

Good consumer demand in food and beverages research paper example

[Business](#), [Customers](#)



Introduction

Food and beverages that sustain humankind are the driving force of human life. All human activities are directed towards getting food to eat and beverages to drink so as to live a healthy and happy life. As human civilization grows and develops, the need for more food and beverages increases and at the same time, the need to know about the quality and content enhances. The need for more food and beverages increases with the constantly growing human population. Hence, the food security is a great concern. Also, the increased awareness about health and happiness, the food security assumes added significance (Agrawala, 2013).

The demand for goods and services coming from individual people rather than companies is referred as consumer demand. It is a measure of desire of consumers for goods or services. ("Consumer demand"). Demand refers to the quantity of specific goods and services to a consumer or desires of a group of consumers to buy at a given price. However, the consumer demand for goods or services is influenced by several other factors besides price. These factors include substitute goods that increased demand for the substitute services, and goods will cause a decrease in demand for the original one and vice versa ("Demand"). The consumer's demand for a particular product or service is important in the sense that the lack of it would render the business enterprise to run into losses, wind ups, and closures.

A commercial organization is required to know the demand of consumers so that it can decide how much to produce. Overproduction would lead to a glut while under production will cause consumer dissatisfaction. Consumer

demand provides a pointer to customer acceptability of a product or service. The knowledge about the demand facilitates a firm to make suitable alterations and adjustments in its products and services to suit consumers' preferences. Businesses have to take into account consumers' demands and preferences to survive and compete with peers in the field ("What is consumer?").

The tourism industry promotes the sale of food and beverages, as travelling implies fun and pleasure, and consumption of food and beverages is an inseparable part of human pleasure. The significance of the tourism industry depends on the social and economic factors that are closely interlinked as economy provides the investment and infrastructure for human development. Tourism accounted for 9% of global GDP and provided around 255 million jobs. This industry is likely to grow annually by 4% on an average. A new resort or a hotel can contribute significantly to the economic development as it will promote tourism. Many countries promote tourism to diversify their economies and create employment opportunities. Unlike other economic sectors that create short and medium term benefits, the tourism industry if planned and managed effectively, can provide sustainable development and stimulates economies on long term basis. The significance of tourism cannot be overemphasized. It has immensely influenced the food and beverages industry as tourists demand quality in terms of content, flavor, labeling, and ingredients.

Background

Consumer demand for food and beverages emphasize on prevailing trends regarding quality, safety, price as well as culture and behavior of three stakeholders including guests, employees and employers.

The quality of food and beverages encompasses several characteristics such as color, texture, aroma, general nutrition, stability, shelf-life, and the potentiality of the existence of undesirable ingredients. The deterioration in quality leads to changes in the contents of food and beverages when these are fresh. Food and beverages may also be processed to preserve their attributes or add nutritional value. The quality may also be enhanced with the help of proper processing techniques. The sensory quality of food and beverages could change as different components interact drastically. The processing may lead to alterations in several attributes of food and beverages, and these include changes in their nutritional value. Thus, the quality of fresh and processed food and beverages is the topic of debate among various circles (Shahidi et al. 2004). Food and beverages whether fresh or processed are the concern of the modern tourists who monitor and examine these things very minutely. Consumers demand food and beverages that are both nutritious and healthy. However, they do not like food and beverages that are preserved by chemical preservatives, and processed by extensive heating and freezing. Long shelf-life is preferred, but should not contain food poisoning organisms, and synthetically or artificially produced additives. Preservatives and additives that are natural should only be used. Hence, there is a demand for natural preservatives extracted from animals, plants, and micro-organisms (Delves-Broughton, 2012).

Collaboration among various agencies including those dealing with food and beverages is considered as the critical element in the promotion of local or regional tourism. The concept of the visitor center has been coined to provide a convenience to tourists and promoting local products, services, and activities especially in rural environments to entice tourists for long-term. Collaborative relationship with various entities such as food growers, wineries, restaurants, and other businesses to promote and market the region is essential. The promotion of food tourism and wine tourism in the region can be effectively achieved by the collaboration and association of various stakeholders (Alonso & Liu, 2011). The tourist places are not only to see magnificent sites, but also to eat and drink. Hence, it is essential that they are offered standard and quality food and beverages (Alonso & Liu, 2011).

Prevailing Trends

Over the last 20 years, consumer demand has shifted from commodities to services particularly in the United States. Emphasizing on changes in household expenditures during the period of 1984-2011 pointed out that the quantity of services has been increased by 9.1%, but the quantity of commodities remained stagnant. The studies also reveal that the quantity of healthcare services has also increased considerably. As per the economist Victor Fuchs, 30 years back, there was hardly a culture of eating, drinking, and touring places. This fundamental change on consumption pattern was the result of changes in relative prices. The commodities consumption like apparel, foods, and beverages decreased 20 years back, but there was an

increase in durable goods such as televisions and appliances (" Explaining the 30-year," 2014).

