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# REPUTATION AND INTEGRITY IN THE TRANSPARENCY ERA: IMPLICATIONS FOR SEAFOOD

# Agenda



Transparency is all around us



Connect transparency and trust



The pillars of shopper trust



Reputation & integrity as the foundation



Implications for seafood

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# We are more informed than ever...



puurBuy.com

ONE-LINE PITCH

*A mobile/web hub that connects millions of sustainable businesses & products with customers wanting to live sustainable & impactful lives.*



# Building brand trust by providing transparency



Digital labelling – Nestle, Global

QR codes in-store - Sobeys, Canada

“We have a wealth of information about the nutritional value and the environmental and social impacts of what we produce, and it makes sense to share that with consumers.”

Patrice Bula, Nestlé’s Head of Strategic Business Units, Marketing and Sales.

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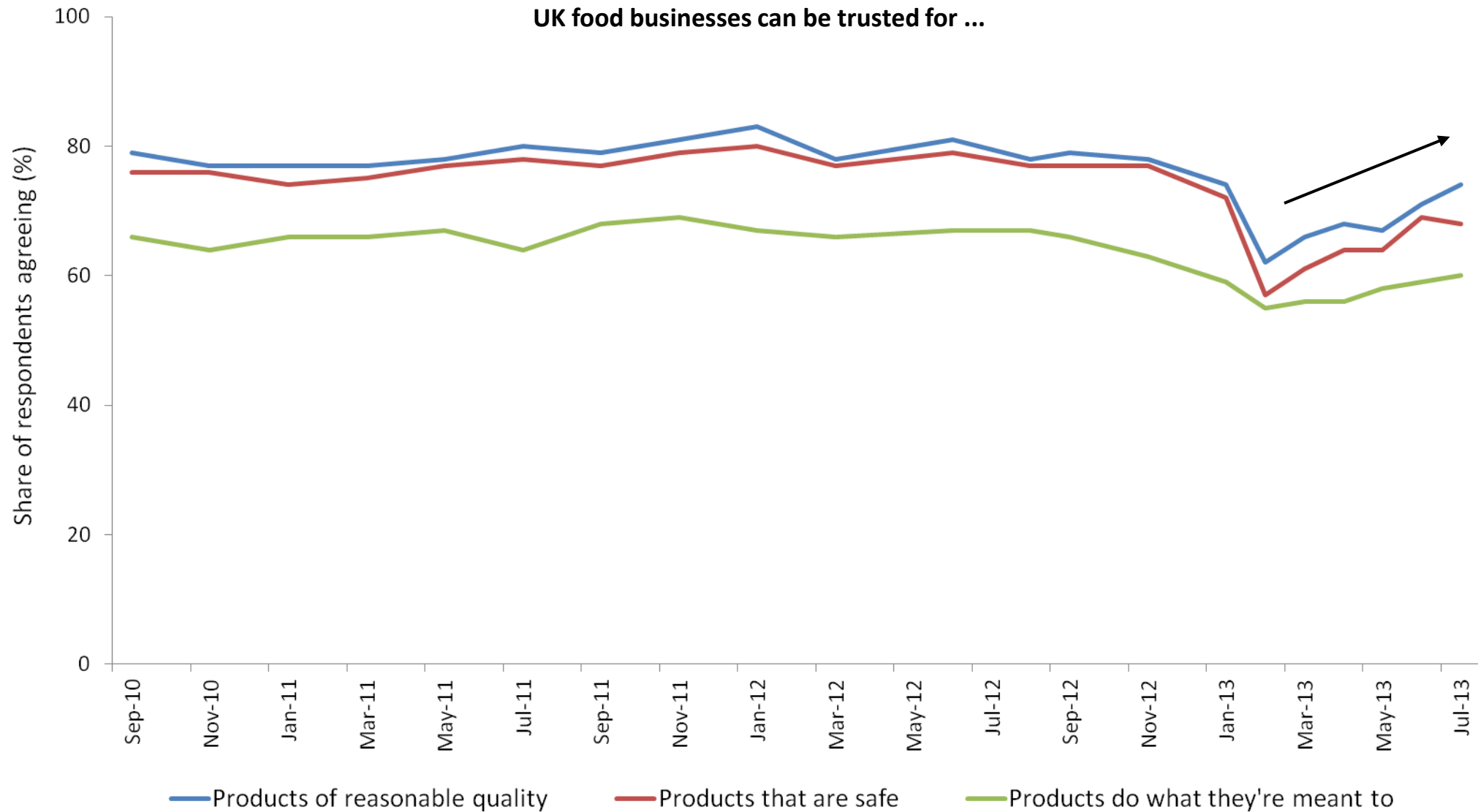
Implications for seafood

