

Levercliff Sustainability Research Summary



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Category Consultants to
the Food & Drink Industry

Who We Are, The Levercliff Team

Category Consultants



Clodagh Sherrard
Marketing



Fintan O'Leary
Commercial



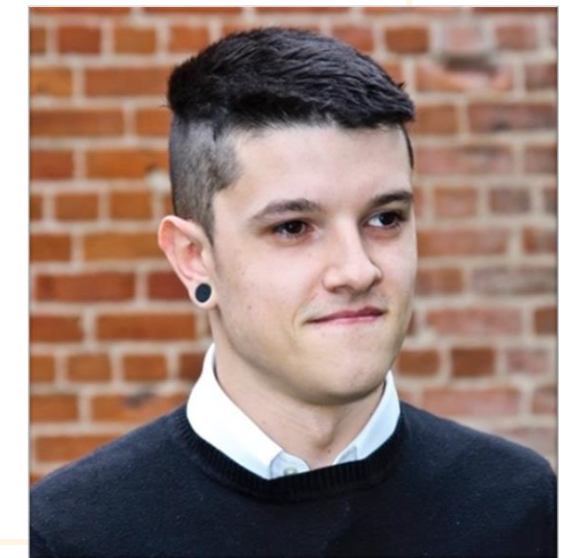
Duncan Macaskill
Category Analysis



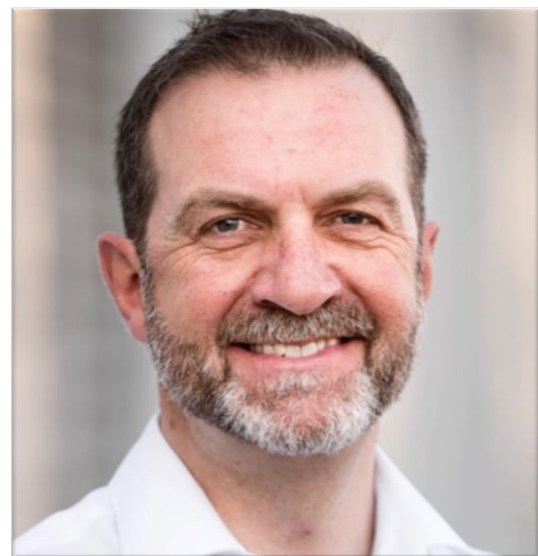
Mark Dawson
Category



Mark Grant
Commercial/Buying



Tom Evans
Insight



Will Shaw
Operations



Lauren Smith
Insight



Louise Cowdy
Insight



Clair Prior
Consumer Research



Charlie Carr
Insight



Andrew Doyle
Innovation

We're trusted by the food & drink industry

Some of our customers





Sustainability – what are consumers thinking?



