

UNDERSTANDING LABELLING A CONSUMER RIGHT! IT'S IN OUR HANDS

INTRODUCTION

From the time we wake up in the morning, to when we go to bed at night, we are consuming. The concept of **consumption**, or why we decide to consume, has intrigued researchers and behaviourists for decades. When you buy a product you are making a decision about its quality. By buying and consuming an item, you as a consumer exercise 'choice'. Consumer choice is vital for a healthy economy. Choice, and thus competition, makes companies fight for our **disposable income** and ensures we receive quality products and services at competitive prices.

Research shows that when it comes to purchasing food, most modern consumers want to buy food that is cheap, diverse, high quality, and safe.

Can you imagine walking into a deli and buying meat when you see the assistant handling the food with dirty hands? How would you feel about an item you are about to purchase if you had no idea what its ingredients were?

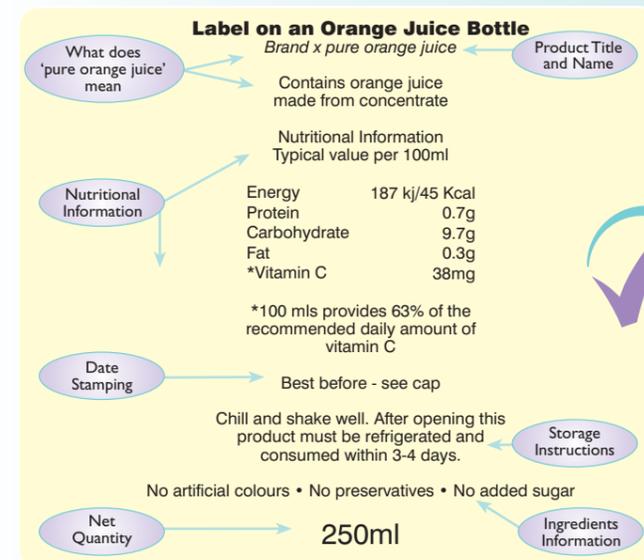
If customers do not have confidence in the standards of a product or service, it will result in lost profits. Consumers will act with their feet and decide to spend their money elsewhere. For this reason consumer confidence is crucial. Also, as a result of pressure from consumer groups, the provision of information regarding health benefits and nutrition is becoming essential. The issues raised here fall into an area of marketing called '**consumerism**'.

FOOD LABELLING AND THE CONSUMER

The food we eat today is a key part of our lifestyle. We ask ourselves 'is this food good for me?' or 'how much of this should I eat?' What we eat is becoming more important as we move toward healthy, self-improved lifestyles. As consumers become more conscious of food ingredients, it is in the interests of manufacturers to highlight product contents and health or nutritional benefits. Labelling is just one way of providing consumers with appropriate information. Labels are of particular importance when we consider processed or fresh foodstuffs as well as perishable **fast moving consumer goods (FMCG)**. Labelling needs to be accurate, particularly at the **point-of-sale (POS)**.



WHAT TO LOOK FOR ON A LABEL



How often do you buy something without looking at the product label? How many of us understand the details presented on product labels? Labels should not mislead consumers and information should be easily seen. This is the principle of '**the field of vision**'. By law, packaged food must show:

- The name under which the product is sold and processed, e.g. **'evaporated skimmed milk'** or **'pure orange juice, made from concentrate'**.

- The **list of ingredients** should be shown in descending order of weight or volume. Certain foods do not have to meet with this requirement. For example, unprocessed fruit or vegetables.

Cereal Starch – where a starch originates from a cereal, that cereal must be stated. This requirement is particularly important for those who can't digest gluten or who have other digestive disorders.

Meat Products – sausages, for example, must list the animal species or the generic name from which the meat is derived.

Additives must be labelled with their category followed by either the E number or name of the additive. EU regulations require each additive in processed food to be listed on the package with its E number.

- Quantity** of certain ingredients or the quantitative ingredient declaration (**QUID**) in percentage terms. A ham and pineapple pizza will say: 35% ham, 20% pineapple. This allows the consumer to compare amounts of each ingredient with other branded products. Some examples where QUID is used include:

List of Ingredients, QUID and Specialist Information

INGREDIENTS

VENISON (62%), PORK (28%), REDCURRANT JELLY (4%) (SUGAR, GLUCOSE SYRUP, REDCURRANT JUICE, GELLING AGENT: PECTIN, ACIDITY REGULATORS: CITRIC ACID, SODIUM CITRATES); RED WINE, SALT, MALTODEXTRIN, SAGE, BLACK PEPPER, GARLIC, PRESERVATIVE: SODIUM METABISULPHATE; CHILLI POWDER, HERBS, ANTIOXIDANT: SODIUM ASCORBATE: CLOVES. (MADE WITH 90% MEAT) FILLED INTO NATURAL PORK CASINGS.