# Food and Grocery Reputations

Reputation Index – selected leading companies

<b>1</b>	<b>Rolls Royce</b>	<b>12</b>	<b>Tate &amp; Lyle</b>
<b>2</b>	<b>Dyson</b>	<b>14</b>	<b>Birdseye</b>
<b>3</b>	<b>Boots</b>	<b>15</b>	<b>Greggs</b>
<b>4</b>	<b>Marks &amp; Spencer</b>	<b>17</b>	<b>ASDA</b>
<b>11</b>	<b>Sainsbury's</b>	<b>18</b>	<b>Energiser</b>

# The trust factor



Source: ShopperVista, IGD Research, August 2013

Base: 1,000 main shoppers per month, balanced sample



# Food as Theatre – Tesco Repositioning



Strong quality perceptions and a warm welcome





# Food as Theatre - Destination



Cold Storage,  
Singapore

Ole, China



**High quality, visually appealing**

# Omnichannel Transparency – Trust the Technology



As part of Tesco's 'Clicks & Bricks' strategy, where it is **looking to create a seamless experience between its stores and its online offer**, there are a number of features in-store that highlight how this is evolving.



An 'endless aisle' screen in toys allows shoppers to browse the full range and order in-store.



A screen and promotion in the snacking aisle promotes movie rentals from Blinkbox, Tesco's digital entertainment service.



A large Click and Collect desk is located along the back wall, with pods to order Tesco's full range in each general merchandise zone.

An iPad in BWS helps customers choose the right whiskey.



Point of sale in **clothing** reminds customers that more styles and sizes are **available online**.



# Trust and transparency

**Food safety is a top priority – transparency to establish trust**



Suppliers deliver fresh produce directly to the shelf in this Aeon Max Valu supermarket, Japan. Photos of farmers and information about the products at the shelf edge help shoppers visualise the journey from farm to fork

Metro in China provides traceability codes on meat products which can be scanned at a kiosk in store. This provides assurance about product origin and authenticity.



In this Shanghai store, Carrefour has installed digital screens which link to its food testing laboratories. This serves as a window into the testing process and a visual manifestation of transparency

# Transparency and Choice Editing



1. In May 2009, Loblaw made a commitment to source all seafood sold in its corporate and franchised locations to come from sustainable sources by the end of 2013
2. In-store sustainable seafood public awareness campaign
3. Sustainable seafood website [www.oceansfortomorrow.ca](http://www.oceansfortomorrow.ca).
4. Input from NGOs, including WWF and SeaChoice, on species selection

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# Continuing focus on the shopper – even more so

