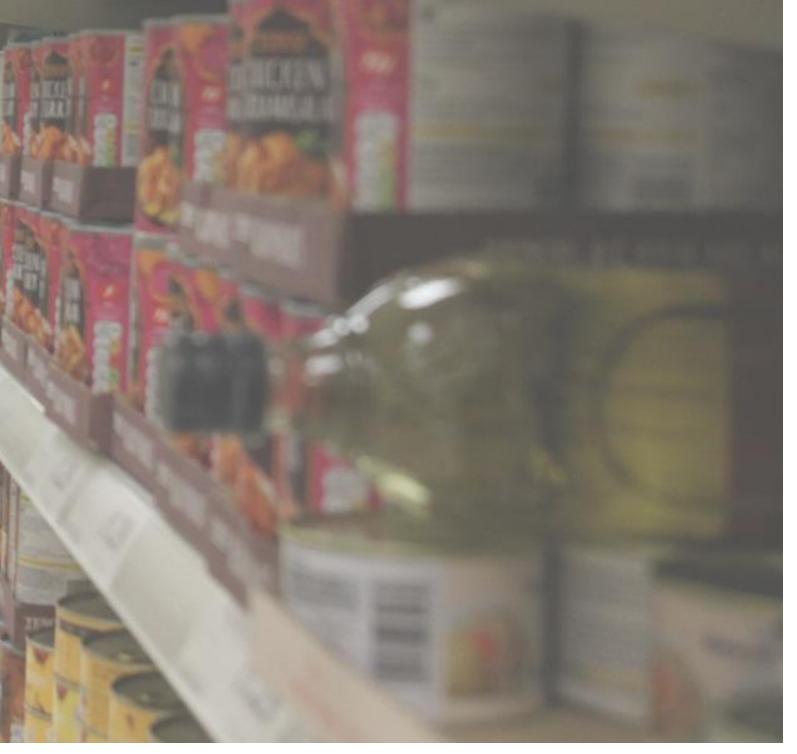
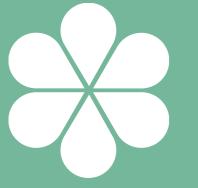
How are consumers feeling about shopping for food & drink?

Levercliff

Category Consultants to the Food & Drink Industry



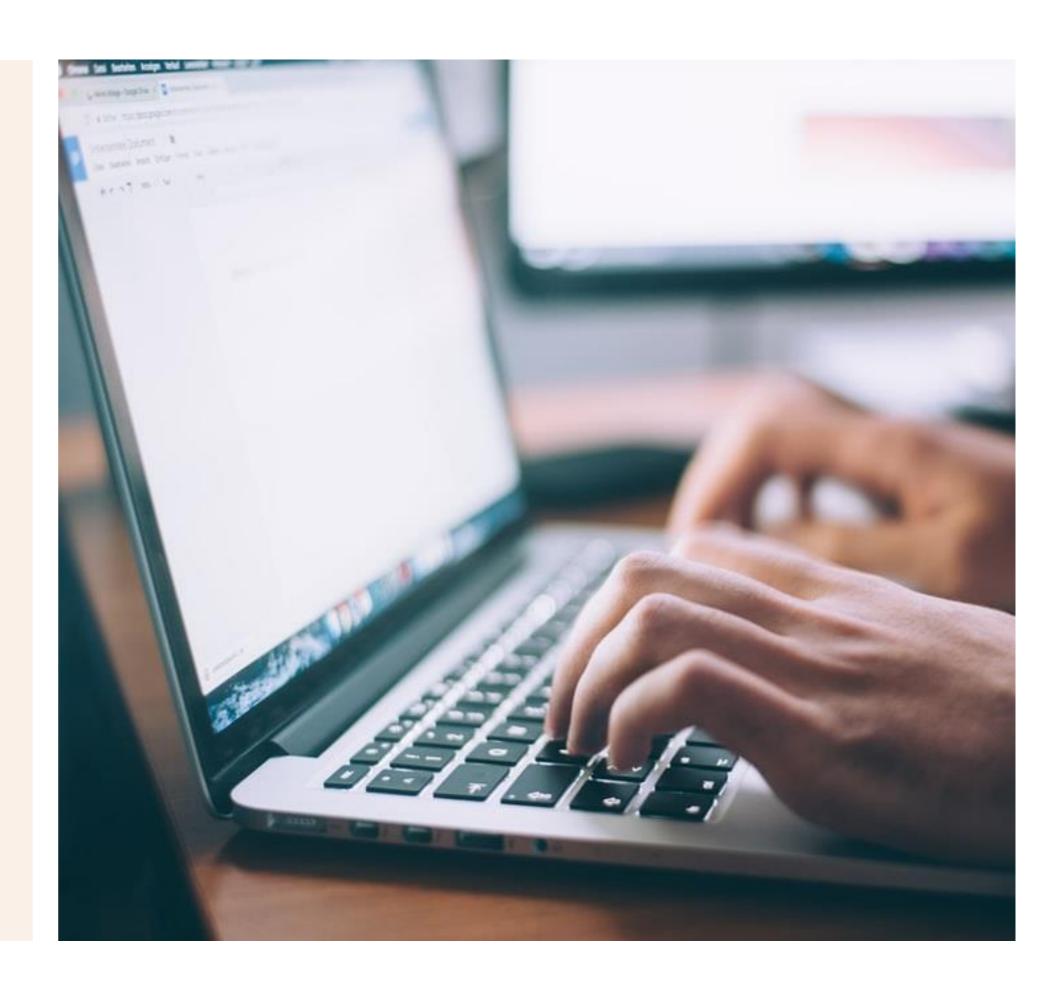


Welcome - we are from Levercliff

Category consultants to the food and drink industry



Online quantitative research Sample size of 1001 UK Representative Conducted in March 2022



People's Priorities for the Next 12 Months 3 Key Themes

Money

Spending time with friends & family

Getting by financially 30%

Spending time with friends & family 34%

Saving 26%

Base 1001 Q What would you say are your greatest priorities for the next 12 months?

Wellness

Physical wellness 33%

Mental wellness 26%

Younger adults are feeling most under pressure financially

Top 3 Priorities for the Next 12 Months, 18–34s

Saving 39%

Getting by financially 30%

Mental wellness 30%

Base 1001 Q What would you say are your greatest priorities for the next 12 months?



For older adults it is about physical wellness & things they couldn't do in lockdowns

Top 3 Priorities for the Next 12 Months, 55+

Spending time with friends or family

Physical wellness

Travelling

32%

43%

43%

Base 1001 Q What would you say are your greatest priorities for the next 12 months?



