

ACTIVATING TRENDS

Build the Future

21 May, 2021

GAME CHANGERS



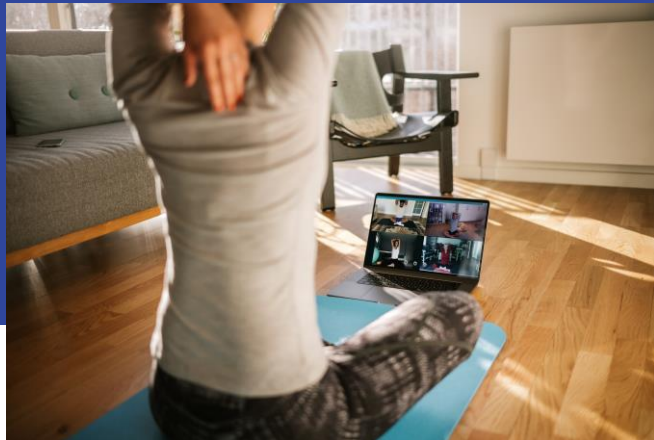


Today every sector is being disrupted. People are ***moving away from old habits*** and making different choices.

Awareness of trends is of course important but knowing how to translate this knowledge into commercial propositions and actions that drive profitable growth is key.



Building the future...today



HEALTH & WELLNESS

Increased concerns about physical health + emotional wellbeing



SUSTAINABILITY

Interest in sustainable products that care for the planet



DIGITAL SERVICES

Connected services that improve the quality of life



HEALTH & WELLNESS

Health & wellness can be achieved in many ways including exercise, mental wellbeing and of course the food and beverages we consume.

Today we will focus on *food & beverages*, specifically **functional foods**.

Functional Foods

Foods or food components that may provide benefits *beyond basic nutrition*

Using Ipsos's vast innovation open-end database of 500,000 respondents we analyzed a sub-set of **15,000+ respondents** first impressions of functional food and beverage innovations across **18 countries**

We found consumers' first impressions in this area are granular and specific in terms of both...



Desired Benefits



Ingredients



This reflects how the market has changed from general better-for-you products to products with more specific functional benefits based on personal needs.

Source: Ipsos Innovation Database

Desired Benefits: What are consumers looking for?

Health and wellness priorities:



US

1. Sleep better
2. Immunity boost
3. Weight management
4. Prevent cancer
5. Stress relief
6. Reduce inflammation
7. Cardiovascular health
8. Energy and strength
9. Memory and cognition
10. Removes toxins from my body
11. Digestive health
12. Brain power
13. Strong bones
14. Anti-aging
15. Younger looking skin



Mexico

1. Immunity boost
2. Prevent cancer
3. Sleep better
4. Removes toxins from my body
5. Brain power
6. Energy and strength
7. Weight management
8. Cardiovascular health
9. Respiratory health
10. Memory and cognition
11. Digestive health
12. Blood sugar
13. Younger looking skin
14. Sexual health
15. Stress relief

Question: You will be presented with a series of pairs of product features. These product features are all related to food and beverage products. For each pair you see, simply select which one is more appealing to you. Remember, please try to make your choice as quickly as possible.

Source: Ipsos Digital Study conducted in April 2021 – US and Mexico

Ingredients matter

What makes something healthy?

Benefits must be supported with a reason to believe:



Presence of positives:

All natural, vitamins & minerals, protein, plant-based (e.g., soy, oat, whey), fruit & vegetables, calcium, probiotics, antioxidants, fiber



Absence of negatives:

No Additives, No Sugar, Low calories



How food is grown:

