

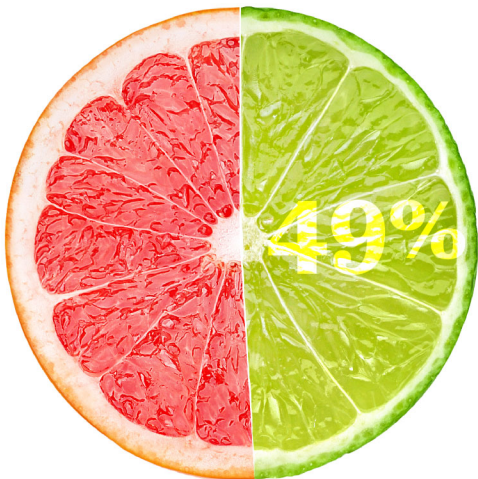
SUSTAINABLE PRODUCTS 14 TRENDS

MiGROS
TİCARET A.Ş.



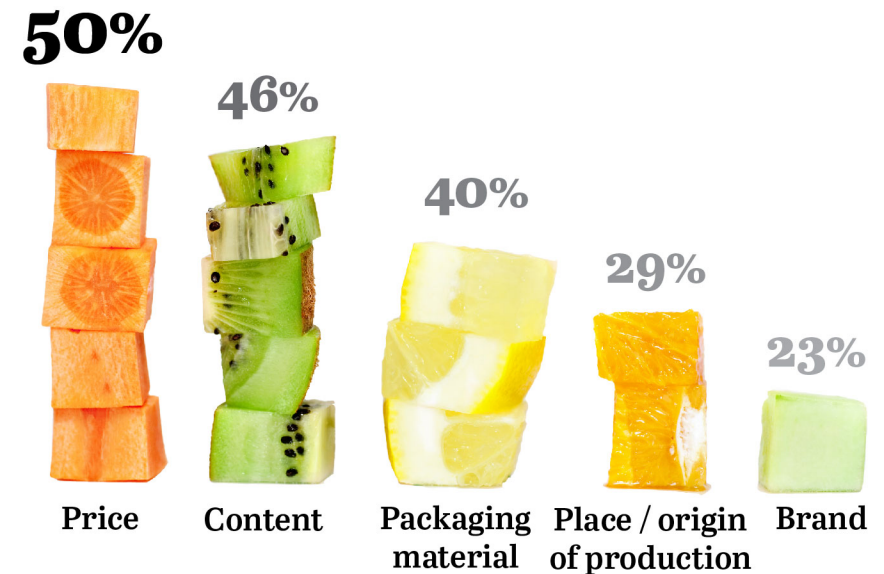
TREND 1: BREAK THE PRICE BARRIER

What comes to mind when it comes to sustainable



**49% say
Sustainability
is Continuity**

Deciding factors when choosing between a sustainable and non-sustainable product



50% say the price of a sustainable product is the most important consideration

“ Consumers are less price sensitive towards locally sourced products compared to organic/ natural products. ”

