

A young woman with long brown hair is shown in profile, looking towards the left. She is in a grocery store aisle, with shelves of various food products visible in the background. The shelves are filled with bags of snacks and other packaged goods. The lighting is warm and focused on the woman, with the background slightly blurred.

The Growing Consumer Mandate for Trust and Transparency in Food



TRANSPARENT PATH.



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Executive Summary

The *2020 Transparent Path Food Decisions Study* delivered an eye-opening look at what really matters to consumers when making food purchases. While offering revealing new insights on what shoppers need in order to make informed choices at retail, the study also identified the blind spots and concerns many consumers still have about the producers, processors, and distributors that handle the food they eat.

The study found that the three biggest issues guiding shoppers while they browse store aisles today are **food safety**, **organic certifications**, and **transparency**. It also uncovered deeper, more personal influences that are at play.

To uncover the full spectrum of purchase influences, the Transparent Path research, conducted by Dr. Martina Dove, consisted of interviews, concept testing, and a survey, in which consumers were asked to reflect on shopping preferences, habits and concerns, as well as attitudes toward transparency and safety. Participants included men and women ranging in age from 18 to 75. They were asked what matters most to them when it comes to the food they purchase — and the data they need that will allow them to make the best possible food decisions for themselves and their families.

The results of the report reinforce the theory that shoppers are hungry for more information about how their food is raised or grown — and **they are willing to pay more** for products that provided this information. But what would make that core data even more useful? Participants told us that product information would become more useful and empowering if it could enable them to align purchases with their personal values.

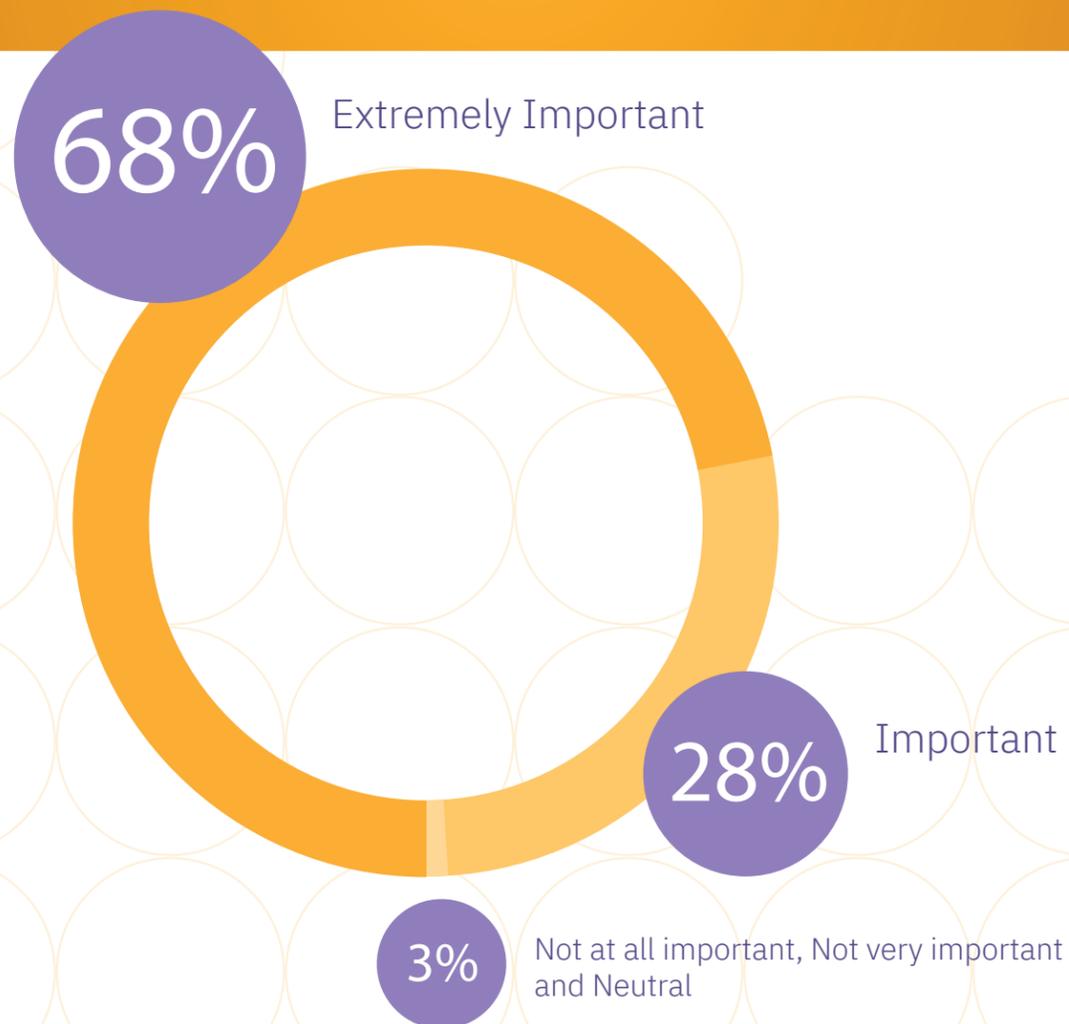
This creates a real business challenge for food producers and supply chain partners. Consumers are demanding transparency, but giving them the granular details of farming practices — how food was farmed, processed, stored and distributed — may uncover aspects of a product's journey that may be hidden or unknown, revelatory or unsavory.

