

CONSUMER REPORTS® NATIONAL RESEARCH CENTER
Survey Research Report

Natural Food Labels Survey
2015 Nationally-Representative Phone Survey

Introduction

In December, 2015, the Consumer Reports® National Research Center conducted a nationally representative phone survey to assess consumer opinion regarding the labeling of food. Opinion Research Corporation (ORC) of Princeton, New Jersey administered the survey to a nationally representative sample of 1,005 adult US residents (half of the respondents were women) through its CARAVAN Omnibus Survey. Respondents were selected by means of random-digit dialing and were interviewed via phone. The data were statistically weighted so that respondents in the survey are demographically and geographically representative of the US population. This report summarizes the findings from this survey.

Highlights

Range of Environmental and Safety Concerns Important to Food Shoppers

- A range of environmental, safety and social responsibility objectives are *key (very important or important)* to most US consumers when purchasing food; for the overwhelming majority, *key* objectives include *supporting local farmers, supporting companies with good working conditions/fair pay to workers, reducing exposure to pesticides, protecting the environment from chemicals, providing better living conditions for animals, and reducing antibiotic use in food.*
- Compared to the 2014 survey, there was a notable increase in the percentage of consumers that say each objective is *very important*; it appears that this trend is driven by consumers shifting from *important* to *very important*.

Consumers Want More Stringent Standards for Natural and Organic Labeling on Meat and Poultry

- Many consumers think that the natural or organic label on meat and poultry *currently* means that no artificial ingredients, growth hormones, genetically modified ingredients, or antibiotics were used; an even greater amount of consumers feel that this labeling *should* indicate this.

Consumers Demand More Standards for Natural and Organic Labels on Packaged and Processed Foods

- Many consumers think that the natural or organic label on packaged and processed foods *currently* means that no pesticides, artificial ingredients, artificial chemicals, or genetically modified ingredients were used; an even greater amount of consumers feel that this labeling *should* indicate this.

Many Consumers Would Buy 'Natural' if It Met Their Expectations

- While nearly 4 out of 10 consumers currently do not buy food labeled *natural*, among this group, three-quarters *would* buy food labeled *natural* if the label met their expectations.

Many Would Pay More for 'Natural' if It Met Their Expectations

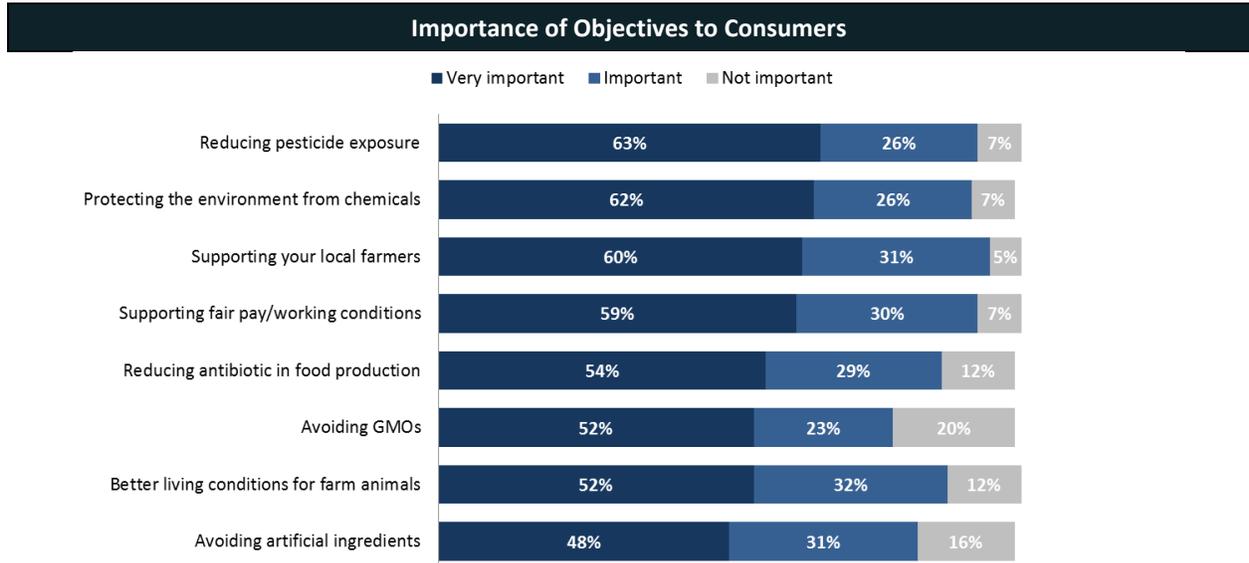
- While many (62%) consumers already buy food labeled *natural*, the overwhelming majority (87%) of these consumers would pay even more for natural food if the label met their expectations.

