



# MOVEABLE FEASTS

Food producers are getting creative with their on-the-go meal solutions

BY VALERIE WARD

**T**he North American home seems to be losing ground as the primary place people cook and eat their meals. For example, according to a 2003 Ipsos International survey, at least once a week 42 per cent of Americans eat on their way to somewhere else, while 24 per cent do it even more often.

Although the U.S. is in a league of its own when it comes to eating out, eating on the run, and bringing along home-prepared food, a similar trend is evident in this country. “Over the past three or four years in Canada, there has been a decrease in meals prepared at home of one billion,” says Marion Chan, director of Food and Beverage at the NPD Group Inc. Given these trends, it’s clear that the way people eat, and the amount of time they spend preparing and consuming it, is undergoing a major shift. Foodservice benefits from the changes, but so does home meal replacement (HMR). Defined as any food bought and prepared for consumption outside the home (but not in a restaurant), HMR is a sector whose potential is being

recognized by producers and distributors alike.

In 2000, about 15 per cent of Canadians ate food that could be categorized as HMR for dinner at least once during an average one-week period. By 2005, this figure had climbed to 22 per cent. “The growth trend isn’t smooth, but it’s clearly on the upswing, and I predict it will get stronger as more baby boomers take advantage of this convenience,” says Chan.

## A BOOMING MARKET

Like many social trends, the popularity of prepared food is being driven by the baby boomer demographic, now age 45 to 60. This not only includes career families on the go, but single households and couples whose children have left home. “If people are just feeding themselves and their partners, they’re willing to pay to have meals prepared elsewhere,” says Chan. As people in this demographic age, they will likely become even bigger consumers of HMR, seeking out quality products in smaller portions, sold in easy-to-open packages with easy-to-read labels.

When HMR first emerged the category focused on meal accompaniments rather than main dishes. Today there’s a

more even split between the two. According to NPD Group figures, the top 10 purchases in the category include typical foods people would prepare at home if they had time, such as salads, potatoes, rotisserie chicken, ham and pizza. “Grocery retailers are doing very well with pizza,” says Chan. “In this area, they’re taking customers from foodservice.”

But whether they buy a fresh pizza or a frozen entrée, consumers want quick, tasty, convenient meal solutions that reduce shopping, preparation, cooking and cleanup, says Nick Jennery, president and CEO of the Canadian Council of Grocery Distributors. They also want value at a variety of price points. And as they become more health-conscious, they’re demanding more nutritious foods.

That being said, consumers are still far from predictable. “There are lots of polarities in this market,” observes Terri Dunlop-Dewar, Marketing and Sales manager at the Guelph Food Technology Centre. “Consumers want competitive pricing, but are willing to pay for a small luxury item such as a chocolate or a green-tea cookie. They demand ‘instant,’ but enjoy the quality that results from slower preparation. They want healthy food but like to indulge.”

The industry is responding to these demands with innovative products and packaging. Based on her work with the beverage market, Dunlop-Dewar says energy drinks are evolving toward smaller portion sizes, higher juice content, and packaging that encourages portability and consumption in the car. Warm beverages are headed this way, too, she notes, with single servings in cup-shaped containers you heat and drink on-the-go or throw into a lunch bag.

## OPPORTUNITIES FOR INNOVATION

Campbell’s Soup at Hand illustrates this crossover between food and beverages. According to Mark Childs, vice-president of Marketing at Campbell’s Company of Canada, the product is aimed at working women age 25 to 54 with children, and bridges the gap for people who are too busy to stop to eat, but still want something nutritious. For example, the Garden Tomato variety of the soup offers a low-fat, low-calorie option that takes just over a minute to heat. By providing a full serving of vegetables, Childs says Campbell’s is helping people achieve the *Canada Food Guide* recommendation of five to 10 servings of fruit and vegetables a day.

Consumers seem to like the approach. Soup at Hand sales have been impressive, says Childs, motivating Campbells to expand the current line of 13 flavours and introduce Chunky To Go this summer in a portable, microwaveable bowl. He also notes that the product has inspired creative merchandising in the convenience store market, with convenience retailers placing counter-top racks of the soup next to microwaves or in refrigerated sections beside ready-made sandwiches. It’s another way that

HMR can open the door to new business directions. “With to-go foods, you can create new eating occasion opportunities outside a product’s traditional uses,” notes Childs. “For example, soups are traditionally consumed at home, at a table, with a bowl and spoon. Soup at Hand breaks these barriers by allowing consumers to enjoy soup anywhere, any time.”

## CONVENIENCE, TASTE AND NUTRITION

Maple Leaf has risen to the HMR challenge with products such as its line of 18 fully cooked entrées, as well as cooked sausages and chicken strips, and self-assemble lunch kits. “For most families, 30 minutes is the standard preparation time for any meal, and the younger the age group, the less that time is,” says Mark Hornick, vice-president of Marketing and Product Development at Maple Leaf. “For teenagers, if meal preparation takes more than two or three minutes, they’ll skip the meal and have a snack later on. We want to meet consumers’ meal occasion needs and help them get better food into their kids more often.”

Hornick adds that convenience must be balanced by taste or nutrition. Many of the Maple Leaf HMR products carry the Health Check symbol from the Heart and Stroke Foundation, and the Schneiders’ Smart Lunch kits use lower-fat, higher-fibre ingredients. “The kits are priced about 10 per cent higher than regular lunch kits,” says Hornick. “Consumers seem to find this good value when they take into account the low-fat ingredients and the time required to make a lunch.”

Of course, producers aren’t the only ones on the HMR scene: the grocery industry is also a key player. “Many grocers offer lunch trays and in-store boutiques with prepared items,” notes Jennery. “Others have created their own product lines, such as ready-to-serve hors d’oeuvres and frozen entrées. These products need to be well-merchandised, and merchandised differently from regular ingredients so that consumers understand the value proposition.”

In fact, some stores have become renowned for their prepared items. U.S. organic and natural foods retailer Whole Foods Market, for instance, offers a varied menu of entrées, side dishes, soups, rotisserie grilled items, sushi and sandwiches. Toronto’s Summerhill Market makes hundreds of fresh convenience foods in its onsite kitchen, winning the title of the city’s Best Take-out from the *Globe and Mail*. Headed by gourmet chef Chris Klugman, the kitchen prepares everyday dishes as well as elegant dinner party fare.

According to Klugman, the popularity of this side of the business just seems to keep growing, a sign that the demand for high-quality on-the-go meals continues to expand. “We run two shifts a day in the kitchen, seven days a week,” he says. “We’ll be expanding significantly in the future to accommodate our bakery and prepared food operations. The more we do, the more we sell.” FC

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