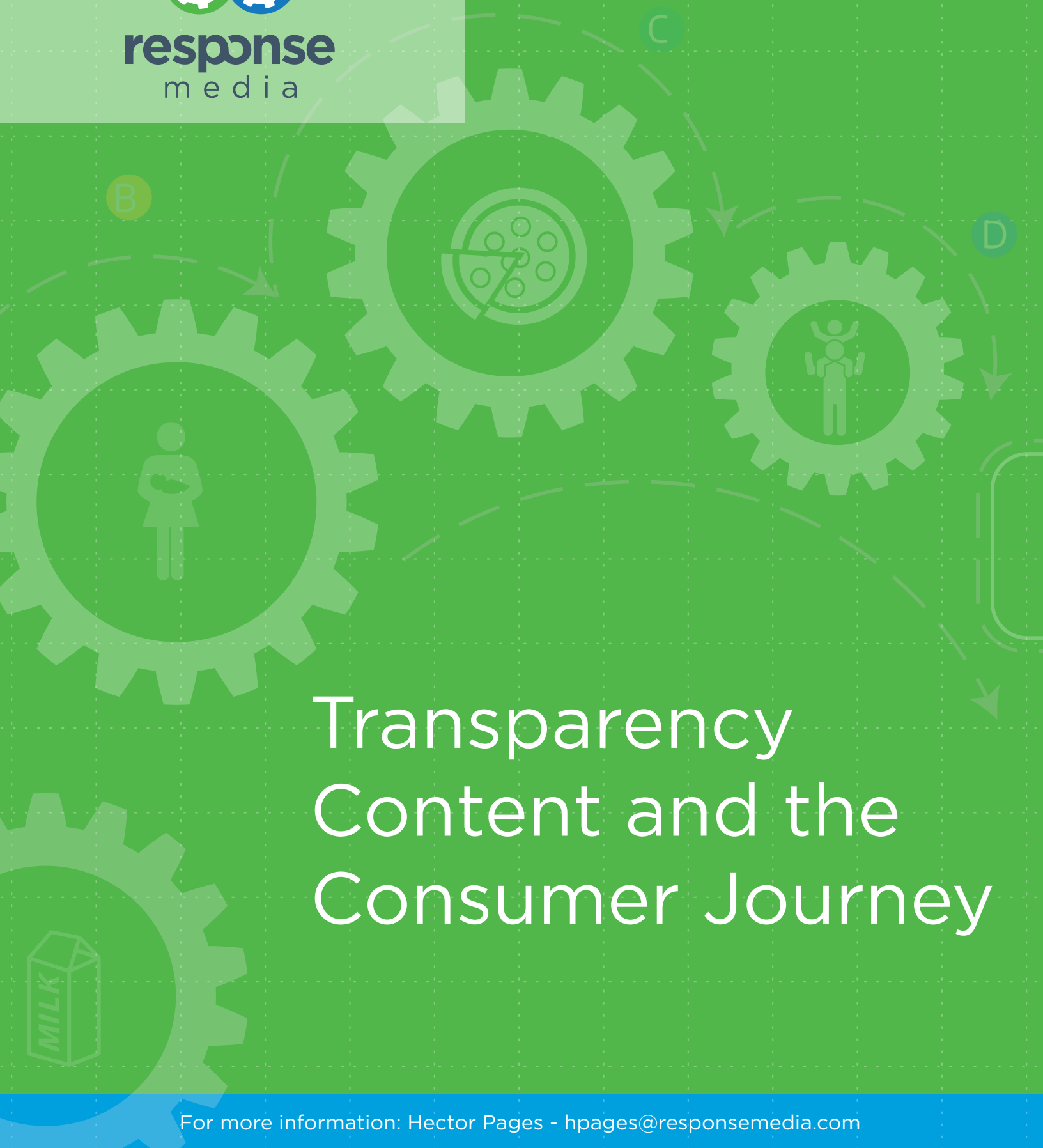


2017 Transparency Study



# Transparency Content and the Consumer Journey

# Executive Summary

Exhaustive research has been conducted on the importance of transparency content to consumers, but Response Media's 2017 Transparency Study sought to discover:

- Where transparency content will make a difference along a consumer's purchase journey
- How to leverage and communicate transparency content to consumers

The study revealed key insights consumer brands will find helpful when considering how to use transparency content in their current and future marketing strategies.

