What the American Consumer Really Thinks of Olive Oil

June 2014
Introductions

• The North American Olive Oil Association (NAOOA)
  • Trade association of olive oil marketers founded in 1989
  • Primary Missions:
    • Fair & Competitive Trade
    • Quality Monitoring
    • Increase Olive Oil Consumption

• Eryn Balch

Confused Consumer  Experienced Enthusiast
World OO Consumption per Capita

Olive Oil Consumption per Capita

Approx Liters

Source: IOC forecast reports November 2013
US Retail Pourable Oil by Type

**U.S. Pourable Oil Volume**
- PEANUT OIL: 3%
- CORN OIL: 9%
- CANOLA OIL: 23%
- VEGETABLE OIL: 34%
- OLIVE OIL: 13%
- ALL OTHER: 18%

**U.S. Pourable Oil Value**
- PEANUT OIL: 3%
- CORN OIL: 7%
- CANOLA OIL: 17%
- VEGETABLE OIL: 22%
- OLIVE OIL: 35%
- ALL OTHER: 16%

**Total Volume Sales:** 247.2 Million Gallons  
**Percent Change vs. Year Ago:** +0.5%

**Total Dollar Sales:** $3.03 Billion  
**Percent Change vs. Year Ago:** +1.7%

Source: Nielsen 52 Weeks Ending May 10, 2014 (includes Walmart & Club Stores)
# Total US Olive Oil Retail Market

Current 52 Weeks through May 10, 2014

<table>
<thead>
<tr>
<th>TOTAL US - XAO</th>
<th>Liters</th>
<th>Liter % Chg Year Ago</th>
<th>Dollars</th>
<th>Dollar % Chg Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>Olive Oil</td>
<td>123,579,380</td>
<td>-1.9%</td>
<td>$ 1,070,121,261</td>
<td>6.2%</td>
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## Liter Share by Type

- Olive Oil: 24%
- Extra Virgin: 64%
- Light-Tasting: 12%

## Unit Share by Package Type

- Plastic: 34%
- Glass: 63%
- Tin: 3%

Source: Nielsen 52 Weeks Ending May 10, 2014 (includes Walmart & Club Stores)
Olive Oil Volume by Region

Olive Oil Liters by Region

Source: Nielsen 52 Weeks Ending May 10, 2014 (includes Walmart & Club Stores)
2014 National Attitude & Usage Study

N=2,002 national online survey that covers the nine US Census Regions

📅 February 12-20, 2014
⏰ 25 minutes

To be eligible for the survey:

使いこましいオリーブオイル
Must have used OO in past six months

買い物をする
Must be the primary/shared HH grocery shopper

食事を作る
Must be the primary/shared HH meal preparer
Key Insights Reviewed Today

- Once a consumer becomes an olive oil user, they tend to use it a lot.
- Users find olive oil to be very versatile.
- Overall trend is towards increased usage.
- Choosing an olive oil can be difficult and confusing.
- Many myths about olive oil persist.
- Education and direction will increase consumption.
More than half of Olive Oil users use it more than any other oil

**Olive Oil Users**
Have Purchased and Used Oil in the Past Six Months

- Primary OO Users: 56%
- Secondary OO Users: 44%
Once they become users, they tend to use Olive Oil a lot

- Consumers who use Olive Oil tend to use it more than other oils or a close second
  - Over half use Olive Oil more than any other oil; the majority of the remainder say they use it second only to vegetable or canola oil
  - In fact, 16% of those using Olive Oil as their primary oil say they ONLY use Olive Oil (or 9% of all users)
- Over half of these users say they last used Olive Oil in the past day or two. This increases to two-thirds among those that choose Olive Oil as their primary oil
  - Three-quarters say they use Olive Oil several times weekly
  - Only 7% say it’s been more than two weeks since they last used
- EVOO is by far the type of Olive Oil used most often: three-quarters name EVOO their go-to oil, followed by only 15% for classic Olive Oil
Profile of Primary OO Users

**DEMOGRAPHICS**
- To have completed post graduate study
- To be employed full time
- To live alone or not have children living in their household
- To consider themselves white
- To have annual household incomes greater than $50,000

**USAGE**
- Tend to use Extra Virgin Olive Oil for most purposes
- And use Extra Virgin Olive Oil most often
- More likely to cook with Olive Oil across the board

**FREQUENCY & TREND**
- More likely to have used Olive within the last day or two and to use on a daily basis
- More likely to say their usage increased a lot in the past year
- Say they would use more Olive Oil if they cooked at home more
- More likely to be long term Olive Oil users
- More likely to cite health benefits as the reason for starting to use Olive Oil

**CHANNELS**
- More likely to purchase from a specialty or gourmet food store
- When buying Olive Oil - More likely to focus on the type of Olive Oil and pay attention to the color of the oil in the bottle

**KNOWLEDGE & UNDERSTANDING**
- Have greater confidence in their understanding of the health benefits of Olive Oil and how to use as a substitution for butter or other oils in recipes
- More likely to say “yes, I know” where my olive oil comes from

Message Testing - More apt to believe the following statements

“Olive Oil is the only oil I need in my kitchen, there’s an Olive Oil for every type of dish and cooking,”
“When it comes to cooking, I trust Olive Oil more than I trust other oils....”
Profile of Secondary OO Users

