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What "Indicator Consumers" Want to Know Most About How U.S. Foods Are Produced

Full Report – June 2010

A Service of
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Overview

Factors filtered daily by consumers help them establish an ongoing and every-changing stream of attitudes and opinions about their food supply. From news reports on the economy to the latest product recalls and health studies, the stream of influences is constant, generating attitudes that are a living, shape-shifting target. *SegmenTrak*™ provides an ongoing source of up-to-date consumer data with which to navigate.

As opinions are formed about food production both on and off the farm, which information sources are used most by "indicator consumers?" Which information sources would actually be preferred? And in the midst of that, where do farmers and their organizations find their role? *SegmenTrak's* inaugural February 2010 study sought these answers and more, even exploring current perception of language specific to agricultural and food issues.

Opinion formation is not the same in all consumers. Some adopt early and lead; others follow. Those who choose to be exposed to information earlier are first to form educated opinions and to clear the path for others. Demeter Communications' trademarked screening system, at work in *SegmenTrak*, taps consumers at the front of the learning curve, revealing views and data that foreshadow tomorrow's mainstream consumer.

Overall, findings of the research include:

- Indicator consumers want more information about how their food is produced.
- They rely heavily on point of purchase information to learn about how their food is produced.
- In an ideal world, they still would rely heavily on point of purchase information, but would receive more information from farm organizations and food manufacturers.
- Indicator consumers use and trust traditional media sources to gather information about food production.

Additional observations include:

- "Indicator consumers" easily view farmers favorably, but are more cautious about committing their trust to farmer motives. This divergence between perception and trust presents opportunities for agricultural businesses and organizations to build on existing positive perceptions while working to increase trust of agricultural production practices through information and education programs.
- Opportunity exists for farm organizations and food manufacturers to fill a gap in consumer information. Others are currently working to effectively fill that gap.
- Farmer organizations, working with food manufacturers and grocery retailers, have opportunities to provide consumers with information about food production and sources on food labels and at point-of-sale.
- Consumers still view traditional authoritative sources-parents and school teachers-as the best choice for providing information to children about how food is produced.

- Animal care/welfare issues are important to consumers. Ag organizations and businesses have great opportunities to take a proactive stance to informing consumers about good, compassionate practices that currently exist and what farmers/ranchers are doing to enhance animal care/welfare. Too many times, agriculture's voice comes only in the form of a response.

- Consumers are ambiguous when it comes to choosing between human safety and animal welfare. Additional investigation is needed to better understand this viewpoint and its moral underpinnings.

- Even though a wealth of previous market research showed that farmers need to make a connection with consumers, this does not come out as strongly in this "indicator consumer" study.

About the Research

This study reports the findings of an online study conducted in February 2010 that included 444 respondents between the ages of 23 and 55, drawn from the continental U.S. The male and female respondents represent a diverse cross-section of ethnic backgrounds, income levels and rural versus urban settings. However, per *SegmenTrak's* "indicator consumer" screening, all are the primary household decision-maker for consumer product purchases, with a minimum of one child living at home. All visit a grocery store at least once each week, and fit within a select, accepted level of awareness of consumer issues.

To elaborate, consumers accepted into the study:

- Have a minimum high school education
- Are the purchase decision-maker for consumer products including foods
- Visit the grocery store at least once each week
- Check the food product label for information at least 25 percent of the time
- Can recall at least three food safety or consumer product recalls, as identified by Demeter Communications, from media reports over the past two years
- Has read or heard at least four consumer product hot-button terms, as identified by Demeter Communications, in the past six months

The study was designed and analyzed by Demeter Communications' *SegmenTrak*, with data collection by Survey Sampling International, a marketing research services provider specializing in sample management, programming and data collection.

Demeter Communications is dedicated to helping food, fiber and agriculture firms and associations develop and implement effective communications. *SegmenTrak*, Demeter Communications' market research arm, implements studies that guide clients toward greater success.

For more information: Learn more about opportunities to capitalize on *SegmenTrak* data at www.demetercommunications.com or contact Claudine Wargel at 217.935.6421, or claudinewargel@demetercommunications.com.

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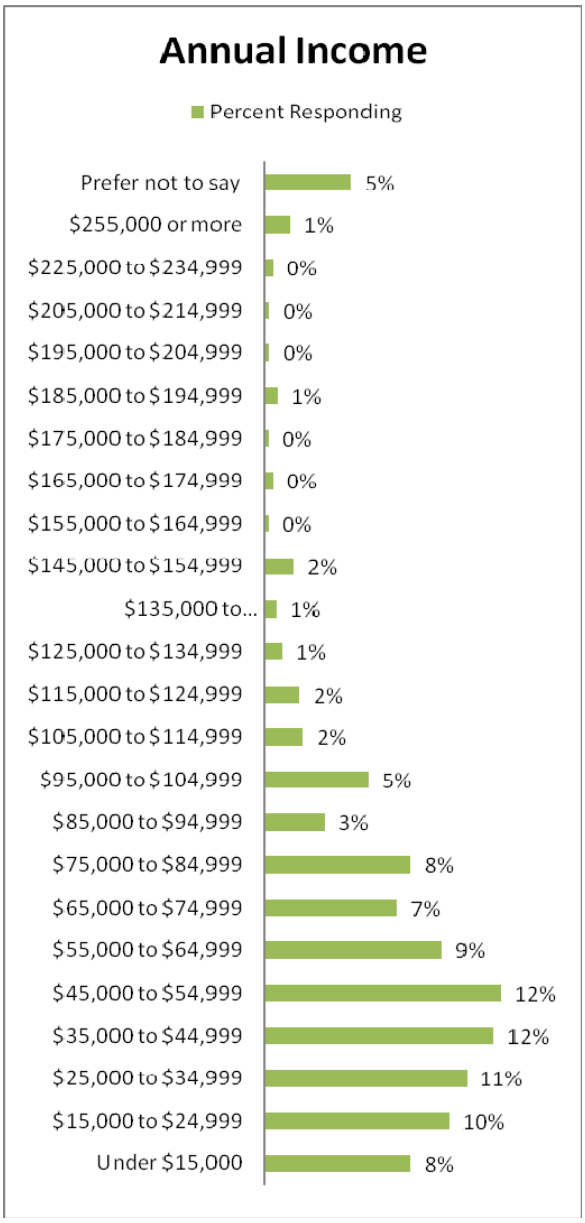
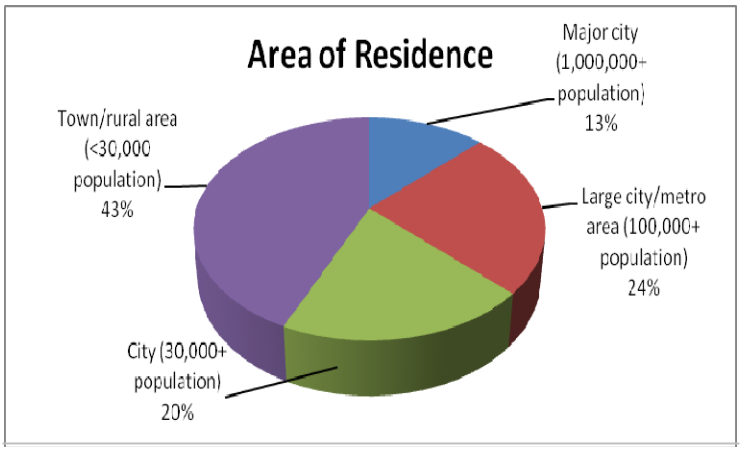
The *SegmenTrak* 'Indicator Consumer' Profile

