
Conclusions



ECOLABEL VALUE ASSESSMENT: ECOLABELS AND NO ECOLABELS

More than 70 percent of respondents who viewed the simplified set of ecolabels with one tagline comparing locally grown strawberries delivered to the food store within 24 hours of harvest with strawberries grown in the United States without such a “freshness” claim thought of reasons why they would buy the locally grown berries. In addition, more than 90 percent of these respondents preferred the locally grown label with the “freshness” claim over the more generic strawberry label stating the product was grown in the U.S.A.

In contrast, only 52 percent of respondents viewing the more text-heavy set of ecolabels with two taglines thought of reasons why they would buy local strawberries. These respondents were more equally split between the two ecolabel choices, which differed in secondary tagline and background scene in which the strawberry was placed. The respondents who viewed this set of ecolabels immediately thought about freshness, while the respondents who viewed the simplified set of ecolabels with one tagline combined their thoughts of freshness with “grown locally.” By creating a perspective that equated grown locally with freshness, the simplified ecolabel set stimulated more impetus to purchase local strawberries, and provided a clearer choice between a locally grown product and a more generic one grown in the United States.

PERCEPTIONS OF LOCAL FOODS: ECOLABELS AND NO ECOLABELS

In the Phase I survey, viewing of ecolabels appeared to strongly influence the geographic perception of “local” when making a food purchase among consumer respondents. A higher percentage of respondents saw local as “grown in your state” rather than “grown 25 miles or less from purchase,” with the reverse being true for those who did not view ecolabels. The same trends held in Phase II; however, the contrast was not nearly as stark between those who viewed ecolabels and those who did not. Nearly 37 percent of those respondents who did not view ecolabels selected “grown 25 miles or

less from purchase point” compared to 32 percent for those who did view ecolabels. Thirty-four percent of respondents who viewed ecolabels selected “grown in your state” compared to 29 percent who did not see the ecolabels. This contrast in perceptions between Phase I and II may be due to additional emphasis placed on the term locally grown (rather than state) in the Phase II ecolabels.

Phase II survey findings showing which product attributes are important when purchasing local foods corroborated Phase I findings, with the attributes of freshness, taste, quality, and value ranked as “very important” when purchasing foods. As in Phase I, respondents viewed support of local farmers as more important than environmental concerns when purchasing local foods. As was the case in Phase I, the vast majority of consumer respondents do not have concerns with local foods. It is important, however, to note that concern over possible pesticide use, (higher) price, and food safety are issues for a small segment of these local food shoppers.

Consumer respondents clearly have a basic sense of where their food comes from, as evidenced by their responses in choosing the percentage of fresh produce, meat, and poultry that they perceive is grown/raised within their state or county. Only 12 percent of respondents who viewed ecolabels (compared to 10 percent who did not) perceived that more than 50 percent of fresh meat, poultry, and produce available for sale in their community were raised within their county of residence. Upon widening the question from county to state, respondents’ perceptions of the percent for sale grown locally in the 26 to 50 percent range increased by more than 15 percent. Still, less than 16 percent of respondents believed that more than 50 percent of those food items available were grown within their state. This suggests that respondents clearly understand that local sources – whether local means grown several miles away or within one’s state of residence – are responsible for a minority of the fresh meat and produce available for sale.

The most influential tag line (for purchase of local foods) among the five options offered to respondents was “Freshness-dated, so you know when it left the farm” – regardless of whether respondents viewed ecolabels or not. However, this term was perceived to be just as appealing as the term “There’s no taste like home...grown” by respondents who did not view ecolabels (and was only 5 percent more appealing among those who did view the labels). These findings support the premise first advanced in the Phase I study that the use of freshness dating on locally grown products is a concept that could have tremendous appeal and influence on consumers. It also supports other earlier research that shows consumer perception of freshness is determined in part by the time from harvest to production.¹

After produce is harvested, physiological processes such as water loss and oxidation occur. As a result of oxidation, the loss of vitamin C is considerable in produce, especially if the produce is stored at room temperature. More research could be done examining content of vitamin C, folic acid, and presence of nitrite as possible freshness parameters in fruits and vegetables.²

¹ Schutz, H.G., A.V. Cardello, and G. Babdogan, 2002. “Factors influencing consumer perceptions of freshness.” International Food Technologists Annual Meeting Technical Program – Anaheim, CA. Found at (http://ift.confex.com/ift/2002/techprogram/paper_10200.htm)

² Steinhart, H., 2002. “Freshness parameters of vegetables.” International Food Technologists Annual Meeting Technical Program – Anaheim, CA. Found at (http://ift.confex.com/ift/2002/techprogram/paper_10200.htm)

If price and visual appearance were the same and the package label provided limited information as to how and where the product was grown, consumer respondents were much more likely to make locally grown, or locally grown and pesticide-free meat and produce items their first choice over certified organic choices, even if those choices were locally-grown. These findings suggest that either consumers do not understand the term organic or perhaps do not value organic meat and produce items as they do locally grown items. These suggestions only apply to organic as it relates to locally grown; the demand for organic products continues to increase in the United States.

If price and visual appearance were the same and respondents knew that the attribute information for the product was true, they were most likely to choose a locally-grown and pesticide-free meat or produce item compared to certified organic options, including locally grown-organic. The option “grown locally – some pesticides used” received more than twice the first choice selections than “certified organic – origin unknown.” The findings on this comparison support a common perception held by local food advocates that, given a choice, consumers are more likely to purchase locally grown over organic foods produced in a distant region, even if the local foods were produced using some pesticides.

