Understanding the Consumer and Carbon

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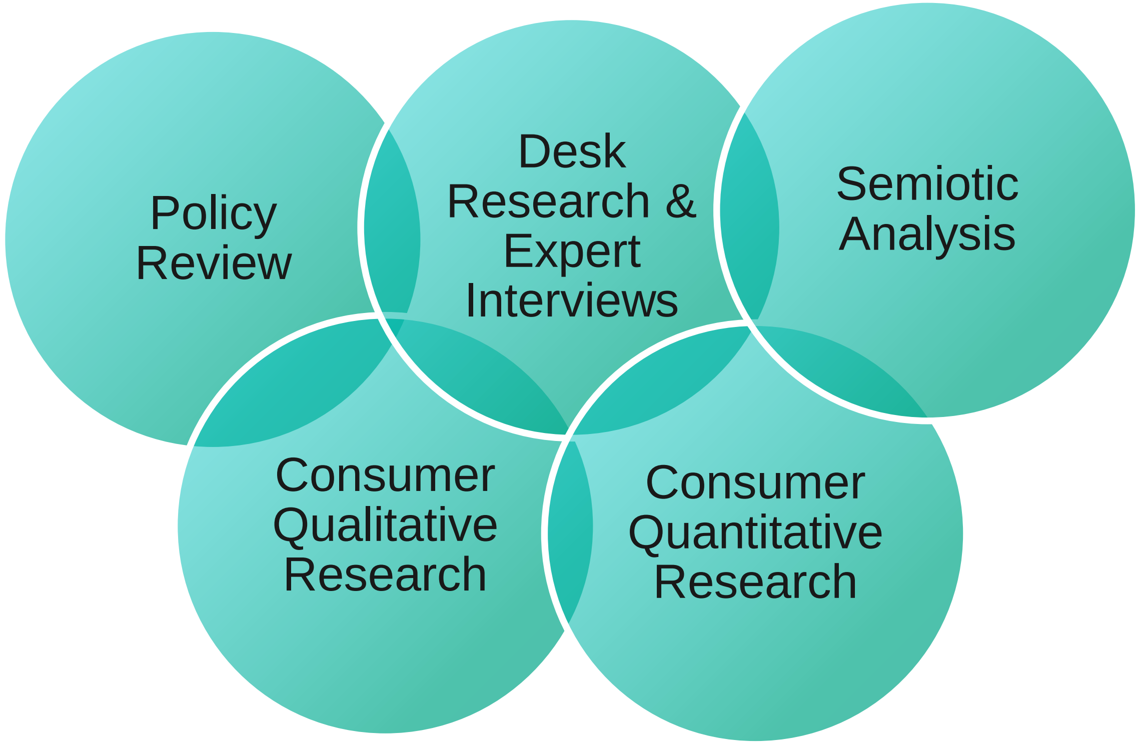
futavista
Brand Progress Through Strategic Imagination

Objectives & Methodology

Core Objective:
Bring clarity to the consumer view of the current and future path of Carbon messaging



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Practical Semiotics

SustainabilityWorks.

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Section A: Carbon Insights

#1 The Carbon Landscape – labelling & communications

#2 So, Where's the Consumer on Carbon?

#3 The Blame Game… who's responsible?

#4 Consumer Cry for Help!

#5 On the Horizon

Section B: The Implications

5 Key Implications for Brands & Business

Section C: Comms Principles

6 Core Communication Principles

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** All statistics, quotes and insights called out have been generated from this study & refer to Irish, UK & German market studies unless specifically stated **

Carbon Claims / Comms & Carbon Label / Marks

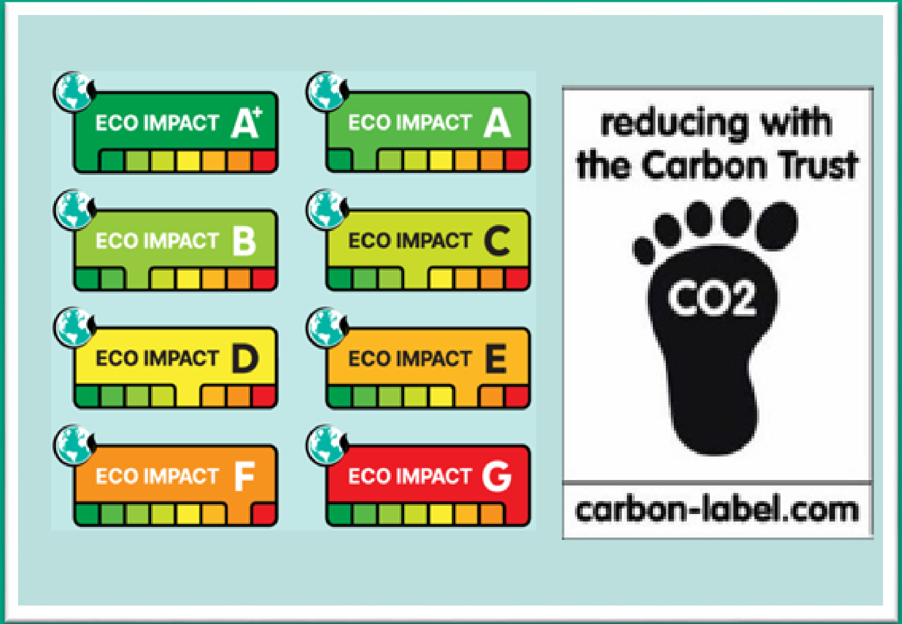
This project explores the world of both Carbon Labels and Carbon Communications

Environmental / Carbon Communications & Claims

Claims made on pack or communications around a brand / organisations positive environmental actions

Environmental / Carbon Labels & Marks (certifications)

Labels (on pack) that state (i) membership of a environmental / carbon reduction scheme (ii) a specific score vs. that scheme



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10 Key Carbon Landscape Insights

This document seeks to call out 10 of the key insight areas that are emerging ahead of the full research debrief. We can think about carbon through the lens of the consumer, industry (brands / organisations) and regulators and policy makers …

Consumer Lens

#1 Carbon Consumer Mindset

#2 Consumer Behaviours & Perspectives

#3 The Blame Game

#4 Emerging Segments

#5 Consumer Needs & Nudges

Industry & Regulatory Lens

#6 Category Engagement

#7 Claims & Clamp-Downs

#8 Marks Today …

#9 Marks Tomorrow ..

#10 Critical Data

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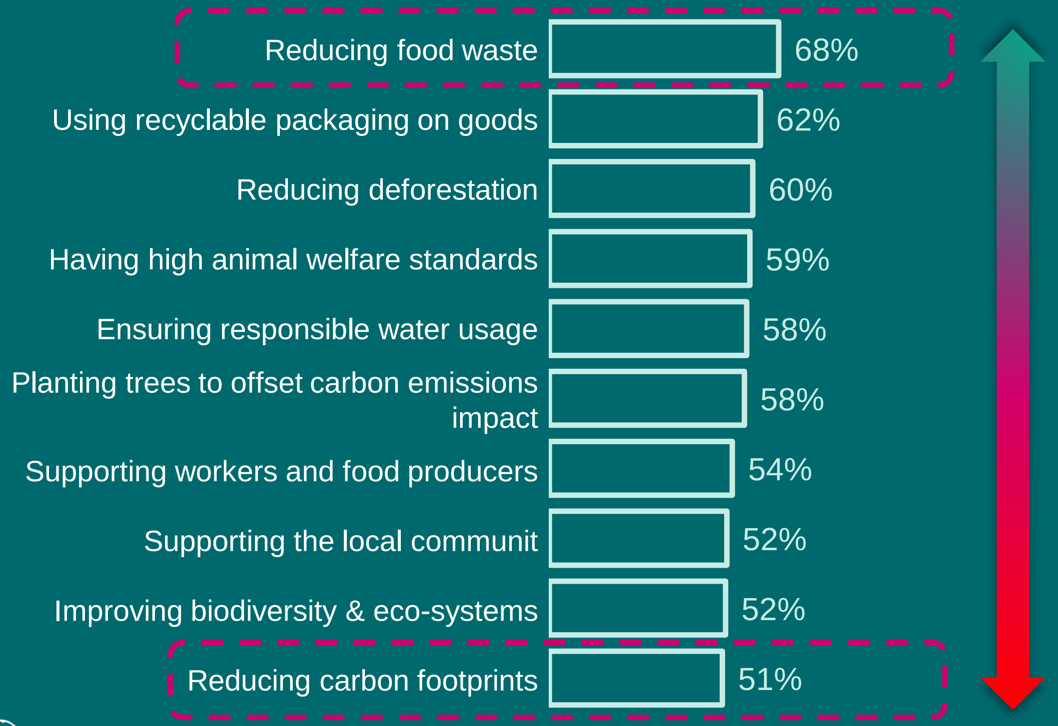
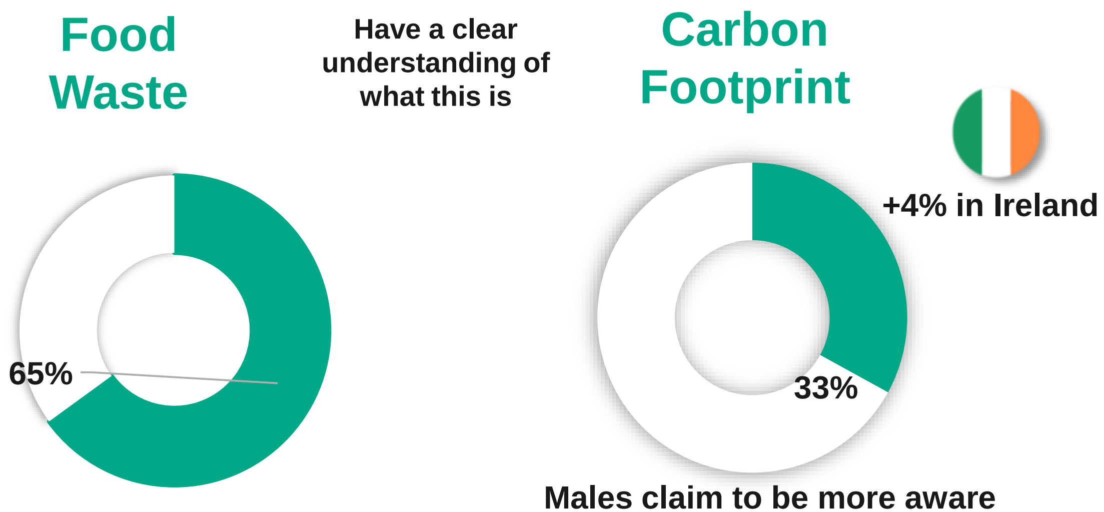
#1Carbon is less important & less clearly understood than other topics

