

Unitwin network seminar
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Trust orientations in the organic food market: a complementary approach based on distributors, certification organizations and consumers' perspectives

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Introduction

- ◆ Growing demand for OF products, often attributed as a response to food-scares (in 2013, US \$80 billions)
- ◆ Organic retailing has moved from a niche market position to a mainstream position
- ◆ Role of trust in consumers' perceived food risks has been relaunched as a direct consequence of rising concerns related to risks associated to food
- ◆ Consumers looking for risk reduction indicators
- ◆ Perceived quality influenced by consumer experiences and more importantly by the trust consumers have toward the quality indicators and their sources

Research Objectives

- ◆ Identify and analyze factors from the demand and supply sides that determine trust/mistrust in organic food (OF) products,
- ◆ Determine the relationship between OF distribution channels and institutional strategies, and consumers' trust orientations and variations.

The organic market

CONSUMERS' MOTIVATIONS

- ◆ Egocentric values (health, taste, freshness) rather than environmental and animal welfare
- ◆ In Canada: health, environment, support of local farmers
- ◆ In France: health and environment, taste and tradition

CERTIFICATION AND LABELING

- ◆ For consumers: certification (traceability or quality label) is considered as an important source of information for quality and safety
- ◆ Need for the consumer to be able to trust the product and any organism certifying this product.



CHANNELS OF DISTRIBUTION

- ◆ From niche markets to mainstream markets
- ◆ Two main trends of consumption:
 - ◆ regular OF consumers using standard distribution channels
 - ◆ hardcore consumers adopting alternative channels (box delivery, farmers' market, specialty stores, and small grocery stores).

TRUST DIMENSIONS

- ◆ Two sets of trust defined as:
 - ◆ (i) trust oriented toward several quality indicators,
 - ◆ (ii) trust oriented toward individuals.
- ◆ Trust can be oriented toward the brand, the certification label type of distribution channel, product's country of origin, the partners....

Methodology

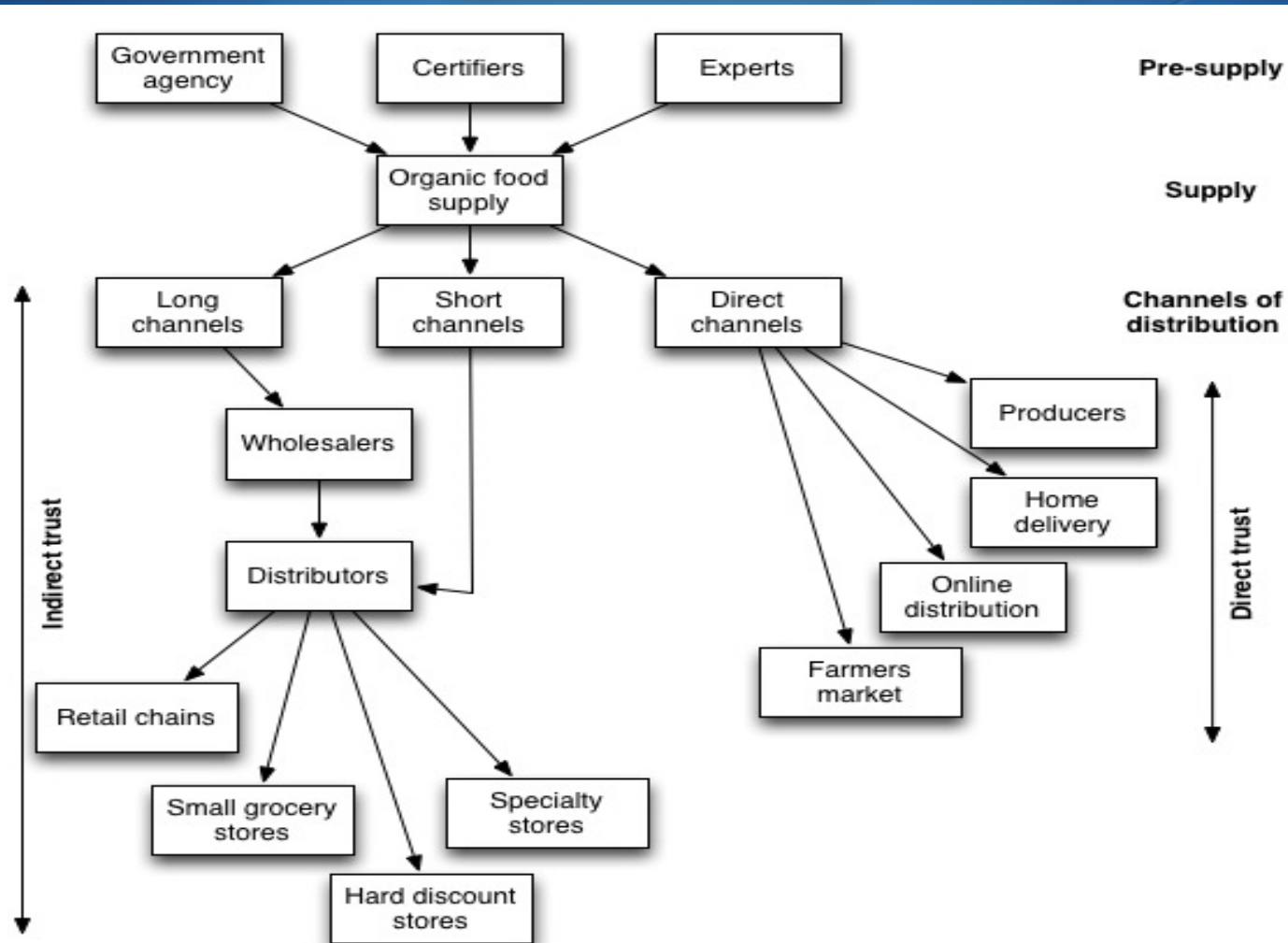
- Study 1: Qualitative study – OF distribution
- Study 2: Qualitative study – Organic certification organizations

