Catering to the way consumers cook today | SmartBrief



## Catering to the way consumers cook today



Tricia Contreras · August 27, 2018



(Image: Pixabay)

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Changes in the way US consumers cook and eat at home are creating opportunities for food retailers, restaurants and tech companies. More than 80% of meals were prepared and eaten at home in 2017, according to research from The NPD Group.

- S+Increased demand for convenience coupled with consumers' growing interest in<br/>fresh ingredients and curiosity about new flavors has opened up a market for
- in products and services that provide shortcuts to creating meals at home.

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iess important to US consumers as they reach for more shacks to replace the morning and afternoon meals, The Hartman Group found in its report Transformation of the American Meal 2017. However, "dinner still holds a place as a mealtime ritual of significance," Hartman Group CEO Laurie Demeritt wrote.

While the evening meal remains the most important, it has nevertheless evolved to suit modern tastes. The traditional idea of a dinner plate with a protein and several side dishes is quickly becoming a thing of the past. "Nowadays it's more about 'how do we get everything together?" said Darren Seifer, food and beverage industry analyst for The NPD Group.

"The average dinner only has two dishes in it, as further evidence that we see consumers simplifying their meals," he said. "They don't necessarily have less food, but they're trying to simplify it, making it easier to bring to the table."

Cooking at home is still the preferred way to prepare a meal for 98% of US consumers, but the majority of home cooks can't spend more than an hour preparing a meal, according to a 2016 survey by ReportLinker.

### Meal kits 2.0

One of the most notable efforts on the part of food companies to cater to consumers' desire to cut down on cooking time is the rapid rise of the meal kit category. Kits answer the call for interesting, delicious food and save time with preportioned ingredients delivered to consumers' doors. The potential of meal kits seemed so great that the category exploded -- there are more than 150 meal kit companies operating in the US, according to The Motley Fool.

Oversaturation of the market and issues with the meal kit model have caused many kit companies to close. "I liken the meal kit sector to the dot-com boom and bust of the 90s," Seifer said. "I think the meal kit sector is still going to be there in five to 10 years, but it's going to look pretty different. We're going to continue to see a tighter integration with sectors like retail and restaurants, because that's the way you gain efficiency," he said.

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"Cost and value are consumers' top concerns when it comes to meal kits, driving over 60% of subscribers to cancel in the first year," said Mike Kostyo, a trend analyst at Datassential.

Among the companies that have shifted their model to partner with retailers are Blue Apron, Chef'd and Plated, which now offers its kits at Safeway and Albertson's. Amazon is experimenting with its own meal kit, and restaurants are also beginning to break into the space. Chick-fil-A announced last month that it will test five different meal kits at 150 Atlanta-area restaurants.

Ordering ingredients -- as opposed to finished meals -- from restaurants is something that consumers are already doing, NPD's Seifer said. In fact, 10% of dinners prepared at home include food sourced from foodservice channels, according to NPD research. These components include side dishes from restaurants as well as prepared food items from grocery retailers.

This desire for shortcuts points to an opportunity for restaurants and retailers alike. "Manufacturers could also develop more speed-scratch products and smaller package sizes to help consumers make more unique dishes at home," Kostyo said.

#### Tech saves time at the store, in the kitchen

Part of meal kits' appeal -- beyond time saved in the kitchen -- is the time they save when it comes to meal planning. At 4:30 p.m. on a typical day, more than half of consumers aren't sure what they'll have for dinner that night, Seifer said.

Meal kits are one way to address the issue of what's for dinner, but there are plenty of other methods for meal planning. Yummly, a recipe recommendation and search platform, has partnered with grocery delivery service Instacart so users can add the ingredients for a recipe to their delivery order. "You've got to think outside of the kitchen to bring consumers convenience these days," said Seifer, who predicts that integration between meal planning and delivery or click-and-collect services will continue to remove obstacles when it comes to cooking at home.

Another area where home cooks are seeking shortcuts is the actual tools they use to

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"When you talk about appliances that are making their way into the kitchen today, it's a little bit different than what we saw in the past," Seifer said. "The overarching theme seems to be 'do the work for me."

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