



GROCERY MANUFACTURERS OF AMERICA
MAKERS OF THE WORLD'S FAVORITE BRANDS OF
FOOD, BEVERAGES, AND CONSUMER PRODUCTS

Branded: American Attitudes toward “The Brand.”

Introduction and Overview

the polling companyTM is proud to present to Grocery Manufacturers of America (GMA) the results of its own benchmark poll “Branded: American Attitudes toward “The Brand.” The 56-question survey of 800 adults age 18 or older was fielded April 5-8, 2002 and sought to determine, within the grocery shopping arena:

- The extent to which brand influences purchasing decisions and solidifies habits;
- Depth of brand loyalty as it matures to brand monogamy or regresses to brand flirtation; and
- The differentiation between, and receptivity toward, national brands and store brands.

The sample was drawn utilizing a Random Digit Dialing (RDD) method where phone numbers were generated by a computer to ensure that every household in the United States had an equal chance to be surveyed. Once a household was selected for participation, a trained interviewer asked to speak with a person over the age of 18.

Interviewers administered the same survey to all participants, however rotational patterns were employed to ensure that responses were not influenced by the order of either the answer categories or the questions.

Sampling controls were used to ensure that a proportional and representative number of people were interviewed from such demographic groups as age, gender and geographic region.

The margin of error is calculated at $\pm 3.5\%$ at the 95% confidence level, meaning, that the results obtained would differ by no more than three percentage points in either direction had the entire population nationwide been surveyed.

This study of American attitudes toward “the brand” yielded insights to the mechanics of “brand” as a means of product persuasion-- confirming some research “hunches” while also disabling a few “stereotypes.”

An in-depth examination of the survey data revealed that for many, “brand” is a means of identity, a pathway for connection between person and product that occurs early in life, and a successful way to expand into non-conventional areas. Early brand adoption generally leads to long-term assimilation, and only in rare instances did abandonment occur. “Brand” also often equates to “value,” however the concept of “value” is more of a complex amalgam involving “price,” “quality,” “consistency,” “convenience,” “performance,” and “service.”

The results also showed that many stereotypes often assigned to “brands” do not hold true. For instance, whereas a brand often implies “quality,” “quality” is derived from hands-on experience or testimony, and not necessarily a name or a manufacturer. Also, the environmentally-safe consideration is a relatively weak selling point for products when tested against other factors such as “quality” or “price.”

One might also assume that gender and socio-economic status would have great bearings on one’s value of “price” over “quality” or “brand,” however such was not the case. Overall, men were equally as likely as women to be sensitive to the brand and adhere to quality, and the quest for a “good price” was undertaken by all, regardless of socio-economic status.

The survey also showed that “advertising” is not just a function of print, radio, or television. For many, in-store incentives or displays and peer recommendations are successful means of getting a shopper to “buy into” a brand, even if just during that one trip to the grocery store.

Key Findings:

I. “Buy the Brand”

- Americans notice, identify with, and adhere to “brand” -- *and* are deeply committed to those brands they have used the longest.

For most, “grocery shopping” is a fairly regular activity that most do at least once a week (41% once a week; 27% 2-3 times a week; and 2% four or more times a week), and often at the same grocery store (57%), although a significant minority (42%) are in fact “sale searchers,” and are drawn to the store(s) they believe offer the best bargains.

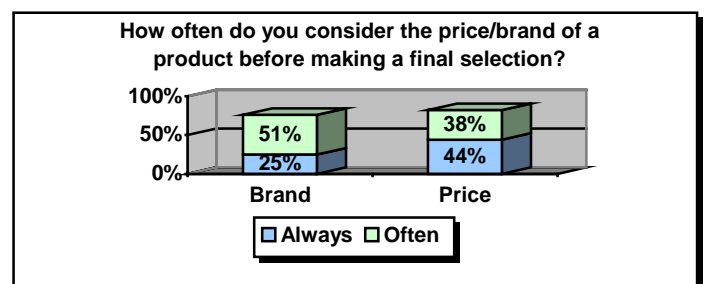
Americans are most likely to purchase different quantities each time they grocery shop, (59%), however one aspect remains consistent—Americans fill their baskets and carts with feature brands they use.

Prior to probing deep into attitudes toward the brand, Americans were asked in two separate queries, which of six different factors was most and second most important to them when making a purchase in the supermarket.

- Almost one-half (49%) indicated that “familiar brand name” was the first or second most important element, including 60% of those who live in the Mountain region, 58% of 30-39 year olds, 53% of those who grocery shop 2-3 times a week, and 51% of parents with children.
- Amassing the second highest percent of combined responses, “brand” trumped “regular cost of the product (32%),” “convenience (19%),” “recommendation (13%),” and “advertisements (10%).”

