

THE AMERICAN FAMILY TODAY

2018



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INTRODUCTION

The past year has shown us that beliefs and identities are becoming entrenched as more Americans feel obligated to take a position on what's happening in the world around them. Whether by joining together with neighbors to rebuild after a hurricane or fire, or by taking to the streets to make their voices heard on the issues that matter most, new forms of community are developing in the real and digital worlds.

Technology is playing a key role in facilitating the exchange of information that allows the strongest ideas to coalesce and help shape the future. And the innovations that may have the greatest impact on daily life are coming from all over the country, not just the coasts. Telemedicine, a technology providing access to quality healthcare while lowering costs, was proven out in Montana, not Manhattan. Autonomous driving research and development efforts for an industry-leading ride sharing company is based in Pittsburgh, not Palo Alto.

The technology that connects us has also created new challenges in how we explore the unknown. Algorithms designed to show users more of what they like are reinforcing existing viewpoints instead of providing exposure to new ones. The diversity, vibrancy, and nuance that defines communities often gets lost at the expense of convenience and clickability.

To understand the real impact of these changes, there is no better place to look than the American family. Families across the country are innovating everyday as they adapt to the generational, macroeconomic, and technological shifts affecting them, all the while navigating the time pressures of daily life. As the US economy nears full employment, time with family is becoming the most precious commodity. In this edition of the American Family report, Walmart and Quid look at how American families are both driving change and evolving by adapting to the challenges and opportunities of the world around them.

By analyzing customer transaction data from its 140 million weekly shoppers around the country, Walmart identified the following trends and the generational, geographic, and socioeconomic forces at work behind them. Quid complemented this by leveraging its artificial intelligence and natural language processing technologies to analyze hundreds of thousands of unstructured data sources, including top-tier news outlets, trade journals, lifestyle blogs, along with funding trends for privately funded businesses. Looking to 2018, the data has surfaced four new trends that will shape life for American families in the next year and beyond:

PARENTS AND PETS FIRST, KIDS CAN WAIT

Compared to previous generations, Millennials are far more likely to live with their parents or be indulgent pet parents.

ON-DEMAND EVERYTHING

New technologies are giving families more flexibility and convenience at work and at play.

COLLECTIVE WELLNESS

Personal and collective well-being has become a priority, and there is an increased expectation of transparency into products.

SHORT ON TIME, BUT NOT ON FLAVOR

Foods that offer the convenience and diverse flavors that families want are on the rise.



“AMERICAN FAMILIES AND COMMUNITIES ARE UNDERGOING RAPID TRANSFORMATIONS IN THE WAY THEY LIVE, WORK AND SHOP. THE NEEDS OF THE AMERICAN FAMILY ARE CHANGING AS NEW TECHNOLOGIES SHAPE THEIR DAILY LIVES, WHETHER THEY ARE IN THE HEART OF AMERICA OR ALONG THE COASTS. WITH OUR PRESENCE IN COMMUNITIES ACROSS THE COUNTRY, WE ARE WORKING HARD TO UNDERSTAND AND EMBRACE THESE CHANGES AND TO ENSURE THE NEEDS OF THESE BUSY FAMILIES ARE MET NOT JUST TODAY, BUT TOMORROW.”

-DOUG MCMILLON, CEO OF WALMART

**FAMILIES ARE BUSIER
AND MORE INNOVATIVE
THAN EVER.**

TREND 01

PARENTS AND PETS FIRST, KIDS CAN WAIT

Millennials are far more likely to live with their parents or be indulgent pet parents.

It's well reported that Millennial families are increasingly racially diverse, multigenerational or single-parent households that face different situations than prior generations. Overall, Millennials are increasingly shaped by the after-effects of a deep recession, leading them to have lower homeownership rates, focus more on pets and parents, and ultimately delay parenthood compared to previous generations.

Walmart sales data shows that Baby Boomers spend three times as much as the next closest generation.

Millennials are putting off having children longer than previous generations. In fact, birth rates for women in their early 30s are the highest they have been since 1964.¹ Much of this can be attributed to the stresses Millennials face from the Great Recession. The effects of it can still be seen in the media narrative on Millennials: over 40% of news coverage of Millennials in 2017 focuses on financial or career stresses, according to a recent Quid analysis. The most significant stress is homeownership rates: in 1995, 39% of under 35-year-olds owned a home. That plummeted to 31% in 2015.² Walmart's transaction data shows that Baby Boomers spend three times as much as the next closest generation, both online and in-store. While some of that is certainly because Boomers are more established, it also is evidence of the Millennials' spendthrift habits shaped by a deep recession, mounting student loan debt, and increasing home prices. For those Millennials who do have an opportunity to

have their own home, it's a celebrated event. Brittany W., a mother of two, said, "In 2018 we're moving into a house of our own. That is going to be a huge thing for us. Everything will be different for our family of four."

While Americans have always been pet lovers, Millennials are taking pet care to a new level of indulgence as pets are increasingly viewed as members of the family. When Michael B. was asked to describe his family, he included his dog, and said, "In my family, it's myself, my wife Maria, and my pitbull mix Norman who is 7 years old...We love bringing our dog on trips because our family stays close and connected together." With this change in the families' mindset, overall pet spending has increased by 15% since 2015, reaching almost \$70 billion in 2017. Pet costumes alone are a market worth \$440 million and \$700 million of private investment has poured in to pet-focused companies founded in the past ten years. Pet sitting platforms DogVacay and Rover alone have amassed over \$200 million in investment.

\$700M of private investment has poured in to pet-focused companies.

Healthy meals are no longer just for parents and kids, but for the animal companions as well. Millennials are more likely to use supplements and vitamins to boost the health of their pets. While pet supplements and vitamins are relatively new, Walmart

has seen strong sales growth in this area.

About 31% of Millennials live at home, which is 20% more than Baby Boomers did in the 1970s.

