New report suggests almost three out of four Canadians have made significant changes to how they grocery shop due to higher food prices

HALIFAX, NS. (September 20, 2022) - Food inflation has impacted the lives of most Canadians in recent months. Canada’s food inflation rate has been around 10% since May of this year.

In the last year, have you done any of the following for your food / grocery shopping? (Please select all that apply)

- I’m using more loyalty program points to pay for my groceries: 33.7%
- I read weekly flyers much more often: 32.1%
- I’m using more coupons at the grocery store: 23.9%
- Visited discount stores to purchase food: 19.1%
- Visited dollar stores more often to purchase food: 11.5%
- I go to farmers markets more often now to buy directly from farmers: 8.0%
- I visit roadside stands to buy directly from farmers / hunters / fishers: 7.1%
- Joined a community purchasing group: 2.1%
- I subscribed to a CSA (Community Supported Agriculture) box: 2.1%
- None of the above: 27.4%

Statistics Canada just announced that the food inflation rate for retail was 10.8% and at 7.4% in food service. Canadians have been trying to cope with higher food and menu prices in many ways. The Agri-Food Analytics Lab, in partnership with Caddle, investigated what Canadian consumers are doing to deal with higher food prices in the last year and are releasing the results of the study.
In total, 5,000 Canadians were consulted between September 8 and September 10, 2022, for this cross-national survey.

The investigation first looked at decisions which could lead to lifestyle changes in the last year. While a total of 18.1% of Canadians are focusing more on their health and nutrition, 12.4% claimed that they have moved just in the last year. A total of 12.0% of Canadians have changed jobs and 9.3% started to exercise. A total of 7.1% of Canadians became new pet owners as well.

One way to deal with higher food prices would be to produce food domestically. The survey looked at whether Canadians were growing or making their own food because of higher food prices. A total of 15.5% of Canadians have started growing their own food, just in the last year. Ontario is where the highest percentage of people started to grow their own food, at 17.4%, followed by British Columbia at 16.2%. The Atlantic (15.2%), Quebec (13.7%), and the Prairies (13.1%) were next. While a total of 6.2% of Canadians use hydroponics at home to grow food, 4.5% claim they have livestock at home now, and didn’t 12 months ago.
The survey also looked at newly adopted shopping habits. While 8.0% of Canadians changed their primary grocery store where they buy most of their food, 12.9% of Canadians have started to visit more than one store in the last 12 months. Canadians are also more active online.

While 17.1% of Canadians have ordered food online for curbside pick-up, 12.2% of Canadians have ordered food online for delivery in the last 12 months. While we know that buying online is typically more expensive due to fees, we did not ask people why they were ordering online and for what purpose. Another option available online are meal kits. In the last 12 months, only 7.4% of Canadians have ordered meal kits, which is far below our last survey on the topic. In May 2022, 8.4% of Canadians were subscribed to a meal kit service provider, which was down from 12.8% in November 2020. This is likely due to meal kits being perceived as more expensive options for consumers.

The last portion of the survey looked at cost-saving mechanisms consumers have chosen to adopt to deal with higher food prices. The most popular grocery shopping habit change we measured was that many Canadians have used loyalty program points. A total of 33.7% are using loyalty program points to pay for groceries in the last 12 months. The second option is weekly flyers (32.1%), followed by using coupons, at 23.9%.

While 19.1% of Canadians have visited discount stores in the last 12 months, 11.5% of Canadians have visited dollar stores more often to purchase food. A total of 8.0% are visiting farmers markets more often, and 7.1% of consumers visited roadside stands to buy directly from farmers in the last year.

“It appears Canadians are proactively seeking different ways to save at the grocery store,” said Dr. Sylvain Charlebois, Director of the Agri-Food Analytics Lab. “Options were always there, but inflation just made many options, like loyalty programs and coupons, more attractive,” Charlebois said, referring to the Lab’s survey results.

The study also looked at other specific strategies, such as waste reduction and private (store) labels. The results were interesting. A total of 40.6% of Canadians are trying to waste less food now, much more than 12 months ago.

Going for privately labelled food products is also getting more popular. A total of 21.0% of Canadians are opting for store labels, which are less expensive most of the time. The Atlantic region is where the highest percentage of consumers are now opting for privately labelled products, at 27.8%, followed by Quebec at 22.5%. Also, 19.7% of Canadians are buying more food that is about to expire. The Atlantic has the highest percentage of consumers buying food that is about to expire at 29.1%, followed by the Prairies at 19.5%. In total, we estimate that about three Canadians in four have made changes to how they buy food in the last 12 months to deal with food inflation.
“Seeing food waste reduction as the number one thing consumers are doing to cut costs is encouraging,” said Janet Music, co-author of the report. “Consumers appear to see food waste reduction as a form of incentive, and not just a way to adopt a more sustainable way of life.”

During the past year, have you done any of the following?  
(Please select all that apply)

- I’m cutting back on the amount of food I purchase due to higher prices: 23.6%
- I changed my diet just to save money on food: 8.2%
- I’m skipping meals / snacks due to higher food prices: 7.1%
- I’m using my credit card to pay for my groceries and don’t know when I’ll pay it back: 6.6%
- I bring food home from work or social events to which I’ve been invited: 5.4%
- I’ve relied on family / friends to provide food: 3.9%
- I’ve accepted donations from my church or other charitable organizations for food: 2.6%
- I’ve gone to a food bank / a community help group / food rescuing agency: 2.5%
- I got another job just to pay for my groceries: 2.3%
- I’ve taken food intentionally without paying for it on at least one occasion: 2.3%
- I found a new position which came with restaurant vouchers (paid for some of my food): 1.9%
- None of the above: 51.0%

Questions did also measure a darker side of compromises being made by consumers these days. Almost 24% of Canadians are now cutting back on the amount of food they purchase due to higher food inflation. Female consumers who opt to cut back on the amount of food outnumber men who opt to do the same, that is, 29.6% versus 18.0%. Dietary changes have been made by 8.2% just to save money. While a total of 7.1% are skipping meals now, 6.6% of Canadians are paying for their groceries with a credit card without knowing when they will be able to pay it back. Other measures are also followed by Canadians.
Download the preliminary results of the survey in English and French at https://www.dal.ca/sites/agrifood.html.

Contacts

Dr. Sylvain Charlebois, Director
Agri-Food Analytics Lab, Dalhousie University
sylvain.charlebois@dal.ca

Janet Music, Research Program Coordinator
Agri-Food Analytics Lab, Dalhousie University
janet.music@dal.ca

Methodology for survey: Caddle is one of the most credible active panels in the Canadian market. A representative survey of Canadians was conducted in September 2022, in partnership with Caddle. 5,000 Canadians participated in this survey. Margin of Error: +/- 2.1%, 19 times out of 20. Any discrepancies in or between totals are due to rounding.

Disclosure: Funding for the survey was provided by Caddle and Dalhousie University.