THE QUEST FOR CONVENIENCE
Rising internet penetration, denser urban locations, faster paced lifestyles and challenging working hours are adding more and more layers of complexity to consumers’ lives. According to the World Health Organization, “workplace stress is the health epidemic of the 21st century,” and multiple agencies have tracked the steady rise of anxiety related illnesses around the world. Consumers are feeling more stretched than ever before, and are increasingly striving for convenient solutions which help to simplify their busy lives.

Around the globe, consumers need and look for convenience in all forms—whether simplicity, time saving or suitability. When it comes to the fast-moving consumer goods (FMCG) space, convenience is not only about store formats, products or packaging. It means more than the latest technologies or new engagement strategies. Rather, it is about every encounter, interaction and action that can help fulfil consumers’ growing demand for efficiency.

The Nielsen Quest for Convenience report looks at changing consumer needs around the world, specifically focusing on factors driving consumers’ increasing need for convenience, to provide global FMCG players with key insights, indicators and solutions to successfully tap into the rapidly rising need for convenience.
The hyperconnected, hyperlife of today’s consumers

Around the world, today’s consumers are leading increasingly hectic lives, and work-life balance is regularly cited as one of their biggest concerns. Busy consumers are demanding products, places, spaces and processes to help overcome everyday obstacles to effortless living. Shortcuts, cheats, easy-to-use, automated, intelligent and digitised options for every conceivable lifestyle item, incident and interaction are the order of the day.

This growing demand for convenience presents manufacturers and retailers with myriad opportunities. New, innovative and integrated convenience solutions are being brought to market at speed to address multiple consumer challenges. However, for sustained success, companies will need to adapt and enhance their convenience solutions as consumer needs rapidly evolve. To do so effectively means being ahead of the game – understanding, before your competitors do, how consumer demand will change and what solutions will help.

For sustained success, companies will need to adapt and enhance their convenience solutions as consumer needs rapidly evolve

Today, convenience transcends products, services and store channels. Packaging, preparation, storage, portability, disposal, ordering, replenishment and fulfilment, as well as device, payment and application technologies are all key considerations in providing an overall convenience experience.
RE-DEFINING CONVENIENCE

**Nairobi, near future:** It’s early in the morning and you’re walking to the taxi rank to catch a ride to work. You stop at the corner kiosk to purchase a ready-made cup of tea, a few slices of fruit for breakfast and a tube of glue to repair your shoe. You use M-Pesa (mobile money) to pay the bill and flag down the matatu (taxi). During the commute you transfer money to your son up-country to buy stationery for school and then you connect to the taxi wi-fi to watch highlights from last night’s football game. Upon arriving at your destination, you settle your taxi fare via M-Pesa.

**London, near future:** You’re heading home after a long day at the office. Your connected watch assesses traffic conditions and identifies quick-service restaurants nearby. It selects a restaurant and meal based on your dietary preferences and a scan of your vital signs to ensure an appropriate calorie intake. The watch orders the food, pays the bill via your connected wallet and then navigates a drone to meet you on your walk to the train station. By the time you reach home your watch has received a discount coupon for your next visit to the restaurant.

As these scenarios show, convenience means different things to different consumers. Circumstances, culture, location, market maturity and technology are key influences and are driving the need for FMCG convenience solutions tailored to cater to different segments of society and geographical areas.

No matter where or for whom, at its essence, convenience has three core attributes: ease, utility and simplicity. In providing these, convenience solutions can enable more fulfilment, enjoyment and balance in consumers’ busy lives. To deliver true convenience, these three attributes must be the foundation for the entire consumption, shopping and engagement spectrum.
CONVENIENCE UNVEILED

WHAT IS DRIVING CONSUMER LIFESTYLE CHANGES?

WHAT SOLUTIONS ARE CONSUMERS SEEKING?

HOW CAN COMPANIES BEST PROVIDE CONVENIENCE?

