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FOOD PRICES RESEARCH

Prepared for:

DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS

By:

Vickers & Benson Ltd.

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September 19, 1973

V & B were asked to consider the feasibility of running an "educational and/or information" type campaign to help the consumer in view of todays climbing food prices.

In conjunction with Mr. Jack Hall, Information and Public Relations Branch, research studies were undertaken. The conclusions of these studies, along with the results of "creative" testing to find out what consumers would be most responsive to, are summarized in this report.

PURPOSE

* To describe current environment in terms of housewives'

1. Knowledge of rising prices
2. Response to date
3. Information or advice they have received
4. Further information or advice required

* Response of housewives to three different types of information columns designed for newspaper use.

* Based on both sets of results, to provide direction for development of final information column.

SUMMARY OF FINDINGS

- * All housewives are aware of rising food prices.
- * Few housewives know the reasons.
- * Great majority of housewives have done something to cut down on food bills.
- * Main things done are buying less meat or cheaper cuts of meat.
- * Comparitively few housewives have received information or advice from relatives or friends.
- * Except for french speaking Montreal, almost half of the housewives have used information or advice seen in newspapers.
- * Considerable number have also used information or advice seen in magazines.
- * "Budget Rec'ipes" was information or advice most sought by housewives.
- * Of three information columns tested, "Here Is What Mrs. Kostic Is Doing" evoked most favourable response.

METHOD

- * To describe environment cross-sections of 100 housewives were interviewed in each of following cities.

Toronto

French-speaking Montreal

Edmonton

- * To determine response to three different types of information columns group discussions were conducted in Toronto with:

1. Low to middle income housewives with children.
2. Low to middle income "New Canadian" housewives with children.

RESULTS OF SURVEY IN TORONTO

KNOWLEDGE ABOUT PRICES

- * Many housewives said food bills had increased 10% or more in past year.
- * Meat was thought to have increased most, but most other foods were also mentioned.
- * Only canned foods were thought by many housewives not to have increased too much.
- * Over 70% of housewives said they knew few or none of reasons for increases in food prices.
- * Labour unions were blamed by many of the housewives for increases in food prices.

RESPONSE TO RISING FOOD PRICES

* Almost 70% of housewives said they had done something to cut down food bills.

* Housewives said they had cut food bills by:

1. Buying less meat
2. Buying cheaper cuts of meat
3. Buying less "Treats"
4. Cooking more casserole-type meals
5. Watching out for specials

INFORMATION OR ADVICE

- * Only 25% of housewives said they had received information or advice from friends or relatives on how to cut down food bills.
- * Over 80% of housewives had seen information or advice in newspapers, almost 40% in magazines.
- * 55% of housewives had used information or advice in newspapers, about 20% in magazines.

WHAT INFORMATION OR ADVICE IS REQUIRED?

* "Budget Recipes" is information or advice most required by housewives.

* Other requirements include:

1. Good Food buys
2. How to "Stretch Food"
3. Nutrition
4. How to freeze food

RESPONSE TO INFORMATION CONCEPTS

- * "Best weekly food buys" was rated best.
- * Good ratings achieved by "Nutrition", "New inexpensive foods", "Budget Recipes" and "How to stretch food" concepts.
- * "List of price increases in past year" was poorly rated.
- * Housewives most responsive to information or advice from independent expert or "Housewives like themselves".

IMPORTANT DIFFERENCES

IN

SURVEY RESULTS

BETWEEN TORONTO, MONTREAL AND EDMONTON

MONTREAL

- * Housewives inclined to think food bills had risen higher.
- * Marginally fewer housewives said they had done something to cut down food bills.
- * Fewer housewives said they had received information or advice on how to cut down food bills from friends or relatives.
- * Far fewer housewives had seen or used information or advice in newspapers or magazines.
- * Housewives much less responsive to information or advice from expert in newspapers.

EDMONTON

- * Housewives inclined to think food bills had risen higher.
- * Housewives less inclined to think bread and vegetables prices had increased so much.
- * Fewer housewives said they had received information or advice on how to cut down food bills from friends or relatives.
- * Fewer housewives had seen information or advice in newspapers.
- * Housewives more responsive to information or advice from "housewives like themselves."

RESPONSE OF TORONTO GROUPS

TO

THREE DIFFERENT TYPES OF INFORMATION COLUMNS

"CANADA'S FOOD PRICES: THE FACTS"

- * Initial response was negative - housewives are tired of hearing about rising food prices.
- * Statistical facts of "How much have food prices really gone up during the past year" aroused only mild curiosity.
- * The reasons "why?" also aroused only mild curiosity - housewives want specials or price decreases rather than explanations.
- * The international comparisons of "Do Canadians spend too Much on Food?" was thought irrelevant.
- * "How to make sure your family gets proper nutrition" secured much interest - housewives have a renewed interest in nutrition because of move to "Budget Recipes".

