

Six Profound Changes

Danone, the global food giant, last week gave a major presentation in Paris for analysts and investors. During the event, Emmanuel Faber, co-chief operating officer, observed that consumer behaviour is going through a "profound transitional phase" that will have major implications for brands both during and after the downturn.

Faber argued "the world at large has gone, and is still going through, a profound transformational phase which will have a long-lasting impact on society and on consumer behaviour."

Amongst the six converging trends cited by Danone (the explanations and comments are ours):

1. SAVINGS

Consumers have a newfound focus on savings, as they make their way through the economic turmoil (or even just attempt to make ends meet). They're more price-sensitive, they info-shop for much longer before they buy, and they ask their friends for advice. Then they look online, to customer reviews, for final validation. If your products measure up, great. If not, it's way past time to get into good fiscal fitness.

2. PERSONALISATION

Today's consumers expect to receive products and services tailored specifically to their needs and wants. That expectation leads in turn to dissatisfaction with



generic solutions; and a quest for the highly personal. Do you offer same old, same old? Little wonder the fish have stopped biting. Remember, it's no longer all about you (if it ever was).

3. HOLISTIC HEALTH

It's driven by the Baby Boomers, but it doesn't stop there. Today's women (it is a predominantly female initiative) are searching for healthy foods, healthy lifestyles and restorative healthcare offerings. This is no time to look flabby.

Credibility is the key to consumers believing the health benefits of [Danone] products.

- More brands are trying to claim a health benefit
- Plethora of "clinical data" and "scientifically proven" messages

- Difficult to decide what is real vs. marketing speak
- Significant media interest in health
- Only products with reliable data and independent expert stakeholder support can thrive

4. CONNECTED/COMMUNITY

"I am consumer, hear me roar, in numbers too big to ignore". Web 2.0 is a misnomer -- it's Web Alpha, as consumers demand the right to not remain silent. Facebook and Twitter are the fastest growing services on the planet, for a simple reason: they provide anyone, anywhere with the ability to stand up and be heard, either by their friends or by the entire world. Marketers avoid or ignore them at their peril.

5. PLEASURE

Life's tough, especially right now. If small indulgences are all we can afford, let's do it. Instant gratification, but we want it now.

6. NATURE

Yeah, we get it, there is no Planet B. So let's do what we can to save Gaia right now. Okay, as consumers in tough economic times we can't really afford to pay any more -- but if you marketers can show us sustainable solutions on a budget, we're right behind you. No greenwashing, though -- we're not stupid, we're your better halves.

Source: Danone presentation to investors 17 November 2009