary to address the discourses that are in the origins of the theme, being the most relevant environmental, risk and science communication. The three concepts are linked by a central topic with an orientation for environmental or health concerns. These concepts are also characterised by high uncertainty and complexity (Adomßent & Godemann, 2011).

2.2.1.1. *Environmental communication*

Environmental communication is defined as "*the dissemination of information and the implementation of communication practices that are related to the environment.*" (Antonopoulos & Karyotakis, 2020, p. 550). Environmental communication was first seen as a limited area, however, over time it became a wide area which analyses how different agents interact regarding environmental concerns and in what manner cultural

products affect society's perceptions of environmental issues (Antonopoulos & Karyotakis, 2020).

It is believed by researchers that one's perspective on the environment influences one's views in different ways, which aids in their understanding of how environmental communication impacts people (William, 2022).

2.2.1.2. *Risk communication*

Societal evolution is a process that is always accompanied by risks since decisions have unpredictable outcomes but need to be made (Adomßent & Godemann, 2011). Risks are part of every person's quotidian, and that is why risk communication was created, to improve risk decisions via improved communication (Palenchar & Heath, 2002).

Risk communication is a difficult concept to give an ambiguous definition because of the complexity that is inherent to the risk issue (Gutteling & Wiegman, 1996). However, the definition that many in the literature assume for risk communication is "*any purposeful exchange of scientific information between interested parties regarding health or environmental risks.*" (Covello, et al., 1987, p. 222).

Nowadays, risk communication tries to emphasise the chances for action more than the threats, since merely being informed about threats reduces many people's well-being and their desire to take action (Adomßent & Godemann, 2011).

2.2.1.3. *Science communication*

Science communication definition is not clear, since there is no consensus in the literature (Weingart & Guenther, 2016). However, it is an essential bridge between the "*world of knowledge production and the general public.*" (Weingart & Guenther, 2016, p. 2).

Since the second half of the twentieth century, science and the public relationship has changed in such a way that a significantly larger "*mass democratic public*" (Adomßent & Godemann, 2011, p. 32) has been established, due to the improvement of electronic media. This public is progressively asserting its right to greater participation in political processes. In this way, science is entrusted with the responsibility of acting critically towards the public's understanding of issues, which includes either sensitising itself to

specific issues or relativizing previously existing issues and maybe moderating them (Adomßent & Godemann, 2011).

This relationship opens the door to sustainability communication to introduce issues related to sustainable development to a scientifically created perception of concerns and the public discourse in an appropriate manner (Adomßent & Godemann, 2011).

2.2.2. *Approaches of sustainability communication*

The perception of sustainability is linked to thoughts about how society is being modernized and developed, which calls for more participation from people (Godemann, 2021). However, different authors highlight the challenges of communicating sustainability engagingly, being one of the major reasons for the complexity and uncertainty that describes sustainability concerns (Godemann & Michelsen, 2011; Newig, et al., 2013). Therefore, the main objective of sustainability communication is to enable people and groups to acquire the necessary skills to appropriately evaluate the sometimes ambiguous and perplexing scientific, technical, and economic information at their disposal, allowing them to respond to and manage the ensuing complex, long-term social issues (Adomßent & Godemann, 2011).

Therefore, it is crucial to have effective communication for sustainability strategies (Genç, 2017). The next section will present a discussion on the different types of sustainability communication, proposed in different studies.

2.2.2.1. *Communication about Sustainability*

Different studies define Communication about Sustainability, from now on designated as CaS, as the method for exchanging and debating information, interpretations, and ideas about sustainability-related issues. In horizontal communication, which may occur at many various levels, from interpersonal face-to-face encounters to the mediated level of mass communication, issues are altered and articulated (Genç, 2017; Newig, et al., 2013). The focal point in this type of communication is on a general sustainability understanding, the objectives to be fulfilled and the necessary actions that need to be done (Dernbach, 2021).

The literature suggests the evaluation of the effectiveness of CaS through three indicators. Being the first one the amount of media attention a problem receives. Finding out who has access to the discourse and influences the framing processes is another signal

for the assessment. Effectiveness entails structural circumstances and the overall design of the communication process. The possibility of communication interchange between domains or communication subsystems comes last. The compatibility of the discourse in one subsystem, like the political system, with the discourses in other subsystems, like science, is typically measured as an indicator of communication effectiveness, as is the likelihood of transferring significant elements from one subsystem to another in order to realise sustainable development (Fischer, et al., 2016; Genç, 2017; Newig, et al., 2013).

2.2.2.2. *Communication of Sustainability*

Communication of Sustainability, from now on designated as CoS, is the contradiction of the latter. The literature considers that it focuses on the largely one-way, sender-receiver communication flow in which the sender pursues a specific communication goal. To enlighten decision-makers or the general public about issues connected to sustainability, agents (for example businesses or journalists) work to attract their attention. These agents may view the requirement for CoS as a means to justify or legitimate their activity as the demands of society for sustainable action increase (Genç, 2017; Newig, et al., 2013). One instance of this kind of communication is corporate sustainability reporting (Newig, et al., 2013).

In CoS, effectiveness is measured by how the recipients are reached, how they interpret the messages and the influence of the message on their behaviours (Newig, et al., 2013).

However, CoS is receiving strong critics for the visible failures of issues related to climate change (Fischer, et al., 2016). Therefore, CoS is on its path to the sphere of CaS (Genç, 2017; Newig, et al., 2013).

2.2.2.3. *Communication for Sustainability*

Differing from CaS and CoS is the notion of Communication for Sustainability, from now on designated as CfS, where the normative part of sustainable development is given more attention. In this view, communication encompasses more than merely disseminating knowledge about sustainability challenges and increasing public awareness of them. Its purpose is to encourage societal change in the direction of the normative objectives of sustainable development. Aspects of CoS and CaS, such as knowledge creation, (social) learning, and cooperatively creating solutions to sustainability issues,

may be shared by CfS in terms of direction and senders. To measure its efficacy, it is used the influence of CfS on quantifiable actions toward sustainable development (Genç, 2017; Fischer, et al., 2016; Newig, et al., 2013).

CfS has counterparts in that sustainability communication may overlook or even inhibit sustainable development. Since almost no one openly declares themselves to be "against" sustainability, this is usually accomplished by symbolically supporting sustainability while secretly pursuing non-sustainable ambitions (Genç, 2017; Fischer, et al., 2016; Newig, et al., 2013).

Even though the distinctions between these many forms of communication are rather hazy, they might serve as a valuable analytical framework for examining the many communication processes that can be found in the context of sustainable development (Newig, et al., 2013).

2.2.3. *Sustainability communication and best practices in businesses*

Business sustainability follows the same understanding as the definition that was previously mentioned of sustainability. And so, it can be defined as "*the ability of firms to respond to their short-term financial needs without compromising their (or others') ability to meet their future needs.*" (Bansal & DesJardine, 2014, p. 71).

According to the literature, sustainability is a broad notion that may enable contact with society, expand the consumer base, reduce operating expenses, and benefit the community at large (Genç, 2017). Sustainability was labelled a business major trend, in 2010, and organisations that want to survive and compete must include it in their corporate plans. To meet the information demands of all stakeholders, businesses must also communicate their sustainability initiatives and their financial repercussions (Andersen, et al., 2013). As a result, sustainability communication can result in a competitive edge in the market (Genç, 2017).

Studies show that the satisfaction of stakeholders and the company's reputation may both be improved by a company's ability to convey its sustainability and social responsibility initiatives. And also, according to other studies, many customers like making purchases from and investing in the stock of companies that value society and the environment. In order to improve their company image and obtain a competitive edge, businesses are compelled to implement socially responsible practices (Mani, et al., 2018).

2.3. *Stakeholders' expectations*

Customers are increasingly pressuring businesses to use sustainable production techniques in order to create products that are both safe and ecologically friendly (Mani, et al., 2018).

