



Delivered by
**Scotland Food & Drink
Partnership**

Scottish food and drink shoppers – What is their attitude towards sustainability?

December 8th, 2021

Welcome

The Knowledge Bank is a brand new project launched by the Scotland Food & Drink Partnership and challenged with the task of identifying and developing new market opportunities using, research, insight, market data and knowledge to deliver sustainable growth for the Scottish food and drink industry.

Focusing on today's markets and tomorrow's opportunities, The Knowledge Bank will work across the Scottish food and drink industry to stimulate thinking and encourage action.

Supported by Scottish Government via the SF&D Partnership Food and Drink Recovery Plan

The insight in this presentation has been commissioned by The Knowledge Bank from Kantar Worldpanel





Today's webinar

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AGENDA

- 01 Who cares about sustainability?
- 02 Why is this an opportunity for you?
- 03 What does it take to win with sustainable shoppers?
- 04 Summary & recommendations

01. Who cares about sustainability?



The sustainability issue and how this impacts what we do



As sustainability is rising up the agenda, it's becoming increasingly important to understand not only how real people think and feel about sustainability, but also how their thoughts and feelings impact their behaviour.

To create a **competitive advantage through sustainability** you need to understand those who both say they care and those who actually do.

The study pinpoints and examines the behaviour of different shoppers from those who are taking action, those that would like to but aren't, to those that really don't care.

Accessing this insight will give you a competitive advantage in understanding how to **maximise the opportunity**, as well as **minimise risk**, within sustainability.

Our third year of linking attitudes around sustainability to purchase behaviour in a globally consistent way



Globally harmonised survey across 26 countries and >88,000 respondents to understand how to gain a competitive advantage through sustainability



Link to real purchase behaviour to see what those that say they care are actually buying and to understand the relationship between these people and your brands and categories

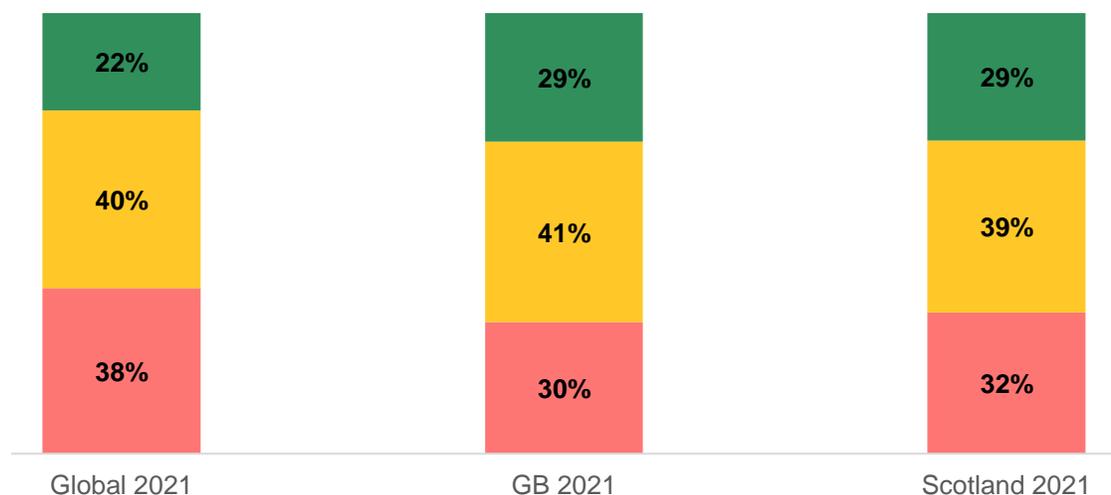


Great British and Scottish perspective to understand how your shoppers think and feel about sustainability, and how this impacts their behaviour

1 in 3 Scots are Eco-Actives

Eco-Actives make up as much of the population in Scotland than in GB, ahead of the global benchmark.

Household Population share



Eco-Actives

Shoppers who are **highly concerned about the environment**, and are **taking many actions** to reduce their impact. They feel an intrinsic responsibility to be more sustainable, follow the topic more actively and have a greater awareness.



Eco-Considerers

Shoppers who are **worried about the environment** and are **taking some actions** to reduce their impact, but not as many as the Eco-Actives. Their biggest barriers are convenience and price.

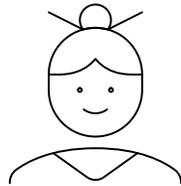


Eco-Dismissers

Shoppers who have **little or no interest in the environment** and **taking no steps** to reduce their impact. They lack awareness of environmental concerns and do not believe they can make a difference..

Busting some myths about who the Eco Actives are

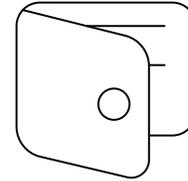
Slight demographic biases but there are people from all walks of life in our groups



More likely to be older shoppers who are retired and living in 2 person households without kids.

54%

are aged 55 or older
(index 95 vs. total population)



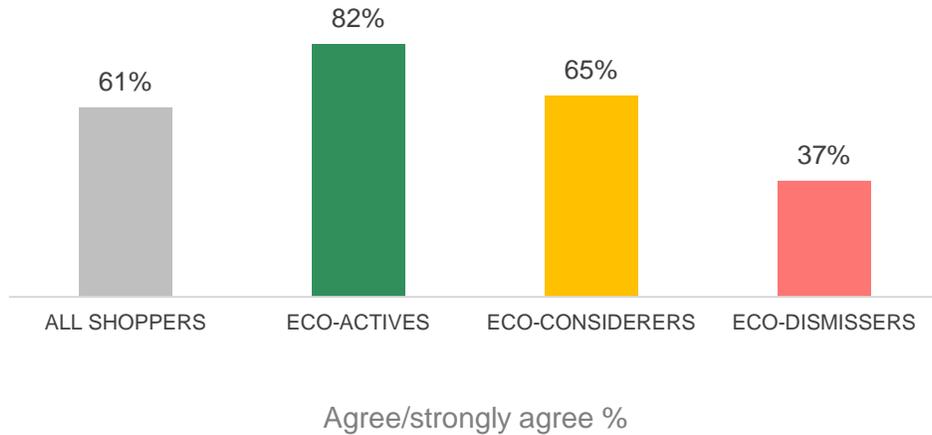
More likely to be a higher social class and on a higher income

61%

are social class ABC1
(index 114 vs. total population)

Eco-Actives are characterised by a strong feeling that they can make a difference

I feel that I can make a difference to the world around me through the choices I make and the actions I take:



