



Tracking Consumer Attitudes Toward Seafood Safety Resulting from the Gulf Oil Spill

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Findings from Base Wave
December 2010

Dr. R. Wes Harrison – Louisiana State University © 2011 Louisiana Seafood Promotion and Marketing Board

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Consumer Centric Solutions LLC



Overview



- Background
- Methods
- Management Summary
- Implications
- Detailed Findings
 - A Current Snapshot of Consumer Concern and Behavior
 - Targeting Consumers – Heavy versus Light
 - Messaging – Message Recall and Reassurance
- Next Steps & Timing

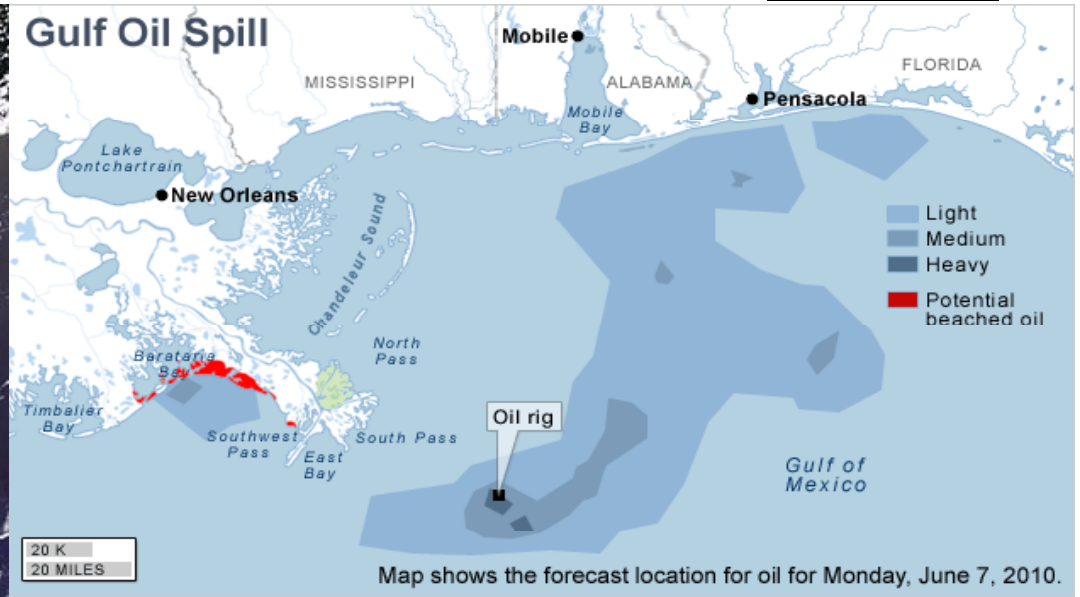


Gulf Oil Spill

April – August, 2010



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Continuous Food Safety Tracking (CFST) Survey



- Weekly National Survey of 175 consumers over 132 weeks starting May 2008 - Focus on Food Safety and Defense
- Questions inserted in May 2010 about the Gulf Oil Spill:
 1. Have you heard about the recent oil spill in the Gulf of Mexico?
 2. How concerned are you about the risk this oil spill poses to the safety of seafood from the Gulf of Mexico?
 3. How will this Oil Spill affect your consumption of seafood?



Summary of CFST Survey

May – October, 2010



- Level of concern about the Spill's affect on Seafood safety - started out at 88% in the early weeks, increased to a high of 91.4% by July – falling to 75.3% by October - 3/4ths of consumers indicating concern is a high level.
- Extreme concern started out at 47.6% in the early weeks of the spill, increased to 54% by July – falling to 28.2% by October. Also a high level.
- Percent of consumers saying they eat less seafood as a result of the spill - 50.7% in the early weeks increasing to 60.6% by July – falling to 48.3% by October.



Louisiana Seafood Promotion and Marketing Board (LSPMB) Survey



- To delve deeper into the impact the Gulf Oil Spill has had on seafood consumer attitudes.
- A three wave tracking survey was commissioned to analyze ...

...national and regional consumer attitudes regarding food safety risks of seafood consumption following the Deep Water Horizon oil spill.

... the effectiveness of LSPMB communication strategies to recover lost consumer confidence in the safety of Gulf coast seafood.



Methods



- The survey is being conducted on-line by MRops, using the TNS national on-line panel of 2.5MM households.
- Three separate waves will be fielded each with a separate nationally representative sample of approximately 1,000 seafood consumers.
- Design, analysis and reporting of findings are provided by:
 - Dr. R. Wes Harrison – Louisiana State University
 - Dennis Degeneffe - Research Fellow University of Minnesota and Principal Consultant – Consumer Centric Solutions LLC.
- The first wave was launched the week of Dec. 6, 2010. Wave I will serve to set a benchmark for waves II and III.



Summary of Questionnaire



The questionnaire is composed of several questions previously used to track consumer concern since the start of the Gulf Oil Spill (i.e., the CFST study), and augmented to provide further detail regarding ...

- Seafood Consumption before Spill
- Awareness of the Oil Spill
- Attitudes regarding Seafood Safety after Spill
- Changes in Seafood Consumption as result of the Spill
- Messaging and Credibility of Sources
- Consumer Demographics



Management Summary - Wave I

December 2010



- Consumer concerns remain high – with approx. 71% of the respondents indicating some level of concern – down only slightly (4 percentage points) from the October CFST survey.
- Consumers reporting they have reduced their seafood consumption as a result of the oil spill is approx. 23% - also down (25 percentage points) relative to the October CFST survey.
- However, interestingly, consumers admit they don't know where their seafood is caught most of the time, so the extent of actual behavior change is open to question.
- Seafood safety concerns and their reported effects on consumption persist post spill – but at lower levels.



Management Summary

Geographic Differences



- Some notable differences are evident for consumers in Gulf States vs. the remaining U.S.
 - Although high nationally, awareness and attention of the oil spill is somewhat higher in the Gulf States.
 - This may reflect a higher level of industry proximity/familiarity.
 - This higher awareness level may indicate that consumers in the Gulf states are a bit more “tuned-in” ...
 - Although many are still extremely concerned, there is a higher proportion of people expressing less concern than is true nationally.
 - Their higher attention level may have resulted in more positive news getting through to them.
 - The reported impact on consumption is also different – Avoiding fin fish is more of a focus in the Gulf States, while avoiding shellfish is more of a focus in the remaining U.S.
 - And, there is a difference in the substitutes that consumers are eating in place of seafood – in the Gulf States it tends more to be pork/red meat, while in the remaining U.S. it tends more to be chicken and vegetables – but in either case only about a third think the change is likely to be permanent.



Management Summary

Targeting Consumers for Growth



- Seafood consumption is concentrated, and there are differences in knowledge and perceptions between heavy and light users.
- Heavy seafood users tend to be older, and more educated than light users.
- The percentage of consumers indicating concern about seafood safety, and reduced seafood consumption, are about the same for both heavy and light seafood consumers.
- However, heavy seafood consumers seem a bit more focused on avoiding Gulf coast products while light consumers avoid all products regardless of source.



Management Summary - Messaging



- Consumers find the amount, adequacy and credibility of information they have received on the safety of seafood as lacking – particularly the credibility.
- However, heavy seafood users tend to rate the amount, adequacy and credibility of information they have received a bit higher than do light users.
- Negative messages about the Gulf Oil Spill seem to be dominant:
 - Environmental impact
 - Use of dispersants
 - Closure of waters
- However, heavy seafood users appear to be more “tuned-in” with respect to positive oil spill messaging – particularly with respect to:
 - Reassurance from the industry.
 - Testing for safety.



Management Summary - Messaging



- The most reassuring message for all seafood consumers are statements that communicate that “*closed waters are opened only after adequate testing to ensure seafood safety*” – **but consumers report hearing less about these messages.**
- Television is by far the dominant source of news and information on seafood safety for both heavy and light users – however there are some minor differences in channel preferences between heavy and light users. Internet is second and newspaper is third.
- Confidence in all parties involved in protecting the safety of seafood tends to be similar... however heavy users tend to place a little less confidence in all parties across the board with the exceptions of Commercial Fishermen and Seafood Trade Associations in whom they seem to have a bit more confidence.



Implications



- Moving forward in restoring consumer confidence and consumption of seafood from the Gulf the challenges will be:
 - Dealing with the still high levels of concern among consumers.
 - Bringing the rest of the U.S. up to speed with those in Gulf States
 - Providing more adequate and credible information.
- To do this, it is important to get the message out that *“closed waters are opened only after adequate testing.”*
- Recognizing that heavy users and light users may have somewhat different perceptions, levels of understanding and needs, it may be useful in crafting and delivering messages – and therefore should be studied further.
- Given that oil production in the Gulf will continue, and is likely to expand, there is an increased risk that oil spills will occur in the future.
- The Gulf seafood industry needs a long term strategy to manage consumers’ safety/quality concerns associated with oil production in the Gulf.





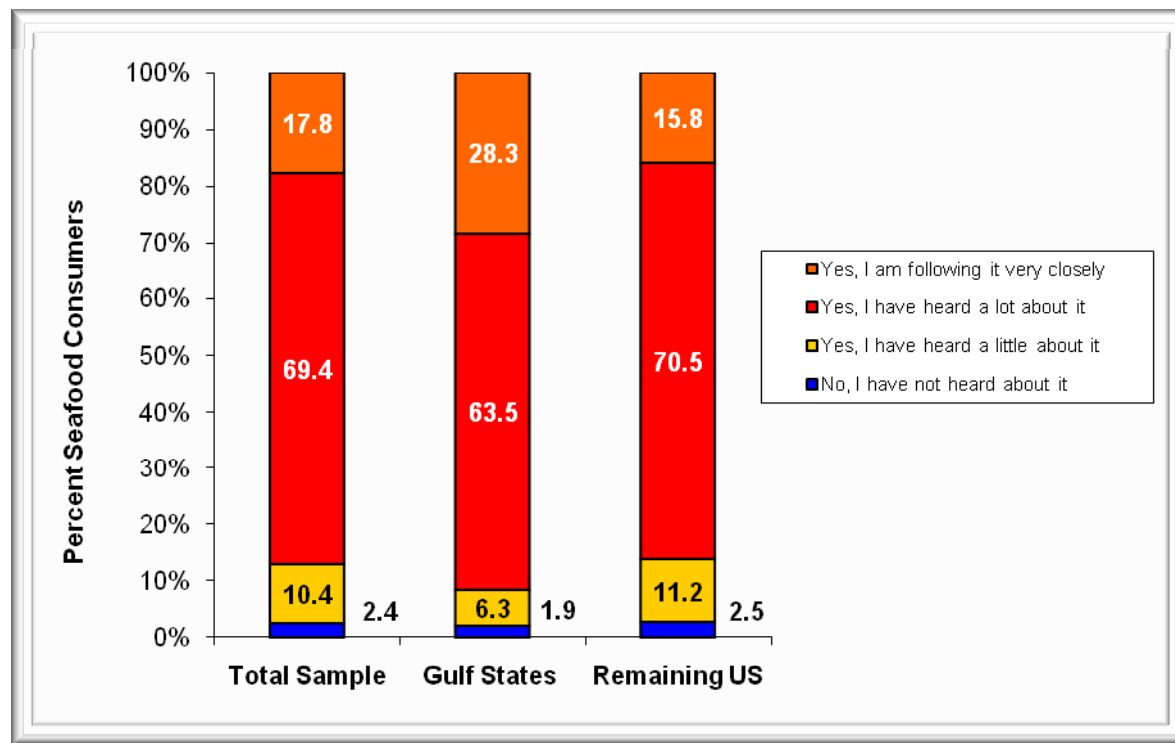
Detailed Findings:

1. A Current Snapshot of Consumer Concern an Behavior



Claimed Awareness of Spill

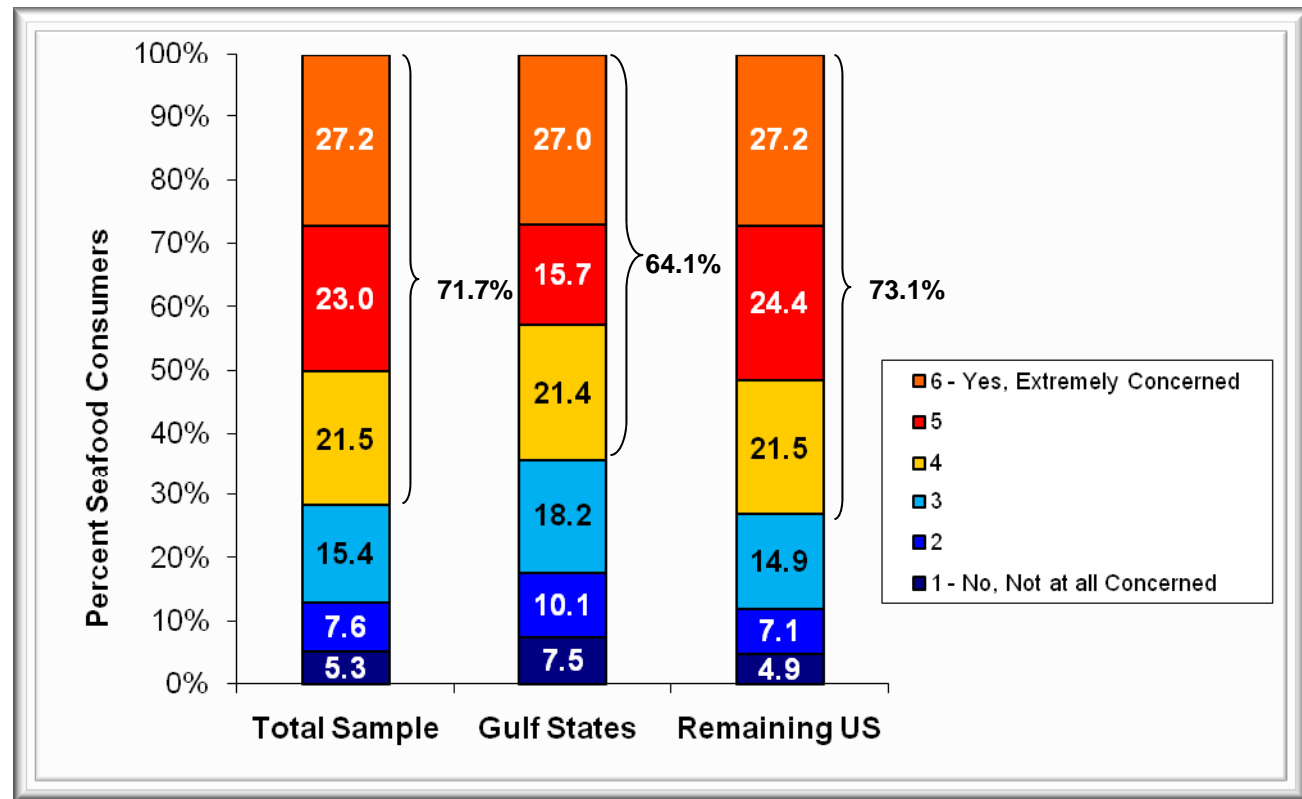
- Awareness of the Gulf Oil Spill remains nearly universal.
- Attention is a bit higher in Gulf states than in the remaining U.S.



Concern Over Seafood Safety



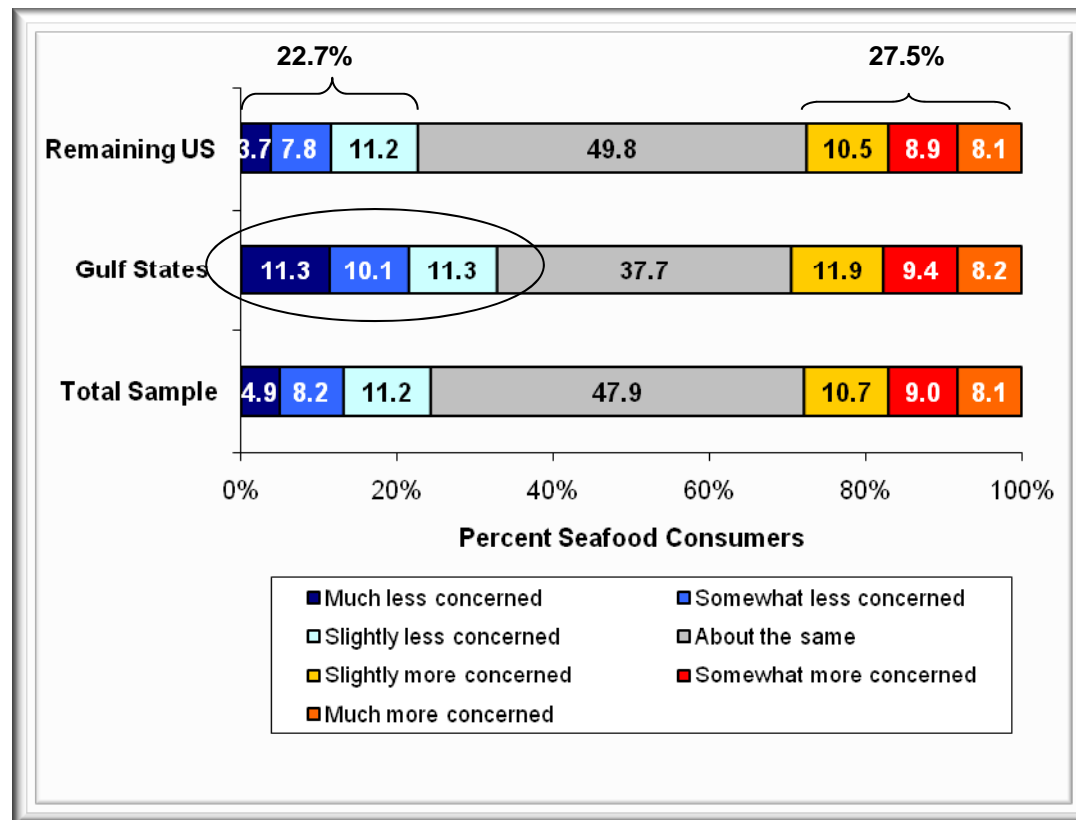
- Slightly less than 3 in four consumers are concerned over the risk the Gulf Oil Spill poses to the safety of seafood from the Gulf, and about a quarter are extremely concerned.
- In the Gulf States, concern seems to be more “bi-modal” the same proportion of consumers are extremely concerned, but there are more who are less concerned.
- This may reflect the higher attention level and receptivity to positive messages.



