



EuroMARC — Mountain Agrofood products in Europe, their consumers, retailers and local initiatives



Nr 1/ September 2008

Newsletter on the EuroMARC project

The first issue dedicated to the research project EuroMARC

In this issue:

Filling in the gap of knowledge on mountain quality food products

Euromarc : continuing Euromontana's work on mountain quality products

Retailing:

Shelves studies

Retailers' survey

First results

Consumer perception:

The focus groups

The Conjoint analysis

Consumers' questionnaires

First results

Other topics studied

Supply chains of Mountain products

The influence of local initiatives

Which policies?

EuroMARC Seminar

Filling in the knowledge gap on mountain quality food products

Quality food products have been the focus of many studies: extensive literature is available on AOC, PGI, the development of niche markets, etc. For many of these products, a common characteristic is their mountain origin, which is often used as a feature of product differentiation (especially in the case of mineral waters). Paradoxically, there are very few studies available on the "mountain" attribute. EuroMARC's goal is to fill in this gap through analysing the market of mountain products in Austria, Scotland, France, Norway, Romania and Slovenia.

mountain products, EuroMARC focuses on the conditions in which products develop including the impact of local initiatives and policies.

EuroMARC began in February 2007 with a first phase consisting of reviewing the literature and establishing the research methodologies. This newsletter presents the work that has been undertaken during the first 18 months of the project, as well as some of the first results obtained.

The research project aims to study the conditions of development of mountain food products and to provide recommendations on a political level as well as to those involved in production and distribution. In addition to the consumption, production and distribution of



The partners of the project EuroMARC in the launch meeting (Clermont-Ferrand, February 2007)

The results will be fully presented and discussed at a public conference to be held on November 6, 2008 in Brussels in the presence of a panel of experts on the topic. You can already register to participate (see article p. 8).

The 10 partners in the project:



Project co-financed by the European Union 6th framework programme for Research and Technological Development



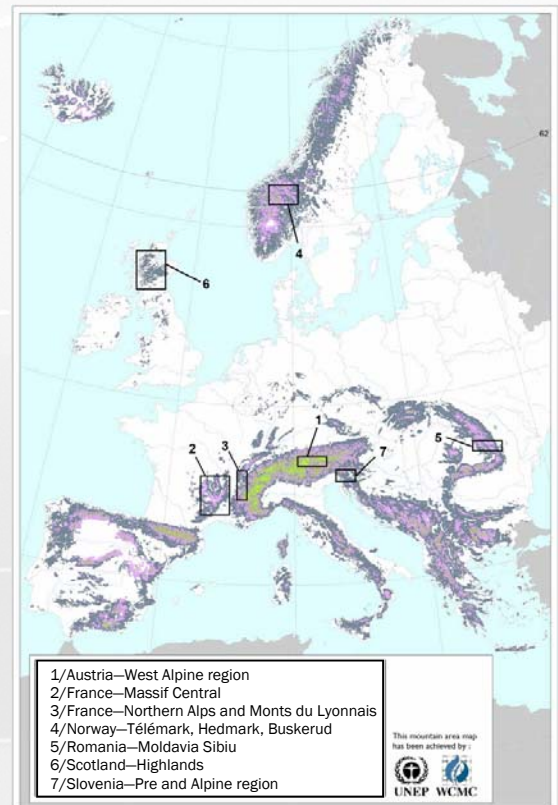


EuroMARC: continuing Euromontana's work on mountain quality products

EuroMARC is built on the work undertaken over nearly 10 years by Euromontana on mountain quality food products. The project follows the European 5th Framework research program project on mountain quality products (which took place between 2002 and 2004), and the establishment of the European Charter for mountain quality products (launched in 2005). The 2002-2004 project's conclusion highlighted, on the one hand, the specific-

ity of mountain products, and on the other, the absence of research on their consumption and the need for clarification of the term mountain.

EuroMARC constitutes a new step in the acquisition of knowledge about mountain quality products, as it aims to focus on the commercial development potential of these products.



Project study areas

Retailing: putting forward the mountain origin of the products

In order to define the possibilities for developing the retailing of mountain quality products, it was important to begin our retailers study by a review of the offers that are currently available. Consequently, the part of the study covering the retailing of quality products includes an inquiry into products available on shop shelves.

Retailing is also addressed from the sellers' / retailers' point of view, through several face-to-face interviews and a postal survey to identify precisely the opportunities for, and obstacles to, the development of the retailing of mountain quality products.

