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Desk study on consumer behaviour towards sustainable food products

National report – Switzerland

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SWITZERLAND

SUS-CHAIN WP3 National Report (deliverable 9.3)

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INTRODUCTION

Finding information of the behaviour of consumers towards products issued from sustainable production methods raises different problems in Switzerland.

There is no permanent observatories of the consumers' attitudes and buying behaviours, such as the French Credoc (Centre de recherche pour l'étude et l'observation des conditions de vie) or the CCA (Centre de Communication Avancée). This is probably due to the small size of the market (7 millions inhabitants). In this report, therefore, we have decided to also present some French results about the consumers' worries and styles that we consider relevant for Switzerland.

The number of published studies is few and we do not have any historic data. The large Swiss agro-food companies and retailers have developed since many years marketing research services and use on a regular basis the results of consumer panels and ad-hoc studies, but this data is very expensive or even inaccessible. Ten years ago, retailers felt that eco-labels could be a profitable new market segment and launched their own retailers' eco-labels. They have many data on the issue, but which are not accessible. Thankfully, lately public institutions (federal and regional) and associations (producers or consumers) buy and distribute the results of studies or panels. This helps smaller operators, farming leaders and the administration gain access to this information that is essential to be able to understand and manage markets. We thank them very much for this effort. We could not have written this report without their help.

The development of marketing research on eco-labelled, faire-trade labelled and origin labelled products is linked to the interest that Swiss consumers show for these products. During the past decades, there was a common assumption that the Swiss consumers were not interested in differentiated products. The assortment in the supermarkets was essentially composed of "generic" goods, sold with a retailer trademark at a medium price. Marketing research were not considered important, except to big international processing companies (such as Nestlé) or to retailers. However, now the importance of marketing research is being more widely recognised in particular as the answer of Swiss consumers to a promise of sustainability has been quite good. Switzerland, which used to have rather dull food patterns has now become a very interesting market place in respect to sustainable agriculture products

This report describes the situation in Switzerland, using the methodology and guide-lines common to all the partners of the project. It is divided in four chapters:

1. DEFINITION OF SUSTAINABILITY FOR FOOD PRODUCTS (MARKETING MEANING)

The marketing approach to sustainability is very different from the political and technical approaches as analysed by experts. Sustainability, as a political issue, considers the future effects of current economic activities. In practical terms it consists in identifying pertinent indicators, to measure values and to decide on warning levels above which restrictions on individual commercial freedoms can be restricted to assure the future common good (for a detailed description see WP1). These issues might concern only the actors of the food supply chain and do not consumers.

However, since a number of years, sustainability, or rather its “aura”, has become a commercial argument. However, it is clear that the technical evaluation of sustainability is a very complex issue, the message transmitted to the consumers is simple, if not simplistic. It is a “promise” in the publicity sense of the word, that tries to answer deep psychological needs (according the Maslow pyramid) and is crystallised in a slogan.

This simplicity of the message is typical and necessary in marketing. First, because a technical discourse is not well accepted by the majority of consumers and may even create worries. Secondly, it is well known that it is to sell a product, it is more efficient to promote the benefits of the product, rather than the product itself. As soon as 1938, the Advertising Department's director Salacrou stated : “Soap ? Sir, soap is not sold, the complexion of a young lady, the smile of a baby, or milk are sold, but not soap”[1]

In Switzerland, this promise covers a number of dimensions linked to the sustainability concept:

- The environment, to which animal well being is often associated (Bio-Suisse label – organic, traders own labels Coop Natura plan and most labels covered by EngageMent Migros, Vinatura …)
- Fair trade (Max Havelaar label)
- Origin and tradition (PDO/PGI labels and other regional labels)

Each one of the profiles now corresponds, in Switzerland, to market segments that are well identified (see WP2 Swiss report – section 2). Since a few years, an important amount of work has been undertaken by the concerned initiatives to elaborate the promise and to contain it in a logo and a signature or publicity slogan (see next page).

The question of the recognition of the logo, of the reputation of the label, and its image, are central to commercial success. These points are developed in section 3.

