

Transcript — Episode 32: Trader Joe's Seeds the Conversation About Plants & Plant-Based Products

Tara: Sometimes it's said that Trader Joe's customers are trendy. Some are of course, but I don't think that's what brings them to Trader Joe's.

[Upbeat music begins.]

Matt: Trendy. Nah, I'd say that they're adventurous. That they enjoy the treasure hunt, discovering new flavors and new products from around the world or around the corner here in America. Case in point, new plants and flowers, new plant-based foods and other new plant-based stuff.

[Music ends.]

Tara: Are you ready? From the Trader Joe's mothership in Monrovia, California.

Matt: Let's grow Inside Trader Joe's.

[Theme music begins and two bells ring at a neighborhood Trader Joe's.]

Tara: I'm Tara Miller, the director of words and phrases and clauses.

Matt: And I'm Matt Sloan, the marketing product guy.

Tara: So plants and plant-based products are certainly in these days.

Matt: I remember the time when, if you put the word vegan on a package, it could actually hurt its sales.

Tara: I swear there are things that we put the word vegan on that afterwards we're like, "Doh, why did we do that? Because we killed it."

Matt: Maybe in the last five years and certainly more intensely in the last couple of years, we've seen this tremendous increase in customer interest for plant-based foods.

[Theme music ends.]

Tara: We have a new guest on the podcast today.

[Light upbeat music begins.]

Amy: I am Amy. I am a category manager of a few different categories within our store: deli, fresh beverage and meat, meatless, and seafood in the frozen set.

Tara: You handle a lot of plant-based things that are kind of, obviously plant-based right. Like the juice shots, for example. You also manage the, what we call these meat analogs. The Turkeyless Protein Patties and the protein patties that don't say beefless, but they're, that's kind of implied, right?

Amy: There's been a huge growth in the meatless set. These new iterations of products are really going after the flexitarian customer. As people are looking for ways to have a healthier lifestyle, improve, you know, their overall general health, but then a better impact to the environment or incorporating meat-free days. There's meatless Mondays, and those sorts of things. So these products really target customers that want the full meat experience, but just a better version of it.

Matt: I'm going to have a sweatshirt that says, "A better version of the full meat experience."

Amy: (laughs)

Tara: (laughs) Please don't.

Matt: I know, yeah, it's implied. Did the two product types, classic meat, or now new meatless, does the product development sort of inform one category over the other? Like we gotta have a meatless bacon because we sell so much regular bacon or does it work independent of what sells well in the traditional meat category?

Amy: That's a great question. The new products that we're developing are a specific target to what does well in the meat or seafood set or chicken, for example, I mean, great tenders, new sausage product, that eats differently than our older, or I should say first-generation sausage links that we have.

Matt: It wasn't that long ago when we had to sort of change our expectations and, you know, we'd often wind up saying that's pretty good for vegan or vegetarian or an analog, a stand-in. And now I feel like the products have changed to the point where oftentimes it's like, "Whoa, I wouldn't have known that was vegan if you didn't tell me."

Amy: These days you see, especially at fast food chains and in restaurants like fried chicken, that actually looks like chicken. Sausage that eats and tastes like sausage. It's gone beyond the burger to all those other food products that people normally crave. And to get that texture and bite, it's really a lot more complicated than most people assume. Otherwise it tastes rubbery or it doesn't have that richness and doesn't cook the same too. That's been something

to keep in mind that some of the proteins remain raw looking as opposed to really cooking and having the char and the grill so that you get that full experience, not just the flavor, but the texture and the presentation of it. You don't have to give up your burger to have something plant-based, right? You can still enjoy those comfort foods. You just eat less calories or less fat for that occasion. And you're doing something good for yourself and for the environment at the same time.

Matt: I like how you say, "Mimic. Mimic animal-based products." What's sort of a Holy Grail product that you've not seen yet, that you're interested in having developed?

Amy: Bacon is one of them, but then also a range of charcuterie. I have yet to really try anything that does well, as far as texture and flavor, it's kind of more rubber.

Matt: Which is a plant-based material actually.

Amy: (laughs)

Matt: So it could qualify.

Tara: Fifteen years ago I wasn't interested in picking up something that said vegan, because experience told me it wasn't going to taste very good.

Amy: Agreed.

Tara: Things taste good now.

Amy: Oh, they absolutely do. And even beyond just the meatless items, the dips and dressings and whatnot with plant-based cream cheese, I mean, you would never know that you weren't eating a full cream cheese product. It tastes, it has the same mouthfeel, the same flavor profile.

Tara: The dips are..that's an interesting topic because we've approved a number of them recently.

