

THE BENSIMON BYRNE

Consumerology Report

**Evolving Attitudes to
Health and Nutrition**

Sept 2009



Consumerology Report

- Each quarter, the Consumerology Report tracks consumer opinions about the economy, personal financial expectations, buying intentions, and attitudes toward key national issues.
- Now in its sixth quarter, the primary goal of this edition of Consumerology was to understand Canadian attitudes to health and nutrition. We hope you enjoy the research.
- Previous editions of the Consumerology Report have covered a variety of topics including: The Impact of Macro-economic Trends; The Impact of Environmental Issues; New Canadians, New Consumers; and Economic Trends and Consumer Behaviour. All reports can be found at www.consumerology.ca
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Consumerology Report

- On behalf of Bensimon Byrne, The Gandalf Group conducts research to produce the Consumerology Report.
- The Gandalf Group offers elite research and strategic advice in brand development, policy advocacy, reputation management, consumer research, issue management and communications. Learn more about them at www.gandalfgroup.ca

Eating Patterns are Changing

Most Canadians report being more worried about their health today than they were two years ago and they are doing something about it.

- Two-thirds of Canadians report that they are buying healthier food when grocery shopping than they used to buy.
- Respondents appear to be strongly motivated – most Canadians consider a wide variety of food-related issues as serious threats to their health.
- With the exception of younger Canadians, we are eating more often at home.
- Foods that are whole, unprocessed and fresh are seen as the most healthy.
- Many inventions that change food from its natural state, such as preservatives, processed foods, trans fats, sodium and genetic modification are seen to pose health risks.

Food and Health

More than 60% of Canadians believe the following are very serious threats to their health and the health of their family:

- The use of hormones in animals for human consumption
- The amount of sodium/salt in processed foods
- Additives and preservatives in processed foods
- Food safety concerns such as E. coli, salmonella and listeria
- Pesticide use with fruits and vegetables
- Additives and preservatives in meat products
- Lack of physical activity
- Being obese

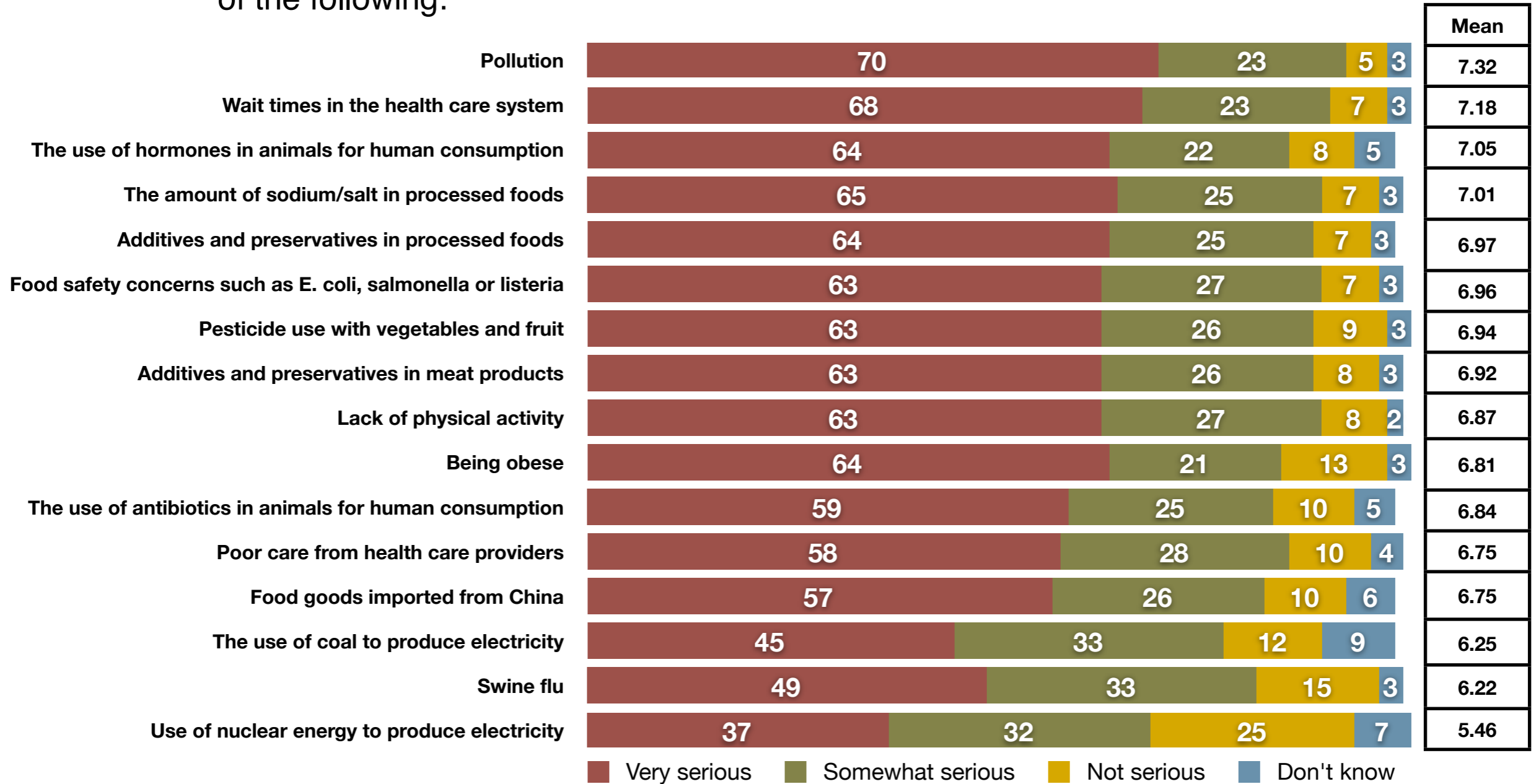
Canadians middle-aged and older see food additives and production methods such as sodium, hormones, additives and preservatives, antibiotics and food contamination as a greater threat to health than younger Canadians.

Younger Canadians, however, are more concerned about obesity and lack of physical activity than with food additives and production.

Concerns about the health of what we eat each day are greater than concerns about swine flu, poor health care from providers, coal electricity production and nuclear energy generation.

Threats to Health

- How serious a threat to your health and that of your family do you consider each of the following:



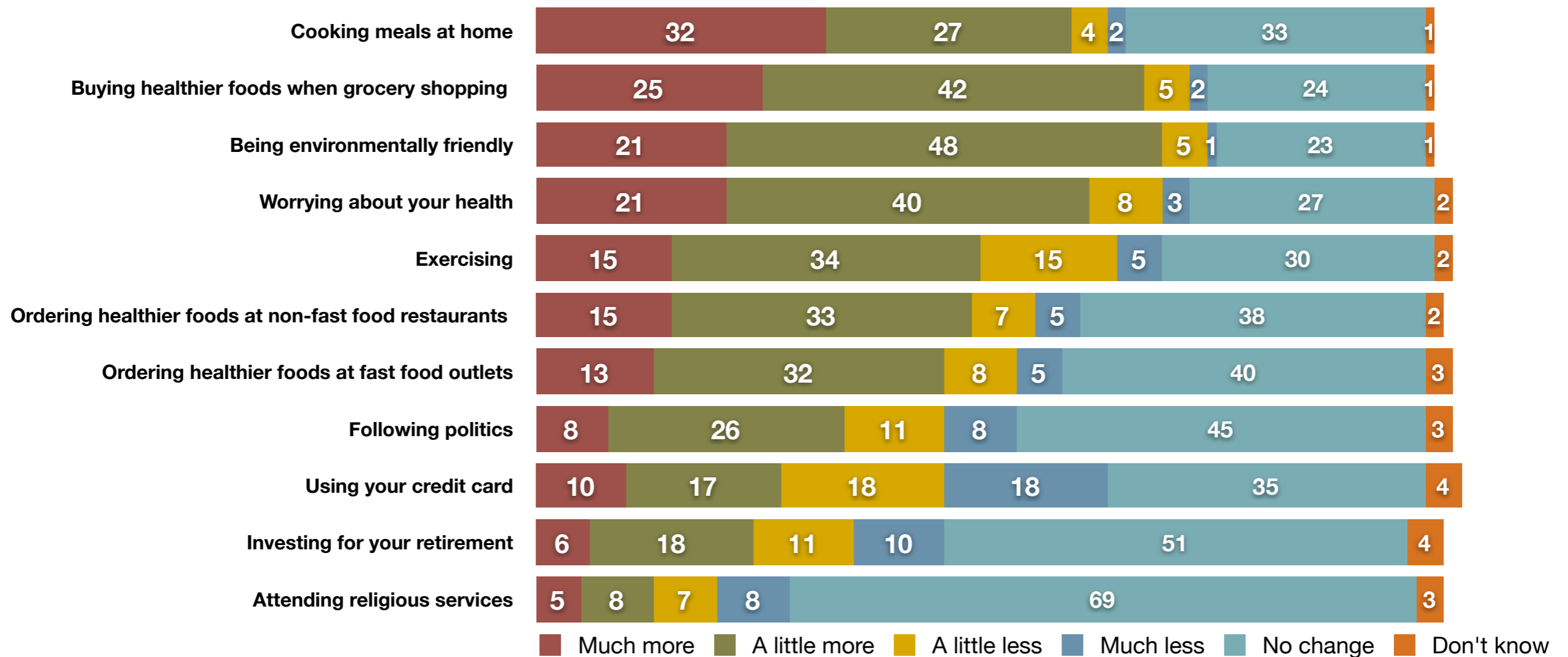
Changes in Behaviour

A majority of Canadians have become increasingly worried about their health and are changing their behaviour. The research is clear: Canadians feel that they have become more health-conscious consumers over the past two years.

- More than 60% of Canadians report that they are more worried about their health today than two years ago, with younger Canadians reporting a larger increase in worrying.
- Almost 60% of Canadians are cooking meals at home more often – one-third are cooking at home a lot more often. Previous editions of Consumerology would indicate that this trend is driven by the need for economy as well as a desire to eat more healthily.
- Two-thirds of Canadians are buying healthier foods more often when grocery shopping – one-quarter a lot more often. And close to half of Canadians are buying healthier foods more often when eating out. This number would be higher but for cost barriers. This will be explained more fully later, but the graph on the next page illustrates that households with incomes over \$100K are more likely to be buying healthy foods.
- Almost half of Canadians report having increased the amount they exercise over the past two years.
- The more physically active you are, the more likely you are to switch to healthier foods. More education and income mean you are also more likely to eat more healthily.

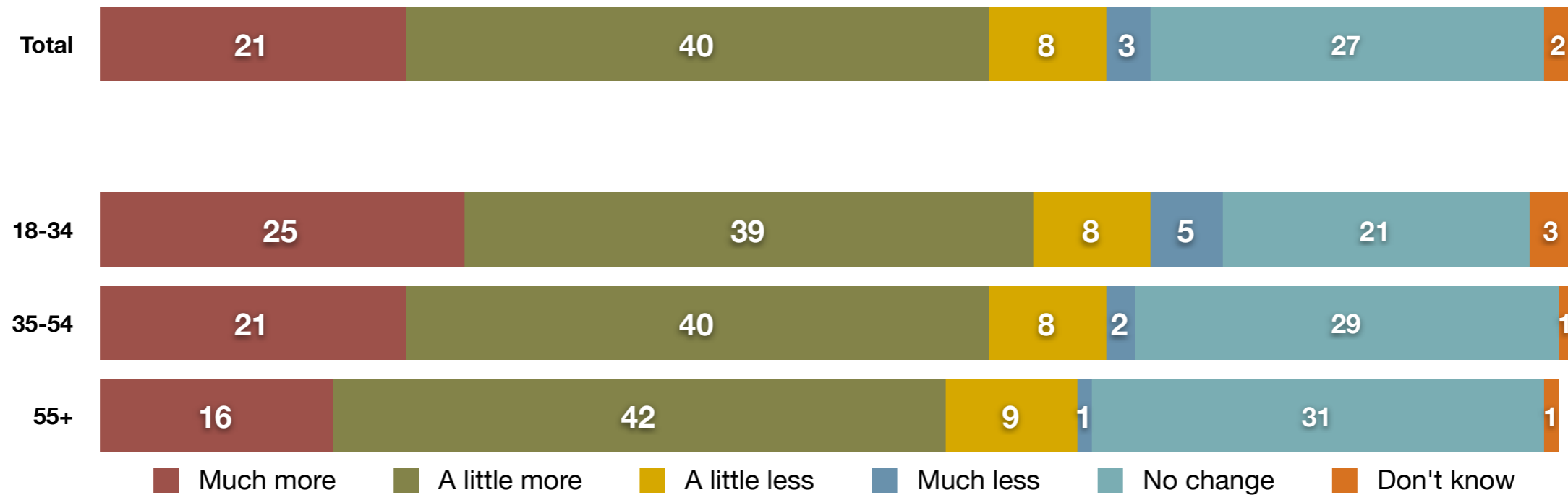
Behaviour Change

- We are interested in how much you have changed your behaviour in a number of areas over the past two years. Over the past two years, have you found yourself doing much more of the following, a little more of the following, a little less of the following or much less of the following?



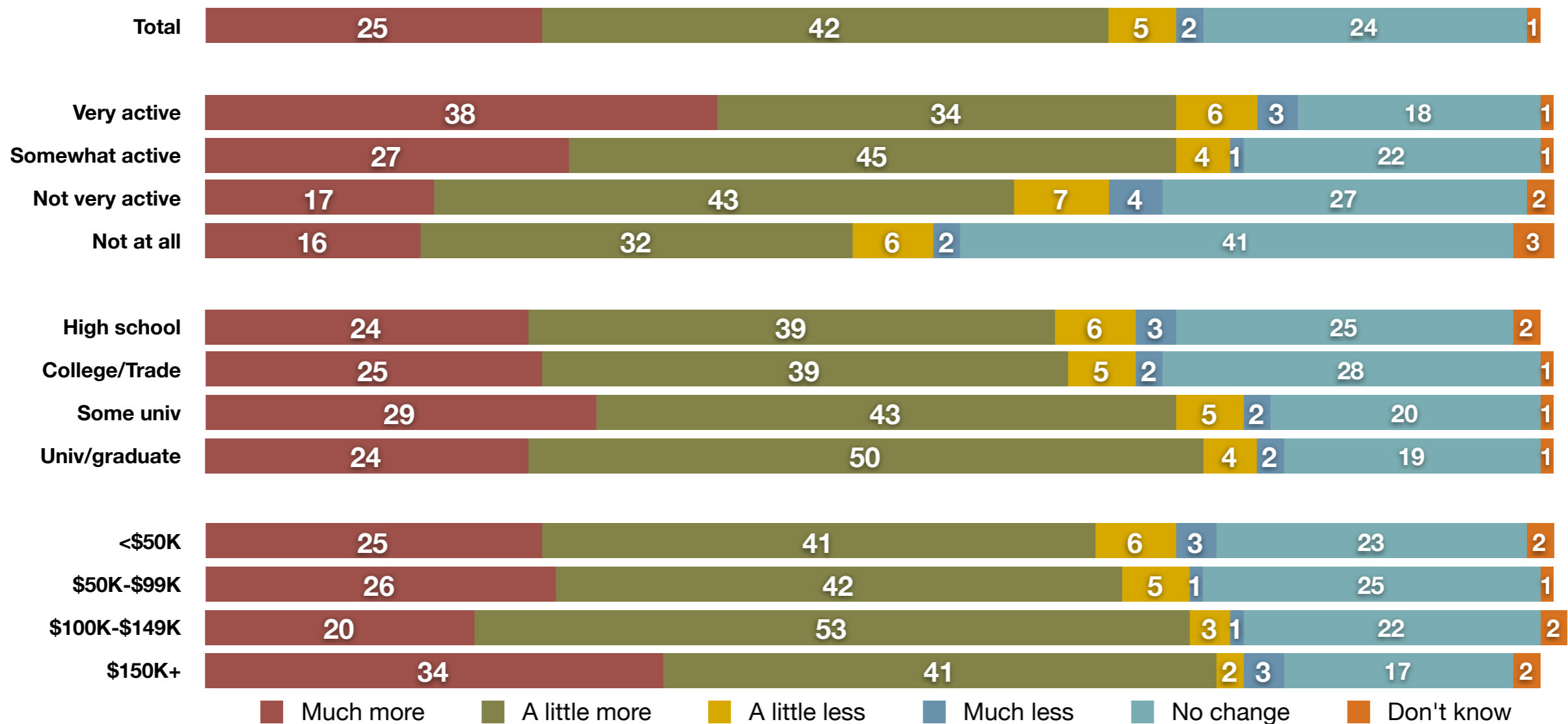
Behaviour Change – Worrying About Health

- Over the past two years, have you found yourself doing much more of the following, a little more of the following, a little less of the following or much less of the following?
Worrying about your health.



