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Buying organic food in France : Shopping habits and trust

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BUYING ORGANIC FOOD IN FRANCE : SHOPPING HABITS AND TRUST[1]

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Abstract

In this paper we attempt to compare the responses of consumers and professionals to questions related to organic food retailing, in order to highlight the differences and the similarities of viewpoints between them and to understand the links between consumer perception of organic food and the sales channel. In order to do this, we analyse the results of three studies, two of them conducted with consumers, the third one with professionals.

The first study deals with the links between consumer trust orientations and the frequentation of the different sales channels where organic food can be found. The results of this study conducted in France and Germany show that consumers in organic food stores put trust in their store but are neither the heaviest nor the most trusting consumers. Consumers in hypermarkets or supermarkets do not really trust the store, and only really trust the label.

In the second study, respondents were asked what their preferred outlet for organic products would be and why. Results show that organic food consumers like being something more than an anonymous consumer when shopping. They seem to appreciate markets particularly, and appear to attach no particular value to organic food stores, nor to the acknowledged greater convenience of shopping in supermarkets. This study also raises interesting questions relating to the experience of purchasing in terms of shop image and atmosphere, and factors that contribute to consumer trust in organic foods.

The third study is based upon two surveys (autumn 2003 and autumn 2004) among organic food stores in France, on market development and on actors' perception of their situation and their customers. According to shopkeepers, customers of organic food stores are looking more for quality and competence, than for attractive prices, and attach more and more value to traceability and trustworthiness.

This paper both shows important similarities and differences of viewpoints between consumers and organic food stores shopkeepers, and gives researchers and professionals a better insight into the links between consumer perception of organic food and the sales channel.

Key words : Organic food, consumer behaviour, sales channel, trust

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[1] Presented at 15th IFMA Congress, Sao Paulo, Brazil, 14-19th august 2005

Résumé

Dans cette étude, nous avons cherché à confronter les réponses de consommateurs et de professionnels à des questions portant sur la distribution des produits biologiques, afin de mettre en évidence les décalages et les similitudes de vision entre ces deux groupes d'acteurs et de mieux comprendre les liens entre les attitudes des consommateurs face aux produits biologiques et leur choix de circuit de distribution. Pour cela, nous analysons les résultats de trois études, les deux premières ayant été conduites auprès de consommateurs, la troisième auprès de responsables de magasins spécialisés dans la vente de produits biologiques.

La première étude, conduite en France et en Allemagne, relie la façon dont les consommateurs orientent leur confiance (dans le label, la marque, ou le magasin) et leurs choix de circuit de distribution pour les produits biologiques. Les résultats montrent que les consommateurs qui fréquentent les magasins spécialisés ont confiance dans leur magasin, mais ce ne sont ni les plus gros consommateurs de produits biologiques, ni les plus confiants. Les consommateurs qui fréquentent surtout les GMS (Grandes et Moyennes Surfaces) n'ont pas vraiment confiance dans le magasin et orientent davantage leur confiance vers le label.

Dans la deuxième étude, les consommateurs devaient expliquer quel circuit de distribution ils préféraient et pourquoi. Une analyse par chaînages cognitifs de leurs réponses montre que les consommateurs apprécient le fait de ne pas être considérés comme des acheteurs anonymes : ils privilégient pour cela les marchés, n'attachent pas de valeur particulière aux magasins spécialisés ni aux aspects pratiques de l'achat en GMS. Cette étude pose donc des questions intéressantes en termes d'image et d'atmosphère du magasin et des facteurs qui contribuent à la confiance des consommateurs.

La troisième étude, conduite en 2003 puis 2004 en France, présente la vision qu'ont les responsables de magasins spécialisés en produits biologiques. Selon ces responsables, les consommateurs attachent plus d'importance à la qualité des produits et à la compétence des distributeurs qu'au prix, et accordent de plus en plus de valeur aux notions de traçabilité et de confiance.

Cet article fait apparaître à la fois des similitudes et des divergences dans les visions des consommateurs et des distributeurs, et donne aux chercheurs comme aux professionnels quelques clés pour mieux comprendre les liens entre les consommateurs, leurs attitudes face aux produits biologiques et leur choix de circuit de distribution.

