Annex 1

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Presentation G. Giraud

Quality of Life and Management of Living Resources

Key Action n° 5

Sustainable agriculture, fisheries and forestry, and integrated development of rural areas including mountain areas

Development of Origin Labelled Products : Humanity, Innovation, and Sustainability

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Consumer perception of typical food products

Some results from Europe

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PRESENTATION

As senior lecturer in the youngest French agronomy college, I have to teach agri-food marketing with sustainability in mind. I develop my research activities on consumer perception in respect to food within our lab Food Products Typicality. We are 10 researchers, 5 technicians, 3 PhD and postgraduate. Due to the specialisation of each teacher of the college, we are working on food products typicality by means of economy, technology and marketing approaches. We are involved in programme SUPPLIERS focusing on "supply chain of small agri-food industries in lagging European regions" a shared cost action of 5th framework programme on Sustainable Agriculture.

1. SOME RESULTS ON CONSUMER PERCEPTION OF TYPICAL FOOD PRODUCTS WITHIN EUROPE

We did not found the European consumer of typical food products but a splendid mosaic with a great diversity of consumer responses.

1.1. *Results from RIPPLE*

RIPPLE was a FAIR3 programme (CT96-1827) focusing on Regional Images and the Promotion of Quality Products and Services in the Lagging Regions of the European Union and gathered laboratories from UK, Spain, Ireland, France, Finland and Greece[1]. Consumer survey used a sample of 1500 subjects with face to face interview about consumption of regional high quality products and services (QPS). There was no clear distinction in behaviour patterns between consumers from Northern and Southern European states, and rather than presenting a marked typology, the results suggested a set of indistinct groups partly overlapping (9).

Table 1: Motivity Indices of Criteria in Each Country

Predictors	**France**	**UK**	**Ireland**	**Finland**	**Spain**
Socio-Demographic	78	68	48	49	56
Perception	19	21	6	19	17
Knowledge	9	11	9	9	18
Attitudes	14	4	11	8	6

However some interesting results can be highlighted. The analysis for the probabilistic relationships existing between socio-demographic, perception, knowledge and behaviour showed that the general QPS purchasing behaviour varied according to the country of residence. From a marketing perspective, such a finding is to be expected, as the behaviour of consumers is influenced by environmental issues such as culture, tradition and heritage.

Table 2: Sensitivity analysis of purchase frequency

Maximum frequency of purchase of QPS	observed in
For festive occasion	Finland
Less than once a month	Ireland
Once a week and less	France
More than once a week	Spain

Table 3: Sensitivity analysis of purchase location

Maximum frequency of purchase of QPS	observed in
From producer	Spain
In supermarket	France
In small shops	Finland

The consumers that considered a QPS as mainly a product with an official quality mark were most frequently found in Finland. Consumers ranking it in a lower position or not at all were most frequently found in UK. The consumers that coupled quality with a geographical area were most frequently found in Spain and France. The consumers that ranked it in a lower position or not at all were found most frequently in Finland. The consumers that considered presentation as an indicator of quality were most frequently found in Ireland. Consumers who ranked it in a lower position or not at all were most frequently found in Finland.

Looking beyond the impact and influence of country of residence on consumer behaviour, other factors were found to have an influence. The age of the consumer was particularly influential when purchasing QPS, mainly on the criteria for perceiving quality and differentiation factors. Other socio-demographic factors to be considered included the source of the main income into the

1 On consumer survey data from this last country were missing.

household, and the educational level of the respondent. The level of knowledge and awareness of QPS were also very important in determining consumer behaviour.

With the perception factors, differentiation of the QPS from other similar products was influential. It would therefore appear that QPS consumers prefer the visual confirmation of quality through the official certification, which in turn influences the perception of product attributes and the comparison with other products in the market-place.

Moreover, depending on the country, the most motive factors were not the same. Location of residence relative to the study region was one of the most motive factors in France, the UK and Finland but it had very little influence in Ireland and Spain. The gender factor had very little influence in France, the UK and Finland whereas it was important in Spain and in Ireland. The level of education of the respondent and the main source of income into the household were also important according to the country. Both were very motive variables in France and the UK. Only the level of education was important in Ireland and Finland and the source of household income was very motive in Spain.

