

## Summary Networking event 'Consumer demands' 11 May 2017

Consumer demands was the theme of the annual networking event organized by Nevedi (the Dutch Feed Industry Association) and the Royal Dutch Grain and Feed Trade Association (Het Comité). During this meeting consumer demands and the influence on the animal production chain were discussed while the topic was approached from different angles. Speeches were given by representatives from different stakeholders: entrepreneurs, scientists and NGO's.

### Trends

In his opening speech Olivier Wegloop, communication strategist at Schuttelaar & Partners and entrepreneur at Kipster, stated that consumer demands follow trends. A better understanding of these trends makes one able to predict the future. He described a trend as a general direction in which something is developing. In order to ignite trends an incident has to happen and after a while current trends might become patterns. His forecast for future trends on Consumer demands is less meat consumption, a large focus on the quality of food and a demand for increased sustainability of products. As a reaction on consumer concerns about the sustainability of the animal production chain, the Kipster concept was developed stating to be the world's most animal and environmentally friendly chicken farm.

### Customer behavior

In her speech about customer behavior in the supermarket, Marleen Onwezen, researcher customer behavior at Wageningen University, pointed out that 'the customer' does not exist. Customers can be divided into 6 groups, and not all of these customer groups are interested in buying sustainable food. One of the main misperceptions about customers, she explained, is that customers always look for the lowest price. In the context of meat, customers find sustainable values also relevant. Choices when buying meat seem to be subject to many other factors including motivation, opportunity and the ability to make a certain decision. A trend is visible in which meat consumption is decreasing and the production sectors of poultry and pig meat have a low appreciation. This does not necessary lead to a lowered consumption of these types of meat as only 45-60% of the consumers behavior can be explained by intention.

### Animal Welfare

Marijke de Jong Head Programs and Lobby Dutch Society for the Protection of Animals (Dierenbescherming) explained the background of the development of the 'Better life trademark. In this market concept animal welfare is rated by means of a maximum of three stars. These stars can be granted if animal welfare is above a certain level, which in any case is higher than the legal requirements. The better life label provides customers a choice in between the conventional and the organic label, though the better life label is not a fixed concept. Criteria are not definitive and the label keeps developing further. Environmental criteria will be taken into account in the nearby future. By creating this label, the Dutch Society for the Protection of Animals proved the room for marked concepts and the possibility for supermarkets and producers to cooperate with an NGO.

### Field to Market: Connecting producers with consumers

Brent Babb, Regional director Greater Europe, Middle East and North Africa U.S. Soybean Export Council (USSEC), explained about the U.S. Soybean Sustainability Assurance Protocol (SSAP). Most U.S. farmers were already applying aspects of the protocol and were able to fit neatly to the customer demands for a proven higher sustainability of the soy. In practice this protocol provided an opportunity for farmers to create an added value to their crop while also increasing sustainability. Soil erosion, land use, water use, energy use and the emission of greenhouse gasses decreased while the soy bean yield increased because of the SSAP. The SSAP program is connected to Field to Market: That is an alliance for sustainable agriculture focusing on defining, measuring and advancing the sustainability of food, fiber

and fuel production. There is an emphasis on continuous improvement by measuring broad-scale trends and field-scale outcomes. A part of the program contains supply chain projects with a direct engagement of the various links in the production chain in continuous improvement.

### **Measuring Sustainability**

Measuring sustainability can be performed in multiple ways. Hannah van Zanten, Researcher at Wageningen University and Research (WUR) showed that increasing sustainability is not a question of merely cutting out unwanted raw materials. The cut out materials need to be replaced by other materials in order to maintain a healthy diet. The choice for any type of raw material as a replacement based on a single positive assumption or trait might lead to a negative impact by their other traits. She showed that staying out of a competition between food and feed and using marginal land for feed production provides solid sustainable options. In this way meat from poultry and pigs feeding on materials which are not in competition with food can even form an optimum form of land use in a sustainable production system.

### **Discussion**

In the end there was a lively discussion between Olivier Wegloop, Marleen Onwezen, Marijke de Jong, Brent Babb, Hannah van Zanten, Henk Flipsen (*Director Nevedi*), Matthé Vermeulen (*Chairman Het Comité*) and the audience. The discussion was moderated by Marijn Frank. When sustainability is connected to peoples own personal life, the subject becomes more relevant to consumers. It can however be difficult to make solid choices. This led to the question if a Government should make rules about minimum requirements for sustainability. A government is not allowed to intervene in markets, but change could somehow be speeded up, which might also be the role of supermarkets. Providing information is a prosperous route to enable awareness and increase sustainable consumption. But in spite of all the available information present, consumers may still decide different in the supermarket. Information needs to fit the customer. But which information source is trustworthy? The consumer is interested in stories, which makes marketing more interesting than information. In the process of offering information framing plays an important role. It is important to cooperate as a chain in supplying the right information and to share the stories. Also cooperation between producers and NGO's is important, although difficult because agenda's and interests might differ. The overall conclusion is that changing trends in consumer demands regarding animal products are obvious, but actual behavior of customers is not always clearly corresponding to this. A lot of effort is already put into increasing the sustainability of the animal production chains. The challenge is how to measure this correctly and how to communicate this in an easily accessible manner to the consumer.