Mots clés : Produits alimentaires biologiques, comportement du consommateur, circuits de distribution, confiance

Introduction

Organic products markets are growing in most European countries, and a large number of studies have been conducted to study organic food consumption in Europe (e. g. Zanoli and Naspetti, 2001 ; FIBL, 2004). However, very few studies have tried to compare consumers' and professionals' viewpoints on organic food. To our knowledge, only one study conducted in Norway (Storstad and Bjorkhaug, 2003) compared the foundations of production and consumption of organic food in Norway according to farmers and consumers, but the viewpoints of consumers and shopkeepers have not yet been studied. More generally, few studies have related specifically to the links between consumers and stores. Yet, these links raise interesting questions related to the future of the different distribution channels. The importance of different sales channels (conventional retail chains, organic food stores, "farmers" markets, etc) varies significantly from country to country, as Table 1 shows.

Insert Table 1 : Importance of different sales channels in European countries in 2000

Do consumers' perception of the organic offer, and consumers' trust in this offer vary between the different sales channels? Do consumers and professionals have the same viewpoint of what is important in organic food and organic food stores? What are the resulting implications for the marketing of organic food? …In order to answer such questions, we analyse the results of three studies, two of them conducted with consumers, the third one with professionals.

Consumers trust orientations and shopping behaviour

The first study deals with the links between consumer trust orientations and the frequentation of the different sales channels where organic food can be found [2]. This study is based on a consumer survey, carried out in 2002 in France (Paris and Montpellier, N = 315) and Germany (Munich, N = 149). The mean age of the participants was 40 years, 68% of the respondents were female.

Participants completed a questionnaire consisting of a number of items relating to organic food, with a special emphasis on trust orientations in the labels, in trademarks or in the shop. In order to measure this, we presented statements such as « When I buy organic food, I trust the « AB » label »[3], rated on a 5-point Likert scale from "fully disagree" to "fully agree".

We studied three types of outlets : hypermarkets or supermarkets, organic food stores, and others (open markets [4] and direct from the producer), and three types of organic products : egg, milk and bread.

[2] Complete results can be found in Sirieix, Pontier and Schaer, 2004
[3] The label "AB" – Agriculture Biologique" is the most important label for organic food in France.
[4] Open markets are common in most areas of France and are considered to be the third most important sales channel for organic produce (23 % market share, Fibl 2004).

Insert Table 2 : Trust in hypermarkets or supermarkets vs organic food stores

These results show that consumers in organic food stores trust their store very much (average > 4.5 for each product) and trust hypermarkets or supermarkets much less (average < 3.1 for each product). More surprisingly, consumers in hypermarkets or supermarkets do not really trust them, since they have more trust in organic shops (average for trust in hypermarkets : 4.2, and 4.4 for organic food stores).

For both countries, we tried to identify consumer profiles using the trust orientations as input into a clustering procedure (Ward's method, i.e., a minimisation of the sum of squares within as opposed to across clusters). The cluster solution selected was based on the inspection of jumps in distance measures (scree test).The segment types are described in the following table.

Insert Table 3. Consumer profiles according to the clusters

The results show that the heaviest consumers prefer to go to open markets or to buy their products directly from the producer, in which they have complete trust (cluster 3). Most consumers in organic food stores can be found in cluster 2. They trust their store but are not the heaviest consumers nor those who most trust the place where they shop ; they do not trust hypermarkets, but like other places to shop than their organic food store. Consumers in cluster 1 are mostly occasional consumers of organic food who buy organic products in supermarkets for convenience. They do not really trust the store, but mostly trust labels. More generally, these consumers have the lowest level of trust, and if a scandal occurred in organic farming, one could think that they would no longer trust organic food.

