

HUMANE

Demography and Consumers

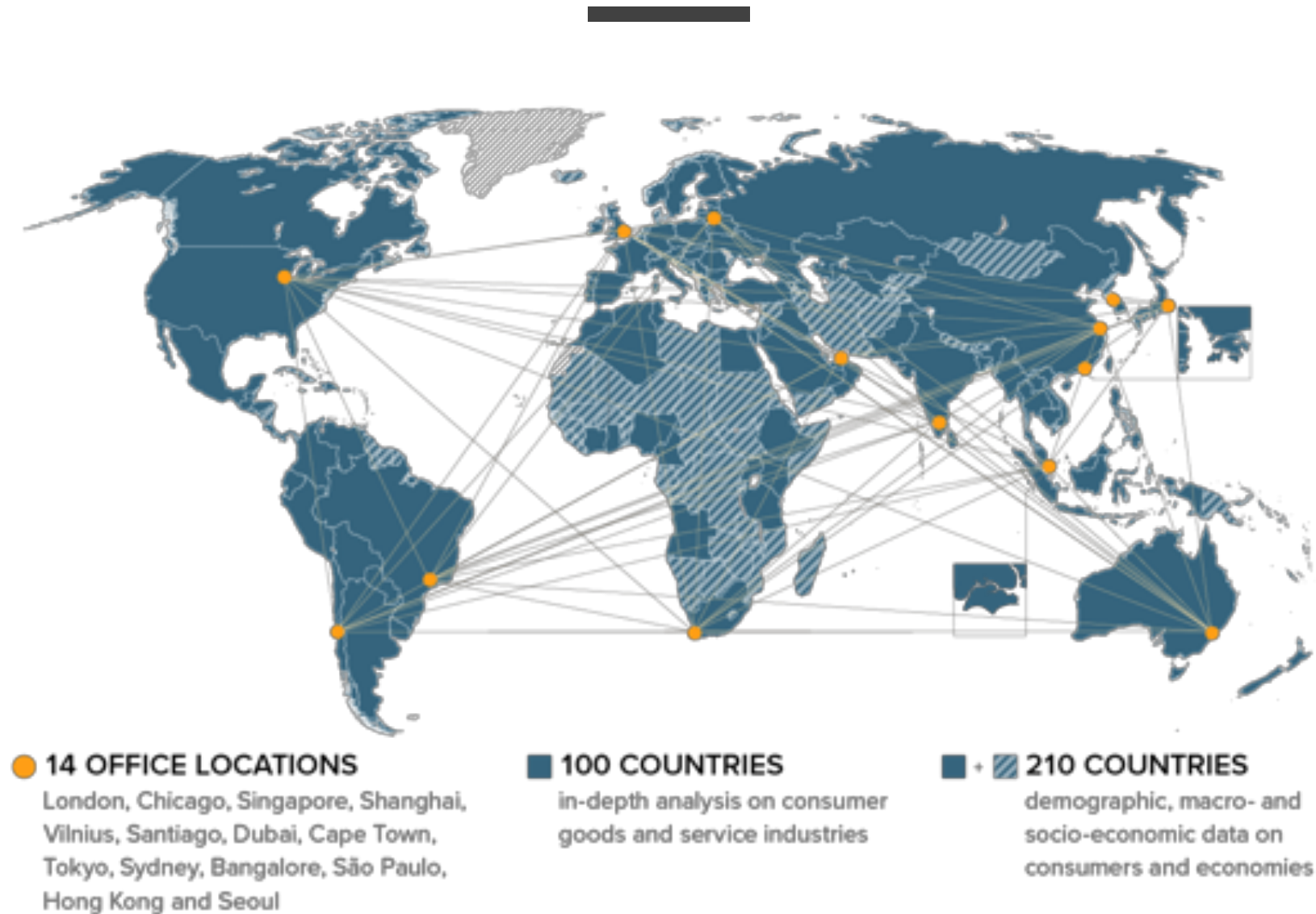
Alison Angus – Head of Lifestyles

OVERVIEW

- About Euromonitor International
- Consumer landscape
- Population change and shifting values impact consumption behaviour
- Conclusion



