

# Climate-Conscious Consumers Prioritize Sustainable Herbal Products



By Karen Raterman

*Editor's note: A previous version of this article was published in the November 2021 issue of HerbalEgram.*

**Media reports of more intense hurricanes, larger wildfires, and record-breaking heat waves, droughts, and floods are a seemingly constant reminder of the dangers posed by a changing climate. These problems are no longer just happening “somewhere else.” Extreme weather events, many of which are related to climate change,<sup>1</sup> affect people worldwide. Recognizing the serious impacts of the climate crisis<sup>2</sup> may help keep sustainability top-of-mind, and consumers are expressing an increased willingness to take personal responsibility to address environmental issues and support companies that work toward protecting the planet.<sup>3</sup>**

For businesses, this means that sustainability sells, but implementing a viable sustainability program can be challenging. Sustainability now means many things to many people and involves not just environmental measures but also benchmarks related to social, health, and economic equity.

These ideas are not new in the herbal products industry. Many companies have a deep understanding of the delicate balance between nature and the herbal medicinal products they create, as well as the potential impacts to their business of the escalating climate crisis and biodiversity loss. “We are working with plants that come from the earth, not just a collection of [unlimited] natural resources for us to take from,” said Alexis Durham, herbalist and botanical affairs manager for Herb Pharm (oral communication, September 14, 2021). “From owning our own farm and trying to grow as many plants ... that we use as possible, we have an understanding of reciprocity. From inception, Herb Pharm has understood that our products are only as good as the herbs we use to make them, so it is incumbent upon us to take care of them and the earth, so they can do the same for us.”

When asked why they see sustainability as an important business strategy, many herb and other natural products companies said that it is central to their pursuit of healing and wellness. “Our mission is to connect people, plants, and planet to create healing, and for the past 30 years, this has served as our guiding purpose,” said Alison Czczuga, director of social impact and sustainability for Gaia Herbs (email, August 6, 2021).

According to essential oils company dōTERRA, its mission is to pursue what is pure, including products, business practices, intentions, and the love of humanity. “This means doing things the right way, which is not always the easiest way,” said Kevin Wilson, the company’s director of public relations (email, August 16, 2021). “dōTERRA can source the best essential oils from around the world, while also

helping the most — through both sustainability and social impact initiatives — in the process. [Our] commitment to the sustainable sourcing of essential oils is more than just a strategy; it is at the heart of everything we do.”

For the Germany-based Martin Bauer Group, sustainability is a multifold proposition. Martin Bauer is a fourth-generation family-owned company with a long-term sustainability plan, which the family believes is essential to keep the business on solid ground and viable for the next generation, said Jan von Enden, head of group sustainability-supply chains for the Martin Bauer Group (oral communication, September 20, 2021). The company also has a moral, ethical, and business imperative to do the right thing, he added. “If farmers and ecosystems in countries are not viable, we will have a hard time, too. We are cultivating long-term relationships with suppliers and becoming more invested in these companies and countries where we want to implement our view of sustainability.”

Similarly, a core value for another family-owned company, Wisconsin-based Standard Process, involves stewardship of the land and using environmentally friendly farming, manufacturing, and business practices. The company invests in organic farming and is committed to continual soil improvement and regeneration. It also has set aside wild areas on its local farm for wildlife habitat and has dedicated garden beds for bees, butterflies, and other pollinators, according to Christine Mason, director of farm operations for the company (email, September 14, 2021).

Herbal companies that have long prioritized sustainability goals also understand the complex and ongoing nature of the process. Founded in 2001, Natural Factors, for example, believes that sustainability is a journey that involves frequent improvements of processes and technologies and requires relationships with consumers, retailers, and others in the supply chain. “Much like fighting a pandemic, each

member of society has a shared cooperative responsibility to continue to improve sustainability now and into the future,” said Yolanda Fenton, director of innovation for the company (email, September 9, 2021). “But even before the pandemic, we have always believed that our customers ... share our interest in living healthy lifestyles that are socially and ecologically responsible.”

### The Big Picture

With the COVID-19 pandemic and escalating climate events, it seems that the world is at a pivotal moment in which sustainable actions are becoming more urgent. “As an industry that is dependent on natural resources, climate change is a huge issue that is having an impact on our resources and the communities that are harvesting,” said Erin Smith, director of herbal science and research for Williams, Oregon-based Banyan Botanicals (oral communication, September 17, 2021). “We have to look at the long-term picture.”