Means-end study of shopping habits

Unlike the previous survey which relied on the use of pre-established questionnaires, in this study participants were encouraged to express their motivations for buying organic food relatively spontaneously and without reference to an explicit goal. More precisely, we used for this survey means-end theory, which focuses on the linkages between product or store attributes, the consequences of these attributes, and the personal values or desired states that these consequences reinforce (Gutman, 1982; Reynolds and Gutman, 1988). Concrete attributes (e.g. fewer additives) lead to abstract attributes (e.g. naturally produced), with functional consequences (e.g. eating healthily), and psychological consequences (e.g. feeling good), and instrumental values (e.g. food as enjoyment) and terminal values (e.g. enjoyment).

The interview technique used to reveal an individual's means-end chain, underpinning product choice, is called laddering (Reynolds and Gutman, 1984 and 1988)[5]. From the interview data hierarchical value maps were constructed based on an aggregation of individual ladders. Means-end chain analysis is useful in understanding consumer motivation but can lead to too few conceptual statements and for this reason the laddering interviews were supported by a series of focus groups.

For this research, laddered data was collected by means of qualitative interviews, subcategorised into regular (55%) and occasional consumers of organic food, in rural (55%) and urban areas. Most (74%) interviews were conducted on a weekday. A total of 100 interviews were conducted by three investigators in four geographically disparate areas (South, West, East and Paris), and three retail outlets (direct markets: 24, organic specialty shops: 34, Supermarkets: 42).

Following transcription of the interviews, a database of cognitive means-end-chains for each consumer was maintained using purpose-designed Laddermap software, and this enabled the automatic creation of aggregated hierarchical value maps. Hierarchical value maps [6] show the linkages between attributes, consequences and values. After general questions on organic food [7], respondents were asked what their preferred place to shop would be and why. The first map (cut-off 5 [8]) depicted associations to three points of sale; open markets, supermarkets, and direct from the farmer. Organic food stores did not appear.

Insert Figure 1 : Map for choice of retail outlet for the purchase of organic food

For supermarkets the paths are not rich. A bifurcated ladder starts from the concrete attribute, Supermarket and is linked via Wide range and Good location to Convenience. The latter functional consequence is in turn linked to another functional consequence Save time, which is in turn linked to a further functional consequence, Leisure time. These links were particularly important for regular consumers. However, the ladder ends there, in other words, these consequences of shopping appear to be unconnected with consumer values.

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[5] Laddering takes place in two stages. First, perceived product or shop attributes are elicited. Second, the respondent is encouraged to identify connections between these attributes and their consequences and values. This constitutes laddering for each elicited attribute, which is achieved through the continuous questioning of the respondent as follows:
What is your preferred place to shop for organic products?
Open markets
Why?
Because in open markets you can talk with the producer
Why is it important for you to talk with the producer ? ….

[6] In the maps it is possible to observe complete chains and subsidiary linkages. Chains are made up of nodes (boxes). Linkages are of varying strengths depending on the number of interviewees mentioning the concept.

[7] Complete results can be found in Sirieix, Alessandrin, Persillet, 2004

[8] The map cut-off number refers to the least number of statements that had to be made about the node for that node to appear on the map.

Open markets were mentioned in 30 interviews, and the ladders for shopping in open markets were much richer than for supermarket shopping. Results suggest that shopping at a market is an enjoyable outdoor experience where food on sale is fresh and both the quality of the food and the service is good. The map shows that complete pathways run from open markets and the farmer to the terminal value, Good relations, via three functional consequences of these choices of outlet, Social contact, Contact with producers, and Advice or service. Contact with producers is a central node and can be seen to be integral to short organic supply chains (direct and local markets). But, whereas buying from the farmer connects to value only through Contact with producers, shopping in the open market connects to value via Relationship with staff - Advice, and an abstract attribute, Pleasant atmosphere. Thus, three main paths can be identified for buying organic foods at the open market. Two of these relate to the pleasant atmosphere of the market, the market as a social institution. The third chain relates to receiving good service and having a two-way relationship with traders; being something more than an anonymous consumer. All three chains culminate in a desire to have good relations with other people in general, to get on well with people when shopping as when socialising.

