

Consumers unwilling to pay premium create challenges for food companies

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Food companies face the challenge of consumers not willing to pay a premium for high standards, a new report [The Long and the Short of It](#) has found.

Produced by the Sustainable Food Supply Chain Commission, which included academics from the University of Warwick, *The Long and the Short of It* argues: "Companies that aspire to promoting social and environmental sustainability in their supply chains are competing with other companies that may not share those aspirations".

Whilst the Commission found that there is considerable scope for the market to reward the aspirations for high standard, there is also a limit "to how much companies can expect consumers to pay for higher standards – a limit in terms of the premium that consumers will be willing to pay and also in terms of the market share that can be commanded."

Organised by the Industry and Parliament Trust in collaboration with the University of Warwick's Global Research Priority on Food and the Food Ethics Council, the Sustainable Food Supply Chain Commission included academics, parliamentarians and representatives from the agricultural and food industries.

Commenting on the report Professor Rosemary Collier, report Commissioner, Director of the University of Warwick's Crop Centre and one of the academic leads for the Food GRP, said:

"The Sustainable Food Supply Chain Commission has affirmed the considerable complexity of the 'food system' and the substantial linkages and interdependencies between the environmental, social and economic aspects of sustainability".

The report's findings form the basis of a delegation to the European Commission and meetings with the European Parliament's Agriculture and Rural Development Committee. Paul Brannen MEP and Anthea McIntyre MEP – Member and Substitute Member of the European Parliament's Agriculture and Rural Development Committee respectively – were both present to discuss the report with Commissions.

Speaking after, Mr Brannen commented:

"'The Long and the Short of It' investigates some of the most pressing issues that surround food supply chains, and how we can ensure future supply chains are sustainable. I was pleased to be able to speak to the guests for this visit, and I hope that we can tackle the ever increasing challenge that is sustainability within our [supply chain](#); a task that is becoming increasingly complex with changing atmospheric and weather conditions through climate change."

Ms McIntyre said:

"I was pleased to speak with the delegates from the Industry and Parliament Trust's visit to Brussels. 'The Long and the Short of It' does a good job in exploring some of the key themes surrounding food supply chains, an issue that needs to be addressed to ensure the demand for food can be met, and in a sustainable manner."

The Long and the Short of It investigated five issues surrounding the challenges of maintaining a sustainable [food supply](#) chain:

- How the Market Operates
- Volunteerism or Regulation
- Engaging with People as Citizens and Consumers
- Certification and other Assurance Schemes
- Investing in Supply Chains

The University of Warwick's Global Research Priorities (GRP) programme focus the University's world-class multi-disciplinary research on areas of international significance. The GRPs bring together research strengths from across the University, giving them clear thematic identities that show where Warwick can make a significant, and distinctive, contribution to the resolution of some of the world's most pressing issues.

Nick Maher, Chief Executive Officer from the Industry and Parliament Trust summarised:

"The Sustainable Food Supply Chains Commission is a prime example of how parliamentarians, business and academia can confront an issue that is relatively underexplored. Food waste, efficient supply chains and finding sustainable sources of food are challenges we need to face, and this report is a great way to start the dialogue about how we can solve some of these problems."

Provided by University of Warwick

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