Secondary Olive Oil Users are those who use Olive Oil but use another oil more often

DEMOGRAPHICS
To be a high school graduate
To be a homemaker or a student
To not be married
To have children living in their household
To consider themselves non-white
To have annual household incomes less than $50,000

More likely to say their family’s diet is average to most Americans

USAGE
Use vegetable (45%) or canola oil (39%) most often
More likely to currently use Classic/Regular Olive Oil and to use it most often
More likely to have one bottle of Olive Oil in their kitchen
More likely to prefer Olive Oil to taste buttery

FREQUENCY & TREND
More likely to have last used Olive Oil a few days ago or a week ago or more
More likely to use Olive Oil monthly or less
More likely to say their Olive Oil usage decreased in the past year
More likely to say they would use more Olive Oil more often if it were priced more affordably or if their recipes called specifically for Olive Oil
More likely to have started using Olive Oil in the last one to three years
More likely to say they started using Olive Oil because it was called for in the recipe or it was recommended by friend or family

CHANNELS
More likely to purchase from a mass retailer
More likely to pay attention to the best by date and the taste/flavor description on the label when purchasing

KNOWLEDGE & UNDERSTANDING
Want more information on how to spot poor quality Olive Oils while shopping and on the difference between grades or types of Olive Oil
More likely to say “no, I’m not sure” where my Olive Oil comes from
Users find Olive Oil versatile for myriad cooking types, foods

- Chicken and vegetables are foods most frequently cooked using Olive Oil, followed by pasta, fish and beef/red meat (all cooked with OO by more than half of users)
- Sautéing and stir-frying are the cooking types where Olive Oil is used most, but many uses are cited
- Flavoring in dressings, seasoning and marinating are also primary uses
- Olive Oil is least used for deep frying and baking
- Extra Virgin Olive Oil is used more than other types of Olive Oil for all types of cooking
  - Secondary OO users do tend to use classic *more often* than do Primary OO users, but EVOO is still used more than classic Olive Oil
Trend is toward increased use; new consumers joining

• Trend is toward greater frequency of usage of Olive Oil: over half say their usage of Olive Oil has increased in the past year
  • Primary reasons cited for increased usage is that Olive Oil is healthy and is good for the diet – and many say it’s more natural than alternative oils
  • Others say they have been cooking at home more often and they prefer the taste of Olive Oil in their cooking
• Very few (2%) cited any decrease in usage. Those that did said cost played a role in that decrease or that they were decreasing usage of any oil in their diet
• One-third of current users started using Olive Oil just in the last three years
  • Of course, age plays a role here: younger users tend to be newer to using Olive Oil than older users. But even so, we see increases in “non-traditional” areas for Olive Oil with non-whites, and those living in the Midwest and South
Beyond health, primary users more varied in reasons; secondary influenced by friends & media.

Base: Primary OO Users (n=1,115), Secondary OO Users (n=887)
Q20. Thinking back to when you first started using olive oil, what were the main reasons you started using olive oil in the first place?
Choosing an Olive Oil can be difficult and confusing

More than half of Olive Oil users agree that choosing an olive oil is confusing because they aren’t sure what’s important

- In fact, only 25% say they are very “knowledgeable” about OO

- Olive Oil users want more information on how to choose and how to use olive oil, as well as the differences between grades (especially those who are Secondary OO users)

- Certification can be an assurance of quality to consumers, but beyond “USDA” certification, none of the other organizations carried as much cache
Many Olive Oil Myths Persist

• The color of olive oil is related to its quality
  • Only 6% know this is false

• Light-tasting olive oil has fewer calories than other olive oils
  • Only 16% of users know this is false

• Like wine, olive oil gets better with age
  • Only 24% know this is false

• Extra virgin olive oil is for cold or raw use only
  • Only 30% know this is false
Use can be encouraged with education, direction

• Most users say they are faithful to recipes and try to use the oil that’s specified. The majority say they would use Olive Oil more often if the recipes they use called for it by name
  • And 7 in 10 say they would buy a type of Olive Oil they didn’t have if the recipe called for it
  • Many say they would increase their use if they understood better how to substitute Olive Oil for other oils/butter
• Health is a major factor in Olive Oil use; it’s the number one reason cited for initial use of Olive Oil
  • The vast majority of consumers agree that Olive Oil is healthier than other oils and that it can be used in place of less healthy oils or butter
Mobile Education Results

- Average mobile CTR: 0.35%

- Olive Oil Education CTR: average 5.57%
  - Of 8 Quizzes, CTRs ranged from 3.84% - 7.81%
Takeaways

• Even current olive oil users are “hungry” for information

• Debunk Myths
  • Color/Quality, Can Cook with Olive Oils

• Encourage substitution
  • Any oil cup for cup
  • Butter to Olive Oil conversion chart

• Explain the grades
  • Health, flavor, usage

• Extra Virgin Olive Oil
  • Healthiest, most flavorful, variable smoke point

• Olive Oil
  • Healthful, mild flavor, more consistent smoke point

• Handling & Storage
  • Doesn’t last forever
  • Avoid heat, light & air
Thank You

www.AboutOliveOil.org