Label-conscious consumers. Both the “price” and “manufacturer” appear to be elements of a product that Americans of *all* demographic groups frequently take note of prior to selecting an item for purchase. A full three-fourths (76%) consider the brand before making a final product selection, including people of all income categories.

- Higher-earning households are more likely to pay attention to the **brand** (82%, \$90K+), however a full 7-in-10 (70%) of people with household earnings between \$30K-\$50K do the same.

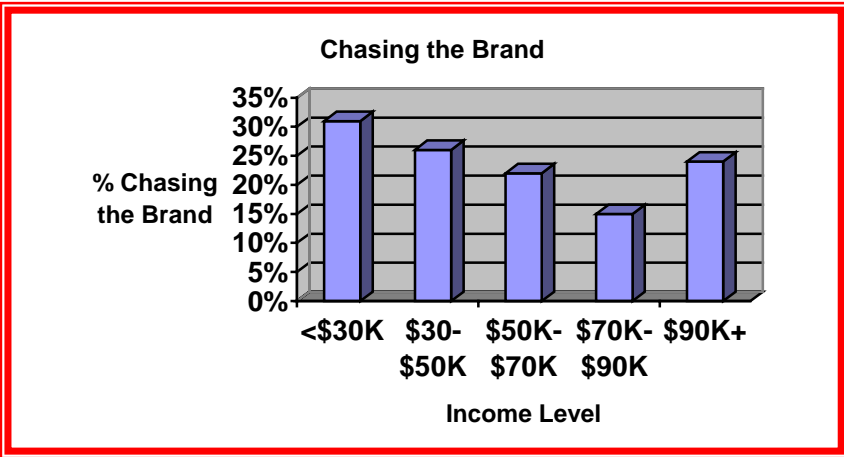


- Although seven-in-ten (70%) frequent store brand purchasers also consider the **brand** before making a purchase, those that think the national brands taste better are much more likely to consider the maker than are those who think store brands taste better (82%, compared to 51%).

Familiarity breeds content, and nostalgia is tantamount to quality. More than one-third (36%) indicate they **currently** use a particular product because their family had used it for a long time, *unprompted, in an open-ended question* and 15% said they **continue** using a brand because they used it while growing up in a subsequent, closed-ended question.

- Those most likely to *continue the tradition* include: New Englanders (45%), 18-29 yr. olds (45%), college graduates (43%), parents with children under 18 (41%), those with household incomes under \$30K (40%) and 30-39 yr. olds (38%).

Familiarity also has a tendency to breed loyalty among customers. Of those that choose a brand because of it, only 29% would purchase a different brand of product if their most preferred one was unavailable. A net total of 67% would either “chase the brand” to a different store (29%) or do without until the next shopping excursion (38%).



Comparatively, over one-third (36%) of *Americans overall* would buy a different brand if the usual was unavailable, and 60% would either go without the item (35%) or “chase the brand” (25%).

“Chasing the brand” is most popular among those of lower socio-economic status (31% earning under \$30K, 26%, \$30K-\$50K, 22%, \$50K-\$70K, 15%, \$70K-\$90K, 24%, \$90K+).

Much like “familiarity,” “peer pressure” often influences purchases, as many cite a “recommendation from a friend” or “someone they trust” as a purchasing motivator. “Peer pressure” also emerges as an influential source for brand flirtation.

Against factors such as “cost,” “familiar brand name,” “a sale” and “convenience,” 13% of Americans chose “a recommendation from someone I trust” as the *first or second most important factor* in purchasing a grocery product. And, over one-in-ten (12%) say that the reason they *first started* using a brand that currently has their loyalty is because of a peer recommendation.

- Those most likely to *buy a product based on a friend’s recommendation* are younger Americans (18-24 years old, 19%) and those who would be willing to make an extra trip to a store for a particular store brand (16%).

In a separate question which asks Americans which of eight items would make them *more likely to try a brand other than the one they currently use*, peer recommendation was the most frequently offered response, garnering one-third (33%) of the population.

