



The Label- Conscious Global Shopper

Consumer Attitudes Towards Nutritional Labels on Food Packaging August, 2005

Nutrition
Understanding
Education



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- *Only partly understanding food labels, but selective nonetheless.*
- *Trust and healthy living, not fad diet options.*

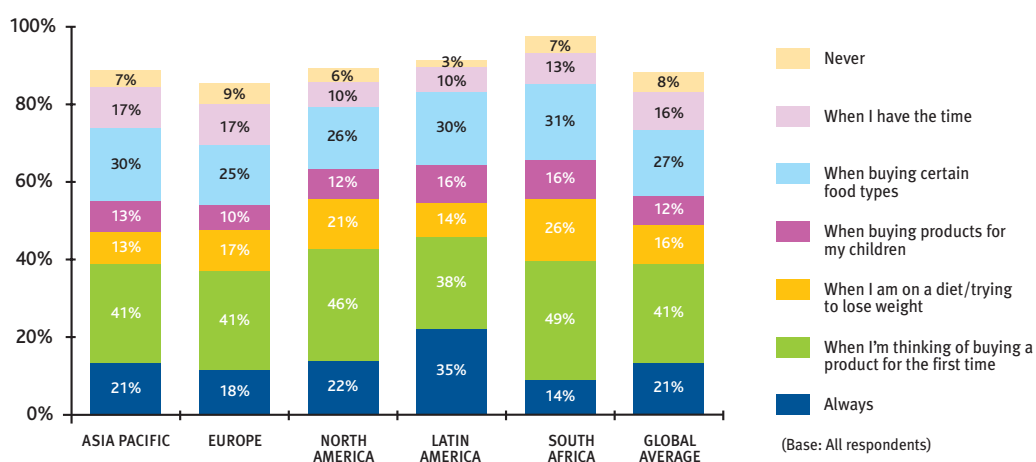
Half the world's consumers understand the nutritional labels on food packaging only 'in part', although two in 10 'always' check grocery labels, four in 10 do so when buying a product for the first time and nearly three in 10 check them when buying certain food types, according to a study released by ACNielsen, the world's leading marketing research and information company.

The twice-yearly global ACNielsen Online Consumer Opinion Survey, the largest of its kind, polled over 21,100 respondents in 38 markets from Europe, Asia Pacific, North America, Latin America and South Africa. The study asked consumers around the world how much they understand food labeling, when they

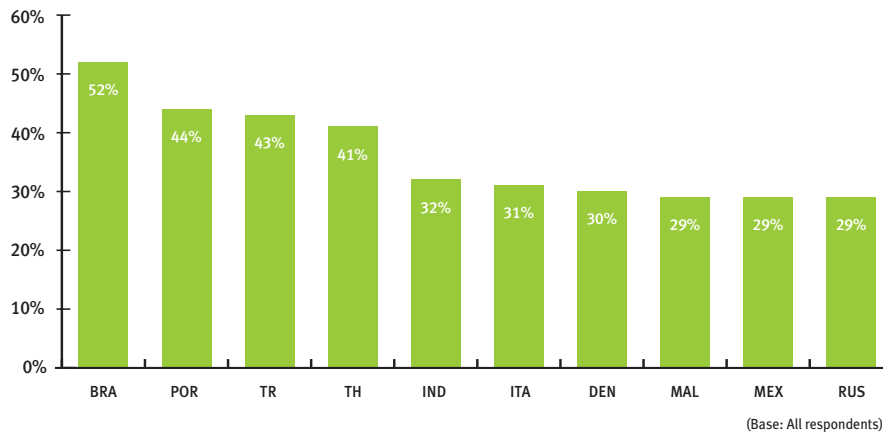
would check labels and what they check for as they do their grocery shopping.

When Consumers Check the Labels on Food Packaging

On average, two in 10 consumers in Asia Pacific, Europe and North America 'always' check the nutritional labels on packaging, with Latin Americans the most label-minded, where a third of consumers claim to 'always' check labels on packaged food. The most likely occasion for checking the nutritional label, not surprisingly, for an average of four in 10 consumers worldwide, was when trying a product for the first time.



