What you can do
Responsible consumption

Study on the factors that motivate consumers to buy responsible
food products

CREDITS

Literature Review

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INTRODUCTION

This study aims to **identify the main factors that motivate consumers to buy responsible food products** (organic, fair trade, local).

Responsible consumption has been a trendy topic for several years with governments, the population, merchants, and the media. However, so-called responsible products remain marginal or, at best, occupy a niche market. With this study, we aim to identify the factors that either inhibit or promote responsible buying by consumers. This will allow us to find solutions and measures by which responsible consumption can have a veritable economic and social impact, all the while responding to the needs and expectations of consumers.

Our research includes a **review of studies** already performed on the subject and related issues, albeit these studies were relatively scarce and often purely academic. The research also includes a **pan-Canadian survey conducted with 1,700 people from the general population**. Lastly, **interviews with merchants** allowed us to know about their views on consumer behaviour and expectations, to assess their level of awareness, and to identify the stakes involved in marketing responsible products.

We then applied the totality of these data to propose **solutions, recommendations, and measures** for promoting responsible food consumption. These recommendations address **merchants, consumers, consumer or socio-environmental organizations, governments**, and **certifying bodies –** in short, all those who can positively influence the passage of this sector from niche to mainstream distribution.

Our governments have made many efforts in the past years to build consensus on crucial issues of concern (e.g. the organic label). Some sectors have established their own certification standards (e.g. fair trade). Moreover, labelling practices are becoming increasingly specific as well as mandatory, although some do identify on a voluntary basis. These various efforts assist consumers in making educated choices. With some of these tools in place, albeit perfectible, we here seek to identify the obstacles that are still preventing consumers from preferring or buying responsible food products. This question, essential to the current debate on responsible consumption, is timely for governments and businesses. Much effort has already been put into the regulation and marketing of responsible products. We must now ensure that those efforts are fruitful. Our study will also identify some future challenges, such as regulation, marketing, and development of new tools.

Responsible food concerns the entire population as these products are now offered by the big food distribution networks. In 2005, fair trade coffee represented 36 million dollars in sales in Canada, while the total of all fair trade products represented more than 45 million dollars (TransFair Canada, estimate). Organic farm products, even more widely distributed, occupy significant space in supermarkets and represent more than one billion dollars of purchases made in Canada. More and more Canadians claim they want to move from words to action in regard to responsible consumption. Moreover, fair trade has experienced 55% growth since 2001 and organic farming 20% within the past five years (Government of Quebec, Bioclips January 2005). This study is thus a timely tool to assist the food sector deal with this growing tendency. Because, even if the growth figures are impressive, currently only 1% to 2% of all sales represent responsible products (except for local products, which have a wider distribution but which are also more threatened).

For a long time observers believed that responsible products would remain marginal. Now some are suggesting that the recent boom in sales could slow down if not come to a stop. Because, although many consumers show an interest in responsible consumption, many fail to follow through with concrete actions. As mentioned, only 2% of sales of fresh food are from the organic sector (the same data used in the Policy Options of July-August 2005). Though fair trade coffee enjoys a similar market share, other fair trade products have an even smaller portion. Thus, the time is ripe for setting new objectives. The “3SC” study by CROP moreover seems to indicate that, for 2005, Canadians have lost some enthusiasm for responsible consumption. Private debts and general pessimism could explain that fatigue. The task of identifying what motivates consumers to make responsible consumption choices is thus very important. Moreover, it also ensures that efforts already deployed to promote responsible consumption can be optimally exploited.

Responsible consumption is an ongoing process that encompasses many sectors (e.g. organic, fair trade, and local food; the social economy). New contributions and advances will continually feed into this debate of current interest to consumers, the market, and governments. This year, in 2007, fair trade initiatives have existed for 10 years in Canada, while Quebec celebrates a 10 year anniversary of its social economy program. Organic and local farming, for their part, are in the midst of questioning their development and future. In light of these circumstances, a report on responsible consumption in Canada is even more pressing, especially for stakeholders of responsible consumption. More specifically, these participants are looking for a shift of awareness that would put the ball in the consumers’ court.

Up until recently responsible consumption had been a topic in only a small number of academic dissertations and in some minor opinion surveys. This study will review those works and surveys as well as generate unpublished and complementary data to further the debate. The national survey provides an overall vision that goes beyond the isolated research initiatives of the past. Finally, the interviews with the merchants provide a broader scope, allowing to begin tackling the obstacles that prevent consumers from taking action.

EXECUTIVE SUMMARY

A literature review, interviews with 20 merchants from Montreal, Vancouver, and Toronto, and a survey with 1,700 Canadian citizens about their knowledge, attitude, habits, and commitment to responsible food (organic, local, fair trade) shed light on these three new food sectors. The information provided is new in the sense that it allows to compare the three sectors within the framework of one and the same analysis and to propose specific as well as general solutions.

Each responsible food sector (organic, fair trade, and local) was the object of a certain number of studies or profiles. The literature survey of the first part of this study revealed that merchants often know more about one sector than the other. When developing the merchant survey and the consumer survey, we thus took these knowledge gaps into consideration in order to make the three sectors more comparable. In this way, the best sector strategies, including those specific to a sector and those common to all sectors, were to be identified. The growth of organic and fair trade sectors is, though solid, overall marginal. By contrast, the consumption of local food is much greater but does not seem to be growing, despite the many civil or government efforts for labelling and enhancement. It seems that the dominant distribution system is not favourable to that type of food. In the three cases, except in Quebec for organic food, the literature review also shows that the authentication and control of added-value claims in Canada remain voluntary and very poorly regulated.

The merchants questioned in the second part of the study reported that they sold responsible food because they believed in it in addition to regarding it as a promising business potential. They moreover believed that the sector will continue to grow. However, they also estimated that this growth may slow down considering that responsible food is currently boosted as a trend and considering the difficulty of integrating the sale and distribution of these products into already established retail structures. They believed that the growth was brought about by increased media coverage and by mounting environmental and social concerns among the population. For them, the term “responsible” applies more to the commitment toward local producers. They believed that consumers choose responsible products for health reasons and that price still remains the main obstacle to responsible food consumption. They moreover found that the sale of these products in supermarkets and superstores will make responsible consumption more credible and more socially acceptable. They also added that, by and all, citizens still have confidence in the food system, such that the development of responsible food consumption would eventually face a major obstacle: doubt and cynicism in regard to its pertinence. Finally, lacking authentication for these products, especially organic food, furthermore compromise the image of the responsible food sector.

More than 80% of the 1,700 interviewees of the national survey indicated that the terms “fair trade, “organic,” and “origin” should be subjected to mandatory certification. Respondents here placed more emphasis on organic products than on fair trade, presumably due to unawareness about fair trade and the low availability and accessibility of fair trade products. Thus, the main incentives should be: price adjustment (78%), greater scope of the sales network (distribution in regular stores) (70%), more awareness and information (70%), and better identification (67%). On the communications level, respondents expressed a keen interest in knowing more about regulations on fair trade (44%), certification (42%), advantages for society (36%), as well as advantages for communities of the South (24%).

Organic products enjoy a good brand image but are still perceived as addressing a minority. Images associated with organic food are that it is healthy (59%), ecological (45%), and of a good quality (34%). However, organic products are still associated with cliché images, with the many regarding organic consumers as “granola” (42%), “trendy” (40%), vegetarians (39%), or rich (24%). As for the certification of organic products, respondents seem poorly informed about the regulation in effect, with 59% of them unable to respond to a question on the topic. However, the majority seems to agree on the need to make certification mandatory (86%). While price (82%), as mentioned, was seen as the main obstacle to buying organic, difficulty to verify authenticity (41%) also compromised credibility for buyers, confirming the importance of mandatory certification. Among the proposed incentives, adjusting prices to match those of regular products (88%) proved to be, as expected, the most efficient. However, better knowledge of the advantages (63%), accessibility on the same shelves as regular products (59%), clearer identification (52%), and year-round availability in the supermarkets or stands (49%) were also identified as major incentives.

Local or regional products seem to enjoy much greater interest than organic or fair trade products. The majority of respondents (85%) feel that buying locally is important and 77% make efforts to buy locally. Some 72% are ready to pay more for local products, and 42% are ready to pay more even if there is no gain in quality. Moreover, 70% believe that local products address all sectors of society and not just niche segments. Among their main motivations are: encourage local producers (84%), desire to eat local products (57%), making a contribution to the environment (42%). Moreover, most products are unprocessed or hardly processed: vegetables (84%), fruits (79%), eggs (70%), milk and dairy products (65%), chicken (63%), and red meat (55%). The few respondents who were less inclined to consume local products mentioned higher prices (42%) and accessibility (25%) as main arguments. As well, if local products were available at the same price as imported products, the majority of respondents (78%) would buy locally. Presence on the same shelves (62%), better identification (62%), greater year-round availability (61%), and greater awareness (61%) could contribute to promote the development of local food products. Ambiguity also exists concerning regulations: Almost one third of respondents (30%) think that origin labelling is regulated everywhere in Canada, whereas half of respondents (50%) have no understanding of the concept. However, the most (81%) were firmly in favour of regulated and mandatory labelling of the origin of food products.

Finally, respondents ranked the government among the top four stakeholders who should bear the responsibility of promoting the development of local, fair trade, and organic food products.

1. LITERATURE REVIEW

1.1 INTRODUCTION

This part of the report consists of a review of literature published on responsible food consumption in Canada. It presents information from studies done with consumers and from profiles of the organic, local, and fair trade sectors. For a better understanding of the overall topic, we will begin by presenting results from a survey conducted in France in March 2006 on responsible consumption.

- 77.3% of respondents were familiar with the expression “sustainable development,” representing an increase of 7.7 million in 2005;
- 83.2% of respondents believed they could express their convictions through their choices as consumers;
- Compared to 2005, many more respondents in 2006 reported trying to reduce their energy consumption (71.5% vs 43.5% in 2005) and water consumption (69.6% vs 44.5% in 2005), to recycle their waste (80% recycle regularly vs 62.1% in 2005), and to use public transportation (45.5% vs 37.5 in 2005);
- 83.9% reported choosing products that are respectful of the environment (vs 80% in 2005) and 31% said they do so on a more regular basis (vs 18.6% in 2005);
- 77% saw responsible consumption as “better” consumption.” (For 41.5%, responsible consumption means consuming products that are clearly identified and labelled, so-called ethical, and less polluting. For the remaining 35.5%, responsible consumption means consuming less superfluous products.) Available at **www.ethicity.net** accessed on June 27, 2006.

Another European (Belgian) [1] study indicates that 20% of Belgian consumers have a strong interest in responsible food products (respectful of the environment and social solidarity), but that only 5% of respondents actually put this interest into action in their consumption choices. According to the study, this gap is due to a lack of information about responsible food products as well as their low availability.

Definition: For this literature review and the overall research project, we established that responsible food consumption includes: organic food, fair trade food, local food, and food generated (produced, processed, or distributed) from the social economy (cooperatives, non-profit organizations). Our definition of responsible food consumption does not include the idea of reducing consumption. This is because food is an essential necessity of life and because the study aims to promote responsible food consumption from a niche interest to a more commonplace type of purchasing behaviour in Canada.

1 “Marketing alimentaire: le marketing des produits alimentaires citoyens,” Carrefour bioalimentaire du Québec, **http://www.carrefouralimentaire.com** (accessed on January 15, 2007).

1.2 CERTIFIED ORGANIC FOOD

Let us begin by presenting a brief portrait of the production and market of Canadian and Quebec organic food. In 2005, at least 530,919 hectares of land in Canada were used for organic food production. This land was cultivated by 3,618 certified farmers, who represented 1.5% of all farmers and who produced between 250 and 350 million Canadian dollars worth of food. In the same year, a further 47,955 hectares of land were also transitioned to organic management. About 241 farmers were thus transitioning to organic production, representing a 5% increase compared to 2004. [2]

The majority of organic farms are located in Saskatchewan (34%), Quebec (25%), Ontario (13%), and British Columbia (12%). In Quebec, the proportion of certified organic farms in relation to the total number of farms is the highest: 2.8% of Quebec farms are certified organic. In 2004, at least 900 certified organic farms generated between 45 and 65 million Canadian dollars – almost twice as many as in 2001. Saskatchewan and British Columbia closely follow Quebec, with 2.5% and 2.2% of certified organic farms respectively. Alberta has the weakest performance in the country (only 0.4% of certified organic farms), closely followed by Ontario (0.8%). The number of organic farms in these provinces has also been on the decline since 2001. [3] (See 4.1.2.3)

According to a study performed in 2001 by Option consommateurs, organic farming in Canada could be much more common if it was not impeded by, above all, a lack of willingness from the government to support this type of agriculture. [4] (See 4.1.2.1,4.1.2.2,4.1.2.3,4.1.2.4,4.1.2.5)

1.2.1 The State of Organic Food Consumption

According to a survey conducted in 2005 for Agriculture and Agri-Food Canada, about 50% of Canadians bought organic grains, fruits, and vegetables, 40% bought organic eggs, and 40% bought meat during the preceding year. The Canadian market is thus divided in fairly equally among those who buy organic food regularly or many times per year, those who buy organic once or twice per year, and those who never buy organic. [5] Another survey led more or less to the same conclusions: 18% of Canadians regularly buy organic, 22% many times per year, 31% once or twice a year, and 26% never. [6]

At the end of the 20th century, the organic food market in Canada was estimated to represent between 1 and 2% of the retail food business [7] and between 200 and 500 million US American dollars per year [8]. It was said to grow between 15 to 20% annually. [9]

2 Anne Macey, "Production biologique certifiée au Canada en 2005," Report prepared for Canadian Organic Growers. **http://www.cog.ca/documents/certifiedorganicproduction05F.pdf**. August 2006.

3 "Consommation responsable et économie sociale : Bilan, enjeux et perspectives," Report prepared by the committee "Consommer de façon responsable" of the Sommet de l'économie sociale et solidaire, **http://www.chantier.qc.ca/uploads/documents/pages_descriptor/rapport_final_cr.pdf**, September 2006.

4 Aline Dimitri, "La mise en marché des produits issus de l'agriculture biologique," Report prepared by Option consommateurs for the Office of Consumer Affairs, Industry Canada, Quebec, **http://www.option-consommateurs.org/documents/principal/fr/File/rapports/alimentation/oc_agri_bio_market_fr0501.pdf**, May 2001.

5 "Tendances alimentaires au Canada d'ici 2020, perspectives de la consommation à long terme," Report prepared by Serecon Management Consulting Inc. for Agriculture and Agri-Food Canada, Edmonton, Alberta, **http://www4.agr.gc.ca/AAFC-AAC/display-afficher.do?id=1172757124631&lang=f**, July 2005.

6 Rosalie Cunningham, "The Organic Profile – Not only who you think it is!", Report prepared for Alberta Agriculture, Food and Rural Development, April 2001.

7 "Tendances alimentaires au Canada d'ici 2020, perspectives de la consommation à long terme"

8 Cunningham.

9 "Tendances alimentaires au Canada d'ici 2020, perspectives de la consommation à long terme"

In Quebec, the market share for organic food is also on the rise. According to surveys conducted by CROP-Équiterre in 2001 and 2003, the proportion of people who had ever bought organic products increased from 50% to 60% between 2001 and 2003. During the same time, the percentage of respondents who said to have never bought organic products decreased from 40% to 34%. Among those who never bought organic, 17% indicated they were not familiar with organic products in 2001, compared to 13% in 2003.[10]

In this context it is also interesting to look at the statistics of our US American neighbours concerning organic food. According to a survey performed by Whole Foods Market in 2002, 55% of US Americans had consumed organic food, 6% regularly eat organic, 16% occasionally eat organic, and 32% occasionally eat organic. According to another source (Walnut Acres Survey, 2001), 63% of respondents consume organic products from time to time, while 57% have been consuming organic products from time to time for 3 years.[11] The following table presents a comparison of declarations concerning organic food consumption in Canada, Quebec, and the United States.

TABLE 1: SUMMARY OF SOME NORTH AMERICAN SURVEYS

Survey questions	Canada		Quebec		United States	
	%	Source / Year	%	Source / Year	%	Source / Year
Have bought organic products			50 60	Crop-Équiterre 2001 Crop-Équiterre 2003	55	Whole foods Market 2002
Regularly buy organic food	18	Rosalie Cunningham, Alberta, Agriculture, food and rural development, 2001			6	Whole foods Market 2002
Buy organic food many times per year	22	Rosalie Cunningham, Alberta, Agriculture, food and rural development, 2001			16	Whole foods Market 2002
Buy organic food once or twice a year	31	Rosalie Cunningham, Alberta, Agriculture, food and rural development, 2001			32 63	Whole foods Market 2002 Walnut Acres survey 2001
Never buy organic food	26	Rosalie Cunningham, Alberta, Agriculture, food and rural development, 2001	40 34	Crop-Équiterre 2001 Crop-Équiterre 2003		

10 "Moi, j'mange bio !" campaign, CROP and Équiterre omnibus survey, November 15 -25, 2001 and June 12 - 23, 2003.

11 Frédéric Paré, Équiterre, Symposium on the transition to organic agriculture and perceptions and expectations of consumers, December 2002.

