


U.S. GROCERY SHOPPER TRENDS 2015

EXECUTIVE SUMMARY

FMI
THE VOICE OF FOOD RETAIL
Feeding Families Enriching Lives

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Food Marketing Institute proudly advocates on behalf of the food retail industry. FMI's U.S. members operate nearly 40,000 retail food stores and 25,000 pharmacies, representing a combined annual sales volume of almost $770 billion. Through programs in public affairs, food safety, research, education and industry relations, FMI offers resources and provides valuable benefits to more than 1,225 food retail and wholesale member companies in the United States and around the world. FMI membership covers the spectrum of diverse venues where food is sold, including single owner grocery stores, large multi-store supermarket chains and mixed retail stores. For more information, visit www.fmi.org and for information regarding the FMI foundation, visit www.fmifoundation.org.

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Published by:
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Prepared by:
The Hartman Group, Inc.

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1: Executive Summary

Introduction

The dynamic process of how we in the U.S. get our food continues to be shaped and reshaped by modern lifestyles, changing families, digital technologies and heightened awareness of the health and environmental consequences of food. With fewer traditional rules to discipline consumer choices and routines today, the relationship between shopping and eating has been changing: Americans increasingly shop without planning and eat without shopping. They devote their loyalty to products with stories, but divide their loyalties across channels and stores. Food retailers increasingly must bend and flex within the shifting shopper landscape to align supply and demand realities with product, service and merchandising opportunities.

The Food Marketing Institute has long supported U.S. food retailers through annual surveys of shopper behaviors and attitudes, providing consistent metrics to evaluate the changing market landscape. In recent years, FMI has supplemented its year-over-year survey research perspective with a cultural lens, interviewing Americans in their homes and while shopping, and drawing upon ethnographic research into U.S. food consumption and consumers.

As we seek to illuminate how evolving shopper attitudes and behaviors translate into large-scale shifts that affect supermarket revenues and growth, we must also feel out places where the light of our assumptions doesn't reach. In fact, careful attention to shopper data and shopper stories has revealed some changes so fundamental that they warrant new ways to collect data and listen to stories, as well as new strategies to succeed by meeting eating needs.

This year's study focuses on a deep shift in shopping and important meal time distinctions, and provides updates along the way about long- and short-term trends for food retailers to watch. This includes:

- Status check on current trends influencing shoppers and shopping
- How trends are coalescing into a new Shared Shopper Paradigm
- Meal time distinctions and the case for Family Meals
- Updates to shopper values and trends, including the convergence of personal health and community wellness ideals

Methodology

The report that follows draws on the extensive database of past FMI annual surveys while highlighting new insights through a combination of quantitative and qualitative research conducted in the first quarter of 2015. New survey data was collected in the U.S. from a total of 2,265 regular shoppers of groceries, 18 years and older, through a 25-minute online survey. For deeper context, a mix of qualitative approaches including in-home and in-store interviews and online journaling was used to capture insights from a total of 15 additional consumers from 10 multi-shopper households. Additional analysis was conducted with U.S. Census and USDA data sets on consumer spending, health, and eating, and 2013-2015 Hartman Group ethnographic and survey research into eating and shopping.

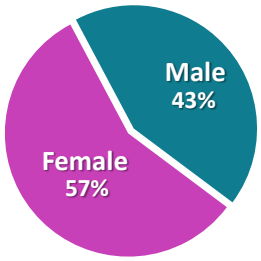
Update of 2014 findings

In 2014, FMI identified several key findings with broad foundational implications for retailers. In 2015, we build on these findings and offer new insights:

- **2014:** A diversification of the *"Primary store"* as a touchstone of shopper behavior
- **2015:** Loyalty is increasingly granted department by department and the sustained 9% of shoppers with *"no primary store"* continues to send a message about the desirability of choice

- **2014:** A fragmentation of the *"Primary shopper"* role within households
- **2015:** Men continue to account for 43% of those who identify as Primary shoppers (see Chart E.1.) In the 2015 Trends report FMI explores even more fundamental implications of this shift towards Shared shopping

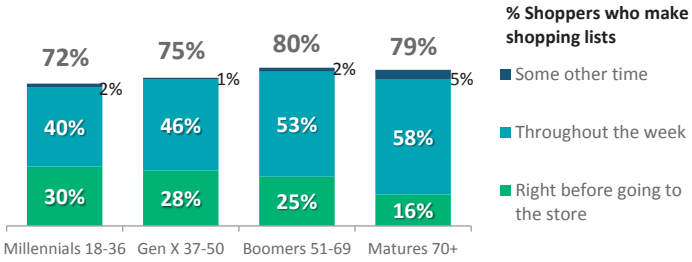
CHART E.1: PRIMARY SHOPPERS, BY GENDER



Source: FMI U.S. Grocery Shopper Trends, 2015. Shoppers n=2,265. Primary food shoppers include all shoppers who report they are responsible for at least 50% or more of the grocery shopping in their household.

- **2014:** A generational transformation in what *"planning"* means to food shoppers
- **2015:** Millennial shoppers continue to report less list making and advanced planning (see Chart E.2), and more spontaneous reliance on recipes or whimsy

CHART E.2: LIST-MAKING BEHAVIORS, BY GENERATION



Source: FMI U.S. Grocery Shopper Trends, 2015. C6: "Do you typically make shopping lists when buying grocery type items?" (n=2,265). C7: "Do you usually make the list... [time]" (n=1,751).

- **2014:** An opening for food retailers as shoppers seek trusted allies to help them navigate food and wellness (43% trust their primary food store to help them stay healthy)
- **2015:** Trust in primary store continues as a foundation for retailers to support shoppers towards healthier, more satisfying eating for home meal occasions (45% trust their primary food store to help them stay healthy)

Shift to a Shared Shopper Paradigm

Decades of social change have led to a paradigm shift. The old paradigm wherein one Primary shopper was in charge of planning, directing and shopping for the entire household has given way to a new paradigm. Today, in a Shared Shopper Paradigm, shoppers split responsibilities that are subject to ongoing negotiation and communication. This shift disrupts long-standing ways of understanding and marketing to individual shoppers, yet also creates new challenges that stores can help multi-shopper households to overcome.