Fenton added: “Many species are disappearing, or they have become endangered. This is due to many factors, but may include overharvesting of wildcrafted herbs, land development that destroys the vital ecosystems of these plants, or the climate crisis — whether it’s drought, storms, or forest fires. The other challenge is the labor costs of growing herbs for commercial use, as well as the fact that some of the [plants] take seven years before the medicinal ingredients are ready for harvest — thus a risk for the grower.”

For producers and suppliers of herbal products, a cascade effect from pandemic-related consumer demand for natural products strained the supply chain and prompted concerns about product adulteration. This means the importance of testing raw materials is even more critical for the herb industry, Fenton said.

There is also a concerning loss of knowledge about the plants themselves and how to responsibly and sustainably farm and wildcraft them, Smith noted. This is partly due to a lack of young people going into farming, and it is even more pronounced on the wildcrafting side. “There is a real risk of losing labor and knowledge that is foundational for the whole industry,” Smith said.

Although these challenges are daunting, they also may inspire change. Bethany Davis, director of social impact and advocacy for the New Hampshire-based supplement brand MegaFood, expressed deep appreciation for the moment, suggesting its importance in prompting meaningful action. “People don’t change [without a] reason,” she wrote (email, July 21, 2021). “When the pain becomes so great, and we have a vision for the future, anything is possible. I get excited about what that might lead to.”

### The Sustainability-Minded Consumer

Sustainability is becoming an increasingly difficult and expensive proposition. Creating a sustainable company requires a deep understanding of what consumers care about and the ability to convert those ideas into programs, products, and processes that make sense for an individual business.

According to a commonly quoted definition from the United Nations’ 1987 World Commission on Environment and Development, sustainability is “development that meets

the needs of the present world without compromising the ability of future generations to meet their own needs.”<sup>4</sup> While this definition is still widely cited, it is limited given the growing scope and urgency of today’s climate crisis. Terms that go beyond sustainability, like regeneration, are becoming more widely used. The American Botanical Council’s (ABC’s) Sustainable Herbs Program (SHP) recognizes the limitations of the word “sustainability” in the forthcoming second version of its Sustainability and Regenerative Practices Toolkit. “[T]he degradation of the world is such that we need to regenerate life systems rather than simply sustain them in a degraded state,” the toolkit notes. “We use the word [not] to mean sustaining what is here, but sustaining the life systems on which we depend, which in our mind includes regeneration, since those systems must be regenerative to sustain life on earth.”<sup>5</sup>

What sustainability means to consumers also can change often. This point is well made by results of the *2021 State of Sustainability in America: 19th Annual Consumer Insights and Trends Report* from the Natural Marketing Institute (NMI), a business consulting and market research firm focused on health and wellness. One of the key questions for NMI researchers for the report was the impact of the COVID-19 pandemic on consumer attitudes about sustainability, said Diane Ray, vice president of strategic innovation for NMI (email, August 19, 2021). The team wondered whether consumers would drop sustainability priorities for personal health concerns during the pandemic or use the time to reflect on their purchasing behaviors and their impact on the environment. “We saw the latter,” Ray said.

The Hartman Group, a market research and consulting firm that focuses on consumer behavior and food culture, has also extensively studied consumer attitudes about sustainability. “What became apparent during the pandemic, when we went on lockdown in the spring of 2020, is that human activity was having an enormous impact on the environment,” said Shelley Balanko, senior vice president for Hartman (oral communication, July 20, 2021). “We saw pictures of a hazy public square in India that was clear two weeks later, we saw wildlife returning to human centers, and in the US, we saw air quality improve as car traffic ground to a halt.”

The pandemic also put a spotlight on other issues tied to sustainability, such as social justice matters. “We saw food and beverage workers deemed essential, and Americans became aware of the risks they faced to ensure that we ... had consistent, reliable food sources,” Balanko added.

The NMI report found that the pandemic heightened concerns about sustainability, as consumers realized that it was no longer something that could be pushed aside or put on hold.<sup>6</sup> Respondents noted that being sustainable and practicing green behaviors helped give them a sense of control and purpose.