1.2. *Results from Concerted Action CAT*

During AIR-CAT (CT94–2481), *Measurements of consumer attitudes and their influence on food choice and acceptability*, I organised a workshop on *Consumer Attitudes Towards Typical Foods* in October 1998. We had several papers from Germany, Spain, France, Belgium, Ireland and the Netherlands (3).

The preference for food products from his/her own region is pointed out by each study. This preference concerns particularly origin labelled food products (OLFPs) in France, regional products in Germany and Spain and on farm processed food products in Belgium and Ireland. Willingness to pay a higher price for typical food products seems to be positive in Belgium, Ireland and Germany and negative in France and Spain.

Based on six countries and different products results were congruent on the fact that the regional origin of a product may be a decisive criterium in the buying process, only if the differences between the product alternatives are low. Especially, if the competing products are strong brands, the preferences for products of the own region are expected to be less pronounced. For main of respondents the origin label is a competitive attribute judged at the same level than the price and the brand (observed in Germany, France, Belgium and Ireland).

Results from Germany, France and the Netherlands highlighted that the preference for food products from his/her own region is more based on a regional image rather than on familiarity with products. Nevertheless the preference for food products of the own region seems especially high for fresh or raw products, lower for cooked products and very low for preserved food.

1.3. *Results from national survey Consumer Scanned Data Panel*

The originality of this national study[2] was the method that obtained data on the sensory preferences, declared behaviour and actual purchases from the same consumers. Using private cards set up by supermarkets, the bar code of a product can be linked to the customer card at the cash register. It is thus possible to identify who buys what, when, how and how much (6).

The aim of this programme of which I was the manager was to study the purchasing behaviour of consumers towards OLFPs compared to commercial brands or distributor brands. We were focusing on Camembert cheese and dry pork sausage.

Table 4: Distribution of panel's purchases over one year

Product category	Camembert cheese	Dry pork sausage
Commercial brand	50,5 %	68,7 %
Distributor brand	29,9 %	22,8 %
Origin labelled	11,4 %	7,1 %
Lowest price	8,2 %	1,3 %

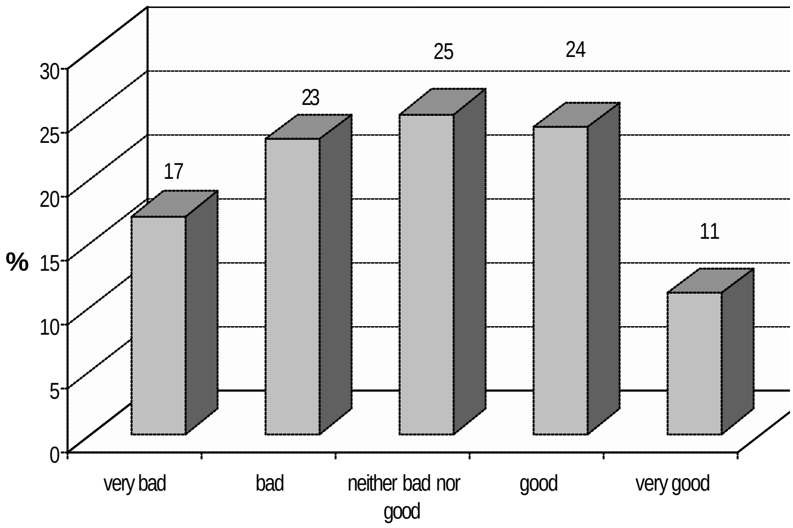
The distribution of the panel's purchases according to the product category and to the consumer type shows a great specialisation of the choices. The *Connoisseur* type makes 79,2% of his purchases in the origin labelled category. The *Brand prone* type directs 83,1% of his purchases towards commercial brand category. The *Rational* type chooses 76,2% of his products among the distributor brand category. The *Thrifty* type buys 77,4% in the lowest price category. Variety seeking seems quite narrow among the panel.