Within this critical knowledge gap lies the key to consumer empowerment and brand loyalty. Where does a brand draw the line in transparency, when some information inspires trust and grows revenue, but too much information creates concern or fear?

When asked what would be the most effective in helping them solve the grocery store knowledge gap, study respondents were very clear in their opinions.

The *2020 Transparent Path Food Decisions Study* not only defines the current state of food transparency and the consumer relationship to the products they buy — it informs food companies on what information to share in order to grow brand loyalty and trust.

How important is it to you that information about the food you are buying is credible and trustworthy?



Rose and Roger Porter sat by their 10-year-old daughter's Costa Rica hospital bed in disbelief.

Doctors had just told them that she could die from a drug-resistant *Salmonella* infection she contracted at a family celebration just days before.

In late June 2018 at her family's going-away party in Washington State, Mikayla Porter ate some roast pig that made her sick. The family was preparing to relocate to Costa Rica several days later. The pork had been purchased from a nearby butcher, who sourced the meat from a local slaughterhouse. The Porters didn't give a second thought regarding the meat's origins, or the conditions the animal was in prior to slaughter, because they trusted their butcher.

While Mikayla's doctors struggled to find an effective antibiotic to help her, lab tests revealed the presence of a *Salmonella* variant that was new to the region. At that time, the US Centers for Disease Control & Prevention (CDC) hadn't been able to track its origins, because documented cases of the infection were too dispersed across the United States.

Infection, hospitalization, and death

Unfortunately, Mikayla's experience isn't an isolated incident. Currently, the CDC reports that in the US, foodborne pathogens and unspecified agents transmitted through food are responsible for more than 48 million illnesses, more than 127,000 hospitalizations, and more than 3,000 deaths annually. And *Salmonella*, the illness that sickened Mikayla, is responsible for 1.35 million infections, 26,500 hospitalizations, and 420 US deaths every year.

Are there safe food choices?

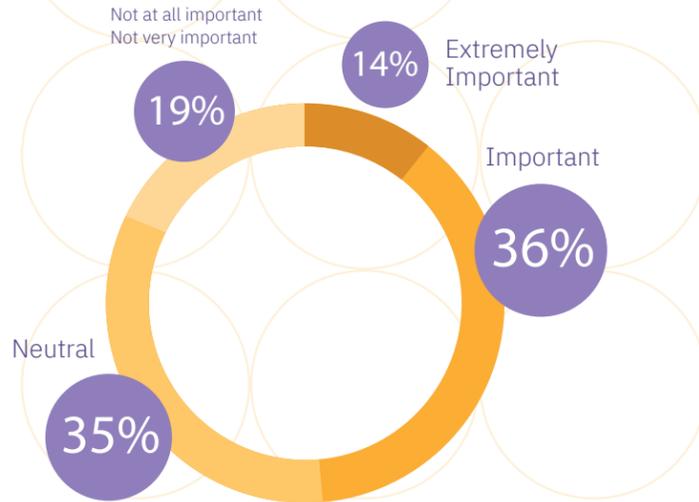
At first glance, the solution may seem straightforward: just don't buy, cook, or eat food that seems "off." Unfortunately, *Salmonella* is complex, and impossible to detect through the taste, color, odor, or feel of food. By the time you realize that your food might be "off," it's usually too late.