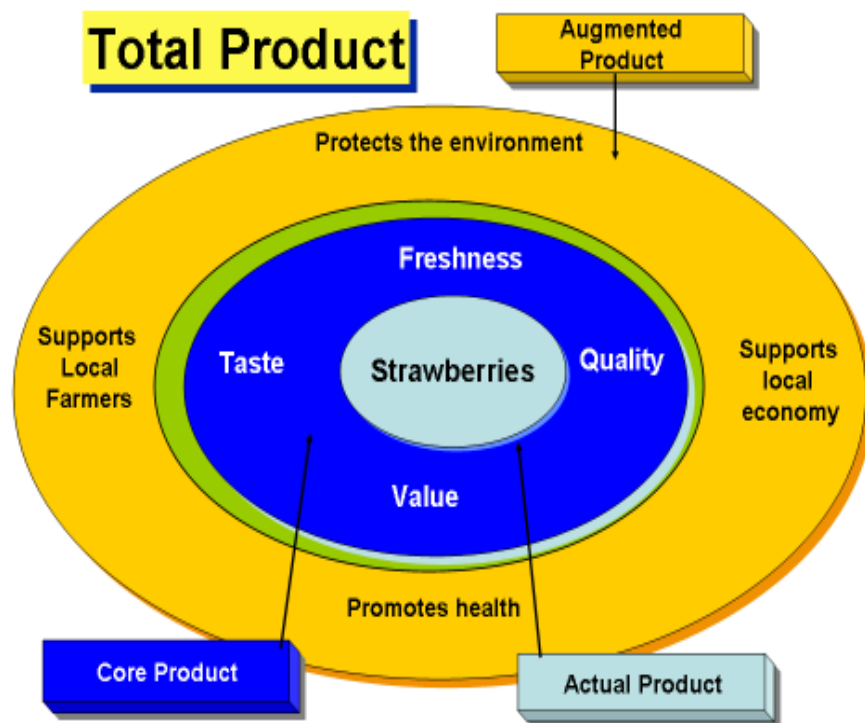
When asked how closely the terms grown locally, pesticide-free, organic, grown in your state, product of USA, and humanely-raised were related to the term family farm, the majority of respondents believed that grown locally was the most closely related term (68 percent for those who viewed ecolabels and 60 percent for those who did not). None of the other terms were viewed by more than 10 percent of respondents as being most closely related to the term family farm. These findings imply that consumers are more likely to believe that locally grown food came from family farms than foods grown within the USA, their state of residence, or foods grown in an environmentally responsible manner.

When consumer respondents were asked to rate a suite of options designed to financially assist farmers within their state, they were most likely to rate selling more food items to local and regional markets and having more in-state processing options (for meat, poultry, and produce) as having the highest potential compared to other options such as agri-tourism, farming more acres the same way, and organic production. The two options with the highest perceived potential received slightly higher ratings among those participants who viewed ecolabels compared to those who did not. These two options also appear to have the most direct impact on consumer respondents’ food purchases, and respondents in the survey were quite interested in local foods. If these options were successful consumer respondents would have more local and regional food choices to access, while the other options do not necessarily impact product availability. It also is interesting to note that more than three-fourths of the respondents do not perceive that farming more acres in the same manner offers high potential for financial gains for farmers.

Marketing perceptions of local foods

In marketing terms, the freshness, quality, taste, and price of the food product (in our ecolabel case, strawberries) are part of the core product to consumers (Figure 25). As we confirmed in the Phase I findings, these four characteristics drive consumer respondents overall purchasing decisions.

Respondents secondarily look for augmented food product benefits such as buying locally (supporting local farmers), promoting health, protecting the environment, and supporting the local economy (in their community or state). They are not likely to buy locally grown foods, or foods produced with environmental or community stewardship, unless those products consistently deliver great taste, quality, freshness, and value.



Potential to build contextual bridges between freshness and locally grown attributes

This research has shown that consumer respondents in the upper Midwest are greatly influenced by market messages that equate locally grown products with freshness. Campaigns such as “Buy Fresh, Buy Local” coordinated by the Food Routes Network (www.foodroutes.org) and underway in Iowa, have discovered the advantages of this connection and place their message equating freshness with locally grown front and center in all of their marketing materials. The consumer respondents in this study found the concept of “freshness dating” particularly influential and appealing. For farmers to increase market access and appeal in retail and wholesale venues, the concept of using freshness dating of food products (particularly produce and in some cases, eggs, dairy, and meat) should be explored to enhance their competitive advantage over non-local products. However, freshness dating should extend beyond its current use of how long a product will retain its quality to include how fresh the product is when it arrives at the store. Tag lines such as “from farm to your store’s door in 24 hours” or that the farm is “within an hour’s drive from your store” evoke perceptions of local and fresh food products that are easily accessible from nearby farms.

IOWA-BASED STUDY FOCUSED ON WILLINGNESSTO PAY

Nearly 30 percent of respondents in Iowa (and adjacent metropolitan areas in Nebraska and Illinois) indicated they are frequently mindful about where and how their food is produced. This group of respondents is clearly interested in locally grown foods, with more than 50 percent indicating high to very high levels of interest. On a relative basis, the respondents were more interested in local foods than food raised in an environmentally and socially responsible manner. This information supports findings from the larger Phase II ecolabel and no ecolabel study that shows consumer respondents have more interest in locally grown foods than they do foods that have environmental and social attributes (but may not be produced locally).

Twelve to 18 percent of consumer respondents were willing to pay 30 percent or more for food products (depending on the food item) that combine the attributes of locally grown with environmental and community stewardship. This is encouraging news to small and midsize farmers who are looking to grow and market their products using these attributes to differentiate themselves. It is clear, however, that these consumers want the farms where these foods are produced to be inspected and certified for the claims they are making.