

HEALTH, SUSTAINABILITY AND OLIVE OIL CREATING VALUE FOR CONSUMERS DURING THE GREEN TRANSITION

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THE GREEN TRANSITION OF THE FOOD SECTOR

National and supra-national policies (e.g., the EU Green Deal) have called for a green transition of the food sector, a more sustainable food production ensuring an affordable supply of healthy food products

The green transition mirrors trends that have been ongoing for some time – the desire for healthier, more sustainable and more authentic food products

These ongoing trends create the possibility for creating more value for consumers by differentiating products in response to consumer wishes, and this also goes for the olive oil sector

However, in bringing healthy, sustainable and authentic products to the market, we need to remember that healthiness, sustainability and authenticity are not only a question of informing and educating consumers – it is also a question of **well-being**

FOOD AND WELL-BEING

Food is – and has always been – a major source of **well-being**

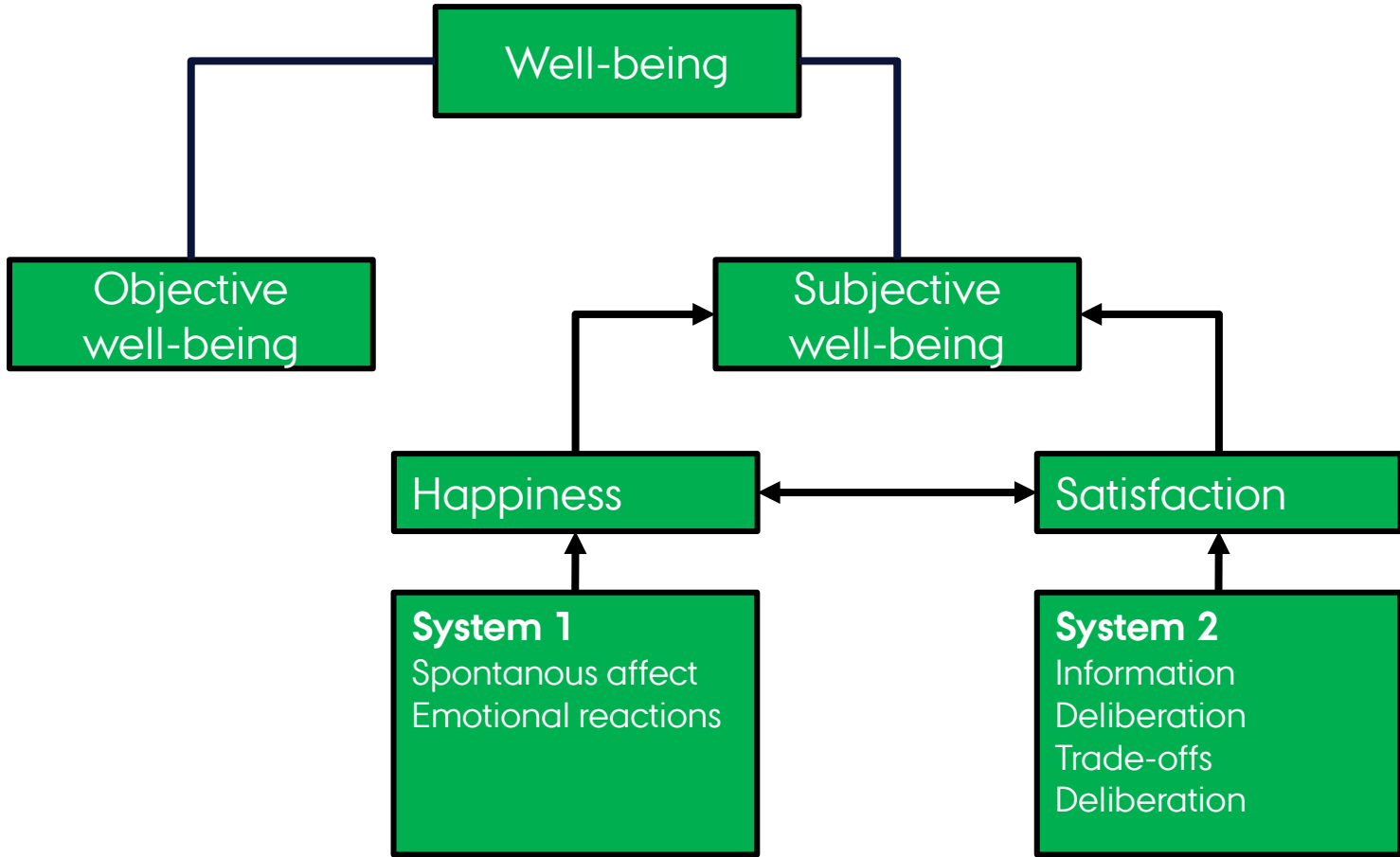
Well-being has an objective and a subjective side. Subjective well-being is a major driver of consumer food choices

Subjective well-being has a cognitive and an affective component

- The cognitive component: satisfaction
- The affective component: happiness

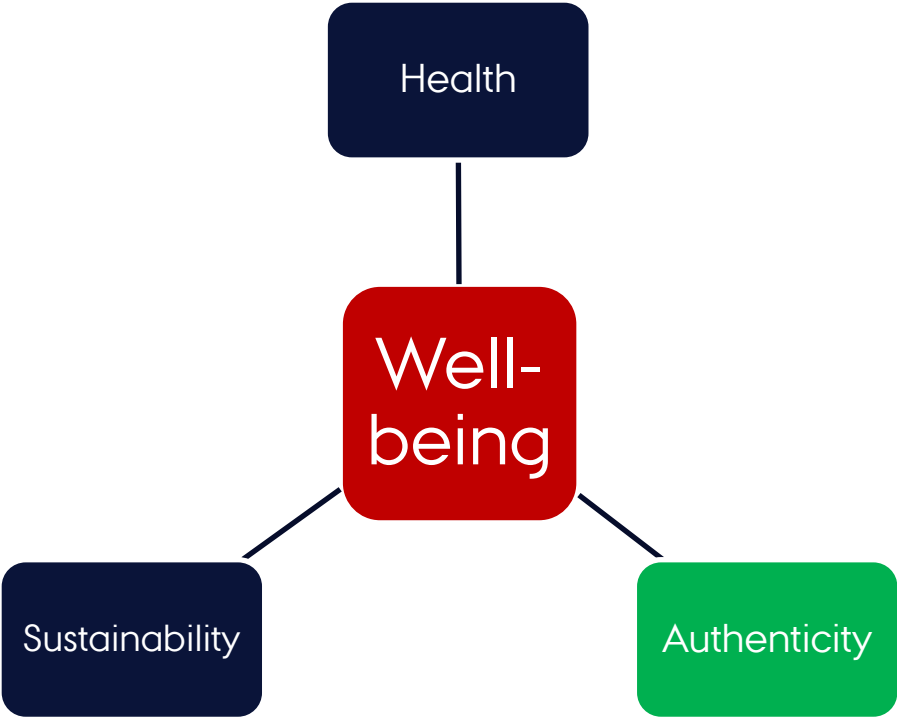
Diener, E. (2012). New findings and future directions for subjective well-being research. *The American Psychologist*, 67, 590-597.

