

Understanding your Consumer



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Growing the success of Irish food & horticulture

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What I'd like to cover...

- ✧ Consumer sentiment today
- ✧ The Consumer Lifestyle Trends

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Volatility & Muddle : the new status quo

Euro zone debt crisis



Downgrading of credit ratings



Emerging markets overheating?



Erratic food and commodity prices



Political unrest and regime change



Natural disasters, extreme weather



Terror attacks (or fear of)



Confidence crisis in the west



Consumers are more wary and vigilant

People are finding new strategies to cope with the pressures



**The effects of
the recession**



**The opportunity for
brands and companies**

Adjusting to uncertainty has also brought some unexpected positive shifts



Unexpected positive shifts



Budgeting well has become more important to consumers



They are eating out less, cooking from scratch more, experimenting more



Unexpected health benefits

Unexpected positive shifts



Need to scale back



Realising what's important



Positive lifestyle choices

Budgeting well has become more important to consumers



They are eating out less, cooking from scratch more, experimenting more



Unexpected health benefits

Consumers are reprioritising the things that are important and necessary



They are staying at home more, travelling less and shopping less



More time to connect and less pressure to keep up

Consumers are becoming more self reliant



They are learning new skills, joining networks, getting support, etc.



Renewed focus on goals, rediscovering interests / passions

Food is one of the core elements that underpins these positive shifts in lifestyle

Budgeting



Rethinking food budgets has become a helpful way for consumers to save money more generally

Connection



Food provides a connection between family members and friends

Purpose



Food has given some consumers a new sense of purpose

Health



Food offers consumers more control over their health

What I'd like to cover...

- ✧ Consumer sentiment today
- ✧ The Consumer Lifestyle Trends

Why trends?



To help organisations make sense of change

Why trends?



An inspiration for new ideas and a spur for innovation

Why trends?



More...

Outward looking

Forward looking

Consumer focussed

How we identify and understand trends

An understanding of the macro forces shaping the lives of consumers such as social, technological, economic, environmental and political factors

Top Down
Can we identify substantial Drivers behind this trend that suggest it will continue?

How we identify and understand trends

An understanding of the macro forces shaping the lives of consumers such as social, technological, economic, environmental and political factors

Top Down

Can we identify substantial Drivers behind this trend that suggest it will continue?

Global Streetscaping network: independent, discerning, culturally connected individuals who are spread throughout 40 countries and 60 cities covering every continent of the world

Can we see evidence of this trend at work in brand or human behaviour or attitudes?

Bottom Up

How we identify and understand trends

An understanding of the macro forces shaping the lives of consumers such as social, technological, economic, environmental and political factors

Empirical evidence from a range of sources, including Global MONITOR, a quantitative study covering 21 markets and surveying 28,000 respondents

Qualitative depth interviews in Ireland and GB

Global Streetscaping network: independent, discerning, culturally connected individuals who are spread throughout 40 countries and 60 cities covering every continent of the world

