

# Consumer Mid-year Review: Guide for 2025

Australia & New Zealand



# Welcome to Your 2025 Strategic Guide

## From Cautious to Intentional Consumption

At the beginning of 2024, the global outlook for consumers was pressured. But the climate has shifted in the last six months, opening windows of opportunity for resilient consumers to regain some confidence and spending power over time.

In this multifaceted analytical assessment of the state of consumers, we uncover what has changed, what disruptions remain, and what companies need to anticipate in the months ahead.

Australia and New Zealand Mid-Year Consumer Outlook: Guide to 2025 will provide a strategic roadmap for navigating how to win with vigilant, yet optimistic consumers over the next 12 to 18 months and beyond.

**Marco Silva**  
Director, Customer Success  
**NIQ**





# Guide to 2025

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Measuring resilience and 2025 spending growth

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Anticipating catalysts to change in 2025

Measure  
the past.



Monitor the  
present.



Anticipate  
the future.



# 1. State of Consumers

Measuring resilience and 2025 spending growth







### In this chapter:

- Shifting pressure points
- Top concerns influencing choice
- Future economic indicators

# State of Consumers

## Decoding the behavioral economics driving consumer decisioning

The global outlook for consumers is improving. Consumers are determined in their resilience to stay ahead, vigilant against further disruption and intentional about every aspect of their everyday spending. Some pressure points have shifted, but many have lingered in mind and body. In this climate, there is a prevailing mindset of determination, where any gains are being intentionally evaluated and repurposed wisely.

In this shift from cautious to intentional consumption, there is looming uncertainty around economic stability, personal solvency, and environmental health.

“Consumers will face uncertain and conflicting pressures in 2025. Over the last six months, growth momentum in some economic indicators appears to have slowed somewhat and may continue to cool toward more typical pre-pandemic paces. Consumer attitudes also remain soft in many advanced economies. But inflation is broadly renormalizing, and several central banks have already begun lowering or are about to lower interest rates. These developments should otherwise boost sentiment and help stabilize consumer spending, especially in interest rate-sensitive sectors like housing and durable goods.”



### **Ernie Tedeschi**

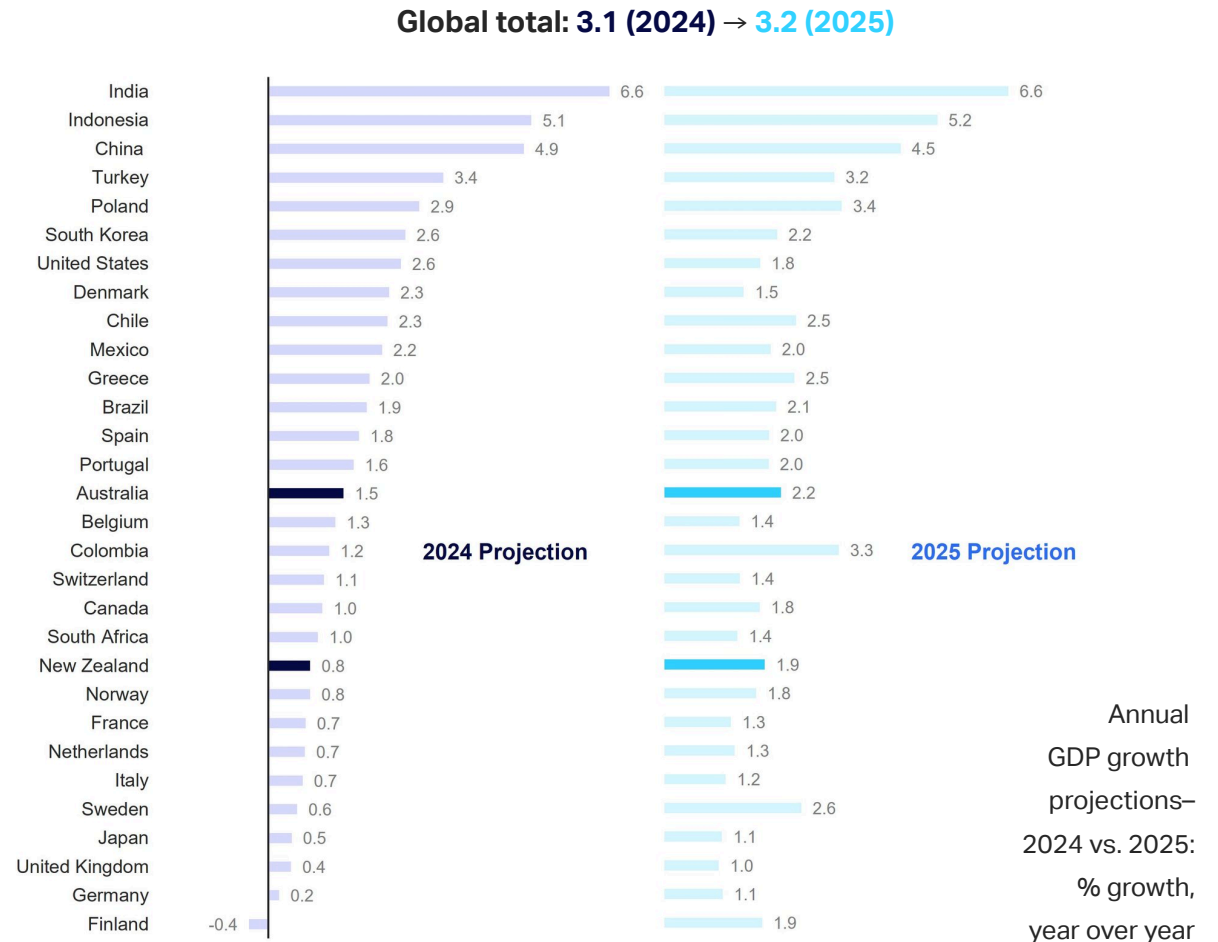
Director of Economics at The Budget Lab at Yale, Visiting Fellow, Psaros Center for Financial Markets and Policy at Georgetown University



## Steady global growth expected for 2024 and 2025, inflation expected to continue to ease

While the global economy is projected to experience steady growth in 2024 and 2025, with inflation easing, it's crucial to recognise that this optimism isn't universally shared. The OECD predicts variations in GDP growth across different regions, with advanced economies like those in Europe potentially facing weaker growth compared to the US and many emerging markets.

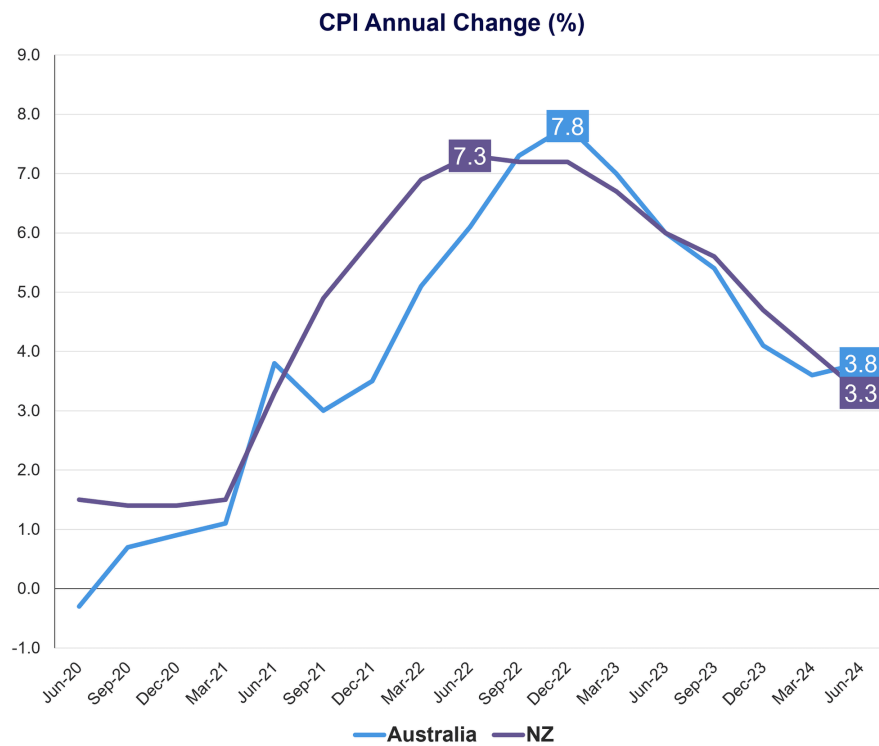
In this context, Australia and New Zealand are in an interesting position. Our growth trajectory, while expected to accelerate in 2025, sits below the global average. It's more aligned with the projected growth of Western European countries than the robust figures anticipated for the US.



Source: OECD Economic Outlook 115, GDP growth forecast

## Inflation continues to slow down across ANZ, although still above pre-pandemic levels

Inflation, another prominent economic indicator, has declined in both Australia and NZ, but it's still above the pre-pandemic levels of around 2% a year.



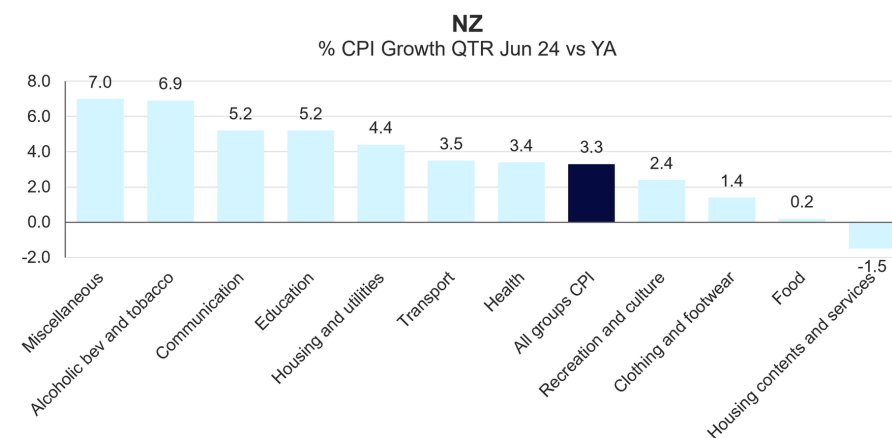
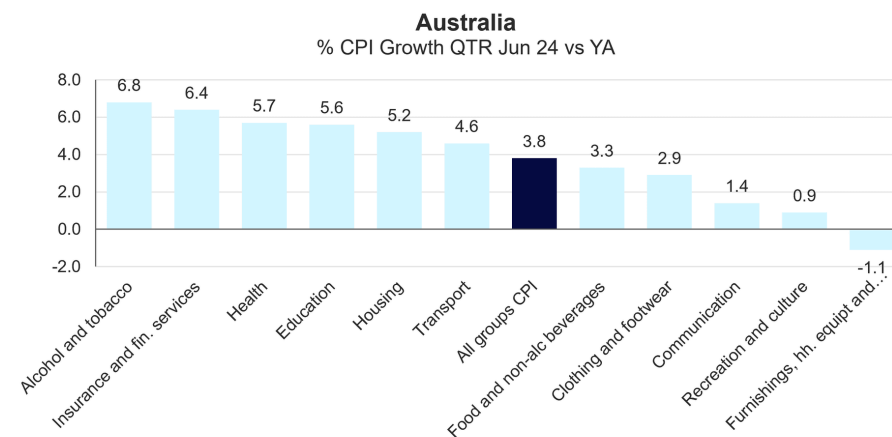
Source: NIQ Global Inflation Tracker, Measure of Eq Vol % Price Change, monthly measure of May 2024 vs. previous year. CPG total measured across a closed group of 225 consistent categories across 58 countries. Reflected in U.S. dollars.  
ANZ CPI: Australian Bureau of Statistics, Stats NZ





According to measures from International Monetary Fund (IMF), average consumer prices are expected to continually come down into 2026, offering potential relief. However, uncertainties persist, and the pace of this decline may be slower than anticipated, posing challenges in the fight against inflation. This could disproportionately affect financially vulnerable consumers, especially if interest rates remain high.

A swirling number of other unknowns — related to climate change, global conflict and the stability of employment — are all potential threats to the steady momentum being built. Thus, while the outlook ahead holds promise, consumers, governments and the world — at large remain determined, yet hesitant about what 2025 has in store.



Source: NIQ Global Inflation Tracker, Measure of Eq Vol % Price Change, monthly measure of May 2024 vs. previous year. CPG total measured across a closed group of 225 consistent categories across 58 countries. Reflected in U.S. dollars.  
 ANZ CPI: Australian Bureau of Statistics, Stats NZ



## Half of Australians still feel worse off financially, feeling the pinch of increased costs

The strength and determination of consumers is evident: In the past six months, we've seen rebounds in the percentage of the population who feel worse off financially compared with a year ago. Today 48% feel this way in Australia — a slight improvement from January, but still at same levels since early 2023.

Some pressures are harder to dodge. It's been impossible to completely escape the rising costs of living. In fact, among the consumers who said their financial situation is worse, 52% attribute it to increased costs of living — a compounding factor that is likely to weigh on wallets for some time.

The prolonged higher cost of living pressure impacts consumer perception about a recession — 37% of consumers in Australia believe we are currently in a recession, up from 30% in early 2024.



# 14%

of Australian consumers say they're in a **better financial position** compared to a year ago — **up 1%** vs. Q1 2024

# VS

# 48%

say they're in a **worse financial position** compared to a year ago — **down 4%** vs. Q1 2024



## Why?

# 52%

Due to increased costs: food prices, utility, interest rates, housing

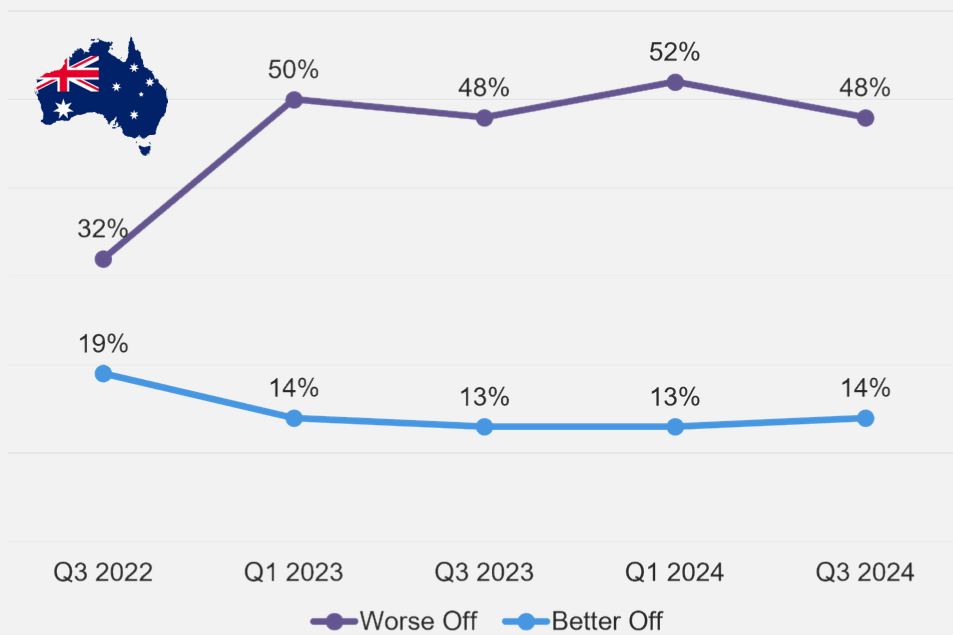
# 37%

Think we are currently living in a recession (vs. 30% in Q1 2024)

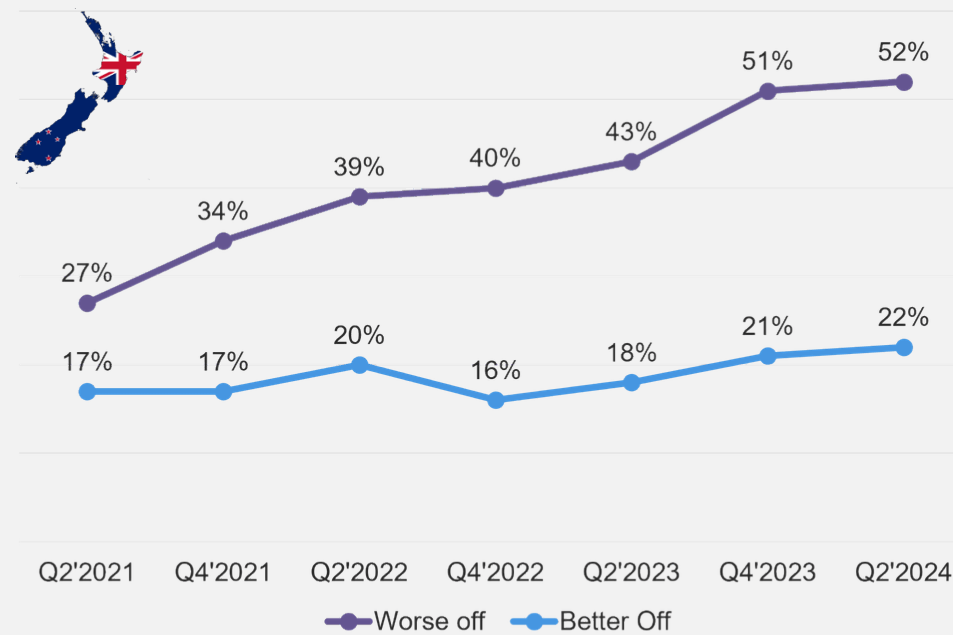
# 25%

Expect to be in a recession for the next 12 months (vs. 22% in Q1 2024)

### Consumer financial position. Sentiment year over year (% respondents)



Source: NielsenIQ Homescan Survey | Australia | Consumer Outlook  
 Q: In the last 12 months, my current household financial situation is...