For some consumers supporting organic farming was an additional consequence of buying from the farmer. Contact with producers also leads to an interesting cluster of nodes that form a bridge between information and advice, each building trust. The sub-chain Contact with producers - Product information - Trust, demonstrates the perceived role of farmers in establishing trust-based trading relationships by providing information. Good relations therefore appear to be established through contact and especially service, and not just trust. An apparent difference was that for regular consumers, atmosphere and social contacts were of prime importance, and the node Advice did not appear in the map. Whereas, for non-regular consumers, Advice was the more important route to good relations.

When the nodes, cooperative and organic shop were merged, one organic shop based chain (19) arose but did not appear on the map at cut-off 5 because it was associated with a wide range of minority views, Small (4), Trust (4), Pleasant atmosphere (3), Social contact (2), Relationship with staff (2), Good location (2), Wide range (2), and Good appearance (1). So there appeared to be no clear focus or shared goal for shopping in organic shops. For most consumers, organic shops do not have a clear image and are not perceived to be sufficiently superior to other retail outlets to frequent.

An additional map (not shown) was constructed to examine reasons for not using certain retail outlets and was based on 59 interviews. This analysis explains why supermarkets, organic shops, mail order and / or internet shopping were rejected. The most strongly rejected of these was the supermarket (19), which was associated with 5 negative consequences, the strongest link being to Size/oversized. An interesting ladder was seen from Size/oversized to Mass products and No trust. This seems to lie in direct opposition to the chain discernable for shopping in direct markets which was perceived to confer trust on the transaction. The node Size/oversized was also connected with the negative attribute, Cannot support organic farmers, and the negative psychological consequence, Feel bad.

Interviewees talked of supermarkets making them feel nervous and of getting lost. Conversely, organic shops were rejected for several reasons including, Not available, Small range, Poor quality and Not convenient and the node was also strongly associated with the psychological consequence Feel bad. In this instance, Feel bad referred to feeling uncomfortable and / or targeted. Feel bad in these examples can be seen to lie in direct opposition to the pleasant feelings of atmosphere and ambient experience in open markets. Mail order and internet were mentioned and rejected by only 3 and 4 interviewees respectively but this was not surprising since in France these markets have not yet emerged with any significance.

Market perspectives and consumer behaviour according to keepers of organic food stores

Two surveys among organic food stores in France supply data on market development and actors' perception of their situation and their customers.

In autumn 2003 interviews among 100 keepers of organic food stores indicated an excellent market development (turnover growing in 67 % of all stores, average turnover growth: 18 %). When confronted with statements on market perspectives and consumer behaviour, shopkeepers respond as shown in figure 2.

Insert Figure 2: Market perspectives and consumer behaviour, according to shopkeepers in 2003

According to shopkeepers in 2003, consumers are looking more for quality and competence, than for attractive prices when shopping in organic food stores.

Insert Figure 3 : What customers were looking for in organic food stores in 2003

In autumn 2004 a second survey was conducted among 165 keepers of organic food stores. Results show, at first, that economic perspectives are still very good: turnover had grown in 65 % of all stores though average growth had declined (12 %). We further asked shopkeepers about their consumers' main concerns, asking "Which question is most frequently asked by your customers"?. The answers are shown in the table below.

Insert Table 4: Customers FAQ (frequently asked questions)

According to shopkeepers in 2004, buyers of organic food in organic food stores are most frequently concerned about the trustworthiness of the designation "organic", far more than about quality, price or utilization of the product itself. All these questions about traceability and trustworthiness of the label confirm the growing importance of trust for organic consumers. In answering these questions, the staff of organic food stores have to fulfil the role of a "trust vector" much more than that of an advisor in food choice or in food use, which would be a more traditional task for the personnel in food outlets.

General discussion and conclusions

Even though the market for organic products is developing well, trust (distrust) in the organic offer remains an important pattern in consumer behaviour and is likely to reduce the consumption of organic produce. Consumers' trust and consumers' behaviour with regard to the different sales channels are partly contradictory: although conventional retail is becoming increasingly important as outlets for organic food, consumers put little trust in its offer. They orientate their seeking of trust towards official labels for organic products. Yet, even though consumers who mostly frequent organic food stores are rather confident in this type of outlet, the trustworthiness of the organic offer is still their main concern. They seek to assure their confidence by asking questions to the shop assistants in organic food stores. Besides, for some consumers, organic shops do not have a clear image and are not perceived to be sufficiently superior to other retail outlets to frequent.