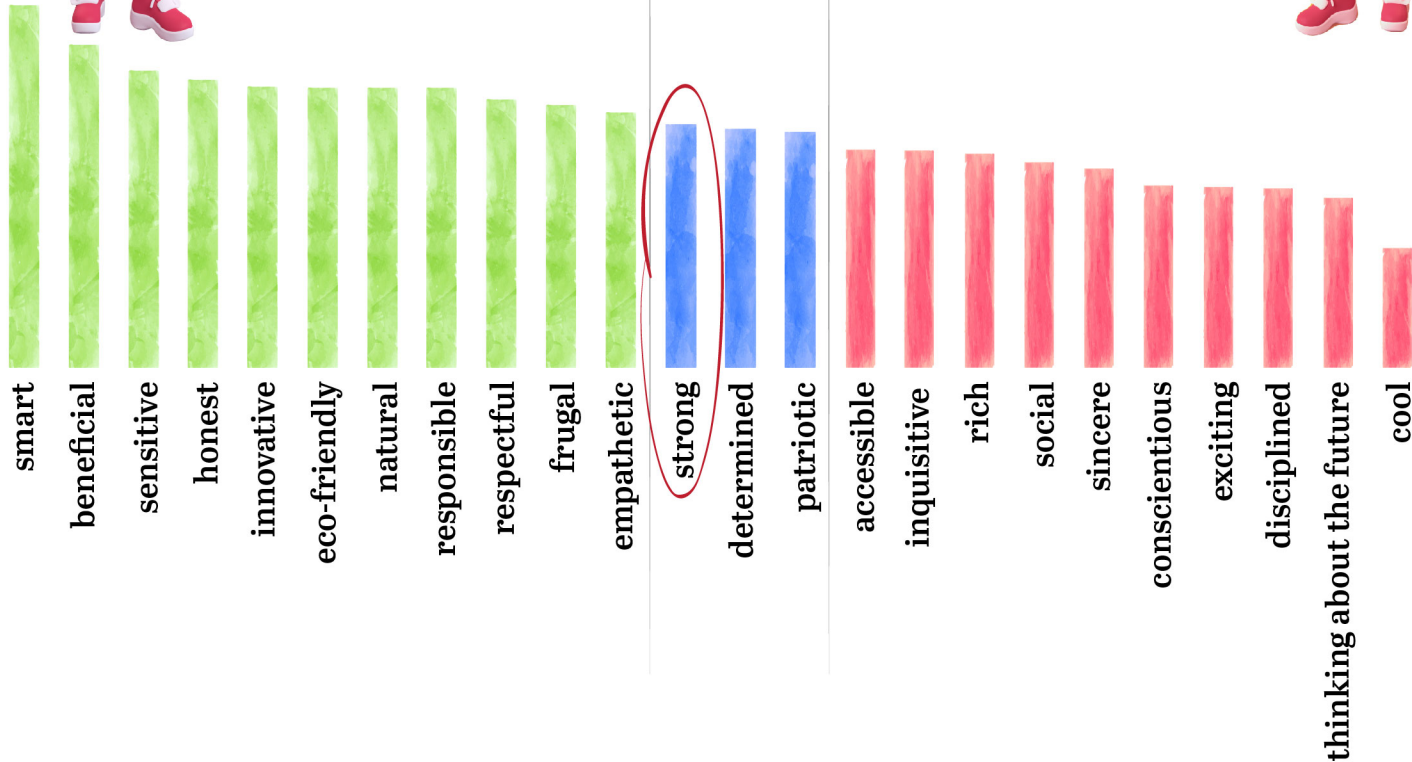
TREND 2: PERFORMANCE CONCERN

About Sustainability;

Associated
Adjectives

≠

Non-associated
Adjectives

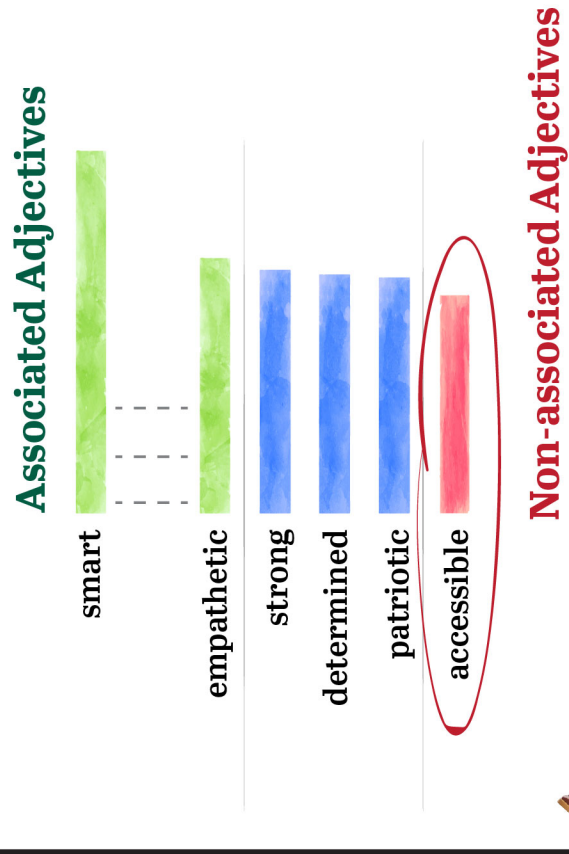


The adjective 'Strong' is not associated with sustainability

In sustainable products;

- Low performance concern about cleaning products
- Concern that food products lack flavour

TREND 3: ACCESSIBILITY



Relationship between 'Sustainable Products and Food Retailers' is not strong in the minds of consumers