Wellness, both physical & mental are key priorities for middle age groups

Top 3 Priorities for the Next 12 Months, 35–54

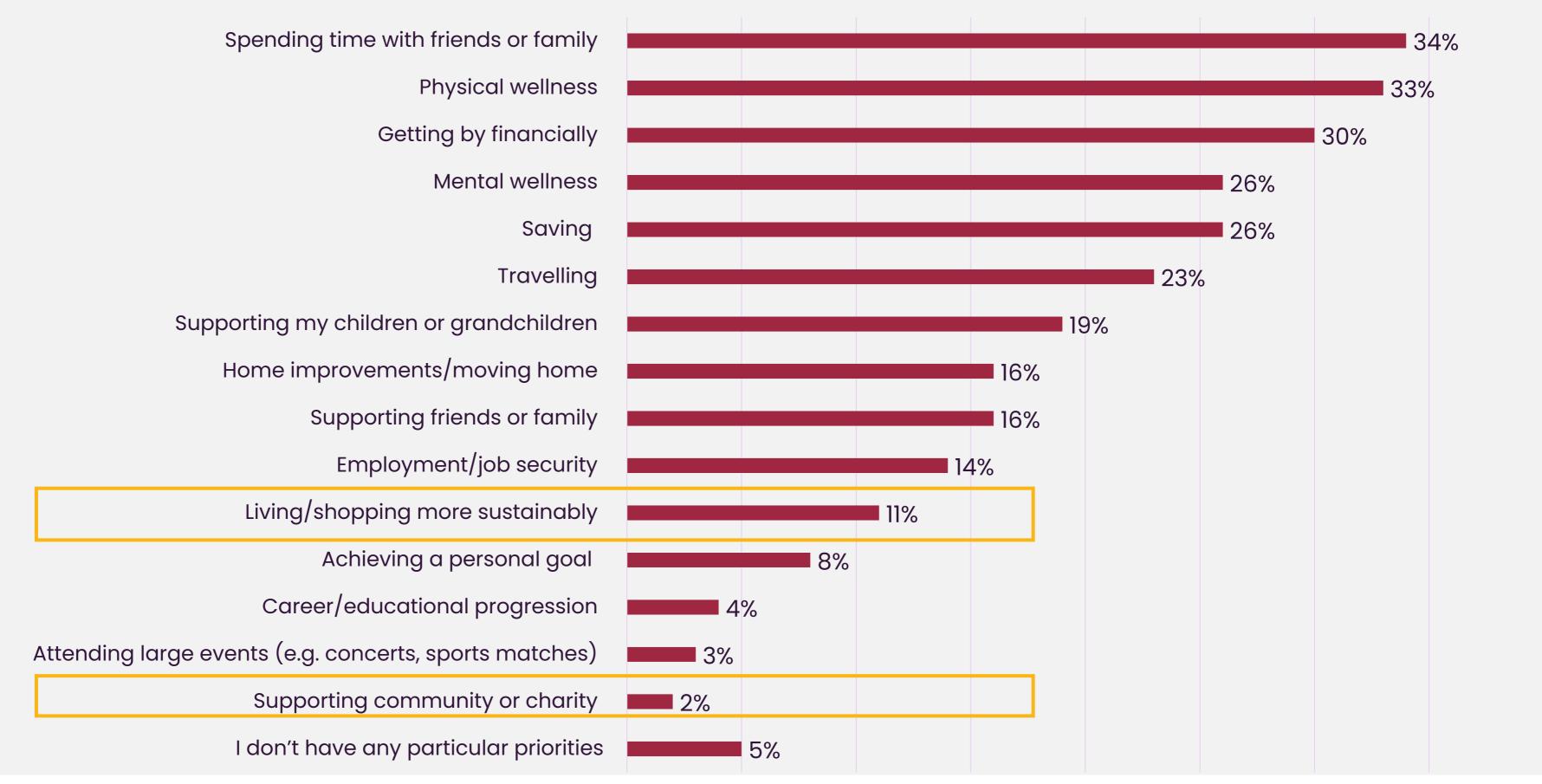
Mental wellness	34%
Getting by financially	33%
Physical wellness	32%



Base 1001 Q What would you say are your greatest priorities for the next 12 months?

What else was on the list?

People's Priorities for the Next 12 Months



Base 1001 Q What would you say are your greatest priorities for the next 12 months?

Climate emergency? Sustainability is on some consumers' agenda, but not many



Base 1001 Q What would you say are your greatest priorities for the next 12 months?

Living/ shopping more sustainably 11%



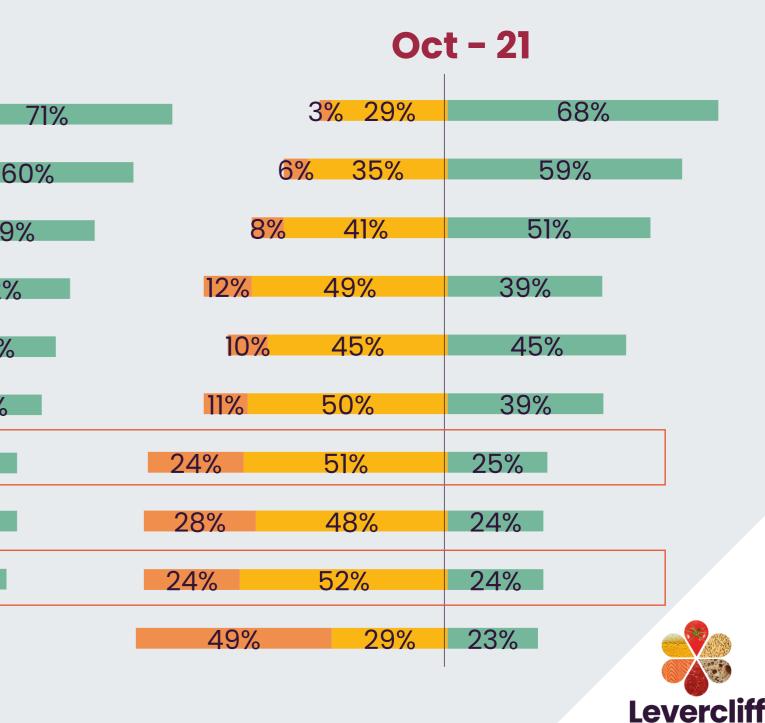
Sustainable factors continue to have only limited impact on product or brand choice

Product/Brand Choice Drivers

Slightly influential Not influential	Very influential	Mar-	22
Value for money		3 <mark>% 26%</mark>	
It's available where I normally shop.		6% 34%	6
A brand I trust	8%	43%	49
That it is on offer	12%	46%	42%
Something I have bought before	11%	51%	38%
A brand I know	13%	53%	34%
Whether it was produced responsibly	21%	52%	27%
The brand or product supports health & wellness	24%	49%	27%
Where the product/ brand comes from	25%	51%	24%
That it is suitable for a particular diet (gluten free, vegetarian, vegan etc.)	53%	28%	20%

Base: 1001 Q We would now like you to think about when you are shopping for groceries (food &drink). How influential are the following factors to you in deciding which products or brands to buy?





Many consumers are concerned about the environment but they have more immediate pressing concerns

Concerned about some aspect of the impact of food & drink on the environment 71% (Any concern)

"Because these options are very often not within our budget"

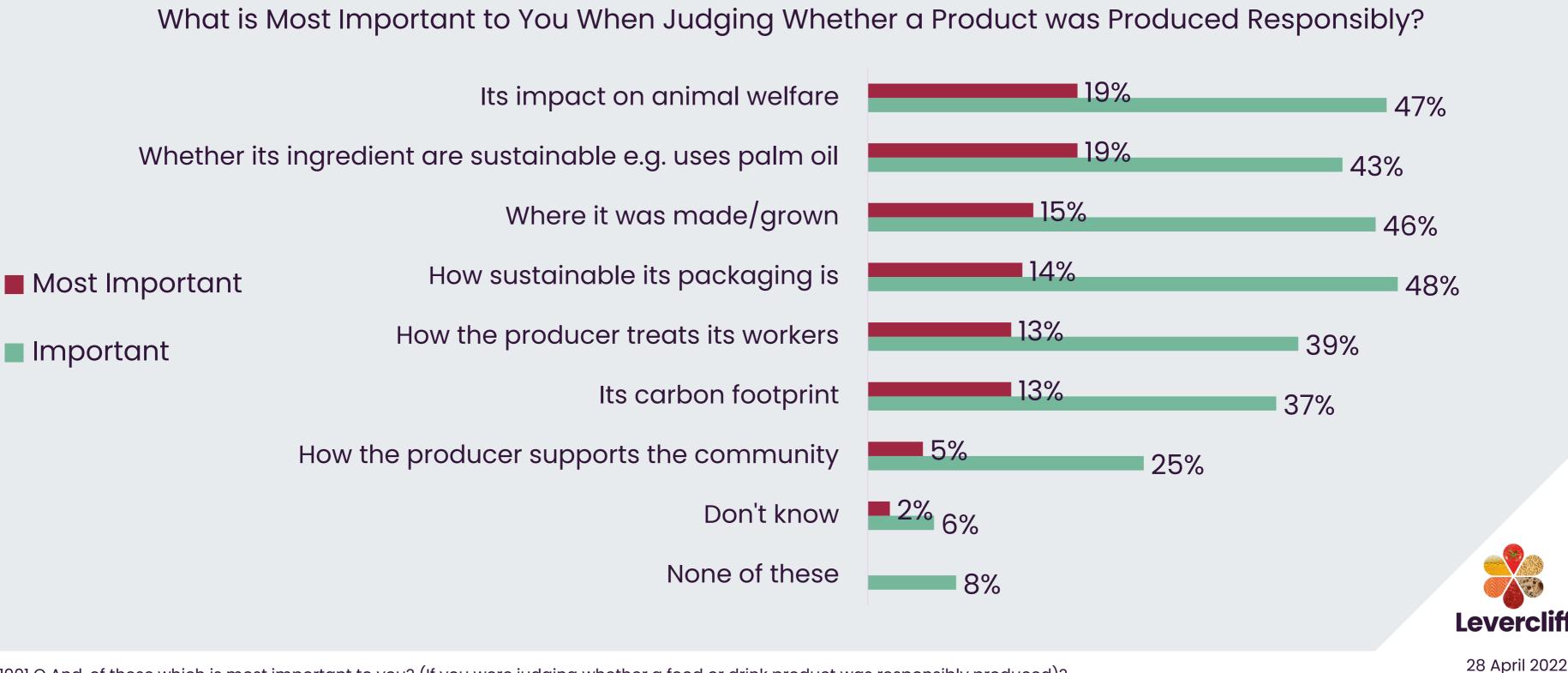
"If you are on a tight budget, you have no choice but to buy what you can afford"