FOOD AND WELL-BEING



THE FOOD TRENDS YOU KNOW

- HEALTH
- SUSTAINABILITY
- AUTHENTICITY

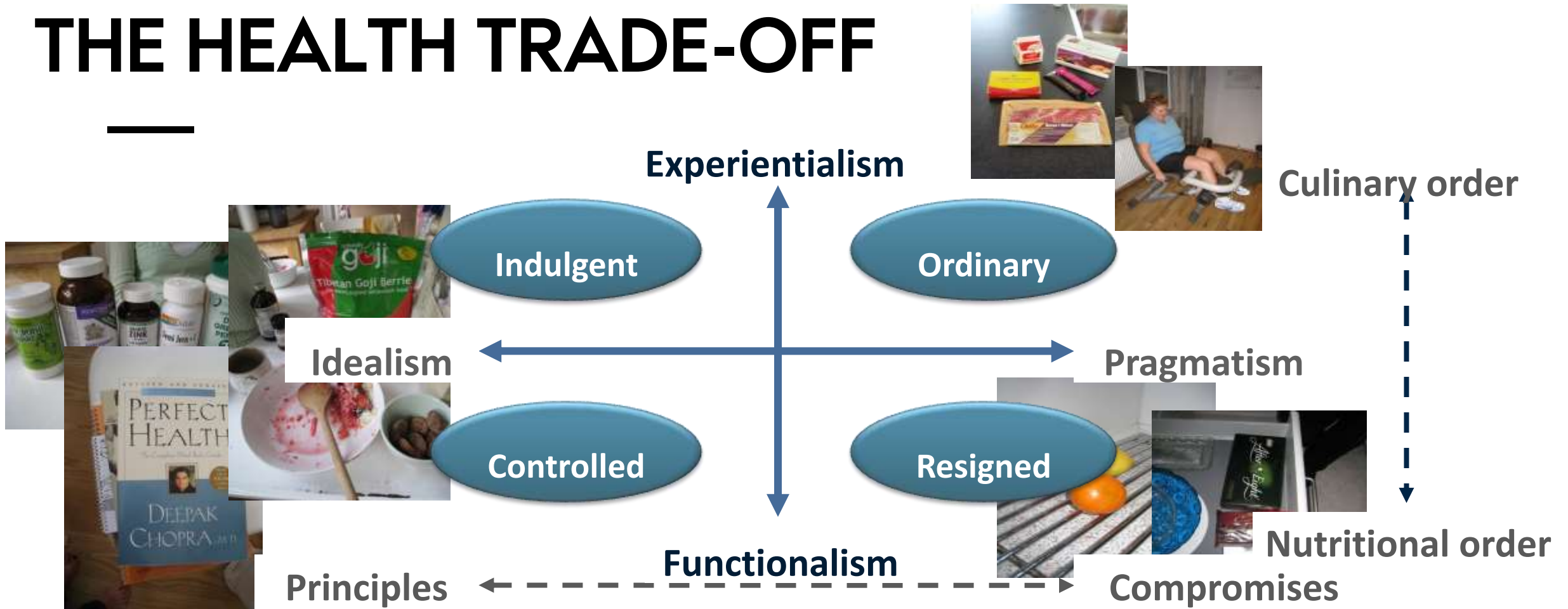


THE HEALTH TREND

Awareness of link between food and health
Food as a bundle of nutrients – good and bad nutrients
The healthy choice – nutrition labelling
The healthy product – health branding
Reformulated products and nutrition claims
Functional products and health claims
Widely held belief that health and pleasure are negatively related



THE HEALTH TRADE-OFF



Chrysochou, P., Askegaard, S., Grunert, K. G., & Kristensen, D. B. (2010). Social discourses of healthy eating: A market segmentation approach. *Appetite*, 55(2), 288-297.

THE ROLE OF HEALTH CLAIMS

Healthiness is a credence characteristic
– consumer need to be informed about specific health characteristics of the product

Health claims are a tool to do this

- Are health claims read?
- Do consumers understand health claims?
- Are health claims being used in consumers' choices?

For example:

2 tablespoons of olive oil per day may reduce the risk of coronary heart disease

Olive oil polyphenols contribute to the protection of blood lipids from oxidative stress. The beneficial effect is obtained with a daily intake of 20 g of olive oil

20 g of this olive oil per day helps to protect blood lipids from harmful reactions

THE ROLE OF HEALTH CLAIMS

Are health claims read?

Do consumers understand health claims?

Are health claims being used in consumers' choices?

Most health claims are ignored in the store

Understanding varies widely and many consumers have difficulties in understanding health claims

Only some consumers will use health claims in their decision-making

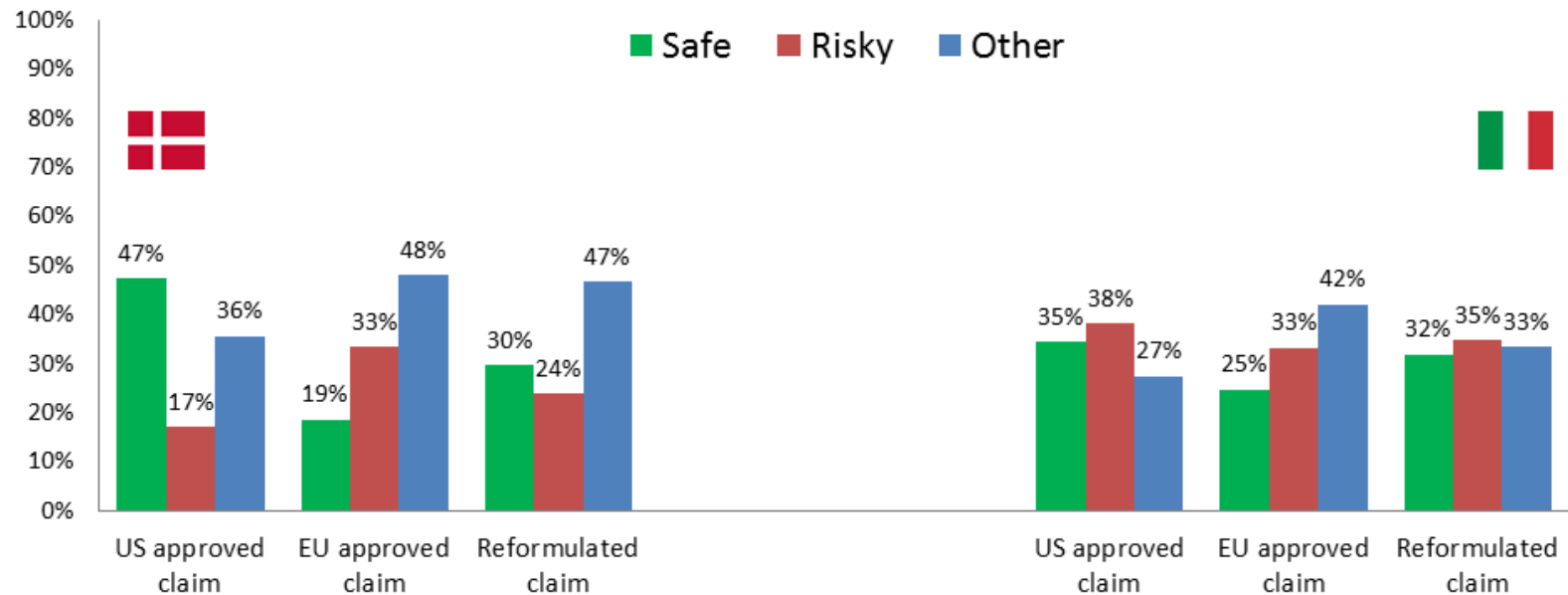
UNDERSTANDING HEALTH CLAIMS

For example:

2 tablespoons of olive oil per day may reduce the risk of coronary heart disease

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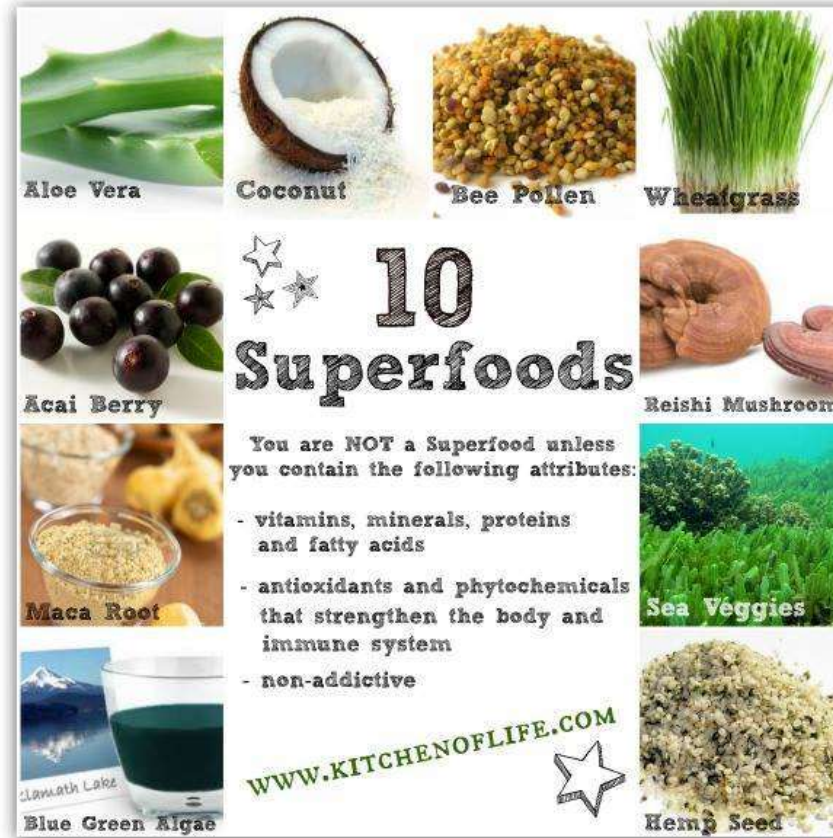


Based on data from Contini, C., Casini, L., Stefan, V., Romano, C., Juhl, H. J., Lähteenmäki, L., ... & Grunert, K. G. (2015). Some like it healthy: Can socio-demographic characteristics serve as predictors for a healthy food choice?. *Food Quality and Preference*, 46, 103-112.

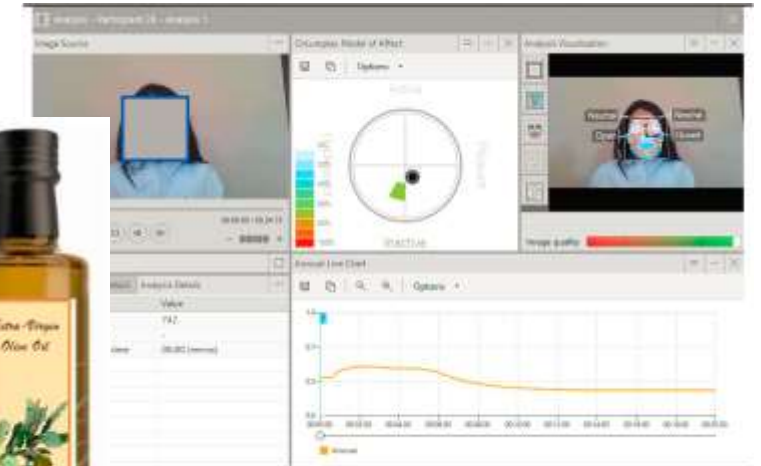
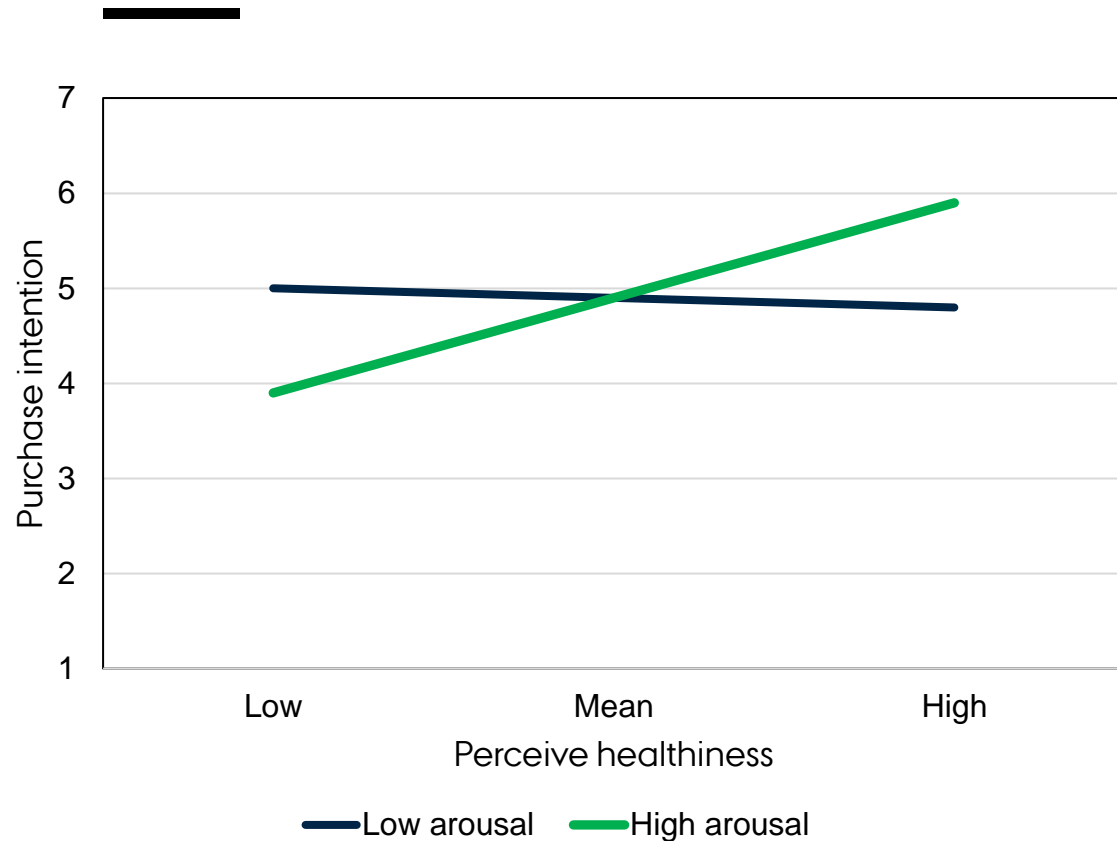
PERCEIVED HEALTHINESS WITHOUT HEALTH CLAIMS: THE CASE OF 'SUPERFOODS'

“Superfood is a marketing term for food with supposed health benefits as a result of some part of its nutritional analysis or its overall nutrient density. The term is not commonly used by experts, dietitians and nutrition scientists, many of whom dispute that particular foods have the health benefits claimed by their advocates.”

Wikipedia



EMOTIONAL REACTIONS TURN HEALTH PERCEPTIONS INTO ACTION



The face in the left box has been covered to protect the participant's anonymity.

Pichierri, M., Peluso, A. M., Pino, G., & Guido, G. (2021). Health claims' text clarity, perceived healthiness of extra-virgin olive oil, and arousal: An experiment using facereader. *Trends in Food Science & Technology*, 116, 1186-1194.

