



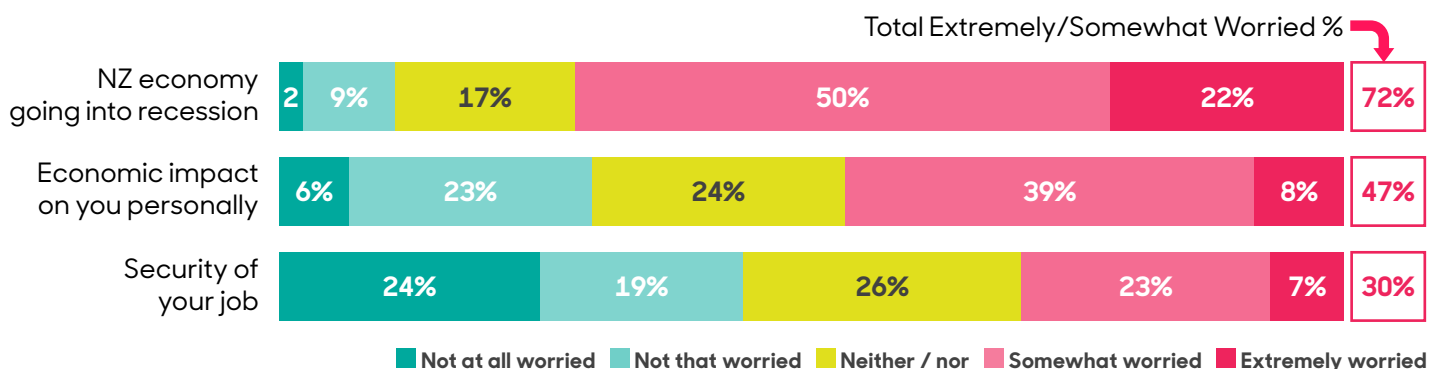
Yabble is a fantastic New Zealand owned business that's leading in the world of consumer data. Brands large and small use the Yabble SaaS platform to generate agile and cost effective insights.

Yabble created this view of current trends that focuses particularly on food and beverage. We hope you enjoy these insights, if you'd like to find out more or trial your next research project with Yabble get in touch at www.yabblezone.net

The key emerging themes ...

- Recessionary characteristics will continue to shape consumers' thinking and spending
- With increased polarisation between those with disposable income and those without
- Pricing will be fierce, brands need to evaluate how to communicate sustainability, supporting local, and doing good across packaging and communications
- Food is becoming entertainment, and it's where people can get affordable delight
 - How can you bring that into your experiences to win brand love?
- A great digital strategy should include a digital product to grow engagement, reward loyalty or drive acquisition
- Stay nimble; consumer behaviour is changing quickly
 - Be agile in your approach, keep close to customer changes and activate with pace

Economic outlook remains challenging



COVID-19 has seen behaviour change that will have long lasting impact



Many Gen Z's
STARTED COOKING FROM SCRATCH
 for the first time



Flexible and
REMOTE BASED WORKING
 now accepted



1.29 MILLION KIWIS
SHOPPED ONLINE,
 more than ever before





QR CODES
 achieved mainstream adoption

"More adventurous home cooking. Laundry in hot water. Use skype/zoom more often for contacting family/friends who live far away. Explore local options first when looking to purchase. Maintain organized pantry and bulk buy dry goods."

Female, 45-54, Otago, I can comfortably make ends meet

For food & beverage

INCREASING SPEND  **+14%** spend on groceries and alcohol online  **\$21.6 billion** **+5.3%** vs last year

COOKING IN HOME IS CHANGING   **+20%** Growth vs LY *"We've seen an acceleration of people wanting to buy food online. In the last 10 months we've seen what we would have over two or three years. We've seen a substantial amount of growth."* **42%** are cooking more at home
 My Food Bag CEO, October 2020

HOW I SHOP  **32%** are making sure they plan and bring a list  **29%** are shopping less frequently but buying more each time **20%** are focusing on buying NZ brands / products

How and where people are spending is blurring traditional channels



45%
expect to reduce discretionary spending in the next 6 months



11%
changed their supermarket to one that's cheaper



23%
buying less takeaways / food on the go

46%
have increased grocery spending in the last 6 months



13%
have used meal kits, highest amongst 25-34 age group



26%
are using food delivery services more than 12 months ago



18%
expect to continue online grocery shopping

Outside of prices & SPECIALS, why is grocery spend changing?

↓ 17% spending less on groceries

- More planned
- Less waste and impulse purchasing
- Financial constraints
- Change in income
- Being more budget focused
- Grow your own vegetables

↑ 46% spending more on groceries

- Switch from takeaways to at home
- Like to be well stocked up, just in case
- More working from home
- Buying better quality

"I have learnt to cook meals with less and make my favourite dishes at home. Can freeze these for other days."

Female, 18-24, Family with pre-school children, Hawke's Bay, I can easily make ends meet

"Not buying the nice to haves, keeping to the basics, planning meals that we can use over dinner and maybe for the following lunch and pre-planning our menus."

