

Food trends- Their impact on producers and processors

March 20, 2019

Peter Chapman

Gary Morton



GROWING YOUR BOTTOM LINE



Funding for this project has been provided by the Governments of Canada and British Columbia through the Canadian Agricultural Partnership, a federal-provincial-territorial initiative.



GROWING YOUR BOTTOM LINE





Gary Morton

Peter Chapman



GROWING YOUR BOTTOM LINE



A retailer's perspective:

1. Pacific rim flavours
2. Shelf stable probiotics
3. Phat fats
4. Next level hemp
5. Faux meat snacks
6. Eco-conscious packaging
7. Trailblazing frozen treats
8. Marine munchies beyond seaweed
9. Snack time upgraded
10. Purchases that empower



A media perspective:

1. Cooking with cannabis
2. Caviar
3. Clear foods (transparency)
4. Edible cocktails
5. Gold
6. Mushrooms
7. Octopus
8. Seaweed
9. Peruvian
10. Smart cooking



An evolving value chain:

1. Consumer has higher expectations
2. Selling to large retailers is a challenge
3. More frequent and fragmented shopping
4. Big brands are challenged
5. Relevance means more
6. Sustainability is back
7. Buy local means buy Canada
8. Tastes are changing faster than ever



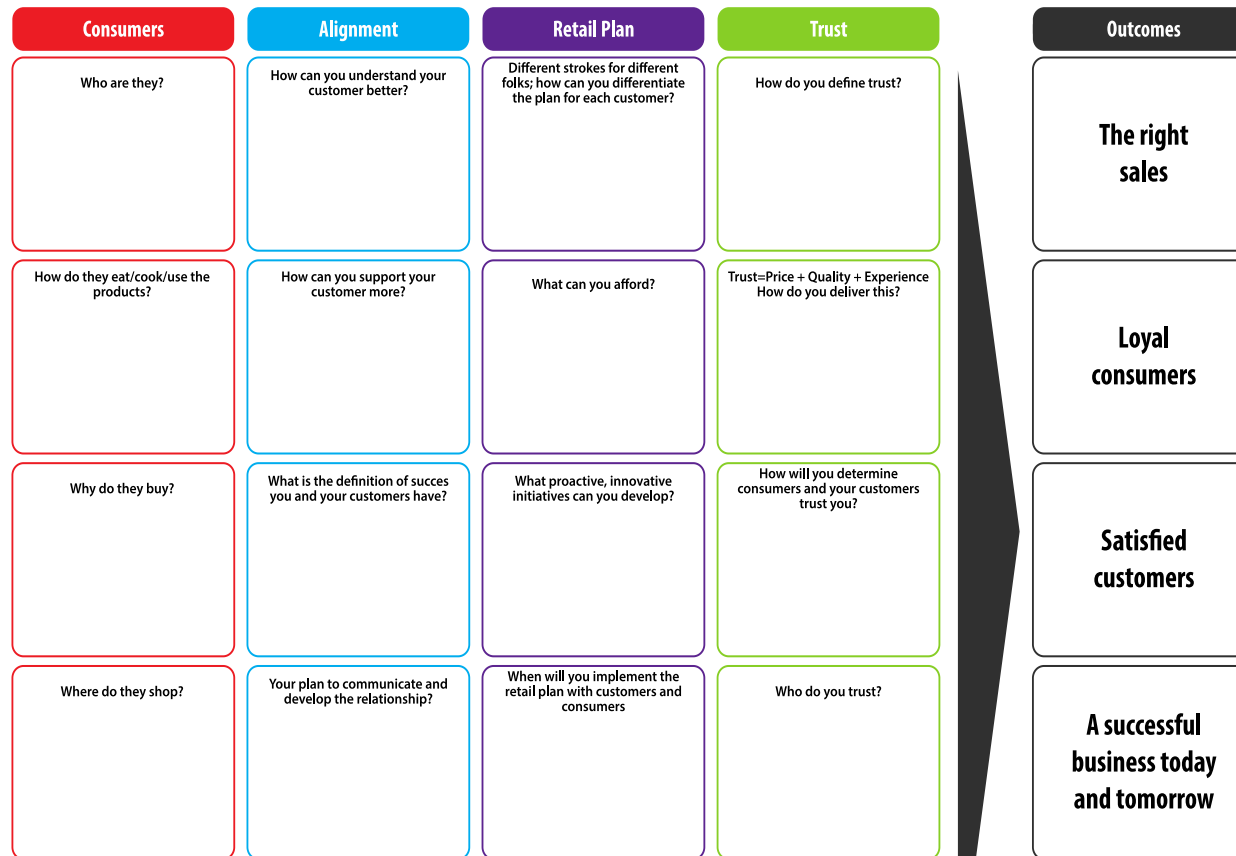
It's not about making great products to sell...

