



Tuesday 4th February 2020

Purpose & Ethics in Grocery

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How important are ethics



Plato's art of persuasion – the three artistic proofs:
logos (logic), pathos (emotion), ethos (ethics),

US Business Roundtable: Statement on the Purpose of a Corporation

We commit to:

- *Delivering value to our customers*
- *Investing in our employees*
- *Dealing fairly and ethically with our suppliers*
- *Supporting the communities in which we work*
- *Generating long-term value for shareholders*

Each of our stakeholders is essential. We commit to deliver value to all of them, for the future success of our companies, our communities and our country.

2019 signatories include: American Airlines, Amazon, Aon, Apple, Boeing, BP, BlackRock, Cisco, Citigroup, Chevron, Coca-Cola, Dell, Exxon Mobil, EY, Ford, Goldman Sachs, Johnson & Johnson, Lockheed Martin, Macy's, Mastercard, Oracle, P&G, Pfizer, Siemens, United Airlines, UPS, Visa, Whirlpool.

BR Business Roundtable

Statement on the Purpose of a Corporation

Americans deserve an economy that allows each person to succeed through hard work and creativity and to lead a life of meaning and dignity. We believe the free-market system is the best means of generating good jobs, a strong and sustainable economy, innovation, a healthy environment and economic opportunity for all.

Businesses play a vital role in the economy by creating jobs, fostering innovation and providing essential goods and services. Businesses make and sell consumer products; manufacture equipment and vehicles; support the national defense; grow and produce food; provide health care; generate and deliver energy; and offer financial, communications and other services that underpin economic growth.

While each of our individual companies serves its own corporate purpose, we share a fundamental commitment to all of our stakeholders. We commit to:

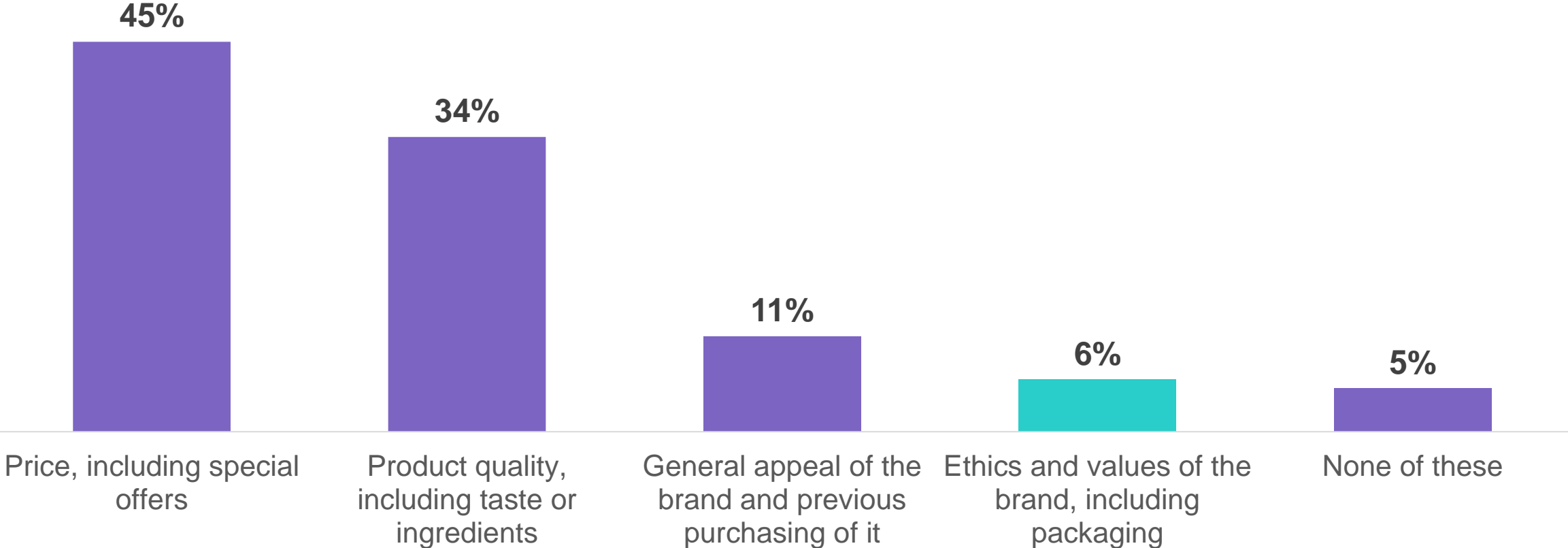
- Delivering value to our customers. We will further the tradition of American companies leading the way in meeting or exceeding customer expectations.
- Investing in our employees. This starts with compensating them fairly and providing important benefits. It also includes supporting them through training and education that help develop new skills for a rapidly changing world. We foster diversity and inclusion, dignity and respect.
- Dealing fairly and ethically with our suppliers. We are dedicated to serving as good partners to the other companies, large and small, that help us meet our missions.
- Supporting the communities in which we work. We respect the people in our communities and protect the environment by embracing sustainable practices across our businesses.
- Generating long-term value for shareholders, who provide the capital that allows companies to invest, grow and innovate. We are committed to transparency and effective engagement with shareholders.

