CONSUMER INSIGHTS

The Role of Values in Food Choice Behaviors

Many of the factors driving the rise of food values are inevitable and immutable consequences of the evolving global food culture and agricultural environment. How to address them.

by Grant Prentice & Dana Peters, MS

Noticiable changes in the world’s climate, consumer health, and contemporary culture, compounded by ever wider and more frequent use of mobile internet technology are shifting how consumers make food choices, and how food producers and marketers drive and facilitate those choices. People are no longer solely relying on price, taste and convenience to make food decisions, instead, they are increasingly affected by a range of values, or qualities that include their geographic location, the origin and production methods of the food they eat, environmental concerns related to agriculture and food policies. Additionally, there are an increasing number of food value chain stakeholders - many holding and exposing their own sets of values regarding food production, distribution and consumption - influencing consumers and producers across the food landscape. Collectively, these factors create new challenges, as well as opportunities, for all members of the food production and distribution chain.

Many of the factors driving the rise of food values are inevitable and immutable consequences of the evolving global food culture and agricultural environment. The strong prevalence of obesity and its associated financial and societal costs impact food policy and production. It colors the content of the recommendations provided by public health professionals and influencers.

Climate change concerns and the food, fiber, housing and healthcare needs of a growing, and aging global population are forcing new values and criteria into the decision-making process of food producers and consumers. The United Nations predicts there will be 2.5 billion more people to food worldwide by 2050. Technology-driven societies and social networks fuel 24-hour news cycles delivering a flow of information to an increasingly tribal, opinionated public - especially when it comes to food matters.

Research supports the shift in consumer thinking, attitudes and values. In fact, half of US consumers reported that they prefer evolving value drivers such as health and wellness, safety, and social impact and experience over traditional value drivers such as price, taste, and convenience in a 2015 Deloitte study on food values. Additionally, the 2017 International Food Information Council Foundation’s 2017 Food & Health Survey revealed a significant segment of consumers care about values related to the ingredients, sourcing and production of their food when purchasing and consuming their food:

- 50% - stressing the importance that foods are produced in a sustainable way.
- 50% - knowing where their food comes from is important.
- 61% - recognizing ingredients listed on a package is important.
- 41% - it’s important to understand how their food is produced.

The Food Values Project

Based on our analysis and experiences in the global food industry, it’s our sense that food values encompass interrelated social, political, regulatory, agricultural and technological factors, and often reflect one’s life experiences, education, income or culture. Food values are emerging globally and affecting the way food is produced, distributed, marketed, regulated, sold, and consumed.

In an effort to characterize how food values are impacting food choice globally, FoodMinds, a consulting and communications agency specializing in food, beverage, nutrition, health and wellness, launched the Food Values Project.

In order to understand how food values are influencing food
choice globally, the agency utilized a panel of experts from the FoodMinds Global ExpertBench (GEB). The GEB is a thought leader network comprised of 200 senior nutrition and communications experts spanning 20 countries and six continents. A questionnaire was developed using the DELLPHI method which refined the research design and approach through a series of guided iterative steps. The FoodMinds GEB experts provided invaluable insights into food value issues in their respective countries as part of the DELLPHI process.

Responses to the survey were provided by the GEB members in 14 countries and reflected their expert knowledge of their local political, social and cultural trends, consumer food behaviors, and their countries’ food and nutrition affairs environment. For the purpose of analysis, countries were categorized by their Human Development Index (HDI) - very highly developed countries included Canada, France, Japan, Netherlands, Saudi Arabia, Spain, the UK and US. Highly developed countries included Brazil, China, Colombia and Mexico. Moderately developed countries included India and South Africa.

Values: Factors & Attributes

The questionnaire featured a set of 14 overarching food value factors and corresponding attributes. Factors included economic values with attributes such as food costs and unemployment level, as well as public health values with attributes such as obesity and malnutrition. For each attribute, the reach, an estimate of the percentage of the population whose food purchasing and consumption behaviors were affected, and impact, an estimate of the degree of positive or negative impact on food purchasing and consumption behavior, were gathered (see figure).

