

U.S. Consumer Transparency and Traceability

OMNIBUS RESEARCH SERIES

September 2024



Transparency builds trust

Consumers are hungry for more information about their food in the form of transparency. Yes, they want nutrition and ingredient information, but they also want to know about farm animal welfare practices and the environmental impact of raising food, so they can make informed choices.

We believe the more transparent we, as an animal protein industry, can be using today's traceability technologies, the more trust we can build in the people, including farmers and ranchers, and brands behind our meat and seafood products.

"Nearly 2/3 of consumers believe more transparency is needed for all animal protein products, especially for chicken, turkey, seafood, pork and beef."

Merck Animal Health Consumer Omnibus Study
March 2024

Consumer omnibus waves reveal preferences

The Merck Animal Health Value Chain & Consumer Affairs team sponsored two waves of omnibus research surveys in both spring and summer 2024 of nearly 1,000 consumers to understand consumer attitudes and opinions about animal protein transparency*, traceability** and trust.

The research was conducted on behalf of Merck Animal Health by Fountainhead Brand Strategy. On the following pages you will find results of both studies, Wave 1 and Wave 2.

We welcome your questions and feedback. Look for additional research around meat and seafood transparency and traceability in 2025.

Wave 1

The Value of Transparency
and What it's Worth.

Wave 2

When Consumers Say They
Want More Transparency,
What Do You Mean?

***Transparency** defined as knowing how food was grown, raised, and made.

****Traceability** defined as being able to follow the movement of food products and ingredients through the supply chain (farmer, processor, transport, etc.).

Wave 1 Results

March 2024



Method and sample

Online nationwide Omnibus survey (N=975), fielded week of March 18, 2024

Respondent Demographics	• Adults, 18+ years old
	• 51% Female
	• 47% Male
	• 2% Prefer to self-describe to answer
Respondent Criteria	• Regions balanced to US Census
	• HH with (34%) and without out (66%) children
	• Must have consumed beef, pork, chicken, turkey, fish, seafood, dairy products and / or eggs in the past week



Wave 1 areas of inquiry

- ✓ Trust in how these products were raised, grown or made
- ✓ Desire for transparency
- ✓ Interest level in transparency of various topics
- ✓ Value of information
- ✓ Price tolerance

Topline summary



Topline summary

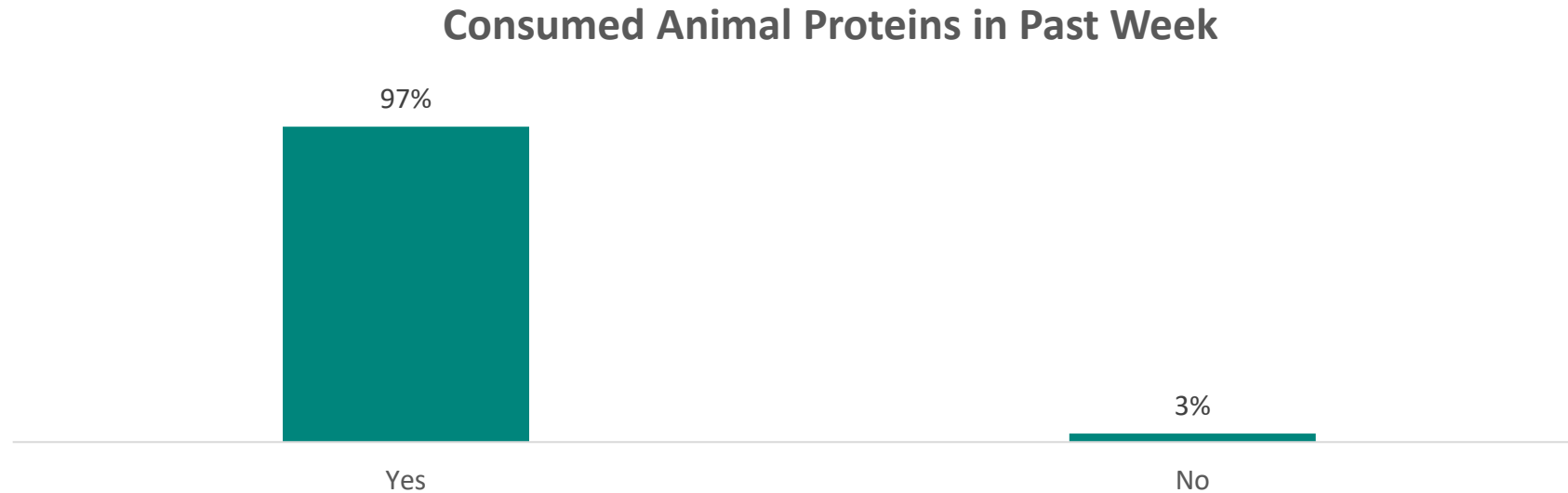
- Consumers have **more trust in how dairy and eggs were raised, grown or made** than meat/seafood items
- **Nearly 2/3 of consumers believe more transparency is needed** for all animal protein products, especially for chicken/turkey, seafood, pork and beef
- More than half of consumers find **additional transparency information extremely or very valuable**
- **Traceability technologies, information on raising/handling/transportation practices, and sustainability** are the highest areas of increased interest
- **U.S. raised and “free from” claims are most valued**, with animal welfare standards following those
- **Nearly 40% of consumers are willing to pay more**, at least \$.10/pound or more, for transparency/traceability claims on the label

Findings



Consumption of animal protein is high

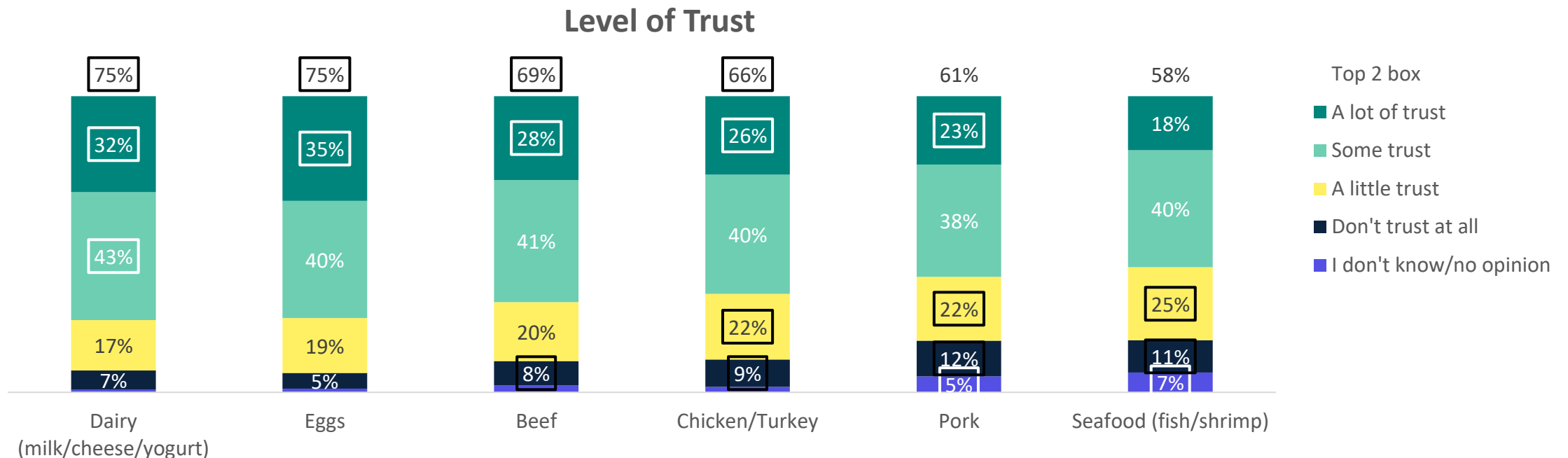
- A survey of 1,003 adults balanced to match the demographics of the US, yielded 975 survey participants who have consumed beef, pork, chicken, turkey, fish, seafood, dairy products and / or eggs in the past week
- Nearly all (97%) of US adults consumed at least one type of animal protein in the past week



S1. In the past week, have you eaten/consumed beef, pork, chicken, turkey, fish, seafood, dairy products, or eggs? N=1,003

Consumers have more trust in how dairy and eggs were raised, grown or made than meat/seafood products

- More people trust dairy and eggs, followed by beef and poultry
- There is a bit more skepticism around pork compared to beef and poultry
- Trust in how seafood is raised/grown is the lowest



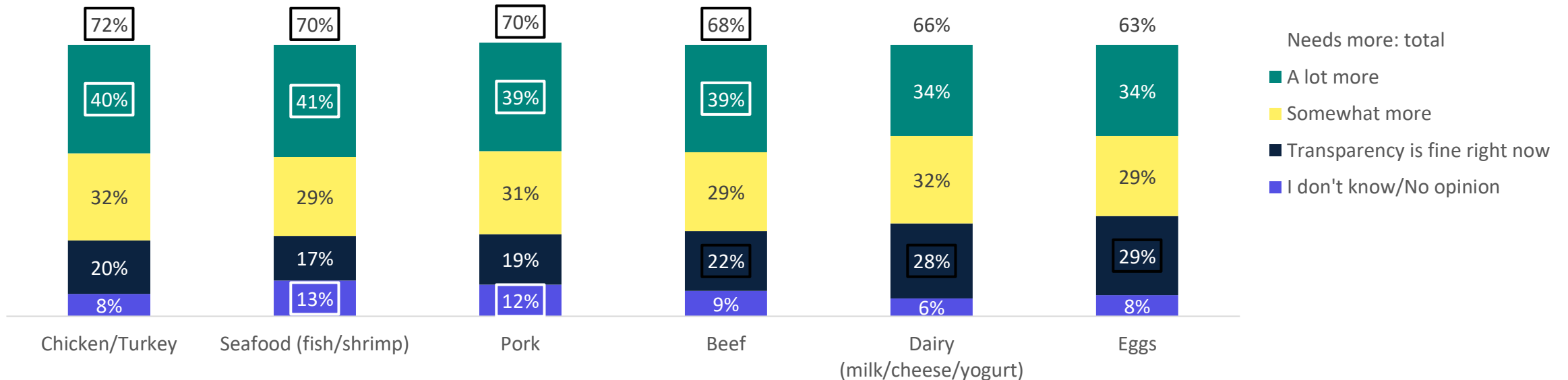
1. How much trust do you have in how these products were raised, grown, or made? N=975

= significantly higher than at least one other product at a 95% confidence level.

Nearly 2/3 of consumers believe more transparency is needed

- More transparency is needed for all the items, but more so for chicken/turkey, seafood, pork and beef
- Transparency needed tracks closely with consumer trust levels

Amount of Transparency Needed



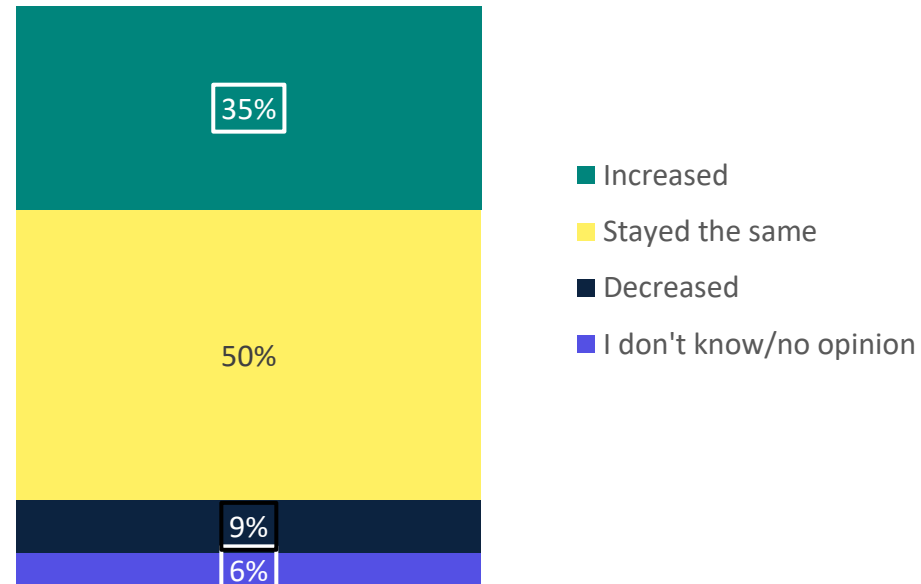
2. How much more transparent, if at all, do each of these U.S.-raised foods need to be to make you more comfortable consuming them? N=975

 = significantly higher than at least one other product at a 95% confidence level.

