

## 10. EQ n°6: To what extent has the labelling provided in the veal and young cattle meat marketing standards influenced consumer perception?

The answer to this question requires a thorough examination of the elements influencing consumer perceptions such as:

- Consumer knowledge and understanding of veal and young cattle meat labelling requirements;
- Influence of the label on consumer confidence and trust;
- Influence of the label on consumer purchase decisions of veal and young cattle meat products.

### Key terms

'Veal and young cattle meat' is defined by Article 78(a) Reg. (EC) n°1308/2013 (Annex VII, Part I) as meat from bovines less than twelve months old. This covers category V (calves aged less than eight months) and category Z (bovines aged between eight and twelve months).

Regulation EC n°1308/2013 (Annex VII, Part I) also establishes that 'meat' means all carcasses, meat on the bone or boned, and offal, whether or not cut, intended for human consumption, obtained from bovine animals aged twelve months or less, presented fresh, frozen or deep-frozen, whether or not wrapped or packed".

Therefore, the Regulation does not explicitly concern processed products (such as paupiettes de veau, schnitzel, sausages, têtes de veau, veal patties, etc). Nevertheless, some national regulations imply that as long as one term is used to designate a raw material or an ingredient, the named product has to be in conformity with the fresh product definition.

'Consumers' are the final consumers, therefore the impact of labelling at retail stage must be analysed through information collected directly from consumers, consumer organisations and from retailers.

The labelling rules for the marketing of meat of bovine animals aged < twelve months are defined in Annex VII of Regulation no. 1308/2013. These rules also apply to imported meat. Nevertheless, product names protected by designation of origin or geographical indication (PDO or PGI) that were registered before 2007 are not concerned by the new rules.

Mandatory labelling concerns:

- Slaughtering age. It is required to indicate whether the animal has been slaughtered before eight months or between eight to twelve months.
- Sales description under point III of Annex VII (Part I), which allows the consumer to distinguish between 'veal' and 'veal meat' from animals aged < eight months, and "young cattle" or "meat of young cattle" from animals eight to twelve months old.
- The display of this information for non pre-packed meat at point of retail sale is decided by the Member States.

'Consumer perception' refers to the image of the product that consumers usually have, built on the knowledge consumers have acquired through experience and available market information. Tradition also plays a role, as veal and beef are often used in particular dishes that come from traditional regional or national recipes.

Beyond product image, the influence of the labelling on consumer perceptions is assessed in relation to its impact on purchase decisions.

### Question reformulation

The main aim of the present evaluation question is to understand the impact of the new marketing standards on consumers through the image they have of the product, their understanding of the information provided, the confidence they have in the truthfulness of this information, and the impact of all these factors on their meat purchase decisions.

Taking into consideration the evolution of veal / young cattle meat consumption before and after the introduction of Regulation (EC) n°1308/2013 (Annex VII), we have examined views and opinions of retailers and consumer organisations about the relevance of the new trade denominations and related labelling requirements for the consumer market.

Finally, we have analysed the information collected through six consumer focus groups conducted in France, Italy and Germany on the following themes:

- Expectations with respect to the characteristics of the meat;
- Level of knowledge of the causal relationships between the characteristics of the animals (age at slaughtering, type of feeding) and those of the meat (colour, tenderness, etc.);
- Knowledge of brands and quality labels (including PDO and PGI, if applicable);
- Knowledge of information that must be provided at retail stage;
- Impact on purchase decision.

### Judgement criteria and indicators

The table below summarises the judgement criteria and relative indicators used to answer the present evaluation question.

**Table 49 - Judgement criteria and indicators for EQ n°6**

Judgement criteria	Indicators	Sources
Relevance of marketing standards for veal and young cattle meat < twelve months	1. Relevance of trade denominations according to retailers and consumer organisations	Focus groups; Interviews with retailers and consumer organisations
	2. Relevance of veal slaughtering age for the consumer	
Impact of labelling on consumer purchase decisions	3. Consumer knowledge, preferences and expectations with respect to veal	Focus groups
	4. Consumer awareness of trade denominations and labelling requirements for veal	
	5. Impact of labelling information on purchase decisions	

## **10.1. Relevance of marketing standards for veal and young cattle meat < twelve months**

In order to understand whether marketing standards (and trade denominations) for veal and young cattle meat from bovine animals < twelve months are relevant for the consumer market, we have analysed information collected through interviews with stakeholders (in particular, retailers and consumer organisations) in all case study countries, and we have also analysed consumer views collected through six focus groups conducted in France, Germany and Italy (two focus groups in each country).

