



Impact of the Global Food Crisis

CHANGING ATTITUDES AMONG UK SHOPPERS





Introduction

This booklet summarises the findings of consumer research commissioned by the UK Crop Protection Association to understand more about how the food purchasing habits and attitudes of UK shoppers have changed over the past 12 months.

The research was conducted by independent market research agency Network Research and Marketing Ltd between 16 - 19 May 2011.

In an online survey, a total of 1009 UK food shoppers were asked a range of questions about the impact of the current economic crisis on their shopping behaviour, their awareness of issues affecting global food security, and their attitudes towards the use of science in food production.

The research was targeted at adults responsible for the weekly household shop, and covered a representative sample of UK primary shoppers according to gender, age, social grade, region and household composition.

Executive Summary



Rising food prices are driving a major shift in the way UK shoppers buy and think about food. Consumers are becoming more savvy and price conscious in their weekly shop. For many people, increases in the cost of food are hitting other areas of household expenditure.

Consumers are also becoming more informed and concerned about the global factors affecting current food prices and future food security. Consistently more than half of shoppers are worried about the impact of issues such as climate change, population growth, water and energy supplies on the future availability and affordability of food.

Most shoppers believe the era of cheap food has come to an end, and want the UK to become more self-sufficient in food production.

There is an overwhelming view among respondents that the Government should be doing more to keep food prices down.

Consumers also recognise that the use of science and technology has an important role to play in delivering sustainable increases in food production.

They look to the Government to take a lead in determining how science is used in producing our food.

Attitudes to food shopping



More than two-thirds of respondents felt their food shopping bill was more expensive than 12 months ago, with price increases seen across all product categories.

In response, UK consumers are changing their weekly shopping habits to balance the household budget, targeting more promotions and value lines, buying fewer luxury items, and reducing other areas of expenditure.

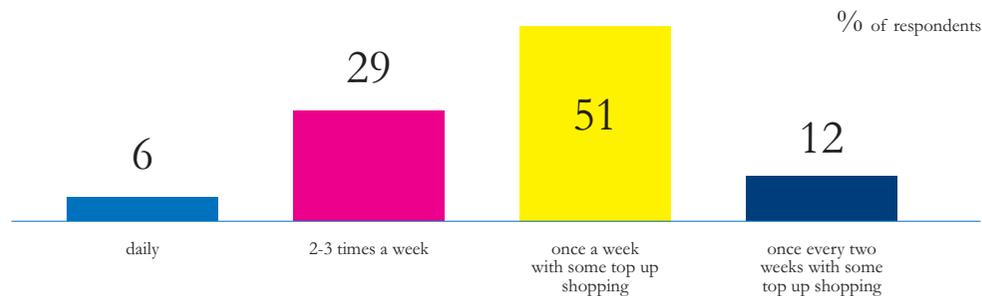
But although food accounts for a greater share of household expenditure, two in five shoppers will not compromise on the core food shopping, continuing to buy what is best for their family.

The majority of consumers want to buy sustainable, locally-sourced, British food. But organic food is seen as too expensive, with just one in five shoppers willing to spend more for organic products.

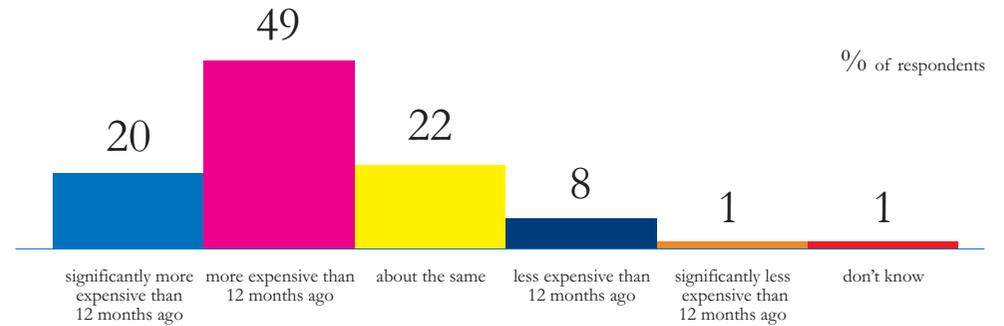


IS WHAT THE AVERAGE SHOPPER SPENDS PER WEEK ON HOUSEHOLD FOOD SHOPPING

MOST SHOPPERS CONDUCT ONE MAIN SHOP PER WEEK WITH SOME TOP UP SHOPPING



69% OF SHOPPERS BELIEVE THEIR CURRENT FOOD SHOPPING BILL IS MORE EXPENSIVE THAN 12 MONTHS AGO



78% OF SHOPPERS HAVE BECOME MORE CONSCIOUS OF HOW MUCH THEY SPEND

"Basics, like bread, milk, potatoes, greens, butter and cheese have increased in price substantially over the last 12 months."