Question:

Which of the following would make you *more likely* to try a brand other than the one you usually use? (TWO RESPONSES ACCEPTED)

33%	SOMEONE YOU KNOW HAS RECOMMENDED IT TO YOU
19%	YOU HAVE A FREE SAMPLE
18%	YOU HAVE A COUPON FOR IT
16%	IT IS CHEAPER THAN YOUR BRAND
13%	IT IS SUPPOSED TO PERFORM SIMILARLY TO YOUR BRAND
12%	IT HAS ADDED HEALTH BENEFITS
9%	YOU HAVE SEEN A COMMERCIAL OR ADVERTISEMENT FOR IT
1%	YOU LIKE THE PACKAGING
3%	COMBINATION (VOLUNTEERED)
1%	OTHER (VOLUNTEERED)
1%	DON’T KNOW/UNSURE/DEPENDS (VOLUNTEERED)
*	REFUSED (VOLUNTEERED)

- Those most likely to say “someone you know has recommended it to you” are infrequent product-price checkers (45%), infrequent store-brand purchasers (41%), those who would pay more for a higher quality brand (40%), and those who work 35-44 hours per week outside the home (40%).
- When asked more specifically what caused someone to switch brands, 21% indicated that the driving force was a peer recommendation. Consumers who have some college or vocational school education (25%), those consider “health benefits” most contributing to the “quality” of a food item (25%), and that disagree that national brands are “safer” than store brands (25%) are all more likely than others to be *influenced by peer recommendation*.

II. The Concept of Quality

- Consumers believe that brands have quality; additionally, quality is a brand.

Open-ended questions are quite valuable in that they allow researchers to observe responses, unfettered by any provided choices. As seen in the responses to this question, sometimes, the respondents will provide an intangible insight, unanticipated prior to the survey.

In this open-ended question, “freshness” emerged as that which was most indicative of “quality,” with 28% offering it as the “top-of-mind” response.

Question:

Please describe in your own words what “quality” means to you when shopping for food or other grocery items. (OPEN ENDED)

28% FRESHNESS	5% QUALITY
21% TASTE	4% INGREDIENTS/MAKE UP OF THE PRODUCT
13% PRICE	4% PACKAGING
12% GOOD PRODUCT	4% CONSISTENCY
8% APPEARANCE	3% THAT I/MY FAMILY LIKES IT
7% VALUE/GETTING YOUR MONEY’S WORTH	3% AVAILABILITY
6% BRAND NAME/RECOGNIZE	3% TRUST THE PRODUCT/COMPANY
6% BEST THERE IS/TOP OF THE LINE	2% RELIABLE/DURABLE
5% HEALTHY	2% EVERYTHING
5% HOW WELL IT WORKS/DOES WHAT IT PROMISES	2% NATURAL/ORGANIC/NO PRESERVATIVES
5% EXPIRATION DATE/HOW LONG IT WILL LAST	6% OTHER
5% IT MEANS A LOT/VERY IMPORTANT	* NONE/NOTHING
	3% DON’T KNOW
	1% REFUSED

“Taste,” which amassed 21%, re-emerged as the lead response in a subsequent closed ended question among a crowded field of five factors that could contribute to the “quality” of a food. Exactly half (50%) chose “taste,” followed distantly by “the health benefits of a product” at 33%.

Question:

In your opinion, which of the following **most** contributes to the “quality” of a food product?

50%	THE TASTE OF THE PRODUCT
33%	THE HEALTH BENEFITS OF THE PRODUCT
5%	THE MAKER OF THE PRODUCT
4%	THE PACKAGING OF THE PRODUCT
2%	THE PRODUCT’S EASE OF USE
6%	COMBINATION (VOLUNTEERED)
*	OTHER (VOLUNTEERED)
1%	DO NOT KNOW/UNSURE/DEPENDS (VOLUNTEERED)

Notably, the third most frequently offered response was “the maker of the product,” earning 5% against factors such as “taste” and “health”—more than double the amount that chose “ease of use.”

- Those most likely to choose “taste” include 59% of those in the West South Central regions of the country, 59% of New Englanders, 58% of singles, 57% of full-timer workers, 56% of 45-59 year olds, and 53% of whites.
- Those most likely to choose “health benefits” include 53% of Hispanics, 44% of Blacks, 40% of 60-75 year olds, 36% of East South Central residents, and 36% of women.

Hands down, Americans choose the brand of high quality. Quality is perceived as more expensive, and worth the price to most Americans as they choose “high quality that costs more” over “average quality that costs less.”

Question:

Assume for a moment that you are at the supermarket where you shop regularly, buying a particular product. One brand is of average quality but costs less; the other brand is of high quality but costs more . Which brand would you buy?

57%	THE BRAND THAT IS HIGH QUALITY BUT COSTS MORE
29%	THE BRAND THAT IS OF AVERAGE QUALITY BUT COSTS LESS
1%	OTHER (VOLUNTEERED)
13%	DO NOT KNOW/UNSURE/DEPENDS (VOLUNTEERED)

Those who are more likely to purchase a *national brand* over a *store brand* include some *unlikely* suspects such as parents with children under 18 at home (54%), frequent store brand purchasers (49%), household incomes less than \$30,000 (48%), and less than high school education (47%).

