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Desk study on consumer behaviour towards sustainable food products

National report – Germany

By
K. Knickel
Bärbel Nienhaus
Burkhard Schaer

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SUS-CHAIN WP3 National report Germany (deliverable 9.7)

Karlheinz Knickel[1] (IfLS - University of Frankfurt)
Bärbel Nienhaus [1](IfLS - University of Frankfurt)
Burkhard Schaer [2] (Ecozept)

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[1] Institute for Rural Development Research (IfLS) at Goethe - University of Frankfurt (Main), Website: www.ifls.de, Email: Knickel@em.uni-frankfurt.de.

[2] Ecozept GbR, Rural development concepts and market research. Freising; Website: www.ecozept.com, Email: schaer@ecozept.com

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Introductory remark

Although in the last years the Germans have taken a greater interest in products with low prices the consumption of sustainable food products still tends to increase. Obviously buying behaviour is influenced by countervailing motivations. This paper intends to give a first overview of aspects referring to the main research questions of WP 3:

- ❒ Who is the consumer of sustainable food products (individual characteristics)?
- ❒ What types of products (produced through which process) are mainly demanded?
- ❒ For what reasons is the individual consumer buying sustainable food products?

These three question correspond with the chapters 1 to 3 of our paper, furthermore we will provide, in chapter 4, some information on general food and consumption trends.

1 Consumers of sustainable food products

Numerous studies try, since the early 1990s, to identify the social and individual characteristics of the consumers of sustainable food products in Germany.

These studies try to characterise consumers of sustainable foods according to different criteria:

- ❒ survey results on attitudes and opinions;
- ❒ socio-demographic data;
- ❒ information on societal settings and combinations of these.

It has to be stated, that German research on these topics is, in general, not focussing on “sustainability“ in the complex meaning of the term. It is rather axed on consumption of organic, ethically correct and regional food.

At first, research results on organic food consumption will be presented, than we shortly provide some information on consumption of regional and “ethically correct” (fair trade) food.

1.1 Consumer typology under attitudinal aspects

OTT (1995) observed that consumers, who care much about nutrition and eating (and about its health and pleasure aspects) are much more likely to buy organic food than other consumers. FRICKE (1996) tries to assort buyers of organic food under four “attitude-clusters” (**Table 1**).

Table 1: Attitude-clusters among organic food buyers

Attitude pattern	Health-oriented buyer	Critical, quality-oriented buyers	Sceptical, environmentally concerned buyer	Satisfied casual buyers
Willingness to pay more for organic food	high	very high	low	rather low
Health concern	very concerned	not concerned	rather concerned	concerned
Confidence in conventional food	low	low	very low	high
Part of all organic buyers, tendency	34% ⇧	28% ⇧	15% ⇩	25% ⇧

Source: own compilation according to Fricke, 1996

1.2 Consumer typology under socio-demographic aspects

PRUMMER (1994) found the following socio-demographic characteristics for German organic food buyers: higher incomes, higher formal education, relatively young and living in households with young children.

A relatively high willingness to pay more for organic food has been observed, by CMA (eds., 1996) among "dink"-households (double income, no kids) and among households with high incomes and several children.

As the consumption of organic food gets more and more common among all societal groups during the 90s, socio-demographic criteria lose a lot of their explanatory potential with regard to sustainable consumption styles (KLAUSEGGER, 1995; FRICKE, 1996). SCHAER (2001) found organic buyers still to have higher incomes, higher formal education, being younger and living in bigger households than non-buyers.

1.3 Consumer typology according to "milieus"

Consumer behaviour getting more and more complex in recent decades, researchers look for new patterns to characterise consumer groups (Klausegger, 1995). The German "Sinus Institut" (1995) tries to describe social milieus, that reflect value orientations, attitudes, consumption habits and socio-demographic data.

Table 2 shows the affiliation of organic food buyers to different "milieus".

Table 2: “Sinus”-milieus and organic consumers (1995)

Milieu-Type (not exhaustive)	Part of the population (%)	Part of organic buyers (%)
Success-seekers middle-aged, middle incomes, materialistic.	25	3
Petty-bourgeois traditional, nostalgic, elder.	21	3
Hedonists Very young, consume-orientated lifestyle	12	14
Technocratic liberals High formal education, high incomes, trend-setter, progressive.	9	44
Alternatives Ecologically and politically conscious, young, high formal education.	2	27

