

# FOODLINK

## U.S.

THE BI-MONTHLY NEWSLETTER FOR IMPORTERS OF U.S. FOODS

OCTOBER/NOVEMBER 2015

VOL. 11 No. 5

## U.S. GROCERY SHOPPER TRENDS 2015:



# DEEP SHIFTS IN BEHAVIOR IMPACT RETAIL INDUSTRY

**T**he intricate relationship between shopping and eating continues to evolve, distancing itself further from traditional patterns. American consumers increasingly shop without planning and eat without shopping, according to the Food Marketing Institute's report "U.S. Grocery Shopper Trends." Modern lifestyles, changing family dynamics, digital technology and increased awareness of health and environmental consequences are all influencing the way consumers secure food, reports this year's analysis, done in collaboration with The Hartman Group.

### SHIFT TO SHARED SHOPPER PARADIGM

The old paradigm where one primary shopper was in charge of planning, directing and shopping for the entire household has given way to a shared shopper paradigm. There has been a move from a matriarchy to a democracy in food governance. Today's shoppers split responsibilities and specialize in various areas. The shared shopper model is open to ongoing negotiation and communication between household members. This dramatic shift disrupts long-

standing ways of understanding and marketing to individual shoppers and creates new challenges for retailers to pursue, according to the FMI.

The majority of shared shoppers (55%) also share dinner preparation duties. This is true for both men and women. In contrast, 48% of secondary shoppers, predominantly men, leave dinner preparation entirely to their partners.

Currently, more than four-out-of-five adults in the U.S. (83% or 203 million people) claim to have at least 50% of the responsibility for their household's grocery shopping. Thus, taking the latest U.S. Census count of 123 million households into consideration, there are now more primary shoppers than there are households in the U.S. for which to shop. Slightly more than half of primary shoppers (57%) are women. (Primary food shoppers include shoppers who report they are responsible for at least 50% or more of the grocery shopping in their household.) Men account for 43% of those who identify as primary shoppers. They are cited as sharing food shopping responsibilities more than ever before.

*(Continued on page 2)*

GROCERY SHOPPER TRENDS *Continued*

While some primary shoppers delegate shopping to a secondary shopper within the home, an even greater number of shoppers representing multi-shopper households now come from situations where food-management duties are more equitably shared. Secondary shopping roles are generally confined to male shoppers who are practically uninvolved in meal preparation, but long-term trends have tended to integrate men into a growing portion of cooking and food involvement, according to the 41st annual study.

While the shopper base has increased, the trip missions have narrowed. Each shopper now accounts for a smaller portion of household grocery trips and spending. The primary shopper is making an average of 1.5 trips per week, down from 2.2 trips in 2012, notes FMI.

Shoppers are dividing their loyalties across channels and stores. In 2015, loyalty is increasingly being granted department by department, and 9% of shoppers have “no primary store.” Thus, shoppers are continuing to send retailers a message about the importance of choice, according to the study. Supermarkets continue to lead in terms of store choice but there was a very slight decline in shoppers making that claim in 2015.



When planning for grocery shopping, there are definite generational differences. Millennial shoppers continue to report less list making and advanced planning, and more spontaneous reliance on recipes and other eating inspirations. The senior demographic is doing just the opposite, with the majority busy compiling lists throughout the week.



**SNAPSHOT OF MEALTIME**

Consumers are eating alone more often with nearly half (46%) of all eating occasions reported to be occurring solo. And, planning for meals is less of a priority as immediate consumption (food purchased within an hour of eating) accounts for 16% of all eating occasions, according to The Hartman Group.

While consumers make time for dinner almost every night of the week, 6.5 times on average, they skip breakfast and lunch more often. For example, one in two skipped meals is breakfast. Although consumers most consistently eat dinner, they are preparing only 5.1 of those dinners at home with food from home. Thus, there is a tremendous opportunity for grocery retailers to help consumers get more meals on the table.

**BILLIONS OF LOST MEALS**

When calculating three meals per day at seven days per week for all adults in the U.S. as the baseline, 5.1 billion adult meals are possible each week. As many as 3.7 billion potential meals each week appear lost!

Meal occasions are impacted by different family life stages. Meal consistency actually peaks among households with children under 18 years of age. Generally, children eat consistently and frequently. When the children eat, the parents follow suit, and rarely skip meals.

However, today’s families are much more diverse than the stereotypical couple with children eating dinner together at the family dining table. Single-person households are on the rise, while families with children are shrinking. Later marriage and an aging

population results in more “pre and post-child” households.

