

Consumer motivations and behaviours for products with nutrition and health claims

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FOCUS-BALKANS: Food Consumer Sciences in the Balkans: Frameworks, Protocols and Networks for a better knowledge of food behaviours

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Activity 2 Fork to farm
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CONSUMER MOTIVATIONS AND BEHAVIOURS FOR PRODUCTS WITH NUTRITION AND HEALTH CLAIMS

Market structure and Regulative

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Motivations and Barriers

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Starting points – diet and health

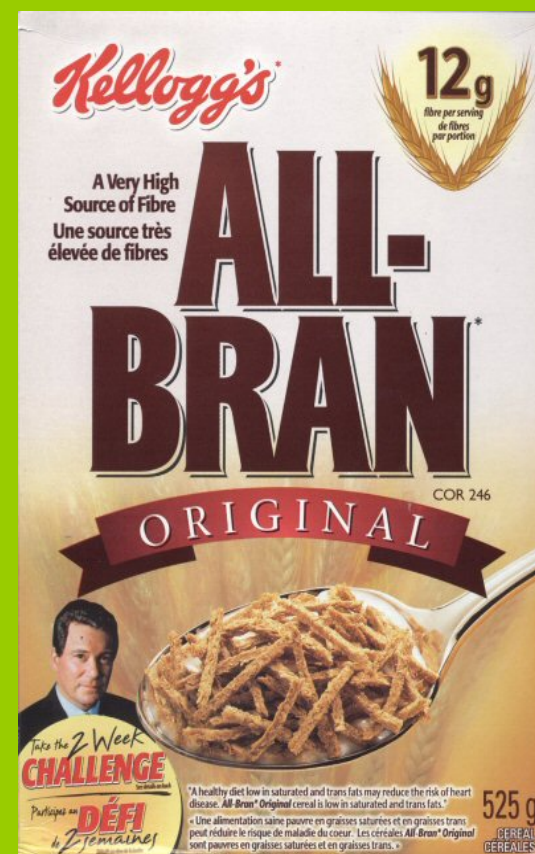
- Obscurity by the end of 19th century.
- Discovery of the essential elements and vitamins, particularly in the context of deficiency diseases during the first 50 years of the 20th century.
- During the 1970s the shift in emphasis from under nutrition to over nutrition and disease.

Health claims and public policy

- Health claims in food marketing are controversial.
- Many government regulators and consumer advocates believe that such claims are bound to be misleading.

Health claims and labeling history: Where was the market born?

- In the mid 1970s, nutrition and health research suggested a link between the consumption of fiber and the incidence of colon cancer.
- In October 1984, the Kellogg Company began advertising and labeling campaign that cited the National Cancer Institutes statements.
- This campaign was in direct violation of long-standing Food and Drug Administration (FDA) policy in the area, which essentially created a ban on health claims for food products.
- Private advertising added initial flow of information related to public health policy.
- Two periods:
 - pre-advertising period and
 - advertising period.



The market development - *benefits*

- Public health: nutrition and diseases
 - Deaths by leading reasons (cardiovascular diseases, cancer...).
 - Are they food/diet born diseases?
- Public health authorities found commercial advertising of health claims to be useful supplement of public health policy.
 - Governments need to work with private sector, consumer groups, academics and research community.

Benefits/Costs

	<u>1st order effects</u>	<u>2nd order effects</u>
<u>Benefits</u>	Wider diet-health/disease information spread to general public	Positive reaction of competitors.
<u>Costs I – stakeholders</u> <i>If the claim is false</i>	Consumer is misled and his health status might be worse.	Stakeholders credibility is questionable.
<u>Cost II – Regulative</u> <i>If the claim is true</i>	The claim is accepted: Negative reaction of competitors (over-fortification and over-emphasizing the importance of some component of food)	The claim is forbidden: Negation of the market benefits