What about buying local — or organic? While organic may seem like a healthy choice, a 2012 study by the Stanford University Center for Health Policy found that organic fruits and vegetables were no less likely to be contaminated by *E. coli* or *Salmonella* than non-organic produce.

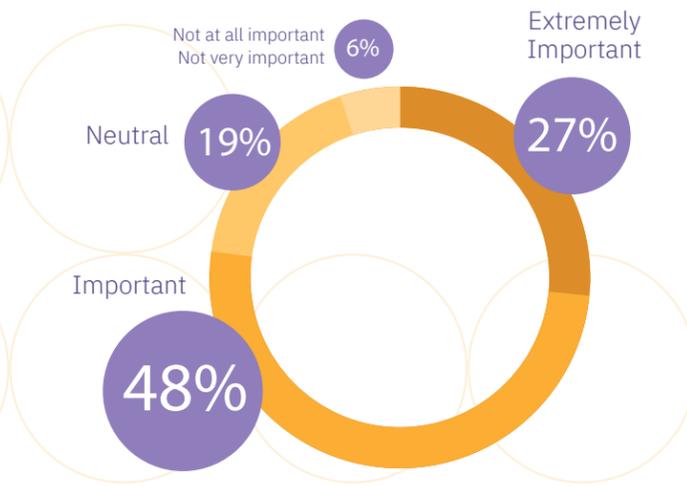
The Porter family bought local — or thought they did. As it turned out, the pork that was purchased from their local butcher came from a nearby slaughterhouse that got most of its pigs from an industrial farm two states away, in Montana.

The truth is, unless you're able to accurately monitor the path and timeline of your food from farm to processor to distributor to retailer to your plate, consumers have no source to turn to in order to make informed, "safe" food choices.

How important is knowing where your food has been before it arrived in store (e.g., its travel path from producer to retailer)?



How important is food certification when making decision about what foods to buy (e.g., organic, fair-trade, free-range, etc.)?



“The ‘organic’ label is great for feeling good about purchasing those items, but we are essentially trusting our government and other official entities to ensure this is true and don’t really know ourselves.”

—Ann, research participant

The growing storm clouds of mistrust

The 2020 Edelman Trust Barometer, long one of the world’s most comprehensive studies in trust, presented a number of indicators that show a growing mistrust issue among American consumers. In the last year alone, the percentage of the general population trusting in US-headquartered businesses dropped by 4% to a mere 50%. Food and beverage businesses were similarly impacted, dropping 2% over 2019, while consumer packaged goods companies showed a 3% decline.

While the general downward trust trend may not seem that drastic, the organic food industry may have a bigger problem. Organic certification labels are increasingly being viewed with skepticism by more and more US consumers. The *Mintel Natural/Organic Food Shopper US 2017 Market Report* showed that **only 26 percent of consumers trust the validity of organic labeling**. Given the cost of regular on-site certifications, and the higher margins required to pay for them, this growing mistrust presents a clear and present danger for organic brands, their brand equity, and their hard-won efforts to justify higher price points.

The takeaway

As trust in business declines, organic producers will increasingly find themselves in consumers’ crosshairs. Shoppers will expect these brands to prove they are walking the organic walk, and to share more data with them if brands are to protect both customer bases and margins.

Does organic certification still matter?

Organic foods and farming practices began to emerge as part of the “back to the land” movement of the 1970s. Once the United States Department of Agriculture (USDA) released its national organic standards in 2002, many assumed that “USDA Certified Organic” products were the gold standard for clean, healthy food.

But as we enter an era of increasing mistrust, outbreaks like Salmonella and pandemics like COVID-19, does organic certification still matter? And are consumers more willing, or less willing, to pay a premium for the label?

