Vermont Organic Farmers

Consumer research + recommendations

Prepared by Uppercase Industries

Goals + Questions

THE GOAL:

Increase consumer market for certified organic food in Vermont

THE BIG QUESTIONS:

What makes people buy more certified organic food?

BIG QUESTION #1:

What makes people buy more certified organic food?

And who are those people likely to be?

BIG QUESTION #2:

Who is the person currently buying certified organics in Vermont?

THE BIG QUESTIONS:

Who is the person currently buying certified organics in Vermont?

And who should we target to increase the market for certified organics in Vermont?

Process

Audience question:

How do you or have you learned about your audience?

A Three-Step Approach

ASK QUESTIONS

Analyze the market and existing company data. Craft a plan designed to fuel our understanding of our audience, their challenges, and desires.

GET ANSWERS

Get out there and talk to humans! Collect insights with a variety of research techniques.

SYNTHESIZE + ACT

Move from insights to action. Assess what we've learned, identify the insights, and report the most important data. All this leads to a clear, nuanced profile of the consumer and successful marketing messsages.

RESULTS FROM OUR CONSUMER SURVEY RESEARCH:

Who we heard from: survey format & design

899 responses, narrowed to 552 “core” respondents

NOFA email subscribers, Front Porch Forum members, and Vermonters who are primary grocery shoppers.

Demographic, lifestyle, industry, + NOFA-specific questions

May 8 - July 10, 2023

Summary

The state of the organic food industry in Vermont

CERTIFIED ORGANICS ARE EXPENSIVE

High prices for certified organics are by far the biggest barrier for our shoppers. This barrier extends across income, education, and organic commitment.

Many report that they would love to buy more certified organics, but they simply can't afford it.

Targeting higher income folks could help, but Vermonters who seek certified organics span all income levels.

Love for organic isn't highly correlated to income or education for Vermonters.

A GENERATIONAL DIVIDE

We see a clear breaking line between consumers above and below age 45.

Consumers 45 years and older exhibit higher rates of believing in the importance of purchasing certified organics, are convinced of organic claims at higher rates, and buy more certified organic foods per shopping trip.

The over-45s have higher enthusiasm for consuming healthy foods at home, are less price sensitive to buying organics, and have slightly higher incomes.

Summary

Areas we need to improve

HIGH INTEGRITY, AWARENESS CAN IMPROVE

81% of all respondents agree the VOF seal has high integrity, a higher mark than the USDA seal.

Interestingly, more people agree that our seal has high integrity than say they're familiar with our seal. Skepticism of the certification process is not a major barrier for consumers. Being a Vermont certifier likely improves their perception of our integrity.

We're less recognizable than the USDA seal, but 74% of Vermont shoppers *are* aware of us. There's an opportunity to raise awareness further. Awareness rises with our core audience, and falls among younger shoppers.

WHY SHOULD THEY BUY CERTIFIED ORGANIC?

Our largest opportunity is in convincing shoppers that certified organics are the right choice for them.

There's a sizeable portion of Vermonters who lack strong belief in organic claims. Organic becomes a 'nice to have,' but not a necessary choice.

If they're unconvinced, they'll select the cheaper option, particularly if it's easy to find and is grown locally.

What value proposition are we demonstrating to these consumers?

The certified organics buying path

Our core consumers and growth targets share a baseline set of defining characteristics: importance of consuming healthy foods at home, are avid home cooks, and who look for new ways to prep foods at home. They then appear to follow the following path to buying certified organics:

1 - AWARENESS

Awareness of certified organics

2 - BELIEF

Belief in certified claims

3 - IMPORTANCE

Agreement with the importance of buying organic

4 - BUYING

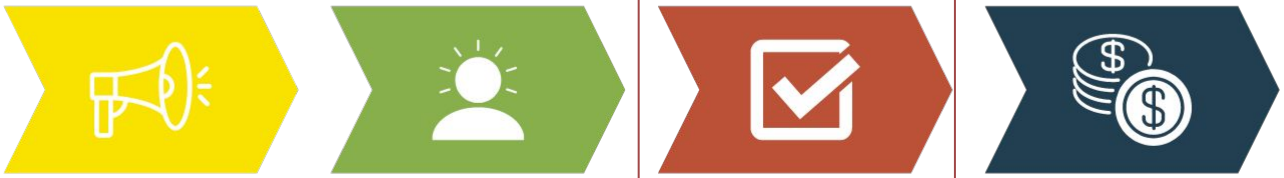
Higher share of buying certified organics per shopping trip

Message targeting: Current buyers and prospects

Prospects:

Bought-In Boomers:

1 - AWARENESS | **2 - BELIEF** | **3 - IMPORTANCE** | **4 - BUYING**



Awareness of certified organics

Belief in certified claims

Agreement with the importance of buying organic

Higher share of buying certified organics per shopping trip

Message targeting: Current buyers and prospects

*We're losing a lot of folks between steps 3 and 4 due to availability issues

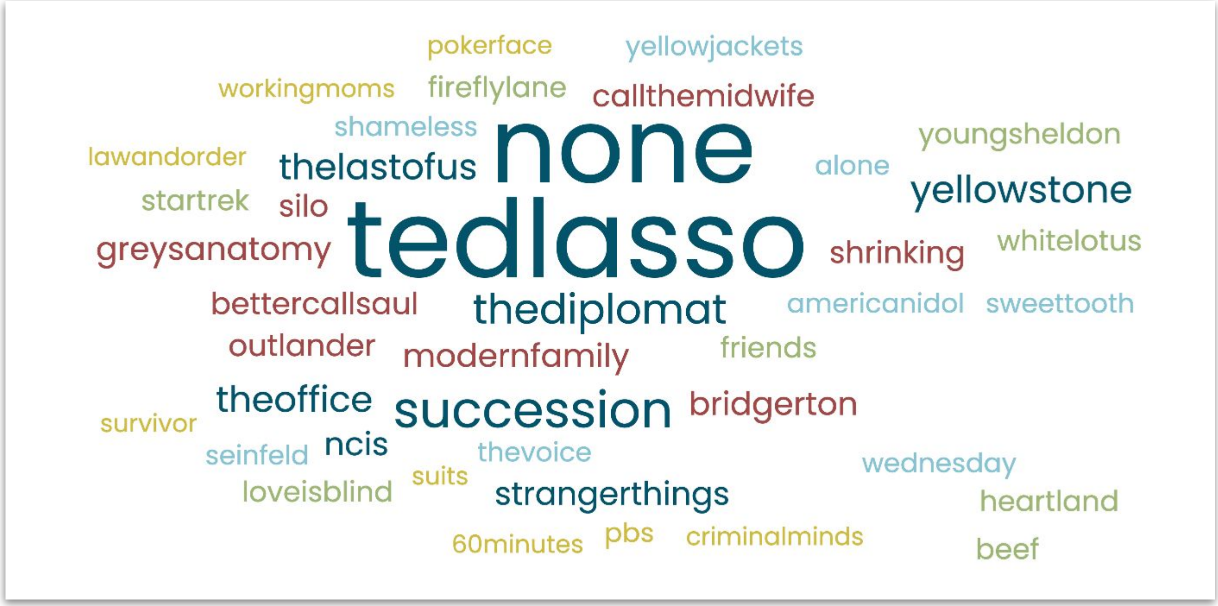
1 – AWARENESS | **2 – BELIEF** | **3 – IMPORTANCE** | **4 – BUYING**

