

# A study of consumer responses to the legibility and importance of country of origin labelling

## February 2006



- Prepared for Woolworths on behalf of the following food retailers:  
Coles Myer Supermarkets, Franklins, Metcash Trading Limited and Woolworths Ltd
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- 51945 : March 2006



**Part 1:** Size of font study

**Part 2:** Importance of country of origin labelling

**Appendix:** Data related to responses

# Combined summary of survey findings

## On legibility:

- There is evidence to support an application seeking to amend the requirement for a 9mm minimum font used for country of origin labelling of unpackaged products in the display cabinets of supermarkets.
- The evidence clearly supports the consumers' ability to read smaller legible signs and that these smaller signs have the added advantage of providing a less restricted view of products.
- The majority of respondents found the 5mm font as legible as the 9mm font (98% versus 97%).

## On importance of origin labelling:

- Shoppers believe that country of origin is important to them and many shoppers claim that they actively look for Australian produce.
- Critically, shoppers also clearly indicated that origin will only influence purchase decisions when product appearance (quality) and price are equal.
- The evidence demonstrates that if there is a large discrepancy in product appearance and/or price, knowing the country of origin of Smallgoods from the deli section of the supermarket will play a minor role in the purchase decision for most shoppers.

# PART 1:

## Country of origin labelling – size of font study



# Background

- The new standard 1.2.11- Country of Origin Labelling (CoOL) requires all regulated unpackaged products to be more extensively labelled than previously required.
- The new standard 1.2.11 prescribes the use of 9mm font size on labels and signs, consistent with the ACCC guidelines on labelling using 'Product of...' or 'Made in...' with suitable qualified statements where necessary for unpackaged foods in Delicatessen and Seafood display cases.
- Retailers of unpackaged goods have some concerns regarding the new standard around the specified 9mm font, namely:
  - Reduce the ability of the consumer to see the product description.
  - Reduce visual display space of food, making the purchase decision process more difficult for consumers.
  - Costly upgrade of ticket printers (upper limit of current machines for good quality print is 6mm).
- TNS was commissioned by Woolworths on behalf of four food retailers to conduct marketing research to primarily demonstrate that smaller (5mm or 2.5mm) size font can be adequately read in a display case.

# Research objectives

## Business Objective

- To demonstrate that 5mm and 2.5mm font sizes can be adequately read in a display case by consumers, and thus provide evidence to support amending the standard that requires a minimum 9mm font size.

## Specific Objectives

- Determine the legibility of different font sizes (2.5mm, 5mm and 9mm) on signs displaying the country of origin for products in delicatessen and seafood cases.
- Explore the impact of a range of font sizes on consumers' shopping experiences.
- Evaluate whether the largest font size (9mm) restricts the view of the products in the delicatessen and seafood cases.
- Evaluate whether reduced size fonts retain adequate legibility while improving shoppers view of products and shopping experience.

# Information obtained

Screeners – ensure current purchase of unpackaged food from the deli section of a supermarket OR purchase in the last four weeks.

Gender and age – quota's set to ensure representative age spread.

Legibility of different font sizes in relation to country of origin description (2.5mm vs. 5mm vs. 9mm).

Identification of product and price descriptions and degree of product view restriction due to label size.

Consumer thoughts/comments in relation to the new comprehensive labelling for country of origin.

Whether the change makes choosing items easier or alters the way consumers shop.

Importance of the label size displaying country of origin.

Impact of the largest (9mm) and smallest (2.5mm) font sizes on shopping experience.



# Methodology

- **Survey method:** Intercept interviewing conducted face-to-face.
- **Timing:** Data collected 16 February, 2006.
- **Number of interviews:** n=106\* grocery buyers, split as follows:
  - n=89 Females, n=17 Males
  - n=36 aged 18-34 years, n=41 aged 35-54 years and n=29 aged 55+ years.
- **Markets interviewed:** Interviews took place in the Deli and Seafood section of Safeway Eastland shopping centre, Melbourne.
- **Important note:** Quotas placed on age to ensure a sample representative to the greater population.
- **Layout:** The Seafood case was left with the current labelling requirements as per the Transitional Standard 1.1A.3. The Deli cases were left with alternating current labels and labels displaying one of the font sizes (2.5mm, 5mm and 9mm).
- The order of font size shown first was rotated to reduce bias.



