Coronavirus
COVID-19

Future Proofing Toolkit



China Edition

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Coronavirus
COVID-19

Future Proofing is core to our Covid-19 Response plan at Bord Bia.

Planning for your business future in a time of such uncertainty will not be easy.

Our ambition is to deliver industry timely consumer and market insights, robust data and assistance with strategic planning.

By downloading our Future Proofing Toolkit you've taken the first step in beginning your business' plans for a successful Post-Covid future…

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How to use the toolkit.

The toolkit is built around three key elements, each of which will help you navigate your way through the changed reality in the marketplace.

The menu for these elements is shown below. Simply click on item 1, 2 or 3 for more explanation on how to use them and if at anytime you wish to return to this page simply click the ‘home’ item in the bottom left corner of each page.

1. Indicators

2. Validators

3. Planners

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Indicators

Coronavirus COVID-19

Welcome to the Indicators section of the toolkit.

Understanding each of these indicators is your first step in developing a future proofed plan for your business. You can read each individually by clicking on their icon below:

General Behaviours











Shopper Behaviours









Consumption Behaviours



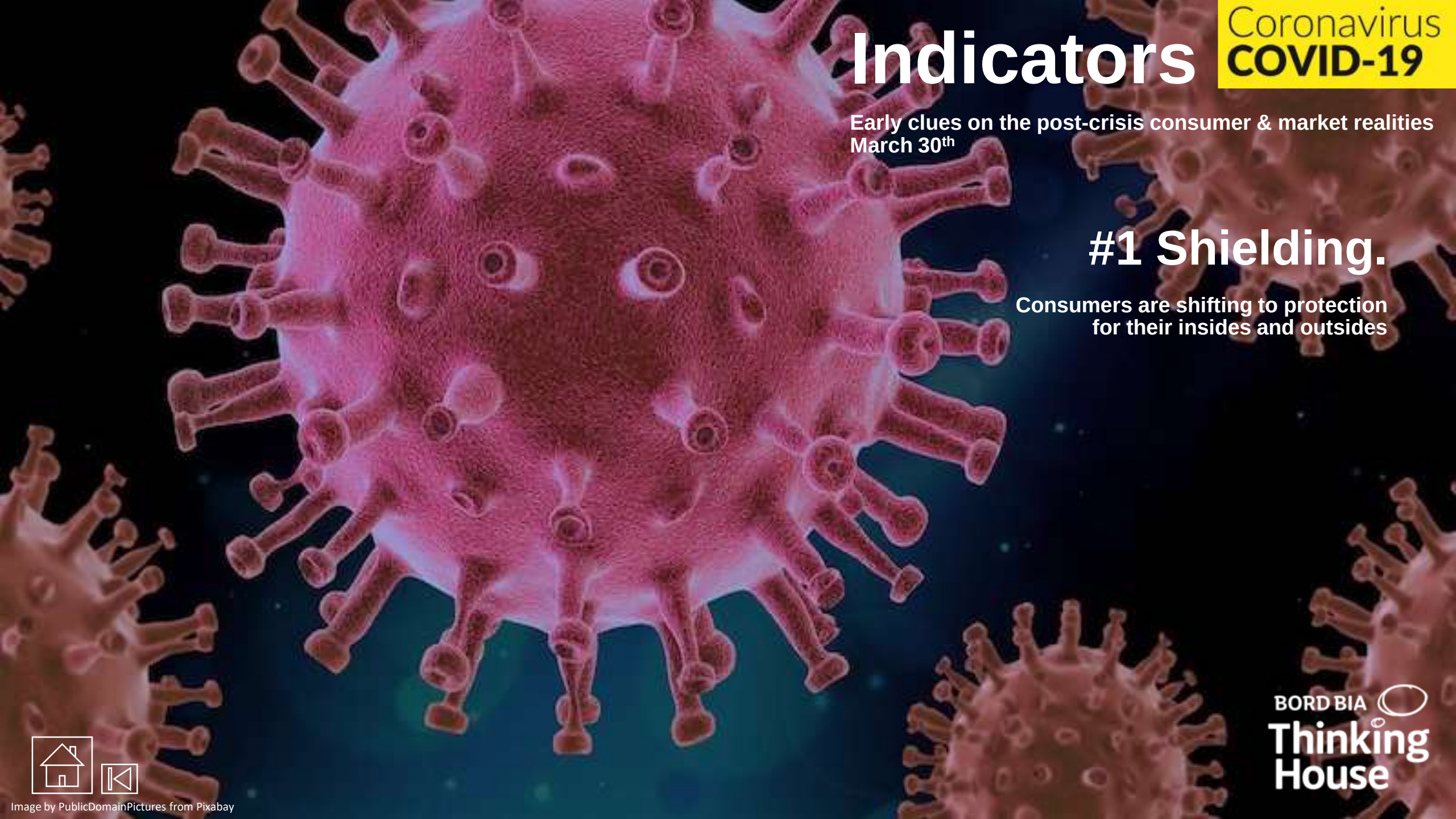








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Indicators

Coronavirus COVID-19

Early clues on the post-crisis consumer & market realities
March 30th

#1 Shielding.

Consumers are shifting to protection for their insides and outsides

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Image by PublicDomainPictures from Pixabay

#1 Shielding

Consumers are shifting to protection for their insides and outsides.

While Health and Wellness has become an engrained part of life, the intensity with how we view our health is likely to change over the months and years ahead. Recent years have seen a conversation around proactive health management with a goal of eating and drinking foods that enable us optimise our health. Post Covid-19 the indicators suggest **“Protective Health Management”** will emerge.

The fact that there is a wait to find a cure, the fact that this virus has showed some signed of potential reoccurrence in people, the fact that there is even conversation that there could be more such viruses in the future in a more globalised world, will all create great desire for shielding and self-protection.

Foods that can **protect our defence systems** are likely to grow in popularity. This will see a shift in the role functional foods plays for consumers. Recent years have seen Science and Nature blend in the minds of consumers with an ever greater focus on the role of **natural nutrition**. As we move into the Post-Covid world, consumers may well pay more attention to the **Science of Food Functionality**. Consumers may want nutrition that helps boost their immunity.

We call this early indicator **SHIELDING**.

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#1 Shielding

Consumers are shifting to protection for their insides and outsides.

Google searches featuring the term food, immune and system have spiked since mid-March. As the crisis has deepened, consumers have moved to any source they can to find ‘new’ ways to boost their immune system.

This early indicator signals that consumer will pay even greater attention to the world of functional foods. But they also pay greater scrutiny to the claims that food brands make.

Our Indicators tracker in Ireland, in April 2020 revealed that 29% of Irish adults are now eating healthier for ‘improved immunity’.

That figure jumps to ***37% among all under 35 year olds.*** Clearly, healthy eating for immunity has as stronger appeal amongst the valuable millennials cohort.

66%

of Chinese adults are eating foods for improved immunity as a result of the Covid-19 response

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#1 Shielding

Milk and dairy category in general continue to grow in consumption in China with Covid-19 enhancing that upward trajectory.

Over 96 percent of Chinese consumers feel dairy products are instrumental in boosting the immune system, whereas almost 50% of Chinese consumers increased the types of dairy products they consume and ensure they drink milk on a daily basis. [2020 China Milk Quotient Report]





“[Parents] should prepare enough milk and eggs every morning …no congee should be allowed as breakfast,”

said Zhang Wenhong, a doctor at the infectious diseases department at Shanghai’s Huashan Hospital and one of China’s most outspoken critics of the nation’s diet since the start of the Covid-19 outbreak.

Zhang’s view has some serious backing. At this year’s National People’s Congress, China’s annual meeting of parliament, a lawmaker suggested the government should make it a national strategy to encourage every person to drink at least 300 grams of milk a day – about half a pint. [Bloomberg News]

In a later occasion, Zhang also reiterated that protein is crucial in fending off diseases and that consuming steaks, eggs and milk is the best way to fight against coronavirus.

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#1 Shielding

Will hand held snacks have to change their ways.

Hand hygiene is also top of mind and now part of every day living. Retailers have responded to this with stores offering free hand washing facilities in store. As we self protect into the future it is likely to be a habit that could become more engrained. And how we eat hand-held snacks may well evolve…

ONE TO WATCH

Glico Grape Ice Cream Balls from Japan claim to keep hands clean and free of melted ice cream.

According to the manufacturer, 'the bag can be ripped a little to remove one ice ball at a time, making it possible to consume it without touching the ice cream'.



THE INDICATOR

Hands Clean Claims

Will new pack formats emerge?
Will ‘contact free’ hand held snacks grow?

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#1 Shielding

Protein powder has seen significant sales growth through Covid-19 in China.

Chinese consumers are no strangers to health supplements. In the first quarter of 2020, health supplement brand BYHEALTH (汤臣倍健) launched a “To Buy List for Immunity” on their e-commerce site. As the top product on the list, protein powder had been sold in over 200,000 cans as of end of March (peak of the pandemic in China).



In addition to protein powder, the market also saw an increase in sales of supplements such as natural herbs & Chinese medicine and vitamins/ minerals.

Interestingly, gut-health supplements such as prebiotics did not see strong growth during Covid-19 - possibly due to a relatively weak linkage to strong immunity.



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Indicators

Coronavirus COVID-19

Early clues on the post-crisis consumer & market realities
March 30th

#1 Shielding.

Implications for Irish Food & Beverages:

- A greater focus on food functionality
- A greater focus on the science of food function
- Even greater scrutiny on immunity claims
- Innovations in hand held snacking
- Innovations in eye protection functional foods

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Indicators

Coronavirus COVID-19

Early clues on the post-crisis consumer & market realities
March 31st

#2 Comfort Cooking.

Consumers are retrenching to familiar old favourites and forming new habits



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Image by PublicDomainPictures from Pixabay

#2 Comfort Cooking

Consumers retrenching to familiar old favourites and forming new habits.

As our frantic lives have been put on mute, the pace of home life is slowing down. Time-poor consumers have almost overnight moved from the world of compromised convenience foods to a world of home cooking and even slow cooking.

Necessity is the mother of invention. Being stuck at home means the kitchen is becoming a focal point of our day. But invention in this world isn't necessarily completely new meals or recipes. In fact, necessity during Covid-19 seems to be much more about a retrenchment back into familiar old favourites.

Globally, consumers are now finding comfort in cooking. In China, the original epicentre of Covid-19 lockdown, **a national survey (n1000) conducted in February by Kantar China found that to pass time, close to a third of people got into baking and cooking.**

Cooking is back for us all now. Cooking for comfort. Cooking for sustenance. Cooking for security. Cooking to let us feel that something familiar remains in this all to unfamiliar new world.

We call this early indicator **COMFORT COOKING**.

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#2 Comfort Cooking

Familiarity breeds comfort in a world we no longer recognise.

Research agency Behaviour and Attitudes, have been monitoring consumer sentiment since the outbreak in Ireland. They find that 46% of Irish people are creating more tasty meals that everyone can enjoy and 44% claim more of their main meals are now eaten with others.

As everyone has descended on the home and as we hunker down, pleasing people through food is a priority. Cooking has become a focal point of household's day in a way that hasn't been the case for many years. As long days stretch out for consumers, cooking is especially important to make the day exciting and interesting.

Unsurprisingly, sales for comfort carbs such as pasta and noodles are all in growth. This isn't surprising when we know that Italian pasta meals with tomato sauces are firm family favourites (What Ireland Ate Last night).

In the UK, sales of dry pasta were up 55% year on year in week ending 8th March according to Kantar. Nielsen also noted in the UK that many UK stores have been emptied entirely of pasta, noodles, bread and also rice with a similar picture apparently emerging in Ireland.

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#2 Comfort Cooking

Familiarity breeds comfort in a world we no longer recognise.

Our Indicators trackers shows that Covid-19 significantly impacted the ‘quality’ of the familiar favourites that we buy.

Almost 2 in 3 Chinese adults are buying better quality beef or better quality cuts of beef as a result of the Covid-19 response.

Our data also shows that there is a real retrenchment into ‘old ways’ of living and cooking.

Some 56% of Chinese consumers were cooking food from scratch as a result of Covid-19. As a result, the sales of various kitchen appliances were also booming, including sandwich makers, toasters, air fryers, blenders, ovens, etc.

65%

of Chinese adults are buying better quality foods as a result of the Covid-19 response

56%

of Chinese adults were cooking food from scratch as a result of the Covid-19 response

#2 Comfort Cooking

Sales in baking ingredients skyrocketed during shopping festival.



To satisfy consumers' baking needs triggered by the lockdown, as well as bringing businesses for the local industries, China's second largest e-commerce platform JD.com launched a "Baking Festival" promotional campaign in April 2020.

During the first 4 days of the event, the platform saw a 360% sales increase in baking ingredients such as flour, yeast, butter, cream and sugar.

The top-selling product was Nestle's whipping cream, with 1000% increase in sales value.

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#2 Comfort Cooking

During lockdown, Japanese women in particular came under increased pressure with having to cook three meals a day. Creating simpler meal solutions as opposed to more complicated traditional Japanese meals is key to winning back time and is becoming recognised as important in contemporary Japanese society.

Close to 60% of households in Japan now operate on double income, yet women continue to shoulder the burden of housework.

The average time spent each day on household chore (for a weekday) by Japanese couples is 263 minutes for the wife compared to only 37 minutes for the husband according to a survey conducted by the National Institute of Population and Social Security Research. Women have typically shouldered responsibilities for "both work and home".



"The amount of effort Japanese Moms put into ensuring the health and happiness of their families can be overwhelming. In Japan, society and traditional values endorse home cooked meals but overseas, women don't face the same pressure."
Kentetsu Koh, culinary expert

In March, Kentestu Koh started a Youtube channel to come up with simpler recipes…stove top cheese and toast was one of his first "simple" recipe ideas.

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Coronavirus COVID-19

Early clues on the post-crisis consumer & market realities
March 31st

#2 Comfort Cooking.

Early Implications for Irish Food & Beverages:

- Consumers embrace comfort foods
- Consumers replicate their take-out favourites
- Consumers reject convenience cooking



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Indicators

Coronavirus COVID-19

Early clues on the post-crisis consumer & market realities
March 31st



#3 Simply Safe.

Consumers are looking for security in simplicity, transparency and familiarity

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Image by PublicDomainPictures from Pixabay

#3 SIMPLY SAFE

Consumers are re-prioritising basic, simple safety needs from their food.

We are all hard-wired to seek out safety at times of fear. Our “safety circuits” are based in the *amygdala*; part of the most primitive structure in our brain. Its primary concern is to protect us, which is rational and welcomed with the threat of Coronavirus. But the challenge to protect ourselves is heightened by the unpredictability and lack of clear understanding of the threat from the Coronavirus. This leads to unusual responses according to Dorothy Frizelle (Consultant Clinical Psychologist).

Grocery stockpiling is a well documented outplaying of this response, serving as a means of comfort, control and reassurance for consumers. However, we are also seeing more subtle manifestations of this with consumers seeking reassurances regarding **food safety**, something that for many, was taken for granted.

The foundational work by Theodore Maslow on the *hierarchy of needs* puts safety behind physiological needs, one might argue that the safety need is for now, at least temporarily, paramount. For brands and businesses, it is important to recognise how this will manifest itself in consumer choices in Covid-time and beyond. What will we need to do to respond to this evolving consumer reorientation? Focus on:

TRUST **>** **SAFETY** **<** TRANSPARENCY

We call this early indicator “**Simply Safe”**.

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#3 SIMPLY SAFE

Think about how “safety-first” consumers will respond.

Many of the fear responses we see from consumers are arguably irrational but it is deeply ingrained human behaviour that is hard to subdue. “Nation Brands”, as well as consumer brands, are seeing the effect of this unstoppable quest for safety.

Google Trends data shows that interest in cuisines from China and Italy have plummeted in recent weeks by 33 and 24% respectively. This raises an interesting question about the role that a nation’s Coronavirus response could have on food exports from that market in the future. Also, referencing the fact that half of Italian agri-food exporters had received Corona-related cancellations of orders from abroad; with some seeking “virus-free” health certification, Coldretti/Ixé research are devising a plan to fight the “misinformation”.

Indeed, in the world of brands, a survey by 5WPR in the US claims that 38% of US beer drinkers would not drink Corona beer under any circumstances at the moment, so this pandemic is raising irrational questions about the safety of the brand.

Guidance too issued in good faith on washing fresh fruit and vegetables with soap and water or peeling have been doing the rounds too leading some to question incorrectly the safety of fresh produce. We also are picking up on people baking bread to avoid eating foods that others may have handled and questions arising for some about the safety of delivery services…..

While possibly extreme, these only serve to highlight the sensitivity of consumers at this time. Brands operating in this new World need to be open and honest and to leverage available assets that can authentically underpin a trust and safety.

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#3 Simply Safe

From infant milk formula to cooking oil, food safety has long been an important concern for Chinese consumers.

As a response to Covid-19, some mini hotpot restaurants utilised the one-pot-per-guest style to appeal to consumers who wanted to enjoy hot pot but at the same time worried about transmission of coronavirus through food sharing.

61% **of Chinese consumers say the food safety standards of the food and drink they buy is more important now.**



Karolina Grabowska
www.pexels.com

#3 Simply Safe.

Karolina Grabowska
www.pexels.com

Early in February 2020, medical experts in China have recommended to reduce eating cold dishes and raw food as they suspected coronavirus might be transmitted through the digestive system.

While it's not definitive that food can carry the virus, many Chinese consumers have followed the advice and cut back eating food that's not fully cooked.

After the outbreak in Beijing's market in June, consumers became concerned about consuming imported seafood, especially raw seafood such as sashimi and oysters.

As a result, some Japanese restaurants in Shanghai temporarily suspended serving sashimi.





Photos: NYTimes

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#3 SIMPLY SAFE

So what should we do about it?

We all hope that the Coronavirus dissipates before long. However, it is likely that many of the changes in consumer needs will persist well beyond the crisis.

"This global crisis will fundamentally change how we think, behave, and consume. There is no rapid return to normal. The new world will have trust at its core". **(Richard Edelman)**

Brands should redouble their efforts to build trust and transparency into their DNA and to leverage any national and proprietary assets at their disposal for now and for the future.

Forrester believes that now is the time to build that trust in words and actions by prioritising consumer's wellbeing; including safety.

And its important to get this right. *"Nearly two-thirds (65%) saying how brands respond to the pandemic will have a "huge impact" on their likelihood to buy their products"*. (Campaignlive/Edelman)

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March 31st



#3 Simply Safe.

Consumers are looking for security in simplicity, transparency and familiarity

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Indicators

Coronavirus COVID-19

Early clues on the post-crisis consumer & market realities
Apr 7th



#4 Trace Tech.

Consumers are sharing their data in new ways

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Image by PublicDomainPictures from Pixabay

#4 TRACE TECH

Data privacy and how we manage it is changing.

As the Covid-19 crisis deepens, governments across Europe have rolled out or plan to launch phone-tracking apps to trace people who came into contact with those infected and to monitor people under quarantine. Technology was central to how governments in Asia tackled their outbreaks. Chinese consumers are, in many ways, ahead of consumers in the West when it comes to tech based payment systems, online retailing and social networking.

The measures have triggered criticism from some data privacy activists who worry that they may become permanent once the coronavirus crisis is over, while others doubt they will be effective unless most people agree to use them. They argue we are moving into a world where “Big Brother” truly is watching.

The European Data Protection Supervisor (EDPS), says the use of temporary broadcast identifiers and Bluetooth technology for contact tracing protected both privacy and personal data. All of this points to a new world where people’s data and the privacy of that data may well play a key role in ‘flattening the curve’ here in Europe. Understanding how people adopt new data-sharing technology will help us understand how food consumption and data will merge in the future.

We call this Indicator **TRACE TECH**.

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#4 TRACE TECH

Asian health services have led the way on tech based solutions.