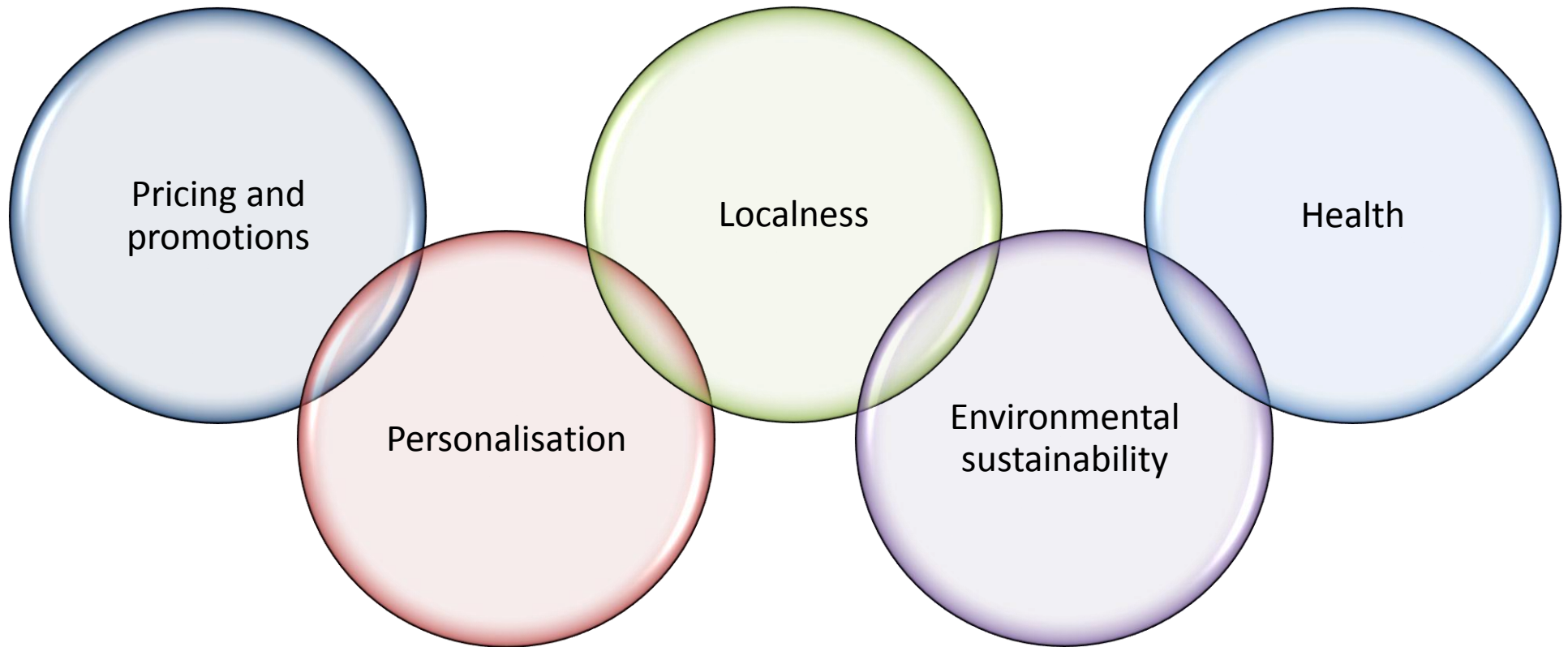
*Suppliers were asked which three areas will become more important in trading relationships in the year ahead?*

*Answer: Understanding the shopper*



- Retailers and suppliers agree that “*Understanding the shopper*” is and will remain a **key focus area** in trading relationships.
- Suppliers have made good progress in building their capability in this area, but **capability remains very polarised**. Expect even stronger focus in the future.
- 79% of retailers are looking to suppliers to develop greater capability in **turning shopper insight into activation**.
- Over half of retailers are looking for suppliers to develop **bespoke shopper programmes** for each of their store formats.