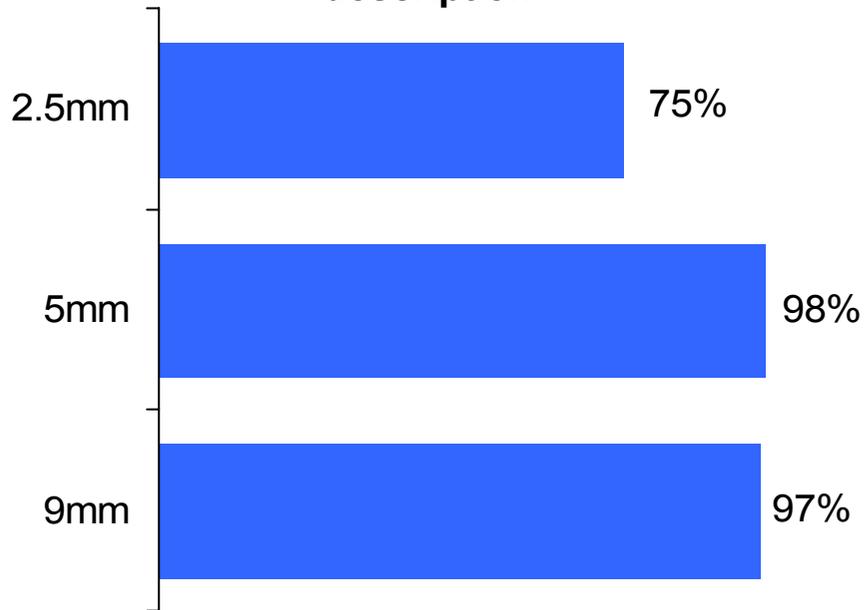
# Results



# Legibility of font

All three font sizes are legible for a majority of grocery shoppers

Able to identify country of origin description

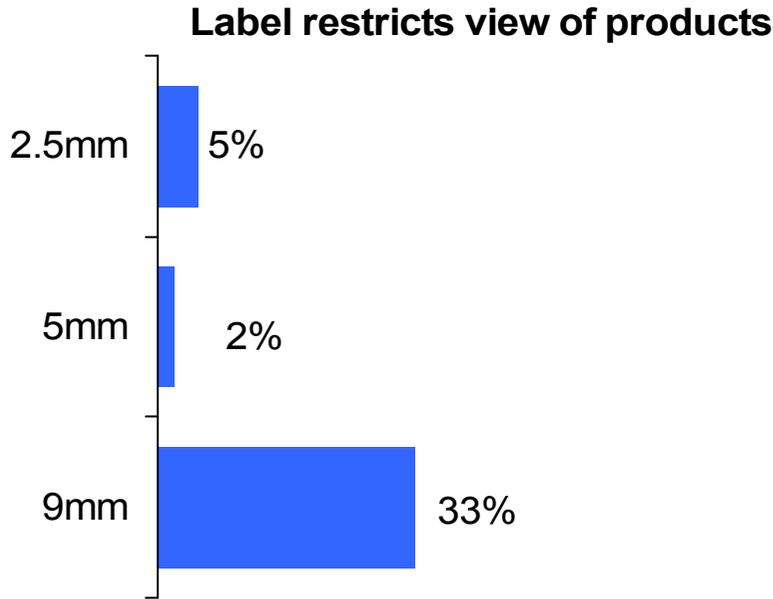


- 5mm font as legible as the 9mm font size.
- A majority respondents (3 in 4) could read the 2.5mm font for country of origin labelling.
- 66% of respondents aged 55+ years\* could read the 2.5mm font for country of origin labelling.



