MARKETING YOUR SPECIALTY FOODS
YOU “CAN” DO IT!

Dr. Theresa J. Nartea, Assistant Professor
Extension Specialist (Marketing & Agribusiness)
Virginia State University-Cooperative Extension
Petersburg, VA 804.524.5491 tnartea@vsu.edu
LET’S GET COOKING!

WHAT WE WILL COVER

Understanding
Trending
Selling
Understanding the Market
UNDERSTANDING THE MARKET

UNDERSTANDING THE MARKET

<table>
<thead>
<tr>
<th>RETAIL SALES TOP 10</th>
<th>Total Market 2017</th>
<th>Change 2015-2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cheese &amp; Plant-Based Cheese</td>
<td>$4,005</td>
<td>6.6%</td>
</tr>
<tr>
<td>Frozen or Refrigerated Meat, Poultry &amp; Seafood</td>
<td>$3,841</td>
<td>3.3%</td>
</tr>
<tr>
<td>Chips, Pretzels &amp; Snacks</td>
<td>$3,822</td>
<td>11.8%</td>
</tr>
<tr>
<td>Non-RTD Coffee &amp; Hot Cocoa</td>
<td>$3,329</td>
<td>5.4%</td>
</tr>
<tr>
<td>Bread &amp; Baked Goods</td>
<td>$3,058</td>
<td>18.1%</td>
</tr>
<tr>
<td>Chocolate &amp; Other Confectionery</td>
<td>$2,368</td>
<td>10.8%</td>
</tr>
<tr>
<td>Yogurt &amp; Kefir</td>
<td>$2,229</td>
<td>20.6%</td>
</tr>
<tr>
<td>Frozen Desserts</td>
<td>$2,227</td>
<td>41.6%</td>
</tr>
<tr>
<td>Refrigerated Entrees</td>
<td>$2,147</td>
<td>27.2%</td>
</tr>
<tr>
<td>Frozen Lunch or Dinner Entrees</td>
<td>$2,143</td>
<td>13.1%</td>
</tr>
</tbody>
</table>

UNDERSTANDING THE MARKET

UNDERSTANDING THE MARKET

19%

Forecast of specialty food sales’ share of the total market by 2022.

Understanding the Consumer
UNDERSTANDING THE CONSUMER

Influential Social Media

“Avoidance” & “Free-From” Eating

Big Spenders (ages 22 to 37)
INFLUENTIAL SOCIA MEDIA

Photo Credit: https://pxhere.com/en/photo/1068149 (CC0 Public Domain)
SOCIAL MEDIA:
INSTAGRAM (IG)

- 1B+ IG audience (42% earn $75K/year)
- 59% of IG users are ages 18-29
- Ages 18-35 browse IG food images 120H/YR
- “70% of IG users purchase from mobile phone

2019 ONWARD: MORE MOBILE MARKETING

- iPhone® launched in 2007
- In 2007, oldest “post-Millennials” were age 10
- By teen years, used mobile devices to connect to internet, not desktops (on the move generation)
- Expect and demand constant connectivity to on-demand entertainment and social media communication via mobile devices

AVOIDANCE EATING

“I won’t eat if it has…” (US Adult Pop. 327.16M)

Who Checks Food Labels Most Frequently?

- Women
- People with high education and income
- People who regularly prepare food
- People who are physically active
- People classified as overweight
- People trying to lose, gain or maintain weight

AVOIDANCE EATING “I WON’T EAT IF IT HAS…” (US ADULT POP. 327.16M)

44% 144M avoid artificial sweeteners (53% 76M avoid for all or more than half the time)

AVOIDANCE EATING  “I WON’T EAT IF IT HAS…” (US ADULT POP. 327.16M)

38% 124M avoid sugar (51% (63M)-All or more than half the time)

AVOIDANCE EATING
“\textquote I WO\textquote N’T EAT IF IT HAS...” (US ADULT POP. 327.16M)

33\% 108M avoid artificial preservatives (47\% (51M)-All or more than half the time)

AVOIDANCE EATING

I WON’T EAT IF IT HAS…” (US ADULT POP. 327.16M)

29% 95M avoid salt (34% (32M)-All or more than half the time)

AVOIDANCE EATING

“I WON’T EAT IF IT HAS…”

(US ADULT POP. 327.16M)

28% 92M avoid artificial colors (39% (36M)-AF-All or more than half the time)

When it comes to food ingredients, health-oriented eaters have a list they avoid. Retrieved from http://www.pewresearch.org/fact-tank/2018/11/21/when-it-comes-to-food-ingredients-health-oriented-eaters-have-a-list-they-avoid/
AVOIDANCE EATING

HAS..." (US ADULT POP. 327.16M)

"I WON'T EAT IF IT...

