

Module 3.1 Enquiry 1: CHANGING FOOD CHOICES

Sheet 1

Many consumers have made changes to the selection of food they consume. Eating habits, too, have altered in line with general changes in lifestyles and attitudes to food.

Supermarkets and food processors are supplying new and modified food products. The food market now has many market segments and minority tastes are no longer restricted to vegetarianism. Read the evidence on Sheets 1–3 and follow the instructions on Sheet 4.

The Evidence

DEFRA expenditure & food survey, recent estimates of food purchases 2005

(average quantities in grams per week per person, unless otherwise stated)

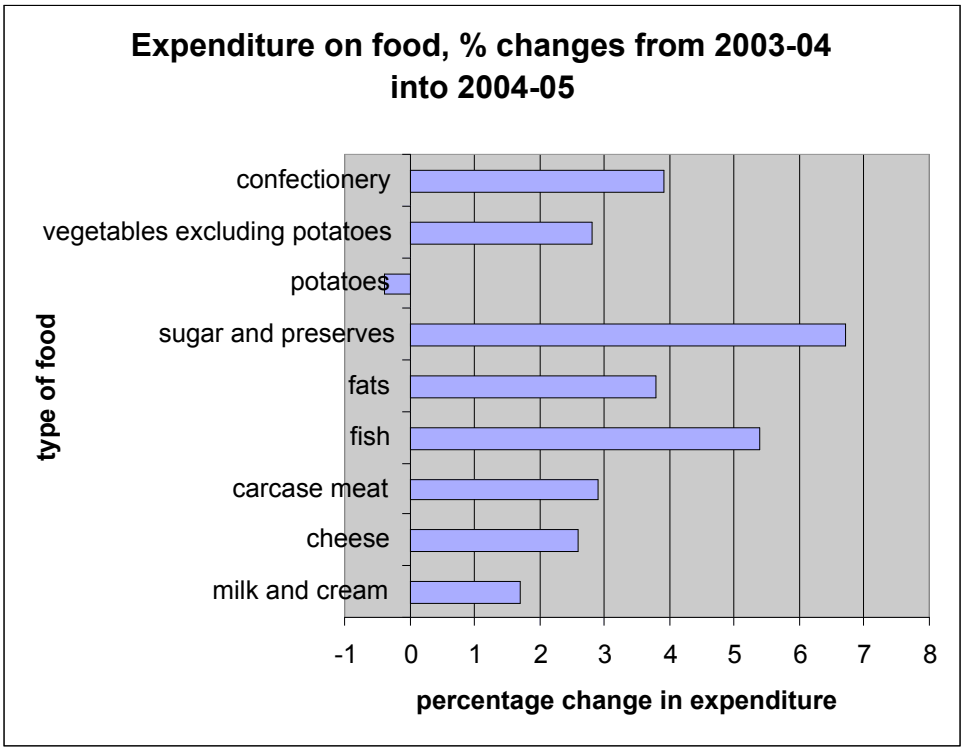
	2001/2	2004/5
Pasteurised whole milk (ml)	564	461
Semi skimmed milk (ml)	931	975
Cheese	112	110
Carcase meat	229	229
Other meat and meat products	803	820
Fish	157	158
Eggs (no.)	1.65	1.56
Butter	41	35
Sugar and preserves	147	134
Potatoes	907	822
Vegetables (excl. potatoes)	1092	1106
Fresh fruit	750	805
Bread	769	695
Biscuits, cakes, pastries, etc.	328	329
Confectionery	128	131

Some variations in food consumption can be seen more dramatically over a longer term by studying the Expenditure and Food Survey:

(average quantities in grams per week per person, unless otherwise stated)

	1974	1984	1994	2004
Canned beans	113	139	123	101
Chips and takeaway chips	81	91	158	138
Crisps and potato snacks	20	33	54	58
Fresh bananas	84	86	169	217
Chocolate biscuits	43	49	61	58
Ice cream and related products (ml)	44	102	123	177

The direction and extent of a change in **expenditure** on a food item may not necessarily match the trend in **quantity** consumed.



Source: DEFRA, Expenditure and Food Survey

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Sheet 2

Organic food sales achieved over £1bn a year in 2005 and are now a mainstream rather than a niche market. This is part of a larger picture, as concerns about health and the environment have affected other parts of the food market. As well as vegetarian diets, there is now demand for low fat options, 'free-from' products, and slimming-related foods amongst others. Worries about obesity in the population may have stimulated demand for healthy foods.

According to the National Consumer Council (2005 poll):

- 63% of adults have changed their behaviour in the past year in an attempt to become healthier.

According to Mintel (2005 Report on Diets and Eating Out):

- There are 6.1million vegetarians today compared to 3.7million in 1990
- A Royal College of Physicians study claimed that the UK has one of the highest allergy rates in the world, with 18m people seeking treatment for allergies.

Many food retailers have introduced healthy eating options – for instance:

- McDonalds, who have spent many £m on their low fat menu
- RHM, who through the Mr Kipling brand have launched the 'Delightful' additive-free low-fat cakes
- Tesco, which has an online EDiets service

The health-related food market, index number comparisons

This market generated £4 billion in 2004.

	Reduced fat/calorie	Organic foods	Functional food	Total
2000	100	100	100	100
2001	110	124	149	121
2002	120	138	163	133
2003	129	147	186	144
2004 (est)	137	160	225	159
2005 (fore.)	144	177	273	176

Source: Mintel, (2005 Report on Effects of Healthy Eating on the Eating Out Market)

Consumers have been repeatedly exhorted to eat 5 portions of fruit/vegetables per day.

