



Clean Label

Consumer Insight Report

AN IN-DEPTH UNDERSTANDING OF CONSUMER PERCEPTIONS OF “CLEAN LABEL” PRODUCTS

Overview

A robust quantitative study conducted with 1,000 U.S. consumers in 2020 exploring their attitudes and behaviors around food and beverage certifications

Why It's Unique

This report includes several unique aspects including Martec's proprietary Emotion Intelligence, carefully crafted consumer segments, and key takeaways to help your company take action.

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Extraordinary. Intelligence.



INTRODUCTION




The Martec Group is a global market research firm headquartered in Detroit, Michigan. For nearly 40 years, we have been providing unparalleled quantitative and qualitative research to top companies around the globe.

Study Background

“Clean label” refers to food and beverage products containing natural, familiar, simple ingredients that are easy to recognize, understand, and pronounce. No artificial ingredients or synthetic chemicals are listed. This is a growing trend in the U.S. and a topic worth exploring.

Study Objectives

This study had three primary objectives:

-  Gain insight into consumers’ hidden opinions and associations utilizing Martec’s proprietary Emotion Intelligence tool
-  Better understand consumers’ attitudes, needs, and motivations specific to clean label products
-  Conduct in-depth segmentation analysis to understand the different audiences in the general population

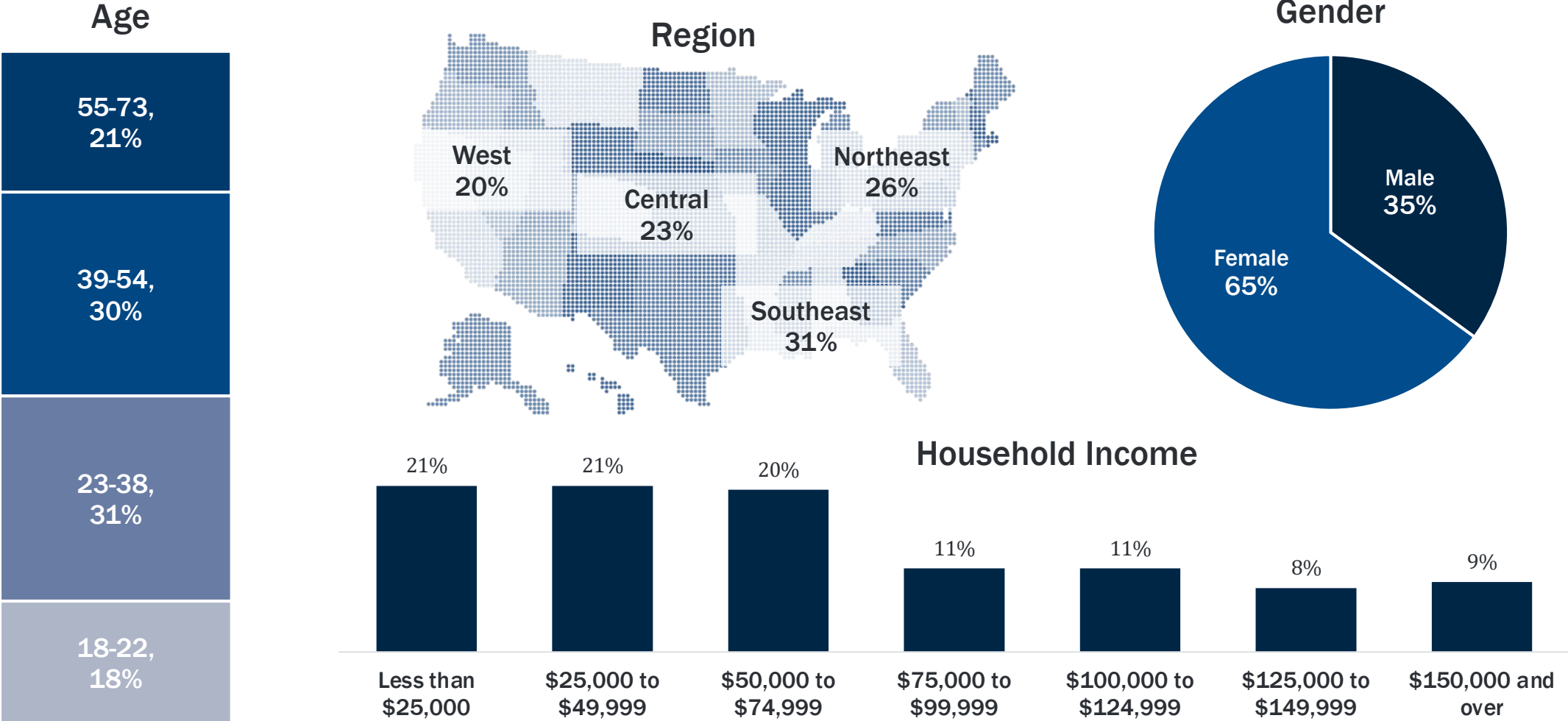


Who took the survey?

SAMPLE COMPOSITION

Sample Composition

This consumer survey was conducted in January 2020 with 1,000 U.S. consumers across the country.



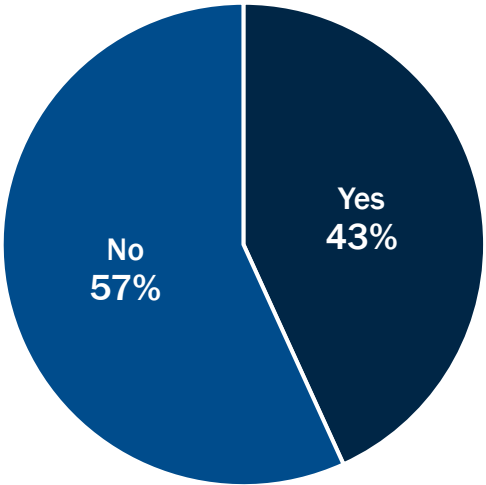
Sample Composition

Additional background information includes:

