



Communicating the concepts of label friendly and sustainability

Products that contain label-friendly ingredients and that are produced sustainably have taken a stunning leap in consumer awareness in the last couple of years.

The attention to environmental issues has seen growing prominence in the media, as well as in our political and economic discourse. For many consumers, environmental concerns are no longer just a vague problem happening somewhere else. But even as these issues gain a groundswell of support, the way they translate to products is still not well defined.

Even so, brands may have a sustainable or “clean label” product strategy, despite the fact that these umbrella concepts include a wide variety of attributes – ranging from products that are free from artificial or GMO* ingredients, to those that are transparently or locally sourced. It is a highly fragmented landscape. Companies have the difficult task of determining who their sustainable customer is and then speaking to them as specifically and as honestly as possible.

First, who is the sustainable, “clean label” consumer? Are they the same? This is a question that many experts have been grappling with. There is really no defining concept behind either term. But both seem to circle back to the ideas of transparency, trust and simple foods with recognizable ingredients. From there, it’s a mixed bag.

While one-third of consumers now say they live a green lifestyle, and a majority wish they did more to support environmental causes,¹ they are not necessarily willing to sacrifice important product qualities like taste, price and convenience to purchase products that are sustainable.²

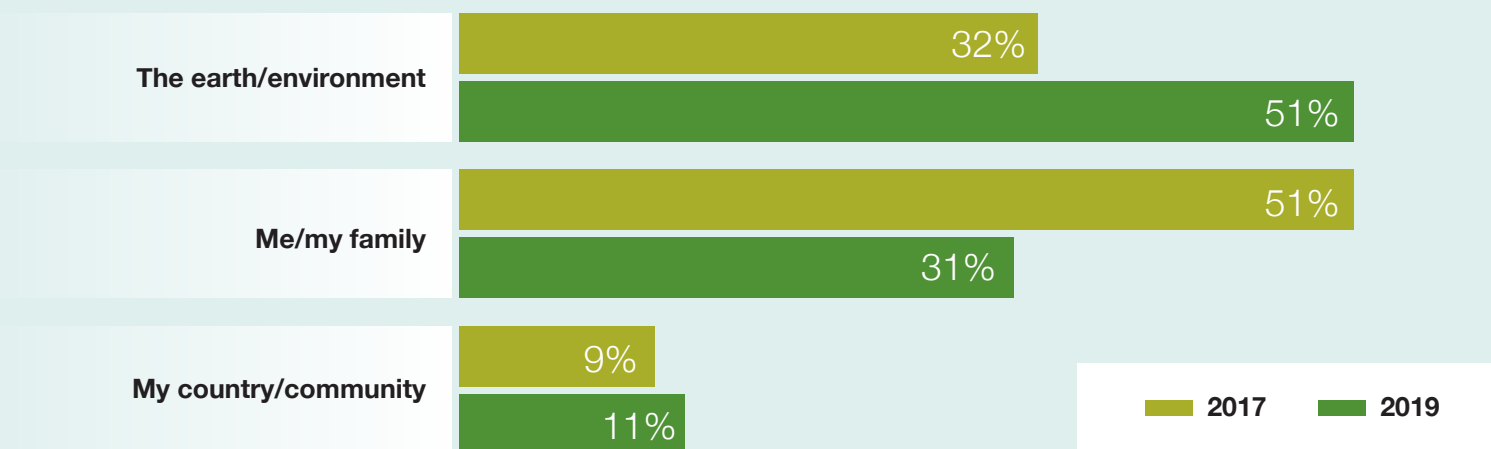
Nevertheless, the issues are resonating. According to data from the Natural Marketing Institute’s 2019 State of Sustainability Report, more than half of consumers across all generational groups feel more personally responsible for protecting the environment than they have in the past. What’s more, consumers who care about the environment tend to report taking better care of their health by exercising more and eating healthful and organic foods.³ This is where the two trends intersect. As consumers become more interested and discriminating about the foods they purchase, they are looking for products that meet their particular values for simple, recognizable ingredients with some degree of sustainability.

At the same time, single environmental issues don’t resonate at particularly high numbers, with most generating concern at less than one in five.⁴ The concept of “clean” eating is, however, on the rise, cited as the most commonly practiced diet in the 2019 Food and Health Survey from the International Food Information Council Foundation. However, “clean” dietary choices are not necessarily better nutritionally.⁵ The report also noted that brand trust is increasingly important, with three in 10 consumers now saying it has a great impact on their purchase, and nearly 70% noting it has at least a good impact on their buying decisions.