FIGURE E.1: SHOPPER PARADIGM SHIFT

PRIMARY SHOPPER PARADIGM

Do or Delegate

One person does it all, managing food prep and procurement holistically

SHARED SHOPPER PARADIGM

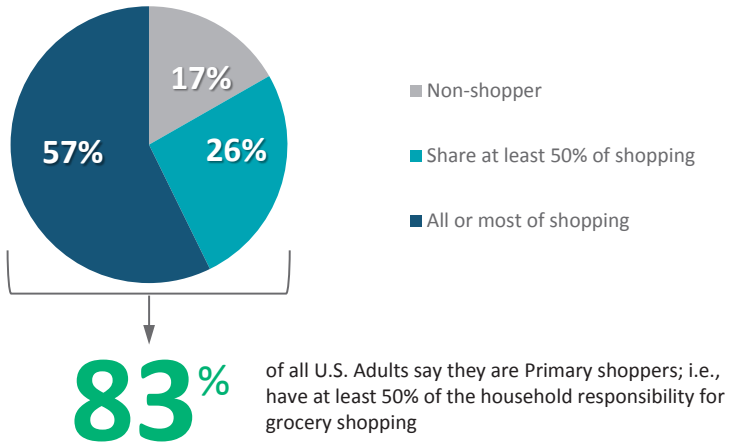
Split or Sync

Household members specialize and split responsibilities

THE SHOPPER BASE HAS BROADENED, AND TRIP MISSIONS HAVE NARROWED

More than four-out-of-five adults in the U.S. (83%, or 203 million people) claim to have at least 50% of the responsibility for their household's grocery shopping. Given the latest U.S. Census count of 123 million households, by this definition, there are now more "Primary" shoppers than there are households in the U.S. for which to shop. This contradiction arises less from shoppers over-reporting their contribution to household work, and more from the increasingly complex ways in which households divide their shopping responsibilities.

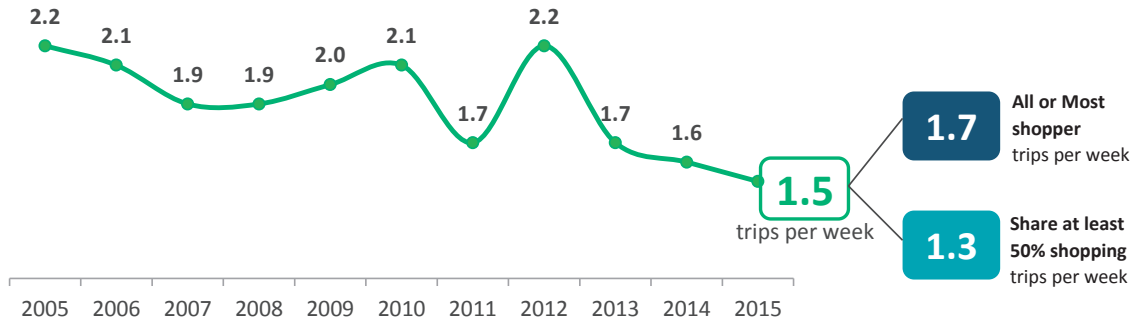
CHART E.3: GROCERY SHOPPING ROLES AMONG ADULTS IN U.S.



Source: FMI U.S. Grocery Shopper Trends, 2015. n=2,892.

Moreover, misinterpreting individual shopper behaviors as household-shopping behavior will lead to increasingly inaccurate views of the market forces driving retailer success. Each shopper now accounts for, and gives accounts of, a smaller portion of household grocery trips and spending. With shopping now divided among more than one shopper within each home, each shopper is now responsible for a smaller portion of the entire grocery mission.

CHART E.4: AVERAGE WEEKLY SHOPPING TRIPS TO GROCERY STORE BY PRIMARY SHOPPER

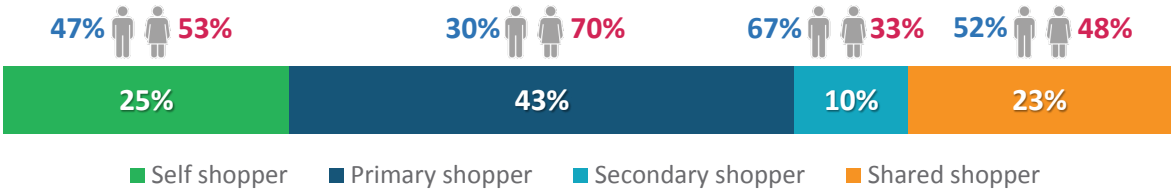


Source: FMI U.S. Grocery Shopper Trends, 2005-2015. n=2,265-2015. n=2116-2014; n=1548-2013; n=1401-2012; n=2046-2011; n=2003-2010

HOW SHOPPERS NAVIGATE STORES DEPENDS ON HOW THEY DIVIDE SHOPPING WITHIN THEIR HOMES

Shoppers today come to the store from households which divide their grocery-shopping responsibilities in different ways. While some so-called "Primary" shoppers delegate shopping to a "Secondary" shopper within the home, an even greater number of shoppers representing multi-shopper households now come from situations where food-management duties are more equitably "Shared." "Secondary" shopping roles are generally confined to male shoppers who are virtually uninvolved in meal preparation, but long-term trends have tended to integrate men into a growing portion of cooking and food involvement.

CHART E.5: SHARED-SHOPPER SEGMENTATION



Source: FMI U.S. Grocery Shopper Trends, 2015. n=2,265. Male n=976, Female n=1289.

"There's a good balance between the two of us. I actually cook more dinners than she does because Erin doesn't eat red meat. But she plans more of our meals and comes up with recipes."

"We usually plan three to four nights ahead, but then it transitions to not planning and shopping for tonight or tomorrow. So when I shop, it's more for something we're going to eat tonight or tomorrow."

-Matt & Erin

CHANGES IN FOOD SHOPPING RESPONSIBILITIES ARE DRIVEN BY INVOLVEMENT IN FOOD PREPARATION

Retailers that recognize shopping as the first step in food preparation understand that a greater involvement in cooking empowers shoppers to make more decisions in the store. This is especially true of men, who are sharing food shopping responsibilities more than ever before.

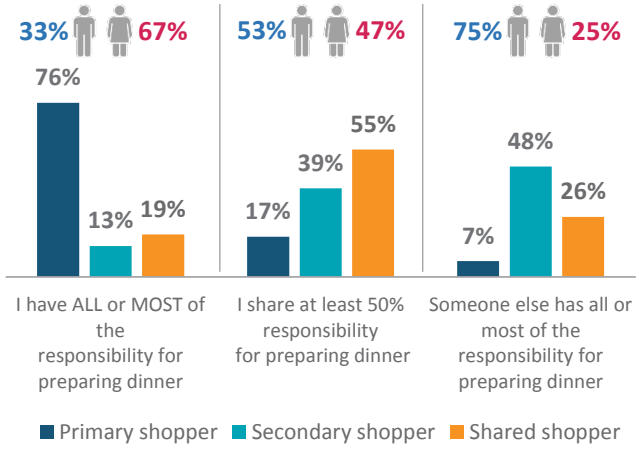
Most Shared shoppers (55%) also share dinner preparation duties. This is true for both men and women. On the flip side, 48% of Secondary shoppers, predominantly men, leave dinner prep entirely to their partners (see Chart E.6).

This means that shoppers from multi-shopper households now enter the store with varying levels of permission and discretion to make a purchase. When a Secondary shopper is shopping on behalf of another shopper's food preparation needs, men and women alike are less fluent in the specifics of those needs and can be less fluid in responding to in-store experiences.

But shoppers in Shared shopping households actually traverse the store with a mix of responsibilities: they can navigate some decisions and opportunities with complete understanding of the shopping and consumption needs.

