

Keeping the Consumer in Mind

Arnold E. Denton, senior vice president, and Ginny Marcin, corporate relations, Campbell Soup Company, Camden, NJ

In an increasingly competitive world, successful marketing of U.S. agricultural products abroad will, more and more, require a base of solid marketing research.

And whether they're trying to market in Austria or Australia, American agricultural product companies are going to have to accurately answer the questions: What does the consumer want? How can we translate those wants into desirable value-added products that are relevant to changing lifestyles?

Women in Work Force

One of the most important examples of changing lifestyles involves women in the work force, a phenomenon growing throughout the world. By 1990, about 62 percent of U.S. families will have two wage earners. And

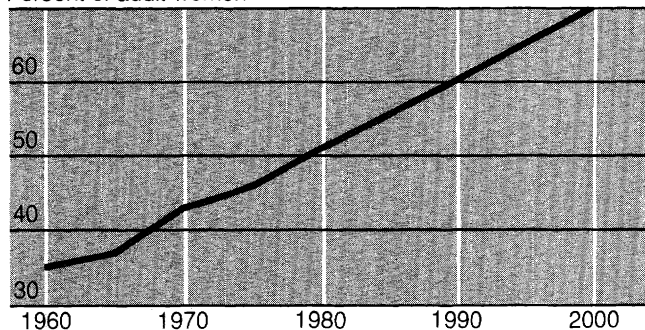
according to predictions, by the year 2000, 7 out of 10 women will be working.

In Japan, 47 percent of the young and middle-aged wives are now working outside the home, and Europe shows a similar pattern with a range of 25 percent in Italy to 45 percent in Belgium, the Netherlands, and the United Kingdom. Within all of the developed world, women now make up about 40 percent of the total work force.

So instead of expecting a meal cooked by mom, the family may eat out. By 1990, 45 percent of U.S. meals will be eaten away from home. Some meals eaten at home are prepared elsewhere. In fact, the fastest growing segment of the U.S. food industry is home-delivered foods. That segment amounted to \$2.2 billion in 1985. Other changes are in shopping habits.

Growth of working women

Percent of adult women



Source: Bureau of the Census (projections for 1990 and 2000 are those of Campbell Soup Company)

Changing Shopping Habits

With less time to spend in the kitchen, working women—in the United States and abroad—are shopping for convenience foods, but they're demanding more in the way of quality and variety.

The weekly shopping trip is becoming a thing of the past. More often, whoever is the shopper will purchase the makings of the meal on the way home from work. Sometimes, takeout food comes from the supermarket. The latest trend is to buy foods at a filling station, while getting gas for the car.

Meanwhile, teenagers have begun to play a part in family food shopping—but not just for snacks. In the United States, as stand-ins for mom, they may buy items like cereal, rice, frozen meals, and yogurt.

"Grazing" Lifestyle

Working women reflect another important feature of living in the 1980's.

In the past, a family might sit down together for one, two, or even three meals a day. But today, with family members coming and going on individual schedules, they often eat snacks or small meals whenever they are hungry. Perfectly suited to this "grazing" lifestyle and the passion for speed is the microwave oven. In the United States in 1988, more than 7 out of 10 households own a microwave oven, and Japan follows with 5 out of 10 households. The trend is growing with 40 percent of the households in Canada, 30 percent in England, 15 percent in Belgium, 15 percent in Sweden, 15 percent in Denmark, 10 percent in the Federal Republic of Germany, and 5 percent in Italy having them.

Lifestyles so busy and unstructured call for foods that don't require much preparation, can be prepared in small

portions, come conveniently packaged, and require little cleanup.

Consumers Want More

Sophisticated modes of communication and convenient means of travel to foreign countries have spawned consumers with adventurous taste buds. In addition, consumers are seeking quality. "Fresh" is it. The salad, once just an appetizer or a show of self-control for a dieting debutante, now also appears on the plate of fitness-conscious males.

Hand in hand with "fresh," at least in the minds of the consumers, goes "nutritious." It's thumbs up for fiber and good fats, thumbs down for sodium, cholesterol, and sugar.

Chicken and fish are the new stars, as are nonwhite or specialty breads. Compared to 30 years ago, consumers now drink 257 times as much low-fat milk, serve up 47 times as many frozen potatoes; spoon 29 times as much yogurt; and sip 11 times as much apple juice. Seven times as much broccoli was consumed in 1988 as in 1968.

By the year 2000, European consumers will eat twice as much fresh and chilled foods, and 25 percent more frozen foods, but 25 percent less canned foods than they do today.

With these consumer preferences in mind, a marketer can begin to think about supplying the "value" a consumer—foreign or domestic—looks for.

Ways To Add Value

The Food Itself: Is it in the preferred form—fresh, frozen, canned, or dry? Is it something different from what the consumer has eaten? Does it have a flavor he or she seeks? Is it unique in texture or appearance?

Preparation Time: Does it have to be cooked? How long? Does it need to be stirred or can it be microwaved?

Point of Purchase: Is it on sale at a place that's convenient when the shopper needs it?

Packaging: Does the package draw the shopper's attention? Is it easy to open? Does it look like it is tamper-evident?

Cleanup: Does it require any?

Image: How does the consumer feel about himself or herself eating the product?

