

MAR 2014  
ISSUE NO.1



# Another look at Americans' trust in food

In recent years, there has been an increasing focus in mass and social media regarding the processes and practices involved in food production. Big-name brands have been called out and forced to explain their practices or, at times, reconcile them. Other brands are proactively taking stances on practices to avoid criticism and build positive perceptions.

Last year's FoodThink white paper "Building Trust in What We Eat" examined the degree of trust Americans had in food production in 2012. Now, FoodThink has gone back to examine how public sentiment and consumer trust in the food industry has changed amidst this increasingly noisy environment. Interestingly, data indicates that all of the open dialogue on food production may be improving consumer sentiment, instead of hurting it.

But there is still a considerable amount of work to be done.



## Contents

**The following report explores these broad topics and shows how answers vary by consumer segments:**

1. Trust in Food Production
2. Improving Consumer Perception
3. Trusted Sources of Information
4. Implications



# Key Takeaways

Only 34 percent of Americans feel the agriculture industry is transparent and only 30 percent feel food companies are transparent about food production practices.

**While these numbers are an improvement from those expressed in 2012, there is still a need for the food industry to build a reputation of transparency.**

FoodThink experts hypothesize that the improved perceptions of transparency in the industry may be attributed to greater public spotlight and dialogue on the topic. But consumers still want to know more — 67 percent think having food production knowledge is important and 65 percent want to know more about where food comes from.

The usage of pesticides and insecticides, animal antibiotics, animal hormones and the treatment of animals continue to be the food production topics of greatest concern to consumers.

**Americans still overwhelmingly trust information about food production that they receive via word-of-mouth, especially from friends and family.** However, they are increasingly trusting food companies to share information and educate people on how their food is produced.

## 34%

of Americans feel the agriculture industry is transparent

## 30%

feel food companies are transparent about food production practices

## 67%

think having food production knowledge is important

## 65%

want to know more about where food comes from

### Greatest Concerns



PESTICIDES &  
INSECTICIDES



ANIMAL  
ANTIBIOTICS



ANIMAL  
HORMONES



TREATMENT of  
ANIMALS

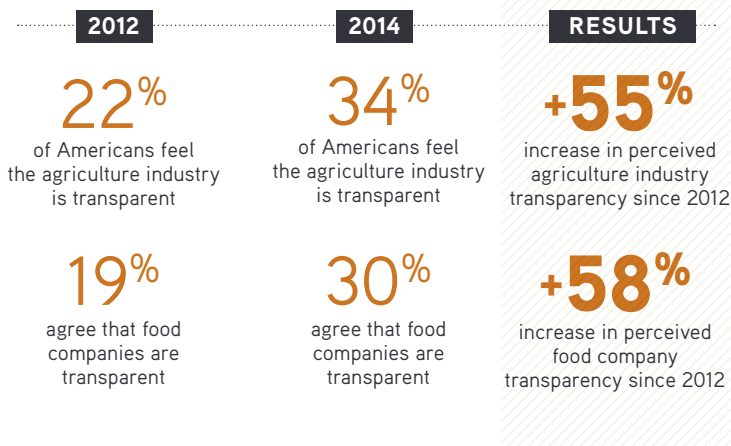
# Trust in Food Production

SECTION  
NO.1



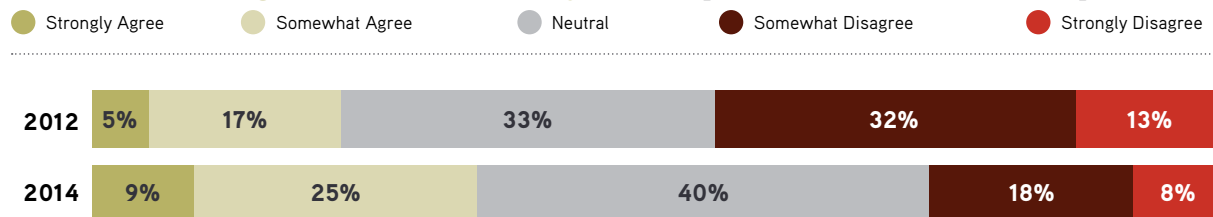
## Transparency is improving, ever so slightly

Consumers continue to perceive a lack of transparency by the food industry. Today, 34 percent of consumers agree with the statement, "As a whole, the agriculture community is transparent about how food is produced," and 30 percent agree that, "As a whole, food companies are transparent about how food is produced." However, these numbers are a significant improvement over 2012, when there was only 22 percent and 19 percent agreement, respectively.



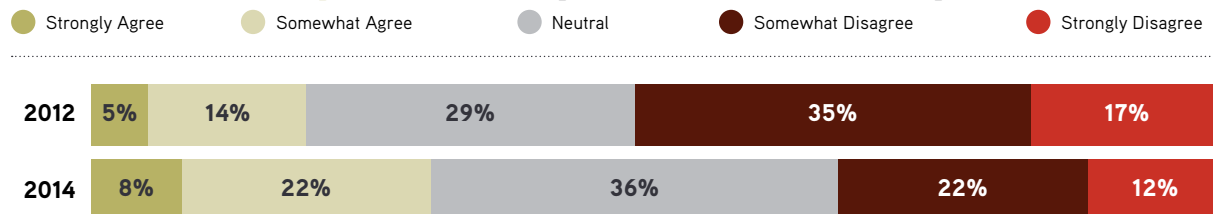
Q. Thinking about the food you eat and purchase, how strongly do you agree or disagree with the following statement?