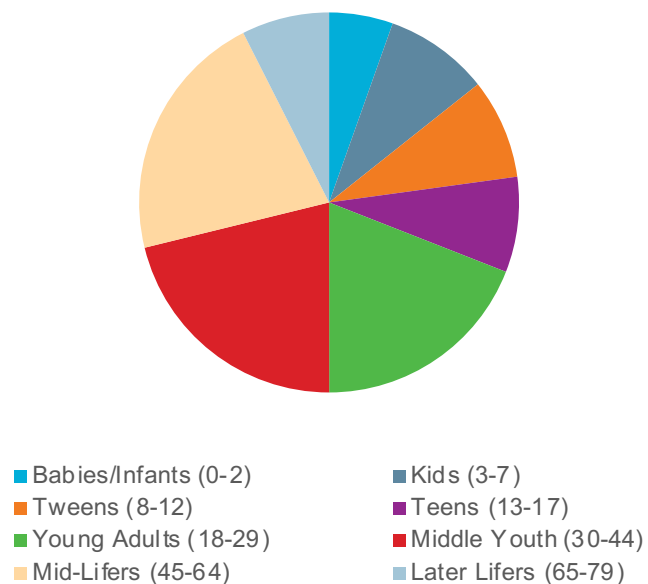
Euromonitor International network and coverage



Consumer Landscape

Consumer landscape in 2019 – a global view

Global Population by Age Group: 2019



World Digital Statistics: 2019

INTERNET USERS (BILLION)

