Consumer insights

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Special thanks to nielsen

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Consumer insights

• The economic downturn
• Grocery issues
• Consumer issues?
Consumer confidence index

Source: Nielsen Global Online Surveys to June 2010
The 100 club…

- India: 129
- Indonesia: 119
- Vietnam: 119
- Philippines: 113
- Norway: 113
- Singapore: 112
- China: 109
- Australia: 108
- Brazil: 107
- Colombia: 105
- Canada: 102
- Hong Kong: 101
- UAE: 101

Source: Nielsen Global Online Surveys to June 2010
The economy: 32%
Job security: 20%
Health: 20%
Work/life balance: 19%
Increasing food prices: 15%
Childrens: 14%
Increasing utility bills: 14%
Debt: 11%
Parents: 8%
Increasing fuel prices: 8%
Political stability: 7%
Global warming: 6%
No concerns: 3%

Source: Nielsen Global online survey: June 2010
Global average
Once you have covered your essential living expenses, which of the following statements best describes what you do with your spare cash: I spend on:

- New technology
- New clothes
- Out of home entertainment
- Home improvements
- Holidays

Discretionary spending: EU Big 5 averages
Compared to this time last year, which of the following actions have you taken to save on household expenses?

- Spend less on new clothes: 41%
- Switch to cheaper grocery brands: 36%
- Out-of-home entertainment: 36%
- Try to save on gas and electricity: 33%
- Cut down on holidays/short breaks: 29%
- Delay upgrading technology: 25%
- Cut down on take-away meals: 25%
- Cut down on telephone expenses: 23%
- Delay major household items: 21%
- Cut out annual vacation: 21%
- Use my car less often: 21%
- At-home entertainment: 17%
- Look for better deals on finance: 13%
- Alcohol: 12%
- Smoking: 8%

Source: Nielsen Global Online Survey June 2010
Average of EU Big 5: ES, DE, GB, FR, IT
GDP per capita vs. Household spend on food

Sources: UN; International Labour Organization; allcountries.org; National Bureau Of Statistics of the The Peoples Republic Of China; swivel.com; World Resources Institute; International Finance Corporation
Global Population…

Billions of People

- 2.6 billion in 1960
- 6.8 billion in 1990
- 9.3 billion in 2020

Source: U.S. Census Bureau
Global middle class: in billion

Source: OECD
Asia-Pac: Where is fish mainly purchased?

Source: Nielsen ShopperTrends 2008

<table>
<thead>
<tr>
<th>Country</th>
<th>Do not buy category</th>
<th>Modern trade</th>
<th>Specialist/Wet market</th>
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<tbody>
<tr>
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<td>Korea</td>
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<td>67</td>
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</tbody>
</table>
Evolution of formats in Europe

Source: Nielsen
Europe: Where is fish mainly purchased?

Source: Nielsen ShopperTrends 2008
Private label share:
8 years, 7 countries, 2000 categories

Value

Volume

Source: Nielsen

Caution! 2009 = estimation from different data source
Private Label evolution: brand architecture

- Better for you
- Regular
- Basic

- Premium
- Better for the planet

Health & Wellness  Value for money  Responsible consumption
Budget Private label sub-brand growth

Source: Nielsen to 4 w/e 19/9/09
Consumer insights

• The economic downturn
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4 megatrends

- Health/Well-Being
- Ethical
- Indulgence/Pleasure
- Convenience/Practicality
Which of these products do you actively try to buy?

- Energy efficient: 37%
- Locally made: 33%
- Fairtrade: 28%
- Organic: 25%
- Ethically produced: 24%
- In recyclable packaging: 23%
- Farmer's Market: 21%
- Haven't travelled far to get to the store: 18%
- Little or no packaging: 17%

Source: Nielsen Global Online Survey
March 2010, 27665 consumers in 53 countries
On average, how often do you eat fish (including seafood)?