HEALTH AND WELL-BEING

The public discourse on healthy food has mostly followed a system 2 approach, where consumers have to learn about health properties of food based on health claims and other informational measures

This often involves consumer trade-offs and the perception that healthy food is something that you need to force yourself to buy and consume, because you believe that it has downsides in terms of taste or naturalness

But healthy food can also be perceived as something that is viewed as enjoyable, leading not only to satisfaction with the healthiness of your diet but also to a feeling of happiness while buying, preparing and consuming it

THE SUSTAINABILITY TREND

Awareness of link between food and environmental impact

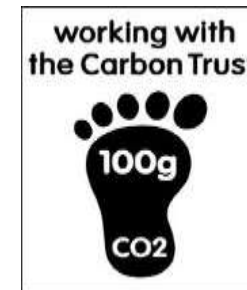
Awareness of ethical issues in food production

The sustainable choice – eco labelling

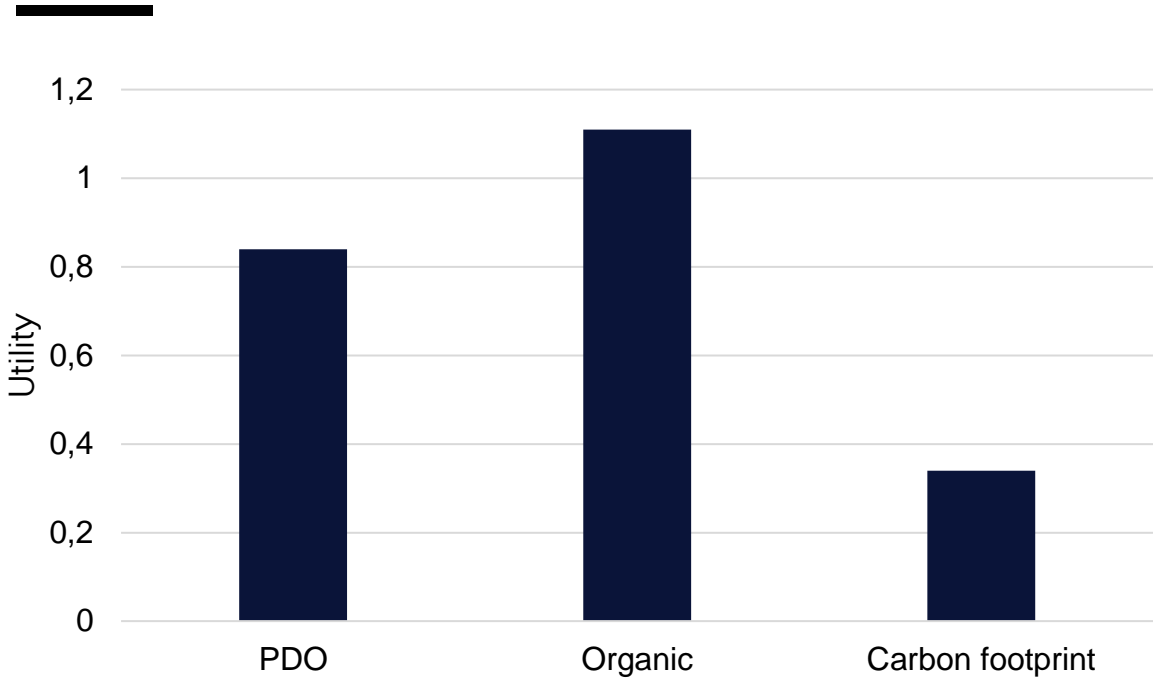
Eco brands and product lines

Sustainable eating patterns

Sustainability eating narratives often have a notion of offering – for example in the context of meat reduction



THE ROLE OF ECO-LABELLING



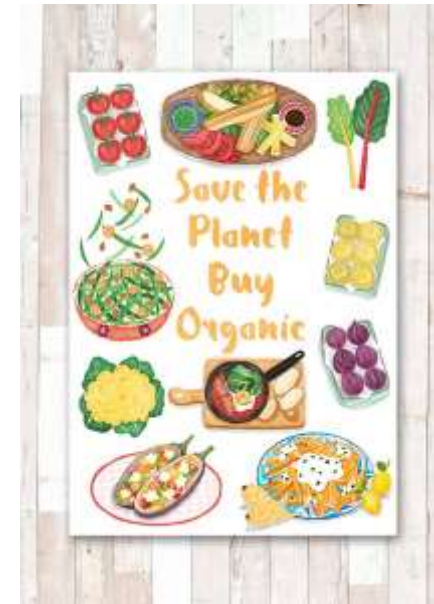
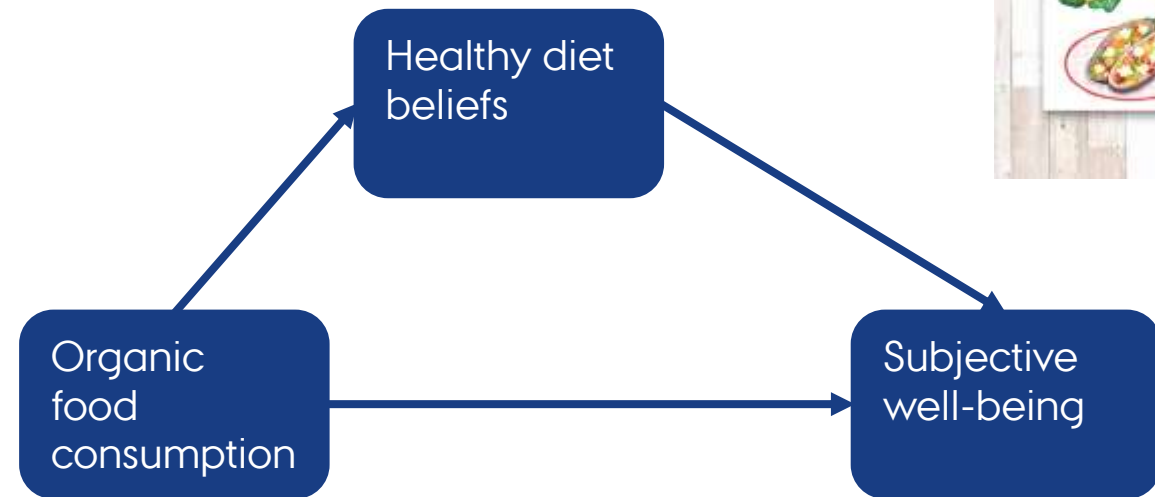
Errach, Y., Sayadi, S., & Parra-López, C. (2017). Measuring preferences and willingness to pay for sustainability labels in olive oil: Evidence from Spanish consumers. In *XV EAAE Congress, Parma, Italy*.