In spite of 19 different brands offered on the shelves of the three shops in camembert and 15 in dry sausage, the panellists - who buy 6 different brands or less in cheese over one year and three different brands or less in sausage - make 80% of the total purchases of the whole panel. The choice sought by each one is restricted even if the distributor must present a very broad range to satisfy all the customers. And the origin labelled products do not always belong to the consumers' purchase set.

[2] Supported by DGAL (Food National Board), French Government (programme Aliment Demain R97/07)

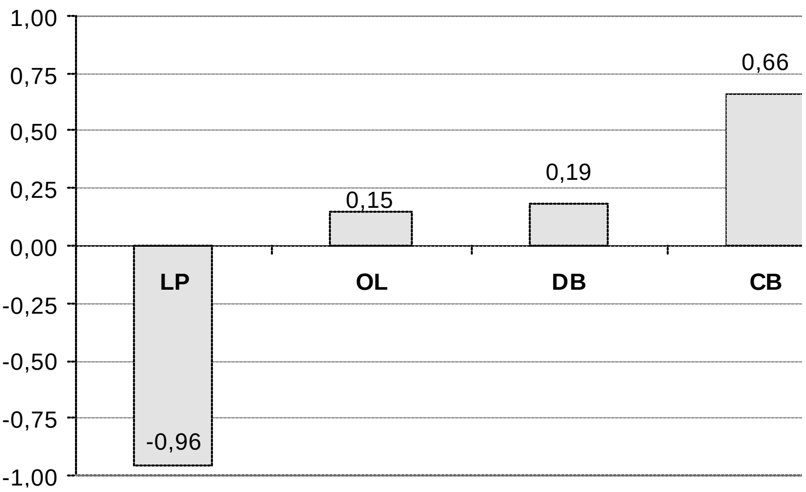
OLFPs seem to be differently appreciated during hedonist blind tests, and to take few advantage of their identification. They are important for the credibility of the store, but do not attract a large number of customers: sales seem to be more related to the consumer loyalty than to the number of consumers buying them.

Figure 1: Hedonic ratings (%), Camembert with PDO, n=306 respondents



Another important result is related with the influence of received information on consumer ratings. For the last hedonist test, consumers had the possibility of reading the name of the products, and gave higher ratings to well-known labelled products (commercial brand) than during the blind test. Distributor brand and even more OLFPs do not take such an advantage of their name. Lowest price products obtain lower ratings when the test is led with identified products.

Figure 2: Brand name effect: hedonist ratings differences between blind and identified product tests, 173 respondents



Legend: LP lowest price, OL origin labelled, DB distributor brand, CB commercial brand

The whole results show that, over one year, consumer purchasing behaviour proves to be <u>routine</u> and almost <u>automatic</u>. This is favourable to the dominant brands. The choice of consumers oriented towards OLFPs is based on a <u>fuzzy typicality</u> : demand for taste but ignorance of the meaning of label of origin and limited variety seeking. The appreciation of consumers appears closely linked to the social image which the brand conveys. The buyers of OLFPs constitute a <u>restricted group</u>. The purchases of this small group are stable and highly oriented towards OLFPs. The gustatory judgement of these buyers is more <u>severe</u>. Overall, purchasing behaviour is rather related to sensory preferences. We are now looking for the implementation of this experimental protocol within the EU.

2. DISCUSSION

All these results have a common point: socio-demographic criteria are existing but weak predictors of behaviour in respect to food. We did not found any attitudinal significant explanation of purchasing behaviour.

2.1. *Halo effect and fuzzy perception*

Consumer perception of typical food products seems to be based on regional image rather than deep knowledge of products. We found both preference for his/her own region and some acceptability of foreign typical food products when they are customised. Outside its area of production and its customers zone, an origin labelled product is perceived in a wider eating mode and represents a foreign culinary area. Although the Spanish consumer can obviously differentiate between products from Andalusia and Catalonia, this is not the case for tourists.

