TRANSPARENCY 2015
Establishing Trust with Consumers
## Contents

1. Executive Summary ........................................... 3
2. Methodology .................................................. 9
3. The World of Sustainability ................................. 12
4. Sustainability – what’s new in 2015 ......................... 24
5. Transparency & Trust ........................................ 45
6. Product Categories as they relate to Sustainability & Transparency 66
   I. Food & Beverages ......................................... 68
   II. Personal Care Products ................................. 72
   III. Household Cleaners .................................... 76
   IV. Pet Food .................................................. 80
7. Retail .................................................................. 84
8. Food Service .................................................... 90
9. Key Takeaways & Recommendations ...................... 97
10. Appendix ...................................................... 107
The Hartman Group’s Transparency 2015 study serves two purposes. First, it provides an update on the long-running series of syndicated studies on Sustainability, focusing on the changes since the most recent 2013 report. Sustainability issues covered include:

- Products/ingredients (how they are made, what’s included or absent)
- Sourcing practices, including country/region of origin
- Animal welfare
- Employee rights
- Corporate ownership

Secondly, we took an in-depth look at Transparency as it relates to consumer trust in terms of:

- How consumers evaluate what they hear from companies
- What they want to know about products and companies’ business practices

We sought to understand what consumers want to hear from companies to earn their trust and learned which companies consumers think are doing a good job and which have room for improvement.

The report’s findings, insights and recommendations help guide packaged goods companies, retailers and food service operators in their efforts to be relevant in today’s complex, wired environment and to build brand loyalty among their customers.
EXECUTIVE SUMMARY
Key Observations on the World of Sustainability

Awareness of, and familiarity with, sustainability continues to grow, reaching an all-time high of 79% in 2015 (up from 74% in 2013).

As in prior years, we analyzed the findings in terms of the Hartman Model of the World of Sustainability. Based on this model, in 2015 88% of American consumers are ‘inside’ the World of Sustainability, essentially meaning that this large majority considers sustainability aspects in their purchasing decisions at least some of the time.

Consumers’ orientation in the World of Sustainability ranges from the most intensely involved (the Core) to those least involved (the Periphery).

There is clear evidence this year that sustainability is becoming more prevalent in consumers’ attitudes and actions:

• An increasing percentage of consumers define sustainability in terms of natural resource conservation, land stewardship and responsible farming methods
• More consumers claim that their purchasing decisions are influenced by environmental and social well-being
• Almost a fifth claim to be buying sustainable products more frequently

However, consumers continue to struggle to identify sustainable products and companies, hindering them in their desire to support sustainable initiatives and contribute to the welfare of society and the environment.
EXECUTIVE SUMMARY

Key Observations on Sustainability Practices

One key area of sustainability that is growing in consumer consciousness is product origin, manifesting in support for local products and those that are made in the US. This support appears to have several motivations:

• Concerns over product/ingredient safety, leading to an avoidance of products from countries whose production processes and ingredients are suspect
• Desire to support the US economy and the American workforce
• Regional pride in one’s own community and a desire to stimulate the local economy
• Desire to avoid the harmful effects of long-distance transport on product quality/freshness

Another area of growing concern is animal welfare. Consumers are looking for information on:

• Sustainable fishing practices and knowing that catches do not harm species (such as dolphins) that are not going to be harvested for consumption
• How animals are raised – Are they treated humanely and raised in as natural an environment as possible? Are they given hormones or antibiotics that may impact consumers’ health?
• The use of animals in product safety testing

A third area of heightened interest is fair treatment of employees. This topic gets both positive and negative press surrounding various corporations’ practices. When it comes to retailers and food service companies where employees are visible to consumers, employee welfare is of particular interest. Consumers like to support companies they know are:

• Assuring safe working conditions
• Providing fair wages and benefits
EXECUTIVE SUMMARY

Key Observations on Transparency

Consumers increasingly want to learn about the sustainable nature of the products they purchase and the sustainable practices that companies are adopting:

• 62% have recently sought information on sustainable products – they increasingly read package labels on the products they purchase and turn to the Internet for more in-depth information

• Shoppers also appreciate the efforts retailers make to communicate their stance on sustainability issues in terms of both their own internal policies and pertinent details about the products they choose to carry

• The far majority (78%) trusts what a company says about its efforts regarding the environment and other sustainability practices, and it is increasingly clear that consumers want to be able to easily access information on companies

Consumers expect a company to openly share its practices with the public. They most want to hear about:

• What is in the products they buy

• Where and how products are manufactured

• What a company does to assure the welfare of its workers as well as the animals used in its products
Since 2008 we have defined the way consumers view the World of Sustainability and its relationship to product categories through the lens of 4 zones of responsibility:

These zones are composed of culturally relevant criteria used by consumers to assess how responsible a company’s practices are when producing, packaging, distributing and selling products. These zones help to uncover consumers’ priorities when purchasing, the impact sustainability has on their purchasing and their barriers to purchasing sustainable products.

This year we focused on 6 categories to learn how sustainability practices can influence purchases. Looking at a wide range of purchase considerations through the lens of the zones provides a deeper understanding of which sustainability practices can have the greatest influence on purchases. As in prior years, consumers primarily look for personal benefits (e.g., product safety/healthfulness, price, effectiveness) when making purchases. However, in terms of the other 3 zones, the prioritization of their purchasing criteria differs by product category:

<table>
<thead>
<tr>
<th>Food &amp; Beverages</th>
<th>Personal Care Products</th>
<th>Household Cleaning Products</th>
<th>Pet Food</th>
<th>Quick Service &amp; Quick Casual Restaurants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Practices (S)</td>
<td>Air &amp; Water Pollution (EN)</td>
<td>Animal Welfare (S)</td>
<td>Natural Agricultural Methods (EN)</td>
<td>Animal Welfare (S)</td>
</tr>
<tr>
<td>Natural Agricultural Methods (EN)</td>
<td>Maintaining Natural Resources (EN)</td>
<td>Air &amp; Water Pollution (EN)</td>
<td>Natural Agricultural Methods (EN)</td>
<td>Natural Agricultural Methods (EN)</td>
</tr>
</tbody>
</table>
Methodology – Quantitative & Qualitative Approaches

Qualitative – 3 approaches:

In February 2015, we spoke in-depth with consumers between the ages of 21 and 55 who represented the 4 segments within the World of Sustainability.

Respondents completed a homework exercise about places they shop, products they buy and their knowledge of and feelings about food, beverage and food service companies. We then followed up with in-depth discussions on their perceptions of sustainability, sources of information and how they evaluate transparency – using the following methods:

1. **Social network party.** Discussion among a group of Millennial friends took place in a respondent’s home to encourage a livelier discussion and more accurate, lifestyle-based reflections.

2. **In-home ethnographies.** We met with respondents to explore their home environment, including the contents of their pantry and cupboards.

3. **National virtual interviews** via Skype/phone.

Quantitative approach:

A nationally representative online survey of 1,779 US adults 18 to 69 was conducted in February 2015 covering topics such as:

- Meaning of ‘sustainability’ and ‘transparency’
- Important elements of trust and transparency
- Sustainability practices
- Sustainability information sources used
- Importance of sustainable packaging
- Importance of sustainability/transparency dimensions of various product categories
  - Frequency of purchasing and willingness to pay more for products with specific sustainability dimensions
  - Barriers to purchasing sustainable products
- Food service and food retail sustainability choices

The survey had a sampling error of ±2.4% at 95% confidence level.
Methodology - Specific Categories Explored

- **Food & Beverages**
- **Personal Care Products**
- **Household Cleaning Products**
- **Grocery Retail**
- **Quick Service Restaurants**
- **Quick Casual Restaurants**
- **Pet Food**

**Statistical notations used in this report**

Arrows represent statistically significant differences at the 95% confidence level (CL) between 2013 and 2015. They are followed by the percentage point increase or decrease (for example, +6 pts or -4pts).

Boxes, circles and ovals around percentages indicate significant differences across segments and age cohorts at 95% CL.
03 The World of Sustainability
In 2015, 88% of consumers are inside the World of Sustainability

Not surprisingly, familiarity with the term ‘sustainability’ differs by segment. Those in the Core are most likely to be familiar with the term; those in the Periphery, the least.

Segmentation based on reported respondent behavior regarding: animal testing, packaging, community issues, supporting companies helping local community, recycling, price. Base: All consumers (n=1,779), Consumers inside the World of Sustainability (n=1,566). Core (n=243); IML (n=552); OML (n=490); Periphery (n=232)

Q12. Are you familiar with the term ‘sustainability’? Base: All consumers (n=1,779). Core (n=243); IML (n=552); OML (n=490); Periphery (n=232)
# 2015 Demographic Profile of the Segments

<table>
<thead>
<tr>
<th>Demographic Profile</th>
<th>Total</th>
<th>Core</th>
<th>Inner Mid-level</th>
<th>Outer Mid-level</th>
<th>Periphery</th>
<th>Outside the World</th>
</tr>
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<tbody>
<tr>
<td>HH Income ($100K+)</td>
<td>23%</td>
<td>36%</td>
<td>26%</td>
<td>16%</td>
<td>19%</td>
<td>22%</td>
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<tr>
<td>% College Grad +</td>
<td>48%</td>
<td>61%</td>
<td>56%</td>
<td>40%</td>
<td>43%</td>
<td>40%</td>
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<tr>
<td>% Male</td>
<td>51%</td>
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<td>49%</td>
<td>50%</td>
<td>52%</td>
<td>57%</td>
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<td>Millennial</td>
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<td>36%</td>
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<td>Gen X</td>
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<td>Boomer</td>
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<td>37%</td>
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<td>28%</td>
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<td>52%</td>
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<td>Ethnicity</td>
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<tr>
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<td>79%</td>
<td>82%</td>
<td>79%</td>
<td>77%</td>
<td>82%</td>
<td>79%</td>
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<tr>
<td>African-American</td>
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<td>11%</td>
<td>12%</td>
<td>13%</td>
<td>11%</td>
<td>16%</td>
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<tr>
<td>Hispanic</td>
<td>18%</td>
<td>24%</td>
<td>16%</td>
<td>20%</td>
<td>18%</td>
<td>7%</td>
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<td>U.S. Census Region</td>
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<tr>
<td>Northeast</td>
<td>21%</td>
<td>28%</td>
<td>20%</td>
<td>23%</td>
<td>16%</td>
<td>16%</td>
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<tr>
<td>Midwest</td>
<td>18%</td>
<td>13%</td>
<td>16%</td>
<td>17%</td>
<td>24%</td>
<td>23%</td>
</tr>
<tr>
<td>South</td>
<td>38%</td>
<td>40%</td>
<td>37%</td>
<td>39%</td>
<td>40%</td>
<td>37%</td>
</tr>
<tr>
<td>West</td>
<td>23%</td>
<td>18%</td>
<td>27%</td>
<td>21%</td>
<td>20%</td>
<td>24%</td>
</tr>
</tbody>
</table>

The Core Segment skews:
- Higher income
- Higher education
- Hispanic
- NE Region of the US

Those outside the World skew:
- Male
- Older
- Midwest Region of the US

Segmentation based on reported respondent behavior regarding: animal testing, packaging, community issues, supporting companies helping local community, recycling, price.
Base: All consumers (n=1,779), Consumers inside the World of Sustainability (n=1,566); Core (n=243); IML (n=552); OML (n=490); Periphery (n=262)
Consumer engagement with Sustainability varies

17% The Core is the smallest segment and most intensely involved in Sustainability
• Promoting sustainability for the benefit of the greater good is a defining feature of their values, and it consistently drives decision making

67% The Mid-level represents the majority of consumers and the greatest opportunity because of both their size and relatively high level of interest in sustainability
• Inner Mid-Level (34%) consumers adopt Core attitudes and behaviors, but more typically make decisions based on benefits to themselves
• Outer Mid-Level (33%) consumers are occasionally influenced by sustainability in their purchases when it intersects with personal benefits

16% The Periphery is least involved in Sustainability
• Periphery consumers rarely consider sustainability explicitly in their decision making, but it does play a role in their value system more generally

Where consumers reside within the World of Sustainability defines the intensity of their engagement with and decisions made around sustainability topics.

The gap between aspirations and behavior narrows as consumers become more engaged and the scope of their sustainability-driven behaviors grows.

Segmentation based on respondent behavior regarding: animal testing, packaging, community issues, supporting companies helping the local community, recycling, and price. Base: Consumers inside the World of Sustainability (n=1,566). Core (n=243); ML (n=1042); Periphery (n=262)
PURCHASE CRITERIA

Consumer segments prioritize different criteria when making purchases

While all segments take all these criteria* into account in some form in their purchasing decisions, the frequency and intensity with which they are prioritized vary substantially across segments.

Broadly speaking, the criteria are additive as a consumer becomes more engaged with sustainability. The Core typically consider far more factors with each purchase than the Periphery.

* Criteria are explained in depth on the following slides.
PURCHASE CRITERIA

Purchase criteria explained

**Greater Good:** The sense that the world at large (rather than just "my" world) will be improved. Focuses on improving people’s lives, the environment and "the system."

**Authenticity:** Represents a continuum ranging from fake to real. Evidence that sustainable actions flow from a company’s orientation, rather than serving as a means to a more self-focused end. While they may not actively seek information on it, even less involved consumers are coming to value authenticity.

**Transparency:** Having access to company values, policies and practices. The presence of up-front, open communications between companies and consumers and clear positioning on important issues in the media.

**Knowledge:** The quantity and quality of information consumers actively seek out about the foods they eat, including information on farming practices, production, manufacturing and the companies themselves. All consumers’ product literacy has grown considerably in recent years, from label reading to local sourcing. Because of this, companies that proactively help consumers learn more about their products and services resonate more with the Core and Mid-level.
PURCHASE CRITERIA

Purchase criteria explained

**Experience:** The experience the consumer has at purchase and usage, at all levels – emotional, intellectual, social and cultural (symbolic), from purchase (e.g., staff interaction, display and packaging) to usage and disposal (e.g., colors, textures, flavor, taste and scent, efficacy). Consumers are increasingly finding that they do not need to compromise on experience to purchase sustainable options.

**Expert Opinion:** The reliance of consumers on the expertise of others when making choices. Popular sources of expertise include medical professionals (Dr. Oz, Dr. Mercola), documentaries (*Food, Inc.*, *Super Size Me*), certifications (USDA, Fair Trade, etc.), social networks (friends, family, bloggers).

**Comparability:** The concern placed on comparing more sustainable to conventional products. Consumers in the Periphery and Outer Mid-Level are more likely to purchase brands and items they are familiar with, but even they are becoming more open to experimentation.