Male/55-64/C2DE



61% ARE BUYING FEWER FOOD LUXURIES

63% BELIEVE REDUCING FOOD WASTE IS MORE IMPORTANT



"I buy fewer luxury food items and take advantage of supermarket offers and deals. I also buy the cheaper brand products rather than the more expensive and well known ones compared to last year."

Female/18-24/ABC1

78% ARE TAKING MORE ADVANTAGE OF SPECIAL OFFERS



58% ARE BUYING MORE SUPERMARKET VALUE LINES THAN 12 MONTHS AGO

Attitudes to food shopping

38% ARE REDUCING OTHER AREAS OF HOUSEHOLD EXPENDITURE TO MEET FOOD BILLS

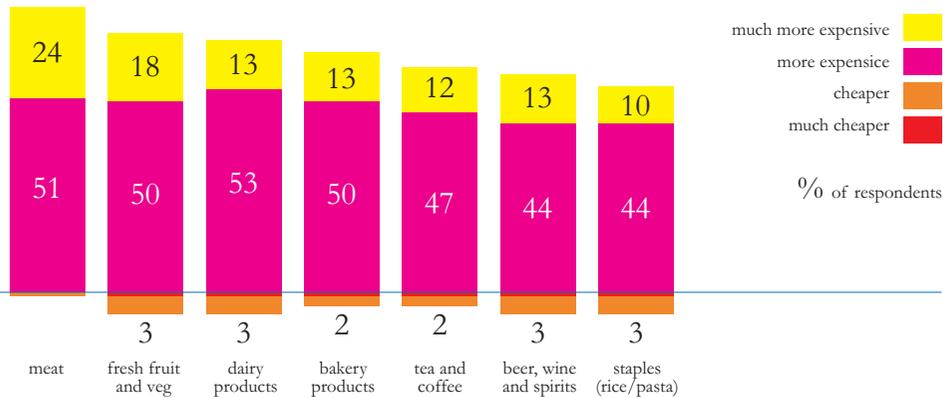
"I only have £50 a week to spend on food. If it all gets spent in a few days then we go hungry, simple as that."

Male/18-24/C2DE



33% ARE HAVING TO DO WITHOUT KEY FOOD ITEMS THEY USED TO PURCHASE

SHOPPERS HAVE SEEN PRICE INCREASES ACROSS ALL FOOD CATEGORIES



46% SAID THEY WILL CONTINUE TO BUY WHAT IS BEST FOR THEIR FAMILY REGARDLESS OF PRICE



"I still buy the same products as I bought 12 months ago but my shopping bill has increased by about £10-£15 per week and I shop in the same place."

Female/35-44/C2DE



68% WANT TO BUY FOOD FROM SUSTAINABLE SOURCES

82% THINK ORGANIC FOOD IS TOO EXPENSIVE



"Our food bill has nearly doubled even though I now make an effort to buy cheaper cuts of meat or special offers and cut down on luxury items, whereas previously I was buying organic and luxury, and it was still a lot cheaper."

Female/35-44/C2DE

58% PREFER TO BUY BRITISH



53% EXPRESSED A PREFERENCE FOR LOCALLY SOURCED FOOD

Global food security concerns



A majority of consumers make a strong connection between domestic food prices and the impact of global factors such as population growth, climate change, water scarcity and increased frequency of natural disasters.

More than 80% of shoppers recognise that rising oil prices will drive up the cost of food, while around half the sample expressed concern that increased global demand for

food would jeopardise food availability in the UK.

Most shoppers agree that the era of cheap food has come to an end, and believe the UK should safeguard its interests by becoming more self-sufficient in food production.

Three-quarters of respondents think the Government should be doing more to prevent further increases in the cost of food.

