THE AMERICAN FAMILY TODAY
INTRODUCTION

“WITH MORE ONLINE CONVERSATIONS THAN EVER, THE CONCERNS AND DEMANDS OF THE FAMILY ARE PRESENT ALL AROUND US.”
— BOB GOODSON, CEO AND FOUNDER OF QUI D

SHIFTING GLOBAL ECONOMIC FORCES ARE SQUEEZING WORKING FAMILIES IN NEW WAYS.

With a record number of women in the workforce, families are increasingly crunched for time. But parents are evolving to do what it takes to raise their children well. Some of those evolutions: they’re combining the explosion of available information and technology with a commitment to improvise solutions that maintain what is important in their family life. That includes health, safety, and raising well-rounded kids. To better understand these paradigm shifts, Walmart and Quid partnered on innovative research that sheds light on these five areas of families’ changing behaviors:

TOO BUSY TO GET SICK
Proactive, ultra-convenient healthcare

WINNING THE FAMILY DINNER
Shortcuts to save time but not compromise on health

DIGITAL PARENTING
Navigating screen time and communication among family members

CONNECTED HOME
Keeping the home safe and efficient

INVESTING IN NESTING
Home redecorating and remodeling

By analyzing consumer transaction data, speaking directly with customers, and incorporating merchant insight, Walmart identified these five trends as reflective of their 140 million weekly shoppers.

Quid complemented this with analysis of unstructured data such as news articles and parenting blogs, along with funding for new businesses. Together, the data shows a transformation in modern family values and significant changes in how families spend their money and time.

“The American family is changing. Each week at Walmart, we interact with millions of customers at the heart of hundreds of communities in rural, urban and suburban neighborhoods. They represent all income levels, ages and backgrounds, giving us a unique lens to understand how they’re balancing their time and resources, and how we can adapt our business to meet their evolving needs.”
— DOUG MCMILLON, CEO OF WALMART

“With more online conversations than ever, the concerns and demands of the family are present all around us.”
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TREND 1
TOO BUSY TO GET SICK

Common colds—once thought of as an annoying inconvenience—are becoming costlier than ever. Working families simply don’t have time to get sick for them, time is money. Taking a sick child to the doctor is rarely practical, with more than half of mothers saying it’s a challenge to visit the doctor on a school day, and when they go, the visit takes more than two hours.

Savvy parents are taking matters into their own hands. A Quid analysis of thousands of parent-related blogs shows that preventive healthcare topics dominate the conversation. In the blogs, parents are discussing topics such as vitamins, exercise, and how to get better sleep.

Vitamins & Supplements are connected with both Prep Against Flus and Diet & Exercise, an indication of their importance in both areas.

Data from Walmart confirms the trend. Overall, sales in the over-the-counter department are up almost 10% in the past 24 months as parents look for solutions that don’t require a trip to the doctor and a prescription. Within that department, probiotics is one of the fastest-growing categories, demonstrating that some busy families want to be proactive in maintaining their health. Finding a kid-friendly probiotic “isn’t as easy,” writes blogger and mother of three Kate Bayless on the site MomTrends. But the benefits are clear, she writes—everything from warding off stomach bugs and helping with constipation to boosting immunity.

And outside of the pharmacy and clinic, foods with natural healing factors like turmeric and garlic are also growing in interest. In the past 24 months, Walmart has seen a 30% sales growth of these products, including garlic supplements, capsules, and oil.

“The way to be preventative, we control the diet. We throw in a lot of ginger, different herbs in to lots of broths instead of fighting the sickness afterwards.”

Even though these ingredients have been around for thousands of years, families are more recently perceiving their health benefits.

“Are you a tech savvy mom?” EmpowHER, 2017

“Keep your family healthy with kid friendly antibiotics,” MomTrends, 2017
Despite their busy schedules, parents are working hard to protect the sacred family dinner. To achieve this goal, they are relying on pre-prepared meals and grocery pick-up and delivery services. Walmart’s Site to Store + Pick Up Today services rose more than 100% year over year, demonstrating that convenience is increasingly important to families. “There are plenty of times I work late and I don’t have as much time as I’d like to prepare meals,” wrote one blogger, Kimberly. “For that reason I always keep a few staples on hand that translate into a quick and easy dinner.”