Elsewhere: In France, a survey by the company CSA-TMO shows that 65% of people identify themselves as occasional buyers of organic products. However, a researcher of the Institut national de recherche agronomique (INRA) estimates that only 20% of the French qualify as real buyers of organic products, i.e. buyers who bought at least one organic product within the last month. [12] In Denmark, six people out of ten always or often consume organic vegetables and dairy products, whereas four Danish out of ten always or often buy organic meat. [13]

1.2.2 Reasons for the Increase in Organic Food Consumption

The significant increase in the demand for organic products in the past years coincides with the outbreak of mad-cow disease and the rise of genetically modified foods. Most surveys directly or indirectly link the demand for organic food to concerns about genetically modified food, [14] chemical substances, synthetic fertilizers, pesticides, growth regulators, additives, contaminants, and irradiation. Given that these substances and practices are prohibited in organic farming, many consumers regard organic food products as safer and healthier than their conventional equivalents. The avoidance of certain foods and the preference for organic products are thus intrinsically related. (See 4.1.2.1)

According to a survey conducted in June 2002 by Léger Marketing, 85% of Canadians express concern about the health impacts of chemical products in the food they buy, whereas only 14% do not express that concern. Some 50% are very concerned and 35% are fairly concerned. Women and people between ages 45 and 54 are the most worried. [15] In Quebec, a survey conducted in 2000, also by Léger Marketing, indicates that three Quebeckers out of four are concerned about the way in which the food they consume is produced.

1.2.3 Motivations for Buying Organic

There are two main motivations for buying organic products. The first is a way of life and a philosophical commitment to the environment (often low-income consumers) and the second is personal health (often high-income consumers and those with children). [16] In general, the motivations for buying or not buying are not collective (environment) but personal (health, taste).

In Canada, 33% of consumers buy organic food for its nutritional value, 18% for taste, 16% for the absence of pesticides and fertilizers, 4% for the absence of growth hormones in animals, and 5% for production methods that are respectful of the environment. Given that pesticides, fertilizers, hormones, and nutritional value all have health impacts, 53% of persons who consume organic can be said to do so for health reasons. [17]

In Quebec, according to the 2001 CROP-Équiterre survey, 25% of Quebeckers buy organic mainly to benefit their own health, the health of their children, or for the quality of the food. That proportion increased to 31% in 2003. In 2001, 7% of respondents said they buy organic foods to avoid chemical fertilizers, pesticides, or genetically modified organisms (GMOs), compared to 5% in 2003. In 2001, as in 2003, 2% of Quebeckers indicated that their main motivation for buying organic was the environment, and the same percentage responded that they ended up buying organic by chance. In 2001 and in 2003, the percentage of Quebeckers who claimed to have bought organic foods out of curiosity was 9% and 8% respectively. [18] (See 4.1.3.3)

12 Paré.

13 Antoine Gendreau-Turmel, in “La rubrique biologique” of the Centre d’agriculture biologique du Québec. Vol. 1 (5).

14 Dimitri.

15 “Les Canadiens, leur santé et les aliments biologiques,” Canadian Press/Léger Marketing, June 2002.

16 “Tendances alimentaires au Canada d’ici 2020, perspectives de la consommation à long terme”

17 “Les Canadiens, leur santé et les aliments biologiques.”

18 “Moi, j’mange bio !” campaign.

Elsewhere: According to many studies, health considerations are what push US Americans to consume organic products. According to a survey conducted in 2000 by the Hartman Group, this proportion is as high as 66%, whereas another source (Food Marketing Institute survey from 2001) puts that number at 37%. Moreover, according to a survey by the Whole Foods Market (2002), 87% of organic consumers believe that organic products have a better quality than non-organic products. Other motivations for which US Americans consume organic, still according to the 2000 Hartman Group survey, are taste (38%) and the environment (26%). According to the Leopold Center and the ISU Business Analysis Lab, 25% of people base their purchasing decisions on social and environmental criteria. [19]

Worldwide, the Danes clearly stand out for their motivations for buying organic. Some 75% affirm buying organic to protect the environment and the well-being of animals, while 59% indicate health concerns and 38% taste preference as motivating factors. The Danes seem to make the link between food and the systems in which it is produced. That is perhaps why organic food consumption is more prevalent in Denmark (5% of the market). [20]

19 Laura Krouse and Teresa Galluzzo, “Iowa’s Local Food Systems: A place to Grow,” The Iowa Policy Project, Iowa, February 2007.

20 Paré.

TABLE 2: SUMMARY OF NORTH AMERICAN SURVEYS ON THE MOTIVATIONS FOR CONSUMING ORGANIC FOOD						
Motivating factors	**Quebec**		**Canada**		**United States**	
	%	**Source / Year**	%	**Source / Year**	%	**Source / Year**
Health and quality of food	25 31	Crop-Équiterre 2001 Crop-Équiterre 2003	53	Léger marketing	66 37 87	Hartman Group's Survey 2000 Food Marketing Institute's 2001 Whole Foods Market survey 2002
Taste	2 4	Crop-Équiterre 2001 Crop-Équiterre 2003	18	Léger marketing	38	Hartman Group's Survey 2000
Curiosity	9 8	Crop-Équiterre 2001 Crop-Équiterre 2003				
Environment	2 2	Crop-Équiterre 2001 Crop-Équiterre 2003	5	Léger marketing	26 25	Hartman Group's Survey 2000 Leopold Center et l'ISU Business Analysis Lab
By chance	2 2	Crop-Équiterre 2001 Crop-Équiterre 2003				
Fertilizer, pesticides, or GMOs	7 5	Crop-Équiterre 2001 Crop-Équiterre 2003				
Do not know	10 5	Crop-Équiterre 2001 Crop-Équiterre 2003				

1.2.4 Obstacles to the Development of Organic Farming

In the 2001 CROP-Équiterre survey conducted in Quebec, 18% of Quebeckers said they do not buy organic food because they are not familiar with those products. In 2003, that percentage dropped to 12%. Price represented an obstacle for 15% of respondents in 2001 compared to 23% in 2003. When asked why they do not buy organic, 15% in 2001 and 16% in 2003 said that they are not interested or that they are satisfied with conventional products; and 12% in 2001 and 11% in 2003 responded that they do not believe in the better quality of organic products. In 2001, as in 2003, 7% of respondents said that the main obstacle for buying organic products is availability.[21] According to a study conducted by Option consommateur, distribution is the main obstacle to buying organic foods.[22] (See 4.1.1.1, 4.1.1.3, 4.1.2.3, 4.1.2.2, 4.1.3.2)

21 "Moi, j'mange bio !" campaign.

22 Dimitri.

A study on food trends in Canada from now until 2020 also indicates that the availability of organic products is one of the main obstacles to the development of organic farming. The study concludes that the consumption of organic foods will grow mainly if their availability equals that of foods produced with conventional methods.[23]

Elsewhere: In the United States, price remains the main obstacle to the development of the organic market. A 2002 survey by Whole Foods Market shows that 78% of respondents do not buy organic due to high prices and 75% due to a lack of availability. The 2001 survey by Walnut Acres suggests that 68% of respondents do not buy organic products because prices are too high.

In France, the main obstacle to the consumption of organic food is also price (50%), with lack of diversity (22%) following as the second obstacle.[24] Availability also plays an important role. According to a retail marketing professional of organic products in France, a major boost for the organic market would be greater availability within the dominant marketing network, i.e. the supermarkets.

TABLE 3: SUMMARY OF NORTH AMERICAN SURVEYS ON THE OBSTACLES TO THE DEVELOPMENT OF THE ORGANIC MARKET

Response factors	Quebec		Canada		United States	
	%	Source / Year	%	Source / Year	%	Source / Year
Lack of knowledge about products	18 12	Crop-Équiterre 2001 Crop-Équiterre 2003				
Price	15 23	Crop-Équiterre 2001 Crop-Équiterre 2003			68 78	Walnut Acres Survey 2001 Whole foods Market 2002
Lack of diversity					31	Walnut Acres Survey 2001
No interest	15 16	Crop-Équiterre 2001 Crop-Équiterre 2003				
Sceptical about superior quality	12 11	Crop-Équiterre 2001 Crop-Équiterre 2003				
Not available	7 7	Crop-Équiterre 2001 Crop-Équiterre 2003			75	Whole foods Market 2002
Do not know	21 14	Crop-Équiterre 2001 Crop-Équiterre 2003				

23 "Tendances alimentaires au Canada d'ici 2020, perspectives de la consommation à long terme."

24 Paré.

1.2.5 Expectations toward governments

A very large majority of consumers want governments to demonstrate more support for environment-friendly agriculture.

In Canada, results of a 2004 survey by Ipsos-Reid strongly reflect that desire. The results show that 89% of Canadians agree with the following statement: "Federal and provincial agricultural policies should support family farms with environmentally sustainable animal production rather than industrial farms." Among all Canadians, Albertans (92%) agree the most with this statement, followed by residents of British Columbia (90%), Ontario (90%), the Atlantic provinces (89%), Quebec (87%), and Saskatchewan and Manitoba (83%). Moreover, women (92%) are more likely to agree with the statement than men (86%).[25] (See 4.1.2.3, 4.1.2.4)

In Quebec, according to the 2001 and 2003 CROP-Équiterre surveys, respectively 80% and 81% of residents strongly believe that the Quebec government should give financial support to help farms stop using fertilizers and chemical pesticides. Respectively, only 16% and 15% of respondents do not share that belief.[26] (See 4.1.2.3, 4.1.2.4)

Elsewhere: In the United States, the desire for healthy agriculture is becoming more prevalent as well. According to a 2003 survey by the Leopold Center and the ISU Business Analysis Lab, 15% of people would be willing to pay 30% more for local food produced with respect of the environment and by family farms.[27]

1.2.6 Profile of the Organic Consumer

According to a study conducted in 2001 by Alberta Agriculture, Food and Rural Development, organic food seems to coincide with the values and concerns of a large number of Canadians, from conscientious adolescents to aging baby boomers and mothers concerned about the health of their children. Though generally educated, organic consumers come from all age groups and all socio-economic strata. However, among the 18% of Canadians who identify themselves as regular consumers of organic products, 60% are women. They are also underrepresented among those earning between $60,000 and $80,000 annually, are likely to come from British Columbia (30%), are unlikely to come from Saskatchewan (7%) or Alberta (12%), and are mostly between 25 and 34 years old or 55 years and older. Some 22% of consumers are occasional buyers (i.e. buy organic several times per year). These are underrepresented among those earning between $60,000 and $80,000 annually and tend to be in the 18-34 year age group more so than the 55-years-and-older group.[28] (See 4.1.3.3)

According to another source, the typical profile of the consumer who buys organic food most often is as follows: educated woman (including pregnant woman), high-income, young, and a resident of British Columbia.[29]

According to Ms. Cassey, Regulatory Affairs Manager with Loblaws, organic consumers in North America tend to be families with children and people aged 50 years and older.

25 Ipsos-Reid, Survey conducted for the Council of Canadians, 2004.

26 "Moi, j'mange bio !" campaign.

27 Krouse and Galluzzo.

28 Cunningham.

29 "Tendances alimentaires au Canada d'ici 2020, perspectives de la consommation à long terme."

In Quebec, according to a survey carried out by Équiterre and Darvida Conseil in 2002, 32.7% of organic consumers have one child, 55% are university educated, 34.5% hold management positions or are professionals, 46% earn over $60,000 annually, and 32% live in Montreal.[30] According to another source (Léger Marketing, 2000), the people most knowledgeable about organic foods are between ages 45 and 54 (59%), are university educated (59%), and are Montreal residents (53%). Moreover, people willing to pay an additional 20% for organic products have a yearly family income of $60,000 in 14.7% of cases. Of those willing to spend 5% more for organic products, 44.8% are unemployed and 41.7% have a household income between $20,000 and $40,000.

In conclusion, the typical organic consumer has a higher-than-average education, is a city dweller, and is in the 18-30 or 45-55 age groups. Women show greater interest in organic products than men.

1.2.7 Public Knowledge and Awareness About Organic Foods

In Quebec, the 2001 and 2003 CROP-Équiterre surveys show that public knowledge about organic products has improved. In 2003, 64% of respondents were able to provide a general definition of organic farming, as opposed to 48% in 2001. This represents a 33% increase. Moreover, the percentage of respondents who said they do not know the difference between organic and conventional farming decreased from 28% to 19% between 2001 and 2003.

30 Darvida Conseil, Study, October 2002.

1.3 FAIR TRADE CERTIFIED FOOD

1.3.1 Introduction

Studies show that approximately 12.5% of household budgets are spent on food and that the portion of these expenditures that go directly to the farmers is decreasing given the increased popularity of processed or ready-made products (700% in 15 years).[31] This applies in particular to sectors that are exposed to international competition. This is because the prices paid by buyers are not always established on the basis of real production costs and because there are no quotas to regulate supply and demand.

The surplus of supply over consumption inevitably leads to a price drop for basic products, even though this is not always reflected in the consumer prices. The coffee crisis[32] (1998-2003) is a good case in point. The production of coffee was regulated by the International Coffee Agreement (ICA), which was dissolved in 1989. A strong production increase followed the disappearance of the ICA and led to a serious income crisis for coffee growers. In the 1990s, which saw a continual increase in coffee consumption, export revenues for the producing countries diminished by half while sales to consumers more than doubled. In 2004, the United Nations declared that the price fall of basic products such as coffee, sold on global markets at a third of their 1990 value, was the main cause of increased poverty in producing countries.

The food magazine *Actualité alimentaire* stated in January 2007 that social and equitable marketing will be one of the most influential trends in the agrofood industry in the coming years. According to the magazine, consumers will increasingly seek food products that respond to their desire to support social and environmental causes.

1.3.2 The State of Fair Trade Food Consumption

Since 2001, the sale of certified fair trade products has increased by 300% in Canada to reach an average annual increase of 55%. The proportion of consumers who buy fair trade coffee is constantly on the rise. In 2005, 16% of Canadians bought fair trade coffee, compared to 8% in 2003 and 4% in 2001.[33] The total retail sale of certified fair trade products has reached more than 47 million dollars (46.7 million food products) in 2005. However, in 2005 those sales represented a meagre portion (0.04%) of total food sales in Canada.[34] The number of businesses selling fair trade products has also risen to 1,483 – 300 more than in 2004. Quebec and British Columbia sell more fair trade certified foods (2 to 3% of total sales) than the other provinces (1% average in Canada).

More than 1,300 Quebec businesses offer either fair trade sugar, tea, cocoa, or rice.[35] According to Agriculture Canada, more than 2% of the coffee sold in Canada is fair trade certified. The percentage is even bigger in Quebec.[36]

In Quebec, 50% of citizens had heard about fair trade and 25% had bought certified fair trade products in 2004. The popularity of fair trade products is therewith twice as high in Quebec than in the rest of Canada.[37]

31 Dissertation on new challenges to food security, prepared by the Ordre professionnel des diététistes du Québec and presented to the Commission permanente du MAPAQ, January 23, 2004.

32 Daniel Mercier-Gouin, “La gestion de l’offre dans le secteur laitier, un mode de régulation toujours pertinent”. Research group on agricultural economics and politics, Département d’économie agroalimentaire et des sciences de la consommation, Université Laval, November 2004.

33 Study by the Coffee Association of Canada on the TransFair Canada website **http://www.transfair.ca/** (accessed on March 15, 2007).

34 Fanny Moffette and Guillaume Couture, “L’ABC du Commerce équitable,” Ministère de l’Agriculture, des Pêcheries et de l’Alimentation du Québec, BioClips, Vol. 10 (1), January 2007. Available at **http://www.mapaq.gouv.qc.ca/NR/rdonlyres/99CF9F5D-766B-4981-96AB-B042BDF5D313/0/BioClips_Vol_10_no1_Janvier2007.pdf**

35 Carle Bernier-Genest, “Le commerce équitable a le vent dans les voiles,” *Perspectives CSN*, November 2005. Available at **http://www.csn.qc.ca/perspectives/Pers11-p26.pdf**

36 Ibid.

37 “Consommation responsable et économie sociale : Bilan, enjeux et perspectives.

TABLE 4: EVOLUTION OF SALES (KG) OF FAIR TRADE CERTIFIED FOODS IN CANADA

Sales (kg)	2001	2002	2003	2004	2005
Cocoa	–	17,585	53,616	115,233	191,570
Roasted coffee	277,000	425,000	663,770	938,788	1 368,193
Sugar	620	12,223	18,956	45,415	64,169
Tea	1,920	4,310	5,903	9,094	13,643
Fresh fruit	–	–	–	185,039	245,092
Grains	–	–	–	–	11,677

Source: TransFair Canada (March 2007)

TABLE 5: EVOLUTION OF ESTIMATED SALES ($) OF FAIR TRADE CERTIFIED FOOD IN CANADA

Sales ($)	2001	2002	2003	2004	2005
Cocoa	–	485,562	1,557,660	2,174,907	3,130,547
Roasted coffee	8 310,000	12,750,000	19,91, 000	28,163,642	41,045,794
Sugar	4,960	97,784	151,647	363,320	513,348
Tea	192,000	43, 000	590,323	909,398	1,364,320
Fresh fruit	–	–	–	419,920	567,688
Grains	–	–	–	–	93,412

Source: TransFair Canada (March 2007)

TABLE 6: EVOLUTION OF THE NUMBER OF LICENCE HOLDERS IN CANADA

Years	2001	2002	2003	2004	2005
Total	77	97	110	124	155
New	25	20	25	12	31

Source: TransFair Canada (2006)

Elsewhere: For many years, coffee was the main product carrying the fair trade logo and sales were concentrated above all in Europe. Today, more than 20 different certified fair trade products are exported from developing countries to 20 countries in Europe, North America, Australia, New Zealand, and Japan.[38]

TABLE 7: EVOLUTION OF GLOBAL SALES OF FAIR TRADE CERTIFIED FOODS

Sales (in metric tonnes)	2000	2001	2002	2003	Average growth (%)
Fresh fruit	22,819	29,072	36,641	52,999	40%
Cocoa	1,153	1,453	1,656	3,473	110%
Coffee	12,818	14,432	15,779	19,895	26%
Honey	961	1,071	1,038	1,164	12%
Juice	711	966	1,387	1,890	36%
Sugar	357	468	650	1,164	79%
Tea	931	1,085	1,266	1,989	57%

Source: Fairtrade Labelling Organizations (June 2003)

In 2005, global sales of fair trade were evaluated at 1.1 billion euros or 1.7 billion Canadian dollars, representing a 37% increase compared to 2004. Europe and the United States account for 96% of global sales of certified fair trade products. Swiss citizens are the most solidarity-based toward the South, with average expenditures of 19.22 euros per year. Bananas (47% of all bananas), flowers (28% of all flowers), and sugar (9% of all sugar) are the main fair trade products consumed in Switzerland.[39]

1.3.3 Reasons for the Increase of Fair Trade Consumption

According to a Léger Marketing survey realized in 2003, the majority of Canadian consumers (63%) want to know more about the origin of the products they buy and 65% would not buy products if they believed these were manufactured in sweatshops. According to TransFair, the Canadian fair trade certification organization, the increase in sales is explained by a growing number of points of sale, in particular in supermarkets, which make these products more accessible.

