Shopping for Health

2011

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FOOD MARKETING INSTITUTE

Prevention.

RODALE

Food Marketing Institute (FMI) conducts programs in public affairs, food safety, research, education, and industry relations on behalf of its 1,500-member companies—food retailers and wholesalers—in the United States and around the world. FMI's U.S. members operate approximately 26,000 retail food stores and 14,000 pharmacies. Their combined annual sales volume of $680 billion represents three-quarters of all retail food-store sales in the United States. FMI's retail membership is composed of large multistore chains, regional firms, and independent supermarkets. Its international membership includes 200 companies from more than 50 countries. FMI's associate members include the supplier partners of its retail and wholesale members

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Shopping for Health 2011

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Introduction

Shopping for Health 2011 is the 19th in a series of annual surveys of America's grocery shoppers. Sponsored by Rodale Inc.: *Prevention, Men's Health,* and *Women's Health* magazines; and the Food Marketing Institute (FMI), this national survey examines shoppers' interests and attitudes regarding health and nutrition, consumers' efforts to manage their health, and the ways in which health and nutritional concerns play out in purchase decisions at the grocery store. Rodale and FMI are committed to bringing a practical understanding of the relationship between food shopping and health.

The objectives of the 2011 study:

- To measure and track the extent to which primary shoppers are attempting to maintain good personal health
- To profile shoppers who consider their food intake successful and are satisfied with their health and weight
- To take a closer look at male shoppers and their efforts in the area of health and wellness
- To understand how people try to achieve healthy eating in terms of avoiding, substituting, or limiting foods
- To measure and track the healthfulness of shoppers' diets and what's driving the move toward health maintenance in-store
- To measure and track shoppers' various attitudes and activities around planning meals for family and children
- To measure and track organics' influence on a household's primary shopper

Executive Summary

LABEL READING: *ARE SUPERFOODS LEADING THE WAY TOWARD HEALTHIER EATING?*

The top label concerns for shoppers have consistently been salt, sugar, fat, and calories. This year, all of these ingredients except for salt dropped in concern by 3 or 4 points. The main consumer approach to these ingredients is to minimize or avoid their intake.

Shoppers are placing more importance on ingredients for their nutritional components. A shopper's strategy for healthy eating is moving from avoidance to a combination of avoidance and recognition of nutrients.

Labels that interest you

Fiber	44%	up 4 points from 2009
Whole grain	36%	up 4 points
Vitamins/ minerals	27%	up 3 points
Protein	27%	up 4 points
Omega-3s	23%	(first time measured)
Antioxidants	16%	up 3 points

WHOLE GRAIN: MORE THAN HALF OF SHOPPERS SWITCHED THEIR BREAD SELECTION. ARE RICE AND PASTA NEXT?

The 2010 results showed that wheat surpassed white in sliced bread sales for the first time. This change could be viewed as a significant sign that shoppers are looking for foods with beneficial nutrients. Rice and pasta purchases indicate that more than 1 in 4 shoppers switched to whole grain from white, and another 3 in 10 are experimenting with both.

In 2010, 57 percent of shoppers tried a new healthy recipe with pasta or rice—up 11 points from last year.

	Switched to whole grain	Combo white/whole grain	Did not switch from white
Bread	56%	24%	20%
Rice	39%	31%	30%
Pasta	42%	32%	27%

HEALTH CLAIMS THAT ARE ATTRACTIVE TO SHOPPERS

From yogurt that helps your digestion to the newer category of "energy" drinks, more and more products are anchoring themselves to a specific health claim or benefit. Although many of these are marketing-based claims, they appeal to shoppers.

Important considerations when purchasing food

Help heart health	73%
Boost energy	71%
Aid digestive health	66%
Sharpen mind health	65%
Avoid empty calories	64%
Prevent cancer	63%
Improve immunity	63%
Build physical strength	60%
Avoid processed foods	59%
Build bone density	58%

AMERICA'S KNOWLEDGE ABOUT FATS

The majority of shoppers are well versed in the bad fats. However, the two good fats—monounsaturated and polyunsaturated—that have been on labels for years still confuse nearly half of all shoppers.

It's a...	Good fat	Bad fat	Unsure
Saturated fat	6%	74%	20%
Trans fat	7%	75%	18%
Omega-3 fat	79%	3%	18%
Monounsaturated fat	27%	28%	45%
Polyunsaturated fat	26%	30%	44%

THE AMERICAN DINNER GAP: SAME-DAY DECISIONS = HEALTH IS TRUMPED

Many studies, including this one, find the consumer claim that eating healthy is very important. However, the truth lies in between what people say and what they do. The evening meal, for example, is decided that day by the majority of shoppers. And taste and convenience generally drive the decision, not the health component. This disparity between cooking food that's on hand and preparing a healthful dinner signifies the difficulty with meal planning. In fact, most of the time shoppers lack some ingredients in their kitchens that are needed or desired to make dinner.

MOST PEOPLE DECIDE WHAT TO HAVE FOR DINNER THAT DAY

When people decide what to eat for dinner	
Within 1 hour	24%
Earlier the same day	48%
At least the day before	21%

FOR SAME-DAY DECISIONS, HEALTH IS OVERRULED BY TASTE AND CONVENIENCE

For the majority of evening meals, what influences what you eat?	
Taste	73%
Time to prepare	60%
Desire for a specific food	52%
Nutrition	47%
Satisfies everyone	47%

33 PERCENT OF SHOPPERS HAVE ALL INGREDIENTS NEEDED TO MAKE DINNER ON WEEKNIGHTS

In an average Monday to Friday workweek, how many days do you prepare dinner with ingredients or items you already have on hand?	
5 of 5 days	33%
4 or 5 days	20%
3 to 5 days	16%
2 to 5 days	10%
1 to 5 days	11%

ECONOMY AND SHOPPING

Two years ago the country's economy bottomed out, but there are signs of growth at a slow and steady pace. Shoppers have tinkered with ways to spend their dollars, and most of their coping strategies are very much in place.

- **Shoppers lead with necessity buying—63 percent buy only what they need.**
  Since 2009 this number had been in the high 70 percent of shoppers. An adjustment in the survey question means the numbers are not directly comparable, but they still indicate that necessity buying has decreased.

- **Switch to store brands—54 percent**
  After 2 years as the number wo shopper tactic to save money, purchasing the store labels is a way to cut food bills now and in the future.

- **Buy items on sale—51 percent**
  Slow economic growth coupled with higher gas prices ensures that consumers will continue to look for sales.

TRIP TYPES: THE SUPPLEMENTAL TRIP HAS INCREASED

Since 2007 the consumers' quick trip (for 3 to 5 items) to the local supermarket has increased.

Quick Trip (3 to 5 items) from 2007

Convenience store	86%	-9 points
Grocery store	78%	+8 points
Discount store	48%	-5 points
Natural organic store	42%	-9 points

Since 2007 the consumers' supplemental trip (for 6 to 15 items) to all store types has increased.

Supplemental Trip (6 to 15 items) from 2007

Grocery store	73%	+3 points
Natural organic store	72%	+6 points
Discount store	66%	+2 points
Convenience store	33%	+9 points

Since 2007 the consumers' big shopping trip (for 16+ items) to discount and natural organic stores has increased and remained the same for supermarkets.

Big Shopping Trip (6 to 15 items) from 2007

Grocery store	79%	no change
Discount store	63%	+4 points
Club/superstore	58%	-3 points
Natural organic store	35%	+3 points

Beginning to Reassess

During 2010, Americans saw little in the way of change in economic conditions. Because their financial situations held steady over the course of the year, shoppers began to look around a little and reassess their priorities in subtle ways.

