

Bord Bia

Inflationary Impact

JANUARY 2023

BORD BIA 
Thinking
House



Today's Focus

Background & Methodology

Inflation: a re-evaluation of what is essential in food and drink

Five strategies for being more essential

- 01 Essential = Consistency and cut-through
- 02 Essential = The Social Value of Food
- 03 Essential = Product Versatility
- 04 Essential = Frugal Sustainability
- 05 Essential = Reassuring Signs of Quality

What's Next?





Background & Methodology

Feeling the Pinch => Inflationary Impact

Feeling the Pinch 2020+

Wave 1: Aug-Sep 2020

Core Audience Segmentation

The first phase of this project built out a core segmentation of 5 global audience segments based on perceptions of financial security, a attitude of optimism/pessimism towards economic recovery and propensity to save.

Segmentation Survey

(Quant Survey Part 1 + Qual Interviews + Expert View)

Total Survey Base = 11,765 | Qual Interviews = 36

Final Deliverable

- Feeling The Pinch 2020+ Microtrends Global Report
- Consumer Segment Profiles
- Market Summaries
- Workshop Toolkit
- Interactive Data Dashboard

Feeling the Pinch 2021+

Wave 2: Aug-Sep 2021

Core Audience Segmentation

This wave tracked behaviours in eating and drinking, food shopping and attitudes towards finances using the same questionnaire from Wave 1. One additional question was included to understand consumer experience of inflation.

Segmentation Survey

(Quant Survey Part 2 + Qual Interviews)

Total Survey Base = 12,031 | Total Qual Interviews = 30

Final Deliverable

- Feeling The Pinch 2021+ Microtrends Global Report
- Consumer Segment Profiles
- Market Summaries
- Workshop Toolkit
- Interactive Data Dashboard

Inflationary Impact 2022+

Wave 1: Oct-Nov 2022

Core Audience Segmentation

The wave had more of a focus on inflation instead of pandemic-driven recession. This included additional questions on switching and a focus on the core categories of meat, seafood, PCF, bakery and dairy.

Segmentation Survey

(Quant Survey Part 3 + Qual Interviews)

Total Survey Base = 9,909 | Qual Interviews = 25

Final Deliverable

- Inflationary Impact Global Report 2022
- UK Market toplines

The Inflationary Impact 2022 study was conducted in five key markets:



IE Ireland



GB United Kingdom



DE Germany



us United States



FR France

Using a mixed methodology approach



Landscaping Research

Desk and third-party research to identify market nuances, context for fieldwork and relevant food and drink case studies.



Quantitative Survey

3rd wave survey of approx. 2,000 respondents in 5 key markets conducted in October/November 2022 (9,909). Tracking financial outlook, food and shopping behaviours with predictors for behaviour change and global consumer segmentation.



Deeper Dive

25 auto-ethnographies in 5 key markets conducted in October/November 2022. Bringing to life the segments through self-recorded video and adding detail and context to behaviour changes identified in quant survey.

A note on segmentation: definitions



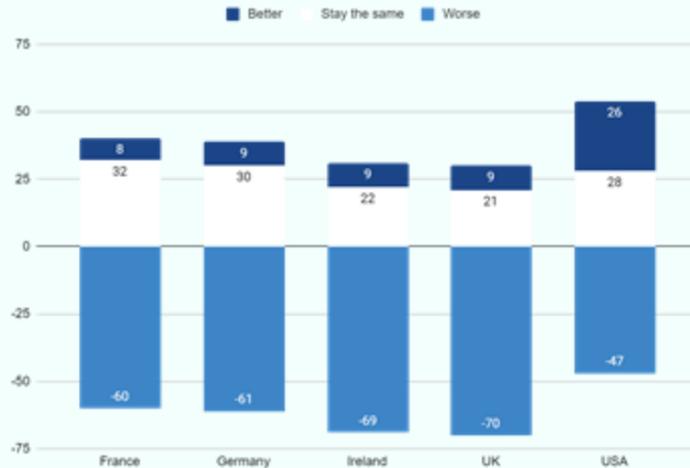
Segments have been clustered based on their claimed financial security to insecurity, and their optimism or pessimism towards the economic outlook for their country.

Inflation

A revaluation of what is essential in food and drink

As inflation continues to hit people's spending, 61% of people surveyed feel worse off after the last 12 months and 56% of people think things will worsen

Q9 How has the financial situation of your household changed over the last 12 months?



Q10 How do you expect the financial position of your household to change over the next 12 months?

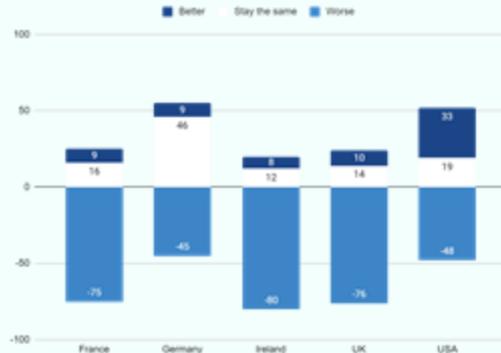


33% of Irish consumers would rate their financial position as poor (Wave 3)

As a recession looms large in Europe in particular, people are becoming more pessimistic about their outlook and finances

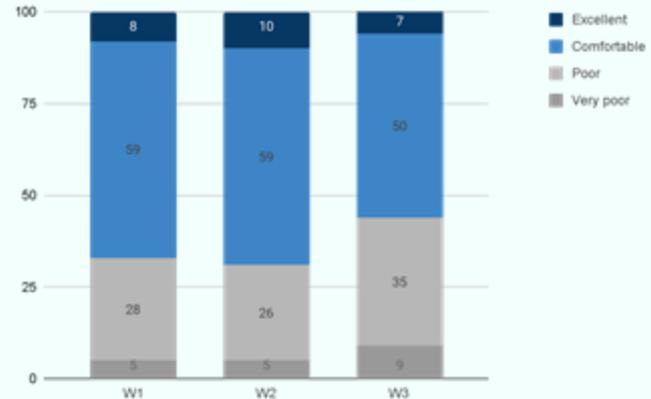
We see how this is reflected in greater pessimism generally in European markets (except Germany) and greater optimism in the US

Q8 How do you feel the economic situation of the country will change over the next 12 months?



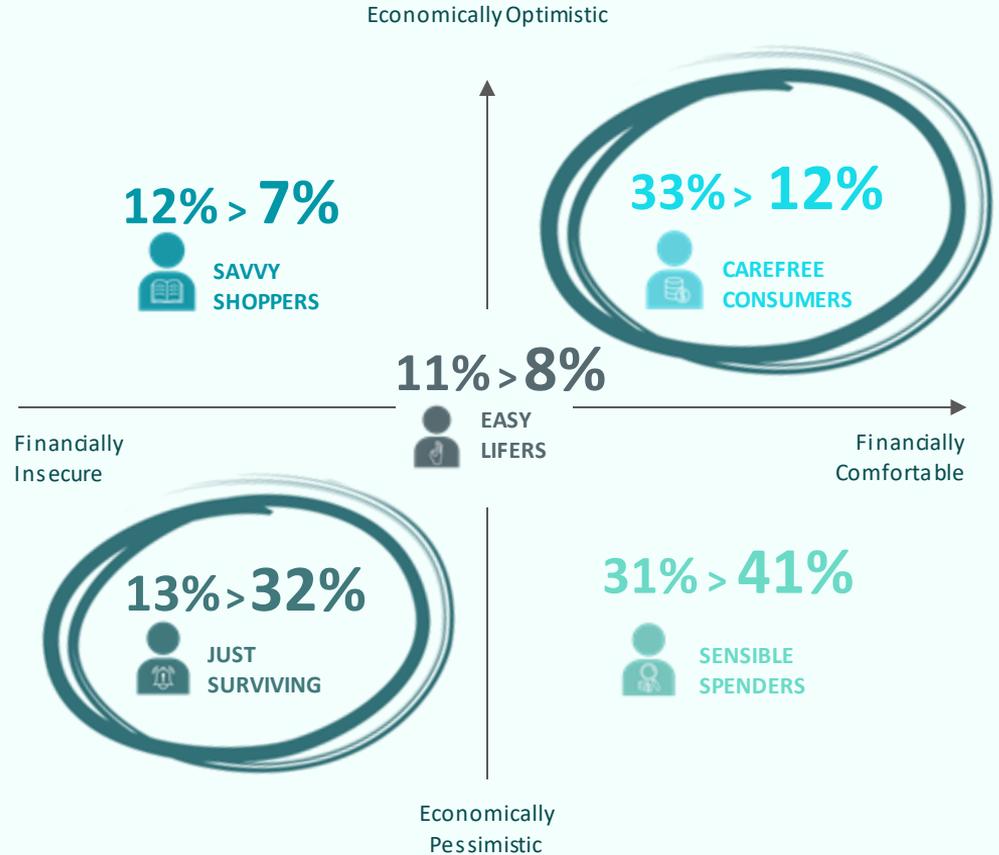
This is also reflected in how more of our surveyed markets are rating themselves as financially 'poor' now than in previous waves (35% in wave 3, 26% in wave 2)

How do consumers rate their current financial situation?



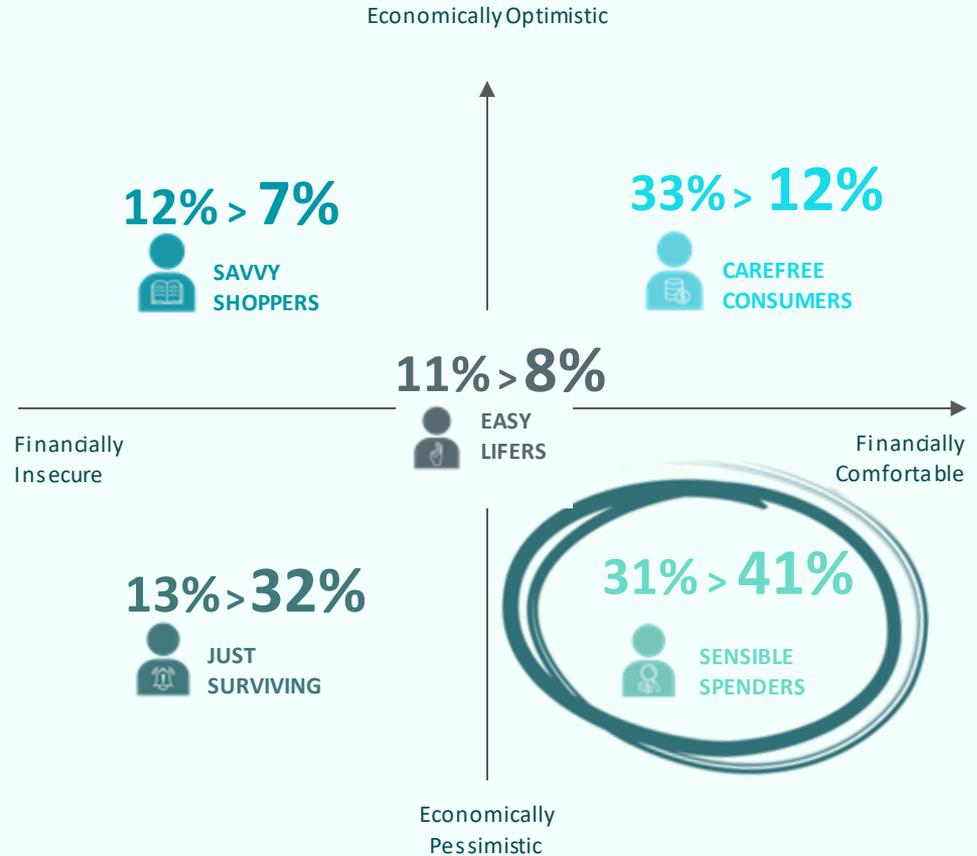
Major shifts in our segments sizes are also telling.

Almost a third of consumers are now 'Just Surviving' and under an eighth are 'Carefree Consumers'



Having said that it is worth noting that financially comfortable Sensible Spenders still hold the majority, and they have grown by 10% since 2021 to 41% of 'global' consumers.

Broadly speaking almost half of those surveyed (50%) consider themselves financially comfortable, while 35% rate themselves as financially poor.

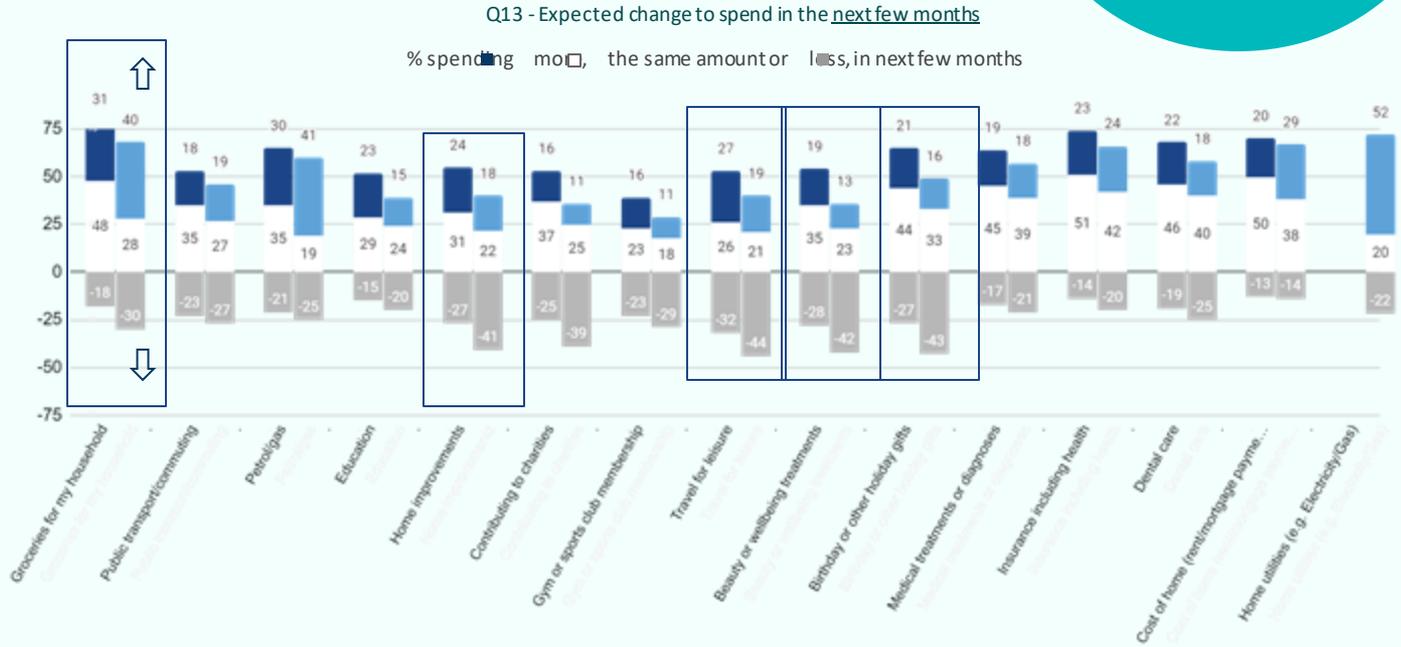


69% of Irish consumers expect to spend the same or more on their groceries in the next few months