	In Canada	In France
Superstores/Retail chains	7	7
Small Grocery Stores	3	NA
Wholesalers	2	1
Specialty stores	11	8
Organic producers Farmers' markets	20	3
Certifiers	8	2
Organic Food experts	7	1
Total	58	22

- Study 3: Quantitative study – Consumers' Trust orientations

CANADA				FRANCE	
Montréal	Ottawa	Toronto	Thunderbay	Paris	Montpellier
147	247	250	250	250	250

Studies 1 and 2: Conceptual Framework



The organic food market

- ◆ Trends: Increasing diversification of products and distribution channels.
- ◆ Distribution: differences between Canada and France in the distribution structure: store networks, online channels, hard discount.
- ◆ Certification: In Canada, several certifying bodies, labels are not yet well established; and increasing popularity of local food among producers.
- ◆ Some producers discussed what they call “*industrial organic*”, “*conventional organic*”, and “*local organic*”.

Trust issues and distribution strategies

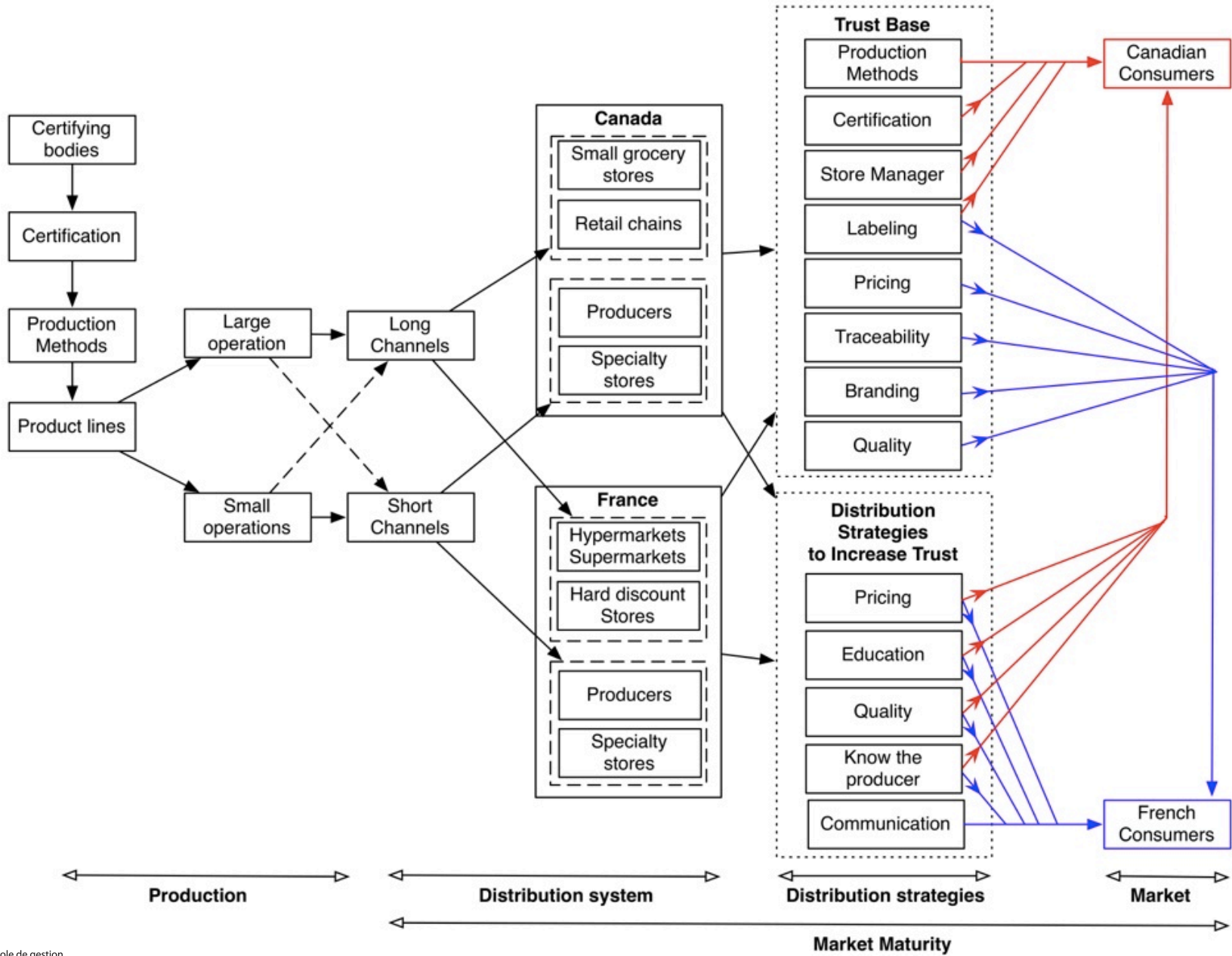
CANADA	Trust more	Trust less	FRANCE	Trust more	Trust less
Superstores/ Retail chains	Labels	<u>Brands</u>	Supermarkets/ Hypermarkets	Labels <u>Organic brands or private brands</u> Taste / quality Price	Conventional brands
				Hard discount	Labels
Small Grocery Stores	Labels Stores and store manager	<u>Brands</u>	NA		
Specialty stores	Product labels <u>Certification labels</u>	<u>Brands</u>	Network of specialty stores	Labels <u>Traceability</u> Name of the store	x
			Independent specialty stores	Labels Knowledge of sellers <u>Traceability</u> of the product	Product labels
Organic producers	<u>Certification labels</u> Production methods	x	Organic producers	High quality <u>Traceability</u> of the product Personal Contact	Labels
Certifiers	<u>Certification labels</u>	x	Certifiers	Labels	x

Table 3: Level of Trust According to Canadian and French Distributors

Distribution strategies

According to	In Canada	In France
Superstores/Retail chains	<u>Price Accuracy</u> Knowing the producer Consumers' education Quality	<u>Price Accuracy</u> (Private labels) Communication <u>Quality: Organic and "more"</u>
Small Grocery Stores	Consumer education Knowing the producer Price accuracy	NA
Specialty stores	Consumers' education Quality <u>Knowing the producer</u>	Consumers' information Communication
Organic producers Farmers' markets Certifiers	Consumers' education <u>Knowing the producer</u> Information on the labels Consumers' education <u>Knowing the producer</u> Production methods Certification process	Quality <u>Knowing the producer</u> Information on the labels Consumers' education

