THE IMPACT OF THE COVID-19 PANDEMIC ON FOOD PRODUCT CONSUMPTION IN ITALY

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Abstract
In Italy, during the pandemic crises caused by Covid-19 (CoronaVirus Disease-2019), the foodstuff sector claimed its central role again in the economic chain of the country, operating as an essential activity for the maintenance of a safety status at a social level. In this study we will analyse the consumption of food products during this unusual period, emphasizing the categories which have undergone substantial increases or decreases. Moreover, we will try to project a consume scenario for the future, when the health situation will revert to normal.

Key words: *consumers behaviour; consumption preferences; Covid-19 impact; food; food consumers;*

JEL Classification: *A10, A19, D90, E21*

I. INTRODUCTION

Italian gastronomy, in all its aspects, represents an element which possibly characterizes and distinguishes best the *italianità* (*Italianicity*- eng) concept in the collective imaginary both in Italy and abroad. Since 1964, Roland Barthes asserted in his essay "*Rhétorique de l'image*" that the Italian particularity, *italianità*, represents "the condensed essence of everything that can be Italian, from spaghetti to painting" (Barthes, 1964, p.49). In order to illustrate this concept, the French semiologist chose an image representing a shopping bag containing two packages of pasta, onions, tomatoes and grated cheese, in a word everything which is necessary to prepare a plate of spaghetti with sauce, the most famous Italian dish in the whole world. Nevertheless, as other aspects related to identity, gastronomic identity denotes a continuous construction which has been consolidated by practice throughout history, rather "than an essence to be discovered in a purified moment of origin, a well-delimited site, a single product or recipe" (Sassatelli, 2019, p.2). This concept was also sustained by Massimo Montanari, one of the most famous Italian experts in the field of history and gastronomy critique, who considers that the foodstuff (and cultural) identity elements are the result of history and are partially due to the environmental and geographical conditions (Montanari, 2006 p.156). They are not part of the genetic profile of a people, but are being built throughout time, by the daily interaction of dialogue between people, experiences and various cultures (Montanari, 2010 p.46), in a mobile present moment permanently projected into future which becomes past itself. "On any point of the chronological line, the identity elements are an arriving point, mental spaces and well-delimited, insecure and changing matters, as everything which is living" (Montanari, 2019, p.8).

Based on these premises and the data available, fragmentary and still incomplete up to the writing of this article, we will analyse in this study the impact which the Covid-19 pandemic had on the Italian food sector, with a main focus on the food consume in a moment considered exceptional.

II. RESEARCH METHOD

The main research method is theoretical, along with the comparative study of specialised publications, analysis and synthesis of statistics and the reports provided by both Italian and international organisations and institutions.

III. CONTENTS

Food and epidemic, a historical binomial

In the history of mankind, precarious food, in its extreme form of hungriness, in situations of climatic disasters or wars, has represented a risk feature which has many times created a favourable framework for the development and spill-out of some dramatic sanitary episodes which led to the raise of mortality index in the societies affected. Even if considered "insecure or missing any direct connection between food, plague and other pandemics, the changes accompanying the passing from a normal sanitary phase to a mass pathological event cannot be underrated" (Sorcinelli, 1999, p.14).

In an interesting work dedicated to the study of epidemics throughout time, Jacques Ruffié and Jean-Charles Sournia consider that the people well-fed resist better in front of epidemic attacks than those who are undernourished or hungry: "two billiard people on Earth do not receive the food which the organism needs qualitatively and/or quantitatively and these two billiard people are frequently anaemic and parasitic, fact which renders a precise idea on the human inequality in front of adversities" (Ruffié, Sournia, 1986, p.235). Massimo Montanari's assertion sustains this thesis: "It is true that hunger doesn't necessarily lead to death: people have great capacities of resistance and adaptation. However, frequent shortages, the fear that food could finish and the following crop would be compromised [may be] situations deeply rooted in the daily life, able to provoke physiological and psychological imbalances" (Montanari, 1991, p.XII). Therefore, food represents an important element in a so-complex situation as the one created by a large-scale sanitary episode: "many factors contribute to the mortality index in an epidemics, such as food, economic and sanitary conditions in a region, type of available medical healthcare" (Quammen, 2012).