When it comes to food and drink, we see two opposing forces: people are expecting to spend more, but are also trying to spend less

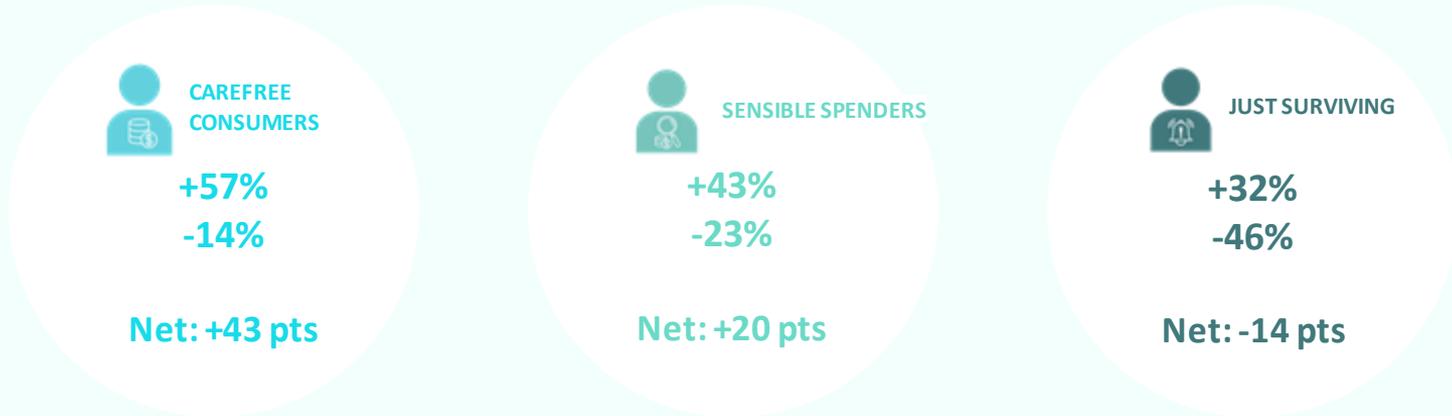
The only other category where people feel similar is in Petrol/Gas - while other categories such as Home Improvements, Contributing to charities, Travel for Leisure, Beauty / Wellness and Gifts people are intending to spend less on and cut out altogether.

Energy and Utilities is a category that people are resigned to spending more in, but don't really feel they have control over how they might curb their spending.



Segment responses show that the financially comfortable lean in to spending more, while the financially insecure HAVE to spend less

% of people who are expecting to spend more ('+') vs those who are expecting to spend less ('-') on groceries for their households in the next few months



However, regardless of financial security or financial pessimism, people are paying particular attention to 'the essentials'

Buying only the essentials is becoming more important for both those in worse-off positions as well as those in well-off positions - 'essentials' are universal

'Buying only the essentials has become more important in recent months' for half of those surveyed, two-thirds of the Just Surviving segment and for half of Carefree Consumers

(Global avg.)

+50%
-12%



JUST SURVIVING

+64%
-11%



CAREFREE CONSUMERS

+52%
-11%

56% of Irish consumers admit that buying only the essentials has become more important in recent months

People are not necessarily seeing their income change, but 3-in-10 people say they cannot afford to buy anything but the essentials now

'I cannot afford to buy anything but the essentials'

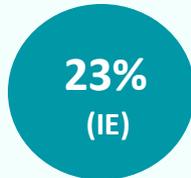
32%

(Global avg.) 2022



19%

(Global avg.) 2021



'My income has reduced a lot recently'

14%

(Global avg.) 2022

15%

(Global avg.) 2021

Buying and shopping for 'the essentials' means different things depending what budgets allow for



JUST SURVIVING



SAVVY
SHOPPERS

Less financially secure: This could mean fewer items in basket overall

Therefore, they are 'doing more with less' - **Maximise** what they can.



CAREFREE
CONSUMERS



SENSIBLE
SPENDERS

More financially secure: this could mean the same number of items in the basket but looking for more cheaper alternatives

Therefore, they are exploring what cheaper options are and what **compromises** they want to make

As a result of inflation, redefining your 'essentials' is either a case of maximising or compromising

Maximise

"Instead of getting maybe five pieces of meat a week, we might be getting three. Or I might make a casserole or stew that will last two days as opposed to just one off cooking all the time"

– Michael, Ireland, Just Surviving

Compromise

"There's not too much I'm going to need to give up completely. I think there is definitely ways around the increase in pricing . Whether it be buying different brands for example. Usually I would buy a big brand name for coffee, for instant coffee, but I've tried swapping that out for a supermarket owned brand . And that was all right. I do notice a difference, but I think it's slight enough to be able to compromise for the price saving there"

– Megan, UK, Sensible Spender

How essential are you?

How essential are you?

This report focuses on **five key strategies** for ensuring ‘essential status’ as consumers continue to put their food and drink spending under the spotlight.

A photograph of a supermarket produce section. In the foreground, there are several green plastic crates and wooden crates filled with packaged and loose apples. Price tags are visible, with one showing 'SAVE R23.99' and another 'SAVE R24.99'. In the background, there are more shelves stocked with various products, including a large red sign that says 'SAVE' and a yellow sign that says 'DO IT YOURSELF'. The overall scene is brightly lit, typical of a retail environment.

Brands need to be more 'essential': Five strategies

As people reassess what is necessary brands can demonstrate their essential status in five key ways:

01 Essential = Brand Consistency and Cut-through

As shoppers seek out better deals in-store and online, brands are having to work harder to get their attention and be memorable

02 Essential = Food with Social Value

People are cutting back on eating out and takeaways to save money, however, social food moments are being revisited within the home

03 Essential = Product Versatility

As people think more carefully about what their money can get them, they want products that can go the extra mile for them

04 Essential = Frugal Sustainability

As sustainability concerns get pushed to one side in favour of inflation, people are looking for more personal and practical ways to eat sustainably

05 Essential = Reassuring Signs of Quality

As food shoppers trade down in price, they don't want to compromise on 'quality' - so can brands still deliver on this?

01

Essential = Consistency and Cut-through

As shoppers seek out better deals in-store and online, brands are having to work harder to get their attention and be memorable



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Inflation is causing people to shop around in multiple stores to get the best deal.

‘Shopping around to get the best deal’ is becoming a common behaviour amongst all shoppers, in all markets, in all segments. In Ireland in particular, this is a growing behaviour (51% shop around more) vs. for example France, where 35% of people were already shopping around.

43% of people globally are shopping at multiple stores to get the best deal more now, only 14% are doing less

+ 29 pts

Net % increase of shopping at multiple stores to get the best deal in 2022

+43%

Doing More

-14%

Doing Less

51% of Irish consumers are shopping more now at multiple stores to get the best deal

People are shopping around within ‘general’ stores where they have more choice, while shoppers turn away from specialists like butchers and bakeries

48% of Irish consumers are shopping less at butchers (-8% W2)



“

I'm quite determined to make savings where I can, even if it takes a little extra time in terms of preparation. In terms of actual shopping, maybe going to an extra shop or two in terms of getting best value. I tend to keep an eye out for online offers, which I never used to bother with or when there are leaflets dropped in the door from local supermarkets to see what they're actually offering.

— Lena, 59, Ireland, Sensible Spender

Discounters in particular are the big winners

Carefree Consumers and Just Surviving consider discounter stores more important now (47% and 45% respectively), while Sensible Spenders confirm their continued importance (41% say as important as before, 33% more important now).

Discounters are clearly winning as people seek out good deals on food

+ 22 pts

Net % increase of shopping in discount stores in 2022

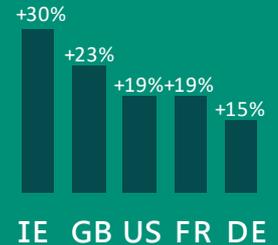
+38%

Doing More

-16%

Doing Less

Ireland and the UK are shopping more at discount stores compared to other markets.



Net % of people shopping more at discount stores by market

Preparation is everything! We are seeing the return of the shopping list.

A shopping list is a powerful tool to keep costs down enabling people to be smarter with food. As such it is assisting people with meal planning which is also becoming more universal.

This is now a more important step than before for 46% of people, and as important for 37%.

+34 pts

% of consumers who say **creating shopping lists and sticking to them is more or less important** in recent months

+46%

More important

-12%

Less Important

54% of Irish consumers admit that creating shopping lists and sticking to them is more important in recent months

“

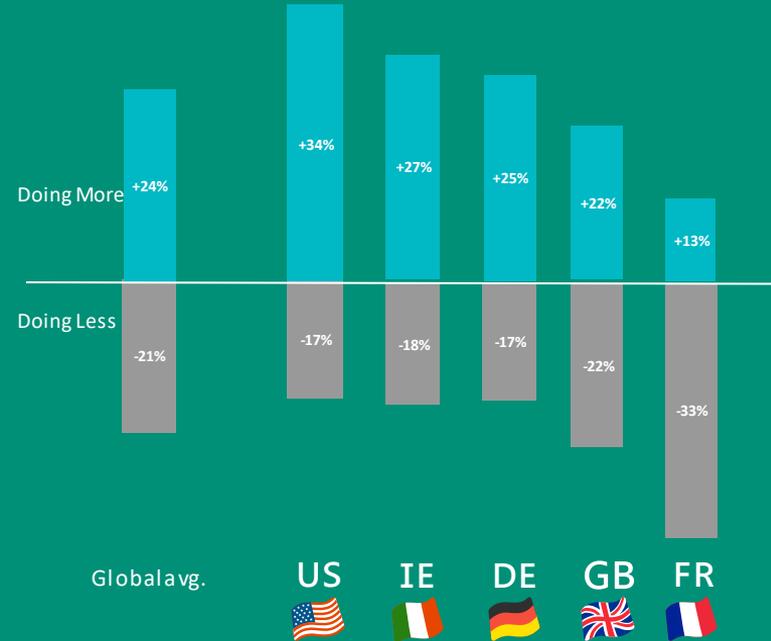
I'm usually the type that just goes and spends leisurely on food, especially on drinks. But now, before I leave my house, I have to write out a list of what I want to buy so that when I get in the store, I'm focused on getting a specific item without having to stress myself, without having to see a product and think “I want to buy you”, but looking into my list and you are not there. I say to myself “Sorry, I have to skip you because right now we are all running on budget”

- Samuel, Ireland, EasyLifer

IRL shopping is back!

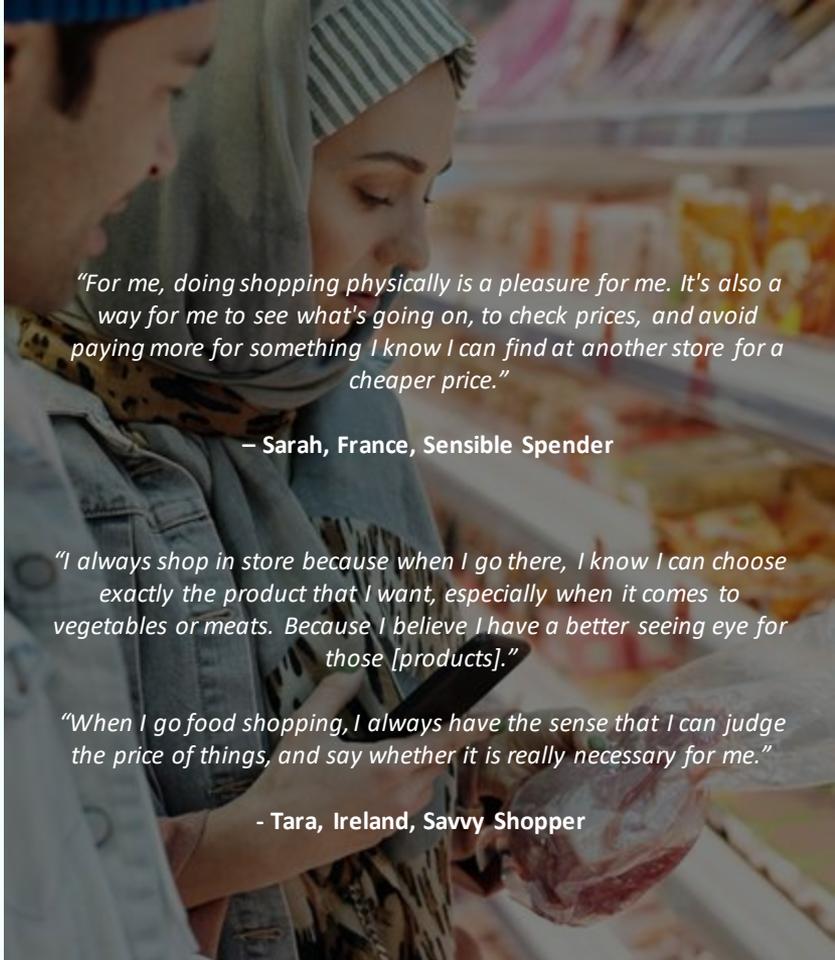
50% of people globally are visiting in-store grocery stores about the same in recent months, with 24% going more often. However, there are significant difference between key markets: in the USA 34% of people are visiting stores more, and only 17% less, while in France 33% are visiting less and only 13% more.

% of consumers are **visiting grocery store in-person** more or less in recent months



Generally speaking the in-store experience allows shoppers to feel reassured by IRL price and product comparisons.

Shopping in-store gives people more control over what they select compared to online shopping, where there is a higher risk to end up with an unwanted substitute product. At a time when budgets are tight, this is even more important.



“For me, doing shopping physically is a pleasure for me. It's also a way for me to see what's going on, to check prices, and avoid paying more for something I know I can find at another store for a cheaper price.”

– Sarah, France, Sensible Spender

“I always shop in store because when I go there, I know I can choose exactly the product that I want, especially when it comes to vegetables or meats. Because I believe I have a better seeing eye for those [products].”