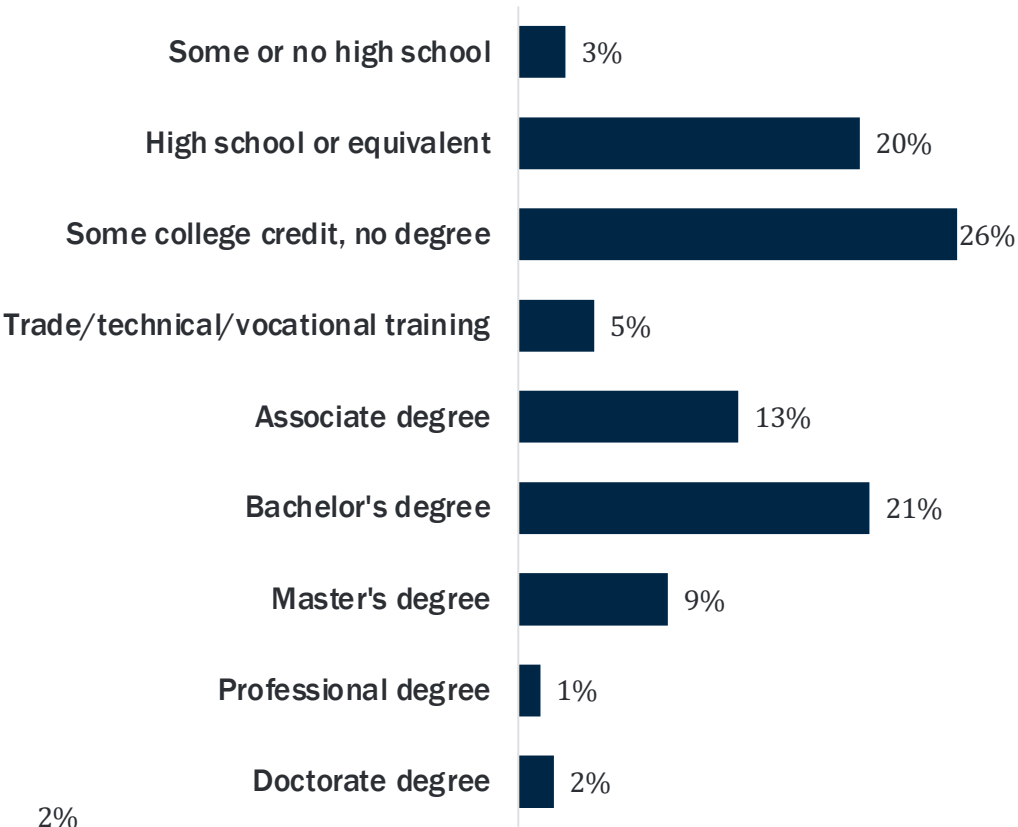
Marital Status



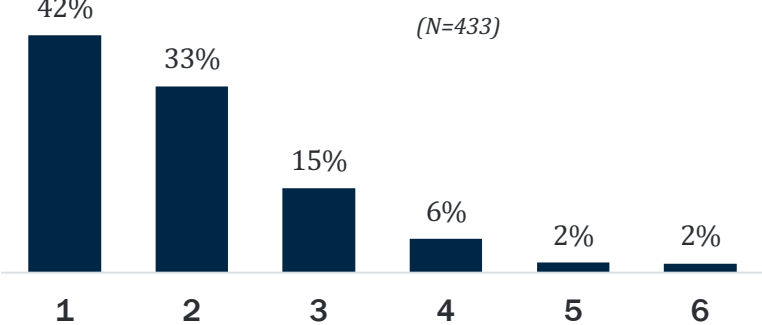
Parent/Guardian



Education Level



Number of Children





What are consumers' general habits when it comes to buying groceries?

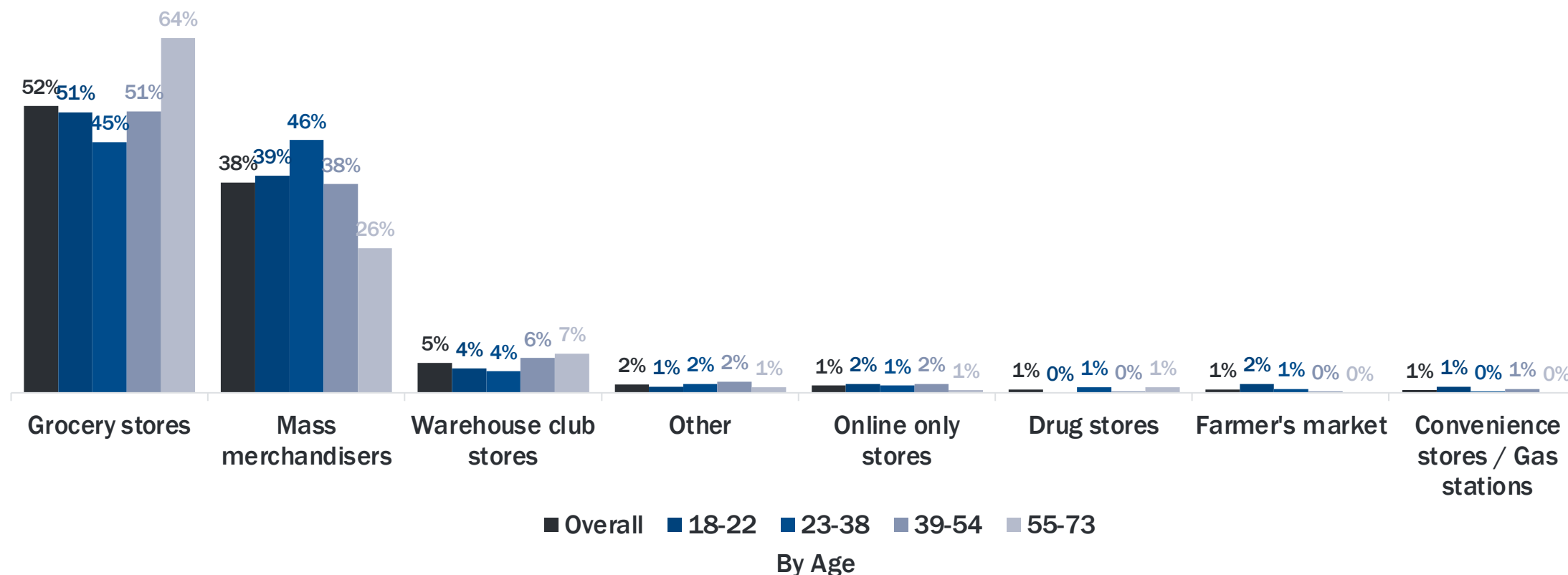
GENERAL ATTITUDES & BEHAVIORS

Primary Grocery Shopping Location

Grocery stores (e.g., Kroger, Ralphs, Publix) and mass merchandisers (e.g., Walmart, Target, Costco) are the dominant grocery shopping locations across all demographics.

Where do you buy most of your groceries?