**As a whole, the agriculture community is transparent about how food is produced**



Q. Thinking about the food you eat and purchase, how strongly do you agree or disagree with the following statement?

**As a whole, food companies are transparent about how food is produced**





## The shift of perception is in the right direction

There has been an even greater improvement in the percentage of those who outright disagree with these statements. Today, 26 percent of consumers do not believe the agriculture community is being transparent, compared to 45 percent in 2012. Similarly, only 34 percent do not believe food companies are being transparent, compared to 52 percent in 2012 — a shift of perception in the right direction.

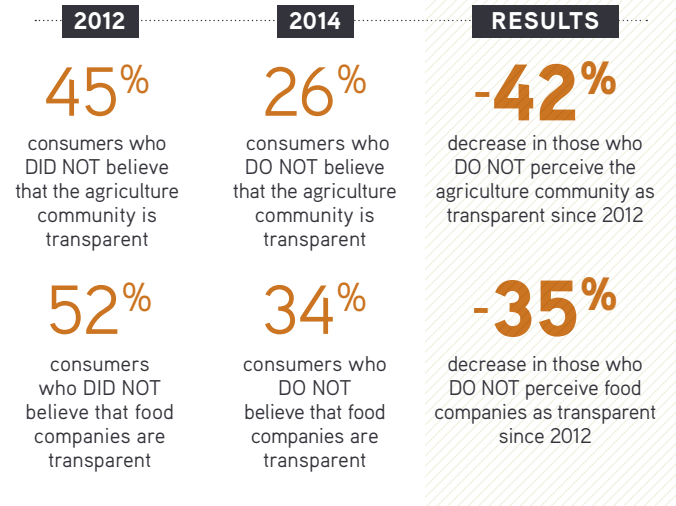
Overall, the agriculture community is faring better than food companies in perception, because food companies may carry a more corporate stigma. These results are consistent with 2012 data.

One hypothesis for the positive perception shift is that the increased spotlight and dialogue about food production over the last couple of years has caused the food industry to be more open about its production practices.

## Millennials and men tend to agree on transparency

Younger consumers are more likely to perceive the agriculture community and food companies as transparent. Continuing to build upon positive sentiments of this attractive audience will be important for marketers.

Men are much more likely than women to agree that the agriculture community and food companies are transparent. Parents are also more likely to agree.



*Q. Thinking about the food you eat and purchase, how strongly do you agree or disagree with the following statements? Strongly Agree/Somewhat Agree*

### More likely to regard agriculture industry as transparent

**Millennials**  
40% agree; Index\* 118

**Men**  
40% agree; Index 118

**Parents**  
41% agree; Index 122

### Less likely to regard agriculture industry as transparent

**Boomers**  
29% agree; Index 85

**Women**  
30% agree; Index 87

**Bad Cooks**  
22% agree; Index 63

**Total consumers: 34% agree**

### More likely to regard food companies as transparent

**Millennials**  
39% agree; Index 126

**Men**  
37% agree; Index 120

**Parents**  
39% agree; Index 127

### Less likely to regard food companies as transparent

**Boomers**  
25% agree; Index 82

**Women**  
26% agree; Index 86

**Bad Cooks**  
22% agree; Index 70

**Total consumers: 31% agree**

*\*What's an index?*

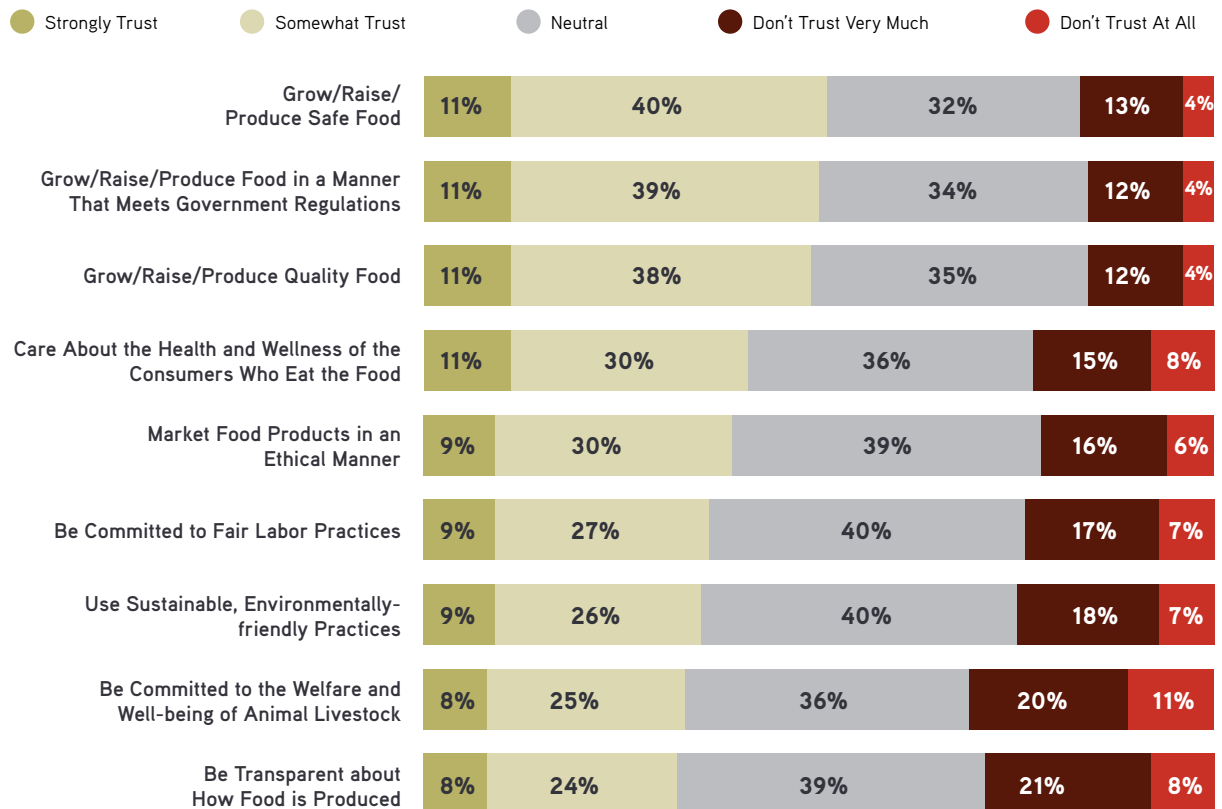
*An index is a quick and easy way to see how the statistic for that consumer segment compares to the total responses. An index of 100 represents the average response. An index over 100 means that response is higher than average and below 100 means it is less than average. For example, an index of 120 means that it is 20 percent more likely than average and an index of 80 means that it is 20 percent less likely than average.*