Before the rest of the world was consumed by the Covid-19 crisis, health services in China were embracing app based technology to tackle contact tracing. In early Feb, Chinese authorities launched an app that allows people to check whether they have been at risk of catching the coronavirus.

The 'close contact detector' in China's WeChat app tells users if they have been near a person who has been confirmed or suspected of having the virus. To make an inquiry, users scan a Quick Response (QR) code on their smartphones using apps like the payment service Alipay or social media platform WeChat.

Singapore soon followed with their TraceTogether app, a similar contact tracing app that was downloads 1m times in the first five days of its life.

While in South Korea, the government has created a publicly available map from cellphone data that people can use to determine if they have come into contact with someone who has been infected with the novel coronavirus.







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#4 TRACE TECH

Movement tracing simply by scanning a QR code.

China deployed data-driven solutions fast and early in the Covid-19 epidemic. Responses included upgrading and expanding components of the existing digital technology ecosystem, most notably facial recognition and “super apps” like WeChat.

Well-established links between government and business enabled the authorities to draw on large amounts of user data, often in real-time.

For example, China’s three telecom providers jointly launched the “Information Big Data Itinerary Pass” (通信大数据行程卡) on February 29th, pooling data on China’s 1.6 billion registered phone numbers and the geographic movement of their customers in the past 14 days.



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#4 TRACE TECH

Data Enabled Contactless Meal Delivery.

During the first wave of the outbreak, many people have opted for groceries over meals for fear of being infected, and platforms have had to innovate with “contactless deliveries” to minimize the risk of driver-to-customer infections.



China’s food delivery platform Meituan deployed unstaffed cars to send grocery orders to customers in Shunyi district in Beijing for the first time in January.

The company has also installed contactless lockers, which can help to disinfect delivered goods using ultraviolet light before the customer picks them up, in office buildings and hospitals since February.

Couriers leave the orders in a secure cabinet and customers unlock it using a QR code supplied by the app.

Meituan has deployed about 1,000 smart lockers across the country and almost 200 orders on average are delivered every day through them, according to the company.

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#4 TRACE TECH

GPS data makes tracking movements possible.

From April 3rd, Google is making available aggregated and anonymous data just like it collects from my smartphone's location history to provide a picture of how millions are making journeys across 131 countries.

Google said these Covid-19 Community Mobility Reports "show recent trends (over the past 48 to 72 hours) of the percentage increase or decrease in visits to places like retail stores, recreation spots, groceries and pharmacies, parks, workplaces and residential locations".

The aim is to provide information to public health officials so they can make adjustments to opening hours and transport availability to aid social distancing measures.

Trends are also being provided over several weeks. In Ireland, this data is being provided county by county. We are moving into a world where 'monitoring our movements' is very much the norm.

Google



Source: Google Mobility Report (Ireland)

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#4 TRACE TECH

Data Enabled Contactless Grocery Shopping.

New York based FutureProof Retail is making its Mobile Checkout Solution free of charge for retail food stores and pharmacies nationwide during the coronavirus pandemic.

The New York based company said its Mobile Checkout, which allows shoppers to scan items with their phones as they shop and pay with a scan at a mobile checkout station, is helping shoppers practice social distancing - avoiding lines, interactions and additional product handling - while enabling them to get the food supplies they need amid the coronavirus pandemic.

According to Winsight Grocery Business, FutureProof is in place at Fairway Market stores in New York, which has been recommending the app as a part of its safety recommendations to shoppers.

Since that campaign began, Fairway has seen app adoption increase by more 300%, with 20% of transactions now coming through the mobile checkout app in its city stores and as much as 30% at some locations.

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#4 TRACE TECH

Data Enabled Contactless Grocery Shopping.

We know the grocery shoppers of the future will be ‘digital natives’ those who have always had access to computers and the internet and therefore rapid change is the norm for them.

Ernst & Young in their Eight Forces That Will Shape The Future Consumer Report, identified the Smart Consumer, who will use AI to optimise everything including what they eat.

These consumers are likely to allow AI bots and smart home services to perform consistent purchases, and people will trust them to make the right decisions. Running low on milk? Your smart fridge will order it for you. Eating too much saturated fat? Your health app on your phone will block you from over ordering on your Amazon or Tesco app.

Advances in wearables and nutrigenetics that allow consumers to customise a diet that is ideal for them will be possible. All of these one-time pieces of ‘science fiction’ are coming to pass and its all because **people are getting more comfortable sharing their personal data**. These are the long since predicted Smart Shopper behaviours we’ve been told about for years.

We may well look back at the Covid-19 pandemic as a period that accelerated adoption of technologies such as a AI.

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Indicators

Coronavirus COVID-19

Early clues on the post-crisis consumer & market realities
Apr 8th

#4 Trace Tech.



Early implications for Irish Food & Beverages:

- Consumers embrace data-sharing for health purposes
- Consumers adopt ‘virtual shopping lists’ via AI
- Consumers allow wearable data to change their diets
- Consumers embrace contactless retailing

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Image by PublicDomainPictures from Pixabay

Indicators

Coronavirus COVID-19

Early clues on the post-crisis consumer & market realities
April 9th

#5 The New Social.

Consumers are embracing technology to fight social distancing



Photo by Sergey Zolkin on Unsplash

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#5 The New Social

With nearly than 3.5 billion people in isolation, much of the world has had to readjust to new ways of communicating and connecting.

As social creatures, we seek out company and so we have found ways to gather on line, thanks to advancements in technology. Every day, in nearly every home, new experiences are happening in terms of virtual living that are likely to change how we live out our lives into the future.

As people crave company and are trying to manage heightened anxiety levels, they need to establish some sense of normality by continuing their weekly routines and social activities. And so we have seen digitalisation accelerate as people bring their everyday lives online.

These social gathering can be as simple as a House Party group chat to Quarantine Night Clubs. In fact, the founder of Zoom has increased his net worth by more than $4bn since the corona virus started. (Guardian, 31 March)

What's interesting to see is how brands have interacted and engaged with these new online behaviours to bring their consumers together.

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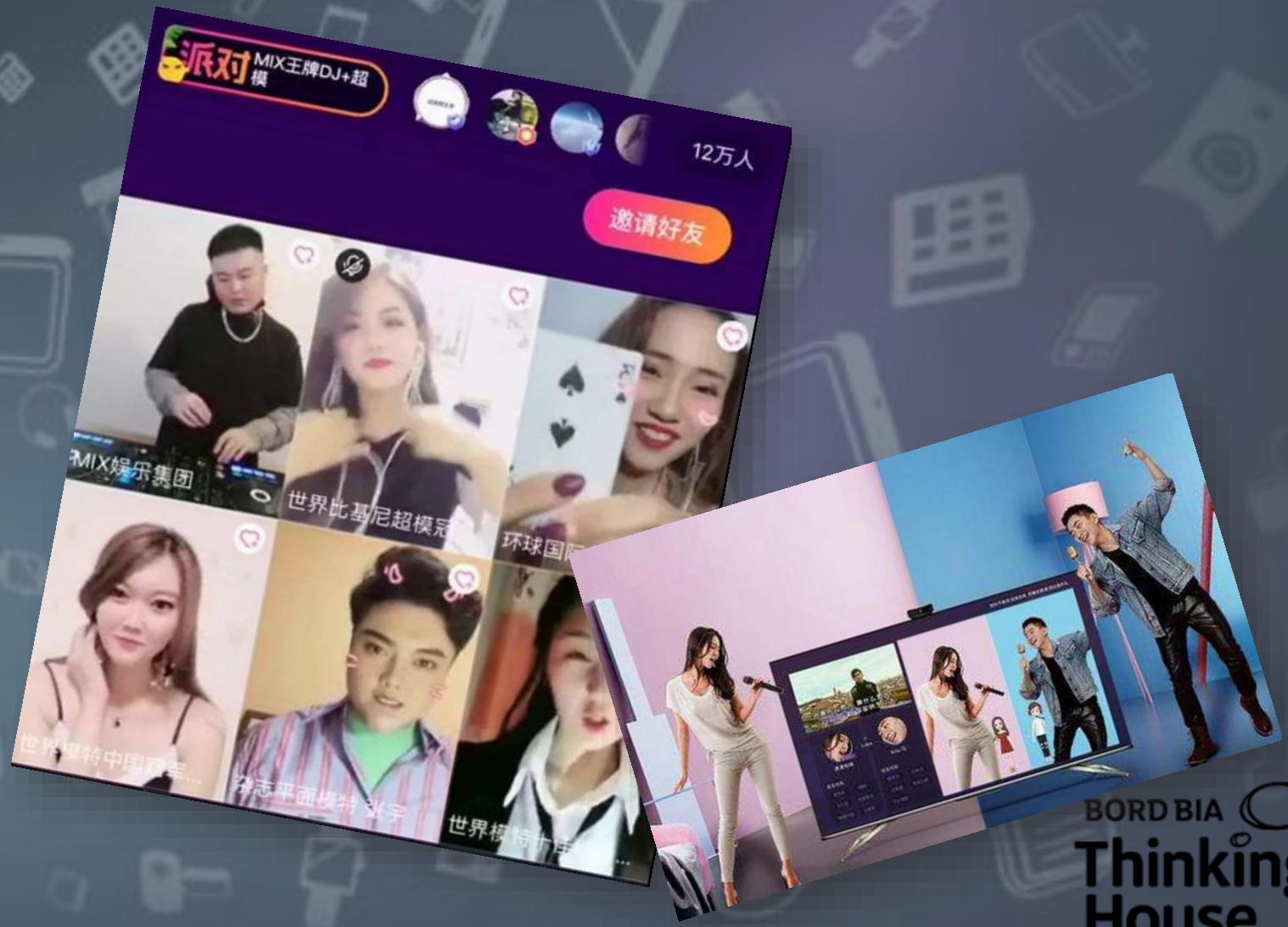
#5 The New Social

Social function of livestreaming platforms accelerated during lockdown period.

Livestreaming APPs such as Huajiao launched a “Party” function so users can stay socially connected when they are required to stay in.

Each party allows six “guests” who have the full capability of streaming, chatting, gaming, gifting, etc. whereas other “spectators” are allowed to use text and send gifts to interact with the party participants.

Users can utilise the by-invitation-only virtual party to meet new friends or workout, play games, sing karaoke as a group.



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#5 The New Social

JD’s “online clubbing” drives liquor sales.

Livestreaming provided a way to help brands, especially liquor brands who traditionally relied heavily on the offline scenarios but was put on pause by social distancing.

Teaming up with multiple international liquor brands including Budweiser, Remy Martin, Carlsberg and Pernod Ricard, JD’s online clubbing initiative invites musicians and DJs to perform online, coupled with professional introductions to different kinds of liquors. Usually the live show will last three hours during which shoppers are able to purchase corresponding products directly from the livestreaming page.

During one of the live shows, sales of imported liquor from a single partner brand increased 70%, and sales of its whiskey products increased 8 times compared with the same period on the day before. During another show, sales of beer increased 40% compared with the same period of the day before.





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#5 The New Social

The Show Must Go on ..Asics success of going virtual during lockdown has made them consider bringing the virtual instore.

To coincide with the Olympics Asics were due to launch a new range of runners to the media.

With the cancellation of the Olympics and no press launches, Asics went virtual creating their own innovation lab for the lockdown launch.

The experience required the wearing of a VR headset. Users were invited to participate in exercises that emphasised the shoes features…

Asics is now considering bringing this experience into their retail outlets to create an enhanced customer involvement in store.



www.stylus.com

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#5 The New Social

Hikikomori a Japanese phenomenon means some Japanese are already practiced at living an isolated life and living their social life online is slowly being understood as a positive lifeline for this group.

According to the Japanese health ministry, there are an estimated 1 million or more hikikomori in Japan. Hikikomori are described as people who have remained isolated at home for at least 6 consecutive months not going to school or interacting with people outside their family.

The term is now being used more loosely to describe people who are isolating during Covid-19.

Some well-known Hikikomori include CliONE, a DJ who advocates the importance of livestreaming and connecting with people through online games as important for fighting off stress and mental health issues which many Hikikomori experience.

This creates compelling reasons why for encouraging human interaction and social engagement online.



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#5 The New Social

Hometeam Healthy..for the family

Joe Wicks PE virtual classes have become part of the daily school curriculum for many children across Ireland, the UK and beyond. On day one, 806,000 households streamed his class. Day Two had 954,000 livestreams. 3.7 million people watched the first video within two days. Kids are invited to tweet in and participate. All profits are going to the NHS.

Love in the time of Corona

And yes, even dating online has taken off. A virtual matchmaking project has been set up by two room mates in Brooklyn in New York. Love is Quarantine is an online dating project conducted through Instagram and Google Sheets. This is based on the hit reality series *Love is Blind* and is busy setting people up on blind virtual dates.

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#5 The New Social

Democratised Creativity

Brands AND Consumers are getting more and more creative as the move to an online always on world emerges.

The United Nations and the World Health Organisation have issued a global open brief to creatives to design informative artworks that spread public health messages to “everyone, everywhere”. The campaign calls for content spanning different languages, cultures, communities and platforms, and covering key areas of activation – such as personal hygiene, social distancing and Covid-19 symptoms. To maximise accessibility and shareability, entrants can produce video, graphics and audio formats. We may be entering an era of Democratised Creativity – anyone can get creative online…







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#5 The New Social

It’s Chipotle A Clock Time

Chipotle have recently partnered with Zoom to create virtual lunch time gatherings. Partnering with Zoom, the campaign is running daily and can host up to 3,000 fans. The gatherings involve celebrity appearances who entertain the online audience with bespoke engaging content.

During these sessions, Chipotle are giving out vouchers to selected participants and offering free deliveries with orders of over $10 dollars or more via their website or app.

Not alone does this campaign provide a real opportunity to connect people but it presents a real commercial opportunity for Chipotle.

Kantar Worldpanel estimate 503 million more in-home meals will be eaten per week during this lockdown period – that’s a rise of 38%.

Lunch is likely to see the most significant change, according to Kantar, as more than half of all lunches (54%) were eaten out-of-home prior to the lockdown.



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#5 The New Social

Is this new social sticky?

People are likely to find that some of these new online platforms allow people to win back time, open up their world and connect with many new and different people while potentially spending less money too.

Bord Bia's Consumer Lifestyle Trends work identified the Engaging Experiences trend as one that allows the consumer to be front and centre - with brands taking a back drop.

This New Social we are all experiencing is really all about the consumer moving front and centre of the digital space; consumers are sharing more, reading more, listening more, playing more and communicating more on social media (and new forms of social media than ever before).

The Digital Natives are coming of age and some of those consumers who may be that little bit older are finally catching up. The New Social may well be the stickiest behavioural change of all as people who never embraced digital begin to out of necessity. This will have profound implications for marketing….

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Indicators

Coronavirus COVID-19

Early clues on the post-crisis consumer & market realities
March 30th

#5 The New Social.

Consumers are embracing technology to fight social distancing

Implications for Food & Beverages:

- An even greater focus on brands ‘talking directly’ to consumers
- An ability to have deeper conversations with consumers
- An opportunity to create ‘shared’ experiences around brands
- Brands can link into healthy lifestyle routines more overtly
- Brands can encourage consumers to ‘get creative’

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Photo by Sergey Zolkin on Unsplash

Indicators

Coronavirus COVID-19

Early clues on the post-crisis consumer & market realities
April 14th

#6 Stocking-In.

How grocery shopping evolves from panic to preparedness

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Image by Alexas_Fotos from Pixabay

#6 Stocking-In

Stockpiling has become a global phenomenon since the emergence of Covid-19. Stories began to emerge in February from around the world of people stockpiling products with Australian's stockpiling of toilet paper materialising as one of the big headlines in the early phases of the outbreak.

In the UK, the massive stockpiling resulted in more than 79 million extra shopping trips, where consumers spent a massive £1.9 billion on groceries than a year ago, pressuring manufacturers, retailers and the entire supply chain.

Such has been the panic that many stores have had to introduce rationing systems, putting a limit on the purchasing of certain goods. Many media stories have been published to instil a sense of calm with reassuring messaging.

Globally, shoppers have been Stocking-Up on food and beverages to create what has been dubbed "Pandemic Pantries". One could be forgiven for assuming shopping has moved into panic-buying with shopper missions driven by a need to stay 'stocked-up' at home. But the truth behind changing consumer behaviour is a little more complex - moving from panic to preparedness. We call this evolved grocery shopper behaviour STOCKING-IN.

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#6 Stocking-In

Nothing new in panic buying…

Covid-19 has born witness to just the latest episode of stockpiling to emerge in recent years – albeit the most extreme episode. During the recent 'Beast From The East' storm, and more recently Brexit all encouraging this behaviour, UK shoppers have demonstrated a tendency to stock-pile. 21% of UK consumers, according to Mintel said they stockpiled products ahead of the 31st of October Brexit deadline.

Panic Buying is characterised as a response to peoples 'fears of the unknown'; it is often just the first phase of stockpiling behaviour where consumers are very much focused on taking control of the unknown. The Journal of Consumer Research describes this phenomenon as **Control Deprivation**.

According to Nielsen, early purchases tend to be of shelf-stable produce with UK sales of shelf-stable foods up 6% compared to the same time last year, as well as compared to January 2020. This includes pasta, rice and sauces (up by 5%), jams and spreads (5%) and canned vegetables, which are up 7% on last year, rising to 11% compared with January 2020. Packaged bread sales are also up (7%) in comparison to last year (Nielsen UK).

Stocking up in this phase often manifests as **bulk buying** – larger pack sizes, dual packs. This all speaks to a conversation that allow consumers feel like they are more in control. But this behaviour often evolves into more subtle manifestations of stockpiling….

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Image by ElasticComputeFarm from Pixabay

#6 Stocking-In

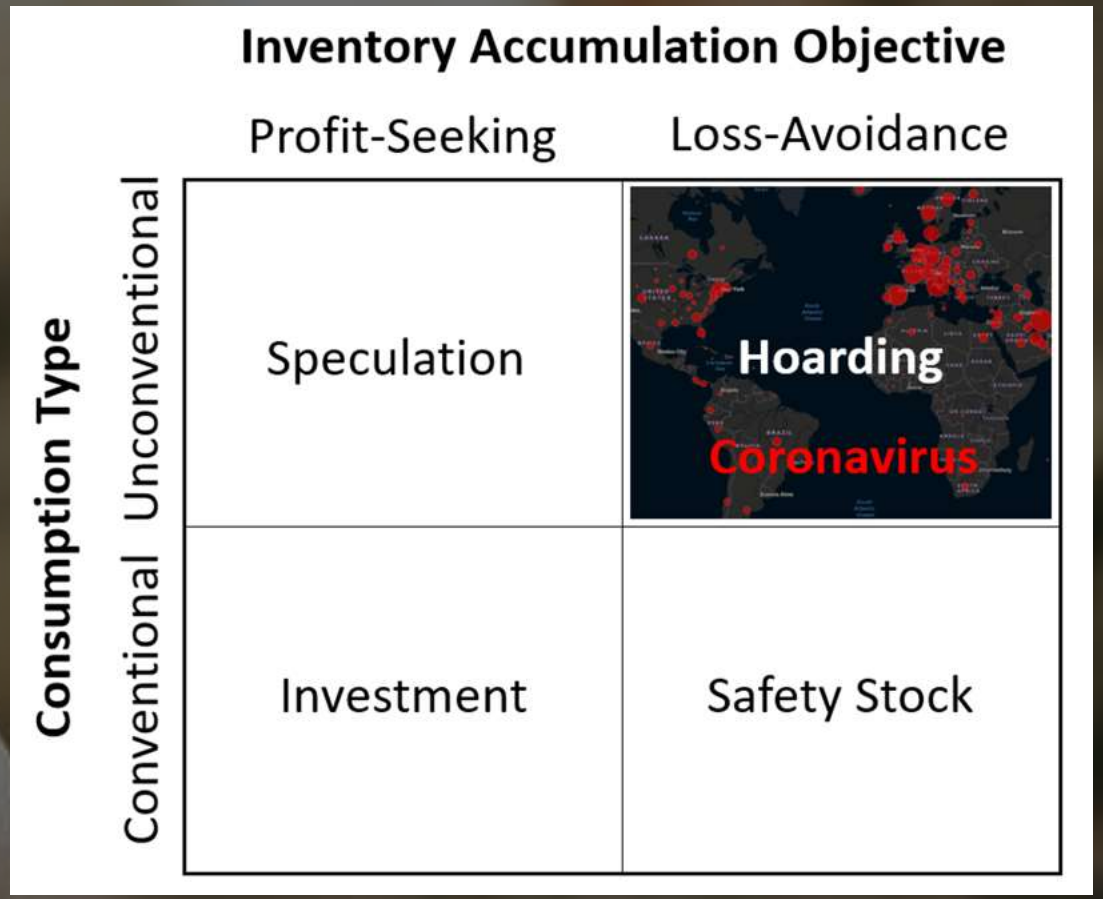
Phase 1 - Hoarding

The headline grabbers around this whole topic of stockpiling are pretty universally about one topic; Hoarding.