Amy: We have. We're very excited that we have a taziki and a caramelized onion as well that'll launch in 2021. I want to say everybody agreed that they actually tasted better or the same as the full dairy version.

Matt: You'd be hard pressed to differentiate them in a blind tasting. I don't think you could necessarily tell.

Tara: What else in the world of plant-based stuff is top of mind for you or interesting, or things you're looking forward to, or...?

Amy: I'm looking to do more work on the seafood side. We don't have options yet within our stores for a plant-based seafood product, but there are crab cakes out on the market or scallops or tuna replacement. So really looking more at the seafood to make sure that we've covered all of the proteins that customers are familiar with and bringing in the best versions of those. We have every single meal covered. We have breakfast options with links and patties. We have burgers for lunch or even replacements for something as popular as our orange chicken. So we've got a full spectrum so that you don't have to pick and choose which meal. You can really incorporate it throughout your day or your week. And really find what you're looking for.

Tara: Ten years from now it will look completely different again when you can mimic those flavors and textures that people really love to have as part of their diet, then they can feel freer to say, "Okay, I'm going to have less meat in my diet. I'm not going to become a complete vegan or vegetarian, but maybe this day I won't eat meat. And this day I will."

Amy: And I think it's becoming almost cool to say that you're, you know, you eat plant-based. That it's becoming more acceptable, more understood and people are trying new things.

Tara: Protein patties to sort of beef analog protein patties. The texture is a little too soft for me, for like eating on a bun.

Matt: Texture is a really big part of something being delicious or not. Even though it's not a flavor.

Amy: I think one of our items that we've really nailed on texture is the Meatless Meatballs. It's one of my family favorite items and we use it as a substitute in spaghetti all the time. It's just a way to swap something out that's quick and easy, you know, and then add some shredded carrots and we've got plenty of plants and it's lower in fat and calories than the meat version that we sell as well. And you would never know that you weren't eating a meat.

Tara: I think they're really great tasting meatballs, but you're not super focused on, is it a perfect replication of the meat version because there's so many other flavors happening and the texture, I think too, to the point you just made Matt, the texture of those Meatless Meatballs in the freezer case is perfect. They are perfectly meaty meatballs without...

Amy: (laughs)

Tara: ...having any meat in them.

Amy: Without the meat. They're my personal favorite.

Matt: We love you just the way you are, Meatless Meatballs.

Amy: (laughs)

Tara: Amy, is there anything else that you want to share with us?

Amy: I think one of our understated stars is the Beefless Ground Beef that we have, which is a great substitution for Bolognese sauce, Sloppy Joes because you're adding seasonings and sauce and you're really using it as an accompaniment to a different dish. You can do so many things with it that it's an older generation product for us that is very versatile and it's really quick and easy in meals. I mean, I've got kids and I like things that are simple and easy to make. And that's one that I think goes very well.

Matt: Are we looking at larger sizes for these things? Cause I feel like a lot of times these things are like in eight to 10 ounce packages as opposed to a pound.

Amy: We are. And we've done that with the new burgers and patties that we've brought on, but we're also looking at some additional flavor profiles and meat items for the frozen section where we're going to bring them in kind of in a pound similar. So then again, it's more similar, not just flavor texture look wise to meat, but a packaging and usage format that somebody is looking for for their dish and serving size.

Tara: Amy, thank you so much for coming in and talking to us and taking the time. We really appreciate it.

Matt: Thanks for all the great work on this stuff cause it's really cool to see it in stores and I know generates a lot of excitement.

Amy: It does. Thank you guys.

[Music ends. Sizzling from BBQ grilling & backyard dining.]

Tara Are we recording already? So, okay, so let's try it. We're doing a taste test of our ground turkey made into turkey burgers and our hamburgers.

[Light music begins.]

Tara: And tasting it with our Turkeyless Protein Patties and our regular protein patties, which approximate hamburgers. Matt and I were just curious to see how those things stack up against each other.

Matt: I already started eating.

Tara: Okay, I'm starting with a turkey burger, the real one.

Matt: Me too. Compliments to the Chef cause it's pretty good.

Tara: Okay, so right away the texture on the and the color of the Vegan Turkey Patty (hiccups) excuse me. Oh my God, hiccups already. That didn't take long. So the texture on this Turkeyless Protein Patty is really similar to the turkey burger. (hiccups) I have hiccups. I'm sorry, folks.

Matt: Yeah, it has sort of a different mouthfeel, a little bit drier, but not dry.

Tara: And it has sort of a crunchy exterior from the grill. So I'm sure if you cooked it on the stove top, it wouldn't be quite so crunchy. But I kinda liked that textural change in there. I'm going for the hamburger.