1 – AWARENESS	2 – BELIEF	3 – IMPORTANCE	4 – BUYING
Awareness of certified organics	Belief in certified claims	Agreement with the importance of buying organic	Higher share of buying certified organics per shopping trip

What they’re like

TV watching: what's popular or…nothing

We see the popular comedy Ted Lasso as the most common show, followed by…**nothing**. There's a large group in our core that just isn't into TV, but have mainstream tastes when they watch.



Word cloud key: larger size and darker in color means more respondents mentioned this term.

* QUESTION: What are your favorite shows or series that you've watched recently? Please share up to 3.

They love to read and garden

As food growers themselves, they understand the importance of protecting the land and growing foods that are unspoiled by harmful chemicals.

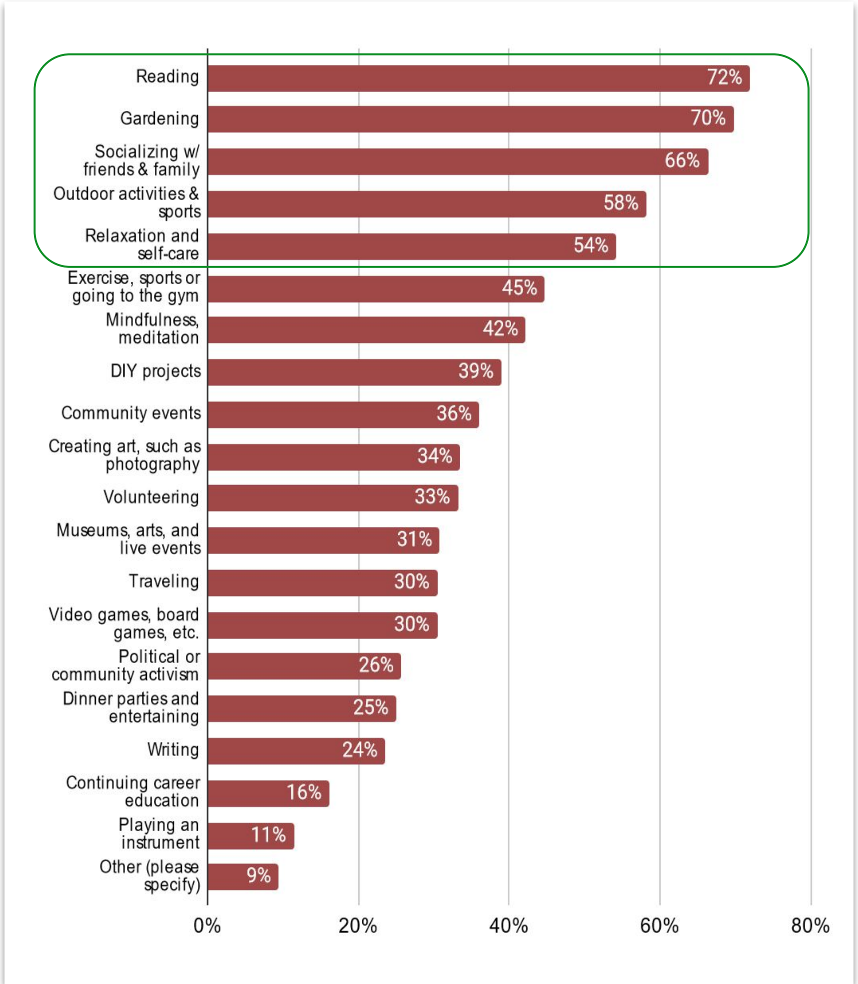
They're readers, socializers, and like to spend time outdoors.

They aren't big into activism or entertaining, even though they value new cooking methods, styles, presentation, and trends.

Other: walking, farming, and being in nature

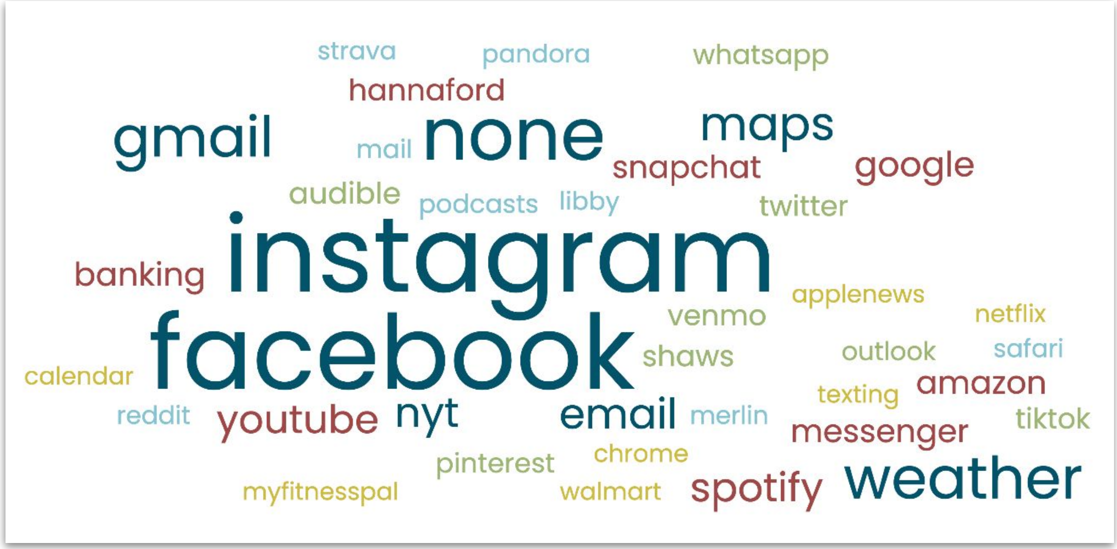
* QUESTION: Which of the following activities or hobbies do you regularly engage in? Please select all that apply.

