

INITIALS CX

Trends Report

December 2023

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As we step into the New Year, it's crucial to reflect on the significant marketing trends that shaped the final month of 2023. December witnessed a blend of regulatory challenges, consumer behaviour shifts, innovative campaigns and strategic partnerships that set the tone for the marketing landscape. Here's a deep dive into these pivotal movements.

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HFSS Regulations

A concerning trend emerged showing retailers frequently breaching HFSS rules. A notable 25% of stores were found to position unhealthy foods prominently, disregarding regulations. This defiance underscores persistent enforcement challenges, as Trading Standards and health officers grapple with limited resources and staffing constraints. The situation is further complicated by legislative loopholes, which include exemptions for specific food categories and smaller stores. Recommendations have surfaced as a result: an urgent review of these regulations, a gpm advertising watershed and the introduction of multibuy restrictions on unhealthy food items.



Consumer confusion over HFSS and 'from concentrate' messaging



A report from Purity Soft Drinks highlighted a widespread misunderstanding among consumers regarding HFSS and 'from concentrate' labels. Alarming, less than one in six consumers are aware of the HFSS legislation, and a mere 4% can accurately define it. Additionally, there's notable confusion about 'from concentrate' juice, with a split in perceptions regarding its health implications.

Tesco's digital media expansion

Tesco made a significant leap by quadrupling the number of digital screens in its stores - now boasting the largest digital screen network in the UK grocery sector. This expansion underlines Tesco's commitment to providing dynamic advertising opportunities and supports various in-store campaigns and product launches.



Plant-based alternatives: Interest vs. hesitation

A study by HelloFresh and Kantar revealed an interesting dichotomy: while a significant portion of UK consumers (61%) expressed interest in plant-based meat alternatives, a substantial number have yet to try them. Concerns around preparation difficulty and cost were prominent, indicating potential areas for market growth and education.

Christmas spending trends amidst economic strain

The festive season saw a marked change in spending habits. With the cost-of-living crisis biting hard, the majority of UK shoppers planned to spend less on Christmas festivities compared to the previous year. This restraint was evident in reduced gift purchases, dining expenses, and grocery shopping - highlighting the economic pressures faced by consumers.



Christmas meals: Scaling back and diversifying

Financial pressures also led to a significant number of UK adults scaling back their Christmas meals. Interestingly, a shift towards incorporating diverse cuisines into traditional meals was observed, reflecting a blend of cultural influences in festive celebrations.



Marketing campaigns and partnerships



In terms of marketing campaigns and partnerships, December was a lively month. Colman's brought back its historical association with Norwich City FC, creating a buzz around the club's festive football matches with fan giveaways and video content. Smirnoff launched its new global campaign "We Do Us" in over 20 countries, promoting social togetherness and diversity. Meanwhile, Just Eat announced a nationwide partnership with Morrisons Daily, aiming to expand its on-demand delivery services to over 650 stores - marking a significant growth in the company's grocery and convenience sector. Iceland Foods brought a festive flair to online shopping with its 1p veg offer, while Insane Grain caught attention through its unique social media campaign that led to an investment from football star Harry Kane.

New product launches

In terms of new product launches, there was a flurry of activity aimed at capturing emerging consumer trends. Tesco introduced a pan-Asian party food range, aligning with shifting consumer preferences towards diverse cuisines. The Good Crisp Company made its UK debut with a gluten-free alternative to Pringles, tapping into the growing free-from market. Lucky Saint expanded its non-alcoholic beverage offerings with the introduction of a Hazy IPA. Strings & Things targeted the health-conscious consumer segment with its new Cheestrings twin-pack. Deliveroo sought to convert Brussels sprout sceptics with its limited-edition Christmas Sproutwich. Horlicks marked its 150th anniversary by bringing back its popular chewable malt tablets. Budweiser Brewing Group announced plans to launch a loyalty program for convenience store partners, and Lindt introduced its limited-edition Lindor Irish Cream for the festive season. Lastly, Soreen's reintroduction of its Christmas Loaf and limited-edition Mini Loaves catered to those seeking healthier seasonal snack options.



December 2023 was a month of dynamic shifts and creative endeavours in the marketing world. From tackling regulatory challenges to embracing innovative campaigns and responding to consumer trends, the industry continues to evolve rapidly. These trends not only reflect the current market dynamics, but also set the stage for future strategies in the ever-evolving world of marketing.



If you need advice or wish to collaborate, we'd love to hear from you. Our team is here and ready to work together towards your success.

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