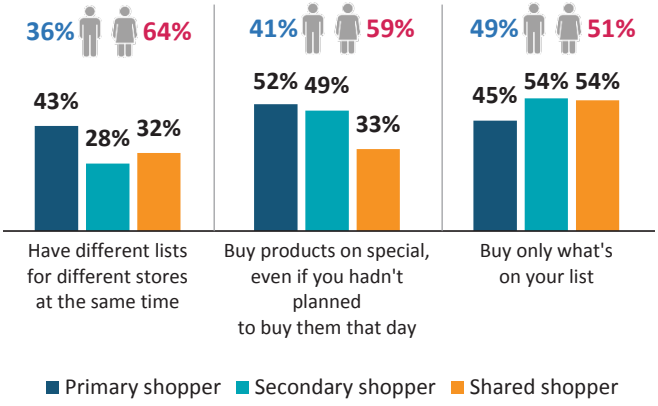
Shopping roles within multi-shopper homes explain some of the gender differences in shopping. Shared shoppers comprise an even mix of males and females. However, female shoppers are more likely than males to assume Primary shopper roles and behaviors.

CHART E.6: INVOLVEMENT IN DINNER PREPARATION BY SHOPPING RESPONSIBILITY



Source: FMI U.S. Grocery Shopper Trends, 2015. n=1,101. Male n=494, Female n=607.

CHART E.7: SHOPPING LIST BEHAVIORS AMONG SHOPPERS FROM DIFFERENT TYPES OF MULTI-PERSON HOUSEHOLDS



Source: FMI U.S. Grocery Shopper Trends, 2015. Have different lists based on list-keepers only, n=1751. Buy products, Buy only, based on top-2 box (Fairly often or Almost every time), n=1101. Male n=494-710, Female n=607-1041.

A SHARED SHOPPING PERSPECTIVE REVEALS NEW OPPORTUNITIES TO SUPPORT HOUSEHOLDS

In a Shared Shopper Paradigm, household strategies can be far more complex. The chart below shows the range of variables that can impact what an individual shopper buys for the household.

FIGURE E.2: HOW SHARED SHOPPERS SPECIALIZE

Link between shopping & cooking	Shopping for foods the shopper will prepare versus those to be prepared by another household member
Domains of food management responsibility	**Split by WHAT:** food categories; e.g., meat versus cereal **Split by WHO:** for different eaters in the home; e.g., myself versus kids **Split by WHEN:** eating occasions; e.g., by meal, by meal-versus-snack, or by how soon – pre-planned versus last-minute

Multi-shopper households divide their grocery-shopping work in a range of ways, framed by how they parse ownership over household food needs. They can split responsibilities according to some combination of category (a man may buy the meat to barbecue), eater (a woman may buy the "household" beverages while a man buys only "his" beverages) or increasingly occasion (whomever passes by a store on the way home from work buys last minute meal fixings). These roles give shoppers varying abilities and challenges to deviate from their lists. Someone choosing skim milk for his own dietary constraints, for example, may be unlikely or unable to select a new brand of whole milk for the rest of the family even if it's promoted and discounted. "Picking up the milk" today may be less about the milk and more about the myriad of users and occasions which the shopper needs to consider.

If shoppers differ in how their shopping missions are framed and circumscribed, it pushes retailers to become more knowledgeable about household sharing-strategies and more nimble in aligning merchandising with shopper needs. Food stores today are organized primarily by food category, and collect purchase history primarily by shopper.

Stores can also help shoppers within these households better align with each other. Homes that split food tasks have greater needs to sync up to make shopping decisions. Clear roles, routine eating and familiar brands have long enabled Primary shoppers to delegate search-and-retrieve tasks to Secondary shoppers. Shared shoppers often seek permission to extend their mission into food decisions normally managed by the other shopper. But shoppers need help to be able to effectively manage this. To date, no single technology platform has solved within-household food coordination at large scale, and retailers may provide better solutions. Curating a specific tier of quality may also lower the perceived risks of adding unplanned items to Shared baskets. In these ways, stores can help households overcome a growing barrier to meeting their needs efficiently.

Meal Time Today

U.S. CONSUMERS NEED AND WANT TO EAT BETTER

Changing family and household structures, dynamics and schedules have a strong influence on meal occasions today. The boundaries of the well- and narrowly-defined meals of the past have blurred in today's eating culture. Consumers are eating alone more often (46% of all eating occasions are alone*) and planning for meals differently, with immediate consumption (food purchased within an hour of eating) accounting for 16% of all eating occasions*.

While consumers make time for dinner almost every night of the week, 6.5 times on average, they are skipping breakfast and lunch more often. And, while consumers most consistently eat dinner, on average they are preparing just 5.1 of those dinners at home *with food from home*.**

TABLE E.1: DINNER IS CONSISTENTLY EATEN BUT BREAKFAST AND LUNCH ARE OFTEN MISSED

Average weekly meals:	Eaten Anywhere	Eaten at Home	Skipped (7 possible less avg. eaten)
Breakfast	5.2	5.1	1.8
Lunch	5.6	4.1	1.4
Dinner	6.5	5.7	0.5

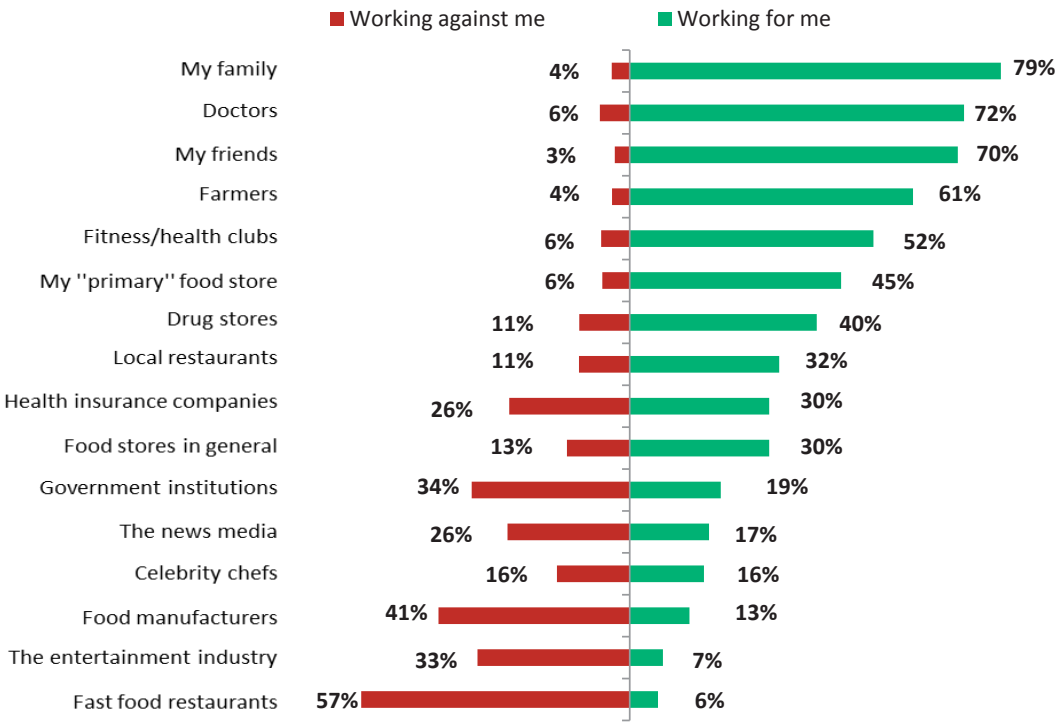
* Hartman Group Compass, 2014
** Source: FMI U.S. Grocery Shopper Trends, 2015.