3.9

PERCENTAGE OF
POPULATION ONLINE

50.8

PENETRATION RATES OF MOBILE
INTERNET

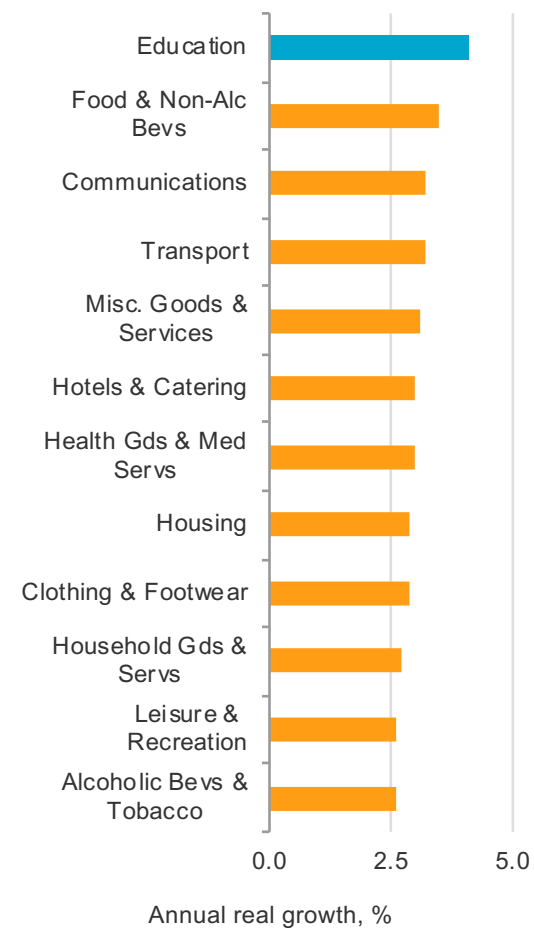
78.1

Source Euromonitor International from national statistics/Eurostat/UN/OECD/ITU

Note: Data is forecast and in constant 2017 prices, fixed US\$ exchange rates

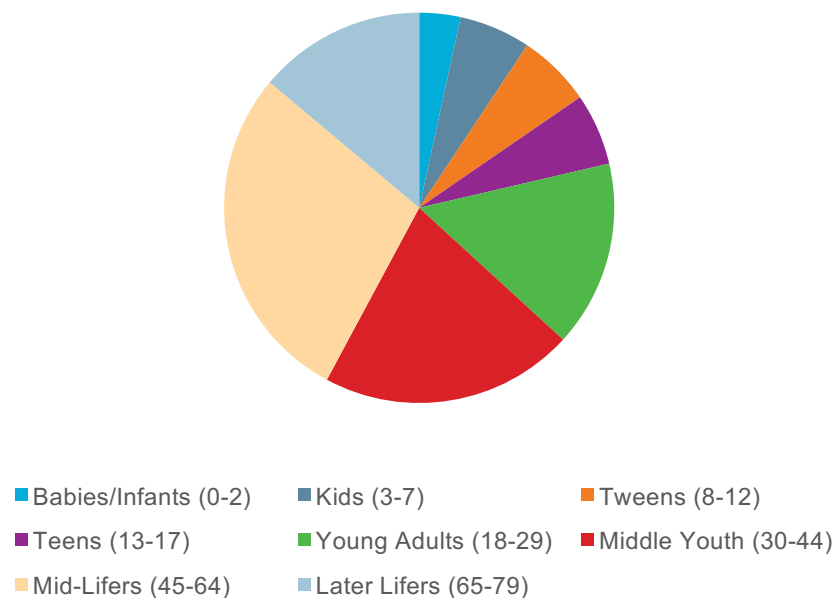
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Global Consumer Expenditure Growth by Category: 2019



Consumer landscape in 2019 – Western Europe

Western Europe Population by Age Group:
2019



Western Europe Digital Statistics: 2019

INTERNET USERS (MILLION)