This simplicity, however, should not lead to the idea that it is possible to promise without holding that promise. When promising elements linked to sustainability, credibility is central to the development of sales. All information that reinforces or weakens trust has strong consequences on the act of buying. This point is developed in section 3.

[1] Quoted in Lefébure A., 1992, Havas ou les arcanes du pouvoir, Grasset, 1992

Sustainable agriculture products : major logos et slogans

BIO SUISSE

Year of birth: 1980 to 1983

Initiator : a producers' association

Multi-products

organic Swiss products — organic imported products

No slogan

Coop Naturaplan

Year of birth: 1993

Initiator : Coop, one of the two major Swiss retailers

Multi-products

organic Swiss products — organic imported products — meat and eggs programme — fair trade

Recent slogans : « Plaisirs de la vie »(life pleasures), « une question de confiance »(A question of trust), « Tout est dans la nature »(all is in Nature) and since 2003 « Coop Naturaplan : 10 ans déjà. Et ce n'est qu'un début »(CN : 10 years already, and its only a beginning).

ENGAGEMENT Migros

Year of birth: 2002 (Inheritor of the old program Migros Sano born in 1985).

Initiator : Migros, one of the two major Swiss retailers

Multi-products

Organic products — Cereals, potatoes (pest management) — meat programme — fair trade

Slogan : « Pour l'homme, les animaux et la nature » (For humans, animals and nature)

Max Havelaar

First year of trading in Switzerland : 1992

Initiator : Max Havelaar Fondation

specific products : bananas, coffee, tea, flowers.....

Signature : « Un plus pour chacun » (an extra for everyone)

AOC-IGP

Launched : 2000

Initiator : Association for the promotion of the PDO-PGI products

Appellation d'origine contrôlée (PDO)	Indication Géographique Protégée (PGI)

signature : « Les signes des produits de caractère » (the signs of products with character)

2. GENERAL FOOD CONSUMPTION TRENDS

The following presentation was discussed and validated by a group of experts during the first Swiss national Sus-chain seminar, the 2nd of December 2003 in Biel [2]. We differentiated the long term trends (demography, food styles), of more contextual tendencies (issues linked to recent events).

2.1 Demography: the development of small households

The consumer panel IHA-GfK reflects Swiss household demography. As elsewhere in Europe, small households (1 or 2 people) are now the majority and represent approximately 65% of households. This is linked to the ageing of the population and to a the delaying of the age of maternity. 38% of households live in one of the 5 larger urban centres (Zurich, Basle, Bern, Geneva, Lausanne).

The number of working women, one of the lowest in Europe, is however on the increase. The foreign population now represents approximately 20% of residence, with the most important communities being Italian, French and Spanish.

These long term tendencies have important effects on types of food consumption. It favours small packaging, the consumption of food outside the home and very different food shopping depending on the day of the week. During the week, demand favours functional products, easy and fast to prepare, bought in large supermarkets. At the week-end, “pleasure buying” is prevalent. The weekly migration of the urban population towards the mountains favours the buying of local produce. Multicultural eating habits is developing, in particular in the younger generations.

The income levels and buying capacities remains a central element influencing food consumption. The average income per inhabitant in Switzerland is very high. 67% of IHA panel households have an income above 52000 CHFr (or 35 000 Euros), whilst only 3% are without income. However these figures hide a wide disparity, in particular amongst the over 60s.

According to the results of a study by the Federal office for statistics (2000), 8.3% of Swiss households spending was dedicated to food [3].

2.2 Food styles : four main types

The attitude towards food can be very different. A study by the CCA- Centre de Communication Avancée [2001] done for Europe, proposes four types of food consumption

- " Basic " food consumption, functional, necessary « to feed oneself ».
- " Compensation " food consumption : temporary escape, symbolic compensation, to be diverted or amused « to have fun ».
- “Virtuous” food consumption, to revitalise, to manage the equilibrium between soul and body, to find vigour and health, « to restore oneself ».
- "Multi-facetted" food consumption, to change constantly, to not get board, to mix, « to surprise oneself and to surprise ».

