Food Consumers Survey Results

SimplyFood

Introduction

In 2020, SimplyFood did a survey of food consumers to get their insight on issues affecting specialty food production companies. The following report discusses those findings and issues/opportunities that they present for companies in the specialty food production industry. We surveyed 600 people located throughout the United States with a margin of error of +/-3%. We hope you find these survey results and our conclusions useful in planning your future business strategies.

Demographics

Age

9.83% 18-24
34.83% 25-34
34.67% 35-44
20.67% 45-54

Gender

57% Female
43% Male

Food Safety

Our first few questions were based around attitudes towards food safety. This is a very important issue for all food production companies and is often thought of as a "black hole" of information for consumers as there is not much visibility into food safety data that is available at their level. We think this will undergo rapid changes in the near future as blockchain technology becomes more prevalent and data is both more readily available and more reliable. Below were the results of some of our questions around this topic.

How important is the issue of food safety to you?

82% Very important

17% Somewhat important

How confident are you that you know the safety of your food when you purchase?

86% Very confident

26% Somewhat confident

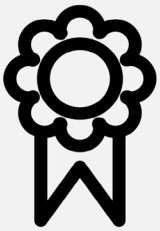
12% Not confident

If you could be 100% certain that a specific brand of food was completely safe to consume, would you be?:

90% More likely to purchase that brand

5% Less likely to purchase that brand

5% It would not affect my brand purchase



When you purchase food items, how often do you read the label on the packaging?

18% 0-25% of the time

31% 51-75% of the time

26% 26-50% of the time

25% 76-100% of the time

When you purchase a food item, how often do you determine the country of origin prior to purchase?

44% 0-25% of the time

21% 51-75% of the time

24% 26-50% of the time

11% 76-100% of the time

Would you use a free app that gave you complete information about the country of origin and safety about the food you purchase?

49.5% Absolutely I would use the app

43.5% Maybe I would use the app

7% I would not use the app

How many times in the last 2 years have you submitted a negative social media review of a food related item (not restaurant)?

60% 0 times

27% 1-2 times

10% 3-6 times

2% 7-10 times

1% more than 10 times

Clearly the results show that consumers are interested in the safety of their food. They often look to see where their food comes from and what ingredients make up their food items. They also would really like the option to utilize technology to make informed decisions on purchases, and having that information available could lead to an increase in brand loyalty. Some good news, not a lot of respondents are resorting to social media to tell others about bad experiences with food, or maybe they are just not having those bad experiences. Of course the bad news is that all it sometimes takes is 1 bad social media review to destroy a business.

Online Purchases (eCommerce)

Next, we asked a series of questions related to the online purchase of food products. Current estimates put online food purchases at somewhere between $12-27 billion. However, analysts expect online purchases of food items to reach $100 billion by 2025.

What percentage of food items do you buy online?

78% 0-25%
15% 26-50%
5% 51-75%
2% 76-100%

When or if you were to purchase food items online, what device are you most likely to use when ordering?

66% Mobile phone
27% Laptop or desktop
7% Tablet

A few things clearly stand out from these responses. As expected, the current amount of online food purchases was not very high. You need to have an eCommerce offering that is mobile friendly. Better yet, you most likely want to make some investments around your own mobile app. You had better be offering free shipments and the ability to receive online purchases fast. And again, the idea of verifying freshness (quality and safety) data would definitely dictate what someone purchases online. This makes sense. If someone cannot verify in your online store if the expiration data for an item is 6 days or 6 months, they will be much less likely to purchase online. Remember from earlier, they are very adept at looking at labels in a store, so your technology plan needs to provide them with that same information online as well.

What would increase your purchase of food items online? Check all that apply.

57% Free shipping offer
44% Ability to verify freshness
40% Mobile app available
38% Faster shipping
36% Better online purchase experience
28% Samples available
27% Available on popular sites (Amazon)
16% Increased payment options (ex. Apple Pay)
17% Nothing would increase online purchase

Note: This survey was done just a few weeks before the Covid-19 pandemic occured in the US. We now anticipate a rapid advancement in the adoption of eCommece food purchases worldwide as a result.

Specialty Food Badges, Convenience, & Sustainability

Our final group of questions centered on some hot industry topics such as what specialty badging do people look for on packaging, and how important are the ideas of convenience and sustainability in what food items people purchase.

What specialty food badges do you look for on packaging when making a purchase? Check all that apply.

- 43% Non-GMO
- 38% Certified Organic
- 24% Gluten Free
- 15% Allergen Free
- 10% Kosher
- 6% Paleo / Keto
- 37% Don't look for any badges

How important is the concept of convenience in the food items that you purchase?

- 49% Very important
- 43% Somewhat important
- 5% Not important
- 3% Not sure

How important is the idea of sustainability in the food items that you purchase?

- 49% Very important
- 41% Somewhat important
- 7% Not important
- 3% Not sure

How willing are you to pay a premium for food items that can be verified as safe, sustainable, organic, allergen free, or non-GMO?

- 24% Very willing to pay more
- 55% Maybe willing to pay more
- 21% Not willing to pay more

Analysts have been saying for a while now that these are all issues that are becoming more and more important to consumers and our survey numbers bear this out. It is also interesting to note that our survey indicates a willingness to pay more for food that can be verified by the consumer.

Conclusions:

For a company active in producing and selling food products, there is a lot of interesting data in these survey results. Of course the most interesting results for us at SimplyFood are those that can be addressed with technolo-gy. Looking through the numbers, we see a few things that pop out at us that are crucial for food companies going forward:

1) **Food safety is important to consumers.** They want to be able to verify the data themselves prior to purchasing. The easiest way to accomplish this goal is through an interactive mobile app.

2) Currently, **there really is only one way to assure that food safety and quality data is 100% accurate and free of fraud. That is through blockchain technology.** We anticipate that this technology will expand significantly in the next few years, The IBM Food Trust blockchain is already available and in production. **It can assure that safety and quality data is verifiable and tamperproof throughout the supply chain,** and there are already companies making this data available to their consumers.

3) Selection of **a very good, scalable eCommerce platform has never been more important for this industry than it is now.** It must be mobile friendly and easily connect to and share information with your sources of data, your ERP system and other required platforms.

4) It is important to quantify these results. **A company should do their own research to see how brand loyalty is affected by verifiable data.** How much of a premium will a customer pay? What can a company expect to see in increased sales when introducing an effective eCommerce platform or app? Is there money to be saved on credit card processing by providing secured data? Can technology be used to find the lowest cost shipping method that gives the customer the fast and free shipping they desire? Etc.

We would be happy to answer any questions you may have about this survey or give you access to any of the specific demographic data. For more information please email info@simplyfoodsoftware.com