MORE THAN HALF OF ALL RESPONDENTS WERE 'CONCERNED' OR 'VERY CONCERNED' ABOUT THE POTENTIAL IMPACT OF GLOBAL FACTORS ON FUTURE FOOD SECURITY



54%

Population Growth



56%

Climate Change



54%

Natural Disasters



54%

Water Supplies



60%

Energy Supplies



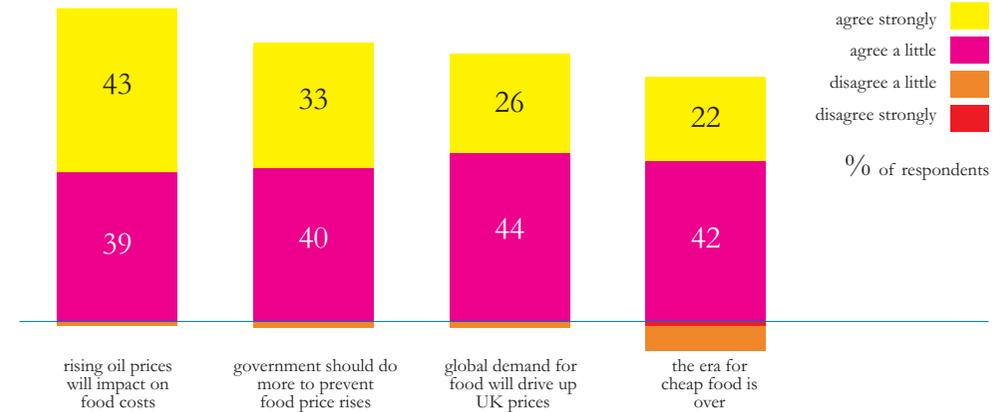
58%

Global Terrorism

27%

EXPRESSED CONCERN ABOUT ALL FACTORS

UK SHOPPERS BELIEVE WE SHOULD BE DOING MORE TO HELP OURSELVES AND LOOK TO THE GOVERNMENT TO TAKE A LEAD IN PREVENTING FURTHER FOOD PRICE RISES



82%

THINK RISING OIL PRICES WILL IMPACT ON THE COST OF FOOD

70%

THINK INCREASED GLOBAL DEMAND WILL DRIVE UP FOOD PRICES IN THE UK

“

Our food reserves are at a 50-year low, but by 2030 we need to be producing 50% more food. At the same time, we will need 50% more energy, and 30% more fresh water.

”

Professor John Beddington, UK Government Chief Scientist

73%

THINK THE GOVERNMENT SHOULD BE DOING MORE TO PREVENT FURTHER INCREASES IN THE COST OF FOOD.

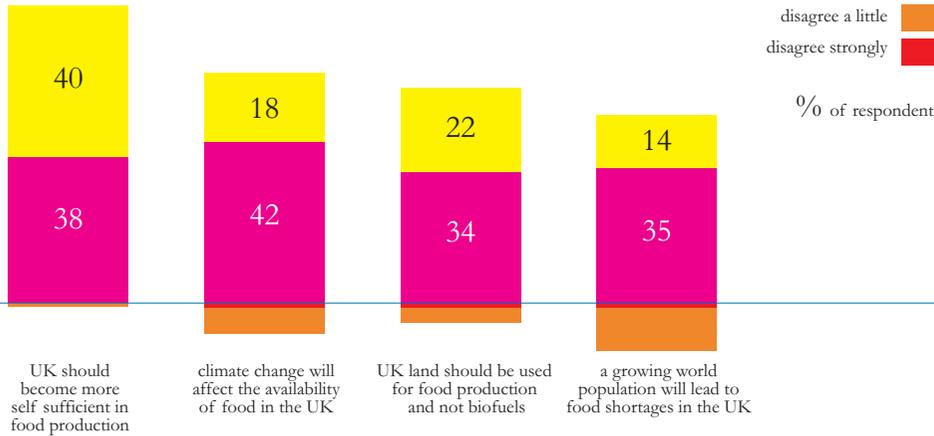
64%

ALMOST TWO-THIRDS AGREED THAT THE ERA OF CHEAP FOOD WAS OVER

Global food security concerns

agree strongly
agree a little
disagree a little
disagree strongly

% of respondents



78% BELIEVE THE UK SHOULD BECOME MORE SELF-SUFFICIENT IN FOOD PRODUCTION

60% THINK CLIMATE CHANGE WILL AFFECT THE AVAILABILITY OF FOOD IN THE UK

49% BELIEVE A GROWING WORLD POPULATION WILL LEAD TO FOOD SHORTAGES IN THE UK



“

More food must be produced sustainably through the spread and implementation of existing knowledge, technology and best practice, and by investment a new science and innovation and the social infrastructure that enables food producers to benefit from all of these.