Activities and hobbies:



Instagram and Facebook dominate app usage

As we might expect, over 45 shoppers use Facebook, and under the 45 group is more into Instagram. Still a sizeable portion stick to email, weather, or none.



Word cloud key: larger size and darker in color means more respondents mentioned this term.

* QUESTION: Which mobile apps do you use every week?

Healthy home cooks keeping on trend

Our core audience is in near unanimous agreement about the importance of eating healthy foods at home.

It's not just about eating - they love to cook! And they're looking for something new to make.

How can we help? How can we be part of the conversation and a source of inspiration for them?

99% Say it's important to consume healthy foods at home.

87% Agree that they enjoy cooking at home.

74% Say they hunt for new recipes, presentation, style, and trends

* QUESTIONS: Please rate your level of agreement with the following statement: "I actively search for new recipes and dishes, and get excited about food presentation, styling, and trends." | When shopping for and preparing meals for you and your household, how important is it to you to consume healthy foods at home? | Please rate your agreement level to the following statement: "I enjoy cooking meals at home."

How they shop

We'll find them at the Co-Op

They shop for certified organics at co-ops, City Market, farmers markets. Many cited specific co-op locations where we can consider concentrating our messaging.

Word cloud key: larger size and darker in color means more respondents mentioned this term.

* QUESTION: What is your primary destination for shopping for certified organic foods?

Where they buy food

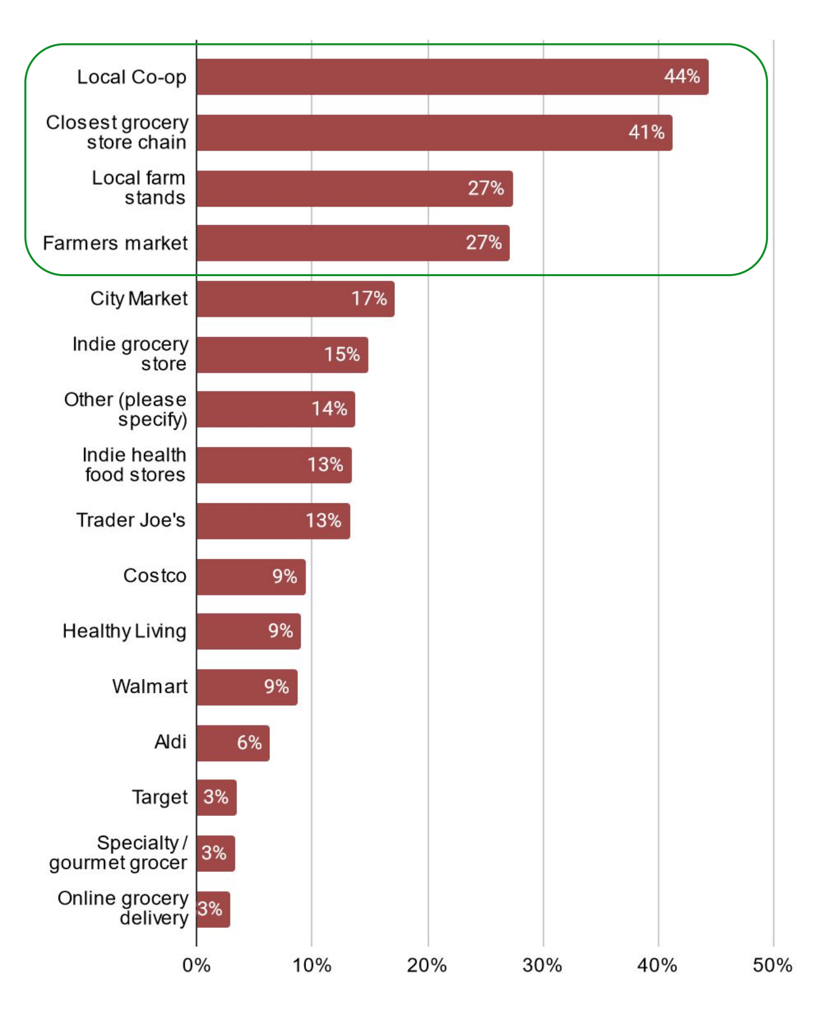
Co-ops are their #1 destination, followed by grocery stores, while 54% frequent farm stands and markets.

Notably, Healthy Living is as unpopular as Costco and Walmart.

65% Shop between 1-3 times per week.

Our top "other" responses were Hannafords, Market Basket, and CSAs.

Go-to grocery or food stores:



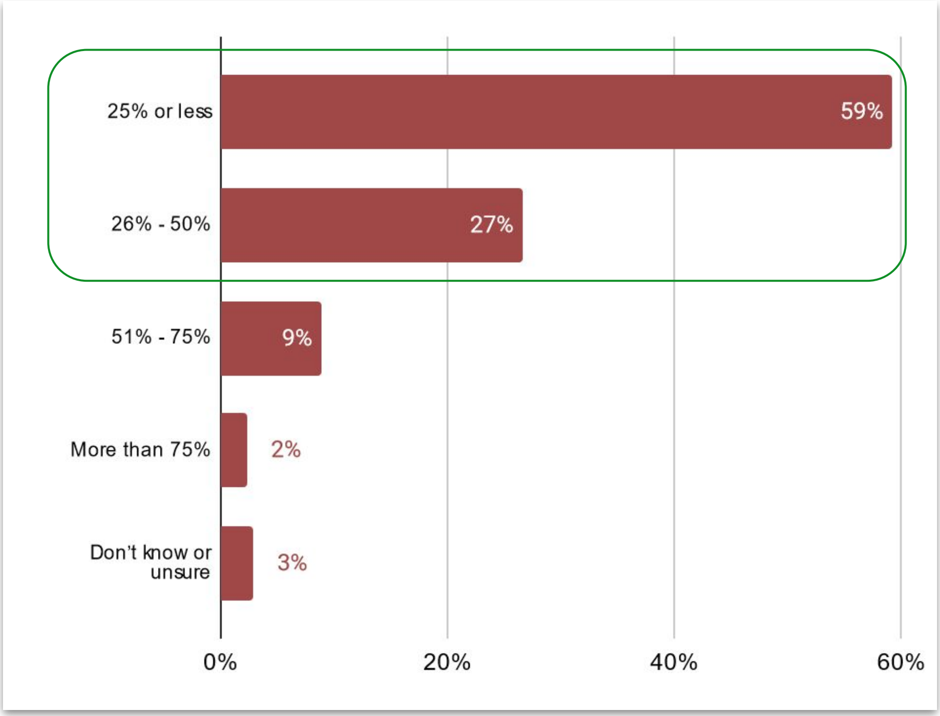
* QUESTIONS: Which of the following would you consider your primary or "go-to" grocery or food store? Which of the following best describes how often you shop for groceries?

What about buying directly from farmers?

We see a big opportunity to encourage consumers to step out of the grocery store and hit up farmers markets, farm stands, and CSAs.

A majority of our core buys 25% or less of their food directly from farmers. Just 11% buy a majority of their food from farmers.

Proportion of direct buying from farmers:



* QUESTION: Approximately what proportion of your household food do you buy directly from farmers? Examples include farmers markets, Community Supported Agriculture (CSAs), farm stands, or buying on-site.

What they buy

Nearly all of our shoppers typically buy certified organic **fruits and vegetables**.

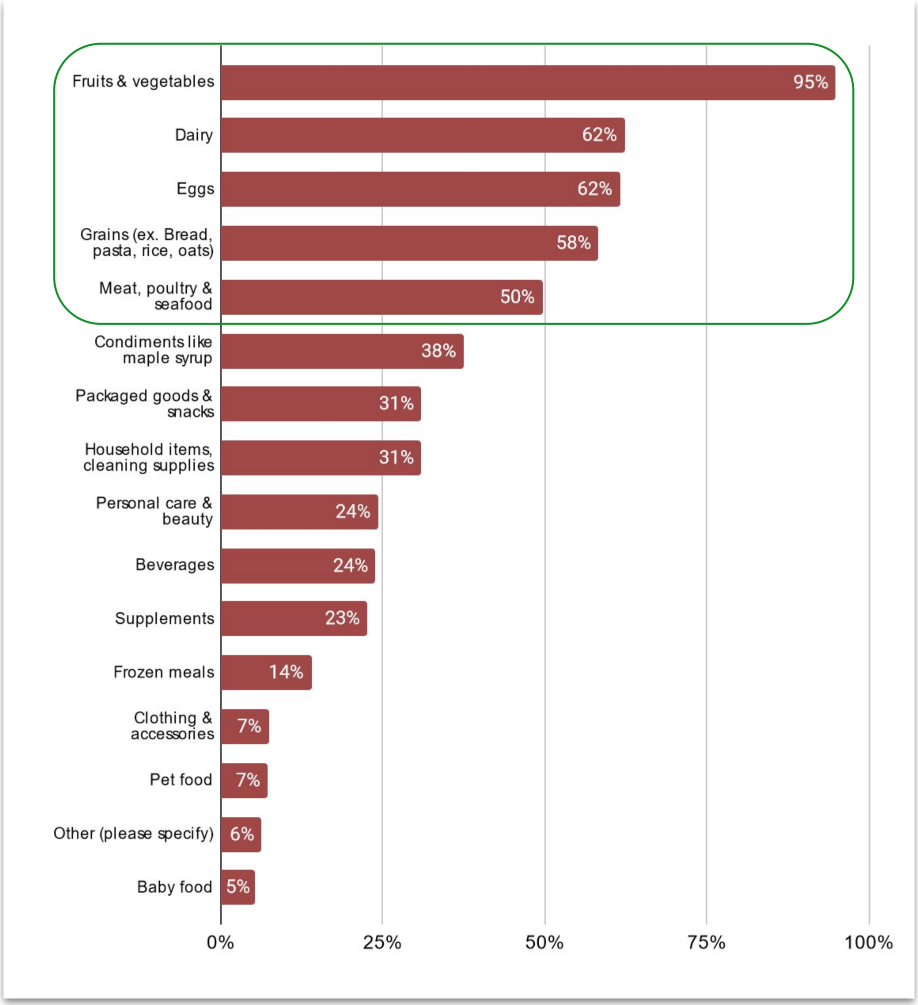
At least half of our core regularly buy certified organic **dairy**, **eggs**, **grains,** and **meat**.

They're already buying the types of foods that we certify, so there's strong opportunity to reach them.

Top "other" responses: Nuts and seeds, plant-based meat alternatives, and beans.

* QUESTION: What types of certified organic products do you typically buy? Please select all that apply.

Certified organics they buy:



Organic buying: widely varying basket share

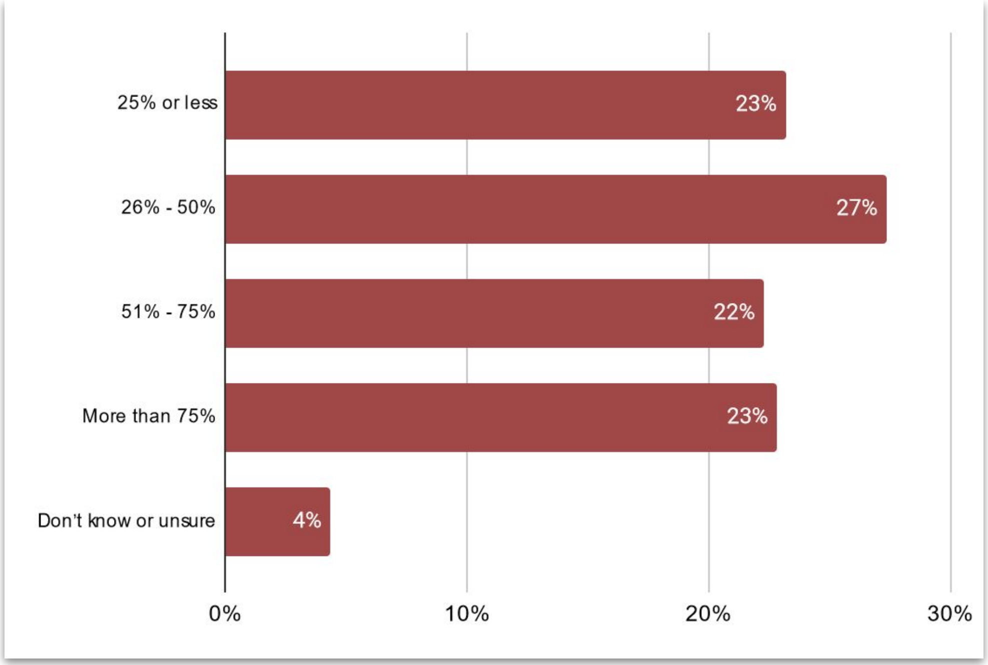
When asked what percentage of their typical shopping basket contains certified organic products, we see a near-perfect split.

We note that the basket share of certified organics rises with their level of agreement of organic importance (our filter questions) and their agreement with organic claims.

First they believe, and then they buy.

* QUESTION: On a typical food shopping trip, approximately how many items in your basket are certified organic?

Organic share per trip:



Certified organic perceptions

Health is the biggest motivator to buy organic

1- ORGANIC IS HEALTHIER! - 48%

“I assume it will be healthier and grown with more care.”

“Healthier for my family & me.”

“Voting w/ my dollar. I believe certified organic is healthier for me & more sustainable farming practices.”

2- ORGANIC IS SAFER - 25%

“Fewer chemicals involved, safer for me and my family, etc.”

“No artificial food coloring or additives, pesticide free.”

“I want to avoid chemical inputs to farming.”

3- BETTER FOR THE ENVIRONMENT - 22%

“Generally better for environment and hopefully then better for my family and community.”

”Full ecosystem health (humans/animals/plants/relationships).”

“Health of soil, growers, eaters, and planet.”

4- TO HELP OUR FARMERS - 9%

“Healthy soil, encouraging farmers to keep doing the right thing.”

“Supporting local/state farmers.”

”I want to support organic farmers.”

“Supporting a local farmer who has paid the costs of undergoing that certification.”

5- BETTER QUALITY - 7%

“It is usually high quality and is less likely to contain glyphosate.”

”The quality of food.”

”Because I am passionate about the quality of our food.”

“Usually food quality.”

* QUESTION: When you buy a certified organic product, what is the primary motivation for choosing that product?

How they define certified organic

When asked to define certified organic, most say they are free of toxins and meet a defined set of standards to achieve certification.

Top 5 response categories:

1. No toxins (60%)
2. Meets high standards (36%)
3. No GMOs (14%)
4. Soil health (13%)
5. Sustainable (12%)

* QUESTION: How do you define certified organic when it comes to food?

As we craft messaging to reach a wider audience, we should think of ways to **reflect back** the qualities and characteristics that our consumers most attribute to certified organic.

They most associate organic as being clean, without chemicals they feel are unsafe or harmful.

- *"Grown without harmful chemicals"*
- *"Produced without synthetic chemicals or GMOs"*
- *"Foods grown or produced with no harmful chemicals or by products"*
- *"It's supposed to be free of chemicals and safer"*

Most won't know exactly what certification means to the letter, but **they trust the process**.

Organic claims: we'll win on safety, taste, and health

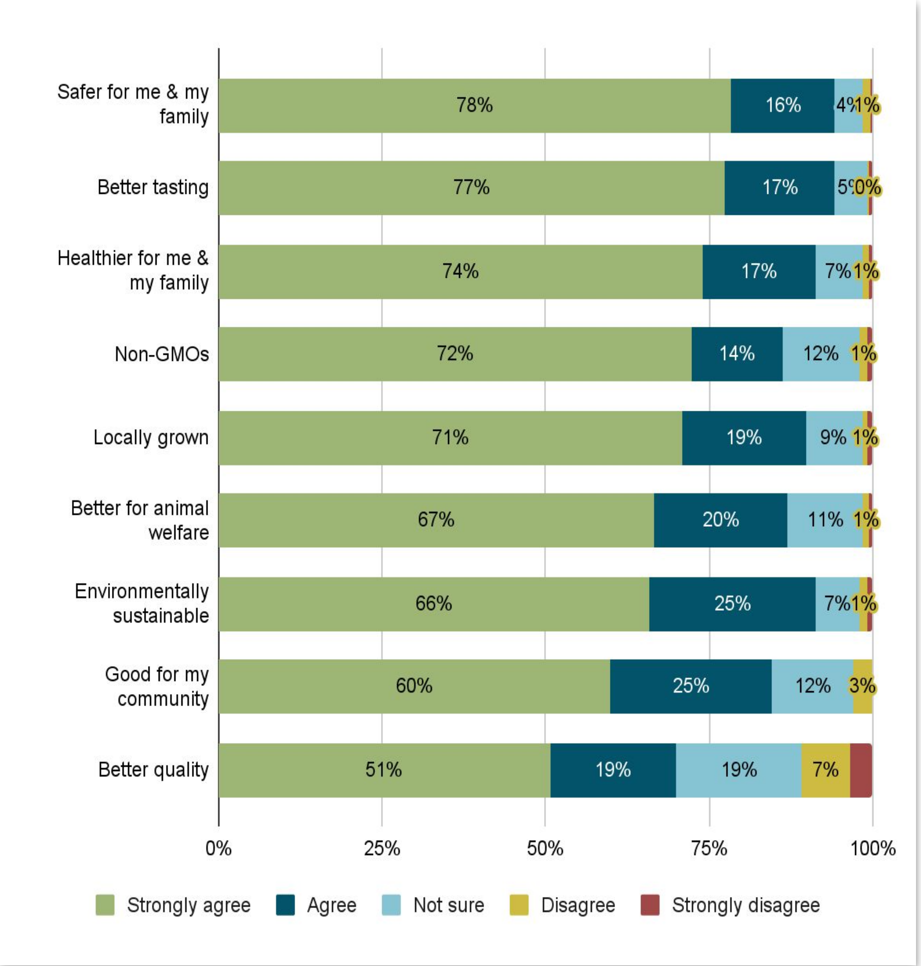
Overall, our audience has a high level of agreement with **all** of our organic claims.

