



Personal value seekers



“I’m willing to spend money on the things that are valuable to me, and am pursuing more creative ways of getting what I want”



Getting the best value for money remains a top priority for consumers, although what 'value' represents continues to evolve. Despite a more favourable economic outlook, people are still paying careful attention to how the monthly pay cheque gets used – they are ready to spend, but not on any old thing.

The post-recession consumer is more confident and assertive about where and when they want to spend - and save – their money. They are insisting on defining value on their own terms, rather than letting brands dictate what they should find valuable.

While 'value seeking' is a highly personal exercise, expectations of brands remain high across the board. Consumers still want exceptional functional performance from products and services, but are increasingly prioritising brands whose personalities and values align with their own – 'values' can be a new form of value.

To ensure they get maximum benefit for what they spend, consumers continue to reach out for advice and guidance at every step. Online networks for review and recommendation are ever more popular, and facilitating the emergence of new breed of consumer expert. These sources of information are considered to be increasingly credible, and are helping consumers achieve maximum value – as they define it.



Key take-aways



As value-conscious as ever, consumers are increasingly confident about defining value on their own terms. They decide when and where they want to spend and save, and what is valuable to them personally.



The bar for what represents value continues to rise. As well as refusing to compromise on functional performance, consumers look for brands whose values and personality align with their own.



Consumers increasingly look to each other, rather than traditional sources of expertise, for information. Facilitated by social media, a new breed of consumer expert has emerged. Brands need to get these increasingly credible authority figures on board, in order to win over their followers.



