

Consumers and modern food chains: preferences, evolution and new research questions

Teresa Del Giudice

Department of Agricultural Sciences
University of Naples Federico II



Outline

- Are food chains an important issue in consumers preferences analysis?
- Consumers – Food quality : how this relationship has changed?
- Possible answers
- New research questions




Question # 1

Are food chains an important issue in consumers preferences analysis?

Contact point or medium through which consumers buy food

(Bjerregaard et al. 2012):

- Super/hypermarkets
 - convenience stores
 - traditional shops
 - internet shops
 - farmers
 - alternative food chains
- 

Question # 1

Authors have focused on:

- Consumers' Channel Choice
- Consumers' Preferences of Channel Attributes

Balasubramanian, 1998; Mccorke and Reardon, 2002; Hansen, 2006; Thompson and Yeong, 2005



Question # 1

Modern Retail and food market:


- increasing power of retail corporations (Wrigley et al., 2014).
- favourable position characterized by their proximity to the consumer
- development of an oligopsony (Burch and Lawrence 2005; Konefal et.al. 2005) structural and market power as a result.
- new forms of retail company characterized by the control of the product chain from farm to shelf (Fuchs et al., 2009)
- the development of competition that is not only based on price but also on quality (Konefal et al. 2005).
- this transformation is partly driven by changing consumer preferences (Mergenthaler, Weinberger, & Qaim, 2009)

Question # 1

Modern Retails Strategies :

Private standards (PS) have emerged as an important mode of market governance in many industrialized countries (Jaffee and Henson, 2004; OECD, 2004; World Bank, 2005; Henson, 2006; Humphrey, 2008; Melo, Engler, Nahuehual, Cofre, & Barrena, 2014; Reardon, Barrett, Berdegúe, & Swinnen, 2009)


To satisfy consumer demands, retailers and manufacturers – in cooperation with certification bodies and NGOs – increasingly use sustainability-oriented standards and labels (Kleemann, Abdulai, & Buss, 2014; Tran, Bailey, Wilson, & Phillips, 2013).



Question # 1

Private standard: a brief description

(OECD, 2004; World Bank, 2005; Swinnen, 2007; Henson and Reardon, 2005; McClasky, 2015)

- Setting, adoption, implementation, conformity assessment are voluntary
 - Individual firm level (Tesco's Nature's Choice), Collective national standards (BRC), Collective international Standards (Globalgap)
 - Food safety, environment, origin, traceability, labour ethics are standards core
 - Retailers as gatekeepers and attribute guarantors
- 

Question # 1

Alternative Food Networks and Food Market:

- Organized flows of food products that connect people who are concerned with the morals of their consumption practices in some way with those who want a better price for their food, or who want to produce food in ways counter to the dominant (or conventional) market logic (Whatmore and Clark, 2006).
- Consumers are now more interested in food, generally; they want to know where their food comes from and how it was produced (Morgan et al., 2006).

Question # 1

Alternative Food Networks and Food Market

Much of the theoretical work on AFNs has been dedicated towards understanding the social and material constructions of 'quality food'

(Harvey et al., 2004; Maye and Kirwan, 2010; Feldman and Hann, 2015; Migliore et al., 2015; Giampietri et al., 2016; Wills and Arundel, 2017).



Consumers – Food quality : how this relationship has changed?

- Food supply systems are becoming more sophisticated with each ecological and technological advance (Meyer et al., 2012)
- Consumers' perception of quality is increasingly influenced by credence attributes
- Credence attributes require a judgment or a certification by an authority figure
- Current consumer needs result in an increasing demand for more articulated credence attributes:
 - public health (safety, traceability, process attributes...)
 - environmental conservation, origin, creation of employment, supporting small scale
 - agriculture and local rural communities
 - workers' rights and ethical attributes

Trust and Taste: Are they possible answers?

- Private standards, Certifications and Labels have to be planned and designed to get both the attention and consumer trust to be effective (*Hynes et al., 2017; Nuttavuthisit and Thøgersen, 2017*).
- Direct interactions between farmers and consumers and locality represent criteria to establish reliability and reputation (*Sage , 2003*)
- It is essential to turn the credence attribute into experience or search (*Caswell and Mojdzuska, 1996 ; Wazemael et al.,2010*).
- To bring precise sensory features together with the claimed attribute could be a solution. In this way, consumer can be re- ensured of the healthy features of the food by other reliable information (*Piqueras-Fiszman and Spence, 2015*).

Taste

- There is now a huge body of research demonstrating the profound influence of expectations on experience. Expectations created by a variety of product extrinsic cues have effects on sensory perception, hedonic appraisal, and intake/consumption

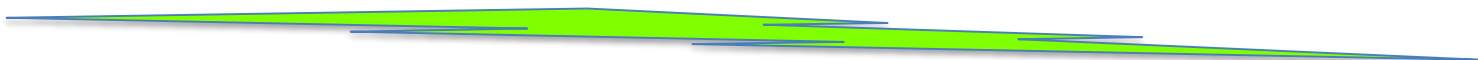
(Allison, Gualtieri, & CraigPetsinger, 2004; Di Monaco, Cavella, Di Marzo, & Masi, 2004; Jaeger, 2006; Jaeger & MacFie, 2001; Mueller & Szolnoki, 2010; Sosa & Hough, 2006)

- Taste to satisfy consumers needs
- Taste to trasform credence attributes in experince attributes



Trust

- Psychological state comprising the intention to accept vulnerability based on positive expectations of the intentions or behaviours of another” (Rousseau et al. 1998; Nuttavuthisit and Thøgersen, 2017).
- Factor that helps citizens and consumers to accept risks in the face of moral hazard (Roosen et al., 2015)
- Food characteristics are the outcome of all stages of supply chain, this implies that consumer trusts in food characteristics if she/he feels trusty different institutions and market actors in the food system (Poppe and Kjærnes, 2003; Meijboom et al., 2006; de Jonge et al., 2008; Sapp et al., 2009; Meyer et al., 2012).
- Consumer trust in food and in its credence attributes to be strongly predicted by trust in supply chain actors (Berg et al., 2005; de Jonge, van Trijp, Renes, & Frewer, 2007; Sapp et al., 2009).



New research questions

- To focus on Trust and food consumption in different supply chains
– Who builds trust?
- To focus on strategies to build trust
- To develop a new field to study taste: taste to satisfy consumers needs and taste as a tool to transform credence attributes in experience attributes.
- Multidisciplinary approach to the analysis of consumer behavior (key role of agricultural economists)



Thank you for your attention

Teresa Del Giudice

Department of Agricultural Sciences
University of Naples Federico II

