

# FOOD

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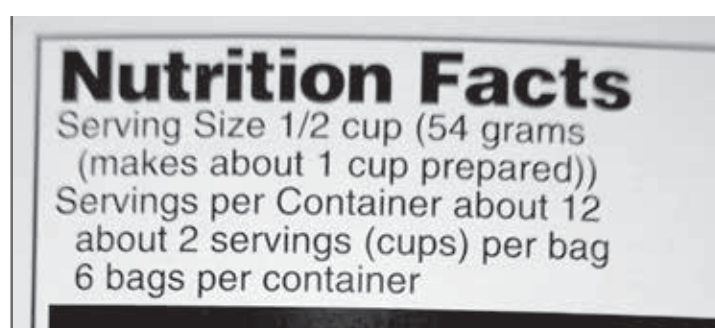
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by **KINDRA GORDON**,  
*field editor*

Cattle producers often focus on being in the cattle business, but the reality is that they are truly in the food business. This is made particularly clear as one looks to the past and notes that without demand pull by consumers, beef prices can be gravely affected.

How can the beef industry do a better job of bolstering consumer demand? Listening to consumers and telling the beef story still top the list as means to build a better relationship with consumers. Tuning into the food trends influencing consumers — and adapting accordingly — can be beneficial as well.

For 2013, California-based Phil Lempert — who bills himself as the Supermarket Guru — has amassed a list of the food trends he sees emerging as a top priority among consumers. Having an awareness for these trends may help beef producers and beef marketers better position themselves in the critical competition for consumers' dollars.

Here's Lempert's take on the food trends ahead:

## Trend No. 1 — Transparency: Who is making our food?

A year ago, Lempert predicted the end of the Celebrity Chef and the beginning of the Celebrity Farmer era. For 2013, he says that will continue. More shoppers are interested in knowing not only where their foods are coming from, but also about the people making their foods and learning their stories, Lempert emphasizes. He says, "Food transparency is here to stay."

He continues, "As we have seen over the past 12 months, people are choosing their foods more holistically based on all the food factors: taste, ingredients, source, nutritional composition, as well as asking who is making their foods along with understanding the impact on our environment and animal welfare."

Lempert notes that shoppers are spending the time to read more food packages as they shop the aisles in the supermarkets. Supermarkets are responding by stocking products that showcase heritage. As examples, grass-fed beef and even the more traditional prepackaged deli meats and cheeses are returning to their roots as they transform into artisanal products boasting original recipes.

Likewise, farmers markets have

increased 17% in the last year, with nearly 1,000 more markets than in 2010. At the markets, Lempert notes, shoppers are seeking real producers who are able to answer their questions.

The transparency trend bodes well for the beef industry, so long as farmers and ranchers continue to build relationships and share their production story with consumers. Lempert cautions that verification of claims will be essential. He anticipates that as label claims tout transparency and food sources, supermarkets will take up the role of gatekeeper and actually demand proof of these claims before they will permit them to be sold on their shelves.

## Trend No. 2 — Price and proteins.

A trend of concern to the beef industry is the trading out of meat proteins for less-meat or meatless options. Price is a partial driver for this trend.

Lempert explains that as food prices for protein commodities increased in 2012 primarily due to drought and the resulting tight supplies of meat, consumers sought less-expensive proteins.

Additionally, as the culture of our population shifts to a more diverse ethnic mix, particularly of Millennials who, during their college years, aligned themselves with the "less-meat to meatless spectrum," Lempert says we can expect to see popular protein influences from around the world becoming mainstream. As examples, he cites Greek yogurt, Asian cuisines and Indian cuisines, including those foods for breakfast including Adai and Pesarattu, as well as tofu-based burgers and other convenience foods.

Noting this trend, the beef industry must remain cognizant of informing and educating consumers about beef's nutritional assets.

## Trend No. 3 — Snacking and mini-meals take the spotlight.

One means of better positioning beef may be to bill it as a healthy, nutrient-dense mini-meal, which aligns with an up-and-coming trend for 2013. Snacking is often considered a bad habit, but research is beginning to indicate that people who eat snacks and mini-meals — as opposed to three large meals during the day — often have healthier diets.

