

WHAT CAN WE EXPECT at the end of all this?



We all hope to put the pandemic behind us in the coming months. **Sebastian Emig** wonders which longer-term behavioural changes might be here to stay as we emerge

THE world changed for good, and bad, in 2020. The pandemic brought disruption on an unprecedented scale to all aspects of life - how we live, work, shop and eat - and created never-seen-before challenges for every part of the agri-food sector. What are the most common drivers behind changing consumer behaviour, what trends will be short-lived and which ones will become the new permanent fixtures in our lives?

We're over a year in and, having developed and introduced several vaccines, the world is still fighting the virus. The best-case scenario we can hope for seems to be that no vaccine-avoiding mutations develop and we can emerge from the current situation in a few months. Until then, regular testing, masks, physical distancing and diverse stages of lockdown will continue.

Now, as we adapt to this 'new normal', it looks like many behavioural trends have accelerated and how we live and consume may have changed for the long term, if not forever.

ADAPTABILITY AND RESILIENCE

In 2021, adaptability and resilience seem to be the driving forces behind global consumer trends. Consumers want to make the world better - either for their own sake or for humanity in general. They want to make life safer and more convenient, while using their time creatively and purposefully. Amidst feelings of insecurity and anxiety they seek holistic, resilient solutions and a more thoughtful overall pattern of consumption.

Let's take a look at how these sentiments translate into day-to-day consumer habits. Three key developments can be identified. The first is very personal and it's an increased yearning for safety, health and mental well-being. The other two are more general: Increased financial insecurity is driving a move towards value-conscious purchases, while the ubiquity of digital tools and services is creating a new 'phy-gital' reality of Teams meetings and other online interactions.

THE BIG CLEAN UP

The arrival of COVID-19 turned all of us into germophobes. Any touchpoint in public suddenly became a potential source of infection and safety and health became central concerns around the world. Wearing masks and washing hands more frequently have become normalised.

In a recent survey, consumers reported an increased preference for pre-packaged goods owing to hygiene concerns. Besides driving demand for hygiene products, this development pushed consumers towards contactless solutions to avoid exposure: E-commerce, contactless payments and unattended commerce is increasing and will be widely implemented where unnecessary human interactions can be further reduced.

HAPPY ME, HAPPY PLANET

During this time, consumers' needs have also evolved from basic hygiene to general health. They are increasingly turning to holistic solutions that promise to support their own health and that of the planet.

For example, using less plastic was a key concern for consumers pre-COVID-19, followed by concerns over climate change. During the pandemic, public attention shifted from slower-moving environmental concerns towards urgent social threats and they will seek brands with a strong sense of social responsibility that help make the world healthier, cleaner, more resilient and equitable. Brands that rebuild a more equitable and greener world will gain a competitive advantage, as well as the necessary social licence, or trust of society, to produce and market their products. Long after the pandemic recedes and eventually comes to an end, safety and health will remain a top priority for consumers. Companies would be well advised to communicate how their products serve consumers' self-improvement, skills development, life balance and mental resilience.

CAUTIOUS SPENDING

Discretionary spending is declining against the backdrop of economic uncertainty and consumers are cautious and frugal. Job insecurity and reduced household incomes, coupled with a dampened macroeconomic scenario, will force consumers to reassess their priorities and values and new shopping and consumption habits are emerging. As value-conscious consumers tend to switch to generic brands at times of economic insecurity, expanding private label offerings will benefit retailers. Premium brands have a business opportunity as well by identifying and marketing the attributes consumers are willing to pay more for, such as creating empathetic stories related to a product (nostalgic comforts like childhood snacks) or having a strong tie-in with health and wellness, self-care or mental wellbeing.

COVID-19 reduced the opportunities for consumers to buy on impulse. Walk-ins are now carefully planned. Consumers must schedule many of the activities that they would once have done spontaneously. They instead rely strongly on digital tools and virtual channels to preserve some level of flexibility. The pandemic accelerated digital evolution and consumers widely embraced digital devices to maintain their daily routines around working, learning, exercising, shopping and socialising. These tools facilitated a phy-gital hybrid of the physical and the digital world, which allows consumers to stay connected virtually while at home and re-enter the outside world safely as economies reopen.

Companies can further develop their phy-gital business strategy by creating apps to deliver onsite virtual experiences and to recreate in-person occasions in a safe and memorable way while people stay at home. Brands can deliver new and exciting solutions,

both in-person and virtually, to reach a wider audience, offering novel services like crafting your self-made labels or even products via technologies like virtual reality (VR), augmented reality (AR) or artificial intelligence (AI). Incorporating phy-gital reality will be imperative to drive e-commerce sales and accommodate novel shopping habits.

THE SEARCH FOR FULFILMENT

The world-wide pandemic threw our daily lives into disarray, testing mental resilience, restricting real-life experiences and provoking an economic downturn. Consumers are responding by developing a new understanding of themselves and their place in the world in pursuit of a more balanced and fulfilled life of self-improvement. They are reassessing their identities and priorities, reconfiguring their work-life balance and exploring new hobbies.

Novel spending habits are emerging that focus on generating help and support to cope right now and build-up resilience for potential future shocks. Brands that prioritise and reinforce services and products that support this sought-after resilience, self-improvement and lifestyle balance will gain the trust of consumers. Purpose-driven initiatives will resonate ever more strongly with consumers and communicating with compassion and planetary purpose are critical attributes that will further drive brand loyalty.

With regards to the savoury snacks sector, consumers will likely seek out immunity-boosting foods in their diets and increasingly take health into consideration when making their snack choices.

They will choose more individually packed snacks for hygiene purposes, providing brands with an opportunity to take more ownership in recycling and offering planet-friendly packaging.

SNACKEX 2022 – NEXT YEAR BUT SAME LOCATION

Despite global vaccination programmes raising hopes of bringing the pandemic under control, there remains considerable uncertainty about how soon international travel will be safe and unrestricted. After a careful analysis of the situation worldwide, ESA therefore decided to postpone SNACKEX to 6-7 July 2022.

Attendee safety is our top priority and SNACKEX's key objective is to deliver a valuable SNACKEX event that makes it easy to do business in an environment that is safe for everyone - exhibitors, sponsors, delegates and visitors, as well as the organisers.

"We recognise the gravity of having to cancel SNACKEX," said then ESA president Dr Rolf Nilges at the beginning of April. "We know that SNACKEX is a business-critical event to our supplier members as it is to snack makers and the ESA. Given the current situation, we must do everything we can to help protect everyone against exposure to COVID-19, and mitigate any risks associated with the spread of the virus."

"It is very clear that there is now a huge appetite for a full, live, in-person event next year and we will be diligently planning for SNACKEX 2022 until then, so it is sure to be the event of the year.

Thank you for your continued support of our wonderful industry. We hope to see you on 6-7 July 2022 in Hamburg, Germany!" Till then, keep safe and healthy! ●



Director General Sebastian Emig*

*in his capacity as permanent representative of PrimeConsulting BXLBCN SL



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