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CONSUMER FOOD INSIGHTS

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INTRODUCTION

Consumer Food Insights (CFI) is a monthly survey of more than 1,200 American adults from across the country. Since January 2022, the Center for Food Demand Analysis and Sustainability (CFDAS) at Purdue University has used this survey to track trends and changes in consumer food demand and food sustainability behaviors.[1] Visit purdue.ag/CFDAS or contact cfdas@purdue.edu for more details.

In this issue, we focus on differences between households without children (<18) and households with children (<18).[2] New questions asked in this month's edition focus on the trending topic of "shrinkflation" at the grocery store. Stay tuned for an upcoming Chew on This! blog post about consumers' Thanksgiving plans and the influence that political differences may have on peoples' meal celebrations.

KEY INSIGHTS FROM OCTOBER

- 69% of consumers are classified as "thriving" and 10% are classified as "suffering" on the diet well-being scale.
- 77% of consumers say they have noticed shrinkflation in some or many food products at the grocery store.
- Snacks were the most common item consumers say they have noticed shrinkflation in (78% selected).
- Price is more frequently checked by consumers compared to weight or unit price; price changes are also more likely to be noticed.
- Shrinkflation may negatively affect brand trust and loyalty; many consumers want more transparency with reductions in size/quantity.
- Households with children report eating more FAFH meals with more of their budgets spent on takeout.
- Food insecurity is higher among households with children (17%) relative to those without children (13%).

FOOD HAPPINESS	FOOD INSECURITY	FOOD SPENDING	GROCERY STOCKOUTS
+2*	+0	+12	+2
87%	13%	$197 /WEEK	11%

*+/- in upper right corner tracks the unit change in the statistic from the previous month or quarter, depending on data collection frequency

SHRINKFLATION

Are consumers experiencing shrinkflation?

New questions this month explore consumer awareness and perceptions of "shrinkflation" at the grocery store, a practice where food companies reduce the quantity or size of a food product while keeping the price the same.

Over three quarters of consumers (77%) say they have noticed shrinkflation at the grocery store in the last 30 days (**Figure 1**). Snack foods are the most common items consumers say have experienced shrinkflation (78%), followed by packaged desserts & sweets (53%) and frozen foods (48%) (**Figure 2**). Consumers with children in the same household also report noticing shrinkflation in a greater variety of products (**Figure 3**).

Figure 1. *"In the LAST 30 DAYS, have you noticed food packaging getting smaller at the grocery store without the price also decreasing?"*, Oct. 2024

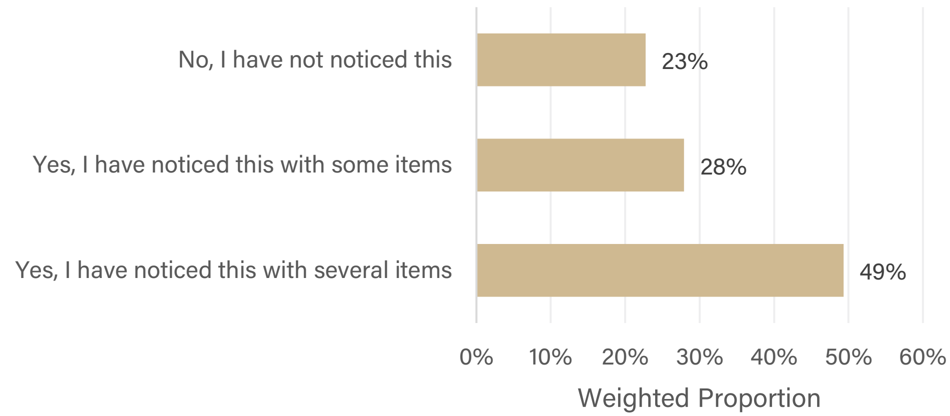
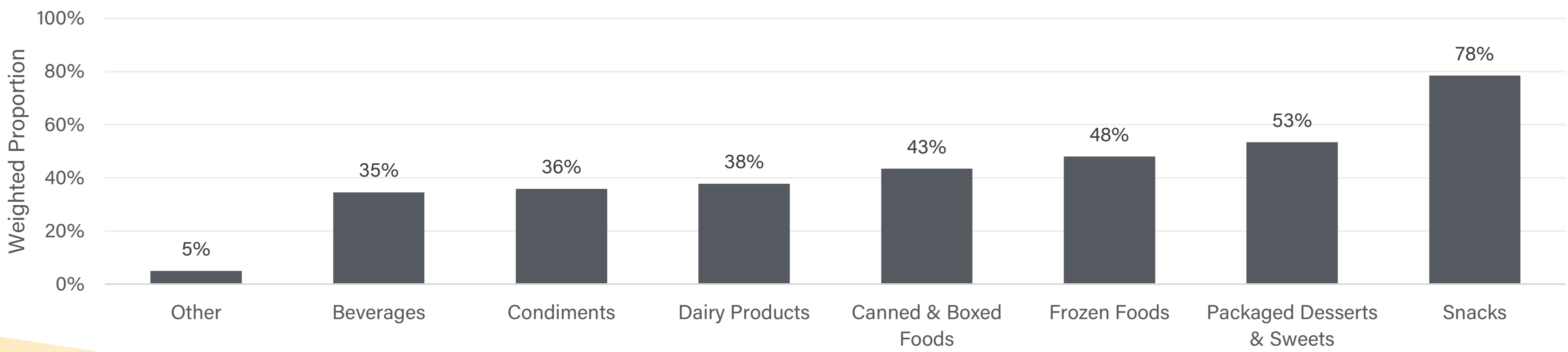
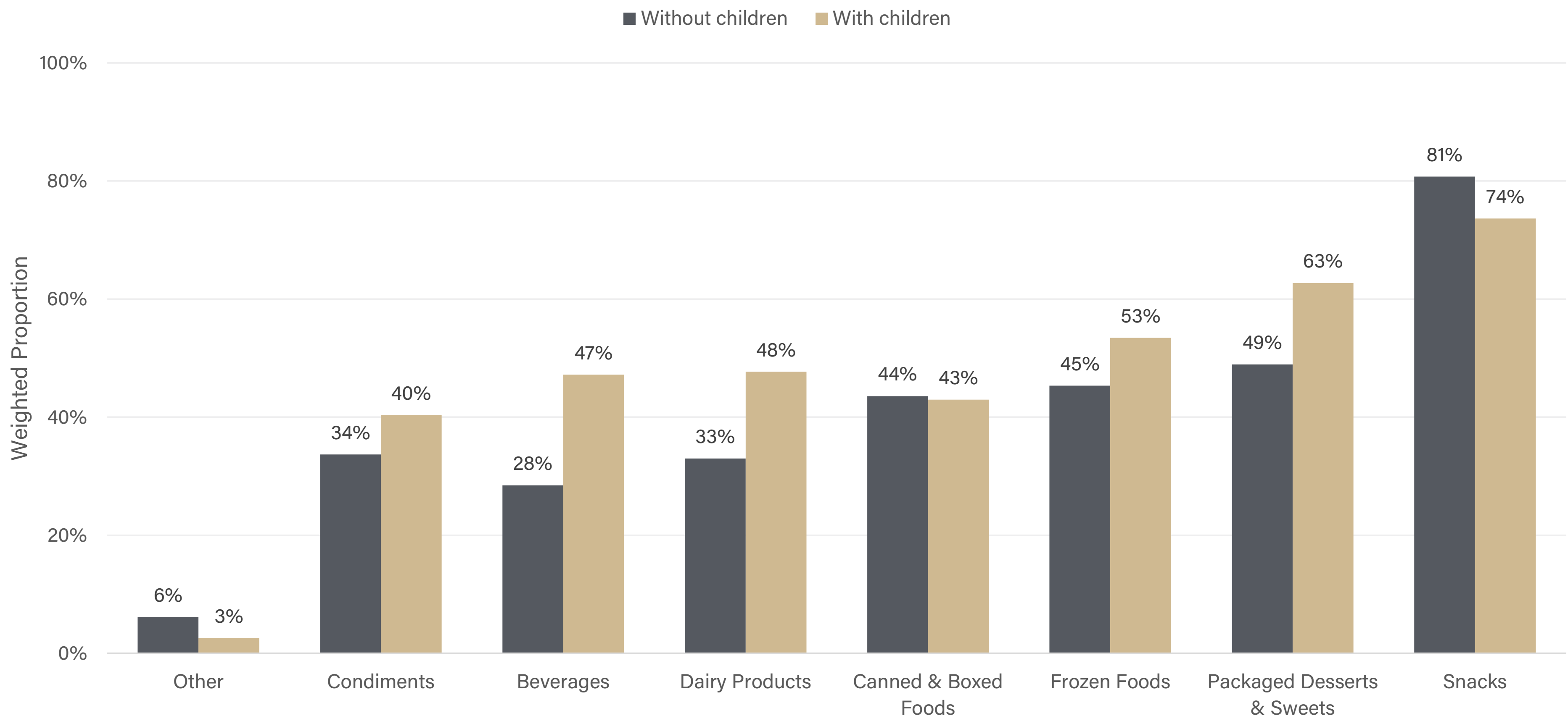