Male, 65+, Retired, Canterbury, I can comfortably make ends meet

"Eating more often at home and taking lunches to work."

Male, 45-54, Family with kids, Auckland, I can comfortably make ends meet

"Buying in bulk and some luxury items like more expensive ice cream."

Female, 45-54, Family with school aged kids, Auckland, I struggle to make ends meet

Polarisation in food spending

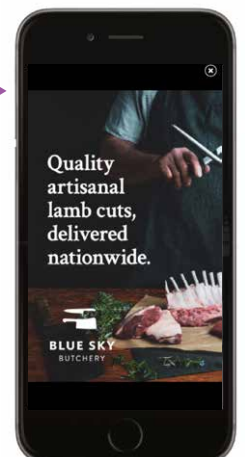


"Shopping at PAK'nSAVE rather than New World, not buying as much meat, actively buying the cheapest budget brands. Lost my job due to Covid so have had to tighten the budget a lot."

Male, 25-34, Couple, Canterbury, I am struggling to make ends meet

"We are eating out less and spending more on better quality food."

Female 35-44, Couple, Auckland, I can comfortably make ends meet



Looking after ourselves and our whanau comes in many different forms

MOOD & MENTAL WELLBEING



\$2.3b revenue
+64% over the last 5 years
New Zealand Natural
Health Products Industry



Funding Boost Budget 2020
1.5m New Zealanders
with access to health and
mental wellness support



Roll out of free, accessible tools
backed by positive conversation

HEALTHY EATING



23%
are eating
more vegetarian

24%
are eating
less red meat



Supergood
One of the largest pre-sales volumes
for a New Zealand cook book

VITALITY & ENERGY



15%
of people are actively
choosing more organic
and free-range products



Managing diets make you feel at your best
4% vegan 7% vegetarian
6% gluten intolerance 7% dairy intolerance
11% on low sugar diets

91% are open to shifting their future shopping habits to support businesses who offer positive environmental impacts



76% have already changed
purchase habits to support
more environmentally
friendly options



81% would move away
from a brand if they found
out it was having a negative
environmental impact



63% are willing to pay
a premium for brands that
are sustainable and
environmentally responsible



46% agree
COVID-19 made them
want to minimise their
consumption



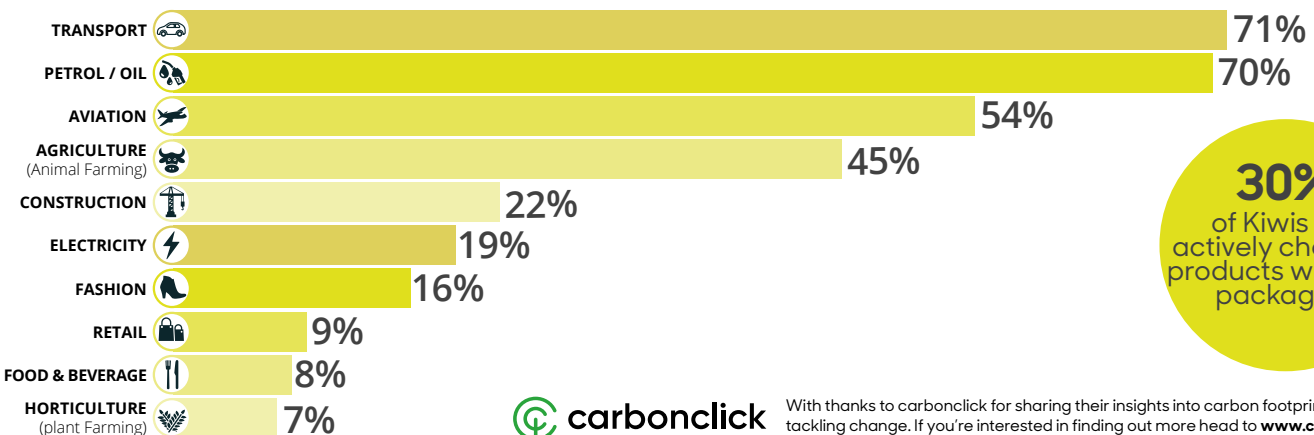
49% agree they
will reduce, reuse, recycle
or repurpose more
post COVID-19



49% agree they
will be focused
on restoring
the environment

With packaging the key consideration for FMCG

Carbon emission into the atmosphere is a key contributor to climate change. Which industries below do you think are the worst carbon emitters?



