



BAKINGTECH 2018

SUSTAINABILITY-SUCCESS THROUGH PEOPLE

PRODUCTS AND PRODUCTIVITY

Standing in the Bread Aisle:

What Drives Consumer Choice in Pre- and Post-Bakery Sales and How to Use the Results to your Advantage

Presented by
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Presentation Abstract

Bread tops grocery lists & is a catalyst for shoppers to visit the store. But once consumers are standing in the bread aisle with shelves of options to choose from, **what factors contribute to the brands they purchase? What drives them to try something new or remain fiercely loyal to lifelong favorites? More importantly, what happens once they get home and consume baked goods? Do opinions change? If so, why?** Tapping into a robust research methodology – gathering “whys” and “what’s next” directly from consumers themselves – you can determine what factors influence purchases and the actions customers take based on their experiences with your products. This session will reveal unique and relevant insights that can help brand owners and bakery manufacturers appreciate the evergreen consumer dynamics that shape our industry. This knowledge can ultimately be used to redirect a stagnant market and position it for growth & success.

After this presentation, you will be able to:

- Identify what’s really driving consumer purchases, consumption, and loyalty behaviors
- Recognize unmet needs, wants, and opportunities within the category
- Apply insights to their own brands to drive innovation and growth





Hypotheses

- Different bread items are purchased for various reasons in the same household.
 - Needs and expectations vary based on usage, product, and user.
 - Ingredient solutions can have a big role in meeting/exceeding expectations.
 - For most consumers, expectations met > ingredients used.
- Clean label has generally been over-emphasized within the bread segment.
 - Factors such as brand, variety, taste, price, shelf life/freshness, and product claims drive more purchases than the ingredients themselves.
 - Greater industry growth can be driven by meeting unmet needs than focusing primarily on clean label initiatives.
 - Focus on segments who care (only).

Research Goal:

- Understand consumer drivers, usage, and expectations of bread products.
 - Prioritize clean label appropriately.
 - Identify unmet needs.



Sources of Data

- Robust research methodology
- Utilized 'Taste of Solae' database with St. Louis consumers
- Independent moderator for triads

HOW CONSUMERS SHOP FOR BREAD IN A RETAIL SETTING



In-Store Consumer Bread Shopping Observations
Dec 2017 | 131 observations
Varied stores & dayparts

THEIR ATTITUDES, PURCHASE HABITS & BREAD USAGE



Online Survey with Representative Sample of Consumers
June 2017 | 385 participants

THE 'WHYS' BEHIND QUANTITATIVE CONSUMER DATA



In-Person Interviews with White Bread Consumers
Dec 2017 | 24 participants
Mix of ages & presence of kids

CONSUMER LIKING BASED ON TASTING OF BREADS



Sensory Evaluations of Four Commercial White Breads
Nov 2017 | 75 participants
White bread consumers

SPECIFIC CHARACTERISTICS OF WHAT WAS LIKED

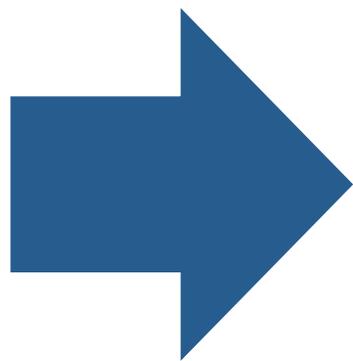


Trained Descriptive Sensory Scientists' Evaluations of 4 Commercial White Breads
Nov 2017