**Convenience:** The ease with which products can be acquired and used

**Price:** Concern for the absolute cost of the product and household budget
### SUSTAINABILITY CONSUMER PROFILES
#### Periphery to Core

<table>
<thead>
<tr>
<th>Todd and Kathy CORE</th>
<th>Matina INNER ML</th>
<th>Steve OUTER ML</th>
<th>Marie PERIPHERY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>When we go shopping together, it’s an experience of our shared values...we love good food and we make intentional choices</strong></td>
<td><strong>I evaluate every company out there. I check out their website to see if they give back to community</strong></td>
<td><strong>The environment is too big, and I don’t know what companies are really doing, but if I have one area of social consciousness, it’s to pay the workers a decent wage</strong></td>
<td><strong>It’s good to support local economy. It’s fresher — didn’t come from far away. We have so many local farms. Local restaurants source their own food, not from a factory. The owners know us.</strong></td>
</tr>
<tr>
<td><strong>Wants products that are...</strong> future focused, thoughtful, fair, promoting a healthy system of production, biodiverse, healthy</td>
<td><strong>Wants products that are...</strong> healthier, less processed, organic, supporting the local community, not contaminating the environment, less packaged</td>
<td><strong>Wants products that are...</strong> healthier, less processed, organic, benefiting workers and from small, local producers</td>
<td><strong>Wants products that are...</strong> unique, great tasting, convenient, local, made by companies that innovate and give back</td>
</tr>
<tr>
<td><strong>Evaluates based on...</strong> intensive research, trusted farmers / retailers</td>
<td><strong>Evaluates based on...</strong> listened-for and sought info from media, interest and advocacy groups</td>
<td><strong>Evaluates based on...</strong> ideas heard in the media, advice from friends</td>
<td><strong>Evaluates based on...</strong> ideas heard from media, friends, family</td>
</tr>
<tr>
<td><strong>Transparency is...</strong> being open source, owning flaws, inviting in, disclosing regulatory findings, not greenwashing</td>
<td><strong>Transparency is...</strong> providing the consumer with choices, accountability, employee knowledge, ingredient clarity, sourcing, ownership</td>
<td><strong>Transparency is...</strong> seeing the food made, presenting information about food in user-friendly way (easy for those low on time and knowledge)</td>
<td><strong>Transparency is...</strong> seeing the food prepared, dealing with problems as they arise, the company ethos and how they make decisions</td>
</tr>
</tbody>
</table>
A look in the pantry...Core

Todd & Kathy CORE

Ages: 34, 36

Occupations: Municipal gov’t employee, author

Household: 2 cats, no kids

Hobbies: Cooking, running, local whisky tasting

Favorite food brands: Organic Valley, Nature’s Path, New Belgium, Equal Exchange

I take a systems approach to food and eating...I look for organic, third-party certification...[it’s] understanding the choices you’re making and that it’s all interconnected...It’s understanding where food comes from and the chain of events that got this apple here.
A look in the pantry...Inner Mid-level

Matina INNER ML

Age: 47

Occupation: Stay-at-home (single) mom

Household: 5 kids (8, 7, 7, 4, 4)

Hobbies: Parenting blogger

Favorite food brand: Morningstar Farms

I usually buy regular versus organic [bananas] because organic costs so much more and bananas are peelable. I follow the list by the Environmental Working Group (EWG). Of course, organic is always better. But cost factors in. The EWG ranks by ingredients from ‘causes skin cancer’ to ‘skin irritant.’ And then I can choose based on what’s important to me.
A look into the pantry...Outer Mid-level

**Steve OUTER ML**

**Age:** 48

**Occupation:** Self employed, financial management company

**Household:** Girlfriend, no kids

**Hobbies:** Urban walking

**Favorite food brand:** Ovaltine

---

Organic is more natural, with less processing. It’s closer to the source, produced in a more sustainable, better-quality way...it’s not processed or modified for profit to get more out of it. The more time you interrupt food – boil it or change it – the less healthy it is.
A look into the pantry...Periphery

**5 Housemates** PERIPHERY

**Ages:** 24-25

**Occupations:** Retail buyer, reporter, IT for local government, wine & spirits distributor, internal auditor

**Household:** 5 adults, visiting girl/boyfriends

**Hobbies:** Marathon training, competitive paintballing, shopping, beer tours, eating out

**Favorite food brands:** Kettle Chips, Morningstar Farms, Dave’s Killer Bread (because they’re delicious)

*The quality of the food is what I think about, not how the cows were treated. Taste is huge...but when I go to Chipotle, I do think about the food. I feel better about it.*
Sustainability – What’s New in 2015
Familiarity with ‘Sustainability’ reached an all-time high in 2015

Few, however, can identify specific companies or products that exemplify sustainability values, implying that the term remains somewhat nebulous and hard to relate to.

This gap between familiarity and concrete association may represent an opportunity for a company to establish a competitive advantage. A company that can explain in simple terms the connection between actions it takes and sustainability can improve its image with those who are in the World of Sustainability.

Q12. Are you familiar with the term “sustainability”? Q14_6. I don’t know which products are sustainable [Bottom-2 Box (Disagree)].
Q14_2. I don’t know which companies support sustainable values [Bottom-2 Box (Disagree)].
Base: All Consumers - 2007 (n=1,606), 2008 (n=1,856), 2010 (n=1,982), 2013 (n=1,841), 2015 (1779).
Consumers identify sustainable companies most easily in places where they shop

Consumers are best able to see evidence of sustainable practices and products when they are shopping at retail locations or visiting restaurants.

Whole Foods is fun, but expensive. The real deal for someone like me who wants green and organic. It’s a luxury for a lot of people. They are the leader in sustainability – sustainable fish.
- Core, Boomer

I understand Chipotle to be a leader in how they purchase and promote sustainable products.
- Core, Gen X

In Boulder you see sustainability everywhere. We have the largest Whole Foods, which is iconic of healthy, natural, organic, sustainable. Prana is an organic, fair trade yoga clothing company.
- Inner Mid-level, Gen X

Who Can Identify Sustainable Product/Company?
2015 By Segment

<table>
<thead>
<tr>
<th>Product</th>
<th>Total</th>
<th>Core</th>
<th>Inner ML</th>
<th>Outer ML</th>
<th>Periphery</th>
</tr>
</thead>
<tbody>
<tr>
<td>21%</td>
<td>18%</td>
<td>13%</td>
<td>21%</td>
<td>39%</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Company</th>
<th>Total</th>
<th>Core</th>
<th>Inner ML</th>
<th>Outer ML</th>
<th>Periphery</th>
</tr>
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<tbody>
<tr>
<td>14%</td>
<td>18%</td>
<td>11%</td>
<td>14%</td>
<td>30%</td>
<td></td>
</tr>
</tbody>
</table>

Q14_6. I don't know which products are sustainable [Bottom-2 Box (Disagree)]. Q14_2. I don't know which companies support sustainable values [Bottom-2 Box (Disagree)]. Base: All Consumers - 2007 (n=1,606), 2008 (n=1,856), 2010 (n=1,982), 2013 (n=1,841), 2015 (1779). 2015 Core (n=243); IML (n=552); OML (n=490); Periphery (n=262)
The meaning of sustainability is broadening, but remains resource and responsibility-centric

Q13. The word “sustainability” may mean different things to different people. What does it mean to you? (Select all that apply).

Base: Consumers familiar with the term “sustainability” - 2013 (n=1,356), 2015 (n=1,346).

The largest increases in 2015 relate to the land:
- Natural resource conservation
- Responsible farming methods
- Land stewardship

Significant change over 2013 at 95% CL
In everyday life, Sustainability is more personal – moving from self, to community, to concerns for the broader world – in the present and future

The Adoption Pathway of Sustainable products (‘in my body’ to ‘on my body’ to ‘around my body’) often starts with food [a basic need] and what is “healthy for my body”, then progresses to other categories. Beyond personal and community benefits, as consumers embrace sustainability more broadly, consumers consider deeper and broader impacts such as public health and the environment. Ultimately, for those most intensely involved (Core) sustainability is “maximum food production while leaving a zero footprint.”

For a Core consumer who is far along the Adoption Pathway, “how I eat today” is driven by a desire to support “the future of food.”

- Core, Millennial
  Personal sustainability is being thoughtful of what’s going into my body, in order to maximize my biological potential. Maintaining ability to function, be productive and happy.

- Inner Mid-level, Millennial
  I want to live the best life I can.

- Inner Mid-level, Millennial
  Healthy and sustainable go hand in hand, in harmony with each other.

My mom taught me to love and respect people, animals and planet. I don’t want to live a negative life. In order to live good life, you need good karma.

- Outer Mid-level, Gen X

I see my grandmother who is 109. I want to live as long as possible and do as many things as I can. I want to participate in life!

- Outer Mid-level, Gen X

I don’t seek companies out based on their sustainability, but I appreciate it when I see it. And the impact is good for communities.

- Periphery, Millennial
In Food and Beverage, social/community benefits are rising in importance as drivers of sustainable attitudes and behaviors

Consumers are most likely to enter the World of Sustainability through a personal benefit associated with a sustainable product. As they learn more about how products influence their personal well-being, they become aware of the arguments for the social and environmental implications of their choices. This year we see social/community benefits becoming much more compelling drivers, closely connected to personal benefits.

<table>
<thead>
<tr>
<th><strong>What’s in it?</strong></th>
<th><strong>Good neighbor?</strong></th>
<th><strong>How was it made?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean ingredient list</td>
<td>Happy employees</td>
<td>Wild-caught seafood</td>
</tr>
<tr>
<td>Hormone and antibiotic free</td>
<td>Local</td>
<td>Stewardship of land in food production</td>
</tr>
<tr>
<td>Environmental Working Group “Dirty Dozen”</td>
<td>Humanely raised</td>
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<tr>
<td>Organic</td>
<td>Gives back to community</td>
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<tr>
<td>Non-GMO</td>
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<table>
<thead>
<tr>
<th><strong>Where did it come from?</strong></th>
<th><strong>Socially Conscious?</strong></th>
<th><strong>Good resource steward?</strong></th>
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</thead>
<tbody>
<tr>
<td>Country of origin</td>
<td>Cooperative/Fair Trade model</td>
<td>Minimal/recyclable packaging</td>
</tr>
<tr>
<td>Ingredients not banned by other countries</td>
<td></td>
<td>Using less energy and natural resources</td>
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</tbody>
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<thead>
<tr>
<th><strong>Personal</strong></th>
<th><strong>Social</strong></th>
<th><strong>Environmental</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>What’s in it?</strong></td>
<td><strong>Good neighbor?</strong></td>
<td><strong>How was it made?</strong></td>
</tr>
<tr>
<td>Clean ingredient list</td>
<td>Happy employees</td>
<td>Wild-caught seafood</td>
</tr>
<tr>
<td>Hormone and antibiotic free</td>
<td>Local</td>
<td>Stewardship of land in food production</td>
</tr>
<tr>
<td>Environmental Working Group “Dirty Dozen”</td>
<td>Humanely raised</td>
<td></td>
</tr>
<tr>
<td>Organic</td>
<td>Gives back to community</td>
<td></td>
</tr>
<tr>
<td>Non-GMO</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Where did it come from?</strong></th>
<th><strong>Socially Conscious?</strong></th>
<th><strong>Good resource steward?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Country of origin</td>
<td>Cooperative/Fair Trade model</td>
<td>Minimal/recyclable packaging</td>
</tr>
<tr>
<td>Ingredients not banned by other countries</td>
<td></td>
<td>Using less energy and natural resources</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>How was it made?</strong></th>
<th><strong>Socially Conscious?</strong></th>
<th><strong>Good resource steward?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wild-caught seafood</td>
<td>Cooperative/Fair Trade model</td>
<td>Minimal/recyclable packaging</td>
</tr>
<tr>
<td>Stewardship of land in food production</td>
<td></td>
<td>Using less energy and natural resources</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Reusing waste streams</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Not extractive</td>
</tr>
</tbody>
</table>
Today’s Sustainability goes beyond ‘environmental issues’ to an awareness of connectedness at hyper-local and global scales

**Periphery, Mid-level, Core**

Similar to “fresh,” local is becoming a multi-faceted framing device that signifies higher quality.

It is the antithesis of mass-produced, industrial commodities: handmade, unique, community based, human, storied, fun, customized, smaller footprint, fresher.

[Note: Core consumers feel that local is becoming co-opted to stand for sustainability]

**Mid-level, Core**

Lack of transparency is fueling consumer anxiety around GMOs. Industry resistance to labeling has led to consumer speculation around hidden agendas and corporate greed in America.

Similar to consumers’ concerns with Concentrated Animal Feeding Operations (CAFOs), GMO anxiety has the potential to serve as a mainstream gateway into increased interest in where our food comes from.

I read labels. Non-GMO, gluten-free, no animals treated badly.
- Outer Mid-level, Gen X

**Mid-level, Core**

For Core consumers, organic is an agricultural process. It remains important as assurance of stewardship and preservation.

For Mid-level consumers, organic is a marker of higher quality. It is a personal Health + Wellness benefit that matters more in certain categories than others.

[Note: today there are many ways to get at higher quality that are often less expensive—local, hormone-free, GMO-free, gluten-free, cage-free, pastured]
Preference for small companies reflects growing consumer desire for “local.” Larger companies can help offset size by embracing local in a variety of ways.

Local is perceived as a vital part of the global food system and a counterbalance to industrialization of agriculture and food processing.

Large companies are often perceived as incompatible with sustainability because of their sheer size and responsibility to answer to shareholders.

Companies can reduce focus on size through community involvement, communication around benefits of their sustainability efforts and by building stronger product narratives around “locale” tied to sourcing.

62%

Support companies that help their local community, up 6 percentage points from 2013
Sustainability can be a positive ‘halo’ for companies that take a stand

Sustainability 2.0 is about more than just environmental concerns. It is being a leader (not necessarily the biggest) in your industry.

These are some areas driving positive consumer recognition for companies’ sustainability efforts:

- **Disruptive**, problem solving and rethinking
- **Innovative**, entrepreneurial, collaborative, resourceful
- **Adaptive**, progressive, on-trend and evolving (NOT obstinate)
- **Holistic**, works in concert with health, wellness and quality attributes
- **Intentional**, caring, driven by more than just profits and shareholders
- **Good business**, profitable, emerging hot brands
- **Transparent**, shares relevant information so that consumers make meaningful choices

*If you’re making a sustainable product, you’re in the business of creating multiple products. Not creating waste, but creating resources.*
- Core, Millennial

*Transparency is the company ethos, their values, what they stand for, how they make decisions.*
- Periphery, Millennial
Sustainability is a values-based orientation to consumption, rather than an at-shelf driver

Consumers go through moments of reevaluation that kick-start their engagement with sustainability. This rethinking of their orientation to consumption may be triggered by new experiences, sticky information and life-stage changes:

- Seeing an animal slaughtered
- Documentaries
- College/Grad school
- Job transitions
- Coupling, having a baby
- Aging, illness

Although sustainability values may influence where consumers choose to shop or eat, once they are in the door, product selection is mostly driven by immediate needs, aspirations and desires.

I pick up information randomly. I watch Netflix documentaries. I might freak out on something and go on a rant and research. Watched “Hungry for Change” and went on my rants and recommitted to cooking, eating plant-based.
- Inner Mid-level, Millennial

As a vegetarian, I feel like I’m leaving a smaller footprint.
- Inner Mid-level, Gen X
The number of those who prioritize sustainability purchasing is up significantly since 2007

Q9. How often are your purchasing decisions based upon your concerns for issues such as the environment and social well-being?
Base: All consumers - 2007 (n=1,606), 2008 (n=1,856), 2010 (n=1,982), 2013 (n=1,841), 2015 (1,779).

Frequent purchasers of sustainable products are more likely to be:
- Core 64%
- Millennials 42%
- Hispanic 50%
- Income $100K+ 41%
- College graduate+ 37%

Significant change since 2007/2008
19% report buying more sustainable products in the past year

Past Year Change in Sustainable Purchasing

- **19%**
  - Buy More
- **71%**
  - No Change
- **10%**
  - Buy Fewer

Increasing Purchase of Sustainable Products By Segment

- Core: 44%
- Inner Mid-level: 25%
- Outer Mid-level: 12%
- Periphery: 6%

Those in the Core are the most apt to be increasing their purchases.

Q67. In the past year, how, if at all, has your purchasing of sustainable products changed?
Base: All Consumers - 2015 (1779). Core (n=243); IML (n=552); OML (n=490); Periphery (n=262)
When it comes to sustainability, consumers feel responsibility falls equally on individuals and companies.

There is little difference across the segments. However, Millennials are least likely to say they as individuals are the most responsible – for them, the burden is as likely to rest on the government. Based on our work with Millennials, we believe this is not an abdication of responsibility. Rather, because they are more engaged, they expect the government to use its power to enact change.

Who Is Most Responsible for Sustainability?

% Ranked #1

* Environmental, Social Justice, Non-profit groups

* Significantly different than other age groups at 95% CL

Q69. In your opinion, who bears the most responsibility for making our world more sustainable? (Please rank from 1 to 5) Base: All Consumers (n=1779). Core (N=243); IML (n=552); OML (n=490); Periphery (n=262). Millennials (n=480); Gen X (n=401) Boomers (n=898)
Consumers increasingly believe their purchasing decisions have the greatest impact on society

Which has the Greatest Impact on Society?