# Five priorities for winning shoppers' trust

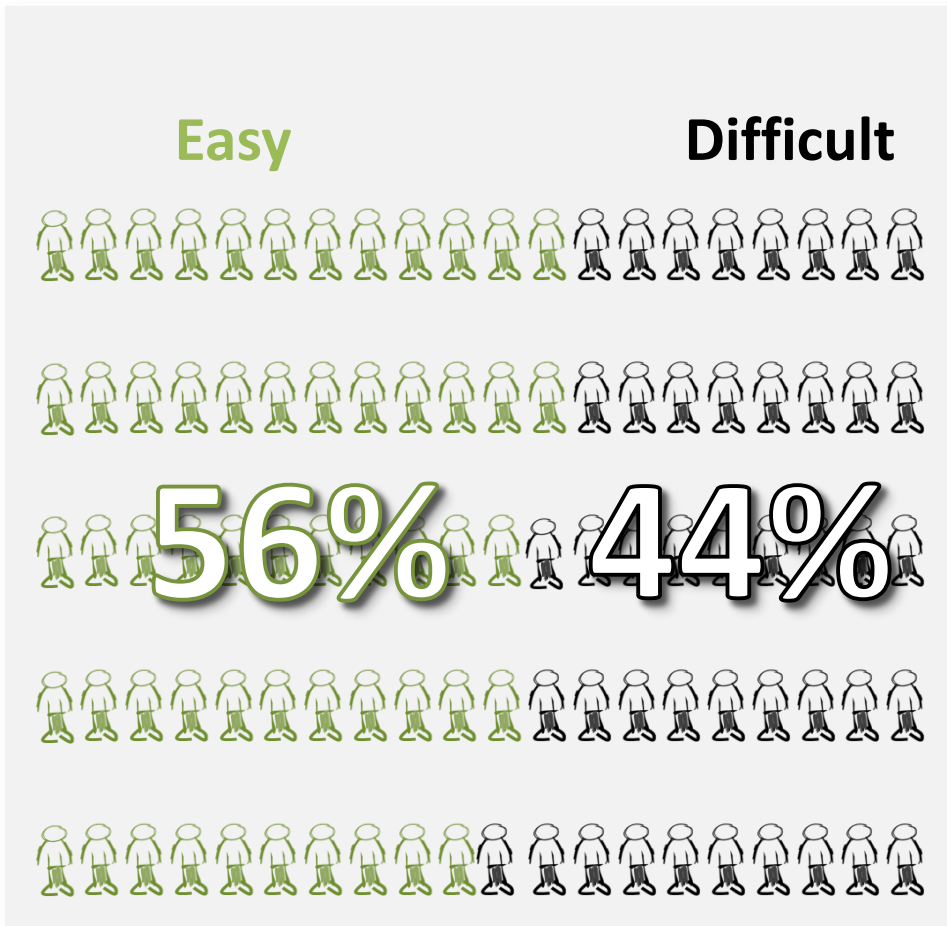






# Shoppers are split on ease of finding the best value

How easy is it to compare prices and find the best value products in store?