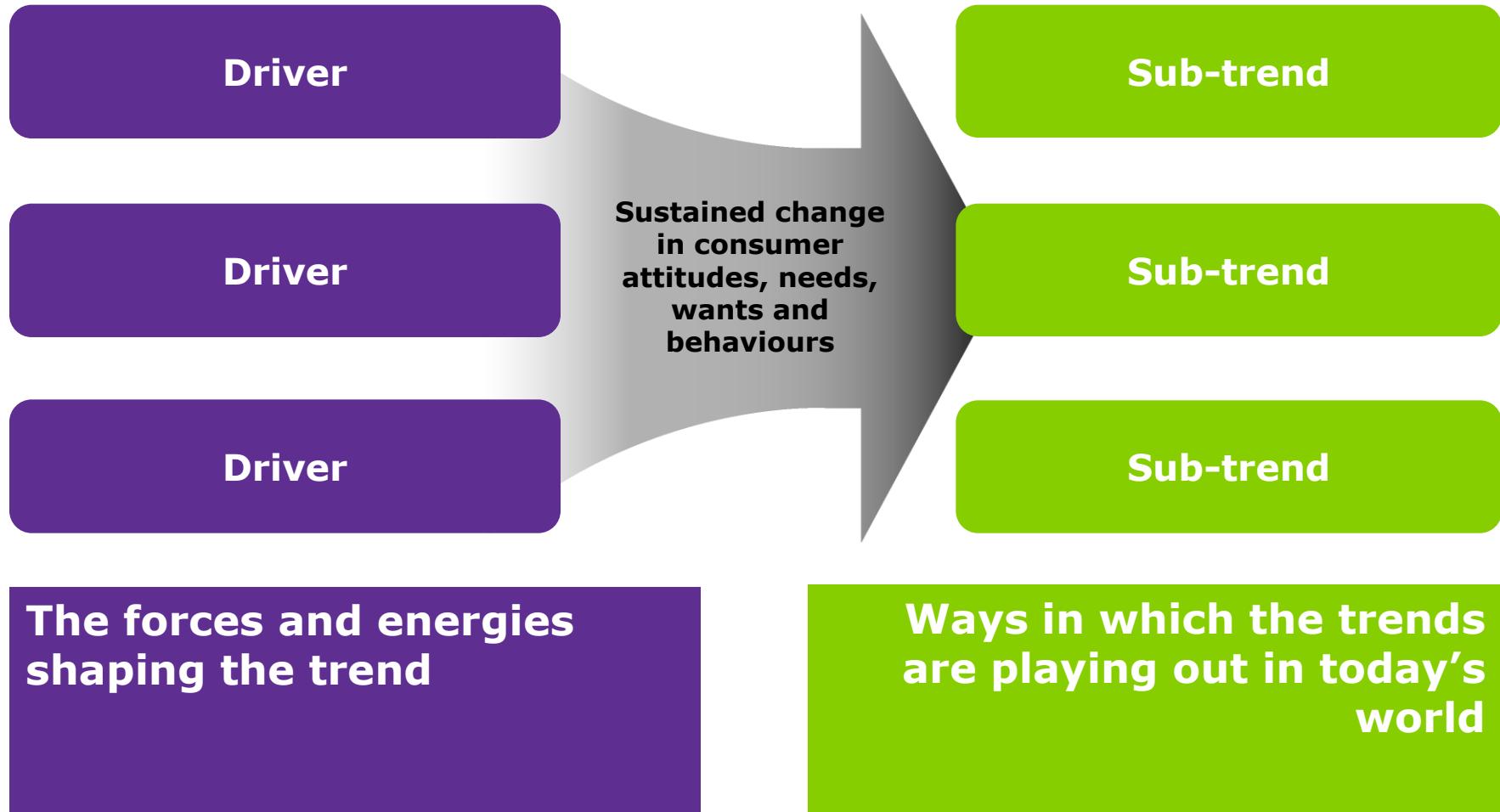
Top Down
Can we identify substantial Drivers behind this trend that suggest it will continue?

TREND

Validated through research

Can we see evidence of this trend at work in brand or human behaviour or attitudes?
Bottom Up

Detailing a trend



The Consumer Lifestyle Trends



Fluid lives



Simple pleasures



Responsible living

“I want to manage my busy life and make sure that I am at my best for whatever the day presents”



Quest for health and wellness

“I want to get more enjoyment from the simple things in life; to have experiences that add more fun and meaning”



Consumers in control

“I am mindful that I need to live more responsibly; I want to make better choices that make a difference without having to compromise”



Keeping it real

“I want a balanced approach to health and wellness, to have greater control through the choices I can make”