Proteins and animal welfare are driving organic choices

The Transparent Path study indicated that, while some shoppers are quite willing to pay an organic premium, one surprising finding was that what consumers purchase ultimately depends on the type of food they’re looking for.

When asked if certification matters, most consumers surveyed would give a hard ‘yes’ to buying local and organic when it comes to animal proteins like meat, fish, and dairy. But when pushing their cart down the produce aisle, they aren’t as insistent about putting only organic fruits and vegetables into the basket.

The other driver of organic food decisions was animal welfare. This is particularly true in households with children. The percentage of those who indicated that it is Important or Extremely Important to buy organic, and who also feel strongly about animal welfare, spikes significantly when the households include dependent children.

“How do you know — even if it’s from [a] farmers market — that they haven’t sprayed some chemical on it?”

—Laura, research participant

We put a lot of trust into [organic food labels] but at the end of the day, we have no idea if what their idea of ‘organic’ aligns with our views and beliefs.

—Dar, research participant



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The importance, and vagueness, of “quality”

“
I generally trust that the stores I shop at have quality products.

—Robert, research participant

The term “quality” is a broad-brush adjective. While product quality is undeniably very important to consumers overall, individual perception of the term can be subjective. When asked what they felt were the indicators of a quality product, those surveyed came up with a wide variety of markers:

- Fancy packaging
- Sight and smell
- Locally produced
- Sustainably farmed
- Organic labeling
- In-season produce
- Free-range animals

Given these findings, it’s very apparent that not unlike beauty, “quality” can often be in the eye of the beholder. Many reported however, that products offering more transparency into harvest/slaughter dates, processing, distribution, and other background details would be very helpful in enabling them to feel they could source foods that fit their definition of quality.

Playing favorites: shoppers’ relationships with retailers

One notable issue unearthed in the Transparent Path study was around grocery store loyalty and the perception of quality. Many shoppers interviewed professed to have a favorite store that they go to often, or exclusively, and which they feel offers “quality” products. Whether chosen primarily for location, price, layout, or customer service, for many shoppers, their “favorite store” is almost always synonymous with “quality products.”

And even in the era of easy online shopping, a surprising number of consumers still prefer making their purchases in a store, rather than using a device. In 2019, marketing technology research firm Valassis found that over 70% of those who say they shop for groceries online still prefer to make their final purchases in a brick-and-mortar store.

The takeaway

Whether researching products online or scanning the shelves of their favorite grocer, consumers seek out product data that they perceive helps them make their own evaluations in their search for quality products.

“
If I go to Whole Foods or [Seattle food cooperative] PCC, it’s quality. If I go to QFC or Fred Meyer...um, no.

—Kay, research participant

“
It’s important to know the journey your food takes, so it’s something I’m willing to invest more in.

—Alana, research participant

Mapping your food’s path to your table

If shoppers knew more about where food came from and what happened to it on the way to the store, would it make a difference in what they ultimately purchased? The answer seems to be yes — and no.

When it comes to transparency, producers, distributors, and retailers are facing a rather jaded audience. Consumers are suspicious after decades of tiptoeing their way through the minefields of product recalls, ambiguous food labeling, and misinformation.

Recent research shows that the bigger the food company, the less shoppers trust them. Around half of consumers don’t trust the food industry to do the right thing (CFI, 2015), and about a quarter of overall consumers and 43% of millennials actively distrust the industry in general (Mintel, 2015).

While shoppers are demanding food information that is independent, credible, and relevant, and say they would appreciate more transparency from the food industry, they are also quick to point out that all transparency is not created equal. Many often feel they’ve been lied to, and if brands are espousing transparency, shoppers will have zero tolerance for slip-ups, or for a practice that could ironically be called “transparency washing.”

The takeaway

The days when food producers could run fast and loose with marketing claims and promises of trustworthiness have ended.





Photo by Anne Nygard on Unsplash

“Organic” versus “transparent”



It’s pretty low-bar to be certified organic. If there was another classification or another methodology that gave more information than just national certification of organic, I feel that would provide better information to me as a consumer.

—Bill, research participant

In the Transparent Path research, participants stated in general that they preferred identifiers like “organic” or “free-range” over having more transparent and detailed information. The exception to this, however, involves the intersection of food and shoppers’ personal value sets.