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[2] We would like here to thanks those who participated in the validation, in particular Fabienne and François Courvoisier (Marketing chair of the “Haute Ecole de Gestion de Neuchâtel”), IsabelleEichenberger (Fédération Romande des Consommateurs), Martine Jaques-Dufour (Association for the Promotion PDO/PGIs), Alessandra Silauri et Frédéric Brand (Federal office of agriculture).

[3] http://www.statistik.admin.ch/stat_ch/ber06/fu0604.htm

On this basis, the CCA identified 6 types of consumers, in 4 positions defined by crossing two axes: the horizontal axe “New / innovative – Traditional” products and a vertical axe “Simplicity – life style expressions”

- The *family table* (18% of consumers) : “basic” food consumption during the week, “compensation” food consumption in family at the week-ends, self-production. Convivial meals, little worries about health aspects.

- *Without fuss* (or « à la bonne franquette ») (31%) : mainly "basic" food consumption, except for during the feast days. Meals conceived to be eaten in groups, convivial.

- the *quick foods* (16%) : a preference for fast food ," basic" food consumption: sandwiches, pasta, pizza, Mac Do

- the *gastronautes* (11%) : Both « compensation », « multi-facetted » and « virtuous », as a symbol of quality of life.

- the *good-living* (11%) : paradoxal food consumption, devided between « basic », « compensation », « virtuous » (diets) and « multi-facetted ». Premium quality products as a connoisseur life style.

- The *puritans* (12%): “virtuous” food consumption, simple products, organic, general distrust of industrialised types of food.

This typology seems to correspond well to the Swiss situation (most probably with similar but different % in each category). However it hides “food zapping” habits in which households can float between types, buying both first price products and luxury pleasure good either during the same shopping session or at different moments of the week or year. Also, within a household, different members, depending on their age, may consume food in very different manners. The level of household internal diversity has become high, as the person responsible for shopping is increasingly attentive to the tastes and demands of the others. In some households, children and teen-agers may even become those prescribes meals or adopt different rhythms and meal contents. Considering this, food consumption types offer a new dimension to the marketing positioning of products.

The French speaking and German speaking parts of Switzerland seem to have different food consumption styles. In the German speaking part consumers are more inclined to buy environmentally labelled products, whereas in the French speaking part, consumers are more knowledgeable about and consume more origin labelled products or products linked to a territory or region.

This division is not unique to Switzerland and seems to correspond to a division within Europe. In a recent article, Giraud [2003] put forward the concentration of PDO/PGI products in countries of Southern Europe, whilst countries from North Europe are more favourable to organic products. It would be an interesting exercise to compare these tendencies with historic developments in the European regions.

2.3 Preoccupations

As early as 1993, Robert Rochefort, Director of the CREDOC (Centre de Recherche pour l'Etude et l'Observation des conditions de vie) highlighted the « increase of worries » within the French population. He made a difference between the scares linked to factors affecting the general public (economic crisis, wars, major environmental accidents) and those affecting the individuals (health worries, unemployment…). In ten years, these worries have not abated, to the contrary they have been exacerbated by successive scares such as BSE and foot and mouth diseases, alarmist information as to climate change or air quality in towns, economic slow down in most European countries. However, effects on food consumption are paradoxical or even incoherent, as this increase in worries does not systematically lead to an analysis of ones own food consumption. It seems that many consumers find it difficult to match coherently what they buy with what they believe is good for them (health, ideal weight), or for the world (environment, national economy…). For many, good intentions do not follow them into the supermarkets or restaurants.

The Swiss population has not escaped these basic social trends.

Environmental consciousness is strong but seems to have little effect on the choice of food products. Market share of organic products is high, but not exceptional (approximately 2.5% of food consumption, including processed foods) and many buy organic for other reasons that concern for the environment.

Concerns on food health safety increase the consumption of organic products as well as that of "alicaments", highly processed products (such as bifidus…). Buyers seem to rely more on vague images and marketing promises, rather than on real knowledge concerning nutrition and dietetics.