28% 92M avoid fat (38% (35M)-All or more than half the time)

“FREE-FROM” EATING

Fastest growing segment in retail food category

Nearly 3% of adults and 6% of young children in the United States have one or more food allergies

There are now more Millennials than Baby Boomers, and this generation has the power to spend more than $200B each year.
65% Total percent of consumers who purchase specialty foods.

<table>
<thead>
<tr>
<th>Generation*&lt;sup&gt;age in 2018&lt;/sup&gt;</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1915-1927 (91-103)</td>
<td>The Greatest Generation</td>
</tr>
<tr>
<td>1928-1945 (73-90)&lt;sup&gt;*&lt;/sup&gt;</td>
<td>Silent Traditional</td>
</tr>
<tr>
<td>1946-1964 (54-72)&lt;sup&gt;*&lt;/sup&gt;</td>
<td>Boomer</td>
</tr>
<tr>
<td>1965-1980 (38-53)&lt;sup&gt;*&lt;/sup&gt;</td>
<td>Generation X</td>
</tr>
<tr>
<td>1981-1996 (22-37)&lt;sup&gt;*&lt;/sup&gt;</td>
<td>Millennial</td>
</tr>
<tr>
<td>1997-XX (21-XX)</td>
<td>“Post Millennials”&lt;sup&gt;1&lt;/sup&gt; or i-Gens&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>2</sup>(2000-XX (18-XX); Spec Foods Assoc. Nomenclature)
2019 Food Trends
2019 FOOD TRENDS

**Probiotics**  Cereals, juices and other beverages, dairy products or baked goods with probiotics

**Fermentation**  kefir, kimchi, sauerkraut, drinking vinegars

**Nootropics**  memory enhancing ingredients, like blueberries
2019 FOOD PRODUCTS

- **Soups**
- **Hemp** Heart health, Medicinal
- **Mushrooms** Immunity, Turmeric Anti inflammation,
- **Maca** Beauty enhancer

**Plant based foods** 31% consumers had meat-free days a minimum of once per week; 15% U.S. population identify as vegetarian or vegan
2019 FOOD FLAVOR TRENDS

- Herby, Pine, Floral, Citrus Notes
- Smoky and Earthy
- Sweet and Savory
2019 FOOD CUISINE TRENDS

- Middle Eastern
- African
- Southeast Asian
2019 FOOD SWEETENER TRENDS

Golden Beets

Sweet Potato

Carrots
Selling your Product
PACKAGING 2019 TRENDS

**Transparent**
30% of consumers check freshness by looking at the product instead of expiration date

**Experience**
Is product exciting to unbox and show off on SM posts?

**No More Waste**
Can your customer recycle, reuse, repurpose packaging?
PACKAGING PROMOTES SALES

- Snacking Portions
- Mini Taste Experience
- Specialty Food Packaging Ideas
SNACKING PORTIONS

SNACK PACK 2

A LEGEND IN A NUTSHELL SINCE 1929

VIRGINIA DINER

Snack Pack

OLD BAY. Seasoned Virginia Peanuts.
SNACKING PORTIONS 100 CALORIES
MINI JARS FOR ONE USE 1 OUNCE

Bonne Maman®
Strawberry Preserves
Product of France Net Wt: 3.7 oz (105 g)
GET FRESH PACKAGING IDEAS
WWW.SPECIALTYFOOD.COM/PRODUCTS/
SEARCHABLE CATEGORIES
Label Ideas

Google Images SEARCH: (Type In)

- modern food label design
- specialty food label design
- pinterest food label design
- best food label design
Google Search
Google Search
Google Search
Label Idea: Simple Sells

Photo Credit: http://www.packagingdesignarchive.org/archive/pack_details/1213-waitrose-mustards
Label Idea: Simple Sells
PACKAGING INCLUDES RECIPE IDEAS

Simple Recipes  InstaPot®, Slow Cooker, Low Carb, etc.

How to Use  Pour over ice cream, or cream cheese block, mix in coffee, etc.

How to Embellish  Add Hot Sauce, Maple Syrup, etc.
YOU MAY LIKE: 
WWW.RECIPAL.COM
Researching your Market
WHERE DO YOU FIND DATA?

Industry Reports

Nielson Data (Zip Code search)

US Census (within 50 miles of Zip)
INDUSTRY TREND REPORTS

https://restaurant.org

www.specialtyfood.com

www.foodbusinessnews.net
https://claritas360.claritas.com/mybestsegments/#zipLookup
ZIP Code Look-up

About ZIP Code Look-up

Nielsen’s lifestyle segmentation systems define every household in the U.S. by distinct lifestyle types, called “segments”, to provide you with a comprehensive picture of who lives where and what they are like. Marketers use these insights to create more effective and efficient marketing strategies.

