Natural and Organic Foods and Beverages in the U.S., 5th Edition

Description: The marketplace for natural and organic foods and beverages is undergoing tremendous expansion and change. At the retail level, while Whole Foods Market remains the dominant natural foods supermarket chain, it is being challenged by Trader Joe’s and by No. 1 supermarket operator Kroger Co., which maintains almost 2,800 stores across the country under regional banners including Kroger, Ralph’s, and Harris Teeter. Kroger now sells about $11 billion in natural and organic products annually, making it the third-largest player in this market after Whole Foods and Trader Joe’s. Meanwhile, drawn by attractive consumer demographics, a higher growth rate than conventional foods, and a healthier aura, major food companies and private equity firms are buying or making large investments in natural and organic food and beverage companies. For example, in July 2016, France’s Danone SA announced that it will acquire The WhiteWave Foods Co. in a $10 billion transaction by the end of 2016, while General Mills claims it is now the third-largest natural and organic food maker in the United States. In addition, responding to consumer demand for more company transparency and cleaner formulation, big brands are overhauling products and portfolios in hopes of winning over natural-leaning consumers. Many consumers seek out organic (36% of the 1,914 U.S. respondents surveyed) or natural foods and beverages (42%) when shopping for food. In particular, a good selection of organic fruits and vegetables can be a game-changer in determining where consumers grocery shop.

Scope and Methodology

This completely revised report, “Natural and Organic Foods in the U.S., Fifth Edition”, is divided into six chapters. After the Executive Summary, the Overview chapter presents an overview of this dynamic market segment, analyzing sales and growth potential, and identifying key issues and trends that will affect the marketplace through 2021. The next chapter, Retail Trends, examines the upsurge of retail competition, profiling 17 retailers including Albertsons, Amazon.com, Costco, Farmers Markets, Fresh Thyme Farmers Market, Kroger, Sprouts Farmers Market, Trader Joe’s, Walmart, Whole Foods Market, and more. The Marketers chapter lists major marketers and their natural/organic brands, discusses the influx of private label into this marketplace, and profiles seven key marketers and their marketing positions. Marketing and New Product Trends highlights key trend in the natural/organic market, including clean label, ingredients trends, and trends by food and beverage categories. The Consumer chapter analyzes data from a proprietary National Consumer Survey conducted in July-August 2016, examining consumer attitudes and behaviors toward natural/organic foods and beverages as well as retail shopping patterns. Included are copious tables, charts, graphs, and illustrations that reinforce and make points in the text easy to grasp.

In addition to the consumer survey, our primary research for “Natural and Organic Foods in the U.S." entailing interviews with members of the industry, and on-site examination of products in retail stores. Secondary research involved evaluating and comparing data and reports from government agencies such as the U.S. Department of Agriculture (USDA) and trade associations such as the Organic Trade Association (OTA); and reviewing more than 600 articles in consumer and industry publications, websites, and blogs; annual reports, earnings call transcripts, and marketing literature of individual companies; and other reports . Secondary research involved evaluating and comparing data and reports from government agencies such as the U.S. Department of Agriculture (USDA) and trade associations such as the Organic Trade Association (OTA); and reviewing more than 600 articles in consumer and industry publications, websites, and blogs; annual reports, earnings call transcripts, and marketing literature of individual companies; and other reports .