Methodology

10 minute quantitative research

UK Representative

Sample size of **1006**


Plus Wales & Scotland Boost

Analysis by Levercliff

Conducted in October 2021

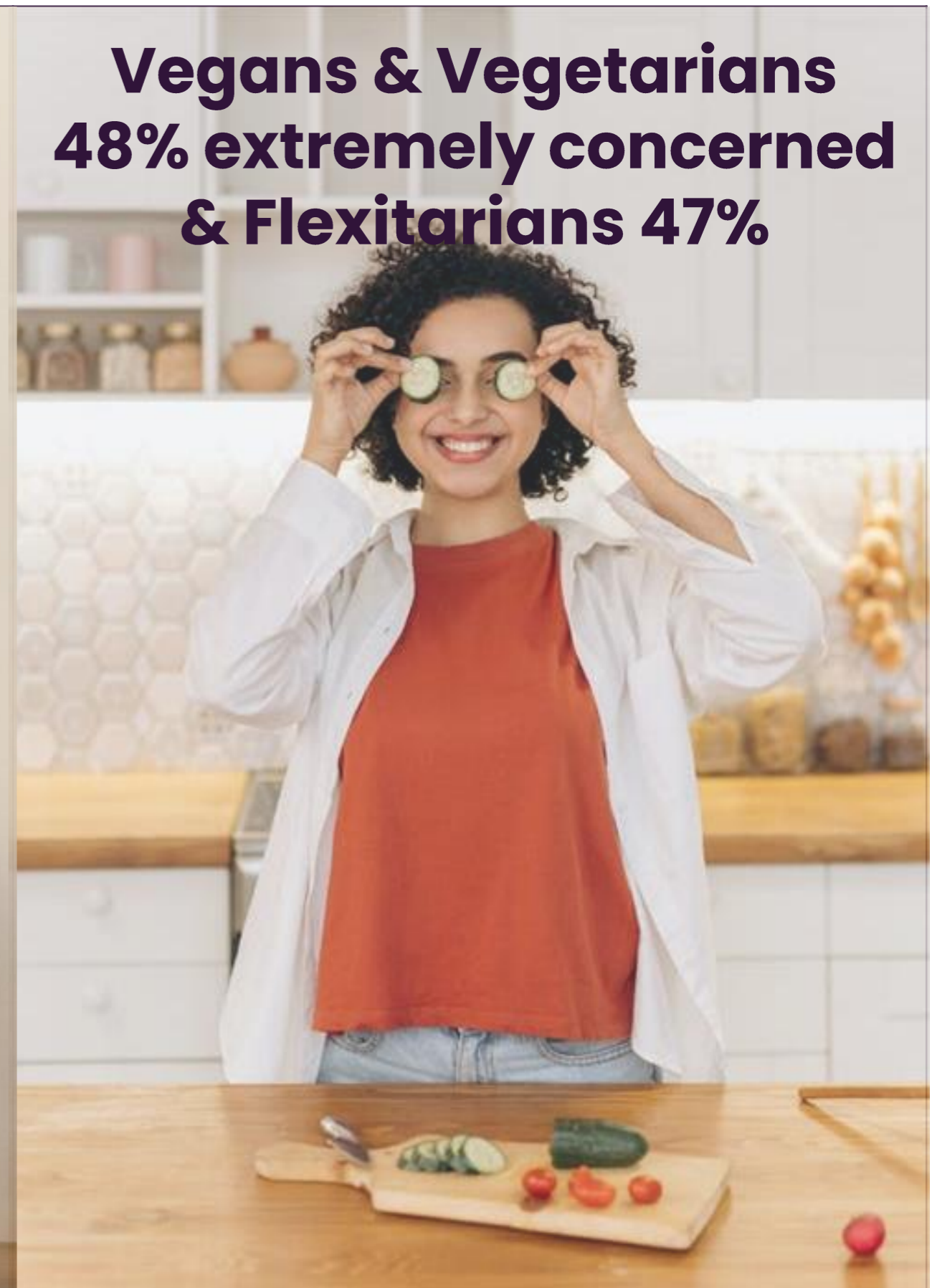


People are worried about the environment



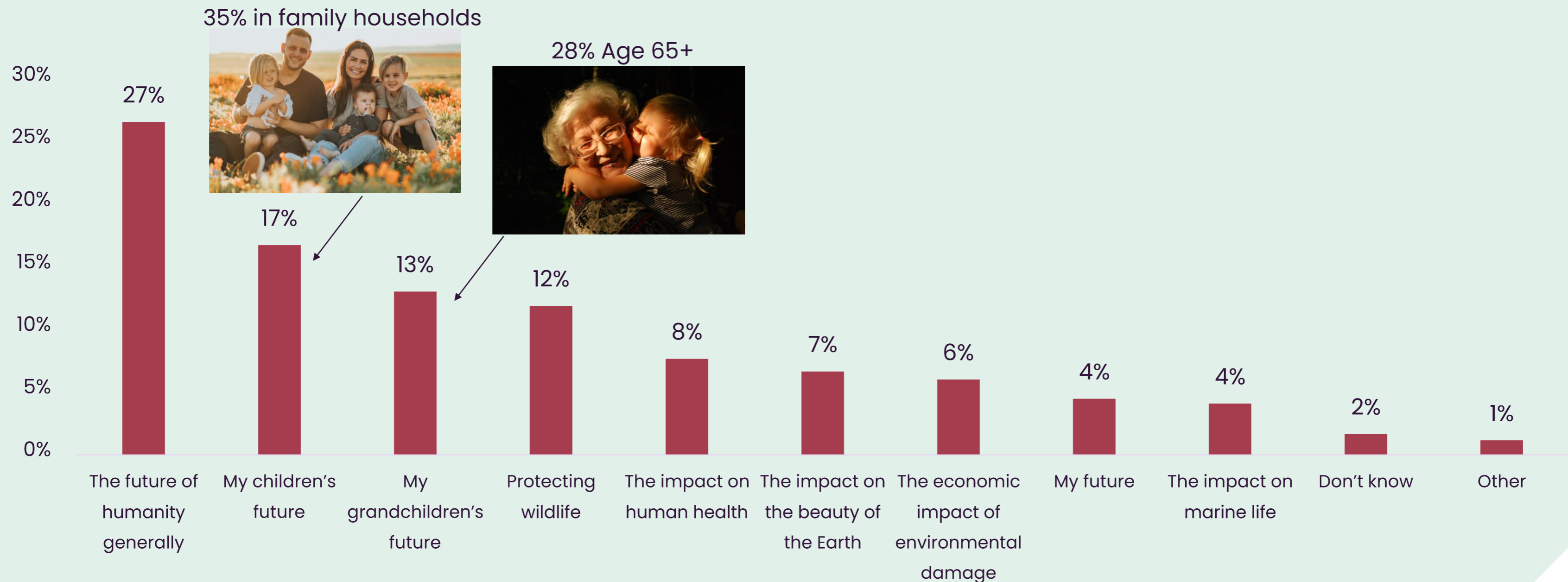
78% of UK adults
are concerned
about the
environment (33%
extremely
concerned)

Who is Most Concerned?



Why are People Concerned?

People are concerned about the future of humanity generally but also at a personal level the impact on their children's/grandchildren's future



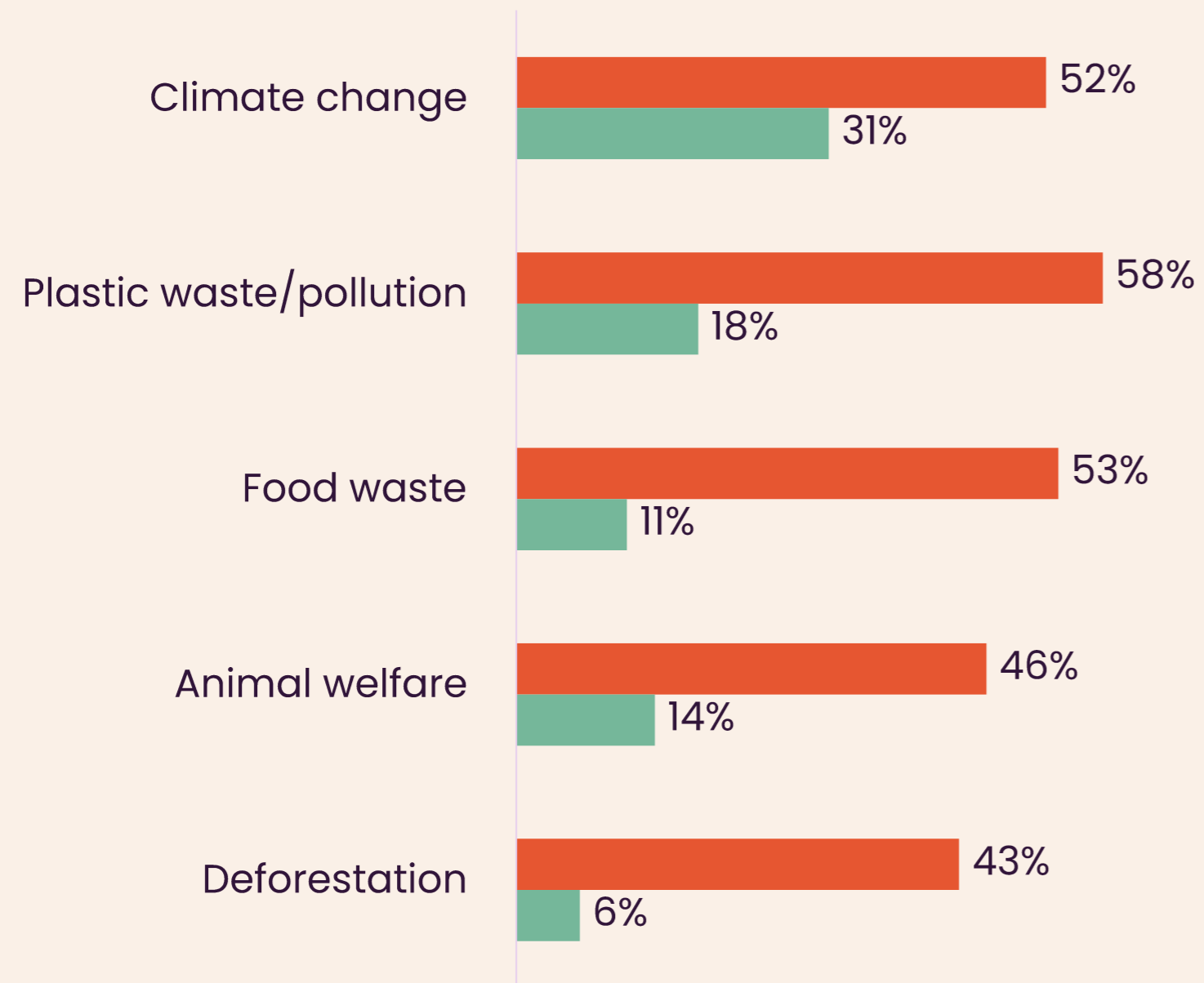
Base: 782 Q And what is the main reason you are concerned about the environment?