On a regional basis, Walmart sales of premium pet products is correlated with pet ownership. Sales growth was strongest in the West, led by Washington and Oregon, followed by the Mountain region, led by New Mexico and Colorado. Geographically, Americans in the West are more likely to be pet owners than Midwesterners by 10 points.³ This may be because the Mountain West is more rural, allowing more room for pets, and the Pacific West is also wealthier than the Midwest.

Another deviation from the past is that Millennials are increasingly living with their Baby Boomer parents. About 31% of 18-34 year-olds live at home, which is 20% more than Baby Boomers did in the 1970s. The South and the West, in particular, have larger numbers of multigenerational families and Millennials living with parents, which may explain why Walmart has seen an uptick in purchases of premium air mattresses as a means to accommodate larger families in these regions.⁴ While Millennials frequently pick up online purchases in-store, they are notably underrepresented in Walmart's online grocery pickup services which is another indication of parents taking care of groceries for Millennials living at home. Part of this trend of living at home is driven by



OVER 40% OF MEDIA COVERAGE IN 2017 ON MILLENNIALS FOCUSES ON FINANCE AND CAREER ISSUES SUCH AS PROFESSIONAL DEVELOPMENT, HOMEOWNERSHIP, AND PERSONAL FINANCE TIPS.

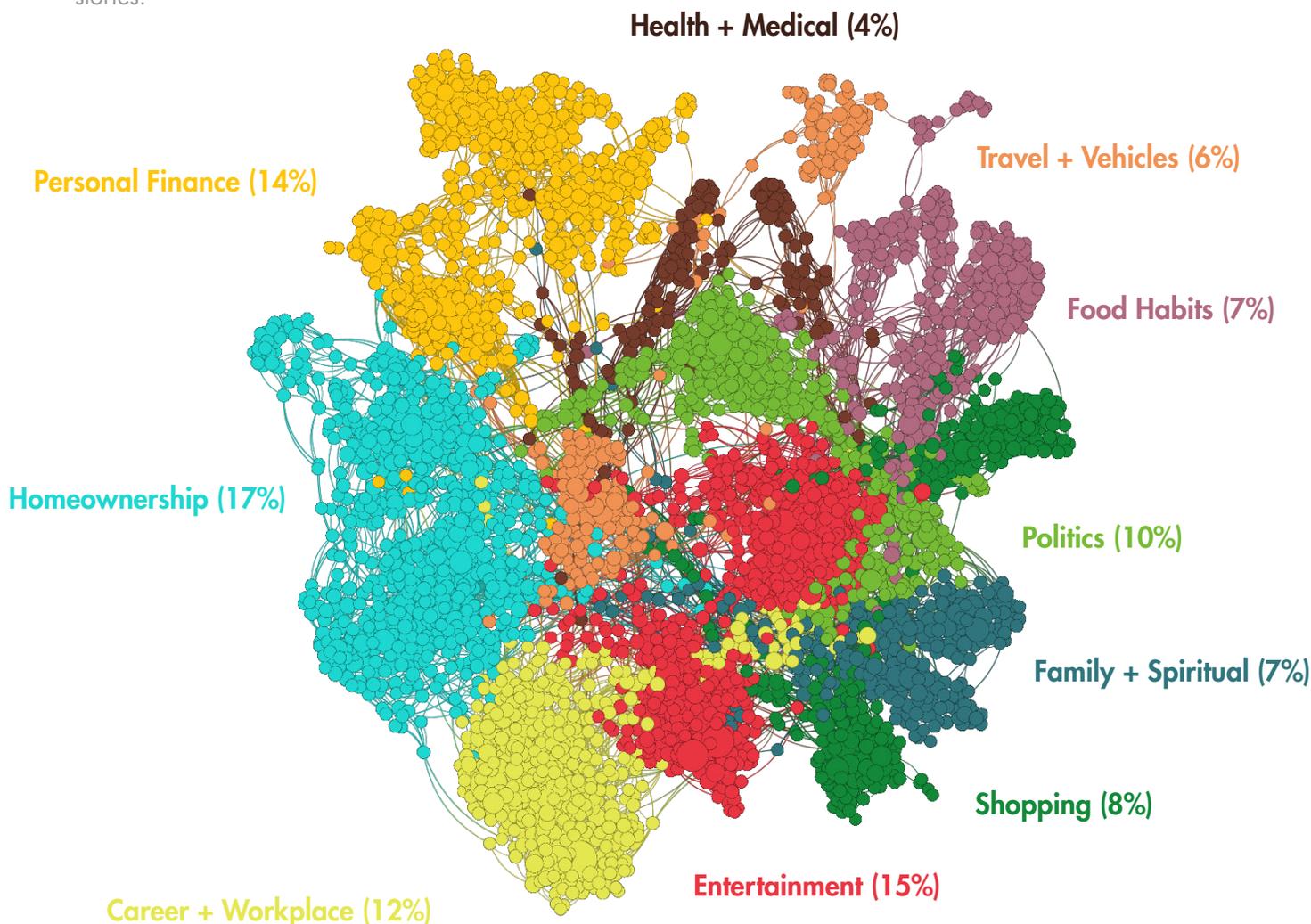


the need to care for parents; Millennials now make up a quarter of all caregivers. However, the most commonly cited reason to stay at home is to save money.⁶ Considering the rising cost of homeownership, this may be one way to save up for an initial down payment. For older Millennials in their 30s that are having children, Walmart's transactions

show that Baby Boomer grandparents are helping pick up the tab for diapers and other items for infants. Baby Boomers purchased the most infant essentials at Walmart stores in West Virginia, Ohio, Indiana, and Virginia, suggesting grandparents may be particularly active in providing support in these areas. Overall, a

record number of Americans live in these multigenerational households, and this has increased over the past years for all ethnicities. However, Whites are the least likely ethnic group to live in multigenerational households compared to almost a quarter of Asian, Hispanic, and Black households.⁷

Network of 3,974 stories on Millennials from Nov. 2016 to Nov. 2017. Colored by Theme. Nodes represent unique stories.