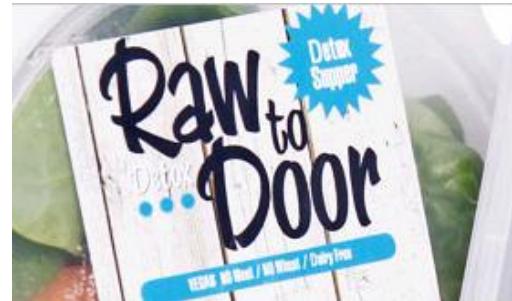
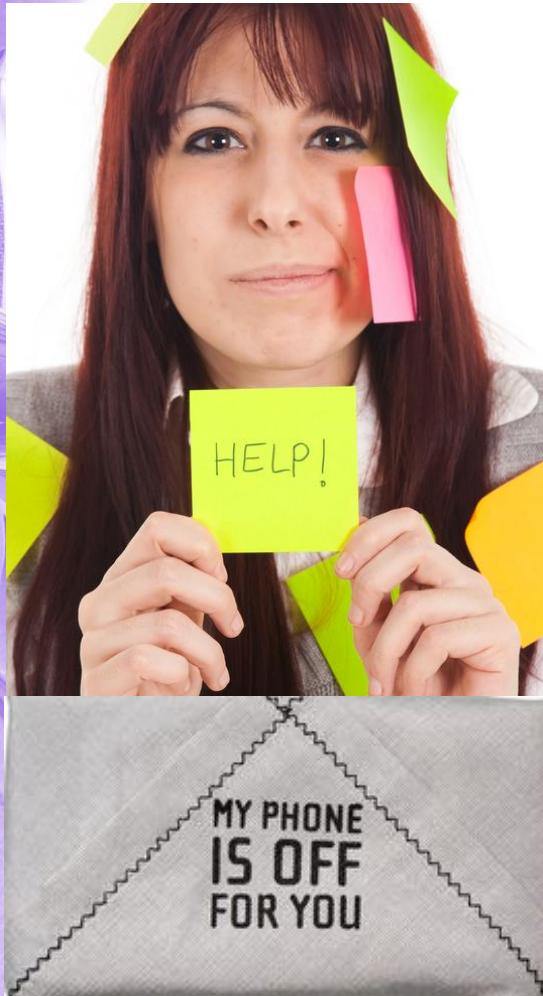
“I like to pursue better value, to help maintain my lifestyle and to get the most from the money I have”

“I am looking for products and brands that are real, authentic and honest, because I know I can trust what's in them and where they come from”



Fluid lives

"I want to stay in control of my busy life and make sure that I am at my best for whatever the day presents"



From struggling to keep up to managing energy to get the most from the day



Fluid lives



Home cooking:
quickly and
conveniently.



Globally, sales of healthy snacks are forecast to rise by more than a fifth by 2014.¹



New satiety product launches increased 40% in Europe from 2010 to 2011.

Fluid lives

Drivers

Proliferation of new media and telecommunications technology and devices

Changing working patterns

Increasing mobility

Continuing economic uncertainty

Sub-trends

Simple by design

Solutions that reduce complexity and save time

Guided choice

Ways to make good choices more quickly and easily

Conveniently there

Improved convenience and portability

Peak performance

Managing your physical and mental performance during the day

Winding down

Slowing down and escaping to recharge the body and mind



Fluid lives

Simple by design

Solutions that reduce complexity and save time

FROM

Marinated meat portions, Australia



Marinated Pouch Packs.

Some for now,
some for later

Pre-steamed vegetables, Brazil



Innovative cookware, Spain



TOWARD



Fluid lives

Guided choice

Ways to make good choices more quickly and easily

FROM

Barcode scanning apps, Germany



Supermarket organised by meal, France



Vending machine tells you the best drink is for you, Japan



TOWARD



Fluid lives

Conveniently there

Improved convenience and portability

FROM

Vending machine for freshly-baked baguettes, France



Detox meals delivered to your door, GB



Pop up café takes orders via mobile, Ireland



TOWARD



Fluid lives

Peak performance

Managing physical and mental performance during the day

FROM

Energy drink for different times of day, US



Inhalable energy shot delivers, US



Protein drink for slow release drink, Japan





Fluid lives

Winding down

**Slowing down and
escaping to recharge
the body and mind**

FROM

Sleep concerts, Japan



*Mobile signal
blocking
handkerchief, USA*



*Relaxation and
recharge drink,
Germany*



TOWARD



POINTS TO PONDER

Consumer

- How might improvements to on-pack information help people to make purchase decisions more easily?
- What ingredients can be added to make meals that improve mood or recharging the mind?
- How can you offer more sophisticated energy benefits in your products?

