



UNIVERSIDAD DE JAÉN

Olive Oil Marketing and Labelling

Prof. Manuel Parras-Rosa, Ph.D.
University of Jaén (Spain)

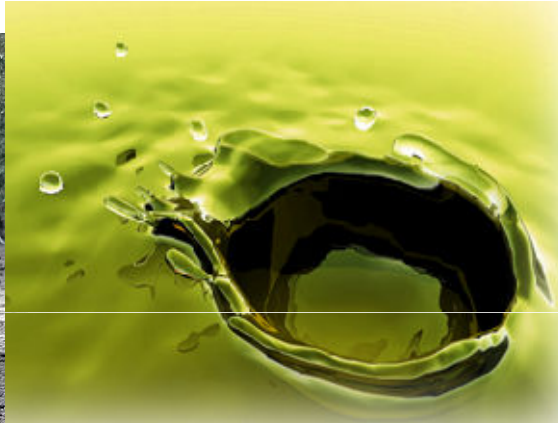


2011 National Conference and Trade Exhibition
Wangaratta, October 25-26, 2011





UNIVERSIDAD DE JAÉN



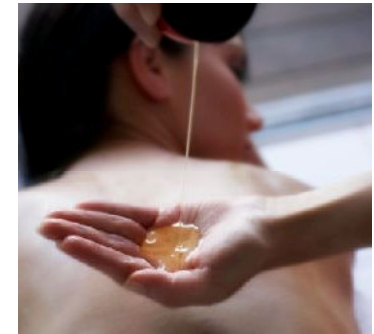
2011 National Conference and Trade Exhibition
Wangaratta, October 25-26, 2011





Issues to consider

- Analysis of changing factors in the olive oil sector.
