*Insight Report*

# THINK. EAT. SPEND.

*2023/24*

LINNEY

# Purchase perspectives

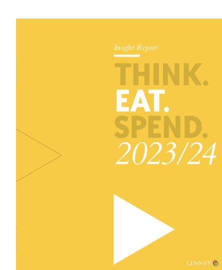
Linney futurologists, data analysts and retail psychologists are on a restless quest to understand how we live today. It's helping us predict how we'll **SPEND**, **EAT** and **THINK** tomorrow.

**In this report, we'll encounter conscious consumers attempting to live fruitful lives through ethical spending. And we'll meet cost-conscious consumers attempting to live frugal lives as they face up to the cost of living.**

We'll uncover themes, trends and patterns shaping the future of our high streets and influencing our online interactions. We'll reflect on the Covid pandemic's long retail tail. And we'll discover the eye-catching, head-turning campaigns convincing consumers to dip into their pockets.

So, explore a wealth of valuable insights into our spending habits as we unearth the 'What' and, more significantly, the 'So what'.

Then check out our other publications exploring what's new and what's next in how we **THINK** and **EAT**.

# THE CAUTIOUS CONSUMER

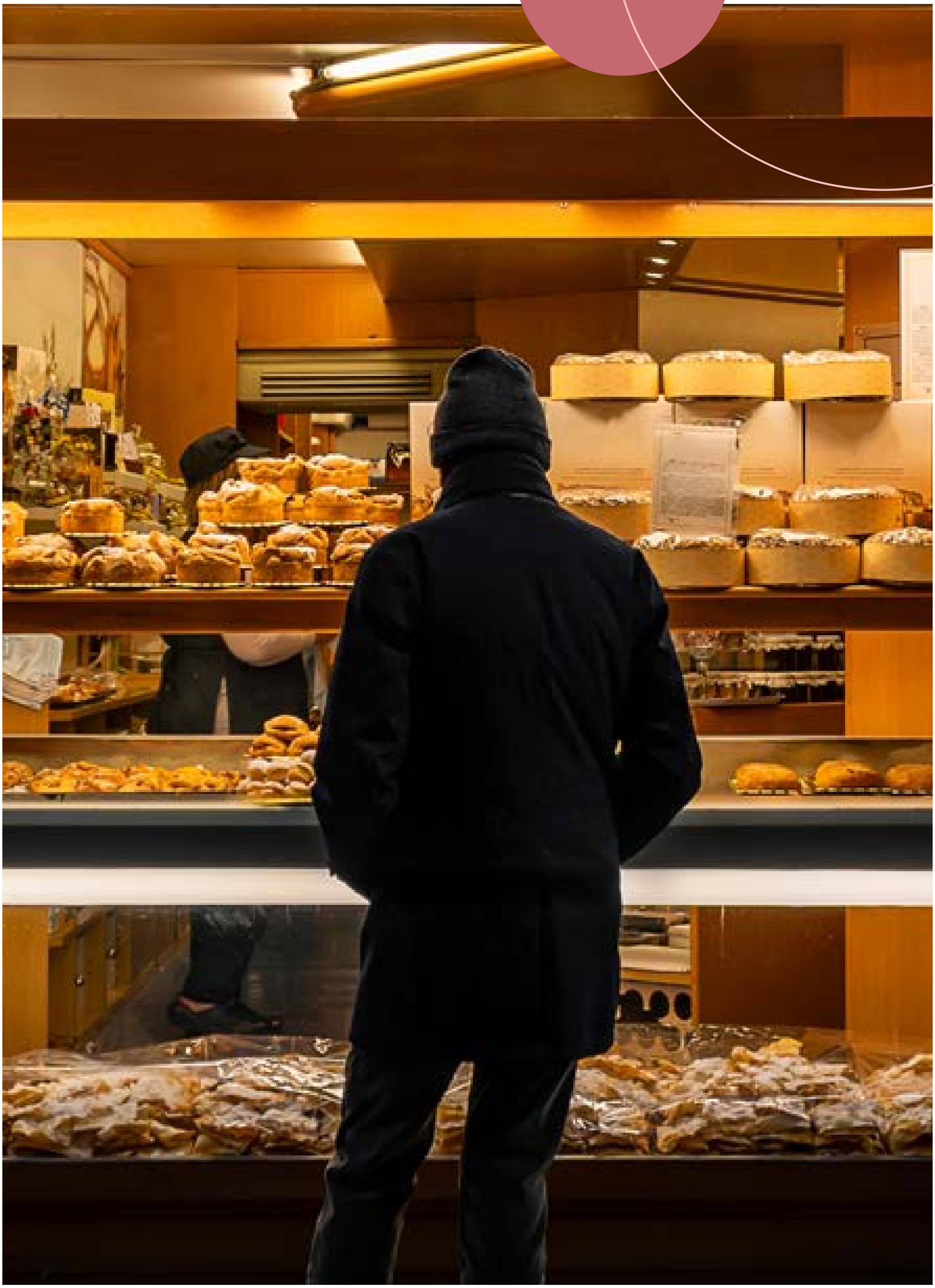
We'll explore how people are coping with a reduction in purchasing power and consider the ways that brands might meet the diverse needs of the cautious consumer.

**From thought-provoking Netflix documentaries to trending discussions on Twitter, the sustainability movement has become a significant and pervading force in our lives. Sustainability is everybody's business – taking action is no longer a choice, but a mandate. Both brands and consumers are expected to show willing; we need tangible contributions that drive change and demonstrate a commitment to meaningful action.**

Amidst this sea of information, consumers are faced with the challenge of navigating through the noise to find sustainable practices that align with their values. How do they determine the best course of action, especially when considering the complications created by a rising cost of living?

Having weathered the storm of the Covid-19 pandemic, it often feels as if humanity has transitioned from one crisis to another. How have these profound social and economic changes impacted consumer habits? To what extent has spending behaviour changed? Let's dive in and find out.

We'll explore how people are coping with a reduction in purchasing power and consider the ways that brands might meet the diverse needs of the cautious consumer.



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# Linney discoveries

## Primary research (quantitative)

We surveyed a nationally representative sample of 600 adults across different age groups and income profiles to understand their spending habits, changing behaviours and perceptions on sustainability. To help us understand patterns and behaviours across different groups, we segmented our audience into different generations based on their demographic information.

## Social media listening

Using social listening tools, Linney's insight team was able to get a sense of the current topics of conversation happening across numerous social platforms. For trending topics like 'shopping locally', 'pandemic behaviours' and 'cost of living', we tracked data for over a period of 2.5 years (2021, 2022 – May 2023). This helped us understand how consumers are talking about these movements on their social networks, and how these conversations have evolved in the past two years.

## Benchmarking

To complement our consumer research, we've also completed a benchmarking exercise to understand how brands are talking about 'value'. While the consumer POV remains important, we were keen to highlight what's currently happening across the market. What are the noticeable themes, trends and patterns across retail, high street and QSR (quick service restaurant) industries? For maximum insight, this benchmarking exercise was done offline as well as online.

# LINNEY DISCOVERIES

## *Chapter 1*

# MONEY MONEY MONEY

*With so many retailers and brands vying for people's attention, it's never been more critical to crack the code of consumer desire. Our research shows that when purchasing products or services, consumer decisions are primarily driven by price or quality. Let's dig a little deeper.*

**For Gen Z, brand loyalty and ease of access are equally important driving factors. Although Gen Z consumers are open to experimentation, they tend to return to trusted brands, and will stick with them once they're comfortable that there's no other offer worth their attention.**

Millennials, by contrast, tend to rely on reviews, whereas Boomers gravitate towards brands that align with their personal values. They're particularly keen for companies to demonstrate a clear social purpose.