Source: NielsenIQ Homescan Survey | New Zealand | Consumer Outlook  
 Compared to three years ago how would you rate your overall household financial situation?

## Half of New Zealanders also feel worse off financially, with 3 in 4 perceiving the current scenario as a recession

While in NZ, the situation is a bit worse, as we still have 52% of consumers saying they are worse off financially, but the perception of recession is much higher, with 75% believing that they are currently in a recession, and 35% saying they only have enough money for basics like food and shelter.



# 22%

of New Zealand consumers say they're in a **better financial position** compared to a year ago – **up 1%** vs. Q1 2024

VS

# 55%

say they're in a **worse financial position** compared to three years ago.



## Why?

# 75%

Think we are currently living in a recession (+21p vs Q4'23)

# 50%

Expect to be in a recession for 12+ months (same as Q4'23)

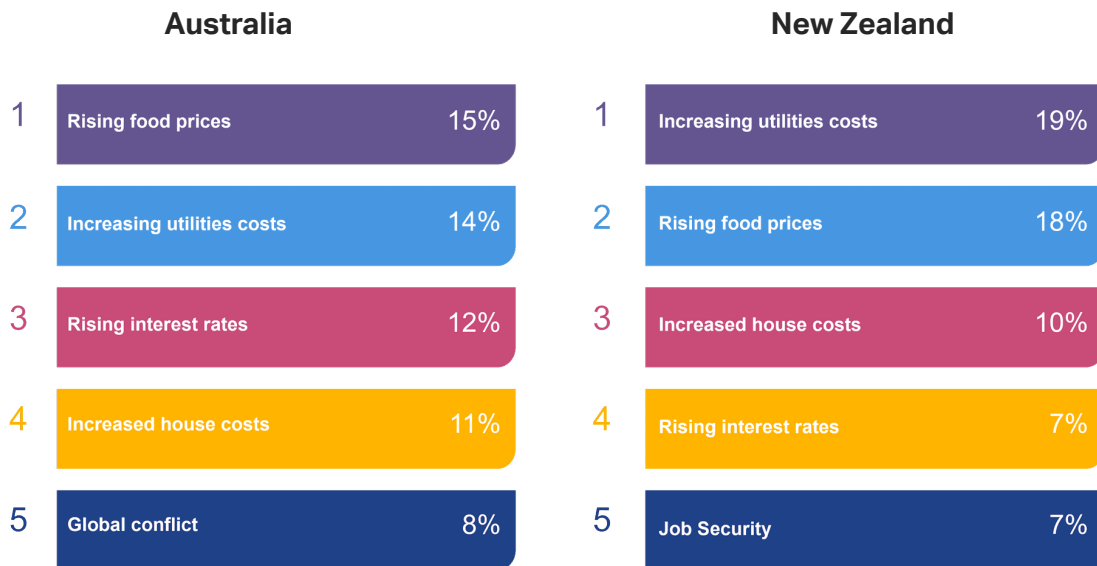
# 35%

Only have enough for food and shelter (+2pts vs Q4'23)



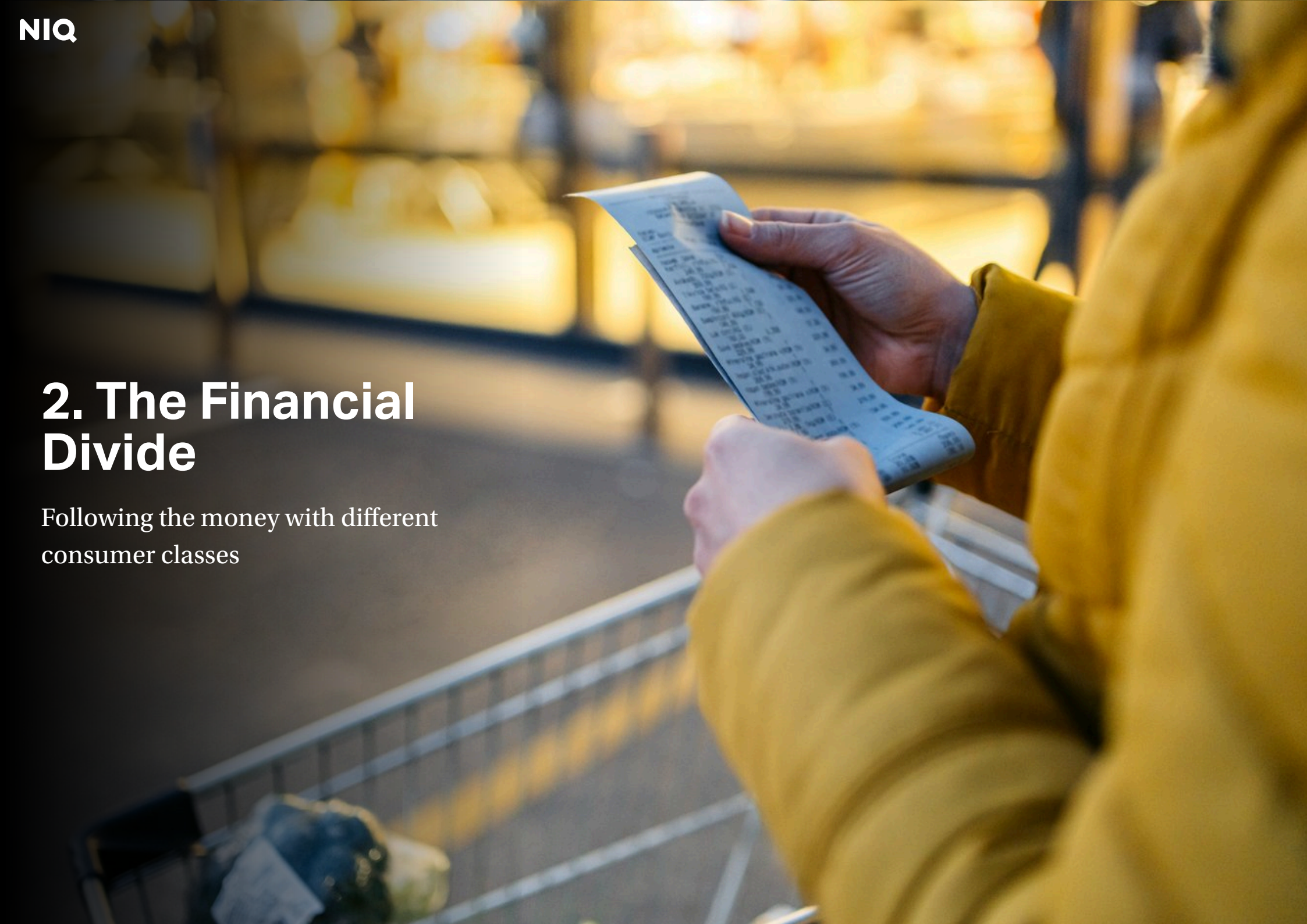
## Top concerns in both Australia and New Zealand are still related to higher cost of living

What's keeping consumers awake at night? As the chart illustrates, the top concerns for consumers in both Australia and New Zealand revolve around the rising cost of living. This echoes the anxieties seen in early 2024, where escalating food, utilities, and housing prices, coupled with higher interest rates, weighed heavily on consumer sentiment.



## 2. The Financial Divide

Following the money with different consumer classes







# State of Consumers

## Rising debt vs. unmatched wealth

The global outlook for consumers is improving. Consumers are determined in their resilience to stay ahead, vigilant against further disruption and intentional about every aspect of their everyday spending. Some pressure points have shifted, but many have lingered in mind and body. In this climate, there is a prevailing mindset of determination, where any gains are being intentionally evaluated and repurposed wisely.

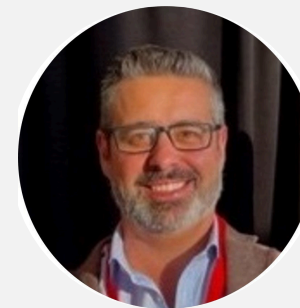
In this shift from cautious to intentional consumption, there is looming uncertainty around economic stability, personal solvency, and environmental health.

### In this chapter:

- Assessing the economic divide
- 2025 spending intentions
- Future growth expectations

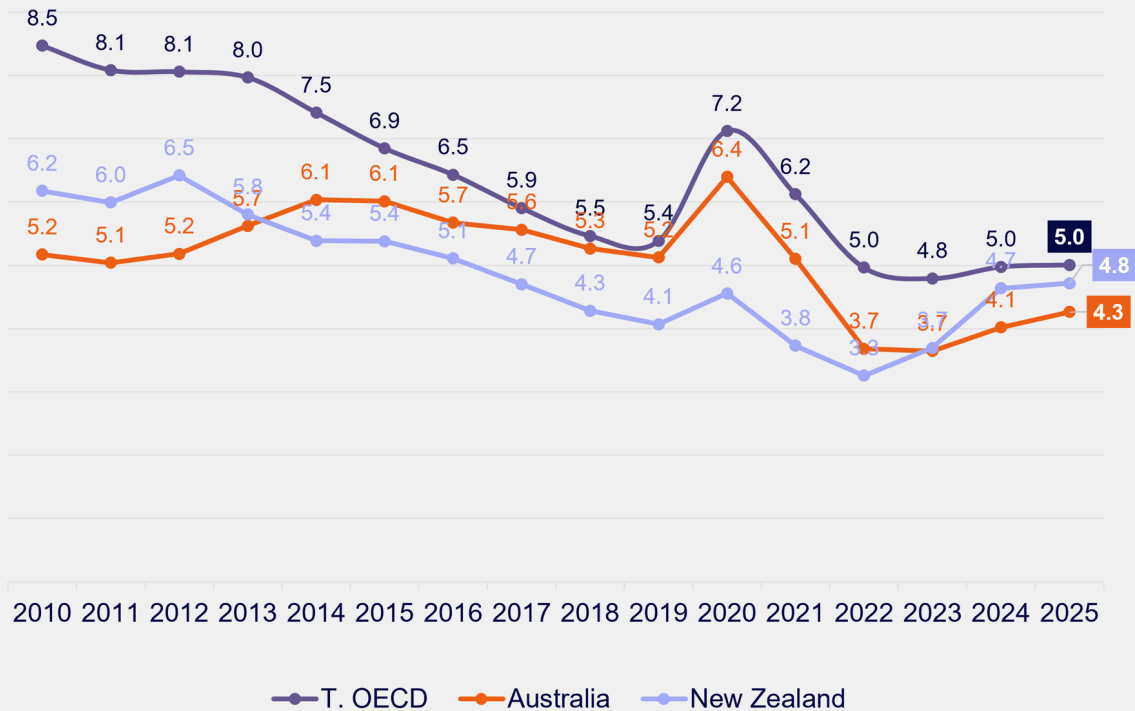
*“While the overall attitude of consumers is feeling more secure, pressure in the high-earning jobs market, increasing ‘fixed’ costs, and a growth plateau in new consumers joining the market will influence trends in 2025.*”

*Make no mistake: Things are looking up for more consumers. But plan for them to take a very mindful approach to spending through the end of this year, given the tumultuous recent past. Spending will see modest growth, meaning there will be some opportunities for growth that will be centered around needed life essentials over wasteful indulgences.”*



**Ramon Melgarejo**  
President Strategic Analytics & Insights, NIQ

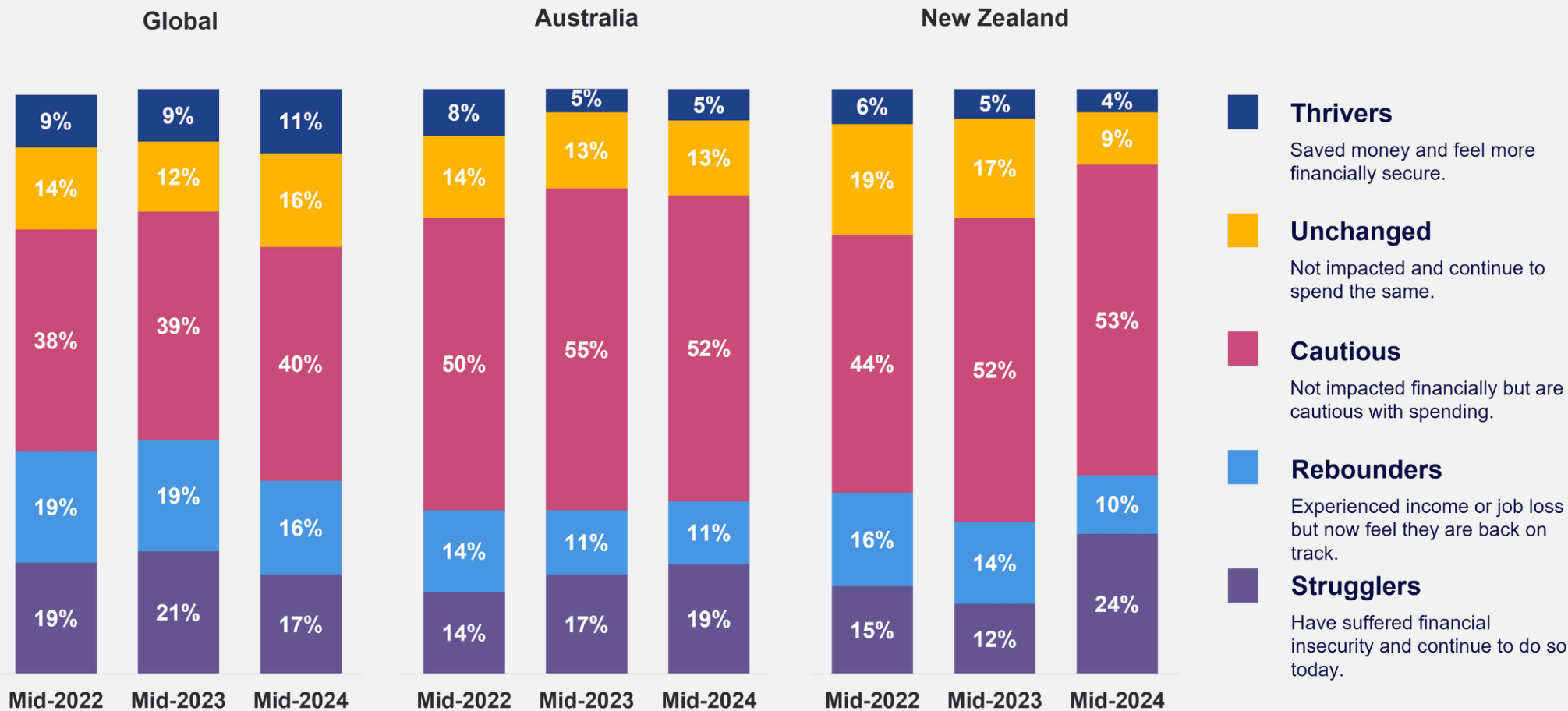




Source: OECD Economic Outlook 115, Unemployment rate forecast, Total OECD

## Divided job prospects despite stability in employment rates, some high-earning job markets face pressure.

Despite a generally positive global employment trend, some of the world's highest-earning consumers are facing uncertainty and potential job insecurity. This "white-collar" recession is driven by factors such as automation, AI adoption, hiring freezes, and cost-cutting measures, impacting high-earning, white-collar jobs. This phenomenon could be a consequence of "The Great Resignation," where professionals who left their roles may now find it difficult to re-enter the job market or maintain their current positions. As a result, even though a global recession may not fully materialise, these high-earning professionals may exercise increased caution in their spending habits.