WHEN IT COMES TO EATING HEALTHY AT HOME, CONSUMERS TRUST FOOD RETAILERS TO BE THEIR WELLNESS ALLIES

Almost all adults (92%) agree that eating at home is healthier than eating out, and they have high regard for the stores they rely on for the food they eat at home. While consumers often believe that food manufacturers and fast food restaurants are working against them, they typically do trust their "primary" food store to help them stay healthy (see Chart E.8).

CHART E.8: GROUPS ON YOUR SIDE VS. WORKING AGAINST YOU

When it comes to helping you stay healthy, which of these groups tend to be on your side and which tend to be working against you?

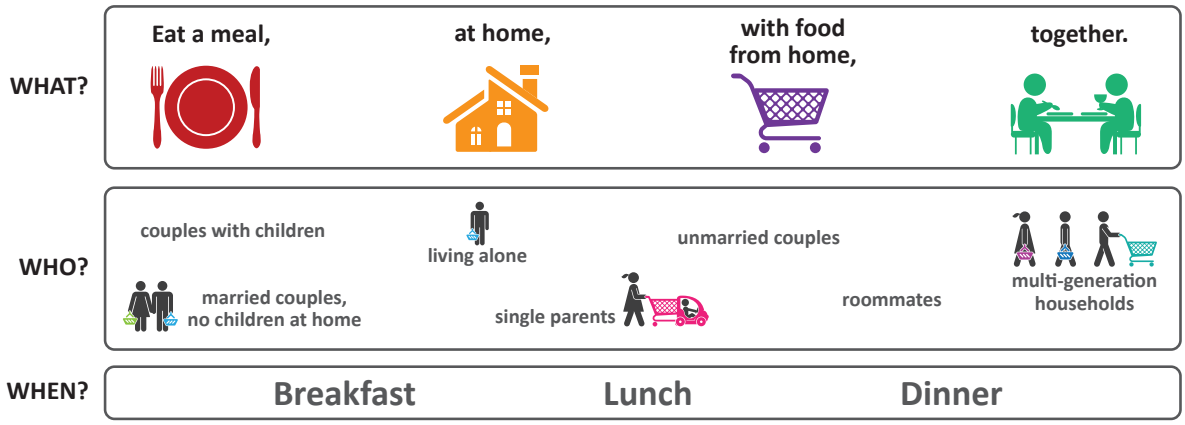


Source: FMI U.S. Grocery Shopper Trends, 2015. "The food I eat at home is much healthier than the food I eat away from home", Shoppers n=1,186. "When it comes to helping you stay healthy, which of these groups tend to be on your side, and which tend to be working against you?", Shoppers n=1,164

REIMAGINING THE FAMILY MEAL OCCASION

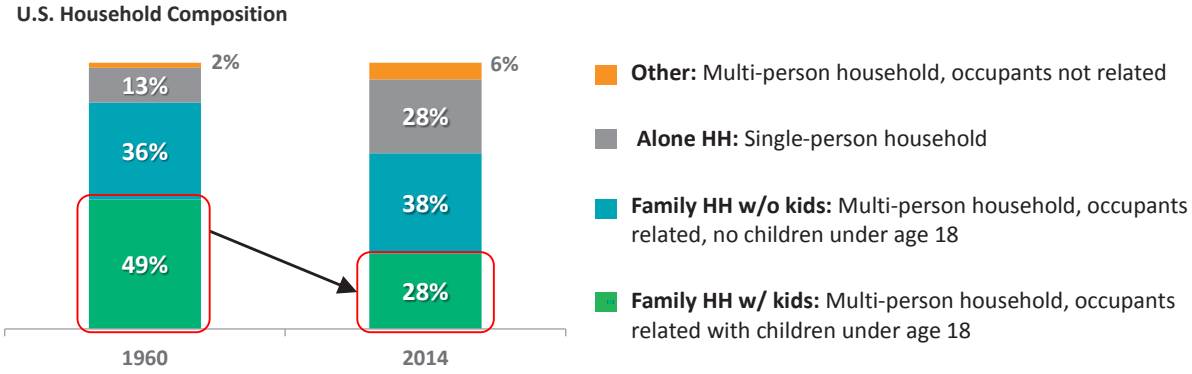
Today's families, and their corresponding meal structures, are much more diverse than the stereotypical couple with children eating dinner together around the family dining table. Later marriage and aging population means more "pre- and post-child" households. Dual-income households create time and schedule constraints that sometimes take meals together off the table.

FIGURE E.3: THE FAMILY MEAL OCCASION



Given the increasing number of single person households, and the shrinking number of families with kids, retailers looking to inspire shoppers around meal occasions should consider all types of families, and all types of meals in order to maximize opportunities.

CHART E.9: CHANGING FACE OF FAMILY HOUSEHOLDS

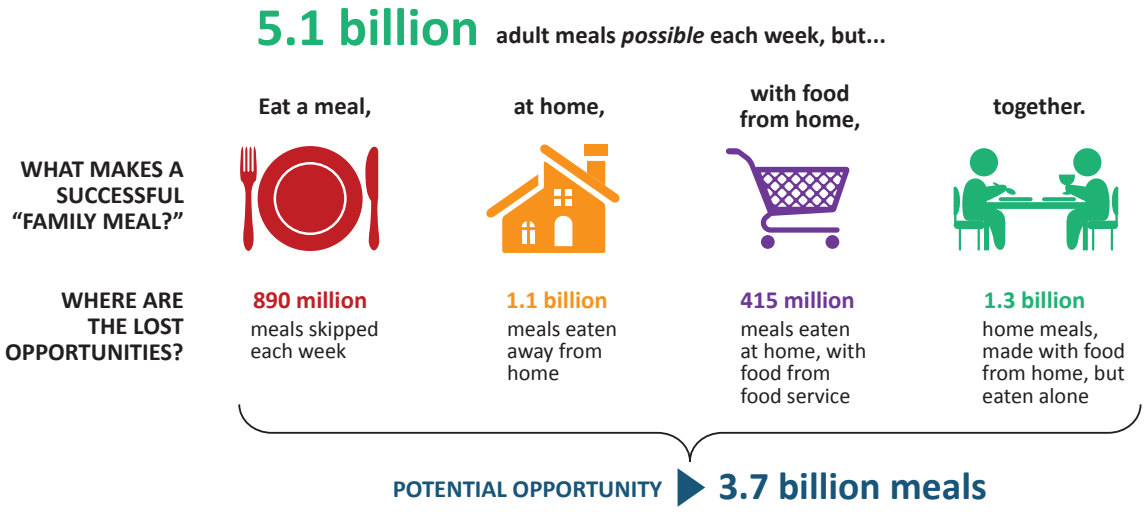


Source: U.S. Census, 2014.

