



**Australian Government**  
**Rural Industries Research and  
Development Corporation**

# ***EcoRange:* Market-Oriented Environmental Certification for Rangeland Pastoral Industries**

## **3. Australian consumer survey**

*Part of the **EcoRange** project report series*

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A report for the Rural Industries  
Research and Development Corporation

Edited by  
Kylie MacNamara and Lester Pahl

February 2004

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*'EcoRange: Market-oriented environmental certification for rangeland pastoral industries. 3. Australian consumer survey'*  
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In submitting this report, the researcher has agreed to RIRDC publishing this material in its edited form

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# Foreword

EcoRange: Development of Market Oriented Environmental Certification for Rangeland Pastoral Industries arose out of a desire of government, industry and community for market forces to encourage the adoption of on-farm environmental management and assurance standards. It is a collaborative project between Queensland Department of Primary Industry's Agency for Food and Fibre Sciences and CSIRO Sustainable Ecosystems.

The EcoRange project provides marketing information and strategies for 'environment-friendly' food and fibre products, describes and contrasts a range of market-oriented environmental management and assurance standards that could be used on farms, and makes recommendations on the application of these to agricultural production. Recommendations were based on the views and expectations of the main stakeholders along the supply chain, agricultural industry organisations, and a number of community interest groups.

The outputs of this project, contained in the research reports listed on page v, are:

1. a domestic marketing strategy for 'environmentally friendly' food and fibre products;
2. an international market analysis, outlining market potential and the requirements of target markets for environmentally friendly food and fibre products;
3. the outcomes, principles and broad practices for environmental certification of pastoral products;
4. the identity of a suitable existing certification scheme *or* environmental management module that can be added to existing schemes.

This report is based on two studies commissioned by DPI — a national survey of consumers conducted by ACNielsen, and two consumer focus groups conducted by MarketSense. The reports prepared for DPI by these consultants cover consumer purchasing behaviour, attitudes on environmental impacts of livestock production, views on environment friendly and organic food, the need for verification of environmental claims, and response to price premiums; both have been combined into this one report.

This project was funded from RIRDC Core Funds which are provided by the Federal Government.

This report, a new addition to RIRDC's diverse range of over 1000 research publications, forms part of our Resilient Agricultural Systems R&D program, which aims to foster the development of agri-industry systems that have sufficient diversity, integration, flexibility and robustness to be resilient enough to respond opportunistically to continued change.

Most of our publications are available for viewing, downloading or purchasing online through our website:

- downloads at <http://www.rirdc.gov.au/fullreports/index.html>
- purchases at [www.rirdc.gov.au/eshop](http://www.rirdc.gov.au/eshop)

**Simon Hearn**

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We thank ACNielsen and MarketSense for their professional conduct and reporting of the consumer telephone survey and the consumer focus group meetings.

We would also like to thank Seth Pardoe and Paul Gibson for their advice on the consumer questionnaire; and Craig James and Jim Longworth for their contributions to questionnaire design.

We are also very grateful to Jodie Oversluizen for formatting this report and Roslyn Sharp for organising the publishing of this and the other EcoRange reports.

# EcoRange reports

The findings of the EcoRange project are presented in seven reports. The first of these, the project overview, is a synthesis of the project findings and, as such, recommends outcomes and procedures for market-oriented environmental assurance in the rangeland pastoral industries. These recommendations were informed by the results of extensive consultation. This included surveys of domestic consumers, rangeland pastoralists and members of environmental groups, interviews with companies in Australian and international meat and wool supply chains, interviews with representatives of agricultural industry, environmental and consumer organisations, and a review of on-farm standards that could be used to deliver the requirements of these stakeholders.

Full reports, as follows, can be accessed from the RIRDC website (<http://www.rirdc.gov.au/fullreports/>).

## Research reports

<i>EcoRange: Market-oriented environmental certification for rangeland pastoral industries</i> 1. <i>Project overview</i> (Lester Pahl)
<i>EcoRange: Market-oriented environmental certification for rangeland pastoral industries</i> 2. <i>A review of on-farm standards</i> (Lester Pahl)
<i>EcoRange: Market-oriented environmental certification for rangeland pastoral industries</i> 3. <i>Australian consumer survey</i> (editors Kylie MacNamara and Lester Pahl)
<i>EcoRange: Market-oriented environmental certification for rangeland pastoral industries</i> 4. <i>Australian rangeland grazier survey</i> (editor Lester Pahl)
<i>EcoRange: Market-oriented environmental certification for rangeland pastoral industries</i> 5. <i>Australian environment group survey</i> (Jim Longworth and Craig James)
<i>EcoRange: Market-oriented environmental certification for rangeland pastoral industries</i> 6. <i>Market research report</i> (Peter Twyford-Jones, Lester Pahl, Kerry Miles, Guy Newell and Kylie MacNamara)
<i>EcoRange: Market-oriented environmental certification for rangeland pastoral industries</i> 7. <i>Perceptions from industry, conservation and consumer groups</i> (Christine King)

Other reports of the EcoRange project are available on request from Lester Pahl ([lester.pahl@dpi.qld.gov.au](mailto:lester.pahl@dpi.qld.gov.au)), or by phoning 07 4688 1302.

## Other project reports

Environmental marketing workshop for graziers 1, Cooladdi (Queensland), September 2000 (includes workshop proceedings)
Environmental marketing workshop for graziers 2, Cooladdi (Queensland), April 2001 (includes workshop proceedings)
'Consumer-oriented environmental certification for rangeland pastoral industries: a role for product labels': paper presented to National Conference on Environmental Management Systems in Agriculture, Ballina, November 2001
EcoRange stakeholder workshop, Brisbane, August 2002 (includes workshop proceedings)

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# Executive summary

## Background

There is a desire from government, industry and consumers to see pastoral enterprises achieve and demonstrate ecologically sustainable use of natural resources. Environmental marketing schemes such as environmental management systems, organic certification and environmental labelling may be market mechanisms for achieving these outcomes. These are collectively called environmental assurance schemes, because they provide some form of assurance for claims that products and production practices are ‘environment-friendly’.

DPI commissioned MarketSense to conduct consumer research with two focus groups, with the objective of determining the consumers’ awareness of and propensity to purchase environment-friendly food and fibre. The results of the focus group research provided a basis for developing a formal consumer survey instrument.

DPI then commissioned ACNielsen to conduct a survey of consumers, with a view to developing an environmental assurance scheme that would be of benefit to consumers, graziers and the environment.

The results of the consumer survey will provide:

- an informed basis for market development;
- the communication needed to make these schemes attractive to consumers;
- an understanding of the elements of an environmental accreditation program that are essential before consumers will adopt it.

The results presented are based on a national survey of 605 households, accurate to within  $\pm 4.0\%$  at the 95% confidence level.

## Summary of findings

### Current purchasing

Just under half of Australian consumers currently buy at least one type of environment-friendly food product, with fruit and vegetables and eggs being the most frequently purchased categories.

One in ten consumers claims to buy environmentally friendly meat, although there appears to be confusion between ‘organic’ and ‘environmentally friendly’ food products, in this and in other food categories.

One in five consumers currently purchases organic meat, with higher levels of purchasing in New South Wales/ACT, Queensland and Tasmania compared to Victoria.

### Attitudes to the environmental impact of grazing and meat production

There appears to be a core of consumers who are concerned with the environmental effects of meat production (13% claim to think about this issue on all purchase occasions). Perhaps not surprisingly, these people are more likely to purchase organic meat.



In terms of specific issues associated with grazing, only just over half of consumers could think of anything unprompted, and even then there is no one area of particular concern, with equal mention of soil erosion, overgrazing and use of chemicals.

When consumers were prompted with a list of issues, again their opinions were divided across several issues, with salinity, use of chemicals, water pollution, soil erosion and tree clearing all mentioned as being of concern.

With no single area standing out in people's minds, one of the key challenges will be to find a way of 'painting a picture' for consumers of the meaning and benefits associated with the proposed environmental assurance scheme. Earlier qualitative research indicates, however, that it is a lack of knowledge rather than disinterest that underlies the low levels of consideration currently given to environmental issues at point of purchase.

### **Attitudes towards environmentally friendly and organic food**

Consumers associate the term 'organic' with 'chemical-free'; however, there is no clear understanding of the term 'environmentally friendly', with most consumers nominating either organic or chemical-free as the best description.

Motivations for purchasing both organic and environmentally friendly meat products are based largely on a desire to achieve personal health and wellbeing. This is likely to be the main trigger for consumer acceptance, rather than 'feel-good' benefits to the environment.

There is a strong perception that environmentally friendly products come with a price premium, which is by far the main barrier to adoption of these products by consumers.

### **Consumer interest in an environmentally friendly guarantee for meat**

Six out of ten consumers believe their personal actions are influential in making a difference to the environment. This makes those who currently purchase organic meat and/or environmentally friendly food even more likely to perceive that their behaviour can make a difference.

In line with the qualitative research that preceded this study, consumers are somewhat sceptical of the environmental claims made on products currently in the supermarket, with less than one in ten feeling 'very confident' of such claims. Most report being 'somewhat confident,' while just over a quarter of consumers are not at all confident of the claims.

Consumers do see the importance of having a system in place that guarantees meat is environmentally friendly; 60% rate this as very important.

There are two key triggers to acceptance of such a system — government regulation and endorsement by an environmental group. Government regulation is favoured by two-thirds of consumers and environmental group endorsement by just under half.

Communicating a range of potential benefits is likely to raise interest in the environmental assurance scheme. These benefits include supporting local/Australian businesses, guarantees that the meat is from a trusted source, and reassurance about how well the scheme is policed. These are likely to be secondary drivers, however, to the key issues of value for money and perceived health benefits.

### **Price premiums**

The importance of price is evident when interest in environmental assurance rises, in the context of no difference in price. Eight out of ten consumers report a strong interest in purchasing the product with no price premium. This falls to six out of ten at a premium of 10% per kg and less than four out of ten at a premium of 25% per kg.

When a price premium is introduced, differences in current behaviour and attitude determine whether a consumer is willing to pay more for environmentally friendly meat. Those who already buy other environmentally friendly food items and/or organic meat are more likely to accept a price premium, as are those who always consider the effects of meat production when they purchase. For these consumers, a price premium of 10% is quite acceptable; and for some of them, a premium of even 25% is acceptable.

There are two issues to consider when interpreting these findings:

- Consumers always overestimate their behaviour in the context of a consumer survey.
- The results assume perfect market knowledge and availability, with all consumers surveyed being aware of the scheme and its meaning. This is unlikely in the real market.

To provide more realistic estimates of demand, therefore, a weighting is applied to the reported results, giving the following demand estimates:

- at no price premium, 22–44% consumer take-up
- price premium of 10% per kg, 18–37% consumer take-up
- price premium of 25% per kg, 13–27% consumer take-up.

The lower estimates of demand should be seen as a starting point in likely take-up of the scheme, while the higher estimates are closer to an ‘ideal’ market situation with perfect knowledge and availability.

# 1 Introduction

There is a desire from government, industry and consumers to see pastoral enterprises achieve and demonstrate ecologically sustainable use of natural resources. Environmental assurance is a marketing instrument that may help achieve these outcomes.

Environmental assurance offers an attractive win–win concept for stakeholders. Consumers are drawn to ‘environmentally friendly’ products, industries potentially benefit from increased market share and price premiums, and the community benefits from improved environmental management.

Although certain groups and individuals have progressed along the path of environmental assurance, this has been done with minimal consultation and market research. There is a risk that this could result in poorly designed and targeted assurance schemes, and consequently confusion and loss of confidence among consumers.

It should be the outcomes desired by the participating stakeholders that determine the environmental assurance scheme selected. An Australia-wide consumer survey provided information on consumers’ expectations and the demand for environmental assurance, leading to an understanding of the elements that are essential to consumers’ adopting these schemes, including the communication needed to make them attractive.

This in turn will inform the more general recommendations for environmental assurance, with recognition that environmental assurance needs to meet the requirements of all segments of the product chain, from producer to consumer.

This report focuses on the role of the consumer in the process, and provides information and marketing strategies for food and fibre products that have environmental attributes attractive to consumers.

## 1.1 Objectives of the survey

The specific objective of the consumer research was to answer the following questions:

- What proportion of consumers are aware of and/or purchase products that are produced ‘with concern for the environment’?
- What is the market size and purchase potential for environmentally certified products?
- What level of trust do consumers place in environmental claims on food and fibre product labels, and what reassurances do consumers require before this trust will increase?
- Are consumers concerned about the environmental impact of food and fibre production on farms?
- What farm-related environmental issues do consumers believe should be addressed by primary producers?
- What price premium are consumers willing to pay for food and fibre products that are labelled as produced ‘with concern for the environment’?

# 2 Research methodology

## 2.1 Design overview

The consumer study was based on a national random telephone survey of 605 grocery buyers, preceded by a pilot test of 20 consumers, which in turn was preceded by a survey of two consumer focus groups.

Results were then weighted to reflect the known age and gender characteristics of main grocery buyers in each state, to ensure that they were representative of the national market.

## 2.2 Questionnaire design and testing

MarketSense undertook qualitative research on two consumer focus groups during October 2001. The objectives of this research were to:

- identify consumers' views and issues in relation to their awareness of and propensity to purchase these goods;
- provide a basis for the development of a formal survey questionnaire.

The full report by MarketSense on the consumer focus groups is provided in appendix 1.

The questionnaire for the survey was drafted and reviewed by DPI and ACNielsen to ensure that its questions were closely aligned with the objectives of the survey, and that the structure, design and length of the questionnaire were appropriate.

A pilot test of the design and length of the redrafted questionnaire was conducted on 21 November 2001 with actual respondents. As a result, the questionnaire was further shortened and refined for the telephone survey.

The final questionnaire is attached in appendix 1.

## 2.3 Telephone survey

The full survey consisting of 605 interviews was conducted by ACNielsen's team of experienced interviewing staff, using ACNielsen's computer-assisted telephone interviewing (CATI) facilities in Brisbane, Sydney and Melbourne.

Interviewing ran from 23 November to 2 December 2001.

### 2.3.1 Sample design

Telephone numbers were randomly generated for all areas of Australia to ensure that all households had an equal opportunity to be selected.

Quotas were applied to ensure reasonable sample sizes in both metropolitan and regional areas of each state. Quotas applied are shown in table 1.

**Table 1:** Quotas for metropolitan and regional areas of each state

NSW metropolitan	50 interviews
NSW regional/ ACT	50 interviews
Victoria metropolitan	50 interviews
Victoria regional	50 interviews
Queensland metropolitan	50 interviews
Queensland regional	50 interviews
WA metropolitan	50 interviews
WA regional	40 interviews
SA metropolitan	50 interviews
SA regional	40 interviews
Tasmania metropolitan	40 interviews
Tasmania regional	40 interviews
Northern Territory (no metro/regional split)	40 interviews
<b>Total</b>	<b>600 interviews*</b>

\* Note: A total of 605 interviews was achieved.

### 2.3.2 Weighting

To allow national population estimates to be provided, survey results have been weighted to known population characteristics and extrapolated to the full main grocery buyer population, to give an estimated actual population figure for each result.

Data has been weighted by the number of households in each state and by known age and gender characteristics of main grocery buyers in each state, as provided from ACNielsen's extensive Homescan Establishment survey ( $n = 28,970$  households). Weighting to these main grocery buyer characteristics provides a more accurate representation of the shopper market than weighting to general population statistics.

### 2.3.3 Accuracy of results

The margin of statistical error associated with the random sample of 605 consumer households is  $\pm 4.0\%$  at the 95% confidence level.

This report indicates differences between consumer segments where these are statistically significant. Results are considered statistically significant where any variances are beyond the range of the statistical error associated with the sample sizes being used.