Health claims

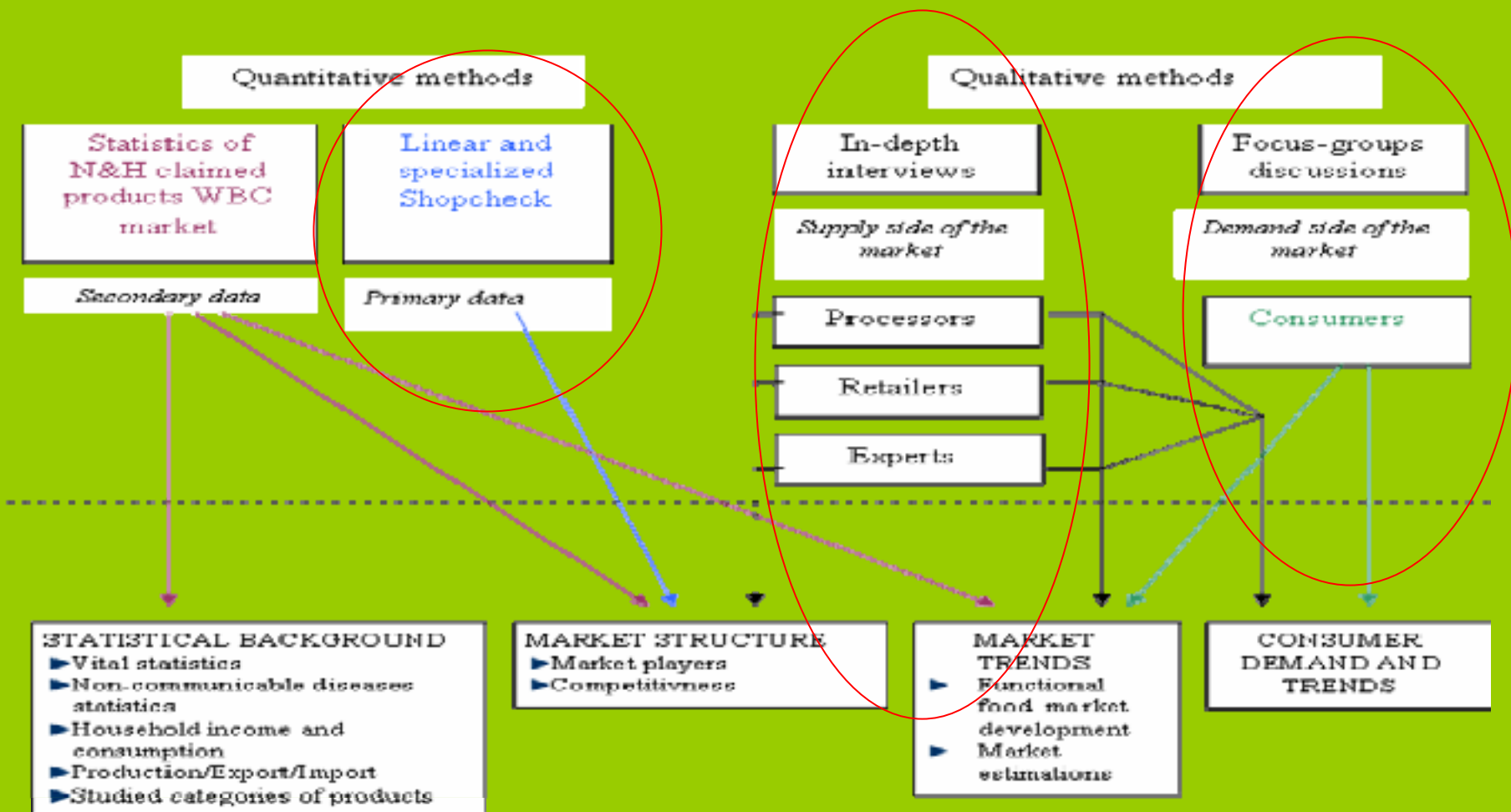
EU – WBC parallels

- **EU regulation on nutrition and health claims made on**
 - Regulation (EC) No 1924/2006
 - http://ec.europa.eu/food/food/labellingnutrition/claims/index_en.htm
 - Nutrition claims
 - Health claims
- **Types of health claims**
 - **Article 13.**
 - Claim must indicate the role of nutrients in the development and functioning of the body (so-called functional claims).
 - **Article 14.**
 - **Reduction of disease risk claims (so-called risk-disease claims).**
 - Claims referring to children's development and health
- In most countries in the region there is no specific law on health claims.