Transparency is more than a list of ingredients and materials. Consumers place a significant value of importance on the source of ingredients; the manufacturing, handling, and shipping of the product; and the sustainability, charitable, and labor policies of a brand.

Consumers are most interested in transparency content before and during purchase. However, they also want that content during and after consumption/use of a product, especially Millennial Females/Moms.

Along with labeling and packaging, think omnichannel to communicate transparency content across touchpoints. There is a significant opportunity to influence consumers by delivering transparency content through in-store signage.

Consumers are willing to spend more on a transparent product vs. nontransparent product, with Millennial Moms and Gen X Dads willing to pay the highest price for these products.

Once consumers are informed, they will share transparency content, but not all channels are equal—SMS, brand emails, and Facebook see the most activity.

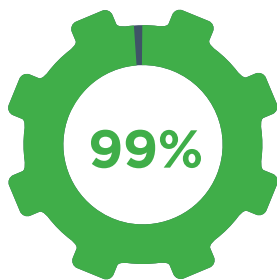
Transparency is extremely important for multiple CPG categories: foods and beverages, household and cleaning products, beauty and grooming products, and baby products. Single Females, Millennial Moms, Millennial Females, and Gen X Dads place a higher level of value on transparency than other segments.

# Transparency Types

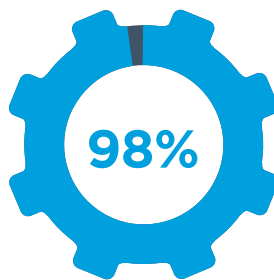
We asked consumers to place a value of importance on specific types of transparency content. A list of a product's ingredients is the most important for food and beverage, cleaning, health and beauty, and baby brands; however, the other types of transparency content are still "Important" or "Very Important" to a majority of consumers.

Recommendation: Many brands are already focusing on their list of ingredients and highlighting sustainability and charitable efforts, but to stand out from the crowd and give consumers what they want, brands need to consider communicating the source of ingredients, production process, and product handling as well.

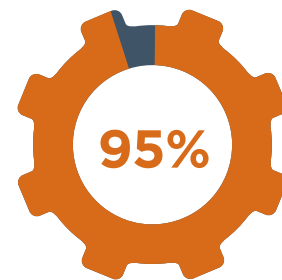
## Overall importance of product transparency to consumers when purchasing products:



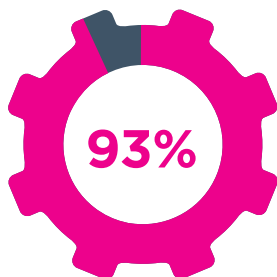
List of  
Ingredients



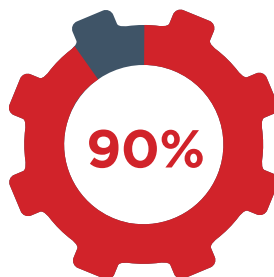
In-depth Info  
on Ingredients/  
Materials