Each of our stakeholders is essential. We commit to deliver value to all of them, for the future success of our companies, our communities and our country.

Released: August 19, 2019
Updated with New Signatures: September 6, 2019

'Ethics and values' is not the factor considered to be most important when shopping for groceries

Most important factor in deciding which grocery brands to buy



Please think about when you are shopping for grocery products that are generally available in an average supermarket. Which ONE of the following four factors is the one you usually consider first or is most important in deciding which brand you will buy?

Base: All GB adults (1684) February 2020

I only buy products from companies that have ethics and values that I agree with



26%

I make an effort to buy fair trade products

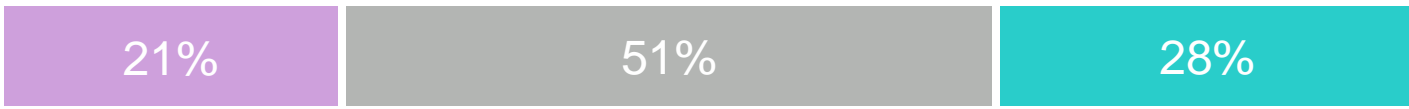
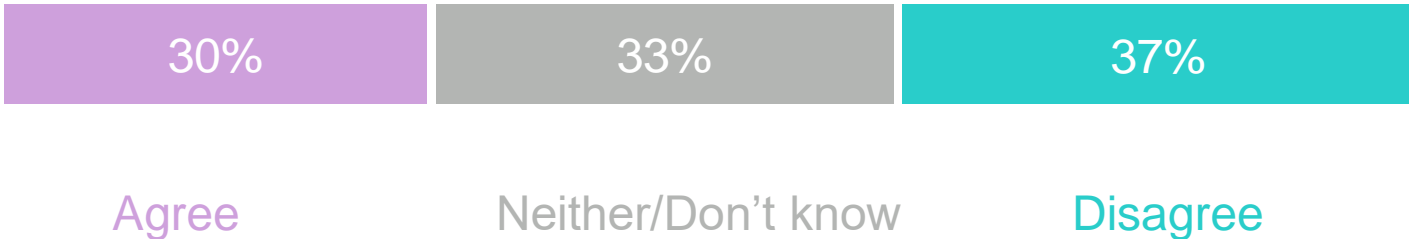


36%

Consumers are sceptical/unclear about corporate attempts to be ethical...

Only 37% disagree that being ethical and sustainable is just the latest corporate fad