Behaviour Change – Healthier Foods

- Over the past two years, have you found yourself doing much more of the following, a little more of the following, a little less of the following or much less of the following?
Buying healthier foods when grocery shopping.

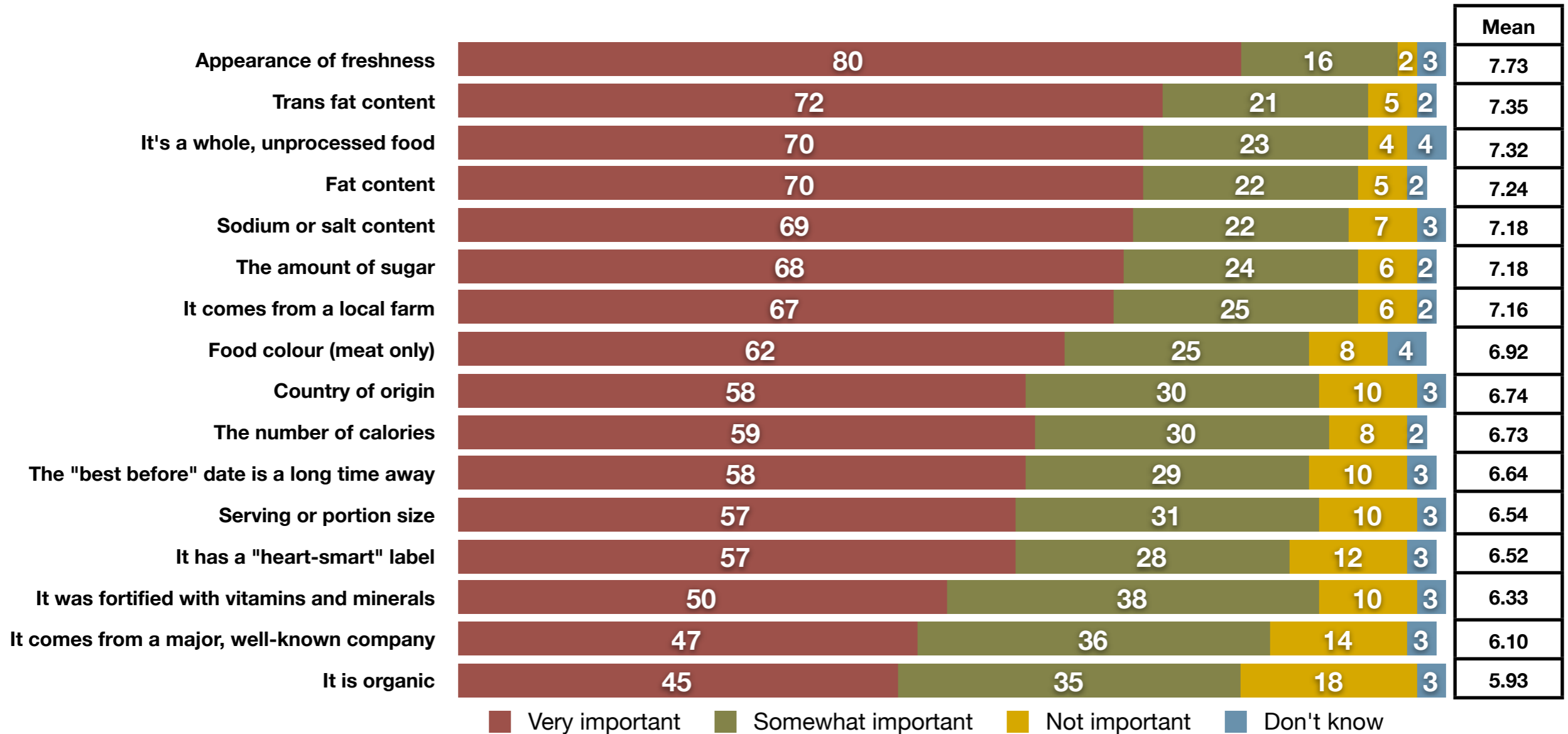


How to Tell if Food is Healthy

- The five most important factors Canadians consider when deciding whether or not a food is healthy are:
 - Appearance of freshness
 - Trans fat content
 - Whether or not it's a whole, unprocessed food
 - Fat content
 - Sodium/salt content
- Health claims like “best before” dates, heart-smart labels and organic status are not key indicators.
- Consumers are paying close attention to health and nutritional information on packages.
- More people are interested in local food than in organic food.
- Nutrient fortification, portion size and calorie content are significantly less important than whether or not the food is fresh, whole and lacking unhealthy ingredients.
- More people are concerned about fat, sodium or sugar content than calorie content.
- Food from an established major brand is not, in and of itself, an indicator of healthfulness, and brands are significantly less important to younger generations. Brands are important to older Canadians and Quebeckers as health indicators.

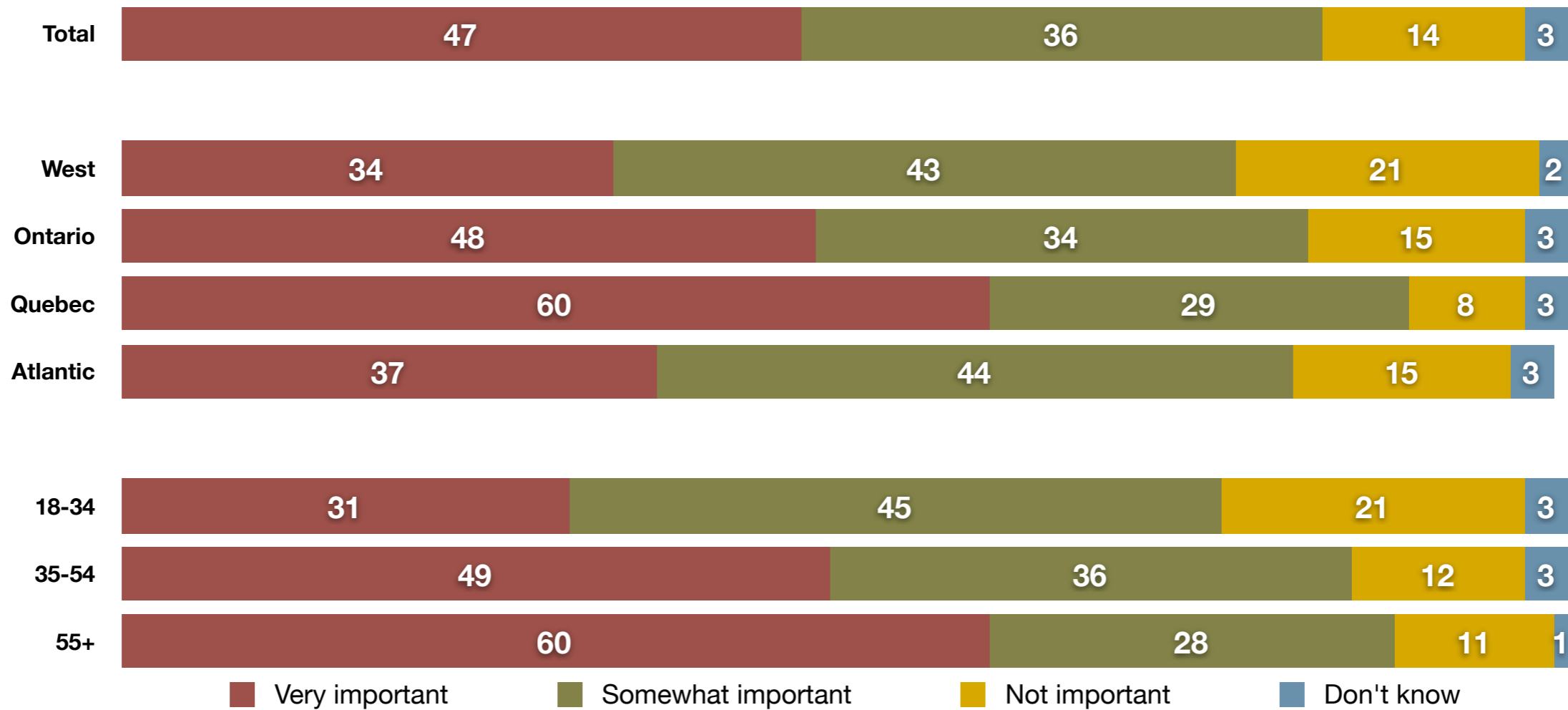
Perceptions of Healthiness

- How important are the following to your determination of whether a food is healthy or not?



Perceptions of Healthiness – Brands

- How important are the following to your determination of whether a food is healthy or not? **It comes from a major, well-known company.**



Importance of a Healthy Diet

Healthy diets are very important to a majority of Canadians - 85% of Canadians say it is very important to them to have a healthy diet. Some small differentiation exists when we break down the population into smaller demographic categories. The most popular motivations for healthy eating are role modelling for children, as well as feeling better mentally and physically.

- The likelihood of saying a health diet is very important increases with age. Those older than 35 are twice as likely to place a high priority on a healthy diet than those under 35.
- Women are more likely than men to say a healthy diet is very important.
- And behaviour coincides with attitude – those with unhealthy diets tend not to think that having a healthy diet is important.

Importance of a Healthy Diet

After testing the importance of healthy eating, we asked for a real-life evaluation of diet to try to assess the gaps between how healthy people wanted to be and how healthy they actually were on a day-to-day basis.

Overall, one-quarter of Canadians think they have a very healthy diet and two-thirds of Canadians report having reasonably healthy diets.

- Of families with kids, more than half (52%) say they have a very healthy diet – choosing 7-9 on a 9-point scale – and another 26% selected a 6. Only 2% of families with kids say they do not eat healthy.
- Almost a third of Canadians think a healthy diet is very important, but don't think that they have a healthy diet.
- Most people try to eat healthy in order to feel better, to ward off disease/illness, or because it's healthier for their children.

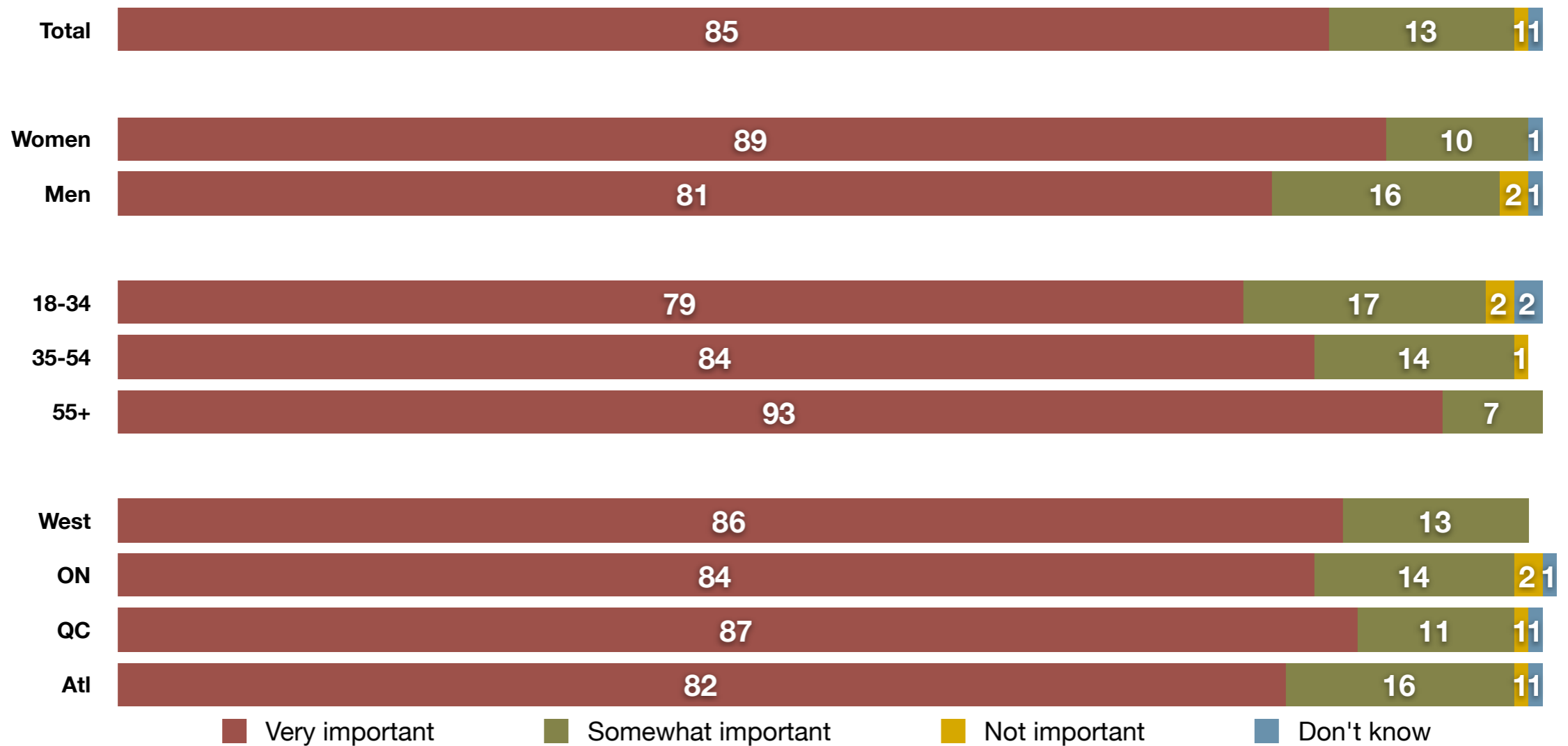
The Relationship to Physical Activity

We followed nutritional questions by asking respondents to subjectively evaluate how physically active they would describe themselves.

- Fourteen percent of Canadians describe themselves as very active, 52% as somewhat active, 28% as not very active, and 5% as not at all active.
- There is a strong relationship between level of physical activity and a healthy diet.
- Canadians under 35 and Canadians with children at home are the most likely to describe themselves as very or somewhat active.
 - High levels of activity are cut in half as people move from youth to middle age.
- Higher-income Canadians are significantly more likely to report being somewhat and very physically active.
- Western Canadians are most likely to consider themselves to be active. Those from Quebec are the least.

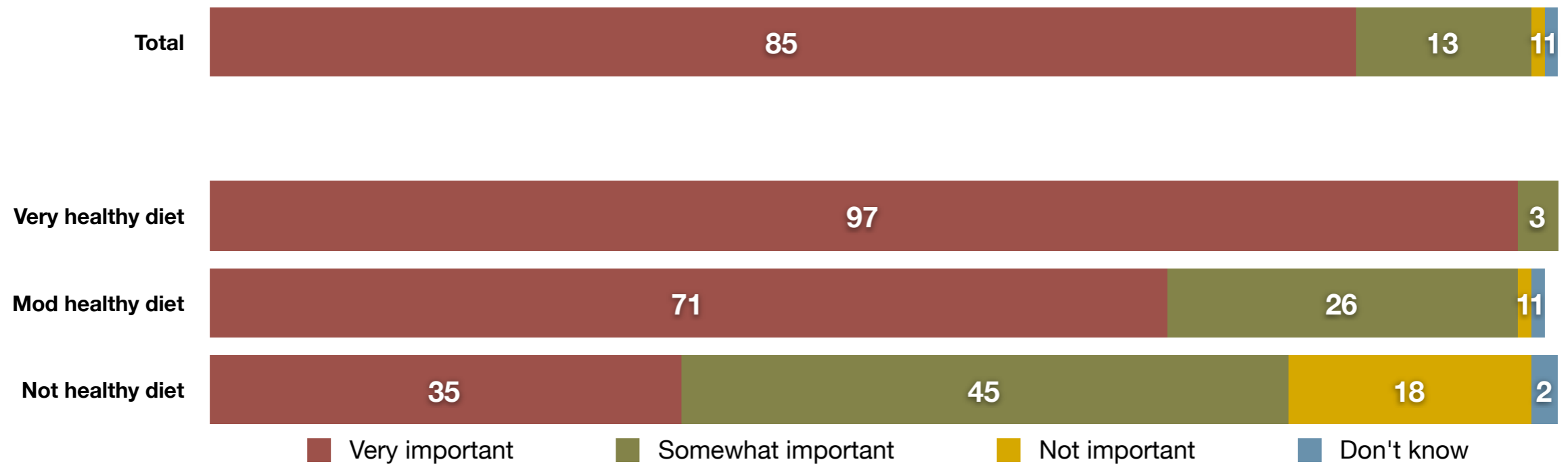
Importance of a Healthy Diet

● How important is it to you to have a healthy diet?



