

Monterey Bay Aquarium Seafood Watch

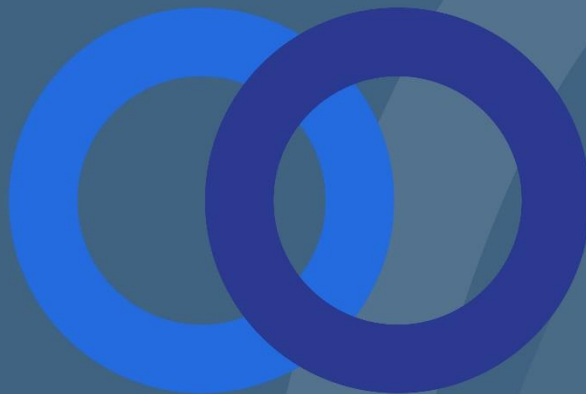
Exploring Business Motivations for
Sustainable Seafood

Summer 2022



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About This Research

Main Research Objective



Monterey Bay Aquarium
SeafoodWatch®

The Monterey Bay Aquarium Seafood Watch program helps consumers and businesses make choices for a healthy ocean.

Seafood Watch is grounded in the theory that consumer demand for sustainable seafood, coupled with business commitments to leverage their purchasing power, will drive fisheries and aquaculture toward more sustainable practices.

This research was developed to help test this theory and determine to what extent business commitments are driven by consumers.

Key U.S. business stakeholders in the seafood supply chain were surveyed via an online survey to determine:

1. Specific actions taken on sustainable seafood action, if any
2. Why they took that action (i.e. protection of brand, consumer demand for sustainable seafood, others)
3. Preferred resources on seafood sustainability and why

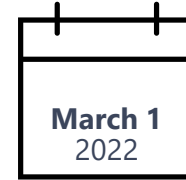
Stakeholder Respondents and Topics

Who



- Suppliers
- Foodservice
- Grocery Retail
- Consumer-Packaged Goods

When



through



What

- Activities around selling or sourcing sustainable seafood
- Status and types of seafood sustainability commitments made
- Reasons for making commitments on sustainable seafood, and reasons for not
- Assessment of consumer / customer demand and influence on action
- Most useful resources for businesses when identifying and learning about seafood sustainability
- Future actions Seafood Watch can take to support stakeholders

Key Findings

Key Findings

1. Seafood businesses surveyed are prioritizing sustainability and sustainable seafood, with most stakeholders saying their business has taken some type of action.

- Sustainability and sustainable seafood are a high priority for over 85% of companies surveyed.
- Among stakeholders who haven't yet acted on seafood sustainability, the wide majority expect their business will act in the future.

2. Business commitments on sustainable seafood are primarily driven by conservation attitudes and longer-term business benefits, including business resilience in the future.

- At companies that source or sell sustainable seafood, the most common motivators are that it is the right thing to do, protects species, and maintains availability for future generations. They also recognize the importance for longer-term business resilience and the benefits to their company's reputation and wider sustainability strategy.
- This suggests that people working in seafood acknowledge the need for proactive conservation and may be open to alternative species, especially where it has benefits for longer-term business success.