It's about selling the great products you make



SKUFood C.A.R.T. PROCESS

A Proven Recipe For Getting More Of Your Products In More Carts, More Often.



**It's not about making great products to sell;
it's about selling the great products you make**



SKUFood inc. © 2018 All rights reserved

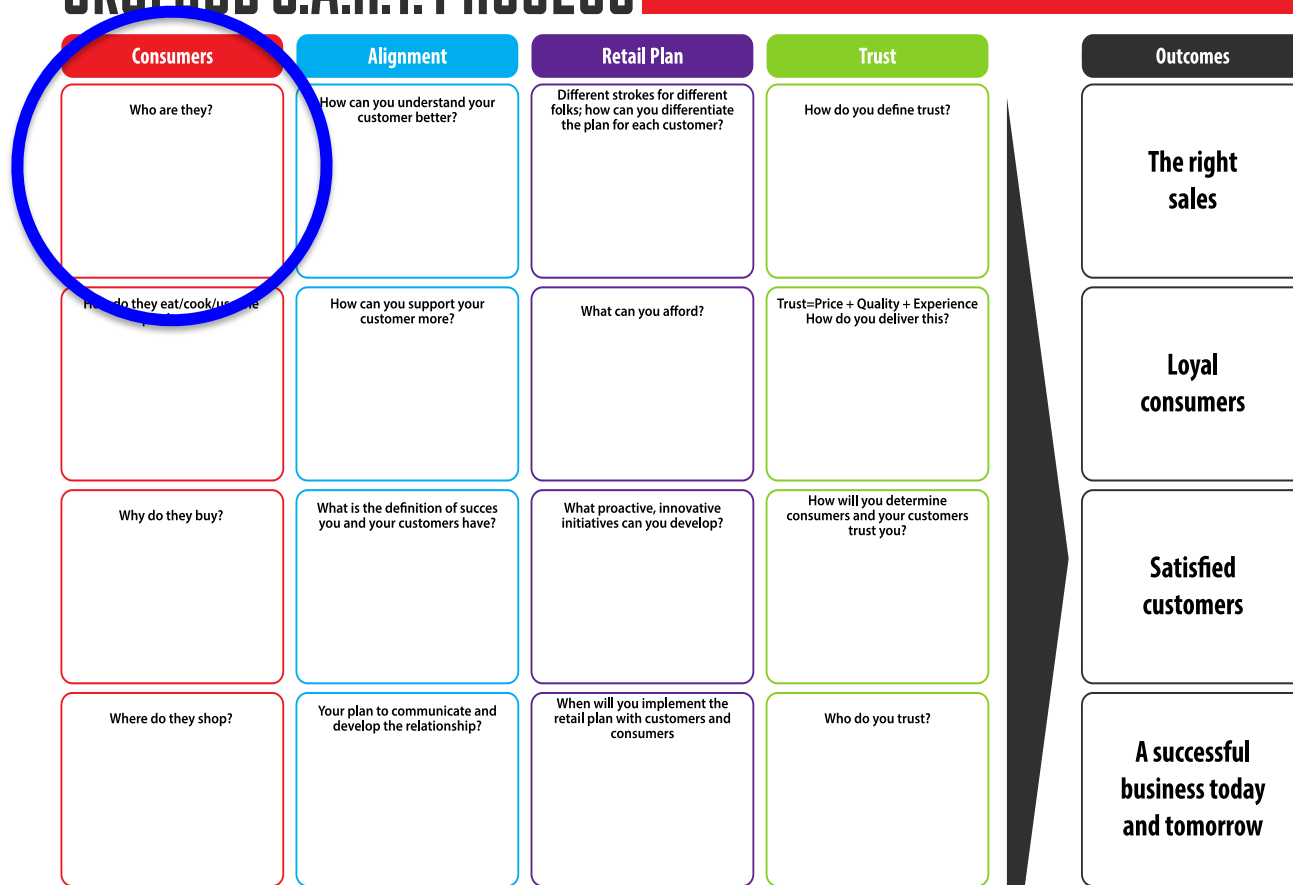


GROWING YOUR BOTTOM LINE



SKUfood C.A.R.T. PROCESS

A Proven Recipe For Getting More Of Your Products In More Carts, More Often.



