



The new nature of convenience

The pandemic may have thrown a wrench into the way consumers shop and eat for a couple of years, but as things slowly return to some normalcy, it's clear that some of the new ideas about how we buy and consume foods have shifted for good.

For example, convenience foods – one of the largest food and beverage categories – has seen a profound impact as consumers now identify and prioritize what convenience means to them.

That is not to say that these shoppers don't still want *what* they want *when* they want it. In fact, that may be more evident than ever in this age of digital information and tools. But the pandemic also added perspective, and consumers have gained a greater appreciation for simple pleasures like enjoying homemade foods with friends and family. For product developers, defining convenience today involves understanding this consumer paradox in what was already a lively and booming category.

By standard definition, convenience foods are those that are advance-prepared and ready-to-eat with little or no preparation. While these general rules still apply, the pandemic had unprecedented impacts on our already-dynamic eating habits. For instance, the 2020 lockdowns prompted extraordinary levels of home cooking. However, cooking fatigue set in fairly quickly, and consumers then began to seek solutions to get meals on the table quickly and easily, according to research from The Hartman Group in "Shifting Food Habits and Routines." Boredom and habit were other key drivers of eating patterns during this time period, with consumers also taking a more intentional approach to health.¹

Some work regimens began to return to normal in 2021. Though home remained the place where most eating occasions occurred, consumers did begin to return to restaurants as they reopened and felt safe. Throughout this rollercoaster ride, U.S. consumers have consistently reported that their lives remained busy and stressful due to both pandemic pressures and the ongoing demands of juggling family, careers and fitness.^{3,4} This means convenience products are still an important part of daily meal solutions.

In 2022, restaurant sourcing is becoming more prevalent, but consumption of ready-to-eat foods remains stable. This suggests that consumers have now gotten more

comfortable with a greater level of food preparation when they feel like it, while they also turn to more convenient, lower-prep options when they're not in the mood, the Hartman report noted.

Consumers have also become more discriminating about the quality and taste of all types of convenience products, from snacks to meal kits. This is particularly important for younger consumers, who see themselves as adventurous eaters looking for new flavor experiences in the foods they purchase.⁵ The takeaway for the convenience category is that products must now raise the bar on taste, flavor, health and quality.

The rise of meal kits

Meal kits and other products designed to make cooking at home easier have been among the most important developments in the convenience segment recently.

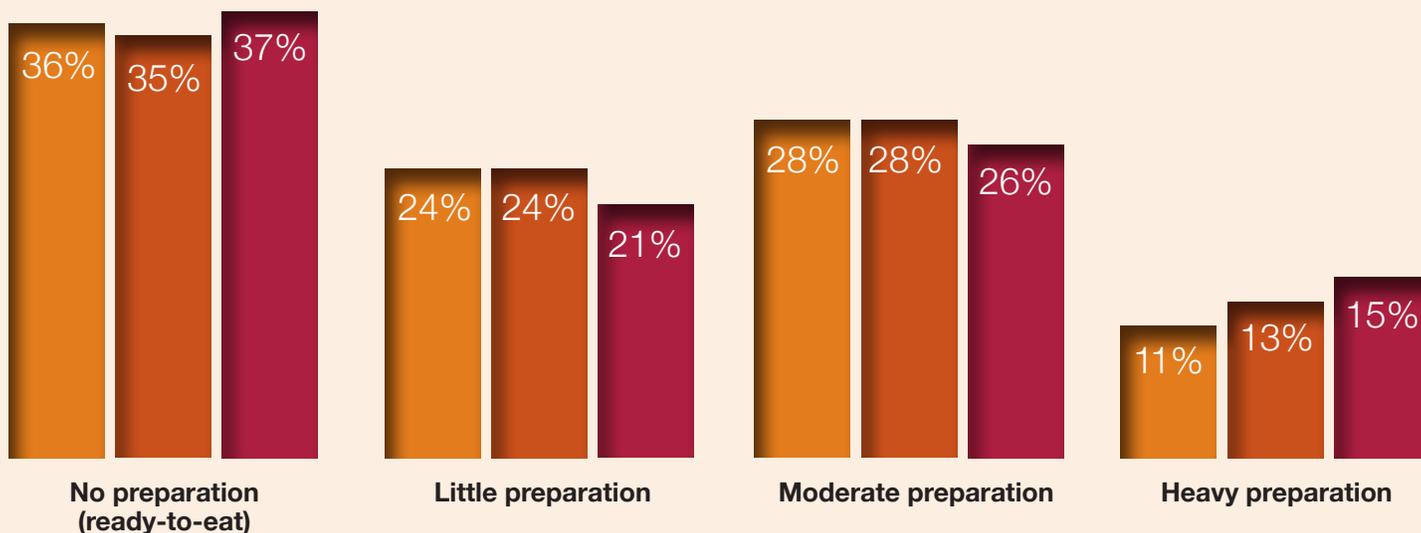
Their success – especially in 2020 – is evidenced by the growth of Kroger's meal kit brand, Home Chef, which saw **sales of \$1 billion** in 2020 on **growth of 118%** over 2019.⁶

These kits helped ease the burden of meal planning and cooking with products that are also seen as fresh and healthful.

However, as consumers return to their pre-pandemic routines, it is not clear how this sub-segment of convenience will evolve. Hartman Group insights suggest that, while use of these products skews toward younger consumers, the rise of more mainstream brands in-store could expand this market.⁷

It is also evident that, although most consumers prefer kits requiring no preparation, there is growing momentum for kits that necessitate greater preparation efforts.