Single-Select



Food & Health Attitudes

Overall, consumers are most likely to make food buying decisions based on taste. Attitudes also vary by age – older consumers (ages 55-73) are less likely to buy online, eat primarily vegetarian or vegan, or give health advice to friends or family.

How well do each of the following statements describe you?

Percent who selected a 6 or 7 on a 1-7 scale (top 2 box) reported



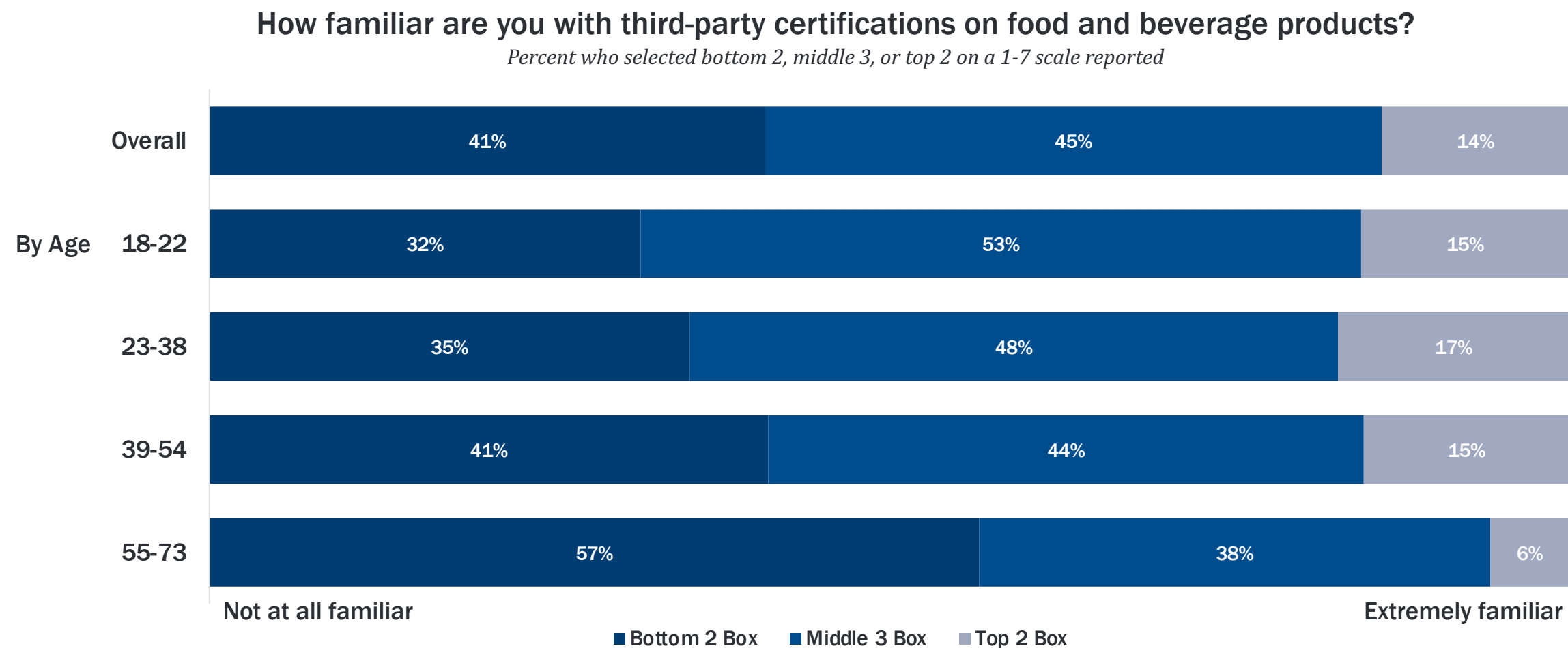


How do consumers feel about third-party certification marks and label claims on food and beverage items?

CERTIFICATION MARKS & LABEL CLAIMS

Familiarity with Third-Party Certifications

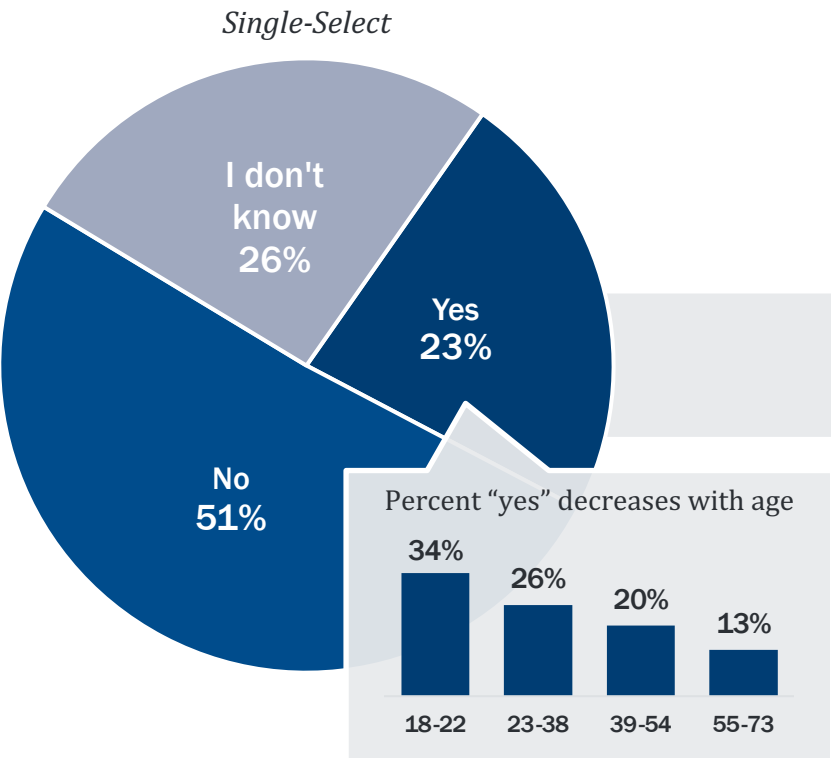
Overall, only 14% of consumers consider themselves familiar with third-party certifications on food and beverage products; and as age increases, familiarity steadily decreases.



