## The Shifting Communications Landscape

<table>
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<tr>
<th>The Old World</th>
<th>The New Reality</th>
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<tr>
<td>• One-way communication; focused on “push” messaging, not grounded in consumer needs or conversations</td>
<td>• <strong>Intense speed of information, fragility of trust; more connected world</strong></td>
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<td>• Traditional media was the only media</td>
<td>• <strong>Media landscape has changed</strong> (search is key; simultaneous use of Web, TV, mobile, media consumption increases)</td>
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<td>• “Influencers” defined by their titles</td>
<td>• <strong>Social media</strong> is mainstream media</td>
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<td>• Feedback was delayed or nonexistent</td>
<td>• <strong>Societal and attitudinal shifts</strong> (rise of consumer activism)</td>
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<td>• <strong>Conversations start anywhere</strong> and involve influencers of all types</td>
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People are Talking. But you want everyone to talk about you – favorably.

92% of users say PEER recommendations are their most credible source of brand info.
Growing Disconnection Between Consumers and Agriculture

Nearly 99% of Americans are removed from farming, which has created a widening gap between consumers and farmers who bring dairy food to them.

- Generation Gap: The largest generation of farm kids have grown up; Americans moved further from their connection to the farm
- Perception Gap: When kids ask where their food comes from, parents paint a picture of Old MacDonald’s red barn
- Communication Gap: The dairy industry has a voice, but it isn’t the one consumers hear

- Only 47% believe farming is performed in a responsible way
- 40% believe U.S. farmers take good care of the environment
- Only 33% believe livestock are treated in a humane manner
Trust in Retrospect

2015 Trust is essential to innovation
2014 Business to lead the debate for change
2013 Crisis of leadership
2012 Fall of government
2011 Rise of authority figures
2010 Trust is now an essential line of business
2009 Business must partner with government to regain trust
2008 Young influencers have more trust in business
2007 Business more trusted than government and media
2006 “A person like me” emerges as credible spokesperson
2005 Trust shifts from “authorities” to peers
2004 U.S. companies in Europe suffer trust discount
2003 Earned media more credible than advertising
2002 Fall of the celebrity CEO
2001 Rising influence of NGOs
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<th>Key Attributes to Building Trust</th>
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<td><strong>Integrity</strong></td>
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<tr>
<td>• Has ethical business practices</td>
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<td>• Takes responsible actions to address an issue or crisis</td>
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<td>• Has transparent and open business practices</td>
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<td><strong>Engagement</strong></td>
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<tr>
<td>• Listens to customer needs and feedback</td>
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<tr>
<td>• Treats employees well</td>
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<tr>
<td>• Places customers ahead of profits</td>
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<tr>
<td>• Communicates frequently and honestly on the state of its business</td>
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<tr>
<td><strong>Products &amp; Services</strong></td>
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<tr>
<td>• Offers high-quality products or services</td>
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<tr>
<td>• Is an innovator of new products, services or ideas</td>
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<tr>
<td><strong>Purpose</strong></td>
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<tr>
<td>• Works to protect and improve the environment</td>
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<td>• Addresses society’s needs in its everyday business</td>
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<td>• Creates programs that positively impact the local community</td>
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<td>• Partners with NGOs, government and 3rd parties to address societal needs</td>
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<td><strong>Operations</strong></td>
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<td>• Has highly-regarded and widely-admired top leadership</td>
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<td>• Tanks on a global list of top companies</td>
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<td>• Delivers consistent financial returns to investors</td>
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16 specific attributes that build trust grouped into five performance clusters listed in rank order of consumer importance
Building and Defending Trust: Clear Personal & Societal Benefits are Key

“A company can take specific actions that both increase profits and improve the economic and social conditions in the community where it operates”

81% agree

Reasons Trust in Business Has Increased
- 57% Produces Economic Growth
- 51% Allows Me to Be a Production Member of Society
- 47% Contributes to Greater Good

Reasons Trust in Business Has Decreased
- 53% Fails to Contribute to the Greater Good
- 39% Lacks Economic Growth
- 32% Does Not Help Me and My Family Live a Fulfilling Life
Shared Values is Most Important to Building Trust

It’s not just about giving consumers more science, more research, more information.