02. Why is this
an opportunity
for you?



Sustainable shoppers currently represent close to a third of the market



Annual spend on FMCG in Scotland

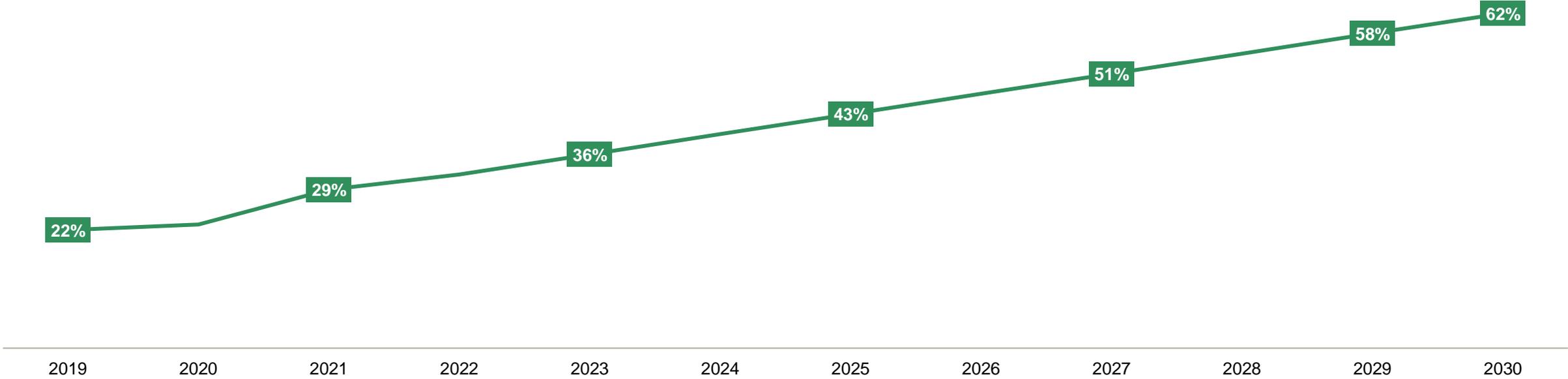
£3.5b 

 £4.9b

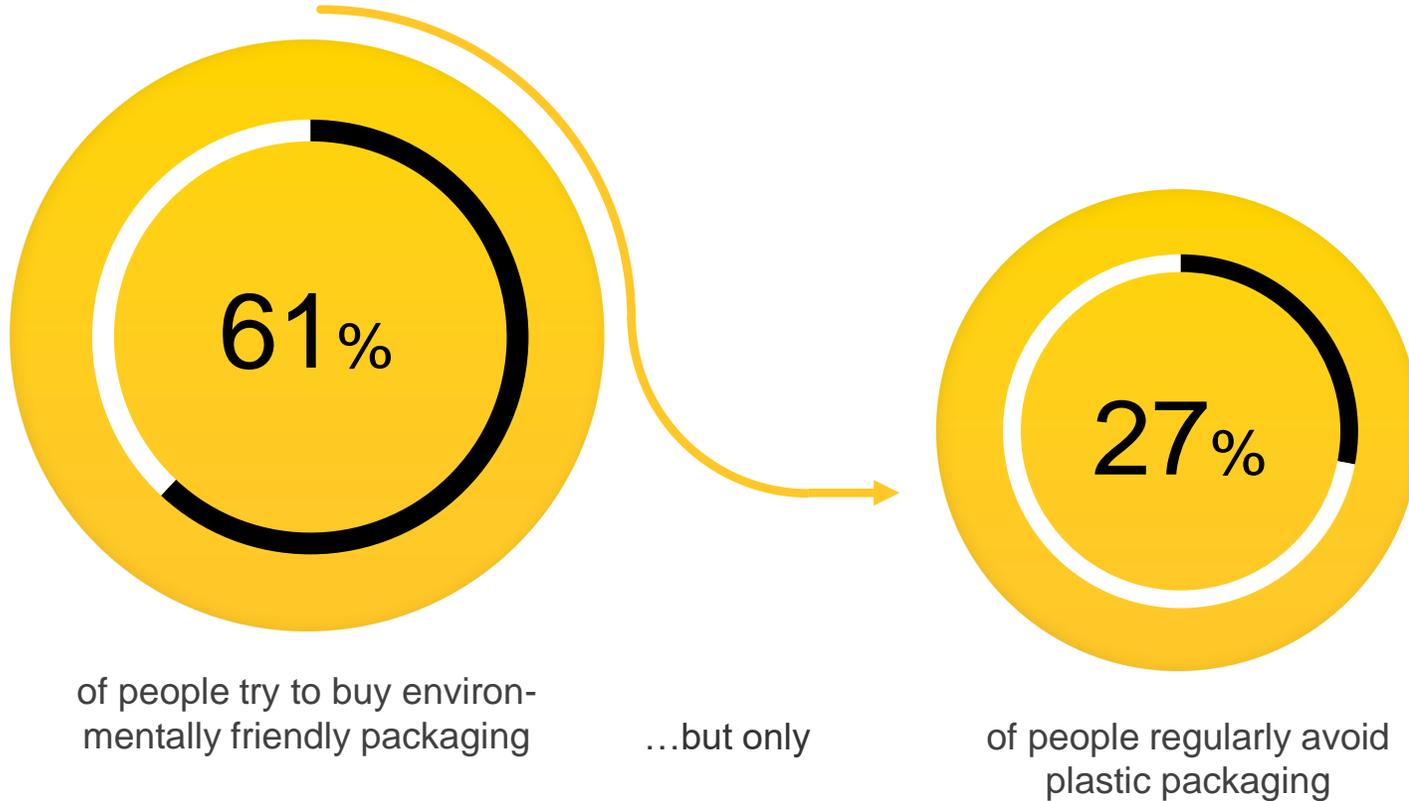
 £3.7b

If Eco Actives continue growing at the rate they have been growing over the past two years, 62% of the population will be an Eco Active by 2030.

ECO-ACTIVES Household Population share -
Projection based on 2019-2021 trend - GB



You can help shoppers act on their aspirations.

