



Executive Summary press release

Consumers and Ethical Brands in 2008

Top level findings from the latest GfK NOP survey into UK consumers and their ethical consumption, investigating how the situation has changed over the past year.

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Most ethical brands in the UK overall (unprompted mentions):

As in 2007, Co-op and Body Shop are the clear leaders in terms of being considered an ethical brand by UK consumers, but Innocent and Divine have moved up into the top ten, while Tesco, Sainsbury's and Oxfam have all slipped down the ranking.

Rank	2008	Rank	2007
1	Co-op	1	Co-op
2	Body Shop	2	Body Shop
3	M&S	3	M&S
4	Green & Blacks	4	Traidcraft
5	Ecover	5	Cafédirect
6	Traidcraft	6	Ecover
7	Cafédirect	7=	Green & Blacks & Tesco
8	Innocent		
9	Divine	9	Oxfam
10	Tesco	10	Sainsbury's

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How things compare to 2007

The UK consumer has become more negative about corporate ethical behaviour in 2008 with just 18% of the 3000 consumers interviewed, compared to 21% in 2007, believing that business ethics have improved in this country.



Around two thirds of UK consumers (62%) still agree that 'companies are only out for themselves' compared to 65% in 2007, highlighting a real lack of progress by businesses in changing perceptions of corporate ethics over the past 12 months.

However, the influence of Ethical Brands has increased in 2008 with a higher proportion of UK consumers (33%), compared to 23% in 2007, stating that there is 'a lot of pressure to buy ethical brands'.

This has prompted a marked change in consumer behaviour with half of UK consumers (51%) now agreeing that they are 'supporting small local brands' compared to 39% a year ago, and 71% agree that they would be more likely to shop with a particular retailer which sold products sourced from local suppliers.

Consumers appear to show stronger opinions about what they expect from an ethical organisation in 2008.

- Treats employees fairly – up from 74% to 79% agree
- Treats producers/suppliers fairly by ensuring good working conditions – up from 72% to 78% agree
- Treats producers/suppliers fairly by paying a fair price for local products – up from 71% to 79% agree

There is less interest in 2008 with 'promoting good / healthy eating habits' which is down from 63% to 54% agree, and moves out of the top 5, perhaps as a result of people being more concerned about the source of food rather than the actual nutritional value

Moving into the top 5 in 2008 are:

- 'Uses a fair pricing policy' – 76%, and
- 'Treats customers fairly' – 75%.

Charity donations remain the least important consideration for the UK consumer when evaluating what makes a brand ethical

New questions asked in 2008

On a more personal level, when asked unprompted what an 'ethical brand' meant to them (i.e. they did not have a list of specific criteria to rate) the UK Consumer has the following priorities:



- Treating 3rd world suppliers and workers fairly
- Good environmental practices
- Ethical business practices
- Treating employees fairly
- Fair trade

57% of those interviewed agreed that 'imposing a maximum on bonuses for senior executives' should be an aspect of corporate ethics in the financial industry.

In addition to sourcing local produce, the most influential ethical considerations for UK consumers when choosing a retailer are usage of reduced and recycled packaging; abolition of carrier bags is considerably less important.

UK consumers do not see it as unreasonable to expect some sort of reward for their ethical behaviour with almost three quarters saying they would be influenced by a retailer offering some sort of reward for recycling / donating to charity.

Technology

The concern of UK Consumers about the number of mobile handsets in circulation is clear with 47% saying they recycled their last mobile phone and 32% of those with a pay monthly mobile phone even stating that they are not likely to take a new handset when their contract expires. A considerable three quarters of consumers say that their choice of new technology product would be influenced by the levels of power a device uses when charging or on standby.

Travel

The impact of ethical considerations on the airline industry is evident with 13% of consumers agreeing that they are likely to fly less this year and 12% stating that 'where possible they will choose other forms of transport instead of flying'. 79% agree that the most effective contribution the airline industry can make to reduce the impact on the environment is by using cleaner fuels; whereas carbon off-setting schemes are viewed as much less important.

Most ethical airlines (ranked by % ethical)



“Thinking of an ethical airline in broader terms, for example the way it treats its suppliers, customers and employees as well as the environment. Which, if any, of these airlines would you describe as ethical”

2008 only	
1	Virgin
2	BA
3	BMIbaby
4=	easyjet, American Airlines, Lufthansa
7	Ryanair
8	Flybe

For more information, or to arrange an interview, please contact Amanda Wheeler, PR Manager on 020 7890 9386 or amanda.wheeler@gfk.com

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About the survey:

The survey was conducted using the GfK NOP online panel, interviewing 3,000 UK adults, aged 16+, in mid-March 2008. The data was weighted by gender, age, household income and region, to ensure that it was fully representative of the UK population.

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For further information, please visit our website: www.gfknop.com

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