Public health campaigns against cancer, relayed by the retailer Migros, encourages the consumption of fruit and vegetables widely, without however giving preference to any kind of production method or location.

Political developments, with on the one hand alter-globalisation movement, and on the other recent progression of a nationalistic conservative party has little impact on food consumption and is not translated into a preference for Swiss products.

On this issue of national preference, a study completed by the Federal office for public health shows that it can be an important factor for some products (meats, eggs) that are considered as carrying high risks. This would point to the fact that the preoccupation with personal worries such as quality or health risks, are the primary factors in creating a preference for national products, rather than an economic or political considerations.

3. CONSUMER BEHAVIOUR TOWARDS SUSTAINABLE FOOD PRODUCT

Finding information of the behaviour of consumers towards products issued from sustainable production methods raises different problems in Switzerland.

Firstly, as we stated in the introduction of this report, the number of published studies are few and we do not have any historic data. This gap in accessible information is currently being filled. Producer and consumer associations as well as public departments are now buying and distributing results, in order to raise the marketing culture among producers and consumers.

Secondly, the market segmentation, established mainly on the retailers' preoccupations and in function of their marketing strategies, is not always relevant for producers. Some new segments, such as the PDO/PGI are not identified in the panels, neither are products with environmental labels (other than organic), nor are regional trademarks. Therefore we are not in the procession of reliable information on the profile of consumers of these products.

In the same way, we do not have information on important segments of food consumption outside the homes. Some companies offer data from gastronomy panels, but these results are not accessible.

Finally direct sales are difficult to analyse due to the atomisation of buyers and sellers.

It should be however possible to extrapolate, with prudence, from the results that we dispose of. We encourage the supply chains that have not yet done it to obtain collective analytical tools on consumer demands and to diffuse their results.

3.1 Consumers of sustainable food products

3.1.1 Consumers' values, needs and motivations

It is usual to make reference to Maslow's pyramid (1954) that considers that consumption is based on two elements : a functional use and a immaterial components. Consumption is also a social act. Maslow considers the first level of needs are physiological (*physiological need*) : to eat, drink, dress, to heat oneself. Ones these physiological needs are covered, individuals look to answer the need for safety (*safety need*). Once this is assured, belonging need (*belonging -love need*), satisfied by the family, friends and social groups will become the priority. Maslow proposes that it is only once that one is anchored in a community, that one can develop self esteem (*self-esteem need*), that reassures on ones value as an individual. Once this is obtained, the need of self-actualisation appears (*self-actualisation need).*.

Swiss retailing has long privileged the "functional" dimension by dedicating the major part of their assortment to standard products with retailer trademarks. Still today, these products occupy a major place in shops, at least in Migros and Coop (for a presentation of the strategy of Swiss retailers, see WP2 Switzerland – section 2). The security needs is more or less covered by the trust in the retailers and in the major food trademarks.

The products with a sustainability promise increase the immaterial dimension and make consumers climb up the Maslow pyramid. They correspond, in Switzerland, to a real revolution in marketing approach, highlighting the evidence that Swiss consumers are receptive to forms of "virtuous" (organic and fare trade products) and "compensation" (PDO products) food consumption according to the typology suggested by CCA.

Environmental labelled products

For products carrying environmental labels, in particular organic labels, it is as if we jump directly from physiological needs to self-esteem needs. In fact, things are not so simple, in as much as consumers tend to fill out the missing boxes. The first motivation for organic products is food security, at least for irregular consumers. It is only later that contributions to the environment comes. For “heavy users”, motivations seem to be different, buying signifying the belonging to a social militant group and a contribution to citizens causes (for a profile of consumers of organic products see section 3.1.5).