Additionally, for each factor, respondents were asked to select an attribute with the biggest impact on food purchasing and in-taking behaviors, with rationale for selection (see table on page 20).

Project Results

Food Values Emerge: On a global scale, results of the questionnaire produced a set of primary and secondary food values. These factors affect the behaviors of the greatest percentage of the population, about 40-50%. While the predominant factors were similar from country to country, the defining attributes in each category varied among higher and lower HDI countries.

The primary set of food values included food distribution and access, food content and ingredients and economy values. The secondary set of food values included socio-demographic, geography and environmental values.

Attributes more likely to affect higher HDI countries included easy access to grocery stores facilitating home-cooked meals, household income and food costs, urban environments, and concerns about food waste and sustainability. Attributes affecting lower HDI countries included urban migration, food costs and overall cost of living, and changing family dynamics impacting food choice, prep and eating patterns.

Greater Impact in Less Developed Nations: Upon review of the percentage of populations affected by food values, these are estimated to impact a greater proportion of people in less developed nations. This holds true especially for the following food values: economy, food distribution and access, environmental, and social justice and security. One of the most notable differences is found when looking at economic attributes with almost double the percentage of people in moderately developed countries being affected compared to those in very highly developed countries.

Differences in Food Distribution and Access: Overall, looking at attributes affecting food distribution and access, more developed countries have infrastructures that provide access to a wide range of fresh and prepared foods. The biggest difference is found in terms of access to fresh, whole foods while the access to a variety of processed, packaged foods is fairly consistent among all countries. Interestingly, very highly developed nations are estimated to have the greatest level of access to goods of nutritional value.

Differences in Food Content and Ingredients: Globally, fermented and ingredients unvalue estimated as having systickingly strong role in purchasing and consuming. In countries as low as 70-60% of the population are impacted. Food and vegetables, dairy, and poultry - either as foods, or ingredients in complex foods. Similarly, less than half of the population is perceived to be at risk by attributes such as sugar, fat, sodium, and added sugars.

Project Implications

Stakeholder Presence Invited

Based on the expert know and opinions gathered, the Food Values Project, for a comprehensive description of the food environment and shaping the roles of traditionality in the food chain, supply chain, producers, food manufacturing and regulatory agencies and others. These values are aligning opportunities for new stakeholders focused on improving inputs to production, social justice, practices, environmental quality, waste resources utilization, and food security.

Food companies and retailers need to be aware of new stakeholders that are activated by a desire to improve food systems, increase access to local and more sustainable foods, and increase the availability and affordability of fresh and fresh foods, as well as to understand what is important to them in order to reduce successful products.

These new food values in the food chain at the top of the list of stakeholders, consumers, retailers and competitors that are important in an important role in developing strategies for deploying financial and government innovation, production and marketing efforts.
A New "Value-Driven" Food Chain: The traditional food value chain was comprised of suppliers, distributors, extracting incremental financial value as they moved products from farm to plate.

The new value-driven food chain is defined by the addition of characteristics, behaviors, commitments, and qualities that add perceived value to foods and beverages.

These new incremental values can be created directly by traditional players such as producers, operators, or manufacturers, or by partnering or leveraging the expanded array of stakeholders that have emerged within or alongside the food chain.

During product development, companies need a comprehensive plan regarding the role that relevant stakeholders might play in shaping the understanding and perceptions of their new product or new technology.

For example, values related to food policy and regulation have caused a shift in school meal requirements.

A company manufacturing products that may potentially be sold in schools now needs to consider lawmakers, lobbyists, and food policy advocates as stakeholders in their value chain.

While critical stakeholders will differ depending on company or product, a visualization of the contributors to, and stakeholders in the new value-driven food chain is displayed in figure 2.

The Project in Practice: According to Dr. Mitch Kantor, FoodMinds Chief Science Officer and Director, Global ExpertBlanch, the outputs from the Food Values Project have great implications for research and development teams.

"Understanding gleaned from the Food Values Project, harmonized appropriately, can serve as a key to developing strategies and tactics for more effective and efficient operations within the new value-driven food chain," he said.