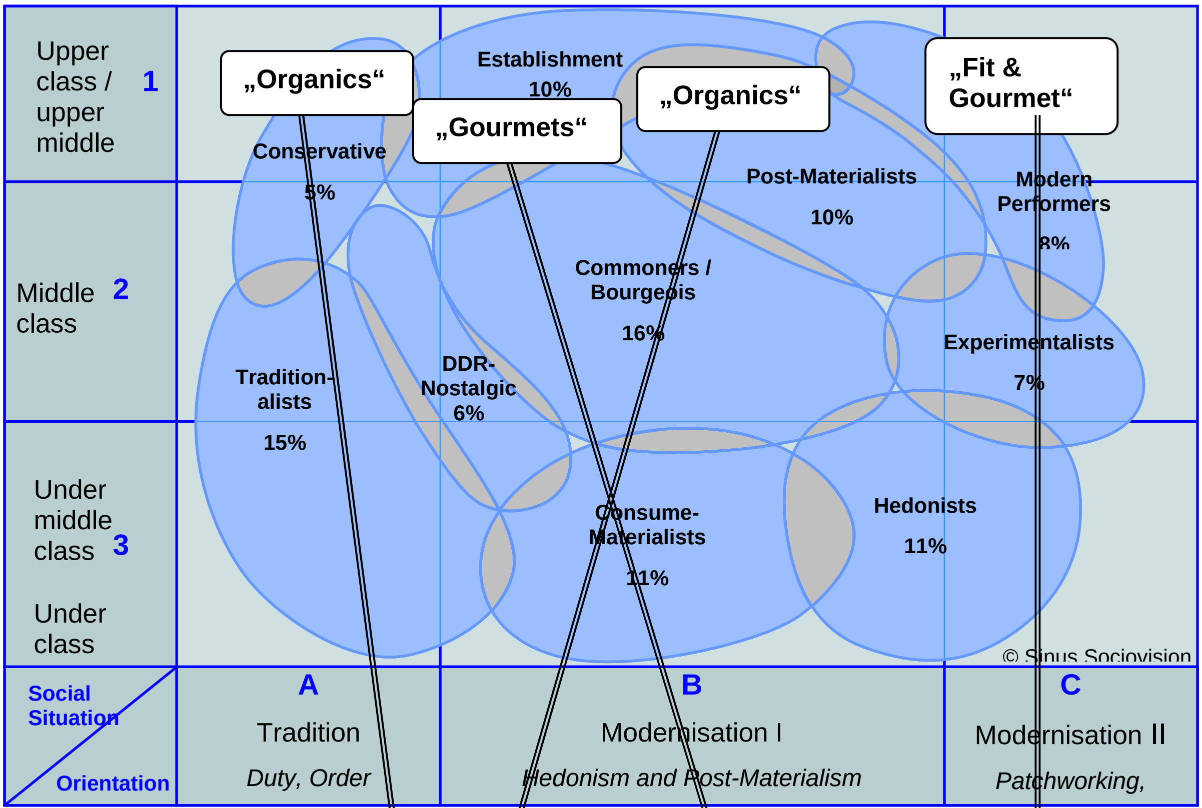
Source: Own compilation based on Sinus-Institut (1995)

This shows that in the middle of the 1990s large societal groups (“success-seekers”, “petty bourgeois”) where not touched by organic consumption. At the same time, the consumer group that originally had created the organic market (“alternatives”) where largely outnumbered by newer consumer groups like the “technocratic liberals”.

Sinus has recently published a modification of their approach, with a focus on organic food buyers. They refined their set of “milieus” by arranging them along to axes: “social situation” and “orientation”. They identify three groups that are relevant for organic food market development: “Organics”, “Gourmets” and “Fit-Food-Gourmets”. These three groups of consumers are mainly present in the “sinus-milieus”: “Commoners/ Bourgeois”, “Establishment”, “Modern Performers” and “Post-Materialists”.

The following graphic shows the setting of “sinus milieus” in the German society and indicates, where different types of organic buyers can be found.

It is interesting, that the « milieus », where organic buyers are particularly frequent, have a trend-setting and avant-garde character and “pull” the society as a hole towards new living and consumption patterns.



Types of organic buyers / Descriptions	*"Organics"*	*"Gourmet"*	*"Fit& Gourrmet"*
Part of the population	16%	11%	15%
Attitudes / opinions / values with regard to food	Ecological "morality", ethical ideals, fresh, natural, healthy	Quality, fresh, natural, "anti-ritual", technical	Pleasure, lifestyle, "anti-ritual", fast food, health

Figure 1: **"Sinus"-milieus and organic consumers (2001)**

Source: Sinus-Institut (2002)

1.4 Consumer typology according to consumption styles

As the "Sinus"-approach with its "milieus", the "consumption-style-analysis" is trying to combine socio-demographic data and results on behaviour and attitudes

The ISOE (Institute for Social-Ecological research) conducted an empirical investigation commissioned by the German Federal Environment Agency. This research is helpful in giving an overview of the social and ideological background of people that buy sustainable food products.[3] In the following the main results of this study will be presented.

In this study the ISOE analysed trends in environmental orientation and purchasing behaviour (with reference to specific consumer articles) within German households over a period of ten years. In an empirical survey 100 households were interviewed in order to establish typical consumer styles. They were selected to be representative from a demographic, geographical and lifestyle-related point of view. The goal was to identify a typology of consumption that could be used as a target group model for the promotion of sustainable consumption (EMPACHER, 2003). One central aspect is the consumption pattern of ecological agricultural products.

Taking the social situation, subjective orientation and actual consumption behaviour into consideration, ten consumption types were established. The typology demonstrates typical patterns of consumer behaviour within German households (**Table 3**). Each consumption type represents an ideal type, in reality a mixture of types will generally be found (EMPACHER, 2003).