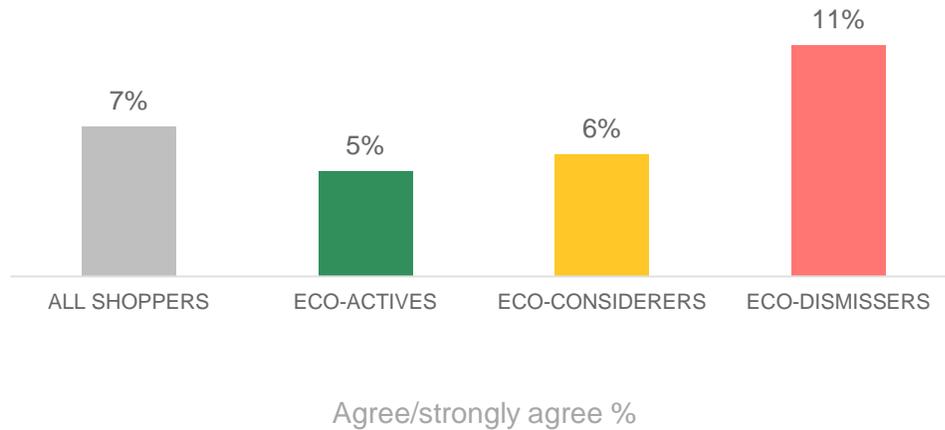


34% of the population try to make sustainable choices but doesn't regularly manage to do it. These shoppers are worth **£4.2b**

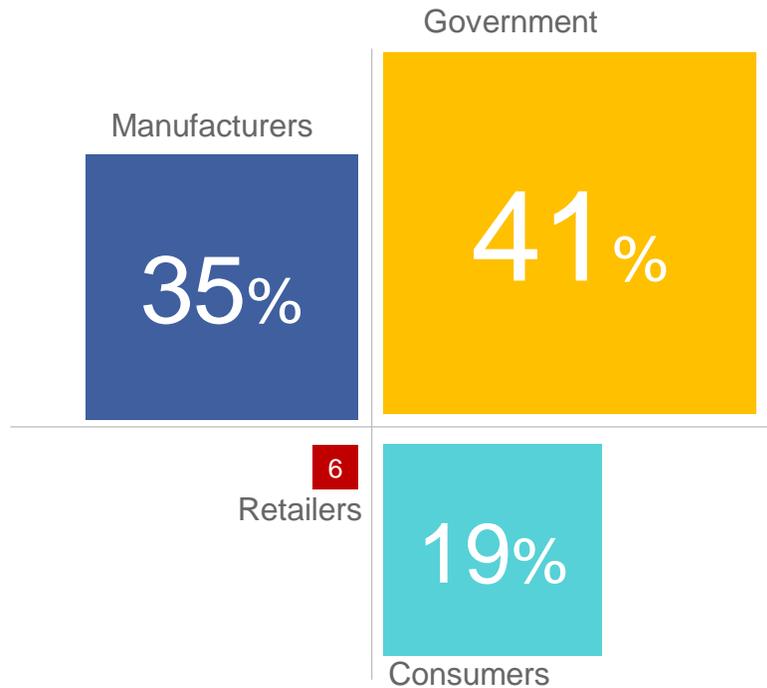
Nearly all of us feel there is a need to act

<10% of shoppers believe that environmental problems are not bad enough to justify going out of their way.

I don't believe environmental problems are bad enough to justify going out of my way to change my behaviour



Who can make a difference? Who is expected to act?



Who shoppers think can make the biggest difference to control and limit environmental damage % top rank

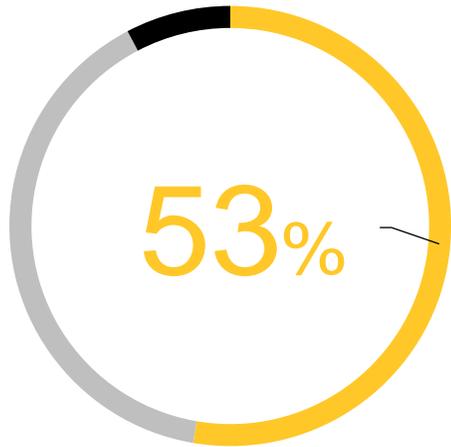


The expectation to act is on Governments and manufacturers.

41% of Scottish shoppers say the Government is the #1 actor who can make a difference to control and limit environmental damage. Still, consumers count more on manufacturers than they do on themselves. Only 19% think consumers can make the biggest difference vs. 35% who name manufacturers.

Half of Scottish shoppers are satisfied with the sustainable offering their preferred retailer provides.

How satisfied are you with the way [your preferred store] helps you to be sustainable (average across all stores in country)



Somewhat/very Satisfied

Undecided

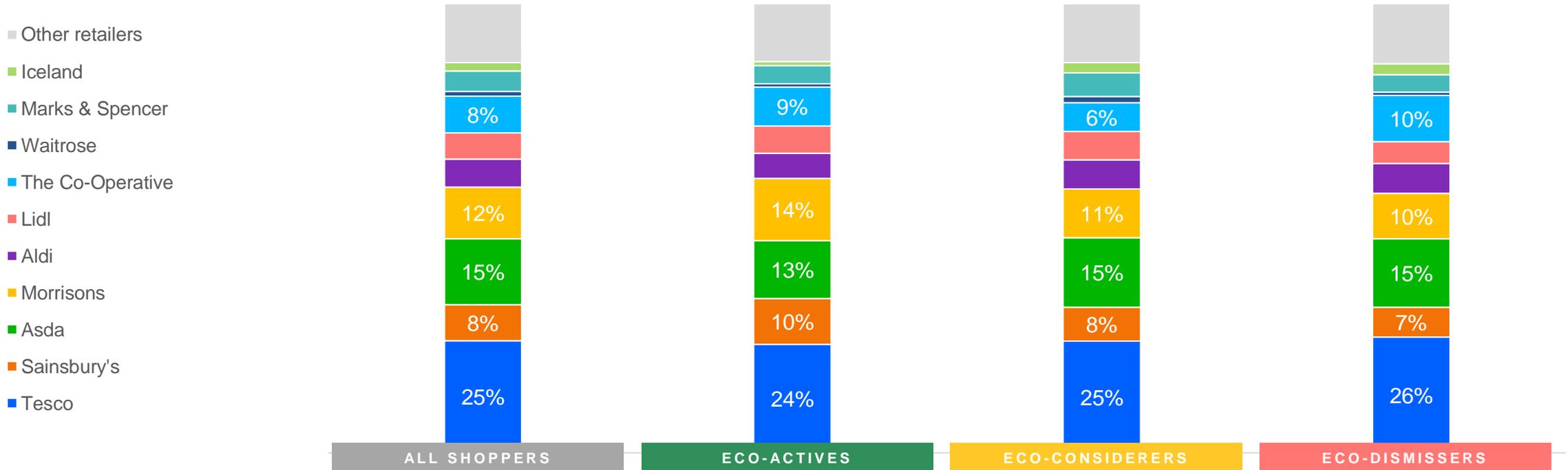
Somewhat/very Unsatisfied



Eco-actives particularly over-trade with Sainsbury's and Morrisons.