This cautious attitude extends to the way shoppers think about food and health. They did not make major changes in how they shop for food, prepare it, or eat it. But they did make subtle shifts that may pave the way for greater changes in the near future. Most of these small reevaluations put a greater focus on health-related food factors.

On the Cusp of a New Health Focus?

Most Americans try to eat healthfully, indicated by the nearly 8 in 10 who say they make some or a lot of effort to do so. This number is relatively unchanged from recent years. About two-thirds feel they are successful in their efforts at least half of the time, also an unchanged number.

People are making fewer excuses about why they don't eat better. Cost remains the top obstacle to more healthful eating, with 67 percent citing the expense. An admitted lack of willpower ranks second, as 60 percent say it's too hard to eat healthier, yet this response is down from 67 percent in 2007. Shoppers are also less likely than previously to say that a lack of time or too much conflicting information is a reason not to eat more healthfully.

People's persistence may be paying off. Of the 34 percent who say they started a diet in the past year, 67 percent say they are still on it, up from the 60 percent who said so the previous year. At 59 percent, fewer shoppers than last year say they are at least several pounds overweight, down from 69 percent in 2009.

TRYING SOMETHING NEW AND HEALTHY: THE "SUPERFOOD" TREND

Overall, 54 percent of shoppers say they have tried healthier recipes in the past year. Chicken is still the top ingredient in the new healthy recipes at 72 percent, but pasta/rice dishes now rank second at 57 percent, up 11 points from 2009. The interest in pasta/rice dishes could be attributed to more experimenting with whole grains. About half of shoppers have tried healthy recipes for salads, soups, or side dishes.

The perception of healthy ingredients plays into purchase choices. About half of all shoppers have bought cranberry juice, dark chocolate, or almonds in the past year, and may have been influenced

GENERATIONS MAKE DIFFERENT "SUPERFOOD" PURCHASES

% who bought an item in the past 12 months

	Total	Gen Y	Gen X	Boomers	Matures
Cranberry juice	49%	44%	53%	47%	51%
Dark chocolate	48%	42%	48%	50%	49%
Almonds	47%	32%	51%	52%	44%
Green tea	43%	38%	40%	45%	46%
Sea salt	39%	32%	37%	43%	38%
Walnuts	35%	28%	32%	35%	42%
Dried fruit	34%	40%	37%	30%	35%
Pomegranate juice	25%	25%	27%	26%	20%
Black tea	24%	23%	28%	22%	23%
Greek yogurt	21%	19%	28%	19%	15%
Sorbet	15%	20%	22%	12%	8%
Dried plums	13%	8%	13%	14%	17%
Quinoa	9%	11%	13%	8%	5%
Tofu	8%	13%	12%	7%	6%
Acai juice	8%	15%	10%	6%	4%
Coconut water	5%	8%	9%	4%	1%

by marketing campaigns touting the health benefits of "superfoods" that contain large quantities of specific nutrients. Notable minorities of shoppers have also bought green tea, sea salt, walnuts, dried fruit, and pomegranate juice.

Shoppers in high-income households are more likely to have bought almonds, walnuts, sea salt, Greek yogurt, and sorbet. These products may have an upscale image.

Overall, older Baby Boomers and Matures are more likely to have bought any of these foods. More than 90 percent have purchased at least one of the 16 listed items. But Gen Xers are most likely to have bought cranberry juice, black tea, Greek yogurt, and quinoa. While Gen Y members typically bought dried fruit and acai juice, they were least likely to have made a number of purchases including dark chocolate, almonds, sea salt, and dried plums (aka prunes).

Furthermore, couples with children are more likely than other households to have purchased these foods, especially dried fruit and almonds. These are often ingredients in trail mix and other convenient, energy-packed snacks for families on the go.

MORE WHOLE GRAIN BREAD

Whole grain has taken hold of the bread category with 56 percent of shoppers buying or switching to whole wheat or whole grain breads, and another 24

WHOLE GRAIN HAS BECOME THE NORM FOR BREAD BUT NOT FOR RICE OR PASTA

% of distribution of shoppers by statement that describes their buying habits

percent saying they buy a combination of these and other breads. Whole wheat bread now outsells white bread. For rice and pasta, purchases are lower, but about 6 in 10 shoppers say they buy only whole wheat or whole grain pasta or a combination of these and other versions. Shoppers are moving forward with whole grain pasta and rice, *although not at the same levels as they have with bread.*

Men are more likely than women to say they buy/stay with white bread or other "traditional" versions of rice and pasta, while Gen Xers are most likely to say they buy a combination. Most Gen Xers are in their active parenting years, and more than the other groups they may have to accommodate varied tastes within the family.

TAKING ANOTHER LOOK AT LABELS

Shoppers who say they are buying foods like whole grain breads are probably reading labels to ensure they are getting the ingredients they want.

Most shoppers generally read food labels, but that share has dropped the last few years, from 71 percent in 2007 and 2008 to 67 percent in 2009, and 64 percent in 2010. This could mean that people feel they know enough about the products they regularly buy that they do not need to read those labels. Another possible explanation is that there is less media discussion about trans fats, saturated fats, and calories than there was 2 years ago.

PAYING MORE ATTENTION TO HEALTHY INGREDIENTS

% of shoppers who say ingredients are of concern when they read product labels (based on those who read them)	2010	Change from 2009
Fiber content	44%	+4
Preservatives	39%	+4
Whole grain content	36%	+4
Protein content	27%	+4
Vitamin/mineral content	27%	+3
Antioxidant claims	16%	+3
Serving size	41%	+2
Number of carbohydrates	40%	+2
Probiotic/prebiotic	9%	+2
Salt/sodium content	67%	+1
Gluten	8%	+1
Fat content	66%	0
Cholesterol content	41%	0
Chemical additives	40%	0
Potential allergens	12%	0
Glycemic index	9%	-1
Number of calories	56%	-4
Saturated fat content	52%	-4
Trans fat content	52%	-5
Sugar/artificial sweeteners	59%	-6
High fructose corn syrup	49%	NA
Corn syrup	32%	NA
Omega-3s	23%	NA

61 PERCENT OF SHOPPERS THINK THAT PLACING LABELS ON THE FRONT OF PACKAGES WOULD BE AN IMPROVEMENT OVER THE USUAL BACK OR SIDE LOCATION.

The types of things people look for on labels changes from year to year. In the past year, attention has shifted slightly from the unhealthy side of things (trans and saturated fats, sugar/sweeteners, calories) to the healthy side (fiber, whole grains, vitamins/minerals, and protein). In other words, people seem to be more proactively looking for the healthful ingredients.

Women are more likely than men to be concerned about the content listings on labels, particularly “traditional” items such as sugar, sodium, and fat. Men are more focused than women on vitamin/mineral content, antioxidant claims, and gluten.

Older Baby Boomers and Matures are the most likely to read labels. However, Gen Y adults focus more than others on vitamin/mineral and protein content, perhaps because of their interest in physical fitness and the types of ingredients that play a vital role in exercise regimens. Gen X parents keep an eye on the presence of corn syrup as they try to manage their kids’ cravings for sweets and processed foods.

One way to refocus shopper attention on food labels is to put them front and center. About 1 in 5 shoppers, 22 percent, say they have seen nutrition labels on the front of food packages. Whether or not they have seen such labels, 61 percent think that placing labels on the front of packages would be an improvement over the usual back or side location.

Even though they say they are not reading labels as much, shoppers are increasingly buying foods of a certain type. Over half say they have been buying more whole grain products in the past year, for example, at 55 percent, up 6 points from 2009. There has also been an increase in the purchase of products labeled low sodium (42 percent, up 8 points), all-natural or 100% natural (28 percent, up 6), low fat (41 percent, up 4), and lower/less/zero calories (28 percent, up 4). Just 18 percent of shoppers say they are not buying products with more of the ingredients listed.