Concerns about the economy, society, and ecology have been brought on by globalisation as well as evolving marketing strategies, consumer preferences, and contemporary technology. The food sector places a high priority on quality and safety, therefore managing the whole supply chain, ensuring product quality, and improving monitoring and tracing procedures are particular concerns (Beske, et al., 2014).

Therefore, effective communication, which means the relevance and veracity of the information sent, as well as the communication timeliness and frequency, is essential to improving the sustainability of business partnerships. Effective communication improves trade transparency and fosters partner confidence (Reynolds, et al., 2009).

Businesses must recognise that they have a variety of stakeholders, both external and internal, to account for when developing organisational plans. Different stakeholder groups have various expectations for how well businesses operate. These varying expectations might lead to disagreements between the company and its stakeholders (Polonsky, 1995).

The literature on stakeholders' management has been of great interest since Freeman first introduced the theory, in 1984, in his book "***Strategic Management: A Stakeholder Approach***" which has been cited by many academics since then. The author defines stakeholders as "*any group or individual who can affect, or is affected by, the achievement of a corporation's purpose.*" (Freeman, 1984, p. vi).

Stakeholder theory was developed as a tool for managers to better understand how organisations relate to the people and other entities in their environment. The fundamental thought is that organisations must take into consideration the legitimate interests, rights, and expectations that stakeholders may have towards an organisation and its activities (Olkkonen, 2012).

Stakeholders evaluate organisations based on their past behaviours and present reputations as part of their connection with the company. These evaluations shape how

organisations are seen and how people anticipate them to act in the future (Olkkonen, 2012). The literature suggests that achieving stakeholder expectations results in stakeholder satisfaction, which in turn rewards firms with a positive reputation. Therefore, future assessments will be based on present expectations and their accuracy (Creyer & Ross, 1997; Olkkonen, 2012).

According to the viewpoint of the stakeholders, many businesses have utilised annual Corporate Social Responsibility and Sustainability Reports to meet the demands of the stakeholders so that they effectively convey the initiatives and approaches being taken to solve social concerns (Newson & Deegan, 2002).

When businesses make decisions, it is important to have into consideration stakeholders' expectations, so they have their input in the firm's projects. Therefore, it is crucial to identify the stakeholders and the contributions they must make (Jepsen & Eskerod, 2009).

Considering the foregoing and recent literature, Jepsen & Eskerod (2009) states that, to identify stakeholders' expectations, one should consider the following steps: (1) The essential stakeholders should be identified; (2) A description of the stakeholders highlighting their (a) required contributions, (b) expectations, and (c) influence over the project; (3) Choosing the best approach to persuade each stakeholder.

In the identification of stakeholders, some literature proposes performing a brainstorming in which the names of all the stakeholders are listed in order to identify the stakeholders, although some criticise this strategy for being too broad to identify all significant stakeholders in a given situation. Others recommend asking members of the organisation to identify stakeholders. To meet the second step, mentioned above, the literature suggests conducting face-to-face interviews and/or questionnaires (Jepsen & Eskerod, 2009).

When reviewing the theme regarding sustainability, researchers found that stakeholder participation can enhance sustainability performance. Furthermore, sustainable performance measurement and assessment, from now on designated as SPMA, is seen as a relevant vehicle for a company's ethical conduct, since it aids in the management of value creation for stakeholders and gives useful information to stakeholders (Silva, et al., 2019).

A consensus found in the literature is regarding the lack of studies on stakeholders' expectations, even though authors highlight its importance (Jepsen & Eskerod, 2009; Olkkonen, 2012; Polonsky, 1995; Silva, et al., 2019). Several authors call for more studies on what influences stakeholders. Given the importance of stakeholders' perceptions of the relevance of impacts, such a study should follow one of two approaches: action research and in-depth interviews (Silva, et al., 2019).

2.3.1. Suppliers

Silva, et al., (2019) describes suppliers as impacted stakeholders, which are "*Stakeholders affected by the unit of analysis*" (Silva, et al., 2019, p. 16). Several papers address these stakeholders' expectations to cover certain themes. Some literature list social sustainability concerns of relevance such as access to water, education, and safety (Singh & Gupta, 2018). Sureau, et al. (2018) on the other hand, define expectations to analyse impacts on factors of intrinsic worth, such as human health, or of instrumental value, such as fair competition.

It has been discovered that cooperative communication from suppliers is favourably associated with coordination, improving trust and commitment while lowering the likelihood of unresolved disputes and power imbalances. To guarantee that customers will notice and comprehend such acts and their significance and impact, suppliers must effectively communicate with retailers. Retailers may be more ready to invest in sustainability if they have a good information exchange with their suppliers and a clear understanding of their plan (Claro, et al., 2013).

With this in mind, the key to effective sustainability communication is a sort of resource communication that recognises that, in addition to natural and financial resources, human knowledge, skills, and talents are the most significant sources of change (Adomßent & Godemann, 2011).

2.4. *Sustainable Development Goals*

The United Nations (UN) proposed 17 Sustainable Development Goals (SDGs) that are an urgent request for all nations, both developed and developing, to take action in a global cooperation. In light of this work, it is important to address SDGs number 12. Responsible consumption and production and 17. Partnerships for the goals (United Nations, s.d.). According to the UN the definition of these goals is, respectively:

"Goal 12 is about ensuring sustainable consumption and production patterns, which is key to sustain the livelihoods of current and future generations."; "Goal 17 is about revitalizing the global partnership for sustainable development. The 2030 Agenda is universal and calls for action by all countries – developed and developing – to ensure no one is left behind. It requires partnerships between governments, the private sector, and civil society. The Sustainable Development Goals can only be realized with a strong commitment to global partnership and cooperation."

In (United Nations, s.d.).

2.5. *Conceptual framework*

The chosen framework to identify the stakeholders' expectations is based on (Vasileva, 2021) study, where the author proposes a division of sustainability communication into (1) sustainability awareness; (2) marketing communication; (3) sustainability performance communication, which the concepts are summarised in Table I according with the author (Vasileva, 2021). In this research, the framework is adapted to suppliers to be suitable for the current study.

TABLE I

DEFINITION OF CONCEPTS

Sustainability communication	
Concept	**Definition**
Sustainability awareness	Making employees more aware of sustainability concerns that are pertinent to the firm
Marketing communication	Dissemination of the services and products of the client company's sustainability benefits
Sustainability performance communication	Keeping internal and external stakeholders informed about the company's sustainability performance on a regular basis

Source: (Vasileva, 2021)

The framework proposed by Newig, et al., (2013) for 'business/economy' is also used to conduct this research. The author states that in these subsystems' communication is mostly CoS. Generally, a company's reputation is increasingly impacted and relies on good and effective sustainability communication. To strengthen the company's reputation, firms want stakeholders to be educated about sustainable conduct. It is possible to identify CfS in businesses, when firms operate communicatively, with more dialogical communication strategies, such as stakeholder dialogues. Sustainability reporting is now done mostly by major organisations and is becoming increasingly

important for corporate publications. Ideally, such corporate CoS and CaS may also be employed as CfS, prompting firms to think more deeply about their sustainable growth (Newig, et al., 2013).

	Communication *about* sustainability (CaS)	Communication *of* sustainability (CoS)	Communication *for* sustainability (CfS)	Relevance of sustainability-related communication to achieving sustainable development
Economy/ industry	Workshops and conferences on SD and CSR	Transfer of information on sustainable behavior in order to improve reputation	Communication that goes beyond reputational aspects; effects (*i.e.*, of stakeholder dialogues) on corporate behavior and management	Integrating sustainability related concerns of stakeholders

FIGURE 1 – Sustainability Communication.

Source: (Newig, et al., 2013, p. 10)

3. METHODOLOGY

In order to provide a more comprehensive knowledge of the influence of suppliers' expectations and practices on the Company's sustainability communication, this study employs an action research method. This method is characterised as an:

> "iterative process of inquiry that is designed to develop solutions to real organisational problems through a participative and collaborative approach, which uses different forms of knowledge, and which will have implications for participants and the organisation beyond the research project"

<div align="right">In (Saunders, et al., 2012, p. 183)</div>

This approach varies from other research methodologies in that it emphasises action at different phases to discover and assess solutions to organisational challenges and to drive organisational transformation. In this approach participation by organisational members is crucial (Saunders, et al., 2012).