Messaging that hits on food safety, great taste, and being healthy will resonate with shoppers.

We have some work to do to improve the perception of organic being good for the community and being better quality than non-organics.

* QUESTION: When it comes to certified organic foods, please rate your agreement with the following claims. Certified organic foods are:

Agreement with organic claims:

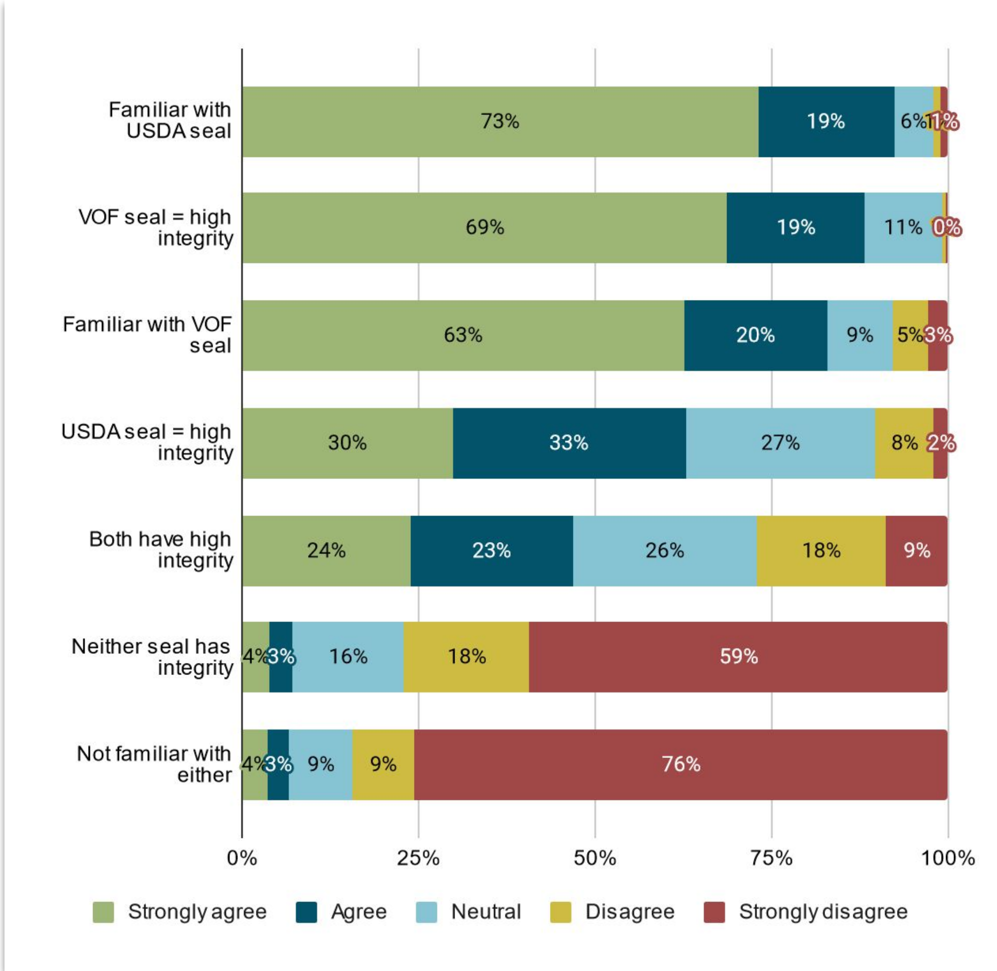


Strong marks for the VOF seal

Our audience shows high familiarity with both the USDA and VOF seals, but significantly more agree that the VOF seal has higher integrity than the USDA seal.

Awareness of and trust in VOF are not major barriers for our audience.

Seal comparison:



* QUESTION: Please rate your level of agreement with the following statements regarding the certified organic seals you just viewed above.

Shopalong results

Executive Summary: Winners

How certified organics appeal to Vermont shoppers

WE'RE SAFE AND CLEAN

Food safety is of the highest importance for those who are open to buying and who regularly buy certified organics.

Safety is an umbrella term that reflects back the demand for foods that are fresh, free of hormones, pesticides, antibiotics to name a few. They actively avoid "chemicals" in their food.

Shoppers believe that avoiding these ingredients and production practices will protect themselves and their families and contribute positively to their health.

PRODUCE, PRODUCE, PRODUCE

We found the highest demand for certified organic foods in fruits and vegetables. Shopping for produce is a more immediate and visceral experience than shopping for other foods. They can observe freshness and certification tells them it was grown safely.

While they will buy certified organic produce, they aren't necessarily buying VT and NOFA certified foods.

Their motivations are less about preference for specific certifications and more about the availability of the items on their shopping list.

Executive Summary: Barriers

What holds back shoppers

THEY'LL PAY MORE, BUT UP TO A POINT

Vermont food shoppers see the value in certified organics. They are willing to pay a premium for products that qualify for certification, but not at any price.

For most of our shoppers, up to a 50% premium for certified organics is acceptable.

But as certified organic premiums creep up to near double the price of their conventional counterparts, shoppers begin to scoff.

AVAILABILITY + STORE LOYALTY

Shoppers consistently visit the same cluster of stores. They aren't very likely to try out new stores and locations. One bad experience at a new place can put them off forever.

Our shoppers tend to choose their destinations by proximity to their homes or places of work, and familiarity with the layout and inventory of the places they frequent.

We're unlikely to get the Shaw's or Price Chopper regular to convert to a co-op shopper as a strategy to raise their exposure to organics.

Recommendations

How we can expand our reach to shoppers of all ages

GET INTO THE CHAINS

Shopping in regional chains like Price Chopper and Shaw's is the most common experience for Vermonters.