402

PERCENTAGE OF
POPULATION ONLINE

79.4

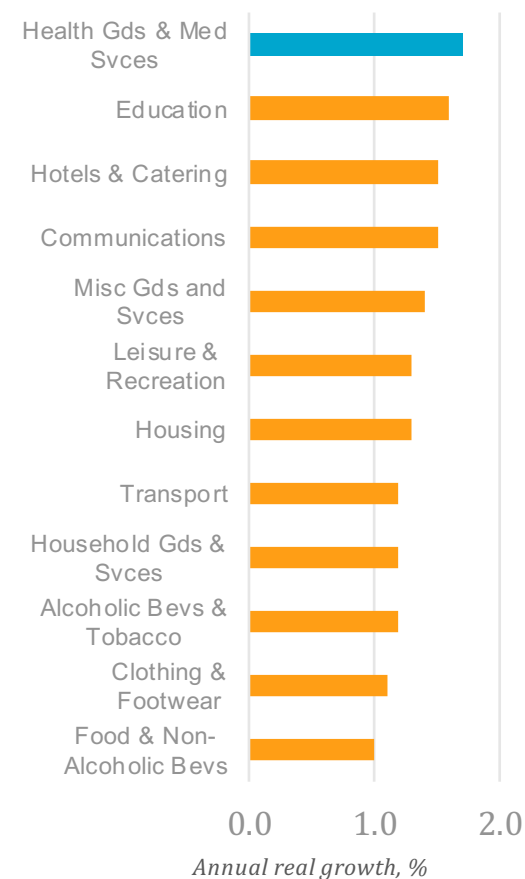
PENETRATION RATES OF MOBILE
INTERNET

94.9

Source: Euromonitor International from national statistics/Eurostat/UN/OECD/ITU

Note: Data is forecast and in constant 2017 prices, fixed US\$ exchange rates

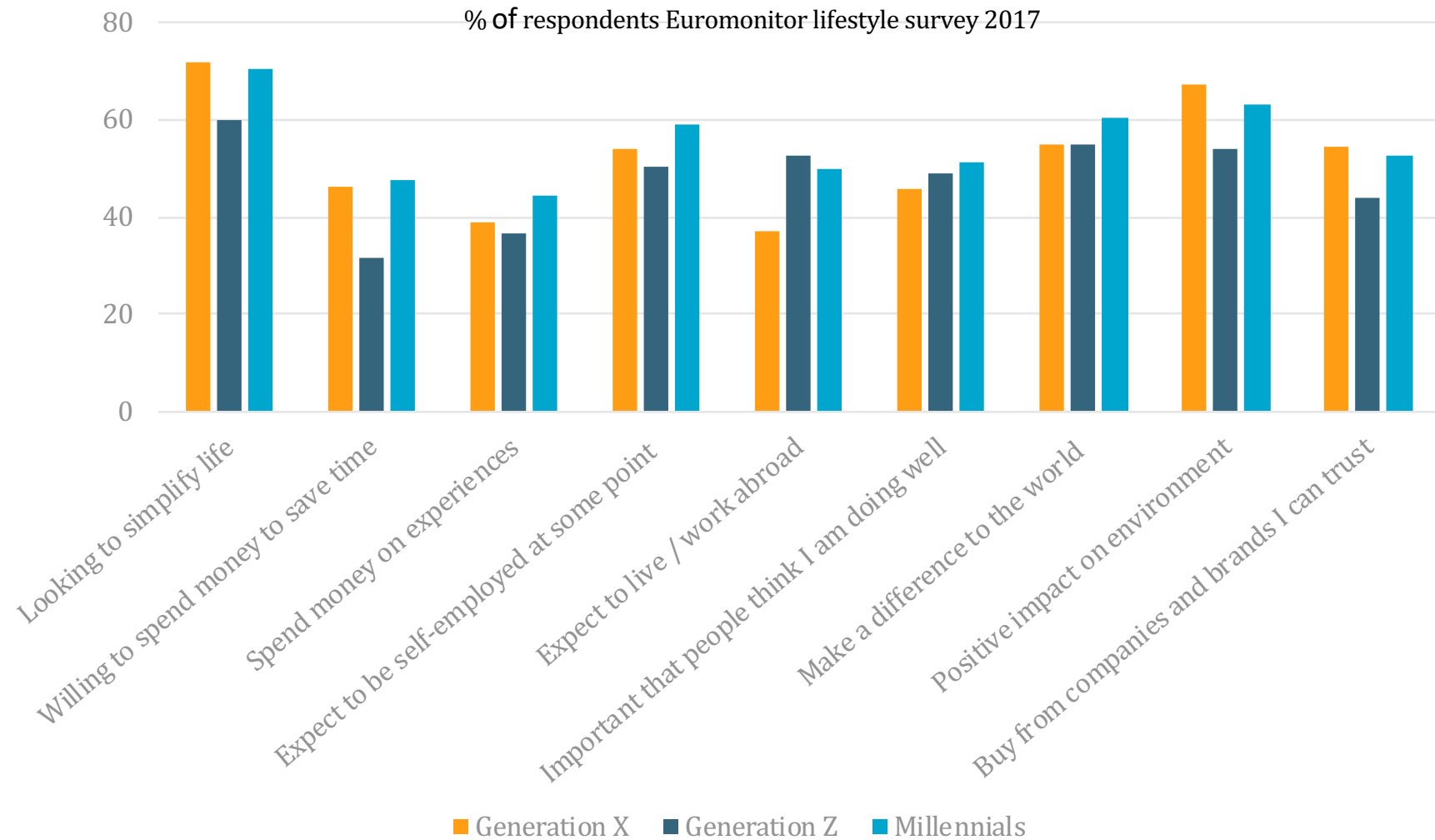
Western Europe Consumer
Expenditure Growth by
Category: 2019



The background of the slide is a photograph of a crowd of people at what appears to be a concert or festival. Many individuals have their arms raised in the air, some making hand gestures. The image is heavily filtered with a warm, orange-brown color, creating a hazy, atmospheric effect. The text is overlaid on the left side of the image.

Population change and shifting values impact consumption behaviour

European consumers values and priorities are changing



Multiple generations but blurring values and priorities



Millennials
still around

- Driven change
- Tech savvy
- Confident
- Innovative
- Global citizens
- Authentic
- Experiential
- Value for money



Gen Z
Here now

- Future market drivers
- Digital natives
- Individualistic
- Mindful
- Socially responsible
- Long term value and investment



Alpha
Coming soon

- Future challengers
- Hyperconnected virtual lives
- Self-sufficient
- Emotional
- Diverse global thinkers
- Limited attention span



50+
Coming back

- Transforming
- Leveraging technology
- Strong and Independent
- Collaborative
- Conventional
- Ageless
- Experiencing more