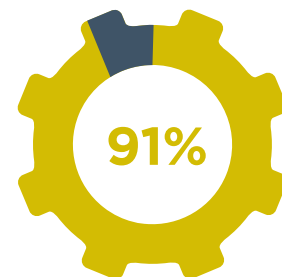
Source of  
Ingredients



Production/  
Manufacturing  
Process



Shipping/  
Handling



Sustainability/  
Charitable/  
Labor Efforts

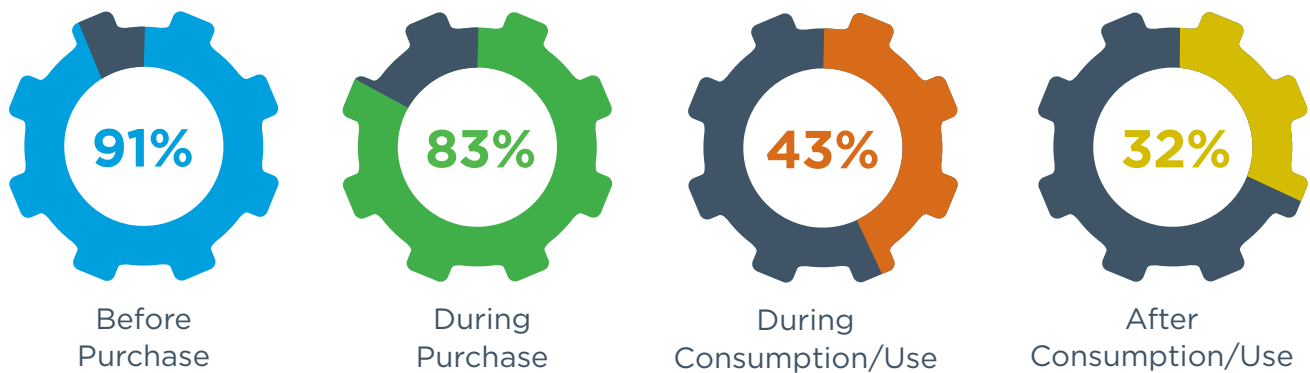
# When They Want It

The entire consumer journey can be broken into four stages:

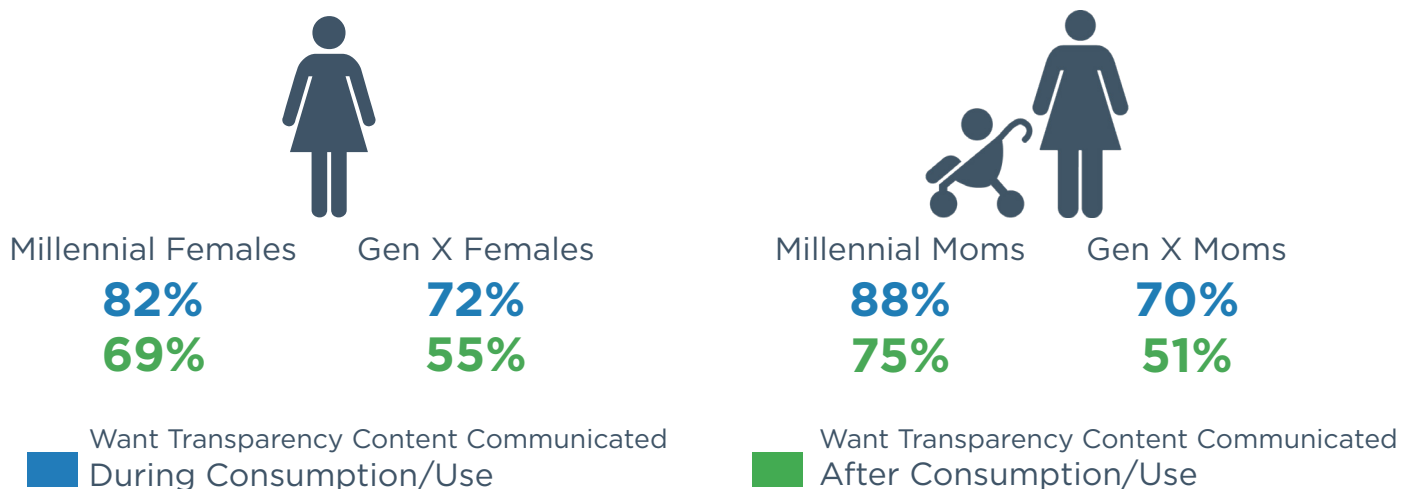
- Before Purchase
- During Purchase
- During Consumption/Use
- After Consumption/Use

The first two stages are the most important to consumers when looking for transparency content; however, a significant percentage of consumers value transparency throughout all stages of their journey.

## All Consumers



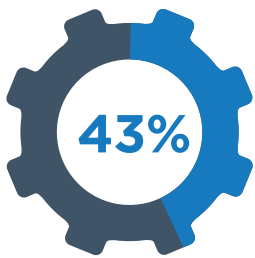
Recommendation: Companies that can deliver content during all stages will secure a stronger level of trust and differentiate themselves from competition. In particular, Millennial Moms and Millennial Females are very interested in transparency content during and after consumption/use.



# Where They Want It

Labeling and packaging are by far the most significant to consumers and should be the foundation of any transparency content strategy. But, consumers also want it from brand emails, brand social sites, shopping apps, and in-store signage.