In the past year, 35% of consumers increased eating meat or seafood as a source of high-quality protein

- Less than 10% decreased their animal protein consumption

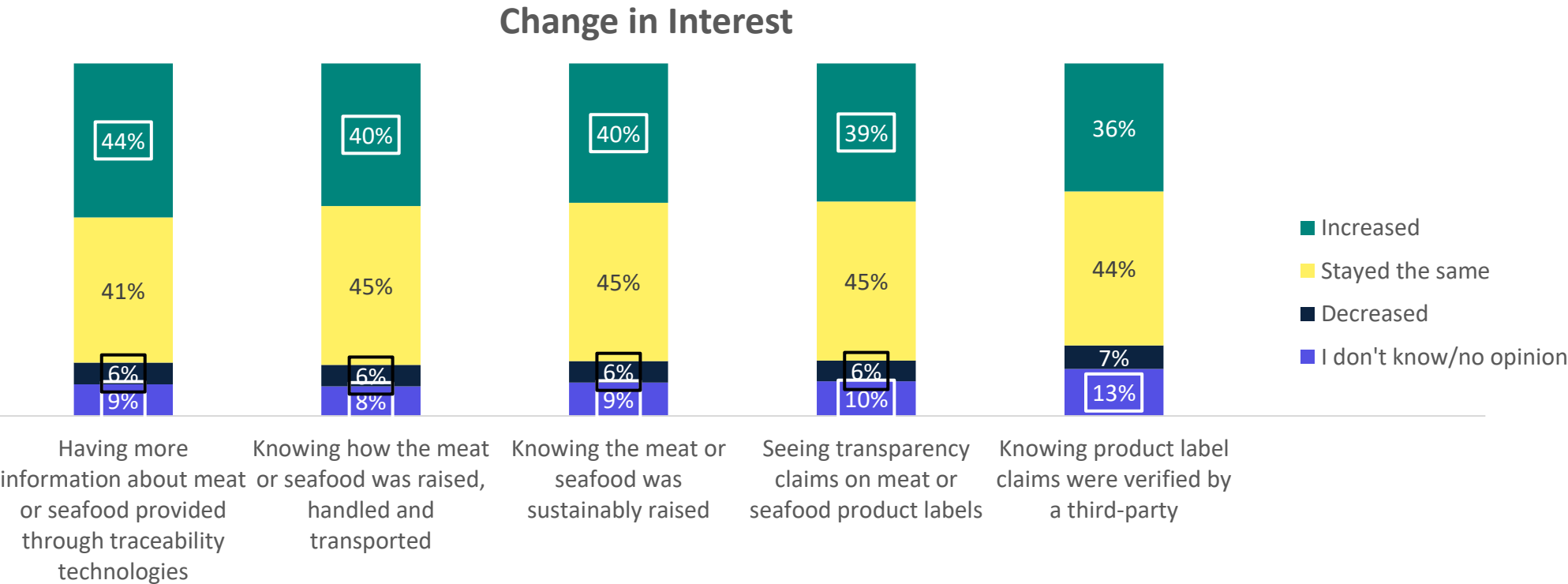
Change in Interest



Eating meat or seafood as a source of high-quality protein

In the past year, more than 40% of consumers increased interest in traceability technologies and knowing how their meat/seafood was raised, handled and transported

- The highest areas of increased interest are in traceability technologies, information on raising/handling/transportation practices, and sustainability
- Lower interest pertained to third-party verification and eating more meat/seafood

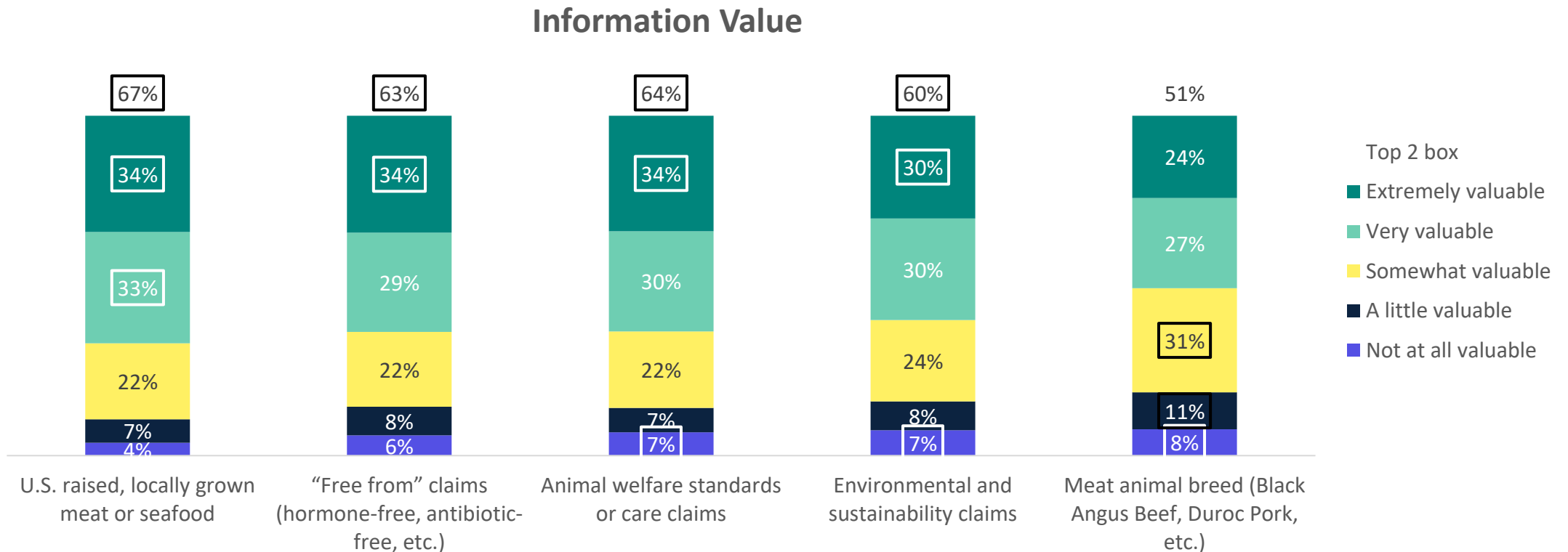


3. In the past year, has your interest in [STATEMENT] increased, decreased, or stayed the same? N=975

= significantly higher than at least one other statement at a 95% confidence level.

More than half of consumers find additional transparency information extremely or very valuable

- U.S. raised and “free from” claims are most valued, with animal welfare standards following those



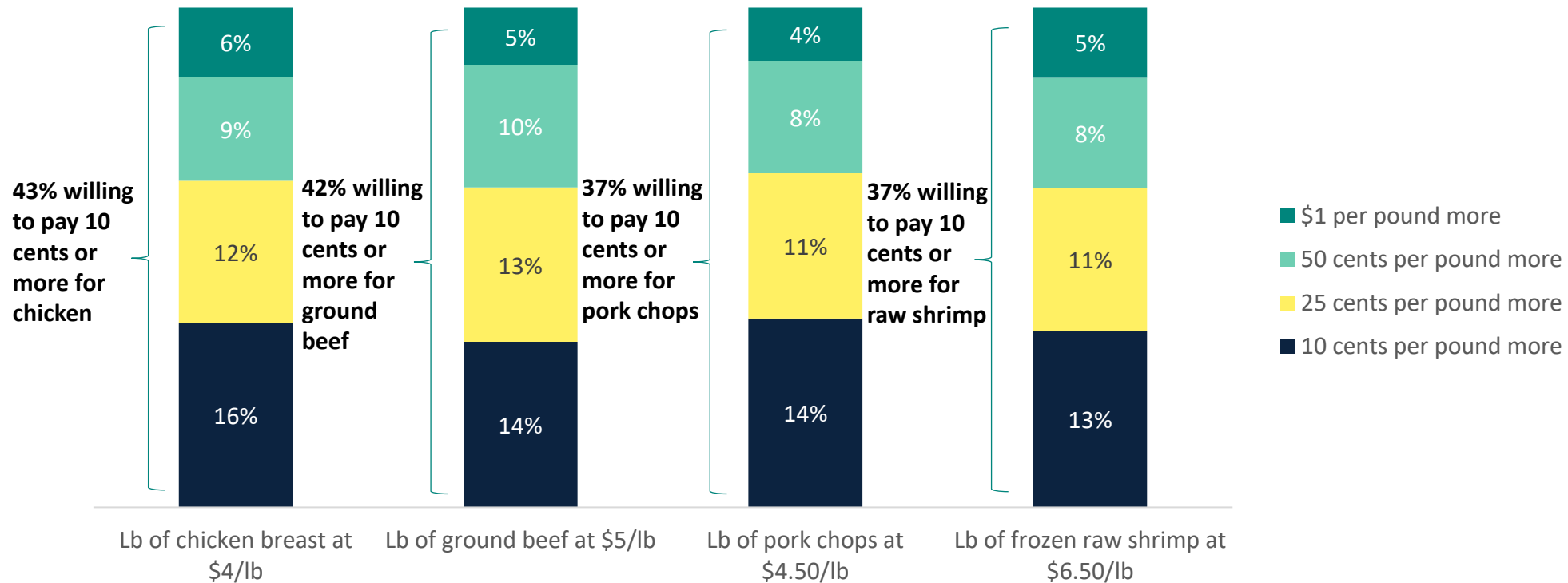
4. Let's assume a meat or seafood brand wanted to provide additional transparency or traceability about their products. How valuable would you find these pieces of information, if at all? N=975

= significantly higher than at least one other piece of information at a 95% confidence level.


Nearly 40% of consumers are willing to pay at least \$.10/pound or more for transparency/traceability claims on the label

- Those with some tolerance for a higher price are mostly willing to pay 10-25 cents more per pound
- And 4-6% are willing to pay \$1 more per pound

How Much More Consumers Are Willing to Pay



5. How much more, if any, are you willing to pay for transparency/traceability on the label to know how your meat/seafood was grown, raised, or made? N=975

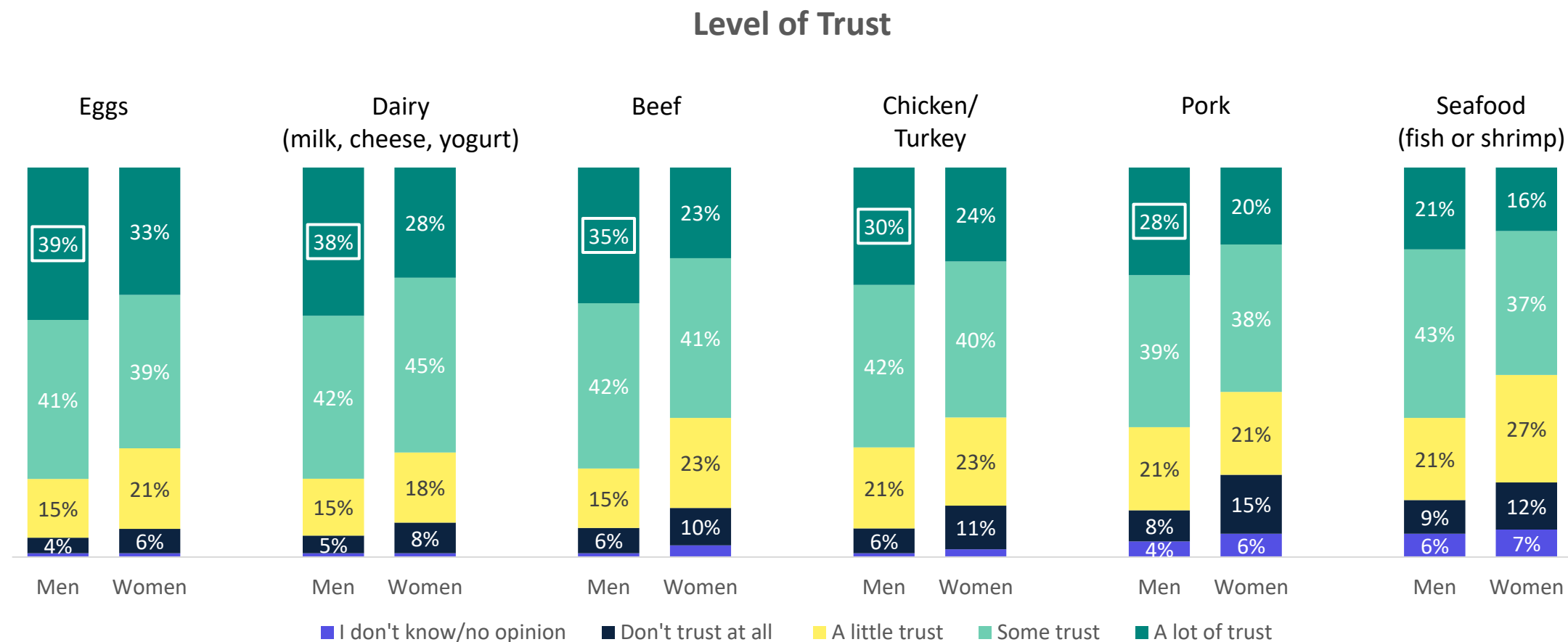
 = significantly higher than at least one other product at a 95% confidence level.

Key Subgroup

Gender



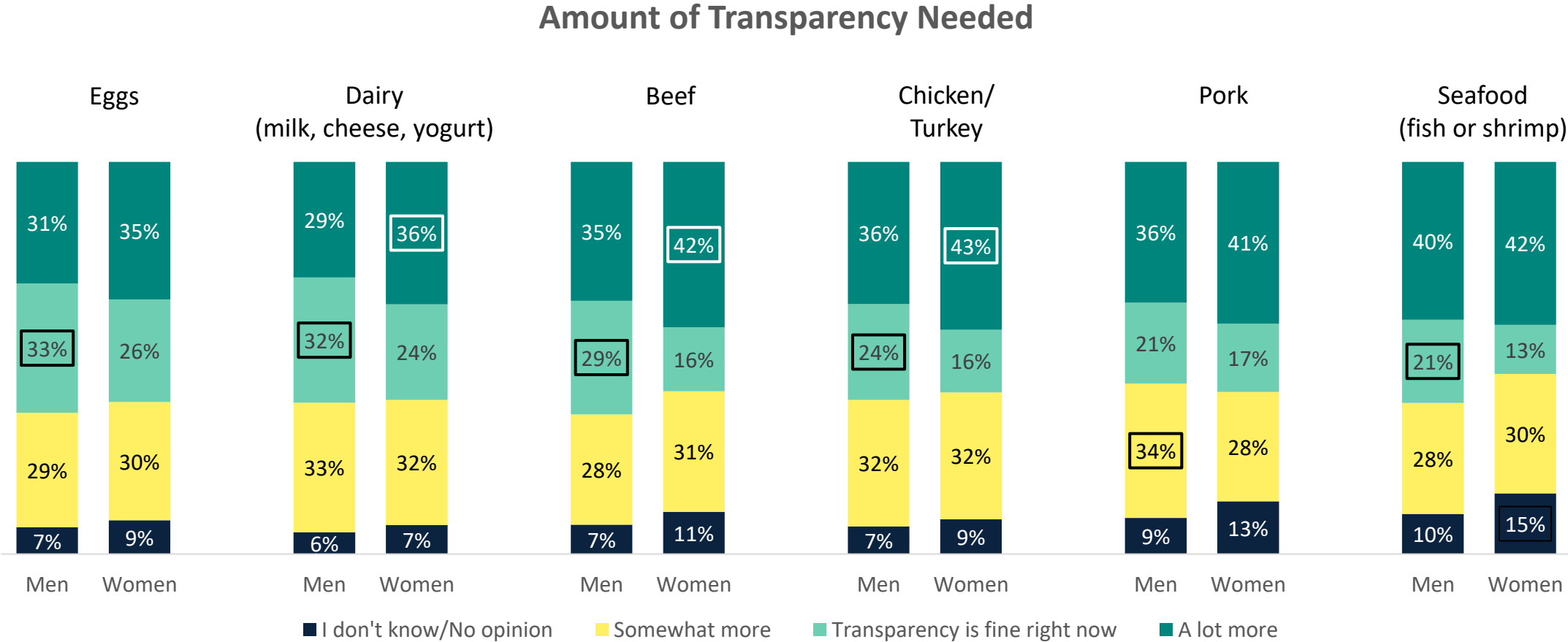
Women tend to have less trust than men in how these animal proteins were raised, grown or made



1. How much trust do you have in how these products were raised, grown, or made? N=975

= significantly higher than at least one other group at a 95% confidence level.

