

# Understanding the Evolving Needs of the Pandemic-Era Consumer

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In the US, consumers have new needs for quick and customizable food, seamless ecommerce and holistic health solutions.

## Key takeaways

The anticipated shift to hybrid at-home and away-from-home work schedules will make easy-to-use products essential to reducing the stress of meal prep.

Time-saving ecommerce options have thrived during COVID and will continue to offer consumers an easy and seamless way to obtain food and drink.

A more proactive focus on health and self-care will require products to address physical, mental and emotional health with clear health claims, functional ingredients and nutritious formulations.

Consumers will continue to incorporate specialty food and drink into their lives as a permissible way to add fun, excitement and treats to their meals. Brands must be mindful, though, that consumers face varying levels of financial security.



WHERE WE ARE

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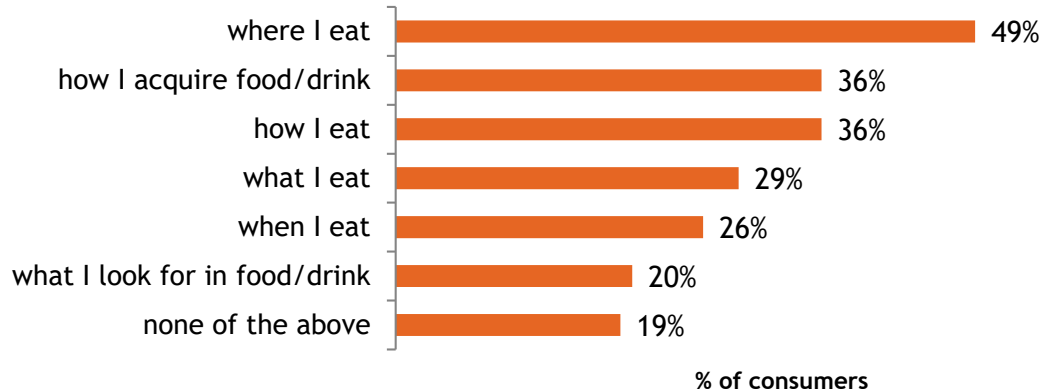
# The pandemic has changed how US consumers obtain and consume food and drink

Nearly two-thirds of US adults agree that the pandemic has made them reevaluate their life priorities.

In food and drink, US adults say the pandemic caused the most change in where they eat, how they grocery shop and how they approach their diets.

Many of these new habits and attitudes will be routine when "the next normal" arrives in the US.

US: impact of COVID-19 on food/drink choices, "The COVID-19 pandemic has changed...", 2020





# As the pandemic shifts, so does consumers' anxiety



In June 2021, "the next normal" felt like it was on the horizon in the US. Declines in COVID-19 infections due to widespread vaccine access caused most US cities and states to relax social distancing and mask protocols in time for summer. Officials announced plans to reopen schools and workplaces in September 2021.

By July, though, stagnating vaccination rates and the spread of the Delta variant again modified pandemic policies.

The surge in infections will cause some people to adhere to cautious habits, such as staying at home and shopping online. The setback also could complicate people's plans to reset health goals, with fresh anxiety keeping people away from public gyms and closer to comfort food.

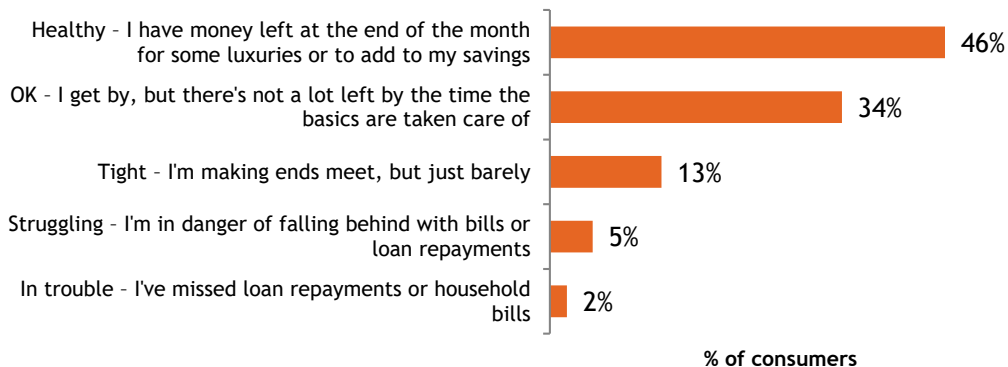
# Financial security continues to affect consumers' mindsets