Overview of sub-trends



The sharing economy

The web enabling information sharing and new models of ownership

Personal values

Willingness to save and spend where it matters to you most

Redefining values

Rising expectations of added functional and emotional benefits

Exclusive choices

The demand for exclusivity and rarity

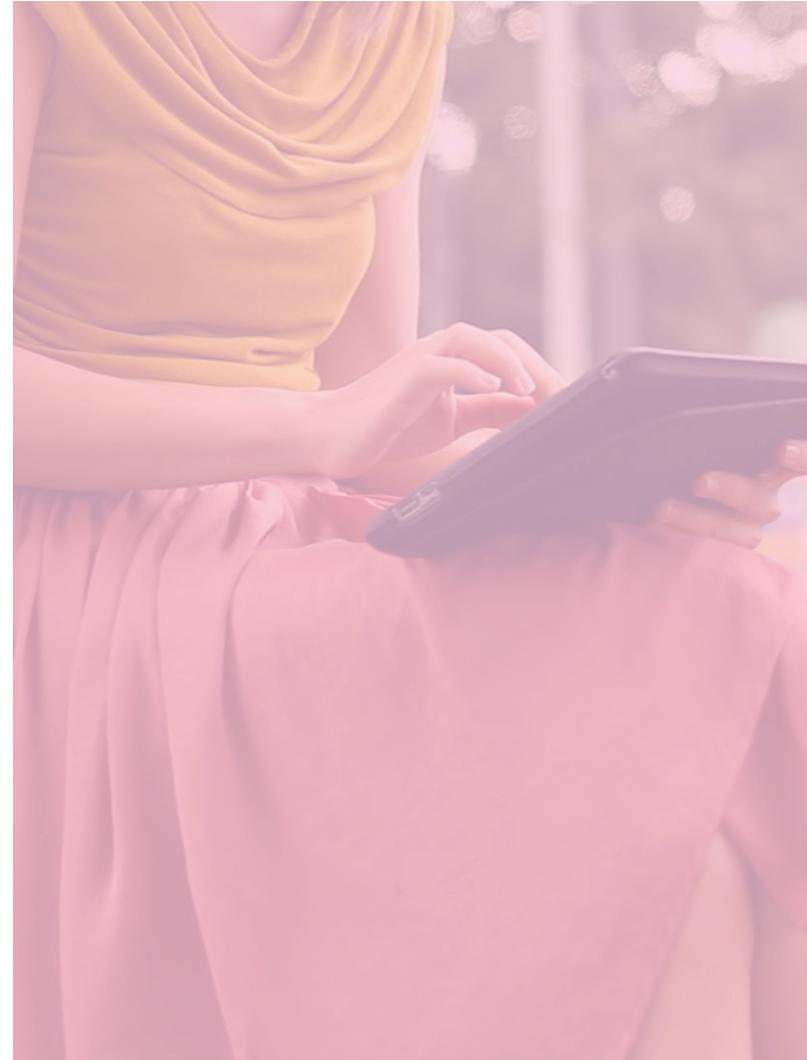
The new experts

Leveraging newly available sources of expertise to get the best products and deals for you



The sharing economy

The 'sharing economy' (consumers drawing on their personal networks to navigate options and access the best deals) is growing at an astounding rate. As well as sharing information and working together with peers to negotiate deals, consumers are increasingly interested in rental/sharing alternatives to the notion of personal ownership of a product or service





From

Sharing information with your personal network, and collaborating with peers to access the best deals



TripAdvisor, the peer to peer review and recommendation site for mainly holidays and restaurants, attracts 315 million visitors per month.

To

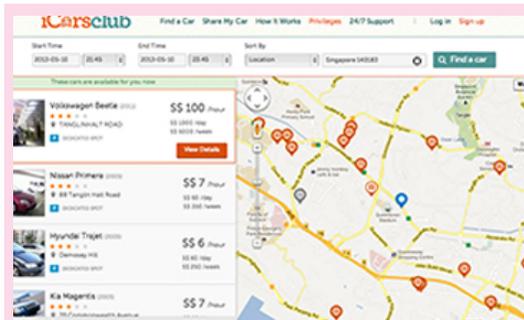
Growing interest in sharing not only advice and recommendations, but also the ultimate products and services



Alternative car rental service ZipCar, takes shared ownership to the next level, as drivers pay-as-they-go for cars as they need them (with pick-up and drop-off sites all around a city.)



In-market examples from around the world



What: Singapore's iCarsClub leverages the shift to the sharing economy just as ZipCar does, but utilising a different model.

Why: It works on a peer-to-peer rather than centrally run system, whereby mobile codes are sent to 'lock' and 'unlock' use of the vehicle. Wherever your own car is, it can be rented by others when you're not using it, allowing you to make back the money spent on borrowing another car.



What: The PoachIt app joins stockists and consumers together in a mutually beneficial retail network.

Why: Collating product lists from thousands of retailers, PoachIt has a database searchable simply by scanning a barcode or entering a product number. It then draws up a list of stockists closest to the consumer, and, more importantly, cheapest for them.