Recent data from the Hartman Group also sheds light on these shifting consumer attitudes. A recent report on sustainability noted that while many still see purchasing sustainable products as an important personal responsibility, they are now significantly more willing to purchase sustainable, “clean” products for the greater good of the environment. Hartman analysts suggest this means that with the current, more tense national mood, consumers are significantly more willing to prioritize the greater good in making product purchases than they were in 2017.

Reasons for purchasing sustainable products

Because they are better for...



Source: The Hartman Group. "Sustainability 2019: Beyond Business as Usual" Report.

Most of these attitudes will likely gain momentum in the coming years. Although older consumers are interested in these concepts, younger consumers tend to be most engaged, and thus promise continued growth. Data from market research firm Nielsen reports that millennials are about twice as likely as those in the Baby Boomer generation to change their buying habits to reflect their environmental impact.⁶ Younger consumers' use of technology may help propel the growing interest in sustainability and "clean" eating. Nielsen data also reported, for example, that consumers who are interested in sustainability tend to be more digitally savvy and use electronic devices to make their purchasing decisions.⁷

Selling sustainability

Keeping abreast of these attitudes is only the first step for brands as they navigate the sustainable and label-friendly ingredient sectors. Because sustainability and label-friendly mean so many different things to so many consumers, brands have to figure out not only how to change their products and/or processes to meet these demands, they also need to discern how to communicate what they've done in a meaningful way.

The complexity of these issues presents a communication challenge – successful approaches are constantly evolving. What is important for one customer may not be for another, and brands must determine what works best for their company, their products and their customer base.

Following are a few techniques for effectively communicating clean and sustainable concepts:

Tell an authentic story

One brand can't be all things to all people. Each company must figure out their story, take ownership of whatever part of sustainability or "clean" they can, and then tell it in an authentic and truthful way. According to researchers from Innova Market Insights, consumers are increasingly interested in discovering the stories behind the products they choose, and this is influencing their purchasing decisions.⁸ They suggest that manufacturers have an opportunity to focus on ingredient provenance platforms to communicate a wide range of messages within the label-friendly and sustainable realm. These include flavor/taste, processing methods, cultural and traditional backgrounds, as well as sourcing information. Telling a story in a transparent way helps customers understand a product's or an ingredient's benefits, while building trust in the brand.

Keep it simple and subtle

Brands have to find a balance between varying levels of consumer awareness about sustainability and label-friendly ingredients. Some research suggests that it is best not to oversell the idea of health, because the perception that a product is overly healthy suggests it might not taste as good. It is also important not to frighten consumers with dire warnings about climate change. Research from the World Resources Institute's Better Buying Lab suggests that the best approach is to keep things simple and focus on the food. In looking at ways to get consumers to eat more sustainable food, they found that certain terms have negative connotations for some consumers. For example, "health" may mean unsatisfying, and the term "vegan" may alienate some consumers. They found that a better approach is to use clever or mouthwatering language to describe sustainable, plant-based products. For example, highlighting flavor with terms like "roasted" or "zesty" and/or focusing on texture or the sensory experience from the product works well.

Get the packaging right

Package communications are always critical, but new research suggests that when it comes to sustainability, consumers seek it right at the store shelf, making this messaging all the more important.¹⁰ According to data from Mintel's Food Packaging Trends 2019, half of consumers who choose food and beverage products based on sustainability do so by referring to on-pack information when making that decision.¹¹

Consumers are also putting more burden of responsibility on brands, so they are looking to see evidence of sustainability efforts such as use of renewable energy, sustainable paper sources and attempts to close the packaging loop. So this goes beyond the messaging to the packaging materials themselves. Consumers are increasingly looking for brands that have taken a proactive approach to how, who, and where their packaging will be recycled. Brands now have an opportunity to ride this wave and commit to using new recycled material.

Ultimately, consumers now see both sustainability and label-friendly ingredients as the new baseline expectation. Brands need to have a strategic plan for upping the sustainability of their products, as well as communicating claims about those concepts. The best way to do this is to walk the talk and explain the efforts within the context of a specific brand or products. In the end, that makes companies part of the solution.

^{*} There is no single definition of "non-GMO" in the USA. Contact Cargill for source and processing information.

References

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