HOW DOES ORIGIN LABELING INFLUENCE CONSUMER CHOICES

Insights from a Systematic Literature Review



METHODOLOGY

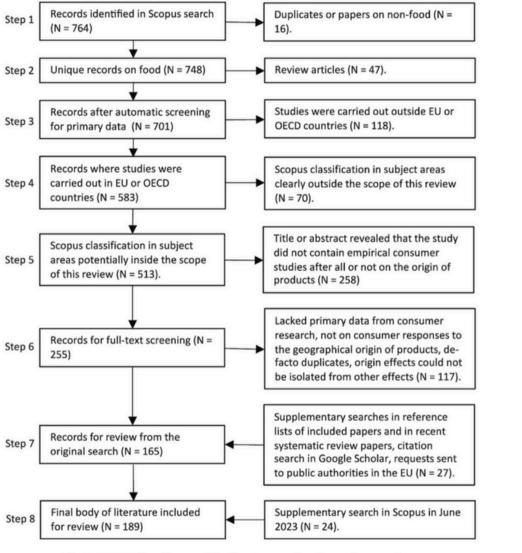
J. Thøgersen



Reference source from:

Thøgersen, J. (2023). How does origin labelling on food packaging influence consumer product evaluation and choices? A systematic literature review. Food Policy, 119, 102503.

The review began with 165 initial publications, with a supplementary Scopus search in June 2023 adding 24 relevant studies, bringing the total to 189. After a thorough screening process, only studies from EU and OECD countries directly examining consumer perceptions of origin labeling were included, reinforcing the robustness of the findings.



Food Policy 119 (2023) 102503

Fig. 1. PRISMA flow diagram of the literature search and screening procedure.

Analysis step:

GOALS REVIEW

#1

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Does the origin of a food product influence consumer buying decisions, and if so, how? #2

Why do consumers find it important to know the origin of the foods they buy?

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#3

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How do consumers understand and interpret information on the origin of food?

Goal #1 DOES THE ORIGIN OF A FOOD PRODUCT INFLUENCE CONSUMER BUYING DECISIONS, AND IF SO, HOW?

Added Value of Local Origin

- Local Preference Over Domestic: Consumers place greater value on local origin compared to simply domestic, with local contributing over half of the total origin effect.
- For example In Europe, this added value is especially strong in southern countries like Italy.

Consumer profile

- Regional Differences: Italian consumers prioritize origin labeling more than consumers in developing countries, where preference for domestic is generally lower.
- Income and Education

Impact: Higher income groups favor local and PDO/PGI labels more, while higher education levels show a slight reduction in origin preference.

Competition with Other Quality Labels

• Effect of Competing Labels: The impact of origin labeling diminishes when other quality cues (organic, eco, or quality assurance) are also present.

• **Consumer Trade-Offs:** Origin becomes less critical when faced with intrinsic product attributes like freshness or specific certifications.

This article concludes that Country of Origin (COO) and Region of Origin (ROO) serve together as origin source labels, yet consumer perception and willingness to pay (WTP) vary based on these distinctions:

- Stronger Preference for Local (ROO): Consumers often value regional (local) origin over broader domestic origin, with local labels adding significant perceived value, especially for certain products.
- Variation in Impact by Certification: Certified labels like PDO/PGI sometimes act as quality indicators rather than solely origin markers, especially in regions like southern Europe, where they are more recognized.
- Context Matters: The effect of ROO or COO can diminish when other quality cues (organic, ecolabels) are present or when the origin label doesn't match the consumer's residence area.





Overall, the impact of origin labeling varies based on cultural and regional factors, as well as consumer familiarity with the product's origin.



Goal #2 WHY DO CONSUMERS FIND IT IMPORTANT TO KNOW THE ORIGIN OF THE FOODS THEY BUY?

Origin as a Quality Signal

- Perceived Superior Quality: Many consumers believe that products from specific origins are of higher quality, safer, and more environmentally friendly.
- Trust in Familiarity: Consumers tend to trust products from regions similar to their own or from countries they perceive as developed or safe.

Support for Local Economy and Identity

- Patriotic Duty: For many, buying local or domestic products is seen as a way to support the local economy and honor their national identity.
- Personal Identity: National origin products contribute to a sense of personal identity, with some consumers choosing domestic goods to reinforce their connection to their country.

Influence of PDO/PGI Labels

• Boosted Perception with Certification: Certifications like PDO and PGI enhance consumer trust in local products, particularly in regions with established food heritage, such as southern Europe.





Consumers find origin information important because it signals quality, safety, and environmental benefits, often perceiving local or domestic products as superior.

Many also feel a patriotic duty to support local economies, and some see domestic purchases as part of their personal identity.

Goal #3 HOW DO CONSUMERS UNDERSTAND AND INTERPRET INFORMATION ON THE ORIGIN OF FOOD?

Ethnocentric Influence on Interpretation

- Ethnocentrism in Perception: Consumers often use origin information to identify local and domestic products, which they typically consider superior in quality and environmental impact.
- Trust in Local Products:
 - Consumers tend to trust local producers more, associating shorter distances with lower climate impact.