PRIMING THE NEED FOR CONVENIENCE

ENHANCING CONSUMPTION, SHOPPING AND ENGAGEMENT EXPERIENCES

SATISFYING DEMAND FOR EASE, UTILITY, SIMPLICITY
ANTICIPATE CHANGE:

WHAT’S DRIVING CONVENIENCE?

Many factors, or drivers, are influencing the growing global demand for convenience. Although the convenience trend is evolving in various ways and at different speeds depending on the region or country, it is happening nearly everywhere in the world. By understanding what drives convenience across various marketplaces, FMCG companies can question assumptions, create better strategies and develop agile, forward-focused plans to satisfy consumer demand.

Six key drivers of change are shaping the need for convenience solutions and can be used as a foundation for identifying future needs:

1. Rapid Urbanization
2. Smaller Households
3. Crowded Transport
4. Evolving Gender Roles
5. Generational Needs
6. Uptake of Technology

KEY QUESTIONS TO CONSIDER:

- How might each driver of change influence our consumer and retail environments?
- How will a combination of these drivers play out?
- What is the expected impact on consumption, shopping and engagement?
- How should our company respond?

RAPID URBANIZATION

Throughout the world consumers are flocking to urban areas in search of greater employment prospects, better infrastructure and services, and a wider array of lifestyle options. By 2025, 58% of the world’s population will live in cities or towns — that’s 752 million more people than today. Half of these additional people will be in Asia and nearly a quarter in Sub-Saharan Africa. The most urbanised regions in 2025 will be North America (83%), Latin America (82%) and Europe (75%)\(^{(1)}\). But other regions will continue to urbanise at a faster rate, especially Asia, Sub-Saharan Africa, the Middle East, North Africa and Pakistan.

The majority of consumers already live in cities and towns and the evolving structure of urban living environments increasingly means a faster pace of life with more demands on consumers’ time. To better cope with urban lifestyle challenges, consumers will continue to seek new ways to streamline their lives. In their convenience choices, consumers...
will want more efficiency and greater utility and will increasingly use advanced technology, where available, to aid their decision making. FMCG companies need to leverage intuitive technology to identify the key consumer touchpoints and provide solutions that help consumers meet their needs.

2. **SHRINKING HOUSEHOLDS**

With increasing population density, limited space for new housing and high property prices, many consumers are downsizing their physical living areas. The need for big homes is also decreasing as a result of smaller or single-person households, especially in more mature markets. Homes in South Korea — the world’s third most densely populated country — average just 725 square feet. Meanwhile, the average household size there is currently 3.1 people and we expect this figure to drop to 2.4 by 2025(9). Worldwide, the average household size ranges from two to nine people(2) and is declining as fertility rates continue to fall. These trends are driving a shift in consumer behaviour. In smaller dwellings, for example, meal preparation, storage, disposal and eating areas need to be rationalised and this is seeing consumers reconsider their product choices, usage patterns and shopping dynamics. FMCG companies will need to focus more on space-saving packaging, multi-usage products, single-serve offerings and optimal family-sized meal options.

3. **CROWDED TRANSPORT**

Limited land and high investment costs are major barriers for many urban areas to develop the transport infrastructure needed for their fast growing populations. In many cities, congestion is increasing, car ownership is declining and consumers are increasingly spending more time in commuting on public or shared transportation. Globally, consumers average two hours of commuting everyday(4), with city dwellers in developing countries such as Mexico, Thailand, Indonesia, China, Turkey and Brazil face the most congestion and longest commutes globally(9).

With more time spent “on the road,” consumers have less time at home for cooking and cleaning, and meals are often consumed on-the-go. Consumption and shopping choices are evolving to match their busier lives, opening up opportunities for manufacturers and retailers to consider more multi-tasking home products, ready-to-grab meals in transit and transport zones, as well as e-commerce opportunities for commuter shopping.
4. EVOLVING GENDER ROLES

Today, 53.8% of working-age females participate in the labour force, up from 50.2% in 1980. This trend is occurring in countries around the world, and across all socioeconomic groups. With more women in the labour force, the traditional role of women to take care of shopping, cooking and other domestic duties is shifting to a shared role between men and women. And with the increase in dual working couples, convenience is factoring more importantly in their choices.