Following the chosen method, the study employs a qualitative approach, aiming to obtain richer and more in-depth information, due to the complexity of the theme (Graebner, et al., 2012). Qualitative data allows participants to communicate in their own wording, allowing researchers to more accurately capture people's subjective experiences and viewpoints (Sutton & Austin, 2015). The advantages of using this approach are, among others, that, primarily, qualitative data are "*open-ended*" (Graebner, et al., 2012, p. 278), meaning that collecting qualitative data does not require researchers to predetermine particular notions and measurements. Secondly, qualitative data may be vivid and concrete. Cognitive processes that support the formation and transmission of ideas are activated by concreteness and vividness. Third, qualitative data is usually rich and complex. Because of this, qualitative data may catch information and processes that are simple for quantitative data to ignore (Graebner, et al., 2012).

According to the reviewed literature, it was conducted online interviews to assess the expectations of the Company's suppliers. Interviews can assist in gathering meaningful and trustworthy data related to the first research question. The chosen type of interview was semi-structured interviews, that is being referred to as '*non-standardised*' (Saunders, et al., 2012, p. 374). In this type of interview, the researcher has a list of topics and potentially some essential questions to address, however, their utilisation may vary from

interview to interview. Semi-structured interviews also allow the exploration of replies, allowing the researcher to lead the respondents to explain or expand on their responses. Semi-structured data collection is used to collect information that is then analysed qualitatively (Saunders, et al., 2012).

The data that was collected for this method was gathered through online semi-structured interviews, where the participants were selected through a list of relevant suppliers provided by the company.

Eight companies were contacted through email, obtaining five positive answers that led to interviews, which were held via Microsoft Teams, Zoom and email. The people that were interviewed were assigned by the company because they are the most suitable contacts for the study, although it was asked to speak with the person responsible for the commercial area.

The name and company name of the interviewee are anonymous, for that reason, a letter was assigned to each company, as presented in Appendix 1 – Interviews.

During the interviews, it were approached themes that addressed the suppliers' knowledge of its food industry clients' sustainability practices and performance, the information that is most valued for the suppliers' and the relevance of the way sustainability is communicated. The script for the interview is presented in Appendix 2 – Interview Script.

To answer the second research question was conducted a benchmarking aiming to analyse how can the Company communicate its sustainable practices to its suppliers. Benchmarking is the process of comparing organisational goods, services, and procedures to best practices. This method provides businesses to find and copy best practices in their specific industries. Benchmarking has frequently been highlighted as a significant strategy for improving organisational performance, comprehensive quality management, and competitive advantage (Yakovleva, et al., 2012).

To conduct the benchmark, it was made an analysis of the sustainability reports – or equivalents – of the chosen companies. The approach of analysing yearly sustainability reports has been employed in several types of research that systematically measure and categorise sustainability data. Organisations use sustainability reporting to convey their

environmental, social, and governance performance to their stakeholders. (Stocker, et al., 2020).

To select which companies to analyse for the benchmark, the Orbis Europe platform, a database of companies and entities was used. This tool allows one to query companies and view them holistically.

In the first stage of the search, the selected companies met the criteria listed in Appendix 3 – Search Strategy, ending with 17,236 (seventeen thousand two hundred thirty-six) companies that met the criteria, in the database of the platform. The database was, in the second stage of the search, exported to Excel and it was filtered according to Table II.

TABLE II

CRITERIA FOR BENCHMARK ANALYSIS

Criteria		Search result
Delete	Companies with at least one category with no information	16,502
Consider	Companies are publicly listed	186
Choose	Companies classified in the same industry as the Company	5

Source: author

The name of the remaining 181 (one hundred eighty-one) companies was inserted into a website that generates a random list of the inputs. The first 15 (fifteen) companies were selected, having a final list of 20 (twenty) (Appendix 4 – Companies randomly selected for the benchmark) which were used in the benchmark study.

The research on the 20 (twenty) companies selected, was, primarily, restricted to 12 (twelve) firms due to the lack of data. Only the companies that had a sustainability report – or equivalent – available on the certified website were considered. When conducting the analysis of each company, it was possible to extend the study to two more companies due to one of the companies being a holding company that holds two companies that were relevant to the study. However, the Sustainability Report of the holding company was not considered in the analysis, since its activity is not suitable for the study, leaving for analysis 13 (thirteen) companies (Appendix 5 – Final selected companies for the benchmark). It was also analysed the Sustainability Report of the Company, to compare it to the companies in the study.

4. DATA ANALYSIS AND DISCUSSION

The present section is divided into a first part where is presented an analysis of the gathered data to answer the research questions of the study followed by a second part that presents the discussion of the findings.

4.1 *Data Analysis*

4.1.1 *Supplier's Expectations*

To evaluate the stakeholders' expectations and considerations, interviews with the relevant suppliers were conducted. The interviews were also useful to corroborate the company's available information on its Sustainability Report and website.

The interviews were made with different suppliers. The suppliers of the company can be divided into three categories, (1) the suppliers of raw materials, such as farmers; (2) the suppliers of general assets, such as energy, water, gas and others; and (3) the suppliers specific to the operations of the company, such as packaging materials, equipment for distribution, and others. It was only possible to interview the second and third groups of suppliers. The definition of the concepts presented in the conceptual framework chosen to evaluate the suppliers' expectations was adapted, as demonstrated in Table III.

TABLE III

ADAPTED DEFINITION OF CONCEPTS FROM VASILEVA (2021)

Sustainability communication	
Concept	**Definition**
Sustainability awareness	Clients share sustainability concerns that are pertinent to them or the supplier
Marketing communication	Clients share the sustainability benefits of their services and products
Sustainability performance communication	Clients keep stakeholders informed about the company's sustainability performance regularly

Source: author

The questions asked were equal for all suppliers and the analysis of the outcomes is going to be grouped by the type of suppliers to have a more comprehensive knowledge of the expectations and inputs of the firms.

The first group to be analysed is the general assets suppliers. The sample of this group is of two suppliers.

The individual who was questioned at business A was in charge of the department that dealt with sustainability. This area is in charge of informing its stakeholders about sustainability concerns, hence it compiles this data to demonstrate its commitment to such issues. The company works to integrate social, environmental, and good governance. To do this, it must closely monitor its operations, but it also takes a more strategic approach by working with its top management to consider whether medium and long-term sustainability issues are being integrated into the decisions that are made, whether stakeholders are being heard when decisions are being made, and whether the risk is being thought of from a holistic perspective or whether they are considered in isolation. Additionally, they work with corporate departments to fill the gap between the risk and compliance areas to ensure that the activity is carried out responsibly.

When questioned about its understanding of the sustainability practices and performance of its clients in the food business, the interviewee divided the clients into two, Business to Consumer (B2C), and Business to Business (B2B). For the purpose of this work, the most significant client is the B2B. The company is a service and energy supplier, and therefore the interviewee states that:

"…*we get to know our customers through the interactions we have with them…*"

- *A's company representative*

As a result of their relationship with the company's commercial managers, who begin with the relationship with the customer, communication with clients in the B2B sector is done case-by-case. The interviewee addressed the importance of these connections so that they can add value to the customers, such as learning with their solutions and with their consulting; and also learning about their client's business to identify where they can provide value. The interviewee notes that:

"…*we have a relationship very much like a dialogue, I would say on a case-by-case basis.*"

- *A's company representative*

The respondent indicates that there are several techniques to how the organisation obtains information about the sustainability of its clients, preferring a more face-to-face approach with larger clients in an effort to forge a deeper bond with them.