What Are They Concerned About?

Environmental Concerns, Top 5

Any Concern Top Concern



Base 1006 Q Thinking about the environment generally, which of the following issues actively concern you? And which issue concerns you most?



How is this translating into food and drink shopping behaviour?

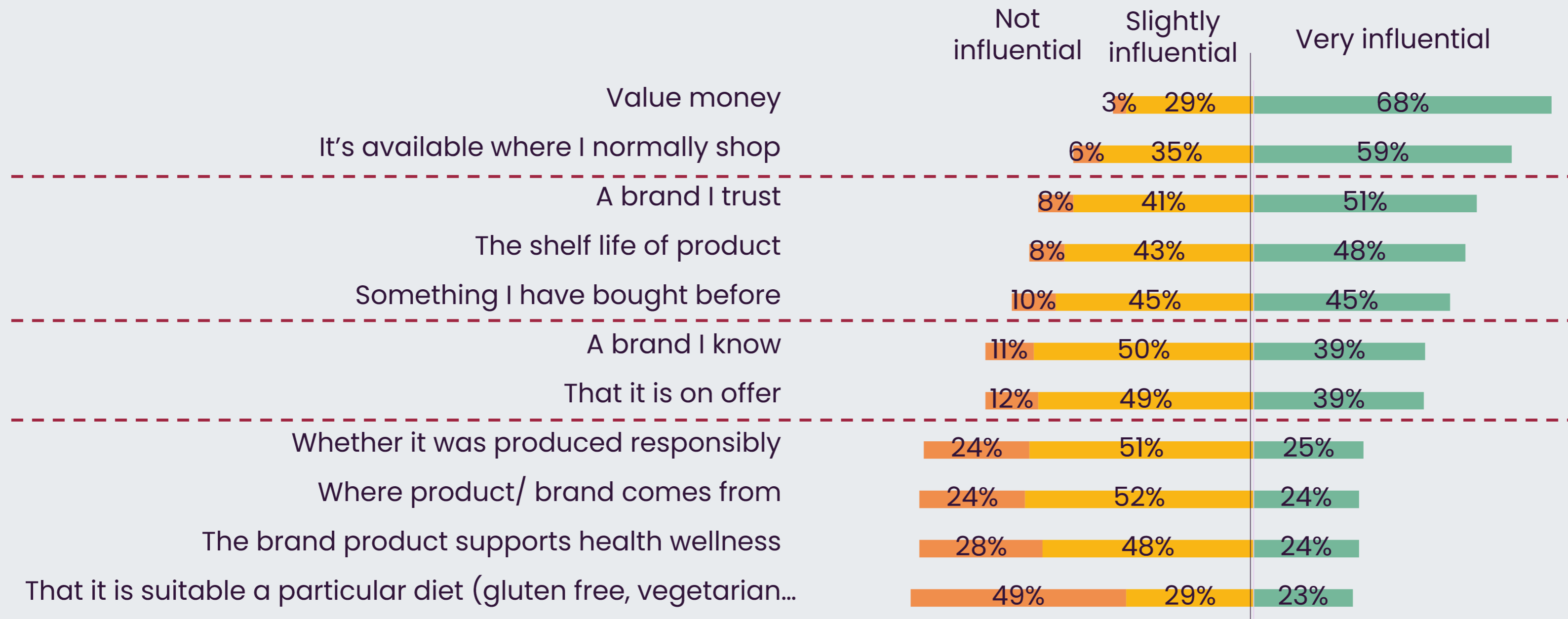
Currently few consumers are guided by sustainable choices when shopping for food & drink



Base 1006 Q Overall, when shopping for food and drink which of the following statements best reflects your main behaviour?

Product/Brand Choice Drivers

Sustainable factors currently have only a comparatively limited impact on product or brand choice.



Base: 1006 Q We would now like you to think about when you are shopping for groceries (food & drink). How influential are the following factors to you in deciding which products or brands to buy?

How Do Consumers Judge Whether a Company is a Responsible Producer?

How companies serve consumers and support a healthier environment is considered most important



Base 1006 Q If you were judging whether a food or drink company was a responsible producer, which of the following would be most important to you? Please rank in order of importance where 1 is most important and 4 the least.



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A third of UK adults feel frustrated that things are not changing quickly enough to make food & drink more sustainable

THE CLIMATE IS
CHANGING 
SO SHOULD WE!
#ACTNOW



If consumers are so concerned about the environment, why aren't they shopping more sustainably?