The path to economic recovery will also be varied. This is especially true for the 20% of US adults who describe their financial situation as tight, struggling or in trouble.

The hardest-hit groups are ages 18-24 (adult Generation Zs), people of Hispanic origin, Black adults and people who describe themselves as other race.

For these consumers, value will be essential, especially as economic experts predict inflation and food companies consider price increases.

## US: description of current financial situation, 2021



*Base: US: 2,000 internet users aged 18+*

*Source: Kantar Profiles/Mintel from Mintel's Global COVID-19 Tracker, June 24-July 9, 2021*

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# US spending priorities for food and drink have and will continue to shift

Macroeconomic issues like inflation and rising food prices could increase the priority for value among all shoppers, even those who are currently financially secure.

43%

of US adults say **spending less on dining/food from restaurants** during the pandemic has *positively* affected their finances

34%

of US adults say **higher grocery bills are the top factor** that has *negatively* affected their finances during the pandemic

28%

of US adults say if the economy worsened, they would switch to **less-expensive kinds of food**

# Emphasize the value proposition of specialty food and drink



Specialty food and drink has helped consumers make their at-home meals feel more special during the pandemic. Sales of upgraded basics like pasta, sauces and the like suggest that consumers were looking for ways to elevate their everyday lives. As consumers strongly agree that they plan to keep cooking even after the pandemic is over, specialty foods can continue to play a key role in consumers' meals.

It will be important to emphasize the value that higher-priced specialty products offer; while these offerings will not be the cheapest option, they can provide value in a more personal sense (making meals fun) and can still cost less than a restaurant visit.





WHERE WE'RE GOING

Mintel

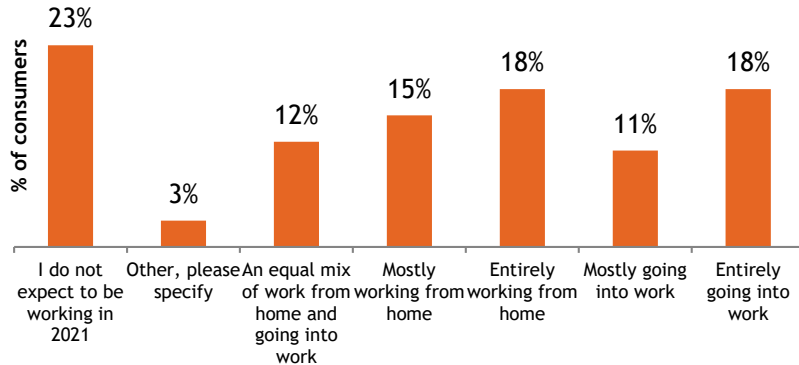
A woman with curly hair is looking down at a cardboard box. The background shows a kitchen with a hanging light and some items on a shelf.

## Consumers expect more flexible, hybrid routines

US adults predict that hybrid work schedules will be the norm, challenging retailers and foodservice operators to offer time-saving food and drink near and far from home. After more than a year of eating primarily at home, consumers will be looking for food and drink solutions that align with their more casual and flexible schedules.

# Flexibility will be key if hybrid work arrangements emerge as a norm

US: expectations for work situation throughout the year, 2021



US adults anticipate at least partial returns to in-person work. 38% of US adults expect their employers to institute hybrid arrangements that blend going into work and working from home.

The move to flexible work schedules aligns with more casual and less strict approaches to routines that were established during at-home time in 2020 and early 2021.