Consumers Split on if NATURAL Label is Verified

- Consumers are divided on if the *natural* label is verified. While half think the *natural* label isn't verified, 45% think it is.

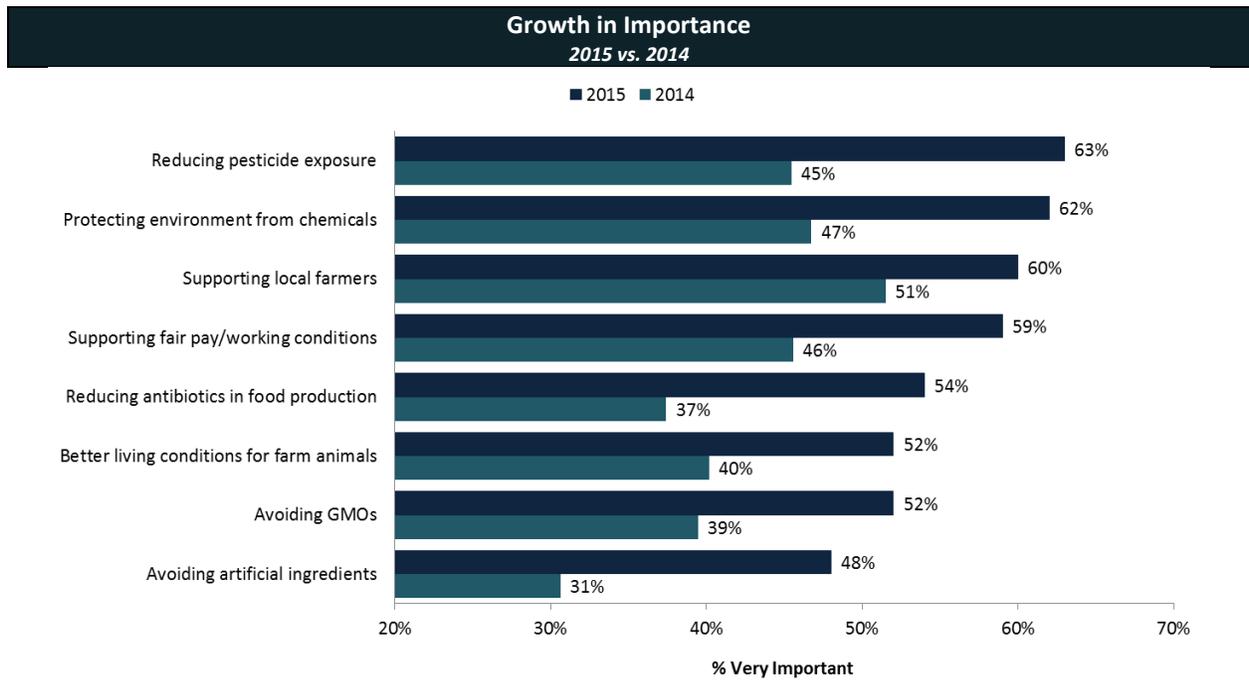
Range of Environmental and Safety Concerns Important to Food Shoppers

A range of environmental, safety and social responsibility objectives are *key* (*very important* or *important*) to most US consumers when shopping for food. For the overwhelming majority of food shoppers, *key* objectives include *supporting local farmers* (91% of consumers), *supporting companies with good working conditions/fair pay to workers* (89%), *reducing exposure to pesticides* (89%), *protecting the environment from chemicals* (88%), *providing better living conditions for animals* (84%), and *reducing antibiotic use in food* (82%). Avoiding artificial ingredients (79%; a notable increase from 69% in 2014) and GMOs (75%) are also *key* objectives for many.