Sales of the ultimate staple of a family meal, roasted chicken, are on the rise. In the past two years, pre-cooked rotisserie chicken sales are up nearly 10% at Walmart, demonstrating that convenience is increasingly important to families. “There are plenty of times I work late and I don’t have as much time as I’d like to prepare meals,” wrote one blogger, Kimberly. “For that reason I always keep a few staples on hand that translate into a quick and easy dinner.”

Families who still have time to cook but not to shop for ingredients are opting for meal kits. The kits allow for food to be prepared at home but remove the hassle of reading recipes and measuring ingredients. Sales of salad kits at Walmart have increased more than 20% compared to last year, suggesting that parents are prioritizing health even when pressed for time. Seth Malley, Senior Director of Frozen Food at Walmart, suggests that this trend could be extended to products like stir fry vegetables, which still need to be cooked but offer time savings by being sold pre-chopped.

Many startups are attempting to disrupt the food space by offering convenience and time savings as well. Quid’s analysis of private companies in this space found that the meal kit and food delivery market alone has received more than $1.6B in investment. Blue Apron dominates the market, raising $194M in funding, but other companies like Chef’d, Plated and Munchery have also had significant success selling pre-measured ingredients and quick recipes to help ease meal planning and prep. Nonetheless, many of these services are too expensive for families. “To save time and for a more affordable option, people will buy meat, vegetables, and sides that are pre-done and come together in a single kit. They are still involved in meal preparation, but it doesn’t take too much time,” said Malley.

Another example of this trend is 10% growth in Slow Cookers in 2016 vs 2015; slow cookers are one of the easiest ways to quickly make meals for a family. The underlying trend driving these changes: an increase in working parents. In 2017, 64% of women with young children will be in the labor force—a dramatic increase from just 39% in 1975.4

1 “Kitchen tips to save you time and money,” SheScribes, 2016
DIGITAL PARENTING

As families are now challenged with navigating a digital, “always-on” environment, parents must find the right balance of raising tech-savvy children while avoiding excessive screen time. One area where families are embracing technology is communication. The widespread adoption of smartphones, for increasingly younger children, allows families to stay more connected than ever. Theresa, a parent from Oregon, shared, “I feel safer with my daughter having a phone so I can get in touch with her and I know she’s okay at her friend’s house. Or she is out on the bus and I can check in to make sure she’s okay. At the same time there’s a lot out there that we don’t want them to know.”

Quid’s analysis found that there are a number of startups in this space, trying to create solutions for families that want a more personalized experience. One such company, Life360, has raised $75 million to build an app focused on family location and communication.

The increased reliance on devices has also spurred a new conversation about screen time for kids. “Limiting when (kids) get their first taste of technology is a difficult task,” writes parenting blogger and teacher Heather. “By the time they are born, it is already too late.” A recent Quid analysis found that discussions about the perils of screen time have grown in recent years as parents weigh the costs and benefits of giving their kids access to various technologies.

Many parents are responding to the deluge of digital products by buying hands-on STEM toys. These parents want to encourage social interaction and physical play that does not depend on screen time. In fact, Walmart sales of scientific and educational toys have increased by about 24% over the past 12 months. This category includes toys like electronics kits, play microscopes, or ant farms, all of which encourage hands-on learning and keep children away from screens. Other toys that have seen high growth are robotic or interactive playmates, which are up 14% over the past 12 months. Hatchimals, for example, are flying off the shelves. While the playmates are technically digital, they don’t carry the same stigma of screen time that worries parents.

Digital products such as Hatchimals can keep children entertained, but childcare is still a real-world challenge. Technology has not yet offered a solution—and it’s only becoming more daunting as daycare costs continue to rise, forcing families to find alternatives. As we head into 2017, for the first time, the cost of full-time daycare for a young child is higher than the cost of tuition at a state university in 31 states. In many cases, older children (1.4 million of them) are helping out in the family by looking after younger siblings and also grandparents.

The composition of the American family and the interaction between multiple generations is changing in fundamental ways as these time and economic pressures evolve.

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Homes everywhere are getting smarter as household products become tech-enabled and networked. Tech-forward families are applying the Internet of Things (IoT) trend to the area that matters most: protecting their loved ones and home.

That includes wireless home security systems—cheaper than traditional monitored security systems—and smart thermostats, which have been shown to dramatically cut heating and cooling bills. Walmart found that sales of Nest thermostats and security devices like camera-enabled doorbells have soared more than 500% in the past 24 months, and the trend is expected to accelerate even further.