Simple pleasures



“I want to get more enjoyment from the simple things in life; to have experiences that add more fun and meaning”



onefeat

PLAY LIFE. LEVEL UP

onefeat GAME

COMETE MISSIONS

UPLOADING PICTURES

STOP

BE SOCIAL

TOUCH SCREEN TO BEGIN

I will be a penfriend

WSPA

I will draw you adorable stuff

I'm from TECH SUPPORT

I will help you fix your computer

BRAND

I will edit any paper

United Way



From living life to the maximum to focusing on re-connecting with others and enjoys life's simple pleasures



A new mindset of enjoying what we have and finding great pleasure in simple things is emerging



Food remains one of life's simplest, accessible and sociable pleasures



Simple pleasures

Drivers

Growing knowledge of the world's opportunities

Changing working patterns

Alternative measure of success

Continuing economic uncertainty

Sub-trends

Fun and Play

Enjoyment through play and novelty

Co-creation

The enjoyment and fun of being part of the creative process

Enhanced sensations

Desire for intensified sensory experiences

Seeking connections

Making, maintaining or deepening connections with others

Rich rewards

Indulgent experiences that offer respite and reward

Passion and purpose

Experiences that introduce new meaning, purpose and goals in life

Fun and Play



Enjoyment through fun and play

FROM

Rowntree's Randoms encourages a more random, fun life, GB



Frozen yogurt brand Yogoberry organises free water balloon fight, US



Juice drinks double up as building blocks, Mexico



TOWARD

Co-creation



The enjoyment and fun of being part of the creative process

FROM

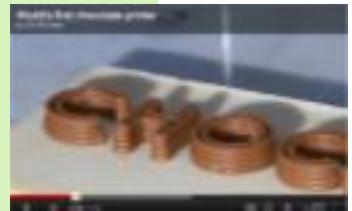
Walkers' Do Us A Flavour campaign saw the general public voting for a flavour, GB



Coca Cola uses user generated content to bring to life its brand promise, US



Chocolate 3D printer paves the way for new generation of co-creation, GB



TOWARD

Enhanced Sensations



Desire for intensified sensory experiences

FROM

Palate-altering berry changes perceptions of tastes, US



'Alchemical larder' taste-enhancers to stimulate the senses, GB & US



Augmented reality technology to taste and hear fireworks as you eat candy, Japan



TOWARD

Seeking Connections



**Making, maintaining
or deepening
connections with
others**

FROM

Rise of Supper Clubs, Global



*Singles meet up where
people cook a meal with
their combined
leftovers, Sweden*



*Pepsi Social Vending
System lets users
buy drinks for a
friend remotely, US*



TOWARD



Rich Rewards

**Indulgent experiences
that offer respite and
reward**

FROM

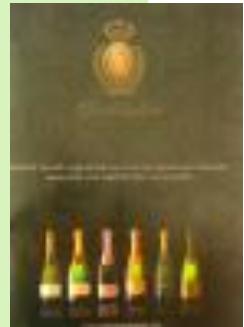
*Cupcakes delivered to your
home for an indulgence you
can share, GB*



*Selling peace
and quiet in a
busy city, Russia*



*Graham Beck wines
are the little reward
that everyone should
give themselves,
South Africa*



TOWARD

Passion and Purpose



Experiences that introduce new meaning, purpose and goals in life

FROM

Piggymojo mobile savings tool provides positive feedback when progress is made, US

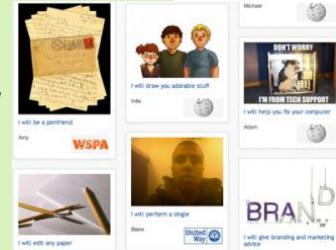


Learn about what you love in 21 days with daily lessons to your inbox, GB

 **letterclass.**

Share your knowledge with others.

Online marketplace for \$5 tasks, where proceeds get donated to charity, Canada



POINTS TO PONDER



Consumer

- Can you encourage people to be more involved in the design or production process around your products or brands?
- How can you address people's rising expectations around the multi-sensorial experiences products deliver?
- Can you encourage people to strive for new passions or achievements in their life?