ORGANIC FOOD AND WELL-BEING

Organic food production is widely regarded as more sustainable than conventional food production

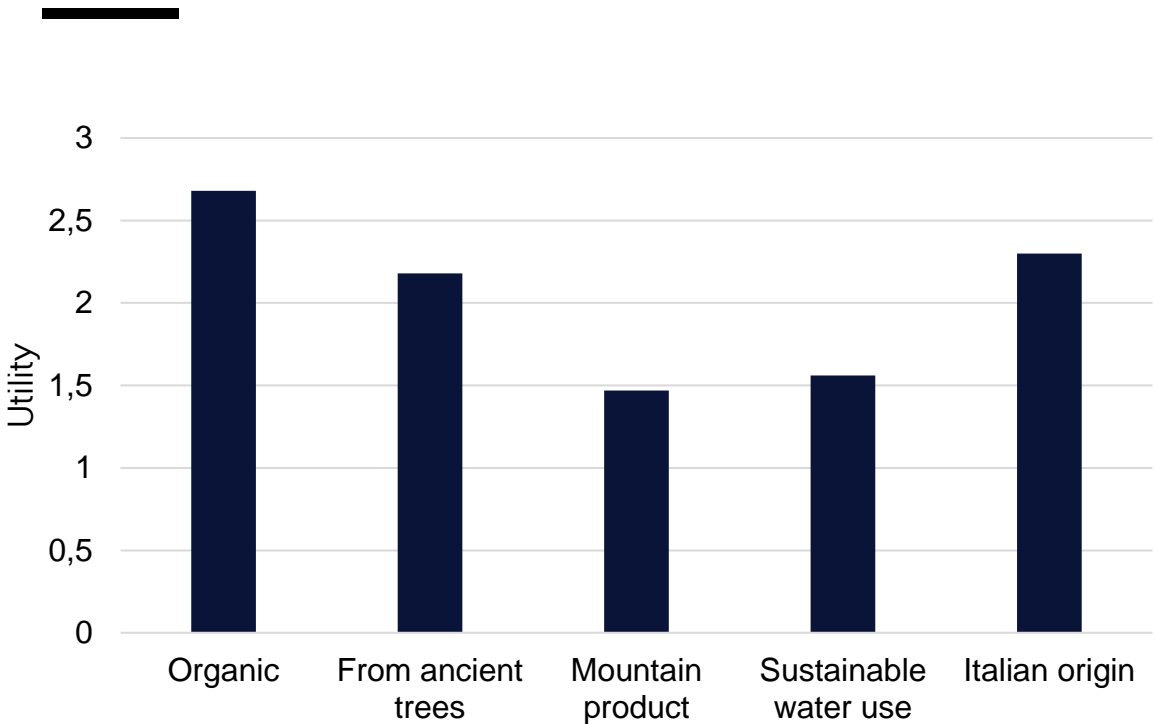
Consumers associate organic production with a wide range of benefits in terms of healthiness and sustainability

At the same time, organic food is directly related to subjective well-being



Apaolaza, V., Hartmann, P., D'Souza, C., & López, C. M. (2018). Eat organic-Feel good? The relationship between organic food consumption, health concern and subjective wellbeing. *Food Quality and Preference*, 63, 51-62.

OTHER TYPES OF SUSTAINABILITY INFORMATION



Giannoccaro, G., Carlucci, D., Sardaro, R., Roselli, L., & De Gennaro, B. C. (2019). Assessing consumer preferences for organic vs eco-labelled olive oils. *Organic Agriculture*, 9(4), 483-494.

SUSTAINABILITY AND WELL-BEING

Also with regard to sustainability, attempts to encourage consumers to make more sustainable choices often follow a system 2 approach

However, certain sustainability parameters are able to elicit positive emotions and feelings in consumers

Away from framing sustainable food choices as an offer that one has to bring, towards sustainable food choices that are pleasurable, innovative, satisfy your curiosity and make you feel good

