

Marketing and promotion of quality. The public policy approach. The case of France

Paquotte P.

Global quality assessment in Mediterranean aquaculture

Zaragoza : CIHEAM

Cahiers Options Méditerranéennes; n. 51

2000

pages 87-92

Article available on line / Article disponible en ligne à l'adresse :

<http://om.ciheam.org/article.php?IDPDF=600295>

To cite this article / Pour citer cet article

Paquotte P. **Marketing and promotion of quality. The public policy approach. The case of France.** *Global quality assessment in Mediterranean aquaculture.* Zaragoza : CIHEAM, 2000. p. 87-92 (Cahiers Options Méditerranéennes; n. 51)



<http://www.ciheam.org/>
<http://om.ciheam.org/>

Marketing and promotion of quality

The public policy approach. The case of France

P. Paquette

Office National Interprofessionnel des Produits de la Mer et de l'Aquaculture (OFIMER)
11 boulevard de Sébastopol, 75001 Paris, France

SUMMARY – Seafood industry has a real challenge at the eve of the new millennium because it has to face both supply constraints (scarcity of the resource, limitation of sites suitable for aquaculture, deterioration of the environment) and demand constraints (increased competition from other food products, evolution of consumption habits, globalisation of the markets). Only an inter-professional approach which associates all segments of the production and distribution chain and which is both resource and market driven may be efficient. That is the reason why the French Ministry of Agriculture has implemented OFIMER, a National Inter-professional Office for Fisheries and Aquaculture. Quality is a good example of topic which requires a coordinated approach from the production level to the distribution level. Regarding quality, both objective and subjective aspects have to be taken into account. On the objective side, OFIMER is participating, in association with the professional sector and the administration, in the implementation of norms and standards, in their control, in the construction of measures and evaluation tools and in a process of product differentiation. On the subjective side, the action of OFIMER is focused on identification, promotion and communication in order to harmonise and valorise the different quality approaches. Given the diversity of the production processes (coastal fisheries, industrial fisheries, aquaculture, seafood processing), it is impossible to consider only one approach for the whole seafood products sector. Therefore, OFIMER is the place where different professional families can discuss, exchange viewpoints and build concerted actions. Such a concerted policy is also necessary in order to avoid too numerous and competitive regional quality approaches and to incite producers to develop official quality signs at national and European levels. Currently in France, of 27 seafood products which have completed or initiated an approach to get an official quality sign, 11 are aquaculture products.

Key words: Seafood, aquaculture, quality, public policy.

RESUME – "Marketing et promotion de la qualité. L'approche des politiques publiques. Le cas de la France". L'industrie des produits de la mer affronte un véritable défi à l'aube du nouveau millénaire car elle doit faire face à des contraintes d'approvisionnement (rareté de la ressource, limitation des sites adéquats pour l'aquaculture, détérioration de l'environnement) ainsi qu'à des contraintes de la demande (compétition accrue provenant d'autres produits alimentaires, évolution des habitudes de consommation, globalisation des marchés). Il n'y a qu'une approche interprofessionnelle associant tous les segments de la chaîne de production et de distribution et orientée aussi bien par les ressources que par le marché qui puisse être efficace. C'est la raison pour laquelle le Ministère de l'Agriculture Français a créé OFIMER, l'Office National Interprofessionnel des Produits de la Mer et de l'Aquaculture. La qualité est un bon exemple de domaine qui nécessite une approche coordonnée depuis le niveau de la production jusqu'au niveau de la distribution. Concernant la qualité, les aspects objectifs et subjectifs doivent être considérés. Du côté objectif, OFIMER participe, en association avec le secteur professionnel et l'administration, à la mise en place de normes et de standards, à leur contrôle, à la construction d'instruments de mesure et d'évaluation et à un processus de différenciation du produit. Du côté subjectif, l'action d'OFIMER est axée sur l'identification, la promotion et la communication afin d'harmoniser et de valoriser les différentes approches de la qualité. Etant donné la diversité des processus de production (pêcheries côtières, pêcheries industrielles, aquaculture, transformation de produits de la mer), il est impossible de considérer uniquement une approche pour tout le secteur des produits de la mer. Par conséquent, OFIMER est le lieu où différentes familles professionnelles peuvent discuter, échanger des points de vue et construire des actions concertées. Une telle politique concertée est également nécessaire afin d'éviter des approches de qualité régionales trop nombreuses et compétitives, et pour inciter les producteurs à développer des signes de qualité officiels à l'échelle nationale et européenne. Actuellement en France, sur 27 produits de la mer qui ont finalisé ou entamé une démarche pour obtenir un distinctif officiel de qualité, 11 sont des producteurs aquacoles.

Mots-clés : Produits de la mer, aquaculture, qualité, politique publique.