TREND 02

ON-DEMAND EVERYTHING



Families are more connected at work and at play.

About 80% of 18 to 29-year-olds have purchased an item with their phone instead of driving to the store, finding parking, and searching for it there. But even when Americans are in a store, mobile content still influences their decisions. About 64% of all in-store purchases are influenced by mobile content through reviews, price-matching, and additional product research.⁸ Payment apps have even accelerated the checkout process at stores.

47% of surveyed Walmart shoppers use Walmart Pay every time that they can.

The intersection between digital and physical stores is becoming more common with the growth in site-to-store sales. Walmart Online Grocery Pickup has expanded to over 1,000 stores. And about a third of all US consumers tried store pickup for online purchases in 2015, and that grew to half of all consumers in 2017. At Walmart, much of these are large items such as TVs, video game consoles, or ride-on toys. Interestingly, it's typically Generation X or Baby Boomers who are purchasing these items online and picking them up, suggesting Millennials may prefer a full digital experience.

These evolutions have been slower to develop in rural areas. Compared to suburban and urban areas, rural shoppers are less likely to say they only shop online.⁹ Looking through another lens, phones can be even more important for lower-income families.

About 20% of families making less than \$30,000 annually rely solely on smartphones for internet access.

While only 5% of households with annual incomes of \$75,000 or more lack broadband access at home and rely solely on smartphones, about 20% of families with under \$30,000 in income do so, as they are unable to afford both home broadband and smartphone data subscriptions.¹⁰

Entertainment has also been transformed by mobile devices because they allow people to stream TV or play games anywhere. By the end of 2017, 30 million households are expected to have no cable or TV subscription service, which is about the number of households in California, Texas, and Florida combined.¹¹ Aside from videos, the average American adult spends 26 minutes a day on social network apps and another 23 minutes a day playing mobile games. Even at work, it is estimated that employees spend almost an hour each day using their phone for non-

work activities, potentially putting a damper on productivity.¹² To put this in perspective, an American adult spends only about 39 minutes a day socializing in-person.¹³

Not only are phones transforming entertainment, they are also driving changes in the future of work. As of 2017, about 4 million Americans use their phone to work for Uber, Lyft, and other on-demand services—more than the top five largest employers in the US combined.¹⁴ By 2020, this number is expected to double to 8 million Americans employed by the gig economy. And compared to other technological developments, the workers in this type of work are a relative reflection of American diversity. About 64% of gig workers are White compared to 61% in the national population, 11% Black compared to 13% nationwide, and 7% Asian compared to 6% across the US.¹⁵ However, the users of ride-hailing services are more homogenous: college graduates are five times more likely to be users than non-graduates. Further, users are more likely to be young, live in an urban area, and be relatively affluent.¹⁶

The rapid expansion of conversational commerce through voice assistants suggests that the new frontier may be entirely screenless. According to Google, approximately 20% of online searches were made using voice in 2016.¹⁷ Further, over half a billion in investment funding went to companies applying artificial intelligence to voice in 2017.

THE NUMBER OF PRIVATE INVESTMENT EVENTS FOR ARTIFICIAL INTELLIGENCE COMPANIES FOCUSED ON VOICE NEARLY DOUBLED FROM 2013 TO 2017. OVER \$600M WAS INVESTED IN THE SPACE IN 2017.

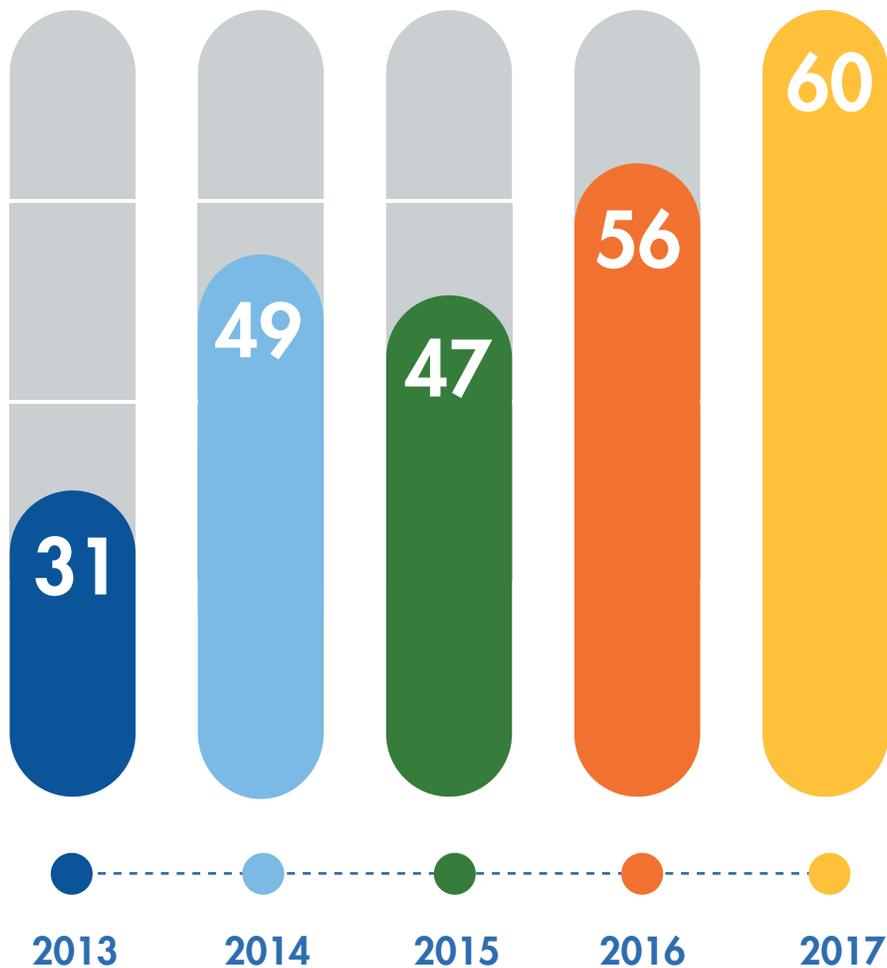


Sales in smart assistants have exploded over the past year both online and in-store at Walmart, with Google Home driving much of that growth. Voice assistants are now seen from the living room to the kitchen, making paper cookbooks look downright anachronistic. Louise Bishop, mother

of two, and writer at MomStart, said the recipe app on her smart fridge is her favorite. "This has to be my daughter's favorite app. She loves looking through the recipes and finding one to cook. The recipe suggestions come with voice read-out and text enlargement."¹⁸

Over \$600 million in investment went to companies applying artificial intelligence to voice in 2017.

