

Preliminary findings from consumer and retail environmental labelling study

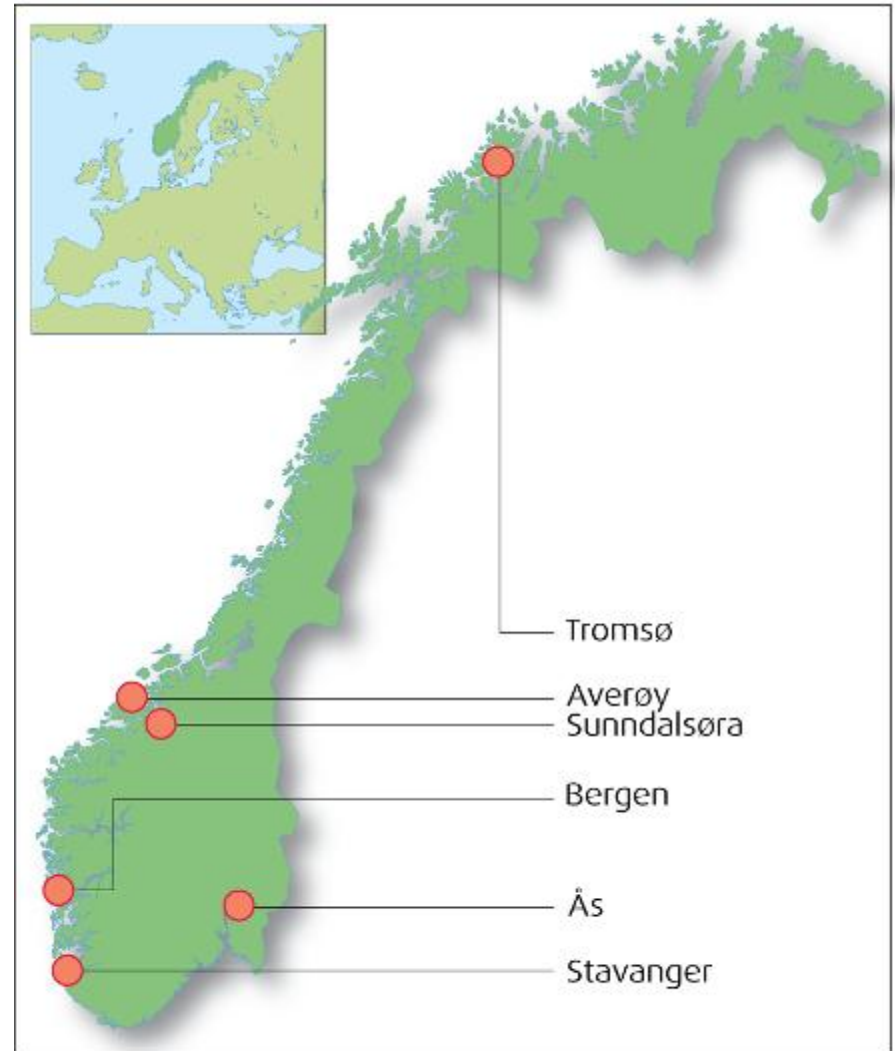
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Disposition

- What is Nofima?
- Sustainable seafood project
 - Background, goal and methods
 - Findings and conclusions from the consumer studies
 - Findings and conclusions from the retail studies

Facts about Nofima

- Date of establishment: January 1, 2008
- Comprises the former Akvaforsk, Fiskeriforskning, Matforsk and Norconserv
- Target markets: Food industry and aquaculture and fisheries industry
- Employees: approx. 490
- Turnover in 2009: NOK 471 m
- Head office: Tromsø
- Owners:
 - State (Ministry of Fisheries and Coastal Affairs): 56.8%
 - The Agricultural Food Research Foundation: 33.2%
 - Akvainvest Møre og Romsdal: 10 %



Business divisions

Nofima Marin

Breeding and genetics, feed and nutrition, fish health, efficient and sustainable production, seafood processing, and product development and marine bioprospecting

Nofima Mat

Raw materials quality and processing, food safety and quality, consumer research, sensory perception, food and health, and industrial gastronomy and innovation

Nofima Ingrediens

Marine bioprospecting, raw materials, by-product utilisation, feed and nutrition and the processing of ingredients and feed

Nofima Marked

Economic analysis, perspective and foresight analysis, consumer research, market analysis and strategic consultancy

Project “Effects of sustainability on demand for seafood”

- Financed by the Fishery and Aquaculture Industry Research Fund
- 2009-2012
- Research carried out by Nofima and University of Stirling

Background

- Increasing demand for sustainable seafood from the industrial buyers
- MSC is the most widespread label in Europe
- Norway's most important fisheries are MSC-certified:
 - Norwegian Northeast arctic cod (**beyond 12 nm**)
 - Norwegian Northeast arctic haddock (**beyond 12 nm**)
 - North Sea herring
 - Norwegian spring spawning herring
 - Northeast Atlantic mackerel
 - Saithe

Goals of the project

Enhance the knowledge level about sustainability and market responses

- Identify customer requirements related to environmental and sustainability issues.
 - How well is sustainability incorporated into purchasing processes? Who influences these processes?