## Consumers trust some areas of food production more than others

Improvement is needed in the degree of trust Americans have toward the motivations and practices of food producers. Consumers were asked to indicate the degree to which they trusted the food industry's various practices — from producing safe food to being committed to fair labor practices.

In some instances, there were up to 70 percent of people who did not trust the industry, or felt neutral, regarding certain practices. Ethical marketing was one aspect assessed, and only 39 percent of consumers trust the food industry markets in an ethical manner.

### How much do you trust the food industry to do the following?



The measures consumers most trust are key to overall consumer sentiment — producing safe food, producing food in a manner that meets government regulations and producing quality food. However, only half of consumers, at best, somewhat or strongly trust the food industry to deliver on these measures.

Food industry practices that consumers trust the least are commitment to animal welfare, sustainability, commitment to fair labor and transparency about how food is produced.

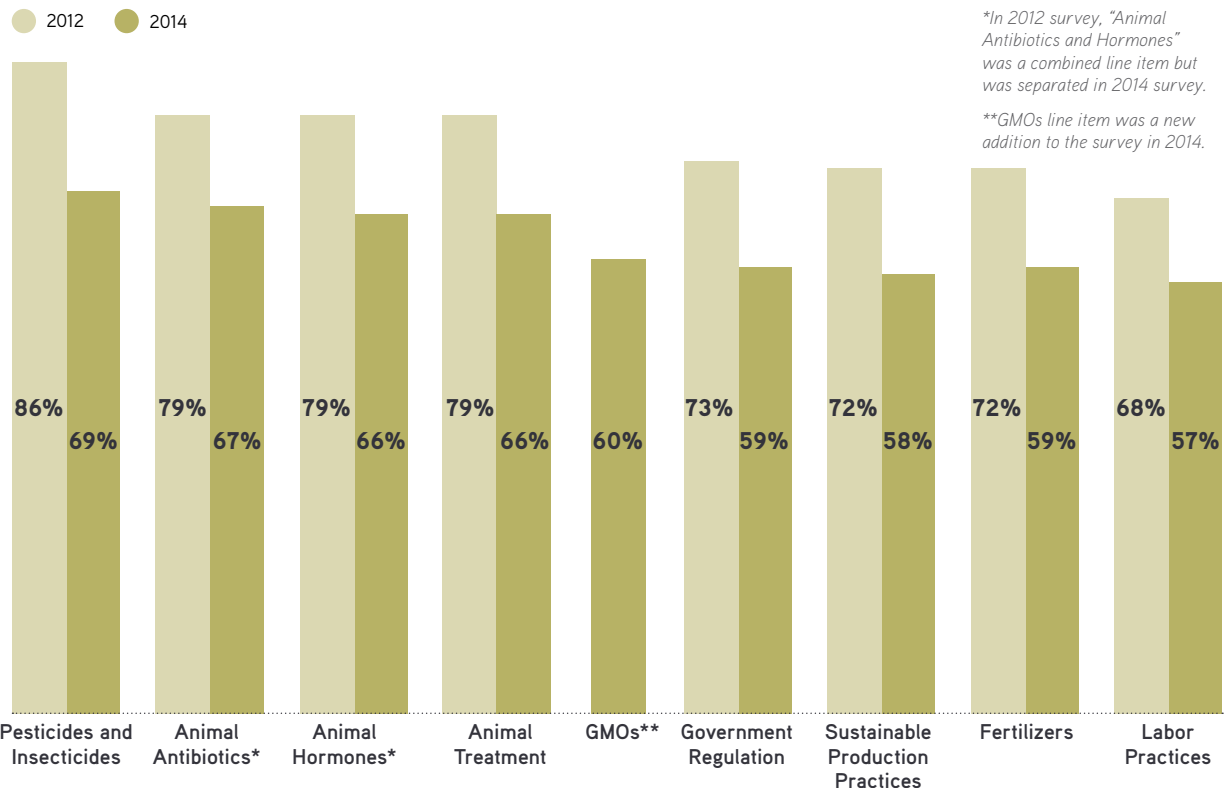
## The same production topics are still sticking points

In 2014, the food production topics that received the greatest degree of concern mirrored results from the 2012 data. Consumers continue to be concerned with pesticides and insecticides used in crop production, the use of animal hormones and animal antibiotics in livestock production and how livestock animals are raised and treated.