Shelves studies

The teams from the 6 countries visited collected on the characteristics, prices, shops and supermarkets of different sizes, consumer communication and presentation of as well as markets and producers' shops, to nearly 1700 mountain quality products identify which mountain quality products are across the 6 countries (mineral water, available and how they are presented. The products taken into account presented either an image of mountains or a name related to a mountain area. Information was

Retailers' survey

The mountain products that are the most frequently found in shops are cheeses.

EuroMARC aims to assess the potential for developing sales of mountain quality products. Statistical data on retailers' intentions will be collected and complemented by information to understand their motivations and the factors influencing their decision-making. Consequently, the distributor surveys include not only a qualitative part, based on semi-structured interviews, but also a mail survey (sending questionnaires by mail or e-mail). Indeed, the mail survey allows the relatively rapid collection of a substantial number of responses which are then subject to statistical analysis.

Both questionnaires have been constructed on the same basis and are designed to obtain information on the characteristics of the store, the mountain quality products on offer, the characteristics of these products, the factors limiting the development of the sale of these products, the development prospects of supply, and issues related to the costs and benefits associated with the sale of mountain quality products. The face-to-face interviews allow EuroMARC partners to discuss at greater length and in depth the sale of these quality products.

First results of the survey of retailers

Although the interviews of distributors are currently not completed, the analysis of the shelves survey already provides some interesting findings, such as the predominance of cheeses. With more than 600 products

identified, in all countries surveyed except Romania, it is the category of mountain products that is most often encountered. It is followed by mineral waters and meats.

Consumer perception: the term “mountain quality food products” is not well understood

The objective of the consumers' study carried out within EuroMARC is to provide qualitative and quantitative answers on the perceptions and motivations of consumers vis-à-vis mountain quality food products.

The consumers' study started with focus groups, the results of which have been used to design a precise and relevant questionnaire and to determine the attributes to be tested through a conjoint analysis. The questionnaire and conjoint analysis have been used to gather information from more than 300 respondents in each study country. The analysis of the results is being processed.

The focus groups

Principle

The focus group methodology, based on qualitative and discursive data, has been well developed for more than two decades.

Focus groups include around ten people expressing themselves on a given subject. The conversation is led by a moderator who is responsible for guiding the conversation and ensuring the participation of all participants. Although the discussion is held in an



Focus groups allow the collection information on participants' perception and also their reaction and attitudes.

artificial context, focus groups allow researchers not only to better understand participants' reactions on a topic, but also to observe their attitudes. Discussions are recorded to facilitate the transcription of the debates.

Methodology adopted for EuroMARC

Since the goal of the project is to define consumer perceptions regarding Quality Mountain Products, four types of focus groups were set up. Some groups (ordinary consumers) debated about the general food and drinks theme while others

("connoisseur" groups) discussed Quality Mountain Products more specifically.

In order to assess the influence of the location of consumption, some focus groups took place in mountain areas and others in urban lowland areas.

The focus group results were used as a basis for elaborating the questionnaire and conjoint analysis cards which are important components of the consumer study.

	Ordinary consumers	Connoisseurs
Lowland/urban area	6 (56)	5 (43)
Mountain/rural area	8 (65)	3 (20)