38 Website of TransFair Canada **http://www.transfair.ca** (accessed on March 15, 2007).

39 Moffette and Couture.

1.3.4 Public Knowledge and Awareness About Fair Trade

Between 2001 and 2005, Canadians' knowledge about fair trade increased from 11% to 27%.[40] A joint survey by Infopresse and Impact Research questioned 530 people in December 2005 on their definition of fair trade. Among the definitions mentioned were: good working conditions and products made without exploitation (37%), fairly distributed products (8%), profits returned directly to producers (11%), products made in the Third World (6%), and products bought directly from the manufacturer (6%). Since all of these ideas more or less approximate the definition of fair trade, 68% of respondents can be said to have an accurate understanding of the meaning of fair trade. (See 4.2.1.3, 4.2.1.4, 4.2.2.1, 4.2.2.3, 4.2.3.2)

40 Study by the Coffee Association of Canada on the TransFair Canada website. **http://www.transfair.ca/** (accessed on March 15, 2007).

1.4 LOCAL FOOD

1.4.1 Introduction

In the past decades, the idea of food as a commodity rather than a response to a fundamental need seems to have predominated, in particular at government offices. In 1994, for example, the World Trade Organization (WTO) categorized food and agriculture as a to-be-globalized economic sector. International trade agreements, such as those brokered by the WTO, have forced countries to open their markets. This had the following effects:

- Around the world, exposure to competition of millions of farmers who operate under very different climatic, economic, and social conditions
- Increased pressure on agriculture to be competitive on all the markets
- Encouragement of agricultural specialization and thereby, increased transportation of food
- Questioning of the collective modes of market regulation
- Rupture of the normal link between food production and food consumption within geopolitical territories (countries, regions, localities)

The result is that almost all the links of the food production chain (e.g. oil companies, retailers, restaurant operators, agrochemical companies, farm machinery manufacturers, seed producers, railroads, banks, and packagers) are dominated by two to ten multinational, multibillion dollar corporations.[41] The producers have no influence on market prices; the multinationals control prices.[42] (See 4.3.1.2, 4.3.1.5, 4.3.2.1, 4.3.2.5, 4.3.2.2, 4.3.2.4)

On an individual level, even though a large majority of the population still sees price as a main criteria for purchasing food, people are increasingly considering other criteria such as origin, mode of production, or resource sharing. More and more people around the world are seeking information and better labelling. The consumer society is thus changing to a civic awareness[43] society. Examples of these trends are new labelling systems that identify the origin of products. In his book "The Perils of Free Trade," economist Herman Daly summarizes the vagaries of the free market as follows:

"Americans import Danish sugar cookies, and Danes import American sugar cookies. Exchanging recipes would surely be more efficient."[44]

41 DarrinQualman and Fred Tait, *The Farm Crisis, Bigger Farms, And The Myths Of 'Competition' And 'Efficiency'*, National Farmers Union, 2003.

42 Wayne Easter, Member of Parliament for Malpeque, "Empowering Canadian Farmers in the Marketplace," Report for Agriculture and Agri-Food Canada. July 2005.

43 Mustafa Koc, Rod MacRae, Luc J.A. Mougeot, and Jennifer Welsh. *For Hunger-Proof Cities: Sustainable Urban Food Systems.* International Development Research Centre, 1999.

44 Herman Daly, "The Perils of Free Trade", Scientific American, Vol. 269, No. 5, November 1993, 51

Some facts:

- The average distance travelled by a food item, from the field to the table, is 2,600 km,[45] which equals the distance from Montreal to Orlando, Florida.
- Almost a third of the trucks on our highways transport food, a kind of traffic that is continually growing.[46] Increased packaging and preservation agents are required to preserve food during those long trips.
- The food system accounts for 16% of the total energy consumption in the United States.[47]
- This tendency generates paradoxes. For example, in 2000, Quebec exported over 7,000 tonnes of fresh apples and imported almost twice as many other varieties of apples.[48]
- Local food systems are less harmful for the environment, largely due to the ecological cost related to transport. According to a study done in Iowa (US), buying 10% more local products would reduce CO_2 emissions by up to 3.6 million kg per year.
- Fresh products rapidly lose their nutrients. Studies show that specialization and standardization, in addition to long-distance transport, affect the nutritive potential of our food. Nutrient losses, such as vitamins C, A, E and riboflavin, take place even under excellent storage conditions.[49, 50]

1.4.2 The State of Consumption of Local, Regional, and National Foods

Food consumption in Canada has changed during the past 30 years. Consumption of red meat has decreased; consumption of poultry, grains, and fruits and vegetables has increased; and that of dairy products seems to have stabilized. These consumption habits influence the national food balance in Canada, i.e. the proportion of food consumed and produced in Canada. In the case of dairy products and poultry, agricultural production is regulated by quota systems that link production and consumption on the territory and thus contribute to that food balance. However, the production of fruits and vegetables, grain products, and red meat is not regulated by such quotas and is thus subject to free trade.

Other obstacles also impede the consumption of Canadian food by Canadians. For example, more than 9,000 retail stores disappeared between 1994 and 2004, leaving only 24,000 in 2004.[51] This made production and business conditions increasingly challenging for Canadian farmers. Similarly, the sale of products under store brands by the big chains rose from 17% in 1988 to more than 23% in 2000.[52] Those store brands also tend to reduce the negotiating capacity of farmers. In 2004, Canada exported $26.5 billion dollars worth of food whereas it imported $20.4 billion dollars worth of food.[53] From 1990 to 2005, those exports multiplied by four. On the other hand, imports increased in volume by an average of 5.9% per year since 1990.[54] Those imports were broken down as follows: 28.1% fruits and vegetables, 10.7 grain products and oilseeds, and 12.5% beverages.

45 Brian Halweil, in Laure Waridel, 2003.

46 Laure Waridel. 37.

47 Rich Pirog. et al., "Food, Fuel and Freeways: An Iowa perspective on how far food travels, fuel usage, and greenhouse gas emissions". Report for the Leopold Center for Sustainable Agriculture, Iowa State University. June 2001.

48 Waridel. p. 38.

49 David A. Bender and Arnold E. Bender, *Nutrition: A Reference Handbook*, Oxford University Press, 1997, in: "Eating oil: Food supply in a changing climate", a report by the Sustain and Elm Farm Research Centre, December 2001.

50 *Manual of Nutrition*. 10th Edition. UK Ministry of Agriculture, Fisheries and Food. The Stationary Office, 1995, in "Eating oil: Food supply in a changing climate", a report by the Sustain and Elm Farm Research Centre, December 2001.

51 *Kim Longtin*, An Overview of the Canadian Agriculture and Agri-Food System, *Agriculture and AgriFood Canada, May 2006.*

52 Ibid.

53 Ibid.

54 Ibid.

In 2002, 22% of Canadian agricultural production was exported directly, 43% was processed (a part of which was then also exported), 10% was distributed, and 15% was used by the primary industry (harvests destined for animal feed). Likewise, between 2002 and 2004, about 40% of Canadian grain and oilseed harvests were exported. During the same time period, over 50% of the red meat produced was also exported, a percentage that had doubled over the last decade. On the whole, Canadian producers depend much more on exports than their American and European counterparts (EU15).[55] The following table compares the food balance of certain product sectors in Quebec.

TABLE 8: EVOLUTION OF THE QUEBEC FOOD BALANCE BY PRODUCTION SECTOR

Production:	1998	1999	2000	2001
Meat	52.2	56.9	56.9	57.3
Vegetables	35.0	38.1	43.3	45.9
Fruits	12.3	12.5	12.7	11.8
Dairy Products	85.7	85.2	84.4	85.4
Total Quebec	**48%**		**50%**	

Source : MAPAQ, Bilan du Sommet Mi-parcours des décideurs de l'agroalimentaire, 2001.

1.4.3 Motivations for Buying Locally

According to a 2003 Léger Marketing survey, most Canadian consumers (63%) want to know more about the origin of the products they buy. "If they believed that the products were made in sweatshops, 65% of consumers would not buy them."[56]

Though many consumers mostly want speed and effectiveness when stocking up their food supply, another increasingly growing proportion of consumers search for a shopping experience. The supermarkets have responded to this trend by offering displays and set-ups that give the impression of shopping in an open-air public market or in specialized boutiques. The Ontario government also recognized this tendency and has been supporting the resurgence of public markets in the late 1980s.[57]

According to a literature review prepared by Zins Beauchesne and Associates, media coverage of social and environmental problems in the farming sector has stirred concerns throughout North America. "These ethical concerns give rise to the tendency for citizen-based food production".[58] The same review also reveals the joint search by producers and consumers for alternatives at the conventional stores, in particular concerning fresh products. "Major price fluctuations, deficiencies of government programs, the consolidation of the agrofood industry, higher demands from traditional distributors toward their suppliers (e.g. required minimum quantities, consistency in quality, packaging requirements), as well as "back to nature" tendencies have encouraged the growth of direct sales to consumers."[59] (See 4.3.1.2, 4.3.2.1, 4.3.2.2, 4.3.2.4, 4.3.2.3)

55 Ibid.

56 Denis Breton, "À l'heure où la planète s'essouffle. Une consommation qui s'oxygène," *Vigie Consommation*, Vol. 3 (1). March 2004. Available at **http://www.opc.gouv.qc.ca/publications/vigie/Vol_3_num_1_v2.pdf**. Accessed on June 28, 2006.

57 Harry Cummings, Donald Murray, and Galin Kora. "Farmers' Markets in Ontario and Their Economic Impact," Study for the School of Rural Planning and Development, University of Guelph, Guelph, June 1999. Available at **http://www.ofa.on.ca/site/PDFs/EconomicImpactStudies/FarmersMarket/FarmersMarketsOntario.pdf**

58 Evaluation of development potential in the distribution of local products, Zins Beauchesne and Associates, May 2005.

59 Ibid.

In discussion groups conducted by Léger Marketing with consumers of products made in Quebec[60], participants mentioned that their choice for Quebec-made products is motivated by quality and freshness, in particular produce in season. Some participants also mentioned the economic benefits of buying locally, particularly for the farmers. In general, participants were not willing to pay more simply because a product was made in Quebec, the two main motivations being price and quality.

The increasing popularity of the following shopping experiences is also indicative of the motivations of consumers to buy locally (see 4.3.2.2):

- **Public markets**: Their number rose in the United States from approximately 300 in the 1970s to 1,755 in 1994 and to more than 3,100 today.[61] About three million people visit those markets each week and spend more than $1 billion US American dollars each year.
- **Community supported agriculture (CSA) offering "organic baskets"**: These kinds of programs were first implemented in the 1970s in Japan, and then in Europe and North America in the 1980s. In Quebec in 2006, CSA was practiced by some 120 farms supplying local food to more than 25,000 people (8,600 families) in 14 regions of the province.
- **Local products in supermarkets**: More and more supermarkets have sections reserved for products made in Quebec.
- **"Organic-local" daycare centres**: Since November 2002, some Centres de petite enfance (CPE) of Quebec get their food directly from organic and local farms. In addition to the food supply as such, the project aims to raise awareness among children, parents, and daycare workers about links between agriculture, children's health, and environmental protection. In 2006, 44 CPEs participated in the program, providing about 3,000 children with organic and local products.
- **Farm-to-institution**: Responsible food projects are emerging throughout the world. In the United States, farm products are delivered directly to educational institutions. Those projects presently reach more than 750,000 children and adolescents in 400 school districts in 23 states as well as over 200 colleges and universities. The projects also aim to help students develop an understanding for farming, improve the quality of foods in schools, and support local farmers.

60 Quality research report by Léger Marketing for the Chaire Bombardier de gestion de la marque, March 2003.

61 Halweil.

Various initiatives for promoting the consumption of local food through retail commerce are also practiced in different regions. Some of these are:

In Quebec :
Corneau-Cantin stores. Founded in 1968 in Jonquière, the Corneau-Cantin group owns three independent big-name supermarkets. Corneau-Cantin has implemented a sustainable development policy within its food markets by committing to (See 4.3.3.2, 4.3.1.2):

- prevent the impacts of store activities on the community;
- promote ecological and fair agricultural practices;
- offer producers, processors, and clients a fair price;
- promote spin-offs for the regional economy; and
- develop and maintain awareness for consumption choices.

The Aliment du Québec campaign. Founded in 1996, Aliments du Québec works to substantially increase the share of Quebec agrofood products in the domestic Quebec market through campaigns and awareness-raising. The big Quebec agrofood corporations and the Quebec government support that effort.

In the United States:
“Home Grown” by New Seasons Market. Home Grown is a program by the supermarket chain New Seasons Market on the West Coast of the United States. It promotes the labelling of local and regional products for consumers. Local products are identified with yellow labels, such as:

University of Northern Iowa Local Food Project
Strengthening the local food economy in Iowa by:
- Fostering relationships between consumers, grocers, restaurant owners, dining service staff, farmers, local government and economic development representatives; and
- Making it easier for Iowa residents to find and purchase local food products.

The initiative is promoted with the “Buy Fresh, Buy Local” campaign as follows:

California Grown. Hundreds of stores and more than twenty farm industries participate in this campaign by promoting products made in California. Since the time when the blue logo first appeared on the market, cultivators, restaurant chefs, and retailers have witnessed a steady growth in awareness about the program by clients and through sales.

In 2004, 23 participating restaurants, retailers, and businesses have doubled their local food purchases to $465,000 compared to $225,000 in 2003. These are food dollars that would have otherwise left the region. If all households in the county of Black Hawk channeled at least $20 of their weekly food purchases to local farm products, 1 million US dollars would remain in the community every week.

In Canada:

Atlantic Canada. Coop Atlantique is a federation of food cooperatives that supplies food cooperatives in the Maritimes.[62] The new region-wide campaign "My Coop, My Community, It's For Us!" allowed some stores to increase their sales.[63] With the slogan "To the source of our food!" the federation has promoted local food for the following reasons:

- Freshness and quality
- The essential role of local food for the health and economic viability of their community
- Support to local businesses;
- Retention of dollars in the Atlantic region to strengthen its economy
- Eco-friendly distribution and packaging
- Strengthening of farming and food production sectors

The Slow Food Movement

Slow Food is an eco-gastronomic approach to sensitizing the public to the pleasures of a diversified, convivial, and ethical cuisine. The movement particularly values local, organic, and sustainable production all the while cultivating a sense for refined taste. Slow Food fosters responsibility for the environment and for farming methods.

1.4.4 Obstacles to the Development of Local Food Sales

A study conducted by Léger Marketing in the form of discussion groups with consumers shows that the main buying criteria for consumers were quality and freshness, quality-price ratio, and ingredients of the products. The origins of foods were not among the criteria spontaneously mentioned.[64]

The multitude of logos and other indications on packaging, in particular those concerning the origin, also challenge consumers in identifying local products. For example, the logo "Aliments du Québec," used for many years in Quebec and supported by most of the big Quebec food producers, was hardly recognized by the consumers interviewed by Léger Marketing in the framework of the discussion groups. Even when exposed to the logo, participants did not remember having seen it.[65] (See 4.3.2.1, 4.3.3.3)

62 **http://www.produitdelaregionatlantique.coop/** (accessed on October 17, 2005).

63 Bulletin Agraffiti, Vol. 1 (1).

64 Quality research report by Léger Marketing for the Chaire Bombardier de gestion de la marque, March 2003.

65 Ibid

1.5 CONCLUSION

The literature review revealed that the various responsible food products (organic, local, fair trade) have not been subject to the same degree of market research. While organic food and, to a lesser degree, fair trade products have been analyzed from the point of view of consumers, local food consumption has been somewhat neglected, having probably been taken for granted. Whatever the reason for these discrepancies, it remains that the three food types organic, local, and fair trade all contribute to the well-being of the environment, health, solidarity, and social justice. It also seems that agrobusiness controversies, widely publicized over the past years, have led significant portions of the population to distrust or at least question the dominant food system. In 2002, 85% of Canadians were concerned about the health impacts of chemical products used in conventional animal breeding. In 2005, 89% of Canadians wanted more government support for eco-friendly family farms.

The sale of organic foods has been increasing by about 20% annually for many years. The number of Canadian organic farms has also increased, although less so in Alberta and Ontario. Recent surveys indicate that 20% of Canadians regularly buy organic food. Their own health and that of the environment motivate consumers to buy organic. This literature review clearly indicates that price and lack of accessibility are the main obstacles to the sale of organic products. Low sales figures, in turn, impede the speedy setup of more certification systems. In Quebec, 65% of citizens are capable of naming one defining element of organic products.