MARKETING IMPLICATION:

Shoppers exhibit an awareness of ingredients that belies the drop in reported label reading in general. Shoppers are looking beyond simply avoiding ingredients and trying to understand the benefit of nutrients. We can envision a new era of people paying more attention to “what’s in my food.” However, this will encompass the traditional attitude of “what’s not in my food,” like calories, salt, and fat.

Food marketers should heed this as a call to continue enhancing labels as a guide to healthy choices.

Food Shopping Trends

General food shopping patterns have not changed in the past year. Traditional supermarkets remain the outlet of choice for 83 percent of shoppers. Discount stores come in a distant second place, at 62 percent. Fewer than half of shoppers say they do their grocery shopping at other store types, ranging from 38 percent at warehouse clubs to 10 percent at convenience stores.

Supermarkets still get the most consumer traffic, and 71 percent of shoppers visit them at least weekly. Nearly half, 46 percent, shop at convenience stores this often, followed by local gourmet stores, which at 44 percent is up 6 points from 2009 and 14 points from 2008. These specialty shops now surpass discount stores in weekly visits. In addition, shoppers patronize a greater variety of retail outlets for their supplemental shopping trips than they did a few years ago.

YIELDING TO IMPULSE?

Although economic conditions did not deteriorate in 2010, they did not improve much either, especially in the key area of employment levels. In the context of this lingering malaise, 63 percent of shoppers buy only what they need. On the other hand, 51 percent will yield to impulse if something is on sale. Baby Boomers are the most likely to report this kind of impulse buying, at 55 percent. They are also least likely to say they buy only what they need.

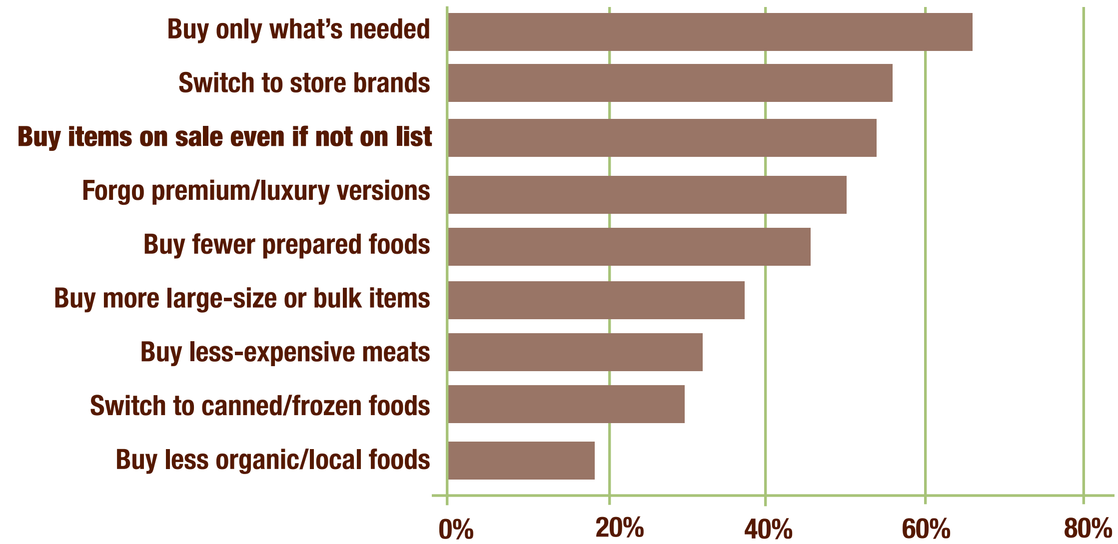
In addition, shoppers are more likely than in 2009 to say they have made various purchases at the checkout counter for items such as candy, gum, and mints. These tend to be impulse buys.

Other popular shopping tactics that offer money-saving benefits include switching from national brands to store brands, avoiding premium brands, and buying less prepared food. Coupon use is up somewhat from a year ago—45 percent of shoppers say they use them often or all of the time, up from 37 percent in 2009.

A couple of shopping behaviors have a potential impact on health. For example,

THRIFT IS KEY, BUT THIS DOESN'T RULE OUT IMPULSE BUYING

% of shoppers who apply these strategies to their grocery shopping



30 percent of shoppers report switching from fresh foods to canned or frozen products. Although canned or frozen versions are available in healthier options than they used to be, many still contain preservatives, salt, and other potentially unhealthful ingredients. In addition, 18 percent of shoppers say they are buying less in the way of organic and/or local foods.

Shopping behaviors are partly, but not entirely, related to income levels.

Higher-income shoppers are just as likely as others to use certain strategies, including buying only what they need, buying sale items not on their shopping list, and buying less prepared or organic/local foods. Higher-income shoppers are also just as likely to use coupons. They are, however, less likely than average to buy store brands, canned or frozen instead of fresh foods, and less-expensive cuts of meat.

MARKETING IMPLICATION:

Shoppers get weary of sticking to the shopping list, but they continue to be thrifty. Retailers can help them satisfy their impulsive urges by offering sales or other promotions on healthy food products that also fulfill their desire to do the right thing in terms of buying smart and healthy. Shoppers may also be ready to see some new *and* fresh meal options in the marketplace.

Healthy Eating

Shoppers can take many routes to healthy eating, from how they shop and prepare food to how they eat. Substantial numbers make an effort in each of these areas. Nearly half, 44 percent, use a list most of the time when shopping for healthy food. Slightly more than half, 54 percent, have tried a new healthy recipe in the past year.

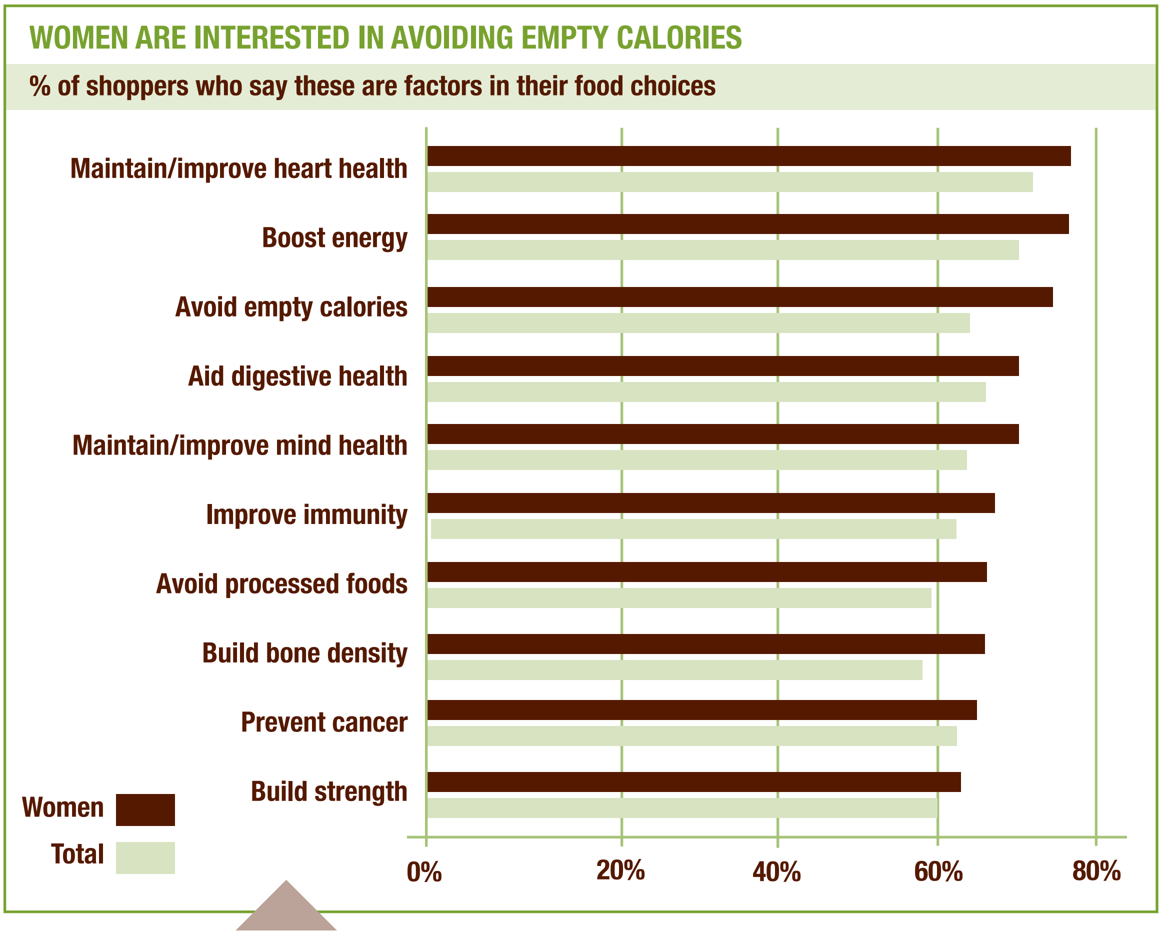
Half of shoppers say they don't monitor their calorie intake on a daily basis but do make an effort not to consume too many calories at a time. About half say they are trying to eat fewer calories than they did 2 years ago, and the same number say they are paying the same amount of attention to calorie intake. Just 6 percent say they are paying less attention.