The sales channel where behaviour and trust seem to be very much in line are farmers markets and direct sales. Table 5 shows the increase in the number of respondents reporting that they buy organic products in open markets in France between 2003 and 2004, even if results are very different from one product category to another.

Table 5 : Frequentation of different sales channels for organic food in France in 2004

In open markets, consumers "eat organic and buy local" they do not need trust labels since they trust the farmer or the person they know at the open market. These results suggest that consumers, as the food chain becomes more and more complicated and abstract, are looking for simplicity and a reconnection with the production sphere (Miele, 2004). Some big actors also know how to gain consumer confidence and how to reconnect consumers and producers. For example, Eosta, the international market leader for organic fruit and vegetables has received the first prize for corporate social responsibility on behalf of its innovative quality development system, based on traceability and quality communication. According to Eosta, 'Nature & More' evaluates the benefits of growers' contributions to society in three ways: In addition to the inherent product characteristics, it judges the growers' effort to improve the environment and regional/social development. It provides growers with a face and a voice to articulate their unique qualities. A specially designed internet platform (www.natureandmore.com) informs consumers how suppliers provide healthier products, and how they engage in greater ecological practices and contribute towards more social justice. In different ways, it is thus possible to remove the product from the anonymity of the market, and go on building consumer trust in organic food and organic production.

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Table 1 : Importance of different sales channels in European countries in 2000 (%)

<table>
<tr><th>Countries</th><th>Conventional retail (supermarkets)</th><th>Organic food stores</th><th>Open markets and direct from producer</th><th>Others</th><th>Total</th></tr>
<tr><td>Germany</td><td>35</td><td>37</td><td>18</td><td>10</td><td>100</td></tr>
<tr><td>Italy</td><td>35</td><td colspan="2">60</td><td>5</td><td>100</td></tr>
<tr><td>France</td><td>42</td><td>28</td><td>23</td><td>7</td><td>100</td></tr>
<tr><td>United Kingdom</td><td>80</td><td>11</td><td>9</td><td>0</td><td>100</td></tr>
<tr><td>Switzerland</td><td>75</td><td>16</td><td>5</td><td>4</td><td>100</td></tr>
<tr><td>Denmark</td><td>89</td><td>4</td><td>7</td><td>0</td><td>100</td></tr>
</table>

Source : FIBL 2004

Table 2 : Trust in hypermarkets or supermarkets vs organic food stores

Shopping place most frequently used		One can have **confidence** when buying organic milk/bread/eggs in a **supermarket**	One can have **confidence** when buying organic milk/bread/eggs in an **Organic food store**
All products	**Supermarkets**	**4,2***	**4,4***
	Organic food stores	**2,8***	**4,6***
organic milk	supermarket	4,17 *	4,47 *
	Organic food stores	3,09 *	4,61 *
…organic bread	supermarket	4,26 *	4,49 *
	Organic food stores	2,47 *	4,57 *
…organic eggs	supermarket	4,16 *	4,30 *
	Organic food stores	2,72 *	4,61 *

* average answer (Likert scale, from 1 to 5). Significant differences between trust in supermarkets and trust in organic food store (p< 0,005).

Table 3. Consumer profiles according to the clusters

	Cluster 1	Cluster 2	Cluster 3
Trust orientation	No real trust in trademarks or shop, great trust in the label	Important trust in trademarks, shops, and in the label.	Medium level of trust in label and trademarks, important trust in the place to shop.
Most frequented shop	hypermarkets	No preferred place to shop	Other places : open markets and direct from the producer
Consumer profile	More occasional buyers than in the other clusters (19,7% buy organic products less than 3 times per year).	Less occasional buyers than in cluster 1 (10,4% buy organic products less than 3 times per year).	Heavy buyers of organic products : 67% buy them more than 10 times a year ; only 5.5% buy them less than 3 times per year
Place of survey	88% France 12% Germany	66% France 34% Germany	29% France 71% Germany
Number	198	164	91