INSIGHTS

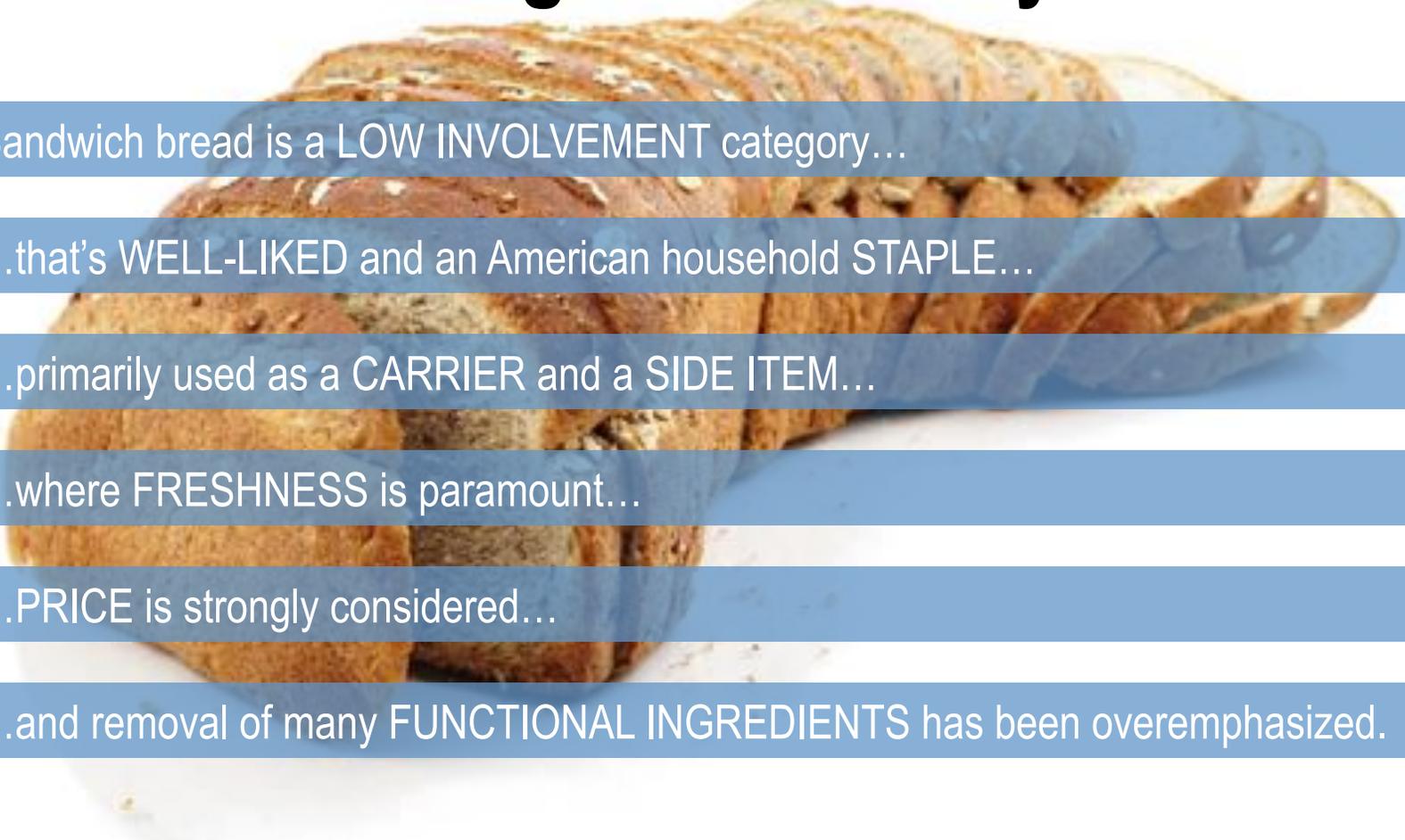


OPPORTUNITIES





Insights Summary



Sandwich bread is a LOW INVOLVEMENT category...

...that's WELL-LIKED and an American household STAPLE...

...primarily used as a CARRIER and a SIDE ITEM...

...where FRESHNESS is paramount...

...PRICE is strongly considered...

...and removal of many FUNCTIONAL INGREDIENTS has been overemphasized.



Sandwich bread is a **LOW INVOLVEMENT** category...



Sandwich bread is a LOW INVOLVEMENT category...