Figure 2. *"Thinking about the foods you typically purchase when grocery shopping, which foods have you noticed have been affected by 'shrinkflation?' Please select all that apply."*, Oct. 2024



SHRINKFLATION

Figure 3. *"Thinking about the foods you typically purchase when grocery shopping, which foods have you noticed have been affected by "shrinkflation?" Please select all that apply."* by Households with Children, Oct. 2024



SHRINKFLATION

What information on labels do consumers pay attention to?

Detecting shrinkflation in a products can be more difficult than detecting changes in price unless consumers are aware of the typical weight and unit price of the product. **Figure 4** shows that most consumers (82%) "often" or "always" check the overall price of the food they are going to buy. However, only around half "often" or "always" check for product weight or unit price. Unit price is an important indicator of the value consumers are getting for their food. This shows that most consumers are likely to notice changes in overall prices but potentially miss changes in shrinkflation indicators.

Additionally, we try to understand consumer preferences by asking respondents to pick between two snack options in the event a food company makes a change to one of their favorite products: one where the price remains the same and the size decreases and one where the price increases and the size remains the same. Notably, the unit price is held constant to better understand consumers' aversion to either price increases or size decreases, even though the value is the same. We find that consumers are split between the two (**Figure 5**). Interestingly, a slightly larger share (53%) say they would prefer the size decrease over the price increase, contrary to some previous survey findings.[3] However, the price checking frequency suggests consumers may be more attentive to price differences.

Figure 4. Food Label Checking Frequency for Price, Unit Price and Weight, Oct. 2024

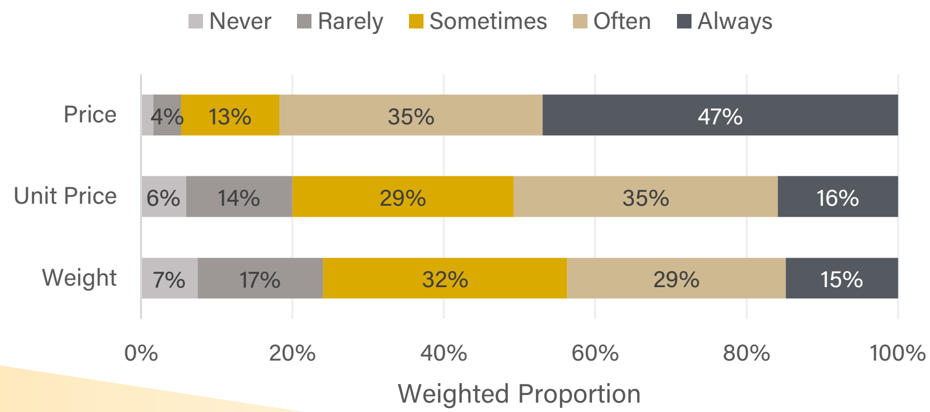
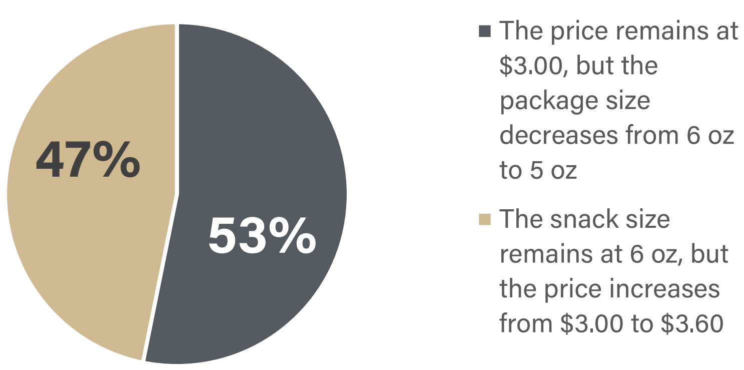