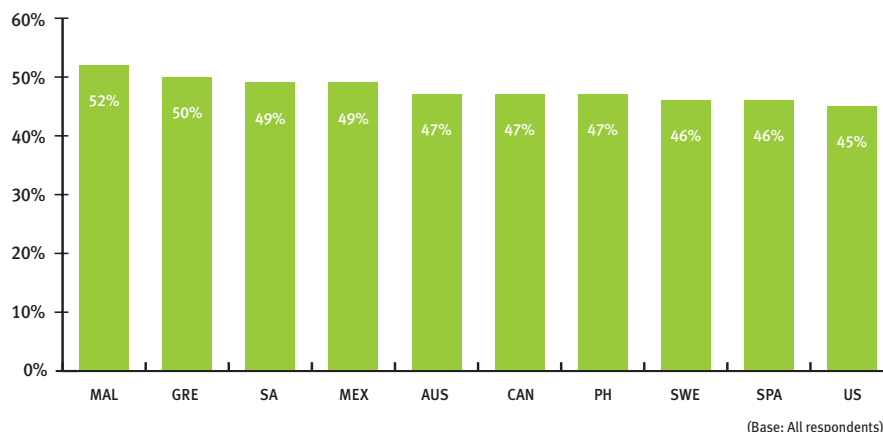
When you are buying packaged food when would you check the nutritional information on the package?



**When you are buying packaged food, when would you check the nutritional information on the package?
Top 10 Always.**

For manufacturers of packaged goods, the product’s nutritional proposition - whether it appeals to the specific selection criteria of the consumer - and the clarity of the information on the nutrition panel are critical at the point of product trial. Whether the product ‘contents’ meet consumers’ selection criteria, and how easily the label is understood, can determine whether or not the consumer proceeds to purchase the product, or return it to the shelf.

Across Asia Pacific, Thailand (41%), India (32%) and Malaysia (29%) made the world’s top ten countries where people claimed to ‘always’ check food labels. At the other end of the scale, those most likely to ‘never’ check food labels were the Japanese (24%), followed by the Finnish (15%) and Dutch (14%).



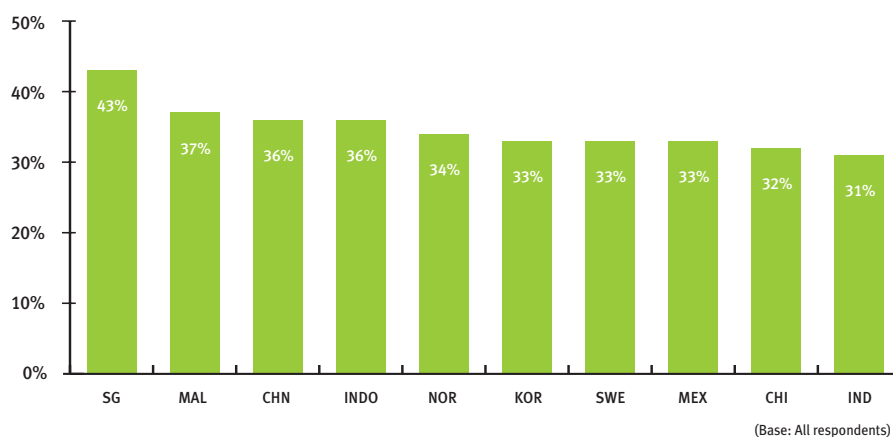
**When you are buying packaged food, when would you check the nutritional information on the package?
Top 10 “When I’m thinking of buying a product for the first time”.**

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Local culture may strongly influence whether or not consumers check food labels. In Japan, for example, consumers place a high level of trust in well-known manufacturers not to produce foodstuffs that could do them harm, and given the strict legal restrictions, believe

