What will the store core of 2019, and beyond, look like? According to Thom Blischok, president of consulting and innovation at Chicago-based Information Resources, Inc. (IRI), aisles will be a thing of the past. “Things won’t be piled high and wide,” he notes, but instead packaged and displayed innovatively and conveniently, with the idea of allowing more disciplined shoppers to see and reach products on the shelves more easily. The goal is to move from the current “crowded house” mentality to one of simplicity and customization. Rather than a single section, supermarkets will feature multiple, radiating center stores arranged in pods or islands, and based on such commonalities as lifestyle and health and wellness. A heavy informational component, via labels, signage and the latest technology, both in-store and out, will keep customers apprised of the latest developments concerning the products they depend on. And all of this will go toward creating a highly personalized experience meeting the shopper’s exact specifications.

“Shopping will undergo a big shape shift,” predicts Blischok. “The whole shopping model will change. Simplicity in design in shopping will increase loyalty through a much simplified shopping experience.”

This may sound a little like science fiction, but it’s a lot closer than many grocers currently realize, and several of today’s emerging trends are pointing the way to this brave new world.

For one thing, shoppers’ continuing preoccupation with garnering more information about the food they eat will lead to such items as electronic “smart” labels and signage that will provide detailed data and images related to a given product’s country or region of origin, carbon footprint, nutritional indicators, life cycle, package recyclability, and more. Additionally, bolstered by the increasing popularity of electronic implements such as automated shopping-list devices linked to home refrigerators and pantries, programs such as in-store kiosks and messages sent by the store directly to shoppers’ cell phones or personal e-mail accounts will become commonplace, thereby creating more linkage between shoppers and products than ever before.

Lou Cooperhouse, director of the Rutgers Food Innovation Center in Bridgeton, N.J., agrees with this greater connection between shopper and product, as well as the creation of differentiated segments addressing various shopper needs. “A progressive store will try to personalize the shopping experience for each shopper” through direct mail, “smarter” use of shopper card data and Internet marketing, he says.

Physical displays will also morph to meet this desire for linkage: Blischok forecasts that room-temperature items and frozen products will be routinely merchandised in the same area, allowing shoppers to conveniently select meal components without having to dash into another section.
And the products themselves? As shoppers become ever more concerned with chemicals in food, we can expect a host of natural/organic items to decisively infiltrate the mainstream, since manufacturers will seek to avoid the use of artificial preservatives. Also, the further aging of baby boomers and the rise of chronic health conditions such as heart disease and diabetes will lead to more initiatives like nutrition rating programs in the mold of Hannaford’s “Guiding Stars” (an idea already taking hold among retailers and manufacturers alike) and company dietitians on hand to run store tours and advise individual shoppers on the right types of foods for their health requirements. As Cooperhouse aptly points out, “People don’t understand what a serving is anymore,” making this type of basic education a must for the center store of the future.

While Cooperhouse notes current company experimentation with satiety and realistic weight management that he thinks will enable center stores of 2019 to better communicate with shoppers about their dietary needs and tailor store sections and foods to specific conditions, Blischok goes even further in that vein, positing that the next 10 years will see the beginnings of what he calls “bioengineered” foods, which will feature enhancements such as microbiotics and resistance to disease bred directly into the physical seeds, allowing for pesticide-free products that deliver greater nutritional advantages. He admits that such items would face “a gradual process of acceptance,” but feels that they will eventually become the norm, with products that don’t go through this redesign growing “prohibitively expensive” as water supplies and available agricultural space dwindle.

Naturally, these enhanced foods would make their way into center store products, potentially allowing consumers to regulate their cholesterol or blood sugar more comprehensively through the foods they eat. Quips Blischok: “Imagine that in a can of pork and beans.”

Beyond health and wellness, Cooperhouse notes that as people from various countries continue to pour into the United States, and as Americans themselves grow ever more open to new culinary experiences beyond the classic macaroni and cheese, the designation of “ethnic foods” will essentially become meaningless, with items from around the world becoming mainstream parts of the center store, fully integrated on the shelves and in consumers’ minds.