Without knowledge or familiarity with an OLFP consumers base their judgement on more general information they have about the country of origin of the given product. When the country is well-known or when its reputation on food is well established there is a halo effect that lead to a favourable consideration of the given OLFP.

It seems that provenance and origin are similar for most of people. On consumer standpoint typical food products, speciality foods, on farm processed food products, local foods and sometimes organic foods are OLFPs (7). Consumers are looking for products from somewhere. It is not sure that they can differentiate PDO and PGI labels.

On a sensory way there is a great discrepancy between consumers' responses towards typical food products even in the same country. They like or dislike OLFPs in blind tests. On a cognitive way we observe a very low knowledge of OLFPs and a low memory of brand name. Consumers seem to have a distant idea of product history and have often reluctance for process information in case of animal production.

2.2. *Under influence of context*

Unfortunately food crisis (Listeria, BSE, Dioxin, Foot and Mouth Disease) have a very short term influence on OLFP consumption. But this good effect is limited by the negative context of each scare episod.

3.2.1. Heliotropic effect

There is a kind of schizophrenia between tourist looking for explanations on process of OLFP during holidays, consumer hedonist sensation seeker and buyer paying attention to the price once arrived in daily shops.

During sunny holidays typical food product is always very good and fully tasty when eating it with friends. Came back at home during ordinary life typical food does not give same taste because it does not have the same sense. For some ones it becomes too strong, far away their own palatability. Those who still like it meet some difficulty to find it in shop and this product becomes suddenly too expensive. On a marketing standpoint we have to develop the heliotropic effect in favour of OLFPs during tourist period.

3.2.2. Survey effect

What consumer surveys measure are verbal responses to questionnaires. Each specialist of survey will confirm it to you: anybody will answer anything about any purpose so long as the interviewer will be smiling face to interviewee. Usual surveys only can measure verbal responses, sometimes they reach attitudes but very often loss behaviour. Even in sensory analysis we have an experimental context that may introduce some trouble in measurement. We need high number of tests to reach significant results.

With my colleagues we built and implemented the protocol called "consumer scanned data panel" to measure actual behaviour and to compare with verbal and hedonist responses. We measured that for the same panellists attitude and behaviour are not similar (5). This is a general result in food behaviour because attitude is cognitive managed and food behaviour is affective oriented. But it is obviously true for typical products that are more in charge of social status and more subject of ostentatious functions in social life.

The results of our previous experiment with scanned data panel are very interesting about the comparison between actual purchases, hedonist preference and verbal responses of each panellist on his/her own purchasing behaviour. Only 8,9% of the panellists have a high frequency of actual purchasing OLFPs, but they are 31,7% to prefer OLFPs in blind test and they grow to 55,0% to declare a positive attitude towards OLFPs. On the "dark" side, 78,3% of panellists did not buy any OLFPs over one year, they are 38,9% to reject OLFPs in blind test, but they are only 1,1% to express a negative attitude against OLFPs during face to face interview.

For other categories of products, the trend is the same. Consumer responses are more often negative in actual behaviour and become quite favourable in a declarative way, the sensory responses are more balanced. Verbal responses of consumers seem to be strongly linked to social image carried by brand status.

This declarative effect remains ambiguous regarding to the majority of market studies that are based on face to face questionnaire. The identification of declarative effect is congruent with previous results (10) on high quality label for beef meat. Finally neither gustatory preferences nor declared preferences appear to constitute reliable predictors of willingness to buy.

3. CONCLUSION AND PRESCRIPTION

3.1. *A niche market*

Origin labelled food products are a niche market in Europe around 7 – 9% of overall food consumption. With specific strong and long term marketing plan we can guess to reach 15%, no more (4). We have to adapt marketing action to such a niche market. This adaptation needs to use new expert models and small scale of investigation and action. It seems that it will be very difficult to increase the consumption of current consumers. But we have to enlarge the scope of consumers by using the heliotropic effect. Marketing plan on a given OLFP has to find new consumers first in the cities in the country of origin and secondly throughout EU where exists a real curiosity towards food ways of neighbours, a kind of exoticism.

