CONSUMER RESEARCH STUDY

SURVEY OF ITALIAN CONSUMERS TO EVALUATE THE ITALIAN PROPOSAL OF ADDITIONAL NUTRITIONAL LABELING

PRESENTATION OF MAIN RESULTS

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Flow topics

1 | Background, methodology and sample
2 | Perception relating to well-being, nutrition and nutritional values
3 | Evaluation of proposal for additional nutrition labelling FOP
4 | Evaluation of proposal for additional nutrition labelling FOP in the mini shelf of products
5 | Back up slide
Background, methodology and sample
Background, objectives and sample size of the survey

In order to evaluate the Italian proposal for additional nutrition labelling, IRI carried out a survey of a representative sample of Italian consumers men and women aged 18 to 75 years with 2 main objectives:

1. The interest, readability and understanding of the information elements of the label
2. The ability of the label to food education, in terms of change in purchase attitudes and consumptions.

The consumer research was conducted with scientific criteria and high statistical robustness evoked in Article 35

- 1,504 interviews to represent and segment the average consumer; statistically significant sample (error margin of +/- 2.5% with 95% confidence interval for the total interviewed values)
- Representative sample of Italian consumers by gender, age, social class, geographical area and town size
- Survey was conducted using CAWI (Computer Assisted Web Interview) methodology
To the sample of 1504 consumers a questionnaire was submitted that included a series of pre-coded questions (to evaluate their perceptions and opinions using a Likert scale or with dichotomous answers) and an open-ended, spontaneous question regarding the elements of understanding and impact of the Italian proposal for additional nutrition labelling.

Here is the information flow carried out in the questionnaire:

**Questionnaire flow**

- **PERCEPTIONS**
  - Nutrition labeling front on pack
    - Interest and motivations behind
  - IMPACT
    - SMART LABEL: spontaneous impact
  - TEST SMART LABEL
    - Interest, understanding and ability to educate the consumer
  - TEST MINI-SHELF
    - SMART LABEL evaluated with food set of product (breakfast, lunch and dinner)

**Final questions/checking preference**

Socio-demographic profile
Perception relating to well-being, nutrition and nutritional values
What is the awareness and consciousness of Italian consumers regarding the nutritional values of foods?

For nutritional values we mean: eg. total calories, fats, saturated fats, sugar and salt content

72% of Italian consumers are very careful about the nutritional values of the foods they consume.

** 75% Women pay more attention to nutritional value

** Adult (45 yo +) and senior higher than average 75%

** Gap on Young (18-24 anni) 59%

** Millennials al 66%

Social class Upper/medium upper above average 76%

Small Gap on social class Medium low/low at 70%

Q7) In relation to your attitudes and habits towards food, indicate to what extent the following statements fit you ...

Top box:% of strongly agree + quite agree

** Statistically significant difference at 95% compared to the total population

Number of respondents: 1504 italian consumers

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Why?
Wellness and health are strongly linked to nutrition

Taking care of your health starts at the table, with what you eat for 96% of consumers.

Variety in nutrition provides physical well-being 96%.

The control of fats, salt and sugar in foods ensures the physical well-being for 92% of consumers.

Q7) In relation to your attitudes and habits towards food, indicate to what extent the following statements fit you ...
Top box:% of strongly agree + quite agree

Number of respondents: 1504 Italian consumers
The growth of sales of organic food products is a sign that confirms the evolution of the consumer.

90% of Italian households have consumed an organic product at least once in 2017.

Sell out of organic food products detected by IRI Retail Tracking

MIO €

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>MIO</td>
<td>899</td>
<td>1,098</td>
<td>1,318</td>
<td>1,494</td>
</tr>
</tbody>
</table>

+12%  +22%  +20%  +13%

% Absolute penetration in Household

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>78.7</td>
<td>80.6</td>
<td>83.4</td>
<td>87.5</td>
<td>90.7</td>
</tr>
</tbody>
</table>

Source: IRI Retail Tracking Italian sell out. Hypermarket, Supermarket, Traditional pos.
Summary for perception relating to well-being, nutrition and nutritional values

- Consumers are evolving: majority of Italian consumers are aware that paying attention to the control of fats, salt and sugar helps wellbeing

- Consumers actively search for information on nutritional values: 87% of consumers looked for, at least once, information about the nutritional values of foods.
- Notably, consumers look for understanding the fat content, the sugar content, the total calories.