FAMILY MEALS SUCCESS DEPENDS ON SEVERAL FACTORS, WITH MULTIPLE PLACES TO ENGAGE

Regardless of the shape or size of one's family, a successful family meal comprises a meal, either breakfast, lunch or dinner, at home, with food from home, eaten together. Each component here represents a measurable opportunity for success or failure, with different challenges for different types of families.

FIGURE E.4: WHAT MAKES A MEAL SUCCESSFUL?



Sources: Meals skipped based on FMI U.S. Grocery Shopper Trends, 2015. Other calculations based on Hartman Compass, 2013-2014, adult meal occasions n=19,018. *Food sourced from food service does not include food from food retailers

Using three meals per day at seven days per week for all adults in the U.S. as the baseline, 5.1 billion meals can possibly meet the family meal ideal each week. But successful family meals can fail at each of four junctures: meals can be ***skipped altogether,*** can be ***eaten away from home,*** can be eaten at home but ***with food from food service,*** or they can be ***eaten alone*** instead of with others. When actual eating behaviors are measured and summed, as many as 3.7 billion potential family meals each week appear lost. Understanding where and why these meals fail is the first step in planning strategies to help family meals succeed. To begin with, analysis confirms family meal growth opportunities occur throughout the day and are not confined just to dinner.

TABLE E.2: WHICH EATING OCCASIONS INCUR RISK FOR FAMILY MEALS SUCCESS

Skipped meals	Eaten away from home	Not sourced from retail	Eaten alone
1 in 2 are Breakfasts	1 in 6 are Breakfasts 1 in 4 are Dinners	More than half are Dinners	Almost half are Breakfasts

Sources: Meals skipped based on FMI U.S. Grocery Shopper Trends, 2015. Other calculations based on Hartman Compass, 2013-2014, adult meal n=19018.

"Our meal planning has changed dramatically since our son moved out. We're not that big on eating now. We do it because we have to sustain ourselves. We don't do as much cooking these days. A lot less." *-Lael*

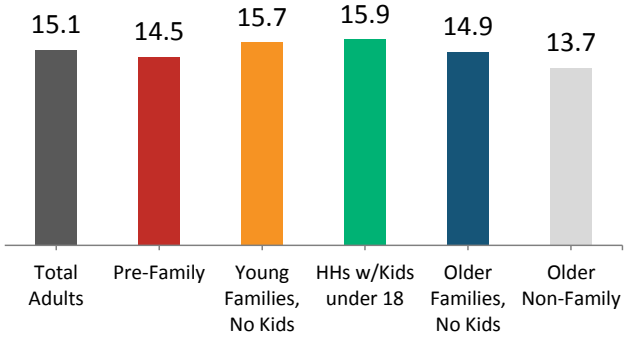
"I make my own food and she makes her own food. We don't sit down to a cooked meal." *-Ken*

DIFFERENT STAGES OF FAMILY FORMATION DISPLAY DIFFERENT OPPORTUNITIES FOR RETAILERS

Despite stereotypes of harried parents, meal consistency actually peaks among households with children under 18 years of age (see Chart E.10), primarily due to their higher rates of dinner consumption. Kids eat consistently and frequently, and when the kids eat, the parents eat, skipping meals relatively rarely.

Retailers must therefore not overlook the chance to help couples. Younger and older families without kids under 18 appear to need more structure than they might realize to avoid meal skipping. These adults only sometimes eat meals together and sometimes let mealtime pass by altogether, especially outside of the work week. One-third of weekend lunches are skipped among couple households, and one-fourth of young couples skip Sunday dinner (Source: Hartman Group Compass). Activities outside of work may be as great a barrier to eating routines as dual-income work schedules.

CHART E.10: MEAL OCCASIONS PER WEEK, BY FAMILY LIFESTAGE

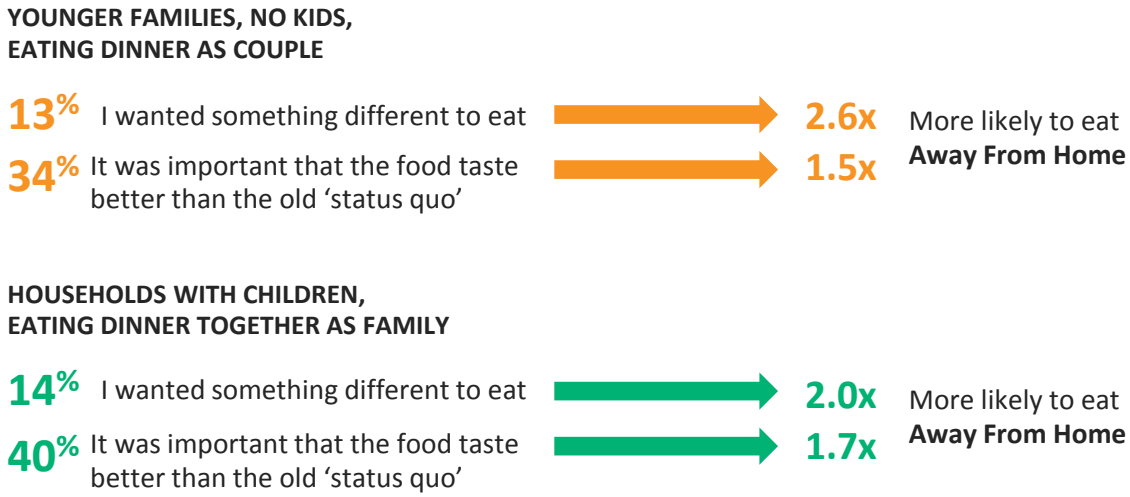


Source: Hartman Compass 2013-2014, n=43,024 adult eating occasions.

FAMILIES WITH KIDS LEAN ON FAST FOOD DESPITE THEIR BELIEF THAT RESTAURANTS HINDER THEIR WELLNESS GOALS

Families at all lifecycle stages eat dinner away from home on a regular basis, on an average 1.1 times per week. Families with children are especially likely to rely on fast food when they eat out, in spite of their belief that fast food restaurants make it more difficult for them to stay healthy. Among households with kids under 18, 63% believe fast food restaurants are "working against them" in their efforts to be healthy. An often overlooked driver is the young adult's desire for eating variety, which persists into parenthood and remains just as likely to lead them away from home-prepared meals towards food service.