<table>
<thead>
<tr>
<th>Year</th>
<th>My Purchase Decisions</th>
<th>My Voting Decisions</th>
<th>My involvement in local Community</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>45%</td>
<td>18%</td>
<td>37%</td>
</tr>
<tr>
<td>2010</td>
<td>42%</td>
<td>22%</td>
<td>36%</td>
</tr>
<tr>
<td>2013</td>
<td>39%</td>
<td>27%</td>
<td>34%</td>
</tr>
<tr>
<td>2015</td>
<td>36%</td>
<td>25%</td>
<td>39%</td>
</tr>
</tbody>
</table>

Millennials have a strong reliance on their local community involvement (32%) to make an impact. Boomers are most likely to feel that voting decisions have the greatest impact.

Q8. In your opinion, which of the following has the greatest impact on society?
Base: All Consumers. 2013 (n=1,841). 2015(n=1779) Core (N=243); IML (n=552); OML (n=490); Periphery (n=262). Millennials (n=480); Gen X (n=401) Boomers (n=898)
In addition to not knowing which products are sustainable, barriers to sustainable purchasing continue to be perceived cost and practicality, with little change from 2013.

Barriers to Sustainable Purchasing

- It takes too much money: 44%
- Too many other things I have to worry about: 35%
- Acting alone, I can't have much impact: 20%
- It is too complicated: 16%
- I'm not really concerned: 13% (down 4 pts)
- It takes too much time: 12%
- Such issues are too depressing to think about: 10%
- The negative effects won't be felt in my lifetime: 8%

In terms of the segments, those in the Periphery are most likely to have other worries (44%).

I don't think any one person is going to make a big difference – it’s all the people together...maybe if one big corporation did it...but that’s never going to happen.

Outer Mid-level, Millennial

Q10. At times when purchasing decisions are not based on such concerns (environment & social well-being), what are the main reasons why these issues don't influence your decision? (select all that apply)
Base: All Consumers (2013 n=1,841; 2015 n=1,779)
When it comes to packaging, consumers remain most concerned about Styrofoam and plastic shopping bags.

Q64. Which of the following types of food packaging/containers are you concerned about when it comes to your health or the environment? Select up to 3 choices.

Base: All Consumers 2013 (n=1,841); 2015 (n=1,779).

- Significant decrease from 2013 at 95% CL

I recycle. It took some effort at first. But now it feels weird to not recycle and compost. It feels bad to throw out plastic bags now that stores don’t even give them out...

- Periphery, Millennial
Consumers look for packaging that keeps products safe and is recyclable

Importance of Product Packaging Aspects

- Designed to protect the product (e.g., fruit/eggs): 68%
- Recyclable: 64%
- Biodegradable: 53%
- Made of recycled content: 53%
- Minimal: 52%
- Designed to make product at least partially visible: 51%
- Refillable: 50%
- Reusable for other purposes: 47%
- Made with renewable resources: 46%
- Compostable: 41%
- Nonexistent (no packaging/bulk): 35%

In general, the Core and Mid-levels are most concerned with sustainable packaging.

Sustainability is being thrifty, resourceful, not wasteful, teach good values, reinforce values my kids are learning at school. Their teacher had them make Valentine cards on recycled paper and told them: this day is about love...we don’t want to hurt trees.

- Inner Mid-level, Gen X

Millennials are most likely to look for refillable packaging (58%) and even buy bulk products with non-existent packaging (43%).

Q61. When purchasing products, how important is it that its PACKAGING be...? [Top-2 Box, 5 pt. scale]. Base: All Consumers; (n=1779).
The majority of consumers believe companies’ sustainability claims

78% believe that a company is a reliable source for information about their environmental, social and economic efforts. This holds true across the segments and the generations – even the far majority of the Core (83%) and Millennials (80%) believe what a company says.

Are Companies’ Sustainability Claims....

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Completely True</td>
<td>11%</td>
<td>9%</td>
</tr>
<tr>
<td>Mostly True</td>
<td>64%</td>
<td>69%</td>
</tr>
<tr>
<td>Mostly / Completely False</td>
<td>25%</td>
<td>22%</td>
</tr>
</tbody>
</table>

Of course, a company needs to be careful of how it presents its claims. Skepticism does exist when it comes to what companies (especially large ones) say if it seems to serve their agenda.

When I see McDonald’s being transparent now, it makes me think: why now? When have I seen them crack an egg? I don’t believe their “fresh-cracked egg.”
- Periphery, Millennial

Q72. When a company makes a claim about their environmental, social or economic efforts, what is your initial reaction? “The company's claim is...
Base: All Consumers. 2013 (n=1,841); 2015 (n=1,779) Note: those who chose ‘other specify’ eliminated from base.
Consumers learn about company practices from many sources, but retailers and food service establishments are most visible

In terms of where consumers learn about products, companies’ business practices and their sustainability efforts, we most often heard only vague references to sources. People spoke authoritatively about facts they had heard ‘somewhere,’ but generally could not accurately cite when and where they had learned something.

*They’ll say one ingredient is super bad. Maybe I’ll come across it in an article, or pick up on a thread. And I’ll just file it in my memory bank until I see it enough times.*

*Outer Mid-level, Gen X*

Many consumers noted that they pick up a lot of information when they shop at certain retailers – those who have knowledgeable staff, what signage says in the produce section, even whether or not a retailer carries a product can be a cue that it is a good option to try. Whole Foods was often mentioned as a trusted source, as they are seen as accountable for what they carry and have an image that they are looking out for the customer.

Visual cues at restaurants also provide consumers with information. Many cited Chipotle for its open-serving line ordering process – being able to see the food leads to trust that food must be high quality and that the company is not hiding anything.

*Chipotle is the new fast food. You can see the food being made. That’s transparency.*

*Outer Mid-level, Millennial*

Several specifically mentioned using documentaries (such as *Food, Inc.*), NPR talks, books (such as *Forks Over Knives*), the Huffington Post and the Environmental Working Group’s (EWG) website to learn about food products and companies’ business practices.
The Internet, product labels and word of mouth are increasingly being used to seek out information on sustainability

**Past 3 Month Sustainability Information Sources**

<table>
<thead>
<tr>
<th>Information Source</th>
<th>Internet Sources</th>
<th>Non-Internet Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product label</td>
<td>29% (+6 pts)</td>
<td></td>
</tr>
<tr>
<td>Internet websites</td>
<td>28% (+6 pts)</td>
<td></td>
</tr>
<tr>
<td>Internet search engine (e.g., Google)</td>
<td>23% (+4 pts)</td>
<td></td>
</tr>
<tr>
<td>In-store info (signs, salespeople)</td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>Family member</td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>Friend or colleague</td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>A product company's advertisement</td>
<td>17%</td>
<td></td>
</tr>
<tr>
<td>TV/Radio</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>A product company's web site</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>Internet social networking site</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Newspapers</td>
<td>14%</td>
<td></td>
</tr>
<tr>
<td>Books/Magazines</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>Retailer websites *</td>
<td>12%</td>
<td></td>
</tr>
</tbody>
</table>

62% have sought information on sustainable products or companies in the past 3 months

46% have used the Internet in the past 3 months to learn about sustainable products/companies **

**Q16. Which of the following information sources have you used in the past 3 months to learn about sustainable products/services or companies? Check all that apply. Bases: All Consumers 2013 (n=1,841); 2015(n=1779)**
Outside sources of information about companies’ business practices tend to be the most trusted

<table>
<thead>
<tr>
<th>Ranking of Key Business Practices Information Sources</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer advocacy groups</td>
<td>35%</td>
</tr>
<tr>
<td>Gov't agencies (FDA, USDA, FTC, etc.)</td>
<td>27%</td>
</tr>
<tr>
<td>Company itself</td>
<td>16%</td>
</tr>
<tr>
<td>Retailers/Stores</td>
<td>10%</td>
</tr>
<tr>
<td>Social Media/Bloggers</td>
<td>7%</td>
</tr>
<tr>
<td>The press</td>
<td>6%</td>
</tr>
</tbody>
</table>

While the majority believe companies’ sustainability claims, when it comes to business practices, consumers are most likely to look to consumer advocacy groups that they believe act in consumers’ best interest.

Q102. Please rank the following sources in terms of providing believable information about a company’s business practices. Percent ranking source #1. Base: All Consumers (n=1,779).
Transparency & Trust
What Transparency means to consumers – open, honest business practices

68% Aware of Term ‘Transparency’ as it relates to Business Practices

Q104. Are you familiar with the term ‘transparency’ as it relates to a company’s business practices? Base: All Consumers (n=1,779)
Q104A. The word ‘transparency’ as it relates to a company’s business practices may mean different things to different people. What does it mean to you? Open-ended. Base: Those familiar with the term transparency (n=1,207).
Transparency is a true consumer benefit

**Transparency...**

*Speaks* to consumer desire for **connectedness**, **authenticity** and **control** in an increasingly complex and competitive consumer landscape of “buy me!” and “me too!” products and services.

*Reveals* **product quality** [consumer benefits] and **company** integrity [how it does business].

*creates* a **stickiness** that transforms a transactional exchange into a **brand relationship** [reason to buy and repeat buy, willingness to pay more and forgive, evangelism].

*Enables* consumers to make **intentional choices** based on easy access to relevant and truthful information about products, ingredients, sourcing and business practices.

*I know a lot about companies I like. They are aware of production, thoughtful in how they source, pay good wages. They tend to care about fair trade, cooperative models.*

- **Core, Millennial**

*It’s about choice. You need information to make the right choice. You also need money.*

- **Inner Mid-level, Millennial**

*Transparency is expensive. It adds cost. It’s a value add to give to consumers.*

- **Outer Mid-level, Millennial**
Transparency is the new norm in the digital era – it’s expected

The desire for transparency is created in a technological culture where feedback moves fast, access to information is easy and open source is expected. Transparency is accountability ("don’t hide, don’t trick") and adaptability ("make everyone feel welcome").

Upton Sinclair’s “The Jungle” is all about non-transparency. Anything can end up in a can of meat. - Core, Boomer

McDonald’s slams vegetarians. Chipotle has a vegan burrito. - Core, Boomer

I want information so I can decide and choose. Like the EWG rating system. It’s customizable for people on a budget. From healthy to sustainable. - Inner Mid-level, Gen X
Transparency is “seeing”

- Food being made from fresh ingredients (in an open kitchen)

- Animals humanely raised (free range, antibiotic-free)

- Companies sourcing/processing food with care

“Managing perceptions” is not transparency and is often called out as lack of transparency.

Transparency is not being afraid to open your doors to the public because you have nothing to hide. It’s about owning flaws. ‘Yes, we do this and this is why’ or ‘We thought you wanted cheap meat and the maximal production, but we didn’t think about the consequences.’

- Core, Millennial

Chipotle uses fresh ingredients to assemble in front of me.

- Inner Mid-level, Millennial

Transparency is what you see is what you get.

- Inner Mid-level, Gen X

There’s a difference between seeing 10,000 chickens crammed together or chickens scratching around in the outdoors.

- Outer Mid-level, Gen X
Consumers want user-friendly transparency

**MANUFACTURERS**

*On-package information*
[ingredient lists and sourcing details]

*Media coverage*
[impact on health, public health, agriculture, environment]

*Social network*
[employee stories, shared links, feeds]

*Online search*

*Advertising*
[voice and reach]

**RETAILERS & FOOD SERVICE**

*Experience of expertise*
[curation, staff interaction, theater of “fresh,” store design]

*Social network*
[employee stories, shared links, feeds]

*Media coverage*
[impact on public health, agriculture, environment]

*Online search*

---

Don’t be evil. Behave in a way journalists will say good things about you. Don’t screw people over from your supply chain to your end consumer.

- Core, Millennial

It gets overwhelming. So I’ve drawn a line around non-GMO and organic. They are easy to find and have reasonable oversight. More transparency means I have clear information to let me make choices.

- Inner Mid-level, Millennial

To really, really understand all this will take a lifetime. If only there was an easy way to get information. An easy way to implement changes that’s fun.

- Outer Mid-level, Gen X

In terms of food, there is more scrutiny of meals than snacks/beverages, and food service than manufacturers. Labeling ingredients and sourcing details for fresh prepared foods is differentiating specialty retailers, like Whole Foods, and quick casual restaurants, like Chipotle.
Consumers want to support companies that prioritize treatment of both workers and animals, even above low prices

After Quality Products, Animal and Employee Welfare have seen the greatest increases in the past 2 years. We take an in-depth look at these 2 issues on the following pages.

Desirable Company Attributes - % Very Important

- Provides QUALITY Products: 63% (6% increase)
- Avoids INHUMANE Treatment of ANIMALS: 47% (6% increase)
- Provides Safe WORKING CONDITION for Employees: 47% (6% increase)
- Supports US Economy *: 44%
- Sells Products/Services at LOW PRICES: 42%
- Provides Products that directly BENEFIT ME: 38%
- Provides Good WAGES/Benefits to its Workers: 37% (7% increase)
- Tries to Reduce WASTE & POLLUTION: 37% (5% increase)
- Truly Cares about COMMUNITIES where it does Business: 34% (6% increase)
- Supports LOCAL Economy *: 34%
- Tries to Reduce ENVIRONMENTAL IMPACT of Production: 31%
- Avoids Unnecessary PACKAGING: 28%

* New in 2015

Q11. When deciding which product/service to purchase, how important is it that THE COMPANY that produces the product/service: (5 pt. scale: Top Box – Very Important).
Base: All Consumers - 2013 (n= 1,841), 2015 (n=1779).
Animal Welfare - Consumers want to know about animals used in the products they buy

Desire to know that a company avoids inhumane treatment of animals is up 6 percentage points this year. Key areas of concern include assurance that other animals were not harmed, that animals were raised humanely and not used in product testing.

Some consumers focus on the personal impact to themselves, with the possible health risks of hormones, antibiotics, etc. Others focus on the animals and worry about the quality of life while they are being raised.

Q11A. Which of the following aspects of animal welfare practices would make you more likely to buy a product? (select all that apply Base: Those concerned with animal welfare (n=1,280).

<table>
<thead>
<tr>
<th>2015 Animal Welfare Aspects</th>
<th>68%</th>
<th>65%</th>
<th>65%</th>
<th>63%</th>
<th>51%</th>
<th>45%</th>
<th>33%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other animals not harmed in the capture/raising i.e., dolphin-safe tuna</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Animals raised in as natural environment as possible i.e., cage-free, pasture-raised</td>
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<td></td>
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<tr>
<td>Animals not used for product safety testing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Animals not given hormones or antibiotics</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company supports animal welfare causes/organizations</td>
<td></td>
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<tr>
<td>No animals at all used in the product</td>
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<tr>
<td>Animals fed only organic food</td>
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</tr>
</tbody>
</table>

Whole Foods labels their food better so I can see what the animals ate or were fed. If they were raised humanely.

-Inner Mid-level, Millennial

I became vegetarian in college: I didn’t feel good after I ate meat. And I didn’t like the way animals were treated.

-Core, Boomer

We appreciate Chipotle’s stance on meat and poultry raised without routine antibiotics.

-Core, Gen X
Employee Welfare – Consumers tend to focus on welfare of workers who they can see working – in retail outlets and restaurants

Concern for workers is on the rise – consumers want to know that companies provide safe working conditions and fair wages to their employees.

Costco was cited numerous times as a company that treats its employees well and understands the impact that happy employees have on customer experience and brand image.

*I don’t think about companies much, but if I had one area of social consciousness, it would be ‘pay the workers a decent wage.’ Costco – they pay them a living wage. I have no problem paying a higher price if I know that the employee is the beneficiary.*

-Outer Mid-level, Gen X

*I know that Costco has a reputation of treating their employees really well — i.e., paying them a fair wage and including benefits, as well as providing an overall atmosphere that is pleasant to work in. I see that each time I shop at Costco as all the employees are consistently pleasant.*

-Inner Mid-level, Millennial

Although we heard the most about retailers, manufacturers too have an opportunity to communicate their efforts on employee welfare:

*Burt’s Bees* does not test their products on animals and they treat their employees well. They had an ad campaign where they took you inside where they make products. You could see that they expressed their philosophy of life right in their facility.

-Inner Mid-level, Millennial

*I also understand that Whole Foods treats its employees well.*

-Inner Mid-level, Millennial

Walmart - I don’t remember specifics but I’ve heard bad things in the news...it’s been in the news about them not giving workers’ money they need to live – underpaying people.

