Keeping it Real Trend update
Local brands are growing at double the rate of global brands

Local & regional FMCG brands account for 46% of total FMCG spend in 2015
Local brands can deliver on heightened consumer expectations

Local brands account for 75% of purchase decision in China – these are the three best performing local brands – Yili, Mengnui and Bright
How did we identify the Trends?

1. Top Down
   Can we identify global and market drivers that suggest it will continue?

2. Bottom Up
   Can we see it manifesting in brand or consumer behaviour?
Recap on the critical, global forces of change...

- Surge of younger population in emerging markets
- More working women
- Greater global connectivity and mobile penetration
- Growth of older population in developed markets
- Mass scale urbanisation
- Rise of lifestyle diseases
- Growing middle classes
- Smaller household sizes and changing family structures
How did we identify the trends?
How did we identify the Trends?

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How did we identify the Trends?

21 markets and 28,000 respondents around the world
How did we get here?
Consumer Lifestyle Trends

- Busy lives
- Shared experiences
- Responsible living
- Health and wellbeing
- Personal value seekers
- Keeping it real
“I want to achieve a holistic approach to physical health and emotional wellbeing”
Overview of Health & wellbeing sub-trends

- Proactive prevention
- Essential purity
- Pursuit of happiness *(Creating headspace)*
- Strength in numbers *(Tribal wellbeing)*
- Seamlessly in tune *(Managing the tempo)*
- Personal solutions
- Good start
Health no longer means compromise...

With this in mind we see **three shifts in the sub-trends:**

- Creating Headspace
- Pursuit of Happiness
- Tribal Wellbeing
- Strength in Numbers
- Managing the Tempo
- Seamlessly in Tune
Key takeaways

PURE & NATURAL PRODUCTS AND PROCESSES WIN

KNOWLEDGE IS POWER FOR CONSUMERS

HEALTHY LIVING = ENJOYMENT AND SOPHISTICATION
“I am looking for products and brands that have real, authentic and honest origins”
Key takeaways

SIMPLE AUTHENTICITY IS KEY FOR CONSUMERS

LEADING BRANDS IMMERSE PEOPLE IN THE STORY

ORIGIN GIVES REASSURANCE OF QUALITY AND SAFETY
Importance of buying only locally grown or produced goods

(% extremely/very important)

55%
59%
61%
44%
52%
42%
32%

Global Average
+2% since 2013

USA
JAPAN
GB
Importance of a brand being completely transparent about all of its business practices when making a buying decision

(\% essential/important to have)
Push towards familiarity, provenance and something that consumers can believe in

- Naturally authentic
- Do it yourself
- Remixing tradition
- Craftsmanship
- Genuine provenance
Which have the greatest momentum?

Do it yourself

Remixing tradition

Naturally authentic

Genuine provenance

Craftsmanship
Naturally authentic

Desire for products that are ‘as nature intended’
How Naturally Authentic is evolving?

How it was

A focus on specific elements of natural and authentic, e.g. seasonality

How it is

A hunger for products and experiences that are holistically natural and authentic

How it will be

Bringing natural products into the mainstream to create a new normal in every area of food consumption
Bichi, Mexico’s first all-natural, low toxin wine

BlackHawk providing natural products for pets

Cia dos Fermentados promoting natural processing
Do it yourself

Learning new skills and relying on yourself to achieve satisfaction and save money
How Do It Yourself is evolving?

How it was

Paring back to manage financially, including learning skills from the older generation

How it is

Creativity in finding your own solutions to problems – both a strategy for economising and a leisure pursuit

How it will be

An essential way to reconnect with lost skills, flex creativity and make new social connections
Do It Yourself in action

**You paint, we pour** is a DIY art studio-come-bar in **China**.

**Repair Café** creating a fix-it, fix-all meeting place in **Netherlands**.

**Raw Living** giving people the tools to grow their own in **South Africa**.

NEW 2017
Remixing tradition

Taking the best of tradition and heritage to meet modern tastes
How Remaking Tradition is evolving?

**How it was**
Reviving traditional products and processes, including those that have fallen out of fashion.

**How it is**
Weaving traditional and contemporary products and processes together to create something new and exciting.

**How it will be**
Tapping into a desire for greater connection to, and pride in, heritage by revisiting forgotten ingredients, products and ideas, giving relevance in a modern context.
**Remixing Tradition in action**

**Kadoyasan Amazake**
modernising folk wisdom in a nutritious elixir

**Mei Mei**
bringing functional tea drinks to the mainstream

2017
Craftsmanship

Rising interest in the people and artisan skills behind the product
How it was

Bringing the craftsman and their skill to life - for the consumer

How it is

Enabling consumers to actively engage with artisan producers

How it will be

Putting the artisan producers front and centre as the ambassador for the brand
Craftsmanship in action

**Mengokoro Kunimoto**
Focussing on the genius chef behind the ramen

**Spektal**
Celebrating craftsmanship of a whole country

Japan

United Kingdom
Genuine provenance

Provenance becoming the ultimate marker of quality
How Genuine Provenance is evolving?

How it was
Curiosity about origins and provenance; provenance stories as a marker of premium

How it is
Provenance a marker of trust as well as quality; desire to engage directly with places where products are made

How it will be
A rise in ‘fauxthenticity’ demands that brands have a real story that adds value for the consumer and is told consistently
Genuine Provenance in action

Cocoa Fair celebrating the bean-to-bar journey and their founding ideology

Umá inviting the consumer to celebrate its 100% natural product through social media

Queen Victoria Market Greenhouse Project creating a new provenance story
Push towards familiarity, provenance and something that consumers can believe in

- Naturally authentic
- Do it yourself
- Remixing tradition
- Craftsmanship
- Genuine provenance
Thought-starters: How could you...?

Facilitate consumer engagement with the people and places behind your products? Could your consumer play a part in creation?

Tell more emotionally engaging stories about your products and their origins that are relevant to the consumer?
Thought-starters: How could you...

Emphasise the high quality craftsmanship and traditional aspects of your products?

Own - or be the ‘go to’ for - your area of expertise? How could you take this beyond your everyday consumers?
Thought-starters: How could you...?

Ensure products are as nature intended – leaving out the unnatural, or including provenance or seasonality?

Completely re-think your core in the context of ‘natural’ and apply some of those learnings to new ranges?
Our Trends calendar for 2017

- **JAN**: Health and wellbeing
- **MAR**: Keeping it real
- **MAY**: Responsible living
- **JUL**: Busy lives
- **SEPT**: Personal value seekers
- **NOV**: Shared experiences