The context of the seafood and aquaculture sector with respect to quality

Seafood industry is facing a real challenge at the eve of the new millennium because it has to face

both supply and demand constraints. Both fisheries (scarcity of the resource especially for high value species) and aquaculture (limitation of sites suitable for aquaculture, deterioration of the environment) are conditioned by supply constraints. All seafood products have to cope with the same issues, i.e. increased competition from other food products, evolution of consumption habits and globalisation of the markets. This challenge is all the more difficult as seafood consumer behaviour results from contradictory attitudes such as scrutiny of products' origin and farming process, research of the best value for money, desire of social image and need for easy to store and ready to cook fish.

Competitiveness of the seafood products

Like for other agrofood sectors, the public policy about seafood has focused till now on the sanitary aspects. It has resulted in the implementation of numerous regulations. But more and more, the public policy towards agriculture and food industry has been concerned by the degradation of the quality of the products due to the industrialisation of the production processes. In particular, poultry and veal industries are good examples of sectors where a public policy for better quality has followed such a phenomenon of industrialisation. That issue used not to be so relevant in the case of the seafood sector since there was not such an industrialisation of the processes, even in aquaculture (Paquotte, 1998). Nevertheless, the recent developments of intensive aquaculture and the concern about the impact of fisheries on the wild stocks make the seafood sector in the same situation as the other food sectors. Of course, there is a general trend of more and more consumption of seafood in Europe, with a volume market share among animal proteins of 16% in 1997 (more than poultry and almost as much as beef) against 15% ten years ago (OFIVAL, 1998). But in the same time, poultry and dairy products have gained more market share thanks to new processed and branded food products. The demand for seafood is in direct competition with the demand for other meat products. And inside the seafood sector, aquaculture and fisheries are also in competition. That is the reason why quality and product differentiation are necessary to compete, to win market shares, and make the seafood industry profitable by using not only price as competitive arguments.

Consumer's concern about sanitary aspects

The consumer is anxious and need to be reassured. He is faced with a very wide choice, including a lot of processed food, he is stressed by recent events, as the epidemic of Bovine Spongiform Encephalopathy, which caused a tremendous depression in beef consumption. He is also becoming a responsible citizen, exacting information about food, and the relationship between the conditions of food production and environment (Mariojous and Paquotte, 1998).

As far as seafood is concerned, the consumers are less anxious than for meat products, according to a very recent poll realised in France by IFOP for the newspaper "Le Monde" and the magazine "Elle". But fish was not differentiated according to the origin – farmed or wild – which would certainly have brought different results.

Table 1. Percentage of people who worry about different food items (source: IFOP for Elle/Le Monde)

Beef	29%
Poultry	24%
Pork	19%
Eggs	16%
Fish	12%
Lamb	11%
Fruits and vegetables	11%
Cheese	10%

Another question of this poll was about the consumer's expectation towards a label, which would be implemented by the government in order to guarantee the origin and the security of the product. 75% of the consumers do expect such a label.

Collective versus private approach

Quality is a good example of topic which requires a co-ordinated approach from the production level to the distribution level. Indeed, the quality of a product has to be maintained all along the production, processing and distribution chain. Moreover, the interest of all of the actors along this chain has to be taken into account, although they may be contradictory. For instance, a processor or a distributor is not so keen to pay a premium to the producer, unless they are convinced of the benefit they will get eventually. Quality is a social and technical construction including both producers, consumers and the institutions in charge of the definition and the recognition of the norms (Sylvander, 1995). That is the reason why only an inter-professional approach which associates all segments of the production and distribution chain and which is both resource and market driven may be efficient.

In the case of the seafood sector, a collective approach is necessary because of the atomisation of the production sector and because of the importance of non-processed products on the market. Only a large corporate may afford to get the recognition of the consumers on its own name. Indeed, developing a brand name is very costly. It requires a high investment in advertisement and communication, which may be lost in very little time whenever a problem of quality appears (Valceschini, 1999). Branding unprocessed products is also difficult, because the quality of the products is difficult to guarantee in the absence of industrial process. Aware of this difficulty, the large distribution companies have not given their name to so many seafood products as to other food products. In order to answer to the issues of consumer reassurance, product differentiation and competitiveness, fisheries and aquaculture sectors need a policy of collective identification signs.

The need for more information and co-ordination

In comparison with other food products, there is a real lack of objective criteria for product differentiation and identification according to the geographical origin and to the production process. More and more research programmes are focused on this issue, particularly in aquaculture but few results are available right now.

One case looks very representative of the present mingling of quality approaches in aquaculture: the oyster farming in Thau lagoon, on the French Mediterranean coast. In this lagoon, 600 small scale units produce 13,000 tonnes of oysters per year. Although the quality of these oysters in terms of meat content and size is above the French average, they suffer from a bad image because they come from a Mediterranean lagoon (fear of pollution) and not from the Atlantic coast. At the present time, four different quality approaches are simultaneously in process:

(i) A collective brand "Huîtres de Bouzigues", but the procedures for certification are loosely applied and the result is not significant.