Timeline of private investment events for AI and voice companies.
Private investment events from 2013 - 2017.
\$1.8 billion in private investment represented.



TREND 03

COLLECTIVE WELLNESS

Personal and collective well-being has become a priority, and there is an increased expectation of transparency into products.

With more pressures facing families today, collective health and well-being has become a priority. From using products with natural ingredients to spending more time outdoors, families are blending more and more wellness activities into their regular routines. Health services, products, and support groups that used to be a county or subway station away are available on-demand in the home with the help of smart assistants and mobile devices.

Walmart's online sales of yoga mats are up by 20%.

The athleisure movement embodies the idea that wellness isn't limited to spending a couple hours in the gym, it's an integral and enjoyable part of everyday life. The growth in this category reflects mainstream interest—athleisure represented a \$46 billion market in 2016 that's expected to expand to \$83 billion by 2020.¹⁹ Walmart's transaction data shows that online sales of yoga mats and accessories have increased by over 20% in the past year. The South is growing the fastest in this area by multiple percentage points over the next fastest region, driven by states such as Georgia and North Carolina, followed closely by South Carolina and Kentucky.

People don't just want to look better, they want to feel better, too. Demand for natural products that are good for the body and the environment has never been stronger. In response, companies are eliminating harsh chemicals and providing customers more transparency into their ingredients. Walmart sales data reflects the trend, with sales of natural face and body care products up by nearly 30% this year, and growth in charcoal-based cleansers reaching 15%.

It's not only consumers that are paying more attention to personal care, but also investors.



Quid's analysis of the wellness space found that companies bringing natural personal care products to the mainstream have raised more than \$1 billion. Expanding digital channels may be a good bet; body care sales on Walmart.com have doubled in the past year.

While parents are using much-needed "me time" to focus on self-care, families are also increasingly pursuing wellness together. Consumers consider spending time with friends and family a top contributor to wellness²⁰, and one of the main ways families spend quality time together is on vacations. Over the past year, the number of Americans planning to take three or more vacations has increased substantially; the 28% of family travelers who will take three or more trips this year is 13 points higher than it was in 2016.²¹ Melody G., mother of five, says traveling is one of her family's favorite activities, "We love to explore and go see new places. Every summer we pick somewhere new to go."

Over \$1 billion has been invested in natural wellness companies.

The allure of the great outdoors and its association with low stress and healthy activities has more families spending their vacation time connecting with nature. According to the 2017 North American Camping Report, 37 million US households camped at least once last year, with 14 million households camping 3 or more times and 13 million households expecting to camp more in the next year. Interestingly, while de-stressing and disconnecting is a top motivator for

campers, 37% of US campers said that increased access to Wi-Fi and email has helped them take longer camping trips.

37 million US households camped last year.

Camping has become more popular with Hispanics, Blacks, and Asians, groups that now represent about 25% of all campers, up from about 12% in 2012. Camping remains most popular in western states (west of Montana and New Mexico), with 67% of households reporting that they camp occasionally, versus 60% in the Midwest, 59% in the South, and 56% in the Northeast. And they're not just sitting by the fire eating s'mores—mountain biking, hiking, and canoeing have all grown in popularity since 2014.²² Walmart's sales data confirms the trend, showing strong sales growth in camping, hiking, and RV products in the past year, with the highest growth coming from the Mountain and West regions, led by Arizona, Colorado, and Nevada.

At the same time, families have realized that they can enjoy the benefits of outdoor activities even if they don't have enough time for a getaway. Leticia B., a mother of two, writes that short a morning run on her own is just what the doctor ordered, "triggering much needed endorphins, natural feel-good chemicals that lift our mood and promote overall well-being."²³ For those that can't leave the backyard, a few minutes in a hammock can help recharge from the bustle of family life. This appears to have caught on, as Walmart has seen considerable growth in hammock sales.

COMPANIES IN THE WELLNESS SPACE HAVE ATTRACTED NEARLY \$18 BILLION IN FUNDING, EXPANDING ACCESS TO HIGH QUALITY HEALTHCARE OFFERINGS.