Shoppers also report changes in food-preparation methods that suggest a shift toward healthier meals. Majorities say they are doing the same amount of steaming (62 percent), slow cooking (59 percent), microwaving (55 percent), grilling (54 percent), baking (54 percent), and cooking from scratch (54 percent). Yet about one-third say they are doing even more cooking from scratch, and about 1 in 4 are doing more baking, grilling, and slow cooking. In contrast, large numbers say they are frying less (53 percent) and bringing home pre-pared foods less often (44 percent).

Large numbers of shoppers say that a host of health-related factors drive their food purchases. Between 58 and 73 percent of shoppers say they consider issues ranging from building bone density to managing or improving heart health.

It's likely that marketing campaigns have increased public awareness of foods that affect these areas of health. For example, Activia yogurt commercials, featuring spokesperson Jamie Lee Curtis, may have raised awareness of digestive health. Whatever the cause, 66 percent of shoppers say a health issue contributes to some food purchases.

Women shoppers, in particular, frequently cite concern about two health



issues: empty calories (75 percent versus 64 percent of total shoppers) and bone density (67 percent versus 58 percent).

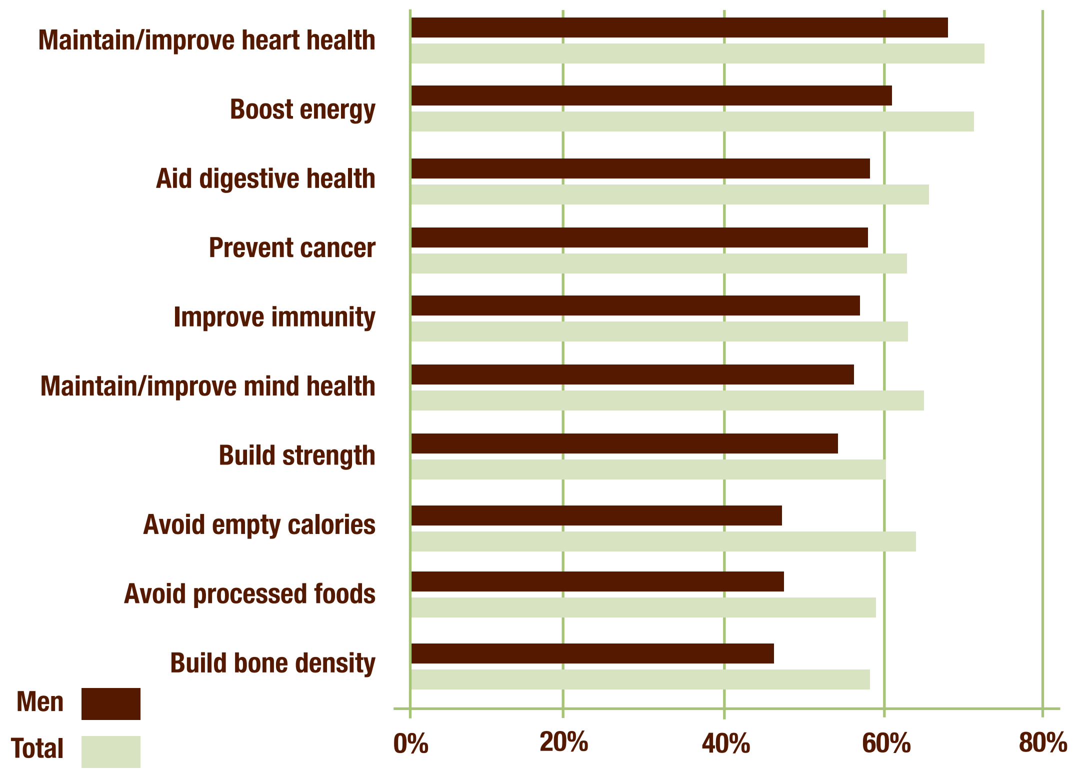
This may be in part because women are more likely to be weight conscious and aware of their risk of osteoporosis. Women are also more inclined than average to mention the need to avoid processed foods, perhaps because they are the family-health gatekeepers.

Men, while less interested in health-related food benefits, are nearly average when it comes to the issues of increasing heart health, boosting immunity, and preventing cancer, probably because these health concerns are equal for both men and women. More than half of men also cite digestive health, mind health, and physical strength as important factors in food purchases.

Fewer shoppers say that these health considerations matter in their beverage purchases compared with food purchases, but the numbers exceed 50 percent in almost all cases. Interestingly, lower-income shoppers are more likely than average to cite a number of factors as important in beverage purchases but not in food purchases.

MEN ARE MOST INTERESTED IN HEART HEALTH AND ENERGY BENEFITS OF FOOD

% of shoppers who say these are factors in their food choices



SWITCHING VERSUS CUTTING BACK

There are two key ways people can alter their food purchasing habits to be more healthful. For one, they can buy a different version of a product, or they can stop buying a product all together. There are some signs that shoppers are increasingly choosing to reduce or cut out certain foods rather than try alternative products. This is particularly evident for soft drinks and cookies.

Between 2008 and 2010, shoppers were more likely to say they would stop drinking soft drinks in the pursuit of a healthier diet and less likely to say they would simply reduce the amount. They were more likely to say they would either cut down on or cut out cookies and less likely to say they would switch to 100-calorie packs. This latter decline may point to the failure of prepackaged portion control as a healthy diet tactic. Shoppers may find it easier to control their own portions or avoid temptation altogether.

For some food categories, switching products is more popular. About half of shoppers say that if they wanted to eat healthier when it comes to salad dressing, soup, yogurt, and crackers, they would buy a healthier alternative of the same product, substitute with a different product, or switch to a 100-calorie pack when applicable.