“When I go food shopping, I always have the sense that I can judge the price of things, and say whether it is really necessary for me.”

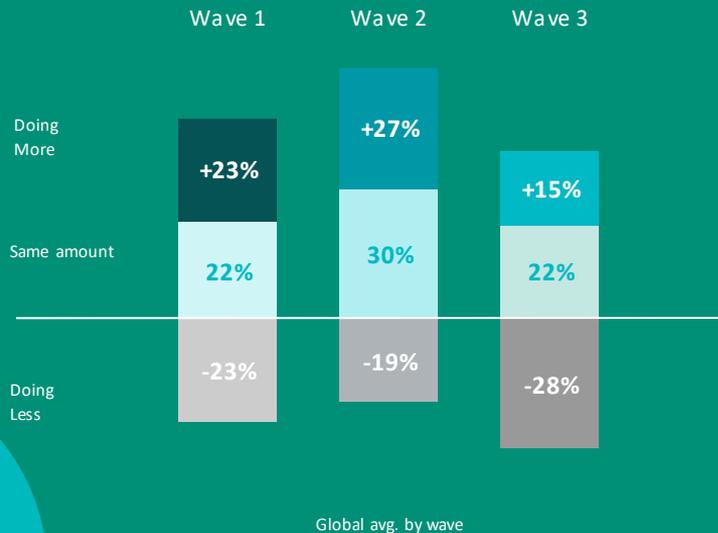
- Tara, Ireland, Savvy Shopper

In parallel, we are seeing more people turn away from the pandemic-held habit of online food shopping.

The risk of receiving unwanted food items means that people are shopping online less. *“During COVID we were getting a lot of food delivered, but we’ve kind of stopped that now. Again, it’s very hard to order exactly what you want and the food was being delivered from a smaller SuperValu that often didn’t have the stuff we wanted, so we just stopped using that,”* says Michael, a 40 year old from Ireland.

30% of Irish consumers are buying groceries online for delivery less in recent months (-8% W2)

% of consumers buying groceries online for delivery more or less or same amount in recent months



Having said that, people are spending more time browsing to get the best deals

Whether online or in-store, people are spending *more time with their choices*, evaluating whether they are getting a good deal, or trying to mitigate the risk of getting ripped off.

43% of Irish consumers are browsing online to get the best deal more in recent months

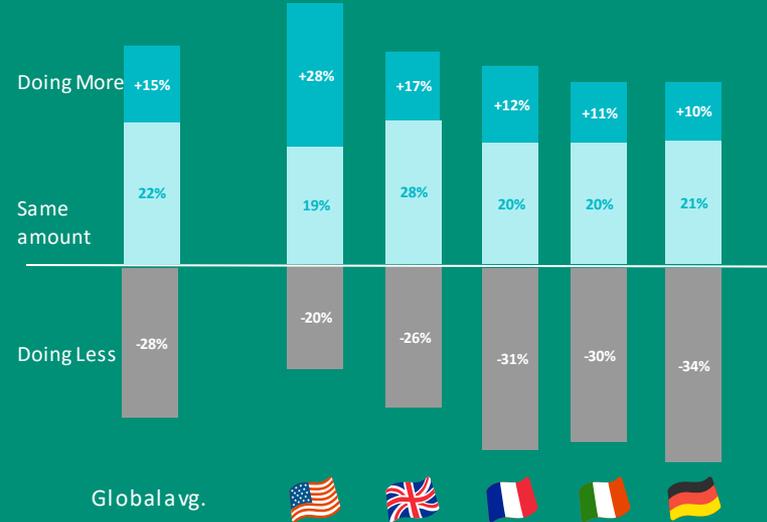
% of consumers **browsing online to get the best deal** more or less in recent months



...the one exception is the US, where people are doing both more online and offline food shopping.

The US leads online grocery shopping, reflecting [its second place](#) for largest ecommerce market in the world (after China), followed by the UK (the third-largest ecommerce market in the world).

% of consumers buying groceries online for delivery more or less often in recent months (market comparison)



“

“I definitely pick different supermarkets for different needs. If I'm looking to get household items like toilet paper, paper towels, or toothpaste, I tend to go to more of a Sam's Club or a Walmart. There's just so many things that you can buy at all these different places, but because of the fact that I know how much certain stuff costs at other places, I tend not to go there. Though a lot of times too, I will look up online and see which place has a deal”

- Melissa, US, Easylifer

Just Surviving are both visiting stores and shopping online less out of necessity, but that means each trip counts for more.

The risk of online shopping is just too big for those who can't afford it, and 35% of Just Surviving shop online less. On the other hand, Carefree Consumers are exploring their options more by visiting more stores, more frequently as well as shopping online more, while Sensible Spenders are sticking with in-store.

Net % increase of visiting grocery stores
in person vs. online grocery shopping in recent months



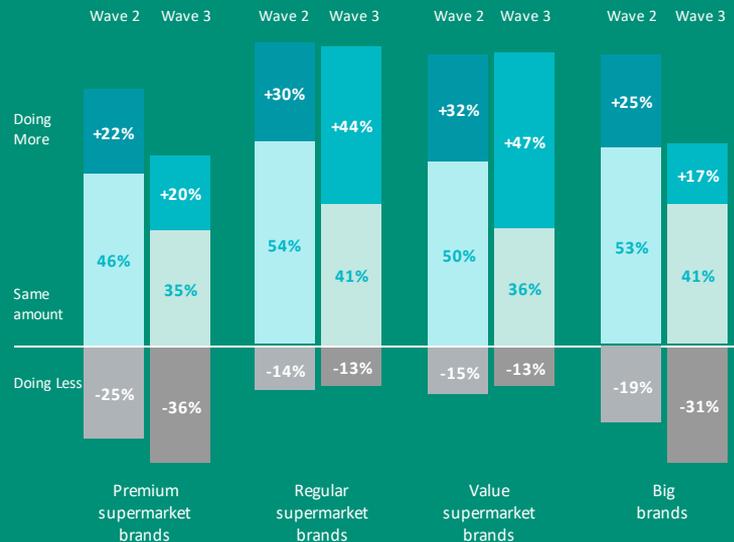
Big brands are seeing their position change as consumers shift to supermarket own label.

People are buying more regular own label (44%) as money gets tighter, as well as making concessions by buying into value own label (47%). Big brands are holding on, as 41% is purchasing at the same level, and only 17% are buying more.

Crucially, in 2021 we saw more people stick to what they knew, but now we are seeing more fluctuation and switching.

53% of Irish consumers are buying value supermarket brands more in recent months (+18% W2)

% of consumers buying more, less or same amount of own label vs branded products



A challenge for brands?



CASE STUDY

Asda's bold budget range creates a stand-out challenge for branded products

Asda Just Essentials

Asda's 'Just Essentials' range is the supermarket's "largest ever budget-friendly range" to help shoppers combat rising costs, comprising nearly 300 products including fresh fruits and vegetables, ready meals, cupboard essentials and afternoon treats. The bright yellow branding was criticised by some shoppers, but Asda defended the packaging, saying that people should not be "embarrassed for saving money.". The range has attracted 400,000 new shoppers and had been a key driver of strong quarterly results.

66%

the number of shoppers buying from the Just Essential lines in the space of one month.

Source: [The Grocer](#)

70%

Of spend on the new range is from new customers

Source: [The Grocer](#)

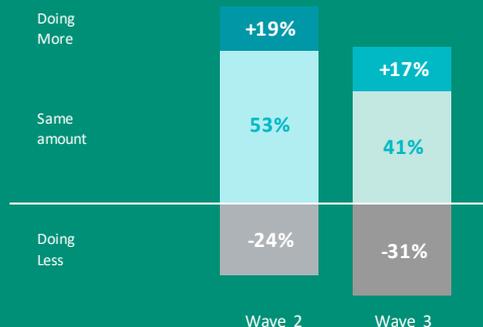
Yet, as consumers explore own labels out of necessity, brand trust can still play an important role in motivating shoppers even when budgets are tight.

“A brand I can trust” is the 5th highest ranking priority for shoppers (out of 17 statements). However, the need for branded is being challenged more, as own label purchasing continues to be normalised for many shoppers in successive waves.

40% of Irish consumers are buying brands less in recent months (-13% W2)

Source: Bord Bia x Canvas8, Inflationary Impact, 2021, 2022, Q22, Q38
 Base: All respondents, wave 2 (n=12031), wave 3 (n=9909)

% of consumers buying “branded products” more, less or the same amount in recent months (Wave 2 > Wave 3)



What consumers deem important when choosing what food products to buy (ranking)





What does this mean?

- People are becoming more ‘rational’ about their food shopping - using shopping lists and ‘shopping around’ as a means to shop less on impulse.
- They are also browsing more, spend more time at fixtures, and more time getting deals online.
- Therefore people are spending longer on these individual decisions, bringing control into their decision-making.



What is the challenge / opportunity for brands?

- Within that decision-making window there is a battle between own-label and branded products.
- Own label is being seen as essential because value for money makes sense right now, and people have the opportunity to figure that out on shelf and online.
- If brands can't compete on price against own label, can they shorten that window of decision-making and get consumers to trust them again before they get to the shelf?



The Strategy: 'Fight Rationality with Brand Emotion'

- *Appeal to people's emotional decision-making, reducing the time people spend making rational shopping decisions.*
- ❑ How might brands think about statement brand campaigns to remind consumers of their unique benefits and win on emotional resonance vs own label competition?
- ❑ How might brands use their unique design and identity assets to cut-through, be memorable, and stand out?
- ❑ How might brands use media placements in proximity to supermarkets (and online) help resonate with consumers before they shop around?

What's working for brands?

Demonstrating the disposability of own-label alternatives



Heinz: The Moment You Find Heinz

Heinz Germany's latest campaign shows shoppers putting down own-label mayonnaise in favour of Heinz. The ad picks up on the in-store experience of choosing between own label and branded products, and the specific moment when a branded product wins out. The ad also heroes the branded product in the end shot, suggesting that branded is always superior to own label (and that own label can just be discarded anywhere).

What's working for brands?



CASE STUDY

Delivering brand consistency through familiar design and messaging cues

Branston: Bring out the Branston

Branston Pickles' latest campaign not only marks 100 years with a brand refresh, but it also shows how brands can double down on familiar design and brand messaging cues in order to stay top of mind for shoppers. The OOH campaign uses the classic 'Bring out the Branston' tagline which the brand has been using for 50 years, and highlights packaging colours in order to drive home distinct brand assets.

50 years

'Bring out the Branston' tagline continues to be used by the brand 50 years on

Source: [Creative Review](#)

What's working for brands?



CASE STUDY

Boosting brand messaging and presence outside of the point of sale

Cadbury's: Secret Santa

Established brands are shifting the tone of communications to ensure they remain relevant in changing times. After years of focusing on bringing happiness to people through humorous ads, Cadbury adapted its marketing to resonate better with current times. The chocolatier pivoted its messaging to emphasise togetherness and generosity, allowing it to resonate with people amid times of global uncertainty. Campaigns such as '[This Doesn't Need to End](#)', an annual [Secret Santa](#) and a global [Easter Egg Hunt](#) focus on community, generosity, and empathy, positioning Cadbury as a brand that is there for the bad times as well as the good.

02

Essential = Social Food

People are cutting back on eating out and takeaways to save money with social food moments being revisited within the home

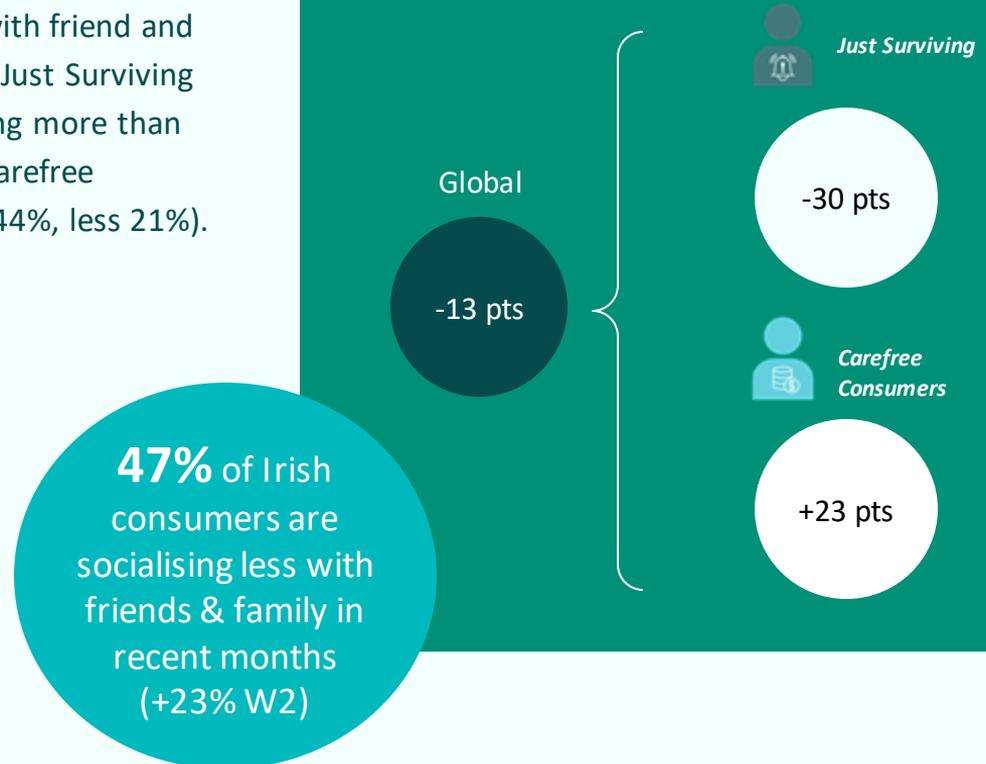


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Socialising is not happening on the scale that was anticipated

Overall, global consumers are socialising less with friend and family in recent months (more 21%, less 34%). Just Surviving in particular are having to cut back on socialising more than any other group (more 16%, less 46%), while Carefree Consumers are socialising more overall (more 44%, less 21%).