Base: All respondents (1005)

Compared to the 2014 survey, there was a notable increase in the percentage of consumers that say each objective is *very important*; it appears that this trend is driven by consumers shifting from *important* to *very important*.



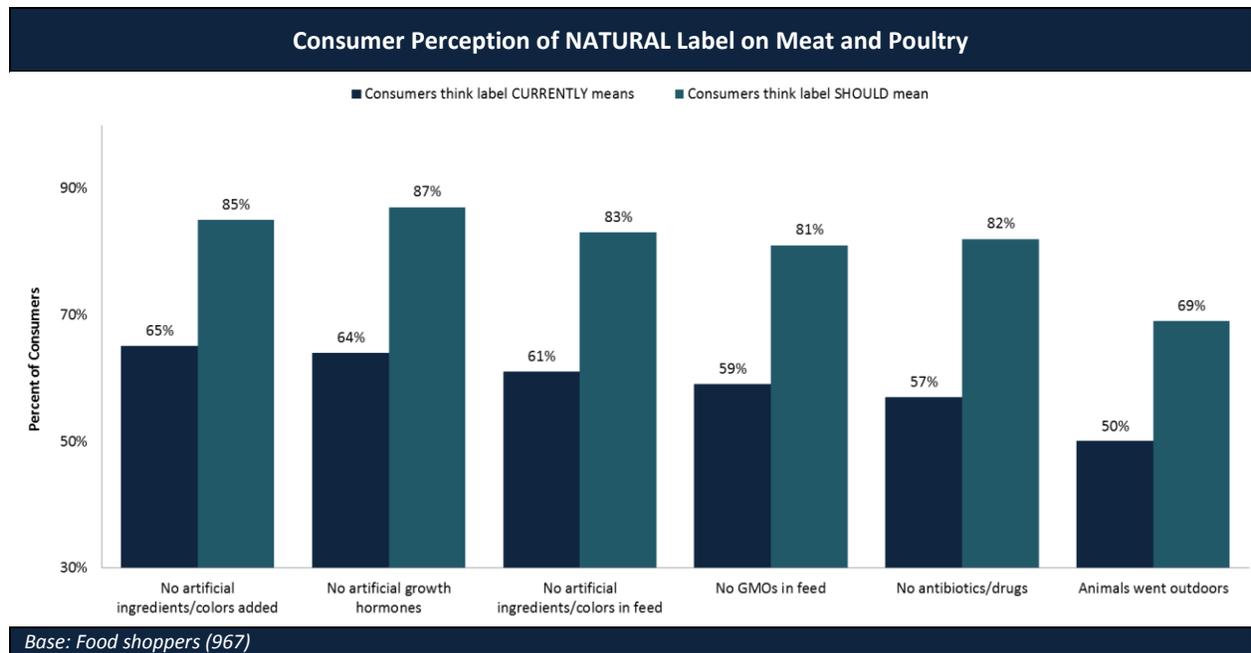
Base: All respondents (2015 = 1005; 2014 = 1004)

Consumers Want More Stringent Standards for Natural and Organic Labeling on Meat and Poultry

Consumers were asked about their perception of the natural and organic labels. The organic food label is meaningful, is backed by federal regulations, and verified by third-party inspections; the natural label, however, is essentially meaningless (little regulation/verification).