In the case of fair trade foods, the literature review also points out to the significant sales increase of fair trade products in Canada (55% annually since 2001). Moreover, an estimated 68% of Canadians are able to name one defining element of fair trade. As reasons for the sales increase, two reports identify greater accessibility of fair trade foods (sale in big chains) and the desire of consumers to know where their food comes from and under what social conditions it was produced.

Canadians have been eating more fruits and vegetables, and more white meat and less red meat, for many years. As Canadian farmers produce relatively few fruits and vegetables, imports of these foods have risen. Conversely, as poultry productions are subject to quotas, consumers in this case contribute to increasing our food balance (autonomy). The consumption of local food is thereby influenced by various, sometimes opposing, tendencies or realities. The economic concentration of the food processing and distribution sectors also makes is more difficult for our farmers to sell their products directly to the big food companies. In Quebec, 50% of food consumed comes from local production. That percentage is undoubtedly lower in the rest of Canada because agricultural production is subject to quotas (thus related to territory) in Quebec more so than in the rest of Canada. Canadian producers as a whole depend a lot more on exports than their US American or European counterparts. Nevertheless, 63% of Canadians want to know more about the origin of their food. They increasingly seek a shopping experience that corresponds to a search for authenticity of foods and a return to the basics. Many developments clearly demonstrate that desire: public markets, community-supported agriculture, organic-local daycare centres, gardening in school yards, the slow food movement (a staunch proponent of local buying), My Coop, My Community (a campaign from Atlantic Canada), and the “Aliments du Québec” program.

2. INTERVIEWS WITH MERCHANTS

2.1 INTRODUCTION

This section aims to identify the main factors both favourable and unfavourable to responsible food consumption from the point of view of Canadian merchants. More specifically, the objective is to better understand the business stakes they face as well as their perception of consumer behaviour and expectations concerning responsible food consumption. Will responsible food consumption remain a niche market or will it become commonplace? How can we contribute to making that consumption more commonplace? This study tries to respond to those questions.

The point of view of merchants was considered important because the development of responsible food product sales greatly depends on them. Thus, results from this part of the study may be useful to merchants who want to increase sales of those types of products. However, the goal of this section is not to offer an overview of the perception that Canadian merchants have of responsible food consumption, but to explore key topics associated therewith. For example, the collected data allowed to recognize the important role of food stores in promoting responsible food consumption, both as information/awareness providers and as distributors.

This section is divided in two main sub-sections: research methodology and research results.

2.2 METHODOLOGY

This sub-section presents the research methodology chosen to reach the objectives of Section 2. The definition of responsible food consumption applied here was established at the Sommet de l'économie sociale et solidaire, held in Montreal on November 16th and 17th, 2006. That definition refers to organic, fair trade, and local foods, including food produced from the social economy, as responsible "food products" or simply "food."

2.2.1 Data Collection Method and Development of the Guide

The view of responsible foods by Canadian merchants is a complex subject that needs to be treated in a systemic manner such that the relations between the many variables can be simultaneously examined. This led us to choose a synthetic research methodology with qualitative rather than quantitative research tasks. Contrary to a quantitative approach based on a great number of analysis units, the depth of the quantitative method yields the explanatory power required for understanding the complex phenomenon in question. The qualitative approach thus corresponds much better with the objectives of this part of the research.

Once the qualitative approach was determined, a data gathering method had to be chosen that best responded to the demands of this part of the study. In order to reach the objectives, namely, improving knowledge of business challenges facing Canadian merchants of responsible foods and their perception of consumer behaviour and expectations, the semi-directed interview method seemed the most appropriate. This method is relevant as it allows a deep understanding of complex phenomena, such as shaping of attitudes as well as perception. The flexibility of that method gives interviewees the necessary freedom to expose their views and personal experiences in detail, thus providing a wealth of information. Lastly, the participation of interviewers in co-constructing the discourse of the interviewee allows for a very differentiated level of analysis.

An interview guide was thus developed on the basis of research questions and following meetings between various project participants. Literature on responsible food consumption was also made available. The guide had also evolved thanks to data gathered during the first interviews.

2.2.2 Recruiting, Sampling Plan, and the Conducting of Interviews

The criteria for selecting respondents were that their store sells at least one type of responsible food product and that the interviewee be responsible for buying food products. The study being pan-Canadian, we had to interview merchants throughout all of Canada. The cities targeted were Montreal (9 interviews), Toronto (8 interviews), and Vancouver (3 interviews). The goal was to conduct a fairly high number of interviews in each city in order to obtain an overall portrait and to complete a total of 20 interviews. We reached this objective, with the result analysis showing a saturation of data following the 20 interviews. As we had expected, the recruitment proved more difficult in Vancouver than in Montreal and Toronto, where we conducted slightly more interviews than foreseen.

We are aware of the limits of that choice, i.e. of focusing only on the three biggest urban centres of Canada and to disregard merchants from rural zones. However, our goal was to expose different opinions of Canadian merchants on the research question without necessarily claiming representativeness of the overall population. The results thus apply strictly to merchants from Canadian urban centres.

We initially intended to interview merchants from various sectors of the food business: big retailer, corner store, greengrocer, natural food store, etc. However, after difficulties recruiting big Canadian retailers (e.g. Sobey's, Loblaws, Métro), we limited ourselves largely to independent stores, i.e. those that do not belong to the brand name network of one of the big Canadian retailers (see Table 1).

TABLE 1: PARTICIPATING BUSINESSES	
Type of company	**% of total (n)**
Market / boutique	75% (15)
Supermarket	10% (2)
Delivery service	10% (2)
Distributor	5% (1)
Independent	85% (17)
Chain	15% (3)
Private	85% (17)
Publicly financed	10% (2)
Consumer cooperative	5% (1)

The interviews lasted between 45 to 60 minutes. Whether conducted over the phone or face-to-face, the interviews were recorded on audio cassettes for archival purposes. They were then analyzed on the basis of transcriptions or notes. As mentioned previously, the saturation of gathered information allowed to generalize for similar contexts, albeit without claiming any representativeness. Lastly, data obtained from interviews was verified by crosschecking them with a second source of a secondary origin.

2.2.3 Limits

The limits concerning the urban aspect of our respondents' location were mentioned previously. An urban setting is possibly more inclined to support responsible foods, if only due to greater accessibility. However, it is also possible that the views of urban merchants more or less coincide with those of merchants from the country.

Moreover, responses to questions about responsible food consumption are prone to be skewed due to a social self-consciousness on the part of the interviewees: few would want to describe themselves as "irresponsible." Particular care was thus taken to put respondents at ease to express their true thoughts and not what they believe the interviewer wants to hear or what corresponds to the supposed status quo.

2.3 RESULTS

This section summarizes the results of interviews held with twenty merchants throughout Canada on four principal topics. The results include a profile of the typical responsible food consumer as described by the merchants, followed by a section on the consumption and characteristics of responsible products, the marketing of such products, and lastly, the future of the responsible food industry.

2.3.1 Profile of the Typical Consumer According to the Merchants

According to the merchants, the responsible consumer has the following characteristics:

- Higher level of education: “The person must have had the privilege of learning about the benefits of responsible choices.”
- Consumers with a level of social and environmental awareness, especially as it relates to themselves and their body
- Middle to upper level income
- 25- 50 year age group
- Young parents, who want to feed their children healthy food to reduce the risk of illnesses
- More women than men

2.3.2 Consumption and Characteristics of Responsible Products

This section presents the links between food purchases and responsible consumption, namely, market tendencies, forces behind that movement, and obstacles to responsible food consumption. In general, personal health and that of children ranks as the main motivation behind responsible consumption, followed by environmental concerns. Other factors such as support of the local economy and solidarity with farm workers are also beginning to play a role. (See 4.3.2.1). However, the relatively high prices of responsible foods and limited access still seem to impede the evolution of this market.

2.3.2.1 The definition of responsible food consumption

This section summarizes the defining elements of responsible food consumption as mentioned by the merchants.

- Buying locally and its positive impacts on the economy and the environment.[66]
  “We want local to be synonymous with sustainable... like macaroni and cheese.”
- Production and processing methods that do not harm the environment (environmental awareness).
- Quality of the products. Quality is associated with organic and local production as well as meat from free-ranging animals.
- Fair trade products. Awareness of impacts of the food system on living conditions of farm workers from poor countries as well as on local producers who bear the greatest share of the risk in the food system (social consciousness).
- Reduced packaging. However, many merchants mention that overpackaging is also becoming a problem in the organic market due to an increased use of mainstream marketing tactics. Thus, in marketing organic products, appearance is becoming as important as quality.
- Food that comes from small-scale productions (=quality).
- Food that was carefully produced or processed at each stage. A responsible purchase respects the entire food chain.
- Simple, whole food in its original state (less sugar, without preservation agents, unrefined).

66 The correspondence table of qualitative terms can be found in Appendix 1, p. 43.

2.3.2.2 Market trends

For a better understanding of the evolution of responsible food consumption in Canada, this section summarizes the big trends in the sale of those products. The merchants often mentioned that there is an increasingly strong interest for ready-to-eat organic products and for supplements.

Organic products: Almost all merchants note an increasing demand for organic products, in particular dairy products. In their opinion, that growth is due to consumers' concerns about their own health or that of their children. Environmental concerns are also a motivating factor, though to a much lesser extent.

Ready-to-eat: The majority of merchants note that consumers are increasingly seeking ready-to-eat food options.

"People are increasingly willing to pay for ready-to-eat gourmet foods, foods that are authentically made."

Supplements: Similarly to ready-to-eat foods which are consumed by a population of professionals that has no time to cook, supplements are also popular with consumers of natural products. Such products are increasingly available and generally offer a big profit margin and few infrastructure and management needs compared to fresh products.

"Supplements are driving the industry; that's where the biggest margins are. They appeal to the boomers who want their food in a pill."

2.3.2.3 Forces behind that movement

These market trends represent certain forces (positive and negative) that inspire people to change their habits and move from talk to action. An in-depth analysis of interview results showed that, according to the merchants, four elements are at the basis of that movement: media, health, environment, and support of local agriculture and economy.

Media: Although the movement toward more responsible consumption is driven by a series of underlying factors, the media has clearly played and will continue to play a very important role. Many believe that increased coverage of environmental problems (in politics and climate change discussions, etc.) is directly related to the increasing popularity of natural products. Most merchants also said that the movement toward responsible food consumption is part of a larger movement for global environmental awareness, including better knowledge about the impacts of our practices on the planet and on our health.

Distribution in major chain supermarkets: From the point of view of merchants, the presence of organic products in major chain supermarkets also plays a role in educating consumers. With greater accessibility to these products and the illusion of a mass phenomenon, this new presence creates opportunities while also generating competition for independent merchants of natural products.

Health: In general, people increasingly want to know the origin of their food. According to most merchants, this trend stems from increased knowledge about the impacts of conventional agricultural practices on the quality of food and human health. (See 4.1.3.3)

Parents, in particular, are interested in organic products as evidence shows that chronic health problems with children are linked to pesticide residues in food. Some merchants also mention that parents often buy organic products for their children but not for themselves.

Environment: Aware of the positive impacts of their food choices on their own health and that of their children, some consumers continue to develop an awareness of the consequences of their purchases on the environment (e.g. the effects of chemical fertilizers in water, food transportation and GHG emissions, the use of cotton bags, waste reduction and landfills)

Impacts on local agriculture and rural economy: According to the merchants, some consumers also discover that these choices benefit the local economy, rural communities, and more particularly local farmers. The purchase of responsible food products, an action originally taken for personal health reasons, thus becomes an act of solidarity with the local or provincial agricultural system. (See 4.3.2.1)

2.3.2.4 Other motivations mentioned by the merchants

- Treatment or prevention of health problems (e.g. diabetes, high blood pressure, skin problems, cancer). Special dietary requirements that call for organic products.
- Loss of confidence in the conventional system in response to scandals
- Allergies (e.g. gluten)
- Aging
- The desire to rediscover the taste and quality which products had a long time ago
- Political involvement and solidarity (specific to local and fair trade products)
- The possibility to offer fair prices to producers from the South (fair trade)
- Knowledge about the real cost of conventional production on the environment, society, and the economy, and the desire to seek alternatives
- Trendy type of consumption

2.3.2.5 Obstacles for non-consumers

Despite these trends and forces that incite people to buy responsible foods, their market shares remains relatively small in Canada. According to the merchants, three factors impede the evolution of the responsible food market: price, access, and scepticism.

Price: Most merchants believe that the relatively high prices of organic and fair trade products constitute the main obstacle to responsible food consumption. As for local products, although often less expensive than imports, a lack of accessibility inhibits their development. (See 4.1.2.3, 4.3.2.5)

Access: Some believe that the relatively limited access to responsible food products makes their consumption more difficult and less attractive. (See 4.1.2.3, 4.3.2.5)

Scepticism (cynicism): Some non-consumers believe that organic (in particular) is only a fad and a way for others to make money at their expense. (See 4.1.2.1, 4.1.2.2, 4.1.2.3)

According to merchants, some consumers also question the purported health benefits of organic products compared to conventional ones. To them, buying organic seems like a belief or a sect that lacks a real foundation. These consumers are thus not ready to pay more for organic products. They, for their part, firmly believe in the opposite "I just don't believe in organic!"

Lastly, consumers by and large still have great confidence in the agro-food system. They don't question why a new alternative has presented itself or why the debate on GMO labelling is so important.

"If it's in the stores, it should be safe."

2.3.2.6 Why offer responsible food?

We then tried to discover why those merchants became involved in the business of responsible foods.

The decision to engage in a certain type of business depends on many factors, among them experience, access to capital, education, and age. However, a comprehensive analysis of interview results showed that merchants are motivated to sell responsible foods for two main reasons: more demand than supply, and personal values.

Many merchants mention the gap between supply and demand in the natural product sector as a main motivation. On the other hand, the majority of respondents also expressed deep values and nutritional, environmental, and social beliefs. It seems that these play a crucial role in the development of their business. Some respondents even sacrifice their level of sales in order to maintain those values. “If consumers demand a product that does not correspond to our values, we don’t offer it, that’s all.”

Many also try to raise awareness by offering alternative food choices that are eco-friendly (organic products), respect the rights of farm workers from countries from the South (fair trade products), and benefit the local economy and agriculture (local products). (See 4.3.1.5, 4.3.1.2, 4.3.1.4) “(...) It’s a respectful, responsible, and profitable business (...) it’s a win, win, win situation.”

2.3.3 The Marketing of Responsible Products

This section summarizes the responses to the questions related to the purchasing, marketing, competition, and sale of responsible foods. In general, it seems that the responsible food market is in constant evolution and that it has been attracting a growing interest from consumers and superstores for some years.

2.3.3.1 Sustainable phenomenon or passing trend?

Almost all merchants believe that responsible foods is part of a sustainable phenomenon, that the demand is increasing year by year, and that the diversity of products is also improving.

However, many merchants also believe that organic foods are promoted with hyped up media campaigns and that increased sales may therefore prove a passing trend. The problems arising from such a fad could be increased importance placed on the look at the expense of quality (see Section 3.2).

Other factors also have the potential of slowing down or at least limiting the sustainability of responsible food consumption. For example, in Toronto, many respondents mentioned access to land for young organic farmers and the destruction of arable land by residential development as main obstacles. (See 4.1.2.3, 4.3.1.3)

The merchants who participated in the study are generally positive about the sale of responsible food products. However, some question the sale of organic products from distant sources, arguing that these are not ecological choices (see 4.1.2.2). Products such as supplements were also viewed with scepticism because, while economically profitable, neither the quality and origin of their ingredients can be verified. Moreover, these “pill meals” often do not correspond to the way of life of natural food merchants who value the preparation of meals with basic ingredients.

2.3.3.2 The role of partners in sales development

This section aims to determine the role of partners of the distribution chain for marketing and selling responsible products. For most merchants, partners are limited to the representatives of the processing and production industries.

Some merchants find that these partnerships already exist and that organic products, in particular, already enjoy extensive marketing exposure. On the other hand, most merchants say that the representatives could get more involved in educating consumers or in offering merchants more information about the products. (See 4.2.1.3, 4.3.1.5)

2.3.3.3 The development of the responsible food offer

We then tried to determine which group of people or which organization should be responsible for developing the supply of responsible products.

The majority of merchants believe that the government should become more involved in stimulating supply by promoting responsible choices or by developing certain policies, such as the prohibition of trans fats and GMOs or through tax breaks for ecological producers.

Many respondents also note that all the players in the agro-food system should share the responsibility. However, sharing responsibility may also generate certain problems. The following analogy, drawn from discussions with the merchants, is a good description of that phenomenon:

"It is proven that if someone has a heart attack, he has a greater chance of dying in a room if many people are in the room than if there was only one other person. On the other hand, if those same people were to get organized, work in a team, and divide tasks among themselves, the victim of the heart attack would have greater chances of surviving. The same applies to the sustainability of the food system."

According to the merchants, the main participants of the current food chain, from farmer to consumer, all look to the other to avoid taking responsibility. However, if those same participants were to assume a defined role and collaborate in promoting responsible food, the supply and demand of those products would become more solidarity-based and adapted to the realities of the market.

2.3.3.4 Competition and evolution of responsible food supply

Due to continuous growth in the demand for responsible food products, most merchants feel that they have not faced increased competition over the past years. Many also mention that the number of responsible food stores in their borough has not increased, but that increased demand for responsible food products is met by existing retailers (e.g. pharmacies with sections for natural supplements and supermarkets with organic food sections). "There are more and more non-traditional competitors (...) but the pie is always shared with the big supermarkets (...)."

As mentioned above, many respondents, representing small, independent markets, do not feel too affected by this new type of competition. According to them, the big supermarkets do not have the knowledge and expertise to respond to the needs of responsible and educated consumers. The respondents, by contrast, can offer a personal experience and a relationship of trust to the consumers, a crucial factor in the natural foods market.