Table 3: Typology of consumption styles

	Type 1: Fully-managed eco-families	**Type 2: Childless professionals**	**Type 3: Self-interested youngsters**	**Type 4: every day-life artists**	**Type 5: People fed up with consumption**
motivational starting points	• REALISING EQUAL RIGHTS FOR MEN AND WOMEN • environmental protection/ ecology • ethical consumption • regionally orientated • quality • enjoy consumption • children's health • health hindering factors: • strong convenience orientated • affinity to cars	• STRONG PROFESSIONAL ORIENTATION • ownership • quality • partly health • partly ethical consumption hindering factors: • convenience • car and vacation • clothes and trends	• PEER-GROUP ORIENTATED • saving money • pitying animals (women) hindering factors: • consumption is annoying • snugness • ephemerality • affinity to cars (especially men)	• ENJOY CONSUMPTION • holistic health approach • environment/ ecology • ethical consumption hindering factors: • low price • too few special offers	• CONSUMPTION IS ANNOYING • thriftiness hindering factors: • strong convenience orientation • strong affinity to cars • fending off ecological issues
interests	• environment • children • healthy diet • harmful substances in food and textiles • healthy living • fair trade • product information • saving energy and water • waste prevention • insurance • timesaving opportunities • ecological and efficient services	• mobile communications • multimedia • financial investments • living and furniture • design • energy investments • diet (women) • consumer rights • insurance • travelling • cars	• cheap furniture • renovating • school activities • batteries/akku • clothes and trends • pass time, adventure • music • insurance • money, banking etc. • waste separation due to shortage of space	• sharing, lending, swapping • second-hand • swapping organisations • waste prevention • textiles, used clothes • regionally produced food • genetic engineering • product information • car sharing • labelling • consumer rights • saving energy and water	• easy saving water and energy • tricks concerning the state, commerce and consumption industry • capital investments • consumer rights • protection against fraud • insurance

[3] The study "Household exploration of the Conditions, Opportunities and Limitations Pertaining to Sustainable Consumption Behaviour" was commissioned and published by the German Federal Environment Agency (cf. UBA 2002).

	Type 6: Rural traditionalists	Type 7: Underprivileged who can't cope	Type 8: Run-of-the-mill families	Type 9: Active seniors	Type 10: Status-orientated privileged families
motivational starting points	• REGIONAL ORIENTATION • solid quality • ownership and preservation • household savings hindering factors: • strong affinity to cars • desire for security • hygiene	• PRESSURE TO SAVE MONEY • children's health • regional orientation (Eastern Germany) hindering factors: • cheap and plenty • convenience due to time pressure • resigned disposition • inability to cope • fending off ecological issues • affinity to cars	• TRADITIONAL FAMILY ORIENTATION • NOT TO STAND OUT • children's health • household savings • ownership hindering factors: • affinity to cars • security • hygiene	• OPEN MINDEDNESS • ethical consumption • quality • ownership • regional orientation hindering factors: • cars and journeys are very important	• EXCLUSIVE STATUS • ownership • quality and service • ethical consumption • taking responsibility for future generations hindering factors: • social distance to other status groups • fending off ecological issues
interests	• gardening • do-it-yourself, renovating • diet • quality of food products • regionally produced food • waste prevention • composting • regional leisure facilities • ethical consumption/ fair trade • saving energy and water • consumer rights • product information • insurance	• household savings • managing the household • managing finances • saving energy and water • waste disposal charges • debt counselling • insurance • protection against distrait • legal advice • consumer rights • protection of tenants	• health of the children • diet • product information • consumer rights • house and living • saving energy and water • do-it-yourself, renovating • gardening • provision for the family: insurance, financial investments • fair trade, ethical consumption • regionally produced products	• product information • consumption and the Third World • foreign countries and cultures • travelling • social problems • regional products • social action • consumer rights • insurance • investments in energy savings • repairs guide • healthy and fit in the old-age • potentially services: repairing services, food delivery services	• children's health • health • long-life, exclusive products • product service • investments in saving energy

Source: Götz, K.; Zahl, B.: ecobiente - Nachhaltige Güter erfolgreicher gestalten, p. 12; cited in Empacher 2000, p. 71/72; translated by B. Nienhaus

On the basis of similar key consumption patterns these ten groups were combined to form four target groups with respect to the extent of consumption of and their attitude towards sustainable products (EMPACHER, 2003):

- ❒ environmentally orientated group (Type 1 and 4);
- ❒ privileged group (Type 2 and 10);
- ❒ group of ambivalent traditionalists (Type 6,8 and 9);
- ❒ group of people who can't cope (underprivileged) (Type 3,5 and 7).

The typology was meant as a target group model for the *promotion* of sustainable products, nevertheless the study delivers interesting insights into the individual characteristics of the consumers of sustainable food products.

1.4.1 Environmentally orientated group

Especially Type 1 and 4 are the main consumers of ecological food. The *fully managed eco-families* are characterised by an above average income and one or more children. Generally both partners work, hence their interest in timesaving opportunities which results in a demand for convenience products. At the same time this group is very environmentally orientated, so that a conflict of interests can be generated. This type consumes sustainable food products, without spending a lot of time to purchase and prepare them (EMPACHER, 2001).

The second group of consumers interested in purchasing sustainable food products is the type "*every-day life artists*". This type includes predominantly young people especially women with a social or artistic profession and a small budget. They compensate a low income with creative methods to save money. Because of an interest in environmental, ethical and holistic health issues and approaches, they can easily be addressed for sustainable food products provided they do not have to spend too much money (EMPACHER, 2001).

1.4.2 Privileged group

The *childless professionals* (type 2) and the *status-orientated privileged families* (type 10) groups are both considered successful which often lets them be an example to other social groups.

The *childless professionals* are successful singles or couples with a relatively high income. Because of their job-orientation they do not spend a lot of time on other things. Thus they are consumers of convenience products and users of external services. Especially women of this type are very interested in health issues. Quality and service are the important factors in the consumption of this type. They distance themselves from ideological ecology ideas but especially women are ethically orientated concerning goods (EMPACHER, 2001).

Characterised by abundance the *status-orientated privileged* have high levels of consumption. Generally the man works, while the woman takes part in representative and charitable functions. Status and exclusiveness is very important for consumption decisions. They are strongly influenced by their social class, hence ecological strategies can hardly be addressed in this group. (EMPACHER, 2001).

