wellness myths & misperceptions

SETTTING THE RECORD STRAIGHT ON FIVE FABLES ABOUT HEALTH & WELLNESS

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WELLNESS MYTHS & MISPERCEPTIONS

Setting the Record Straight on Five Fables About Health and Wellness

One of The Hartman Group's pillars of expertise has been — and remains — the study of health and wellness. We've been there from the start. We are the de facto standard when it comes to customized research in this arena. And we are leaders when it comes to trends and "ahead-of-the-curve" thinking about health and wellness.

Over the years, we've seen our share of fads come and go, not to mention encountering more than a few fables about consumers and the health and wellness marketplace. This white paper demystifies five common wellness myths and misperceptions.

Wellness Myth #1

Health and wellness is all about physical health.

Consumer language around wellness definitions has changed subtly — but importantly — over the years. We have seen a cultural shift, spurred by consumers' need to take back control of their personal health and the health of their families, from "wellness" meaning only physical health to "wellness" becoming a broader, more encompassing concept for consumers. The Hartman Group has been tracking consumers' perspectives and behaviors around health and wellness since the 1990s. In that time, we have seen consumer definitions of health and wellness shift from a rules-based, reactive paradigm to a proactive wellness culture where ideas about what health and wellness is and how to achieve it have expanded to include many, if not all, aspects of consumers' lives. The concept of balance remains key to how consumers understand and embody health and wellness; when one aspect of their health and wellness grows too big or too small, it affects all the others. Rather than a mechanistic, defensive approach, consumers are more likely today to see health and wellness in a more ecological way, as a system that needs harmony inside and out. In fact, 80 percent of consumers in our Health + Wellness 2017 study believe mental and emotional balance is as important as physical health.

Wellness Myth #2

Price is the key barrier to purchase of wellness products.

The Hartman Group's Health + Wellness World Model (Figure 1) is divided into segments with varying intensity of involvement. The gap between aspirations and behavior narrows as consumers become more engaged with health and wellness. Central to this world perspective are purchase criteria that organize the world. While all segments take these criteria into account in some form in their purchasing decisions, the frequency and intensity with which

Figure 1. The Hartman Group's Health + Wellness (H+W) World Model

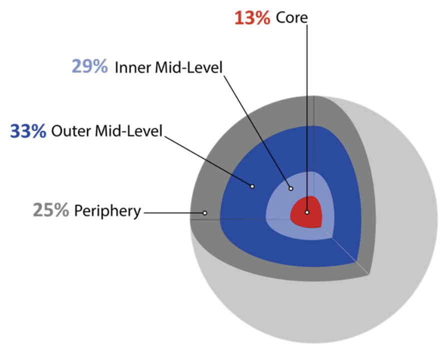
The Core are the most intensely involved in H+W.

Inner Mid-level consumers adopt Core attitudes and behaviors but with less consistency and reach.

Those in the **Outer Mid-level** experiment with H+W but tend to prioritize other concerns.

The **Periphery** are the least involved in H+W.

Source: Health + Wellness 2017 report, The Hartman Group

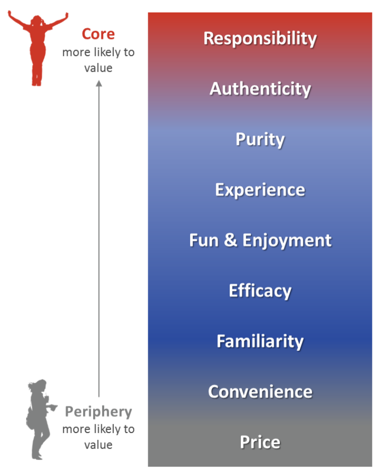


The Hartman Group's World of Health + Wellness Segmentation

the criteria are prioritized vary substantially across segments.

As Figure 2 illustrates, price is located farthest away from Core wellness consumers and is closest to Periphery consumers. What this means is that price is not as important to Core or Mid-level wellness consumers as other criteria, such as responsibility, authenticity, purity, experience, fun & enjoyment, efficacy and familiarity.