Base: 1001 Q Thinking about food & drink, which of the following issues actively concern you? Please select all that apply. & Base: 841 Q And which of these issues regarding food & drink concerns you most?

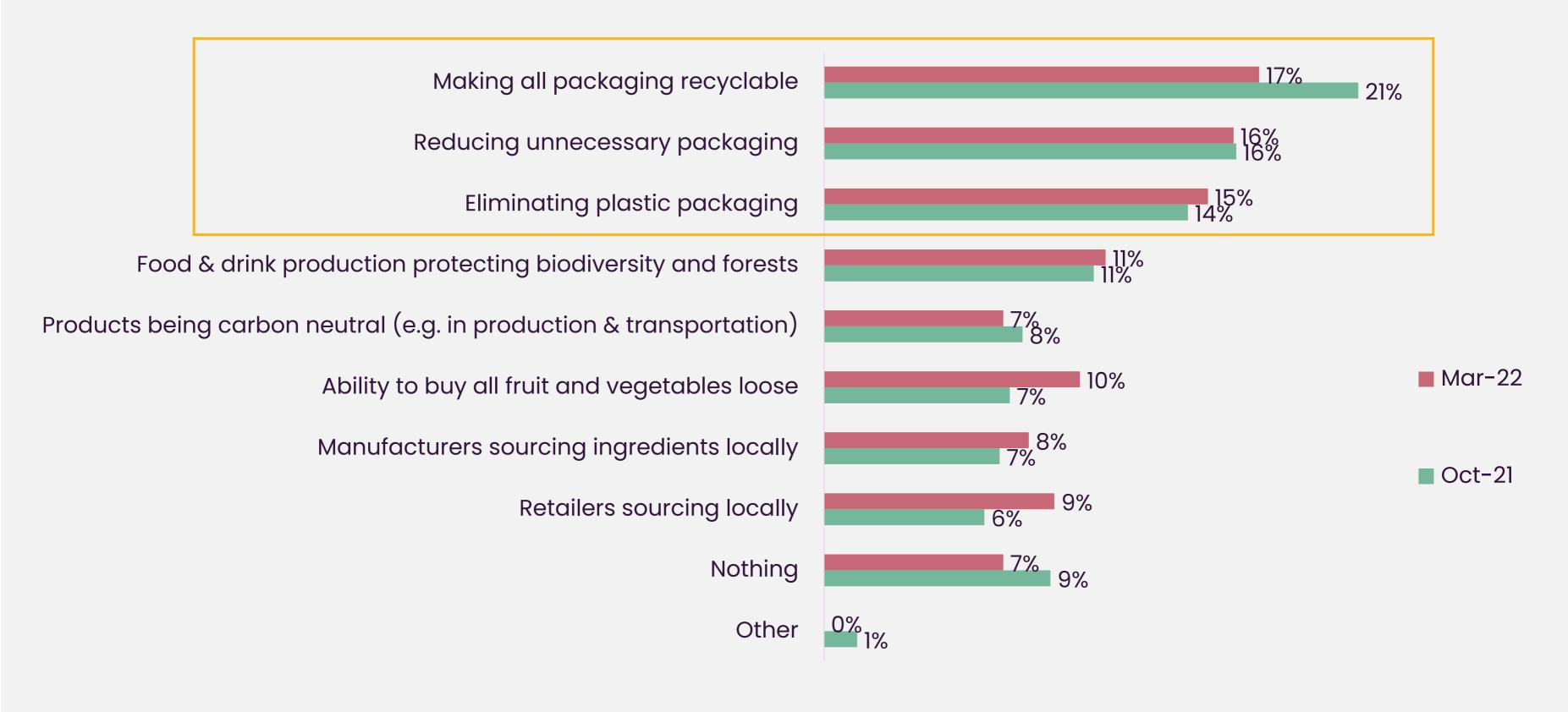


What is Most Important to Consumers When Deciding if a Product has Been **Produced Responsibly?**

Consumers are broadly divided on what is most important if judging whether a product was produced responsibly



However, addressing packaging remains consumers' top priority in making food and drink more sustainable

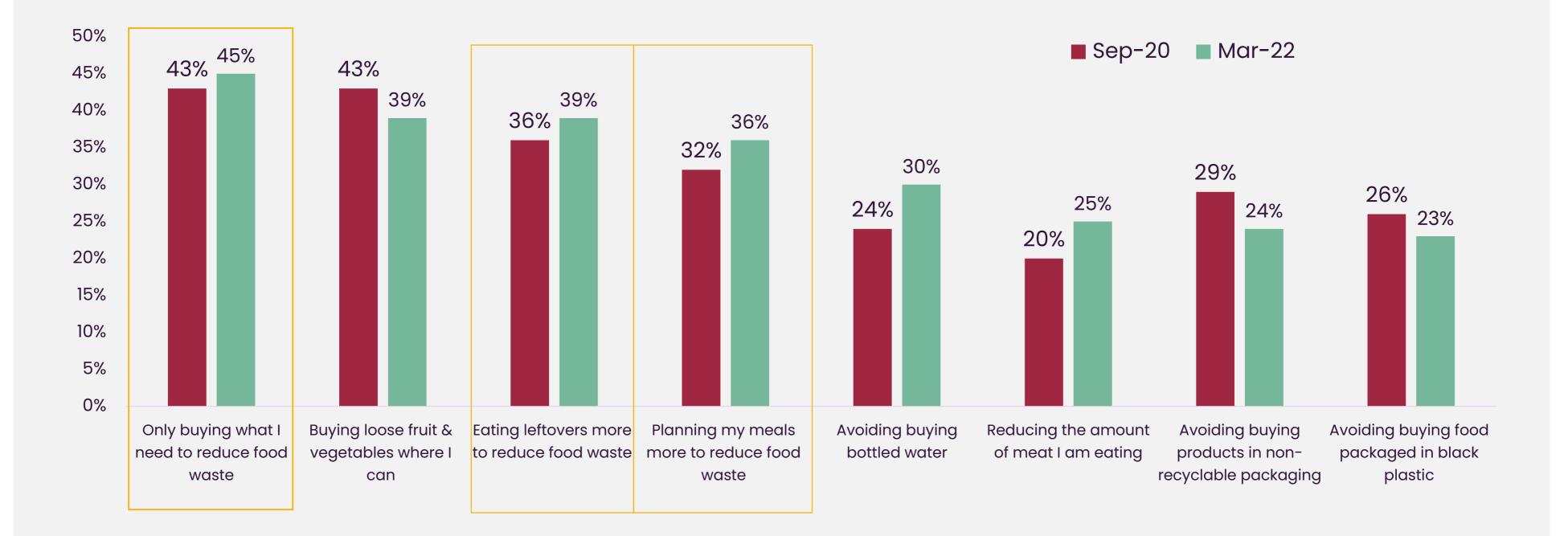


Over half of consumers feel frustrated that things aren't changing quickly enough regarding their priority area

Q And how do you feel about the pace of change regarding......