Around 20 years back, there was no significant health consciousness, and people were not so conscious about what they were eating. Carbonated and concentrated drinks were easily acceptable. People cherished foreign foods, canned and packaged foods, and were not so motivated to travel. People were less concerned with effects of their activities on the environment in the past. They preferred traditional standardized, mass-produced products like foods and beverages in line with 20th-century industrial revolution (" Explaining the 30-year," 2014; " Mapping your future," 2013).

Going natural has been the emerging trend of food and beverages. There have been consistent changes in preferences with respect to what we eat and drink over the decades. People's preferences underwent changes from whole milk to skim milk, and then to no milk to whole milk again. Meat and potatoes had been replaced by things that are microwaveable, and then again we fall back on meat and potatoes albeit with some twists. Our inclination is now to go natural with convenience that is hard to achieve. The employees who are dealing in food and beverages need to add sweeteners, preservatives, and other additives for keeping a great taste of processed food and beverages.

The consumer demand for natural sweeteners and preservatives is the current trend in food and beverages as consumers are drifting away from synthetic and artificial additives. The market for natural sweeteners is still young and evolving, but efforts are on to find a proper alternative to sugar or artificial sweeteners in Stevia, erythritol, and monk fruit. However, these

have varying levels of sweetness, and food scientists are trying to camouflage the bitterness, a common side effect of these produces. Thus, food and beverages firms are trying to go natural, and producing new product formulations to create new products. The increased consumer demands for food and beverages produced with natural preservatives, and not with chemicals have escalated research efforts to find natural antimicrobials that can be used as natural additives. A wide variety of natural antimicrobials from a wide range of sources like microorganisms, animals, and plants as potential preservatives are being investigated. Some of these like natamycin, nisin, lysozyme, and lactoperoxidase system have been playing their part as food and beverage preservatives. Despite natural, a majority of natural ingredients and additives used as natural preservatives require proper legislation and safety evaluation (Delves-Broughton, 2012). The most noticeable trends in food and beverage production, as well as consumption, are the development of supermarkets in last three decades. The consumer demand for food and beverages that are nutritious, healthy, possessing long shelf-life, and containing fewer preservatives. Consumers demand natural preservatives in place of synthetic or artificial ones. Hence, the demand for identifying natural preservatives has been prepared out from animals, plants, and microorganisms. Several potential natural antimicrobials have been identified and approved in many nations including the European Union (EU) and have been provided ' E numbers' (Delves-Broughton, 2012). In food legislation, there is no distinction, in principle, between synthetic and natural compounds. The permissions for additives are accorded based on technology and safety of public health. However, the food and beverage

industry strives to use natural ingredients and additives capable of protecting against food spoilage and controlling food poisoning organisms. An E-number refers to a synthetic or natural additive, and has been widely believed that the additive used has been thoroughly examined for human safety. However, the term 'natural' does not necessarily mean safe. As, for example, botulinum toxin and mycotoxin- the snake venom, can be defined as natural, but cannot be considered as safe. Hence, a new preservative deduced from a natural substance require full toxicological examination prior to it being acceptable, and receiving approval through legislation. However, that kind of toxicological assessment is highly expensive and cost prohibitive to most of the additives and ingredients, if not to all. The possible exceptions that do not require such expensive toxicological assessment are those substances that have been in use in food and beverages since long (Delves-Broughton, 2012).

As for demographics, young people are more prone to touring, eating and drinking, and at the same time, concerned with health. Let us examine, eating and drinking habits in the context of LGBT, which stands for lesbian, gay, bisexual, and transgender. These types of people have particularized expanding pattern including eating and drinking habits ("What is LGBT?"). The purchasing power of these types of people is referred as pink money that now transformed into a thriving industry in several parts of the world especially in the US and UK. Numerous businesses now cater to the gay, lesbian, and the likes, and include shops, nightclubs, taxicabs, and restaurants. The demand for services and products for these special

category people arise due to the discrimination meted out to them by traditional businesses (“Pink Money”).