Third-Party Certifications

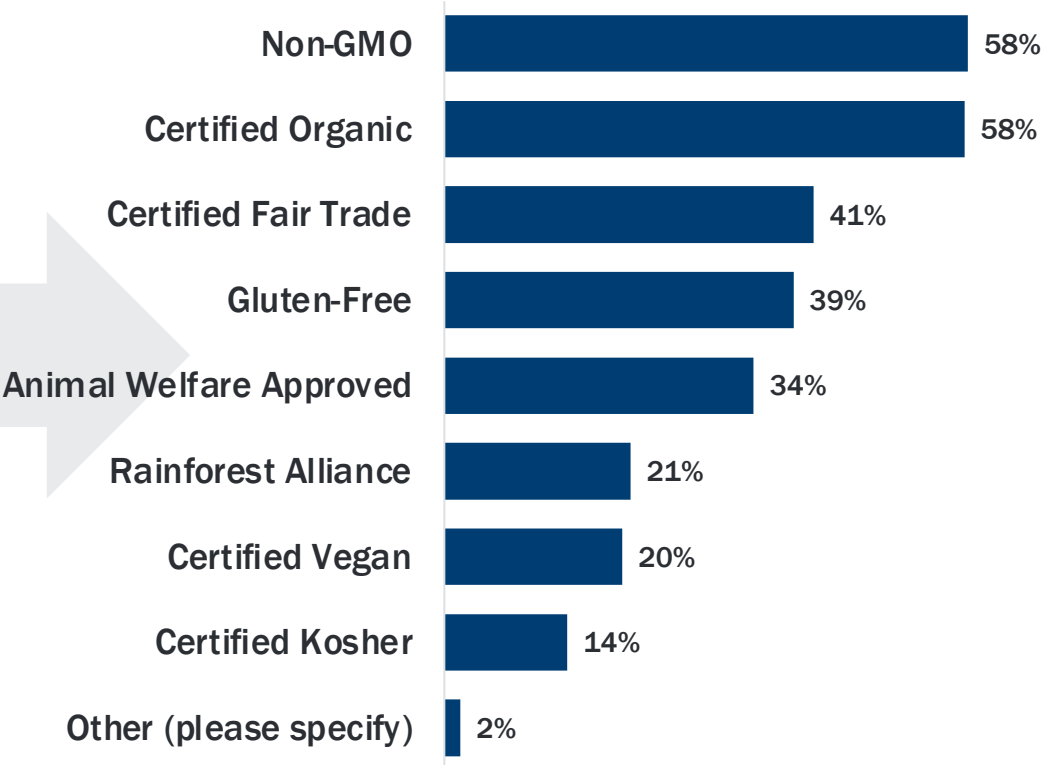
Less than a quarter of consumers seek food or beverage products with third-party certifications; but when they do, they're usually searching for non-GMO or certified organic labels.

When grocery shopping for your household, do you actively seek food or beverage products with third-party certifications?



Which of the following certifications are you searching for?

Single-Select





Digging into consumers' opinions on the trending concept of “clean label”

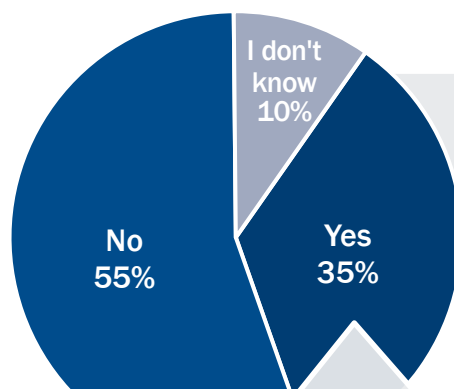
CLEAN LABEL DISCUSSION

Clean Label Familiarity

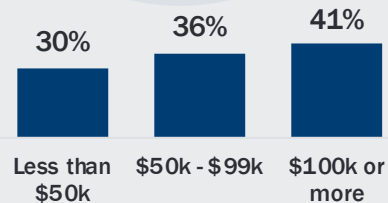
About 1/3 of consumers have seen or heard of the term “clean label;” the percentage increases with household income (HHI). Consumers are primarily hearing about clean label from shopping in physical stores and reading food labels.

Have you seen or heard the term "Clean Label" before today?

Single-Select

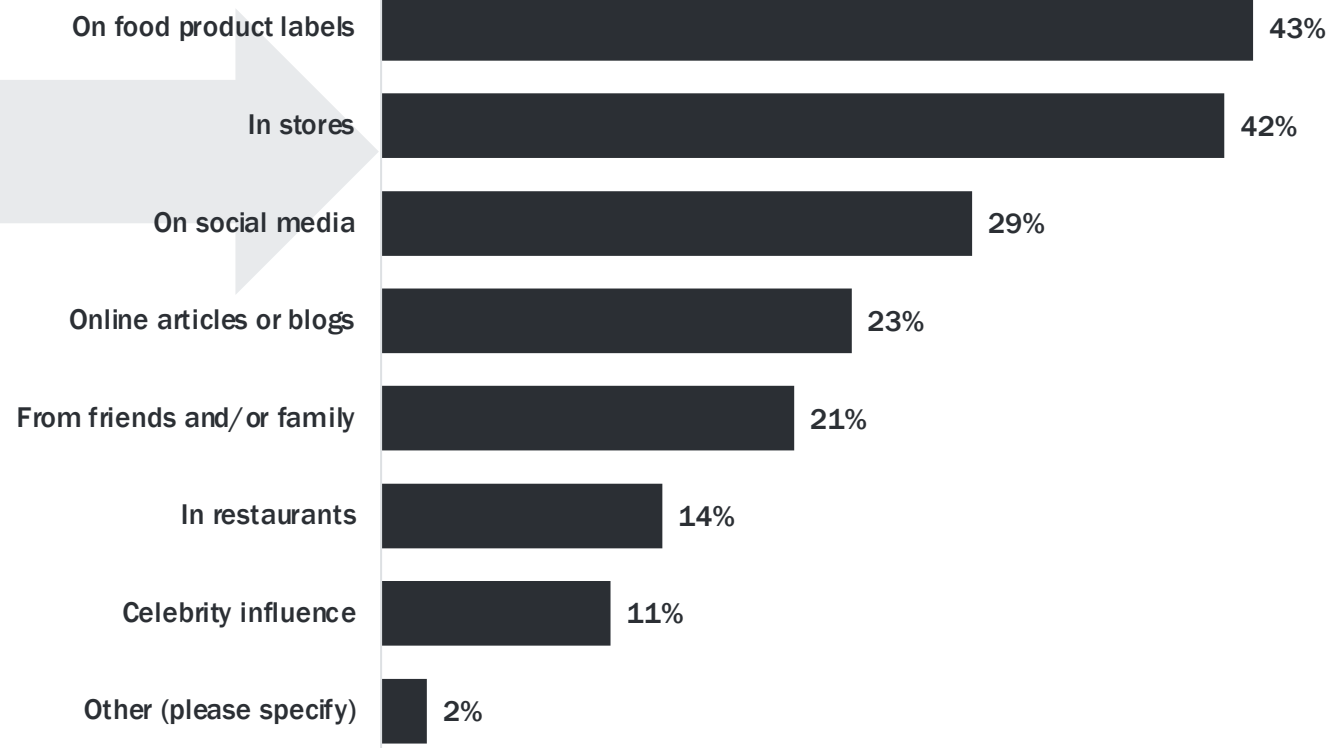


Percent "yes" increases with HHI



Where have you seen or heard the term "Clean Label"?