Respondents reported that transparency would become much more meaningful than certifications if the information centered around the values more important to them. Information related to ethical and sustainable business practices, animal welfare, and local production, for example, would hold more weight than organic certification.

When asked if they would pay more for accurate and transparent information, **82% said yes**. Of that number, 70% reported it would be “great” and 12% said it would be “life-changing” to have such information about food.

Ultimately, **55% of respondents said they would be willing to pay up to 10% more for products that had greater transparency**. Knowing about animal welfare, food certifications, and the farm where their food originated from were cited as the main reasons that such a price premium would be justified.

The takeaway

Transparency and ethics matter, driving purchase decisions and even profits, but primarily when the information presented focuses on values in which the consumer is personally invested.





How important is food safety to you (e.g., the food is free from illness-causing bacteria, and has not been contaminated)?

Would you be willing to pay more for products that come with this transparent information?

YES



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 When I walk into a place like PCC [co-op] or Whole Foods...yeah, it's organic but I'm also paying so I don't have to think about what I am buying.
 —Kay, research participant

Anything in the store should be safe so I don't think about safety.
 —Rob, research participant

[The retailer I shop with has] such high-quality food and produce. I know it comes from a safe place and is trustworthy.
 —Susan, research participant

3 myths about food safety

Myth #1: Producers and processors ensure that food is safe

In March 2019, Tyson Foods, the world's second-largest processor and marketer of chicken, beef, and pork, recalled 69,000 pounds of frozen chicken strips. The recall was triggered after consumers complained to the USDA about finding pieces of metal in the meat.

In November 2018, *E. coli* O157:H7 bacteria, which can cause symptoms like kidney failure, bleeding, and seizures, was making headlines related to romaine lettuce grown on farms in the US and Canada. When the outbreak ended in January 2019, 167 had been sickened across 27 states, with 85 hospitalizations. In this case, the mechanisms in place to avoid a contamination were ineffective, and stricken product made it to retailers and kitchens across the US.

Myth #2: Products on retail shelves are safe to eat

Many consumers trust retailers to ensure food safety, assuming that the food on store shelves isn't at risk. But recent incidents show this is far from true.

Both grocery employees and other consumers can spread illness to our food. A University of Arizona study found that **more than 50% of shopping carts and baskets tested positive for E. coli.**

Fraud can also be an issue. In March 2017, federal police in Brazil conducted *Operation Carne Fraca*, in which two of the world's biggest meat providers were investigated for mixing rotten meat treated with chemical components into food products sold to the United States and elsewhere. Upon learning about the sting operation and investigating more thoroughly, several countries asked residents to discard any meat products from Brazil. In the US, some of these suspect meat products ended up on US supermarket shelves. By June 2017, the US had suspended all imports of fresh Brazilian beef for safety concerns.

Myth #3: Consumers don't really worry about food safety

In the late 20th Century, price, taste and convenience were the three pillars of consumer purchasing decisions. In 2020, however, that has changed. In the Transparent Path study, almost all surveyed consumers stated that they care greatly about accurate, credible information and food safety. Consumers want to know that food has not been contaminated or compromised, and that it is free from bacteria that could cause serious illness.

The takeaway

There's a huge opportunity for education around food safety that will produce a more empowered consumer.

All that stuff matters—not just if it is organically-produced or free-range. It goes to environmental impact as well, how it was shipped or transported, and how it was packaged.

—Taylor, research participant

I feel it would change everything. I'm not the type of shopper that shops because of the price, I shop because of quality. If this was the available information, I would definitely shop based on it.

—Laura, research participant

Transparency builds trust. If I trust a company for their quality, I'm willing to pay a premium for their product.

—Susan, research participant

Consumers shop their values

Participants in the Transparent Path study were extremely vocal about the role that their personal beliefs play in their shopping habits. Buying local, supporting organic and sustainable growers, researching business practices of producers, and keeping carbon footprint and environmental impacts low often played a part in the choices made at the supermarket.

The need for a solution

Based upon their expressed concerns for quality, safety, and transparency, coupled with a desire to “shop their values,” survey respondents felt strongly about the need for a solution. One respondent expressed shock at the lack of a mobile app that could identify recalled products. Having a one-stop resource that could empower shoppers to easily identify products based upon their personal criteria would level the playing field when entering the grocery store.