Table 4 : Customers FAQ (frequently asked questions) in 2004

My customers' questions are most frequently about…	%
Traceability and trustworthiness of organic food	29
Health and nutrition	16
Usage / preparation of the product	8
Prices	8
New products	5
Quality	4
Others	17
No answer	13
Total	100

Table 5 : Frequentation of different sales channels for organic food in France in 2004

	Basis	Organic food stores	Open markets	Conventional retailing	General food stores	Others
All products 2004	395	28%	50%	65%	28%	16%
All products 2003	311	21%	39%	72%	29%	18%
Fruits and vegetables	282	12%	55%	21%	3%	5%
Eggs	241	10%	34%	32%	3%	17%
Bread and cereals	230	25%	8%	31%	30%	5%
Dairy products	212	12%	9%	73%	2%	3%
Milk	121	16%	7%	66%	1%	9%
épicerie	153	39%	3%	47%	4%	6%

Source CSA report 2004

Figure 1 : Map for choice of retail outlet for the purchase of organic food

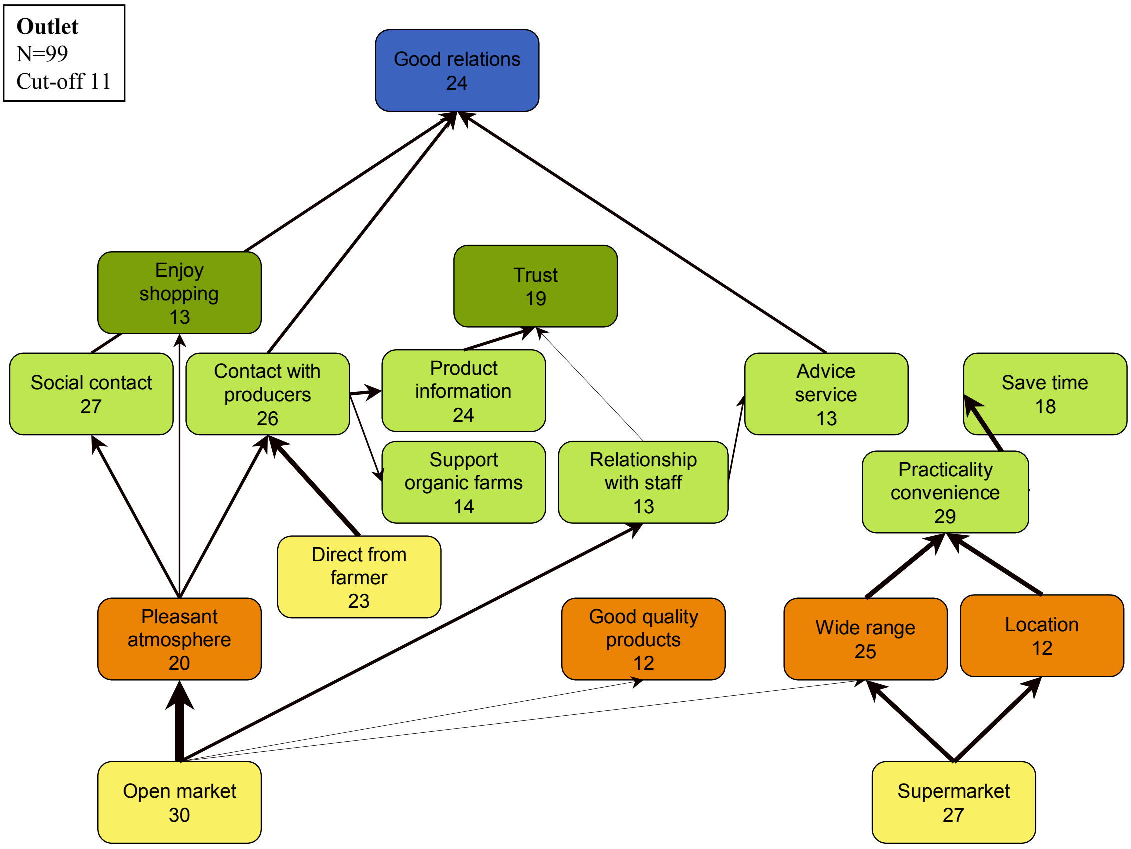

Figure 2: Market perspectives and consumer behaviour, according to shopkeepers in 2003