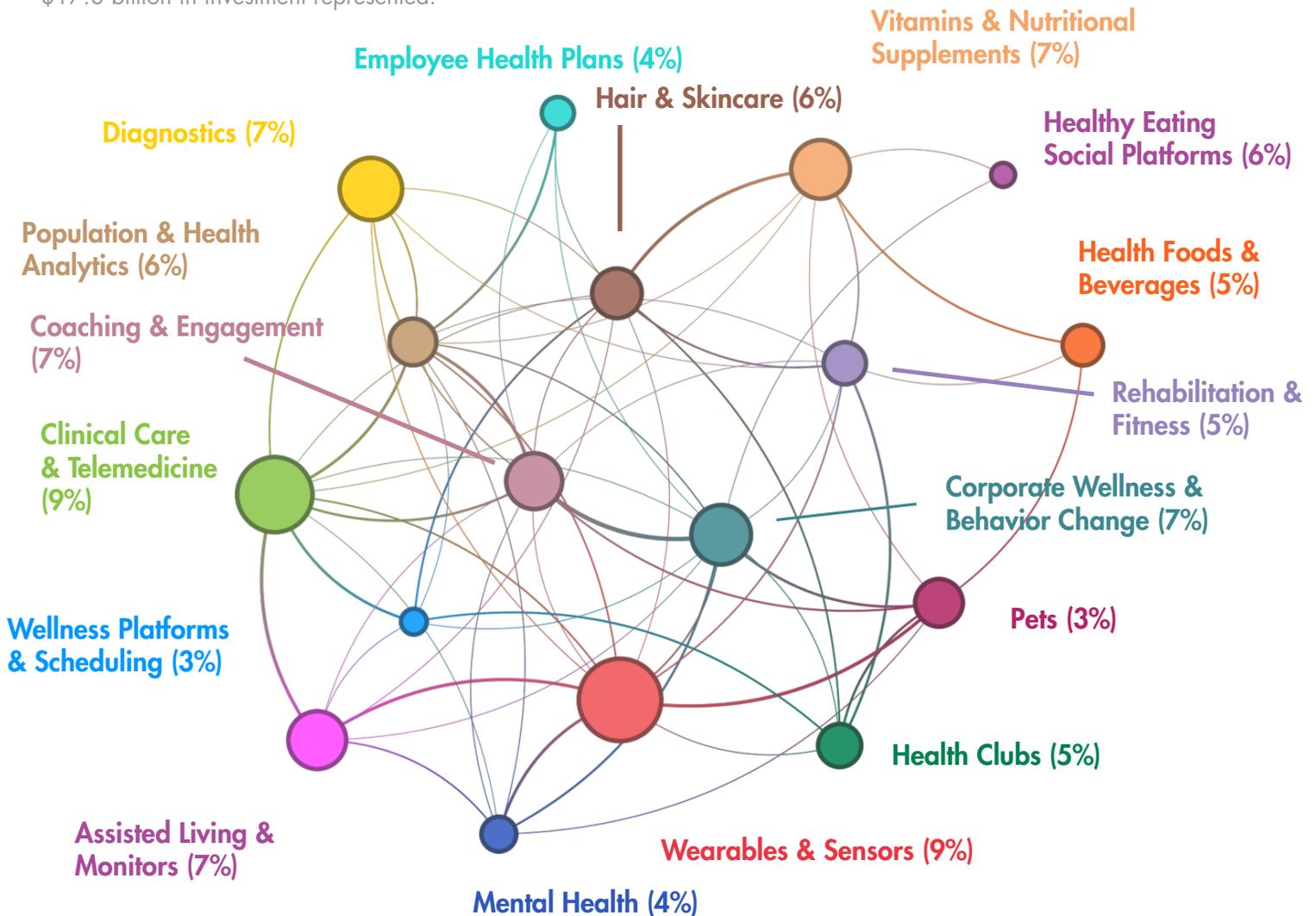
Technology is playing a critical role in democratizing wellness. Offerings that were once only available in luxury or clinical settings are now being delivered by technology. A Quid analysis of the wellness space showed that the funding for these companies reached nearly \$18 billion in 2017. The areas that attracted the most investments were bridging the consumer and clinical spaces, like wearables and diagnostics. Technology-enabled services like telehealth are positioned to grow; initial implementations have shown promising results as the reimbursement landscape expands beyond rural areas, and smart assistant applications

are developed. In 2014, Montana, the 4th largest state by area but the 44th largest by population, became one of the first to introduce reimbursement parity for telemedicine and has since expanded its legislative efforts to cover telehealth services.²⁴ Urban settings could be the next frontier for telemedicine, as access to healthcare in urban areas can be just as limited as in rural areas.²⁵ The expansion of smart assistants will accelerate the growth of telehealth, as more applications for chronic condition monitoring and health information are launched.

Since families are busier than ever, time for rest and recovery has become more valuable. The demand for improved rest has

led to a dramatic expansion in the sleep and relaxation marketplace. Walmart's analysis of its home product sales showed increases in sales of relaxation products including aromatherapy, scented candles, and at-home spa products. The market for connected devices to improve sleep is worth an estimated \$5 billion, potentially helping the 80% of Americans who do not get adequate sleep.²⁶ Online direct-to-consumer mattress sales have grown rapidly by offering dreamy digital experiences that are more comfortable than the mattress store sales floor. In addition, smart bed and pillow manufacturers have emerged, offering devices that connect with other appliances like thermostats and coffee machines.

Network of 1,050 wellness companies. Nodes represent categories. Nodes sized by number of companies. \$17.8 billion in investment represented.



TREND 04

SHORT ON TIME, BUT NOT ON FLAVOR

Foods that offer the convenience and diverse flavors that families want are on the rise.

Preparing home-cooked meals every week-night remains a priority for over 70% of American families.²⁷ Melody G. said, “We always sit down around the table and have dinner together. I feel it’s important that way we can all connect, talk to one another, and spend time together as a family.” The only snag is that meal time is getting squeezed. That doesn’t mean families are compromising on flavor.

70% of families prefer to cook every night.

Families are getting more organized and creative to whip up meals faster. To get dinner done in time and keep increasingly sophisticated palates happy, more than 40% of Americans now buy food that is ready-to-eat or ready-to-heat. That doesn’t mean they’re stuck with the TV dinners of yore, as there is more choice than ever in the “grocerant” section.²⁸ Every component of the family meal is now available freshly prepared, from rotisserie chickens to fresh salads and hand-made desserts. In 2016, this section of all grocers was visited 2.4 billion times, equating to \$10 billion in sales.²⁹ By speeding preparation time, families have spent fewer hours a year over a hot stove, or a microwave. Walmart sales data shows that Millennials, in particular, prefer leaner non-frozen meats, opting for chicken and turkey over pork and beef for fresh meals.