Concern Since the Well Was Capped



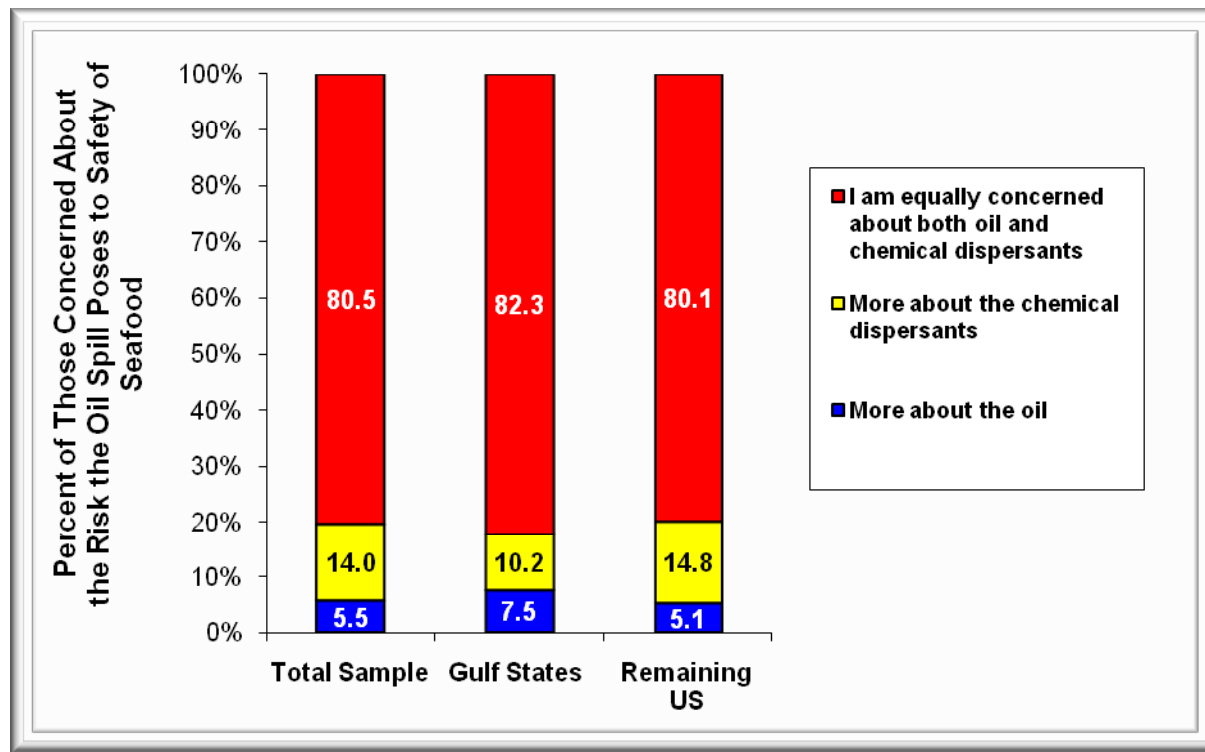
- Since the Oil Spill was capped, slightly more consumers indicate their concern has increased, but concern seems to have waned a bit more in the gulf states versus the remaining U.S., again probably reflecting a longer attention level and reception of positive news.



Subject of Concern: Oil or Dispersants



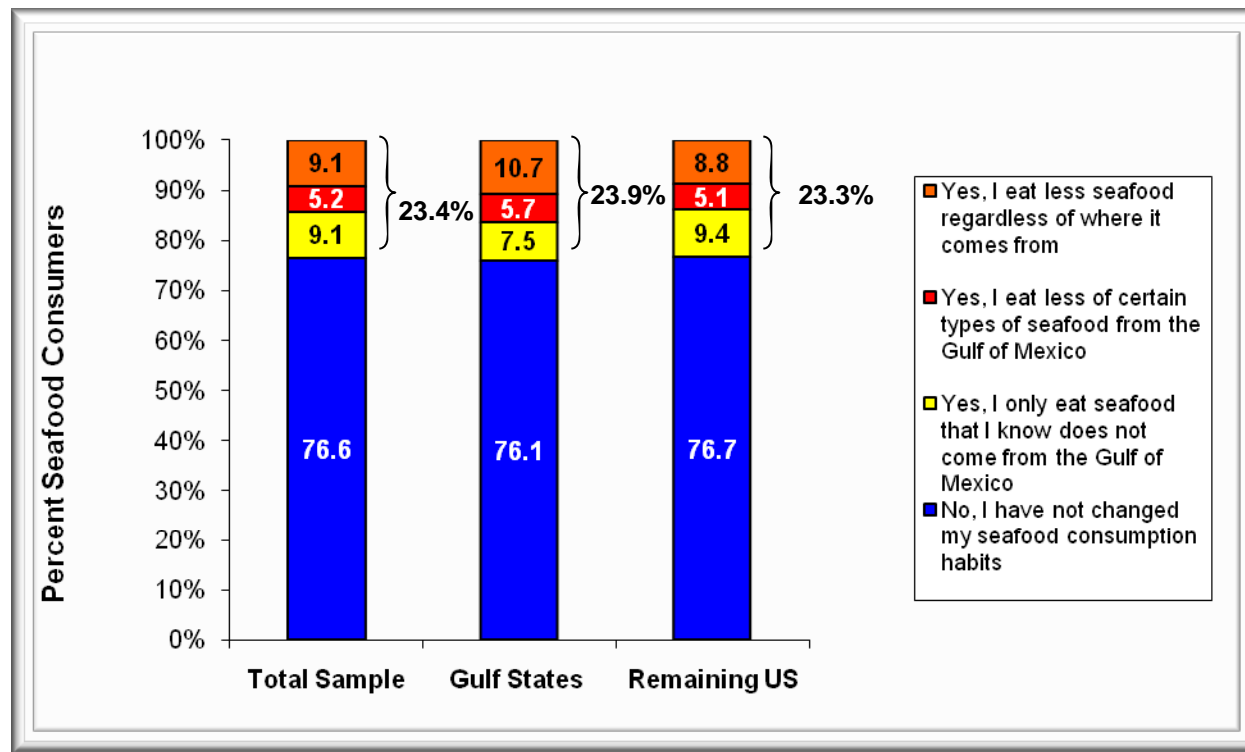
- Those concerned about the risk to seafood safety are concerned both about the oil itself and the dispersants.



Affect of Spill on Seafood Consumption

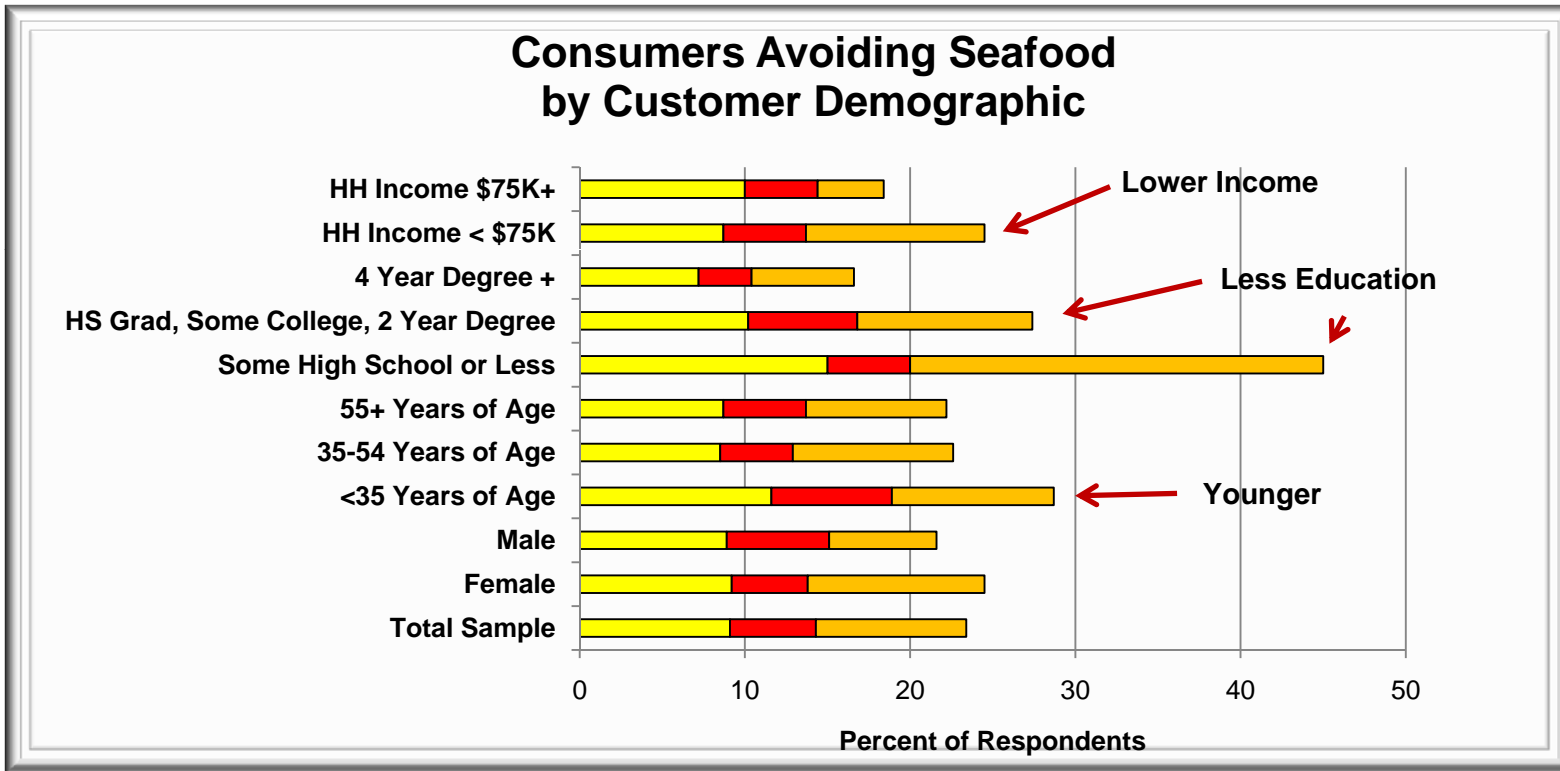


- Slightly less than a quarter of consumers say they have changed their seafood eating habits due to the Gulf Oil Spill – both in gulf states and the remaining U.S.



Who's Avoiding Seafood?

- All groups are affected, but less education, lower incomes and younger consumers appear more affected.



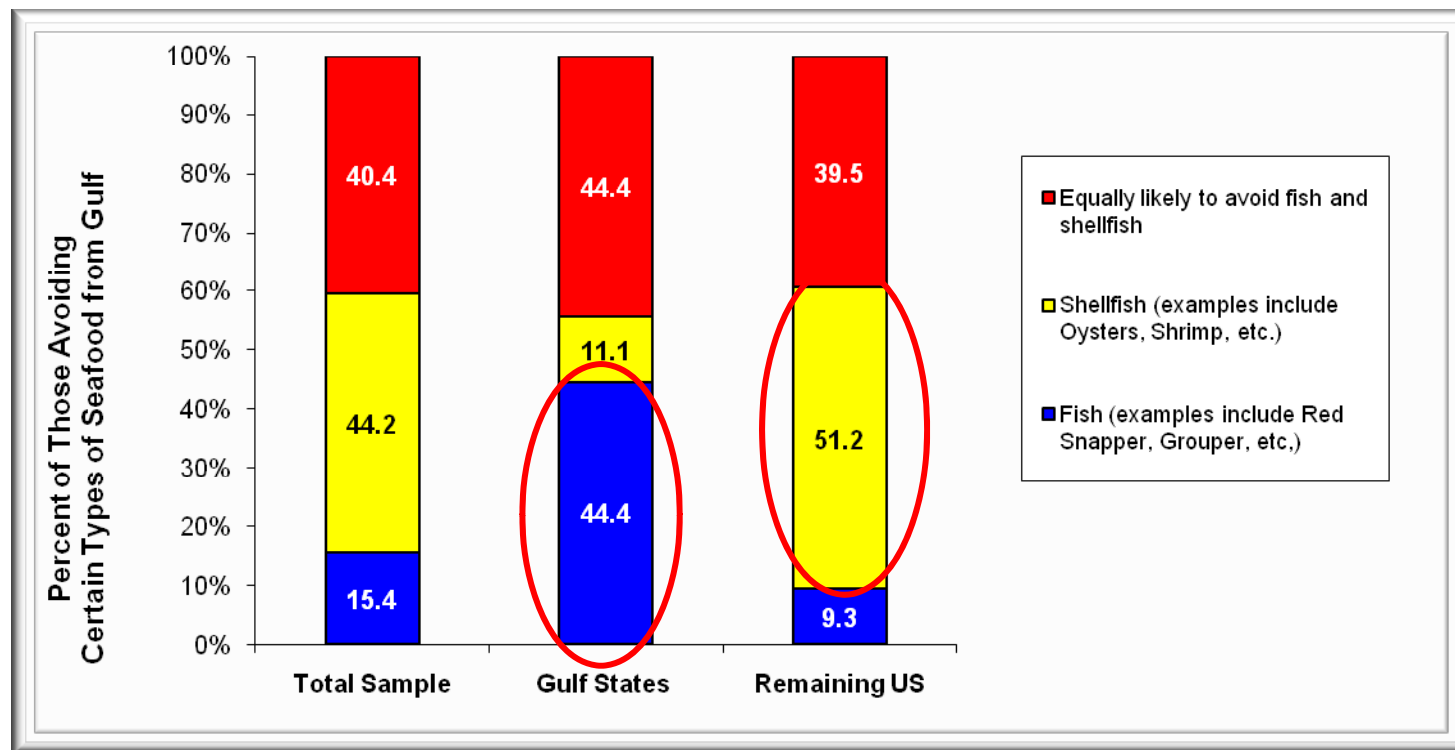
- Yes, I only eat seafood that I know does not come from the Gulf of Mexico
- Yes, I eat less of certain types of seafood from the Gulf of Mexico
- Yes, I eat less seafood regardless of where it comes from