FIGURE E.5: THE NEED FOR VARIETY LEADS TO AWAY-FROM-HOME MEALS



Source: Hartman Group Compass, 2013-2014, Adult dinners. Young family n=258 dinners eaten as Couple, HH-with-children n=260 dinners eaten as Family

Shopper Values and Trends

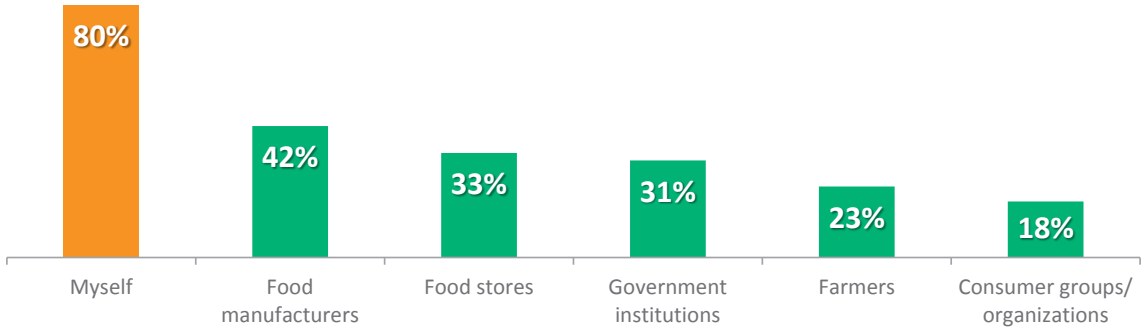
AS SHOPPER VALUES EVOLVE, MORE SHOPPERS ARE PRIORITIZING WELLNESS, NON-GMO, FOOD SAFETY, AND ANIMAL WELFARE

Over the past several decades, consumer evolution towards personal health has sometimes meant a convergence with community wellness ideals. FMI's analysis of shopper survey data has identified some themes, in addition to overall wellness, that have become increasingly salient over the past two years: non-GMO, food safety, and humane treatment of food animals.

HEALTH AND WELLNESS AS A PROACTIVE PURSUIT

Taking a more proactive role in their health, 80% of shoppers assume personal responsibility for the nutrition of the food they buy. However, shoppers also rely on partners in the food supply chain to make sure that food is nutritious, with food manufacturers and retailers being atop that list (see Chart E.11). Shoppers choose their partners with their pocketbook, selecting retailers and products that best support their personal wellness needs and aspirations.

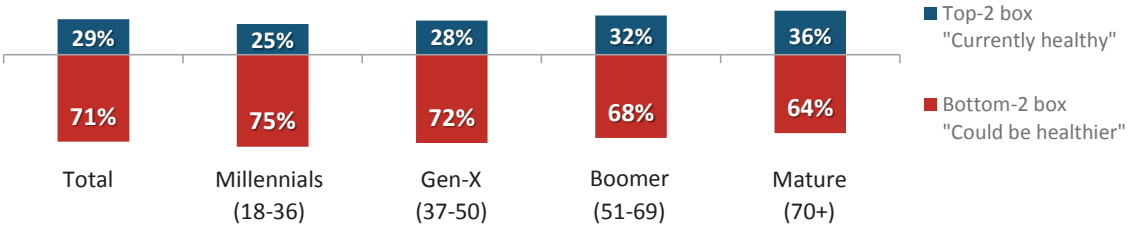
CHART E.11: SHOPPER ASSIGNMENT OF PRIMARY RESPONSIBIILITY FOR ENSURING FOOD BOUGHT IN THE GROCERY STORE IS NUTRITIOUS



Source: FMI U.S. Grocery Shopper Trends, 2015. Q: "Who do you feel should be primarily responsible for ensuring that the food you buy in your grocery store is nutritious?" Shoppers n=1,164.

More proactive responsibility parallels greater self-awareness among consumers. When it comes to being healthy, a vast majority of shoppers (71%) believe their diets could be healthier (see Chart E.12). Millennials are the most critical of their diets as only one-quarter believe they are currently healthy compared to over one third of Matures.

CHART E.12: SHOPPER SELF-ASSESSMENT OF HEALTH OF DIET, BY GENERATION

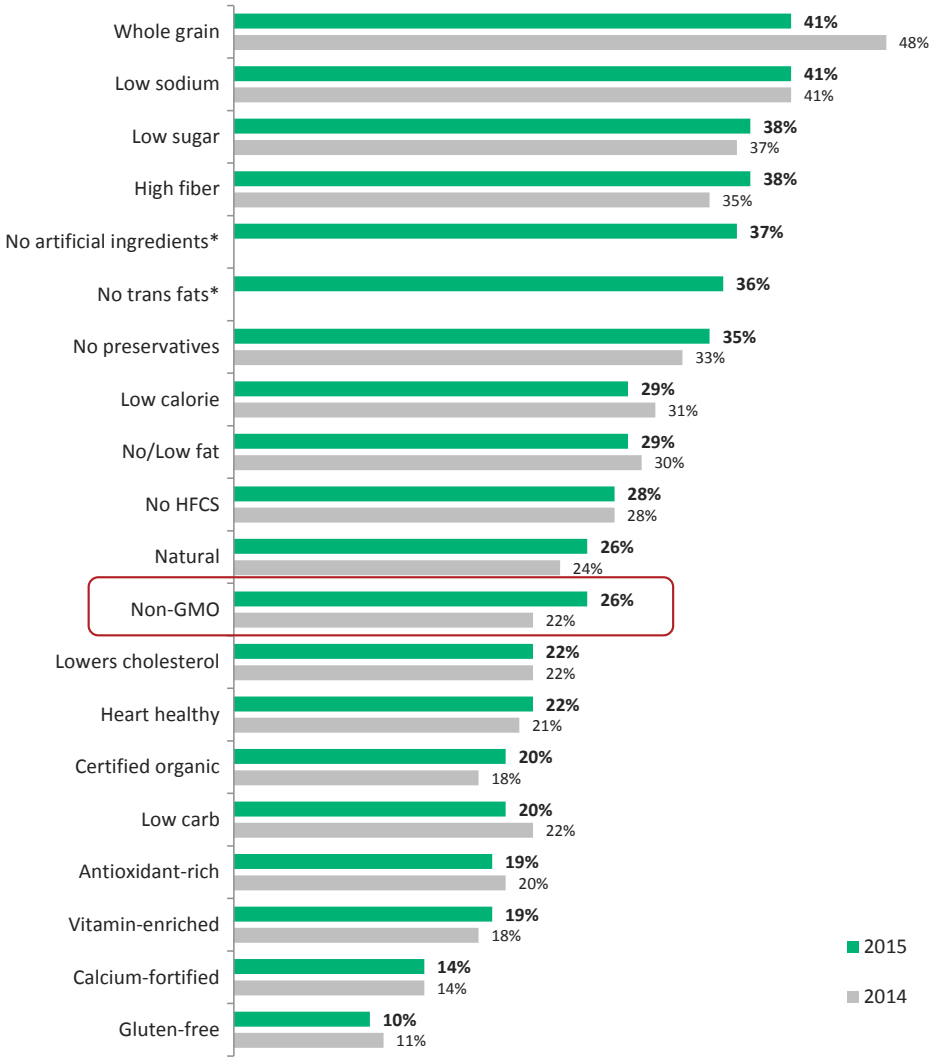


Source: FMI U.S. Grocery Shopper Trends, 2015. Q: "Thinking of all the foods you eat at home how would you describe your diet?" Shoppers n=1,164.