Manufacturers and retailers need to understand how shopper roles are evolving and execute new marketing strategies to suit consumer demand across genders in order to win a share of wallet.

5. GENERATIONAL NEEDS

People today are living longer than ever before and the global proportion of consumers aged over 50 is increasing, especially in the more developed countries. In North America and Europe, almost 40% of the population will be aged over 50 by 2025. Meanwhile, in some regions, younger generations will remain the dominant age segment. For example, consumers aged 19 years or younger will comprise 51% of the population in Sub-Saharan Africa in 2025 and 40% in the Middle East, North Africa and Pakistan.

Shifting age demographics also drive changes in consumer behaviour. Technology adoption, spending ability and spending focus varies considerably between generations and their convenience needs differ too. For example, in markets with ageing populations, easy-to-open packaging and home delivery may be more highly sought after, while in markets dominated by the millennial segment, consumers are more likely to look for space saving packaging, ready-to-eat meals and automated offerings. For the infant and school age households, healthy snacking and lunch box options may become more important to consumers. A solid understanding of evolving demographics in markets is essential for FMCG companies to tailor their convenience offerings to the needs of different age segments.
6. UPTAKE OF TECHNOLOGY

“TECHNOLOGY IN THE FMCG MARKET IS AT THE HEART OF CONVENIENCE. IT IS ESSENTIAL FOR MATCHING CONSUMER DEMAND FOR PRODUCTS AND SERVICES THAT ARE ‘RIGHT HERE...RIGHT NOW...AND RIGHT FOR ME’”

PEDRO MANOSALVA
RETAIL VERTICAL, DEVELOPING MARKETS, NIELSEN

“To date, most solutions are based on consumer ‘search’ matching solutions to a consumer’s geo-location,” adds Manosalva. “But consumer inputs are becoming increasing automated, factoring in consumers’ past purchases and preferences, connecting to other parts of their lives including health considerations, price history, daily schedules and much more. Soon consumers will simply get a prompt from their device asking whether it should order a salad to be picked up at the store as they travel to their 1:30 p.m. meeting. This type of customization and programmatic consumption based on consumers’ data won’t just happen in mature markets either. It is equally relevant in emerging markets as local players adapt to circumstances and connectivity via internet and personal devices continue to grow.”

The scope and scale of technology has exploded in recent years, driving a fundamental transformation in the way consumers incorporate and utilise digitisation in their lives. Global internet access will reach 52% by 2020(7), while growing smartphone penetration and the rise of smart homes, buildings and cities, in both virtual and physical worlds, will escalate consumer capability and connectivity to services and help streamline their lives.

In this increasingly “on-demand” environment, consumers will have more control to customise, personalise and summon products and services where and when they need them. Retailers and manufacturers will need to match these “in the moment” needs, leveraging individual data to develop solutions for, and deeper relationships with their consumers.
WHAT SOLUTIONS ARE CONSUMERS SEEKING?

Consumers don't articulate “convenience” as the ultimate outcome they seek. Instead, they express the different activities within their day that they are trying to manage with greater ease, simplicity and utility.

The major convenience solutions consumers are seeking can be framed under three core areas for FMCG businesses: consumption, shopping and engagement. Equipped with this knowledge, manufacturers, marketers and retailers can better develop tailored solutions to satisfy the needs of their consumers.
CONSUMPTION EXPERIENCES

Globally consumers are rapidly shifting consumption of products such as food, beverages, household and personal care items. The days when meals were prepared and eaten with family at home around the dining table, when household duties were a dedicated role and when chores were not really an imposition, are becoming fewer and fewer. Today, meal and home care regimes are seen as competing with time to relax, entertain and exercise.

As a result, easy-to-prepare and ready prepared food options — including meal kits from physical stores or via subscription services — not only save time and energy, but can also be tailored to dietary and health preferences, an imperative for increasingly wellness conscious societies. These products hold massive and growing appeal, especially for younger and more affluent consumers. So far the uptake of these convenience options has been strongest in mature markets, but is set to grow in developing markets too as modern trade and internet penetration expand and suppliers establish competitive market offerings.