This behaviour can be explained using commodity theory and prospect theory. Commodity theory proposes that the value of a product is positively related to its scarcity, so perceived shortages may stimulate stockpiling behaviour.

Prospect theory describes how people are risk averse when choosing between uncertain alternatives. To avoid potential losses in the face of uncertainty from the coronavirus outbreak, consumers may stockpile or hoard essential items.

Source: https://theconversation.com/when-the-coronavirus-gets-tough-the-tough-get-stockpiling-133419.



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#6 Stocking-In Pros

Stockpiling for natural disasters is in the Japanese DNA.

The mindset of stockpiling is one that Japanese food makers support, not only in current times, but as an ongoing proactive preparation for any impending natural disaster. Japanese news site Nippon.com reports:

“Keeping a rolling stockpile is said to increase people’s awareness of disaster prevention and also has a stress-reducing effect that comes from a sense of security for being well-prepared. The agriculture ministry recommends rolling food stockpiles to prepare for natural disasters and suggests stockpiling at least three days’ worth of food and water.”

Japanese food producers are keen to create products that can become part of consumers “rolling food stockpiles,” with the effect of building longer-term relationships. www.stylus.com



#6 Stocking-In

Stockpiling was quickly controlled due to government intervention.

Stockpiling of personal hygiene products such as hand soap, hand sanitizers and masks were probably most common during the early stage of Covid in February 2020. However, Chinese government quickly stepped in and things were restored to its normal state fairly quickly.

Stockpiling of food didn't really happen drastically in China as the first wave of the pandemic happened around Chinese New Year, where consumers and shop owners would stock up food and groceries for the 2-week long traditional holiday anyway.

Though transportation was cut off temporary due to road blocks during lockdown, the government reopened a few highways to ensure continuous supplies, and grocery stores also made a joint effort to prevent consumers from hoarding goods.





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#6 Stocking-In

So is “Panic Buying” a misnomer?

David Savage, associate professor of behavioural and microeconomics at the University of Newcastle in Australia, argues that stockpiling is actually a pretty RATIONAL consumer behaviour. “If we understand panic as a state of uncontrollable fear that drives irrational behaviour, then how people usually respond in the face of disaster is something else entirely”, Savage argues. “It’s a common belief that social law breaks down in a disaster. In the Hollywood version, chaos ensues and people act in illogical or unreasonable ways. The reality is very different.”

Most research rejects the notion of a “disaster syndrome” described as a state of stunned shock or the occurrence of mass panic. In real disasters, people usually hold on to tenets of acceptable behaviour such as morality, loyalty, and respect for law and customs.

The reality of the current pandemic is that people and shoppers understand that Covid-19 has a 14 day incubation period. So isn’t it entirely reasonable to be ***prepared*** for a period of self-isolation at home?

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#6 Stocking-In

Phase 3 – Creative Compromises.

Far from becoming a burden or compromise for consumers, there is some evidence that people are looking on the positives of living from the Pandemic Pantry.

We are seeing a lot across various social media platforms of cooking with tinned and shelf-stabled foods. For example, well known Brooklyn Chef Chitra Agrawi talks about always having a pantry that's filled with dried beans and lentils for making dal. These are her new "go to" foods and are gaining a following online.

Beautiful tinned food pictures are appearing across various social media channels and, in a sense, consumers are beginning to celebrate their new found adoption of what was a relatively old-fashioned format. One could argue that public displays of one's 'clever use' of tinned foods feeds into a behavioural phenomenon known as 'the illusion of control'. For now at least, **Pandemic Pantries are now at the heart of the Cultural Zeitgeist.**



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#6 Stocking-In

Phase 3 – Creative Compromises.

In Australia, the Chef Jane De Graff was set the challenge of cooking 4 meals with no fresh ingredients whatsoever on Australia's Today Show.

Similarly in the UK, Jamie Oliver has launched a new show – Keep Cooking And Carry On. The idea behind this show is to encourage us to embrace a new-world of cooking where cupboard stables can be turned into interesting and exciting new recipes.

The appeal of these initiatives could be explained by "Decision Fatigue". Pre-pandemic shoppers enjoyed a world of 'Over Choice' and there is a significant body of evidence to suggest that Over Choice is associated with unhappiness. Today we are seeing shoppers actually enjoy cooking with scare resources…



Jane de Graaff shows Today Show hot to cook with tinned food (Nine)

https://kitchen.nine.com.au/

Jamie Oliver
GET INSPIRED

KEEP COOKING AND CARRY ON

You've told me what you need, and I've listened. In my new show, I'm sharing my easy-to-follow, super-flexible recipes with lots of useful swaps and tips to help you feed yourself and your loved ones in these unique times. Let's celebrate freezer faves, big up the store cupboard and get creative with whatever we have to hand. Let's keep cooking and carry on!

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#6 Stocking-In

Will Stocking-In Stick?

One could be forgiven for thinking stockpiling, hoarding and the other behaviours associated with this phenomenon are transient and merely shaped by the constraints the pandemic has placed on us. For clues as to whether this behaviour will stick we could look to China – where consumers are now coming out of lockdown. According to Nielsen 86% of Chinese are saying they would eat at home more often than before the outbreak.

However, to surmise that 'cooking at home more often' is evidence of a 'sticky' behaviour around stockpiling is to over simply matters. The reality is stockpiling behaviour is a complex phenomenon based around shopper reactions to scarcity, choice, control deprivation and decision fatigue. These behaviours could unlock 'nudges' around changing shopper missions that retailers and producers can tap-into.

We will be watching how shopper behaviour evolves in the coming months to truly understand if some of these Stocking-In behaviours actually are here for good…

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#6 Stocking-In.

How grocery shopping evolves from panic to preparedness

Early Implications for Irish Food & Beverages:

- A marketing opportunity for long-life foods
- Innovation opportunities in packaging - new formats/storage
- Promotional opportunities around to manage scarcity
- Pricing opportunities to ‘nudge’ shopper behaviour

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Image by Steve Buissinne from Pixabay

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#7 Risky Business.

Shoppers are shying away from produce on open display and touchable



Photo by EVG Photos at Pexels

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#7 RISKY BUSINESS

Shoppers are shying away from produce on display for all to touch.

Coronavirus (Covid-19) is causing untold tension in every aspect of our lives and shopping is no different. The wonderfully appetising displays of culinary delights we love to engage with in stores, deli counters and other food service outlets; to touch, smell and taste are on hold for now.

Shoppers are avoiding unpackaged produce to avoid the risk of contamination and we have been seeing the stores reacting to this already, with the fresh bakery offerings packaged and over-the-counter produce sealed and protected from human contact. According to Jon Bird in Forbes, *"Shoppers today don't want to touch anything apart from their own mobile phones (which, somewhat ironically, can be "10 Times Dirtier Than A Toilet Seat".)*

While this seems like a severe response, microbiologist Charles Gerba thinks they're right claiming that the fresh produce area is among the "germiest" areas of the grocery store; "I don't know anyone who buys produce without squeezing or touching it," says Dr Charles Gerba Microbiologist.

The rise of **"NO TOUCH RETAIL"** has important implications for retailers and food producers, in particular in sectors like bakery, fresh produce and fresh meats. It has big implications for packaging – an already vexed question for retailers, consumers and producers. And it is also worth considering the impact on product sampling and promotion among other aspects of the shopping experience.

We're calling this indicator RISKY BUSINESS.

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#7 RISKY BUSINESS

What is the risk?

At the outset of the crisis here in Ireland, the Behavioural Research Unit at the ESRI identified seven issues worth considering in ‘fighting the coronavirus’. Number seven on that list was RISK PERCEPTIONS. And its to risk perceptions we turn to explain what we mean by RISKY BUSINESS.

Perceptions of risk are easily biased. Overstating or understating a risk can result in people making choices that have a negative outcome. That’s because perceptions of risk DOES drive behaviour. People judge the likelihood of an outcome partly by how easily it springs to mind; this is an **availability heuristic**, also known as **availability bias**, it is a mental shortcut that relies on immediate examples that come to a given person's mind when evaluating a specific topic.

Today, in the midst of the pandemic, shoppers ‘risk assessments’ are heightened. Is there evidence that Covid-19 will survive on a baguette or loaf of bread on display in a store? Possibly not. But because of the availability heuristic – shoppers defer to an outcome that does spring to mind: “I’ve heard the virus can last 24 hours on door handles”, “I’ve been told to wash the wrapping on my shopping when I get home”. The closest available evidence would suggest it’s better to be safe than sorry.

Shoppers have been told to mitigate risk by washing their hands. They’ve been told not to wear face masks, then possibly that they should wear face masks. They’ve been told to mitigate the risks. Food, on display out in the open, always something that needed careful handling, now needs even more careful handling…

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#7 RISKY BUSINESS

Tackling the concerns

54%

of Chinese adults are avoiding foods on open display instore

Source: Bord Bia Indicators Barometer

In response, Supervalu stores in Ireland have been highlighting their “wrapped in store” assurance at their bakery section. But it’s not just bakery. With the NHS recommending that UK shoppers wash fresh fruit and vegetables, many are opting for packaged options instead.

A Reuters report by Richa Naidu claims that “U.S. shoppers are avoiding touching fresh fruits and vegetables in grocery stores and stocking their pantries with pretzels, powered milk, canned meat and other packaged food”. They observe that at Fairway market in Manhattan’s Upper West Side, shelves normally filled with prewashed lettuce sold in plastic containers were bare on Sunday morning. By contrast, there was plenty of loose lettuce for purchase.

This phenomenon has prompted producers groups to reassure shoppers that it is safe to buy fresh produce. One such initiative was launched by United Produce including a dedicated website (here).

The National Grocers Association which represents over 8,000 stores in the US says its members are packaging bakery items that are usually loose in bins, such as fresh doughnuts and pastries (CNBC).

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#7 RISKY BUSINESS

The Safety v Sustainability Conundrum.

With sustainability and packaging playing an increasing role in consumer's choices, RISKY BUSINESS introduces an unwelcome element to the food chain mix – **MORE PACKAGING & MORE WASTE**. As recently as September 2019, Globaldata research showed that 71.4% of consumers said they consider the environmental impacts of their choice. Now, their fears and risk-mitigation, will see many consumers having to embrace something none of them want to.

The move to **NO-TOUCH** retail presents an interesting conundrum in this regard and a challenge of brands in affected sectors who want to behave sustainably. This will be a tension that will have to be resolved for the future if this phenomenon sticks. And RISKY BUSINESS feels like one indicator that could STICK:

> "On the other side of this [crisis], are people going to be a lot more careful? The answer is yes. Are people's radar for hygiene going to be more heightened? The answer is yes. Are we going to recognise that being prepared for stuff like this is eminently more important, and that we need a renewed focus on people keeping healthy? Yes."
>
> - PACO UNDERHILL*

Source: * https://www.uschamber.com/co/good-company/launch-pad/coronavirus-and-hygiene-affect-sales-techniques

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#7 Robots take on the Risky-Business

Covid fuelled the adoption of AI and encouraged some hotels to install service robots into hotels.

To help alleviate pressure on staff, China's local hotel chain Huazhu Group has sped up rolling out service robots in its hotels, according to online media 36 Kr.

Apart from helping with daily tasks, the robots inevitably minimise human contact and provides enhanced protection to staff.

In response to Covid-19, these robots also support contactless service and allow guest to remotely open and close the door through their mobile phone after scanning the QR code on the robots.

As we see robot style deliveries being used to help with shopping in various retail outlets across the world such as Coop in the UK and CVS in the States – perhaps the use of robots in store to help support shoppers might become something we start to see more of in the future.





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#7 Seafood sales sunk as coronavirus links hit demand

Chinese consumers shun imported seafood over links between coronavirus outbreaks and seafood.

After the detection of new Covid-19 positive cases in Beijing‘s Xinfadi Market in June, seafood orders were cancelled and the market closed. The Beijing market is huge, and Beijing’s seafood consumption accounts for about 25% of China’s total consumption.

Together with several other similar cases, sales of seafood have taken a hit in China amid public fear imports could be contaminated with the coronavirus.

During an interview, the purchasing manager of a leading seafood company in Beijing told reporters that the overall revenue of the seafood market has fallen by 60-70%, and as part of the effort to restore consumer’s confidence……

“we uploaded a copy of the seafood nucleic acid test certificate on the e-commerce platform, and also revealed relevant information such as the source of the product and the port of arrival. We provided the supply chain for public inspection, **so that consumers can buy with confidence”.**



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#7 Risky Business.

Shoppers are shying away from produce on open display and touchable

Implications for Food & Beverages:

- A challenge to maintain the multi-sensory appeal of produce in a no-touch world
- Ways to create a new theatre for fresh produce to showcase these products
- Innovations that deliver these solutions in a way that is sustainable
- A new commercial model for retailers and business owners
- A challenge for in-store sampling in this environment

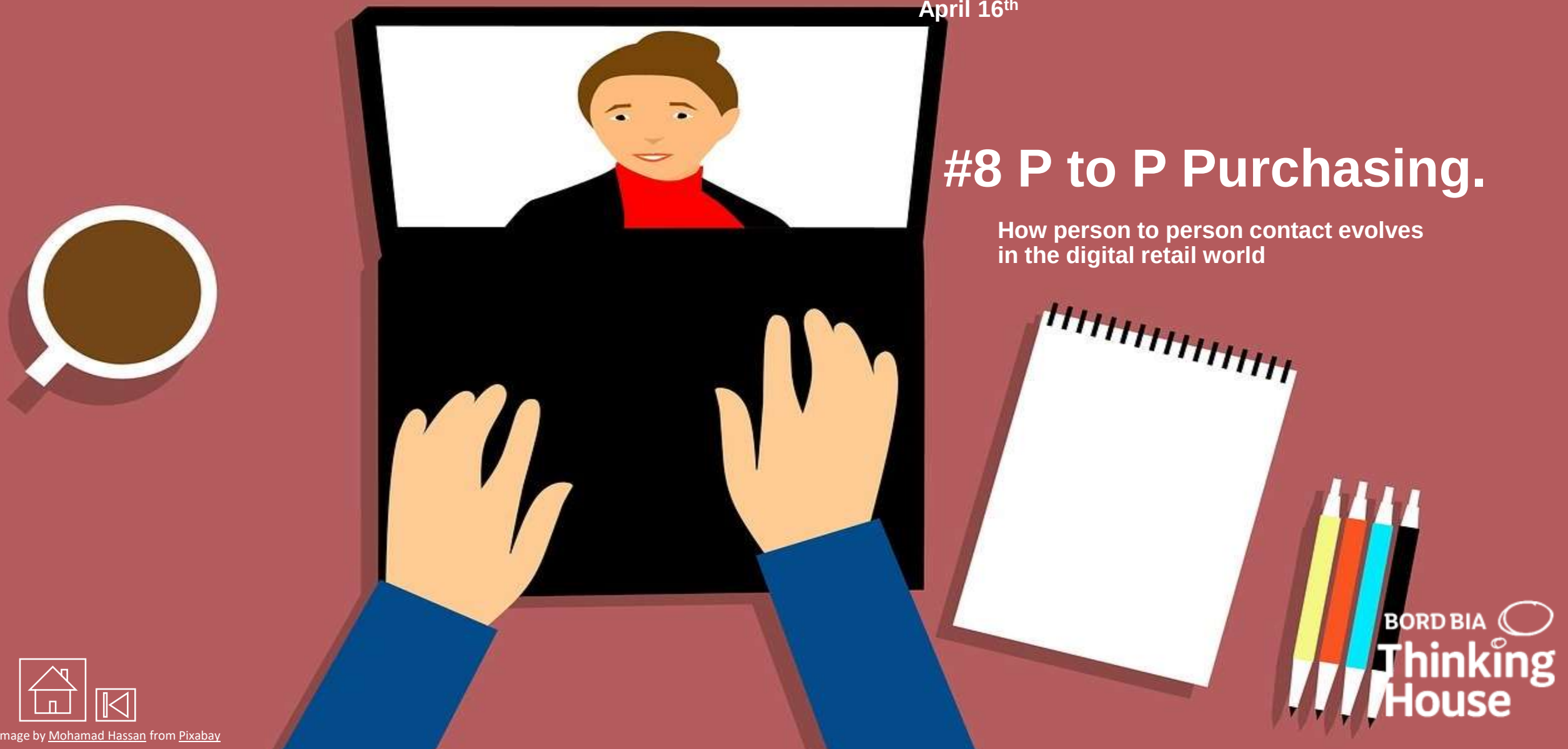
Photo by Kate Remmer on Unsplash

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#8 P to P Purchasing.

How person to person contact evolves in the digital retail world

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Image by Mohamad Hassan from Pixabay

Image by Negative Space from Pexels

#8 P to P Purchasing

As online shopping increases we are experiencing customer service in new ways.

Many brands and businesses are creating new innovative platforms for consumer engagement. A growing range of interactive and consultative services are now on offer that can really enhance the shopping experience. We are seeing a growing array of influencers and voices of authority emerge online throughout the crisis from the world of science right through to brands we follow online and within our own personal social media networks.

Consideration for who an expert is - is being scrutinised more - in a world where people are despairing of ongoing fake news and also crave and value authenticity. According to Edelman, 57% of people around the world feel that the media they use is contaminated with untrustworthy information. (Edelman, 2020).

Authority Bias is very much at play here and we see many people putting trust in scientists as the new heroes, as we rely on them to take us out of this crisis and provide us with transparent honest facts.

Understanding this behaviour is also important when it comes to shopping. As consumers become more savvy as to how to shop online, **Differential Bias** will become more evident in who they seek to believe and who is likely to influence them. Online consultations could play an integral role here in creating brand differentiation.

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#8 P to P Purchasing and Communication

Livestreaming was already becoming a phenomenon in China, and Covid-19 has only accelerated the trend. According to iiMedia Research, the number of livestreaming users increased 10.6% to 504 million in 2019, which accounts for more than half of China's total 854 million netizens.

53%

of Chinese adults shopped more via livestreaming due to Covid-19.







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#8 P to P Purchasing

P to P Goes Live In China In Response to Covid-19.

As supply chains became disrupted, a growing number of farmers in China have looked for innovative ways to ensure consumers get fresh produce.

According to Alizila, livestreaming, in particular, has become a popular tool for selling fruits and vegetables that would have otherwise gone to waste. Since launching its Rural Support Program on Feb. 6, Alizila says, Alibaba Group has opened up its Taobao Live platform to **farmers for free**.

