




U . S . G R O C E R Y S H O P P E R
TRENDS 2015



For questions or comments, please contact:

Sue Wilkinson, Senior Director of Information Services & Research, Food Marketing Institute

research@fmi.org

T. 202.220.0600

Copyright © 2015

Food Marketing Institute

All rights reserved. This publication may not be reproduced, stored in any information or retrieval system or transmitted in whole or in part, in any form or by any means — electronic, mechanical, photocopying, recording or otherwise — without the express written permission of the Food Marketing Institute.

Food Marketing Institute proudly advocates on behalf of the food retail industry. FMI's U.S. members operate nearly 40,000 retail food stores and 25,000 pharmacies, representing a combined annual sales volume of almost \$770 billion. Through programs in public affairs, food safety, research, education and industry relations, FMI offers resources and provides valuable benefits to more than 1,225 food retail and wholesale member companies in the United States and around the world. FMI membership covers the spectrum of diverse venues where food is sold, including single owner grocery stores, large multi-store supermarket chains and mixed retail stores. For more information, visit www.fmi.org and for information regarding the FMI foundation, visit www.fmifoundation.org.

Published by:

Food Marketing Institute

2345 Crystal Drive, Suite 800

Arlington, VA 22202

U . S . G R O C E R Y S H O P P E R
TRENDS 2015

U.S. Grocery Shopper Trends

Published by:
Food Marketing Institute

Prepared by:
The Hartman Group, Inc.





Table of Contents

- Executive Summary9**
 - Introduction 9
 - Methodology..... 10
 - Food shopping at a glance 11
- Preface: Evolution of Key Macro Trends.....12**
 - Demographics 13
 - More Americans live in multigenerational households..... 15
 - Conventional households supported conventional eating rituals..... 16
 - We are becoming more ethnically diverse..... 16
 - Economics 17
 - Technology reshapes the locations where we live and eat 18
- Chapter 1: State of the Marketplace19**
 - Rethinking the primary store..... 21
 - Growth opportunities may lie in the middle ground between food retail and food service..... 23
 - Fresh-oriented categories continue to gain relevance within the store 25
 - E-commerce is still nascent for groceries 26
 - Digital technologies shape planning of meals and trips 28
- Chapter 2: Shift to a Shared Shopper Paradigm29**
 - Primary shopping no longer works well as a framework..... 31
 - More people claim to be Primary shoppers than there are households in the U.S. 32
 - Men now shop, too. No, really, they do. 32
 - Couples have differing perspectives on how to describe their shopping 33
 - Trip missions have narrowed, and so has the shopper’s vision 34
 - The shift to sharing arises from lasting societal changes..... 36
 - Men contribute more to cooking 37
 - Food prep roles drive food shopping roles..... 37
 - A Shared shopping perspective reveals new opportunities 39
 - Trips to the store are better understood at the household level 41
 - When grocery shopping is delegated or shared, shoppers tend to underreport their household’s spending 42
 - Complex variety of household food strategies means “new” shoppers aren’t all alike 43

Non-Primary shoppers face challenges when confronted in-store with unplanned opportunity or complexity	45
Shared shoppers can specialize by category, eater or occasion	47
Chapter 3: Mealtime Today.....	49
U.S. consumers need and want to eat better	50
Consumers trust food retailers to be their wellness allies.....	51
Reimagining the family meal occasion	52
Family meal success depends on several factors, with multiple places to engage.....	53
Different stages of family formation display different opportunities for retailers	54
Families with kids lean on fast food despite their belief that restaurants hinder their wellness goals.....	55
A focus on discoveries and culinary skill building can help align family meal success with life stage needs and priorities	56
Chapter 4: Shopper Values and Trends	57
Health and wellness has become proactive and self-assessed	58
Eating has become more flexible and customized.....	59
Consumers engage in specialized dietary approaches to address personal wellness priorities and/or culinary exploration	60
Low awareness of shelf labeling programs has limited their helpfulness for shoppers	61
Fresh, less processed foods remain the dominant path to health and wellness.....	62
GMO avoidance is currently more about minimally processed foods than about health.....	63
A growing number of shoppers intentionally avoid GMOs	64
Widespread interest in GMO labeling is more about labeling, less about GMOs specifically.....	65
Food safety and responsibility along the food supply chain.....	66
Shoppers generally trust food retailers to provide safe food	67
Shoppers have a variety of concerns when it comes to the safety of their food; perceived risks vary somewhat with age.....	68
Shoppers utilize multiple sources for information on food safety standards and recalls	69
Sustainability	71
Shoppers want to support companies that prioritize treatment of workers and animals, even above low prices	72
Shoppers want food retailers to prioritize animal welfare over environmentally sustainable practices	73
Appendix: Tables.....	74
Methodology	138