A recent study [Courvoisier, 2003] gives us the information on the perception of the label Coop Naturaplan, that correspond to organic products except for meat and eggs. Even though the sample is relatively small (115 interviewees) and the geographic zone reduced (Neuchatel region in the French speaking zone), this study opens interesting perspectives: Respect for the environment is quoted by 26% of those questioned, just before the control and security (21%), quality (17%), guarantee of origin (11%) and guarantee of taste (10%). The dimension of food security seems to play a central role in the perception of organic products. This is confirmed by qualitative studies realised by FiBL (Reseacch Institute for Organic Agriculture) [2003.]

As for promises relative to animal welfare, the coherence between acts and convictions seem important, and this seems to correspond to the higher levels of the Maslow pyramid, but quality research is also central.

Products from fare trade

Products from fare trade are an appreciated response to the desire of some consumers to act in defence of the convictions. Between two products perceived as equivalent and with the same price, the consumer will express a preference in accordance to his conscience. The need to act and self-esteem is as easily covered as the risk perceived on quality is weak and the difference in price is minimal.

Origin labelled products

Origin labelled products cover the need for security, linked to their promise of quality, and the belonging needs , by the link to a given identifiable territory. However the Maslow pyramid has difficulty integrating the idea of taste pleasure, linked to typicity. It does not consider – and this is often criticized – the need for beauty that the promotion of PDO products try to satisfy through the association of products to typical and exceptional landscapes.

According to a study all ready quoted [Courvoisier, 2003], the perception of origin labelled products is the following : guarantee of origin (31%), authenticity (23%), control and security (20%), quality (17%). These image attributes are coherent with the promise.

3.1.2 Information, knowledge and uncertainty

The issue of consumer information covers several other issues: first, a distinction must be made between the notoriety of a label and that of its logo, second, the knowledge of the content of a label and its’ associated image attributes by the consumers, and finally the credibility of the label or type of product. The study undertaken by Courvoisier [2003] helps us to distinguish between these aspects.

The Bio-Suisse label (“le bourgeon » or bud) of the organic producers association is now well known in Switzerland, with 69% assisted recognition (source Bio Suisse- IHA). However it is overtaken by the retailers’ labels, with 88% and 73% assisted recognition respectively for CoopNaturaplan and Migros-bio, this can be linked to the considerable promotion efforts undertaken for these. The study also mentioned that the CoopNaturaplan logo, taken out of it context and without name nor signature, obtains the best score of all Swiss labels with 12% recognition. It states that the credibility for the Bio-Suisse label is very high, whist it is average for the retailer labels “Coop Naturaplan” and “Migros-bio”. The umbrella label EngageMent Migros is recent and no figures are available.

We have very few figures concerning other (non-organic) environmental labels or retailer labels. It is patently obvious that the term “integrated production” is not well known by consumers and that they can not associate to it any content. We would suggest that the term itself is badly chosen, as it does not carry any meaning, or even evoke contradictory meaning (the word integrated is often associated to intensive).

Generally, the knowledge of the content of environmental labels, i.e. the content of the technical codes of practice, is very weak amongst consumers. The consumers associations are starting work on establishing a credibility diagnostics to help consumers choose. In association with the WWF and the Swiss animal protection organisation (PSA), the consumer federation of the French speaking part of Switzerland has just edited a guide [2003] that explains the content of the codes of practices and an evaluation note between 1 and 3 stars (copy next page). Organic labels obtains 3 stars, (very recommendable) whilst some "sustainable agriculture" labels obtain only 1 star (recommended with reservations). These are the PI/IP fruit and vegetables (integrated production), and the meat labels M7 (Migros), Swiss Prim, Bell Natura and PI Suisse.

According the study mentioned above [Courvoisier, 2003] the Max Havelaar (fare trade) logo obtains 11% recognition. Another study, published by the Max Havelaar foundation in 2002, claims the label obtained 60% assisted recognition.

The notoriety of the PDO label increases regularly. Over 50% of those questioned have either heard of "AOC" (the French abbreviation) or of "Appellation d'origine contrôlée" (protected designation of Origin). In the French speaking part of Switzerland this figure reaches above 90%, whilst in the German speaking part it is only just over 50% [Association for the promotion of PDO-PGIs, 2003].