% 8-10 Personally Important

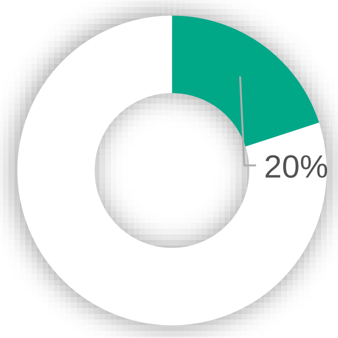


Significant gap in the proportion who have a very clear understanding of what each is

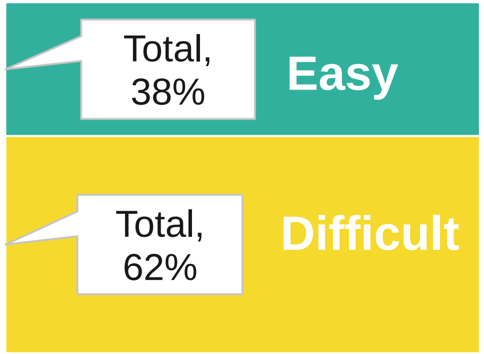


Males claim to be more aware than females (37% vs. 31%)

The incidence of measuring one's own carbon footprint is low….



with almost two thirds who did so rating the process of measuring difficult



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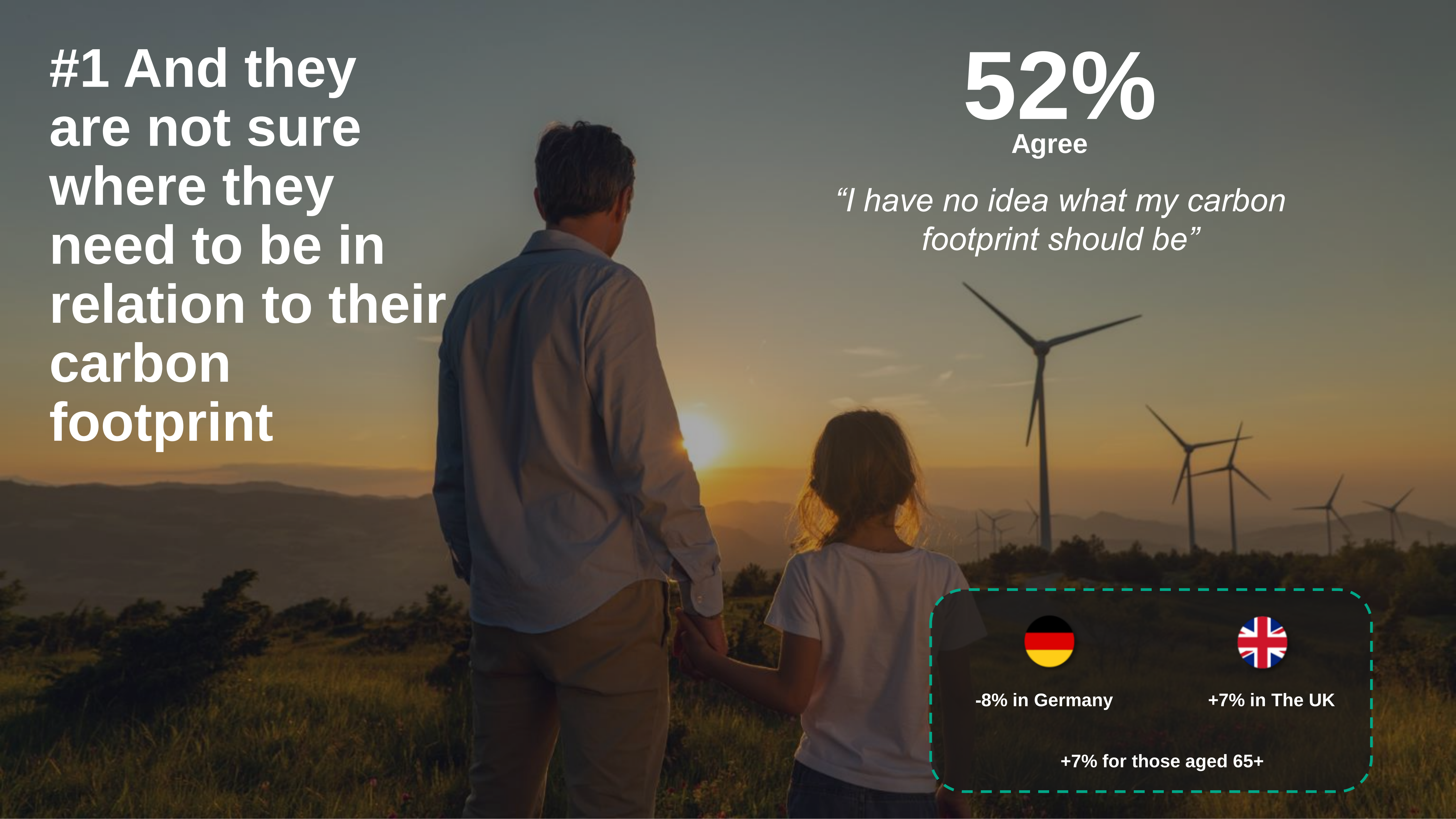
#1 Consumers are also confused by what they are currently being presented with

55%

It's hard to **know what the carbon scores** on packaging means and how they are calculated

53%

There are **too many different messages relating to carbon footprint** and carbon emissions



#1 And they are not sure where they need to be in relation to their carbon footprint

52%

Agree

"I have no idea what my carbon footprint should be"

