



# State of the Organic Consumer 2010



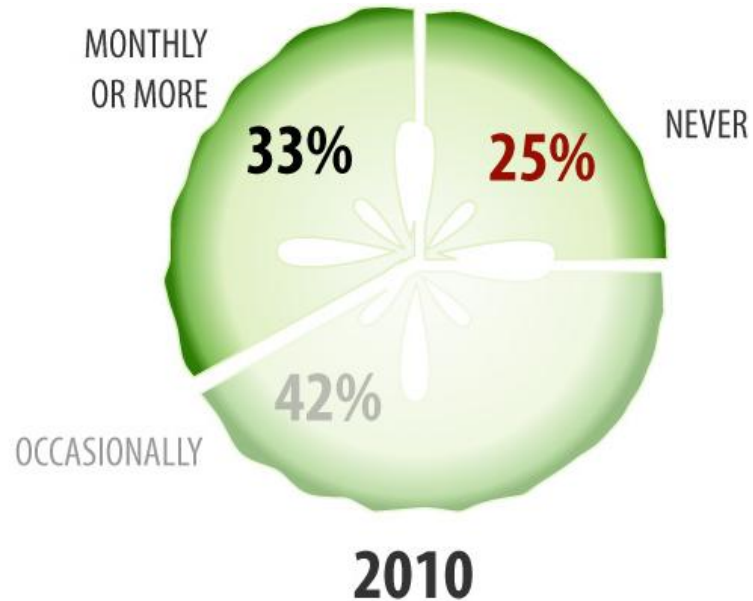
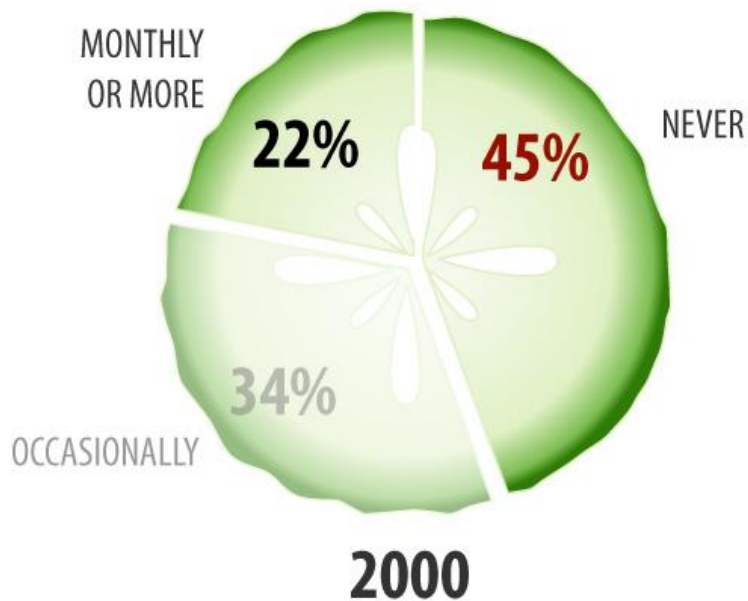