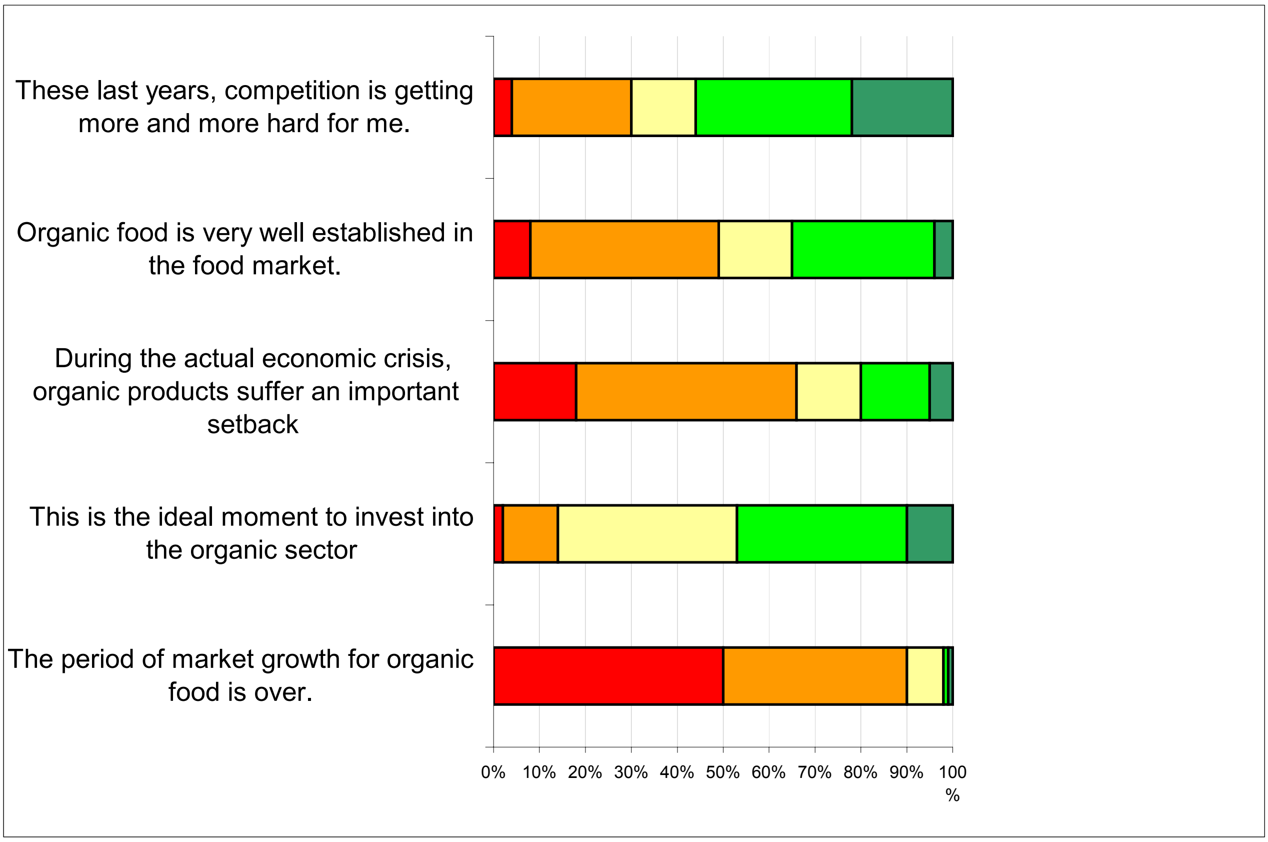

Figure 3 : what customers are looking for in organic food stores in 2003, according to shopkeepers