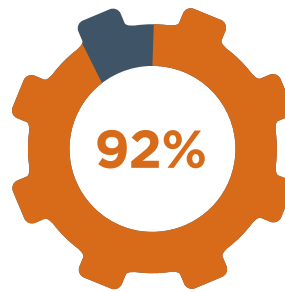
Recommendation: Brands should explore omnichannel to influence consumers with transparency content. An immediate advantage over competition may be gained by showcasing transparency content through in-store assets.



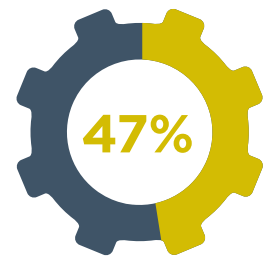
Brand Email



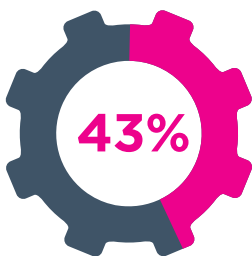
Brand Website



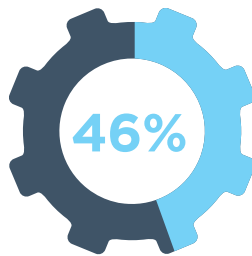
Product Labeling



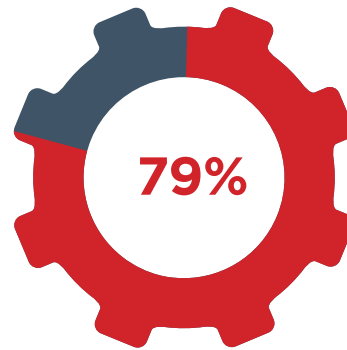
Brand Social Site



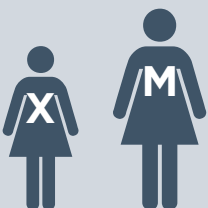
Shopping Apps



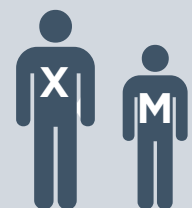
3rd Party Sites



In-Store Signage



## Gen X vs. Millennials Greatest Difference



Millennial Females prefer transparency via shopping apps more than Gen X Females

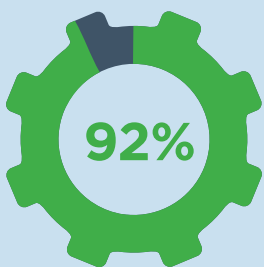
Gen X Males prefer transparency via email more than Millennial Males

# Willing to Pay More

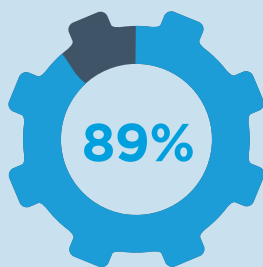
It was surprising how much more consumers are willing to spend on a transparent products vs. a similar but non-transparent product.

Recommendation: Optimize price and margin by using transparency content as a key differentiator alongside other promotional strategies.

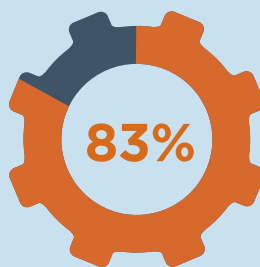
Most consumers are willing to pay more for transparent products:



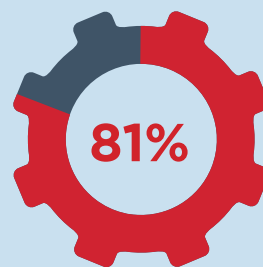
Fresh  
Foods



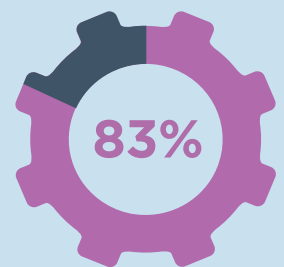
Packaged  
Foods



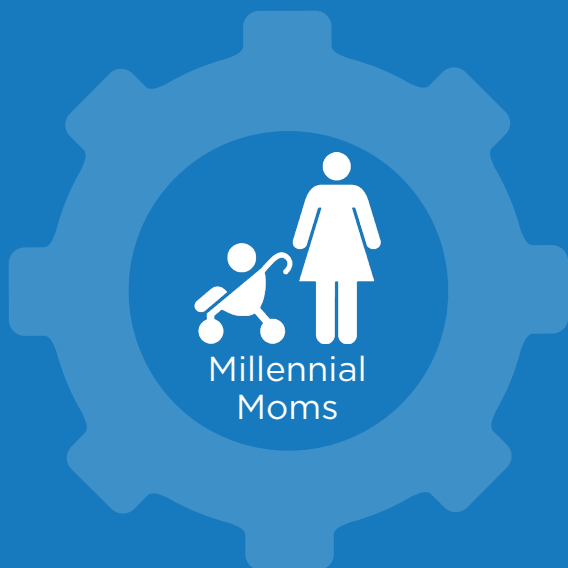
Beauty/  
Grooming



Home/  
Cleaning



Baby



100% of Millennial  
Moms would pay more  
for a transparent food  
or beverage brand.

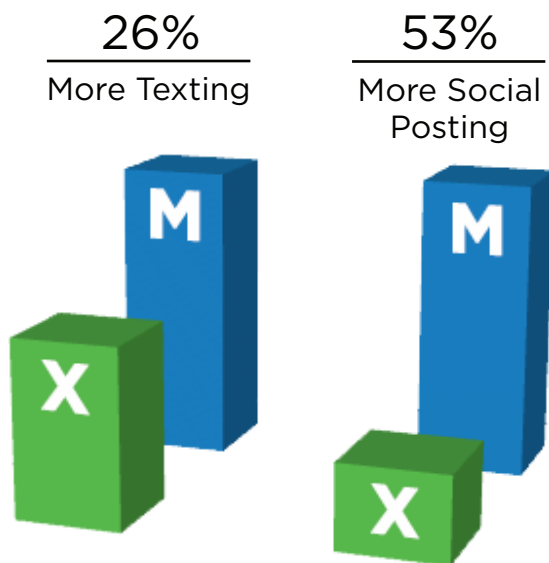
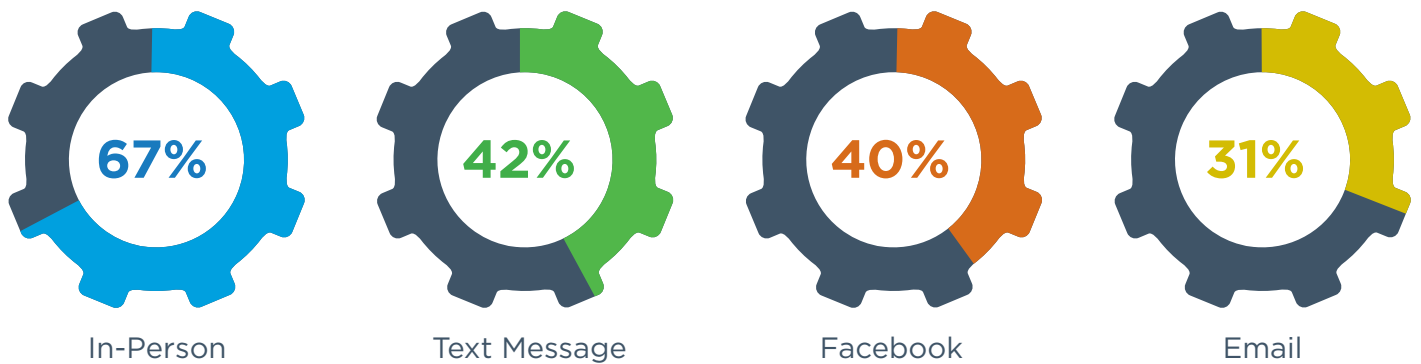
# How Much More They Will Spend on a Transparent Product



# How They Share It

When consumers share transparency content through social, the various channels have distinct differences. Most notably, Facebook is the most popular and Pinterest, Instagram, and Twitter are rarely used when sharing transparency content.

Recommendation: Brands can increase trial and loyalty by integrating transparency content into the most common social channels used by their consumers.



Millennial Moms shared via text and social platforms **more than Gen X Moms**.

Popular social platforms Pinterest, Instagram, and Twitter were **rarely** used to share transparency content.