1.4.3 Ambivalent traditionalists

On the one hand traditional values play an important role in this group, including the preservation of material and non-material values and social coherence. These values nurture sustainable consumption behaviour. On the other hand all types of *ambivalent traditionalists* distrust eco-products very strongly, so that these types are characterised by ambivalent purchasing patterns regarding sustainable food products (EMPACHER, 2001).

1.4.4 "People who can't cope" (underprivileged)

The group of underprivileged people are not interested in consuming ecological food because hindering factors predominate. They are subjectively or objectively unable to cope with day-to-day life. Type 3 (*self-interested youngsters*) and 5 (*people fed up with consumption*) are annoyed when confronted with aspects of sustainability. They are not willing to deal with ecological, environmental or political issues (EMPACHER, 2001).

The underprivileged who can not cope are characterised by a low income or unemployment, they have a low standard of education, a lack of social resources and are unable to manage on an every day level. Consumer orientation is determined by the need to save money. The environmental aspects are dismissed or are of no interest in this group (EMPACHER, 2001).

1.5 A glimpse on consumers of regional products

BESCH & PRACHHART (1988, p.627f), by questioning a representative sample of German private households (n=1003), observe, that in 53% of the households the origin of the product is being paid attention for in the buying process. Interviewees, who pay attention to products' origin, are described as "wide-minded, with a great willingness to pay and of relatively high revenues".

Interviewing of some 1.400 private households and of some 700 farmers was done by HENSCHE et al. (1993) in the German „Land" of Nordrhein-Westfalen. The consumer research results suggest that some 48% of the consumers are interested in the origin. Some 33% are exclusively caring for food safety.

A representative research on consumer behaviour run by von ALVENSLEBEN & GERTKEN (1993) in the city of Kiel and in three areas in the "New" Länder (former GDR) suggests that the importance of origin is differing between the regions (from 60 to 83%). The authors conclude, that patriotism seems to play a decisive role, because the highest preferences are always accredited to the "own" region". "Second best" origins are those of neighbouring regions, followed by region of a high tourist interest". They observe as well, that regional Labels have a minor importance in the buying decision, even if they are notorious. Yet, ALVENSLEBEN & GERTKEN do believe, that regional labels offer some chances for small and "unknown" brands but they are still reminding, that regional labels can also equalise the offer and are a potentially competing with established brands: The authors recommend: If a regional label is concentrating on the origin, brand-owners might do better to integrate the regional origin directly in the brand- or product-communication, and not to use the regional label. A second survey, which was run exclusively in Kiel (n = 265), showed a slight growing of the preferences for regional products, mainly in the fresh-food sector. Alvensleben concludes that regional origin should be signalled clearly and that the emotional link between the consumer and its region should be strengthened.

BALLING (1996, 2000) is analysing the results of two surveys, done in Bavaria in 1995 (n=1076) and 1999 (n=956), and stakes the following thesis:

- In food, origin is gaining attention
- The smaller the region of origin, the more significant is the preference for its food in the very same region
- The globalisation and the growing importance of internationally standardized products are further strengthening the importance of "origin"
- The degree of transformation and convenience, the product-specific uncertainty (i. g. beef) and, particularly, labelled regional specialities influence the perception of origin.
- Consumers' attitudes towards origin-labelled food differ between regions.

WIRTGHEN et al (1999) did, in 1999, a consumer survey (n=328) in the German Länder of Hessen, Thuringia and Saxony-Anhalt. By means of an item-battery they studied consumer's attitudes towards regional products and specialities, confirming, that there is preference for regionally produced food. Other criteria, as "freshness", "taste" and "health" still are important purchase motifs, but especially regional food stand to benefit from their "image of freshness and quality". This positive image results in consumers' readiness to pay a price premium for regional products, what is not consequently exploited by producers.

SCHAER (2001) did a research on the reciprocal importance of the quality cues "regional" and "organic". The data collection process consisted of computer-aided telephonic interviewing of a random samples in Bavaria (616 persons). Most consumers prefer food from their own region. For example, when asked to express their opinion to a statement " I usually have more confidence in food of my region ", some 80% of the interviewees agreed. A more precise statement " If it was possible, I would only buy food products from my region " was agreed by 62% of the respondents. A third statement, " Local origin of organic food is important " was agreed by 80%. Elder consumers who have a relatively low level of formal education are the most distinctive consumer group that looks for regional food.

RICHTER (2001) interviewed some 2.500 consumers in three regions: south-west Baden (German "Land" bordering France and Switzerland), the French region Alsace and the region of north-east Switzerland. In each region consumers do rate regional origin as important in their food choice. In the German and in the Swiss region most respondents rate regional origin higher than prices and appearance, while in Alsace consumers are more attentive to prices and quality. The results of a cluster analysis suggest that a regional-and-environment-orientated type of customer exists in every of the three regions. This cluster regroups some 28% of the consumers in Baden (Germany), some 24% in north-east Switzerland and some 18% in Alsace.

A central point in the dynamic research on CO-Effects done by BALLING & ALVENSLEBEN, is its growing importance in preferences for food. Both authors relate this phenomenon to the fact, that the consumers basic needs are satisfied and that, consequently, their wish for further benefits. On the other hand, origin is relatively easy to communicate and does not need expert knowledge to be understood (compare WIRTHGEN et al, 1999). The works of WIRTHGEN et al. (1999) are based on a variation of the "Stimulus-Organism-Response"-Model (**Figure 2**).

