



# The Future of Food:

**A Hartman Group Perspective**

**The COVID-19 pandemic instantaneously and dramatically altered life as we knew it.**

**After months of enduring the pandemic, many are longing for a return to “normal.” But when will the crisis end, and how will normal look?**

**Much has changed — how consumers live, eat, and work as well as what they value.**

**Some of these changes will be permanent, others not, but one thing is certain: the effects on the food industry will be felt for years to come.**

By April 7

# 39 States

had issued **Stay-at-Home** orders



**5.9M+** *as of May 28*  
confirmed global COVID-19 cases



**1.7M+** confirmed cases  
in United States

including **101,002** deaths

**63%** of food and drink bought by  
U.S. consumers in March  
was purchased at stores

## 5.5 Million

**jobs lost in the food service  
industry in April**

# The COVID-19 pandemic — as both a public health crisis and shock to the economy — is creating renewed attention on some key consumer values

## Focus on personal empowerment

To combat current feelings of powerlessness, consumers are focusing on **things they can control**, such as the use of finite resources like time, money, and energy. This crisis also brings to light the shortcomings of current systems (health, food, the economy) driving consumer demand to address failings. Together, these ignite a **renewed focus on the role of individual action and conscientiousness**.

Consumers are not opting out of consumption but are acting more intentionally and seeking out ways to feel empowered in their purchasing behavior.

## Reassessment of connectivity

The importance of personal empowerment is buoyed by new emphasis on the **connectivity of communities** in myriad ways, including concern about protecting essential workers, caring for vulnerable populations, and supporting local businesses. How the “me” directly affects the “we” is a concept consumers won’t quickly forget. However, consumers will increasingly demand visible action—not just lip service—around connecting and caring for communities.

# New emphasis on resilience

**Individual and collective well-being is severely at risk**, underscoring the need for economic, physical, and mental resilience going forward. Personal resilience—already gaining footing in H+W trends of proactive, holistic medicine and mindfulness—will have enhanced traction as consumers **manage the effects of the pandemic on themselves and their communities** and face fears about future crises. Specifically, holistic immunity and thrifting behaviors will expand to support physical and economic resilience while calls for systemic change address community resilience.

## Surge in calls for systemic change

An **erosion of consumer trust** in both government and large corporations had already emerged, and renewed interest in self-empowerment reflects a further **questioning of these institutions' ability** to do right by consumers. As such, reactions of governments and large corporations to the crisis will either help overcome or reinforce distrust.

# So, what's next?

**A** number of big, interrelated shifts have redefined culture and reshaped the demand for food & beverage over the past half-century. These macro trends—from demographic and household shifts in the U.S. population to evolving consumer values concerning a redefinition of quality and the rise of conscious consumption—shape the world in which we live and inform how consumers make distinctions and purchase decisions related to food and beverage. While we cannot affect these trends, we must be aware of them as they drive meaningful shifts in consumer attitudes and behavior, affecting the business operating environment and resulting in long-term structural changes in the food industry landscape and underlying drivers of demand.

Given the enduring and dynamic nature of these trends, we find they serve as a helpful starting point when evaluating gaps and prioritizing opportunities for products, services, and marketing. In fact, at The Hartman Group, they serve as the underpinnings of the proprietary, cultural analyses and frameworks we employ every day as we work with our clients to identify, create, and seize growth opportunities in today's evolving marketplace.

Enter COVID-19. A force no one had seen coming. As the pandemic swept the globe in early 2020, quickly disrupting every facet of daily life, it became abundantly clear we were no longer operating business as usual. When an event of this magnitude occurs, particularly on the global scale we are seeing, it upends and reverberates throughout these forces. And as such, we found ourselves facing a question very similar to the one our clients were facing: What does this mean for the food industry and the very trends around which we've been building strategy?

Evaluating the impact of COVID-19 first requires an acknowledgement of the qualities of the virus itself and the factors that make it so distinct from previous historical crises, including—

**The unique health properties.** Including delayed onset of symptoms, high rate of contagion, and unknown factors of infectiousness, creating the need for social distancing, which, in turn, had swift impacts on the local and global economy as entire industries shrank or shuttered.

**The socioeconomic environment.** Exacerbating existing disparities and the wealth gap in the U.S., with the burden of risk and impact unequally held by those with less privilege (low income, minority groups, etc.) and intensifying anxieties around Americans' access to health care fueling the collective and cultural impact of the pandemic.

