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Workshop 1 - The economics of Food Quality Schemes
Content

- Distribution costs/benefits & added value
- Impact rural development
- Consumers’ WTP
- Other topics discussed
- Conclusions & recommendations

Workshop 1 - The economics of Food Quality Schemes
Three presentations

- Case studies
- WTP
- Rural development
- Discussion

Workshop 1 - The economics of Food Quality Schemes
1. Distribution costs & benefits & added value
- vertical coordination -> costs ↓
- price increase in all links in the chain, but costs?
- B2B versus B2C -> what market segment?
- being visible to consumers = adding value??

**Workshop 1** - The economics of Food Quality Schemes
- lack of business, marketing capabilities
- bargaining power is weak, no professional branding
- adding value can focus on image, intangible
- limits innovation?

Workshop 1 - The economics of Food Quality Schemes
2. Impact rural development

- lack of scientific evidence (origin labeled products)
- multi-dimensional approach -> complexity EU-regions
- more difficulties with small-scale farmers
- stimulates small-scale producers in remote locations
- social/immaterial benefits such as traditions
- Q of life: animal welfare, tradition, tourism
3. Consumers’ WTP

- Willingness ≠ preference (income, knowledge, trust)
- Difficult for B2B-schemes, feasible for B2C
- Claimed versus overt preferences/behaviour (Eurobarometer)
- Information -> communication
- Consumption occasions

Workshop 1 - The economics of Food Quality Schemes
4. Other topics discussed

- Collaboration
- Need for rewarding cross-compliance
- EU-label:
  * difficult, not for differentiated products;
  * international trade - intra-sector trade;
  * label of origin different from superior quality;
  * what superior quality should be covered?

Workshop 1 - The economics of Food Quality Schemes
5. Conclusions & recommendations

- B2B versus B2C schemes
- higher prices = higher income?
- WTP can be used but appropriate techniques!
- stimulate market oriented production
- EU-label???