Multi-Select

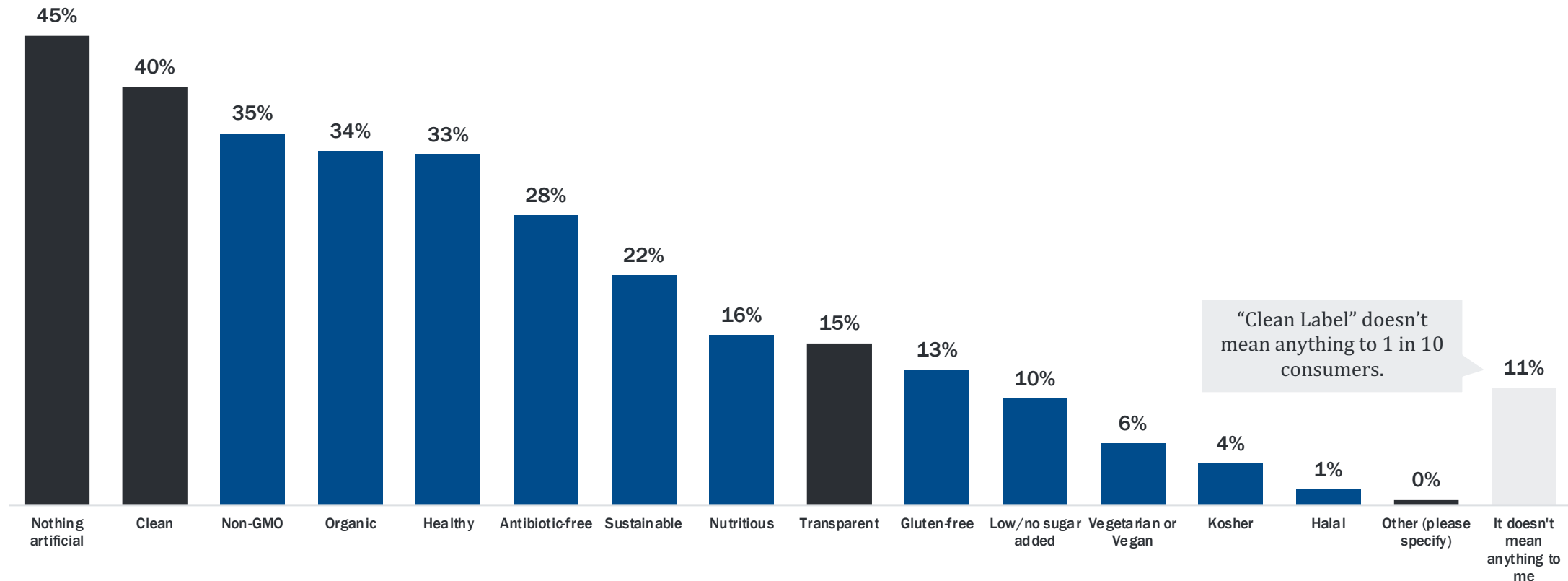


Clean Label Familiarity

Consumers generally think “clean label” means “nothing artificial” and “clean.” Many consumers also believe clean label indicates more about products than it does (noted in blue)—indicating consumers need more education on the concept.

What do you think "Clean Label" means?

Multi-Select

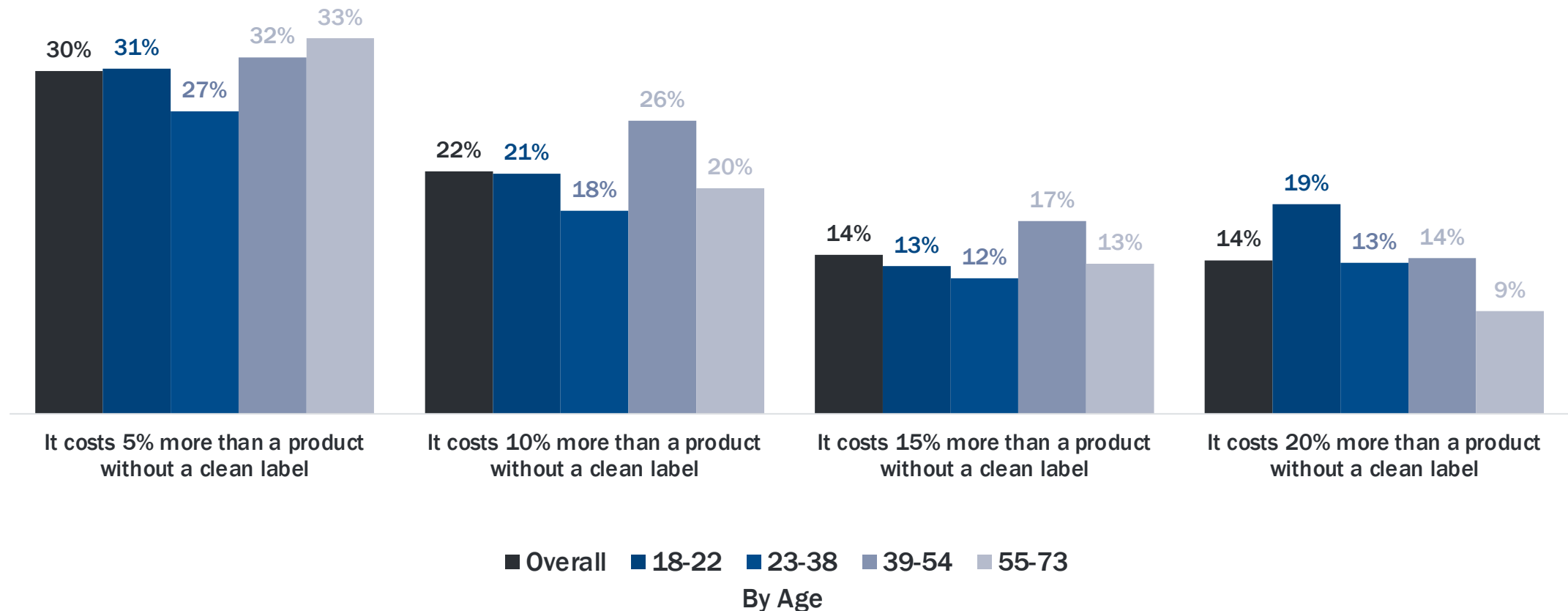


Willingness to Pay for a Clean Label

About half of consumers are willing to pay a 5-10% premium for clean label food and beverage products. Younger adults are willing to pay the highest premium for clean label products.