It's not about making great products to sell;
it's about selling the great products you make



SKUfood inc. © 2018 All rights reserved



GROWING YOUR BOTTOM LINE



- 1. Bricks & mortar vs. online**
- 2. Food waste**
- 3. Sustainable packaging**



1. Bricks & mortar vs. online



Bricks & mortar vs. online

“Online grocery is complicated, it is changing quickly and it’s where most of the growth is happening with a CAGR of 13% (vs. 1.3% in store).”

Brickmeetsclick.com

Bricks & mortar vs. online

“35% of consumers in Asia claimed to purchase fresh food online.”

Nielsen connected commerce report



Bricks & mortar vs. online

“Online will be 18% of grocery by 2025.”

MoffettNathanson-NYC



What does this mean for you?



Packaging



Artificial intelligence



Artificial intelligence



Delivery model

Click & collect



Direct



3rd party
pick up



3rd party
warehouse



3rd party
delivery



Delivery



GROWING YOUR BOTTOM LINE



Bricks & mortar vs. online

Packaging

1. **Less is more**
2. **Functional in a new world**



Bricks & mortar vs. online

Artificial intelligence

1. **How products are found**
2. **Exposure vs. making a great product**



Bricks & mortar vs. online

Delivery model

1. **Captive audience**
2. **Order profile changes**
3. **Refrigeration**



2. Food waste



Food waste

“For the average Canadian household food waste amounts to 140 kgs per year which amounts to over \$1,100 ”

Lovefoodhatewaste.ca



Food waste

Canadians per capita **396kg**

United States per capita **415kg**

Mexico per capita **249kg**

**Commission for environmental
cooperation**



Food waste

Kraft *Heinz*

Loblaw
Companies
Limited



metro

save **on** foods

sobey's  inc.



Walmart 

Reduce food waste by 50% by 2025



What does this mean for you?



Package size/format



Shelf life/home life



Message



Rubies in the rubble

NEW!
no name®
Naturally Imperfect Frozen Fruit.

Perfect for Smoothies!
Great Taste. Lower Cost.



Food waste

Package size/format

1. **The right size**
2. **More prepared-less waste**
3. **Bulk-buy what they want**



Food waste

Shelf life/home life

- 1. Room for innovation**
- 2. Give them more time w/o sacrificing quality**



Food waste

Message

1. **Fresh moving to processed**
2. **“A taste test, not a beauty contest”**



3. Sustainable packaging



Sustainable packaging

“Taking into consideration our customer feedback and our desire to be great neighbours, we have been taking a careful look at our packaging and the opportunities that exist to make improvements with respect to sustainability”

Trader Joe’s



Sustainable packaging

“It is a waste of precious resources for plastic to be used once and then landfilled”

**Carol Hochu
Chief Executive
Canadian Plastics Industry Association**

Sustainable packaging

“We take our waste very seriously and recycle up to 90% of the cardboard, plastics and organics that come into our stores”

Save On Foods



What does this mean for you?



It is possible



In 10 weeks the store eliminated plastic packaging from 2,000 items, including fruit, vegetables, bacon, fish and take out food

"We took action because we could and because we felt we could make a difference."

Andrew Thornton
Thornton's Bugdens
Camden Borough, London



One item at a time



Lifestyle choices



"Our mission is to help Haligonians reduce their personal waste and invest in sustainable lifestyle choices."



It is possible

- 1. Stores & processors proving it**
- 2. Buy in through the value chain**
- 3. Tell your story**



One item at a time

- 1. Seems like a big mountain**
- 2. Set targets**
- 3. Engage staff**



Lifestyle choices

- 1. Must fit with your market**
- 2. Willing and able to support it?**
- 3. Get there first**



- 1. Bricks & mortar vs. online**
- 2. Food waste**
- 3. Sustainable packaging**



**Join us next week for three
more trends!**



It's not about making great products to sell...

It's about selling the great products you make



Questions?