### **10.1.1. Indicator n°1 - Relevance of trade denominations according to retailers and consumer organisations**

Some common observations have emerged from the interviews with food retailers and consumer organisations in the main veal national markets as to the relevance of trade denominations and labelling requirements adopted for veal and young cattle meat < twelve months:

- In general for all the examined Member States, the interviewed stakeholders consider that the trade denominations have had a positive impact by fixing a threshold at eight months for veal, as this has made the denomination 'veal' produced in different Member States more homogeneous. In this sense, the norms introduced for the labelling of veal and young cattle meat under twelve months have allowed to distinguish products which are different in their characteristics (specifically, white veal obtained from a milk-based diet slaughtered at six to eight months and rosé veal from calves fed on cereals and fibres slaughtered after eight months) although these products used to be called with the same name (i.e. veal) and marketed at the same price in spite of different fattening time lengths and production costs. In the eyes of the sector representatives we interviewed, this distinction is one of the positive aspects of the reform for the consumer market in terms of greater transparency and also of guarantee of product traceability;
- That said, stakeholders in Italy, France, Germany and the Netherlands point out the fact that there still is uncertainty and confusion about trade denominations due to the freedom given to the different Member States to adopt different terms. As an example, the Netherlands has maintained the term 'kalb' (i.e. rosé) for the meat of young cattle aged eight to twelve months, which, according to some interviewees, may be misleading.
- The introduction of trade denominations and related labelling for veal and young cattle meat < twelve months has contributed to more transparent and clearer exchanges of information between industry operators, but has failed to provide better information directly to the consumer. Indeed, no consumer information or communication policy has been developed in this respect in any of the examined Member States, either organised by the public authorities, industry, retail or other interest groups such as consumer organisations. It is therefore common belief that the introduced trade denominations and related labelling have had no impact on consumer choices.
- In some cases, the denominations introduced with the reform for young cattle meat eight to twelve months do not make much sense or can create confusion. For example, in Italy the "Vitellone" denomination for young cattle aged eight to twelve months does not make much sense because there is no corresponding market for this meat. Traditionally, the Italian market has always defined as 'vitellone' bovine meat as meat from an animal aged approx. eighteen to twenty-four months. For this reason, since 2008 the term 'vitellone' has no longer been used on the market. Similarly, in Spain and France, the terms 'añojo' and 'viande de jeune bovin' have no significance whatsoever for common consumers. Furthermore, the terms differ between Irish-English and British-English (i.e. the same product is called rosé veal vs. beef) and between Dutch-Dutch and Belgian-Dutch (rosé kalfsvlees vs. jungrundvlees). In the United Kingdom, the term 'beef' (used for young cattle meat eight to twelve months) also applies to beef > twelve months old.

### 10.1.2. Indicator n°2 - Relevance of veal slaughtering age for the consumer

In all case study countries where it was possible to collect opinions from food retailers and consumer organisations as to whether the age of calves (young cattle) at slaughtering was relevant information for the consumer, very similar responses were obtained. All answers indicated that the age of the animal at slaughter has very little importance or none at all.

All retailers agree in saying that consumer choices are primarily based on colour, (perceived) tenderness, price, origin and only lastly on information about feed and age. In Poland only, interviews with sector representatives suggest that consumers relate colour and tenderness to age and type of calf feeding (i.e. consumers associate the white colour of veal with very young animals mainly fed on milk).

The overall little relevance of age at slaughtering for the veal consumer is confirmed by information collected in the focus groups (Italy, France and Germany). As a matter of fact, it has emerged very clearly that, in each of the three countries, consumers had very little knowledge or even misconception regarding calf production practices (feed) and were generally not aware of the age at which calves are slaughtered (see previous §10.1.1). In Germany, consumers also mentioned the fact that they didn't really want to know at what age calves are slaughtered because of their young age (i.e. "calves are babies").

#### MAIN FINDINGS OF SUBQUESTION N° 1 RELEVANCE OF MARKETING STANDARDS

Retailers and consumer organisations interviewed across the examined Member States generally consider that the introduced trade denominations have had a positive impact by fixing a threshold at eight months for veal, which makes the veal produced in different Member States a more homogeneous product. According to some stakeholders, there is still some confusion about trade denominations in the case of meat of young cattle aged eight to twelve months, due to the adoption of different terms in the different Member States, (e.g. the use of "rosé veal" in the Netherlands could be misleading).