“While some challenges may exist regarding the relevance of sustainability in a world which appears to have been turned on its end, many of the latest findings provide evidence that sustainable ideals and attitudes have taken on a higher level of acceleration and importance in consumers’ mindset,” NMI notes on its website.<sup>7</sup> “In addition, there appears to be evidence that the COVID-19 pandemic may have ignited a

stronger conviction towards environmental protection and sustainable behaviors, as the fragility and interconnectedness of the human and planetary condition has been made more apparent than ever.”

The 2021 NMI report surveyed 3,000 US adults online in October 2020 and is projectable to the US adult population.<sup>6</sup> It found that 62% of surveyed consumers felt more personally responsible for protecting the environment than they have in the past — this is up from 49% in 2009, which represents growth of 27%. And, a growing number of consumers are willing to make personal sacrifices to support these goals.

Findings from The Hartman Group’s *Sustainability 2021: Environment and Society in Focus*, which surveyed a nationally representative sample of 2,000 US adults (ages 18-75) and was published in late September 2021, suggest that consumer thinking about sustainability likely is becoming more complex. The report notes that there are two levels of sustainability engagement among consumers. Core sustainability consumers are making connections not only to environmental and social issues, but also across these two pillars of sustainability, by understanding plastics pollution’s impacts on human health, for example. This more sophisticated view, according to the report, is leading core consumers to be motivated to make sustainable purchases for a broader array of reasons, such as to benefit workers and farmers as well as the environment and themselves. Regarding the second level of sustainability engagement, the report also noted that most consumers, about 60%, typically have a less nuanced understanding of sustainability and these interdependent relationships. They may see environmental and social concerns as highly important but separate.<sup>8</sup>

**Table 1. Consumers Who Are Willing to Make Personal Sacrifices (Time, Money, Convenience) to Protect the Environment and Planet**

Age	Positive Response
18–29	50%
30–39	60%
40–49	42%
50–64	39%
65+	37%

Source: NMI’s 2021 *State of Sustainability in America: 19th Annual Consumer Trends & Insights Report*

1981 through 1996), Ray added.

Similarly, the 2021 Hartman report noted that Generation Z (generally defined as those born after 1996)<sup>9</sup> and millennials are especially likely to make sustainable purchases now compared to before the pandemic, and about one-third of these young consumers see their purchase decisions as a more powerful way to effect change than voting or community engagement.

Older consumers are starting to come around to sustainability, Ray noted. In its 2021 study, NMI found that millennials and seniors (age 55+) reported the greatest increase in personal responsibility for the climate crisis. “While the older cohort may be a bit late to the table,” she said, “they have time and disposable income to take action. And millennials ... can impact the future, if given the right direction.”

For many of today’s consumers, according to the Hartman report, sustainable purchasing choices have become closely tied to lifestyle, which includes supporting local businesses, buying in bulk, and seeking out composting. These are all actions that require extra effort. At the same time, the report found that a gap still exists between consumer aspirations and actions. This gap is widest where knowledge is a barrier. For example, a consumer may be less likely to make

Younger consumers are more likely to factor sustainability into their lifestyle choices and purchasing decisions, according to both reports. The NMI report found that 18- to 39-year-olds are significantly more willing to make personal sacrifices than older generations (Table 1).

The NMI study also showed increasing concern about sustainable agriculture, and it measured interest in regenerative organic agriculture for the first time, with the highest concern among millennials (those born from



**Consumers are expressing an increased willingness to take personal responsibility to address environmental issues and support companies that work toward protecting the planet.**

a purchase when it is unclear which products are local or whether they come from minority-owned businesses.

### The Changing Landscape for Companies

Perhaps most significantly for natural products companies, the NMI report found that nearly 45% of surveyed consumers indicated more commitment to buying products from companies that follow environmentally friendly and sustainable practices. About 50% of Generation Z, millennial, and higher-income (\$50,000+) respondents, and almost 60% of respondents with children, noted increased commitment in the 2021 survey.

While more consumers are taking responsibility, it is also important to note that a significant number of the NMI respondents said they believe that corporations, retailers, and the US government should be leading the way with respect to protecting the environment, but believe they are falling well short of that goal.

The bottom line, according to Ray, is that consumers' concern continues to increase as they see evidence of problems. "More consumers are seeing the interaction of lifestyle decisions and planetary health, but feel powerless to effect meaningful change. They are looking to governments and large corporations to lead the way."

The NMI report suggests that there is now a big upside for companies when consumers believe the companies are mindful of how their practices positively impact the environment and society. This then increases consumers' desire to try a product or service, and it boosts their loyalty to environmentally conscious organizations.

