

JUNE 2017

UNIVERSITY OF
MARYLAND
EXTENSION

Solutions in your community



extension.umd.edu/agmarketing

Ginger S. Myers

MARKETING SPECIALIST,
UNIVERSITY OF MARYLAND
EXTENSION

DIRECTOR, MARYLAND
RURAL ENTERPRISE
DEVELOPMENT CENTER

PRINCIPAL AGENT ASSOCIATE

gsmyers@umd.edu
301-432-2767 x338

MASTERING MARKETING



Food Preferences and Purchasing Trends—Getting Out Ahead of the Curve

During a recent webinar that I led addressing vending at Farmers' Markets, a participant asked how to discover food trends and consumer purchasing preferences. While we discussed several resources for searching out "what's hot and what's not", the real key to keeping our customers engaged is more about understanding their wants and needs than trying to capitalize on any one trend or specific product. Peter Drucker's timeless adage that "the purpose of any business is to have a satisfied customer", still holds today in our multi-channel, wireless, 24/7 shopping arena.

"To consider what customers want or need, we need to identify "Who are your customers?" The largest portion of your customer base is now the Millennials. Millennial is the name that has taken hold to describe the generation of young people born between 1981 or 2000. Ashton Kutcher, Serena Williams and Mark Zuckerberg are famous Millennials. Your neighbors, coworkers and gym buddies are everyday Millennials. All have been hit hard by the 2008 recession, 9/11 and numerous school shootings.

Just entering their prime spending years, Millennials will soon be the group driving the economy. Fueled by credit cards and shopping malls in an age of relative affluence, the Baby Boom era is over."¹

According to a Goldman Sachs report, Millennials: Coming of Age in Retail 9.13, Millennials as shoppers are:

- ▶ Earning less than previous demographic groups, having been hit hard by recession.
- ▶ In no hurry to get married, start households, buy homes, appliances and cars.
- ▶ Much more health-conscious; attracted to athletic brands.
- ▶ Extremely tech-savvy. Because they are so engaged in sharing knowledge and opinions with peers digitally, they are early adopters of new ideas, concepts and products. This will drive the speed of change even faster than what we've known.
- ▶ Not brand loyal.

So if Millennials are your target audience, what do they want and/or need when food shopping? Keep in mind that they are very comfortable eating a variety of foods due to the population’s multicultural makeup. Various market surveys have identified that they shop for food looking for very identifiable traits such as organic, natural, antibiotic-free, GMO-free, etc. Yet, few can really detail what these production practices entail or how they affect the nutrition or taste of the product. This opens up an opportunity for producers to educate their customers about what all these labels mean and help convert a “trend” into an exceptional food retailing experience.

Give customer a “story” about your product. Not just how it’s produced but why they should buy it. Today’s customers want to know how, where, and by whom their food was produced. While grocery stores are still our primary food purchasing location, the increase in farmer markets, buying clubs, CSA memberships and even the “meal in a box delivery models” attract customers by giving their food an identify- a story, if you will.

Your story needs to include:

- 1) Food with a message- transparent and attractive information about how it’s produced and the impact of their buying choices.
- 2) A super sensory experience- this includes the product’s visual appearance. It also helps to provide directions for preparing and storage. Keep that simple.
- 3) The My Health trend- maintenance of one’s health and well-being
- 4) The Eater Identity Trend- “personifying” food as part of one’s own identity whether as an individual or as part of a group with specific dietary preferences.

When identifying trends that convert into product preferences, consider the emergence of food as a craft and not as a commodity- craft beers and spirits, artisanal baked goods, homestead cheese, and custom butcher shops. These products can have staying power in the market because they all have the attribute previously listed that can aid in food purchasing decisions for your target audience.

Knowledge about market trends and emerging marketing models is important to any business. But few local producers have the production capacity to set a trend. What you do have is the flexibility to detect a new business opportunity, anticipate the competition, and keep your target customers’ wants and needs in the forefront when changing the product or market mix.

1. Millennials in the Market Place; Who are They? <https://www.2020mag.com/ce/millennials-in-the-marketplace-a-7AD73>