THE AUTHENTICITY TREND

A fuzzy concept

Food that is perceived as truthful, honest, sincere, unmediated and unalienated

Food that is natural, traditional and local

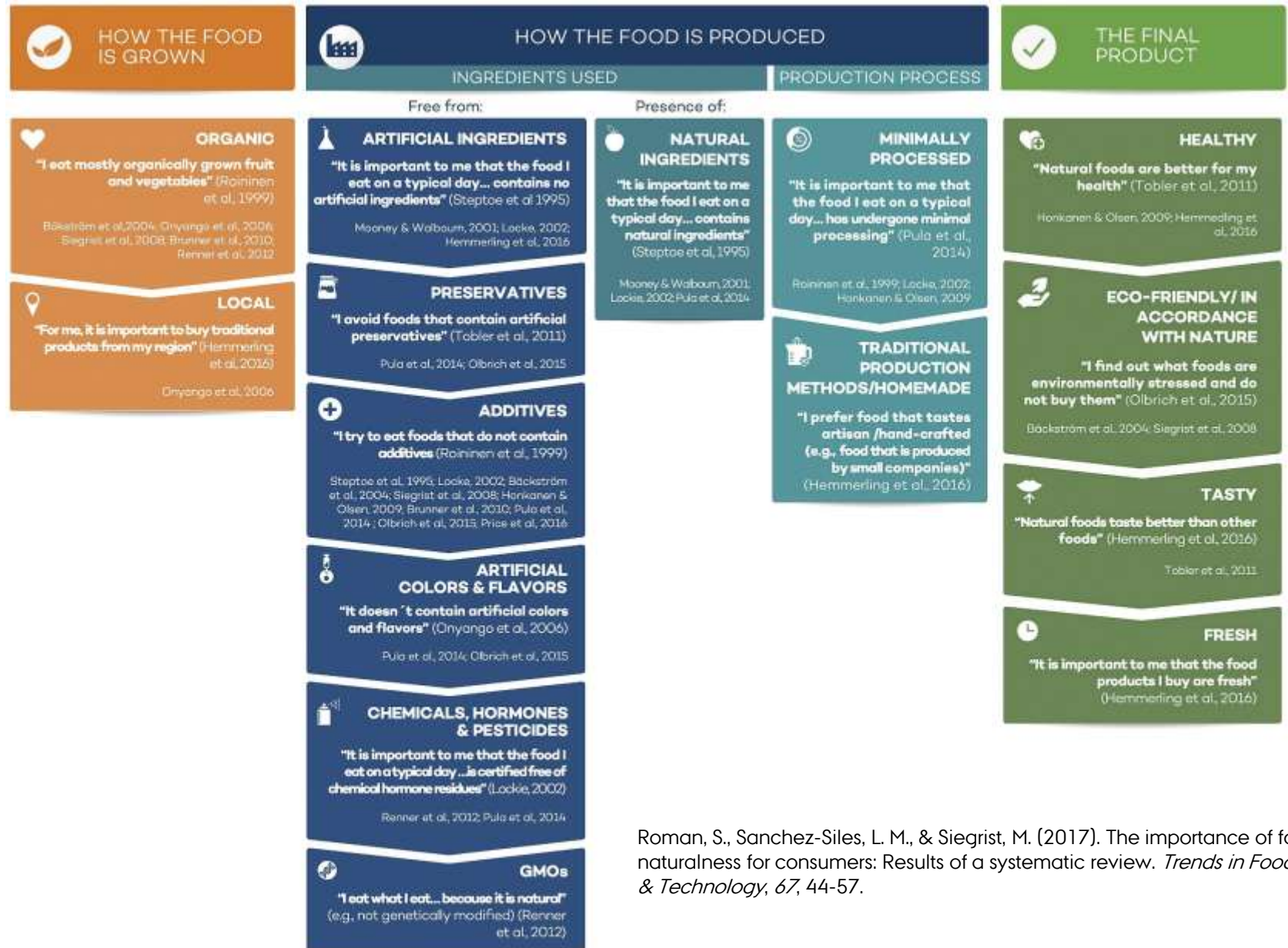
Food with a story

Alternative and short supply chains

'Good' and 'bad' technologies for producing and processing food

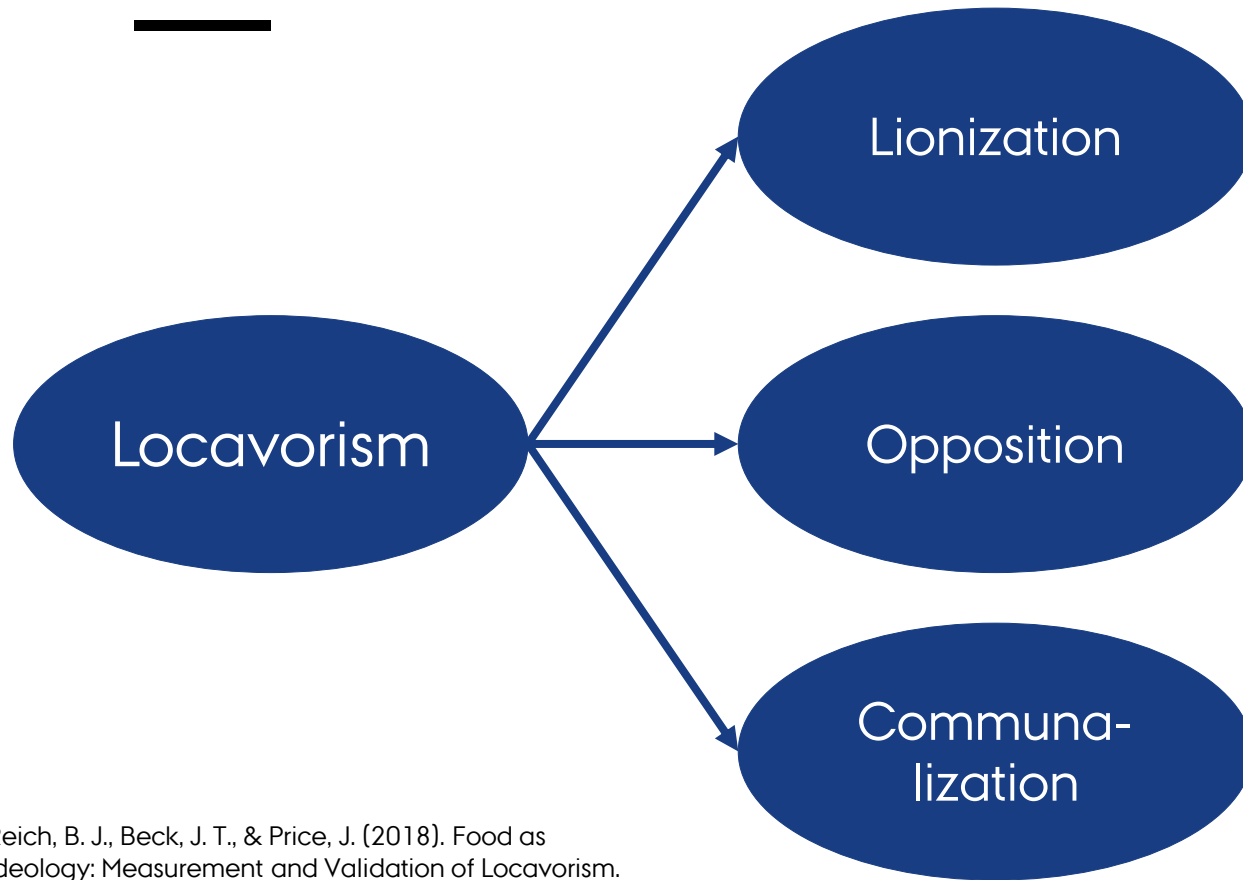
- *Good*: Technologies that are viewed as responsible, familiar, transparent, artisanal
- *Bad*: Technologies that are industrial, hi-tech, complex, unknown, scary

NATURAL FOOD



Roman, S., Sanchez-Siles, L. M., & Siegrist, M. (2017). The importance of food naturalness for consumers: Results of a systematic review. *Trends in Food Science & Technology*, 67, 44-57.

LOCAL FOOD



Belief about inherent superiority of local food
Better taste, nutrition, health properties

Rejection of long-distance food systems
Distrust, lack of transparency

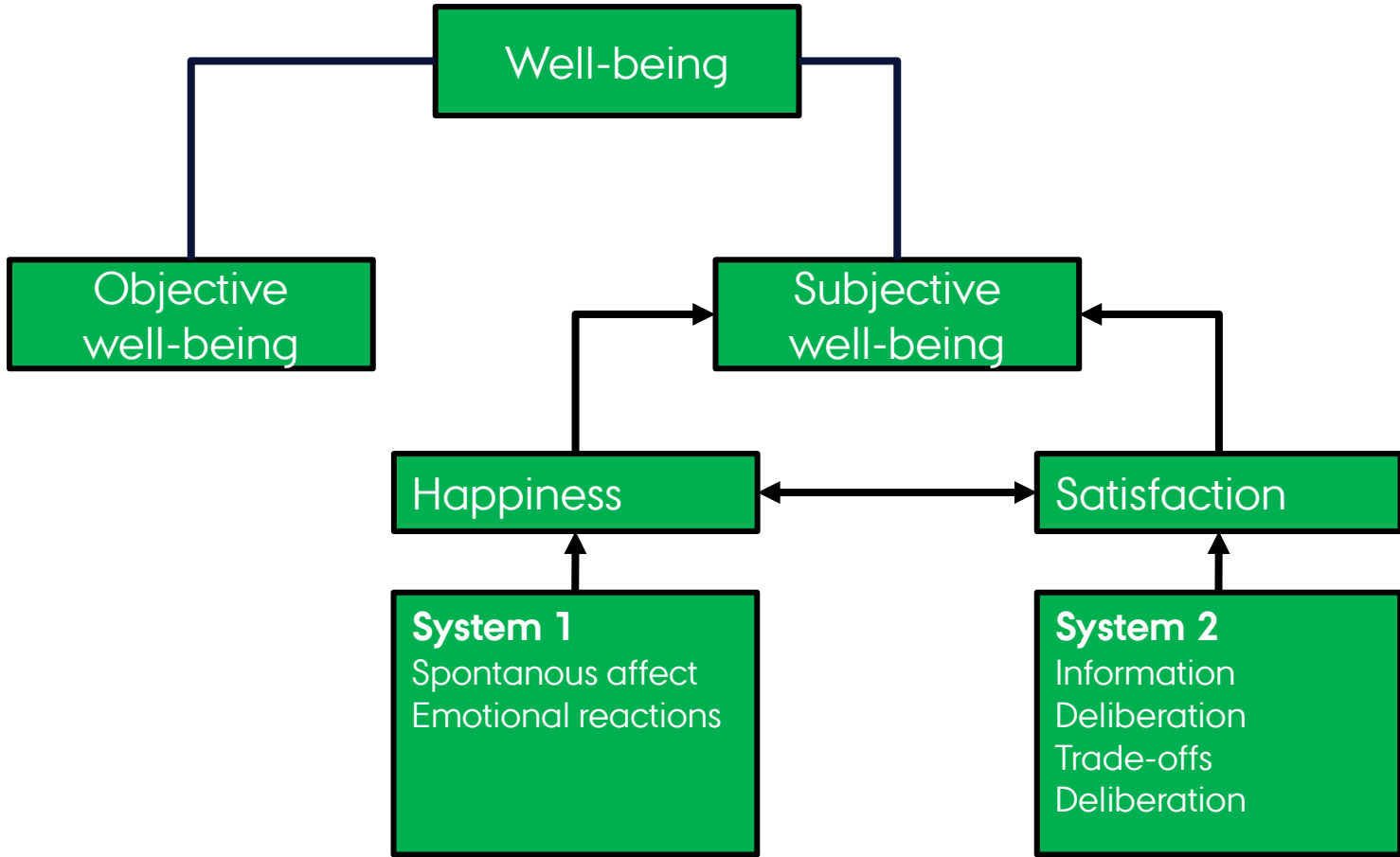
Community building, building relationships
Supporting local farmers

Reich, B. J., Beck, J. T., & Price, J. (2018). Food as Ideology: Measurement and Validation of Locavorism. *Journal of Consumer Research*, 45(4), 849-868.