Source: NIQ 2024 Mid-Year Consumer Outlook, Global, vs. Mid-2022 and Mid-2023 studies, excludes China. Q: Which of the following best describes how current events\* of the last few years have impacted your overall household financial situation? \*Note: Question phrased more specifically to COVID-19 impact in June 2022.

## Most consumers in ANZ are 'Cautious' with their spending, and 'Strugglers' are on the rise

It is no secret that wealth distribution is uneven globally, and recent years of disruption, including the pandemic, global conflicts, and rising inflation, have exacerbated this disparity. To better understand these impacts, NIQ has segmented consumers across a spectrum of socio-economic circumstances:

- **Thrivers:** Financially secure and optimistic about the future.
- **Unchanged:** Not significantly impacted and maintaining their spending habits.
- **Cautious:** Not directly impacted financially but exercising caution in their spending.
- **Rebounders:** Experienced income or job loss but are now recovering.
- **Strugglers:** Facing ongoing financial insecurity.

Unfortunately, the past year has witnessed a shift towards the less financially secure end of this spectrum. Strugglers now represent 19% of consumers in Australia, a figure that has grown in recent years, and a concerning 24% in New Zealand, double that of a year ago.

However, there is a silver lining. Slightly more than half of consumers in both Australia and New Zealand remain in the Cautious group, demonstrating resilience despite economic headwinds.



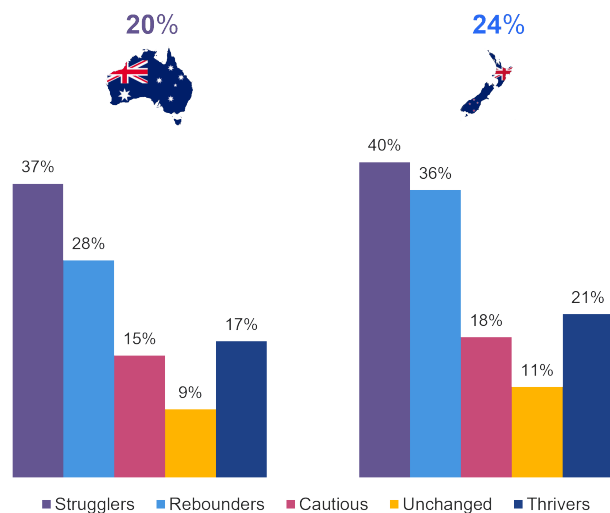


## 'Strugglers' and 'Rebounders' are seeking additional income streams before taking more debt

Strugglers and Rebounders, unsurprisingly, are significantly more likely than others to seek additional income streams beyond their primary employment. This proactive approach highlights their determination to navigate financial challenges and improve their circumstances. Furthermore, Strugglers and Rebounders also demonstrate a greater propensity to take on more debt to maintain their current lifestyles.

This finding reveals the difficult trade-offs these consumers face as they strive to balance their financial needs and aspirations in an uncertain economic environment.

The higher proportion of New Zealanders diversifying income sources compared to Australians suggests a greater level of financial insecurity in New Zealand. This aligns with the previously discussed data showing a higher percentage of "Strugglers" in New Zealand.



Source: NIQ 2024 Mid-Year Consumer Outlook, Australia & New Zealand

*Say they're likely to be actively seeking additional income streams beyond their primary job*



# 3. Consumption Driver

As inflation shifts, will volume lift?



# 3



## In this chapter:

- Assessing the economic divide
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- Future growth expectations

## Consumption Drivers

### As inflation shifts, will volume lift?

Inflation has decelerated in many parts of the world. But the compounding effect of the past couple years will be felt for some time.

As consumers are balancing many competing life priorities, they may be driven to consume less in some spending categories—even if they have more funds to work with.

Gauging drivers of these tough choices is key to growing both sales and volumetric performance in 2025 and beyond.

“While consumers open their wallets and become less guarded with their spending going forward, the compounding effect of price increases means they’re still spending 17% more than they were for the same goods in 2022.

As we head into 2025, large brands will need to work hard to preserve their market penetration. Challenger brands in several categories are doing a better job of targeting consumer needs and are eroding brand loyalty. It’s important to understand the unique needs of your consumer segments to unlock growth.”

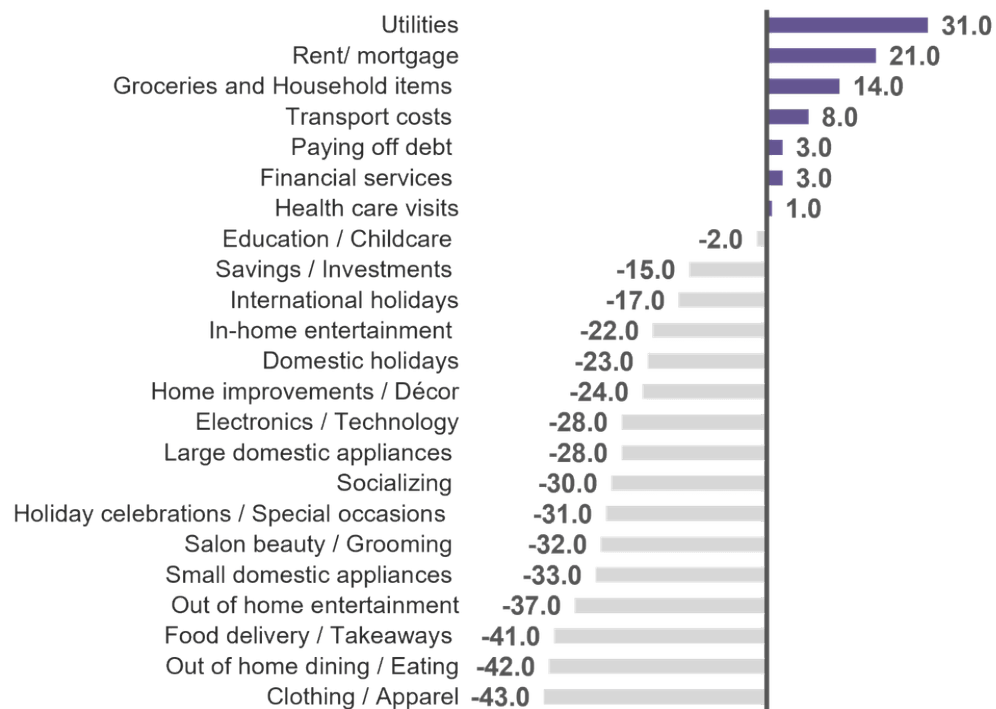


**Carman Allison**

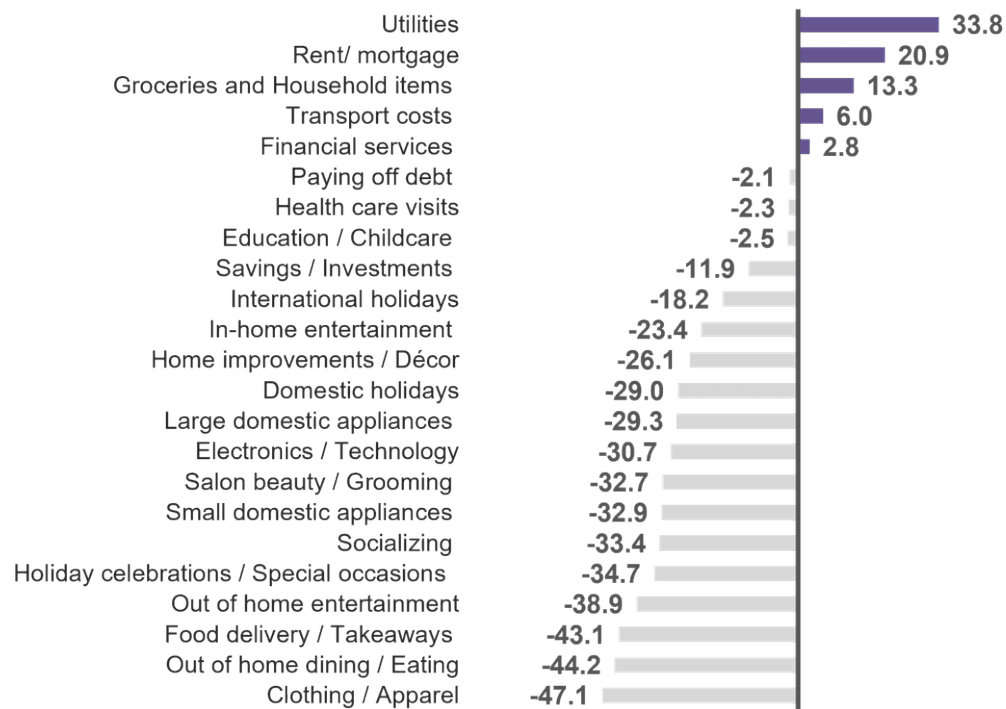
Vice President of  
Thought Leadership,  
North America, NIQ

## As essentials cost of living gets higher, discretionary spending is still scrutinized while FMCG tends to be more protected

Spending intentions for the next 12 months  
Net change in spending (pt. change)



Spending intentions for the next 12 months  
Net change in spending (pt. change)



Source: NIQ 2024 Mid-Year Consumer Outlook, Australia & New Zealand. Change in spending calculated by subtracting % of respondents who are spending less from % of respondents who are spending more.



When consumers in Australia and New Zealand were asked about their spending expectations for the next 12 months, a clear pattern of rationalisation emerged. Many consumers anticipate increased spending on essential categories like utilities, housing, groceries, and transportation. Conversely, they plan to reduce spending on non-essential items and experiences, including clothing, dining out, takeaways, entertainment, and appliances. This mirrors a global trend where consumers are prioritising essential expenditures, such as rent/ mortgage and healthcare visits, in the face of economic uncertainty and higher living costs.

It's important to acknowledge that many consumers still face financial constraints and are carefully balancing their budgets. The data also highlights the significant impact of "fixed costs"—essential expenses like utilities, rent, and healthcare—on consumer budgets. These non-negotiable costs limit discretionary spending even when the economic outlook shows signs of improvement. Consumers are re-allocating any financial gains towards these essential expenses, resulting in a relatively stable year-over-year trend in spending intentions.

Many discretionary categories show a propensity towards reduced spending, but a year-over-year comparison reveals a subtle shift towards greater optimism. Several categories, including dining out and alcoholic beverages, show less negative net change scores compared to mid-2023. Our of home dining saw a net change score of -26.7 in mid-2023, where today stands at -19.1. Similarly, within the CPG realm, while Alcoholic Beverages saw a score of -22.3 in mid-2023, that stands at -20.3 today, suggesting a potential, gradual return to discretionary spending.

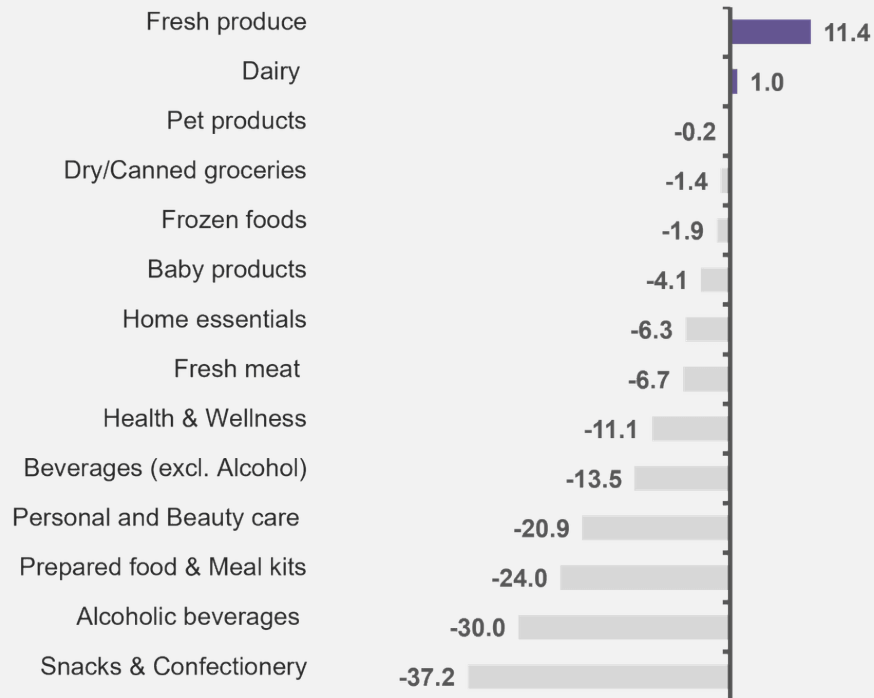




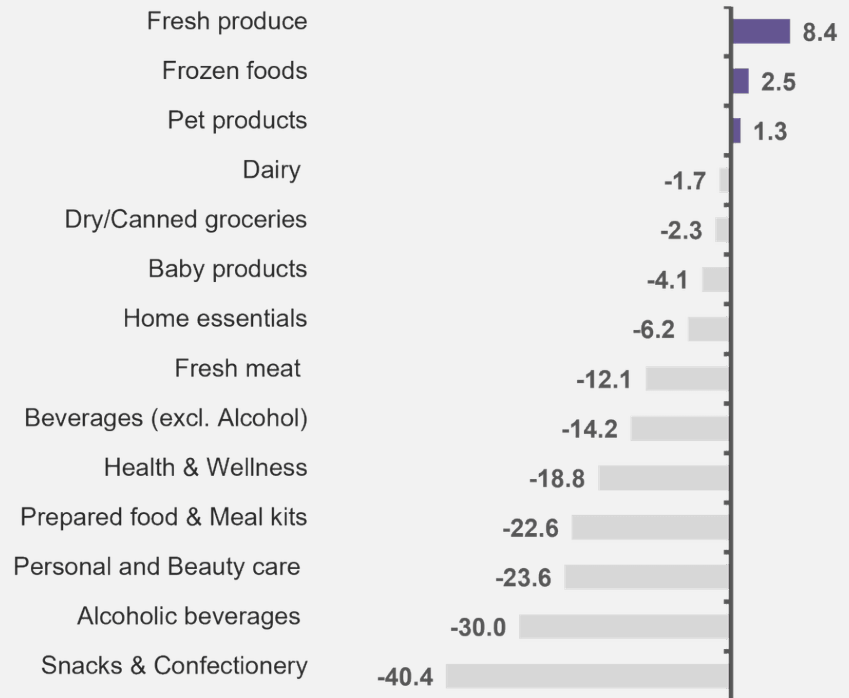
**As essentials cost of living gets higher, discretionary spending is still scrutinized while FMCG tends to be more protected**

Consumer spending intentions in Australia and New Zealand reveal a clear trend towards rationalisation, with increased focus on essential grocery categories such as fresh produce, and decreased spending on discretionary items like snacks, confectionery, and alcoholic beverages. This prioritisation of essential grocery items aligns with broader consumer trends observed in overall spending habits. However, it's crucial to recognise that stated intentions don't always translate directly into actual behaviour. In the following sections, we'll delve into the actual performance of these grocery categories to understand how consumer actions align with their stated intentions.

