The Role Of Nutritional Labeling in Influencing Consumer Behavior

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Introduction

Consumers' demand of product information increases along with development of healthy lifestyle and food security issues.

Label is main source of food information.

It is a very important tool for transferring product characteristics information to consumers.

Nutritional labeling as an important part of label informs consumer about the contained nutrients amounts in food products.

(Simanjuntak and Mediani, 2013)

Nutritional Facts

<table>
<thead>
<tr>
<th>Nutrient</th>
<th>Serv Size about 1 1/8th pkg of dry mix (40g) or 1 1/4th pkg cooked prepared</th>
<th>Serves Per Pkg 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calories</td>
<td>140 / 170</td>
<td>DRY MIX / PROPORED</td>
</tr>
<tr>
<td>Calories from Fat</td>
<td>10 / 18</td>
<td>% DAILY VALUE</td>
</tr>
<tr>
<td>Total Fat</td>
<td>1g / 7g</td>
<td>2% / 7%</td>
</tr>
<tr>
<td>Saturated Fat</td>
<td>0g / 0g</td>
<td>0% / 3%</td>
</tr>
<tr>
<td>Trans Fat</td>
<td>0g / 0g</td>
<td>0% / 3%</td>
</tr>
<tr>
<td>Cholesterol</td>
<td>0mg / 0mg</td>
<td>0% / 3%</td>
</tr>
<tr>
<td>Sodium</td>
<td>350mg / 15g</td>
<td>11% / 11%</td>
</tr>
<tr>
<td>Total Carbohydrate</td>
<td>10g / 7g</td>
<td>7% / 7%</td>
</tr>
<tr>
<td>Dietary Fiber</td>
<td>2g / 3g</td>
<td>7% / 7%</td>
</tr>
<tr>
<td>Sugars</td>
<td>2g / 3g</td>
<td>7% / 7%</td>
</tr>
<tr>
<td>Protein</td>
<td>1g / 2g</td>
<td>2% / 2%</td>
</tr>
</tbody>
</table>

The purposes of labeling:

1. Provide information about the content of the products that are labeled without having to open the packaging;
2. as a means of communication between producers and consumers on matters of product that needs to be known by consumers, especially visible or unknown physical;
3. provide appropriate guidance for consumers to get optimum function of product;
4. as a means of advertising to the consumers;
5. provide security for consumers.
Introduction

3 Main Rules for Nutrition labeling on food products in Indonesia are:

1. Government Regulation Nu. 69 of 1999 regarding labeling and advertising of food;
2. BPOM RI Head Regulation Nu. HK.03.1.23.11.11.09909 of 2011 on supervision claims and label of processed food; and
3. BPOM RI Head Regulation Nu. HK.00.06.51.0475 of 2005 on guidelines for inclusion of nutrition facts.

Aim

The aim of paper is to provide a comprehensive review about the consumer reading behavior of nutritional label, factors related to reading behavior of nutritional label and role of nutritional label in influencing consumer behavior.

Empirical Findings

Indonesian Consumer Reading Behavior of Nutritional Label:

- Only 6.7 percent of consumers pay attention to the labels on food
- Nutrition fact label on food products did not get attention and tended to be ignored by consumers
- Only 39.1% of students read the label
- The level of obedience of consumers in the Kebayoran Lama market, South Jakarta, to read food labels is still low, about 45%
- More than half of the respondents are less likely to read the nutritional information label (Mediani 2014)

Foreign Consumer Reading Behavior of Nutritional Label:

- Most consumers look at nutrition labels often or at least sometimes
- Only 2 out of 10 consumers in Asia Pacific, Europe, North America always read the nutritional label on food packaging.
- 3 of 10 consumers in Latin America claimed to always read labels every buy food.
- The students are not good at reading the nutrition label.
Factors Related to Reading Nutrition Label in Indonesia:

- There are connections between attitude and reading nutrition fact labels on food products packaging (Zahara 2009).
- Zahara (2009) stated that there are connections between attitude and reading nutrition fact labels on food products packaging.

Empirical Findings

Factors Related to Reading Nutrition Label in Indonesia:

- The compliance of students in reading the nutritional information related to the status of the father’s occupation, the attitude towards health and labeling of food products, the role of respondents as a meal planner, the role of respondents as food shopper and exposure information.
- The complexity and unfamiliar terms used in the label make students uninterested to read it.
Factors Related to Reading Nutrition Label in Indonesia:

Mediani (2014):
- No significant differences between male and female at perception, attitude, and reading behavior of nutrition labels.
- There are significant differences priorities in reading nutrition information labels between male and female respondents. Of 9 parts listed food label, male respondents chose information nutrition label as sixth and female respondents chose as the seventh. So, It is not not preferred to be read.
- Attitudes and perceptions of consumers are related to the reading behavior of nutrition label.
- Attitude influences reading behavior of nutrition labels.
- Knowledge did not affect reading behavior. They are unrelated to each other.

Factors Related to Reading Nutrition Label: Countries

Empirical Findings

Factors Related to Reading Nutrition Label in Countries:
- Consumers with lower levels of income and education are more likely to report low levels of nutritional knowledge and low levels of label use (Drichoutis et al., 2005)
- Female consumers paid more attention to nutrition label than male consumers (Nayga, 1996; Grunert et al., 2010; Sanlier & Karakus, 2010).
- Level perception about nutrition labels has a relationship to and a positive influence on label usage (Zeng, Xu, and Wang 2011)
- A lack of understanding and knowledge about nutrition labels become obstacles for the consumer to use the label (Signal et al., 2008)
The Role of Nutrition Label in Influencing Consumer Behavior

**Consumer perspective**

| As a main information resource of food nutrition | As an important part of the process of purchasing (including **comparison tools** among different brands) | As an important part of the process of consuming food |

**Business doer perspective**

| as transfer media of nutrition information | as a part of marketing strategy | as media of health and nutrition education |

**LESSON LEARNED FOR BUSINESS DOER**

**Consumer Need**

- understandable nutritional vocabulary
- prefer a limited and selected amount of information
- concentrated on few important aspects
- demand clear references that allow to link information to their everyday diet and
- demand clear references that useful to transform information into practical actions.
Business Doer

- Together with government implement public education campaigns
- Providing the necessary tools for a better understanding
- Have to give right, clear, and honest information
- Keep the four norms i.e. truthfulness, sincerity, comprehensibility and legitimacy (the right of the consumer)
- Pattern will help building long-term relationship between the product and the consumers

Conclusion

- Consumer perspective
  - as a main information resource of nutrition contained food,
  - as an important part of the process of purchasing (comparison tools among different brands)
  - as an important part of the process of consuming.

- Business doer perspective
  - as transfer media of nutrition information,
  - as a part of marketing strategy
  - as media of health and nutrition education.

THANK YOU