Contents:  
Chapter 1: Executive Summary  
Overview  
Scope of Report  
Report Methodology  
Defining and Re-defining “Natural”  
Definition of “Organic”  
Retail Sales of Natural/Organic Foods and Beverages Will Reach $69.4 Billion in 2016  
Produce Is the Largest Category
Supermarkets, Natural Foods Stores, Warehouse Clubs Battle for Market Share
Consumer Drivers for Buying Natural/Organic Foods and Beverages
Organic Farming Takes Root
The GMO Debate
U.S. Retail Sales Will Approach $118 Billion by 2021
Retail Trends
Upsurge of Competition in Natural Foods
Retailer Profiles
Albertsons Cos.
Amazon.com
Costco Wholesale Corp.
Farmers' Markets
Fresh Thyme Farmers Market
The Kroger Co.
Sprouts Farmers Market
Trader Joe's
Walmart
Whole Foods
The Marketers
Many Thousands of Marketers
More Acquisitions, Investments, and Funding
Private-Label Natural and Organic Products Proliferating
Natural and Organic Foods and Beverages in the U.S. Table of Contents
Competitor Profiles
Amy's Kitchen
Campbell Soup Co.
Danone SA
General Mills
The Hain Celestial Group
Organic Valley
Pinnacle Foods
Marketing and New Product Trends
Going Clean
Ingredients Trends
Avocados
Beets Are Red Hot
Chickpeas and Other Beans Transformed
Grass-Fed Proteins Gaining Momentum
Plant-Based Foods
New Product Trends by Category
Consumer Trends
National Consumer Survey
Many Consumers Seek Out Organic and Natural Foods and Beverages.
Figure 1-1 Consumers Who Especially Look for Organic or Natural Foods When Grocery Shopping, 2016 (percent of U.S. adults)
Organic Foods and Beverages Attract Shoppers to Stores
Two Out of Five Consumers Buying More Organic or Natural Foods
Only 45% of Consumers Trust “Organic” or “Natural” Labels
Information Consumers Want Most on Package Labels
Consumer Attitudes Toward Genetically Modified Organisms (GMOs)
Simmons National Consumer Survey
Three Out of 10 Households Seek Out Organic or Natural Foods
Fruit and Vegetables Are Top Organic Categories
Ethnicity, Socio-Economics Differentiate Organic or Natural Food Shoppers
Natural and Organic Foods and Beverages in the U.S. Table of Contents

Chapter 2: Overview
Key Points
Scope of Report
Report Methodology
Some Foodservice Crossover
Defining and Re-defining “Natural”
Definition of “Organic”
Market Size and Growth
Methodology for Sales Estimates
A Range of Sales Estimates from Different Sources
Retail Sales Projected at $69.4 Billion in 2016
Table 2-1 U.S. Retail Sales of Natural and Organic Foods and Beverages, 2012-2016 (in billions of dollars)
Organic Foods and Beverages: A Larger Slice of a Bigger Pie
Figure 2-1 Share of U.S. Retail Sales of Natural and Organic Foods and Beverages by Market Segment: Natural vs. Organic, 2016 vs. 2012 (percent)
Produce and Dairy Are the Largest Categories
Figure 2-2 Share of U.S. Retail Sales of Natural and Organic Foods and Beverages by Product Category, 2016 (percent)
Supermarkets, Natural Food Stores, Warehouse Clubs Battle for Share
Figure 2-3 Share of U.S. Retail Sales of Natural and Organic Foods and Beverages by Retail Channel, 2016 (percent)
Market Outlook
Most Consumers Buy Natural and/or Organic Products
Consumer Drivers for Buying Natural/Organic Foods and Beverages ..
Widening Distribution Channels Also Driving Increased Sales
Produce and Dairy Are ‘Gateway’ Categories for Organic Foods
Organic Farming Takes Root
Illustration 2-1 Number of Certified Organic Farms by State, 2015
Figure 2-4 Top Dairy, Poultry, and Meat Sales, 2015
Figure 2-5 Top Organic Crops, 2015
Some Organic Products in Short Supply
The GMO Debate
Litigation Over the Meaning of “Natural”
Natural and Organic Foods and Beverages in the U.S. Table of Contents
Projected Market Growth
U.S. Retail Sales Will Approach $118 Billion by 2021
Table 2-2 Projected U.S. Retail Sales of Natural and Organic Foods and Beverages, 2016-2021 (in billions of dollars)
Chapter 3: Retail Trends
Key Points
Overview
Upsurge of Competition in Natural Foods
Table 3-1 Selected Leading Natural and Organic Foods Competitors, 2016
Retailer Profiles
Ahold Delhaize
Albertsons Cos.
ALDI Inc.
Illustration 3-1 ALDI's SimplyNature Private-Label Line
Amazon.com—AmazonFresh, Prime Pantry, and Prime Now
Illustration 3-2 AmazonFresh Delivery Truck in Los Angeles
Costco Wholesale Corp. Strengthens Organic Position
CVS Expanding Selection of Healthier Foods and Beverages
Fairway Market Emerges from Bankruptcy
Farmers' Markets Grow to Almost 8,700 Nationwide
Figure 3-1 Growth in the Number of Farmers Markets, 1994-2016
The Fresh Market Pulls Back, Goes Private
Illustration 3-3 The Fresh Market
Fresh Thyme Farmers Market Rolls Out in the Midwest
Illustration 3-4 Fresh Thyme Farmers Market
The Kroger Co.
Illustration 3-5 Kroger Simple Truth and Simple Truth Organic
Natural Grocers by Vitamin Cottage Planning Major Expansion
Illustration 3-6 Natural Grocers by Vitamin Cottage, “Eco Hip Hop” Demonstration
Sprouts Farmers Market Appears to Have a Winning Formula
Illustration 3-7 Sprouts Farmers Market Layout
Target Corp. Recasting its Grocery Business Again
Illustration 3-8 Target “Made to Matter” Program Participants, 2016
Thrive Market
Trader Joe's
Natural and Organic Foods and Beverages in the U.S. Table of Contents
Walmart Forays into Organic Foods—Again
Illustration 3-9 Walmart Ad for Great Value Organic Line
Whole Foods Market Feeling the Heat of Competition
365 by Whole Foods Market: Streamlined and Value-Priced
Illustration 3-10 365 by Whole Foods Market, Silver Lake, Los Angeles, Exterior