Types of Seafood Avoided



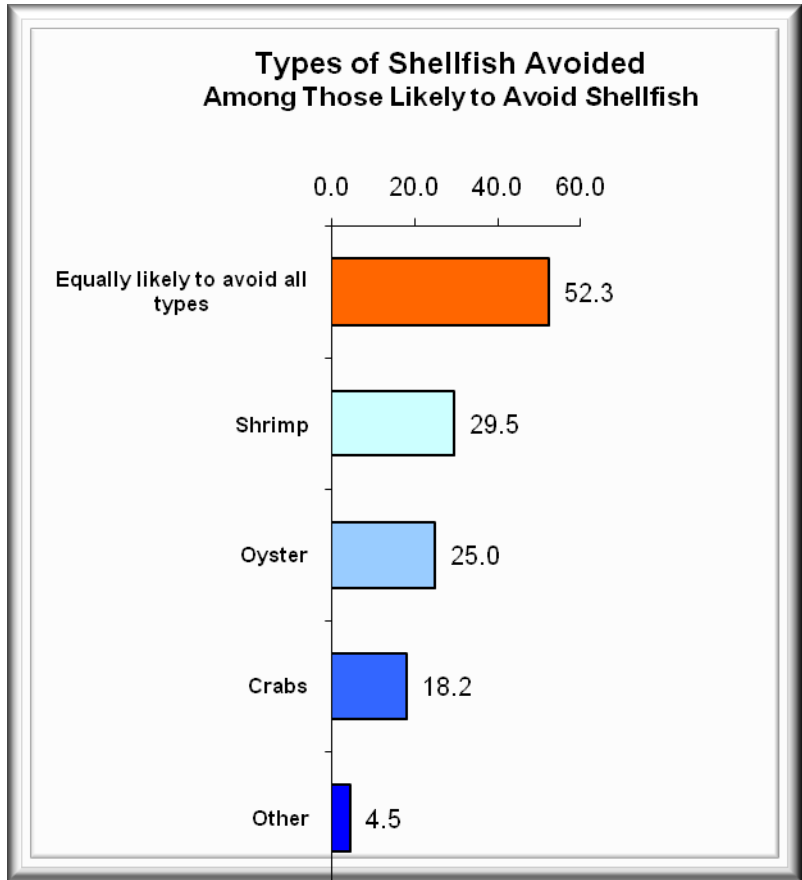
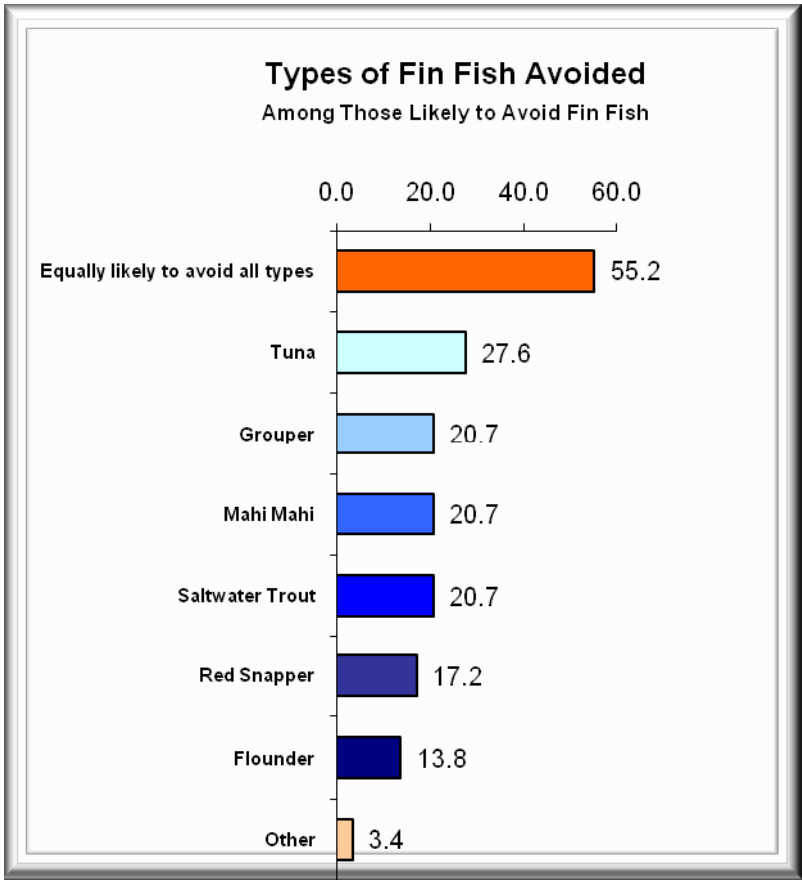
- Of those avoiding certain varieties of seafood from the gulf, those in gulf states are more focused on fin fish, while in the rest of the U.S. the focus is more on shellfish.



Varieties of Fin Fish & Shellfish Avoided



- Of those avoiding fin or shellfish, the majority indicate they are avoiding all types.



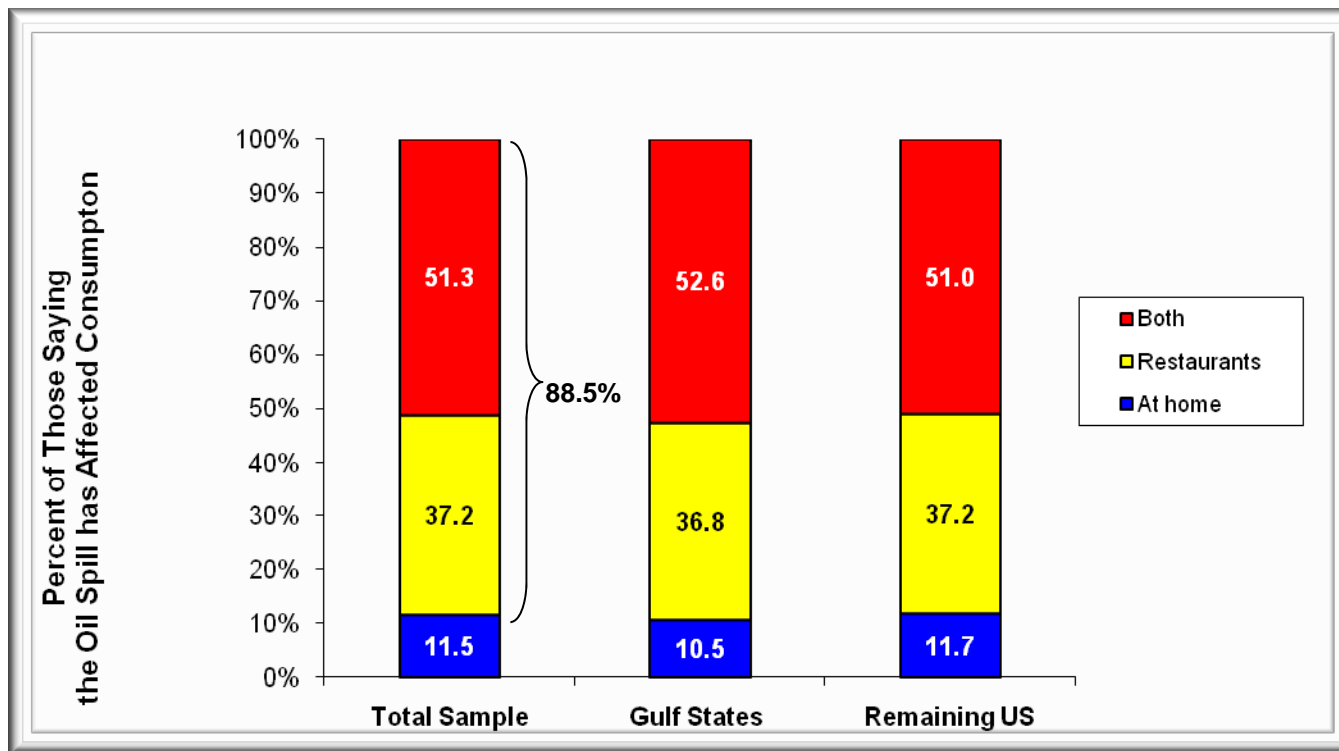
*Note: Sample in gulf states insufficient to break out from U.S.



Affect on Restaurant vs. At Home Seafood Consumption



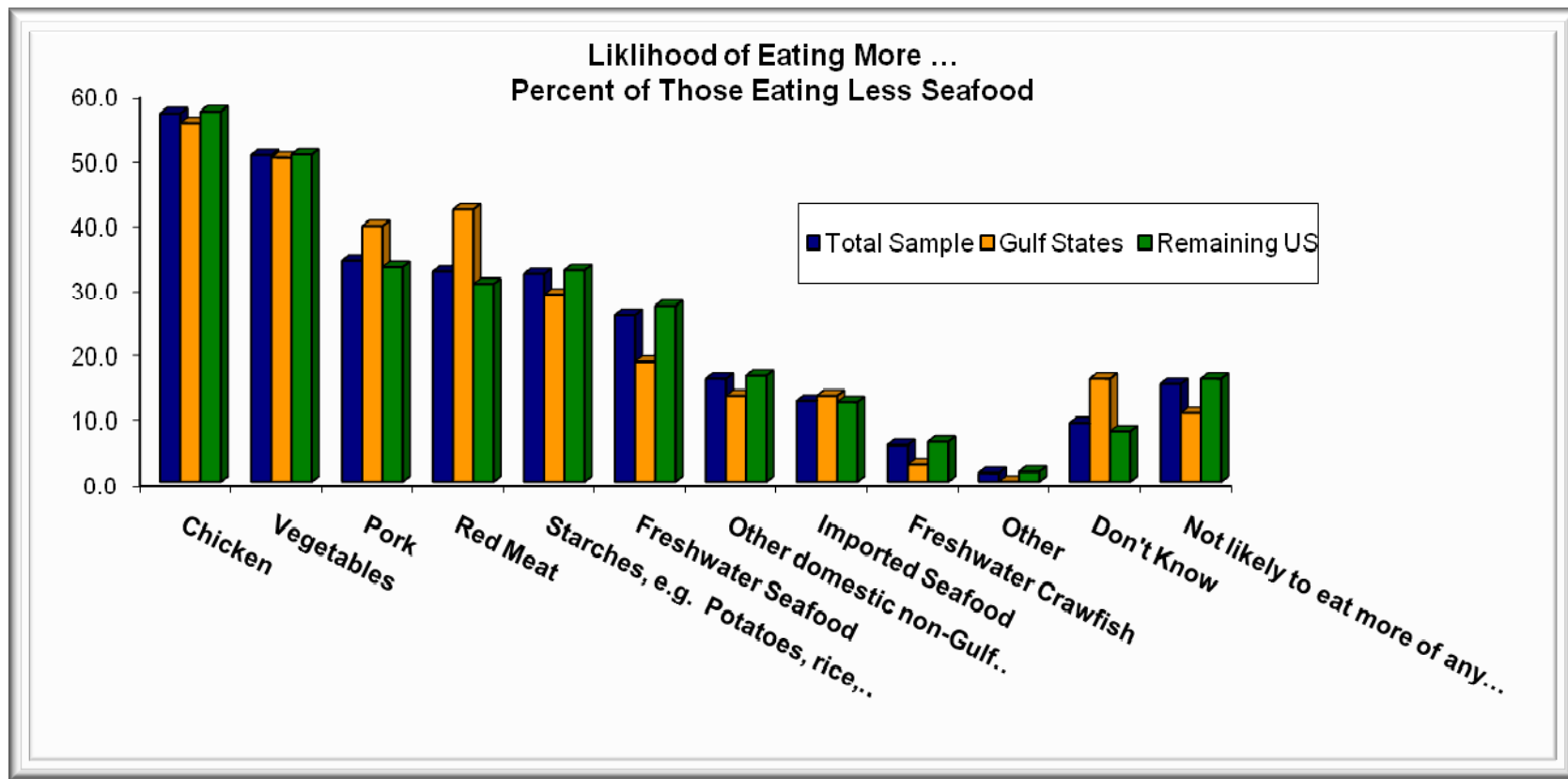
- Although most consumers changing their consumption of seafood indicate they will avoid seafood both at restaurants and at home, food service seems to be more affected.



Substitutions for Seafood



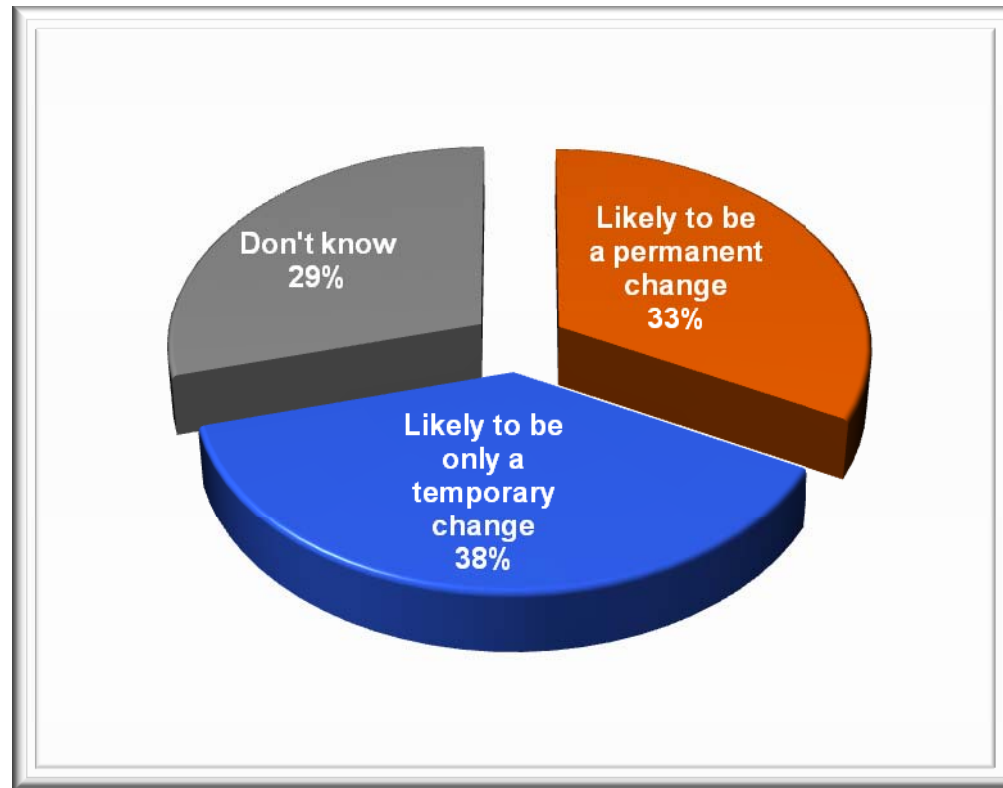
- As a result of the Oil Spill, consumers expect to be eating more chicken and vegetables, but those in gulf states are more likely to eat more pork and red meat.



Expected Duration of Change in Consumption



- About a third of those changing their consumption, expect it to be permanent, but most consumers feel it is only temporary, or aren't sure.





Detailed Findings:

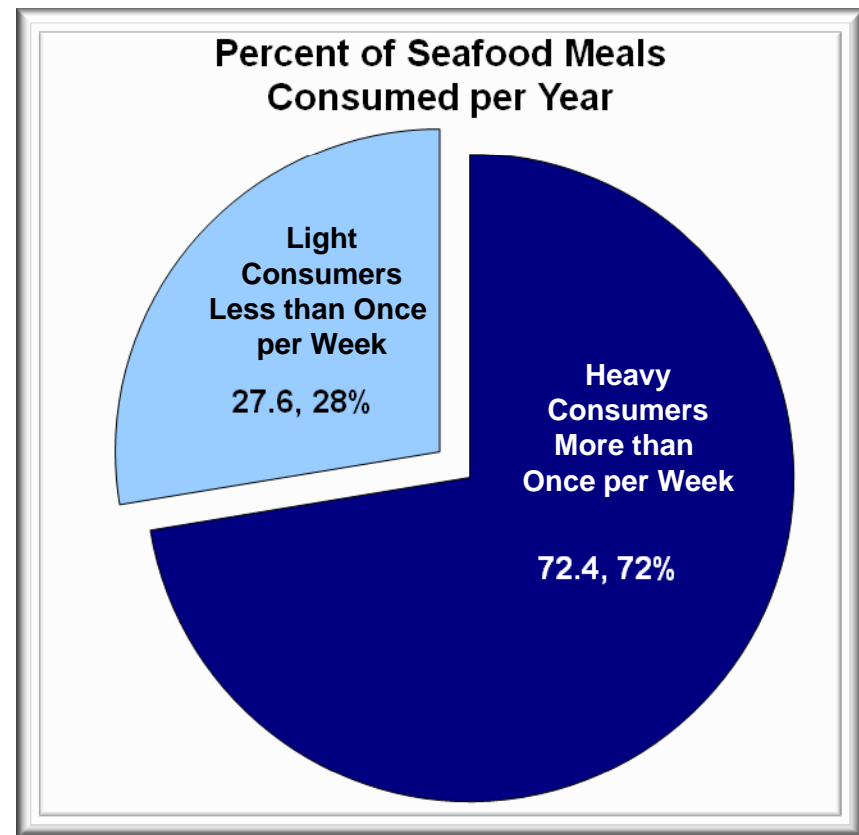
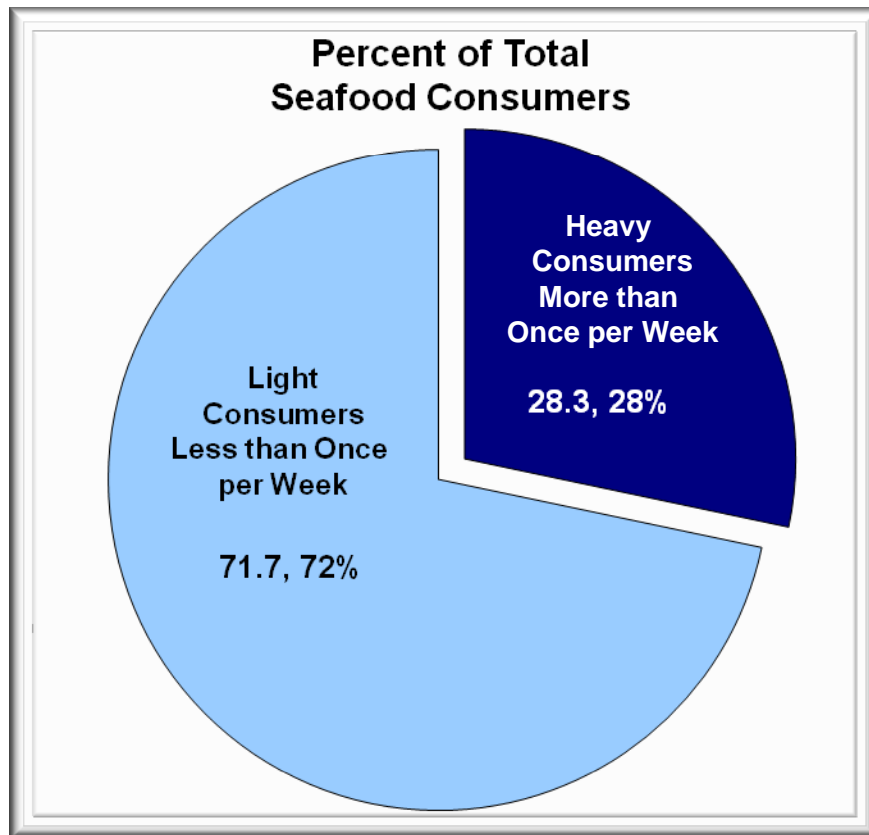
2. Targeting – Heavy versus Light Seafood Consumers



