US Families' Organic Attitudes & Beliefs

2010 Tracking Study

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Organic
trade association

Background and Objectives

- The Organic Trade Association partnered with KIWI Magazine to conduct a follow-up to the 2009 *US Families' Organic Attitudes & Beliefs* study to identify and track changes from 2009 benchmarks.

- Specifically, the 2010 Tracking study seeks to identify any changes in:
  - The degree to which families are incorporating organic choices into their lifestyle
  - Families' knowledge, opinions and perceptions of the organic movement
  - Parents' knowledge about organic products and perceived benefits
  - The importance and use of labels when shopping for and choosing organic products

- The 2010 study also benchmarks families' knowledge of and perceptions about "natural foods."

Methodology

- The target audience consists of KIWI Magazine's Parents' Advisory Board (PAB), supplemented with a national online panel of US households.
  - The KIWI PAB, an opt-in, online panel of parents interested in natural and organic living, provides an important sample of self-identified 'organic believers' enabling the research to drill down into organic purchasing behaviors.
  - The national online panel, obtained through a third-party panel provider, enables the measurement of organic attitudes and behaviors at the household level.
- Panelists were invited to participate in a web survey via email and provided an appropriate incentive to do so.
- All respondents were screened to be 18 and over with at least one child under the age of 18 in the household and to have sole or shared responsibility for household grocery store purchases.
- Data collection took place between August 11, 2010 and August 27, 2010.
- A total of 763 usable surveys were completed, including 377 KIWI PAB panelists and 386 national panelists.
- Data from both panels were combined and weighted to reflect the demographics of US households online.
- The total sample of 763 reflects the target population of US households online at a confidence interval of +/- 5% at the 95% confidence level.
  - Throughout the report, statistically significant differences at the 90% level are noted with an asterisk (*).

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Summary of Key Findings

- US families are buying more organics than ever before and are increasingly experimenting with organic products in varied categories. Four in ten (41%) parents report they are buying "more" organic foods today than they were a year ago, up significantly from the three in ten who reported similar purchases in 2009. And, according to families' self-reported purchases, *dairy*, *personal care products*, *fiber, linens and clothing*, *flowers* and *pet food* are all categories within which parents have increased their organic purchases compared to one year ago.
- Parents are buying organic foods primarily for health reasons – their families' health that is, not necessarily the health of the planet. As reported in 2009, parents are primarily motivated to buy organics either because organics are generally seen as "healthier for me or my children" (38%), out of "concern about the effects of pesticides, hormones and antibiotics on children" (41%) or as a means to "avoid highly processed foods and/or artificial ingredients" (39%.)
- Although secondary to personal health motivations, parents are also choosing to buy organics because they believe they are "safer" (28%), "fresher and/or more nutritious," (24%) "better for the environment" (24%) and/or "to support thriving farms and rural communities" (20%.)

Summary of Key Findings

- The perception that organics are too expensive is the primary barrier preventing Non-Buyers from adding organic products to their shopping cart. However, Non-Buyers' attitude towards organics can also be characterized as one of apathy, or better yet, skepticism. In fact, the proportion of Non-Buyers who say they don't choose organic foods because they "do not feel they are healthier" has increased significantly from 11% in 2009 to 23% in 2010. Meanwhile, two in ten say they "do not know much about organics," (23%) "do not care very much about organics" (19%) or "do not believe that organic farming is better than conventional" (15%.) Furthermore, 12% report they "do not trust that products claiming to be organic really are organic."
- The price premium commanded by many organic products, in conjunction with an increasingly challenging economic climate, is impacting some families' choices, however. Among those families who report they have decreased their purchases of organic products over the past 12 months (25%), nearly nine in ten did so because "they are too expensive" (92%), while 61% report that "changes in personal finances do not allow us to keep buying organic foods."

Summary of Key Findings

- Parents are increasingly familiar with the USDA Organic seal used on organic packaging, and are becoming more accustomed to looking for the label when shopping for organic products. Seven in ten parents overall and nine in ten organic buyers specifically are familiar with the USDA Organic seal, representing a significant increase over levels of familiarity reported in 2009. Additionally, seven in ten organic buyers now look for the USDA seal at least "most of the time" when they shop for organic products, a significant increase from the 63% who reported they did so a year ago. There's still work to be done, however, as only three in ten (35%) currently make it a habit to look for the seal every time they buy an organic product.
- Trust in the authenticity of organic products remained consistent with 2009 findings – families feel moderate to high levels of trust that products labeled as "organic" meet national organic standards established by the USDA. Over six in ten (63%) parents rate their trust a 7 or higher on a 10 point scale. However, only about two in ten parents give organic products their highest marks, rating their trust in the labeling and authenticity of organic products a 9 or a 10.
- Although we don't see empirical evidence of increased trust in organic labeling when examining respondents' ratings of trust on a 10-point scale, the proportion of parents reporting they are "more trusting of organic products versus a year ago" rose significantly from 28% in 2009 to 34% in 2010.

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Summary of Key Findings

- Although parents are increasingly aware of the USDA Organic seal, are using it more and more when shopping for organics *and* report that they are increasingly trustful of organic products' authenticity, there still exists quite a bit of confusion over what makes a food or non-food product "organic" and where "natural" foods fit into the mix, to wit:
  - Regardless of their level of experience with organic products, parents generally believe that organic *personal care products* such as shampoo follow the same rules as *organic produce* such as fruits and vegetables. In fact, about two in ten parents overall believe organic personal care product standards are "more stringent" than or are "the same" as organic produce standards.
  - Encouragingly, parents are increasingly knowledgeable about the farming, processing and inspection, and certification requirements of organic foods. However, about eight in ten parents believe foods labeled as "natural" *also* follow each of the standards and requirements established for the organic foods category.
  - In fact, many parents interpret an organic label as shorthand for products incorporating only natural ingredients: for many, a food product labeled as "organic" means it is "all natural/contains no artificial ingredients" (32% 2010) or contains "no artificial preservatives/flavors/colors" (6% 2010) and seven percent (7%) believe an organic label means the product contains "no additives."
  - Interestingly, parents appear as likely to apply each requirement to *natural foods* as to *organic non-foods*, further indicating the level of confusion that exists in shoppers' minds regarding what makes a food product "organic" or "natural" and what makes a non-food product "organic."
- In order to differentiate organic products from "natural" products in consumers' minds, the organic industry as a whole needs to focus educational efforts on messages that stress the positive environmental impacts of organics in addition to health benefits. Shoppers do understand that organic products have a positive impact on the environment and local farming communities, but these benefits are not foremost in their minds and are not viewed as the key benefits of buying organic. While the health benefits of organics provide an answer to "what's in it for me?", the environmental impact of choosing organics is "what's in it for *all of us*?"