Both younger and older families without children under 18 seem to need more structure than they might realize to avoid skipping meals. These adults only sometimes eat meals together and sometimes let mealtime pass by altogether, particularly outside the work week. One-third of weekend lunches are skipped among couple households, and one-fourth of young couples skip Sunday dinner.

**EATING OUT**

When it comes to eating out, families at all life stages eat dinner away from home on a regular basis—on average 1.1 times per week. Families with children are more likely to turn to fast food when they eat out, despite their belief that fast food restaurants hinder their wellness goals. Among households with children under 18, more than half (63%) believe fast food restaurants are “working against them” in their efforts to be healthy, highlighted the study.



# FOOD SERVICE TRENDS:

## THE SPOTLIGHT IS ON SIX MENU TRENDS

The latest menu trends are inspiring new levels of creativity among chefs as they launch unique offerings with intriguing flavor profiles. Culinary shifts are rippling throughout the entire restaurant industry, from small independents and fast food chains to large establishments. Currently, there are six standout trends that are creating a buzz and bear watching, according to *Food Business News*.

### ETHNIC HERBS

Herbs are being highlighted on menus. Valued for savory and aromatic qualities while tying in with the hugely popular healthy-eating trend, herbs are simple and powerful menu changers. Herbs also add authenticity, another strong trend, to ethnic dishes.

Cilantro is the herb of 2015, noted Nancy Kruse, president of The Kruse Company, Georgia, during a presentation at Technomic's Restaurants Trends & Directions Conference. This herb's popularity has particularly soared as a staple in the trendy banh mi sandwich. The Vietnamese baguette sandwich has won the tastebuds of many U.S. consumers.

Cilantro is enhancing a broad mix of menu items. Also, the herb of the year is flavoring and coloring a variety of beverages, including fresh-pressed juices and cocktails such as cilantro margaritas.



The whole idea of garden to glass is going strong on the beverage side right now," emphasized Donna Hood Crecca, senior director of Technomic, Inc. "Herbs in a glass give us not only the flavor but also aromatics."

In beverages, usage is expanding beyond mint to include sturdier herbs such as sage and thyme, added Ms. Hood Crecca.

### INDULGING ON VEGETABLES

Celery is the star! The crunchy, low-calorie veggie is showing up throughout the menu—appetizers, entrees, desserts and drinks. Chefs have clearly elevated its long-time status as a chopped ingredient in salads and a garnish in Bloody Mary cocktails.

Beets are trending on beverage menus, adding color and nutrients to a variety of gin-based cocktails, according to *Food Business News*.

Ms. Hood Crecca stressed what a great concept "drink your veggies" is. "On the greens front, of course kale is coming in; juice bars are adding kale to their menus, and a lot of them are offsetting it with other fruits to give it a little bit of balance and sweetness."

For example, Roebeks, a California-based chain, serves kale smoothies and juice made with pineapple for a touch of sweetness.

### NATURAL SWEETENERS

Clear the way for maple syrup, agave and pure cane sugar. Refined white sugar is out, noted Ms. Kruse.

Chef Eric Reid Cole of the Hobnob Corner Restaurant in Nashville, IN, features Atlantic Salmon with Glazed Maple Vinaigrette on the menu, and created homemade Maple Garlic Sausage for the 2015 National Maple Syrup Festival.

Look for a possible revival of brown sugar, according to Ms. Kruse. It can be used in both sweet and savory menu items.

In beverages, pure cane sugar is the standout sweetener.

Popeyes Louisiana Kitchen has sweet tea made with cane sugar on its menu, and the Chick-fil-A chain offers house-made lemonade with pure cane sugar.

Presently, Mexican cola is also trendy. The soft drink, made with pure cane sugar, is surfacing in many restaurants.

### SWEET ON BITTER

"The American palate is strongly predisposed towards sweetness," explained Ms. Kruse. "(Operators) have been very smart in using sweetness to counter balance and to facilitate the introduction of new flavors—sweet plus spicy, sweet plus smoky, sweet plus sour..."

The newest flavor combination is sweet and bitter. Umami Burger, an American restaurant chain, created a Pumpkin Spice Latte Burger, which is topped with a drizzle of bitter coffee and sweet molasses.

Expect the bitter trend to expand, according to Ms. Kruse. "Things like bitter greens...coffee as an ingredient specifically for its bitter properties, and things like dark chocolate with bitter notes."