Taobao also opened up its Foodie Livestream channel to connect farmers across China with its 41 million followers. 15 million kg of products were sold during the first three days of livestreaming. The channel has been promoting farm-fresh produce daily ever since – providing reassurance and much needed **Authority**.

Not only farmers, but many brands and retailers have turned to livestreaming during Covid-19 to help reduce the impact and losses from the epidemic. According to China's Ministry of Commerce, **there were more than 4 million e-commerce live broadcasts hosted in the first quarter of 2020.**



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#8 P to P Purchasing

Time for the direct to consumer model to come of age?

Direct to Consumer (DTC) selling allows brands to develop a deeper relationship with consumers and potentially entrench brand loyalty.

Many DTC manufacturers are also mastering their service via quick personalised responses to questions and providing empathy for consumers' needs and concerns.

In a recent Nielsen survey on tech-transformed consumption, 4 in 10 global online consumers said they were already using online shopping subscriptions, and a further 36% said they were willing to do so in the next two years.

Adoption of subscription services over the course of the Covid-19 crisis will be an indicator that changes to existing consumer shopping habits are emerging.



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#8 P to P Purchasing

Time to replicate the physical world online?

Nielsen survey data shows that globally, consumers still have a strong affinity with in-store shopping, with 59% saying they agree or strongly agree with the statement: “I really enjoy doing the grocery household shopping.”

But as Covid-19 cases rise daily around the world, many consumers are waking up to self-imposed isolation and quarantine situations where a trip to the store is no longer possible or fraught with challenges.

In in this new world artificial and virtual reality (A/VR) technology has the potential to bring the in-store experience into their homes.

In South Korea, online food purchases are up 92.5% compared to the same period last year. And in a world where hygiene is a concern A/VR has tackled consumer concerns.



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#8 P to P Purchasing

Image by Negative Space from Pexels

Time to replicate the physical world online?

Interpark, one of South Korea's major online shopping malls, introduced its own AI shopping consultant dubbed Talk Butler last year after 30 months of research and development.



Using big data, Talk Butler is able to answer questions from customers within five minutes. Upon receiving requests, Talk Butler can recommend items or offer deals after analysing questions and customer needs.

When customers inquire about the lowest price for an item, Talk Butler will gather information and find the cheapest way to purchase the item using coupons or suggesting ways to lower the purchase price.

Another mall, 11 Street, was the latest to join the move towards AI in the shopping industry with the introduction of its new chatbot Baro last month. The deep learning technology implemented by 11 Street allows Baro to go beyond the surface of simple questions like "recommend the best refrigerator for me".

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#8 P to Bot Communication

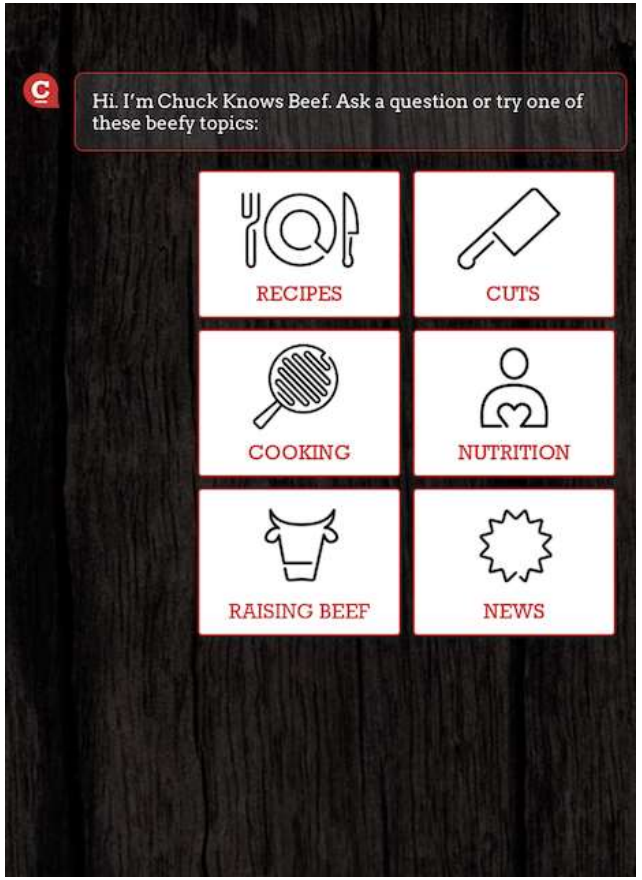
And AI has already been embraced to deliver a virtual butcher for consumers.

In the US, Chuck Knows Beef is the virtual creation of the *Beef. It's What's for Dinner.* campaign.

Chuck is a virtual assistant that consumers can interact with in a variety of ways. He's got his own website — chuckknowsbeef.com — available on both desktop and mobile devices, as well as connected home devices with Google Assistant or Amazon Alexa.

Although retailers might have **highly knowledgeable staff** of their own behind the counter, that doesn't necessarily mean that customers will approach them with questions.

According to Winsight, consumers, especially Millennials and Gen Z, are increasingly reliant on digital sources of information as part of their shopping journeys. AI could be the answer for younger consumers looking for **sources of authority** on meat preparation.



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#8 P to P Purchasing.

How person to person contact evolves in the digital retail world



Early Implications for Brands & Retailers:

- Authority bias means shoppers look for ‘human help’
- Brands can take a lead on ‘being there’ for consumers
- Direct to consumer channels may become more popular
- Chatbots are increasingly sophisticated at replicating P to P
- Retailers can enhance online shopping experience through AI
- Education around food preparation can be driven through AI





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Image by Mohamad Hassan from Pixabay

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#9 Proxy Purchasing.

How shopping for the cocooned changes our behaviour



Image by Jesse Yelin from Pexels

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#9 Proxy Purchasing

An army of shoppers bravely going where no cocooners can go…

There are currently over 460,000 people aged over 70 in the country who receive a pension. Most of those people should be cocooning at the moment in response to the HSE guidelines around Covid-19. Although we don't currently have data on how many of these people have stopped doing their own grocery shopping, it is safe to assume a significant proportion now rely on family or friends to shop for them.

Grocery shopping for an older relative – or indeed anyone other than your own household – throws up a range of different scenarios for behavioural change. How do you choose the right brand of washing powder? What is their preferred brand of tea? What size milk will they go through in a week? How much fresh veg is enough to get them by? And how much is too little?

A number of psychological factors can come into play. Decision-theory talks about a phenomenon known as 'Warm Glow'; how people derive personal satisfaction from giving. Cognition theory talks about how shopping lists safeguard against 'Dissonance'. The exact impact of shopping for the cocooned is yet to be fully understood but perhaps we have some behavioural clues.

We call this indicator PROXY PURCHASING.

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#9 Proxy Purchasing

But this might be less common in China due to popularity of e-commerce.

A research report recently released by Alibaba, “ Digital Life Report for the Elderly” reveals that Covid-19 actually helped the elderly to embrace technology and started using online shopping. **According to the report, the growth rate of internet users over the age of 60 during the pandemic exceeded far more than that of other age groups in the same period last year. The growth rate of their spending during the pandemic ranks 2nd among all age groups**, only trailing behind that of those born in the 00’s.

Food is among one of the favourite categories for the elderly’s online shopping, with a spending of 3.6% higher than other age groups. According to Hemafresh, the grocery store chain under the Alibaba Group, **the growth rate of online orders made by the 60+ users after the pandemic is faster than any other age group, and their average monthly spending is also higher than those born in the 90’s and 00’s.**

While this seems to be a sticky behavior, online shopping may still pose a challenge for those who are less tech-savvy, as around 50% of 60+ netizens will simply give up if they encounter problems with online shopping, the report said.

#9 Proxy Purchasing

The declining of daigou due to cross-border travel restrictions.

Daigou is a term for a form of cross-border exporting in which an individual or a syndicated group of exporters outside China purchases commodities (mainly luxury goods, but sometimes also groceries such as infant formulas) and then ship them back home for customers in China.



The daigou economy is now worth billions of dollars a year and by some estimates employs over 1 million Chinese, with Italy, France, Australia, Japan and Korea among the popular daigou hot spots**. It is estimated that daigou and cross-border shopping of IMF account for 20% of China's IMF market (total worth 10.2 billion €) in 2019.**



However, the daigou trade is struggling as countries implement travel bans and compulsory quarantine periods, close shopping malls, cancel flights and suspend international deliveries amid the Covid-19 pandemic.



According to Australia Broadcasting Corporation (ABC), it is estimated 30% of the daigou shops in Australia have gone out of business since the pandemic. Similarly, A2 Milk Company has issued a report to declare the revenue from the first half of 2020 would be significantly lower than expected, which results in a 30% drop in its share price and decrease in company's market value for 21 billion **€.**

#9 Proxy Purchasing

Getting that Warm Glow.

‘Warm-Glow’ giving, refers to prosocial behaviour that causes donors to experience positive feelings, irrespective of whether their giving actually makes a difference.

This is the personal satisfaction for having ‘**done the right thing**’: you give up what is rightfully yours for a philanthropic cause and you feel good about it.

And this ‘warm-glow’ is also a very real neurological response. Research from the University of Zurich has shown through brain imaging that small acts of generous behaviour cause the brain of the person giving to light up with a ‘warm glow’ marked by increased levels of happiness.

The brain imaging data also showed that Scrooge-ish people - who acted solely out of self-interest - were less happy and did not emit a warm glow. So there you have it, the next time you throw a few extra custard creams in your cocooner’s basket watch out for that warm glow…



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#9 Proxy Purchasing.

How shopping for the cocooned changes our behaviour

Early Implications for Brands & Retailers:

- Shopping for cocooners will likely involve list-making for control
- Brand owners can find ways to get on that list
- Opportunities may exist in-store for nudges to defuse Choice Overload
- Agency shoppers may need help navigating categories they are unused to
- Brand owners can position themselves to help deliver that ‘Warm Glow’

Image by Jesse Yelin from Pexels

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#10 Mood Food.

How we are choosing food that make us feel good

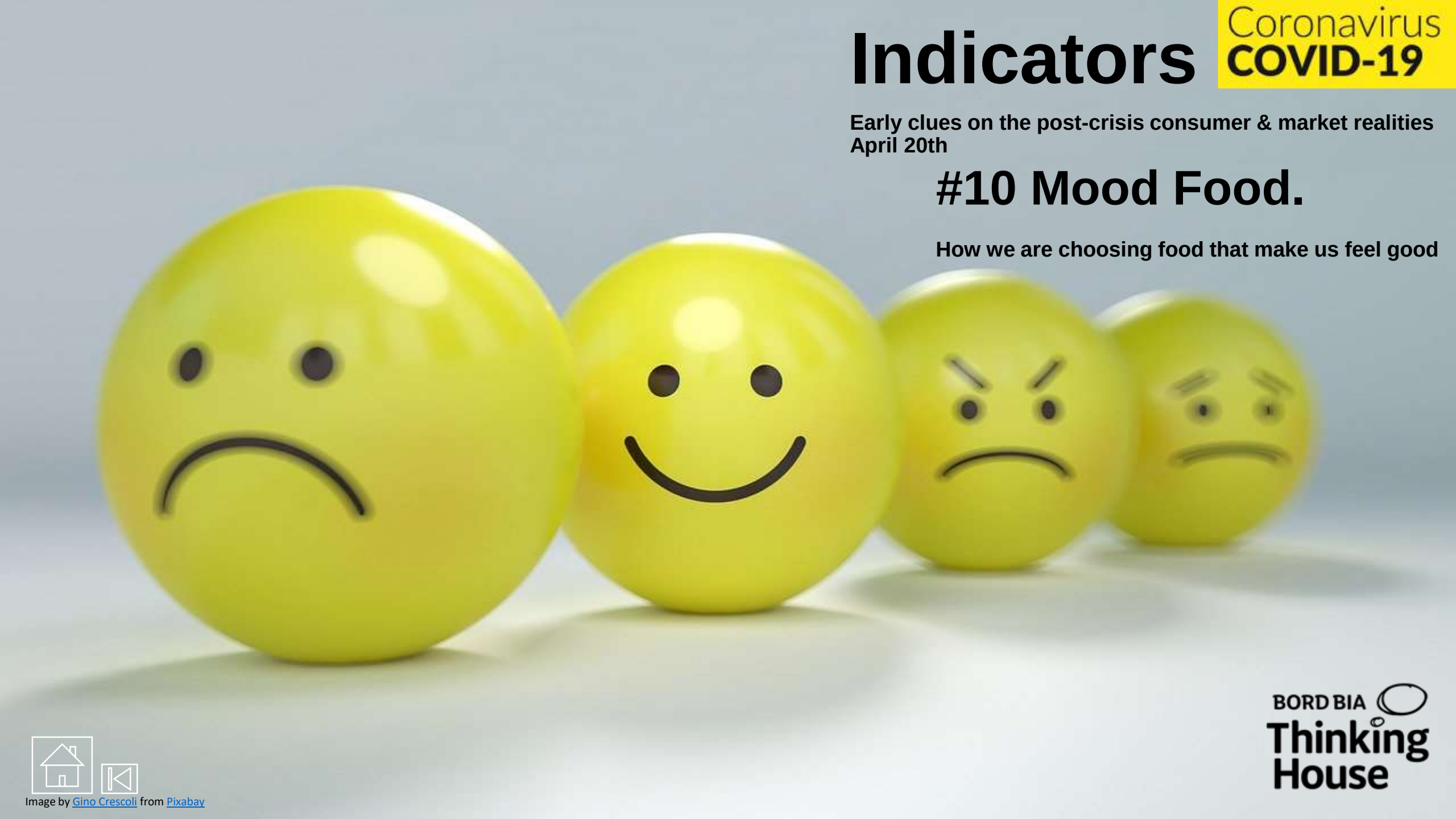


Image by Gino Crescoli from Pixabay

BORD BIA Thinking House

#10 Mood Food

We've probably all heard the phrase 'emotional eating' before but do we really understand the science behind this phenomenon? Is this consumer behaviour as simple as 'treating'? Are we all doomed to seek out chocolate for that serotonin boost the longer this lockdown goes on?

Emotion definitely plays a role in the food choices we make and is central to **Coping Strategies** we all adopt in times of crisis. **Escapism** is one such **Coping Strategy** that can reveal some clues to how consumption behaviour may be shifting since lockdown began.

Behavioural Science and **Hedonic Consumption** shows us that consumers may be seeking out sensory pleasure from their food and drink choices. The science of **Reward** shows us that **Hyperbolic Discounting** drives people to 'smaller' more immediate benefits from their choices.

We can't be sure just yet how consumption behaviour has shifted in the midst of this unique time in all of our lives but we can look at some early clues.

We call this indicator MOOD FOOD.

BORD BIA Thinking House

#10 Mood Food

The Science of Escapism.

Escapism functions as a coping mechanism when consumers are confronted with external stressors that threaten either their sense of identity or control. According to the Journal of Consumer Research, there are two forms of escapism – Passive and Active.

Passive Escapism involves consumers acting as observers; classic examples here would be watching TV or watching a movie. However, **Active Escapism** provides a more interesting mode of behaviour to help us understand the impact of this phenomenon on food consumption behaviour.

While other forms of emotion-focused coping relieve stress through psychological avoidance (i.e. refocusing of attention away from stressors), Active Escapism provides the benefits of affirmation and empowerment.

The consumer who engages in **Active Escapism** enjoys a sense of achievement, they DO something that brings them to a better place. In the current context, that is away from the world of lockdown and potentially off on their travels to a better 'imagined' other…

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#10 Mood Food

Travel through food.

With people unable to leave their homes during lockdown, Google have found a dramatic decrease in search terms related to travel and outside activities.

These included such terms as 'city breaks' which has fallen by 99% since the lockdown began, 'travel insurance' (-98%), 'taxi to airport' (-97%), camping sites (-87 %) and flights (-86%).

However, searches for food recipes from far flung destinations have exploded as have ‘food journeys’ with many virtual platforms being created to enable people learn the art of cooking traditional foods from around the world.

The rise in scratch cooking is being coupled with food playing a critical role in **Active Escapism** for consumers deprived of travel…

64%

of Chinese adults are learning to cook from recipes as a result of Covid-19

Source: Bord Bia Indicators Barometer

56%

of Chinese adults are scratch cooking more as a result of Covid-19

Source: Bord Bia Indicators Barometer

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#10 Mood Food

Travel through food.

A restaurant in Shanghai offered a Turkey-themed menu for its travel-hungry guests in a bid the exotic dining experience could offer a sense of escape.

The set menu includes grilled beef flatbread, Turkish rice, Pamukkale sweet yam fries, Turkish salad, beef kebabs and iced apple tea.





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#10 Mood Food

If Mohammad won't go to the mountain…

…home delivery is bringing the exotic to people's homes. Hyperbolic Discounting refers to the tendency for people to increasingly choose a smaller-sooner reward over a larger-later reward as the delay occurs sooner rather than later in time. Recreating your holiday food through delivery of that cuisine is the quickest way to reward yourself for that missed trip.

The home delivery picture varies depending upon where you live. In France, Spain and the UK, Just Eat and Uber Eats saw drops in average daily users ranging from 2% to as much as 23% in March, compared with the averages for January and February.

However, in the US, as people are unable to dine out in their favourite restaurants, delivery and meal kit businesses have seen a surge in sales. HelloFresh said it's expecting first-quarter sales of between 685 million euros ($750 million) and $710 million euros, up from $420 million euros a year earlier. (Washington Post, April 1st 2020).

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#10 Mood Food

A little luxury.

What does appear to be a real phenomenon is the endurance of ‘high-end’ experiences being maintained for those with the spending power. There is a split between consumers when it comes to spending power so far – with estimates suggesting just under half of most workforces around the world already experiencing a drop in income.

For those who haven’t yet felt the pinch, **Hyperbolic Discounting**, can see spending on food delivery shift to recreating fine-dining at home. Even Michelin star restaurants are reinventing themselves to target those consumers who ‘can’t wait’ for their favourite fine dining experience so attempt to ‘replicate it themselves’ at-home.

There are lots of examples of the high-end players moving into delivery. For example, a Michelin star restaurant in Dublin, Liath launched a take away menu for €19 euros and sold out in minutes (Irish Times, March 2020). These kind of behaviours are being replicated in major urban-centres around the world.

BORD BIA Thinking House

#10 Mood Food

A little luxury.

In China, 5-star hotels like Four Seasons and Hyatt launched take-away and delivery menus so consumers can indulge themselves during the lockdown period.

To ensure food safety and hygiene, meals are placed in an insulated box and delivered by the hotel's private vehicle (which was originally used for transporting guests).

Premium hotel Shangri-La offered a high tea set menu for 198 RMB (around €25), including Chocolate Eiffel Tower, Red Velvet Cheese Roll and Smoked Salmon with Caviar so consumers can "indulge yourself on your veranda."







#10 Mood Food

Airlines in Taiwan offer “flights to nowhere” packages to give homebound Taiwanese a taste of travel.

For example, Tigerair Taiwan, a budget airline in Taiwan, is partnering with local travel startup KKday to introduce a flight program that offers **circulating Taiwan on the air and enjoy Michelin-star cuisine in-flight**. The package, which costs around 270 Euro, **includes a roundtrip ticket from Taiwan to Japan, valid for one year after the border controls of the two islands are lifted**. Passengers are also able to enjoy **in-flight duty-free shopping** without entering a foreign country because the flights pass over neighbouring countries’ airspace.

“The desire to explore the world remains strong despite international travel restrictions,” said Marcus Yong, vice president of marketing in Asia-Pacific at Klook, a Hong Kong-based travel booking platform. "In fact, people are missing even the most simple travel moments, such as using their passport or collecting their luggage at the baggage carousel."







#10 Mood Food and not just for a smaller world!

Treats are very important in Japanese culture and to ensure that consumers were not without them when the stores closed and to indulge that important need for escapism and reward in isolation, many brands moved to deliver online according to Time “In” Tokyo!