-Outer Mid-level, Millennial

Q11. When deciding which product/service to purchase, how important is it that THE COMPANY that produces the product/service: (5 pt. scale: Top Box – Very Important).
Base: All Consumers - 2013 (n=1,841), 2015 (n=1779).
Consumers look for products made in the USA and from companies they consider to be open/honest

Consumers’ Transparency Purchase Decision Criteria

<table>
<thead>
<tr>
<th>Statement</th>
<th>Top Box %</th>
</tr>
</thead>
<tbody>
<tr>
<td>I support companies whose products are manufactured in USA</td>
<td>48%</td>
</tr>
<tr>
<td>I avoid products made in countries where I am unsure about practices/standards</td>
<td>34%</td>
</tr>
<tr>
<td>I look for products made by companies I consider to be open/honest</td>
<td>33%</td>
</tr>
<tr>
<td>I learn what is in the products I buy</td>
<td>33%</td>
</tr>
<tr>
<td>I look for national well-known brands</td>
<td>27%</td>
</tr>
<tr>
<td>I prefer to buy products made in my community or region</td>
<td>27%</td>
</tr>
<tr>
<td>I try to find out who makes the products I buy</td>
<td>27%</td>
</tr>
<tr>
<td>I try to shop at stores where I can learn about products’ origin/ingredient safety</td>
<td>21%</td>
</tr>
<tr>
<td>I know where products I buy are made</td>
<td>19%</td>
</tr>
<tr>
<td>I look for products from small companies</td>
<td>16%</td>
</tr>
</tbody>
</table>

Q103. How well do the following statements describe how you decide which products to buy? 3 pt. scale: Top Box % Describe ‘Very Well’
Base: All Consumers (n=1779)

"Where do ingredients come from? I want to know if anything is from China, never get shrimp from Thailand."
- Core, Gen X

"If it’s illegal in other countries, then why is it okay here?"
- Inner Mid-level, Gen X
The Core considers the most criteria when shopping

Consumers’ Purchase Decision Criteria
By Segment

- I support companies whose products are manufactured in USA
  - Core: 75%
  - IML: 37%
  - OML: 38%
  - Periphery: 22%
- I learn what is in the products I buy
  - Core: 69%
  - IML: 39%
  - OML: 43%
  - Periphery: 19%
- I look for products made by companies I consider to be open/honest
  - Core: 63%
  - IML: 43%
  - OML: 41%
  - Periphery: 21%
- I avoid products made in countries where I am unsure about practices/standards
  - Core: 61%
  - IML: 41%
  - OML: 35%
  - Periphery: 15%
- I try to find out who makes the products I buy
  - Core: 56%
  - IML: 35%
  - OML: 34%
  - Periphery: 10%
- I prefer to buy products made in my community or region
  - Core: 56%
  - IML: 34%
  - OML: 19%
  - Periphery: 10%
- I try to shop at stores where I can learn about products’ origin/ingredient safety
  - Core: 43%
  - IML: 26%
  - OML: 16%
  - Periphery: 5%
- I look for national well-known brands
  - Core: 40%
  - IML: 33%
  - OML: 19%
  - Periphery: 17%
- I know where products I buy are made
  - Core: 39%
  - IML: 23%
  - OML: 13%
  - Periphery: 10%
- I look for products from small companies
  - Core: 33%
  - IML: 22%
  - OML: 22%
  - Periphery: 8%

The Core is particularly committed to scrutiny of a product’s country of origin, what is in the product and the trustworthiness of the company.

Q103. How well do the following statements describe how you decide which products to buy? 3 pt. scale: Top Box % Describe ‘Very Well’
Base: Consumers within the world of sustainability (n=1,547) Core (n=243); IML (n=552); OML (n=490); Periphery (n=262)
Purchase decision criteria differ by generational cohort

Consumers’ Purchase Decision Criteria
By Age Cohort

I support companies whose products are manufactured in USA

<table>
<thead>
<tr>
<th>Age Cohort</th>
<th>Millenials</th>
<th>Gen X</th>
<th>Boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>42%</td>
<td>35%</td>
<td>44%</td>
</tr>
<tr>
<td></td>
<td>44%</td>
<td>31%</td>
<td>59%</td>
</tr>
</tbody>
</table>

I learn what is in the products I buy

<table>
<thead>
<tr>
<th>Age Cohort</th>
<th>Millenials</th>
<th>Gen X</th>
<th>Boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>29%</td>
<td>35%</td>
<td>33%</td>
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<tr>
<td></td>
<td>31%</td>
<td>31%</td>
<td>33%</td>
</tr>
</tbody>
</table>

I look for products made by companies I consider to be open/honest

<table>
<thead>
<tr>
<th>Age Cohort</th>
<th>Millenials</th>
<th>Gen X</th>
<th>Boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>29%</td>
<td>29%</td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td>27%</td>
<td>29%</td>
<td>30%</td>
</tr>
</tbody>
</table>

I avoid products made in countries where I am unsure about practices/standards

<table>
<thead>
<tr>
<th>Age Cohort</th>
<th>Millenials</th>
<th>Gen X</th>
<th>Boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>20%</td>
<td>27%</td>
<td>26%</td>
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<tr>
<td></td>
<td>20%</td>
<td>27%</td>
<td>26%</td>
</tr>
</tbody>
</table>

I try to find out who makes the products I buy

<table>
<thead>
<tr>
<th>Age Cohort</th>
<th>Millenials</th>
<th>Gen X</th>
<th>Boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>20%</td>
<td>27%</td>
<td>26%</td>
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<tr>
<td></td>
<td>26%</td>
<td>29%</td>
<td>33%</td>
</tr>
</tbody>
</table>

I try to shop at stores where I can learn about products’ origin/ingredient safety

<table>
<thead>
<tr>
<th>Age Cohort</th>
<th>Millenials</th>
<th>Gen X</th>
<th>Boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>15%</td>
<td>20%</td>
<td>27%</td>
</tr>
<tr>
<td></td>
<td>19%</td>
<td>25%</td>
<td>29%</td>
</tr>
</tbody>
</table>

I look for national well-known brands

<table>
<thead>
<tr>
<th>Age Cohort</th>
<th>Millenials</th>
<th>Gen X</th>
<th>Boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>26%</td>
<td>25%</td>
<td>29%</td>
</tr>
<tr>
<td></td>
<td>23%</td>
<td>25%</td>
<td>29%</td>
</tr>
</tbody>
</table>

I know where products I buy are made

<table>
<thead>
<tr>
<th>Age Cohort</th>
<th>Millenials</th>
<th>Gen X</th>
<th>Boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>14%</td>
<td>15%</td>
<td>19%</td>
</tr>
<tr>
<td></td>
<td>22%</td>
<td>15%</td>
<td>19%</td>
</tr>
</tbody>
</table>

I look for products from small companies

<table>
<thead>
<tr>
<th>Age Cohort</th>
<th>Millenials</th>
<th>Gen X</th>
<th>Boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10%</td>
<td>15%</td>
<td>15%</td>
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<tr>
<td></td>
<td>10%</td>
<td>15%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Q103. How well do the following statements describe how you decide which products to buy? 3 pt. scale: Top Box % Describe ‘Very Well’

Base: All Consumers (n=1,779) Millennials (n=480); Gen X (n=401); Boomers (n=898)
Above all else, companies earn consumer trust by being more open about what is in their products

How To Earn Consumers’ Trust
By Communicating....

- What INGREDIENTS are in a F&B product: 64%
- HOW products MANUFACTURED to assure quality/safety standards: 46%
- How company TREATS ANIMALS used in its products: 44%
- From WHERE company SOURCES ingredients to make products: 43%
- How company treats EMPLOYEES: 42%
- What actions company takes to reduce ENVIRONMENTAL IMPACT: 36%
- WHERE company MANUFACTURES products: 33%
- Whether company GIVES BACK to community: 27%
- WHO OWNS company: 22%
- Locations/types of suppliers company uses: 22%
- What charities/causes company supports: 16%
- To which political party/politicians company donates: 15%
- How diverse company’s workforce is: 13%

Knowing ingredients (what they are and where they come from), quality manufacturing processes, animal welfare and employee treatment top the list of what will help consumers develop trust in a company.

In terms of ingredients, consumers are particularly interested in knowing whether a product is free of hormones, antibiotics & GMOs and whether there are artificial ingredients.

Ingredients to Communicate

- Hormone-free: 52%
- Free of antibiotics: 49%
- Artificial: 48%
- GMO-free: 41%
- Organic: 31%
- Potential allergens: 26%
- Gluten-free: 18%
- Dairy-free: 13%
- Vegetarian or vegan: 10%
- Just what's in product: 27%
Consumers want to be able to learn all about a company’s products – where and how they are made and what is in them.

Components of Transparency – The Essentials (Chart 1 of 3)

- Easy to find out WHERE a company’s products are MADE: 59%
- Easy to find out HOW a company’s products are MADE: 55%
- Easy to find out from WHERE company SOURCES ingredients: 54%
- Easy to find out WHAT IS IN a company’s product (i.e., ingredients, potential allergens, material content): 53%
- Company openly ADMITS TO & RESOLVES product/service issues: 52%
- EASY TO CONTACT the company to learn about products/services: 48%
- Company is proactive in voluntarily RECALLING defective/unsafe products: 48%
- Company makes visible the standards that guide their biz practices: 47%

Q105. In your opinion, which of the following are essential to have for you to consider that a company is 'transparent' about their business practices? Select all that apply.

Base: All Consumers (n=1779).

The top 7 of the 19 attributes rated were all product focused. Knowing about a company’s business practices is lower in priority. This prioritization of wanting to know product details over business practices holds true across the segments and the age cohorts.

I love King Soopers: They source as much as possible from local farms/companies and label everything accordingly, so you know you’re getting a local brand! -Inner Mid-level, Gen X

I’m constantly reading labels. I research as much as I can. -Core, Gen X
What is less essential to communicate are general standards/updates, reputation claims, 3rd party endorsements

Components of Transparency – Moderate Priority
(2 of 3)

- Company proactively/regularly shares updates about its biz practices (44%)
- Company’s employees allowed to talk about company in an uncensored way (42%)
- Company offers product guarantee, w/reasonable refund or return policy (36%)
- Company’s products endorsed by known certification orgs such as Fair Trade, Certified Humane (34%)
- Company has reputation for selling only high quality products (33%)
- Company has reputation for treating employees well (33%)
- Company’s products endorsed by gov’t orgs such as USDA or FDA (32%)

Components of Transparency – Lowest Priority
(3 of 3)

- Company’s political donations are public knowledge (29%)
- Company known to lead its industry to improve quality of manu/dist processes (27%)
- Company’s products endorsed by consumer advocacy groups (24%)
- Company has active social media presence on sites such as Facebook/Twitter (15%)

Q105. In your opinion, which of the following are essential to have for you to consider that a company is ‘transparent’ about their business practices? Select all that apply
Base: All Consumers (n=1,779).
Many consumers (especially the Core) will be on the lookout for changes to a product if they hear that its ownership has changed.

Consumers are most interested in hearing that the product itself will not change and that the price will not increase.

**Impact of Brand Acquisition**

- Continue to purchase favorite brand: 27%
- Continue to purchase unless become aware of changes: 31%
- Seek out more info before deciding: 39%
- Look for alternatives: 3%

**Likelihood to continue purchasing would increase if I knew....**

- Ingredients not going to change: 71%
- Price would not increase: 62%
- Recipe would not change: 62%
- Acquired company's values not going to change: 51%
- Able to buy product where currently buy: 41%
- Employee practices would not change: 36%
- Pack size was not going to change: 21%
- Acquired company would remain at current location: 21%
- Brand name would not change: 19%
- Packaging would not change: 14%

Q106. If you learned that the company making one of your favorite food or beverage brands had been acquired by another company, what impact would that have on your purchase interest? Base: All Consumers (n=1,779). Core (n=243); IML (n=552); OML (n=490); Periphery (n=262)

Q106A. What would increase your likelihood to continue purchasing a brand that had been acquired by another company? My likelihood to continue purchasing would increase if I knew that... Choose up to 5. Base: Bottom 3 Box Q106 (n=1,321)
During our ethnographic investigation on sustainability and transparency this year, we asked consumers who they consider to be leaders in these efforts.

We also asked respondents in the quantitative phase which companies they consider to be transparent in their business practices.

That we heard relatively little did not surprise us, given that for years we have seen that only a minority of consumers can identify sustainable products or companies. Most consumers can only point to one or two facts about even the most prominent companies’ sustainable practices. A recent news item, a tidbit that was learned from social media friends or an urban legend that continues to spread are typically what consumers came up with when they talked to us about companies.

We took consumers input and came up with 3 examples that illustrate how consumers are processing their experiences with these brands and the information they hear about them.

Many consumers were unable to hazard a guess about which companies they consider to be ‘transparent’

<table>
<thead>
<tr>
<th>Companies considered transparent in their business practices</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>None/Don’t Know/No Answer</td>
<td>38%</td>
</tr>
<tr>
<td>Walmart</td>
<td>6%</td>
</tr>
<tr>
<td>Apple</td>
<td>5%</td>
</tr>
<tr>
<td>Whole Foods</td>
<td>5%</td>
</tr>
<tr>
<td>Coca-Cola</td>
<td>4%</td>
</tr>
<tr>
<td>Johnson &amp; Johnson</td>
<td>4%</td>
</tr>
<tr>
<td>Amazon</td>
<td>3%</td>
</tr>
<tr>
<td>Microsoft</td>
<td>3%</td>
</tr>
<tr>
<td>Google</td>
<td>3%</td>
</tr>
<tr>
<td>Trader Joe’s</td>
<td>3%</td>
</tr>
<tr>
<td>Starbucks</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>24%</td>
</tr>
</tbody>
</table>

The few companies that got multiple (yet still single-digit) mentions tend to be the most well-known companies.

As leaders in their categories, most of the companies named are often in the news.

This was born out in the qualitative work. Few consumers could name companies they consider to be transparent. Others could give few details about a company’s business practices.

Starbucks has a good reputation. I know they do the Fair Trade coffee and give back to local communities.
-Outer Mid-level, Millennial

Walmart now has to raise wages due to pressure from the public.
-Core, Boomer

I don’t even know much about Trader Joe’s, but they get a fair amount of hype and I know there’s an “organic” option of just about everything in there, so it seems like a place that has their stuff together. I’ve bought into the hype.
-Periphery, Millennial

It’s a trust thing you just associate with Whole Foods.
-Inner Mid-level, Gen X

Q104B. Which companies do you consider to be ‘transparent’? Open-ended.
Base: Those familiar with the term transparency (n=1,207)
Simple Truth and Kroger make sustainability convenient and affordable for the Mid-level

1. **Offers meaningful choice** by curating national, premium and premium private-label brands
2. **Makes sustainability easy** by doing all the homework (absence of negatives, positive attributes) at an affordable price point

We LOVE Simple Truth. It’s a great brand. I buy Simple Truth eggs, chicken, pasta, everything. On the website there’s a list of ingredients never found in the Simple Truth products. No hormones, nitrates. Always free range. If what’s in it is free from toxins, then it’s also healthy for the environment.
- Inner Mid-level, Millennial

I like it when stores like Kroger gives me nice perks for reusing bags. Things like that motivate me to not only be healthy or save money, but to also support my efforts to help the planet.
Kroger has good pricing, lots of variety (organic, ethnic, great produce), people are nice. Offers me lots of choices. 5 aisles of organics at good pricing. Makes organic affordable with lots of variety and trusted brands.
- Inner Mid-level, Gen X
Costco provides a great shopping experience through its staffing practices

A Mid-level favorite!

1. **Treats employees right** with higher wages and better benefits than the competition

2. **Offers products customers want at affordable prices** – customers feel they are supporting a great company and getting a great deal

Costco is my favorite – affordable organics, food my family eats. The company treats employees well. The employees are always cool, kind and engaging. That matters to me, that I’m supporting a place that’s good. I’ve never had a negative experience there.

- Inner Mid-level, Gen X

Costco: How would you know it’s the real thing? You need to have proximity and personal experience to see what companies are accomplishing. I know a few people who’ve worked at Costco. This one guy didn’t get a high school diploma and has 3 kids, started working at Costco. And he’s making $22 an hour. He has stability, not just surviving.