Source: Nielsen Global Online Survey April 2008
Occasions per week
Global average 1.6
Animal products per capita consumption

 FAOSTAT; FAO Statistics Division

*Includes Cephalopods; Crustaceans; Demersal fish; Freshwater fish; Large Pelagic fish; Marine fish, other; and Molluscs
US: Beef problems, poultry +200%; seafood gains
EU: More Beef problems (BSE, FMD); Seafood, Pig meat and Poultry gain
UN says eat less meat to curb global warming

- Climate expert urges radical shift in diet
- Industry unfairly targeted - farmers

Juliette Jowit, environment editor
The Observer, Sunday September 7 2008
Article history

A joint of beef. Photograph/Alamy

People should have one meat-free day a week if they want to make a personal and effective sacrifice that would help tackle climate change, the world's leading authority on global warming has told The Observer.
If cost wasn’t an issue would you eat much more fish?
I am concerned about...

- The global environment: 29% strongly agree, 51% agree.
- Climate change and global warming: 29% strongly agree, 47% agree.
- Overuse of global fish stocks: 17% strongly agree, 36% agree.

Source: Nielsen Global Online Survey, March 2009, 25420 consumers in 50 countries.
Who should assume responsibility for ensuring fish stocks are not overused?

- **Governments of countries**: 67%
- **The fishing industry**: 46%
- **Fish manufacturers/processors**: 28%
- **People who buy or eat fish**: 19%
- **Non-governmental organisations**: 18%
- **Retailers of fish products**: 16%

Source: Nielsen Global Online Survey
March 2009, 25420 consumers in 50 countries
I am concerned about overuse of global fish stocks

Eco labels have no influence on me

0% 10% 20% 30% 40% 50% 60%

Not very concerned
Don’t buy labels

Very concerned
Don’t buy labelled

Not very concerned
Buy sustainably labelled

Very concerned
Buy sustainably labelled

Source: Nielsen Global Online Survey 2009
What level of influence do product labels declaring that fish is sustainably sourced have on your purchasing decision?

Source: Nielsen Global online survey: 2009 Europe
Do you prefer wild captured or farmed fish on...?

Taste
- Strongly prefer wild: 23%
- Prefer wild captured: 28%
- No preference: 40%
- Prefer farmed: 6%
- Strongly prefer farmed: 2%

Nutritional content
- Strongly prefer wild: 21%
- Prefer wild captured: 26%
- No preference: 44%
- Prefer farmed: 7%
- Strongly prefer farmed: 3%

Freshness
- Strongly prefer wild: 21%
- Prefer wild captured: 23%
- No preference: 42%
- Prefer farmed: 10%
- Strongly prefer farmed: 3%

The environment
- Strongly prefer wild: 17%
- Prefer wild captured: 21%
- No preference: 41%
- Prefer farmed: 15%
- Strongly prefer farmed: 6%

Source: Nielsen Global Online Survey
March 2009, 25420 consumers in 50 countries
Define the problem…

Penetration?

Trial?

Frequency?

Repeat purchasing?

Distribution?

Competitor activity?

Insufficient brand equity?

Display?
What are the main reasons you don’t eat fish?

Global Average

- I don't like the taste: 33%
- I don't like the smell: 32%
- I don't like the bones: 21%
- It's too expensive: 17%
- I'm opposed to eating fish because of my personal beliefs: 15%
- I don't like the appearance (fins, scales, head): 14%
- I don't know how to cook it: 12%
- It's not easily available: 8%

Source: Nielsen Global Online Survey April 2008
Base: Respondents who “Rarely or Never” eat Fish
Closing thoughts

• Media doom and gloom not in the grocery data
• Downward price pressures: private label, promotions, discounters
• Focus on the consumer
• Compete on quality more than price!
• Premium opportunities exist:
  – NPD: organic?, GM?, cloning?
  – Sustainability: choice editing – trust in retailers
• Stay ahead of consumer sentiment and legislation

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Closing thought: Profits, people, planet...

“It is not your duty to finish the work, but neither are you free to neglect it.”

Source: Rabbi Tarfon, Pirke Avot, The Talmud

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