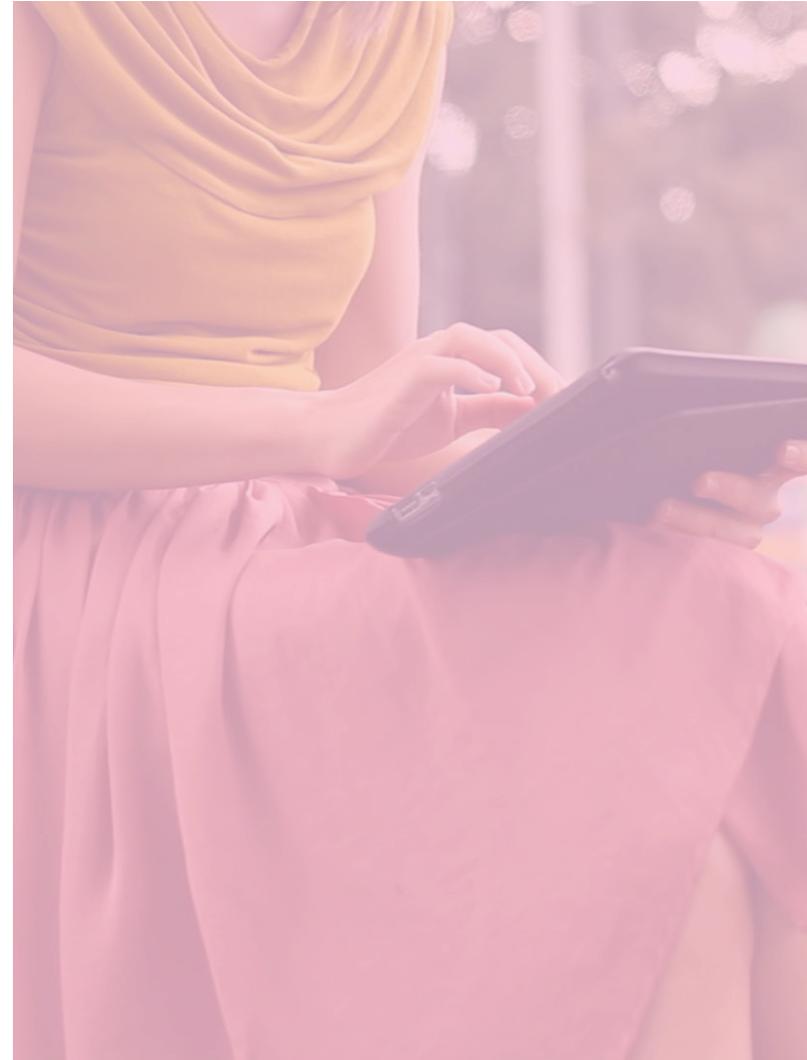
What: Rent-time is just one of the many websites in Italy offering to rent luxury clothing and accessories, rather than buying them.

Why: The recession hasn't stopped consumers desiring luxury. Italians are happy to rent or share goods that they wouldn't be able to afford otherwise. Websites like this have become a common practice in Italy.



Personal values

Economic hardship raised consumer awareness of where they can save in order to spend on the things that really matter to them. While purse-strings loosen, individuals continue to economise and avoid irrelevant add-ons in certain areas ('trading down'), enabling them to increasingly splash out on the brands and products they engage with most ('trading up').





How is this sub-trend evolving?



From

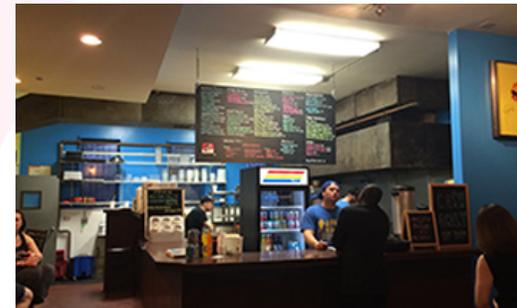
‘Trading up’ and
‘trading down’ within
the same category



Recent NPD launches such as Comfort’s ‘Creations’ bolstered the premium fabric softener and washing aid sales, whereas budget, particularly own brand detergents, continue to perform strongly in that sub-category.

To

Combining premium
and budget elements
within a single product
or experience



Big & Little’s Chicago restaurant is a fast-food, cash-only, budget diner with a premium twist. Favourites on the menu include the fois gras mousse burger and truffle oil fries.



In-market examples from around the world



What: Nespresso lost the patent for their coffee pods, so budget brands have created capsules that work with the Nespresso machine, for example, Expressi by Aldi.

Why: Not only have Nespresso users traded down from a café experience to home-made coffees, there's now the option to trade down again, for better value per cup, without Nespresso branding. The quality and price of the machine, however, keeps the experience premium.



What: Vueling, an airline with relatively budget pricing for flights, has just updated its service to include 'VIP lounges' in its Spanish operating airports.

Why: Consumers who choose not to spend fortunes flying can opt for VIP lounge access should they need a quiet working environment, or desire a more upmarket experience, appealing to short-haul flyers, who don't need all the trimmings of a business/first class flight.