Addressing the 'say do gap'

Rising Prices

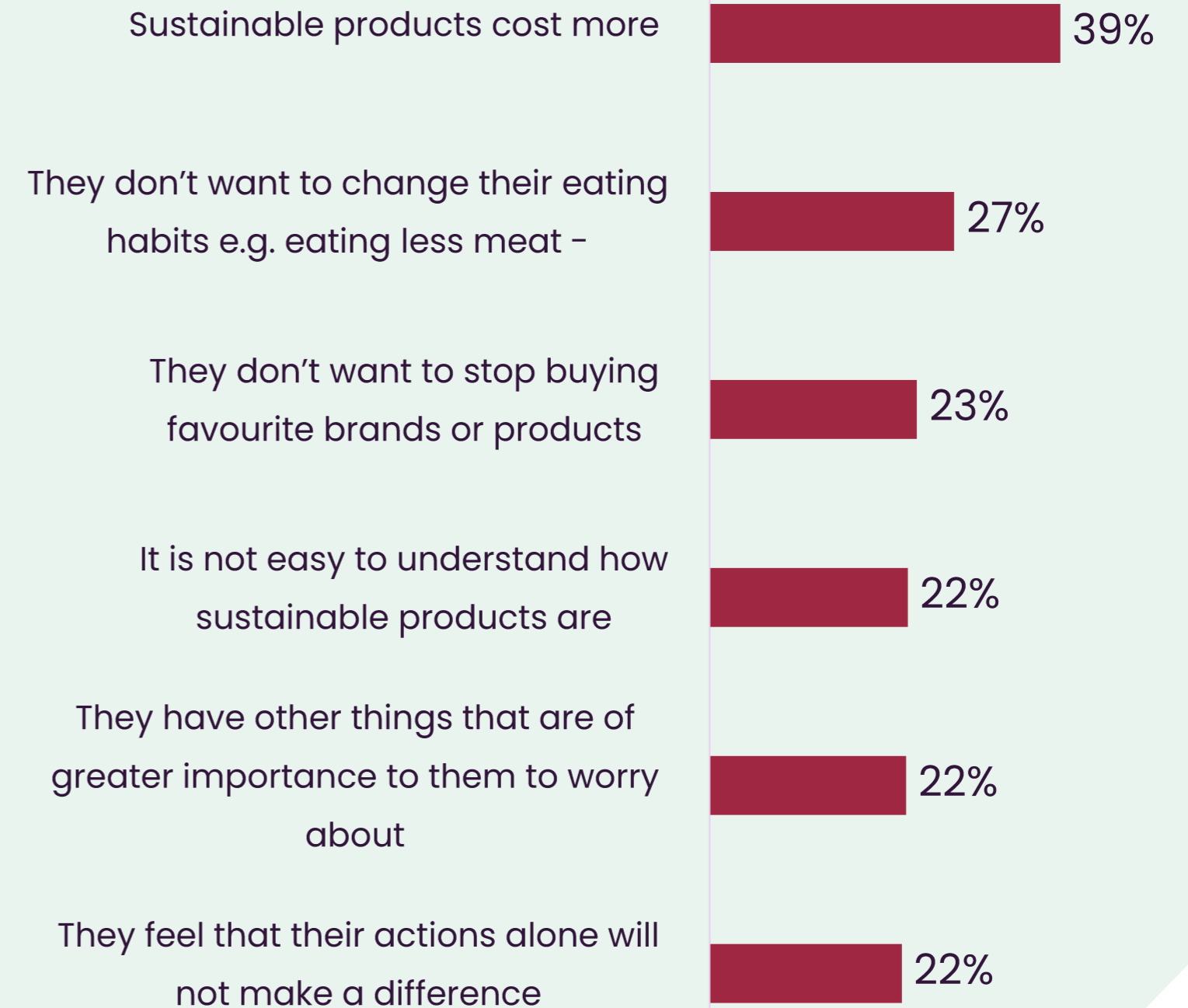
“We are on a tight budget so rising prices will have a significant impact”.

**29% of UK adults
are actively
concerned about
rising prices**

Cost is the main barrier to shopping more sustainably but also a reluctance to change current habits or switch from favourite products



Top 6 Reasons



Base 1006 Q People often say they are concerned about the environment but then do not always make sustainable choices when shopping for food & drink. Why do you feel this is?

A hand is holding a blue Mastercard Debit card. The card features the Mastercard logo (two overlapping circles, one red and one yellow) and the word "Debit" in white. A white circular callout is overlaid on the right side of the image, containing the text:

**45% of UK adults
are prepared to pay
more for food and
drink products that
are sustainable**

Who Should Pay Some or All of the Cost to Make Products More Sustainable?

They feel the cost burden should be shared



Consumers (e.g., through higher prices)

Government (e.g., through subsidies)

Retailers (e.g., absorbing additional costs)

Food manufacturers (e.g., absorbing additional costs)

Farmers (e.g., absorbing additional costs)

Any responsibility for additional costs

26%

34%

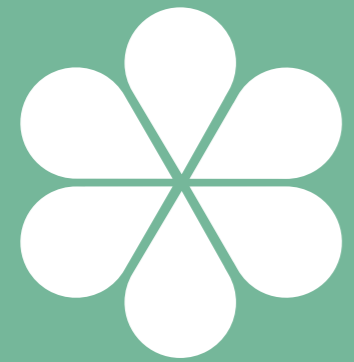
34%

34%

9%

Don't know
21%

Base 1006 Q Assuming it costs more to make food or drink products sustainable, who do you feel should pay all or some of this additional cost?



So What?

Consumers are worried about the environment and are looking to producers to provide sustainable solutions.

However, with growing pressures on household finances from rising prices (in food & drink and elsewhere) most consumers are not prepared to move to sustainable products at any cost.

Who is Responsible for Making Food & Drink More Sustainable?