(ii) A feasibility study for an AOC (indication of geographical origin) which is hampered by the lack of professional co-ordination and the lack of knowledge of objective links between natural environment and final quality.

(iii) An approach to have certified by an independent body specific methods of production for a small part of the production (around 10%) which would be sold as top grade quality ("Exquise de Bouzigues").

(iv) Contracts between producers and a major distribution firm requiring total traceability of the oysters during all their life cycle.

The aims of the French public policy with respect to seafood market

The framework of the public policy for seafood quality in France

In order to fulfil the expectations of the consumers about products variety and healthiness and to help the production sector to be competitive and profitable, the market alone can not be sufficient. Indeed, as far as quality is concerned, there is a situation of asymmetrical information and some rules have to be implemented.

In France, the Ministry of Agriculture and Fisheries is in charge of the regulation concerning quality thanks to two Directions, the DGAL (General Direction for Alimentation) and the DPEI (Direction for Economic and International Affairs). As far as standard quality is concerned, i.e. sanitary aspects especially, the DGAL is in charge. On the contrary, everything referring to special quality, either superior quality or specific quality linked to the geographical origin or the method of production depends on the DPEI. The service in charge of specific quality is called the "Bureau for quality signs and organic agriculture". This administration is in charge of the official definition and of the regulation for the use of labels, geographical indications and other signs of identification. Only one aspect about specific quality is still inside the DGAL: it is the agreement of independent bodies which are allowed to certify labels, geographical indications and other signs of identification.

In the aim of linking the industry and the administration, the French Ministry of Agriculture has implemented so-called "Agricultural Offices" in each agricultural sector: milk, wine, cereals, vegetables etc. In January 1999, was created OFIMER, the National Inter-professional Office for Fisheries and Aquaculture. The goals of OFIMER are seafood market regulation and coordination of all the actors of the fisheries and aquaculture sector.

The goals of OFIMER in the field of quality

The general aim is to take into account the preferences of the consumers (which are mostly subjective) in the production and distribution processes (which may be described with objective characteristics) in a collective approach in the fisheries and aquaculture sector.

As far as quality is concerned, both objective and subjective aspects have to be taken into account. On the objective side, OFIMER is participating, in association with the professional sector and the administration, in the implementation of norms and standards, in their control, in the construction of measures and evaluation tools and in a process of product differentiation. On the subjective side, the action of OFIMER is focused on identification, promotion and communication in order to harmonise and valorise the different quality approaches. Given the diversity of the production processes (coastal fisheries, industrial fisheries, aquaculture, seafood processing), it is impossible to consider only one approach for the whole seafood products sector. Therefore, OFIMER is the place where different professional families can discuss, exchange viewpoints and build concerted actions.

Such a concerted policy is also necessary in order to avoid too numerous and competitive regional quality approaches and to incite producers to develop official quality signs at national and European levels. Another issue has to be taken into account when developing a collective sign of identification or a label: fair competition and no restriction to free trade, as well at the national level as at the international level.

The means of action

Collective and inter-professional incentives

Quality of products and processes

Incentives have been given to Fishermen Producers Organisations in order to shorten the time between fishing and landing and to wholesalers to train employees to better fish handling.

Three guides of good practice are in preparation, one for fishmongers, one for wholesalers and one for shellfish farmers. The last one is focused on depuration techniques.

In Brittany, OFIMER supports a programme called Normapêche aiming at the harmonisation of names, sizes and quality assessment of the fish in the different auctions.

A priority task of the recent French Interprofessional Organisation for fish farming (CIPA) which is supported by OFIMER is the construction of a range of products on the basis of harmonised norms (weight, size, flesh colour, fat content, etc.)

In the framework of its incentives for innovation, OFIMER supports different research programmes about fish freshness: liquid ice for faster cooling of fish on board, quantitative methods to assess the freshness of seafood, methodology to identify the source point in case of contamination by listeria.

Traceability

In order to develop objective criteria to the indication of geographical origin for oysters, OFIMER supports a research programme developing tools in order to identify the origin of the oysters, the transfers during the life cycle and the farming techniques

Product identification: Collective brand, indication of origin, process certification, Label Rouge

The identification of products is based on quality control and quality enhancement. In a first step, OFIMER has accompanied professional initiatives to develop "collective brands". This kind of approach makes it possible to develop better coordination of the actors at a local level and to enforce better practice since the quality of the product is checked by an independent certifying body.

In order to avoid the multiplication of regional collective brands and consequently the weakness of their impact, OFIMER incites the producers to develop inter-regional cooperations and to focus on official quality signs ("process certification" and "Label Rouge"). For instance, the initiatives undertaken for lined seabass both in Brittany and in Poitou Charentes could merge in a common approach which would certify the fishing process rather than the geographical origin and take advantage of a larger professional basis.