Being ethical and sustainable is just the latest fashion or fad for companies



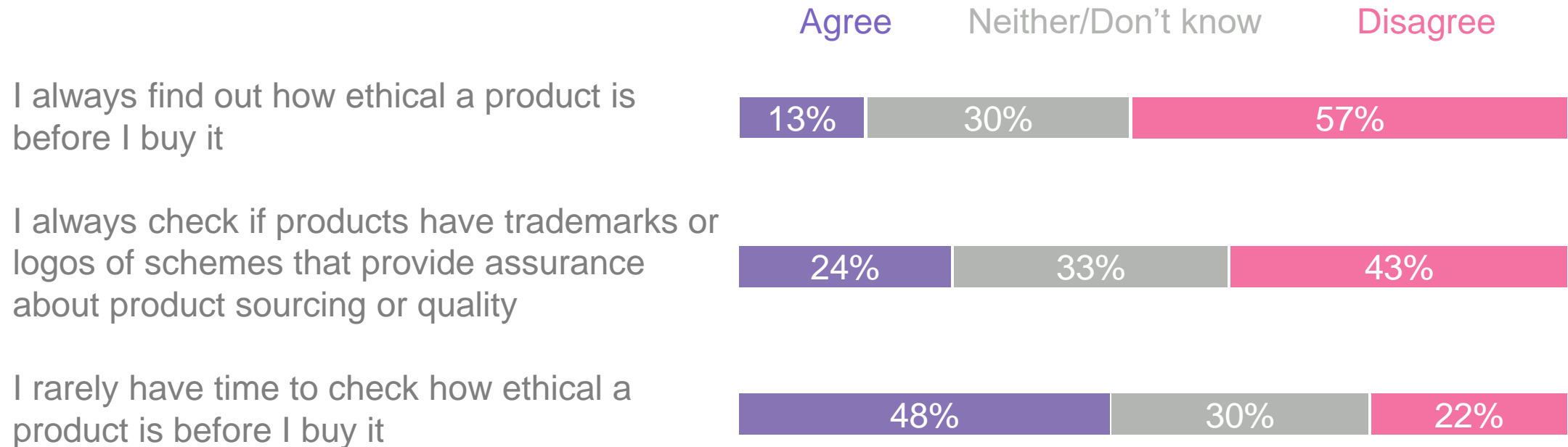
Big companies are becoming more ethical and sustainable

And just 21% agree big companies are becoming more ethical and sustainable

There is a small group of people who are highly motivated to check product ethics

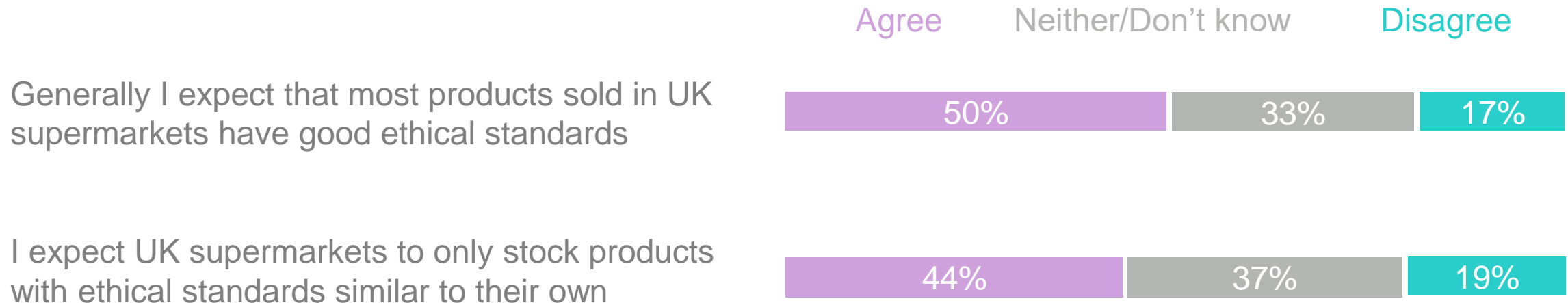
There is a larger group who claims to always look for assurance on the packaging

But almost half say they rarely have time to check product ethics before purchasing



