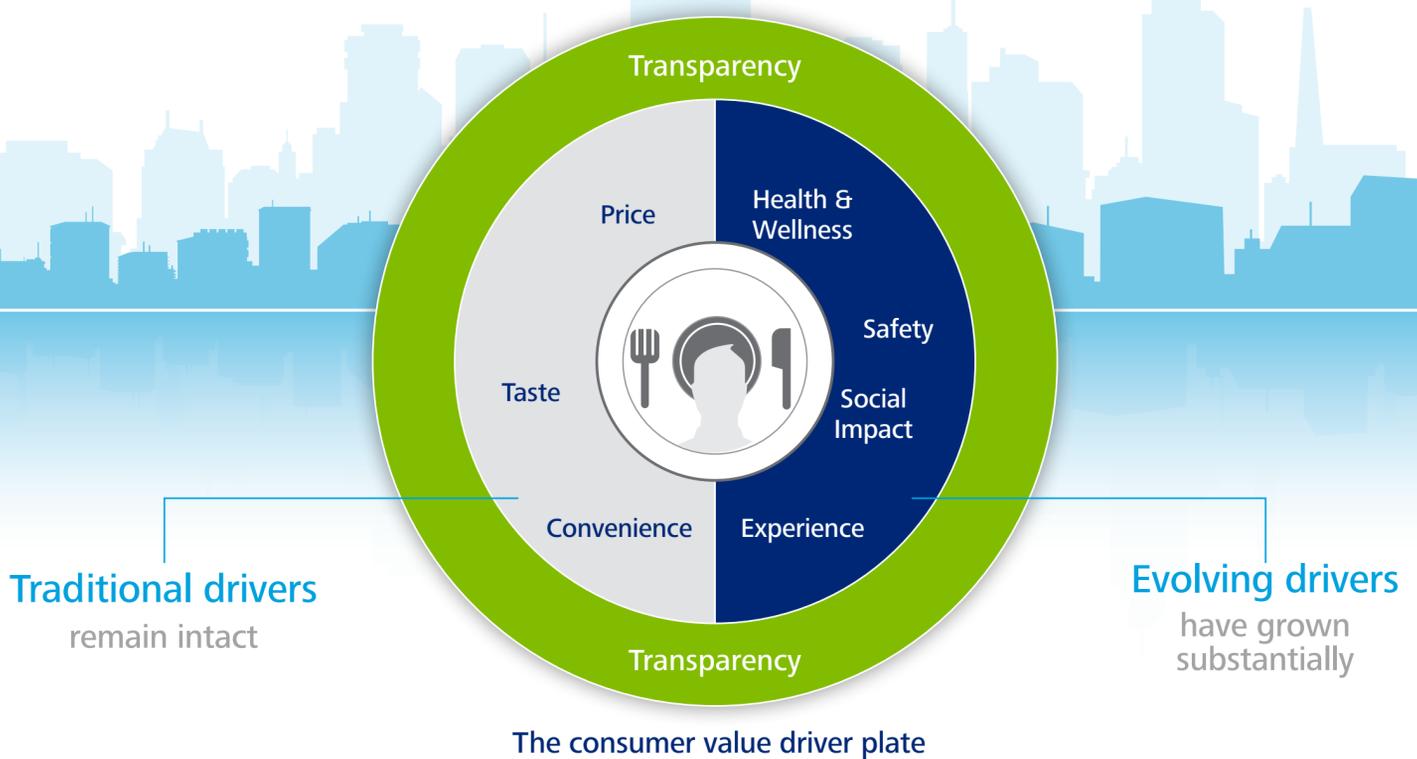
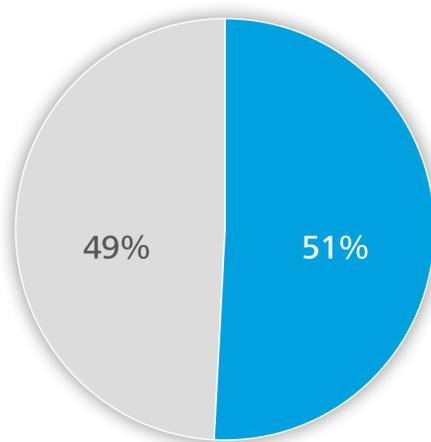


# Capitalizing on the shifting consumer food value equation



## Evolving drivers: A pervasive shift

“Traditional” Consumers Say They Prefer Traditional Value Drivers



“Evolving” Consumers Say They Prefer Evolving Value Drivers



Among the 51% of consumers with a preference for Evolving value drivers, three distinct buyer groups emerge

Each with distinct preferences for components of the emerging driver, Health & Wellness



77%

“Balanced health” buyers who have a preference for Evolving drivers

Linked to “Health & Wellness” and “Nutritional Content”



83%

“Free from” buyers have a preference for Evolving drivers

Linked to “Free of harmful elements”



95%

“Naturally oriented” buyers have a preference for Evolving drivers

Linked to “Organic, non-GMO, all natural” and “Limited processing/preservatives/artificial ingredients”

### Consumer-led disruptions confronting the food industry

Digital technology

Democratization of information

Distrust of the established food industry

Evolving drivers is highly correlated to social media and democratized information

|  | Traditional driver preference | Evolving driver preference |
|--|-------------------------------|----------------------------|
| Consumers with Evolving Driver preference that actively research information about food and beverage topics in the media | 16%                           | 32%                        |
| Those that share information on social media and online sites  | 11%                           | 17%                        |



### Health & Wellness

The average consumer seeks 15.3 pieces of information related to Health & Wellness

5.4 claims on the front of the package

9.9 nutritional content facts on the back

### Many new attributes are now part of consumers’ definition of Safety

The top 5 attributes surveyed consumers ranked in importance



Free of harmful elements



Clear and accurate labeling



Clear information



Fewer ingredients



Nutritional content

### What does this mean for the food industry?

1.

Consumer tastes & preferences continue to fragment

2.

Retailers’ role influencing consumer purchase decisions increasing

3.

Smaller, newer companies will leverage new technologies, 3rd party relationships, and improved engagement to earn consumer trust and to compete

4.

Larger competitors will adjust to fulfill new, unique value propositions

5.

Market success will be determined by building purpose-driven competitive advantages