# 3 Detailed findings

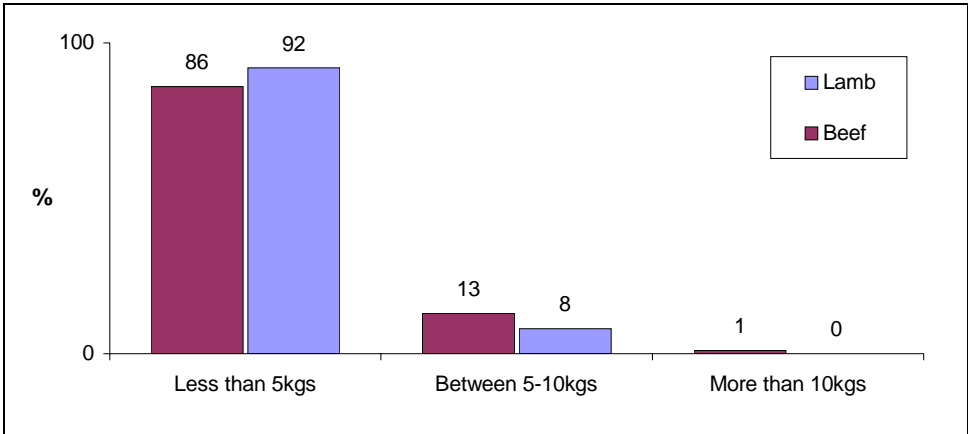
The detailed findings of the research have been presented in the following sections:

1. current purchasing behaviour (meat, environmentally friendly food, organic meat)
2. attitudes to the environmental impact of grazing and meat production
3. attitudes towards environmentally friendly and organic food
4. consumer interest in an environmentally friendly guarantee for meat.

## 3.1 Current purchasing behaviour

Australian households on average purchase less than 5 kg of lamb and beef per week (figure 1) and indicate a preference for either supermarket- or butcher-supplied meat, with few consumers purchasing across the two types of retail outlet. Supermarket purchasing is slightly ahead of butcher-supplied meat (figure 2).

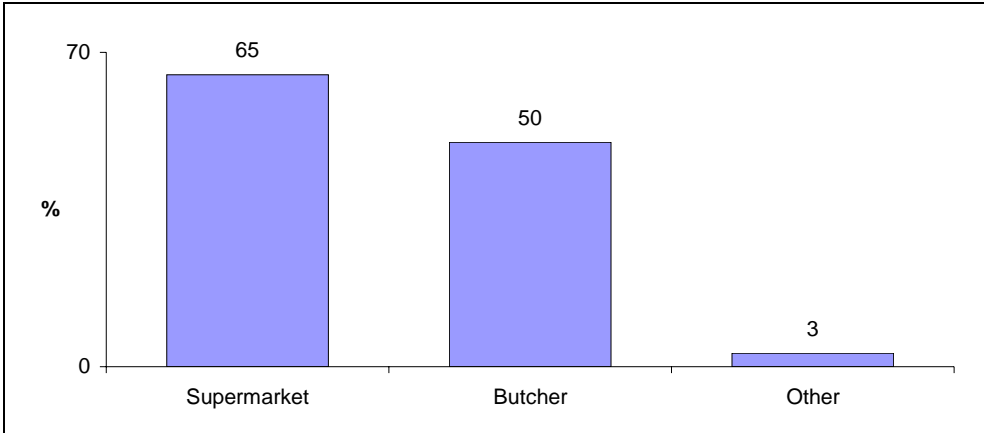
**Figure 1:** Amount of lamb and beef bought per week



Q3 How much of the following red meats does your household buy per week?

Base: All respondents (n = 605)

**Figure 2:** Where meat is purchased



Q4 Where do you purchase your meat from?

Base: All respondents (n = 605)

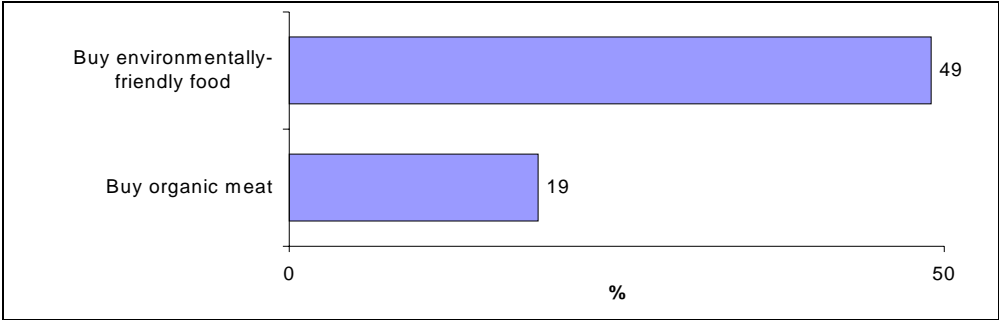
Forty-nine per cent of Australian grocery buyers indicate that they purchase some type of environmentally friendly food items (figure 3). There are no significant demographic differences in this behaviour, with all age groups and socio-economic segments equally likely to purchase environmentally friendly food items. This is a sign of the times, and shows how the concept of environmentally friendly products has been adopted across all segments of the consumer population.

Nineteen per cent claim to buy organic meat, again with no significant differences across demographic groups.

There are, however, geographic differences in purchase of organic meat, with high levels in New South Wales and Queensland compared to Victoria (table 2).

It should be noted that the 19% of consumers who claim to buy organic meat may vary in the frequency with which they purchase it. Some will buy only organic, while others will mix organic with regular meat purchases. It remains clear that almost one in five claim to be buying organic meat at least some of the time.

**Figure 3:** Proportion of consumers who purchase environment friendly food or organic meat



Q9 Do you buy organic meat Q2.

**Table 2:** Proportion of consumers in each state who purchase organic meat

State/territory	Purchase of organic meat
Victoria	8%
Northern Territory	9%
Western Australia	12%
South Australia	18%
Tasmania	21%
Queensland	23%
New South Wales/ACT	27%

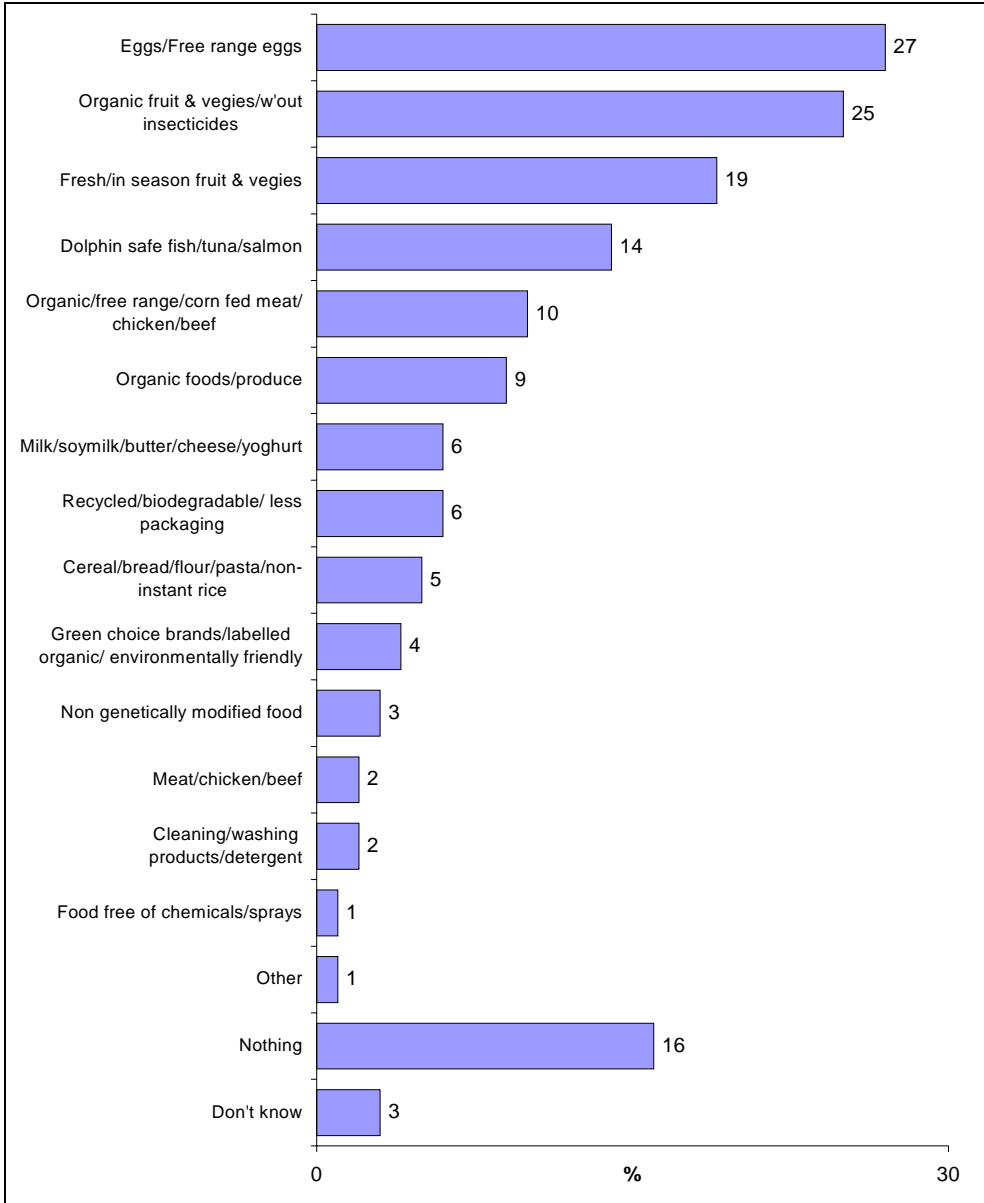
Examination of the environmentally friendly food items that are being purchased (figure 4) reveals two main categories — fruit and vegetables (25% purchasing organic and 19% purchasing environmentally friendly) and eggs (27% purchasing). The next-highest category is tuna/fish/salmon (14% purchasing).

Ten per cent of grocery buyers currently purchase organic/free-range/corn-fed meat, and a further 2% mention meat/chicken/beef with no further details.

The list of food items perceived as being environmentally friendly is dominated by products for which consumers can make an easy connection between the product itself and its origin. For example, consumers can visualise fruit and vegetables that are chemical-free, and have been made aware of the health benefits of this. Similarly, consumers can visualise the connection between free-range hens and their produce. Dolphin-friendly tuna is another symbol that successfully communicates an emotive message to consumers.

An issue in promoting environment-friendly meat will be making it easy for consumers to visualise the link between the production process and the meat they are buying. For organic meat this has been accomplished through strong communication of the health benefits of the organic process, in particular the absence of chemicals. The promotion of environment-friendly meat will need a similarly strong message, thereby giving consumers a reason to purchase.

**Figure 4:** Environmentally friendly food items bought



Q2 What environmentally friendly food items do you buy?

Base: Purchased environmentally friendly food items (n = 289)



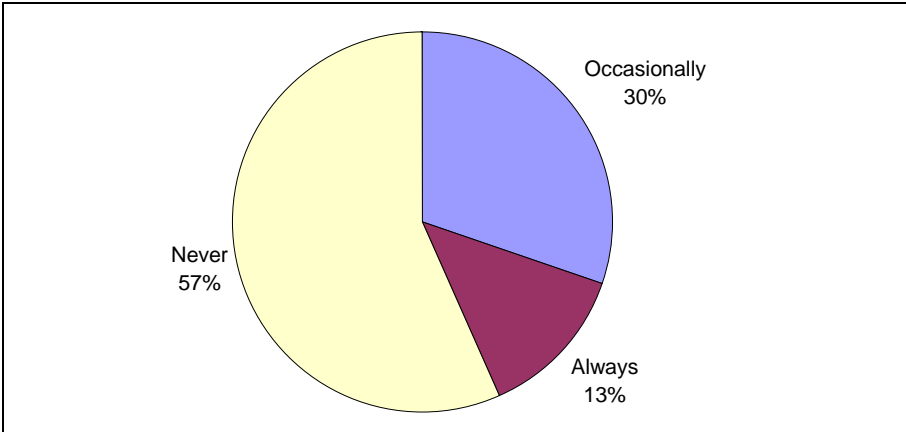
### 3.2 Attitudes to the environmental impact of grazing and meat production

Forty-three per cent of grocery buyers claim to give some thought to the environmental effects of fresh meat production, with 13% thinking about it all the time and 30% thinking about it occasionally (figure 5). Not surprisingly, those who currently buy organic meat are more likely to think about the environmental effects of fresh meat production all the time (29%) compared to those who do not currently buy organic meat (10%).

There is also a significant difference across age groups, with those aged over 60 more likely to always consider the effects (25%) compared to younger age groups (18–39 years 9%; 40–59 years 11%). However, this attitudinal difference does not translate into behaviour, with no greater purchasing of environmentally friendly or organic meat by those over 60 years.

For the purposes of this research, attention should be given to the 13% of consumers who always consider the environmental effects of meat production at the point of purchase. These are likely to form a core group who are open to the concept of environment-friendly meat and, as shown later in the report, indicate greater willingness to pay a price premium for the product.

**Figure 5:** Consideration given to fresh meat production



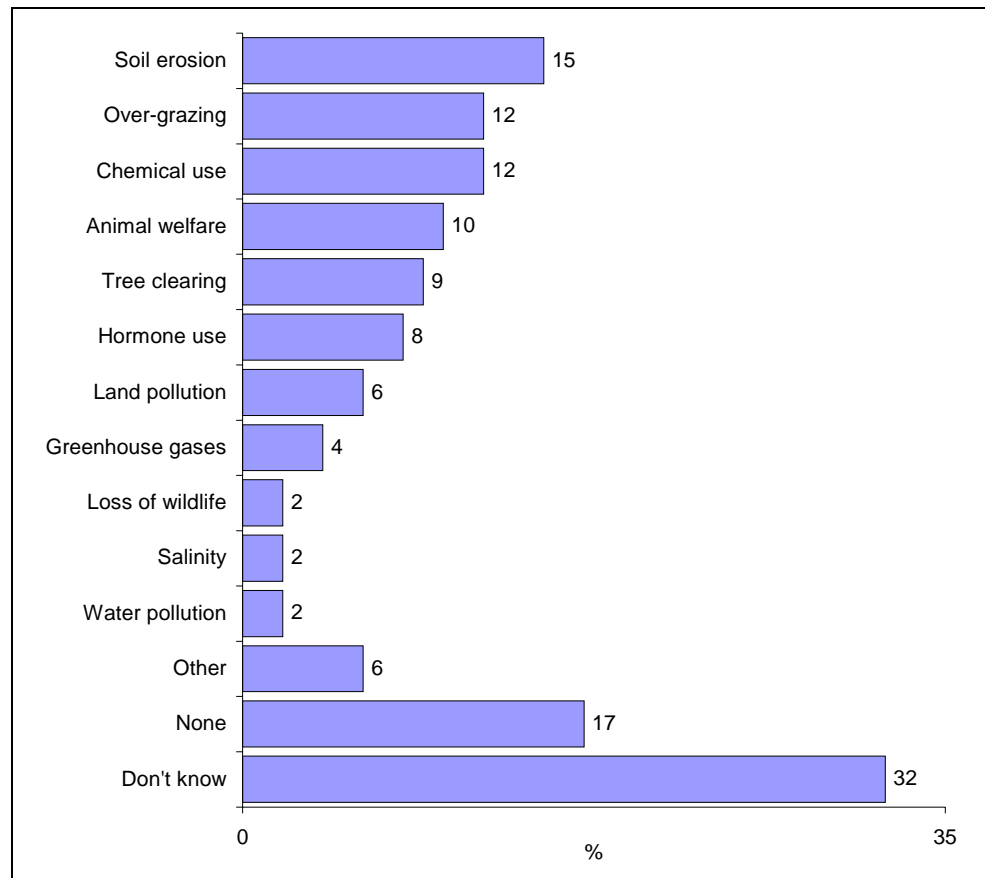
Q5 When you buy fresh meat do you ever think about the environmental effects of how it has been produced?

Base: All respondents (n = 605)

Consumers were asked to nominate what they believe are the main issues in relation to the environmental effects of sheep and cattle grazing (figure 6). In response to this, just over half of grocery buyers (51%) could mention a specific environmental issue (unaided). The list of issues is widely dispersed, with no single specific one dominating. The top three issues mentioned were soil erosion (15%), overgrazing (12%) and use of chemicals (12%). There were no geographic or demographic differences in overall or specific issues mentioned.