- Almost all consumers read the label of the products, mainly at the time of purchase

- 80% of consumers is generally interested in the nutritional label on the front of packaging, a 33% of whom is very interested

- Why? Consumer seeks knowledge, information in order to be able to decide independently on purchases of different food products
Evaluation of Italian proposal for additional nutrition labelling FOP
Procedure of the evaluation of Italian proposal for additional nutrition labelling FOP

Number of respondents
1504 Italian consumers

Each 40g serving contains:

- Energy: 790 kJ/188 kcal
- Fat: 7.4 g (9%)
- Sat fat: 1.8 g (11%)
- Sugar: 8.8 g (9%)
- Salt: 0.4 g (6%)

of an adult's average reference intake (8400 kJ/2000 kcal)
Per 100 g: 1.976 kJ/471 kcal

1- All data refer to a single serving.
2- Each box indicates the energy, fats, saturated fats, sugars and salt content of each serving; the energy content being expressed both in Joule and in Calories; the content of fats, saturated fats, sugars and salt being expressed in grams.
3- Inside the “battery” symbol it is indicated the percentage of energy, fats, saturated fats, sugars and salt contained in a single serving of the recommended daily intake. The recommended daily intake amounts for an average adult are:
   - Energy: 8400 kJ/2000 kcal
   - Fats: 70 g
   - Saturated fats: 20 g
   - Sugars: 90 g
   - Salt: 6 g
4- The charged part of the battery represents graphically the percentage of energy or nutrients contained in the single serving, allowing to quantify it also visually. For a balanced daily diet the sum of what they eat during the day should not exceed 100% of the recommended daily intake amount.
87% of consumers spontaneously mentioned one or more positive reasons for the proposal

Spontaneously, 87% of consumers, following the view only of the label, mentioned a plurality of reasons of equal importance that highlight the positive impact.

Q18) Spontaneously, in your opinion, what are the elements of this new label that most attracts your attention? If you were to describe to a friend of yours what you understood by seeing this new label, what would you say?

- Clear label, easy to understand 28%
- Indication on sugars, salt, fats 19%
- Indication on the energy value, calories 24%
- Attractive graphics, color, written 16%
- Energy, fat quantities per serving 18%
- Percentage in the form of a battery 24%
- Percentage referred to the recommended daily consumption of each item 22%
- Percentages of nutritional values 20%

Number of respondents: 1504 Italian consumers

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85% of Italian consumers are interested in the new nutrition labelling FOP compared to the labels currently present on the pack.

D20) Compared to labels currently on the pack of food products that you purchase and consume regularly, what is your level of interest in this new proposal for additional nutrition labelling of food products?

1. All data refer to a single serving.
2. Each box indicates the energy, fats, saturated fats, sugars and salt content of each serving; the energy content being expressed both in Joule and in Calories; the content of fats, saturated fats, sugars and salt being expressed in grams.
3. Inside the “battery” symbol it is indicated the percentage of energy, fats, saturated fats, sugars and salt contained in a single serving of the recommended daily intake. The recommended daily intake amounts for an average adult are:
   - Energy: 8400 kJ/ 2000 kcal
   - Fats: 70 g
   - Saturated fats: 20 g
   - Sugars: 90 g
   - Salt: 6 g
4. The charged part of the battery represents graphically the percentage of energy or nutrients contained in the single serving, allowing to quantify it also visually. For a balanced daily diet the sum of what they eat during the day should not exceed 100% of the recommended daily intake amount.
Why? The new proposal is considered easy to understand and provides relevant information for 8 out of 10 consumers.

For 84% of consumers, the proposal is very clear, not confusing and it is easy to understand by everyone.

84% Provides a lot of useful and relevant information for me

Q21) I would like to know how much you agree that these phrases describe the opinion you might have regarding this additional nutritional labeling FOP of food products? Top box: % of strongly agree + quite agree

Number of respondents: 1504 Italian consumers
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For about 80% of consumers the battery helps the balance of consumption.

Simple, easy and instant viewing - 86%

The battery makes you realize every day the amount of nutrients you are taking - 81%

It helps you adjust your daily intake of various nutrients - 78%

Q21) I would like to know how much you agree that these phrases describe the opinion you might have regarding this additional nutritional labeling FOP of food products? Top box: % of strongly agree + quite agree

Number of respondents: 1504 Italian consumers
The new proposal educates and promotes a healthy way of life for more than 70% of consumers

- It helps me to learn more about the characteristics of food products: 85%
- It helps me to balance the daily consumption of different foods: 79%
- It helps me to take more care of my diet, even for my family: 77%
- Would promote a healthier lifestyle for me and even for my family: 74%

Q21) I would like to know how much you agree that these phrases describe the opinion you might have regarding this additional nutritional labeling FOP of food products? Top box: % of strongly agree + quite agree

Number of respondents: 1504 Italian consumers

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Evaluation of Italian proposal for additional nutrition labelling FOP in the mini shelf of products
Procedure of evaluation of Italian proposal for additional nutrition labelling FOP in the mini shelf of products

The products consumed in everyday life (from breakfast to lunch and dinner) were displayed, showing on the front of the pack the Italian proposal for additional nutrition labelling FOP (listed below separately). Consumers have expressed their ratings with respect to real stimuli.
The new proposal conveys trust towards the products in about of 70% of consumers.