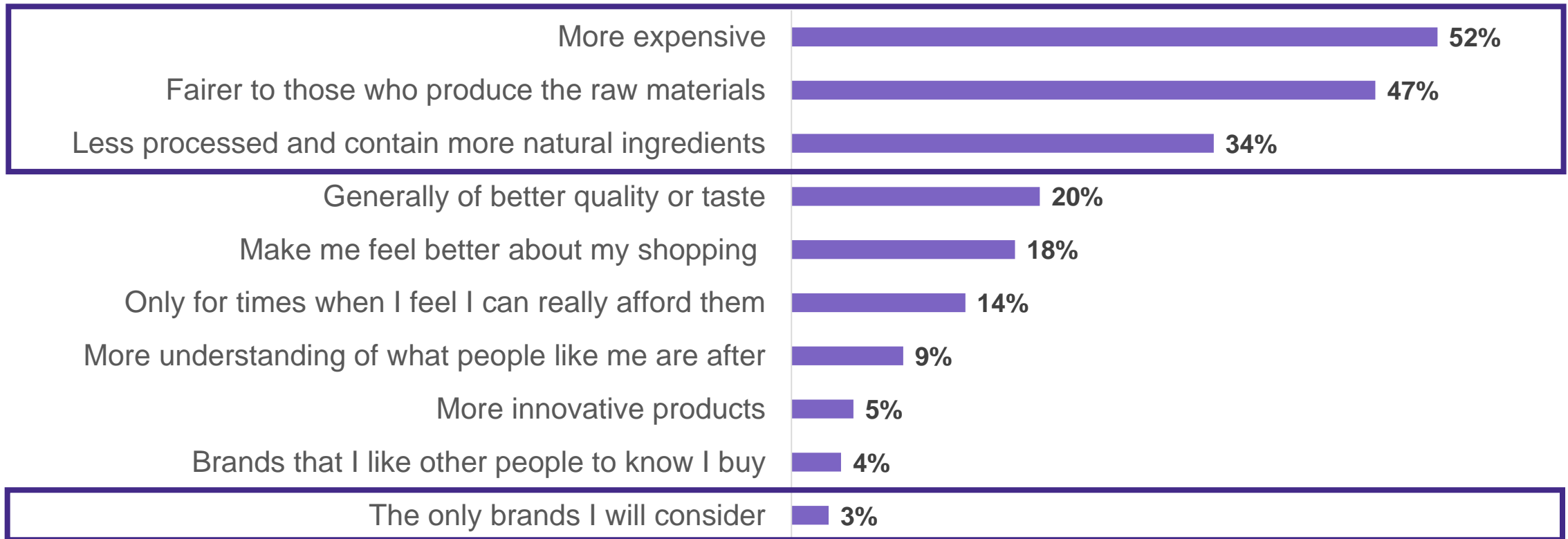
Half (50%) of consumers put the ethical ‘decision making’ onto the supermarket, expecting stocked products to generally meet good ethical standards

Only a few (19%) disagree those products’ standards will be the same as those of the supermarket



The public has a clear view: products with the best ethics and values are higher priced, have a fairer supply chain, & less processed/more natural.

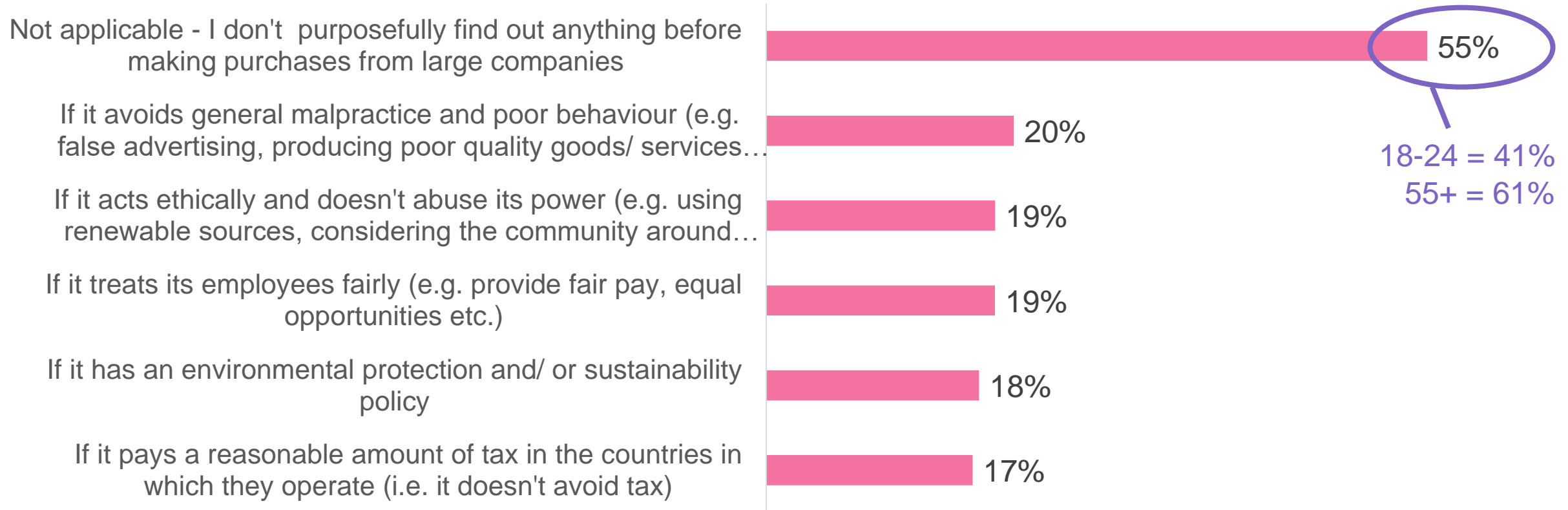
Grocery brands which have the best ethics and values tend to be...