Spending intentions for the next 12 months  
Net change in spending (pt. change)



Spending intentions for the next 12 months  
Net change in spending (pt. change)

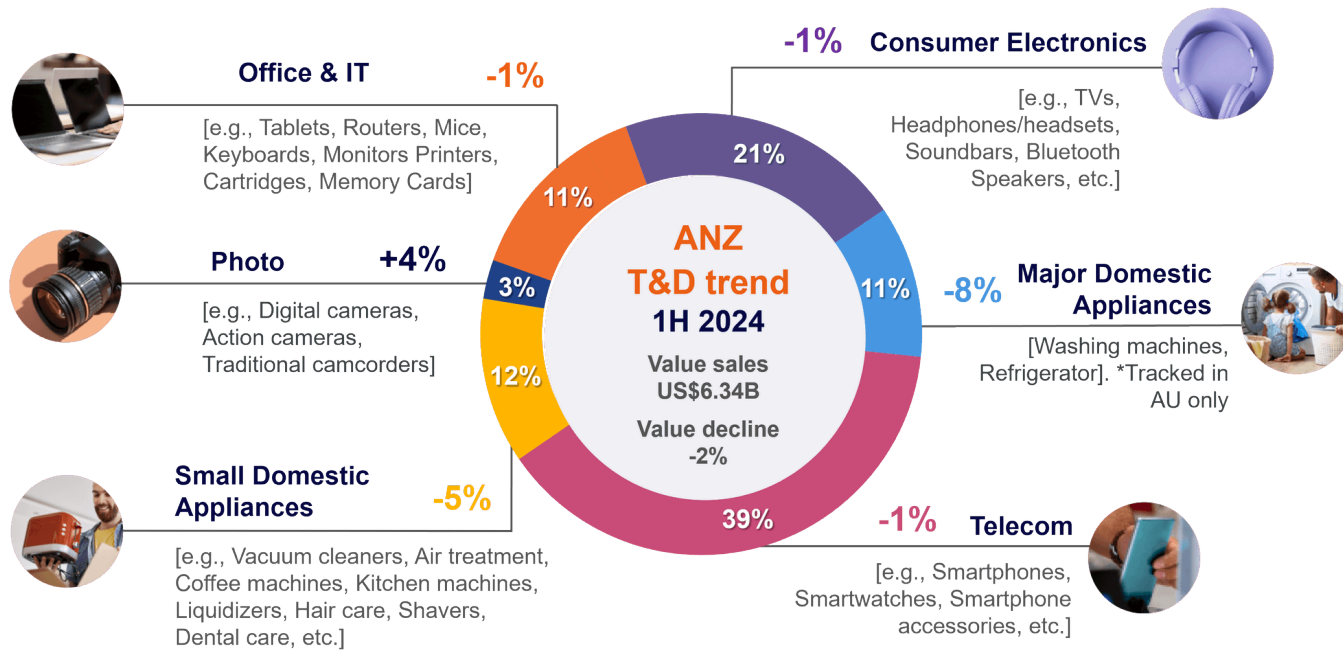


Source: NIQ 2024 Mid-Year Consumer Outlook, Australia & New Zealand. Change in spending calculated by subtracting % of respondents who are spending less from % of respondents who are spending more.



## Telecom is more resilient than other Tech & Durables segments

ANZ Tech & Durables sales share and value growth rate by department: YTD 2024



Source: NIQ GfK Market Intelligence Sales Tracking, ANZ, Sales share and % growth of NSP = non-subsidized price reflected in USD, Jan.–Jun. 2024 vs. previous year. Note: Consumer Electronics includes Multifunctional Technical Devices; Small Domestic Appliances includes Personal Scales; Major Domestic Appliances includes Refrigerators and Washing Machines.

In the Tech & Durables sector, consumer actions are aligning with their stated intentions to reduce spending on non-essential items. The overall Tech & Durables market in Australia and New Zealand is experiencing a decline in value sales, primarily driven by reduced spending on domestic appliances.

Telecom, however, displays greater resilience, with a smaller decline attributed to the rising popularity of contract phones and the shift towards higher-quality mid-tier phones over flagship brands. Photo is the only segment experiencing growth, fueled by high-end cameras and lenses, although this growth is from a smaller base and does not offset the overall downward trend in the sector.

Several key factors are shaping the performance of specific categories within Tech & Durables:

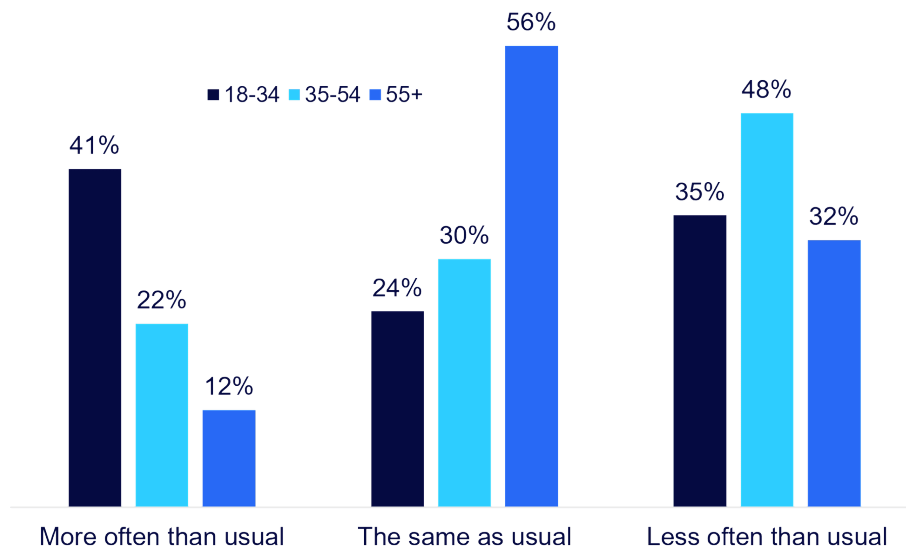
- **IT:** Larger-screen tablets (11"+) are driving growth in the IT sector.
- **Photo:** The growth in this category is attributed to high-end cameras and lenses, as the low-end market is increasingly dominated by smartphones.
- **Major Domestic Appliances:** Both washing machines and refrigerators are experiencing declines, with the latter seeing a shift in preference towards French door models over traditional top and bottom mount fridges.

These trends highlight the dynamic nature of the Tech & Durables market in Australia and New Zealand. While consumer intentions provide valuable insights, understanding actual market performance requires a deeper dive into the factors influencing specific categories and segments.



## Although consumers are going out less often, on-premise visits are more resilient among young generations, while middle-aged consumers reduce out of home trips

Change in number of visits per month to the On Premise channel



SOURCE: CGA MONTHLY ON PREMISE CONSUMER Pulse+ REPORT SEPTEMBER 2024 – SAMPLE 750

While the rising cost of living has led many consumers to reduce their spending on out-of-home entertainment, including visits to on-premise establishments, this trend is not uniform across all demographics. Contrary to expectations, middle-aged consumers (35-54) are more likely to reduce their on-premise visits compared to younger consumers (18-34). This may be attributed to the financial pressures faced by this age group, who often juggle expenses related to raising families and paying mortgages. Younger consumers, on the other hand, exhibit a more polarised behaviour, with a significant proportion (41%) actually increasing their on-premise visits.

This shift in on-premise consumption patterns has implications for beverage alcohol performance. While spirits have experienced significant declines in key markets like New South Wales and Victoria, beer has demonstrated greater resilience across all states. This can be attributed to beer's value proposition, as it is often perceived as a more affordable option compared to other alcoholic beverages.



Beer stands out as a value-for-money (VFM) option for consumers in New South Wales and Victoria, potentially influenced by higher housing costs in these regions.

As inflationary pressures gradually ease, concerns about everyday bills are diminishing, replaced by a greater focus on personal well-being, happiness, and job security. This shift reflects a growing sense of determination among consumers as they navigate economic uncertainties and make deliberate spending choices heading into 2025.



#### On Premise sales performance L52 weeks

### Western Australia

Total Beer Vol % chg vs YA: **+3.3%**  
Total Spirits Vol % chg: **+1.5%**

### Queensland

Total Beer Vol % chg vs YA: **-2.9%**  
Total Spirits Vol % chg: **-0.3%**

### Southern Australia

Total Beer Vol % chg vs YA: **-5.8%**  
Total Spirits Vol % chg: **-8.9%**

### New South Wales

Total Beer Vol % chg vs YA: **+2.1%**  
Total Spirits Vol % chg: **-15.7%**

### Victoria

Total Beer Vol % chg vs YA: **+5.4%**  
Total Spirits Vol % chg: **-12.2%**

## Out-of-home consumers are prioritising experiences and events over casual occasions

### Share of total On Premise occasions vs YA



Events & special occasions

**39%**

**+6pp**  
vs YA



Food-led occasions

**33%**

**-4pp**  
vs YA



Drink-led occasions

**29%**

**-2pp**  
vs YA

In a landscape where consumers are generally reducing their outings to save money, on-premise visits are increasingly focused on experiences. Events and special occasions now represent almost 40% of on-premise visits, a notable increase year-over-year. This highlights a shift in consumer behaviour, where on-premise visits are becoming less frequent but more deliberate and focused on meaningful experiences.

And here we have a few examples of the top occasions gaining most share within on-premise visits – a lot is related to sports and special occasions such as birthdays.

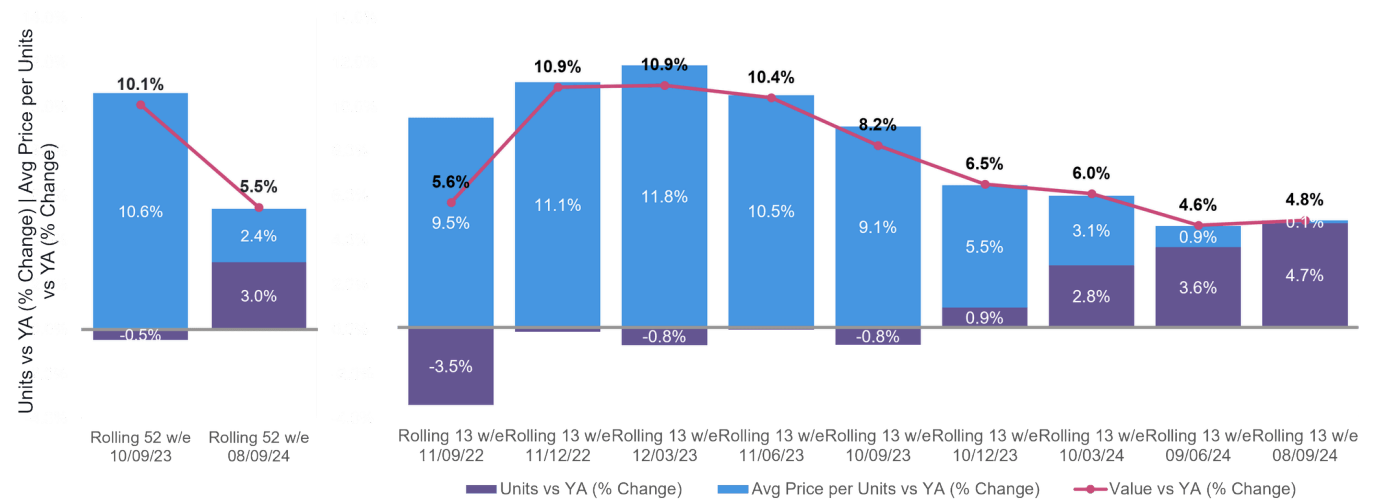
#### Top 4 occasions gaining most share vs YA

1. To watch live sport on television
2. Before/during/after watching live sport in a stadium
3. Special occasion (e.g. birthday, anniversary)
4. Themed event



## Grocery unit sales recover as Price per Unit decelerates compared to last year

In the Australian FMCG market, value sales growth has been primarily driven by price increases since early 2022, reflecting a broader trend of high inflation. However, recent data indicates a positive shift. The growth of price-per-unit is decelerating, leading to a recovery in unit sales. This suggests that the market is moving towards a more volume-driven growth model, which is good news for the FMCG sector.



Source: NIQ Homescan | All FMCG categories, excluding Liquor, Tobacco, and Fresh categories | Latest 2 MATs + quarters trend | Total Australia | Total Panel



## Rising prices are still plaguing several key departments

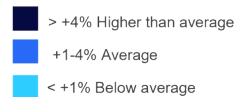
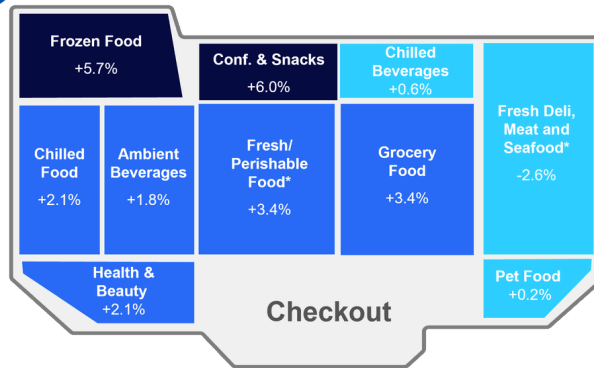
### Department inflation heat map

Price per Unit % change

Total FMCG ex Fresh: +2.4%



Australia

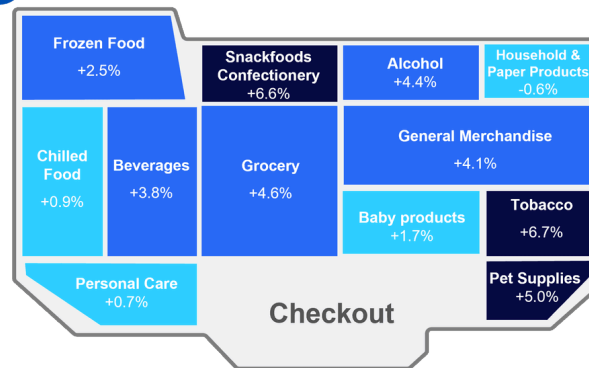


Price per Unit % change

Total FMCG ex Fresh: +2.6%



New Zealand



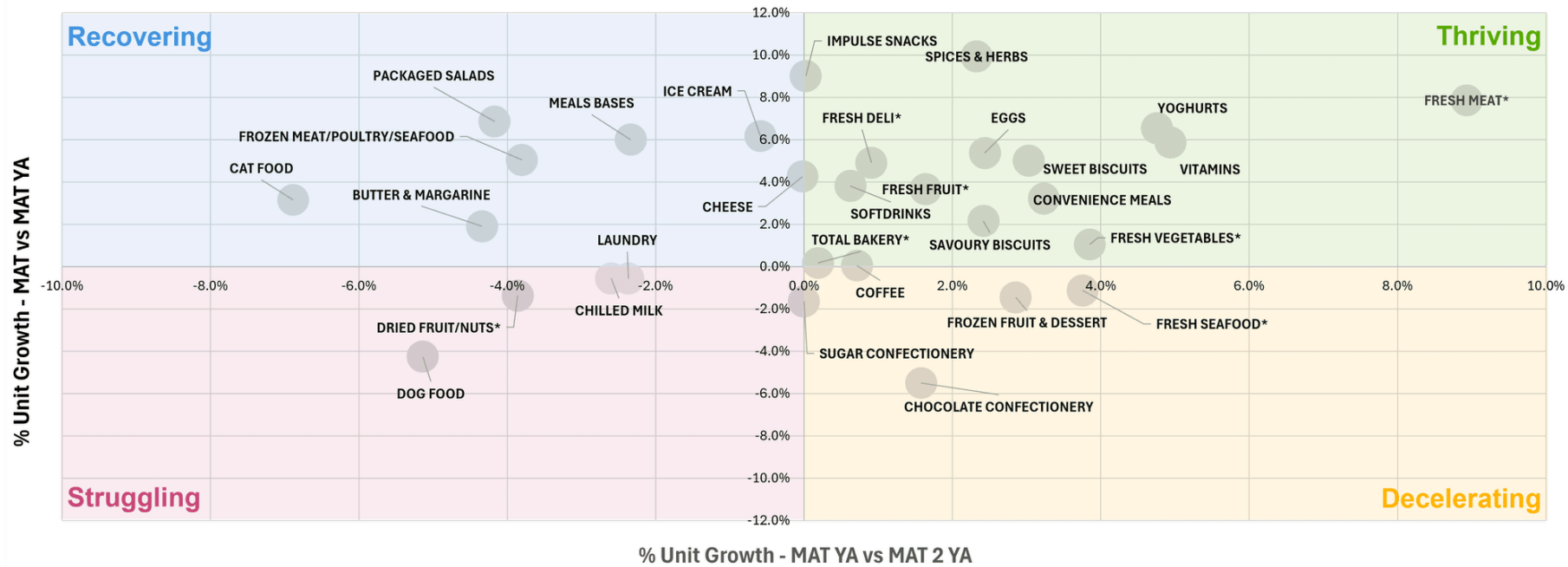
Source: NIQ Australia, Price per Unit % Growth vs YA – Latest 52 weeks ending 08/09/2024 (\*Price per volume for Fresh, Deli, Meat and Seafood and Fresh/Perishable Food Categories)  
NIQ New Zealand, Price per Unit % Growth vs YA – Latest 52 weeks ending 15/09/2024

As global inflation decelerates, it's essential to identify the grocery categories where price increases are still prevalent. The provided heat map reveals that confectionery and snacks are among the most affected categories, likely due to the rising cost of cocoa. Conversely, fresh deli, meat, and seafood in Australia, and personal care/ household items in New Zealand show lower price growth.