AUTHENTICITY AND WELL-BEING

The demand for authentic food is driven both by perceived links between authenticity and food attributes related to sensory quality, health and sustainability and by positive affect. Authenticity contributes to well-being both via system 1 and system 2 processes.

FOOD AND WELL-BEING



IMPLICATIONS FOR VALUE CREATION?

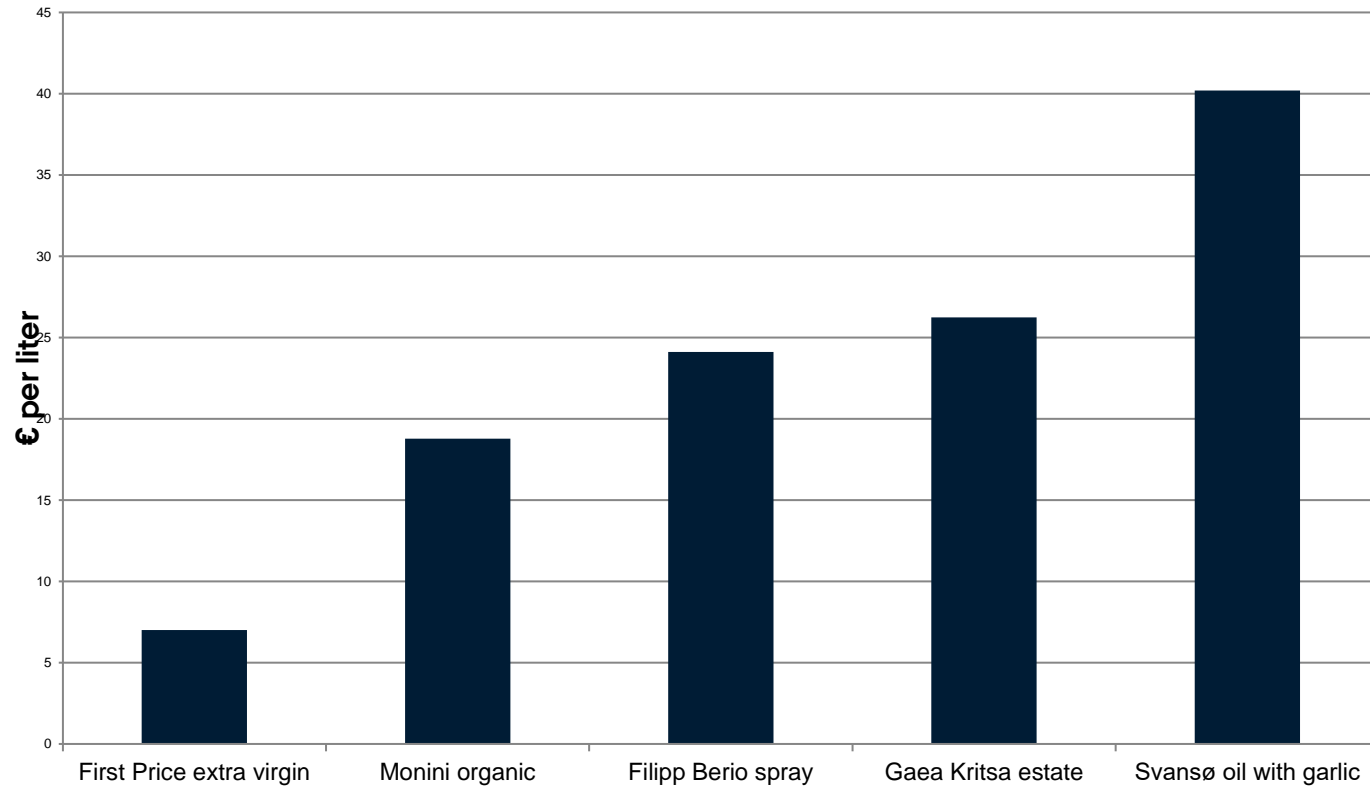
The increasing importance of healthfulness, sustainability and authenticity opens up for new possibilities for value creation in differentiated products

This should adopt a well-being approach – aiming for the positive emotional experience and avoiding the encouragement of trade-offs

Farming, the processing technology, the communication and the sensory properties need to play together

Credibility and consumer trust become a key success factor

EXAMPLE: VALUE DIFFERENTIATION IN OLIVE OIL (Danish market)

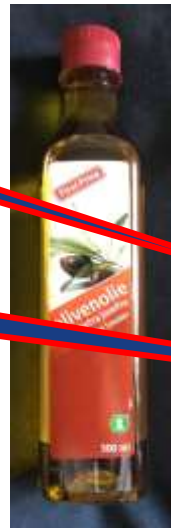


Organic

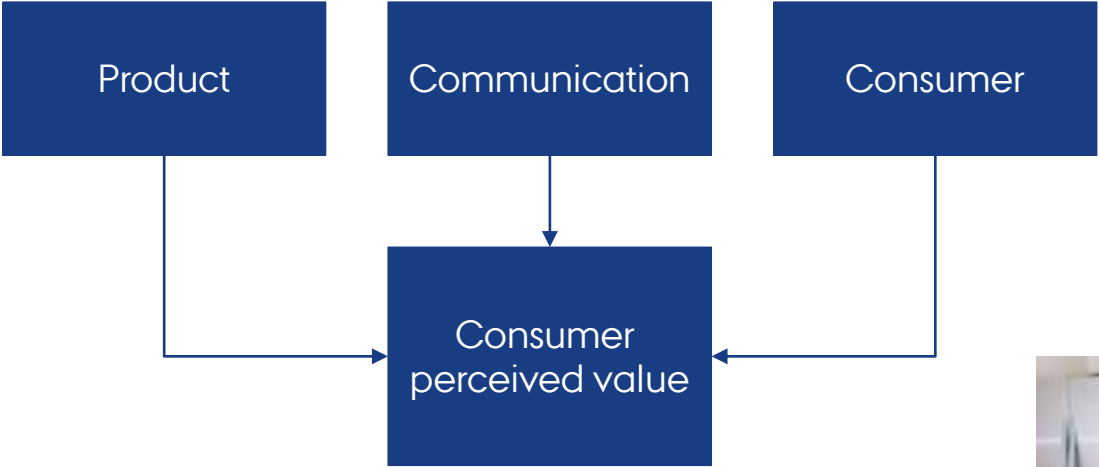
Functionality

Ingredient

Origin, production process



WHO CREATES VALUE?



Kolymvari Island of Crete, Greece
 Ellora Farms' Kolymvari PDO is a Protected Designation of Origin (PDO) olive oil from the island of Crete, Greece. It is produced in a single estate located in the heart of the island, where the soil is rich and fertile, and the climate is ideal for growing high-quality olives. The olives are harvested by hand and processed using traditional methods to produce a pure, natural olive oil with a rich, fruity flavor and a smooth texture. This oil is perfect for use in a variety of dishes, from simple salads to more complex recipes. It is also a great choice for those who are looking for a healthy and delicious way to enjoy their olive oil.

PDO Certification
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EVVO
 The olive is king - but what about the queen? When the sun's rays hit the olives, they release their natural oils, which are then pressed to create the highest quality of olive oil. This oil is perfect for use in a variety of dishes, from simple salads to more complex recipes. It is also a great choice for those who are looking for a healthy and delicious way to enjoy their olive oil.

Taste!
 Ellora Farms' Extra Virgin Olive Oil has a mild, fruity flavor with a smooth texture. It is perfect for use in a variety of dishes, from simple salads to more complex recipes. It is also a great choice for those who are looking for a healthy and delicious way to enjoy their olive oil.