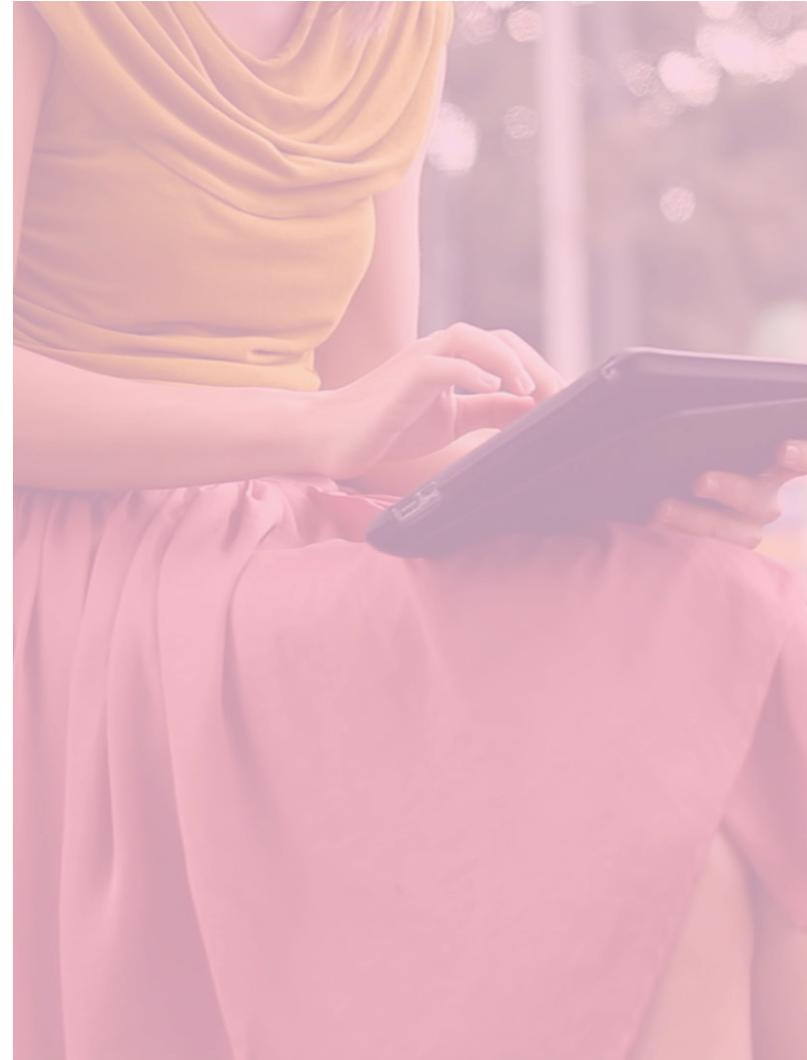
What: Tuskys, the Kenyan milk retailer, sells its milk from a vending dispenser in cafes and shops.

Why: By cutting packaging costs, Tuskys has reached a new demographic of people who would not normally buy good quality, pasteurised milk because of its high price in the market. Tuskys' budget price, product safety and efficient route to consumer is growing the business throughout Africa.



Redefining values

While keeping high expectations of quality and price, consumers are increasingly looking for other sources of product 'value'. What represents value differs from person to person. Functional attributes are still critical, however consumers are also increasingly scrutinising brand values and personality on a more emotional level to ensure they align with their own values.





How is this sub-trend evolving?



From

A desire for good value beyond just price e.g. versatility, transparency, control



Target supermarket's 'Archer Farms' coffee, which has always been sold at a budget price, but now includes a variety of roasts and a Fairtrade option.

To

Increasingly personal definitions of 'value', including both functional benefits and alignment with consumers' personal values

zomaal
ذومال

Zoomaal is the crowdfunding platform of the Arab world, facilitating the creation of enterprises and brands that meet consumers' needs and align with, or enhance, their personalities.



In-market examples from around the world



What: Embrapa Brasil has developed an edible plastic film that can be produced from foods like spinach, papaya, guava and tomatoes.

Why: The product has the strength, texture, and protection capacity of a conventional film-paper, useful for: dissolvable soup sachets, guava paste sold in guava plastic, sushi rolled with veg films – doing away with needless packaging and meeting higher consumer expectations for sustainable packaged food.