The takeaway

Values-based purchases will continue to play an increasing role in shopper purchasing decisions. Increased information about food production practices will incentivize shoppers to make purchases from brands whose values align with their own.

The consumer demand for transparency is real — and urgent

The days of complacency about the food we eat are behind us. The stakes of not knowing — or *not caring* — where our food comes from are simply too high. Even the “safe, healthy” choices that most of us make when choosing foods can often turn out to be more dangerous than expected.

Given the rise in contamination and food-related illness in the headlines in recent years, the need to monitor and track food safety and quality from the producers to our plates is now essential. Giving consumers the ability to easily identify and evaluate foods that align with their beliefs and personal values will help bolster eroding trust in big food companies, preserve margins for organic brands, and build loyalty with increasingly concerned shoppers.

The Porters: from tragedy comes a new lifestyle

Today, the Porter family is happily settled in their new home in Costa Rica. Mikayla’s health finally stabilized about two months after antibiotic-resistant *Salmonella* threatened to take her life, but the impact on the family is ongoing.

As a result of Mikayla’s illness, the Porter family has actively taken food safety into their own hands. Today they grow all the fruits and vegetables they eat on their own land, and only eat meat from livestock they raise themselves.

The Porters’ near-tragedy has shined a much-needed spotlight on just how little we really know about the food we consume every day. Hopefully, as transparency gains momentum as a best practice for the food industry, fewer American families will have to suffer the after-effects of contaminated food purchases.

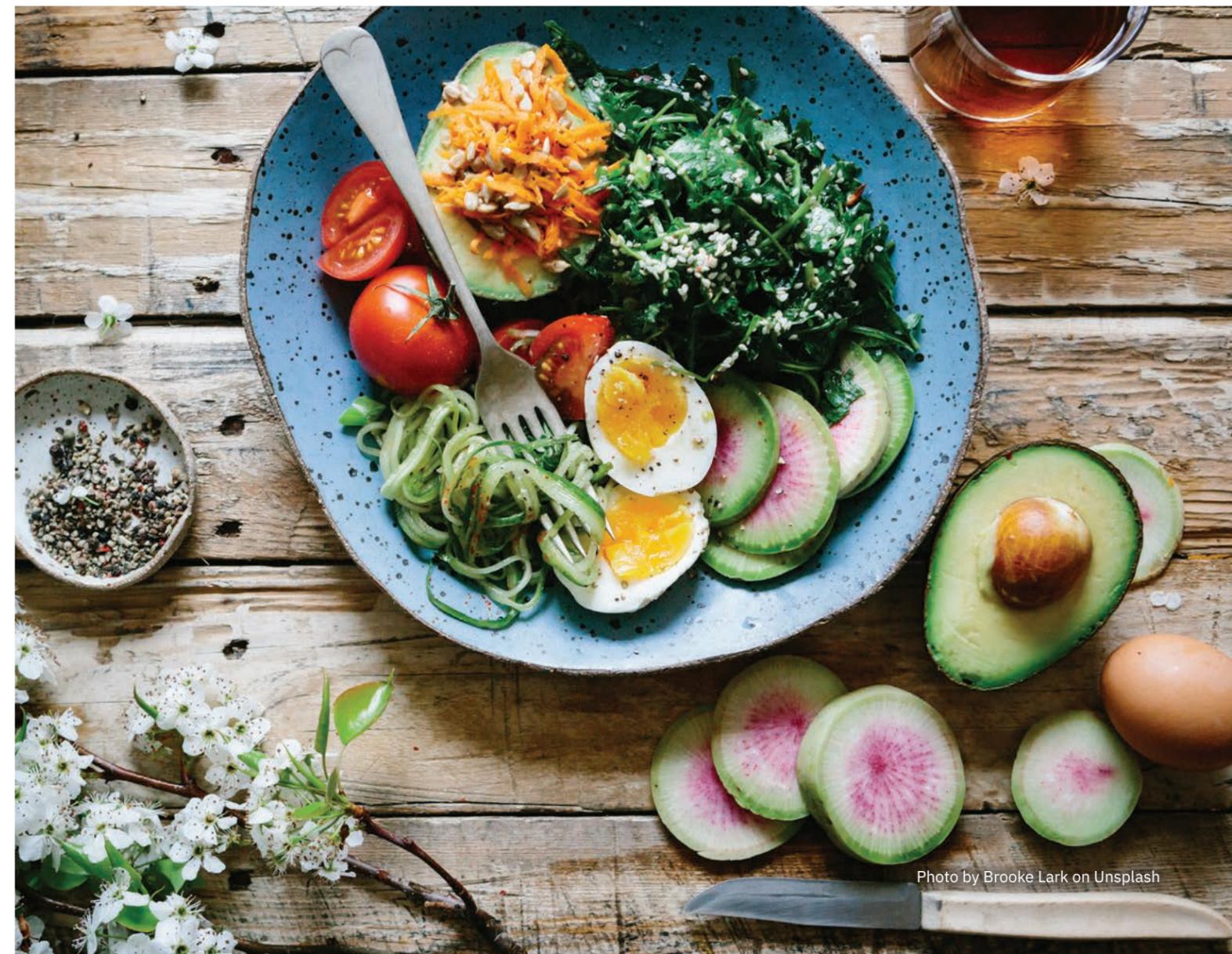
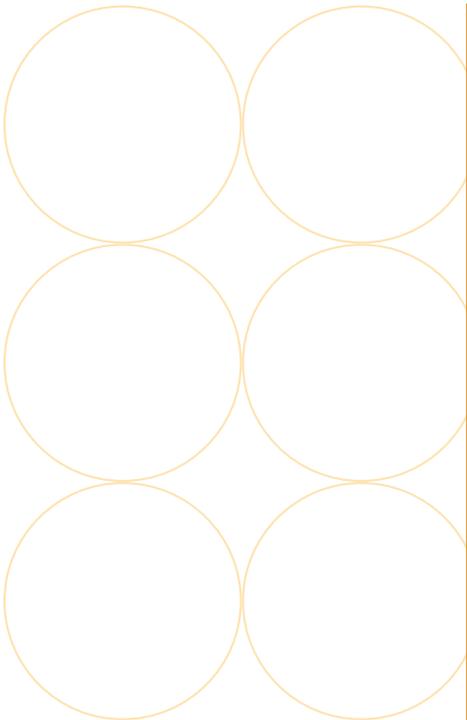