# Stabilization of Organic: Organic Consumers





# One-third of Consumers Now Use Organic Foods at Least Monthly

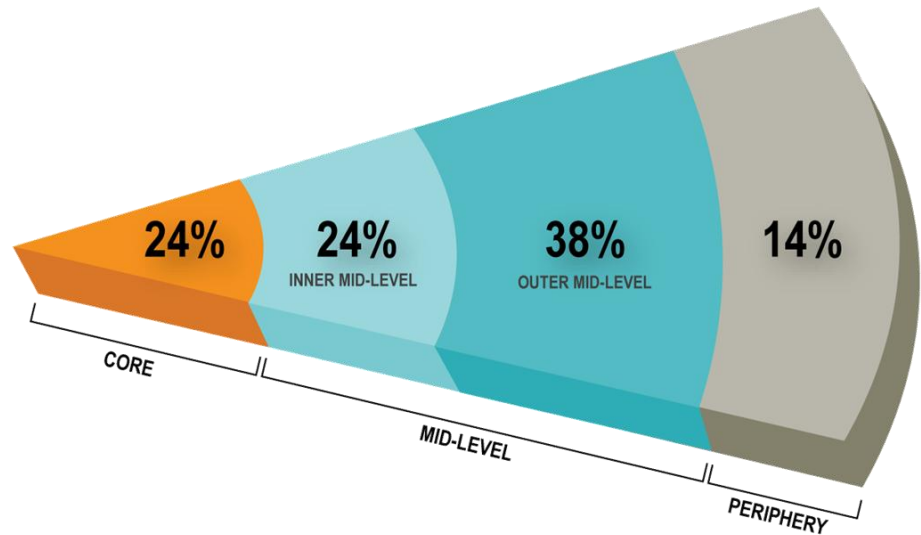
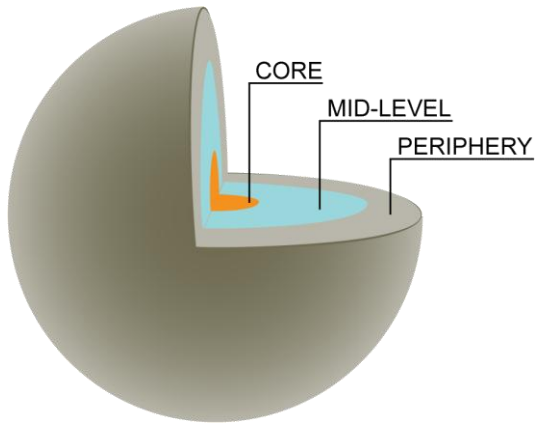


Q14. How often have you used ORGANIC foods or beverages in the PAST THREE MONTHS? If you use some organic products more often than others, please indicate the greatest frequency. For example, if you used organic milk daily and organic fruit occasionally, choose daily.  
Source: Beyond Organic & Natural report, The Hartman Group, Inc. February 2010





# The Hartman World Model



**Core** (24%) is most intensely involved - *early adopters, trendsetters, evangelists*

**Mid-level** (62%) is the majority of consumers and can be split in to the inner Mid-level and outer Mid-level

**Periphery** (14%) is where consumers begin their journey

Source: Beyond Organic & Natural report, The Hartman Group, Inc. February 2010





# Organic and Natural are Complementary Attributes





## Organic & Natural are Seen as Complementary Attributes by Consumers All the Way From the Periphery to Core



VS.



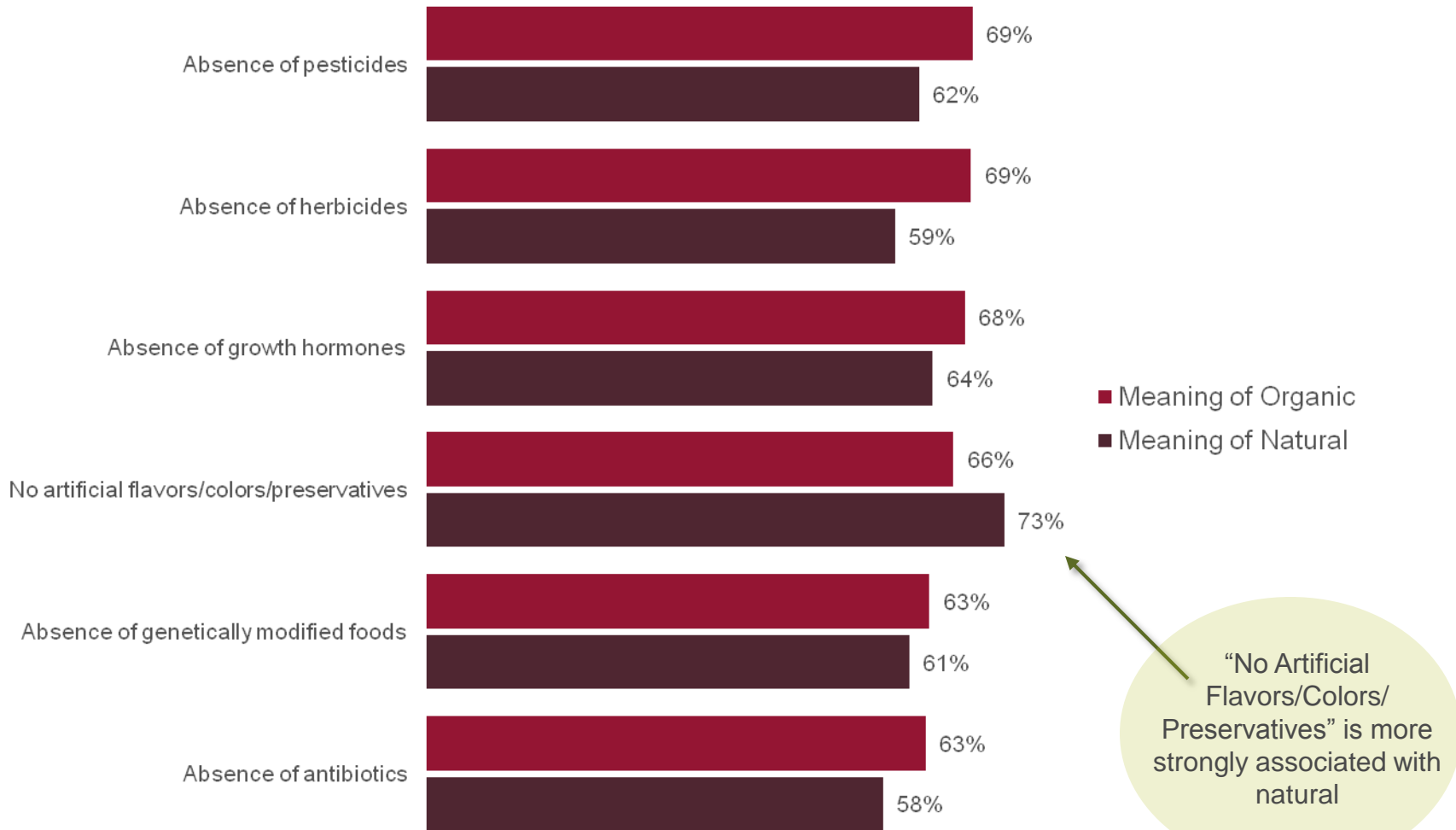
Organic is understood as pertaining to what happens to food at origin (e.g. the farm, the plant, the animal). Consumers think of organic as making a product “more natural”