Reducing food waste remains the main activity consumers are doing to support the environment, with over 55s doing most



Base: 1006 Q And which, if any, of the following are you actively doing for environmental reasons? Base 1001 Q And which, if any, of the following are you actively doing for environmental reasons?

Reducing food waste, environmentally or financially driven?



Base 1001 Q Which, if any, of the following have you done over the last 3 weeks when shopping for food & drink?

Around a third avoided food waste for cost reasons in the prior 3 weeks



Rising Prices

Top concern around food & drink

41% up from 29% in October 2021

Base: 1001 Q Thinking about food & drink, which of the following issues actively concern you? Q And which of these issues regarding food & drink concerns you most?



The rising cost of food and drink has had an impact financially on 72% of UK adults (25% a big Impact)

Base: 914 Q To what extent has the increase in the cost of food & drink had an impact your household financially? Slight or big impact

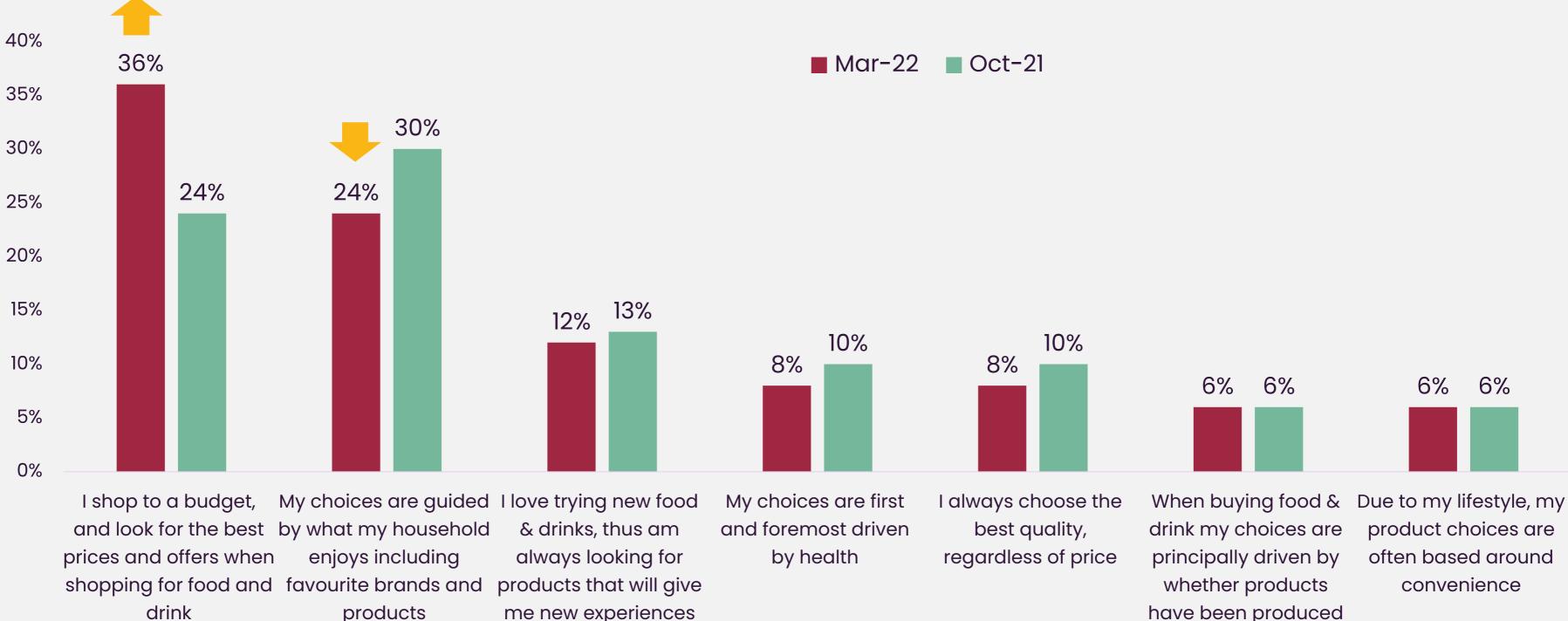


28 April 2022

"We are on a tight budget so rising prices will have a significant impact. It's not really possible to reduce costs by buying cheaper products because we already buy cheaper brands as it is"



A growing number of shoppers are prioritising **budgets over household favourites**



Base 1001 Q And overall, when shopping for food and drink which of the following statements best reflects your main behaviour currently.

have been produced responsibly.

Nearly half of UK adults have made a change to what they buy or where they shop as a result of the increase in food & drink prices

Base: 914 Q Thinking about the increase in the cost of buying food & drink, have you made any changes in terms of what you buy or where you buy it from as a result?

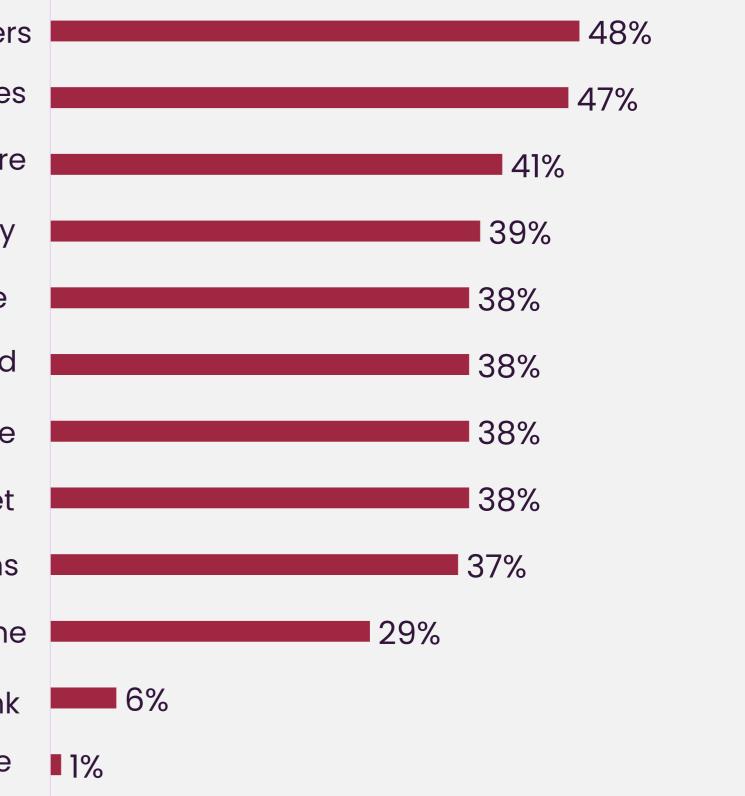


Consumers are using a broad range of strategies to help them combat rising prices

Look more for special offers

- Shopped at a different grocery retailer, because it had lower prices
 - Used retailer value own label ranges more
- Purchased a retailer own label brand rather than the normal brand I buy
 - Stuck to your shopping list and tended to not buy things on impulse
 - Made something from scratch rather than buy it pre-prepared
- Rather than eating out, made or bought something similar to eat at home
 - Decided to take some things off your list in order to stick to a budget
 - Avoided wasting food for cost reasons
 - Switched from a premium own label product to a standard one
 - Used a food bank
 - None of these

Base 494 Q Which, if any, of the following have you done over the last 3 weeks when shopping for food & drink?, Answered "Yes" to Q Thinking about the increase in the cost of buying food & drink, have you made any changes in terms of what you buy or where you buy it from as a result?