What: Gym for Less is an app that has spread to all major Spanish cities, aimed at users who want access to gyms, swimming pools or spas without having to pay a fixed membership.

Why: Based on geo-localization, the user is shown all partner gyms around them, and can buy an access pass for €5 - the easiest and thriftiest solution for people who travel, avoiding wasted membership fees.



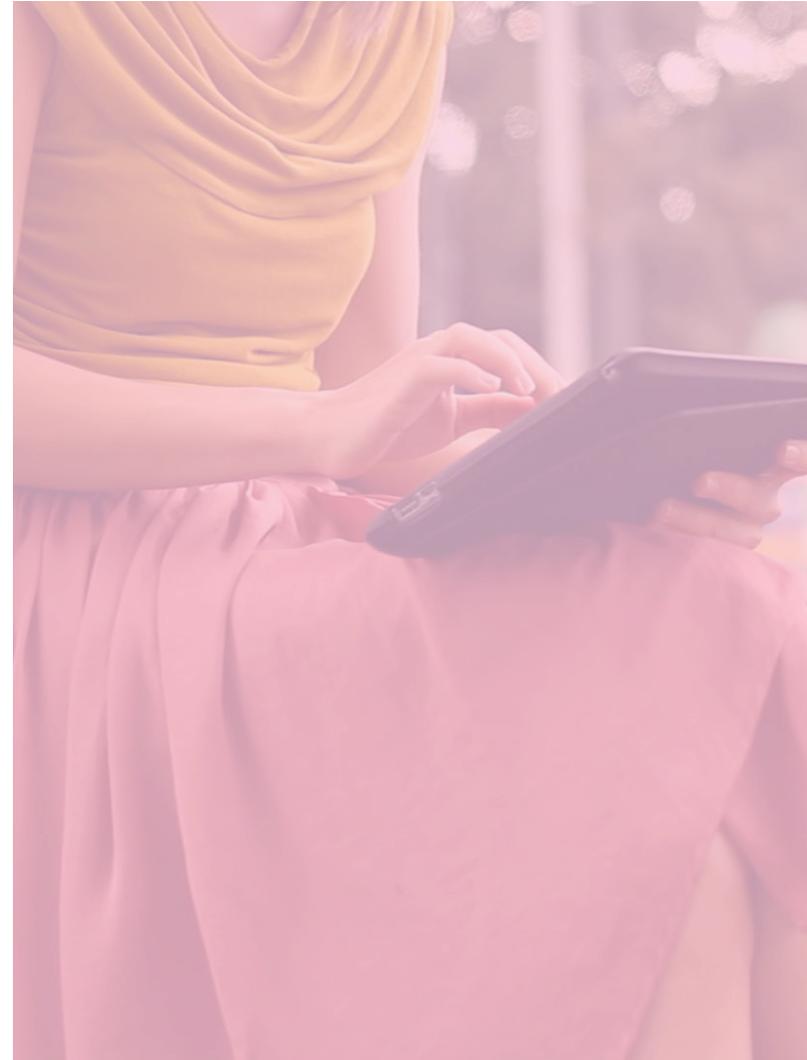
What: Soft drink brand Mountain Dew realized that there was a large community of skateboarders within their main target in Colombia, who had a unique set of needs and issues. In response, the brand customised their bottletops to offer skaters a way to screw and unscrew the wheels of their boards when they need fixing.

Why: By introducing a packaging update that offers a practical benefit, not just a new look, Mountain Dew establishes itself as a brand that knows what their consumers need and provides them new benefits free-of-charge.



Exclusive choices

Limited availability and exclusivity continue to allure consumers, and as the financial outlook brightens, exclusive choices will become more and more aspirational. Sharing purchase experiences on social networks is an increasingly common way to achieve status amongst peers, and is further fuelling this sub-trend.





From

Exclusivity in everyday products, invite only products and content



Mobile telecomms service O2 offer access to exclusive events through their Priority programme.