Chapter 4: The Marketers
Key Points
Marketer Overview
Many Thousands of Marketers
More Acquisitions, Investments, and Funding
Illustration 4-1 Who Owns Organic Chart
Recent Mergers and Acquisitions
July 2016
June 2016
May 2016
March 2016
January 2016
October 2015
September 2015
August 2015
July 2015
June 2015
May 2015
February 2015
January 2015
Private-Label Natural and Organic Products Proliferating
Amy's Kitchen, Inc.
The Nation's Leading Organic Frozen Foods Brand
Campbell Soup Co
Danone SA
General Mills, Inc.
Illustration 4-2 General Mills Q4 2016 Earnings Call (July 29, 2016):
Natural and Organic Portfolio
The Hain Celestial Group, Inc. Challenged by Growing Competition ..
Organic Valley
Owned by a Cooperative of Farmers
Pinnacle Foods Group Sees Health and Wellness as a Key to Growth .. 109

Chapter 5: Marketing and New Product Trends
Key Points
Marketing Trends
Going Clean
Illustration 5-1 Beech-Nut Website Lists Exact Percentages of Ingredients
Kashi Launches New ‘Certified Transitional’ Label
Illustration 5-2 Certified Transitional Label
Ingredients Trends
Avocados
Illustration 5-3 Kettle Brand Chips Cooked in 100% Avocado Oil
Beets Are Red Hot
Chickpeas and Other Beans Transformed
Illustration 5-4 Love Grown Foods Kid-Friendly Cereals Made from Beans
Functional and Fortified Foods and Beverages
Grass-Fed Proteins Gaining Momentum
Illustration 5-5 Carl's Jr. All-Natural Grass-Fed Burger
Plant-Based Foods
Illustration 5-6 Beyond Meat Beyond Burger
Jackfruit, an Old World Plant Meat
Illustration 5-7 Upton's Natural Jackfruit
Turmeric and Matcha
Illustration 5-8 Califia Farms Ginger Almondmilk and Matcha
Almondmilk
Illustration 5-9 Numi Organic Tea Turmeric Chai and Turmeric Cocoa...
New Product Trends by Category
Frozen Meals
Illustration 5-10 Lean Cuisine Marketplace Entrées
Illustration 5-11 Healthy Choice Simply Café Steamers
Illustration 5-12 Evol Cups
Illustration 5-13 Evol Lasagnas and Enchiladas
Illustration 5-14 Amy's Kitchen Gluten-Free Rice-Crust Pizza
Illustration 5-15 Amy's Kitchen Swirls
Illustration 5-16 Michael Angelo's Made with Organic Frozen Meals
Illustration 5-17 Eating Well Frozen Entrées
Illustration 5-18 Good Food Made Simple Entrée Bowls
Illustration 5-19 Grainful Steel Cut Meals
Soups
Refrigerated Soups
Illustration 5-20 Blount Organic Soups
Illustration 5-21 Tio Gazpacho Chilled Drinkable Soup
Illustration 5-22 Sonoma Brands Züpa Noma Chilled Drinkable Soup
Illustration 5-23 Fawen Drinkable Soup
Shelf-Stable Soups
Illustration 5-24 Campbell's Well Yes Soup
Illustration 5-25 Campbell's Organic Soups
Illustration 5-26 Campbell's Organic Kids Soups
Illustration 5-27 Annie's Organic Soups
Illustration 5-28 Back to Nature Ancient Grains Soups
Illustration 5-29 Eden Foods Instant Miso Soup Cubes
Dairy Case
Got Milk?
Illustration 5-30 Horizon Organic Single-Serve Chocolate Milk
Illustration 5-31 Organic Valley Good-to-Go Single-Serve Chocolate Milk
Illustration 5-32 WhiteWave Foods Sir Bananas
Non-Dairy Milk Alternatives
Illustration 5-33 Jindilli Beverages Milkadamia Macadamia Milk
Illustration 5-34 Silk Cashewmilk
Illustration 5-35 Silk Nutchello
Illustration 5-36 Bolthouse Farms 1915 Bolthouse Farms Organic Protein Beverages
Yogurt
Illustration 5-37 Organic Valley Grassmilk Yogurt
Illustration 5-38 Annie's Organic Yogurt
Illustration 5-39 Liberté Organic Yogurt
Illustration 5-40 Drink Chobani Drinkable Greek Yogurt
Illustration 5-41 Chobani Meze Dips
Illustration 5-42 Noosa Yoghurt Sweet Heat Yogurts
Illustration 5-43 Chobani Ancient Grains Greek Yogurt
Illustration 5-44 The Greek Gods Yogurt with Chia Seeds
Fresh Produce
Illustration 5-45 Earthbound Farm Organic Salad Kits
Illustration 5-46 Earthbound Farm Organic Crunchy Slaw Blends
Illustration 5-47 Ready Pac elevAte Organic Salad Kits
Breads
Illustration 5-48 Dave's Killer Bread
Chapter 6: Consumer Trends