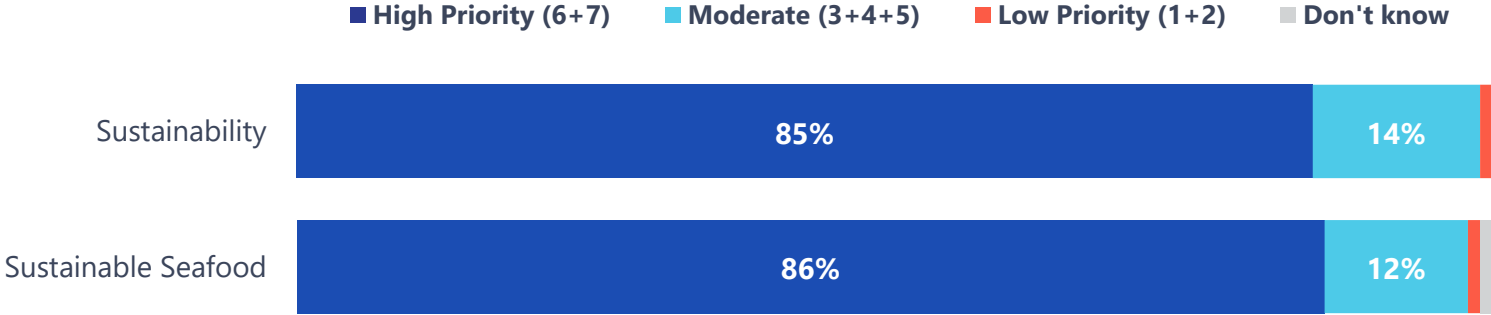
3. Consumer demand is also a strong motivator for sustainable seafood commitments.

- After conservation, stakeholders say that their businesses have made commitments because it supports their brand identity or values and builds trust with consumers and customers.
- While not the highest driver of sourcing or selling sustainable seafood, customer and consumer demand is rated as a strong motivator for 70% of companies surveyed.

Prioritizing Sustainability and Sustainable Seafood

Most stakeholders surveyed say their company is putting a high priority on sustainability and sustainable seafood

Company Priorities, Percentage of All Respondents, 2022

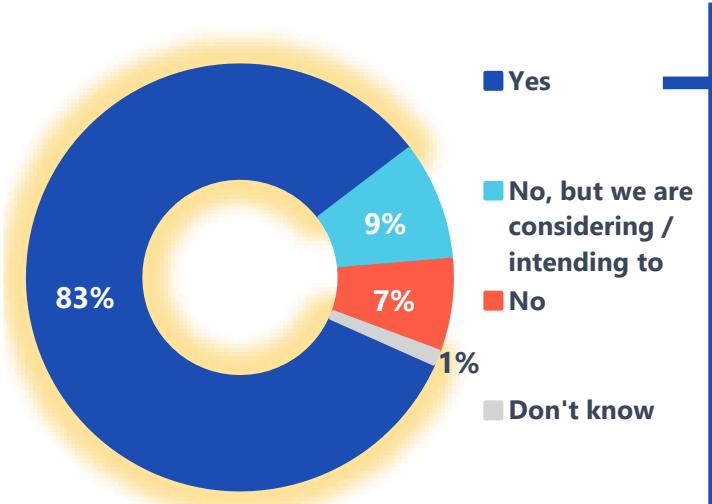


9 Q5. How much, if at all, does your company prioritize. . . Please use a scale of 1-7, where 1 means "Not at all a priority" and 7 means "Among the highest priorities" (n=161)

At companies selling sustainable seafood, more than eight in ten say they are taking specific actions on sustainable seafood, primarily consumer education, partnerships, and policy

Companies Taking Actions on Sustainable Seafood

Companies that Sell Sustainable Seafood, 2022



Actions Taken on Sustainable Seafood

Companies with a Policy or Specific Actions on Sustainable Seafood, 2022



* Asked of suppliers only
 ** Asked of grocery retail and foodservice only

10 Q9. Does your company have a sustainable seafood procurement policy, or taken specific actions on sustainable seafood? (n=148)
 Q10. What types of actions has your company taken on sustainable seafood? (n=123)

What Drives Sustainable Seafood Commitments

Methodology for understanding most important motivations for making sustainable seafood commitments (1)

To identify the most critical and prevalent motivators for businesses' commitments to sustainable seafood, **GlobeScan** utilized a statistical model that identified *Most Important* and *Least Important* motivations for commitments.

From a repeated list of possible motivations, respondents identified the most and least motivating in their business's decision to make commitments on sustainable seafood.

The responses were used to calculate the most motivating reasons using a maximum differentiation (MaxDiff) methodology. This gathers data through a trade-off exercise that circumvents the option to state that *everything* is highly motivating.