It’s about demonstrating that you share their values when it comes to topics they care about most — safe food, quality nutrition, appropriate animal care, environmental stewardship and others.

Source: The Center for Food Integrity 2014
There is an inverse relationship between size and trust

Family-owned and smaller businesses have a trust advantage with consumers

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<th>Trust in Different Types of Business</th>
<th>North America</th>
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<tr>
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<td>85% 78% 60% 63% 46% 45%</td>
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<tr>
<td>Family Owned</td>
<td>Orange</td>
</tr>
<tr>
<td>Publicly Traded</td>
<td>Cyan</td>
</tr>
<tr>
<td>Small &amp; Medium-sized</td>
<td>Blue</td>
</tr>
<tr>
<td>Privately Held</td>
<td>Brown</td>
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47% adults agree strongly
“Large farms are likely to put their interests ahead of my interests.”
- Some consumers worry about how well large farms handle environmental issues and animal care

54% adults agree strongly
“Large food companies are likely to put their interests ahead of my interests.”

Source: Center for Food Integrity, Edelman, Dairy Monitor
Companies earn trust by being **open** about what is in their Products

How to Earn Consumers’ Trust by Communicating...

- What INGREDIENTS are in a F&B: 64%
- HOW products MANUFACTURED: 46%
- How company TREATS ANIMALS: 44%
- From WHERE company SOURCES: 43%
- How company treats EMPLOYEES: 42%
- What actions company takes to: 36%
- WHERE company: 33%
- Whether company GIVES BACK to: 27%
- WHO OWNS company: 22%
- Locations/types of suppliers: 22%
- What charities/causes company: 16%
- To which political party/: 15%
- How diverse company's: 13%

Ingredients to Communicate:

- Hormone-free: 52%
- Free of Artificial: 49%
- GMO-free: 48%
- Organic: 41%
- Potential: 31%
- Gluten-free: 26%
- Dairy-free: 18%
- Vegetarian or Just what's in: 10%

Source: The Hartman Group 2015
Communities of shared values, like moms and Foodies, drive trust for better or worse

What information sources have you used to come to your conclusion that GMOs are dangerous?

Heidi: “I’m part of a moms group. When there is a big consensus, I think ‘there’s something here.’ You don’t need doctors or scientists confirming it when you have hundreds of moms.”

Bad News “Bias”
A single item of negative information is capable of neutralizing five similar pieces of positive information

Source: The Center for Food Integrity 2014
Believability

Believability is key to creating information that is trusted

Identify the groups to engage

What are their values and concerns?
Who are the sources they view as credible?

Meet them where they are

Select those communities that are important to you and develop engagement strategies

Develop values-based engagement strategy

Starts with listening and embracing skepticism

Commit

Commit to engaging over time

Source: The Center for Food Integrity 2014
Trusted Information Sources

Here's where Moms, Millennials and Foodies go for food system information.

**MOMS**
- Websites (21%)
  - Family - Not online (12%)
  - Google (12%)
  - Local TV Station (12%)
  - Friends - Not online (11%)

**MILLENIALS**
- Websites (22%)
  - Friends - Not online (16%)
  - Google (15%)
  - Family - Not online (13%)
  - Friends - Online (8%)

**FOODIES**
- Websites (25%)
  - Friends - Not online (15%)
  - Google (12%)
  - Family - Not online (10%)
  - Food-Specific TV Program/Networks (9%)

Source: The Center for Food Integrity 2014
People Crave Stories From the Source: Farmers

In the crowded conversation around food, consumers are missing a key voice: the farmer.

Consumers wish to better understand the stories of the farm from the farmers themselves.

Farmers are particularly trusted on topics related to farming & the environment, and animal care.

“It made me feel good] when we took a look at the records... and how much they know and how if the vet comes they can print out the medical history of everything.”