What shoppers care about

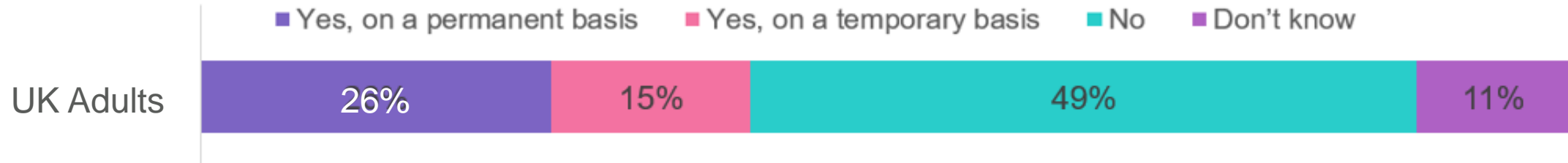
Almost half (45%) claim they look into 'ethical' issues about a company before making a purchase from it

Thinking about when you are making a purchase from a big company, which, if any, of the following do you purposefully find out about the company before making these purchases?



41% claim to have ever boycotted products

Have you ever stopped buying goods or services from a company because you feel they conduct their business in an unethical manner?



Animal welfare is top ethical concern for shoppers when buying groceries, followed by packaging (recyclability and amount)

Specific concerns when shopping for groceries





	A lot	A little	TOTAL
Animal welfare	40%	36%	76%
Recyclability of packaging	37%	39%	76%
Amount of packaging	37%	39%	76%
Amount food has been processed	30%	41%	71%
Use of pesticides	29%	35%	64%
Amount of refined sugar	28%	36%	64%
Harsh chemicals in cleaning products	28%	35%	63%
Use of colouring, flavourings or preservatives	25%	40%	65%
Use of palm oil	25%	30%	55%
Food miles	13%	32%	45%
Use of wheat or other 'fillers' in foods	12%	27%	39%

Concern for basket of ethical issues is highest among Waitrose shoppers, then Coop and Aldi.

Specific concerns for grocery shoppers, broken down by key worries (“a lot”)

	Aldi	Asda	Lidl	Morrisons	Sainsbury's	Tesco	Co-op	Waitrose
MEAN SCORE	28%	22%	27%	27%	26%	23%	29%	42%
Animal welfare	46%	32%	44%	44%	36%	40%	45%	60%
Recyclability of packaging	40%	35%	34%	38%	34%	37%	53%	52%
Amount of packaging	38%	32%	36%	41%	33%	38%	53%	63%
Amount food has been processed	35%	26%	34%	30%	34%	27%	25%	55%
Use of pesticides	28%	27%	36%	30%	31%	26%	34%	50%
Amount of refined sugar	30%	25%	28%	32%	35%	22%	19%	40%
Harsh chemicals in cleaning products	32%	27%	38%	26%	32%	24%	33%	53%
Use of palm oil	28%	18%	26%	22%	28%	24%	28%	42%
Use of colouring, flavourings or preservatives	26%	21%	25%	29%	26%	22%	21%	48%
Food miles	11%	12%	10%	17%	13%	11%	23%	29%
Use of wheat or other ‘fillers’ in foods	16%	10%	10%	13%	13%	9%	12%	15%