Key Points
Proprietary Consumer Survey
Many Consumers Seek Out Organic and Natural Foods and Beverages

Figure 6-1 Consumers Who Especially Look for Organic or Natural Foods When Grocery Shopping, 2016 (percent of U.S. adults)
Consumers Shopping Multiple Channels
Organic Foods and Beverages Attract Shoppers to Stores

Figure 6-2 Where Consumers Shop for Groceries by Retail Channel, 2016 (percent of U.S. adults)
Figure 6-3 Importance of Organic Foods to Where Consumers Shop for Groceries, 2016 (percent of U.S. adults)

Two Out of Five Consumers Buying More Organic or Natural Foods...

Figure 6-4 Buying More Organic or Natural Foods than Two Years Ago, 2016 (percent of U.S. adults)

Half of Consumers Believe Organic or Natural Foods Are Healthier...

Figure 6-5 Organic or Natural Foods Are Healthier Than Regular Foods, 2016 (percent of U.S. adults)

No Artificial Ingredients Outweighs Organic in Packaged Foods

Figure 6-6 Prefer to Buy Organic Packaged Foods vs. Packaged Foods With No Artificial Ingredients, 2016 (percent of U.S. adults)

Only 45% of Consumers Trust “Organic” or “Natural” Labels

Figure 6-7 Consumers Who Trust Labels Saying Foods and Beverages Are Organic or Natural, 2016 (percent of U.S. adults)

Willing to Pay More for Organic—But Think It Costs Too Much

Figure 6-8 Level of Agreement with the Statement: “I am willing to pay more for organic foods and beverages,” 2016 (percent of U.S. adults)

Figure 6-9 Level of Agreement with the Statement: “I think retail stores and manufacturers charge too much for organic foods and beverages,” 2016 (percent of U.S. adults)

Information Consumers Want Most on Package Labels

Consumer Attitudes Toward Food

Figure 6-10 Information Consumers Want Most on Packaged Food Labels, 2016 (percent of U.S. adults)

Figure 6-11 Consumer Attitudes Toward Healthy Food, 2016 (percent of U.S. adults)

Consumer Attitudes Toward Genetically Modified Organisms (GMOs)

Figure 6-12 Consumer Attitudes Toward Genetically Modified Organisms (GMOs), 2016 (percent of U.S. adults)

Consumer Attitudes Toward Social Responsibility

Figure 6-13 Consumer Attitudes Toward Sustainability, 2016 (percent of U.S. adults)

Simmons National Consumer Study

Methodology

Three Out of 10 Households Seek Out Organic or Natural Foods

Nearly Half Prefer Foods Without Artificial Additives

Table 6-1 Consumers Who Prefer Foods Without Artificial Additives; Who Look for Organic or Natural Foods; and Who Buy Natural or Organic Foods When Watching Their Diet, 2012-2016 (percent and number in millions)

Fruit and Vegetables Are Top Organic Categories

Table 6-2 Top Product Categories for Consumers Purchasing Organic Foods Most Often, 2012 vs. 2016 (percent)

Ethnicity, Socio-Economics Differentiate Organic or Natural Food Shoppers

Table 6-3 High-Index Demographics for Consumers Who Agree with the Statement, “When Shopping for Food, I Especially Look for Organic or Natural Foods,” 2016 (index)