A MOVE TOWARD REMOVING TEMPTATION

% of shoppers who would make changes to eat healthier

	2008	2010	+/-
SOFT DRINKS			
Drink less	29%	20%	-9
Cut out	12%	23%	+11
Pick healthier version	22%	20%	+2
Substitute	5%	7%	+2
Nothing	28%	26%	-2
COOKIES			
Eat less	17%	22%	+5
Cut out	8%	20%	+12
Pick healthier version	21%	18%	-3
Switch to snack pack	23%	12%	-11
Substitute	7%	5%	-2
Nothing	24%	24%	0

Shoppers are more likely to say they would either reduce their consumption of the product or cut it out of their diet altogether when it comes to cookies, soft drinks, and bacon.

The plurality of shoppers are unwilling to change their eating behavior at all when it comes to eggs, orange/fruit/tomato juice, or cheese, and they have mixed feelings about ice cream and maple syrup.

Men are less likely than women to be willing to make any of these changes. But they are also less likely to say they make an effort to eat healthy or to feel they are successful at it when they try, which suggests they are at least being honest with themselves about their intentions.

MIXED FEELINGS ON HOW TO EAT HEALTHIER

% of shoppers who would make changes to eat healthier

	Switch products*	Change consumption**	Neither
Salad dressing	50%	25%	26%
Canned/boxed soup	49%	22%	28%
Yogurt	46%	20%	34%
Crackers	45%	27%	27%
Cookies	35%	42%	24%
Ice cream	35%	38%	27%
Maple syrup	35%	35%	32%
Soft drinks	32%	43%	26%
Cheese	32%	27%	40%
Other juice	30%	28%	41%
Bacon	29%	38%	33%
Orange juice	28%	27%	46%
Eggs	24%	24%	51%

* Net of switch to healthier alternative/substitute with different product/ switch to 100-calorie pack

** Net of eat or drink less of that food/cut out altogether

MARKETING IMPLICATION:

Shoppers may choose to reduce their consumption of foods if they don't feel healthy alternatives are available or satisfactory. Understanding these shopper tactics can help you maximize sales as shoppers turn to healthier products. Although adding healthy products offsets cutting out some unhealthy ones, it's important that your store offer enough healthy alternatives to keep you on the positive side of this ledger. The key for every retailer is to capitalize on the "swapping" and "switching" tactics.

(RE)BUILDING THE KNOWLEDGE BASE

For shoppers to make deliberately healthy food purchases, they need to understand what they are buying. But knowledge is not a stable state. This is partly because people who do not make use of what they have learned tend to forget it, as anyone knows who has not kept up the math or language skills they acquired in school. Knowledge can also be compromised by new information, especially when that information contradicts or otherwise confuses what people thought they already knew.

For example, more shoppers than in 2009 say they are "not sure" whether particular fats are good or bad. Nearly half feel this way about monounsaturated and polyunsaturated fats. Three in 4 still say saturated and trans fats are bad, however, and 79 percent think omega-3 fats are good. Shoppers also purport to be less aware of the terms "genetically modified," "bioengineered," and "irradiated" as they relate to food. It's possible that these terms have been out of the public mainstream for a while and have lost familiarity.

SOURCES, SERVICE, AND TECHNOLOGY THAT AID—AND SPEED—HEALTHY SHOPPING

For the third year in a row, shoppers turn to the same sources for inspiration and information about healthy cooking. The Internet still tops the list, at 42 percent (unchanged), followed by friends and family, at 38 percent (up a marginal 3 points), cookbooks (37 percent, up 1), and TV cooking shows (34 percent, up 2). Supermarket recipe suggestions and culinary magazines round out the other sources, at 13 and 12 percent respectively.

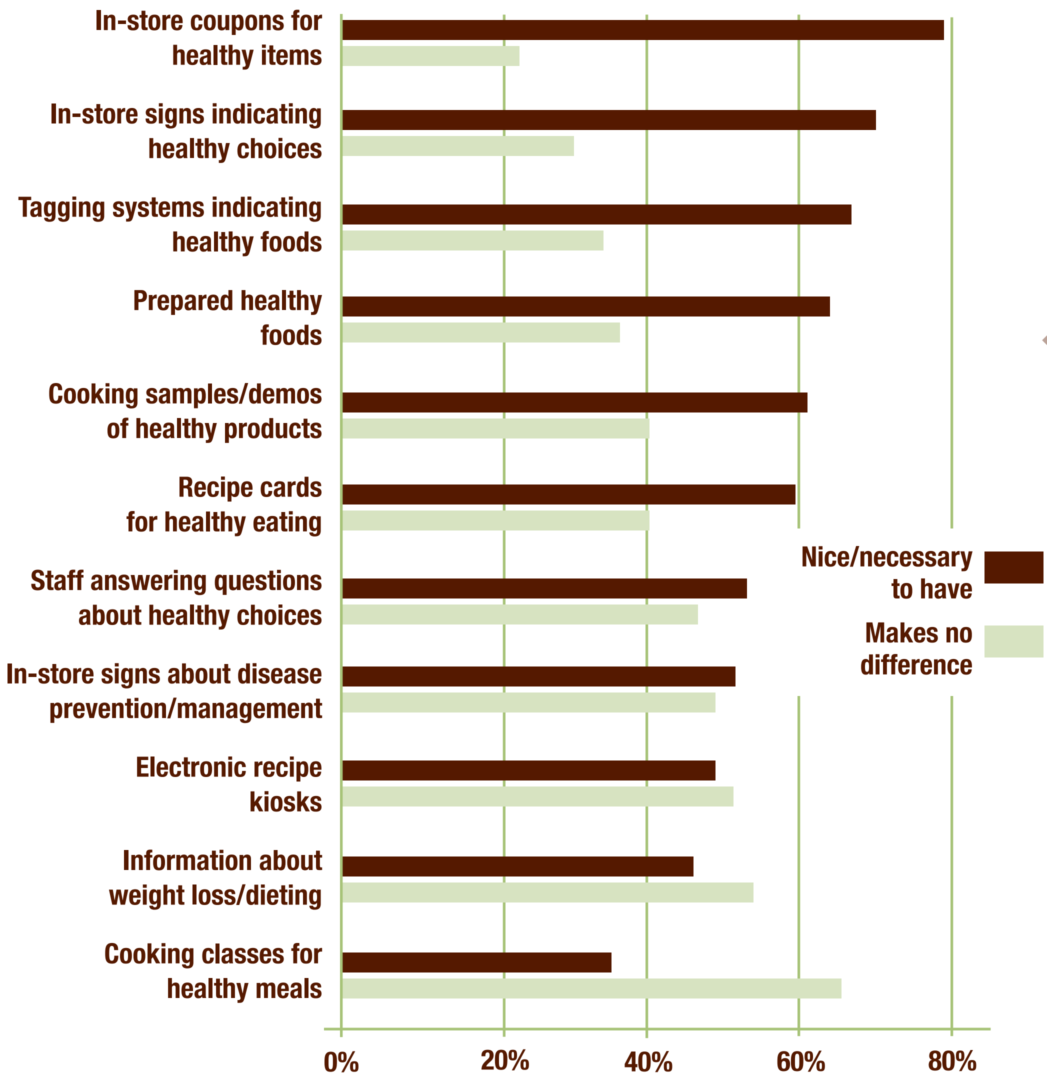
Different sources appeal to different types of shoppers. Although men are often considered the high-tech gender, women are much more likely to turn to the Internet for healthy meal ideas. Likewise, Gen X outpaces Gen Y in searching online for healthy ideas, while the younger group is more likely to turn to friends and family for help. Boomers are the biggest fans of cookbooks.

