

## UNDERSTANDING THE OMNICHANNEL EATER:

Eating what they want,  
when they want it

## From remote learning and online meetings to curbside pickup, the pandemic of 2020 ushered in a plethora of new concepts and trends.

Few segments saw as much upheaval as food and beverage, with lockdowns shuttering both restaurants and even grocery store departments like in-store bakery and deli. It required a quick reboot of our shopping and eating habits, as consumption shifted from on-the-go or in restaurants to cooking meals at home. And it gave rise to the omnichannel eater.

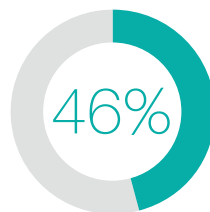
While concern about the pandemic is starting to wane and restaurants and foodservice are back in business, our lifestyles have been irrevocably changed... and the idea of eating what we want, whenever we want seems to have found traction.

Innova Market Insights named **omnichannel eating** one of its top trends for 2021.

The research firm defines the concept as a blurring of the lines between traditional foodservice and retail that is gaining steam as consumers now seek more than convenience – they want richer experiences and easily accessible indulgence.<sup>1</sup> What's more, Whole Foods Market also cited a crossing over between dietary supplements and grocery aisles, as consumers look to find specific health benefits from foods, such as a mood boost or immune system support. Brands are accommodating them with functional foods containing value-added ingredients like vitamin C, mushrooms and adaptogens.<sup>2</sup>

Essentially, consumers now want healthy, nutrition-packed foods for all kinds of eating adventures whenever and wherever they are, as well as convenient and affordable shopping experiences.

This concept gained steam in 2020 as consumers, stuck at home, tried to recreate restaurant experiences with the help of products like meal kits/starters with sophisticated ingredients.



A 2020 Innova consumer survey found that nearly half of consumers (46%) believed that restaurant-branded products are an easy and convenient way to have the same experience and flavor at home.<sup>3</sup>

In actuality, the omnichannel world has been emerging for a number of years as consumers (especially younger ones) increasingly adopted online shopping, resulting in a much more digitally engaged consumer base. According to a Nielsen IQ/Food Industry Association (FMI) joint study, online consumer packaged goods sales reached \$63 billion in 2020 and could top \$100 billion in 2021.<sup>4,5</sup> Although online shopping was originally most common for non-edible items, in 2020 foods and beverages for the first time took the top spot over health and beauty as the leading category in online sales. When the pandemic hit, digital shopping was a ready-made option and the grocery sector skyrocketed, according to insights from the report.<sup>6</sup>

### The digitally savvy shopper

So what do we know about digitally receptive, omnichannel consumers? They do often tend to skew younger. Both Gen Z and millennials are digital natives (having little or no memory of a world before smartphones).<sup>7</sup> As such, it's not surprising that they embraced the idea of grocery shopping online. But they are not the only ones engaged in e-commerce. According to a 2021 survey from FMI and The Hartman Group on how the pandemic shaped shopping, the online shopper universe expanded from one in two adults to almost two in three – with newcomers from every generation and usage frequency rising as well.<sup>8</sup>

As consumers focused more on wellness during the pandemic, they also embraced online shopping as a means to “shop well,” according to the FMI/Hartman report. In other words, being well is not just about health and safety, but also tied to recreation and leisure. As adults have become more comfortable with online shopping, they tend to rate their experience highly in terms of meeting their immediate needs.<sup>9</sup>

In addition to seeking a more efficient way to shop, consumers now also look for foods and beverages that provide next-level convenience beyond the traditional notions of products that are easy and accessible, according to a Hartman Group report on new trends in convenience post-COVID. Consumers still state a strong desire for convenience products, but they are now increasingly unwilling to sacrifice other qualities such as flexibility, experience and customization, which all tie into the omnichannel sensibility.

### Omnichannel opportunities

Restaurants and grocers are jumping on the omnichannel bandwagon, but brands are also innovating. Convenience products, the Hartman report suggests, are shifting toward solutions for alleviating stress and busyness with simplified meal prep, while maintaining a strong

connection to food. This is evident in the increasing use of foods that offer flexibility and versatility, such as frozen vegetable blends, pre-cooked frozen meat dishes, exotic cooking sauces and shelf-stable beans and rice, all of which offer good quality, ease of use and the ability to store for longer periods. The rise of fresh meal kits is another example in which consumers have an easy, customizable option to cook at home without starting from scratch, while also allowing them to experience and enjoy different cuisines.