To

Exclusive product and service experiences that consumers can easily share with and impress their friends



Following @dirtybirdto (chicken and waffle house) on Instagram gives customers access to VIP tasting events. These experiences are then 'regrammed', creating a further wave of online hype, with competitions for the best photographs shared and tagged.

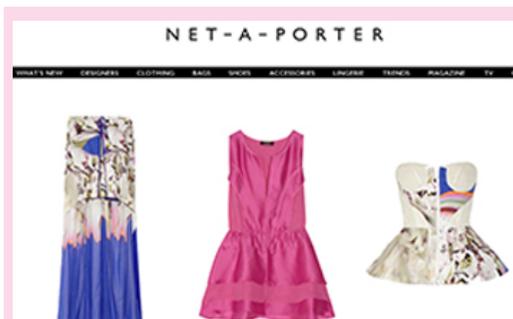


In-market examples from around the world



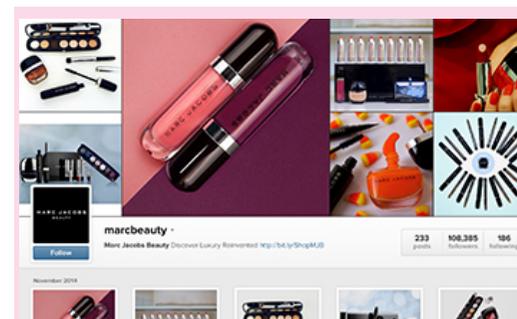
What: The Inspired Chef is a new artisanal ice cream brand based in Singapore. The company brings in top local chefs from popular food outlets to create its flavours.

Why: The ice cream is currently available only online via home delivery which adds to products exclusivity while customers are asked to share their purchase on social media.



What: Italian online fashion retailer Yoox bought Net-a-Porter to create the world's biggest online luxury-goods retailer with sales of €1.3 billion.

Why: The online luxury goods industry is still in its infancy because many brands put off Internet expansion, worrying it would not offer customers the same high-end experience as their stores. But executives now believe the Internet will be key to driving future sales, particularly among web-savvy Millennials.



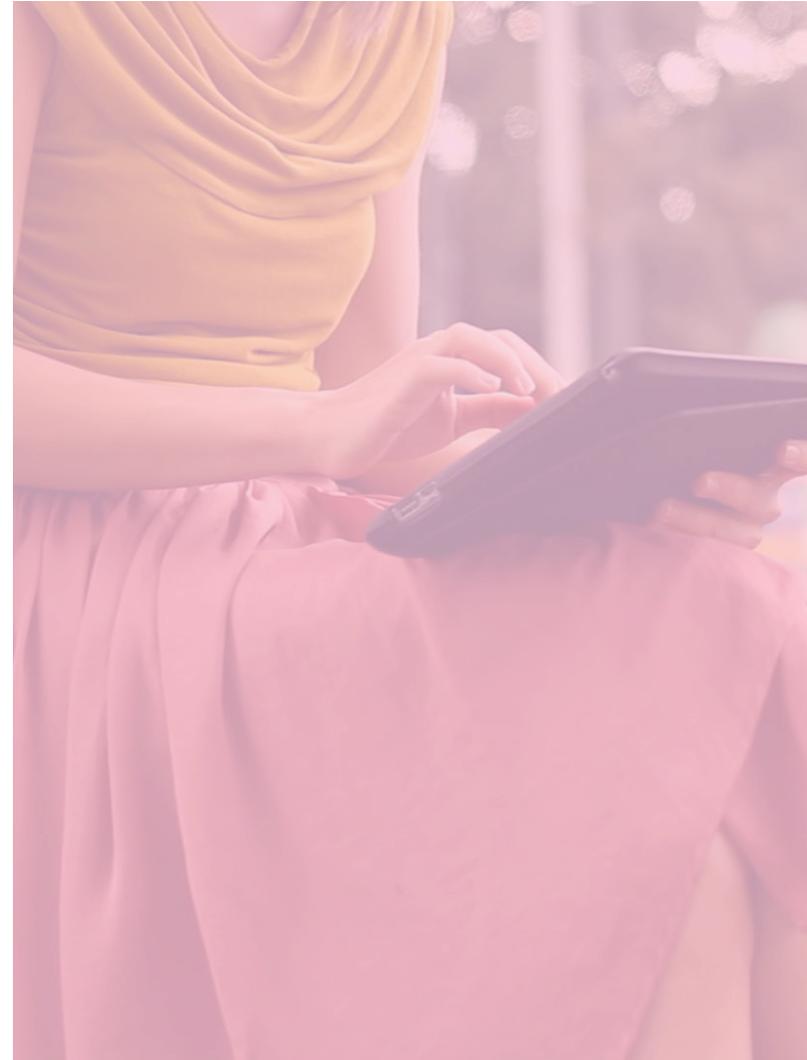
What: U.S. fashion label Marc Jacobs is facilitating online sharing and simplifying the path to purchase for its beauty collection with a new Instagram effort.