In spite of contributing to more transparent and clearer exchanges of information between industry operators, the introduction of trade denominations and related labelling did not lead to better information offered to the consumer (Indicator n°1).

Data directly collected from consumers in France, Italy and Germany (focus groups) clearly indicate that the age of the animal at slaughter has very little importance or none at all for them (Indicator n°2).

### 10.2. Impact of labelling on consumer purchase decisions

As previously presented in EQ n°1, the available consumption data show a progressive decrease of veal purchase for domestic consumption across all the examined Member States, with Germany being the only exception. The reasons for a decreasing veal consumption though are not related in any way to the introduction of the new marketing standards for veal < eight months, but are rather to be found in the increase in meat prices, in turn due to higher production costs (i.e. feed costs) and, at the same time, in the diminished purchasing power of the consumers due to the economic crisis. In general, the downward trend in veal consumption mirrors the more general long-term decrease in meat consumption, probably also related to perceived health issues.

Taking into account the above considerations with respect to unchanged patterns of veal consumption after the reform, in the following sections we will complete the analysis so as to assess the impact of labelling on consumer purchase decisions.

Again, the analysis is based on information collected through the focus groups conducted in Italy, France and Germany. Firstly, we will assess the consumer knowledge and expectations about the product (i.e. veal) and the consumer awareness of the introduced trade denominations and related labelling requirements. Here, we assume that this awareness is part of the purchase decision.

### 10.2.1. Indicator n°3 - Consumer knowledge, preferences and expectations with respect to veal

The same or very similar elements have emerged from the focus groups in Italy, France and Germany as to knowledge, preferences and expectations with respect to veal:

- Veal is mostly recognised as such because of the colour (white or mildly rosé meat as opposed to beef) and, partly also because of its texture (i.e. texture distinguishing veal from other white meat such as chicken). Interestingly, in all three countries consumers taking part in the focus groups mentioned the fact that they relied on the suppliers (either traditional butchers or the supermarkets) to provide them with the right meat and trusted them to do so;
- Veal purchase is often related to the preparation of specific dishes, for example *vitello tonnato* in Italy (veal topped with a tuna cream), meatloaves, *Wiener Schnitzel*, etc. The preparation of a special dish also seems to justify the purchase of meat that is usually more expensive than other white or red meat;
- Similarly, it is often reported by focus group participants that because of its higher price, veal is not purchased on a regular basis, but only for special occasions or specifically for children and the elderly as it is perceived to be more tender and better digestible than other types of meat (namely, in Italy);
- Conversely, the main reason for the consumers' reluctance to buy veal which has emerged from focus groups in Germany and Italy is that veal is not perceived as tasty as beef. Italian consumers also express concern about the healthiness of veal (potential presence of hormones and antibiotics);
- When choosing veal, consumers mainly expect the meat to be white (especially in Italy and Germany, whereas in France rosé veal is also appreciated), tender, a healthier alternative to other types of meat, mild in flavour, with no externally visible fat (the latter is especially true in Germany).

### 10.2.2. Indicator n°4 - Consumer awareness of trade denominations and labelling requirements for veal

Focus group participants in Italy, France and Germany were asked what they knew about meat labelling (veal, specifically) and what information they thought was compulsory on labels.

In both focus groups conducted in **Italy** (Rome and Bologna), the spontaneous recall of existence and content of meat labels was rather vague and mostly inaccurate. Labels are present on pre-packed meat cuts in supermarkets, but generally absent at traditional butchers'. When prompted, the participants mentioned the following information: type of meat (beef, veal, etc.), type of cut, origin, weight, price, place of slaughter.

The current legislation for labelling requirements was basically unknown to the two groups, with the requirement to have some mandatory information on the label being better known by focus group participants in Rome than in Bologna. However, careful observation of the labels is not usual, both due to haste when buying, and because of underlying trust in the supplier: 'If there is trust, no need to have too much information, even for what concerns traceability'. On the other hand (especially in the Bologna group), there was widespread belief that supermarkets have effective quality control systems (also to prevent damage to their image in case of problems). Meat origin appears to play an important role and the Italian origin emerged as a factor influencing their choice positively for the majority of the participants in the two focus groups.

Focus group participants knew that mandatory labelling information must be displayed on meat (with better knowledge in Rome than in Bologna), but they were not sure what this had to include. However, they were aware that compulsory information should be related to the traceability of the product.