[Dining noises, silverware cutting against plate.]

Tara: The thing I noticed first about the Meatless Protein Patty, is that it really, it looks pink inside like a rare burger. It's kind of cool if you're a meat eater. I think maybe if you're not a meat eater this is not a product that you're in search of any way.

Matt: The Meatless Protein Patty, the burger stand-in, has a softer texture. So you sort of get that soft texture coupled with smokiness. Like it has a char broiled kind of flavor. I think as a stand-in I think it's good.

Tara: I would love to crumble it up and cook it in a skillet with like taco seasonings and things like that. I think it would be a really good stand-in for ground beef in tacos. And I actually bet it would make a pretty good meatloaf too.

Matt: The turkey burger analog is firmer.

Tara: Than the beef one.

Matt: Than the beef one.

Tara: Yeah, for sure. It has a totally different texture than the (hiccups) than the beef one.

Matt: And it has a little bit of a seasoning angle, there's a little sage. It's not quite like breakfast sausage seasoning, but it's close to that.

Tara: What do you put on burgers when you make burgers? Just salt and pepper?

Matt: Basically yeah. Cause there's always, there's so much other stuff going. If you're looking for something to help with Meatless Mondays, used in the appropriate context, in between a bun, these would be great.

Tara: I think if you're a meat eater looking to eat a little bit less meat, but still have the experience and the idea of the flavors that are similar to eating a burger, whether it's a turkey

burger or a hamburger, I think these are really good substitutes. I mean, it's not the same and it's never going to be the same.

Matt: Good substitute and they totally fit the bill.

Tara: I'm about to have hiccups again.

[Music ends.]

Maggie: My name is Maggie and I'm the category manager for plants and flowers at Trader Joe's.

[Light music begins.]

Matt: Maggie, I think I've got something to say to you.

Tara: Okay Rod Stewart, say it.

Matt: Well, the business of plants and flowers, it's really booming or blooming and well, why is that?

Maggie: People want to be happy. People want positivity. They want to nurture things right now. And I think plants and flowers just make people happy. And I think when times are dark and people are struggling and you're looking for positivity and you're looking for something that shows that life goes on, things will keep growing. Things will keep getting better.

Tara: Personally I have probably bought four times as many green plants, like living plants, not cut flowers, probably four times as much of that has come into my house during COVID as before. I need something that's alive. That I can have a little bit of control over. It makes so much sense.

Maggie: Yeah, it's been a really interesting year. If somebody said to me, "How would you sum up 2020 in the world of plants and flowers?" I would say Crisis Management 101. When this whole thing hit in March, the country shut down and people's PO's were canceled.

[Retail Jargon Alert News Bulletin Sounder.]

Tara: Okay Matt, I think that we need a retail jargon alert.

Matt: We do, let's clarify some jargon here. PO's, purchase orders, not the other PO that you might be thinking.

Tara: (chuckles)

Matt: Purchase orders, almost a contractual agreement between a retailer (Trader Joe's) and that supplier.

Maggie: I was on the phone with multiple growers that were literally crying because they thought they were going to lose their entire business.

Matt: What did we do? Did we have to cancel orders?

Maggie: We did end up having to stop taking product in for two days. There were a lot of retailers that had a conference call with 200 growers and said, "Cancel all PO's for the next two months. We're not taking anything." We tried to keep them going. I hope I don't get emotional cause whenever I talk about this, I usually start tearing up. Floral sales just plummeted. I reached out to a couple of our growers that I know are very, very dominant in the wholesale floral industry. And one of them in particular, I knew that there was a good probability he was going to go under and I told them, "What do you need to keep going? What do you need? You tell me how many cases you need to move a week and I'll give you those cases because you cannot go out of business." He's the last grower of this particular crop in California, actually in the United States.

Matt: And what crop is that?

Maggie: It's gladiolas.

Matt: Glads.

Maggie: A gladiola supplier based out of California.

Tara: One in the whole country?

Maggie: He's the only 365 day a year gladiola grower.

Tara: You knew you were going to need these vendors when things went back to some sort of normalcy, and if you just let them fall off a cliff, then, well, you wouldn't have them. So you need to maintain that relationship. It's good for them, but it's also good for Trader Joe's.

Maggie: Absolutely. And how tragic would that be if that was the end of the last gladiola grower in the United States? I want my children to be able to go into a store and see a gladiola and know what that flower is.

[Music ends.]

Matt: What have you seen about plants specifically during recent times that have been, it's been surprising for you?

[Light music begins again.]