Consumers without the energy or inclination to cook are also adopting “send it home to me” services. One third (33%) of global consumers are using restaurant or meal delivery service and 7% do so weekly. (8)

The transformative potential for home meals — where kitchens and cupboards may disappear completely — could soon see a rise in the number of new products and services that historically might have only been envisaged in a sci-fi movie, such as capsule meal replacements and supplements, zero preparation plates, exothermic heating and technology empowered consumption, scan to cook, remotely activated meals, and virtual chefs and nutritionists. Digitised sourcing and replenishment of products using voice assistants, automated ordering and programmatic consumption will sculpt smarter and more convenient in-home consumption experiences.

On-the-go meals are becoming more common as consumers spend more time working and commuting. Swift mobile munching means consumers are looking for accessible, portable, nutritious and tasty out-of-home meal options. Grab-and-go meals from quick-service, fast food and street vendors are on the rise — 57% of consumers globally have visited a fast food outlet in the past six months. (8)
Meanwhile, many meals are being completely replaced by snacks. Snacking is more than just an indulgence or sweet treat, it has become purposeful. Manufacturers and retailers have the opportunity to create smarter, fresher and healthier options, and in smaller and more frequent formats.

**SNACKING AS A MEAL REPLACEMENT**

**BREAKFAST**

52%

**LUNCH**

42%

**DINNER**

40%

Source: Nielsen Global Snacking Survey (9)

**BREAKFAST SNACKS ARE THE MOST SOUGHT AFTER**

With the nature of convenience being more immediate and less pre-planned, technology may only be part of the solution. While the prevalence of quick-service meals delivered to the office or home will increase, smaller snacks — a sandwich or cup of coffee — may still be most efficiently obtained at the nearest convenience store or vending machine.

We are likely to see more in-the-moment solutions being developed through collaborative partnerships. In June 2018, the Southeast Asia ride hailing app Grab partnered with the U.S.-based in-car e-commerce start-up Cargo to launch Grab&Go in Singapore. This new initiative has seen Grab cars become mobile convenience stores that stock snacks, drinks, personal care products and other items to cater to commuters’ needs on the go.
OUT AND ABOUT...

Lunch and dinner are the meals most likely to be substituted with out-of-home dining options, with 39% of global online consumers opting to eat outside on a weekly basis, and as many as 48% of consumers in Asia-Pacific and 47% in North America grabbing meals on the go.

FMCG manufacturers need to consider the entire consumption spectrum, including both in and out of home, to capture share of wallet and grow their brand.

No matter where they’re eating or how they’re cleaning, consumers are looking for more suitable products.

GLOBAL CONSUMERS WISH THERE WERE MORE:

- **27%**
  - Products that make their lifestyle easier

- **26%**
  - Products that are convenient to use

- **20%**
  - Products for small and family households

- **19%**
  - Products tailored to specific needs

Source: Nielsen Global Innovation Study (10)
SHOPPING EXPERIENCES

Retail concepts are the most referenced experience when it comes to convenience, especially small, physical store formats and, more recently, the growing e-commerce environment. But the perception of convenience is not limited to any single physical store format or virtual channel. Streamlined services, digital experiences and frictionless commerce are converging with the “bricks and mortar” and e-commerce worlds to shape new shopping experiences that provide personalised and on-demand ease, utility and simplicity.