There is little doubt that remembering the events spent in distant past (at least for the economically advanced countries), when sanitary, economic, social and political conditions were quite distinct from the current ones and epidemiological episodes were more frequent influenced people's behaviour towards abnormal situations provoked by the current sanitary crisis. The agglomerated mass of people in the specialised stores registered in the first days, the fears in front of an unprecedented situation, together with the activation of the self-defence instinct represent psychological conditions which, in the context of material and logistic dysfunctions (as the syncope in the supply of basic items) have led to the modification of consume trends, some on short term, others probably on a longer period of time.

Agri-food sector in Italy

According to the definition given by Vito Saccomandi,the agri-food sector is identified with that of agri-food branch which is constituted out of the "totality of economic, administrative and political agents, who, with or without deviation, delimit the route which agricultural products should have in order to arrive from the initial production phase to the final usage one, together with the all interactions of activities belonging to the agents who establish such route" (Saccomandi, 1979). This definition can be enrolled on the line given by Louis Malassis who defined the branch as the "route followed by a product inside an agri-food device. This regards all agents or actors (enterprises and administrations) and operations (production, distribution, financing) who contribute to the forming or transfer of the product up to its final use phase, as well as the adequacy mechanisms of factors and products flows along the branch and in its final phase" (Malassis, 1973).

In Italy, the initial phase of such route is represented by 1.1 million agricultural companies, while the final phase consists of 60.7 million consumers. According to data in the report published by ISMEA-Istituto di servizi per il mercato agricolo şi Federalimentare, in June 2020, between the two extremes mentioned before there are 57 thousand companies which perform both the first and the second industrial transformation, 42 thousand modern and organized distribution companies, 110 thousand companies dealing with retail and specialized trade, and almost 274 thousand companies of public service. In addition to these, the category of those who perform wholesale trade can be added. In total, the agri-food branch consists of over 1 million 7 hundred thousand companies, between which there are complex connections, in which we discover small-sized companies confronting with numerous problems concerning their positioning on the market and large-size industrial companies, very well structures, exporting all over the world and with an important market value.

In this study we will analyze especially the last segment of the branch, the one represented by consumers, which by its dynamics determine and influence the other segments.

Italy: General Economic Context in the Period of Covid-19 Pandemics

The latest predictions of the International Economic Fund indicate, for Italy, a decrease of the gross national product in 2020 of - 10,6%, subsequent to a raise in 2019 with only 0.3%, with a positive return in 2021, in the conditions of a hopeful eradication of pandemics and normal retaking of economic activities. Compared to other well-developed states, Italy meets the requirements of this complex situation in a position of disadvantage, if we consider the fact that in 2018 a raise of the gross national product of only 0.8% was registered.

Latest World Economic Outlook Growth Projections

		PROJECTIONS	
(real GDP, annual percent change)	2019	2020	2021
World Output	**2.8**	**-4.4**	**5.2**
Advanced Economies	**1.7**	**-5.8**	**3.9**
United States	2.2	-4.3	3.1
Euro Area	1.3	-8.3	5.2
Germany	0.6	-6.0	4.2
France	1.5	-9.8	6.0
Italy	0.3	-10.6	5.2
Spain	2.0	-12.8	7.2
Japan	0.7	-5.3	2.3
United Kingdom	1.5	-9.8	5.9
Canada	1.7	-7.1	5.2
Other Advanced Economies	1.7	-3.8	3.6
Emerging Markets and Developing Economies	**3.7**	**-3.3**	**6.0**
Emerging and Developing Asia	5.5	-1.7	8.0
China	6.1	1.9	8.2

GRAPHIC NO.1 - FMI, *WORLD ECONOMIC OUTLOOK REPORTS*, OCTOBER 2020

Such decrease was considered to be the greatest recession in Italy after the Second World War by COOP (collective subject reuniting in a single trade mark 83 associated cooperatives and 2120 outlets) in the COOP 2020 Report regarding consumes and life styles of today's and tomorrow's Italians (*Rapporto COOP 2020. Consumi e stili di vita degli italiani di oggi e domani*).