Figure 5. Single Serve Snack Preference: Change in Size or Change in Price, Oct. 2024

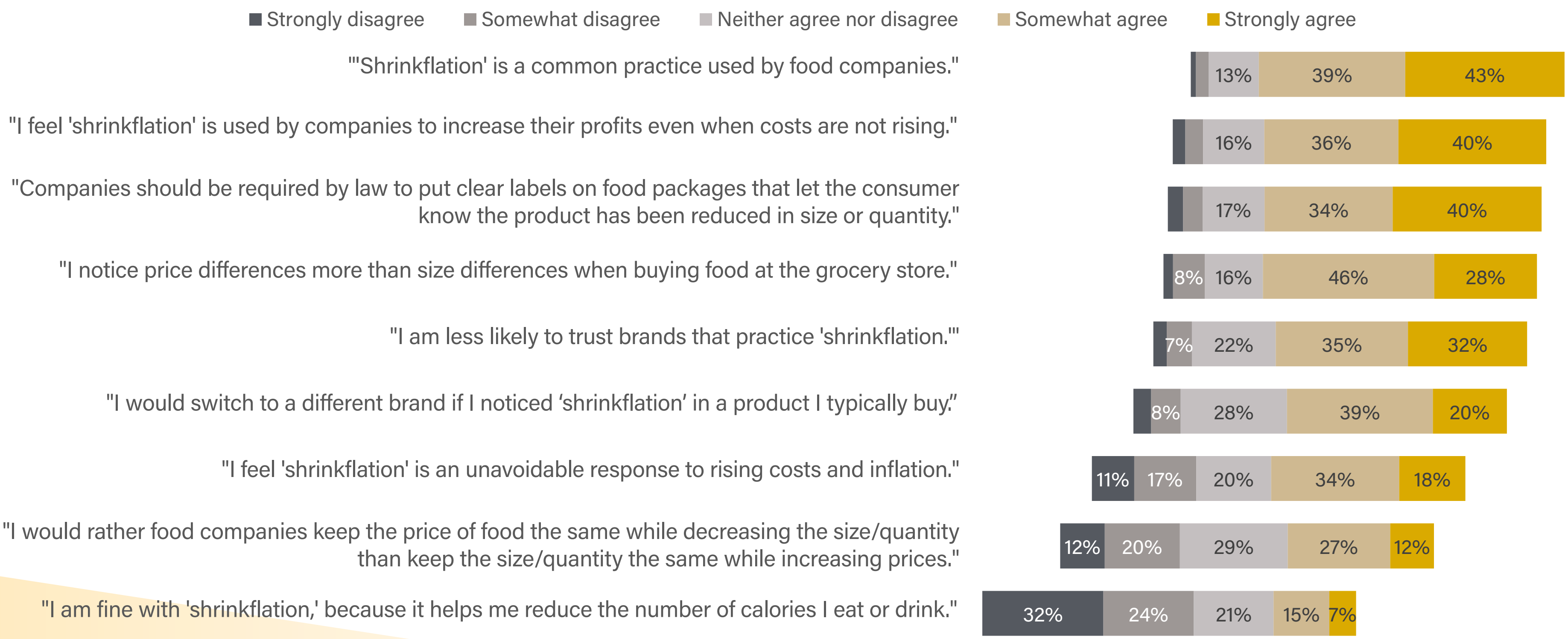


SHRINKFLATION

What do consumers believe about shrinkflation?

Figure 6 summarizes consumer agreement with statements about shrinkflation. Overall, the majority of consumers believe shrinkflation is common practice among food companies, even when costs and inflation pressures are not present. Three quarters also agree that there should be requirements in place to inform consumers about size/quantity reductions in food products. However, many consumers do also view shrinkflation as an unavoidable response to rising costs and inflation. In line with our previous results, 74% of consumers agree that they notice price differences more than size differences when grocery shopping. Companies should also be cognizant of the effect that shrinkflation might have on brand switching and trust.

Figure 6. Consumer Agreement with Statements About Shrinkflation, Oct. 2024



FOOD SATISFACTION

Are Americans satisfied with their diets?

Respondents score their own diet on a 0-10 scale, with the top of that scale (10) representing their ideal diet.[4] Scores are categorized as thriving (7-10), struggling (5-6) or suffering (0-4). Since January 2024, we have observed a gradual increase in the share of consumers classified as "thriving" on this index (**Figure 7**). Around 69% of consumers score their diet as a 7-10 while only 10% score their diet as a 0-4. The rate of consumer diet happiness also remains high, with 87% of American adults reporting being either 'rather happy' or 'very happy' with their diets (**Figure 8**).

Figures 9 and 10 do not reveal any substantial differences in diet satisfaction between consumers living with or without children in the household. The U.S. food system satisfies the diets of households of different sizes and compositions. A slightly larger share of those with children in the household report being satisfied with their lives (71%) relative to those without children present in the household (67%).

Figure 7. Diet Well-being Index (0-10 Scale)**,** Jan. 2022 - Oct. 2024

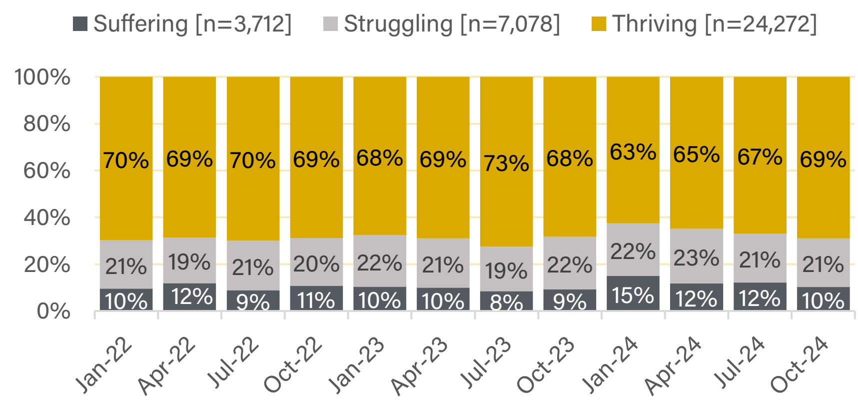
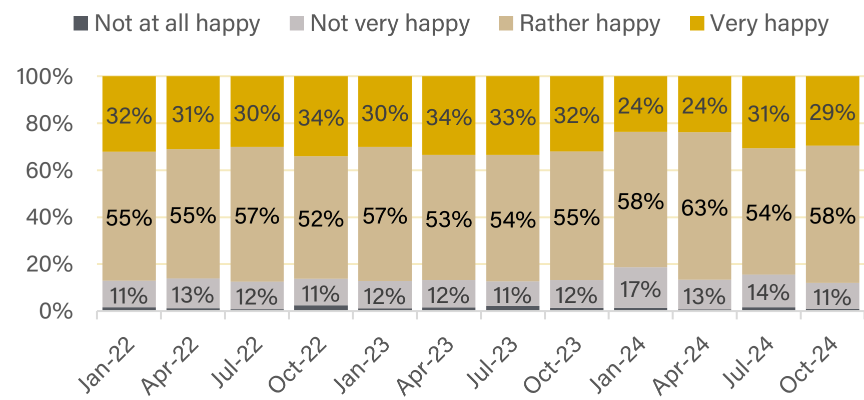


