

Daymon

THEMATIC INSIGHTS



Best-in-Class Organic Private Brand Communication

COMMUNICATING THE BENEFITS OF ORGANIC FOOD

Consumer demand for organic and healthful foods has risen due to the COVID-19 pandemic. Additionally, increased consumer awareness of organic foods' health and nutritional benefits has further driven growth. Customers' perceptions that organic foods are safer, more nutritious, and taste better than conventional food also contribute to the market's growth.

However, abundant information about organic foods can overwhelm consumers, leading to confusion about what 'organic' truly means. This underscores the importance of retailers and manufacturers in effectively communicating the benefits of organic foods to consumers.

Initially, consumers had to rely on specialised health food stores or farmers' markets to find organic foods.

While organic products are now readily available at major supermarket chains, a significant portion of consumers are still unaware of their myriad benefits and positive impact on the environment and society. This presents a valuable opportunity for retailers and manufacturers to educate consumers and drive market growth.

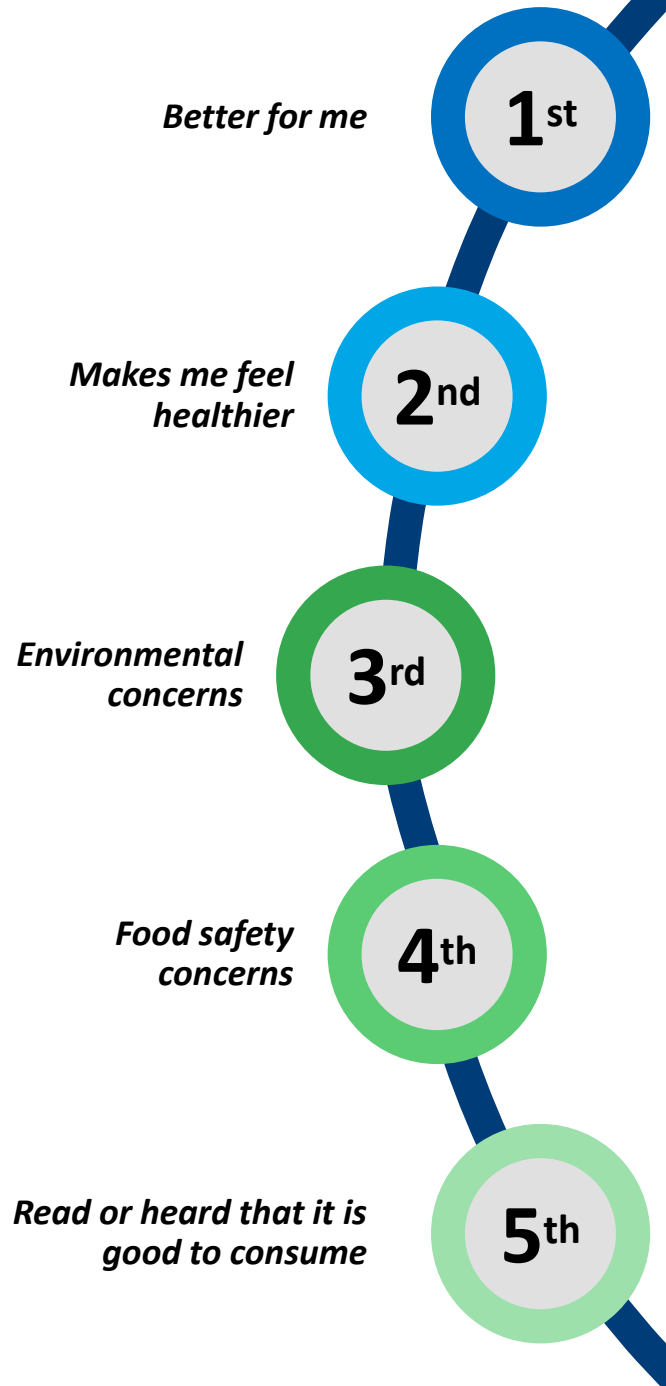
To build a loyal customer base in the face of rising competition, retailers and manufacturers must communicate openly with consumers about their organic food items, how they are produced, and their benefits.

Euromonitor's 2022 Health and Nutrition Survey revealed that consumers' primary motives for choosing organic products remained centred around health advantages.