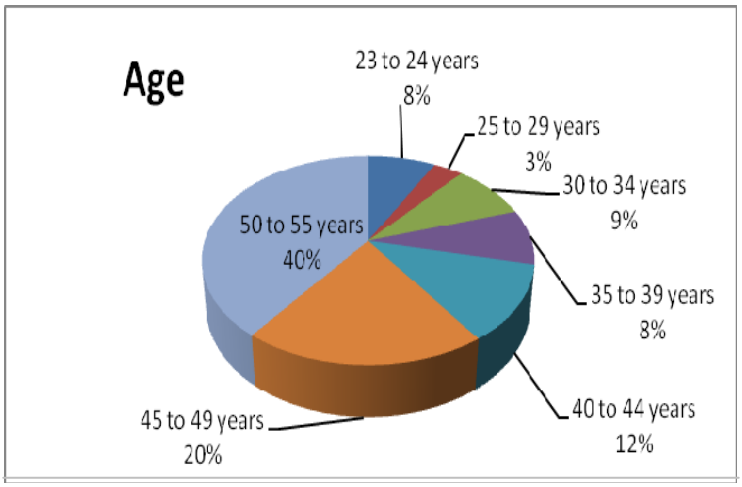
Respondents were primarily female (82 percent), with at least one child living at home. Individuals aged from 45 to 55 years made up the majority of respondents (60 percent), followed by consumers aged 35 to 44 years (20 percent).

Respondents reported an annual gross income range from less than $15,000 up to more than $255,000. Roughly 69 percent reported an income under $75,000, and 16 percent reported an income of $95,000 or more.

Consumer participants in this study, meeting *SegmenTrak's* screening criteria, represent a diverse cross-section of life settings. Roughly 43 percent live in rural locations (<30,000 population), while 24 percent hale from large city/metro areas (100,000+ population), and 13 percent from major cities (1,000,000+ population).







‘Indicator Consumers’ Rely on Food Labels for Information on Food Production

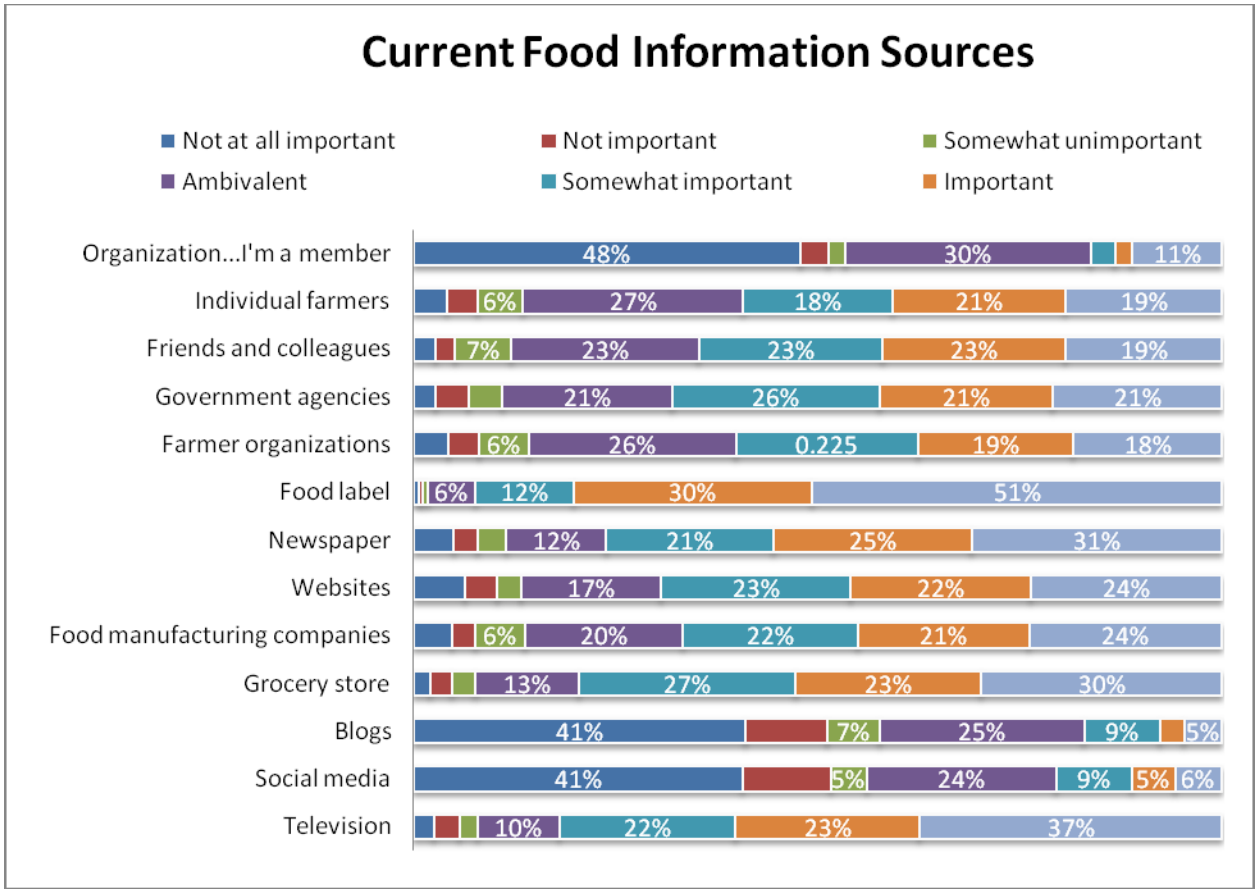
Where do “indicator consumers” currently learn about how their food is produced in the U.S.? Consumers rely most on food labels (81 percent “important/very important”) for “information regarding how food is produced…” Television is important or very important to many (60 percent), as is information found in the newspaper (56 percent) and grocery store (53 percent).

Farmer organizations (37 percent “important/very important”) and individual farmers (40 percent “important/very important”) rank among the least important sources, under-ranked only by social media, blogs and membership organizations.

It appears that “indicator consumers” still seek information about how their food is produced from traditional sources: product labels, newspapers and television.

Consumers also appear to be less apt to get that same type of information from individuals, whether they are friends and colleagues or even the farmers themselves.

Consumers rely little on organizations of which they are members for information.