Women want more transparency than men when it comes to dairy, beef and poultry



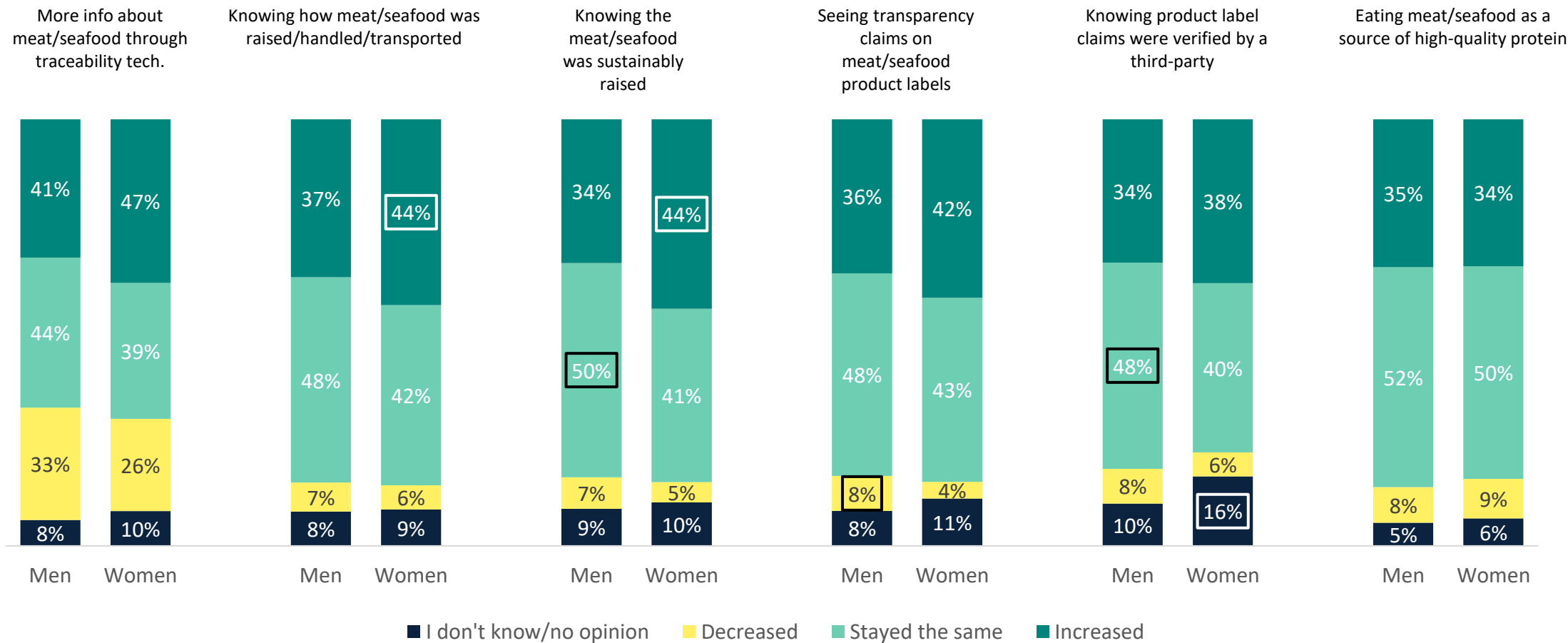
2. How much more transparent, if at all, do each of these U.S.-raised foods need to be to make you more comfortable consuming them? N=975

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□ = significantly higher than at least one other group at a 95% confidence level.

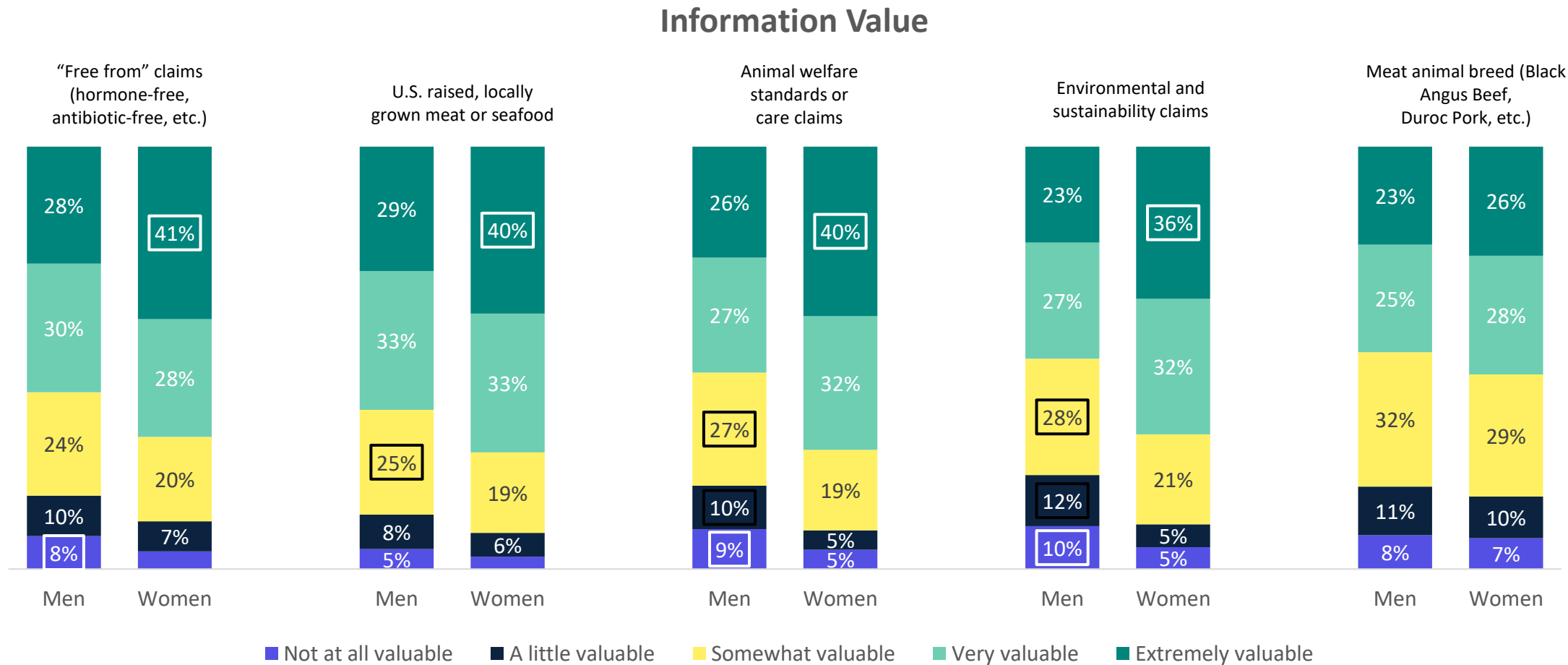
In the past year, women have increased interest in traceability technology, knowing how meat/seafood is raised/handled, as well as sustainability more than men

Change in Interest



3. In the past year, has your interest in [STATEMENT] increased, decreased, or stayed the same? N=975 = significantly higher than at least one other group at a 95% confidence level.

Women find transparency information more valuable than men for everything except animal breed information

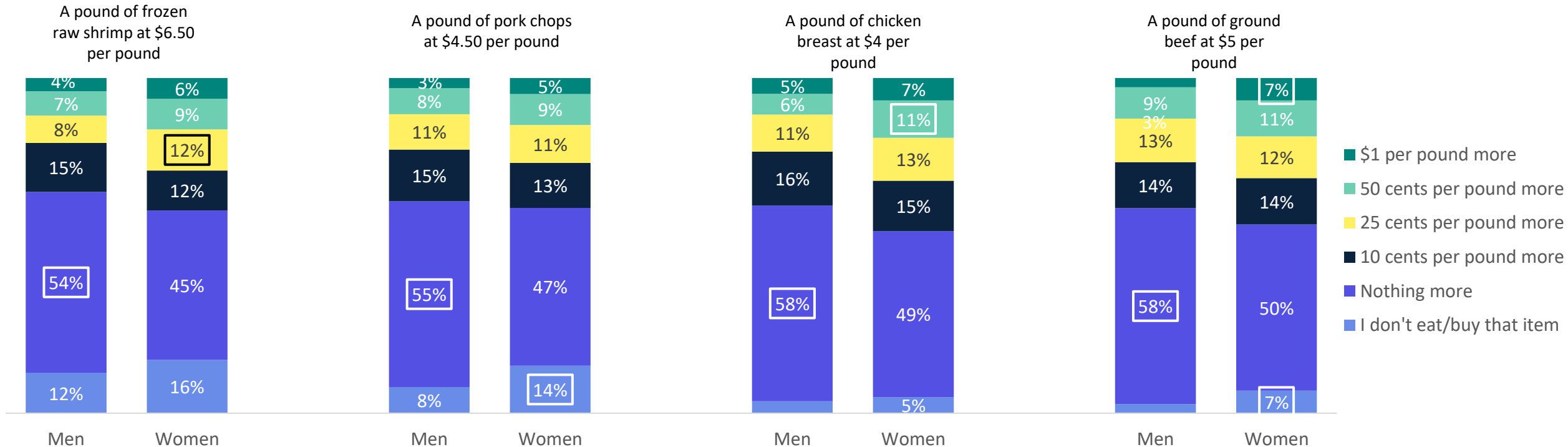


4. Let's assume a meat or seafood brand wanted to provide additional transparency or traceability about their products. How valuable would you find these pieces of information, if at all? N=975

□ = significantly higher than at least one other group at a 95% confidence level.

Women are overall more willing to pay more for transparency/traceability

Willingness to Pay



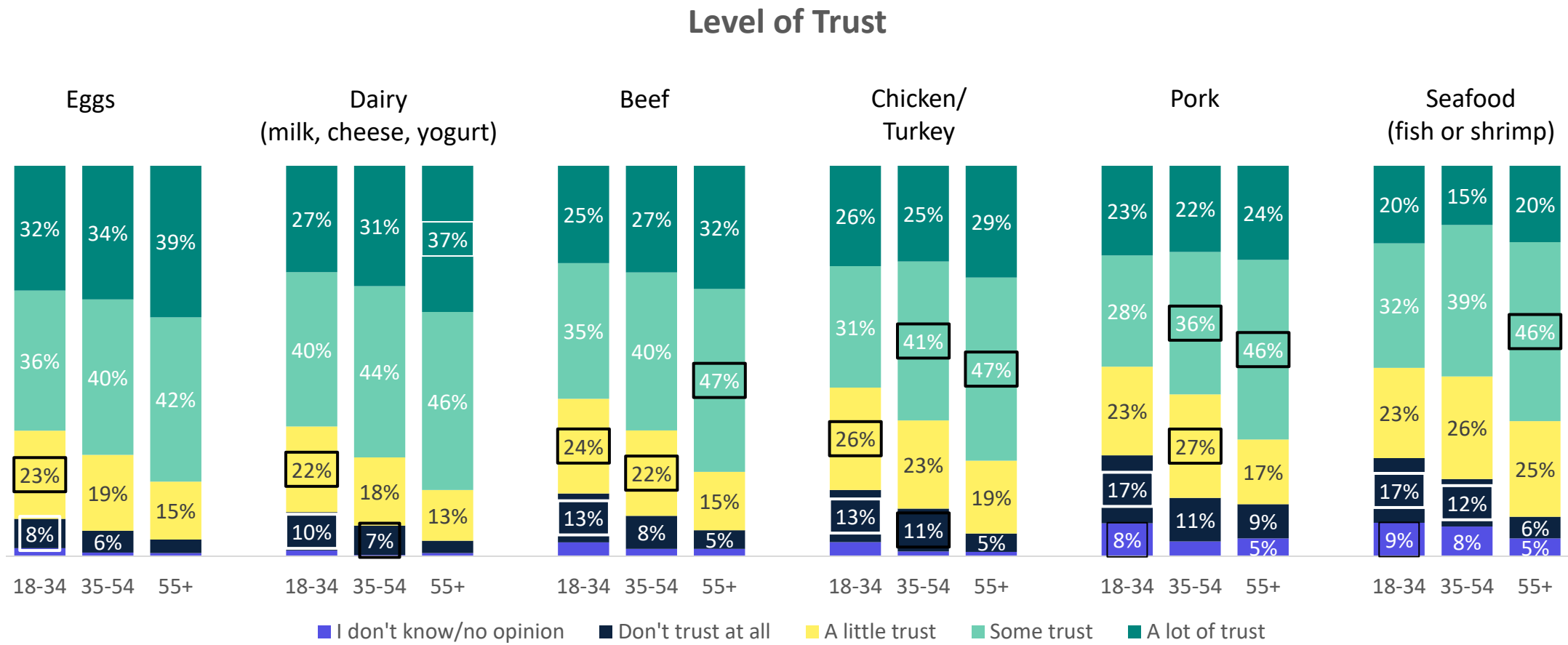
5. How much more, if any, are you willing to pay for transparency/traceability on the label to know how your meat/seafood was grown, raised, or made? N=956

= significantly higher than at least one other group at a 95% confidence level.