However, the only motivations that have grown in popularity in the last year are those related to food safety and environmental concerns, highlighted in green on the right.

CONSUMERS' REASONS FOR CHOOSING ORGANIC

2022, Euromonitor



COMMUNICATING THE BENEFITS OF ORGANIC FOOD



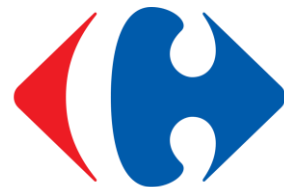
Freepik

These results indicate a shift in consumer perceptions of organic products, reflecting a more empowered understanding. Consumers now view organic products as not just addressing global issues but also offering personal advantages.

Today's consumers have elevated their expectations from retailers and brands. They now demand products that mirror their values and beliefs, encompassing social justice, animal welfare, environmental sustainability, and human health.

Consequently, the organic claim must evolve from an isolated state. It should now cater to consumers with products that address global issues and incorporate value-added benefits. This is a crucial step in meeting consumers' changing demands.

Two best-in-class retailers are discussed next to showcase what retailers can do to communicate 'organic' and where Private Brands fit in - French retailer Carrefour and US retailer Kroger.



Carrefour



CARREFOUR ORGANIC COMMUNICATION

Carrefour is a French group and a leading global retailer that has been a food retail pioneer for 60 years, constantly seeking to make its products affordable and accessible to everyone. Aware of its significant role in supplying everyone with healthy, flavoursome, environmentally friendly food, Carrefour Group has embarked upon a global transformation programme, becoming the leader of the food transition for everyone.

Launched in September 2018, ACT FOR FOOD is the global programme of specific actions that Carrefour has implemented in every country where it operates. In France, it comprises 13 significant actions, from which *Act 1: Guaranteeing Carrefour bio brand fresh products are 100% French organic; Act 2: Removing 100 questionable substances from all Carrefour food products; Act 3: Removing or reducing the use of chemical pesticides in crop sectors; or Act 10: Supporting 500 farmers in the switch to organic farming are connected to organic.*



Carrefour's communication around organic involves online and in-store initiatives.

On its corporate website, Carrefour explains the need for a food transition movement and

highlights the reasons to act. The retailer also provides extensive information about the ACT FOR FOOD programme and its 13 concrete actions.

Aligned with several of its Acts, Carrefour extensively communicates about the provenance and traceability of its fresh and Private Brand products, emphasising the importance of local production and its connection to organic farming.

“ Carrefour is the number one organic retailer in France, and it is also the retail sector's leading supporter of organic farming ”

Carrefour is the number one organic retailer in France, and in keeping with this role, it is also the retail sector's leading supporter of organic farming. The retailer financially supports farmers in switching to organic farming (which can be technically complex and costly), protecting and improving soil quality and developing new organic production lines.

This commitment to promoting a sustainable agricultural transition is widely communicated on the corporate website and with press releases.

Consumers shopping through Carrefour's online shop are also supported in looking for organic storewide. The website has a specific 'Bio and Ecological' section where shoppers can find all organic products, from Fresh, Groceries and Drinks to Beauty, Household and Pets.

CARREFOUR ORGANIC COMMUNICATION

Additionally, since May 2022, the retailer has added a new feature on the website offering a "healthier alternative" to the products in their baskets.

This functionality takes into account four criteria: the nutritional value, the origin of the product (French, local, etc.), the manufacturing and transformation process (absence of additives, pesticides, etc.), and product labelling (organic, EcoScore, etc.).

In stores, Carrefour's communication around organic is extensive and widely spread, using shelf stoppers, info boards, floor stands or ceiling signage.

The price tags of organic products also communicate that feature, especially around fresh.

The retailer also uses blockchain technology for several Private Brand products to highlight its sustainability and traceability credentials.

In 2022, on the 30th anniversary of its Private Brand, *Carrefour Bio*, the retailer launched a TV ad in which Carrefour's customers and employees highlighted the advantages of the Prime Bio program, honouring Carrefour's commitment to making organic accessible to all (link [here](#)).