Net scores showing segments socialising more or less with friends & family in recent months:



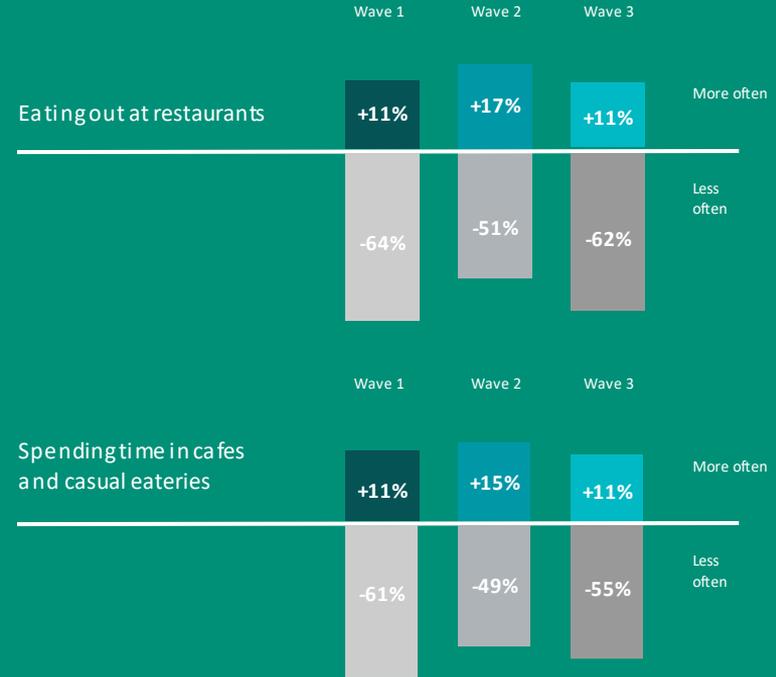
Less time and money is being spent eating out once more

As budgets get tighter, less money is being spent on food outside of the home, with the majority of global consumers reporting they are eating out less often at restaurants (-62%) and at cafes and casual eateries (-55%).

We are seeing numbers return to peak pandemic levels of out-of-home socialising.

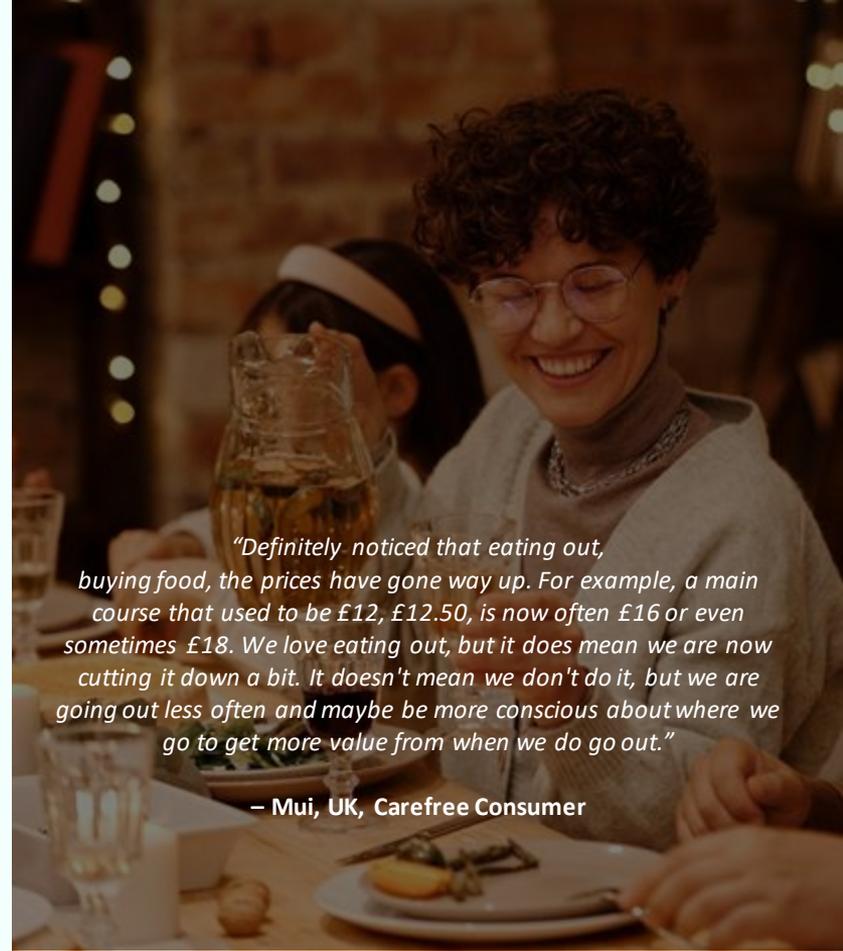
70% of Irish consumers are eating out in restaurants less in recent months (+11% W2)

% of consumers eating out at restaurants and cafes more or less often in recent months



Price increases and smaller budgets makes eating out less appealing

Price plays a major factor in why 62% of global consumers are eating out at restaurants less or have stopped doing so in recent months. Two thirds say it's because prices have increased whilst half say it's because they are working with a smaller budget meaning their money cannot stretch for these higher priced food moments outside of the home.



“Definitely noticed that eating out, buying food, the prices have gone way up. For example, a main course that used to be £12, £12.50, is now often £16 or even sometimes £18. We love eating out, but it does mean we are now cutting it down a bit. It doesn't mean we don't do it, but we are going out less often and maybe be more conscious about where we go to get more value from when we do go out.”

– Mui, UK, Carefree Consumer

Dining out is more for the financially confident.

Carefree consumers are the only people making very little changes to their eating out habits. All other groups are being more cautious and conservative with spending money dining out (formal and casual), especially Just surviving (77% eating in restaurants less) and Sensible spenders (52% eating in restaurants less).

64% of Irish consumers are spending time in cafes and casual eateries less in recent months (+16% W2)

% of consumers eating out at restaurants and cafes more or less often in recent months



“

I cook at home for me and my son. We only go out to eat once a month, if at all. And that's considered a treat now, where usually in the past we have gone out to eat every other week or every week, but I don't do that anymore because my dollar is stretched too thin.

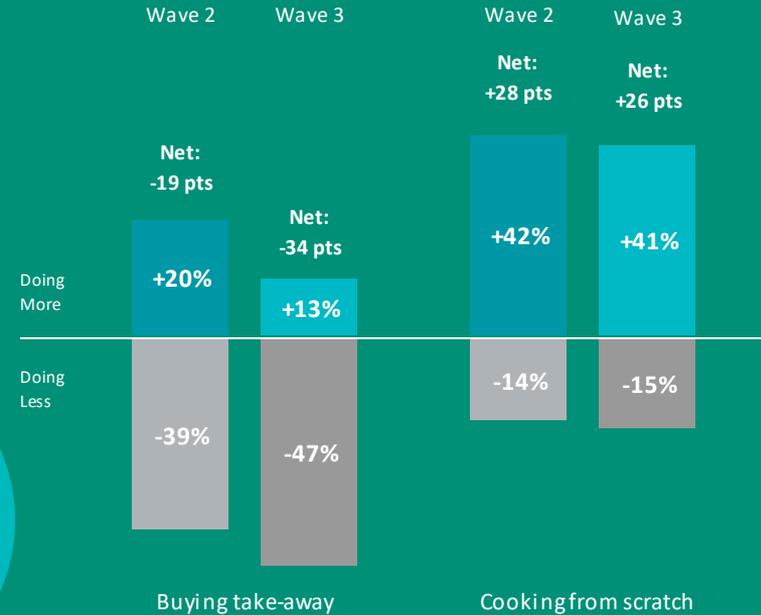
– Jennifer, US, Just Surviving

Takeaway and delivery are also being challenged more now too

Food related behaviours are also changing within the home with almost half (47%) of global consumers buying take-away less in recent months. It's perhaps a perceived luxury most are willing to sacrifice on. Meanwhile cooking from scratch is holding its own with 41% cooking from scratch more in recent months.

59% of Irish consumers are buying take-away less in recent months (-8% W2)

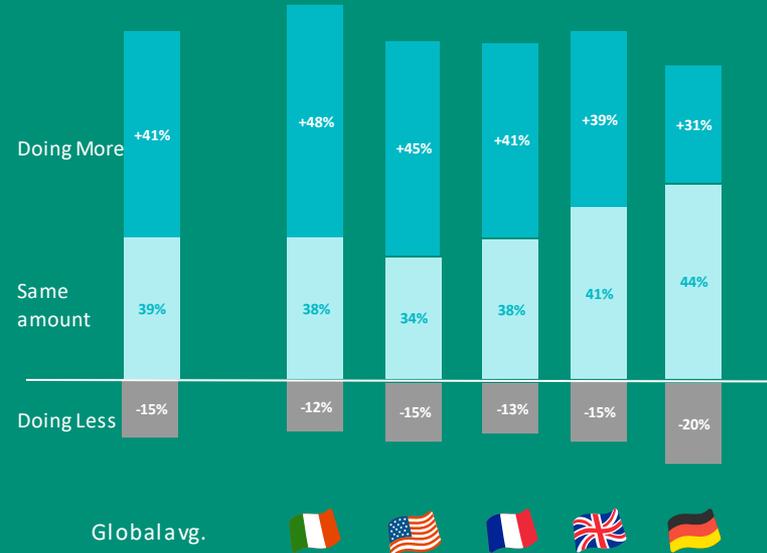
% of consumers buying take-away and cooking from scratch more or less often in recent months (wave 2 vs wave 3 comparison)



There are some differences in where markets are on the ‘cooking from scratch’ trend, but overall, it is a significant activity across the board.

More people in the UK and Germany are maintaining their ‘cooking from scratch’ habits rather than cooking more, vs. Ireland and the USA, where more people are ‘cooking from scratch’ more.

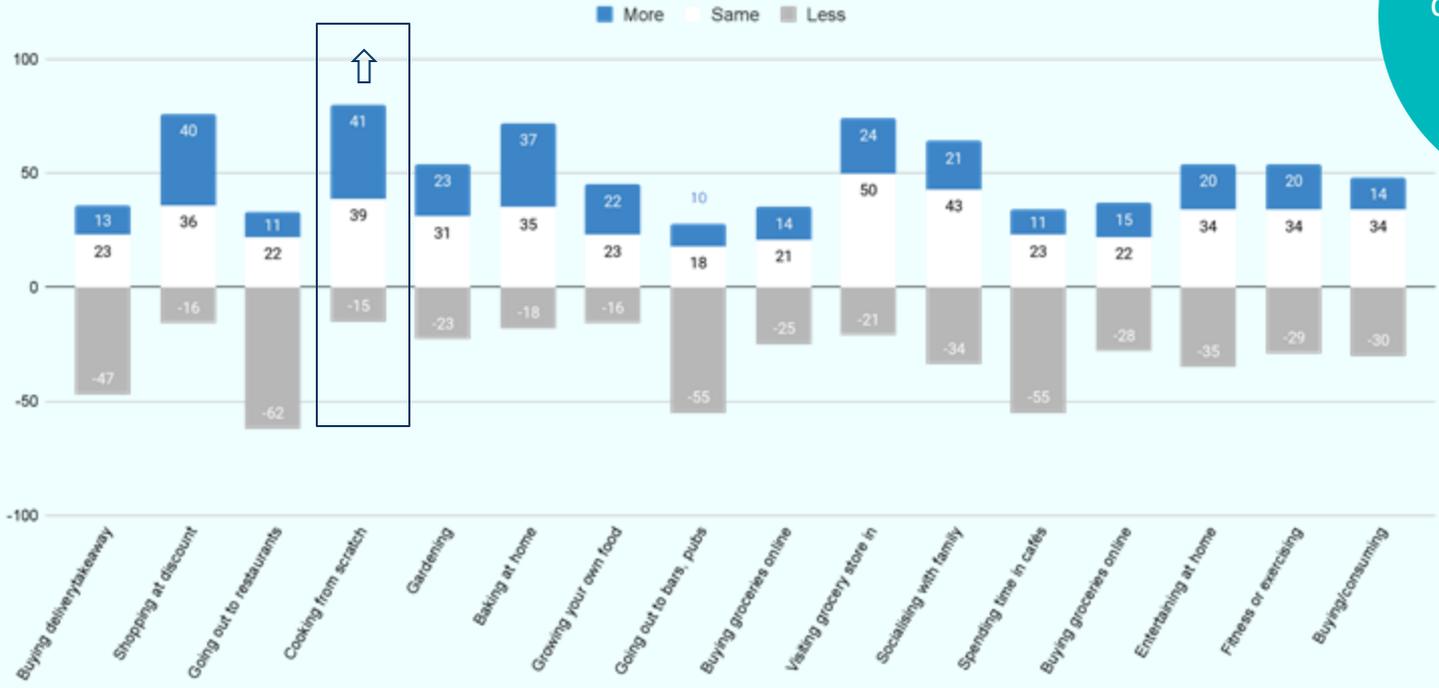
% of consumers **cooking from scratch** more or less often in recent months (market comparison)



In fact, cooking from scratch has seen the largest increase in recent months over other shopping and leisure activities

Q19 Looking at this list of shopping and leisure activities, would you say you are doing these more often, less often or about the same in recent months?

48% of Irish consumers are cooking from scratch more in recent months (-1% W2)



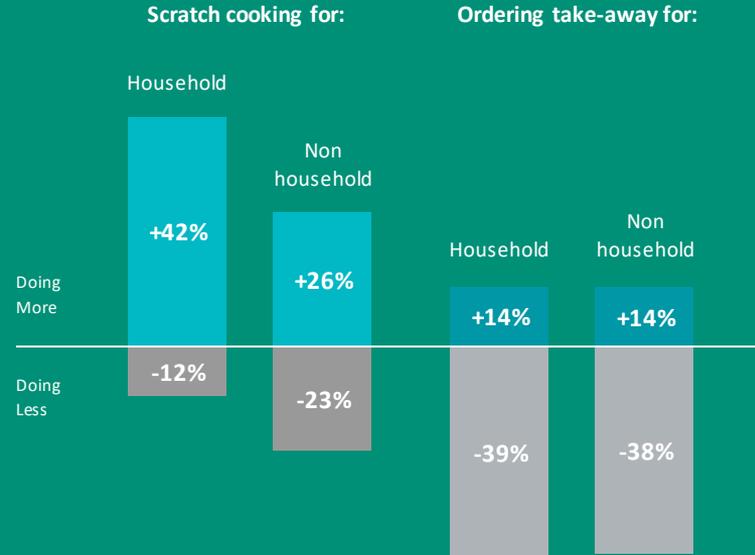
And this extends to when having guests around

People tend to be cooking from scratch for their household (+42%) and for guests (+26%) more instead of ordering them a take-away. This suggests that there is a possible gap around easy, convenient social eating occasions. It also suggests that people are still looking to entertain guests, albeit on a smaller budget.