Instead of trying to drag shoppers to where the organics currently are, we should bring our organics to them.

SETTING CLEAR SIGNAGE

Create placements that call out our VT producers.

Most of our shoppers would prefer to buy VT-grown goods, but only if they can find them easily.

Partner with retailers to prominently feature local, certified organic products.

BEYOND FRUITS + VEGGIES

After maximizing certified organic produce buying, we should look for ways to attract shoppers to certified organic dairy and meats.

Organic produce buyers are already bought into our claims. Dairy and meats are a natural progression.

TAP INTO THE FOOD GROWERS SUBCULTURE

Certified organic shoppers feel a strong connection to the land. They are highly aware of the impact that food systems have on their environment and their communities at large. Many tend to their own gardens. Our messaging should highlight the relationship between food and the land.

An example of highly effective signage

Seen in City Markets only, consumers get clear information about where this eggplant comes from.

They know the farmer and that the product is organic.

Meet the shoppers

Who we heard from:
shopalong format & design

8 Vermont shoppers in the Northwest VT area, 6 under age 45

Survey respondents matching our ideal consumer target who place a high importance in preparing healthy foods at home

In-person shopalong interview on their food buying process

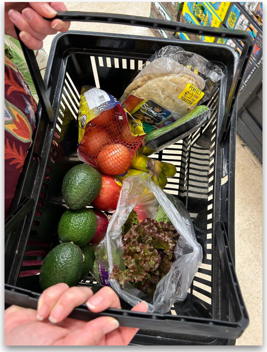
October, 2023

Shopping for organic food with Vermonters

Angelina

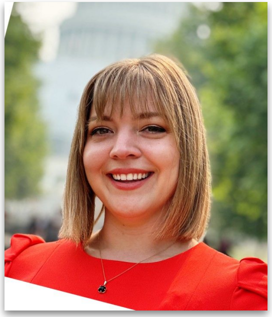
Mona

James



Lindsey

Marcy



Chelsea

John

Heather

Meet Marcy

Biographical profile:

- Age 40-44
- $100-150K HHI
- Hinesburg
- No children at home
- 2-year degree

How Marcy shops for food

Organic Enthusiasm:

What she looks for in her food:

- Healthy home cook + entertaining
- Local chains, Costco, Healthy Living, City Market, Trader Joe's, co-ops, farm stands + markets, and specialty stores
- Food safety is her priority
- Strong belief in organic claims, extreme importance

How she approaches organics:

- More than 75% basket share
- Wants to avoid chemicals in her food

Her challenges:

- Availability
- Local can be more important than certified organic
- Doesn't always trust claims

Marcy would buy more certified organics if…

She could find everything she needed from a local seller

Meet Chelsea

Biographical profile:

- 30-34
- $75-100K HHI
- South Burlington
- No children at home
- Master’s +

How Chelsea shops for food

Organic Enthusiasm:

What she looks for in her food:

- Healthy home cook + food trends + entertaining
- Costco, Healthy Living, Trader Joe's, and co-ops
- Food safety + healthy eating
- Strong belief in organic claims, extreme importance

How she approaches organics:

- More than 75% basket share
- Organics are healthier

Her challenges:

- Price
- Availability
- Local can be more important than certified organic

Chelsea would buy more certified organics if…

She could find certified organics that were competitively priced

Meet John

Biographical profile:

- 35-39
- $100-150K HHI
- Huntington
- Small child at home
- Master's+

How John shops for food

Organic Enthusiasm:

What he looks for in his food:

- Healthy home cook + food trends + entertaining
- City Market + farm stands
- Healthy eating + no chemicals
- Strong belief in organic claims, high importance

How he approaches organics:

- 50-75% basket share
- Organics are safer, healthier + better for the planet

His challenges:

- Price
- Knowledge of local farmers can be more important than certified organic

John would buy more certified organics if...

He could find locally-produced certified organics that are competitively priced with local producers he trusts

Meet Heather

Biographical profile:

- 30-34
- $75-99K HHI
- Winooski
- Expecting a child
- Bachelor's degree

How Heather shops for food

Organic Enthusiasm:

What she looks for in her food:

- Healthy home cook + food trends
- City Market, Healthy Living, farmers markets
- Healthy eating + no chemicals
- Strong belief in organic claims, extreme importance

How she approaches organics:

- More than 75% basket share
- Organics are safer, healthier + better for the community

Her challenges:

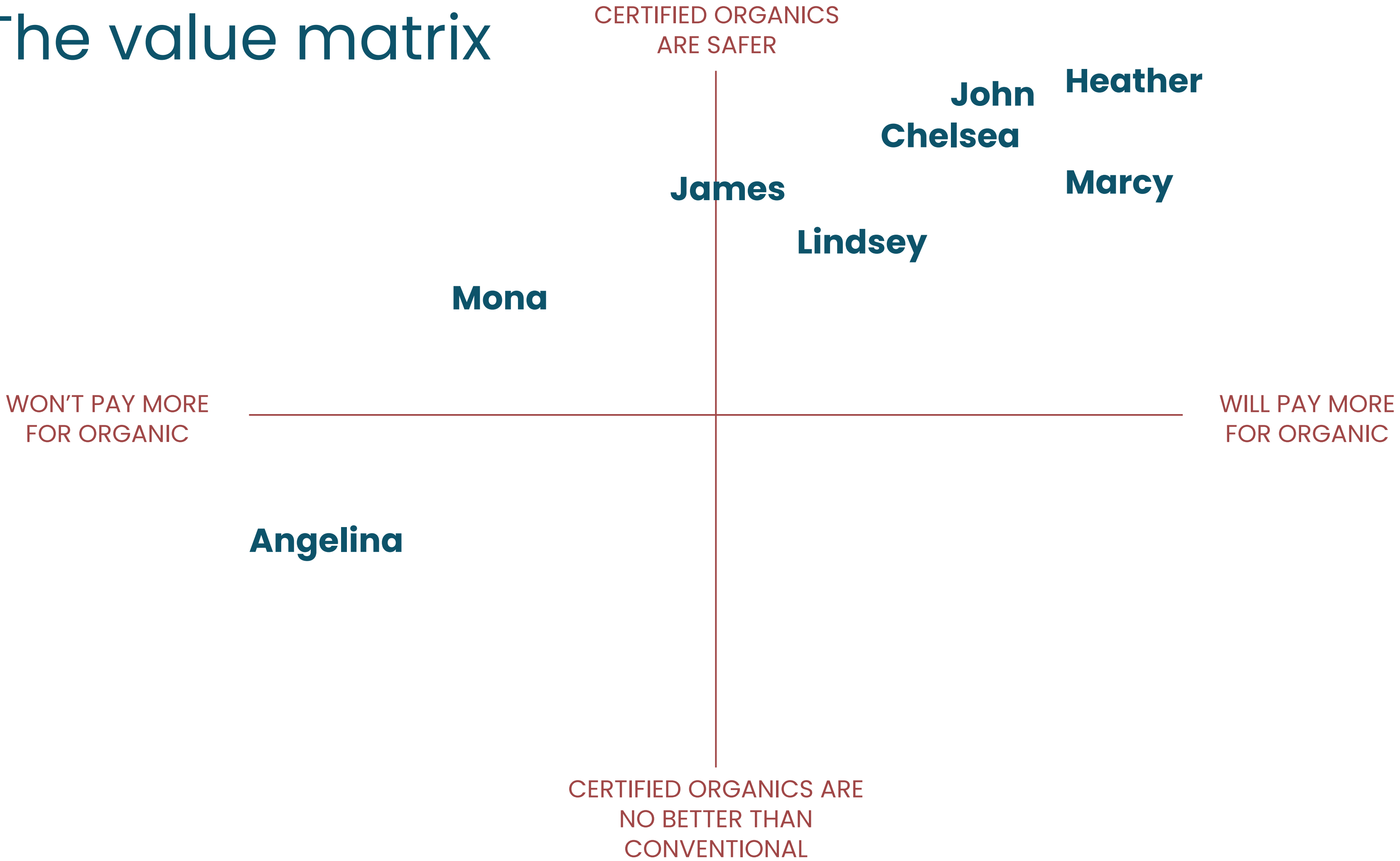
- Availability
- Local can be more important than certified organic

Heather would buy more certified organics if…

She could find more NOFA certified organic items at the places she shops.

The ideal target + how to convert them

The value matrix



VOF's Current Core Consumer

Tends to be:

DEMOGRAPHICS

HHI $75k and below

Below to average earners, few high earners

Aged 55+

Boomers 70+ are most prominent

Highly Educated

Over two-thirds have four-year or graduate degrees

White Women

More than three-quarters women and 84% white

Nearing or at retirement

Nearly a quarter are retired, just 38% work full time

MINDSET

Price sensitive

Curious home cooks

Health, safety, and environmentally conscious

Non-conventional food buying

Bettie
Tends to be:

DEMOGRAPHICS

HHI $75k and below
Below to average earners, few high earners

Aged 55+
Boomers 70+ are most prominent

Highly Educated
Over two-thirds have four-year or graduate degrees

White Women
More than three-quarters women and 84% white

Nearing or at retirement
Nearly a quarter are retired, just 38% work full time

MINDSET

Price sensitive

Curious home cooks

Health, safety, and environment conscious

Non-conventional food buying

Expanding to include...

Bettie

Tends to be:

DEMOGRAPHICS

HHI $75k and below
Below to average earners, few high earners

Aged 55+
Boomers 70+ are most prominent

Highly Educated
Over two-thirds have four-year or graduate degrees

White Women
More than three-quarters women and 84% white

Nearing or at retirement
Nearly a quarter are retired, just 38% work full time

MINDSET + LOGISTICS

Price sensitive

Curious home cooks

Health, safety, and environment conscious

Non-conventional food buying

Hannah

Tends to be:

HHI $50k+
Average earners

Aged 30+
From Millennials to Boomers

Highly Educated
High incidence four-year or graduate degrees

More Inclusive
This may not change much given VT demo

Full and part-time workers
Appealing to those who may be married and have higher earnings

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Price sensitive

Curious home cooks

Needs to be sold more on organic claims

Health, safety, and environment conscious

Needs to see Vermont certified organics available in conventional locations

Hi, I'm Hannah the Health-conscious, Community-minded cook

I'm a **lower-to-middle income, highly educated** Vermont **woman**. I span generations, from **Millennials to Boomers**. I'm likely living in the most populated areas like Burlington and Brattleboro. I'm probably **white**, and if I'm on the younger side, have **kids at home**, between ages 5 and 9.

You'll catch me on **Instagram** and **Facebook**. Millennials enjoy critically-acclaimed TV shows that blend drama and comedy like Succession and Ted Lasso, while older folks aren't big TV watchers.

I shop for food primarily at my **local grocery chain,** and will frequent **co-ops, farm stands,** and **farmers markets**.

I like to spend time **outdoors**, **socialize** with friends, **read** a favorite book, and **garden**. This gives me a deep appreciation for how our food is grown.

Eating healthy foods made with real ingredients at home is very important to me. I enjoy **cooking** and like to find **new ways** of preparing dishes and checking out what's trending in the food space.

It's **important for me to buy certified organic** foods because they're **healthier** and **safer** for me and my family, and grown in a way that's good for the **environment**. But I can't always **find what I need** and organics can be really **expensive**, both of which may cause me to choose other foods.

The key messages that will convert them

	CONSUMER NEED OR CHALLENGE	KEY ORGANIC MESSAGE
#1	"I want healthy foods that are safe for me and my family."	Tell them why buying certified organic is **the** safer, cleaner, healthier choice.
#2	"I want my dollars to positively impact the planet, starting right here at home."	Show them how certified organic production helps protect **Vermont's land and combat climate change**.

From Insights to Action

What steps can we take to act on these insights?

	AUDIENCE	ACTION
#1	Current organic consumers	
#2	Prospective organic consumers	
#3	Retailers	

What steps can we take to act on these insights?

	AUDIENCE	ACTION
#1	Current organic consumers	Expand our share of wallet by leading them to other areas of organic and encouraging their purchase habits.
#2	Prospective organic consumers	Focus on messaging about why buying certified organic is **the** safer, cleaner, healthier choice.
#3	Retailers	Expand distribution with direct and consumer-led outreach.

Thank you!