In these instances, growth is likely still going to be supported by higher prices, meaning companies operating in these categories should consider the limited purchasing power consumers continue to feel when buying these items regularly. In some categories such as Frozen Food, Perishables, and Health Care, consumers are already seeing prices ease quite a bit. Thus, companies with products in these areas will need to think of ways to sustainably push higher volumes of product without overpromoting, undervaluing or over-subsidising their offerings.

## Performance of categories related to in-home eating contribute with FMCG growth recovery

**% Unit Growth Rate**  
MAT vs MAT YA and MAT YA vs MAT 2YA



Source: NIQ Australia Homescan, Unit % Growth vs YA – Latest 52 weeks ending 08/09/2024 (\*Volume % Growth for Fresh, Deli, Meat and Seafood and Fresh/Perishable Food Categories)

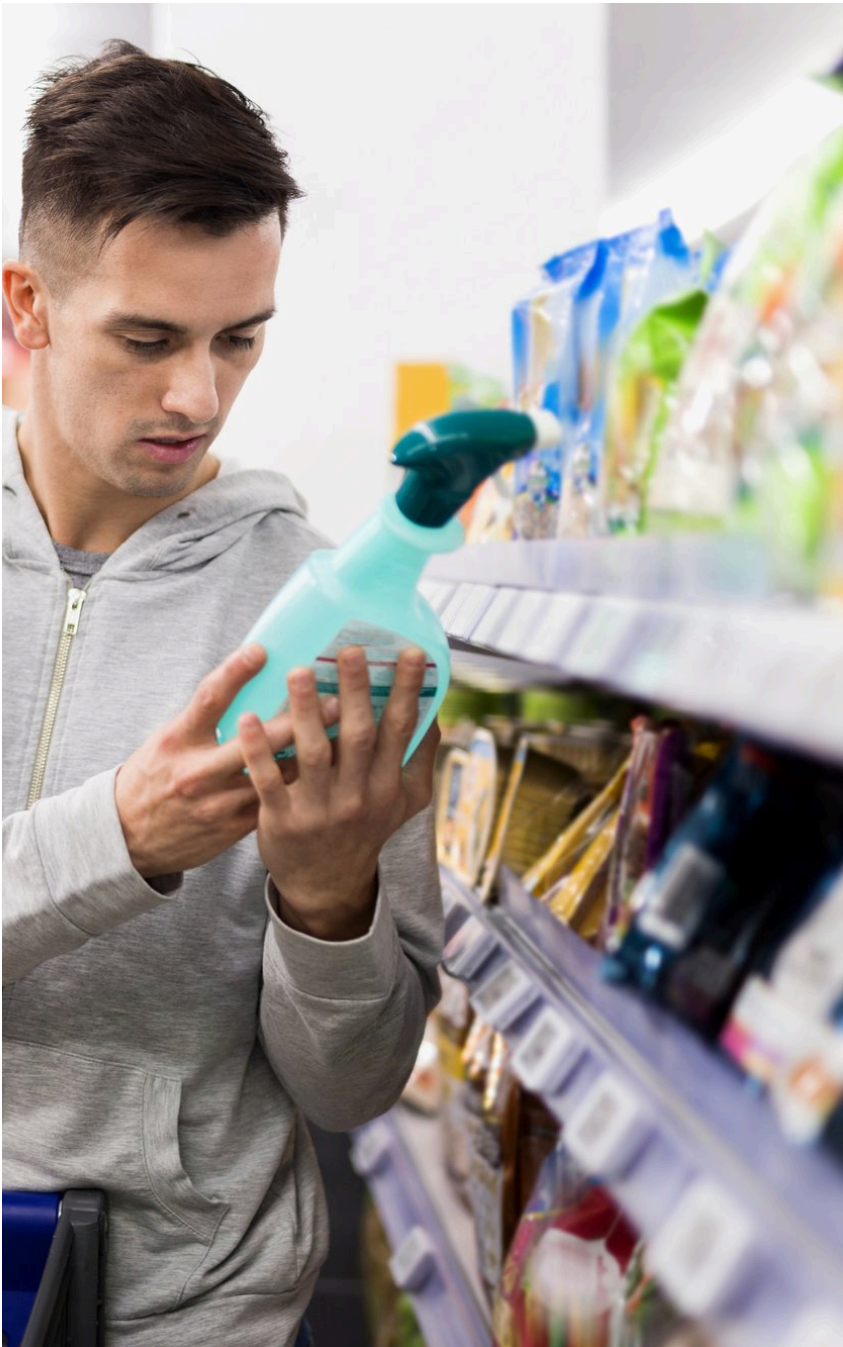
To understand the factors contributing to the recent unit growth and rebound in the Australian FMCG market, it's important to examine category-level performance over the past two years. By comparing year-on-year growth across different categories, we can identify those that are thriving, recovering, or decelerating.

Analysis reveals a significant contribution from food categories, particularly those related to in-home eating, among the categories that are thriving (consecutive growth in both years) and recovering (growth after a previous decline). This suggests a continued consumer preference for home-cooked meals, likely influenced by the ongoing cost of living pressures and a desire to save money.

On the other hand, chocolate confectionery shows a clear deceleration, primarily driven by higher prices. This highlights the sensitivity of consumers to price increases in discretionary categories, particularly those impacted by





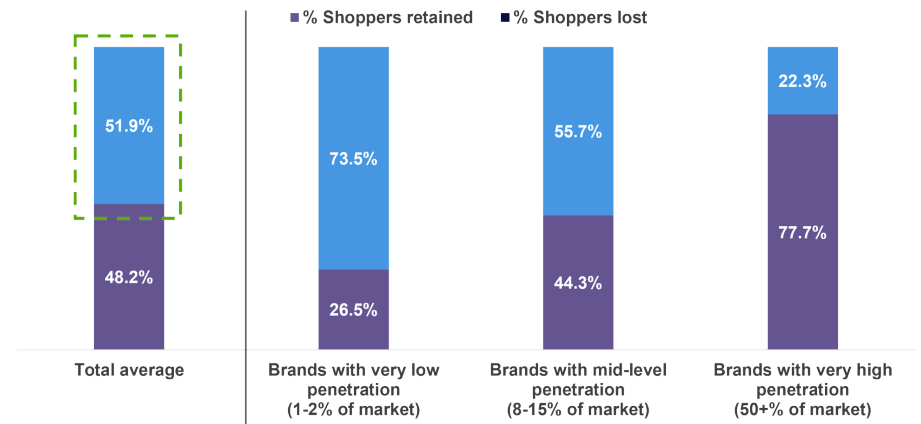


**Brands need to cast a wide net to survive. For half of a typical brand's shoppers, loyalty cannot be relied on to drive growth.**

**52%**

of a typical brand's shoppers **will not buy the brand again** the next year.

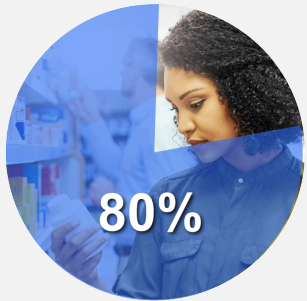
(based on a European study of 7K identified brands)



Source: NIQ Scantrack / Homescan, Europe 5 markets (DE, ES, FR, GB, IT), Total Coverage, a study of 7,000 identified brands where penetration was above 1% in at least one year of the study period – Calendar Year 2023 vs. 2022

All this talk of volume resiliency and the need for momentum-building brings us to a study conducted across five European markets to understand the keys to driving brand growth beyond inflation. Looking across 7,000 different brands, the study revealed the harsh reality that over half (52%) of a typical brand's shoppers will not buy the same brand again the next year.

That's an alarmingly high percentage of disloyal shoppers — and a stark reminder to companies that in today's dynamic world, you must appeal to as many consumers as possible to survive and thrive over the long term.



of brands that saw declining volume, also lost penetration.

### **Boost Potential**

Penetration growth is essential to volume growth.



of brands aren't growing penetration.

### **Assess Performance**

More brands are losing shoppers than gaining them.



of a brand's shopper only buy once.

### **Understand Frequency:**

Many shoppers buy a brand just once, but every shot counts.

## **Growth beyond inflation is possible, but only with the right strategic guide**

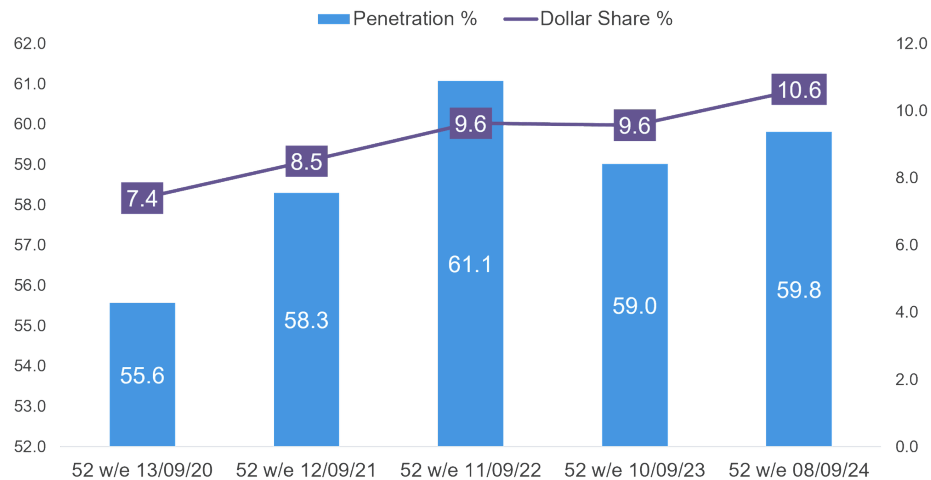
From this study, we can see a few additional reminders of how important penetration (and maximizing your pool of buyers) is to volume growth — and the challenges that brands face if scaling to the masses with the wrong strategy.

Growth beyond inflation is possible. But it must be done with a full view into all available consumer targets (to know who you're looking to engage) and with a deep understanding of how consumers of all financial circumstances will be spreading their spending across categories of interest.

## Online shopping remains relevant, with six-in-ten households purchasing groceries online at least once in the last year, up by 5 percentage points compared to 5 years ago

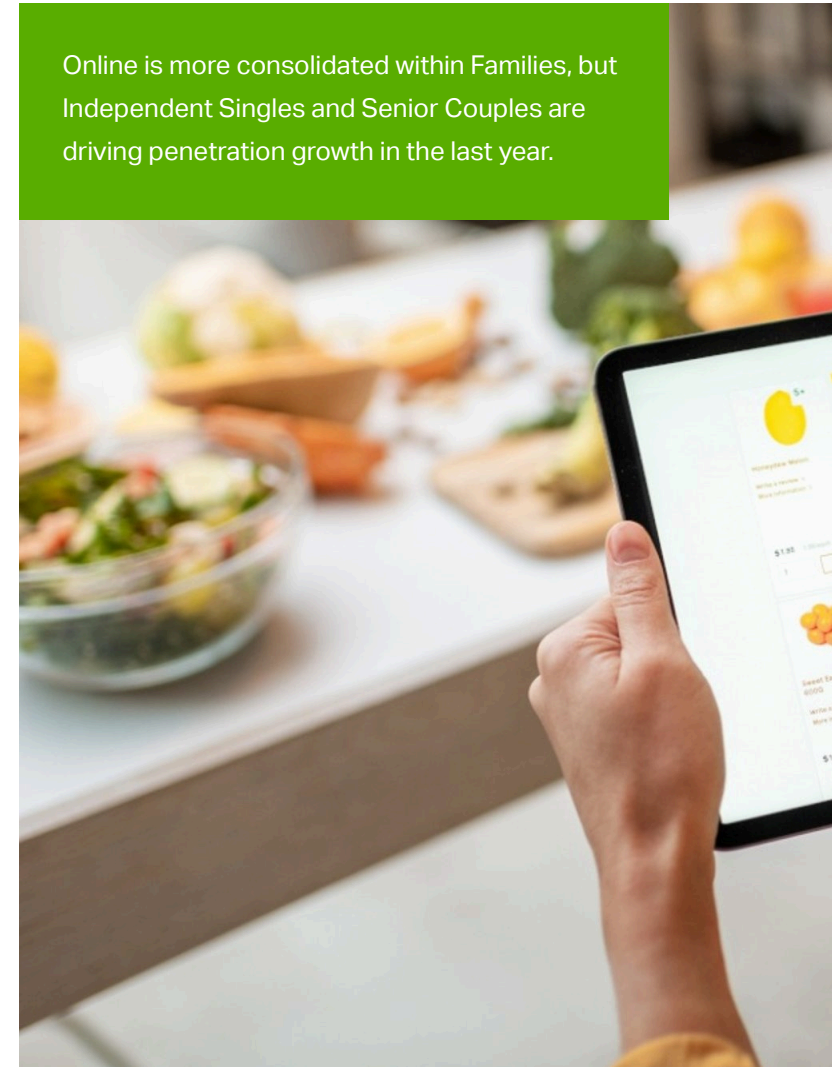
Online continues to gain share from Bricks & Mortar over the last 5 years, highlighting an opportunity for brands and retailers in this space. We know that covid accelerated the online development in Australia and the channel had plateaued post-covid, but now we see signs of online growth again, driven by a penetration recovery. The channel typically performs better among families and larger households as the convenience aspect of online is more appealing to them. Now it's attracting a wider range of shoppers, including middle-aged and older singles and couples, highlighting its potential for expansion within these demographics.

Total Grocery Online Penetration vs Online Value Share | Last 5 Years, 52 weeks to 08/09/24



Source: NIQ 2024 Mid-Year Consumer Outlook, Global

Online is more consolidated within Families, but Independent Singles and Senior Couples are driving penetration growth in the last year.





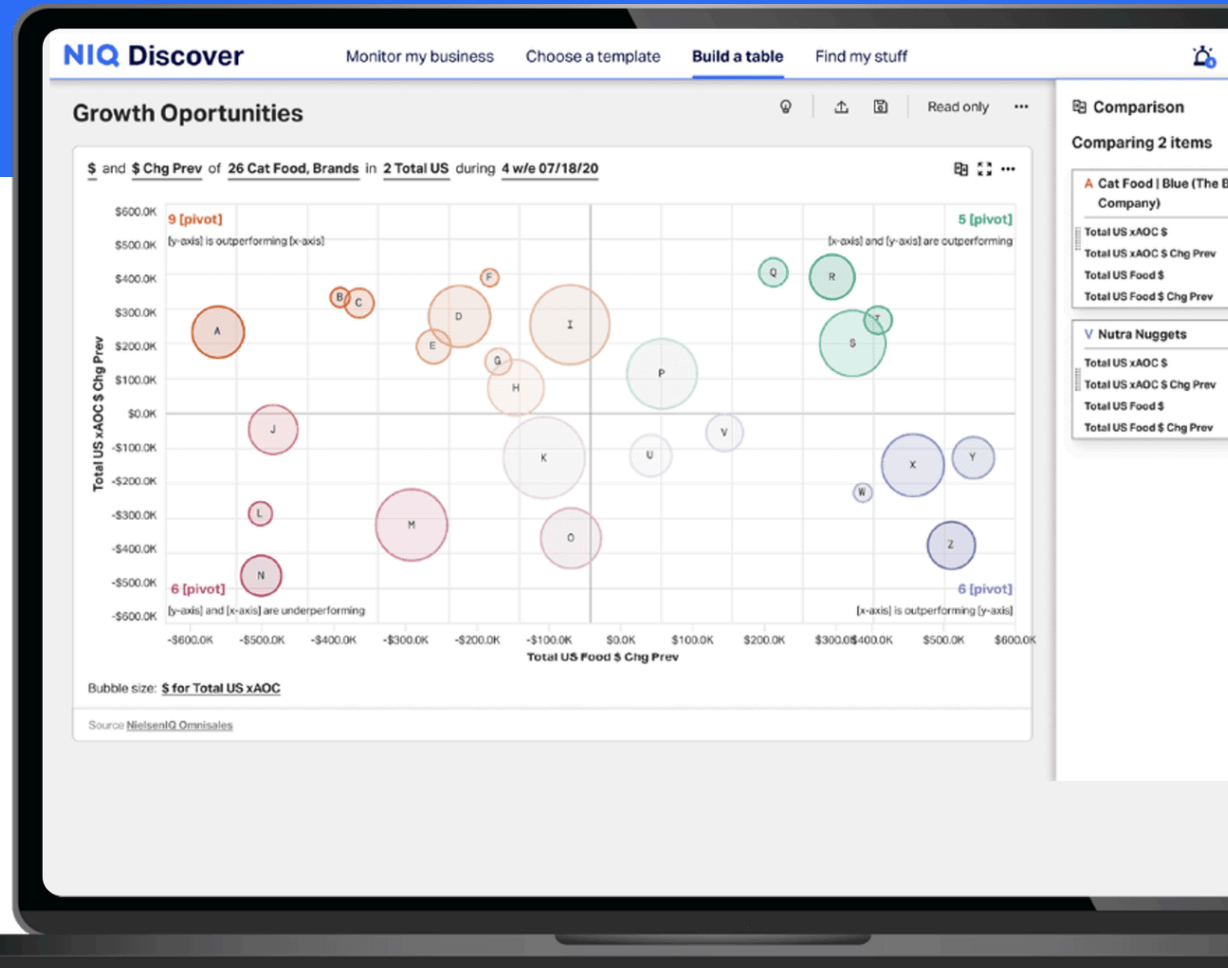


# NIQ Discover

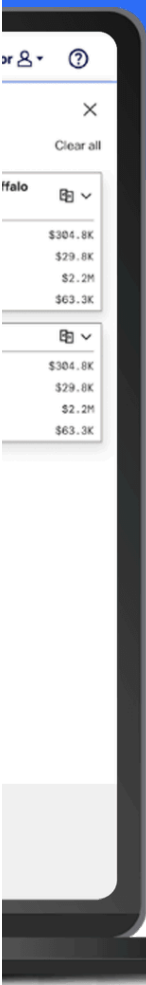
A modernised way to interact with data

Industry-leading data paired with an intuitive, AI-powered experience to drive growth.