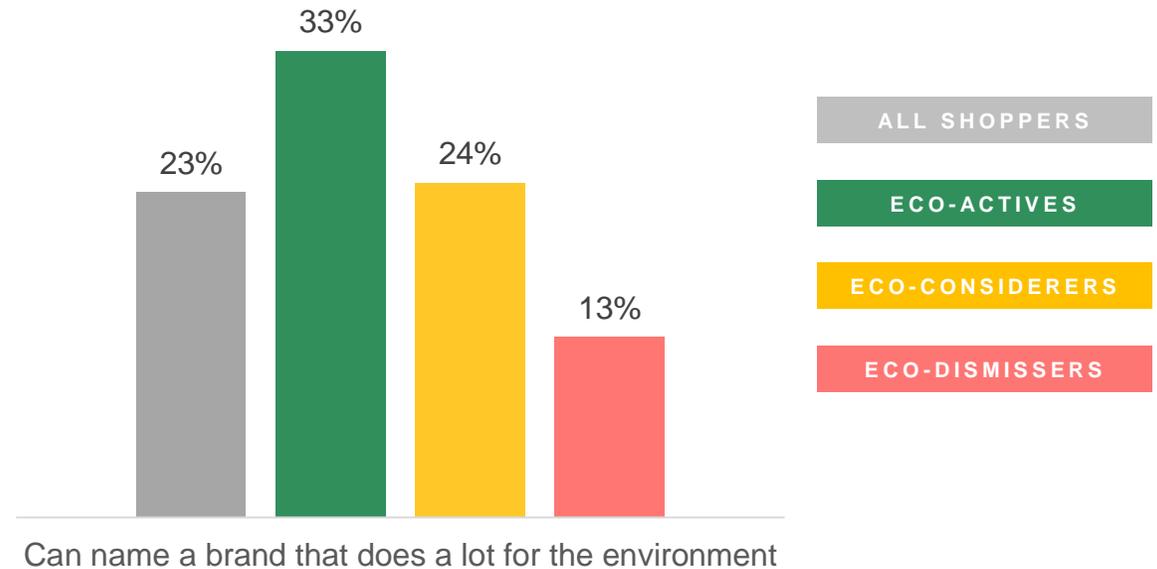
Retailer Value share within segment at FMCG level

MAT Q2 2021





But only 1 in 3 Eco-Actives can name a brand that does a lot for the environment.... There is room for more sustainable brands.



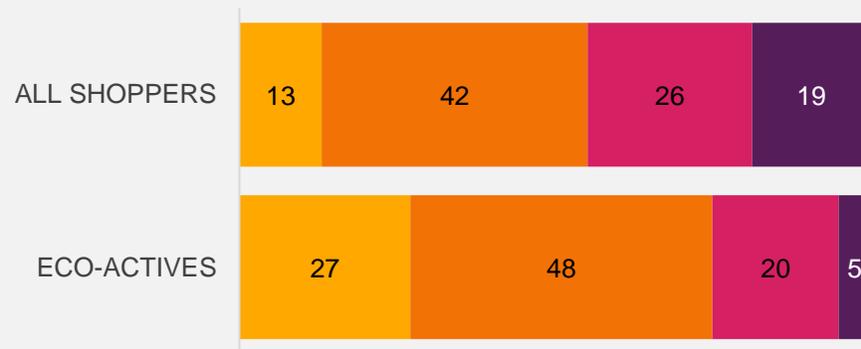
Brands with a focus on sustainability will be rewarded

Which of the following behaviours, if any, you currently do, or plan to do, to improve the environment or society?

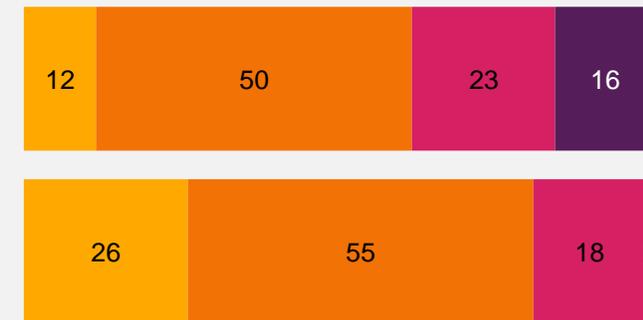
% of shoppers

FREQUENTLY **OCCASIONALLY** **INTEND TO** **NO PLANS**

Stop buying products/services because of their negative impact



Switch to comparable products/services that have a positive impact



The strongest brands with eco-actives are invariably those with sustainability at their heart.

Top 10 Brands with the highest over-trade with Eco-Actives, index vs. Total GB FMCG, controlled for life stage

<p>#1</p>  <p>index 211</p>	<p>#2</p>  <p>index 208</p>	<p>#3</p>  <p>index 181</p>	<p>#4</p>  <p>index 178</p>	<p>#5</p>  <p>index 176</p>
<p>#6</p>  <p>index 173</p>	<p>#7</p>  <p>index 172</p>	<p>#8</p>  <p>index 169</p>	<p>#9</p>  <p>index 165</p>	<p>#10</p>  <p>index 163</p>

52 w/e 05-Sep-21

The top 20 eco-active brands are growing at more than double the rate of FMCG

Top 20 Brands with the highest over-trade with Eco-Actives in GB, % value sales growth



+2.2%



+5.2%

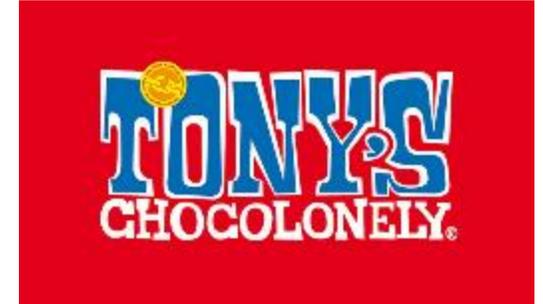
Tony's Chocoloney has grown rapidly with sustainability at its core

50% of sales continue to come from eco-actives.