GMO AVOIDANCE IS MORE ABOUT MINIMALLY PROCESSED FOODS THAN ABOUT HEALTH

Notwithstanding the range of arguments for/against genetically modified organisms, "GMOs" sound bad to almost half of American food shoppers (45% say they "would avoid" them). While only around one-quarter of shoppers say they actually seek non-GMO food products, this number has grown relative to other health and wellness cues evaluated on product ingredient labels (see Chart E.13). More sophisticated analysis further indicates that this active engagement in GMO avoidance is most strongly aligned with an interest in minimal processing, rather than with nutrient avoidance or seeking.

CHART E.13: CLAIMS SOUGHT BY CONSUMERS, 2014-2015



Source: FMI U.S. Grocery Shopper Trends, 2014-2015. Q: What health claims do you look for on the package when purchasing a food product? These are product attributes often prominently displayed on the front of the package (not the nutrition facts panel)." n=1,059 – 2014. n=1,164 – 2015.

"We haven't learned a ton about GMO. It's anything mechanically engineered, and not natural. It makes me wonder if it's healthy. There are so many chemicals and things. It's scary as a consumer and hard to weed through the hype. It's hard to know who to trust." *-Lindsey*

FOOD SAFETY AND RESPONSIBILITY ALONG THE FOOD SUPPLY CHAIN

Consumers rely on a broad array of parties to ensure the food they purchase at the grocery store is safe. While nearly two-thirds of shoppers assume personal responsibility for purchasing safe products, they depend on a network of retailers, manufacturers, producers and watchdog groups to each contribute a layer of oversight in the process of food production and distribution to keep the general food supply safe (see Table E.3).

This shared responsibility across organizations and institutions unequally assigns a greater burden on certain government agencies, such as the FDA and USDA. Shoppers have long reported a role in food safety for "government institutions" about as frequently as for food manufacturers or food stores. However, in 2015, when shoppers were asked about specific, individual government agencies, FDA and USDA, they revealed that they rely on these institutions more than anyone else, aside from themselves.

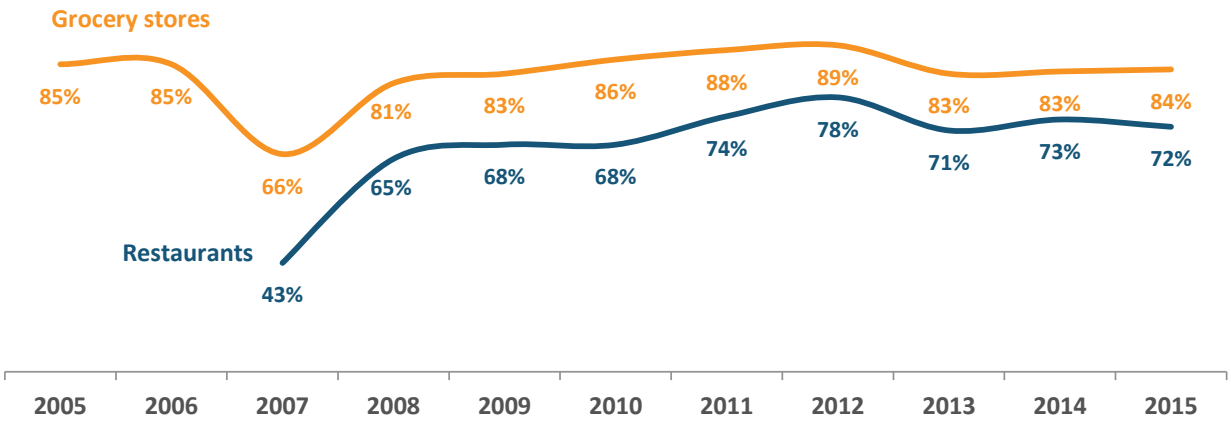
TABLE E.3: CONSUMER CONFIDENCE IN FOOD PURCHASED FROM GROCERY STORE

	Year						
Number of Shoppers: n=1,164	2009	2010	2011	2012	2013	2014	2015
Myself as an individual	55%	51%	58%	58%	58%	63%	64%
Food and Drug Administration (FDA)	*	*	*	*	*	*	53%
United States Department of Agriculture (USDA)	*	*	*	*	*	*	49%
Food Stores	25%	29%	28%	32%	36%	42%	41%
Manufacturers/Food Processors	33%	29%	35%	37%	38%	38%	41%
Government Organizations	32%	27%	28%	30%	32%	43%	34%
Farmers	8%	10%	10%	15%	19%	19%	23%
Consumer Groups	12%	10%	9%	12%	15%	18%	17%

Source: FMI U.S. Grocery Shopper Trends, 2015. Q: "Who do you rely on the most to ensure that the products you buy in your grocery store are safe?" n=1,164-2015; n=1,059-2014; n=776-2013; n=1,026-2011; n=1,001-2010 (2012 estimated through interpolation). *Additional governement organizations added in 2015.

While spending at food service has been growing of late, consumer confidence in food safety at restaurants has not. Although the gap remains narrow, consumers continue to be more confident in the food they purchase from food retailers than from food service (see Chart E.15).