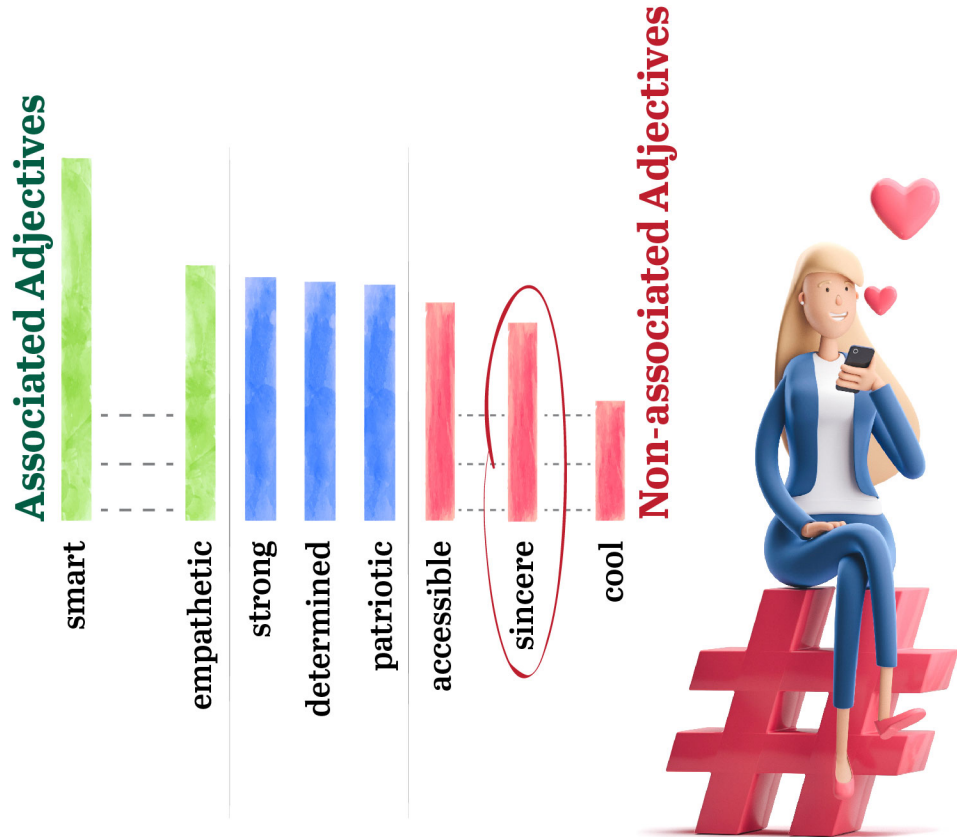


2 out of 5 shoppers don't associate food retailers with sustainability activities.

- Unable to associate the concept of accessibility with sustainability
- The perception that sustainable products are high-end

- Create more space for sustainable products in the stores
- In-store activities and efforts need to be more visible

TREND 4: EARN THE TRUST



Persuaded to Go for a Sustainable Product

Trusted Brands



Untrusted Brands



Unheard of Brands



Sincerity is critical factor when purchasing but not associated with sustainability

- Cooperation between retailers and local producers
- With the support of a reliable food retailer such as Migros, trust can be built by local producers and brands

TREND 5: LOCAL TREASURE



Highest score within 22 sustainable product images
Product of a Women Farmers' Cooperative

Perception of local products is more affordable, natural and reliable

What can food retailers do in the field of Sustainability? Economic Sustainability

Presenting local / Turkish products



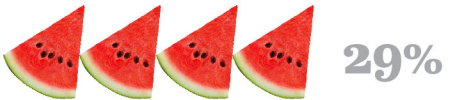
Creating employment



Supporting local / small businesses / producers in the near region



Supporting country's economic development with company operations



61% of shoppers expect food retailers to stock local products to support sustainability