These findings present a challenge: to find a strong communication point that encompasses the main environmental issues associated with grazing, and then make the link between meat production and the product in-store.

**Figure 6:** Main environmental issues associated with grazing



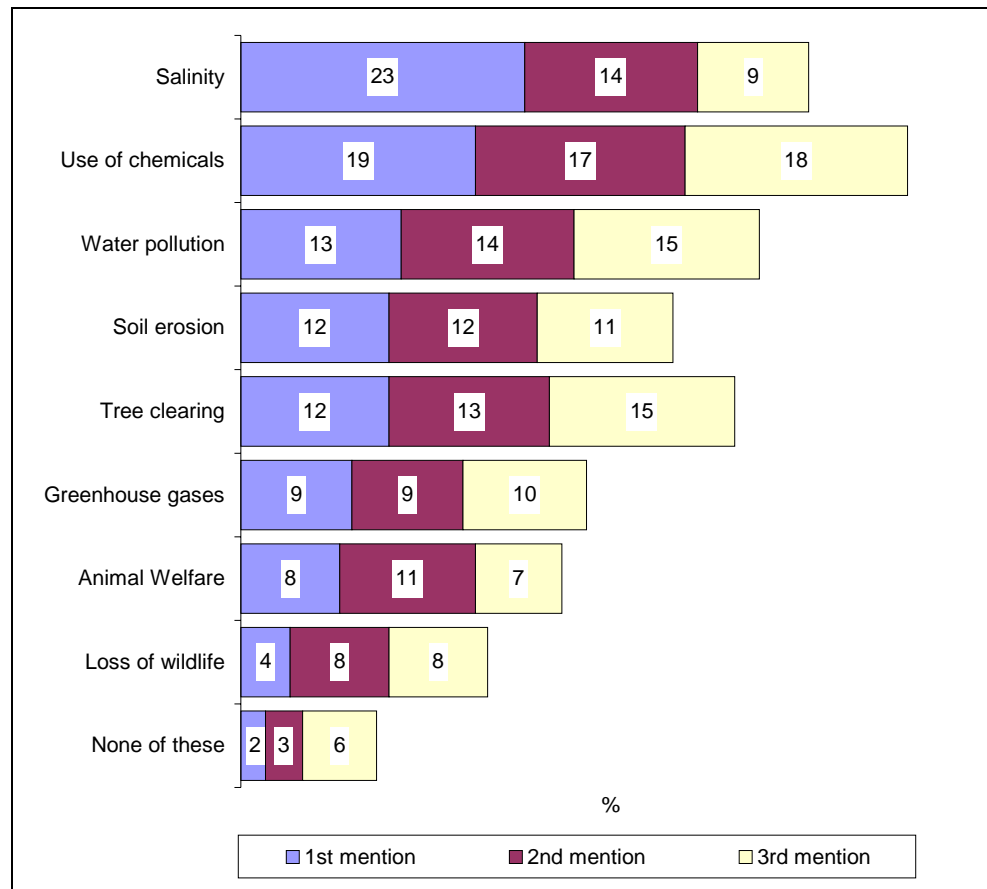
Q6 What do you think are the main issues in relation to the environmental effects of sheep and cattle grazing?

Base: All respondents (n = 605)

Consumers were prompted with a list of eight environmental aspects of cattle and sheep grazing and asked to nominate up to three that are of concern (figure 7). The issues receiving most mention were use of chemicals, salinity, water pollution, tree clearing and soil erosion.

There were some noticeable contrasts with the unprompted mentions. Although salinity was widely recognised when prompted, it received only 2% mention unaided; this is an issue that people know about but is not in their minds for immediate recall. Similarly, water pollution received only 2% mention unaided but rated highly when prompted. The most prominent issue across both unaided and prompted recall was the use of chemicals. This is an issue that consumers can easily translate into a health concern.

**Figure 7:** Environmental issues of concern regarding cattle and sheep grazing



Q13 I am now going to read out eight environmental aspects of cattle and sheep grazing and I would like you to name up to three issues which are of concern to you.

Base: All respondents (n = 605)

### 3.3 Attitudes towards environmentally friendly and organic food

There is a perception that ‘environmentally friendly’ and ‘organic’ are strongly correlated. Consumers were prompted with a list of possible explanations of the term ‘environmentally friendly’ and asked to nominate which one best described the term (figure 8).

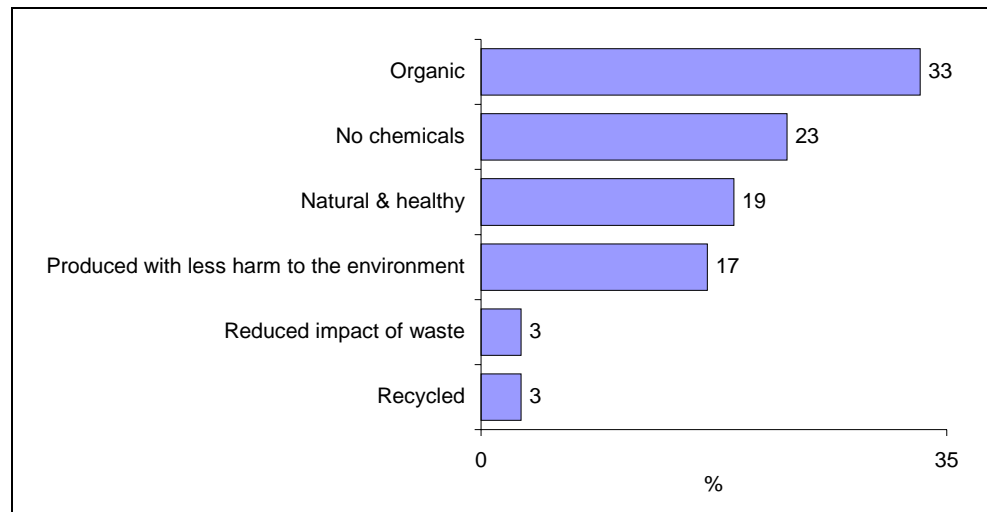
One-third of consumers (33%) opted for ‘organic’ as the best description of environmentally friendly, followed by a quarter (23%) opting for ‘no chemicals’ as the best description.

‘Healthy and natural’ and ‘produced with less harm to the environment’ were each nominated by one-fifth of consumers (19% and 17% respectively).

Those currently buying organic meat are significantly more likely to use the term organic to describe environmentally friendly (46%, compared to 30% who do not buy organic meat).

These findings highlight the level of confusion which exists regarding the term environmentally friendly, and its meaning when applied in the food industry.

**Figure 8:** Best describes 'environmentally friendly'

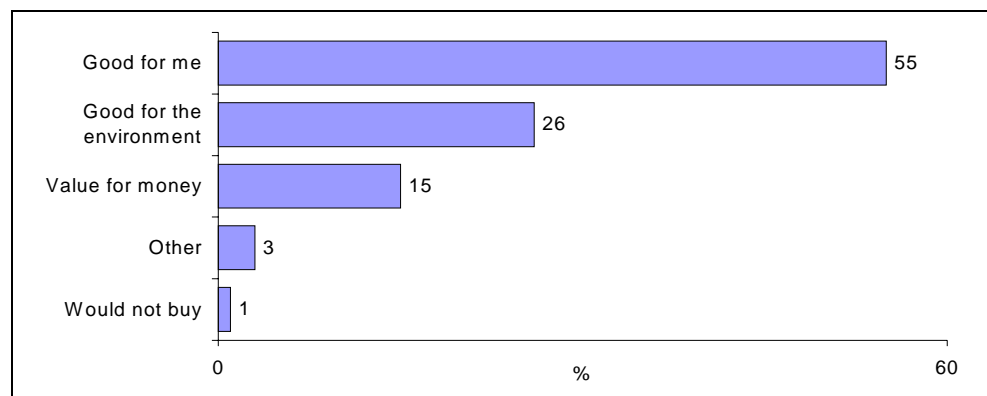


Q7 Which of the following terms best describes food that is 'environmentally friendly'?

Base: All respondents (n = 605)

Buying environmentally friendly meat is twice as likely to be triggered by a desire for personal health and wellbeing than by the desire to 'help the environment' (figure 9). Fifty-five per cent nominated being 'good for me' as the main reason they would buy environmentally friendly meat, and 26% nominated 'good for the environment' as the reason.

**Figure 9:** Reason for buying environmentally friendly meat

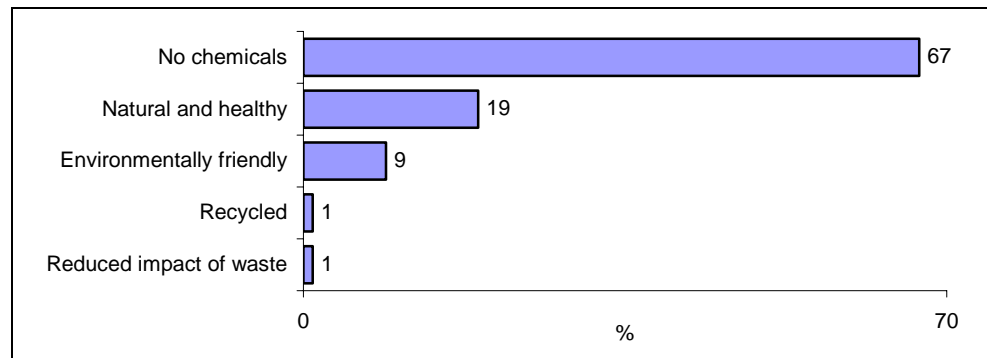


Q8 If you were to buy 'environmentally friendly' meat, what would be the main reason you would buy it?

Base: All respondents

There appears to be a more consistent understanding of the term 'organic' among consumers (figure 10). When prompted with a list of options, two-thirds (67%) nominated 'no chemicals' as the best definition. Only 9% nominated 'environmentally friendly' as an appropriate description. There were no significant differences in understanding between those who currently purchase organic meat and those who do not.

**Figure 10: Best describes 'organic'**

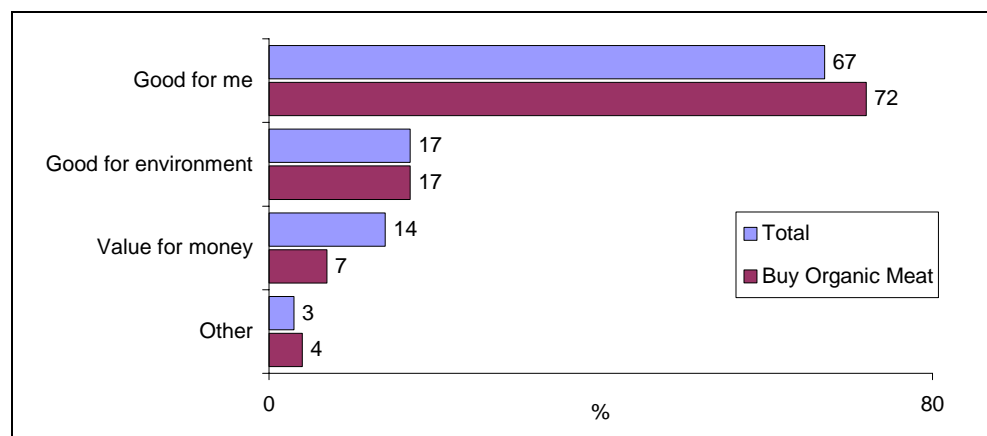


Q10 Which of the following terms best describes 'organic'?

Base: All respondents (n = 609)

As was found in relation to environmentally friendly meat, the main attraction of organic meat to consumers is personal health and wellbeing (figure 11). This is consistent across both existing purchasers and non-purchasers.

**Figure 11: Reason for buying organic meat**



Q11 If you were to buy 'organic' meat what would be the main reason you would buy it?

Base: All respondents (n = 605)

The consumer pricing of environmentally friendly products is a complex one (figure 12). While 71% of grocery buyers agree that environmentally friendly products are too expensive, a similar number agree that they are worth paying more for. Behaviour is the key, with those currently buying environmentally friendly food and/or organic meat most likely to agree that these products are worth paying more for (76% and 80% respectively).

There is obviously an expectation that environmentally friendly products will cost more, but that 'you get what you pay for'. Whether consumers adopt these products into their repertoire depends upon their individual situation. It is a trade-off between balancing their budget and individual attitudes towards the environment and their health. It is clear that this trade-off will sway them towards purchasing environmentally friendly products such as fruit and vegetables but not others. Whatever the individual's situation, it is clear that minimising the price differential between environmentally friendly and regular products will result in higher take-up.

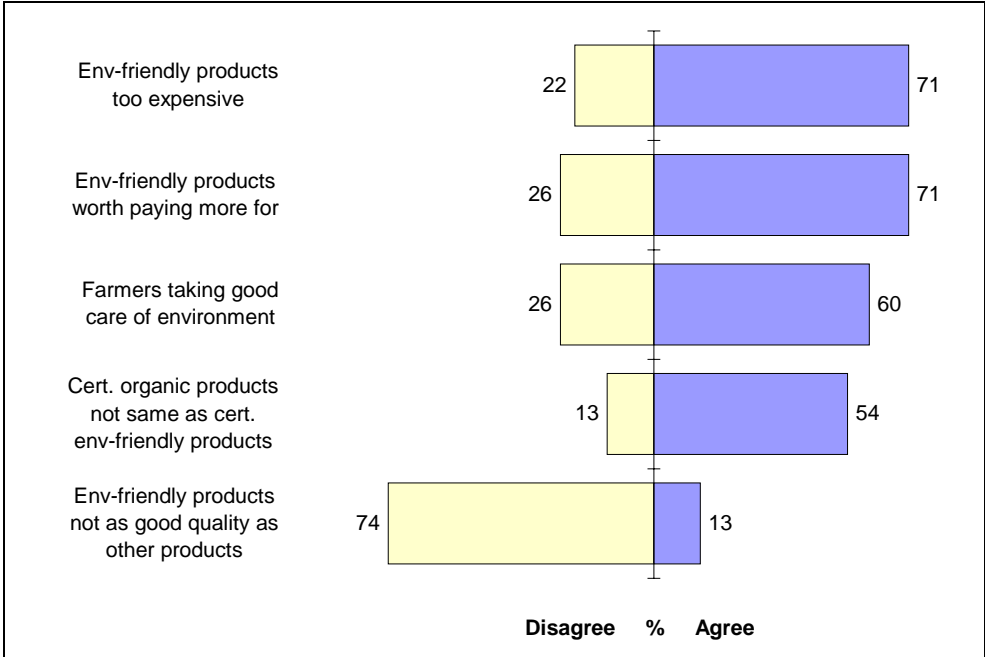
Well over half (60%) of consumers believe that farmers are currently taking good care of the environment. This is a good result for the grazier industry.

Just over half (54%) perceive a difference between certified environmentally friendly and certified organic products, although one-third (32%) do not know whether there is a difference.

Most perceive that the quality of environmentally friendly products is at least as good as that of other products.

The main barrier to future purchasing of environmentally friendly food is perceived cost (figure 13). This factor far outweighs any other barrier.