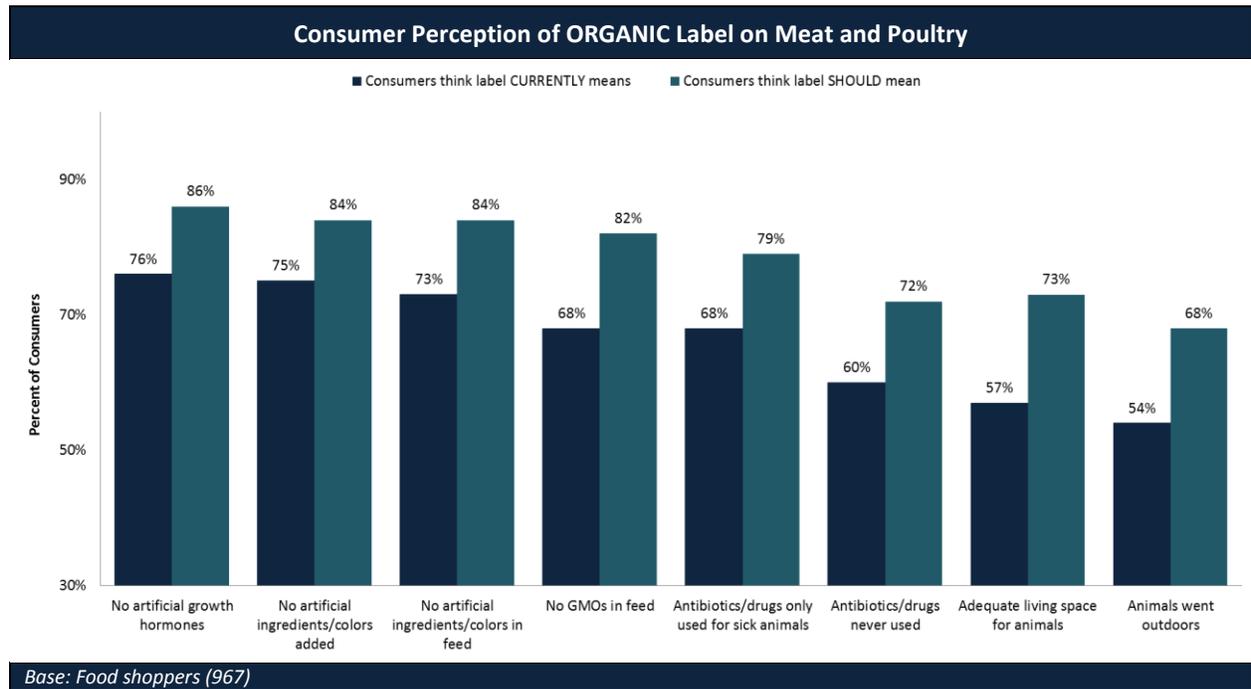
Many consumers think that the *natural* label on meat and poultry *currently* means that *no artificial ingredients or colors were added to the meat or poultry* (65%), *no artificial growth hormones were used* (64%), *the animals' feed contained no artificial ingredients or colors* (61%), *the animals' feed contained no GMOs* (59%), and *no antibiotics or other drugs were used* (57%).

A greater percentage feel that this label *should* mean that *no artificial ingredients or colors were added to the meat or poultry* (85%), *no artificial growth hormones were used* (87%), *the animals' feed contained no artificial ingredients or colors* (83%), *the animals' feed contained no GMOs* (81%), and *no antibiotics or other drugs were used* (82%). While half think that the *natural* label on meat and poultry *currently* means that *the animals went outdoors*, nearly 7 out of 10 think that this label *should* mean this.



Consumers also want stronger standards for the organic label on meat and poultry. Many think that the *organic* label on meat and poultry *currently* means that *no artificial growth hormones were used* (76%), *no artificial ingredients or colors were added to the meat or poultry* (75%), *the animals' feed contained no artificial ingredients or colors* (73%), *the animals' feed contained no GMOs* (68%), *antibiotics or other drugs were only used to treat sick animals* (68%), *no antibiotics or other drugs were never used on healthy/sick animals* (60%), *the animals' living space met some meaningful minimum size requirements* (57%), and *the animals went outdoors* (54%).