Q25) How much would you trust of food products that bring this new labelling proposal than what reported today on food labels?
Q26) Would you recommend food products with this new labeling proposal to a friend or relative?

Number of respondents: 1504 italian consumers

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Summary of evaluation of Italian proposal for additional nutrition labelling FOP

- **Impact**: 87% of consumers *spontaneously* mentioned one or more *positive reasons* for the Italian proposal for additional nutrition labelling FOP.

- **85% of Italian consumers** are *interested* (39% is very interested) in the *new nutrition labelling FOP* compared to the labels currently present on the pack.

- The new proposal is considered *easy to understand* and provides *relevant information* for 8 out of 10 consumers.

- The Italian proposal for additional nutrition labelling FOP *educates* and *promotes a healthy way of life* for more than 70% of consumers.
Back up slide
Details of consumer research

Sample size

- **1,504** interviews to **represent** and **segment** the **average consumer** according to the principles of scientificity evoked by Article 35.

- Robust, credible and **statistically significant sample** (error margin of +/- 2.5% with 95% confidence interval for the total interviewed values)

Target

- **Representative sample** of Italian consumers: **men and women aged 18 to 75 years**.

- Representative by gender, age, social class, geographical area and town size

Methodology

- The quantitative survey was conducted using the **CAWI (Computer Assisted Web Interview)** methodology

Sample Extraction Method

A stratified, quota-based sampling method was used for the extraction of the sample.

The selection of the sampling units was according to:
- a casual-systematic criterion for municipalities
- a random criterion for families
- by quotas, for the individuals to be interviewed.

The sample selected from the access panel consists of approximately 60,000 members highly profiled.

**Fieldwork period** :
From April 13th to May 2nd 2018
### Profile of consumers interviewed

**Representative sample of the Italian population by gender, age and social class**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>49%</td>
</tr>
<tr>
<td>Female</td>
<td>51%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24 yo</td>
<td>10%</td>
</tr>
<tr>
<td>25-34 yo</td>
<td>15%</td>
</tr>
<tr>
<td>35-44 yo</td>
<td>19%</td>
</tr>
<tr>
<td>45-54 yo</td>
<td>22%</td>
</tr>
<tr>
<td>55-75 yo</td>
<td>34%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Social class</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper/medium upper</td>
<td>9%</td>
</tr>
<tr>
<td>Medium</td>
<td>55%</td>
</tr>
<tr>
<td>Medium low/low</td>
<td>36%</td>
</tr>
</tbody>
</table>

**Representative sample of the Italian population by geographical area and town size**

<table>
<thead>
<tr>
<th>Geographical area</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>North West</td>
<td>26%</td>
</tr>
<tr>
<td>North East</td>
<td>19%</td>
</tr>
<tr>
<td>Center</td>
<td>20%</td>
</tr>
<tr>
<td>South and Island</td>
<td>35%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Town size</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Big cities (more than 100.001 inh.)</td>
<td>33%</td>
</tr>
<tr>
<td>Middle towns (30.001-100.000 inh.)</td>
<td>31%</td>
</tr>
<tr>
<td>Small towns/rurale (less than 30.001 inh.)</td>
<td>36%</td>
</tr>
</tbody>
</table>

The original universe of reference is made up of individuals resident in Italy aged between 18 and 75 that, on the basis of the most recent ISTAT data, corresponds to 44,302,421 individuals (Source ISTAT demo 2017)
Consumers are evolving: Wellness has become a relevant part of the “menu” of Italian consumers

% of wellness consumers – Italy and Total Europe bench

20. Let’s speak about food wellness. Do you buy the following types of food for yourself or your family?

Source: IRI European Shopper Survey - 2017 - Quantitative online survey has been undertaken in 7 European countries on a sample of 2,600 shoppers
In the purchase of food, the nutritional values are a relevant selection criteria

- I am very careful about the quality-price ratio: 76%
- I pay attention to nutritional value (eg. total calories, sugars, fats, saturated, salt content ..): 72%
- Price, I take care not to spend too much: 64%
- Are brand conscious: 56%
- Practical aspect, buy food that make life easier: 41%

Q15) When buying food products, which of these factors takes more account?

