



Department of Agricultural
and Food Economics,
University of Bonn

Division for Business
Management, Organization,
and Information Management



Feb 8-10, 2006 in Bonn, Germany

International European Seminar on **Trust and Risk in Business Networks**

99th Seminar of the EAAE

Program

Organization:
Dr. Melanie Fritz (Chair)
Prof. Dr. Gerhard Schiefer
Dipl.-Ing. (FH) Ursula Rickert




universität**bonn**

*Department of Agricultural and Food Economics
University of Bonn*

Division of Business Management, Organization and Information Management

*European Association of Agricultural Economists
(EAAE)*

Program

99th European Seminar of the EAAE

Trust and Risk in Business Networks

February 8-10, 2006, Bonn, Germany

www.uf.uni-bonn.de/trust2006

Organization Committee:

Dr. Melanie Fritz (Chair)
Prof. Dr. Gerhard Schiefer
Dipl.-Ing. (FH) Ursula Rickert

International Program Committee:

Prof. Dr. Julián Briz, Polytechnic University Madrid, Spain,
Assoc. Prof. Dr. Maurizio Canavari, University of Bologna, Italy,
Dr. Melanie Fritz, University of Bonn, Germany,
Assoc. Prof. Dr. Rainer Haas, University for Natural Resources and Applied Life Sciences, Vienna, Austria,
Assoc. Prof. Dr. Gert Jan Hofstede, Wageningen University, The Netherlands,
Assoc. Prof. Dr. Lisa A. House, University of Florida, USA,
Assoc. Prof. Dr. Oliver Meixner, University for Natural Resources and Applied Life Sciences, Vienna, Austria,

Prof. Dr. Rolf A. E. Müller, University of Kiel, Germany,
Prof. Dr. Bo Öhlmér, Swedish University of Agricultural Sciences, Sweden,
Dr. Krijn J. Poppe, Wageningen University, The Netherlands,
Prof. Dr. Walter Schiebel, University for Natural Resources and Applied Life Sciences, Vienna, Austria,
Prof. Dr. Gerhard Schiefer (Chair), University of Bonn, Germany,
Prof. Dr. Bruce Traill, University of Reading, Great Britain, and others.

Theme and Background

Certain complex goods have experience or credence characteristics that may only be analyzed after use or, such as process quality, cannot be examined at all. Due to this need of explanation, business networks for the supply, distribution and marketing of complex products are markets with asymmetric information. This is particularly true for food networks. Different types of complex goods create different degrees of uncertainty and risk in transactions and business relationships in business networks. Trust between transaction partners plays an important role to handle this risk and supplements control opportunities. Trust in business networks is generated through personal relationships, quality signs, warranties or reputation among many other trust factors.

Internet-based transaction support such as electronic commerce provides interesting opportunities to business networks such as more transparent markets and efficiency gains. However, electronic commerce has been perceived as too anonymous and therefore too hazardous for transactions in business networks with complex products as traditional trust and control mechanisms such as direct contact between transaction partners and physical product inspection are not possible. This problem situation is inherent to food networks. On the other hand, information and communication opportunities in ICT and electronic commerce offer new ways for the creation of trust between potential transaction partners in business networks not available in traditional transactions.

What are the trust factors in traditional transactions in business networks with complex products? How can trust in business networks be generated when it comes to electronic market environments? How is trust in food networks generated in different countries? What are the trust factors in food networks? How do the trust factors depend on different food networks?

Objectives

The seminar intends to discuss and analyze the state-of-the-art in research on trust generating factors and the management of risks in business networks dealing with complex products in need of explanation and food products in particular. Focus areas are the discussion and exchange of views on trust and risk in “traditional” supply and marketing environments of complex products such as food products, including the situation in different cultural backgrounds, as well as trust and risk in business networks supported by electronic commerce.