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*Foresight: The Future of Food and Farming
UK Government Office for Science, 2011*

3. Attitudes to food science



There is strong recognition among shoppers of the positive role science can play in addressing future food security. The majority of consumers believe that science should be applied to help boost food output, and believe the Government should take a lead in the use of science in food production. They also want supermarkets to do more to explain how food is produced.

Consumers seek assurances that food technologies such as genetic modification (GM) and pesticides are properly regulated and controlled, but they recognise the role such technologies can play in providing a safe, secure and affordable food supply, for example by increasing crop yields and preventing harvest losses to pests and diseases.

55%

OF SHOPPERS BELIEVE SCIENCE IN FOOD PRODUCTION IS POSITIVE AND SHOULD BE EXPLOITED FULLY TO MEET FUTURE DEMAND



68%

Male respondents are significantly more likely to agree with this statement than females



48%



supermarkets should take a greater role in explaining how food is produced

production of food to meet the world's needs is the government's role

government should control the use of science in food production

science that helps develop food production should be exploited fully

67%

BELIEVE SUPERMARKETS SHOULD DO MORE TO EXPLAIN HOW FOOD IS PRODUCED

59%

THINK INCREASING FOOD PRODUCTION TO MEET THE WORLD'S NEEDS IS A GOVERNMENT RESPONSIBILITY

59%

BELIEVE GOVERNMENT SHOULD CONTROL THE USE OF SCIENCE IN FOOD PRODUCTION

Attitudes to Food Science

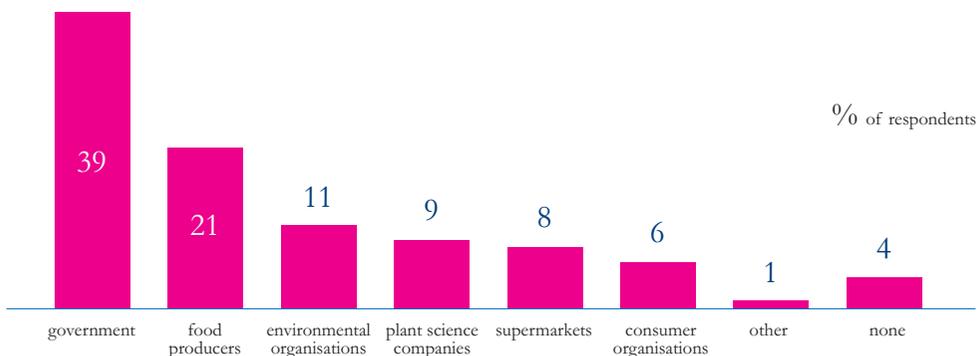


MORE THAN A THIRD OF SHOPPERS AGREE THAT GM FOODS SHOULD BE ALLOWED TO BE SOLD IN THE UK.

THIS PROPORTION INCREASES IF BENEFITS OF PRICE, NUTRITION AND ENVIRONMENTAL SAFETY ARE DELIVERED.

42% BELIEVE PESTICIDES ARE ESSENTIAL TO PROTECT CROPS

4 IN 10 RESPONDENTS BELIEVE THE GOVERNMENT SHOULD BE RESPONSIBLE FOR THE INTRODUCTION OF FURTHER FOOD SCIENCE INTO THE FOOD CHAIN



The Crop Protection Association (CPA) represents members active in the manufacture, formulation and distribution of pesticide products in the agriculture, horticulture, amenity, and garden sectors.

At a time of rising food prices, population growth and concerns over global food security, farmers need to use every available technology – including pesticides – to meet future food needs and tackle the emerging challenges of climate change and resource conservation.

The Crop Protection Association is committed to explaining the role of the crop protection industry in modern agriculture and the benefits of its products to the community. This includes engaging in constructive and intensive dialogue with relevant stakeholders to ensure that these benefits are fully recognised and accepted.

Network Research is one of the UK's leading independent market research agencies. The company's primary focus is to help clients better understand their customers. It is Network Research's belief that a greater understanding of customers leads to a better business. The company has always used pioneering research techniques to explore every aspect of the customer experience and advise on which strategies would benefit loyalty and growth.

Network Research offers a unique combination of outstanding people, creative thinking, formidable technology and rigorous quality procedures. With nearly 30 years' experience of working with many of the UK's best known brands (including Lloyds TSB, British Gas, Talk Talk and Nectar) and a repeat business ratio of 75%, the company has a strong reputation in the industry for customer focused research.





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