Home has been a safe space with fewer rules than the outside world. Consumers embraced the freedom to establish their own meal times and common menu items. This will place new demands on convenience food that can be personalized to fit in with any application or occasion, whether it be grab-and-go for in-person work days or slow-cooked dinners on work-from-home days.

# Offset cooking fatigue and ease busier schedules with convenience foods

Recommendations to stay at home to slow the spread of the virus caused 49% of US adults to change where they eat.

After eating most meals at home from March 2020-April 2021, 33% of US adults say they are sick of cooking for themselves or their household.

By saving consumers time and effort, convenience food and drink can be positioned as solutions that alleviate feelings of anxiety, stress or burnout that consumers are feeling after a tumultuous 16 months.

Brands still can suggest options for customization. Products that can be personalized would appeal to consumers who want to adapt food their household's preferences or show off newfound cooking skills - when time allows.



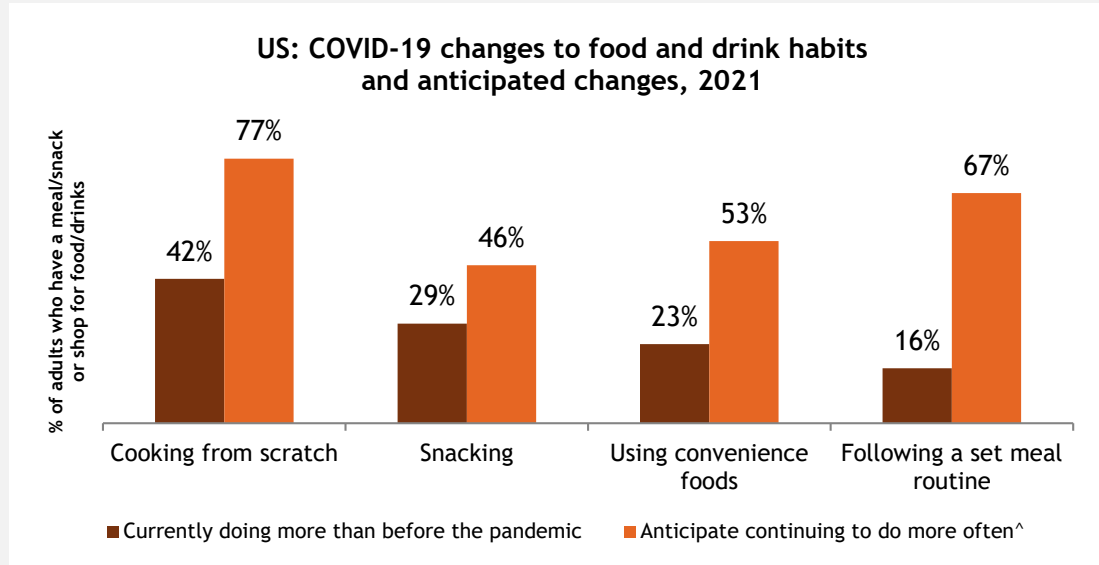
Even as restrictions ease, many people will be working from home more often than they did before the virus.

That means more cooking at home; convenience will come from more time-saving equipment and ingredients and more in-home advice from experts.

*Mintel's "Post-COVID-19 convenient food has a new definition," July 2020*



# Consumers plan to keep pandemic meal patterns



Consumers who are cooking, using convenience foods and following set meal routines more often due to the pandemic plan to maintain these habits.

Time-saving cooking products and grab-and-go snacks will help consumers maintain these behaviors.

When lifestyles get busier, food and drink that is quick, but customizable, will help consumers who follow a meal routine. Easy-to-use products could be the difference between maintaining a routine or skipping a meal.

<sup>^</sup> anticipated future behavior of consumers who currently do that behavior

**Base:** US: 1,997 internet users aged 18+ who have a meal/snack or shop for food/drinks; <sup>^</sup> 839 who cook from scratch; 571 who snack; 450 who use convenience foods; 329 who follow a set meal routine

**Source:** Kantar Profiles/Mintel, November 2020

# Hybrid schedules will need portable and customizable meal solutions

Lunch and dinner have seen the largest rises in at-home consumption from March 2020 to March 2021.