How likely are you to choose a clean label food or beverage item if...

Percent who selected a 6 or 7 on a 1-7 scale (top 2 box) reported





Exploring consumers' emotions while reading ingredients on a food label

EMOTION INTELLIGENCE

Emotion Intelligence

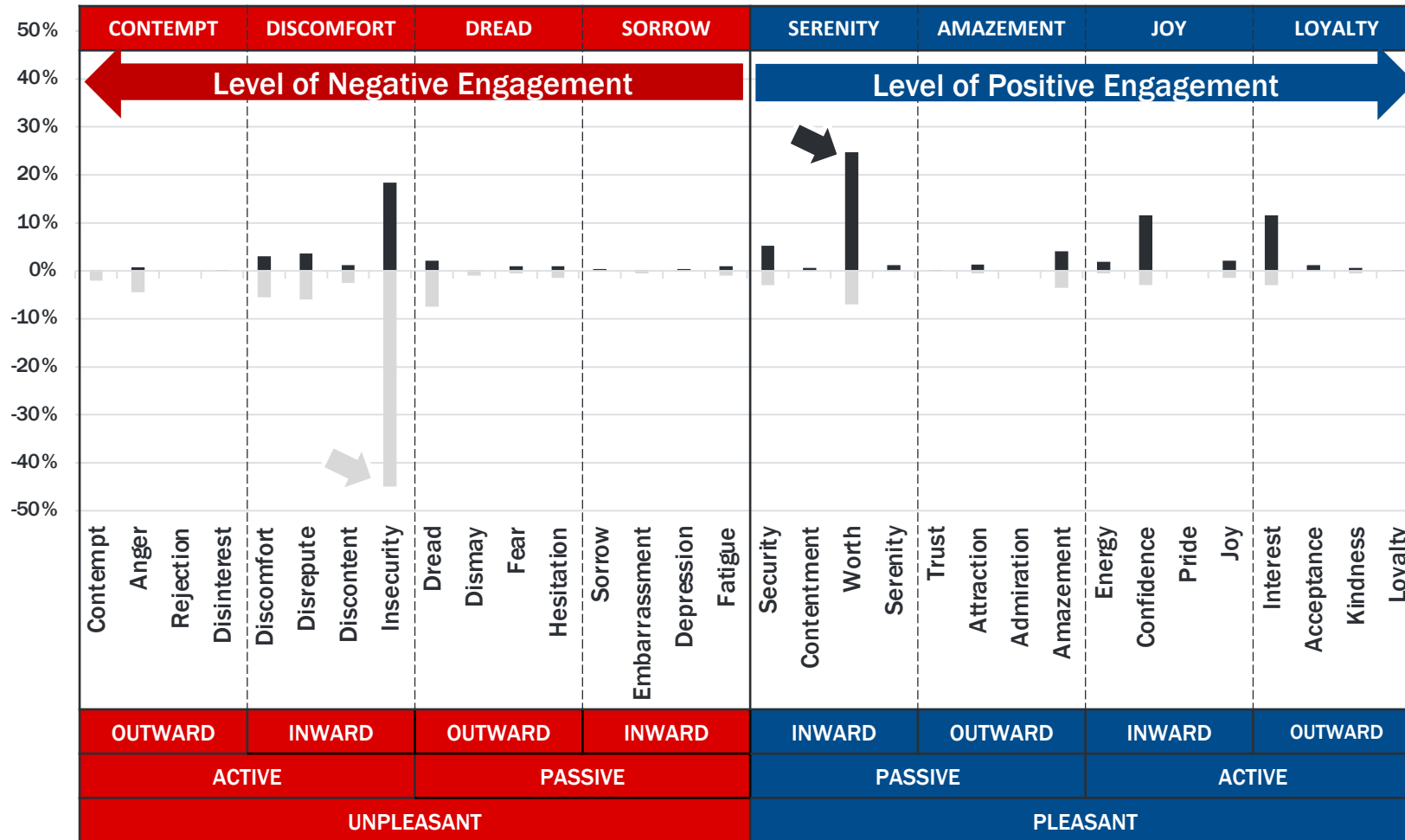
Introduction to Martec's Emotion Intelligence process

The Emotion Intelligence section of this survey explored consumers' emotions while reading the ingredients on a food label by asking a series of 4 questions:

| Question Purpose | | Clean Label Survey Question |
|------------------|--|---|
| 1 | Elicit emotion words Categorize the emotion word | Please provide a single word (positive or negative) to best describe how you feel when reading the ingredients on a food label. |
| 2 | Contextualize Are emotions about the topic? | For [WORD] please provide a one sentence explanation that explains why you chose that word. |
| 3 | Reported intensity Strength of specific feelings for the topic | For [WORD] , please indicate, using the following scale, how strongly this word represents how you feel about reading ingredients on a food label. |
| 4 | Baseline intensity Strength of general feelings | Now putting these specific questions about food labels aside, please indicate, using the following scale, how strongly this word represents how you feel about your life in general right now |

Emotion Landscape

The Emotion Landscape for reading ingredients on a food label



The top two emotions are **insecurity** and **worth**:

- **Insecurity** (Unpleasant, Active, Inward, Low Passion) is the leading channel among non-conscious emotions, driven by words like "confused."
- **Worth** (Pleasant, Passive, Inward, Medium Passion) is the leading channel among conscious emotions, driven by words like "positive," "good," and "important."