While consumers feel there is a joint responsibility ultimately, they feel it lies with food manufacturers and Government



Consumers e.g. through what they buy



Government e.g. through legislation



Retailers e.g. through the products & packaging they source and sell



Manufacturers e.g. through the products they make & packaging they use



Farmers e.g. through farming methods

Any responsibility

45%

50%

54%

59%

39%

Don't know
13%

Main responsibility

17%

29%

17%

32%

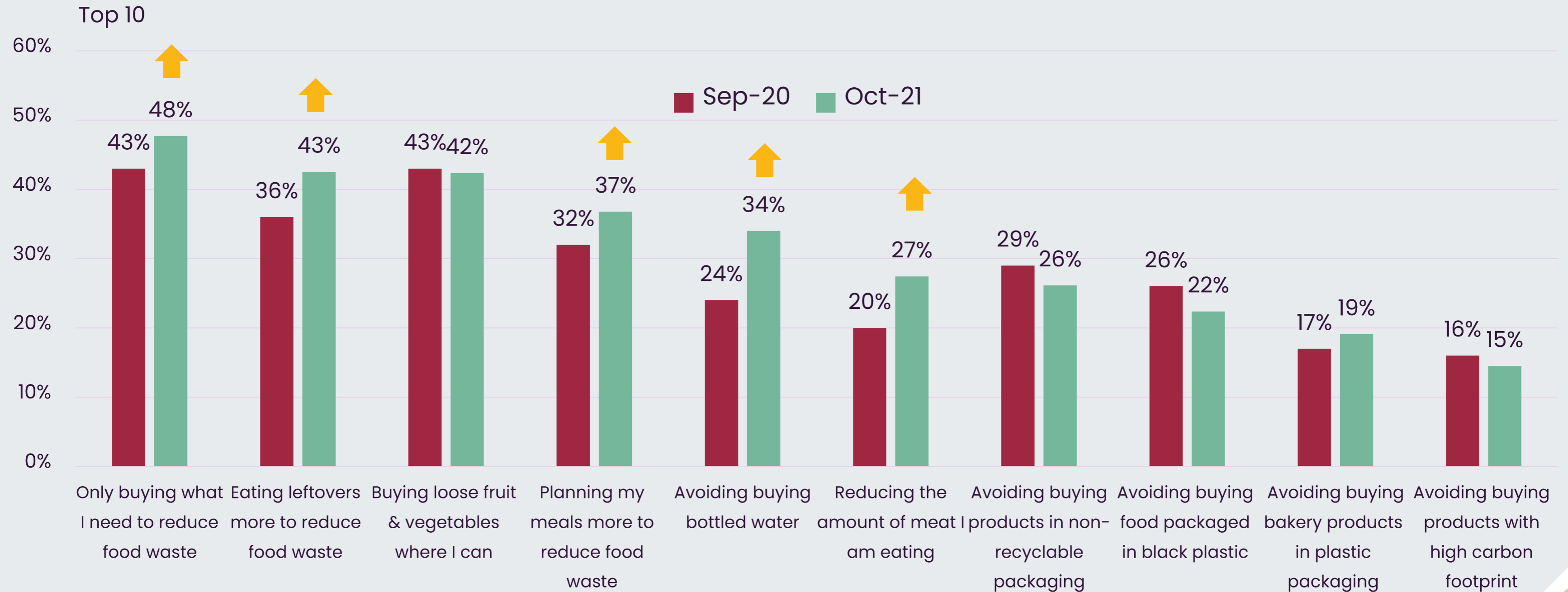
4%

Base 1006 Q Whose responsibility do you feel it is to make the food & drink we buy more sustainable?



What Are People Doing Around Food & Drink?

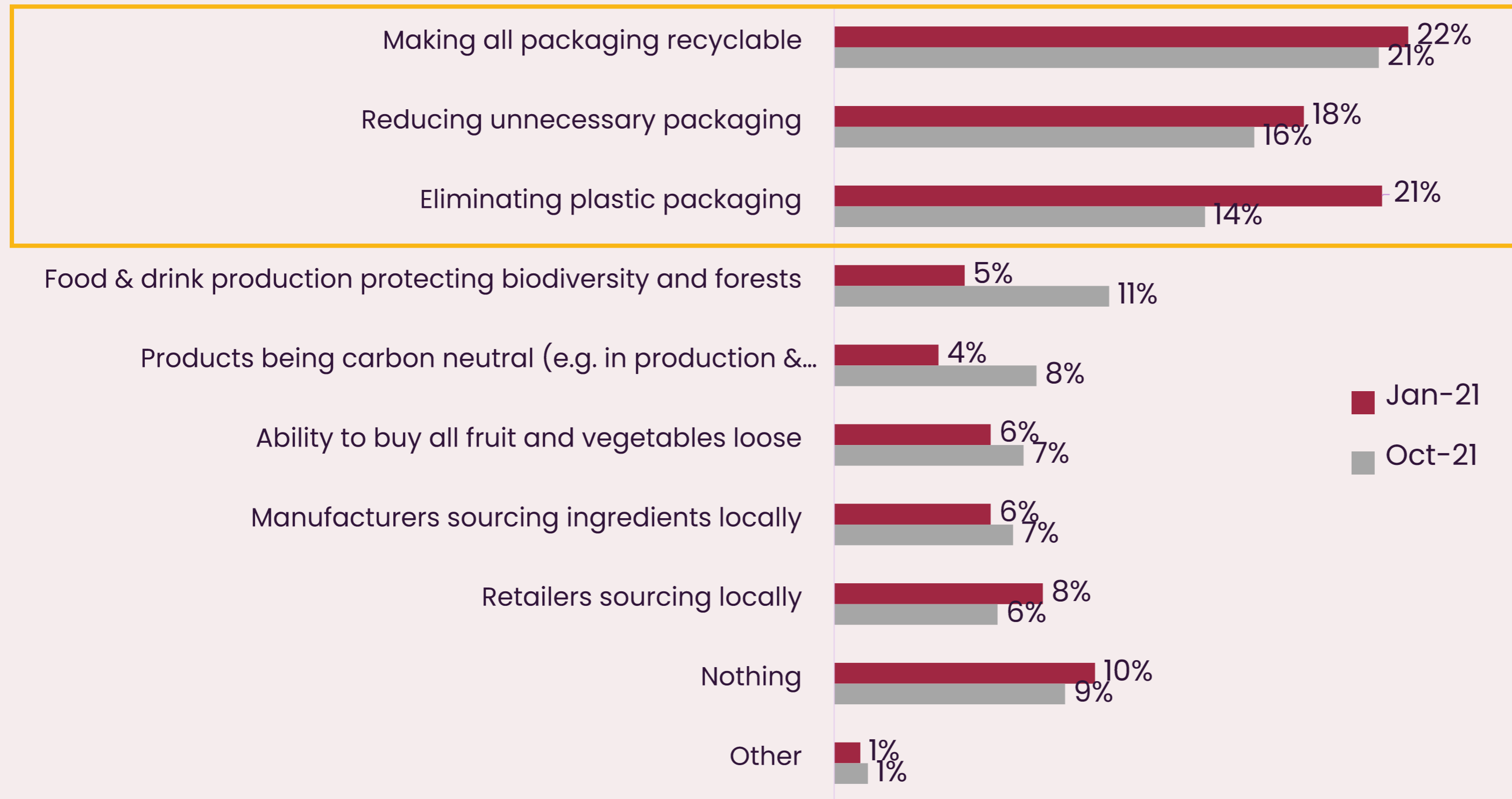
Reducing food waste is the main action consumers are taking