Seafood Consumption



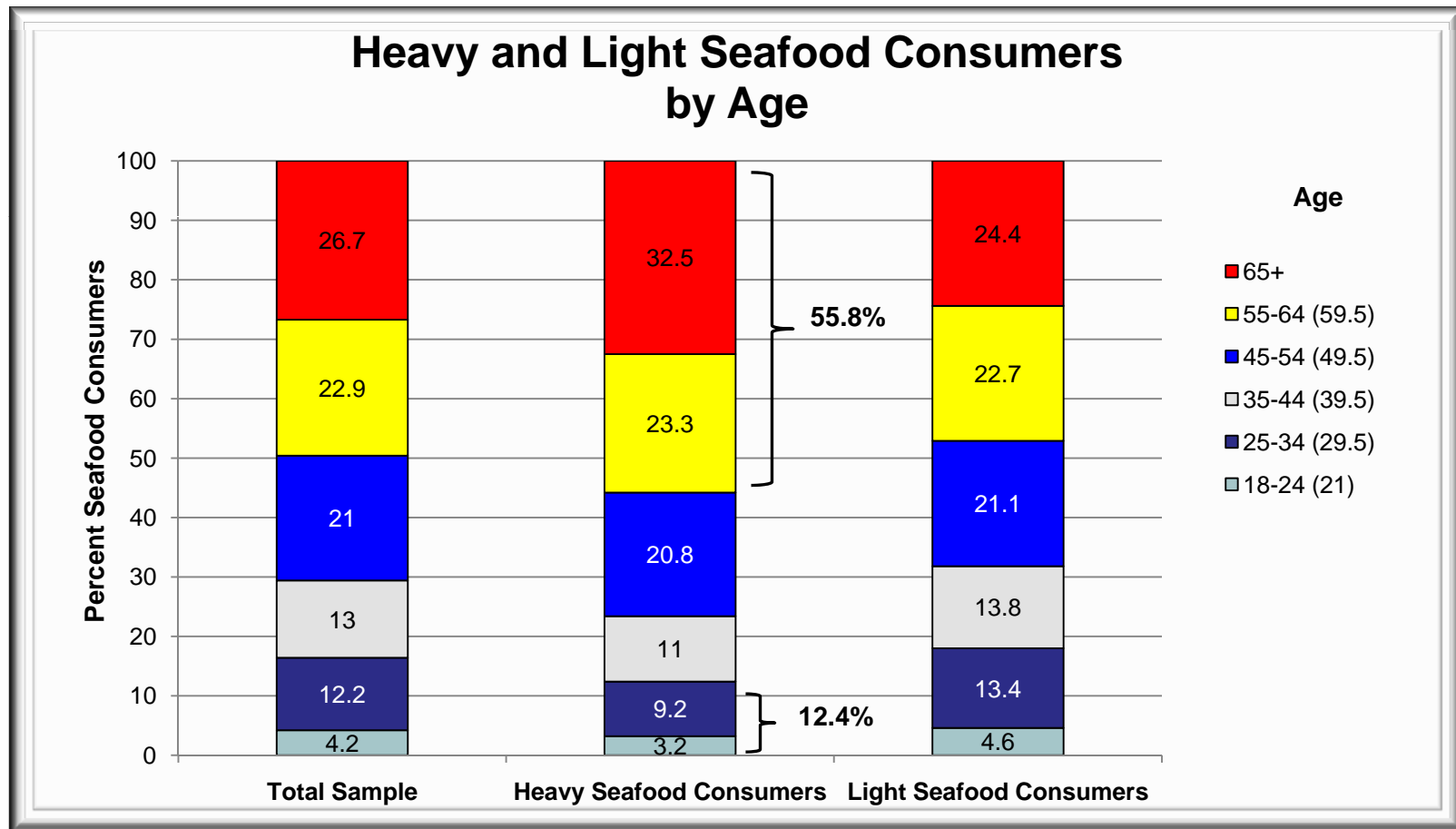
- Like most foods, seafood consumption is concentrated – about a quarter of consumers account for about three quarters of the seafood consumed per year.



Seafood Consumption by Age

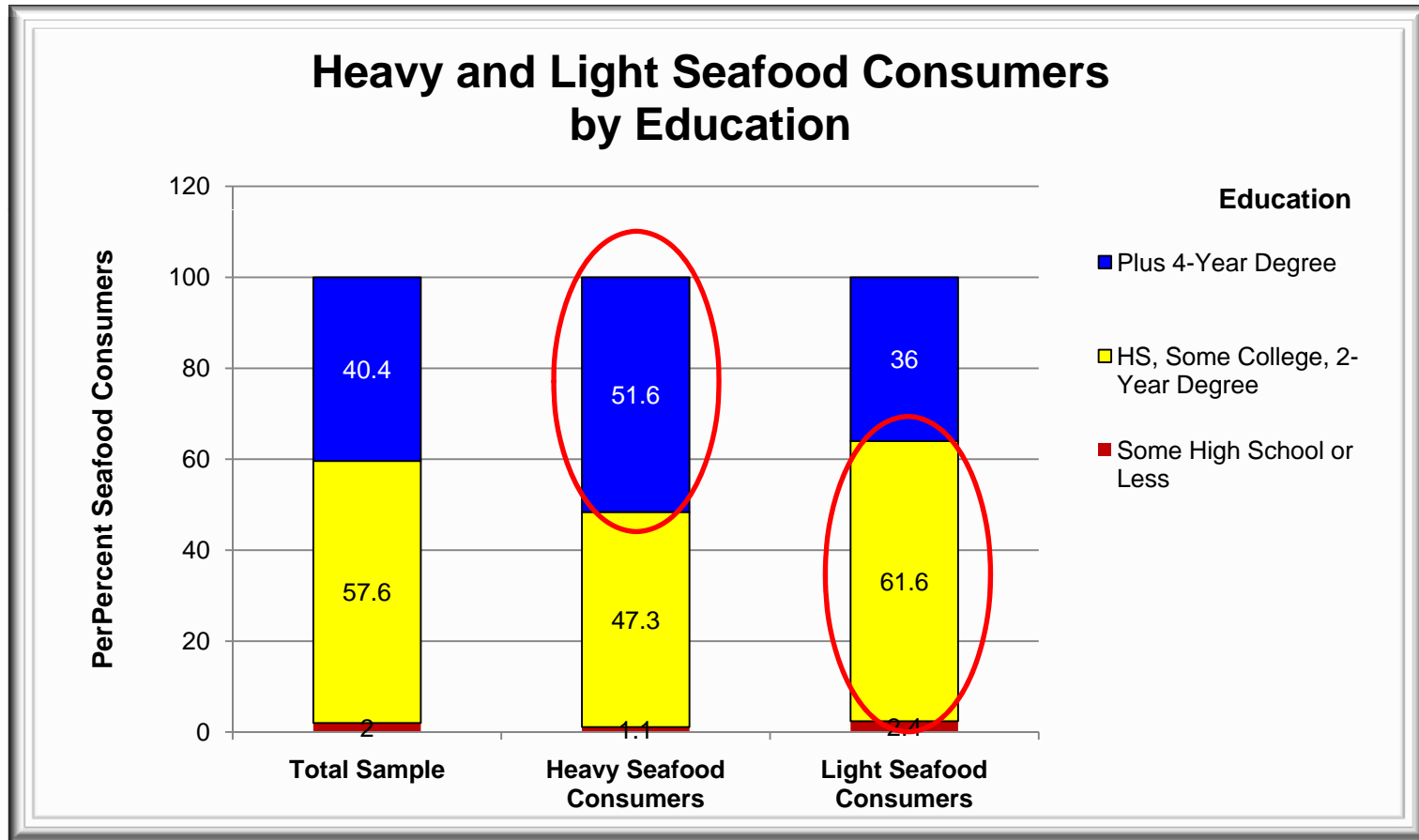


- People over 55 years of age are more frequent consumers of seafood. Younger consumers eat seafood less frequently.



Seafood Consumption by Education

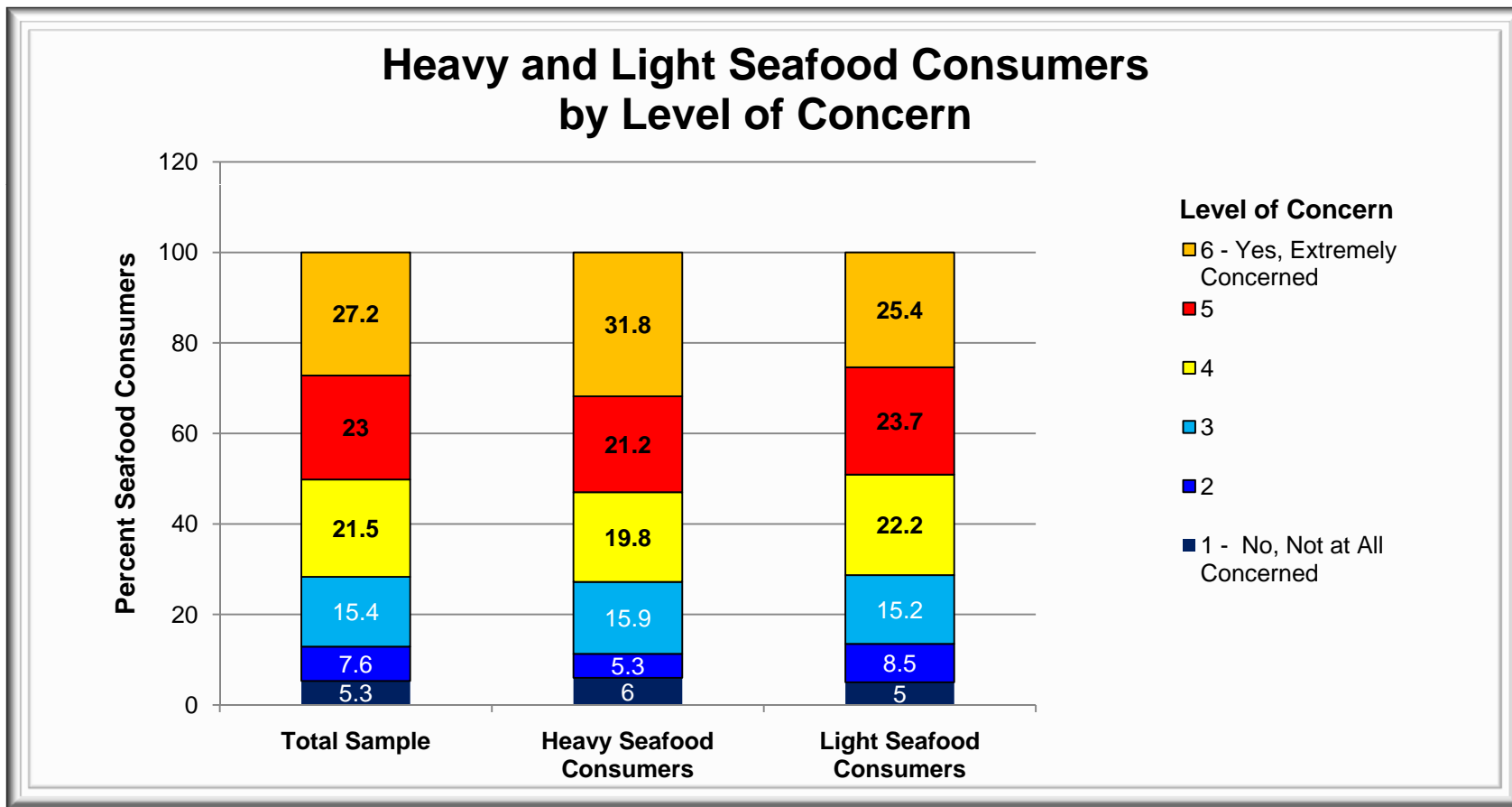
- Higher educated people eat more seafood. Less educated consumers eat seafood less frequently.



Concern Over Seafood Safety by Heavy and Light Seafood Consumers



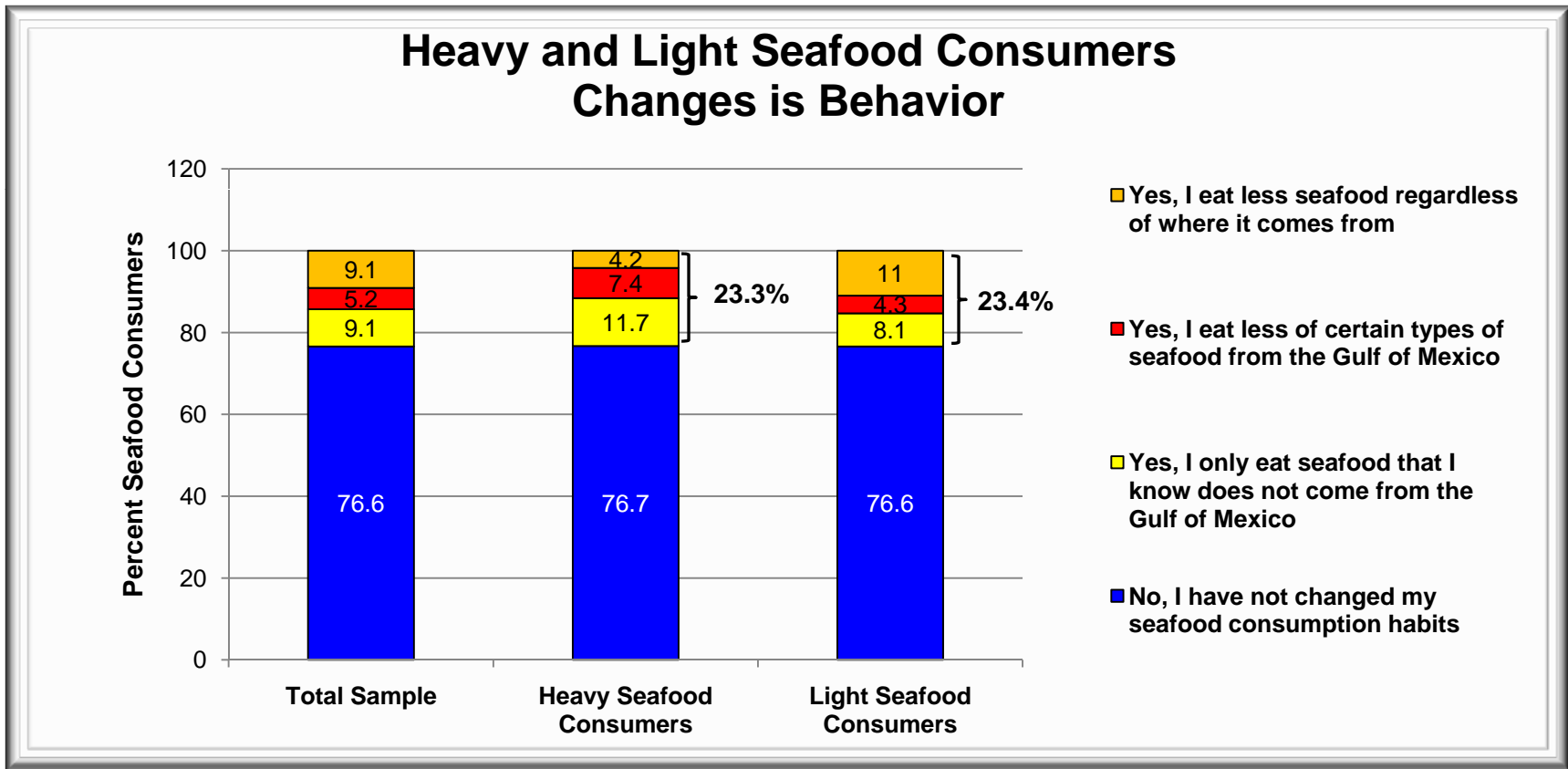
- Both heavy and light seafood consumers are equally concerned.