- Outer Mid-level, Gen X

Costco – they’re profitable and good to their employees, and they have good products. My dad is a seafood distributor and he says Costco has the most stringent standards...and they have a low turnover, treat their people well and promote from within.

- Outer Mid-level, Millennial
Chipotle is beloved by consumers because of its holistic approach to transparency that starts with the food itself

When we eat fast food, this is one of the few places we seek out. The options are fresh, and you can manipulate the menu items to be either healthy or decadent. We like that it’s made in front of you and you can see what’s going in it. There are also a lot of vegetarian options.

- Core, Millennial

Chipotle is better food. Fresher, more options, healthier, less processed....Recently I read an article about Chipotle making the decision to stop serving pork, because they found out it was not coming from a source that met their animal welfare standards. I applaud Chipotle’s decision to take a stand, even though it may have cut into their profit margin.

- Inner Mid-Level, Gen X

They use better ingredients than most fast food restaurants. You hear about it, but you can also see people making it. I don’t know where the ingredients came from, but I can see it...you can see people cooking in the back, and it looks clean, see the colors, you can see the process...

- Outer Mid-level, Gen X

Chipotle is the new fast food...They are convenient and I can personalize it to exactly what I want, on demand. Even their advertising methods are different. They talk about ingredients. I read this article about the Chipotle guy going to a McDonald’s farm and saying, ‘hell, no, I am not going to use your meat.’ This is impactful.

- Periphery, Millennial

Periphery to Core consumers love Chipotle!

1. **Food** is elevated fast food made with fresh ingredients that taste consistently good

2. **Made-to-order** in an open kitchen enables consumers to customize and see the food

3. **Advertising** highlights ingredients sourcing, including animal welfare

4. **Media coverage** highlights its food activism and integrity around sourcing
Sustainability & Transparency within Product Categories
How sustainability influences consumer purchases can best be understood through zones of responsibility

As in prior years, we looked at product categories through the cultural lens of sustainability zones. Consumers orient toward sustainability across a variety of factors and dimensions that can be rolled up into the following zones of responsibility:

<table>
<thead>
<tr>
<th>Personal</th>
<th>Social</th>
<th>Environmental</th>
<th>Economic</th>
</tr>
</thead>
<tbody>
<tr>
<td>The most important of these zones, this is about satisfying immediate consumer needs</td>
<td>Dining outside the home – even when eating alone – is an inherently social activity</td>
<td>This zone includes many of the more conventional sustainability concerns</td>
<td>This is all about money, resources, jobs and profits</td>
</tr>
</tbody>
</table>

**Key dimensions:**
- Food safety, food quality, healthy, local, ingredients, authentic, seasonal, ___ free
- Community, fair-trade, local relationships, local participation, animal welfare
- Energy consumption, waste disposal, resource preservation, farming practices
- Local ownership, jobs creation, scale, profits in community

These zones are not segments. Consumers move seamlessly between them as they orient toward the different dimensions of sustainability

- In particular, attributes in all of the zones can ladder up to personal benefits (and vice versa)
- Those sustainability attributes that most clearly also cue personal benefit to consumers are often regarded as the most relevant

When Sustainability benefits and Personal benefits can be shown to coexist in a product, consumers are more likely to feel good about choosing it

- They can express their values through their purchase
- The Core will feel good when they purchase a product they consider sustainable, and they will feel guilty when they don’t. The impact of buying sustainable products may be less on those less involved in the World of Sustainability – they may feel good when they do, but not guilty when they don’t.
FOOD AND BEVERAGE

Personal benefits of product safety, cost and effectiveness remain at the top

<table>
<thead>
<tr>
<th>Importance of Food &amp; Beverage Attributes *</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Safety/Healthfulness</td>
<td>56%</td>
</tr>
<tr>
<td>Products that Save Money</td>
<td>51%</td>
</tr>
<tr>
<td>Supporting US Economy</td>
<td>41%</td>
</tr>
<tr>
<td>Product Effectiveness</td>
<td>37%</td>
</tr>
<tr>
<td>Animal Welfare</td>
<td>37%</td>
</tr>
<tr>
<td>Supporting Local Economy</td>
<td>30%</td>
</tr>
<tr>
<td>Employment Practices</td>
<td>26%</td>
</tr>
<tr>
<td>Maintain Natural Resources</td>
<td>25%</td>
</tr>
<tr>
<td>Air and Water Pollution</td>
<td>25%</td>
</tr>
<tr>
<td>Natural Agricultural Methods/Practices</td>
<td>24%</td>
</tr>
<tr>
<td>Environmental Impact of Disposal</td>
<td>24%</td>
</tr>
<tr>
<td>Maintain Natural Habitats</td>
<td>24%</td>
</tr>
<tr>
<td>Fair Trade</td>
<td>23%</td>
</tr>
<tr>
<td>Minimal/Ecofriendly Packaging</td>
<td>22%</td>
</tr>
<tr>
<td>Energy Conservation</td>
<td>22%</td>
</tr>
<tr>
<td>Water Conservation</td>
<td>21%</td>
</tr>
<tr>
<td>Local Community Involvement</td>
<td>19%</td>
</tr>
<tr>
<td>Ownership of Company</td>
<td>14%</td>
</tr>
<tr>
<td>Wider Community Involvement</td>
<td>11%</td>
</tr>
<tr>
<td>Large Company Impact</td>
<td>10%</td>
</tr>
<tr>
<td>Small Company Adaptability</td>
<td>8%</td>
</tr>
<tr>
<td>Profit Sharing Company</td>
<td>8%</td>
</tr>
</tbody>
</table>

Several areas have become important to more consumers since 2013, especially US economy (+11 pts) support and animal welfare (+10 pts).

Q43. Of the following attributes, which are the most IMPORTANT to you when deciding which FOODS AND BEVERAGES to purchase? Select all that apply

Base: Significant shoppers: 2013 (n=1,673); 2015 (n=1,701).
**FOOD AND BEVERAGE**

Consumers believe supporting the US economy and animal welfare are the most important sustainability attributes when considering which food / beverage to buy

Food & Beverages – Beyond Personal Benefits - The 5 Most Important Sustainability Attributes *

Of those who believe these 5 sustainability attributes to be important, most are committed to purchasing and even willing to pay more for such products.

For example 41% feel that supporting the US economy is important and 28% chose that attribute as one of their top 3 attributes. Of this 28%, about three-quarters are so committed that they purchase products that support the US economy (74%) and are willing to pay more for them (73%).

<table>
<thead>
<tr>
<th>Social Zone</th>
<th>Economic Zone</th>
<th>Environmental Zone</th>
<th>To whom this is important</th>
<th>Who chose this in their top 3</th>
<th>Buy products w/this attribute **</th>
<th>Willing to pay more for products w/this attribute **</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporting US Economy</td>
<td>41%</td>
<td>28%</td>
<td>74%</td>
<td>73%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Animal Welfare</td>
<td>37%</td>
<td>28%</td>
<td>77%</td>
<td>87%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supporting Local Economy</td>
<td>30%</td>
<td>18%</td>
<td>71%</td>
<td>76%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employment Practices</td>
<td>26%</td>
<td>14%</td>
<td>72%</td>
<td>71%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Agricultural Methods</td>
<td>24%</td>
<td>14%</td>
<td>72%</td>
<td>85%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

** Please note that this represents a highly engaged but small percentage of total consumers of these categories.

* For detailed description of attributes, see appendix p.109

Q43. Of the following attributes, which are the most IMPORTANT to you when deciding which FOODS AND BEVERAGES to purchase? Select all that apply. Base: Significant shoppers: (n=1,701).

Q110. Which 3 of these sustainability attributes are the most IMPORTANT to you when deciding which food and beverages to purchase? Base: Significant shoppers (n=1,701)

Q110A. For each of these 3 attributes, how often do you purchase food and beverages with that attribute? Base: Significant shoppers to whom attribute is in Top 3.

Q110B. Would you be willing to pay more for any of these 3 attributes when purchasing food and beverages?
FOOD AND BEVERAGE

Key barriers to purchasing sustainable food and beverage products are not knowing what is sustainable and lack of availability

Q111. What are the main reasons you wouldn’t purchase a sustainable version of foods or beverages? Select all that apply.

Base: Significant shoppers (n=1,701).

- I’m not sure when a product is sustainable or not: 40%
- Can’t always find sustainable options where I shop: 31%
- I’m more comfortable buying the product I’m used to: 27%
- When shopping I forget to think about sustainable options: 23%
- I question whether the product will taste good enough: 21%
- It’s too confusing to navigate through the sustainable options: 16%
- I need to look out for myself (or my family) before I worry about other concerns: 15%
- I want to focus on immediate needs rather than something in the distant future: 11%
- The opinions/requests of others (family, friends) outweigh my desire to buy sustainable products: 10%
- My purchase won’t really make a difference: 8%
- Buying sustainable products just isn’t for me: 8%
- No reasons (always buy sustainable food & beverages): 14%
Consumers primarily want to know that their food & beverage products are made in the US.

### Sourcing Priorities for Food & Beverages

<table>
<thead>
<tr>
<th>Statement</th>
<th>Somewhat Agree</th>
<th>Strongly Agree</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I try to buy products made in USA</td>
<td>40%</td>
<td>37%</td>
<td>77%</td>
</tr>
<tr>
<td>I try to understand WHERE products are made</td>
<td>43%</td>
<td>19%</td>
<td>62%</td>
</tr>
<tr>
<td>I try to buy products made in My REGION</td>
<td>37%</td>
<td>19%</td>
<td>56%</td>
</tr>
<tr>
<td>I try to SHOP WHERE I can learn about product origin &amp; safety</td>
<td>32%</td>
<td>16%</td>
<td>48%</td>
</tr>
</tbody>
</table>

Q112. Please indicate how strongly you agree or disagree with the following statements. (5 pt. scale – Top 2 Box) Base: Significant Shoppers: (n=1701)
PERSONAL CARE PRODUCTS

Personal benefits and animal welfare are the top attributes for personal care products

Importance of Personal Care Attributes *

- Product Safety/Healthfulness: 55%
- Product Effectiveness: 53%
- Products that Save Money: 42%
- Animal Welfare: 37%
- Supporting US Economy: 25%
- Air and Water Pollution: 23%
- Maintain Natural Resources: 22%
- Minimal/Ecofriendly Packaging: 19%
- Environmental Impact of Disposal: 19%
- Fair Trade: 16%
- Natural Agricultural Methods/Practices: 16%
- Employment Practices: 14%
- Supporting Local Economy: 12%
- Wider Community Involvement: 11%
- Large Company Impact: 10%
- Local Community Involvement: 7%
- Small Company Adaptability: 4%

* For detailed description of attributes, see appendix p.110

Q113. Of the following attributes, which are the most IMPORTANT to you when deciding which PERSONAL CARE PRODUCTS to purchase? Select all that apply

Base: Significant shoppers who purchased personal care products in the past 3 months (n=642).
PERSONAL CARE PRODUCTS

Consumers believe that animal welfare is by far the most important sustainability attribute when considering personal care products

Personal Care Products – Beyond Personal Benefits – The 5 Most Important Sustainability Attributes *

Attributes from all 3 zones are moderately important when considering which personal care product to buy. Of those who believe these 5 attributes to be important, most are committed to purchasing and are even willing to pay more for such products. For example, 37% feel that animal welfare is important and 31% chose that attribute as one of their top 3 attributes. Of this 31%, about three-quarters are so committed that they seek out products from companies that treat animals humanely (73%) and are willing to pay more for them (72%)

<table>
<thead>
<tr>
<th><strong>Social Zone</strong></th>
<th><strong>Economic Zone</strong></th>
<th><strong>Environmental Zone</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Animal Welfare</strong></td>
<td>%</td>
<td><strong>% choosing this in their top 3 who always / usually…</strong></td>
</tr>
<tr>
<td>To whom this is important</td>
<td>Who chose this in their top 3</td>
<td>Buy products w/this attribute **</td>
</tr>
<tr>
<td>37%</td>
<td>31%</td>
<td>73%</td>
</tr>
<tr>
<td><strong>Supporting US Economy</strong></td>
<td>25%</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Air &amp; Water Pollution</strong></td>
<td>23%</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Maintaining Natural Resources</strong></td>
<td>22%</td>
<td>14%</td>
</tr>
<tr>
<td><strong>Environmental Impact of Disposal</strong></td>
<td>19%</td>
<td>14%</td>
</tr>
</tbody>
</table>

** Please note that this represents a highly engaged but small percentage of total consumers of these categories.

** For detailed description of attributes, see appendix p. 110

Q113. Of the following attributes, which are the most IMPORTANT to you when deciding which PERSONAL CARE PRODUCTS to purchase? Select all that apply
Base: Significant shoppers who purchased personal care products in the past 3 months (n=642).
Q113A. Which THREE of these sustainability attributes are the most IMPORTANT to you when deciding which personal care products to purchase?
Base: Significant shoppers who purchased personal care products in past 3 months (n=642).
Q113B. For each of these 3 attributes, how often do you purchase personal care products with that attribute? Base: Significant Shoppers who chose this attribute in their Top 3 (n= 76 – 189)
Q113C. Would you be willing to pay more for any of these 3 attributes when purchasing personal care products? Base: Significant Shoppers who chose this attribute in their Top 3 (n= 76 – 189)
Key barriers to purchasing sustainable personal care products are not knowing what is sustainable and comfort with current products

Barriers to Sustainable Purchases
Personal Care Products

- I’m not sure when a product is sustainable or not (40%)
- I’m more comfortable buying the product I’m used to (23%)
- Can’t always find sustainable options where I shop (21%)
- When shopping I forget to think about sustainable options (21%)
- I question whether the product will work well enough (19%)
- It’s too confusing to navigate through the sustainable options (15%)
- I need to look out for myself (family) before worry about other concerns (14%)
- My purchase won’t really make a difference (12%)
- Buying sustainable products just isn’t for me (12%)
- I want to focus on immediate needs rather than something in the distant future (12%)
- The opinions/requests of others (family, friends) outweigh my desire to buy sustainable products (9%)
- No reasons (always buy sustainable personal care products) (15%)

Beauty products need to work – that is the main thing. Just because it is natural is not enough.
- Outer Mid Level, Millennial

Q14. What are the main reasons you wouldn’t purchase a sustainable version of personal care products? Select all that apply.
Base: Significant Shoppers who purchased Personal Care Products in the past 3 months. (n=642)
PERSONAL CARE PRODUCTS

Consumers primarily want to know that their personal care products are made in the US

<table>
<thead>
<tr>
<th>Sourcing Priorities for Personal Care Products</th>
<th>Somewhat Agree</th>
<th>Strongly Agree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>I try to buy products made in USA</td>
<td>38%</td>
<td>29%</td>
<td>67%</td>
</tr>
<tr>
<td>I try to understand WHERE products made</td>
<td>38%</td>
<td>17%</td>
<td>55%</td>
</tr>
<tr>
<td>I try to SHOP WHERE I can learn about product origin &amp; safety</td>
<td>32%</td>
<td>14%</td>
<td>46%</td>
</tr>
<tr>
<td>I try to buy products made in my REGION</td>
<td>27%</td>
<td>12%</td>
<td>39%</td>
</tr>
</tbody>
</table>

Q115 Please indicate how strongly you agree or disagree with the following statements.
Base: Significant Shoppers who purchased personal care items in past 3 months; (n=640)
Q113. Of the following attributes, which are the most IMPORTANT to you when deciding which HOUSEHOLD CLEANER PRODUCTS to purchase? Select all that apply

Base: Significant shoppers who purchased household cleaner products in the past 3 months (n=643).