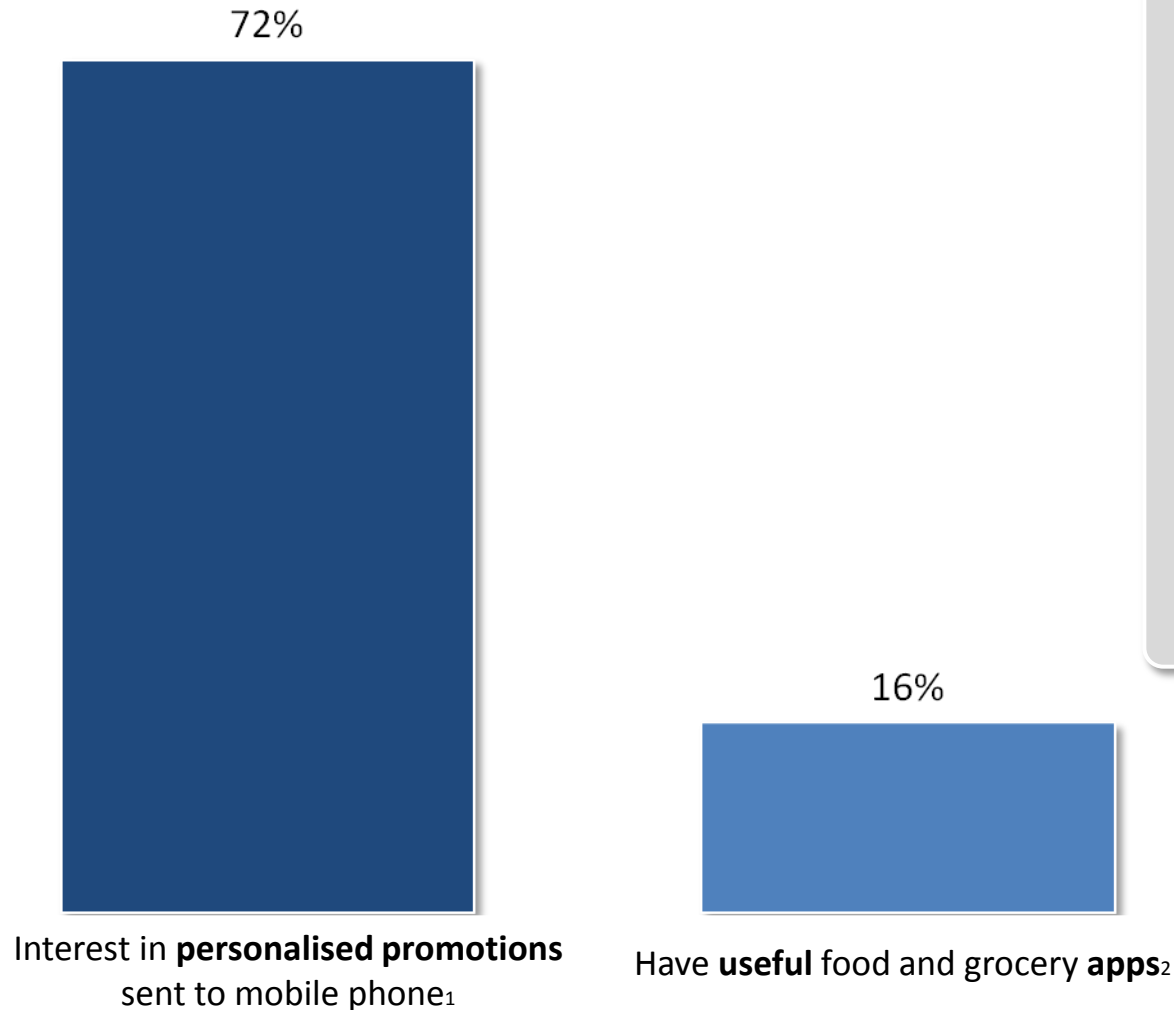


## Beyond price, quality is prioritised for added value

- Apart from price and promotions, shoppers prioritise **quality ingredients** as the added value benefit that appeals to them most
- There is demand from shoppers for products that showcase added **health** benefits, ranked second
- Shoppers are yet to be convinced that the food industry helps people make healthy choices



# Demand for personalised promotions



\*\*\*\*\*  
"They should do more  
apps with  
personalised  
vouchers alerting me  
to oncoming offers.  
That would be  
fantastic."