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Consumers Want More Production Information from Manufacturers and Farmer Organizations

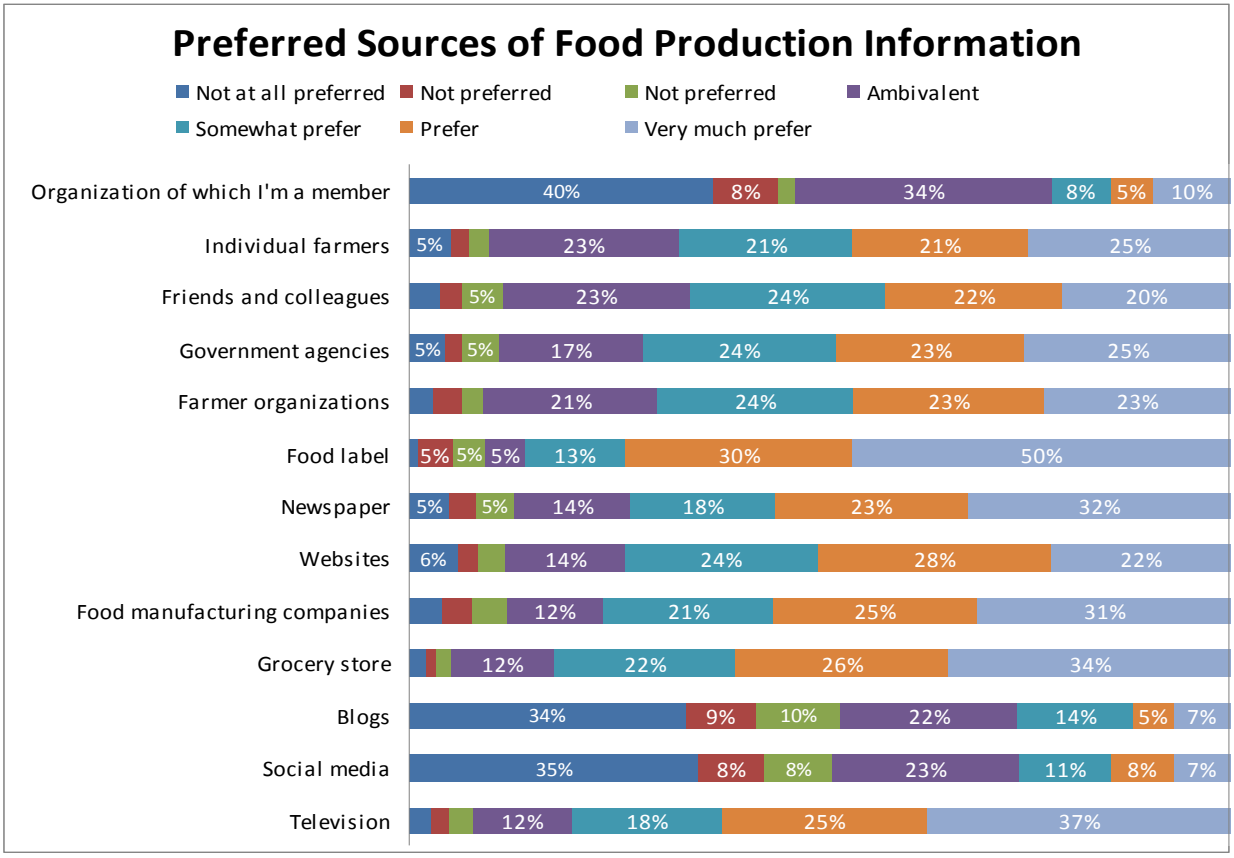
When it comes to information about how U.S. food is produced, disparities exist between how consumers currently gather information and where they would prefer to find information.

If their preferences were met, "indicator consumers" would continue to rely mostly on food labels for information on U.S. food production methods. However, food manufacturers would be relied upon much more (11 percent for "prefer/very much prefer"), as would farmer organizations (up 9 percent for "prefer/very much prefer").

Also preferred in comparison to current use levels: grocery stores (up 7 percent), government agencies (up 6 percent), individual farmers (up 6 percent) and websites (up 4 percent).

There appears to be unmet opportunity for farm organizations and food manufacturers to reach "indicator consumers" with food production information.

And while individual farmers did not rate as high as other sources to provide consumers with food production information, Demeter understands from direct experience that farmers are credible and well-received among mainstream consumers and should not be overlooked as valuable spokespeople about food production.



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Children Should Receive Food Information from their Parents and School Teachers

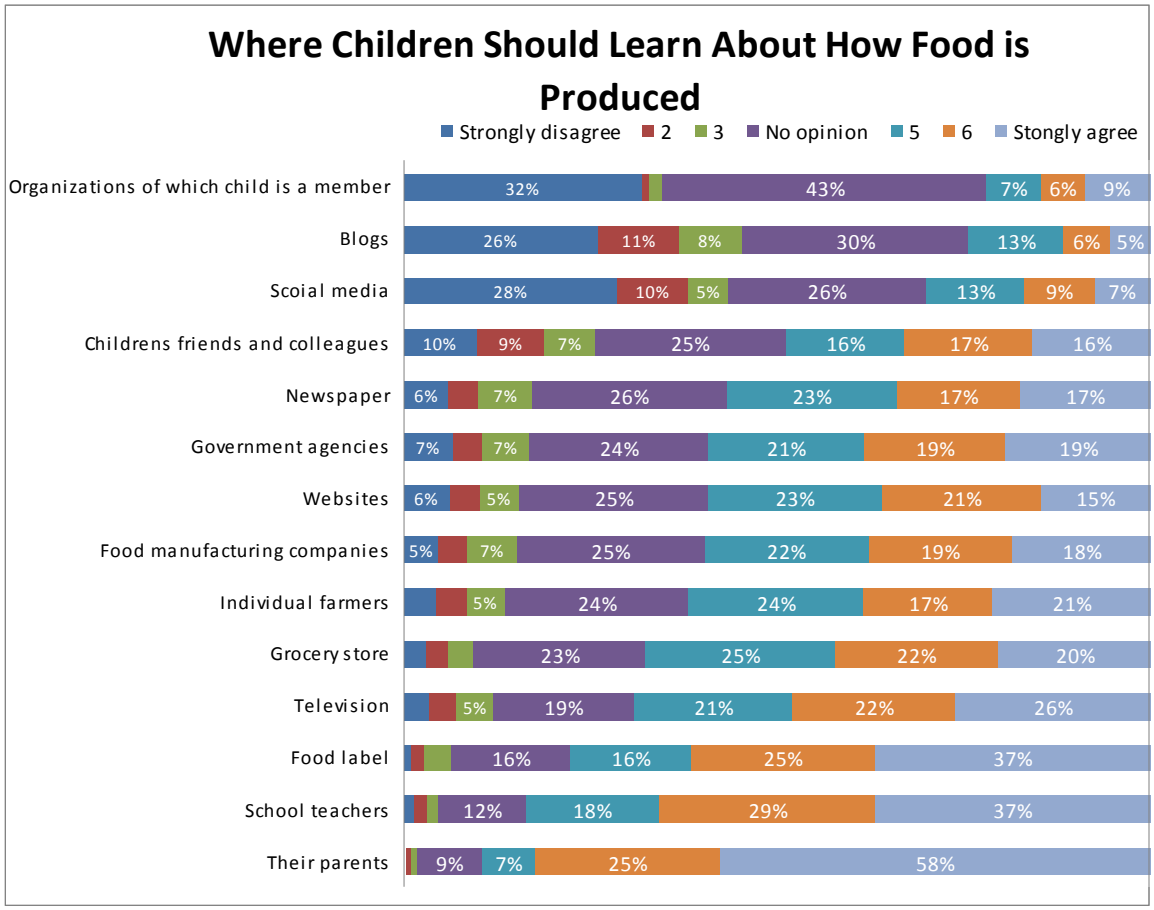
How do respondents, all of whom are the parent of at least one child, believe children should learn about how food is produced in the United States? Preferred information sources for children differ considerably from what adults would choose for themselves.