-8% in Germany

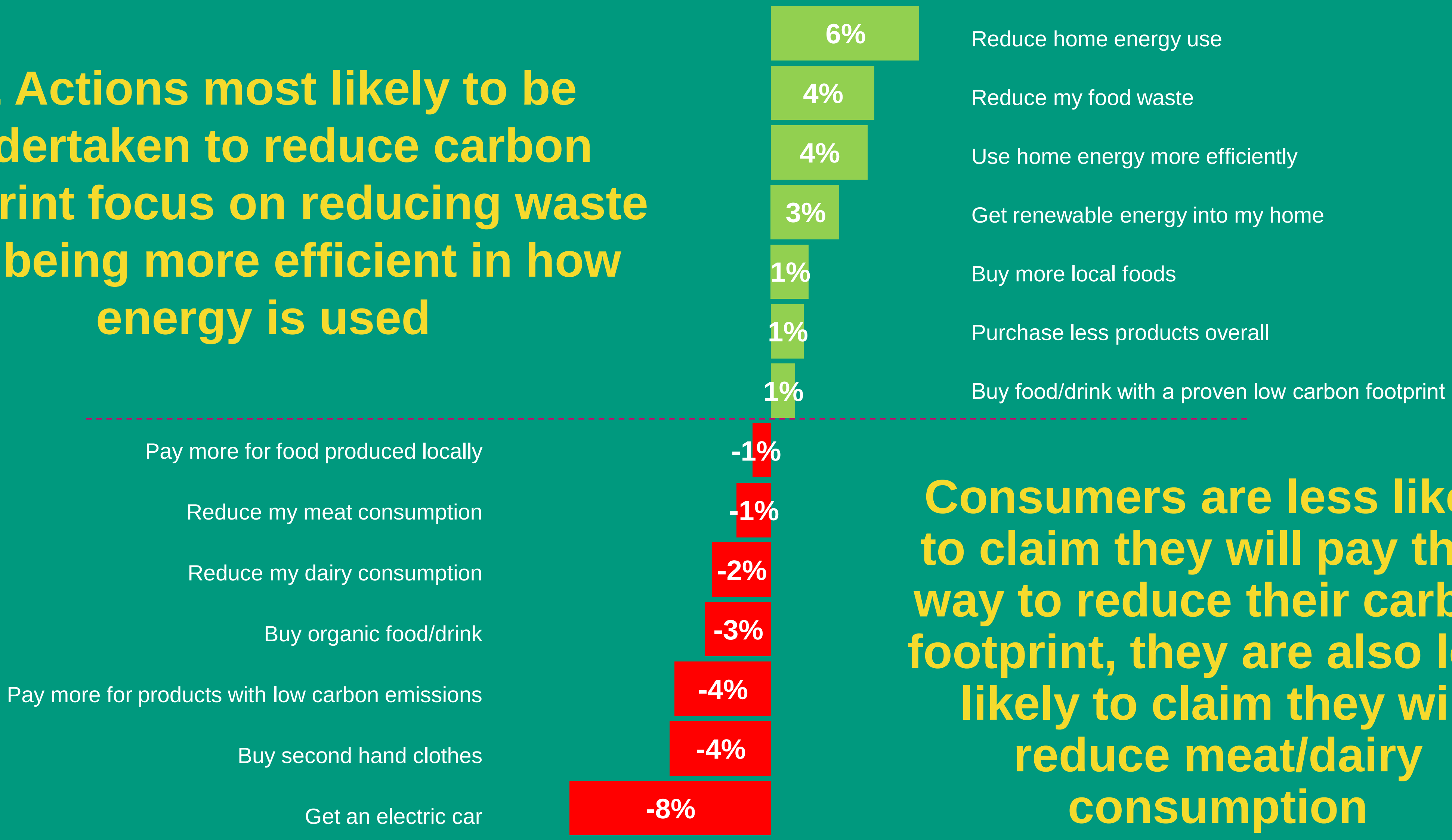
+7% in The UK

+7% for those aged 65+

NET LIKELY BEHAVIOUR

(Action Most Likely to Undertake minus Action Least Likely to Undertake)

#2 Actions most likely to be undertaken to reduce carbon footprint focus on reducing waste and being more efficient in how energy is used



Consumers are less likely to claim they will pay their way to reduce their carbon footprint, they are also less likely to claim they will reduce meat/dairy consumption

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#3 : The Blame Game : Us vs. Them

'US MINDSET'

- My personal actions
- Our actions as a Society

Impact of our individual actions and choices have on the environment

The impact my choices now will have on future generations
(Older Family)

How our everyday actions affect the environment
(Young Pre Family)

Vs

'THEM MINDSET'

- Large Manufacturers / Producers
- Government & Regulators

Impact of production and/or distribution of products and services

The impact of production of food/materials etc. have on the environment
(Young Family)

The distance a product travels to get to consumer, and method of production
(Older Family)

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Slightly more weighting placed on ‘them’

Where the Greatest Responsibility Lies

18%
Us as a Society / Community

15%
Me as an Individual

21%
Government / Policy Makers

19%
Big Manufacturers / Producers

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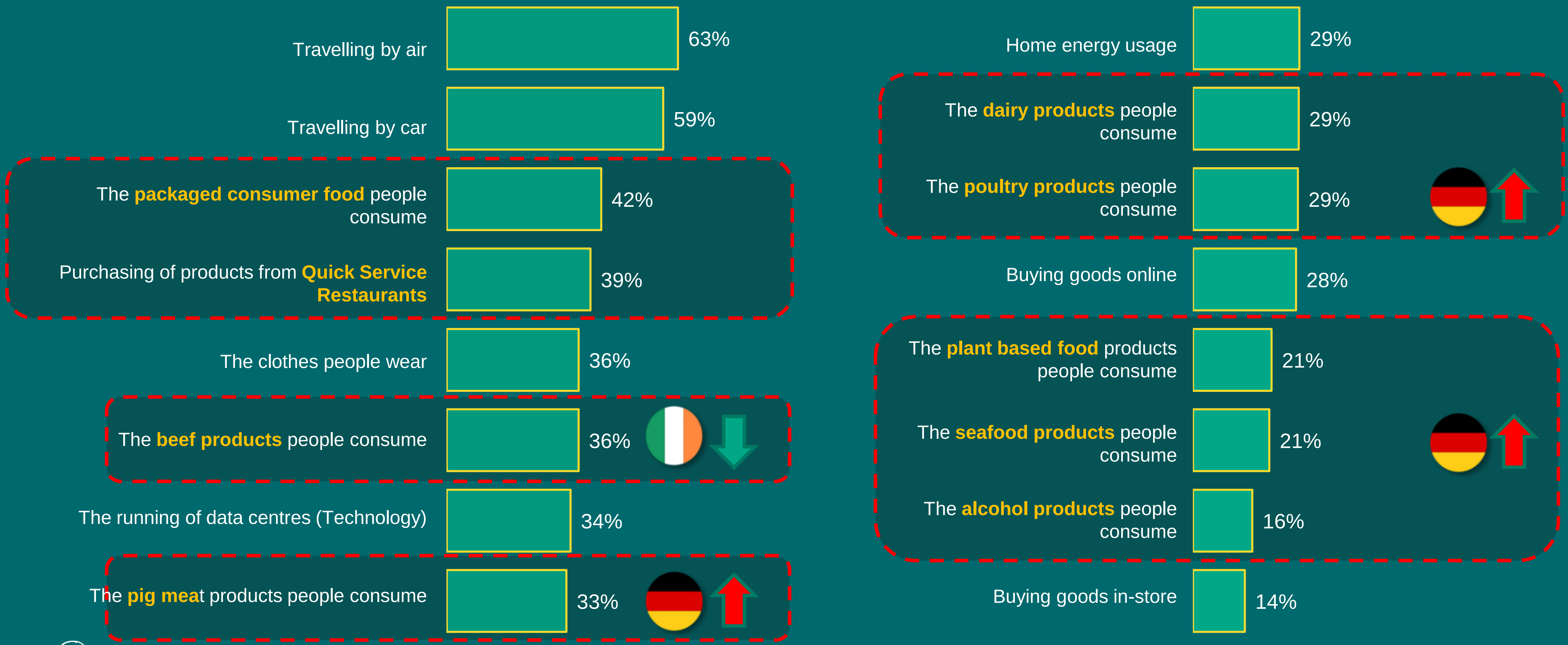
Packaged consumer food ranks highest of the different food types as a contributor to carbon emissions

High Impact - is a significant contributor to carbon emissions (8-10)



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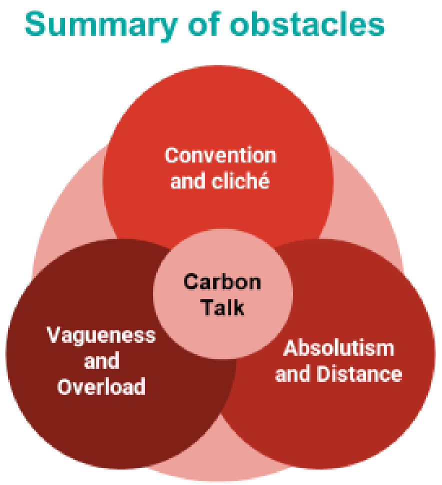
#6: Category Engagement

- Overall low presence of carbon messages by brands (relative to health / other) but high growth

- Big brands are now however entering the playing field
  - *Preparing for carbon regulation & taxes or positioning for consumers*
  - *Some using proxies e.g. local*

- Overall the communications (on & off pack) are not helping consumers as they are confusing, cliched & vague (there are some 'good' examples)



Our Semiotic Analysis showed that while there were some positives, overall the carbon communications / packaging currently in the market are creating obstacles for consumers

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A forest of symbols:

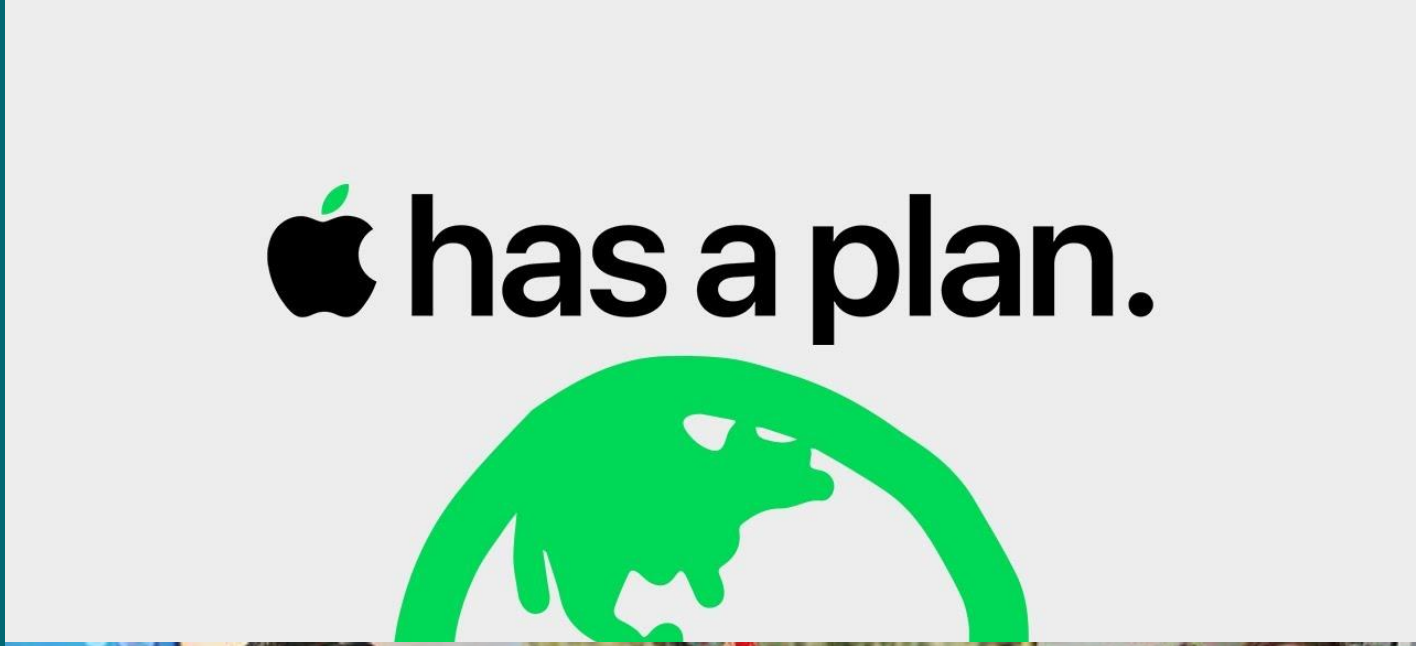
A familiar array of earths, leaves, ticks and green circles

Often accompanied with familiar, expected words: ‘environment’, ‘kind’, ‘planet’, ‘eco’

‘Conventional’ doesn’t mean ‘without value’, but there is a risk of lack of impact

Source: Semiotics & Consumer Ethnography Diaries

SEMIOTIC ANALYSIS



Pledges and commitments can feel abstract and static

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Source: Semiotics & Consumer Ethnography Diaries

Certification Overload

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Source: Semiotics & Consumer Ethnography Diaries

SEMIOTIC ANALYSIS

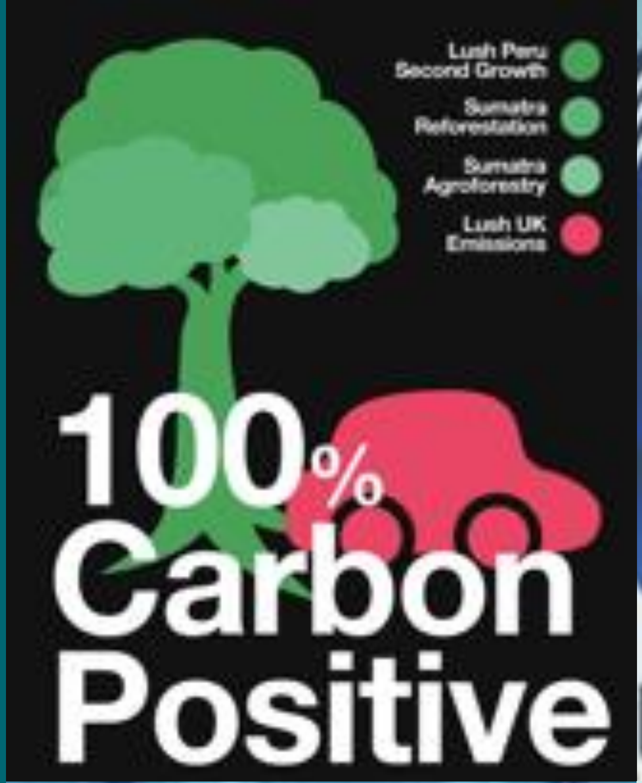
Growing range of certifications being used are causing complexities.

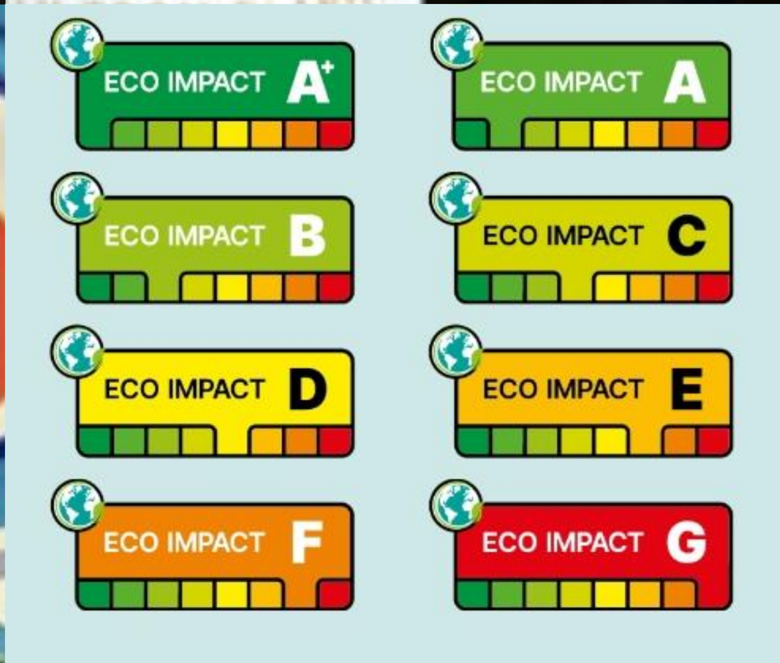
Numbers, images, descriptors crammed into small spaces

Language is chaotic, even contradictory:

‘Climate footprint’, ‘carbon positive’, ‘carbon negative’, ‘climate positive’, ‘score’; ‘impact’, ‘footprint’, ‘credit’...

Graphics are complex and random





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#7 : Claims, Distrust and Clamp Downs

- Leading on from a general sense of consumer confusion there is a clear trust and clarity gap when it comes to the claims companies (in particular big companies) are making
- There is increased regulatory pressure and clampdowns with companies having ads / claims challenged or banned
- What is interesting is that in many cases these companies might generally be perceived as 'green'
- We can surmise it is these pressures that are driving the push from industry for standardisation but also the growth in 'Green Hushing'

Skeptical & Unclear about Carbon claims

66%	54%
'..like companies to be more transparent'	"..I don't trust claims made by big companies;

Oatly ads banned by UK watchdog over 'misleading' green claims

The ASA found claims made in an ad campaign by the alt-milk brand were not backed by sufficient evidence

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#8 : Marks Today …

- There are a wide variety of often competing marks in the marketplace – ranging from singular CO2 focus through to multi issue ‘blends’
- Actors here see the role of marks as (i) Helping consumers make better decisions, easier (ii) Helping companies get credit
- France & Denmark are taking the lead (ahead of the EU) while Germany appears to be waiting for EU guidence
- Elsewhere industry is trying to move towards consolidation

More Common Euro/UK Marks

Recent Industry Collaborations

EcoScore vs Foundation Earth

Method follows the lifecycle analysis by Agribalyse (score/100)

Farming

Processing

Packaging

Transport

Additional bonus /malus points where LCA lacks (from -15 to +20)

Certification
(organic, fairtrade)

Country
of origin

Recyclability of
packaging

Endangered
species

ECO IMPACT B

Method follows the life cycle analysis by Oxford University & Mondara. The score weights 49% carbon, 17% water usage, 17% water pollution, 17% biodiversity