3.2. *Consumers and producers approaches differ*

Consumers' approach of origin labelled food products differs from producers' one. Producers[3] are focusing on origin with a territorial voracity (8). Consumers are focusing on origin label with a confidence voracity. The definition of strict rules to obtain origin label is obviously necessary. But it is so far away from consumers' hedonist perception. We are thinking about origin labelled food products while consumers are only eating them. Consumers give an affective response not a cognitive one towards OLFPs.

3.3. *Prescription*

Marketing with description and analysis is only academics, we have to rub shoulders with market realities. *Strong brands ever test better*. A good case study of campaign of promotion of origin labels is given in Spain (1). We have to promote origin label (reputation is repetition) and to encourage local brands from micro regions - that do not mean anything for consumers - to merge. According to Miller's rule advertising has to be enhanced in order to reduce the number of promoted attributes of OLFP.

3.3.1. Be pragmatic

Take care about orthodoxy: what is the origin of a food product? We do not scientifically know what is tradition: Is it the memory we have? Is it the story we imagine? Or is it the image of ancient practices we can agree? Some illustration.

When I was in Vienna in 92 I ate once an escalope of veal with breadcrumbs. It was called the typical *Vienna* escalope. When I was in Prague in 93 I ate the same dish, it was called the typical *Pragua* escalope. In France I can also eat this piece of tender meat, it is very common and looks like a traditional dish. Yesterday I was in Milan and what I ate is called the typical *Milanese* escalope. Since this time I know that any escalope of veal with breadcrumbs is the typical dish for tourist in the ancient Empire of Habsbourg.

In last June I was in Switzerland for a workshop. I went to Forclaz pass in the Valais to watch a cowfight. This typical event is used to determine the Queen of the herd during mountain pasture. The breed of Herens is splendid but not so productive in milk nor meat. In this region farmers want to develop an origin labelled cheese called "Raclette du Valais". It is a long and hard challenge. It was very interesting to learn that in this village the cheese maker is a French guy graduate from national technical school of dairy industry in Savoie.

This detail recalls to me an other from Auvergne my region. At the beginning of 20th century the local authorities imported around thirty families from Switzerland to develop cheese production in Cantal with know-how from Gruyere. Fortunately these immigrants did not make gruyere. They built small local dairies and developed Cantal cheese production. Nowadays three generations after WÄLCHLI Dairy is one of them and makes excellent and origin labelled cheeses. Mr WÄLCHLI is also the mayor of the village. Where is tradition come from?

If we want rural development we have to remember that sustainability needs added value from its own activities. The level of price of OLFPs allows to generate added value. If the objective is rural preservation we just need subsides. But subsides are not sure on long term Agenda 2000 and new CAP do not support them. Normalisation is necessary against global free market. When defining the origin of a product, for instance area of production or provenance of raw materials take care about potentiality of local added value. Overzealousness, intellectually or politically satisfying, can kill the market and rural development, be pragmatic.

[3] and most researchers too.

3.3.2. Pay a great attention to methodology in consumer surveys

Consumer science in respect to food needs multidisciplinary approach. We have to combine economy, sociology, history, nutrition, psychology, sensory analysis, marketing and so on. These different sciences do not seem very different when using them on the same topic: the consumers. But each scope of knowledge can not be managed by anybody. I am focusing on consumer behaviour with a marketing standpoint. When I need sensory analysis or economics I am a beginner. In order to avoid a lot of naive mistakes I have to ask my colleagues which are specialists of other scopes. Be modest and lucid even if the topic seems accessible.

We do not need fuzzy science, keep away amateurism on methodology. For instance who uses the back-translation method (2) for international questionnaires? During RIPPLE we had to built a questionnaire common to six countries, five languages, twelve labs, and a multi-disciplinary team (geographers, economists, marketers, rural developers).

I am sure that marketing researchers are not graduate to develop history, sociology or sensory analysis. I am not sure that economists are at the right place to manage marketing approach. We have to weave research network as complementarity of know-how in the way of concerted action even at a national level. We have both to define and to combine our own academic scopes to do our best in favour of origin labelled food products.

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