Unlike 2012, however, the degree of concern for each of the topics significantly decreased in most cases. While data does not offer an explanation for the collective decrease, it could be linked to the improved degree of perceived transparency in the industry. The data still illustrates the clear need to address or alleviate these concerns.

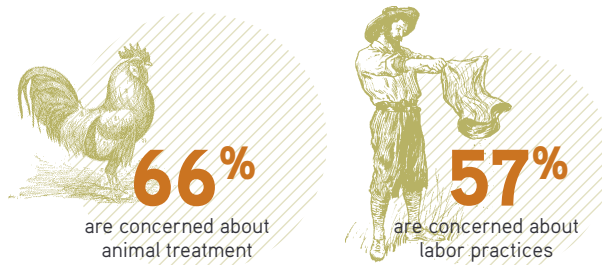
Q. When it comes to food production, how concerned are you about the following? Very/Somewhat concerned

### Concern toward food production topics



Q. When it comes to food production, how concerned are you about the following? Very/Somewhat concerned

### Humane animal treatment outweighs human labor concerns



Interestingly, concern with animal treatment scored significantly higher than concern with humane treatment and fair labor practices in the agriculture and food manufacturing industries.



## Organic shoppers show particular concern with food production

The degree of concern toward the following production topics is consistent among almost every consumer segment analyzed, with the exception of organic shoppers. Organic shoppers highly over-index against all concerns. This is not surprising, given the amount of influence food production considerations have on their regular food purchase decisions.

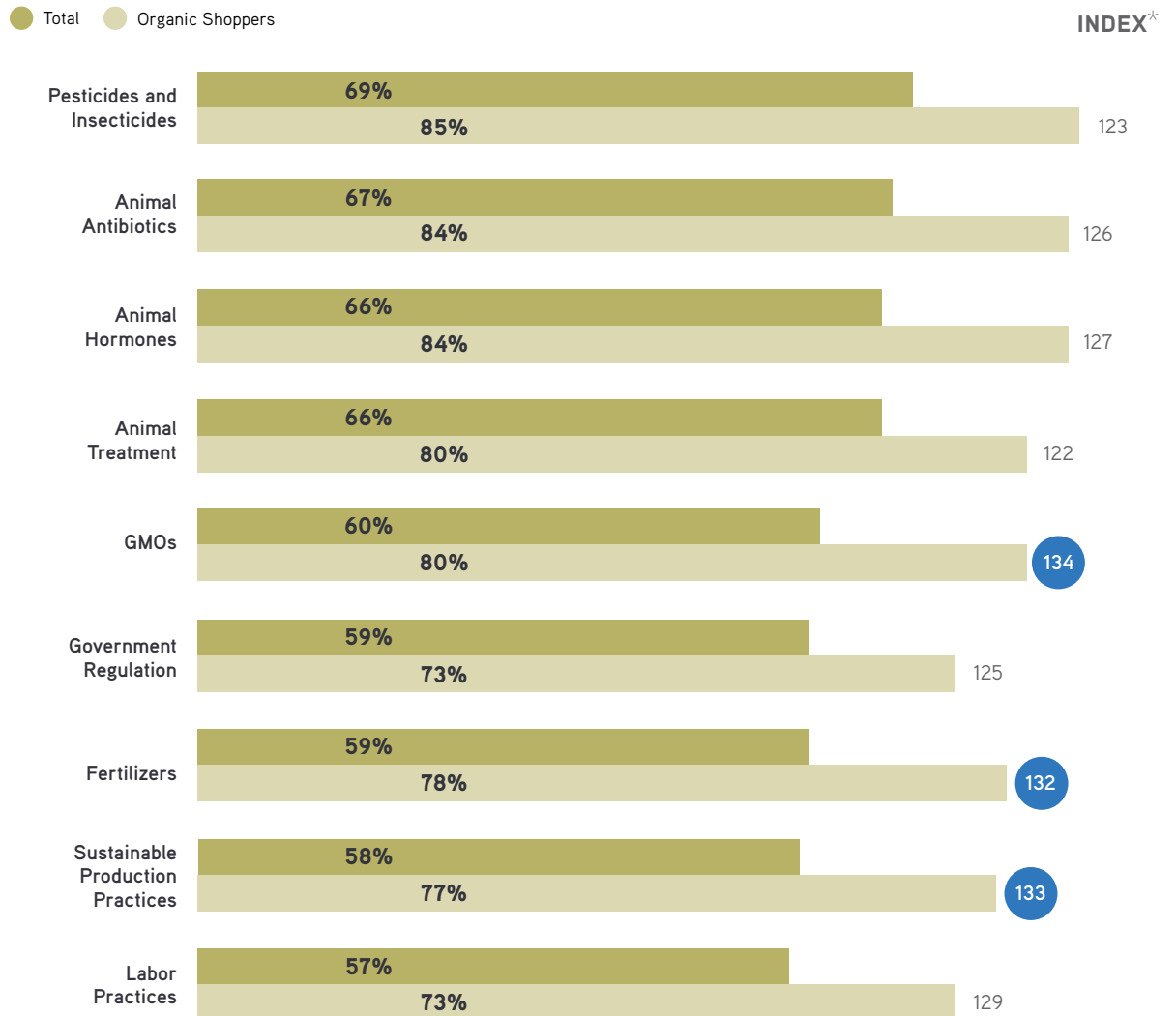
**For all other consumer segments, the consistent issues that raise the most concern are as follows:**

- 1 Pesticides and insecticides
- 2 Animal antibiotics
- 3 Animal hormones
- 4 Animal treatment/welfare



Q. When it comes to food production, how concerned are you about the following? Very/Somewhat concerned

### Concern toward food production topics



\*An index of 100 represents the average response. An index over 100 means that response is higher than average and below 100 means it is less than average.