MINIMAL TIME SPENT IN-STORE

85 PERCENT

QUICK OR RUSHED
BREAD SELECTION

91 PERCENT

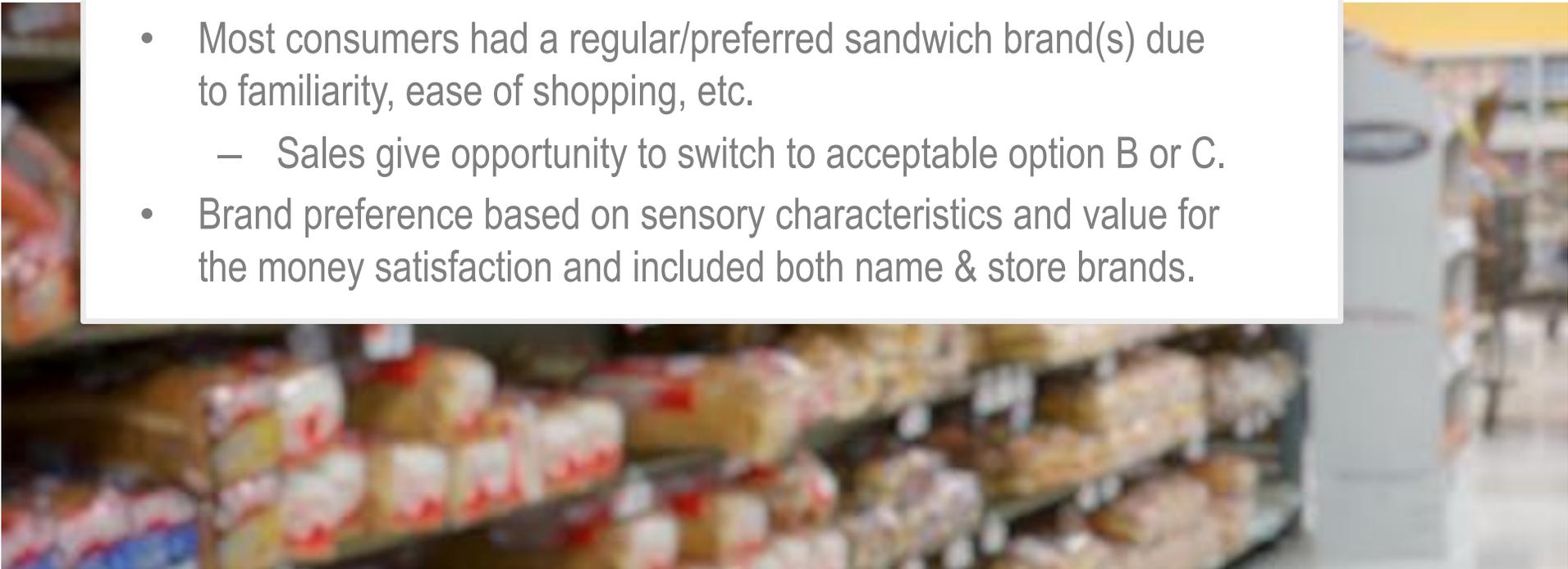
FIVE MINUTES OR
LESS IN AISLE





Sandwich bread is a LOW INVOLVEMENT category...

BRAND PREFERENCES ESTABLISHED

- Most consumers had a regular/preferred sandwich brand(s) due to familiarity, ease of shopping, etc.
 - Sales give opportunity to switch to acceptable option B or C.
 - Brand preference based on sensory characteristics and value for the money satisfaction and included both name & store brands.
- 



...that's **WELL-LIKED** and an American household **STAPLE**...



...that's WELL-LIKED and an American household STAPLE...



AROUND FOR GENERATIONS

“ I’ve been eating bread forever...and I’m pretty sure the ingredients haven’t changed over the years.

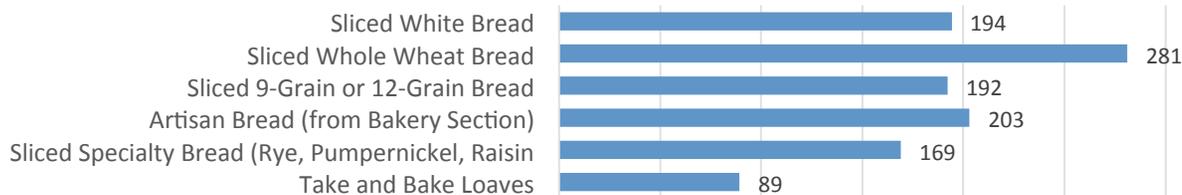
It’s something that I need; it’s been in our diet since before our grandparents... longevity as a human food... ”



...that's WELL-LIKED and an American household STAPLE...

HIGH HOUSEHOLD PENETRATION

What Types of Bread do you currently purchase for yourself or your family? *(Please Check all that Apply)*



N=385





...that's WELL-LIKED and an American household STAPLE...

ENJOYED BY ALL

- **KIDS LOVE BREAD!** Discipline so they don't eat too much at the expense of other meal components!
- **ADULTS DO TOO!** Reported eating a variety of types on regular basis and as occasional treat (specialty).



...that's WELL-LIKED and an American household STAPLE...

CONSUMPTION TO CONTINUE

81 PERCENT

EATING SAME OR MORE
BREAD THAN A YEAR AGO

“Bread is a healthy
product and I ENJOY it!”

As the kids get bigger
we'll be eating even more. ”





...primarily used as a **CARRIER** and a **SIDE ITEM**...





...primarily used as a **CARRIER** and a **SIDE ITEM**...

BREAD VERY VERSATILE

95 PERCENT
SANDWICHES

89 PERCENT
TOAST

83 PERCENT
GRILLED CHEESE

65 PERCENT
WITH BUTTER

Also French Toast, Bread Pudding, Garlic Bread, Dip with Oil, in Salads, etc.



Usage increases with children present, but still prominent without!





...where **FRESHNESS** is paramount...



...where **FRESHNESS** is paramount...