A greater percentage feel that this label *should* mean that *no artificial growth hormones were used* (86%), *no artificial ingredients or colors were added to the meat or poultry* (84%), *the animals' feed contained no artificial ingredients or colors* (84%), *the animals' feed contained no GMOs* (82%), *antibiotics or other drugs were only used to treat sick animals* (79%), *no antibiotics or other drugs were ever used on healthy/sick animals* (72%), *the animals' living space met some meaningful minimum size requirements* (73%), and *the animals went outdoors* (68%).

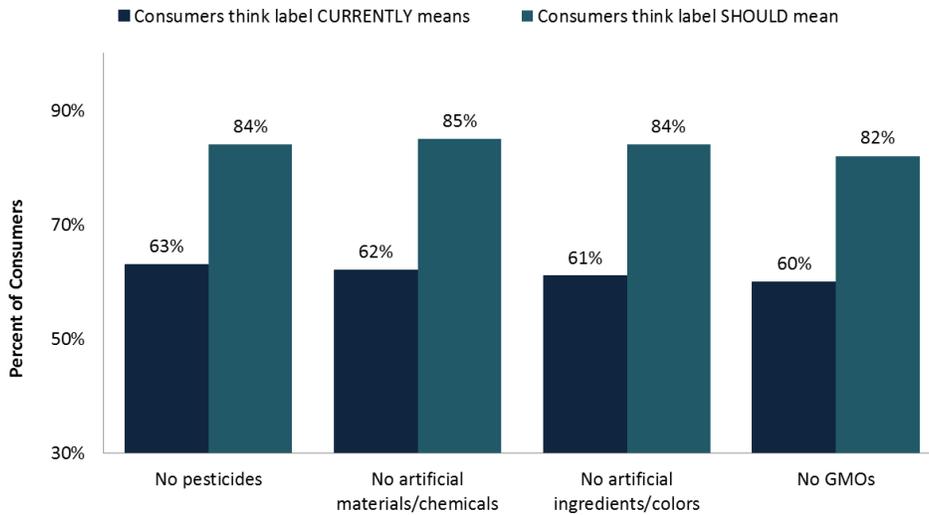


Consumers Demand More Standards for Natural and Organic Labels on Packaged and Processed Foods

While many consumers think that the *natural* label on packaged/processed foods *currently* means that *no toxic pesticides were used* (63%), *no artificial materials or chemicals were used during processing* (62%), *no artificial ingredients or colors were used* (61%), and *no GMOs were used* (60%); an even greater percentage feel that this label *should* mean that *no toxic pesticides were used* (84%), *no artificial materials or chemicals were used during processing* (85%), *no artificial ingredients or colors were used* (84%), and *no GMOs were used* (82%).

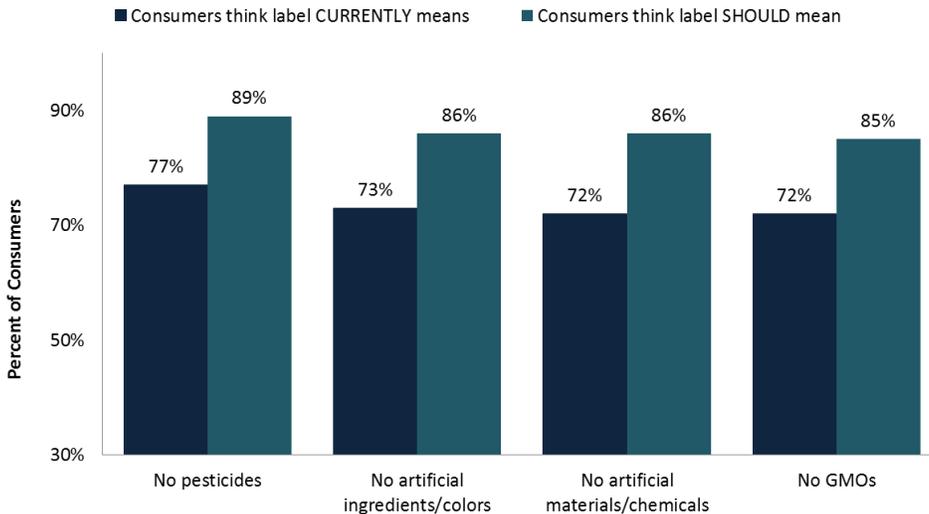
Consumers are even more stringent when it comes to what they want from the *organic* label on packaged/processed foods. While many consumers think that the *organic* label on packaged/processed foods *currently* means that *no toxic pesticides were used* (77%), *no artificial ingredients or colors were used* (73%), *no artificial materials or chemicals were used during processing* (72%) and *no GMOs were used* (72%); an even greater percentage think that this label *should* mean that *no toxic pesticides were used* (89%), *no artificial ingredients or colors were used* (86%), *no artificial materials or chemicals were used during processing* (86%), and *no GMOs were used* (85%).