“It’s nice to know the different steps they take to ensure they don’t get any antibiotics into the milk. It’s not like its one check and that’s it, it’s a process.”

“People are brought up on these farms and they really have a passion for these animals and the product that they are bringing to the nation and world.” (Millennial, 2015)

**Millennial Farm Visits**

- Positive about farmers’ passion for what they do and care for animals
- Impressed with level of individualized care, technology and efficiency of operations
How are we addressing these consumer concerns?
Misperceptions About Dairy Created a One-sided Conversation
As an Industry, we had multiple messages shared from multiple sources.
Consumer Support For Dairy Is High, But Advocacy Was Low

- **ACTIVE**
  - AGAINST
  - DON'T LIKE
  - DON'T KNOW

- **PASSIVE**

- **ACTIVE**
  - LIKE
  - SUPPORTIVE

**Core Target**
- Passive supporters who can become active advocates

**Neuralize** → **Mobilize**
We Defined How the Industry Would Achieve Success

<table>
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<th>TRUST</th>
<th>ADVOCACY</th>
<th>RELEVANCY</th>
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| *Increase trust* around dairy industry by **shifting perception** and creating positive associations with dairy.  
(change mindset) | *Move relationships with dairy from passiveness to advocacy.*  
(change conversation) | *Encourage people to reconsider the role of dairy and reintegrate dairy into their lives, regardless of life stage.*  
(change behavior) |
INSIGHT
People pre-armed with information are more resistant to being swayed by scare tactics or hype

NARRATIVE
Tell dairy’s story before others do—it’s a healthy, essential product that comes from a natural, sustainable source. Discredit the inaccurate arguments against it
INSIGHT
We live in a rapidly changing world that focuses on modern technology and the “latest thing”, while dairy farming tends to be seen as a commodity frozen in time with practices more focused on profits than the care of animals.

NARRATIVE
The world of dairy is a world of innovation, entrepreneurship, and compassion. From artisanal practices, to modern technology, to a high standard of cow care – the wellbeing of the farm and of the animals are the center of our business.
Milk and dairy are essential to life – it’s the first thing we consume in our lives.

Highlight the role of the dairy industry in providing sustenance for the world, including its benefits to your local community.
“Udder Truth” & “Acres & Avenues”
THE UDDER TRUTH: VIDEO SERIES

“Antibiotics”
Linnea Kooistra, Kooistra Dairy, Woodstock, IL
Myth: Antibiotics are standard practice on most US dairy farms and antibiotic residue ends up in the milk we drink

“Cow Care”
Joe Kelsay, Kelsay Farms, Whiteland, IN
Myth: Most large dairy farms prioritize profits over animal care, and mistreat animals through crowded conditions and abuse

“Big Farms”
Annie Link, Swisslane Dairy Farms, Alto, MI
Myth: Most dairy farms are large, corporate, factory farms that are driven by profit rather than taking proper care of their cows or the land
DMI and The Onion used tongue-in-cheek humor as a genuine way to disrupt the conversation and engage with Millennials on their terms. Custom display media, depicting the absurdity of common dairy myths, were a primary driver of traffic to UdderTruth.org.
A pivotal campaign for the industry, The Udder Truth helped reclaim dairy’s voice through a 3-part video series and paid partnership with The Onion that debunked top dairy farming myths and injected unexpected humor to break through to Millennials.

Case Study: Utilizing Data to Debunk Misperceptions About Dairy

OVERALL CAMPAIGN

+43M CAMPAIGN IMPRESSIONS

VIDEO

+1.1M TOTAL VIDEO VIEWS

PARTNERS

65 PARTNERS AND INDUSTRY RALLIED BEHIND CAMPAIGN

AMPLIFICATION CENTER

+1K SHARES +2.5M IMPRESSIONS
How you can help build consumer trust in diary?
Join our Communities to Strengthen Industry Activation

The Amplification Center
The Amplification Center is a library of easy-to-share social content for dairy advocates, but also a tool to activate advocates via targeted or mass outreach.
• Train your staff on consumer messaging and get active in social media

• Share our content via our Amplification Center