Why: Customers receive an email with shopping information and application tips for any product with the hashtag #ShopMJB that they've 'liked' from @MarcBeauty on Instagram – where exclusive deals are offers are also shared.



New experts

Knowledge and discernment continue to be important social currencies, and important dimensions of consumer identity and status. However the evolution of this sub-trend highlights how credible consumer experts and new figures of authority are being created through new online channels.





How is this sub-trend evolving?



From

Individual consumers pursuing knowledge and discernment as an increasingly important social marker of accomplishment



Vino-versity in New York runs courses on wine tasting and food pairing, for aspirational connoisseurs.

To

Trusted consumer experts, whose opinions and advice in their specialist area are hugely influential



Personal trainer Joe Wicks, AKA @thebodycoach has acquired a quarter of a million followers in under a year on Instagram, with his '#Leanin15' food and fitness product reviews.



In-market examples from around the world



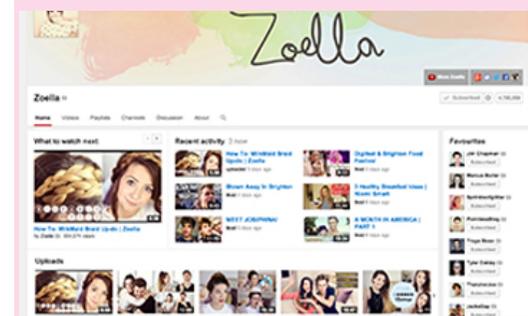
What: London-based School of Food brings expert instruction to the consumer's own kitchen, either physically or via their comprehensive online course.

Why: School of Food know that it is difficult for busy consumers to find the time to acquire the skills to create something impressive (and social media share-worthy) and a YouTube tutorial just isn't personal or tailored enough. Their 'learn at home' service is the ideal solution.



What: Choco Vivo is an LA café specialising in the purest cocoa and related products.

Why: Attracting chocoholics from around the world, Choco Vivo tells the story of the business and its chocolate, from bean to bar, at weekly tasting sessions which promise to 'create connoisseurs'. The company's strong (trending) social media presence shows how popular their 'cocoa geek' ethos is.



What: ZoeSugg began her career as a teenager posting videos on YouTube about fashion and beauty from her bedroom. But seven million subscribers later internet superstar Zoe, better known as Zoella, has become a beauty and lifestyle guru and self-made businesswoman.