Organic, ethically sourced, locally grown, Fair trade





SUSTAINABILITY



79% agreed

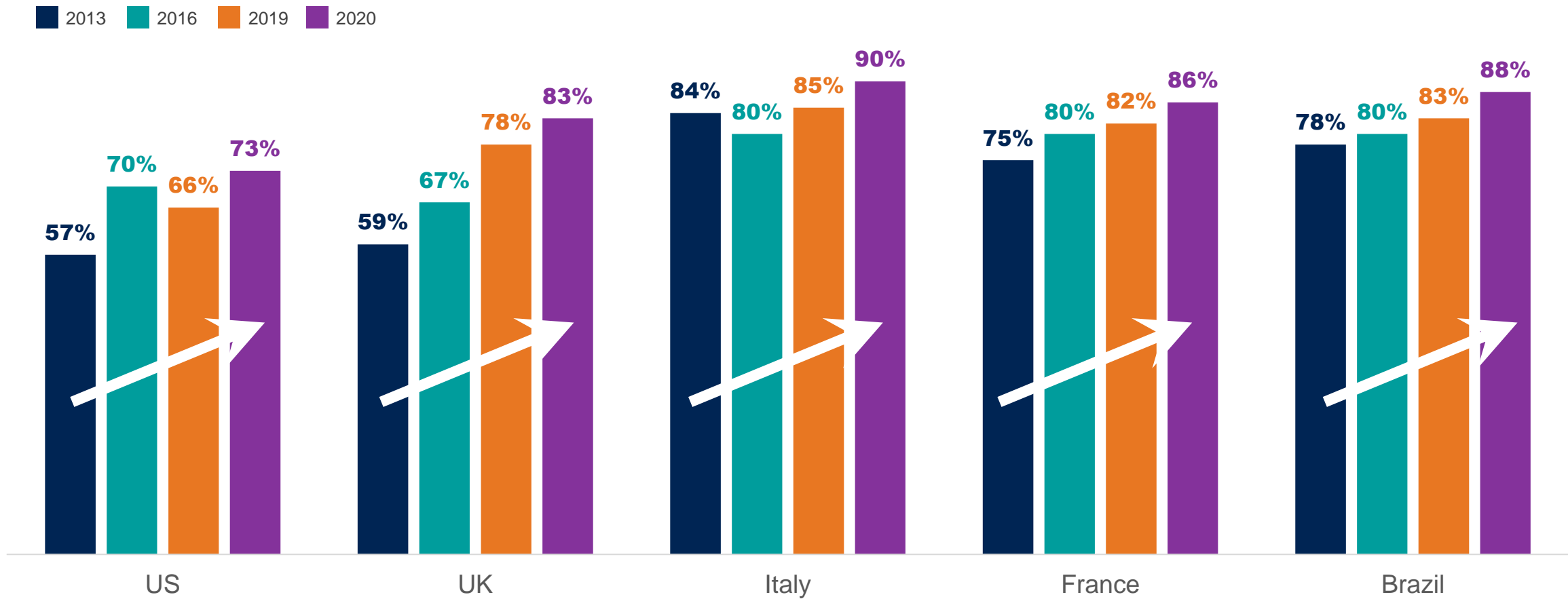
Will seek out products which
are better for the environment

Question: I will seek out products which are better for the environment (% agree)

Base: 19515 online adults under the age of 75 across 28 countries. Fieldwork dates: April 16-19 2020