Children's parents were deemed the source "best for children learning about food production" (83 percent "agree/strongly agree"), followed by school teachers (66 percent "agree/strongly agree.")

Though less-accepted, television (48 percent) and the grocery store (42 percent) received approval as sources. Roughly equal approval as a source was given to food labels (62 percent), food manufacturing companies (37 percent) and individual farmers (38 percent).

To "indicator consumers," people are the best source of food information for their children, and those sources are traditional authority figures, such as parents and teachers. The adage, "Mom (or Dad) knows best," rings true for these consumers.

For the most part, blogs and social media and membership organizations were not seen as being among the best ways for children to learn about how their food is produced.



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‘Farmer’ and ‘Family Farm’ Perceived Positively Among ‘Indicator Consumers’

Public relations and marketing writers often rely on little more than “best guess” when crafting campaign copy. Information campaigns and educational programs’ effectiveness can be enhanced when consumer-accepted language is employed. *SegmenTrak’s* February 2010 wave tested words commonly used in current public discourse about food production and agriculture.

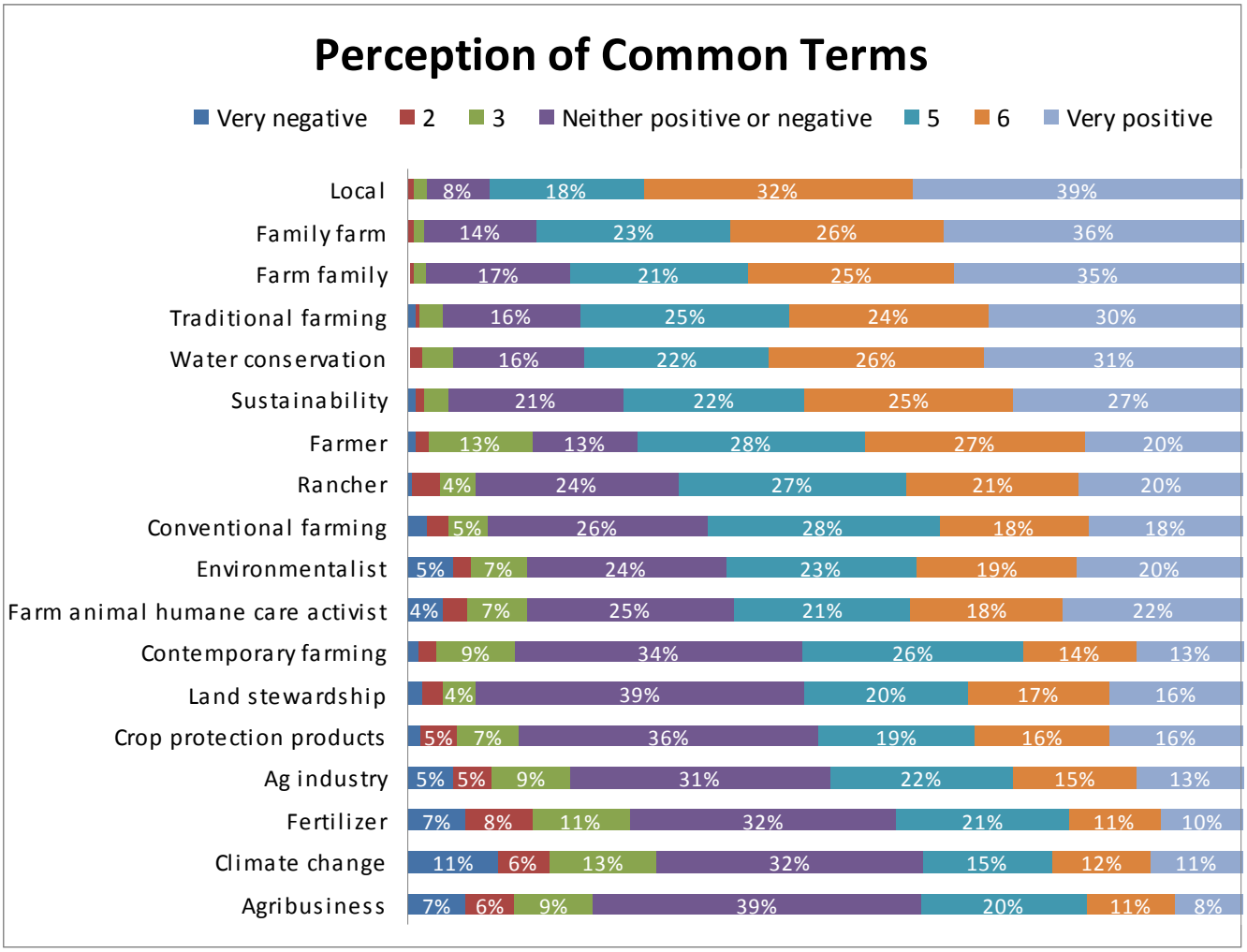
Data bears out a few clear findings: consumers feel more positively toward “farmers” (47 percent “positive/very positive”), “family farms” (62 percent positive/very positive), and a “farm family” (60 percent) than they do toward “ag industry” (28 percent) or “agribusiness” (19 percent). Corporate terms, such as “industry,” are less acceptable to “indicator consumers” when it comes to describing current agriculture production.

“Traditional farming” (54 percent positive/very positive) generates more positive feeling among consumers than “conventional farming” (36 percent).

Though data do not explain why, the terms “farmer” (47 percent) and “farm family” (60 percent) generated more positive reception than did “rancher” (41 percent), which is a more specific term. This may have been precipitated by consumers’ positive view on smaller, family farms versus what they could perceive as larger operations associated with ranching. However, this is speculative, and only additional research can confirm or refute the theory.

Among environmental terms, “water conservation” (57 percent positive/very positive) was deemed more positive than “land stewardship” (33 percent). It is possible that “water conservation” is viewed more positively because it describes a specific practice (conservation) rather than a broader concept (stewardship).