Overall, 56% of NMI respondents in 2020 said they make their purchasing decisions with an understanding of how those decisions will impact the health and sustainability of the world, up from 45% in 2017. This is even higher for millennials, who said this at a rate of 69% in 2020, compared to 51% in 2017.<sup>3</sup>

It boils down to what companies and agencies are doing to address social and environmental issues and how those impacts are measured, Ray noted. "Consumers still need to see the impact of the individual — how changes in even small communities can help impact the whole." However, she added, they believe the problems have gone beyond the reach of everyday consumers, and are, in turn, putting even more pressure on companies and governments to take action.

So, how do companies measure impact? "The easy answer is certifications, but it is complex," said Ann Armbrrecht, PhD, director of SHP and author of *The Business of Botani-*

*als* (Chelsea Green Publishing, 2021), which provides a comprehensive look at the challenges the industry is facing regarding sustainability (oral communication, September 8, 2021). "Certifications offer third-party verification that a company is actually doing the practices that it claims to be doing. These certifications aren't perfect, and they can be cost prohibitive to smaller producers. But, without them, all we have to go on is a company's claim to be doing the right thing. From a company perspective, certifications also offer a way to monitor their own progress, to get feedback on where they are falling short, and to make changes to improve."

Many of the companies mentioned in this article use the B Corp Certification<sup>10</sup> as a benchmark. "It offers consumers a trust mark, signaling commitment beyond product integrity to include environment, community, and employees, as well as [other] valued stakeholders," Gai'a's Czezuga said. "B Corp companies invest time and dollars implementing policies and procedures to use their business as a force for good."

Ray suggests that measuring impact may come down to specific industry and company benchmarks that can be aggregated across an industry to solve problems (oral communication, August 19, 2021). It may also take cross-industry collaboration, Ray added. "If there is not a solution for one industry, then they need to ask, 'How can we work together with other industries and consider what we can do together to make a difference?'"

Whatever certifications and measurements companies use, transparency is important. According to the Hartman study, consumers understand the relationship between sustainability and business strategy, and they are trusting, to a point. They will continue to monitor companies' sustainability claims closely, according to the Hartman report, and will expect authenticity, alignment with and commitment to specific causes, and demonstrable progress.

### The Future of Sustainable Growth

Sustainability issues are becoming magnified for many consumers, and this is validating for many herbal products companies that have been dedicated to environmental causes for years. But it is also difficult to predict what comes next, according to MegaFood's Davis.

Davis said the industry needs to slow down to understand the issues, so the actions that companies take will be meaningful and effective. The industry may need to reevaluate its definition of success, she said. "We are programmed and bred to increase revenue, and growth is what makes a healthy business," Davis explained. "I think there is a lack of willing-

**"Much like fighting a pandemic, each member of society has a shared cooperative responsibility to continue to improve sustainability now and into the future."**

**—Yolanda Fenton, Director of Innovation, Natural Factors**

ness to question that. If we all want to sell and grow and get that spot on the shelf, our entire consciousness is not aligned [with] supporting wholeness, balance, and regeneration.”

Armbrecht also believes that the question of growth needs a more critical look. When considering growth, she noted, “Dana Meadows [1941–2001], a mentor of mine, said we need to ask, ‘Growth of what? At what cost? Paid for by whom? And paid when?’ I don’t hear those conversations happening. There are conversations focused on the growth of the industry in one room and conversations about the importance of sustainability in another. These conversations need to happen in the same room.”

Armbrecht explained that price causes downward pressure. “Brands that are trying to source responsibly have to compete on the shelf with companies that aren’t making those investments. Just because herbal products are made with plants does not necessarily mean they are produced in ways that are good for those plants or the environment. I created [SHP] and wrote *The Business of Botanicals* to help educate consumers about the crucial connections between quality and investing in responsible sourcing. Those investments cost money, which translates into more expensive products.”

But with such a broad range of challenges, homing in on what to do can be daunting. “Consumers tend to see sustainability as just a decision, but there is a lot of hard work, decisions, and balance that go into it,” Banyan Botanicals’ Smith said. “Companies need to start where they can. What are your values and mission? What are the pieces that align with that? ... What will have the biggest impact? ... [Companies should] focus on what can be done, and that will make the path clear.”