The survey program displayed five potential motivators at one time and respondents were asked to select the most motivating the least motivating from each grouping, as shown at right.

Scores have been calculated for each motivator, indicating how motivating each is, *relative* to the others.

27%

We'd like to better understand what influences company decisions around sustainable seafood.

We'll now show you several sets of statements. For each set, please tell us which one has the **most influence** on why your company sources or sells sustainable seafood, and which one has the **least influence**.

1 of 9

| Most influence | | Least influence |
|-----------------------|--|-----------------------|
| <input type="radio"/> | Ensuring seafood is consistently available for my business in the future | <input type="radio"/> |
| <input type="radio"/> | Customers asking for it | <input type="radio"/> |
| <input type="radio"/> | Pressure from NGOs | <input type="radio"/> |
| <input type="radio"/> | Increases trust in our brand | <input type="radio"/> |
| <input type="radio"/> | It's a growing trend | <input type="radio"/> |

Methodology for understanding most important motivations for making sustainable seafood commitments (2)

In total, 23 potential motivations were tested relating to consumer/customer demand, longevity of the seafood and fishing industry, traceability and transparency of the supply chain, pressure from NGOs or industry groups, support for marketing or the sustainability strategy, and benefit to the company's brand. The 23 motivators tested were based on past research with Seafood Watch stakeholders, and are listed below:

- Customers are asking for it
- Customers expect it from our brand
- Chefs are asking for it
- It's a growing trend
- Sustainable seafood is higher quality
- Protecting fish species from scarcity / extinction
- Ensuring seafood is available for future generations
- Ensuring seafood is consistently available for my business in the future
- Product transparency
- Product traceability
- Labor rights in our supply chain
- Pressure from NGOs
- It's becoming more standard for companies in our peer group
- Pressure from investors
- It adds credibility to our marketing claims
- It's part of our company's sustainability strategy
- Sustainable seafood supports our brand identity
- Increases trust in our brand
- Competitive advantage
- Reputational advantage
- It's the right thing to do
- Reduces reputation risk for our brand
- Our CEO/owner champions it

Sustainable seafood commitments are driven by a feeling it is the 'right thing to do' for future seafood availability as well as benefits for reputation, brand, and business strategy

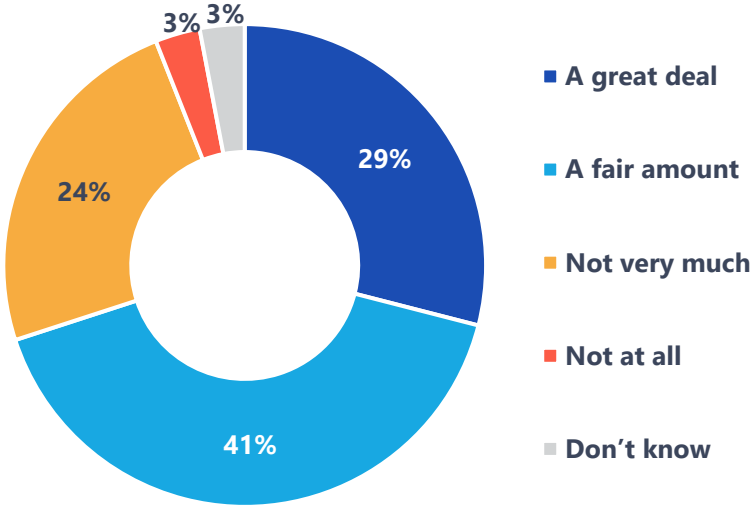
Stakeholders Who Have Made Commitments on Sustainable Seafood, Mean Scores, 2022



14 Q12. We'd like to better understand what influences company decisions around sustainable seafood. We'll now show you several sets of statements. For each set, please tell us which one has the most influence on why your company sources or sells sustainable seafood, and which one has the least influence. (n=157)

