

New NMI Research Finds More Than 80% of U.S. Adults

Show Some Type of Green Motivation

NMI LOHAS Segmentation Reflects Increasing Sophistication of Sustainability Marketplace

According to new research by Natural Marketing Institute (NMI), more than 80% of the total U.S. adult population show some type of green motivation. While LOHAS consumers (those identified as having the strongest environmental, social, and corporate social responsibility values and behaviors) represent 17% of U.S. adults (or 38 million consumers), NMI has identified three other consumers segments who are also engaged in various realms of sustainability depending on the eco-dimension that aligns with their overall priorities.

In 2004 only LOHAS consumers were “sustainability active”. Today, the high percentage of American adults who represent a target for green and eco-friendly products and services makes sustainability much more attractive and increases the imperative for businesses to engage with consumers of all types.

NMI’s LOHAS consumer model is comprised of five unique segments: LOHAS, NATURALITES, DRIFTERS, UNCONVENTIONALS and UNCONCERNED. According to NMI Managing Partner Steve French, “As shown below, the percentage of LOHAS consumers has remained stable since 2005 while all of the other segments show noteworthy shifts. DRIFTERS and CONVENTIONALS in particular, have increased significantly. These shifts are reflective of both rising environmental and social concerns, as well as the current economic situation. The challenge to marketers is to optimize messaging and align their products and services with the dynamic nature of the consumer.”

Outlined below is a brief description of each segment.

LOHAS (17% of all U.S. adults): LOHAS consumers are values-driven trend predictors who are driven by personal and planetary health. They exhibit high influence on others, are the highest buyers of green, healthy, and socially-conscious products, and are less price sensitive. In addition, they seek out companies who practice corporate social responsibility (CSR) and will boycott those who do not adhere to their standards.

NATURALITES (17% of all U.S. adults): This group is driven by personal health and wellness and adhere to a healthy lifestyle. They are high purchasers of eco-consumables, want to do more for the environment and are loyal to those companies/brands who practice credible CSR.

DRIFTERS (24% of all U.S. adults): Driven by trends, DRIFTERS are currently engaged in sustainability though their behaviors are not deeply rooted. They are price sensitive and are more likely to be eco-concerned if affected personally. DRIFTERS’ behavior has shown some of the most dramatic increases over time.

CONVENTIONALS (26% of all U.S. adults): This very practical segment does not have green attitudes but does have some “municipal” environmental behaviors such as recycling, energy conservation, and other

similar behaviors. This segment's behavior is driven more by cost savings or a desire to waste less than by environmental consciousness.

UNCONCERNED (16% of all U.S. adults): While not necessarily "against" the environment, this group is not actively engaged in protecting it, buying green products or CSR. Other priorities in their lives simply take precedent.

Brands will continue to find value in understanding the attitudes and behavior of LOHAS consumers, as they are bellwethers of more mainstream consumers' future behavior. Having driven the market for products such as organics, hybrid cars, and compact fluorescent light bulbs, they are now discovering the next generation of green and socially-conscious products. Given the growth in DRIFTERS, marketers need to communicate the caché and camaraderie that such a green lifestyle creates. The growing CONVENTIONALS segment will respond to messages of practicality or financial savings that can accompany a sustainable lifestyle, as with taking a reusable shopping bag to the store or driving less.

LOHAS is the acronym for Lifestyles Of Health And Sustainability. NMI's LOHAS Consumer Trends Database™ (LCTD) is the only consumer research and database that examines the LOHAS consumer. For more information on the LCTD, please contact your NMI account manager or Gwynne Rogers at 215.513.7300, ext. 227 or gwynne.rogers@NMIsolutions.com

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