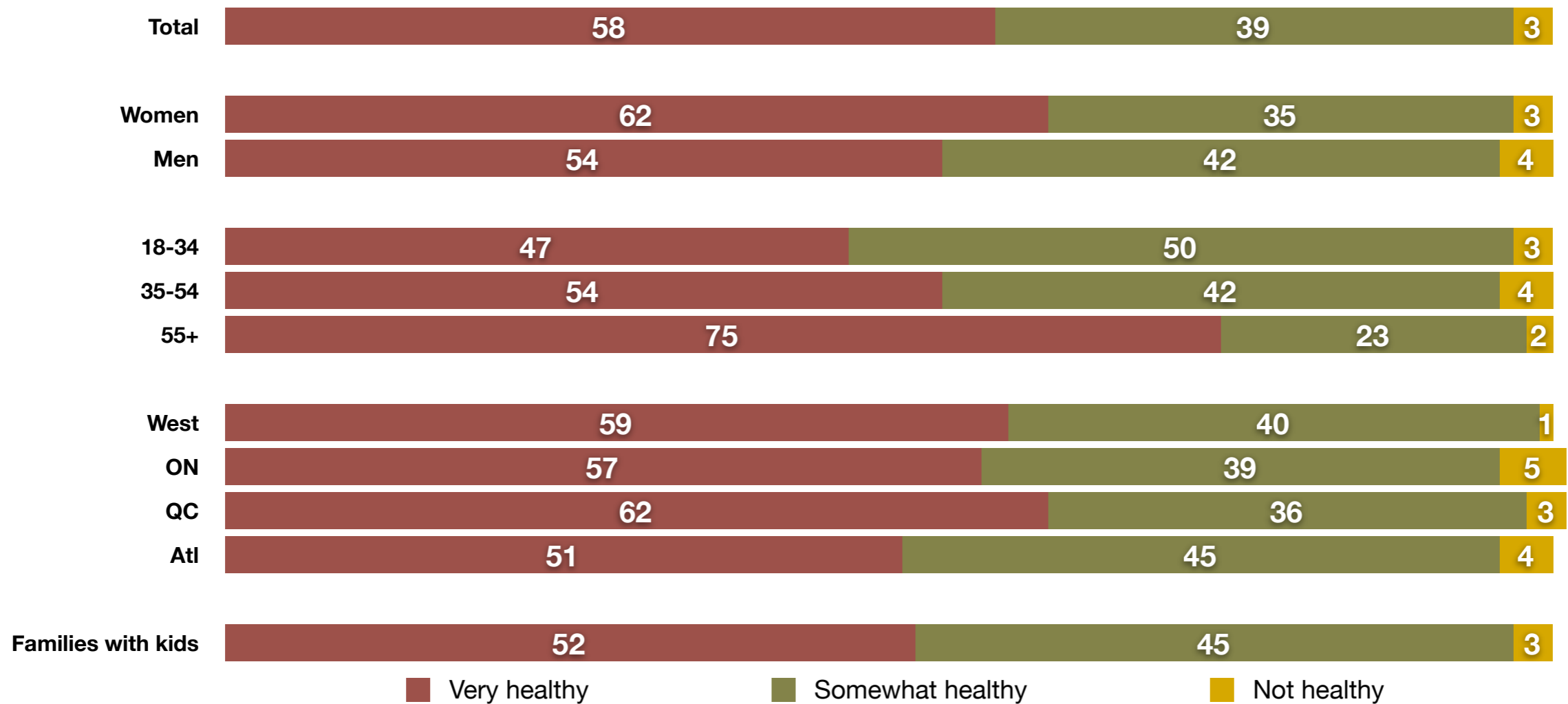
Importance of a Healthy Diet

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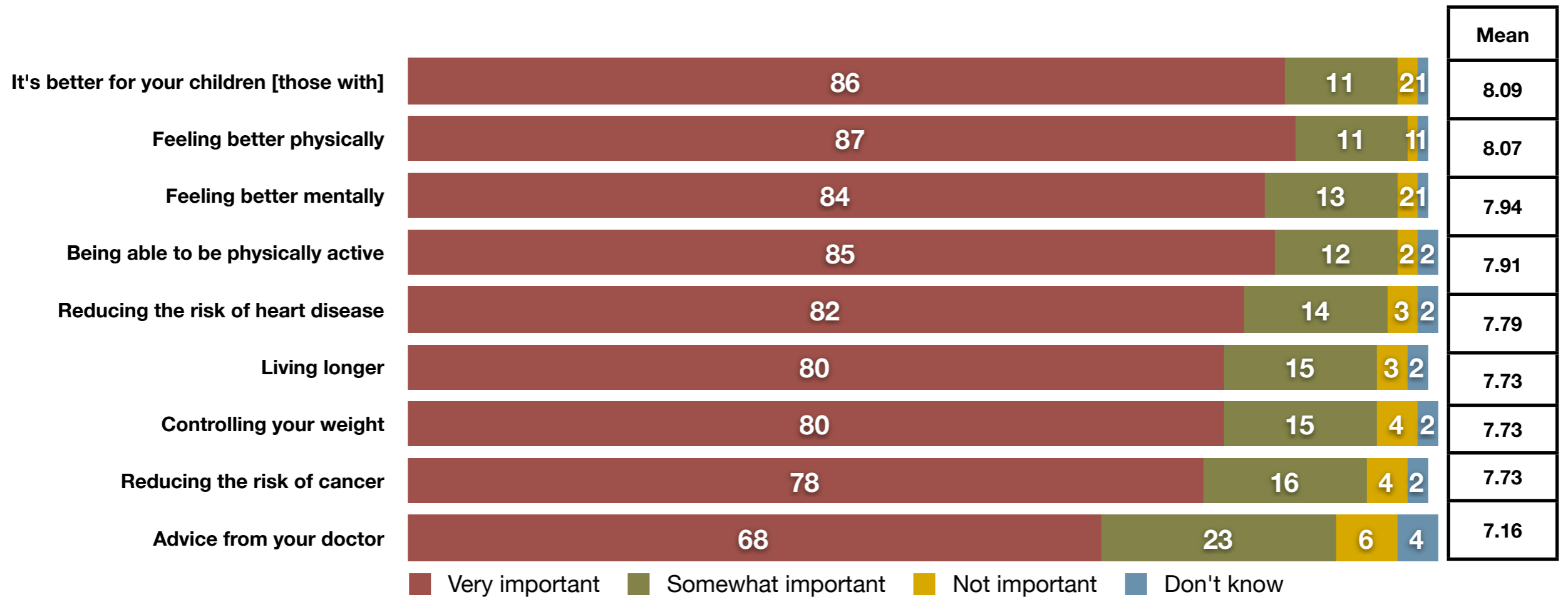
Actual Dietary Health

● How healthy is your diet?



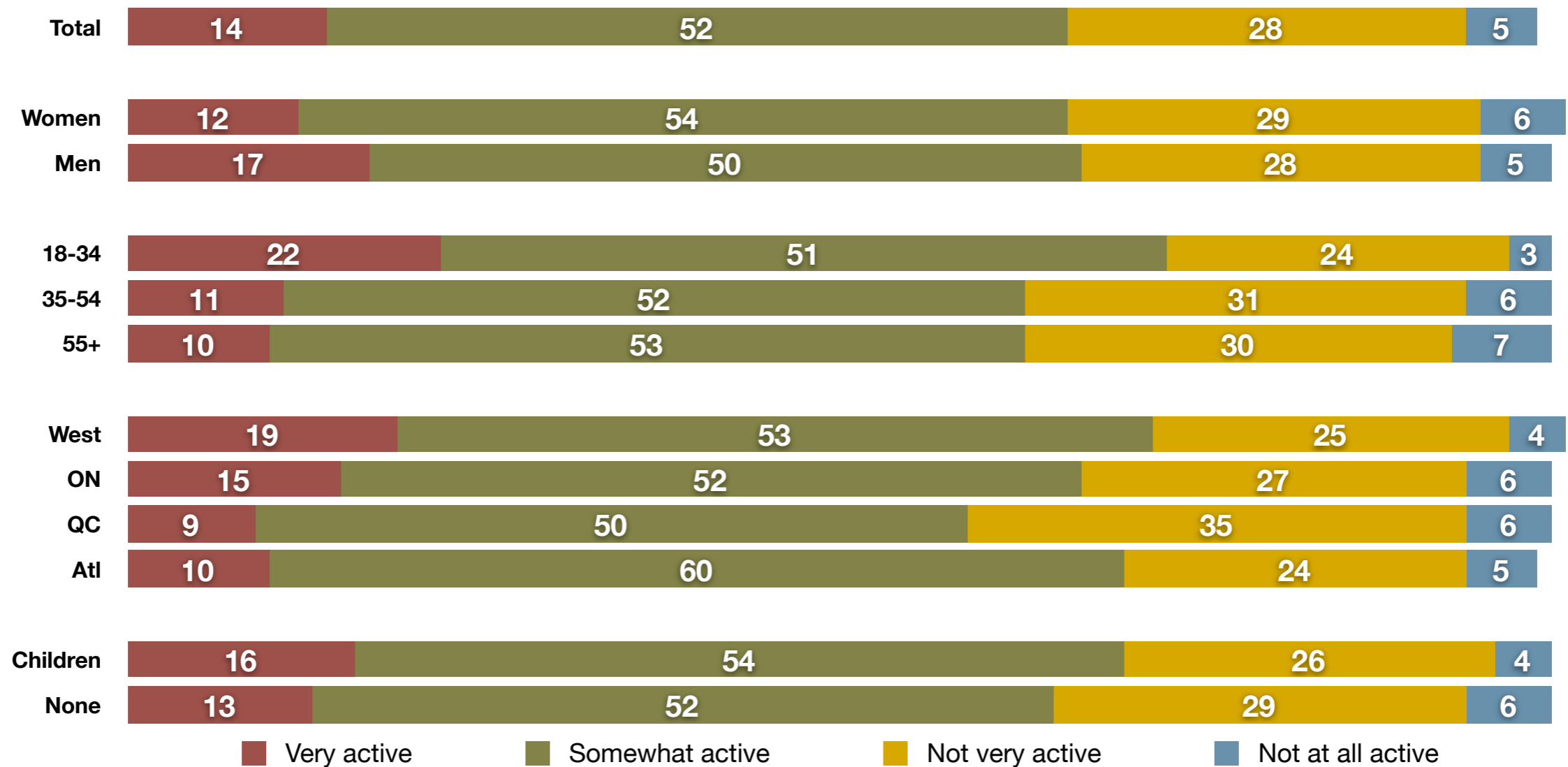
Motivations

- How important are the following reasons to eat/serve healthy food?



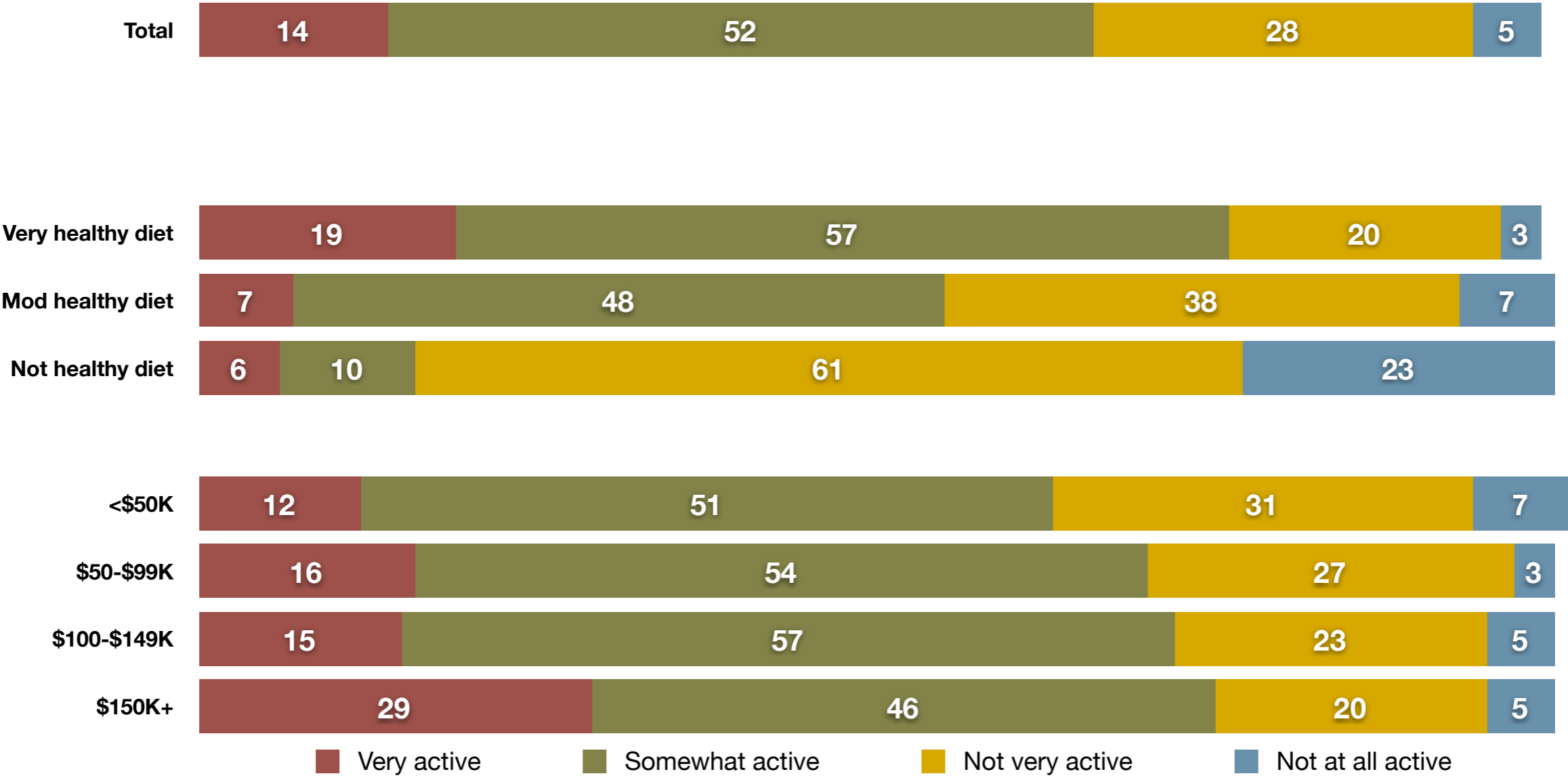
Perceptions of Personal Physical Activity

● How physically active would you describe yourself?



Perceptions of Personal Physical Activity

● How physically active would you describe yourself?



Evolutions in Food

Canadians repeatedly told us in this survey that they are making clear differentiations about food that is healthy and food that is not. The greatest virtues centre around natural, local, whole and unprocessed foods.

The local food movement has a strong following. Local foods are seen to be the healthiest and their increased prevalence in grocery stores and on restaurant menus is seen as a positive development by more Canadians than any other development in food.

The next areas of strongest consensus are behind efforts to reduce the amount of harmful ingredients in food. Foods featuring less fat and trans fat, reduced sodium and calories have been received very favourably by consumers.

Evolutions in Food

Developments such as processed foods, ready-to-eat meals and preservatives to increase safe consumption are the least popular, with significantly more Canadians feeling lukewarm or outright opposed.

Even though justifications for certain concerns are articulated – i.e., preservatives delaying bacteria growth and imports providing variety year-round – the less “natural” a development, the closer to the bottom of the list it ranks.

There is more interest in ready-to-eat foods in Quebec than elsewhere. In addition, ready-to-eat foods are seen most favorably by those who acknowledge they have bad diets.

Forty percent of Canadian parents think processed snack foods for kids are unhealthy.