Almost nobody knew any veal brand, nor did they recall seeing any quality label. However, the issue of quality, mainly understood as meat 'healthiness' and 'safety', was strongly felt especially by the group in Rome.

Focus groups participants in **France** (Bordeaux and Paris) seemed to have a fairly good knowledge (better than Italians) of the elements listed on veal labels and spontaneously mentioned the following: type of cut, price, origin, weight, date of slaughter, age at slaughtering. Similarly to what emerged in Italy, French participants appeared to place great trust in their suppliers (especially butchers), which constituted a substitute for labelling information. Therefore, as the consumers trusted their suppliers, the information placed on labels lost its importance. There were some differences between the two groups with respect to the importance placed on the type of information displayed for meat: in Bordeaux, type of meat cut and price emerged as most important, whereas in Paris, origin together with type of meat cut seemed to be the most important, with price playing a much less significant role.

Knowledge of quality schemes appeared as sketchy in both French focus groups, with only few participants spontaneously mentioning the most important veal quality schemes (veau de l'Aveyron and veau du Ségala). All in all, participants did not appear to be very familiar with veal quality schemes, however they knew the Label Rouge and unanimously perceived it as the best quality guarantee for meat.

In **Germany** (Cologne and Stuttgart) too, the focus group participants' knowledge of what information is placed on veal labels and what the labelling requirements are appears to be very low. None of the participants knew that there is an age limit for veal. When purchasing meat, German consumers appear to base their judgement on their visual inspection of the cut and very little other information such as "consume by date". None of the participants in either focus group knew any veal brand.

Interestingly, when asked how important label information is (including age and origin of the animal) when purchasing veal, answers suggested that what matters most is trust in the supplier (in particular, traditional butchers). Thus, similarly to what observed in France and Italy, trust in the supplier substitutes for label information in Germany.

In conclusion, the information gathered through focus groups in the three considered Member States suggests that the average consumer has a rather low level of knowledge (and often inaccurate) about labelling requirements and no knowledge at all of the trade denominations introduced by the reform of beef and veal marketing standards. With respect to overall labelling requirements, French consumers appear to be slightly more knowledgeable than Italian and German consumers.

One element that emerges as important, in all three Member States, is that, most of the time, trust in the supplier tends to substitute labelling information.

### **10.2.3. Indicator n°5 - Impact of labelling information on purchase decisions**

It has emerged quite clearly from the focus groups in Italy, France and Germany that:

- Consumers have very little or incomplete or, again, rather inaccurate knowledge of the information provided on meat labels and are generally not aware of what mandatory information labels must contain;
- Consumers are not aware of the new trade denominations and labelling requirements for veal and young cattle meat from bovine animals < twelve months introduced in 2008;
- The rearing/feeding systems and age at which calves are slaughtered are not relevant to consumers and in some cases, consumers stated that they did not want to know because of ethical reasons, as calves are young animals (Germany: "calves are babies");
- Labelling does not seem to have a paramount impact on consumer perception of veal (and meat in general) and, therefore, does not appear to have an important impact on purchase decisions;
- The decision to purchase veal is largely based on prior experience, visual inspection of the product (colour, presence of fat, perceived tenderness) and trust in the supplier to provide a good quality meat cut;

- Beside colour, fat and perceived tenderness, the attributes that consumers pay attention to when purchasing veal are price and origin.

The elements above were confirmed by information collected from industry representatives, retailers and consumer organisations. In spite of the indication of “age at slaughtering” on labels of pre-packed meat, consumers have not been directly informed about the new denominations.

The following table aims at summarising the main differences highlighted in the perceptions and knowledge of the consumers taking part in the focus groups in France, Italy and Germany.

**Table 50 - Summary of consumer perceptions and knowledge of veal and marketing standards**

	France		Italy		Germany	
	<i>Bordeaux</i>	<i>Paris</i>	<i>Rome</i>	<i>Bologna</i>	<i>Cologne</i>	<i>Stuttgart</i>
<b>Characteristics that identify veal</b>	Colour Texture	Colour Texture	Colour Texture	Colour Texture	Colour Absence of visible fat Texture	Colour Texture
<b>Perceived positive attributes of veal</b>	Taste Rosé colour	Tenderness Taste Rosé colour	Tenderness Healthiness	Tenderness Digestibility	Tenderness Taste	Tenderness
<b>Perceived negative attributes of veal</b>			Loss of water when cooking (suspected presence of hormones)	Loss of water when cooking (suspected presence of hormones)	Ethical factors (1)	
<b>Spontaneous recollection of label information</b>	Fairly detailed overall, not always accurate	Fairly detailed overall, not always accurate	Partial	Partial	Very little	Very little
<b>Information on label affecting purchase decision</b>	Type of cut + price	Type of cut + domestic origin	Domestic origin	Domestic origin	Expiry date	Expiry date
<b>Knowledge of marketing standards for veal &lt;8 months</b>	Not aware	Not aware	Not aware	Not aware	Not aware	Not aware