In the beverage category, the shift is also toward bitter. Dark roast coffee was recently added to menus of chains such as Dunkin' Donuts, 7-Eleven and Burger King. On bar menus, cocktails crafted with bitter liqueurs and bitter beers are trending.



### CREATING A DYNAMIC TENSION

Combining sweet and savory flavors for a novel profile is a culinary strategy being employed by many restaurant operators, explained Ms. Kruse. For example, BurgerFi's Breakfast All Day Burger features Angus beef topped with American cheese, bacon, fried egg, hash browns, grilled onions and ketchup as well as maple syrup. The Taco Bell chain has a breakfast biscuit taco with jalapeno honey.

### FATS AND OILS ARE BACK

Butter is making a comeback, and not only in food. A new cafe in Santa Monica, CA, Bulletproof Coffee, features grass-fed butter in coffee. Some bar menus are including cocktails blended with olive oil.

Americans are favoring traditional fats and oils, which are perceived as natural. This trend ties in with the larger back-to-basics movement.

"From a consumer point of view, there is a growing demand for real food, for more transparency and clean foods with ingredients that they understand," emphasized Ms. Kruse.

## Calendar of Events

### DECEMBER

**7-9: SIAL Middle East\***  
Abu Dhabi, UAE  
Abu Dhabi National  
Exhibition Centre  
<http://sialme.com/>

### FEBRUARY

**21-25: Gullfood Show\***  
Abu Dhabi, UAE  
Dubai World Trade Centre  
<http://www.gulfood.com/>

### MARCH

**8-11: FOODEX Japan\***  
Tokyo, Japan  
Makuhari Messe Tokyo

**18-20: Expo ANTAD\***  
Guadalajara, Mexico  
Expo Guadalajara

### APRIL

**12-15: Food & Hotel Asia (FHA2016)**  
Singapore  
Singapore Expo

**13-15: SIAL Canada**  
Montreal, Canada  
Palais Des Congres  
De Montreal

*\*Food Export Association of the Midwest USA and Food Export USA-Northeast will be at this show.*

# FEATURED PRODUCTS:

## Fancypants Baking Company – Ramsey, IN

In 2004, Maura Duggan and Justin Housman began baking using a traditional residential oven in their small Boston apartment. Now ten years later they love hearing from people all over who have discovered their cookies. The company is expanding but they still believe in the same basic principles as when they started: simplicity is the key to making great cookies. Their non-GMO product verified, 100% natural, peanut and tree nut free, certified kosher baked treats come in a variety of flavors: chocolate chip, double chocolate, brown sugar oatmeal and vanilla sugar. For more information, e-mail [info@foodexport.org](mailto:info@foodexport.org).



## Madison Park Foods – Brookside, NJ

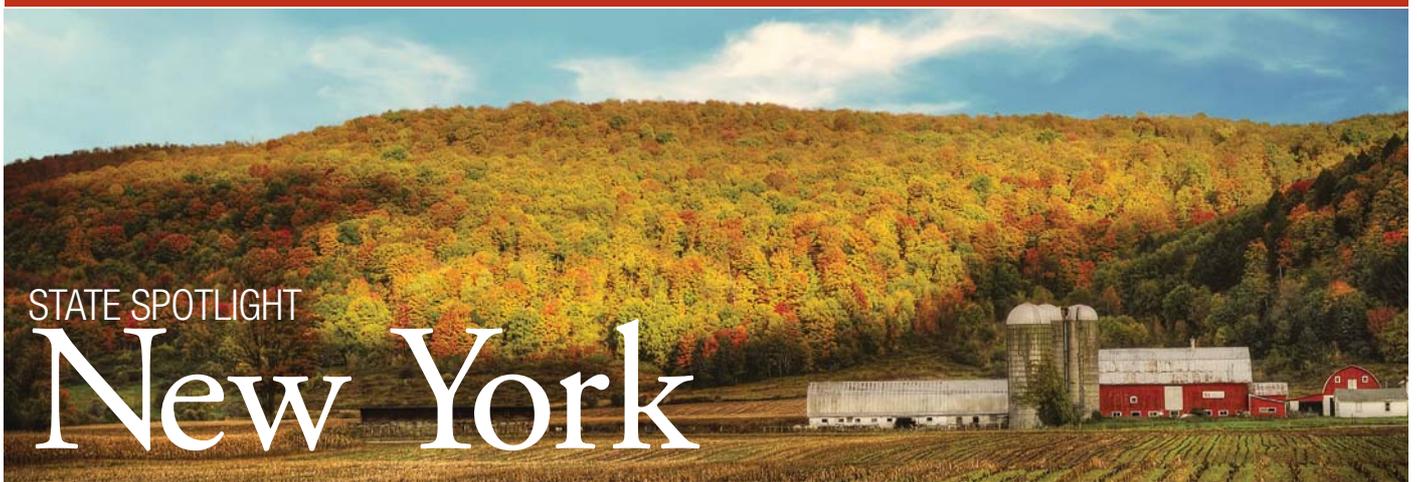
Madison Park Foods produces petite maize popcorn, an open-pollinated seed that is grown the way nature intended: all natural, Non-GMO, high in fiber and Gluten Free. These seeds are considered “hulless” and pop into small, white, crunchy popcorn that tastes as different as it looks. Sprinkle on Madison Park Foods’ newest seasoning, Colonial Tavern, made only from herbs and spices that would have been available to the 18th Century American Colonists. This complex blend is slightly sweet, spicy and savory with just the right amount of heat. All of their seasonings are all natural, gluten free and so versatile they are perfect on meat, seafood, poultry and vegetables. For more information, e-mail [info@foodexport.org](mailto:info@foodexport.org).