Table 6-4 Demographic Overview of Consumers Who Agree with the Statement, “When Shopping for Food, I Especially Look for Organic or Natural Foods,” 2016 (percent, number and index)

Asian-Americans, Educated Consumers, Homemakers Avoid Additives

Table 6-5 High-Index Demographics for Consumers Who Agree with the Statement, “I Prefer to Eat Foods Without Artificial Additives,” 2016 (index)

Table 6-6 Demographic Overview of Consumers Who Agree with the Statement, “I Prefer to Eat Foods Without Artificial Additives,” 2016 (percent, number and index)

Attitudes Toward Food and Cooking

Table 6-7 Attitudes Toward Food and Cooking: Consumers Who Look for Organic or Natural Foods, and Consumers Who Prefer Foods Without Artificial Additives, 2016 (percent and index)

Attitudes Toward Nutrition and Health

Table 6-8 Attitudes Toward Nutrition and Health: Consumers Who Look for Organic or Natural Foods, and Consumers Who Prefer Foods Without Artificial Additives, 2016 (percent and index)

Other Surveys

International Food Information Council Foundation Survey

Figure 6-14 How Consumers Define a Healthy Eating Style, 2016

Figure 6-15 How Consumers Define “Natural” Foods, 2016

Wedbush Securities Consumer Survey
Consumer Reports Labels Survey

Ordering: 

Order Online - [http://www.researchandmarkets.com/reports/3927648/](http://www.researchandmarkets.com/reports/3927648/)

Order by Fax - using the form below

Order by Post - print the order form below and send to

Research and Markets,
Guinness Centre,
Taylors Lane,
Dublin 8,
Ireland.
Fax Order Form
To place an order via fax simply print this form, fill in the information below and fax the completed form to 646-607-1907 (from USA) or +353-1-481-1716 (from Rest of World). If you have any questions please visit http://www.researchandmarkets.com/contact/

Order Information
Please verify that the product information is correct and select the format(s) you require.

<table>
<thead>
<tr>
<th>Product Name:</th>
<th>Natural and Organic Foods and Beverages in the U.S., 5th Edition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Web Address:</td>
<td><a href="http://www.researchandmarkets.com/reports/3927648/">http://www.researchandmarkets.com/reports/3927648/</a></td>
</tr>
<tr>
<td>Office Code:</td>
<td>SC</td>
</tr>
</tbody>
</table>

Product Formats
Please select the product formats and quantity you require:

<table>
<thead>
<tr>
<th>Product Format</th>
<th>Quantity</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronic (PDF)</td>
<td></td>
<td>USD 3995</td>
</tr>
<tr>
<td>Single User:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electronic (PDF)</td>
<td></td>
<td>USD 7990</td>
</tr>
<tr>
<td>Enterprise-wide:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* The price quoted above is only valid for 30 days. Please submit your order within that time frame to avail of this price as all prices are subject to change.

Contact Information
Please enter all the information below in **BLOCK CAPITALS**

<table>
<thead>
<tr>
<th>Title:</th>
<th>Mr</th>
<th>Mrs</th>
<th>Dr</th>
<th>Miss</th>
<th>Ms</th>
<th>Prof</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Last Name:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Email Address:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Title:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Postal / Zip Code:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Phone Number:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fax Number:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Please refrain from using free email accounts when ordering (e.g. Yahoo, Hotmail, AOL)
Payment Information

Please indicate the payment method you would like to use by selecting the appropriate box.

☐ Pay by credit card: You will receive an email with a link to a secure webpage to enter your credit card details.

☐ Pay by check: Please post the check, accompanied by this form, to:

Research and Markets,
Guinness Center,
Taylors Lane,
Dublin 8,
Ireland.

☐ Pay by wire transfer: Please transfer funds to:

<table>
<thead>
<tr>
<th>Account number</th>
<th>833 130 83</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sort code</td>
<td>98-53-30</td>
</tr>
<tr>
<td>Swift code</td>
<td>ULSBIE2D</td>
</tr>
<tr>
<td>IBAN number</td>
<td>IE78ULSB9853308313083</td>
</tr>
<tr>
<td>Bank Address</td>
<td>Ulster Bank, 27-35 Main Street, Blackrock, Co. Dublin, Ireland</td>
</tr>
</tbody>
</table>

If you have a Marketing Code please enter it below:

Marketing Code: ____________________________

Please note that by ordering from Research and Markets you are agreeing to our Terms and Conditions at http://www.researchandmarkets.com/info/terms.asp