A big trendsetter is the influence of multiculturalism on our palettes. As people continue experimenting with flavors from all over the world, American family meals are more often infused with global flavors. Multicultural families, including Hispanics, African Americans, and Asian-Americans, represent 92% of the population growth in America and their use of distinctive flavor combinations are the recipe for mainstream trends.³⁰ Remember when Sriracha blew up? Once a condiment at mom-and-pop Vietnamese restaurants, it’s now on all our tables. Today, Hispanic cuisine is also being served by more non-Hispanic American Families,



and salsa has outsold ketchup for years. **Walmart’s salsa and tortilla chip sales are outpacing ketchup & potato chip sales for Millennials.**

Similarly, tortilla chip sales are also growing faster than potato chips. Millennials have played an important role in bringing multicultural fare to the mainstream, with over 40% of this group coming from a multicultural background.³¹ Walmart’s transaction data shows that Millennials have been driving the adoption of international flavors more than any other generation, with purchases of salsa and tortilla chips for millennials outpacing that of ketchup and potato chips for Baby Boomers. Asian flavors are still hot too, as fish sauce and ginger have become mainstream foods.

Given the time pressure families feel, it’s unsurprising that they still love comforting, indulgent snacks and drinks. Sales of ice cream, spirits, wine, and salty snacks all grew by 4% to 5% at measured retail channels in 2016³² — that’s three times the overall growth in the US consumer packaged goods industry. Today, 21% of consumers snack more than they did five years ago.³³ Walmart data confirms this trend, with increased snack sales

across the board for all generations. That said, Walmart sales data also showed that older generations are choosing sugar-free snacks, reflecting increased concern for wellness and chronic conditions like diabetes.

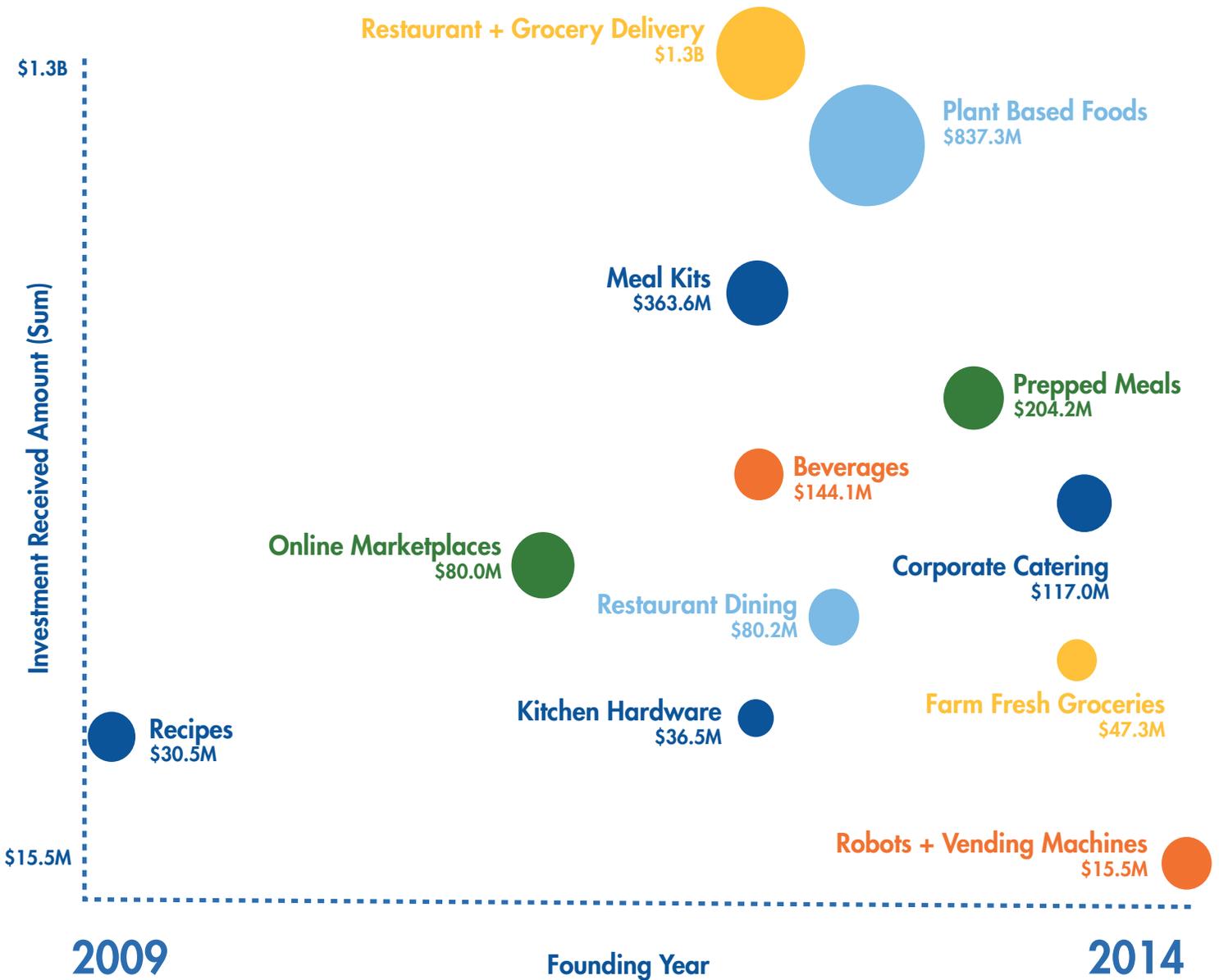
Snack sales grew 3 times faster than the consumer packaged goods industry.

Set meal times were once seen as a good thing, but people are more often eating outside of traditional meal times to fuel their busy lives. When it comes to snacking, convenience is the expectation and efficiency is the goal. Kiran S., mother of four, said, “When it comes to school snacks and lunches, we all have the best intentions. But the reality is, packaged products do happen on occasion. Busy weeknights and half-empty refrigerators are a reality; it happens to the best of us.”³⁴ Families want snacks to be fast, healthy, and great tasting. This may not be as impossible as it sounds. In search for the perfect healthy snack, some interesting products are emerging, including takes on old favorites like low-calorie popcorn, cookies made from plant proteins, and snacks merging healthy ingredients with slightly more indulgent ones like avocado and chocolate. Perhaps American families really can have their cake and eat it, too.