IN-STORE OPTIONS

Across 11 types of health-related food services that manufacturers and retailers could offer, an average of 44 percent of shoppers say these food services would be "nice to

HEALTH-RELATED IN-STORE COUPONS, SIGNAGE, AND TAGGING ARE OF MOST INTEREST

% of shoppers who say options would be a service to them or not



SHOPPERS ARE MOST LIKELY TO FEEL THAT COUPONS, SIGNAGE, AND LABELS THAT DIRECT THEM TO HEALTHY PRODUCTS ARE "NICE TO HAVE."

have" and 14 percent feel they are necessary, compared with 42 percent who feel they "make no difference."

Shoppers are most likely to feel that coupons, signage, and labels that direct them to healthy products are "nice to have." They are most neutral on the topic of cooking classes that teach how to prepare healthy meals, with 65 percent saying classes make no difference. This is also their response to information about dieting, in-store signage related to disease management, and to staff who can answer questions about healthy products. In other words, they are less interested in time-consuming human interactions and more interested in finding quick ways to make healthy food selections, and then moving on.

APPS AND SITES

This attitude of seeking convenience extends to online or mobile apps that help people shop and eat healthfully. Shoppers are more likely to feel neutral or more negative than positive about the type of apps that highlight weekly supermarket specials or help people choose healthy items as they shop. The same for diet-related apps or sites. The most appealing of these options is a website that helps people create grocery lists, cited by 34 percent.

The one type of online source that has gained ground in the past year is the online video showing cooking tips, with 24 percent of shoppers saying they have watched this type of video in the past year, up from 18 percent in 2009. This reinforces the idea that people are receptive to this kind of information if it is available at their convenience.

Another way to speed up grocery shopping is to do it online. Just 8 percent of shoppers say they have done this in the past year, but among those who haven't, 22 percent are interested in doing so.

Healthy Shopping: Timing Is Everything

Healthy eating is on most shoppers' radar, but it is not ingrained yet for most. This means that people need to be continually reminded, prompted, and otherwise encouraged to shop, cook, and eat healthfully. If people aren't fully committed to healthful eating, they may be swayed by other factors, such as taste and convenience, when deciding on an evening meal.

Three in 4 shoppers say they make most of their food and beverage purchase decisions before they get to the store. Health plays a role in some of these decisions. Two-thirds of shoppers select groceries that, in part, will help them lose or maintain a healthy weight. About half are influenced by a desire to manage a specific health condition, reduce the risk of developing a medical condition, or follow a doctor's advice.

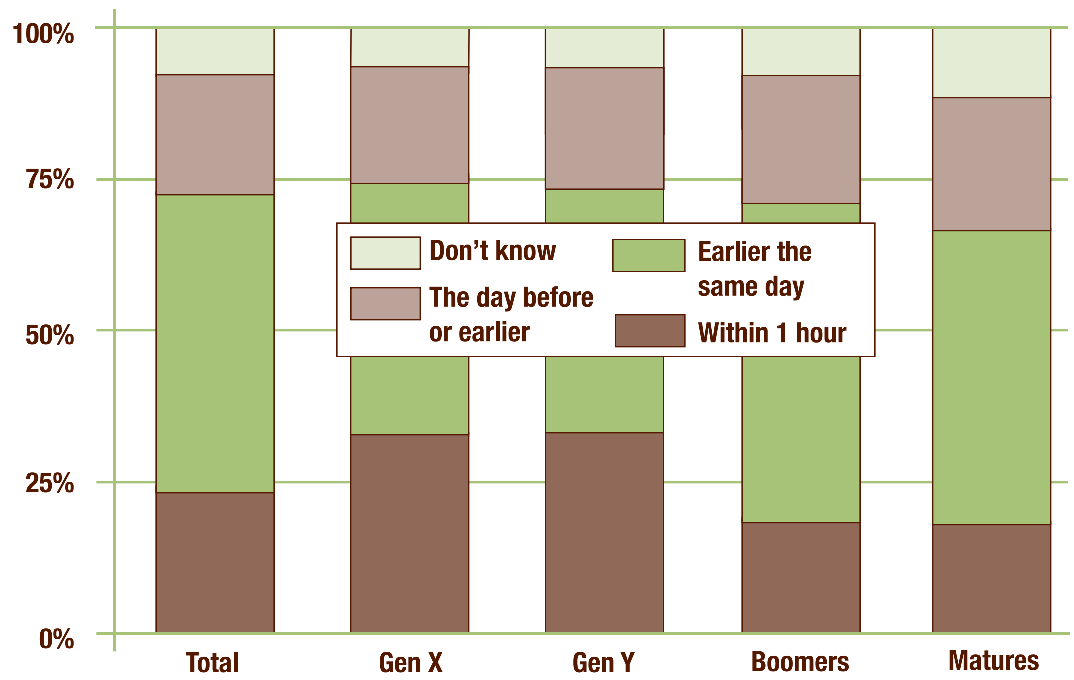
Most shoppers, at two-thirds, make their decisions about healthy food purchases before they get to the store. Nearly as many—61 percent—say the same about buying healthy beverages.

LAST-MINUTE MEAL DECISIONS = GAPS THAT NEED FILLING

Although shoppers say they plan their food purchases before they get to the store, they do not plan their meals with the same foresight. Half of shoppers say they decide what to eat for dinner that day, and another 1 in 4 decide within an hour before eating the meal. Beverage choices are made even closer to dinnertime—62 percent within the hour. Younger adults are even more spontaneous than average: One-third of Gen Y adults and Gen Xers say they make decisions about dinner within the hour that they eat it.

MOST SHOPPERS MAKE DINNER DECISIONS THE SAME DAY, ESPECIALLY YOUNGER ADULTS

% distribution of shoppers by when they decide what to eat for dinner



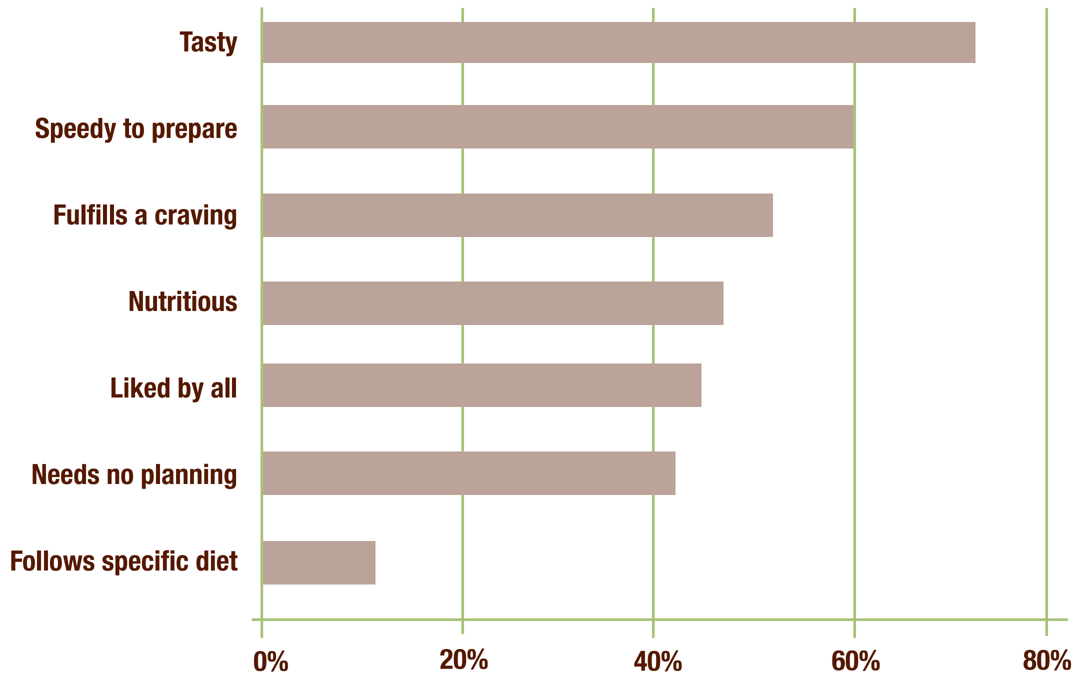
Another element of spontaneity occurs when people decide they will make dinner based on what they have in their pantry. Only a little more than half of shoppers cook most dinners at home with the ingredients they have on hand—53 percent say they do this at least 4 out of 5 weekdays. This means that almost half of shoppers need to make extra trips to the store to pick up frozen, fresh, prepared foods, or missing ingredients, or they get takeout from restaurants for dinner at least a few nights a week.

