Research Question 5: What is the impact of price on purchases of sustainable products?

Research Result: Despite significant price premiums, sustainability-marketed products grew far faster than the conventionally branded players and had lower price sensitivity in 2/3rds of the categories examined.

*Analysis conducted was among branded players and excluded store brand/private label; based on 36 categories examined*
Sustainable Market Share Index™: Price Premium

Sustainability-marketed products enjoyed a sizeable price premium at 39%* over conventionally-marketed products, and increased +5.3 pts since 2014.

*Weighted by $ Sustainable Sales of categories examined; analysis excluded store brand/private label
Sustainable Market Share Index™: Price Premium by Category

Price premiums ranged from 3% to over 150%. Only a few categories had a price discount vs. conventionally-marketed products.
Among branded players, sustainability-marketed products grew over 7x faster than conventionally-marketed products, indicating consumers’ willingness to pay higher prices.
Sustainable Market Share Index™: Price Sensitivity

Sustainability-marketed products had lower price sensitivity in most categories studied: Food categories had the greatest price leverage.

Price sensitivity is the % change in volume due to a 1% change in price.