\*\*\*\*\*  
Shopper



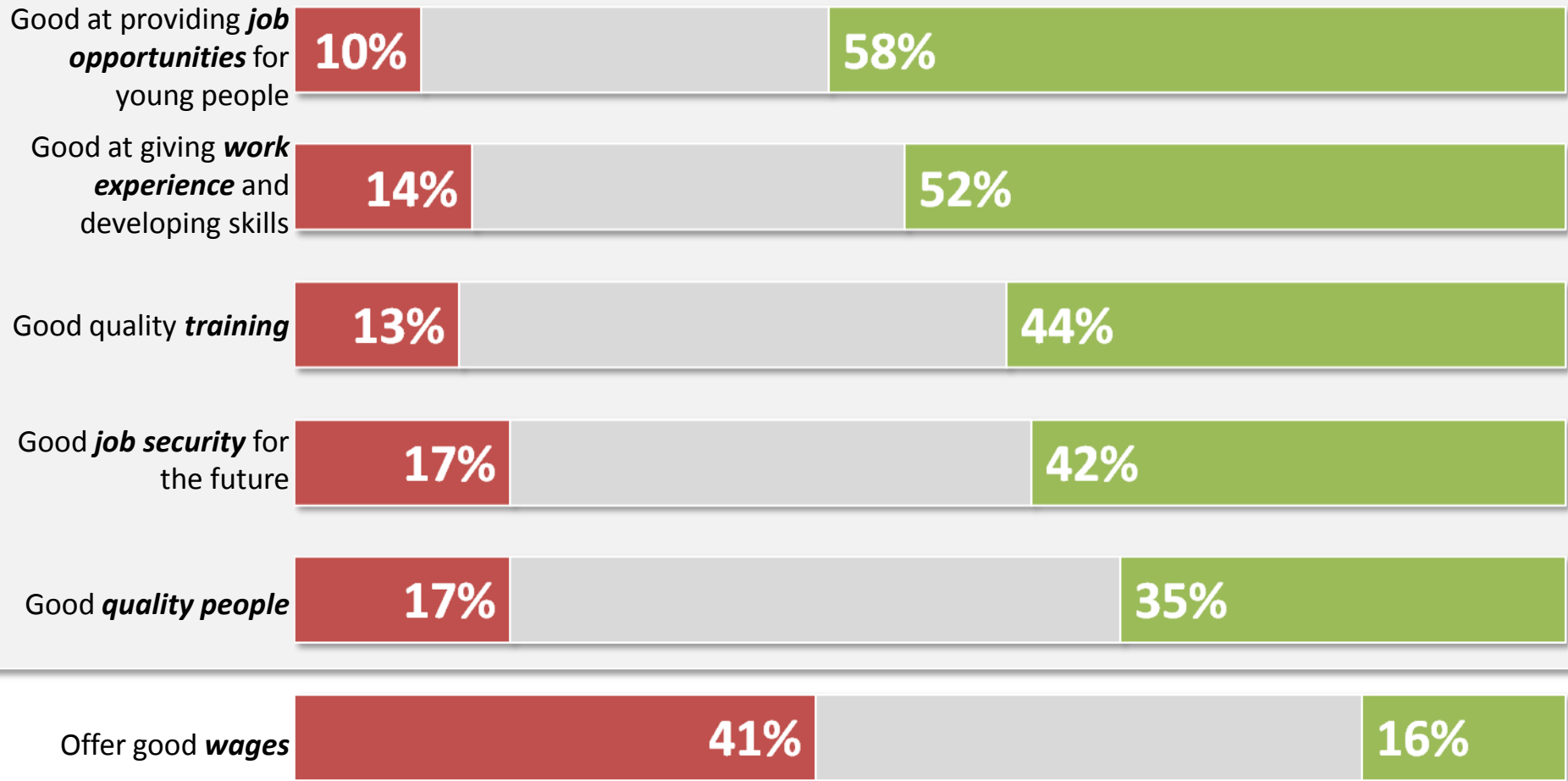
## Local food is important to shoppers





# Trusted for skills and employment

■ Disagree    ■ Neither agree nor disagree    ■ Agree







# Feeding Britain's Future



FEEDING  
BRITAIN'S  
FUTURE



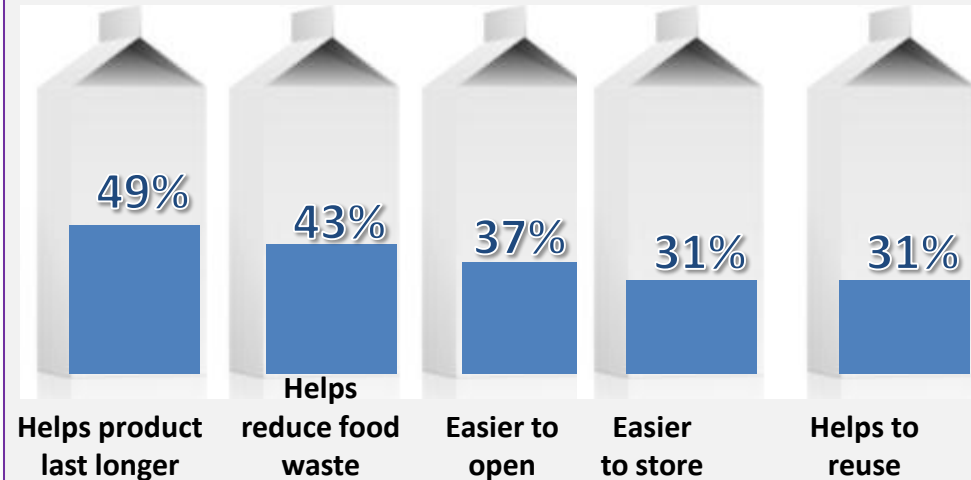


## Packaging innovation to extend shelf-life prioritised



- Shoppers want to see more applications of packaging solutions that extend product shelf-life (e.g. resealable), across a wider variety of products and categories
  - *“I buy spreadable butter as it keeps. If you leave normal butter in a dish it turns”* older family, C2D
- Packaging that makes it easier to access all of a product before it is thrown away, thereby reducing food waste, is a key request
  - *“I prefer cans (of soft drinks). With bottles, the fizz goes and you end up throwing it away”* pre-family, BC1
- Requests for improving certain existing packaging also ranks highly, with shoppers wanting them to be easier to **open** and **store**

% who would like more packaging that... (top 5)



### Implications

- New packaging technology that aims to prolong shelf-life will need to explicitly explain the waste benefit should shoppers perceive it to involve excess packaging, as they look to support shoppers in reducing food waste
- Packaging innovation should endeavour to offer shoppers additional functional benefits and emphasise instances where packaging helps reduce food waste