Banana flavoured cake “Tokyo Banan” cake can now be purchased online for a limited time until the end of August. These soft, spongy cakes are filled with various flavoured custards and usually sport cute patterns like zebra stripes or flowers. The original is known as the 'Tokyo Banana Miitsuketa', and is simply a banana-shaped cake filled with banana cream custard.



Tokyo Banana

Japan is known for wacky and distinctive flavours like sake or wasabi. Kit Kat even collaborates with other brands such as Tokyo Banana to make limited edition flavours you won’t find elsewhere. The online store is also offering a surprise order where you receive two limited edition Kit Kats that are selected at random for you.

https://www.timeout.com/tokyo/news/popular-japanese-snacks-that-you-can-now-buy-online-051120



Photo: fb.com/kitkat.japan

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#10 Mood Food

Treating and self-control.

Self-Control Bias shows us that as many individuals have a preference for immediate consumption, individuals may struggle to sacrifice consumption for future reward. There is evidence that lockdown is having a serious knock-on effect on consumers' ability to 'hold-off' on what once may have been a once a week treat.

As people get through another day, there is often a "back clap" to oneself or the family that everyone has survived. Food and drink indulgence is the order of the day for many with the hashtag #fattening the curve seeing many people post stories of their over indulgence.

An example is **The Quarantini**, a zeitgeist cocktail that emerged the second week in March, has had over 25,000 Instagram posts by the end of March. US sales of alcohol in the off-trade rose 55% in the week ending 21st March, according to Nielsen with spirits like Tequila, gin and pre-mixed cocktails leading the way with sales up 75% compared to the same period last year.

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#10 Mood Food

In favour of fresh.

While treats are a key part of mood food, at the other end of the spectrum, the need to eat well is being much documented during the Covid-19 lockdown. Eating well can help “improve the mood” and stave off stress and fresh fruit and vegetables play a role here. **Myopia Bias** can go some way to explaining this behaviour.

Myopia Bias refers to the tendency for individuals to focus on the present or immediate rather than the near or far future. As we discussed in our STOCKING-IN Indicator, consumers are going to different stages of stocking up. A focus on the ‘here and now’ (Myopia Bias) may well explain at least partially when consumers move into a ‘fresh food’ phase.

Much is also being made by nutritionists of good food and the role of good food in boosting immunity. It’s interesting to note that **89% per cent of Chinese mainland consumers say they will be more willing to buy daily necessities/fresh products online once the pandemic is over** (Nielsen 2020)**.**

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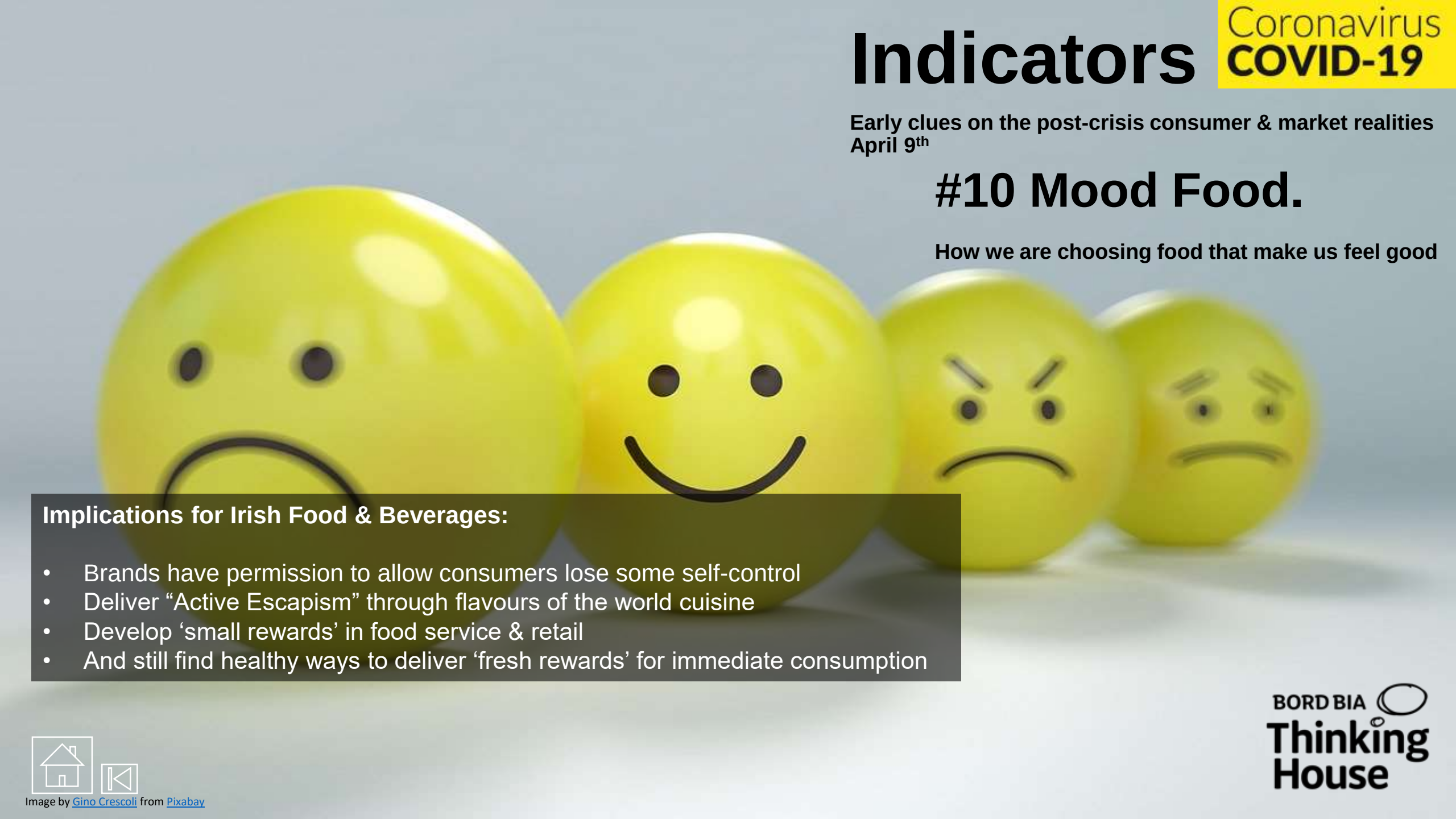
Indicators

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#10 Mood Food.

How we are choosing food that make us feel good



Implications for Irish Food & Beverages:

- Brands have permission to allow consumers lose some self-control
- Deliver “Active Escapism” through flavours of the world cuisine
- Develop ‘small rewards’ in food service & retail
- And still find healthy ways to deliver ‘fresh rewards’ for immediate consumption

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Image by Gino Crescoli from Pixabay



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#11 Smaller World.

How kids disrupted routines are influencing consumption

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#11 Smaller World

According to the United Nations, more than 1.2 billion children are at home as a result of Covid-19.

The ebb and flow of their daily lives has come to a stand still. Playdates, family gatherings, football matches, dancing classes have all grinded to a halt. Children crave **routines** and routines as they know it have had to be rebuilt together with parents, as everyone learns how to put a new structure in place that makes life as normal as possible.

The **resilience** of children is being tested like never before but they are learning about peace keeping, IT management, culinary skills to name but a few. While their lives might be different, it is also giving them a chance to dial back the pace and play in a more simple way while spending quality time with families.

As children's routines have been disrupted, so too has their consumption habits and those of their parents. We have some clues as to the changed behaviours through phenomena like Mindless Eating and Partitioning.

It's a complex topic to cover in just one indicator that we call SMALLER WORLD.

BORD BIA Thinking House

#11 Smaller World

Broken Habits.

Habit is an automatic and rigid pattern of behaviour in specific situations, which is usually acquired through repetition and develops through associative learning. For children, some pretty fundamental consumption habits have been completely disrupted.

Lunch during lockdown is a dramatic shift from the norm. **Status Quo Bias** is evident when people prefer things to stay the same by doing nothing - in the lockdown world the status quo of kids lunchboxes has disappeared. With 54% of lunches eaten out of home prior to lockdown (Kantar World Panel), half the population are being confronted with a whole new lunchtime.

Myopic Bias is the tendency to focus on the present or immediate rather than the near or far future. In the world of lockdowns, this means parents can give in to whims of pester power.

This focus on the here and now means often looking in the fridge and just working with what's there, but also allows children to experiment with lunches that are less typical to school from beans on toast to scrambled egg, to making sandwiches perhaps using left overs from last nights dinner.

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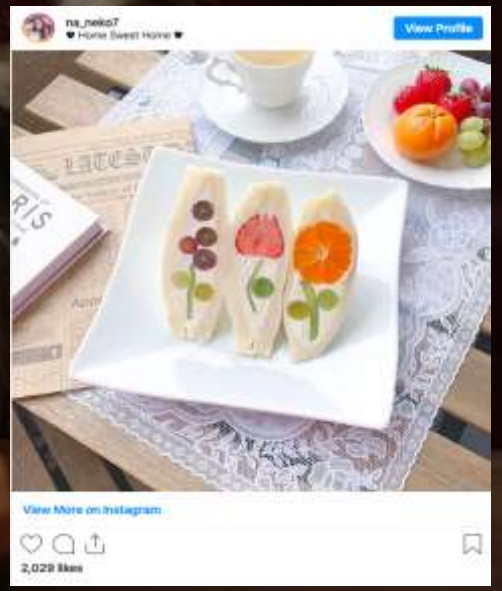
#11 Smaller World Goes Big

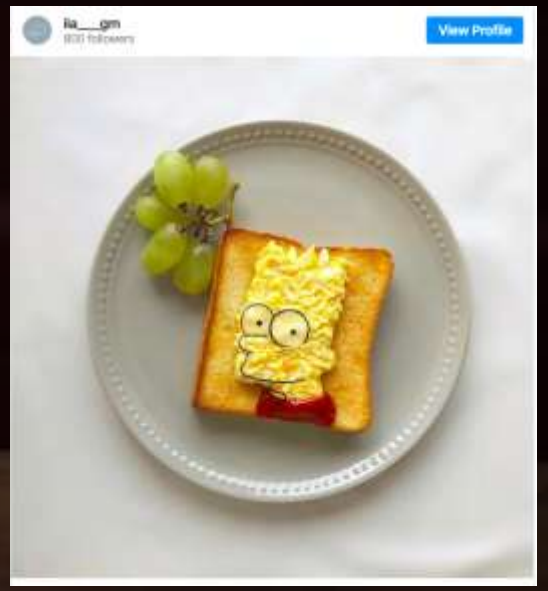
Quarantine cooking shows off the fun side of Japan life for kids and adults like.

Quarantine cooking enabled the Japanese an opportunity to show off their love of all things characterful and quirky.

From fruit sandwiches to character Bento with adults as well as children making kid friendly food. Beyond just arranging ingredients in shapes of faces and animals, nori seaweed is used like a black marker to add facial features to everything from a bowl of rice to a slice of toast.

https://www.timeout.com/tokyo/news/japan-takes-quarantine-cooking-to-the-next-level-with-amazing-presentation-050820





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#11 Smaller World Goes Big

Children learning to cook during lockdown is seen as a way to enhance “soft power” for Chinese parents.

Chinese parents are always keen to find opportunities to educate their children in everyday activities.

During the pandemic, many Chinese kids were encouraged to learn how to cook from their parents. From celebrities like Chinese actors and actresses to ordinary people, the kitchen is no longer seen as a dangerous place, but a training center for life skills.

An elementary school in Henan Province even asked every student to learn a new dish each week in addition to their regular homework from online classes.





BORD BIA Thinking House

#11 Smaller World

Mitigating Against Broken Habits.

The downside of this disruption to kids Habits is a potential over-consumption of treats. The focus on the here and now, **Myopic Bias**, plays hand-in-hand with a phenomenon knows as **Mindless Eating**.

The expression “Mindless Eating” has been coined by the eating behaviour expert Brian Wansink. It refers to the finding that various cues associated with food non-consciously affecting the amount and quality of people’s consumption. Cues often serve as benchmarks in the environment. Cues may include serving containers, packaging, people, labels and atmospheric factors.

Children are only human, believe it or not. They are just as attracted to the colourful packaging of sweet treats in the kitchen as the rest of us. Their disrupted routines only exacerbates mindless eating amongst children and parents are finding treats a quick way to “keep the peace” at home. Some 30% of Irish parents are having more periods of family discord or tension now as a result of Covid-19 (BBIB).

One strategy parents may be adopting to mitigate against mindless eating is **Partitioning**. This is the behavioural science insight that underpins ‘funsize’ treats. Partitioning, in theory at least, reveals that rate of consumption can be decreased by physically partitioning food into smaller units e.g. cookies wrapped.

BORD BIA Thinking House

#11 Smaller World

New Routines For Breakfast.

With the morning commute on-hold, the typical rush hour in the morning is now out of the way. So, presumably, we are all taking more time over breakfast?

While sales of cereal surged with **Stockpiling** in March, as we move through the crisis in the interest of avoiding ground hog day, we may see more creativity over breakfast to keep the little people engaged.

Pandemic Pancakes are trending; another Bandwagon Effect.

Perhaps the more ‘hidden’ behaviour to watch at this occasion will be around **Shielding** and how consumers attempt to protect their families. Immunity boosting foods from probiotics to vitamin C enhanced foods for family may become more of a feature over time.

55%

of Chinese are making “fun food” as a result of Covid-19

Source: Bord Bia Indicators Barometer

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#11 Smaller World.

How kids disrupted routines are influencing consumption

Implications for Irish Food & Beverages:

- Brands can help parents ‘protect’ their children through healthy eating options – particularly immunity
- New habits are emerging in the home – brands can find a new home in children’s new routines
- New formats (e.g. funsize) can provide ‘partitioning’ solutions for parents under-pressure for excess treats
- Brands can enjoy growth with the next ‘bandwagon’ effect – as parents seeks to fill time for kids

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#12 Waste Not...

Consumers are using strategies to make their food go further and cut down on waste



Photo by Joshua Hoehne on Unsplash

BORD BIA Thinking House

#12 WASTE NOT….

Consumers are making their food go further…..

Food Security, according to the FAO, is when we have sufficient, safe and nutritious food that is in line with our dietary needs and preferences. For much of the developed world, this is the state in which we live everyday. However, Covid-19 has been a psychological jolt to many consumers prompting a reassessment of value of food; a study by Hubbub found that 57% of people in the UK now valued food more than they did before the restrictions kicked in.

"Now that more consumers are stuck at home for longer stretches of time …… the public is highly motivated to waste less food so that their groceries can last for a longer duration," (Forbes). This Food Anxiety is something that was widely reported in the 2011 economic downturn too. The antidote is to take "confidence from being prepared" (John Wooden).

Perceived Scarcity can be a powerful behavioural motivator. In the retail environment, the manifestation of this in hoarding is well documented. However, this same powerful motivation underpins a number of interesting cooking and consumption behaviours at home that minimise waste and focus on getting more from less. For instance, a recent feature in the Guardian claims that 1 in 6 are now paying less attention to use by dates to make food go further.

We have called this indicator of behavioural change WASTE NOT…

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Photo by Joshua Hoehne on Unsplash

#12 WASTE NOT….

What drives consumer behaviour around food waste?

The drivers behind food waste are complex and can include food pricing, logistical and storage issues.

There has been plenty of research amongst consumers that has measured the degree and volume of food wasted. There is also evidence from research completed in Sweden in 2018, that Community Based Social Marketing combined with '**Nudging**' increased food waste recycling (brown bin usage).

However, the behavioural science around how consumers navigate food waste in the home is rather thin on the ground. Much of the work done on food waste tends to focus on Social Norms and the degree to which wastage of food is unacceptable amongst peer groups. This doesn't really help us in a world under-lockdown where food waste is a very hidden phenomenon.

The **Theory of Planned Behaviour** may help us understand consumers and food waste a little more. The theory suggests that behaviour is directly determined by **intentions**, which in turn are predicted by **attitudes**, **subjective norms**, and **perceived behavioural control.**

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Photo by Joshua Hoehne on Unsplash

#12 WASTE NOT….

China launches “Clean Plate” campaign against food waste.

Chinese President Xi Jinping in August 2020 declared a war on the “shocking and distressing” squandering of food, highlighting that Covid-19 had “sounded the alarm” on food waste and that the country had to “maintain a sense of crisis about food security”.



Xi’s remark generated a quick response from several local governments and organisations, including some that implemented rather drastic measures.

Shanghai officials are asking residents to report food-wasting behaviors. Local food industry organisation is urging diners to order one fewer dish than the number of people in their group, calling it “N-1 system”. One restaurant in Changsha even asked customers to weigh themselves before entering, to help them choose appropriate meals based on their weight.



Photo: CNN / Reuters

Major livestreaming platforms removed all the “binge eating” videos posted by food bloggers.

#12 WASTE NOT….

What drives consumer behaviour around food waste?

To address the issue of excess food produce that otherwise would go into school lunch boxes. Pocket Marche, a Japanese app that connects farmers to consumers has started a food rescue campaign to support farmers who have such surplus produce. It launched a hashtag for corona related food excess and also gave out 5% off coupons to encourage consumers to use its services.





Warren Wong @ www.unsplash.com

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#12 Waste Not...

Consumers are using strategies to make their food go further and cut down on waste

Implications for Irish Food & Beverages:

- Brands be part of the solution & help consumers make their food go further
- There may be an increased emphasis on the shelf life of produce
- ‘Waste-Less’ may be a way to demonstrate value beyond price
- Packaging innovations may well have to focus on storage solutions
- Sustainability messaging may well have to shift into ‘making food last’ messages
- Consumers may need creative ways to elevate our product’s leftovers

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Photo by Joshua Hoehne on Unsplash

Indicators

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#13 Chameleon Living.

How consumers are coping with the blurring of work and home through hidden behaviours

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Photo by cottonbro from Pexels

#13 Chameleon Living

The hidden world of Covid-19 consumption.

There are plenty of headline grabbers around changed consumer behaviour since Covid-19 took a grip on all of our lives. We've seen panic-buying, a baking-bandwagon and new modes of virtual social-media tools take off. But are there consumption behaviours that are hidden in plain sight?

Prior to the Covid-19 crisis, the traditional 9-5 as we used to know it had started to change over the last number of years. The gig economy, more flexible work and remote working all have had an impact on the traditional ways of working. Likewise, the traditional office itself has had a complete makeover with spacious workplaces created and designed to be somewhat more recreational in nature. The blurring of work and leisure time was a very real phenomenon putting more and more pressure on time-strapped consumers.

Now that blurred line between work and play has been pushed into our homes, behind closed doors. The world of work is completely disrupted for us all. Some of us have seen our work disappear. Others struggle with the challenge of working at-home and managing home-life. For others, work was our social-network and now that has disappeared either completely or behind a virtual interface. All of us have been forced to adapt to a new environment – the true extent of change may still be hidden.

We call this Indicator **CHAMELEON LIVING**.

BORD BIA Thinking House

#13 Chameleon Living

Homeworking: Isolation, Anxiety & Burnout.

While some consumers have found it a relief to give up the daily commute and work at their own pace, others find it stressful, feeling remote from the office at a time when companies are making cuts and ‘furloughing’ workers.

Nick Bloom, a senior fellow at Stanford Institute for Economic Policy Research, who has researched the impact of homeworking on productivity, says “forcing everybody home, often around kids, in shared rooms or bedrooms and no escape socially in non-work time will be generating major mental stress”. “This typically leads to loneliness and depression,” he adds, “which is mentally costly and often leads to physical health declines too.” (ft.com)

The concept of the **IDEAL WORKER** is one that pervades the culture of many workplaces – a worker with a clear, relentless commitment to paid work.

