What Consumers Expect
From Animal Agriculture and the Food System

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Today’s Topics

• How did we get here?
• Values, science and trust
• What Consumers Expect: Trust building transparency
Today’s Food System

• Today food is generally:
  – Safer
  – More available
  – More affordable

• And yet consumers have more questions and are more skeptical than ever before.

• How did that happen?
1968

THE YEAR THAT SHAPED A GENERATION.
1968 Democratic Convention
Vietnam
Christmas Eve 1968

Greetings from Lunar Orbit
1970 - Kent State
1972 – Watergate Break-In
’70s-’80s Events

IRAN CONTRA - 1986

THREE MILE ISLAND - 1979

EXXON VALDEZ - 1989

JIMMY SWAGGERT - 1988

JIM BAKKER - 1987
’90s – 2000s Events

CLINTON SCANDAL - 1998

ENRON - 2000

ARTHUR ANDERSEN - 2002
2000s - Events

Oath Betrayed: America's Torture Doctors

John Edwards - 2008

Abu Ghraib - 2004

Tiger Woods - 2009

Eliot Spitzer - 2008

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Subprime Mortgage Crisis

LEHMAN BROTHERS BANKRUPTCY - 2008

“MORTGAGE FRAUD FLOURISHED IN AN ENVIRONMENT OF COLLAPSING LENDING STANDARDS AMID LAX REGULATION.

- FINANCIAL CRISIS INQUIRY COMMISSION
2000s – More Events

BP’s Hayward apologizes: “I’d like my life back”

BP Oil Spill - 2010

Billionaire Polluters

Penn State - 2011
Food is personal…

We need it for survival
Food is personal...

We feed it to our children
Food is personal...

It’s part of our culture/celebrations
Consolidation, Integration and Industrialization
Significant Social Shifts:

**THEN**
- Authority is granted by office
- Broad social consensus driven by WASP males
- Communication is formal, indirect (mass communication)
- Progress is inevitable

**NOW**
- Authority is granted by relationship
- No single social consensus, great diversity, many voices
- Communication is informal, direct (masses of communicators)
- Progress is possible
Trust in Today’s Food System
Right Direction/Wrong Track

34% RIGHT DIRECTION
38% WRONG TRACK
28% UNSURE

43% Early Adopters
Believe the food system is on the wrong track

42% Wrong Track

39% Right Direction

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Earning and Maintaining Social License (Sapp/CMA)

Trust research was published in December, 2009 – *Journal of Rural Sociology*
The Social License To Operate

Flexible
Responsive
Lower Cost

Social License
• Ethics
• Values
• Expectations
• Self regulation

Rigid
Bureaucratic
Higher Cost

Social Control
• Regulation
• Legislation
• Litigation
• Compliance

Tipping Point
Single triggering event
Cumulative impact
Investigation Reveals Cruelty at Pig Factory Farm

Successful Tactic
Real Pressure: Food Babe

When Consumers FeelDisconnected…

• Food and Healthy Lifestyle blogger: Vani Hari, a.k.a. “Food Babe”

• Mission: “to find out what’s really in our food”
“I wanted to expose Chick-Fil-A because I find it atrocious that companies can legally feed you a combination of chemicals that are known to have disastrous effects on your health. I find it even more disturbing when very smart people are easily fooled into thinking something may be a healthier option because of misleading marketing.”
Earning and Maintaining Social License (Sapp/CMA)

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What Drives Consumer Trust?

Shared values are 3-5X more important in building trust than demonstrating competence.

Trust research was published in December, 2009 – *Journal of Rural Sociology*
Radically Transparent Environment

ISSUE

Producer
Processor
Distributor

SOCIAL MEDIA

FAQ

NGOs

Grocery
Restaurants
Brands

SOCIAL MEDIA

SOCIAL MEDIA

SOCIAL MEDIA

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Traditional Communication Model is Less Effective in Today’s Environment

**Traditional Communication Model**

- Consumer
- Consumer
- Consumer

**Tribal Communication Model**

- Online Friends
- Neighbor
- Friend
- Family
- Family
- Blogs
What information sources have you used to come to your conclusions that GMOs are dangerous?

