THE INFLUENCE OF ECOLABELS AND ENVIRONMENTAL INFORMATION ON FISHERY AND AQUACULTURE CONSUMPTION

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Long abstract

Research findings indicate that when choosing a given food product, consumers consider a multitude of non-pecuniary factors, such as those related to good farming practices (Martin and Brandão, 2017), nutritional values (Berné and Martìnez, 2007), or the ease with which the product could be prepared and consumed (Cardoso et al., 2013). Also, according to increasing literature, people are even more interested in the environmental, nutritional, and ethical information about food goods, including their impact on biodiversity (Clear et al., 2015; Katzeff et al., 2020). During the last few years, the use of ecolabels (both environmental and ethical labels) on food products has grown considerably. Salient and concise information makes them aware of the intrinsic and extrinsic goods' eco-friendly characteristics (Schumacher, 2010) and may orient their purchase intentions. Without such information, taking under control of the above characteristics is possible, even if it requires more effort and resources.

Supporting eco-friendly consumption by preferring low environmental impact products is a political issue, and for this reason, the EU Commission has introduced environmental labeling regulation in the food industry¹. Recent data from the Eurobarometer² show that about 50% of European consumers know the importance of ecolabels.

The ecolabels aim to inform consumers about the goods' environmental impact and to promote a more sustainable and conscious consumption (Lehtonen, 1997). Recent literature also indicated a hybridization of two phenomena: on the one hand, the preference for products with low environmental impact, and, on the other hand, the preference for products able to sustain the local economy.

The fish product is often treated as an indistinct commercial group or, at least, composed of macro groups such as fish, mollusks, and seafood. There is, therefore, a high risk of oversimplification, failing to consider the high degree of differentiation of fishery foods offer. In the case of seafood, studies indicate that the intentions and frequency of consumption depend on several factors. For example, Pieniak et al. (2010) have found attention to health and nutrition is positively associated with the frequency of consumption of fish, whereas Verbeke and Vackier (2005) have shown that gender (women) and the level of education increase the fish consumption.

This paper investigates whether the exhibition of sustainable information (i.e., eco-labeling) influence the consumption of fishery and aquaculture products. Using data from the Eurobarometer survey (ebs- 95.1^3) we explore the consumers' environmental attitudes by tracking the trend in consumption of seafood products before/after the pandemic, focusing on the products showing ecolabels. The

¹ For details see: <u>https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=LEGISSUM%3Aco0012</u>

² See the Flash Eurobarometer 258 study.

³https://www.gesis.org/en/eurobarometer-data-service/survey-series/standard-special-eb/study-overview/eurobarometer-951-za7781-march-april-2021

Covid19-Pandemic is often supposed to positively affect awareness about health issues, product quality, and considerations about sustainability despite the negative impact on the general economy (Kemp et al. 2020). We test two main hypotheses. First, we verify if the attention to labels has increased with the pandemic (H1). Second, we check for the negative effect of worsened economic conditions on the propensity to buy labeled seafood products. In favour of the latter, we expect a substitution between labeled and less expensive products when households' budget shrinks (H2). Since now, we can anticipate that data support H2 and only partially support H1. In order to explore these dynamics deeply, we test for the existence of country effects for median purchasing parity, variations in purchasing parity, and cultural dimensions analysed by average consumption per capita and per country used as a proxy.

Moreover, we examine if these decisions have been influenced by other factors, such as changes in shopping routines or product availability. Finally, policy implications about the use of ecolabels in fishery products are provided. Given that the less expensive fishery products can devalue the outcome of ecolabel policies, the first policy recommendation is increasing consumer perception of quality-levels standards of fishery products and incentive measures to foster EU ecolabel awareness. A second policy implication is that policymakers should enhance the regulations of EU ecolabel by boosting industry uptake.

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