While less motivating than conservation efforts, customer demand is seen as a strong motivator for sustainable seafood even at non-consumer-facing businesses

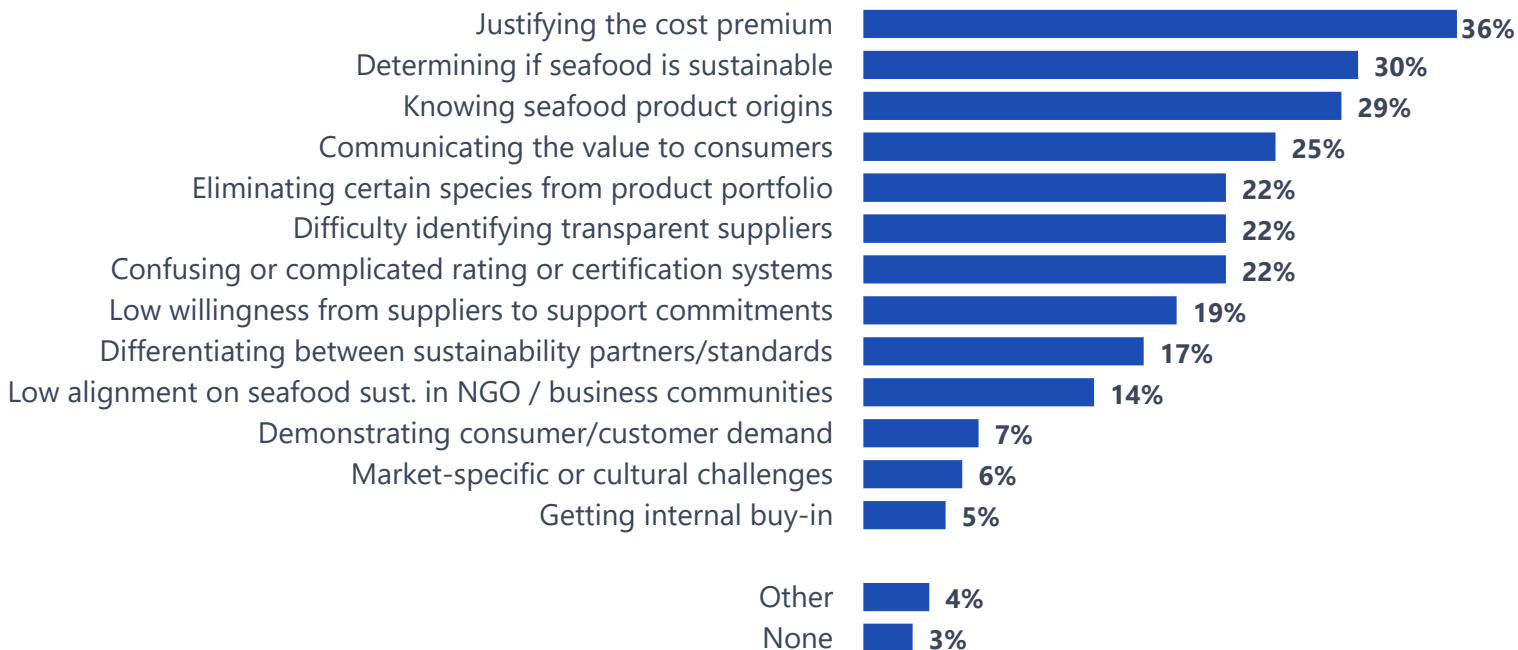
Customers/Consumers as a Motivator for Sustainable Seafood, Companies Considering or Currently Sourcing or Selling Sustainable Seafood, 2022



“While **consumers and NGOs don't influence us directly, they influence our retail and food service partners**, and we will do anything to keep them happy.”
– Supplier

The most common challenges with sustainable seafood lie in the cost premium and identifying product sustainability and origins

Respondents with current or future commitments to sustainable seafood, Top 3 Responses, 2022