The retail landscape is also being reshaped by evolving shopper missions. Busy, commuting consumers who live in smaller spaces increasingly find shopping to be a chore (46% globally)\(^1\). One result is that stock-up grocery shopping trips are being replaced by smaller, more frequent, needs-based shopping trips — currently 10%\(^1\) of shoppers buy just for today’s meal. Augmented and virtual reality are helping shoppers avoid trips to physical stores for fashion, services and durable purchases. However, while the use of technologies such as these will increase in the FMCG space, there are more barriers, especially for food shopping, where virtually assessing the quality of fresh produce is difficult.
Offline: Will the physical store cease to exist? In the FMCG space, the answer is almost certainly no. The growing demand for more immediate, need-based replenishment will continue to be satisfied by offline channels. However, these channels will need to adapt as consumers seek proximity and speed. Stores located along busy traffic routes that provide efficient in/out and click and collect offerings will continue to grow in popularity. Globally, bigger stores are not necessarily better as they can be farther away and harder to navigate than smaller formats. Indeed, across all regions, smaller stores are outpacing the growth of large stores and taking market share with 25% of FMCG sales and 70% of shopping trips. They often have the advantage of proximity, and are well placed to optimise their assortment of products and services, as smaller formats have traditionally been limited to essentials and snacks. Whether branded or independent, small stores are well placed to tap into shoppers’ convenience needs.

Within all physical stores, time conscious consumers are willing to embrace technology if it enhances their in-store experience. Handheld scanners, self-service checkouts and automated payment facilities can provide convenience. However, sometimes these technologies are implemented with more enthusiasm than actual utility. All offline formats need to reconsider their broader relevance and role, including their digital in-store options. Small format stores need to go beyond conventional offerings and look to expand their fresh and healthy snacks and add “snackable” services. Large format stores need to capitalise on their substantial floor space by adding more personalised services, deeper engagement and smart technologies to speed up and improve the shopping experience.

Retailers should aim to harvest location-based information to better serve local consumers through improved discovery and delivery, which will enable consumers to engage services more readily based on their immediate circumstances. This starts with automation and pre-empting consumer needs and preferences before they reach the store. For example by mining data from loyalty schemes, retailers can design tailored solutions and provide better automated payment services, promotions and reward schemes.

“We’ve seen how technology can make online shopping more efficient, with lower prices, more selection and increased convenience. We are about to see the same thing happen to offline shopping”

Hal Varian
Chief Economist, Google
“Convenience solutions can greatly enhance physical retailing—think cashless and automated payments, grab-and-go products, and click-and-collect,” continues Gale. “There will always be demand for physical stores, although in the evolving retail landscape, FMCG players will need Omni channel presence. Physical retailers that do this by leveraging their unique and strong consumer relationships, using the right technologies and by focusing on convenience solutions, will expand their touch points with consumers and enjoy sustained success.”

Omnichannel facilities can help provide the much needed “digital makeover” to integrate physical and virtual experiences. Today’s off and online purchasing actions rarely happen in isolation. Advertising still has varying levels of influence around the world, but in addition to more conventional marketing practices, there are now a number of digital shopping activities that precede and succeed the path to purchase. These actions help to inform decision making, add value, transparency and interaction, and ultimately lead to better buying experiences for consumers.
CONSUMER ACTIONS DURING VARIOUS STAGES OF PURCHASE CYCLE

PRE-PURCHASE

DEFINITELY WILLING TO

53%
CHECK / COMPARE PRICES

36%
USE ONLINE / MOBILE SHOPPING LISTS

35%
USE SOCIAL MEDIA TO AID PURCHASE DECISIONS

MID-PURCHASE

52%
LOOK UP PRODUCT INFORMATION

34%
SCAN QR CODES TO ACCESS PRODUCT INFO

26%
DISCOVER NEW PRODUCTS VIA SOCIAL MEDIA

POST-PURCHASE

44%
SEARCH FOR DEALS, PROMOS, COUPONS

36%
USE STORE WI-FI TO GET INFO / OFFERS


Online retailing has been propelled by connected and “in control” consumers who value the time and ease that e-commerce brings to their lives. FMCG online sales are growing an estimated five times quicker than offline sales, and by 2022(14), global FMCG e-commerce will be worth more than US$400 billion and comprise 10%-12% of overall FMCG market share. Asia — especially China and South Korea — has led the adoption of e-commerce, but other regions are growing quickly too.
ONLINE PURCHASING TRENDS