Maggie: Cuts have not been, they haven't been performing as well as we would expect them to. People seem to be wanting to pick something up that if they're going to give it as a gift, that there is a life on it. That they can maybe buy it, take it home, hold it, and see someone in a couple of days and take it to them as a gift. As opposed to cut flowers, you really have to give it to someone right away. There's an expiration date.

Matt: And maybe that's because people aren't shopping as frequently as they were.

Maggie: Yes.

Matt: And so with fewer trips, they want something with a little more life. A lot of cut flowers or cuts, as you say, that's like a hardened industry veteran term, but cut flowers, even those that do have a good amount of vase life, it's different from a plant that you might have for months and months and months. I mean, hopefully.

Maggie: I mean, if you take care of it, a plant will be with you for the next 15 years.

Tara: Do you get customer feedback?

Maggie: You know what? I am a troll. (laughs) Honestly, I troll...

Matt: News to us.

Maggie: ...I troll the pages. I troll Facebook pages. I troll Instagram. And I can't tell you how many posts I've seen on pages and how angry people get. They get frustrated and they say, you know, the, the supermarkets have killed the floral industry. And they get angry and they get upset. And then you look at what happened with COVID where the entire floral industry, pretty much as a whole, for a matter of time, wasn't able to bring in flowers. Wholesalers were forced to shut down. They weren't considered essential business. So you have a grocery store that's able to keep these guys afloat. We need to recognize that there's a place at the table for everyone. There's a place at the table for your local florist. They'll do things with flowers that are out of this world. What we're providing is something different. We're providing beautiful flowers for people to enjoy in their home, that wouldn't otherwise necessarily be going to a flower shop. We're making flowers affordable for people to enjoy.

[Phone notification beeps.]

Matt: I just received a couple of alerts that after we wrap this up, I need to go back and review artwork for some grow kits. Tell me about these grow kits that I have to go check out here.

Maggie: We see more and more of a trend where people want to be involved in nature. And especially with the kids at home and wanting to have activities with them. And I thought it would be really fun to bring in these grow kits where you can grow your own lavender. We have a poppy kit that's going to be coming out. We're doing a dahlia where you plant the dahlia in the growing medium and your kids can grow a flower. We have a sunflower kit that you can plant up that sunflower and your kids can have their own little sunflower grow. I think if you know, you follow the instructions, you can be successful. (laughs)

Matt: YOU-CAN-BE-SUCCESSFUL!

Maggie: You don't want people to feel like they're the one who is not the green thumb.

Tara: Yes, that would be me. So I will follow the instructions and I will report back.

Maggie: We try to do things that the common man can be successful with. (laughs)

Matt: And speaking for them, we appreciate that.

[Small transition.]

Maggie: I think that this is something that a lot of people don't realize, Trader Joe's gets fresh flower deliveries, whether it's plants flowers or whatever, seven days a week. I don't know of a single retailer in the United States and I could be wrong. There could be somebody out there that does, but I don't know of a single other retailer in the United States that gets fresh flower delivery seven days a week. So we move an absolute massive amount of flowers just because we're known for our freshness.

Matt: We're a retail business and we're obsessed with selling. We exist to sell and that obsession is great news for people shopping in our stores because we're interested in selling it, not in having it.

Tara: Right.

Maggie: You might not remember that, but you said that to me in my interview. And I remember he said, "We turn and burn." And I remember...

Matt: Did I? I did not say, "Turn and burn."

Maggie: You didn't say turn and burn, but I remember thinking to myself, "Oh, he's talking about turn and burn." He said, "If we can't sell it within one business day, it does not belong in our stores."

Tara: But I do know that during those times when we have had a lot of excess flowers and excess plants in the stores that our Neighborhood Shares Partners have been just

extraordinarily grateful for being able to give that little bit of life and vibrancy to their clients that they serve as well. So folks who are visiting a food bank who maybe have never visited a food bank before or folks in nursing homes who are not able to have regular visits with family, there's a lot more flowers and plants coming to them from Trader Joe's.

Maggie: I don't think people can ever look at flowers and not smile. I mean, even if you didn't want a smile, you, it's kind of hard not to smile.

Tara: Maggie, thank you so much for coming in and talking to us.

Maggie: No, it's been a pleasure and I'm grateful that you guys asked me to do it because I don't think very many people know.

Matt: Instead of you just barging in here or what?

Maggie: It was like, of course I love to come and talk to you guys.

[Transition to Jack on video call.]

Tara: Jack, when was the last time you visited us here at the mothership in Monrovia?

Jack: About a year ago.

Matt: Everyone's been traveling a lot less lately, but you know, through the miracle of online meeting technology, we're still able to see you from the other Trader Joe's mothership in Boston.

Tara: Okay, but the people listening to the podcast won't see you.