Elements previously deemed as the biggest contributors to quality also persuade people to spend more on an item. Americans are more likely to pay a higher price for “a product whose taste they enjoy” (41%), or “a product with added health and nutritional benefits.”

Question:

Now, thinking specifically about *food* items, which of the following are you willing to pay a higher price to obtain?

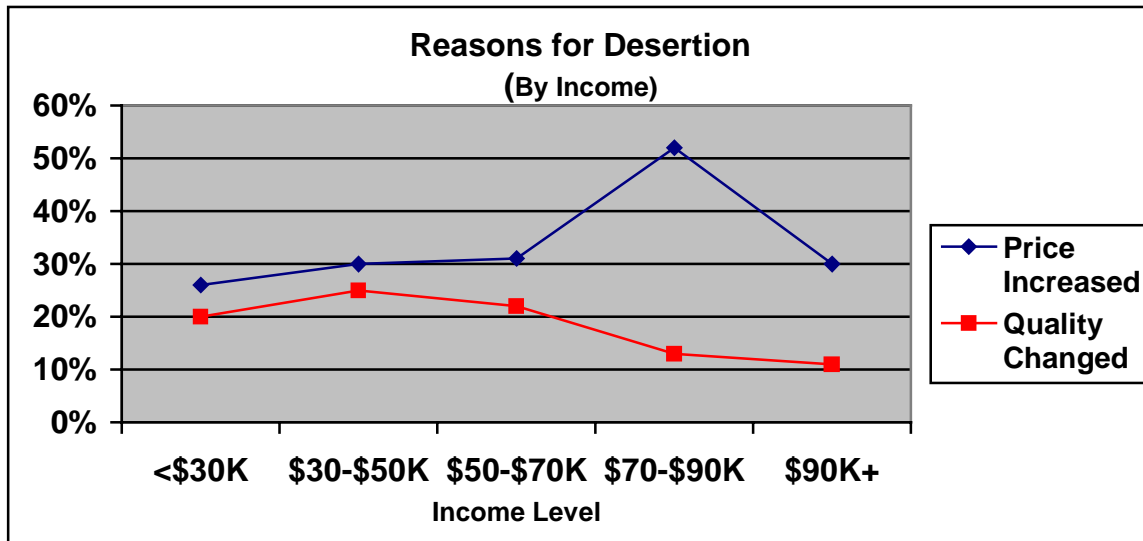
41%	A PRODUCT WHOSE TASTE YOU ENJOY
25%	A PRODUCT WITH ADDED HEALTH AND NUTRITIONAL BENEFITS
24%	A PRODUCT THAT YOU HAVE USED BEFORE
3%	A PRODUCT THAT IS ENVIRONMENTALLY FRIENDLY
1%	A PRODUCT WITH EASY PACKAGING
5%	COMBINATION (VOLUNTEERED)
2%	DO NOT KNOW/UNSURE/DEPENDS (VOLUNTEERED)

- Staying true to their taste buds, 57% of those who said “taste” is tantamount to quality would pay a higher price for it.
- Similarly, forty-five percent of those who associate quality with “health” are also willing to pay more for products with health benefits.

A change in quality may result in a shift away from a brand, as would a change in taste. Almost one-third (32%) said they would be less likely to continue using a brand if the quality changed, followed by 22% saying “taste.” An additional 20% cited “a price increase” as being the element that would make them less likely to continue using a brand, and 20% said “finding a brand they liked better.”

- Men are more likely to abandon a brand due to a change in price (22%), and women are more likely to do so because of a change in quality (36%).
- Others who were more likely to switch due to a change in quality are residents of the Pacific region (44%) and suburbanites (36%).

One may presume that “price” would be more salient to those of lower income categories, however that phenomenon did not occur. Those on the lower end of the socio-economic scale did put “quality” over “cost,” however those in the \$70K-\$90K income bracket were strikingly more likely to choose “a change in quality,” (52%), and one-quarter (25%) of those with household earnings of \$30,000-\$50,000 would choose a new brand of product if the price increased.



“Health” has a place on the shelf, as it emerged as the second most frequently offered response for “what is quality?” and “what will you pay more to obtain?” Moreover, those that would pay more for a product with added health benefits *are also more likely* by 2:1 (23%, compared to 12%) to try another brand that had added health benefits.

- Almost one-in-ten (8%) said their main reason for first purchasing a product of which they only purchase one brand was because of the health benefits of the product.
- An equal amount (8%) also said that they would be most likely to abandon a product if it lost some of its health benefits.
- Still, taste buds outweigh heartbeat or cholesterol, as people are more likely to abandon a product because of a change in taste (22%) than a loss of health benefits (8%).