# Improving Consumer Perception

SECTION  
NO.2



## Efforts aimed at building trust can be effective

Fortunately, Americans are open to efforts by the food industry aimed at building trust. These efforts don't have to be extensive product or production overhauls. Instead, consumers feel that trust can be built via improved packaging and labeling and by integrating straightforward Q&A information on the brand website.

*Q. Which of the following would make a food producer more trustworthy? Please select all that apply.*

### Percentage of consumers who agree that these methods would build trust

- 56%** Better labeling of key production and nutritional information
- 50%** Public tours of farms and/or food production facilities
- 43%** Website honestly answering food production questions
- 33%** Company leaders appearing on a news program to explain how food is produced



**Eighty-one percent of Americans are open to the food industry utilizing one or more of the methods listed above to build their trust.**



Other ways surveyed consumers said  
the food industry could build trust:

***“Allow representatives  
that don’t have a stake  
in the outcome of an  
investigation of food  
producers explain how the  
food is truly produced.”***

***“Advertise their track record  
of providing safe foods.”***

***“Go back to the old ways of  
pride in the product rather  
than price and how much  
money we can make.”***

***“Online tours/live feeds  
of production.”***

***“[Company employees]  
Eating their food in public.”***

***“Third-party assessment  
and reporting.”***

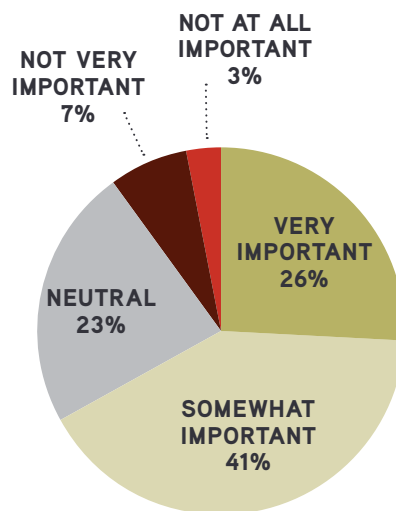


## Consumers hunger for more knowledge from the industry

The food industry has an opportunity to help educate consumers in order to build their trust. Two out of three consumers think it's very or somewhat important to understand how their food is produced. And 66 percent want to see more action from the food industry to educate people on how food is produced.

Q. How important is it for you to understand how the food you eat is produced?

### Importance of understanding how food is produced

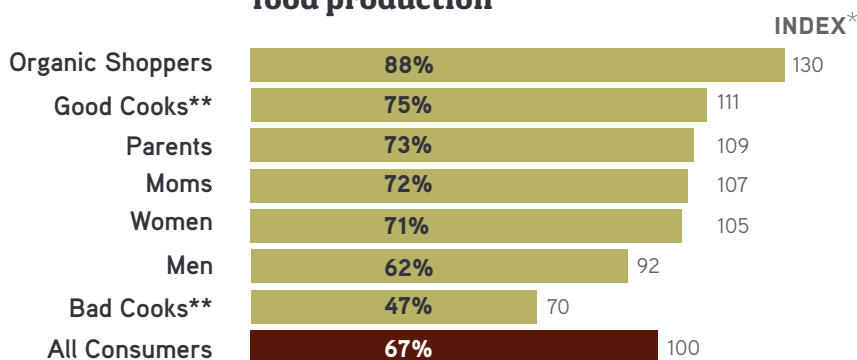


#### THREE KEY STATS

- 67%** of consumers think it's important to understand how their food is produced
- 65%** of consumers want to know more about where their food comes from
- 66%** would like to see the food industry take more action in educating people on how food is produced

Q. How important is it for you to understand how the food you eat is produced?  
Very/somewhat important.

### Percentage of consumers who think it's important to learn more about food production



\*An index of 100 represents the average response. An index over 100 means that response is higher than average and below 100 means it is less than average.

\*\*Individuals who self-identified as good/bad cooks.

## Some consumers are hungrier than others

Organic shoppers, parents and those who describe themselves as good cooks are more likely to think it's important to learn about food production. Men and bad cooks are less likely to be concerned with it, but the majority of all consumer segments still want to learn more.

## An opportunity exists to educate

Consumers currently lack the food production knowledge they desire. Only 24 percent of Americans claim to have good or excellent knowledge of food production, and only 23 percent have good or excellent knowledge about farming and ranching. That means there is a big opportunity to educate over 75 percent of the population on these subjects, and in doing so, food producers continue to improve transparency and build consumer trust.

While those who have good or excellent knowledge about food production and about farming and ranching are relatively similar, there are more people who have fair or poor knowledge about farming and ranching. Given that the average American is three generations removed from the farm, this knowledge gap is not surprising. But with the increasing spotlight placed on practices at the very source of food – the farm and ranch – there is a need and opportunity to provide education on the subject.