List of Tables

Table A.1: Consumer Demographic Profile 1.....	75
Table A.2: Consumer Demographic Profile 2.....	76
Table A.3: Trended Weekly Household Grocery Expenses.....	77
Table A.4: Primary Stores.....	78
Table A.5: Frequency of Visits to Grocery Store	79
Table A.6: Frequency of Visits to Primary Store	80
Table A.7: Trended Average Store Ratings and Levels of Recommendation.....	81
Table A.8: Cuisines Consumed by Gender and Age Cohort.....	82
Table A.9: Cuisines Consumed by Income and Primary Channel	83
Table A.10: Consumer Approaches to Eating	84
Table A.11: Health Conditions Being Managed	85
Table A.12: Responsibility for Providing Nutritious Food.....	86
Table A.13: Trended Concern About Nutritional Content of Food.....	87
Table A.14: Trended Decision Factors When Purchasing New Products.....	87
Table A.15: Trended Nutritional Labeling	88
Table A.16: Trended Ingredients/Information Shoppers Look for on the Nutrition Panel	89
Table A.17: Trended Evaluation of Food Consumption at Home	89
Table A.18: Healthfulness of Food Prepared at Home vs. Away from Home	90
Table A.19: Breakfast Frequency and Dining Out.....	91
Table A.20: Lunch Frequency and Dining Out	92
Table A.21: Dinner Frequency and Dining Out	93
Table A.22: Dinner Preparation Frequency and Sourcing	94
Table A.23: Attitudes on Supermarket Prepared Foods by Gender and Age Cohort.....	95
Table A.24: Attitudes on Supermarket Prepared Foods by Income and Primary Channel	96
Table A.25: Dinner Preparation Assistance and Responsibility	97
Table A.26: Consumer Cooking Skills/Knowledge	98
Table A.27: Decision Making Process	99

Table A.28: Consumer Shopping Responsibility	100
Table A.29: Who Is a List Maker and When.....	101
Table A.30: List Making Behaviors	102
Table A.31: Payment Methods.....	103
Table A.32: Shopping Planning	104
Table A.33: Trended Pre-Trip Activities	105
Table A.34: Trended In-Store Money Saving Measures.....	105
Table A.35: Trended Outlets Shopped for Groceries.....	106
Table A.36: Trended Formats Shopped in the Past 30 Days.....	106
Table A.37: Trended Overriding Factors for Primary Store Choice, by Store Format.....	107
Table A.38: Trended Importance of Features When Selecting the Primary Store	108
Table A.39: Selecting a Grocery Store by Age Cohort	109
Table A.40: Selecting a Grocery Store by Primary Channel.....	110
Table A.41: Trended Availability of Products and Services in Grocery Stores.....	111
Table A.42: What Primary Store Provides by Gender.....	112
Table A.43: What Primary Store Provides by Income.....	113
Table A.44: Online Grocery Orders	114
Table A.45: Online Category Purchase Preferences	115
Table A.46: Spending Behavior Changes	116
Table A.47: Spending Strategy Changes	117
Table A.48: Purchase Behavior by Gender and Age Cohort.....	118
Table A.49: Purchase Behavior by Income and Primary Channel	119
Table A.49.1: Purchase Behavior by Shopping Type.....	120
Table A.50: Purchase Influencers.....	121
Table A.51: Trended Confidence in Food Safety at the Grocery Store	122
Table A.52: Trended Confidence in Food Safety at Restaurants.....	123
Table A.53: Trust in Grocery Store to Ensure Food Safety	124
Table A.54: Trended Food Related Health Risks	125




Table A.55: Trended Sources for Food Handling Safety.....	126
Table A.56: Trended Consumer Actions to Keep Food Safe	127
Table A.57: Communication for Food Safety Recalls by Gender and Age Cohort.....	128
Table A.58: Communication for Food Safety Recalls by Income and Primary Channel	129
Table A.59: Social Media and Connections	130
Table A.60: Trended Package Health Claims Shoppers Look for the Most.....	131
Table A.61: Perceptions of Locally Grown	132
Table A.62: Attitudes on GMOs	133
Table A.63: Who Helps You Stay Healthy.....	134
Table A.64: Parties Relied on Most by Shoppers to Ensure Safety of Food Purchased at Retail	135
Table A.65: Shopper Segmentation	136
Table A.66: Household Segmentation	137