# Restriction of view

1 in 3 respondents found the 9mm font restricted product view



**Comments regarding 9mm font restricting view (n=36):**

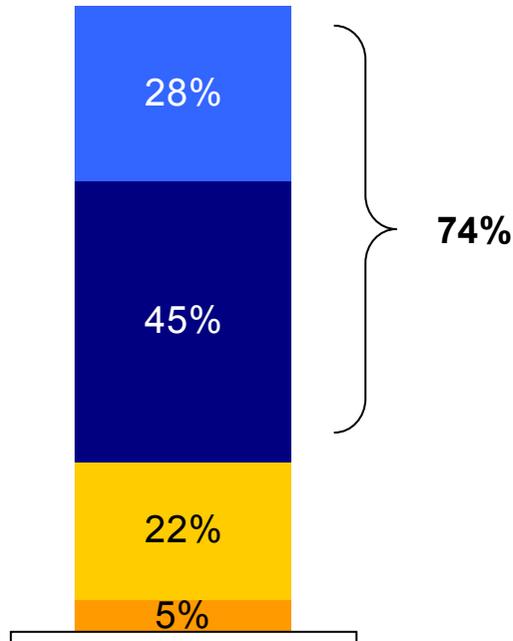
- “Harder to see front row.”*
- “Makes it look cluttered because the labels are too big.”*
- “Can't see product, wouldn't work.”*
- “Annoys me, take away view of the product.”*
- “Harder to see what you are buying.”*



# Importance of size of country of origin label

Once prompted the size of the country of origin label is important to shoppers

Importance of size %



- Not at all important
- Not that important
- Quite important
- Very Important

- When shoppers were asked directly, 3 in 4 claimed that the size (visibility) of the country of origin label was important.
- Evidence presented in Part 2 of this report (page 24) shows that **country of origin is not top of mind during the purchase process**.
- Many hadn't noticed the current labelling standards when contrasting against the seafood case (product labelled with current country of origin standards).

# Comments regarding the impact of large and small fonts on shopping experience

Polarised views around the legibility of large (9mm) and small (2.5mm) font sizes.

## Positive comments:

### Large font:

*"Far more pleasant, easier to read."*

*"Much more obvious information with the larger signs."*

*"Shows the company supports their own products."*

### Smallest font:

*"Good, information is there but it is not in your way.  
Works the best for me."*

*"Can see it but its just smaller, no complaints."*

*"Better, large too bulky"*

*"I could see where the product was from."*

*"Sufficient font size."*

## Negative comments:

### Large font:

*"Too big and annoying, standard sizes are good."*

*"Put me off, is too messy."*

*"Prefer the medium size, too much in the window."*

### Smallest font:

*"It makes it harder for me to read the label."*

*"Might go somewhere else where it's in bigger font."*

*"Perception they're hiding something."*

*"Makes it more difficult to choose product and see sign.  
Could miss things I usually buy due to the small sign."*

*"Take a little longer to read labels."*

# Concluding remarks



# Concluding remarks

- The majority of respondents found the 5mm font as legible as the 9mm font (98% versus 97%).
- 1 in 3 respondents (33%) reported that the 9mm font restricted product view – impacting negatively on their shopping experience by cluttering the delicatessen case and making choice more difficult.
  - Polarised views existed around the largest font (9mm) with respondents citing that the font was easier to read and the information contained on them obvious, but also that it took up too much space and it was too messy.
  - The smallest font (2.5mm) was generally perceived negatively by respondents, and when prompted many cited that the labels were hard to read and that the sign could easily be missed.

## TNS Recommendation:

- There is **sufficient evidence** to support an application seeking to use signs **smaller than 9mm** minimum font used for country of origin labelling of unpackaged products in the display cabinets of supermarkets, and based on the legibility of the sign.
- The evidence clearly supports the consumers' ability to **read smaller legible signs** and that these smaller signs have the added advantage of providing a **less restricted view of products**.