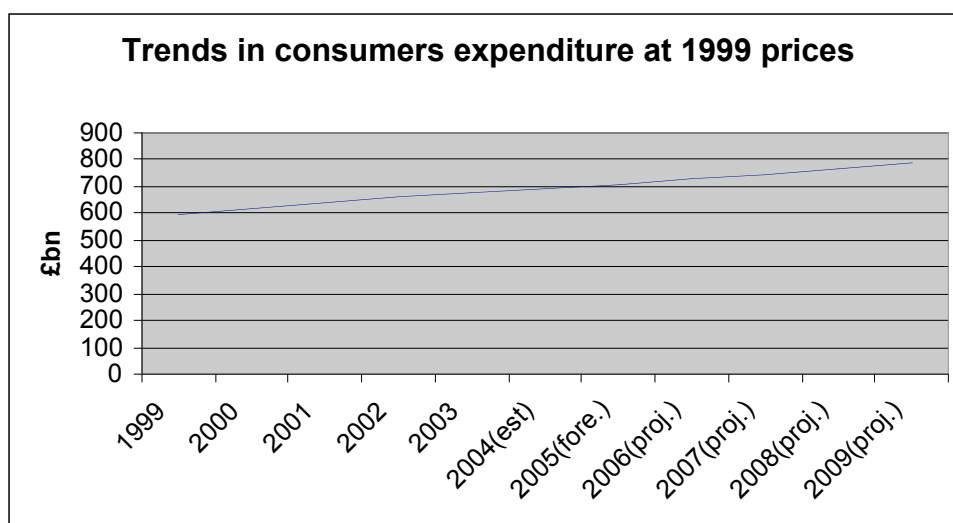
- Datamonitor has produced a forecast in 2005 for the fruit and vegetables market. By 2009 this market should have a value of £13.4 billion, an increase of 18.2% since 2004. The compound annual growth rate in the market in the period 2004-2009 is predicted to be 3.4%.
- Quantities purchased are also forecast to grow, although a little more slowly, averaging 2.6% over the period 2004-2009.

Module 3.1 Enquiry 1: CHANGING TASTES

Sheet 3

Was there a time when people prepared and ate all their own food in their own homes? Today's food consumption includes ready meals, take-aways, packed lunches, and eating out – from fast food outlets and restaurants. Eating out has become part of the routine lifestyle for many households.

The market for eating out expanded swiftly in the 1990s but growth rates have now slowed. In fact the market only increased by 1% in real terms in 2003/4. Eating out is non-essential spending, so should be affected by trends in disposable income and consumer expenditure. People in the highest income quintile spend over three times as much on eating out as people in the lowest income quintile. Another point to be aware of is that people in different parts of the UK may choose to eat different things.



Source: National Statistics

Ready meals: people aged 15-19 and 35-44 are the most prolific ready meals consumers. The 35-44 age group tend also to be restaurant enthusiasts. (Mintel)

In 2003, the UK ready meals market grew by 7.1% (to reach close to £2 billion) and it is expected to continue growing by 6.6% per year on average, until 2008. (Datamonitor)

Lunchbox meals: 42% of these are eaten by adult males. Sandwiches feature in 74% of lunchboxes. (The Grocer, July 2005)

Families: 90% of families will have eaten out at least once in the last three months, with around two thirds of them eating out at least once a month.

40% of families find it difficult to find healthy options for their children in restaurants. (Mintel)

Purchased quantities of food eaten out by country, averages for 3 years ended March 2004

(grams per person per week)	England	Wales	Scotland	N Ireland
Ethnic meals	22	23	19	20
Burgers	24	25	26	27
Salads	18	13	15	10
Soups	9	6	28	12
Sandwiches	80	63	87	53
Cakes and puddings	19	17	19	16

Source: Expenditure & Food Survey (National Statistics)

Part 1 Analysing the data

- 1 Pick out four significant trends and use the evidence to show how they have developed.
- 2 Can you explain why products such as ice cream and chips are showing increased consumption, whilst products clearly marketed as low fat, healthy-eating options are also showing strong growth? Use supply and demand diagrams in your answer.
- 3 What kinds of businesses might find that the trends affect their profits? In what way?
- 4 What use would this data be to the marketing department of a large food processing business?
- 5 What other information would they need to help with their decisions?

Part 2 A business problem

A major supermarket chain has its own in-store restaurants, catering for shoppers and others. Currently, most of the menu features predictable, 'mainstream' items, including some vegetarian choices. At present there is little on offer that reflects the growing popularity of more diverse healthy-eating options including items with organic ingredients. The question is, should it be enlarging its range of 'healthy eating' menu items?

The marketing department already has the secondary research evidence presented in this activity. What other evidence might help with its decision? It could be looking for both qualitative and quantitative evidence.

In groups of about six, decide what evidence you can collect that might be relevant. You will need to explain your strategy and show how the primary and secondary data can be synthesised. By pooling the information you get, you can limit the amount of bias which is likely to be found in your survey results. At the end of your investigation you should be able to decide on an appropriate course of action for the supermarket chain and justify it with reference to all of the evidence.

If you are using this activity to provide evidence of discussion skills, part of communication key skill, you need to make individual notes beforehand. You need to be ready to take an active part in the discussion, contributing points yourself, listening effectively and responding carefully to others. After the discussion you could get some written comments from another student who was present, confirming that you spoke effectively and made relevant contributions. Your tutor would also need to provide a short written assessment, in line with key skills requirements.