

# Consumer Trends In the Baltic countries and globally

Magnus Lagnevik, Lund University  
Teemu Halttunen, Turku University  
Johanna Tanhuanpää, Agropolis Oy

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baltfood c/o LÜBECK Business Development Corporation  
Falkenstraße 11, D-23564 Lübeck  
Phone +49 (0) 451 70655-0 · Fax +49 (0) 451 70655-20  
[www.baltfood.org](http://www.baltfood.org) · [info@baltfood.org](mailto:info@baltfood.org)



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# Food trend research project

- Aiming to identify the most relevant areas of interest for SMEs to develop their products and processes in
- Methods
  - Focus groups
  - Desktop research
  - Online survey
- Three focus areas identified
  - Food and health
  - Food and sustainability
  - Food consumption as an expression of self
  
- This presentation contains additional material that has been collected and analyzed as part of the Food Trend Radar development project
- Lund International Food Studies project fall 2009
- Mirhami 2030, Finland Futures Research Centre 2007

# The Web questionnaire

- Sent to experts from the food industry, research and highly qualified consultants
- Response rate 36 %
- A fair amount of answers from Denmark, Finland and Sweden
- No direct interviews with consumers

# Most important criteria

- When consumers buy food, the most important criteria are (according to the survey)
- 1 Taste
- 2 Price
  
- 3. Healthiness

# Impact from technological progress

- Technologic progress will have a significant effect on the food industry
- Biotechnology
- Nanotechnology
- Logistics
- Production technology
- Packaging

# Drivers for sustainability

- Cost savings
- Keeping up with competitors
- A need to differentiate
  
- Consumers more important drivers of sustainability than retailers, suppliers, shareholders and other stakeholders

# Actions for sustainability

- We asked the experts what the most important actions that the food industry will take in order to increase sustainability
- The answer was “ We don’t know”

# Important consumer trends

- Constructing one's own identity and confirming social status through consumption – “ I am special”
- Interest in origin of food and the story related to it
- Eating on the go
- Locally produced
- Less time to prepare food

# Food Consumption as an Expression of Self



# Expression of self

- The food products are no longer simple commodities. Instead, they more and more signal special qualities. It may be locally grown, free from..., fair trade, Grand Cru, DOC, Organic and many other things. Dealing with choice thus becomes critical. Increasingly, individuals are willing to choose food that will match and reinforce their identities, The outcomes of one's choices will be scrutinized by friends, relatives and professional colleagues. This is particularly true for food, but for food yet another factor is at play.

# Expression of self II

- The protection of the own body is in a next step also a part of the signalling to the rest of the society about what kind of person the consumer is. Many people therefore experience food choice, cooking and eating as problematic activities. The choices made have effects on their creation and expression of self as well as how other people experience them:

## Strong yearning for the authentic

There is no antagonism between the local and the exotic.

What unites the concepts is that both can conjure up the sense of being *authentic*.

The consumer is making greater demands for authenticity in both production and flavours.

The greatest insecurity in connection with the food is not associated with foreign flavours, but **with an origin that feels foreign.**

There is strong fear that the food is too industrial or unethically produced.



# Food is lifestyle

## You are what you eat:

- Lifestyle-oriented consumption is on the rise
- New ways to market food
- Food that has a story to tell – Where did the food come from?
- A new organic era

## People want to know the origins of their food:

- The closer they can get to the food producer, the better

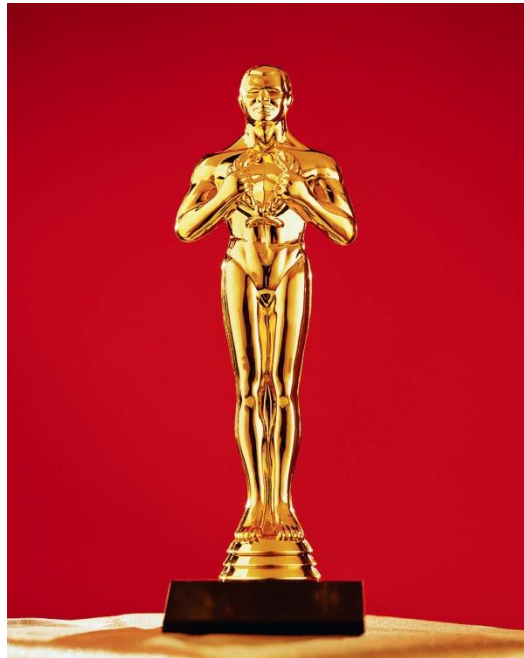
**Natural**  
**Authentic**  
**Honest**



# And the winner is...

The one with the shortest ingredients list.