OVER \$3 BILLION HAS BEEN INVESTED IN 63 INNOVATIVE FOOD COMPANIES, ALL OF WHICH ALSO RAISED FUNDING FROM TOP VENTURE CAPITAL FIRMS. SPECIFICALLY, PLANT-BASED FOODS AND RESTAURANT/GROCERY DELIVERY COMPANIES RECEIVED THE MOST FUNDING.



Scatterplot of 59 food companies aggregated into 12 categories. Nodes represent categories. Nodes sized by number of companies. Companies selected based on investment from top venture capital firms. \$3.3 billion in investment represented.



CONCLUSION



In an environment that is constantly changing and seemingly less and less predictable, the American family has shown its ability to adapt and innovate. Despite continued financial pressures and delayed home buying timelines, the Millennial generation continues to adapt, often with the help of their parents. As mobile devices and smart assistants leave fewer aspects of daily life untouched, families have adopted a range of technologies that bring flexibility to the home and to work, whether it be to save time in the checkout lane or to work a gig for a few hours to help make ends meet. In response to all of these pressures, more families are prioritizing collective wellbeing and finding new ways to connect with nature. Although meal times continue to get crunched, families are increasingly choosing fresh ingredients and diverse flavors over the most expedient ones.

As generational, macroeconomic, and technological shifts evolve, so too will daily life for American families. The dynamics that have led more Americans to develop their voices to publicly express themselves in the past year are the same ones that should encourage community leaders and policymakers to listen more closely. Services and offerings that acknowledge the needs of the family of today, while anticipating the needs of the families of tomorrow, will be the ones that best empower the American family to adapt and thrive in our changing world, and encourage innovation from all corners of the country.

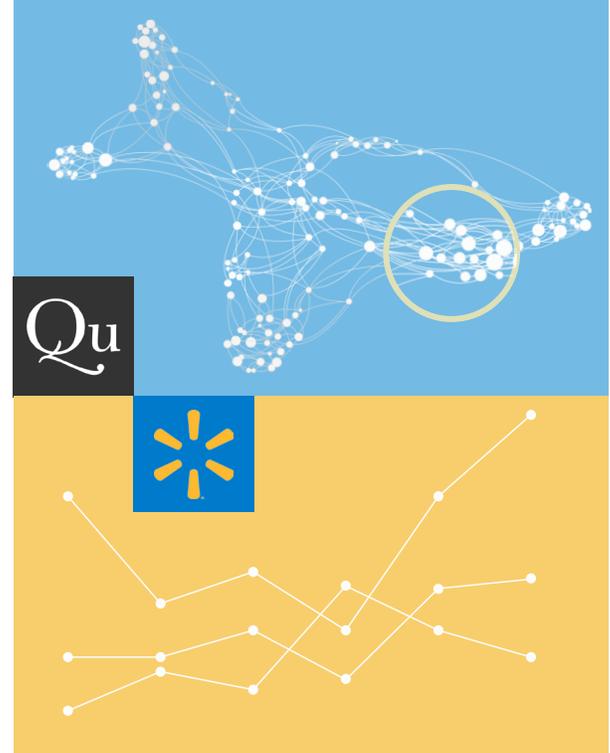
Walmart, the world’s largest retailer, and Quid, a San Francisco-based artificial intelligence company, partnered to provide insight into the most impactful trends facing American families. Walmart and Quid focused on 4 key areas to surface trends facing the American Family:

1. Who is the American Family?
2. How is American Family spending time?
3. What is the American Family spending money on?
4. How is the American Family shopping?

By leveraging cutting-edge approaches to natural language processing, Quid reads millions of news articles, blog posts, and company profiles to identify salient trends. Quid augmented this public narrative with investment data, capturing and providing context for the most resonant trends at scale.

After analyzing consumer transaction data and insights from Walmart executives, Walmart identified four trends that are representative of the experience of its 140 million weekly shoppers. Quid further supplemented this by analyzing hundreds of thousands of open source discussions, mining authentic voices from places like parenting blogs.

The fusion of unstructured text analysis with sales data from America’s largest retailer provides a robust and unique insight into the top trends affecting families. While the resulting analysis uncovered dozens of insights, Quid and Walmart focused on the four trends expected to have the greatest impact on American families.



“WE HAVE NEVER HAD MORE PUBLIC INFORMATION TO REVEAL THE SHIFTING DEMANDS ON THE FAMILY, AND IT HAS NEVER BEEN MORE IMPORTANT FOR GOVERNMENTS AND COMPANIES TO UNDERSTAND THESE CHANGES.”

