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The Impact of Inflation on Brand Loyalty, Expiration Dates, and Consumer Values

Consumer research platform, Attest, found in their latest U.S. Food & Beverage Report that consumers are combating rising food costs by switching to cheaper options, eating food past its expiration date, and sticking to a strict budget.

Over the last six months, many consumers have switched to cheaper brands. 43% of consumers did so for bread, 39% switched chip and snack brands, and 39% switched cereal brands. However, when it came to alcohol, only 11% switched brands, showing more brand loyalty.

Inflation has also caused consumers to look at expiration dates differently. 17% of consumers are eating foods past their expiration date including chips, snacks, cereals, and candy. In addition to eating food past its expiration date, consumers are also eating foods that have been opened longer than the recommended time, removing "bad bits" from the food to eat the rest, and buying discounted food that's close to expiring.

Lastly, inflation has caused consumers to rethink their values. Values like sustainability and preferences like plant-based are no longer a priority as food prices increase. Nearly a third of consumers preferred environmentally-friendly brands last year, but only 24% try to shop this way now. Consumers are also leaving the plant-based diet in favor of more meat in response to increased costs. Although meat prices are increasing too, it's the more economical choice for consumers on a budget.



How Do Eco-Labels on Menus Influence Food Choices?

It's estimated that livestock production contributes to 14.5% of global greenhouse gas emissions. As global populations rise, so will the demand for protein. Animal-derived protein by itself is expected to double by 2050. Eco-labels provide details of water and land usage as well as greenhouse gas emissions. But can eco-labels influence the choices diners make? Researchers at the University of Bristol, U.K. sought to find out.

Participants took an online survey which asked them to choose from a hypothetical menu containing a beef burrito, a chicken burrito, and a vegetarian burrito. Three mock-ups were created showing the options with different information. For example, one mock-up featured a 'social nudge', encouraging diners to choose that option. The 'social nudge' in this mock-up was a star with the words 'Most Popular' next to the vegetarian option. Another mock-up featured a scale ranking, with the most sustainable option (vegetarian) being a 1 and the least sustainable option (beef) being a 5.

Findings revealed that 5% more participants chose the vegetarian option when eco-labels were included. Conversely, participants who were given a control menu with no social nudge or eco-label selected the beef burrito, the least sustainable option. "Adding a traffic light eco-label to menus increased the selection of more sustainable food items," said lead author of the study, Katie De-loyde. Since reducing beef consumption is key in sustainability strategies, researchers suggest placing more eco-labels on menus in hopes of decreasing beef consumption.



Superfruit Spotlight: Infused Dried Apples

This October we're highlighting our infused dried apples, just in time for fall!

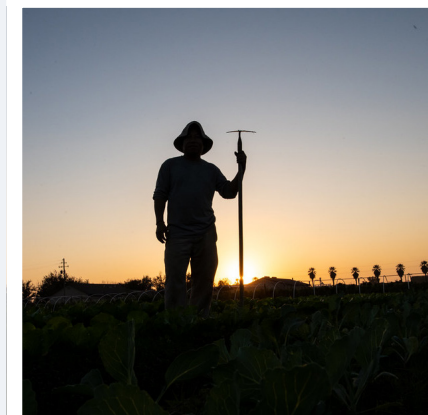
Our **infused dried apples** are made from ripe Rome and York apples famous for their sweet-tart taste and exceptional holding texture. Our infused dried apples retain their color, texture, identity, and flavor in a number of commercial food **applications**, whether it's a **baked good**, **trail mix**, or **cereal**.

Our infused dried apples elevate a number of applications by adding distinct texture, a light natural color, and a sweet-tart flavor. Order your infused dried apple **samples** today or talk to our **experts** for customized solutions!

USDA Provides Nearly \$800 Million to Help Distressed Farmers

According to the USDA, the funds are part of the \$3.1 billion in assistance for distressed farm loan borrowers as stated in Section 22006 of the Inflation Reduction Act.

The loans will provide assistance by keeping farmers on their farms, removing barriers that might prevent borrowers from farming, and improving the way USDA handles borrowing and servicing. In the long-run, the loans are meant to generate long-term stability and success for farmers. It's no doubt that over the past couple years, farmers have faced a number of challenges. "The funding in today's announcement helps keep our farmers farming and provides a fresh start for producers in challenging times," said Agriculture Secretary Tom Vilsack in a news release. As of October 18, more than 13,000 borrowers have already benefited from these resources.