Prepared meals, especially frozen options, are well-positioned to appeal to consumers who are looking for quick lunches that can be made at or away from home.

Whether people are commuting from work or from their home offices, quick dinner solutions that can be customized with protein, sauces or sides will help people maintain their pandemic evening meal routines.



AYO offers "hand crafted West African dishes in less than 5 minutes"



Good & Gather Fettuccine Alfredo is ready in 9 minutes

# A repeat of 2020's limited holiday celebrations could transform traditions for the long term



Time-saving food could be a savior if plans for fall and winter 2021 events and holidays are once again disrupted by the virus. Safety concerns caused people to try new traditions during the 2020 US winter holiday season, such as smaller at-home celebrations with only their immediate family or a few other trusted loved ones.

Another holiday season with limitations would cause further reevaluation of traditions, possibly leading them to become the norm. This could include fewer guests and smaller portions of holiday meal staples, such as meat/poultry or desserts.

In addition, holiday staples may need to be available for longer as some people plan to celebrate on a day other than the designated holiday to limit stress or allow for less-crowded travel.

## Brands can adapt to consumers' varied holiday plans



### Smaller portions for smaller gatherings

Bauducco promotes its Panettone Bites as perfect for holiday celebrations as well as on-to-go snacking.

Smaller portions of holiday desserts could appeal to people who are limiting their guest lists.



### Celebrating earlier or later than usual

Dunkin' announced its fall flavors "earlier than ever before."

Like pumpkin spice, holiday staples may need to be available for longer to accommodate for celebrations before or after a designated holiday.



### Ready for alfresco celebrations

Consumers might be willing to take their holiday celebrations outdoors rather than cancel or decrease the guest list.

DoorDash teamed up with Beyond Meat to create a giftable backyard barbecue pack.



# Like holiday celebrations, travel will also resume on a spectrum

80%

of US consumers say COVID-19 has made them think more about health and safety while trip planning

53%

of US consumers say COVID-19 cases declining significantly would make them feel comfortable traveling from now on

54%

of US consumers plan to travel by plane once COVID is no longer a risk; 57% plan to travel by car

*Base: 1,543 internet users aged 18+ who have planned a vacation in the past 24 months; 1,327 internet users aged 18+ who plan to take a trip with an overnight stay in the future (whether COVID-19 is still a risk or not); 2,000 internet users aged 18+  
Source: Kantar Profiles/Mintel*

# Help consumers taste the world wherever they are

Whether at home or on location, consumers are being served new ways to sample regional and international food and drink.



## Regional Americana

Last summer, Jeni's Splendid Ice Cream re-created the state fair experience through its State Fair line available at scoop shops and in retail. Flavors include Watermelon Taffy and Atlantic Beach Pie.



## International favorites

Sakuraco's monthly tasting boxes feature Japanese tea, sweets and snacks sourced from different regions of the country.



## Poolside delivery

Resorts World Las Vegas offers more than 40 food and beverage experiences, which are available delivered to guests' rooms or pool chairs via Grubhub.

A top-down view of various grocery items including a tomato, a bottle of olive oil, a bag of rice, a carton of quail eggs, and a bottle of milk, all arranged on a textured blue surface. A white paper bag is partially visible on the left, and a brown paper bag is at the bottom left. A white plastic bag contains rice, and a metal strainer is visible next to it. A green-capped bottle of milk is at the bottom right. A yellow Mintel logo is in the bottom right corner.

## Cultivate the loyalty of new ecommerce shoppers

Online food and drink shopping is here to stay. Now that COVID-19 broke the ecommerce barrier for food and drink, retailers and brands can increase loyalty with low delivery fees and personalized promotions and recommendations.