"BEST GROCERY BUYS FOR THE WEEK"

- * Initial response was fairly positive - housewives want specific help on how to save money.
- * 25% of housewives said they would clip out column.
- * However, few housewives would actually use column as actual guide - most said that they would use it to check on own judgement, specials in newspapers or specials in stores.
- * Concept of different best buys according to different budget levels not understood.
- * Many housewives spend different amounts each week on food.
- * Straight listing of best grocery buys preferred.
- * Against background of specials in newspapers and critical attention housewives now pay to them, column judged basically "Me - Too".

"EVERYONE IS AFFECTED BY RISING PRICES"

- * Initial response was mixed.
- * Headline reference to rising food prices wrong in terms of housewives' current state of mind.
- * "Here is what Mrs. Alice Kostic is doing" was exactly right in terms of:
 1. The move by housewives towards "Budget Recipes".
 2. The personal "Housewife Like Yourself" presentation of Mrs. Alice Kostic.
- * Different "Budget Recipes" required for "New Canadians".
- * However, against "Budget Recipes" available in Newspaper (particularly in Toronto) and Magazines, "Here is What Mrs. Kostic is Doing" was judged basically "Me - Too".

ROLE OF DEPARTMENT

* Department revealed as sponsor at end of group discussions.

* Most Canadian housewives responded negatively and the reasons were:

1. It was felt "Government's" responsibility was to stop food prices from rising rather than "advertise" ways to lessen impact.
2. A few felt strongly that "Government" should not tell them what to buy for their families.

* "New Canadians" accepted sponsor as natural.

Y2101

CONCLUSIONS

- * Information in column must not be seen as coming directly from Department.
- * Department must appear as sponsor of columns for housewives and independent home economists to present their own ideas.
- * Use personal "Housewives Like Yourself" presentation of information as much as possible.
- * "Budget Recipes" are most important information to communicate.
- * Allowance should obviously be made for cultural and regional differences.
- * Other information that could be communicated by weekly columns include:
 1. Buying meat
 2. Shopping for specials
 3. How to cut down on non-food items

RESPONSE OF TORONTO GROUPS

TO

THREE DIFFERENT TYPES OF INFORMATION COLUMNS

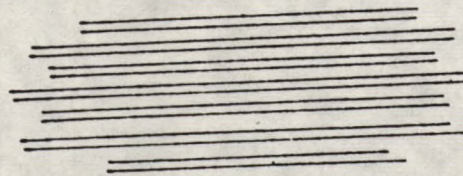
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Best grocery buys for the week.



\$25 to \$30 Budget

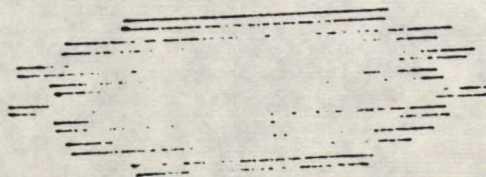
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\$35 to \$40 Budget

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\$45 to \$50 Budget

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Everyone
is affected by
rising
food costs.

And
everyone
is trying to
do something
about it.

Here are some things you can do:

- _____
- _____
- _____
- _____



Here is what
Mrs Alice Kostic
is doing.

Mrs. Kostic's favourite money saving recipes

Bread and Cheese Soufflé

TOTAL COST
\$2.25

Sloppy Joes

TOTAL COST
\$1.45

Country Sausage Supper

TOTAL COST
\$1.89

Mrs. Kostic's best money-saving ideas:

- _____
- _____
- _____

Share your ideas with us!

DETAILED RESULTS

OF

TORONTO, MONTREAL AND EDMONTON SURVEYS

Q1. HOW MUCH DO YOU THINK YOUR AVERAGE WEEKLY FOOD BILL
HAS INCREASED IN THE PAST YEAR DUE TO RISING PRICES?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
5%	7%	3%	5%
10%	29	11	21
15%	20	13	7
20%	13	17	20
25%	11	13	12
MORE THAN 25%	11	41	33
DON'T KNOW	9	2	2

Q2. WHICH TYPES OF FOOD HAVE INCREASED THE MOST IN THE
PAST YEAR?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
MEAT	95%	94%	98%
BREAD	40	44	18
VEGETABLES	36	41	15
FRUIT	35	19	7
MILK	24	46	22
EGGS	22	13	32
FISH	21	4	6
CANNED GOODS	9	6	5
BUTTER	9	9	10
CHEESE	9	9	4
OTHERS	6 OR LESS	4 OR LESS	6 OR LESS