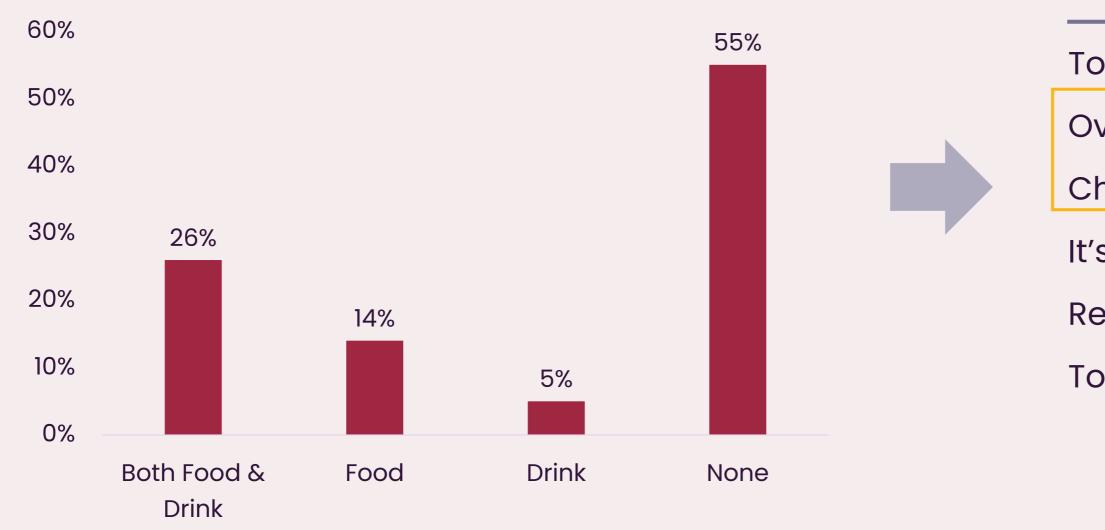




Over 2 million UK adults had used a food bank in the previous 3 weeks

Nearly half of UK adults have purchased food & drink directly from a UK manufacturer or producer, with value for money a key driver

Purchased any food or drink product directly from a UK manufacturer or producer in the last 3 months



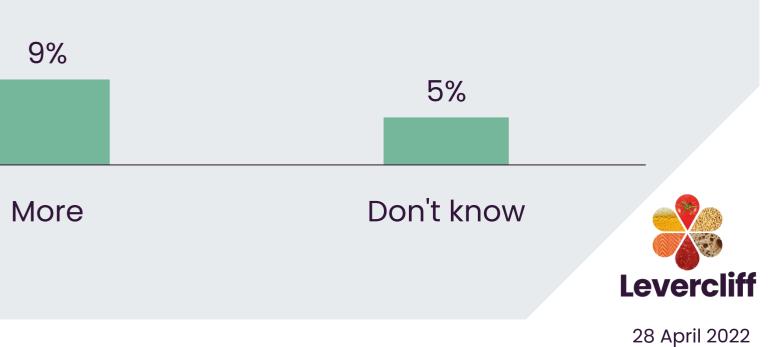
Base 1001 Q Have you purchased any food or drink products online directly from a UK manufacturer or producer in the last 3 months (rather than via a retailer, or marketplace like Amazon)?

Top 6 Reasons	
o support local producer/s	33%
verall value for money	30%
heaper than buying from retailer	18%
s a producer/brand I know & like	17%
ecommendation by friends/family	15%
b buy in bulk	14%

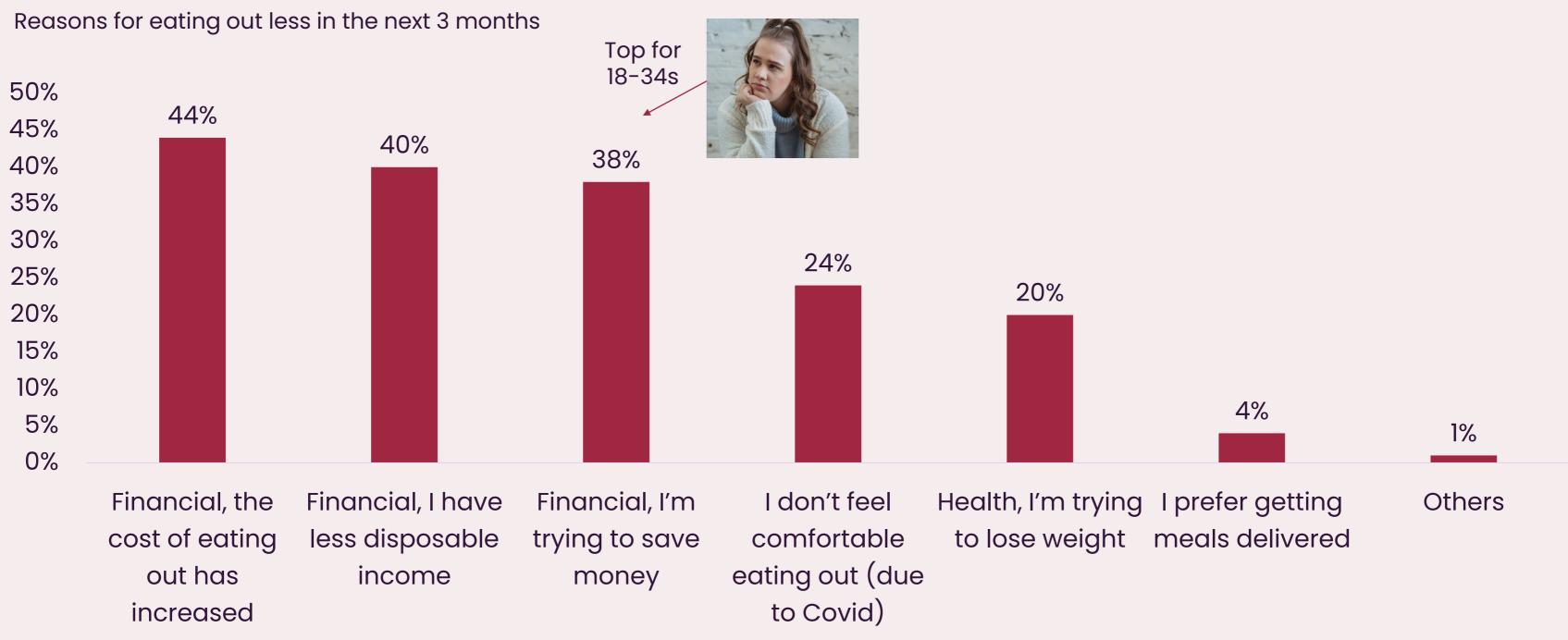
And it's not just in shopping for food & drink where the cost of living is having an impact.

Over the next 3 months do you feel you will be eating out more, less or about the same as you would typically do? 60% 52% 50% 40% 34% 30% 20% 9% 10% 0% About the same More Less

Base 1001 Q How are you feeling about eating at out the moment? Over the next 3 months do you feel you will be eating out more, less or about the same as you would typically do?



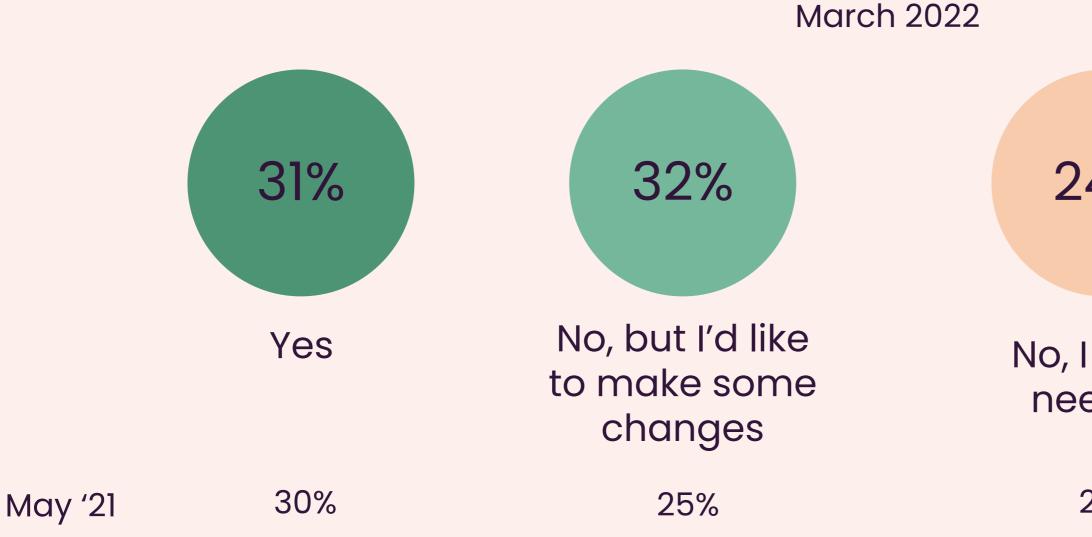
Finances are the main reason why consumers expect to eat out less over the next 3 months





Just under a third of UK adults (16m) have made some change over the last 3 months for health reasons....and a further third would like to

Made any changes to lifestyle in last 3 months for health reasons?