30%
of Kiwis are
actively choosing
products with less
packaging



With thanks to carbonclick for sharing their insights into carbon footprints and tackling change. If you're interested in finding out more head to www.carbonclick.com

Data is at the forefront of both brands' and consumers' minds

DATA EVERYWHERE

we are amass with information and data

AWARENESS
Consumers are **SAVVY TO DATA AND HOW IT IS BEING USED**

TRANSPARENCY RINGS TRUE
It's not all negative as long as companies are transparent

NETFLIX

Individualised experiences the new norm...
Netflix alter their experience so significantly based on the viewer that they say there are **33 MILLION DIFFERENT VERSIONS OF NETFLIX**

73% OF NEW ZEALANDERS HAVE MADE A CHANGE to their online behaviour because of concerns around personal data use

According to McKinsey & Company

COMPANIES THAT USE DATA ANALYTICS EXTENSIVELY are more likely to generate **ABOVE AVERAGE PROFITS**

88% of New Zealanders are concerned about their **DATA BEING SHARED WITH A THIRD PARTY WITHOUT THEIR PERMISSION**

85%
LACK OF TRANSPARENCY OF DATA USE

a key barrier to feeling in control of their data for 85% of New Zealand consumers

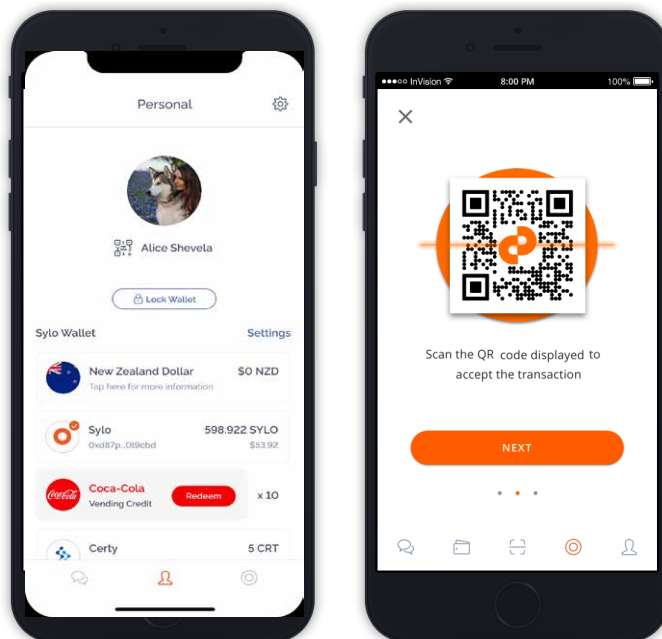


with **80%** of New Zealand consumers saying **BUSINESSES MAKING IT HARD TO OPT OUT OF DATA USE**

is a key barrier to feeling in control of their data

Digital products and why they're a game changer

By creating digital versions of products these can be distributed at scale and used as currency to engage consumers, driving foot traffic to retailers and sales of products. Furthermore, brands can create a direct relationship with the consumer for future engagements

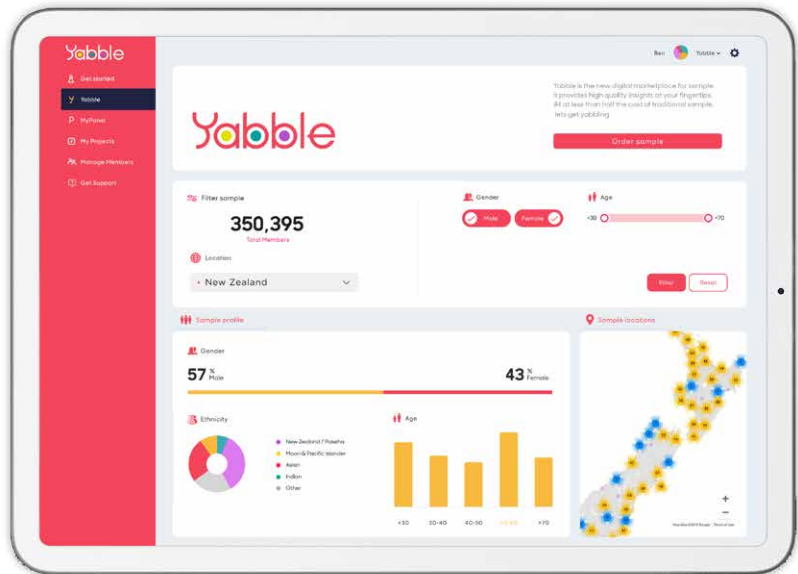


Watch this short video to find out more: <https://www.youtube.com/watch?v=yXYLbogUZY>



With thanks to centrapay for sharing their insights into driving greater engagement through digital products. If you're interested in finding out more head to www.centrapay.com

Brands and consumers are using more data to drive stronger decision making than ever before



Join other leading brands working with Yabble
Big or small, local or international, we'd love to help

YABBLE HAS:

- Access to 62 million consumers globally
- With smart, agile self-serve research tools
- API's for securely passing data
- Host large customer communities, tracking studies or voice of customer programmes
- Run fast concept tests, ad hoc projects or recruit for UX, CX, UI testing
- Analyse, trend and share real time results using the Yabble analytics tools
- All backed by an award-winning research team when you need advice and expertise



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The trends and statistics expressed in this document are based on the research of the Yabble team and are deemed to be most relevant to the topic. They are, however, an opinion and must be considered in this context by the user.