

## Consumer Research on Enriched Colonies

The Ministry of Agriculture and Forestry (MAF) has released a discussion paper on the welfare of laying hens. It provides for the phasing out of conventional cages and the introduction of a new housing method called Enriched Colonies.

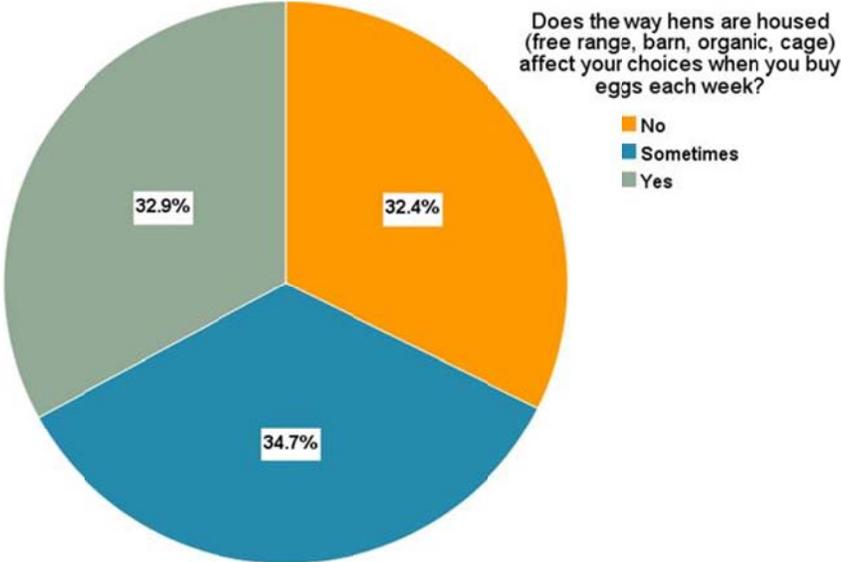
To understand what impact method of housing hens has on people's purchase decisions, an independent research project was carried out by [Qzone](#) in 2010. [Qzone](#) is an independent qualitative research and marketing company in New Zealand.

### Here is a summary of what Qzone has found:

- A third of the market says that the method of housing affects their egg purchase choices. Another third says it can have some affect but other considerations are more important. A further third says that housing method does not affect their purchase at all.
- By and large there is a very positive reaction to the Enriched Colony housing method. It is widely seen as a move in the right direction.
- Acceptance and preference for the Colony option comes from right across the egg-buying spectrum.
- Some people who currently "reject cage eggs" do not reject Enriched Colony eggs.
- Existing moderate cage egg users expressed a desire to purchase eggs from other housing systems but were constrained by the household budget.
- Price will have an effect. While many shoppers express some flexibility on price; around 22% express zero or little tolerance for a price increase. They are the high volume caged-egg buyers
- The move from cage to Colonies draws widespread support while around one sixth of the market, the real price-driven end, say they'd be uncomfortable with a price of, say \$3.95 per dozen (a move of 50 cents above regular cage eggs).

In the section below the perceptions identified through the research of egg users are reported.

## Market Split Evenly



Source: Qzone – “Feedback on Housing Hens”

# What People Think

## Cage

- Hens in a cage – some believe it's one hen per cage
- Often referred to as battery hens
- Confined & cramped conditions
  - No way for hen to move
  - Overcrowded environment
    - No daylight or fresh air
    - Artificial light 24/7
    - Beaks & wings clipped
- Can't perform natural behaviour
  - Stressed hen = stressed egg
  - Eggs rolled on tray to collect
    - Unhealthy egg
- Leads to disease & short life
- Cruel environment for hens

**Strong belief it's wrong & need better ways to house hens**

## Cage Free

- Most perceive it as not in a cage
  - May be in barn or enclosure
  - Not battery hen environment
  - Might be free to roam indoors
- Hen is able to live more normal life = happier hen

### Unfamiliar term & uncertainty

## Organic

- Fed organic food – likely GE free
  - No hormones or medicals
  - No pesticides or chemicals
  - No additives or preservatives
  - Likely to be Free Range space
  - Healthy feed = healthy hen
  - Likely the most expensive egg