"In an evolving world market, where the motivators that have long driven purchasing

Tailer-made solutions can be provided by Meuners Natural, expert in organic and natural solutions from cereals for 30 years.
### Design Trends

**Table 1: Attributes Impacting Food Purchase Behaviors**

<table>
<thead>
<tr>
<th>Food Value Factors</th>
<th>Sample Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>Organic; Animal welfare (cage-free, humane); GMO/biotech enhanced crops</td>
</tr>
<tr>
<td>Economy</td>
<td>Food costs; Overall cost of living; Unemployment level</td>
</tr>
<tr>
<td>Social Justice and Food Security</td>
<td>Farm labor practices; Ethical trade and sourcing practices; Hunger/food insecurity</td>
</tr>
<tr>
<td>Geography</td>
<td>Urban, suburban, rural environments; Proximity to local food production; Proximity to restaurants and ready-to-eat meals</td>
</tr>
<tr>
<td>Food Cooking and Preparation</td>
<td>Expression of love for family/friends; Convenience, ease, time of preparation; Expression of local food culture</td>
</tr>
<tr>
<td>Socio-demographic</td>
<td>Immigration; Access to public education; Both parents in the workforce</td>
</tr>
<tr>
<td>Food Distribution and Access</td>
<td>Restaurants/eating out-of-home; Prepared meals bought or delivered to home; Local farmers’ market</td>
</tr>
<tr>
<td>Food Manufacturing and Retailing</td>
<td>Consolidation in food manufacturing &amp; retail; Prepare meals, brought or delivered to home; Local farmers’ markets</td>
</tr>
<tr>
<td>Food Labelling</td>
<td>Calorie labeling on packaged foods and menus; Health and nutrition claims; Front-of-pack interpretive labels</td>
</tr>
<tr>
<td>Food Content and Ingredient</td>
<td>Sodium/salt; Free/adder sugars; Clean label/fewer ingredients</td>
</tr>
<tr>
<td>Food Regulation and Policy</td>
<td>Taxes on sugar, fat and/or sodium; School food requirements; Food-based dietary guidelines</td>
</tr>
<tr>
<td>Public Health</td>
<td>Malnutrition; Adult and childhood obesity; CVD disease (heart, stroke, blood pressure)</td>
</tr>
<tr>
<td>Environmental</td>
<td>Water utilization/drought; Land use; Food waste (damaged, unused, leftovers)</td>
</tr>
<tr>
<td>Personal/ Psychological</td>
<td>Self-direction (independent thought and action); Hedonism (pleasure and self-gratification); Stimulation (excitement, novelty, challenge in life)</td>
</tr>
</tbody>
</table>

Decisions are changing rapidly; greater understanding of the prevalent stakeholders and values that drive decisions in different regions can provide advantage to food scientists, product developers and marketers. Overall, understanding how "physical performance characteristics," and "qualitative food values" interact and affect consumer behaviors is advantageous when mapping out corporate R&D strategy.

Recent global examples illustrate how companies should begin thinking about food values and their effect on food behaviors. For example, in Brazil, meal times are seen as social occasions to be spent with friends and family, and it would be a product developer to take these types of values into account when creating new food items for the Brazilian market. "In Western Europe, where food scandals have rocked the continent over the past 20 years (i.e., horsemeat being sold as beef in France; the mad cow outbreak in England; the discovery of pesticides in food products in Belgium), consumer confidence in the food supply chain has eroded," Kantar continued. "Nutrition labelling on food packages and other tactics that make it easier to identify the origin of food products are extremely important."

The key takeaway is that understanding of food values driving consumer behaviors - and the stakeholders and cultural forces shaping these values is critically important to success in the value-driven food chain. Companies who design a comprehensive strategy to listen and respond to these stakeholders and values, are likely to find success in the ever-changing food environment.

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Globally, it was a tough year for food and beverage market. In 2017 following a more positive 2016. The three major trends in 2017 were a focus on organic food and ingredients. Market insights on organic food and ingredients showed a steady increase, with organic food and ingredients seeing 7% in the 12 months to September 2017. The other major trend was the focus on natural ingredients, where a rise of about 1.5% was observed.