Heavy and Light Seafood Consumption



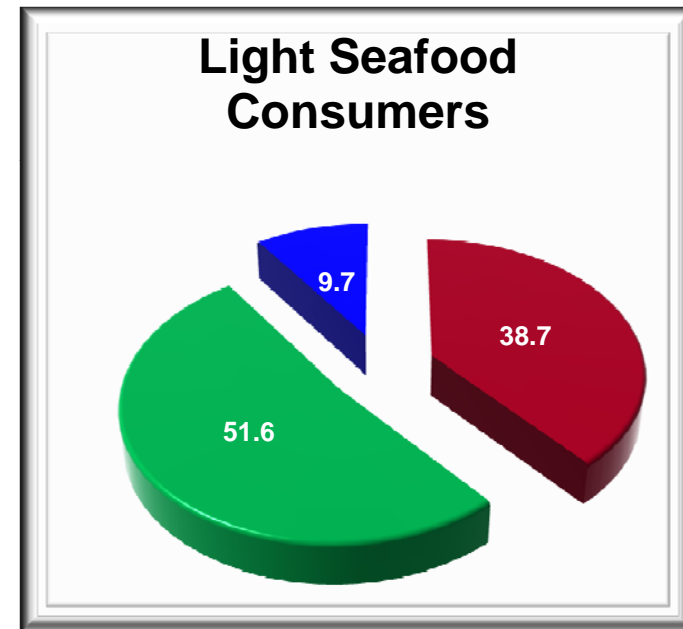
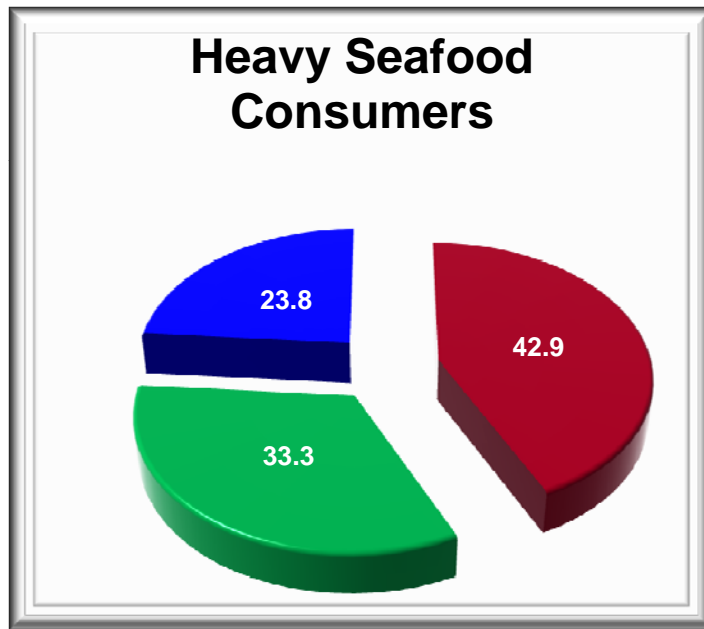
- Both heavy and light seafood consumers are avoiding seafood.



What types of seafood are being avoided?



- Of the heavy users avoiding seafood, about 4 in 10 say they avoid both fish & shellfish. But more than 5 in 10 of the light users are avoiding mostly shellfish.

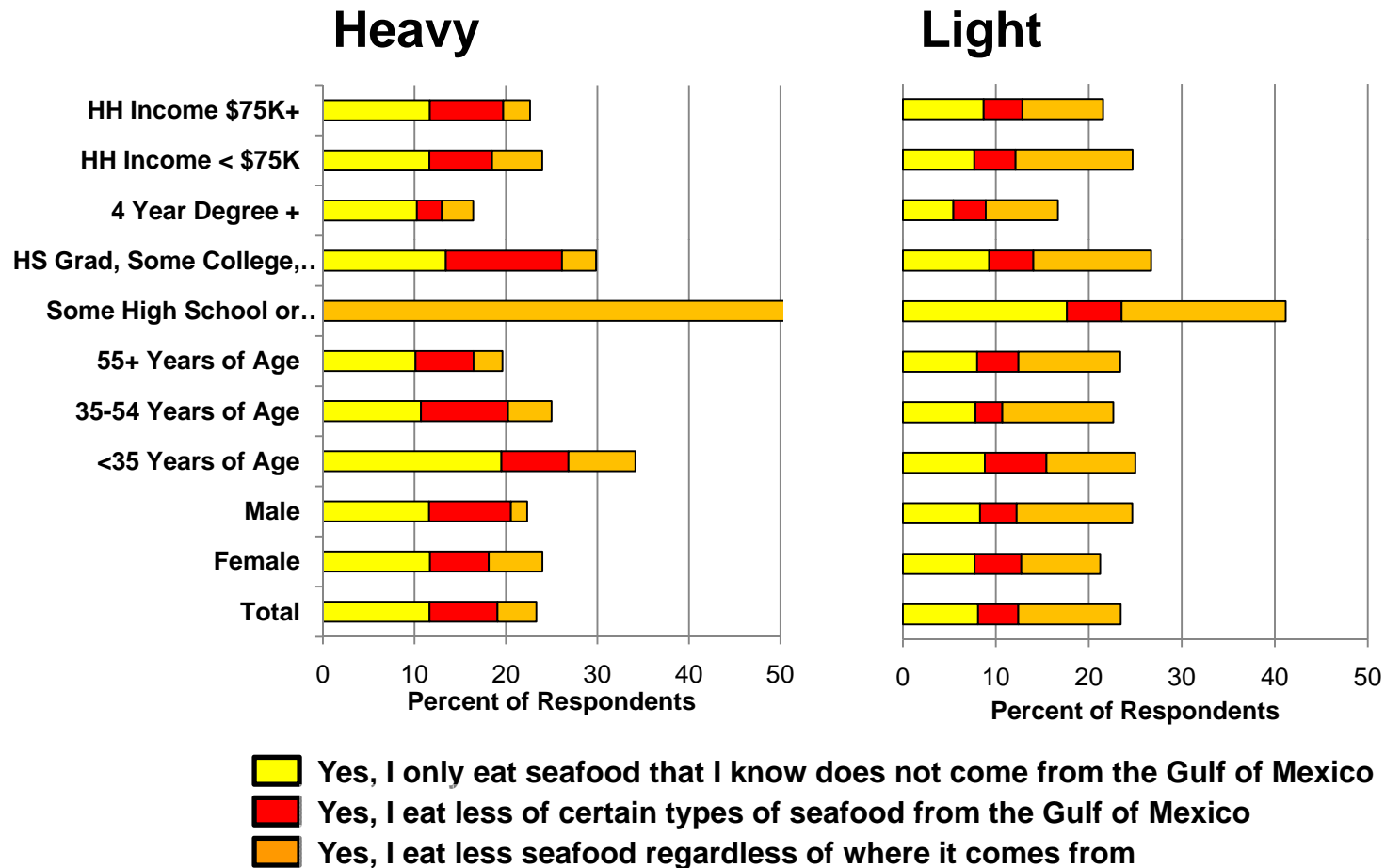


- Fish (examples include Red Snapper, Grouper, etc.)
- Shellfish (examples include Oysters, Shrimp, etc.)
- Equally likely to avoid fish and shellfish

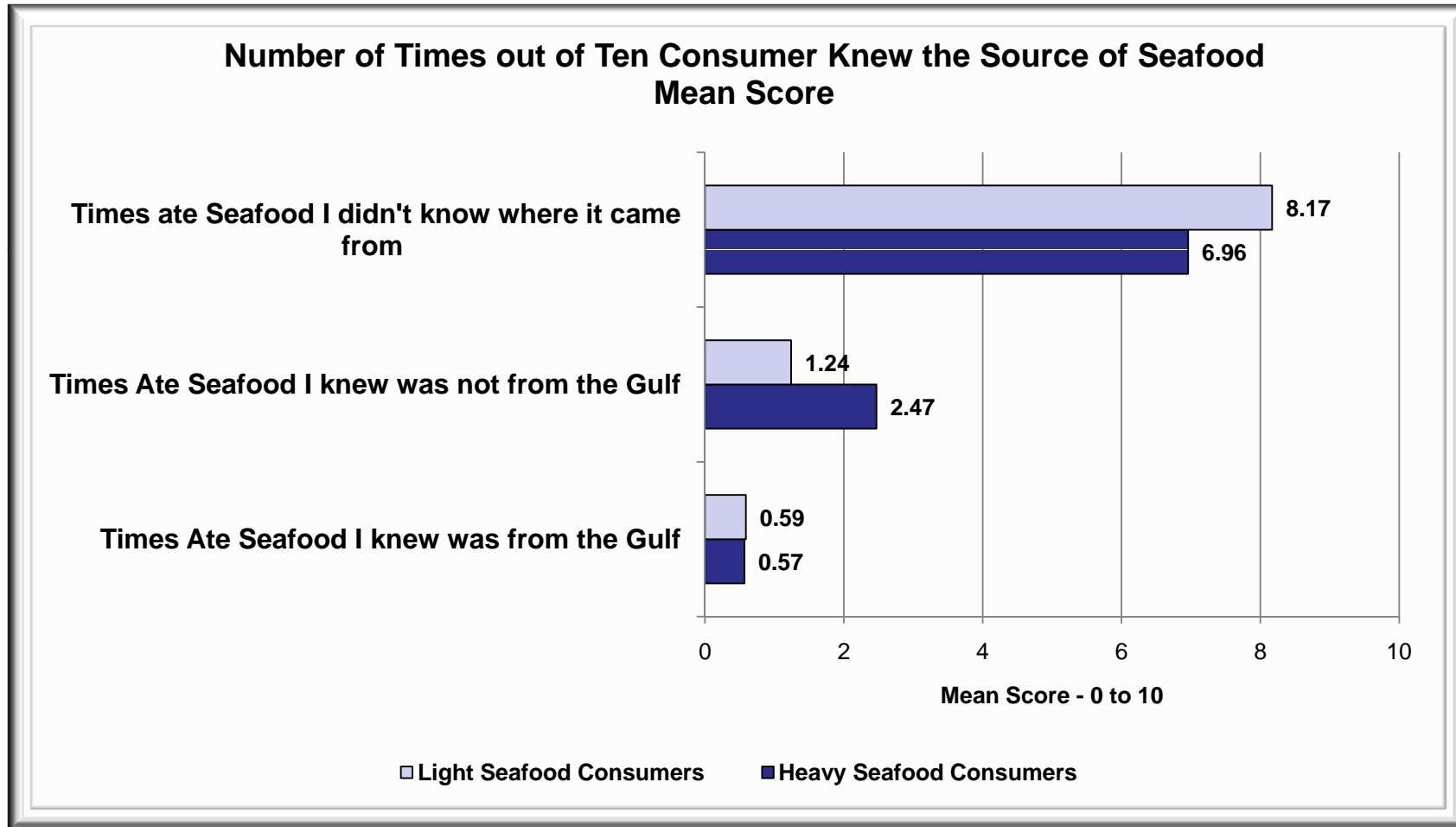


Who's Avoiding Seafood – heavy versus light

- Heavy users are more likely to avoid Gulf Seafood.
- Light users are more likely to avoid All Seafood



Most of the time consumers don't know where their seafood is caught





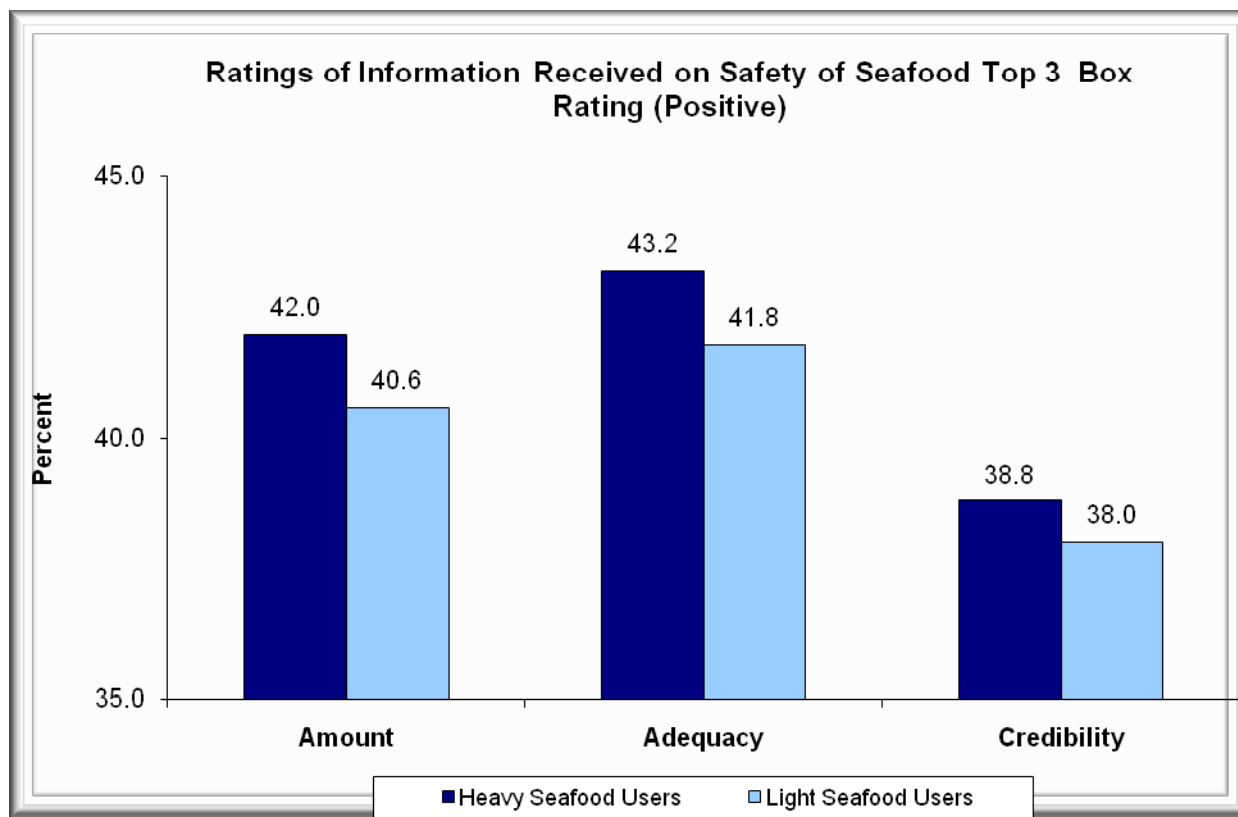
Detailed Findings:

3. Messaging



Ratings of Information Received

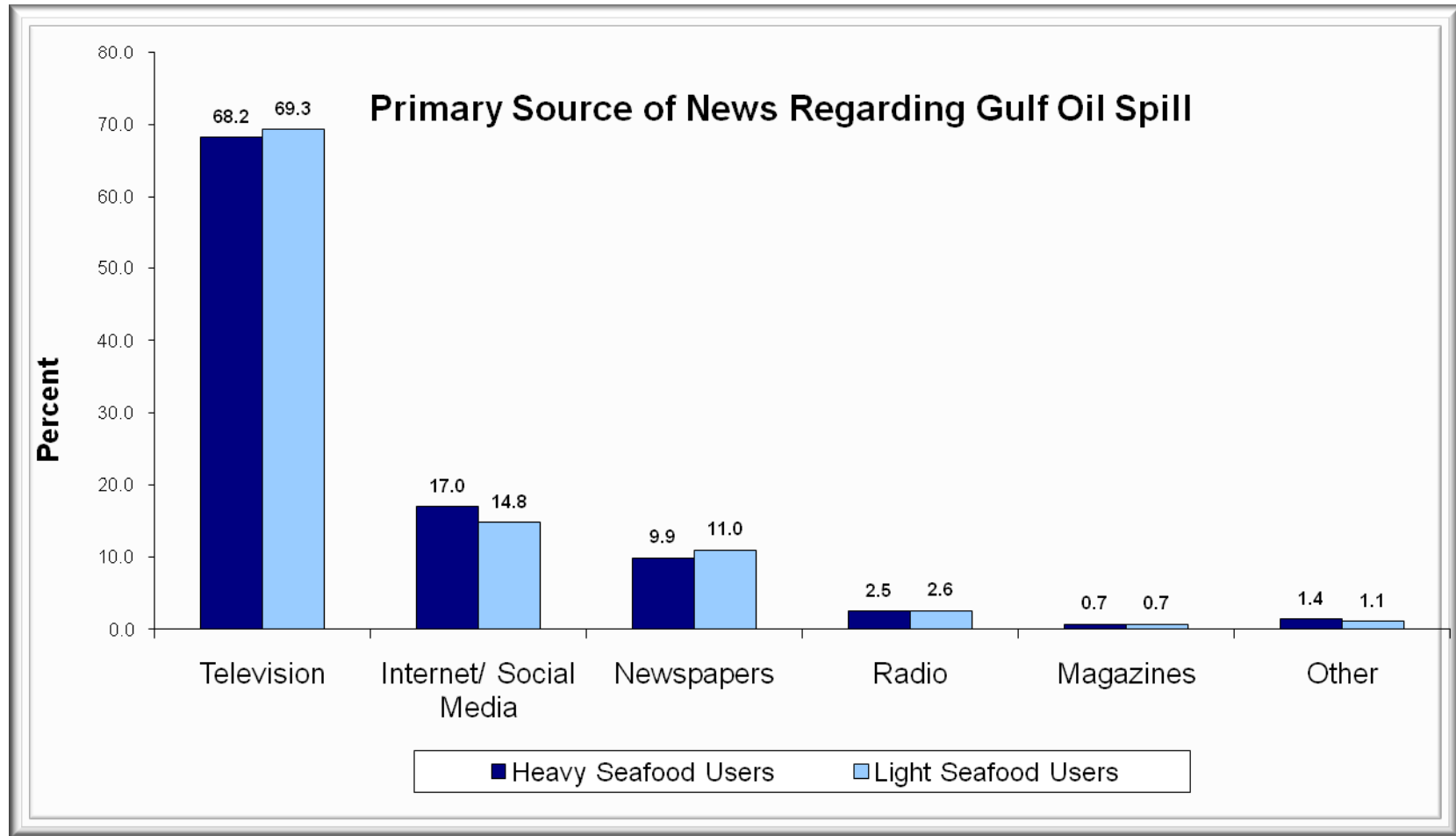
- Less than half of seafood consumers gave positive ratings of the amount, adequacy and credibility of the information. Credibility has the lowest ratings.
- Heavy Seafood consumers provide slightly higher ratings on all three measures – which likely reflects a higher interest level.