Farming

Processing

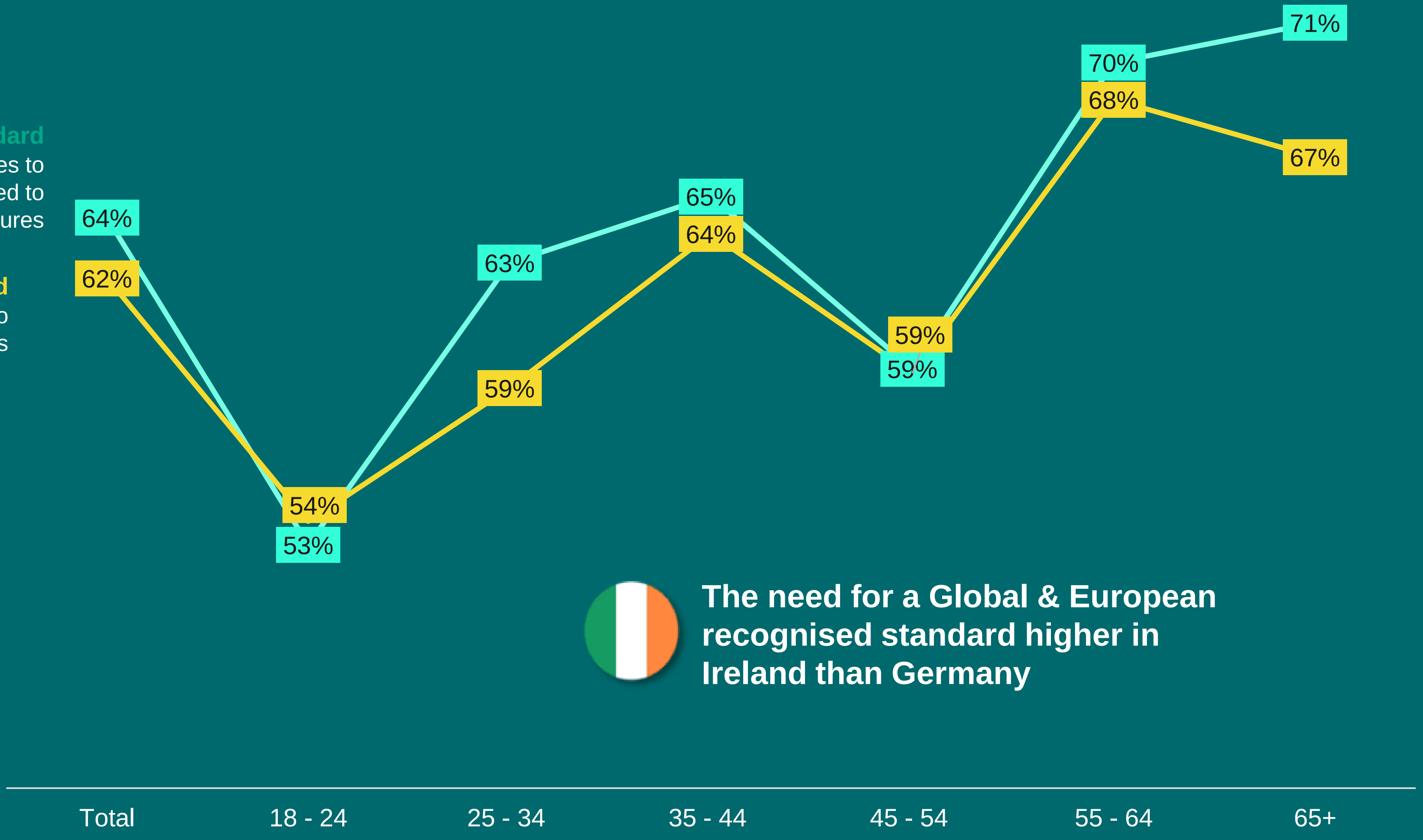
Packaging

Transport

#9 There is spontaneous & prompted support of a simpler, common approach

We need a **global recognised standard measure** displayed on all products/services to truly impact carbon emissions, as opposed to lots of different measures

We need a **European recognised standard measure** displayed on all products/services to truly impact carbon emissions



I think all the symbols we see on packs need to combine into one!

The need for a Global & European recognised standard higher in Ireland than Germany

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IRISH FOOD BOARD

Striking the Balance

Plant, protein and the planet

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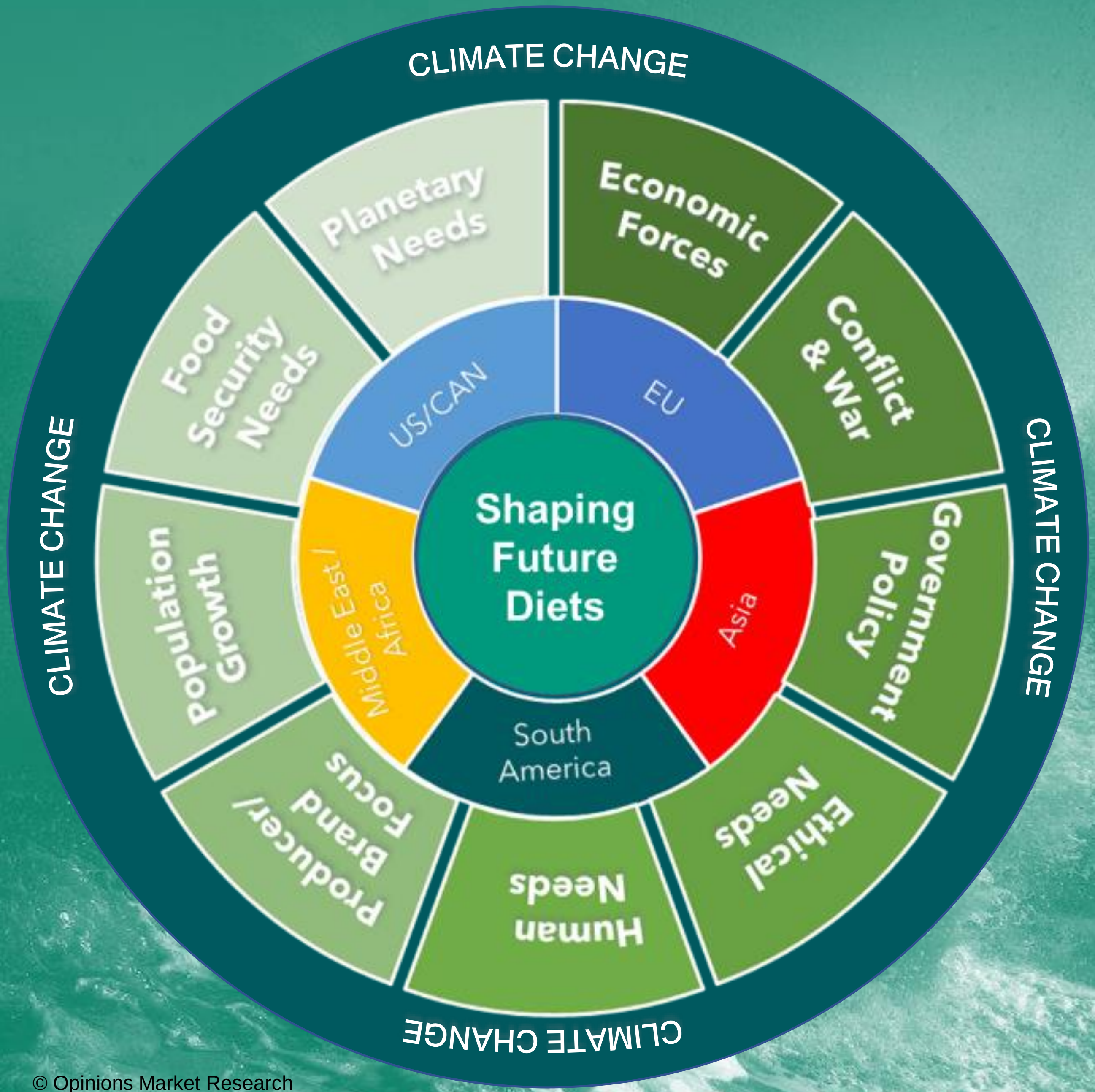
Whats covered..

Research Approach

Why?	To develop a comprehensive understanding of the **market dynamics**, **consumer consumption behaviour**, **attitudes and perceptions** of the **plant- based market** to support the development of a ***roadmap of success for the food, drink and horticulture industry while facilitating more robust innovation development.***

Photo by Stijn Dijkstra from Pexels



Alongside Climate Change there are many forces that will impact our future dietary choices….

The intersection of policy, economics, trade, industry, human behaviour and needs; the food system is uniquely complex.

Global, Complex, Interconnected and Urgent!

Net Zero Targets:	
URUGUAY	2030
FINLAND	2035
EU	2050
US	2050
CHINA	2060

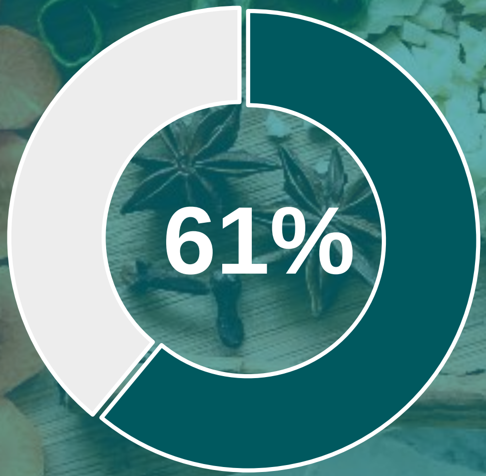
“I am concerned about my country’s ability to supply secure nutrition to its citizens in the future”

Total	EU	🇬🇧	🇫🇷	🇳🇱	🇩🇪	🇮🇪	🇺🇸	🇨🇳
63%	61%	64%	60%	60%	62%	58%	66%	72%

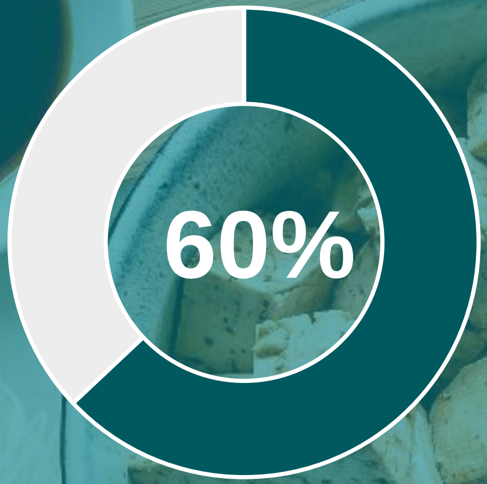
“Food security is an important foundation for national security.”