According to the consumer study [Courvoisier, 2003], "L'AOC" (the PDO) is the first label quoted spontaneously by those questioned. This is a very encouraging sign considering the youth of this label. The logo however is not well recognised, and this is probably due to the fact that it is not well put forward on the packages. Credibility is considered high. The notoriety of PGI labels is weak and its' credibility considered average to high.

3.1.3 Availability of products and behavioural control

Most traded products with a sustainability promise are sold in selective sales channels, in particular due to the importance of retailer labels. Indeed, Coop Natura plan products are only sold in in Coop shops and the products of EngageMent Migros only in Migros (though some of the labels covered by this umbrella, such Max havelaar or marine Stewardship Council, can also be found independently). Organic products can now be found in most supermarkets, but often in incomplete assortments. It took some time, but now Max Havelaar is also present in both major retailers and is market shares on some products (eg. Bananas) is often quite high.

In Switzerland, the PDO/PGI appellations are recent. Large retailers find it difficult to introduce them, or other territory based products, in their strategy. The promotion of these products, be it pre-packed or cut, is little emphasised and the PDO is not always mentioned on the sales material. Consumers must be well aware to be able to identify these special artisan products amongst the industrially processed cheeses or other products. These products are usually present in shops, but not put forward by specific merchandising.

Eco-labelled, fair trade and Origin labelled products are most often fresh products. Retailer trademarks now propose very highly processed organic products, however big trademark companies (for example Nestlé) seem reluctant to enter this market segment. This may be explained by the still low global market share for organic products

3.1.4 Decision process : attitude and consumption behaviour

It is usual to underline the gap between effective buying and the result of studies undertaken far away from the points of sale on attitudes towards products respectful of the environment. A study by Crédoc [1999], undertaken in France showed that 70% of people interviewed at home (80% of women) were in favour of products respectful of the environment. However, a few years later, in 2001, the market share for Organic products was, in France, approximately 2% of food (currently 2.5% in Switzerland). Market shares of other (non-organic) environmentally produced foods is also limited, with the exception of meats and eggs (in particular when animal welfare is integrated into environmental concerns).

But the percentage of buyers of organic products is coherent with those intending to act (73% of Swiss consumers buy even if on an irregular basis, some organic products, only 27% never buy Organic). What makes the difference is the average amount bought by each buyer over the number of buying acts and the value per act. The best sales are for eggs, fruit and vegetables [FIBL, 2003].

Also the presentation of products at the sales points and the habit/fidelity behaviour seem to play a dominant role in the choice of products. Giraud [2002], when comparing the buying intentions and the effective buys after the cashier for a panel of French households, highlighted an important fidelity to trademarks and lots of habit behaviour. Trademarks have an image and trust capital, in particular concerning food safety. Retailers, and this may be even more true in Switzerland, have managed to build the notoriety and a reassuring image [4]. Once in shops, consumers adopt a quite "fuzzy" behaviour, often not in coherence with their intentions and attitudes away from the point of sales.

3.1.5 Socio-demographic profile

Who are the consumers of products with sustainability promises ? we have in some cases the results of panels (IHA-GfK), for products with significant market shares. In other cases, the data is qualitative. Retailers and companies own a number of studies on these questions, but they are not public.

Environmental labelled products

Available data concerns mainly organic products, as published by FiBL [2003] (The Research Institute for Organic Agriculture).

The number of buyers is in the order of 73%, whereas the percentage of "heavy users" is 12%. In the German speaking part, these levels are 77% and 15% respectively, whilst in the French speaking part they are of 61% and 5%. As the German speaking part represents 75% of the population, the geographic heart of this market is reinforced.

For all buyers, the main age category is the 30 to 49 age bracket, with a peak for the 40-49 year olds. The income effect is very clear, with a constant progression.

Amongst the « heavy users », or convinced group (12%) the dominate age group is younger (30-39), and the income effect is not so clear.