Stakeholders who prefer Seafood Watch as a resource on seafood sustainability mention the ease of understanding and recognition among customers as reasons why they engage with Seafood Watch

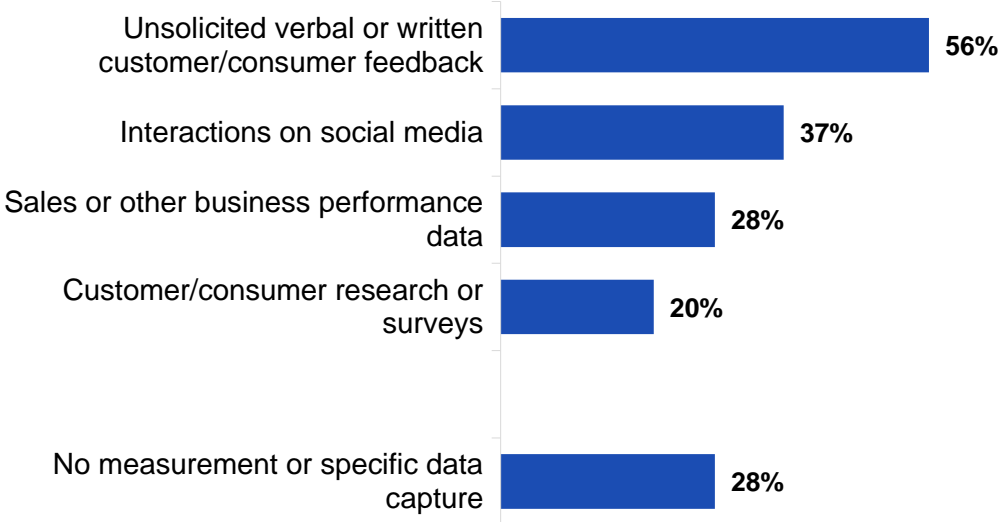
Reasons for Selecting Seafood Watch as Best Resource, Stakeholders Using One or More Resources, 2022



17 Q20/Q21. What are the most important reasons why your company uses [organization] ? Please select up to three.
Q19. Which one of the following from those you selected is the best? – Seafood Watch

Consumer demand is most often seen in unsolicited feedback or on social media; more than one-quarter say they aren't measuring demand

Ways to Measure Demand for Sustainable Seafood, Companies where customer/consumer demand motivates sustainable seafood "A fair amount" or "A great deal", 2022



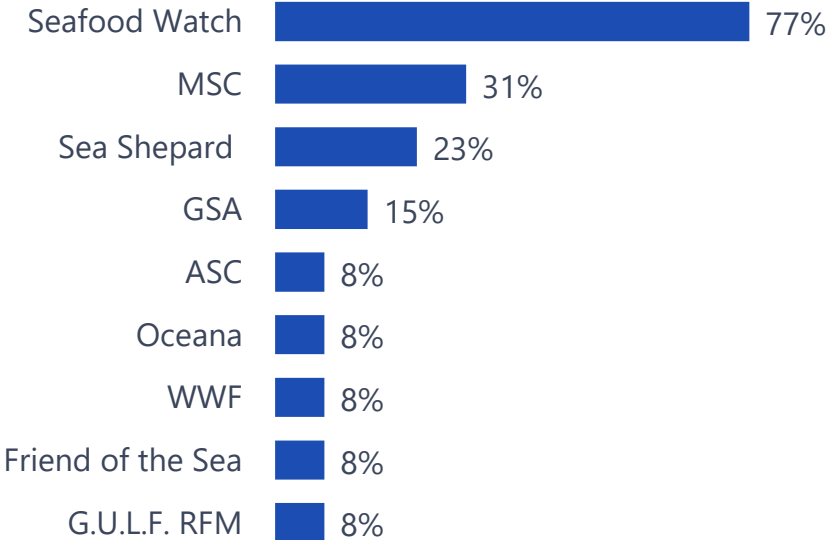
Understanding and measuring the demand for sustainable seafood is largely happening in unstructured and informal ways.