**85% OF CONSUMERS THINK THEY HAVE HAD TO REIN IN THEIR SPENDING IN THE LAST YEAR DUE TO THE COST-OF-LIVING CRISIS.**

***Source: Linney***

# Saver or spendthrift?

**When asked, 4 in 5 consumers agreed that they've made significant changes to their lifestyle due to the ongoing affordability crisis. Gen Z have cut back on eating out and travelling, while Boomers and Millennials are spending less on gym memberships. Different generations may have their own definition of 'reckless spending', but the consensus is clear: the cost-of-living crisis doesn't discriminate.**

There are, however, some luxuries that people aren't willing to part with. We continue to invest in services that make life easier, and despite rising costs, many of us aren't willing to compromise on products such as beauty services and grocery deliveries.

Consumers will continue to seek out services that offer great value for money, and that are difficult to replicate by themselves. Consumer trends are always evolving, but as inflation eats away at our spending power, we're forced to be more decisive in our purchases.

# Show willing

**UK households hope to make environmentally friendly changes due to, not despite, the rising costs of living.**

**50% OF CONSUMERS ARE LIKELY TO CONSIDER THE SUSTAINABILITY OF A PRODUCT BEFORE THEY PURCHASE IT.**

***Source: Linney Research***

When asked what changes people would make in response to the cost-of-living crisis, the following were the top picks for cutbacks:

**60%**

**OF CONSUMERS ARE LIKELY TO CUT DOWN SPENDS ON CLOTHES**

**55%**

**WOULD DECREASE FOOD INTAKE (DELIVERY SERVICES, EATING OUT)**

**50%**

**WOULD CUT UNNECESSARY HOUSEHOLD ITEMS**


# Defining sustainability

**When we quizzed people on the meaning of sustainability, there was limited depth in the answers received.**

For many consumers, sustainability simply means anything that is 'good for the environment'. It became clear that without a prompt, most people struggle to offer any knowledge beyond the basics.

# Green generations

## The generation gap

**What does sustainability mean across different age groups?**

Our research shows that Boomers and Gen X consumers have a shared belief that locally produced materials and ingredients are more sustainable, whereas Gen Z and Millennials tend to think products that are described as cruelty-free and as having vegan ingredients are more sustainable.

On average, we learned that Millennials are twice as likely to consider the sustainability of a product before purchasing it as Gen X and Gen Z.

When asked to list areas where they are most likely to make sustainable choices, Gen Z and Millennials are most likely to make more sustainable choices for retail or fashion. On the other hand, Gen X and Boomers would do the same for food, choosing locally sourced produce. Additionally, Gen Z are more amenable to exploring vegan products and food than other generations.

# Motivators

Reducing carbon footprint, making a positive impact on the environment and getting better quality products are the key reasons or drivers for making sustainable choices.

# Can green go mainstream?

Across all generations analysed, perceived high cost is often the biggest barrier to sustainable purchasing.

Many across older generations (Gen X and Boomers) demonstrate a lack of interest in sustainability, stating that they don't think their actions will have a real or tangible impact.

Some Gen Z participants were noticeably ambivalent: because they're poorly informed on sustainable practices, they're hesitant to act.

***Source: Linney research***

## Plastic fantastic?

**It lurks in our bags, seeps into our bottles, clings to our wrappers…**

Gone are the days when plastic was hailed as a revolutionary innovation, set to replace the need for traditional materials like wood and steel. Now, it's generally agreed that the environmental risks associated with plastic far outweigh the benefits.

Choosing eco-friendly packing methods is a great way for brands and consumers to make a move in a sustainable direction, without having to make drastic or unfeasible changes.

**IN 2023, MOST CONSUMERS ARE CONSCIOUS OF THEIR PLASTIC-USAGE AND RECOGNISE ITS NEGATIVE IMPACT. 55% OF CONSUMERS ARE LIKELY TO MAKE INFORMED SUSTAINABLE CHOICES BASED ON PRODUCT PACKAGING ALONE.**

***Source: Linney research***

# Food for thought

## ONLY 20% OF CONSUMERS SAY VEGAN PRODUCTS CONSTITUTE SUSTAINABLE FOOD.

***Source: Linney research***

**For others, understanding is varied when it comes to eating sustainably.**

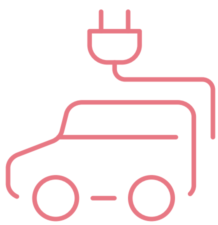
The scale of sustainable measures is tipped towards measures that are perceived as comparably low-hanging fruit, reducing plastic consumption or shopping from ethical fashion brands being key examples.

# Barriers to change

**Many of the necessary behaviours to become 'more sustainable' are currently too expensive, too inconvenient, too unappealing or simply not the default or norm we are used to.**

**For instance:**

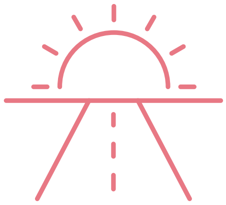
AIR SOURCE HEAT PUMPS ARE TOO EXPENSIVE



ELECTRIC VEHICLE OWNERSHIP IS TOO INCONVENIENT FOR THOSE WITHOUT OFF-STREET PARKING

**88%**

**of consumers feel it's too hard to make sustainable choices because of high costs, inconvenience and limited knowledge, as well as other reasons**



A LACK OF CHEAP AND FEASIBLE ALTERNATIVES TO LONG-HAUL FLIGHTS

THE 20 MOST POPULAR DISHES COOKED BY BRITONS ARE CONVENTIONALLY MEAT-BASED

**86%**

**would like the government and businesses to do more to help them make more sustainable choices**

***Source: Behavioural Insights team (BIT)***


100%
RECYCLED
FABRIC
COTTON

# Educate. Lead. Inspire

We're taking note of the brands which are driving change by making the world a more sustainable place. Let's have a look at some of these examples:




## Patagonia

**Philosophy:**

*Less is more*

Patagonia has set a high bar in terms of sustainable practice: this adventure-wear brand rejects the fast-fashion business model by using recyclable materials and investing in a repair and reuse program. Although it operates at a premium price point, the brand reassures consumers by offering high-quality products that are sure to last.

## H&M

**Philosophy:**

*Green machine*

H&M has pledged to use 30% recycled materials in its clothing by 2025 and hopes to increase the figure to 100% by 2030. The brand also uses a unique fabric recycling technology in an effort to reduce greenhouse-gas emissions. It is also thinking long-term: a rental division of the brand will soon be launched, encouraging customers to rent and return their favourite pieces.

## Levi's

**Philosophy:**

*Water < less*

Making jeans requires a great deal of water. So, Levi's is testing new technology that will enable it to reduce its water consumption by 96%. Additionally, it is working towards sourcing 100% sustainable cotton and recycling old jeans with its new sustainability-led manufacturing process.

# Focus across generations: balancing living costs and sustainability

Cutbacks due to cost-of-living crisis?

**Exercise and gym equipment**

Drivers behind investing in sustainable products

**Doing their bit for the environment**

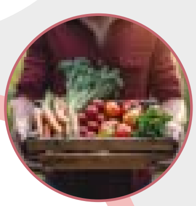
Willing to spend more for sustainable products?

**Less likely**

*Gen X + Boomers*

What does sustainability mean?