Heidi: “I’m part of a moms group. When there is a big consensus, I think ‘there’s something here.’ You don’t need doctors or scientists confirming it when you have hundreds of moms.”
Sustainable Balance

Economically Viable
- ROI
- Demand
- Cost Control
- Productivity
- Efficiency
Profitability

Scientifically Verified
- Data Driven
- Repeatable
- Measurable
- Specific
Objectivity

Ethically Grounded
- Compassion
- Responsibility
- Respect
- Fairness
- Truth
Value Similarity

Knowledge

Feelings
Belief

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Trust Building
Transparency
Overcoming the Bias Against Size

Shared Values = Trust

Big is Bad

Inverse relationship between size and the perception of shared values
“I believe (size) food companies are likely to put their interests ahead of my interests.”

**Small**

- 2013 Mean 6.06
- 15% of responses fall into the 0 to 3 category.
- 55% of responses fall into the 4 to 7 category.
- 31% of responses fall into the 8 to 10 category.

**Large**

- 2013 Mean 7.38
- 6% of responses fall into the 0 to 3 category.
- 41% of responses fall into the 4 to 7 category.
- 53% of responses fall into the 8 to 10 category.
“(Size) farms are likely to put their interests ahead of my interests.”

**Small**
- 2013: 19% 0 to 3, 53% 4 to 7, 28% 8 to 10
- 2013 Mean: 5.75

**Large**
- 2013: 7% 0 to 3, 45% 4 to 7, 48% 8 to 10
- 2013 Mean: 7.10
Elements of Trust Building Transparency

- Motivations
- Accuracy
- Disclosure
- Credibility
- Stakeholder Participation
- Clarity
- Relevance

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1. **Motivation** – Act in a manner that is ethical and consistent with stakeholder interest. Show you understand and appreciate issues and take action that demonstrates you put public interest ahead of self-interest.

2. **Disclosure** – Share information important to stakeholders, both positive and negative, even if it might be damaging. Make it easy to find; helpful in making informed decisions; easy to understand and timely.

3. **Stakeholder Participation** – Ask those interested in your activities and impact, for input. Make it easy to provide; acknowledge it has been received and explain how and why you make decisions.
4. **Relevance** – Share information stakeholders deem relevant. Ask them. Show you understand.

5. **Clarity** – Share information that is easily understood.
6. **Credibility** – Admit mistakes; apologize; accept responsibility; engage critics; share plans for corrective action. Demonstrate you genuinely care and present more than one side of controversial issues.

7. **Accuracy** – Share information that is truthful, objective, reliable and complete.
Elements of Trust Building Transparency

- Accuracy
- Motivations
- Disclosure
- Stakeholder Participation
- Credibility
- Clarity
- Relevance
Our New Reality

• The social decision making process in complex and multidimensional

• Decisions are not made on facts and rational thought alone

• Mistrust of institutions has become the social norm

• Growing trend of questioning the motives and data of experts

• Tribal communication and “relational expertise” influences trusted sources and messages
Implications for You

• Who you are is as important as what you know
  – Communicating shared values makes technical information more relevant and accessible

• Embrace skepticism – It’s not personal, it’s a social condition
  – Skepticism is the fuel for scientific discovery

• The public wants information from academics but not academic information
  – Learn to speak the language of social media

• Transparency is no longer optional
  – Authentic transparency is the path to building trust in science and technology in agriculture and food
Three Things You Can Do

1. Begin your public engagement using shared values
   - “People don’t care how much you know until they know how much you care.” T. Roosevelt

2. Open the digital barn door
   - Find ways to make animal agriculture transparent to illustrate your commitment to do “what’s right”

3. Commit to engaging online, in person and through your company.
   - Your voice, your knowledge and your credibility matter. You can make a difference in building public support for today’s supply chain
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