When it was addressed the information that the company values more of its clients' sustainability, the interviewee explains that nowadays when signing contracts with clients there is a set of precautions they try to take, namely to guarantee that it is clear from the beginning that the client will try to conduct the business responsibly, guaranteeing the safety of the firms' people, guaranteeing that there are no work accidents and that it is very important to know if the client is aligned with certain issues that seem more or less obvious, but then when they start the activity, if they are not clarified, they can create some constraints. The interviewee adds:

"… *we often have to have information about whether the client will have activities there that may impact our ongoing activities (…)*"

- *A's company representative*

In order to ensure that the customer is aligned with the supplier's expectations on the subject and that the work is well managed, the company tries to clarify contractually and in the first contact what its concerns are with sustainability issues, specifically safety, waste and environmental management.

The practices the company values the most are the client's availability and commitment to issues of safety at work, to ensuring good governance, and ethics with the people who are involved, and if the client is concerned with the various dimensions of the business, not only with the final value of the proposal but with all the legal implications, legal issues underlying the project to ensure that it is done in a way that is compliant at all levels.

When it was asked about the relevance for the interviewee about the way a company deals with and communicates its sustainability practices, the answer was positive. The justification was as the company aims to deliver solutions that contribute to the challenges of sustainable development and enable it to meet the great challenge of decarbonization having customers who communicate that they share these kinds of values and goals gives the firm additional motivation to continue seeking solutions to challenge the market to be more sustainable. The business has customers who express these kinds of needs, wants, and expectations, and because the firm is aware that there is a market for these types of solutions, the clients assist the firm, as suppliers, in reinventing strategies and becoming

more creative in the search for more sustainable solutions. As a result, there is a reciprocal influence between clients and the company in order to improve the world for everyone.

The interviewee notes that nowadays customers convey their sustainability even before they are customers. The given example was when A is attempting to obtain large clients, the client's performance in sustainability is the first thing that is expressed. If A wants to collaborate with them, it must demonstrate that it is sustainable as well and must reassess its values and culture to be aligned with the clients. As a result, the clients send them extensive questionnaires asking to describe their sustainability efforts and how they uphold the clients' values.

"(…) they often force us to commit to certain codes, certain policies, (…) there is a certification that we have nowadays, which is a sustainability rating that is EcoVadis, (…) and we even have a Gold medal, because there was a client that said (…) I value this, (…), and therefore if you want to work with us you have to do this, (…), through this certification, we have won other clients that have seen that we also have this (…), clients who are more evolved in terms of sustainability end up challenging us with things that help us to grow and also to be more sustainable ourselves."

- *A's company representative*

The value that is vital for the company due to its activity, nowadays, is the problem of health and safety at work. For the firm to be able to execute its activity, risks like the threat to people's lives, in a given area, with a certain customer, need to be mitigated. However, the company is becoming more aware of environmental issues, and if an operation has an impact on the environment, the company may decide not to proceed with the activity because it could jeopardise environmental issues or occupational safety, both of which are crucial to the company. According to the interviewee, the issues that can jeopardise their activity are typically evaluated case by case.

"We know that to conquer the market and create more business we have to be more sustainable and sustainable is not only a question of communication but also of being sustainable and having practices that make our clients' businesses more sustainable."

- *A's company representative*

The interviewee provides an example of two models at the end of the conversation, one of which has the corporation install equipment that remains its property. When the

equipment is paid for, the client can eventually choose to keep it or the firm can disassemble it and install it for a different customer. The organisation must comprehend that the client is sustainable in order to proceed with this approach and that it has a location in a sector that is safe, responsible, and protected. The firm tries to determine if there is any handicap on the client's side in terms of the various sustainability issues, such as the security of the installation. If there is any factor that could call into question the security of the asset, the firm does not finish the business. This illustration shows that suppliers have expectations about customers and how goods are handled.

The second supplier of this group is D, which replied through email to the questions since it had not availability for a meeting. The interviewee is the Client's Manager in the area of Business to Decarbonisation (B2D), which is responsible for managing large industrial customer accounts in the B2D sector, which includes some of the main industrial groups in the Portuguese market.

The respondent claims that there is not much information available about its clients' sustainability performance and only certain clients offer information that goes beyond the institutional data that is typically available on all corporate websites. Additionally, he asserts that while frequently having duties to their customers when acting as suppliers, consumers generally have concerns about the problem but are not proactive in communicating them to suppliers.

The respondent lists several admirable behaviours that he notices in his clients; it should be noted that he uses the Company as an example despite not being specifically questioned about the business. Examples range from a business with a magazine where it is possible to see the concern it has with the subject and that had already launched two competitions for its suppliers to present projects in the area of sustainability, to the adherence to codes of conduct, where clients transmit that they apply the practices themselves. In the Company's example, the firm is concerned with raising awareness about sustainability in its Christmas message.

"(…) *they also occasionally make surveys about their perception of their posture as a company.*"

- *D's company representative regarding the Company communication*

When asked how they would want to obtain the client's sustainability information, the interviewee says that it is not his major worry and that the information should always be displayed on the client's websites. However, it is emphasised that clients should always be proactive in sharing what they do with their customers and suppliers and that it is always beneficial to be aware of their best practices because it leads to new knowledge and partnership prospects.

The respondent is unable to provide a clear opinion regarding the data on sustainable practices and performance that is most valued.

The interviewee provides a favourable response when asked about the relevance of how a firm approaches and communicates sustainability, saying that it demonstrates the vibrancy and culture of the business. He adds that regardless of the business industry what was said in the interview is becoming increasingly essential, and there are indexes for this topic. It will ultimately convert into the firms' return on investment and stock market worth. In some companies as their customers won't purchase their items if they don't have this sort of practice or culture, they will not have a place in the market.

The second group under analysis are the suppliers specific to the company. The sample of this group is of three suppliers.

The individual interviewed from company B was the Business Development Manager, B is a company that operates in the logistics sector. Due to its role as a pooling service for a variety of industrial and retail supply chains, the company is a sustainable enterprise by itself. The interviewee's team maintains interactions with both current and potential customers, as well as customer accounts.

Regarding the information that is made available to this supplier, by its clients, on sustainability performance and practices, the interviewee mentions the difficulty of the sustainability theme, because sometimes investing is required to achieve sustainability, and companies do not always manage to see this benefit in the short term. Typically, from the received feedback from the market in general, the companies that are more focused and committed to sustainability are the companies that already have some dimension and structure. Since the firm is a pool company that reuses equipment, it already offers clients a sustainability benefit. The interviewee responds that there is no direct communication with company B clients about their practices; instead, they access information through

social media and websites. The respondent also highlights the company's preoccupation with sharing its methods with partners and suppliers.

Concerning the practices and information that are most valuable to the company, the interviewee mentions the lack of communication from the clients with suppliers as an obstacle to creating more initiatives for sustainability. Although the interviewee believes that the company is the one that seeks its clients for initiatives, being sustainable in the logistics sector can be a challenge, but with partnerships, it could be easier.

The interviewee states that it would be valuable to the firm if clients communicate more because as the company is operating in logistics it can mitigate many risks and hazards if it had the necessary information from its clients. The respondent gives one example in the identification of flows of transportation, where the firm has an initiative of collaborative transport, so it optimises the transportation of clients by putting two entities in contact if one is sending a product to one destination that is the origin for the other client, in this way it is possible to reduce CO2 emissions and empty kilometres. It also adds that these initiatives come more from the company than from its clients, however when the areas of sustainability and communication on the client side are already involved, they value it and want to continue with it. It also mentioned the following:

"*...but it is a path to get there, (...), so we do not receive press releases from clients informing that they are doing sustainability actions, no, this does not happen.*"

- *B's company representative*

Concerning the relevance of how companies handle and communicate sustainability, the interviewee explains that while there is a culture of being the supplier the one that needs to communicate and engage and not the other way around, the market could be more proactive and communicate in a better way, and so the respondent considers very relevant that companies share their sustainability information with their stakeholders and businesses are already in a path to achieve this. Additionally, it is emphasised how difficult it is to find particular initiatives and solid statistics, and how the organisation might benefit from more direct communication.