- The challenges.
- Market orientation.





Analysis of changing factors in the olive oil sector

Increased world production of olive oil

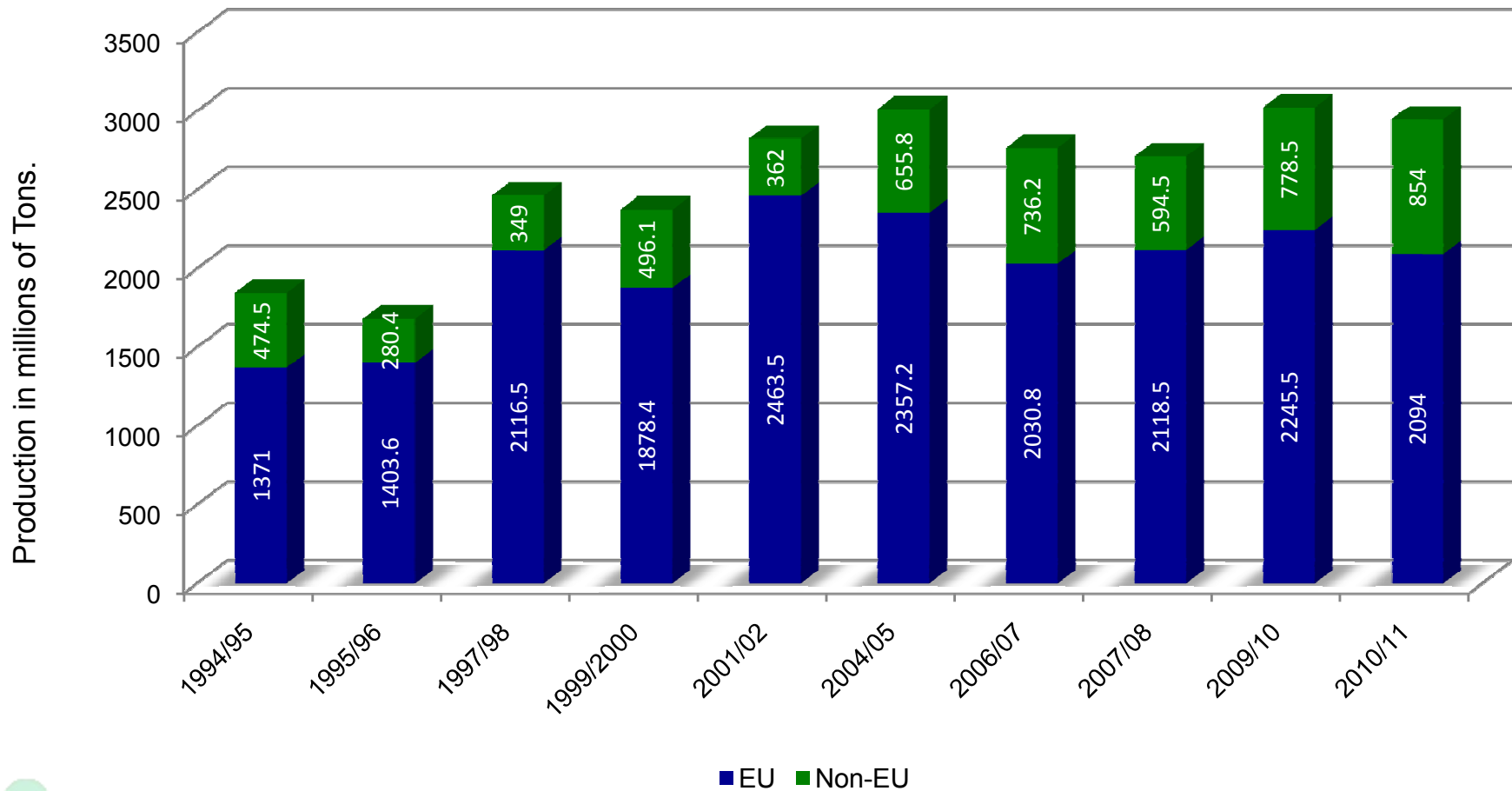
- Increment of the olive growing area in the world, mainly in the form of intensive and super intensive plantings.
- Improvement of productivity (increased irrigation, adoption of technological improvements in the field and primary processing industries).