# Online shopping has won over new shoppers



54%

of US adults who are shopping more online for groceries during COVID-19 say online shopping is more convenient than they thought

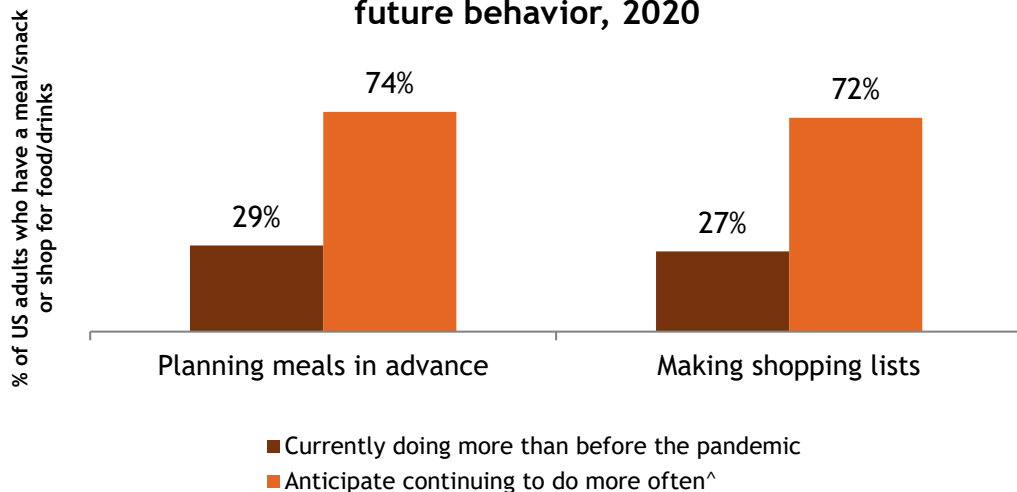
The pandemic accelerated consumer acceptance of ecommerce grocery options. As of January 2021, 57% of US grocery shoppers who shop in-store and online were shopping more online during COVID-19.

In July 2020, Mintel predicted that "as lockdowns lift, many consumers will be hesitant to give up the newfound convenience of grocery delivery." Indeed, the time savings and feelings of safety of not shopping in person during COVID-19 are likely among the reasons why 54% of US adults who are shopping more online for groceries during COVID-19 plan to continue doing so when COVID-19 is no longer a threat.



# Online shopping tools can help consumers meet their goals of planning ahead

US: pandemic-driven changes in eating and anticipated future behavior, 2020



In 2020, Mintel predicted that companies will have a big role to play in enabling better meal planning.

Data from online orders can be used to help consumers who want to continue to plan meals in advance and maintain their shopping lists.

Consumers are interested in a customized approach: 55% of US adults who grocery shop online are interested in personalized recipes and usage ideas; 56% would like retailers to suggest items to try based on their shopping habits.

*^ anticipated future behavior of consumers who currently do that behavior*

*Base: US: 1,997 internet users aged 18+ who have a meal/snack or shop for food/drinks; ^ 579 who plan meals in advance; 539 who make shopping lists*

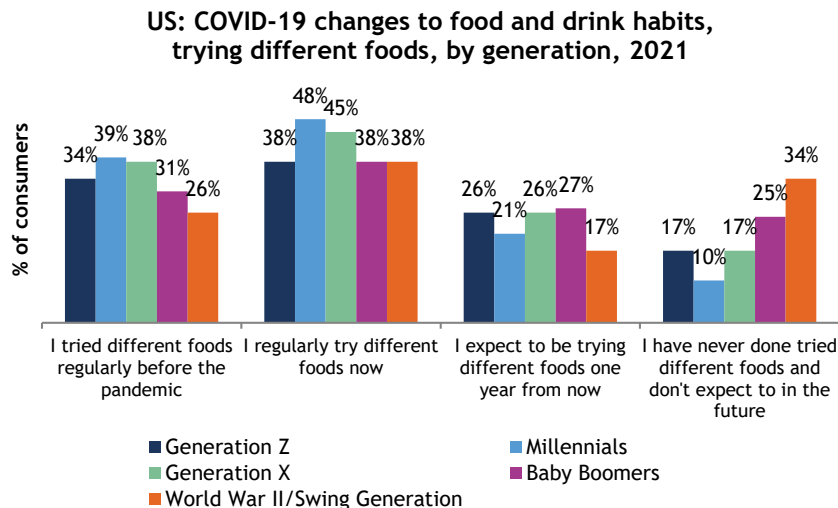
*Source: Kantar Profiles/Mintel, November 2020*

# Boost new product discovery and trial through communication

Retailers and brands can use shopper data to enliven routines with new recipes and products. Nearly half of US adults who shop for food/drink online mainly buy the same brands they would buy in-store.