Primary Source of News on Oil Spill



- The majority of seafood eaters by far get their news on the Gulf Oil Spill from television – whether they are heavy or light users.

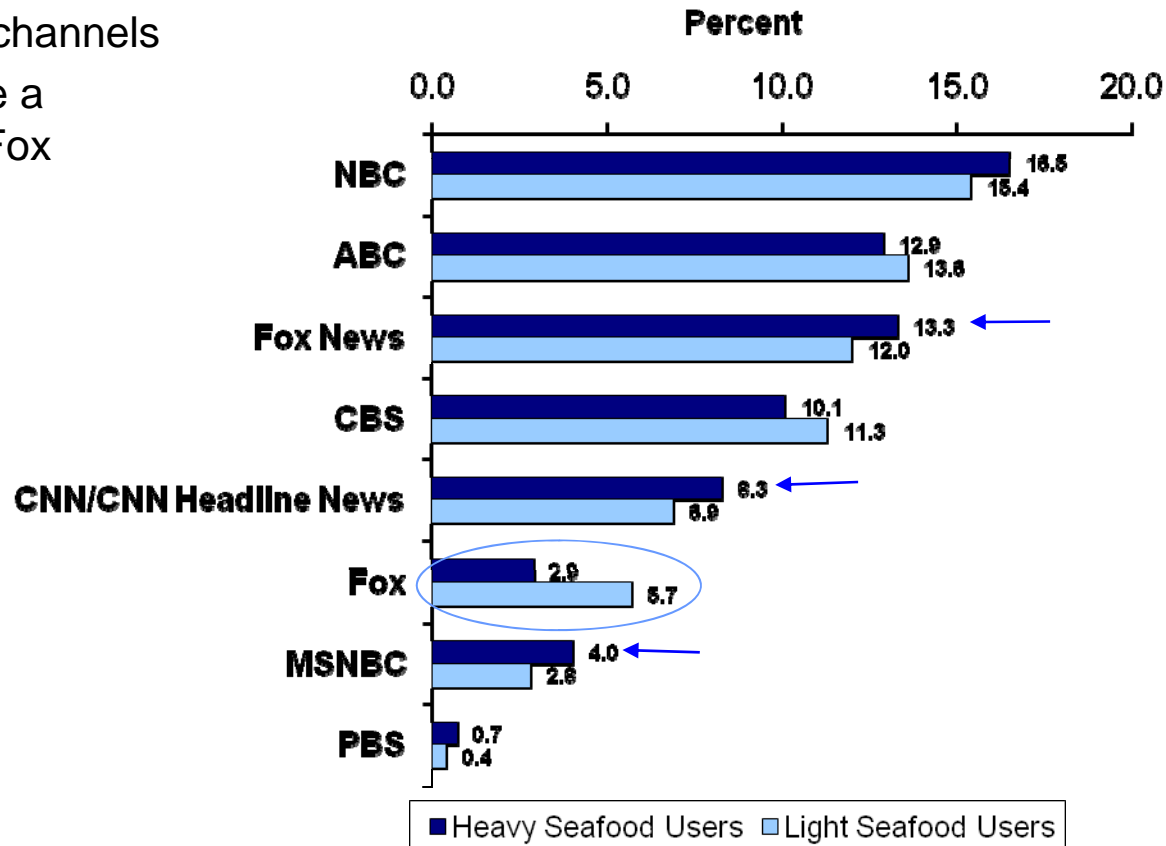


Media Sources Used Most Often



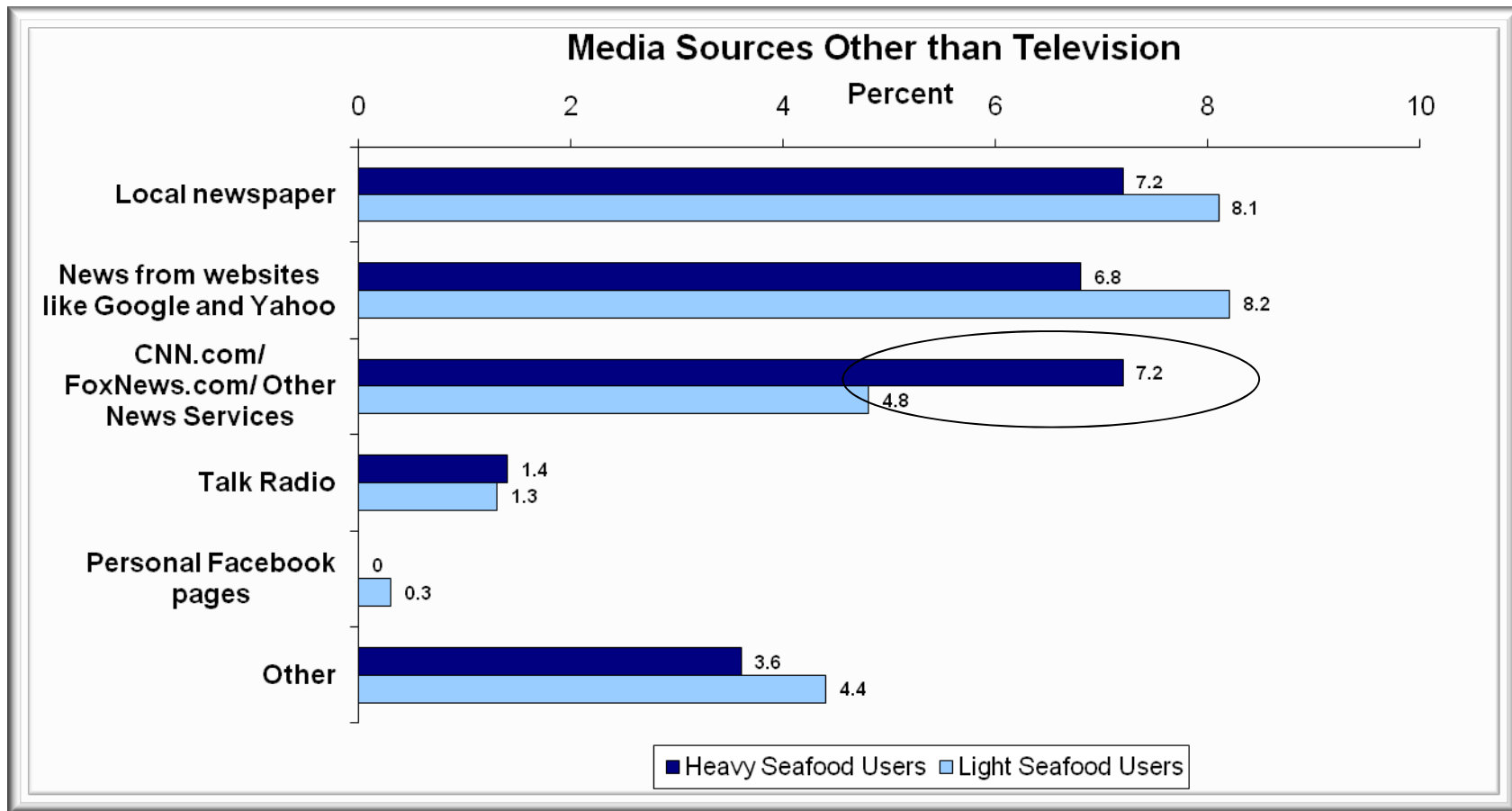
- The television news they are getting tends to be divided across major networks, but some differences between heavy and light users can be noted.
- Heavy users have a tendency to use the cable news channels
- Light users have a higher skew to Fox network news.

Television Network Used Most Often



Media Sources Used Most Often

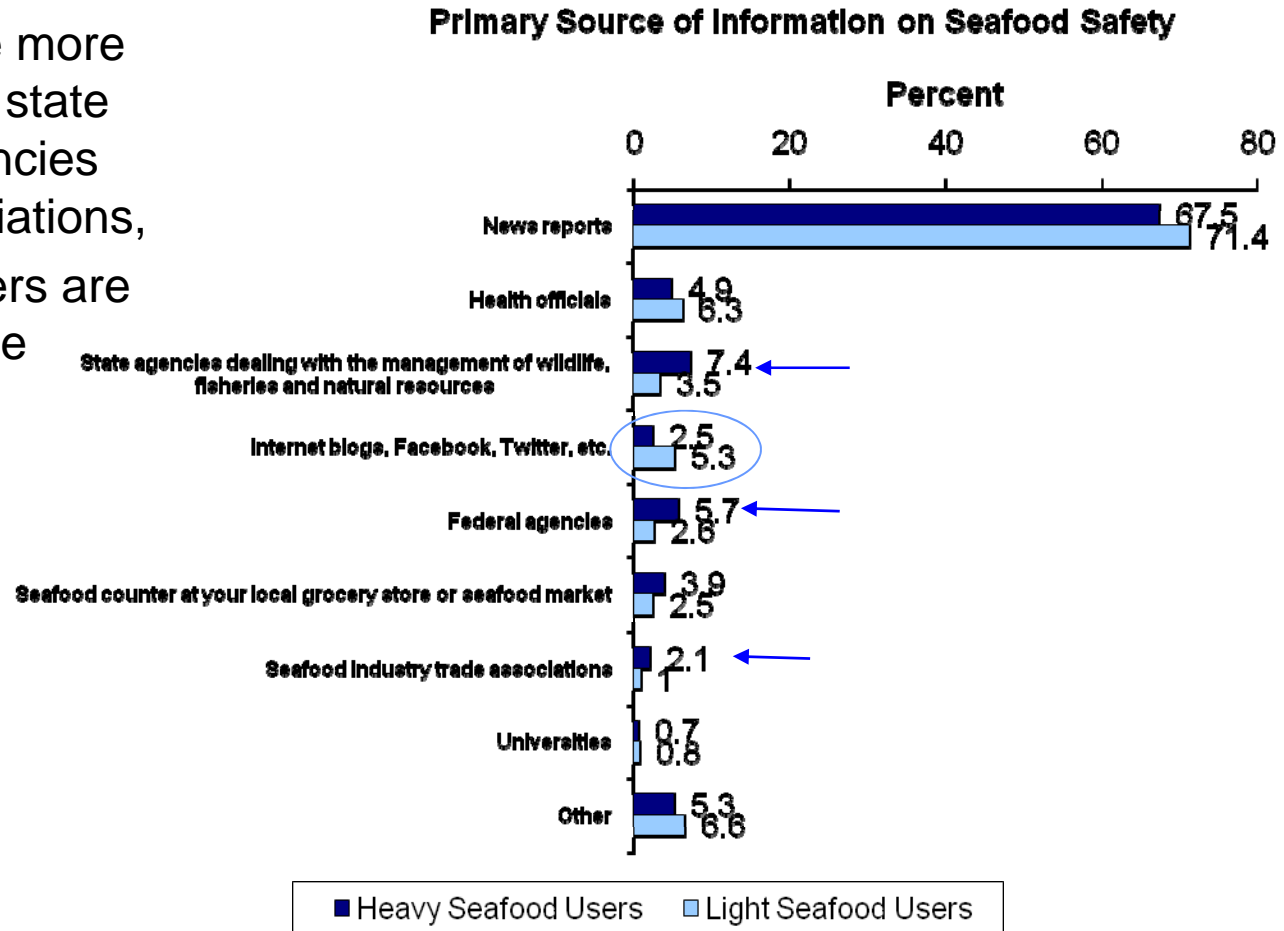
- Relatively few seafood eaters use other types of media, however heavier users have a higher tendency to also use news .coms



Primary Source of Information on Seafood Safety



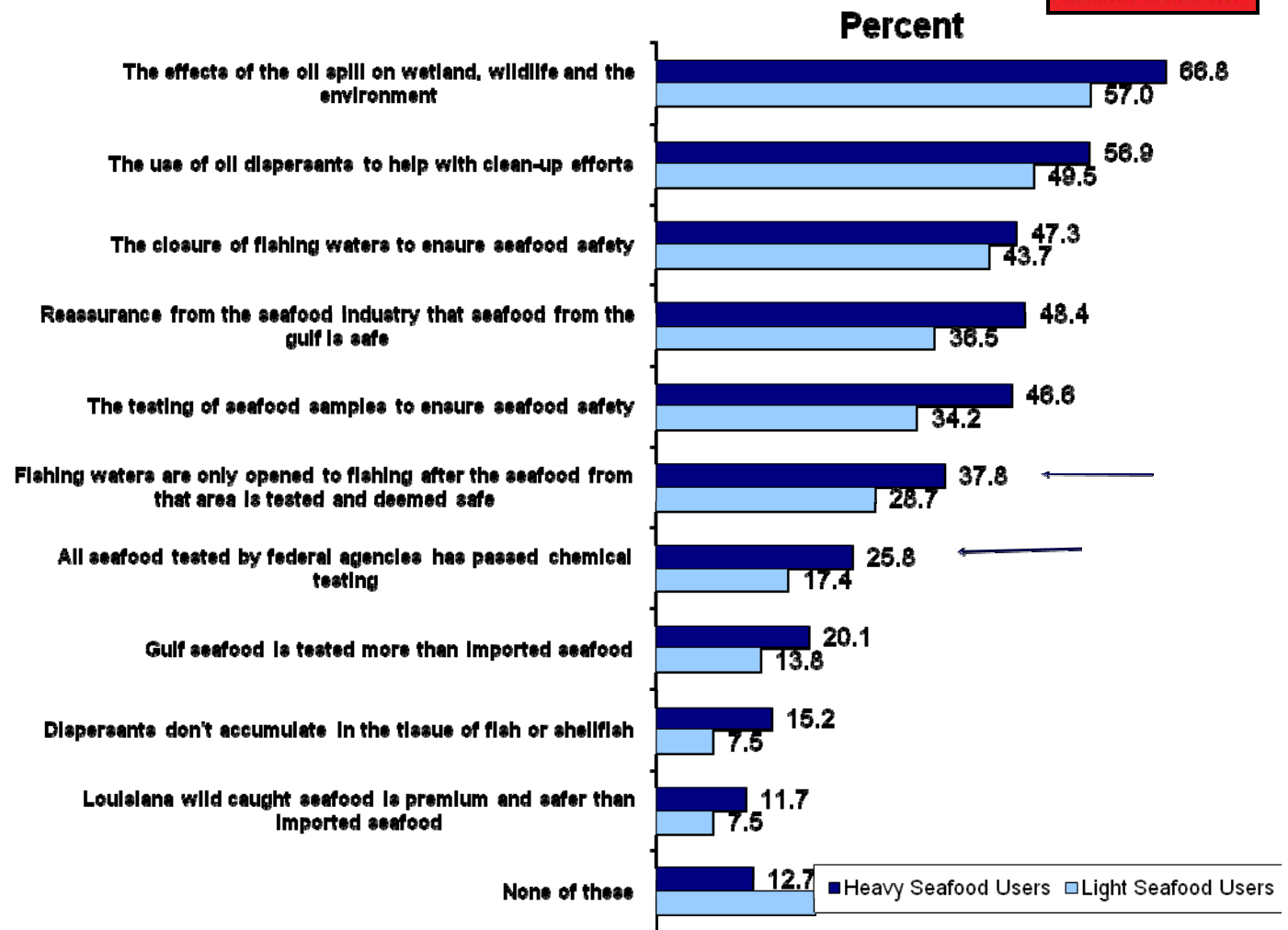
- Specifically with regard to seafood safety, news reports tend to be the dominant source of information.
- Heavy users are more likely to listen to state and federal agencies and trade associations,
- While lighter users are more likely to use social media.