Gluten Free

- where the ingredient is included in the name of the food, e.g. strawberry yogurt or pork sausage
- where the category of the food is included, e.g. nut loaf or fruit pie.
- The Net Quantity** – this is the weight or volume (not including packaged material). For example, 100g of cereal is the weight of the cereal inside the box.
- Date of Minimum Durability** is the date in which the foodstuff should be sold or properly stored before it loses its specific properties.
 - 'Use by' – this is placed on food with a shelf life of less than 6 weeks. This is particularly important for **perishable goods**, which may constitute an immediate danger to human health if consumed after the 'use by' date.

NUTRITION INFORMATION PANEL

Salt

Salt may be listed as 'sodium' on the nutrition label of some products. It is recommended that we should aim to consume less than 6g of salt (which is about one teaspoon) a day*.

*Irish Heart Foundation

1g of sodium is equal to 2.5g of salt

The recommended dietary allowance of sodium, according to the health professionals, is 2.5g (for men) and 2g (for women).

ACTIVITY

a) What is the recommended daily intake of sodium if we aim for less than 6g of salt per day?

The daily recommended portion of sodium is 2.5g for a man and 2g for a woman. If a breakfast cereal lists 0.85g of sodium per 100g on its label, how many grams of cereal must a man and a woman eat to get their recommended daily amount?

- ▶ 'Sell by' – this allows 2-3 days' extra storage at home.
- ▶ 'Best before' – on foods, such as flour or cereal with a longer shelf-life (3-18 months).

Some manufacturers are now providing 'consume-by-dates' as an extra guide. Legislation is being prepared that will recommend 'use by' rather than 'sell by' date to eliminate confusion.

- ▶ **Storage instructions** or conditions of use are outlined so the consumer can maintain product quality. Examples include, 'refrigerate after opening' or 'store in a cool dry place', 'suitable for freezing'.
- ▶ The **business name and address** of the manufacturer, packer (inside or outside the EU) or seller (inside the EU) to facilitate a consumer complaint.
- ▶ **Place of Origin** of the foodstuff if its absence might mislead the consumer to a material degree. If you wanted to buy 'Florida Grapefruit Juice'; you may assume that the ingredients do indeed include grapefruits from Florida. Would you make this assumption? Today this requirement is a major concern as under current legislation chicken breasts that are imported from outside the EU, but are processed for ready-made meals in Ireland are actually deemed to be of Irish origin. To clarify, the product itself could be considered as Irish, not the 'chicken' specifically.

Because the **food chain** is becoming so complex, traceability has become a serious issue for consumer groups. By tracing where our food comes from consumer confidence can be maintained. Indeed, 73% of people recently surveyed said they would pay more to guarantee food traceability and safety. Some retailers have taken steps to ensure their products can be traced right back to where they were sourced. The assurance that a checking system is in place in the case of an emergency or recall is an invaluable tool for boosting consumer confidence.

*Agriaware Consumer Study www.agriaware.ie

PLACE OF ORIGIN AND TRACEABILITY

What is the difference? 'Smoked Irish Salmon' versus 'Irish Smoked Salmon'

Could any of these products have been made in Ireland?

- ▶ American Style Burgers
- ▶ Florida Orange Juice
- ▶ Processed Whole Irish Chicken Breast

- ▶ **Instructions for use** should be shown where necessary e.g., cooking instructions by microwave or oven.
- ▶ **Beverages with more than 1.2 percent alcohol** by volume must declare their alcoholic strength.

HEALTH CLAIMS

Health claims are defined as "any statement in food labelling and advertising that the food is some way beneficial to health", and must not be false or misleading. An example of a health claim is 'can reduce cholesterol' or 'can prevent heart disease'.

A medicinal claim that a food treats, prevents or cures a human disease is prohibited. However, health benefits can be referred to. At present, health claims are not specifically regulated. There is currently no specific definition or requirements for substantiation concerning health claims in Europe. However, proposals to change this are currently being discussed at an EU level. More information on this can be found on www.europa.eu.int.

FATS – DID YOU KNOW!

Most people believe that all fats are bad. However, fats provide the consumer with energy – 1g provides 9kcal of energy. It will take an average person one minute to burn off 9kcal by walking up and down the stairs.

SUGAR – DID YOU KNOW!

Sugar also provides energy - 1g provides 4 kcal. It will take the average person one minute to burn off 4 kcal by getting washed and dressed.

NUTRITIONAL CLAIMS

'low in fat' • 'high in fibre' • 'calcium enriched'

Nutritional information is useful for those that are on special diets, e.g. low calorie/low salt, or for those with health conditions such as coeliac disease, diabetes or allergies. Nutritional claims can only relate to:

- ▶ the energy value
- ▶ the nutrients: protein, carbohydrate, fat, fibre, sodium, and substances that belong to or are components of these nutrients
- ▶ vitamins and minerals.

Currently, nutritional composition has only to be given per unit (of 100g or 100ml). This is useful when comparing two different products.

