

# **Annex 6**

**Reports WP 4  
Finland**

**WP4 Reports**  
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**Theme 3: Explaining OLP Behaviour**  
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**Awareness**

First of all the most important factor in OLP -usage is consumers' awareness of the label. They must know what is the idea behind the different OLP-labels. For example 93 % of the Finnish consumer recognise the country of origin label "Food from Finland" (Taloustutkimus 2001). The problem of PDO/PGI -labelling in Finland, as well as the other regional labels, is that consumers do not recognise these labels very well. At the local level this awareness of different labels is not so crucial because a particular label is not necessarily needed. Usually the customer is a local catering business and therefore the origin is already known when the products are bought.

Different OLPs and different explanatory factors

Different explanatory factors can be found when we examine different types of origin labelled products. At the national level the main explanatory factor is that by using OLP products consumers seek mainly food safety attributes (Taloustutkimus 1998/2001, Järvelä 1998, Viinisalo and Leskinen 2000). The general attitude is that domestic food is safe, reliable and more easily tractable.

Consumers consider regionality and locality far less significant than a country of origin. Those who do attach importance also to regionality are often somewhat older, well-educated professionals, who presumably have also higher incomes (Söderlund 1998). Awareness of regional labels is still quite low; approximately 41 % of consumers know the label "Maakuntien Parhaat/Uniquely Finnish". Similar studies concerning the awareness of PDO/PGI -labelling are not conducted in Finland.

Local food

The interest in the use of local food in the food catering units is increasing. Paananen and Forsman (2001) studied the possibilities and preconditions of a local food supply chain as an alternative marketing channel for small rural food processing firms. The results reveal that using local products provided by local actors may result in both economic and non-economic advantages for the catering businesses. These advantages are freshness, traceability of origin, pure (no food additives) and good taste of local food. However, there are many reasons not to use local food: too small production volumes, inadequate resources to meet demand for catering businesses, too high a price level and the time for searching for new local products and creating new business relations.

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## Theme 4: Communication

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### Reliable source of information

According to our own research (Latvala 2001) the most reliable source of food safety information are the national food authorities: 40 % of consumers share this opinion. Similarly, 40 % of consumers consider that if the information is produced by the all parties that are involved in foodstuff production it is also considered reliable.

Instead, private laboratories, food industry and European Food Authorities were not considered as trustworthy (Fig. 1). This result confirms the previous result that among the European citizens the Finnish consumers trust more on national food authorities (Eurobarometre 49).

"Who would be the most reliable source of information?"

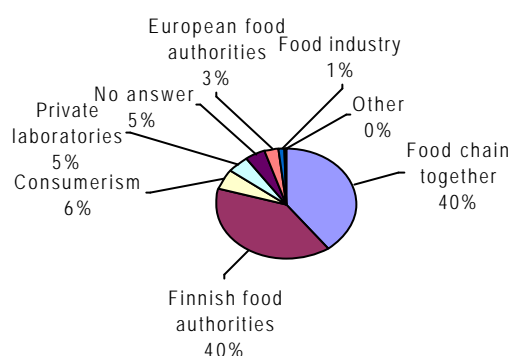


Fig. 1. Sources of food safety information and consumers' trust.

### Communication: labelling and new developments

Previous Nordic research (Temanord 2001) illustrates that trustful and adequate information is a basic requirement of labelling. Consumers say that they make use of labelling when shopping. However, empirical observations do not support this view. The empirical observations were gathered by means of protocol interviews. This was done by using buttonhole microphones and consumers were asked to comment on their thoughts and actions while shopping food products. Results show that consumers do not actually read food labels or other information available. Labelling is effective only when consumers buy new products or familiar products have somehow been changed.

If labelling is not effective for all products, then what should be more effective way to communicate information? One possibility to solve consumers' problem of time constraints in the shopping situation is electronic databases where consumers can conveniently have the information they need.

Labelling is not effective when more and more consumers eat outside their households. To make use of labelling in this kind of situation, one solution is to include the label to the restaurant menu. For example the "Food from Finland" –certificate is allowed to the restaurants, which guarantee and can prove that they use only domestic ingredients. These restaurants can have the right to use the "Food from Finland" -label in their marketing.

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**WP4- Link between OLP and Consumers and Citizens  
DOLPHINS Second Plenary Meeting, Paris, France May 5-6 2002**

**Theme: Marketing recommendations  
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**Informational Needs Concerning OLPs**

The OLP regulation pursues three objectives of which one is to guarantee reliable consumer information regarding specific quality expectations. In the following some of these quality characteristics are discussed and we also describe how consumers expectations are met. The focus here is what informational needs concerning OLPs may appear.

In our working group these informational needs emerged from many perspectives. Most important of all, as was pointed out in the synthesis report (Tregear 2001), was that overall awareness and knowledge of official designations of origin is very low among European consumers. To add the value of official designation in the food system a campaign to promote OLPs in general is needed.

Usually quality characteristics of the OLPs refer to the geographical environment of origin such as climate, soil quality or local know-how. What quality expectations consumers have regarding to OLPs? It appeared that for consumers a link between the origin and OLPs seems to be very complex and ambiguous.

Some of these symbolic values that consumer mentioned may even be diverged. For example safety as a quality characteristic may be closely linked to the origin and this value can be contradictory to traditional or organic production methods. There is also contradiction between modern approaches and tradition in production process. Another example could be the concept of a quality product in terms of animal welfare or environmental issues.

As regards to these quality properties other than origin the informational needs increase enormously. Usually OLPs are produced by small and medium size enterprises; therefore it is difficult to establish a common marketing conception covering all these concepts of quality.

Very interesting discussion was also made in our working group how awareness of the quality characteristics differs inside or outside of the region. The consumers' perception of quality may differ subject to whether a consumer lives inside or outside the region and how much she/he actually knows about the productions process. Again there may arise an information gap between consumers and producers, and, consequently, different marketing strategies should be adopted and applied in an efficient way.

**Marketing recommendations in a nutshell**

The OLP system in general needs to be promoted overall in European countries  
Consumers' quality expectations are diverse and inconsistent => highly intensive information systems would be needed, if these expectations were really to be met  
Different marketing strategies could be adopted depending on whether OLPs are marketed inside or outside the region