## Orange Cheese Co. – Orange, CT

Founded through their passion for fine quality artisan and specialty cheese, Orange Cheese Company aims to introduce the best American cheese brands and rich cheese culture to China. Orange Cheese Company, headquartered in Orange, Connecticut, with offices in Beijing, Shanghai and Hong Kong, exports a full line of American-made artisan and specialty cheeses for retail chains, hospitality, food service and wine industries in China and other Asian markets. Orange Cheese Co. is the exclusive distributor and brand representative for Sartori Co. With 76 years of history, Sartori is an award-winning Wisconsin cheese producer best known for its high-quality, innovation and commitment to making the “Best Cheese in the World.” For more information, e-mail [info@foodexport.org](mailto:info@foodexport.org).





STATE SPOTLIGHT

# New York

- Nearly **7.2 million acres**, almost 24% of the land, are used by over 35,000 farms to produce a very diverse array of food products.
- The dairy industry is the largest single segment of the State's agricultural industry accounting for nearly 47% of farm value and is ranked **3rd in the nation**.
- New York produces a variety of field crops largely in support of its dairy industry. Corn, soybeans and wheat are most widely grown.
- New York is a leading producer of numerous products, ranking **1st in cottage cheese**, 2nd in apples and cabbage, grapes, wine, maple syrup and cauliflower.
- Other major agriculture products that come from New York include sweet corn, tomatoes, onions, cucumbers, squash and green peas for processing.
- In 2014, New York exported nearly **\$1.5 billion in processed foods**; the leading markets included Canada, Mexico, China, UK, United Arab Emirates and Japan.
- In 2014 New York exported nearly **\$71 million in fish and seafood** products, ranking it 7th in the nation.

**2014 TOP AGRICULTURAL EXPORTS:**

|                                       |                        |
|---------------------------------------|------------------------|
| Miscellaneous Food Preparations:      | <b>\$241.3 million</b> |
| Soybeans for Oilstock or Consumption: | <b>\$178.9 million</b> |
| Baked Goods & Snack Foods:            | <b>\$94.5 million</b>  |
| Coffee, Roasted, Not Decaffeinated:   | <b>\$92.1 million</b>  |
| Wheat & Meslin:                       | <b>\$77.2 million</b>  |
| Non-Alcoholic Beverages:              | <b>\$74 million</b>    |
| Sausage Casings & Tripe:              | <b>\$59.2 million</b>  |
| Dog & Cat Food:                       | <b>\$43 million</b>    |
| Sauces, Condiments & Seasonings:      | <b>\$42.6 million</b>  |
| Tomato Ketchup & Tomato Sauces:       | <b>\$38 million</b>    |
| Protein Concentrates:                 | <b>\$37.8 million</b>  |
| Bran Sharps & Corn Residues:          | <b>\$37.1 million</b>  |



STATE SPOTLIGHT

# Kansas

- There are **61,000 farms** in Kansas, working 46 million acres, or over 88% of the land.
- The **top five agricultural products** grown or raised in Kansas include cattle and calves, wheat, corn, sorghum and soybeans.
- Many Kansas farmers grow hard red winter wheat, which produces high-protein flour best for making bread. They also grow soft red winter wheat and hard white wheat.
- Kansas is quickly becoming the new dairy frontier in the United States. In 2014, Kansas was home to 143,000 dairy cows that produced more than **2.9 billion pounds of milk**.
- In 2014 Kansas ranked 7th in the nation in food and **agricultural exports at nearly \$4.5 billion**, led by commodities including feed grains and products, wheat and products, feeds and fodders, hides and skins and meats.
- Kansas exported more than **\$2.2 billion** in processed food products in 2014, the leading markets including Japan, Mexico, Canada, China, Hong Kong and South Korea.
- Kansas also is a **leader in beef production**, with approximately 19% of all U.S. beef originating from Kansas beef processing facilities.