% OF CONSUMERS WHO HAVE EVER PURCHASED THESE PRODUCTS / SERVICES ONLINE

<table>
<thead>
<tr>
<th>Category</th>
<th>2016</th>
<th>CHG 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beauty / Personal Care</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>Furniture / Decor</td>
<td>49%</td>
<td>50%</td>
</tr>
<tr>
<td>Electronics</td>
<td>40%</td>
<td>43%</td>
</tr>
<tr>
<td>Event Tickets</td>
<td>7%</td>
<td>2%</td>
</tr>
<tr>
<td>IT &amp; Mobile</td>
<td>37%</td>
<td>35%</td>
</tr>
<tr>
<td>Meals</td>
<td>33%</td>
<td>33%</td>
</tr>
<tr>
<td>Medicine / Health</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>Meal Delivery</td>
<td>23%</td>
<td>21%</td>
</tr>
<tr>
<td>Medicine / Health</td>
<td>12%</td>
<td>10%</td>
</tr>
<tr>
<td>Make-up / Beauty Care</td>
<td>13%</td>
<td>10%</td>
</tr>
<tr>
<td>Mobile / Mobile</td>
<td>10%</td>
<td>8%</td>
</tr>
<tr>
<td>Music / CD / DVD</td>
<td>19%</td>
<td>18%</td>
</tr>
<tr>
<td>Personal Care</td>
<td>21%</td>
<td>17%</td>
</tr>
<tr>
<td>Pets / Pet Supplies</td>
<td>11%</td>
<td>10%</td>
</tr>
<tr>
<td>Pet Supplies / Toys</td>
<td>15%</td>
<td>11%</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>People's Choice</td>
<td>11%</td>
<td>6%</td>
</tr>
<tr>
<td>Kids / Toddlers / Babies</td>
<td>12%</td>
<td>13%</td>
</tr>
<tr>
<td>Electronic Components</td>
<td>10%</td>
<td>8%</td>
</tr>
<tr>
<td>Gaming / Televisions</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Toys / Games</td>
<td>10%</td>
<td>6%</td>
</tr>
<tr>
<td>Home Appliances</td>
<td>55%</td>
<td>49%</td>
</tr>
<tr>
<td>Home / Garden Supplies</td>
<td>49%</td>
<td>50%</td>
</tr>
<tr>
<td>Home Office / Office</td>
<td>47%</td>
<td>45%</td>
</tr>
<tr>
<td>Clothing / Fashion</td>
<td>43%</td>
<td>43%</td>
</tr>
<tr>
<td>Books / Music</td>
<td>33%</td>
<td>33%</td>
</tr>
<tr>
<td>Travel Planning</td>
<td>33%</td>
<td>30%</td>
</tr>
<tr>
<td>Gift Cards</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Event Tickets / Gifts</td>
<td>20%</td>
<td>18%</td>
</tr>
<tr>
<td>Home Improvement</td>
<td>27%</td>
<td>26%</td>
</tr>
<tr>
<td>Home / Garden Supplies</td>
<td>28%</td>
<td>27%</td>
</tr>
<tr>
<td>Household Care</td>
<td>26%</td>
<td>11%</td>
</tr>
<tr>
<td>Health / Medical Care</td>
<td>11%</td>
<td>14%</td>
</tr>
<tr>
<td>Paint Supplies / Tools</td>
<td>15%</td>
<td>6%</td>
</tr>
<tr>
<td>Pet Supplies / Toys</td>
<td>12%</td>
<td>13%</td>
</tr>
<tr>
<td>Personal Care</td>
<td>10%</td>
<td>8%</td>
</tr>
<tr>
<td>Video Gaming / Streaming</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Pkg Groceries</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Footwear / Shoes</td>
<td>6%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Source: Nielsen Global E-Commerce Study (13)

While FMCG e-commerce has lagged behind online sales of durables and services, the growth potential is enormous and gaining pace, although its uptake varies in markets and regions. More and more consumers are looking to purchase FMCG products online, with convenience being one of the major motivators. In response, retailers need to develop or sharpen their e-commerce services.