Tony's Chocoloney - % sales by segment (£)



Growth figures are GB Take Home retail sales 52 w/e Sep-21 vs. 52 w/e Sep-19



x6 vs. 2019

ALL CHOCOLATE

100%

SLAVE FREE

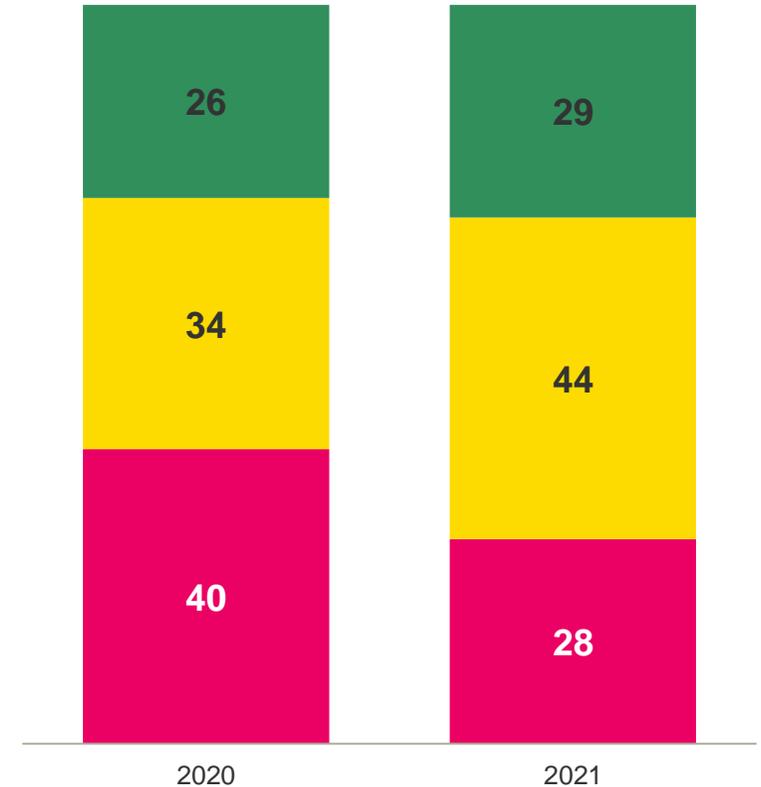
Evian has grown with Actives & Considerers from a very different starting point

A focus on recyclability has removed purchase barriers for the more eco conscious



+15% vs. 2019

Evian - % sales by segment (£)



Growth figures are GB Take Home retail sales 52 w/e Sep-21 vs. 52 w/e Sep-19

A photograph showing a beach scene where a large amount of clear plastic waste, including crumpled bags and sheets, is washed up onto the golden sand. The plastic is piled up, creating a stark contrast with the natural environment. The text '03. What does it take to win with sustainable shoppers?' is overlaid in white on the upper left portion of the image.

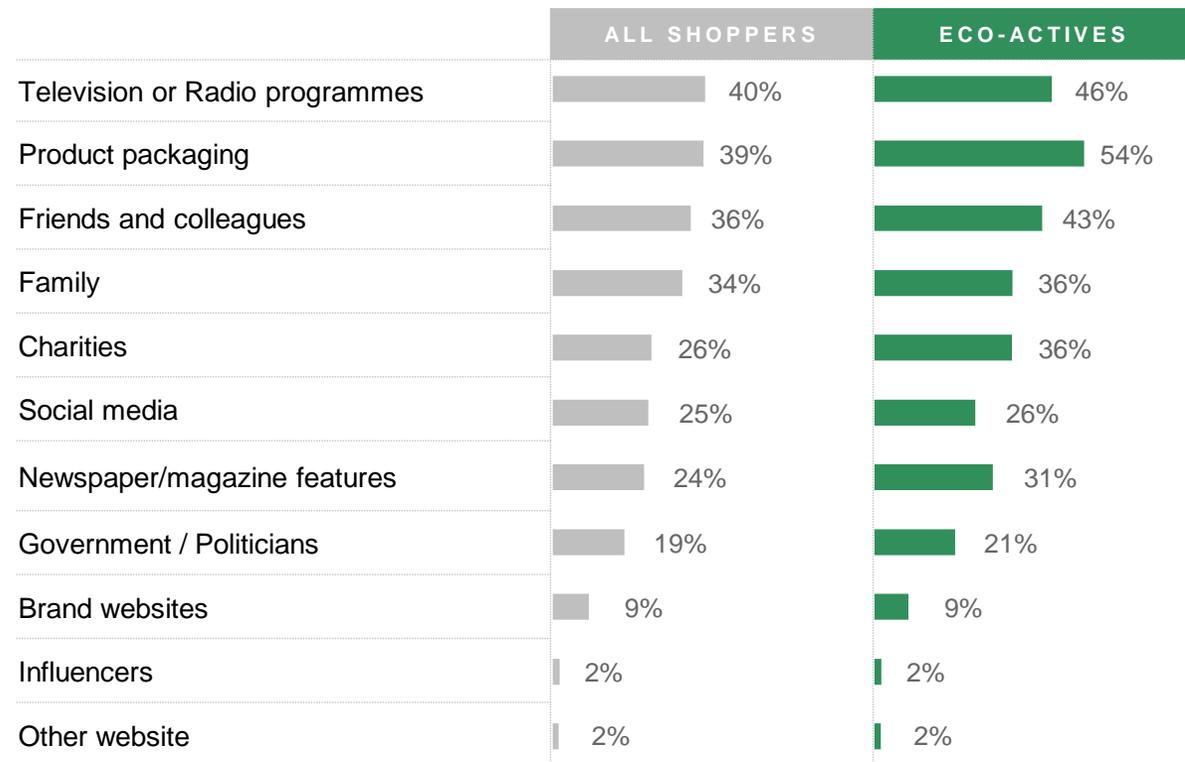
03. What does it take to win with sustainable shoppers?