Figure 8. Rate of Consumer Diet Happiness**,** Jan. 2022 - Oct. 2024



FOOD SATISFACTION

Figure 9. Diet Well-being Index (0-10 Scale) by Households with Children, Jan. 2022 - Oct. 2024

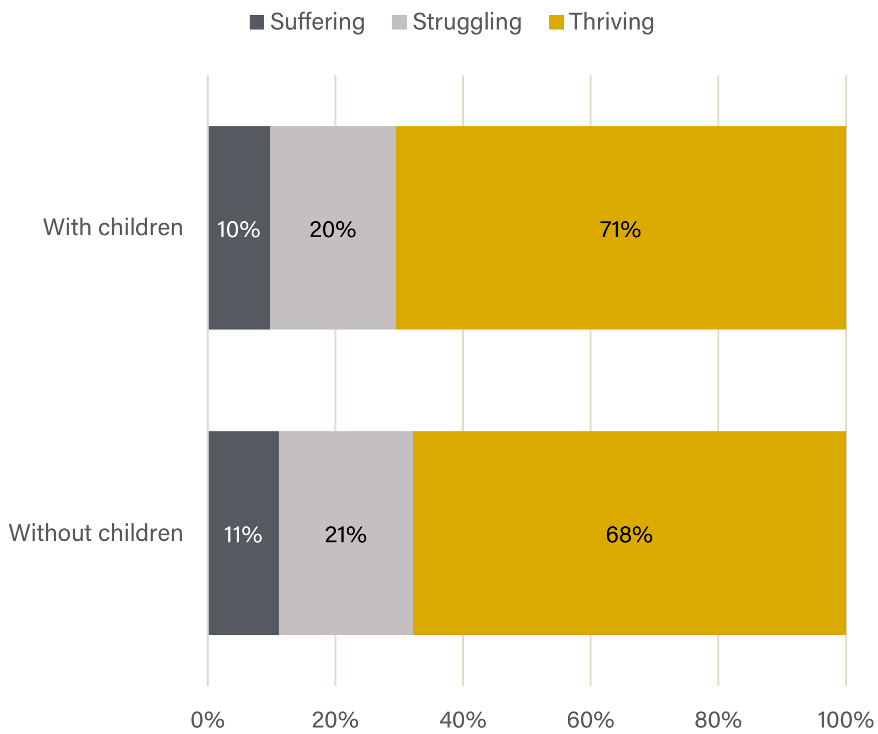
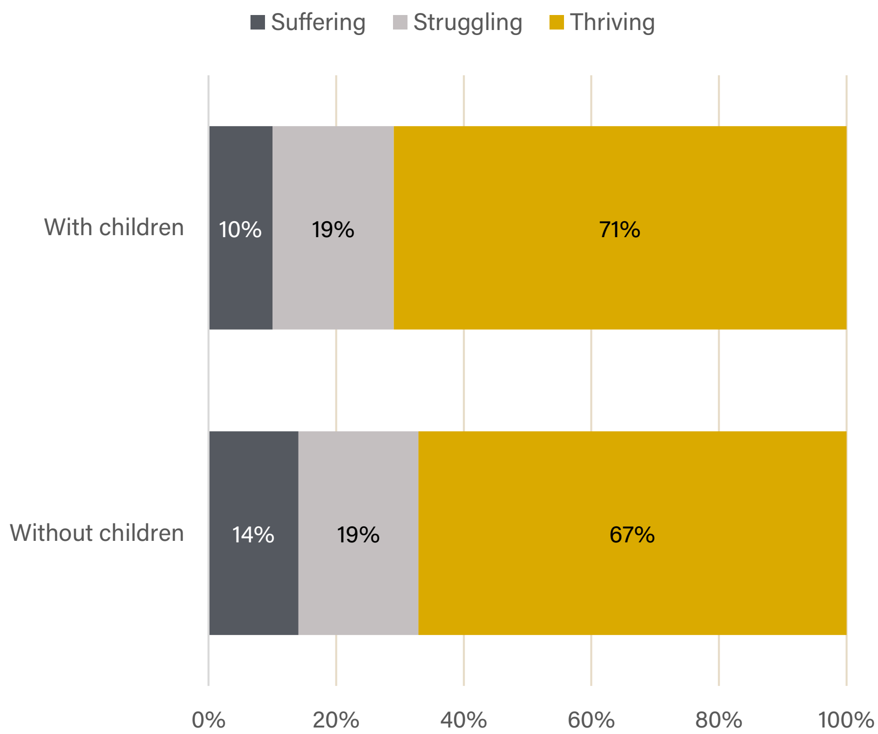


Figure 10. Life Well-being Index (0-10 Scale) by Households with Children, Jan. 2022 - Oct. 2024



FOOD EXPENDITURES

How much are American households spending on their food?

Each month, consumers report their household's weekly spending on food from the last 30 days (**Figure 11**). On average, consumers reported spending about $123/week on groceries (FAH) and $74/week on restaurants and other carryout this month (FAFH).[5] Overall weekly food spending this month is 5.9% higher than in October 2023 and 11.2% higher than in October 2022.