# PART 2:

## Importance of country of origin labelling



# Background

- The new standard 1.2.11- Country of Origin Labelling (CoOL) requires all regulated unpackaged products to be more extensively labelled than previously required.
- The new standard 1.2.11 prescribes the use of 9mm font size on labels and signs, consistent with the ACCC guidelines on labelling using 'Product of...' or 'Made in...' with suitable qualified statements where necessary for unpackaged foods in Delicatessen and Seafood display cases.
- TNS was commissioned by Woolworths on behalf of four food retailers to obtain marketing research to assess the impact of Country of Origin Labelling on consumers purchasing decisions in general, and specifically in regard to pork products (Smallgoods) from the delicatessen section of the supermarket.



# Research objectives

## Business Objective

- To demonstrate that Country of Origin Labelling has minimal impact on consumers when purchasing cured and processed pork products from the delicatessen section of the supermarket, thus supporting the application to Food Standards Australia New Zealand (FSANZ) that consumers will not be disadvantaged by exempting pork products from the new standard.

## Specific Objectives

- Determine the importance of country of origin to consumers in relation to ham and other smallgoods in the delicatessen, and in relation to the variables of price and product appearance.
- Canvass consumer views on more comprehensive country of origin product labelling.
- Determine whether the proposed labelling change (towards more comprehensive labelling) would make choosing delicatessen items easier for consumers and ultimately impact the way consumers shop for products in the delicatessen and seafood cases.
- Assess whether the proposed labelling change would alter the way consumers shop for products in the delicatessen and seafood cases.

# Information obtained

Screeners – ensure current purchase of Smallgoods from the deli section of a supermarket  
OR purchase in the last four weeks.

Gender and age.

Importance and ranking of country of origin labelling.

Ranking of country of origin labelling (relative to other key variables such as product description and price).



# Methodology

- **Survey method:** Intercept interviewing conducted face-to-face.
- **Timing:** Data collected 16 February, 2006.
- **Number of interviews:** n=106\* grocery buyers, split as follows:
  - n=89 Females, n=17 Males
  - n=36 aged 18-34 years, n=41 aged 35-54 years and n=29 aged 55+ years.
- **Markets interviewed:** Interviews took place in the Deli and Seafood section of Safeway Eastland shopping centre, Melbourne.
- **Important note:** Quotas placed on age to ensure a sample representative to the greater population.
- **Layout:** The Seafood case was left with the current labelling requirements as required by the Transitional Standard 1.1A.3. The Deli cases featured country of origin labels fitting with the new proposed standard 1.2.11.



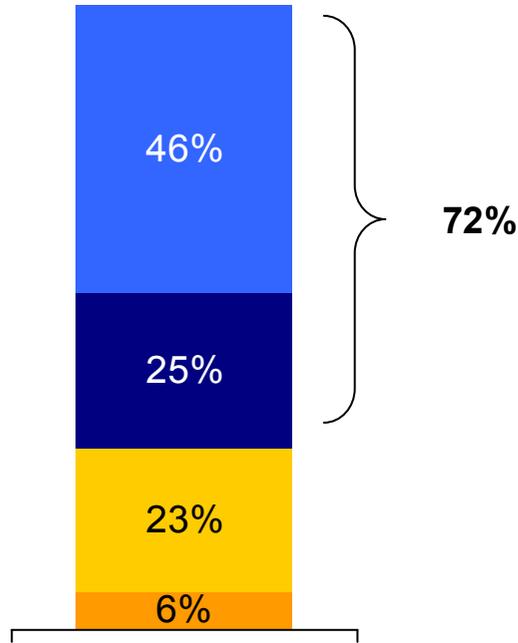
# Results



# Importance of country of origin labelling

## Claimed importance high

Importance of knowing country of origin



- Not at all important
- Not that important
- Quite important
- Very Important

- In isolation, country of origin (knowing where products were made) was claimed as important by consumers.
- Importance tended to be rated more highly by 55+ years\* - 82%, less important to shoppers aged 18-54 years 67%.



\*Caution: small base size.  
 Base: All respondents, n=106.

QB1: How important is it for you to know from which country food in the deli and seafood section of the supermarket was made?