Base 1001 Q Now thinking about health & wellness. Over the last 3 months have you made any changes to your lifestyle for health reasons? (E.g., change in the types of food or drink you consume, exercise, or another change)

24%

No, I don't need to 9%

No, I don't want to

29%

13%

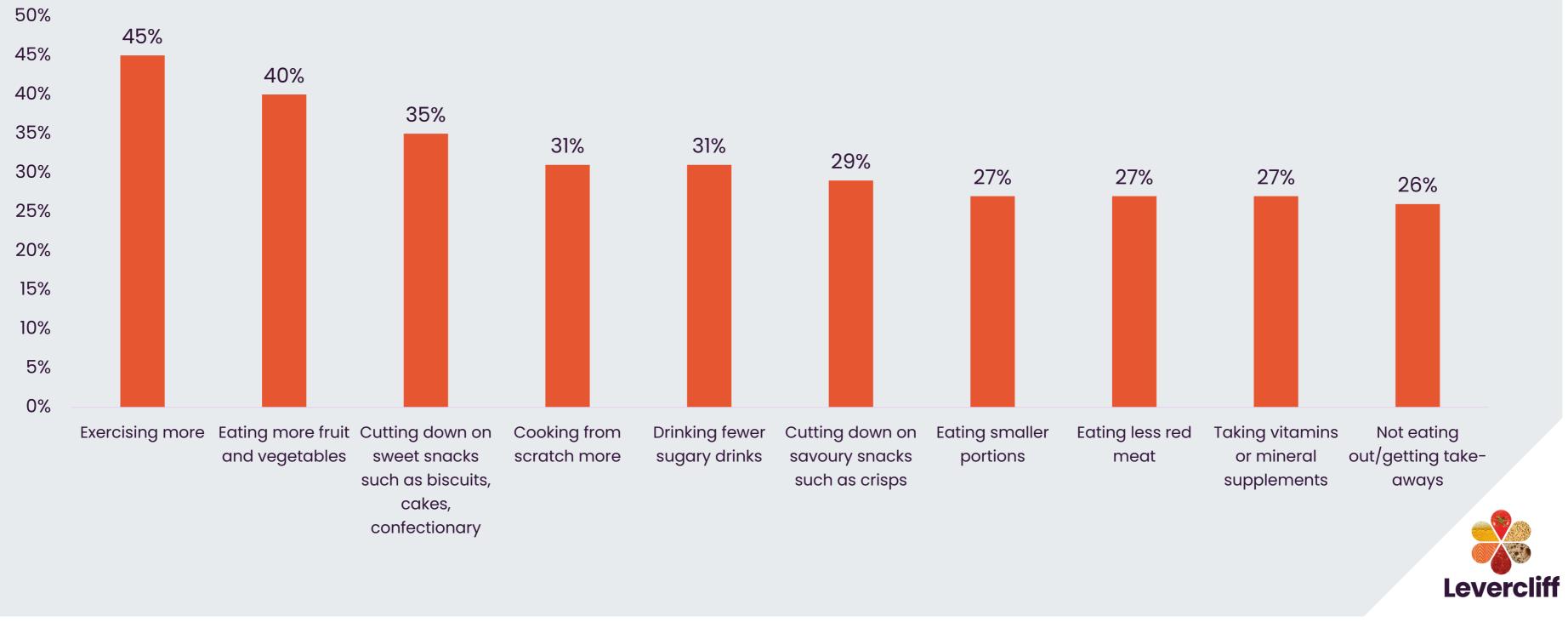
Who is most likely to be making changes?



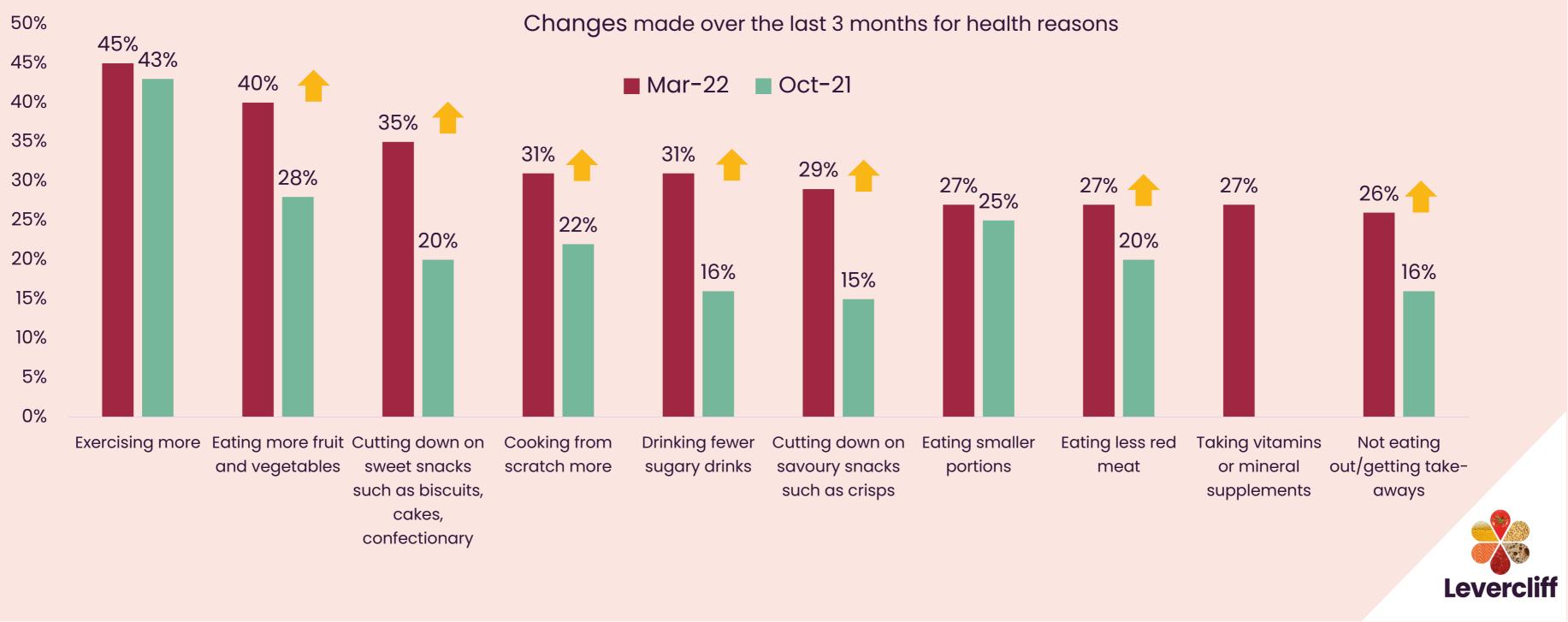
34-54 year olds (37%) peaking at 44% of 34-54 year olds with children under 18 in their household

What Changes Have People Made? Top 10

Those making changes are taking a proactive approach to wellness through self-care such as exercising more and eating more fruit and vegetables