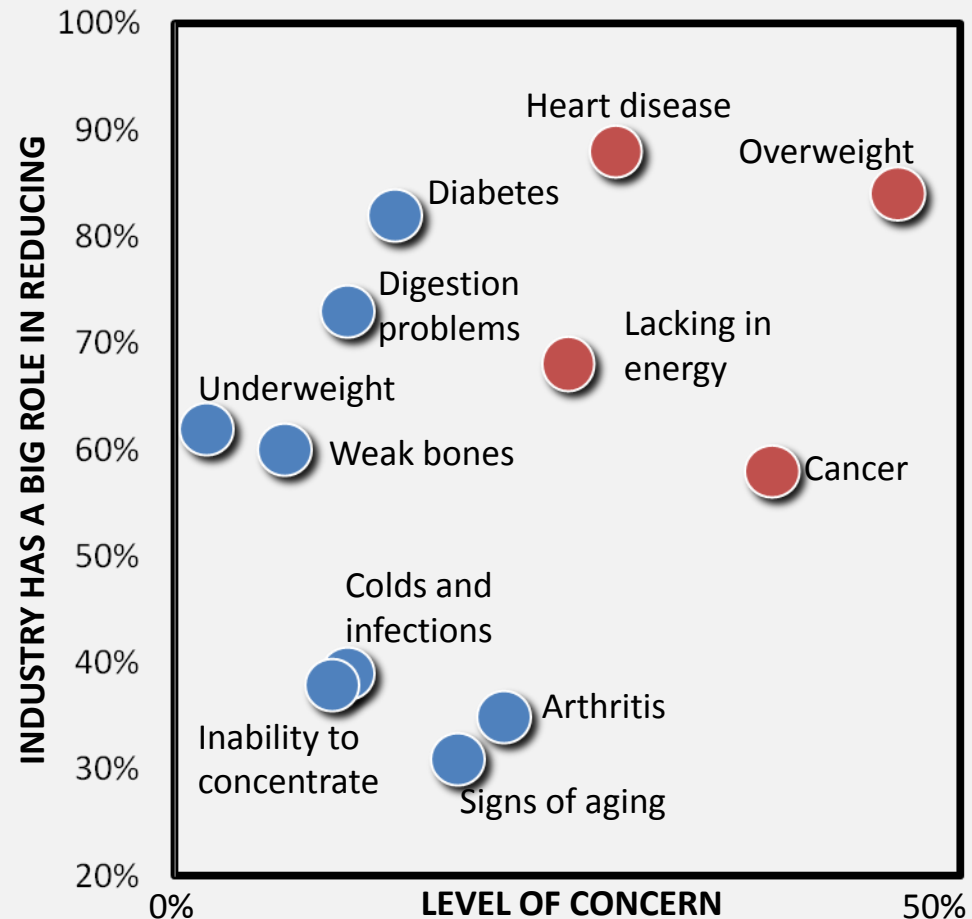
# Shoppers' high expectations of industry for health



- We've identified **four priority health concerns** in which shoppers believe industry has a key role to play
- Expectations are high for reducing the risks of **heart disease** and being **overweight** – more than eight in ten believe industry should have a very or fairly big role
- Shoppers also believe industry can help to alleviate two other key health concerns – around six in ten expect industry to have a big role in reducing the risk of **cancer** and to solve a lack of **energy**
- Expectations are also high for industry having a big role in reducing the risks of diabetes, digestion, being underweight and having weak bones, even though relatively few are concerned about these
- There is **low health concern and expectations** for industry to reduce arthritis, signs of aging, colds and infections and inability to concentrate

## Implications

- There is still work to do to raise awareness of the work that industry is already doing to provide healthy choices and help tackle obesity through [The Government's Public Health Responsibility Deal](#)





