

***Understanding
Consumer Attitudes
toward CSR:
A Public Opinion Study***

*Prepared for
Environment Canada
January 2005*

Introduction

This report analyses the results of omnibus questions fielded by GlobeScan for Environment Canada. The results of this survey are based on telephone interviews conducted among a sample of 1,000 adult Canadians between November 23 and December 6, 2004. Results are considered to be accurate to within 3.1 percent, 19 times out of 20.

The survey questions and results reported herein are provided on a confidential basis to the Client. The Client is free to use the findings in whatever manner it chooses, including releasing them to the public or media.

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NOTES TO READERS

Figures, Charts, and Tables

All figures in the charts and tables of this report are expressed in percentages, unless otherwise noted. Total percentage may not add up to 100 because of rounding. Starred (*) cells included in tables indicate a response of less than 1 percent. In the case of stacked bar charts, the white space typically represents the portion of respondents who either answered “don’t know” or did not answer at all. DK/NA means “don’t know” or did not answer at all.

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Executive Summary

A significant proportion of Canadians feel empowered to change the performance of companies through their purchase decisions.

- One-third of Canadians strongly (34%) agree that as consumers, they can positively affect the social and environmental performance of companies through their purchasing decisions.

While empowerment is high, fewer Canadians are currently incorporating the corporate social responsibility (CSR) efforts of companies into their purchase decisions.

- One in five people (18%) say they strongly agree that when buying products and services, they always take a company's social and environmental performance into consideration.

Canadians are not confident that they have enough knowledge to differentiate companies based on their CSR performance.

- Only one in ten Canadians (10%) strongly agrees that they are very knowledgeable about the differences between companies in the areas of social and environmental performance. Highly educated people are less likely than those with low levels of education to agree that they are knowledgeable, perhaps indicating their deeper understanding of the complexity of CSR issues.

Level of knowledge appears to be a key driver of ethical consumerism among Canadians.

- Through cross-tabulation analysis, it is clear that the more knowledgeable consumers are about corporate CSR performance, the more likely they are to be empowered as ethical consumers and to take CSR into account when making purchase decisions. This suggests that increasing consumer knowledge about corporate CSR performance will lead to greater ethical consumer practices in the market place.

Canadian consumers are more likely to say that social and environmental information about companies provided by third party groups such as NGOs and charities would be more helpful to them in making informed purchase decisions than information prepared by the government or companies.

- Labels that certify companies and products with high social and environmental practices (41%) and the opinion of NGOs and charities (35%) are identified as the most helpful sources of information when making purchase decisions. Fewer say they would find reports (24%) and educational and marketing material (22%) produced by companies or information from the government (19%) most helpful.

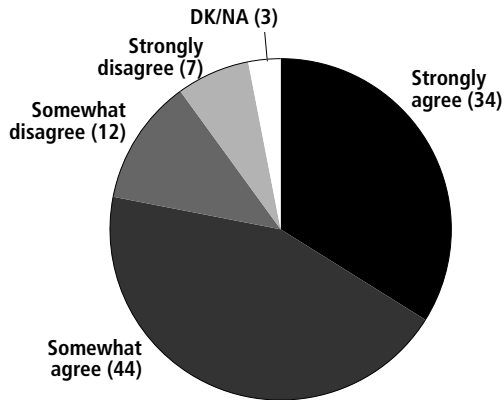
Detailed Report

ATTITUDES ON ETHICAL CONSUMER ACTIVISM

MOST USEFUL SOURCE OF CSR INFORMATION

Attitudes on Ethical Consumer Activism

I Can Positively Affect the CSR Performance of Companies

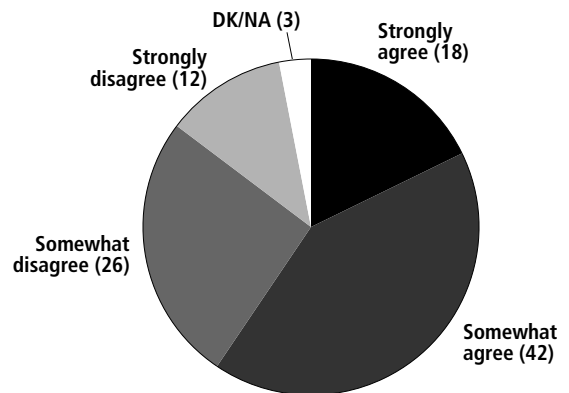


One in three Canadians feels strongly empowered to affect CSR performance of companies.

Thirty-four percent of Canadians strongly agree with the statement that “as a consumer, I can positively affect the social and environmental performance of companies through my purchasing decisions.” Another four in ten people (44%) somewhat agree that they can change a company’s performance via their purchase decisions, while one in five disagree strongly (7%) or somewhat (12%) with the statement.

Canadians’ feeling of empowerment to make social and environmental change through their purchase decisions increases with education level.

I Always Take a Company's CSR Performance into Consideration

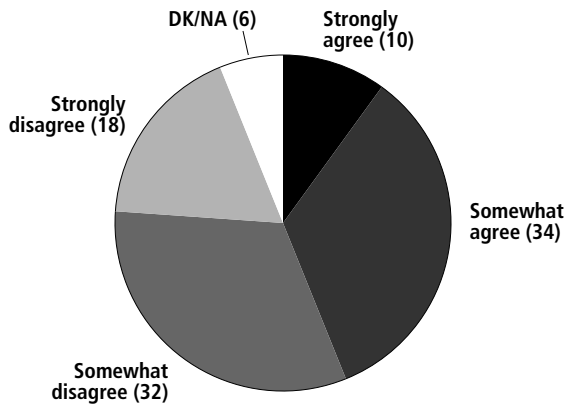


One in five Canadians frequently consider CSR performance when making purchase decisions.