Natural is understood as what happens to the food after it is grown (e.g., reducing processing steps).





# Top 6 Associations with Natural and Organic are the Same



Q11. From the following list, what properties do you think are implied or suggested by the term "ORGANIC"?

Q10: From the following list, what properties do you think are implied or suggested by the term "NATURAL"?





## Organic Means More than “No Pesticides”

Organic is a term that refers to the **farming practices** and in its simplest form for consumers is “**Grown without pesticides**”

Organic can also mean a variety of other things to consumers in **different segments** as well as for a variety of **categories**

- No Herbicides
- No Synthetic Fertilizers
- Non-GMO
- No Hormones
- No Antibiotics

Which imply for consumers:

- Safe
- Healthy
- Sustainable





## Meanings of Natural: Consumers are Seeking an Ideal

Consumers are seeking an **ideal** of natural that would mean that the food and beverages they buy are **healthy, whole, real, and minimally processed.**

There are a variety of attributes that are **necessary** for “natural”

- Nothing Artificial (e.g. colors, flavors, etc)
- No Preservatives
- No Additives or Fillers
- Minimally Processed
- Short (Clean) Ingredient Line
- Recognizable (Real) ingredients





## Meanings of Natural – Ideals vs. Reality

Consumers do not believe that the word “natural” ensures that foods and beverages live up to the ideal that they are seeking



