



SOCIAL AND ECONOMIC IMPACTS

GISERA | Gas Industry Social and Environmental Research Alliance

Perspectives on risk to local markets and industries

This project explored the value of regional branding – especially in relation to food and beverage production – and examined potential risks to this value from energy and resource development.

Key points

- GISERA has undertaken research to better understand potential impacts on food and beverage markets and regional branding in South Australia.
- Researchers surveyed Australian consumers about their perceptions, preferences and decision making around food and beverage purchases.
- Food quality and safety are important to consumers and country or place of origin is used by consumers as an indicator of quality assurance.
- This trust in regional brands underlies risks perceived by stakeholders in areas undergoing resource development.

Previous studies conducted by GISERA indicated that some primary industry stakeholders in South Australia were concerned that the clean, green reputation of the region may be put at risk by the development of the natural gas industry.

In response to these concerns, GISERA researchers have now completed a project examining the strength and value of regional branding across Australia, and exploring the different factors that consumers take into account when making purchasing decisions.

Results from this research will assist community understanding and inform public communications and policy development.

The role of regional branding

The value of Australia's agriculture, viticulture and livestock is inherently tied to the perception of Australia as a country of well-managed land, clean water, and fresh produce.

Many food and beverage producing regions across the country have developed their own distinct branding that builds on this perception and supports businesses to add value to their products. These strong regional brands, which include Tasmania, Hunter Valley, and Yarra Valley, have high levels of recognition with Australian consumers.

In South Australia, some industry stakeholders have raised concerns that the value of their regional brand may be at risk from gas development. This GISERA research project attempts to address that concern.

Project methodology

To improve understanding of the factors that influence purchasing decisions – and to quantify the value placed on regional branding and associated attributes – CSIRO researchers undertook a broad survey of potential consumers within the Australian domestic market.

The survey was designed to reach a representative sample of people: quotas were set for gender, age and location to obtain a sample that closely matches the characteristics of the general Australian population.

Caption: Hay bales in a wheat field, South Australia.



Responses to the survey, which took place online in late 2021, enabled researchers to collect information about the associations consumers make between different Australian regions and their industries, agricultural products, and regional attributes.

Researchers then subjected the resulting data to numerical and graphical analysis.

Key findings: consumer preferences and concerns

Consumers were asked about their preferences and personal beliefs regarding aspects of food production and environmental values.

Respondents indicated the extent to which they agreed or disagreed with a range of statements relating to food quality, food safety, place of production, animal welfare, and carbon footprint.

Results showed that even though consumers generally regard themselves as environmentally conscious, ethical and environmental factors – including concerns about resource or energy development – rank much lower than price and food quality in purchasing decisions.

In a list of sixteen potential concerns about food production, the top six all related to food safety. Concerns relating to place of production and animal welfare were ranked next, and concerns about mining and energy industries within food producing regions were ranked 13th-16th.

Key findings: regional branding

Respondents were asked about their awareness of different Australian food producing regions, some of which are also regions where resource development has taken place.

Survey results revealed that perceptions about products or attributes of a region can be strongly affected by proximity to the region or geographical awareness due to a previous visit.

While consumers may hold some concerns regarding gas or mining activities, it is not evident from this study that most consumers association products with regions, or regions with energy or resource development.

It was interesting to note in the survey results that Hunter Valley – which is known for industry and mining – also demonstrated a valuable regional brand, with high desirability of food and beverage products. This is an encouraging example of an established regional brand persisting while resource development is undertaken in that region.



Merino sheep, South Australia.

Risks to consumer trust

Previous research has identified the role of external influencers, including governments, advocacy groups and mass media, in affecting consumer trust in food products.

Concerns regarding risks to regional brands can be conceptualised as factors impacting consumer trust, as follows:

- Threats to water quality, which may undermine trust in regional production systems to produce safe, high quality local products.
- Loss of trust in local products undermines trust in government and industry quality assurance processes.
- Loss of trust in quality assurance processes undermines the value of country or region of origin as a tool for representing product quality.

This knowledge may assist with developing pathways for mitigating risk to regional brands, and is an area that could be investigated in future research.

More information

Read the full 'Perspectives on risk to local markets and industries' report:

Read about other [GISERA projects in SA](#).

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GISERA is a collaboration between CSIRO, Commonwealth and state governments and industry established to undertake publicly-reported independent research. The purpose of GISERA is to provide quality assured scientific research and information to communities living in gas development regions focusing on social and environmental topics including: groundwater and surface water, greenhouse gas emissions, biodiversity, land management, the marine environment, and socio-economic impacts. The governance structure for GISERA is designed to provide for and protect research independence and transparency of research.