

Consumer Insights and Where They are Driving Processed Meats Into the Future

Janet M. Riley

Preparation of food shifted away from the home throughout the last hundred years due to a conflagration of social forces, like an increase in working women, food technology innovation that has increased heat and eat offerings, and a decrease in home economics programs that educate students about how to prepare food. Consumers have demonstrated a growing desire for convenient foods. Data show that during the last 50 years, food consumption in restaurants has increased exponentially, as has consumption of foods prepared partially or fully at processing plants and in retail stores.

These increases have caused a disconnection from the source of food and from food preparation. As this disconnection has grown, food production and processing has become mysterious to most Americans. Meanwhile, an enormously complex media and online environment bombards them with alarming information like allegations that certain food ingredients cause cancer, claims that hormones in beef cause early puberty and reports that food companies are hiding ingredients used in food because they are substandard.

As consumers become increasingly removed by generations from farming, they tend to romanticize what they perceive to be simpler times. In these difficult economic times, many consumers feel the modern world has let them down and they yearn for what they believe were simpler and less stressful times.

Many consumers are seeking less processed foods or simpler foods, according to Mintel. In 2010, Mintel documented declines in the number of ingredients in 56 percent of the products they cover. They especially like the idea of fewer ingredients. For example, Haagen Daz's new "Five" line of ice cream touts no more than five ingredients.

Chefs are moving away from complex dishes towards clear and unpretentious flavors using quality ingredients and uncomplicated methods. Cookbook authors are now limiting recipes to five to seven ingredients and simplifying terminology. Dredge becomes coat, and sauté becomes stir over medium heat. Consumers can embrace the concept of simplicity as a value, which dovetails nicely with more limited cooking abilities.

According to Mintel, the \$10.4 billion processed meat marketing has performed well since 2007. Within the broader category, sliced lunch meat has performed the best. This may be due to the return to brown bagging that has been associated with the tough economic times.

While some consumers place a clear priority on a single product attribute, more consumers are conflicted. Consumers have competing priorities in many areas of their lives and food is no exception. They like the idea of simplicity because it is emotionally satisfying and fits their limited cooking skills. Yet at the same time, they are more pressed for time.

Processed meats manufacturers will be forced to recognize that the simplicity trend is highly complex. They need to satisfy with convenient options. Providing a simpler formula will deliver added appeal so long as it doesn't threaten ease of preparation. And when a product formulation cannot be simplified in a way that meets consumer demand, they must be prepared to explain how and why they process foods in a certain manner and use the ingredients they do. As all of these other trends play out, there is an additional one at play, and that is the demand for transparency.

Mrs. Janet Riley
Senior Vice President, Public Affairs & Member Services
American Meat Institute
President, National Hot Dog & Sausage Council
1150 Connecticut Avenue, NW 12th Floor, Washington, DC 20036
jriley@meatami.com