Many Approaches Needed

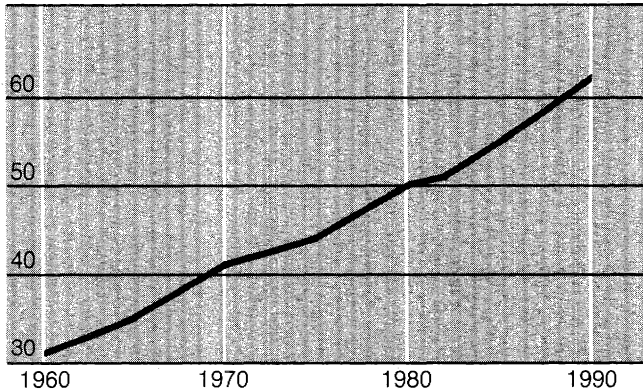
Marketing uses as many of these aspects as possible to differentiate the product and answer a consumer's need. When Campbell Soup Company set out to market a spaghetti sauce in the United States, it asked consumers what they wanted. When consumers said they wanted a product that tasted "homemade," the



When Campbell Soup Company set out to market a spaghetti sauce in the United States, it conducted surveys, such as this one in a shopping mall, to find out what consumers wanted. (Campbell Soup Company)

Growth of dual wage earning families

Percent of families



Source: Bureau of the Census (projections for 1990 made by Campbell Soup Company)

company had to explore what that term meant for the tasters. It took much testing and product research, but Prego spaghetti sauce didn't just win over existing consumers—it expanded the market.

Some examples of successful marketing show how “listening to the consumer” leads to sales in other countries.

In the early 1960's, Campbell was entering the Japanese market for the first time. The company studied the typical Japanese menu and spotted “corn potage soup.” Campbell formulated several varieties and tested them in the marketplace. When the new convenience product was launched amid advertising and promotional support, it became the number one variety Campbell sold in Japan. An added coup was the fact that the new soup represented additional sales, rather than sales taken from existing varieties of Campbell soups in Japan.

Nearly 5 years ago in the United Kingdom, Campbell scored a success in the canned soup market by looking at its own consumers. At the time, Campbell's Soups had been there for

25 years, but the success of the product line had begun to erode. The company studied the lifestyles of those who were already consumers of its condensed soups, comparing them to consumers of the competition's ready-to-serve product.

The study showed that Campbell buyers were willing to get involved in the cooking process, and were possibly more affluent than the competitors' consumers. The resulting promotion, which made use of lush, tasteful ads with the theme “Soup for Cooks,” invited the consumer to make more of the product by adding whatever he or she chose to. The promotion not only reversed a downward trend, it increased the sales by 3 percent a year, and has continued successfully since.

Adaptation Counts

Often, marketing the same product in a different country requires adaptation. In 1985, Campbell boosted its sales of soups in Hong Kong by 25 percent, just by making the labels better reflect what was in the can. The



Campbell Soup Company combined American-made equipment with mushroom technology from Holland for its newest mushroom farm in Hillsboro, Texas. Market research determined which mushroom strain would meet consumer preferences. (Ginny Marcin)

company knew that the Chinese valued the time-honored “Campbell” name, but it wanted Chinese consumers to be able to more readily discern what variety they could expect in the can. Campbell produced graphics for each variety, depicting not only the ingredients in the soups but the proportion in which they would be found in the products.

For instance, the label for Chicken Vegetable soup displays a picture of a plump chicken surrounded by piles of tomatoes, crisp carrots, celery, potatoes, and peas—in the proportion found in the product. This graphic took the place of the gold medalion usually found on the red and white labels. Campbell also translated the name of the soup into Chinese.

Adapting a product to a consumer in a different country may require more than a translation. That happened when Campbell’s Canadian subsidiary set out to sell breakfast

entrees and sandwiches similar to those sold by Campbell in the United States. The U.S. product’s name was “Great Starts.” In pursuing a bilingual package, the Canadian group learned that “Great Starts” did not translate into anything meaningful in French. So, instead, they capitalized on the already well-known “Swanson” brand name.

For a company that markets its products internationally and manufactures them wherever it’s most practical, a look at the consumer can offer more of a clue to opportunity than any data on how much wheat, rice, or corn a country buys.

Selling U.S. Products Abroad

But for U.S. agriculture and the food industry here, the goal is to market products that make use of American-grown produce and American-made products.

For that reason, it's not enough just to think about what consumers want. Marketing U.S. agricultural products means going a step further and adding features that cannot be duplicated easily in another country if they're meant for sale there.

The most obvious "unique" feature an American product can offer is that it's American. Campbell recently garnered excellent success by marketing an upscale line of soups in Japan, under the name "American Classics." The soups are made in California, and the Japanese value them because they associate their origin with quality.

Likewise, a rich line of Pepperidge Farm cookies is finding success in convenience stores in Japan. The products are made using highly developed baking technology, with ingredients obtained from the United States such as pecans and peanuts.

Selling at Home

The U.S. agricultural industry can seek new markets in other countries keeping uniqueness in mind and producing value-added products. But it can also fend off the erosion of markets on its own turf. In other words, "it

can head off the competition at the pass."

Tying into the U.S. preference for fresh produce, Campbell Soup Company sought the world's best mushroom-growing technology and found it in Holland. The company imported much of the equipment for its first high-tech mushroom farm, but then it went a step further. It built a second farm, modifying it to use American equipment whenever possible. Both farms created jobs on our soil. Campbell then researched what consumers wanted in a mushroom, so that the products of the farm would be well received.

Capitalizing on Americans' love affair with gourmet and foreign items, Pepperidge Farm, whose cookie-making technology originally came from Europe, has joined forces with Campbell's Godiva chocolate plant in the United States to produce a new cookie that imitates one found in Europe.

Marketing U.S. agricultural products—at home as well as abroad—requires a great deal of ingenuity as well as energy. When the marketer keeps the consumer in mind, the product can benefit both.