A huge challenge for the industry!



# The meal on the stage in the arena

- Meal > Food
- The food, the time, the place and the social relations between the involved individuals are the ingredients that form the meal.
- In the arena where the meal is acted, there are direct actors, those involved in the meal, but also actors behind the scene, such as suppliers, service providers, the management if the meal is at work, but also role models and peer groups influence the choice of life style and meal behavior.
- If the consumer can produce an interesting and image building story at the meal, his or her social standing and reputation is built strongly.

# We make up our minds in the store

- Shopping lists versus impulse buys
- Only about half of Swedish consumers know what they are going to have for dinner when they leave work
- The shopping list is a rarity – 81 per cent of men and 73 per cent of women never use one
- 41 per cent say that demonstrations inspire them to try new products
- 24 per cent think food shopping is boring – and the number is rising...



# Information/labeling

- Food-related information to your mobile
- Tattooed vegetables



# Food and Health



# Consumer focus is on food and health

- An overwhelming majority make a connection between food choices and health
- Consumers are assuming responsibility for their health
  - Consumers feel greater confidence in their own knowledge.
  - Info-bombed consumers are tired of experts
  - Health claims are of limited importance
  - A majority know what advantages they are looking for in food.
  - Consumers see “fresh and natural” as a health message



Source: HealthFocus International Trend Reports 2006

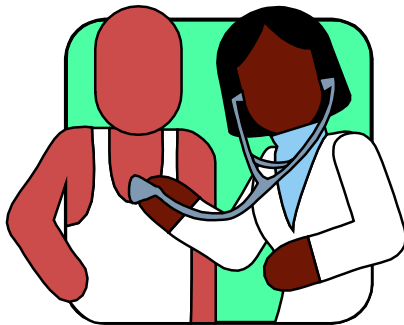
# The perfect human being

- **We are striving to achieve the perfect body:**
- Cosmetic surgery
- Exercise
- Health
- How consumers think:
- Polarisation in society – the affluent are thin and the poor are fat.
- Well-educated, slender, beautiful, affluent = have good jobs
- Disadvantaged, poor, fat = ill more often and have less opportunity



# The meal as a catalyst

- The strongest catalysts are hope and fear.
- We hope that eating right will help us stay healthy.
- But at the same time, we feel strong fear that the food we eat is dangerous and causes illness and disease.