Executive Summary

Introduction

The dynamic process of how we in the U.S. get our food continues to be shaped and reshaped by modern lifestyles, changing families, digital technologies and heightened awareness of the health and environmental consequences of food. With fewer traditional rules to discipline consumer choices and routines today, the relationship between shopping and eating has been changing: Americans increasingly shop without planning and eat without shopping. They devote their loyalty to products with stories, but divide their loyalties across channels and stores. Food retailers increasingly must bend and flex within the shifting shopper landscape to align supply and demand realities with product, service and merchandising opportunities.



The Food Marketing Institute has long supported U.S. food retailers through annual surveys of shopper behaviors and attitudes, providing consistent metrics to evaluate the changing market landscape. In recent years, FMI has supplemented its year-over-year survey research perspective with a cultural lens, interviewing Americans in their homes and while shopping, and drawing upon ethnographic research into U.S. food consumption and consumers.

As we seek to illuminate how evolving shopper attitudes and behaviors translate into large-scale shifts that affect supermarket revenues and growth, we must also feel out places where the light of our assumptions doesn't reach. In fact, careful attention to shopper data and shopper stories has revealed some changes so fundamental that they warrant new ways to collect data and listen to stories, as well as new strategies to succeed by meeting eating needs.

This year's study focuses on a deep shift in shopping and important mealtime distinctions, and provides updates along the way about long- and short-term trends for food retailers to watch. This includes:

- Status check on current trends influencing shoppers and shopping
- How trends are coalescing into a new Shared Shopper Paradigm
- Mealtime distinctions and the case for Family Meals
- Updates to shopper values and trends, including the convergence of personal health and community wellness ideals

Methodology

The report that follows draws on the extensive database of past FMI annual surveys while highlighting new insights through a combination of quantitative and qualitative research conducted in the first quarter of 2015. New survey data was collected in the U.S. from a total of 2,265 regular shoppers of groceries, 18 years and older, through a 25-minute online survey. For deeper context, a mix of qualitative approaches including in-home and in-store interviews and online journaling was used to capture insights from a total of 15 additional consumers from 10 multi-shopper households. Additional analysis was conducted with U.S. Census and USDA data sets on consumer spending, health, and eating, and 2013-2015 Hartman Group ethnographic and survey research into eating and shopping.



Shoppers utilize multiple sources for information on food safety standards and recalls

The Internet (65%) and friends and family (58%) are the primary sources shoppers cite for learning about food safety standards and practices (see Table 4.5). However, when it comes to food recalls, television remains the most widely used information source (see Chart 4.10).

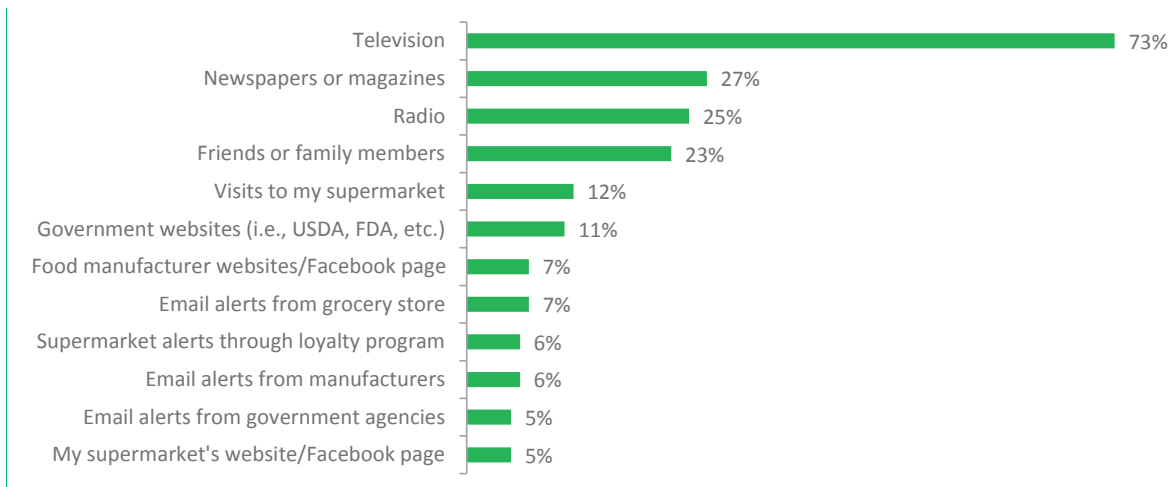
Shoppers accept a proactive recall-communications strategy from retailers, as they assign retailers an active role in ensuring food safety standards. However, while 58% of consumers would prefer email notifications, only 7% report they actually receive recall notifications from grocery stores via this method (see Charts 4.10 and 4.11). This suggests that expanded or enhanced email outreach regarding recalls would help retailers better align with shopper communications preferences. Additionally, shoppers want to see recall notifications within the store at the shelf (40%) and at checkout registers (26%).