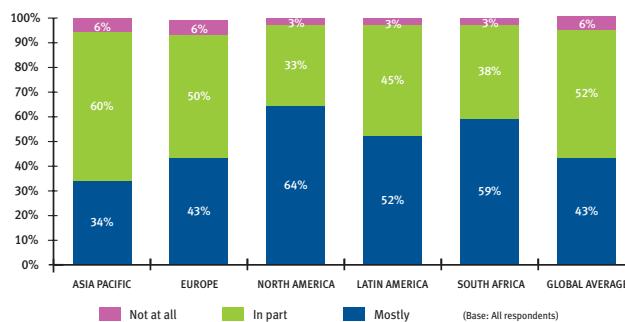
that only products of the highest quality make it to the shelves. One could argue that in markets where there is a high level of label checking, there is less trust in manufacturers to do the right thing by the consumer.



When you are buying packaged food, when would you check the nutritional information on the package?
Top 10 “When buying certain food types.”

Consumer Understanding of Nutritional Contents

And while consumers are checking labels, they don’t necessarily understand what they’re reading. Half of the world’s consumers said they only ‘partly’ understand the nutritional labels on food, with 60% of Asia Pacific’s citizens leading the world in this lack of understanding, followed by Europeans (50%) and Latin Americans (45%). Most conversant with food labeling were the North Americans, with 64 percent claiming to ‘mostly’ understand food panels.

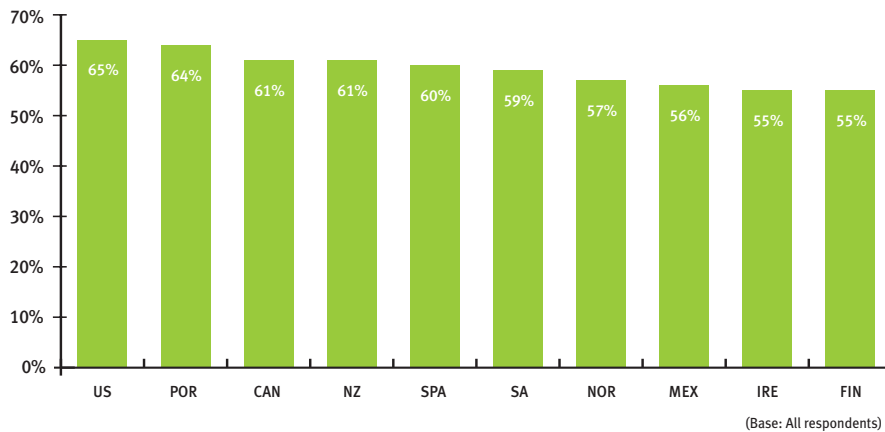


How well do you understand the nutritional information panels/labels on food packaging?

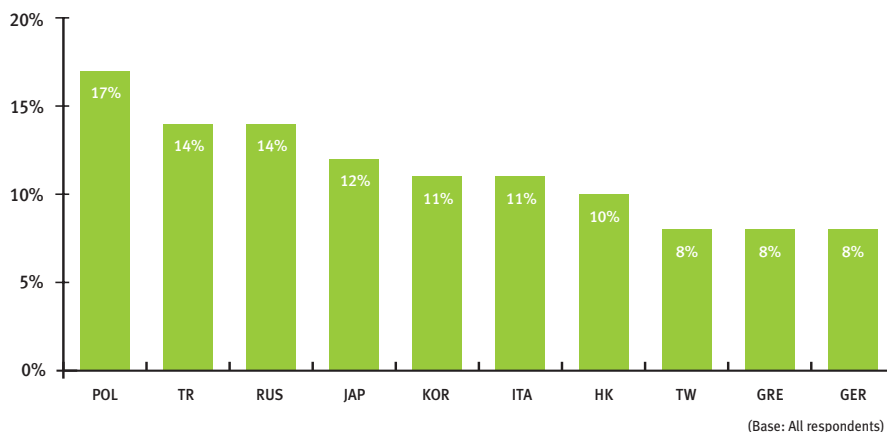


Out of the 13 Asia Pacific countries, New Zealand was the only country making it into the world top 10 list of understanding food labels, with 61 percent of Kiwis claiming to

‘mostly’ understand information on food labels. One in ten consumers in Japan, Korea and Hong Kong however claim they didn’t understand the labels *at all*.