# FOCUS

*Trends expected to shape consumers' food preferences for 2013 and beyond.*

Consumers are starting to take note, says Lempert.

According to researchers at Auburn University and Beijing University, their study published in the February 2012 issue of the *Journal of the Academy of Nutrition and Dietetics* found that total fruit, whole fruit, whole grains, oils, sodium and milk scores were all positively associated with snacking frequency. The study reported that “A key finding is that ‘people who eat snacks have healthier diets.’”

Lempert and his colleagues predict that 2013 will see a smaller-bites/more-frequent eating pattern that reduces overall portion sizes and increases variety. According to the NPD Group, morning snacking has “shown the greatest growth of any eating occasion over the past decade.” More frequent snacking may also reinforce the need to reduce the size of portions at all mealtimes, as those hunger cravings are curbed.

Lempert notes that this trend is being led by Millennials, who crave flexible menus with many choices of appetizers and small plates. He adds that Hispanics, the fastest-growing population (projected to account for 30.2% of the total U.S. population by the year 2050) are more likely than non-Hispanics to incorporate snacks throughout the day — by a 23%-to-15% margin. They are also more likely to consume snacks while at work.

Recognizing this trend, the beef industry may look to package more beef snack items or develop more mini-sized beef menu items.

## **Trend No. 4 — Breakfast becomes the most important meal of the day.**

Following closely with the snacking and mini-meal trend is the importance of breakfast, which may present an opportunity for beef to develop more nutrient-dense, protein-rich breakfast items.

Lempert points out that the benefits of breakfast are becoming hard to dispute, with study after study showing that breakfast is the most important meal of the day. The benefits of breakfast range from kids doing better in school and having less behavioral issues to maintaining a more normal weight, more energy, better mood and even improved memory.

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The latest study published in the *American Journal of Clinical Nutrition* found that men who skipped breakfast more often had a 20% higher risk of Type 2 diabetes than those who consumed breakfast.

## Trend No. 5 — The Boomer reality.

The continuing importance of the Boomer population, which will control just more than half the dollars spent on grocery foods in 2015 (\$706 million each

year), cannot be ignored, and serving the food needs of this generation will require new approaches, emphasizes Lempert. He notes that Boomers seek quality products, are brand loyal and not particularly price-sensitive. Health is becoming increasingly important to them.

Lempert shares that research from

Canada and the United States — nations where many Boomers have similar lifestyles and life issues — reflect deliberate thinking about how they eat. Studies by the NPD Group in both countries show that nutrition and healthy eating habits are top priorities for Boomers, who are more concerned

### Additional food trends

**Let's stop wasting food.** As the green movement continues, conscious consumers are tuning in to sustainability — both in how their food is produced and how much food is wasted at foodservice and retail.

Supermarket guru Phil Lempert reports that the National Resource Defense Council (NRDC) estimates about 40% of all food in the United States goes uneaten. That is estimated to be about \$165 billion wasted each year, costing the average family of four between \$1,350 and \$2,275 a year. Put another way, that's about 20 pounds of food wasted per person each month.

The NRDC estimates Americans discard 50% more food than we did back in the 1970s. Lempert believes consumers will demand that this wasteful trend be addressed by America's food industry in 2013. The United Kingdom and European Parliament already have programs in place to reduce food waste.

**Men in the supermarket and kitchen.** According to a June 2012 survey from Cone Communications, 52% of fathers now identify themselves as the primary grocery store shopper; and ESPN reports that 31% of grocery shoppers are men, which is more than double the amount in 1985. Interestingly, more dads than moms (52% vs. 46%) are likely to plan meals for the week ahead of time.

"Men are getting more comfortable, and powerful, in the kitchen," Lempert concludes.

As a result, he says, some supermarkets are experimenting with "man-aisles" — locations in the store that feature male-oriented foods and other products to make shopping and impulse buying more targeted.

**Mobile the next generation.** Admittedly, iPhones have changed everything. Forty-three percent of all cellphone users in the United States have smartphones. Lempert reports that food retailers are of two minds



than any other age group about nutrition when planning a meal. In the United States, seven out of 10 Boomers seek more fiber, 60% try to consume less fat and cholesterol, and 40% aim to eat fewer fried foods.