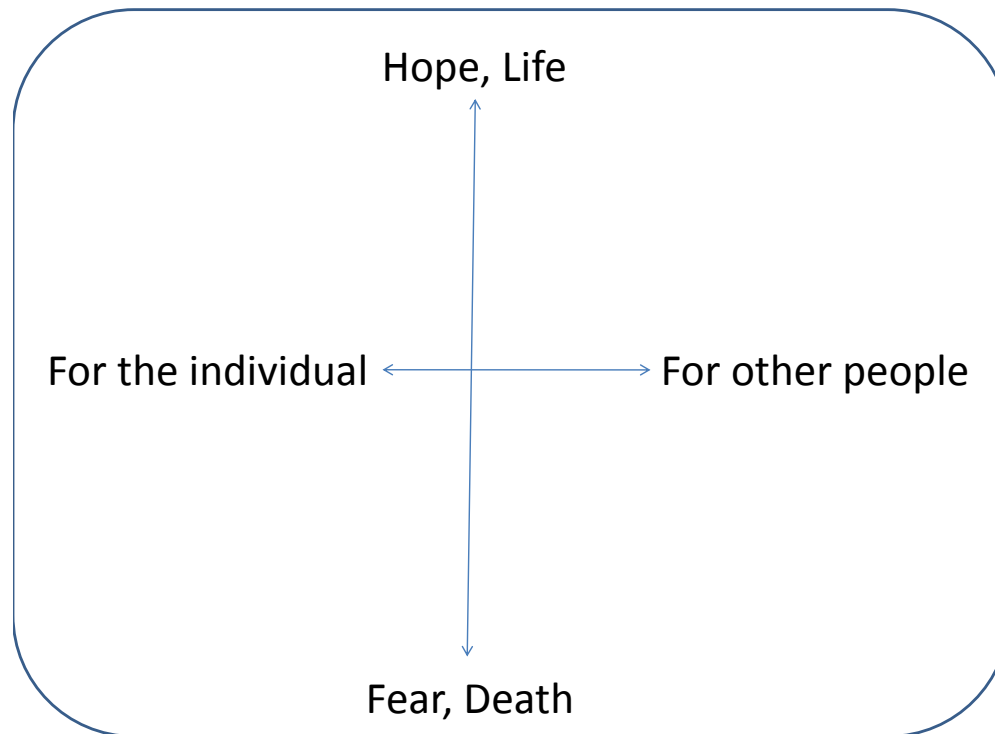


# Healthy food



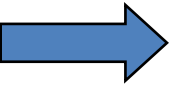
- From strong trend to megatrend
- Health has become something that is everyone's business – it used to concern mainly people age 40+.
- From teenagers looking for an energy boost to middle-aged people who expect to be healthy, alert, beautiful and energetic 90-year-olds.



# Life and death, Me and the others



# Overweight/obesity

- Share of obese adults in BSR ranges from 11 (Sweden, Lithuania) to 23 % (Germany)
- In Finland and Germany 50 % of men are overweight
- In BSR 10 -20 % of children are overweight
  
- Our diet has changed
  - Consumption of fat and sugar sweetened soft drinks 
  - Snacking
  - Portion size
  - Consumption of unrefined carbohydrates 
  
-  ■ Intake of total energy has raised from 2950 to 3400 in last 35- 40 years

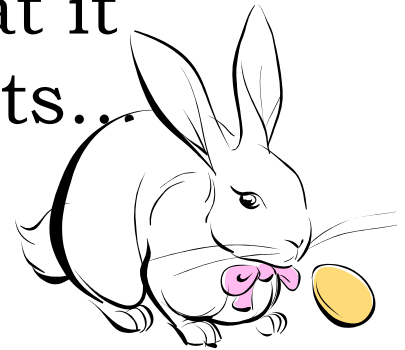
# If health has become a global megatrend, obesity has become a pandemic.

Obesity is contagious in the sense that it is transferred to both children and pets...

And all over the world

The trend is moving faster in countries undergoing rapid industrialisation.

In Tonga, 60 per cent of the population is obese, compared to 40 per cent in the United States



# Food and Sustainability



# Starting point - environmental considerations

- Climate
  - Contribution to climate change
  - Effects of climate change
- Energy supply and demand
  - Growth based on fossil fuels
  - Demand for renewable energy
- Water supply and demand
  - Virtual water
  - Shrinking aquifers
- Other environmental considerations
  - Soil degradation and erosion
  - Eutrophication
  - Pesticide residues
  - Antibiotics residues

# What is sustainable food?

- Organic
- More conscious food choices
- Local or regional
- Eco-labelled
- Fairtrade
- Genetically modified

# What does it mean for SMEs?

- Analyse your products' life-cycle
- Streamline your processes
- Eco-label your products
- Brand your product attractive
- Know thy retailer
- Wrap it up

# Emerging trend 1

## Home away from home

Large and growing  
population of singles  
in large cities

Create social networks

And recreate family life

Dine in the chef's home

Tables for many

Joint meals for people who do not know each other



# Emerging trend 2

## **Food Bundling**

New combinations

Vegetables and cheese

Coffee and champagne

Bread and wine

Buy and consume in the same place



# Emerging trend 3

## **Organic community**

Buy organic food,  
organic clothes,  
green electricity  
Meet other environmentally  
interested people



# Emerging trend 4

**I was there when Manuel  
picked the coffee**

Certification sucks  
Authenticity rules



# Emerging trend 5

**Food & entertainment**  
Combine life style  
activities.  
Save time



# Conclusions

- Local food and global retailing. Consumers will be drivers for change
- Product identity vs. product image. Difference between what consumers believe and what is actually the truth. Effects on branding, certificates and production
- The two consumption societies. The price hunters and self-expression, service and social consumption hunters. Different logics
- Peripheral vision and thinking