Graphic no.2- *Rapporto COOP 2020. Consumi e stili di vita degli italiani di oggi e domani*

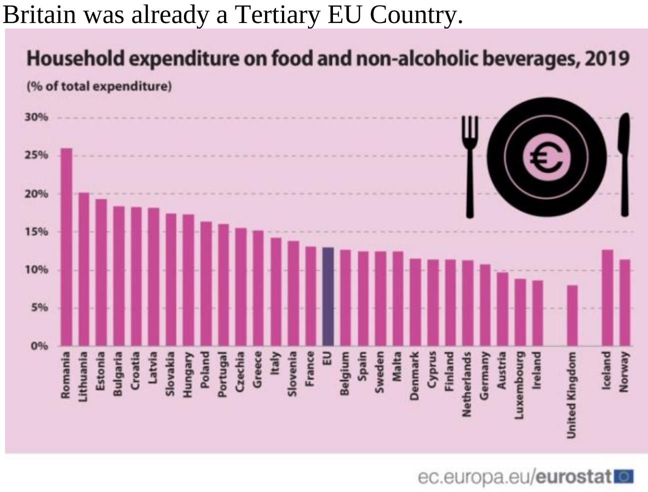
Behaviour related to the consume of food products in Italy and Europe before Covid-19 pandemics

The study "Typical Aspects of the traditional Food Behaviour Within the Romanian Rural Environment" (Nistoreanu et al, 2020, pp.273-279) offers a complete definition of food behaviour and factors influencing it, among which, first of all the environment which has an essential role in its education and modelling. According to the authors of the study mentioned above, some of the conditions influencing the food behaviour are: the place and society in which the person lives, religion, their cultural inheritance, working conditions, time dedicated to food and its specific qualities.

At international level, the first studies regarding the reactions of consumers in various countries following the impact of the effects of crisis launched by the current pandemics have appeared. For an overview of contributions appeared until September 2020, it is very useful to consult the study entitled "Covid-19 drives Consumer Behaviour and Agro-Food Markets towards Healthier and More Sustainable Patterns" (Borsellino et al, 2020) which analyses, among others, the worldwide consequences on consuming habits, preferences and trends, purchasing modalities, and waste of food products at the level of households.

Analysing the food consume tendencies and consumers' reactions in the extraordinary moment of crisis caused by the Covid-19 pandemics is significant in order to understand better its impact on the agri-food supply and to prevent consequent scenarios for future.

According to the data published by Eurostat in December 2020, the amounts allocated for the purchase of food products and non-alcoholic beverages had in 2019 an incidence of 12.1% out of the total income in the European Union (28 states). Italy is not far from this average, with 14.1%, while at the two extremes is Romania, with the greatest part of incomes allocated for food expenses (26%) and Ireland with only 8.6%. At the moment of data publication, Great Britain was already a Tertiary EU Country.



Graphic no.3: Eurostat https://ec.europa.eu/eurostat/en/web/products-eurostat-news/-/ddn-20201228-1

Another important distinction is that between the consumption of food products at domestic level (household) and outside it (ho.re.ca - hotels, restaurants, catering). The different significance that each of these variants may have is determined by the life style, traditions, ways of organising the working hours. At European level, out of the total amount of expenses for the procurement of food products, an average of 68% is registered for household products. In European countries, the data is extremely non-homogeneous: if in Romania 98% of meals during the day are consumed inside the family, in Italy the percentage is of 66%, while in Ireland is of 43% and in Malta of 47% (Nomisma, 2020).

Food consume in Italy during the Covid-19 pandemic crisis

During the pandemic crisis caused by Covid-19, the foodstuff sector claimed its central role again in the economic chain of the country, operating as an essential activity for the maintenance of a safety status at a social level. The aspects which revolutionised the sales at short notice were the explosive increase of electronic commerce (which imposed forced digitalization at the level of the entire country) and developing delivery provision.

The sanitary crisis was divided by Nomisma in the publication entitled *L'industria alimentare italiana oltre il Covid-19. Competitività, impatti socio-economici, prospettive* performed in three phases: March 9 - May 3: Lockdown: May 4 - June 14 - Slowing of containment measures; starting with June 15: living together with the virus To these phases we can add the one starting in October, shortly after reopening the schools and which is still continuing (January 2021), with discontinuous and incoherent measures which have had an impact on consumes, as well, affecting firstly the Ho.Re.Ca sector which, together with tourism, is one of the greatest unsuccessful competitors during the entire crisis period.