Nevertheless, the new offer of natural products in the major supermarkets serves to raise awareness among the population at large. When people see organic products at Loblaws, for example, the product becomes acceptable or fashionable and thus desirable.

2.3.3.5 The success of direct marketing: competition or complementarity?

The other forms of food supply, such as public markets, farm stands, and community supported agriculture (CSA), are progressively gaining popularity in Canada. According to the merchants, that trend is explained by the following factors:

Growing demand for a quality “shopping experience”. Consumers are seeking a more direct experience with food and want to know the origin of the products they buy. The CSA formula is particularly interesting because it often allows consumers to visit the site of production or to at least meet the producers. Consumers also like the ambiance of public markets. Buying food thus becomes an activity that one can share with friends or family. (See 4.3.2.2).

These options also play a major role in consumer awareness. The people who participate in CSA programs are also those who go to public markets and farm stands and who shop in natural foods markets.

In that sense, the offer of stores selling responsible foods and that of direct marketing options complement each other. Retail stores, for their part, offer diversity of bulk, dried, or conserved foods that the majority of local producers cannot offer.

Elimination of intermediaries in the food chain. Aside from the educational aspect of this exchange, merchants have a positive view of direct marketing options as these directly support local producers and thus the local economy. CSA provides producers with greater financial safety by giving them access to capital at the beginning of the season. With that formula, consumers share the risk of the agricultural production with the producer. On the other hand, according to some merchants in the Montreal region, the CSA model has also decreased the available volume of local organic vegetables in stores. (See 4.3.2.2)

2.3.3.6 Purchasing policies and purchasing objectives of stores

Most stores represented in this study do not have specific policies in regard to responsible food products. Being mainly small independent stores, the owners/managers are more concerned about the availability of products and the quality-price ratio. The choice of products is largely influenced by personal values, the view of the food system, and the demand. "The consumer is king."

The majority of respondents stated giving priority to organic, local, and sometimes fair trade products when quantities were sufficient and the price-quality ratio good. The stores that did apply specific policies adopted the following guidelines (see 4.1.1.3, 4.2.1.4, 4.3.1.2):

- Vegetables and fruits must always be 100% organic.
- Some ingredients, such as trans fats, are completely prohibited.
- The store only offers wild salmon.
- All packaging must be made of 100% recycled paper.
- No GMOs are present in the foods (problem with labelling!).

2.3.3.7 Logistical challenges and responsible food products

Most logistical challenges arise from the sale of fresh fruits and vegetables. About half the merchants did not indicate having experienced particular logistical difficulties related to the sale or purchase of responsible products.

Loss and contamination: Other respondents mentioned some difficulties such as a higher percentage of loss for fresh products and a higher rate of contamination in bulk foods (e.g. worms in almonds). Cases of contamination are rare.

The high loss is commonly countered by stocking up on smaller quantities of perishable products. However, half-empty shelves, combined with the sometimes less striking appearance of the products, then make for a poorer presentation (See 4.1.2.2, 4.3.2.5, 4.3.1.3).

Accessibility: With the entry of big natural food supermarkets into the responsible food market, independent merchants and their already relatively limited purchasing power see themselves pushed out. They also fear the eventual distribution monopoly of Sun Opta, a company that does not prioritize local purchasing. An alternative would be to create direct links with local farmers. However, the latter are not always willing to deliver directly to stores.

Certification/label: Difficulties concerning labelling are rather infrequent and mainly concern organic foods. Overwhelmed with the quantity of certification brands from Canada and around the world, consumers sometimes come to question the quality of the products (see Section 2.3.4.2). (See also 4.1.2.1, 4.1.2.2, 4.2.2.1, 4.2.2.3, 4.3.2.1)

2.3.3.8 Display of products in the store

Due to the small size of most stores, this question does not always apply.

However, regardless of the size of the store, respondents generally choose to arrange products of the same type together. The arrangement is seen as a tool allowing consumers to choose between conventional and responsible products and to compare ingredients and prices.

2.3.3.9 Profit margins for responsible foods

All the stores had similar margins for responsible versus conventional products. Almost all had a lower margin for fresh products such as milk, bread, and vegetables that must be sold more rapidly.

2.3.3.10 Product diversity

Almost all merchants believed that their clients were satisfied about the diversity of responsible products offered. Many noticed a marked increase in that product offer, though they still saw room for improvement. “We receive new products every week.”

2.3.4 Identification, Authentication, and Information

2.3.4.1 Available information

According to the merchants, consumers are generally satisfied with the amount of information available on most products. Problems arise with processed foods that contain many ingredients and for which it is difficult to trace the origins and production and processing methods.

Difficulties also arise when small businesses merge with larger companies. Identifying the real owners of the production or processing company requires much effort on the part of the merchants. As a result, clients often remain poorly informed or are dissuaded from seeking further information. To counter this trend, some merchants have created websites with a complete description of their products and the values guiding their policies. (See 4.1.1.1, 4.1.1.2, 4.1.2.1, 4.1.2.2, 4.2.1.2, 4.2.1.3, 4.2.2.1, 4.2.2.3, 4.3.2.1)

2.3.4.2 Identification of certification schemes

Local products: Not a problem. People generally trust the merchants.

Fair trade products: The identification of fair trade products is very good. Consumers recognize the seal and generally trust it.

Organic products: A label identifying the certification of organic products is important to consumers. However, the certification label represents competition for farmers who sell directly to merchants and who do not have access to labelling machines for fruits and vegetables. Moreover, about half the merchants indicated that consumers were often confused about the various organic certifications (in particular international certifications). To meet consumer needs, some merchants have obtained an organic certification for their business, assuring their clients that all their products or all products of a certain category are organic. Although certification leads to higher costs, these merchants nevertheless consider it as beneficial for their sales.

2.3.4.3 Authenticity and control of certifications - designations

From the point of view of most merchants, consumers hold the retail store responsible for any problem with certifications and designations. “People are willing to believe anything. Some even ask me if I’m the one who produces the bananas.”

This is mainly the case for non-packaged products. For packaged products, some consumers turn to the producers and some to the government as the instance responsible for controlling the quality of products and for protecting the consumer. “Some consumers think that farmers can use organic labels without certification.”

Merchants, for their part, believe that all the actors involved in the food system should bear responsibility for the authenticity and control of certifications and designations, from farmer/producer to retailer, each having a particular role. However, they also believed that some groups (e.g. certification agencies and producers) should bear a greater share of that responsibility.

Moreover, many merchants find, as do consumers, that the government is ultimately responsible for the credibility and quality of inspections throughout the food system. (See 4.1.2.1, 4.1.2.2, 4.2.2.1, 4.2.2.3, 4.3.2.1)

2.3.5. The Future of the Industry

About half the merchants questioned in the study doubt that responsible food consumption will someday become the norm or at least be considered on the same level as products from conventional agriculture. They think that the agricultural crisis, lack of revenues, and reduced access to agricultural land limit the expansion of organic and local production into the mass markets. (See 4.1.2.2, 4.1.2.3, 4.1.2.4, 4.1.2.5, 4.3.2.2, 4.3.2.3, 4.3.2.4, 4.2.2.2)

Merchants also believed that if responsible food consumption were to become a mass phenomenon, organic standards would inevitably risk becoming diluted. In that case, the purchase of *truly responsible* foods would take place in specialized stores that take the care to identify the origins and production methods of their products. Still, lower standards for organic production will undoubtedly reduce the sales prices of foods, which has been the greatest obstacle for buying these products. (See 4.1.2.3)

The other half of respondents strongly believes that responsible consumption will someday become the norm or that it will at least be considered alongside the consumption of conventional foods. Though often discarded as wishful thinking, the transition to responsible mass food is not so far off, according to one merchant who has integrated this scenario in his business plan.

2.3.5.1 So that all consume responsibly...

As mentioned before, the majority of merchants believe that a future in which all eat responsible foods is a dream. “Only dramatic climate changes, pollution, scarcity of certain commodities, or the disappearance of certain species will make people change their habits.”

According to the merchants, we will thus need dramatic events to motivate consumers to change their lifestyle habits. Such an event could be a drastic increase in oil prices that would render long-distance transportation unprofitable. Moreover, the eventual closing of international borders to commerce due to terrorists attacks such as 911 reinforce the need for autonomy and food security.

Some mentioned that the impacts of conventional agricultural practices on health will promote the transition to responsible buying. Some also believe that the government should play a greater role in educating citizens, more particularly by implementing programs for young school children.

2.3.5.2 The evolution of the market in the coming years

Almost all merchants predict a sales increase of responsible products, particularly organic and fair trade products. The big food chains will absorb a significant part of that market. However, as small, independent merchants they are unconcerned about this trend.

"Small, independent stores will have always their place. These are the merchants that can tell the *history of the food* and offer a complete and personal food experience. Mass markets, for their part, only worry about price, supply, and demand."

2.4 CONCLUSION

The questioned merchants (above all small, specialized stores) are involved in the responsible food business for economic reasons but also out of personal conviction. They moreover believe that organic, local, and fair trade food corresponds to the idea of responsible consumption and that health, the environment, and solidarity (North-South) are the essential values transmitted by responsible foods.

The merchants believe that environmental issues (climate change, agricultural pollution, food transportation) as well as social issues (local, rural economies and the South, public health) are at the crux of a major social awareness movement that enjoys wide media coverage.

As for business dynamics, the merchants affirm that price will remain the main obstacle to developing sales. However, they also believe that, by and large, citizens still have confidence in the food system. For this reason, the development of responsible food consumption also faces a major obstacle: doubt and cynicism concerning its relevance. Compounding this problem, product authentication needs to be improved, above all in regard to organic food (multitude of certified brands). Though the responsible food sector is currently growing, it may eventually lose some of the trend appeal it now enjoys. As well, local producers may have difficulties accessing the organic and local markets because of the concentration of ownership in the retail food business.

Faced with these challenges, merchants are calling on the government to promote the sector. They see themselves as participants who are already taking action but who could benefit from a better coordination. According to them, the involvement of big chains could help make responsible food products “more socially acceptable.” They regard other means of supply, such as public markets or community-supported agriculture, as complementary measures. More specifically, these are seen to raise awareness about the virtues of responsible food and to provide rich and privileged shopping experiences.

APPENDIX 1: CORRESPONDENCE TABLE OF QUALITATIVE TERMS

Terms used		**Scale**
Always	All	100%
Almost always	Most / almost all	75% to 99%
Frequently / often	The majority	50% to 75%
	About half	50%
	Many	25% to 50%
Occasionally	Some	10% to 25%
Rarely / sometimes	Some / very little	1% to 10%
Never	None	0 %

(Source: Daniel Bellemare, Group Multi Réso, 2007)

3. NATIONAL SURVEY WITH CONSUMERS

3.1 INTRODUCTION

3.1.1 Study Context

In February 2007, Équiterre mandated Léger Marketing to conduct a survey among the general population of Canada on the factors that motivate them to buy responsible food products. The survey thus aimed to identify the most favourable and unfavourable factors behind responsible food consumption in order to understand what motivates and prevents consumers from taking action. The sectors targeted by that study were organic, fair trade, and local foods.

3.1.2 Methodology

Prior to writing the survey, a review of existing literature was performed in order to guide the design of the measurement tool, both in terms of theme choice and scale.

The survey was conducted by Leger Marketing through online interviews among a random sample of 1,662 respondents of Canada's general population, i.e. 119 people from the Maritimes, 382 from Québec, 655 from Ontario, 115 from the Prairies, 165 from Alberta, and 226 from British Columbia. To be eligible, respondents had to be residents of Canada, capable of speaking either French or English, and in charge, either completely or in part, of their household's food purchases.

The online survey was conducted with our panel of LégerWeb respondents, representative of the general population. Interviews were administered from March 6 to March 28, 2007. The average length of an interview was 34 minutes.

Results were weighted according to region and language spoken at home to ensure a sample representative of the entire Canadian adult population. The maximum margin of error was + 2.40%, 19 times out of 20.

NOTE TO READERS :

Since numbers in this report are rounded, the sums produced in graphs and tables (based on real numbers before rounding) may not equal a sum achieved by adding the rounded numbers manually.

3.2 ORGANIC PRODUCTS

3.2.1 Main Findings: Organic Products

3.2.1.1 Summary and conclusions

High prices: Widely seen as the main obstacle to consumption

- Organic products are mainly associated with **higher prices** by the great majority of respondents (93%). This constitutes the main obstacle to consumption, since most people who purchase few or no organic products mention price (82%) as a deterrent (See 4.1.2.3).

Organic products benefit from a good brand image but are still perceived as targeting a minority.

- Organic products nevertheless enjoy a **good overall image**. Aside from the association with “vegetables” (61%) and “fruits” (53%), organic products are seen as healthy (59%), eco-friendly (45%), and of a good quality (34%). Similarly, organic consumers are seen as people who follow a healthy diet (55%) or who are concerned about their health (45%). However, the image of buying organic is **still burdened by clichés**: a large part of the Canadian population still views organic buyers as health nuts (42%), “trendy” (40%), vegetarians (39%), or even rich people (24%) (See 4.1.1.3, 4.1.2.1, 4.1.2.2, 4.1.2.5, 4.1.3.2, 4.1.3.3).

Mandatory certification: a must for credibility

- As for the **certification** of organic products, respondents were poorly informed about existing regulations, with 59% unable to formulate a response on the topic. However, most agreed on the necessity to make certification **mandatory** (86%) (See 4.1.2.1, 4.1.2.2).

Health – the main motive for organic consumption

- The motivations for buying organic products are undeniably **health benefits** (26%), but also **price** (16%) in the case of special deals or promotions. The latter applies mainly to occasional consumers. When it comes to underlying motivations, **health** still takes precedence: wanting to eat healthy food (48%), ensuring my future health (31%), and ensuring the health of my family and children (22%). However, a significant portion of respondents also give altruistic reasons: wanting to be environmentally friendly (26%) and wanting to encourage organic farmers (24%). These respondents are mainly people who are already converted or convinced about the benefits of organic production and consumption (see following segment) (See 4.1.2.5, 4.1.3.3).

- While **price** (82%), as mentioned, is seen as the main **obstacle to consuming** organic products, difficulty in verifying authenticity (41%) is also seen compromise the credibility of the sector, confirming the importance of mandatory **certification**. Among the proposed incentives, adjusting prices to match those of regular products (88%) would expectedly be the most efficient. However, better knowledge of the benefits (63%), availability on the same shelves with regular products (59%), clearer identification (52%), and a year-round presence in supermarkets or stands (49%) would also be significant incentives.

We purchase organic first for ourselves, then for the environment.

- **In terms of communication and information**, respondents want to know more about certification (48%), the benefits of organic products for the individual (47%), the environment (38%), society (18%), followed by the economy (17%). The perceived incentives seem to correlate with previous results (See 4.1.2.5, 4.1.3.3) :
  - **Approach linked to health** (64%): "Organic to live a longer and healthier life" (29%), "Organic is part of a healthy lifestyle" (21%), "Organic for the health and well-being of your family" (20%), "Organic for your health and well-being" (19%), "Organic for the health and well-being of future generations" (11%)
  - **Approach linked to price** (47%): "Organic less expensive than you think" (31%), "Organic offers better value for your money" (25%)
  - **Approach linked to the environment** (24%): "Organic for a better protection of our natural resources" (15%), "Organic and the environment go hand in hand!" (12%)
  - **Approach linked to taste** (20%): "Organic products taste better." (20%)

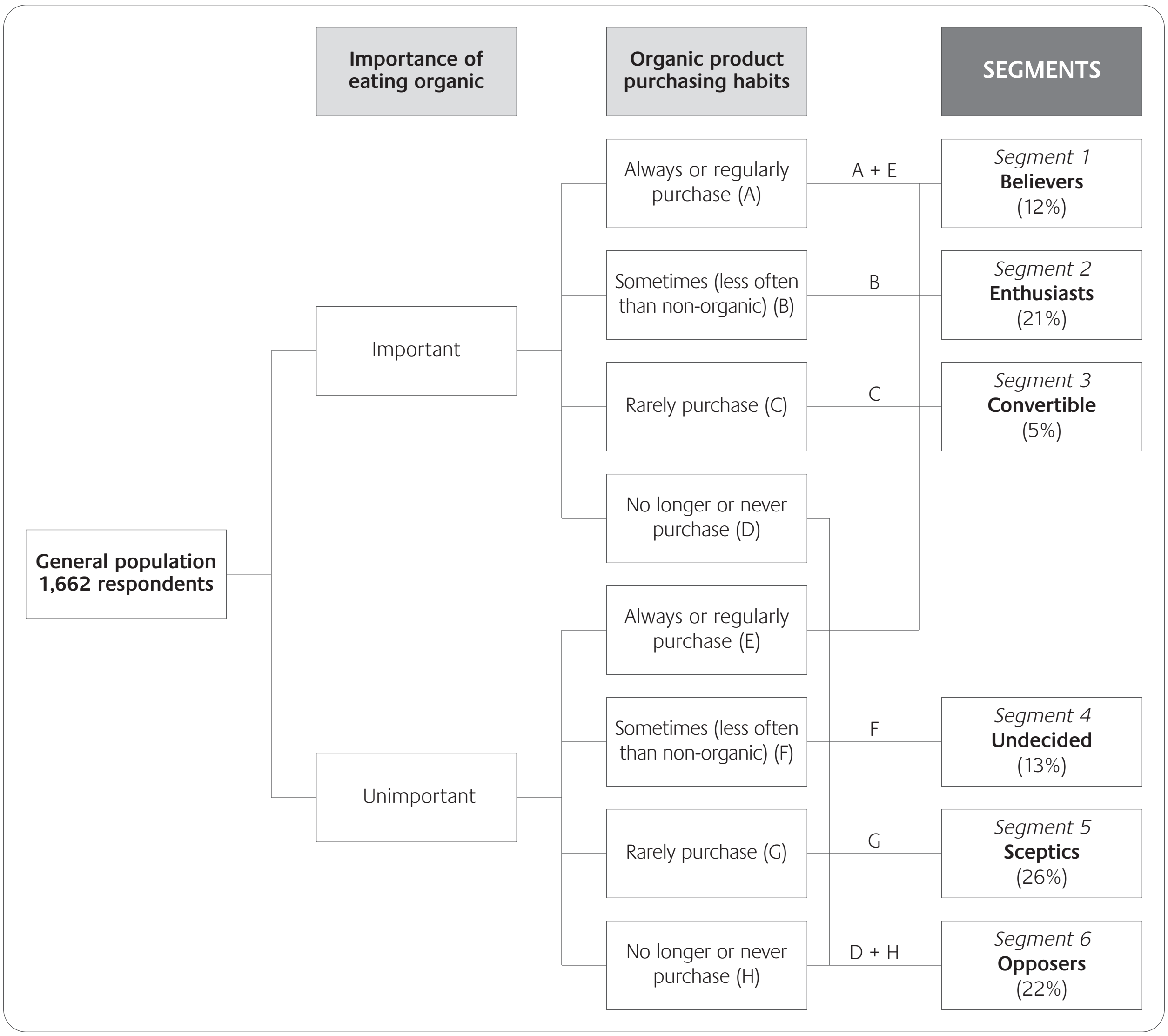
The government and the retail food industry should play a key role in increasing organic food consumption.