Messages Seen/Heard about Oil Spill



- Predominant messages seem to be negative in tone
 - Environmental impact
 - Use of dispersants
 - Closure of waters
- Heavy seafood users appear to be more “tuned-in” with respect to positive oil spill messaging – particularly with respect to:
 - Reassurance from the industry.
 - Testing for safety.



Messages Reassuring Heavy Users



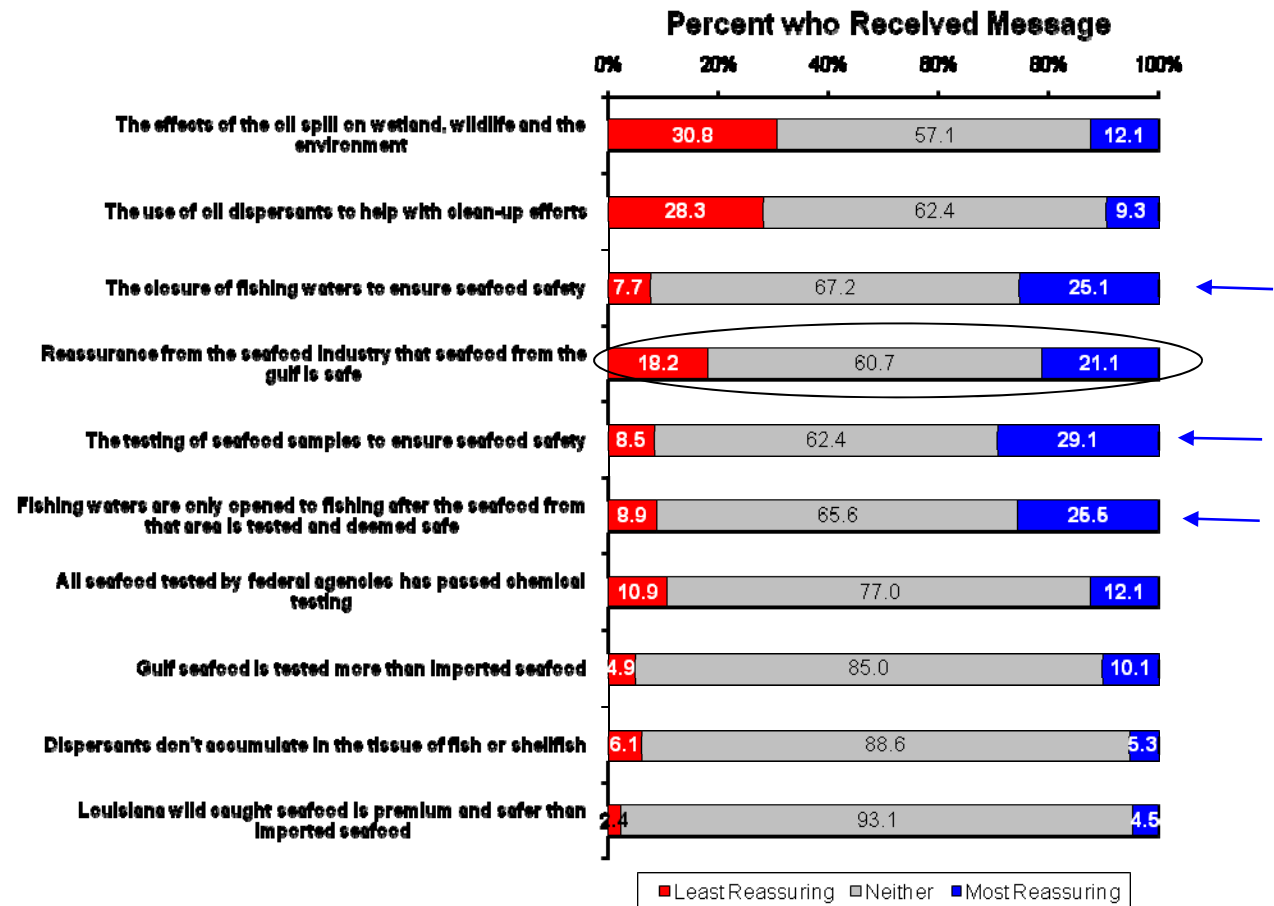
Message Reassurance - Heavy Seafood Users

- Among Heavy Seafood Users the most reassuring messages have been with respect to;

- The testing of seafood
- The closure and opening of fishing waters to insure safety

- These should be emphasized more.

- However reassurance from the seafood industry seems to be meeting with some skepticism

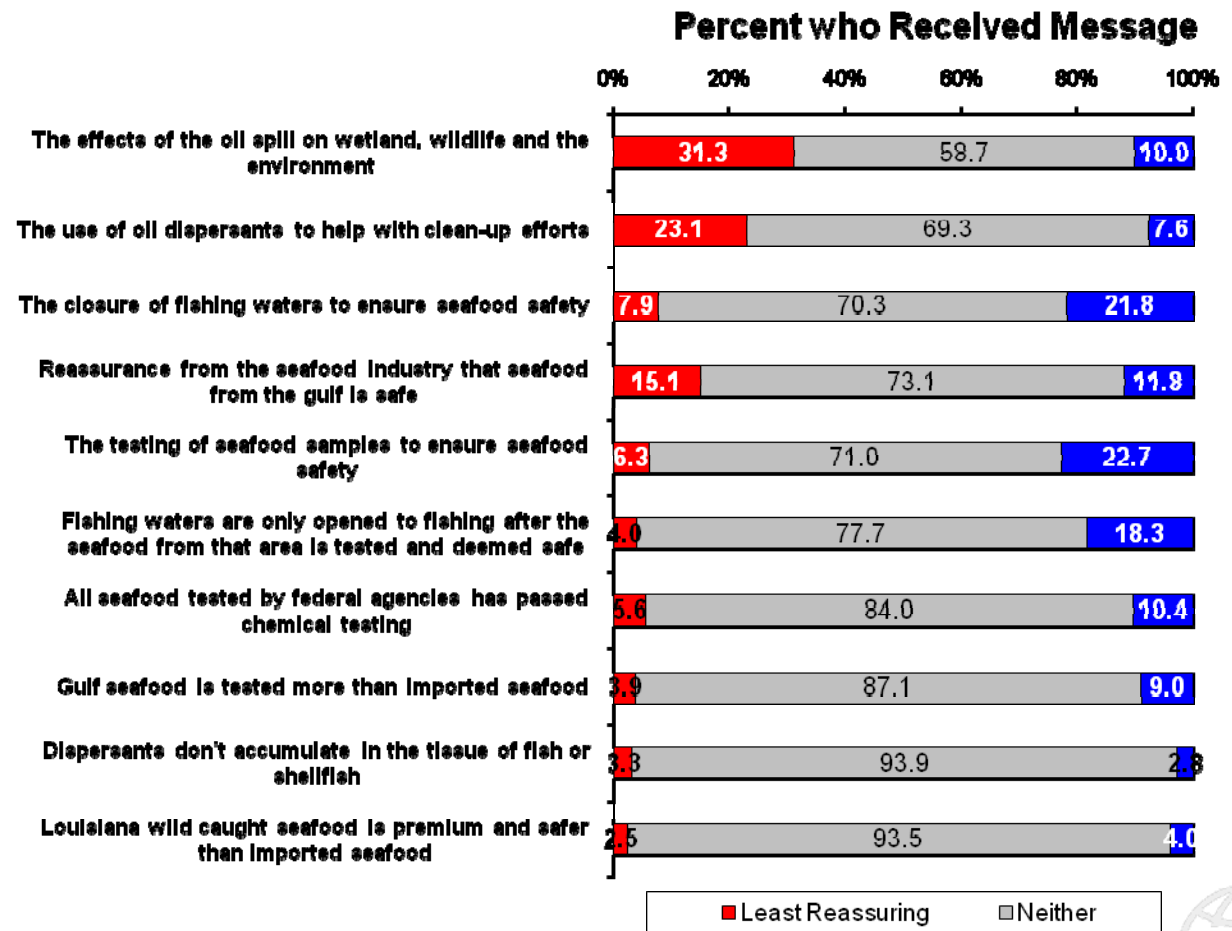


Messages Reassuring Light Users



- The same messages are also reassuring among lighter users, but to a lesser extent.
- And lighter users find more skepticism in industry messaging than reassurance.

Message Reassurance - Light Seafood Users

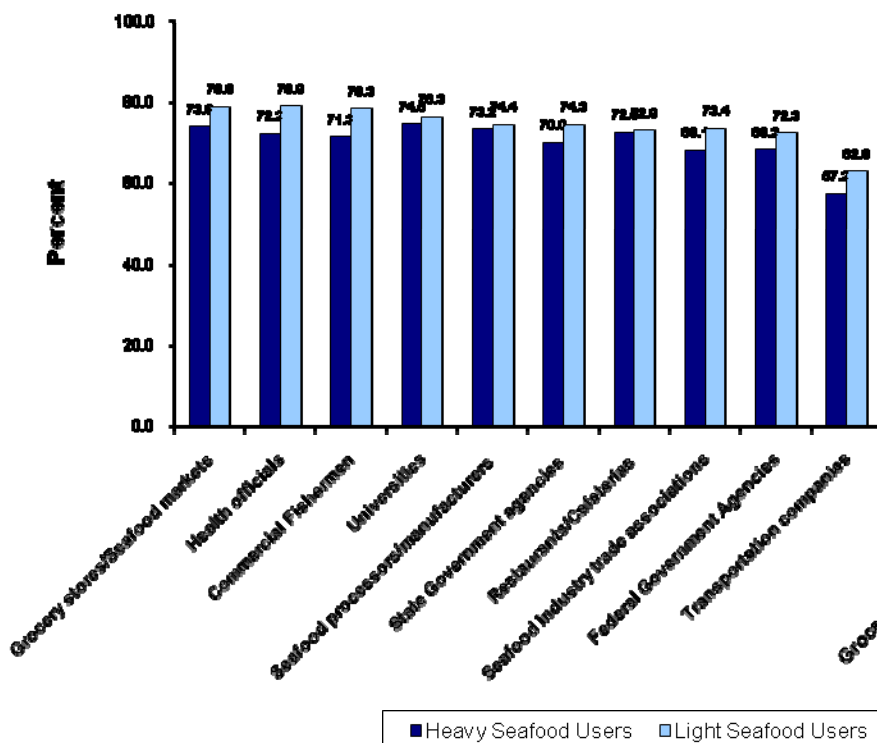


Confidence in Ability to Protect Seafood Safety

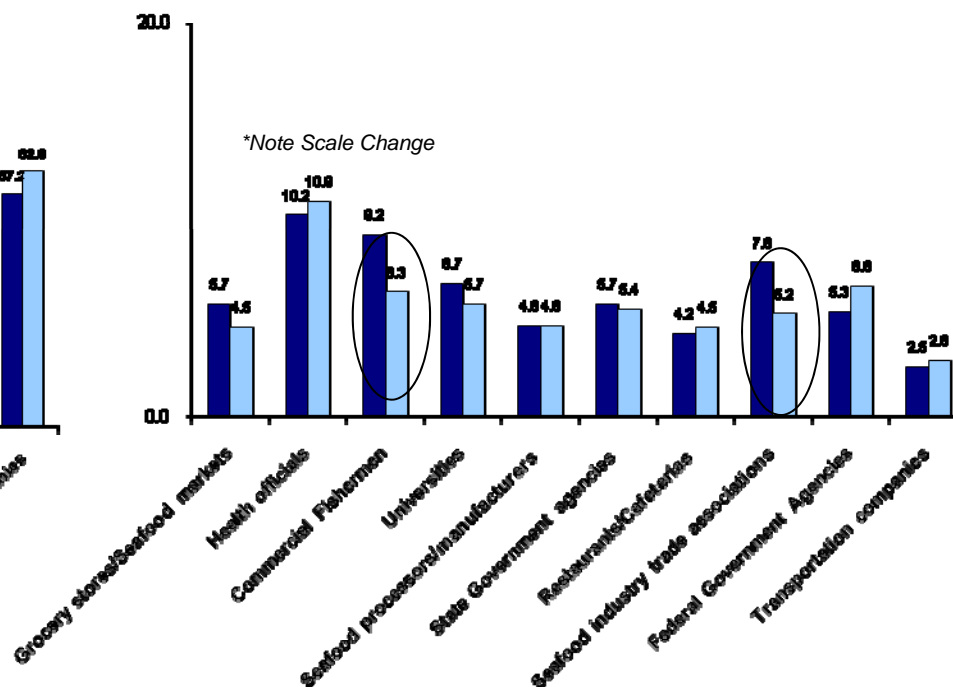


- Confidence levels in all parties involved in protecting the safety of seafood are similar across all consumers - but heavy users tend to be slightly less confident across the board than light users.
- But some heavy users find higher confidence in commercial fishermen, and trade associations – perhaps these be leveraged more effectively?

Top 3 Box - Confident



Top Box - Extremely Confident



■ Heavy Seafood Users □ Light Seafood Users



Next Steps



- LSPMB Plans for advertising and promotion – strategy and timing?
- Tweaking the Survey – Additional Messaging?
- Timing of the Second Wave – Target Date
- Segmentation Study – Strategic Marketing – Who to target? What to say?





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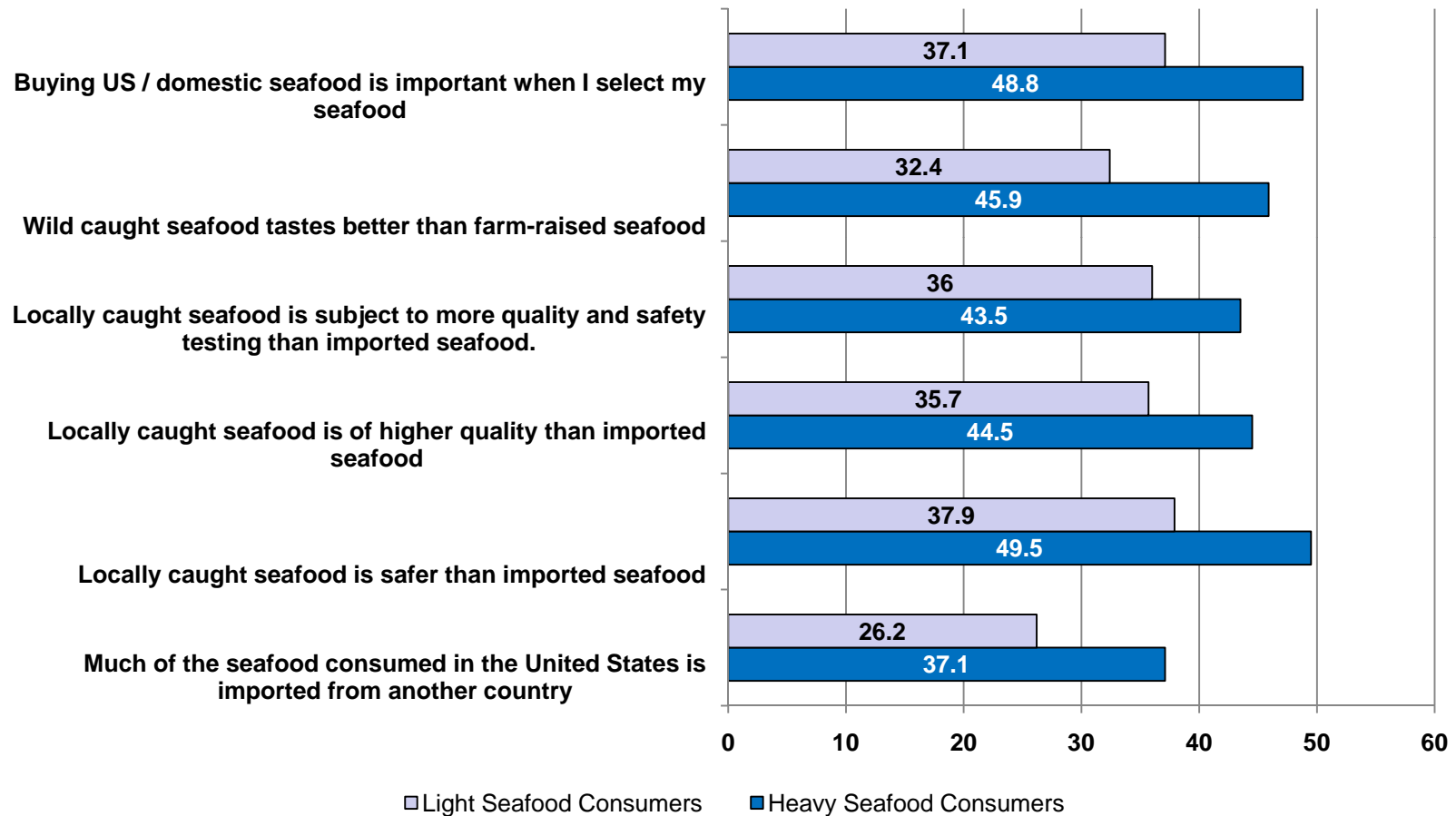
Questions