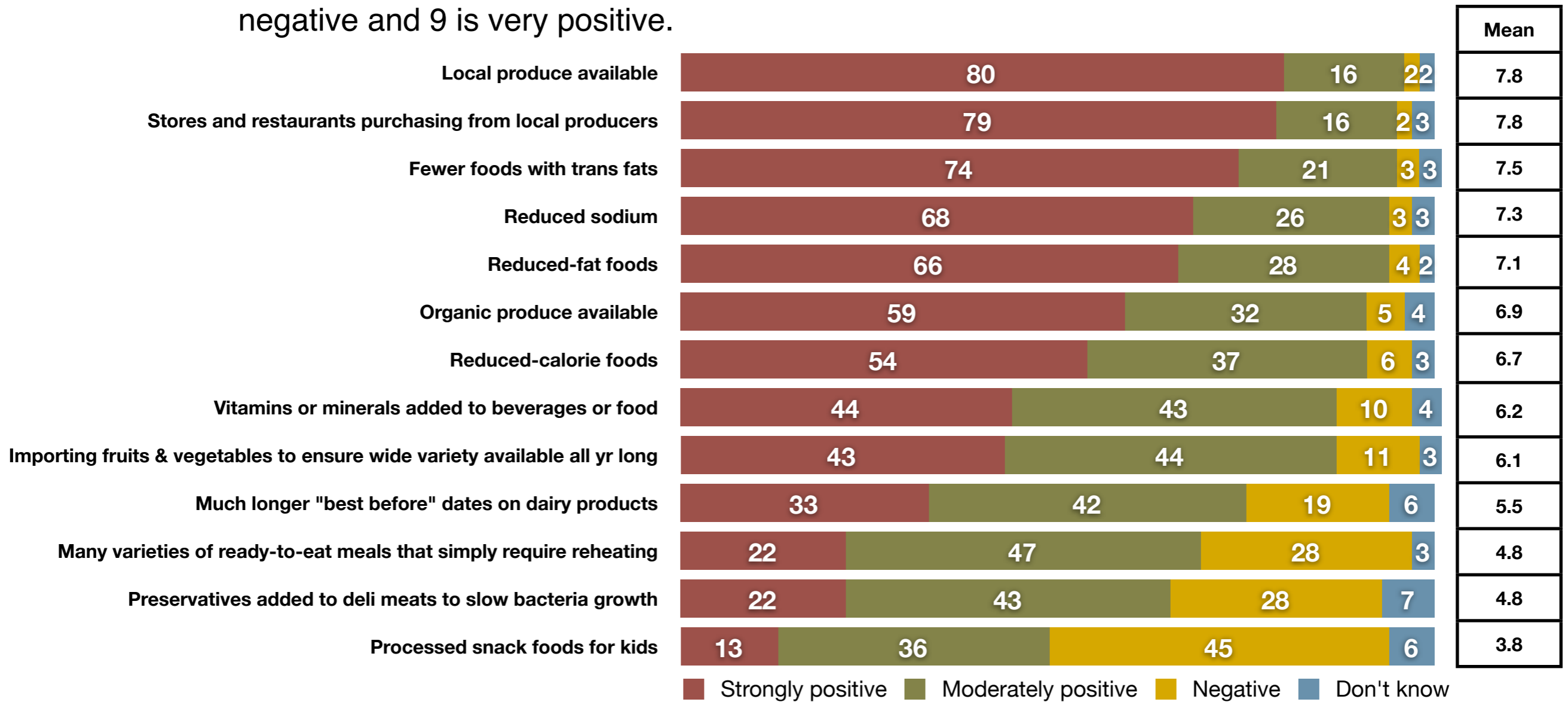
Women are significantly more favourable toward organic food than are men.

Seeing that organic food is not as important to as many people as local foods, and given the high level of concern about hormones, antibiotics and pesticide use, consumers must feel as if local foods give them similar protection against these things as organic food.

The healthier you consider your diet, the less favourably you view ready-to-eat foods.

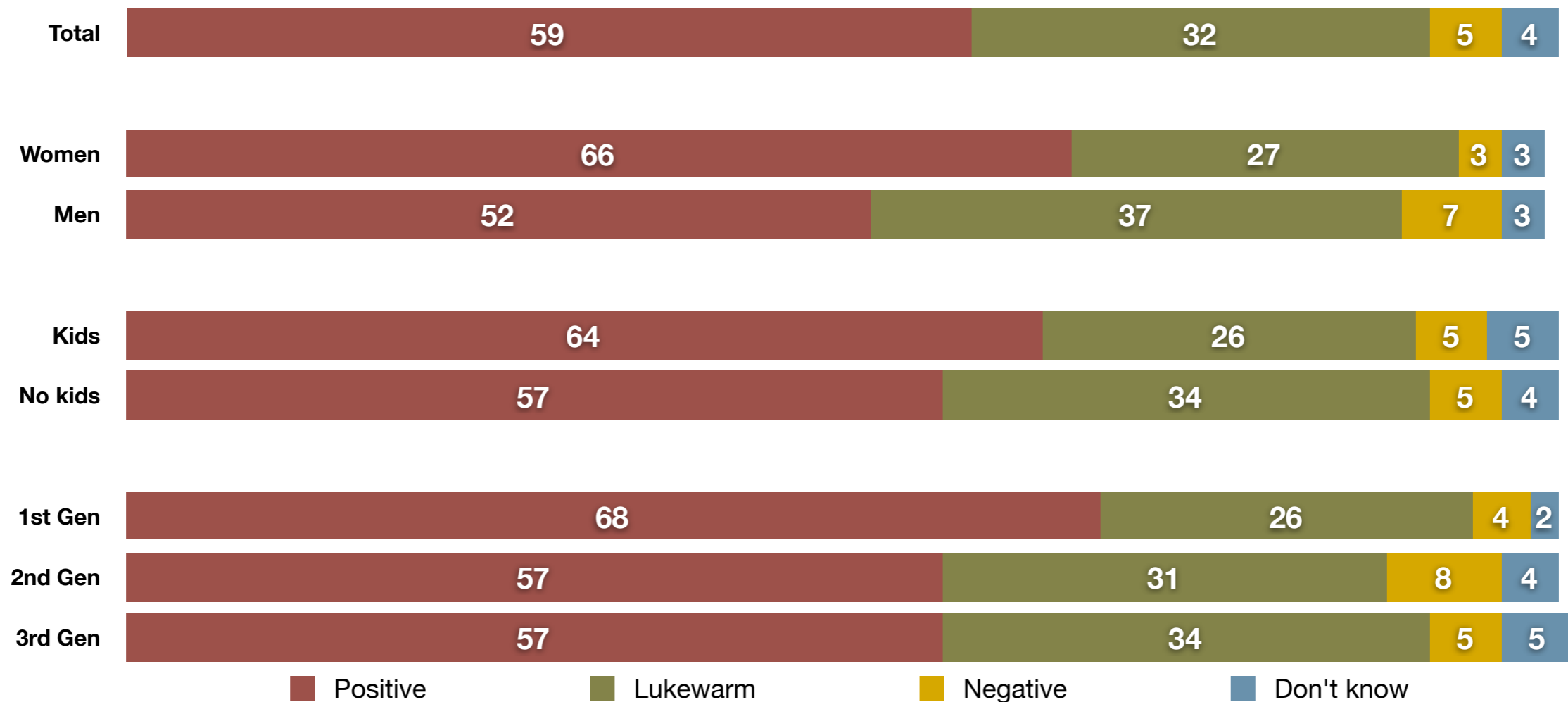
Health Advancements

- There have been a number of changes in the food that is available for us to buy in grocery stores. I'm going to list some of them and ask you whether you consider each of them to be a positive or negative development on a scale of 1 to 9 where 1 is very negative and 9 is very positive.



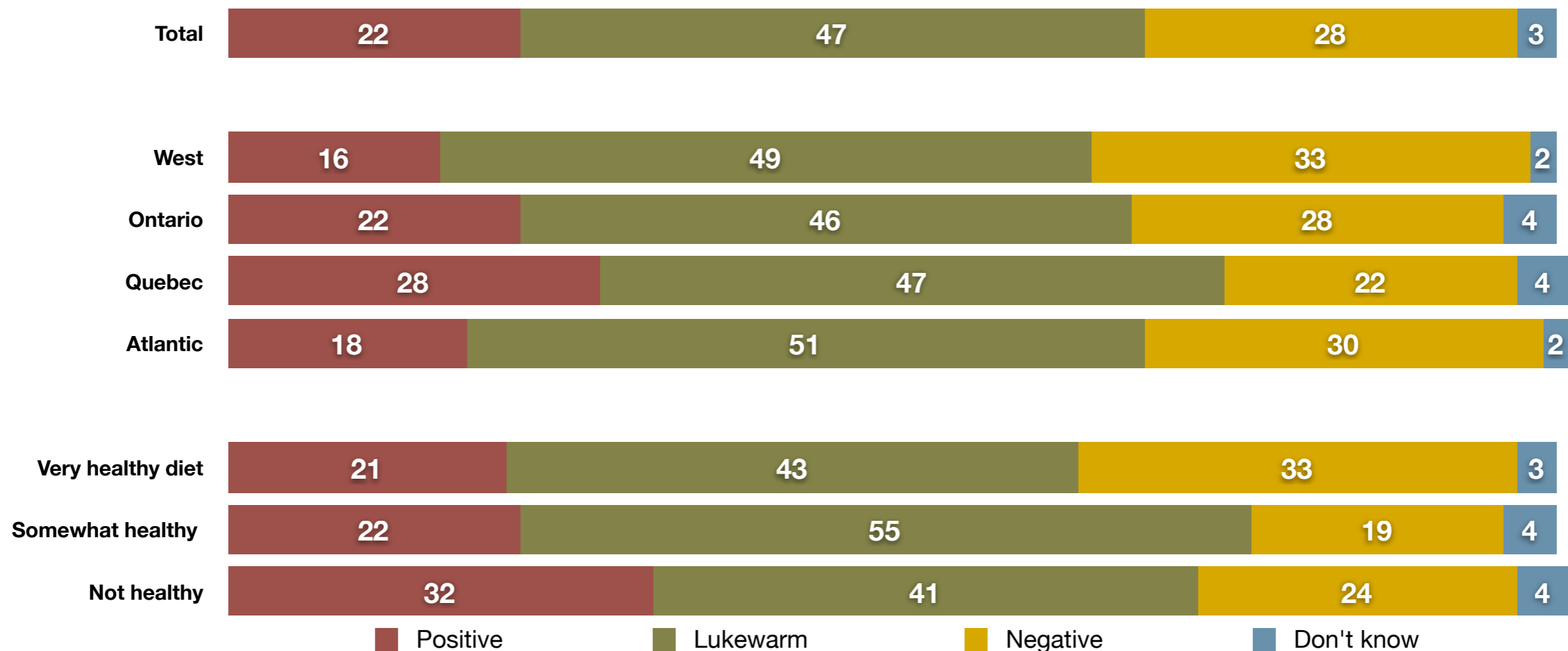
Health Advancements – Organic

- ...I'm going to list some of them and ask you whether you consider each of them to be a positive or negative development on a scale of 1 to 9 where 1 is very negative and 9 is very positive. **Organic produce available.**



Advancements – Ready-to-Eat

- ...I'm going to list some of them and ask you whether you consider each of them to be a positive or negative development on a scale of 1 to 9 where 1 is very negative and 9 is very positive. **Many varieties of ready-to-eat meals that simply require reheating.**



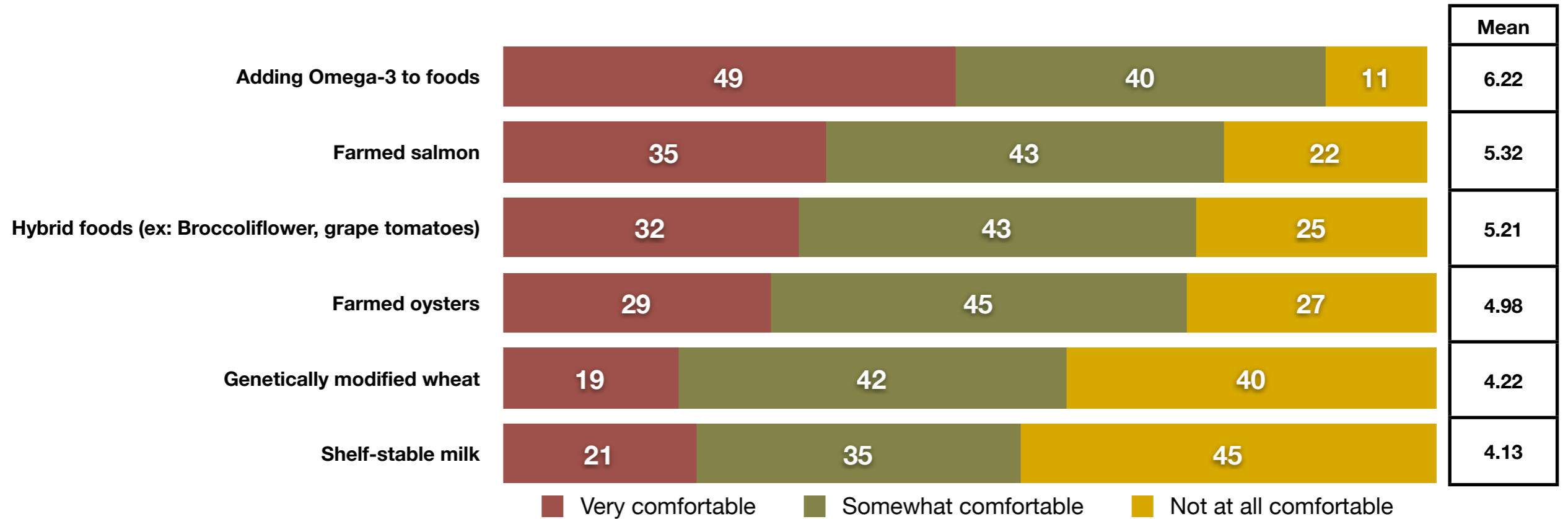
Modifying Foods

Certainly one of the most common nutritional debates of the last several decades centred around scientific modification of foods.

- Of modifications to food, Canadians are most comfortable with adding Omega-3 into food and drink. Genetically modified wheat and shelf-stable milk are least accepted.
- Women are less comfortable than men with any types of bio-engineering, and particularly uncomfortable with genetically modified wheat and shelf-stable milk.
- New Canadians are more comfortable than most when it comes to food modifications.

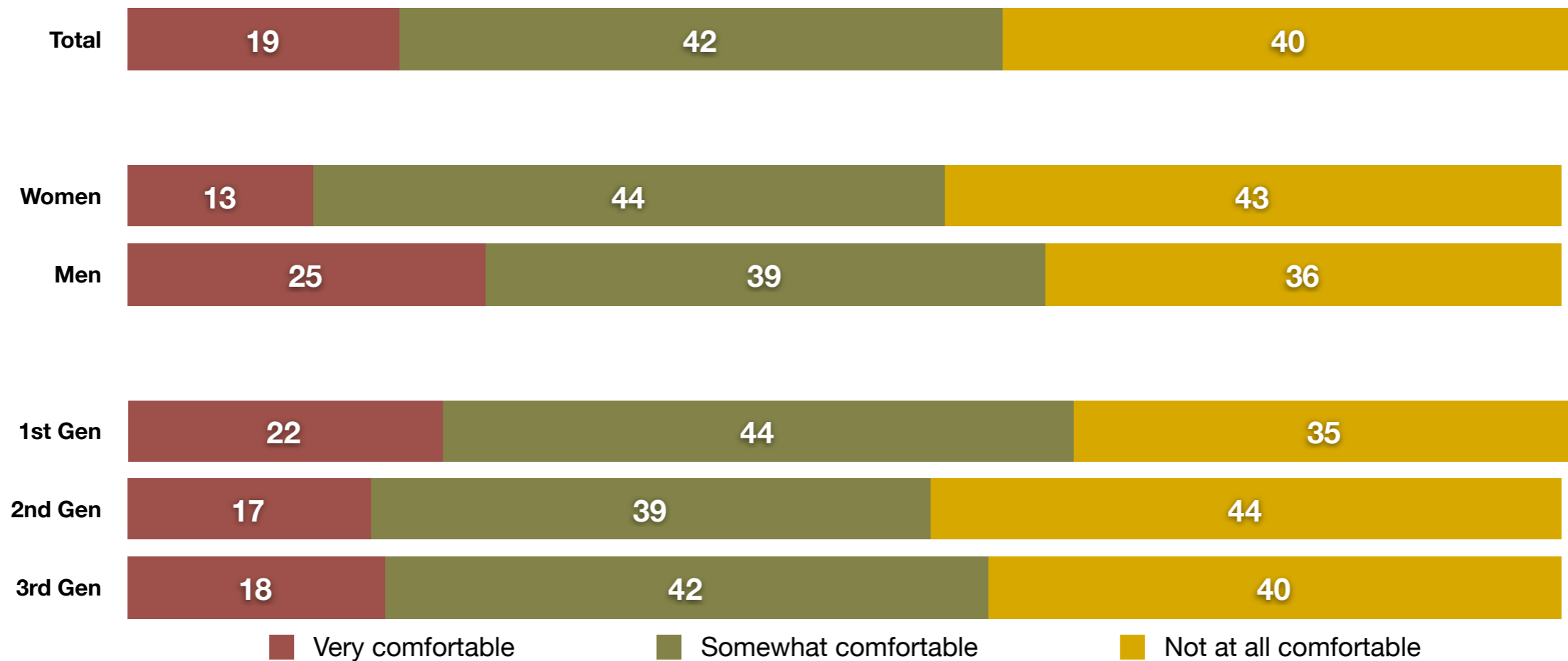
Modifying Foods

- How comfortable are you with the following alterations to food?



