# Consumer Education and Promotion Campaigns

Pacific Organic Policy Toolkit http://www.organicpasifika.com/poetcom

## Consumer education and promotion campaigns

# Political justification

Increasing household consumption of organic products is one of the main "pull" measures to increase demand for organic products. The main bottlenecks to increase household purchase of organic products are: 1) product availability in various market channels, 2) consumer awareness of organic benefits, and 3) product attractiveness including quality and price.

Consumer education campaigns are an important mechanism to increase consumer awareness about organic products across the board. Usually, especially in emerging sectors, the organic industry itself does not have sufficient resources (and is often not sufficiently federated) to fund mass public education campaigns, which can be very costly. Also, since this is a matter of education and public health, it makes sense for the government to put public funds into such campaign.

In a market economy, information asymmetries (e.g. incomplete information on the side of the buyer) are a main reason for what is called "market failure" (markets failing to operate at the optimum society equilibrium). Hence without all consumers understanding the benefits behind the organic label, the organic market is operating at a sub-optimum level. This is a very strong justification for government intervention on the level of consumer education.

An experiment from the Netherlands called the "Prices experiment" implemented in 2006 whereby selected municipalities subsidized selected organic products to reduce their sales price to a comparable level to conventional products, showed that the effect on consumer purchases was very disappointing if the measure is not combined with consumer awareness efforts. Hence, to be effective, all policy measures aiming at increasing the accessibility of organic products to consumers must also be accompanied by consumer awareness actions.

Another political reason often plays an important role in the decision for governments to finance organic consumer awareness campaigns, is the desire to promote the consumption of domestic products. Indeed, organic consumers awareness campaigns often have a double objective: to generate awareness about organic, but also to promote in particular the national/regional organic products.

# Suitable contexts

*Stage of sector development*: Consumer awareness campaigns can be implemented at various stages of organic agriculture development. They can be especially effective where an organic sector is newly emerging and producers are seeking local markets.

*Regulatory context*: Consumer awareness campaigns for organic agriculture are most efficient when there is an organic regulation or is an officially referenced organic guarantee system. This is because consumer awareness of the benefits of organic should ideally be combined with the promotion of a national organic logo which enables consumers to identify organic products (and such logo should be backed up by an agreed-upon guarantee system). The launch of a national organic logo is typically the ideal period to launch a consumer awareness campaign to explain what stands behind the logo.

*Culture of government intervention*: Consumer awareness and education can be justified in any context of intervention if it aligns with policy objectives.

*Policy objectives*: Consumer awareness campaigns aim to increase domestic demand, and therefore are not relevant to the policy objective of wanting to earn foreign currencies. They are also not relevant to the policy objective of increasing self-sufficiency (replacing the import of organic products by domestic production), except if combined with a campaign for local (domestic) organic products, as in the example of Canada below.

#### Possible modalities of implementation

Public support to consumer awareness raising and education takes place under various policy instruments. In the EU, it is mostly taking place in the framework of the Common Agricultural Policy (CAP), which involves co-funding from the EU and from Member States. In particular, two CAP measures are most often used and combined: Measure 132 (support to quality schemes) and Measure 133 (Information and promotion activities), which supports activities such as advertising via various communication channels, tasting events or participation in fairs and exhibitions for products covered by approved quality schemes. Under those measures, producer organizations may apply for public funds for the implementation of the promotion activities, and they may receive a grant of up to 70 % of the eligible costs. However, very often the measure is not specific to organic farming promotion, but competitive with applications from other food quality (certification) schemes. Some countries, such as Malta and Estonia, have reserved access to such support to organic organizations only.

For other countries, organic consumer awareness activities are decided as part of the national organic action plan or set of measures or are even written into the organic policy adopted by the parliament. They can also be decided and financed through a special time-limited, government-funded project such as the consumer awareness campaign in Saudi Arabia or the national organic brand development in Canada (presented below).

Regardless of the policy context, consumer awareness raising activities are most often implemented in the form of public-private partnership whereby the organic sector co-funds the activities and often even manages the process entirely.

Government support can incentivise and leverage important private contributions. A typical arrangement is where the organic umbrella organization manages the campaign, the Ministry and potentially external donors co-fund it, and the domestic industry (organic companies) also contributes funding. Retailers are strongly involved as partners in the implementation.

Consumer awareness raising activities supported through public funds include general information about organic agriculture and food through a permanent website, booklets and brochures, TV and radio programs, newspaper articles, street boards, and more recently and increasingly social media. Also important are commercial actions (special products display and tasting) in the shops, special organic product fairs, and open farm days where consumers can come into direct contact with organic products and organic farming. Packaged promotional activities in the form of an annual time-limited action, such as annual Organic Action Days or an Organic Week or an Organic Month is a popular format. Promotion campaigns are usually targeted at consumers or the wider public but they might target, as an intermediary step, retailers, caterers and schools, who then become partners in targeting consumers. Organic promotion campaigns often associate the national organic logo to a slogan or a set of special messages that are repeated over multiple communication channels and in multiple locations.

