

The Business of THRIFT 2018

UNDERSTANDING TODAY'S VALUE-ORIENTED AND LOW-INCOME CONSUMERS

Hartman Group Syndicated Research for Q3 2018



Economic recession, recovery, and realignment have been major drivers of change in both the U.S. food and beverage industry and consumer values and purchasing behaviors. An uneven economic recovery and the growing bifurcation of wealth despite low unemployment continue to shape how many consumers source their food and understand brands long after experts declared the Great Recession over. And yet despite this wealth gap, quality attributes like organic and less processed cues are still growing in importance culturally. Similarly, as fewer households are able to call themselves “middle class,” the traditional consumer base of many brands and grocery stores is gradually eroding. At the same time, even those who are doing OK financially often can find themselves prioritizing thrift when it comes to food.

In our prior research, we have observed how consumers across the income spectrum regularly look for high-quality, healthy food. Value-oriented and low-income consumers face important limitations in fulfilling these desires, however. As the U.S. economy continues to shift, understanding and meeting the needs of these various types of value-seeking consumers in the U.S. has never been more critical. How should food and beverage brands position themselves to succeed with these growing segments of the U.S. population?



Overview and Scope

The Business of Thrift 2018 syndicated study will provide a look at the socioeconomic forces at play in the U.S. and will offer a comprehensive exploration of how value-oriented and lower-income households navigate their food and beverage consumption. Like consumers in general, there is no single “type” of low-income or value-oriented consumer, and this study will detail how needs shift within the spectrum of demographic and situational contexts — from urban to rural residents, and from SNAP recipients to middle-class deal hunters.

This study will illuminate how consumers facing real or perceived financial pressures nonetheless often aspire to have the same kinds of quality products that more financially secure consumers have, and it will detail the strategies and value-oriented trade-offs they make in pursuing these aspirations.

Unique Participation Opportunities

Through a syndicated study, you will obtain a significant amount of data, insights and strategic analysis at a fraction of the cost of underwriting an independent custom research study. There is limited space for sponsor input. Customization options are also available for an additional fee (see below).

Timeline

- Fielding Q3 2018
- Final report delivered by end of Q3 2018
- Customization options deadline: June 29, 2018

Participation Costs

- Included as part of Hartman Retainer Services contracts
- Before June 29, 2018: \$12,500
- After June 29, 2018: \$15,000
- *Custom options, including oversampling, proprietary questions, inclusion of categories, and special data runs, are available to a limited number of study participants. They are handled on a first-come, first-served basis. **Please contact us for a quote.***



METHODOLOGY

Integrated qualitative ethnography and quantitative online survey.

Quantitative: nationally representative custom online survey of minimum n=1,500 U.S. adults (18-72). Readable samples of key groups, including SNAP recipients, rural residents, and low-income households, as well as standard demographics within the general populations (e.g., gender, ethnicity, generational cohorts).

Qualitative: a combination of in-person ethnographic interviews and virtual qualitative engagements with consumers representing key research segments across the U.S.

FINAL DELIVERABLE

- An in-depth report (PowerPoint format) on study findings will include executive summary, implications and strategic recommendations, and a complete analysis of relevant data supported by full-color charts and visuals.
- A supplemental set of data tables (Excel format) with a breakdown of key demographics will accompany the report.

REPORT COST

- **Before June 29, 2018: \$12,500**
- After June 29, 2018: \$15,000

Key Topic Areas

Central to this study will be an exploration of several key topic areas and questions, including:

Stressors, Strategies, and Priorities

- How do different types of consumers understand value, and how might these understandings vary according to socioeconomic status? In what contexts do value-oriented behaviors take priority even among those earning higher incomes?
- What are the primary stress points for those facing financial constraints related to food (e.g., time pressures, access to resources, juggling responsibilities, working multiple jobs)?
- How is food — and the associated costs with food purchasing, preparation, and consumption — a point of prioritization or stress?
- How do stressors and priorities vary by household demographics?
- How do various types of value-seeking consumers (e.g., SNAP consumers vs. those earning relatively higher wages) differ in terms of food priorities and other factors?
- What strategies (including budgeting) do they deploy for dealing with these priorities and stressors?

Attitudes and Approaches

- How do low-income consumers understand and situate themselves within the current landscape of food and beverages in the U.S.?
- What aspirations do different types of value consumers have about their food and beverage choices?
- What quality distinctions are important to them in food (e.g., organic, natural, less processed), and what sources are most influential in shaping the relative importance of these distinctions?

Purchasing and Preparation

- What are the product categories purchased by lower-income and value-oriented consumers, and what sets of criteria do they deploy when making purchasing decisions? How are lower-income consumers unique in their purchasing behaviors and criteria used in making decisions about what to buy?
- How does planning for food occasions take place? What is the timeline of planning and purchasing?
- What unique unmet needs exist among these consumers in the realm of planning and procurement?

Key Topic Areas (continued)

Retailers and Restaurants

- How do low-income and value-oriented consumers navigate the retail and restaurant landscape? What expectations do they bring to various retail channels?
- What role do discount retailers play in their food-procurement approaches?
- Where do low-income and value-oriented consumers shop and eat out?
- How, and in what contexts, do these consumers participate in the variety of food service restaurant options?
- How does value factor into the decision making regarding where to eat and where to shop?

To answer these and other questions, **The Business of Thrift 2018** syndicated research study will unite robust, custom quantitative work with rich qualitative methodologies to flesh out not just the what behind consumer behaviors and attitudes but also the why. With our deep experience in U.S. food culture and social trends, The Hartman Group is in a peerless position to examine how broader social, economic, and cultural forces shape consumer attitudes and behaviors.

The Hartman Group has been an industry leader in documenting America's ever-evolving food culture since 1989. As consumers' attitudes and behaviors have shifted, our social scientists have been there to witness, analyze, and report.

This study leverages Hartman's expertise in social research by turning attention to how consumers with real or perceived financial limitations navigate an expanding landscape of food options and engage in consequential trade-offs between their aspirations and actual purchases. Through rich descriptions of these perspectives, **The Business of Thrift 2018** study will detail what this expanding group in the U.S. means for the future of manufacturers, retailers, restaurants, and anyone else with a stake in the food, beverage, and grocery marketplace.

THE HARTMAN GROUP

The Hartman Group's anthropologists, social scientists and business analysts have been immersed in a 25-year-long study of American food and beverage culture using ethnographic observation, quantitative tracking surveys and deep study of food and beverage 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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The Business of Thrift 2018 Syndicated Research Study

To underwrite early participation in The Business of Thrift 2018 syndicated study, please fill out the form below and return by email or fax to:

Blaine Becker
Senior Director of Marketing
f: 425.452.9092
e: blaine@hartman-group.com

Cost

- General report, before June 30, 2018: \$12,500**
- General report, after June 30, 2018: \$15,000
- Customization options, additional fee. **Contact us for quote**

Terms: Due upon receipt of invoice

Name

Title

Company

Address

City / State / Zip

Phone

Email

Signature

Date Signed

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