Analysis of changing factors in the olive oil sector

Increased world production of olive oil





Analysis of changing factors in the olive oil sector

Increased world consumption of olive oil

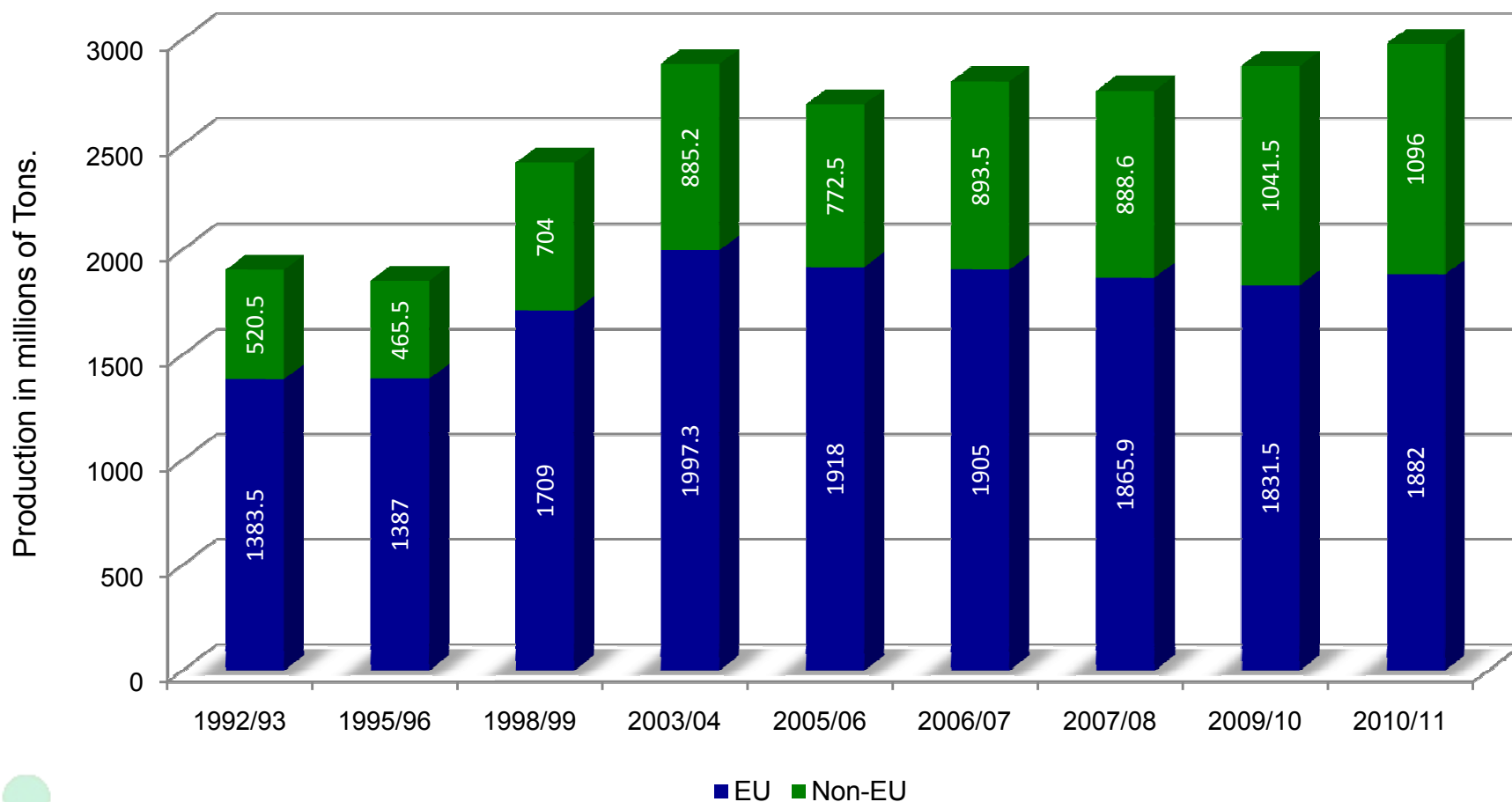
- The trend of increasing consumption of healthy, safe and quality products.
- Global recognition of the healthy and therapeutic benefits of olive oil.





Analysis of changing factors in the olive oil sector

Increased world consumption of olive oil





Analysis of changing factors in the olive oil sector

Increased world consumption of olive oil

Increased consumption of **extra virgin olive oil**, which currently has a small market share and, consequently, a high potential.





Analysis of changing factors in the olive oil sector

Institutional changes in public support policies for the olive industry (I)

Common Agricultural Policy (CAP).

Proposals for the reform of the CAP after 2013-year (Oct. 12, 2011).

- Budget reduction for the CAP: -12%
- Limitation of direct payments per grove. Payments links to employment, uniform payment per hectare, “greening” payment for all producers maintaining “natural ground condition”.
- Additional support for limited income growers in rural areas.
- Specific support for young and small producers.
- Greater flexibility in mechanisms of market crisis management.
- Higher investment in R+D+i and promotion of food chain restructuring measures.
- Rural development: promote conservation and recovery of agro-ecosystem; preventing climate change and efficient use of resources (water).



Analysis of changing factors in the olive oil sector

Institutional changes in public support policies for the olive industry (II)

It is expected further liberalization of international trade.

Olive Law of Andalusia (Sept. 27, 2011).

Unique in Europe.

Two main objectives:

- Increasing competitiveness and sustainability of the Andalusian olive groves.
- Regional support to the olive territories. Support to areas where the production of olive oil is crucial for its economic, scenic, environmental or heritage importance.

The olive is considered as social and territorial cohesion basic element.