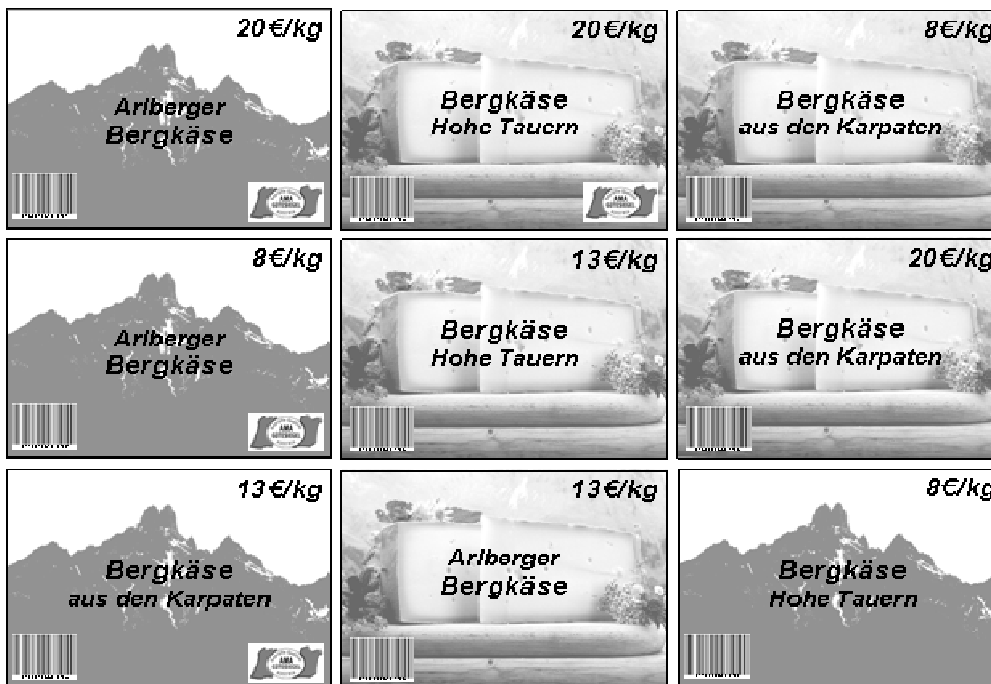
Summary table of all the focus groups in the 6 countries studied.
Total number of focus groups (Total number of consumers)

The Conjoint analysis

Principle

Conjoint analysis is a method used in marketing. Consumers are asked to classify combinations of attributes (price, brand, origin, etc.) in order of preference. A small number of modalities (2, 3) are given to each studied attribute. A set of cards, which propose variations of several combined attributes, are presented to the re-

spondents who have to classify them according to preference.



The 9 cards used for conjoint analysis in Austria (prepared by Anja Matscher and Marku Schermer, UIBK). Each respondent is asked to rank them in order of preference.



In each of the 6 countries, 300 consumers have answered the questionnaire and done the conjoint analysis

Methodology adopted for EuroMARC

The conjoint analysis has been used to study four attributes:

- price (low, average, high);
- presence of a quality label (presence or absence of a logo indicating an official quality sign)
- mountain image (by using a mountain image on the card or another image)
- brand (by using three modalities that

refer to a local mountain summit, a local mountain range, and a distant mountain range)

A collection of nine cards with variations of the attributes was prepared and adapted for each of the six countries. The conjoint analysis was systematically presented to the participants who responded to the consumer questionnaire.

Consumers' questionnaires

The goal of the consumer questionnaire is to gather quantitative data on the consumption choices and intentions of the persons interviewed. Since the interviewees needed to answer the questionnaire before proceeding to the conjoint analysis, the number of questions was reduced to the minimum, so that the total answering time was not too long.

- Attributes associated with quality mountain products
- Context associated with quality mountain products
- Interest in having an official label
- General information (age, gender, country, etc.)

The questions addressed the following issues:

- Consumption habits in general;
- Food and drinks associated with quality mountain products;

To obtain 300 at least responses (questionnaires + conjoint analyses) per country, the teams had the choice between face-to-face interviews and Internet questionnaires. The latter solution was chosen for Scotland, Norway and Slovenia.

For consumers, the mountain attribute is positive but not well defined

First results of the interviews of consumers

The statistical analysis of the answers to the questionnaire and to the conjoint analysis is currently under way. However, a first insight of the perception of consumers has been obtained through the focus groups.

about the term "mountain quality product", because it implies the existence of non-quality food products, which goes against the ideas normally associated with mountains.

The analysis of the discussions in the 6 countries shows that for the participants, the notions of "mountain", "mountain food product", "mountain quality food products" are badly defined. However, consumers tend to agree on the common characteristics of the mountain attribute: the notions of purity, freshness, taste, quality, tradition, and respect for the environment are frequently used. Consumers are ambivalent

The discussions also show that there is a strong emotional link to mountains. Mountain products seem relatively unknown, but positively accepted, hence the importance of the location of product consumption. The product is considered differently according to the place of consumption (city/mountain for instance), the time (summer/winter), the kind of meal (daily meal/celebration meal), etc.



The other topics studied within EuroMARC

Getting more insight into mountain products supply chains

In addition to the consumer and distributor studies, EuroMARC is also examining the conditions of production through supply chain analysis. Each country will therefore analyse the supply chains of selected products among 5 categories, through inter-

views with actors at different levels: producers, processors, distributors.

The supply chain studies are currently ongoing.