76%

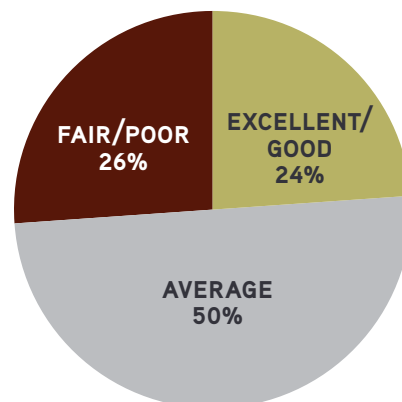
of consumers DO NOT  
have excellent or  
good knowledge of  
**food production**

77%

of consumers DO NOT  
have excellent or good  
knowledge about  
**farming and ranching**

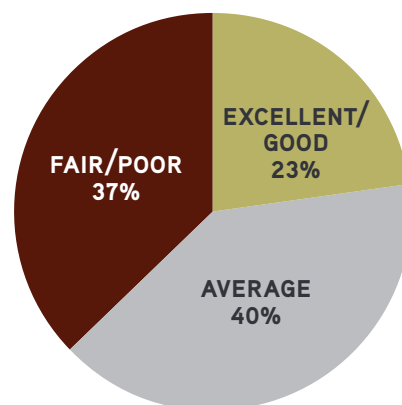
*Q. Please indicate the level of knowledge you have about food production.*

### Level of food production knowledge



*Q. Please indicate the level of knowledge you have about farming and ranching production.*

### Level of farming/ranching knowledge



### FOOD FOR THOUGHT

### Growing interest in growing food from home

For some, interest in food production information extends beyond information they hear or read. They also desire a more hands-on understanding. FoodThink data shows that almost half of Americans (46 percent) are interested in growing some of their own food or are already doing so.

Interest is particularly heightened among parents (57 percent) and moms (56 percent). The activity may

serve as a fun, educational opportunity to teach their kids about nutrition and science, and be a great source of family bonding.

Marketers should consider if their brand is an endemic fit in this “home-grown” dialogue and if it can offer resources, recipes or ideas that could enhance this experience for consumers.

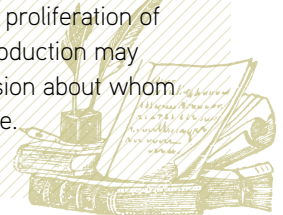


## Consumers lack confidence in their food production knowledge

Today, people express less confidence in their food production knowledge. While those who claim to have fair or poor food production knowledge have remained statistically unchanged since 2012, there has been a shift from those with excellent or good knowledge to those who consider themselves as having average knowledge. In 2014, 50 percent of consumers classified themselves as average in this category.

### Why the shift?

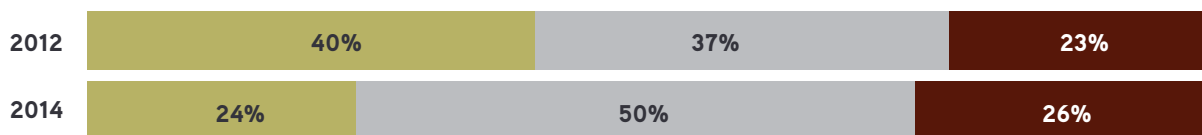
While data doesn't provide a clear answer, one hypothesis is that the proliferation of information about food production may result in consumer confusion about whom and what exactly to believe.