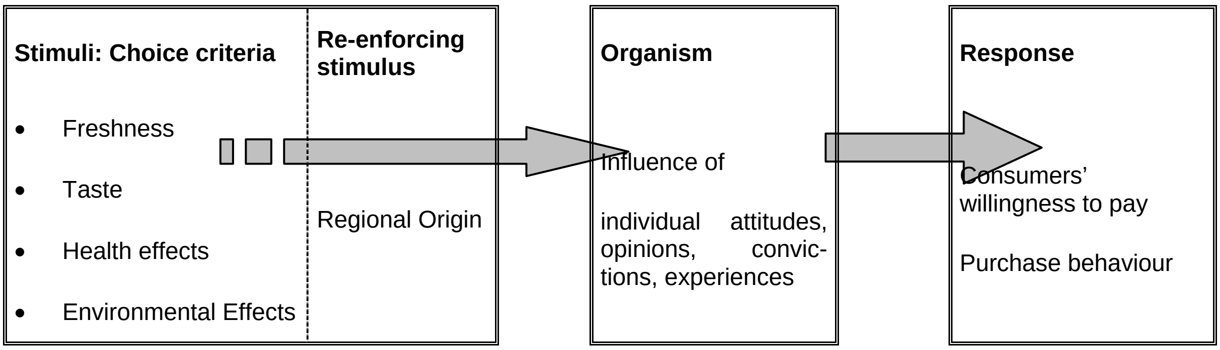


Figure 2: The role of regional origin in the buying decision

The regional origin is, thus, esteemed not be a choice criteria of similar influence as products' price or intrinsic quality, but as being able to reinforce these criteria, namely freshness and taste, thus encouraging consumers willingness to pay supplements for regional (labelled) products.

1.6 A glimpse on consumers of "ethically correct" products

In Germany, a research done on a sample of 200 consumers of fair trade food revealed in 1996 (Valio, 1997) that foremost young families and people of high formal education buy these products.

A newer research showed in 2000 couldn't identify specific age groups among consumers buying "fair" products, but a clear correlation with high formal education (Krier, 2001).

2 Demand for specific products and production processes

As it will be shown in Chapter 3, consumers motivation to buy sustainable food is related very much to food safety, health and quality. It might thus be expected, that wish foremost fresh products to be provided by sustainable production systems.

2.1 Best sold organic products

HAMM et al. (2002) estimate the overall market share of organic products to amount to some 2,3% of the German food market (by value).

According to ZMP data (ZMP, 2003) household expenditures for organic food are structured as follows (**Table 4**).

Table 4: Expenditures for organic products

Product group	% of total expenditures
Fruit, Vegetables, potatoes	41
Meat, beef, poultry	26
Milk	15
Bread	8
Rest	9

Source: Own compilation based on ZMP (2003)

The highest market shares in conventional supermarkets (of the total food offer) are reached by organic potatoes (5%), eggs (2,7%), vegetables (2,7%) and milk (2.3%).

2.2 Favoured production processes

There is, from the studies on organic food mentioned in chapter 1 and 3, evidence, that consumers search for safe and healthy food from environmentally friendly and ethically correct production processes.

SCHAER (2001) found that organic farming matches best the consumers' expectations of a food production, that is environmentally friendly, respects animal welfare, is credible, and provides tasty and high quality food. But, at the same time, consumers could not clearly differentiate between "controlled", "integrated" and "organic" farming. Apparently, the multitudinous and partly contradictory information on these different forms of agriculture is overstraining most consumers.

3 Consumers' motivation for buying sustainable food products

As in the first chapter, research results on organic, regional and "ethically correct" food are assembled.

3.1 Consumers' motivation for buying organic food

HALK (1993) found in a study on consumers' distrust towards conventional food a rising interest for organic/ alternative food products.

A correlation between worries about food safety and the readiness to pay more for organic food could, as well, be stated in 2001 (ZMP, 2002).

In Germany, the question whether consumers buy sustainable products for altruistic or egoistic reasons has been covered by several researches.

In 1994 PRUMMER found the “egoistic” motivation “health concern” being the consumers’ most important reason for choosing an organically grown product. The second most important reason was the “altruistic” mobile “environment”, the third mobile was again “egoistic”: better taste. Several years later, Schaer (2001) could confirm these findings.

In 2001 BRUHN identifies customers’ motivation for buying sustainable food. The study is based on five consumer surveys (1984, 1989, 1994, 1999, 2001) concerning the demand for organic food. The motivation was analysed for the first time in 1989.

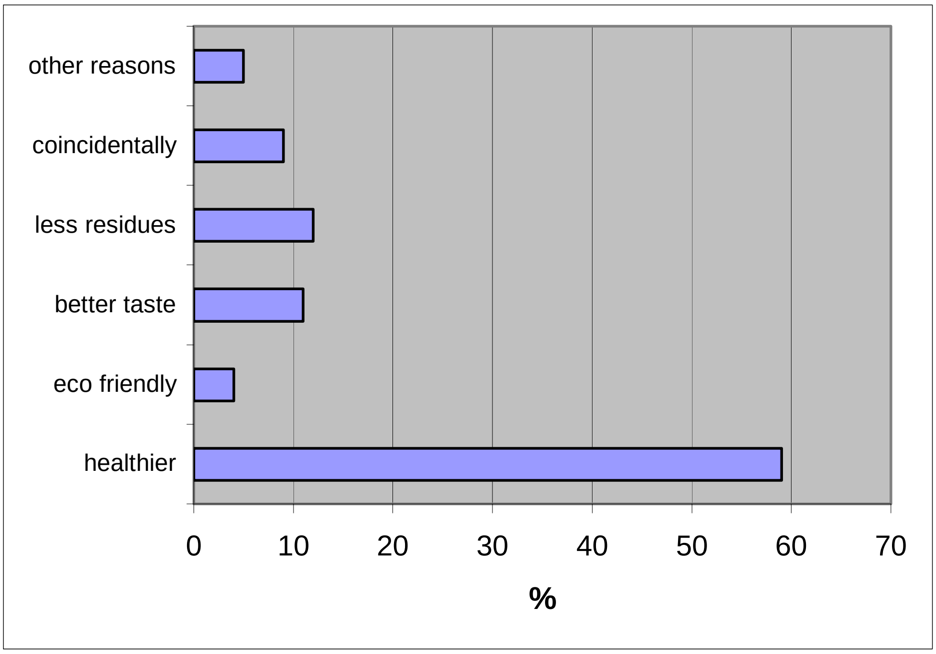


Figure 3: Main reasons for the consumption of sustainable food products 2001

Source: BRUHN (2001)