**The global impact—health and economic—of the virus.** Driven by the mobility of a global population that enabled the virus to spread quickly throughout both developing and developed countries and exposing the vulnerabilities of an increasingly connected and dependent global market structure.

As a result, we've seen consumers reexamine their values and daily priorities in light of a baseline need for the security of protecting themselves and their loved ones from the immediate danger of contracting the virus. This has led to some dramatic shifts in behavior—from shopping fewer stores to shifting purchases online—as consumers navigate this uncharted territory, facing new challenges in their daily lives. Immediate issues around availability and accessibility forced consumers to branch out from their routine categories and preferred brands. And trade-offs between quality, practicality, and price have resulted in an increased relevance of shelf-stable and frozen options. These widely observed changes have caused some to conclude that this unprecedented moment has given way to the comeback of Big Food.

Given the prolonged and dynamic nature of this crisis, we believe that consumers' behaviors and attitudes will continue transforming well beyond the point at which social distancing measures are relaxed. So, the question remains: Which changes brought on by the pandemic are here to stay and which are fleeting, forced adjustments that consumers will leave behind as soon as they are able?

To begin to answer that question, we must return to the beginning of our discussion. Has there been an acceleration, deceleration, and/or change in trajectory of those macro trends we have long touted? As our analysts talk to consumers and observe their behavior, we've seen some indicators of what the environment today is likely to mean for the existing macro drivers and their role in driving demand tomorrow.

Consumers are balancing other priorities with their baseline need for safety. For example, securing short-term and long-term physical health by prioritizing certain nutritional needs or quality cues as they navigate their shopping list and out-of-stocks. We are seeing consumers employ distinct strategies to balance their desire for fresh and the need for long-lasting, such as buying fresh and organic in specific categories and seeking quality cues that speak to fresh and less processed when purchasing frozen and shelf-stable formats. And while many companies are questioning whether they placed the right bet by focusing on issues related to sustainability, there is evidence that conscious consumption is actually up during this time. Behaviors such as these reveal a lot about the lasting power of core cultural values and the consumer environment emerging from the COVID-19 pandemic and the likely recession to follow. In fact, our belief is that many of the macro trends, such as desire for health and wellness and sustainability, are not only still relevant but actually accelerated during this time.



While there is a lot we know, there is still a lot that we don't know. Layering on to the existing complexity of how consumers' attitudes and behaviors will evolve and how industry players will respond, we are now faced with additional uncertainty related to the pandemic. How will the virus progress, in terms of both transmission patterns and severity of disease? What will be the economic impacts? And how will Americans respond—with increased empathy for others or growing distrust?

While the future cannot be known, with the right tools you can plan for it. **The Future of Food in the U.S. Marketplace** trends presentation and scenario planning sessions offer a unique vision of the key components of future demand in food and beverage. The virtual session, facilitated by a senior member of The Hartman Group's leadership team, provides a proprietary, cultural analysis of key consumer behavioral trends and “pull” forces affecting the food industry in the next five years (leveraging multiple data sources and Hartman intellectual capital) and includes—

- A special update on the consumer environment emerging from the COVID-19 pandemic and a likely recession to follow
- An assessment of the impact of COVID-19 on existing macro drivers and emerging new drivers of change in the industry
- Key uncertainties in food demand over the next one to five years
- Scenarios for the future of food demand

The future is now. Is your organization ready?

Choose the Future of Food session that best meets your needs—

**Future of Food  
Express Session**

**\$7,500**

**Presentation and Q&A**

- Includes virtual presentation, review of scenarios and Q&A
- 90 minutes with 1 THG senior employee

**Future of Food  
Scenario Planning  
Workshop**

**\$10,000**

**Presentation and Strategy Session**

- Includes virtual presentation and strategy session to workshop 3-4 scenarios (of client's choosing)
- 3 hours with 1-2 THG senior employee(s)

Proprietary customization (via primary qualitative research with consumers) also available.

Contact us to schedule your session today!

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**ABOUT THE HARTMAN GROUP**

The Hartman Group is the premier food and beverage consultancy. Our mission is to translate consumer behavior and food culture into strategic growth opportunities for our clients.

Since 1989, The Hartman Group's anthropologists, social scientists and business analysts have been immersed in the study of American food and beverage culture, using ethnographic observation, quantitative tracking surveys and deep study of trends. What we have learned and continue to uncover allows us to upend many notions of our traditional American eating and drinking patterns, thereby identifying unique opportunities and winning strategies for our clients.

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