Focus-Balkans WP6 research questions

- Market with health claims in WBC region (supply and demand analysis) – current state and perspectives
 - Level of the market development
 - Issues
 - Perspectives
- Is the regulative existence precondition for the N&H market development?
- What are the major impressions about this market segment development from the perspective of the public authorities?

The research methods and results



Current state – Shop check

- H&N products by product groups
- Origin of N&H products
- Nutrition and health claims



– Western Balkan Countries:

1. FYR Macedonia
2. Montenegro
3. Serbia
4. Slovenia
5. Croatia
6. Bosnia and Herzegovina

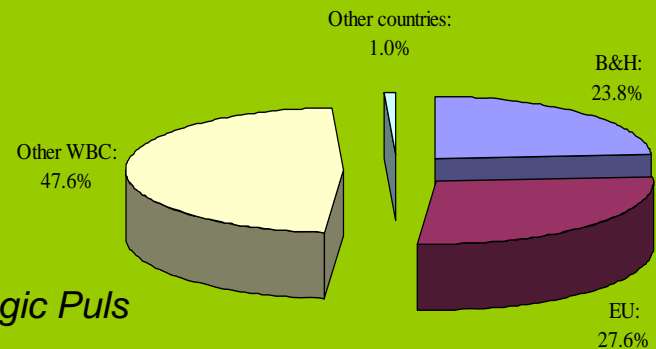
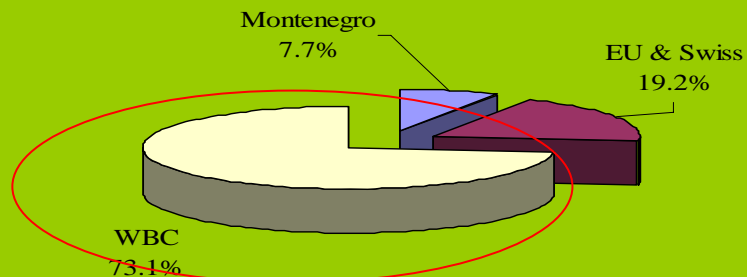
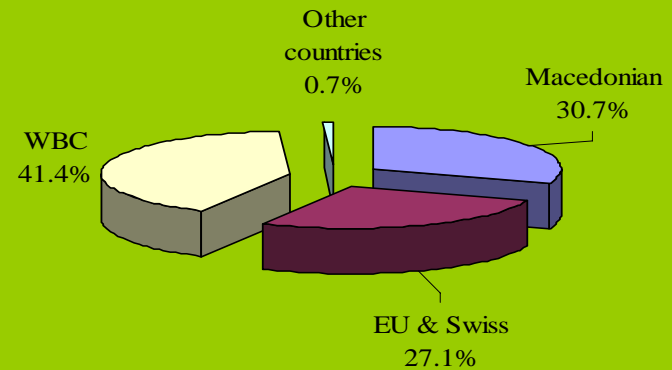
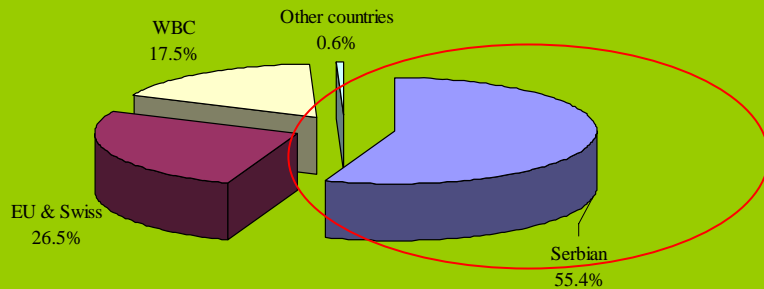
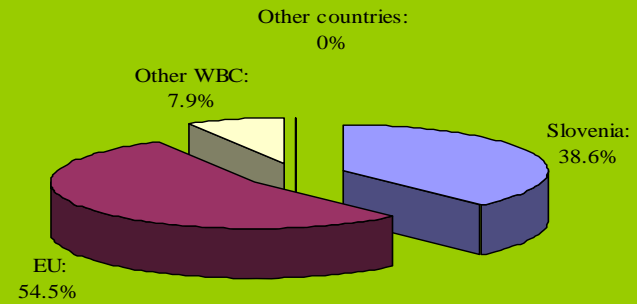
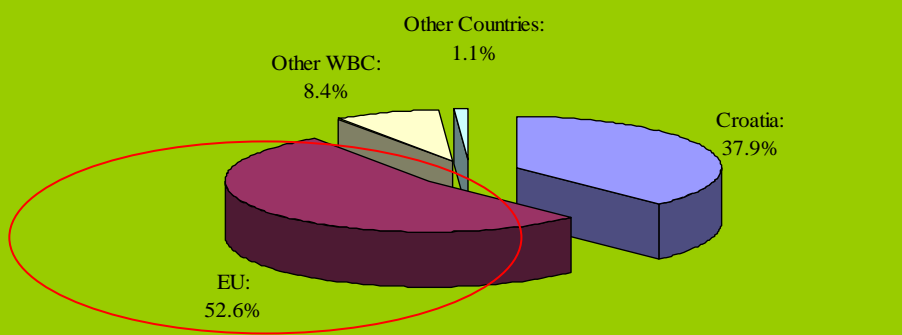