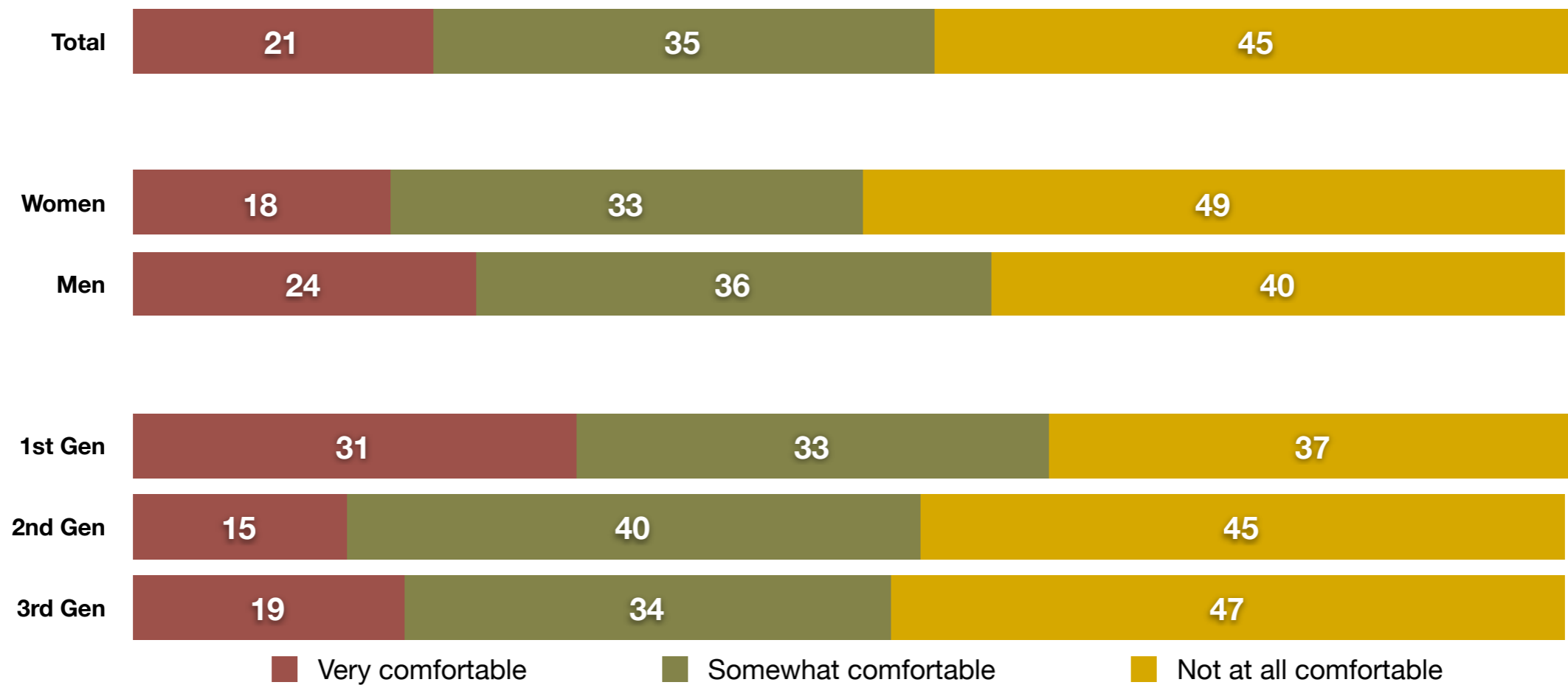
Modifying Foods – GMO Wheat

- How comfortable are you with the following alterations to food?
Genetically modified wheat.



Modifying Foods – Shelf-stable Milk

- How comfortable are you with the following alterations to food?
Shelf-stable milk.



Does Food Format Matter?

In some cases it matters dramatically, in others little or none.

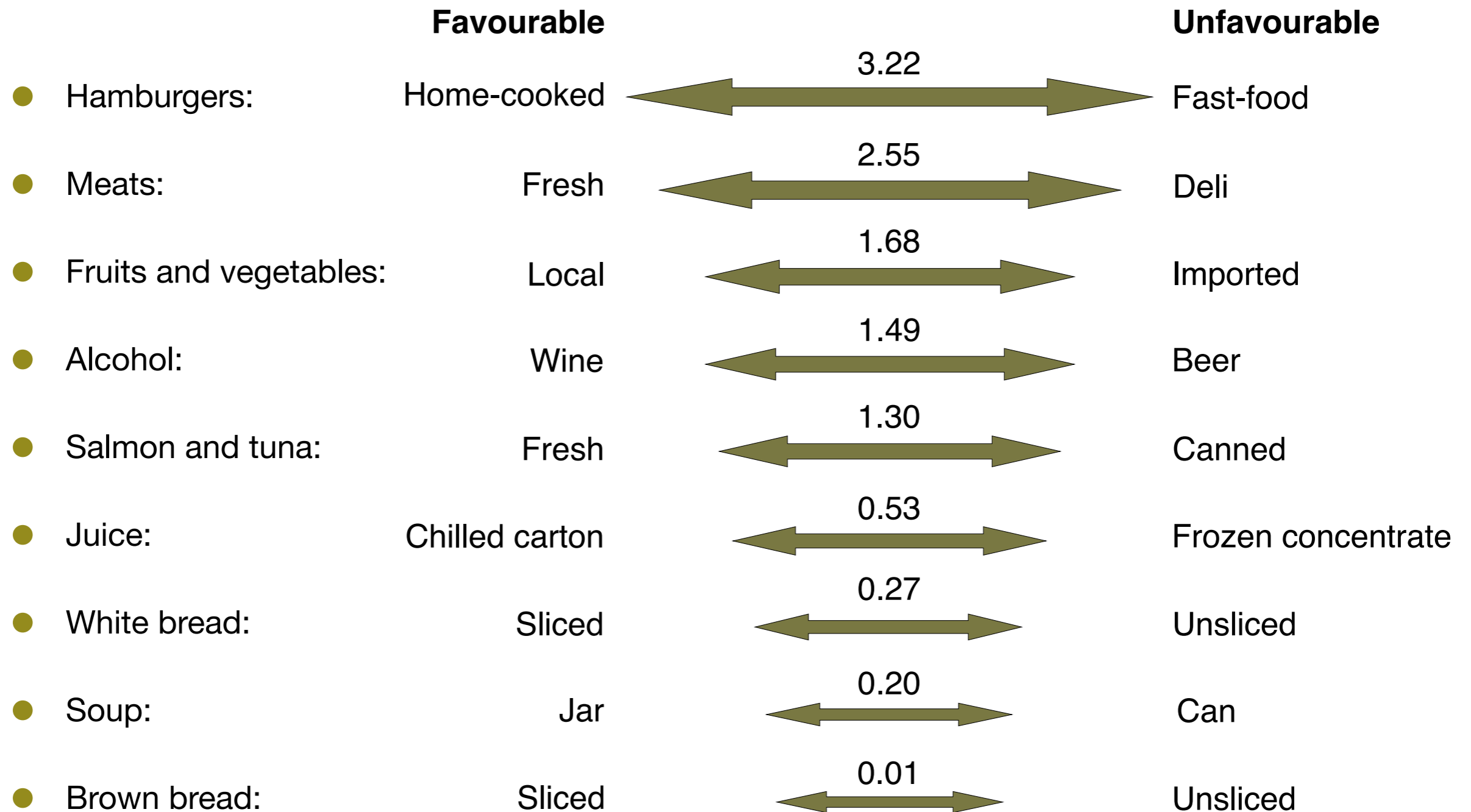
- Whole-wheat bread is seen as much healthier than white bread; home-cooked hamburgers are considered to be much healthier than fast-food hamburgers.
- Whether chicken soup comes in a can or a jar has no impact on consumer perceptions of healthfulness.
- Tofu has a serious image problem, as it isn't really seen as healthier than either beef or pork, and far less than other protein sources.
- Canadians are three times as likely to describe beer as unhealthy as they are to say the same of wine.

Does Food Format Matter?

Of dozens of items listed, local fruits and vegetables, fresh fish, eggs, chicken and whole-wheat bread are thought to be the healthiest items to eat.

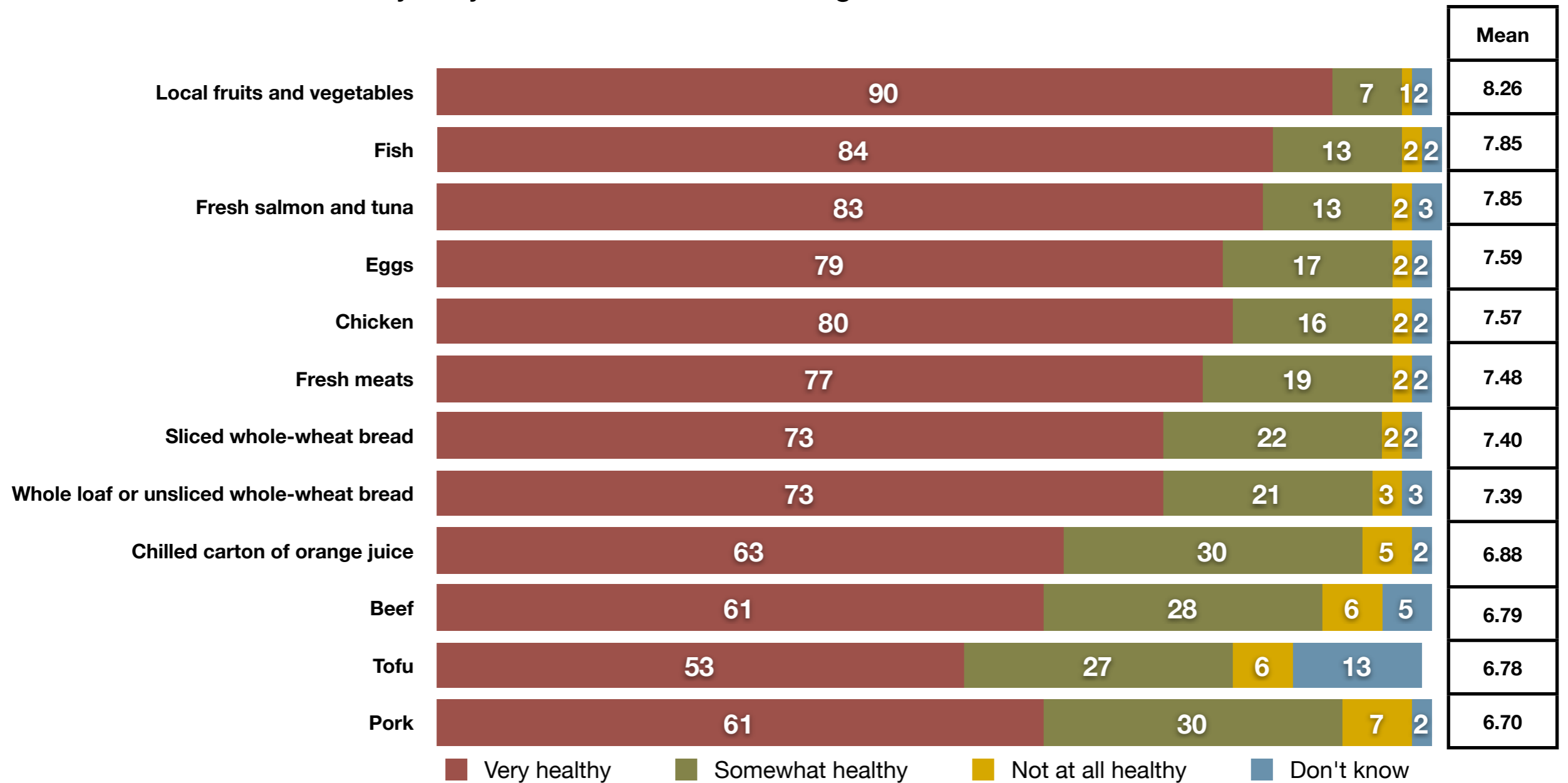
- Deli meats, canned chicken noodle soup, white bread, beer and fast-food hamburgers are at the bottom of the list.
- The more fresh, whole and local, the more healthy a food is seen to be.
 - For instance, local fruits and vegetables are perceived to be significantly healthier than their imported counterparts.
 - Fresh salmon and tuna are seen to be significantly healthier than the same fish canned.
 - Chilled orange juice is perceived to be healthier than frozen concentrate.
- When looking specifically at proteins, fish and chicken are seen as healthier than beef and pork.
 - Given historic concerns over cholesterol, the egg is seen in a surprisingly healthy light, showing the positive impact that health-related communications can have on perceptions of a product.

Does Food Format Matter – Gaps in Mean Scores



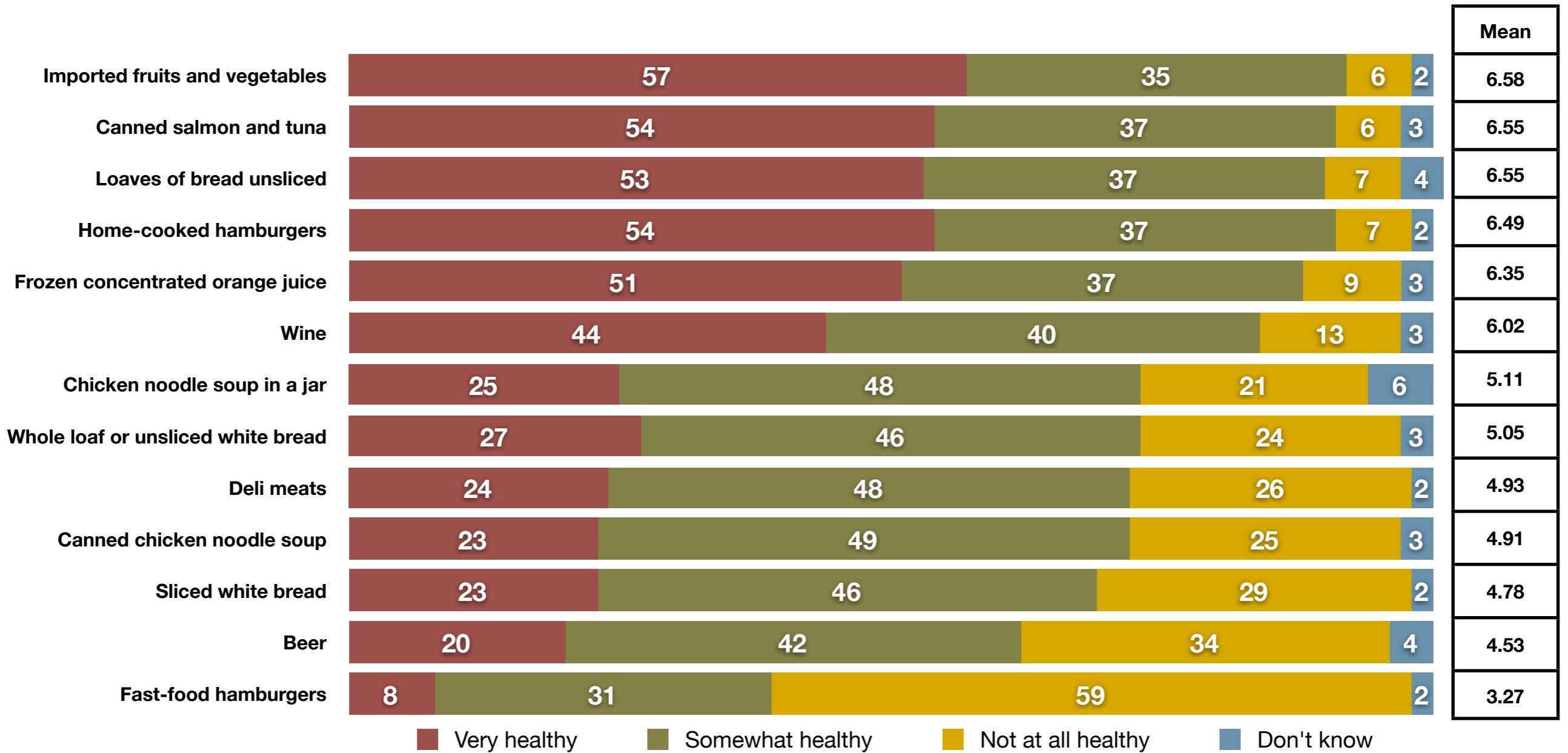
Measuring Healthiness – Tier I

- How healthy do you consider the following?