Responsible living



"I am mindful that I need to live more responsibly; I want to make better choices that make a difference without having to compromise"



Responsible living

Drivers

Continuing economic uncertainty

Growing awareness of environmental and social issues

Growing impact of resource shortages

Declining trust in governments and big business

Sub-trends

Conserving resources

Living in a world where resources are increasingly in short supply

War on waste

Reducing the wasteful results of consumption

Climate conscious

Protecting the world's environment and biodiversity

Good causes

Supporting a worthy cause through purchase choices

Fair treatment

Treating animals and people fairly in the production process

Conserving resources



**Living in a world
where resources
are increasingly in
short supply**

FROM

*Waitrose delivers orders by
bike, GB*



*Danone Brazil's 100%
renewable plastic
packaging is made from
local sugar cane, Brazil*



*New farming method
uses a tenth of the
amount of water to
grow crops, Dubai*



TOWARD

War on waste



Reducing the wasteful results of consumption

FROM

Mos Burger recycles used oil and food rubbish into plant food, Japan



Traffic-light style food label indicates freshness more efficiently than use by dates, helping reduce food waste, UK



Smart fridge keeps food fresh longer and tells consumers which items are about to go off, South Korea



TOWARD

Climate conscious



Protecting the world's environment and biodiversity

FROM

Carbon neutral beer, UK



Smart phone app connects consumers to local farms and markets in their area, USA



Juice company reconverts its fruit waste into organic fertiliser for its own crops, Australia



TOWARD

Good causes



Supporting a worthy cause through purchase choices

FROM

Waitrose give the customer the choice of local causes to support, GB



Japan promotes the localisation of agriculture in its national school feeding programme, Japan



SAB Miller's cassava beer integrates the produce of local subsistence farmers into its supply chain, Mozambique



TOWARD

Fair treatment



**Treating animals
and people fairly in
the production
process**

FROM

*McDonald's, now the
biggest coffee seller in the
UK, uses Rainforest
Alliance certified coffee,
Global*



*Clothing company
works only with
designers who use no
animal materials and
fair labour practices,
Belgium*



*Walmart announces
plans to offer 500
fairtrade products in
its stores by 2016,
Global*



TOWARD

POINTS TO PONDER



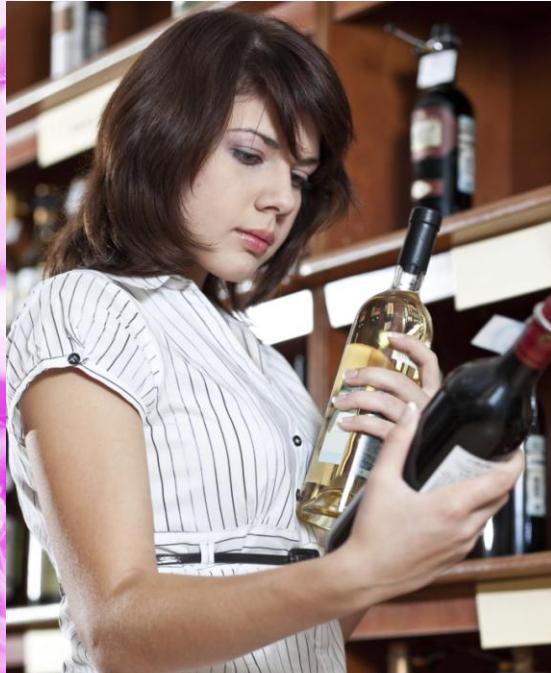
Consumer

- How could you encourage or facilitate people to use less resources in their everyday lives?
- How could you help people to reduce the amount of waste they create?
- Could you make it easier for people to understand the carbon and climate impact of your products?
- What local causes could your brands support?

Consumers in control



"I like to pursue better value, to help maintain my lifestyle and to get the most from the money I have"



Consumers in control

Drivers

Proliferation of new media and telecommunications technology and devices

Increasing availability of information

Continuing economic uncertainty

Growing market competition and choice

Sub-trends

Redefining value

The deepening desire for good value beyond price alone

Tangible benefits

Focusing on proof of real tangible benefits and established quality

Exclusive choices

The demand for exclusivity and rarity

Counselled consumption

The rise of specialist advisers and peer reviews for all consumption matters

Expert status

Growth in pursuit of knowledge and discernment for identity and status

POINTS TO PONDER



Consumer

- How can you be more transparent about the costs that make up the price of your products to demonstrate value to consumers?
- Can you communicate the tangible benefits your products deliver to people?
- Do you have a clear understanding of who your consumers go to and rely on for purchasing guidance and advice?