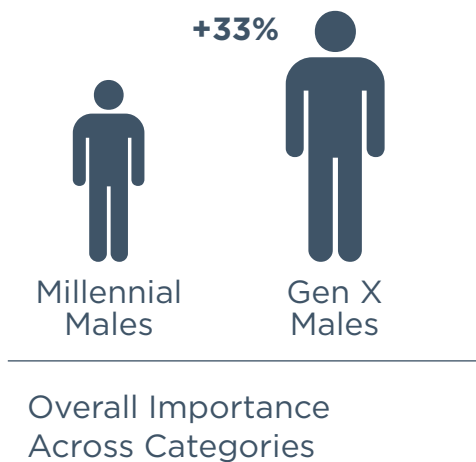


# Importance by Vertical

Our study revealed consumers want transparency content across several categories. Transparency was particularly important to Millennial Females, Millennial Moms, and Gen X Dads.

Recommendation: Understand demographic and generational differences when communicating transparency content. Some groups want more transparency content than others.

Overall importance of product transparency to consumers when purchasing products:



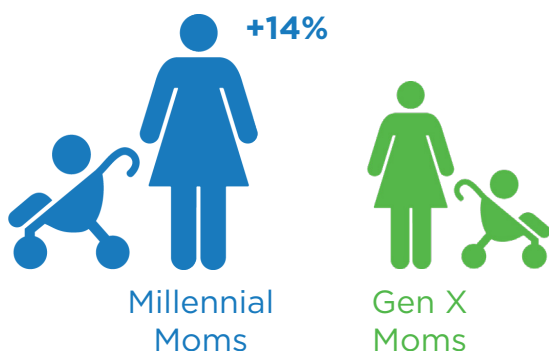
More Gen X Males find transparency information to be important across all categories versus Millennial Males.

# Other Notable Findings

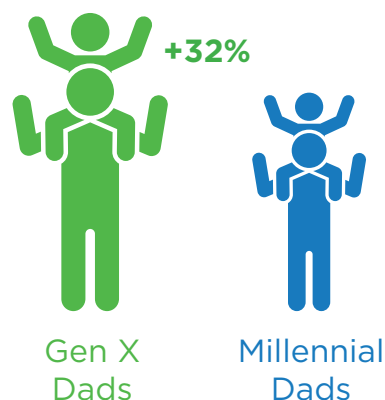
## Influence of Transparency Content

# 70%

of consumers are “Often” or “Always” influenced by transparency content when making a purchase decision.



Millennial Moms are influenced 14% more than Gen X Moms.

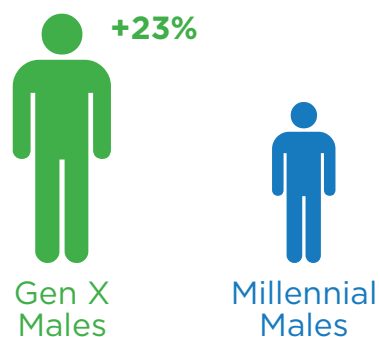


Gen X Dads are influenced 32% more than Millennial Dads.

## Switching Brands

# 62%

of consumers will “Often” or “Always” switch to a transparent product.



Gen X Males will switch 23% more than Millennial Males.

## Conclusion

To have the greatest impact on consumers' purchase behavior and distinguish themselves from the competition, brands must consciously develop and communicate meaningful transparency content to consumers when and where they want it. Focusing only on the ingredients or one or two stages of the purchase journey is no longer a differentiating factor. To be truly transparent in consumers' eyes, brands should deliver the what, when, where, and how of transparency through an omnichannel approach.

## About Response Media

Response Media has worked with the world's most recognized brands to develop stronger, more profitable consumer relationships. We focus on CRM and utilize digital media, email marketing, social, and the data in between those channels. Our mission is to identify and completely understand a brand's target consumer and their purchase journey to nurture them from awareness and initial purchase to brand loyalist and advocate. With more than 30 years building relationships between brands and consumers, understanding the evolving consumer and what compels them to buy has allowed Response Media to deliver success at scale for our clients.

# Survey Details

Date: Q1 2017

Respondents: 500 U.S  
Consumers

### **Main Demographics:**

Aged 18+

Generational: Millennial,  
Gen X

Gender: Male, Female

Parental Status: Mom,  
Dad, No Kids

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