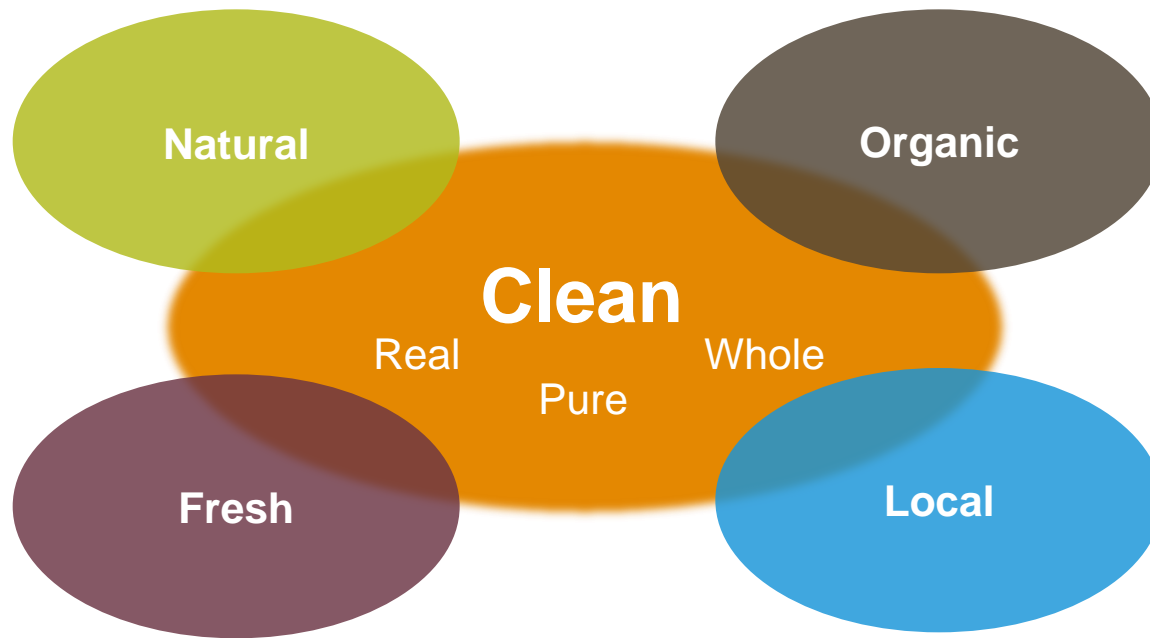


# “Clean” Food Goes Beyond Organic and Natural





## Consumers are Continually Redefining Quality



The notion of “Clean” encompasses a wide variety of attributes that communicate quality to consumers including farming, production, processing and ingredients





## To Consumers Clean Has Both Symbolic and Objective Associations

| Symbolic       | Objective                |
|----------------|--------------------------|
| Fresh          | Less Processed           |
| Safe           | No Chemicals             |
| Local          | Nothing Artificial       |
| Healthy        | Few Ingredients          |
| Responsible    | Whole Ingredients        |
| Real           | Recognizable Ingredients |
| Simple         | Certified                |
| Sustainable    |                          |
| Higher Quality |                          |