**Recycling, environment friendly**



Sustainable categories most likely to invest in?

**Locally sourced food**

Priorities when buying products?

**Price and quality**

Reasons for hesitation in being more sustainable?

**Sceptical about real impact!**

Cutbacks due to cost-of-living crisis?

**Exercise and gym equipment**

Drivers behind investing in sustainable products

**Brands that align with their values**

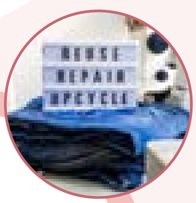
Willing to spend more for sustainable products?

**More likely**

# *Millennials*

What does sustainability mean?

**Cruelty-free, Fairtrade**



Sustainable categories most likely to invest in?

**Sustainable fashion**

Priorities when buying products?

**Reviews**

Reasons for hesitation in being more sustainable?

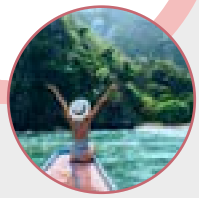
**Don't want to compromise on quality**
*(Sustainable products linked to lower quality)*

**Millennials** *are most likely to be influenced to purchase a product because it is sustainable.*

# Gen Z

Cutbacks due to cost-of-living crisis?

**Eating out, Travel/holidays**



Drivers behind investing in sustainable products

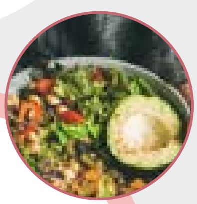
**Lifestyle choices and preference**

Willing to spend more for sustainable products?

**More likely**


What does sustainability mean?

**Vegan products, cruelty-free**



Sustainable categories most likely to invest in?

**Vegan food alternatives**

Priorities when buying products?

**Recommendations (friends/family), Brand name**

Reasons for hesitation in being more sustainable?

**Lack of information on sustainable options**

# Considerations

**Do small acts really lead to great consequences? Research shows that most people are more than willing to commit to climate-friendly behaviours but remain hesitant to make the shift. This is due to a lack of clarity and understanding of the ways in which they can make a noticeable impact.**

Although the current motivation to 'go green' might be more cost-driven than environment-driven, it's clear that we need more advocacy around sustainability. Consumers need to feel that they're empowered with the right tools to act.

With government bodies across the globe enforcing change, brands have the potential to lead the charge by setting an example and inspiring consumers to adopt a 'greener' lifestyle.

*Chapter 2*

# THE LOCAL LOWDOWN

**80% OF PEOPLE FEEL LIKE THEY'RE OBLIGED TO SHOP WITH LARGER RETAILERS DUE TO RISING COSTS, ALTHOUGH MANY WOULD LIKE TO SUPPORT SMALLER, LOCAL BUSINESSES IF THEY COULD.**

***Source: Santander***

**57% OF PEOPLE VISIT THEIR LOCAL SHOPPING AREAS ONCE A WEEK OR MORE.**

***Source: YouGov***

**MENTIONS AND CONVERSATIONS FOR 'SHOPPING LOCAL' ON SOCIAL MEDIA GREW BY 50%, AS THE COST-OF-LIVING CRISIS GREW.**

***Source: Linney Social Listening***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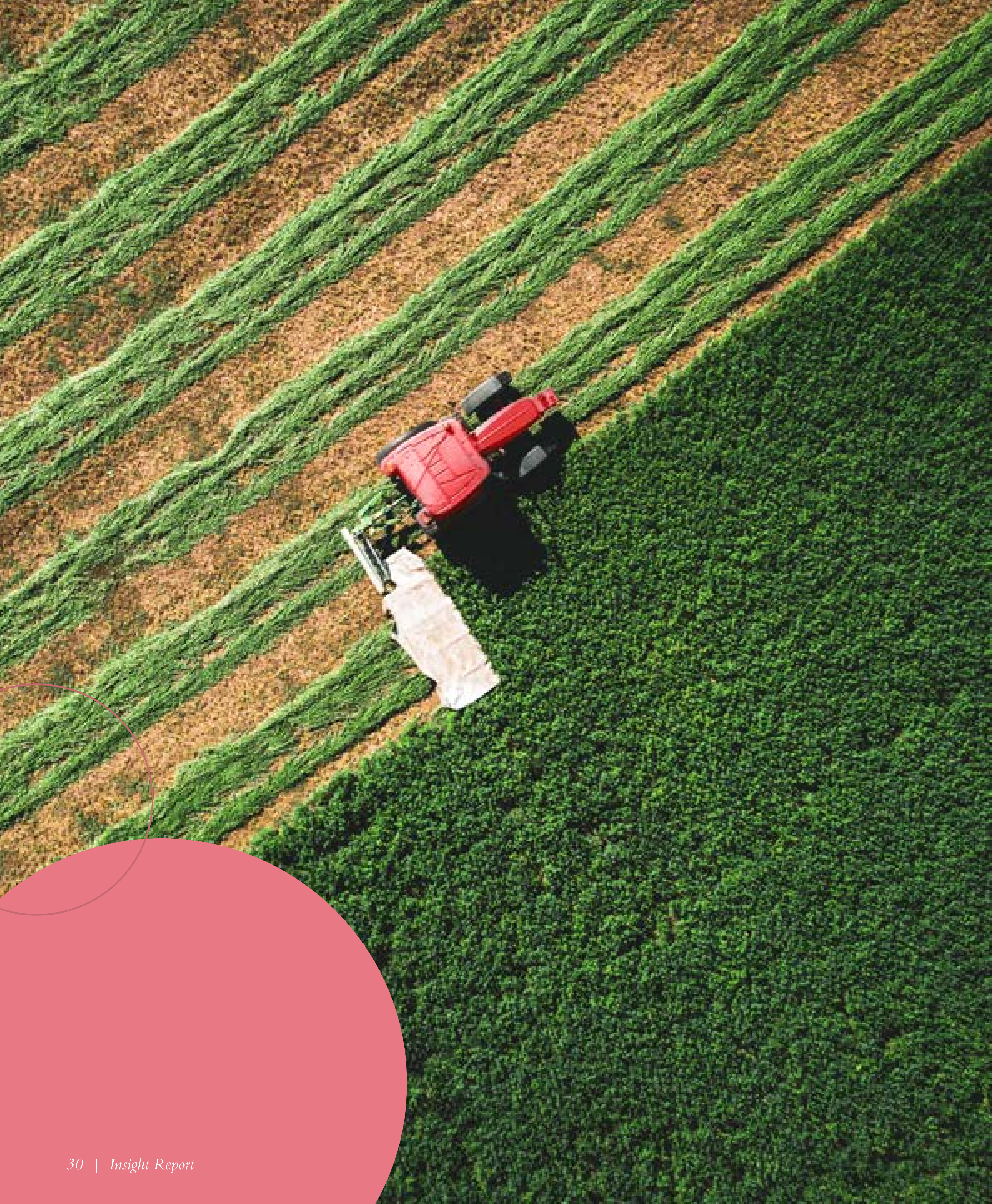

# Covid crisis to cash crunch

**Did Covid-19 permanently change the way we shop? Using social listening tools, we set out to explore some of the common talking points online that might give us an insight into consumer opinions around the pandemic and its effects.**

Baby boomers and Gen X were the most vocal about sharing concerns on Covid costs, with Gen Z having the least to say about the matter. Unsurprisingly for many of us, a key discussion topic that emerged in 2022 was supporting local businesses in order to help the economy bounce back.