The pandemic has not lessened people's concern

Q. We are heading for environmental disaster unless we change our habits quickly (% agree)

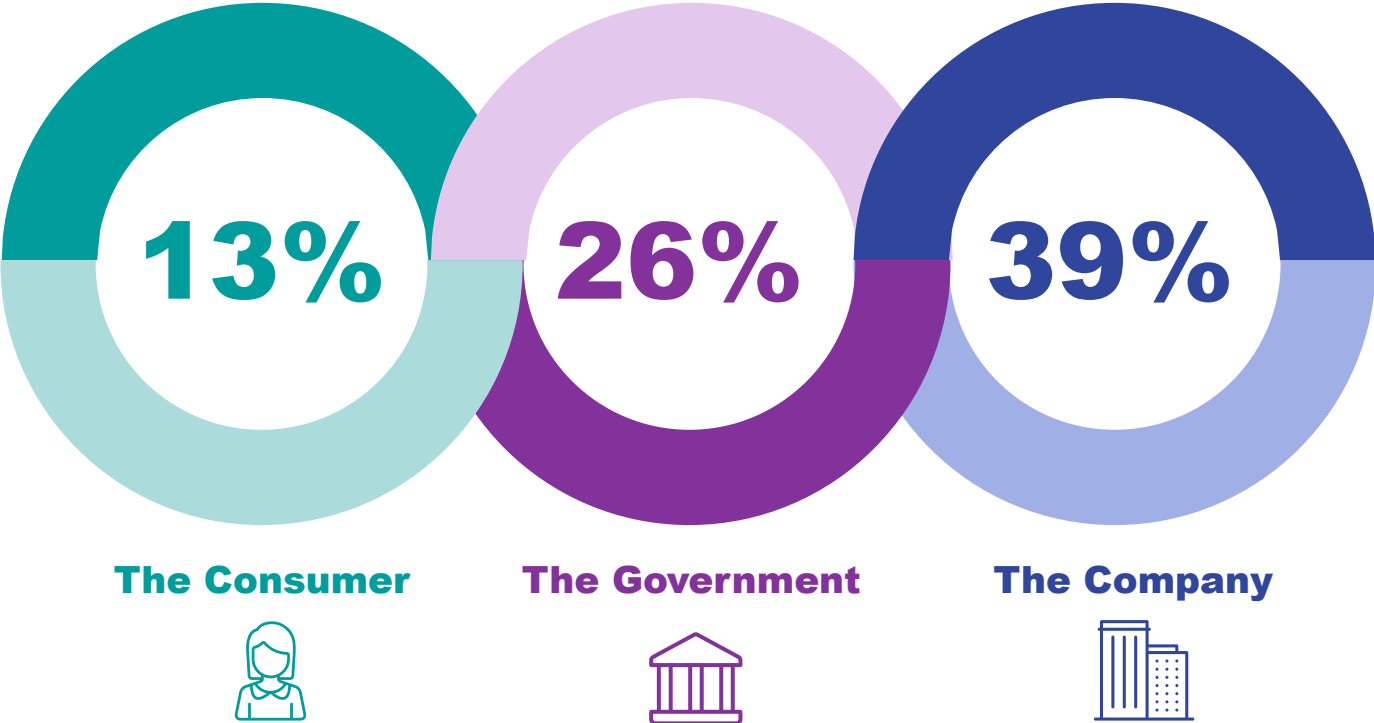


Source: Ipsos Global Trends survey, September 2020. Base: 1000 respondents in each market.

Consumers are part of the solution but above all, it's on the company

Where does responsibility lie?

Q. Who, if anyone, do you think is responsible for ensuring consumer products are environmentally and socially responsible?



[A further 22% were unable to provide an answer indicating lack of knowledge, interest or engagement in the subject]

Source: Ipsos research among c. 1000 adults in each market: US, UK and France, Q2 2019



68% say

that if businesses do not act now to combat climate change then they are failing their employees and customers.

There's an opportunity to build consumer loyalty

Brands that are considered to act sustainably are rewarded with higher favourability

	Age 18-34	Age 35+
I felt much more favorably about the brand	27%	16%
I felt slightly more favorably about the brand	21%	16%
Did not change my impression of the brand	36%	47%
I felt slightly less favorably about the brand	5%	3%
I felt much less favorably about the brand	3%	5%
I did not know about this announcement until now	9%	12%

Base: 1,310 online, US, November 2018



Starbucks Coffee @Starbucks · 3h
We're removing plastic straws in our stores globally by 2020—reducing more than 1 billion plastic straws per year from our stores.



New strawless lids to replace plastic straws
news.starbucks.com

But solutions needs to be tangible and easy to understand to effectively cut through. **Don't over complicate it!**



Example of tangible plastic reduction by using carton multi-pack holders instead of plastic



Companies have a responsibility to close the say-do gap: they must figure out how to offer consumers the opportunity to act on their desire

Less is more right?

People **say** they are ready for change

71%

The majority of US consumers (71%) agree they want to buy products with as *little packaging as possible...*

49%

...but only 49% would be willing to *change their regular shopping habits* to do so.

...and at higher price points there is no effect on trial



Base: 19,519 online adults aged 16-74 across 27 countries July 26 – August 9 2019



It's not a key driver of choice

Q. When comparing household products of similar quality and features, which two of the following are most important to you when making a final purchase decision?

Products are offered at a **lower price** enabling me to save

47%

Products are made in **my country**

42%

That products that are packaged using **hygienic packaging**

29%

Products come in **eco-friendly** packaging

24%

Base: Global Results (16 Countries); May 10 To 14

Because other things matter more

Analysis of sustainability claims has shown that they are not as motivating compared to **Efficacy** and **Quality of Life**.

This does not mean they aren't important, but relative to other product benefits they *are not as high a priority* for consumers.