Working long hours and not allowing distractions outside the paid work environment to interfere with the job, including family and personal facets of life are central components of what is expected of this type of worker. If this cultural reality exists in many workplaces today, it's hardly surprising that stress-levels may be on the rise in a hidden way in our homes.

BORD BIA Thinking House

#13 Chameleon Living

May not be sticky behavior for Chinese consumers.

According to a survey conducted by TeamViewer in April 2020, the pandemic was the reason the majority of Chinese employees worked from their home for the first time.

The experience of remote working has been mixed. While some welcome the change as they could spend more time with children, others find it challenging due to low internet speed and difficulty to access key equipment from home.

An important factor that helped Chinese companies to implement remote working is the already widespread use of workforce communication tools, such as WeChat Enterprise, which is the business version of China's most popular social APP. Many companies have also adopted to the productivity APP DingTalk, which has become the most downloaded free APP in China's iOS APP store.

While many agree that the boundaries between work and home life are becoming increasingly blurred by remote working, over 80% of Chinese workers are not working from home as of September 2020.

81%

of Chinese are now back to working in the office

Source: Bord Bia Indicators Barometer

BORD BIA Thinking House

#13 Chameleon Living

As the solo society is being ever more embraced, especially in the aftermath of Covid-19, it brings new opportunities to dining for one.



As Karaoke for one is growing in popularity and with the popularity of Solitary Gourmet Netflix Series, the stigma of dining alone is no longer something to be embarrassed about but something that is now to be celebrated especially in light of Covid-19. There is even the emergence of solo only bars!

Japanese society is undergoing a significant demographic shift. The birth rate is falling: last year just **864,000 babies were born** – the lowest since records began in 1899. The number of single-person households is rising, up **from 25%** in 1995 to **over 35%** in 2015, according to census data. Declining marriage rates are also contributing to the rise in people who live alone but so too is the fact that more seniors in one of the world's fastest-greying nations are becoming widows or widowers. As a result, amid these new demographics, how consumers behave and how businesses cater to them are changing.



This presents lots of new opportunities for ready meals and meals to prepare for one.

One recent innovation is "hitori yakiniku". Meaning "grilled meat", yakiniku usually involves sitting around a gridiron at a restaurant table with a group of people and communally cooking mountains of chicken, beef or pork. But with ohitorisama, the only one grilling (and eating) all that meat is you. [BBC Worklife Jan 2020]

https://www.bbc.com/worklife/article/20200113-the-rise-of-japans-super-solo-culture

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#13 Chameleon Living.

How consumers are coping with the blurring of work and home through hidden behaviours

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#14 Delivery Fatigue.

How consumers are opting-in and out of food delivery

BORD BIA Thinking House

Photo by cottonbro from Pexels

#14 Delivery Fatigue

Watching out for ‘behavioural fatigue’.

You may well have heard the phrase **Behavioural Fatigue** being bandied about in the media in recent days and months. It is a phrase that has caused controversy, particularly in Britain, where the government there came under fire for using ‘fatigue’ as justification for their strategic response to the pandemic.

The ‘theory’ is a simple one; ‘people will get tired of the asks of them during lockdown’. Controversially, the British Government put this argument forward as justification for their delayed response to some aspects of the crisis. It prompted more than 600 academics to recently sign an open letter “expressing concern” about the UK government’s use of behavioural science. Even in today’s Irish Times (Apr 24th), you will find an open letter from Pete Lund of the ERSI pointing out that there is ‘no evidence to support the idea of behavioural fatigue’. On the contrary, it would seem if people understand WHY they are being asked to change their behaviour they can endure quite a bit.

Behavioural Fatigue, as hypothesised by the British Government, was little more than just that – a hypothesis. So for our final indicator we’ve taken the liberty of hypothesising with behavioural science too. Our hypothesis is that consumers will get tired of ‘home delivery’, they will long for bricks and mortar retailing, they are jaded of cold take-aways arriving at their doorstep.

We call this Indicator **Delivery Fatigue**.

BORD BIA Thinking House

#14 Delivery Fatigue

Instant Gratification v Delayed Gratification.

One way of helping us understand if Delivery Fatigue is a real phenomenon or just ‘whacky’ theory from the Thinking House, is to think about **Instant Gratification** and **Delayed Gratification**.

Traditional bricks and mortar retailing delivers on Instant Gratification. Impulse shopping is just one very real example of this in action, the impulse pick-up of at a supermarket check-out has been proven to deliver ‘pleasure or fulfilment without delay or deferment’ – classic instant gratification behaviour.

And yet, there is an emerging body of evidence that Delayed Gratification can be MORE REWARDING for consumers. US research agency Razorfish, shows that people get more excited waiting for online purchases to arrive than when they buy in-store.

The opportunity, Razorfish argue, is for marketeers to ‘engineer’ the dosage of ‘digital dopamine’ by drip-feeding updates to the consumer when they order online – 62% of US consumers ‘get excited’ when they get a text/e-mail updating them on the status of their order.

But can **Delayed Gratification** really be ‘rewarding’ when we order food?

BORD BIA Thinking House

#14 Delivery Fatigue

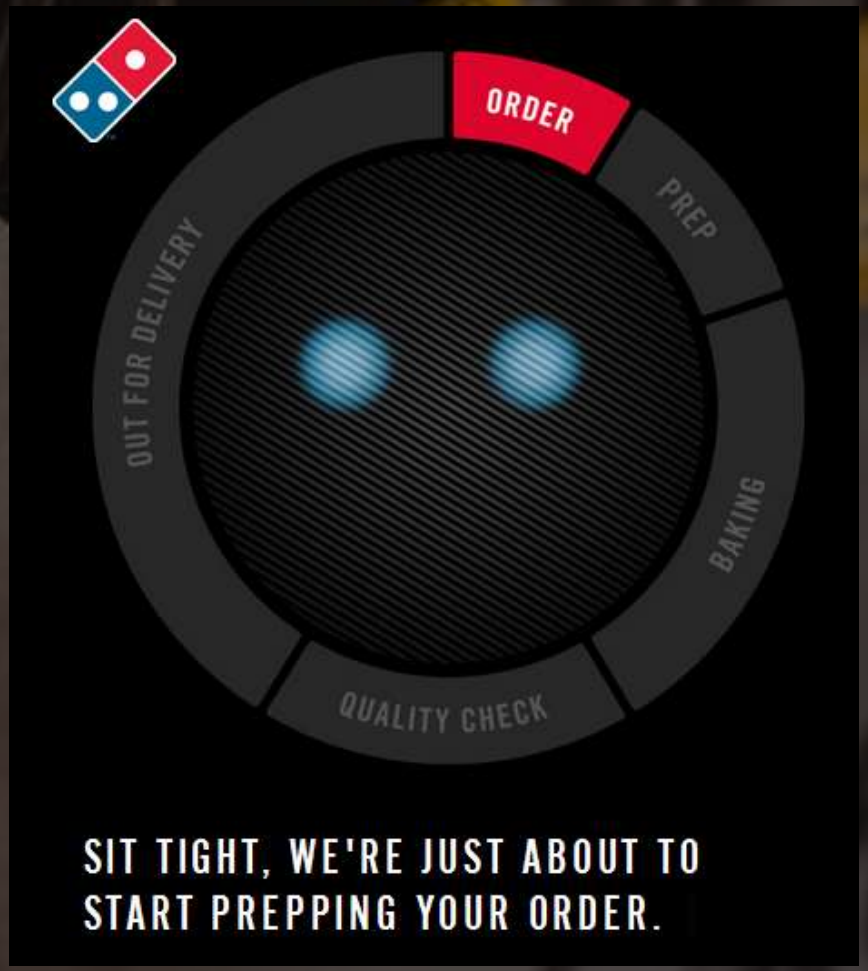
Domino’s Pizza & Delayed Gratification.

A prime example of a brand successfully managing Delayed Gratification is Domino’s Pizza.

Despite being one of the most recognisable brands in America, between 2006 and 2008 Domino’s Pizza was in crisis. Domino’s stock price hit a record low – $2.83 a share in November 2008. Today, it’s up around $72 a share.

So what turned Domino’s from crisis to champion? Well a big part of the turnaround was improved product. But so too was improved delivery of that product.

Through its pizza tracker and builder tools, the company made online ordering a cornerstone of its business. The pizza tracker is a prime example of managing Delayed Gratification by providing consumers with ‘real-time’ updates of the status of their order.



BORD BIA Thinking House

#14 Delivery Fatigue

Food delivery during lockdown.

According to Google's weekly 'Think With Google' insights, for the last five years, "restaurants near me" consistently ranked as the most popular "near me" search.[2] But consumer behaviour has changed.

In the US, the focus has shifted to alternative mealtime solutions. They are seeing more consumer interest related to "delivery" in the last three weeks as a result of national guidance to shelter in place; search interest for "food delivery" related queries has spiked 100%.

Safety appears to be is paramount. In fact, search interest for "is food delivery safe" has increased 650% across the U.S. since the beginning of March. Reassuring customers that you understand the concerns for safety and are taking important steps to address the current situation is key.





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#14 Delivery with purpose

Source: Wikipedia Commons



Food delivery has taken off in Japan like elsewhere during Covid-19 with the likes of Zero Contact Drop off from Domino's Pizza being one such successful service offering.

However, the delivery of meal kits is something that seems to have taken some hold in Japan. In a world where women have found themselves under increasing pressure to cook in the home, every little helps! Japanese video recipe app Kurashiru has been downloaded 18 million times according to Forbes. The business is now releasing a meal kit service turning its best received recipes into meal kits.

A food delivery company, Radish Boya, is also creating Weekend Kits comprising ingredients for making sausages, pancetta pizza and bread [stylus.com].

29%

of Japanese adults are collecting take away more as a result of Covid-19 Source: Bord Bia Indicators Barometer

12%

of Japanese adults are getting food delivered more as a result of Covid-19 Source: Bord Bia Indicators Barometer

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#14 Delivery Fatigue

Managing hygiene and safety fears.

In a bid to counteract fears around safety when it comes to food delivery and to encourage good hygiene, Lush and Deliveroo have partnered in Dubai.

Lush have created a soap which is a self-timed single use soap which dissolves after 30 seconds. Deliveroo deliver the soap with the takeaway order for use on arrival.

www.stylus.com

deliveroo

LUSH FRESH HANDMADE COSMETICS

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Indicators

Coronavirus COVID-19

Early clues on the post-crisis consumer & market realities
April 24th

#14 Delivery Fatigue.

How consumers are opting-in and out of food delivery

Implications for Irish Food & Beverages:

- Manage delayed gratification through consumer ‘progress’ and updates
- Target that changed Niche of consumers who are embracing food delivery
- Consider partnerships (food service and/or partnerships that enhance safety)
- Creating “hygiene” friendly promotional initiatives to encourage delivery to the home
- Unlock growth through click and collect strategies building on Person-to-Person contact

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Photo by cottonbro from Pexels

Validators

Coronavirus COVID-19

Welcome to the Validators section of the toolkit.

Our validators are key measures that measure changing consumer behaviours. We do this through a nationally representative survey of consumers in key markets.

You can use this work to sense check what behaviours are becoming ‘sticky’ and look like becoming long-term permanent changes in consumer behaviour. Navigate your way through the validators by using the menu below:







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Validators

Coronavirus COVID-19

Research Design & Methodology



Image by Becca Clark from Pixabay

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What we Did

- ✓ Online survey to a nationally representative sample of Chinese adults aged 18+
- ✓ Sample Size: N=1,006
- ✓ Research Partner: Opinions
- ✓ Fieldwork: 14th – 22nd September 2020.

Why did we do it?

To enhance our understanding of the impact of Covid-19 on current behaviours and attitudes in China. While we are interested in broader societal impacts, we are focused on food related behaviours and the impact it has had on attitudes to sustainability. We have also checked in how Irish produce is perceived in relation to key competitor markets on core metrics.



Validators

Coronavirus
COVID-19



Mood of the Market

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Mood of the Nation

A clear sense of China moving on from the initial impact of Covid-19 – but with an element of caution.

Almost **2 in 3 adults (63%)** feel China is **recovering and getting over Covid-19 successfully…**

… but a similar proportion **(63%) are a little concerned about a second wave**



Given the actions China took when the pandemic hit and the relative success they had in managing it, half of adults (50%) feel China is well or fully prepared for a second wave, and just 10% feel it is not prepared.

Photo by Leanna Cox on Unsplash

Mood of the Nation

This sense of moving on is evident in the lower levels of concern shown by the Chinese around aspects of the response to Covid-19…

Just 32% are very concerned about the **long term impact on the economy**

74% of Japanese adults are concerned in this regard

Just 17% of Chinese workers are now working from home some or all of the time as a result of Covid-19.

However **almost 1 in 4** (22%) are very concerned about the **continued availability of food and drink**

Greatest concern among over 45-year olds

Photo by Eunice Lituañas on Unsplash

Adhering to Restrictions

China is no stranger to wearing facemasks stemming back to the SARS outbreak in 2002 and is commonplace in busy urban areas due to high levels of air pollution. And while life is moving on, there is plenty of sadness about social engagements being left behind.

83% of adults wear a mask for protection and to prevent spread most or all of the time

Other high levels of adherence can be witnessed among Chinese adults…

- *80% avoid crowded places and large groups*
- *73% limit social contacts outside the household*
- *67% fully avoid public transport*

Almost 6 in 10 wear gloves when grocery shopping ***– significantly higher than other markets (e.g. just 7% in Japan)***

While compliance in China is strong, many do **miss certain social elements** and in particular around food service…

7 in 10 *adults (70%) miss eating out at* ***formal restaurants***

6 in 10 *adults (60%) miss eating out at* ***fast food restaurants***

Almost half *(47%) miss* ***socialising in bars***

Aspects of Life being Impacted by Covid-19

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We see how the pandemic has impacted positively on Chinese adults – in particular around re-connecting with family and the self as well as the want to eat healthier and the importance of sustainability in food choice. Given the pandemic started so long ago in China it is clear that these behaviours have been particularly sticky during this period.