Towards the tail end of the pandemic in 2021, negative sentiment towards the government became increasingly common, due in large part to its flawed response to the crisis. Looking to turn their support elsewhere, many consumers focused on helping their local community.

Around 70% of online conversation on shopping locally centres on sourcing food from local farmers or butchers. With many small business owners struggling to stay afloat during the pandemic, people came together with hashtags #shoplocal and #vocalforlocal as a promotion tactic.

**AS MUCH AS 13% OF THE CONVERSATION IS AROUND LOCAL CAFES, AND 16% OF THE CONVERSATION IS TALKING ABOUT LOCAL FASHION. THIS IS CONSISTENT ACROSS 2021, 2022, AND 2023.**

# Reasons to remain

**Consumers are looking to shop locally to support the local communities and local farmers, while in the process they are saving on fuel and getting more customised and personal services.**

While potentially spending more and paying a little premium for the products, consumers believe that they are gaining quality.

# Considerations

In order to stay relevant, grocers and supermarkets need to ensure they are not only highlighting competitive price points in the light of increasing costs, but also talking about quality, source and sustainable practices when communicating across various touchpoints.

Awareness of ‘eating right’ coupled with supporting local communities could mean more and more consumers will lean towards farm shops and local shops over big supermarket chains.


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*Chapter 3*

# PANDEMIC PANIC: IT'S NOT OVER YET

*Statistics show that UK high-street footfall was only at 84% of 2019 levels in the week to 15 January, and retail sales volumes have fallen for nine months in a row.*

**This includes a worse-than-expected fall of 1% in December against the previous month – with sales growth figures driven by price uplifts (*Investors Chronicle 2023*).**

## Online over IRL

# 39%

**OF UK ADULTS SHOP ONLINE AT LEAST ONCE A WEEK (2023)**

# 64%

**OF UK CONSUMERS HAVE BOUGHT CLOTHING, FOOTWEAR OR ACCESSORIES ONLINE IN THE LAST 12 MONTHS**

***Source: Mintel***

# A QUARTER

**OF ALL CONSUMERS ARE NOW MORE WILLING TO BUY APPLIANCES ONLINE THAN BEFORE THE PANDEMIC HIT**

***Source: Effectus***

# *More chat online becomes Chat's all*

**In a social-listening study conducted by Linney, the volume of 'online shopping' conversations increased by 10% from 2021 to the beginning of 2023.**

Each year, conversations were equally split between mentions of retail shopping and online shopping.

People are seen discussing all online shopping categories, from apparel and beauty through to groceries and pharmacy.

# *High street vs. digital*

**In a post-Covid world, people will continue to shop online even as they have the freedom to return to a face-to-face environment in-store.**

After living in the digital clouds of the online-shopping world, many found it a relief to be back on the ground. However, it seems that the human touch cannot compete with the lure of convenience. Despite an increase in face-to-face shopping following the lifting of lockdown restrictions, Barclaycard data released for the whole of 2022 showed that retail spending fell by 0.8% on the previous year.

# *DIY delights*

**Forbes.com found that pandemic-induced changes in housing and lifestyle decisions fuelled spending on remodelling and repairs across 2020 and 2021. Data shows a 23.8% increase in spending, compared with the 12.5% originally estimated.**

Following several years of double-digit gains, expenditures for improvements and repairs to owner-occupied housing stock are projected to experience only a modest increase in 2023.

With excessive time spent indoors and online during the pandemic, people were inspired to tackle DIY and home renovation projects. But as we return to pre-Covid habits, will these trends be left behind?

# Wellbeing wonders

**The challenges of the pandemic pushed many of us to adopt healthier habits into our daily lives. Topics around mental health, exercise and wellness continue to trend and engage, but as rising costs affect spending freedom, consumers are forced to find more affordable ways of getting their daily fitness fix.**

According to a Retail Times survey, more than half of the Britons (53%) approached said that the cost of exercise had risen over the past 12 months. As a result, people are switching over to free exercise activities including walking, hiking and exercising at home.

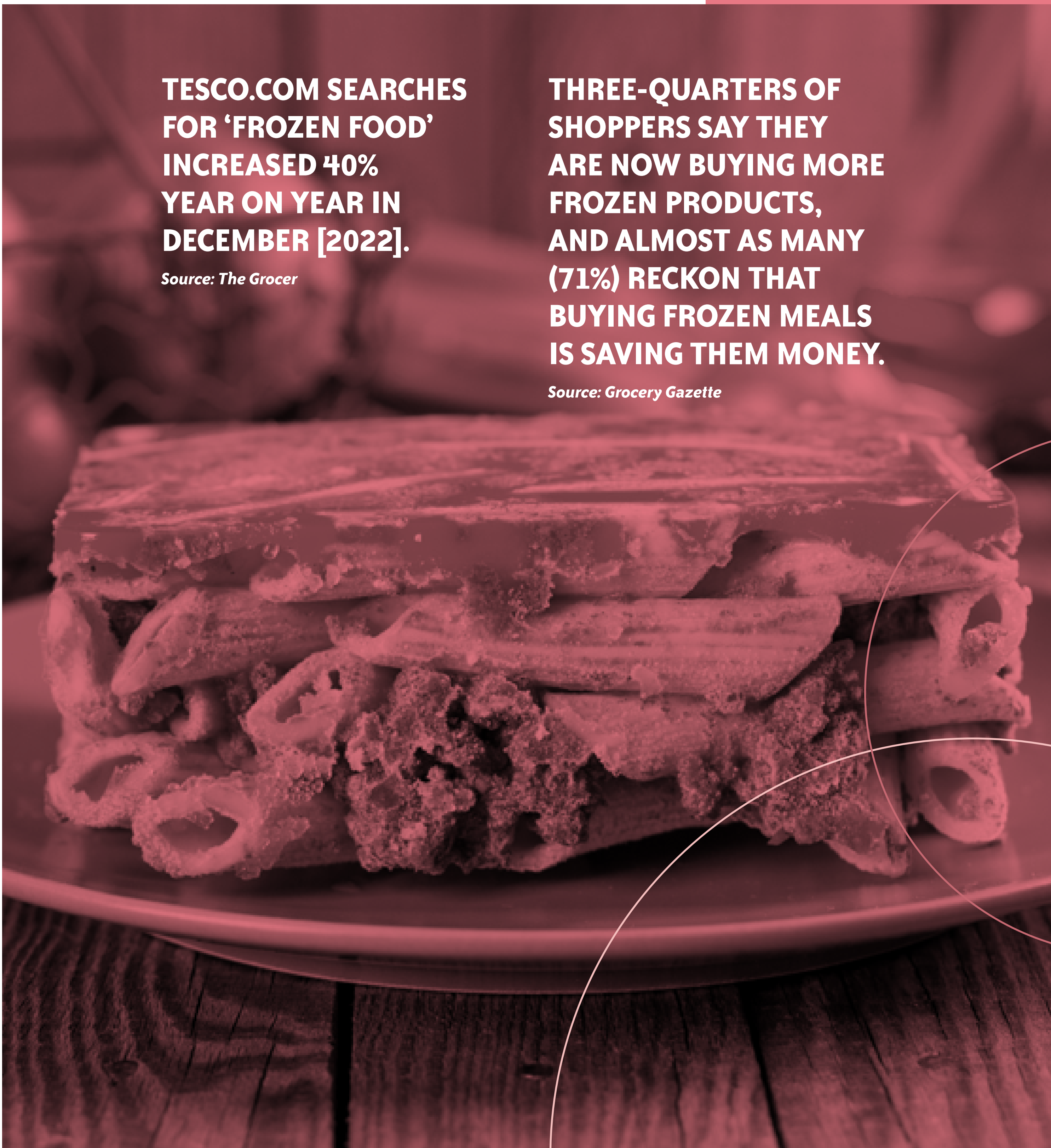
# A question of choice

**During the pandemic, empty shelves and supply chain issues strong-armed consumers away from their usual spending habits. The result? New habits, embracing brand-hopping and experimentation with shopping, food or fitness – behaviour that isn't going away any time soon.**

But that's not the only thing that's changed.