	Fruits	Waters	Dairy Products	Meat / Fish	Total
Austria		Montes Obladis	Bio vom Berg Sennerei Zillertal Kaes.at		5
Scotland			A taste of Skye and Lochalsh West Highland Dairy Cairngorms farmers market	Great Glen Game Balliefurth farm	5
France	Pommes et poires de Savoie Fraises des Monts du Lyonnais	MontDore Volvic Laqueuille			4
Romania	Raureni	Borsec			2
Slovenia			Planika Mohant Bovški	Zgornje savinjski zelodec; Mesnine Bohinja	5
Norway	Fjellmandel fra Oppdal Fjellmandel fra Vågå			Fenalår fra Lofotlam Fenalår fra Bjori Fjellmat	5
	6	6	9	6	27

Table of products whose chains are being studied

EuroMARC will study the influence of LEADER and LEADER-like initiatives

The influence of local initiatives

Producers must overcome many difficulties to acquire and set up the tools for processing and marketing: a production site to be found; equipment purchased; standards met; marketing channels established; etc. A priori, it seems that collective initiatives can be an asset in developing the production and marketing of mountain quality products.

LEADER initiatives are among the possible approaches to group together actors and facilitate product development. The LEADER programme is also widely popular at the local level. The EuroMARC project focuses on the influence of this type of initiative in order to understand if such an instrument can be relevant and effective for product development and marketing. The conditions to meet success will also be evaluated.

The LEADER initiative does not exist yet in three of the countries that are taking part in the project: Norway (non EU-Member); Slovenia and Romania (whose entry into the European Union is too recent to have

LEADER programmes). However, in all three countries local actions can be found that can be considered as LEADER-like initiatives, since they present similar characteristics :

- Regional approach
- Bottom-up approach
- Local partnerships
- Multisectoral and integrant approach
- Innovation
- Territorial cooperation
- Network development
- Decentralised financing and management

To clarify the influence of the LEADER programme, comparisons will be made. In each country, two examples of initiatives that have enabled the development of mountain quality products will be studied: one LEADER or LEADER-like, and the other not related to LEADER.

The studies are currently underway.

Which policies to encourage the development of mountain products?

Appropriate legislation is a necessary condition for the development of mountain quality products. For example, the regulation on PDO / PGI certification helps protect producers against counterfeiting and the maintenance of a high level of quality. But the legislation also imposes major constraints to the development of products. Producers often mention heavy hygiene standards and the necessity of investment as an obstacle for small producers. We observe an evolution of opinions related to policies and product development, depend-

ing on the position of the interlocutor, (closer to or farther from practical implementation).

In order to obtain a perspective stakeholders' points of view and the respective influences of various policies and laws on the development of mountain quality products, interviews with professional experts, members of local/ national/ European institutions are being conducted. The analysis is expected to be finished in November 2008.





EuroMARC seminar in Brussels on 6 November, 2008

The first results of the project will be presented and discussed during the seminar

A public seminar to present and discuss the first EuroMARC results will take place in Brussels on 6 November. Indeed, most of the data collection activities will end in late 2008 and, following analysis and a synthesis of the results obtained, will be integrated into good practice guides to be prepared in 2009.

As most of the primary research activities will have ended, the conference on 6 November will allow EuroMARC partners to benefit from professional expertise, and therefore to develop a strong focus for the drafting phase of the guides. A panel of producer representatives, consumer associations, and various administrations will

be present to debate the initial results of the project.

We are expecting the participation of a MEP and Francis Fay, of the European Commission, who will present the main issues of the Green Paper on Quality Mountain Product policy, which will be launched in early October.

The complete programme and additional information concerning the organisation of the conference day are available on www.mountainproducts-europe.org. You may also register online for the conference on this website.

Registration to the seminar at www.mountainproducts-europe.org

Follow the latest news of the Euromarc project on the website www.mountainproducts-europe.org



Editorial team: Marie Guitton; Georges Giraud, Virginie Amilien, Philip Leat, Martin Price
With the help of : Ana Cardoso, Ilias Papageorgiu, Alexia Rouby



TO KNOW MORE....

For any information, please contact:

Marie Guitton
Euromontana
2 Place du Champ de Mars
1050 Brussels
Belgium

Phone: +32-(0)2-513-23-60
Fax: +32-(0)-2-280.42.85
Email: mountainproducts-europe@euromontana.org