### Importance of HH Cleaner Attributes *

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Personal Benefit Zone</th>
<th>Social Zone</th>
<th>Economic Zone</th>
<th>Environmental Zone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Safety/Healthfulness</td>
<td>57%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products that Save Money</td>
<td>54%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product Effectiveness</td>
<td>52%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Impact of Disposal</td>
<td>29%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supporting US Economy</td>
<td>28%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Animal Welfare</td>
<td>27%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Air and Water Pollution</td>
<td>23%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintain Natural Resources</td>
<td>18%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimal/Ecofriendly Packaging</td>
<td>18%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Agricultural Methods/Practices</td>
<td>15%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair Trade</td>
<td>12%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employment Practices</td>
<td>12%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supporting Local Economy</td>
<td>12%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Community Involvement</td>
<td>8%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wider Community Involvement</td>
<td>7%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large Company Impact</td>
<td>6%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Small Company Adaptability</td>
<td>6%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*I just get whatever is on sale.*

- Outer Mid Level, Millennial

*I avoid cleaners that put chemicals into our waterways. I like 7th Generation, but it gets expensive. So I’ll mix it in with All Clear and Free...*

- Inner Mid Level, Gen X

For detailed description of attributes, see appendix p. 110
HOUSEHOLD CLEANERS

Attributes from all 3 zones of sustainability are moderately important when considering household cleaners to buy – especially the environmental zone

Household Cleaners – Beyond Personal Benefits – The 4 Most Important Sustainability Attributes *

Of those who believe these 4 attributes to be important, most are committed to purchasing and are even willing to pay more for such products. For example, 29% worry about the environmental impact of disposal and 24% chose that attribute as one of their top 3 attributes. Of the 24%, about three-quarters are so committed that they purchase products that can be safely disposed (71%) and are willing to pay more for them (81%).

<table>
<thead>
<tr>
<th>Social Zone</th>
<th>% of Significant Shoppers...</th>
<th>% choosing this in their top 3 who always / usually...</th>
</tr>
</thead>
<tbody>
<tr>
<td>To whom this is important</td>
<td>Who chose this in their top 3</td>
<td>Buy products w/this attribute **</td>
</tr>
<tr>
<td>Environmental Impact of Disposal</td>
<td>29%</td>
<td>24%</td>
</tr>
<tr>
<td>Supporting US Economy</td>
<td>28%</td>
<td>19%</td>
</tr>
<tr>
<td>Animal Welfare</td>
<td>27%</td>
<td>23%</td>
</tr>
<tr>
<td>Air &amp; Water Pollution</td>
<td>23%</td>
<td>18%</td>
</tr>
</tbody>
</table>

** Please note that this represents a highly engaged but small percentage of total consumers of these categories.

* For detailed description of attributes, see appendix p. 110

Q113. Of the following attributes, which are the most IMPORTANT to you when deciding which HOUSEHOLD CLEANING PRODUCTS to purchase? Select all that apply
Base: Significant shoppers who purchased HH cleaning products in the past 3 months (n=643).
Q113A. Which THREE of these sustainability attributes are the most IMPORTANT to you when deciding which HH cleaning products to purchase?
Base: Significant shoppers who purchased HH cleaning products in the past 3 months (n=643)
Q113B. For each of these 3 attributes, how often do you purchase HH cleaning products with that attribute? Base: Significant Shoppers who chose this attribute in their Top 3 (n= 127 – 149)
Q113C. Would you be willing to pay more for any of these 3 attributes when purchasing HH cleaning products? Base: Significant Shoppers who chose this attribute in their Top 3 (n= 127 – 149)
Key barriers to purchasing sustainable household cleaners are not knowing what is sustainable and lack of availability

**Barriers to Sustainable Purchases**

Household Cleaning Products

- I’m not sure when a product is sustainable or not: 39%
- Can’t always find sustainable options where I shop: 30%
- I’m more comfortable buying the product I’m used to: 29%
- I question whether the product will work well enough: 25%
- When shopping I forget to think about sustainable options: 19%
- It’s too confusing to navigate through the sustainable options: 16%
- I need to look out for myself (or family) before I worry about other concerns: 12%
- I want to focus on immediate needs rather than something in the distant future: 9%
- The opinions/requests of others (family, friends) outweigh my desire to buy sustainable products: 8%
- My purchase won’t really make a difference: 6%
- Buying sustainable products just isn’t for me: 6%
- No reasons (always buy sustainable HH Cleaning Products): 10%

Q114. What are the main reasons you wouldn’t purchase a sustainable version of HH cleaning products? Select all that apply. Base: Significant Shoppers who purchased HH cleaning Products in the past 3 months. (n=643)
Consumers primarily want to know that household cleaners are made in the US

Sourcing Priorities for Household Cleaners

- I try to buy products made in USA: 34% Somewhat Agree, 35% Strongly Agree, 69% overall
- I try to understand WHERE products made: 37% Somewhat Agree, 15% Strongly Agree, 52% overall
- I try to SHOP WHERE I can learn about product origin & safety: 29% Somewhat Agree, 13% Strongly Agree, 42% overall
- I try to buy products made in my REGION: 25% Somewhat Agree, 14% Strongly Agree, 39% overall

Q115 Please indicate how strongly you agree or disagree with the following statements.
Base: Significant Shoppers who purchased household cleaning products in past 3 months; (n=643)
For pet food, animal welfare and the personal benefit of product safety are at the top.

Importance of Pet Food Attributes *

- **Animal Welfare**: 61%
- **Product Safety/Healthfulness**: 59%
- **Products that Save Money**: 37%
- **Product Effectiveness**: 36%
- **Supporting US Economy**: 25%
- **Natural Agricultural Methods/Practices**: 20%
- **Maintain Natural Resources**: 17%
- **Environmental Impact of Disposal**: 13%
- **Minimal/Ecofriendly Packaging**: 12%
- **Fair Trade**: 12%
- **Air and Water Pollution**: 11%
- **Supporting Local Economy**: 10%
- **Employment Practices**: 9%
- **Local Community Involvement**: 8%
- **Small Company Adaptability**: 5%
- **Large Company Impact**: 4%
- **Wider Community Involvement**: 4%

It is not surprising that Animal Welfare rises to the top with pet food. Consumers see this attribute as both a personal one (caring for their pet) and a sustainability one. Animal welfare represents consumers’ concern for their own pets’ well-being as well as that of animals more generally.

Q113. Of the following attributes, which are the most IMPORTANT to you when deciding which PET FOOD PRODUCTS to purchase? Select all that apply.

Base: Significant shoppers who purchased pet food in the past 3 months (n=658).

* For detailed description of attributes, see appendix p. 110
Although attributes from all 3 zones are important when considering pet food, animal welfare is far and away at the top of the list.

**Pet Food – Beyond Personal Benefits – The 3 Most Important Sustainability Attributes** *

Of those who do believe these 3 attributes to be important, most are committed to purchasing and are even willing to pay more for such products. For example, 61% worry about animal welfare and 59% chose that attribute as one of their top 3 attributes. Of the 59%, over 80% are so committed that they purchase humane products (85%) and are willing to pay more for them (90%).

<table>
<thead>
<tr>
<th>Social Zone</th>
<th>Economic Zone</th>
<th>Environmental Zone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Animal Welfare</td>
<td>61%</td>
<td>59%</td>
</tr>
<tr>
<td>Supporting US Economy</td>
<td>25%</td>
<td>20%</td>
</tr>
<tr>
<td>Natural Agricultural Methods</td>
<td>20%</td>
<td>17%</td>
</tr>
</tbody>
</table>

**Please note that this represents a highly engaged but small percentage of total consumers of these categories.**  
* For detailed description of attributes, see appendix p. 110

**Q113. Of the following attributes, which are the most IMPORTANT to you when deciding which PET FOOD to purchase? Select all that apply**  
Base: Significant shoppers who purchased pet food in the past 3 months (n=658).

**Q113A. Which THREE of these sustainability attributes are the most IMPORTANT to you when deciding which pet food to purchase?**  
Base: Significant shoppers who purchased pet food in the past 3 months (n=658).

**Q113B. For each of these 3 attributes, how often do you purchase pet food with that attribute?**  
Base: Significant Shoppers who chose this attribute in their Top 3 (n= 109 – 382)

**Q113C. Would you be willing to pay more for any of these 3 attributes when purchasing pet food?**  
Base: Significant Shoppers who chose this attribute in their Top 3 (n= 127 – 149)
Key barriers to purchasing sustainable pet food are not knowing what is sustainable and lack of availability.

Barriers to Sustainable Purchases
Pet Food

- I’m not sure when a product is sustainable or not: 39%
- Can’t always find sustainable options where I shop: 22%
- I’m more comfortable buying the product I’m used to: 20%
- I question whether the product will work/taste good enough: 16%
- When shopping I forget to think about sustainable options: 13%
- It’s too confusing to navigate through the sustainable options: 10%
- I want to focus on immediate needs rather than something in the distant future: 9%
- I need to look out for myself (my family) before I worry about other concerns: 8%
- My purchase won’t really make a difference: 5%
- Buying sustainable products just isn’t for me: 5%
- The opinions/requests of others (family, friends) outweigh my desire to buy sustainable products: 4%
- No reasons (always buy sustainable Pet Food): 19%

Q114. What are the main reasons you wouldn’t purchase a sustainable version of pet food products? Select all that apply.
Base: Significant Shoppers who purchased pet food in the past 3 months. (n=658)
Consumers primarily want to know that their pet food is made in the US

<table>
<thead>
<tr>
<th>Statement</th>
<th>Somewhat Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I try to understand WHERE products made</td>
<td>34%</td>
<td>27%</td>
</tr>
<tr>
<td>I try to SHOP WHERE I can learn about product origin &amp; safety</td>
<td>31%</td>
<td>24%</td>
</tr>
<tr>
<td>I try to buy products made in my REGION</td>
<td>25%</td>
<td>13%</td>
</tr>
<tr>
<td>I try to buy Products made in USA</td>
<td>32%</td>
<td>42%</td>
</tr>
</tbody>
</table>

Q115 Please indicate how strongly you agree or disagree with the following statements. Base: Significant Shoppers who have purchased pet food in past 3 months; (n=658)
Consumers predominantly shop for their groceries at supermarkets and general merchandise stores

**Channels Where Purchase Groceries**

- Grocery store/supermarket: 90%
- General merchandise store: 79%
- Drug store: 55%
- Dollar/discount store: 53%
- Warehouse/club store: 49%
- Convenience store: 47%
- Local Markets (CSA, Farmer’s Market, Butcher, Co-op): 12%
- Pet Store (e.g., Petco, PetSmart): 9%
- Online Store: 8%

Q34-Q39. At which of the following [TYPE OF STORE] have you purchased your food, beverages and groceries during the past 3 months? Base: Significant shoppers (n=1,701).
Personal benefits of value, convenience, cleanliness and variety remain at the top

Among sustainability attributes, employee welfare is on the rise.

Q66. Which of the following attributes of a GROCERY STORE make it more likely that you’ll shop there? (select all that apply)
Base: Significant shoppers 2013 (n=1,673) 2015 (n=1,701).

* For detailed description of attributes, see appendix p. 112
# RETAIL

Reasons for shopping at a particular retail outlet have not changed in 2 years – price and convenience stop the list

## Primary Reasons Shop at Favorite Retailer

<table>
<thead>
<tr>
<th>Reason</th>
<th>Sustainability Reasons</th>
<th>Non-sustainability Reasons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low PRICES</td>
<td>66%</td>
<td>56%</td>
</tr>
<tr>
<td>CONVENIENT location (e.g., close to home/work)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality of FRESH/PERISHABLE items *</td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td>Merchandise SELECTION</td>
<td>44%</td>
<td></td>
</tr>
<tr>
<td>HIGH QUALITY merchandise</td>
<td>39%</td>
<td></td>
</tr>
<tr>
<td>Good customer SERVICE</td>
<td>37%</td>
<td></td>
</tr>
<tr>
<td>Physical layout (i.e., I can find my way around)</td>
<td>32%</td>
<td></td>
</tr>
<tr>
<td>Accessibility (i.e., parking)</td>
<td>28%</td>
<td></td>
</tr>
<tr>
<td>Supports the local community</td>
<td>26%</td>
<td></td>
</tr>
<tr>
<td>Treats people fairly</td>
<td>23%</td>
<td>-5 pts</td>
</tr>
<tr>
<td>Offers local products/ingredients</td>
<td>22%</td>
<td></td>
</tr>
<tr>
<td>Good selection of sustainable products</td>
<td>21%</td>
<td></td>
</tr>
<tr>
<td>Knowledgeable staff</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Offers reusable bags</td>
<td>14%</td>
<td></td>
</tr>
<tr>
<td>Offers products without excessive packaging</td>
<td>11%</td>
<td>-4 pts</td>
</tr>
<tr>
<td>Store is reducing its energy usage</td>
<td>8%</td>
<td></td>
</tr>
</tbody>
</table>

## Sustainability Reasons

Reasons focused on sustainability are generally trumped by personal considerations.

Q65. What are the PRIMARY reasons you shop at your favorite retailer? (select all that apply)
Base: Significant shoppers (2013 n=1,673); (2015 n=1,701)

* New in 2015

Significant decrease from 2013 at 95% CL
The Core and Inner Mid-level are the most focused on sustainable reasons when choosing where to shop.

### Sustainable Reasons Shop at Favorite Retailer *

**By Segment**

<table>
<thead>
<tr>
<th>Reason</th>
<th>Core</th>
<th>Inner ML</th>
<th>Outer ML</th>
<th>Periphery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of fresh/perishable items</td>
<td>46%</td>
<td>42%</td>
<td>42%</td>
<td>44%</td>
</tr>
<tr>
<td>Supports the local community</td>
<td>22%</td>
<td>14%</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td>Good selection of sustainable products</td>
<td>28%</td>
<td>39%</td>
<td>28%</td>
<td>28%</td>
</tr>
<tr>
<td>Offers local products/ingredients</td>
<td>28%</td>
<td>34%</td>
<td>28%</td>
<td>31%</td>
</tr>
<tr>
<td>Treats people fairly</td>
<td>20%</td>
<td>19%</td>
<td>19%</td>
<td>29%</td>
</tr>
<tr>
<td>Offers products without excessive packaging</td>
<td>13%</td>
<td>13%</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>Offers reusable bags</td>
<td>15%</td>
<td>18%</td>
<td>18%</td>
<td>11%</td>
</tr>
<tr>
<td>Store is reducing its energy use</td>
<td>10%</td>
<td>12%</td>
<td>8%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Q65. What are the PRIMARY reasons you shop at your favorite retailer? (select all that apply)

Base: Significant shoppers inside the world of sustainability (n=1,547) Core (n=242); IML (n=540); OML (n=467); Periphery (n=252)
RETAIL

Of the sustainability reasons, the Boomer generation is particularly focused on quality of perishable items and employee welfare.

**Sustainable Reasons Shop at Favorite Retailer**

**By Age Cohort**

- Quality of fresh/perishable items
  - Millennial: 42%
  - Gen X: 39%
  - Boomers: 57%

- Supports the local community
  - Millennial: 22%
  - Gen X: 25%
  - Boomers: 30%

- Treats people fairly
  - Millennial: 19%
  - Gen X: 22%
  - Boomers: 29%

- Offers local products/ingredients
  - Millennial: 21%
  - Gen X: 19%
  - Boomers: 27%

- Good selection of sustainable products
  - Millennial: 16%
  - Gen X: 22%
  - Boomers: 23%

- Offers reusable bags
  - Millennial: 16%
  - Gen X: 12%
  - Boomers: 15%

- Offers products without excessive packaging
  - Millennial: 9%
  - Gen X: 13%
  - Boomers: 12%

- Store is reducing its energy use
  - Millennial: 7%
  - Gen X: 11%
  - Boomers: 5%

Of the sustainability reasons, the Boomer generation is particularly focused on quality of perishable items and employee welfare.

Q65. What are the PRIMARY reasons you shop at your favorite retailer? (select all that apply)
Base: Significant shoppers (n=1,701) Millennial (n=446); Gen X (n=389); Boomer (n=866)
FOOD SERVICE

Three-quarters visit fast food restaurants; only 43% visit quick casual chains

Q41. At which of the following types of RESTAURANTS have you purchased food or beverages during the past 3 months?

Base: Significant shoppers (n=1,701).