[Chinese President Xi](), April 2021

Consumers want to know more!



Wish they knew more about **how plant based alternatives are made**



Wish they **better understood the impact they have** on the environment

(Base: All Markets excluding China, n=6,077)

Understanding sustainability relating to food and drink

30%

claim they are **not confident** in their understanding

"In Germany they know a lot about sustainability relating to materials and packaging, in Ireland our knowledge is quite poor"

-Enda O'Dowd, Enda O' Dowd, Lecturer Product Design

"Schools need greater education in their curriculum about the environment."

- Deirdre McCafferty, Cornucopia

69%

claim they would like to be **more educated** in this area

80% **71%**

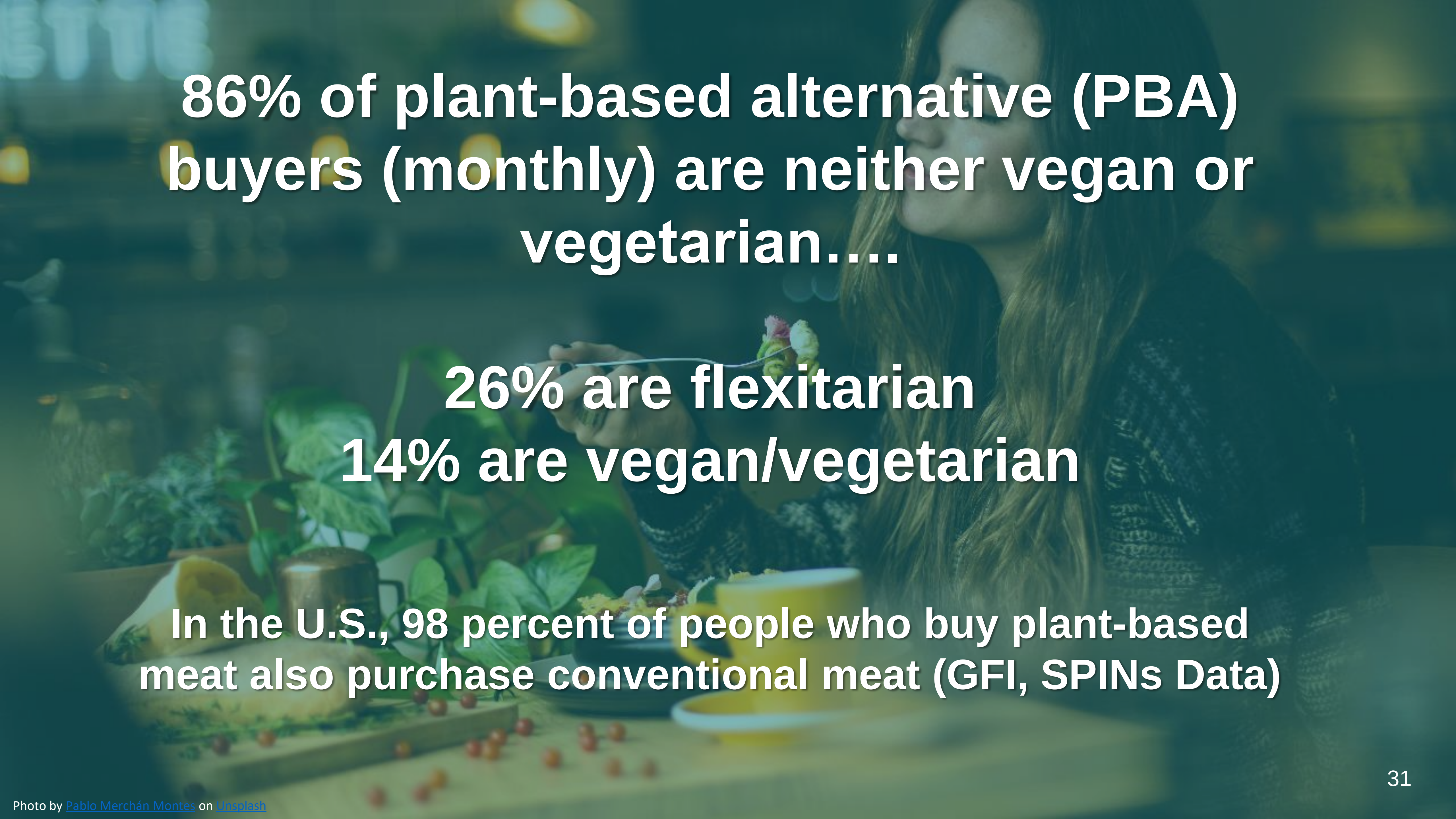
Particularly in Ireland and France we see a desire for more sustainability education

DIETARY PREFERENCES

(Base: All Markets , n=6,077)

	All Markets	UK (n=1,009)	France (n=1,023)	Netherlands (n=1,016)	Germany (n=1,014)	Ireland (n=1,004)	USA (n=1,011)
A standard diet with no conscious restrictions	60%	62%	66%	47%	56%	**68%**	62%
Flexitarian/\Reducetarian\" that incorporates plant-based foods to allow a reduction in meat and other animal products"	15%	12%	15%	**21%**	**23%**	8%	8%
A red meat-free diet, that may include chicken or seafood, dairy products, and eggs	7%	8%	5%	4%	6%	9%	**13%**
Vegetarian diet, excluding all meat, poultry and seafood.	4%	**7%**	3%	6%	6%	5%	3%
Pescatarian or Pollotarian, replacing meat with fish or chicken in your diet	3%	5%	4%	3%	3%	3%	4%
Vegan avoiding all animal products including meat, poultry, seafood, eggs and dairy	5%	4%	2%	5%	2%	3%	**4%**
Other (Please specify)	4%	1%	2%	**12%**	1%	3%	3%
Lactose Free, a diet excluding lactose from food and drinks	2%	1%	2%	3%	2%	2%	3%

QDL4. Which of the following do you feel best describes your dietary preference?



86% of plant-based alternative (PBA) buyers (monthly) are neither vegan or vegetarian….

26% are flexitarian
14% are vegan/vegetarian

In the U.S., 98 percent of people who buy plant-based meat also purchase conventional meat (GFI, SPINs Data)

Photo by [Pablo Merchán Montes] on [Unsplash]

% consuming each of these monthly+

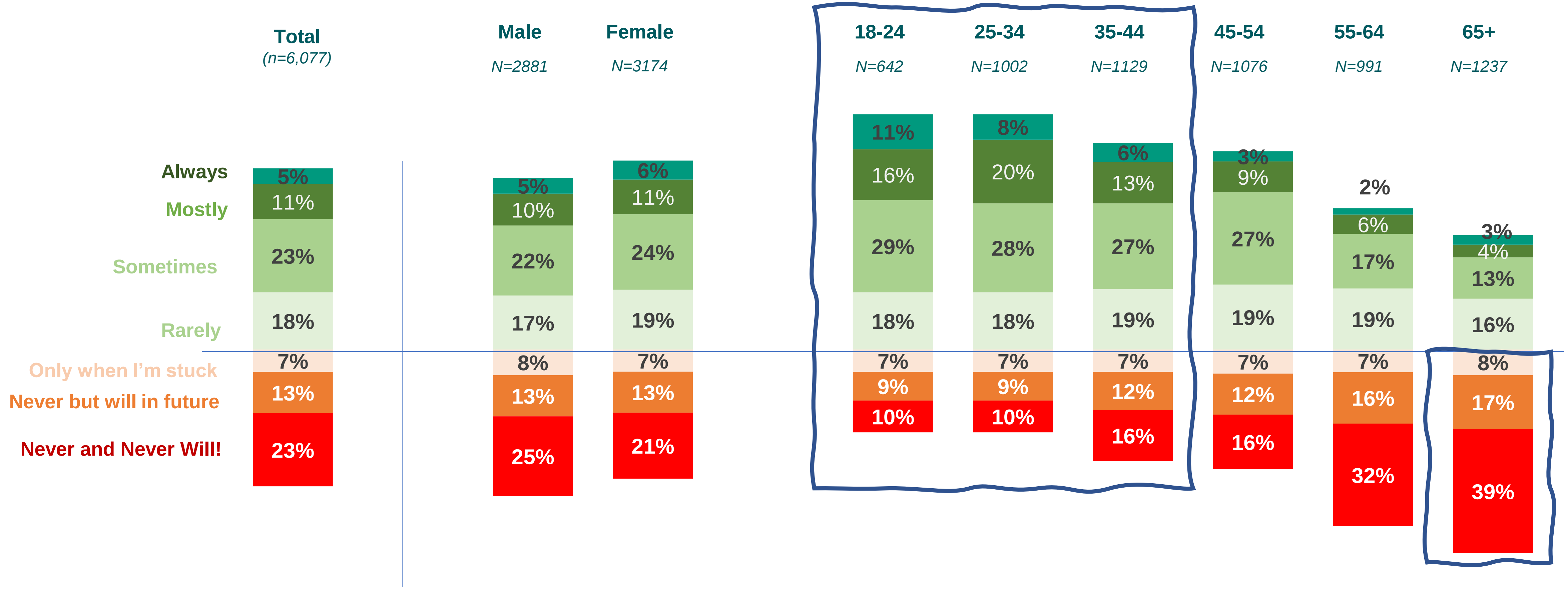
(Base: All Markets excluding China, n=6,077)