Key Subgroup Age



Younger adults are a bit less trusting of all animal proteins; adults 55+ are most trusting

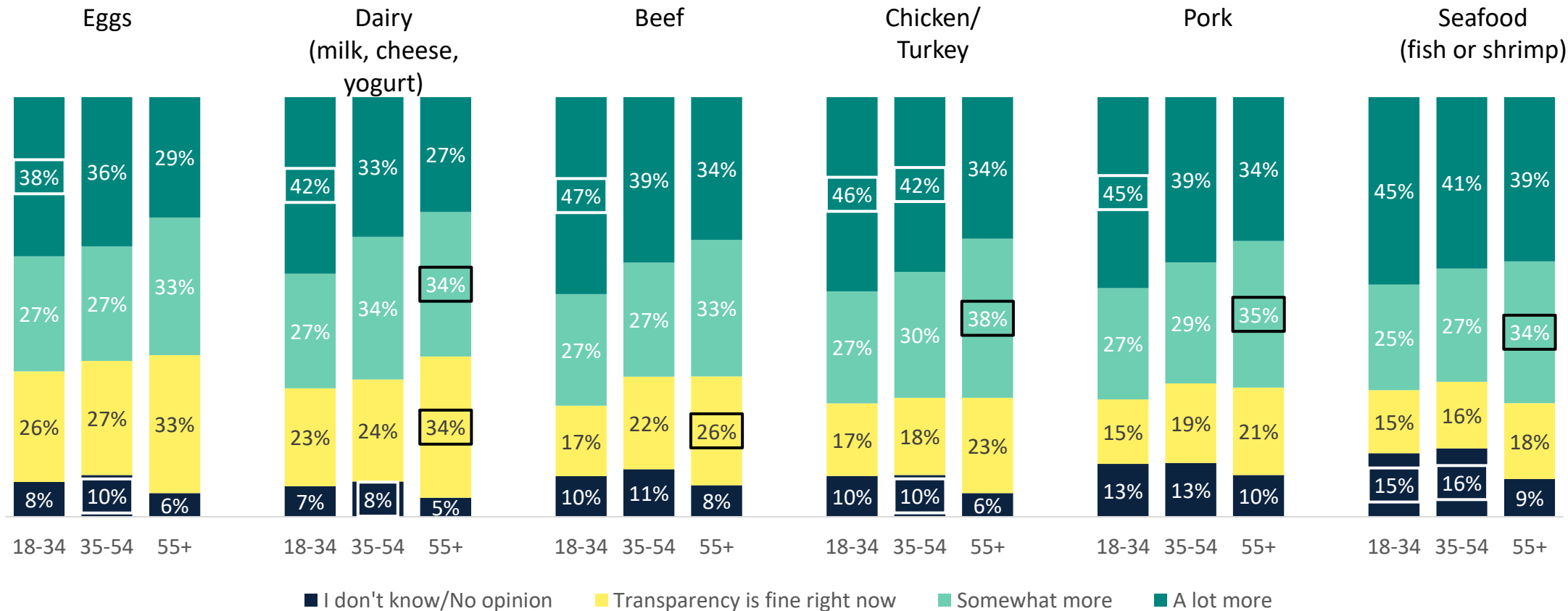


1. How much trust do you have in how these products were raised, grown, or made? N=956

= significantly higher than at least one other group at a 95% confidence level.

Younger adults prefer a lot more transparency than older adults

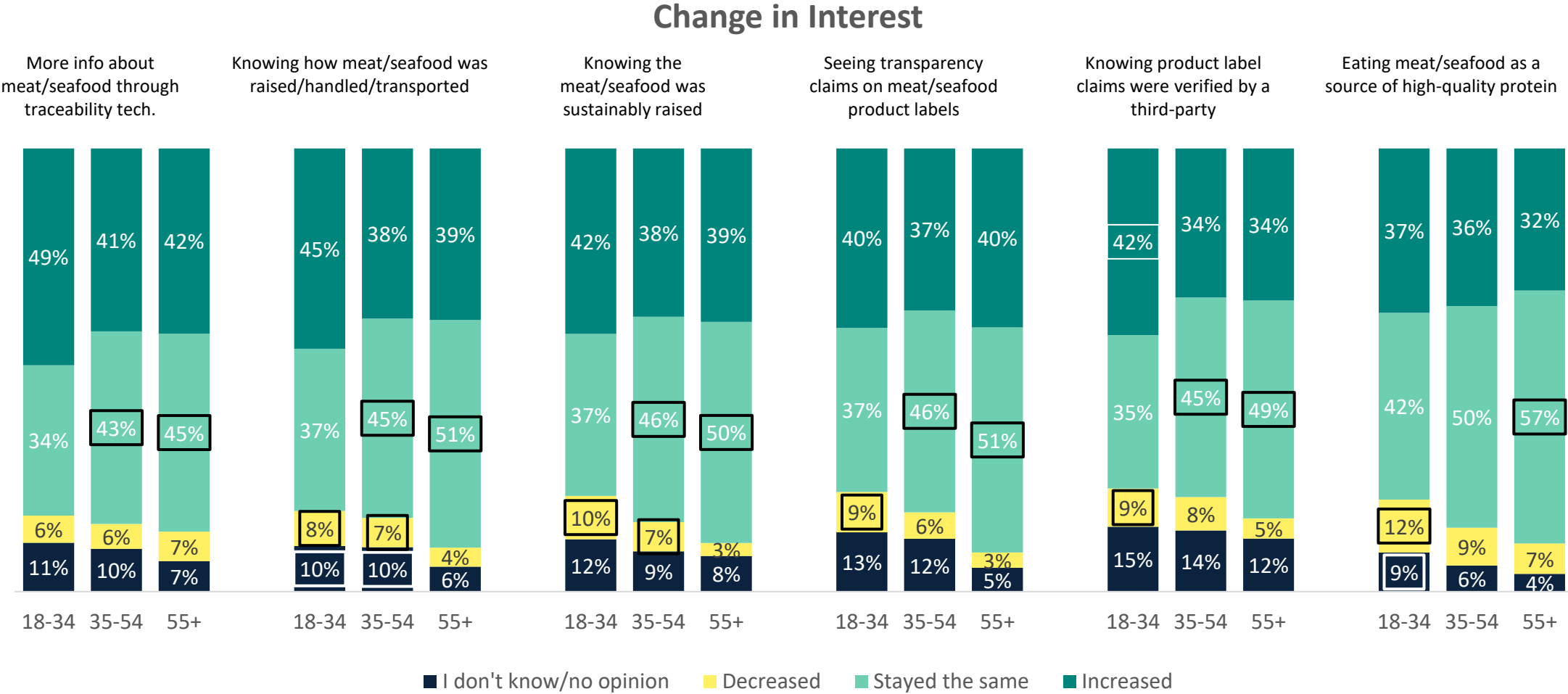
Amount of Transparency Needed



2. How much more transparent, if at all, do each of these U.S.-raised foods need to be to make you more comfortable consuming them? N=956

= significantly higher than at least one other group at a 95% confidence level.

Younger adults are more likely to have increased interest in traceability and transparency



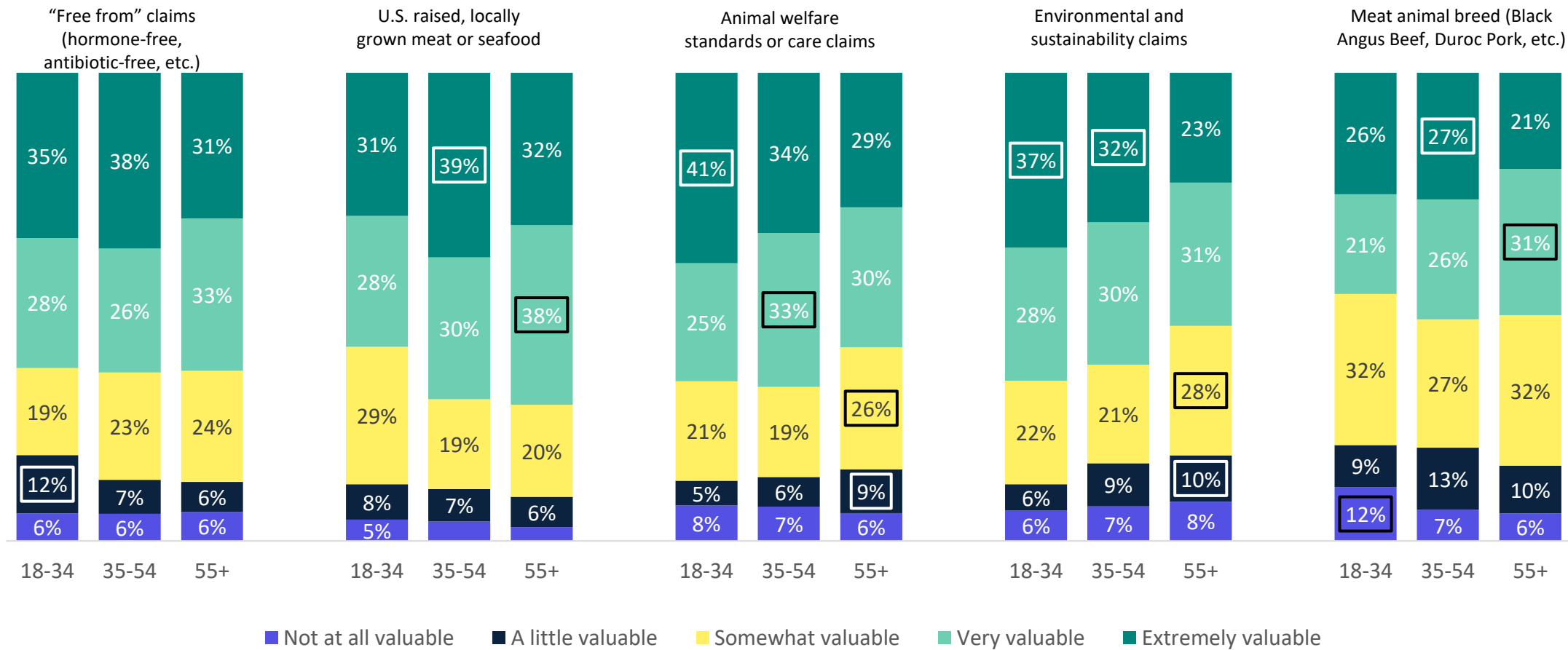
3. In the past year, has your interest in [STATEMENT] increased, decreased, or stayed the same? N=956

□ = significantly higher than at least one other group at a 95% confidence level.

Most valued content are “free from” claims and animal welfare overall

Younger adults value animal welfare and sustainability most

Information Value

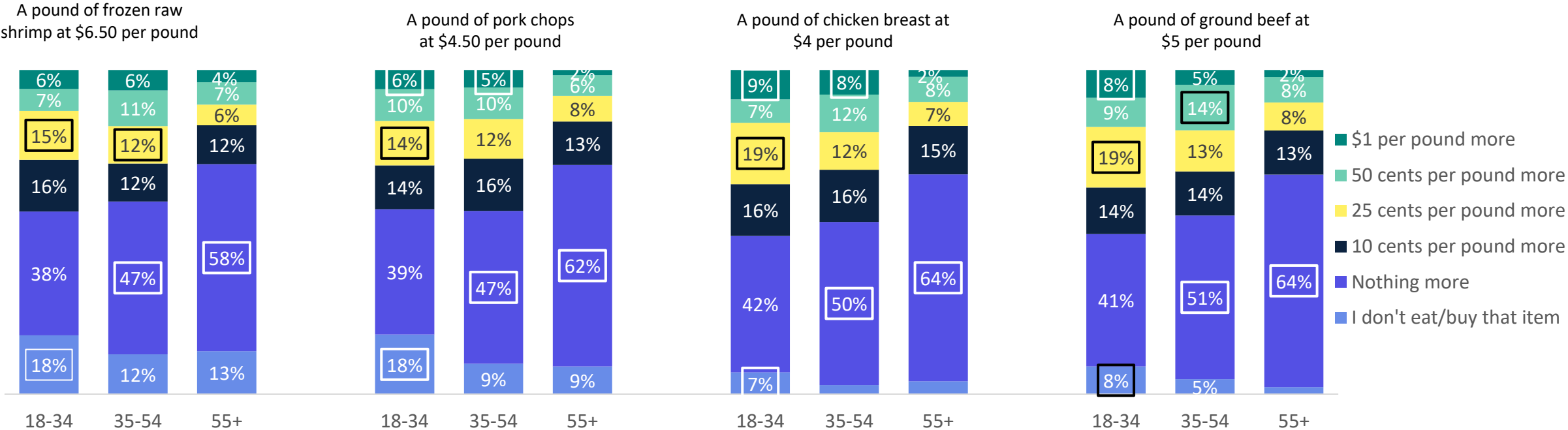


4. Let’s assume a meat or seafood brand wanted to provide additional transparency or traceability about their products. How valuable would you find these pieces of information, if at all? N=956