Startups and investors have taken notice of this trend, too. Quid’s analysis found that investment in companies offering technologies for energy and utility savings alone maintained a staggering annual investment growth rate of nearly 90% from 2013-2016, bringing total investment in the segment to nearly $100 million.

Working adults are spending more time away from home, but they still want to ensure that their belongings are safe and that they’re keeping up with the times. “Consider choosing (a smart home device) that will make your house a lot safer and—it’s okay to admit it—a little bit cooler, too,” writes parenting blogger Cher. “With a DIY home security system, you can take control of your home’s safety. With all of the potential add-ons, you can save energy, add convenience, and have some fun while you’re at it.” Of the more recent segments to emerge, Quid found that companies in the Remote Monitoring and Wireless Alarm segment have received the most funding, at $840M. One representative company in the category, Simplisafe, has received more than $57 million in investment for a security alarm monitoring service controlled via smartphone.

SALES OF NEST THERMOSTATS AND CONNECTED HOME SECURITY DEVICES GREW BY MORE THAN 500% IN THE PAST 24 MONTHS

Network of 123 companies with private investment received in the US. Colored by Theme.

How much money can you save with a smart thermostat?* Smart Thermostat Guide, 2013

*Customize and protect your home with smart technology,” Mom and More, 2016
Cost-conscious parents have long traded tips for mini DIY projects in their homes. But larger home improvement projects are starting to come to the forefront of the conversation. In fact, in a recent analysis of more than 6,000 family-related blogs, home improvement was one of the top three most-discussed subjects. It’s not surprising that home improvement is one of the most discussed subjects in parenting blogs, considering that some of the projects can help families save on time. Lisa, a parent from St. Louis, MO, said, “We wanted to get rid of the carpet to put in hardwood. It’s easier, and saves on time. We’re not constantly cleaning and it’s easier maintenance with the kids. You tell them not to eat cereal in the living room, but they do it anyway. With the hardwood down, you can clean up the spills.”

According to Harvard University’s Joint Center for Housing Studies, home improvement spending is expected to reach its highest level in a decade by early next year, estimated at $321 billion.10 What’s underpinning this growth in home improvement? As the economy recovers from the financial crisis, consumer confidence in the housing market has grown. Once again, families are looking to home improvement as a form of investment. According to Brad Hunter, chief economist at online home services marketplace HomeAdvisor, “‘Nesting is investing.’ People are saying I want to do something that adds to the value of my house, and I’m just going to fortify the castle.”11

Handy for renovating a home: power tools. Walmart reported an almost 7% increase in sales of home-improvement hardware compared to last year, everything from hand tools to power tools and bath decor hardware. To complement these changes, consumers are also purchasing more items to beautify the softer side of certain rooms. Home decor items like bedding and quilts are up 4% year over year as families spruce up their existing spaces.

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11 “‘Nesting is Investing’ as home improvement spending set to hit $321 billion,” CNBC, 2016
As American families continue to evolve in response to changing economic realities and pressures, their creativity will give rise to other new and unforeseeable trends. Through innovative products and services that adapt to the growing needs of these families, we will continue to see changes in traditional ways of saving costs and managing time. Trends like the streamlined family dinner, or the realities of parenting in the digital age, will also expand and update our notions of “normal” American family life. In response, retailers and other businesses must continuously adapt. They must anticipate a variety of implications as technology and an on-demand economy are increasingly embedded in family life.

Walmart and Quid, a San Francisco-based artificial intelligence company, partnered to provide insight into the changing circumstances for American families. By leveraging cutting-edge approaches to natural language processing, Quid can identify salient trends in millions of news articles, blog posts, and company profiles. Quid then augmented this public narrative with detailed investment data, capturing and providing context for the most resonant trends at scale.

By analyzing consumer transaction data, merchant insights, and feedback from customer focus groups, Walmart identified five trends that are representative of the experience of its 140 million weekly shoppers. Quid further supplemented this by analyzing hundreds of thousands of discussions within public forums, mining authentic voices from places like parenting blogs. This marriage of unstructured text analysis and sales data from America’s largest retailer provided rich material. While the resulting analysis uncovered dozens of insights, Quid and Walmart focused on five representative stories, based on the level of news volume generated, social sharing metrics, and investment trends.

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