Dr. R. Wes Harrison – Louisiana State University

Dennis Degeneffe – Principal Consultant



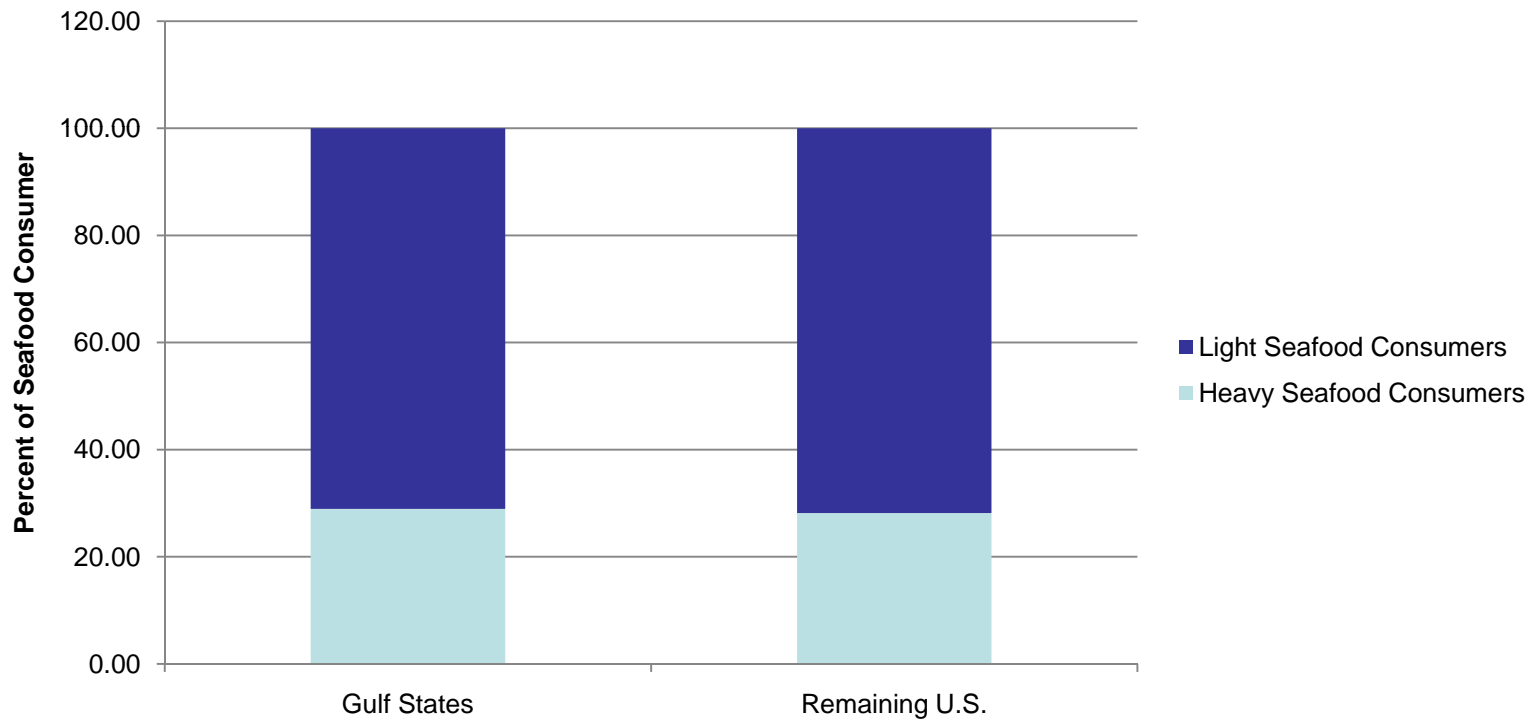
Agreement with Statements: Top Two Boxes



Heavy Seafood Consumers – 28% in both Gulf States and Remaining U.S.

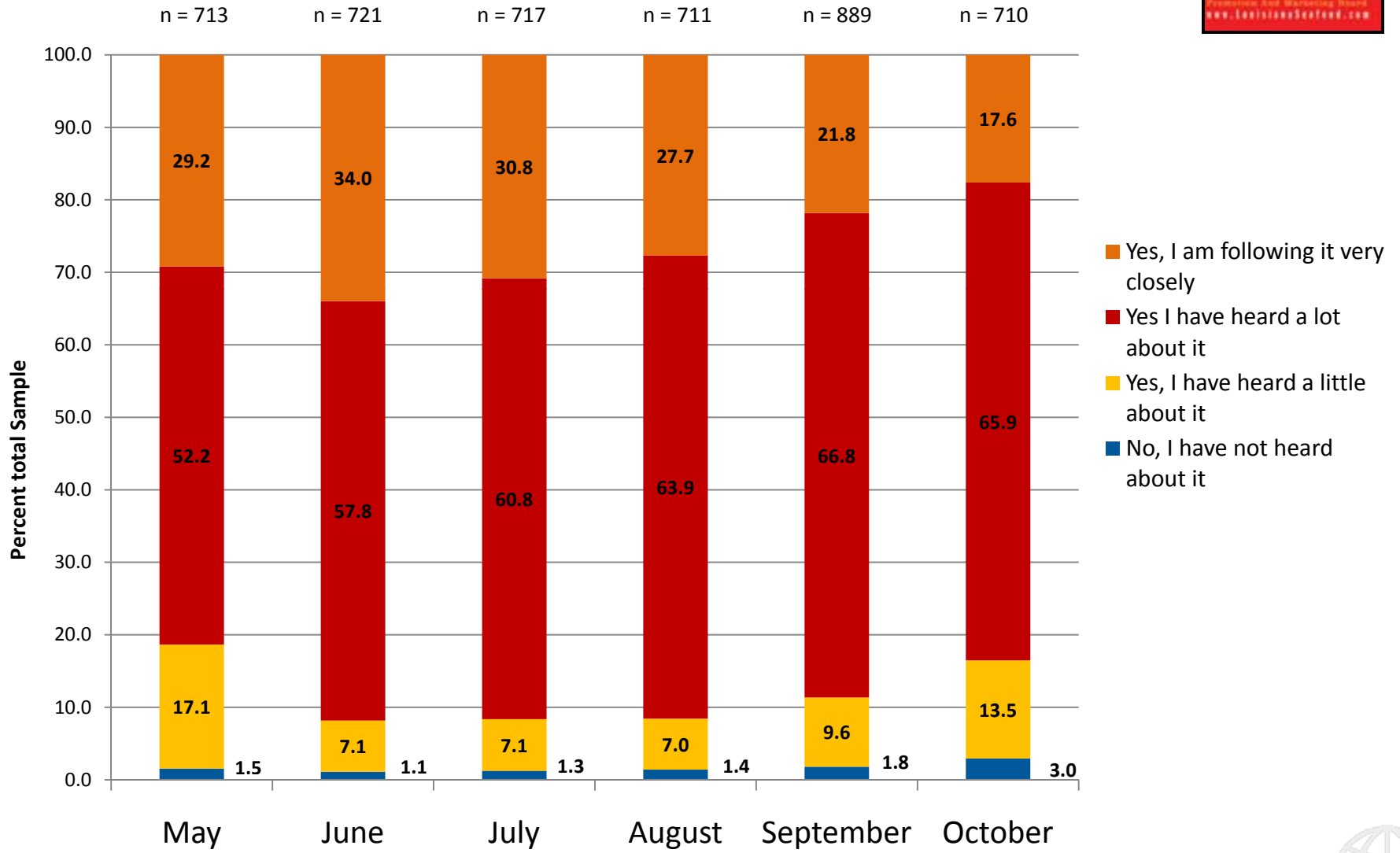


Percentage of Respondents:
Heavy/Light by Gulf Remaining U.S.



Awareness of Gulf Oil Spill (CFST Survey)

Question: Have you heard about the recent oil spill in the Gulf of Mexico?

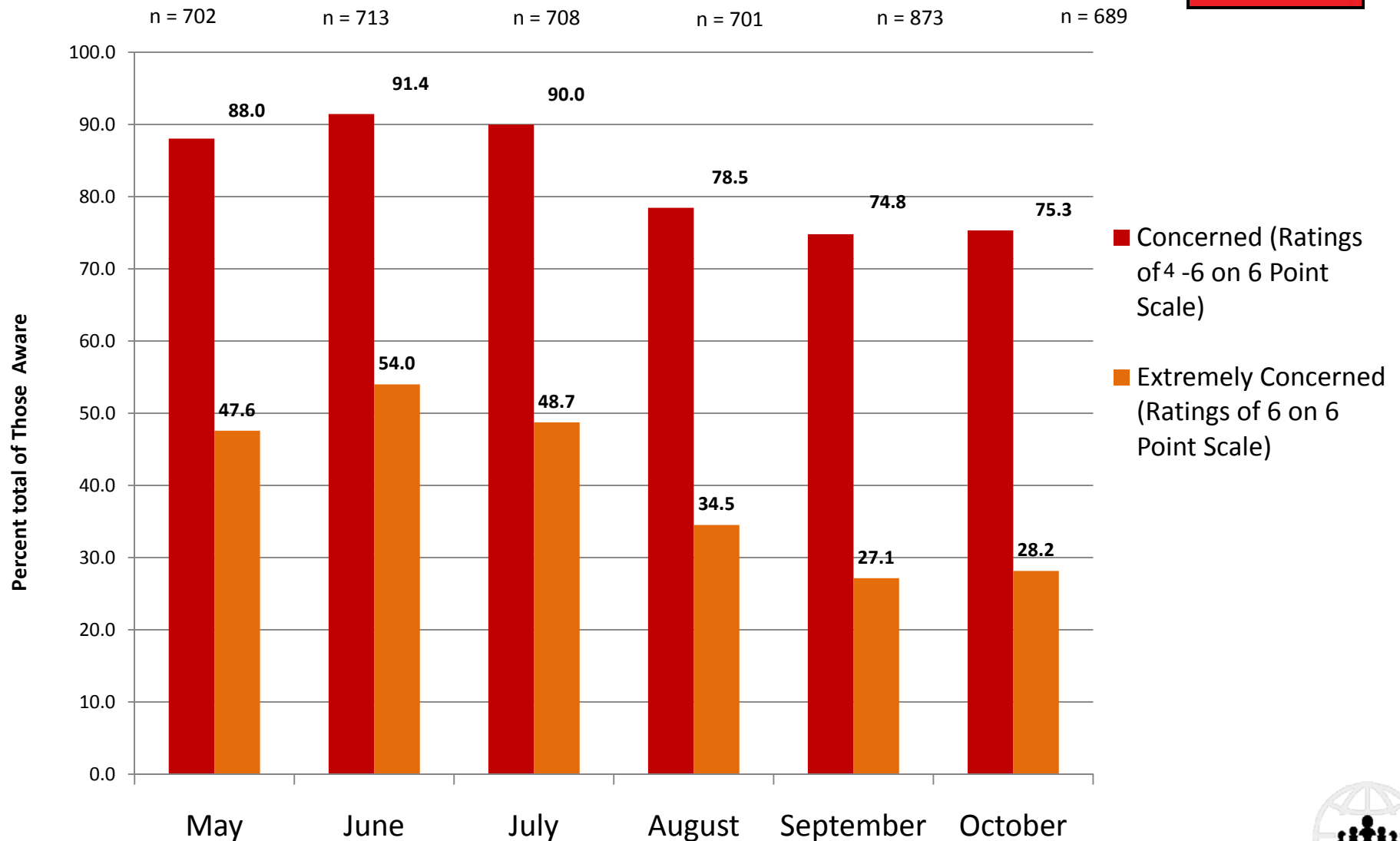


Source : Harrison, Degeneffe & Kinsey, CFST Study 2010



Concern Over Risk Gulf Oil Spill Poses to Safety of Seafood From the Gulf (CFST Survey)

Question: How concerned are you about the risk this oil spill poses to the safety of seafood from the Gulf of Mexico?

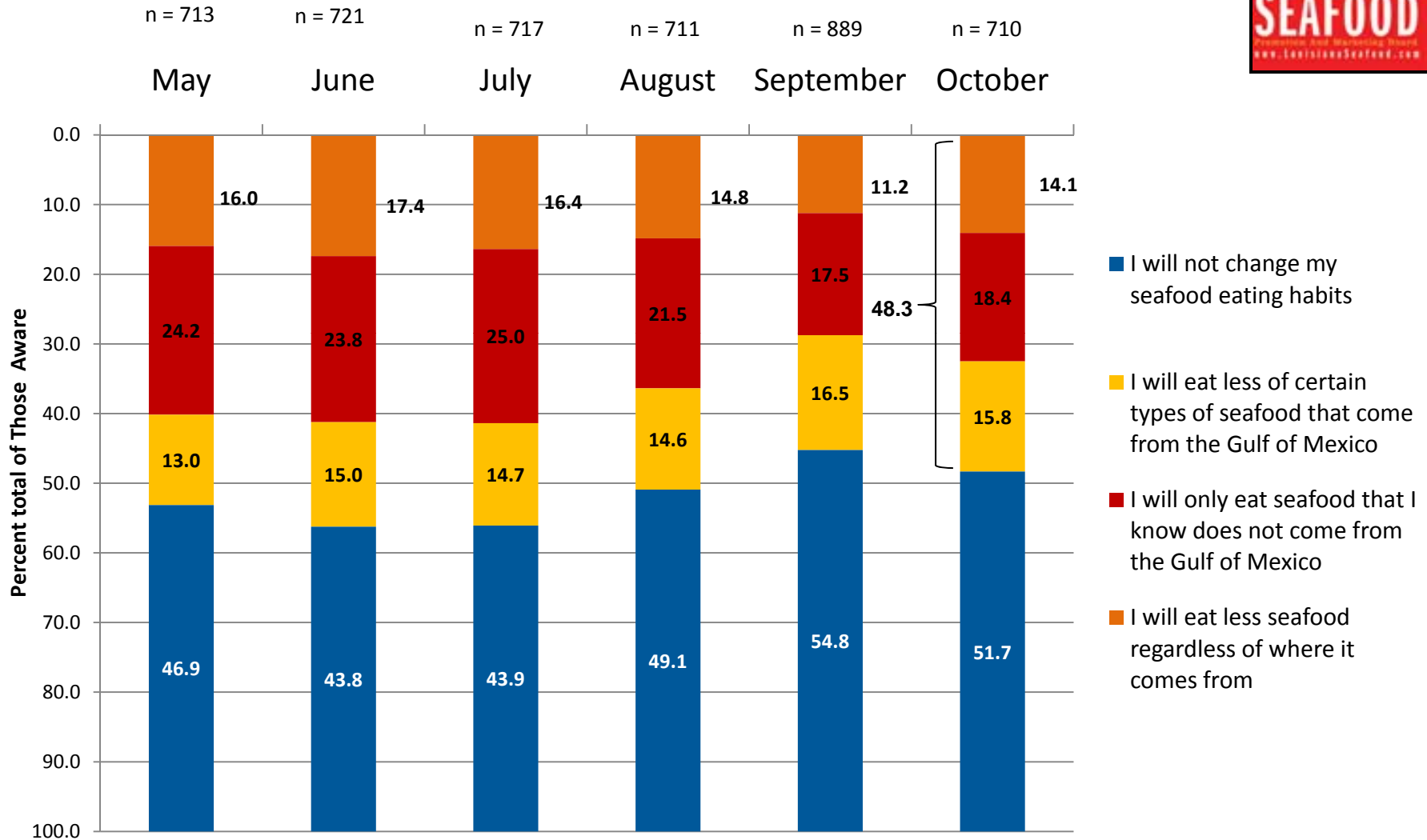


Source : Harrison, Degeneffe & Kinsey, CFST Study 2010



Impact of Gulf Oil Spill on Seafood Consumption (CFST Survey)

Question: How will this oil spill affect your consumption of seafood?



Source : Harrison, Degeneffe & Kinsey, CFST Study 2010



Research Questions ...



- *What are the long term effects on consumer confidence in the safety of Gulf Coast seafood?*
- *Has confidence recovered since the well has been capped?*
- *Is remaining concern attributed more to uncertainty about unaccounted for oil, or the large and widespread use of chemical dispersants?*
- *Which marketing/promotional strategies are most effective in restoring consumer confidence in the safety of its seafood?*
- *Are there differences across consumer segments (i.e., heavy seafood consumers versus light seafood consumer) regarding the level of concern and the impact on consumption behavior?*
- *Have seafood consumers substituted other seafood products (e.g. fresh water products such as crawfish and catfish, or imported farm raised shrimp) for Gulf coast shrimp, oysters, crab or finfish? Is this substitution temporary or permanent?*



Management Summary

Demographic Differences



- **Demographically, those tending to avoid seafood are socio-economically downscale**
 - lower income and education
 - younger
 - suggesting that those changing their consumption may lack perspective.