* Restaurant categories covered in-depth (beyond visitation) in this report.
**QSR Attribute Importance**

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good Value</td>
<td>71%</td>
</tr>
<tr>
<td>Menu Selections</td>
<td>60%</td>
</tr>
<tr>
<td>Convenience</td>
<td>55%</td>
</tr>
<tr>
<td>Hygiene and Cleanliness</td>
<td>51%</td>
</tr>
<tr>
<td>Employment Practices</td>
<td>25%</td>
</tr>
<tr>
<td>Supporting US Economy</td>
<td>19%</td>
</tr>
<tr>
<td>Sensory Appeal of Restaurant</td>
<td>17%</td>
</tr>
<tr>
<td>Supporting Local Economy</td>
<td>16%</td>
</tr>
<tr>
<td>Animal Welfare</td>
<td>16%</td>
</tr>
<tr>
<td>Local Community Involvement</td>
<td>14%</td>
</tr>
<tr>
<td>Minimal/Eco-friendly Packaging</td>
<td>11%</td>
</tr>
<tr>
<td>Fair Trade</td>
<td>11%</td>
</tr>
<tr>
<td>Air and Water Pollution</td>
<td>11%</td>
</tr>
<tr>
<td>Environmental Impact of Disposal</td>
<td>10%</td>
</tr>
<tr>
<td>Maintain Natural Resources</td>
<td>9%</td>
</tr>
<tr>
<td>Natural Agricultural Methods/Practices</td>
<td>8%</td>
</tr>
<tr>
<td>Wider Community Involvement</td>
<td>7%</td>
</tr>
<tr>
<td>Small Company Adaptability</td>
<td>6%</td>
</tr>
<tr>
<td>Large Company Impact</td>
<td>5%</td>
</tr>
</tbody>
</table>

**Quick Casual Attribute Importance**

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good Value</td>
<td>72%</td>
</tr>
<tr>
<td>Menu Selections</td>
<td>64%</td>
</tr>
<tr>
<td>Convenience</td>
<td>55%</td>
</tr>
<tr>
<td>Hygiene and Cleanliness</td>
<td>54%</td>
</tr>
<tr>
<td>Employment Practices</td>
<td>29%</td>
</tr>
<tr>
<td>Supporting Local Economy</td>
<td>26%</td>
</tr>
<tr>
<td>Animal Welfare</td>
<td>25%</td>
</tr>
<tr>
<td>Supporting US Economy</td>
<td>24%</td>
</tr>
<tr>
<td>Sensory Appeal of Restaurant</td>
<td>24%</td>
</tr>
<tr>
<td>Environmental Impact of Disposal</td>
<td>17%</td>
</tr>
<tr>
<td>Local Community Involvement</td>
<td>16%</td>
</tr>
<tr>
<td>Natural Agricultural Methods/Practices</td>
<td>15%</td>
</tr>
<tr>
<td>Minimal/Eco-friendly Packaging</td>
<td>13%</td>
</tr>
<tr>
<td>Fair Trade</td>
<td>13%</td>
</tr>
<tr>
<td>Air and Water Pollution</td>
<td>13%</td>
</tr>
<tr>
<td>Maintain Natural Resources</td>
<td>12%</td>
</tr>
<tr>
<td>Small Company Adaptability</td>
<td>10%</td>
</tr>
<tr>
<td>Wider Community Involvement</td>
<td>7%</td>
</tr>
<tr>
<td>Large Company Impact</td>
<td>6%</td>
</tr>
</tbody>
</table>

In terms of sustainability attributes, employment practices are naturally important since customers can see the workers on premise.

Q116. Of the following attributes, which are the most IMPORTANT to you when deciding at which QSR/Quick Casual to eat? (select all that apply)

Base: Consumers who have visited a QSR/Quick Casual in past 3 months (n=633/635)
Sustainable attributes are more top of mind when considering Quick Casual restaurants than QSRs

QSR & Quick Casual Attribute Importance
Where the Categories Diverge *

On many attributes there is little difference between the 2 restaurant categories.

However, when considering *Quick Casual* restaurants, consumers are more concerned than when visiting QSRs about restaurant atmosphere as well as several sustainability aspects:

- Supporting the economy (local & US)
- Animal welfare
- Waste disposal
- Agricultural practices

Q116. Of the following attributes, which are the most IMPORTANT to you when deciding at which QSR/Quick Casual restaurant to eat? (select all that apply)
Base: Consumers who have visited a QSR/Quick Casual in past 3 months (n=633/635)

* For detailed description of attributes, see appendix p. 111
Sustainable attributes of employment practices and supporting the economy are of modest importance

Quick Service Restaurants – Beyond Personal Benefits – The 4 Most Important Sustainability Attributes *

Of those who do believe these 4 attributes to be important, most are committed to purchasing and are even willing to pay more for such products.

For example, 25% worry about employment practices and 22% chose that attribute as one of their top 3 attributes. Of the 22%, about 70% are so committed that they visit QSRs where employees are known to be well-treated (67%) and are willing to pay more at such establishments (71%).

<table>
<thead>
<tr>
<th>Sustainability Attribute</th>
<th>% of Significant Shoppers...</th>
<th>% choosing this in their top 3 who always / usually...</th>
<th>Willing to pay more for products w/this attribute **</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Practices</td>
<td>25%</td>
<td>22%</td>
<td>67%</td>
</tr>
<tr>
<td>Supporting US Economy</td>
<td>19%</td>
<td>15%</td>
<td>70%</td>
</tr>
<tr>
<td>Animal Welfare</td>
<td>16%</td>
<td>15%</td>
<td>87%</td>
</tr>
<tr>
<td>Supporting Local Economy</td>
<td>16%</td>
<td>13%</td>
<td>80%</td>
</tr>
</tbody>
</table>

** Please note that this represents a highly engaged but small percentage of total consumers of these categories.

* For detailed description of attributes, see appendix p. 111

Q116. Of the following attributes, which are the most IMPORTANT to you when deciding which QSR to visit? Select all that apply

Base: Significant shoppers who visited a QSR in the past 3 months (n=633).
Q116A. Which THREE of these sustainability attributes are the most IMPORTANT to you when deciding which QSR to visit?

Base: Significant shoppers who visited a QSR in the past 3 months (n=633)
Q116B. For each of these 3 attributes, how often do you visit QSRs with that attribute? Base: Significant Shoppers who chose this attribute in their Top 3 (n= 88 – 131)
Q116C. Would you be willing to pay more for any of these 3 attributes when visiting a QSR? Base: Significant Shoppers who chose this attribute in their Top 3 (n= 88 – 131)
Sustainable attributes of employment practices and supporting the economy are of modest importance

Quick Casual Restaurants – Beyond Personal Benefits –
The 4 Most Important Sustainability Attributes *

Of those who do believe these 4 attributes to be important, most are committed to purchasing and are even willing to pay more for such products.

For example, 29% worry about employment practices and 24% chose that attribute as one of their top 3 attributes. Of the 24%, about three-quarters are so committed that they visit Quick Casual Restaurants where employees are known to be well-treated (73%) and are willing to pay more at such establishments (73%).

<table>
<thead>
<tr>
<th>Social Zone</th>
<th>Economic Zone</th>
<th>Environmental Zone</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Significant Shoppers...</td>
<td>% of Significant Shoppers...</td>
<td>% choosing this in their top 3 who always / usually...</td>
</tr>
<tr>
<td>To whom this is important</td>
<td>Who chose this in their top 3</td>
<td>Buy products w/this attribute **</td>
</tr>
<tr>
<td>Employment Practices</td>
<td>29%</td>
<td>24%</td>
</tr>
<tr>
<td>Supporting Local Economy</td>
<td>26%</td>
<td>18%</td>
</tr>
<tr>
<td>Animal Welfare</td>
<td>25%</td>
<td>18%</td>
</tr>
<tr>
<td>Supporting US Economy</td>
<td>24%</td>
<td>17%</td>
</tr>
</tbody>
</table>

** Please note that this represents a highly engaged but small percentage of total consumers of these categories.  
* For detailed description of attributes, see appendix p. 111

Q116. Of the following attributes, which are the most IMPORTANT to you when deciding which Quick Casual Restaurant to visit? Select all that apply
Base: Significant shoppers who visited a Quick Casual Restaurant in the past 3 months (n=635).
Q116A. Which THREE of these sustainability attributes are the most IMPORTANT to you when deciding which Quick Casual Restaurant to visit? Base: Significant Shoppers who chose this attribute in their Top 3 (n=107 – 150)
Q116B. For each of these 3 attributes, how often do you visit Quick Casual restaurants with that attribute? Base: Significant Shoppers who chose this attribute in their Top 3 (n=107 – 150)
Q116C. Would you be willing to pay more for any of these 3 attributes when visiting a Quick Casual Restaurant? Base: Significant Shoppers who chose this attribute in their Top 3 (n=107 – 150)
Q117. What are the main reasons you wouldn’t visit a sustainable QSR/Quick Casual restaurant? Select all that apply. 

Base: Significant Shoppers who visited a QSR or Quick Casual restaurant in the past 3 months. (n=633/635)

When consumers choose Quick Casual restaurants, they are more apt to believe they often can’t find sustainable options.
09

Key Takeaways & Recommendations
Key Takeaways

• With 4 of every 5 consumers now claiming familiarity, sustainability awareness has reached record levels. With this broadened awareness, expectations of sustainable company practices and transparency around those practices will continue to grow – particularly as media, retail and food service establishments help to raise consumer consciousness. Manufacturers will benefit from taking into account these narratives when considering their own communication.

• Linkage between sustainable company practices and direct consumer purchases continues to grow, though still in a formative stage. We expect to see continued growth for those companies that can link, and effectively communicate, personal and social benefits tied to their sustainable practices.
  • Consumers continue to struggle to identify sustainable products and companies, suggesting that companies have an opportunity to create more effective dialogue with consumers about sustainable practices.

• Consumers expect companies to be open and honest about their products and practices, and are willing to support those that are. Transparency around where products are made, especially local products and those made in the US, is of highest importance. Consumers also want transparency around how products are made and where ingredients are sourced. These concerns, because of their strong ties to personal benefits for consumers, far outweigh knowing about other company sustainability efforts.

• It should come as no surprise then that consumers say companies can earn their trust by being more open about the above-mentioned practices. Heightened attention to social benefits around animal and employee welfare are increasingly demanding honesty and transparency as well. Companies that are avoiding any discussion around these practices, including their stance on GMOs, will find it increasingly difficult to build trust.

• The good news is, the welcome mat is out for companies to share more about their products and practices. The large majority of consumers trust that what a company says about its sustainability efforts is true and want to be able to easily access information on companies and their sustainability efforts. With almost half of consumers (46%) using the Internet to do so, companies need to monitor and effectively manage all internal and external online sources of information to optimize communications.
RECOMMENDATIONS

Understand what Sustainability and Transparency mean to consumers

Sustainability continues to be...

- **About doing the right thing** for customers, the community and the environment
- **Not a deal breaker** for the vast majority of consumers
- **About maintaining relevance** over the long term rather than driving short-term sales
  - Staying ahead of the curve
  - Reinforcing loyalty
  - Feeding back into consumers’ positive quality perceptions
  - Increasing likelihood of trial for brand extensions
  - Encouraging positive, non-purchase behaviors that help build and strengthen brand halo
    - e.g., word of mouth recommendation, “liking” on Facebook

Transparency is...

- **Being open and honest** about your business practices and your products
- **Consumer choice** - letting them see and judge for themselves
  - Quality and care in production and ingredients that translate into better taste, health, efficacy and enjoyment
  - Open production, employee interactions
  - Ingredients, sourcing, animal welfare
- The gateway to **building trust** with consumers
RECOMMENDATIONS

Start building trust by being transparent on a topic about which you can be passionate and honest

Be willing to take a stand and ‘walk the talk,’ even if it is a stand on a small issue. Small issues, if relevant to your customers, can make it easier to progress to larger or more complex topics over time. Even a stand on a seemingly small issue can generate halos of trust and authenticity for the entire company.

- The example of Chipotle’s recent decision to stop selling pork carnitas in its restaurants until it can be satisfied that the animals are being raised humanely generated strong consumer support and conversation about its quality, transparency and authenticity.

- The humane treatment of farm animals won a huge public show of support in January, 2015, when Starbucks announced plans to require dairy, meat, and egg products served in its coffee shops to come from suppliers that follow certain animal-welfare standards.

Start a dialogue with consumers – starting with what’s in your products, where ingredients are sourced, or how they are made are often great entry points for manufacturers (for retailers it might be about worker welfare) since it is usually the most relevant to consumers. Don’t try to do too much. But pick a practice or an ingredient and tell the story. Product and production narratives help build quality perceptions and provide a jumping-off point to begin to communicate more complex or sensitive topics down the road. Be willing to engage with consumers and be open to their feedback.

Articulate how you are planning for the future as well as responding to immediate concerns. If you are working on new practices, sourcing guidelines or supplier standards, tell customers what you are doing and how you will phase in changes down the road. Be specific about timing if you can. If the timing is unknown, don’t fake it. Be honest and commit to updates as you work through the new processes.
How to talk about a company’s efforts is not easily generalizable, because expectations and what is credible and relevant differ across categories and even across brands within categories. A category leader will have different opportunities and obstacles than will a smaller player. Large companies can leverage their size to emphasize their ability to have greater impact in the sustainability issues most pertinent to their category. When a company the size of McDonald’s announces it will work to remove antibiotics in their chicken products, it may seem like a small move, but given McDonald’s size, it can impact the entire poultry industry in the U.S. A small company may not get the same extensive press coverage, but it can present a more holistic sustainable image of its practices that appeals to its more involved customer base.

General guidelines can serve as thought-starters for companies on their sustainability journey:

• **Know your customer base.** How committed to sustainable practices are they? Which age cohort do you target? What do they expect from your category, your company? Should you talk about environmental efforts, economic or social practices?

• **Tie the more abstract benefits of sustainability back to personal benefits.** How will your sustainable practices impact product quality, consumers’ health, convenience, their pocketbook?

• **Make it easy to find information** on your website, your Facebook page, your package or signage
  - **Keep the language simple** – consumers do not know as much as you do and most are only looking for basic assurance that your company has sustainable practices built into its policies
  - **Tell stories** – it is easier for consumers to relate to an actual event or human outcome than dry facts and statistics
RECOMMENDATIONS

Guideline Examples: Know your customer base

Targeting those highly involved in sustainability (the Inner Mid-level Segment)

Companies whose products are targeted to highly involved customers need an in-depth understanding of the these segments’ motivations, attitudes and behaviors. These consumers are interested in deeply understanding the products they purchase and the companies that produce, distribute and sell them. They are interested in the entire process and how the various elements ladder up to the personal benefits important to them.

In product offerings and dialogue, reflect that you understand they will:

• Consider many more factors than those less involved
• Expect you to provide more transparency – simple, recognizable ingredients; disclose GMOs; disclose company ownership
• Want to know where and how your products are made, where the ingredients come from, and specifics on how animals were raised and treated – farm raised or wild caught, Thailand or US, grass fed, cage free, etc.
• Support local and place more trust in local sources and producers
• Pay attention to public sentiment on company practices, conduct research, actively seek out information and pass it around to their sphere of influence
• Look for packaging narratives and certifications to help them make their purchase decision
Targeting the Millennials

Millennials are involved in sustainability as a product of their times. They have grown up with the concept of climate change, depleted fishing supplies, organic produce, documentaries on animal welfare, electric and hybrid cars and the ‘evils’ of fast food. As such, sustainability is a familiar concept. Millennials are the generation most likely to see responsibility for sustainability as an equally shared responsibility between themselves, companies and the government. They are the cohort showing the most growth in purchase decisions that are tied to sustainable concerns. While they feel they can have an impact on society through their purchases, they are the generation that also wants to have an impact through community involvement. When it comes to transparency, they want to know who owns a product or brand and are the most likely of the generations to place their trust in smaller companies.