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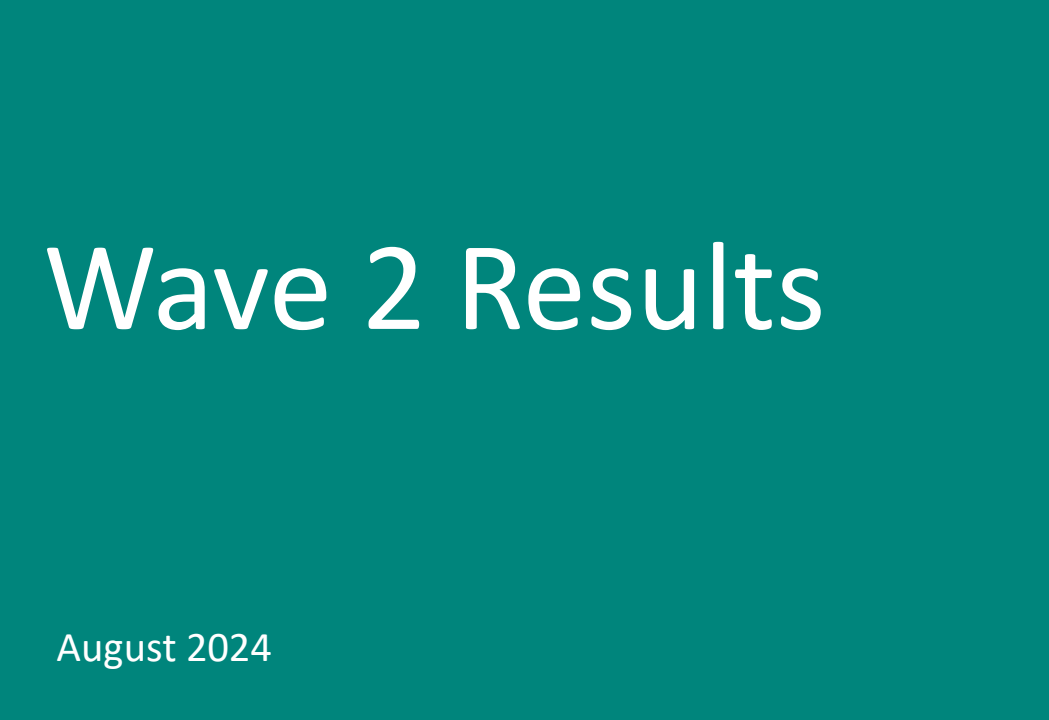
Younger adults (18-34) are the most willing to pay more for transparency/traceability on the label

Willingness to Pay



5. How much more, if any, are you willing to pay for transparency/traceability on the label to know how your meat/seafood was grown, raised, or made? N=956

□ = significantly higher than at least one other group at a 95% confidence level.



Wave 2 Results

August 2024



Method and sample

Online nationwide Omnibus survey (N=992), fielded week of August 8, 2024

Respondent Demographics	• Adults, 18+ years old
	• 51% Female
	• 48% Male
	• 1% Prefer to self-describe to answer
Respondent Criteria	• Regions balanced to US Census
	• HH with (29%) and without out (71%) children
	• Must have consumed beef, pork, chicken, turkey, fish, seafood, dairy products and / or eggs in the past month



Wave 2 areas of inquiry

- ✓ Meat and seafood consumption concerns
- ✓ Value of types of transparency information
- ✓ Impact of information on consumption confidence
- ✓ Importance of animal welfare practices
- ✓ Value of traceability benefits

Topline summary



Topline summary

- The vast majority (99%) of Americans consume at least one type of animal protein at least once a month
- **Two in three animal protein consumers are concerned with product quality, consistency, and freshness**, followed by 63% who are concerned with food safety
- The most valuable transparency information includes nutritional information (69%) and farm animal well-being and care practices, including veterinary oversight and health monitoring (65%)
- The **practices that would most help increase confidence** in consuming animal protein are:
 - **Farm-to-table traceability**, which verifies the farm origin, product quality, animal care, environmental, and other claims (66%)
 - **Farmers using smart technology to monitor each animal's health 24/7**, resulting in early intervention and better overall animal and herd health (63%)
- The **most important welfare practices** include:
 - **Animal's access to veterinary care**, vaccines and treatment for illness when needed (72%)
 - Overall **nutrition, comfort, care and handling** (71%)
- The most important **benefits of meat and seafood traceability include improved food safety** (81%) and **verification of label information** (75%)
- In general, slightly more women than men are concerned about meat and seafood and, accordingly, slightly more women than men find value in animal welfare practices and the benefits of traceability

Findings



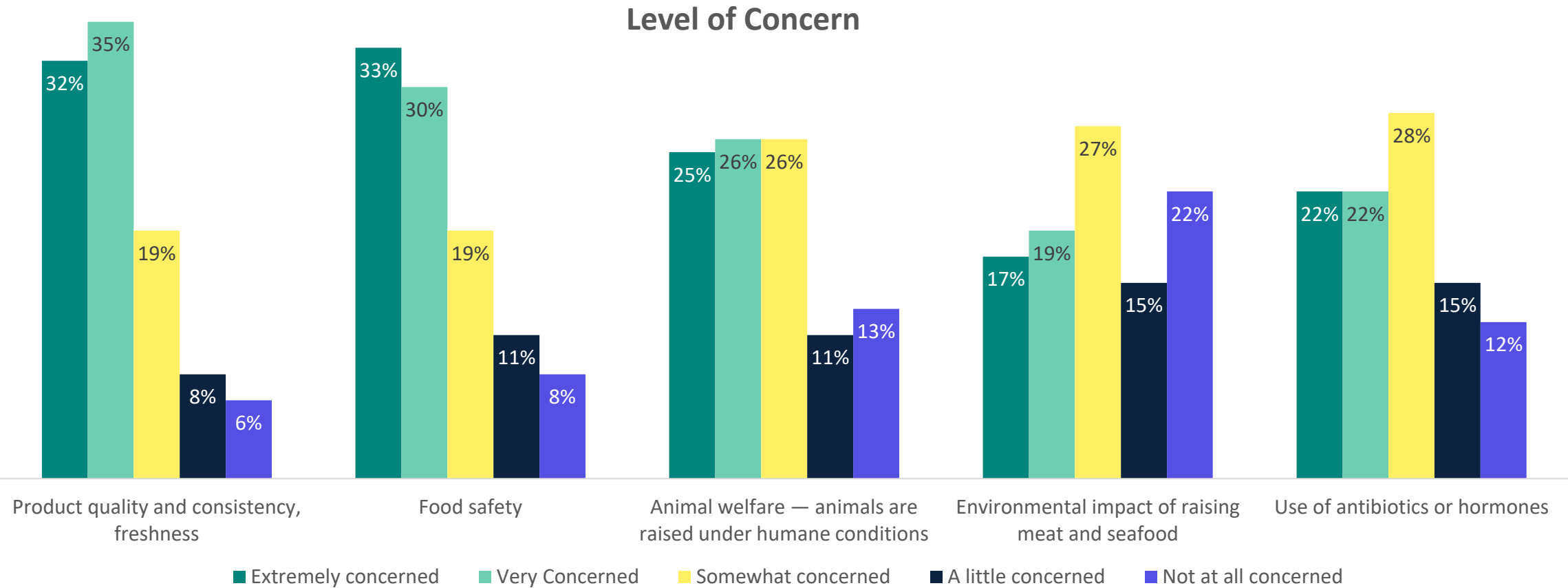
Consumption of animal protein is high

- Nearly all (99%) of Americans consume at least one type of animal protein at least once a month
- A survey of 1,000 adults balanced to match the demographics of the US yielded 992 survey participants who consume beef, pork, chicken, turkey, fish, seafood, dairy products and / or eggs

	One+ Times Per Week	At least Monthly	Do Not Eat
Beef	59%	89%	7%
Pork	31%	77%	11%
Chicken/turkey	71%	93%	5%
Seafood (fish or shrimp)	22%	69%	14%
Dairy	81%	94%	3%
Eggs	62%	89%	5%

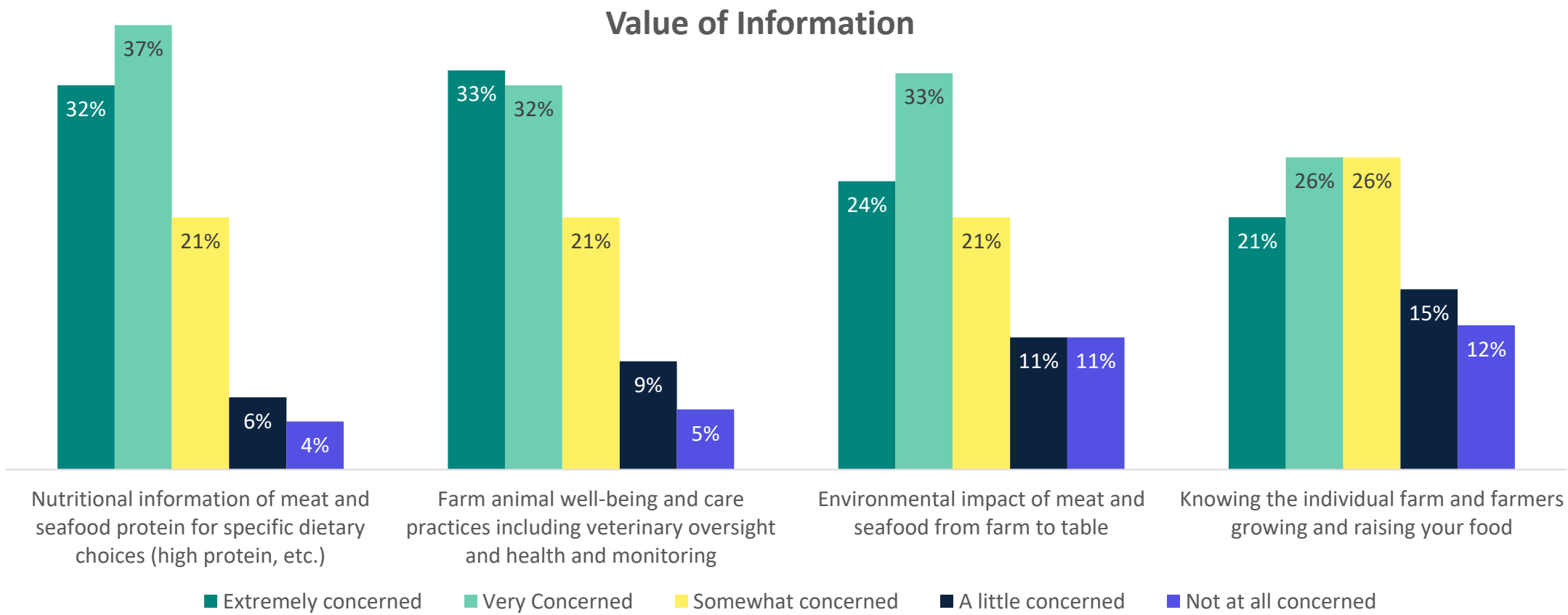
Q1. How often do you consume each of the following?

Product quality, consistency and freshness and food safety are the areas of primary concern related to meat and seafood



Q2. What level of concern, if any, do you have concerning meat and seafood as it relates to these areas?

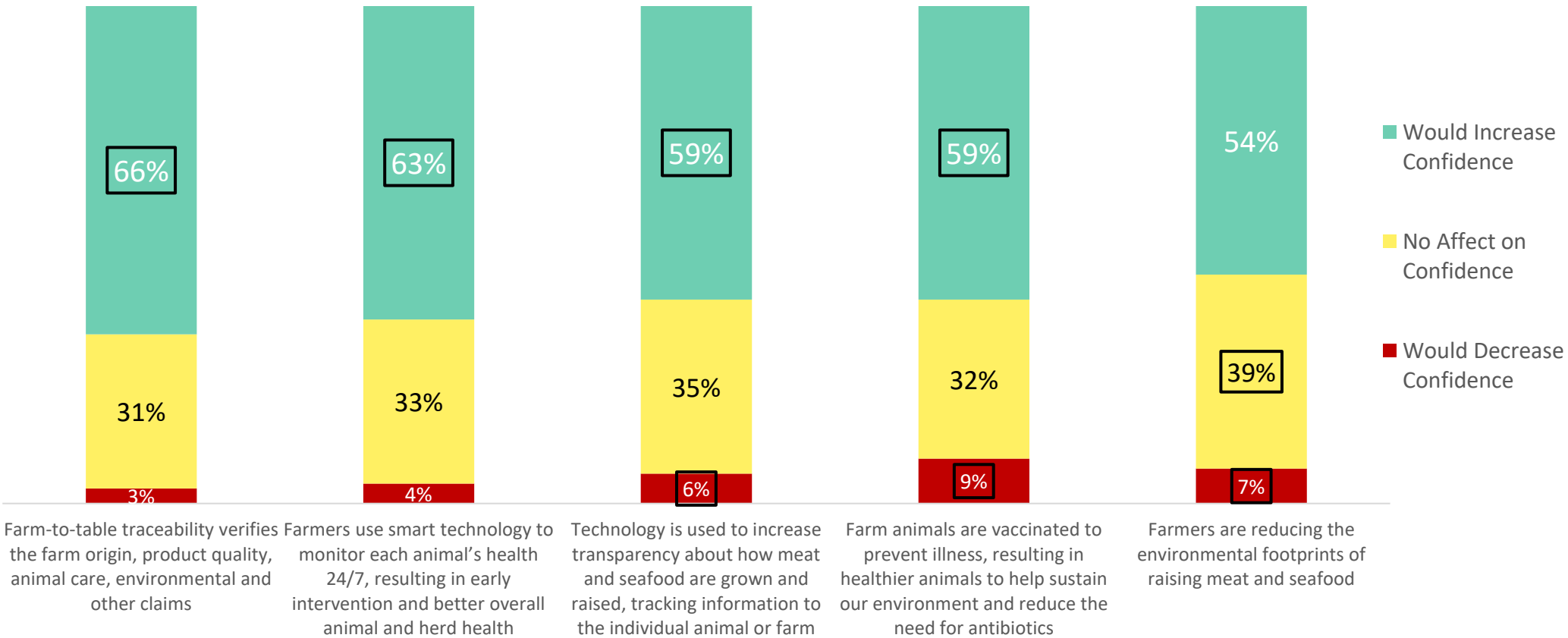
Nutritional information and animal well-being and care practices are the type of information most valuable to consumers of animal protein



Q3. How valuable to you, if at all, are each of the following types of meat and seafood transparency information?

