Consumer Food Beliefs and Behaviors:
The James Beard Foundation Consumer Research Project

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Survey Data Collected by Radius Global Market Research and the Good Housekeeping Institute

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Introduction

In conjunction with preparing for the **2017 JBF Food Summit: Consuming Power**, the James Beard Foundation (JBF) undertook a research project to understand American consumers' motivations and thought processes behind their food choices, beliefs, and behaviors. The focus was on what people are doing, eating, and thinking about food over the last three years.

This survey was the first original research undertaking by the JBF Food Summit programming team in the conference's nine-year history. As JBF developed the themes and content for this year's Food Summit, it became important to be able to speak to various complex and interrelated aspects of consumer choices, such as what dietary changes consumers have made recently and why; what information sources and commercial forces impact their decision-making; what agents and ideas they believe most influence American eating habits; and how much they care about particular types of information, qualities, and values in their food.

What follows are the topline findings from this survey, which was prepared with guidance from Karen Karp & Partners (KK&P) and administered with the survey expertise of Radius Global Market Research. The survey's results were corroborated by a subsequent survey of *Good Housekeeping* subscribers. The team's findings were extrapolated and discussed at a roundtable of food industry executives in late August 2017. Together, the quantitative and qualitative information has helped shape both the narrative arc and some of the specific sessions at this year's James Beard Foundation Food Summit.

Methodology

KK&P developed a 10-question survey in close collaboration with Radius Global Market Research and the James Beard Foundation. The survey was conducted online by Radius Global Market Research with 1,105 randomly selected US adults ages 18+ from June 30th through July 5th, 2017. The results are representative of the U.S. census based on age, gender, region, and income.

The same survey was then distributed by *Good Housekeeping* to their subscribers in late July 2017, receiving almost 2,500 responses. Since the *Good Housekeeping* readership is a specific, self-selected cohort, the results from that survey are not assumed to be representative of the U.S. census based on age, gender, region, and income. Additionally, participants in the *Good Housekeeping* survey were not required to provide their age, though among those that did, all were 18+ in age.

The results from both surveys were largely similar in their tenor and in the preferences and beliefs expressed by respondents, with a few exceptions that are discussed below. Where findings and specific figures are cited below, they are from the Radius Global survey unless otherwise noted.

Further research was conducted at a roundtable of food-industry executives held in August 2017 at the James Beard House in New York City. The executives and several experts in food consumption data were engaged in a conversation on issues related to those highlighted in the survey and informed by the responses received. From the perspective of food companies, the JBF and KK&P team sought to explore what role companies might play going forward in innovating for, and responding to, the consumer interests expressed in survey data and other settings.

Findings

Consumer Survey

The Radius Global survey found that adults are a mix of set in their ways and open to change, depending on many factors. Approximately 2/3 of adults (67%) have changed their diets within the last three years, and that 70% of those who have made changes are now eating healthier foods. Adults in urban areas, under the age of 45, located in the Northeast or South or West, or with incomes more than $50K/year were all more likely to have changed their diets within the last three years than other respondents. Of 33% of adults who have not changed their eating habits recently, contentment and apathy were the primary reasons—70% were satisfied with their diets as-is and 17% did not care about changing their diets. Assuming the Radius Global survey is a proxy for nation-wide attitudes, this translates to 78 million Americans who are satisfied with or uninterested in changing their diets. Those who have not changed their diets in the last three years were more likely to be from the Midwest, to be over 45 years of age, and to live outside of urban areas. In subsequent discussions described below, food company executives confirmed similar findings in their consumer research and purchasing data.

Questions relating to consumer attitudes around their preferred food values revealed overwhelmingly positive associations about flavor and health. They highlighted the central connection of food to health (88%), the primacy of flavor as the most important quality of the food they eat (77%), and the importance of home cooking to control the health of their food (90%). Similar concepts were expressed in responses to questions relating to food purchase motivators—flavor (66%) and health/wellness (62%) were cited as the top influencers for their own particular purchasing decisions. On the question of overall factors and forces influencing the American diet, our survey found that traditionalism is on the wane as a major factor on food choices. “Outside” commercial and corporate influences (i.e. entities external to the consumer) were identified as the top three influencing factors — food companies (50%), food retailers (48%), and advertisers (46%) — whereas tradition came in fourth place here. In the context of attitudes about those commercial and corporate interests, just over half said that food companies generally produce healthy foods (53%). An interesting inverse relationship is revealed however in comparing top answers in the latter two questions — the more a respondent is likely to cite outside influences (food companies, food retailers, advertisers, news/media, and government) on the American diet, the less likely they are to believe that food companies are generally producing healthy food compared to those who cite self-influences such as tradition, habit, and religion (53% vs. 60%).