**99th EAAE Seminar
February 8-10, 2006, Bonn, Germany**

Program Overview

Wednesday, February 8	
Opening Plenary Session: Setting the Stage	
Parallel Sessions	
Line I Room 1	Line II Room 2
Information, ICT and Trust	Trust in Networks and Chains
Trust and Transparency	Trust and Marketing
Plenary Session: Innovation, Risk and Social Capital	
Thursday, February 9	
Parallel Sessions	
Line I Room 1	Line II Room 2
Chain Relationships and Consumers' Trust	Risk and Trust in Agriculture
Consumers' Trust and Risk Perception	Market Risks
Plenary Session: Trust and E-Commerce	
Parallel Sessions	
Line I Room 1	Line II Room 2
Trust and Electronic Transactions	Networks and Quality
Plenary Discussion on Trust in E-Commerce	
Friday, February 10	
Parallel Sessions	
Line I Room 1	Line II Room 2
Contracts in Chains	Social Capital in Networks
Trust and Transaction Costs	Credence Goods
Closing Plenary Session	

Wednesday, February 8

10:00 Registration

Room 1 **Opening Session: Setting the Stage**
11:15-12:30

11:15 Opening of the Seminar (*Schiefer, G., Bonn*)
11:30 Trust and risk in business networks: towards a due diligence for electronic commerce (*Fritz, M., Bonn*)
12:00 Intrinsic and enforceable trust: a research agenda (*Hofstede, G. J., The Netherlands*)
12:30 **Lunch**

Room 1 **Parallel Sessions Line I (13:30-17:30)**

13:30-15:15

Information, ICT and Trust

Chair: *J. Briz*

13:30 Trust in ICT-based new product development – guidelines for virtual new product development teams (*Haas, R., Meixner, O., Pöchtrager, S., Austria*)
13:50 Creating value for competitive advantage in supply chain relationships: the case of the Sri Lankan tea industry (*Kasturiratne, D. and Poole, N., United Kingdom*)
14:10 Looking for security-oriented information systems: risk perception and management in Italian companies (*Palmieri, R. and Volpentesta, A.P., Italy*)
14:30 Tracking and Tracing in food networks: the case of the feed industry (*Poignée, O.K., Jahn, V., Hannus, Th., Schiefer, G., Bonn*)
14:50 Discussion
15:15 **Coffee**

15:45-17:30

Trust and Transparency

Chair: *F. Arfini*

15:45 Transparency in supply chains: is trust a limiting factor? (*Frentrup, M. and Theuvsen, L., Germany*)
16:05 Factors influencing trust-supporting mechanisms in European agro-food chains (*Fischer, Chr., Gonzalez, M.A., Henschion, M., Leat, Ph., Germany/Spain/Ireland/United Kingdom*)
16:25 A successful experience of traceability system for the case of Yin Chuan Organic in Taiwan (*Huang, W.-T. and Chen, Y.-H., Taiwan R.O.C.*)
16:45 Transparency in the pork supply chain: comparing China and the Netherlands (*Osinga, S.A. and Hofstede, G.J., The Netherlands*)
17:05 Discussion
17:30 **Break**

Wednesday, February 8

Room 2

Parallel Sessions Line II (13:30-17:30)

13:30-15:15

Trust in Networks and Chains

Chair: *L. Theuvsen*

- 13:30 The agri-food cooperative as a network of firms: a theoretical framework
(*Garcia Perez, A.M. and Garcia, M., Spain and United Kingdom*)
- 13:50 Determinants of trust between buyers and suppliers in agribusiness: empirical evidence from the German pork sector (*Schulze, B., Spiller, A., Germany*)
- 14:10 Operationalisation and antecedents of trust in business networks dealing with complex products and food products (*Ebert, T., Germany*)
- 14:30 Innovation and networks in the food sector: impact of regional factors
(*Gellynck, X., Vermeire, B., Viaene J., Belgium*)
- 14:50 Discussion