During lockdown when many of us had time to shop around, value was perceived as a combination of price, quality, availability, and choice. Today, our findings show that price is now the single most important factor in the purchase-decision process – another reflection of the cost-of-living crisis.

However you look at it, consumers will not hesitate go elsewhere if it means saving money.



**TESCO.COM SEARCHES FOR 'FROZEN FOOD' INCREASED 40% YEAR ON YEAR IN DECEMBER [2022].**

*Source: The Grocer*

**THREE-QUARTERS OF SHOPPERS SAY THEY ARE NOW BUYING MORE FROZEN PRODUCTS, AND ALMOST AS MANY (71%) RECKON THAT BUYING FROZEN MEALS IS SAVING THEM MONEY.**

*Source: Grocery Gazette*

*Chapter 4*

# FRESH TO FROZEN

*Did you know the average weekly food shop has now risen by £26.50, while the national living wage sits at £10.42 an hour.*

**The rising price of fresh food is worrying 87% of Brits – so just how is the cost-of-living crisis impacting shopping habits?**

***Source: Grocery Gazette***

# Frozen food comes in from the cold

**As the cost-of-living crisis continues to bite, a significant number of consumers say that they're being increasingly careful not to waste food. Consequently, more and more shoppers turn to frozen foods, buying in bulk and cooking with tinned or dry ingredients.**

**UK SHOPPERS CONFIRM THAT THEY ARE SWITCHING TO FROZEN FOOD BECAUSE IT LASTS LONGER (77%), IT'S CHEAPER (60%) AND IT MAKES FOR LESS FRESH FOOD WASTE (39%).**

***Source: The Grocer***

The extended shelf life of frozen food means that retailers can also reduce their food waste, as there's no need to worry about short sell-by or use-by dates. It's a win-win for consumers, who can cut costs and food waste all at once.

# Lower budget vs. better quality

**In alignment with their health goals, people are becoming increasingly mindful of the ingredients in the products they consume. We're curious about how well frozen food fares when judged on its nutritional value.**

Fruit and veg that's frozen within hours of being picked is just as packed with vitamins and minerals as its fresh counterparts. Indeed, frozen veg such as peas, spinach and carrots often have higher percentages of Vitamin C. In recognition of these benefits, there's an increasing number of people advocating for the move from 'fresh to frozen'.

It's not just about saving money and cutting waste. Quality remains important – and it's another area where frozen food won't leave you feeling cold. Rupert Ashby, CEO of the British Frozen Food Federation, emphasises that the frozen food industry has evolved beyond its association with chicken nuggets and frozen fries:

***"Despite the cost-of-living crisis, quality remains exceptionally important to consumers. There are more luxury frozen products than ever before, giving consumers the opportunity to cook restaurant-quality food at home.***

***"The shift in shopper attitudes to frozen is helping to drive that growth. There has been a real shift in perceptions of frozen food, which historically was always seen as being about things like fish fingers, chips and chicken nuggets. A lot of people are looking for restaurant-grade food at home and they are realising that they can get these meals in the frozen food aisle for a fraction of the price."***

A growing number of brands are stocking up the freezer department, offering frozen lines with health credentials at their core.

*"Frozen is primed to become a destination associated with health."*

***Jonathan Petrides, CEO of Allplants, a DTC frozen vegan-ready-meal service.***

## Considerations

- Brands are working hard to provide restaurant-quality frozen alternatives.
- Messaging in supermarkets is both value-led and nutrition-led. Tesco.com searches for 'frozen food' had increased year on year in December 2022.
- Consumers are looking to own-brand frozen products to cut the price of their weekly shops. Balancing cost with quality is the ultimate goal.

*Chapter 5*

# TIME IS MONEY

*We've zoomed in on how consumers are spending their cash on groceries, consumables and more. But how are they spending their time?*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# Social stats

**DID YOU KNOW?**

**GEN Z USES INSTAGRAM ALMOST AS OFTEN AS GOOGLE (OUTSIDE CHINA)**

*Source: GWI*

**60% OF THE WORLD'S POPULATION USES SOCIAL MEDIA. THE AVERAGE DAILY USAGE IS TWO HOURS 24 MINUTES.**

*Source: Global Overview, April 2023*

**40% OF CONSUMERS ACROSS AGE GROUPS SAY RECOMMENDATIONS ARE IMPORTANT WHEN PURCHASING A NEW PRODUCT OR SERVICE.**

*Source: Linney, May 2023*


Thanks to the rise and rise of smartphone technology, online shopping, and social media, the amount of time we spend online continues to grow.

To stay relevant, brands not only need to be present, but actively visible on social and digital platforms, engaging with their audience. Social media is no longer a 'young' phenomenon – it's being used by every age group across all cultures.

**According to Statista:**

**41%**
**OF FACEBOOK USERS (AS OF END 2022) ARE AGED 45 AND OLDER.**

**59%**
**OF TWITTER USERS WORLDWIDE ARE AGED 25-49.**

Even consumers who choose to shop in-store are being influenced by social channels before they make purchase decisions. This means brands are having to be proactive and work harder to get in front of consumers wherever they're browsing.

# Time is of the essence

**With only so many hours in the day, consumers are particular about where they spend their time online.**

Figures show that social platforms are the most common way to browse news, share information, and find new products and trends.

But if you want their attention, you better get in there quick.