- When asked about who should be responsible for developing organic products:
  - Responsibility should be shared among several stakeholders in terms of **awareness-raising**: government (49%), retail food industry (37%), consumer organizations (36%), and farm producers (33%).
  - The same applies to **accessibility in terms of price**: retail food industry (59%), government (44%), food processing industry (36%), and farm producers (35%).
  - Responses were more polarized for **physical accessibility**, with most respondents stating that food retailers should bear most of the responsibility (70%).
  - This also applies to **increasing production**, which should be up to farm producers according to 73% of respondents.
  - It should be noted that for each of the topics addressed, respondents ranked the government among the top four stakeholders who should bear responsibility for promoting the development of organic products in Canada.

3.2.1.2 Segmentation of the population in terms of "organic products"

An analysis of the results has allowed to identify six different segments that represent the attitude of various sections of the Canadian population towards organic products.

The main classification variable is the importance awarded to eating organic products. Also, organic purchasing habits are an important variable when classifying segments. Segment profiles are presented below.



SEGMENT 1: BELIEVERS (12%)

Always or regularly consume organic products, mainly for health reasons, taste and the environment. They think it is important to eat organic. They are more likely to associate organic with: healthy/fresh/quality food and to people who want to eat healthy food or everyone.

Who They Are	• Mainly people from British Columbia, professionals, university graduates, people with food allergies and those who do sports activities regularly • People more socially engaged than others, whether it's the environment, community involvement, civic duty or political statement. • They are more attracted than others to shows or magazines related to agriculture. Main media used: looking for recipes on the Internet.
Dietary Habits	• Grocery shop more often than others / Make their purchases more often at markets, fruit stores, specialty stores, health food or fair trade stores, farms, food coops, on the Internet, or through organic food baskets. • They are willing to pay more for organic, local or products without artificial additives or packaging. • They are more likely to read product labels, especially how products are produced / consume fresh, unprocessed products. • They are more likely to think that eating is one of the great pleasures of life / try new recipes / cook more often than before / make efforts to eat according to their values.
Incentives	"Believers" are already regular consumers but certain means could increase the quantities they purchase: • They are more likely to think that certification should be mandatory, want to know more about certification, the benefits for the environment and society, and organic farm production and distribution. • They are more sensitive to associations with a healthy lifestyle, better taste, health and well-being, environmental benefits, the well-being of future generations and social responsibility.
Responsibility	They are more likely than others to designate those who should be responsible for: • Informing people about organic products and their benefits: Government, environmental organizations, scientific community, citizens. • Making them more accessible in terms of price: the government and consumer organizations. • Making them more accessible in terms of distribution: food retailers, farm producers, the government, consumer organizations and citizens. • Increasing production: farm producers, the government, food retailers, consumer organizations and citizens.

SEGMENT 2: ENTHUSIASTS (21%)

Consume organic products occasionally, mainly for health reasons and taste. They think it is important to eat organic food. They are more likely to associate organic with: healthy/fresh/quality food and to people who want to eat healthy food or everyone.

Who They Are	• Mainly women, 55 to 64 years old, Anglophones, university graduates, and those who do sports activities regularly. • People more socially involved than others, whether it's the environment, community involvement, civic duty or political position. • They are more attracted than others to shows or magazines related to food or agriculture. Main media used: looking for recipes on the Internet and reading magazines about cooking.
Dietary Habits	• Grocery shop more often than others / Make their purchases more often at markets, fruit stores, specialty stores, health food or fair trade stores. • They are willing to pay more for products that are organic, local or without artificial additives or packaging. • They are more likely to read product labels, especially the ingredients / consume fresh, unprocessed products. • They are more likely to think that eating is one of the great pleasures of life / try new recipes / cook more often than before / make efforts to eat according to their values.
Incentives	• "Enthusiasts" are more likely than others to see their consumption of organic products curbed by irregular supply, lack of accessibility and over-packaging. Obstacle No 1: **price**. • They are more likely to think that certification should be mandatory, want to know more about certification, the benefits for the environment and society, and organic farm production and distribution. • They are more sensitive to associations with a longer, healthier life, a healthy lifestyle, individual and family health and well-being, environmental, benefits, the well-being of future generations and social responsibility. • Main incentive: if organic products were: the **same price** as other products, better identified, more well-known, available more often in markets, on the same shelves as other products.
Responsibility	They are more likely than others to designate those who should be responsible for: • Informing people about organic products and their benefits: Government and environmental organizations. • Making them more accessible in terms of price: food retailers, the government, consumer and environmental organizations. • Making them more accessible in terms of distribution: food retailers, the government and environmental organizations. • Increasing production: farm producers, the government, food retailers, consumer organizations and citizens.

SEGMENT 3: CONVERTIBLE (5%)

Rarely consume organic products but think it is important to do so. They are more likely to associate organic products to people who want to eat healthy food. They are more likely to consume organic products to compare and see the difference.

Who They Are	• Mainly people 35 to 44 years old, people with minor children at home. • Do not stand out much in terms of social involvement in comparison with other respondents. • Main media used: looking for recipes on the Internet and reading magazines about cooking.
Dietary Habits	• Do not stand out much on food purchase behaviour (frequency and place of purchase). • They are more likely to purchase their food products out of habit. • They are more likely to choose low-calorie foods.
Incentives	• The main obstacle to consuming organic products for “Convertibles” is **price**. • They are more likely to want to know more about certification, the benefits for the individual, organic farm production and distribution. • They are more sensitive to associations with a healthier and longer life, a healthy lifestyle, health, individual and family well-being and the effect of trends (being “In”). • Main incentives: if organic products were offered at the **same price** as other products, more well-known, available more often in markets, better identified, found in an identified section.
Responsibility	They are more likely than others to designate those who should be responsible for: • Informing people about organic products and their benefits: the Government • Making them more accessible in terms of price: the government. • Making them more accessible in terms of distribution: food retailers and consumer organizations and citizens. • Increasing production: the government and food retailers.

SEGMENT 4 : UNDECIDED (13%)

Sometimes consume organic products but do not consider eating organic very important. They are more likely to associate organic products to: vegetables / fruits / freshness. They are more likely to have purchased organic products because they were affordable or looked nice.

Who They Are	• Mainly people 65 years old or older. • Do not stand out much in terms of social involvement in comparison with other respondents. • Main media used: looking for recipes on the Internet and reading magazines about cooking.
Habitudes alimentaires	• Grocery shop more often than others / Make their food purchases more often at fruit and specialty stores, and less often in supermarkets and natural food stores. • They are not as willing as others to pay more for organic products or products without artificial additives or packaging. • They are more likely to purchase their food products out of habit. • They are more likely to think that eating well is one of the great pleasures of life.
Incentives	• The “Undecided” are more likely than others to see their consumption of organic products curbed by irregular supply. Obstacle No 1: **price**. • They are more sensitive to associations such as better value for your money and good conservation of organic products. • Main incentives: if organic products were offered at the **same price** as other products. (They are more likely to want a more regular presence at food markets and availability in convenience stores).
Responsibility	They are more likely than others to designate those responsible for: • Informing people about organic products and their benefits: consumer organizations. • Making them more accessible in terms of price: food processing industry. • Do not stand out from the majority in terms of who is responsible of distribution and increasing production.

SEGMENT 5: SCEPTICS (26%)

Rarely purchase organic products and do not attach much importance to eating organic food. They are more likely to associate organic food to vegetables / fruits / vegetarian food as well as health nuts and “in” people. They are more likely to have purchased organic products out of curiosity or in the absence of non-organic products.

Who They Are	• Mainly homemakers, people who are less athletic than others. • People who are less socially involved than others, whether it’s the environment, community involvement, civic duty or political position. • Less attracted than others by shows or magazines related to agriculture. Main media used: looking for recipes on the Internet.
Dietary Habits	• Grocery shop more often at warehouse stores and less often at food markets, natural food or fair trade stores, or farms. • They are less willing to pay more for organic, fair trade or products free of artificial additives. • They are less likely to read product labels / consume fresh, unprocessed products. • They are more likely to purchase their food products out of habit and for the price. • They are more likely to prefer brands they already know, choose the least expensive foods, eat frozen foods / cook less often than before.
Incentives	• Sceptics are more likely than others to consume organic products because of the price or because they do not believe in the virtues of organic. Obstacle No 1: **price**. • They are more sensitive to associations with: the good conservation of organic products. • Main incentives: if organic products were offered at the **same price** as other products.
Responsibility	Those who should be mainly responsible for: • Informing people about organic products and their benefits: the government. • Making them more accessible in terms of price: food retailers. • Making them more accessible in terms of distribution: food retailers. • Increasing production: farm producers.

SEGMENT 6: OPPOSERS (22%)	
Never or no longer purchase organic products. They are more likely to associate organic products with vegetarian food / high prices and to health nuts / “in” people / rich people / intellectuals.	
Who They Are	• Mainly people with lower family incomes (under $20,000), people who work in the service / office / sales sectors, those with an elementary or high school education, people who do less sports than others. • People who are less socially involved than others, whether it’s the environment, community involvement, civic duty or political position. • Less attracted than others by shows or magazines related to agriculture. Main media used: looking for recipes on the Internet and reading magazines about cooking.
Dietary Habits	• Grocery shop less often than others / Purchase more often at superstores and less often at food markets, fruit stores, specialty shops natural food or fair trade stores, food coops or organic baskets. • They are less willing to pay more for organic, fair trade or products free of artificial additives. • They are less likely to read product labels / consume fresh, unprocessed products. • They are more likely to purchase their food products for the price. • They are more likely to prefer brands that they know already, choose the least expensive foods, eat frozen foods, and prefer quick meals.
Incentives	• “Opposers” are more likely than others not to consume organic products because they do not believe in the benefits of organic. Obstacle No 1: **price**. • They are more likely to want to know more about the benefits for the individual. • They are more sensitive to associations with: a less expensive price than what they thought. • Main incentives: if organic products were offered at the **same price** as other products.
Responsibility	• They are less likely than others to designate those who should be responsible for: • Informing people about organic products and their benefits: the government should mainly be responsible. • Making them more accessible in terms of price: the government, food processing industry, consumer organizations and citizens. • Making them more accessible in terms of distribution: food retailers, farm producers, the government, consumer organizations and citizens. • Increasing production: farm producers, the government and food retailers.

3.2.1.3 Marketing strategies and actions

Talking to Canadians about organic food consumption could take on many different forms. Pertinent and effective communication strategies thus need to take into account how society has evolved in regard to its approach to organic food.

Although consumers sometimes seem spontaneous and emotional when making choices, marketing and consumer behaviour studies demonstrate that they nevertheless proceed with a thoroughness expressed in three (3) stages. Consumers thus go through three (3) stages when making choices or adopting a behaviour. These three stages correspond to the hierarchy of effects model, a concept that explains how consumers must go through these stages before making a decision, whether concluding the purchase of a product or service or adopting a behaviour. The process follows a sequential logic.

The hierarchy of effects model dictates that before making a purchase or adopting behaviour (behavioural stage), the consumer must first know the product / service / cause (knowledge stage) and have a good opinion of it (attitude stage).

This model (illustrated further on) can be set against the backdrop of the strategies for increasing customer loyalty or for acquiring new organic customers.

Thus, for a complete overview of organic food consumption, a progress report must evaluate consumers at each of the three stages in order to identify future strategies for: raising awareness for organic food consumption, improving the image of organic food consumption, and increasing the consumption of organic food products.

Communication and marketing actions must consider the process by which consumers or citizens have adapted to each stage they have reached. For example, it would be ill-timed to try to increase sales (Stage III: behaviour) when consumers view organic foods as uninteresting products that do not correspond to their needs (Stage II: attitude). Conversely, if consumers are aware of the benefits of organic consumption (Stage I: knowledge), have confidence in these products (Stage II: attitude), but purchase few or none, actions should invest in increasing sales (Stage III: behaviour) more so than in improving the image (Stage II: attitude).

The following figure illustrates the model and the priorities for stimulating organic food consumption at each stage. Essentially, these findings correspond with those presented earlier, but are presented according to the different stages.

With respect to organic food, the majority of Canadians are at the attitude and behaviour stages. Efforts should therefore focus on these two stages (on white background in the graph) **when trying to increase consumption of organic products.**

HIERARCHY OF EFFECTS ***(Marketing adapted to clients)***

Knowledge Stage	Attitude Stage	Behaviour Stage
• Awareness • Knowledge of the commercial offer • Knowledge of issues • Knowledge of legislation • Cultivated beliefs • Source of knowledge • Etc.	• Cultivated images • Attitudes towards freshness, taste, etc. • Perceptions of the typical consumer and the role of citizens, companies, government • Opinions on environmental considerations • Importance for health • Appreciation (strengths and weaknesses of the offer) • Perceived costs • Etc.	• Current behaviour • Needs and expectations • Appeal of organic • Choice drivers • Intentions to adopt responsible food behaviours • Etc.
Strategic Drivers: • Promulgate health benefits • Promulgate positive link between organic food and environmental protection	**Strategic Drivers:** • Make “organic” democratic: change the perception that it is for a more wealthy, informed or “health nut” elite plus fortunée, informée ou granola » • Credibility: add credibility through mandatory certification • Pleasure: do not neglect the great taste of organic foods	**Strategic Drivers:** • Reduce price and/or increase price-quality ratio: minimize main consumption obstacle, which is the perception of a high price • Increase accessibility: ensure regular supply and availability of organic products in current and new networks
Main agents: • Government • Consumer and environmental organizations • Scientific community	**Main agents:** • Government • Consumer organizations • Agri-food producers • Food retailers	**Main agents:** • Food retailers • New retailers • Food processors • Agri-food producers • Government
Actions: • Massive and national information campaign	**Actions:** • Advertising campaign for image • Legislation	**Actions:** • Identification of organic products • Expand distribution (new networks, regularity) • Extend new lines • Subsidize retailers, producers and processors, • In-store promotions • Highlight better price / quality

Progression of organic food sales in Canada & Progression of potential organic food consumers

3.2.1.4 Strategies by segment

The great difficulty of a challenge such as organic food consumption is that is addresses all Canadians. However, as demonstrated by a differentiation of consumers, not all Canadians are at the same stage when it comes to organic food. Strategies must therefore be adapted accordingly.

The following table presents suggested strategies per consumer segment. Depending on the segment, these strategies involve actions related to knowledge about organic food (Stage I), positive attitudes (Stage II), or consumption behaviour (Stage III).

	Size of segment	Segment priority	Strategies
1. Believers	12%	Average	• Develop loyalty • Develop loyalty by reinforcing advantages of consumption (behaviour and attitude) and by ensuring accessibility of products • Incentive: *mandatory certification*
2. Enthusiasts	21%	Strong	• Develop loyalty • Increase volume of products purchased and purchase occasions (replacing non-organic with organic) (behaviour) • Incentive: *greater accessibility of products, regular supply*
3. Convertible	5%	Strong	• Develop client potential • They are non-practising believers who could be converted to regular consumers • This clientele must be convinced to increase consumption frequency and to create habits (behaviour) • Incentive: *price reduction*
4. Undecided	13%	Average	• This segment could buy more organic products if purchasing obstacles were removed (behaviour) • But it is also a segment that needs to be convinced that this consumption pattern meets its needs (attitude) • Incentive: *information on benefits and organic process, and price reduction*
5. Sceptics	26%	Low	• This segments needs to be convinced of the advantages of organic food. • Improve image of organic products (taste, pleasure, for everyone) (attitude), increase accessibility of products (available without additional efforts) and increase purchase frequency (behaviour) • Incentive: *information on benefits and organic process, and price reduction*
6. Opposers	22%	Low	• This segment does not believe in the benefits of organic, does not identify with organic food consumers, and does not have the food purchase reflexes that fit in with organic food consumption. • To win this segment over, advocate the benefits and commercial offer and demonstrate the advantages of consuming organic (work on knowledge and attitudes towards organic) • Incentive: *information on benefits, "organic is for everyone," improved accessibility, and price reduction.*

3.3 FAIR TRADE PRODUCTS

3.3.1 Main Findings: Fair Trade Products

3.3.1.1 Summary and conclusions

Fair trade suffers from a lack of awareness and distribution

- Generally, consumers **identify less** with fair trade products than with organic products. This can be explained by a certain lack of awareness about this practice along with a lack of availability and accessibility of these products (See 4.2.1.1, 4.2.1.3, 4.2.2.3, 4.2.2.4).

