

# **Consumer Science for Today and Tomorrow - Challenges for Research in the Area "Food, Health and Well-Being"**

Brussels, 11th November 2010  
Champs du Mars 21, SDR1

## **AGENDA**

10:00 - 10:15 Introduction (Uta Faure and Agata Pieniadz, European Commission)

### **Morning Session: Research for Policy Support**

Chairman: Prof Gerhard Schiefer, University of Bonn, Germany

10:15 - 10:45 Healthy eating behaviour: Empirical findings, policy responses and effectiveness (Prof Bruce Trill, University of Reading, UK)

10:45 - 11:15 Consumers and nutrition labelling: The challenges of conducting research for policy support (Dr Josephine Wills, Director General, European Food Information Council (EUFIC), Brussels, Belgium)

11:15 - 11:30 Coffee break

11:30 - 12:00 Socio-economics of food safety and quality regulations: Dealing with transparency and impact assessment needs (Prof Gerhard Schiefer, University of Bonn, Germany)

12:00 - 12:30 Questions and discussion

12:30 - 13:30 Lunch

### **Afternoon Session: Emerging Fields in Consumer Science s**

Chairman: Prof Gerrit Antonides, Department for Economics of Consumers and Households, Wageningen University, The Netherlands

13:30 - 14:00 Behavioural economics: A new base for consumer policy? (Prof Lucia Reisch, Department of Intercultural Communication and Management, Frederiksberg, Denmark)

14:00 - 14:30 Applications of behavioural economics in consumer behaviour (Prof Gerrit Antonides, Department for Economics of Consumers and Households, Wageningen University, The Netherlands)

14:30 - 14:45 Coffee break

14:45 - 15:15 Experimental Economics in Consumer Studies (Prof Dr Jutta Roosen, Technische Universität München, Germany)

15:15 - 15:45 Food marketers and consumers: Implications of rationality asymmetries for food choice and health ( Prof David R. Just, Cornell University, USA)

15:45 - 16:15 Questions and discussion

16:15 Conclusions and closing of the meeting

### **Conclusions from the presentations and discussion of the morning session**

Food is a basic need for all members of society who, in turn, are dependent on the food industry on serving this need in an appropriate way. As a consequence, interaction between industry and consumers plays an important role for both, industry which needs to best identify consumers' needs and consumers who need to be able to select the food they require (informed decision). The focus of the session was on the interaction between industry and consumers and its further development from a consumer perspective.

The first paper presented by B. Traill opened the discussion by focussing on the problem of obesity and other aspects of diet and health, and their development over time. Improving diets with their adverse effects on consumers' health is a challenge that society has to cope with. The paper discusses a variety of options that could induce changes in behaviour including improvements in communication that could reach beyond simple improvements in product information but also policy options that could initiate and support behavioural changes, enforce changes in food supply or assure that appropriate information on products is provided to consumers. The paper presented evidence on the effectiveness of policy interventions in Europe. Information and education measures designed to enable informed choice have not been very effective but more interventionist measures to adjust prices or availability may not be acceptable to the public at large. The discussion made it apparent that there are still many open questions on how to best reach the desired effects in a cost effective and socially acceptable manner.

The second paper presented by J. Wills highlighted opportunities and challenges in better communication through improvements in product nutrition labelling. It was outlined that whilst consumers say they look at nutrition labels, observational studies show that actually reading them depends on their motivation and attitude to healthy eating. But the presentation also revealed major deficiencies in our understanding of the relevance of nutrition information for consumers' buying decisions. How to best attract consumers, how to communicate the right message (reaching beyond information on facts), how people react or how people perceive label information, and unintended consequences are some of the questions that we do not yet have convincing answers for. Further research areas include:

- Brand-type effects of health logos - can symbols achieve brand-like properties, triggering affective reactions and simplifying choice
- Interaction of nutrition labels and communication elements in developing a healthy brand image for a product
- How the effect of labels interacts with non-package information - displays in the shop, various

forms of health campaigning

- Use of labels across product categories - use in composition of shopping baskets, meals, weekly meal plans etc.
- Effect of nutrition labels on manufacturers and retailers - how has it affected reformulation of products and new product development
- Trade-offs consumers make between multiple pieces of information on labels such as social awareness labelling
- Low involvement learning and subconscious processing
- Inferences consumers make from nutrition labelling, interactions with other information and beliefs on what is a healthy food
- Heuristic use of labels - how do people develop rules of thumb on whether the fat content is too high, whether fat or sugar levels signal good taste
- Goal setting and balancing
- Personalisation/customisation of nutrition information

The labelling discussion is part of a wider discussion on transparency dealt with in the third paper presented by G. Schiefer. It highlighted deficiencies in our understanding of needs, the delivery of transparency according to needs, and the serving of transparency through appropriate information and communication systems. Open discussions on the realization of actual improvements in transparency involve many different options including markets for information detached from the actual product and its distribution as well as opportunities evolving from developments in network technology. The discussion highlighted the broad range of open questions that need to be addressed in the dynamically evolving sustainability focus of the food sector.

The introduction of appropriate regulatory support depends on an identification of its expected impact. Evidential reasoning as presented in the paper is an emerging concept that could provide improved insights into expected impacts in complex regulatory decision scenarios.

## **Conclusions from the presentations and discussion of the afternoon session**

Overviews of new developments in consumer research have been presented from different perspectives: the behavioural (Prof. Lucia Reisch and Prof. Gerrit Antonides) and experimental economics perspective (Prof. Jutta Roosen), and the economic modelling of boundedly rational consumer behaviour (Prof. David Just). Much research has been focused on the inefficient use of information by consumers and bounded rationality in their decision making. This research indicates the consumer's vulnerability to heuristics and biases, and information asymmetry.

Innovative developments linked to food include research showing that consumers suffer from status quo bias, framing and time preference anomalies, among other issues, and proper techniques of assessing the value of food safety, food risk and information. Also, modelling bounded rationality of consumer can lead to testable predictions about consumer behaviour in the field or in experiments.

A number of major challenges, research gaps and future research needs were identified, including the following:

- Which 'nudges' developed in the lab also work in the field?
- How do changes in the choice architecture affect consumers in the long-run compared to the short run? Or will such changes serve as the new status quo?
- Which (combinations) of the 'nudges' are most powerful in a certain situation?

- Or will they serve as the new status quo?
- How can existing measures work as nudges?
- How effective are nudges for people willing versus not willing to change their behavior and how does well-being change for these groups after a nudge ?
- How can consumers be motivated to learn to overcome heuristics and biases?
- In which cases are consumer interests aligned with the interests of other parties in the food chain including consumers *and* policymakers?
- How can firms' responses to consumer policy changes be assessed in advance in order to predict the effect of a policy measure?
- To what extent is ready-to-use consumer information complete, trustworthy, and useful for consumer decision making?
- What strategies do consumers use to overcome impatience for consumption?

Choice architecture is an important tool for policy makers to effectively tackle food related, health and well-being concerns. Issues of paternalism in choosing the 'right' architecture and in implementing the tool may be investigated among consumers in order to study the basis of public support for this tool.