

Trending Now

Five emerging trends are reshaping how consumers spend their dollars — and that has implications for beef producers and the food industry.

by Kindra Gordon

At first glance, trends happening in New York City — or some other part of the globe — may not seem to have much effect on a Hereford producer in Kansas or Colorado. But in reality, those consumers drive the larger economic picture, which influences everything from the vacations they take to the food — and beef — that they buy.

“If you understand what trends are occurring, you can better market your product, win more customers and make more money,” says Daniel Levine, a New York-based international social trends expert. As executive director of the Avant-Guide Institute, Levine leads an international team of more than 9,000 trend spotters who track the latest ideas and experiences from around the globe.

He explains that social trends are what people are thinking and feeling in all parts of their lives — their behaviors and attitudes toward health, finance, work, leisure, family, community, etc.

Levine says the bottomline is this: “People are willing to spend money on things that are important to them.”

What’s important to people in 2012 and beyond? Levine shares the current top five trends and how they correlate to agriculture.

Trend 1

Personalization

“This means people want products and services created just for them,” says Levine.

Examples of personalization include credit cards and stamps on which you can upload your own photo. Mega-shoemaker Nike now offers Nike ID, which

allows people to personalize their own tennis shoes online, choosing the color patterns, style and even embroidered message of their liking.

“People want the opportunity to be unique, and industries who embrace this recognize that they can create more sales,” Levine says.

How is personalization happening in the food realm? Candy maker M&M’s allows customers to go online and personalize their favorite chocolate covered candies with messages and even mini-photos. More recently, Heinz ketchup now allows online customers to personalize their own messages on the Heinz label. Some wine and bottled water companies also allow this form of personalization.

Trend 2

Transparency

“People want information,” says Levine. This is not a new concept to the food industry — consumers’ desire to know where their food comes from has been growing for several years.

Now several companies are complying with that request via virtual tours. As examples, Dole bananas now include a three-digit code on the label that can be entered on the company’s website for information about the farm where the bananas were grown (visit doleorganic.com). Likewise, FritoLay, the maker of Lays potato chips, offers a “chip tracker” feature on its website so that consumers can follow the chip production process all the way back to the farm where the potatoes were grown (visit fritolay.com).

Of these efforts, Levine says, “Transparency will raise our games. Companies have to do it or will be pushed out.”

And that’s not all. As one example of where the transparency trend is going, Levine points out clothing and shoemaker Timberland. It now prints an “ecological footprint” label on its products. The label states the environmental impact of making the product and also includes a “community impact” which reports how the company creates jobs and contributes to the community and economy.

“I think more industries need to put community impact labels on their products so that consumers know when

they use those products or services how it is beneficial to others,” states Levine.

Trend 3

More mobile

According to Levine, mobile apps aren’t going away. Thus, he says, no matter what business you are in, make sure your website is useable on mobile devices. And, it’s time to embrace Twitter, Facebook and blogs.

“You need to communicate with your customers in the ways your customers like to communicate,” he says. He adds that you also need to monitor these social media formats so that you know what is being said about you — or your industry — and you can respond with real-world, factual information.

Trend 4

Meaningful experiences

Levine reports that this trend has emerged from the 2008 recession.

He explains, “Before the recession, people were willingly spending money just to have a good time; they were less discretionary. Now, people are seeking products and experiences that help others, help the environment and are educational.”

Levine adds, “People want to have experiences where they learn something, and they can share unique experiences with friends and family.”

This trend bodes well for agriculture and agritourism. Levine says people are very interested in animals and the environment. Opportunities to be out in nature, to learn where their food comes from and to enhance the environment are all experiences that interest them in this new era.

Trend 5

Green continues to grow

“We are already in a green decade, and it’s not going away. Green is the biggest trend for the rest of our careers. People are becoming more eco-conscious and still willing to spend money on things they care about,” says Levine.

Examples include everything from rooftop vegetable gardens and beehives in urban settings to personal wind turbines. On the corporate level, Levine reports that car rentals in Europe now offer car selection by size, price and CO2 emissions — a trend he fully anticipates will come to the U.S. As well, some companies are implementing programs to buy carbon credits to offset their emissions.

For the agricultural community, this trend suggests farmers and ranchers need to do a better job communicating their “green” activities, such as preserving open space, reducing erosion, safeguarding the water supply and sequestering carbon.

All total, Levine concludes that these five trends indicate people are moving away from just spending money. “Instead, they want to spend money on things that have meaning — friends, family, the environment.” For agriculture, this means to earn consumers’ support, farmers and ranchers will need to continue to tell their stories and how their efforts benefit the community and the environment. **HW**

Increasing food prices another trend

Another trend anticipated for 2012 is increasing food prices, but U.S. Department of Agriculture (USDA) says the price hike should be more moderate. USDA economists suggest food price increases will be in the 3-4% range, compared to as much as 5% increases in 2011.

However, some items — such as bread and cereals — could see higher inflation levels because the outlook for wheat prices is high.

Additionally, with the cow herd inventory in the U.S. at an all-time low, beef prices are expected to creep up at the retail level. Chicken and pork are also expected to see increases.

Dairy and produce should only see price increases of 3-4%. But, if the weather does not cooperate, fruit and vegetable prices could also be elevated. **HW**