15:15 **Coffee**

15:45-17:30

Trust and Marketing

Chair: *A. Boecker*

- 15:45 Caused related marketing: between solidarity and competition within the Italian agri-food system (*Vastola, A.P., Italy*)
- 16:05 Trust: the importance of distinguishing between different actors and dimensions (*de Jonge, J., van Trijp, H.C.M., Renes, R.J., van der Lans, I.A., Frewer, L.J., The Netherlands*)
- 16:25 Confidence in Consumer – retailer relations and quality label as a compensation of the inefficiency of beef markets: a compared analysis among Canada, Italy and Spain
(*Rosa, F., Sánchez, M., Barrena, R., Italy/Spain*)
- 16:45 *A methodological proposal to analyze risk influence on consumer's food choices*
(*Ventura-Lucas, M.R. and Martins, M.B., Portugal*) (open)
- 17:05 Discussion

17:30 **Break**

Room 1

Plenary Session: Innovation, Risk and Social Capital

17:40-18:45

Chair: *M. Canavari*

- 17:40 Food innovation and market risk: a case study of the interface consumer food industry
(*Briz, J., de Carlos, P., de Felipe, I., Garcia, M., Morais, F., Spain*)
- 18:00 Social capital and the food system: some evidences from an empirical research
(*Sodano, V. and Verneau, F., Italy*)
- 18:20 Discussion

18:45 **Dinner at the conference center**

20:15

Informal get together in local restaurants

(Im Stiefel, Em Höttche, Hähnchen; see map at the end of the program brochure)

Thursday, February 9

Room 1

Parallel Sessions Line I (8:30-12:30)

8:30-10:15

Chain Relationships and Consumers' Trust

Chair: V. Sodano

- 8:30 Building consumer's trust through persuasive interpersonal communication in a saturated market: the role of market mavens (*Puspa, J. and Köhl, R., Germany*)
- 8:50 Do consumers want public or private bodies to monitor animal friendly production and marketing schemes? And does trust matter? (*Boecker, A. Nocella, G., Scarpa, R., Canada/Italy*)
- 9:10 Trust – a key success factor and research challenge in food chain management (*Schiefer, G., Bonn*)
- 9:30 Trust to the health safety of fruit – the importance of guarantees (*Markovina, J., Kovacic, D., Radman, M., Crep, R., Croatia*)
- 9:50 Discussion

10:15 **Coffee**

10:45-12:30

Consumers' Trust and Risk Perception

Chair: I. de Felipe

- 10:45 The sparta model: an econometric analysis of consumer behaviour under risk (*Mazzocchi, M., Lobb, A.E., Traill, W.B., Italy/United Kingdom*)
- 11:05 Perceived risk is important for consumers' acceptance of genetically modified foods, but trust in industry not really: A means-end analysis of German consumers (*Boecker, A., Canada*)
- 11:25 Trust as a determinant of consumer behaviour in Germany (*Dierks, L.H., Germany*)
- 11:45 A critical account of the relationship between institutional trust, risk perception, and technology acceptance with an application to genetically modified foods (*Boecker, A. and Nocella, G., Canada/Italy*)
- 12:05 Discussion

12:30 **Lunch**

Room 2

Parallel Sessions Line II (8:30-12:30)

8:30-10:15

Risk and Trust in Agriculture

Chair: R. Haas

- 8:30 Fear, trust and Agroterrorism (*Turvey, C.G., USA*)
- 8:50 Factors explaining farmers' insurance purchase in the Dutch dairy sector (*Ogurtsov, V., van Asseldonk, M.A.P.M., Huirne, R.B.M., The Netherlands*)
- 9:10 Trust and the profitability of rule-breaking in grain production (*Hirschauer, N. and Mußhoff, O., Germany*)
- 9:30 Problem detection and definition – the case of farmers' choice of organic milk production (*Lunneryd, D. and Öholmér, B., Sweden*)
- 9:50 Discussion