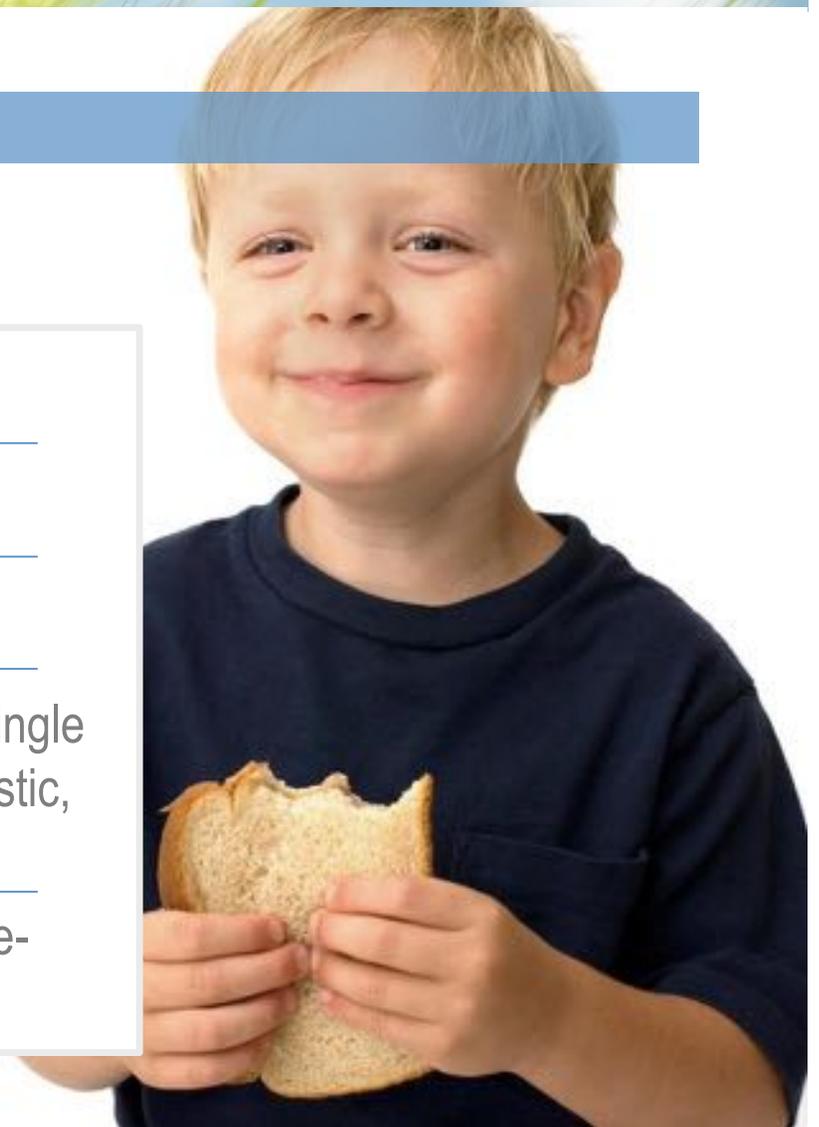
MOST IMPORTANT

#1 HAS GREAT FLAVOR/TASTE

#2 FRESHNESS (BASED ON DATE)

Across all segments, 'freshness' was cited as the single most important and highly valued bread characteristic, enabling the desired taste and texture delivery.

Freshness-related was the most salient and widespread desire/problem.



...where **FRESHNESS** is paramount...

VARYING MEANINGS

While definitions of “freshness” varied they centered on:

- **SOFTNESS:** not too firm or “getting hard”
- **MOIST:** not dry or starting to get hard or crunchy
- **TASTES GOOD:** which comes from being fresh



...where **FRESHNESS** is paramount...

REINFORCED BY IN-STORE BEHAVIOR

71 PERCENT
REACHED FOR FRONT LOAF

20 PERCENT
REACHED TO BACK OF SHELF

OVER HALF
SQUEEZED OR
LOOKED AT BEST-BY DATE





...PRICE is strongly considered...



...PRICE is strongly considered...