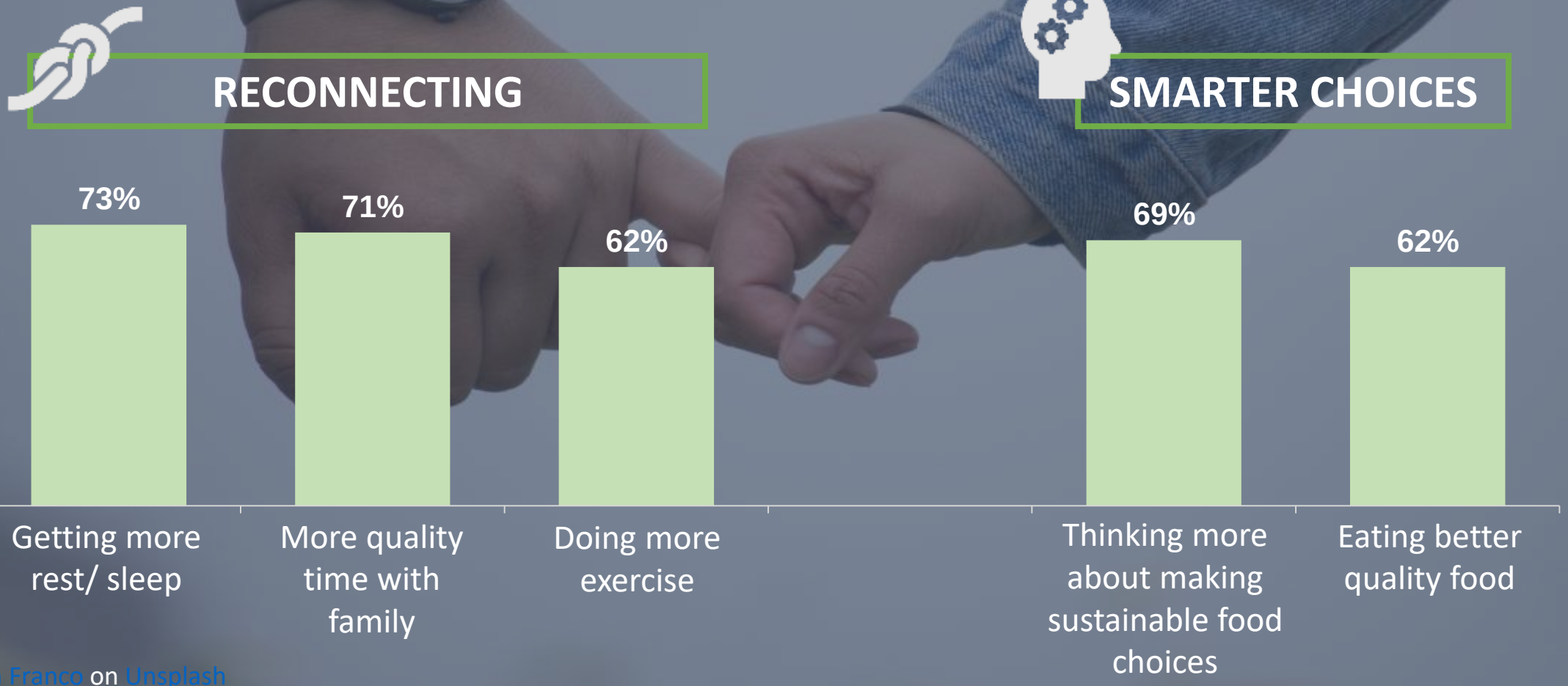


Photo by Ryan Franco on Unsplash

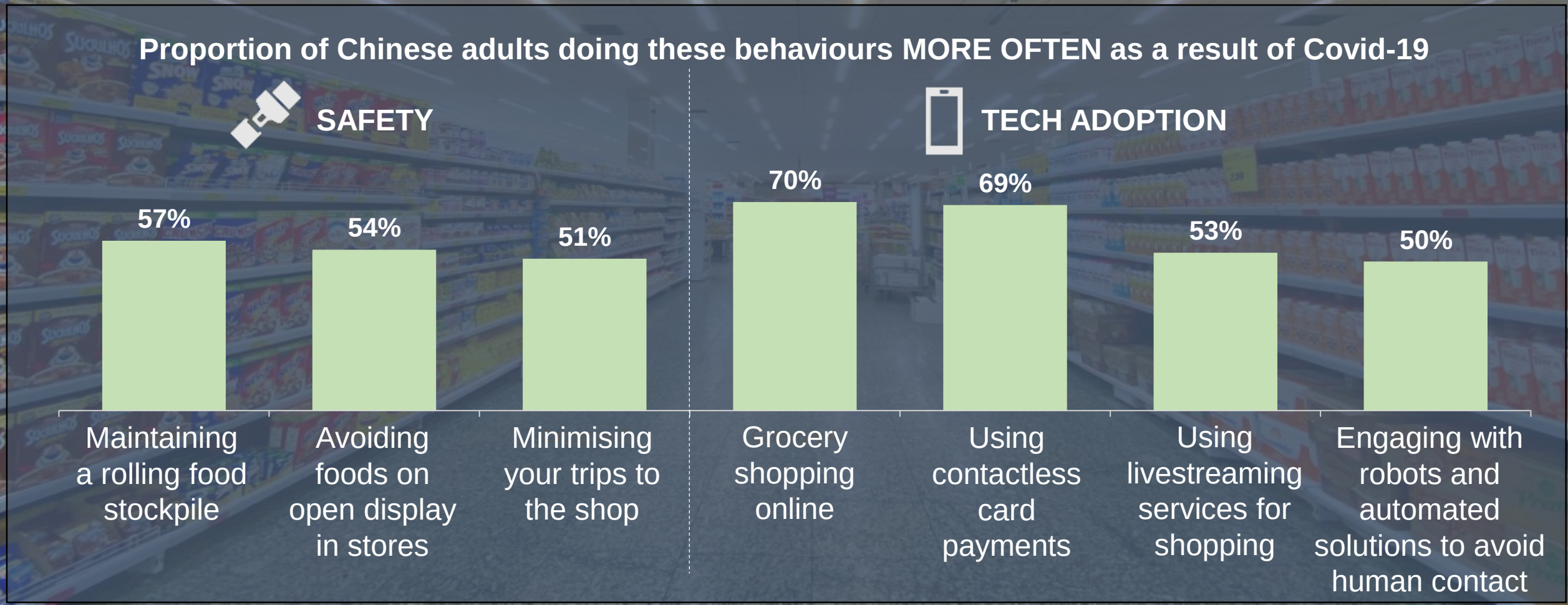
Changes since Covid-19



Changing Shopping Behaviours as a result of Covid-19

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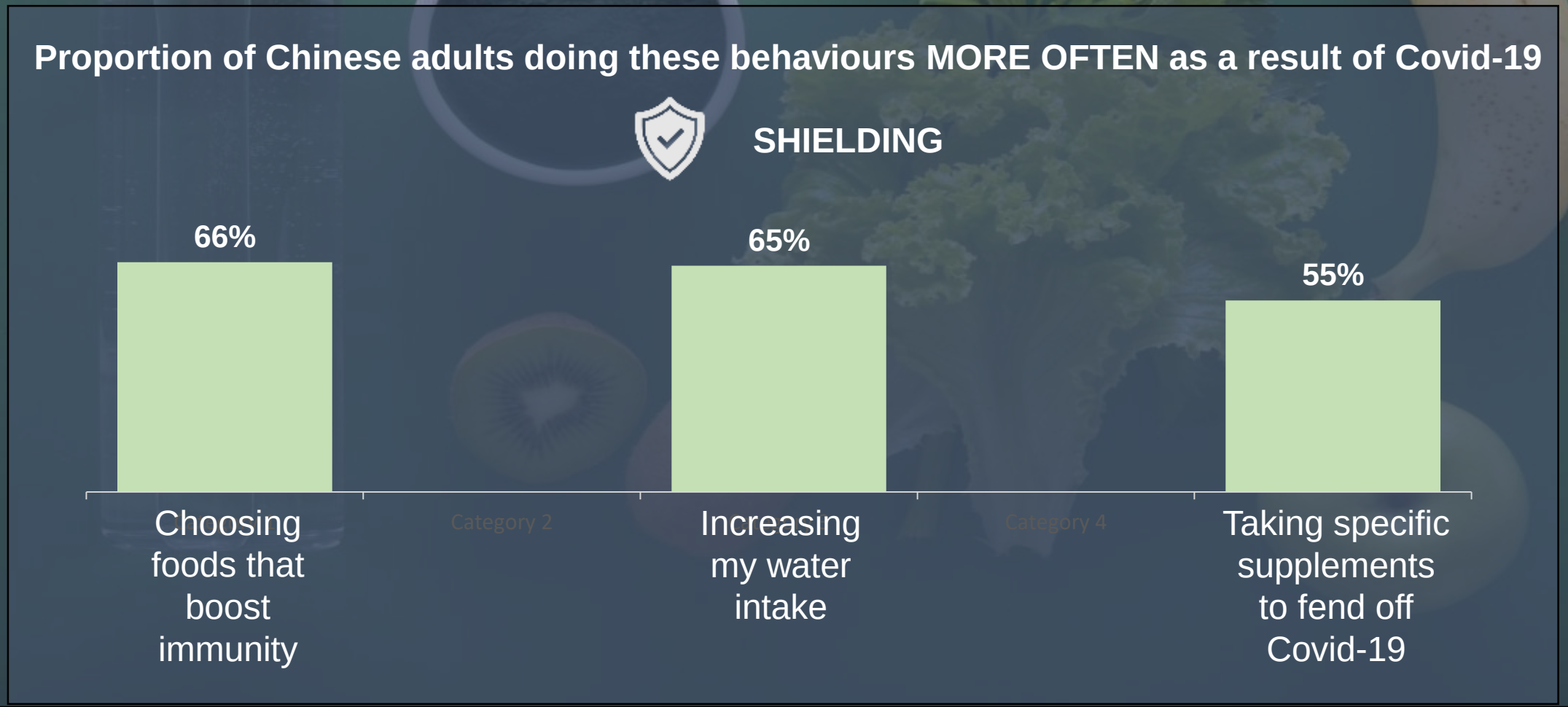
Again we see the impact of Covid-19 on the regular adoption of behaviours changing the way people shop. The role of safety and adoption of technology is extremely apparent, and both must be taken into account for Irish producers engaging with retailers in China going forward – notably the increased uptake of livestreaming and robot services.



Changing Wellness Behaviours as a result of Covid-19

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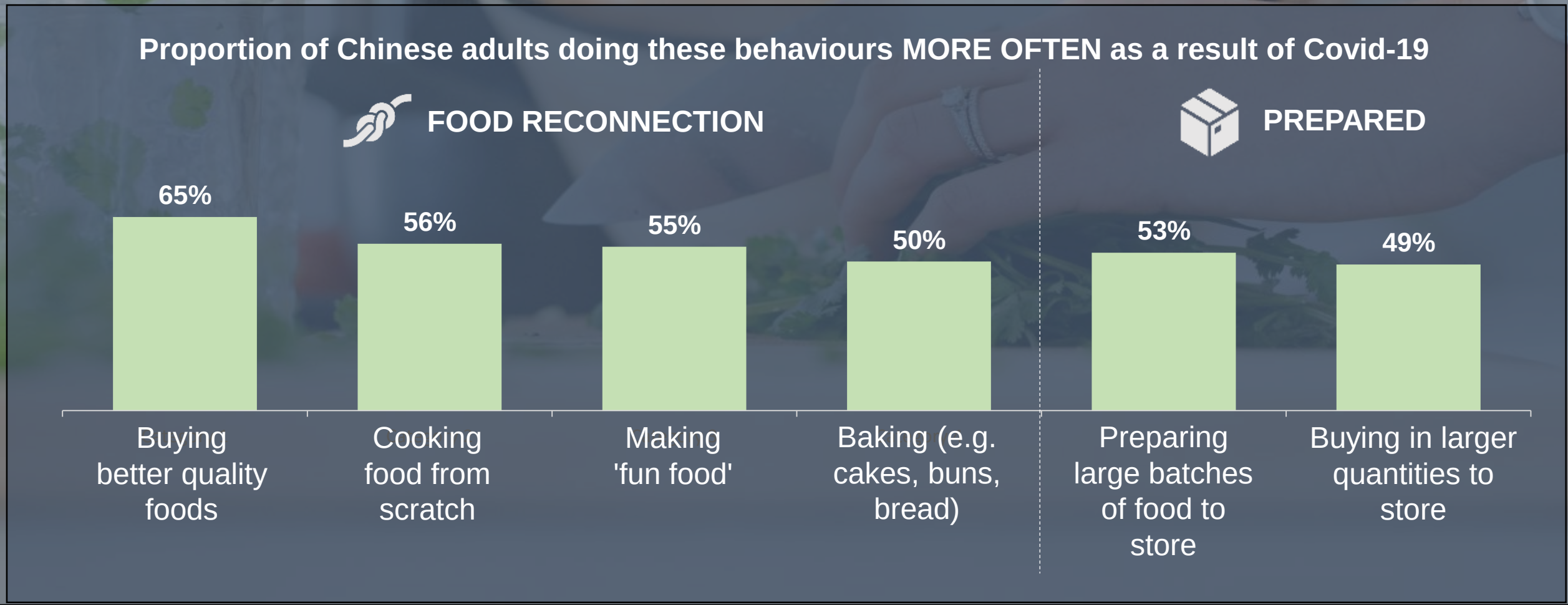
Further evidence of the preparedness of the Chinese for a second wave is evidenced in their attitude towards Shielding and their adoption of more immune boosting foods and supplements in their diets. 2 in 3 adults are choosing foods that boost immunity more often now as a result of Covid-19.



Changing Cooking Behaviours as a result of Covid-19

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Chinese adults have clearly reconnected with their food in terms of scratch cooking, experimenting and baking with an emphasis on buying better quality foods. However being prepared is also a key theme given the high prevalence of more preparing of large batches of food for storage and buying in larger quantities.



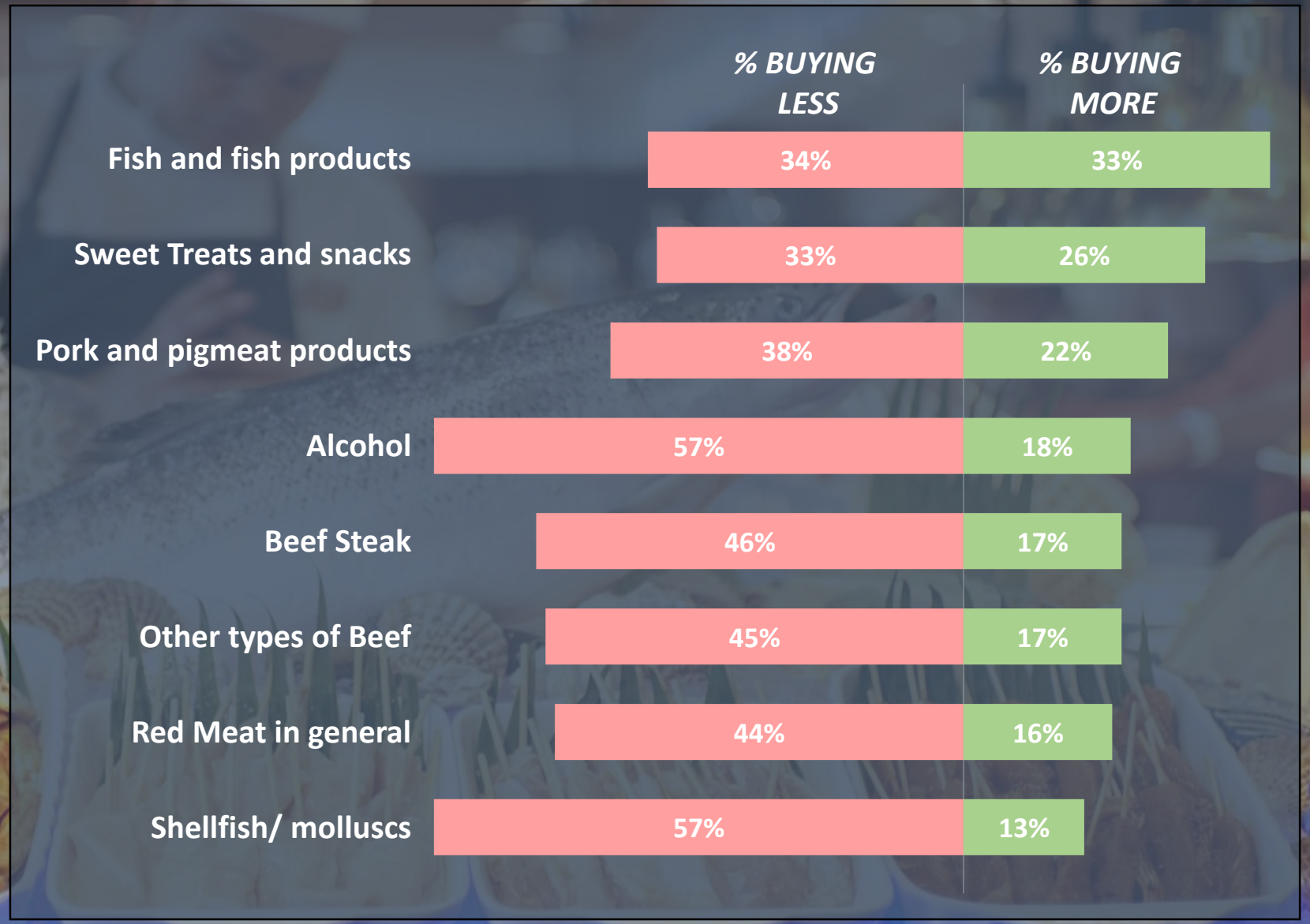
Changing Food Behaviours as a result of Covid-19

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With the evident increase in health consciousness regarding food and drink choices, we see that many foods are claimed to be purchased less often as a result of the pandemic.

This is most notable for Beef/ Red Meat and alcohol.

Although we do know 2 in 3 Chinese adults are buying better quality food now.



Changing Priorities as a result of Covid-19

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Across the board, Chinese adults now place significantly greater importance across the areas of Food Safety, Environmental Sustainability and Nutrition. In particular, safety standards and traceability of food now resonate much stronger among shoppers while reducing food waste has become much more of a concern. The nutritional content of their food is now more important for over half of adults in China.

Proportion of Chinese adults saying these priorities are MORE IMPORTANT now due to Covid-19



Food Safety





Environment/ Sustainability





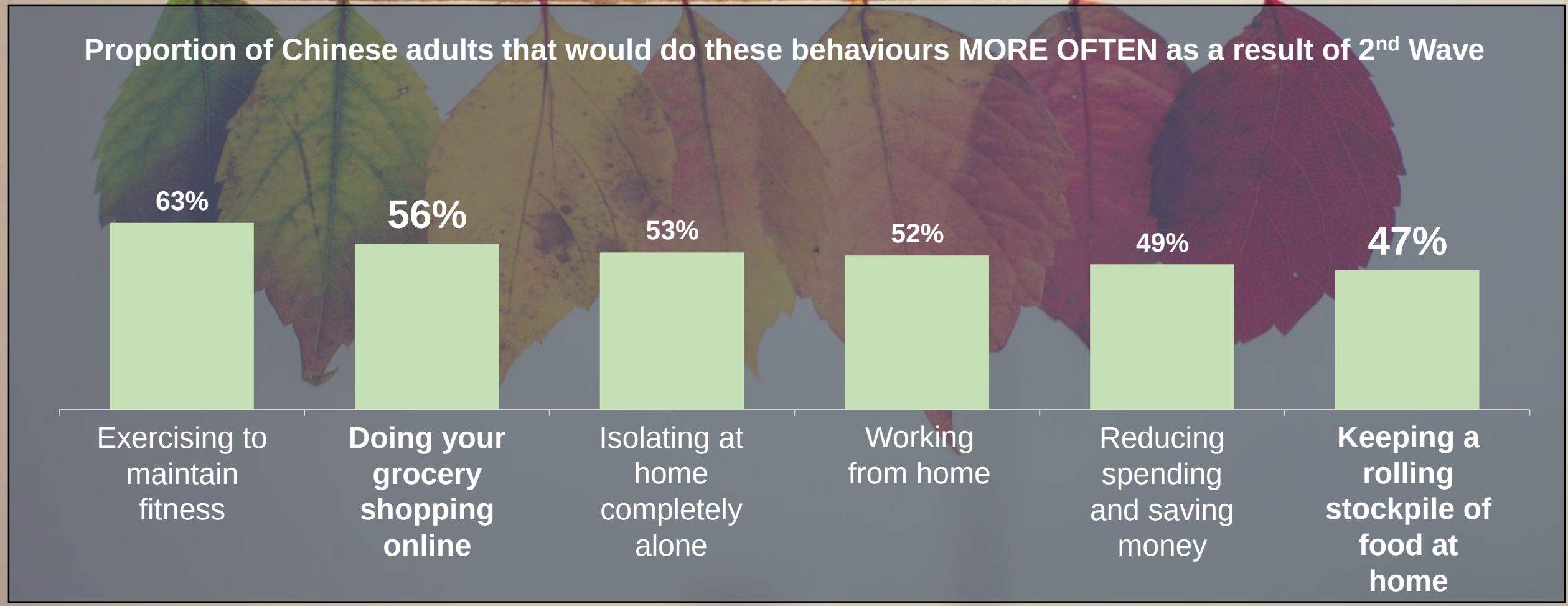
Nutrition



Expected Behaviour Change with a Second Wave

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From a food perspective, its unsurprising to see the intent in the event of a second wave of Covid-19 for doing more grocery shopping online and keeping a rolling stockpile of food at home.




Validators
Coronavirus
COVID-19
Experience and Perceptions of Irish Produce
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The Perception of Irish Food & Drink

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Chinese consumers view both **New Zealand and Australian produce** as the standard bearers in imported food terms around food safety, environmental, taste & nutrition and welfare aspects of production…

Affinity towards **US** food & drink is particularly low and correlates with the view that they have big problems with Covid-19.



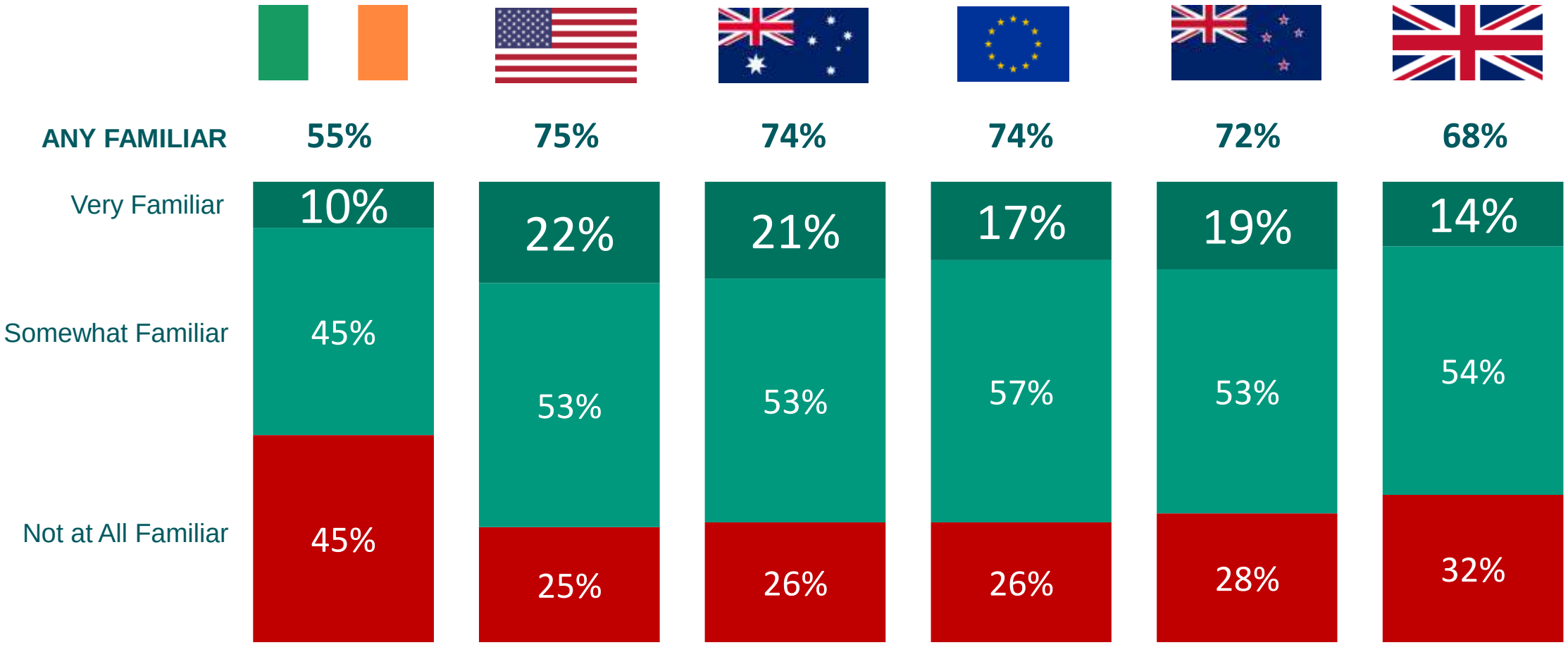


… but among those familiar with Irish produce vs. those familiar with UK produce, Irish food & drink has a clear advantage vs. their near neighbours in both the **environmental/ sustainability space as well as nutrition and taste**.

