

ATTRACT  
*Health-Conscious*  
 SHOPPERS  
 WITH  
 100%  
*Grass-fed*  
 Dairy



► Here's a look at what grass-fed dairy is and why stores should offer it. ◀

**A**mong the thousands of products in grocery stores, it can be difficult to pinpoint which ones will be big sellers. But retailers can be sure of one thing—consumers' interest in better-for-you items isn't going anywhere. Increasingly, shoppers are concerned that they're purchasing the safest and healthiest options, but they also don't want to sacrifice taste.

One category that a growing number of consumers are flocking to is grass-fed dairy. Grass-fed dairy offers the health benefits shoppers are looking for, along with the great taste they crave, all in one convenient package. But many retailers don't yet see the benefits of offering these products.

However, staying on top of culinary and consumer trends is part of the job for grocers, and to best market grass-fed products to customers, it's important to learn about all aspects of them—what they are, why they're beneficial, who's looking for them and what brands are doing it right. Take a look.





## What IS GRASS-FED DAIRY?

**S**imply put, grass-fed dairy is dairy from cows that have grazed on pastures year-round. These animals may consume supplements as needed, but they only eat from fresh pasture and dried forages—never grains such as corn or soy. Thus, grass-fed dairy comes with an array of health benefits because the more grass a cow eats, the more nutrient-rich the milk. These benefits are appealing to today's consumers looking for food and beverages that contribute to a healthy lifestyle.

According to the *Journal of Food Science and Nutrition*, February 2018, 100% grass-fed dairy contains 147% more omega-3 fatty acids and 125% more CLA (conjugated linoleic acid) than conventional whole milk. And new research shows that Organic Valley Grassmilk® contains a 1:1 ratio of omega-6 to omega-3, while conventional milk has a ratio of 6:1 omega-6 to omega-3. This 1:1 ratio offers a more balanced nutrition profile.

What's more, grass-fed dairy offers additional benefits to the cows and the environment. Grass-fed animals live out of confinement—a humane benefit that consumers find extremely important when choosing dairy products. And, cows' grazing helps stimulate microbial activity in the soil which helps to capture water and minimize erosion. Pasture grass also helps remove greenhouse gas from the air by "sinking" carbon into the soil. Because pastures require much less tractor use, there is much less fuel exhaust going into the atmosphere.

# 45%

OF CONSUMERS SAY THAT  
THEIR DEFINITION OF HEALTHY  
FOOD HAS CHANGED OVER THE  
PAST TWO YEARS.

2018 Technomic Healthy Eating report




## FOUR IN FIVE NATURAL AND ORGANIC CONSUMERS PURCHASE GRASS-FED PRODUCTS

Market LOHAS' 2017 Health  
& Natural Consumer Survey







# GRASS-FED DAIRY IS THE FASTEST-GROWING ORGANIC SEGMENT, EXPERIENCING 19% SALES GROWTH OVER THE PAST YEAR

SPINScan for the 52 weeks ending 9/9/18



## Why ARE CONSUMERS LOOKING FOR IT?

**C**onsumers' definition of healthy food is shifting. While it's safe to say that no one's abandoning kale, 45% of consumers say that their definition of healthy food has changed over the past two years, according to Technomic's recent *Healthy Eating* report. Some of the top claims associated with health to these consumers include organic, no artificial ingredients, unprocessed, fresh and hormone-free. Additionally, the 2018 Technomic *Healthy Eating* report finds that about a third (32%) of consumers say they are eating more foods because of their specific nutritional benefits than they were two years ago.

Shoppers care about the health benefits that grass-fed dairy offers: four in five Natural and Organic consumers purchase grass-fed products, according to Market LOHAS' 2017 Health & Natural Consumer Survey. With the great flavor and health benefits that grass-fed dairy offers, it's unsurprising that grass-fed dairy is the fastest-growing organic segment, experiencing 19% sales growth over the past year, according to data from SPINScan for the 52 weeks ending 9/9/18. With numbers like these, a

growing number of retailers are getting on board and stocking their shelves with these products.

Grass-fed milk also offers consumers a different, more natural tasting product. Because the cows are never fed grains, grass-fed milk features subtle seasonal flavors of the pastures that they graze on.

## Why SHOULD RETAILERS OFFER THESE PRODUCTS?

**S**hoppers appreciate the convenience of having a one-stop shop to get all their grocery shopping done. By stocking all the products shoppers want and need, retailers offer consumers the convenience they're looking for with their busier-than-ever lifestyles. Additionally, selling grass-fed milk presents an opportunity to profit; 100% grass-fed milk sales have grown 147%, according to SPINScan Food Channel for the 12-weeks ending 9/9/18 while plain half-gallon milk sales have declined by 12%.



According to Technomic's recent Healthy Eating report, 63% of consumers say that they believe food and beverage items that have other functional benefits are slightly or much healthier and 70% say the same about products that are organic. With an increased concern with eating healthy options, consumers shop for grass-fed dairy to fit those needs.

## *How* TO SOURCE TOP-QUALITY GRASS-FED DAIRY

**O**rganic Valley is the largest supplier of 100% grass-fed organic dairy in the U.S. and is the leading retail brand of organic grass-fed products in the grocery store, including Grassmilk milk, cheese, yogurt and half & half lines. Organic Valley has a total of 151 Grassmilk family farmer members in California, the Midwest and the Northeast.

Organic Valley is working with grass-fed industry leaders to define grass-fed dairy standards for consumers, with a 100% grass-fed label to launch in 2019. The initial accreditation has yet to be determined, but it would likely involve both the certification body and inspectors who would conduct onsite inspections.

Until labels are available and being widely used, sourcing products from trusted producers such as Organic Valley, whose products have been proven to offer the benefits consumers are looking for, is key to capturing a larger share of the market.



Beyond producing superior products, Organic Valley is also tuned in to the needs and desires of the consumer. Since launching Grassmilk in 2012, Organic Valley has become the No. 1 100% Grassfed Dairy Brand with milk, cheese, yogurt, and half & half product lines.

Catering to consumers' changing desires in the dairy aisle is crucial to retailers' continued successes. By learning more about grass-fed dairy products and making the lucrative decision to stock those products, retailers can enjoy continued consumer loyalty from their shoppers who are increasingly looking for better-for-you options in grocery stores. To learn more about Organic Valley grass-fed dairy products, visit [www.organicvalley.coop](http://www.organicvalley.coop).