The consumers’ main motivation is not to protect the environment or animals. In all the surveys almost 60% of the 2000 interviewed people explained that their main reason for buying sustainable products is that they are healthier than others. In 1999 more than 60% named health as the primary reason (BRUHN, 2001).

From 1989 to 1999 more than 10% named “eco friendliness” as the deciding factor. Up until 1999 it was the second most frequent reason for buying eco-products, but in 2001 this place was taken by the motive “better taste” (ca 11%), only 5% named “eco friendliness” as the reason for consuming sustainable food products.

The motives “better taste” and “less residues” almost rank on the same level slightly over 10% (figure 2).

BRUHN includes the motivation “healthier” and “less residues” in the new aspect “security motivations”, with the conclusion that the desire to feel safe is the primary reason for purchasing sustainable food products. Furthermore the surveys indicate that protection of the environment has lost its relevance in this context. Altruistic values are not the deciding factor in buying ecological products (BRUHN, 2001).

This change in consumer orientation is also reflected by the association with the term „Bioprodukt“[4], discussed in the same study (figure 4). In the year 2001 the most frequent answer was the association “healthy”, which was named by 25% of the interviewed people. In 1999 this association was only the 5th highest (11%) behind “without chemicals” (29%), “natural food/artless” (19%), “without chemical fertiliser” (18%) and “biological cultivation” (13%). The adjustment can partly be explained in the light of the “mad cow disease” that organic food is seen to be less risky than conventionally produced food.

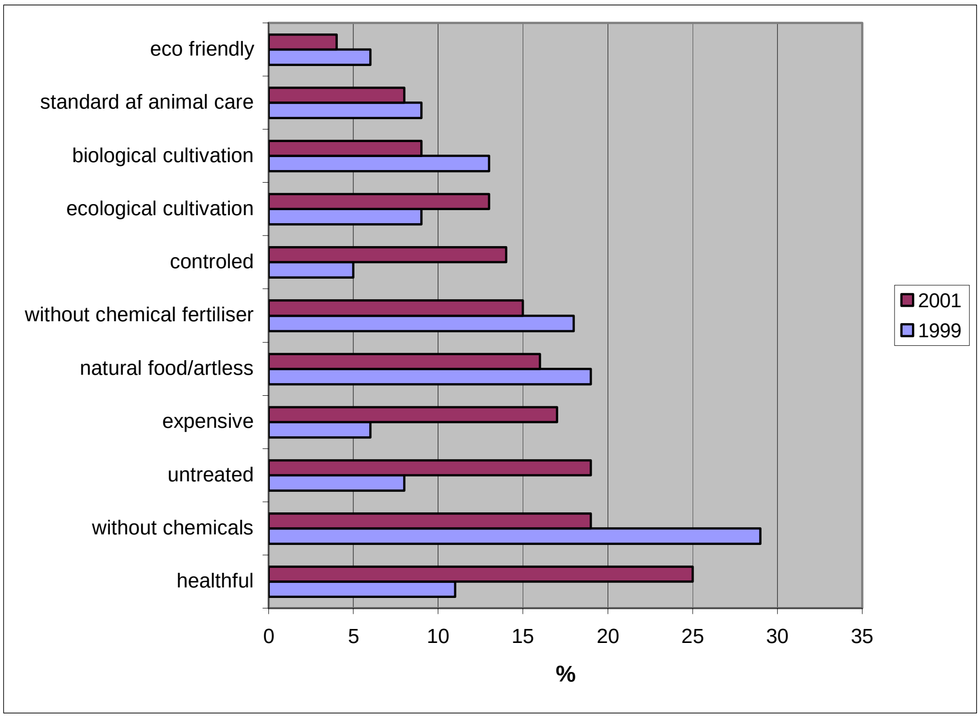


Figure 4: **Most frequent association with the term „Bioprodukt“ comparing the year 1999 with 2001% (multiple nomination possible)**

Source: BRUHN, 2001

Another interesting point the statistic shows is that in 2001 the association “expensive” (2001) was named three times as often as in 1999. This development agrees with the lower accepted price for sustainable food products (see below).

In sum people connect positive associations with the item “Bioprodukt”. Especially components of the proceeding quality like biological cultivation or without chemicals were named. Negative answers were rarely given with 3,2%, whereas here the association expensive needs to be added. It is important to remark that terms like "pleasure" or "taste nice" do not occur. Taste in regard to ecologically sustainable products does not seem to be a deciding factor from the consumers point of view (VON ALVENSLEBEN / BRUHN, 2001).

[4] The German term „Bioprodukt“ is usually used to describe ecologically sustainable products and not solely those products which are labelled with the logo “Bio” and thus subject to EG regulations.