Most ethical or certified logos are ‘good to know but not crucial’, bar Not Tested on Animals

Importance/appeal of ethical logos and trademarks					
		Relevant products must have this for me to buy them	Good to know, but not critical	Not interested	Don't know the logo/trademark
	Not Tested on Animals	40%	40%	9%	11%
	Lion Eggs	26%	42%	14%	17%
	RSPCA Assured	21%	51%	13%	15%
	Red Tractor (Assured Food Standards)	20%	50%	12%	18%
	Certified Sustainable Palm Oil	19%	41%	17%	23%
	Fairtrade	18%	65%	11%	6%
	Rainforest Alliance	15%	52%	13%	20%
	Soil Association Organic Standard	9%	45%	20%	27%
	Vegan	6%	26%	59%	9%

Actions to take & avoid

PURPOSE AND VALUES

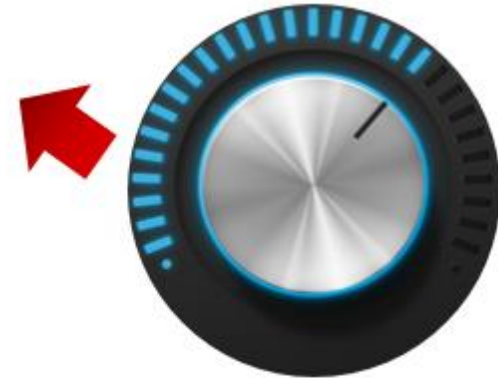


REPUTATION

COMMUNICATIONS

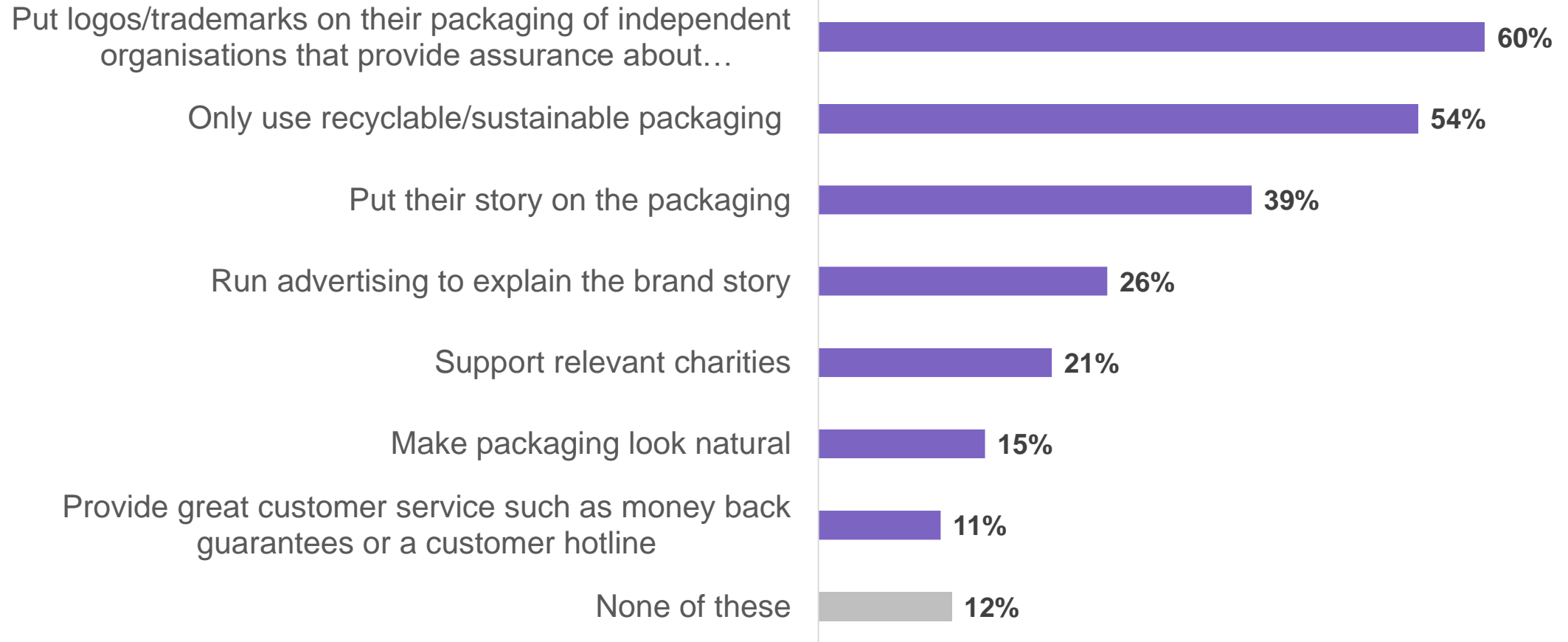


BEHAVIOURS



Assurance logos and packaging are best ways of conveying ethics and values

Ways of conveying ethics and positive values



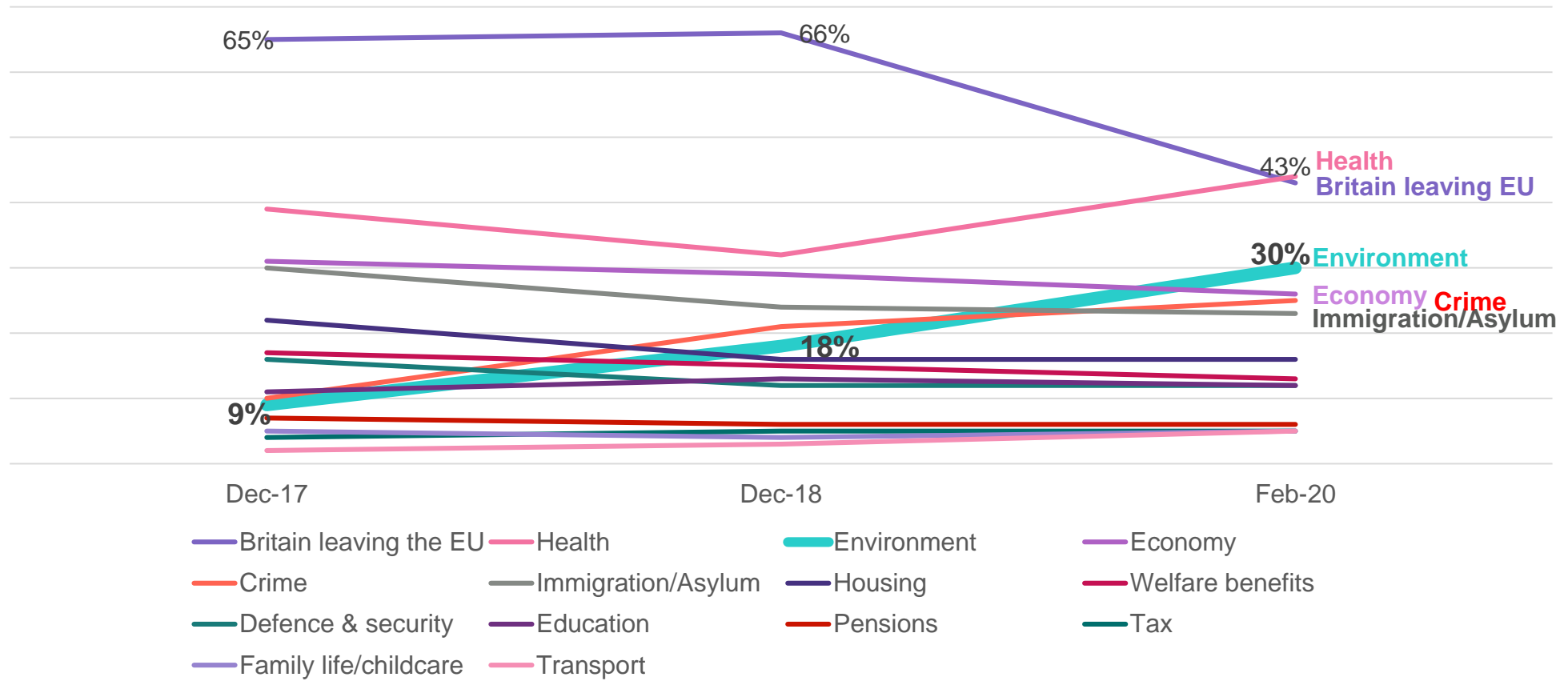
Corporate behaviours that most exorcise the public are profiteering, lying and poor treatment of employees