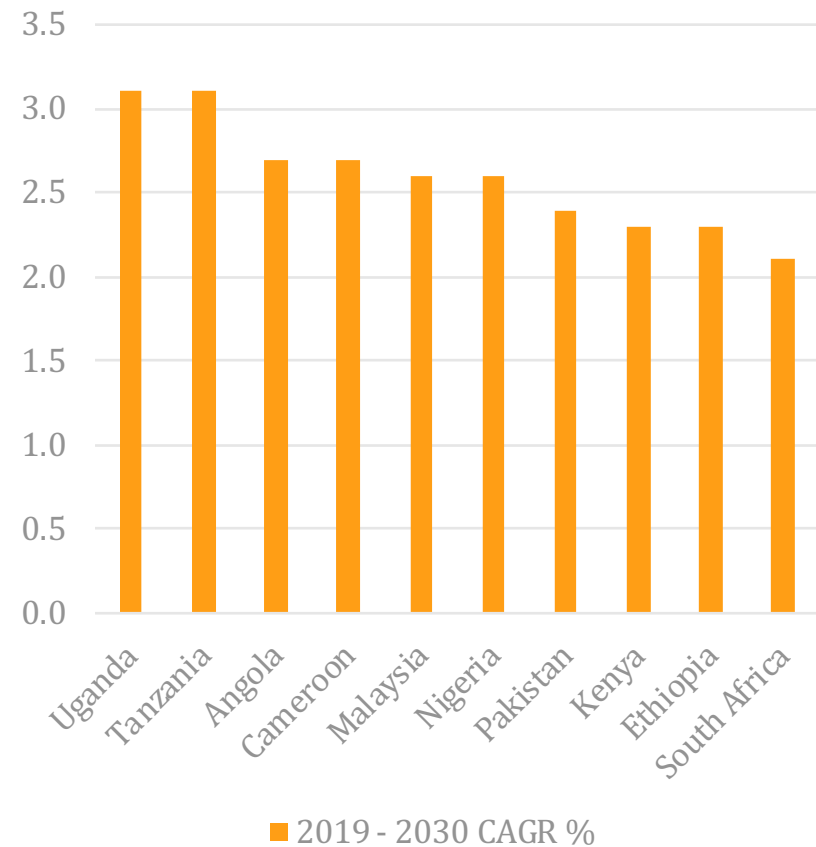
Growing wealthy middle class in the East, but need to engage

- Expanding wealthy young population in the East
 - but increasing competition from investment in region
 - tightening of visa conditions in some markets

To win:

- Flexible solutions
- Cross region collaboration
- Engage audience through emotional connections

Asia/Africa countries with fastest growing Middle Class households 2019 - 2030 CAGR %



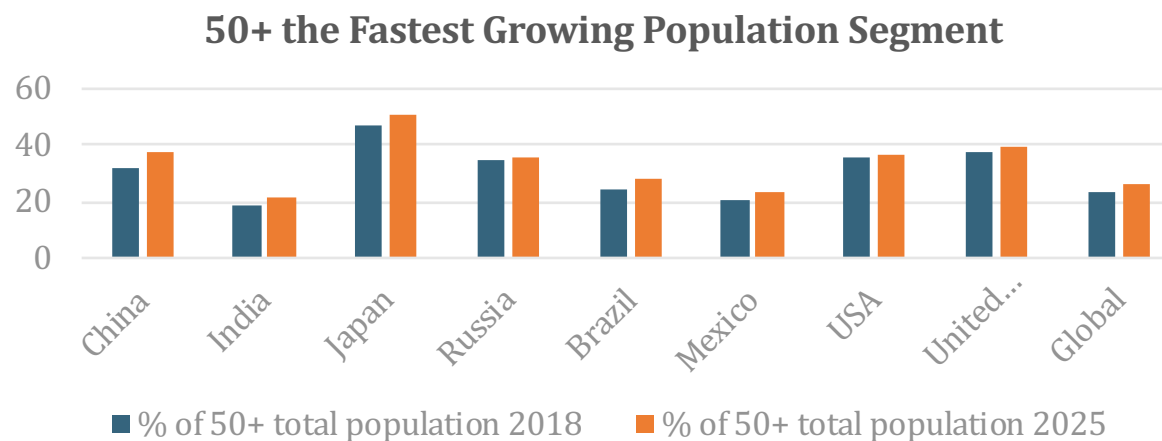
Ben & Jerry's: brand values resonate with consumers



- Demand more social responsibility and authenticity
- Evolving values force companies to review how they connect with consumers
- Engagement with brands is more emotional
- Brands aligning values with those of today's consumers
- And connecting via most popular social media platforms

Ageing but age agnostic population

- Ageing population that feel, behave and want to be treated as younger
- Not passively ageing - enjoyment of life is priority
- Demographic segmentation out, behavioural segmentation in