10:15 **Coffee**

10:45-12:30

Market Risks

Chair: C. Turvey

- 10:45 Choice of economic strategies by food complex enterprises in conditions of market uncertainties (*Yermolova, O., Kireyeva, N., Fisenko, N., Russia*)
- 11:05 Risk management using futures contracts: the impact of spot market contracts and production horizons on the optimal hedge ratio (*Kuwornu¹, J.K.M., Kuiper¹, W.E., Pennings¹⁺², J.M.E., Meulenberg¹, M.T.G., The Netherlands¹/USA²*)
- 11:25 Perceived market risks and strategic risk management of food manufacturers: empirical results from German brewing industry (*Theuvsen, L. and Niederhut-Bollmann, Chr., Germany*)
- 11.45 Discussion
- 12:30 **Lunch**

Friday, February 10

Room 1

Parallel Sessions Line I (8:30-12:45)

8:30-10:15

Contracts in Chains

Chair: *R. Kühl*

- 8:30 Contractual choice and food safety strategy: some empirical findings in Italian poultry sector (*Furesi, R., Martino, G., Pulina, P., Italy*)
- 8:50 Reduction of behavioural food risks: an analysis of economic incentives and social context factors in the German poultry chains (*Zwoll, St. and Hirschauer, N., Germany*)
- 9:10 The contract choice of retailers in Hungarian beef sector (*Bárdos, K. and Fertő. I., Hungary*)
- 9:30 Promoting agricultural value chains in development cooperation: lessons learnt from the Kenyan potato market (*Hoeffler, H., Kenya*)
- 9:50 Discussion

10:15

Coffee

10:45-12:45

Trust and Transaction Costs

Chair: *O. Meixner*

- 10:45 International Flower networks: transparency and risks in marketing channel choice (*Wijnands, J.H.M., van der Lans K., Hobbs, J.E., The Netherlands*)
- 11:05 Traceability, trust and coordination in a food chain (*Charlier, Chr. and Valceschini, E., France*)
- 11:25 Strategic interactions, risks and coordination costs in food marketing channels: the mediating role of futures markets (*Kuwornu¹, J.K.M., Kuiper¹, W.E., Pennings², J.M.E., Meulenberg¹, M.T.G., The Netherlands¹/USA²*)
- 11:45 Voluntary traceability and transaction costs: an empirical analysis in the Italian Meat processing supply chain (*Banterle, A., Stranieri, St., Baldi, L., Italy*)
- 12:05 *Measure of trust development as a factor of lowering transaction costs* (*Erzin, M.A., Russia*) (open)
- 12:25 Discussion

12:45

Lunch

Room 2

Parallel Sessions Line II (8:30-12:45)

8:30-10:15

Social Capital in Networks

Chair: *M. Garcia*

- 8:30 The glue that holds together supply chain networks (*Bavorova, M., Dautzenberg, K., Hanf, J., Germany*)
- 8:50 Indigenous social capital in traditional agro-food marketing systems: the role of trust in governance structure selection in the Philippine highlands (*Milagrosa, A. and Slangen, L.H.G., The Netherlands*)
- 9:10 Market organisation – relevance of structural embeddedness of economic transactions in networks (*Mumm, J., Germany*)
- 9:30 *Informal networks of social support as a factor in development of rural entrepreneurship* (*Morekhanova, M., Russia*) (open)
- 9:50 Discussion

10:15

Coffee

10:45-12:45

Credence Goods

Chair: *B. Öhlmér*

- 10:45 Uncertainty in Spanish organic products: a global analysis from consumer to entrepreneurs (*Briz, T. and de Felipe, I., Spain*)
- 11:05 Trust within the organic food supply chain: the role of the certification bodies (*Canavari, M., Pignatti, E., Spadoni, R., Italy*)
- 11:25 Using market segmentation to assess consumers' acceptance of organic eggs in Taiwan (*Huang, W.-T. and Chien, Ch-Y., Taiwan R.O.C.*)
- 11:45 A study of consumers' perceptions of risk on organic tea in Taiwan (*Liu, W.-F. and Huang, W.-T., Taiwan R.O.C.*)
- 12:05 *Evaluating trust in organic quality marks: a network approach using laddering data* (*Gambelli, D. and Naspetti, S., Italy*) (open)
- 12:25 Discussion