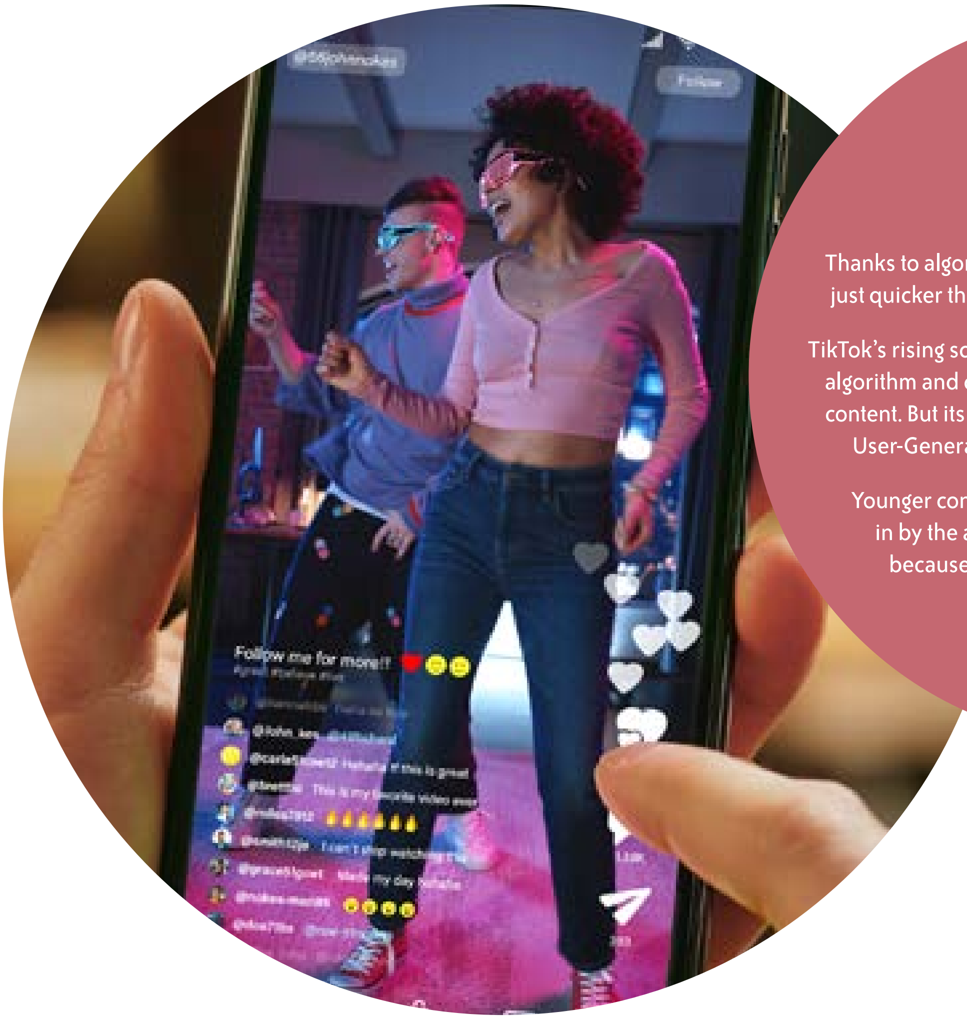
Dr. Gloria Mark, a professor of informatics at the University of California, Irvine, in her new book, *Attention Span: A Groundbreaking Way to Restore Balance, Happiness and Productivity*, highlights that:

**IN 2004, THE AVERAGE ATTENTION ON A SCREEN WAS 2½ MINUTES.**

**SOME YEARS LATER, IT DROPPED TO ABOUT 75 SECONDS.**

**TODAY IT'S AN AVERAGE OF 47 SECONDS.**

Shrinking attention spans are a huge challenge for brands, who are fighting to be seen in crowded newsfeeds.




### Time to share

Thanks to algorithms, information is reaching consumers not just quicker than ever but before they're even looking for it.

TikTok's rising screentime can be traced to its own personalised algorithm and constantly evolving and hyper-engaging video content. But its strongest USP among audiences lies in UGC – User-Generated Content. You can be your own creator.

Younger consumers in particular are powerfully drawn in by the apparent authenticity of TikTok's content because so much of it is created by their peers.

## Ride on time

Social platforms are driven by trends, which means brands need to stay on top what is culturally relevant for their audience and able to jump on a trend quickly and appropriately before the moment passes.

The brands who are most effective online do it by tracking and partnering with relevant influencers.

## The influence effect

Social platform algorithms are driven by trends. So if brands want to remain culturally relevant to their target audiences, it follows that they must find ways of tuning into those trends as they emerge and develop, riding the wave before it passes.

Tracking social influencers is a great way to see which way the trends are heading. Organic reach can get your brand in the online conversation – as can partnerships with influencers themselves.

## Considerations

**In order to stay relevant, brands need to:**

- **Keep it real:** Authenticity and user-generated content (UGC) are flying the flag for relatability.
- **Really meme it:** Jump on to trends or, even better, become trendsetters before it's too late. Humour and memes are likely to resonate with all age groups.
- **Cut through the noise:** With a lot of competing information, it is important to use the right content platforms and formats (e.g. short videos vs still posts) for your audience.
- **Invest in tech:** Learn about and keep an eye on new technology, as consumers are fast to switch gears and always on the lookout to try new things.

# Shiny and new

**Many brands are busy playing catchup with technology. Platforms are constantly innovating and are always looking for ways to create new ways to engage consumers, Virtual Reality (VR) and Augmented Reality (AR) among the most popular current tech trends in the world of marketing.**

Metaverse and Web 3 are leading the next stage of consumer interactions. It's also important to create new ways to build social and digital connections, as the role of technology now includes pre-empting consumer needs.

Although social platforms have managed to co-exist thus far, consumers tend to quickly move on to the next shiny thing that manages to catch their attention. Gamification across touchpoints in store or online is sparking the interest of consumers who don't typically interact with certain categories.

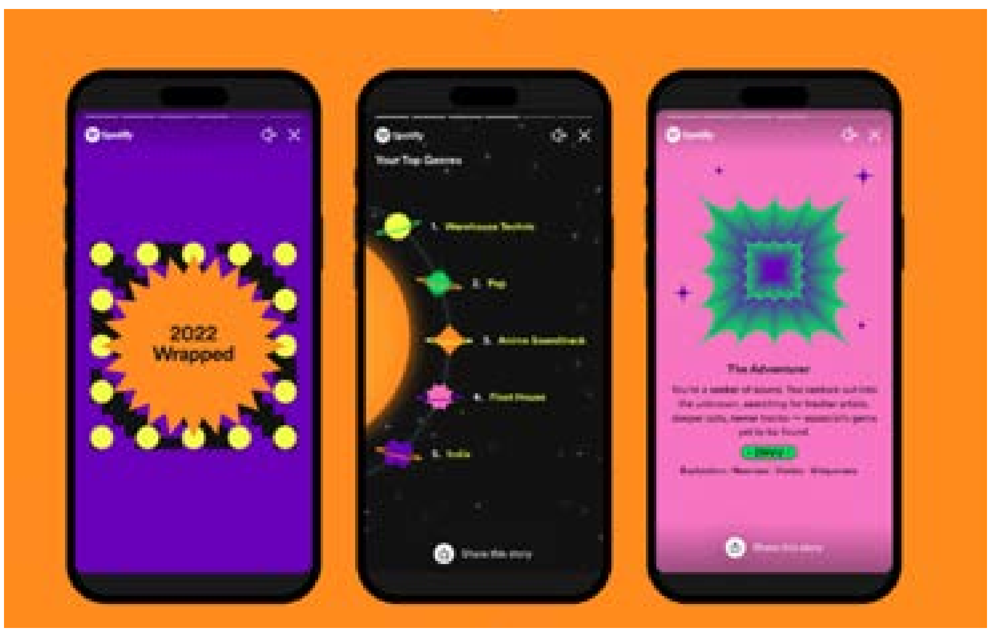
A lot of brands have created immersive experiences using their websites and apps, making the best use of technology to connect with consumers who are out and about – as well as those who are sitting at home.

# Social inspiration

Brands are identifying ways to become more emotive and purposeful when it comes to engaging with consumers on social media.

We have identified some widely-known examples of brands using social channels to connect with their audiences in relevant moments to raise brand awareness.

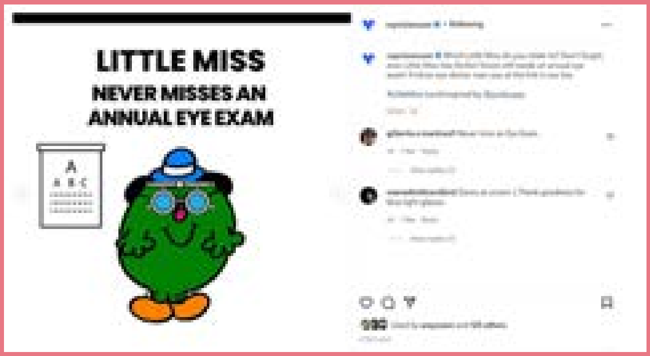
**Favourites include....**




## Spotify #wrapped campaign

Spotify brought to life individuals' data by sharing a recap of their playlists, music and podcasts for the entire year. Listeners reported feeling nostalgic and connected with the brand.