Q3. WHICH TYPES OF FOOD HAVE INCREASED THE LEAST IN THE
PAST YEAR?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
CANNED FOODS	24%	14%	19%
BUTTER	8	-	2
SUGAR	7	1	2
OTHERS	8 OR LESS	6 OR LESS	6 OR LESS

Q4. HAVE YOU DONE ANYTHING TO CUT DOWN ON YOUR WEEKLY
FOOD BILL? _____

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
HAVE DONE SOMETHING	73%	66%	69%
HAVE DONE NOTHING	27	34	31

Q5. WHAT SORTS OF THINGS HAVE YOU DONE TO CUT DOWN ON YOUR
WEEKLY FOOD BILL?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
BUY LESS MEAT	22%	27%	29%
BUY CHEAPER MEAT	21	8	28
BUY LESS TREATS	19	16	13
COOK MORE CASSEROLES	16	3	1
DO MORE BAKING	11	2	12
SHOP FOR SPECIALS	11	8	4
BUY MORE FISH	8	-	4
USE FREEZER MORE	8	-	4
BUY LESS CONVENIENCE FOODS	7	2	6
OTHERS	5 OR LESS	5 OR LESS	5 OR LESS

Q6. DO YOU KNOW WHY PRICES HAVE INCREASED SO MUCH IN THE
PAST YEAR?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
KNOW MOST REASONS	5%	4%	-
KNOW SOME REASONS	22	18	27
KNOW VERY FEW REASONS	42	34	46
KNOW NONE OF REASONS	31	44	27

Q7. WHY DO YOU THINK PRICES HAVE INCREASED SO MUCH THIS
YEAR?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
WAGES TOO HIGH	23%	19%	33%
PRODUCTION COSTS	15	3	16
SHORTAGE OF FOOD	14	3	10
PROFITS TOO HIGH	11	12	8
FARM COSTS	7	1	5
OTHER	5 OR LESS	5 OR LESS	5 OR LESS
DON'T KNOW	22	32	15

Q8. HAVE YOU RECEIVED INFORMATION OR ADVICE ON HOW TO CUT
DOWN ON YOUR WEEKLY FOOD BILL FROM RELATIVES OR FRIENDS?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
HAVE RECEIVED ADVICE	26%	18%	14%
HAVE NOT RECEIVED ADVICE	74	82	86

Q9. HAVE THE FOLLOWING GIVEN PEOPLE INFORMATION OR ADVICE
ON HOW TO CUT DOWN WEEKLY FOOD BILLS?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
NEWSPAPERS	84%	40%	52%
MAGAZINES	38	12	48
FOOD STORES	28	20	8
TV	22	54	22
FOOD COMPANIES	13	20	8
RADIO	11	28	24
FEDERAL GOVERNMENT	4	11	9
PROVINCIAL GOVERNMENT	3	5	5

Q10. HAVE YOU USED ANY INFORMATION OR ADVICE RECEIVED FROM THE
FOLLOWING ON HOW TO CUT DOWN ON YOUR WEEKLY FOOD BILL?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
NEWSPAPERS	49%	19%	39%
MAGAZINES	22	1	35
FOOD STORES	17	12	6
TV	13	23	17
FOOD COMPANIES	7	4	3
RADIO	4	12	17
FEDERAL GOVERNMENT	2	2	3
PROVINCIAL GOVERNMENT	2	1	2

Q12. WHY HAVE YOU NOT USED INFORMATION OR ADVICE FROM MEDIA,
BUSINESS OR GOVERNMENT?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
HAVE USED ADVICE	56%	55%	75%
HAVE NOT USED ADVICE	44	45	25
NO TIME	6	3	-
SERVE SPECIAL FOOD	4	-	3
HAVE OWN RECIPES	3	-	7
OTHER	2 OR LESS	2 OR LESS	2 OR LESS
NO PARTICULAR REASON	16	19	4

Q13. IF MORE INFORMATION OR ADVICE COULD BE MADE AVAILABLE IN
NEWSPAPERS, WHAT SORT WOULD BE MOST USEFUL?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
ECONOMICAL RECIPES	20%	24%	28%
GOOD RECIPES	15	7	12
LIST OF GOOD FOOD BUYS	11	10	4
HOW TO "STRETCH" FOOD	8	4	6
NUTRITIONAL VALUE OF FOOD	8	8	4
HOW TO FREEZE FOOD	5	2	2
OTHER	4 OR LESS	4 OR LESS	4 OR LESS
NOTHING IN PARTICULAR	14	1	-
DON'T KNOW	7	20	15