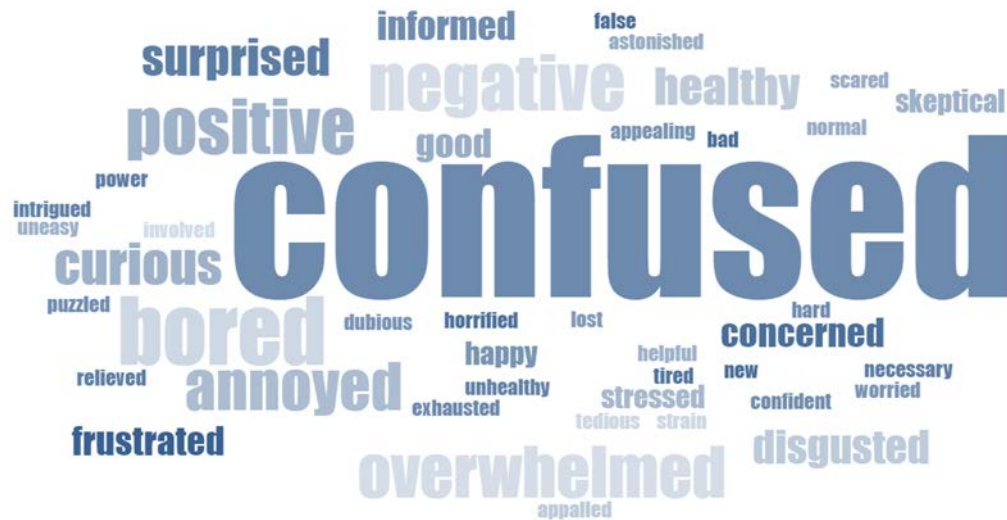
The non-conscious feeling of *confusion* points to the need for clean food labels.

The overall Martec Emotion Score (MES) for reading ingredients on a food label is: **-20**

Emotion Words

We identified 718 emotion words from the 869 responses collected in the survey. The word clouds below show the non-conscious and conscious emotions detected in this study.

Non-conscious Emotions



Conscious Emotions



Key Takeaway: The word “confused” appears more prominently as non-conscious emotions whereas words like “informed,” “positive,” and “interested” are more likely to appear as conscious emotions.



Using personas to segment consumers into recognizable groups to inspire effective marketing and communications strategies

CONSUMER SEGMENTS

Segmentation Analysis

Understanding the consumer segmentation process

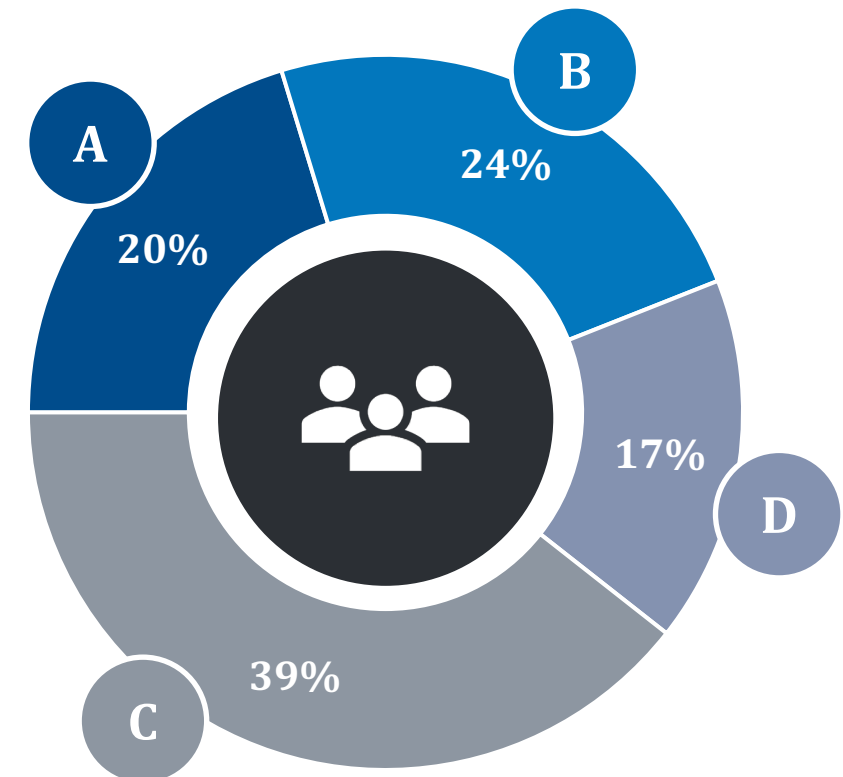
How were these segments created?

A two-step cluster analysis was used to classify each respondent into a different segment. Respondents were sorted by analyzing their answers to each of the following questions:

- **22.** How interested are you in clean label foods?
- **26.** When buying food or beverage products for your household, how often do you read the ingredients on the label?
- **24.** How well do each of the following statements describe you? “I am highly aware of the food and beverages I put into my body”
- **25.** Now thinking more specifically about clean label products, how much do you agree or disagree with each of the following statements? “I think other things are more important than ‘Clean Label’”

The result was four unique consumer segments.

Note: These variables were carefully selected through a highly iterative and creative process to ensure the most interesting and actionable groupings.



The Supporters

Older, health-conscious consumers all-in on the clean label concept



Demographics

- Skews older, mostly female, and is more educated than The Skeptics or The Unconcerned