Consumer Perception of NATURAL Label on Packaged and Processed Foods



Base: Food shoppers (967)

Consumer Perception of ORGANIC Label on Packaged and Processed Foods

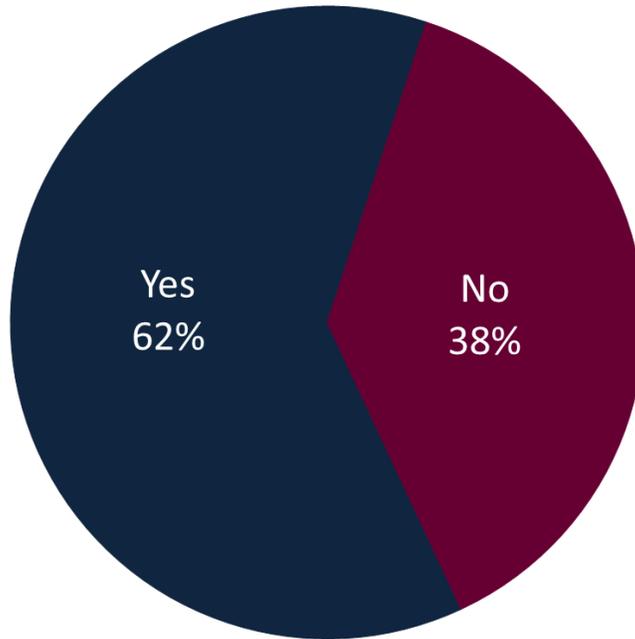


Base: Food shoppers (967)

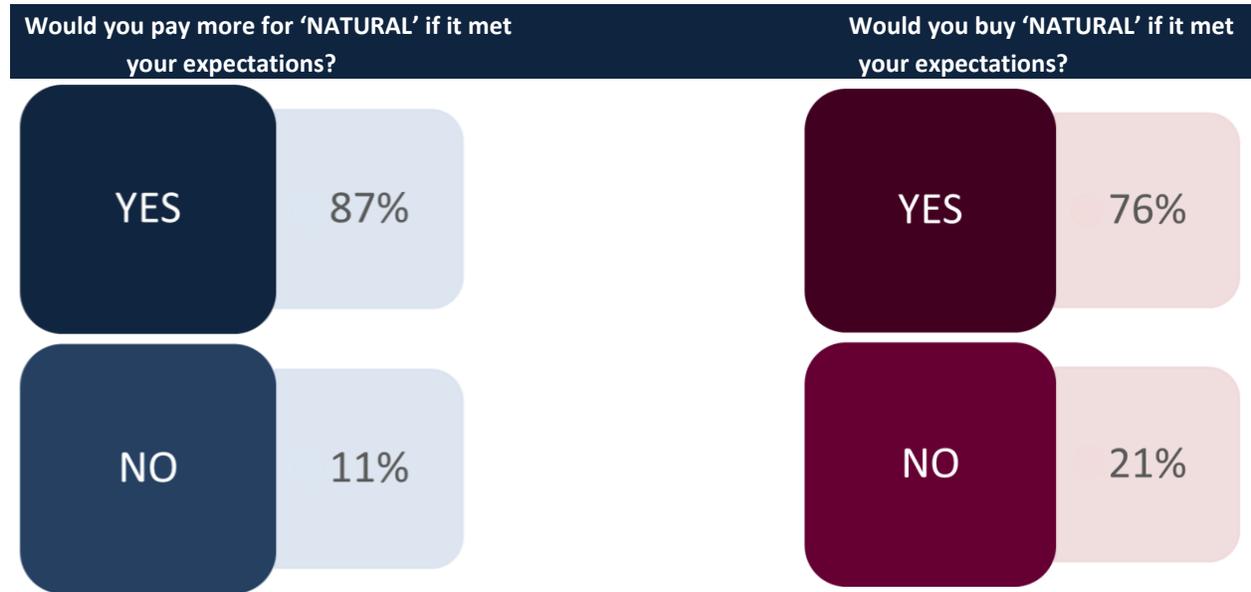
Many Consumers Would Buy or Pay More for 'Natural' if It Met Their Expectations