Although Canadians feel very empowered to affect a company’s CSR performance through their purchase decision, just 18 percent say that they strongly agree that when buying a company’s products and services, they always take a company’s social and environmental performance into consideration. Another four in ten (42%) Canadians agree somewhat with the statement, while similar proportions (38%) disagree strongly (12%) or somewhat (26%).

Attitudes on Ethical Consumer Activism

I Am Knowledgeable about Companies' CSR Performance



Only one in ten Canadians feels knowledgeable enough to differentiate between companies on CSR performance.

When asked how much they agree or disagree that “when purchasing products or services, I am very knowledgeable about the differences between companies in the areas of social and environmental performance,” four in ten Canadians agree strongly (10%) or somewhat (34%) with the statement. In contrast, five in ten Canadians disagree strongly (18%) or somewhat (32%) with the statement while 6 percent of people say they are unable to answer the question.

Interestingly, the proportion of Canadians who say that they are not knowledgeable about the differences between companies in the area of social and environmental performance increases with education level. Four in ten people (42%) with low levels of education disagree at least somewhat that they are knowledgeable about company’s social and environmental performance, while over one-half (55%) of Canadians with a high level of education disagree with the statement. Level of knowledge appears to be a key driver of ethical consumerism among Canadians.

I Am Knowledgeable about Companies' CSR Performance

“Strongly” and “Somewhat Disagree,”
By Level of Education

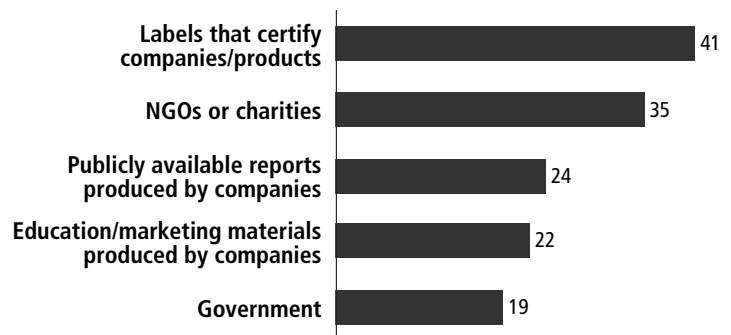


The likelihood of Canadians incorporating a company’s CSR performance into their purchase decisions and feeling empowered to positively change a company’s CSR behaviour increases with knowledge. Two-thirds of people (65%) who say that they are very knowledgeable about the differences between companies in the areas of social and environmental performance strongly agree that they always take a company’s CSR performance into consideration when making purchase decisions, while only 3 percent of people who strongly disagree that they are knowledgeable take this information into consideration. Similarly, two-thirds (65%) of Canadians who report that they are very knowledgeable about companies’ CSR performance strongly agree that they can positively affect the CSR performance of a company. Only one in 12 (7%) of those who are knowledgeable on this agree that they are empowered.

Most Useful Source of CSR Information

Most Useful Source of CSR Information for Purchase Decisions

Total Mentions



CSR certification labels are most frequently chosen by Canadians as the most useful source of information to help them make informed purchase decisions.

To help determine how to best inform consumers about corporate social and environmental performance, Canadians were asked to choose two sources of information that would best help them to take social and environmental considerations into account when making purchase decisions.

From a list of five options, four in ten Canadians (41%) point to labels on packaging that certify companies and products with high social and environmental practices as the most helpful source of information to them. One-third of people (35%) say they would prefer to look to

non-governmental organizations for information. One in four Canadians (24%) choose publicly available reports produced by companies on their social and environmental performance as the most useful source of information, while one in five point to each of education and marketing materials produced by companies (22%) and the government (19%).

Demographically, Canadians with high levels of education are most likely to choose NGO reports (32%) and CSR labelling (31%) as the most helpful sources of information, whereas with people with lower levels of education would exclusively turn to CSR labels for information. This finding suggests that less educated Canadians may be unaware or less supportive of NGOs. Very little variation in opinion exists between other demographic groups.

Questionnaire

EC1. Please tell me if you strongly agree, somewhat agree, somewhat disagree or strongly disagree with each of the following statements.

READ AND ROTATE.

- a) When purchasing products or services, I am very knowledgeable about the differences between companies in the areas of social and environmental performance.

01 – Strongly agree

02 – Somewhat agree

03 – Somewhat disagree

04 – Somewhat disagree

VOLUNTEERED

99 – DK/NA

- b) As a consumer, I can positively affect the social and environmental performance of companies through my purchasing decisions.

- c) When buying products and services, I always take a company's social and environmental performance into consideration.

EC2. Which two of the following sources of information would most help you as a consumer to take social and environmental considerations into account when making purchase decisions? Would it be information from...

READ AND ROTATE. CODE TWO.

01 – Publicly available reports produced by companies on their social and environmental performance

02 – Labels that certify companies and products with high social and environmental practices

03 – Education and marketing materials produced by companies on their social and environmental performance

04 – The government on which companies and products have high social and environmental standards

05 – Non-governmental organizations or charities on which companies and products have high social and environmental standards

VOLUNTEERED

06 – All of the above

07 – None of the above

97 – Other (Specify) _____

99 – DK/NA