(1) As one Focus Group participant puts it: ‘Calves are babies’. Source: AND International (focus groups)

## MAIN FINDINGS OF SUBQUESTION N° 2

### Impact of labelling on consumer purchase decisions

Veal is not purchased on a regular basis, but only for special occasions, for the preparation of particular dishes or specifically for children and the elderly as it is perceived to be more tender and more easily digestible than other types of meat. These reasons justify the purchase of this type of meat, which is more expensive compared to other types (Indicator n°3).

Consumers generally have very little or incomplete or, again, rather inaccurate knowledge of the information provided on meat labels and they are, in most cases, not aware of what mandatory information labels must contain (although the French appear to be slightly more knowledgeable than the Italians and the Germans). In each of the three countries where focus groups were conducted, the consumers were not at all aware of the new trade denominations and labelling requirements for veal and young cattle meat < twelve months introduced in 2008 (Indicator n°4).

The decision to purchase veal is largely based on prior experience, visual inspection of the product (colour, presence of fat, perceived tenderness) and trust in the supplier to provide a good quality meat cut, rather than on label information. Beside colour, fat and perceived tenderness, the attributes that consumers pay attention to when purchasing veal are price and origin (Indicator n°5).

### 10.3. Evaluation judgement

Evaluation question n°6 firstly examined the views of retailers and consumer associations as to the relevance of trade denominations and labelling requirements for veal and young cattle meat. It then analysed the effects of the new marketing standards on consumers in terms of their understanding of the information provided, the confidence they have in the truthfulness of this information, and the impact of all these factors on their meat purchase decisions.

The first part of the analysis is mostly based on information collected directly from retailers and consumer organisations through interviews in the case study countries. The second part of the analysis entirely relies on the results of six focus groups organised in France (Bordeaux and Paris), Italy (Rome and Bologna) and Germany (Stuttgart and Cologne).

- 1) Views of retailers, consumer organisations and consumers about the relevance of the trade denominations and labelling requirements for veal and young cattle meat

The stakeholders interviewed across the examined Member States generally consider that the introduced trade denominations have had a positive impact by fixing a threshold at eight months for veal, which makes the product more homogeneous across the different Member States. Despite its contribution to a more transparent and clearer exchange of information between industry operators, the introduction of trade denominations and related labelling did not entail the provision of better information directly to the consumer. In synthesis, the introduced marketing standards and related labelling can be considered as globally effective in providing greater product transparency and also better assurance of product traceability (i.e. risk management) for the consumer, however the consumer is still unaware of these provisions.

Information directly collected from consumers in France, Italy and Germany (focus groups) clearly indicates that the age of the animal at slaughter has very little importance or none at all for them.

- 2) Impact of the new marketing standards and related labelling on consumer purchase decisions

The evidence collected through the six focus groups in France, Italy and Germany suggests that the labelling provided in the veal and young cattle marketing standards does not influence the consumer perceptions of veal meat. Therefore, the objective of providing better information to the consumer, as set out in the veal and young cattle meat marketing standards, has not been achieved. The evidence shows that consumers are not aware of the existence of new marketing standards for the meat of veal and young cattle aged less than twelve months, therefore they are not able to use that knowledge when making their purchase decisions.

The decision to purchase veal is largely based on prior experience, visual inspection of the product (colour, presence of fat, perceived tenderness) and trust in the supplier, rather than on label information. Beside colour, fat and perceived tenderness, the attributes that consumers pay attention to when purchasing veal are price and origin and their main concerns are the guarantee of the product safety/healthiness and origin.

The little attention consumers pay to information on labels appears to be at least partly related, on the one hand, to the fact that meat purchase is a “habit purchase” not requiring search for particular information and, on the other hand, to the trust placed by consumers in the supplier. In the case of traditional butchers, consumers place personal trust in the individual (i.e. the butcher) to provide them with the expected quality level. In the case of a supermarket, trust is placed in a “system” that is perceived by consumers to be there to guarantee product safety and quality (and also to prevent loss of image for the retail chain in case of problems).