NIQ Discover connects businesses around the world to the latest cloud-based technology powered by the most accurate and trusted data in the industry to help them differentiate and win in a competitive environment.



## Seamlessly leveraging your PoS of panel data, integrated in one unique user experience

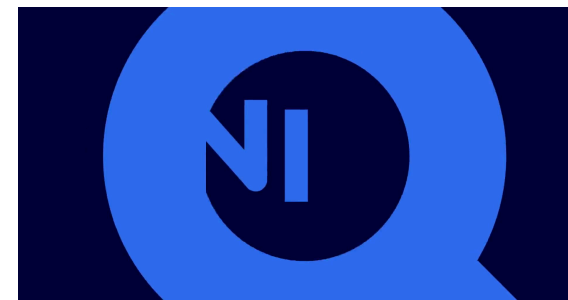


### Monitor my business

Intuitive landing page for KPIs, alerts and quick access to your automatically refreshed scheduled reports

### Choose a template

The best starting place to perform an analysis to answer top business questions for measurement and panel assets with best-in-class NIQ curated visuals, analysis & guided flow



[Watch the video here](#)

### Build a table

Powerful report and dashboard creation from building a basic table with your most granular data, to creating a sophisticated multiple sources report with tables & charts.

### Find my stuff

make it easy to find your saved reports & personal charts and saved selections, and collaborate things that have been shared with you.

### NIQ Discover

Industry-leading data paired with an intuitive, AI-powered experience to drive growth.

[Discover more](#)



## 4. Redefining "Discount"

Sizing how consumers are shopping to stay ahead



# 4



## In this chapter:

- A new era of "discount"
- Value-driven premiumization
- Evolution of private label

## Redefining Discount

### Sizing how consumers are shopping to stay ahead

The concept of "discount" has broadened and evolved over the past few years of socioeconomic disruption.

Today, consumers of all financial circumstances are seeking value in multiple ways, with every purchase.

From the marked rise of a new echelon of economy price-tiered assortment to the redefined perception of private label or challenger brand products, there's a new, hybrid view of "discount" values that will drive 2025 spending decisions.

"There's an interesting intersection currently in play among consumers: People have heightened expectations for efficacy in what they purchase, but they are simultaneously gravitating toward perceived discount options (across channels and brand choice).

That isn't to say that shoppers are averse to spending more, but rather that you're going to have to prove to them what makes your product premium on a level that speaks deeply to them and their unique needs.

Intentional consumers today will need multiple layers of justification to be compelled to purchase."



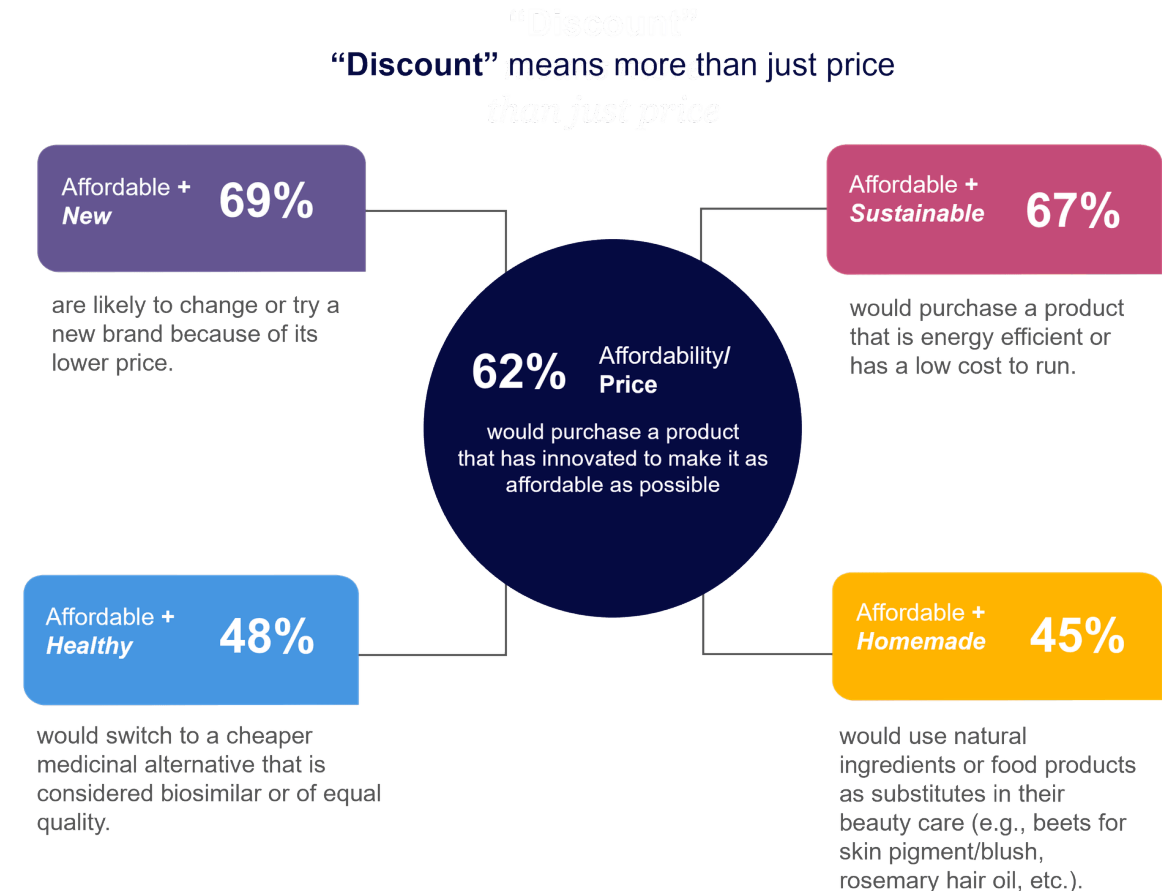
**Norbert Herzog**  
Head of Global Strategic  
Insights, Tech & Durables,  
NIQ

## Consumers have embraced (and expect) broader value from the concept of "discount"

The concept of "discount" has evolved beyond simply price reductions. Consumers now expect a hybrid approach that delivers value for money, encompassing factors such as innovation, health benefits, sustainability, and natural ingredients.

For instance, 62% of consumers are willing to purchase a product that has been innovated to make it more affordable, highlighting the importance of innovation in delivering value. Similarly, 69% of consumers are likely to switch brands based on lower prices, while 48% would opt for a cheaper alternative in the health sector if it offered comparable quality.

This shift in consumer perception underscores the need for businesses to adopt a broader view of "discount." It's no longer enough to simply offer lower prices; companies must also focus on delivering value through innovation, health benefits, sustainability, and other factors that resonate with consumers.



Source: NIQ 2024 Mid-Year Consumer Outlook, Global



## Long term cost saving and cheaper alternatives tops list as a primary driver of consumer decisioning

Looking into a 'traditional' frame of reference for the rise of 'discount-minded' shopping, we still see a heavy influence of promotions among the preferred saving strategies. When confronted with multiple promotional options, the act of "simply buying whatever is on promotion" still ranks among the key strategies for shoppers, and this tells us that consumers feel they are open to any deal in the absence of no deal, and likely to switch brands in case there is a promotion that particular week.

Consumers also claim some other strategies to save, such as preferring stores with loyalty points, and buying different pack sizes. When looking at pack sizes specifically, most of them tend to prefer larger pack sizes, with lower cost per use, but this depends on the category.

### Top 10 consumer saving strategies for CPG / FMCG – Australia

1. Shop at stores with loyalty points	52%
2. Buy in bulk / or a larger size	48%
3. Buy whatever brand is on promotion	48%
4. Select lowest priced product from preferred range	44%
5. Monitor the cost of my overall basket of goods	39%
6. Substitute for a lower priced alternative (e.g., different cut of meat)	38%
7. Stop buying certain products to focus just on essentials	37%
8. Shop more often at discount/value/lower-priced stores	35%
9. Select lowest priced product irrespective of brand	34%
10. Opt for private label/ store brands	31%

### Top 10 consumer saving strategies for CPG / FMCG – New Zealand

1. Select lowest priced product from preferred range	50%
2. Buy whatever brand is on promotion	49%
3. Buy in bulk / or a larger size	48%
4. Monitor the cost of my overall basket of goods	43%
5. Select lowest priced product irrespective of brand	42%
6. Stop buying certain products to focus just on essentials	41%
7. Substitute for a lower priced alternative (e.g., a different cut of...)	39%
8. Shop at stores with loyalty points	39%
9. Shop more often at discount/value/lower-priced stores	37%
10. Use technologies (e.g., Mobile app) to find better deals	35%

But what happens when they are confronted with multiple promotional options – each offering a different value proposition? Assessing these types of nuances is how companies can learn how to align their promotional support, merchandising and assortment strategies to the specific deal types, pack sizes, formats and channels that consumers would most like to encounter. In the case of ‘lower cost per use’ vs. ‘lower cost to buy’, it is clear that right now, close to half of ANZ consumers (49% in Australia, and 48% in New Zealand) would prefer to buy more large, bulk pack sizes compared to buying more smaller pack sizes at a lower initial cost to purchase (12% in Australia, and 16% in New Zealand). This type of assessment and analysis is how assortment can be leveraged to influence and even overcome pure price-based decisioning.

**Assortment can influence pure pricing decisioning:**



*Lower cost / use*

**49%** say they would buy large, bulk pack sizes of their product of choice

**VS**

*Lower cost to buy*

**12%** say they would buy smaller pack sizes of their products of choice



*Lower cost / use*

**48%** say they would buy large, bulk pack sizes of their product of choice

**VS**

*Lower cost to buy*

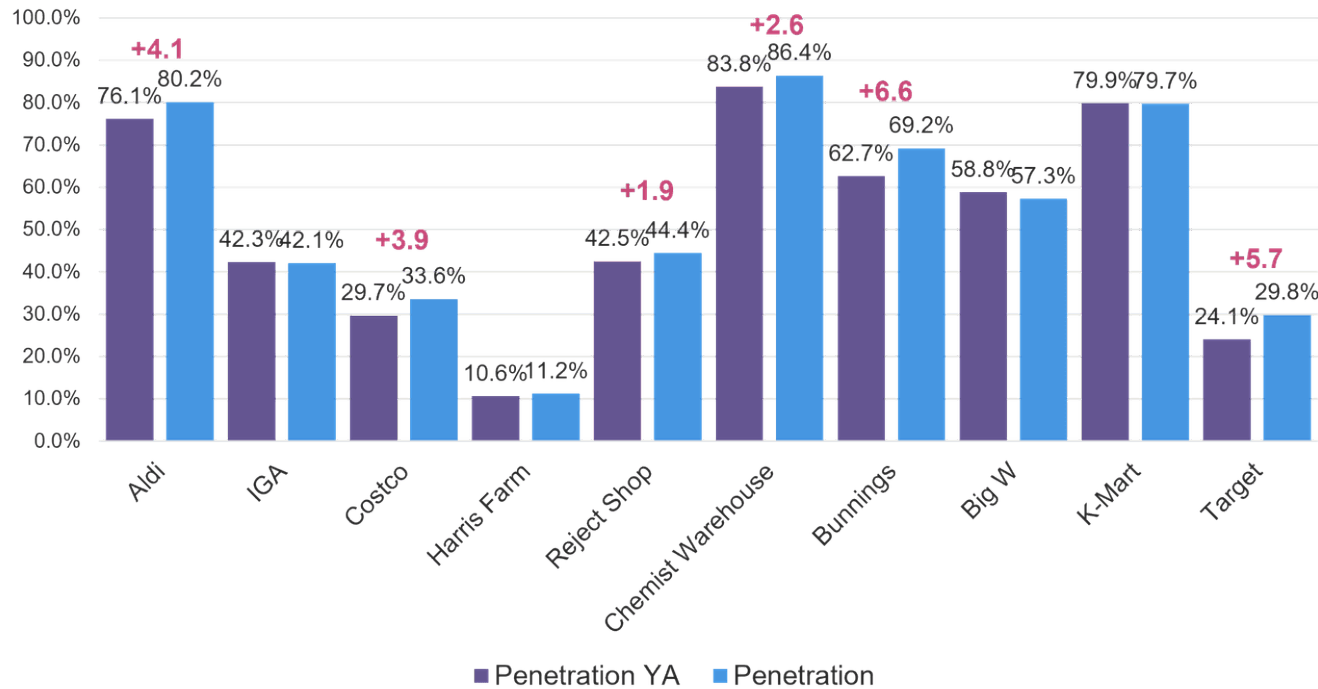
**16%** say they would buy smaller pack sizes of their products of choice

Source: NIQ 2024 Mid-Year Consumer Outlook, Global

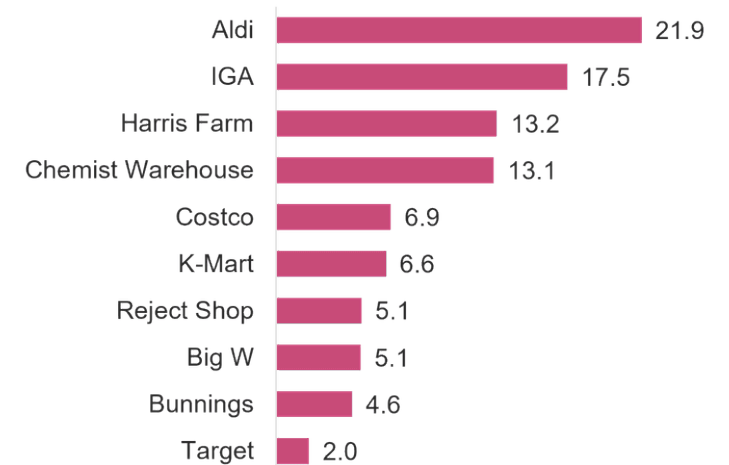


Alternative retailers become increasingly more important in the shopping journey, as consumers shop around to find better deals

**Penetration Growth**  
MAT 52W vs YA



**Average Occasions per Buyer**  
MAT 52W



Penetration and Average Occasions per Buyer by retailer - MAT 11/08/2024  
Source: NIQ Omnishopper

In their quest for value, consumers are increasingly turning to alternative retailers. Over 60% of categories are experiencing faster growth in alternative retail channels compared to the dominant "big four" supermarket chains. This trend is evident in the growing penetration of retailers like Aldi, Costco, Bunnings, Reject Shop, and Chemist Warehouse, some of which also demonstrate high shopper frequency. Aldi, for example, boasts an average purchase frequency of nearly every two weeks.

This shift highlights the importance of adopting an omnichannel perspective and understanding the full scope of consumer shopping behaviour. Focusing solely on traditional supermarket channels provides an incomplete picture of the evolving retail landscape.



## The shopper journey is all around you

NIQ Omnishopper capture consumer purchases across online and offline channels for a complete view of changing omnichannel behaviours.