Base: 1006 Q And which, if any, of the following are you actively doing for environmental reasons?

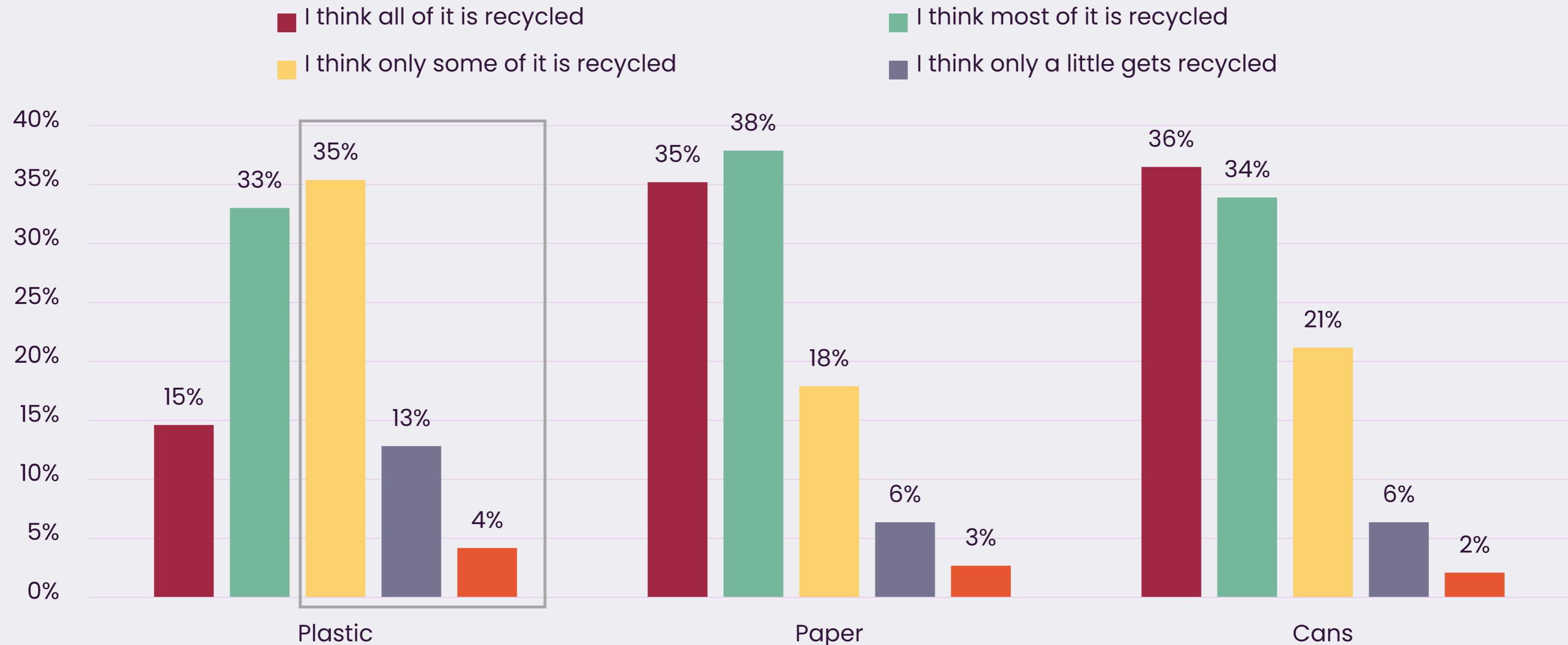


Addressing packaging remains consumers top priority In making food & drink more sustainable




Base 1000 & 1006 And what do you think should be the top priority in terms of making the food & drink you buy more sustainable?

There is a degree of distrust amongst consumers regarding how much of their recycling actually gets recycled...particularly regarding plastic



Base 1006 Q And to what extent do you feel that what you put into recycling gets recycled? Please answer for each of the following material types



70% agree that they would prefer to buy products that are not packaged in plastic, but alternatives are often not available

Base: 1006 Q Please could you indicate to what extent you agree or disagree with the following statements regarding packaging and recycling.

