

Delivering distinctive experiences imperative for FMCG brand growth

Global consumer and sensory research agency, MMR Research Worldwide, recently held its Growth Makers: Africa event in Johannesburg, which gathered delegates from prominent FMCG brands.



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The call for elevated product experiences echoed throughout the event. It's a challenging time for brands in South Africa, having to compete with private label's progression and finding new ways to meet consumers' growing experience expectations.

Considering that shopper baskets are now more heavily curated, manufacturers were advised to develop products that are not just liked but that deliver a burst of sensory theatre that leaves a lasting impact.

A report by McKinsey in 2022 revealed that two-thirds of South Africans are cutting back on spending while 32% claim to have moved to cheaper alternatives – considerably ahead of the global average.

The Growth Makers: Africa event was conceived to help brands fight back and revealed new ways to confront industry professionals' most pressing issues. The agenda also reported fresh research that covered South Africans' covered attitudes towards plant-based products, functional ingredients, and impending food tech such as cultured meat and animal-free dairy.

The fight for product superiority

Commenting on the hurdles facing FMCG players, head of business Africa and Middle East at MMR, Jacqui Horsley, said, "Our challenges have never been greater, and so it's important that we have a plan to fight back. We must aim to go beyond liking in the way we evaluate products and build more distinctive experiences that not only rock – but are more remembered."

The firm's chief ideas officer, Andrew Wardlaw, indicated that manufacturers around the world are finding product superiority increasingly difficult to achieve – but offered some hope. "As the experience economy expands into everyday consumables, there are opportunities for brands to beat private label across the wider user experience. This is where we must focus."

Keynote speakers highlighted how private label's expansion into premium sectors has proved a highly successful move, boosting overall quality perceptions of retailer brands. "What private label is not going to do however, is engineer product theatre that produces peak moments that are more remembered by consumers – supporting the mental availability of brands," said Wardlaw.



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SA consumers' health priorities

MMR's research, polling over 500 South Africans in February 2023, revealed that heart health, brain health and immune health (in this order) are by far the most important health priorities in South Africa at this time. For Gen Z, brain health achieves pole position.

For makers of functional products, MMR sensory expert Alice Barker called upon manufacturers to align the sensory experience so that it reinforces the benefit – creating a placebo effect. Barker also spoke about the emerging A-Beauty or African beauty trend, forecasting that A-Beauty is well-placed to engage a global audience.

Interest in emerging food tech

To conclude the event, panellists discussed the willingness shown by South African consumers to try emerging food tech. Figures show that 71% of South Africans are willing to try animal-free dairy, and 51% are willing to try cultured meat. The figures are higher than those collected for markets such as US and UK.

For such technologies to succeed, the importance of framing was underlined. "When it comes to shifting consumers to more sustainable products, we must desist from framing the new thing as a substitute or defining the new thing by what it isn't. History tells us that these approaches will confine the new thing as a niche thing forever more," noted Wardlaw.