How well do you understand the nutritional information panels/labels on food packaging?
Top 10 Mostly.



How well do you understand the nutritional information panels/labels on food packaging?
Top 10 Not at all.

It is critical for manufacturers to make their labeling as relevant and clear to their consumers as they can, given consumers are making

purchase choices based on the information on the packaging. If they can’t understand the label, they may not risk the purchase.

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Consumers Screen Products Depending on What They're Trying to 'Avoid'

Globally, the ingredients most likely to be checked for by consumers were Fat (49%), Calories (43%), Sugar (42%), Preservatives

(40%), Colouring and Additives (36% each). Not surprisingly among the five regions surveyed, consumers in North America and Latin America topped the list for most regularly checking out Fat, Calorie and Sugar levels.

Regularly check labels for contents global and regional averages.

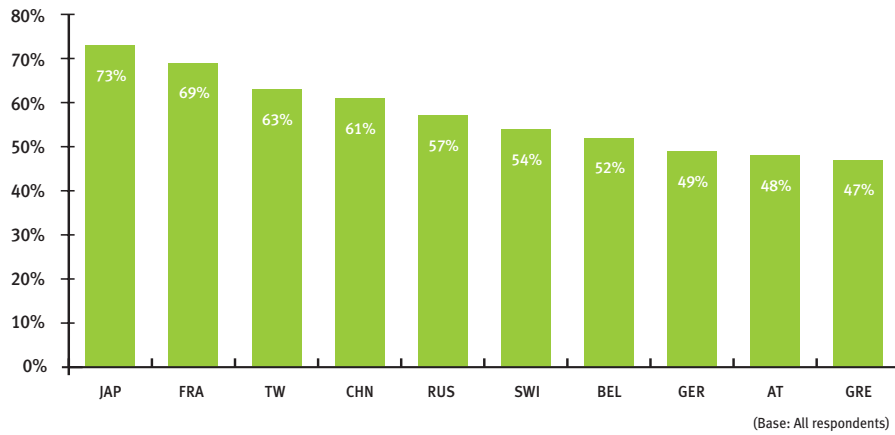
CONTENTS	ASIA PACIFIC	EUROPE	NORTH AMERICA	LATAM	SOUTH AFRICA	GLOBAL AVERAGE
Preservatives	47%	36%	28%	44%	44%	40%
Fat	45%	49%	57%	55%	49%	49%
Colouring	43%	34%	19%	42%	38%	36%
Additives	42%	33%	29%	34%	43%	36%
Calories	42%	42%	48%	59%	37%	43%
Sugar	39%	42%	47%	52%	43%	42%
Protein	30%	22%	31%	50%	35%	28%
Trans Fats	21%	21%	43%	33%	22%	24%
Carbohydrates	28%	24%	37%	44%	35%	28%
Fibre	28%	23%	28%	51%	33%	27%
Salt / Sodium	26%	22%	39%	38%	18%	26%
Gluten	12%	10%	9%	19%	12%	11%
Low GI	11%	9%	8%	22%	17%	11%

Within Asia Pacific, the ranking of importance differed from the West, with Preservatives (47%), Fat (45%), Colouring (43%), Additives (42%), and Calories (42%) garnering the most attention from consumers.

Further, when asked whether they knew the distinct difference between Saturated and Unsaturated Fat, a global average of 56 percent claimed to, which was fairly consistent across all regions surveyed. On the other hand, among the top 10 markets claiming not to know the difference, the Japanese ranked number one (73%) followed by two thirds of

the French (69%), Taiwanese (63%) and Chinese (61%).

Consumers the world over are screening out products containing ingredients they consider to be unhealthy for them, and making their own personal decisions about levels of fat, sugar, etc. In developing markets, consumers appear to be more concerned about preservatives and additives than they are about calories, while in developed markets consumer focus is on screening out products with contents that make them gain weight, and may reflect the obesity battle being faced in a number of these markets.