12:45

Lunch

Friday, February 10

Room 1

13:30-14:40

Closing Plenary Session

Chair: *L. House*

- 13:30 The country of origin of food: consumer perceptions of safety and the issue of trust (*Lobb, A.E. and Mazzocchi, M., United Kingdom/Italy*)
- 13:50 Managing perceived risks through supply chain relationships: an empirical study of the UK beef sector (*Hornibrook, S. and Fearn, A., United Kingdom*)
- 14:10 Discussion
- 14:20 Review of the seminar and challenges for the future (discussion)
- 14:35 Closing and Farewell** (*G. Schiefer, Bonn*)
- 14:40 Farewell drink with typical local "Karneval" specialities**
- 16:00** Departure from the conference center to the Foundation Haus der Geschichte der Bundesrepublik Deutschland presenting contemporary history

Poster exhibition (Lobby)

The increasing in value of a quality product by e-commerce: the case study of organic extravirgin olive oil in Italy (*Galluzzo, N., Italy*)

Designing an economic system for meat in Iran (*Borimnejad, V., Iran*)

Trends of development of the market infrastructure of the agro-industrial complex of Russia (*Yakovenko, N., Russia*)

Specialists training tasks in conditions of increasing risks in agricultural business networks (*Kuznetsov, N., Russia*)

Welfare implications of the competition between energy and food crops stemming from French bio-fuel program (*Tréguer, D., France*)

Poultry business is going to risk for small to medium farmers in Bangladesh (*Shaheen Shah, M., Sharmin, S.M., Razzak, A., Islam, S., Bangladesh*)

Professional and cultural tour on Saturday, February 11

The tour will include a professional excursion and a visit at the UNESCO world heritage **Schloss Augustusburg** and other tourist attractions.

Recommendations for Sunday, February 12

In Bonn

The "Museum Mile", Bonn's main attraction for art and culture amateurs:

- Art and Exhibition Hall with the current exhibition "The Baroque in the Vatican"
- Bonn Art Museum with internationally recognized German art since 1945
- Haus der Geschichte presenting contemporary German history
- Museum Alexander Koenig, one of the best zoological museums in Germany
- German Museum Bonn with milestones of German research discoveries of the last 50 years

A walk through the city of Bonn to visit:

- The Beethoven-House where Ludwig van Beethoven was born ("Bonngasse 20")
- The baroque town hall ("Marktplatz")
- The roman Minster of Bonn from the 12th century ("Münsterplatz")

A walk along the Rhine river (starting at the "Alter Zoll" near the University main building)

In Cologne (a 30 minutes train ride away from Bonn)

The gothic Cologne Cathedral

Museum Ludwig with the art of the 20th and 21st century

Wallraf-Richartz Museum with paintings and sculptures from the medieval to impressionism

Registration

Address for registration and for further information:

Mrs. Ursula Rickert
Division for Business Management, Organization and Information Management
University of Bonn
Meckenheimer Allee 174
D-53115 Bonn
Germany