Ageless lifestyles drive demand for lifelong learning

- Staying relevant driving demand for reskilling
 - Second careerists
 - Self development
- Expanding interests and experiences

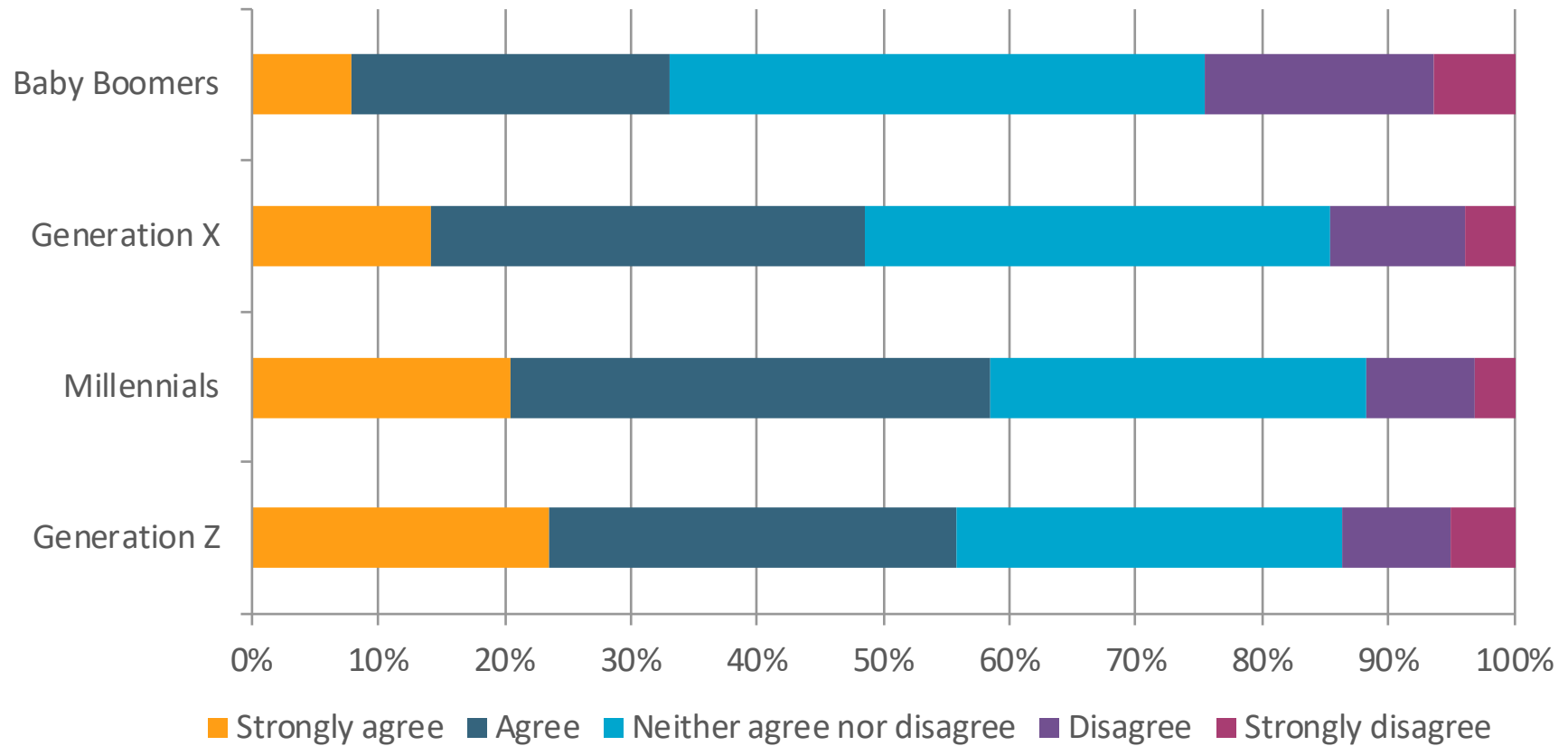
Apple – lifelong brand love



- Focus on customer experience
- Various touchpoints – products, website, ads, app store, retail
- Stores build community and lifelong learning
- Brand as the ultimate lifestyle choice