There are many sources of influence when it comes to sustainability, but getting the correct messaging on product packaging is key



Which of the following shape your behaviour regarding the environment and society? - Scotland

% Agree



Eco Actives media consumption - GB

More likely to subscribe to on demand services



More likely to use Pinterest, Instagram, Twitter & Facebook, but less likely to use Tik Tok & Snapchat



More likely to listen to Podcasts

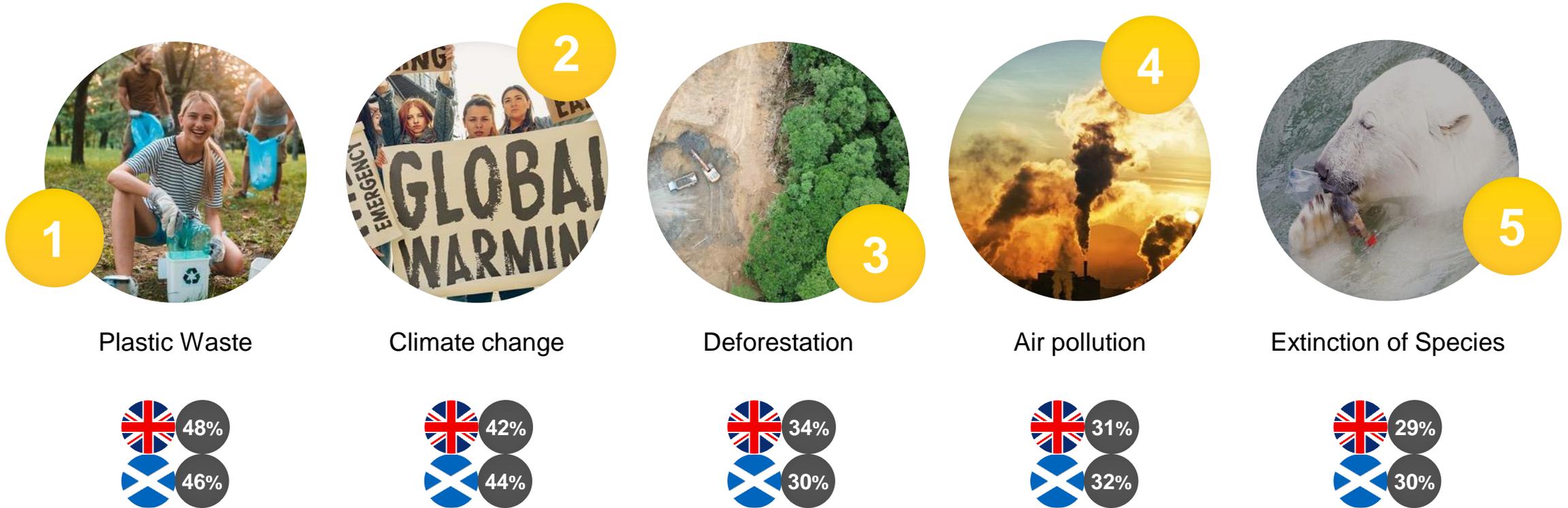


More likely to read the news



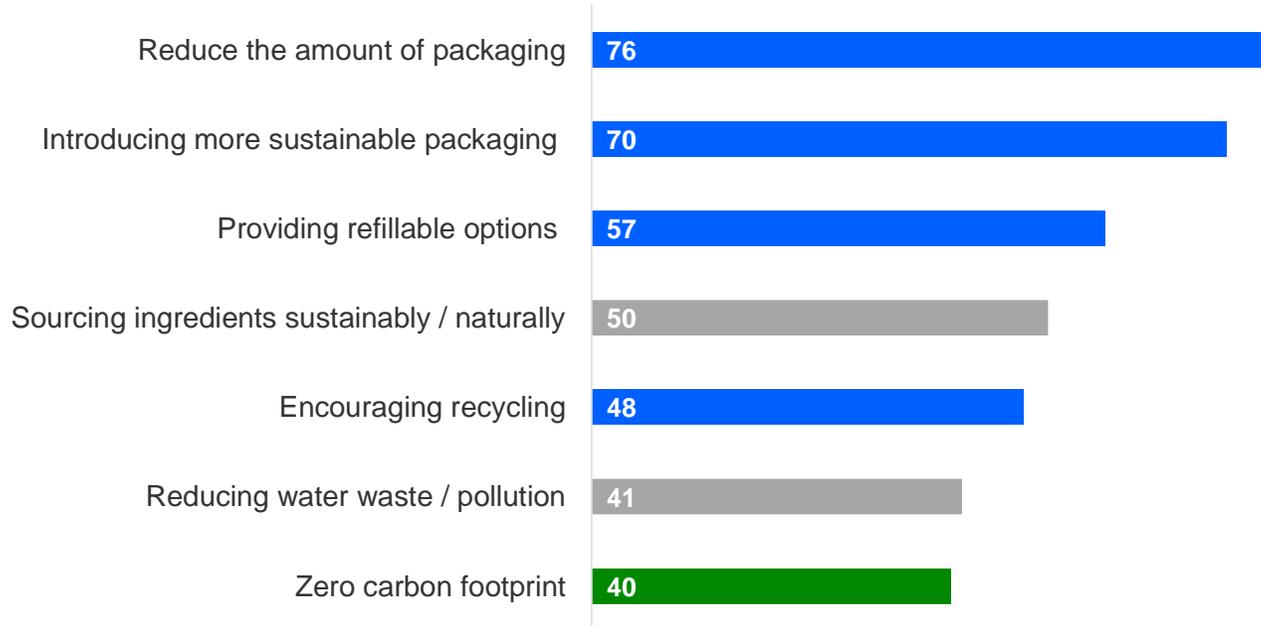
Plastic Waste is the biggest issue but climate change is a close second