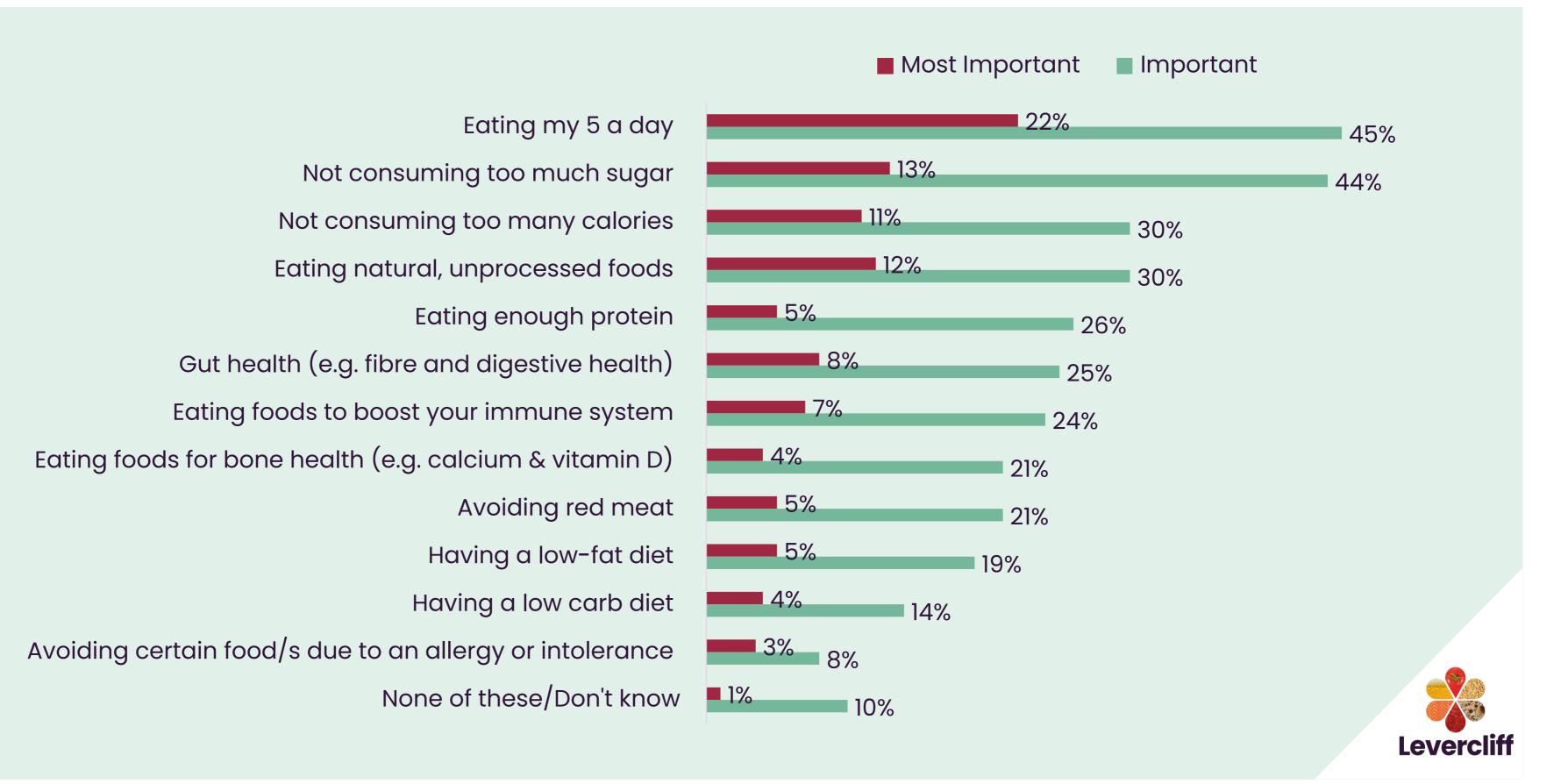


Compared to October last year there has been a significant increase in changing to eat more healthily



Base 312 Q What changes have you made over the last 3 months for health reasons?

What is most important nutritionally...

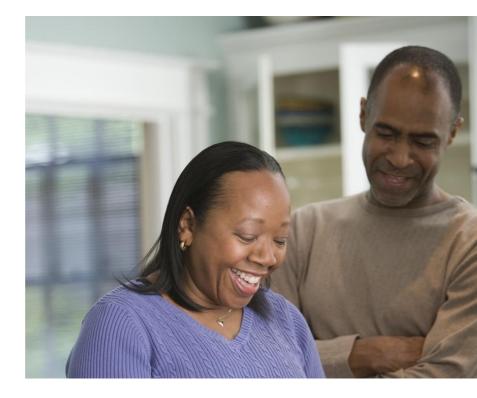


Base 1001 Q Again thinking about health and the food & drink you consume, which of the following is important to you? Base 713 Q And of these, which is most important to you regarding health and the food & drink you consume?



What's Most Important Nutritionally By Lifestage, Top 5





18-34

Not consuming too much sugar

Eating my 5 a day

Eating enough protein

Not consuming too many calories

Eating foods to boost your immune system

35-54

Eating my 5 a day

Not consuming too much sugar

Eating natural, unprocessed foods

Eating enough protein

Not consuming too many calories

Base 1001 Q Again thinking about health and the food & drink you consume, which of the following is important to you?



55+

Not consuming too much sugar

Eating my 5 a day

Not consuming too many calories

Eating natural, unprocessed foods

Gut health

73% of UK meat eaters have made changes to their meat consumption over the last 12 months.

The emphasis is on switching & reduction







Switching to eating more chicken & fish

Eating less processed meat

Eating less red meat

Eating more chicken or turkey 26%

Eating more fish 25%

Reduced the amount of cooked processed meat I eat 20%

Reduced the amount of raw processed meat I eat 19% Reduced the amount of red meat I eat 18%

Base 908 Q Thinking about your consumption of meat, have you made any of the following changes over the last 12 months? Please select any that apply.

Reducing meat consumption



Quality

Reduced the amount of meat I eat of all types 16%

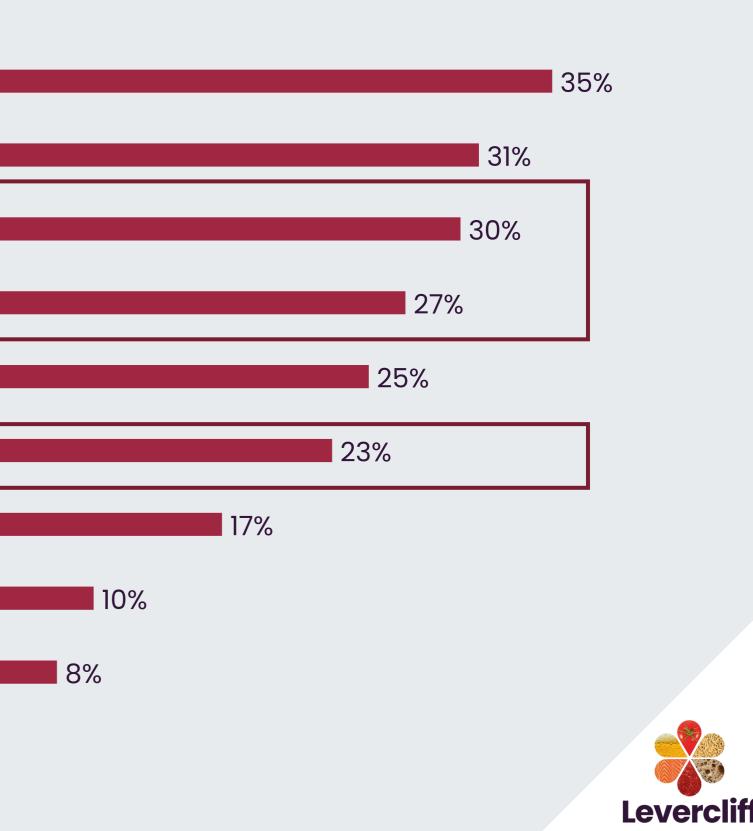
Only eating meat occasionally 15% Buying higher quality meat 14%