[Discover more](#)







“I will opt for Private Label as a strategy to manage expenses”, percentage of respondents answered YES:

- Australia - 31%
- New Zealand - 34%

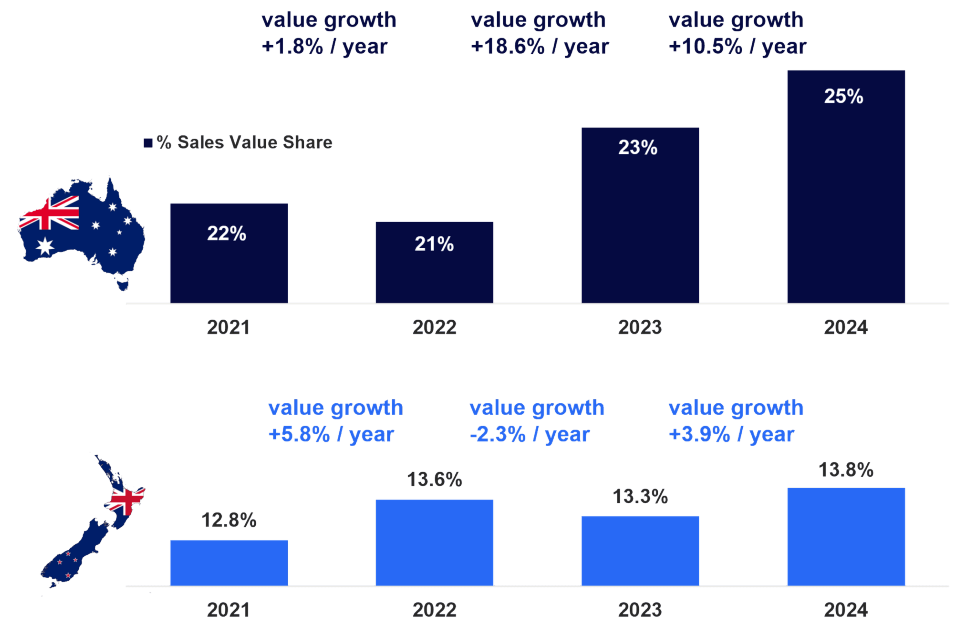


## Private labels further prove evolution beyond “traditional” perceptions of discount

In a context of higher cost of living, it’s not a surprise that Private Label has also been growing in both countries. In Australia, private label has grown from representing one-fifth of sales in 2021 to nearly one-quarter of the market today. While significant, this growth still lags behind Western Europe, where private label penetration reaches 40-50% in some countries, indicating further potential for expansion in Australia and New Zealand.

Interestingly, private label brands are no longer solely focused on affordability. They are increasingly offering premium products at competitive prices, such as specialty cheeses, protein yogurts, and premium ice cream, as a strategy to attract consumers and drive store traffic.

Private label share of sales over time



Sources: 1) NIQ 2024 Mid-Year Consumer Outlook, Global, 2) NIQ Retail Measurement Services, Total CPG, Global Value Sales Share (%), Latest Year ended Q1 2024 vs. directional comparison to past historical share of private label

Private labels are rapidly transcending their traditional image as "discount alternatives." They are increasingly gaining consumer trust and loyalty, achieving recognition for their quality and value, and evolving into leading brands in their own right. Recent research reveals that 40% of global consumers would readily switch to a private label product they enjoy, even if it comes with a higher price tag. Furthermore, 50% of consumers report increased purchase frequency of private label products. These findings underscore a remarkable shift in consumer perception, where private labels have successfully overcome the stigma associated with "discount" offerings.

This trend serves as a compelling reminder that brands, regardless of size or origin, can achieve significant success by consistently delivering on affordability, innovation, and quality. Private labels are proving this point, gaining traction through both consumer sentiment and demonstrable market performance. A historical analysis of private label sales share reveals a swift and accelerating growth trajectory. From a modest 15% share in 2009, private label products now command 22% of the global CPG market, demonstrating a steady annual growth of approximately 0.5 share points over the past decade.

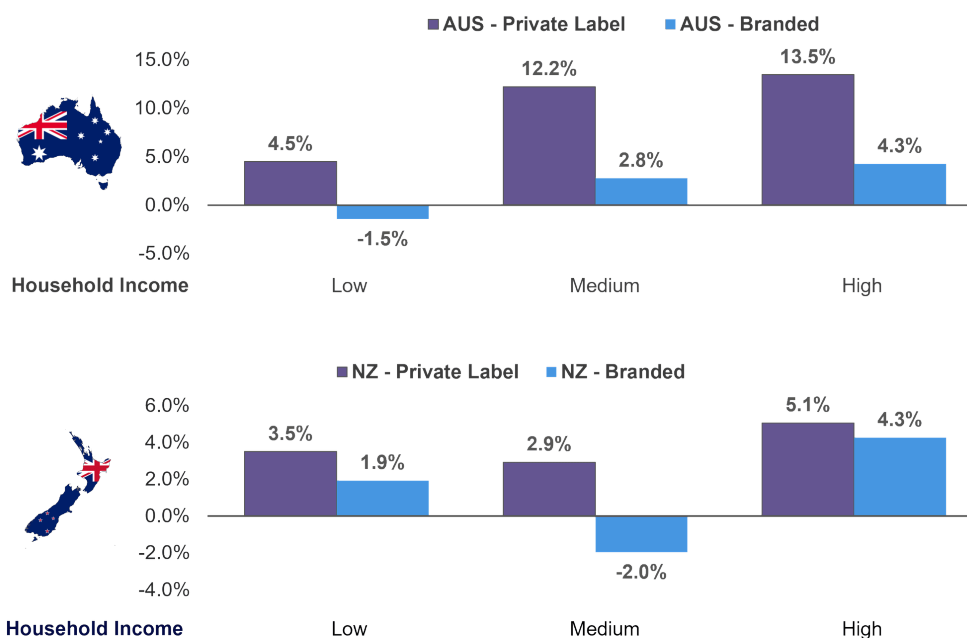
Over the past 3 years, private label brands have captured +0.3 share points of CPG spending





While private label products are often associated with budget-conscious shoppers, recent trends indicate a growing preference for these products among high-income households as well. This suggests that the appeal of private labels extends beyond price sensitivity, encompassing factors such as quality, value, and innovation. The potential for retailers to further expand their private label offerings, particularly in the premium affordability space, is evident.

% \$ growth vs previous year for ANZ households



Source: NIQ Homescan, T. Australia, Total Outlets. Latest MAT 30 June, 2024 vs. previous year.



**Emerging opportunity for retailers:**  
Diversify assortment to meet shifting consumer needs.



# What spending growth lies ahead?

2025 consumer growth  
trends to come



2025



# 5. Trends to Watch

Anticipating catalysts to change in 2025





### In this chapter:

- GLP-1 effect: Seismic lifestyle shifts
- Social commerce & the changing face of omni retail
- AI: Evolving around new consumer expectations
- Combatting commodity price uncertainty

## Trends to Watch

### Anticipating catalysts to change in 2025

Consumers are making conscious and subconscious decisions that address their unmet needs.

From fundamental dietary and lifestyle shifts ignited by the rise of GLP-1 medications to new—and formidable—consumer expectations for AI, there are multiple key signals to big business impacts to heed in 2025.

“With the rapid pace of change in what cycles ‘in’ and ‘out’ of trend, companies need to invest in the right data to guide what priorities lie on the horizon. The key to success here is twofold: Act on unmet needs before consumers ask for them, but not before consumers are ready to embrace real change.

Some consumers are kicking the tires on futuristic advancements in artificial intelligence that haven’t yet earned their trust. Meanwhile, millions of others are embracing a full spectrum of life changes surrounding the use of GLP-1 medications.

Anticipate that the road to earning trust can be slow. But those who can earnestly bridge the gaps to inspire behavioral change are most likely to succeed in the long run.”



**Lauren Fernandes**

Vice President of Global  
Thought Leadership,  
Marketing & Communications, NIQ



## Catalysts to 2025 change, emerging factors faced by key verticals across industries

There are a few specific opportunities we have our eye on now and into the years ahead. These are emerging factors that should be carefully considered when seeking new avenues for growth. While these are certainly just a few of the many factors shifting consumer minds, wallets and actions, they are important ones to explore, leveraging a full view of analytics and assessments to help fend against potential risks or blind spots.

### Trends for Watch



#### Immigration

The ethnic profile of consumers are changing as immigration recovers post-covid, bringing risks and opportunities to FMCG products.

#### GLP-1 Ripple Effect

Assessing the expansive lifestyle and socioeconomic impacts of these popular medications.

#### Hot Commodity Costs

Analysing the latest hot and cool commodity prices against measured consumer impact.

#### New Face of Omni

From the explosive social commerce revolution to the evolution of omni trip types.

#### Readiness for AI

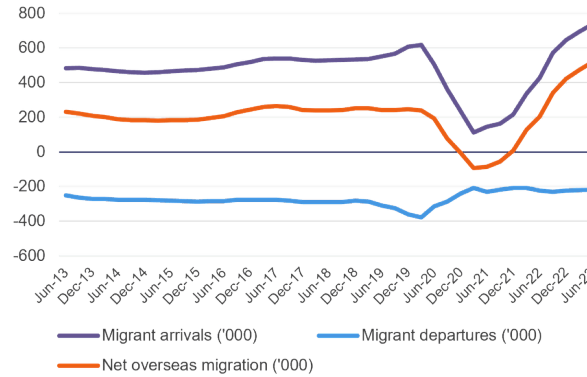
Assessing consumer expectation around AI and ideal areas for consumer innovation.

## Migration recovering post COVID. 31% of the Australia population was born overseas, with India & China the fastest growing countries.

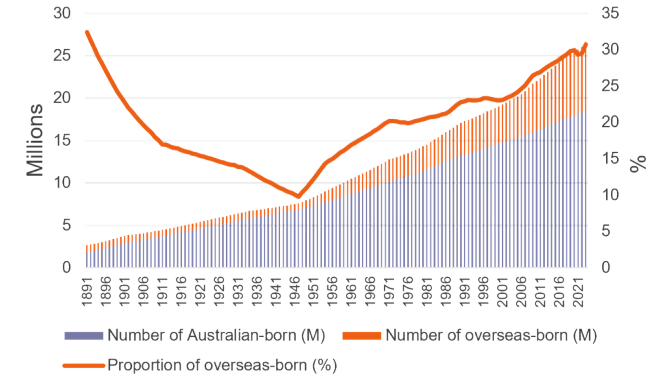
Historically, immigration has been a significant driver of population growth in Australia, accounting for two-thirds of the increase. Today, one-third of Australian residents were born overseas. After a period of border closures, immigration has rebounded strongly, exceeding pre-COVID levels.

The composition of immigration has also shifted over time. Initially concentrated in Europeans and New Zealanders, it diversified in the 2000s and 2010s with increased immigration from China and India. Most recently, post-COVID, India has overtaken China as the main source of new immigrants.

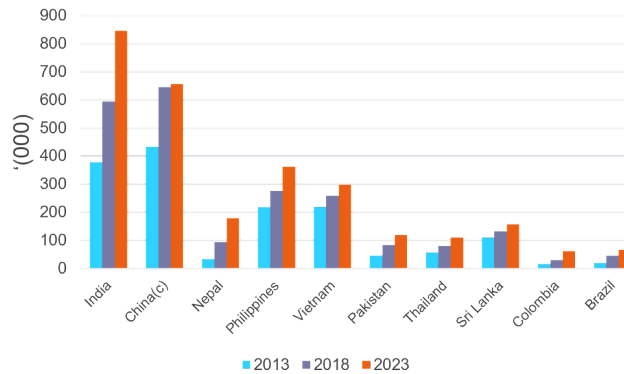
Overseas Migration



Estimated resident population, proportion born overseas



Estimated resident population by country of birth, largest increases since 2013



31%

of AUS residents are born overseas

Source: Australian Bureau of Statistics, Graph 1) Estimates from September quarter 2022 onwards are preliminary, Graph 2) Based on estimated resident population at 30 June each year. Prior to 1986 based on census years. Population estimates for 2023 are preliminary. Source prior to 1986: Historical population publication - country of birth data cube. Graph 3) Population estimates for 2023 are preliminary Top 10 countries of birth with the largest increase in population from 30 June 2013 to 30 June 2023 (excludes Australia). China excludes SARs and Taiwan.



## Opportunity exists to adapt to changing consumer landscape by offering the right products

Immigration significantly influences consumer behaviour due to the diverse consumption patterns across different ethnicities. As immigration patterns shift, so do the demands for specific products and brands. For example, the recent surge in South Asian immigration to Australia is likely to benefit certain FMCG categories that over-perform among this demographic. Understanding these nuances is crucial for FMCG companies. By analysing the consumption patterns of various ethnicities, companies can identify opportunities to tailor their product offerings, marketing strategies, and distribution channels to cater to the evolving needs of an increasingly diverse consumer base.



<u>Europe / Americas</u>	<u>Africa / Middle East</u>	<u>South/Central Asia</u>	<u>Oceania</u>	<u>Southeast Asia</u>	<u>Northeast Asia</u>
Fresh Seafood	Lamb	Poultry	Red Meat	Fresh Seafood	Fresh Seafood
Cheese	Poultry	Chilled Milk	Sausages	Pork	Pork
Butter/Margarine	Yoghurts	Yoghurts	Soft Drinks	Impulse Snacks	Water
Coffee	Spreads	Sweet Biscuits	Sugar Confectionery	Water	Long-life Milk
Canned Fish	Cereal	Impulse Snacks	Energy/Sports Drinks	Long-life Milk	Rice
Cat Food	Coffee	Water	Iced Tea	Rice	Eggs
	Long-life Milk	Long-life Milk	Savoury Biscuits	Eggs	Vitamins
	Long-life Juice/Cordial	Rice	Dog Food	Vitamins	Sun & Skin care
		Eggs		Sun & Skin care	

**Categories more consumed by different ethnic groups in Australia**

Sources: NIQ Homescan, MAT to 08/09/24, T. AUS

## The ripple effect surrounding the rise and impact of GLP-1 drugs

### NEW spending

**CPG:** conscious snacking, fiber & protein, digestive health, supplements & vitamins, gum & mints.

**T&D:** wearable devices and smart tech for wellness management

**60%**

of global consumers say they're likely to start or increase vitamin and supplement intake for health support (50% of Australian Consumers)

### Societal impacts

New business via global manufacturing opportunities as patents expire in 2026, pending regulatory clearances in more markets.

**+0.4%**

**up to 1%**

potential boost to U.S. GDP

### Shifted spending

**MORE** spent on monthly doses of medications, lifestyle and fitness activities

**LESS** spent on food excess, Tobacco, Alcohol

**\$1,000 USD / month**

Estimated uninsured cost of Ozempic injection in the U.S.

### Interpersonal impacts

Productivity, longevity, mental health, fertility, menopausal weight management

**39%**

of Australian consumers say they're likely to spend more on relaxation and anti-stress



## A looming commodity crisis? Cocoa prices are hot, but wheat and sugar prices have cooled

Consumers and manufacturers need to monitor shifting commodities prices to anticipate and react to peaks and valleys.

Commodity price fluctuations are a significant concern for the FMCG industry, as they can impact production costs, product pricing, and consumer demand.

In April of 2024, cocoa surged to a record high of \$12,000+ per metric ton, amid forecasts of shortages and \$8.7B in bets in cocoa futures from hedge funds. Unlike wheat prices, which have stabilised due to increased harvests, cocoa prices are expected to remain elevated due to production challenges in West Africa, a major cocoa-producing region.

These challenges, including adverse weather conditions and disease, may take a full growing season to resolve, prolonging the impact on cocoa-dependent categories like chocolate confectionery.

Looking at potential CPG category adjacencies to some of the latest "hot-rising" or "cooling" commodities like Cocoa (+128%) or Wheat (-27%), we can already see some of the impact on NIQ-measured category sales and volumetric performance. For example, volume sales of chocolate are down 24% globally in the latest 12 weeks (ended June 16th 2024 vs year-ago).

