



## Internship offer

### **Generalized cost of quality food: can it explain the discrepancy between declared and observed preferences?**

#### **Context**

French consumers have a very favourable image of organic farming: 87% of them attribute environmental benefits to it and 82% think it is better for health (Agence Bio, 2020a). They also have the impression that they consume it a lot: 75% of French people say they consume organic products at least once a month, and depending on the type of product, between 62% and 89% of these frequent consumers say they mainly consume the organic alternative (Agence Bio, 2020a). However, the market share of organic products still represents only 6% of the food market (Agence Bio, 2020b). When we look at actual purchases rather than purchases declared in opinion surveys, only 6% of consumers regularly buy the organic alternative for more than 5 products, and 0.8% for half of the food basket (Lambotte et al., 2020). From the consumer's point of view, the barriers to a transition to a predominantly organic food basket remain significant: price is the first barrier cited, followed by three informational barriers (doubts about the reliability of the label, doubts about the interest of the label and lack of knowledge about the label).

This internship focuses on the price barrier. We intend to evaluate the generalized internal cost - i.e. for the consumer - of consumption oriented towards organic farming in order to measure the extent of the additional costs related to shopping and cooking.

Generalized cost is a commonly applied concept in transport economics (Bruzelius, 1981; Combes and Lafourcade, 2005; Lafourcade and Thisse, 2011). It consists of valuing time, drudgery, safety, reliability, punctuality, and other non-monetary costs in the cost of journeys, for example to assess the relative merits of different alternatives. Following on from Gary Becker's ideas, this concept assumes that rational agents take into account the sum of the costs inherent in a journey (non-monetary and monetary attributes) in order to choose the cheapest alternative. The choice of a type of product (e.g. organic) in food would thus be the result of an individual trade-off between several choices: types of products (organic or not), supply locations (mode of transport, distance, transport time) or time needed for cooking. The theory assumes that the agent's choice is for a product if its price is lower than the marginal utility that the agent derives from it. Time is usually the determining non-monetary attribute.

This concept has never been applied to food economics. However, some work in the sociology of food suggests that the time spent sourcing and cooking is a strong constraint for households, which weighs on food choices. For example, the time devoted to meal preparation, which has long been stable in France (Regnier et al., 2015), has begun to decrease since 2000 (de Saint Pol and Ricroch, 2012). Similarly, the share of meals outside the home, which has long been stable at around 25% of the time devoted to eating (de Saint Pol and Ricroch, 2012) seems to have increased by 15% between 2014 and 2018 (FranceAgriMer, 2019). Supply time can also represent a constraint for households.

We therefore propose to estimate the generalized cost of diets in order to have a broader vision of the cost of a diet rich in organic products. This estimate of the generalized cost will thus be applied to the 0.8% of consumers who have already made a radical transition to organic products (Lambotte et al., 2020), to the sustainable diet proposed by the WWF and possibly to other less radical forms of sustainable food. The food budget of the former has been estimated to be 12% higher than that of consumers who are less oriented towards organic farming (Boizot-Szantai et al., 2017), although "sustainable" plates at constant cost seem possible (WWF, 2017). Taking into account the hidden

costs (supply, cooking, etc.) of diets through the notion of generalized cost will give a more complete picture of the food item and allow a more accurate estimate of the cost of food.

### **Missions**

- Providing a literature review related to generalized cost and to time and monetary costs associated with food provisioning, cooking and certified food
- Setting up a protocol aiming to meaningfully connect existing databases on these topics
- Assess the generalized cost of the food basket of quality-oriented consumers and convey the results as an academic article

### **Profile**

- Master degree in economics
- Interest in territorialized agri-food systems, logistics / transport, the environment
- Skills in handling and processing quantitative data, including econometrics

### **Working conditions**

- Time period: around 6 months starting in March 2021
- Location: [UMR CESAER \(INRAE-AgroSup\)](#), Dijon, France
- Internship gratification: around 550€/month. Travel expenses related to field work will be fully covered
- Follow-up PhD grant: an application has been made for a PhD grant on a follow-up topic. Subject to the success of this application and the performance of the candidate during the internship, the internship could be prolonged into a 3-year PhD.

### **Contacts**

Marion Drut, associate professor ([marion.drut@agrosupdijon.fr](mailto:marion.drut@agrosupdijon.fr)) 03.80.77.28.75

Valentin Bellassen, research fellow ([valentin.bellassen@inrae.fr](mailto:valentin.bellassen@inrae.fr)) 03.80.77.27.91

### **Application deadline**

December 7<sup>th</sup>, 2020.

Send a CV, a short motivation letter and the contact information of two current or former teachers/supervisors