III. Cost Counts!

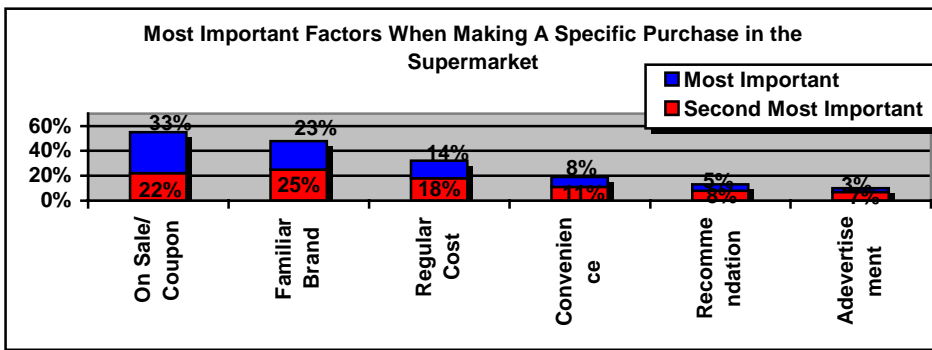
- Americans recognize the cost of products, possibly more frequently than they recognize “brand,” and although they are willing to pay more for that which they deem “quality” they fail to turn a blind eye to their purse strings, regardless of their income category.

One can argue that food and groceries are necessary investments—required for sustenance, if not enjoyment or satisfaction, but they still want a “good investment” both quality-wise and cost-wise. In fact, a portion of Americans are even willing to “chase a good sale,” and indicate that often, their supermarket of choice is determined by either what is on sale or what is convenient.

GMA’s December omnibus¹ survey revealed that “food” is considered to offer the most value, far and above five other options. While value includes obtaining quality, one’s prior experience with a brand, the taste, choice, and even convenience, the “dollars and cents” component is central to “value.” That phenomenon was also apparent in this survey, as “cost” juxtapositions itself with other elements in a product choice.

Americans are acutely conscious of the price that appears on either the shelf space or the product itself, and as shown earlier, are sometimes more likely to take note it than any other element, including “brand.”

Over eight-in-ten (82%) frequently consider the price of a product before making a final selection, and in a separate question, over half (55%) say that a “product sale or coupon” is the most important factor in making a purchase at a supermarket. An additional 32% say “the regular cost of the product” is most important.



- Shoppers who always shop at the same store are *less likely* to cite sales or coupons as important when make purchases than those who shop at different stores (49% versus 62%).

¹ Omnibus survey of 1001 adults conducted December 16-18, 2001 by **the polling company™** for Grocery Manufacturers of America. Margin of error calculated at ± 3.0 at a 95% confidence level.

- Others more likely to consider sale price or coupons important work less than 20 hours outside the home (61%), have children at home (61%), do not invest (59%), live in rural areas (59%) and make less than \$30,000 a year (58%).
- Ethnic diversions emerge in this inquiry. While Hispanics are *more likely* to consider the price (87%), African-Americans are *less likely* to do the same (71%).
- Others who frequently consider the price are college graduates (89%), divorcees (89%), those who work 20-34 hours a week outside of the home (89%), and parents (86%). As age increases, price consideration decreases (18-34 year olds, 86%; 35-49, 84%; 50-74, 76%; 75 or older, 70%).

Cost was not as much of a motivator for someone to *begin* using a brand as was previous experience, however 10% *did* latch onto a product because of the price. Despite the downward trend of coupon redemption in the past ten years, when tested independent of other factors, 75% say that a coupon would make them *more likely* to try a different brand of a product than what they currently use.

In a separate question, four-in-ten (39%) said that an in-store sale (21%) or a coupon (18%) *actually led* them to purchase food products manufactured by brands *other than* the ones they normally purchase.

Question:

Thinking about the times when you purchase food products manufactured by a brand *other* than the brand you usually purchase, which would best describe why you do so?

21%	IT WAS PART OF AN IN-STORE SALE
21%	SOMEONE RECOMMENDED THE BRAND TO YOU
18%	YOU HAD A COUPON
16%	YOU COULDN'T FIND YOUR USUAL BRAND
7%	YOU SAW AN ADVERTISEMENT
7%	YOU HAD A FREE TRIAL
6%	COMBINATION (VOLUNTEERED)
1%	NEVER SWITCH BRANDS (VOLUNTEERED)
2%	OTHER (VOLUNTEERED)
1%	DO NOT KNOW/UNSURE/DEPENDS (VOLUNTEERED)
1%	REFUSED (VOLUNTEERED)

Cost may be a motivator for choosing a particular store. Although a majority, and 57%, say they shop at the same grocery store regardless of what is on sale, or what is convenient, 42% say that those elements (sale and convenience) do in fact influence which store they choose.