The consumer estimate of food inflation over the past twelve months dipped slightly to 5.4% (**Figure 12**). We have not observed a susbtantial change in this estimate over the past four months as the CPI measure of annual food inflation remains stable around 2%. Similarly, the consumer food inflation expectation for the next 12 months remained around 3%, slightly higher than the current CPI estimate (2.3%). Consumer inflation estimates and expectations are both around one percentage-point lower than the estimates from October 2023.

Figure 11. Weekly Household Food Expenditures, Jan. 2022 - Oct. 2024

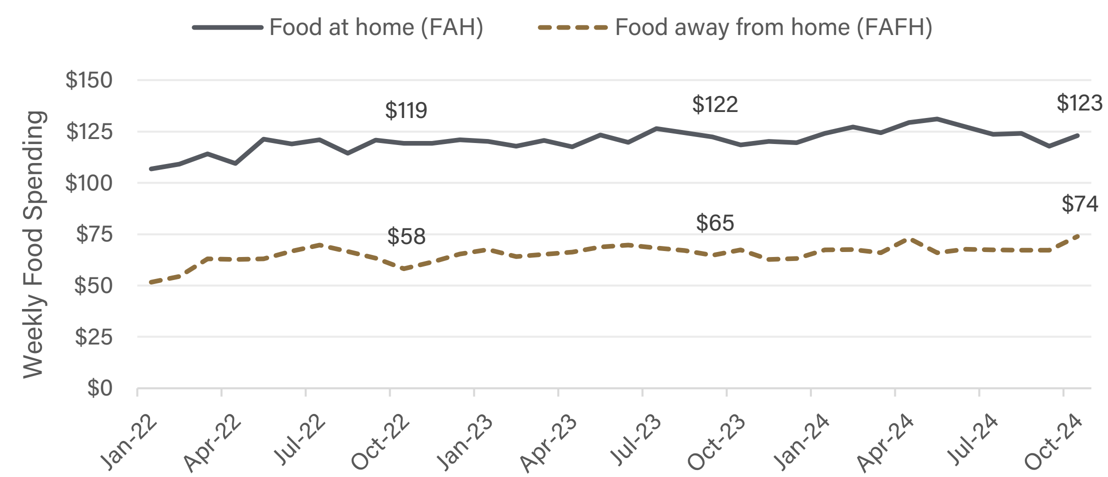
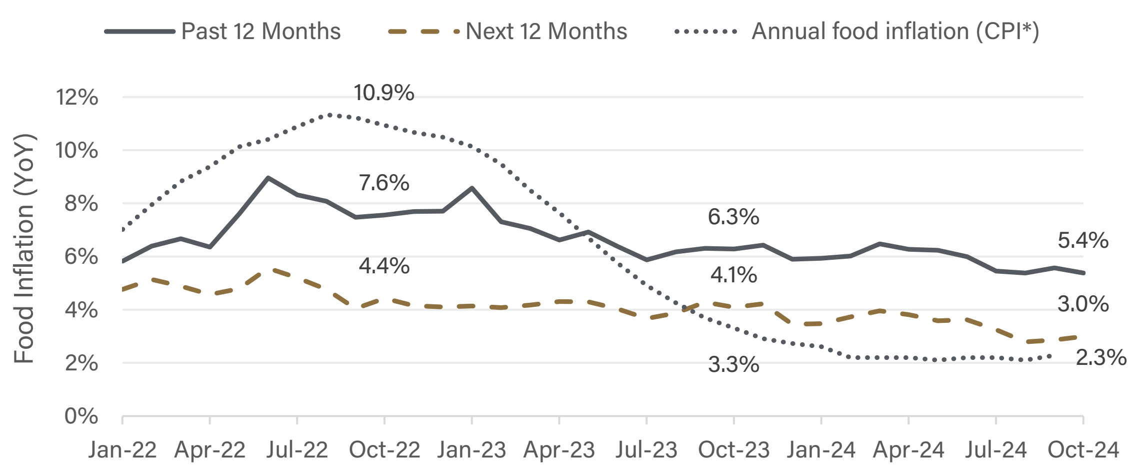


Figure 12. Consumer Estimates of Food Inflation Compared to Gov. Estimate, Jan. 2022 - Oct. 2024



*The Consumer Price Index (CPI) is a measure of inflation computed by the U.S. Bureau of Labor Statistics.

FOOD EXPENDITURES

Where are families purchasing their food?

Households with children report having more weekly FAFH meals (3.2) compared to households without children (2.1) (**Figure 13**). **Figure 14** reveals that around 58% of spending on FAFH meals for households with children is allocated toward delivery and takeout compared to 50% of households without children.

Understandably, households without children are more likely to spend their FAFH budgets on dine-in meals, with 32% doing so at restaurants. Families with children may find it easier to get FAFH meals than cook a full meal at home and seem to be opting for the more convenient delivery and takout options more often when doing so.

Figure 13. FAFH Meals in the Last 7 Days by Households with Children, Jan. 2022 - Oct. 2024