Origin labelled products

We have very little information on the socio-demographic profile of consumers of PDO products. These products are not identified in consumer panels, as the denominations are relative

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[4] In Switzerland, this reassuring image is reinforced by the fact that both major retailers have a long history and are, at least historically and still legally today, consumer cooperatives.

newcomers on already established products (it is difficult to isolate the PDO label effect from the notoriety of the product in itself) and especially as the market segment is, of yet, not well delimited by the retailers.

According to a recent Survey by IFA-GfK for the association for the promotion of the PDO-PGI products [2003], more than 90% of consumers say that they pay attention to the quality of food products and 60% say they pay a great attention to it. Amongst consumers who declared paying attention to the quality of food products and having heard about PDOs, 64% judge it very important to relatively important that the concerned product should by a PDO. This percentage is higher in the French speaking part, in towns, and a little higher amongst men, lower amongst younger generations, and a little lower in large families. However, no significant difference was observed on levels of education, nor on professional activities.

3.1.6 Social embeddedness

The long term changes of food consumption trends are very slow, as is confirmed by the regularity of the panel results. However they can be accelerated or suddenly modified by catalytic events, such as food crises. The meat market for example was profoundly modified after a number of crises, with important impacts on the supply chains concerned.

Mode effects may also play an important role, but these usually only impact on specific socio-demographic groups and are limited in time.

Family arbitration can also be important, with important powers of influence of children and teen-agers.

Retailers play an important role in orienting demand. In 2002, 75% of all organic products were sold through Migros or Coop, with only 16% through specialised organic or health shops and 5% through direct sales. In Switzerland, the sales of organic products can in some circumstances be “forced” by the retailers, due to the absence in the assortment of the equivalent conventional product. Also, the very inciting merchandising (posters, sales material, brochures) can create a feeling of bad conscience amongst buyers of conventional products and thereby orient the act of buying.

We also have little information on food consumption out of the home, be it in the work place or for leisure. This mainly concerns young adults and small households. Restaurant owners and the responsible for collective kitchens play a considerable role in food consumption and represent half the market for some products (meats, wines…).

3.2 Barriers for consumption of sustainable food products

The Swiss case is particular, in as much as consumers buy environmentally sustainable products without knowing it. 95% of Swiss agricultural production respects strict PEPs (Proof of Ecological Performance – see point 3 of WP2-Switzerland), but this “quality” is not transmitted to the consumers. The “deliberate” buying of products from sustainable agriculture concern only a small % of goods.

Price seems to be an important barrier to buying. This is confirmed for organic products by the FiBL study [2002]. However it would be dangerous to diminish permanently the price difference between conventional and organic products within the same shop, as this might put doubts as to the credibility of the promise. Price scales are important indicators for consumers to judge “quality. However, a price difference which is too important will bring organic products over a psychological barrier and discourage buyers.

Price hierarchy of PDO and industrial products is confused in Switzerland, to the detriment of the image of PDO products, as these are not clearly placed in the high quality segment of the market (some industrial cheeses, sold by cut, are the same price or even more expensive than raw milk

PDO cheeses). As the merchandising does not sufficiently distinguish these products and does not place them in a frame that corresponds to their image attributes.

Max Havelaar are sold with no or little price difference, so that their preference can be fully expressed. Notoriety of the label and of its' promise are therefore essential.

Product appearance is also important. For organic products sold next to conventional products, packaging is necessary, and this can harm the freshness image of some products (vegetables, fruit).

The promise of sustainability concerns mainly fresh products. Consumers may now find highly organic processed food, with a retailer trademark but there is a discussion about the coherence of such a strategy regarding sustainability (standardisation, energy use, freezing...).

And, as Giraud [2002] underlined, changes are slow (see point 3.1.4). Once in a shop, fidelity and habits play an important role in the consumers choices. As this inertia is very heavy, only a strong mobilisation of ideas and means can shift buying behaviour. The success of some retailers' trademarks is linked to their important promotional means. They use their mastery of the point of sales to its maximum to push consumers out of their habits.