However, it is important to remember that the meaning of terms must be understood by consumers in order for the term to be well-received. So, in the case of the environmental terms above, it is possible that consumers do not understand the meaning of “land stewardship.” This is one reason audience testing of terminology is essential to the development of the best possible message platforms.



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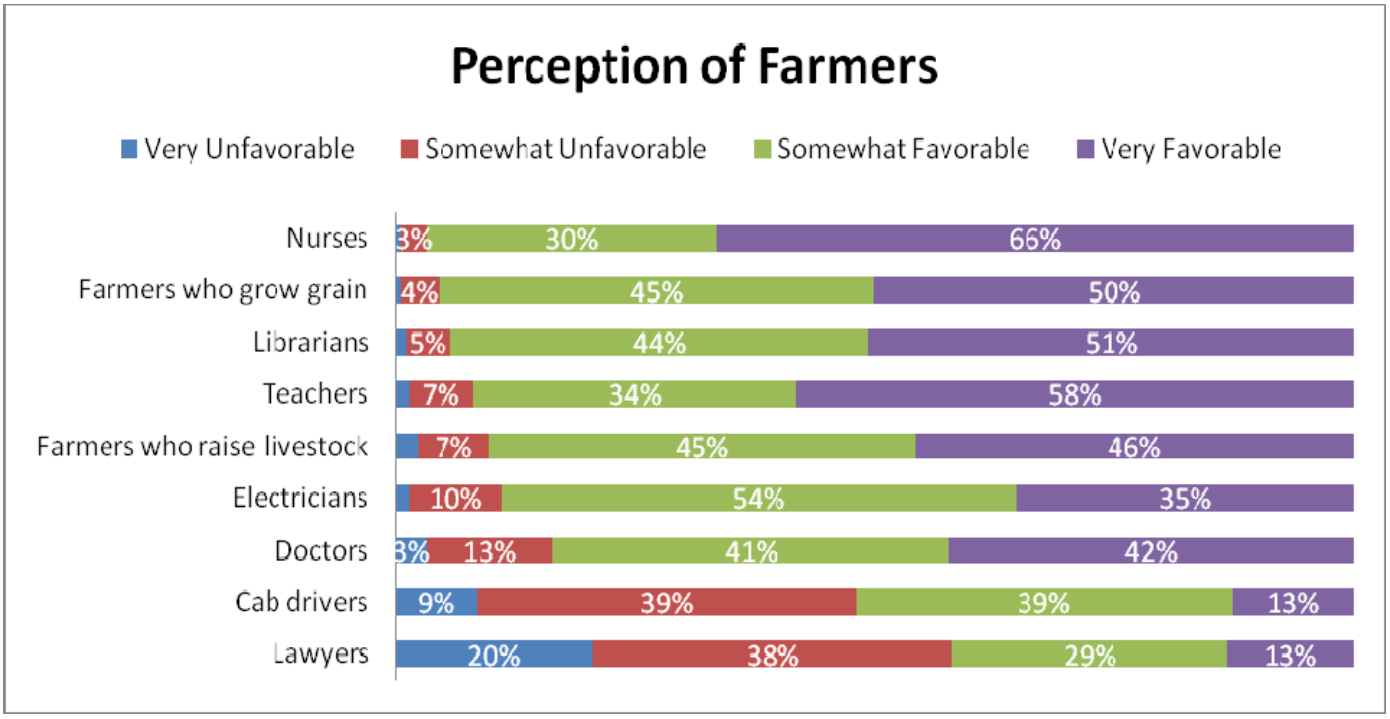
Farmers Viewed Favorably

SegmenTrak data show a vast majority of "indicator consumers" view agricultural producers favorably. "Farmers who grow grain" are viewed favorably by 95 percent of these consumers, with half (50 percent) giving a "very favorably" rating.

"Farmers who raise livestock" are viewed favorably by 91 percent of "indicator consumers" and "very favorably" by 46 percent. These ratings place grain and livestock farmers in a zone comparable to librarians and viewed with more favor than doctors, cab drivers or lawyers.



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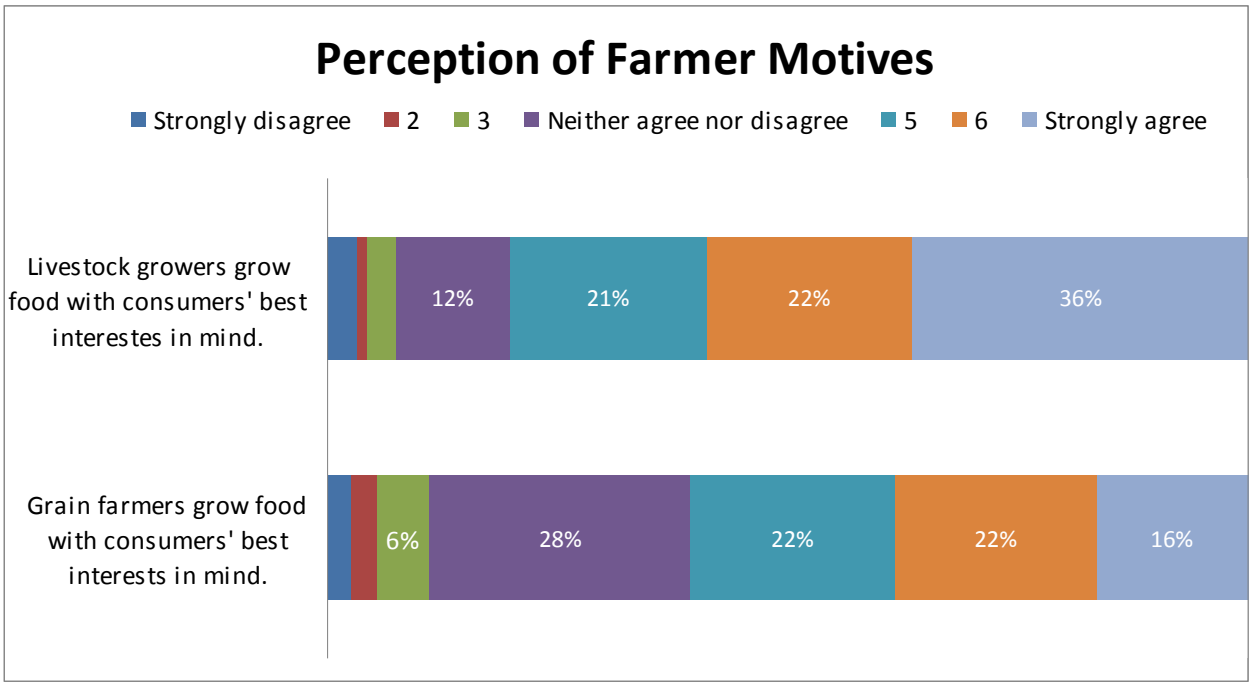
Consumers Question Farmers' Motives

Data show that 79 percent agreed with the statement, "Livestock growers grow food with consumers' best interests in mind" and 36 percent strongly agreed.