People who are less involved with seafood in their roles are especially likely to cite social media and unsolicited consumer feedback, suggesting a perception that consumers are likely to speak out against irresponsible companies through these channels.

18 Q14. In which of the following ways, if at all, have you been able to capture or measure customer/consumer demand or attitudes towards sustainable seafood? (n=111)

At organizations without sustainable seafood commitments, respondents are most likely to go to Seafood Watch to learn about sustainable seafood, more than any other resource

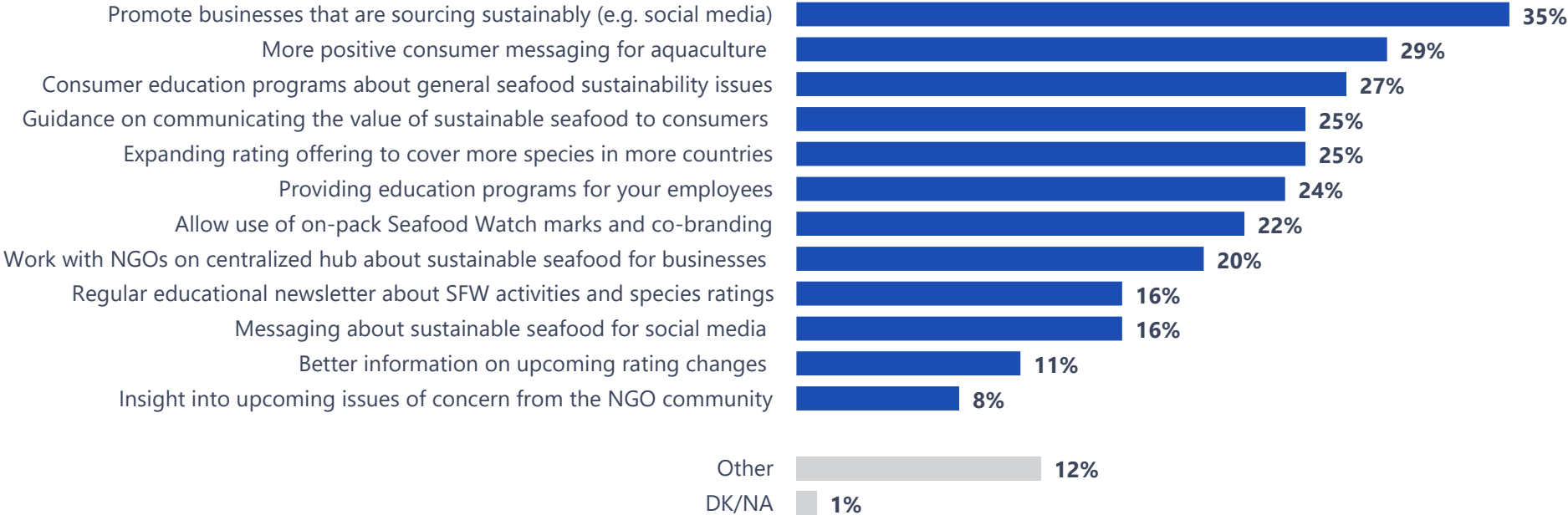
Learning About Sustainable Seafood: Resources* Used, Companies Without Commitments on Sustainable Seafood, 2022



*Respondents shown full list of organizations from previous slide; organizations earning 0% response not shown in chart.
Q22. Which of the following sources, if any, have you used or currently use for learning about seafood sustainability?
(Asked to people without sustainable seafood commitments, n=13)

Thinking about how Seafood Watch can support their business, most stakeholders want help to promote their businesses and educate consumers on seafood sustainability

Beneficial Activities for Seafood Watch to Focus On, Total Mentions, All Respondents, 2022



20 Q28. If Seafood Watch were to focus on a few activities to support businesses which would be of greatest benefit to you and your company? Please select up to three choices. (n=161)





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Lead the future.**

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