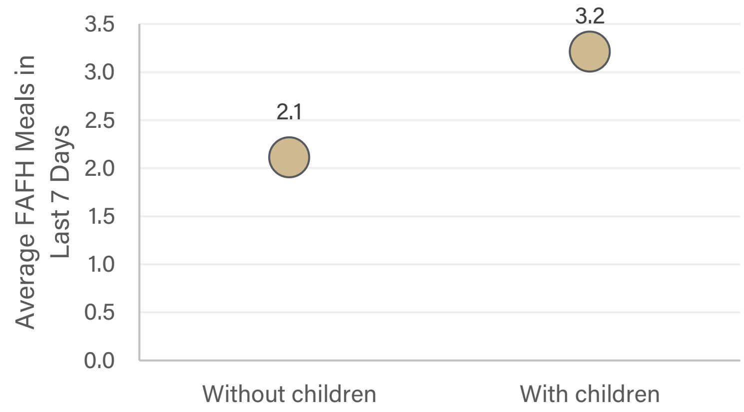
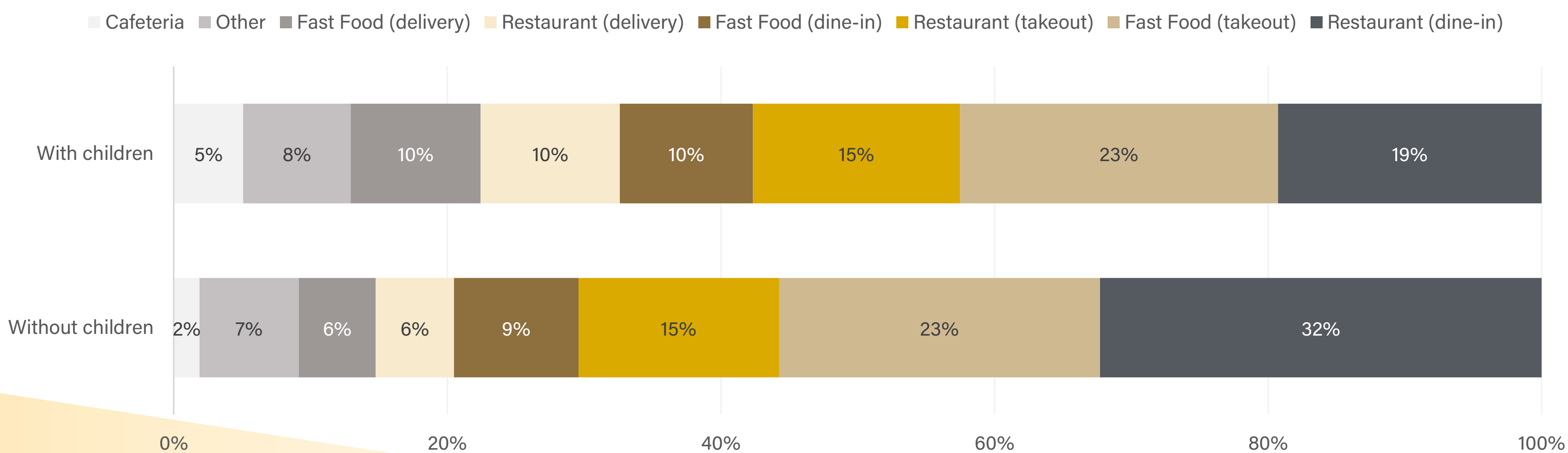


Figure 14. Location/Method of Food Away From Home (FAFH) Spending by Households with Children, Jan. 2022 - Oct. 2024



FOOD SECURITY

Which Americans are having trouble buying food for their families?

Based on a set of six standard questions about food purchased and eaten in the past 30 days, we estimate national food insecurity to be 13.3% (**Figure 15**).[6] It remains unchanged from the previous two months.

Aggregating all months of CFI data, we find that the rate of food security is higher among households with children (17%) relative to households without children (13%) (**Figure 16**). This is in line with a recent report from the USDA, which found that food security affected 17.9% of households with children in 2023.[7] With household incomes needing to support a greater number of people, those with children may find it more difficult to ensure all members of the household receive sufficient amounts of nutritionally adequate food.

Figure 15. Rate of Household Food Insecurity in the Last 30 Days, Jan. 2022 - Oct. 2024

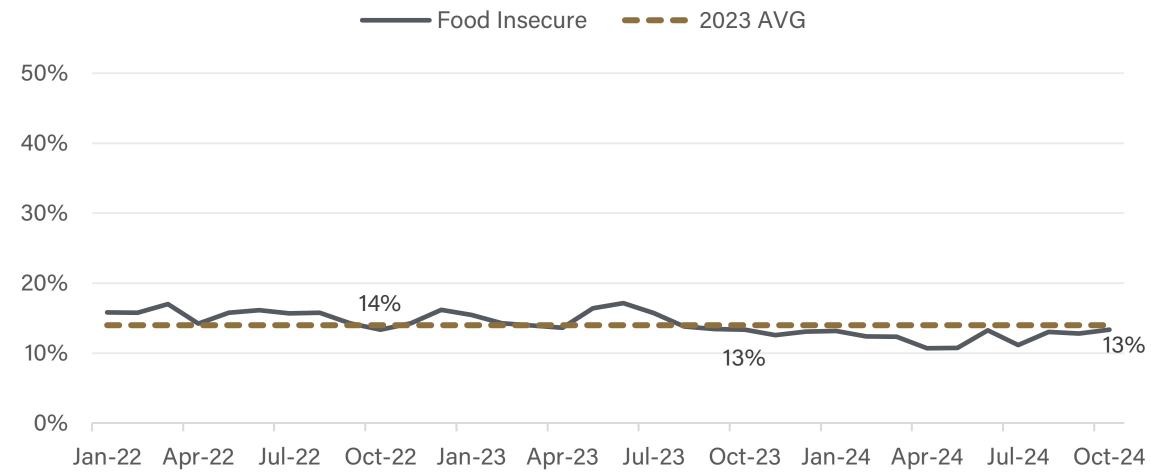
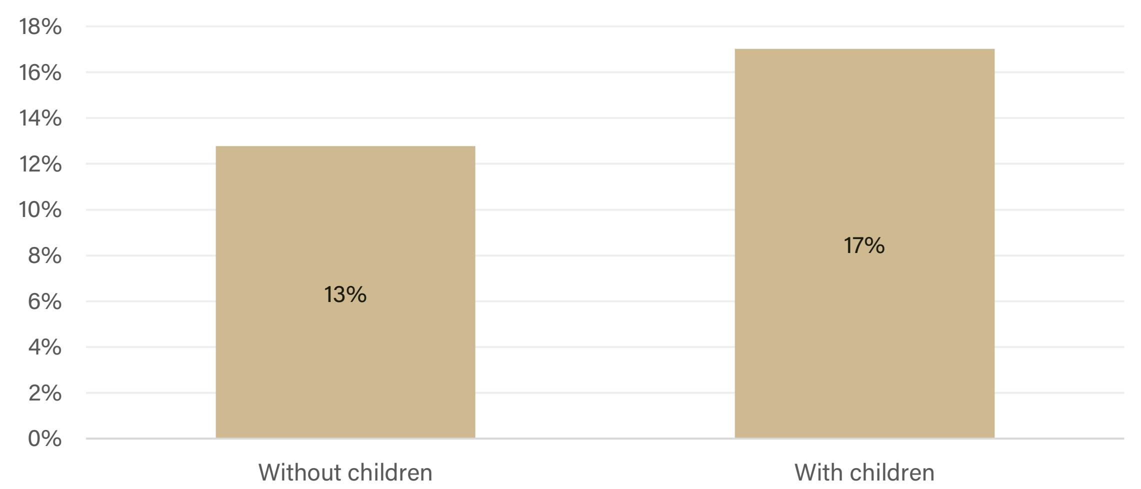


Figure 16. Rate of Household Food Insecurity by Households with Children, Jan. 2022 - Oct. 2024



CONSUMER BEHAVIORS

How are Americans navigating their food environment?

