

TESTING CONSUMER ACCEPTANCE OF NUTRITIONAL LABELING

Daniel Padberg
Professor of Marketing
Cornell University

An Abstract of a Paper

The FDA sponsored our research project which essentially involved interviewing consumers in a store where the nutritional labeling program was being tested. Our aim was to go into specific test situations, see how many consumers were aware of the program, see what affected awareness, look at how this affected consumer education and understanding of the program, and then identify the ways in which the consumer feels the program may be useful without directly affecting the purchase decision. The FDA authorized essentially five experiments: the Giant Food Stores in Washington, D.C.; Jewel Food Stores in Chicago; First National Stores in Boston; Kroger Food Stores in Cincinnati and the Berkeley Coop Association in Berkeley, California. In the first four studies, we interviewed a thousand or so consumers in various numbers of stores and under various conditions. In the Giant experiment, we did a Before survey and then two After surveys. In the Chicago study, we designed the survey to include as wide a demographic variation as possible. In the Boston First National test, we interviewed customers in 12 stores. Four of the stores received a minimum level of promotion publicity and four more had a medium intensity of promotion. In the remaining four stores, the test was promoted as intensively and aggressively as imagination and funds would allow. Throughout the entire study we have some indication of the influence of both promotion and the duration of the program on the test variables.

Looking at the statistical results of the study, the first thing that we measured was the rate of perception. Given the fact that you have a program of nutritional labeling, how many people are likely to notice it? In some cases the labeling program involved as few as a dozen products. At the other extreme, the Giant program had about 70 or 80 products involved. From results of the consumer survey, we found that between 20 percent and about 35 percent of consumers were aware that the program existed. This is after the program has been operating for 2 months. The figures were obtained from responses to what we call a non-leading question. We showed the respondents a symbol or the label itself and then asked them to identify it. The questions we were asking were, basically, have you seen the labels, are you aware of them, what are they?

Another thing that we were interested in was the effect of promotion. The more intensive promotion programs had a tremendous impact on awareness. Awareness didn't seem to be very much affected by program duration.

An important part of the whole story is the educational possibilities that a program like this can involve. In general we found that the educational effects of this program tended to be affected positively by duration but not affected by promotion. Promotion seemed to do a good job in making people aware of the labels. The duration of program run was very significant in the understanding of the labels and the correct answering of the knowledge questions.

The next area investigated was the non-use benefits. These benefits involve any favorable feeling the consumers might have toward the program without their reading the labels. One thing we asked was how much the consumer would pay for that kind of information. The response depended on the question, but there was a recognition of the non-use benefits.

What kind of conclusions might one draw from this experience? There are implications for essentially three levels: the effects on the food industry, the effects on the nutrition professionals, and the effects on the consumers. If you look at the food industry, new products have been oriented to convenience. By merely requiring and enabling organized disclosure of nutritional information, we are going to put forward a new basis on which products can be compared and competition can be operative. Think what a powerful influence food advertising is and what educational potential it could have in this very big and important business. It is sort of like the horsepower race, the nutrition people are a little concerned at getting the food industry to compete on the basis of nutrition and additives and so forth and are also a little apprehensive about how to set up meaningful standards of nutrition. Human beings are very different, this makes it very difficult to set up a universal rule that applies to everyone. It is important to make nutrition practical and useful. I think it is going to lead to a better food industry and a more functional and useful nutritional fraternity. Consumer are going to have their rights better fulfilled, and they are going to get better service from the professionals of the industry.