**2014 TOP AGRICULTURAL EXPORTS:**

|                                   |                        |
|-----------------------------------|------------------------|
| Wheat & Meslin:                   | <b>\$1 billion</b>     |
| Fresh Boneless Beef:              | <b>\$713.6 million</b> |
| Soybeans:                         | <b>\$395.4 million</b> |
| Corn, Other Than Seed Corn:       | <b>\$281.1 million</b> |
| Frozen Boneless Beef:             | <b>\$246.9 million</b> |
| Distillers' Grains:               | <b>\$189.9 million</b> |
| Grain Sorghum:                    | <b>\$177.3 million</b> |
| Dog & Cat Food:                   | <b>\$174.3 million</b> |
| Frozen Pork Meat:                 | <b>\$122.7 million</b> |
| Frozen Beef Cuts, Bone-in:        | <b>\$111.7 million</b> |
| Tallow of Bovine, Sheep or Goats: | <b>\$76.2 million</b>  |

# NEWS BRIEFS

**Online shoppers post boost in activity.** More than half (54%) of online grocery shoppers have increased their online shopping within the past year at an average rate of 29%, according to a Door to Door Organics survey. Approximately 19% of their weekly grocery shopping is conducted online, according to the survey. Slightly more than half of shoppers shop at three or more online or offline stores each week to fulfill their grocery needs.

Meanwhile, nearly 70% of Americans are doing some type of shopping online at least monthly, according to Mintel research. More than 30% are shopping online every week—up from 24% in 2014. Forty-eight percent of shoppers occasionally increase their orders to hit the free shipping threshold.

**Meat snacks are soaring in popularity!** This category, partially driven by strong protein and portability trends, is charting new growth. Adult consumption of meat snacks increased 18% over the last five years, according to the NPD Group. While beef is the leading type of meat snack, turkey jerky is the fastest growing, posting triple-digit

increases in shipments to food service outlets in the year ending April 2015 compared to the previous year. Other types of meat snacks include bison, buffalo, elk and salmon. Novel flavor combinations are cropping up everywhere to cater to consumers' adventurous palates. Krave Pure Foods, Sonoma, CA, and Clos du Bois winery teamed up and unveiled Krave Chardonnay Honey Rosemary Turkey Jerky and Cabernet Sauvignon Balsamic Blackberry Beef Jerky. Hormel Foods Corp., Austin, MN, has Jennie-O Natural Turkey Breast Sticks in varieties such as Sweet Barbeque and Cracked Pepper in its line. Fusion Jerky, South San Francisco, touts Asian-style jerky in varieties such as island teriyaki pork, basil citrus beef and lemon pepper chicken. Uncle Andy's Jerky, Fort Collins, CO, features a spicy coffee beef jerky flavored with coffee and a kick of chili pepper, as well as a lemon mint beef jerky.

**The grain-free trend is poised for mega growth.** Grain-free is starting to emerge as the next generation of the gluten-free diet, as it is viewed as less processed, according to Mintel. Some 43% of U.S. consumers

are planning to consume less processed food in the next year. Since 2010 there has been a 135% increase in the launch of bakery products with non-grain flours, such as coconut flour and almond flour. More recently, bananas have joined the grain-free trend and are being processed into flour.

**Meal kits are providing dinner solutions to a new generation of eaters.** While the need often stems from scarcity of time, logistics of meal planning and shopping, the quest for healthy meals and lack of cooking skills, consumers are increasingly turning to boxed-meal services to help them get dinner on the table. There are many specialized options to choose from. For instance, some companies are featuring gourmet meals, local produce, customized meal plans, kid-friendly offerings, regional cuisine and catering to specific dietary needs. The meal-kit market is poised to grow to between \$3 billion and \$5 billion in 10 years, according to Technomic. Presently, investors are pouring millions into the industry's startups, noted *Fast Company*.



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