Phone: +49-228-73-3500

Fax: +49-228-73-3431

E-mail: trust2006@uni-bonn.de

Web site: www.uf.uni-bonn.de/trust2006

Organization

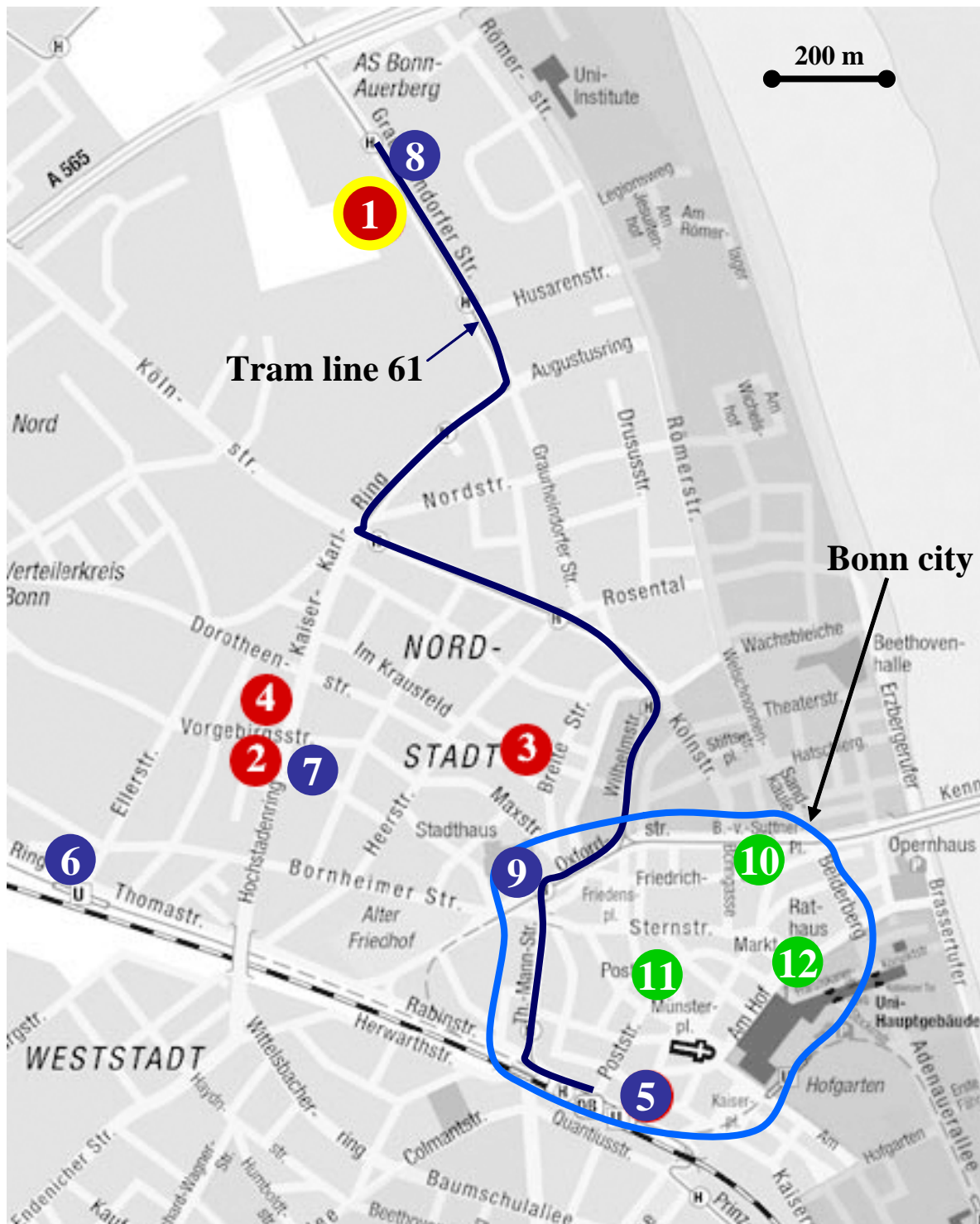
The seminar invites an international scientific audience from business management, economics, marketing, policy, sociology, psychology and any other scientific field with interest in the subject to participate in discussions on this international challenge of trust and risk in food networks and options to transfer trust elements to electronic market environments. The seminar intends to discuss and analyze the state-of-the-art in research on trust generating factors and the management of risks in business networks dealing with complex products in need of explanation and food products in particular. The seminar is based on oral presentations in plenary and workgroup settings as well as group discussions.