Structure of the surveyed N&H claimed products by product groups (in %)

	FYR Macedonia	Slovenia	Montenegro	Serbia	Croatia	B&H
1. Milk and Yogurt	37.1	31.0	36.5	33.7	22.3	21.5
2. Margarine	7.9	9.0	5.8	5.4	3.2	6.7
3. Nectars	21.8	16.0	20.0	17.5	20.2	33.7
4. Other	15.6	14.0	18.5	9.6	16.0	18.1
5. Dietetic	17.6	30.0	19.2	33.8	38.3	20.0
Total:	100	100	100	100	100	100

Source: IPSOS Strategic Puls

Origin of N&H products by countries



Source: IPSOS Strategic Puls

Claims made on food

Maximum number of N&H claims per product origin

- Macedonia: EU up to 4, domestic and WBC producers up to 7;
- Slovenia: EU up to 4, WBC up to 2, domestic producers up to 3;
- Montenegro: EU up to 4, WBC up to 6, domestic up to 3;
- Serbia: EU up to 4 (Swiss up to 9), WBC up to 7, domestic up to 5;
- Croatia: EU up to 4, WBC up to 2, domestic up to 3;
- Bosnia and Herzegovina: EU up to 4, WBC up to 4, domestic up to 3.

Number of the health claims products and their share in the total number of N&H claimed products, by countries:

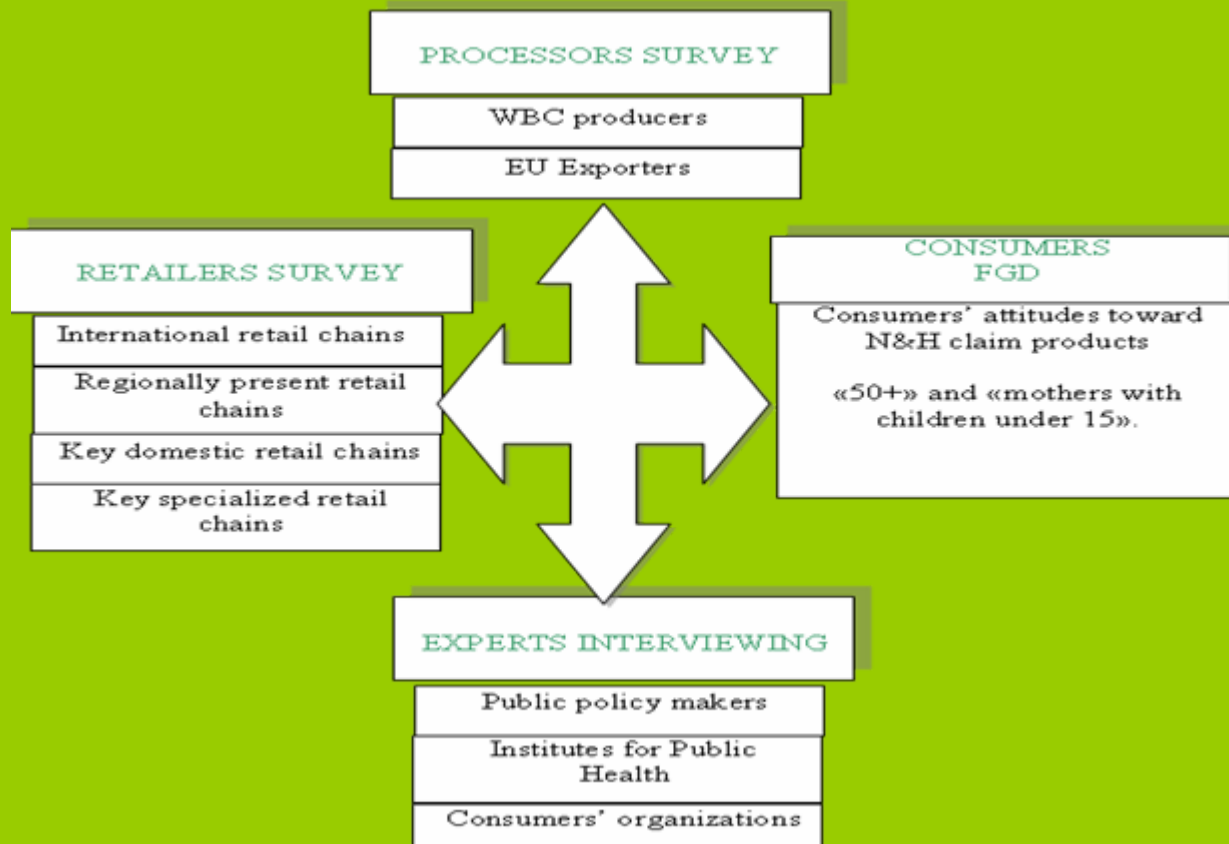
	N&H claims	Health claims	%
FYR Macedonia	140	27	19
Slovenia	100	20	20
Montenegro	52	9	17
Serbia	166	24	14
Croatia	94	19	20
B&H	105	27	26

Source: IPSOS Strategic Puls

The main shop check results

Country	Regulative	No. products surveyed	Max claims per prod.	Dominant type of food	Share	Domnant producers	Share	Share of HC
Slovenia	yes	100	3	Milk and yoghurt and dietetic food	30-31%	EU	54.50%	19%
Croatia	yes	94	3	Dietetic food	38.30%	EU	52.60%	20%
Serbia	no	166	7	Milk and yoghurt and dietetic food	33-33%	SRB	58.40%	17%
B&H	no	105	4	Juices	33%	WBCs	47.60%	14%
Montenegro	no	52	6	Milk and yoghurt	36.50%	WBCs	75%	20%
Macedonia	no	140	7	Milk and yoghurt	37.10%	WBCs	41.40%	26%

Products with N&H claims – methods of the research



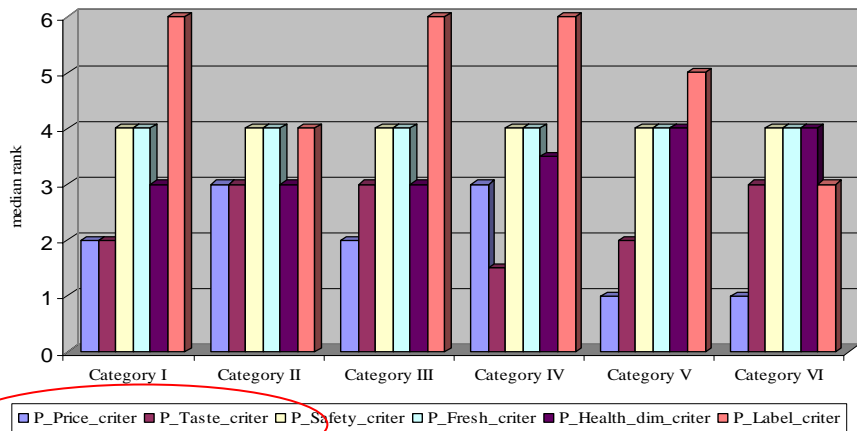
N&H claimed products – In-depth interviews with market stakeholders