None of these	43%	43%	43%	41%	41%	42%	**48%**	44%
Plant based milk alternatives	21%	21%	21%	18%	18%	**25%**	22%	22%
Plant-based beef alternatives	20%	19%	17%	21%	**25%**	16%	15%	**23%**
Plant-based poultry alternatives	17%	17%	19%	14%	**21%**	18%	16%	16%
Plant based pork and bacon alternatives	14%	15%	14%	15%	**17%**	**17%**	10%	13%
Plant-based butter alternatives	14%	14%	11%	14%	14%	**18%**	12%	12%
Plant-based yoghurt alternatives	14%	15%	13%	**19%**	13%	16%	13%	11%
Plant-based ready meals	11%	11%	14%	12%	**7%**	10%	10%	12%
Plant-based Cheese alternatives	11%	11%	**13%**	9%	9%	14%	9%	11%
Frozen Plant-based food alternatives	9%	9%	**12%**	7%	5%	9%	11%	**12%**
Plant based lamb alternatives	8%	8%	8%	**10%**	8%	8%	7%	8%
Plant-based confectionary alternatives	7%	6%	8%	6%	6%	5%	7%	7%
Plant-based sports or specialized nutrition products	6%	5%	6%	5%	4%	7%	6%	7%
Plant-based fish or seafood alternatives	5%	**5%**	5%	6%	4%	5%	5%	7%

Thinking about types of plant-based alternative protein-rich food and drinks, which of these do you currently consume monthly or more often, if any?

Plant-based dairy alternatives consumption

(Base: All Adults n=6,077, IE, UK, DE, NL, US, FR – EXCLUDING CHINA)



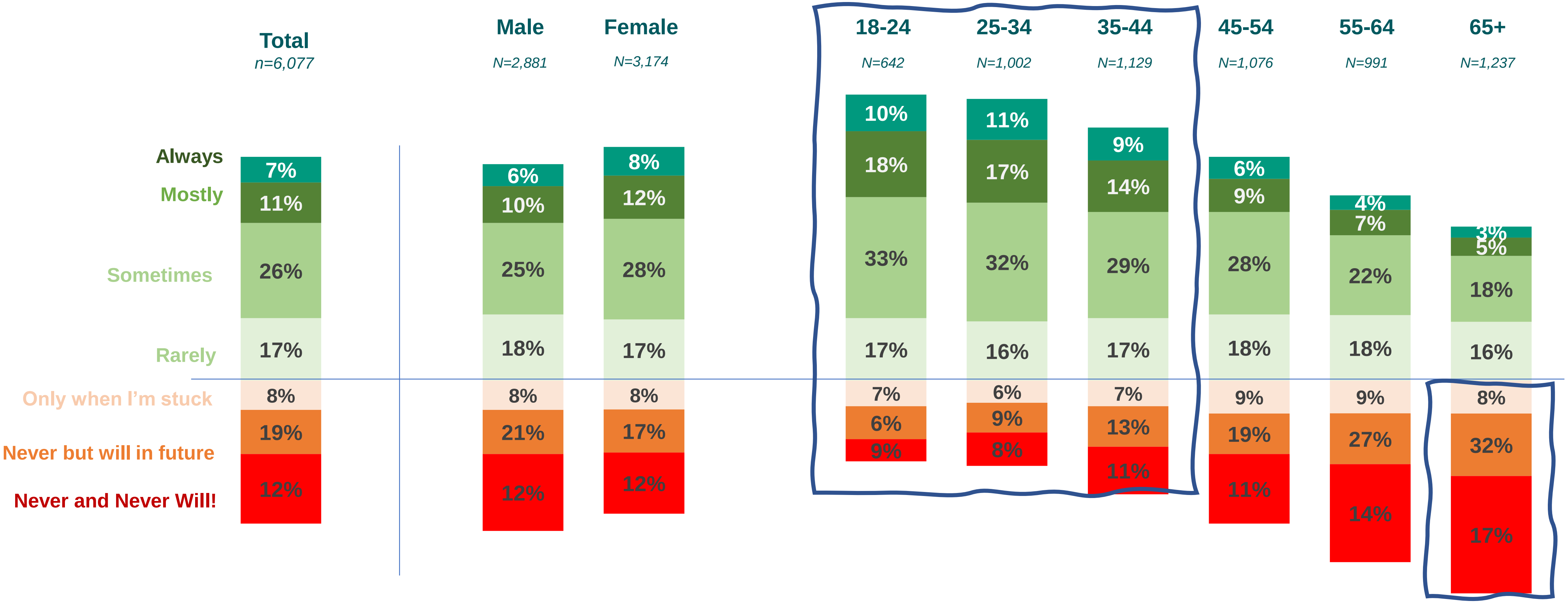
Reasons for choosing plant based dairy alternatives

(Base: Plant-based dairy consumers (excluding China) n=2360)

They are better for your health	31%	28%	30%	28%	29%	38%	34%
They are better for the environment	28%	29%	28%	27%	34%	26%	22%
They are a more sustainable choice	25%	25%	24%	23%	28%	25%	22%
They are more natural	24%	22%	28%	20%	23%	27%	25%
Concerns around Animal welfare	24%	23%	26%	27%	31%	21%	19%
They taste the same/ better	23%	23%	16%	18%	25%	26%	29%
It's the right thing to do	21%	26%	23%	16%	21%	20%	20%
They provide variety another option	19%	19%	11%	17%	21%	24%	23%
They are more nutritious	18%	17%	16%	13%	15%	20%	25%
I follow a dairy free diet / Am lactose intolerant	14%	14%	8%	11%	11%	16%	20%
They look better/ the same	14%	17%	18%	12%	9%	14%	16%
They have brands that are for people like me	12%	12%	14%	8%	10%	13%	14%
They are less expensive	11%	11%	12%	8%	10%	11%	16%
Don't Know	4%	4%	3%	6%	3%	4%	4%
Something else	2	2%	1%	3%	1%	2%	3%

Plant based meat alternatives consumption

(Base: All Markets excluding China, n=6,077)



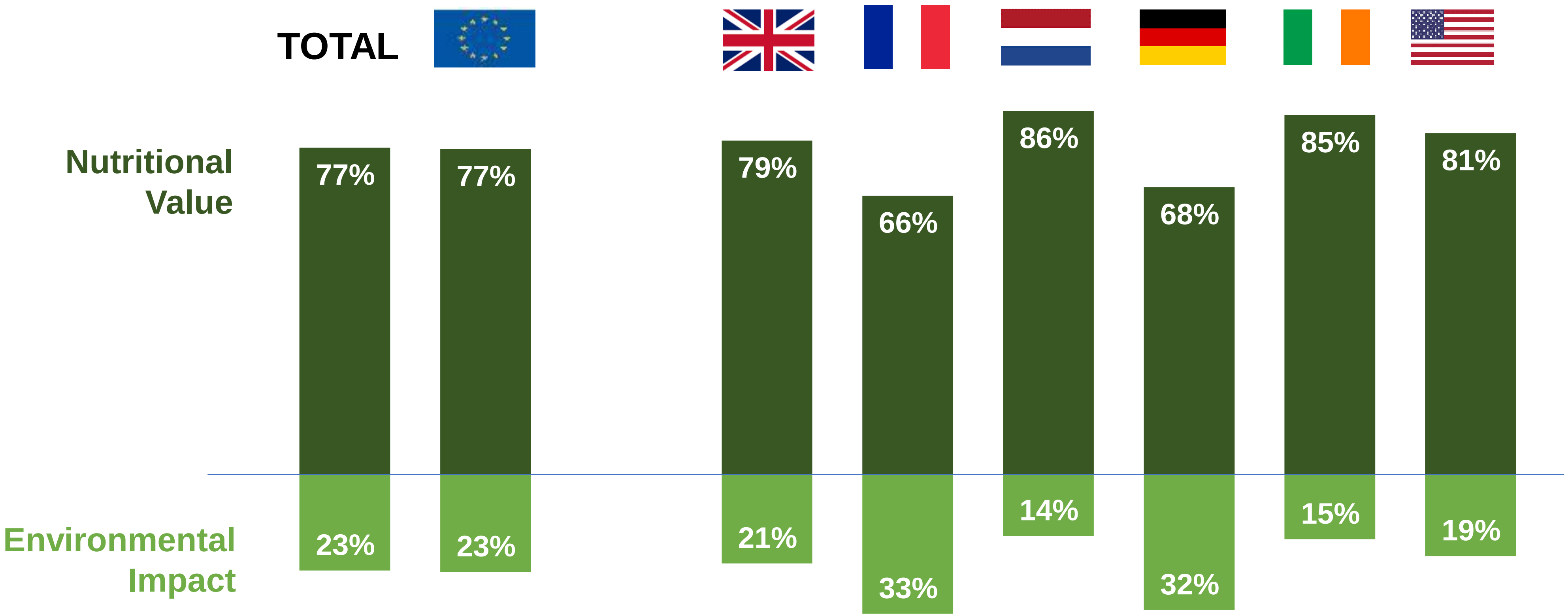
Reasons for choosing Plant based meat alternatives