Respondents including issue in their top 3 concerns

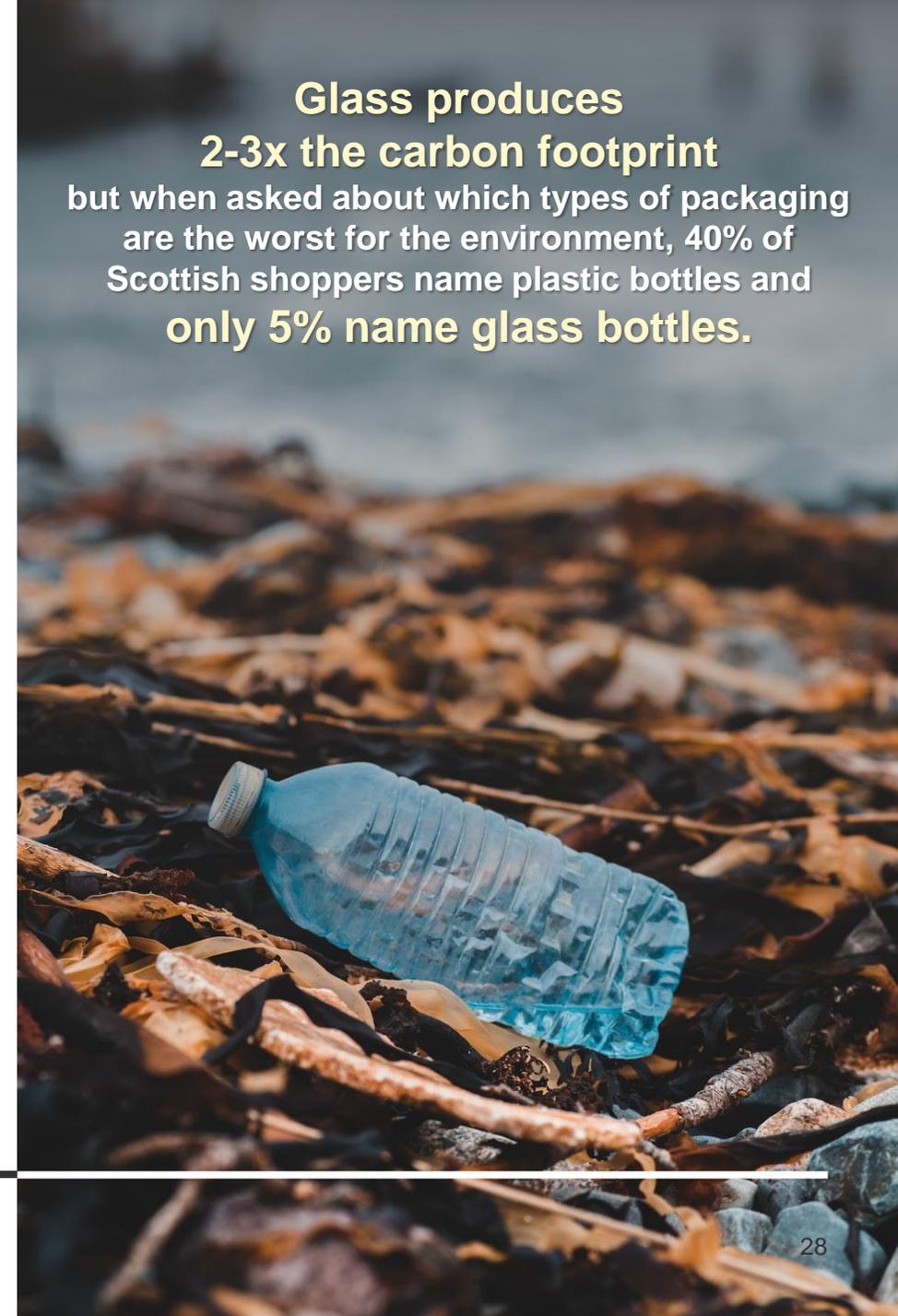


Packaging is very top of mind for shoppers. There is more to be done on education consumers about Zero Carbon.

Which of the following behaviours do you associate with brands that show a genuine concern for the environment (y/n)

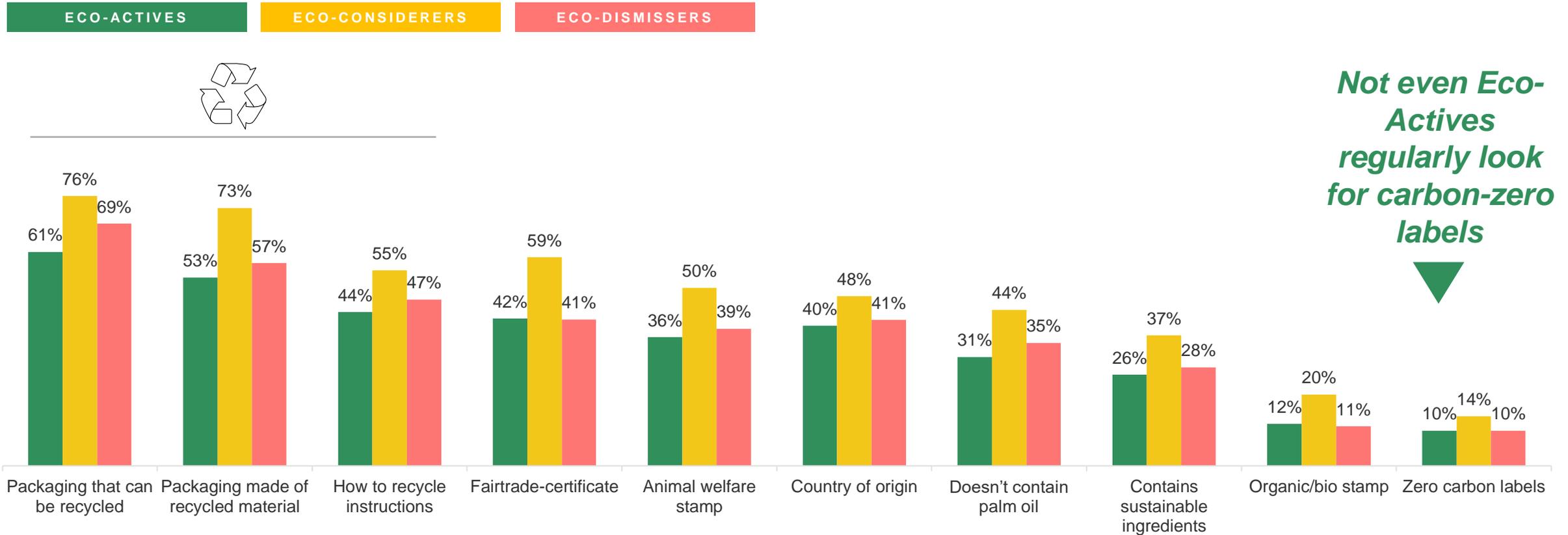


Glass produces 2-3x the carbon footprint but when asked about which types of packaging are the worst for the environment, 40% of Scottish shoppers name plastic bottles and **only 5% name glass bottles.**



Adding a zero carbon label on the packaging will only get you so far. Labels relating to recyclability are by far the most looked for.

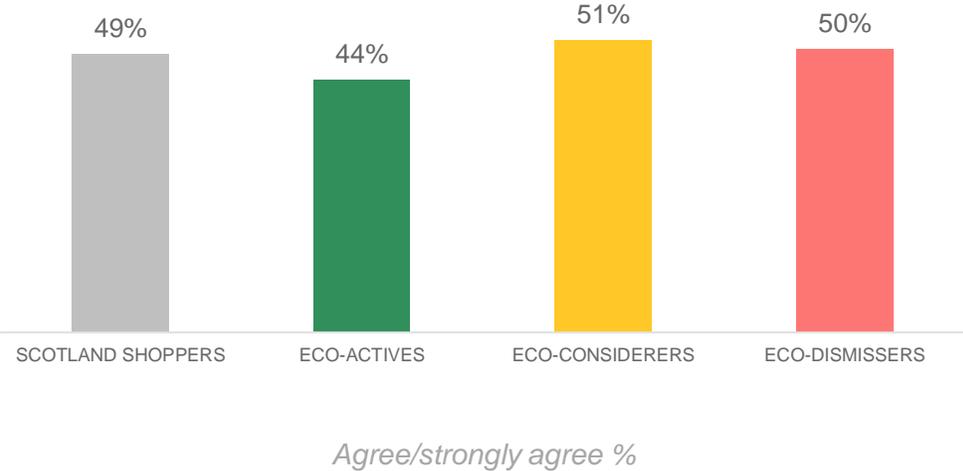
What information on packaging related to the environment and society do you look for on a regular basis.
% respondents yes/no, rank on all shoppers





Even on recyclability, shoppers don't always know what to do: almost half wish-cycle!