49% of Irish consumers are scratch cooking more now for people in their household

26% of Irish consumers are scratch cooking more now for people outside their household

% of people cooking from scratch and ordering takeaway for friends and family



“

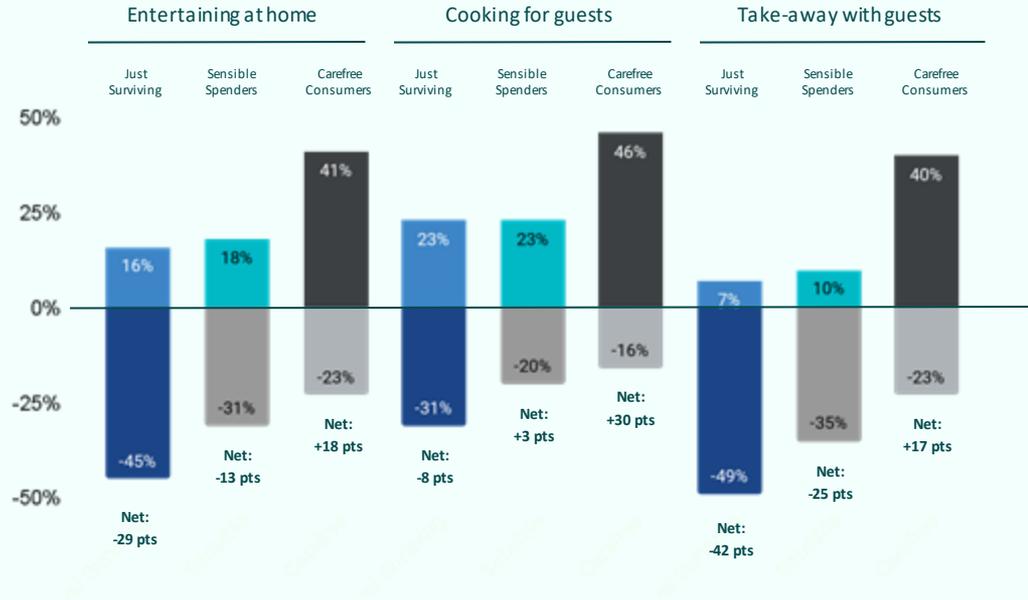
I definitely try and not eat out as much, I try and do more home cooked meals, get a little creative. I let my kids actually take one night a week where they can just go through and decide what they want to cook, and they get to cook basically whatever we have. So they've enjoyed that.

– Melissa, US, EasyLifer

Carefree Consumers are having more social food moments at home, whilst Just Surviving are limiting them

Just Surviving are foregoing inviting people round to have food at their house on a regular basis, with this segment cooking more for their own household (net, +31 pts) and less for guests (net, -8 pts) in recent months. On the other end, Carefree Consumers are indulging in more social food moments at home, from cooking (net, +30 pts) to ordering takeaway (net, +17 pts) for guests. And while Sensible Spenders are entertaining at home less (net, -13 pts) they are opting for money saving social food moments like cooking for guests (net, +3 pts) rather than ordering take-away (net, -25 pts).

Q20a - To what extent are you doing the following more or less often?



“

For a birthday or a celebration the impact will come after. We'll tighten our belts on other products, but it should still remain a true moment of pleasure. We have fewer and fewer moments of pleasure. On the food aspect, in any case, even if it means restricting all the rest, I want to leave the festive moment feeling "festive", so that we can enjoy it and really indulge ourselves.

– Giles, France, Just Surviving



What does this mean?

- Inflation is causing people to move many of their social eating occasions in-home right now.
- Scratch-cooking is replacing the indulgence of takeaway and the social aspects of restaurant eating.
- As people cut down on socialising generally as a way to save money, this makes the moments they do meet up all the more special.



What is the challenge / opportunity for brands?

- Brands have an opportunity to tap into these new social eating moments
- Whether that's indulgent moments shared among the family and friends that replace a takeaway or the now rarer occasions in which people are having guests or family members over to eat
- How might brands recognise that people want to gather around home-cooked meals, especially now as eating together isn't as affordable any more?



The Strategy: 'Gather people around home-cooked meals'

- *Make people feel like they aren't missing out when they can't order a takeaway or go out to a restaurant*
- ❑ How might brands elevate their product offering to include more indulgent flavours / product lines / meal kits / ingredients?
- ❑ How might brands bundle products for takeaway nights in?
- ❑ How might brands create the sense of affordable luxury when it comes to meals people can cook and share with others?
- ❑ How might brands think of their products as the central force in people's sense of belonging?

What's working for brands?



CASE STUDY

Putting the humble ham toastie at the heart of a family food occasion

Denny: Grand, Dad

Meat brand [Denny's latest campaign](#) takes an emotional social occasion (meeting a newborn) and aims to show how even the humble ham and cheese toastie can play a central role. A granddad finds himself ignored by the family as his daughter and partner bring a newborn home. After several attempts to help, he finally goes to make some lunch for everyone. Bringing the toasties in for the family to have a small but indulgent lunch, he's asked to hold the baby leading to an emotional bonding moment. The ad shows that even something as simple as ham can play a role, as more and more people spend time at home and cooking for others.

What's working for brands?



CASE STUDY

Bringing something special to a typical weekend family breakfast

Betty Crocker: Flip The Mornin'

Betty Crocker's (Middle East) new campaign aims to put their food at the heart of a typical family breakfast.

Focusing on its pancake mix, the brand centres ingredients on a special moment between family members in the morning, and suggests that even pancakes can make those moments together more special. By saying that pancakes 'flip the morning', the brand is trying to demonstrate that pancakes can bring some a little different to the usual weekend family breakfast.

What's working for brands?



CASE STUDY

Tapping into the joy of at-home social food moments

Ocean Spray: Power your Holidays

A holiday [campaign](#) from [Ocean Spray](#) demonstrated how brands are showing the centrality of food within social occasions, in order to liven them up and make them more joyous. The campaign centres upon a cranberry jelly that turns a boring dinner into a out-and-out party, tapping into the feeling of food being a central component to social life and home-cooking.

54%

says sharing a meal reminds them to slow down and take a break

Source: [American Heart Association](#)

67%

believe that sharing a meal reminds them of the importance of connecting with others

Source: [American Heart Association](#)

What's working for brands?

CASE STUDY

Recognising the need
for takeaway equivalents
at home



Young's: Dine Out at Home

This year Young's released extra-large battered fish fillets designed to mimic pub-style fish and chips, all without having to leave the house or break the bank. The 'Dine Out At Home' fish fillets are part of the company's premium Gastro range. The launch is designed to appeal to the large number of people that have had to cut down on out-of-home dining and miss those experiences and tastes – offering them a way to reinvent those restaurant experiences at home.

55%

of Britons have reduced spending on non-essential expenditures like eating out and takeaways

Source: [Moneybox](#)

40%

of Britons are socialising less because their budgets are smaller

Source: [Canvas8](#)

03

Essential = Product Versatility

As people think more carefully about what their money can get them, they want products that can go the extra mile for them



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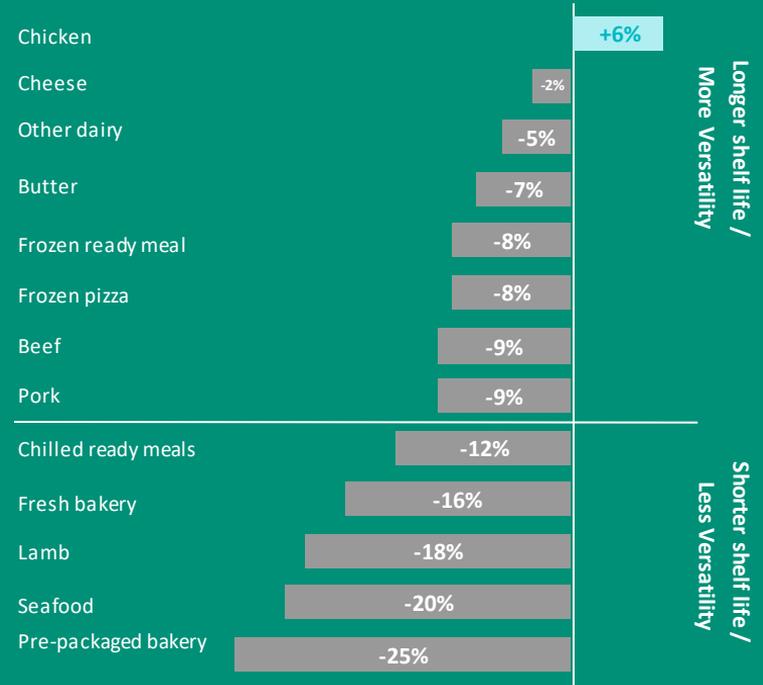
Yes, energy price increases changed, indeed, the way I cook, meaning I cook right now bigger quantities than before and I tend to freeze, for instance, one third of the quantity. So what I cook right now will cover three meals. One is consumed fresh and then other two portions are going in the fridge, in the freezer.

– Ibi, Germany, Sensible Spenders

It would appear people are cutting back on foods that are single use or have less *perceived* versatility or shelf-life are being more challenged

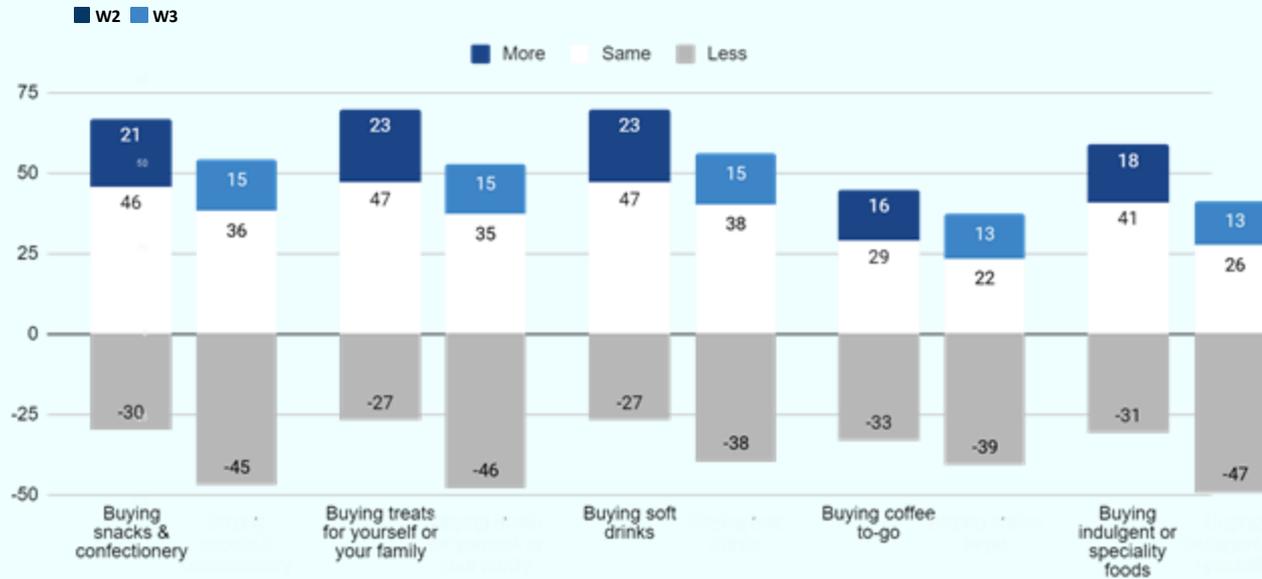
Foods with shorter shelf life (pre-packaged bakery) and more expensive meat (like lamb) see the highest declines as consumers seek out foods that can offer them more than one dish or a single meal. Chicken stands out as an example here of a food that is known to be versatile in different styles of cooking and is cheaper than other meats.

Net % buying more/less food product/category in 2022



Smaller treats and speciality items are no longer seen as essential

Q34 Looking at this list, can you please state whether you are doing these things more, less or about the same in recent months

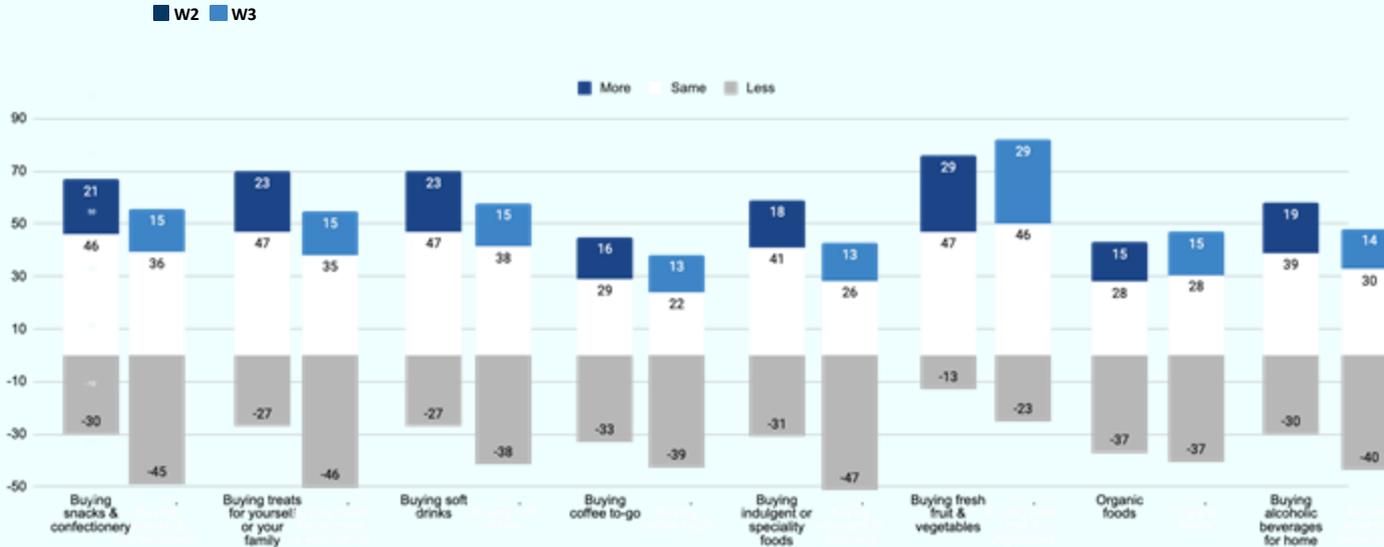


59% of Irish consumers are buying indulgent and speciality items less (-13% W2)

55% of Irish consumers are buying treats for themselves and their family less (-19% W2)

Yet items like fresh fruit and vegetables are holding their own somewhat

Q34 Looking at this list, can you please state whether you are doing these things more, less or about the same in recent months



80% of Irish consumers are buying fresh fruit and vegetables the same or more (-9% W2)

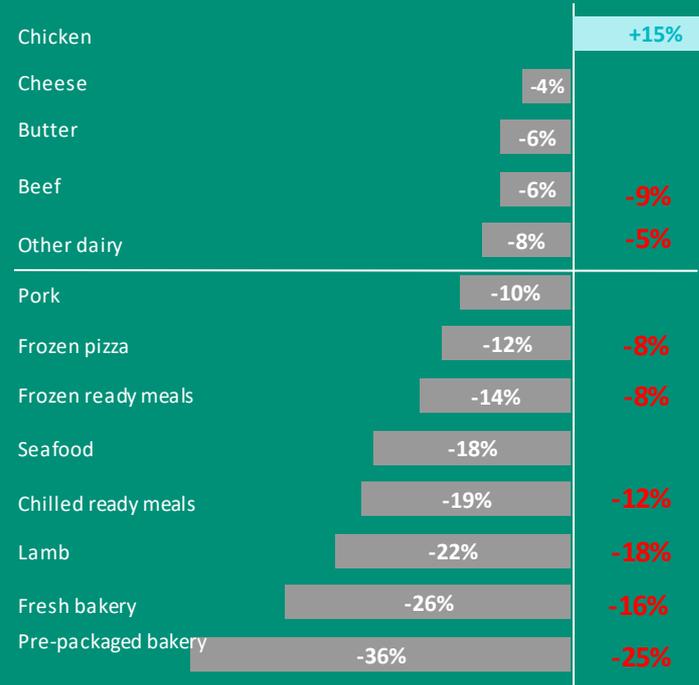
74% of UK consumers are buying fresh fruit and vegetables the same or more (-13% W2)

IRELAND

Cut backs are in line with the global average.