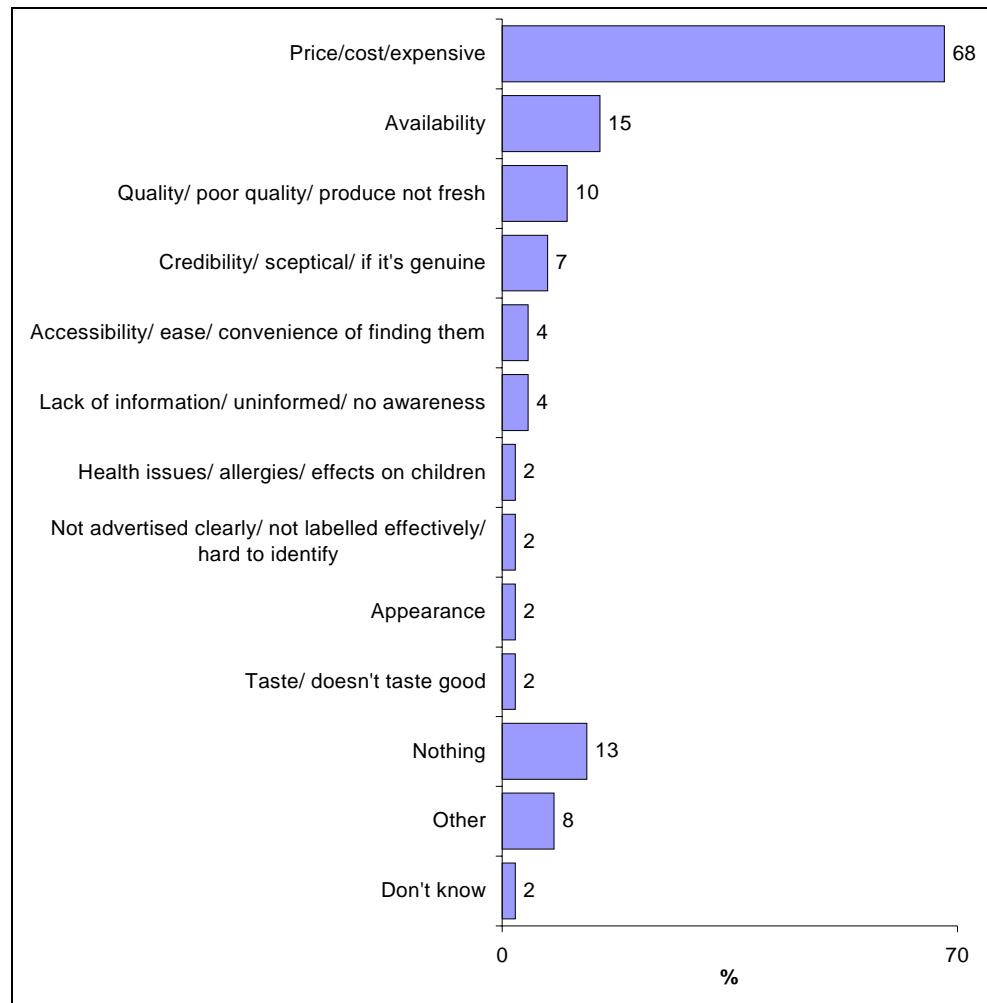
**Figure 12: Agreement with statements**



Q12 Do you agree or disagree with the following statements?

Base: All respondents (n = 605)

**Figure 13:** Factors that would prevent purchase of environmentally friendly food



Q15 What are the factors that would stop you from buying environmentally friendly food products?

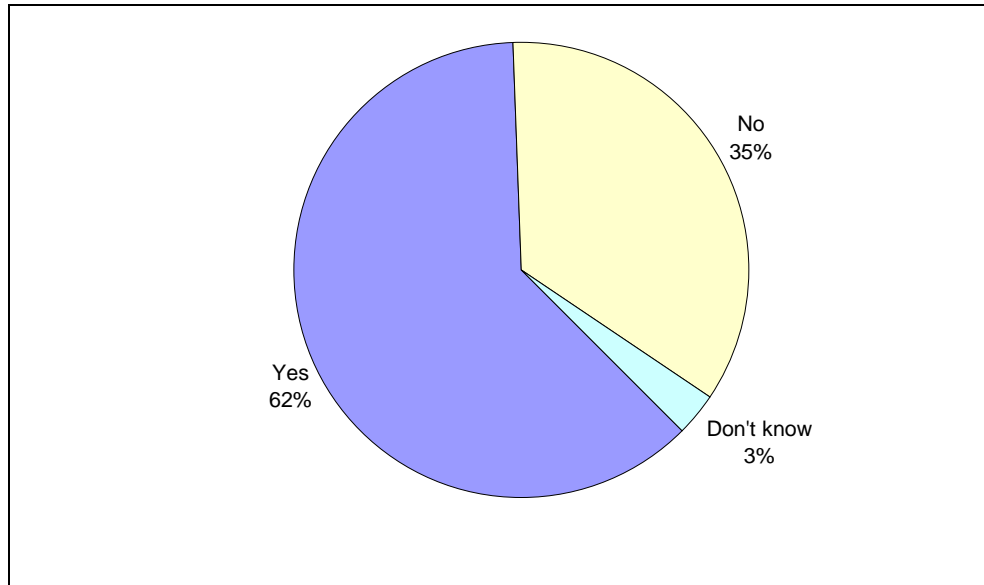
Base: All respondents (n = 605)

### 3.4 Consumer interest in an environmentally friendly guarantee for meat

Six out of ten grocery buyers (62%) believe they are influential in making a difference to the environment (figure 14). The proportion is significantly higher for those currently purchasing organic meat (79%) and/or environmentally friendly food (69%).

The influence people have on the environment is not limited to food purchases, and can include such behaviours as recycling, saving water, buying low-energy appliances and using public transport.

**Figure 14:** Influence on environment

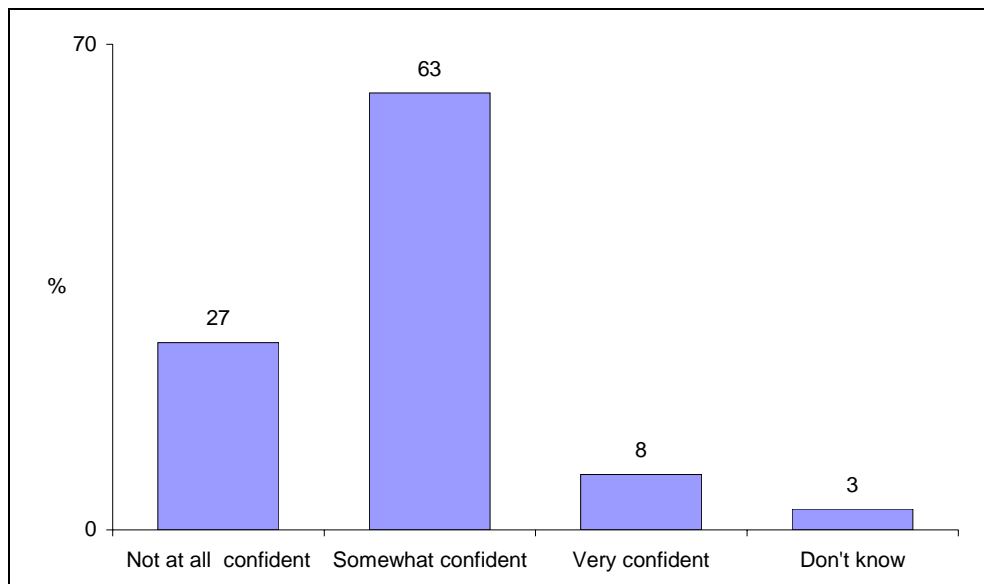


Q14 As a consumer, do you think you are influential in making a difference to the environment?

Base: All respondents (n = 605)

Consumers are only *reasonably* confident with the 'environmental claims' made about products currently in the supermarkets (figure 15); 63% state they are somewhat confident with these claims, only 8% feel very confident and 27% are not at all confident.

**Figure 15:** Confidence in 'environmental claims' made on products



Q16 How confident are you with the 'environmental claims' made on the products currently in the supermarkets?

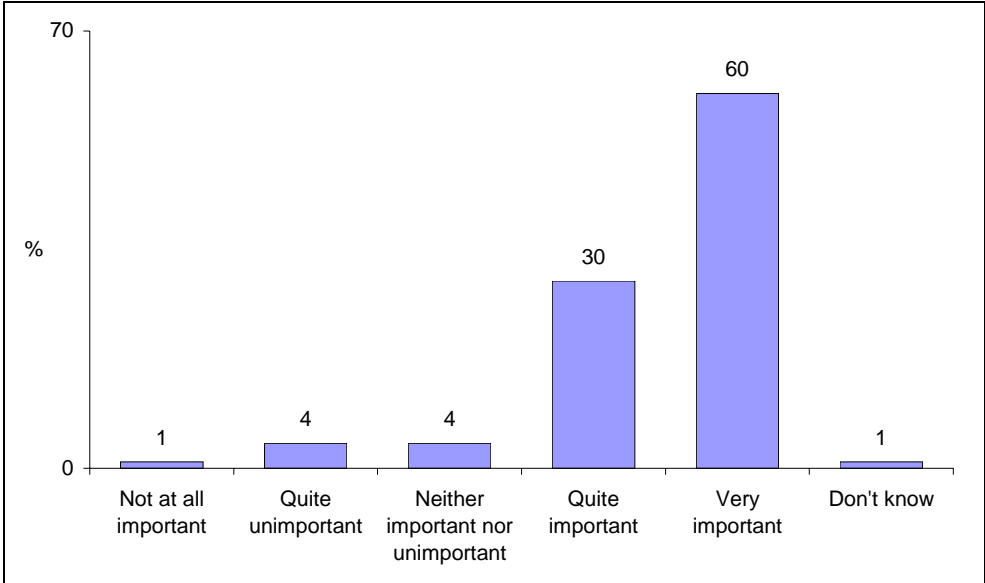
Base: All respondents (n = 605)



It is acknowledged that consumers are becoming more sceptical of product labels. Negative media attention given to the ‘heart tick’ and ‘Australian-made/owned’ has created a feeling of distrust in the community. Even Dick Smith products are not seen as entirely genuine. It is no surprise, therefore, to see only 8% of consumers feeling very confident about what they read on labels.

Consumers have not abandoned all hope, and still see a place for honest labelling with a genuine environmental guarantee (figure 16). When asked, almost all consumers (90%) see the importance of having a system to guarantee the ‘environmentally friendly’ status of meat; 60% consider that having such a system is *very* important. This shows that consumers are open to the concept, provided they can trust what it says.

**Figure 16:** Importance of ‘environmentally friendly’ guarantee for meat

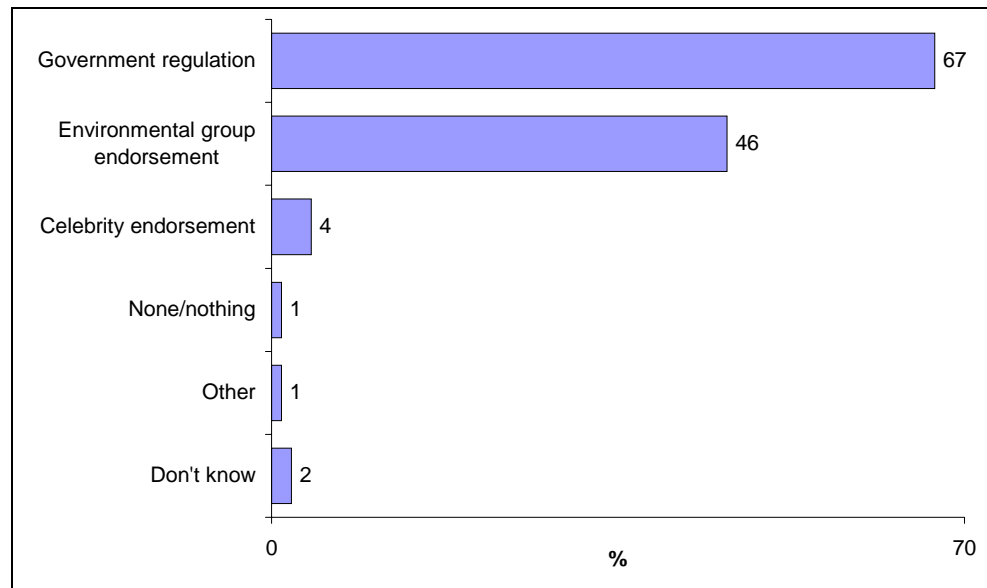


Q17 How important do you think it is to have a system in place that guarantees that meat is environmentally friendly?

Base: All respondents (n = 605)

There are two key triggers to consumer acceptance of such a system — government regulation, and endorsement by an environmental group, with the former holding the more credibility (figure 17).

**Figure 17:** What needs to be on the label to engender trust in the system



Q18 Which of these would you need to see on a label and in an advertisement in order to trust that system?

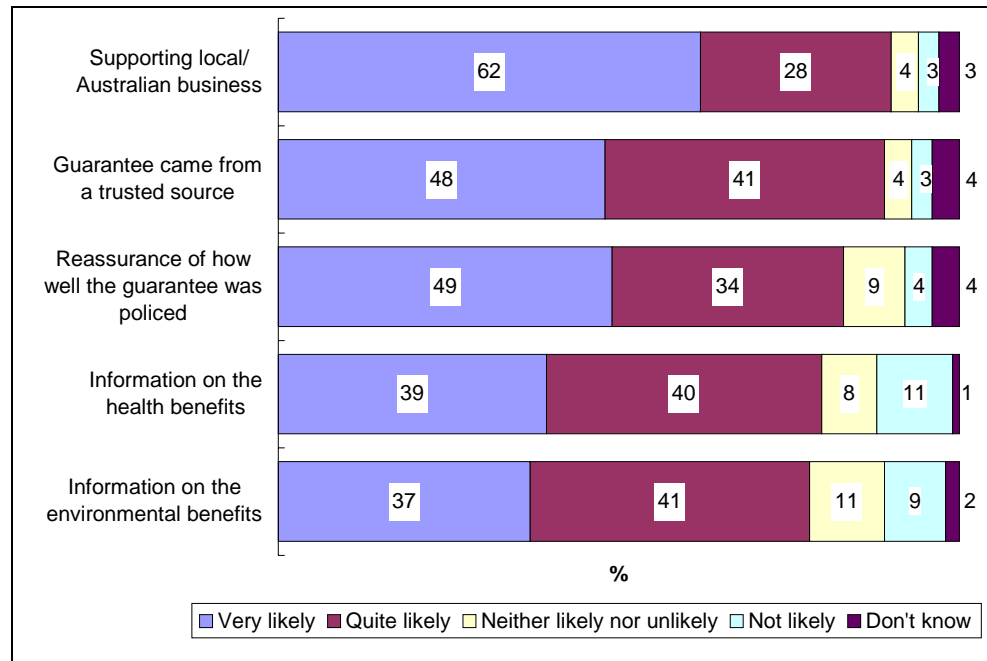
Base: All respondents (n = 605)

In marketing and communicating an accreditation system, the key triggers lie in showing that it supports Australian businesses, guarantees that the meat is from a trusted source, and provides reassurance that the system is well policed (figure 18).

The main consideration should be given to those consumers who report they are 'very likely' to purchase environmentally friendly meat with specific guarantees. Figure 18 shows that supporting local/Australian businesses has the strongest endorsement, followed by trust in the organisation responsible for establishing and maintaining the scheme.

In evaluating these findings, consideration should also be given to price and the importance of personal health and wellbeing, previously noted as important influences on the purchase of environmentally friendly food products. This and other research has shown that supporting Australian businesses is an emotive issue. People will attribute great importance to it in the survey context, but in the end it is value for money and perceived health benefits that will dictate most purchases.

**Figure 18:** Likelihood of purchasing meat with the following endorsements/supporting messages



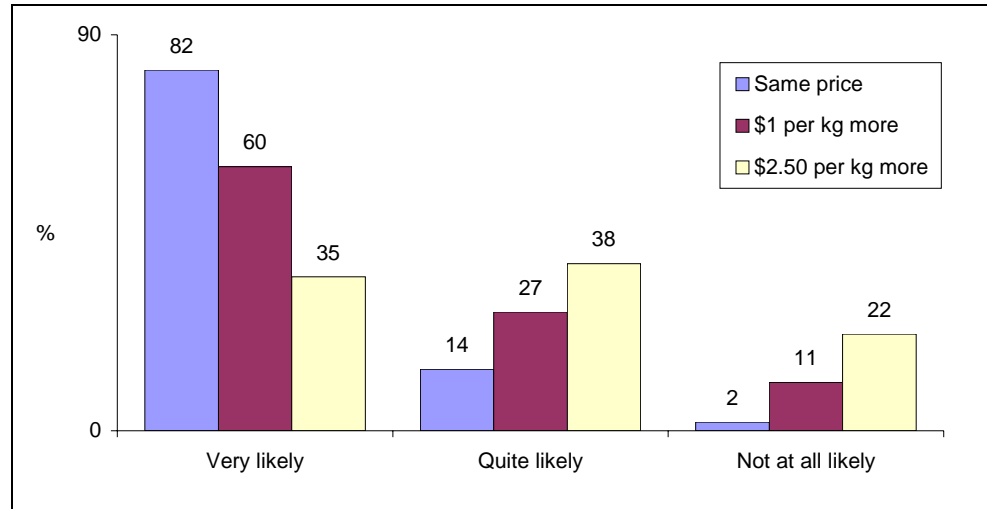
Q19 How likely are you to buy meat with an environmentally friendly guarantee if it showed the following?