Practical Attention to Origin Labels

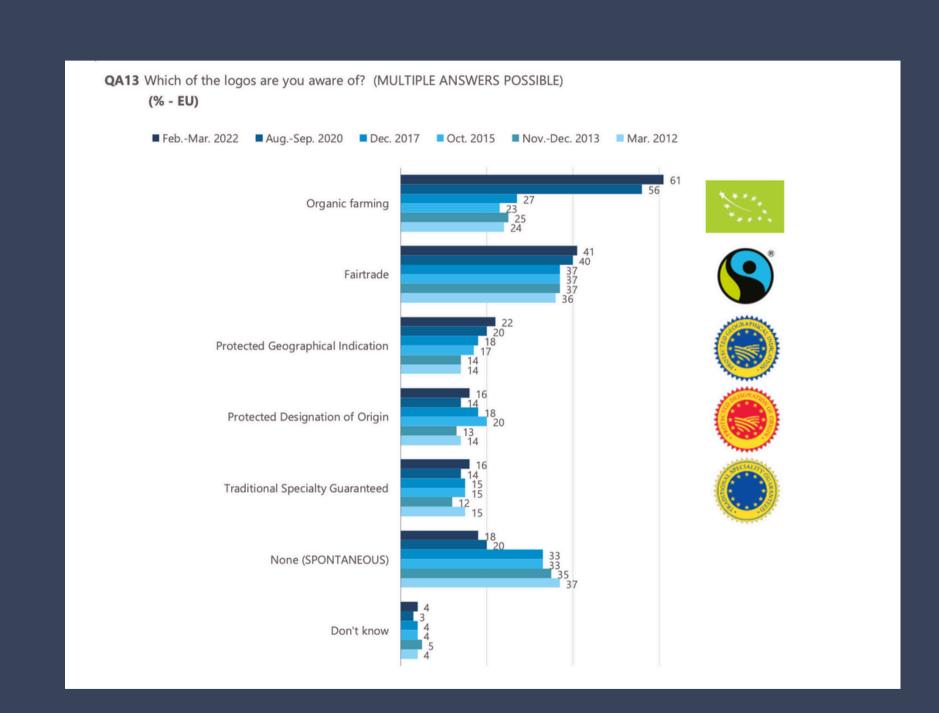
• Low Attention in Practice:

Although consumers express interest in origin information, studies show that many cannot recall the origin of products in their shopping carts, indicating limited attention during actual purchases.

Low General Awareness Across the EU

Many consumers are unaware of the regulations and standards behind official origin labels like the EU's PDO and PGI.

Broader studies across the EU show low awareness of origin labels like PDO, with only 16% recognizing the PDO logo across four Eurobarometer surveys (2012–2017). Awareness is notably higher in southern European countries (France, Greece, Italy, Portugal) but remains low in northern Europe (Denmark, Sweden, UK, Netherlands), highlighting regional disparities.



Goudis, Alexandra & Skuras, Dimitris. (2020). Consumers' awareness of the EU's protected designations of origin logo. British Food Journal. ahead-of-print. 10.1108/BFJ-02-2020-0156.

Consumers primarily use origin labels to infer quality, though many lack awareness of the regulations behind them. While ethnocentric tendencies shape their trust in local products, knowledge of labels also enerally increases with education and personal interest.

Discussion:

FACTORS INFLUENCING THE IMPACT OF ORIGIN INFORMATION ON CONSUMER CHOICES

1.Origin Information on Food Packaging acts as a signal of quality, authenticity, and local pride, **directly influencing consumer choices.**

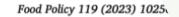
2.Key Factors That Shape Impact:

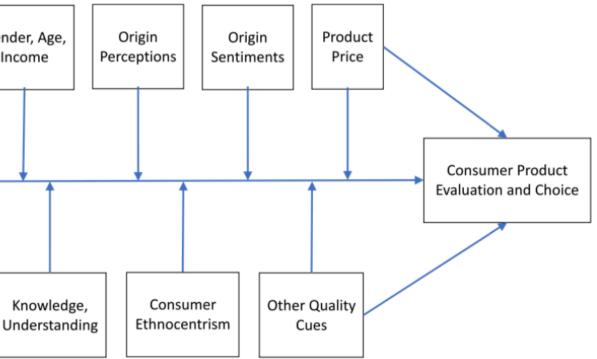
- Demographics (Gender, Age, Income)
- Perceptions & Sentiments
- Ethnocentrism, or patriotism
- Product Price
- Knowledge and Understanding
- Competing Quality Labels

All these factors combine to **influence the consumer's final decision**, making origin labels more or less impactful depending on each factor.

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Fig. 2. Direct and moderated impacts of origin information on consumer food product choices and the most important moderators.





ANSWERS REVIEW

#1

Does the origin of a food product influence consumer buying decisions, and if so, how?

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Yes, origin information significantly influences consumer choices. Consumers often prefer local and domestic products, associating them with higher quality, safety, and authenticity. This preference is even stronger when origin labels, like PDO or PGI, are present, which consumers interpret as signs of superior quality and local craftsmanship. However, in real-world shopping environments, the impact of origin information may be reduced due to distractions and competing quality labels, such as organic certifications.

ANSWERS REVIEW

#2

Why do consumers find it important to know the origin of the foods they buy?

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Consumers value origin information for two main reasons:

• First, they use it as a quality cue, believing that products from familiar or local origins are safer, healthier, and more environmentally friendly. • Second, there is often an element of patriotism or ethnocentrism; consumers feel a sense of duty to support their local and national producers. This is reinforced by "Buy Local" campaigns and cultural beliefs that domestic products are inherently superior.

ANSWERS REVIEW

#3

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How do consumers understand and interpret information on the origin of food?

While consumers value origin labels, many have limited understanding of the rules and regulations behind these labels, which can lead to misinterpretations. Studies show that awareness of specific certifications like PDO or PGI varies widely, with consumers in southern Europe generally more familiar with these labels than those in the north. In practice, consumers may not pay as much attention to origin information during everyday shopping, as it often "drowns" amid other product details and competing labels.