Importance of the Environment

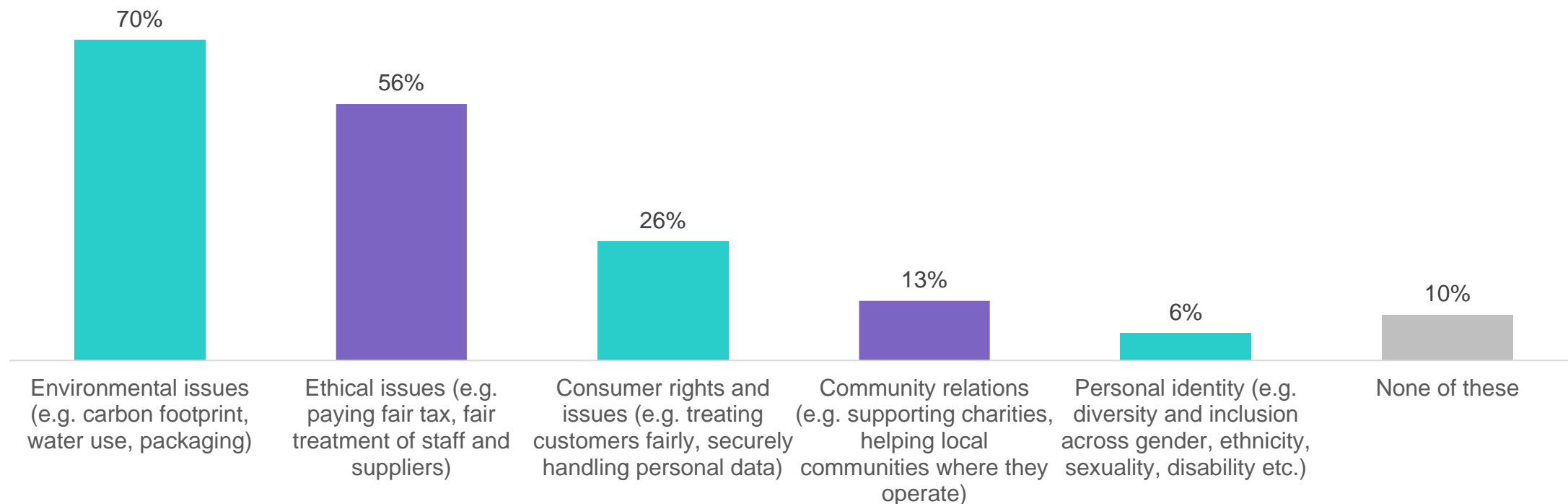
Environment: Dec 2017 = 10th most important issue to Brits Feb 2020 = 3rd

Top Issues for UK Public (select up to 3)



70% of Brits say grocery manufacturers should focus on environmental issues in coming years with ethical issues not far behind in second (56%)

Wider issues to focus on in the next few years (select up to 2)



Summary Points

- Very few members of the public say ethics and values come first when choosing groceries – just 6%
- But a quarter (26%) say they only buy products from companies that have ethics and values they agree with, and 41% claim to have boycotted a firm due to its unethical behaviour
- There is a lot of cynicism around the subject, only a third (37%) disagree that ethics & sustainability is just a corporate fad
- Many shoppers are expecting supermarkets and manufacturers to do the work for them – shoppers are looking for simplicity and assurance
- Environmental and sustainability considerations dominate but other ethical behaviours (fairness, treatment of others) must also be embraced for the public and wider stakeholders

Thank you

**The best panel,
the best data,
the best tools**

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