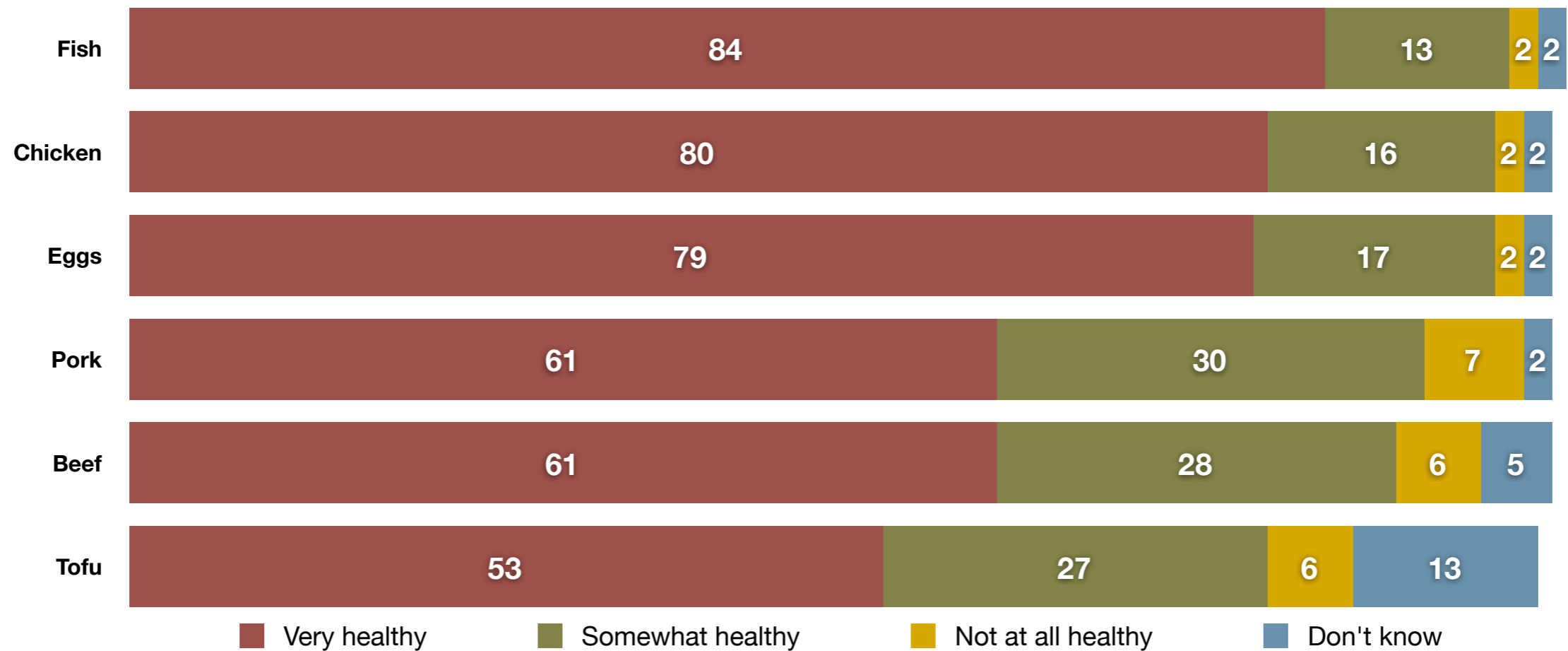
Measuring Healthiness – Tier II

● How healthy do you consider the following?



Measuring Healthiness – Protein

● How healthy do you consider the following?

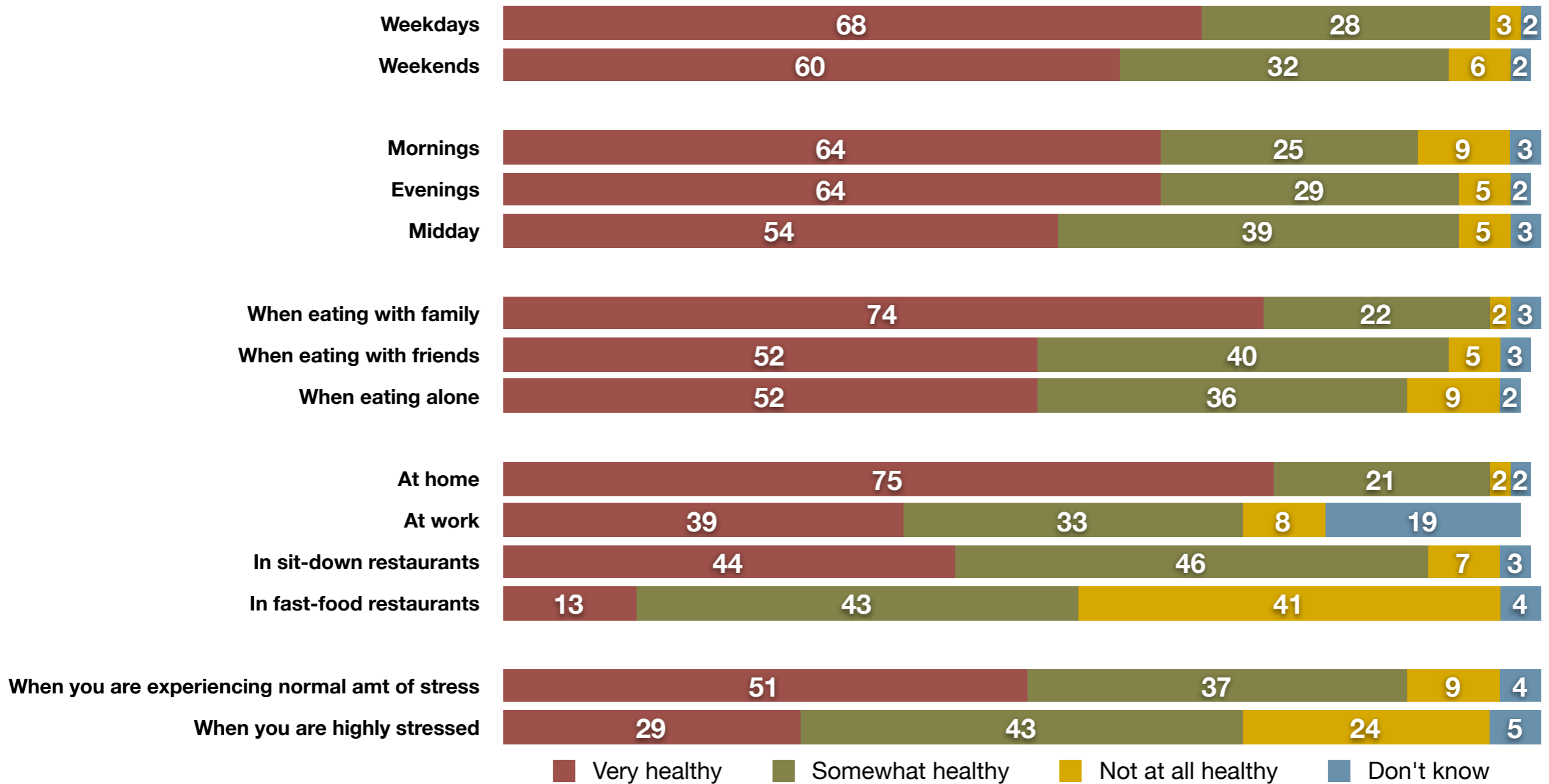


Location and Time Distinguishers

- Canadians eat healthier meals:
 - On weekdays than on weekends
 - With family as opposed to with friends or alone
 - At home than at work, than out at restaurants and far more than in fast-food restaurants
 - When least stressed
- In terms of when to eat healthy, parents focus on their kids' health.
 - Families with kids eat the healthiest when with their families, at home, during the week in the evenings and then in the mornings. In other words, when families are in their routine together, they are eating healthy.
 - Canadians with families eat the least healthy when they are at fast-food restaurants, at work, during midday or when they are alone.
- Forty-five percent of parents think that the meals they eat at fast-food restaurants are not in any way healthy to eat.

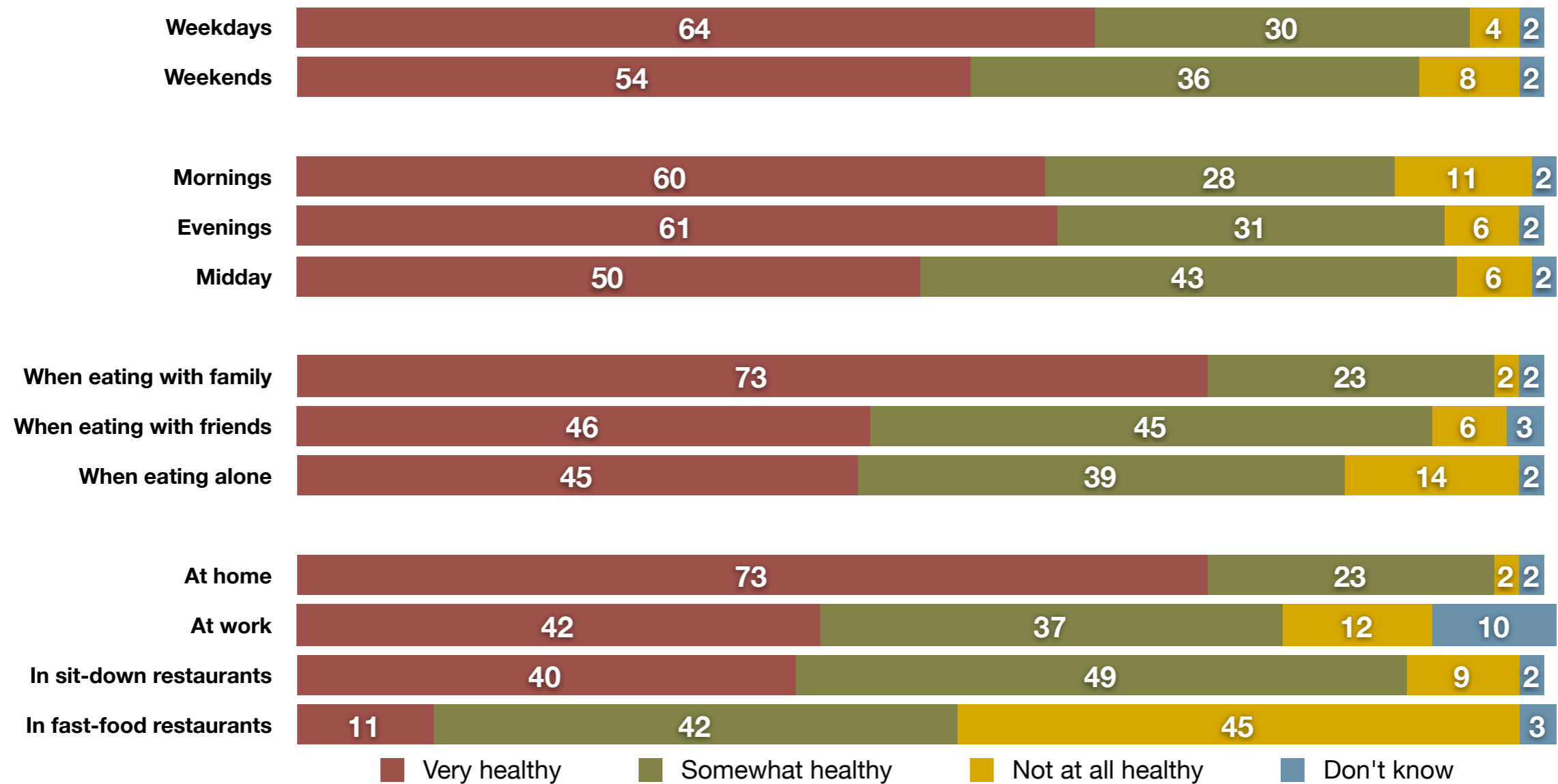
Location and Time Distinguishers

- How healthy are your meals at the following locations or times?



Location and Time Distinguishers

- How healthy are your meals at the following locations or times? **[Families with kids]**



Canada's Food Guide

Canada's Food Guide, Health Canada's recommendations for proper daily eating, has been a part of Canadians' nutritional landscape in its various incarnations since 1942. Canadians are largely aware of the Guide and have confidence in its recommendations; however, they find it more difficult to follow the Guide in their food choices.

- Only 7% of Canadians are not at all aware of the Food Guide. Women, higher-income Canadians, and people with children at home have the highest awareness. Of all the regions, Quebec has the lowest awareness.
- Confidence is also high. Seventy-one percent of respondents are very confident and 23% are somewhat confident in the Food Guide. Confidence is highest among women, Canadians 55+ and higher-income Canadians.
- Just over half of Canadians said the Guide was important in their daily food choices – only 11% said it was very important and 40% somewhat important. Again, importance is highest among women, Canadians 55+ and higher-income Canadians.

Canada's Food Guide

How aware are you of Canada's Food Guide?



How confident are you in Canada's Food Guide?

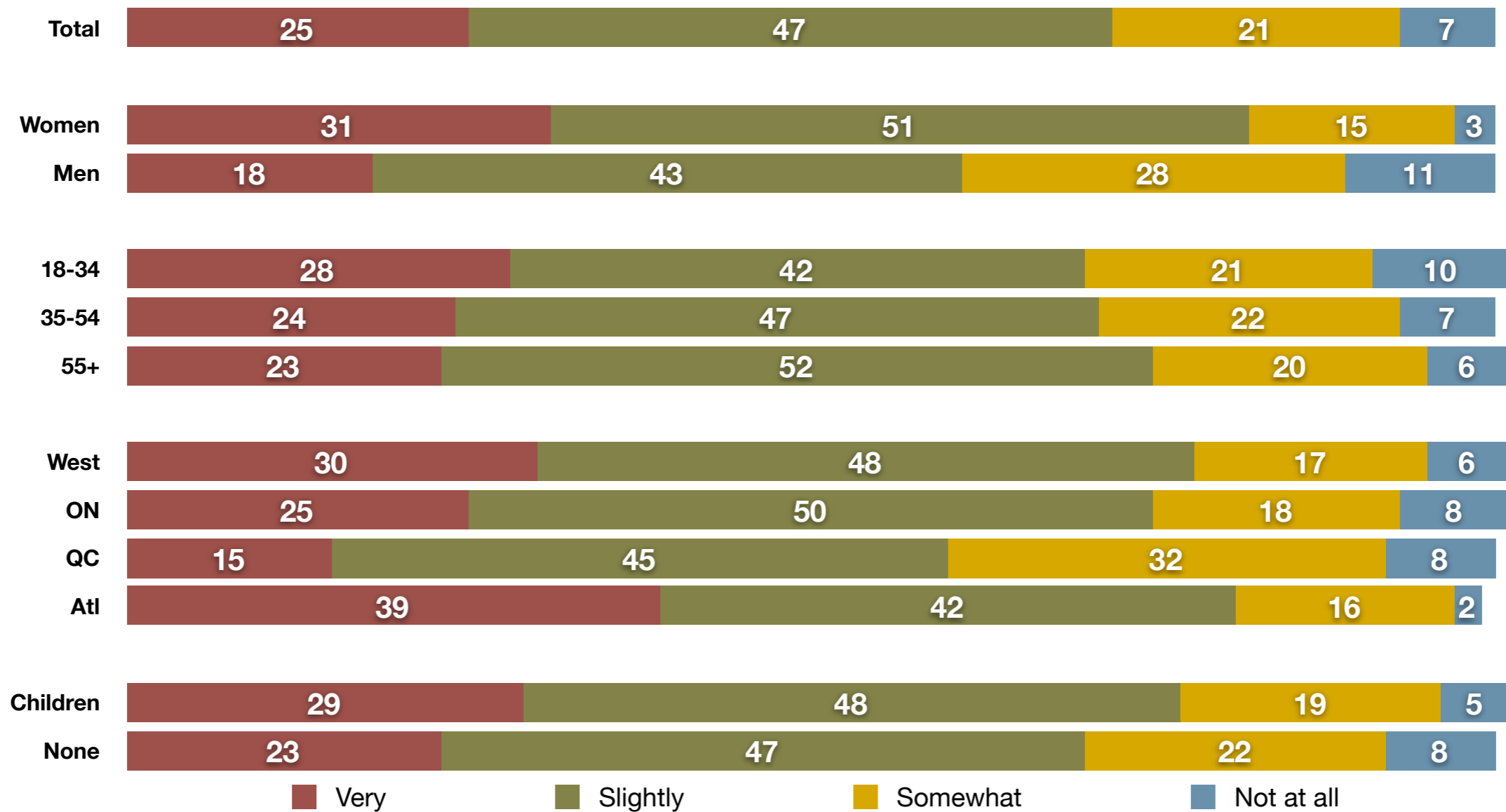


How important is Canada's Food Guide to your daily food choices?