However, 24% of US adults expect to be regularly trying different foods in the next year. Gen Z, Gen X and Baby Boomers are key targets for data-driven suggestions for new products.

Retailers and brands can also share how to use new products in recipes. Whether out of necessity or curiosity, 58% of US adults have tried new cooking or baking recipes since the pandemic started. Some expect to remain experimental in the kitchen: 30% will try new recipes while COVID-19 is still a risk, and 24% will try new recipes after COVID-19 is no longer a risk.



# Innovative concepts create opportunities for consumers to try new food and drink



**In-store sample kiosk**

Freeosk is "the original in-store discovery destination"; the kiosks are available in more than 1,400 stores across the US.



**Free sample coupons**

Social Nature is a website that "helps you find more natural and sustainable products at stores near you"; users answer questions to be matched with products they might purchase and are given a free coupon to try.



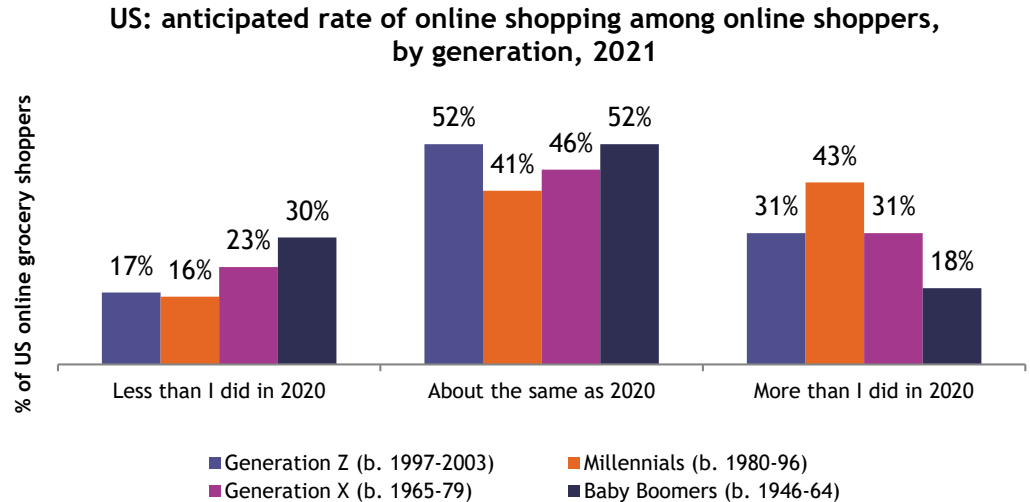
**Try in store or online**

Pop-Up Grocer is a traveling pop-up grocery store featuring new products; it also offers a box option that consumers can order containing themed products featured in-store.

# Bundles could help justify shipping costs

Millennials are more likely than all adults to plan to increase their online grocery shopping in 2021. This reflects anticipation of busier routines, especially for Millennials who are parents.

Baby Boomers are most at risk of defecting from online shopping. One US male aged 55-64 told Mintel that **minimum purchase requirements** for free delivery were a downside to online shopping.