- Those most likely to go to the store that either has a sale or is more convenient **include** those who earn \$50,000-\$69,000 a year (69%), and more than \$90,000 (66%), shoppers who buy the same amount of food each time they shop (66%), people who work 35-44 hours a week (65%), suburbanites (63%), college graduates (63%), Pacific residents (63%) and West South Central residents (62%), and weekly shoppers (61%).

“Product abandonment” can be motivated by the dollar sign, as 20% said that a “price increase” would be the main factor that would make them less likely to continue using a brand.

- People most likely to abandon a product because of an increase in price include: people that would choose an average quality brand for a lower price over a better, more expensive brand (28%), renters (25%), and those who earn \$30,000-\$49,000 a year (25%).

As shown earlier when reporting on quality, *people are willing to pay more* for that which they like, which indicates the degree to which “cost” is in fact influenced by the actual “content of the goods.” In line with that finding was the acquisition of knowledge on the willingness to pay for products which foster research and development.

The survey asked people a variety of questions pertaining to product research and development, which Americans overwhelmingly support, ***and are even willing to pay more for that brand which does take such initiative.***

Almost six-in-ten (58%) actually say they are willing to pay more for a national brand product so that the company can continue to develop ***new products*** that may be of use to the consumer.

- Those ***most likely to do so*** agree that store brands are less safe (75%), work less than 20 hours outside the home (72%), are unfamiliar with store brands (71%), believe national brands are of higher quality and taste better (67% each), agree that store brands are of lower quality than national brands (66%), and are willing to make an extra trip for a store brand (64%).

IV. Buying the *Better Brand*: National vs. Store Brands

- Americans also recognize that national brands produce higher quality products than do store brands, and credits the national brands with investing time and money to conduct research and development

For many Americans, store brands are not an ultimate purchasing choice—rather they are a proxy for national brands, or a replacement when the more favored one is too expensive. And, if given the choice, and if price size and nutritional content were equal, Americans overwhelmingly support the national brand.

Question:

Let’s imagine that you are choosing between two brands of food. One is a national brand, and one is a store brand. Both are the same price, the same size, and have the same nutritional content. Are you more likely to buy the *national brand* or the *store brand*?

76%	TOTAL MORE LIKELY TO BUY NATIONAL BRAND
60%	MUCH MORE LIKELY TO BUY NATIONAL BRAND
16%	SOMEWHAT MORE LIKELY TO BUY NATIONAL BRAND
17%	TOTAL MORE LIKELY TO BUY STORE BRAND
7%	SOMEWHAT MORE LIKELY TO BUY STORE BRAND
10%	MUCH MORE LIKELY TO BUY STORE BRAND
*	WOULD BUY NEITHER (VOLUNTEERED)
1%	WOULD BUY BOTH (VOLUNTEERED)
5%	DO NOT KNOW/DEPENDS/UNSURE (VOLUNTEERED)
*	REFUSED (VOLUNTEERED)

As demonstrated, fully three-fourths (76%) are “much more likely” to buy a national brand over a store brand, and, this preference *even exists* among those who frequently purchase store brands (54%) and those who would be willing to make an *extra trip* to a supermarket for a store brand (53%).

- Other groups *more likely than most to buy national brands* are divorcees (83%), those in higher income brackets (\$70,000-\$89,000, 83%); (\$90,000 or more, 84%), rural residents (82%), and workaholics (81%).
- Those *least likely the buy national brands* are East North Central residents (72%) and African-Americans (67%).

This tendency towards national brands does not derive from a lack of awareness about store brands. In fact, 86% say knowledge of their existence is high (49% very familiar, 37% somewhat familiar), as is the percentage of those who purchase store brands (66%). And, tendency to buy store brands is both class *and* gender neutral, as no differences emerged between income categories or gender.

- Groups *most likely* to purchase store brands are those that *disagree* that store brands are of lower quality (24%), only completed high school (23%), those who are willing to *go without* their favorite brand if it was not available (23%), frequently store brand purchasers (21%), and those that are willing to make an extra trip for a store brand (21%).

In almost all scenarios, national brands trump store brands, as Americans are most likely to indicate that a national brand is of better quality and taste, and more likely to develop new products on their own.