Base: All respondents

There is strong consumer interest in purchasing meat with an environmentally friendly guarantee if its price is the same as that of regular meat (figure 19). More than eight out of ten consumers (82%) indicate strong interest in the concept.

A price premium of 10% per kg reduces the proportion of consumers very likely to buy the meat to 60%, and a price premium of 25% per kg results in a decline to 35% of consumers showing strong interest.

**Figure 19: Likelihood of purchase**



Q20 How likely are you to buy meat with an environmentally friendly guarantee if it is the same price as your regular meat purchases?

Q21 If a regular cut of meat is \$10 per kg, how likely would you be to purchase meat with an environmentally friendly guarantee if it was \$12.50 per kg?

Q22 If a regular cut of meat is \$10 per kg, how likely would you be to purchase meat with an environmentally friendly guarantee if it was \$11 per kg?

Base: All respondents (n = 605)

Those who currently buy environmentally friendly food items indicate a greater willingness to purchase the proposed meat products in the absence of a price premium (86% very likely, compared to 77% very likely for those who do not currently purchase environmentally friendly food items).

Those aged under 60 show greater willingness to purchase meat guaranteed environmentally friendly (84% compared to 74% of those over 60), as do those with household incomes greater than \$75,000 (91% compared to 80%).

Differences in current behaviour and attitude are factors that contribute to whether a consumer is willing to pay more for environmentally friendly meat. Those groups most likely to consider paying a 10% price premium currently:

- buy environmentally friendly food items (67% very likely to purchase compared to 52% of those not currently buying environmentally friendly food items);
- buy organic meat (85% compared to 54%);
- always consider the environmental effects of meat production (74% compared to 49%).

There are no other significant demographic differences.

With a price premium of 25%, it continues to be behaviour and attitude that dictate whether consumers are willing to purchase environmentally friendly meat. Consumers willing to pay a price premium of 25%:

- currently buy environmentally friendly food items (43% compared to 27%)
- buy organic meat (55% compared to 31%)
- always consider the environmental effects of meat production (62% compared to 31%).

Again, there are no other significant demographic differences.

### 3.4.1 Projected demand

Consumers often overestimate their likely behaviour in response to a research survey instrument. To provide more realistic estimates of actual behaviour, reported demand is ‘down-weighted’ according to known percentages, and a range of probable behaviour is derived.

The weightings applied to the data are as follows:

- high range = 50% of ‘very likely’ + 25% of ‘quite likely’
- low range = 25% of ‘very likely’ + 10% of ‘quite likely’.

Based on the level of interest shown by consumers, the estimated demand for meat with an environmentally friendly guarantee becomes:

- at no price premium: 22–44%
- price premium of 10% per kg: 18–37%
- price premium of 25% per kg: 13–27%.

For those currently buying environmentally friendly food items and those currently buying organic meat, estimated demand levels are similar at no price premium; with the introduction of a price premium, demand is slightly higher among those who currently buy organic meat.

**Table 3:** Estimated demand levels for meat with an ‘environmentally friendly’ guarantee

	<b>No price premium</b>	<b>Premium of 10% per kg</b>	<b>Premium of 25% per kg</b>
Currently buy environmentally friendly food items	23–46%	19–40%	15–31%
Currently buy organic meat	23–47%	22–45%	17–36%

While these figures provide an estimate of likely take-up for the scheme, they assume complete market knowledge. In other words, the survey itself overcame the ‘awareness’ hurdle; all the consumers interviewed were aware of the scheme and had some idea of what would be involved in the guarantee. This is not the case in the real world, however. The lower estimates of demand should therefore be seen as a starting point, and the higher estimates should be considered closer to an ‘ideal’ market situation with perfect knowledge and availability.

## 4. Recommendations

The results from this consumer research indicate strong interest in the concept of a scheme which guarantees that meat is produced ‘with concern for the environment’. The next step is to identify the appropriate target market, how to reach it, and the steps that are likely to maximise take-up of the concept.

### 4.1 Target market

There is no doubt that targeting those who are already predisposed to environmentally friendly food products, in both purchasing behaviour and personal beliefs, will provide the easiest point of entry into the market. Those currently buying organic meat show a willingness to purchase environmentally friendly meat; however, this group is likely to be the most demanding in terms of the validity and credibility of the environmental assurance scheme. There is also the issue of switching their purchase habits from organic to environment-friendly meat. Nevertheless, getting it right with this group can provide a catalyst to reaching the wider market. The recommended approach is to start with those who have leanings towards environmentally friendly/organic food purchasing and allow the market to grow from this base. The feasibility of this will depend on the resources and budget available for the scheme.

The only hint of a demographic target market is those with an above-average disposable income and those aged between 18 and 59. It would be far better to focus on a psychographic target market consisting of those with leanings towards environmental issues, those with concern for the meat-production process and those who already buy some form of environment-friendly products.

### 4.2 Reaching the target market

The first building block is to generate awareness of the scheme with a clear, credible message. Rather than using broad-based advertising or communication, careful consideration must be given to the way in which the message is communicated. Consumers are extremely sceptical about labelling, in particular because of the media coverage of ‘Australian-owned/made’ and the ‘Heart Tick’. For environmental assurance to be accepted, the communication must emphasise what the scheme means, what its environmental and personal benefits are, who is responsible for regulation, and why consumers should trust it. The challenge lies in bringing this together into one clear message for consumers. The use of editorial and infotainment sources will be crucial, as will the use of personal messages delivered close to point of purchase (for example, in-store demonstrations).

All this will be meaningless, of course, unless the scheme is well supported and audited by primary producers and the appropriate regulatory body, and has buy-in from all links in the supply chain to the retail outlet.

### 4.3 Maximising product trial and adoption

There is poor consumer awareness of exactly what ‘environmentally friendly’ means in relation to food products. Most consumers explain ‘environmentally friendly’ as being organic, while organic is understood to mean chemical-free. The first challenge to meet is to develop consumer understanding of exactly what environmentally friendly meat is.

There is no single environmental issue associated in consumers’ minds with grazing, but salinity, soil erosion and use of chemicals are concerns voiced. Consumers currently purchase ‘environmentally friendly’ products that have benefits they can visualise: for example, fruit free of chemical sprays, and free-range eggs. It is likely that the environmental issues of grazing and meat production are less

easy to visualise, and their impact will need to be communicated carefully if the scheme is to appeal to a broad audience. Consumers should be able to visualise the link between what the graziers are doing and the meat they are purchasing and, importantly, what the benefits are. There also has to be clear differentiation between organic and environment-friendly meat. This is the first communication message that needs to be developed:

- **Communication #1: Explain what is meant by ‘meat that is produced with concern for the environment’ and how this differs from other meat, including organic meat.**

The primary trigger for consumer adoption of environmentally friendly meat will be price — or, more importantly, value for money. This takes into account both the retail price and the quality of the meat.

Secondary drivers will be:

- personal health and wellbeing
- supporting Australian/local businesses
- evidence of a well-managed, government-regulated accreditation scheme.

Benefits to the environment are lower down a consumer’s list of priorities, although they do provide a ‘feel-good’ factor when such products are purchased.

The benefits of purchasing this meat must address emotive issues such as personal health, family welfare and supporting local businesses, as well as addressing the rational triggers of price and quality.

- **Communication #2: Explain the benefits of buying this meat to consumers and their families.**

Most consumers expect environment-friendly meat to attract a price premium, and it appears that with a premium of 10% per kg the meat would initially appeal to 18% of consumers. To convince sufficient consumers to try the product, there should be little or no price premium — certainly no more than 10% more than regular meat prices. The lower the price premium, the more new users (ie those who do not currently buy environmentally friendly and/or organic products) will be attracted into the market. Even those who currently buy such products are unlikely to accept a price premium greater than 10%.

Consideration should be given to the issue of why the meat is more expensive, and communicating this to consumers in a way that demonstrates value for money in their purchase. At the point of purchase, consumers should be thinking: ‘This is about the same price as I normally pay, but I know it’s better for me (and for the environment).’

- **Communication #3: Buying this product represents good value for money.**

The environmental assurance scheme must meet specific criteria for consumers. It must:

- be easy to understand;
- be clearly identified on packaging;
- be associated with products that are consistently available;
- be regulated by a recognised and trusted source;
- demonstrate validity and credibility; it must not allow producers to break their commitments or ‘buy into’ the scheme.

- **Communication #4: You can trust the guarantee.**

The key to these communication messages will be to encompass each one within a simple, memorable piece of marketing. The aim is to create awareness, generate interest, demonstrate personal relevance and encourage trial.

In summary, the research indicates that consumer demand exists for an accreditation scheme, and the challenge lies in addressing the above issues and gaining consumer acceptance of the concept. The decision on which way to proceed from here must depend upon the level of support from primary producers and the retail industry, as well as the resources and budget allocated to marketing the scheme. In terms of further research, there would be merit in testing proposed communication strategies and concepts with the target market, focusing on those who currently purchase environmentally friendly products and have concern for meat production methods. With the high level of distrust currently given to many environmental claims, there will be only one opportunity to launch the concept and get it right.



# Appendix 1: Consumer focus group report

## Executive summary

The purpose of the consumer focus group research was to identify consumers' views and issues in relation to food and fibre products that are produced 'with concern for the environment'. In particular, it was intended to assess consumers' awareness of these products, their propensity to purchase these goods and the specific issues or concerns in the purchasing process.

The results were intended to provide a basis for the development of a formal survey instrument.

It appears that product attributes and purchasing criteria for fresh foods such as meat are quite traditional in nature, with price, quality, colour/freshness and packaging being the triggers for purchase. There seemed to be high awareness of organic meats (mainly chicken) and the few consumers who actually purchased them did so for both health and environmental reasons.

Natural fibre products were considered to be more expensive to buy; some consumers considered them 'worth it', with the main purchasing triggers being comfort ('natural fibres breathe'). Other views were driven by look and feel, while allergies to wool featured strongly in the discussions. Producing fibre products 'with concern for the environment' was of little interest and not considered important in the purchasing decision.

While awareness of the broader environmental issues was high, this was predominantly among those with 'green leanings'. Consumer awareness of environmental issues relating to agriculture was quite low. These awareness levels do not seem to be related to the likely purchasing behaviour towards fresh foods such as meat.

There was quite strong support for environmental protection throughout the production process, but this has little influence on purchasing behaviour at present. This appears to be related to a lack of knowledge on the specific environmental issues and how they can be addressed.

There was high recognition of the important role of farmers in protecting the environment, and the role of all links in the production chain.

High levels of distrust exist toward labels generally, with only a few given any credibility. The 'Australian-made' and 'energy-rating' labels were very highly regarded, however, and are a strong trigger for purchase among these groups.

Trust (or distrust) of labels centres around issues such as: truthful to the claims; genuine in nature; well policed to ensure compliance; and whether or not they provide adequate education on the issues and impact.

Consumers generally did not feel they could have a major impact on environmental issues in their individual purchasing. Those with 'green' leanings seemed more positive about their potential to influence than others. Despite this feeling of low influence, the practice of recycling household rubbish was extremely strong across the whole group, demonstrating that their attitudes may differ from their behaviour.

'Green' leanings, while making people environmentally aware, does not at present seem to influence their propensity to buy environment-friendly products. It does, however, seem to be related to whether they would respond positively or negatively (take-up rate) to the introduction of an environmental assurance scheme.

In addition, the purchasing decisions of people with 'green' leanings seem more price-sensitive. They appear to have the expectation that producers should be taking responsibility for the environment without necessarily passing on the cost to the consumer.

The purchasing behaviour of those not demonstrating 'green' leanings were also somewhat price-sensitive, but in this case largely for budget and socio-economic reasons.

Fibre products were viewed quite differently across the board. Consumer interest in fibre production and its influence on the environment was low. Producing 'with concern for the environment' did not appear to influence their buying behaviour.

Overall, issues of environmental protection were considered important, even though knowledge of specific agricultural issues was low. Consumers do not appear to feel they can influence these factors much in their purchasing, but will still make an effort and pay a slight premium. This is conditional on an understanding of the issues, having trust in a label and its guarantee, and price premiums being low to moderate.

If these expectations are met, it appears that market opportunities exist for food products such as meat that are produced with concern for the environment.

## **1 Purpose and procedures**

The Department of Primary Industries (DPI) is leading a project that aims to provide recommendations on a market-driven system of environmental management for agricultural production. The main outcome of this project will be marketing information and strategies for food and fibre products that have environmental attributes attractive to domestic and international consumers. Quantitative analysis of stakeholders' expectations (consumers and graziers) is an important component of this project, and will assist in the identification of an environmental assurance scheme that will meet market requirements and assure consumers of the environmental attributes of products.

### **Objectives**

The overall objectives of the market research project were to:

- determine the proportions of Australian consumers who are aware of and will purchase food and fibre products produced with concern for the environment;
- identify some of the factors that will motivate them to purchase these products.

The objectives of the focus group research were to:

- identify consumers' views and issues in relation to their awareness of and propensity to purchase these goods;
- provide a basis for the development of a formal survey instrument.

This report outlines:

1. consumers' responses to the specific questions, with a comparative overview for each;
2. the researchers' interpretations and conclusions on the broad issues under discussion;
3. recommendations for the quantitative study.

## **About focus group research**

The focus group is an important tool used in qualitative research to provide insights into views, issues and sentiments on particular subject matter. It can be used to pre-empt a formal quantitative survey or to further explore subject complexity at other stages in the research process.

This style of research differs from quantitative research in that it deals with small numbers of people in a subjective manner. As such, the results from each group are not expected to be the same, nor are they intended to be generalised to the wider population.

The open-ended question style allows participants to select the manner in which they respond, encourages interaction among respondents and allows people to change their opinions after discussion with others. This allows for depth and detail on a subject, and flexibility to explore responses; and it brings the researcher closer to the customer.

The final analysis is also somewhat subjective. However, the researcher has made every endeavour to remain true to the sentiments of the respondents and the objectives of the focus group project.

## **Recruitment strategy**

Two consumer focus groups of up to 12 participants were recruited. Both groups were similar in make-up, with a focus on the 'household grocery buyer' and a predominance of women in each group in recognition of their greater role as decision-makers in the purchase of food. Both groups had a spread of ages and incomes, to ensure a breadth of views and socio-economic factors.

In order to gain an understanding of the views at both extremes of the environmental spectrum, the two groups were also heterogeneous in make-up.

The groups differed in their 'green leanings'. Group A, 'Greenies', were recruited if they showed strong leanings towards green philosophies. Group B, 'Uncommitted', were recruited if they demonstrated no real commitment to green philosophies.

A series of statements was devised to elicit the respondent's level of commitment (ie demonstrated behaviour) to environmental issues. Due to the complexity of these issues the statements were used only as a prompt to draw out the respondents, and the interviewers were called upon to make a very subjective judgement. The interviewers were briefed to read between the lines, and to take note of any extra comments, in order to gauge the respondents' level of commitment. Their actual answers were in effect less important than the way they were given. (See appendix 1A for recruitment brief and screening questionnaire.)