Photo by Brooke Lark on Unsplash



Research Methodology

Research for the *2020 Transparent Path Food Decisions Study* was conducted in October-November 2019, combining in-person interviews with an online survey. Interviews were recorded for the purpose of analysis.

Interview participants ranged between 18 and 75 years of age. Open communication was encouraged to establish participants' attitudes and preferences on quality and shopping preferences. Semi-structured questions were also asked to uncover participants' opinions on transparent information and food safety.

Interview participants were also shown storyboards and encouraged to discuss opinions and feelings associated with depicted situations. Insights and quotes from the interviews were extracted for the development of an affinity map.

For the survey, a mix of both quantitative and qualitative questions were presented.

Credits

Many thanks to research lead Dr. Martina Dove, for the design and execution of the *2020 Transparent Path Food Decisions Study*, to research contributors Jeff Dinsmore, Sarah Evans and Dwight Stoddart, and to General Assembly, Seattle.

The Growing Consumer Mandate for Trust and Transparency in Food written by Anita Williams Weinberg. Art direction and layout by David McLean.

About Transparent Path

Transparent Path spc is a social purpose corporation focused on supply chain visibility. Our mission is to reduce food waste and risk by creating a more agile, efficient, and predictable supply chain.

Powered by IoT sensors, blockchain security, and artificial intelligence, Transparent Path's secure, scalable platform provides food manufacturers, processors, logistics partners and retailers with the ability to see, react to, and predict supply chain issues in real-time. As a result, our customers know immediately when something goes wrong, can act to prevent risk, and can anticipate issues before they occur.

Headquartered in the US, Transparent Path was founded by Eric Weaver, a 30-year enterprise transformation specialist. Please visit xparent.io to learn more.

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