A similar statement for grain farmers met less agreement overall (60 percent) and just 16 percent strongly agreed.

"Indicator consumers" easily view farmers favorably, but are more cautious about committing their trust to farmer motives. This divergence between perception and trust presents opportunities for agricultural businesses and organizations to build on existing positive perceptions while working to increase trust of agricultural production practices through information and education programs.



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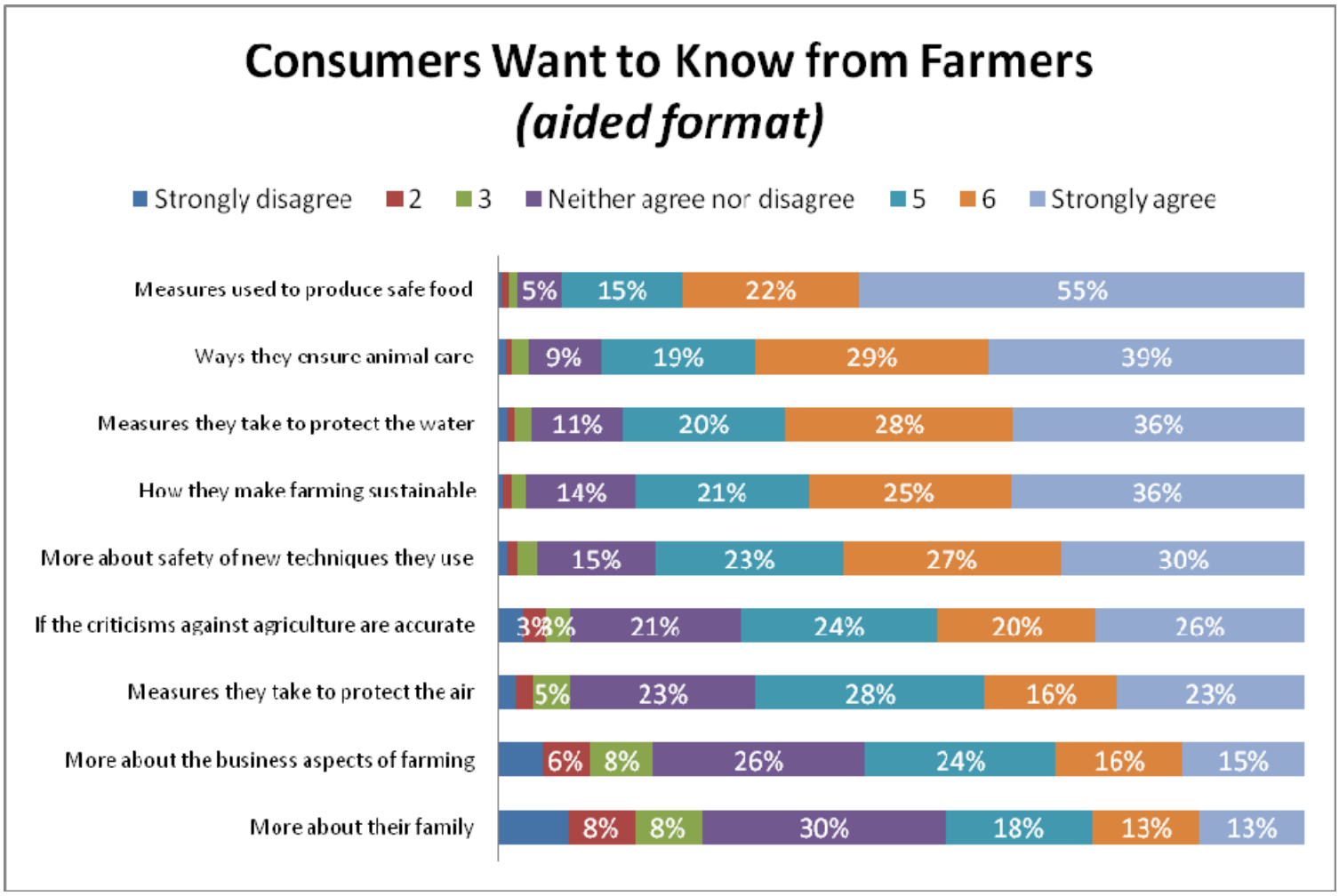
What Consumers Want to Know from Farmers

Reviewing a list of potential options, consumers considered what they would "like to know from farmers about food production that you currently do not know?"

"Indicator consumers" agreed they would like to know more about "measures used to produce safe food" (77 percent "agree/strongly agree"), and "ways they ensure animal care" (68 percent "agree/strongly agree").

Respondents agreed they would like to know "measures they take to protect the water" (64 percent) and "how they make farming sustainable" (61 percent).

Consumers were less interested to learn about "the business aspects of farming" (31 percent) or "more about their family" (26 percent).



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‘Indicator Consumers’ Would Ask Farmers about Chemicals, Pesticides and Medications

If given the opportunity to visit with a farmer, consumers would be most likely to initiate a discussion of chemical and pesticide use. In open-ended format, “indicator consumers” specified “the single most important piece of information you would like to have from farmers about how your food is produced.”

The largest segment of responses (22 percent) illustrated a desire for information about chemicals and/or pesticides used during production and/or potentially remaining in consumer end products.

“Are the chemicals you use safe for human consumption?”

“How much and in what form do the chemical herbicide and pesticide have residual life in produce?”

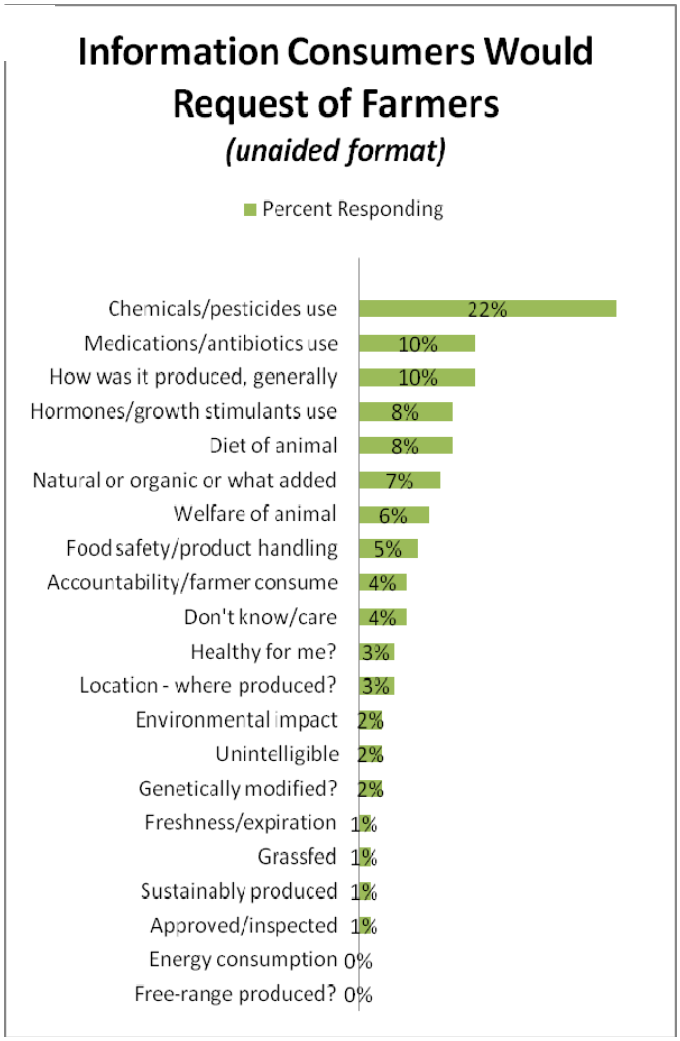
Secondarily, “indicator consumers” would ask farmers about medications and/or antibiotics used in production and/or potentially remaining in consumer end products (10 percent).