Figure 2. H+W World Model: Purchase Criteria



Source: Health + Wellness 2017 report, The Hartman Group

To illustrate, Core consumers **DO** consider the price and convenience, but they **ALSO** search harder for healthy alternatives that are socially and environmentally responsible. Likewise, it's not that the Periphery don't value responsibility or purity, but those aspects are not top of mind when they make purchases. Their primary and habitual motivation is finding products that are convenient and do the job at the best price. Other factors are simply less important. Broadly speaking, the criteria are additive as a consumer becomes more engaged with health and wellness. The Core typically consider far more factors with each purchase than the Periphery.

Consumers use channel and retail strategies that allow them to buy better and healthier when it matters to them most — in high-stakes categories and occasions. These strategies help them balance health and wellness, convenience and budgetary priorities.

Wellness Myth #3

Packaged foods can't be healthy.

In many ways, health and wellness has always been about food and beverage. Consumers began to think less about healthy eating habits and so-called "better-for-you" food products. Instead, they became preoccupied with higher-quality foods and higher-quality eating experiences. It is not the case that consumers necessarily abandoned their interest in healthier eating habits or food products. What we need to understand is that before such attributes can even resonate with consumers, the experience must first qualify as a high-quality food experience. Some of the dimensions of higher-quality foods and experiences include:

- Fresh, less processed
- Artisanal/small production
- Local and seasonal
- Reimagined processed/packaged food (e.g., Newman's Own or Annie's)

Taken as a whole, these and other dimensions ladder up to what consumers define more broadly as high-quality real food.

Wellness Misperception #1

The wellness consumer is a specific type of consumer.

There is often the impression that wellness and its products and services resonate with only a certain type of consumer. From our decades of research in health and wellness, we can emphatically say that there is no single type of wellness consumer. This is a good thing, because it means the potential market is far less limited.

There is often the impression that wellness and its products and services resonate with only a certain type of consumer. From our decades of research in health and wellness, we can emphatically say that there is no single type of wellness consumer. This is a good thing, because it means the potential market is far less limited. Instead of a microscopic view on consumers, we'd suggest that the pathway to unlocking potential health and wellness market opportunities lies in taking a broad view on the larger world of wellness to learn how to better serve consumers. The research supports our contention that interest in wellness is primarily shaped as a function of a lifestyle choice.

Another factor to consider is that people do not live and consume in a vacuum. Consumers are affected by the culture in which they operate — whether exhausted professionals finding lunch between meetings or recent college grads independently managing food choices while balancing tight budgets. Everyone makes choices in the context of their family and career backgrounds, as well as the broader arena in which their supermarkets or dollar stores are stocked. This is why we say virtually all consumers are wellness consumers.

Wellness Misperception #2

Organic is an environmental issue.

Nothing better illustrates the evolutionary trajectory of health and wellness than the case of organic. As part and parcel of the original spirit of what would become the health and wellness lifestyle, organic was a powerful symbol of belief, practice and ideology. Organic served as a rallying point behind the belief that we humans were ruining our environment. Organic has come to mean many things to consumers. Organics are an important cue to millions of consumers for products that contribute to healthy lifestyle and healthy eating remains at the center of most consumer notions of health and wellness. For most, healthy eating is defined by fresh, whole, less processed foods, which consumers believe retain more of their nutrients. When shopping, 51 percent of consumers look for foods and beverages that are "labeled certified organic." (*source: Health + Wellness 2017 report, The Hartman Group*)

The Road to Opportunities in Health + Wellness

By tracing the beliefs that underlie food and wellness trends, food companies can align their brands with consumers' values and more easily predict where shoppers might end up next. Product innovators and marketers do that by immersing themselves in culture — the context in which people live — so they can more easily understand what people want and how to communicate with them. Companies do best when they see themselves as partnered with consumers.

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The Hartman Group's anthropologists, social scientists and business analysts have been immersed in a 25-year-long study of American food and beverage culture using ethnographic observation, quantitative tracking surveys and deep study of food and beverage trends. What we have learned and continue to uncover allows us to upend many notions of our traditional American eating and drinking patterns, thereby identifying unique opportunities and winning strategies for our clients.

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