CHART E.15: CONSUMER CONFIDENCE IN FOOD PURCHASED FROM FOOD RETAIL OR FOOD SERVICE IS SAFE, 2005-2015

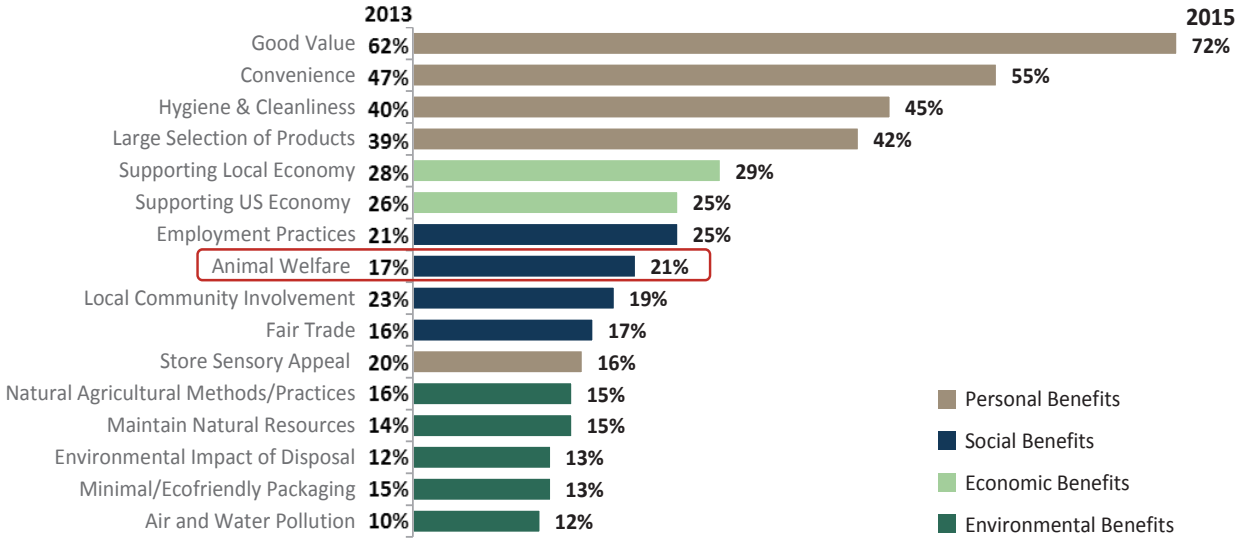


Source: FMI U.S. Grocery Shopper Trends, 2015. Q: "How confident are you that the food in your grocery store is safe?" Q: "How confident are you that restaurant food is safe?" n=1,164-2015; n=1059-2014; n=772-2013; n=1026-2011; n=1001-2010.

SHOPPERS WANT FOOD RETAILERS TO PRIORITIZE ANIMAL WELFARE OVER ENVIRONMENTALLY SUSTAINABLE PRACTICES

Among other trends, shopper interest in animal welfare has been consistently growing of late and appears to be picking up momentum. Consumers increasingly indicate an interest in the way animals are treated by companies who make their food and beverage products. And among consumer expectations of retailers, when it comes to attributes beyond those that render personal benefits, shoppers prioritize animal welfare second only to employment practices. Since 2013, the number of consumers who say it is important that their grocery store practice animal welfare has grown from 17% to 21% (see chart E.16). Animal welfare must now therefore be considered as a shopper value that retailers need to manage towards, as it rivals and surpasses several environmental-oriented benefits that stores have endeavored to make visible for its shoppers and communities.

CHART E.16: MOST IMPORTANT RETAILER ATTRIBUTES, BY BENEFIT ZONES

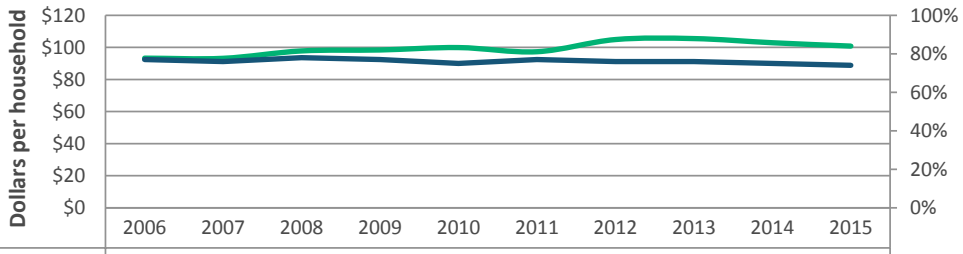


Source: The Hartman Group, Transparency. n=1,701-2015, n=1,673-2013.

Appendix: Food Shopping at a Glance

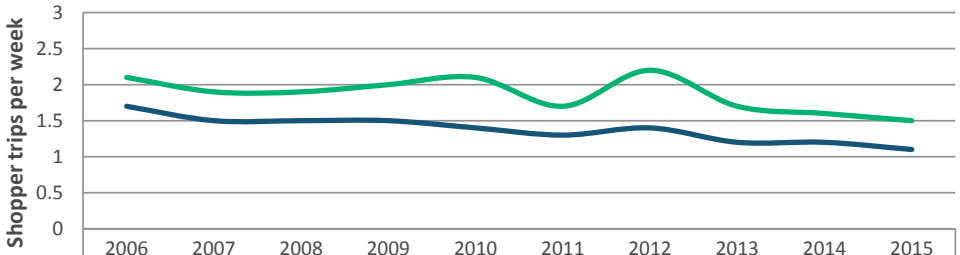
ALL DATA FROM FMI U.S. GROCERY SHOPPER TRENDS, 2006-2015

FIGURE A.1: SPENDING
Flat weekly spending per household, slow decline in reliance on primary store.



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Average weekly grocery spending	$93.30	$93.20	$97.80	$98.40	$99.90	$97.30	$104.90	$105.50	$102.90	$100.80
Primary store weekly spending	77%	76%	78%	77%	75%	77%	76%	76%	75%	74%

FIGURE A.2: TRIPS
Ongoing decline in weekly number of grocery trips reported.

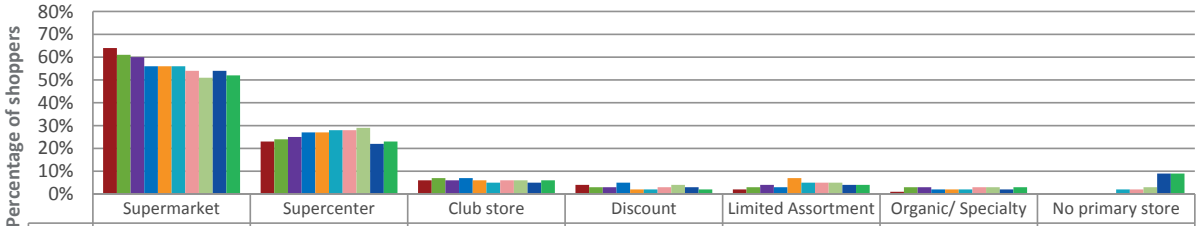


	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Average total trips per week	2.1	1.9	1.9	2.0	2.1	1.7	2.2	1.7	1.6	1.5
Average trips to primary store	1.7	1.5	1.5	1.5	1.4	1.3	1.4	1.2	1.2	1.1

FIGURE A.3: CONFIDENCE
Stable satisfaction with primary store (on 1-10 scale, where 10 is "Excellent"), slight recovery in confidence of food safety at grocery.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Rating of primary grocery store	8.0	7.9	8.0	8.2	8.3	8.4	8.4	8.3	8.2	8.3
Confident that food in store is safe	85%	66%	81%	83%	86%	88%	89%	83%	83%	84%

FIGURE A.4: STORE CHOICE
In 2015, supermarkets decline slightly while supercenters stabilize. However, 9% of shoppers still claim to have 'no primary store'.



	Supermarket	Supercenter	Club store	Discount	Limited Assortment	Organic/ Specialty	No primary store
2006	64%	23%	6%	4%	2%	1%	
2007	61%	24%	7%	3%	3%	3%	
2008	60%	25%	6%	3%	4%	3%	
2009	56%	27%	7%	5%	3%	2%	
2010	56%	27%	6%	2%	7%	2%	
2011	56%	28%	5%	2%	5%	2%	2%
2012	54%	28%	6%	3%	5%	3%	2%
2013	51%	29%	6%	4%	5%	3%	3%
2014	54%	22%	5%	3%	4%	2%	9%
2015	52%	23%	6%	2%	4%	3%	9%