# Thoughts towards proposed change in labelling

## The majority of respondents were in favour of having Country of Origin labelling

### Positive comments:

*"It's great - its about time. Too often you don't know what you are buying."*

*"Brilliant, about time, important to know where products come from."*

*"Good idea, like to know where things come from, want to buy Australian made."*

*"Brilliant, will actually look now for country more, likely to buy Australian."*

*"Labelling gives you more information, be certain where the products have come from. Would avoid products with 'mix' on them."*

*"Very good like to know where the product came from and if it's fresh."*

### Negative comments:

*"Put off if products come from certain countries."*

*"Not very important on stuff like sausages, depends on the product."*

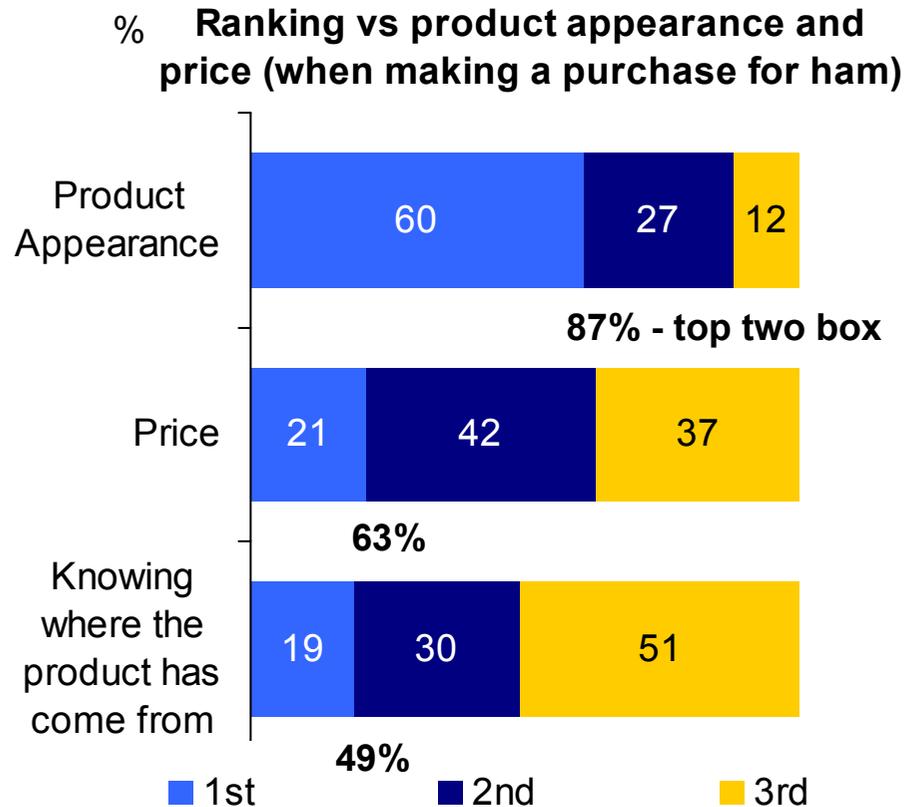
*"Original labelling fine, easy to see."*

*"Should be advertised a lot smaller, taking away 20% of space..."*

*"Wouldn't affect me at all. I think its explained well enough."*

# Importance of country of origin labelling

However, ranked as third importance below product appearance and price when purchasing ham from the deli

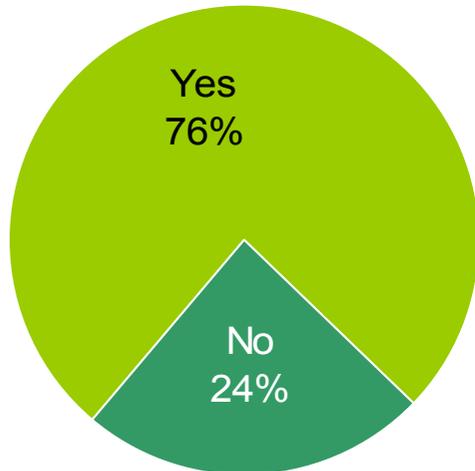


- In context with other key variables (product appearance and price), knowing where a product has come from (country of origin) tended to rank third behind these factors.