Nutrition Facts		per 1 cup dry (88g)	
Amount		% Daily Value	
Calories	300		
Fat	1.5 g	2 %	
	Saturated 0.2 g		
	+ Trans 0 g	1 %	
Cholesterol	0 mg	0 %	
Sodium	2 mg	0 %	
Carbohydrate	61 g	20 %	
	Fibre 2 g	8 %	
	Sugars 0g		
Protein	11 g		
Vitamin A	0 %	Vitamin C	0 %
Calcium	2 %	Iron	0 %

Nutrition labels are not compulsory. If a nutritional claim is given, energy, protein, carbohydrates and fat must be shown on the label (known as Group 1 declaration). Additional nutritional information – sugar, saturates, fibre, and sodium are also found on the label (Group 2 declaration). This is very important for people who need to monitor their diet for health reasons. Some product labels have information panels with recommended dietary allowance (RDAs) guidelines from health professionals. However, these panels are meaningless unless a list of the recommended daily intake of nutrients is also to hand. Some panels don't provide the comparison.

Compare the following foods and calculate what percentage of the RDA it meets.

RDA Vitamin C = 60 mg/d

Jusey Joo's Orange Juice Vitamin C = 10.57mg

Outrageous OJ Vitamin C = 42.39mg

Unit Pricing & Loose Products: The price per unit (i.e. per kilogram or per gram) allows you to compare packets of different sizes and gauge the best value

Example: 100g coffee costs €1.30 = 1.3 cents per gram
200g coffee costs €2.50 = 1.25 cents per gram.

By comparing the price-per-unit, the larger jar of coffee can be seen to be cheaper. Transparent pricing ensures consumers can make clear and accurate decisions. Unit pricing is particularly important when comparing food that is sold loose, e.g., fruit or sausages.

THE EU AND LABELLING LEGISLATION

The EU has many stipulations for the labelling of food, both processed and fresh. There are two main pieces of legislation, one at European level and one at national level, that control the general labelling, packaging, and advertising of foodstuffs:

- ▶ Council Directive 2000/13/EC relates to the labelling, presentation and advertising of foodstuffs as amended by Commission Directive 2001/101/EC. Other amendments include 2003/89/EC (including extra requirements for allergen labelling) and 2002/67/EC (labelling of foodstuffs containing quinine, and/or caffeine).
- ▶ European Communities (Labelling, Presentation, and Advertising of Foodstuffs) Regulations, 2002 (S.I. No 483 of 2002). As amended by S.I. 257 of 2003; S.I. 451 of 2003 and S.I. 528 of 2003.
- ▶ Nutrition Labelling is regulated by EU and national legislation, and is necessary when a nutrition claim is made. Nutrition Labelling for Foodstuffs Regulations 1993 (S.I. No388 of 1993) implementing the European Council Directive 90/496/EEC.

CONCLUSION

The next time you select a food item to buy, examine its label and ask yourself before you make the purchase:

- ▶ What does the food manufacturer want me to know about this product?
- ▶ Do I know everything I need to about this product?
- ▶ Am I about to buy the best item that I can afford?

While manufacturers work to improve labels and provide clear, relevant information, consumers too have a responsibility to use that information to make smart purchases. Remember the choice is in your hands.

GLOSSARY

Consumption – The use of a product or service by an end user until it has no remaining value.

Disposable Income – The amount of income left to an individual after taxes have been paid, available for spending and saving.

Consumerism – The field of marketing that deals with the rights of the consumer. Having appropriate information and consumer choice is crucial for building consumer confidence, particularly when dealing with food products.

FMCG – Fast Moving Consumer Goods: This is usually an everyday low priced and low risk product that requires very little thought when purchasing.

Food Chain – shows how each living thing gets its food. Some animals eat plants and some animals eat other animals. Each link in this chain is food for the next link. A food chain always starts with plant life and ends with an animal.

Point-of-Sale (POS) – This is the point at which the purchaser pays for the product or service being purchased. This is an important part of the consumption process and usually follows the consumer's decision-making process. Product information at this point will help the consumer to make a decision.

TASKS & ACTIVITIES

BUSINESS

- 1 Consumers are 'individuals and households who buy or acquire goods and services for personal consumption'. Why is this stakeholder group important for business?
- 2 Explain the following terms;
 - a. Consumer Confidence
 - b. FMCG
 - c. Principle of 'field of vision'
 - d. QUID
 - e. Perishable Good.
- 3 In your opinion, why does labelling need to be particularly accurate at the point-of-sale?
- 4 In your opinion, what is the difference between a 'customer', a 'purchaser' and a 'consumer'? What are their roles when considering the consumption process?
- 5 Select three breakfast cereal boxes.
 - a. Using the checklist of items to appear on labels compare the three different products.
 - b. Compare the levels of sodium in each product.
 - c. What percentage of the recommended daily allowance of salt does each product provide? How does the portion weight affect this calculation?
- 6 Conduct a survey in your class using the following questions;
 - a. Do you have any concerns about the accuracy of food labelling?
 - b. Is food labelling misleading?



www.safefoodonline.com