Criteria	Structure	No of interviews
Category of products with H&N claim	Jam for persons suffering from diabetes	15
	Yoghurts with probiotics	25
	Milk enriched with vitamins and minerals	17
	“Light margarine” with reduced fat content	28
	Juice enriched with vitamins and minerals	21
	Other products	14
Stakeholder	Processor	36
	Retailer	26
	Expert	18
Country	Bosnia and Herzegovina	14
	Croatia	9
	EU	7
	Macedonia	11
	Montenegro	11
	Serbia	18
	Slovenia	10

WBC N&H claimed products market structure

Country	Regulated	Dominant producer	Market share	Growing rates	Motives	Barriers	Rank of Health criteria
Slovenia	Yes	EU	Higher	High	Market Position	Information	3
Croatia	Yes	EU	Average	High	Consumers	Regulative	2
Serbia	No	SRB	Average	High	Image	Lack of scientific support	5
Macedonia	No	WBC	Lower	High	Consumers	Lack of scientific support	4
B&H	No	WBC	Lower	High	Profit	Finance	3
Montenegro	No	WBC	Lower	High	Consumers Image	Finance	2

Barriers for purchase of the N&H claimed products (the market stakeholders opinion)

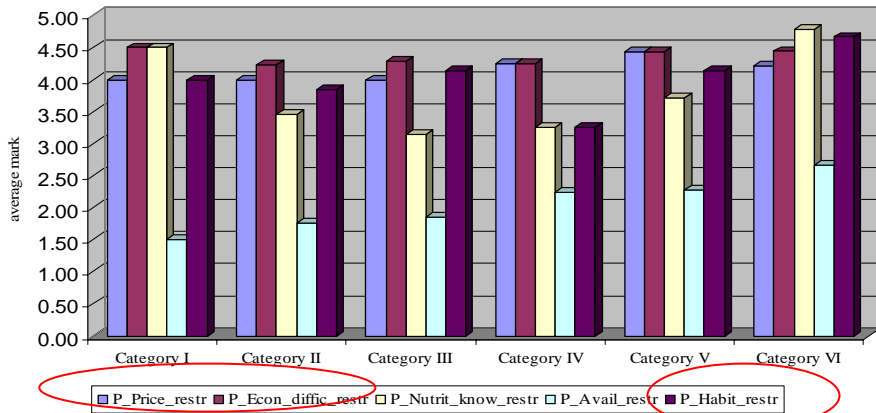


- The main problems are related to:
 - High price
 - Taste

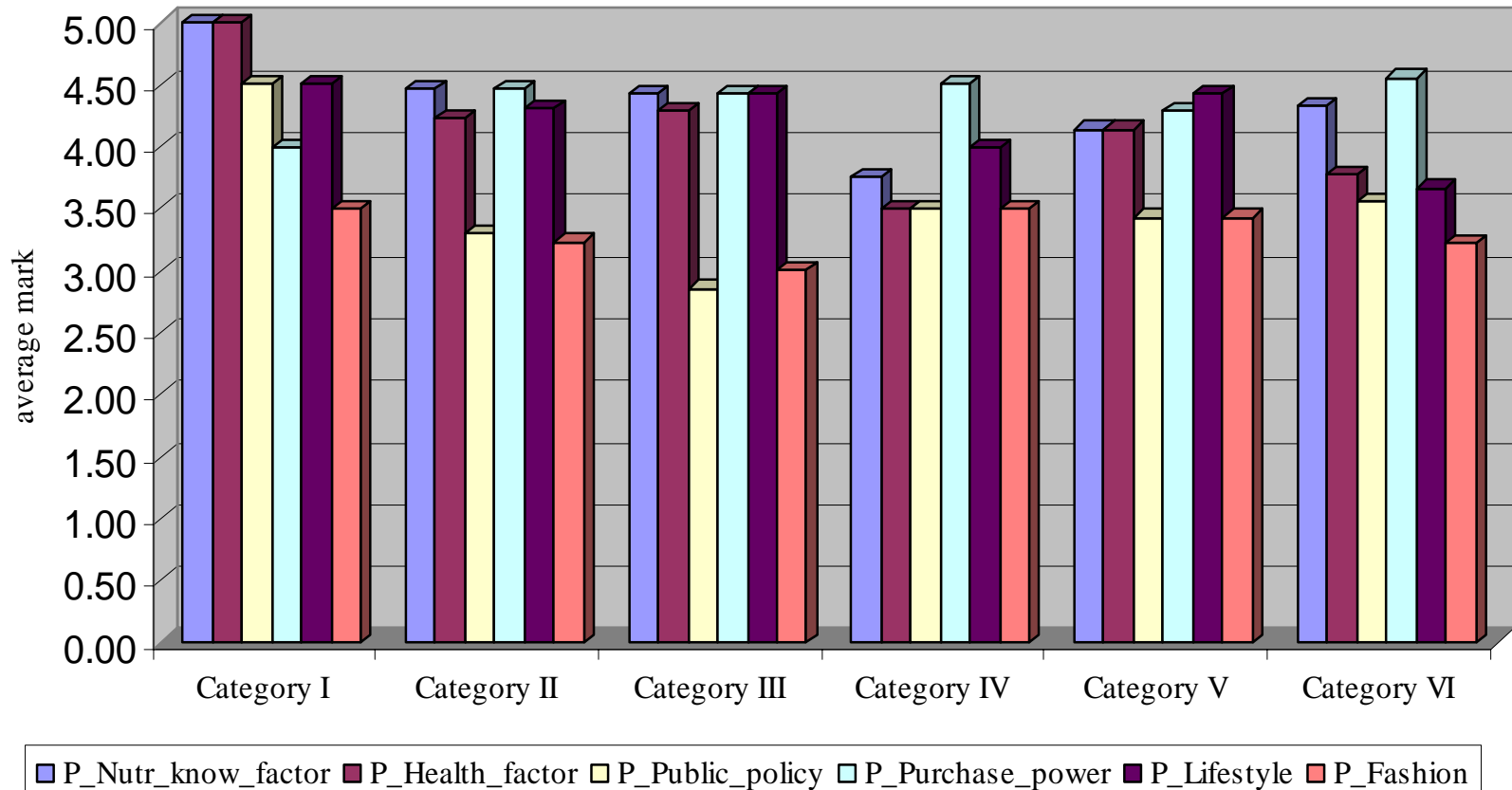
- Opinion of the economic stakeholders was unified:

- economic difficulties,*
- price and*
- habits*

are the main barriers for the N&H claimed products higher consumption.



WBC N&H claimed products market perspective



WBC N&H claimed products market – experts opinion (the public authorities opinion)

Statement	Average mark
Consumer demand related to products with nutrition or health claim is high today.	2.57
Demand for products with nutrition or health claim is increasing.	3.78