On more controversial issues that relate to cultural identities and views on the healthfulness of foods, respondents were more evenly split. A slim majority stated that foods containing GMO ingredients could be part of a healthy diet (51%). This close split of opinion was surprising compared to the generally more decisive responses we found in other questions, such as the most important influence on food choice (flavor, 66%) and the crucial connection of food with health (agree, 88%). Future surveys might build on this to determine the extent this response on GMOs is a proxy for big-picture trust —

or lack thereof — in scientific authorities and regulatory agencies, or manufacturers of products containing GMOs. Notwithstanding, a sizable majority do want transparency in their food. People want to know where their food comes from (77%), what its environmental impact is (76%), understand the ingredients in their foods (90%), see truthful nutritional information (90%), and have GMO ingredients labeled as such (80%). And yet, more than 1 in 5 (23%) of adults state that they do not care where their food is grown and almost a quarter (24%) don't care to know the environmental impact that its production causes. Those who cited not caring about identification of GMO ingredients in foods (20%) also tended to care less about food source identification, environmental impact, food safety regulation, ingredient identification, and nutritional labels, relative to their counterparts who do care about GMO labelling.

It was in this set of questions around transparency in food ingredients and environmental impact that we saw the most significant — and really the only — difference between the surveys administered by Radius Global Market Research and *Good Housekeeping*. In the latter case, all the above responses relating to transparency in food were far stronger, always in agreement with the Radius Global survey answers but 8-10% higher on each point. A larger difference — actually in the opposite direction from the Radius Global survey — was found in two *Good Housekeeping* questions on whether food companies are producing healthy foods (35% agree in GH vs 53% agree in RG); and on whether GMO-containing foods can be part of a healthy diet (43% agree in GH vs 51% agree in RG). All of the differences in this section of questions likely correlate with the unique demographics of the *Good Housekeeping* readership — self-selecting, higher income and educational achievement, and more preponderantly female — as compared to Radius Global's survey demographics, which were representative of the U.S. census. Despite the stronger responses in some cases and discrepancies in others, however, the findings in the *Good Housekeeping* survey generally agreed with, and reinforced, those in the Radius Global survey. Definitively determining the causes for any differences in these surveys would require further research.

Questions in the Radius Global survey relating to the healthfulness of specific food qualities or definitions showed correlation with geography, income, and the urban/rural divide. As mentioned above, flavor is something that all people can get behind – 77% of people overall highlighted flavor as the most important quality in food, regardless of demographic characteristics. Other issues, however, were not so disproportionately agreed to. Incomes above $50K/year correlated with agreement that organic foods are healthier (71% vs 64%). Those who cited making food healthier as a top priority to change were more likely to reside in the Northeast and in urban areas. Conversely, those who cited making food more affordable as the top priority to change associated more with Midwestern and rural settings. Those in rural settings also disagreed more frequently with the statement that healthy foods could be as delicious as non-healthy foods (34% rural vs. 24% urban vs. 25% suburban). To the surprise of many, however, none of the preferences or values around food qualities, nor associations with specific food behaviors, correlated significantly with a person's political affiliation.

Summer Dinner Salon

As in prior years, JBF invited a small group of food professionals to a facilitated conversation over dinner to experiment with ideas that were forming for the Food Summit. This year, we were extremely interested in how food company executives would interpret and respond to the survey findings, and to that end we convened food industry executives over a dinner at the James Beard House in August 2017. Participants included Woody Faulk, Chief Innovation Officer, Chick-Fil-A; Carlos Barroso, Senior Vice President, Global R&D and Quality, Campbell's; Ralph Scozzafara, Chief Executive Officer, Dean Foods; Jason Lepes, Head of Merchandising for Fresh Direct's Food Kick and Office Eats business units; Josh Brau, Head of Brand, Blue Apron; Jill Gress, Vice President of Radius Global Market Research and Head of Thought Leadership, and our survey project collaborator; Mike Lukianoff, Chief Analytics Officer, Fishbowl Marketing Analytics; Darren Seifer Executive Director, Industry Analyst, NPD; JBF Board Chair Fred Seegal; and JBF President Susan Ungaro. Mitchell Davis, Executive Vice President of the James Beard Foundation, and Karen Karp, President of KK&P, facilitated the conversation while Ben Kerrick of KK&P recorded notes.