# Effect on shopping

## Labelling change assists choice of deli items and alters shopping behaviour

### Makes choosing deli items any easier?



#### Why choice is not made easier (n=25\*):

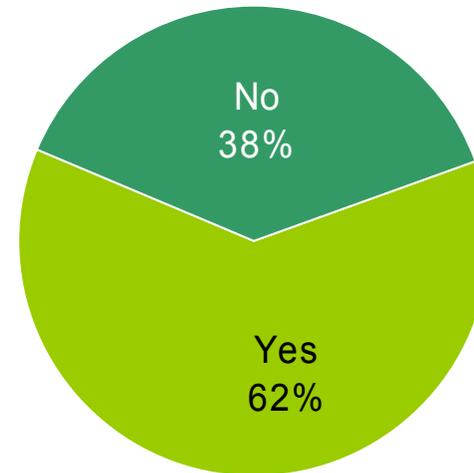
*"You get what you want regardless of where it comes from."*

*"Don't pay attention to country of origin."*

*"Harder, more choice and info, thinking more."*

*"I go by what it looks like rather than where it comes from."*

### Alteration of current shopping behaviour?



#### How the change alters shopping behaviour (n=66):

*"You know where it's from. I will choose Australian made 100% all of the time."*

*"Be aware if imported, where it comes from/indication of product quality."*

*"I'll start looking at what I'm buying, become pickier and avoid imported products."*

\*Caution: small base size.

Base: All respondents (n=106)

Q E2: Will the proposed change in labelling make choosing products from the deli any easier?

Q E3: Will changes in labelling alter the way you shop for fresh food in the deli and seafood section of the supermarket?

# Concluding remarks



# Concluding remarks

- In essence, shoppers believe that country of origin is important to them - many claim that being informed of country of origin impacts on the way they shop and that they actively look for Australian produce.
  - Initially, **72%** respondents rated knowing from which country food in the deli and seafood sections of the supermarket were from as 'important' (very/quite).
- However, **evidence suggests that** knowing where a product is from **will only be a key determinant of purchase when other factors such** product appearance **and** price are equal.
  - When 'knowing where the product has come from' was ranked alongside the additional variables of **'price'** and **'product appearance'**, country of origin was ranked behind the other variables in third place as a influence when purchasing ham products from the deli section of the supermarket.

## Concluding remarks (cont'd)

- Therefore, a conclusion can be drawn that **only** when there is a **large discrepancy** in product **appearance and/or price** will knowing the **country of origin of Smallgoods** from the deli section of the supermarket **will play a role in the purchase decision** for most shoppers.
- Interpretation note - Smallgoods manufactured in Australia from **imported pork** are labelled **“Made in Australia from imported and local ingredients”**, while smallgoods manufactured in Australia from **locally grown pork** are labelled **“Made in Australia”, OR “Product of Australia”**.

# Appendix:

## Data related to customer responses



# Respondent demographics

	<b>Total</b>
Base: Total	(106)
	%
<b>Gender</b>	
Male	16
Female	84
<b>Age groups</b>	
18-24	14
25-34	20
35-44	19
45-54	20
55-64	15
65+	12

# Country of Origin importance and ranking

Base: Total (106)		Base: Total (106)			
	Total %		1st %	2nd	3rd
<b>Importance</b>		<b>Product Variable</b>			
Very Important	46	Product Appearance	60	27	12
Quite Important	25	Price	21	42	37
Not that Important	23	Knowing where the product has come from	19	30	51
Not at all Important	6				

Base: All respondents n=106

B1: How important is it for you to know from which country food in the deli and seafood section of the supermarket was made?

A4: Assuming comparable quality, when making a purchase for ham and other fresh food products from the deli and seafood sections of the supermarket. Please rank the following in order of most important, second importance and least/third important.

# Country of Origin legibility, product and price legibility and restriction of view in terms of font size

Base: Total (106)	Font Size		
	2.5mm	5mm	9mm
	%	%	%
<b>Country of Origin Legibility</b>			
Yes	75	98	97
No	25	2	3
<b>Product and Price Legibility</b>			
Yes	100	100	99
No	0	0	1
<b>Restriction of view</b>			
Yes	5	2	33
No	95	98	67



Base: All respondents n=106

B2/C2/D2: Are you able to identify the country of origin description on these labels?