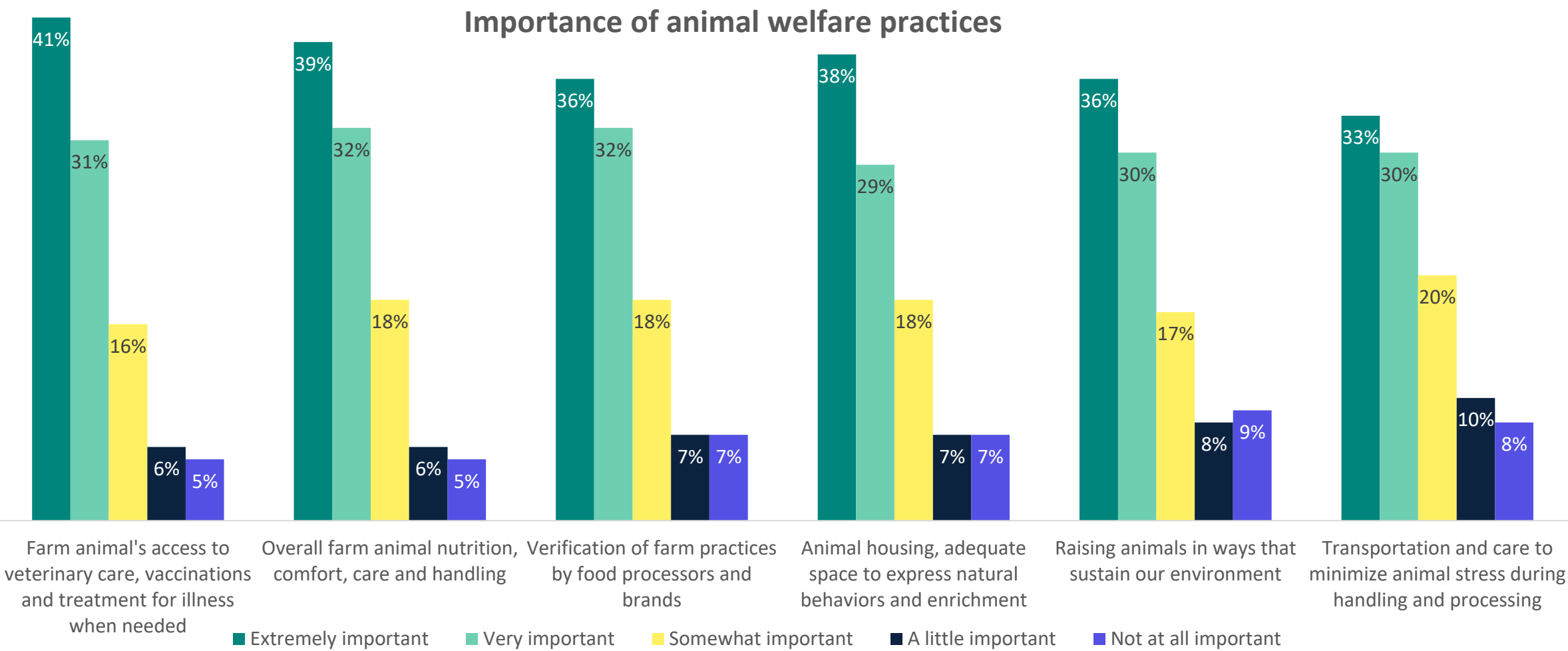
Farm-to-table traceability and the use of smart technology to monitor animal health are expected to most positively impact confidence of consuming meat and seafood

How Knowing Would Affect Confidence



Q4. How would knowing each of the following affect your confidence in consuming meat and seafood, if at all? = significantly higher than at least one other statement at a 95% confidence level

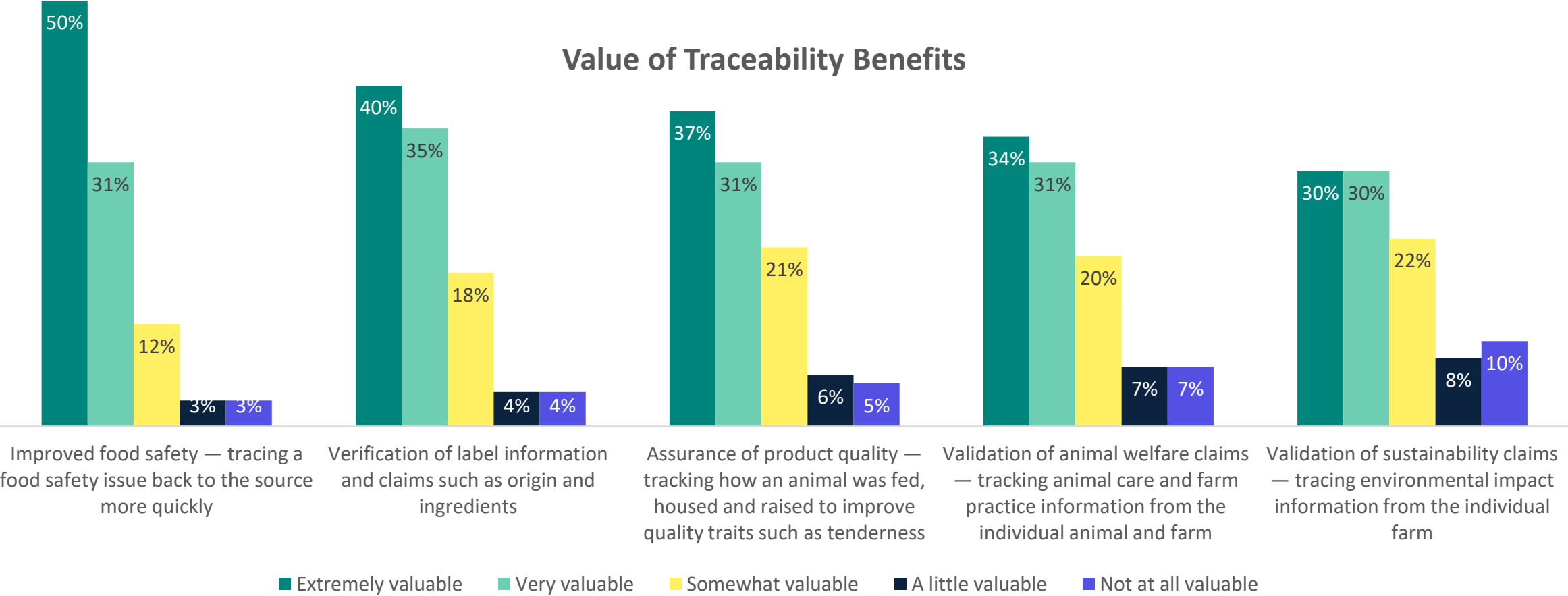
Consumers place a high priority on animal welfare practices when purchasing meat and seafood, especially farm animal access to veterinary care



Q5. How important are each of these animal welfare practices when deciding what meat and seafood to purchase?

= significantly higher than at least one other statement at a 95% confidence level

The strongest benefits provided by traceability are improved food safety and verification of label information



Q6. Thinking more about traceability specifically, and the ability to track food and ingredients as they move from farm to table, how valuable are each of the following meat and seafood traceability **benefits**?

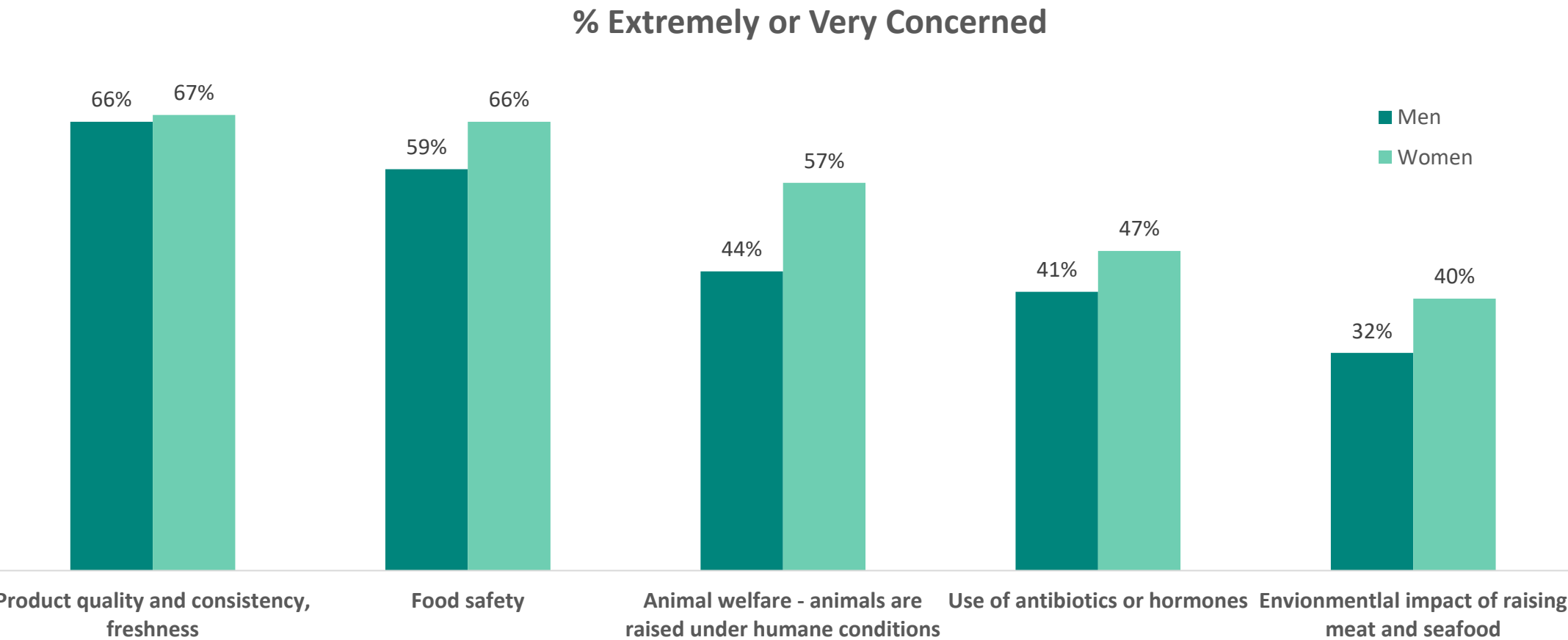
= significantly higher than at least one other statement at a 95% confidence level

Key Subgroup

Gender



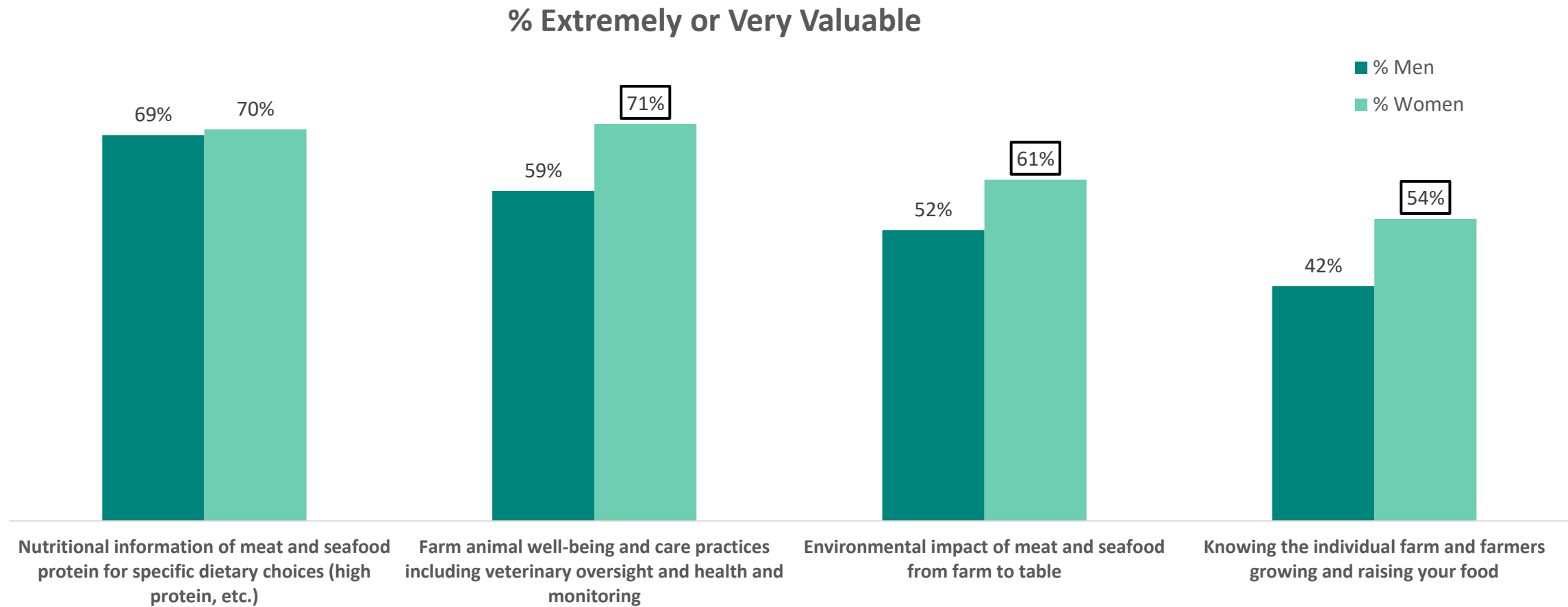
More women than men have concerns related to the consumption of meat and seafood



Q2. What level of concern, if any, do you have concerning meat and seafood as it relates to these areas?