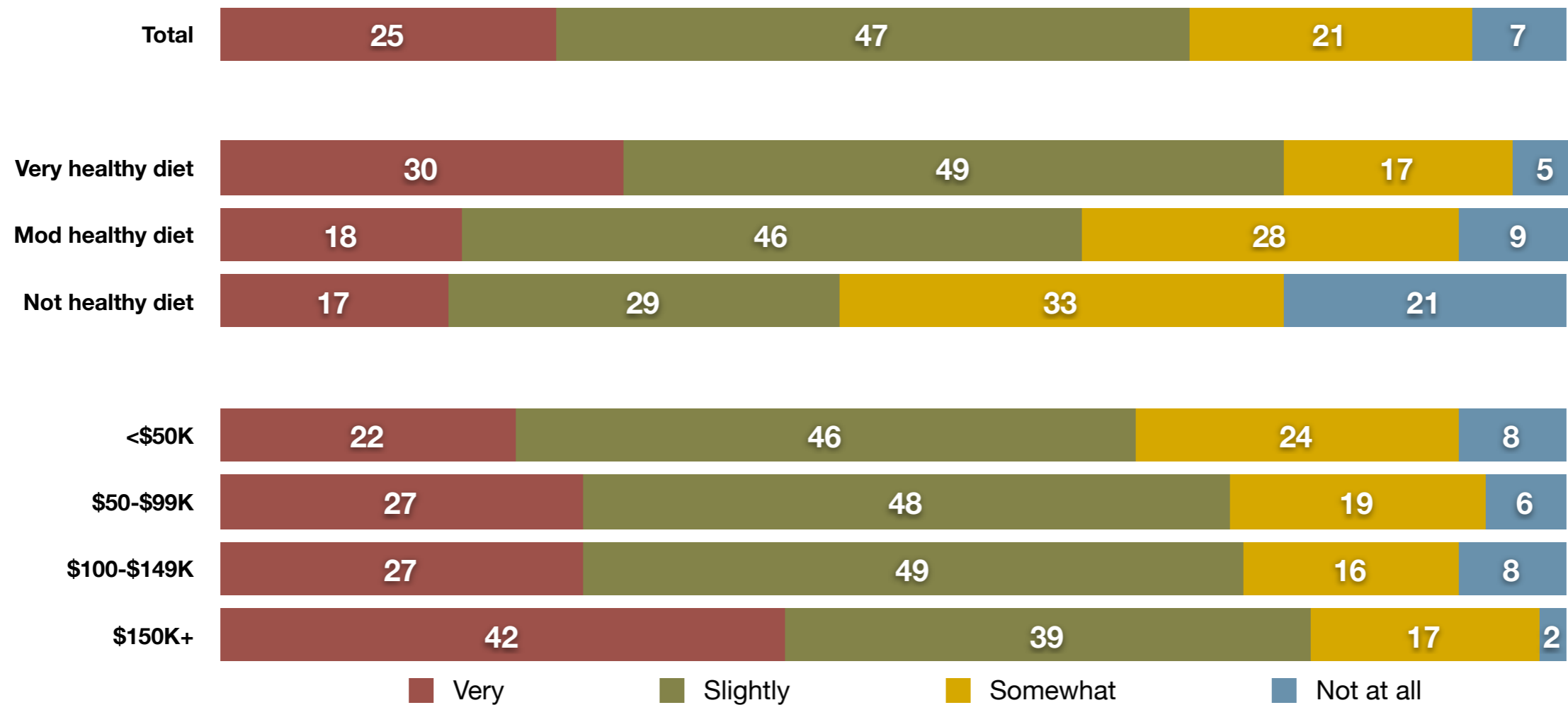
Awareness of Canada's Food Guide

● How aware are you of Canada's Food Guide?



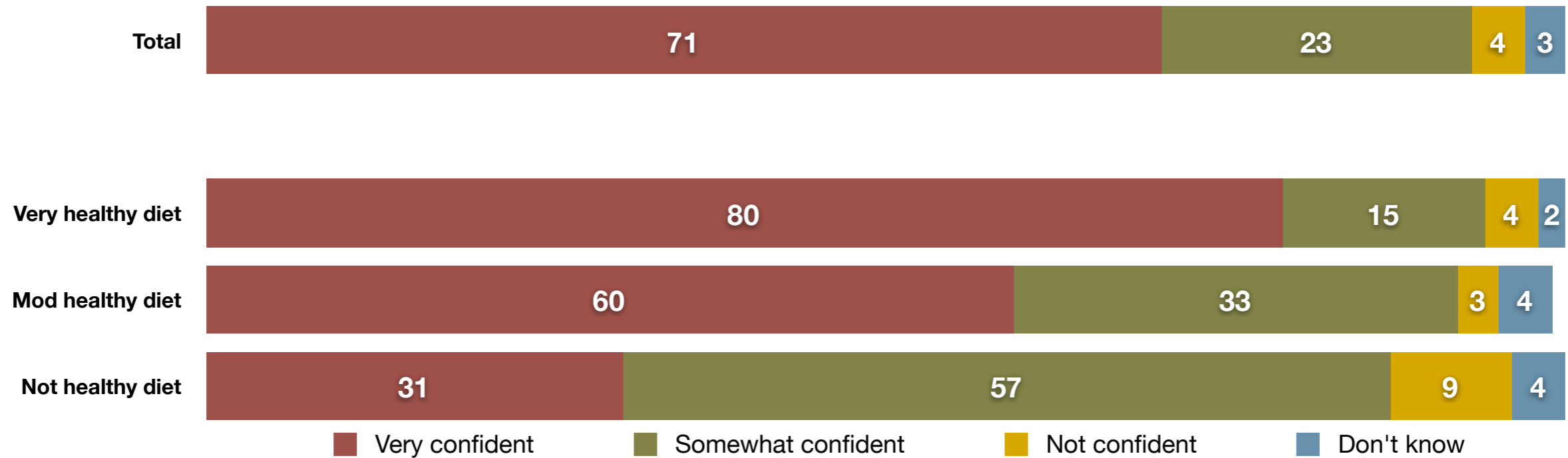
Awareness of Canada's Food Guide

● How aware are you of Canada's Food Guide?



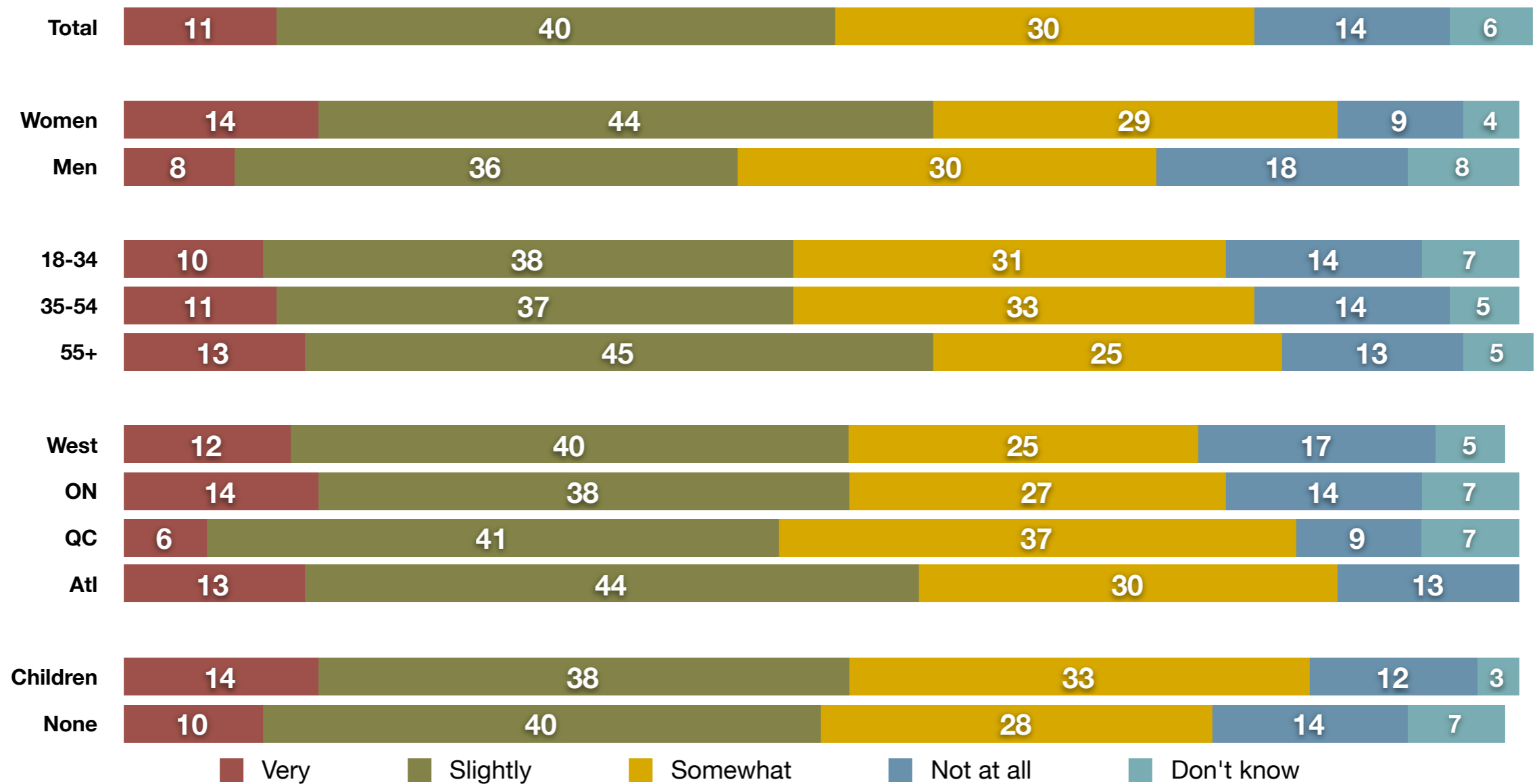
Confidence in Canada's Food Guide

● How confident are you in Canada's Food Guide?



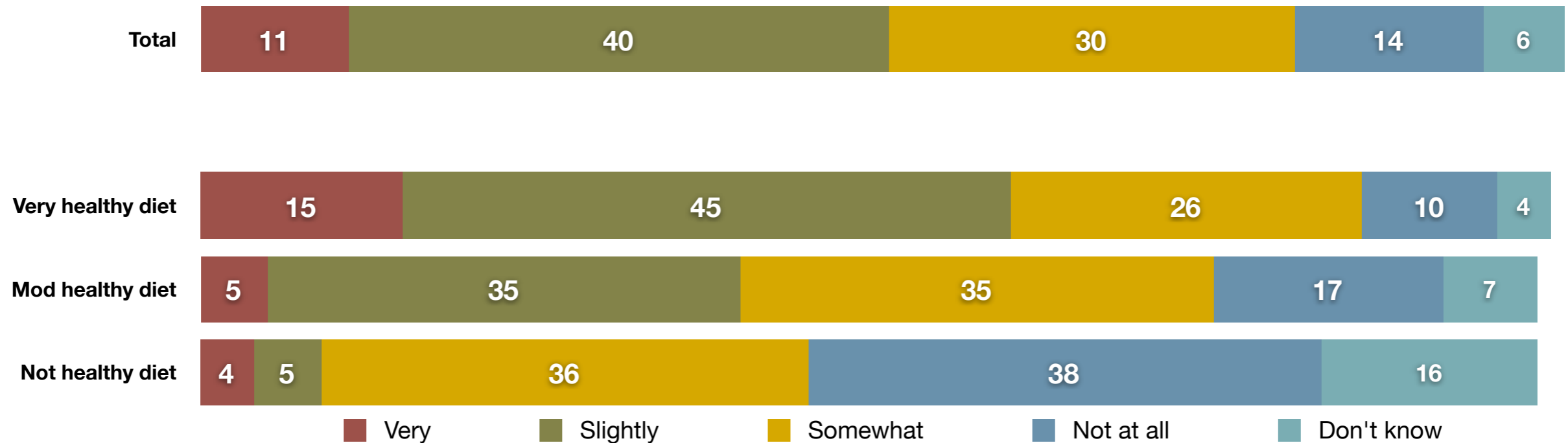
Importance of Canada's Food Guide

- How important are the recommendations of Canada's Food Guide to your daily food choices?



Importance of Canada's Food Guide

- How important are the recommendations of Canada's Food Guide to your daily food choices?



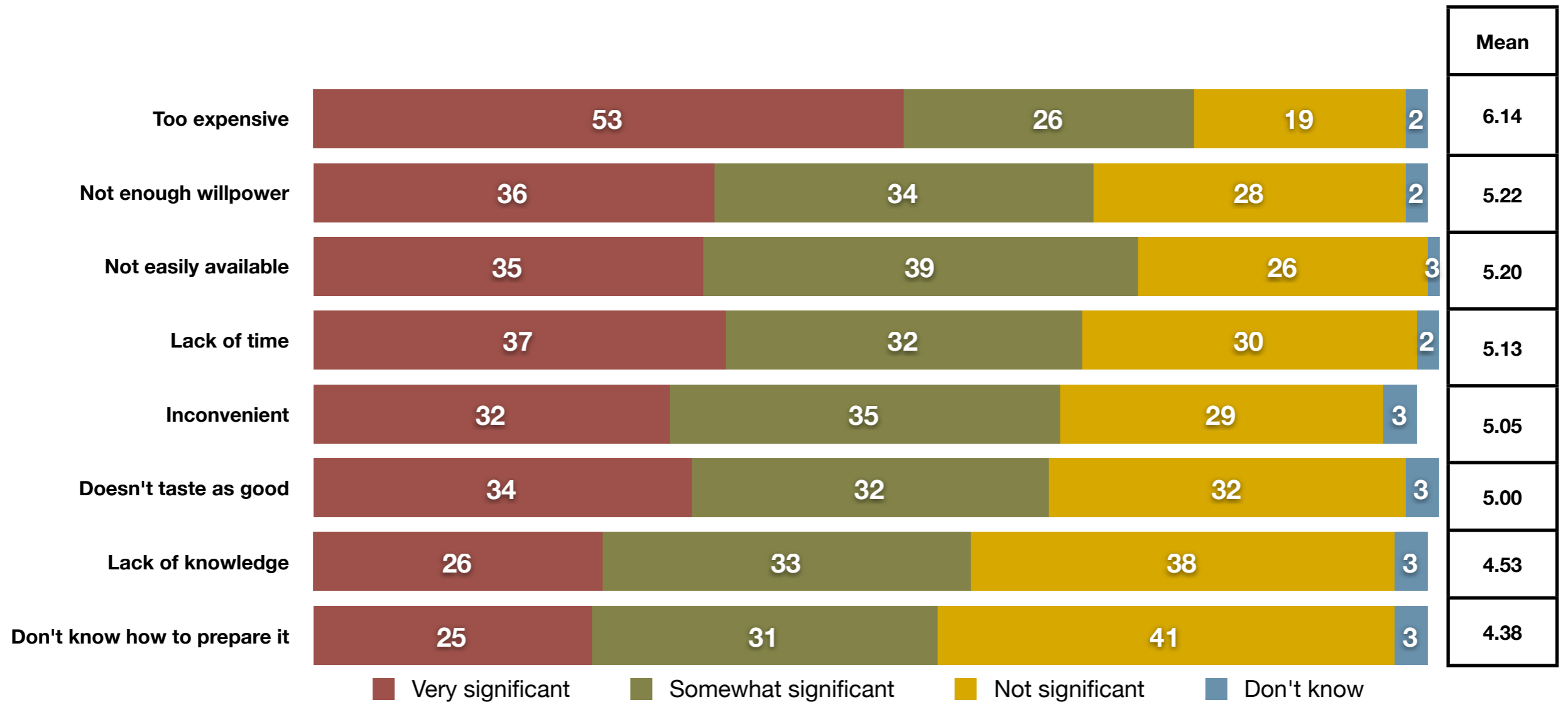
Obstacles to Healthy Eating

After testing the importance of healthy eating and then the real-life evaluations of diet, the research probed reasons for the gaps between how healthy people wanted to be and how healthy they actually were on a day-to-day basis. Cost is the largest barrier to healthy eating, followed by insufficient willpower, availability of healthy foods, lack of time and inconvenience.