A charitable gesture for poor countries and small producers

- Associations with fair trade are **less clear-cut and less consensual** than those for organic products. Two-thirds (66%) of Canadians think that fair trade products are more expensive, 63% refer to greater profits for producers, and 52% mention production in poor countries. The main images mentioned are disparate: poor countries (51%), association of "small" producers (45%), good deed (32%), and specialized distribution (29%) (See 4.2.2.4).

Fair trade for a minority

- Also, since fair trade is less popular and less well known, many believe that this type of product is **reserved for a certain category of the population**: "Trendy" people (34%), urbanites (25%), health nuts (20%), or even intellectuals (20%). It should be noted that only 23% of respondents consider that fair trade is addressed to everyone (See 4.2.1.1, 4.2.2.1, 4.2.2.4).

Still no clear motivation for fair trade consumption

- In the same vein, **motivations** for buying faire trade products **seem less developed**, with two out of five respondents (39%) unable to explain the reasons for their purchase. However, the same proportion mentions humanitarian reasons: encourages producers (14%), good deed (11%), helps poor countries (8%), and does not exploit others (5%). Other reasons expressed are more linked to individual benefits: quality of products (8%), reasonable prices (7%), paying fair value (4%), and unique products (2%) or circumstantial: availability (5%), curiosity (5%), and fundraising (2%). When asked about the **situations** or impulses that drive them to make this type of purchase, the main reasons mentioned were: good deed (45%), political statement (33%), and to encourage producers in the South (23%) (See 4.2.2.4, 4.2.3.4).
- As for existing **regulations**, respondents are poorly informed, with more than two-thirds (68%) unable to make a statement on the subject. Also, interest in regulations is not as strong, with fewer than half of respondents (45%) believing that the legal protection of the term "fair trade" is important, yet 61% advocating mandatory certification of fair trade products. Nonetheless, as the following results demonstrate, mandatory certification would greatly increase the incentives for purchasing fair trade products (See 4.2.2.1, 4.2.2.3).

Lack of access and variety, high prices, and lack of credibility: main weak points which fair trade must counter

- As with the lack of accessibility, the **lack of available variety** also seems to adversely affect fair trade since most purchases are limited to coffee (64%), cocoa (23%), and herbal teas (23%). Non-food products also benefit from a share of the purchases: handicrafts (27%) or furniture and accessories (9%) (See 4.2.3.3, 4.2.2.4, 4.2.3.4).
- The main **obstacles to consumption** are price (42%), year-round availability (29%), difficulty in verifying authenticity (24%), and accessibility (20%).

Better knowledge and accessibility: key factors to build on before price incentive

- Thus, the **main incentives** are: price adjustment (78%), larger distribution network (selling in regular stores) (70%), better awareness (more information) (70%), and better identification (67%).
- In terms of **communication**, respondents seem to be eager for **information** on fair trade regulations (44%), certification (42%), advantages for society (36%), and advantages for communities in the South (24%) (See 4.2.2.1, 4.2.2.3, 4.2.2.4, 4.2.3.4).
- **Lines of communication** seem to have less range, since fair trade is still at the initial stage of the product cycle and must build on levels of knowledge through better information and greater accessibility to products. Nearly one-third of respondents (30%) did not / could not select a statement that would motivate them to buy more fair trade products. Some 28% chose “I purchase fair trade – I participate in building a fairer world,” while 24% were more motivated by price references: “better value for your money” for 13% and “less expensive than you think” by 11%.

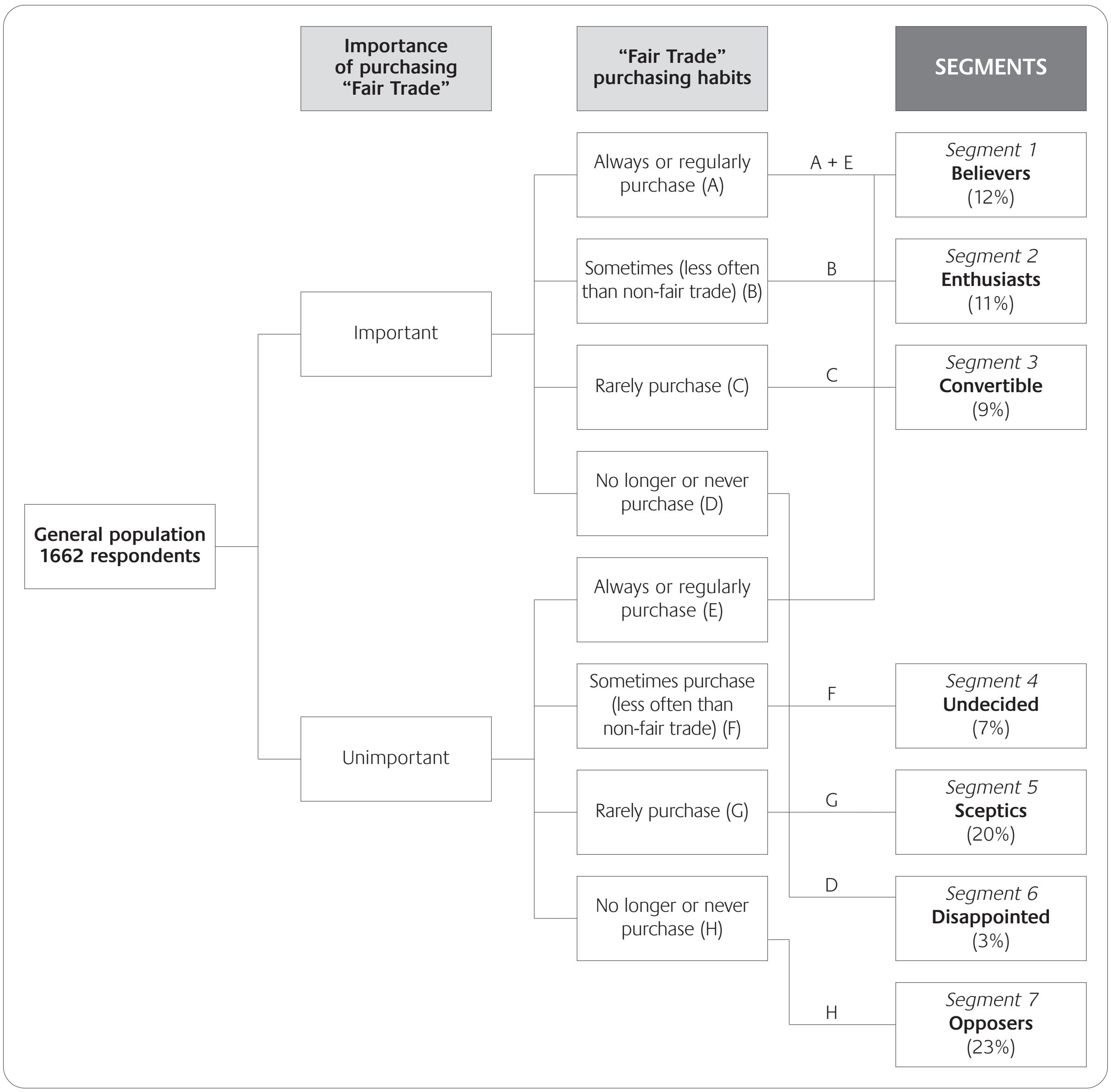
Developing fair trade: concerted action and shared responsibility

- Various responsibilities concerning fair trade products:
  - The responsibility for **information** should be shared by: the government (42%), consumer organizations (36%), and the retail food industry (32%).
  - The responsibility for **accessibility in terms of price** should be shared by: the retail food industry (47%), the government (37%), the food processing industry (27%), and consumer organizations (21%).
  - The responsibility for **physical accessibility** should be shared by: the retail food industry (58%), the food processing industry (28%), the government (25%), and consumer organizations (23%).
  - Once again, the government is among the three main stakeholders who should be responsible for supporting the development of fair trade in Canada.

3.3.1.2 Segmentation of the population in terms of fair trade

An analysis of the results allowed to identify seven different segments that represent the attitude of various segments of the Canadian population about “fair trade.”

The main classification variable is the importance given to purchasing fair trade products. Also, purchasing habits in regard to fair trade products is the other main variable for classifying segments. Segment profiles are presented below. It should be noted that compared with organic products, a greater proportion of respondents could not be categorized (15%).



SEGMENT 1: BELIEVERS (12%)

Always or regularly purchase fair trade products mainly to encourage producers, do a good deed or out of a sense of fairness. They think it's important to purchase fair trade products. They are more likely to associate fair trade products to: more profits paid to producers / produced in poor countries / more expensive / better quality / natural / better taste / good deed.

Who They Are

- Mainly people between 45 and 54 years of age, more affluent people with a family income of $100,000 or more, professionals and university graduates.
- People who are more socially involved than others, whether it's the environment, public transit, community involvement, civic duty or political statements.
- They are more inclined than others to watch a TV show on agriculture or the environment, to listen to a radio show that talks about recipes or agriculture, to read magazines about agriculture. Main media used: looking for recipes on the Internet.

SEGMENT 2: ENTHUSIASTS (11%)

They sometimes purchase fair trade products mainly to encourage producers or to do a good deed. They think it is important to purchase fair trade products. They are more likely to associate fair trade products with: more profits paid to producers / more expensive / produced in poor countries / of better quality / good deed and with urbanites.

Who They Are

- Mainly women, 55 to 64 years old, Francophones, students and university graduates.
- People who are more socially involved than others, especially in terms of the environment, public transit, community involvement, civic duty or political statements.
- They are more attracted than others to shows on food or agriculture. Main media used: looking for recipes on the Internet.

SEGMENT 3: CONVERTIBLE (9%)

They rarely consume fair trade products, mainly to do a good deed or make a political statement. They think it is important to purchase fair trade products. They are more likely to associate fair trade products with: more expensive products / more profits paid back to producers / produced in poor countries / and intellectuals or wealthy people.

Who They Are

- Mainly people from the Prairies, employees form the service / office / sales sectors and university graduates.
- They don't stand out very much in terms of social involvement compared to other respondents.
- Main media used: looking for recipes on the Internet and reading magazines about cooking.

SEGMENT 4: UNDECIDED (7%)

They sometimes consume fair trade products for no particular reason or because prices are affordable, but purchasing “fair trade” is not very or not important at all. They are more likely to associate fair trade products with: ethnic / natural / good quality products / specialized distribution .

Who They Are

- Mainly people between 55 and 64 years old, Francophones, people who live in the Maritimes or Quebec, manual workers, retirees, people with an elementary or high school education and people suffering from food allergies.
- They don’t stand out very much in terms of social involvement compared to other respondents.
- Main media used: looking for recipes on the Internet.

SEGMENT 5: SCEPTICS (20%)

They rarely purchase fair trade products and think that purchasing “fair trade” is not very or not important at all. They are more likely to associate fair trade products with: more expensive products / more profits paid back to products / produced in poor countries / “In” people, urbanites, intellectuals or “health nuts.”

Who They Are

- Mainly men, retirees and university graduates.
- People less engaged in humanitarian activities.
- They are less attracted than others to shows or magazines about agriculture. Main media used: looking for recipes on the Internet.

SEGMENT 6: DISAPPOINTED (3%)

They no longer or do not purchase fair trade products but purchasing ”fair trade” is important to them. They are more likely to associate fair trade products to: imported products / intellectuals / ”health nuts”. They are more likely not to purchase fair trade products for reasons related to taste.

Who They Are

- They are mainly Ontarians, people with a family income between $20,000 and $40,000 and those who are unemployed.
- People who stand out in terms of social involvement except in terms of more environmentally-friendly means of transportation.
- Main media used: looking for recipes on the Internet and reading magazines about cooking.

SEGMENT 7: OPPOSERS (23%)

They never purchase or no longer purchase fair trade products and think that purchasing “fair trade” is not very or not important at all. They are more likely not to associate specific images to fair trade products and to associate them with “In” people or “health nuts.” They are more likely not to know about or trust fair trade.

Who They Are

- Mainly people between 35 and 44 years of age, people with a family income between $80,000 and $100,000 homemakers, those with an elementary or high school education and who have large families (4 people per household).
- People who are less socially involved than others, whether it’s the environment, community involvement, civic duty or political statements.
- They are less attracted than others to shows or magazines about food or agriculture. Main media used: looking for recipes on the Internet.

3.3.1.3 Marketing strategies and actions

The following figure (see details and explanations in Section 1) illustrates the model and priorities for promoting the consumption of fair trade products at each stage. Essentially, these findings correspond with those presented earlier, but are presented according to the different stages.

With respect to fair trade, the majority of Canadians are at the knowledge and attitude stages. Efforts should thus focus on these two stages (on white background in the graph) **when working to increase consumption of fair trade products.**

HIERARCHY OF EFFECTS *(Marketing adapted to clients)*

Knowledge Stage	Attitude Stage	Behaviour Stage
• Awareness • Knowledge of the commercial offer • Knowledge of issues • Knowledge of legislation • Cultivated beliefs • Source of knowledge • Etc.	• Cultivated images • Attitudes towards freshness, taste, etc. • Perceptions of the typical consumer and the role of citizens, companies, government • Opinions on environmental considerations • Importance for health • Appreciation (strengths and weaknesses of the offer) • Perceived costs • Etc.	• Current behaviour • Needs and expectations • Appeal of fair trade • Choice drivers • Intentions to adopt responsible food behaviours • Etc.
Strategic Drivers: • Promulgate fair trade and its benefits • Enlighten consumers on how fair trade works	**Strategic Drivers:** • Make “fair trade” democratic: change the perception that it is for a certain category of the population • Credibility: provide information on fair trade’s strict regulations and mandatory certification • Good deed: highlight gratification of making fair trade purchases	**Strategic Drivers:** • Increase accessibility: ensure regular supply and availability of fair trade products in regular and specialized networks • Increase variety of food products: by opening the distribution network to different product lines • Highlight price/quality ratio: undeniable incentive to go from marginal to regular consumption
Main agents: • Government • Consumer organizations • Retail food industry	**Main agents:** • Government • Consumer and environmental organizations • Retail food industry • Farmers in the south	**Main agents:** • Retail food industry • Food processing industry • Government
Actions: • Massive and national information campaign • Better visibility in regular distribution networks	**Actions:** • Image advertising campaign • Legislation	**Actions:** • Expand distribution (new networks, regularity) • Extend new lines • Support for retailers • Highlight better price / quality ratio

Progression of fair trade product sales in Canada & Progression of potential fair trade consumers

3.4 LOCAL PRODUCTS

3.4.1 Main Findings: Local Products

3.4.1.1 Summary and conclusions

Local products: a cause dear to Canadians and with which identify strongly

- Local or regional products seem to enjoy a **greater interest** and **consensus** than organic or fair trade products. Thus, the majority of people (77%) make an effort to purchase locally. Moreover, these products are seen as being addressed to all segments of society (70%) (See 4.3.2.6, 4.3.3.3).
- Their level of commitment is confirmed by the fact that the majority of respondents (72%) are **willing to pay more** for local products, and 42% will pay more even if there is no gain in quality. Most respondents (85%) consider it **important to buy local products**.
- The main **motivations** behind this enthusiasm: encouraging local producers (84%), consuming local products (57%), and making an environmental statement (42%).

Seasonal, fresh, and unprocessed

- In terms of **images associated with them**, local products are seen to: be seasonal (82%), consume less food miles (76%), benefit the region (76%) and local farmers (67%), and have a better quality (66%) and better taste (65%). Spontaneously, local food products are mainly associated with seasons (52%) and freshness (47%) but also to products that are unprocessed or hardly processed: vegetables (54%), milk products (45%), fruits (39%), and meats, poultry, or pork (35%) (See 4.3.2.6, 4.3.3.3).
- In fact, most local products consumed are unprocessed or hardly processed: vegetables (84%), fruits (79%), eggs (70%), milk and milk products (65%), chicken (63%), and red meat (55%) (See 4.3.3.3).

More competitive prices and stricter regulations… key factors to increase consumption

- When it comes to **purchasing obstacles** specifically, the few respondents who were less inclined to purchase local products mainly mentioned higher prices (42%) and accessibility (25%) as main arguments. Quite clearly, if local products were available at the same price as imported products, most of these respondents (78%) would consume locally. Moreover, the presence of fair trade products on the same shelves (62%), better identification (62%), greater availability year-round (61%), as well as better knowledge (61%) could contribute to further developing local food products (See 4.3.2.5, 4.3.2.2, 4.3.1.1, 4.3.1.2, 4.3.2.1).
- In terms of **regulations**, there seems to be a certain ambiguity: nearly one-third of respondents (30%) think that the identification of food origin is regulated everywhere in Canada, while half of them have no understanding of the concept. However, the majority of them (81%) are undeniably **in favour of a mandatory regulation** for the origin of food products (See 4.3.2.1, 4.3.2.2, 4.3.3.2).

Build on social commitment and quality-price ratio to increase enthusiasm

- In terms of additional **information** and communication, respondents want to know more about the advantages for local producers (41%) and for the economy (30%). The **axes of communication** considered to have the broadest scope refer to **commitment**: "...for the survival of our farmers" (25%), "I am responsible... I purchase fair trade products" (14%), and secondarily to **price**: "...better value for your money" (10%), "...less expensive than at your grocery store" (9%) (See 4.3.2.6, 4.3.3.3).