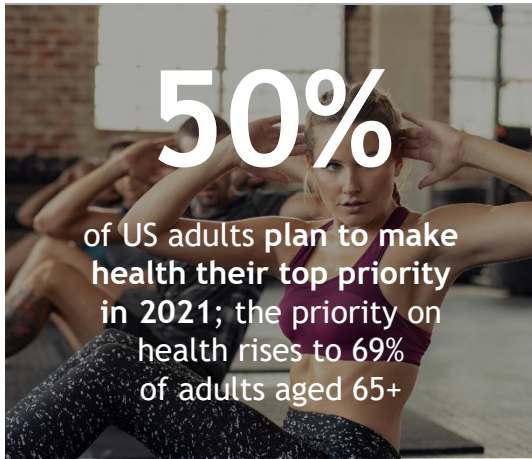




## Embrace the new, more holistic view on health

Brands will need to fit into consumers' new all-encompassing views of health. The future approach to "self-care" will move from "comfort food" to nutritious food. Functional formulations and convenience items can help offset daily stressors because "healthy" now includes proactive solutions to physical, mental and emotional health.

# The global health crisis makes health a top priority



The pandemic has prompted new proactive approaches to health, as predicted by Mintel in 2020. Health tops the list of people's 2021 life priorities, only slightly edging out family life and relationships (48%).

Similar to the disparity in the pandemic's economic impact, not everyone has been able to use the slowdown in activity to focus on their health. 45% of US adults felt more in control of their health in November 2020 than they did in January 2020, while 28% felt less in control.

# Brands can lend a helping hand to people who are trying to control their health

## Help those in control stay on track

Nearly half of US adults felt more in control of their health in November 2020 than they did in January 2020.

These adults benefitted from more free time, especially at home, and the ability to keep track of health goals, including new diet habits.

As life gets busier, brands can offer grab-and-go and easy-to-make products to help these consumers maintain control.

## Ease the stress of those who have lost control

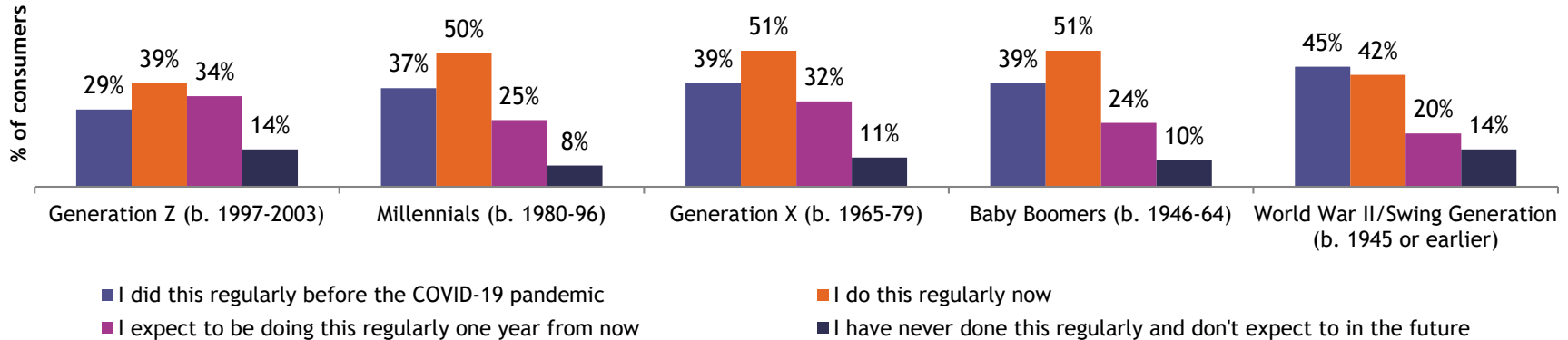
In contrast, the nearly 30% of US adults who felt less in control of their health have been hampered by concerns about COVID-19, stress and lack of motivation.

Food and drink can first address the anxieties of these consumers with immune health as well as mental and emotional health positioning.

# Help people maintain their healthy eating habits

Half of Millennials, Generation X and Baby Boomers are eating healthily in 2021. Better-for-you claims and healthy convenience foods can extend this habit for another year.