- Cost is a significant obstacle for those making less than \$75K a year. For instance, almost 2/3 of those making less than \$25K say it is a significant barrier, along with half of those making \$25K-\$75K.
- Expense is far and away the greatest reason why Canadians with children do not eat more healthily. Fifty-five percent of families with kids said this was an important reason. The next hurdle for those with children was lack of time – 42% of families say this is an important reason. Previous Consumerology reports have identified the strong financial pressures faced by middle-income families after the economic crisis.
- When it comes to families, however, lack of knowledge or not knowing how to prepare food were far less important barriers. So Canadians with children know what is healthy, but many can't afford it.

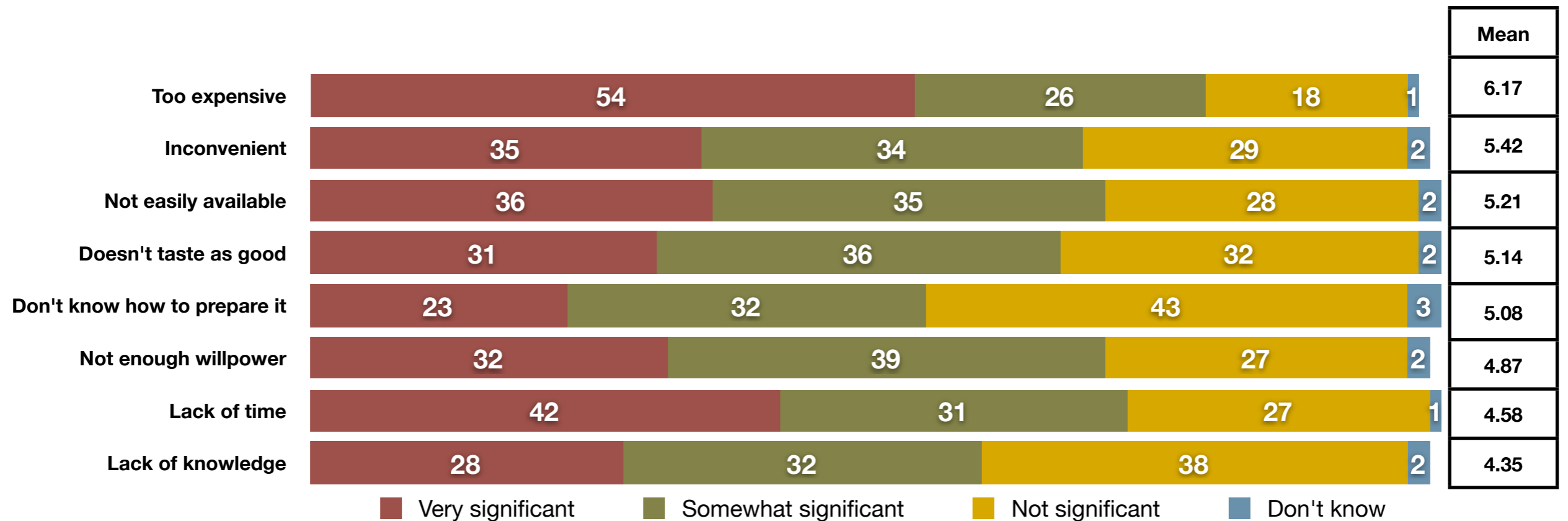
Obstacles to Healthy Eating

- How significant an obstacle to your ability to eat healthier food is each of the following?



Obstacles to Healthy Eating

- How significant an obstacle to your ability to eat healthier food is each of the following?
[Families with kids]



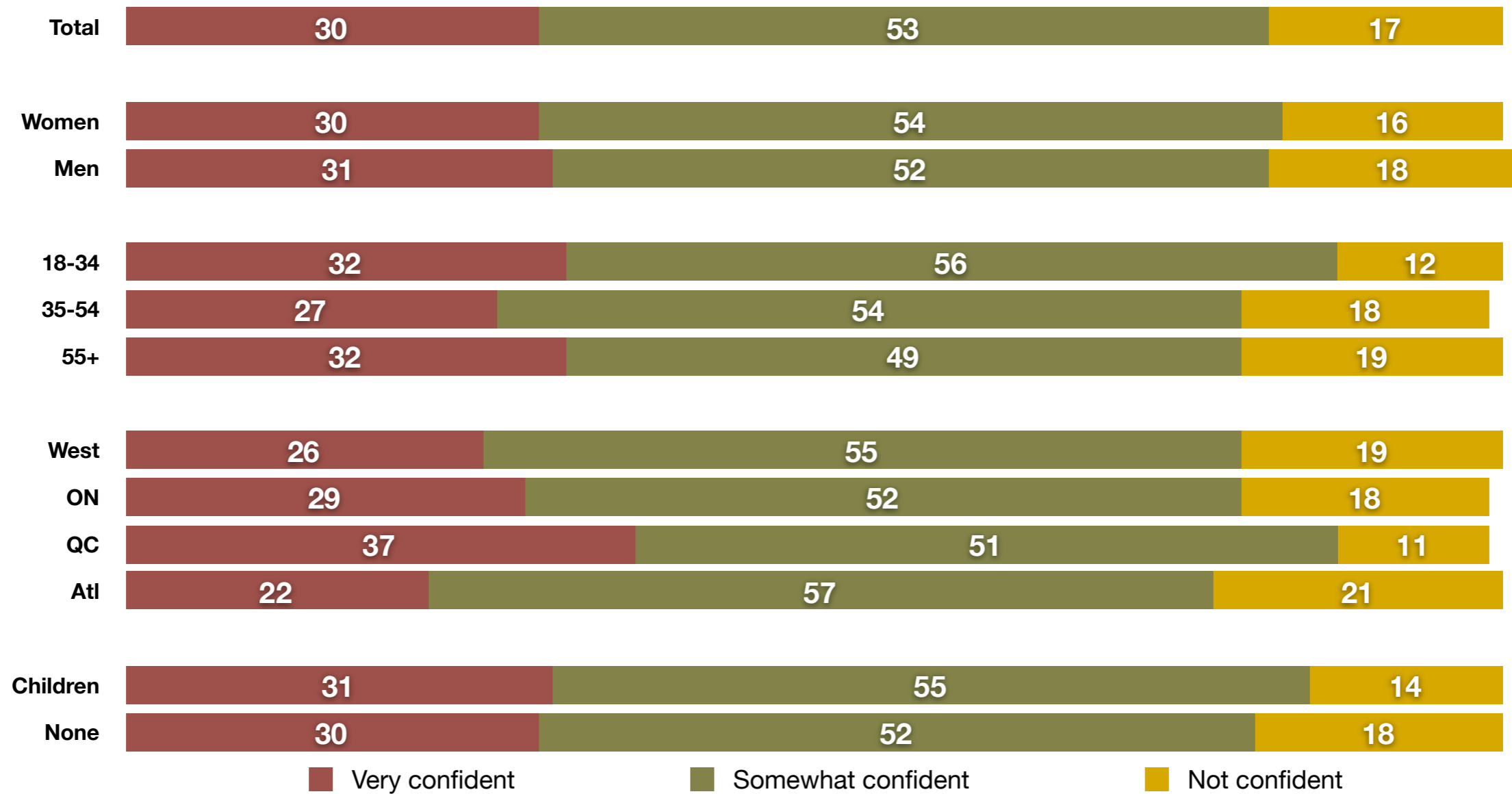
Confidence in Package Information

It is clear from the criteria people use to determine whether or not a food product is healthy that most consumers are paying a fair bit of attention to what is on labels. Consumers are open but wary of label information. Few reject it as lacking credibility, but they don't see it as closing the deal either.

- Thirty percent of Canadians are very confident in nutritional claims, 53% are somewhat confident, and 17% are not confident.
- Quebec residents and Canadians under 34 have higher-than-average confidence in package claims.

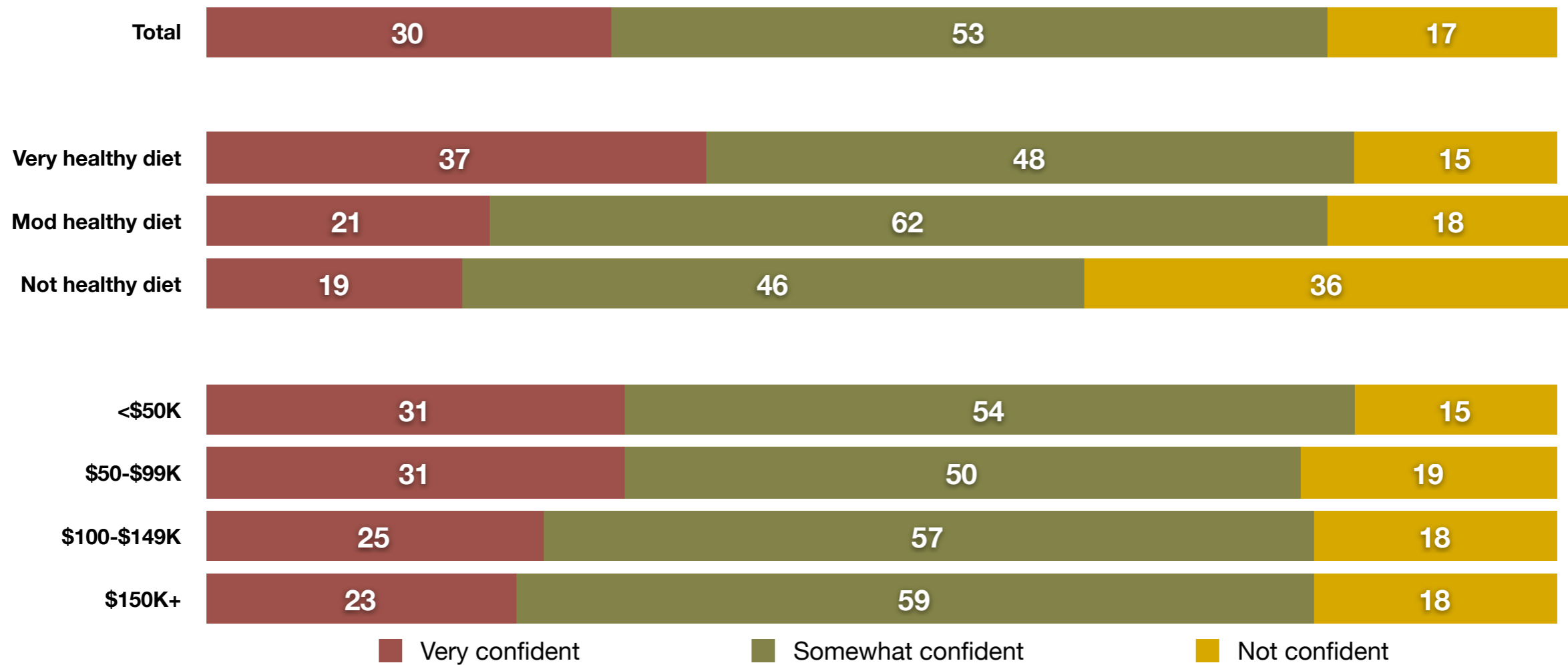
Confidence in Package Information

● How confident are you in the claims made on packages of food?



Confidence in Package Information

● How confident are you in the claims made on packages of food?



Conclusions

- The food landscape in the country is changing dramatically. Canadians, worried about processed food ingredients and obesity, are actively looking for ways to eat healthier.
- The fact that two-thirds of Canadians consider obesity to be a very serious threat to them or their family is indicative of a serious health issue.
- Some new food options (local, reduced-fat and reduced-sodium) are being embraced while others (mineral fortification or children's snack foods) are seen more negatively.

Conclusions

- Those retailers that have jumped on the local farm bandwagon early are tapping into a very powerful consumer sentiment that is rooted not only in the good taste of local produce, but also in a wave of nostalgia and sentiment as consumers find modern corporate food increasingly difficult and worrisome to navigate.
- A previous edition of Consumerology indicated that cost was the main barrier preventing most Canadians from acting in a more environmentally friendly fashion. This edition demonstrates that cost is the main barrier to eating healthier. Consumers are curious and frustrated about why it costs more to do the right thing.
- Brands are not irrelevant to health positioning, but in the consumer's mind, they are clearly secondary to the characteristics of the food product. Established brands that ignore these trends could find themselves outpositioned in the move toward healthier eating.

Conclusions

- It is much more difficult to convince the consumer that a technological advancement in food is healthy than it is to convince them that a move back toward more natural, traditional practices is healthy.
- The fact that the vast majority of Canadians see eggs as healthy is an indication that it is possible for food producers to manage difficult public-perception issues and emerge with a strong consumer positioning.
- Cost is the main barrier to most Canadians eating the healthy diet they want, but consumers will continue to push manufacturers and retailers toward less processing, fewer additives, more natural farming practices, more whole foods and more local ingredients.

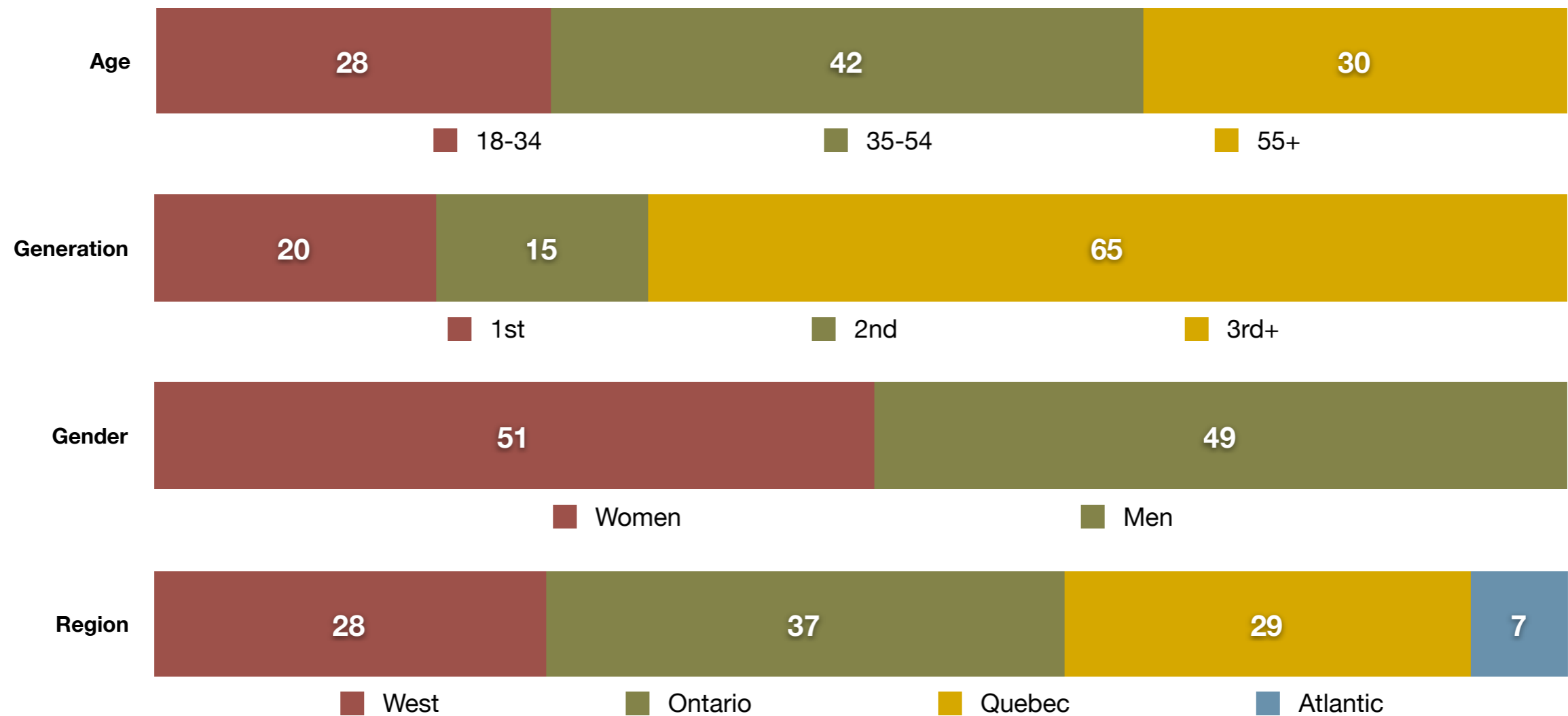
APPENDICES

Methodology

Online qualitative discussions were held between June 23 and 26, 2009 and a national proportionate quantitative online survey was conducted in English and French with 1,627 Canadians between July 23 and July 29. This sample yields a margin of error of +/- 2.43% 19 times out of 20.

Sample Composition

- We find it helpful to do a basic visual rundown of the breakdown of demographics participating in the survey to demonstrate that it is extremely reflective of the population at large.



Sample Composition