REFILL STATION

16% have used a refill station to buy food (25-44 year olds & ABs are key users)

56% of those who have not yet used a refill station would do so if it was available where they normally shop

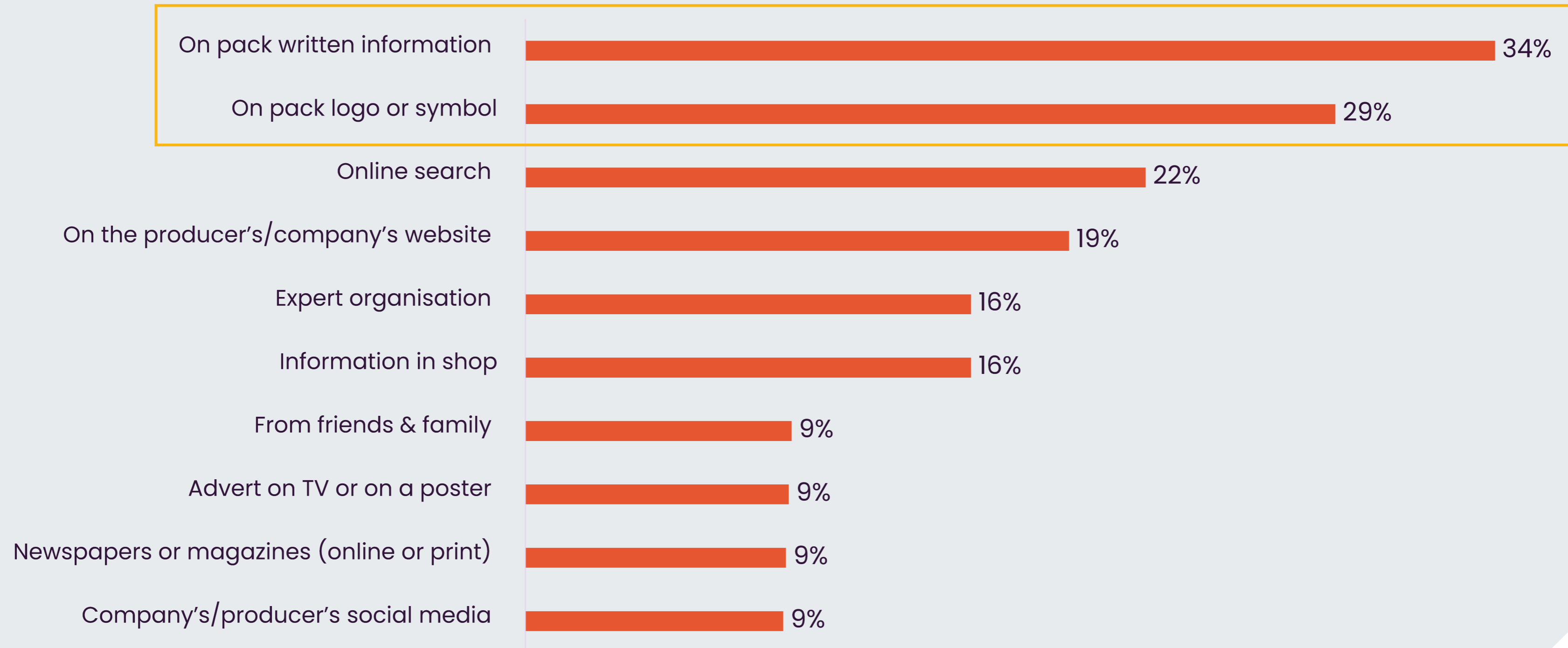
WEIGH HERE

EVERYDAY REFILL

- 1 WEIGH & LABEL YOUR EMPTY CONTAINER OR USE A PAPER BAG
- 2 FILL YOUR CONTAINER
- 3 WEIGH & RE-LABEL YOUR FILLED CONTAINER

Where Do Consumers Expect to Find Out Whether a Product or Brand is Responsibly Produced?

Clear on pack information is key



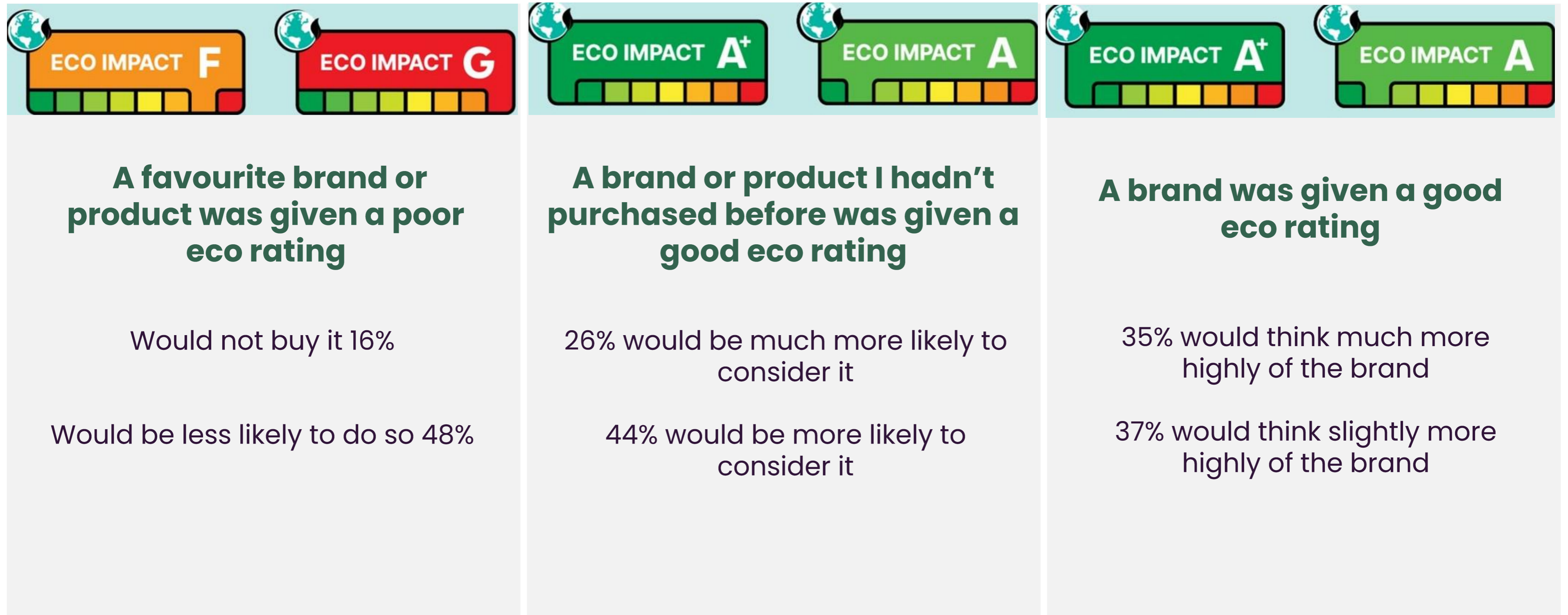
Base 1006 Q If you wanted to find out whether a product or brand was produced responsibly, where would you look or expect to find out about it?