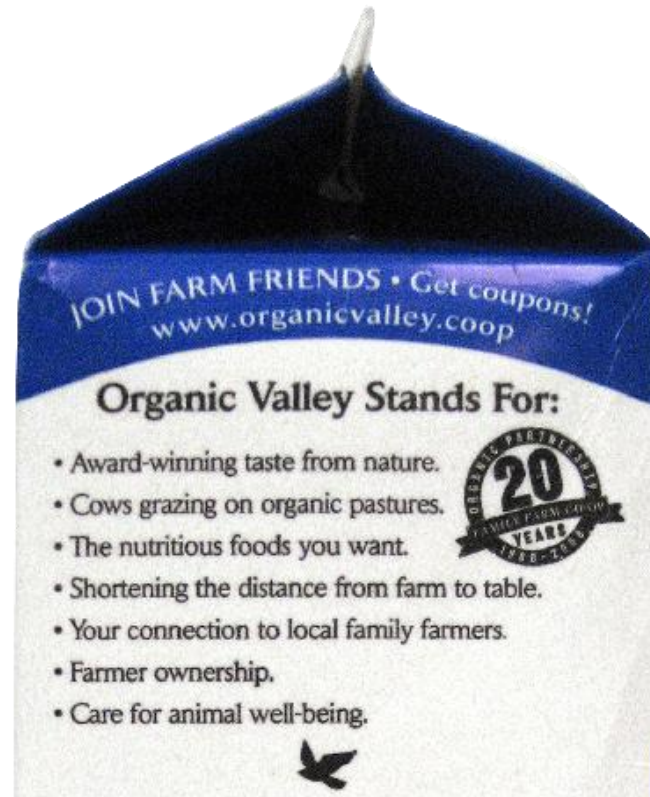




## Communicating Clean\*: Key Packaging Elements

Consumer created packages illustrate key packaging elements

- **Mission Statement**
  - Provides a personal connection

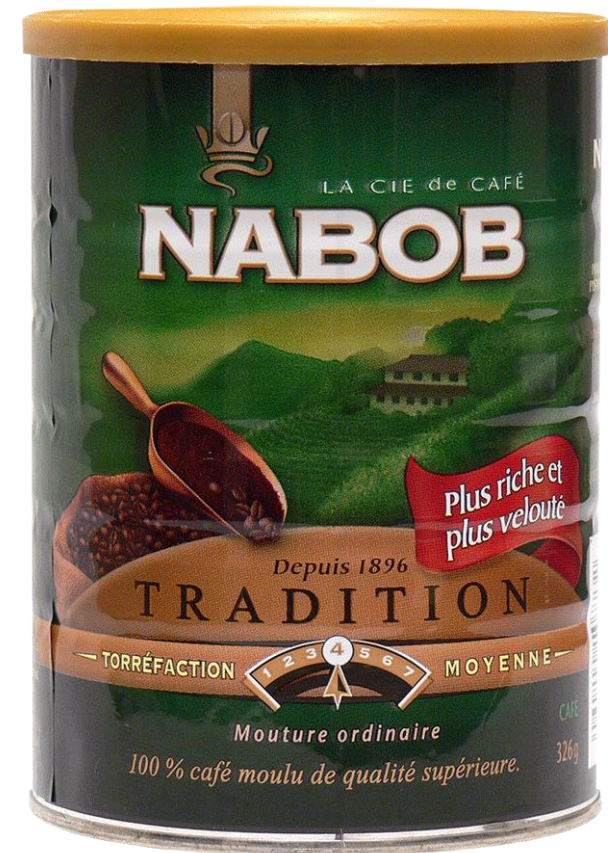




## Communicating Clean\*: Key Packaging Elements

Consumer created packages illustrate key packaging elements

- High Quality Imagery
  - Of the product itself
  - Representing production
    - *Raw ingredients*
    - *The farm*





## Communicating Clean\*: Key Packaging Elements

Consumer created packages illustrate key packaging elements

- Tell the product's and company's stories
  - Specific attributes of the product (e.g., no artificial colors, no preservatives, organic, etc.)
  - Production, processing, company narratives to differentiate the brand

Pure, all-natural  
Additive-free

*No Artificial  
Preservatives,  
Flavors  
or Colors*

**100% NATURAL**

**TOTALLY NATURAL**





## Communicating Clean\*: Key Packaging Elements

Consumer created packages illustrate key packaging elements

- **Certifications**
  - Consumers are often unclear about what certifications mean, but they are reassuring and seen as positive elements on packages

*\*Clean represents a constellation of attributes and is not meant to be used in marketing messages*





# Inner Mid-Level Packaging

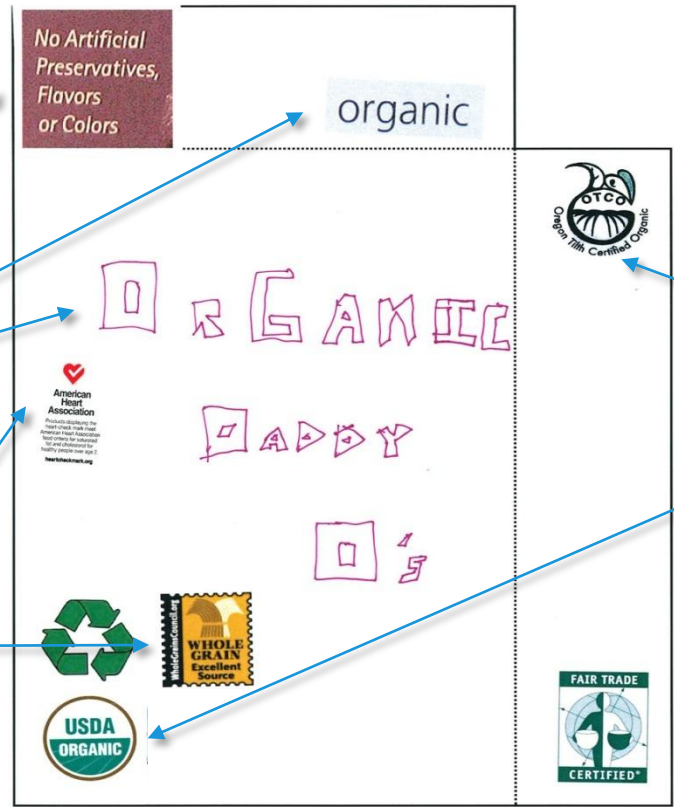
This package created by an Inner Mid-Level consumer illustrates:

Desire for organic + natural attributes (artificial preservatives, flavors, colors)

Focus on health through whole grains

Prioritization of the USDA certification, but inclusion of others

Interest in Social Responsibility



Build a package exercise where consumers were asked to create an ideal natural or organic package during their in-home interview





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# Consumers Seek Authenticity





# Several Private Label Products are Perceived as More “Authentic” than National Organic Brands

As a consumer, how believable is it that the following brands produce an authentic organic product?