Supply of products with nutrition or health claim has significant influence on the demand for these products.	4.28
Companies' promotional activities have significant influence on demand for products with nutrition or health claim.	4.57
Price of products with nutrition or health claim has significant influence on the demand for these products.	4
Nutrition and health claims improve consumer awareness on the importance of food.	2.85
Nutrition and health claims help consumers improve consumer dietary habits.	3.35
Nutrition and health claims are suited to the main health concerns seen by health officials.	2.5
Nutrition and health claims on food products improve public health.	2.85
The claims made on food products in our country are truthful.	2.42

Source: IPSOS Strategic Puls

Conclusion

- **WBC N&H claimed products market perspective:**
 - Market: young, educated, higher income, urban and mostly women consumers.
 - In developed WBC N&H markets targeted population is even now extended to mothers and children.
 - After innovators and early adopters, elderly population with higher and middle income also became interested consumer group for products with N&H claims at WBC. The athletes and businessmen are seen as new consumers.
- **THE MARKET IS GOING THROUGH MULTIDIMENSIONAL TRANSITION.**
- **ACTIVE PUBLIC POLICY** in the field of research can promote the concept of healthy lifestyle and healthy eating in the region. The highly regulated market of products with N&H claims can be used as an efficient channel for information dissemination to the general public.

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Thank you for attention!

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