B3/C3/D3: Are you able to identify the specific description of product and price on these labels?

B4/C4/D4: Does the actual size of the label restrict your view of the products in any way?

# Ease of deli item choice and alteration of deli shopping behaviour

Base: Total (106)	Total %
<b>Deli item choice any easier?</b>	
Yes	76
No	24
<b>Alteration of current shopping ways for fresh food in the deli section?</b>	
Yes	62
No	38



Base: All respondents n=106

E2: Do you think the proposed change in labelling makes choosing items from the deli section any easier?

E3: Will the change in labelling alter the way you currently shop for fresh food in the deli and seafood section of the supermarket?

# Importance of sign size and impact of the largest and smallest signs on shopping experience

Base: Total (106)	Total	Base: Total (106)	Sign Size	
	%		Largest sign	Smallest sign
<b>Importance of sign size</b>		<b>Impact shopping experience?</b>	%	%
Very Important	28	Yes	67	46
Quite Important	45	No	33	54
Not that Important	22			
Not at all Important	5			

Base: All respondents n=106

E4: How important is the size of the sign that displays the country where produce was made for fresh food in the deli and seafood section of the supermarket to you?

E5: If all products in the deli and seafood areas used the largest signs to display the country of origin, do you think this would impact on your shopping experience?

E6: If all products in the deli and seafood areas used the smallest signs to display the country of origin, do you think this would impact on your shopping experience?

# Questionnaire



Respondent ID:

Three empty rectangular boxes for respondent ID.



TNS (AUSTRALIA)  
290 BURWOOD ROAD  
HAWTHORN VICTORIA 3122  
Telephone: (03) 9819 1700

FEBRUARY 2006  
N=100

LOCATION: EASTLAND SHOPPING CENTRE  
SAFEWAY STORE

**SCREENER**

A1. Have you purchased FRESH FOOD from the DELI section of a SUPERMARKET in the past 4 weeks?  
**DNRO**

Yes	1
No	2

**ASK A2 IF NO (CODE 2) AT A1**

A2. Do you INTEND to purchase FRESH FOOD from the DELI section of a SUPERMARKET today?  
**DNRO**

Yes	1
No	2

**IF NO AT BOTH A1 AND A2 -TERMINATE**

A3. Which of the FOLLOWING AGE GROUPS are you in?  
**READ OUT RANGES TO CLARIFY IF NECESSARY**

18-24 Years	1
25-34 Years	2
35-44 Years	3
45-54 Years	4
55-64 Years	5
65+ Years	6

**CHECK MASTER QUOTA LIST -**

18-24 Years	n=15
25-34 Years	n=20
35-44 Years	n=20
45-54 Years	n=20
55-64 Years	n=13
65+ Years	n=12

A4. RECORD GENDER AUTOMATICALLY

Male	1
Female	2



B1. How IMPORTANT is it for you to know from which country food in the deli and seafood section of the supermarket was made?

Very Important	1
Quite Important	2
Not that important	3
Not at all important	4

B1b. Assuming comparable quality. When making a PURCHASE for HAM and other fresh food products from the deli and seafood section of the supermarket.

Please rank the following in order of MOST IMPORTANT (insert 1 in space), SECOND importance (2) and LEAST/THIRD important (3)

**READ OUT THREE OPTIONS BEFORE ACCEPTING RESPONSE**

Insert number below

Product appearance

Price

Knowing where the product has come from

**\*\* RANDOMLY ROTATE ORDER OF FONT SIZE \*\***



WRITE IN FONT SIZE SHOWN FIRST

**ENSURE RESPONDENT IS POSITIONED IN FRONT OF RELEVANT SECTION PRIOR TO COMMENCEMENT OF QUESTIONING**

B2. Are you able to IDENTIFY the COUNTRY OF ORIGIN description on the labels?