**Feed is key difference & focus**

## Barn

- Most believe restricted in barn
  - Free to roam within barn
- Some perceive enclosures within a barn structure
- No natural light /outdoor access
- Likely a crowded environment
- Limited space to move or roam
- Maybe sneaky way to avoid 'cage'
  - Diet is controlled & monitored
- Kept indoors & without natural light 24/7
  - No predators – shelter for hen
  - A few see it as larger hen house with access out of barn

**While word is familiar, people are unclear how it impacts hens**

## Free Range

- Free to roam outdoors is most frequent understanding
- Some believe roam in/outdoors
- Have freedom to scratch, eat grass & enjoy fresh air
- Natural uncrowded environment
- Eggs laid anywhere – mixed size
  - Likely to be paddocks
  - Food may be supplemented
  - A few point out exposed to predators & bad weather
- No stress = happy hen = healthier egg for consumption

**Feel this is best for hen yet also have to pay higher price**

## These are interesting thoughts, but here are the facts...

- *The average number of birds in current/conventional cages is 5 so the cage is a minimum size of 2500 square cm.*
- *Lighting must be provided for hens who do not have access to daylight e.g. barn and cage, for a minimum of 8 hours and a maximum of 16 hours in each 24 hours.*
- *Wings are not clipped.*
- *Beaks may be trimmed at day old using an infra red beam. It is used in all systems, cage, free range and barn.*
- *Birds in cage system have less disease and lower mortality than other systems.*
- *No hormones are used in cage, barn, free range or organic system. In fact, hormones are banned for use in New Zealand poultry meat or eggs.*
- *Feed for all housing systems are subjected to government regulation.*
- *New Zealand eggs from all systems are amongst the world's best – no salmonella ever found inside a New Zealand egg.*
- *All New Zealand eggs are healthy eggs.*

## Furnished Colony

### Response to concept...

- It's an improvement – step forward
  - Better that industry is thinking
  - Birds/animals deserve respect
  - Helps take guilt out of cage eggs
    - Improves egg industry image
  - Furnishings that are better for hen
- It's still a cage – with a fancy name
  - Un-natural & unhealthy place
  - Prefer healthier conditions
  - Unclear what conditions are like
    - What is stress level for hen?
    - Does it produce healthier egg?
    - Are welfare standards sufficient?
    - What loopholes will be exploited?
  - Is compliance enforced on farmers?
    - Still no access to outdoors



### View on pricing...

- *Heavy & Medium Egg Buyers* prefer pricing at \$4 - \$4.50. However \$5 is unacceptable & will impact egg consumption.
- Some will still buy cheapest egg if both Cage & FC are available.
  - Step-up to Barn still too high.
- *Light Egg Buyers* accept \$4.50. However \$5.50 becomes unacceptable.
- More likely to step up if people are told what the difference means.

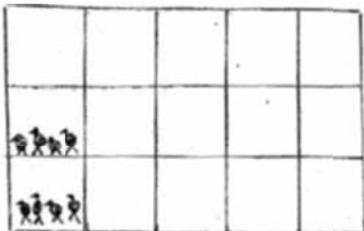
- **Most see it as an improvement step forward yet industry must keep taking strides**

Source: Qzone – “Feedback on Housing Hens”

The survey participants were shown the diagrams below and asked:

***“Taking account of your family budget and your views about the way hens are housed...Which is the best price/housing option for you?”***

**cage**

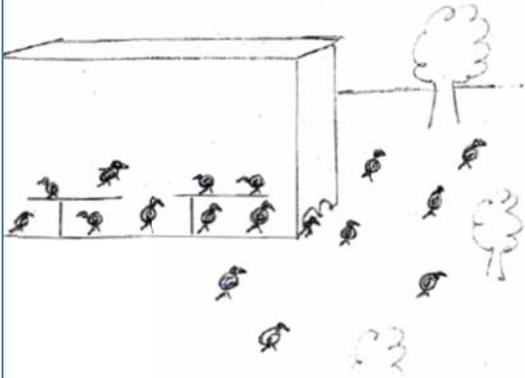


- ✓ Continuous food & water
- ✗ Perches, nestboxes, scratching areas
- ✓ Consistent quality egg
- ✓ Lowest cost egg