Degree of preparation



(Excludes occasions that were prepared by someone else and those sourced from or at a restaurant)

Source: The Hartman Group. "Shifting Food Habits and Routines: 2021 Eating Occasions."

Hartman analysts suggest that the future sweet spot for these products will be in kits that combine elements of convenience, taste, enjoyment and health, with new and bold flavors and/or functional benefits.⁸ These qualities will keep in-store kits competitive with options offered online or in restaurants.

Snacking 3.0

Snacks are the quintessential convenience food, but they have evolved well beyond their salty pretzel and tasty cookie origins. There are several reasons for this. Snacking has become a rising dietary trend, as many consumers now prefer eating smaller and more frequent meals. But snacking is also increasingly linked to stress, with those who report high stress levels (29%) noting they snack three or more times a day, compared to only 10% of those who say they are less stressed.⁹

Snacks have become so important in food and beverage, in fact, that *New Nutrition Business* calls "snackification" a mega-trend, suggesting that developing innovative new snacks should be at the heart of every company's product development strategy.¹⁰

As with meal kits, the standards for successful snacks have risen, with Hartman analysts noting that there are now four drivers for consumers as they choose a snack, including:¹¹

1. **Nourishment:** Products that sustain and contribute to health
2. **Optimization:** Snacks that optimize physical and mental performance requirements
3. **Pleasure:** Snacks that fulfill emotional desires for enjoyment or reward
4. **Distraction:** Products that help with stress or relieve boredom

This means that consumers now set a higher bar for any snack they eat, so the same rules of good taste, robust flavor, health and convenience apply. But brands will have to look deeper at the motivations, needs and context behind consumer snack choices to identify further opportunities in the space.¹²

Packaging factors

One of the hallmarks of convenience foods is that these products are easy to consume on-the-go or come in single-serve packaging, which has not traditionally meant packaging that was particularly environmentally friendly. However, as consumers feel more responsible about the sustainability and footprint of their food choices, they will be looking closer at packaging of all kinds, and this will increasingly trickle over into the convenience sector.

There are plenty of new packaging options that can help improve a product's sustainability score. Packaging that can be recycled is becoming a new norm in many food and beverage segments, with use of biodegradable or compostable packaging on the rise in recent years.¹³

In the food and beverage industry, there are a variety of emerging options, including glass containers that are reusable, recyclable and durable; bamboo containers that are durable and heat-resistant; and rice-husk packaging, made with a byproduct of rice farming, which is low-cost, renewable and biodegradable.¹⁴

Ultimately, today's convenience comes down to options that help make life easier for consumers, while also meeting their specific and growing demands for product nutrition and health that are also sustainable, affordable and exciting.

Create convenience foods that work for today's consumers.

Learn more at [cargill.com/labelfriendly](https://www.cargill.com/labelfriendly).

¹ The Hartman Group. "Shifting Food Habits and Routines: 2021 Eating Occasions." March 2022. <https://www.hartman-group.com/documents/42309508/shifting-food-habits-routines-2021-eating-occasions>

² Ibid.

³ Innova Market Insights. "Food and Drink has a Role to Play in Supporting Busy and Stressful Lives." May 28, 2020. <https://www.innovamarketinsights.com/press-release/food-and-drink-has-a-role-to-play-in-supporting-busy-and-stressful-lives/>

⁴ International Food information Council (IFIC). "2022 Food and Health Survey." May 18, 2022. <https://foodinsight.org/2022-food-and-health-survey/>

⁵ The Hartman Group. "The Joy of Snacking: An Avenue of Discovery of New Flavor Experiences – Particularly Among Younger Consumers." September 7, 2021. <https://www.hartman-group.com/newsletters/1525765120/the-joy-of-snacking-an-avenue-for-discovery-of-new-flavor>

⁶ Redman, R. "Kroger's Home Chef Brand Hits \$1 Billion in Sales." *Supermarket News*. October 25, 2021. <https://www.supermarketnews.com/prepared-foods/kroger-s-home-chef-brand-hits-1-billion-sales>

⁷ The Hartman Group. "What's Next in Meal Kits? Kroger's Home Chef Hits \$1 Billion in Sales." Blog. November 22, 2021. <https://www.hartman-group.com/blogs/276925749/whats-next-in-meal-kits-krogers-home-chef-hits-1-billion-in-sales>

⁸ Ibid.

⁹ Ibid, IFIC.

¹⁰ Mellentin, J. "Ten Key Trends in Food, Nutrition and Health 2022." *New Nutrition Business*. <https://www.new-nutrition.com/>

¹¹ Ibid, The Hartman Group. "The Joy of Snacking."

¹² Ibid.

¹³ Future Market insights. "Biodegradable Packaging Market: Market Insights on Biodegradable Packaging Covering Sales Outlook, Demand Forecast and Up-to-Date Trends. Global Industry Analysis 2015-2019, Opportunity Assessment 2020-2030." <https://www.futuremarketinsights.com/reports/biodegradable-packaging-market>

¹⁴ Sutaria, I. "Five Sustainable Packaging Trends to Watch in 2022." *Flexible Packaging*. January 26, 2022. <https://www.flexpackmag.com/articles/91783-5-sustainable-packaging-trends-to-watch-in-2022>

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