Participants anecdotally corroborated our research findings about recent changes in consumer behaviors and explained how they are responding, some by developing products that emphasize healthfulness and freshness, while others by acquiring new brands that speak to different demographics. Acquisitions of new food companies by legacy brands have helped accelerate R&D in an environment where the pressure to innovate is incessant and expectations are to deliver new products at warp-speed.

Survey findings did not surprise participants, but their interpretation of them was somewhat individualized, in the sense that people heard a data point and described what challenges their companies are facing to address consumers' concerns and desires related to that point. Consumer segmentation dominated the discussion from multiple angles, including shifting demographics in the U.S. and the range of flavors and habits that rise from a tiny preference to a mainstream trend (e.g. Sriracha, now a condiment at McDonald's.) The "democratization" of information was discussed both in terms of how many people can access information and how tools of self-expression allow individuals to become influencers. In fact, company executives and market analysts alike cited Instagram as the most powerful force among many factors that are driving change.

When the discussion turned to price and value, the salon participants stated that—notwithstanding exceptions in both urban and rural pockets—Americans have never had access to a greater array of "quality" foods than we do now. Furthermore, the price of food in retail and restaurants is being pushed from the middle out towards both the high and low ends. This makes, for example, mid-priced dining such as TGIF's, Applebee's, and Ruby Tuesdays "the last place you want to be." Executives noted that these restaurants are "dying a quick death" as they become increasingly out of reach with a shrinking middle-class, while there are too many other choices for those that can spend more. In manufacturing for the retail marketplace, the pressure is to continue to produce volume in departments where the profit is made, while acknowledging that the greatest opportunities for branding and sales are among the products in the perimeter of the store (whether there is physical store or not). Indeed, with on-line sales rapidly increasing in both the retail and restaurant sectors, the pressure to maintain costly real estate is diminishing. This may help some companies dedicate more money to innovation.

On the topic of a changing real estate paradigm, all around the table expressed interest and appreciation for the current excitement around food trucks, kitchen incubators, pop-up restaurants, and the alternate sources of capital (e.g. crowd funding) and methods of marketing (social media) that allow chefs and new food producers to get their businesses off the ground.

While participants cited customer service, hospitality, and "honest communication" as critical, they also agreed that remaining a relevant food company now requires going deeper towards authenticity and transparency, and creating experiences that retain loyal customers and attract new ones. While consumer behavior change in the U.S. is slow compared with other cultures, there is room to lead, provided you "don't go so far so fast." It seems the secret ingredient might lie in the convergence of company experimentation and individuals' "discovery desire." As one market analyst said, "You didn't know you were missing Greek yogurt until Chobani showed you how delicious and versatile it could be."

Conclusion

Some of the considerations of high interest to the Food Summit team that this process raised are around issues of trust versus distrust, change versus non-action, self-influence believers versus outside-influence believers, and consumer perceptions of autonomy. These issues will undergo deeper questioning at the JBF 2017 Food Summit taking place October 23 and 24 in New York City. For instance, regarding the data point that a third of Americans have not changed their diet in the past three years, due to satisfaction with their choices as well as to apathy about food and diet, this suggests either a daunting obstacle to positive food change or a significant opportunity for advocates, policy-makers, and food companies to capture and captivate untapped customers. More broadly, we will be exploring the extent to which this cohort represents an opportunity for, or an obstacle to, advancing consumers as not only taste-makers but power brokers of a sort. Our survey also highlights the distinction between consumers who ascribe outside influences (businesses, media, government, etc.) as primary influencing factors on their food behaviors, compared with those who ascribe self-influence (tradition, religion, habit) as the primary vector. The profile of "outside influence" believers reflects a higher degree of skepticism and lower level of loyalty to brands and tradition, which brings to mind conventional media portrayals of Millennial consumers, something that is very much on the minds of food companies.

Of the 50% of Americans who believe that food companies, food retailers, and advertisers have major influence on our food behaviors, we will explore to what extent this perspective is meant pejoratively or positively or simply factually, how the people associated with this belief do and do not trust food companies, and what this figure may have to do with the aforementioned Millennial eater, who is perplexing traditional food companies. Furthermore, we will inquire as to what extent this perspective — the idea that food companies, retailers, and advertisers are major influencers of food behavior for 50% of Americans—is equivalent to consumers feeling a lack of autonomy over their choices. To promote positive changes in the food world, we believe that people must understand their degree of autonomy and the levers available to them for transition from food consumer to food citizen.