#### **Countries Examples**

<u>Braz</u>il: The organic unit in the Ministry has secured long-term commitment to the Organic Week for more than 12 years by including it both in the Multi-Year Plans of the Federal Government (prepared by the Government and approve by Congress every four years) and in the National Plan for Agroecology and Organic Production, which is launched by the President and commits four different Ministries to implementation. The federal government also transfers a small budget to each state for implementation of local specific actions and events for the organic campaign. Each state can define its own activities, in line with the theme and guidelines developed by the organic unit in the federal ministry. Actions in the various states are also co-financed by local public and private entities.

<u>Canada</u>: The Organic Value Chain Roundtable (OVRT) is one of several collaborative public-private groups focused on developing and promoting categories of agricultural products. The Roundtable is co-chaired by a representative of Agriculture and Agrifood Canada and an organic industry sector representative. The bold *"Think Before You Eat – Think Canada Organic"* sector brand campaign was developed by the OVCRT and successfully launched by the organic community during Organic Week 2013. The government provided CA\$ 600,000 for the brand development process, and the organic sector, led by the Canada Organic Trade Association, has the responsibility for implementation with CA\$ 900,000 in funding coming mainly from private organic products produced by Canadian growers and processors from imports and competing claims. The campaign has now been fully adopted at national and provincial levels to promote the message to consumers

year-round, and work continues to keep the message edgy and top of mind. The ongoing Brand campaign website is <u>www.thinkcanadaorganic.ca</u>.

<u>Turkey</u>: Under the 2004 law for organic agriculture state television must broadcast half an hour of educational and/or promotional programs on the organic sector every month. Additionally the Ministry of Agriculture collaborates with the organic sector to implement awareness campaigns.

<u>Tunisia:</u> The government decided in 2010 to sponsor an annual Tunisian Organic Product Week. This "organic week" includes various conferences and events for the sector but also for consumers and pupils in the various districts, as well as radio programs.

# *Case Example*: National Organic Consumer awareness campaigns funded by the Ministry of Agriculture in Saudi Arabia

### Background

Saudi Arabia depends on imports to meet 70% of its food requirements, and its organic production sector is at an early stage of development. For nearly a decade, the Ministry of Agriculture has been working with the technical assistance of GIZ (German international cooperation service) and in cooperation with the Saudi Arabia Organic Farmers Association (SOAF) to support the development of organic agriculture in Saudi Arabia. This was done under the framework of the Organic Farming Project financed by the Ministry and implemented together with GIZ. In 2008, the Department of Organic Agriculture was established in the Ministry of Agriculture and in 2009, the first version of an organic regulation was adopted. In January 2011, the Saudi National Organic Logo was launched. The Ministry acknowledges the major role of organic consumption as a driver of growth for its emerging sector and a way to improve the health of its people. Since 2010, it has engaged in promoting the national logo and organic products primarily through financing awareness campaigns implemented by GIZ.

The campaigns' key objectives have been to raise awareness for "organic", to inform Saudi consumers about the benefits of organic food and agriculture, and to establish the Saudi organic logo as a trustworthy brand.

#### **First Promotion Campaign**

The launch of the national organic logo included an eight week consumer awareness campaign at a cost of € 100,000. A qualitative consumer survey conducted by interviews in public places preceded the campaign, in order to inform the campaign design. The national logo combined with a main message (in Arabic), "The health of your family depends on a healthy diet," was the centrepiece of 180 posters placed in public spaces, high traffic streets in the capital city (Riyadh) and on digital billboards in shopping malls. Media outreach, especially to print media, led to additional dispersal of this messaging.

# Second Promotion Campaign

Based on lessons learned from the first campaign (a trial campaign), the Organic Farming Project organized another four-week campaign in 2014 with a much larger budget of € 300,000. The approach to the survey changed from information collection in public places to the Internet (online survey advertised in social media), and was supplemented by cooperation with a fitness studio chain and a catering business. The survey elicited 3000 responses. Objectives of this campaign were to: 1) create a linkage between "healthy" and "organic" 2) promote organic foods as highquality products, and 3) support domestic organic foods. A marketing agency was tasked with creative design and implementation of the campaign. The core messages were (in Arabic only): "Go Organic, Go Natural", "Organic…your natural choice to enjoy the benefits of pesticide-free foods!" and "There is no alternative to the original", all of course associated with the national logo.

The campaign consisted of:

- A press conference with The Minister of Agriculture and other prominent officials at the launch of the campaign to attract media attention;

- Four weeks of information in the social media (Facebook, Instagram and Twitter) on the benefits of organic, in conjunction with two weeks of campaign banners on several frequently visited Saudi web-pages including Google and Yahoo;

- Four weeks of "organic food festivals" in two of the biggest Saudi supermarket chains, which partnered with the campaign to prominently display and massively promote organic products in 20 stores located in all major cities of the country;

- Displays of the campaign's key messages on digital billboards inside major shopping malls over the four-week period.

The social media campaign generated 16,000 followers and 39,000 "likes", and encouraged many consumers to get actively involved. Combined with organic festivals that enabled sensitized consumers to find the products in their normal supermarkets, it has significantly increased the organic consumer base in Saudi Arabia and motivated supermarkets to increase their organic products range (including many imported products). In parallel to consumer awareness campaigns, the Organic Farming Project has been working on the production and market development side in order to ensure that local organic products meet consumers' (newly raised) expectations in terms of availability, quality, packaging, etc.