Again, Gen Xers' desire for spontaneity and need for speed help explain why 60 percent get restaurant takeout at least 1 out of 5 weekdays, compared with the 44 percent average.

Within this context of relative spontaneity, taste and speed—not health—are the paramount factors in what people actually decide to have for dinner, cited by 73 percent and 60 percent, respectively. These top two considerations are followed by satisfying a craving for a specific food (52 percent), making a nutritious meal (47 percent), preparing something everyone would like (45 percent), and requiring little or no planning (42 percent). Just 11 percent mention the need to follow a specific type of diet.

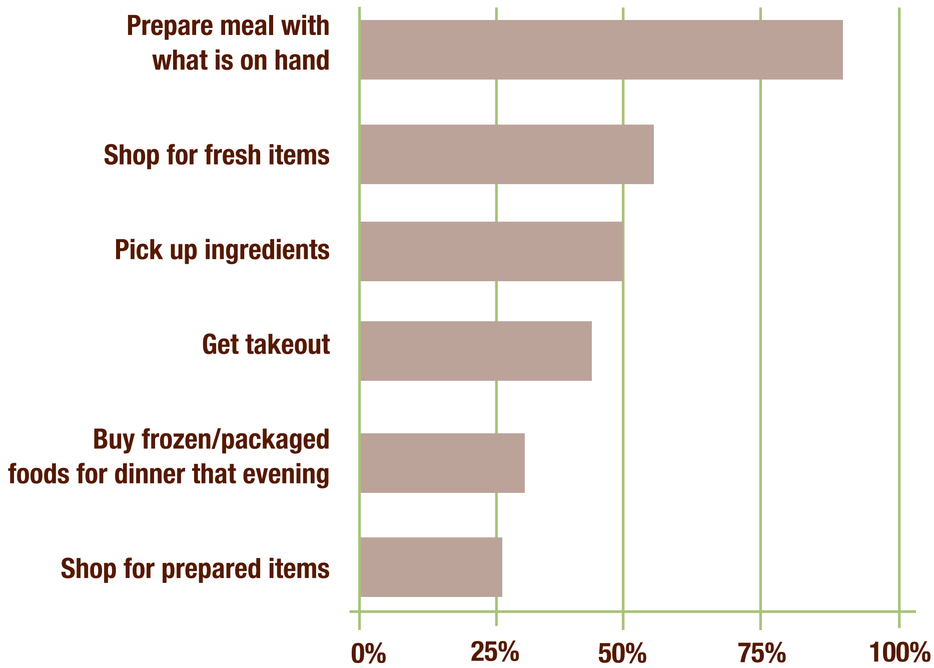
TASTE AND SPEED OUTWEIGH HEALTH IN DINNER DECISIONS

% of shoppers who say these factors influence meal choices



MOST SHOPPERS EMPLOY A VARIETY OF DINNER PREPARATION STRATEGIES

% of shoppers who do specified things for dinner at least once a week



Aligned with their spontaneous decision-making, Gen Y and Gen X shoppers are most likely to say that "quick to prepare" influences what they make for dinner. Baby Boomers, on the other hand, are driven more by taste and cravings.

MARKETING IMPLICATION:

Shoppers may stock up on healthy food items with the best of intentions to use them, but when they are ready for a meal, taste and speed take precedence. This may mean that healthy products sit in the pantry or spoil as consumers reach for more convenient options. Retailers should make it a point to be in the dinner-solutions business. Try offering entire healthy, easy, and tasty dinner solutions at displays or kiosks in highly visible areas.

REFOCUSING ON KIDS' HEALTH NEEDS

Parents have regained some of the focus they had lost in 2009 on their children's health needs, maybe because they are less distracted by the economy. The number of parents who say they "always" purchase certain foods because they are nutritious for their children grew to 46 percent, up 11 points from 2009 and back to its 2007 level. Similarly, 47 percent say they do this "sometimes," leaving just 7 percent who do it "not very often" or "never."

Parents are also more likely than a year ago to say they "serve healthy options all the time" when it comes to breakfast, lunch, dinner, and even snacks—in every case meeting or exceeding 2008 levels. Dinner is the most consistently healthy meal, at 65 percent, followed by breakfast, at 59 percent. Lunch and snacks are tied at 47 percent.

More evidence that parents are focusing on healthy food for their children is the shift away from mere convenience or taste. The number of parents who say they "almost always" buy food items for their children because they take less time to prepare has dropped to 20 percent from 27 percent in 2009. Even more striking, just 37 percent say they buy items their children like at this frequency, down from 50 percent in 2009.

At the same time, convenience is a "sometimes" purchase factor for 71 percent of parents, and only 9 percent say "less time to prepare" is rarely or never a consideration. In addition, 34 percent of parents say they "almost always" buy items that are easy for kids to take to school or in the car, up from 29 percent in 2009.

Parents are not immune to pleasing their children's palates. More than half, 56 percent, say they "sometimes" buy food items because their children like them. This is up from 42 percent in 2009, offsetting the drop in the "almost always" group. Again, a very small number of parents, just 7 percent, say they rarely or never accommodate their children's tastes.

MARKETING IMPLICATION:

Parents have a host of factors to juggle when deciding how to feed their children. Although health considerations appear to be in the ascendancy, convenience and taste remain very important. Some suggest that Gen X parents have a more traditional parenting style than Baby Boomers did, so their children may not be as involved in purchase decisions. This in turn means that marketing messages may need to be targeted directly to them rather than to the kids.

Organic and Natural Foods

There was an increase in shoppers reporting a host of organic food purchases in the past 6 months compared with 2009 levels, up to 45 percent from 40 percent. The share of shoppers who made an organic purchase in the past 30 days remained stable, at 37 percent. Fruits and vegetables still top the organic list, although dairy and eggs edged out cereals/breads/pastas, and meat/poultry squeaked past packaged foods.

ALMOST HALF RECENTLY BOUGHT ORGANIC FOODS

% of shoppers who bought an organic version of a food in the past 6 months	2009	2010
Fruits/vegetables	27%	31%
Milk/yogurt/dairy	17%	19%
Eggs	16%	18%
Cereals/breads/pastas	17%	17%
Meat/poultry	11%	16%
Packaged foods	15%	12%
Soup/sauces	13%	10%
Other	7%	6%
None	60%	55%

In line with a general decline in food shopping at natural/organic stores is the report that fewer shoppers purchased organic products at such outlets. At 19 percent, this is down from 24 percent in 2009. Most people continue to buy organic products at traditional grocery stores (44 percent, down 2 points from 2009).

Most shoppers understand that the key feature of organic food is that it is grown without chemical pesticides; 62 percent

COST IS STILL THE MAIN REASON SHOPPERS DO NOT BUY ORGANIC FOOD, CITED BY 67 PERCENT.

say this is a reason they buy it, and 35 percent say it is the single most important reason they do so. Many remain persuaded that organic food also offers long-term personal health benefits, and although 48 percent say it is a reason to buy organic, just 17 percent say it is the most important one. In addition, 46 percent cite "nutritional value" as a reason to buy, and 9 percent say it is the most important reason.