RANKS HIGH

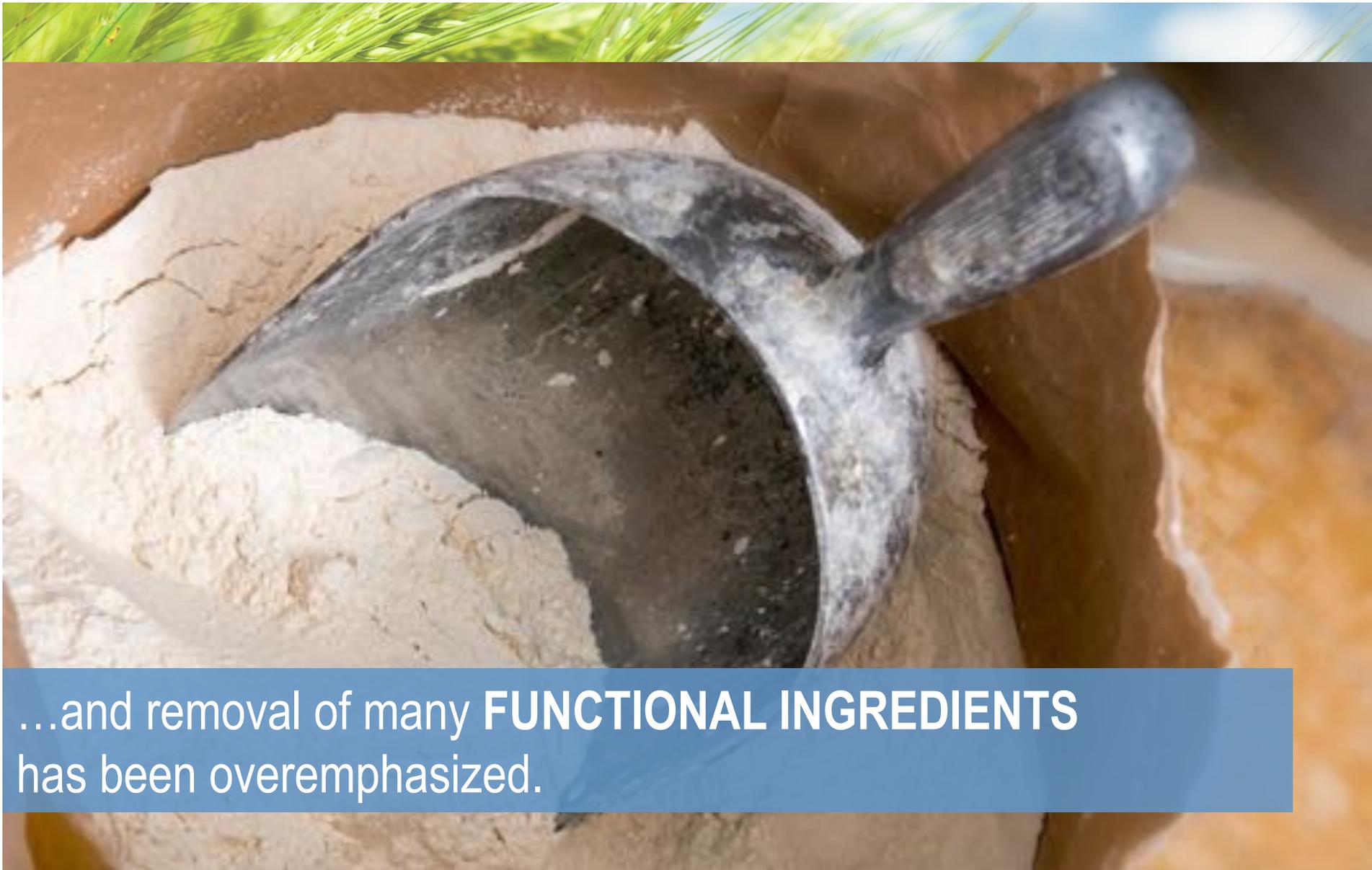
#4 influence on purchase: **PURCHASE PRICE**

84 PERCENT

Purchase price
somewhat/very/extremely
important

OVER 1/3

Having a coupon
somewhat/very/extremely
important



...and removal of many **FUNCTIONAL INGREDIENTS** has been overemphasized.



...and removal of many **FUNCTIONAL INGREDIENTS** has been overemphasized.

LOW ENGAGEMENT

Regarding bread Nutrition Facts or Ingredients

**All familiar but
most never look**

No Purpose
Limited Utility

OVER 95%

Not seen looking at Nutrition
Facts or Ingredients on-pack
when shopping in the store



...and removal of many **FUNCTIONAL INGREDIENTS** has been overemphasized.

ACCEPTED TRADE-OFF

Virtually all participants (23 of 24) said they:

- Were either ok with or will continue to buy bread that contains standard bread ingredients/preservatives because **freshness and taste are more important** to them
- Viewed it as a **very acceptable trade-off**

SUMMARY BELIEF

I am comfortable with bread made with preservatives that enable bread to stay fresh/the way I like it. This is an acceptable and easy trade-off for me.



...and removal of many **FUNCTIONAL INGREDIENTS** has been overemphasized.

CHANGE NOT EXPECTED

“We are going to eat it regardless.”

“Bread is what it is.”

“They all have basically the same ingredients (ex: additives for freshness).”

“I don't know that you can even have bread without any of this stuff in it.”

“I know I've been consuming it all this time and it hasn't done anything”





Opportunities Summary



To drive future success, the industry should focus on...

...offering opportunities to expand **PRODUCT ENJOYMENT**...

...enabling the desired **TASTE, TEXTURE, and FUNCTIONALITY**...

...while helping **REDUCE WASTED PRODUCT** and maintaining **VALUE**...

...with the **PEACE OF MIND** that functional ingredients aren't barriers.

To drive **FUTURE SUCCESS**, the industry should focus on...



...offering opportunities to expand **PRODUCT ENJOYMENT**...