Many (62%) consumers already buy food labeled *natural*; moreover, the overwhelming majority (87%) of these consumers would pay even more for natural food if the label met their expectations. Accordingly, among consumers who currently do not buy food labeled *natural* (38%), three-quarters would buy food labeled *natural* if the label met their expectations.

Do you buy food labeled 'NATURAL'?



Base: Food shoppers (967)

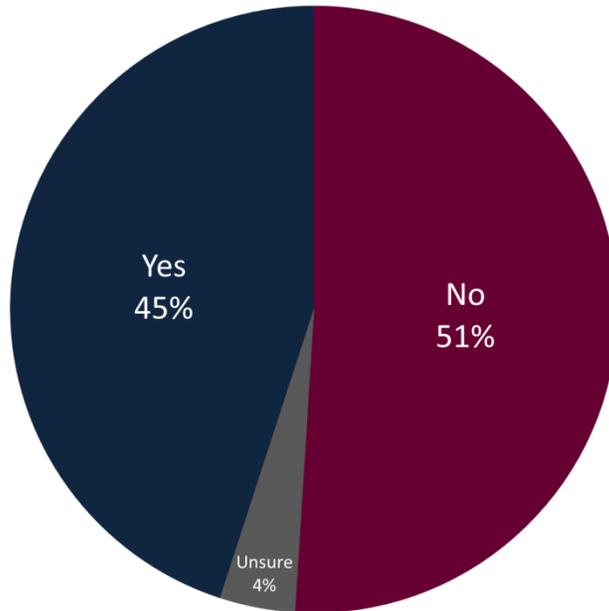


Base: food shoppers that buy NATURAL (595) *Base: food shoppers that don't buy NATURAL (365)*

Consumer Split on if NATURAL Label is Verified

Consumers are divided on if the *natural* label is verified. While half think the *natural* label isn't verified, 45% think it is.

Do you think the NATURAL label is verified?



Base: Food shoppers (967)

Summary

Our survey shows that most US consumers are environmentally and socially conscious when it comes to the food they eat; popular guiding principles when purchasing food include supporting local farmers, protecting the environment, and fair conditions for farmworkers. Our findings also show consumers expect more from natural and organic food labels. In fact among many consumers, who already purchase food labeled natural, would pay more if this label met their expectations. Moreover, those that don't buy natural food would do so if this label met their expectations. Survey findings equivocally show that there is a consumer demand for more from the *natural* label.

Methodology

This phone survey was fielded by ORC using a nationally-representative sample. The survey was conducted December 4-7, 2015. The margin of error is +/- 3.1 percentage points at a 95% confidence level. The margin of error may be higher for subgroup analysis.