During March-June 2020, ISMEA - The institute of services for the agri-food market - published three reports which illustrated the evolution of consume tendencies in the first months of the pandemics. In all this time and in the following months, compared to the other economic sectors, the agri-food sector was the least affected by the crisis except for Ho.Re.Ca sector, sale channel which was practically cancelled from the very first days, remaining operative only in rare cases, such as hospital canteens. If the prohibition of direct serving was supplied by home delivery on a small scale, an irreplaceable emptiness was left by the lack of millions of tourists. Other affected sale channels were the weekly fairs which have been cancelled by reasons of public health and the hypermarkets in the commercial centers where all stores selling non-food products have been closed.

From the data published in the reports mentioned above, it can be noticed that in the first month we assisted at a tendency of grabbing the long-term storage provisions, such as pasta, rice, fish tins, tomatoes tins, and people action such in order to assure their food reserves in case of supply bottlenecks. In parallel, the number of online sales has raised consistently (+97% in the second week of March), these being preferred especially for safety reasons. As regarding the classical sale channels the most consistent part of sales was made by supermarkets which have attracted almost half of sales (43%) followed by discount (20%) and neighbouring markets. The latter have been preferred due to geographical nearness, in the conditions in which circulation restrictions have been imposed on long distances from people's home, but also because they used to serve a reduced number of clients compared to the major commercial outlets, therefore existing a lower risk of disease.

In April we assisted to a normality of sales following the effect of supply saturation but also due to the lack of consumers' liquidities. In order to avoid the danger of contamination and the queues at the entrance of stores, clients preferred to purchase the products online, and therefore a raise of 160% has been registered compared to last year. If in the first phase the tendency was to accumulate reserves of long-term preservation products, in April, due to spending most of the time indoors, people have discovered the passion for cooking, heading to purchase the raw materials: eggs (a segment which has increased with 57% as value, compared to last year, with 400 million eggs sold in four weeks), flour (with a quantitative increase of sales of approximately 150%, along with periods of increase of 213%), yeast, butter, sugar. Important increases have been registered for the selling of long-preserved milk (+19%) to the detriment of fresh milk which has registered a decrease of -7%. Another increase of sales has been registered for some long-preservation vegetables, such as potatoes (+51%) or carrots (+37%). As regarding fruit, apples (+42%) and oranges (+43%) have been preferred.

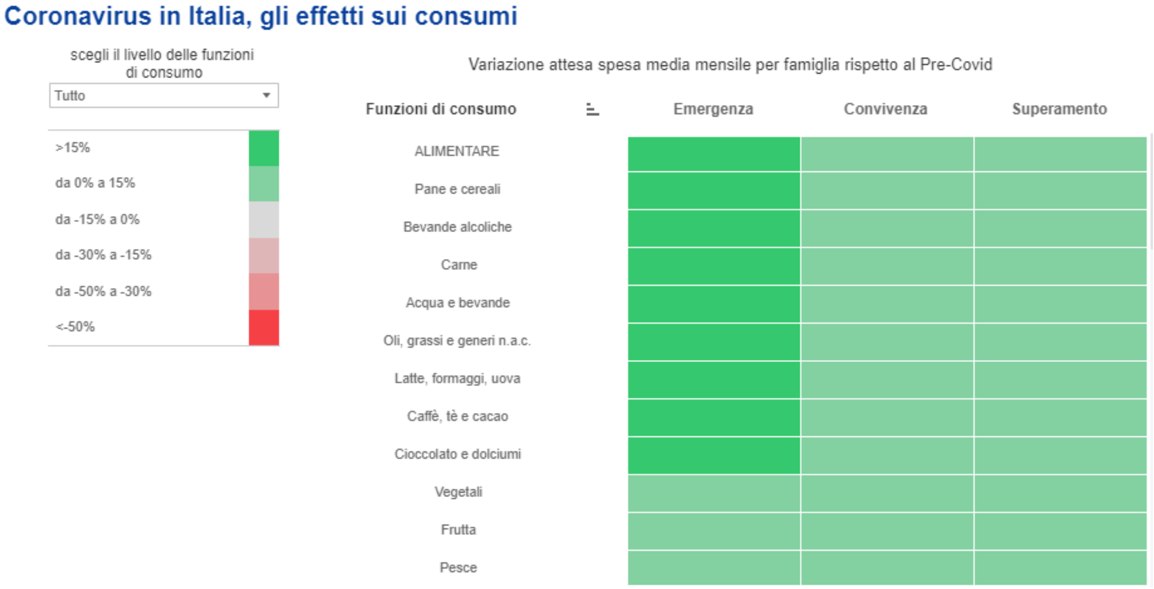
During January - June 2020, according to the semestrial report published by ISMEA, an important decrease (-46%) was registered for the consume of fishing products (fish and sea fruit). Closing the channel Ho.Re.Ca. penalized the consume of fresh fish, especially on the premium segment, which was taken over on a small scale by (Grande Distribuzione Organizzata) - Large-Scale Organised Distribution. Another determining factor was its quick perishability and the impossibility to storage it.