OFIMER supports all the more "process certifications" and "Label Rouge" as they are now compulsory for aquaculture products in order to get a PGI (Protected geographical indication). For the last two years, the financial support from OFIMER for "collective brands" and "official quality signs" amounts to 250,000 US\$. (farmed seabass "Label Rouge", Scallops from Côtes d'Armor etc.)

Promotion and communication

In the framework of its general action for promotion of seafood (participation in national and international fairs, initiation at school, web site with recipes, etc.), OFIMER gives special attention to the initiatives towards official quality signs. In collaboration with all the professional groups, a work is done in order to avoid any communication plan which would damage the image of another activity (for instance aquaculture versus fisheries, organic aquaculture versus any other form of aquaculture)

In order to help the professional organisations to develop their communication strategy, OFIMER has financed studies about the image and expectations in consumer's mind of fresh fish, processed fish, oyster and farmed fish. As far as oyster is concerned, the recommendations from the study are the following: (i) the oyster should be treated as a luxury product by the retailers; (ii) the image of a small scale farmed, almost wild product, should be preserved; (iii) better indication of freshness is expected; and (iv) it is necessary to provide information about oyster farming to the children. As for farmed fish, communication should be focused on socio-economic values (affordable product, gives job, protects the oceans, human aspect of small scale farms) and on warranty about freshness, production process and sanitary control. It is also important to take advantage of the possibility to indicate the date of capture and to use the official quality signs available for food products (Labels, process certification, GPI).

Economic studies

On the one side, a research programme aiming at assessing the economic impact of a quality approach in the field of coastal fisheries is currently financed, with special attention to the share of the premium due to a official sign of quality. On the other side, the sales of the products under quality sign are followed through the consumer's panels undertaken by Taylor Nelson Secodip on behalf of OFIMER.

Private incentives

In the framework of its incentive programme for the modernisation of the enterprises along the seafood distribution chain, OFIMER will give bonus to the enterprises implementing equipment for better quality (freshness, convenience) or traceability. This programme which is now restricted to wholesalers and processors should be available for aquaculture producers in the future.

Private firms may also apply to the special fund for innovation if they present a research programme aiming at identifying and producing a top grade quality product. Therefore, they have to agree with making the results available to the industry after two years of confidentiality.

Conclusion

In spite of the various and numerous attempts which have been being undertaken for several years to identify and to differentiate seafood products in France, the results are quite disappointing as well in terms of market share of labelled products as in terms of consumers' and distributors' attitude. These results seem all the weaker as the same approaches have given great results in other agrofood sectors like wine, cheese and poultry. One of the main reasons why so many attempts have failed is the lack of objectivity of the parameters making the products different.

Another reason is the poor organisation of the production, and the absence of real interprofessional organisation along the distribution chain. Nevertheless, the situation is better in the aquaculture sector than in the fisheries sector, with the recent creation of real interprofessional structures for fishfarming in 1998 (CIPA) and for shellfish farming in 1999 (CNC). So, it may be noticed that in France, in the 27 present seafood approaches to an official quality sign (in process or completed), 11 are referring to aquaculture products.

That are the reasons why the French Public policy about quality in the seafood industry focuses on: (i) interregional professional co-operation; (ii) development of links between the producers, the wholesalers, the processors and the distributors; (iii) research programmes aiming at giving objective criteria for product identification; and (iv) official quality signs compatible at the national and the European levels.

References

- Mariojouis, C. and Paquotte, P. (1998). Consumer trends: What opportunities for aquaculture products? In NATO ARW conference "Modern aquaculture in the coastal zone", Porto, September 14-17, 1998.
- OFIVAL (1998). La consommation des produits carnés, bilan 1997 et tendances 1998, France et Union Européenne. *Les cahiers de l'OFIVAL*, No. 13.
- Paquotte, P. (1998). New species in Mediterranean aquaculture: Is it an answer to the market demand for differentiated products?", In proceedings of the XXXIII International Symposium of Societa Italiana per il progresso della Zootecnica, held in Alghero, 22-24 April 1998, pp 73-84. Editors G. Enne and G.F. Greppi. Elsevier.
- Sylvander, B. (1995). Convention de qualité, concurrence et coopération. Le cas du Label Rouge dans la filière avicole. In Allaire, G. et Boyer, R. (ed), *La grande transformation de l'agriculture*, INRA-Economica, Paris, 72-96.
- Valceschini, E. (1999). La notion de progrès économique appliquée aux stratégies de signalisation de la qualité: Analyse des critères d'efficacité. In colloque SFER "le droit rural et ses pratiques dans l'agriculture, l'agro-alimentaire et l'espace rural", Paris 25&26 novembre 1999.