59%



Trader Joe's  
(59% Believable/17% Unbelievable)

48%



Safeway O Organics  
(48% Believable/24% Unbelievable)

45%



Annie's  
(45% Believable/26% Unbelievable)

32%



Kraft  
(32% Believable/42% Unbelievable)

Q26. As a consumer, how believable is it that the following brands produce an authentic organic product?





## Beyond Organic: Consumers in the Core are Seeking More

Consumers in the core have moved beyond organic. They still see organic as a positive, but it no longer satisfies their social, environmental and personal health standards

These consumers are seeking foods that are traceable through personal relationships with farmers in order to know that they truly align with all of their standards:

- Pesticide & synthetic fertilizer free
- Non-Mono Crop
- Local
- Biodynamic
- Sustainable

| Any other words? (write below)                                     |                          |
|--|--------------------------|
| Grass Fed  | <input type="checkbox"/> |
| Perma Culture  | <input type="checkbox"/> |
| Small Farms  | <input type="checkbox"/> |
| Nutritious   | <input type="checkbox"/> |
| <del>Star</del> According to Nature's Intelligence                 | <input type="checkbox"/> |
| (Growth fr. soil, production, effect on our bodies - full process) | <input type="checkbox"/> |





## Consumers Seek Authentic Retail Experiences

The increase in consumers purchasing organics through farmers markets, CSAs and co-ops reflects their desire for clean, authentic foods through clean, authentic retail experiences

Farmers markets, CSAs and co-ops provide consumers with more knowledge about the products they buy and the ways in which they are grown





# Recommendations





## Three Key Recommendations

1. Develop natural and/or organic products that meet objective criteria and align with consumers symbolic associations
2. Communicate company ideals and connections to social responsibility through a mission statement
3. Provide consumers holistic experiences at retail that tap into their symbolic associations with clean, whole and real



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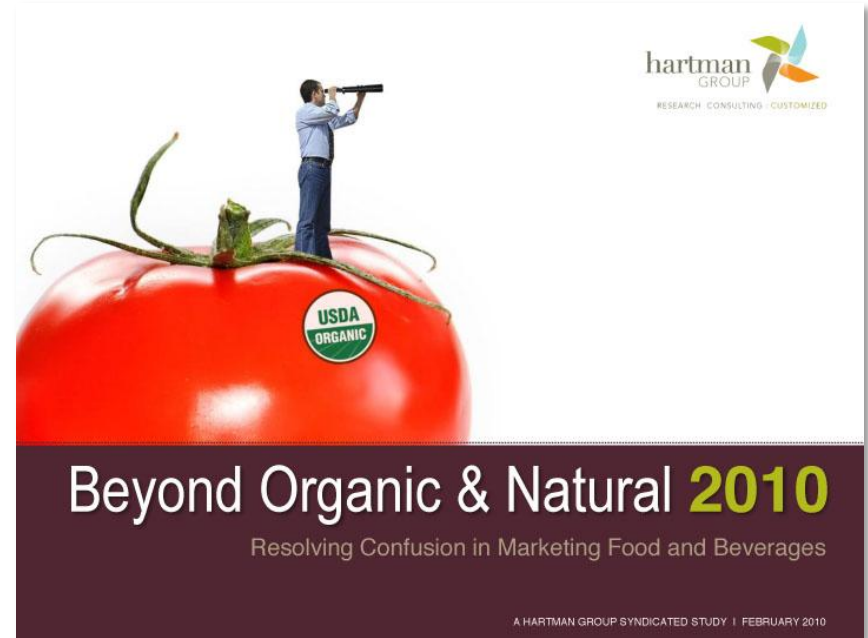
RESEARCH CONSULTING : CUSTOMIZED

## ABOUT THE HARTMAN GROUP

The Hartman Group, located in Bellevue, Washington, blends leading-edge customized research and consulting to understand the subtle complexities of consumer and shopper behavior. Since 1989, Hartman Group has been listening loudly to the underlying motivations and behaviors that move the needle for our clients. To learn more about how Hartman Group stays sharply focused on how consumers live, shop and use brands and products visit:

[www.hartman-group.com](http://www.hartman-group.com)

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To learn more about the Beyond Organic & Natural report, please visit our website.

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