	National	Store	Same
More Expensive	90%	5%	1%
Better Quality	58%	8%	14%
Taste Better	61%	8%	13%
		Agree	Disagree
<u><i>Store Brands:</i></u>			
Copy national brands' products		84%	12%
Are lower quality		62%	34%
Look like national brands		60%	35%
Develop new products on their own		37%	52%
Are less safe than national brands		29%	65%

Familiarity, however does breed “content.” Americans who are familiar with store brands are more likely to buy them frequently, by 2:1 (71%, to 32%), and those that do buy them more often are also less likely to consider national products to be superior (48%), and more likely to say the two are the same (18%).

Frequent store brand buyers are also less likely to say national brands taste better (52%), and more likely to say the two taste the same (17%).

Americans did not go as far as to say that store brands are “less safe” than national brands, but do believe that store brands in fact *copy* and often *resemble* national products.

- Those more likely to think store brands are less safe are those with earning less than \$30,000 (42%), national brand chasers (41%), those that think national brands taste better (39%), are willing to pay more for national brands (38%), infrequent store brand purchasers (37%), and those that believe national brands are of higher quality (37%).

As described earlier, “cost” is an important factor to be considered when making a purchase, and store brands often are of lower cost than a national brand product. In a hypothetical situation, where the cost of a national brand was equal to the cost of the store brand, Americans chose the national brand by over 4-to-1.

- An overwhelming 90% of Americans indicated that national brands are more expensive than store brands.

V. “Vitamins R and D”

- **Research and Development by national brands is acknowledged and appreciated by the public, as an overwhelming majority firmly agree that national brands should exert the time and money on such endeavors. What’s more, Americans actually identify “research and development” with national brands, not store brands.**

Within the national brand vs. store brand series, Americans were asked if they agreed or disagreed with the following statement:

Question:

Store brands tend to develop new and innovative products on their own.

37%	TOTAL AGREE
16%	STRONGLY AGREE
21%	SOMEWHAT AGREE
52%	TOTAL DISAGREE
27%	SOMEWHAT DISAGREE
25%	STRONGLY DISAGREE
11%	DO NOT KNOW/UNSURE/DEPENDS (VOLUNTEERED)
*	REFUSED (VOLUNTEERED)

- Frequent purchasers of store brands are more likely to disagree than agree with the statement (50% disagree, 39% agree).
- An 11-point spread emerges between people that would choose a store brand over national brand (47% disagree, 36% agree) The divide was much closer for those who believe store brands are of higher quality than national brands (50% disagree, 41% agree).

Americans were even more likely to be in agreement with the statement “store brands tend to copy national brands new products” (84%, compared to 12% disagreeing), indicating that they do in fact recognize the initiative on the part of the national brand.

Attractiveness of research and development was also tested separately, and the results indicate that almost all, 90%, of Americans agree that “it is important for national brands to conduct product testing and research to create new products, of which 62% “strongly agree.” An equal amount (90%) thought it was important that national brands do the same to improve *already existing* products.

VI. Safety is assumed, and the environment is less than relevant.

- The concepts of “safety” and “the environment” were also tested in the survey, with neither conjuring much concern. When it comes to food and groceries, “safety” is often assumed, and therefore does not resonate as a factor of importance when choosing a product brand. However, “environmentally safe” components are virtually irrelevant when purchasing a product.

GMA’s February omnibus survey² indicated that an overwhelming majority of Americans, both men and women believed the nation’s food supply to be either “very” or “somewhat” secure, and only 5% believed it to be at the greatest risk as a target for a future act of terrorism.

In this latest survey, “safety” was posed as one of the components in the question which asked why a person always purchases a particular brand of a product. All totaled, “safety” was the **fourth most frequently offered response**, garnering 8%, an coming in behind “it is a brand you already use (35%),” “it is of high quality (28%),” and “it is a brand you used growing up (15%).”

- Those most likely to say “safety” are also those who believe that “health benefits” contribute most to the “quality” of a food product (17%).

“The safety factor” was also tested in the national brands v. store brands battery, in which 65% disagreed with the statement “When buying a store brand you may get a less safe product than you would have if you purchased a national brand,” and an similar number, 64% disagreed that “national brands are safer than store brands.”

Similarly, “the environment” was also a component of several of the closed-ended questions pertaining to reasons for using a brand, and elements which deem a product worthy of a higher price. **In general, Americans were more concerned about “hugging their wallets” than “hugging a tree.”**

- Under one-in-ten (9%) said they would pay a higher price for non-food, grocery items that were environmentally friendly.

² Omnibus survey of 1001 adults conducted February 7-10, 2002 by **the polling company™** for Grocery Manufacturers of America. Margin of error calculated at ± 3.0 at a 95% confidence level.

- Just 3% said they would pay a higher price for food items that were environmentally friendly.
- Only 1% said they regularly use a brand because it is environmentally friendly.