The brand gave users an option to share this across social platforms, giving them personalised service and authority to use their data the way they wish.



## "Little Miss" trend

Memes are a great way for brands to connect to consumers, making use of a communication currency that consumer audiences use organically between themselves, across generations.

Mr Men and Little Miss are iconic characters from a series of children's books created by the British author Roger Hargreaves in 1971 and 1981 respectively. Brands such as e.l.f. cosmetics, Poosh and even the city of San Antonio were seen using the book covers as inspiration to create humorous and relatable posts to encourage audience engagement.



## Costa's 'Made a little better'

Costa's new 'Made a little better' campaign focuses on consumers sharing stories of enjoying everyday moments with the brand. The project invited consumers to share moments they enjoy with Costa, which were then displayed on digital billboards across UK.


## GRWM 'Get Ready With Me'

#GRWM is a hashtag and trend that has been going viral in 2023 across TikTok, Instagram and YouTube. Influencers and social platform enthusiasts are sharing videos of putting their look together and mentioning the brands they are wearing, occasions they are dressing up for and original tips and tricks related to their look.


## Starbucks #Whatsyourname

Starbucks created the #whatsyourname campaign to raise funds for charity and support the LGBTQ+ community. The brand effectively tackled a sensitive topic, simultaneously promoting its unique service method of asking consumers their name to identify orders. This campaign was used across other touchpoints, most prominently social media, where the hashtag was used widely.

*Chapter 6*

# VALUE BENCHMARKING

*Consumer attention is the ultimate commodity. How are brands cutting through the noise and communicating effectively with their customers?*

*We investigate.*


SALE
UP TO
70%
OFF

# An eye for an offer

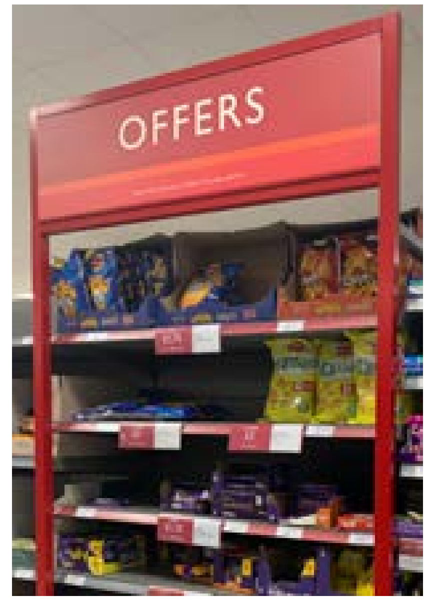
**Terms like 'less' and 'reduced' have always been popular with brands. However, we're seeing an increase in visual cues in stores – for example, use of arrows, with red and green colourways to indicate offers and drive attention.**

Brands are also opting to use unconventional language and captivating puns to drive customer attention towards their best offers and discounts.

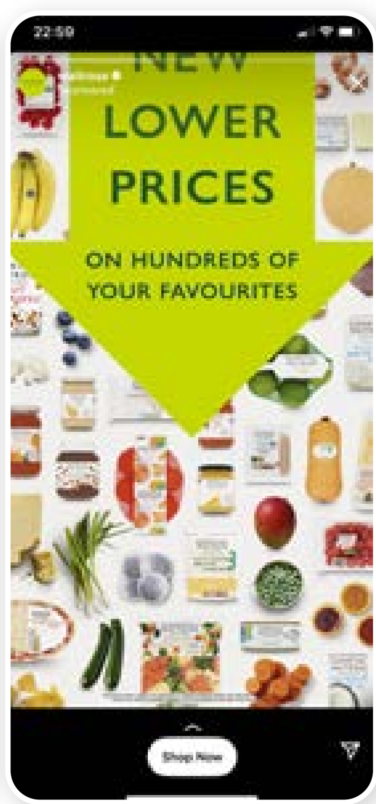
## Visual cues

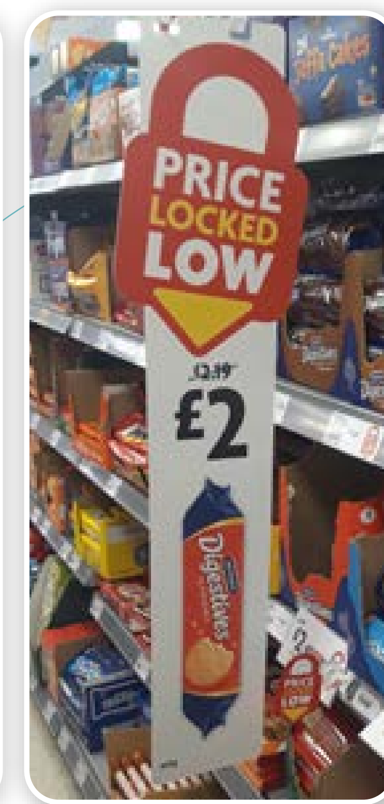


SUPER 6
Amazing quality,
Amazing prices
Check out this
week's Super 6


OFFERS


YOUR
DAILY BREAD
AT AN EVERYDAY
PRICE
M&S
RE MARKS ABLE
VALUE
65p
Learn More


LOWER
PRICES
ON HUNDREDS OF
YOUR FAVOURITES
Shop Now


PRICE
LOCKED
LOW
£2

# Conquer the competition

**Grocery brands are displaying other retailers' higher prices to communicate better value, demonstrating their status as trusted and budget-friendly retailers.**

## Competitor anchor points



We win.
You win.
Which? CHEAPEST SUPERMARKET 2021
Aldi, Officially Britain's Cheapest Supermarket


ALDI PRICE MATCH
SAVE 25%


VISIT KFC TO DISCUSS SWITCHING WRAP PROVIDER
TWISTER WRAP OF THE DAY £1.98
District line


HOW THE TWISTER WRAP COMPARES TO OTHER WRAP PROVIDERS
JCDecaux

# Fun for the whole family

**Family bundles and deals are popular in the QSR space, as well as in the grocery sector, driving value and price-point stand-out for consumers.**

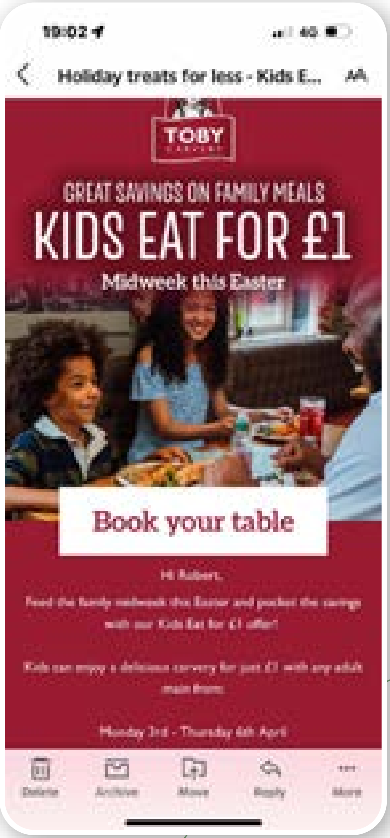
## Family bundles



THE HOME OF
DINE IN
DINE IN
£12
DINE IN
£12
DINE IN
£7
FAMILY
DINE IN
£15


Only on BK® Delivery
£9.99


20:43
Half-term? Bring it on.
HALF-TERM
HUNGER
SORTED
KFC
FEED THE FAM FOR
LESS THIS HOLIDAY
You sort the kids, we'll sort the
food. For just £14.99 you can all


19:02
Holiday treats for less - Kids E...
TOBY
GREAT SAVINGS ON FAMILY MEALS
KIDS EAT FOR £1
Midweek this Easter
Book your table


13:11
End half-term with a bu...
TASTY FOOD
FOR YOUR
BROOD
ONLY
£14.99
10
OUR 10-PIECE
FAMILY FEAST, JUST
£14.99 ON THE KFC
APP
Half-term is done and dusted, and
we reckon you and your fam
deserve a treat. You don't even
have to dig deep.