Educating consumers about why a sustainable value chain matters will be an ongoing challenge, according to Herb Pharm’s Durham. “We need to explain why consumers should care about the families [along the value chain] and ensuring their working conditions are good. This might mean an increase in cost, but a healthy planet is worth it, and the industry [can] come together to do that,” Durham said. “It should matter to all of us.”

Companies may be trying to do the right thing, added Smith, but along with that they need to help change how consumers view product costs. “We need to help customers understand that and shift their perceptions of what they are willing to pay for a responsible product.”

It is critical for companies to practice sustainable principles internally. If sustainability is not embedded within all aspects of a company, the company will not be able to realize its full purpose, said Czczuga. “The business case for sustainability is clear: Companies that have sustainable business operations perform better financially, retain employees, and appeal to customers.” HG

**Table 2. NMI Survey Question: ‘Knowing a Company Is Mindful of Its Impact on the Environment and Society Makes Me...’**

	2009	2020	Increase
More likely to try their products or services	52%*	65%	25%
More likely to buy their products repeatedly	48%	62%	30%
More likely to talk with my friends and family about the company	40%	54%	36%
Less concerned with the price of their products	25%	45%	83%

\* Percent of those surveyed who completely agree or somewhat agree  
Source: NMI’s 2021 *State of Sustainability in America: 19th Annual Consumer Trends & Insights Report*

## References

1. Weather-related disasters increase over past 50 years, causing more damage but fewer deaths [press release]. Geneva, Switzerland: World Meteorological Organization; August 31, 2021. Available at: <https://public.wmo.int/en/media/press-release/weather-related-disasters-increase-over-past-50-years-causing-more-damage-fewer>. Accessed September 28, 2021.
2. Bauman H, Smith T, Yearsley C. Plants in Peril: Climate Crisis Threatens Medicinal and Aromatic Plants. *HerbalGram*. 2019;124:44-61. Available at: <http://herbalgram.org/resources/herbalgram/issues/124/table-of-contents/hg124-climatefeat/>. Accessed October 6, 2021.
3. Research America/Natural Marketing Institute (NMI). *2021 State of Sustainability in America: 19th Annual Consumer Trends & Insights Report*. Newton Square, PA: Natural Marketing Institute; 2021.
4. UN World Commission on Environment and Development, ed., Report of the World Commission on Environment and Development: Our Common Future. Oxford, UK: Oxford University Press; 1987. Available at [www.environmentandsociety.org/mml/un-world-commission-environment-and-development-ed-report-world-commission-environment-and](http://www.environmentandsociety.org/mml/un-world-commission-environment-and-development-ed-report-world-commission-environment-and). Accessed September 1, 2021.
5. The SHP Sustainability and Regenerative Practices Toolkit. Sustainable Herbs Program website. Available at: <https://sustainableherbsprogram.org/healthy-worlds/companies/>. Accessed October 31, 2021.
6. Natural Marketing Institute releases its *2021 State of Sustainability in America Consumer Insights & Trends Report: Methodology*. NMI website. January 7, 2021. Available at: [www.nmisolutions.com/natural-marketing-institute-releases-its-2021-state-of-sustainability-in-america-consumer-insights-trends-report/](http://www.nmisolutions.com/natural-marketing-institute-releases-its-2021-state-of-sustainability-in-america-consumer-insights-trends-report/). Accessed September 30, 2021.
7. *2022 State of Sustainability in America, 20th Annual Consumer Insights & Trends Report*. Natural Marketing Institute website. Available at: [www.nmisolutions.com/research-reports/sustainability-reports/sustainability-consumer-research/](http://www.nmisolutions.com/research-reports/sustainability-reports/sustainability-consumer-research/). Accessed May 20, 2022.
8. The Hartman Group. *Sustainability 2021: Environment and Society in Focus*. Executive Summary. Bellevue, WA: The Hartman Group, Inc.; 2021.
9. Dimock M. Defining Generations: Where Millennials End and Generation Z Begins. Pew Research Center website. Available at: [www.pewresearch.org/fact-tank/2019/01/17/where-millennials-end-and-generation-z-begins/](http://www.pewresearch.org/fact-tank/2019/01/17/where-millennials-end-and-generation-z-begins/). Accessed October 25, 2021.
10. Certified B Corporation. B Corporation website. Available at: <https://bcorporation.net/>. Accessed September 16, 2021.