Consumers are asked to report the frequency at which they chose certain foods, checked labels and performed at-home food behaviors.

Figure 17 compares the frequency of food choices, label checking and at-home food behaviors between those sharing a home with children and those without children in the household. We see significant differences in behavior frequency between the two types of households. Adults with children are more likely to choose foods commonly labeled as "sustainable" or "ethical" as well as check food labels for food origin, recalls, GMO ingredients, source and natural/clean labels. Surprisingly, consumers with children in the household report engaging in "risky" food consumption behaviors (e.g., eating unwashed produce, undercooked meat, raw dough) more frequently than those without children. However, they throw food away past the use-by/sell-by date label more often.

Figure 17. Frequency of Consumer Shopping and Eating Habits by Households with Children, Aug. 2022 - Oct. 2024

	Without children	With children
Chose generic foods over brand-name foods	3.2	3.4
Chose local foods over non-local foods	2.9	3.3
Chose wild-caught fish over farm-raised fish	2.8	3.2
Chose grass-fed beef over conventional beef	2.7	3.2
Chose cage-free eggs over conventional eggs	2.6	3.2
Chose organic foods over non-organic foods	2.5	3.2
Chose plant-based proteins over animal proteins	2.2	2.8
Checked the use-by/sell-by date at the store	4.1	4.0
Checked the nutrition label before buying new foods	3.4	3.6
Checked for natural or clean labels	2.8	3.4
Checked where my food originated	2.7	3.2
Checked for food recalls	2.6	3.3
Checked for GMO ingredients	2.6	3.2
Checked how my food was produced	2.5	3.2
Took steps to reduce food waste at home	3.8	3.7
Recycled food packaging	3.5	3.6
Threw away food past the Use-By date	3.1	3.6
Composted food scraps	2.2	2.8
Ate fruits and vegetables without washing them	2.0	2.6
Ate rare or undercooked meat	1.7	2.3
Ate raw dough or batter	1.7	2.4

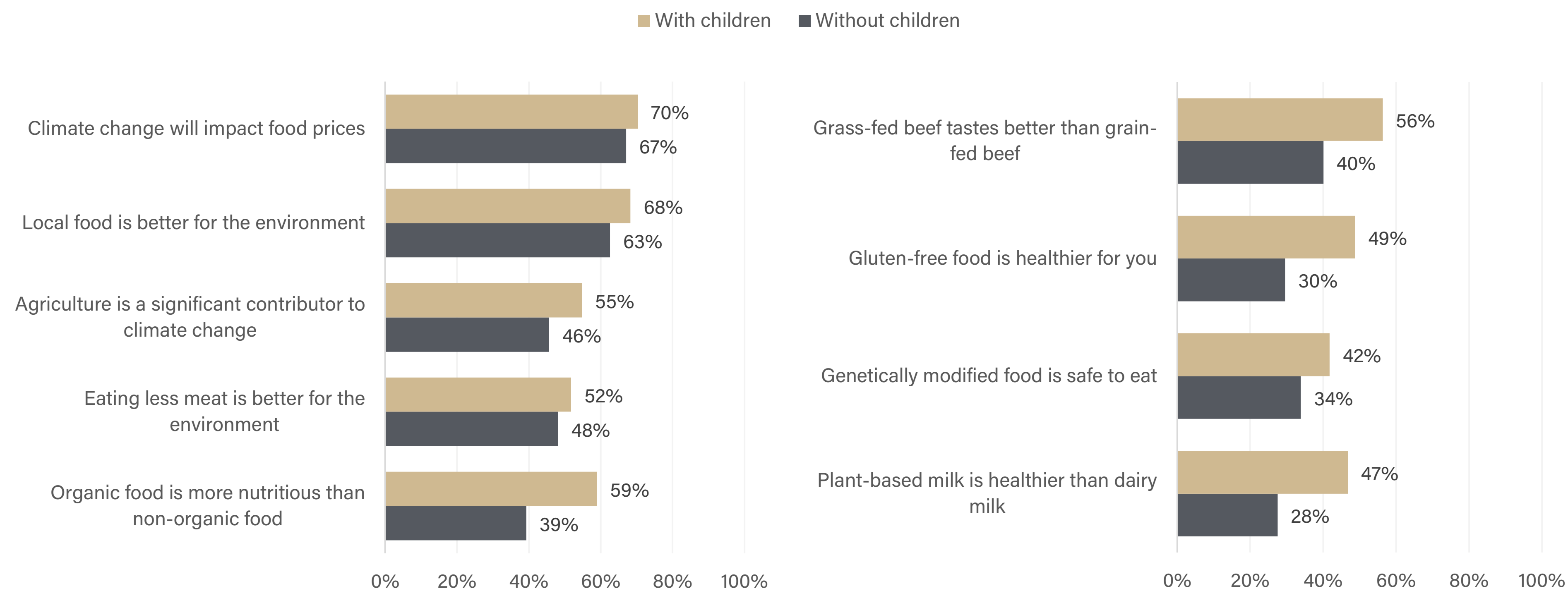
Mean Score	
5	Always
4	Often
3	Sometimes
2	Rarely
1	Never

CONSUMER BELIEFS

What do Americans believe about their food and food system?

We observe some differences in consumer food beliefs, depending on whether or not they have children (**Figure 18**). Interestingly, health-related claims like organic food is more nutritious, plant-based milk is healthier or gluten-free food is healthier are much more likely to be supported by consumers with children at home. These adults also tend to agree with environment-related claims more often, which may be indicative of lower discounting of the environment and well-being of future generations, given that they have children in the family/household.