**Do you know the distinct difference between saturated fat and unsaturated fat?
Top 10 No.**

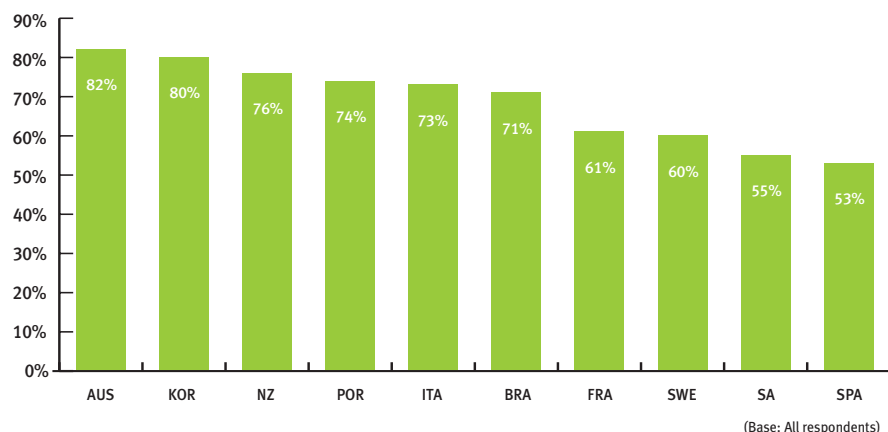
Atkins & Low GI: How ‘Popular Diets’ Fare

And after all the hype about the Atkins and other low carb diets, consumers appear to be more interested in screening out other ingredients first, with a global average of just 28 percent claiming to check for the amount of carbohydrates on labels. Carbs were of most interest to Latin Americans (44%) and North Americans (37%).

And the latest diet craze, the Low GI diet, registered for only 11 percent of consumers globally, lead by South Africans (17%) and Latin

Americans (22%). Only eight percent of North Americans checked for Low GI on labels.

Indeed, when asked whether they had heard about the Glycemic Index, 59 percent of global consumers claimed not to have heard of it, and only 34% across Asia Pacific. However, of the top 10 markets to have heard of the Glycemic Index, Australia ranked number one (82%), followed by Korea (80%) and New Zealand (76%), suggesting that the diet craze is generating publicity in some countries more than others.



**“Have you heard of the Glycemic Index?”
Top 10 Yes.**



As our survey findings suggest, consumers are making their own choices based on little real understanding. Greater education on food ingredients and labeling is a must and the pressure is on food manufacturers and packaging companies to simplify the message and garner greater trust among consumers in their product claims.

About the survey

The ACNielsen Global Online Consumer Confidence Survey is conducted twice-yearly to provide an understanding of consumer attitudes towards their local economy now and in the future, their spending intentions and current major concerns. A total of 21,261 consumers were interviewed over the Internet in 38 markets between April 11 – May 10, 2005.

About ACNielsen

ACNielsen, a VNU business, is the world's leading marketing information provider. Offering services in more than 100 countries, the unit provides measurement and analysis of marketplace dynamics and consumer attitudes and behavior. Clients rely on ACNielsen's market research, proprietary products, analytical tools and professional service to understand competitive performance, to uncover new

opportunities and to raise the profitability of their marketing and sales campaigns. To learn more, visit www.acnielsen.com

The 38 markets in the 2005 global online consumer confidence study

Asia Pacific:

Australia	China	Hong Kong
India	Indonesia	Japan
Korea	Malaysia	New Zealand
Philippines	Singapore	Taiwan
Thailand		

Europe:

Austria	Belgium	Denmark
Finland	France	Germany
Greece	Ireland	Italy
Netherlands	Norway	Poland
Portugal	Russia	Spain
Sweden	Switzerland	Turkey
UK		

Latin America:

Brazil	Chile	Mexico
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North America:

USA	Canada
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South Africa

For further information, please visit: www.acnielsen.com