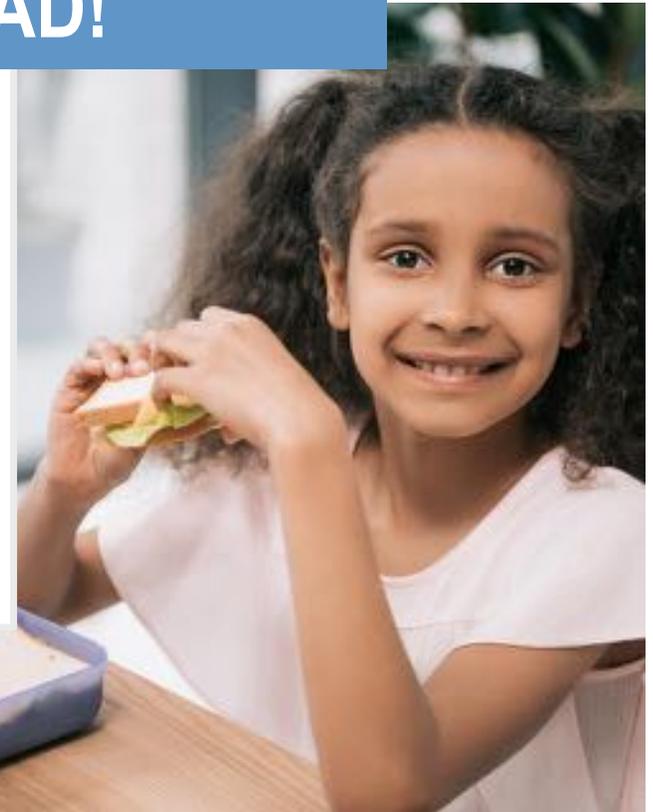


...offering opportunities to expand PRODUCT ENJOYMENT...

EVERYONE LOVES BREAD!

Consumer ideas included:

- Better tasting low calories/carb
- Opportunities to expand use as a side item
- Increase flavors/varieties of specialty products
- Matching with meals/recipes
- Continue/expand white wheat concept for kids
- Ways to feel even better about bread consumption





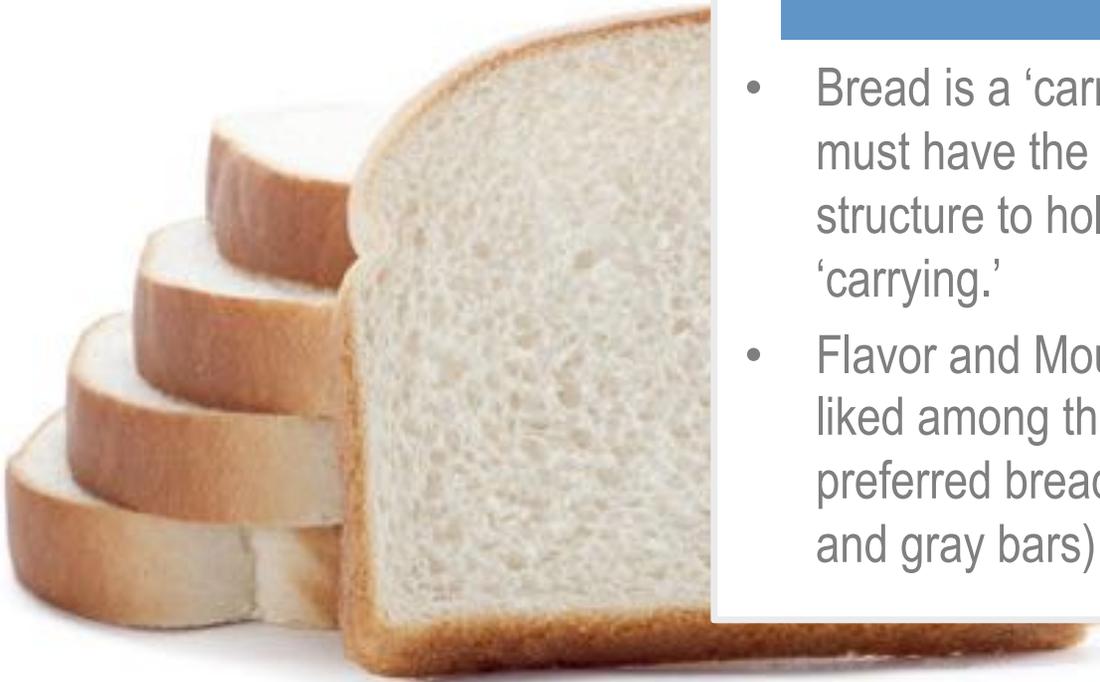
...enabling the desired **TASTE, TEXTURE,** and **FUNCTIONALITY...**



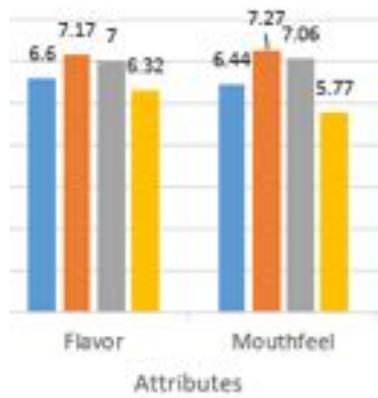


...enabling the desired TASTE, TEXTURE, and FUNCTIONALITY...

SUPPORTING SENSORY RESULTS



- Bread is a 'carrier' so it must have the correct structure to hold what it's 'carrying.'
- Flavor and Mouthfeel most liked among the two most preferred breads (orange and gray bars).