Figure 18. Share of Consumers who 'Somewhat Agree' or 'Strongly Agree' with Claims about Food by Households with Children, Jan. 2022 - Oct. 2024



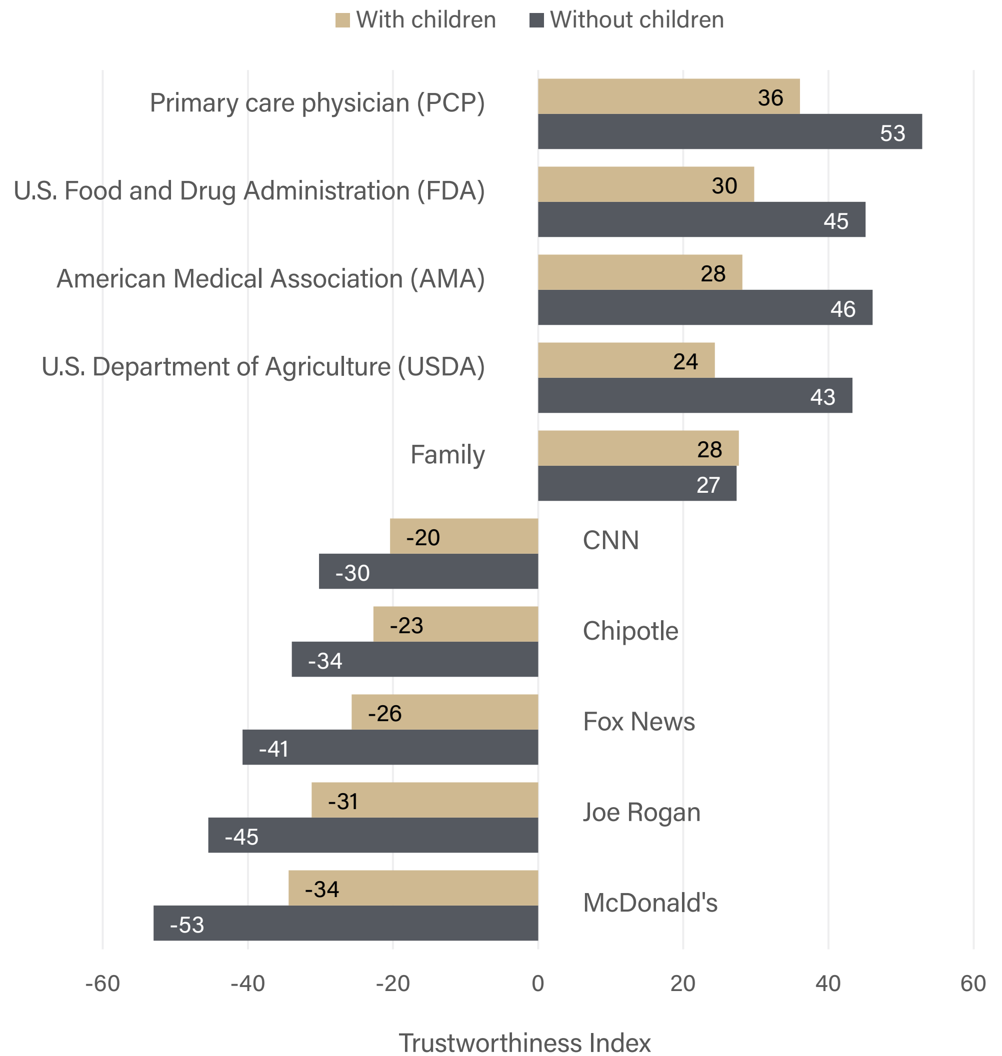
CONSUMER TRUST

Who do Americans trust on topics of food?

Respondents select their most-trusted and least-trusted sources of information about healthy and sustainable food, which are scored on a Trust Index from -100 (least trusted) to 100 (most trusted).[8]

Figure 19 summarizes the top five most and least trusted sources of information about healthy and sustainable food by households with children. When looking at households with children, the average trust scores are less extreme (high or low on the scale) than the trust scores among those without children in their household. This suggests there are differences between those within the group in how trusting they are of information about food from different organizations. Those without children in their household trust primary care providers as sources of information about healthy foods to a greater degree than those with children. Similarly, while most consumers are wary of nutritional information from fast food restaurants and news outlets, those without children tend to distrust these organizations to a greater degree than those with children.

Figure 19. Trust Index of Food-Related Information Sources by , Jan. 2022 - Oct. 2024



ENDNOTES

1 Data were collected from an online panel maintained by the company Dynata over a 5-day period from October 14-18, 2024. The eligible population included U.S. adults ages 18+. A weighting method called iterative proportional fitting (or raking) was applied to ensure a demographically balanced sample by age, sex, race, census region, income, and SNAP participation. Population proportions reflect the most recent complete year of ACS Census data (2023). Every respondent from the previous month was re-contacted and asked to take the survey again. Not all respondents retake the survey, so the sample is filled with a new pool of respondents each month. Data collection for every survey begins on the third Monday of each month, unless otherwise dictated by holidays or extenuating circumstances. This report is released on the second Wednesday of the following month.

2 Sample size Jan. 2022 - Oct. 2024: Households without children (n=29,549); Households with children (n=12,785)

Sample size Oct. 2024: Households without children (n=896); Households with children (n=375)

3 Kalaitzandonakes, M., B. Ellison and J. Coppess. "The Price is Right? Consumer Preferences for Food Manufacturer Responses to Increased Input Costs." farmdoc daily (14):117, Department of Agricultural and Consumer Economics, University of Illinois at Urbana-Champaign, June 24, 2024.

4 This scale is based on the Cantril Scale used in Gallup's World Poll to assess well-being and happiness around the world. Thus, we use the same validated conceptual labels—thriving, struggling, and suffering—to group responses.

5 Food at home (FAH) refers to food sales meant for home or off-site consumption and the value of donations and non-market acquisitions, which is acquired from outlets such as grocery stores, convenience stores, direct sales, etc. Food away from home (FAFH) refers to food sales meant for immediate consumption, federal food programs, and food furnished as an ancillary activity, which is acquired from outlets such as restaurants, bars, schools, etc.

6 High or marginal food security (i.e., food secure): 0-1 reported indications of food-access problems; little indication of change in

ENDNOTES

diet or food intake. Respondents who reported an U.S. Census Region above 185% of the Federal poverty line were also screened as having high food security. This determination was made according to research by Ahn et al. (2020), which shows that using a modified income-based screening procedure for internet surveys better approximates government estimates of food insecurity. Low food security (i.e., food insecure): 2-4 reported indications of reduced quality, variety, or desirability of diet; little indication of reduced food intake. Very low food security (i.e., food insecure): 5-6 reported indications of disrupted eating patterns, changes in diet, and reduced food intake.

7 United States Department of Agriculture (2024). "Food Security Status of U.S. Households in 2023". Accessed: October 22, 2024. https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-u-s/key-statistics-graphics/

8 Trust questions were not fielded in the Consumer Food Insights survey from October 2022 - December 2022.