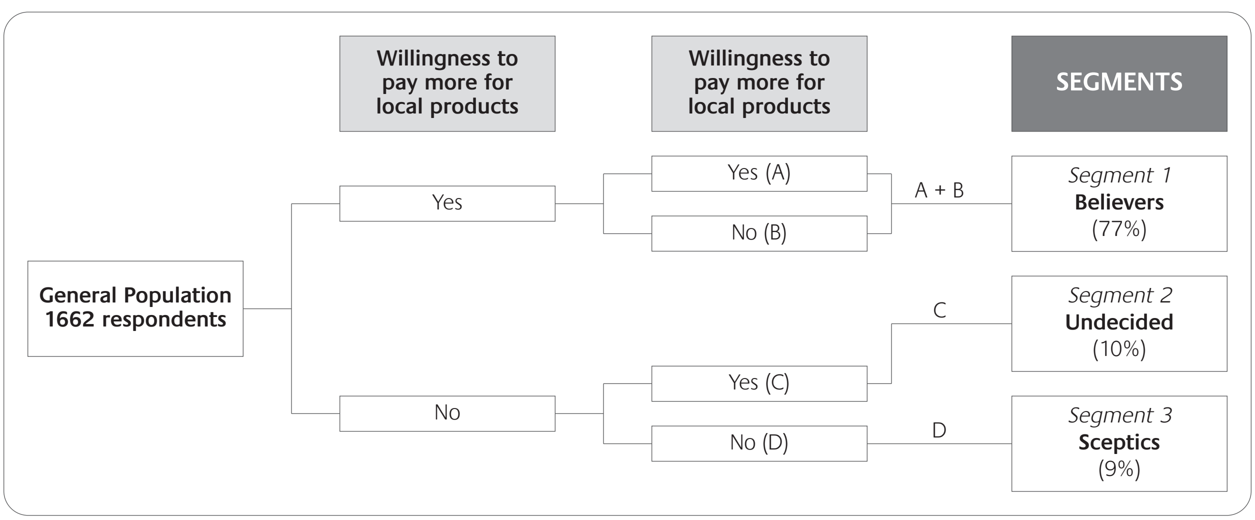
Food retailers, producers, and the government: three essential stakeholders

- Respondents named food retailers, producers, and the government as those stakeholders who should bear the most responsibility:
  - Responsibility regarding **information** should be shared by: farm producers (53%), the government (46%), and food retailers (44%).
  - Responsibility regarding **accessibility in terms of price** should be shared by: food retailers (58%), the government (42%), and farm producers (40%).
  - Responsibility regarding **physical accessibility** should be shared by: food retailers (62%), farm producers (36%), food processors (32%), and the government (30%).
  - Thus, the government ranks among the top four stakeholders who should assume responsibility for fostering the development of local food products.

3.4.1.2 Segmentation of the population in terms of local products

An analysis of the results has allowed to identify three different segments that represent the attitude of various sections of the Canadian population about local products.

The main classification variable is the effort made to consume local products. Also, the willingness of respondents to pay more for local products, regardless of quality, is the other important variable for classifying segments. Segment profiles are presented below.



SEGMENT 1: BELIEVERS (77%)

They generally make the effort to purchase local food products and think it is important to eat "locally." Their position is mainly based on wanting to encourage local producers. They are more likely to associate local products to seasonal / fresh / less travelled products / beneficial to their region and its farmers / better quality and taste / and addressed to everyone.

Who They Are

- Mainly women, people over 45 years of age, Francophones, Quebeckers, retirees and people who grocery shop more often than others.
- These people are more in favour of organic and fair trade products than others.
- People who are more socially involved than others, whether it's the environment, public transit, community involvement, civic duty or political statements.
- They are more attracted than others to shows or magazines about food or agriculture. Main media used: looking for recipes on the Internet.

SEGMENT 2: UNDECIDED (10%)

They don't make any particular effort to purchase local products, but are nonetheless willing to pay more for these products regardless of quality. They are divided on the importance of purchasing locally. They are more likely to associate local products to: a lack of variety / milk products / traditional food. They are more likely to say they are limited in their purchases by a lack of accessibility, taste and difficulty in identifying these products.

Who They Are

- Mainly men, young people under 18, Anglophones, Albertans, more affluent people with a family income of $100,000 or more, students, university graduates, and people who grocery shop more often than others.
- People who are less socially involved than others in terms of the environment or involvement with the less fortunate.
- They are less attracted than others by shows, magazines or Websites about food or agriculture. Main media used: looking for recipes on the Internet.

SEGMENT 3: SCEPTICS (9%)

They don't make any effort to purchase local products, are not willing to pay more for these products and attach little importance to purchasing local products. They are more likely to associate the purchase of local products to "In" and wealthy people. They are more likely to mention price as the reason for not purchasing these products.

Who They Are

- Mainly people between the ages of 35 and 44, people from Alberta or British Columbia, people with low family incomes (less than $20,000), homemakers, students, people with an elementary or high school education and people who grocery shop less often than others.
- They are less favourable towards organic and fair trade products than other respondents.
- People who are less socially involved than others, whether in terms of the environment, community involvement, civic duty or making political statements.
- They are less attracted than others to shows, magazines or Websites about food or agriculture. Main media used: looking for recipes on the Internet.

3.4.1.3 Marketing strategies and actions

The following figure (see details and explanations in Section 1) illustrates the model and the priorities for promoting local food consumption at each stage. Essentially, these findings correspond with those presented earlier, but are presented according to the different stages.

With respect to local products, the majority of Canadians are at the behavioural stage. Efforts should thus focus on this stage (on white background in the graph) **when working increase in sales**. The two other stages also have merit and could be applied to convert the minority still unaffected by this cause.

HIERARCHY OF EFFECTS ***(Marketing adapted to clients)***

Knowledge Stage	Attitude Stage	Behaviour Stage
• Awareness • Knowledge of the commercial offer • Knowledge of issues • Knowledge of legislation • Cultivated beliefs • Source of knowledge • Etc.	• Cultivated images • Attitudes towards freshness, taste, etc. • Perceptions of the typical consumer and the role of citizens, companies, government • Opinions on environmental considerations • Importance for health • Appreciation (strengths and weaknesses of the offer) • Perceived costs • Etc.	• Current behaviour • Needs and expectations • Appeal of local products • Choice drivers • Intentions to adopt responsible food behaviours • Etc.
Strategic Drivers: • Promulgate the advantages for local producers • Promulgate the economic and environmental benefits	**Strategic Drivers:** • Credibility: add credibility by regulated and mandatory identification of provenance • Involvement: raise awareness among the population to the positive benefits • Quality: do not neglect quality and taste in the choice of a food product. Wager on product freshness.	**Strategic Drivers:** • Reduce price gap with imported products: even though many are ready to pay more, reducing the gap through subsidies or taxing imports would guarantee increased consumption • Increase accessibility: ensure regular supply and availability of local products in regular networks
Main Agents: • Federations of agricultural producers • Government	**Main Agents:** • Federations of agricultural producers • Government • Retail food industry	**Main Agents:** • Retail food industry • Government • Agri-food producers • Food processing industry
Actions: • Massive and national information campaign	**Actions:** • Image advertising campaign • Legislation • Set up seasonal events to foster enthusiasm	**Actions:** • Subsidies for producers and / or taxes on imports • In-store promotions • Highlight better price / quality ratio • Expand distribution

Progression of local product sales in Canada & Progression of potential local product consumers

4. RECOMMENDATIONS TO STAKEHOLDERS

4.1 CONCERNING CERTIFIED "ORGANIC" FOOD

As shown in the literature review, the interviews with merchants, and the national survey, Canadians have a basic knowledge about organic food. Development strategies could thus focus more on attitude, opinion, and behaviour, as suggested by Léger Marketing. This would command more action from merchants (price, marketing), civil society groups (communications and awareness-raising groups), and governments (communications, authentication, support with offer development). Regarding marketing, the positioning of organic products on shelves and the question of isolating them or integrating them with the conventional food offer hardly seems to make a difference to consumers. Supermarkets tend to offer organic products in separate sections, assuming that this will enhance the shopping experience and increase competitiveness with specialty stores. However, it seems that most consumers prefer organic products to be integrated with other products in the store. Such an integrated approach also suggests that organic food is for all citizens and not just for a niche segment of the population. Nevertheless, integration also allows consumers to compare products more easily, in particular regarding price – which, as we know, is the main obstacle to buying organic. We thus recommend deciding for each product on a case-by-case basis.

4.1.1 Recommendations to Promote Organic Food - for Merchants

4.1.1.1

Promote organic products from local, regional, and national farms. Given that consumers have a strong desire to buy locally, we urge merchants to try to find local suppliers of organic products. The criticism against unnecessary food miles, including organic food, is mounting. We thus recommend that supermarkets revise their purchasing guidelines such that these reflect sustainable development criteria. This will allow for a better overview of the local offer of organic products (reviewing guidelines about quantities, producer associations, delivery frequencies, billing, and latitude for store managers;

4.1.1.2

We strongly encourage merchants and their professional associations to join consumer and environmentalist groups in calling for a Canadian law that would require mandatory certification for any product carrying the label "organic" (as is the case in Quebec). Failing to establish such a regulation could undermine the credibility of the sector as a whole on the national as well as the provincial level;

4.1.1.3

The economic forces being what they are in retail (concentration), we also recommend that professional merchant associations participate in setting up accreditation programs for responsible food stores that have made exceptional efforts to promote the sale of **organic-local**, fair trade, and local food. This recommendation thus targets the three sectors covered in this study.

4.1.2 Recommendations to Promote Organic Products – for Governments

4.1.2.1

Ensure that the impending Canadian regulation on organic certification is mandatory for all products carrying **the label "organic"** sold in Canada. Ensure that this regulation complies with recognized international standards (e.g. Codex alimentarius, ISO);

4.1.2.2

Establish an organic logo for products made in Canada (or a province, see Quebec) for merchants and consumers who want to buy both organic and local. In doing so, avoid all confusion by ensuring that the criteria for using the unique logo or designation corresponds with the objectives for adding value to local products. For example, "Products of Canada," "Canada No. 1," or "Canada Fancy" do not guarantee that the product was made in Canada. Thus, avoid using the word "Canada" (or the name of a province) if the food product is not originally from Canada (or one of its provinces);

4.1.2.3

Exempt farmers from certification fees in order to promote local organic farming and its product offer for Canada as a whole or any of its provinces. On a broader level, establish a support policy for the development of organic agriculture by planning for training programs (university), adaptations to already existing support programs taking account of particular risks linked to organic farming practices. This should apply to research and development in the existing research stations and to legislative measures allowing organic producers to avoid fees or losses linked to pesticide drift or GMO-contaminated soil;

4.1.2.4

For that purpose, incorporate organic farming and the national consumption from this production into a government action plan, for Canada and for each province, presenting clear objectives in terms of consumption and production (surface area, diversity, and number of producers) and the degree of food balance (proportion of total consumption of products made in Canada);

4.1.2.5

Assist in developing a nationwide communications campaign on the certification process and on the virtues of certified organic food. This campaign should be developed in partnership with competent and involved organizations (organizations mandated to enforce certification schemes and environmental and consumer organizations);

4.1.3 Recommendations to Promote Organic Products – for Civil Society Organization (Unions, Environmental Groups, and Consumer Organizations)

4.1.3.1

Collaborate in mounting an efficient, citizen-based campaign that calls on the various concerned governments to implement the aforementioned recommendations;

4.1.3.2

The economic forces being what they are in retail (concentration), develop, propose, and operate a voluntary accreditation program for retail stores that have made exceptional efforts to promote the sale of responsible foods. In doing so, demonstrate citizen stewardship;

4.1.3.3

Play a key role in realizing a national communications campaign on the certification process and the virtues of organic products in order to give "organic" more credibility and to raise awareness about the health benefits of organic foods for both people and the environment;

4.2 CONCERNING CERTIFIED “FAIR TRADE” FOOD

As revealed by the Léger Marketing survey and the literature review (27% of knowledge in 2005), awareness must be raised for fair trade in order to assist Canadians with their purchasing decisions. This effort would require the participation of governments (authentication and support with offer development) and consumer and socio-environmental (communications, awareness-raising) organizations from civil society.

4.2.1 Recommendations to Promote “Fair Trade” – for Merchants

4.2.1.1

As with certified organic food, certified fair trade food is seen to target a limited clientele (“trendy,” “urban,” “granola,” “intellectual”). For that reason, we recommend that merchants avoid stigmatizing fair trade products even further by offering it in separate sections. Rather, the products should be displayed next to other similar foods.

4.2.1.2

We recommend that merchants or their professional associations join consumer and environmentalist groups in order to remain informed about how the public envisions the authentication of the “fair trade” label, especially since 61% of the questioned consumers were in favour of mandatory certification;

4.2.1.3

Participate actively in information campaigns proposed by civil organizations and ensure the application of identification processes (certification logo);

4.2.1.4

The economic forces being what they are in retail (concentration), we also recommend that professional merchant associations participate in implementing and promoting an accreditation program for “responsible stores” that have made exceptional efforts to promote the sale of organic-local, **fair trade**, and local food. This recommendation thus targets the three sectors covered in this study.

4.2.2 Recommendations to Promote "Fair Trade" – for Governments

4.2.2.1

Ensure the recognition of fair trade by establishing a national and international working group mandated to explore the advantages and disadvantages of increased government involvement beyond existing legislative measures (law on store brands) in order to respond to consumers' request for authentication;

4.2.2.2

In so doing, exert Canadian leadership on an international level to ensure that this effort is recognized internationally, in particular by the WTO;

4.2.2.3

Ensure the authentication of fair trade products through the accreditation of fair trade certification organizations operating in Canada or elsewhere (for products certified outside of Canada);

4.2.2.4

Support the realization of a major national campaign on fair trade and its mechanisms, benefits, and labelling.

4.2.3 Recommendations to Promote "Fair Trade" – for Civil Organizations

4.2.3.1

Collaborate in mounting an efficient, citizen-based campaign that calls on the various concerned governments to implement the aforementioned recommendations;

4.2.3.2

Develop and propose a voluntary accreditation measure for retail stores that have made exceptional efforts to promote the sale of responsible foods;

4.2.3.3

Develop a pan-Canadian vision and strategic positioning for sharing wealth between the North and the South by means of fair trade and local consumption for purposes of food safety in the context free trade;

4.2.3.4

Launch a nation-wide campaign to inform about fair trade and its benefits, its impact on the South, and its certification process;

4.3 CONCERNING “LOCAL” FOOD

The challenge to marketing local food lies in the major gap between, on the one hand, the strong desire by consumers to buy locally and, on the other hand, the lack of means for authenticating the origin of such food. The literature review and national survey show that people tend to believe that their portion of local consumption (including national and regional) is much greater than it actually is due to misleading identifications (e.g. Canada No. 1, Canada Fancy). In fact, voluntary labelling such as “Aliments du Québec” are the exception rather than the norm. In the case of local food, an increase in their consumption essentially depends on mandatory identification (as advocated by 81%), to be effected by the government, and on marketing, to be effected by merchants and governments;

4.3.1 Recommendations to Promote “Local” Food - for Merchants

4.3.1.1

Merchants and their professional associations can implement a strategy and action plan allowing them to emphasize their commitment to marketing local products (national, provincial, regional, local);

4.3.1.2

The economic forces being what they are in retail, we also recommend professional merchant associations to participate in implementing and promoting an accreditation program for “responsible stores” that have made notable efforts to promote the sale of organic-local, fair trade, and **local** food. This recommendation thus targets the three sectors covered in this study;

4.3.1.3

Promote the sale of food produced in Canada (or the provinces and regions) by reviewing the purchasing policies of big food chains (e.g. listing fees, shelving fees), in particular for fresh and basic products;

4.3.1.4

Participate actively in representation efforts with civil organizations (farmer unions, consumer and environmental groups) to considerably improve measures for origin labelling;

4.3.1.5

Participate actively in an immense national local buying campaign that highlights the economic, social, and environmental benefits of buying locally and the means for identifying those products (logos);

4.3.2 Recommendations to Promote “Local” Food – for Governments

4.3.2.1

Adopt a national regulation for origin labelling of food products sold in Canada and, to that end, ensure their traceability from the field to the shelf;

4.3.2.2

Support solidarity-based marketing networks that ensure that their food is produced in Canada and sold to people living in Canada (e.g. public markets, community supported agriculture, food coops, and other buying groups);

4.3.2.3

Add “food sovereignty” to the agricultural and social success indicators to be measured continuously for Canada as a whole and for each of the provinces. Develop and implement means for measuring the impact of such an indicator (e.g. net agricultural revenues from selling locally);

4.3.2.4

Enhance the image of a local food network at the WTO at an international level to promote the concept of agricultural exceptionalism and food sovereignty and to apply supply management;

4.3.2.5

In partnership with civil society organizations, study the feasibility of ensuring a minimum level of local (national, provincial, regional, local) supply in the big food chain stores;

4.3.2.6

Support the realization of a major national campaign to promote local consumption and its benefits and means of labelling.

4.3.3 Recommendations to Promote “Local” Food - for Civil Organizations

4.3.3.1

Collaborate in mounting and efficient, citizen-based campaign that calls on the various concerned governments to implement the aforementioned recommendations;

4.3.3.2

Develop and propose a voluntary accreditation measure for retail stores that stand out in regard to the sale of responsible (local) food;

4.3.3.3

In partnership with various government bodies, develop and propose an immense national campaign to promote local food consumption, emphasizing the economic, social, and environmental benefits of local consumption, the means for identifying such food, and the importance of consuming products that are fresh and basic;

4.3.3.4

Promote local marketing networks and awareness building among citizens about the impact and value of such networks.

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