




# Trends Shaping the Future of Grocery Retailing

Mary Shelman  
Farm Foundation @ Stone Barn  
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# 60+ years of Agribusiness at Harvard Business School

- *A Concept of Agribusiness*, Davis and Goldberg (1958)
- “Agribusiness Seminar” for Executives since 1961
- Hundreds of cases, thousands of program alumni





*“The consumer has taken global food by surprise... the shocks are reverberating down the value chain.”*

Senior food industry executive, September 2016

# The new Food Consumer: Engaged and Empowered

- Actively seeks information
- Trust “friends” more than ads
- Product **and** Purpose
- Rejection of BIG ag/food companies



## Laura in the Kitchen, 2.8M subscribers, 408M views



# The Millennial Disruption

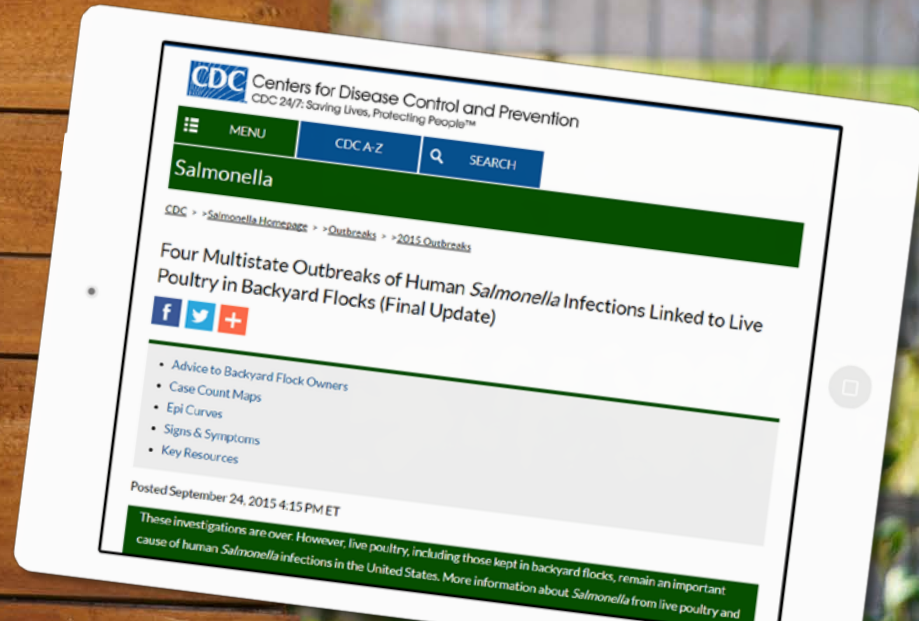
- What they buy
- Where they buy
- How they buy







# Want to snuggle with your chickens? Stop it, CDC warns







ORGANIC EGGS



# We know our Irish farmers by name. Meet Liam Delaney.

At McDonald's  
That's why we're  
Running the  
one of 2,500



**Our beef is 100%  
Irish, 100% local.**

Sourced from farmers  
we know by name, like  
Liam Delaney, Liam  
is one of our local Irish beef farmers.  
In fact, he's one of the 1,800 Irish farmers  
who supply our restaurants in Ireland  
with 100% beef from their Bord Bia Quality  
Assured farms.

Liam knows that his people appreciate Irish  
beef. And so do we. That's why all of our beef  
is 100% Irish, sourced locally from farmers  
we know by name.



All our beef is 100% Irish supplied by certified members of the Bord Bia QAS  
Available from 10th March 2014 to 31st March 2015

100% local.  
Farmers like Liam.  
Dad Jim, he's  
pure Irish beef.



**Our beef is 100%  
Irish, 100% local.**  
Sourced from farmers we know by name.







FAIRTRADE  
INTERNATIONAL



MORE THAN  
**350**  
CERTIFICATIONS



# Traceability - There's an App for That!

Trace your food back to the source.





**Pickup  
Location**

**ClickList™**

Instacart



+



**HANDS TIED?**

We can help! First delivery free.

**Click, click  
food.**

**grubHub**

Order online for free from  
local restaurants.



for android





# Future of the supermarket?

Daycare for the elderly





“I would be the first one to sign up for Whole Foods delivery and would probably never step foot in the store again,” said Judah Ross, 29, an entrepreneur who lives near the Whole Foods flagship store in Austin, Texas, and shops there every other week. “Whole Foods is a pleasant place but I hate going out to shop for groceries. Even though it’s so close, there’s traffic, parking and waiting in line. The convenience of delivery would outweigh any benefit of picking out the food.”

Wall Street Journal, June 18, 2017





Wagyu Single Cow Burger (2 – 8oz. Patties), 1 lb

★★★★★ ▾ 60

\$9<sup>99</sup>

fresh



91% Lean Grass-fed Single Cow Burger (2 - 8oz. Patties...

★★★★★ ▾ 10

\$9<sup>99</sup>

fresh



Wagyu Single Cow Burger Ground Beef, 1 lb

★★★★★ ▾ 19

\$9<sup>99</sup>

fresh

# Future of beef?

Scientists seek climate-friendly cow of the future



Scientists Cook Up Lab-Grown Beef  
Burger Project Was Funded by Google Co-Founder



# Impacts and Implications

- Consumers controlling more of the acres (and animals)
- Technology enabling a digital revolution + mass customization
- Future for traditional brands and retailers is uncertain
- Purchases shifting from ingredients to meals
- New investors bring new capabilities, higher expectations





**Thank You!**





Fractured Demand

VALUE



PREMIUM

BIFURCATION



*Campbell's*





Eggs laid by  
hens temporarily  
housed in barns  
for their  
welfare



FREE RANGE  
**6 BRITISH  
MEDIUM EGGS**

From hens that are free to roam  
pasture amongst

FROM M&S SELECT  
WE KNOW AND  
CLASS





Food safety

Productivity

Labor costs

Sustainability

Food security

Local

Organic

Cage-free

Non-GMO

Food justice

## Per Capita Fluid Milk Consumption In pounds 1975 - 2014

Source: ERS