## Demographics

Greenies					
	Gender	Age	Household Composition	Employment status	Income
1	Male	60-69	Late family - children grown and left	Retired	\$10,000 - \$24,999
2	Male	50-59	Late family - adult children living at home	Working full time	\$25,000 - \$49,000
3	Female	40-49	Late family - adult children living at home	Working part time	\$25,000 - \$49,000
4	Female	40-49	Young family - pre-school/primary	Working part time	More than \$75,000
5	Female	30-39	Single - live by self	Working full time	\$25,000 - \$49,000
6	Male	30-39	Single - live by self	Studying part time	\$10,000 - \$24,999
7	Female	30-39	Middle family - primary & secondary children	Working part time	\$50,000 - \$74,999
8	Female	50-59	Mature family - secondary & post-sec children	Retired	\$10,000 - \$24,999
9	Female	60-69	Late family - children grown and left	Studying part time	\$25,000 - \$49,000
10	Female	50-59	Single - live with parents/relatives	Working full time	\$25,000 - \$49,000
11	Female	50-59	Late family - children grown and left	Not in paid employment	\$25,000 - \$49,000
12	Male	60-69	Late family - children grown and left	Retired	\$25,000 - \$49,000

Uncommitted					
	Gender	Age	Household Composition	Employment status	Income
1	Male	18-29	Single - live with other people not related to me	Studying full time	\$25,000 - \$49,000
2	Female	18-29	Single - live with other people not related to me	Working full time	\$25,000 - \$49,000
3	Male	30-39	Young family - pre-school/primary	Working full time	More than \$75,000
4	Female	40-49	Late family - adult children living at home	Working part time	\$50,000 - \$74,999
5	Male	18-29	Single - live with other people not related to me	Not in paid employment	\$10,000 - \$24,999
6	Male	50-59	Mature family - secondary & post-sec children	Working full time	\$50,000 - \$74,999
7	Female	30-39	Young family - pre-school/primary	Not in paid employment	\$10,000 - \$24,999
8	Female	40-49	Mature family - secondary & post-sec children	Not in paid employment	Refused
9	Female	50-59	Late family - children grown and left	Retired	\$50,000 - \$74,999
10	Female	50-59	Late family - children grown and left	Retired	\$10,000 - \$24,999
11	Female	30-39	Middle family - primary & secondary children	Not in paid employment	\$25,000 - \$49,000

In comparing the two groups demographically, the ‘Greenies’ group has a slight skew towards the older age brackets and ‘late family’ life cycle, and a strong skew towards the income bracket of \$25,000–\$49,000 per annum. The ‘Uncommitted’ group had a slightly higher predominance of people ‘not in paid employment’, and a younger skew, with no respondents older than 60.

## Setting

Twelve respondents were solicited for each group, with the expectation of nine attendees. The ‘Greenies’ group was held at night (12 attendees) and the ‘Uncommitted’ during the day (11 attendees) in order to ensure a cross-section of the working and non-working public. The groups met in the focus group room at the DPI Centre for Food Technology, Hamilton, Brisbane.

The groups were aware that the topic related to food and fibre products and that the sponsor was DPI, but they were not aware of the ‘environmentally-friendly’ focus.

## Discussion guide

The discussion moved through the topics from broad to specific, covering the following areas:

- fresh food and fibre purchasing considerations
- understanding of the term ‘environmentally friendly’

- major issues for the environment, agriculture and farmers
- products produced ‘with concern for the environment’
- respondents’ influence over the environment
- importance of environmental issues while shopping
- confidence in environmental claims.

## 2 Consumer responses

Group A: ‘Greenies’	Group B: ‘Uncommitted’
<p><b>1. What are you looking for when you purchase fresh foods such as meat?</b>            The strongest theme across both groups was price as the trigger for purchase, although there was a strong emphasis on ‘value for money’ rather than just price among ‘Greenies’. Quality in terms of colour, cut of meat and fattiness were also triggers. Another strong theme was a recognition of superiority of organic produce among ‘Uncommitted’, although for many this was not a trigger for purchase.</p> <p>In both groups there was a fairly strong leaning towards butchers in preference to supermarkets, both for quality and to support local business.</p>	
<p><i>Top of mind:</i> price, date, colour, price and quality</p> <p>Value for money: look for the best price for the product they want; will pay a little more for quality; look for specials; if it’s too expensive they won’t buy.</p> <p>Quality means colour, ‘good cut’, minimal fat            Date — ‘use by’ date            No mention of organic</p> <p>Some strong leanings (four respondents) towards butchers rather than supermarket due to quality, tenderness, and to support local business</p> <p>Others buy from supermarket (though some would like to purchase from butcher) mainly for convenience, packaging and perception of equal quality.</p>	<p><i>Top of mind:</i> colour, price, fat</p> <p>Main motivator is price</p> <p>Extensive discussion on organic (two participants look for it); others have knowledge but not convinced enough to buy, and buy on price.</p> <p>Perception of better quality and taste in organic chicken/eggs</p> <p>Similar sentiments to ‘Greenies’</p>
<p><b>2. What are you looking for when you purchase products made from fibre such as wool?</b>            There was a difference here, with ‘Greenies’ having stronger leanings towards natural fibres for comfort whereas ‘Uncommitted’ were more focused on look and feel. There were strong views in both groups on allergy to wool.</p>	
<p><i>Top of mind:</i> easy to look after, warmth, allergy-free, comfort (able to breathe), looks good</p> <p>Some preference to natural fibres, but in a mix: ‘If not pure natural fibres, at least a mix rather than synthetics cotton/linen/synthetic mix. They crumple a bit but they’re worth it. They breathe better than synthetic.’</p> <p>Some just buy on what looks good.</p>	<p><i>Top of mind:</i> allergy-free, looks good, feels good</p> <p>Mainly concerned about what looks and feels good.</p> <p>Two respondents with allergies to wool</p>
<p><b>3. What do you understand by the term ‘environmentally friendly’ in relation to food and fibre products?</b>            There were few generalised views in either group; most comments were around specific environmental issues rather than broad overarching philosophies.</p>	
<p><i>Top of mind:</i> organic (sprays and pesticides), breaks down, recyclable, no long-term impact, may benefit the environment</p>	<p><i>Top of mind:</i> biodegradable, breaks down, no harsh chemicals, recyclable packaging</p>
<p><b>4. What do you see as the major issues for the environment?</b>            The ‘Greenies’ group demonstrated greater awareness of major environmental issues than did the ‘Uncommitted’ group. Issues raised by ‘Greenies’ were of a more macro nature, whereas those raised by the ‘Uncommitted’ group were more at a household or personal level.</p>	
<p>Air pollution, sea pollution, water pollution, fire ants, salt table rising, beach erosion, government’s lack of commitment to the environment, burning of artificial fibres, recycling, exhaust emissions from cars, holes in the ozone layer.</p>	<p>Picnickers littering, over-packaging of products, styrofoam, chemical use in preserving things</p>
<p><b>5. Environmental issues in relation to agriculture?</b>            There was limited knowledge among both groups of issues for agriculture, and an emphasis on crops rather than livestock in the discussions. Each group had participants with relatives/friends in farming and these people had greater, though still limited, knowledge of these issues.</p>	
<p>Tree clearing was the only topic raised. Understanding of crop rotation and soil regeneration, with a tendency to be crop-</p>	<p>Chemicals sprays and their impact on other animals; ‘run-off’, mainly in relation to crops.</p>

related.	
<b>6. Environmental issues for farmers, in particular those producing live beasts on the land?</b>	
Greater understanding was demonstrated by the 'Greenies' group. There was very little understanding of environmental issues in the farming of live beasts among the 'Uncommitted'.	
Discussion about chicken farming and mention of use of growth hormones  Deregulation and its negative affect on farmers  Feedlots  Australian cattle sought-after due to low chemical residues  Foot-and-mouth disease	Management of toxic weeds (mother of millions) at Lowood
<b>7. What products come to mind that are produced with concern for the environment? Fresh foods like meat? Fibre products?</b>	
Both groups were similar in the top-of-mind products, which were mainly packaged goods rather than fresh foods. 'Greenies' identified organic meats, and neither group was aware of any fibre products produced with concern for the environment.	
Soaps, dishwashing liquids, soap powders, lead-free petrol, toilet paper  Organic meat	Sprays, soap powders, detergents, houses (solar energy), cars, tissues, toilet paper
<b>8. How influential do you think you are as a consumer in making a difference to the environment?</b>	
In general there were more positive views held within the 'Greenies' group, though with scepticism. The 'Uncommitted' group seemed less inclined to believe they could make a difference through their purchasing behaviour. Generally, the negativity was in relation to not having any knowledge of the impact their behaviour was having. Recycling behaviour was demonstrated strongly in both groups, despite not feeling influential.	
Mix of views from positive to negative: 'We all are (influential).' 'Each person's contribution on recycling.... minimising use of water and power ...is small but you hope collectively we make a difference.' 'I buy more environmentally-friendly...I've changed my shopping habits because I think each one of us makes an important contribution, no matter how small or insignificant you think it is.' 'I don't have money so I'm limited as to what I can afford...I can't afford the luxury.' 'I tend not to look at packaging and don't look at labels too closely...it doesn't really bother me...if I like something I will buy it.' 'If I fail in one area, I make it up in another.' 'A bit like having chocolate and diet coke.'	More negative than positive views: 'If enough people got together, yes, but individually you've got no hope.' 'If you boycott products...I'm pretty loud...but there are big players out there who are pretty hard to move.' 'We need a big group...not just one individual person...no, I don't think one person could (influence).' 'It'd have to make a difference but I think it's pretty hard to gauge when it's one person cos you can't see it, and the incentive might drop off after a while...no, I'm probably not that confident...but it's price as well.'
<b>9. How important are these environmental issues when you shop?</b>	
Participants admitted reluctantly that this was not necessarily a high purchase trigger, with price and comfort overshadowing the benefits to the environment.	
Some consideration given, though not overwhelming: 'I've noticed I won't buy the whole big thing of washing detergent anymore; I'll buy the one in the pressure pack thingy and just do the refill and it says on there it's better for the environment...' '...I'm pleased supermarkets...give you the opportunity to return plastic bags...'	Not very important to this group:  'It's nice to think you would be careful and go towards the environmentally friendly products...but when it comes down to it really, it's borderline.' 'Toilet paper's nicer when it's soft.' 'It's a price thing as well...in a lot of cases it's dearer...'
<b>10. Would you say the environmental factor is significant when you're buying your fresh food products?</b>	
Environmental factors do not appear to be significant at all when consumers purchase fresh food products and fibre products. It appears that these responses are based on a lack of knowledge of the issues rather than lack of interest.	
The influence of environmental factors on purchases was nil:  'Buying fresh fruit and vegetables from the fruit shop...I'm just trying to see where the environmental factor fits in...doesn't have much impact, I don't think.'  In relation to fibre products: 'Not a lot environmentally...sheep eat the grass, they get shorn... they don't sort of treat the grass with anything.'	This was not a consideration for this group.
<b>11. Do you purposely buy environmentally friendly products?</b>	
Only some members of the Greenies agreed they purposely purchase environmentally friendly products, though an equal number did not, largely due to an overriding price consideration. The 'Uncommitted' group did not demonstrate any concerted purchasing on 'environmental' grounds; their purchasing related more to health.	
There were mixed responses to this, with about half of participants acknowledging they attempt to buy products that show concern for the environment.  'Yes... hoping it will make a difference to the environment.'	Discussion about health-related purchases (eg Heart Foundation) but not about environmental purchases  Some discussion on organic products, but more in relation to health

Others don't: 'I don't know...does everybody else find that environmentally friendly stuff is always more expensive?...I would love to buy the green power (solar)...but again, I'm very seriously constrained by...money.'	than to the environment.
<b>12. What factors would influence you to buy fresh food products produced 'with concern for the environment'?</b>	
Two strong themes emerged in both groups: that of price, and of effective and genuine labelling. Price needed to be reasonable, coupled with information on the product to explain 'the difference'. Another strong theme (though unrelated to the environmental issues) in both groups was the preference for 'Australian-made' products.	
Cost Quality and cost Comparable or cheaper prices compared with ordinary products Whether or not it is local/Australian Genuine labelling Uniform and plain labelling 'If it's one or two cents more expensive I will buy it... If it's exorbitantly more expensive, I'll think seriously about my budget... To me it's worth it to support the local industries (in relation to Tasmanian apple growers).' The sentiment to support local and Australian producers was very strong.	Shelf-space Packaging (attractive) 'I'd go for the environment before I'd go for packaging or price.' Similar price Clear labelling...tells you the difference Advertising and education Taste tests Distinctive logo for 'environmentally-friendly'
<b>13. What factors would stop you purchasing products produced 'with concern for the environment'?</b>	
It seemed in this instance that the 'Greenies' group was more focused on price; however, this may be more related to their experience in assessing 'environmental' products, whereas the 'Uncommitted' groups are less experienced in this regard.	
'If the penalty for environmentally friendly (price) was too great.' 'Price' 'It's not just price... If it doesn't taste any good or doesn't work...why should you buy it if you don't like it?'	Quality 'As we said with the toilet paper...it's too hard.'
<b>14. How much more would you pay for products that were produced 'with concern for the environment'?</b>	
There seemed to be a general acceptance of paying more among a good proportion of respondents in both groups, though with the condition that the reason for the price premium was reasonable and apparent. Others were not prepared to switch products or pay more for environmental products.	
'Ten per cent' 'Definitely not double' 'I would want to understand why it was more... If there's a real reason, that (10%) might be acceptable.'	'I have trouble with 30%...I look at that and think...wow...you're hurting my budget doing this...and I'm sorry it costs you so much for you to have to charge this much...and I also wonder if they do have to charge this much.'  'I don't mind paying 5c more per item... I wouldn't pay 25% more.'  'I probably wouldn't consider it really...I don't really consider the environment all that much.'
<b>15. How do you decide if something is produced with concern for the environment? Awareness of symbols or labels?</b>	
Both groups identified packaging as important in assisting them to decide whether the item is really produced with concern for the environment.	
'Basically, you're relying on the people who make it to not lie...unless you go check it out, or you've read a report in some magazine that says they do.' 'We rely on packaging...' Environmental symbols with arrows on it...green triangle. P.E.T. — apparently means recycling Tender cut Grain fed Marbled beef Dolphin-friendly Heart Foundation 'tick' 'I think they (symbols) have an impact if you're conscious of them.' 'I'm dubious and cynical...there's no actual dolphins in the tin...but were there any dolphins in the net? I still wonder about their methods.' 'I still buy the tuna and salmon that says dolphin-friendly because it says so, but it is a trust issue.' 'Labelling in this country is very complacent.'	Packaging Label 'In packaged products it's probably a lot easier, but in meats I find it hard to believe some of the things people say 'cos you don't know what's gone on in the life of the cattle or sheep... You don't know what they're being fed.'
<b>16. How confident are you in the 'environmental claims' made on the products you're familiar with?</b>	
A substantial level of distrust toward most labels existed in both groups, with the 'energy-rating' and 'Heart Foundation' tick being considered positively by some.	
Confidence in labels was generally low: 'Who are we trusting? Are we trusting the company or are we trusting the government to enforce the company to live up to the claims they're making?' 'You can pay an amount of money to the Heart Foundation (for	'No...I don't trust them.' 'Some labels...white goods...energy rating...a lot of research has gone into those...'