Excluding chicken, people in Ireland are cutting back on all food categories; less so beef, more so on bakery, lamb and chilled ready meals, consistently with the global average.

Net % buying more/less food product/category in 2022

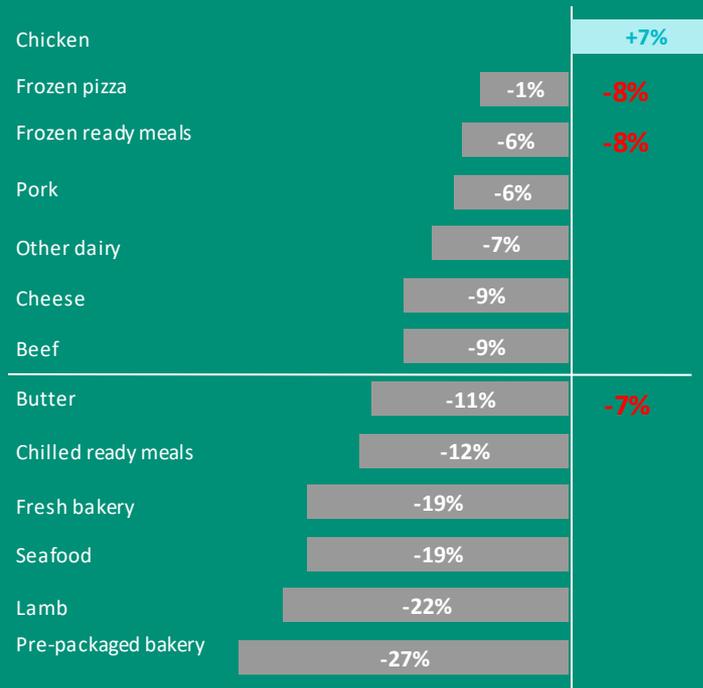


UK 

As in Ireland, cutbacks are in line with the global average.

Bakery, Seafood and Lamb see the highest cutbacks. Long shelf life products like frozen ready meals and pizza see the lowest decline. Chicken is the only food category to increase.

Net % buying more/less food product/category in 2022



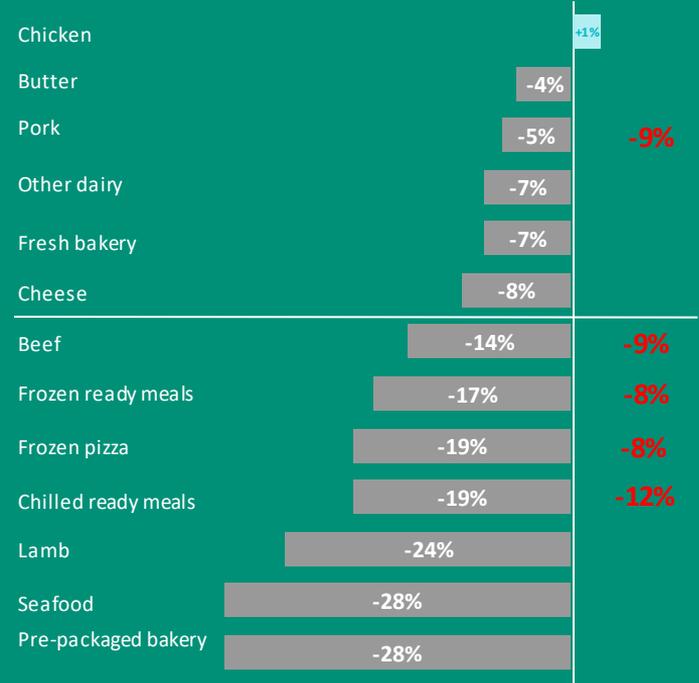
FRANCE



Less cutbacks on food considered staples in French cuisine.

Chicken, dairy, pork and fresh bakery all see less of a decline compared to lamb, seafood and pre-packaged bakery. Unsurprisingly French staples such as butter, bakery and cheese are seeing least declines compared to convenience foods like ready meals and pre-packaged baked goods.

Net % buying more/less food product/category in 2022



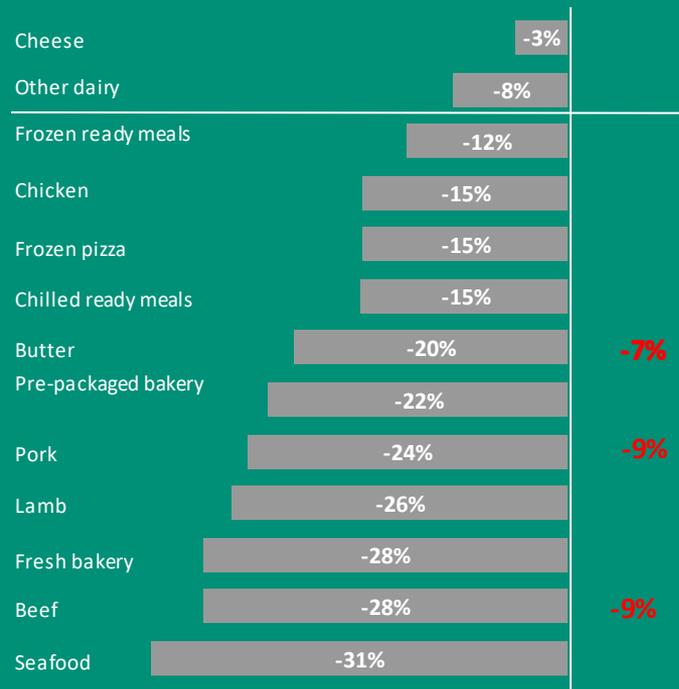
GERMANY



People are cutting back more on all food categories.

Cheese and other dairy products see the least decline apart from butter; fresh bakery, beef and seafood the most. The sharper declines in pork, lamb and beef demonstrate a country with [increasing numbers of flexitarians](#) and a doubling of vegan consumers from 2016 from 2020.

Net % buying more/less food product/category in 2022



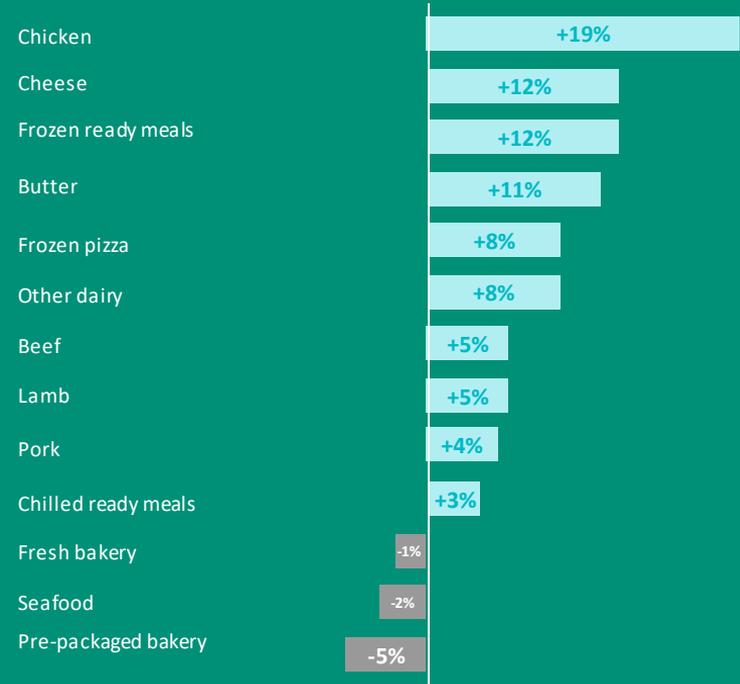
USA 

People are not cutting back on food as much as in the other markets.

Staples like chicken, dairy, frozen ready meals/pizza are generally increasing.

Red meat less so, while bakery and seafood (a protein that is only typical in a few areas in the country) are slightly declining.

Net % buying more/less food product/category in 2022



Baked treats are seeing the most cutbacks, especially amongst Just Surviving who are likely questioning how essential treats are in their shop.

At the same time, baking at home has become more important, across the board and especially among Carefree Consumers, Just Surviving and Sensible Spenders - for these last two groups as a way to make up for the decline in the purchasing of fresh and pre-packaged baked product.

67% of Irish consumers are baking at home the same or more now (-6% W2)

Net % buying more/less food product/category in 2022



Fresh bakery

Just Surviving
-37%
Sensible Spenders
-17%



Pre-packaged bakery

Just Surviving
-38%
Sensible Spenders
-27%

Net % doing more/less in 2022



Baking at home

Just Surviving
+19%
Sensible Spenders
+18%

People are also cutting back on ready meals where convenience is not a premium worth paying any more.

Just surviving and Savvy shoppers are especially feeling the need to drop these items due to a tighter budget. On the other hand, cooking from scratch is more important across segments, despite higher prices on certain ingredients being always at the back of people's mind.

32% of Irish consumers are buying chilled ready meals less or much less

Net % buying more/less food product/category in 2022



Net % doing more/less in 2022



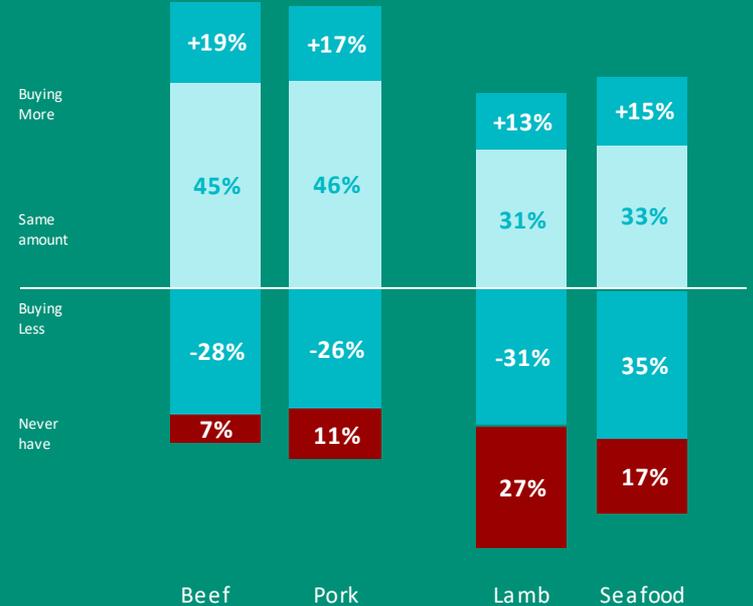
While people are generally cutting back on meat because of inflation, this is especially true for proteins like lamb (-18%) and seafood (-20%).

Not only both lamb and seafood tend to be more expensive than other proteins, they are also perceived as less versatile or harder to cook, and therefore can be dropped more easily from people's diets.

32% of Irish consumers are buying lamb less in recent months

33% of Irish consumers are buying seafood less in recent months

% Buying more/less meat/seafood in recent months



People are doing more bulk cooking and meal prep suggesting they are looking for products that can be stretched out over several meals.

Bulk-cooking and meal prepping is considered more important amongst 34% of people (only 16% feel it is less important, while 36% say it's about the same). With Carefree Consumers more likely to have children at home compared to other groups, it is no surprise that bulk-cooking/ meal prepping matters more to them (45%) vs other groups.

39% of Irish consumers say that bulk cooking and meal prepping have become more important in recent months

Net % increase of the importance of "Bulk cooking / meal prepping" in grocery shopping.



The role of frozen foods to store continues to grow in importance too, as people opt for savvier ways to extend the life of the food they buy

Frozen foods demonstrate a way-in to getting better value out of a food shop. Foods that are suitable for freezing are providing shoppers with potentially a cheaper alternative that may last longer and minimize their food waste. Frozen foods to store matters more to 51% of Carefree Consumers (the most of any segment), and 46% of Just Surviving.

41% of Irish consumers say buying frozen food has become more important to them in recent months (+11% W2)

% of consumers saying buying frozen foods to store at home is more, less or same amount of importance in recent months



“

In relation to my work often during the day the breaks are quite short. I often go out to get something to eat at the bakery or even at superstores. Except that I find that prices have increased significantly. **So now, I make my own meals at home**, and I constantly take my Tupperware with me.

– Sa hra, France, Ca refree Consumer

What does this all mean?

- People are re-evaluating how far certain products can go as a result of cutting costs
- People are cutting back on products they are less familiar with in terms of cooking utility
- As people look to do more bulk-cooking, they are looking for products they know can be cooked in a batch, that can be frozen and that can be cooked in lots of different ways.
- Some foods already do that well - chicken, cheese, and dairy
- but others could be working harder: beef, pork, lamb, seafood, and bakery.



What is the challenge / opportunity for brands?

- At a time when people are doing more bulk-cooking they will also be looking for greater variety
- Brands have the opportunity to spotlight how versatile their products are, showcasing how ingredients can be cooked for different meal types and in a range of cuisines
- How might brands boost the perception that their products are reliable and versatile when it comes to batch-cooking (or home-freezing)?