3.2 Consumers' motivation for buying regional and "ethically correct" food

Regional food is mainly bought for freshness and quality reasons (see chapter 1.5, WIRTHGEN et al., 1999). A growing interest for regional development and the micro-economic situation of rural areas is, as well, a mobile for buying regionally (ZIEMANN, 1999).

The main motivations for buying "fairly produces and traded food" is the wish to support small producers in so-called developing countries (KRIER, 2001; VALIO, 1997).

4 General food and consumption trends

Regarding food trends concerning sustainable food products in particular a study could not be found. Therefore the general food trends of the last years will be described, which include the purchase of organic food. The consumption of sustainable food products is also influenced by the main trends of consumers' food preferences.

4.1 Convenience

The trend towards convenience has become a long-term trend. An increasing number of people try to save time in everyday life, resulting in food trends favouring convenience products. They provide the opportunity to manage time and work more efficiently. Traditionally prepared meals are successively being replaced by fast food and ready to eat products. Every fifth German is strongly convenience orientated (GfK, 2001). Especially young singles up to an age of 35 years purchase convenience food (60%) followed by the singles up to 60 (years) (55%) (KNICKEL, 2002).

The demand for convenience organic food is steadily growing. More than half of the young wish a larger supply of products like frozen pizza with eco-quality offered in the supermarket. But fresh convenience organic food is also in demand (ÖKO-INSTITUT, 2002; KNICKEL 2002).

4.2 Price

Another trend shows that the price of food plays an important role. In spite of a high level of wealth the consumers are not willing to spend a lot of money on food (von Alvensleben, 2000). While in 1970 25% of the income was spent on foodstuffs, in 2001 this has dropped to only 12,5% (Knickel, 2002). An inquiry run by the GfK (institute for consumption research) indicates that the trend of product-pricing as a deciding influence has continued. In the year 2002 62% (2001: 54%) agreed with the statement "Regarding food I pay more attention to the price than to the brand" (GfK, 2003; **Figure 5**).

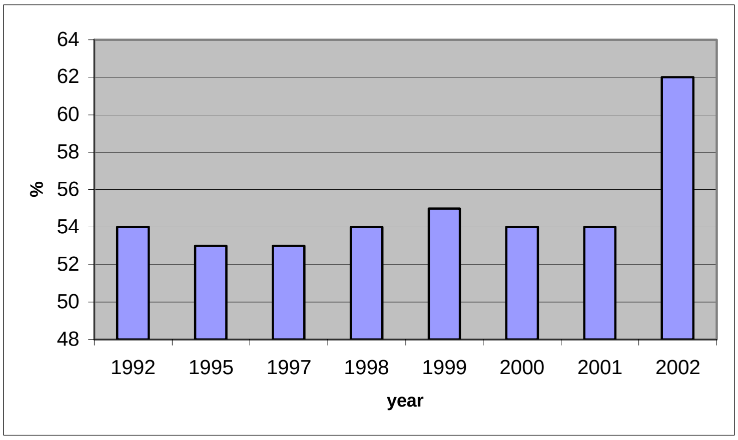


Figure 5: Consumers' price orientation

"Regarding food I pay more attention to the price than to the brand" - agreement. Source: GfK Consumer Scan (2003)

In regard to the accepted additional charge for sustainable food products the same development can be identified. While in 1989 on average the consumers accepted an additional charge of 21%, this has sunk to 13% in 2001 (**Figure 6**). This trend agrees with the change in motivation for buying organic food, namely that altruistic reasons no longer have a major impact, thus a higher price is no longer acceptable.

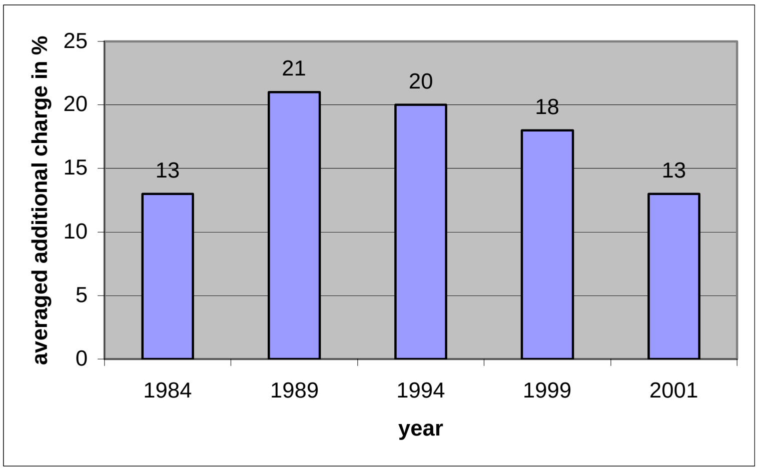


Figure 6: Average price premium accepted by consumers (in%)

Source: BRUHN, 2001

4.3 Health

The demand for healthy products has also increased (VON ALVENSLEBEN, 2000). Because of a high number of diseases caused by an unhealthy diet people have become aware of the need for "correct" nutrition. The market responds by offering functional food. Functional foods are products which promise an added health benefit. These products contain supposed healthy additives like bacterial cultures. In 1998 some 60% of the Germans interpret this relatively new procedure as helpful and reasonable (KNICKEL, 2002). The increasing demand for healthy products also goes hand in hand with the insight that a healthy lifestyle is the main motivation for purchasing sustainable food products.

4.4 Low involvement and over-segmentation

In a complex consumption world, consumers capacity to get informed about each product that is object of more or less frequent buying decisions is very limited. Food is, in general, regarded as being part of the "low-involvement-products": consumers readiness to absorb information on food is very limited. These products, object of everyday consumption, are mostly chosen according to habits or spontaneous, situate decisions.