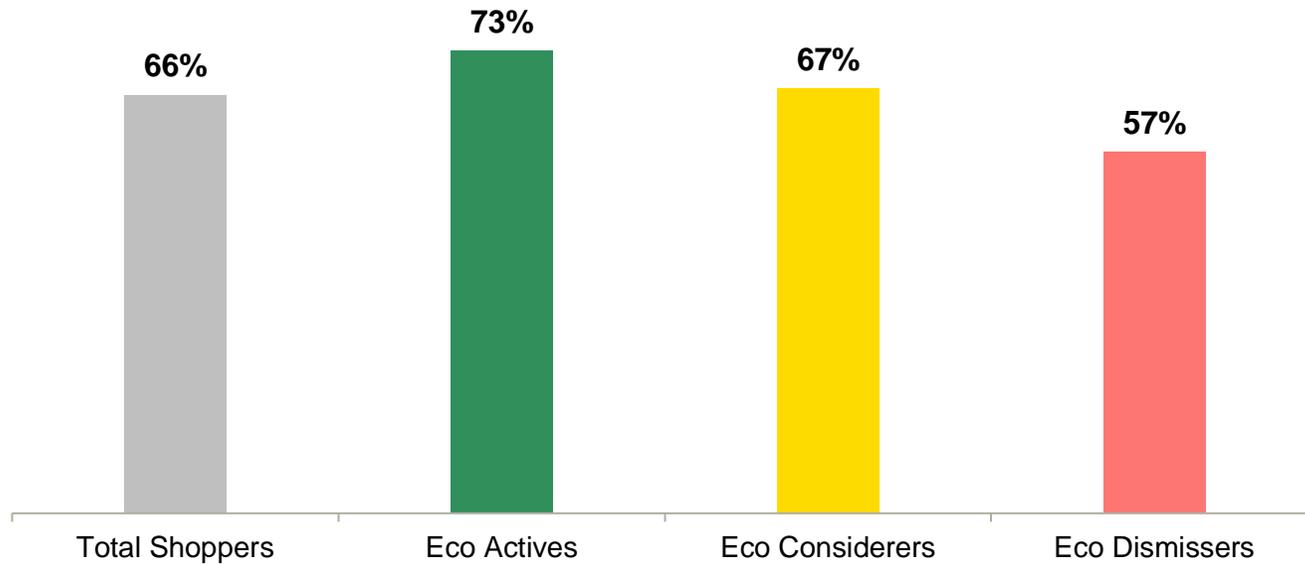
I often recycle items which I am unsure whether they should be recycled or not



Price and convenience are key barriers to buying more sustainable choices

“It's difficult to be more environmentally friendly because the products that are better for the environment are harder to find or more expensive”

Strongly Agree / Slightly Agree

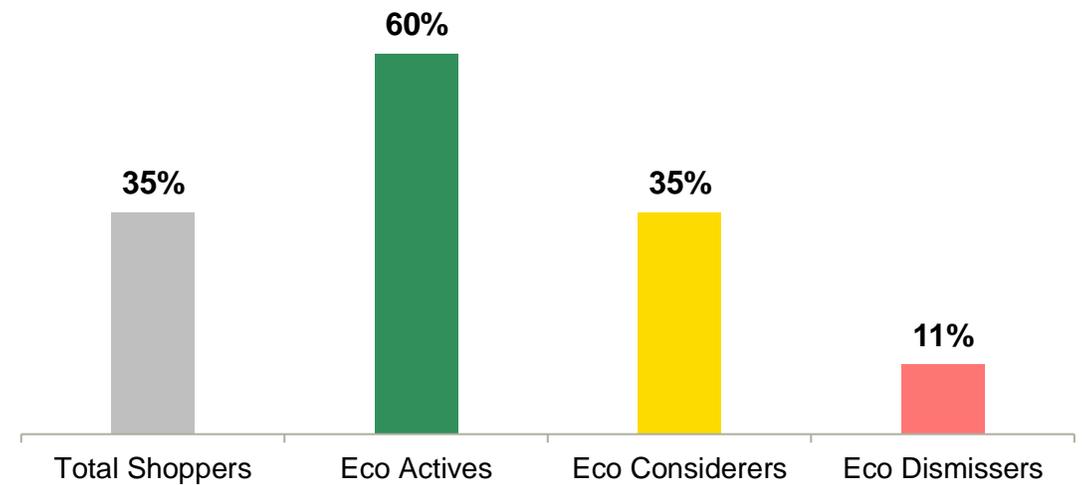


Most eco-actives have a desire to show off what they believe in.



“Buying sustainable products shows others what I believe in”

Strongly Agree / Slightly Agree



SUMMARY

01 Who cares about sustainability?

32% of shoppers are eco-actives: They are highly concerned about the environment, and are taking many actions to reduce their impact. There are slight demographic biases towards younger and more affluent shoppers but Eco-Actives can be anyone with a strong feeling that they can make a difference.

02 Why is this an opportunity for you?

Eco-actives represent almost a third of the market spend and they will continue to grow!

Brands with a focus on sustainability will be rewarded: The top 20 eco-active brands are growing at more than double the rate of FMCG.

03 What does it take to win with sustainable shoppers?

MAKE IT REWARDING	MAKE IT EASY	MAKE IT OBVIOUS
<ul style="list-style-type: none">✓ Provide opportunities for shoppers to show off their sustainable purchases e.g. visually appealing✓ Show shoppers that they can make a difference to the world through the positive actions they take	<ul style="list-style-type: none">✓ Provide affordable sustainable products✓ Provide innovations which are convenient and are easy for people to do.	<ul style="list-style-type: none">✓ Signpost sustainable credentials to stand out from the noise✓ Educate consumers on why Net Zero is the right thing to do as it doesn't resonate with them yet.

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