To ensure that their e-commerce offerings meet consumer demand for convenience, retailers’ online services should include:

- Same day replacement for incorrect orders
- Precise delivery windows that suit consumer’s schedules
- Rapid responses to special consumer requests
- A range of convenient collection points and home delivery options
Whether shopping online or offline, consumers are seeking a more efficient and enjoyable experience. Large, small and virtual stores need to be infused with positive sensory encounters, relevant services, and technological capabilities that provide ease, utility and simplicity.

Eliminating mundane shopping actions with programmatic functions, automated lists and subscriptions that utilise artificial intelligence, augmented reality and virtual reality as well as other technologies, are the way forward. Technologies clearly have a vital and growing role in enhancing more convenient shopping experiences. They can help provide in-store, store-on-the-go and store-at-home experiences tailored to unique shopper preferences, delivered directly to their door or ready for collection.

Omnichannel and online shopping has opened up doors to global brands and provides consumers with endless — sometimes overwhelming — product choices. Retailers and manufacturers that can integrate individual consumer learning will be well-placed to provide easier, more relevant and more personalised shopping experiences.
ENGAGEMENT EXPERIENCES

ALWAYS ON...AND...ON DEMAND

No matter whether it is before, during or after consumers eat, clean or shop; there are more opportunities and means to engage consumers than ever. The arrival of the internet and mobile phones has been a game changer for engagement. Initially conceived for accessible communication and information, mobile connectivity is about much more than just staying in touch or in the know — mobile phones have become the accessory for just about everything in consumers’ lives. Hyperconnected and hyper-available, 75% of global consumers enjoy the freedom of being connected anytime, anywhere.\(^{15}\)

Connected devices and platform fragmentation provide more convenient, on-demand and interactive ways to view, read and listen to content. And for FMCG manufacturers and retailers, this enables more tangible links with consumers, from product discovery to purchase outcomes — 55% of consumers have bought a product after first learning about it on social media.\(^{16}\)

Accordingly, marketers are reallocating their advertising spend based on ever increasing data and information about consumer engagement and touchpoints. This is enabling companies to create more relevant and personalised content to engage with their target audiences. Content, including advertising, is increasingly video enabled and interactive, and by leveraging local creators and influencers it provides more authentic experiences and recommendations.

Digital players such as Google and Amazon are merging advertising and e-commerce platforms to seamlessly connect engagement to specific purchase outcomes.

In many regards, connected consumers are navigating their own engagement path. Born-digital generations know no different. Manufacturers and retailers can use every touchpoint in the engagement environment to enhance experiences for better purchase results. FMCG players need to be fully immersed in the search, social and shopping spaces and explore new ways to identify consumer interests and needs and provide seamless connections to satisfy them. Retail companies can build brand exposure via new exchange platforms, and amplify their marketing interactions to develop lasting connections to automate the purchase journey.

COMPLETE CONSUMPTION, SHOPPING AND ENGAGEMENT EXPERIENCES NEED TO INTERTWINE PRODUCT, PLACE, PURPOSE, PROCESS AND TECHNOLOGY WITH EASE, UTILITY AND SIMPLICITY.
SUCCEEDING IN A GROWING WORLD OF CONVENIENCE

The foremost point to appreciate is that convenience does not mean the same to everyone, everywhere or everything. Convenience is about relieving the burden of routine tasks to give back time to consumers, so they can do what they value most. Generally, consumers would value the simplicity and efficiency of booking a restaurant online but may not appreciate being ushered out the restaurant doors 20 minutes after being seated. Consumer-facing companies should consider their purpose, strategy and objectives together with an understanding of the consumer pain points they are aiming to solve, and explore if there are opportunities to deliver convenience, via greater ease, utility or simplicity.

For FMCG companies, and many other industry players, the quest for convenience starts with many areas to consider and explore. Consider the following questions to determine how your business can adapt or innovate to meet consumers’ needs for convenience and economies of time:

✔ Is my company “future-ready”? How are we considering the changing macro environment drivers that impact consumer lifestyles? How will consumers interact and engage with retailers and brands moving forward?