“Are there hormones and/or antibiotics in my food?”

“I want to know exactly what chemicals, antibiotics and fertilizers are used, for how long, why, and what the effects are on humans.”

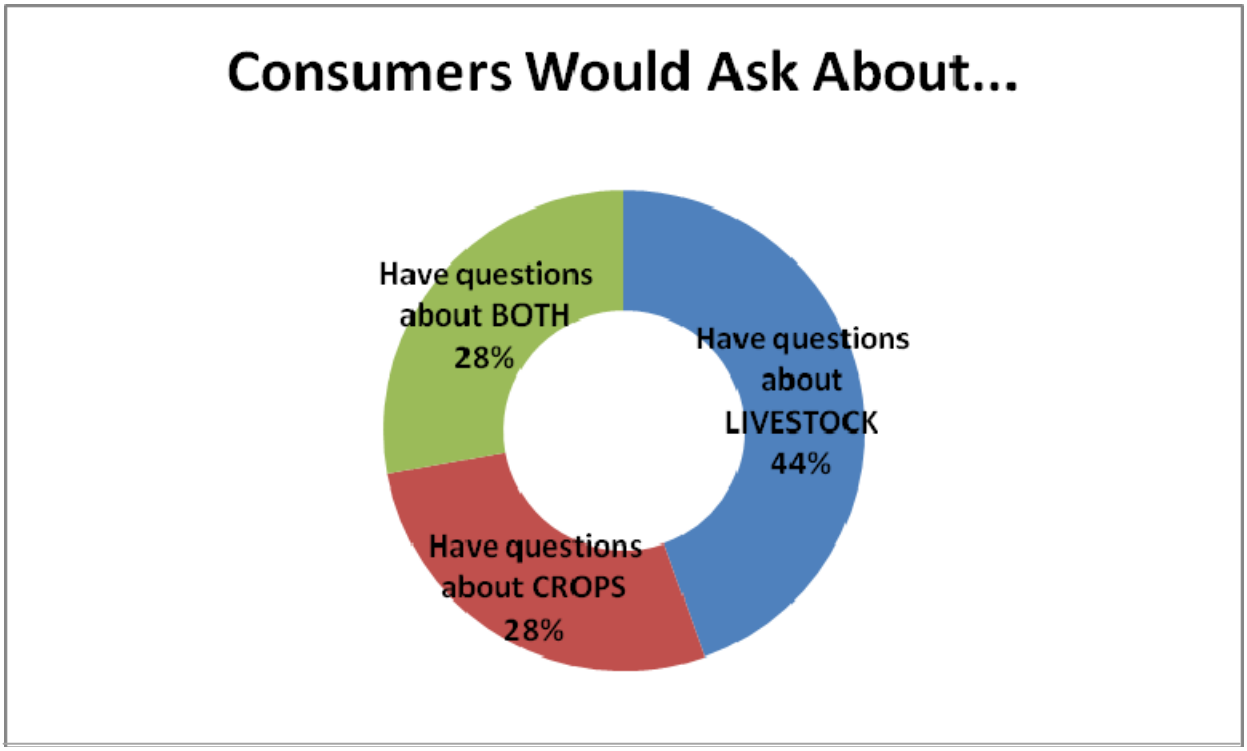
More generally, “indicator consumers” expressed a number of areas of curiosity from animal diet and animal welfare to questions pertaining to human health, food handling and production.

Interestingly, 3 percent or less would ask about location of production and the environmental impact of production.



‘Indicator Consumers’ Have Questions Regarding How Livestock Is Raised

When responses to the previous question were categorized as to whether they applied to livestock or crops, “indicator consumers” said they have more questions about how livestock is produced (44 percent) compared to crops (28 percent).



What Consumers Would Like to Change about Food Production

Asked in an open-ended question what they would change about how their food is produced, consumers pointed to "animal care" most often – but only 14 percent indicated such.

"I would like to see factory farms evolve into more humane places for animals."

"Animal holding lots appear to be horrid. Swine farms are said to be ecologically damaging. I would like to see the return of small farmers."

Many would somehow enhance food safety (11 percent) or somehow change the use of "chemicals" (10 percent).

"Better control on the use of pesticides…"

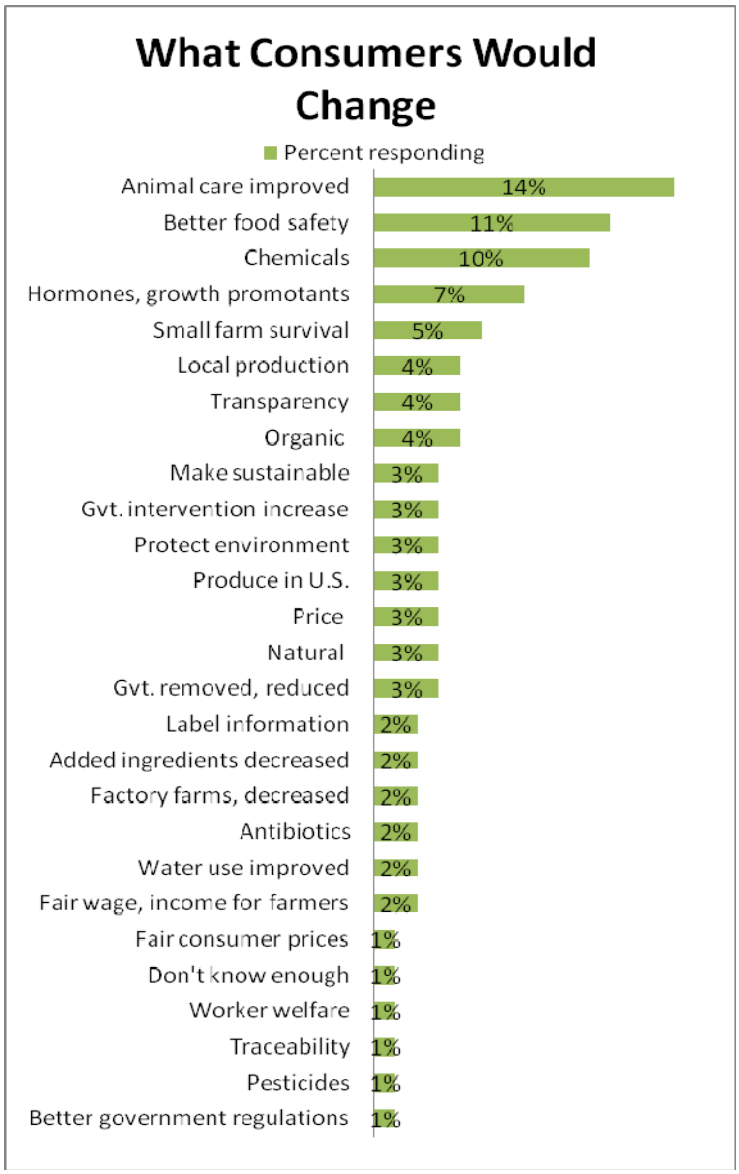
"More natural pest control…"