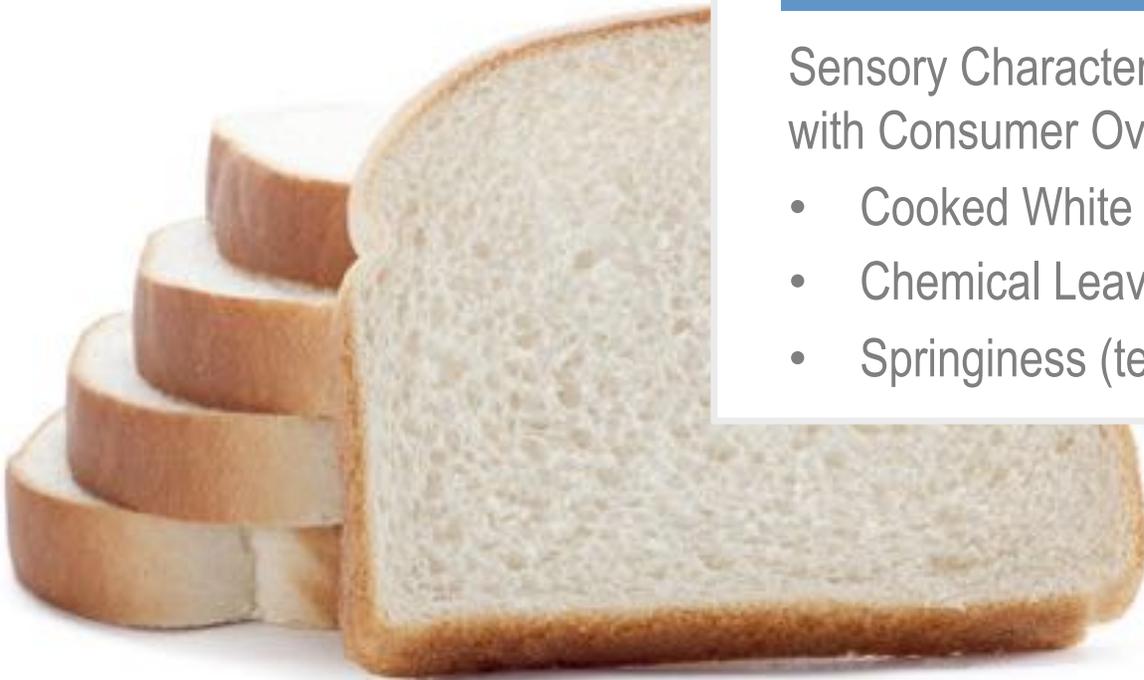


...enabling the desired TASTE, TEXTURE, and FUNCTIONALITY...

SUPPORTING SENSORY RESULTS

Sensory Characteristics that positively correlate with Consumer Overall Liking include:

- Cooked White Wheat Flavor
- Chemical Leavening Flavor
- Springiness (texture)

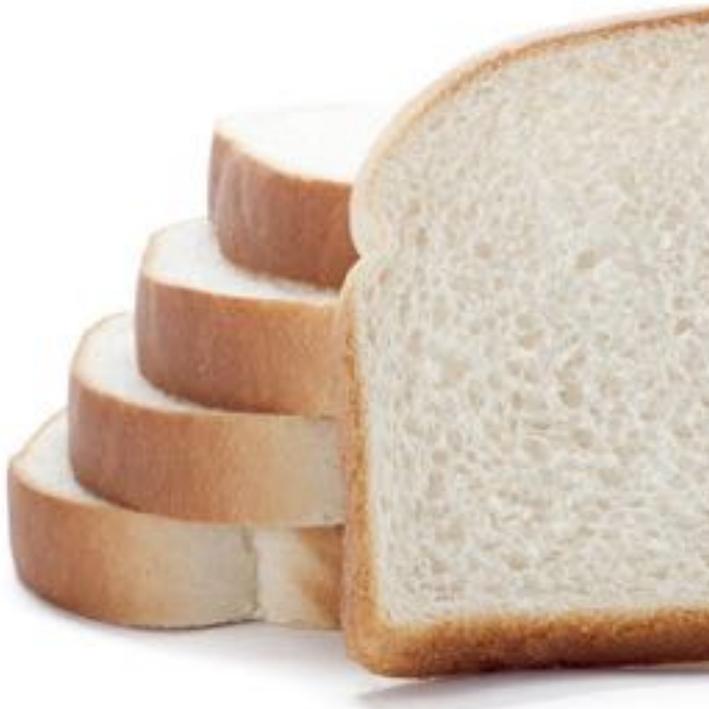


...enabling the desired TASTE, TEXTURE, and FUNCTIONALITY...