Q. Please indicate the level of knowledge you have about food production.

### Level of food production knowledge

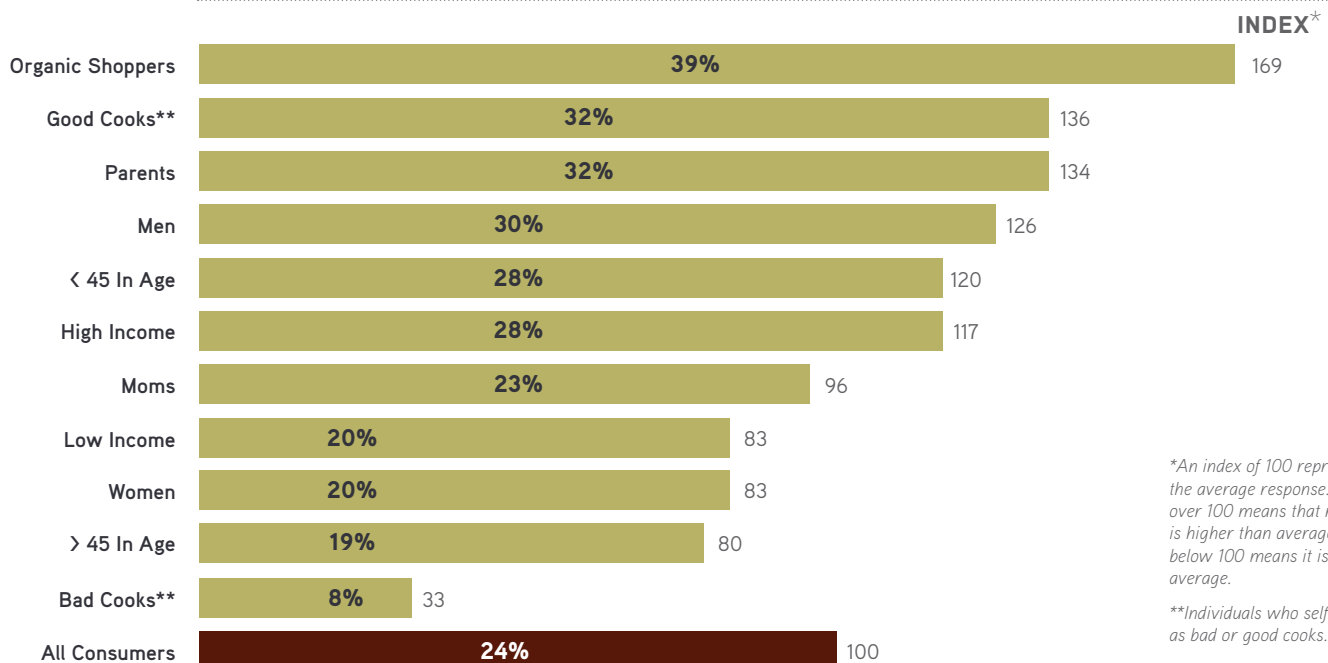
● Excellent/Good ● Average ● Fair/Poor



## Those with excellent and good knowledge of food production differ from segment to segment

Q. Please indicate the level of knowledge you have about food production.

### Level of food production knowledge



\*An index of 100 represents the average response. An index over 100 means that response is higher than average and below 100 means it is less than average.

\*\*Individuals who self-identified as bad or good cooks.

# Trusted Sources of Information

SECTION  
NO.3



## Who's more trustworthy than friends and family?

Joining positive word-of-mouth about food production should be a goal for the food industry. Friends and family are the most trusted sources of food production information, with 57 percent of Americans considering them somewhat or very trustworthy on the subject.

There have been some notable shifts in trusted sources compared to 2012 data.

Though friends and family are still the most trusted source today, less consider them so, compared to 66 percent in 2012. Other sources have experienced statistically significant increases in trust. Thirty-one percent trust food companies and manufacturers for this information, up from 17 percent in 2012. While animal pharmaceutical companies still rank low on the list (24 percent), they've seen a 140 percent increase since 2012.

Q. How trustworthy are the following sources for food production information? Somewhat/Extremely trustworthy.

### Percentage of people who consider sources trustworthy for food production information

● 2012 ● 2014



57%

of consumers feel their friends and family are trustworthy sources of information about food production practices



## Consumers have varied go-to sources

While generally the levels of trust in different sources are consistent across consumer segments, some are more likely than the overall population to trust particular sources.

Interestingly, organic shoppers are much more likely to trust sources like the government, food companies and manufacturers and even animal pharmaceutical companies. This may be due to greater trust in the marketing and food production practices of the brands they choose to buy.

### Top sources of food info by audience

More likely than overall population to trust:

#### Millennials

- Political leaders/government (index 147)
- Bloggers/social media (142)
- Animal pharmaceutical companies (137)



#### Organic Shoppers

- Bloggers/social media (index 165)
- Political leaders/government (159)
- Animal pharmaceutical companies (151)
- Mass media/news organizations (143)
- Academic community (137)
- Food companies/manufacturers (128)



#### Parents

- Bloggers/social media (index 145)
- Political leaders/government (134)
- Animal pharmaceutical companies (128)



### FOOD FOR THOUGHT

#### Using farmers as educators, not mascots

Fifty-three percent of consumers feel that farmers and ranchers are trustworthy sources of food production information. They have a unique perspective and the credibility to impart information. This is especially important given the 77 percent of Americans who don't have good knowledge about farming or ranching.

In the past decade, there has been a proliferation of advertisements and marketing featuring farmers in an attempt to build brand credibility and favorability.

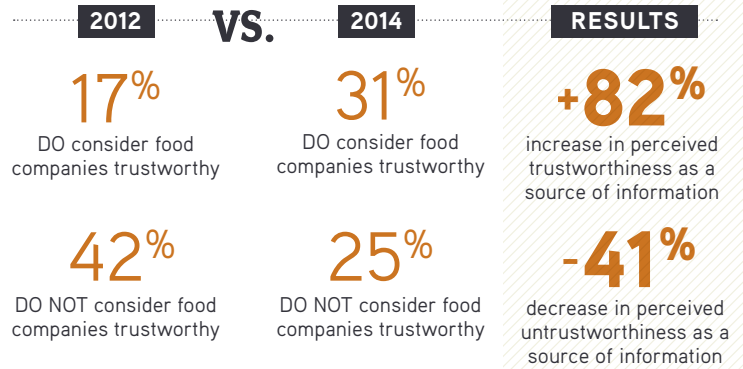
There is the real risk that the trust in this icon will become diluted as a result of exploitation. Sure, consumers want to know the real people who produce their food, but they don't expect them to be brand mascots. They can sniff out "faux farmers." Instead, utilize farmers and ranchers to impart education via appropriate touch points, and as a result, preserve the authenticity of this valuable asset to your brand.



# Consumers want to hear the food producers' side of the story

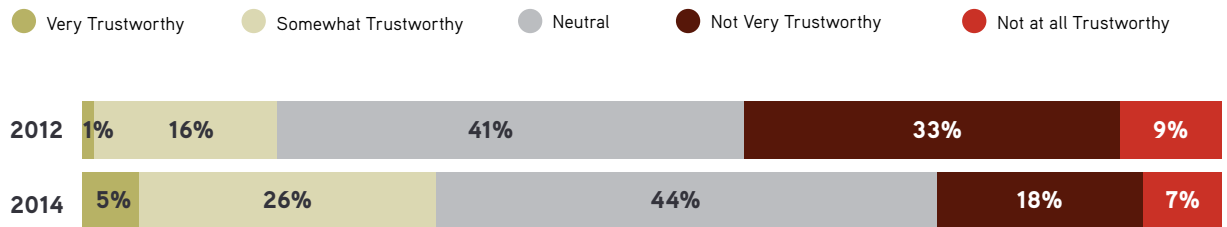
Today's consumers are more likely to trust food companies and manufacturers as sources of food production information. Those who consider food companies somewhat or very trustworthy sources have increased significantly from 17 percent to 31 percent. Meanwhile, those who do not consider them a trustworthy source have decreased from 43 percent to 25 percent.