Brands must serve as custodians of behaviour change

To address changing attitudes, strengthen brand image and stand out from the crowd



UNDERSTAND:

What is truly important to your target stakeholders/consumers and what are they likely to act upon? Don't try to be all things to all people



ENABLE:

Seek the path of least trade-offs for consumers so they can act on their desire to do good without sacrifice



ASSESS:

Assess current impact your 'business as usual' model is having on the environment before innovating. What value does your business bring to the world?



COMMIT:

When implementing a new strategy, emphasis should be on initiatives that your business can commit to in the long-term.



Source <https://www.ipsos.com/ipsos-mori/en-uk/ipsos-green-economy>

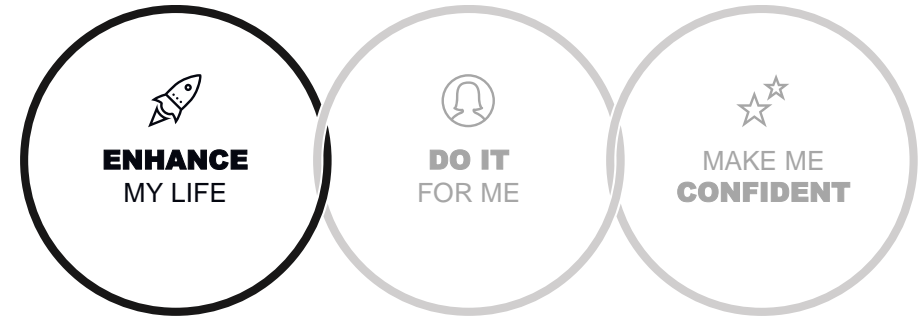


DIGITAL SERVICES

Is technology what people want to buy?

3 key drivers of behavior change





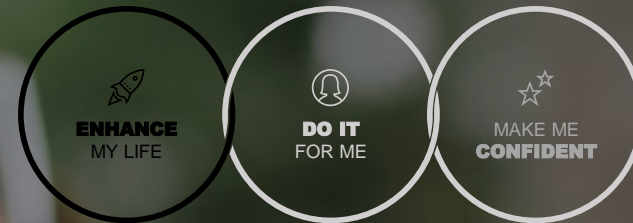
Allow me to focus on my priorities.



Does the proposition remove friction from a current process?

- Simplifies my life
- Make it easy
- Be warm, Be authentic, Be human
- Not too clinical, don't lead with fear





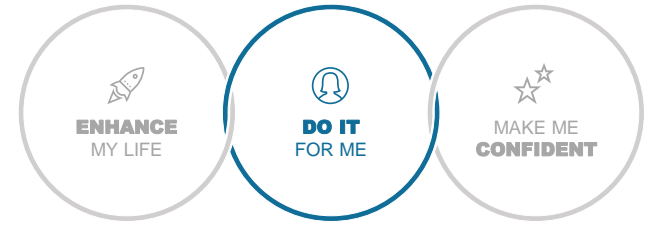


Not just information, solutions.

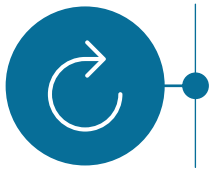


Does the proposition solve the need/desire beyond providing diagnostics?

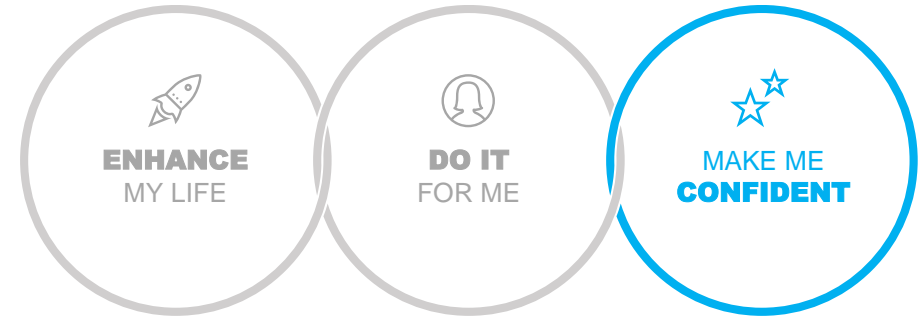
- I am taken care of
- Convenience
- Discovery, Customization and Consolidation – present it intuitively



THERMOSTAT THAT CHANGES TEMPERATURE BASED ON YOUR ROUTINE .