The Strategy: 'Inspire product experimentation'

- *Demonstrate that products are more than one-cook wonders, showcasing range, versatility, and suitability for freezing*
- ❑ Could brands create challenges around cooking a single ingredient in multiple, surprising ways?
- ❑ How might brands create tutorials around batch-cooking for products people are less familiar with?
- ❑ How might brands encourage people to think differently about eating their products at different meal times?

What's working for brands?



CASE STUDY

Getting people to reconsider how food can be used

Walkers: #crispIN or #crispOUT

The 'CrispIN, CrispOUT' campaign from Walker's is an example of how a brand can demonstrate product versatility using humour and high-profile figures. The campaign challenges people to not only eat crisps but consider using them as a filling to a sandwich. The satirical, political-style debates that follow show how brands can get consumers to reconsider how foods can be used in different ways.

1 in 4

Britons said they'd been cooking more unusual meals

Source: [Waitrose](#)

41%

Of consumers are interested in trying new flavors that are similar to their favorites

Source: [Mintel](#)

What's working for brands?

CASE STUDY

Premier Foods using master brand marketing to showcase affordable versatility



Premier Foods: 'Best Restaurant in town'

Premier Foods announced that it would be further investing in its brands in 2022-23, as people do more home-cooking. Positioning its portfolio of brands (which include Sharwoods, Bisto and Ambrosia) as "meal-makers", its 'Best Restaurant in Town' marketing campaign aims to tap into more positive feelings around eating at home, despite rising costs, bringing its portfolio of sauces, desserts and ingredients all under one consistent message. At the same time, the company will be providing homecooks with affordable recipes that feature their brands and encouraging home-cooks to use ingredients in a set of affordable meals.

20m

Number of people Premier Foods' 'Best Restaurant in Town' campaign has reached

Source: [Marketing Week](#)

What's working for brands?

CASE STUDY

Championing versatility and permission to indulge across meal times



Ryvita: Live Life with More 'ish'

Ryvita's '[Live Life with More 'ish'](#)' campaign is an example of how a brand pivoted to demonstrate the versatility their product can provide. The campaign saw Ryvita pivot from its position as a health food that placed dieting as its central function to a brand of fun and, most importantly, versatility, with the ad campaign showcasing the many different sweet and savoury functions the snack could fulfill. The ad focuses on adding different elements of 'ish' to a 'staple' food, from chocolate spreads to relishes to gherkins, and across different meal times and snack times across the day. Championing versatility, the ad reminds consumers that Ryvita can be eaten at more times of the day than they think.

1 in 4

Britons said they'd been cooking more unusual meals

Source: [Waitrose](#)

What's working for brands?



CASE STUDY

Woolworths promoting in season fresh produce with prices frozen

Woolworths: Get Your Woolies Worth

Australian retailer Woolworths leveraged their ongoing '[Get Your Woolies Worth](#)' mantra to be more applicable to the cost-of-living crisis. The [campaign](#) not only promoted price drops and price freezes on essential items but also put an emphasis on local, in-season produce which they said would take meals further and provide a multitude of mealtime options all year round. The campaign also encompassed a bonus points scheme to encourage future shopping. The campaign was also supplemented with social media coverage, including [TikTok videos](#) encouraging people on ways to save, demonstrating how brands can show how people are maximising budgets through buying in-season, cheap fresh produce.

10%

Increase in sales for Woolworths in Q3

Source: [Reuters](#)

04

Essential = Frugal Sustainability

As sustainability concerns get pushed to one side instead of inflation, people are looking for more personal and practical ways to eat sustainably



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People continue to recognise the importance of environmentally-friendly and sustainably produced products.

For most, trying to keep sustainably produced and environmentally friendly products front of mind still remains important.

People have the intention to try and be as sustainable as possible, especially those who are more financially comfortable (such as Carefree Consumers and Sensible Spenders).

23% of Irish consumers say buying environmentally friendly products has become more important to them in recent months (-4% W2)

Source: Bord Bia x Canvas8, Inflationary Impact, 2022, Q21
Base: All respondents, Global (n=9909)

Importance of “buying environmentally friendly products” in grocery shopping.

Net % Increase
Global avg.



More financially secure segments (Sensible Spenders and Easy Lifers) have been and will continue to buy environmentally friendly products.



However, price increases are shifting people's focus away from the environment and sustainability when it comes to their food shopping.

In terms of consumer priorities, both of these measures have slipped since wave 2. In the wake of COVID-19 ending, the sustainability message emerged again from its shadow. However, now, inflation is clearly hitting at a more personal level and its becoming more of a concern than the shared health of the planet.

Ranking of priorities when choosing food to buy in recent months

Global

Sustainably produced products	7th	10th ↓
Environmentally friendly	6th	11th ↓
	Wave 2	Wave 3

IE 

Sustainably produced products	8th	11th ↓
Environmentally friendly	10th	12th ↓
	Wave 2	Wave 3

Saying that, where food sustainability becomes more personal and practical, it starts to gain relevance with shoppers.

Products with longer shelf-life and food that can be stored have gained in priority, suggesting that it's less about the impact products are having on the world and more about how products can help people act more sustainably, by minimizing their waste, their spending and making food go further.

Ranking of priorities when choosing food to buy in recent months

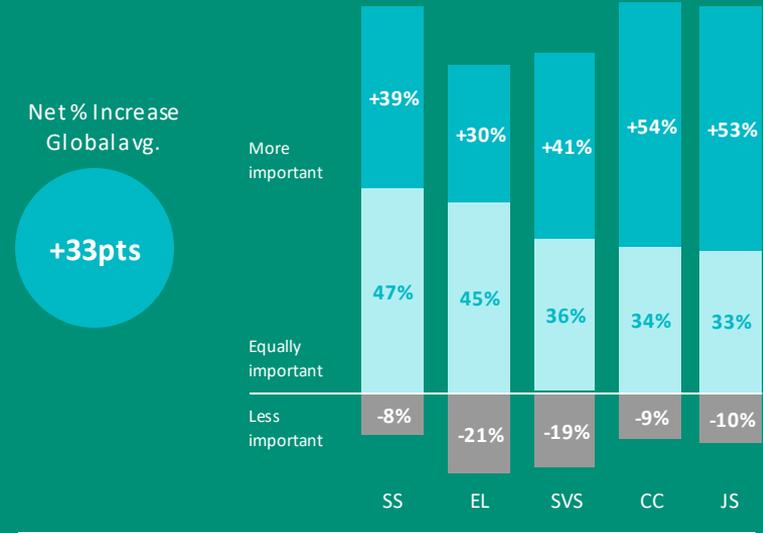
Sustainably produced products	7th	10th	↓
Environmentally friendly	6th	11th	↓
It can be stored	13th	8th	↑
Long shelf-life	12th	7th	↑
	Wave 2	Wave 3	
IE 			
It can be stored	12th	7th	↑
Long shelf-life	15th	10th	↑
	Wave 2	Wave 3	

As costs go up, people want to know that they can rely on shelf-life, knowing that they can stretch out more days' worth of value from the food they buy

Seeking out more non-perishables or longer use by dates products also brings the reassurance of a stocked pantry, playing into the feeling of always having 'something in' even when budgets get tight.

50% of Irish consumers say buying options with a longer shelf life has become more important to them in recent months (+9% W2)

Importance of "options with a longer shelf life" in grocery shopping.

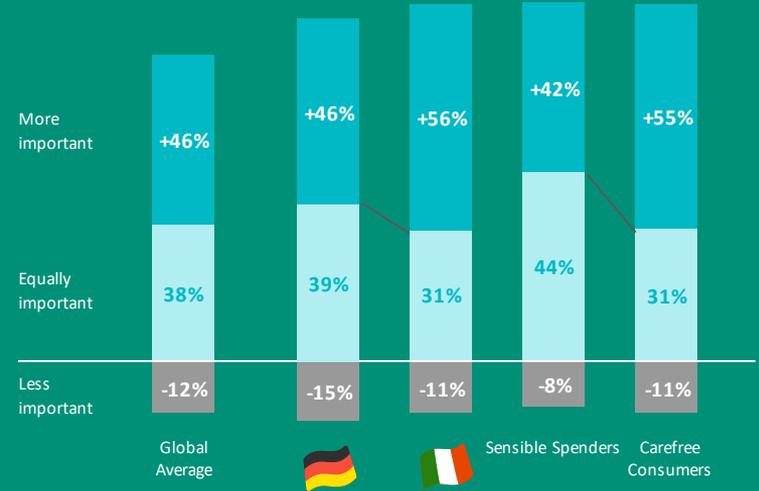


Savvier segments have already been looking into longer shelf-life products, with more positive groups finding them less important now. Less savvy groups are coming to these products now.

People are also looking for smart ways to ensure they aren't wasting food

An increase in the importance of options that minimize food waste shows that people are thinking more about the portion sizes of their meals and products, and any possible wastage. While minimizing food waste was already an important trend (for 38% of people), it is increasing further (for 46%) across the board.

Importance of "options that minimize food waste" in grocery shopping.



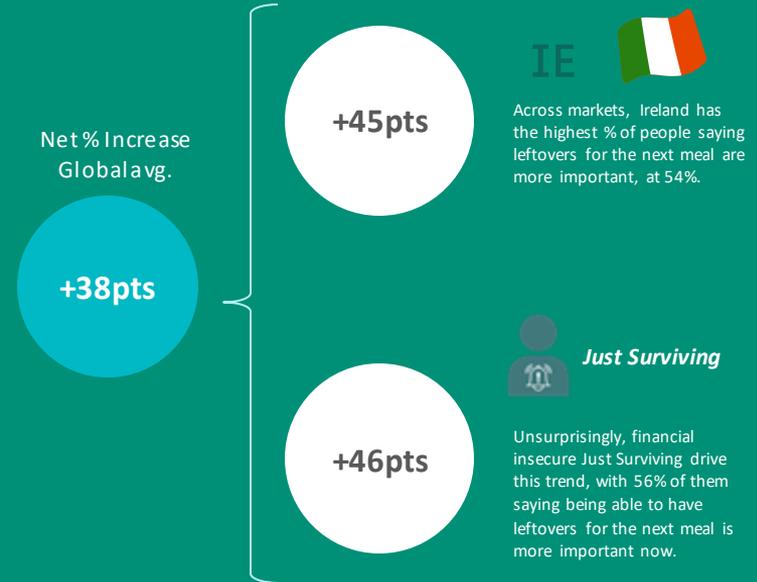
Specifically, Ireland is coming to the trend a little later, especially compared to Germany. Similarly, more Carefree Consumers are now adopting this strategy vs segments that already were doing so.

+34pts

People are coming around to the frugal idea of doing more with leftovers, and ensuring the value of the food they buy can be extended beyond single meals

Almost half of people (48%) consider important to have 'options that allow for leftovers to be used the following day', with a further 37% saying they are as important as before, and only 10% saying it's less important.

Net % increase of the importance of "options that allow for leftovers" in grocery shopping.



What's working for brands?



CASE STUDY

Making food go further with leftovers

Tesco X Hellmann's: 'Use Up Day'

Tesco and Hellmann's 'Use Up Day' campaign encourages Britons to create a meal using leftover ingredients once a week. This included a guide to help families discover their perfect 'Use Up Day' as well as a variety of recipes showing how to make meals from commonly binned foods. With Hellmann's study showing that the average family could save around £260 a year on food if they adopted this habit, the campaign shows how brands can help families make their food go further through tried and tested simple food hacks.

61%

Of children aged 5 to 16 say their family could be using up food they already have to save on costs.

Source: [BBC Good Food Nation](#)

30%

Of Britons plan to buy more canned products over the next 12 months due to lower costs and longer shelf lives.

Source: [Princes](#)



What does this mean?

- People are redefining what it means to be a sustainable eater and food shopper
- In the context of inflation, they are looking inward to how their everyday behaviours can both save them money and be more sustainable
- People want to feel savvy when it comes to being more sustainable, through options that minimise food waste (including products with longer shelf life), or encourage use of leftovers.



What is the challenge / opportunity for brands?

- At this time, just having sustainable credentials isn't enough for brands, they need to show that they can help consumers be sustainable in their everyday eating habits
- How might brands help people achieve the sweet spot of saving money and saving the planet?



The Strategy: Make food thriftiness aspirational

- *Play a direct role in everyday cooking savviness, continuing to educate and empower around food thriftiness*
- ❑ How might brands de-stigmatize conversations about leftovers, making them more empowering for people?
- ❑ How might non-perishables demonstrate their usefulness beyond longer storage? (e.g get people excited about long-life and tinned foods)
- ❑ How might brands guide consumers through portion sizes more directly? (e.g suggest how many people products might feed to reassure them there won't be wastage)

What's working for brands?

CASE STUDY

Aldi raises food-waste awareness amid surging costs



Aldi: Food for Good

As part of its Food For Good campaign, Aldi has found almost half of people are wasting food, despite the majority saying they're uncomfortable doing so. [Aldi is partnering with FoodCloud](#) to raise awareness around these issues, as well as allowing customers to drop non-perishable goods for the charity to donate to local food banks. Campaigns such as these successfully hit education, practical and sustainability goals, and demonstrate how people can make the food they pay for stretch further and last longer.

65%

are uncomfortable with the quantity of food that they waste

Source: [Aldi x FoodCloud](#)

49%

are actively taking measures to try and reduce waste

Source: [Aldi x FoodCloud](#)

What's working for brands?

CASE STUDY

Corona looks to localize importance of sustainability



Corona: Plastic Fishing Tournament

In honour of National Recycling Day, Corona held multiple events across the globe that connected fisherpeople to local recycling businesses to recycle plastic collected from water. The plastic collected was subsequently turned into tools for the fisherpeople and also into merchandise such as bags and benches for local spaces. The initiative demonstrated just how brands can show the impacts of sustainable initiatives to consumers' local communities and surroundings.

05

Essential = Reassuring signs of quality

As food shoppers trade down in price, they don't want to compromise on 'quality' - so how can brands ensure that they deliver on this?