With a growing number of Americans suffering from diabetes, high

blood pressure and heart disease, Lempert anticipates that heart-healthy antioxidant-rich whole grains will take over the supermarket shelves, along with sodium-reduced and potassium-rich reformulations of many foods.

## Trend No. 6 — Frozen foods evolve.

Another exciting space for beef may be in the frozen-food aisle. Consumers of all ages are looking for solutions to help feed their families with the tastiest, easiest

to prepare and, for some, healthiest foods possible — at the right price. Data from The Hartman Group indicate 44% of all adult eating happens alone, underscoring the need for more single-serve and convenience.

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about mobile commerce. Some operators feel they gain a competitive advantage serving the demands of omni-channel shoppers, and even embrace them with location-based check-in deals. Others resent the price and performance pressures applied by smartphone- and tablet-toting shoppers, who find product, price and consumer review information on the Web and apps before and during visits to their stores.

Food shoppers, on the other hand, have embraced mobile to do everything from preparing shopping lists to comparing prices, finding recipes, finding out what's on sale, and sharing food pictures and ratings, as well as searching to discover everything they can about a food's background, nutrition and benefits. That was the starting point, and Lempert says for the future food mobile is going to get really interesting.

As examples, he says smartphones will network with our kitchen appliances and allow us to do everything from checking how much milk we have left in the fridge to starting to heat up the oven on the drive home.

As well, apps are being developed that utilize sensors, which attach to the mobile device, to test whether foods are actually organic, have specific allergens or ingredients and can be used as glucose monitors for diabetics and blood pressure machines on the go.

Taking it even further, Lempert predicts this next generation of apps that may require peripherals will expand to include apps that can determine if fruits and vegetables are ripe, if refrigerated and frozen foods have been kept at the correct temperature throughout the supply chain, and even test for foodborne bacteria including *E. coli*, *Salmonella* and *Listeria*. He foresees the smartphone as a personal "food lab" in every shopper's pocket.

**Food Focus** *(from page 113)*

Currently, more than half of shoppers buying frozen foods are over the age of 55. Compared with 2007, there are 37% fewer shoppers under the age of 35 purchasing frozen foods. Of shoppers ages 35 to 44, 25% have left the department in the same period. One reason for the decline is the perception

of frozen foods. Many of these younger consumers think of frozen foods as “processed” vs. “prepared” when they peruse the aisle, Lempert explains.

He anticipates this fallacy will disappear as frozen food makers begin to tout their “real food” ingredients and explain the freezing process better: how

the extreme cold temperature in the freezing process slows down the growth of microorganisms and other naturally occurring changes that affect quality or cause food to spoil.

As well, Lempert believes more flavorful ethnic foods will attract Millennials to the frozen aisle as we see

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the concept of “a la carte” evolving. He predicts more smaller-size packages of real foods that are frozen that are “mixed and matched” to create meals, rather than one package that includes the full meal.

The other demographic group that will change the path of frozen foods is the Hispanic group, which, as already stated, will account for just more than 30% of the total U.S. population by 2050. This population exceeded 50 million people in 2010. According to the research study Hispanic 411 from Univision, 42% of Hispanics prepare “hybrid meals,” using some foods from the frozen-foods aisle to bridge the divide between traditional tastes and convenience.

**The bottom line**

Admittedly, no one can foresee the exact future. Weather conditions and food prices will certainly have an impact on future food trends — as will media stories, celebrity antics and consumer whims.

What remains is the fact that beef producers must continue to produce a safe, wholesome, healthy product, invest in new product development and the science that confirms beef’s nutritional benefits, and then share that information with consumers around the globe.



**Editor’s Note:** *For more than 25 years, Phil Lempert has served as an expert analyst on consumer behavior, marketing trends, new products and the changing retail landscape. He is an author and food trends editor and correspondent for several TV programs, including NBC’s TODAY show, where he reports on consumer trends, food safety and money-saving tips, as well as showcases new products.*