Creative curation for uniqueness and improved experiences

Desire to be distinct from others, 2017



Source: Euromonitor lifestyles survey 2017

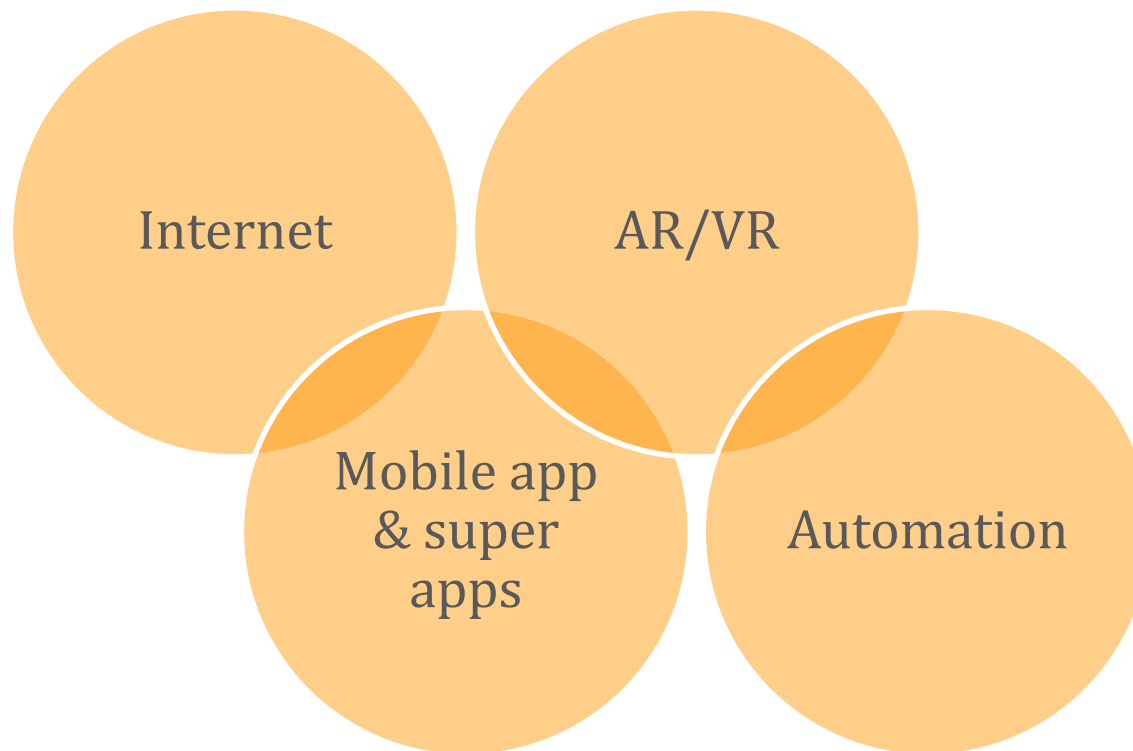
LOLI Beauty: Personalised experience through product creation



- Subscription box service that gives consumers the tools and sustainably-sourced ingredients to mix their own personalised and pure skin care recipes in their own home – Sustainable DIY beauty

“Recipes” guide choices but give consumers a sense of control; a known ingredient list satisfies consumers’ desire to be informed.

Multi-platform digital future to expand audience



- Time critical consumers demand frictionless experiences, any time, any place, any where
- Technological advancements enabling multi-platform access and delivery solutions
- Digital strategy not enough – think post digital

McDonalds: Giving consumers 'the way they want to shop'



- Changing store set up – Automation / Digitising
 - Little interaction with people
 - Appealing to younger generations
- Not all consumers want the same experience
 - Drive through
 - In store, personal
 - Home delivery
 - Book a table

Conclusion

Mirroring the needs of consumer priorities and the future work place



WeWork – Shared working and incubator spaces



- The gig economy
 - Death of the “job for life”
 - Trade-off between freedom and security
 - Two-fold impact on business:
 1. Changes in consumption and social trends
 2. Implications on managing the workforce
- No longer just for entrepreneurs and start ups – collaboration with major corporations
 - Attract top talent
 - Innovation spaces
 - Monitor competition
 - Find acquisition targets

How changing values generates and shapes megatrends

Experience More

- Rejecting traditional materialistic values, choosing happiness and status through experiences instead.