The respondent believes that consumers are becoming more conscious of sustainability in the food sector and that firms are being required to get an increasing number of certifications, which imposes additional standards and criteria. The respondent

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explains that although changes in how sustainability issues are addressed are viewed as being only related to the environment, from a business perspective they can be advantageous because it increases supply chain efficiency, which also results in companies saving money and resources. The challenge, however, is in trying to get people to understand the message in this way.

The interview finishes with the representative of company B highlighting the changes in the supply chains events, where sustainability is now a mandatory theme, however, it reinforces the fact that it is the company that seeks initiatives with the clients and not the other way around since when customers are looking for suppliers, they typically prioritise price, quality of service, and other factors before sustainability.

The second supplier of this group is C, which replied through email to the questions since it was not available for a meeting. The interviewee is a member of the Executive Board of the company. The answers of this supplier are quite narrow, albeit it is possible to make some conclusions.

Regarding the knowledge of the company on the practices and performance of its client's sustainability, the company only receives their sustainability reports or equivalent, and also shares theirs with its clients. However, it is easy for them to access the information since they have close relationships with their clients. The firm representative also states, when asked about what type of information is most valuable, regarding sustainability, that the company needs to be aware of what the clients are doing and are going to do in this area, so they can take actions that support the sustainability goals.

The interviewee considers relevant the way that companies handle and communicate sustainability information. It is also mentioned that the majority of what is seen as a consumer contains a lot of "greenwashing." Nevertheless, in B2B, there are several instances of good sustainability programme methods. He does, however, add that more than just providing examples, there is a need for reputable organisations that can keep track of the development and outcomes of all these programmes.

"*And for this, and for now, one of the few that already has this reputation is the Science based Targets initiative.*"

-    *C's company representative*

The last interviewee is the representative of company E, the Sales and Marketing Director for the company in Spain. The company is a manufacturer of closures to containers and works 100% with plastic. The interviewee highlights the importance sustainability has been gaining:

"On the end of the nineties, sustainability was only taken care of when it was profitable for the industry. And today is, is a solo project. So, it is a must that we have to consider together with the production, KPIs, or rest of industrial rates that we have to accomplish."

- *E's company representative*

Before responding to questions, the interviewee discussed how plastic has been viewed as an issue although this material is of great value. After a brief exchange, the interviewee responded to the initial query about whether the company is aware of the sustainability performance and practices of its clients. The interviewee mentions that the company is aware of its clients' sustainability performance and practices because doing so is necessary for the development and deployment of their products, as well as for the company to determine whether their clients are aligned with them. To get this information, however, the firm often has to do a search on the client's websites or ask for it during meetings. Few clients share their information with the business, yet it is a strategy that the firm cherishes. Even though the respondent was unaware that the firm was the subject of the study, it is noteworthy to note that Company was one of the firms cited as an example of those who disclosed information without the company's prior request. The interviewee explains that knowing the sustainability strategies of its clients is a crucial point since the design of the packaging needs to be elaborated based on the sustainability values of the company.

The respondent begins by outlining some sustainability practices and guidelines that involve all the stakeholders and all the relationships they have in 360 degrees, such as the environment, human resources, and resilience with changes in the world concerning the information that clients share and that is most valuable to the company. However, the practices about the product, more focused on raw materials and how customers are respecting the raw materials stream from the base to the factory, as well as how they are respecting the environment downstream, are the ones that are most valuable for the

company. The firm needs to understand whether they agree or not with clients because the company is spending a lot of money on designs to meet European norms. It is also important for the firm to understand if their clients are aligned with what the major distribution companies are seeking from their suppliers since these suppliers are company E clients.

The business must comprehend how customers will handle the product in the marketplace in terms of transportation, distribution, weight, temperature, and how they will fill simply to respect and be truly sustainable, since this treatment of the product may have an impact on the firm. The firm assesses its clients to see if they are implementing sustainability plans, to comprehend how clients handle their products, and to determine if they are delivering the product to an organisation that is concerned with the environment or not.

When it was discussed if the way a company handles and communicates sustainability is relevant, the interviewee comments on how sustainability is being used like a tool, and how companies involve the consumer to commit sustainability as the company is also committing to sustainability goals and investing in those, and if consumers are not aligned with the goals the companies are investing without any return. The respondent outlines that there is a necessity to, in the future, check if the commitments the companies are doing are being reached and implemented, this is necessary to determine whether these commitments have an impact on the environment. Therefore, the influence of the goals being decided upon now on the future is what is important.

"This is something that on marketing they have to take care of because they are showing them, they are jumping a lot of slogans with commitments and at the end of the day, maybe if they are not aligned on these commitments, it can be a weapon against them."

- *E's company representative*

The respondent claims that because these businesses are the biggest threats to or enablers of global sustainability, society needs and will audit them in the future. Society must realise the impact and the consequence on the environment to recognise that this is important and we don't have much more time.

When it was asked if the interviewee wanted to share any thoughts about the sustainability practices of clients the respondent gave his personal opinion, and

highlighted the importance of plastic giving examples of its usefulness. Illustrating that food is kept safe in plastic packaging, which also makes it possible to transport and store it hygienically, preventing food from spoiling, using real-world examples, such as the fact that one-third of fresh food in India spoils due to inadequate protection on the way from the field to the end consumer and that food waste accounts for 8% of human-caused greenhouse gas emissions. He ends by calling to attention the necessity for sustainability methods to be considered from the start of manufacturing by recycling resources rather than abusing them.

4.1.2. *Practices for sustainability communication*

The benchmark consisted of data analysis by evaluating the content of the available online reports, and the companies' websites, concerning the engagement activities mentioned by each organisation and categorising them according to the conceptual framework proposed in this study.

The analysis aims to study and understand the practices of companies, in the food and beverages industry, regarding their sustainability communication with their suppliers. The outcome of this research serves to compare other companies' performance with the Company's practices.

Of the 13 (thirteen) companies under analysis, 23% had available Sustainability Reports, approximately 46% had Annual Reports, and the remaining approximately 31% of the companies presented another equivalent type of report. The analysis was made for the most recent period available for each company, where 85% of the companies had reports referring to the year 2021, and 15% the year 2022.

To evaluate the firms' communication with suppliers according to the conceptual framework used in this study, the research was based on the practices of the companies for its suppliers, searching only for this type of stakeholder, being analysed and categorised under each type of communication.

While analysing the referred reports, it was possible to identify common themes and patterns. Table IV presents a short example of the utilised codes - which can be found complete in Appendix 6 – Table of Codes - a list of sustainable practices applied by companies in the food and beverages industry to their suppliers could be created as a list

of first-order codes. Because of the similar themes throughout the sustainable practices, a list of second-order codes arose from this list of first-order codes.

TABLE IV

EXAMPLE OF TABLE OF CODES

Final Code	Second-order code	First-order code
Communication about Sustainability	Transfer of information about sustainability for suppliers	Workshops
		Training
		Other (fairs/…)

Source: author

In the Sustainability Report, hereafter referred to as SR, of Greenyard, it is possible to identify the company's most relevant practice which is the materiality matrix created to identify and prioritise the ESG issues that have the greatest effect and are most significant to its stakeholders. This tool was created by engaging in dialogues with the stakeholders (e.g., interviews). The firm also shows practices such as surveying suppliers to identify their position on climate action and to encourage them to embrace science-based goals and holding workshops with some suppliers to build action plans for reducing greenhouse gas emissions. The company requires its suppliers to comply with the Supplier Code of Conduct, created with the company's expectations of environmental and social conformity (Greenyard Nv, 2022).

Heineken describes in its Annual Report, from now on designated as AR, how the company works closely with suppliers to reduce the impact of its operations on the packaging, emissions, and carbon footprint, among others, in order to achieve the company goal to operate in "*a net zero value chain by 2040*" (Heineken N.V., 2021, p. 20). This company also demands its suppliers to comply with its Supplier Code Compliance Procedure, where are described the minimum standards that suppliers must adhere to (Heineken N.V., 2021).