**-BOB GOODSON, CEO AND FOUNDER OF QUID
QUID TEAM LED BY TONY MAILE, VICE PRESIDENT**

METHODOLOGY

Endnotes

¹“Women in their 30s are having babies at highest rate since the 1960s,” St. Louis Post Dispatch, March 2017. ² “Dispelling Myths About Millennials And Homeownership,” Politifact, March 2017. ³ “More Than Ever, Pets are Members of the Family,” Harris Poll, July 2015. ⁴ “The Changing Economics and Demographics of Young Adulthood: 1975-2016,” US Census Bureau, April 2017. ⁵ “US Spa Industry Surpasses \$16 billion,” Spas of America, July 2017. ⁶ “New Report Spotlights Promising Workplace Practices to Support the Nation’s 21 Million Employed Caregivers,” AARP, June 2017. ⁷ “Millennials: The savvy, stay-at-home generation,” Curbed, October 2017. ⁸ “A record 60.6 million Americans live in multigenerational households,” Pew Research Center, March 2017. ⁹ “Online shopping and purchasing preferences,” Pew Research, December 2016. ¹⁰ “Why most shoppers still choose brick-and-mortar stores over e-commerce,” RetailDive, February 2017. ¹¹ “Demographics of Home and Broadband Internet Usage in the United States,” Pew Research, January 2017. ¹² “Netflix and Internet Video Pals Are Winning Big From Cord Cutting,” April 2017. ¹³ “Here’s How You’re Wasting 8 Hours Per Work Week,” Fortune, July 2017. ¹⁴ “American Time Use Survey,” Bureau of Labor Statistics, June 2017. ¹⁵ “Here’s How You’re Wasting 8 Hours Per Work Week,” Fortune, July 2017. ¹⁶ “Quickfacts,” U.S. Census Bureau, July 2016. ¹⁷ “Shared, Collaborative and On Demand: The New Digital Economy,” Pew Research, March 2017. ¹⁸ “5 ways voice search will affect SEO in 2017,” The Next Web, March 2017. ¹⁹ “10 Things We Love In The Samsung Family Hub Refrigerator,” MomStart, May 2017. ²⁰ “Retail, be warned, there’s not enough room in this hot women’s category to go around,” CNBC, July 2017. ²¹ “Health & Wellness Industry Report,” Shopify, 2017. ²² “Family Vacations Still a Popular Priority for Millions of Americans,” AAA, February 2017. ²³ “2017 North American Camping Report,” Campgrounds of America, 2017. ²⁴ “4 Ways to Practice Self Care to Be the Best Parent You Can Be,” Tech Savvy Mama, January 31, 2017. ²⁵ “Montana Bill Seeks to Establish Telemedicine Practice Standards,” mHealth Intelligence, April 2017. ²⁶ “Policy researchers: Urban patients need access to telemedicine, too,” FierceHealthcare, October 2017. ²⁷ “At CES, a new motivation for the connected home: a good night’s sleep,” MedCityNews, January 7, 2017. ²⁸ “Myth of the ‘perfect’ parent is driving Americans nuts,” NY Post, September 2017. ²⁹ “Supermarket Foodservice Takes On A New Attitude and Style,” June 2016. ³⁰ “Why ‘Grocerants’ are the new trend, taking a bit out of restaurants,” USA Today, April 2017. ³¹ “The Multicultural Edge: Rising Super Consumers,” Nielsen, March 2015. ³² “Multicultural Millennials: The Multiplier Effect,” Nielsen, January 2017. ³³ “How both wellness and convenient indulgence are driving growth,” IRI Worldwide, March 2017. ³⁴ “The Future of Snacking,” Hartmann Group, February 2017. ³⁵ “The Best Store Bought Snacks for Kids (that aren’t highly processed),” 100 Days of Real Food, August 2017. ³⁶ “Unemployment Rate Holds at Nearly 17-Year Low as U.S. Adds 228,000 Jobs in November,” Fortune, December 2017. ³⁷ “Meal Kits: Are They a Real Threat to Foodservice, Retail, or Both?” Pentallct, June 27, 2017. ³⁸ “American Time Use Survey,” Bureau of Labor Statistics, June 2017. ³⁹ “Kids under 9 spend more than 2 hours a day on screens, report shows,” CNN, October 2017. ⁴⁰ “Aging in place tech helps seniors live in their homes longer,” USA Today, June 2017. ⁴¹ “Older millennials starting families look to the suburbs for work,” Chicago Tribune, October 2017. ⁴² “Americans’ Shift to the Suburbs Sped up Last Year,” FiveThirtyEight, March 2017.

AS THE AMERICAN FAMILY HAS EVOLVED, SO TOO HAVE THE TRENDS IDENTIFIED IN 2017.

Families are still **too busy to get sick**, and daily habits focusing on wellness are continuing to expand into the mainstream. Throughout 2017, Walmart sales of organic products continued to climb, and the number of organic products available at Walmart increased by over 15%. While 2017 data showed trends towards cooking with immunity-boosting ingredients like garlic and ginger, the past year revealed that these sorts of foods have grown from a preference into an expectation. The new data also shows a greater enjoyment of outdoor activities that boost well-being.

Last year, meal kits emerged as one of the top new options for **winning the family dinner**. Over the past year, this category has expanded, with current projections of 20% annual sales growth through 2022.³⁶ This year, the data shows that more men are cooking too. From 2003 to 2016, the share of American men cooking on an average day grew from 25% to 45%.³⁷

The **digital parenting** trend continues to raise parents' concerns about their children's screen time. In 2013, children under 8 spent 15 minutes a day staring at a mobile screen, but now they spend about 48 minutes a day.³⁸ To counter the increasing prevalence of technology, parents continue to use educational toys like STEM toys to keep their children entertained and informed.

The **connected home** is enjoying an expanded role in making daily life easier for American families. Throughout 2017, Walmart saw rapid growth in the smart assistant category, and remote monitoring remains a top desire amongst families. With the wave of Baby Boomers entering retirement,³⁹ monitoring companies helping families support independent living for seniors have raised over \$2 billion in funding, according to Quid.

Finally, **investing in nesting** remains a resilient trend, according to signals that have emerged over the past year. The tide is slowly shifting towards the suburbs, as Americans are more likely to live in the suburbs than they were in 2000.⁴⁰ Population growth in big cities has slowed for the past 5 years, whereas the greatest population growth is now seen in low density suburbs.⁴¹ Homeowners are buying products to keep their houses looking good and smelling clean. Walmart sales of quick cleaners, mops, and air freshening products like oil diffusers are up.



Since last year's report, it is clear that Americans are still seeking ways to save time and money while staying healthy. With unemployment rates reaching their lowest point in 17 years, time is growing increasingly scarce for American families.³⁵ A glimpse at a year of additional data reveals how the five trends identified in 2017 have evolved:

1. Too Busy to Get Sick
2. Winning the Family Dinner
3. Digital Parenting
4. Connected Home
5. Investing in Nesting



2017 TRENDS REVISITED