Analysis of changing factors in the olive oil sector

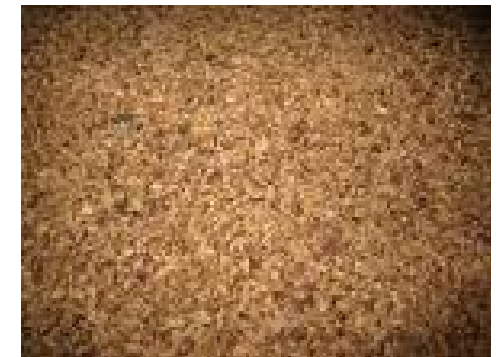
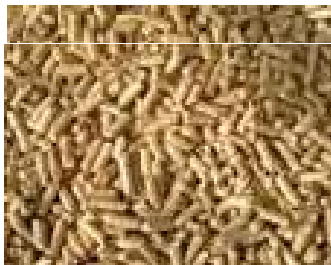
- Increased concentration of the commercial distribution.
- Proliferation of distributor/home brands.





New business opportunities

- New business opportunities while positioning the industry as environmentally responsible as a result of the technological development.
- Development of an “olivenergy” and other types of subproducts and alternative uses (leaves, olive pits, pruning residues, pomace, ...).
- Other opportunities for business diversification. Cosmetics, olive tourism, etc.





The challenges

- Food Quality and Safety.
- Constant improvement of the quality and safety of olive oil.

We need:

- Design public and private policies that promote quality and food safety.
- Develop new methodologies to detect fraud.
- Increase the government control of products offered to consumers. Prevent fraud.





The challenges

- Efficient management of production structures.
- Productivity improvement in a context of sustainable use of resources.





The challenges

Olive oil / Environment and Climate Change pairing

The development of the olive industry must be compatible with:

- the environmental objectives of climate change prevention.
- biodiversity and landscape conservation.
- water management efficiency.
- reduce CO₂ emissions.
- highlight the contribution of olive as CO₂ sink effect.





The challenges

- New business – New sources of income and employment.
- Increasing diversity of activities in the products and subproducts for marketing and sales.
- Multifunctional character of olive sector.





The challenges

Olive oil and land. From the industry approach to the land approach.

- Olive is still an essential engine for the rural economy in vast areas of the producer countries.
- Nonetheless, it is essential to address the diversification and enforce the multifunctional character of the olive: its ability to link land, jobs and environment protection. Local populations and production systems must be maintained together with traditional agricultural landscapes, erosion mitigation and biodiversity.



2011 National Conference and Trade Exhibition
Wangaratta, October 25-26, 2011



The challenges

Sector structuring. Promotion of inter- and intra-sectorial cooperation.

- Create well integrated and appropriately sized marketing structures based in a greater inter- and intra-sectorial cooperation.
- Through cooperation and more volume, we can create structures that integrate processes. The processes must be oriented into the destination (as sales) or into the origin (purchasing and services) or in both directions.
- Develop strategic alliances.
- Formation of solid structures between agents: associations, producers, distributors, inter-professional.





The challenges

Improving the agri-food chain performance.

- Improving relationships between the various links in the chain is essential.
- It is necessary the promotion of sustainable relations based on market needs amongst food chain members.
- Also, it is necessary to increase the transparency along the chain for increasing competitiveness and fitness for price volatility.





Olive oil and knowlegde

Investing in R+D+i and promoting innovation and professionalization

- Investing in R+D+i. Public and private funds are necessary to ensure the development of reseach.
- Increasing knowledge transfer and advice to the manufacturing sector. It is necessary greater cooperation between producers and researchers aimed to accelerate innovation.
- Incorporating professionals to the sector. The sector needs professionals in different activities for the companies.