# Data exclusivity

**Retailers are creating exclusive discounts for members and consumers who sign up via their app or website. Not only does this enrich the brand's database, but it also creates a sense of exclusivity for consumers.**

# Price points



Cake for £1
For Costa Club members who buy any drink this Friday.
FRIDAY 12TH JANUARY
Fridays are a BIG DEAL
COSTA CLUB


25% off one item on your birthday


Download our app
For exclusive offers and new-in alerts
12.99

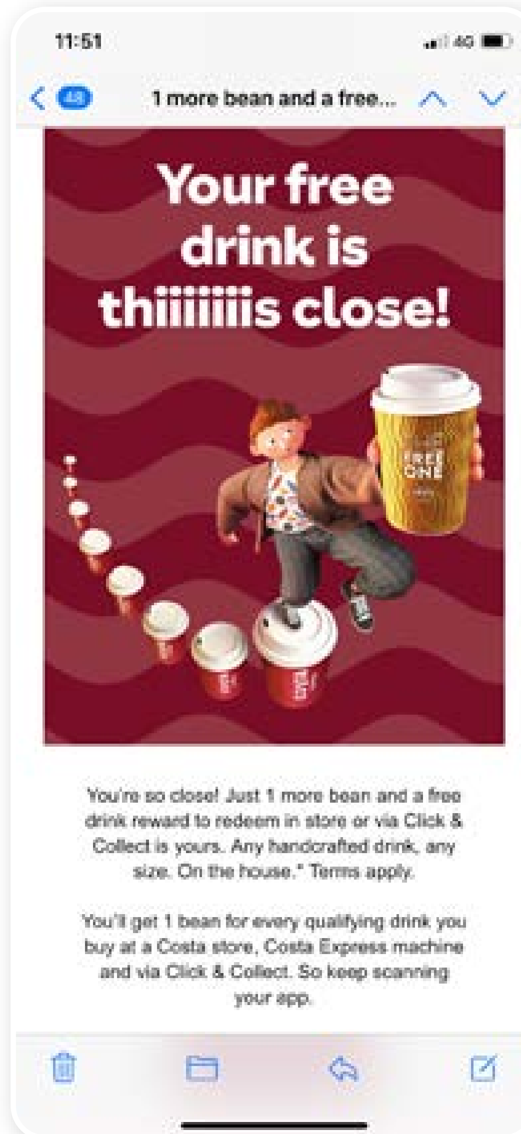

GET A FREE* BUCKET
WHEN YOU ORDER DELIVERY ON THE KFC APP
KFC DELIVERY


free order & collect
IN ANY STORE
from 30 mins
LEARN WHAT WORKS FOR YOUR SKIN

# FOMO

**Brands are honing-in on the 'fear of missing out' angle, providing limited-time deals and offers that drive time-pressured decisions.**

## Be quick




20% OFF
EVERYTHING*
THIS WEEK ONLY


You won't believe what you can bag(uette)
£5
PRET


SEIZE THE DEALS
50% DEALS
ONLY ON THE KFC APP
WEEKLY UNTIL 5TH FEBRUARY
KFC


HALF PRICE
this week


Limited Offer
£79.90

# Framing value

**Brands are increasingly using monetary-based terms and superlative language in a quest to attract further attention. Terms like 'value', 'diamond sale' or 'unbeatable' serve to guarantee consumers that they'll receive a significant gain.**

## Descriptive deals



VALUE DEALS
Save More. Enjoy More
VALUE DEALS
Save More. Enjoy More


DIAMOND
SALE
HALF
PRICE


GREGGS
EVERYDAY
TASTY VALUE
£2.40


BIG ON TASTE, BIG ON VALUE
£3.99
LEON
LEON


FROM
99p
CRAVINGS
VALUE
MENU


adidas
PUMA
FILA
Kickers
PRICE
PROMISE
FILA
PRICE
PROMISE

*Chapter 7*

# TAKEAWAY MENU

*We condense these findings into key opportunities...*

# 1.

## Economics vs ecology

**Amid a challenging economic crisis, it's vital that consumers are convinced of the value of making sustainable choices.**

Research indicates that most people are willing to commit to a climate-friendly lifestyle, but they are either sceptical that their efforts will have any real impact, or unclear on which actions to prioritise. The solution: make sustainability the easy choice.

Many brands are leading the charge with a #planetconscious approach to business. But there's still work to be done in terms of helping to raise awareness, busting myths and inspiring consumers to adopt an environmentally friendly lifestyle.

# 2.

## Loving local

**When it comes to living sustainably, many of us might admit that we're still 'figuring it out'.**

However, within the realm of food, consumers are demonstrating a willingness to embrace habit changes in support of the planet. There's an increased awareness of the benefits of buying locally sourced, organic produce as opposed to bulk-bought food from supermarket chains.

With the cost-of-living crisis eating up our shopping budgets, the grocery sector must be mindful to find a balance between advertising competitive price points alongside the freshness and seasonality of produce.

3.

## Post-pandemic trends

**The pandemic – gone, but not entirely forgotten.**


There are several behaviours we've adopted over the last few years that are becoming permanent fixtures. From DIY home improvements and online shopping through to the rising popularity of wellness content and products, we find ourselves hesitant to let go of the habits we were once so reluctant to adopt into our daily lives.

With the surge in online shopping, newer brands are finding it easier to gain exposure and drive business. By offering unique customer experiences and leveraging tools like influencer marketing, these brands are gaining a competitive edge. Simply relying on customer loyalty isn't sufficient any more, so established brands must exploit new technologies and trends to stay relevant across their markets.

4.

## Taking the chill out of the cost-of-living crisis

**People are switching up their food shopping habits as they try to keep spending down amid the cost-of-living crisis.**

The desire to balance convenience and cost with dietary concerns is driving consumers to weigh up the benefits of frozen goods versus fresh produce.


## 5.

## #HashtagHype

Here's a few of our favourite buzzworthy terms and social strategies that brands are harnessing to stay relevant and connect with their consumer groups:

- Authentic
- User Generated Content (UGC)
- VR and AR
- Meme
- Trending

This social toolkit is changing how brands, influencers and individual users to share thoughts and content around specific topics. The digital world is a living, breathing realm, with endless opportunities for connection and engagement. Tap into it, or risk getting left behind.

## 6.

## May I have your attention, please?


Retailers and brands are working harder than ever to capture the wandering consumer eye. From visual cues, family-oriented offers and loyalty programmes, through to capitalising on FOMO – it's clear that there's a pressing demand for innovative marketing that stands out against the competition.

# THINK. EAT. SPEND. 2023/24

**DISCOVER MORE INSIGHT IN OUR REPORTS: THINK AND EAT.**



INSIGHT @ LINNEY