Quest for health and wellness



"I want a balanced approach to health and wellness, to have greater control through the choices I make"



Quest for health and wellness

Drivers

Increasing availability of health information

Scientific advances

Growing pressure on health care resources

Increasing life expectancy

Rising prevalence of lifestyle diseases

Sub-trends

Proactive prevention

Proactively defending the body against future disease and illness through healthier choices

Finding balance

Looking for emotional and mental balance via nutrition and lifestyle

Image control

Managing weight and external appearance

Good start

Ensuring children get the best start in life

Coping strategies

Using or excluding products in response to modern-day ailments

Naturally good

Searching for the best from nature to improve health



Proactive prevention



Quest for health
and wellness

**Proactively defending
the body against
future disease and
illness through
healthier choices**

FROM

Antioxidant enriched
coffee allows people to
boost their body's
defenses, Thailand



*Drinks with added lutein
for improving and
safeguarding long term
macular health, Japan*



*Alzheimer's drink
prevents memory
loss through
nutrients, US*



TOWARD

Finding balance



Quest for health
and wellness

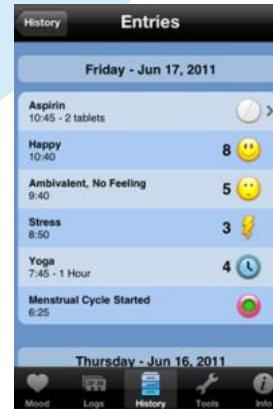
**Looking for
emotional and
mental balance via
nutrition and
lifestyle**

FROM

*Delo bottle caps
dispenses vitamins into
water, France*



*Mood tracking apps
monitor emotional
wellbeing throughout the
day, Global*



*Coffee brand serves
up free drinks and
experiences in "feel
good" café, Canada*

Image control



Quest for health
and wellness

Managing weight and external appearance

FROM

*Beauty drinks help
manage weight
through fat burning,
detoxing or killing
cravings, US*



*Lato G's ice cream
promotes tanning with
added Vitamin A, Italy*



*Swallowable
perfume emits
fragrance from the
skin, The
Netherlands*



TOWARD

Good start



Quest for health
and wellness

Ensuring children
get the best start
in life

FROM

Subscription
service offers
local organic
baby food, US



Food education
classes for kids,
Japan



Nestlé's range of
probiotics for kids,
US



TOWARD

Coping strategies



Quest for health
and wellness

Using or excluding products in response to modern-day ailments

FROM

Dogfish Head
Craft Brewery's
strawberry
flavoured gluten
free beer, Global



Allergy testing kits
ensure that food is
suitable for those
with intolerances,
Global



Tailor-made food to
help you cope with
your environment,
Japan



Naturally good



Quest for health
and wellness

Searching for the
best from nature to
improve health

FROM

Chia seed juice
delivers a
natural source
of energy, US



Restaurant based on
prehistoric diet uses
organic, unprocessed
foods, Germany



Seaweed sprinkles
naturally packed with a
essential vitamins and
minerals, US



TOWARD

POINTS TO PONDER



Quest for health
and wellness

Consumer

- How might your products offer preventative health benefits as part of everyday meals?
- What benefits could you offer to help people maintain emotional wellbeing?
- Are there ways you could provide a food or drink solution to an aspect of beauty and personal care not normally managed orally?
- What are the issues of most concern to parents when it comes to child nutrition?

Keeping it real

"I am looking for products and brands that are real, authentic and honest, because I know I can trust what's in them and where they come from"



Die Schweine und ihre Wurst
Auf das Schwein der Wahl klicken, um zu seiner Wurst zu gelangen.