Restaurant Traffic is Down after Post-COVID Boom

Restaurants thrived post-COVID as diners celebrated the end of restrictions by eating out with friends and family. However, inflation presents itself as the latest obstacle in the restaurant industry as diners are turning away from eating out due to rising costs.

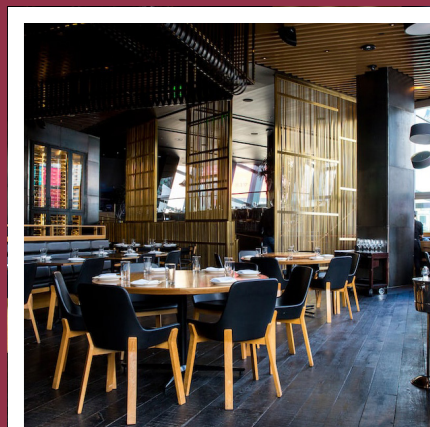
Many U.S. households, especially lower- and middle-income ones, are cutting back on dining out in the face of inflation. Consumers aren't the only ones who feel it, restaurants feel it too as they have to raise their prices to keep up

with inflation. A September survey from research firm Datassential Inc. found that eating out was the top expenditure to cut followed by apparel and travel. About 30% surveyed indicated that they plan to dine out less in the following months.

Although restaurant prices continue to climb, they haven't risen as fast as grocery prices. Inflation for food outside of the home rose 8.5% in September from a year ago compared to groceries that rose 13%. Unfortunately, the economic outlook looks grim as economists predict a recession next year and higher unemployment. If this happens, consumers might replace some restaurant spending with groceries while shifting to chapter dining options like fast food.

September saw more consumers cutting back on restaurant

spending compared to August. "When you have significantly high inflation, consumers may actually switch to cooking at home and preparing food at home," explained Domino's Pizza Inc. Chief Financial Officer Sandeep Reddy. "We are in unprecedented inflationary times."





What's New: Graceland Fruit and Benzie Habitat for Humanity to Develop Housing

Graceland Fruit has recently partnered with Benzie Habitat for Humanity to provide quality housing in the Benzie County area! The affordable housing shortage hinders growth and the ability to attract and retain qualified employees. Benzie Habitat recognizes this and partners with others to build affordable homes. Graceland Fruit and Benzie Habitat will work together to build an attractive and affordable new neighborhood of single-family homes. For more details, click [here](#).

Consumers View Baked Goods as 'Affordable Indulgence'

According to the latest survey by the American Bakers Association, consumers feel a great level of permissibility when it comes to buying baked goods. The study, "Life Through the Lens of the Bakery 2022," sought to learn about the ways baked goods fit into consumers's lives and surveyed more than 1,500 consumers. Findings revealed opportunities for bakery growth both inside and outside of the home.

The study also revealed that consumers are most concerned about rising grocery costs, increasing gas prices, and high restaurant prices. Even in the face of inflation, consumers are prioritizing baked goods as they view them as affordable indulgences. According to the survey, 84% of consumers agreed with the statement, "it is perfectly fine to occasionally treat yourself with some baked treats such as cookies, cupcakes, doughnuts, or pie." Nearly half (45%) of respondents indicated that it's "somewhat important" to make room in the budget for the occasional indulgence. Baked goods are also an integral part of special occasions, as at least 80% of consumers consider baked items an important part of family celebrations, traditions, and holidays.

Our premium **infused dried fruit ingredients** perform exceptionally in a number of commercial **applications**, especially **baked goods**. Our exceptional ingredients add a vibrant hue, distinct texture, and crave-worthy flavor in fresh, frozen, and shelf-stable baked goods. They maintain piece integrity and texture in mixing applications and high temperatures and distribute evenly in all dough structures, making it the perfect inclusion for your next baked good. Order your **samples** today!



We deliver *delight*™

Graceland Fruit, Inc. is a leading producer and global distributor of premium quality dried fruit ingredients for the food industry. Our exceptional product and service performance make it easy for innovative food manufacturers and providers to create delicious, on-trend products to surprise and delight their consumers.

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