Shifting Market Frontiers

- Globalisation brings about change in developing countries, altering consumers' values, which will shape the future for shifting market frontiers.

Healthy Living

- Consumers taking control of their health and wellbeing, adopting a more conscious and preventative approach.

Ethical Living

- Consumers voicing their concerns about ethical issues, demanding businesses and governments take action to push sustainability and bring about change.

Middle Class Retreat

- Middle class consumers re-assessing their priorities, rejecting conspicuous consumption and focusing more on value for money, optimising time and spending on making the most of life.

Premiumisation

- The need to be better, lead more simple lifestyles, stay healthy and claim back time is driving the premiumisation trend.

Shopping Reinvented

- Consumers looking for seamless shopping, convenience and immersive experiences, defining the future of how consumers shop.

Connected Consumers

- Demand for simplifying lives, immediate gratification and saving time shapes connected consumers.

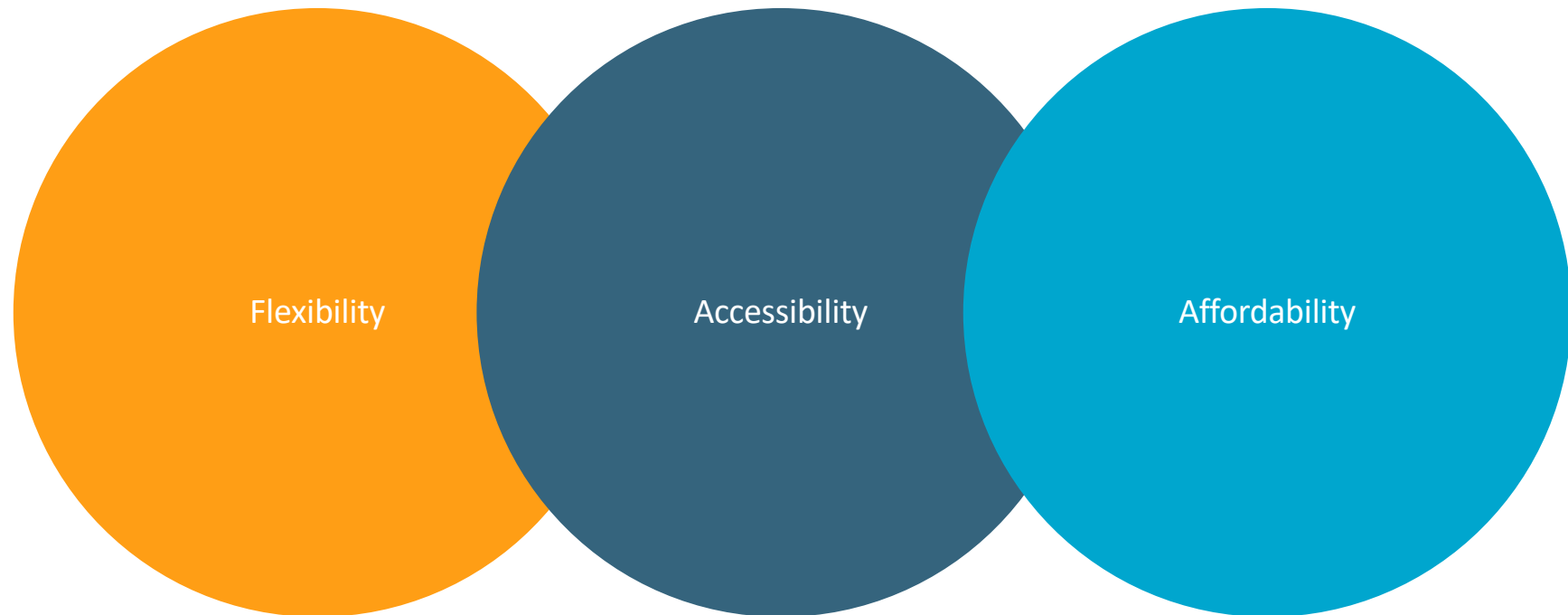
Getting away from a “one size fits all approach”

Brands embracing consumer-centric world

Higher education must embrace learner-centric world

Consumers determine what they consume and how

Students determine what they learn and how



Thank you

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