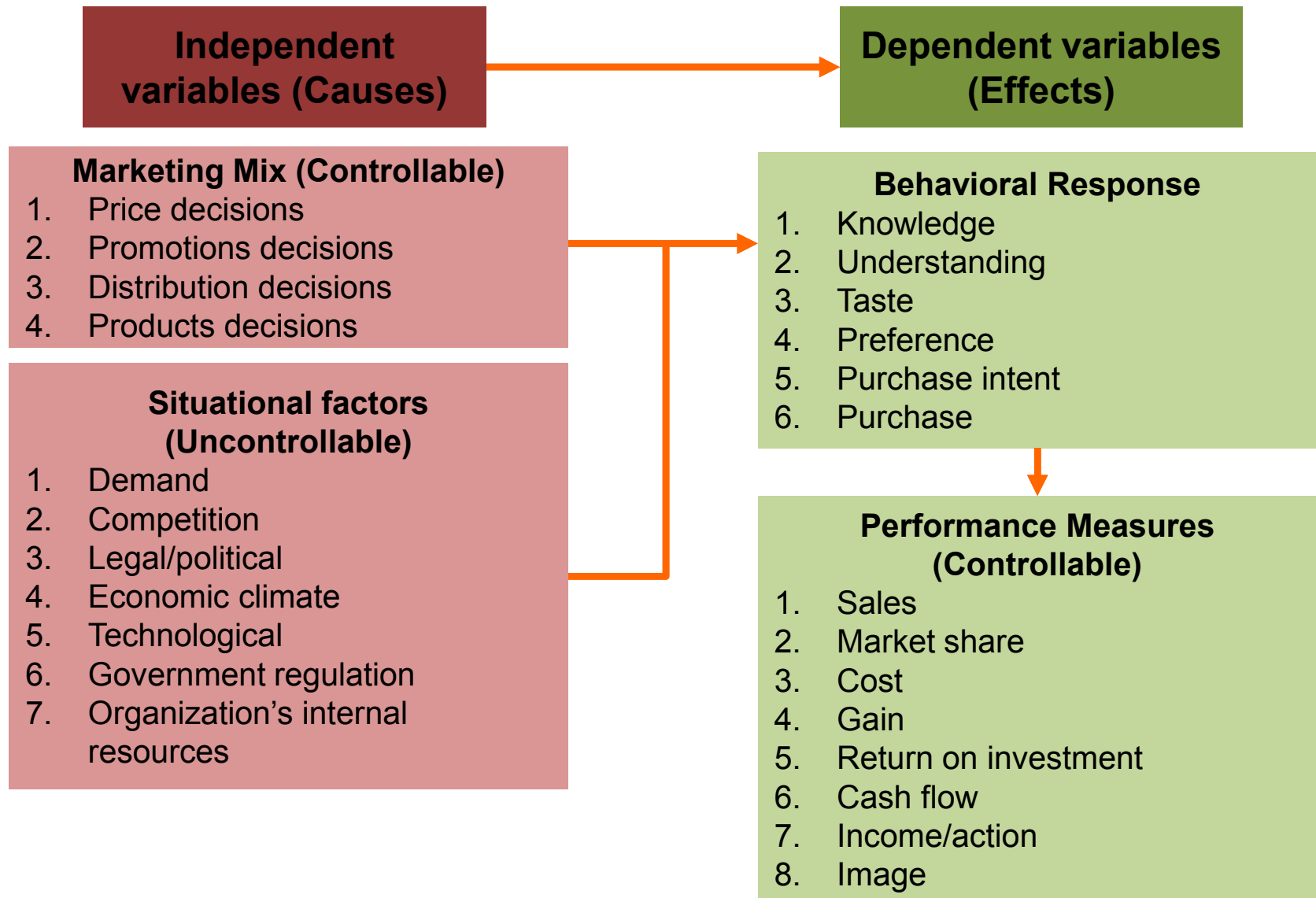
Efficient market-based orientation

- “Until you know why people buy things, you sell nothing”
- “Just produce what you can sell”





Marketing system





Consumer behavior in the olive oil sector: some considerations

- Diagnosis on attitudes
 - Ignorance of consumers about olive oil types and its distinctive features as a result of a policy oriented to satisfy the offer and not oriented to help the customer. The policies must be oriented to help to the consumers in the olive oil classes differentiation.
 - Consumer ignorance of the differentiation elements of the offer: certifications, origin protected denominations, integrated agriculture, organic extra virgin olive oil, etc. as a result of some efficient communication policy, which ballasts the promotion policies.