the tick)...so that's really dodgy.'	
<p><b>17. What do you need to make you confident?</b></p> <p>While the 'Greenies' group was equally cynical on the reliability of labels, their outlook was more positive compared to the 'Uncommitted' group, in which several indicated nothing would make them confident in environmental claims. Most across both groups agree that an organisation (not government) should regulate, with government overseeing guidelines. A clearly identifiable label should declare the 'truth' about the environmental facts of the product.</p>	
<p>Organisation to regulate Not government-regulated Guidelines approved by government <i>Choice</i> magazine True wording Needs to be substantiated 'It's not a black and white thing — it's a five star thing' '...When something gets a label of environmentally friendly...how much do they have to do...at what point has it transcended from unfriendly to friendly...?' 'What earns you the right to say it's environmentally friendly?'</p>	<p>Nothing, nothing. Consistent label like the energy-rating ones...simple idea. Tell the truth. A symbol 'Who's controlling... who's certifying (maybe government department) ...and give me a phone number to ring when there's something wrong...website address so I can go and see what this label actually means.' 'Advertising to say 'this department is now governing this and this is what it will mean to buy this product.'</p>
<p><b>18. Who has responsibility from the paddock to the plate?</b></p> <p>There was recognition by both groups of the roles of all steps in the chain, from farmers through to retailers; though there was some question over how that could be enforced.</p>	
<p>Everyone. 'Farmers have a very responsible role.' 'If he mucks it up, it doesn't matter what anyone else does.' 'There's possibly too many middle men but farmers have got to say...well I did this...and wherever it goes next has to say...well I did this.'</p>	<p>'Government should be taking a major role...place restrictions on producers.' 'Farmers have to be educated and be responsible...but I don't think farmers have control.'</p>
<p><b>19. If you understood farmers were making a greater effort to positively affect the environment, how would that affect your view on the price?</b></p> <p>Staying within budgets and sensitivity on the price margin remained the main issue for both groups with some concern for whether profits went back to farmers anyway. In the 'Greens' group there was a greater expectation for farmers to take responsibility for the environment anyway and a reluctant agreement to pay a slight premium if necessary.</p>	
<p>'We've only got a certain amount of money to spend anyway haven't we?' 'Well it costs more to do that, so it's probably going to be more expensive, which I would be willing to pay.' 'I believe it should be happening all the time...of course it's their responsibility (the farmers)...' 'I will pay a little more...but I shouldn't have to.' 'I would like to think there was a point where you could produce a good crop/or good beef...and do it because of your own integrity...and do it with care for the environment and that doesn't necessarily mean it has to cost a lot of money...' 'Ideally it should be no more expensive...but the reality is...' '...what the farmer gets and what you pay retail...it's not the farmer that puts that on...it's the retailer'</p>	<p>'It wouldn't because you don't think of it when you're buying it off the shelf' 'We see the price go up and we don't know who's getting the extra money' 'If there was a specific logo that I felt I could trust and it told me this product is 50c more (for a \$5 product) and that it had these benefits...that's something I would consider...yes' 'If it's 50c and you knew it was going back to the farmer who was doing the right thing that's fine...but there's no one there to go and see...' 'When you have a family you're on a budget ...it's a couple of cents cheaper ...2 or 3 cents adds up after a while' 'You still buy something regardless of price if you really want that product' '...life's too short to be worrying about a few cents'</p>
<p><b>20. What's your view about fibres (clothing) and whether they've been produced with concern for the environment? How appropriate are labels for these products?</b></p> <p>Neither group considered the production of fibre products with concern for the environment important, or labels appropriate for the products. Their focus with fibre is more on comfort and fit and less about the production process.</p>	
<p>All comments were related to comfort and fit rather than any environmental factors.</p>	<p>'Wouldn't influence my purchase if it was environmentally friendly.' 'Should be allergy-tested thing on fibre.'</p>



### 3 Observations and interpretations

#### 3.1 Important product attributes/purchasing criteria/perceptions

Some perceptions of the important attributes are listed below. In addition to these, there were a small number of people in both groups who were committed to ‘organic’ foods and would seek these out and buy them. There was some preference shown by a small number of participants for spiced and pre-prepared food.

Product attributes/ purchasing criteria	
Meat	Wool/fibre
<p><b>Price</b> was the first top-of-mind response from most respondents, including ‘buying specials’ and looking for the cheapest. As the discussion progressed they moved towards ‘value for money’ rather than simply price. That is, they were looking for quality and freshness at the same time.</p> <p><b>Colour</b> seemed to provide an indicator of the health/freshness and quality of the meat.</p> <p><b>Quality</b> meant attributes such as tenderness, taste and good cuts of meat</p> <p><b>Freshness</b> was very important, with expiry dates an indicator.</p> <p><b>Packaging</b> gave an impression of freshness and played a major role in informing the customer of critical purchasing triggers (ie ‘eco-labels’).</p> <p><b>Pre-packaged</b> items were considered more convenient.</p> <p>There was a strong emphasis on <b>minimising the fat content</b> of meat. Only a few preferred the fattier cuts for taste.</p> <p><b>Butcher vs supermarket.</b> There was a strong perception that butchers provided better-quality meats. Desire to support small business was also strong.</p> <p><b>Convenience</b> will drive a large percentage to buy from the supermarket.</p> <p>They tend to seek out <b>brands</b> that they have always bought.</p>	<p><b>Natural fibres</b> were preferred over synthetics by a good percentage of people. Issues includes coolness, and ability of the fabric to breathe.</p> <p><b>Expensive.</b> A perception exists that natural fibres are expensive: ‘Very nice, very expensive.’</p> <p>There was also a perception among those committed to natural fibres that they were worth the extra.</p> <p><b>Allergies</b> were identified as an issue in the purchase of wool products.</p> <p>Views were polarised, but many based their purchasing on <b>look and feel</b> more than content.</p> <p><b>Blends</b> between natural and synthetics seemed popular; this was to do with lightness, resistance to crumpling and ease of washing.</p> <p><b>Brand names</b> were very important among the younger market.</p>

#### 3.2 Major environmental issues of concern generally, and for agriculture in particular

The group as a whole identified many of the key environmental issues; however, most were put forward by the ‘Greenies’ group, who appeared to have greater awareness of these broader issues. The ‘Uncommitted’ group seemed more aware of issues facing them personally, at a household level, rather than at the broader global level.

The major environmental issues cited were:

- air and water (fresh and sea) pollution;
- recycling — ‘...If you’re recycling as much as you can, you’re making a contribution to minimising pollution’;

- over-packaging of goods such as computer parts and games; many complained of large amounts of packaging for very small items;
- salinity or salt table;
- beach erosion;
- lack of (genuine) government commitment — that is, actions based on getting votes rather than on a genuine commitment to the environment;
- fire ants;
- littering.

In terms of environmental issues for agriculture, both groups struggled to identify more than a few, with neither ‘Greenies’ nor ‘Uncommitted’ demonstrating any greater awareness. Two issues were cited in relation to agriculture:

- tree clearing and crop management
- chemical sprays and run-off.

### **3.3 Core consumer perceptions about the effect of the production of food and fibres on the environment**

Across both groups it seemed that environmental protection during production of food and fibre was considered very important, with the ‘Greenies’ group placing slightly greater importance on this. Both groups identified all ‘links in the chain’ of production as having responsibility to produce ‘with concern for the environment’, and recognised the very critical role of the farmer: ‘If he stuffs it up...doesn’t matter what anyone else does.’

This view, however, does not appear to be important as a decision trigger at the moment in either group’s decision to purchase fresh foods such as meat. And it seems very unimportant in their purchase decisions surrounding fibre products such as wool. This appears to have more to do with lack of knowledge of the issues than with disinterest.

### **3.4 Consumer perceptions of labels**

Consumers discussed the importance of packaging in imparting information on which they based their purchase decision. They included issues such as: what attracted them to the product in the first place; information on freshness; content factors and levels; where it is produced or packaged. Both groups identified the need for a consistent, genuine and reliable ‘environmental’ label for products to assist them in the purchase decision. Participants displayed high levels of distrust towards many of the existing labels, due to a lack of information on the rigour behind such labels.

There was substantial support for purchasing ‘Australian-made’, and high recognition of the label. This label has clearly become significant to these consumers, who will use it as a trigger for purchasing or switching products. Dick Smith brand products were cited and supported for the same reasons.

Awareness of labels and of specific products carrying environmental labelling was limited across both groups, with packaged goods such as soap powders and detergents, tinned fish and toilet paper being the main products identified.

### 3.5 Price and price premiums

Price seemed a primary motivator for purchase and one of the most important decision triggers to both groups. Both groups expressed a need for a balance between affordability and quality: that is, value for money rather than the cheapest.

There was some polarisation of views here with the introduction of a secondary decision trigger such as ‘environment’; some would consider the environment in the context of the price while others said it would not affect their decision at all. The latter respondents seemed to be families with limited income who need to monitor their budgets down to the last cent.

Price premiums on fresh food items produced ‘with concern for the environment’ seemed acceptable to many in both groups, providing it was not a substantial premium. High price sensitivity exists here.

Consumers’ propensity to pay a premium seemed to depend largely on a credible and trustworthy label, as well as knowledge of why the price was higher. They also needed to know that a rigorous process was behind the allocation of the label to suppliers, and the impact their purchase would have on the environment.

Interestingly, some participants within the ‘Greenies’ group had higher expectations that the producers should take responsibility for the environment and not necessarily pass that cost on to the consumer.

No support for price premiums on fibre products produced ‘with concern for the environment’ seemed evident, with most participants having no real commitment here.

### 3.6 Terminology

‘**Environmentally friendly**’ as a term seems to mean different specific environmental issues to different people. A few participants had an understanding of the multiplicity of issues, though most described this term as meaning one or two specific areas: for example ‘organic’, ‘recyclable’, or ‘no long-term impact’.

The term ‘**fibre**’ was confusing for both groups and needed clarification, with examples, for their full understanding. Without this clarification they were thinking of leather goods and dietary fibre, rather than fibre products such as wool and cotton for clothing.

### 3.7 Green leanings vs uncommitted

It appeared that the two groups were very similar in many ways, particularly in the factors they considered when purchasing fresh food and fibre products. Their views on the meaning of ‘environmentally friendly’ were similar, and both groups showed limited knowledge of environmental issues in agriculture and for farmers.

They demonstrated very similar knowledge of products produced with concern for the environment, citing soaps and sprays, tinned fish and toilet paper. Both showed a limited knowledge of fresh foods such as meats produced with concern for the environment, apart from organic products — mainly chicken.

Both groups discussed the importance of recycling and felt that through this they were making a contribution toward a better environment, despite some scepticism about the effectiveness of their efforts.

No discernable difference existed between the two groups of respondents in terms of how important environmental factors were when they shopped.

Both groups were sceptical about their influence on the environment through their consumption patterns. Similar factors influenced them to buy environmentally friendly products, though they differed slightly on certain motivations, as outlined in the table below.

On awareness of symbols and labels, particularly in relation to fresh foods, their views again were similar. Lack of trust in and requirements for a symbol or label were very similar for both groups.

The two groups differed most in relation to price sensitivity and their reasons for this. ‘Greenies’ seemed very interested in environmental assurance but did not feel it should necessarily cost the consumer more. The ‘Uncommitted’ group seemed more resigned to the fact that it would cost more, and indicated that their choices would continue to be based on their traditional buying triggers.

Neither group felt it was important that the fibre products they bought had been produced with concern for the environment. This seemed to relate mainly to their lack of knowledge of what those ‘concerns’ might be. If they had understood the implications, the response might have been different. At present, however, this is not a significant factor in their purchasing behaviour.

	<b>‘Greenies’</b>	<b>‘Uncommitted’</b>
<b>Environmental awareness</b>	Substantially greater on broader issues	Limited awareness
<b>How influential as a consumer?</b>	More positive responses	More negative... ‘hopeless’
<b>What would influence you to buy?</b>	Australian-made/supporting local industries	Taste tests for reassurance about quality
<b>If confident would you buy?</b>	Predominantly yes	Non-committal... more negative
<b>Price premiums</b>	Reluctantly would pay more; but an expectation that it shouldn’t cost more	Unlikely to pay more; less of a purchasing trigger

**3.8 Male vs female**

Only one gender-based variation seemed evident across the full spectrum of topics. The younger men seemed to have a greater grasp on the detail of the environmental issues and had put significant thought into the more global view of the matter. For example, there were comments such as the following:

‘I’m concerned that a lot of environmental aspects of products that we can’t see aren’t being addressed... We can see the packaging...but what we don’t see is what’s happening in the manufacturing process...how the raw materials are harvested...then broken down and made into products we finally see on the shelf... We don’t see anything about that.’

‘When something gets labelled “environmentally friendly” ... how much do they have to do? ... At what point has it transcended from unfriendly to friendly? ... We worry about salinity ... so do we genetically modify it so it doesn’t need as much water? ... We’ve fulfilled the environmental factor and haven’t taken into consideration other problems.’

**3.9 Socio-economic factors**

There seemed to be some basis for the belief among older members in the group that the ‘younger generation’ had a better grasp on environmental issues due to an increased emphasis on them through

education. It seemed that younger people had a greater depth of knowledge on the issues and their implications than older members of the group.

As expected, those on lower incomes seemed more sensitive to price than those on higher incomes; and those with families appeared more budget-conscious than the others.

#### 4 Recommendations for quantitative research

- Awareness of environmental factors in relation to the production of food and fibre products seems extremely low. It may be more useful to consider measuring degrees of environmental awareness rather than measuring the percentage of the population who are aware.
- Current levels of awareness appear to have been driven mainly through mainstream media, in particular television. There may be value in measuring levels of awareness against mediums and viewing levels.
- Higher levels of environmental awareness appear to be related to how positively an environmental assurance scheme will be viewed (ie 'Greenies' displayed more positive take-up behaviour).
- Levels of awareness will help determine how much reliance will need to be placed on the communication strategy to educate the community on the issues.
- Participants' comments indicate that current levels of environmental awareness are unrelated to the final decision to purchase products produced with concern for the environment. Purchasing behaviour appears to be guided more by traditional motivators such as price, value for money, quality, taste and packaging. The main motivators in addition to these that may change behaviour are:
  - trust in the 'eco-label' assurance scheme
  - an understanding of the benefits to the environment
  - support for local/Australian business.
- In assessing current purchasing behaviour in relation to products produced with concern for the environment, it is also important to identify primary and secondary motivators. Factors such as price, taste, brand, health, animal welfare and environment were apparent in the group discussions.
- Trust in environmental claims appears to be extremely low and appears to be correlated with consumers' propensity to buy; nevertheless, some will still buy despite their scepticism over the label, in the hope they are making a difference.
- There are high levels of distrust towards existing schemes, fuelled by accounts in the media of how these schemes are deficient.
- Trust seems correlated with an understanding of the environmental issues and benefits of participation, knowledge of the environmental assurance scheme, reassurance of how well this will be policed and by whom, and some demonstration of results from their efforts.
- Consumers appear largely ignorant of the environmental impacts of food and fibre production on farms, apart from tree clearing and chemical use. They have very little to say on this topic and believe that there are not a lot of issues to be considered, as the following comment shows:  
'You started off talking about meat as if there's something that could be altered in the process... I'm not aware that how it's done now *isn't* environmentally friendly.'

Therefore, measuring their level of concern may be more meaningful if they are prompted on the specific topics.

- Again, there was very little knowledge of any environmental issues for farmers, and prompting on the specific issues and their importance to the consumer may be more beneficial.
- Price sensitivity appears to be greater among those with green leanings. They do not necessarily expect to pay more, and feel that these environmental issues should be addressed through the production process anyway.
- Price sensitivity among the 'Uncommitted' seems more related to budget and income.

## **Appendix 1A: Recruitment brief**

### **Objective of research**

To determine the proportions of Australian consumers who are aware of and will purchase food and fibre products that are produced 'with concern for the environment', and identify some of the factors that will motivate them to purchase these products.


### **Objective of focus groups**

- To identify consumer views and issues in relation to their propensity to purchase these goods as a basis for the development of a formal survey instrument.

### **Recruitment guidelines**

- Two groups with nine participants.
- One group should be those with a leaning towards environmentally friendly products.
- One group should show no real commitment to these products.
- The demographics should be limited to household decision-makers in relation to the purchase of food products.
- Both groups should have a predominance of women (six women, three men), reflecting the high incidence of women as decision-makers in the purchase of food.
- Both groups should include a spread of ages.
- Both groups should include a spread of incomes.

## Appendix 1B: Screening questionnaire

	<p><b>CONFIDENTIAL</b></p> <p>All work conducted on behalf of Market sense Pty. Ltd. is confidential. Under the Code of Professional Behaviour of the Market Research Society of Australia no information about this project, questionnaire or respondents should be disclosed to any third party.</p>
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Rangeland Recruit  
Final  
16/10/01

Interviewer's name \_\_\_\_\_ Case Number \_\_\_\_\_ Group  
Number \_\_\_\_\_

**CIRCLE LOCATION**

Brisbane	01

**RECORD INTERVIEW TIME**

START	FINISH	TOTAL

MALE	FEMALE
1	2

Good morning/afternoon/evening, I'm ... (full name)... from NCS Pearson the National Market Research Company. We are conducting research on behalf of the Department of Primary Industries about food and fibre products. The study involves a focus group discussion, which takes about 1 to 1.5 hours. In appreciation, a reimbursement of \$50 cash will be paid to compensate for your time and any traveling expenses.