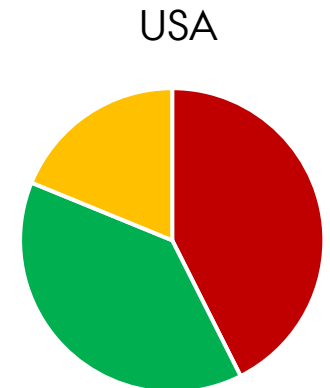
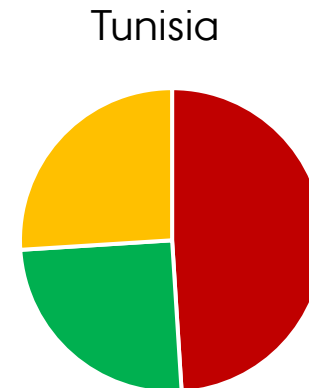
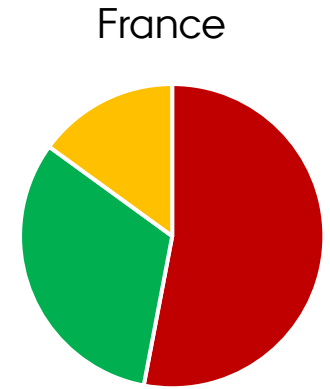
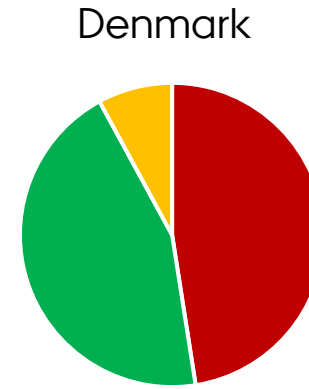
Classy Bottles
 Ellora Farms' olive oil is packaged in elegant, glass bottles that are perfect for use in a variety of settings. The bottles are made of high-quality glass and feature a simple, elegant design that is perfect for use in a variety of settings.

Halalamic Vinegar Spray
 Ellora Farms' Halalamic Vinegar Spray is a healthy and delicious way to enjoy your olive oil. It is made from high-quality olives and is perfect for use in a variety of dishes, from simple salads to more complex recipes. It is also a great choice for those who are looking for a healthy and delicious way to enjoy their olive oil.

Ellora Farms
 Ellora Farms is a family-owned and operated business that has been producing high-quality olive oil for over 50 years. We are proud to offer our products to a wide range of customers, from individuals to large businesses. Our products are made from the highest quality olives and are processed using traditional methods to ensure the best possible quality. We are committed to providing our customers with the best possible products and service.

Face the Origin
 www.ellorafarms.com

VALUE FOR WHOM?



Chrysochou, P., Tiganis, A., Trigu, I. T., & Grunert, K. G. (2021). *µeA Cross-Cultural Study on Consumer Preferences for Olive Oil. Food Quality and Preference, 97*, 104460.



IMPLICATIONS FOR CREATING VALUE

Think about how the health, sustainability and authenticity trends can be used to add value to the product

Think on consumer reactions in both system 1 and system 2 processes

Think about creating value throughout the value chain

- Adding value along the value chain requires better collaboration between value chain actors and different forms of value chain governance

Develop new farming and processing technologies with the consumer in mind

- Does the new processing technology lead to consumer benefits in terms of health, sustainability and authenticity?
- Can the technology be framed in such a way that it will be perceived as transparent, trustworthy and authentic?

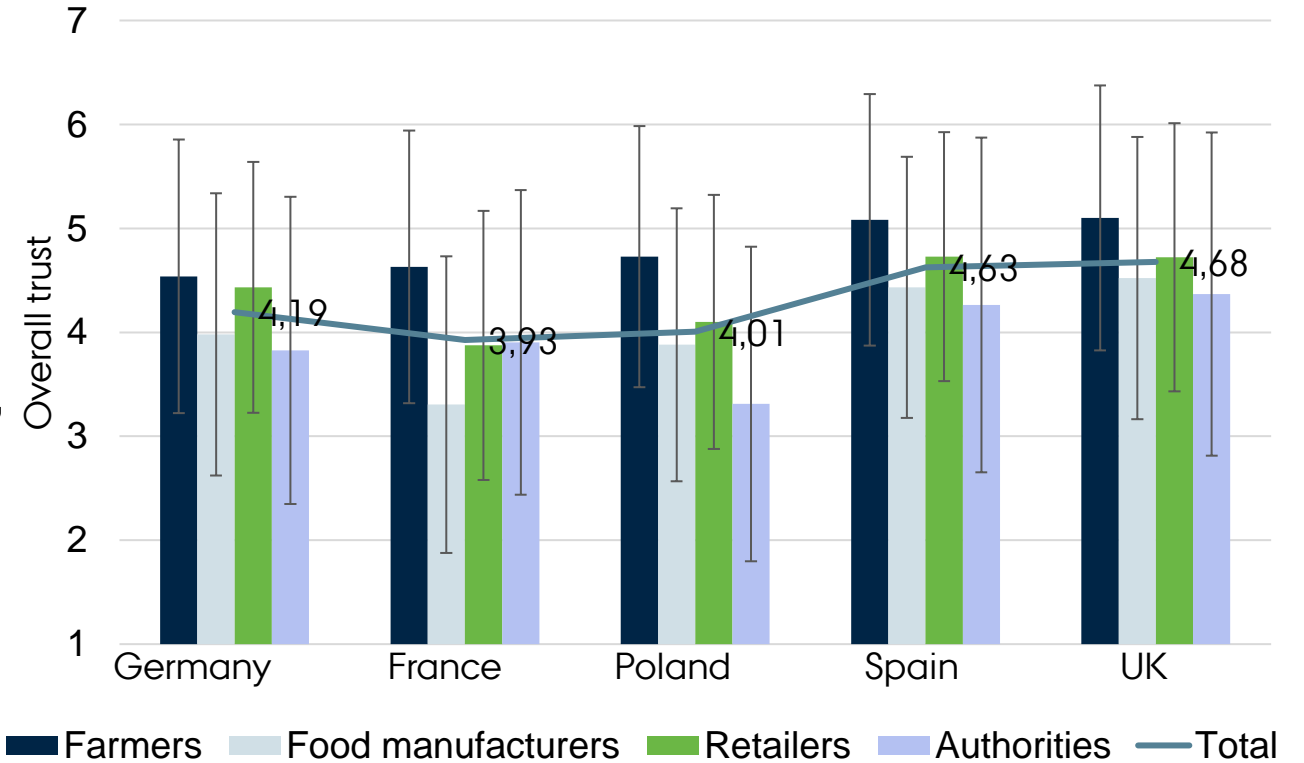
TRUST AND CREDIBILITY

Any information on healthfulness, sustainability, authenticity affects consumers only when it is perceived as credible

Credibility is a function of trust – in farmers, food manufacturers, retailers and authorities

Third parties can play a role in strengthening trust

The organization of the supply chain is related to trust and blockchain technology can contribute to consumer trust



Macready, A. L., Hieke, S., Klimczuk-Kochańska, M., Szumił, S., Vranken, L., & Grunert, K. G. (2020). Consumer trust in the food value chain and its impact on consumer confidence: A model for assessing consumer trust and evidence from a 5-country study in Europe. *Food Policy*, 101880.

MAIN MESSAGES

Olive oil products that....

- ... live up to requirements on healthiness, sustainability and authenticity
- ...while creating enjoyment and spontaneous positive effect
- ...are based on credible information about production and product characteristics
- ...are produced in a way that is seen as transparent and natural
- ...and provide consumer benefits during meal preparation and consumption

Thank you for your attention!





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FOOD SECTOR**

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