Information and Communication Strategies (I)

- Increase the knowledge level as a consumer's protection.
 - Through accurate, effective and useful information about the olive oil characteristics. This information must be oriented in order to facilitate the understanding and decision making process by the consumer and to avoid misleading and deceptive practices.
- Regulation of the labelling and generic names.
 - So far, this policy has produced an important confusion and has allowed a “jungle semantics”. This problem has limited the market access to the producers by the “perceived risk” effect.





Information and Communication Strategies (II)

- In summary, labelling regulations must provide information to consumers.
 - It is important to avoid confusion and facilitate the consumer's decisions.
 - Provided information should be accurate, adequate and comprehensive on the olive oil characteristics.
- Communication strategy is different to information overload.
 - Must include clear messages about differences between olive oil types.
 - Do not confuse information with communication.





Other strategies in consumer behavior (I)

- Promote development policies of the claim.
 - It is fundamental to invest in promotion and consumer information. The promotion and information must be tailored to individual market segment, previously identified.
- Explore the issues connected with olive oil packaging.
- Hotel-Restaurants-Coffees Shop Channel.
 - Prohibition of containers that allow immediate and indefinite reuse by the catering establishments.





Other strategies in consumer behavior (I)

The screenshot shows the top part of the europapress.es website. At the top left is the logo 'europapress.es' and the date 'Martes, 18 de octubre 2011'. Below the logo is a row of flags representing various countries. A navigation bar contains categories: NACIONAL, INTERNACIONAL, ECONOMÍA, DEPORTES, TV, CULTURA, SOCIEDAD, SALUD, COMUNICACIÓN. Below this is a sub-navigation bar for 'ANDALUCÍA > Sevilla' with sub-categories: Sostenible, Agroandaluz, Medio Ambiente, Turismo, Cultura. Further down are specific topics: La Pepa 2012, Empleo, Educación, Milenio de Granada. The 'DESTACADAS' section features three news items with small images and headlines.

AGRO

La Ley del Olivar incentivará el uso de envases de un solo uso para el aceite en los restaurantes del canal Horeca

Directorio Pesca Junta Andalucía Ley Olivar Clara Aguilera Impuesto Depósitos Clientes

Deja tu comentario

Imprimir Enviar

COMPARTE ESTA NOTICIA

tweet enviar meneat tuenti



Foto: EUROPA PRESS/JUNTA DE ANDALUCÍA

SEVILLA, 31 Jul. (EUROPA PRESS) -

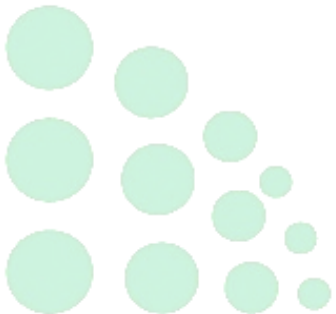
La Ley del Olivar incentivará el uso de envases de un solo uso para el aceite de oliva en los restaurantes del canal Horeca, según ha informado la consejera de Agricultura y Pesca de la Junta de





Other strategies in consumer behavior (II)

- Promote the culture of the international expansion of companies.
 - So let improve the olive oil presence in the international markets.
- Developing a total quality strategy.
 - Extra Virgin Olive Oil is a natural food, but consumers want it to be natural for the entire production process from trees to tables.





UNIVERSIDAD DE JAÉN

THANK YOU VERY MUCH FOR YOUR ATTENTION

MUCHAS GRACIAS POR SU ATENCIÓN

e-mail: mparras@ujaen.es



2011 National Conference and Trade Exhibition
Wangaratta, October 25-26, 2011