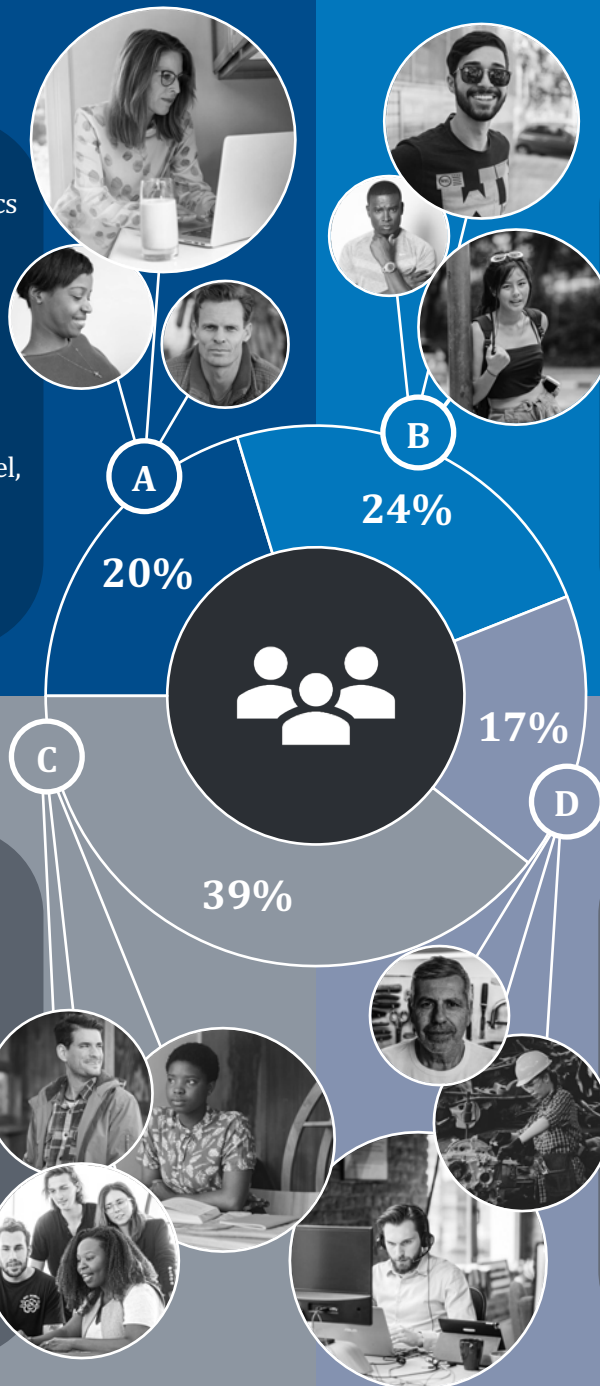
Key Beliefs

- Highly aware of the foods they put into their bodies
- Consider themselves active
- Primarily eat for nutrition rather than convenience



Thoughts on Clean Label

- Although they are not overly familiar with the concept of clean label, they are the most interested in learning more
- They are the biggest supporters of the concept and most likely to purchase clean label food and beverage products—even at a premium



The Go-Getters

Younger, trendy consumers somewhat intrigued by clean label



Demographics

- Skews younger, more male-dominant than other segments, has the highest portion of Western consumers, and is more educated than The Skeptics or Unconcerned



Key Beliefs

- Highest portion of vegan/vegetarian eaters and most likely to buy groceries online
- Always checks ingredients on their food labels and most likely to seek out third-party labels



Thoughts on Clean Label

- They are the most familiar with clean label
- But only somewhat interested in learning more, likely because they think other things are significantly more important

The Skeptics

Consumers who are unsure of how to feel about clean label



Demographics

- This segment's demographics can be described as "average," representing 23-54-year-olds and a wide variety of incomes and education levels



Key Beliefs

- Even though they don't consider themselves "active," they don't think they need to exercise more often
- Rarely eat organic food products
- Almost never gives friends/family health advice



Thoughts on Clean Label

- Few have heard of clean label, so they're not too sure how to feel
- They're somewhat interested in learning more, but not overly intrigued or convinced about the concept

The Unconcerned

Consumers who prioritize just about everything over clean label



Demographics

- Skews toward middle-aged consumers in the Southeast, lowest income of all segments



Key Beliefs

- Almost never checks ingredients on their food labels
- Almost never eats organic food products



Thoughts on Clean Label

- Only 1% of The Unconcerned are interested in learning more about clean label and they strongly believe other things are more important
- They are the least likely to choose a clean label product over a product without a clean label—especially if it costs more

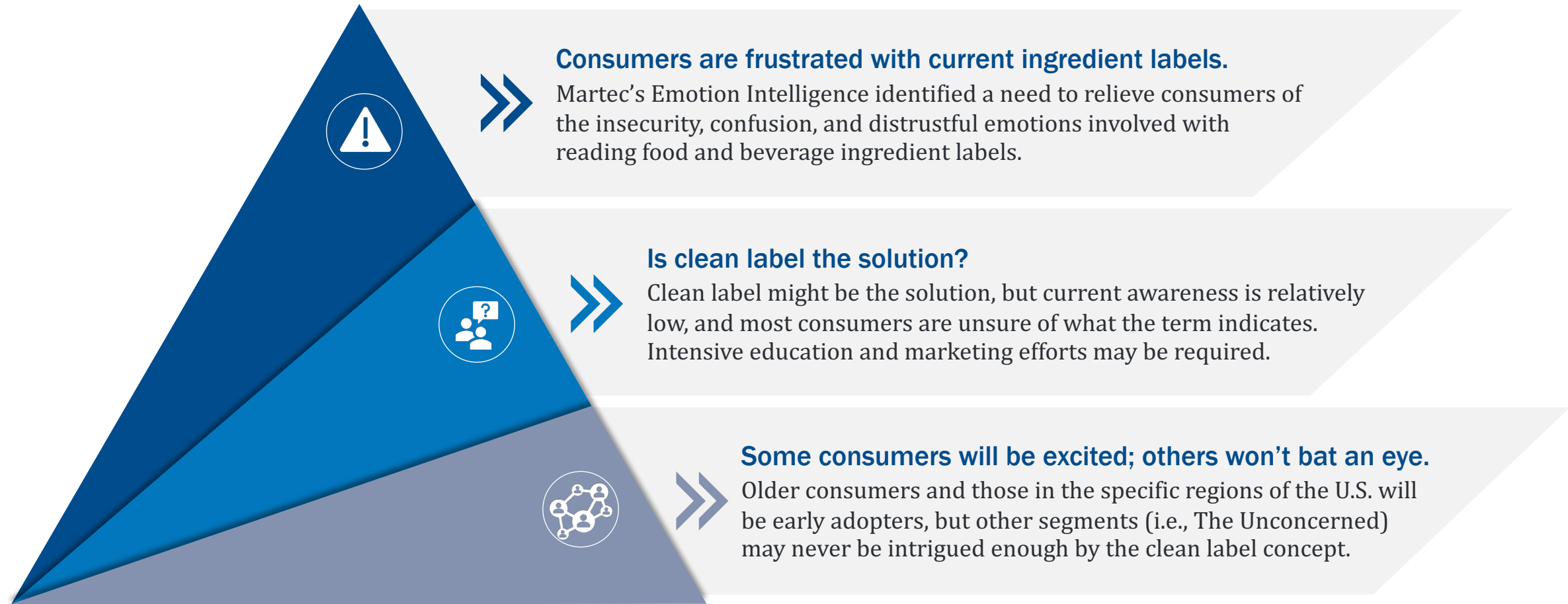


What did this study teach us about clean label?

CONCLUSIONS

Conclusions

What we learned about clean label...



We hope you enjoyed this summary.

To get the full report, please contact:



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