US: COVID-19 impact on food and drink habits, eating healthily, by generation, 2021





# With burnout looming, mental and emotional health solutions will be needed

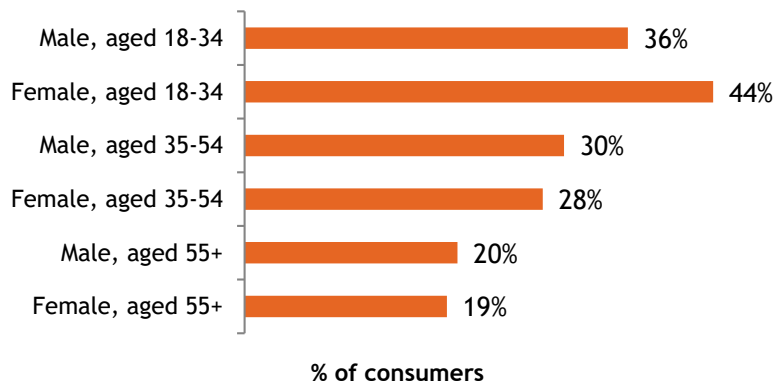
Food and drink have an opportunity to help people balance moods and emotions, according to Mintel's 2021 Global Food & Drink Trend *Feed the Mind*.

The pandemic has accelerated the importance of mental and emotional health. The focus on mental and emotional health should be regarded as a long-term trend because people aged 18-34 are most likely to be open about and seeking mental health solutions.

As the Delta variant pushes recovery farther into the future, the looming danger of anxiety overload and burnout only rises. "Pandemic fatigue" has depleted many people's energy levels, making consumers look for new ways to relax and recharge.

In addition to functional formulations, convenience products can be positioned as ways to reduce stress by saving time or effort.

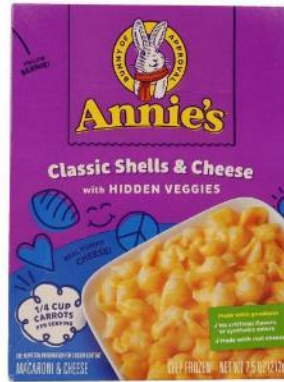
US: impact of COVID-19 on health management, "I am more aware of my mental health needs," by gender and age, 2020



# Better-for-you comfort food can help consumers stay on track



Frito Lay Snack Time Mix has individual bags of cookies and salty snacks



Annie's pairs classic shells and cheese with "hidden veggies"

The stress and anxiety of the pandemic has caused 34% of US adults to say "food has mainly been a source of comfort during COVID-19" is a true statement to them. Women aged 18-34 are most likely to agree, at 39%.

"Comfort food" is often associated with indulgent or unhealthy food and drink. Brands can offer health-conscious consumers smaller portions of decadent comfort food or reimagine "comfort food" with better-for-you ingredients.

# A range of products can help consumers address stress and the sources of it in their lives

Brands can offer functional stress and sleep products or take a broader approach to stress relief with claims that address stressors such as immune health or lack of time.



## Balanced energy and focus

Rebbl Straight Black Stacked is packed with nutrient-dense ingredients, including lion's mane and reishi, to "nourish the mind, body and spirit" and "deliver smooth, balanced energy with sustained focus."



## Mental boost and immune support

Buda Juice Zen Maca Shots are described as a "stress relieving adaptogen hormone balancer and aphrodisiac feel good boost."



## Seasoned meat ready in 10 minutes

Johnsonville Sloppy Joe Seasoned Sausage is said to be quick, easy and "a delicious good source of protein."

## Promote good nutrition as integral to self-care

A healthy diet is an important element of self-care, notes *The Future of Nutrition, Health and Wellness: 2021*. Healthy and nutrient-dense foods can be positioned as ways to support physical, mental and emotional wellbeing.

These products also have to taste good and be convenient. While 43% of US adults say healthfulness in food has become more important due to COVID-19, 53% say good-tasting products, and 47% easy-to-prepare products, are more important.



Catalina Crunch cookies feature "nutrient dense ingredients"



Clif Bar Duos have "nutrition for sustained energy"





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Our expert analysis of the highest quality data and market research will help you grow your business.

## Experts in what consumers want and why