- Identify industrial buyers' and consumers' awareness, perceptions and knowledge of sustainability and labels

- Examine the drivers of the development
 - Consumers, retail, NGO?

Methods

- Studies of professional buyers in United Kingdom, France and Germany
 - Interviews:
 - Supermarkets
 - Catering
 - Processors
- Consumer studies in United Kingdom and France
 - Focus groups (4 per country)
 - Survey

Consumer studies - goal

- Knowledge about consumer awareness, perceptions and knowledge of sustainability and different eco-labels
- Knowledge about the importance of sustainability as a buying criteria for fish compared with other criteria

Results from focus groups in the UK

- Not representative data – no final conclusions should be made
- The data will be used to form hypothesis for further research
- Can give indication of consumer perceptions and actions

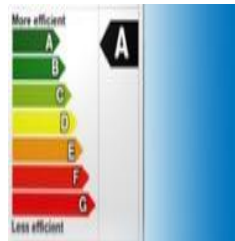
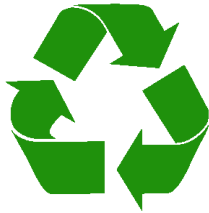
Consumers' buying criteria for seafood

- Fresh fish:
 - Freshness and price the most important
 - Sustainability is not mentioned spontaneously
 - Origin was important for some

- Few differences between the environmentally concerned and "ordinary" consumers

Awareness and knowledge of eco-labels

- Low awareness level
 - Recycling, Energy efficiency, dolphin safe, organic and fair trade labels were recognised



- Very few recognised the MSC label
- No one had knowledge of who is responsible for the labels or which criteria must be satisfied to use the label.

Perceptions of sustainable seafood

- Believe that sustainability is related to responsible management of fish stocks to avoid overfishing
- Low knowledge level related to sustainable seafood products
- Few search information about sustainability actively
- There is a social pressure to appear as environmentally engaged

“Becomes a guilt thing...no-one wants to stand up and say I don’t give a damn”

Trust in eco-labels

- Consumers want a standardised system for ecolabeling
- Consumers hold supermarkets responsible for sustainable sourcing of products
- The government should be responsible for inspecting the labelling schemes
- Consumers are sceptical towards ecolabeling, especially when there are several labels for same issue: "outdoor reared", "free range chicken", "Corn fed" "organic" ...

"How organic is organic?"

What do the consumers do for the environment?

- Recycling
- Lower temperature inside
- Switch off the lights in unused rooms
- Reduce car usage
- Take holidays in the UK
- Eco-showers
- Insulating
- Eco light pulps
- Avoid excess packaging (Environmentally engaged group)
- Teleconferences (Environmentally engaged group)
- Buy CO2 compensation when flying (Environmentally engaged group)

Preliminary conclusions from the consumer study

- Sustainability seems to be a "socially correct" issue for many consumers – not very deeply rooted in personal values or lifestyle
- Consumers don't consider themselves responsible for sustainability
- Other factors are more important in everyday shopping situations

Preliminary conclusions from the consumer study

- Consumers have very little knowledge about fisheries and aquaculture, which makes them unable to evaluate sustainable seafood schemes. They trust labels that seem trustworthy
 - Low loyalty towards the labels
- Food doesn't seem to be a part of environmental behaviour
- The sustainability issue is not consumer driven!

Studies on retail chains

- Goal:
 - Enhance the knowledge level about the sustainability issues in purchasing processes
- Is sustainability important criterion? Who creates the sustainability trend? How are the industrial buyers influenced by the sustainability trend? How are the buying decisions made and who influences them? Are the NGOs influential?

Results from the retail study

- Supermarkets are very concerned about sustainability and welcome the MSC label, but few are willing to commit themselves to only MSC.
- Sustainability concept includes environmental, social and economic issues
 - France and Germany: focus is on the social issues
- UK: Responsible sourced seafood is preferred: own criteria and standards
- Supermarkets feel responsible for providing the consumers with safe, high quality and responsibly sourced products

Results from the retail study

- NGOs seem to have an implicit but quite substantial influence on supermarkets buying organisations
 - Regular meetings with Greenpeace, WWF.
 - Want to keep the door open for alternative documentation of sustainability

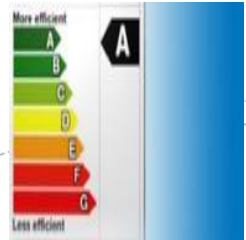
- Responsible sourcing and sustainability are issues that are here to stay, but there are possibilities for alternative strategies for the Norwegian companies



reducing with the Carbon Trust



Certification Mark



Thank you for your attention!