"Hormones" and "growth promotant" use were something consumers would like to see change (7 percent). Some would like to see more "small farm survival" (5 percent).

"I would like to see farming become less growth hormone and antibiotic oriented."

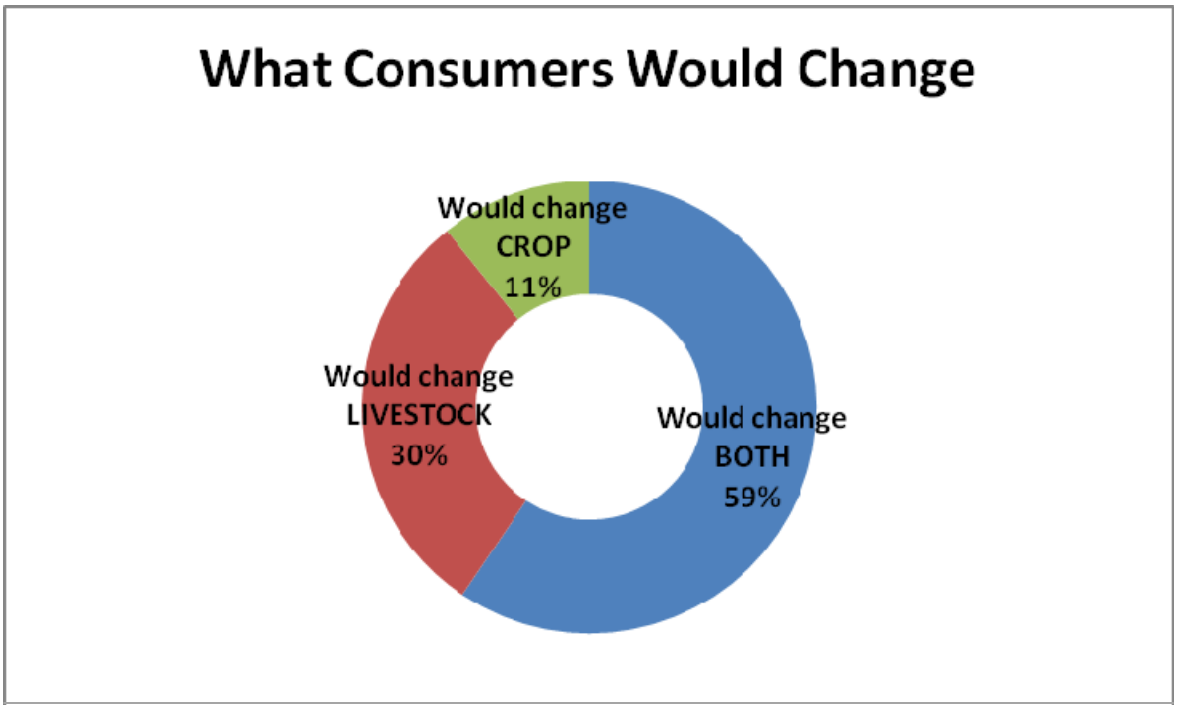
"Family farmers on a more level playing field compared to corporate farmers."

The top responses are about the safety of products as it relates to human health. While much noise is heard about use of antibiotics, this topic did not rate highly with indicator consumers.

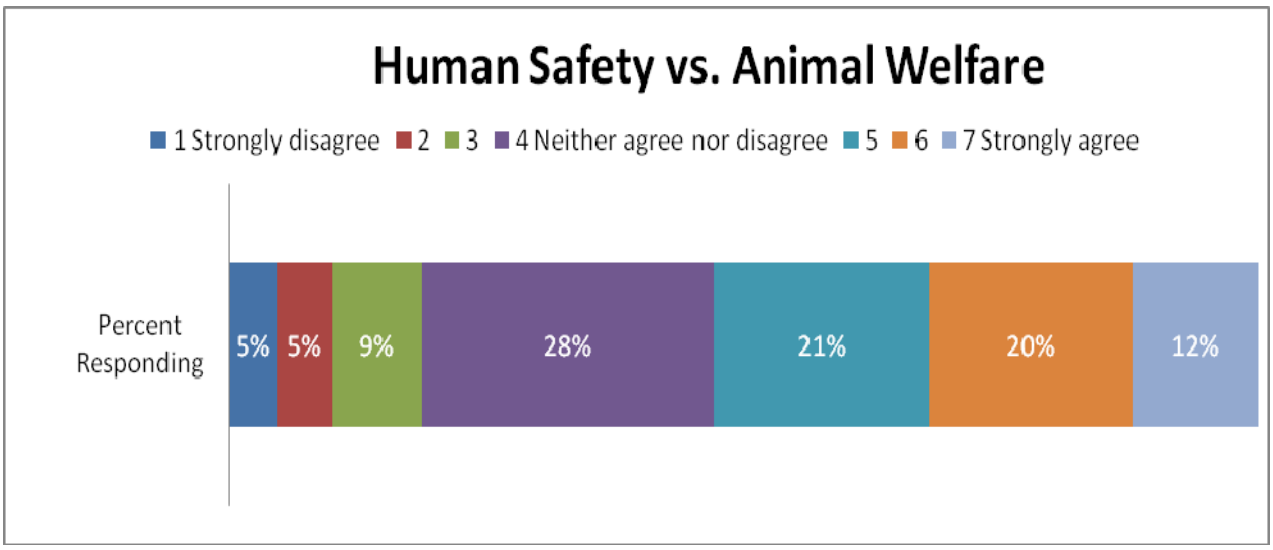


‘Indicator Consumers’ Have Issues with Both Crop and Livestock Production

When responses to the previous question were categorized as to whether they applied to livestock or crops, almost three times as many related to livestock. However, almost six out of ten applied to both.



‘Indicator Consumers’ Ambiguous on Animal Care versus Human Safety

When asked if safety of farm owners and employees should come before animal welfare if human health was in jeopardy, 32 percent agreed or strongly agreed. However, almost the same number, 28 percent, couldn’t indicate an opinion one way or the other.

To our knowledge, this question has not been posed in a study of this nature.