The evolution of consume in May is illustrated by the third report published by ISMEA in June. The relaxation of movement allowed a significant return to the discount channel which registered an increase of +18% compared to the same period in 2019. In the first three months of state of emergency, the preferences of the public for one distributive channel or another oscillated, being impossible to indicate neither a coherent tendency nor previsions for the future. For instance, small neighbourhood shops registered in the first month an increase of 16% compared to last year, then of 27%, and in May was established to 13%. Negatively coherent as evolution is the extra-domestic consumption: From March to June, a decrease of approximately 80% was estimated, to which the dramatical situation of tourism contributed to a large extent. Another significant impact on this segment of consumption was home working, which led to the depopulation of neighbourhoods and business offices: by reducing the number of the people physically present, the consumption was reduced both in bars and restaurants and in the shops downtown.

In the ISMEA- Qualivita 2020 Report on DOP, IGP and STG agri-food and wine products, it is emphasised that the sales in these categories of products registered an important raise in 2020 in the GDO channel. While the total average of agri-food products recorded an increase of 9% compared to 2019, quality products with registered and European-protected trademarks indicated an increase by 12%. Among these, the wine covers half of the quantity available on the market (51%), cheese 29% and meat-based products 9.2%.

IV. CONCLUSIONS

According to the previsions launched by Prometeia, in the period following the sanitary crisis, food consume for all categories of products will establish or register increases up to 15%.



Graphic no.4: Prometeia, the effects on consumption model https://www.prometeia.it/prometeiamio/int/nostra-visione/coronavirus-italia-effetti-su-modelli-consumo?UT=MIO-nostraVisione-articolo

This does not mean that things will be as before. In the study published by Coop on the consumption and life style of Italian people, the conclusions are highlighted "*2021 restart. Il nuovo inizio per l'Italia e gli italiani*", for which there are clear indications that it may be expected that for 2021 the respondents foresee that the consumption tendencies will be more concentrated on the purchase of basic ingredients and less on the already-cooked meals, due to greater attention to the quality of healthy diets in which the meals are home cooked. Moreover, food products deriving from natural Italian raw materials will be preferred (53% of the people interviewed), environmentally friendly (48%). Another consumption tendency will be directed towards fresh ingredients (52%). Due to economic crisis which will have significant consequences on the purchasing power, a decrease by 27% of food and large-consume products is being foreseen. In 2021 e-commerce channel will register a significant increase, which is perceived both as an opportunity (60%) and as a threat (40%). If on one hand, this channel represents an opportunity to offer consumers an upper-quality service, on the other hand there is the risk that such form of selling may cannibalize the physical network, leading to numerous imbalances to a fragile economic system.

In conclusion, we will enumerate the most important heritage of this period: responsible consumption, care for the environment, priority given to local and national products, rediscovery of the moments spent with the family, meals included, attention for a healthy diet which would energize the body in case of future diseases and, last but not least, the continuous need of product innovation, selling methods and means of delivery.

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