Q14. IF THE FOLLOWING INFORMATION OR ADVICE WAS MADE AVAILABLE
IN THE NEWSPAPERS, HOW USEFUL WOULD IT BE?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
<u>RATED "EXTREMELY USEFUL"</u>			
BEST WEEKLY FOOD BUYS	53%	57%	62%
NUTRITION	45	48	35
NEW INEXPENSIVE FOODS	44	46	42
RECIPES FOR INEXPENSIVE MEALS	43	57	51
HOW TO "STRETCH" FOOD	38	39	36
LIST OF PRICE INCREASES IN PAST YEAR	17	26	12

Q15. WHOSE INFORMATION OR ADVICE WOULD YOU BE MOST INTERESTED IN?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
INDEPENDENT IN NEWSPAPERS	47%	17%	36%
HOUSEWIVES	44	40	68
EXPERT FROM GOVERNMENT	30	31	17
FOOD MANUFACTURERS	27	5	1
SUPERMARKETS	22	9	6

Q16. WHEN WILL FOOD PRICES STOP RISING SO FAST?

	<u>TORONTO</u>	<u>MONTREAL</u>	<u>EDMONTON</u>
WITHIN 3 MONTHS	14%	15%	10%
WITHIN 6 MONTHS	15	15	6
WITHIN 12 MONTHS	28	28	10
MORE THAN 12 MONTHS	36	34	65
DON'T KNOW	7	8	6

MEDIA

TOP 15 MARKETS

<u>METRO MARKETS</u>	<u>POPULATION</u>	<u>PERC. FOOD DOLLAR</u>
Montreal	2,600,000	14.33
Toronto	2,400,000	12.98
Vancouver	1,030,000	4.95
Winnipeg	550,000	2.62
Ottawa (Inc.Hull)	545,000	2.69
Hamilton	491,000	2.54
Edmonton	456,000	1.83
Quebec	439,000	2.28
Calgary	396,000	1.73
London	231,000	.81
Windsor	229,000	1.36
Kitchener	212,000	1.11
Halifax	205,000	5.98
Victoria	191,000	.94
Regina	144,000	<u>.47</u>
		51.62%

MEDIA LIST

Montreal	Montreal Star	3 x 311L	933L	.89	830.37
	La Presse	3 x 310L	930L	1.20	1116.00
Toronto	Toronto Star	3 x 308L	924L	1.90	1755.60
Vancouver	Sun Province	3 x 308L	924L	1.80	1663.20
Winnipeg	Free Press	3 x 308L	924L	.57	526.68
Ottawa	Citizen	3 x 310L	930L	.36	334.80
	Le Droit	3 x 305L	915L	.27	247.05
	Journal	3 x 310L	930L	.38	353.40
Hamilton	Spectator	3 x 308L	924L	.49	452.76
Edmonton	Journal	3 x 310L	930L	.61	567.30
Quebec	Le Soleil	3 x 300L	900L	.72	648.00
Calgary	Harold	3 x 308L	924L	.45	415.80
London	Free Press	3 x 308L	924L	.54	498.96
Windsor	Star	3 x 310L	930L	.48	446.40
Kitchener	Waterloo Record	3 x 308L	924L	.25	231.00
Halifax	Harold-Mail Star	3 x 300L	900L	.53	477.00
Victoria	Colonist-Times	3 x 315L	945L	.50	472.50
Regina	Leader-Post	3 x 310L	930L	.33	<u>306.90</u>

\$11,343.72

Based on Government line rates

It is hoped the media schedule can be extended to include certain ethnic papers where the language problem imposes a barrier.

MECHANICS

To establish a smooth-working procedure for the placement of English and French advertisements on a continuous basis, V & B would have to work closely with the Department.

The following time and events schedule outlines the steps involved:

Day 0	Wednesday	Advertisement appearing in food shopping day issue of newspaper.
5 days previous	Friday	Shipment of mats to newspapers.
6 days previous	Thursday	Material into engravings.
7 days previous	Wednesday	Final copy into type.
8 days previous	Tuesday	Copy returned from Ottawa, including French translation.
12days previous	Friday	Copy to Ottawa for final legal clearance, via Bankers.
16days previous	Monday	Copy details from Ottawa, with initial legal or other Department clearance, glossy photo of recipe provides, price etc.
20days previous		Collection of prices, information etc.

It is hoped the Department would establish their own network, through Regional Directors, of price information etc. It is possible advertisements could vary regionally, as the local situation warrants.