(Base: All plant based meat consumers, n=1,945)

They are better for the environment	34%	28%	29%	**42%**	**43%**	30%	28%
They are better for your health	31%	30%	30%	23%	34%	35%	38%
They are a more sustainable choice	30%	29%	23%	31%	33%	29%	26%
Concerns around Animal welfare	29%	24%	31%	37%	34%	28%	27%
They are more natural	21%	19%	28%	16%	22%	22%	23%
They taste the same/ better	21%	22%	16%	15%	21%	22%	29%
Provide variety another option	21%	18%	14%	18%	24%	23%	23%
It's the right thing to do	21%	25%	20%	19%	20%	21%	24%
Has a lower carbon footprint	20%	24%	23%	21%	16%	22%	19%
Are more nutritious	17%	20%	15%	11%	15%	20%	25%
I follow a meat free diet	13%	16%	8%	12%	13%	16%	15%
They look better/ the same	12%	13%	16%	7%	9%	14%	14%
They are less expensive	12%	13%	11%	11%	10%	12%	15%
They have brands that are for people like me	10%	11%	9%	7%	11%	10%	14%

Drivers of Food and Drink Choices

(Base: All Markets excluding China, n=6,077, IE, UK, DE, NL, US, FR)

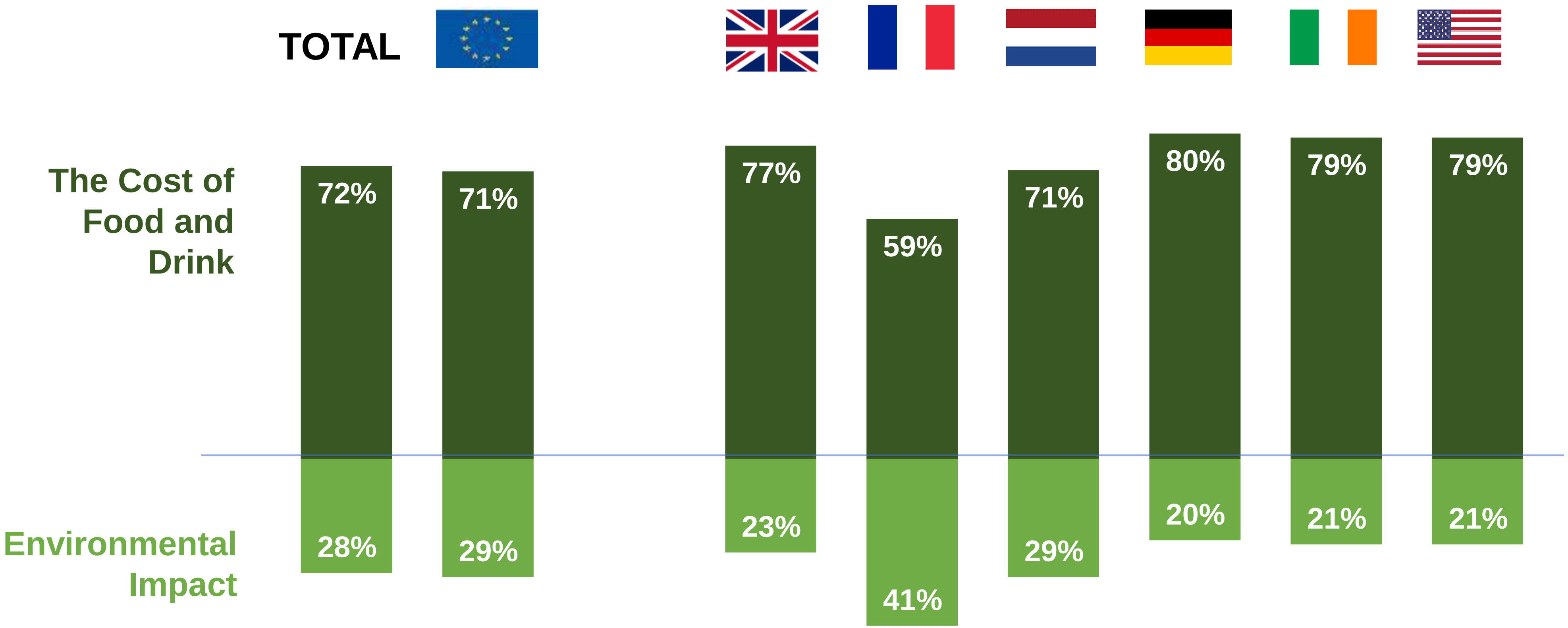


In all markets it is clear that (while the environment matters), nutritional value trumps it every time.

When you think about food and drink which one of these two things are most important to you?

Drivers of Food and Drink Choices

(Base: All Markets excluding China, n=6,077, IE, UK, DE, NL, US, FR)



… And indeed in a forced choice in all markets, cost prevails over the environment.

When you think about food and drink which one of these two things are most important to you?

Parents are more likely to be open to plant-based alternatives..

Dairy alternatives

25% currently consume dairy alternatives *(vs 20% no kids)*

27% consume always/mostly *(vs 14% no kids)*

24% consume plant-based alternatives to dairy because “it’s the right thing to do” *(vs 19% no kids)*

Meat alternatives

27% currently consume beef alternatives *(vs 18% no kids)*

28% of parents always/mostly consume plant-based meat alternatives *(vs 16% of those with no kids)*

They are more likely to consume alternatives due to: nutrition, naturalness, look better/the same, “for people like me” Less about animal welfare than those with no kids

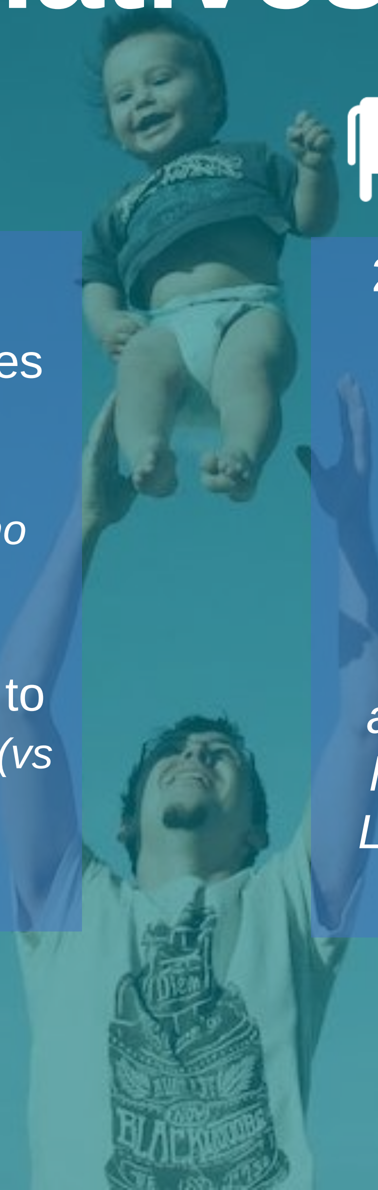


Photo by Dominika Roseclay from Pexels

Two Macro Themes

Balance

*"The good news is that you don't have to give up eating meat and dairy entirely. **Less and better is a good mantra**."*

Dr Christian Reynolds, Senior Lecturer at the Centre for Food Policy, City University of London

*"The environment cant cope with a solely plant based world, **we need to find the balance**"*

Aveen Bannon, Registered Dietician

Diversification

*"Diversifying is key to being able to feed the world in the future….. We are looking for **dietary diversity, plant-based foods fit into that.** That could mean a low meat diet rather than a meat free diet."*

Mary Shelman, Thought leader- Global Agribusiness

Lab Grown	Novel Proteins	Meat & Dairy Mimics	Blended Proteins	Plant Forward
13% would consider in future	18% would consider in future (avg. insect, myco etc)	25% strongly wish they made meat and dairy alternatives that are just like the original	21% would consider in future	43% would consider in future
Only 11%: Natural 40% “unnatural & processed”	Only 11% (insect), 17% (myco) expect to taste good	31% among vegan/vegetarians	21% willing to consider “myco proteins” in future	38% strongly prefer vegetable, not products pretending to be meat/dairy

Stretchy ← → Safe

Diversification

Balance

Themes

Macro	**Balance**		**Diversification**	
Dig Sites	**Living harmoniously**	**System Reset**	**Supercharged Nutrition**	**Harm Mitigation**
Expr-essions	Regenerative Nature sensitive Circular systems Urban farming Seasonality Animal welfare	Back to basics Community support Short deck ingredients Low food miles Organics Localism	Performance boost New plant ingredients New alt-proteins Nutri Boost Process innovations Natural taste and texture enhancement	Certification (Carbon) Waste reduction GMO/ Chemical free New blending solutions Animal free dairy Cultured tech

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Striking the Balance

Plant, protein and the planet

Inhouse Event taking place Friday 21st April: 11:00-2:30

Webinar: 26th April 2:00-3:30

Innovation Capability workshops June 2023

Register your interest for upcoming group workshops starting June ’23

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