KROGER ORGANIC COMMUNICATION

Kroger started addressing Organic in 2002, launching its first natural/ organic Private Brands—Naturally Preferred and Naturally Preferred Organic—in response to the growing consumer need for natural/organic products.

As the market evolved, Kroger conducted consumer research to evaluate the awareness and relevancy of its brand offerings. This revealed that its core customers found the two brands’ propositions confusing and difficult to shop for.

In 2012, Kroger consolidated the brands and created one, *Simple Truth*®, which launched with a fully integrated marketing campaign communicating a consistent brand message.

Initially, the *Simple Truth*® brand was segmented into two types of products: natural and organic. *Simple Truth*® and *Simple Truth Organic*® deliver all-natural and organic products free from 101 artificial preservatives and ingredients.

Kroger’s *Simple Truth*® continues expanding, reaching over 1,500 unique products and over \$3 billion in sales.

After the massive communication plan to launch the *Simple Truth*® brand, Kroger continues to promote several online and offline initiatives related to organics and their benefits.

On their website, Kroger highlights the brand and communicates its promise of making it “*easier to find affordable and delicious foods that can be enjoyed the way nature intended*”.

It allows customers to learn more about *Simple Truth*® and provides suggestions for recipes, articles on how to live a healthier life, and entertaining ideas for gathering the family, among others.

Shoppers can also discover ‘Savings’ and ‘What’s new’ from *Simple Truth*®, shop by category or find all *Simple Truth*® products in one place.



Shop Simple Truth® by Category



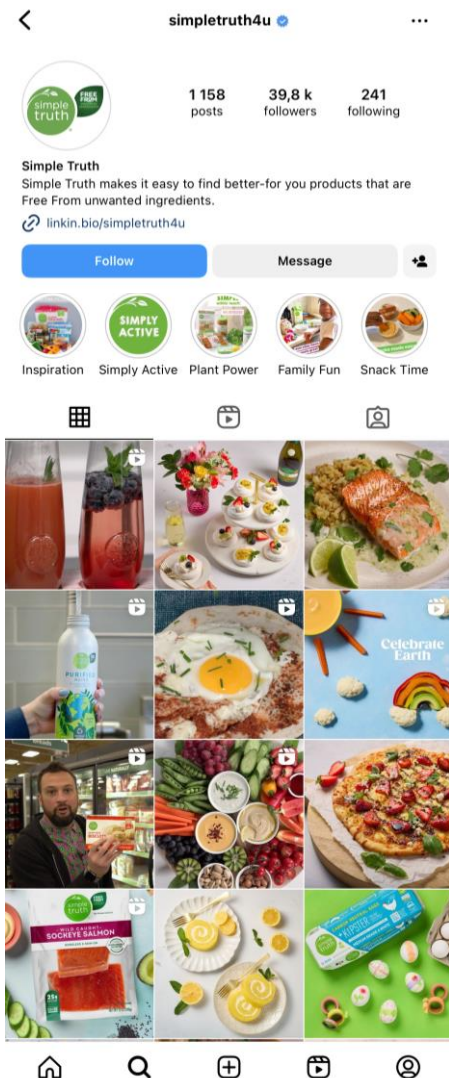
KROGER ORGANIC COMMUNICATION

Kroger also takes the opportunity to showcase more sustainability credentials of its “Our Brands” program. In 2023, the retailer had a section on its website that explained the partnership with TerraCycle and how it helped them work towards its strategic pillar of Zero Hunger | Zero Waste.

Social media is also covered with a presence on leading platforms such as Instagram, Facebook or Pinterest with both Kroger and *Simple Truth*® brands.

Similarly to Carrefour, Kroger maintains continuous brand communication in-store, using shelf stoppers, info boards, floor stands, pallets, special displays, decorated shelf-ready packaging (SRP), or ceiling signage.

Their brand ethos, *Fresh for Everyone*™, is also communicated in-store by highlighting how *Simple Truth*® and *Simple Truth Organic*® products are “Putting simple within reach”.



Promotions are used throughout the store to keep sales momentum or trial for new customers.

Kroger also holds an Anniversary Event every January to promote the *Simple Truth*® brand, and at the beginning of 2023, *Simple Truth*® celebrated its 10th anniversary.





Daymon

fdc@daymon.com | www.daymon.com