In product offerings and dialogue, show them you understand them -

- Invite them to join your community-based initiatives
- Use narratives that help personalize your company, make it easier to relate to (like a smaller company)
- Make it easy for them to understand how your initiatives benefit them (better taste, quality, convenience) and the greater community (jobs, fair treatment of people and animals)
- Offer minimalist packaging – refillable, bulk, resource efficient
- Engage them with social media, but only if you can be honest in dialogue and willing to engage them for feedback
Guideline Examples: Know your customer base

Targeting the Boomers

The Boomer generation grew up in another turbulent time of gas shortages, Earth Day, civil rights and anti-war activities. This generation is the least likely to feel that their purchases can have an impact – they have more faith in their voting power. Boomers especially look for products made in the US and avoid products made in mistrusted countries. They expect companies to back their product with guarantees, recall products when necessary and be easy to contact if there are product issues. Boomers appreciate packaging that is transparent (they can see product on the inside), trust certifications on labels and place the most importance on customer service and freshness when shopping.

In product offerings and dialogue, demonstrate:

• You support America and made in the US – it’s good for the economy and it protects product quality
• You stand behind your products
• Quality and health go hand-in-hand
RECOMMENDATIONS

Guideline Examples: Make it easy to learn about your sustainability practices

Consider the usability of your website in terms of ease of finding relevant information

Is sustainability/corporate responsibility given a prominent place on the home page or do consumers need to search because it is buried under many layers of clicks? Are the topics ‘sorted’ by consumer relevancy and interest? Are the terms used to discuss key business practices ones that laymen can grasp? Is the layout compelling, encouraging scrolling down through the content? Is the contact information easy to access and does it provide multiple avenues for consumers to connect (corporate address, toll-free number, email address, etc.)?

What is on the home page often broadcasts to consumers what is important to the company – does the home page feature the current stock price for investors? Or does it communicate what consumers want to know about its products and sustainable business practices, or the people behind the product? Does the site convey a multinational presence or does it give tell a story around locale? (See Appendix page 108 for a few examples of consumer-facing websites with highly visible sustainability messages on the homepage.)

If your company is dedicated to sustainable practices, make sure your website and/or communications don’t imply that it is a ‘side project’ and that you are spending more time talking than taking action. Convey that sustainability is a mindset that influences decisions made within the company.
Adopting sustainable practices and being transparent about your practices should be thought about in terms of long-term relevancy rather than driving short-term sales. But when sustainability and personal benefits meet, consumers are given the opportunity to “FEEL GOOD” about the products they purchase and use.

In order for consumers to see meaning in sustainability, they must see some degree of personal benefit, regardless of their orientation in the World of Sustainability. Understanding consumer priorities beyond personal benefits at the product category level can help direct marketing and communications efforts to influence quality perceptions and loyalty over time.

• In Food and Beverage: Build quality perceptions by showing consumers how sustainable attributes are also quality attributes, contributing to a better product for themselves and their families. Where possible, link company activities that support US and local economies as well as communities and look for opportunities to convey positive animal and employee welfare practices.

• In Personal Care: Convey quality and efficacy as personal benefits, but communicate stance on animal testing, production in the US (when relevant) and environmental safety.

• In Household Cleaners: Environmental impact of disposal is of top concern, extending to animal welfare and pollution concerns. Convey practices that engender trust in safety for people, animals and the planet.

• In Pet Food: Animal lovers expect companies to be sensitive to and honest about animal welfare. Sourcing from the US is a priority, given safety issues associated with China and other countries.

• In Retail and Food Service: Demonstrate concern for employee welfare by creating a positive working environment for employees. People making the food or working the floor are visible and in a position to directly impact impressions of food and service quality. Curation of local and sustainable ingredients can be educational as well as motivating for customers. Highlight community and local economy engagement.
APPENDIX

Examples of sites with sustainability at the forefront

www.pacificseafood.com
Sustainability permeates their website and ‘Social Responsibility’ is at the top of the home page

www.chipotle.com
Food with Integrity is at the top of the home page and covers all their core business practices

www.chobani.com
The ‘Chobani Way’ is right at the top of the home page
## Appendix | Dimensions of Responsibility (Attributes) in Food & Beverage (Q43)

<table>
<thead>
<tr>
<th>Dimensions of Responsibility</th>
<th>Descriptions Provided in Survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Practices</td>
<td>Products made by companies that treat their employees well (e.g., safety, benefits, opportunity for advancement).</td>
</tr>
<tr>
<td>Local Community Involvement</td>
<td>Products made by companies that donate time, money or goods &amp; services to charities/causes in my community.</td>
</tr>
<tr>
<td>Wider Community Involvement</td>
<td>Products made by companies that donate time, money or goods &amp; services to charities/causes anywhere in the world.</td>
</tr>
<tr>
<td>Animal Welfare</td>
<td>Products made by companies that ensure animals are treated humanely (e.g., cage free, free range, pasture raised, no animal testing).</td>
</tr>
<tr>
<td>Fair Trade</td>
<td>Everyone involved in supplying this product has been fairly treated (e.g., paid a fair wage, safe working conditions).</td>
</tr>
<tr>
<td>Minimal/Ecofriendly Packaging</td>
<td>Products with minimal or ecofriendly packaging.</td>
</tr>
<tr>
<td>Air and Water Pollution</td>
<td>Products from companies that take steps to limit their air and water pollution.</td>
</tr>
<tr>
<td>Environmental Impact of Disposal</td>
<td>Using the product, or disposing of any unused product, does not have a negative environmental impact.</td>
</tr>
<tr>
<td>Energy Conservation</td>
<td>Products made by companies that are taking steps to reduce their carbon footprint (e.g., reduced energy consumption, supplemental solar and wind power).</td>
</tr>
<tr>
<td>Maintain Natural Habitats</td>
<td>Products that are sourced in ways that do not deplete/destroy natural habitats (e.g., rain forests, fish populations).</td>
</tr>
<tr>
<td>Natural Agricultural Methods/Practices</td>
<td>Ingredients have been grown with agricultural practices that are as natural as possible (e.g., without chemical fertilizers, herbicides, pesticides, GMOs).</td>
</tr>
<tr>
<td>Maintain Natural Resources</td>
<td>Products that are sourced in ways that do not deplete natural resources (e.g., petroleum, coal, trees).</td>
</tr>
<tr>
<td>Water Conservation</td>
<td>Products made by companies seeking to reduce the amount of water they use.</td>
</tr>
<tr>
<td>Supporting US Economy</td>
<td>Buying this product supports the US economy.</td>
</tr>
<tr>
<td>Supporting Local Economy</td>
<td>Buying this product supports the local economy.</td>
</tr>
<tr>
<td>Profit Sharing Company</td>
<td>Products made by companies committed to sharing its profits with their employees and/or the communities in which it operates.</td>
</tr>
<tr>
<td>Ownership of Company</td>
<td>Products made by companies who are transparent about who owns them and how profits are distributed.</td>
</tr>
<tr>
<td>Small Company</td>
<td>Made or sold by small companies whose smaller size allows them to easily adapt to environmental and social concerns related to its products.</td>
</tr>
<tr>
<td>Large Company</td>
<td>Made or sold by large companies with the ability to make big, large-scale impacts on environmental and social issues.</td>
</tr>
<tr>
<td>Sensory Appeal of Products</td>
<td>Products that are appealing to the senses (e.g., taste, smell, feel or look good).</td>
</tr>
<tr>
<td>Effectiveness of Products</td>
<td>Products that work really well.</td>
</tr>
<tr>
<td>Safe/Healthy Products</td>
<td>Products that are safe and healthy.</td>
</tr>
<tr>
<td>Money Saving Products</td>
<td>Products whose usage is associated with lower costs.</td>
</tr>
</tbody>
</table>
## Appendix | Dimensions of Responsibility (Attributes) in Products (Q113)

<table>
<thead>
<tr>
<th>Dimensions of Responsibility</th>
<th>Corresponding Descriptions Provided in Survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Practices</td>
<td>Products made by companies that treat their employees well (e.g., safety, benefits, opportunity for advancement).</td>
</tr>
<tr>
<td>Local Community Involvement</td>
<td>Products made by companies that donate time, money or goods &amp; services to charities/causes in my community.</td>
</tr>
<tr>
<td>Wider Community Involvement</td>
<td>Products made by companies that donate time, money or goods &amp; services to charities/causes anywhere in the world.</td>
</tr>
<tr>
<td>Animal Welfare</td>
<td>Products made by companies that ensure animals are treated humanely (e.g., cage free, free range, pasture raised, no animal testing).</td>
</tr>
<tr>
<td>Fair Trade</td>
<td>Everyone involved in supplying this product has been fairly treated (e.g., paid a fair wage, safe working conditions).</td>
</tr>
<tr>
<td>Minimal/Ecofriendly Packaging</td>
<td>Products with minimal or ecofriendly packaging.</td>
</tr>
<tr>
<td>Air and Water Pollution</td>
<td>Products from companies that take steps to limit their air and water pollution.</td>
</tr>
<tr>
<td>Environmental Impact of Disposal</td>
<td>Using the product, or disposing of any unused product, does not have a negative environmental impact.</td>
</tr>
<tr>
<td>Natural Agricultural Methods/Practices</td>
<td>Ingredients have been grown with agricultural practices that are as natural as possible (e.g., without chemical fertilizers, herbicides, pesticides, GMOs).</td>
</tr>
<tr>
<td>Maintain Natural Resources</td>
<td>Products that are sourced in ways that do not deplete natural resources (e.g., petroleum, coal, trees).</td>
</tr>
<tr>
<td>Supporting US Economy</td>
<td>Buying this product supports the US economy.</td>
</tr>
<tr>
<td>Supporting Local Economy</td>
<td>Buying this product supports the local economy.</td>
</tr>
<tr>
<td>Small Company Adaptability</td>
<td>Made or sold by small companies whose smaller size allows them to easily adapt to environmental and social concerns related to its products.</td>
</tr>
<tr>
<td>Large Company Impact</td>
<td>Made or sold by large companies with the ability to make big, large-scale impacts on environmental and social issues.</td>
</tr>
<tr>
<td>Sensory Appeal of Products</td>
<td>Products that are appealing to the senses (e.g., taste, smell, feel or look good).</td>
</tr>
<tr>
<td>Effectiveness of Products</td>
<td>Products that work really well.</td>
</tr>
<tr>
<td>Safe/Healthy Products</td>
<td>Products that are safe and healthy.</td>
</tr>
<tr>
<td>Money Saving Products</td>
<td>Products whose usage is associated with lower costs</td>
</tr>
<tr>
<td>Dimensions of Responsibility</td>
<td>Corresponding Descriptions Provided in Survey</td>
</tr>
<tr>
<td>-------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Employment Practices</td>
<td>Treats their employees well (e.g., safety, benefits and opportunity for advancement).</td>
</tr>
<tr>
<td>Local Community Involvement</td>
<td>Donates time, money or goods &amp; services to charities/causes in my community.</td>
</tr>
<tr>
<td>Wider Community Involvement</td>
<td>Donates time, money or goods &amp; services to charities/causes anywhere in the world.</td>
</tr>
<tr>
<td>Animal Welfare</td>
<td>Utilizes only sources that treat animals humanely (e.g., cage free, free range, pasture raised, no animal testing).</td>
</tr>
<tr>
<td>Fair Trade</td>
<td>Everyone involved in supplying the products has been fairly treated (e.g., paid a fair wage, safe working conditions).</td>
</tr>
<tr>
<td>Minimal/Ecofriendly Packaging</td>
<td>Uses minimal or ecofriendly packaging.</td>
</tr>
<tr>
<td>Air and Water Pollution</td>
<td>Takes steps to limit their air and water pollution.</td>
</tr>
<tr>
<td>Environmental Impact of Disposal</td>
<td>Disposes of food waste in an environmentally friendly way (e.g., composting).</td>
</tr>
<tr>
<td>Natural Agricultural Methods/Practices</td>
<td>Uses ingredients grown with agricultural practices that are as natural as possible (e.g., without chemical fertilizers, herbicides, pesticides, GMOs).</td>
</tr>
<tr>
<td>Maintain Natural Resources</td>
<td>Products that are sourced in ways that do not deplete natural resources (e.g., petroleum, coal, trees).</td>
</tr>
<tr>
<td>Supporting US Economy</td>
<td>Eating there supports the US economy.</td>
</tr>
<tr>
<td>Supporting Local Economy</td>
<td>Eating there supports the local economy.</td>
</tr>
<tr>
<td>Small Company Adaptability</td>
<td>A small company whose smaller size allows them to easily adapt to environmental and social concerns related to its products.</td>
</tr>
<tr>
<td>Large Company Impact</td>
<td>A large company with the ability to make big, large-scale impacts on environmental and social issues.</td>
</tr>
<tr>
<td>Sensory Appeal of Restaurant</td>
<td>A place to eat that is attractive or pleasing to the senses (e.g., through design, layout, décor)</td>
</tr>
<tr>
<td>Convenience</td>
<td>Conveniently located and/or easy to get in and out</td>
</tr>
<tr>
<td>Hygiene and Cleanliness</td>
<td>Looks and smells clean, with eating areas properly wiped down</td>
</tr>
<tr>
<td>Good Value</td>
<td>Menu prices are in line with level of service and quality of food</td>
</tr>
</tbody>
</table>
### Appendix | Dimensions of Responsibility (Attributes) in Retail (Q66)

<table>
<thead>
<tr>
<th>Dimensions of Responsibility</th>
<th>Corresponding Descriptions Provided in Survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Practices</td>
<td>Treats their employees well (e.g., safety, benefits and opportunity for advancement).</td>
</tr>
<tr>
<td>Local Community Involvement</td>
<td>Donates time, money or goods &amp; services to charities/causes in my community.</td>
</tr>
<tr>
<td>Wider Community Involvement</td>
<td>Donates time, money or goods &amp; services to charities/causes anywhere in the world.</td>
</tr>
<tr>
<td>Animal Welfare</td>
<td>Utilizes only sources that treat animals humanely (e.g., cage free, free range, pasture raised, no animal testing).</td>
</tr>
<tr>
<td>Fair Trade</td>
<td>Everyone involved in supplying the products has been fairly treated (e.g., paid a fair wage, safe working conditions).</td>
</tr>
<tr>
<td>Minimal/Ecofriendly Packaging</td>
<td>Uses minimal or ecofriendly packaging.</td>
</tr>
<tr>
<td>Air and Water Pollution</td>
<td>Takes steps to limit their air and water pollution.</td>
</tr>
<tr>
<td>Environmental Impact of Disposal</td>
<td>Disposes of waste in an environmentally friendly way (e.g., recycling).</td>
</tr>
<tr>
<td>Natural Agricultural Methods/Practices</td>
<td>Uses ingredients grown with agricultural practices that are as natural as possible (e.g., without chemical fertilizers, herbicides, pesticides, GMOs).</td>
</tr>
<tr>
<td>Maintain Natural Resources</td>
<td>Products that are sourced in ways that do not deplete natural resources (e.g., petroleum, coal, trees).</td>
</tr>
<tr>
<td>Supporting US Economy</td>
<td>Shopping there supports the US economy.</td>
</tr>
<tr>
<td>Supporting Local Economy</td>
<td>Shopping there supports the local economy.</td>
</tr>
<tr>
<td>Small Company Adaptability</td>
<td>A small company whose smaller size allows them to easily adapt to environmental and social concerns related to its products.</td>
</tr>
<tr>
<td>Large Company Impact</td>
<td>A large company with the ability to make big, large-scale impacts on environmental and social issues.</td>
</tr>
<tr>
<td>Sensory Appeal of Store</td>
<td>A place to shop that is attractive or pleasing to the senses (e.g., through design, layout, décor)</td>
</tr>
<tr>
<td>Convenience</td>
<td>Conveniently located and/or easy to get in and out</td>
</tr>
<tr>
<td>Hygiene and Cleanliness</td>
<td>Looks and smells clean, without spills or spoiled products</td>
</tr>
<tr>
<td>Good Value</td>
<td>Product prices are in line with product quality</td>
</tr>
</tbody>
</table>
ABOUT THE HARTMAN GROUP

The Hartman Group is the premier food and beverage consultancy in the world. Companies and brands across all segments of the food and beverage industry benefit from our unparalleled depth of knowledge on consumers, culture, trends and demand-side market strategy. We listen closely to understand our clients business challenges and tailor solutions that deliver transformative results. Through a unique suite of integrated custom, primary research capabilities, market analytics, and business strategy services, we uncover opportunity spaces and avenues for growth. We deliver more compelling insights that fuel inspiration and ideas for innovation.

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