## Trustworthiness of food companies



Q. How trustworthy are the following sources for food production information? Food Companies/Manufacturers

## Trustworthy perception of food companies/manufacturers



## Food companies should proactively share their food production story

With less than a third of Americans thinking that food companies are trustworthy, there is still a need for improvement. Continuing to improve transparency is one way this can be achieved. Food companies can also partner with sources that consumers consider more trustworthy, such as regulatory agencies or the medical and academic communities.

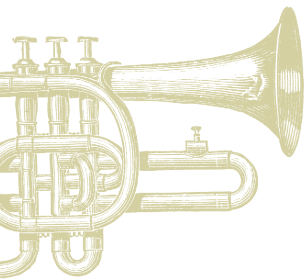
Food companies should also have a strong communications strategy for how to proactively address the food production issues and questions that are increasingly in the media. Sixty-seven percent of Americans hope that the media continues to break stories about how food is actually produced. Marketers should not expect this trend to die down. But even if the focus of the news story is negative, 54 percent of consumers will still give the food producer the opportunity to tell their side of

the story. Only nine percent say that they will not give the food producer this opportunity. Instead of issuing a "no comment," food marketers should be ready with responses, answers and solutions that pull back the curtain for consumers and can turn a negative situation into an opportunity to build transparency and trust.

Even after hearing a negative food production story in the media,

**54%**

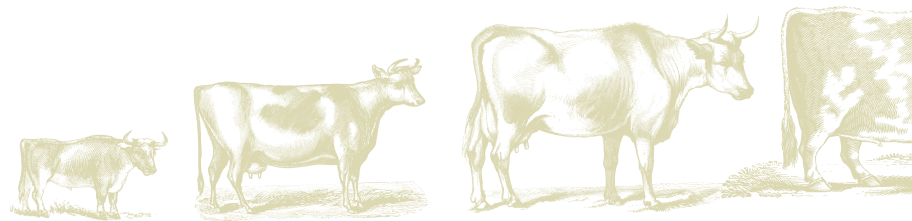
of consumers say they will still give the food producer the opportunity to tell their side of the story.



# Implications

## Continue building consumer trust and confidence

At the end of the day, there is still much work to be done in building consumers' trust in the food industry. However, new data shows that the industry is starting to move in the right direction, with improved perceptions of industry transparency and reduced consumer concern about some food production topics. The following page lists some ways that the industry can continue to shift perception and give consumers the knowledge they hunger for.



**Data indicates that the food industry is moving in the right direction toward building trust.**



## At the end of the day, there is still much work to be done



### Take hold of the food production dialogue

The industry still battles with the perception of not being transparent. Continue to proactively pull back the curtain to improve consumer perception. Consumers want to hear what food companies have to say. Take the action they want to see by educating them on how food is actually produced.

### Commit to building consumer trust

A huge majority of consumers feel that trust can be built via adjustments on packaging, websites and other marketing strategies, not total production overhauls. Find feasible and meaningful ways to show your customers that you're listening, and deliver the information they crave.



### Deliver a unified, clear message

Today's consumers are hearing more messages from more sources about food production. To avoid adding to the confusion, ensure your company has a consistent message, and explain why certain things are made the way they are instead of hiding behind glossed-over terms.

### Align with credible sources to help tell your story

Identify trustworthy sources that are a good fit with your brand and with your target audience, and make them an ally. Don't exploit the credibility of farmers and ranchers. Use them to help tell your story. And always maintain authenticity, even when other people are helping to share the message with you.





# Stand out from the flock

## About Sullivan Higdon & Sink's FoodThink:

Sullivan Higdon & Sink is a full-service advertising and marketing agency with offices in Kansas City, Wichita and Washington, D.C. SHS is the agency known for hating sheeplike advertising that follows the flock. One of SHS' core focus areas is food value chain marketing — promoting products all along the farm-to-table spectrum.

In early 2014, SHS conducted its FoodThink research study monitoring how consumers think about what they eat and America's relationship with food.

The study was executed among 2,004 consumers across the country via an online email survey

(confidence interval of +/-2.19 percent at a confidence level of 95 percent). Respondents had to be at least 18 years of age and have joint or primary responsibility for the grocery and food decisions in their household. They came from a mix of demographic backgrounds and regions across the U.S. The study covered a wide range of topics, such as perceptions of food production, cooking trends and changing thoughts about food. FoodThink was developed to help SHS and its partners uncover insights about food in America in order to help craft effective, unsheeplike marketing communications.

**FOR MORE** about Sullivan Higdon & Sink's FoodThink study, please visit  
[www.shsfoodthink.com](http://www.shsfoodthink.com)

**OR CONTACT**  
Rand Mikulecky, Managing Partner,  
[rand@wehatesheep.com](mailto:rand@wehatesheep.com)