Name: Schwein 1 (ausverk.)
Gewicht: 123kg
Geboren: 24.3.2011
Geschlachtet: 18.11.2011

Name: Schwein 2 (ausverk.)
Gewicht: 113 kg
Geboren: April 2011
Geschlachtet: 08.02.2012

Name: Schwein 3 (ausverk.)
Gewicht: ca. 130kg
Geboren: April 2011
Schlachtung: 24.02.2012

KOVAL
ORGANIC RYE CHICAGO GRAIN SPIRITS DISTILLED FROM RYE

KOVAL
ORGANIC RAKSI MILLET GRAIN SPIRITS DISTILLED FROM MILLET

KOVAL
ORGANIC MIDWEST WHEAT GRAIN SPIRITS DISTILLED FROM WHEAT

KOVAL
ORGANIC LEVANT SPelt GRAIN SPIRITS DISTILLED FROM SPelt

A man and a woman standing behind a counter in a deli, smiling at the camera. The counter is filled with various deli items and a display case.



Keeping it real

Drivers

Declining trust in governments and big business

Continuing economic uncertainty

Resurgence of localism

Rising consumer curiosity and desire for transparency

Sub-trends

Back to basics:

Adopting traditional approaches and skills to meet today's needs

Celebrating tradition:

Taking the best of tradition and heritage to meet modern tastes

Craftsmanship:

Rising interest in the people and artisan skills behind products

Behind the scenes:

Transparency as a mark of quality and trust

Passion for place:

Growing interest in origin as a mark of quality and authenticity

Embracing the seasons:

Growing interest in consuming seasonal produce

Back to basics



Adopting traditional approaches and skills to meet today's needs

FROM

My Farm offers home self-sufficiency through outsourced vegetable growing in the garden, US



App finds a recipe for the ingredients you already have, Spain



Waitrose adds offal to its 'Forgotten Cuts' range of meats as a flavourful and affordable staple from the past, GB



TOWARD

Celebrating tradition



Taking the best of tradition and heritage to meet modern tastes

FROM

M&S celebrated its 125 year anniversary with the Penny Bazaar, where people pick up products for just 1p, GB



100 year old Polish classic Knishes reinvented into hip street food, US



Morro Fi bar revives the tradition of the pre-dinner vermouth, Spain



TOWARD

Craftsmanship



Rising interest in the people and artisan skills behind products

FROM

Golden Hook allows you to choose the knitwear design and the granny to knit it, France



'Crazy Gang' winemakers call for a return to quality and craftsmanship in winemaking, Spain



Pop-up workshop transports Gucci's craftsman from the factory to a Gucci store, Global



TOWARD

Behind the scenes



Transparency as a mark of quality and trust

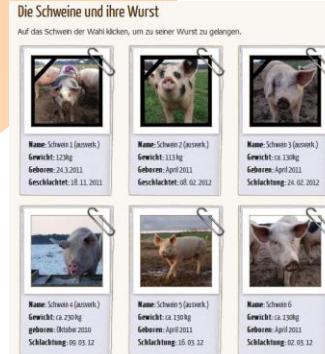
FROM

*Via webcams,
consumers can
watch the
vegetables grow
on the Harrods
Allotment in real
time, GB*



*Each pig has a
face, for quality
and to
encourage less
meat
consumption
Germany*

Chicago's first boutique distillery since the days of prohibition, produces handcrafted spirits from scratch, US



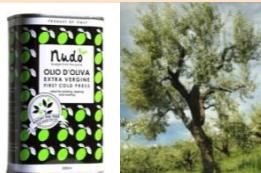
Passion for place



Growing interest in origin as a mark of quality and authenticity

FROM

Nudo allow you to adopt an olive tree in Italy and secure your year's supply, GB



Bar only sells sandwiches filled with protected designation of origin products, Spain



Piacentinu Ennese cheese is 1000th product to receive EU DOP protection for unique origin and attributes, Italy



TOWARD

Embracing the seasons



Growing interest in consuming seasonal produce

FROM

Burgerville fast food chain sources only seasonal produce for its restaurants, US



Fresh & Easy's "Farm to Store in 24" programme teams up with local farmers to bring their fresh seasonal produce into the stores, US



TOWARD

Zac & Jac's Kitchen Produce uses only the best of locally produced, seasonal ingredients, Australia



Consumer

- How can you tap into the growing consumer desire to make things from scratch?
- What traditional ingredients or processes can you revive to give a sense of authenticity to your brands?
- What could you do to highlight ingredients in your products which are particular to certain regions of your country?
- How might you better use seasonal ingredients in your products?

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Thank you

Growing the success of Irish food & horticulture

Bord Bia
Irish Food Board