SUPPORTING SENSORY RESULTS

Sensory Characteristics that are negatively correlated with **Consumer Overall Liking** include:

- Overall Aromatic Impact (strength)
- Whole Wheat Flavor
- Cooked Whole Wheat Flavor
- Salt (Basic Taste)
- # Chews (Chewiness)
- Roughness of Mass
- Toothpack, Tooth Stick





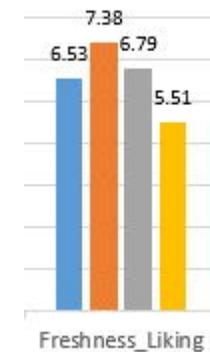
...while helping **REDUCE WASTED PRODUCT**
and **MAINTAINING VALUE...**



...while helping REDUCE WASTED PRODUCT and maintaining VALUE...

SUPPORTING SENSORY RESULTS

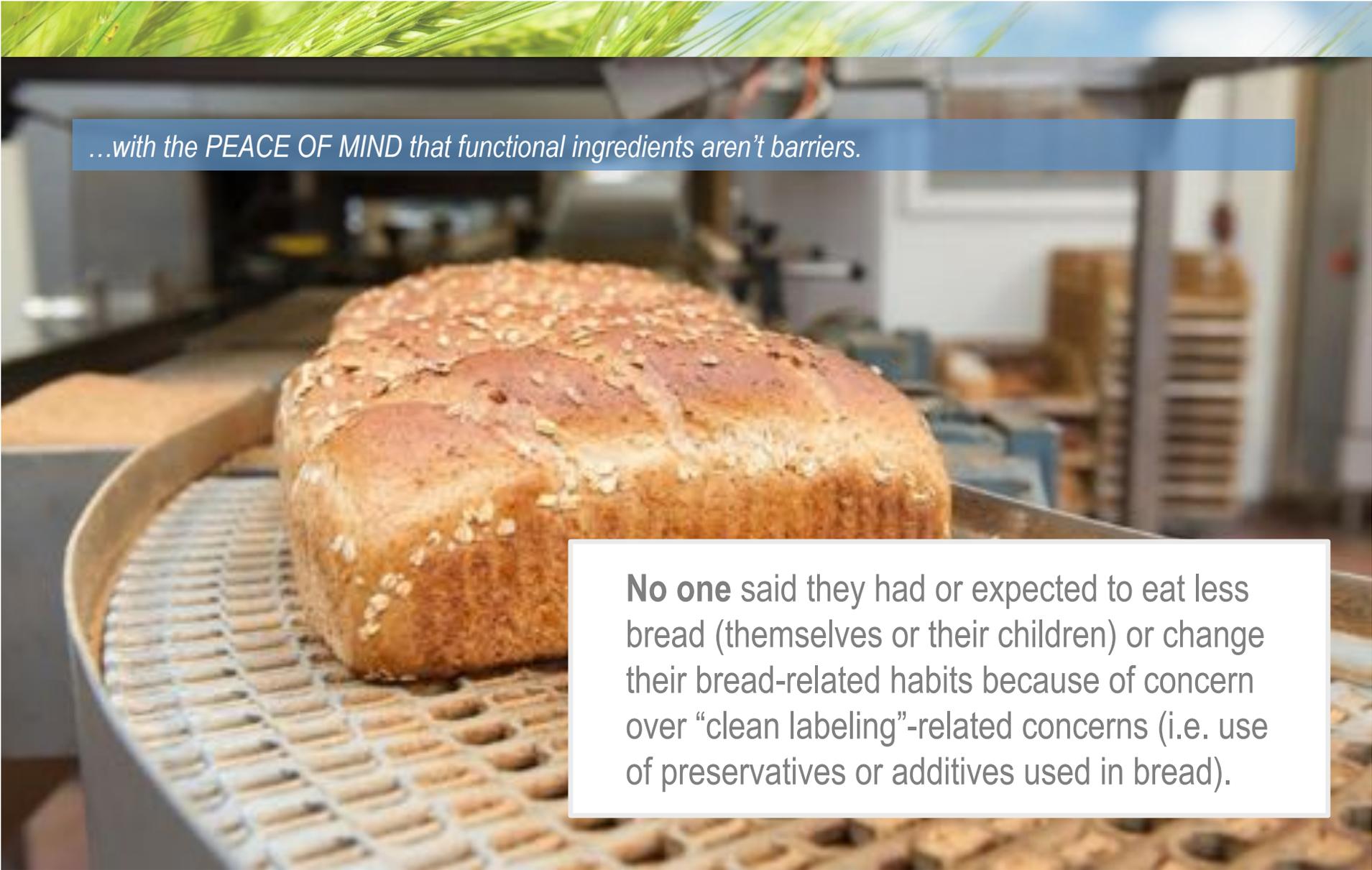
- Freshness most liked among the two most preferred breads (orange & gray bars).
- Ideas were around packaging, loaf size, and variety packs.





...with the **PEACE OF MIND** that functional ingredients aren't barriers.





...with the PEACE OF MIND that functional ingredients aren't barriers.

No one said they had or expected to eat less bread (themselves or their children) or change their bread-related habits because of concern over “clean labeling”-related concerns (i.e. use of preservatives or additives used in bread).

