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**Public evaluation of organic food standards: Knowledge and preference for selective control features**

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## **Abstract**

Organic food control schemes offer an international procedural control scheme, including different actors and institutions. Nonetheless organic labels do not receive high trust. It is unknown that different elements within the control schedules influence consumer acceptance and trust. The objective of the current contribution is to evaluate different control systems with varying schedules in regard to institution of control, actor of control and their expertise as well as control frequency and consumer preferences for respective attributes. Choice experiments were conducted in order to measure and analyze consumer preferences and priorities in regard to organic food control schemes.

## Introduction

Consumers are increasingly interested in sustainable and ethical production qualities of foods such as organic production, local production and animal welfare (Valor et al. 2014; Zander and Hamm 2010). Organic production is an international growing production process, which guarantees extrinsic production qualities, which are standardized according to certain standards. Organic production quality is a 'credence quality', which cannot be experienced at the point of sale. Rather, the consumer needs to be aware about the production processes guaranteed by the label (Napolitano et al. 2007).

Despite high growth rates, the market share of organic produce still remains small. Sales volumes of organic foods in Germany made up only 5% of the food market in 2015 (BÖLW 2016; Statista, 2017). It is discussed how awareness and trust are important for the acceptance of organic foods (Janssen & Hamm (2014)). Nonetheless, little is known how consumers value and accept the control standards for organic foods.

The objective of the current contribution is to evaluate the awareness, knowledge and preference for different control systems with varying schedules in regard to institution of control, actor of control and their expertise as well as control frequency and consumer preferences for respective control standards in order to assess the awareness of control procedures and its' impact on the acceptance of organic foods.

## **Methodology**

A consumer survey was conducted with 1698 consumers in Germany 2017. Germany suits as a pilot market for the case study as it is the largest market for organic products in Europe and second biggest in the world, after the US (Willer & Lernoud, 2017). Consumers were recruited via a market research institute, according to quotas representative for the German population. Data collection was conducted online, using a computer-assisted self-interviewing technique. A choice experiment with varying elements of organic control standards was accompanied by a questionnaire, which assessed socio-demographics, consumer trust and awareness of different organic labels. In the questionnaire the awareness and trust of the following label was assessed: German organic label, label of the demeter association, label of the Naturland association, label of the Bioland association, the EU organic label and a fake organic label. In the choice experiment the following items were varied: actor of control (varying from expert to collaborative control), organizing body (varying from governmental organization to private commercial organization), frequency and notification of control, and consultation (varying from no consultation within the control process to compulsory consultation during the control process).

Mixed logit models were used to analyze consumer preferences and priorities in regard to organic food control standards.

## Results

Overall, most Germans' were aware about organic labels. German organic label was the most known and most trusted label. Almost 92% of consumers stated to know the German organic label. The label by the association *Bioland* was known by 53% percent, *Demeter* and *Naturland* label were known by about 43% percent. Interestingly, the 'fake' label was equally 'known' as the EU organic label, stated to be known by 43%. In regard to trust, about 55% of consumers stated to trust the Germany organic label. The *Bioland* label was trusted by only 27%, *Demeter* was trusted by 29%, EU organic and the fake were trusted by only 20% of consumers. More so, consumers stated to know little about the control system for organic production schemes, independent of the organic association. Even more, only 30% of consumer stated to know about the definition for organic standards and its' control.

With regard to the elements of organic control standards, which might be prioritized by consumers, analysis revealed consumer preference for a high expertise, high frequency without prior notification, and governmental background.

## **Discussion**

Despite the fact that consumers are merely aware about organic foods', they are merely not aware about existing control standards for organic food processes. Even though most consumers were aware about different labels, especially the German organic label, which was introduced accompanied by a big informative campaign, trust levels were relatively low. It became clear that consumers are still not aware about the standards for organic food production. Additionally, the choice experiment unveiled that consumer prioritize high expertise, high frequency schemes of control without afore notification and a governmental background for the control. In order to increase consumer trust in organic food control systems, the prioritization of selective elements of organic food control may be an important facet, which may be relevant not only for acceptance of organic foods in Germany, but also internationally.

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