

## Fast Facts: Return to Value in a Global Pandemic

The global pandemic continues to bring economic uncertainty resulting in cautious consumer spending. As a result, consumers are seeking enduring value as change in discretionary income and the economic concerns dent consumer confidence.

**This is the final in a series of five Fast Facts focused on diving into key consumption and purchase shifts brought on by COVID-19.**



# 1.

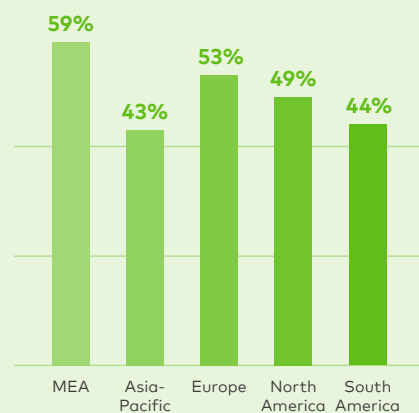


## COVID-19 is promoting cautious spending.

Consumers are paying more attention to how they spend their money.



of global consumers believe that their country is heading towards a recession.<sup>1</sup>



Proportion of consumers who have looked to save money when shopping for food and drink.<sup>2</sup>

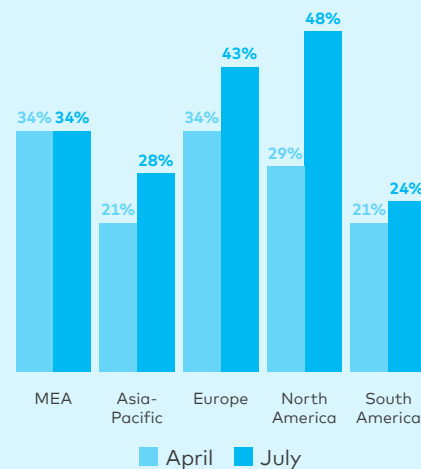
# 2.



## We are seeing the resurgence of private label.

COVID-19 has created the foundation for a private label renaissance.

As branded options disappear from shelves due to panic buying and grocery stockpiling, many consumers are reintroduced to private label as an accessible and low price option.



Proportion of consumers have been buying more private label in the last month as result of COVID-19.<sup>3</sup>

# 3.



## Consumers are adopting a 'back to basics' lifestyle.

Consumers are foregoing 'frills and fads' in favour of simplicity, practicality and versatility. Consumers are also rethinking what's important to them in the long term.



of US consumers will make lists for shopping trips spend on discretionary categories.<sup>4</sup>



Up to of consumers in Japan will decrease spending on discretionary categories.<sup>5</sup>



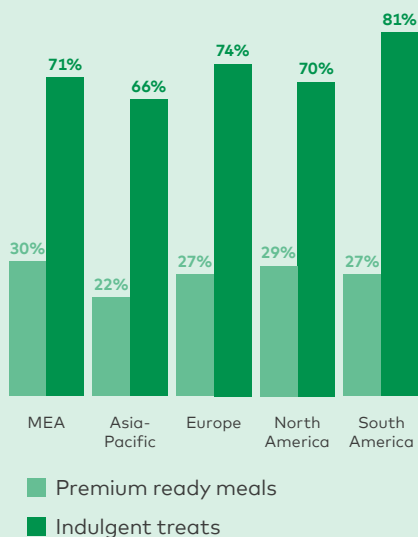
of adult consumers in Spain are cutting back on non-essential spending.<sup>6</sup>

# 4.



## Consumers are looking for affordable premiumisation.

Consumers are still looking for ways to indulge and enjoy quality goods, but without breaking the bank. For example, treating themselves occasionally with indulgent snacks, or premium ready meal kits as opposed to eating out.



Proportion of consumers purchasing more premium ready meals or indulgent treats to compensate the reduction of spend in food service.<sup>7</sup>

## Opportunities

The ongoing economic uncertainty brought about by COVID-19 will continue to promote cautiousness in spending for some time to come. Consumers will look to get the best value possible for their money.

Brands need to ensure their products align with consumer needs and priorities. Consumer thinking around value is continuously evolving and does not always mean cheap or low cost.

We have outlined in this document some key strategies that brands can use to deliver to these evolving needs. It's key that brands are overtly communicating their products 'value' to help consumers when rationalising their spending decisions.



Discover more insights on how COVID-19 has impacted consumers.

[Click Here](#)



1. FMCG GURUS: Private label opportunities in a COVID-19 environment. 2. FMCG GURUS: Private label opportunities in a COVID-19 environment. 3. FMCG GURUS: Private label opportunities in a COVID-19 environment 2020. 4. McKinsey & Company COVID-19 US consumer plus survey. 5. McKinsey & Company COVID-19 Japan consumer plus survey. 6. Mintel Lightspeed survey. 7. FMCG GURUS: How has COVID-19 changed consumer behaviour.

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