Buying organic meat 8%

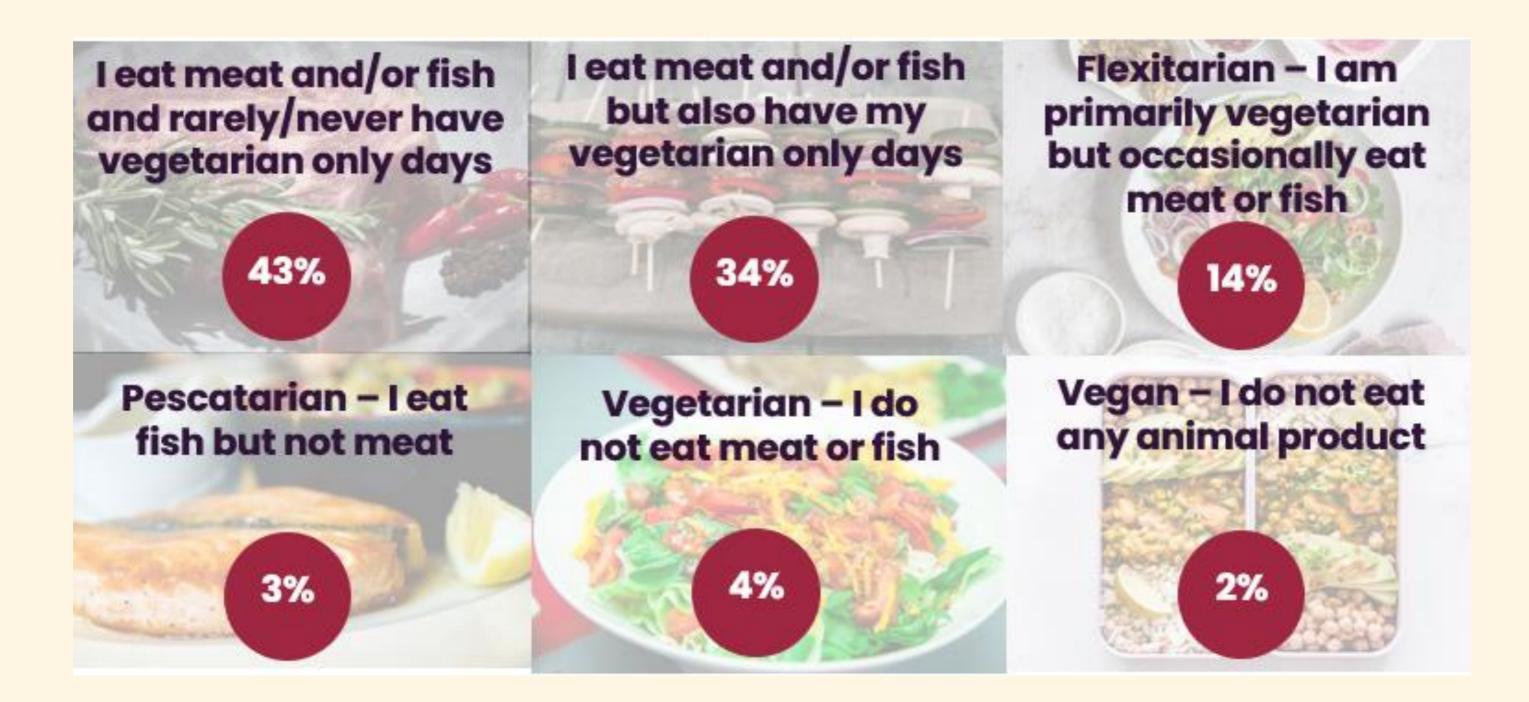


Although health is a key driver, the environment, animal welfare and financial pressures are also important reasons for changes

	For environmental reasons
	For animal welfare
	To reduce fat intake
	To lose weight
	Financial reasons/to save money
	To reduce risk of certain cancers
	To support local farmers
	To support someone else who has changed the amount of type of meat they eat
	The challenge e.g. to see if I can do it
2%	Other

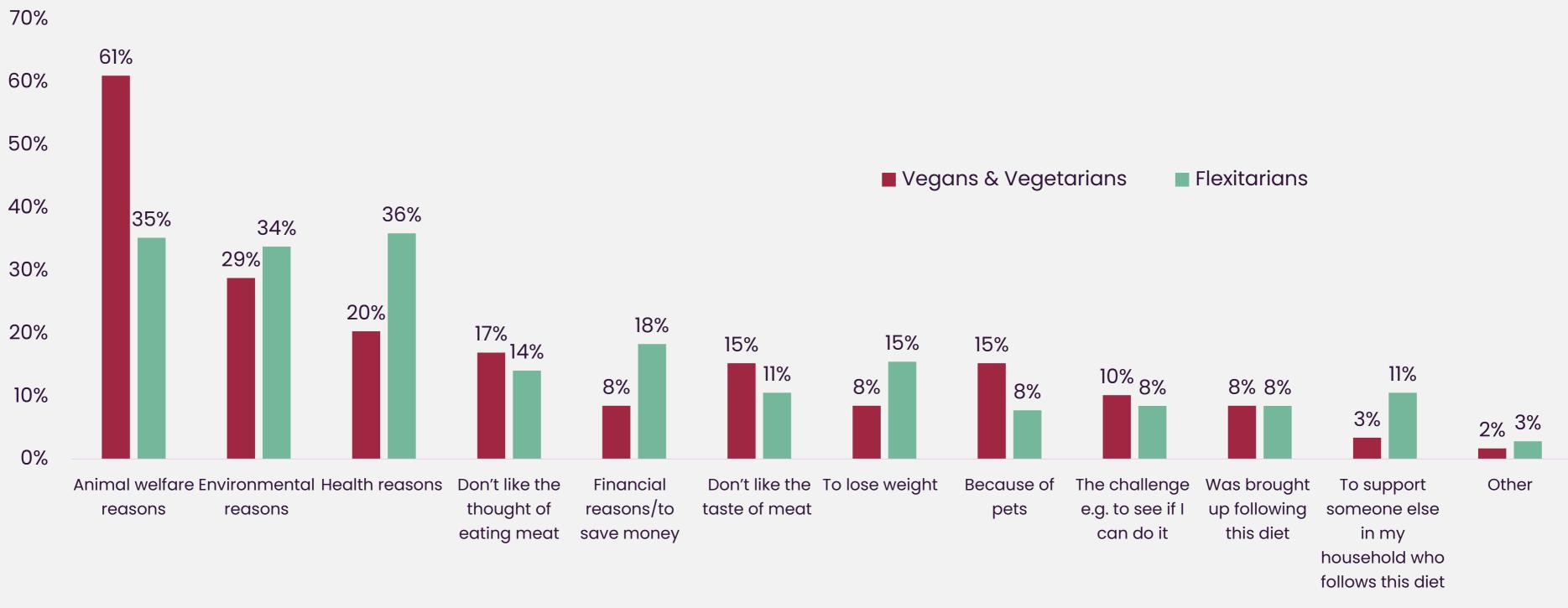


Over half of UK adults (29.7m) now have at least a partial vegetarian or plant based diet



Base 1001 Q How would you describe your normal way of eating?

There are subtle differences in drivers behind those adopting a vegan or vegetarian diet vs. flexitarian, potentially have implications for how we talk to each



Base 201 Q What are the main reasons why you follow this type of diet....?





Key Takeouts







MANAGING WEALTH AND HEALTH ARE KEY PRIORITIES FOR CONSUMERS BOTH ARE IMPACTING CONSUMERS SHOPPING DECISIONS THINK ABOUT COMMUNICATIONS YOU NEED TO GIVE THEM A REASON TO BUY/TRY, BE LOYAL



SUSTAINABILITY MATTERS BUT LESS SO



Thank You To get in touch just email us;

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