FMI, which has studied omnichannel shoppers extensively, sees substantial opportunities for fulfilling the needs of these consumers going forward. Even with the boost from the pandemic, online sales in the food and beverage category are underdeveloped. At the same time, digital is now a platform that is important in food shopping and discovery, but even so, consumers also want to return to stores and create new food experiences and connections as well.<sup>11</sup>

This means that brands must provide consistent experiences on all the channels where customers touch their products, offering information, advice and deals – both online and off. Consumers today, no matter where they buy food, want flexibility and personalization in how they order, the products they purchase and how they pay.

## Why consumers started grocery shopping online



Source: FMI/Label Insight. “Transparency Trends: Omnichannel Grocery Shopping from the Consumer Perspective.” July, 2020.

Transparency is another aspect that will be increasingly important for these shoppers. They are highly concerned about product quality when buying foods and beverages online; in fact, two-thirds of online shoppers now hold brands completely responsible for providing adequate product information online.<sup>12</sup> When they are confused about a product's ingredients, nearly half say they research the ingredients online, and almost as many will look at another product to see if they better understand its ingredients.

**Ultimately, as manufacturers and retailers increasingly cater to these demands, we will see continued innovation in meal kits and prepared foods, as well as online delivery and click-and-collect services.<sup>13</sup> Brands, meanwhile, will have to stay on top of these trends by providing products that deliver convenience and solutions for varied eating occasions – without compromising on quality or taste.**

No matter where consumers shop for your products, Cargill can help you earn their trust with high-quality ingredients and supply transparency.

To learn more, contact us at 1-800-932-0544 or [customerservice@cargill.com](mailto:customerservice@cargill.com).

<sup>1</sup> Innova Market Insights. "Innova Identifies Top 10 Food and Beverage Trends to Accelerate Innovation in 2021." October 21, 2021. <https://www.innovamarketinsights.com/press-release/innova-identifies-top-10-food-and-beverage-trends-to-accelerate-innovation-in-2021>

<sup>2</sup> "Top Ten Food Trends Forecasted for 2021 Driven by Radical Shifts in Consumer Habits." October 10, 2020. CSNews.com. <https://csnews.com/top-10-food-trends-forecasted-2021-driven-radical-shifts-consumer-habits>

<sup>3</sup> Ibid.

<sup>4</sup> NielsenIQ. "Online CPG Sales in the U.S. are Booming, but There's Still Room for Growth." February 26, 2021. <https://nielseniq.com/global/en/insights/analysis/2021/online-cpg-sales-in-the-u-s-are-booming-but-theres-still-room-for-growth/>

<sup>5</sup> Baker, D. "The Outlook for Digital Shopping in 2021." May 21, 2021. <https://www.fmi.org/blog/view/fmi-blog/2021/05/21/the-outlook-for-digital-shopping-in-2021>

<sup>6</sup> Ibid.

<sup>7</sup> Parker, K; Igielnik, R. "On the Cusp of Adulthood and Facing an Uncertain Future: What We Know About Gen Z So Far." May 14, 2020. Pew Research. <https://www.pewresearch.org/social-trends/2020/05/14/on-the-cusp-of-adulthood-and-facing-an-uncertain-future-what-we-know-about-gen-z-so-far-2/>

<sup>8</sup> Food Industry Association (FMI) in partnership with The Hartman Group, "U.S. Grocery Shopper Trends 2021, Report Finding No. 1," June 3, 2021. <https://www.hartman-group.com/infographics/1295807438/fmis-us-grocery-shopper-2021-trends-report-key-finding-no-1>

<sup>9</sup> Food Industry Association (FMI) in partnership with The Hartman Group. "U.S. Grocery Shopper Trends 2021, Report Finding No. 2," June 10, 2021. <https://www.hartman-group.com/infographics/332983743/fmis-us-grocery-shopper-2021-trends-report-key-finding-no-2>

<sup>10</sup> The Hartman Group. "COVID-19 and New Modern Convenience 2020." <https://www.hartman-group.com/documents/2108524895/covid-19-and-new-modern-convenience>

<sup>11</sup> Ibid. FMI/The Hartman Group. "Report Finding No. 2."

<sup>12</sup> FMI/Label Insights webinar. "Transparency Trends: Omnichannel Grocery Shopping from the Consumer Perspective." July 30, 2020. [https://fmi.adobeconnect.com/\\_a828399537/pqufv6qvjine/](https://fmi.adobeconnect.com/_a828399537/pqufv6qvjine/)

<sup>13</sup> Ibid. The Hartman Group.

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