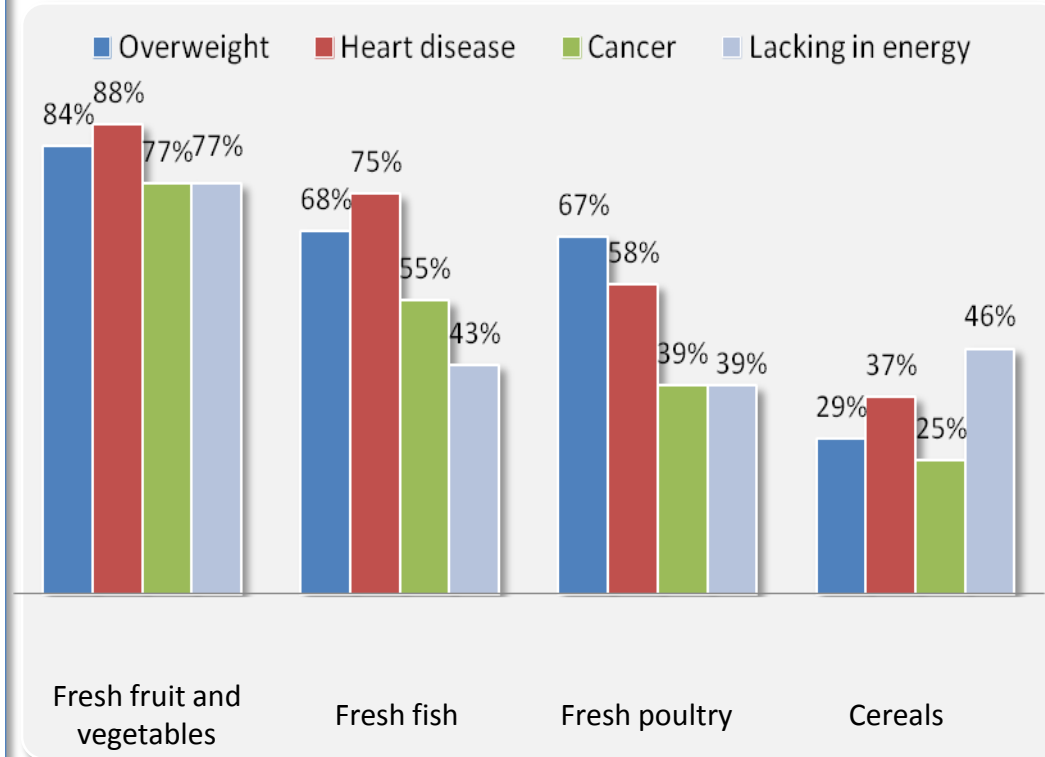


## Fresh is seen to be best for reducing health risks



- Shoppers believe that **fresh produce** is best at helping to reduce key health concerns
- A diet that includes **fresh fish** and **poultry** is seen to be particularly good for weight reduction and for reducing the risk of heart disease
- Shoppers rank **cereals** second as the category that is best at overcoming a lack of energy
  - *“It (cereal) releases energy so it makes you feel fuller for longer. So the same as fibrolite. It stops you picking at stuff”* pre-family, BC1
- Shoppers are more likely to believe certain **soft drinks** are best at helping to providing energy and helping with concentration
  - *“It’s (energy drink) the best thing I’ve found to keep me hydrated. I’m sure it makes me concentrate a lot more”* pre-family, BC1

Top four categories for helping reduce health concerns\*



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# Rebuilding trust



Shoppers' trust for product safety, quality and authenticity is beginning to rebuild following the impact of the horsemeat issue

## Business challenge

- Since the horsemeat issue shoppers are **reappraising their trust** and question the products they buy

## Morrisons and building trust in fresh

- In-store messaging on **freshness, quality, expertise** and personal assurance
- The **guarantees on range and freshness**, including the produce managers personal promise, gives shoppers confidence
- Morrisons also communicated their **vertically integrated supply chain** directly to shoppers

*"We work direct with farms, even owning our very own..."*

Dalton Philips  
Morrisons Chief Executive



## What does this mean for you?

- **Shoppers need to trust the companies and brands** they buy from
- **Demonstrate integrity, transparency in food production, product quality and authenticity** to benefit

# Quality reassurance



Shoppers suddenly became more quality focussed in February, suspending the saving money emphasis that had been growing in intensity since the 2012 summer of sport , at least temporarily

## Business challenge

- Quality never went away, though the top priority was value recently. **The challenge is now to successfully offer both**

## How Sainsbury's combine value and quality

- 'Everyday food made special' adverts are based on simple to make recipes.
- **Showcasing great looking food with the products and prices used clearly communicated**
- **Range is highlighted in store** with aisle banners to highlight the individual products
- **Quality food at an affordable price**



## What does this mean for you?

- Manufacturers should **resist any urge to downgrade** product specifications
- **Quality credentials are valued by shoppers**



# Reliable quality



As the economic downturn has lingered, quality has remained a core component of shoppers' value equation and reliability has become an even more important motivator

## Business challenge

- Four out of five shoppers have **quality as a key driver of their store choice**

## Carrefour guarantee

- Carrefour has introduced **guarantees across its produce and bakery**
- **Consistent communication** across the store helps instil within shoppers a perception of product reliability and quality

## What does this mean for you?

- Shoppers need to be assured products are of a reasonable and reliable quality
- Use of quality assurance standards will reinforce shoppers' confidence



# Sourcing scrutiny



Interest in sourcing information has risen since the horsemeat issue, accelerating the longer term trend for product provenance

## Business challenge

- Shoppers are looking for the reassurance of **clear labelling of ingredients** and **transparency of where their products come from**

## The story of Wondrous Watercress

- **Provenance story** around their watercress range
- Includes **television advertising, online, in-store point of sale and promotion.**
- Each piece of **communication is linked to the others**



## What does this mean for you?

- Consider how you tell your **provenance story**
- **Ensure provenance of ingredients is clear**

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# Implications for Seafood Industry



## Can you help shoppers to ....

**Save money** through pricing, promotions and waste reduction

Receive **added value** through personalised information and added value offers

**Support local** businesses and communities based on easily accessed information

Access **affordable healthy** fresh food more readily

Contribute on **ethical and environmental** issues at no extra cost



## For more information



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# Thank you for your attention