Wednesday evening, a joint dinner will take place at the conference center. After the dinner, participants will meet in local city restaurants in Bonn. Thursday evening we will have an excursion to a winery in the Ahr valley with wine tasting and dinner. Friday afternoon, a post-conference tour to museums or Cologne cathedral will be offered. Saturday, a post conference professional tour with cultural elements will be organized.

The seminar is organized by the Division of Business Management, Organization and Information Management, Department of Agricultural and Food Economics, University of Bonn, Germany, by Dr. Melanie Fritz (Chair), Prof. Dr. Gerhard Schiefer, and Dipl.-Ing. (FH) Ursula Rickert.

How to get there?

Directions to the conference center, hotels, and restaurants...



1 Conference Center CJD Bonn
Gurtheindorfer Str. 149
D-53117 Bonn
Phone: +49 – 228-9896-0
Fax: +49 – 228-9896-0
E-mail: cjd.bonn.reservierung@cjd.de

From Airport Cologne/Bonn
Take bus 670 direction Bonn
Step off at "Innenministerium"

From Bonn Main Station (Hauptbahnhof)
Leave station through main entrance
Take tram 61 direction "Auerberg"
Step off at "Innenministerium"

2 Hotel IBIS Bonn
Vorgebirgsstraße 33
D-53119 Bonn
Phone: +49 -228 - 72660
Fax: +49 -228 - 7266405

From Airport Cologne/Bonn
Take bus 670 direction Bonn
Step off at "Frankenbad/Kunstverein"

From Bonn Main Station (Hauptbahnhof)
Leave station through main entrance
Take bus 625 direction "Mondorfer Fähre"
Step off at "Frankenbad/Kunstverein"
or
Take bus 635 direction "Hersel"
Step off at "Frankenbad/Kunstverein"

3 Hotel Aigner
Dorotheenstr. 12
D- 53111 Bonn
Phone: +49 – 228 - 60 40 60
Fax +49 - 228 - 60 40 670
E-Mail: hotel-aigner@t-online.de

From Airport Cologne/Bonn
Take bus 670 direction Bonn
Step off at "Frankenbad/Kunstverein"

From Bonn Main Station (Hauptbahnhof)
Leave station through main entrance
Take tram 61 direction "Auerberg"
Step off at "Stadthaus"

4 Hotel Kaiser Karl
Vorgebirgsstraße 56
53119 Bonn
Phone: +49 – 228 - 985570
Fax: +49 – 228 - 9855777
Email: info@kaiser-karl-hotel.de

From Airport Cologne/Bonn
Take bus 670 direction Bonn
Step off at "Frankenbad/Kunstverein"

From Bonn Main Station (Hauptbahnhof)
Take underground (U-Bahn)
63 direction Tannenbusch, or
16, 18 direction Cologne or
68 direction Brühl
Step off at "Bonn West"

5 Bonn Main Station (Hauptbahnhof)

6 Underground station Bonn West

7 Bus stop Frankenbad/Kunstverein

8 Bus/tram stop Innenministerium

9 Tram stop Stadthaus

10 Restaurant Stiefel
Bonngasse 30

From the conference center
Take tram 61 direction "Dottendorf"
Stop off at "Stadthaus"

11 Restaurant Hähnchen
Münsterplatz 21

From the conference center
Take tram 61 direction "Dottendorf"
Stop off at "Stadthaus"

12 Restaurant Em Höttche
Münsterplatz 21

From the conference center
Take tram 61 direction "Dottendorf"
Stop off at "Stadthaus"

Secretariat of EAAE / 99 Mrs. U. Rickert
Department of Agricultural and Food Economics, University of Bonn
Meckenheimer Allee 174, D-53115 Bonn, Germany
Phone: +49-228-733500, Fax: +49-228-733431
E-Mail: trust2006@uni-bonn.de
Website: www.uf.uni-bonn.de/trust2006