✔ How can we understand consumers’ pain points and deliver on the benefits of convenience? Is our corporate charter and business model agile enough to adapt to these emerging trends. Can we embrace new and different technologies to fulfil consumers’ evolving requirements?

✔ Is convenience at the centre of my company’s strategy?
SOME WAYS TO THINK ABOUT CONVENIENCE:

### CONVENIENCE IN HOME

- Digitize routine purchasing missions by automating replenishment functions.
- Collaborate with “smart home” developers to understand the role evolving technology systems, such as voice activation and facial recognition, will play in consumers’ lives.
- Include the essentials of e-commerce and home delivery to provide products and services at the right time and in the right place to suit consumer requirements.
- Design and package products and services for smaller families, singles, shrinking kitchens, the elderly — with a focus on ease of preparation/use, storage and disposal.

### CONVENIENCE IN STORE

- Consumption: provide in-store eating spaces, (order ahead) grab and go options and nutritious snacks, adjusted for time of day. Add product function; portable, stackable, self-heating.
- Services: provide value added services such as pharmacy/health, beauty, banking, delivery for aging consumers. Offer digital services—product information, mobile grocery lists, best-buy recommendations, new product discovery and programmable technology to enhance the consumer experience and personalise to their needs.
- Shopping: provide augmented/virtual reality apps to efficiently navigate stores, increase store technology methods for speedy service (self-scan, automatic basket capture, teller-less, cashless, click and collect).
- Leverage the power of “data analytics” to personalise shopping experiences, maximise the physical and virtual locations and occasions—using the store as a center for an omnichannel interactions, and using real time loyalty data to serve customized offers, based on previous interest or purchases.
CONVENIENCE AS PART OF LIFE

- Tap into consumers’ connected lifestyles using digital assets and data, to understand their circumstances and needs (even before they do). Serve personalised, customised marketing and programmatic consumption solutions.

- Maximise omni-channel presence and interactions, using location details to extend your reach further than home and workplace (e.g. snacking, on-the-go, food service, quick-service restaurant collaboration), with numerous delivery options to home, office, vehicle, transit zone, drone delivery.

- Ensure your brand connects at all levels in all ways – consumers will increasingly take action due to momentous brand experiences. Your brand must be personable and relatable, making it easy for consumers to communicate with you and connect to purchase outcomes.

The Quest for Convenience has never been greater. While markets, brands, stores and services are at different inflection points on this quest, one thing is clear—a comprehensive understanding of consumers’ circumstances and pain points gives companies a clear connection to the different opportunities and solutions that consumers seek. Solutions that create ease, utility and simplicity in consumers’ busy lifestyles are the ones that will succeed. Convenience has evolved to more than a specific product attribute or store format. It has become the quest to fulfil unmet needs, and as technology evolves, consumers will continue to look for in-the-moment solutions. It’s up to retailers, manufacturers and marketers to satisfy these moments of need with customised solutions, to give consumers back what they value most—time.
ABOUT THE QUEST FOR CONVENIENCE REPORT

The Quest for Convenience report looks at changing consumer needs around the world, specifically focusing on factors driving consumers’ increasing need for convenience, such as high density urban living, increasing commuting times and changing roles in our society. Around the globe, consumers need and look for different types of convenience - whether simplicity, time saving or suitability - across their consumption, shopping and engagement interactions.

SOURCES

1. The Conference Board (TCB) Global Consumer Confidence Survey, in collaboration with Nielsen. Top 1 and 2 concerns, Quarter 1, 2018
2. United Nations, Department of Economic and Social Affairs, Population Division, 2017
3. Reproduced with permission by the © Economist Intelligence Unit
4. theguardian.com
5. tomtom.com, Traffic Index 2016 Measuring Congestion
7. Reproduced with permission by the © Economist Intelligence Unit
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At Nielsen, data drives everything we do—even art. That’s why we used real data to create this image.

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