4 POSSIBILITIES TO REMOVE THE ABOVE MENTIONNED BARRIERS AND STRATEGIES TO STIMULATE SUSTAINABLE CONSUMPTION

Communication of the production methods of Swiss products is now a burning issue. The debate about the promotion of Swiss products per say, will always hit upon this basic question.

Swiss products are outstanding both because of the importance of normalised products, with a high quality control management, and the environmentally friendly production process. The first "quality" is being gradually imposed by the retailers who want to avoid quality defects and have developed common European norms (Eurepgap). The second was imposed by the reform of the agricultural policy. Both, however, are not transmitted to the consumers, as guaranteed and non guaranteed products are mixed in the retailers' storehouses.

Retailers are not interested in putting forward the specific environmental qualities of Swiss production, so as to, on the one hand, maintain their freedom to import conventional products, on the other hand, to not harm the image of their retailer labels, that currently act as image boosters.

Swiss producers have, up to recently, made little efforts to put forward the Swiss production methods, that are, from an international perspective, quite extraordinary, as they make the classic mistake of considering competition in a narrow fashion and limited to their close neighbours, not considering more distant competitors, in particular imports (this classic marketing issue was studied by Porac, Thomas, Baden-Fuller ; 1989, on the example of Scottish mesh producers. Current attempts to distinguish Swiss production by a certified label “Swiss guarantee” are, in this perspective, encouraging.

If nothing is undertaken, current tendencies will continue. Opinions as to the potential market for Organic products are divided. Coop estimates that the market share should increase considerably in the coming years, whist Migros is more circumspect. Future events (potential food crises, environmental accidents…), and the rapid progress of « normalisation » will surely be key determinants. In all cases, the market share for conventional products, should remain high.

Institutional communication before the act of buying on the evolution of Swiss agriculture, that would insist on the specific environmental qualities of Swiss products, rather than relying on an abstract notion of national preference, could increase the transparency and trust of Swiss consumers. A legal authorisation to mention the respect of the PEPs on the packaging may also reinforce the message (for the moment, it is not allowed, as it is considered that it does not differentiate from normal Swiss production).

Trademarks are for the moment mostly absent for the market of products from sustainable agriculture, and this is very much a shame, considering their trust capital and their marketing know-how.

As for PDO products, the quality of the marketing efforts, confirmed by the rapid progress of the notoriety of the label, in encouraging. But the question of the placement in shops remains open. These products do not benefit from any adapted merchandising and are drowned out by conventional products; the notoriety of the – insufficiently employed- logo remains low. The fast progress of PDO notoriety will not be sufficient if the consumer is not helped to distinguish these products in the assortment.

Two scenarios can be foreseen:

- **The status-quo** : progression of the retailer labels on the specific market segments for environmental labels, progression of the Max Havelaar label, whose marketing strategy is professional and supported by the retailers, progression of the PDO labels whose notoriety and image are strong, in particular in the French speaking part of Switzerland. The normalised products will also progress but, as now, no information will be transmitted to the consumers. This means that, from a strictly marketing perspective, market share of "conventional" products (including a mix of Swiss -normalised and PEP respectful- products and non guaranteed mainly imported products) will remain high, probably above 80%. The effort of the producers and the food supply chains will be lost, as it is now, and consumers not reassured about food safety. In cases of a serious food crises, the Swiss supply chains will not be spared.

- **An aggressive marketing strategy for products respecting the strict ecological requirements or PEPs:** an institutional campaign with a simple a repeated message, public relations, product labelling, alliances with national trademarks for processed foods. The integration of the message in public health campaigns and school programs may also create an understanding in households. If this happens, it may be that Organic products will progress less fast, but that the volume of products carrying a sustainability guarantee to consumers would increase considerably. This could also favour a preference for Swiss products based on solid arguments.

The situation in Switzerland is encouraging and offers some interesting openings. The market was, until recently, very “basic” and is now open to the consumption of “virtuous” and “compensation” food products, as there is a real demand for these products. However, there is a high risk that the products from sustainable agriculture should hit a selling in niche markets. This would maintain the imbalance between the high performance of Swiss agriculture and what is perceived by the consumers.

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