At the same time, many segments of the food market tend to "over-segmentation": to many products, to many brands put the consumers in an embarrassing choice-situation, where simple signals and codes are finally more relevant than the actual products characteristics.

4.5 Polarisation and multi-optional consumption

On the food market, as on other markets, a polarisation can be observed, that opposes more and more rather cheap, „bulk" products and expensive, luxury goods.

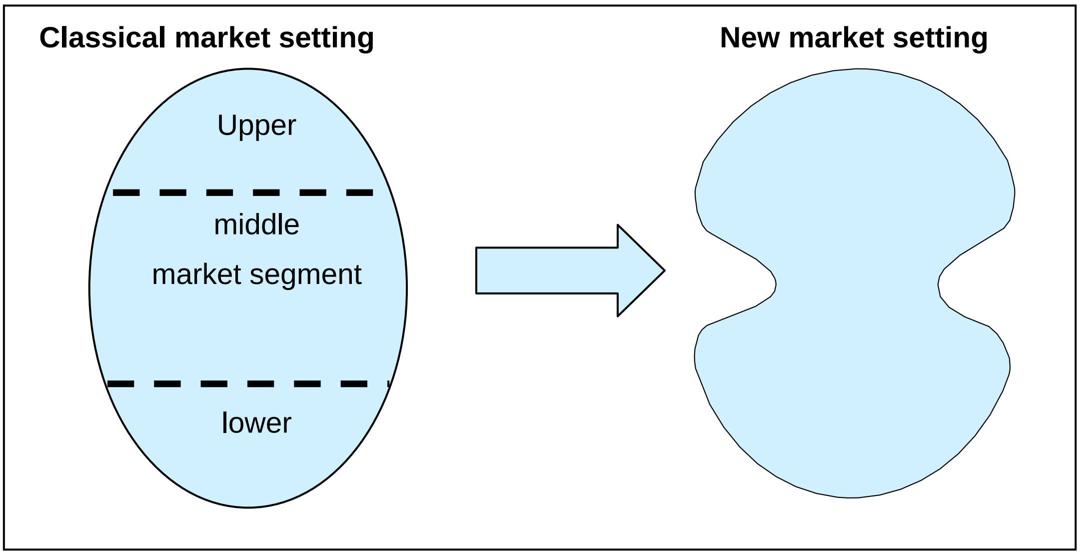


Figure 7: Market polarisation

Source: STERN (1992)

Consumption habits do significantly change: the „multi-optional" consumer is buying at the discounter as well and even as regularly as he is frequenting delicatessen shops or farmers' markets.

5 Some conclusions from the desk study on consumers' attitudes towards sustainable food products

5.1 Available research and data

- There isn't hardly any research on "sustainable" consumption. Most research works refer to organic and regional food, which are both product-types that fulfil some sustainable criteria, but don't cover the term as a whole.
- To analyse and predict conditions of consumption of sustainable food is, in this very period, more difficult than it was in recent years. The general economic conditions seem to undergo an important changing, and this alienates many consumers. Under these conditions, many survey results may be obsolete, even if, until now, no major changing of buying habits towards organic or regional food can be confirmed.

5.2 Typologies and consumption styles

- The typology of consumption styles shows that the question "Who are the consumers of sustainable food products" can not easily be answered. The demographic characteristics as well as the economic situation of the consumers of sustainable food products diverge importantly. While the consumption of these products has spread to broader societal layers (e.g. 70% of all German consumers are estimated to buy at least once a year organic), a more intensive consumption seems can still be accorded to specific consumer groups.
- The main reason for purchasing sustainable food products is health, followed by the motivation that these products have fewer residues and a better taste. Up to the year 1999 the second motivation behind health was eco friendliness but in 2001 this argument only ranked in fifth place. In the last few years a motivation change from rather altruistic motivations like protection of animals and the environment towards rather egoistic reasons like security and health can be noted.

5.3 Trends in consumption patterns

- Already the typology of consumption styles demonstrates that individuals attach a high importance to timesaving opportunities. This circumstance is also reflected in actual food trends. People are not willing to spend much time preparing meals, therefore convenience products form an important and increasing part of the food market. At the same time sustainable food products are more in demand and the consumers desire a larger range of food products of this kind.
- Because of the increase in health problems and diseases - often a direct result of unhealthy eating habits - there is also a trend towards products that seem to support health, namely functional food. These products have a positive image and the demand is on the increase.
- Although most consumers are strongly price-orientated and are not willing to spend a large part of their income on food, the demand for sustainable food products, which are normally more expensive than conventionally produced products, is growing. This seeming paradox can be explained by the strong desire for security and health of food products.

5.4 Demand for sustainable food

- ❒ Signals from general consumption trends are difficult to be interpreted with regard to the marketing of sustainable food. On the one hand, health concerns and ecological and ethical awareness are firm trends and more and more consumers look for regional food supply. On the other hand, highly technical food and convenience products, that can't easily be provided in a sustainable way, gain rapidly.
- ❒ The over-saturation of many consumers and the fact of food being a low-involvement product limits the marketing of food, that's advantages need to be 'explained' (like any sustainable food). The polarisation trend is, by its very nature, ambivalent: it offers new market chances for sustainable products, but it limits them at the same time as objects of a rather scarce and luxury consumption.
- ❒ The "Sinus"-findings about organic buyers being strongly represented in the avant-garde-groups of the German society suggest that an "organic trend" might even persist, when general economic conditions are declining (rising unemployment, sinking incomes).

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