When analysing Carlsberg, practices that were put in practice in the previous companies can also be identified. This company also requires suppliers to meet the standards that are described in their Supplier and Licensee Code of Conduct. The company also engages with its suppliers to reduce the impacts of its value chain footprint, from packaging to distribution. Carlsberg determined the priorities of its stakeholders by

performing interviews and surveys and with the outcomes updating the materiality assessment (Carlsberg A/S, 2021).

Pernod Ricard, a producer and seller of wines and spirits, on its AR, describes few sustainable practices regarding its suppliers. The focus of the company, with these stakeholders, is mainly concerned with agriculture practices that contribute to the mitigation of climate change, the protection of land-based life, the restoration of soil, and the improvement of lives throughout the world - for a long-term, beneficial effect. The company also has a document for its suppliers' standards, regarding labour and human rights; health and safety; environmental impact; integrity and fair business practices and responsible drinking (Pernod Ricard, 2022).

It was feasible to draw the following conclusions from the analysis of Raisio's document, firstly the company takes stakeholder concerns into account when formulating the goals for its corporate responsibility programme. The company determines the key issues that require attention by conducting a stakeholder survey and taking into account the perspectives of the stakeholders. Secondly, the firm has different channels to interact with suppliers as direct communication, meetings, audits, supplier self-evaluations, contract farmer events, fairs, and e-newsletters for farmers (Raisio Plc, 2021).

Looking at the Viscofan Audit and Verification Report, it was clear that the company's main concern with its suppliers is that they adhere to the firm's sustainability standards, placing a high value on respect and trust in the quality of the goods and services provided as well as on opportunities for mutual growth and learning (Viscofan S.A, 2021). On the company's website, in the section dedicated to the suppliers it is described the communication channels for this stakeholder, are direct communication, contracts for cooperation, training, evaluations, and audits.

Glanbia collaborates with its suppliers and business partners in order to advance sustainable practices throughout the whole organisation. The procurement teams of the company work together with suppliers to guarantee profitable relationships, the attainment of environmental goals, and shared innovation. One of the important initiatives of the company was the partnership with EcoVadis, one of the most reputable sources of corporate sustainability ratings in the world, to assist create and support the firm's responsible buying programme. Where the company evaluated their top 90 suppliers to

assess its rating and aimed to have all significant suppliers evaluated, by the end of the year (Glanbia Plc, 2021).

Purcari Wineries has limited information about its sustainability practices and communication with its suppliers in its AR (Purcari Wineries PLC, 2021). Even though, the company states that is working to establish sustainability and ESG "*by aligning its business model with Sustainable Development Goals (SDGs) of the UN.*" (Purcari Wineries PLC, 2021, p. 26)

MHP, whose primary business activities are agricultural operations, is a Ukrainian company that since the start of the war (on February 24, 2022, the Russian soldiers initiated a military invasion of Ukraine) its main priorities have been to safeguard personnel and their families and to aid the Ukrainian people. However, when analysing the company's SR, it was possible to conclude that like the aforementioned firms, MHP implements sustainable practices with its suppliers, such as the stakeholder materiality matrix and the code of conduct for business partners. It is important to highlight that the company has a Stakeholder Engagement Plan, where it is detailed the communication methods of the company with its various stakeholders, using for suppliers the corporate website, e-mail, traditional mail, in-person meetings, and phone hotline. The plan also describes the frequency used of the communication forums with the stakeholders (MHP SE, 2021).

UIE engages in long-term and active ownership; the firm is dedicated to supporting businesses that place a high priority on sustainability as one of their major guiding principles to positively influence society and the environment as a whole. The firm makes investments in the agro-industrial sector and other industries (UIE Plc, 2021).

UIE has 48,4% of United Plantations Berhad ("UP"), a prominent plantation firm with agricultural investments in Asia that engages in the processing of high-quality palm oil into value-added palm fractions for the speciality fats and chocolate industries as well as the certified sustainable production of oil palms and coconuts (UIE Plc, 2021).

UP is helping to alter the sector and raising awareness of the value of sustainable palm oil production. The company has accomplished many environmental milestones and expects its suppliers to follow the same policies and its supply chain focuses on sustainability through transparency, traceability, and trust (United Plantations Berhad,

2021). The company has many practices regarding its suppliers and works with them to enhance its supply chain, improve local practices, and ensure good improvements in terms of sustainable palm oil production as part of its sourcing strategy and continuous improvement emphasis. UP makes sure that its suppliers follow suit through close cooperation. The company has discussions, self-assessment questionnaires (SAQ), supplier audits, onsite verifications, and follow-ups regarding food safety, but also has an approach to the participation of suppliers through certifications.

UIE also has in its portfolio AAK, one of the top manufacturers of vegetable oils and fats with significant added value. These oils and fats solutions stand out for their high degree of technological innovation and composition. The company engages with its suppliers in distinctive approaches, from assessments, through questionnaires and scorecards, to the different Group Supplier Code of Conduct and Group Code of Conduct for Suppliers of Raw Materials. The company also works closely with suppliers to guarantee the human rights of the different regions they operate in. Stakeholder assessments are done by AAK to make sure that our sustainability activity is relevant, accountable, and ahead of our stakeholders' increasing expectations. Through internal engagement and mobilisation, as well as the identification of its most important issues—both good and negative—this method enables the company to ensure a cohesive response at all levels (AAK, 2021).

While analysing the ADM, practices already mentioned were also found in this company report. The company has specific goals, targets and KPIs for each stakeholder, where the goals for suppliers are almost fully achieved. The company created a document, in different languages, for the supplier expectations, where suppliers are required to comply with the company's beliefs (ADM Hamburg Ag, 2021).

The last company under analysis, Kernel, has a great focus on the reduction of greenhouse gas emissions and created a project that consists of a series of dialogues with their partners, establishing a mechanism of ongoing knowledge and experience exchanges on low-carbon development and execution of shared initiatives that supports climate action. The company engages with its suppliers through the Supply Chain Sustainability Program, private conversations online and offline, corporate social media and the website of the firm (Kernel Holding S.A., 2022).

The Company presents some sustainable practices with its suppliers in its SR. It is valued the partnership with this stakeholder, mentioning that "*some of our main initiatives are dedicated to building and sharing knowledge and experience*" (Sovena, 2021, p. 27), regarding their oilseeds' suppliers. The company encourages the sharing of knowledge and experience by emphasising tailor-made quality agreements with particular suppliers; technical support for important small suppliers; and the dissemination of best practices, and follow-up meetings on quality-related incidents, new products, and sustainability initiatives among its olive oil suppliers (Sovena, 2021).

4.2 *Discussion of the results*

4.2.1 Comparing stakeholders' expectations

As mentioned before, there are lack of studies on the identification of suppliers' expectations literature (Jepsen & Eskerod, 2009; Olkkonen, 2012; Polonsky, 1995; Silva, et al., 2019), therefore this section aims to mitigate this gap. Aiming to respond to the first question of this research, the finest approach to identifying what suppliers expect from their clients was, as mentioned in the literature by (Jepsen & Eskerod, 2009), through interviewing specific suppliers and comparing the data among the same group of suppliers. However, the sample of this project is restricted and this is a concern since the study might be biased. A summary of the results is presented in Table V.

TABLE V

SUPPLIERS' DIFFERENT EXPECTATIONS

	Company	Sustainability awareness	Marketing communication	Sustainability performance communication
1st group of suppliers	**A**	X	X	X
	D	N/A	-	-
2nd group of suppliers	**B**	X	X	X
	C	X	N/A	X
	E	X	X	X
X	The supplier excepts it			
-	The supplier does not expect it			
N/A	Not enough available information			

Source: author

When analysing the first group of suppliers, suppliers of general assets, it is possible to conclude that suppliers usually are not regularly informed about their client's practices

and performance on sustainability, the means the companies have to be informed are through direct dialogue, even though these interactions are mostly done with large clients leaving a gap on the other businesses. It is important to suppliers that the information is visible on the websites of the companies.

