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Why You Need to Pay Attention to Organic Consumers

The USDA may have specific guidelines for organic foods, but understanding the consumers who purchase them is less clearcut.

CONSUMER TRENDS > JANUARY 2019 > BY NICOLE DUNCAN



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30 percent of consumers are influenced by organic food labels when shopping. That figure drops to 20 percent when eating away from home.

A decade ago, organic was a burgeoning buzzword among consumers and the restaurants and grocers they frequented. Today, the descriptor carries less weight, partly due to the proliferation of organic options, but also because of the rise in other health-connoting terminology (think functional, all-natural, or farm-fresh).

But in the nearly 20 years since the USDA established the National Organic Program, organic has left an indelible mark on consumer behavior. In fact, organic shoppers and diners have become their own substantial consumer subset.

And while "organic" has its nuances—for example, some foods are 100 percent organic, while others use organic ingredients—the overarching definition connotes a product that was grown or raised free of synthetic fertilizers and pesticides.

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Organic shoppers
percent of U.S. adults have purchased organic foods and beverages in the last three months.

Because this group is assembled by behavior rather than constants such as age and ethnicity, it is fluid and capable of expanding—or contracting—depending on external factors. As of now, organic users are by and large middle-income, white, married, urban dwellers, per Hartman. More than half (54 percent) are women, and 59 percent have either an undergraduate or graduate degree.

It's important to bear in mind that these characteristics reflect consumer purchases, not preferences. After all, organic may be more common than it was two decades ago, but it still fetches a higher price, meaning that lower-income customers are less likely to buy organic goods at the grocery store—or visit organic-centered restaurants.

COMPETING PRIORITIES

Even consumers who can afford organic may choose to prioritize other attributes. In a survey by the International Food Information Council (IFIC) Foundation, respondents were more likely to rank foods that were high in healthy components and nutrients, minimally processed, or natural as their top concern in eating healthy over organic foods.

Obviously, these healthy features can coalesce for consumers; a diner who cares about nutrient density is also likely to pay attention to whether a product is organic or free of GMOs. Nevertheless, restaurants should not expect the addition of “organic” to their menus to result in slam-dunk sales.

THE FOOD PYRAMID

When deciding when and where to call attention to organic offerings, operators might consider which foods shoppers are most likely to seek in organic form. As it turns out, produce is the top food group for customers when buying organic. According to Mintel, half of consumers are likely to purchase organic fruits and vegetables. Forty-one percent buy organic meats, poultry, and seafood, and 38 percent purchase organic dairy products like cheese, yogurt, and milk. As for juice, only 39 percent of consumers are most likely to purchase it in organic form, which is something of a paradox given that the vast majority of limited-service juice concepts make their organic nature a brand cornerstone.

ON THE OUTS WITH ORGANIC

As with all trends, the pendulum is bound to swing back. Organic may be one of the few health-driven terms to garner a USDA certification, but it is not a guarantee of nutrition or general wellbeing; after all, processed food with high sugar content can be organic. In the early days of organics, consumers may have conflated the two, but today the general public is better informed and understands the distinction.

They are also wary of health claims. Per Mintel, a mere 26 percent of consumers trust organic food labels; worse yet, only 13 percent believe organic foods are highly regulated.

Finally, organic has less sway over consumers in the restaurant than it does in the grocery aisles. Close to 30 percent of consumers report they are influenced by organic labels when shopping for food and beverage, per IFIC. That figure drops to 20 percent for eating away from home.

To that end, restaurants must change tack in winning these customers. Organic dishes perform better when used in tandem with other classifications like locally sourced and functional foods. Aligning those foods with newer, splashier descriptors could drum up more attention.





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