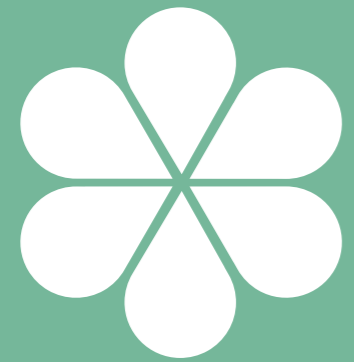


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03 December 2021

The influence of Eco Labelling is more likely to act as a positive halo effect when considering new products/brands than causing consumers to fully switch from favourites





So What?

Sustainable packaging is a key area consumers will judge producers on.

Clear sustainability 'credentials' on packaging will help consumers make sustainable choices.

Potential to give low eco impact products a competitive advantage (all other things being equal).

**What Do People
Think About Local
Food & Drink?**



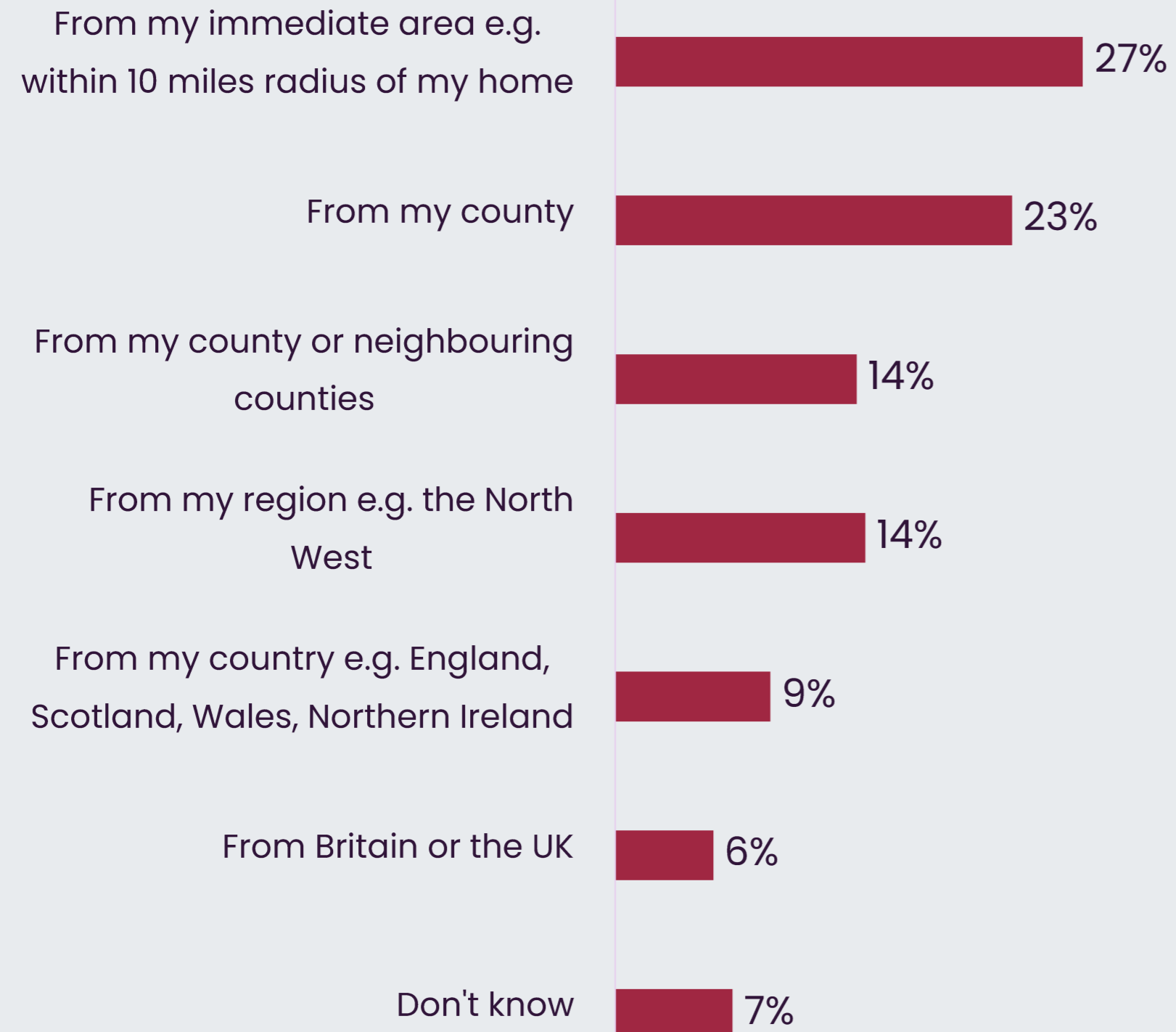
There is a strong desire for locally sourced products



68% agree I would prefer to buy locally sourced products, but it isn't easy to do so

59% agree there are not enough locally sourced products in the retailer where I do most of my grocery shopping

What Does Local Food & Drink Mean?



Base 1006 Q Thinking about the expression 'local food & drink' what does the word local mean to you?





So What?

Increased availability of local food is important for consumers, but the challenge will be how to deliver hyper local products into national retail networks.

Summary: Will consumers drive the sustainability agenda?



In the short term most consumers are not going to actively push the sustainability agenda through changing what they buy.

Rising prices are a real concern for many. Sustainability will remain lower down the agenda for these consumers, particularly where sustainable products are perceived to be more expensive.



They are also reluctant to change habits that do not provide an immediate personal benefit or that would make their life more difficult



What do we need to do?

Make it easy for consumers

1. **Clear sustainability labelling** to make sustainable shopping easier.
2. **Sustainable packaging** for all products.

Fair pricing

Do not charge a premium just because you are sustainable.

There is willingness to pay slightly more, but only if consumers feel they are not taking on the full burden.

Drop us a line



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