Number of respondents: 1504 Italian consumers

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Did it happen, at least once, to search for information on the nutritional values of food (that is, the nutritious elements of every food you buy and consume)? What information did you look for (multiple answer)?

Number of respondents: 1312 consumers looking for nutritional info

Yes 87% of consumers looked for information on the nutritional values of foods, at least once

The label of food products is the main source of information on nutritional values

What information do they specifically look for?

- The fat content: 53%
- The sugar content: 49%
- The total calories: 40%
- Calories per piece: 39%
- On saturated fat: 37%
- The salt content: 34%
- Carbohydrate content: 23%
- The protein content: 17%
- The fiber content: 16%
- Other: 3%

Number of respondents: 1504 Italian consumers

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In detail where they seek information about the nutritional value of food?

The label of food products is the main source of information on nutritional values.

<table>
<thead>
<tr>
<th>Information Source</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I read the label of food products</td>
<td>81%</td>
</tr>
<tr>
<td>I watch specific television programs</td>
<td>17%</td>
</tr>
<tr>
<td>On specific web-sites of the manufacturers</td>
<td>17%</td>
</tr>
<tr>
<td>On institutional web-sites (eg Ministry of Health, OMS)</td>
<td>17%</td>
</tr>
<tr>
<td>On blogs and online discussion, forums</td>
<td>17%</td>
</tr>
<tr>
<td>By nutritionist/dietician</td>
<td>14%</td>
</tr>
<tr>
<td>By doctor</td>
<td>10%</td>
</tr>
<tr>
<td>World of mouth (friend / relatives)</td>
<td>8%</td>
</tr>
<tr>
<td>On the radio</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>3%</td>
</tr>
</tbody>
</table>

Q.10) Where did you look for information on the nutritional values of foods (multiple answer)?

Consumer use on average 1,9 different information sources.

Read more the label of food product: adults (45-54 yo) 84% and senior (over 55 yo) at 88%.

Young and Millennials seek more information on blogs and online discussion forums (24%).

Num. of respondent: 1312 consumers looking for nutritional info.
Consumers during the purchase check the packaging of food products? 96% of consumers read the label

Yes, to read the label

96%

Read the label:
At point of sale 87%
At home 47%

No

4%

Specifically, what do they check on the package during purchase?

- Read the list of ingredients: 76%
- Read the origin of products and raw materials: 65%
- Read the nutrition label: 56%
- Understanding the weight/size/portions: 32%
- Read the recommendations for use: 27%
- Verify the presence of allergens (gluten, lactose ...): 22%

High-frequency label reading: 65% of consumers read the food label in the last week

Q11) When you buy food in general, did you check the packaging? If yes for ...
80% of consumers are interested in the nutritional label on front of the pack of different food products

Now think about the nutritional label of food products that is currently placed on the back or side of the pack of food products; what could be your degree of interest if this nutritional label of food products was placed on the front of the pack of different food products?

- **Very interested**
- **Quite interested**
- **Little interested**
- **Not at all interested**

<table>
<thead>
<tr>
<th>Interest Level</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very interested</td>
<td>33%</td>
</tr>
<tr>
<td>Quite interested</td>
<td>47%</td>
</tr>
<tr>
<td>Little interested</td>
<td>17%</td>
</tr>
<tr>
<td>Not at all interested</td>
<td>3%</td>
</tr>
</tbody>
</table>

80% Interested

High degree of interest among **Women** (84%) and **adults** (45-54 years) to 83%

** Statistically significant difference at 95% compared to the total population

Number of respondents: 1504 Italian consumers

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Why? Consumer seeks knowledge, information in order to be able to decide independently on purchases

What benefits could you have with nutritional label on the front of the pack?
Top box: % of strongly agree + quite agree

I would understand immediately the nutritional information on the product 85%
It would help me to learn more about the products we purchase 81%
I would be facilitated in purchase 79%
Help me decide the purchase of products based on nutritional values 74%
Help me to take more care of my diet 72%
Would promote a healthier lifestyle for me 69%

Number of respondents: 1504 Italian consumers
86% of consumers would be influenced in their purchases by the new proposal for additional nutrition labelling FOP.

D22) What influence could have the additional nutrition labelling FOP on its purchases of food products?

Number of respondents: 1504 Italian consumers.