Looking at the information that is most valued to be disclosed for suppliers the feedback is contradictory. On one hand, one company has no opinion on this matter, on the other hand, the other firm was very specific, mentioning that even before the company concludes a contract they must have knowledge of certain themes of the area, highlighting the health and safety at work and other issues that may impact the environment during the operations. This is also related to the areas of the company's operations. Thus, it is possible to conclude that the firm uses this information for the management of the relationship between the supplier and the client.

Both firms consider relevant the way companies handle and communicate sustainability. Being a theme that is becoming more and more meaningful in nowadays preoccupations, the way businesses manage it is vital. Since it is becoming a demand in many markets it is also a request for businesses, otherwise, some firms are not able to prosper in the businesses they do. One may conclude that communication is becoming more for sustainability rather than about sustainability since many companies evaluate the sustainability performance of their partners before concluding contracts.

Concerning the second group of suppliers studied in this project, suppliers specific to the company, the interviewed companies have similar thoughts on sustainability themes.

When examining if the clients of these businesses inform them of their sustainable methods and results, the replies were primarily unfavourable. The companies are aware of the sustainability performance and practices of their clients, but mainly because they specifically request it or look for it on the websites, as is the case with the other group of suppliers, who access the information through direct communication on their initiative due to the close relationship they have with their clients.

Because the suppliers engage in diverse business activities, they have different expectations. While one supplier strives for better sustainability communication from its clients to mitigate risks and threats since the company is at the centre of the supply chain, another supplier wants to learn about the practices of the clients to be able to create better

packaging that is in line with the supplier, the client, and the current strict legislation for plastic in Europe. Meanwhile, the other supplier is interested in learning more about the practices since it's critical to follow through on commitments.

In general, improved communication with suppliers will benefit how suppliers operate since it may boost productivity and efficiency by giving suppliers greater information to work with.

It is significant for the three suppliers in the sample the way companies communicate and handles their sustainability. However, this group of suppliers believes that companies continue to "greenwash" information, demonstrating a communication of sustainability, despite the growing attention being paid to the sustainability issue. As a result, there is a need for organisations that can verify whether the practices that businesses disclose to stakeholders are indeed being followed or not.

Studying suppliers' requests is not common since usually, the study is upward and not downward, however, it was possible to observe, during the interviews, that suppliers also have expectations and considerations for their clients, since bad management of their products can be associated with their company. In general, it was possible to understand that suppliers feel that are not informed by their clients since there is an adjacent thought by businesses that suppliers are the ones who need to report and be audited. Nonetheless, by talking to the companies that participated in the study it was possible to surmise that suppliers want to be informed by their clients and are not only concerned about selling their products without having a follow-up of those that are going to be managed in the future.

To sum up, the analysis of Table V presents the overview of the expectations of suppliers and one can conclude that the majority of suppliers expect their clients to communicate their sustainability concerns creating sustainability awareness, suppliers expect marketing communication since it is a tool to cooperate on the creation of sustainability benefits in the supply chain; and lastly, suppliers expect sustainability performance communication since strengthens partnerships.

4.2.2 Comparing sustainability communication practices

To analyse the reports Appendix 7 – Analysis of the benchmark companies was elaborated, based on the created code, which its basis is on the conceptual framework

proposed in the literature review, to simplify the study. According to the data gathered, it is possible to conclude that twelve of the thirteen companies, in this study, are classified under 'Communication for Sustainability', regarding the type of communication that is made to its suppliers. This is an important indicator since it means that the companies are integrating their stakeholders' insights into their practices. As mentioned by Fischer, et al., (2016); Genç, (2017); Newig, et al., (2013) its goal is to promote societal transformation toward the normative goals of sustainable development. The company that was not classified under this communication is the company that had no data on how it communicated with its suppliers.

Few businesses incorporate techniques that fall under the category of 'Communication about Sustainability'. Only one of the thirteen firms under consideration includes workshops in its processes, four provide training about sustainability matters to its suppliers and six disseminate sustainability knowledge through various channels, such as fairs or meetings. Regarding 'Communication of Sustainability', as Newig, et al., (2013) states a method to communicate is corporate sustainability reporting, it is possible to see this approach in three firms, directly to their suppliers.

While analysing the practices of 'Communication for Sustainability', it was feasible to consider many common practices among the different firms. 92% of the companies, under analysis, have a Supplier Code of Conduct, where the firms state their expectations and standards for their suppliers, related to environmental and social themes. 77% of the companies, in the study, audit or assess their suppliers to confirm if they are complying with the standards of the company or to encounter flaws that can be corrected. 54% of the companies, under study, created a materiality matrix based on their stakeholders' expectations and concerns to verify the topics that are more relevant to those. 54% of the analysed firms, work together with their suppliers to ensure their product quality and safety. 69% of the studied companies have high concerns with sustainable agriculture and how their suppliers handle agricultural production. Regarding the reduction of the environmental impacts on the packaging, 46% of the analysed companies have been working closely with suppliers to find techniques for more sustainable packaging. When analysing the companies that have practices with their suppliers to reduce carbon emissions, 62% of the studied ones have this concern. Concerning the water risks, 38% of the companies, make efforts with their suppliers to mitigate this hazard. As

sustainability matters are gaining more importance so responsible sourcing does, companies commit to managing their connections with suppliers in a socially and environmentally responsible manner, and under the firms analysed 46% have this concern. 15% of the firms carry practices with their suppliers that work to reduce environmental impacts on distribution.

When analysing the reports, it was considered if companies operate considering either each one or both of the SDGs that were addressed in the literature, 12. Responsible consumption and production and the 17. Partnerships for the goals. These are the SDGs most suitable for the study because it addresses sustainability in business operations and on its partnerships. It was possible to conclude that 54% of the analysed firms incorporate the SDGs when creating practices for their firms.

To answer the second research question of this work, the data analysed on the benchmark needs to be compared to the Company's practices. By its SR, it is possible to conclude that the company values the share of knowledge with its suppliers, which fits under CaS, and also reports directly its sustainability practices to this stakeholder, adhering to CoS. When analysing CfS, some aspects can be improved. The positive aspects are that the company audits some suppliers, works with suppliers to ensure their product quality and safety and reduces the environmental impacts on packaging and distribution and has been fostering closer ties with suppliers that have started moving toward more sustainable practices, highlighting sustainable agriculture. The company also elaborated a materiality matrix with the inputs of its stakeholders, including suppliers, to define priorities and key topics. Another positive practice is the contribution to the SDG 12 of the United Nations.

The corporation considers its Sourcing and Purchasing Policy as its Supplier Code of Conduct. By contrasting the Company with other companies, it becomes clear that a more thorough Code of Conduct focusing on suppliers would be important to create, as the majority of its competitors present to this stakeholder extremely detailed documents outlining the environmental and social practices that must be followed. The Company's Sourcing and Purchasing Policy is a starting point for this kind of document, albeit it has to be more comprehensive to be compared to the papers of other firms.

Even though the Company values the reduction of water risks, being a member of the Water Pact, it is not clear in its report if the company has practices with its suppliers to reduce these risks. By analysing the report, it is possible to see that the company values other sustainable topics, such as the reduction of carbon emissions. However, it is not clear whether there is a collaboration between the company and its suppliers to diminish this hazard. This can be an opportunity, since most of the carbon emissions come from the supply chain, as stated by the Company.

When studying the companies, another subject that was scrutinised was the channels of communication with suppliers. This was analysed to understand the best vias of communication for the dialogue with stakeholders, the channels that are enumerated by the companies are direct communication; meetings; audits; supplier self-evaluations; contract farmer events; fairs; e-newsletters for farmers; contracts for cooperation; training; and a supplier's section on the company's website. The Company Sustainability Report does not show the channels of engagement with stakeholders, however by analysing their "Content index required under Law 11/2018 and Global Reporting Initiative", which is available on the firm's website, it is stated that the Company interacts with its suppliers by assessment of suppliers, frequent interactions and meetings, partnerships, dialogue with stakeholders on sustainability, sustainability report, and the company's website. In order to include suppliers and provide a direct channel via which they may increase awareness of the sustainability issues of the firm and get feedback from the stakeholders of the relationships, the Company might apply another practice by organising training, workshops, or an annual event for its stakeholders.