MyBestSegments ZIP Code Look-up lets you view your neighborhood’s household segments within any ZIP Code. Typically, a ZIP Code has over a dozen segments present, but to view your neighborhood’s top five segments, along with a descriptive snapshot about each segment’s characteristics for any Nielsen segmentation system, simply enter your 5-digit ZIP Code.

For more lifestyle and behavioral data details about consumer segments in your market, you can subscribe to Nielsen MyBestSegments or call 800.234.5973! Questions about ZIP Code Look-up? Visit Frequently Asked Questions.

Enter 5 digit zipcode: 23834  Enter the security code: 0357  Submit →
ZIP Code Look-up

Enter 5 digit zipcode: 23834
Enter the security code: 33-36
Submit

Quick Facts for ZIP Code 23834
- Population: 25,805
- Median Age: 40.3
- Median Income: $80,000
- Consumer Spend: $542 MM
- Consumer Spend (SAH), $52,753

36 Boomtown Singles
Lower Mid Middle Age w/o Kids

27 Middleburg Managers
Upper Mid Older w/o Kids

53 Mobility Blues
Downscale Middle Age w/o Kids

10 Second City Elite
Upscale Older w/o Kids

41 Sunset City Blues
Lower Mid Older Mostly w/o Kids

Click on the segment name for more detail. Please note: Segments are listed in alphabetical order by segment name. You must log in to view segments in order of their predominant concentration of households within the selected ZIP Code.

Population by Age

Source: Nielsen Pop Facts Demographics 2014
ZIP Code Look-up

Enter 5 digit zipcode: 23634  Enter the security code:  
Submit

Quick Facts for ZIP Code 23634
- Population: 25,805
- Median Age: 40.3
- Median Income: $60,000
- Consumer Spend: $542 MM
- Consumer Spend ($/MM): $53,753

Population by Race & Ethnicity

Source: Nielsen Pop-Facts® Demographics 2014

Click on the segment name for more detail. Please Note: Segments are listed in alphabetical order by segment name. You must log in to view segments in order of their predominant concentration of households within the selected ZIP Code.
https://www.census.gov/quickfacts

State & County QuickFacts

Try the **New QuickFacts** today and tell us what you think!

QuickFacts Beta

Virginia counties- selection map
Select a county

Virginia cities- place search
Select a city

Colonial Heights city, Virginia

Want more? [Browse data sets for Colonial Heights city](#)
EXPAND MARKET OPPORTUNITIES

- Self-List Directories
- Online Store
- Product Webpage
WWW.BUYLOCALVIRGINIA.ORG
## Virginia's Finest Specialty Foods and Beverages

**All Products**

<table>
<thead>
<tr>
<th>CLASS</th>
<th>CATEGORIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baked Goods and Baking Ingredients</td>
<td>All Baked Goods, Biscotti, Breads, Brownies, Cakes, Cookies, Flour, Common, Baking Moss, Pastries, Pies, Other Baked Goods</td>
</tr>
<tr>
<td>Honey, Herbs and Herbal Products</td>
<td>Honey and Honey Products, Herbal/Herbal Products</td>
</tr>
<tr>
<td>Meats, Poultry and Eggs</td>
<td>Meats, Poultry &amp; Eggs - Fresh &amp; Processed</td>
</tr>
<tr>
<td>Packaged Meals, Pasta and Pasta Sauces</td>
<td>Packaged Meals, Entrees and Sides, Pasta and Pasta Sauces</td>
</tr>
<tr>
<td>Seafood and Aquaculture</td>
<td>All Virginia’s Finest designated Seafood and Aquaculture Products</td>
</tr>
</tbody>
</table>

*Source:* Virginia's Finest Specialty Foods and Beverages website.
EXPLORE POTENTIAL MARKET OUTLETS

- Monthly Subscription Sales
- Direct Home Delivery or Mail Order Catalog
- Food Hub Sales
- Online Sales
- Food and Craft Show Vendor
- Special Occasion Personalized Favors
SELL BY HELPING YOUR CUSTOMER TO TELL THEIR STORY

MARKET TIP

Ask Customers to Post Pics of Using, Eating with your Products, Give Incentives
SUMMARY

WHAT WE COVERED

Understand Market
Monitor Trends
Research for More Sales
REFERENCES


Thank You & Questions
tnartea@vsu.edu
Have a Blessed Holiday Season!