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CONSUMER PREFERENCES FOR LOW-FAT AND NO-FAT FOOD

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Introduction

Investigation into the low and non-fat food market reveals that significant changes have occurred in consumer food preferences in recent years. Currently, consumers are less likely to choose a food product based on its health claims and they are more likely to choose a fresh food product with a good taste. At the same time, consumers are becoming more adventuresome and trying flavorful, fresh, ethnic and regional foods. These changes provide marketing opportunities.

Consumer Perceptions

The results of a 1996 HealthFocus Trend study found that 57% of the respondents would eat more “healthy foods” if they tasted better. Taste is a major obstacle to the healthy food industry given that only 28% of respondents think that healthy foods taste good. This data is backed up by a more recent 2000 Food Marketing Institute (FMI) *Food Trends Study* where 97% of consumers indicated that taste was an important factor in deciding which foods to purchase. The perception is that products labeled as “low fat” or “no fat” do not taste good. In addition, the news media is continually reporting conflicting reports on diet, nutrition and health. The combination of these perceptions has led to consumers’ preferring food that tastes good . Consumers also now have taste considerations that outweigh the health benefits of eating low or no fat products. Ultimately, the data suggests that consumers are **not** willing to compromise taste for health benefits.

According to a 2000 *Roper Reports Study*¹, Americans are more likely now than ever to report that they “pretty much eat what they want.” In 1977 49% of the study’s respondents indicated they “pretty much eat what they want” compared to 70% in 2000. Over the same time period the percentage of people who reported they are not on a diet but “watch what I eat” has fallen from

¹Food Marketing Institute (FMI) I Supermarket Research, Volume 2, Number 4, March/April 2000.

36% in 1977 to 21% in 2000. In the past, food products were marketed as being healthy. However, given the current US eating habits and the current perception of health products combined with people's attitude of eating what they want, market products sales as "healthy" may not be the most beneficial in attracting new consumers.

Food Content Concerns

The taste "perception" of low and no fat foods is carried over into consumers selection of foods and their reported eating habits as discussed in "*The Report on Eating Patterns of Baby Boomers*" and in the 2000 FMI *Food Trends Study* where consumers indicated that nutrition is a major factor in their purchase decision. Given the increasing age of the baby boomer population (and their focus on health), it would seem natural to try and promote products as being healthy. However, the results of a 1994 survey focused on baby boomer eating patterns³ found baby boomers are less concerned about fat, cholesterol, salt, additives, preservatives, sugar, caffeine and other harmful ingredients than the general U.S. population. Baby boomers are also less likely to read labels, are less likely to worry about foods containing "harmful ingredients" and less likely to diet than the general U.S. population. The results of a 1997 HealthFocus Trend survey indicate that product "freshness" has become more important than less fat, convenience, price or other product considerations.

These findings have significant implications for low- and no-fat food products. As health related food concerns wain among baby boomers and product freshness and taste become more important, companies producing reduced-fat products may need to reposition their products in the market place to become more aligned with changes in consumer preferences. This does not mean that the health benefits associated with eating reduced-fat products should **not** be included in their promotion, on the contrary, it is still very important. However, the idea or concepts of **freshness and taste** needs to be incorporated into new promotional campaigns to meet the new trend in consumer preferences. Companies producing reduced-fat products should try and position their products as being fresh, tasty and healthy.

Suggestion for Addressing Consumer Perceptions and Food Content Issues

There are many ways to influence consumer perceptions and because consumers now appear to be concerned with taste and freshness, all promotional material should emphasize the taste and freshness of the product. For example, including consumer testimonials in advertising and promotional material may be one way to convey a product's great taste. Companies are placing nonperishable food products in the refrigerator section of grocery stores to project the image of "freshness." Consumers perceive that refrigerated products are perishable and have

²American citizens born in the post-World War II baby boom, usually defined as being born between 1946 and 1964 and which represent 30% of the population and the largest consumer group in the U.S. today.

³The NPD Group's 1997 National Eating Trends Service's *The Report on Eating Patterns of Baby Boomers*

a limited shelf life. Therefore, refrigerated products must be fresh. This “marketing” strategy successfully portrays the image of “freshness” and plays to consumer preferences for fresh products. Consumers still read labels and look for key words such as low-fat, low-cholesterol and “natural.” However, consumers will not repeatedly purchase a product that does not taste good just because it has health benefits.