Blischok believes that the next decade will see what he terms an “explosion of flavors,” which will take on new importance as people re-educate themselves on healthful eating and wish to perk up their steamed veggies with nutritious combinations of spices. Therefore, innovative, sometimes unprecedented flavor blends will come to the fore in center store products, as illustrated by the unusual taste combinations spotlighted by McCormick & Co. in its most recent “Flavor Forecast.”

Center store packaging will also evolve to meet consumer needs. Blischok and Cooperhouse agree that greater product visibility will be a normal feature of packages, enabling shoppers to get a good look at what they’re buying beforehand. Sustainability concerns will mean a sharp reduction in the use of plastic and tin, says Blischok, with a new emphasis on such methods as vacuum packaging. Further, consumers’ worries about food safety will result in such innovations as freshness thermometers on packages, he adds.

While Cooperhouse believes that the center store as we know it will shrink dramatically in favor of the perimeter, he says that center store packaging will need to address issues of quality and freshness through methods like high-pressure processing to develop shelf-stable products that look and taste as if they were just prepared, but will last for a much longer time and are safe to consume. He further notes that packaging of the near future will be
easier to open, to accommodate both convenience-seekers and the elderly.

Other current trends likely to take on even greater importance in the center store to come, according to both Blischok and Cooperhouse, are private label and local foods. Although neither expects private label to eclipse national brands, both feel private label penetration will continue to grow in the section. Private label “makes a lot of sense for center store products” in particular, notes Cooperhouse, because of the department’s traditional place as the part of the store that communicates value. Says Blischok, “Private label will win big because it has established reasons to be in the basket,” among them comparable quality and price to name brands, which will, however, remain competitive through product innovation and positioning.

As for local foods, Cooperhouse expects center store to be increasingly “all about local brands,” as the concepts of traceability in foodstuffs and sustainability in production and transportation continue to spread from the produce department. He further sees local products, with their “ fresher, greener” perception, as “a good way [for grocers] to differentiate.” Blischok concurs that local products will “have a big role to play,” as stores in that respect regress to a more 19th-century model of sourcing many products from nearby businesses, leading to customer-friendly cheaper prices.

Additionally, on the subject of prices, Cooperhouse says that shoppers will likely rebel at paying more for mainstream items with no perceived added value, but for segmented, differentiated products such as health-and-wellness or sustainable items, they’ll accept a higher price tag.

What savvy retailers and manufacturers should be doing right now to anticipate the needs of the center store shopper of the near future is to keep close tabs on her — as a tween and teenager. “The primary shopper of 2019 is 12 to 15 years old today,” explains Blischok, adding that retailers’ and manufacturers’ “detailed, deep-dive” research on consumers in this demographic should examine what they’re eating, and how those choices differ from those of their parents. Using his own 22-year-old daughter as an example of how the emerging crop of millennials is more “food smart” than their predecessors, and therefore less likely to buy the same sort of center store products that earlier generations did, Blischok stresses the importance of keeping an eye on changing shopper behavior to the department’s successful transformation.

"Learning allows adaptation, adaptation allows relevance and relevance allows loyalty, which brings us back to learning," he observes. "It’s a continuum of evolution."

Looking at Labels

Both experts interviewed by Progressive Grocer for their informed ideas about the center store of 2019, and beyond, agree that some sort of product label standardization is inevitable, but they diverge on the best way to go about it.

Stressing that “there needs to be a better way to communicate with consumers on [the] issues” of nutrition and wellness, Lou Cooperhouse, director of Bridgeton, N.J.-based Rutgers Food Innovation Center, believes that the federal government should step in, as is already happening in the United Kingdom.

Meanwhile, Thom Blischok, president of consulting and innovation at Information Resources, Inc. (IRI) in Chicago, says that such an initiative must come from the consumer packaged goods industry itself to be effective. Noting that there has already been “a huge industry effort to standardize on the contents and ingredients” of food products, Blischok holds that the project "stands a better chance of being truthful and practical" if the industry takes the lead. He adds that such an agreement would be in the industry’s interest, as it would give rise to a range of healthier products.

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