



BRIEF

How understanding purchases can impact natural and organic R&D

By Carolyn Heneghan | Oct. 13, 2016

Dive Brief:

- Organic and natural food purchases are made by the vast majority of U.S. consumers, though the meaning of these terms remains a mystery to many, according to a new report from the Hartman Group.
- About 82% of U.S. consumers said they use organic food and beverage products, a nine-point increase from two years ago.
- Because "natural" and "organic" can have different meanings based on consumers' individual perceptions, shoppers have become more skeptical of these label claims, which Hartman Group warned could eventually hurt sales of one or both categories.

Dive Insight:

Consumers' trade-offs between these two label claims often surround price and how "close to the farm" a particular category might be. For categories like fruits and vegetables, or minimally-processed products that primarily feature produce, consumers tend to lean toward the organic option. Consumers also often choose organic when shopping for products for their children or pets or that they eat either frequently or in large quantities.

But for categories that consumers deem to be more processed or indulgent, they are less likely to choose organic. This finding is key for manufacturers to understand consumers' mindsets when they shop for better-for-you products.

Before investing in R&D for a natural or organic variety of a particular product or brand, manufacturers should determine whether the target buyer of this product is going to be specifically looking for a natural or organic version. Some of the most engaged consumers are willing to pay more for natural or organic products. They may also consider whether consumers will recognize those claims as a value-add for that particular category or if they'll be skeptical of a better-for-you label claim on a conventionally unhealthy product.

Recommended Reading:

 Hartman Group

[Organic & Natural 2016](#) 