

NAVIGATING THE “FREE-FROM” FRENZY

UNINTENDED CONSEQUENCES & A NEW PATH FORWARD

THE FALLOUT

GMO-free, antibiotic-free, gluten-free, dairy-free, additive-free. Are these growing claims a sincere effort to deliver product information to consumers or a marketing race with potential to backfire?

Unintended Consequences

- ▶ Once a “free from” claim is made, competitors feel **compelled** to make the same claim – quickly diluting the unique attribute and evaporating premiums.
- ▶ Free-from claims that suggest a difference between products where there is none – for example, hormone-free chicken – **confuse** and **frustrate** consumers who feel duped when the curtain is pulled back, potentially **increasing** their skepticism about “Big Food” and “Big Ag.”
- ▶ Farmers are sometimes left holding the bag when marketers speed too quickly toward a new “free from” claim. Consumers have **rejected** some higher priced “free from” products – think cage-free eggs – after farmers were **pressured** to supply them, leaving farmers to **absorb** the additional costs or face a backlog of supply.
- ▶ Some “free from” products require an **increased** consumption of natural resources (acres of land or gallons of water, for example), yet deliver **no distinguishable benefit**. How does that jibe with the heightened interest in sustainability?

A NEW PATH FORWARD RECOMMENDED STRATEGIES

Establish a Master Brand

Companies that own multiple product lines, each with its own brand and marketing strategy, can create an umbrella “**master brand**” to align all products with overarching values and goals – providing guiding principles and guardrails. Companies with **clear** positions related to animal care and environmental protection are **better equipped** to make consistent decisions and communicate those to the public.

EXAMPLES

A company pressured to source cage-free eggs explained the higher mortality rate is inconsistent with their animal care policy.

- There may be an opportunity to pull back market changes that have had a negative impact to a middle ground (enriched cages instead of cage-free; no medically important antibiotics in animals instead of antibiotic-free, etc.).

- ▶ It is important to **defend** ethical practices, but also to **change** practices that are difficult to defend.

EXAMPLES

One animal sector has **98% PARTICIPATION** in its certification program, which prohibits certain, previously common, practices to eliminate vulnerabilities.

- ▶ Some companies are approaching communications by **publicly** framing their messaging through the broad lens of what's **good** for people, animals and the environment. This “**One Health**” approach, as it is often labeled internationally and domestically, puts decisions about policies and goals through **helpful** filters.

- Requires rising **above** daily firefighting to have a wholistic view.
- This **enables dialogue** to find common ground with advocacy groups that **align** with the One Health concept, but might otherwise be antagonistic.

Marketing Alternatives

- ▶ **Offer** marketing alternatives to absence-label claims – **don't** just attack marketers.

EXAMPLES

- CFI research shows farmers are **highly trusted**. Marketing campaigns that establish a **close** connection to farmers producing the product or supplying ingredients may achieve **a halo effect**. Unilever's video “[Meet the Sutters: A Farming Family Behind Hellman's Mayonnaise](#)” does just that.
- CFI research consistently **confirms** that consumers want to be assured of **ethical food production**, including high standards of animal care. This positive attribute can be a **powerful** marketing tool. Highlighting **quality care** by farmers and participation in third-party certification programs like Pork Quality Assurance and the National Dairy FARM Program are ways to **earn trust**.
- Instead of absence-label claims, promote the **positive** attributes of products and/or their sources to **build consumer confidence**. Think protein in chick peas, Omega 3 fatty acids in salmon or antioxidants in kale. Taylor Farms markets the many health benefits of its [Power Greens](#) brand.

A Framework for Decision-Making

When considering absence-label strategies, consider CFI's **Optimizing Sustainability framework**. It includes **three** modules to help the food system **evaluate sustainability priorities** to determine the impact of potential decisions and **ensure** that outcomes are aligned with their values.

- ▶ **Setting Sustainability Priorities:** A guide to establishing priorities based on values and stakeholder interests – providing a framework in which to consider specific requests and take action.
- ▶ **Evaluating Sustainability Tradeoffs:** A guide for evaluating the potential impact of a recommended change in practice on a company's supply chain.
- ▶ **Responding to Sustainability Commitment Requests:** A guide to navigating the process of engaging and responding to an organization asking for a change in practice in a company's supply chain.