Discussion & Analysis of the Trends

An ideal, natural food preservative should have a broad action antimicrobial spectrum with active against Gram-positive bacteria. Gram-negative bacteria, moulds, and yeast; be cidal in action, and not inhibitory, and impart no odor or flavor property to the food. Also, it should possess no toxicity, be assayable conveniently, possess no veterinary or pharmaceutical application, and be capable of arresting the development of resistance in microorganisms, and label friendly. On top of it, the preservative should be cost effective to the producer. In case a preservative meets all these requirements, the guests would get safe and healthy food and beverages. The employees would have no problems in producing it, and the producer will be happy a lot due its cost effectiveness (Delves-Broughton, 2012). However, it is hard to find a natural preservative which may contain all these qualities and features. In fact, such natural antimicrobial can never be found out that has given rise to the quest for an alternative approach- usually known as hurdle technology. This approach uses a natural preservative in combination with any intrinsic properties of food such as low pH, low water activity; or extrinsic factors like heat processing, and modified packing. Other approaches include the use of active preservative packaging and the use of edible coatings having preservatives (Delves-Broughton, 2012). There are many natural antimicrobials deduced from plants as plants synthesize a wide range of compounds to protect themselves against

microorganisms. These compounds include phytoalexins, essential oils, and related compounds found in herbs and spices. In order to get microbial inhibition, extensive use of herbs and spices is essential. Their applications are associated with strong flavors that are usually cherished. Purified compounds may be more effective, but their use without extensive research is not permitted. Like other naturally occurring preservatives, there is no antimicrobial derived from a single plant can prove to be the panacea. Hence, there is a need to concentrate on combined systems (Delves-Broughton, 2012).

In addition, the present consumer behavior has been influenced by advancement in technologies, changing demographics, and the global recession of 2007-08. Internet now influences practically every dimension of purchasing decision of consumers. People web search for any product including food and beverages, compare prices and quality, and buy online. Over 84% people had affordable access to the internet in Canada by 2012 that has shaped consumer behavior over the years. Mobile phones, desktops, laptops, and tablets now rule the roosts besides electronic and print media in shaping consumer behavior. Increased number of people are now logging in to Facebook, LinkedIn, and Twitter every day. Secondly, the health mania pervades all human activities, particularly eating and drinking activities. Health concerns drive people to go for quality along with safety and deliciousness. People now examine minute ingredients of a product including food and beverages. People in the present era, demand locally produced, and customized products that meet specific needs. Consumers demand quality at low cost. They prefer fresh, safe, and healthy food and

beverages (" Mapping your future," 2013).

The emerging consumer behavior and demand create newer opportunities for business establishments. As a customer wants minute details of products and services, businesses promote and create opportunities for closure dialogue with customers. They should monitor and encourage customer reviews. The use of online platforms is the sine qua non in the present circumstances to reach out maximum consumers. According value to customer suggestions, and customization are essential. The value of the product should be effectively brought to the notice of the ultimate users. Such features as safety, quality, ingredients, and conformation to legislation should be clearly publicized. Thus, the product being conducive to health promotion and environment-friendly can do a lot to the businesses (" Mapping your future," 2013). Hence, there is clamoring among hoteliers, restaurateurs, and businesses to take advantage of the emerging trends of consumer behavior. Each business is trying to hoodwink others to entice customers for its products and services.

Around 90%, gay, lesbian and other such groups support those businesses that are inclined to cater them. However, the businesses that support and work for gays are criticized as their action is construed as segregating these groups of people from mainstream people. In 1998, pink money valued at \$560 billion in many sectors — especially entertainment and consumer goods. The purchasing power of these groups was expected to increase to \$790 billion in the U. S. by 2012 (" Pink Money").

The three stakeholders in the entire process are immensely affected in using and producing various kinds of preservatives and additives. The tourists or

consumers who consume food and beverages, workers or employees who produce and the owners who trade in these food and beverages. Consumers are concerned with the safety of food and beverages they consume, and the methods described to preserve and produce these in the foregoing paragraphs may affect their mindset. An ideal preservative must be easily extractable, and employees are influenced, by the way, these preservatives and additives are produced. The owners of these preservatives producing firms are amused if the preservative production is cost effective.

Conclusion

The consumer demand of food and beverages depends on the safety. They demand food and beverages that are nutritious and healthy. The quality of food and beverages include several characteristics such as aroma, color, texture, general nutrition, stability, shelf-life, and the potentiality of the existence of undesirable ingredients. The deterioration in quality leads to changes in the contents of food and beverages. Food and beverages may be processed to keep them fresh and to lengthen their shelf-life. Thus, guests are concerned with the quality, safety, and nutrition of food and beverages. The workers or employees are responsible for producing and preserving these foods depending on extractability and conductivity of preservatives and additives. Moreover, LGPT groups support those businesses that take care of them but there is criticism against such business due to segregation of these groups.

Preference for things that are natural is the current trend in case of food and beverages as tourists, and consumers crave for food and drinks that are

tasty, healthy, and safe. Hence, they want natural preservatives instead of synthetic and artificial ones to preserve food and beverages. As consumers prefer natural preservatives, employees toil to produce preservatives that are natural and acceptable. The owners of preservatives producing organizations intend to produce preservatives to be economical and profitable. Various methods are employed to produce numerous natural preservatives.

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