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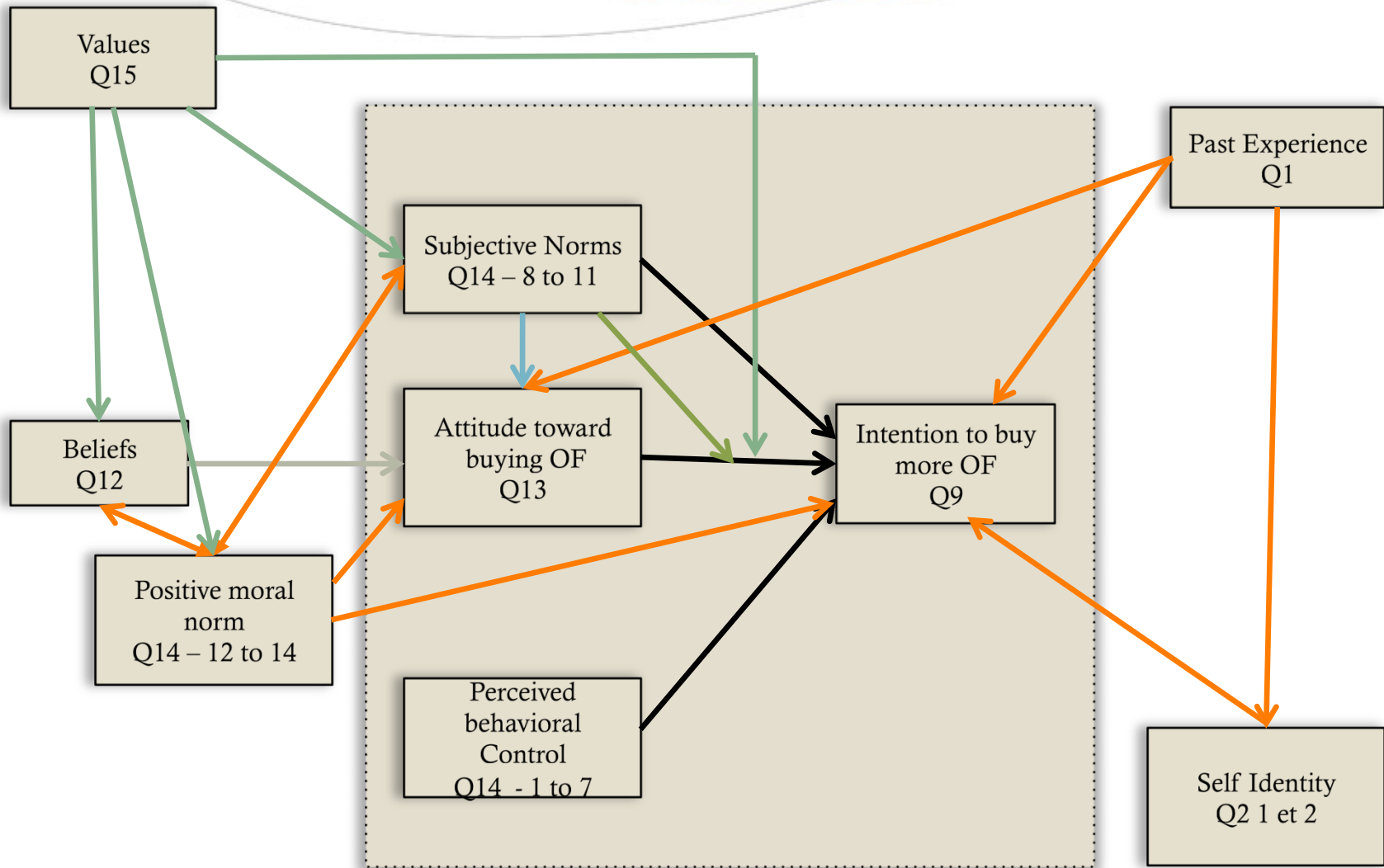


Study 3: Consumers

- ◆ Survey: questions related to
 - ◆ (i) organic food consumption in general (consumption frequency, preferred point of purchase, trusted point of purchase, certification, labels and brands, origin of the product, choice criteria, level of expertise, OF knowledge, satisfaction),
 - ◆ (ii) a series of questions on trust orientations and levels in the certification body, the origin of the products (food mileage), brands (trademarks), type of store, and point of purchase, and
 - ◆ (iii) consumers' perceptions, involvement with OF products, and social consciousness
 - ◆ (iiii) identification questions.

Study 3: Consumers

- ◆ Trust dimensions influence on attitude and intention to buy
- ◆ Extended Theory of Planned Behaviour Model: Values, Positive moral norms, Self Identity and Past experience
- ◆ Store choice model
- ◆ Consumers typology
- ◆ Canada / France comparisons (as well as intra country comparisons, cities)



Future research

◆ Conceptual

- ◆ Trust dimensions
- ◆ Store choice drivers
- ◆ Theory of planned behaviour
- ◆ Food products vs. other organic products
- ◆ External drivers (distributors) of sustainable consumption
- ◆ Perspectives' comparisons

◆ Practical

- ◆ Certification / labels
- ◆ “Knowing the producer”
- ◆ Competition?
 - ◆ Natural products
 - ◆ Locally grown products