What Hasn't Changed in 2020?

Some Trends Have Deep Roots

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Contents

Summary

During this exceptional period of change and transitions, let's pause for a moment and consider what, in the world of food, is not changing and remains as important as ever. Over the past 15 years, the International Food Information Council (IFIC), an industry-funded non-profit, has consistently found, in surveys of US consumers, the same top drivers of food purchasing decisions such as taste, price, convenience, and healthfulness. In this Covid environment the 'healthfulness' of consumer food choices has become more front of mind and led to a surge in interest in immunity-boosting foods. This is a gift for food companies who have had decades of experience in fortification and in promoting functional foods.

"We've Had Our Fair Dose of Challenges."

As we enter November with news of "second waves" and "second lockdowns" in a number of countries in Europe, it almost feels we are back to where we were in late March/early April at the start of all of this craziness and disruption. Back then, my colleagues and I talked about clusters of trends. There were those that had speeded up, such as the move to e-commerce and those that had done a complete 180 and gone into reverse. In April, what was old had become new again as consumers rediscovered the benefits of canned soup, breakfast cereal, and other shelf-stable foods.

Seven months on, clearly a lot has happened and as our CEO of North America, Paul Beiboer, said in an almost British-style understatement on a recent webinar, "We've had our fair dose of challenges." In these notes we have described the impact of a tsunami of life-disrupting catalytic events – what feels like waves of the Covid pandemic, the #BlackLivesMatter protests (the largest movement in our country's history), while also having to deal with the existential threat of a global recession.

All of these have had a profound impact on the food systems, often in ways no one expected. For example, many food companies were blindsided by the repercussions of the Black Lives Matter protests that filtered down into our food world and resulted in the overhauling of brands whose origins are based on racial stereotypes. By the end of the summer, PepsiCo had announced that the Aunt Jemima image will be retired by year's end (a new brand name is still in the works). In the case of Mars Inc, the company pronounced, "We've listened, we've learned and we're changing." From 2021, "Uncle Ben's" will become "Ben's Original", with the promise of more equitable iconography.

What Hasn't Changed?

But within all this change and disruption let's pause for a minute, take a step back, and think about what hasn't changed? Let's remind ourselves of some of the trends that have deep roots and remain fairly constant. Over the past 15 years, the International Food Information Council (IFIC), an industry-funded non-profit, has consistently found, in surveys of US consumers, the same top drivers of food purchasing decisions. In an industry where we are used to consumers saying one thing and doing another, the consistency of the responses is quite a revelation.

First, by a mile, is taste, then price, followed by healthfulness, convenience, and at the back of the pack is sustainability. Let's make a few observations on the taste, price, convenience, and sustainability before going into a little more depth on healthfulness.

Taste Trumps

In the IFIC survey, taste has consistently proven to be an important driver for about 90% of those interviewed. This should not come as a shock to anyone. Oftentimes, this comes down to the old sugar, salt, fat buttons that any food company who, if they are literally worth their salt, know how to press. It is why those low-fat baked chips will never taste as good as the fried ones. It is why we crave ultra-processed foods even though we know we should probably consume less.

Price to Prominence

It turns out there is something to be said after all for 'Homo Economicus' – price is the second-most important driver of purchasing decisions. Again, like taste, consumers have been very consistent in prioritizing price. Year after year, about 70% of survey respondents rank it highly. Price is of course not the only consideration in the overall value proposition of any product. But given the current economic woes, and with unemployment (in the US) double what it was at the start of the year, there will be a greater emphasis on price in the value equation.

On Convenience

As my teenage son reminds me every day, it seems human's natural state is to be horizontal on the sofa, avoiding unnecessary work and energy expenditure. In the same way a company looks for the shortest supply chain (no one opts for a longer supply chain if they can help it), humans are programmed to look for the path of least resistance. The food industry has been discussing consumers' "relentless pursuit of convenience" since the 1950s if not before. We will always fall back on what is easy and convenient. In today's environment, even though we are all eating more at home, more than one food company has already noted to their excitement that it is often more an assembly of packaged food items than really cooking from scratch.

Sustainablity? Yeah, Whatever!

As a driver of purchasing decisions, sustainability and environmental issues consistently trail in fifth place. In the last survey, less than 40% of survey respondents rated it an important driver. Is it too cynical to interpret sustainability as an afterthought? It is sobering to observe that according to the IFIC surveys, sustainability was a more important driver a decade ago than today (and adds nothing to a product's taste profile).

Healthfulness – Always Evolving

Consumers have always been interested in health, wellness (and food as medicine), but the degree of interest and how they choose to define it has changed over time. Back in the 1980s when we were all dancing to Madonna, health and wellness was all about dieting – think Lean Cuisine and low-fat yogurts. More recently, we have been obsessed with protein and high-protein diets as well as convincing ourselves the only route to healthiness is to go gluten-free and avoid anything artificial.

In this Covid environment, and as the Northern Hemisphere moves deeper into winter, the interest in food as medicine grows even louder, especially with the CDC's new advisory that people with obesity are more at risk, bringing the 'healthfulness' of their food choices more front of mind. The bottom line here is that our health remains the only insurance against the virus. An example of this has been the surge in interest in immunity or immunity-boosting foods. For example, the CEO of Nestlé, a company that bought into the vitamin business a few years ago through Atrium and Persona for example, said recently, "We continue to see elevated demand for vitamins, minerals and supplements."

I'm not just talking about the oftentimes murky world of novel food ingredients. Not so much the "eye of newt, wing of bat" and other snake oil cures you see on social media, but the stuff we can all get comfortable with like Vitamin C, D, and Zinc. Even one of Brooklyn's finest, modern-day messiah Dr. Fauci, who turns 80 in December, has helped with this trend, promoting the use of Vitamin C and D supplements. Thus spoke Fauci, "If you're deficient in vitamin D, that does have an impact on your susceptibility to infection."

I cannot help feeling this clamor for immunity-boosting products is a gift for food companies. One can almost hear them rubbing their hands together in excitement saying, "We've got this," as they dig out their tried and tested manuals on fortification – the magical practice of adding a food ingredient or two and transforming their regular products into more premium functional foods. Foods with benefits if you like.

As someone at a major food company told me recently, if one of her team had come to her and suggested a front of pack label that their products contained vitamin D, they would have been laughed out of the room for being so out of touch. But now, anything that screams "immunity boosting" is going to resonate with shoppers looking for ways to protect themselves. Or as the CEO at Tastewise.Ai put it, "Consumer interest is headed nowhere but up, and F&B companies must follow."

Imprint

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