

consumer corner

Updates from Market and Consumer Analysis Branch

Issue 1, 2009



NPD is finding consumers are:

- Cooking more meals at home
- Planning meals in advance
- Eating more efficiently (i.e. eating foods at non traditional time such as eating cold cereal for snacks and yogurt for dessert).
- Carrying lunch from home more often
- Eating out less in restaurants and when eating out choosing less expensive restaurants
- Replacing eating out at restaurants with more home meal replacements
- Trading down to less costly foods (e.g. more private label, less expensive cuts of meat, etc)
- Using coupons more

Canadian Food Trends for 2009

by Diane McCann-Hiltz

Source: NPD Eating Patterns in Canada Report, November 2008¹

Have you been wondering about general food trends in Canada and how the economic situation is affecting Canadians? Some key findings from the 2008 "NPD Eating Patterns in Canada Report" can shed some light on this.

Some of the key trends we were watching in 2008 are conducive to a weak economy. Many of these trends will be amplified during the current financial situation, particularly those pertaining to leftovers, and eating at home.

(1) The information in the NPD Eating Patterns in Canada Report is based on four different NPD Group services.

- National Eating Trends (NET) tracks consumption behaviour relating to retail and restaurants.
- HealthTrack survey adds an attitudinal component and health/diet status to the NET database.
- SnackTrack tracks the consumption and sourcing of snack foods by individuals.
- CREST collects information about purchases of prepared foods and beverages at restaurants.

The resilience of the consumer in just making it work may lead to other cost saving behaviours that may or may not last. Knee jerk cost cutting may be the reaction of the consumer, however understanding their true behaviour and providing economical and efficient solutions that fit in with their behaviour will be the best solution for food companies for both the short and long term.

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**Government
of Alberta** ■

THE BIG THREE

Taste!

Nutrition!

Convenience!

Canadians continue to strive to find the perfect combination of taste, convenience and nutrition.

Today, nutrition is gaining in importance, but the demand for taste and convenience continue to be high.

Ranking of Important Attributes When Preparing the Weekday Evening Meal (close ended list)

How to read this table: 67% of respondents indicated that nutrition is an important attribute in the preparation of the evening meal.

Taste – 75%

Nutrition – 67%

Meal components usually stocked at home – 67%

Ease of preparing meal – 40%

Other adults like it – 38%

Short preparation time – 32%

Kid's like it – 24%

Inexpensive meal – 19%

Few meal components – 16%

How is the current economic situation affecting Canadian consumers?

Canadians will be changing their spending patterns as a result of their perceived conditions of the Canadian economy. They plan on going to restaurants less and eating at home more.



Voice of the Consumer

“With the cost of food going up, we need to make every dollar count and that dollar goes further in the grocery store rather than dining/eating out.”
25-34, male

“More of my money is going towards fuel. So the amount of times that we do eat out will decrease. Instead of a “treat” for us to Dine out it will now be a “rare treat ” to dine out.” 45-54, female

“Considering all of the increased costs for hydro, gas, groceries, etc. I need to set my priorities to cover the basics. Dining out is an added luxury that will have to be curtailed.”
65-74, female

With a slowing economy, consumers will curb discretionary spending.

70% of Canadians had to cut back on household spending recently.

Specific things they are cutting back on:

81% are cutting back on entertainment	61% on clothing	48% on groceries
79% are cutting back on vacations	61% on energy consumption	27% on cell phone
78% on luxury items	60% on gasoline/driving	25% on cable TV
		6% on education

Source: Ipsos Public Affairs Views on the Global Economy, December 2008