Familiarity with Food Origins

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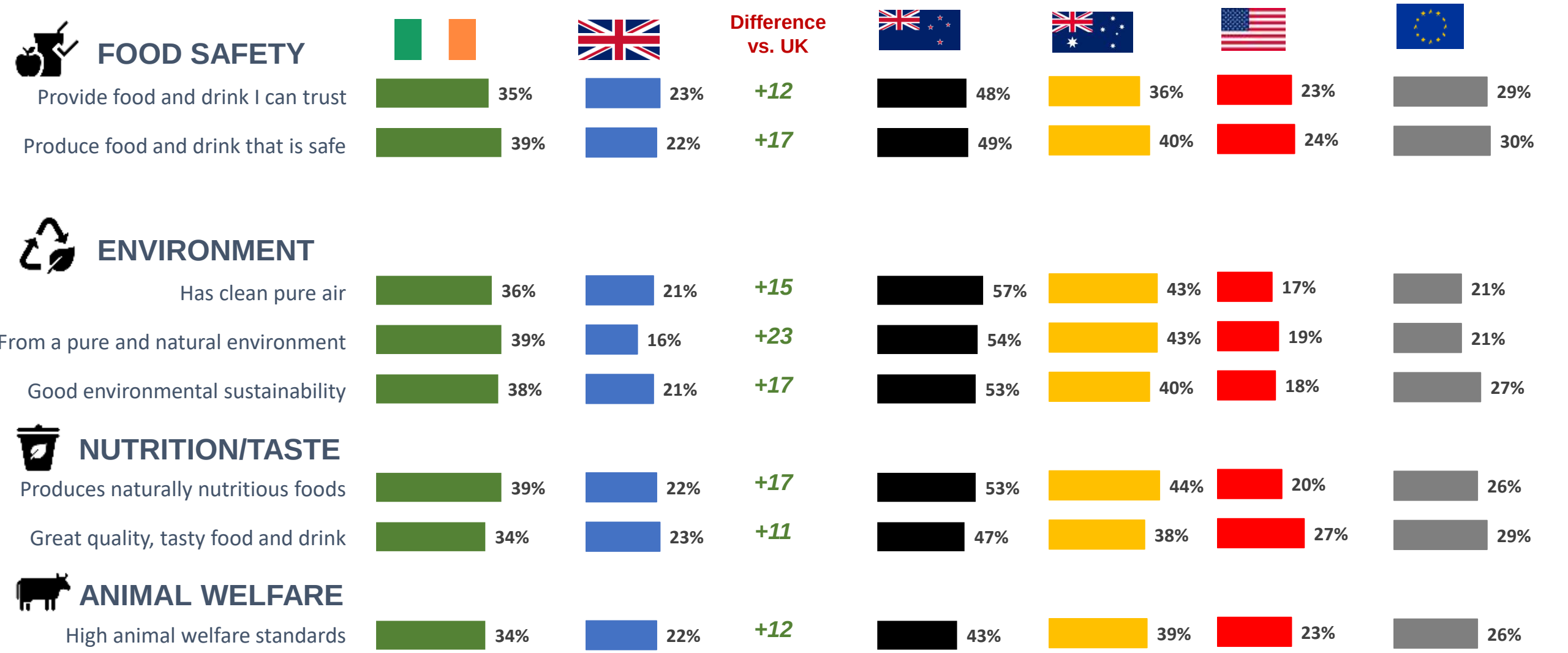
While competitor markets all register higher levels of familiarity with imported food and drink in China, over half of adults claim to have some familiarity with Irish produce.



Origin Equity Performance among those Familiar with each Market's Food & Drink

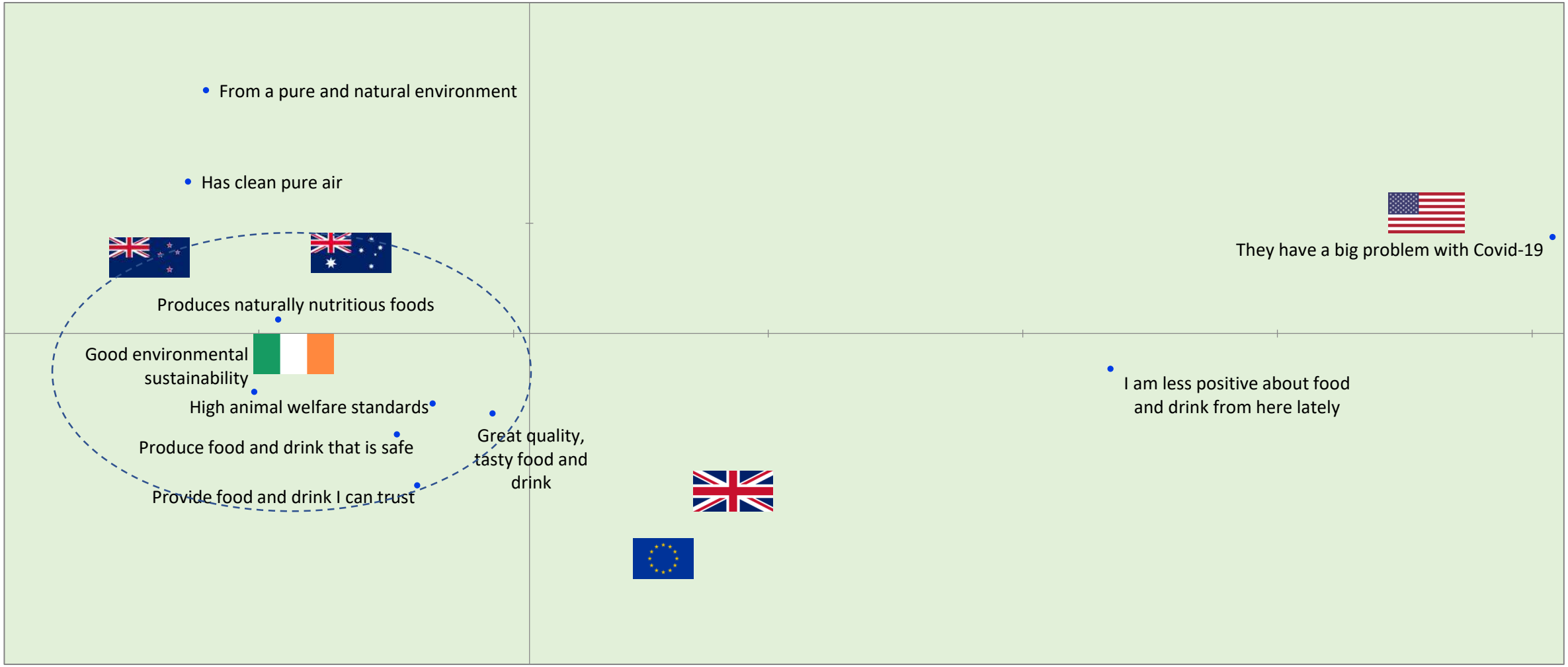
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Irish food & drink clearly punches above its weight among those familiar with it.



Perceptual Mapping: Eliminating Impact of Origin Familiarity

Taking familiarity out of the equation, its very positive to see the relative perception of Irish food and drink along side both New Zealand and Australia with much greater associations to key attributes around natural, environmentally sustainable and safety vs. the UK.



Implications for Irish Food & Drink

TREND	IMPLICATION
Continued traction for online grocery shopping	Ensure continued engagement with relevant retailers in this channel
Importance of sealed packaging	Packaging format needs to reassure around its freshness
Buying less buy buying better	Reassure shoppers the Irish quality message
Increasing importance of sustainable foods	Drive the Irish sustainability message with retailers and consumers
Lots of food experimentation at home	Drive the quality message for Irish produce
Adopting more tech solutions when shopping	Engage with retailers around livestreaming and robot usage
Importance of Immunity and Nutrition	Dial up the ‘natural’ message with reference to immunity properties
Growing importance of Food Safety standards	Engage retailers and consumers with our standards
A greater reflection on the environment	Important secondary messaging to consider
Irish food has greater benefits than UK, EU and US	Give consumers real reasons to believe in Irish

Planners

Coronavirus COVID-19

Welcome to the Planners section of the toolkit.

In this section you will find a series of tools that will help you think through the implications of our Indicators and Validators to your business. We recommend you work through this section sequentially.

There are three very simple steps in our suggested process for planning your business' post-Covid Future. Again you can click on each of the three boxes below to bring to this content.

THINK	PLAN	DO

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Planners

Coronavirus COVID-19

THINK

The first step in making sense of the changed consumer behaviours we have identified is to think through the implications for your business.

There are two parts to this part of the planning process.

Firstly, we suggest you complete Indicator Mapping, this will allow you to identify the behavioural changes that will have greatest impact.

Secondly, we suggest you complete the Pressure Test, this will allow you to understand the scale of the macro risks your business is facing.

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1. Indicator Mapping

Planners

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In order to pinpoint specific indicators of concern to your organisation, use this tool to map them based on the length of time you expect them to impact your business and the scale of the impact. Feel free to add your own indicators or new ones as they emerge. You can download a blank map on the next page.

General Behaviours







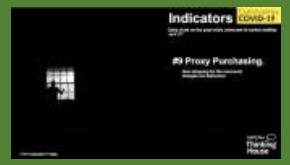




Shopping Behaviours









Consumption Behaviours

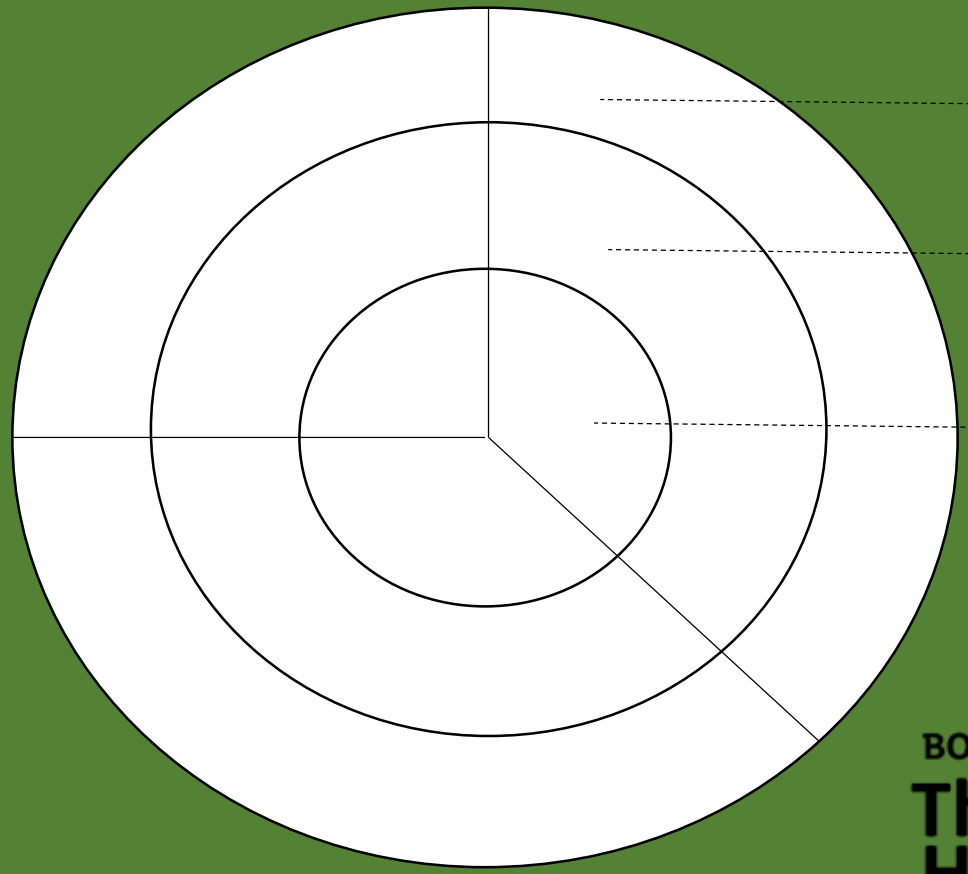








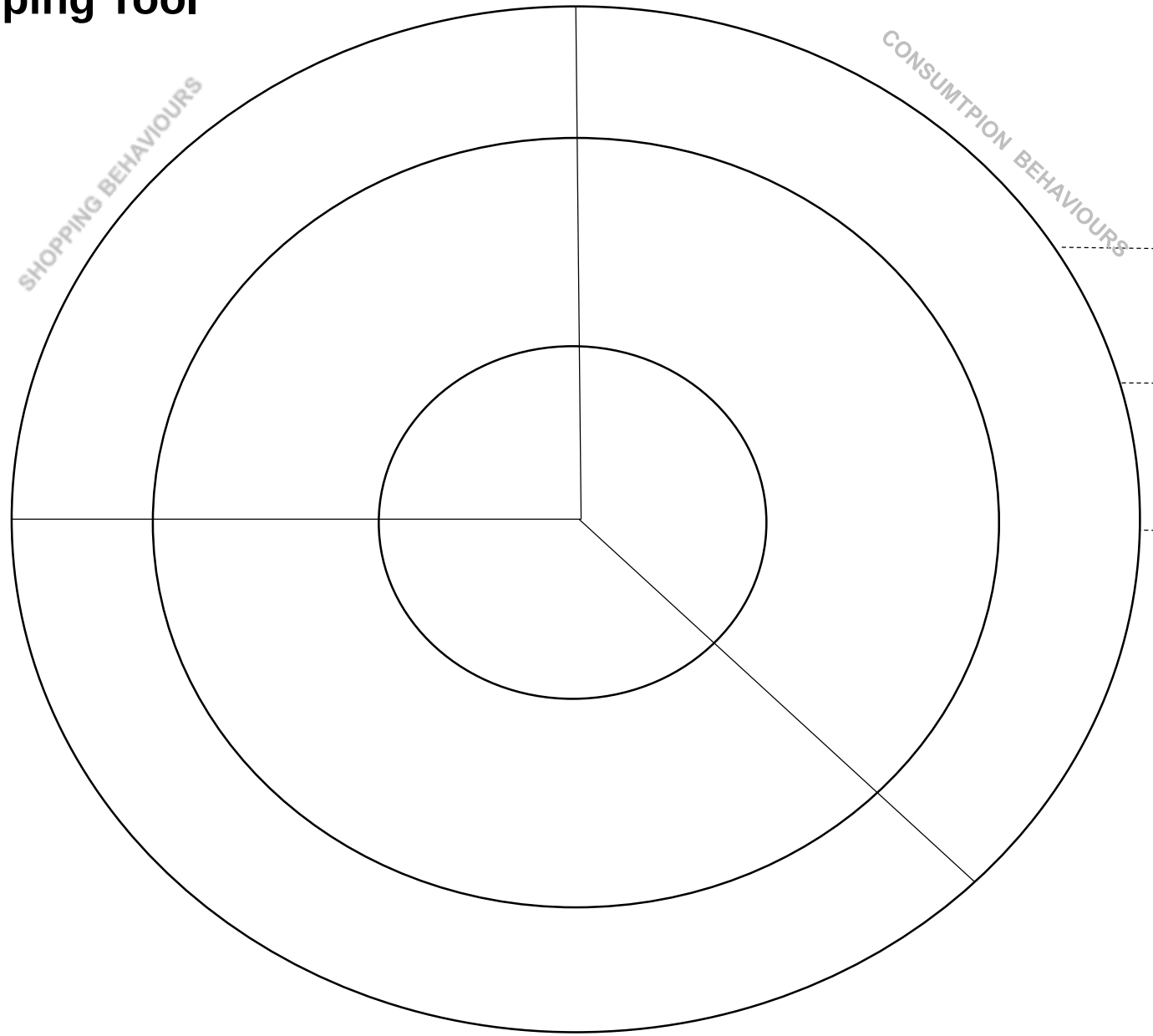




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Indicator Mapping Tool

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Low Impact Zone

Med Impact Zone

High Impact Zone

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2. Pressure Test

Planners

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Having identified the changes in consumer behaviour that will have greatest impact on your business, the next step is to reflect on some of the bigger 'macro' forces beyond consumers that could impact on your business and start to develop plans to mitigate against it.

Use this simple framework below and the tool on the next page to think this through.

Consumer Behaviour	Brand	Competition
Supply Chain	*YOU*	Price Pressures
Distribution	Market Access	Sustainability

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Pressure Test Tool

Coronavirus COVID-19

Now thinking beyond indicators – what are the other 'big forces' are at play shaping the future of business. You can refer here to your own internal work or outputs from Bord Bia's Readiness Radar.

Consumer Behaviour	**Brand**	**Competition**
Supply Chain	*YOU*	**Price Pressures**
Distribution	**Market Access**	**Sustainability**

Scribble your notes here....

Business Issue: a single line that describes the challenge you business faces in the new normal

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Planners

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PLAN

The second step is to begin planning changes your business needs to make in response to the business issue identified through the pressure test tool.

There are also two parts to this part of the planning process.

Firstly, we suggest you complete the Now Next exercise, this will allow you to prioritise major changes you need to make.

Secondly, we suggest you complete an Activity Goal, this will allow you to frame in clear language the precise action you are going to take.

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3. Now & Next

Planners

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You know the big issue facing your business now. Its time to start planning for the future by identifying where your business needs to go next. We do this very simply through a 'listing exercise'. You can do this yourself or, ideally, in a group workshop with internal stakeholders.

Use this simple framework below and the tool on the next page to think through Now & Next.

Business Issue: a single line that describes the challenge you business faces in the new normal

Now

A list of the problems you have to solve to address your business issue

Pathways

A line on what needs to change to deliver against each problem

Next

A list of the changes that you are going to make to your business

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Now & Next Tool

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Now thinking about your business issue what are the big changes you need to make to your business

Business Issue: a single line that describes the challenge you business faces in the new normal

Now

A list of the problems you have to solve to address your business issue

Pathways

A line on what needs to change to deliver against each problem and how you are going to measure that change

Next

A list of the ambitions that are next for your business

Prioritisation

1 your first ambition

2 your second ambition

3 your third ambition

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4. Activity Goal

Planners

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Now you have prioritised your ambitions its time to articulate clearly the change in consumer behaviour you are going to address the actions your business needs to take to address this. You write your activity goal by articulating:

1. **The Change in Consumer Behaviour you are going to tackle to deliver that 'Ambition' - *An Indicator***
2. **The Macro Force that will constrains your ability to deliver your 'First Ambition' - *A Pressure Test Issue***
3. **The Action you are going to put in place address that changed consumer behaviour - *A Priority Next***
4. **The things you need to Measure to demonstrate success - *A Key Performance Indicator***

Use the tool on the next page to define your Activity Goal

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Activity Goal

Now you have prioritised your ambitions lets articulate the activity you are going to take

Indicator	We will target consumers who are….
Pressure Test:	…….. in spite of……..……..
Priority Next:	We need to……..……
KPI:	……..…… And will succeed if……..

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Planners

Coronavirus COVID-19

DO

The final step is to develop your action plan in response to your activity goal. This last step will help keep you focused on the timelines for delivery of your Future Proofed plans.

We suggest you complete the Action Plan tool to help you think through immediate actions your business needs to take.

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5. Action Plan

Planners

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The purpose of completing the action plan is capture on one page the steps your business needs to take to Future Proof your business for the changed consumer environment.

Completing this action plan you can begin to see the road ahead and some of the supports from Bord Bia that you could be leveraging to help you deliver this plan. The framework below illustrates the key elements of your action plan.

Use the tool on the next page to complete your Action Plan.



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Action Plan

Capture Your Future Proofed Plans On A Page

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Business Issue: .....

.....

Activity Goal: .....

.....

Actions: .....

.....

.....

.....

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Strategic Response

Circle Your Business Response Below

New Products Existing Markets	New Products New Markets
Existing Products Existing Markets	Existing Products New Markets

Supports

Indicate which support is critical to delivery of your activity goal

Insight & Innovation	
Brand Development	
Lead Generation & Market Activation	
Capability & Training	
Sustainability Planning	

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Future Proofing Toolkit

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