At least 500cm<sup>2</sup> area per hen

Average price per dozen \$3.25

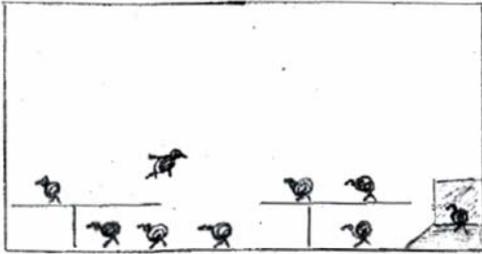
**organic**



Same method as Free Range but farmed on organic pasture and fed organic food

Average price per dozen \$9.76

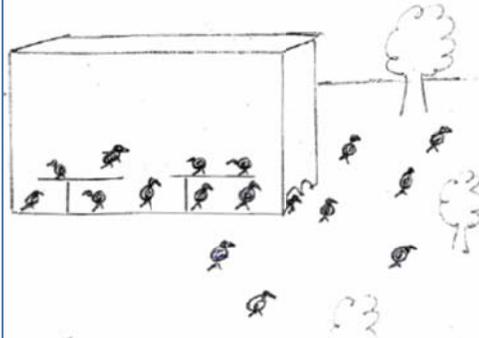
### barn



- ✓ Continuous food & water
- ✓ Perches, nestboxes, scratching areas
- ✓ Consistent quality egg
- ✗ Lowest cost egg

At least 1400cm<sup>2</sup> area per hen  
Average price per dozen \$5.98

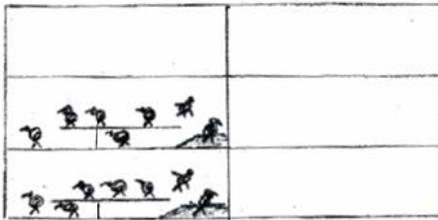
### free range



- ✓ Continuous food & water
- ✓ Perches, nestboxes, scratching areas
- ✓ Consistent quality egg
- ✗ Lowest cost egg

At least 1000cm<sup>2</sup> area per hen, plus outside space  
Average price per dozen \$6.81

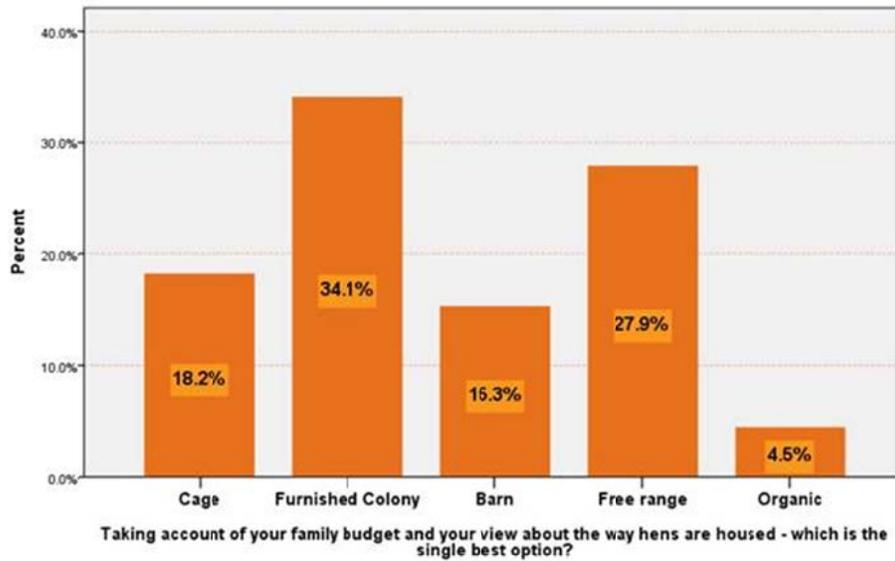
### furnished colony



- ✓ Continuous food & water
- ✓ Perches, nestboxes, scratching areas
- ✓ Consistent quality egg
- ✗ Lowest cost egg

At least 750cm<sup>2</sup> area per hen. Greater than 30% more space than cage  
Average price per dozen ?

What is the single best price/housing option for you?



Source: Qzone - "Feedback on Housing Hens"

DATA FROM Q38

N = 516

**Enriched Colony attracts a third of respondents, the highest percentage of any system.**