Yes	1
No	2

B3. Are you able to IDENTIFY the specific description of the PRODUCT and the PRICE on these labels?

Yes	1
No	2

B4. Does the actual SIZE of the label RESTRICT your view of the products in any way?

Yes	1
No	2

B5. IF YES, PROBE FOR REASONS HOW VIEW IS RESTRICTED / COMMENTS

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**MOVE RESPONDENT TO NEXT SECTION**

WRITE IN FONT SIZE SHOWN SECOND

ENSURE RESPONDENT IS POSITIONED IN FRONT OF RELEVANT SECTION PRIOR TO COMMENCEMENT OF QUESTIONING

C2. Are you able to IDENTIFY the COUNTRY OF ORIGIN description on the labels?

	Yes	1
	No	2

C3. Are you able to IDENTIFY the specific description of the PRODUCT and the PRICE on these labels?

	Yes	1
	No	2

C4. Does the actual SIZE of the label RESTRICT your view of the products in any way?

	Yes	1
	No	2

C5. IF YES, PROBE FOR REASONS HOW VIEW IS RESTRICTED / COMMENTS

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**MOVE RESPONDENT TO NEXT SECTION**

WRITE IN FONT SIZE SHOWN THIRD

ENSURE RESPONDENT IS POSITIONED IN FRONT OF RELEVANT SECTION PRIOR TO COMMENCEMENT OF QUESTIONING

D2. Are you able to IDENTIFY the COUNTRY OF ORIGIN description on the labels?

Yes	1
No	2

D3. Are you able to IDENTIFY the specific description of the PRODUCT and the PRICE on these labels?

Yes	1
No	2

D4. Does the actual SIZE of the label RESTRICT your view of the products in any way?

Yes	1
No	2

D5. IF YES, PROBE FOR REASONS HOW VIEW IS RESTRICTED / COMMENTS

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**MOVE RESPONDENT TO NEXT SECTION**



**INTRODUCE COUNTRY OF ORIGIN LABEL CONCEPT**

*A new LAW is being introduced which requires some unpackaged foods in deli and seafood display counters to be more extensively labelled than before.*

*Demonstrate Seafood cabinet as example of current labelling vs. labels, which they have just seen (e.g. Imported vs. CoOL) - FOR E1 to E3*

E1. What are YOUR THOUGHTS about this change? (Spontaneous reactions)

POSITIVE COMMENTS

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NEGATIVE COMMENTS

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E2. Do you think the PROPOSED CHANGE in labelling makes CHOOSING items from the DELI section any EASIER?

Yes	1
No	2

IF NO, ASK FOR REASONS (Confusing, Excessive labels etc)

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E3. Will the change in labelling ALTER the way you currently SHOP for fresh food in the DELI and SEAFOOD SECTION of the supermarket?

Yes	1
No	2

IF YES, PROBE FOR CHANGES/COMMENTS

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You evaluated three different labels previously.

They featured the same information except the **information about the Country where the product was made was in different sized signs – large, medium and small**



*Demonstrate relevant displays*

E4. How IMPORTANT is the SIZE of the sign that displays the country where produce was made for fresh food in the deli and seafood section of the supermarket to you?

Very Important	1
Quite Important	2
Not that important	3
Not at all important	4

E5. If all products in the deli and seafood areas used the LARGEST SIGNS to display the Country of Origin (*interview demonstrate*), do you think this would IMPACT ON YOUR SHOPPING EXPERIENCE?

Yes	1
No	2

IF YES, PROBE FOR:

POSITIVE COMMENTS

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NEGATIVE COMMENTS

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E6. If all products in the deli and seafood areas used the SMALLEST SIGNS to display the Country of Origin (*interview demonstrate*), do you think this would IMPACT ON YOUR SHOPPING EXPERIENCE?

Yes	1
No	2

IF YES, PROBE FOR

POSITIVE COMMENTS

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NEGATIVE COMMENTS

THANK AND CLOSE. RECORD NAME AND CONTACT NUMBER FOR VALIDATION REASONS

NAME:

CONTACT NUMBER:





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