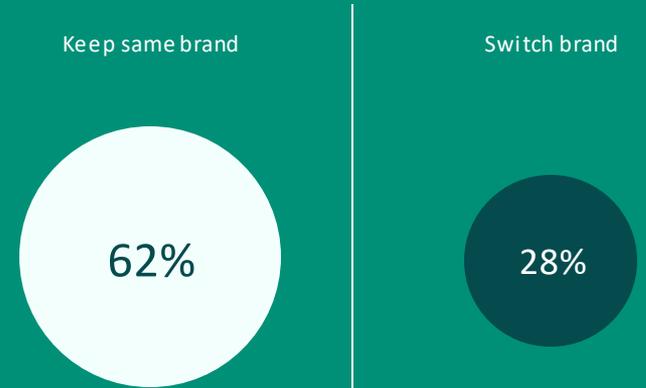


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Generally, switching grocery brands is not done lightly.

Between 60-70% of people will keep the same brand (branded or own label) in the product categories surveyed, while 20-30% are likely to or have switched. With the increase of purchasing into regular and value own labels, brands will have to work harder to demonstrate their quality and value to consumers.

Average % of people likely to switch brand across select categories (ready meals, frozen PCF, packaged bakery, meat, seafood and dairy)



‘Quality of product’ does remain the number one priority for shoppers, with ‘Competitive Price’ now a close second

Both ‘Competitive Price’ and ‘That it is on special offer’ have seen strong increases in terms of priorities when buying food. As a result of inflation consumers are trying to get the best deal possible, but they don’t want to compromise on quality when they trade down. Buying lower cost has however become more important for 55% of people (compared to 38% in wave 2).

Ranking of priorities when choosing food to buy in recent months

	Wave 1	Wave 2	Wave 3	
Quality of Product	1st	1st	1st	
Competitive Price	2nd	4th	2nd	↑
That it is on special offer	14th	11th	4th	↑
		Wave 2	Wave 3	
Quality of Product		1st	1st	
Competitive Price		3rd	2nd	↑
That it is on special offer		7th	5th	↑

“

I don't think we're going to have to give up much. And if I did, I would definitely make sure I wasn't giving up my quality.

- Jill, US, Carefree Consumers

People are re-evaluating what ‘quality of product’ means now in the context of finding cheaper alternatives



In the context of trading down, brands have to be mindful of where their products can still offer quality and reassurance where own label can't. There are important category differences to note here. This is especially true for Carefree Consumers who may already be buying higher quality products or more premium brands.

Generally speaking, brands can protect their perceptions of quality by focusing on 'taste' in most categories

For the most part, taste is a quality people want to be reassured about when trading down. Ethics are far less of a priority across the board when budgets are tighter, while health hold its own.

Ranking of priorities when choosing food to buy in recent months

	Wave 1	Wave 2	Wave 3	
Quality of Product	1st	1st	1st	
Competitive Price	2nd	4th	2nd	↑
That it is on special offer	14th	11th	4th	↑
Healthiness	4th	2nd	3rd	↓
Ethical Considerations	16th	15th	15th	

MEAT

People are most concerned about taste and ethics when they trade down to cheaper meat

42% of people say that opting for cheaper cuts of meat/poultry is becoming more important to them in recent months. At the same time 25% are very concerned about taste when they trade down. While Carefree Consumers are the most concerned group (38%) when it comes to compromising on taste.



% of consumers 'very concerned' or 'not at all concerned' when buying low cost meat / pork / poultry



Source: Bord Bia x Canvas8, Inflationary Impact, 2022, Q22b
Base: All respondents, Global (n=9909)

SEAFOOD

People are also concerned about taste and ethics/environment being compromised when trading down on seafood

Carefree Consumers (36%) and Americans (31%) are the most concerned about taste compromises, and are the most concerned when it comes to the environmental compromise too (34% and 28% respectively)



% of consumers 'very concerned' or 'not at all concerned' when buying low cost seafood



READY MEALS

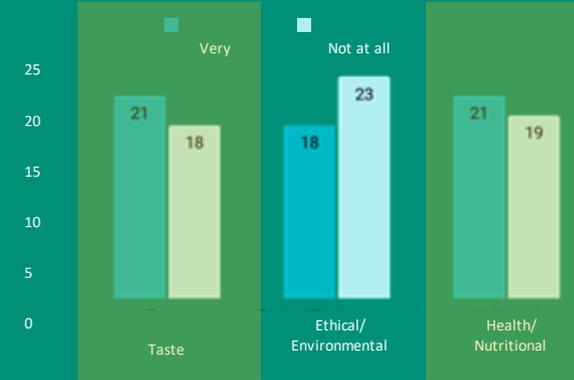
People are not as concerned about ethics and the environment when to comes to trading down on ready meals

Compromise on taste and health is still somewhat important here. Carefree Consumers are the most concerned about taste here (31% for both chilled and frozen ready meals)



% of consumers 'very concerned' or 'not at all concerned' when buying:

Low cost ready meals



Frozen ready meals



BAKERY GOODS

People have the least concerns about compromise in bakery goods compared to other categories

As a category that you expect to be less healthy, and not suffering from unethical sourcing, people are more easily compromising on quality when it comes to bakery goods. This means that brands can talk about getting more bang for your buck in terms of volume (less ethical potentially) and more indulgence where people care less about their health in this category.



% of consumers 'very concerned' or 'not at all concerned' when buying low cost bakery goods



DAIRY

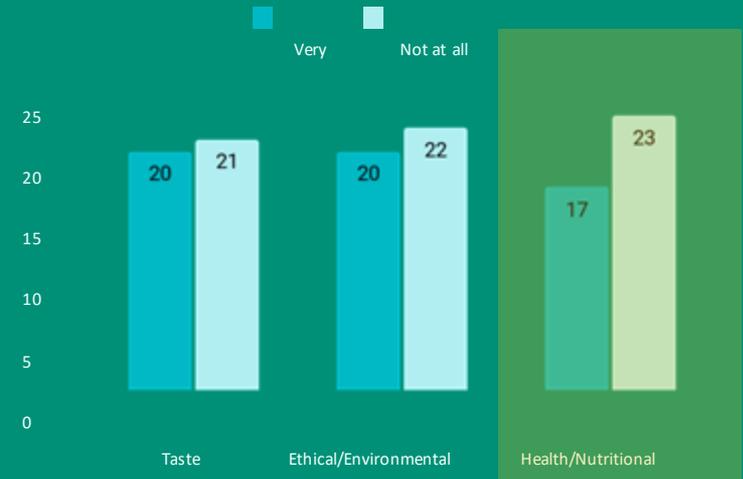
People are less concerned with compromising on the health of dairy products when trading down

People understand the nutritional value of dairy products regardless of cost, and therefore are less likely to worry about how healthy a low cost dairy product is, but they might still be looking for a sense of indulgence, even when trading down.

Branded products can demonstrate indulgence as people care less about health when trading down.



% of consumers 'very concerned' or 'not at all concerned' when buying low cost dairy products



Local is just about holding momentum.

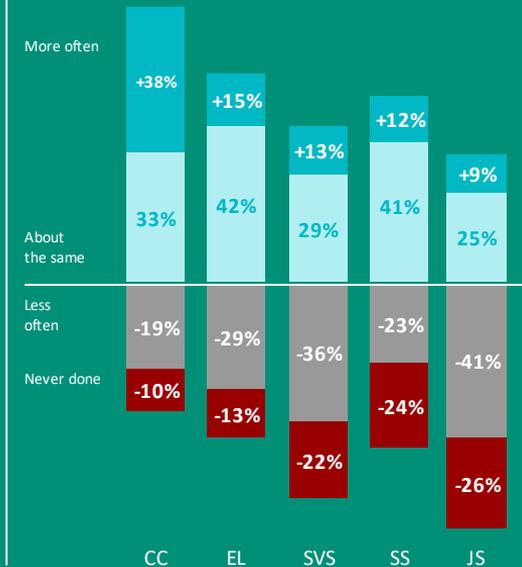
38% of Carefree Consumers are buying locally-made products more in recent months, while Sensible Spenders and Easy Lifers are maintaining the same levels at around 40%. Just Surviving and Savvy Shoppers are decreasing, but this wasn't a prevalent behaviour in the first place (26% and 22% had never bought local).

59% of Irish consumers are buying/consuming locally made foods the same or more in recent months

% of consumers "buying/consuming locally made foods" more or less in recent months

Net % Increase
Global avg.

-16pts



Although buying locally sourced food is often associated with higher quality and sustainability, tighter budgets and higher prices mean it can't be a priority for everyone.

Mostly, people are buying less locally-made because of price increases (42%) and smaller budgets (40%). This is especially true for UK and Irish consumers and for Just Surviving and Savvy Shoppers (who weren't buying much local to begin with).

Ranking of priorities when choosing food to buy in recent months

	Wave 1	Wave 2	Wave 3
Its country of origin	7th	16th	16th
That it is traceable; I know where it comes from	13th	9th	13th
That it is local	15th	9th	12th
		9th	13th

Top 3 reasons for "buying/consuming locally made foods" less

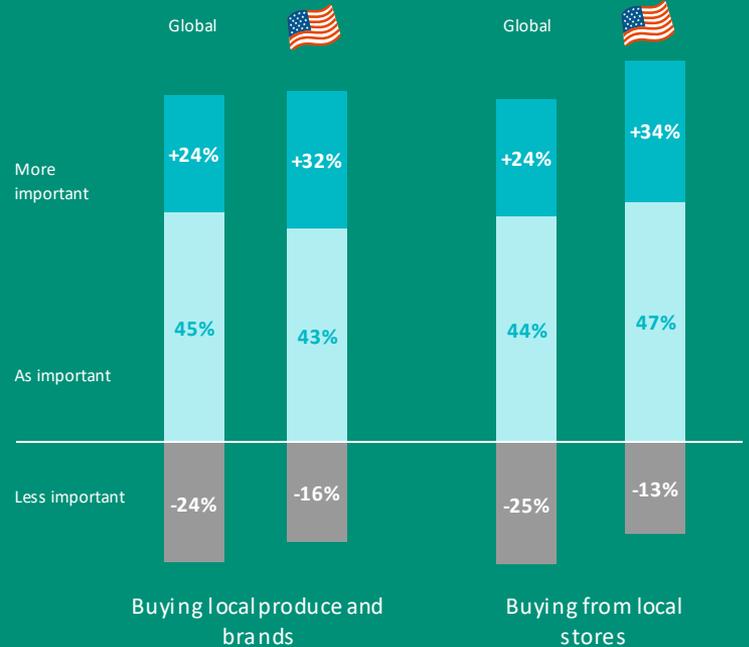


The fact that it's less of a priority doesn't necessarily mean that it's less important to people, especially in the USA.

43% of people consider 'buying local produce and brands' just as important, 24% feel it is more important, 24% feel it is less important. Americans are big proponents of local - 32% say it is gaining in importance, and only 16% say it is less important. Similar scores are seen for 'buying from local stores' too.

67% of Irish consumers say buying local made produce and brands is the same or more important in recent months (-16% W2)

Importance of "local" in grocery shopping.



What's working for brands?

Own label demonstrating consumers don't have to compromise



Waitrose: 'Food to feel good about'

Through their '[Food to Feel Good About](#)' campaign, Waitrose are looking to reassure people that their money is going towards not only good quality products but also products that are reasonably valued and that are making a positive difference. The campaign shines a light on food production methods, highlighting how 'essential foods' do not have to compromise on taste and quality (through ethical messaging).

65%

Of Britons were willing to pay more for locally grown fruit and vegetables

Source: [Food Manufacturer](#)

66%

of people said they felt very or somewhat positive about British agriculture

Source: [Agriculture and Horticulture Development Board](#)

What's working for brands?



CASE STUDY

Heritage Brands are embracing boldness in their visual identities

Tabasco's bold new look

Brands are beginning to adapt new identities, combining familiar elements with bold new colours. Tabasco, for example, revealed a new identity that was bold and vibrant in colour, but maintained the same shape of bottle and its diamond label, in a similar approach to redesign adopted by German-biscuit brand Leibniz. By taking recognisable features and giving them a modern day spin, brands are not only ensuring a sense of continuity between the old and new but are boosting their ability to stand out on the shelf as the appeal of cheaper own label beckons.



What does this mean?

- As people explore cheaper alternatives to their usual products there are elements of 'quality' they are not willing to compromise on
- 'Taste' is key across the 'core' categories we asked about - this is an aspect of quality that consumers are nervous about compromising on
- Ethics and Local matter more to those who are more financially comfortable right now and in categories like meat/seafood
- Whilst people are generally prioritising their health as usual, when it comes to trading down to cheaper alternatives it isn't as top of mind



What is the challenge / opportunity for brands?

- People have different levels of compromise in different categories:
- In categories such as bakery and dairy people are less concerned about compromises generally, brands are probably best placed here to dial up messages around indulgence, versatility of use and offer genuine great value
- In seafood and meat, they are more anxious about taste and ethics so brands need to defend their position against own label by talking about these qualities in their messaging



The Strategy: Stop the Switch

- *Get people thinking about the compromise on quality they are making when trading down*
- ❑ How might meat and seafood brands focus their communications on superior taste and ethics?
- ❑ How might these brands demonstrate taste and ethics on pack?
- ❑ In bakery and dairy, how might brands win over consumers with new news and innovations in order to shake up their own label happiness and convince consumers they are getting bang for their buck?

Summary

5 Strategic Challenges for Food and Drink Brands in 2023

01

Cut-through the chaos

Food shoppers are browsing more to get the best deal (particularly in-store) and shopping around at more stores including discounters.

Brands have to work harder to stand out and be top of mind.

Demonstrate that you are essential by delivering on consistent and familiar brand messages as well as elevating where your brand can stand out, and not blend in.

02

Make at-home cooking social

Food is still important social glue, but people are having to cut down on out-of-home eating occasions, instead bringing their social food occasions into the home.

Brands need to show that scratch-cooking has greater social value now. People want to recreate the specialness of going out or the indulgence of take away at home.

03

Hero versatility

People are looking for the food they buy to go further, maximising their options from essential products –especially when it comes to baked goods, meat and seafood.

Brands need to demonstrate that their products are more than one cook wonders, reassuring shoppers that their products have a shelf life and 'cook life' beyond what is expected.

04

Sustainability that saves money

People still want to maintain a level of sustainable behaviour, but ones that don't cost them more to do. People are becoming interested in sustainable food ideas that can save them money.

People will be responding to sustainable messaging that looks to benefit them personally (such as smart ways to use leftovers or ideas for batch-cooking), rather than ideas that drive up the premium of buying sustainably.

05

Stop the Switch

People are exploring lower cost options of the food they normally buy, especially when it comes to regular and value own label.

In order to stop the switch, brands should focus on taste as a sign of brand quality in all core categories; indulgence in dairy and baked goods; and health as much as taste in ready meals.

Thank you.

BORD BIA 
Thinking
House