	Commodity	Price % change vs. previous year
HOT	Cocoa	+127.85%
	Milk	+43.84%
	Coffee	+42.71%
COLD	Wheat	-26.66%
	Soybeans	-26.28%
	Sugar	-24.42%

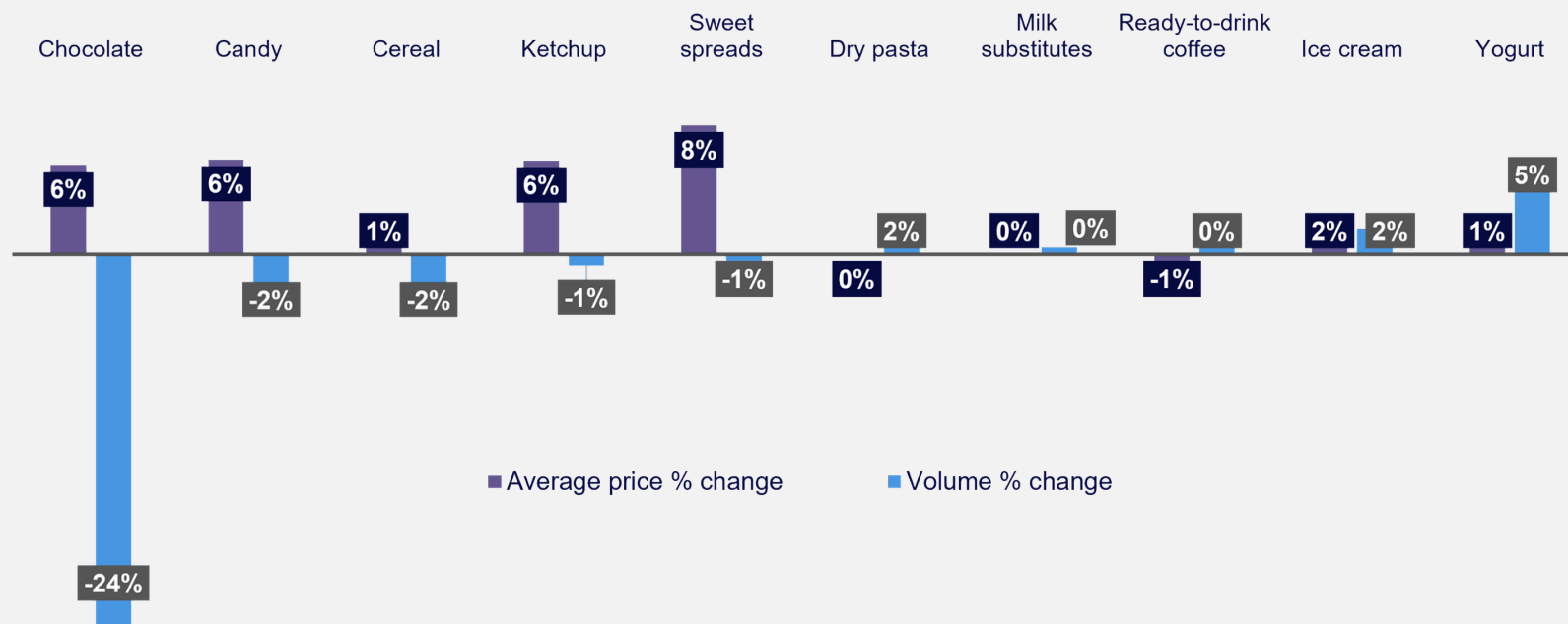
### Will the cocoa "high" result in cocoa-free CPG?

In April 2024, cocoa surged to a record high of \$12,000+ per metric ton, amid forecasts of shortages and \$8.7B in bets in cocoa futures from hedge funds.



## CPG categories adjacent to recent commodity price shifts Price & volume trend

Latest 12 weeks vs. previous year



Source: Trading Economics, Commodity Prices as of Jul. 26 2024 vs. previous year. 2) NIQ, Global Strategic Planner, Eq volume price % change and Eq volume % change vs. previous year. Latest 12 weeks ended Jun. 16, 2024 vs. previous year. Sales currency reflected in US dollars.

## The changing face of omni retail around the globe

The changing face of omni retail is another global phenomenon that's diversifying in many new and unique ways around the world.

**23%**

of U.S. ad spending in 2025

**42.3%**

avg. orders per e-shopper  
in the U.K.

**+55%**

sales growth via TikTok  
channel in China

### Retail Media Networks (RMNs)

In 2025, retail media ad spending will represent over 23% (more than a fifth) of all digital ad spending in the U.S. As retail media investments reach record levels, retailers will focus on not only selling product placement ads (i.e., display), but also monetizing e-commerce search results.

### Quick Commerce Evolution

Many quick-commerce players are re-focusing, targeting high-frequency buyers in their most profitable markets. In the U.K., for instance, average orders per e-shopper was higher than other EU lead markets, making it a key market of focus for some companies thinking about q-commerce differently.

### Social Commerce

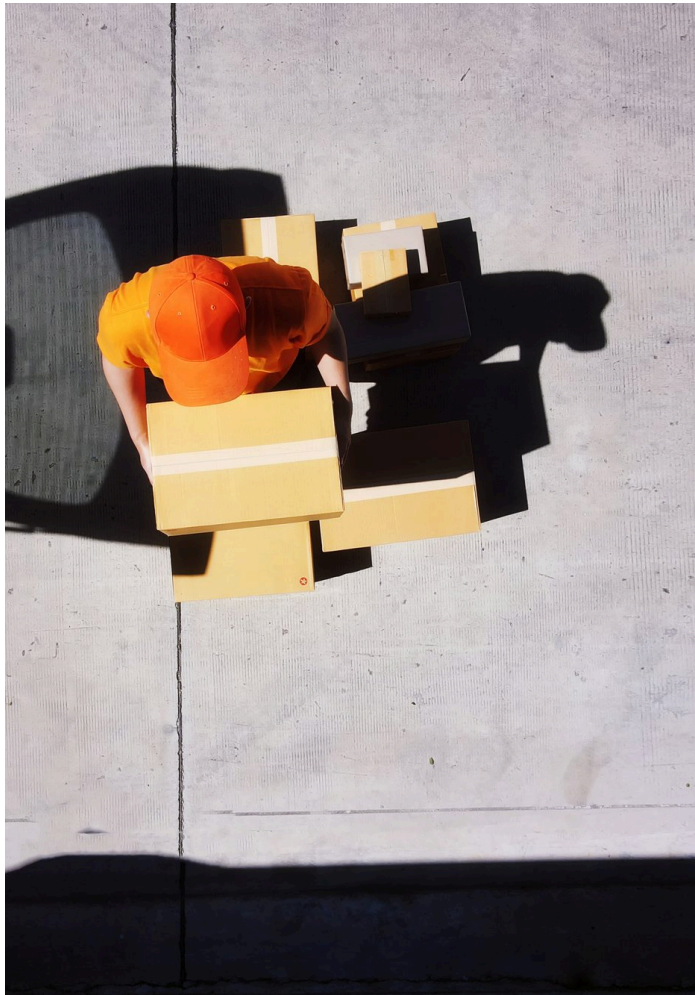
Impressive double-digit sales growth of TikTok in China (+54.8% vs. previous year), with strongest growth in personal care, paper products, and pet care categories. China and other Asian markets are leading the globe in social commerce.

Source: 1) US Ad Market Outlook Report, March 2024, Advertiser Perceptions, 2) NIQ Consumer Panel FoxIntelligence, Avg purchase frequency, Total e-commerce, UK compared to 8 other EU markets, Calendar Year 2023, 3) NIQ Retail Measurement Services, China, TikTok (Douyin) channel performance, % growth, 52 weeks ended Q1 2024 vs. previous year.

The omnichannel retail landscape is undergoing a global transformation, driven by several key trends:

- Rise of Retail Media Networks: Retail Media Networks (RMNs) are gaining prominence as brands increasingly prioritize digital advertising on platforms like Amazon Ads. RMNs are expected to account for 23% of all digital ad spending in the US by 2025.
- Evolution of Quick Commerce: Quick commerce players are focusing on achieving profitability by optimizing their geographical operations and targeting high-frequency buyers in profitable markets.
- Emergence of Social Commerce: Social commerce is rapidly growing, as seen in the double-digit sales growth of platforms like TikTok (Douyin) in China. This trend is particularly strong in Asian markets but is spreading globally.





## Evidence of the widened scope of today's social commerce revolution

Social commerce is rapidly transforming the retail landscape, with platforms like TikTok (Douyin) in China demonstrating significant sales growth. In Australia, one in four consumers are willing to purchase via social media, highlighting its growing importance in the consumer journey.

Social media is also playing a crucial role in product discovery and learning, with 33% of consumers using social media for product information before traditional search engines and 35% relying on social media as their primary source for learning about new innovations.

Furthermore, social media is influencing product choices, with 29% of consumers stating they would switch brands based on recommendations from social media influencers, particularly among younger demographics.

Gamification is another emerging trend in social commerce, with 34% of consumers willing to spend more due to in-app challenges or rewards and 28% likely to purchase products featured in games.

Despite these opportunities, social commerce faces challenges in consumer adoption. Concerns about payment security and ad fatigue are prevalent, with 60% expressing distrust in social media payments and 65% ignoring or skipping ads. Building trust and delivering meaningful engagement will be crucial for the continued growth of social commerce.



## Purchase intent



**1 in 4**

Consumers in Australia are likely to purchase via social media.

**But**

**60%**

don't trust security of paying via social media.

**65%**

ignore or skip ads on social media.

## Learning and discovery



**1 in 4**

would search social media (e.g., TikTok) for product information before a traditional search engine (e.g., Google).

**35%**

would use social media as their primary source to learn about new products and services.

## Influence on choice



**29%**

would change brands based upon the recommendation of a social influencer.

**10% for Boomers**

**23% for Gen X**

**40% for Millennials**

**44% for Gen Z**

**37%**

would seek a new product in-store or online because of something seen on social media.

## Gamification



**34%**

would spend more on a purchase because of an in-app challenge, point system, or reward experience.

**28%**

would purchase a product that has been in a video game / online game.

## Consumers are more open to lower-stakes AI involvement in their shopping decisions

**40%**

would accept a product recommendation from their AI assistant (e.g., Siri on iPhone, Amazon Alexa, etc.)

**49%**

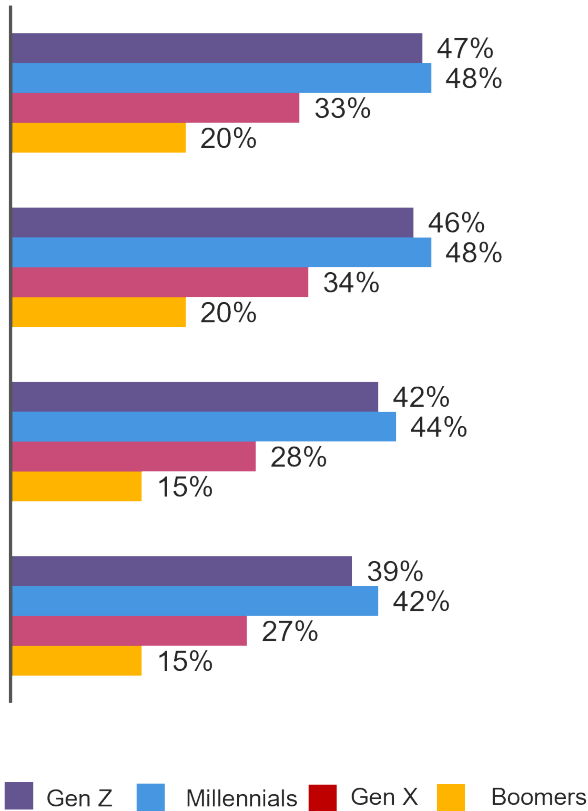
would leverage AI to automate and speed up their everyday shopping decisions

**35%**

would allow 'smart' devices (e.g., fridge sensors) to automatically order new products when required

**34%**

would purchase a product or service they have only examined or experienced through augmented reality or virtual reality



**Deep variances exist by generation. Older cohorts remain the most hesitant—by a significant margin.**

Source: NIQ 2024 Mid-Year Consumer Outlook, Global

While consumers may not be ready for full-scale AI integration in their shopping experiences, they are open to AI applications that enhance convenience and efficiency. This is particularly true for younger generations, with nearly half of Gen Z and Millennials expressing a willingness to use AI to automate or speed up their shopping decisions.

However, older consumers are less receptive to AI-driven shopping experiences, highlighting the need for retailers to provide options and support to avoid alienating this demographic. By segmenting experiences and offering alternatives for older consumers, retailers can foster greater AI adoption without compromising customer relationships or hindering future growth potential.



There are many ways consumers have embraced AI. Consider these lower-stakes options alongside back-end integrations (innovation, research, etc.), to ease consumers through AI transformation.

As leaders in this space, who have a proven track record of leveraging AI at scale, NIQ is the premier partner to manufacturers and retailers seeking to be AI-forward, leveraging the right data to make a big difference.

[Read more](#)

Leveraging the right data, makes a big difference. When Artificial Intelligence models are carefully prompted with the types of comprehensive, granular, and up-to-date data that only NIQ has, they can offer remarkably human responses.

[Read more](#)

Unlock faster insights with **NIQ Ask Arthur**—a GenAI tool that's redefining the landscape of data exploration and utilisation. Find what you need fast, and simplify data interpretation.

Available now in [NIQ Discover](#).

[Read more](#)



# Key Takeaways for Brands and Retailers

## STATE OF CONSUMERS

The global state of consumers is determined to get ahead.

### Half of consumers

across ANZ still feel in a worse financial position

### Rising cost of living

remains the biggest consumer concern across ANZ

### CPI decelerates

to levels below 4.0% vs YA, but still maintains above pre-pandemic levels

#### Key Questions:

- How have consumers' lifestyles, preferences and values evolved?
- What plans, expectations and decisions define consumers' future outlook to guide long-term business planning?
- What key demographic, psychographic or attitudinal behaviors differentiate your target consumers?

#### Solutions:

**NIQ BASES Studio: Quick Suite**

**NIQ Consumer Analytics: Custom surveys and segmentation**







## CONSUMPTION DRIVERS

Volume trend improves, but many still spending more for less

**+3.0%**

FMCG unit volume growth trend improves, as average price growth decelerates

**-2%**

Tech & Durables value decline, driven by Domestic Appliances, while Telecom shows more resilience

**40%**

of a brand's shoppers only buy once, according to an EU study of 7K brands. Penetration is key to brand growth beyond inflation

### Key Questions:

- Which in-market causals are driving volume gains or losses for your business?
- How can your business attract new shoppers and encourage existing shoppers to buy more?
- How can I track performance globally to simplify cross-market decisioning with a harmonized dataset?

### Solutions:

**NIQ Consumer & Shopper Insights:  
Homescan**

**NIQ Retail PoS: Retail Measurement  
Service**



## REDEFINING DISCOUNT

Embrace the new hybrid definitions of value among consumers.

### Alternative retailers

gain relevance by growing Penetration as consumers cross-shop to find better deals

### 31 and 34%

of Aussies and Kiwis would switch to buy a private label products<sup>1</sup> and High-Income Households are driving PL growth

### +8.4%

growth in Discount retail channel in Australia, as discounters become the second-fastest-growing channel in the latest year

#### Key Questions:

- How can you optimize your product mix across the entire store to align to consumers new views on 'discount'?
- How can you anticipate consumer trade-offs with your innovations to maximize appeal and volume potential?

#### Solutions:

**NIQ Assortment & Merchandising: Shelf Architect & Market Structure**

**NIQ BASES: Portfolio & Price**





## TRENDS TO WATCH

Anticipate the social commerce revolution, the new face of omni, AI expectations, GLP-1 medications, and shifting commodity prices.

### **+0.4% up to 1%**

potential boost to U.S. GDP due to rise and impact of GLP-1 medications in America

### **1 in 4**

Australian consumers are likely to purchase via social media

### **60%**

would avoid sharing personal details virtually because they do not trust data privacy with AI technologies

### **Key Questions:**

- What is evolving within the most comprehensive view of my sales across online and offline channels?
- What growth-driving product attributes can you leverage to entice consumers?
- How can you personalize marketing at-scale powering ads that work?

### **Solutions:**

**NIQ Omnisaales**

**NIQ Product Insight**

**NIQ Retail Media Intelligence**



**NielsenIQ (NIQ)** is the world's leading consumer intelligence company, delivering the most complete understanding of consumer buying behavior and revealing new pathways to growth. NIQ combined with GfK in 2023, bringing together the two industry leaders with unparalleled global reach. Today NIQ has operations in more than 95 countries covering 97% of GDP. With a holistic retail read and the most comprehensive consumer insights—delivered with advanced analytics through state-of-the-art platforms—NIQ delivers the Full View™.

Thank you for reading

# Let's chat about your 2025 Growth Plan

Contact us [here](#).