In Conclusion: *FAST* Shopping

The survey findings indicate that Americans are widely focused on *FAST* Shopping, but not its literal term, having nothing to do with speed, convenience, or ease. We have coined *FAST* as an acronym for the myriad of factors that that are important to shoppers, and that are considered jointly when making a purchase: Fairness and Fineness, Affordability, Safety and Security, and Truth-in-Advertising.

F= Fineness, freshness and taste: Undisputably, Americans seek out quality products, and desire equal access or *fairness* in attaining quality, or *fineness*. This prioritization of quality is felt by all, for even those of lower socio-economic status are willing to pay the extra pennies to get a quality product, and quality, often is attached to a national name brand.

A= Affordability: Americans want fairness and fineness, but have to be able to afford the investment, making “affordability” a premiere factor in product selection. Sales, coupons, and discounts, elements which can make an otherwise unaffordable product affordable emerge as one of the effective means of enticing new consumers mainly because of this quest for affordability. These items make it worthwhile to try something new, or something different.

S= Safety and Security: As we saw in this survey, and in others in the past, “safety and security” is often assumed when it comes to food, but is none-the-less important. “Safety and Security” is woven in the concept of quality, contributing to the meaning of “a good product” and “value.” “Safety and Security,” however, is not exclusive to national brands, and is also assumed when purchasing store brands.

T= “Truth in Advertising”: Non-traditional forms of advertising emerged as persuasive means of attracting a person to a new or different product, possibly because “in store displays,” “past use” and “peer recommendations” were better testimonies of the quality or value than traditional, television, print or media ads. In tandem with the quest for quality, Americans are not comfortable with being deceived, and those persuasions that are most credible often draw are the most effective.

Strategic Recommendations:

Familiarity breeds content, never neglect nostalgia. Past use of a product is a powerful means of brand adherence, as many told us that they currently use a product they used while growing up, or that they have used for a long period of time. Given this nostalgia factor, brands may find value in “remembering their roots,” maintaining their core consumers, and relying upon their longstanding tradition of satisfying customers in advertising and media messages.

Burnish the Brand as being fortified with vitamins “R” and “D.” National brand research and development on current and new products won over virtually all Americans, many of which were even willing to pay a higher price for those national brands that did just that. In illustrating the value that is attached to a purchase, the brand should burnish itself as being fortified with vitamins “R” and “D,” that is, committed to research and development that improves the overall product for the consumer. Research and development often leads to higher quality products, which as we know, is a welcomed attribute in making a selection.

New products by old brands is a phenomenon that is attractive to shoppers. Shoppers were receptive to purchasing new products that are manufactured by brands familiar to them, which indicates that a brand’s expansion can be successful if it makes use of the quality indicator: the brand name.

Know what “quality” means. An abundance of Americans indicated that “quality” often equates to “freshness,” an element neglected until its appearance in an open-ended question, but essential given recent media attention to expiration dates, “sell by” dates and “best if used by” dates, all which imply some level of “freshness.” “Taste” also was largely associated with quality. In promoting “quality,” it is best to first ascertain a firm understanding of which elements deem a specific item as “quality.”

Quality counts, in products *and* in advertising: Americans want quality products, and quality does in fact drive purchases, but in order to forge that connection between quality and product, advertising must convey a strong message that speaks to the overall value, including quality, performance, and price of a product. Quality products need quality advertising, which is not always mainstream advertising. The effectiveness of in-store displays, samples, trials should not be overlooked.

Peer product promotions is among the best forms of persuasion. As further evidence in the value behind “truth in advertising” a peer recommendation is an invaluable means of getting someone to try a product other than one they normally use. Forging a peer recommendation relies upon the creation of a group of satisfied customers who are so satisfied, they feel compelled to tell others. The peer angle also has implications for advertising efforts, when choosing an image that will be the most well received by the target audience.

Desire for high quality can overcome a need for lower cost—but quality must be intact. Advertisements, testimonials, promotions, coupons and the like can persuade someone to try a product once, but unless there is identifiable truth behind those quality claims, product desertion is likely. Remember, consumers are flirtatious, as just as they will flirt with and try one product, they will do the same with others.

Provide *value* for customers. As we saw, store brand products are a proxy for national brands, not usually a primary choice. Often, it is cost that leads the consumer to engage in a store brand purchase. In order to overcome that phenomenon, or prevent an erosion of brand loyalty caused by extended use of store brands, national brands must focus on illustrating the value behind the price tag. Quality is *one thing* that would overcome cost, therefore national brands must use that as the ticket to explaining the value of the name-brand product, presenting their product as superior, worth the money, and unsurpassed in quality.