**(Reassure them that we are not selling anything and that their answers are confidential if necessary.)**

**1a. Before we go on, just a couple of questions about your household. Do you or anyone else in your household work in the following industries?**

- Market Research**                    1
- Advertising                            2
- Public Relations                    3
- DPI                                        4
- None of the above                9 **CONTINUE**

}

**Terminate NQ1**

**1b. Are you the main grocery buyer for your household?**

- Yes                                        1
- No                                         2 **(ask for main grocery buyer and reintroduce)**

**1c. Have you attended a market research session in the last 6 months?**

- Yes                                        1 **(Terminate NQ2)**
- No                                         2

**1d. Using a scale of 1-5 where 1 is agree strongly, and 5 is disagree strongly, Please tell me whether you agree or disagree with the following statements (Read out and Rotate)**

When I shop I always look for items on special.	1	2	3	4	5
I don't always bother to recycle my rubbish.	1	2	3	4	5
Attractive packaging entices me to try new products.	1	2	3	4	5
Quality products are worth paying a little extra for.	1	2	3	4	5
I buy specific brands regardless of price.	1	2	3	4	5
I try to buy environmentally friendly products.	1	2	3	4	5
I try to use products that are in recycled / Recyclable packaging.	1	2	3	4	5
I try to buy organically grown food.	1	2	3	4	5

Code respondent

- Green                                    1
- Uncommitted                        2



I am now going to ask a few questions to ensure we have a good cross-section of the community.

2. Which of the following age groups do you belong?

18–29 years	1
30–39 years	2
40–49 years	3
50–59 years	4
60–69 years	5
70 years and over	6

3. Which of the following situations best describes your household?

Young married (defacto/living together) couple, no children	01
Young family — pre-school and/or primary school age children	02
Middle family — primary and secondary school age children	03
Mature family – secondary school age and post secondary but still dependent children	04
Late family — adult children living at home	05
Late family — children grown and left	06
Single — live by self	07
Single — live with parents/relatives	08
Single — live with other people not related to me	09

4. Are you currently .....?

Working full-time	1
<b>Working part-time (at least 20 hours)</b>	<b>2</b>
Not in paid employment	3
Studying full-time	4
Studying part-time	5
Retired	6

5. In which of the following categories is your total household income, before tax?

Under \$10,000	1
\$10,000–24,999	2
\$25,000–49,999	3
\$50,000–74,999	4
More than \$75,000	5
Refused	6

Please write down your session time and our office address. If you wear reading glasses you will need to bring them along.  
**Please arrive 10 mins prior to group. We will send out a letter with all the details.**

Centre for Food Technology,  
 19 Hercules Street Hamilton.  
 near Sam’s Seafood

\* For night group there should be plenty of parking on site. The gate is locked at 5:30 pm. Someone will meet you at gate on arrival. Light refreshments will be served.

\* For day groups there is some on-site parking and plenty of street parking. People are directed to go to reception. Lunch will be provided.

1. Greenies — 7.00pm – 8.30pm Thursday 25/10
2. Uncommitted — 12:30pm Friday 26/10

MAKE SURE RESPONDENT GETS A PEN AND RECORDS THE ADDRESS, PHONE NUMBER, APPOINTMENT TIME, A CONTACT AT NCS IF THEY CANNOT MAKE THEIR APPOINTMENT.

RESPONDENT'S NAME  
RESPONDENT ADDRESS

RESPONDENT'S PHONE (.....)  
RESPONDENT'S EMAIL

Thank you again. Just in case you missed it, my name is ..... and I am from NCS Pearson.

**TIME**

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**INTERVIEW LENGTH:**

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 min  
**FINISH:**

**INTERVIEWER DECLARATION**

I have conducted this interview. It is a full and to the best of my knowledge, an accurate recording and has been completed in accordance with my interviewing and ICC/ESOMAR guide-lines

Interviewer (sign).....

ID  
Date: / /

## Appendix 1C: Discussion guide questions

- Open* Tell us who you are and how much you like Vegemite?
- Intro* Let's start by discussing what you are looking for when you purchase fresh foods such as meat. And now what about products made from fibre such as wool?
- Trans* What do you understand of the term 'environmentally-friendly' in relation to food and fibre products?
- Trans* What do you see as the major issues for the environment at the moment? What about in the area of agriculture? Can you think of any issues for farmers?
- Trans* What products come to mind that are produced with concern for the environment? What about fresh foods like meat? What about fibre products?
- Trans* How influential do you think you are as a consumer in making a difference to the environment? Who else has a role?
- Trans* How important are these environmental issues to you when you shop? In relation to fresh meat? Or a woollen garment?
- How does it influence what you buy?
- Key* Do you purposely buy 'environmentally friendly' products?  
Reasons...(organic/green)  
Health?
- Key* What are the factors that would influence you to buy products produced with concern for the environment?
- What stops you buying them?
- Key* How much more would you pay for products that were produced 'with concern for the environment'?
- Key environment'* How do you decide if something is produced 'with concern for the environment'?
- Are you aware of any symbols or labels? How useful are they?
- What don't you like about them? How appropriate for meat?  
(Triggers for purchase)
- Key* How confident are you with the 'environmental' claims made on the products you're familiar with?
- What do you need to make you confident? If you were confident in their claims, would that be a greater influence on whether you buy?
- What are your expectations of farmers in guaranteeing the food they produce? What can they do to build your confidence?

*Ending*

In terms of your likelihood to purchase 'environmentally friendly' food and fibre products, have we covered everything? Is there anything anyone would like to add?

Give a summary of impressions, and seek their feedback.

# Appendix 2: Questionnaire

JOB NO.: NG7472  
23/11/01 10.00 AM

## FINAL CONSUMER QUESTIONNAIRE

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All work conducted on behalf of ACNielsen is confidential. Under the Code of Ethics of the Market Research Society of Australia no information about this project, questionnaire or respondents should be disclosed to any third party.

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Good morning/afternoon/evening. My name is <Interviewer's Name> from ACNielsen. We are conducting a survey about fresh food shopping and would like to speak to the main grocery buyer in the household. The survey will take about 10 minutes of your time.

S1 Do you or anyone else in your household work in the following industries?

- |   |                   |                  |
|---|-------------------|------------------|
| 1 | Market research   | <b>TERMINATE</b> |
| 2 | Advertising       | <b>TERMINATE</b> |
| 3 | Public relations  | <b>TERMINATE</b> |
| 4 | DPI               | <b>TERMINATE</b> |
| 5 | None of the above | <b>CONTINUE</b>  |

Q1 Which of the following food items do you personally buy?

- |   |                                     |
|---|-------------------------------------|
| 1 | Red meat including beef and lamb    |
| 2 | Environmentally friendly food items |
| 3 | Dairy products                      |
| 7 | None of these                       |

**IF RESPONDENT DOES NOT BUY RED MEAT - TERMINATE**

**Q2 IF CODE 2 AT Q1**

What environmentally friendly food items do you buy?

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Q3 How much of the following red meats does your household buy per week?

**READ OUT MEATS AND SCALE**

	<b>Lamb</b>	<b>Beef</b>
More than 10 kilos	1	1
Between 5 and 10 kilos	2	2
Less than 5 kilos	3	3

Q4 Where do you purchase your meat from?

**DO NOT READ, MULTIPLE RESPONSE**

- |   |                      |
|---|----------------------|
| 1 | Supermarket          |
| 2 | Butcher              |
| 3 | Other (SPECIFY)_____ |

Q5 When you buy fresh meat do you ever think about the environmental effects of how it has been produced?

**READ OUT, SINGLE RESPONSE**

- |   |              |
|---|--------------|
| 1 | Occasionally |
| 2 | Always       |
| 3 | Never        |

Q6 What do you think are the main issues in relation to the environmental effects of sheep and cattle grazing?

**DO NOT PROMPT MULTIPLE RESPONSE**

- |    |                  |
|----|------------------|
| 01 | Greenhouse gases |
| 02 | Air pollution    |

- 03 Chemical use
- 04 Land pollution
- 05 Hormone use
- 06 Animal welfare
- 07 Water pollution
- 08 Loss of wildlife
- 09 Soil erosion
- 10 Overgrazing
- 11 Tree clearing
- 12 Salinity
- 13 Residues
- 97 None
- 98 Don't know
- 99 Other \_\_\_\_\_

Q7 Which of the following terms best describes food that is 'environmentally friendly'?

**READ OUT, SINGLE RESPONSE**

- 1 Organic
- 2 Natural and healthy
- 3 No chemicals
- 4 Produced with less harm to the environment
- 5 Recycled
- 6 Reduced impact of waste
- 7 Don't know

Q8 If you were to buy 'environmentally friendly' meat what would be the main reason you would buy it?

**READ OUT, SINGLE RESPONSE**

- 1 It's good for me
- 2 It's good for the environment
- 3 It's value for money
- 4 Or some other reason (specify) \_\_\_\_\_
- 5 Would not buy **DO NOT READ OUT**

Q9 Do you currently purchase organic meat?

- 1 Yes
- 2 No
- 9 Don't know

Q10 Which of the following terms best describes 'organic'?

**READ OUT, SINGLE RESPONSE**

- 1 Environmentally friendly
- 2 No chemicals
- 3 Natural and healthy
- 4 Recycled
- 6 Reduced impact of waste
- 7 Don't know

Q11 If you were to buy 'organic' meat what would be the main reason you would buy it?

**READ OUT, SINGLE RESPONSE**

- 1 It's good for me
- 2 It's good for the environment
- 3 It's value for money
- 8 Or some other reason (specify) \_\_\_\_\_
- 9 Definitely would not buy (DO NOT READ OUT)

Q12 Do you agree or disagree with the following statements?

**READ OUT**

		<b>Agree</b>	<b>Disagree</b>	<b>DK</b>
1	Farmers are taking good care of the environment	1	2	9
2	Environmentally friendly products are too expensive	1	2	9
3	Environmentally friendly products are not as good quality as other products	1	2	9
4	Environmentally friendly products are worth paying more for	1	3	9
5	Certified organic products are not the same as certified environmentally friendly products	1	3	9

Q13 I am now going to read out eight environmental aspects of cattle and sheep grazing and I would like you to name up to three issues which are of concern to you. **READ OUT AND ROTATE**

		<b>1<sup>st</sup> Mention</b>	<b>2<sup>nd</sup> Mention</b>	<b>3<sup>rd</sup> Mention</b>
1	Use of chemicals	1	2	3
2	Animal welfare	1	2	3
3	Water pollution	1	2	3
4	Loss of wildlife	1	2	3
5	Soil erosion	1	2	3
6	Tree clearing	1	2	3
7	Salinity	1	2	3
8	Greenhouse gases	1	2	3
9	None of these			

Q14 As a consumer, do you think you are influential in making a difference to the environment?

- 1 Yes
- 2 No
- 9 Don't know

Q15 What are the factors that would stop you from buying environmentally friendly food products?

**PROBE FULLY**

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Q16 How confident are you with the 'environmental claims' made on the products currently in the supermarkets?

**READ OUT, SINGLE RESPONSE**

- 1 Not at all confident
- 2 Somewhat confident
- 3 Very confident
- 9 Don't know

Q17 How important do you think it is to have a system in place that guarantees that meat is environmentally friendly?

**READ OUT, SINGLE RESPONSE**

- 1 Not at all important
- 2 Quite unimportant
- 3 Neither important or unimportant
- 4 Quite important
- 5 Very important
- 9 Don't know

Q18 Which of these would you need to see on a label and in an advertisement in order to trust that system?

**READ OUT, MULTIPLE RESPONSE**

- 1 Celebrity endorsement
- 2 Government regulation
- 3 Environmental group endorsement
- 7 None/nothing (DO NOT READ)
- 8 Other (specify)
- 9 Don't know (DO NOT READ)

Q19 How likely are you to buy meat with an environmentally friendly guarantee if it showed the following?

**READ OUT AND ROTATE**

**Not at all likely. Quite unlikely. Neither Quite likely. Very likely. DK**

1	Information on the environmental benefits	1	2	3	4	5	9
2	Information on the health benefits	1	2	3	4	5	9
3	Supporting local/Australian business	1	2	3	4	5	9
4.	Guarantee came from a trusted source (ie Govt, environmental group)	1	2	3	4	5	9
5.	Reassurance of how well the guarantee was policed	1	2	3	4	5	9

Q20 How likely are you to buy meat with an environmentally friendly guarantee if it is the same price as your regular meat purchases?

**READ OUT, SINGLE RESPONSE**

- 1 Very likely
- 2 Quite likely
- 3 Not at all likely
- 9 Don't know

**IF CODE 3 @ Q20, SKIP TO Q23**

Q21 If a regular cut of meat is \$10.00 per kg, how likely would you be to purchase meat with an environmentally friendly guarantee if it was \$12.50 per kg?

**READ OUT, SINGLE RESPONSE**

- 1 Very likely
- 2 Quite likely
- 3 Not at all likely
- 9 Don't know

**IF CODE 1 @ Q21, SKIP TO Q23**

Q22 If a regular cut of meat is \$10.00 per kg, how likely would you be to purchase meat with an environmentally friendly guarantee if it was \$11.00 per kg?

**READ OUT, SINGLE RESPONSE**

- 1 Very likely
- 2 Quite likely
- 3 Not at all likely
- 9 Don't know

Q23 Are you currently a member of an environmental group?

- 1 Yes (specify)
- 2 No
- 3 Don't know

Finally, a few questions for classification purposes:

D1 Which of the following age groups do you belong? **READ OUT, SINGLE RESPONSE**

- 1 18-29 years



- 2 30-39 years
- 3 40-49 years
- 4 50-59 years
- 5 60-69 years
- 6 70 years and over

D2 Which of the following situations best describes your household?

**READ OUT, SINGLE RESPONSE**

- 1 Young couple, no children
- 2 Young family – pre-school and/or primary school age children
- 3 Middle family – primary and secondary school age children
- 4 Mature family – secondary school age and post secondary but still dependent children
- 5 Late family – adult children living at home
- 6 Late family – children grown and left
- 7 Single, live alone
- 8 Single, live with parents/relatives
- 9 Single, live with other people not related to me
- 98 Other (specify)

D3 Are you currently ..

**READ OUT, SINGLE RESPONSE**

- 1 Working full time
- 2 Working part-time (at least 20 hours per week)
- 3 Not in paid employment
- 4 Studying full time
- 5 Studying part time
- 6 Retired

D4 In which of the following categories is your total household income, before tax?

**READ OUT, SINGLE RESPONSE**

- 1 Under \$10,000
- 2 \$10,000 - \$24,999
- 3 \$25,000 - \$49,999
- 4 \$50,000 - \$74,999
- 5 More than \$75,000
- 6 Refused
- 9 Don't know

D5 What is your occupation?

**WRITE IN AND CODE OCCUPATION FROM CODELIST**

- 01 Lower blue collar (cleaner, fruit picker, window washer)
- 02 Lower blue collar (removalist, truck driver, roadworker)
- 03 Upper blue collar (carpenter, butcher, cook)
- 04 Upper blue collar (policeman, nurse, technical officer, foreman)
- 05 Lower white collar (sales, business owner, clerical)
- 06 Upper white collar (engineer, chemist, senior manager)
- 07 Upper white collar (solicitor, company director, doctor)
- 08 Student, Housewife, Home Duties
- 09 Retired, Pensioner, Unemployed
- 10 Refused
- 11 other

Record sex

- 1 Male
- 2 Female

Thank you again, just in case you missed it my name is ..... and I am (calling) from ACNielsen. In case my supervisor needs to check my work, may I please have your first or last name and telephone number.

RESPONDENT'S NAME:.....

RESPONDENT'S PHONE: ( ..... ) .....

<b>INTERVIEWER DECLARATION</b> I have conducted this interview. It is a full and, to the best of my knowledge, an accurate recording and has been completed in accordance with my interviewing and ICC/ESOMAR guidelines.	<b>ID</b>						
	Interviewer:..... Date: ____/____/____						