= significantly higher than men at a 95% confidence level

Certain types of transparency and traceability information are more likely to increase confidence in women than men

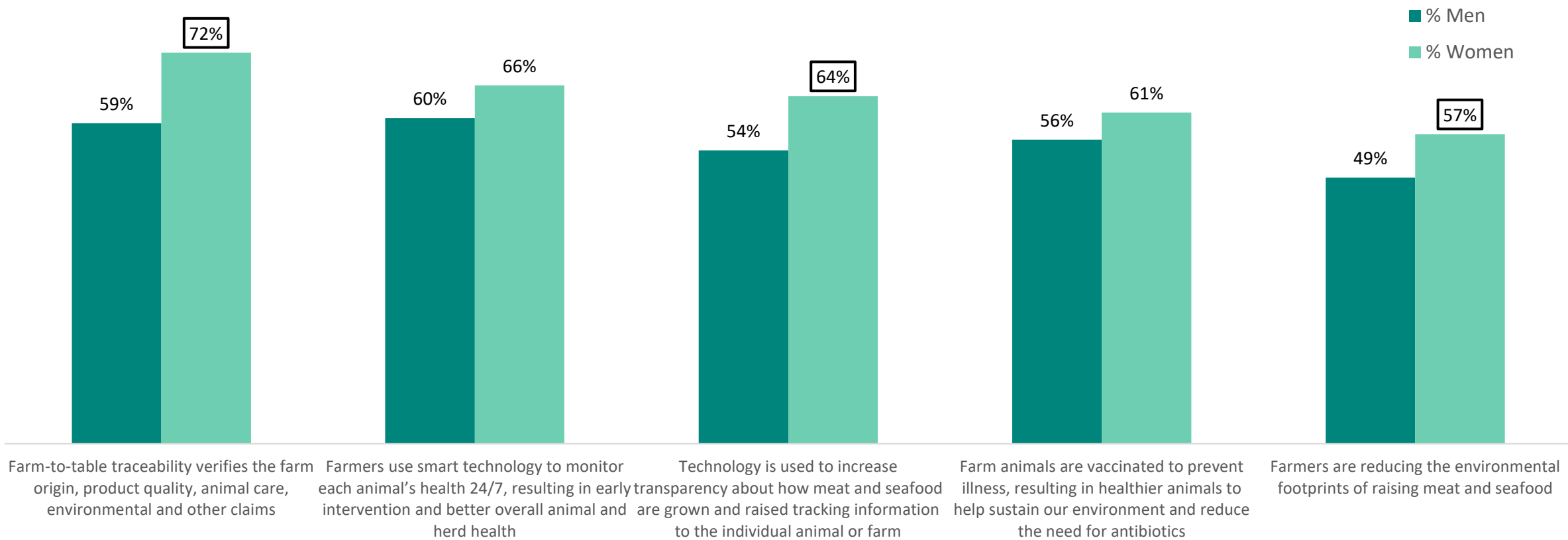


Q3. How valuable to you, if at all, are each of the following types of meat and seafood transparency information?

71% = significantly higher than men at a 95% confidence level

Knowing different types of information is more likely to increase confidence in women

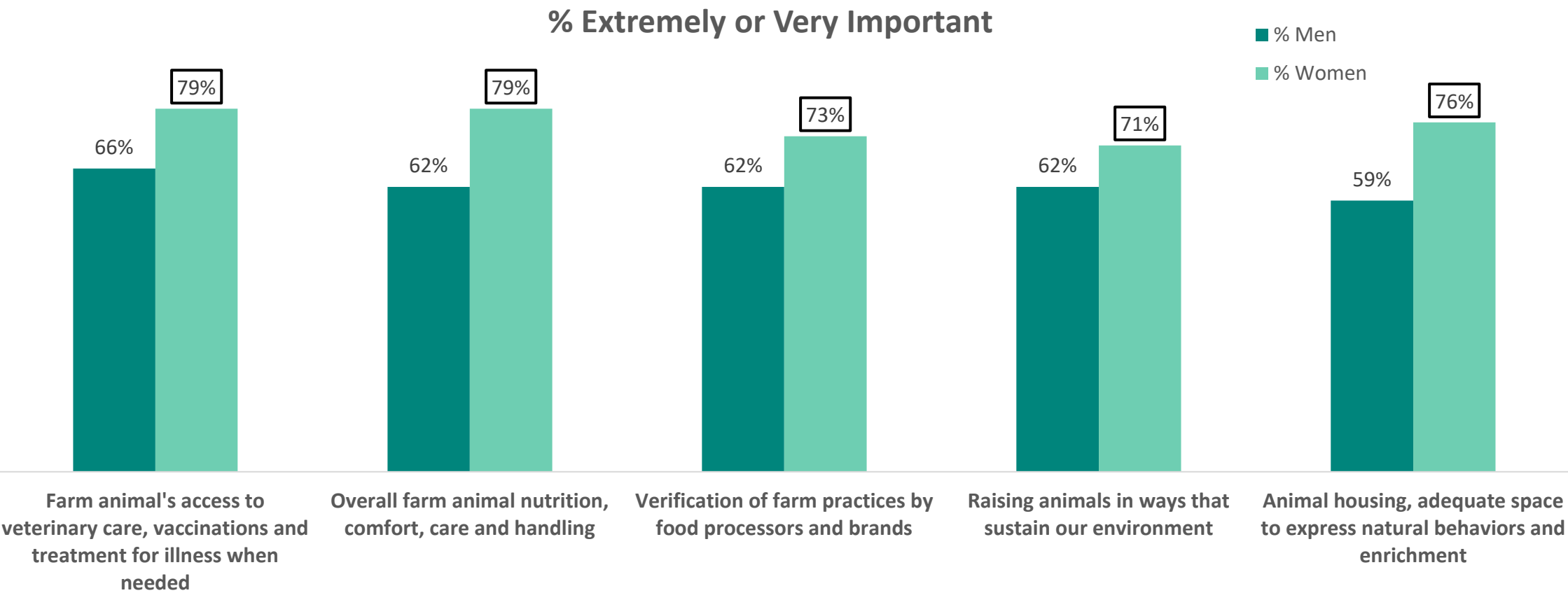
% Knowing Would Increase Confidence



Q4. How would knowing each of the following affect your confidence in consuming meat and seafood, if at all?

 = significantly higher than men at a 95% confidence level

In general, animal welfare practices are more important to women than to men

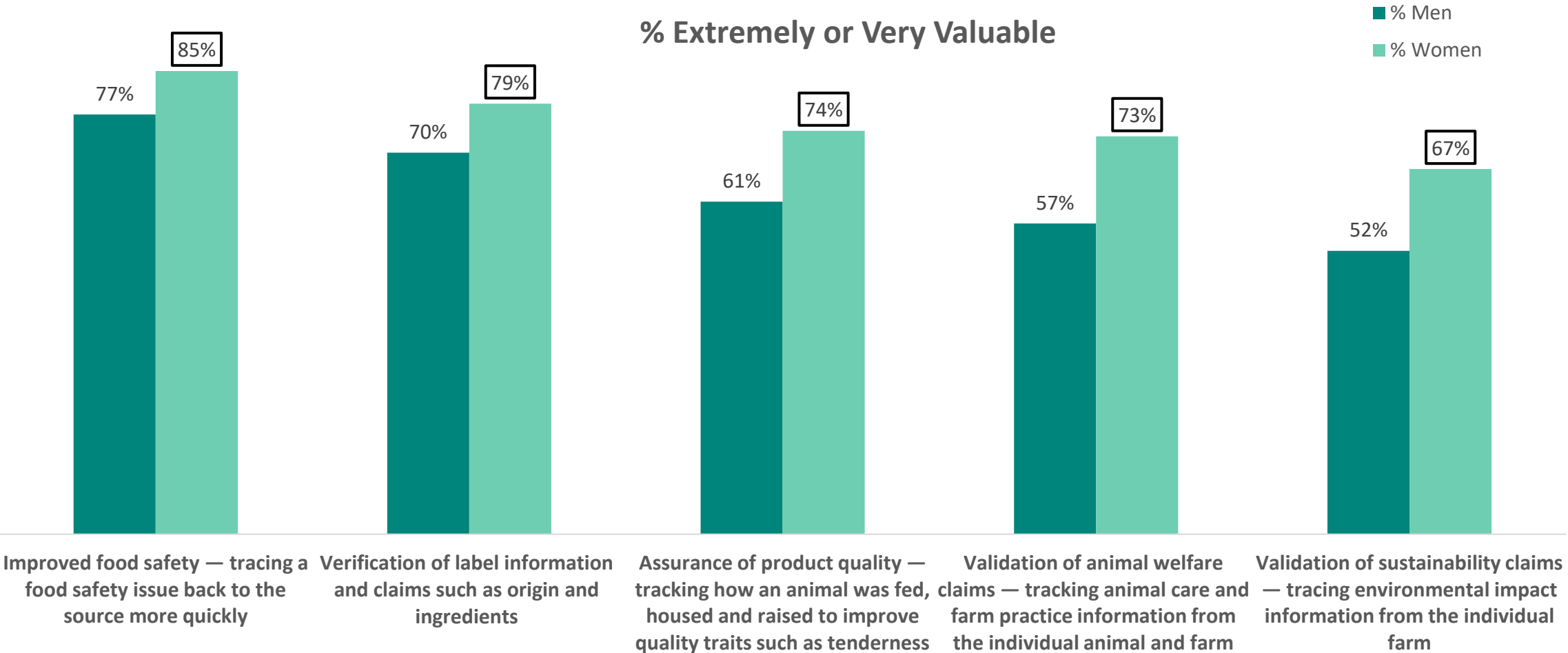


Q5. How important are each of these animal welfare practices when deciding what meat and seafood to purchase?



= significantly higher than men at a 95% confidence level

Different benefits of traceability are more valuable to women than men



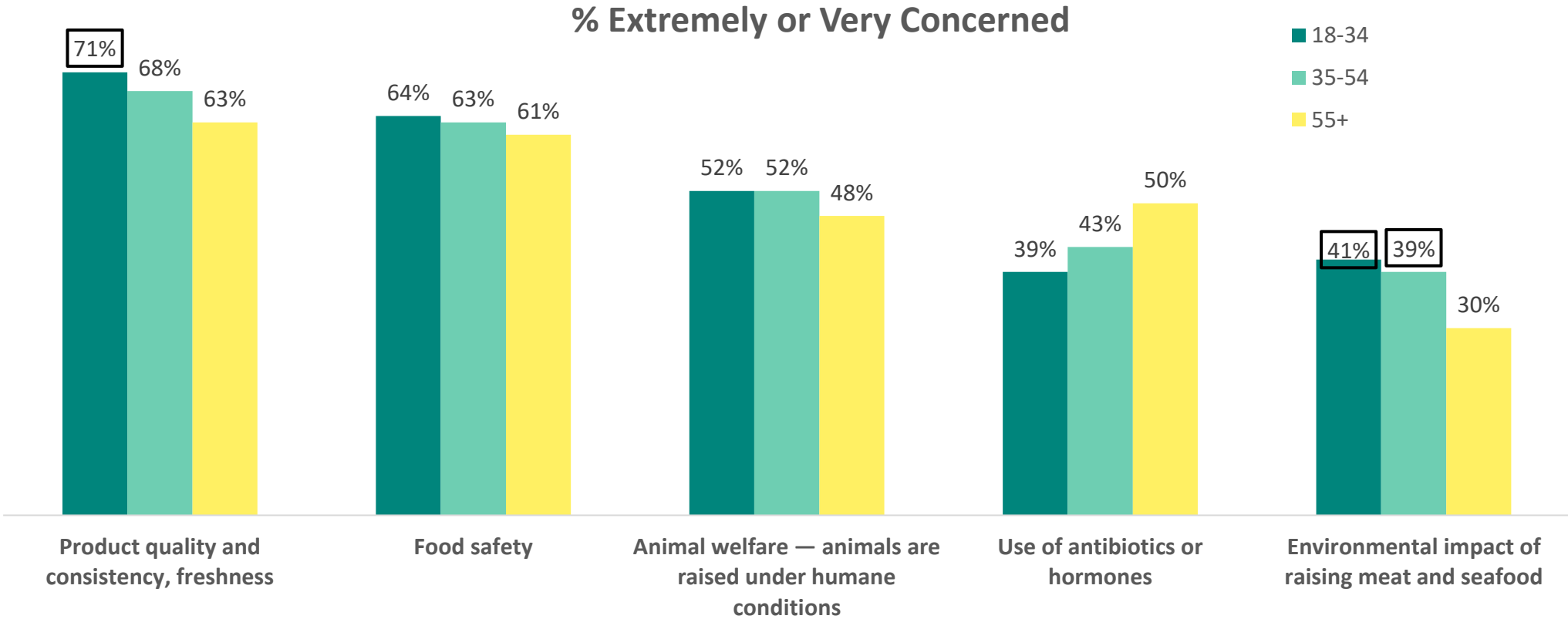
Q6. Thinking more about traceability specifically, and the ability to track food and ingredients as they move from farm to table, how valuable are each of the following meat and seafood traceability **benefits**?