Matt: You've got a face for podcasting. This is perfect.

Jack: Well, any chance I get, I love to talk about produce.

Tara: Well, that was way back in the summer of 2019. And you know, nothing much has really happened in the world since then, Jack, right?

Matt: So why don't you bring us up to date on the produce category and what's been happening.

Jack: From a sustainability point of view, we continue to try to work to become more environmentally friendly either by taking plastic out, replacing it with something that is either compostable or more easily recyclable. Anything we can do to make packaging more environmentally friendly, that's, that's our goal.

Tara: So one of the things we wanted to talk to you about specifically, Jack, was our cucumbers in the store, specifically the English cucumbers. And we've talked in the past on this podcast about how our customers have had questions over the years about why those cucumbers are wrapped in plastic.

Jack: One of the reasons that people love them is they have a very thin skin, which is great. It tends to dry out really quickly and shrivel on the end. So we've always needed to have a plastic wrap. So what we've done is we've come up with a plant-based compostable wrap. It's not as clear as a plastic wrap, but you can still see the cucumber.

Matt: A little bit of visual clarity traded off for a plant-based at home, home compostable material, if I heard you correctly. So that's something that doesn't need industrial composting to break down. And you could, if you compost at home, or even if you have, sort of, green waste pickup through your municipal trash service, that new cucumber wrap could just go right into that.

Jack: It's nice to know that the wrap that we use won't be in the landfill a thousand years from now.

Matt: How many English cucumbers do we sell?

Jack: We sell about 300,000 English cucumbers a week. That's over 15 million a year. So while it seems to be a very small change in the scheme of produce, where you're just saving one little item, that's how you get there.

Tara: And to be clear, Jack, that wrap has rolled out in the Eastern part of the country and is in the process of rolling out across the rest of the country. Is that right?

Jack: That's right. We had to test it first.

Matt: So any challenges identified at this point in that limited distribution test?

Jack: No, no, this has been a big win for us. Most compostable wraps tend to be very sensitive to water. So any kind of moisture, you know, condensation on it. So that was the biggest thing that we were worried about, but so far so great.

Matt: Great.

Tara: It's home compostable, backyard compostable, but it's also, it's made from plant-based materials to begin with, correct?

Jack: Yes. We have two different suppliers for this wrap. One of the wraps is corn starch based non-GMO wrap. The other one is a potato starch based again also non-GMO.

Tara: It's organic material and it will just, I mean, it will disintegrate eventually after 12 months in, even in a trash pile.

Matt: So that's gotta be an interesting challenge for everybody because that's packaging that has a ticking clock shelf life, because if it's going to break down, you can't just make an infinite supply and wait to use it.

Jack: Any kind of moisture makes it break down quicker. But that's produce, it tends to work on very short lead times. It's not a challenge that we can't overcome.

Matt: It isn't an immediate on-off switch kind of thing. And it's a piece of work that takes time and requires a lot of trial and maybe some error and learning from that. And thanks for doing that stuff.

Jack: No, that's one of the fun things about produce. You take problems and challenges and you try to work to make things better.

Matt: Here's something that we can make better. How come persimmons are so expensive? I love persimmons.

Jack: Yeah, they are a bit pricey, but they are really, really good.

Matt: And I've been eating them like crazy with a little lime zest and lime juice. They're so good, but they seem expensive to me.

Jack: Well, they are difficult to grow.

Matt: Says who? Like the persimmon guy, he's like, "This is brutal!" But the tree does all the work.

Jack: We want to make sure they were valued. We sell them every day for 79 cents each. And when we look around the competitors, most of them get double that.

Matt: Yeah. And I'm sort of hoping to do for persimmons, what you've done for cauliflower.

Tara: Thank you, Jack.

Jack: All right. Thank you. Call me anytime. I love talking about produce.

[Music ends. Transition to close. Closing theme music begins.]

Tara: All right. Let's see if we've covered this. We're eating plants.

Matt: Check.

Tara: Sometimes wearing plants.

Matt: Check.

Tara: Wrapping food that might be plants in material made from other plants.

Matt: Check.

Tara: Being good to the planet with plants?

Matt: Check.

Tara: And using plants to make our homes and workplaces feel more natural, beautiful and alive.

Matt: Check, check, and check.

Tara: Three checks?

Matt: Natural, beautiful and alive.

Tara: Got it.

Matt: This has been a good episode and we're just getting started.

Tara: Lots more to share with you on Inside Trader Joe's this year. So make sure you hit that free subscribe button.

Matt: It is free and it's worth every penny.

Tara: Until next time, thanks for listening.

Matt: And thanks for listening.