5. CONCLUSION

This study attempts to comprehend how businesses in the food and beverage sector interact with their suppliers to share sustainability practices and what the suppliers' expectations are for sharing sustainability practices and client communication.

Interviews with the Company's suppliers yielded the response to the first research question. As poor product management might reflect poorly on a supplier's business, it was conceivable to conclude that suppliers likewise have expectations and considerations for their clients. In general, it was possible to understand that this group of stakeholders wants better, more frequent, and direct contact with its clients so they can collaborate on the development of practices and goods. It is also noteworthy that two interviewees highlight the Company's practices when asked about examples of clients who communicate their performance and procedures. The interviewees had no prior knowledge that the Company was the one being studied and analysed. When conducting the benchmark, it was possible to analyse the Company's SR and by doing so it was possible to corroborate it with the interviewees' opinions regarding the communication of their clients.

When analysing the peer companies of the Company it was feasible to conclude that many of the enterprises already have a CfS, where they implement practices taking into account their stakeholder's considerations and expectations. By comparing those to the Company, it was possible to see that the Company could improve some points to better communicate with their suppliers. The first suggestion is the improvement of the Supplier Code of Conduct which may result in better communication and management of expectations for suppliers. The second practice is the collaboration with – packaging and distribution/logistics – suppliers that can create efficient ways to reduce carbon emissions. Finally, the engagement with suppliers could be increased if there was a direct channel to communicate and get feedback.

This study has some limitations while contributing to the understudied area of stakeholders' expectations. It is crucial to point out that the study's sample, which consisted of only five suppliers, was small and so subject to bias, thus few expectations were found. Due to improved access to information, another limitation is that only quoted firms are considered in the benchmark research. This is a drawback since these businesses

may invest more to adopt sustainable practices and enhance their performance due to their market consolidation. One respondent brought up this problem, saying that large businesses have greater resources to engage in sustainability.

Future research in this area should use larger samples of the suppliers under consideration and focus on firms with fewer sustainability policies so that such businesses can grow. To close the gap in the literature there should be more studies that identify stakeholders' expectations for a more in-depth analysis.

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APPENDICES

Appendix 1 – Interviews

TABLE VI

INTERVIEWS

Company	Type of Data	Date	Source
A	Interview	30/01/2023	Responsible for Sustainability
B	Interview	07/02/2023	Responsible for Business Development
C	Interview	06/02/2023	Member of the Executive Board
D	Interview	07/02/2023	Clients' Manager
E	Interview	17/02/2023	Sales & Marketing Director

Source: author

Appendix 2 – Interview Script

About the interviewee

1. Brief description of your role in the company

About the clients

1. Do you know the information about the sustainability practices and performance of your food industry clients?

    a. If yes: How do you access this information? (e.g., do you receive it directly from the client, consult the website, etc.)

    b. How would you like to access it?

2. Which of the information on the sustainability practices and performance of your food industry clients do you most value and why?

3. Do you think that the way a company deals with and communicates sustainability is relevant? Why is this so? Can you give examples?

4. Would you like to add any further notes on the sustainability practices of your food industry clients?

Appendix 3 – Search Strategy

TABLE VII

SEARCH STRATEGY

Search strategy			
Search step		Step result	Search result
1. Status	Active companies, Unknown situation	79,650,568	79,650,568
2. NACE Rev. 2 (Primary codes only)	10 - Manufacture of food products, 11 - Manufacture of beverages	960,894	607,114
3. World region/ Country/ Region in country	European Union [27]	81,925,056	430,015
4. All companies with a website address		22,469,983	141,217
5. All companies with overview information		1,546,815	17,236
6. All companies with a trade description		39,794,284	17,236
Boolean Search	1 and 2 and 3 and 4 and 5 and 6		
TOTAL			17,236
Search options			
Financial searches	Exclude companies with no recent financial data Exclude public authorities/states/governments		
Sets of accounts	The most recent accounts available		

Source: author

Appendix 4 – Companies randomly selected for the benchmark

1. Greenyard Nv
2. Heineken Holding Nv
3. Agtira Ab
4. Zaharni Zavodi Ad
5. Humble Group Ab
6. Centrale Del Latte D Italia S.P.A.
7. Vinalcool Arges Sa Pitesti
8. Grupa Zywiec Sa
9. Carlsberg A/S
10. Pernod Ricard

11. Raisio Oyj

12. Viscofan, S.A.

13. Vinzavod Ad

14. Mraziarne A.S. Sladkovicovo

15. Glanbia Plc

16. Purcari Wineries Public Company Limited

17. UIE Plc

18. Mhp Se.

19. ADM Hamburg Ag

20. Kernel

Appendix 5 – Final selected companies for the benchmark

1. Greenyard Nv

2. Heineken Holding Nv

3. Carlsberg A/S

4. Pernod Ricard

5. Raisio Plc

6. Viscofan, S.A.

7. Glanbia Plc

8. Purcari Wineries PLC

9. MHP SE

10. UIE Plc[1]

11. UP

12. AAK

13. ADM Hamburg Ag

14. Kernel

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[1] UIE Plc is a holding company of UP and AAK, and it was not considered in the study because it is not suitable for analysis.

Appendix 6 – Table of Codes

TABLE VIII

TABLE OF CODES

Final Code	Second-order code	First-order code
Communication about Sustainability	Transfer of information about sustainability for suppliers	Workshops
		Training
		Other (fairs/…)
Communication of Sustainability	Transfer of information on sustainable behaviour for suppliers	Reporting (directly to suppliers)
Communication for Sustainability	Supplier compliance	Supplier Code of Conduct
		Audits/Assessments of suppliers
	Supplier engagement	Materiality matrix
		Product quality and safety
	Partnership with suppliers to reduce the footprint	Sustainable agriculture
		Reduce environmental impacts on packaging
		Reduce carbon emissions
		Reduce water risks
		Responsible sourcing
		Reduce environmental impacts on distribution
	United Nations Sustainable Development Goals	12 – Responsible consumption and production 17- Partnerships for the goals

TABLE IX

BENCHMARK ANALYSIS

Practices/Company	Greenyard	Heineken Holding	Carlsberg	Pernod Ricard	Raisio	Viscofan	Glanbia
Workshops	X						
Training	X					X	
Other (fairs/share of knowledge…)		X			X		
Reporting (directly to suppliers)	X						
Supplier Code of Conduct	X	X	X	X	X	X	X
Audits/Assessments of suppliers	X	X	X		X	X	X
Materiality matrix	X	X	X		X		
Product quality and safety	X	X	X			X	
Sustainable agriculture		X	X	X	X		X
Reduce environmental impacts on packaging	X	X	X	X			X
Reduce carbon emissions	X	X	X				X
Reduce water risks	X	X	X				X
Responsible sourcing	X		X				X
Reduce environmental impacts on distribution	X	X					
SDGs (12 or/and 17)	X	X	X				

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Practices/Company	Purcari Wineries PLC	MHP SE	UIE Plc	UP	AAK	ADM Hamburg Ag	Kernel	Company
Workshops			N/A					
Training			N/A	X	X			
Other (fairs/…)		X	N/A	X		X	X	X
Reporting (directly to suppliers)		X	N/A			X		X
Supplier Code of Conduct		X	N/A	X	X	X	X	
Audits/Assessments of suppliers			N/A	X	X	X	X	X
Materiality matrix		X	N/A	X	X			X
Product quality and safety		X	N/A	X	X			X
Sustainable agriculture			N/A	X	X	X	X	X
Reduce environmental impacts on packaging			N/A		X			X
Reduce carbon emissions		X	N/A		X	X	X	
Reduce water risks			N/A			X		
Responsible sourcing			N/A	X	X	X		
Reduce environmental impacts on distribution			N/A					X
SDGs (12 or/and 17)		X	N/A	X	X	X		X

N/A – Not Applicable