= significantly higher than men at a 95% confidence level

Key Subgroup Age



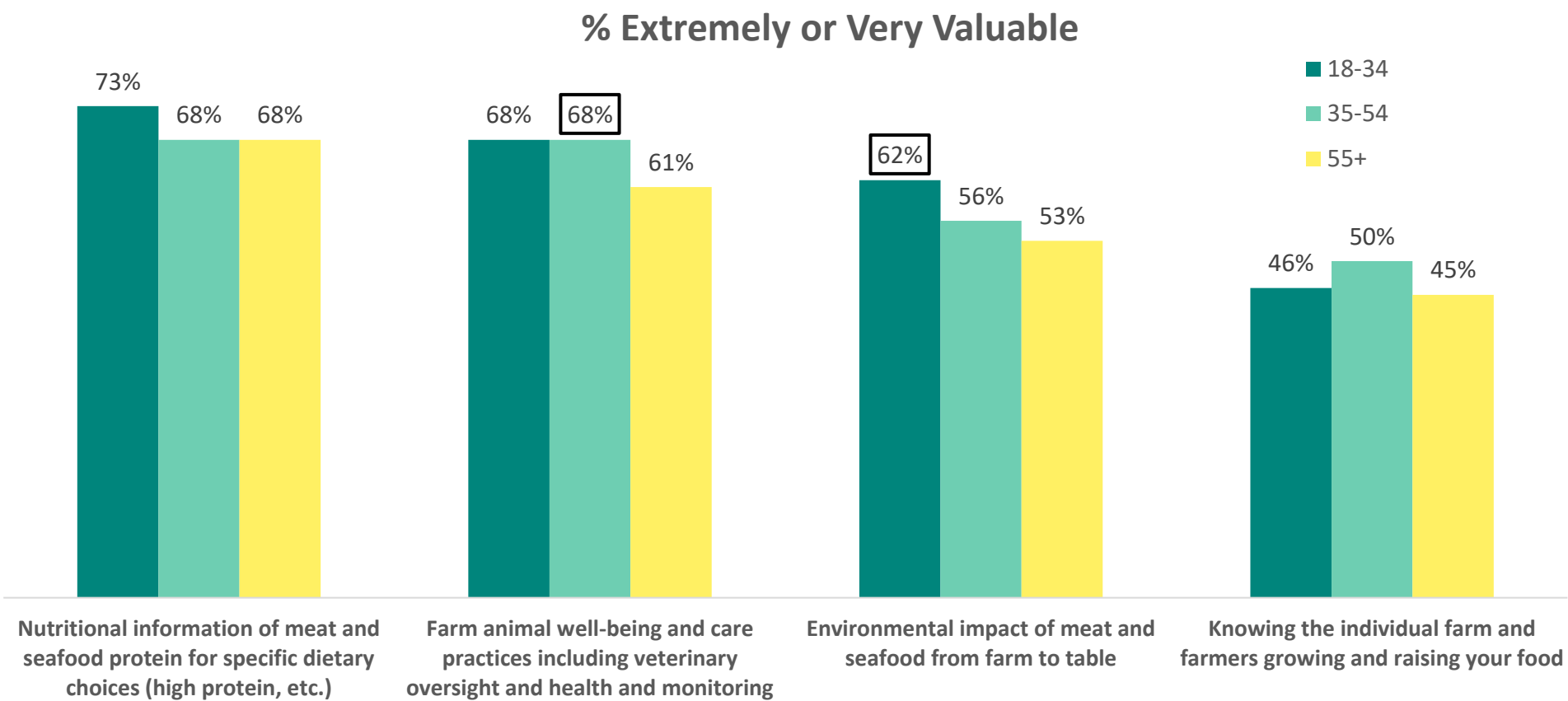
Younger consumers are more concerned about product quality and the environment, but less concerned with use of antibiotics and hormones



Q2. What level of concern, if any, do you have concerning meat and seafood as it relates to these areas?

= significantly higher than at least one other age group at a 95% confidence level

Environmental information of meat and seafood from farm to table is more important for younger individuals

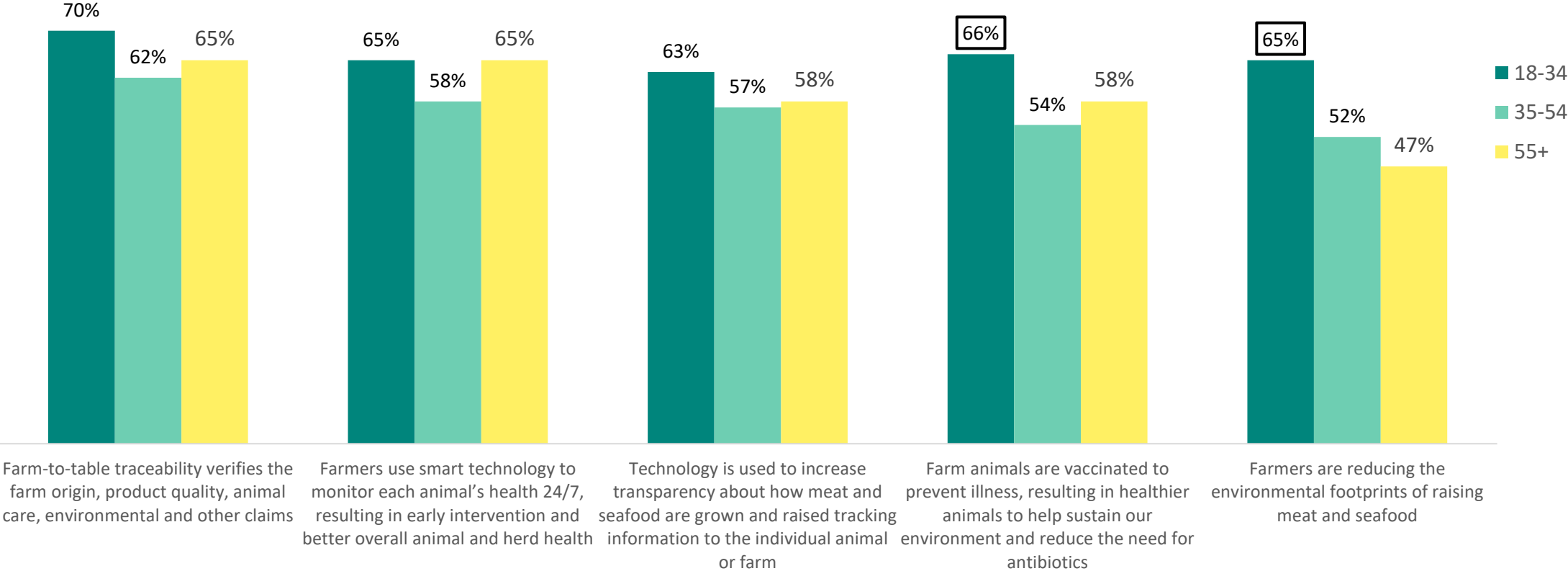


Q3. How valuable to you, if at all, are each of the following types of meat and seafood transparency information?

= significantly higher than at least one other age group at a 95% confidence level

Confidence in meat and seafood purchases by younger consumers is increased with transparent information

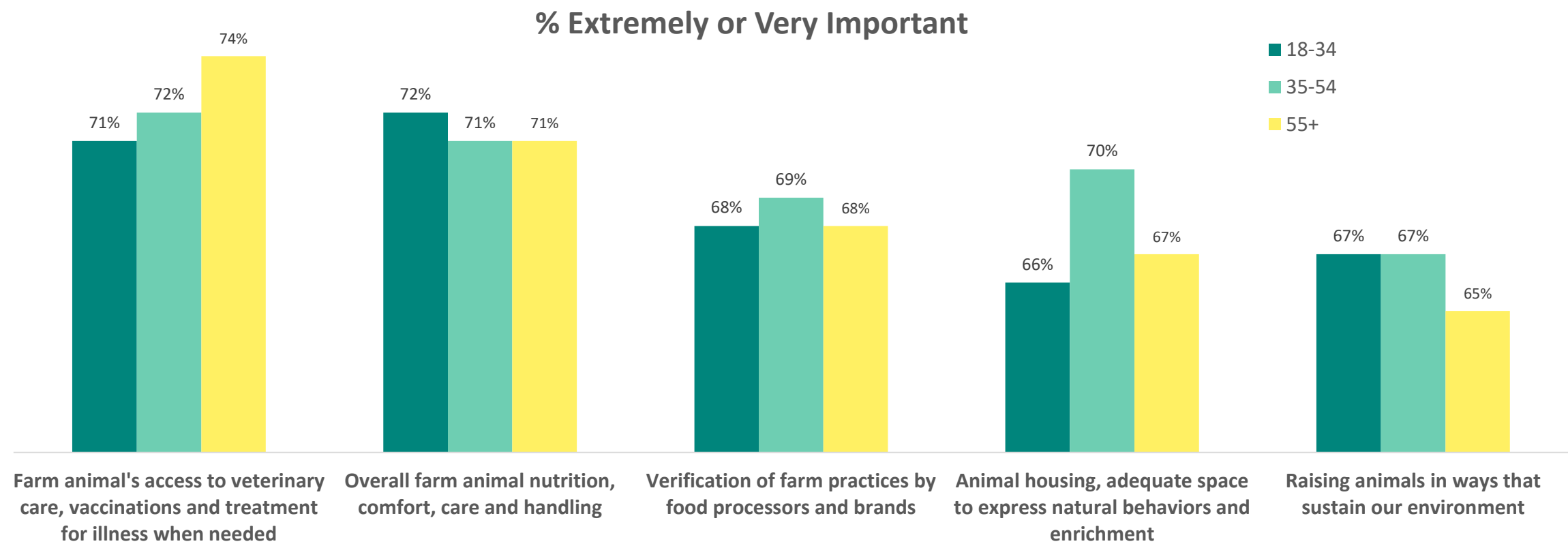
% Knowing Would Increase Confidence



Q4. How would knowing each of the following affect your confidence in consuming meat and seafood, if at all?

 = significantly higher than at least one other age group at a 95% confidence level

In general, animal welfare practices are similarly important to all age groups

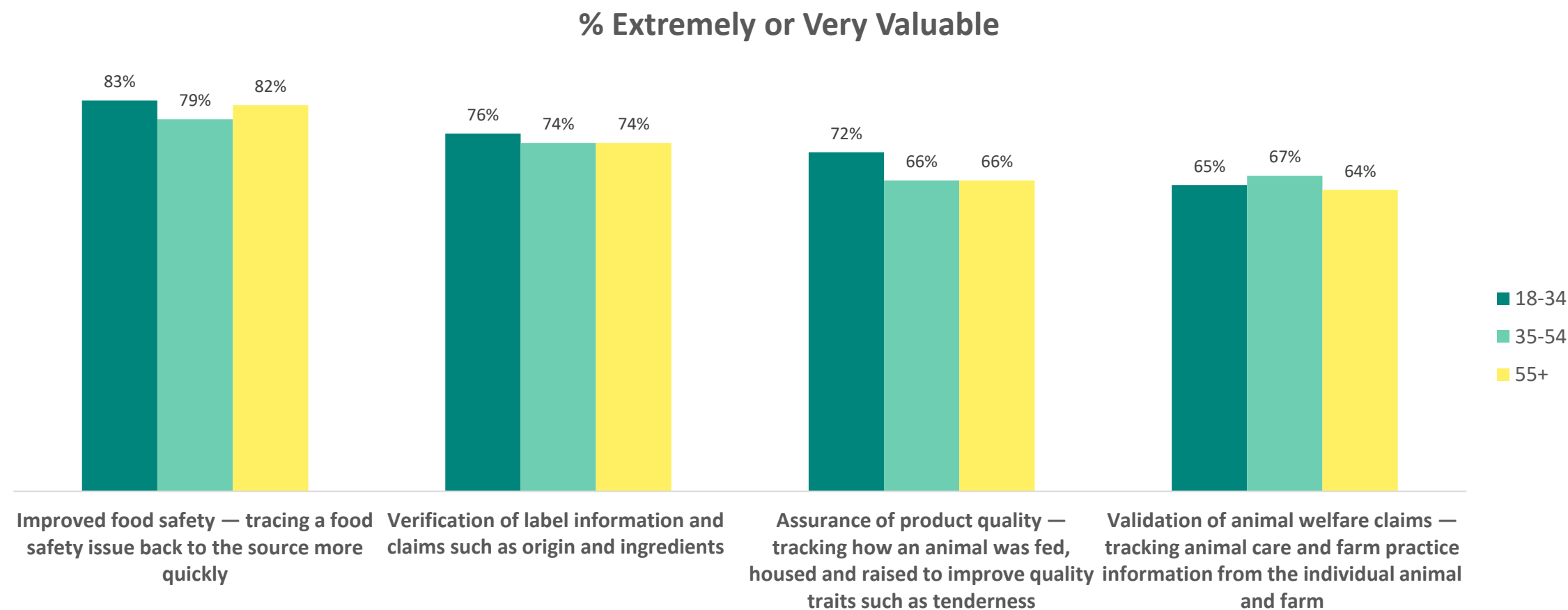


Q5. How important are each of these animal welfare practices when deciding what meat and seafood to purchase?



= significantly higher than at least one other age group at a 95% confidence level

Younger individuals tend to see the most value in a traceability benefit related to environmental impact



Q6. Thinking more about traceability specifically, and the ability to track food and ingredients as they move from farm to table, how valuable are each of the following meat and seafood traceability **benefits**? = significantly higher than at least one other age group at a 95% confidence level

Thank you