TABLE 4.5: WHO CONSUMERS CONSULT WITH TO LEARN ABOUT SAFE HANDLING OF FOOD

Number of Shoppers: n=1,164	Total	Gender		Age cohort			
		Male	Female	Matures 70+	Boomers 51-69	Gen X 37-50	Millennials 18-36
Internet	65%	64%	66%	46%	58%	66%	77%
Friends and family	58%	56%	60%	52%	53%	58%	66%
Grocery store	48%	50%	48%	60%	50%	47%	44%
Doctor	47%	49%	45%	56%	46%	41%	49%
Nutritionist/Dietician	45%	45%	45%	39%	42%	44%	50%
Books	42%	41%	42%	36%	40%	40%	47%
Television	31%	32%	31%	28%	30%	32%	33%
Pharmacist	28%	32%	25%	32%	30%	26%	27%
Magazines	28%	27%	28%	24%	30%	27%	28%
Newspaper	26%	28%	25%	32%	28%	23%	25%
Radio	14%	14%	13%	12%	16%	14%	12%

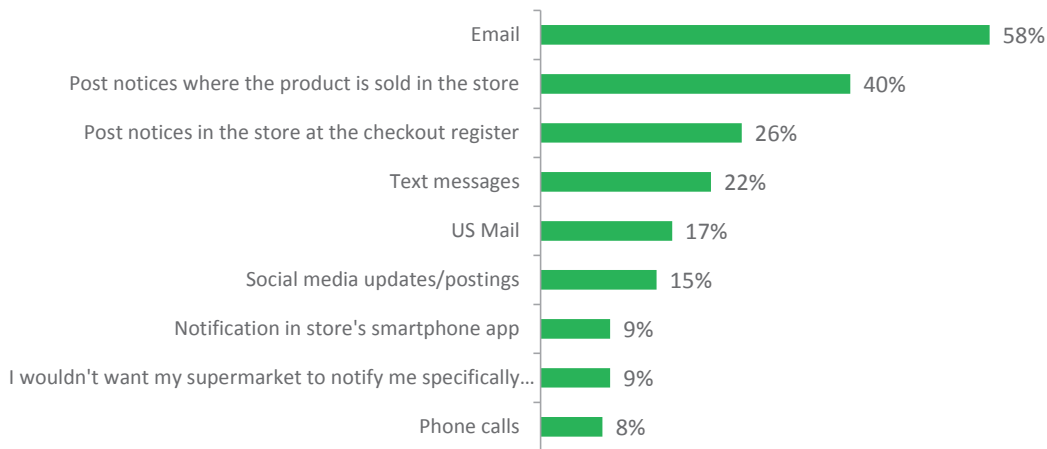
Source: FMI U.S. Grocery Shopper Trends, 2015. Q: "How likely are you to consult the following to learn about the safe handling of food?" top-2 box (somewhat/very likely). n=1,164. (See Appendix: Table A.55)

CHART 4.10: HOW SHOPPERS LEARN ABOUT FOOD PRODUCT RECALLS



Source: FMI U.S. Grocery Shopper Trends, 2015. Q: "How likely are you to consult the following to learn about the safe handling of food?" Q: "From which of the following sources do you typically hear about food product recalls?" n=1,164. (See Appendix: Table A.57 and A.58)

CHART 4.11: PREFERRED COMMUNICATION ABOUT RECALLS FROM SUPERMARKET



Source: FMI U.S. Grocery Shopper Trends, 2015. Q: "If you had your choice, how would you prefer to receive these food safety recall alerts?" n=1,164. (See Appendix: Table A.57 and A.58)