Cost is still the main reason shoppers do not buy organic food, cited by 67 percent. This might explain why college graduates and those with higher incomes are more likely than average to have purchased organic products.

GETTING SPECIFIC ABOUT NATURAL FOODS

Six in 10 shoppers report purchasing a food or beverage in the past year labeled "natural." The greatest number of people say they purchased natural cheese (39 percent), yogurt (33 percent), tea (33 percent), and cereal (31 percent). Yet even among those who say they did not buy a natural product in general, just over half recall buying at least one of 14 specific types of products with natural labeling.

When asked how interested they are in purchasing natural foods (defined as made without preservatives, artificial color, or artificial flavor), 44 percent of shoppers expressed probable or definite interest. Another 39 percent are neutral and 16 percent are not interested.

Unlike organic food purchases, which are predominately made by women, both men and women are about equally inclined to purchase most types of natural labeled foods. Like with organic foods, higher-income shoppers are more likely than average to buy natural. Younger Baby Boomers are the age group most likely to purchase staple items such as dairy and cereal, while Gen X parents are more likely to be interested in natural snack items like ice cream and soft drinks.

MARKETING IMPLICATION:

Shoppers' interest in the concept of natural is evident but not overwhelming, and they seem more aware of their specific purchases in this area than their general purchase behavior. This may indicate that advertising campaigns aimed at the general notion of eating natural will not be as effective as those related to specific products.

Methodology

The data for *Shopping for Health 2011* was collected through an online survey, conducted between November 19 and December 1, 2010, among a nationally representative sample of 1,579 U.S. shoppers. The margin of error associated with the survey is 3.0 percent at the 95 percent confidence level.

The survey respondent must have met the following requirements to participate:

- Resides in the United States
- Is 18 years of age or older
- Does at least 50% of the household grocery shopping
- Has shopped for groceries in the past month

SAMPLE SELECTION

The survey was conducted through the Harris Poll Online database comprising several million respondents who have agreed to participate in survey research. Interviews took place using a self-administered, online questionnaire with web-assisted interviewing software. To maintain the reliability and integrity in the sample, each invitation contained a unique password that is assigned to that e-mail address and must be entered at the beginning of the survey.

Harris Interactive weighted the data using its “propensity weighting” model that balances the characteristics—demographic, attitudinal, and behavioral—of online respondents to avoid a skew toward more active online users or survey takers. Survey research shows that certain kinds of people have a greater or lesser likelihood to be online and therefore to participate in online surveys. To account for this, each respondent of our survey has been assigned a propensity weight, which corresponds to the likelihood of that person to be online. Propensity weights include measures of activity, knowledge, and attitudes.

The samples were controlled to match the census profile by income, ethnicity, age, and other factors. The survey was not controlled for gender of the respondent; rather, the male and female primary shoppers of households who met the other screening criteria were interviewed as they occurred in the population. The resultant sample is a nationwide cross section of grocery shoppers.

Age, lifestyle, and life stage all influence grocery shopping attitudes and behaviors. Age demographics are most easily understood in the context of generations, which combine collective traits or behaviors that exist among people of a certain age group. Throughout the study, differences by age and generation have been highlighted. *Shopping for Health* uses the following years to define the four generations:[1]

- Generation Y: born between 1981 and 1989[2]
- Generation X: born between 1965 and 1980
- Baby Boomers: born between 1946 and 1964
- Matures or 60+: born in 1945 or before

TRENDING

Since 2007, the data for this report has been collected using an online panel. The online sample provides more reliable quantitative measurements for questions with long or numerous response categories, as well as sensitive topics that are subject to interviewer biases such as food safety habits. The Internet methodology also provides richer verbatim and qualitative responses than do phone interviews.

Transitioning *Shopping for Health* from telephone to online affects the ability to maintain long-term historical data trends. As a result of these changes, this report refers only to data from the 2007 to 2010 surveys.

[1] Lynne C. Lancaster and David Stillman, *When Generations Collide*, 2002

[2] While the definition of Generation Y continues beyond 1993, respondents have to be at least 18 years of age to participate in this study.

CHART APPENDIX

PAGE 7 — WHOLE GRAIN HAS BECOME THE NORM FOR BREAD BUT NOT FOR RICE OR PASTA

% of distribution of shoppers by statement that describes their buying habits

	Bread	Rice	Pasta
Buy/switched to whole grain	56	42	39
Buy both	24	32	31
Buy/stayed with white	20	27	30

PAGE 11 — THRIFT IS KEY, BUT THIS DOESN'T RULE OUT IMPULSE BUYING

% of shoppers who apply these strategies to their grocery shopping

	2010
Buy only what's needed	63
Switch to store brands	54
Buy items on sale even if not on list	51
Forgo premium/luxury versions	50
Buy fewer prepared foods	45
Buy more large-size or bulk items	36
Buy less-expensive meats	32
Switch to canned/frozen foods	30
Buy less organic/local foods	18

PAGE 13 — WOMEN ARE INTERESTED IN AVOIDING EMPTY CALORIES

% of shoppers who say these are factors in their food choices

	Total	Women
Maintain/improve heart health	73	77
Boost energy	71	77
Avoid empty calories	64	75
Aid digestive health	66	71
Maintain/improve mind health	65	71
Improve immunity	63	68
Avoid processed foods	59	67
Build bone density	58	67
Prevent cancer	63	66
Build strength	60	64

PAGE 14 — MEN ARE MOST INTERESTED IN HEART HEALTH AND ENERGY BENEFITS OF FOOD

% of shoppers who say these are factors in their food choices

	Total	Men
Maintain/improve heart health	73	68
Boost energy	71	61
Aid digestive health	66	58
Prevent cancer	63	58
Improve immunity	63	57
Maintain/improve mind health	65	56
Build strength	60	54
Avoid empty calories	64	47
Avoid processed foods	59	47
Build bone density	58	46

PAGE 18 — HEALTH-RELATED IN-STORE COUPONS, SIGNAGE, AND TAGGING ARE OF MOST INTEREST

% of shoppers who say options would be a service to them or not

	Nice/necessary to have	Makes no difference
In-store coupons for healthy items	21	79
In-store signs indicating healthy choices	30	70
Tagging systems indicating healthy foods	34	67
Prepared healthy foods	36	64
Cooking samples/demos of healthy products	40	61
Recipe cards for healthy eating	40	59
Staff answering questions about healthy choices	47	53
In-store signs about disease prevention/management	49	51
Electronic recipe kiosks	51	49
Information about weight loss/dieting	54	46
Cooking classes for healthy meals	65	35

PAGE 21 — MOST SHOPPERS MAKE DINNER DECISIONS THE SAME DAY, ESPECIALLY YOUNGER ADULTS

% distribution of shoppers by when they decide what to eat for dinner

	Total	Gen X	Gen Y	Boomers	Matures
Within 1 hour	24	33	33	19	18
Earlier the same day	48	42	40	53	48
The day before or earlier	21	19	21	21	23
Don't know	7	7	6	8	10

PAGE 22— TASTE AND SPEED OUTWEIGH HEALTH IN DINNER DECISIONS

% of shoppers who say these factors influence meal choices

Tasty	73
Speedy to prepare	60
Fulfills a craving	52
Nutritious	47
Liked by all	45
Needs no planning	42
Follows specific diet	11

PAGE 23 — MOST SHOPPERS EMPLOY A VARIETY OF DINNER PREPARATION STRATEGIES

% of shoppers who do specified things for dinner at least once a week

Prepare meal with what is on hand	90
Shop for fresh items	55
Pick up ingredients	50
Get takeout	44
Buy frozen/packaged foods for dinner that evening	31
Shop for prepared items	27

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