The Nest Learning Thermostat is an electronic, programmable, and self-learning Wi-Fi-enabled thermostat that optimizes heating and cooling of homes and businesses to conserve energy.

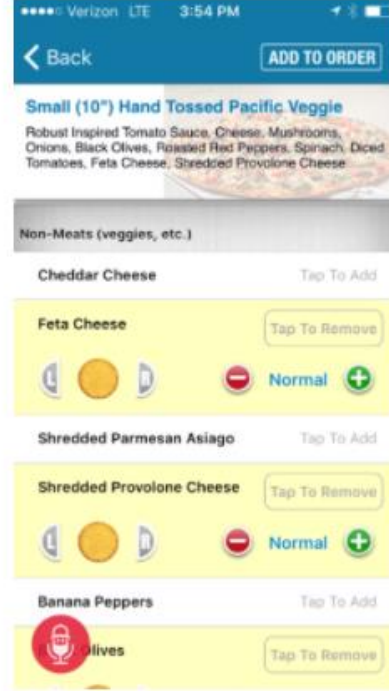
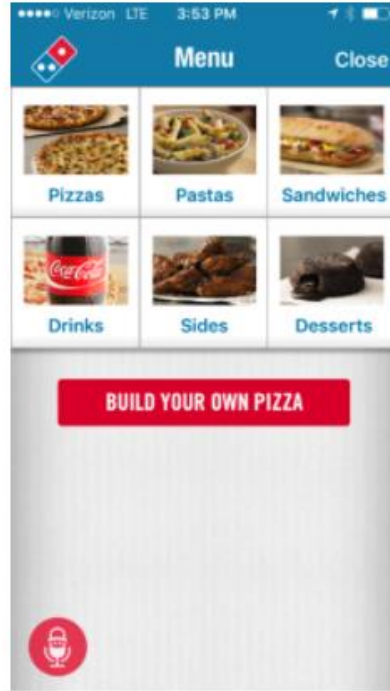
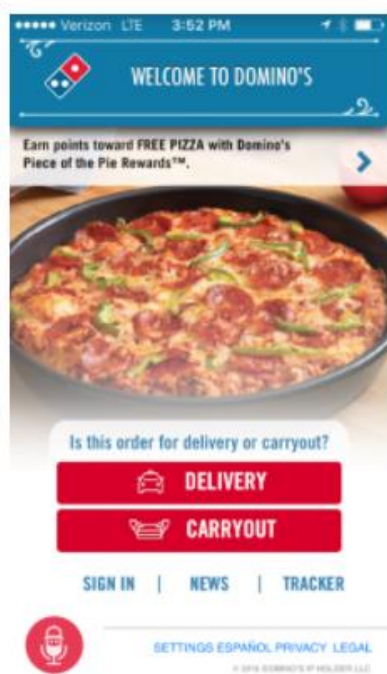


**Remove potential for error,
show me the process.**



**Does the design inspire
confidence through control?**

- Remove potential for human error
- Reassurance
- Let me see the process



PIZZA TRACKER

You got 30 minutes and you got Domino's Pizza headed your way. Our delivery experts have specifically engineered the Pizza Tracker to keep you up to date on the status of your order from the moment it's prepared to the second it leaves our store. You got tracking where tracking has never gone before.



YOU GOT ORDER ASSEMBLY - YOUR ORDER WAS BOXED FOR DELIVERY AT 12:37 PM

YOUR LOCAL STORE:

Contact your Domino's with any questions:

2282 South Main Street
Ann Arbor, MI 48103
734-332-1111

YOUR ORDER DETAILS:

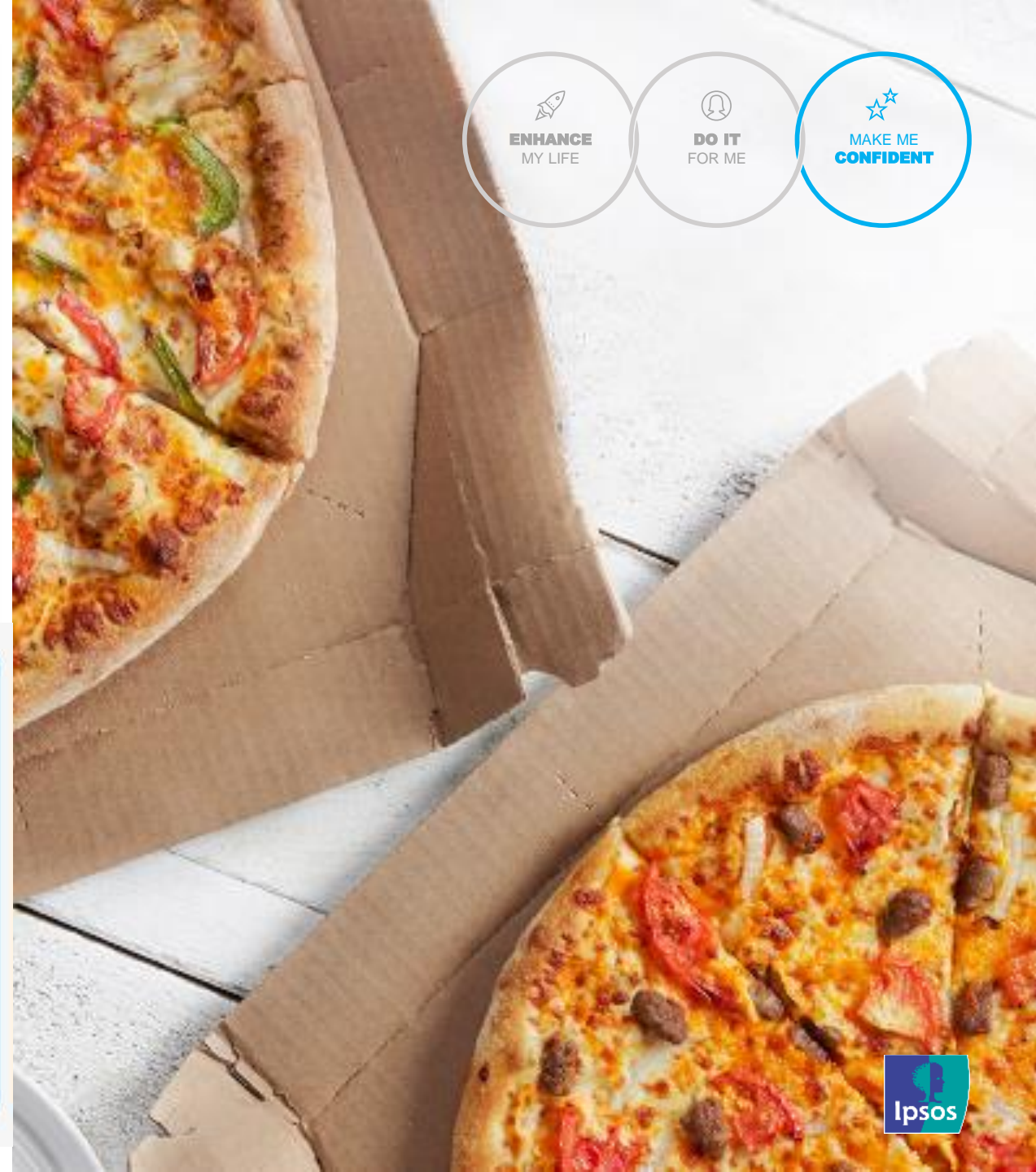
- (1) Small (10") Hand Tossed Pizza
Extra Cheese, Sauce, Pepperoni, Italian Sausage
- (1) Chicken Kickers
- (1) 2-Liter Coke

RATE YOUR DOMINO'S

When your pizza arrives tell us how it was.
(RATE OUR SERVICE FROM 1-5)



STORE AVERAGE: ★ ★ ★ ★ ★ LEAVE US A MESSAGE



What can you do today?



Health & Wellness:

Consumers are increasingly expecting more from foods and beverages. Important to understand consumers health and wellness needs and provide clear and differentiated solutions supported by reasons to believe.



Sustainability:

Corporations need to provide sustainable options with the same quality and price that make it easy for consumers to do the right thing.



Digital solutions:

Technology should be an enabler not the solution itself. Keep benefits top of mind. People don't want technology for the sake of technology. They want solutions that make enhance their lives.

THANK YOU!

GAME CHANGERS

