

Market Intelligence Digest

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Highlights

- This issue focuses on how consumers will be more meticulous on the quality of their purchases.
- The key opportunities for Quality Redefined are “Find new advantages in at-home living”, “Revive and reinvigorate old priorities”, and “Invest in a seamless and equitable future.”
- Now that more consumers are working from home and prefer to stay at home, brands and retailers will be challenged on how they can improve their products and services that are budget-friendly, healthier, and more convenient

2021 Global Food & Drink Trends (Part 2)



Photo by Marcus Aurelius from Pexels

Quality Redefined

When it comes to value, pandemic-shocked consumers are seeking a return to what is essential, notes the 2021 Global Consumer Trend Priority Shift. Consumers are now focused on minimal consumption and getting the best returns from their purchases.

As markets reopen from COVID-19 restrictions, the pace of life will get busier – requiring more convenience options. Consumers will expect time-saving, hygienic, and adventurous convenience food, drink, and foodservice.

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In the next few years, brands will also be challenged to respond to new definitions of quality and ensure ecommerce is accessible to shoppers of all socioeconomic levels.

The focus on getting the best value for one's money will motivate brands to be more transparent about product price by providing details about the ingredients, processes, and people that are reflected in a product's price.

Three key opportunities for Quality Redefined

Find new advantages in at-home living

Many people will continue to work, relax, and entertain at home in the next 12 months. Brands and retailers can shake up home routines with budget-friendly inspiration and adventurous flavors. A range of solutions will be needed to help offset indulgence with health, while fulfilling the dueling needs of time-savings and creativity.

Revive and reinvigorate old priorities

As markets recover, consumers will demand responsible business practices and experiential stores that incorporate lessons from the

pandemic. Consumers will expect community to be a focal point for corporate social responsibility (CSR). The pandemic will also leave a lasting legacy for safety and hygiene at retail and foodservice.

Invest in a seamless and equitable future

Advancements in technology will drive the global expansion of seamless online and offline retail and transparent reporting of product prices. Meanwhile, future-focused companies will fuel equitable access to healthy food by expanding the global availability of affordable sustainable nutrition and investing in high-tech agriculture.

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What's happening now: deliver flavor and quality regardless of budget

Consumers will look for foodservice-inspired options for quick meals as well as approachable upscale

solutions for special "hometainment" occasions.

Affordable chef's meal

Seven & i Premium Souplless Spicy Noodles

Made under the supervision of Makoto Shirane, the head chef of popular Tokyo noodle restaurant Moko Tanmen Nakamoto. This product costs ¥321 (US\$3) per pack (Japan).



Quality at a budget-friendly price

White & Blue Classic Whisky

Claims to derive its luxurious expression of style and smoothness from the malt and oak barrels that deliver a highly unique experience with velvety smooth and rich texture for INR810 (US\$11) (India).

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Bring world flavors home

Atlas Masterclass

A delivery service that allows people to "travel the world from home" through weekly destination-themed meal kits (AU\$79-\$149/US\$57-\$108). Kits come with video tutorials from Chef Charlie Carrington (Australia).



What's next: consumers' ethical expectations will fuel 'value with values'

People tend to focus on their own needs during recessions, but COVID-19 has also exposed the need to support fellow humans. Brands and retailers have an opportunity to launch appropriately priced products with ethical or environmental claims, or "value with values" products.

One important commitment will be to create affordable nutrition products that expand access to healthy food.

"Value with values" also allows for moderate price increases if they are accompanied by explanations of how price relates to quality, safety, or corporate social responsibility (CSR). Brands, retailers, and foodservice operations can follow the model of French brand C'est qui le patron?!, which gives consumers input into product characteristics and price. Its milk costs an extra €0.30 for French origin, farmer welfare, and other claims.

Next: evolve contactless expectations at retail to include experiential services

Among the lasting lessons from COVID-19 will be a universal expectation for hygiene

and safety, especially at retail and foodservice.

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Next: evolve contactless expectations at retail to include experiential services

Consumers will want contactless innovations, including hands-free smart shopping trolleys and packaging that limits direct contact with hands during consumption.



7Fresh offers hands-free smart cart (China)

As markets recover, consumers will be open to experiential convenience in the form of online or offline grocery shopping that informs and entertains consumers.



Chocolate brand Dengo launched a live stream store project (Brazil)

Future forecast: invest in seamless retail and equitable access to healthy food

Frictionless shopping and transparent pricing

Retailers around the world will take inspiration from China's popular frictionless "new retail" formats.

Store designs will reflect retailers such as Hema that engage in-person

shoppers with fresh food while also efficiently servicing online orders.

In addition, expanded use of blockchain and other tracking technologies will allow brands to actually show consumers the various elements that make up the price of a product via data, photos, or videos.

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Lower price barriers and expand fresh food's reach

Future-focused companies will help expand the global availability of affordable sustainable nutrition products.

Emerging markets will see more innovations such as Nestlé's Cerevita Instant Porridge that is available in Southeast Africa.

The porridge is made with wholegrain cereals and fortified with key nutrients.

Vertical farms and other new forms of agriculture will also be used to expand access to fresh food, as predicted by the 2030 Food & Drink Trend High-Tech Harvests.

The opportunities to take now and into the future (Quality Redefined)

Now

Promote affordable and adventurous products and easy shopping options for cash-strapped and time-pressed consumers.

Next

Design products and retail solutions to be safe and hygienic. Launch appropriately priced products with ethical or

environmental claims, or "value with values" products

Future

Invest in technology that enhances seamless shopping, allows for transparency in production and pricing, and expands affordable, sustainable nutrition products.



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