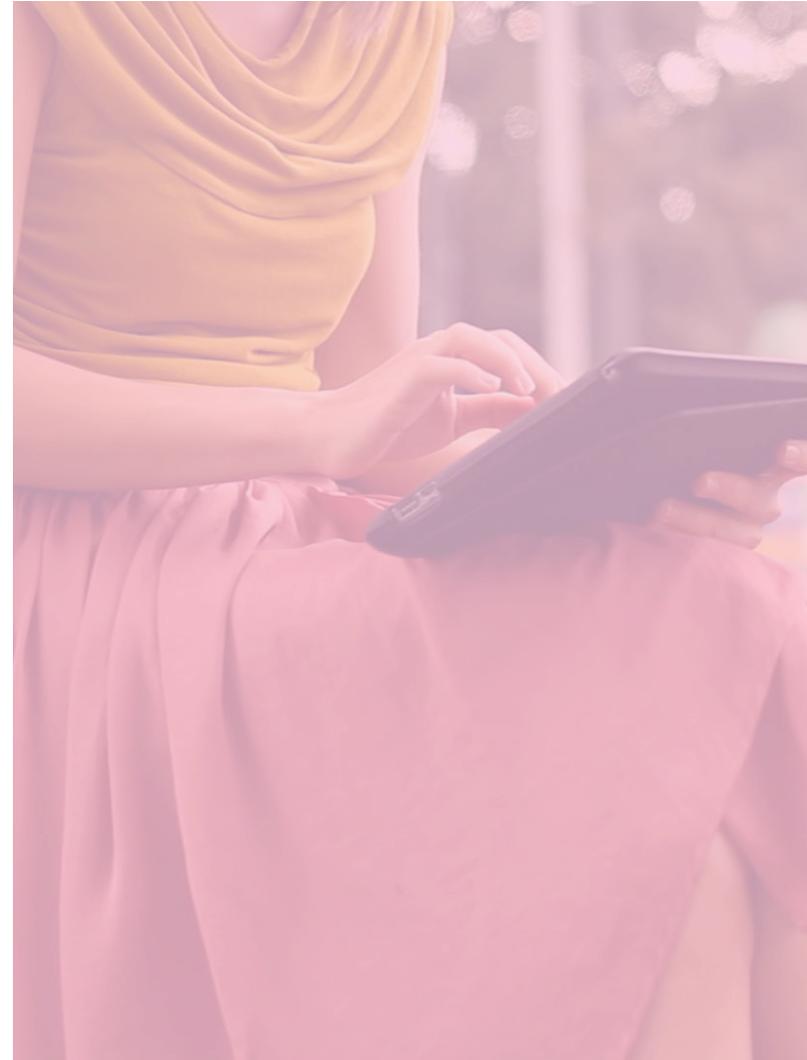
Why: Zoella's reviews have tapped into the psyche of a generation of young girls (and some boys), creating a vlog channel whose audience contends with mainstream TV.



Trend summary



Personal value seekers





How is this trend playing out in Ireland/Great Britain?



Relevance in Ireland

Price is now a more important factor than brand name to consumers (with 33% more strongly agreeing that price is more important than brand names, as opposed to 24% in 2010) - but brands are expected to be able to offer *additional* benefits for that good price. Expectations have never been so high.

...there has been an overall decrease in annual disposable income to the tune of €4000 per capita since 2008. Resourcefulness and prioritisation are high on consumers' agendas.

Relevance in GB

Consumers fall in the top left segment of our 'Ability/Willingness to Spend' matrix (illustrated in the 'Cultural snapshot'), meaning that they are more able than they are willing to spend. They therefore occupy the difficult position of having a more positive financial outlook post-recession, but in real terms having £38 less disposable income monthly since 2013

...more careful consideration is given to any purchases made, with UK consumers increasingly likely to research a product before purchasing (31% in 2014 vs 25% in 2010); people are clearer on where they'd rather save, and where they're willing to pay a premium.



How dynamic are the sub-trends?



Heating up
Still warm
Cooling



The sharing economy

Personal values

New experts

Heating up
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Redefining values

Exclusive choices



Thought-starters: How could you..?



Ensure your product meets consumer needs on a functional *and* emotional level? How can you best align with their personalities and values?



Bring an element of exclusivity or 'shareability' to your product offer? Could partnerships make this possible?



Leverage the power of today's 'new experts' to create an excitement around your product?

Thank you



For more information on how to use these
Consumer Lifestyle Trends contact the Bord Bia
Consumer Insights Team

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Tel : 353 1 6685155