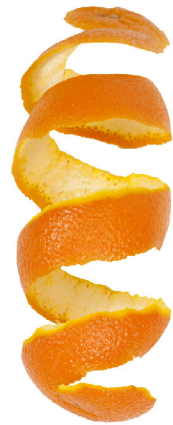
TREND 6: BEAUTY INSIDE OUT

Sustainable Product Neuro Efficiency Score



69.27

Content-Intensive



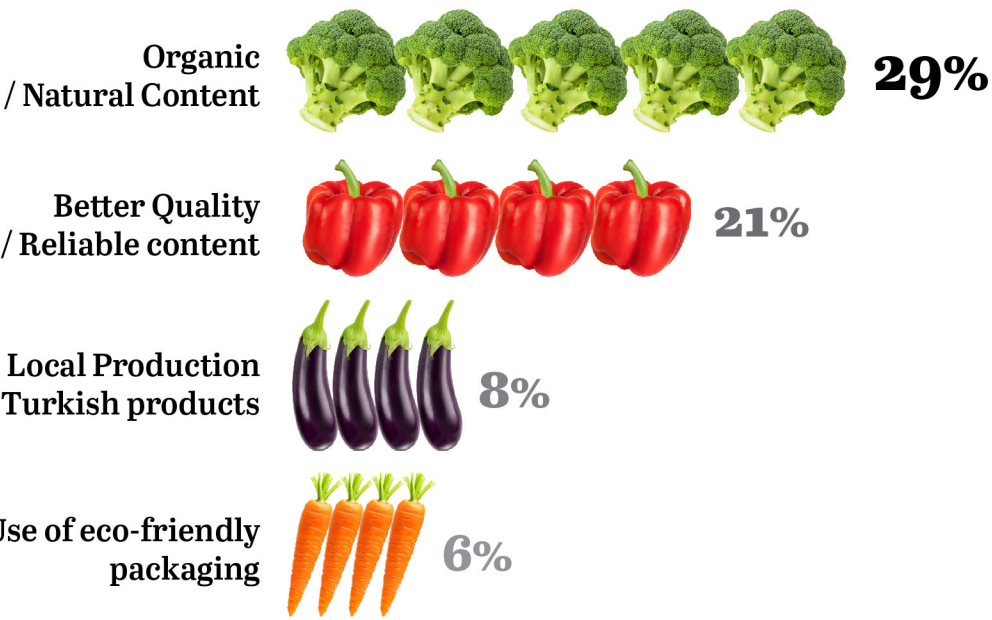
65.13

Packaging-Intensive

Average of 22 sustainable product ad-efficiency score is 67.36

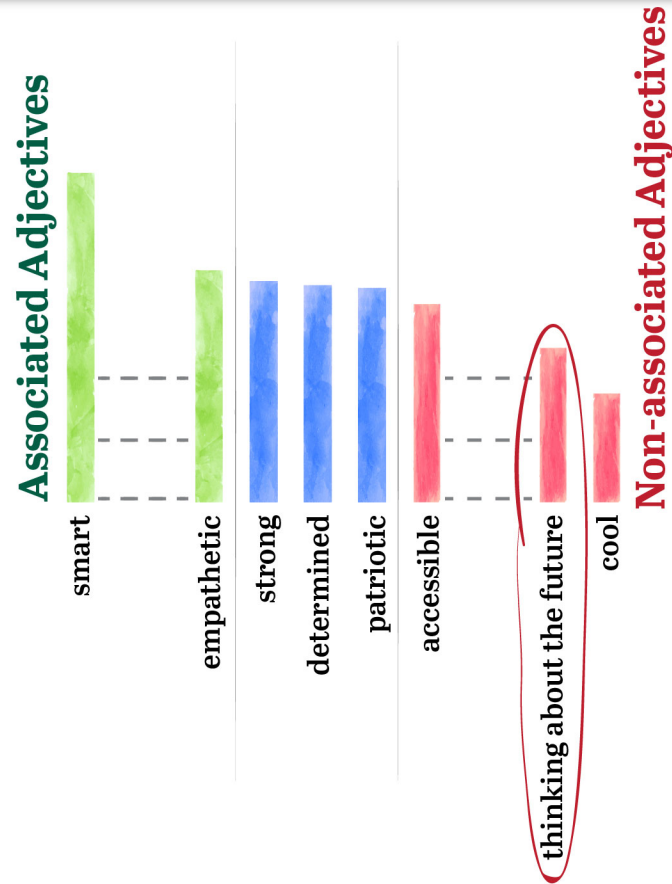
Content-intensive communication images outperformed those with packaging-intensive communication

Sustainable Product = *Natural / Organic / Quality / Reliable Content*



The ingredients (50%) are considered more important than the packaging (6%)

TREND 7: BEING PRESENT



The benefit should be explained with 'here and now', not with 'the future'.

Top 5 concepts that come to mind

Being able to continue / continuity



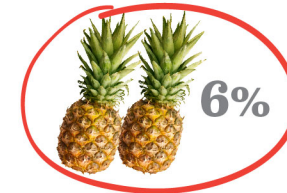
Being sensitive to the environment / not harming the nature



Recyclable products / materials



Caring for the needs of future generations



Being economical / economy



Among the concepts that sustainability brings to mind, only 6% of consumers chose 'Caring for the needs of future generations.'

TREND 8: DEVELOPING EMOTIONAL CONNECTION



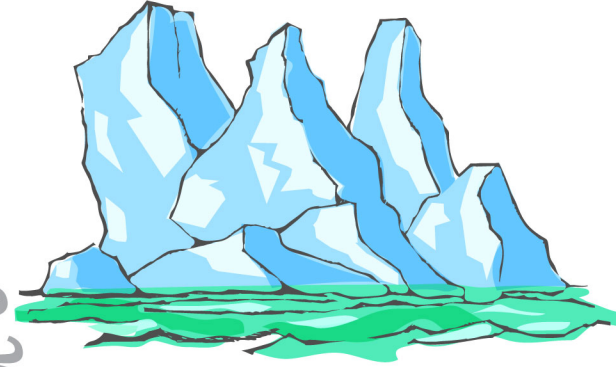
Seagull



VS



Penguin



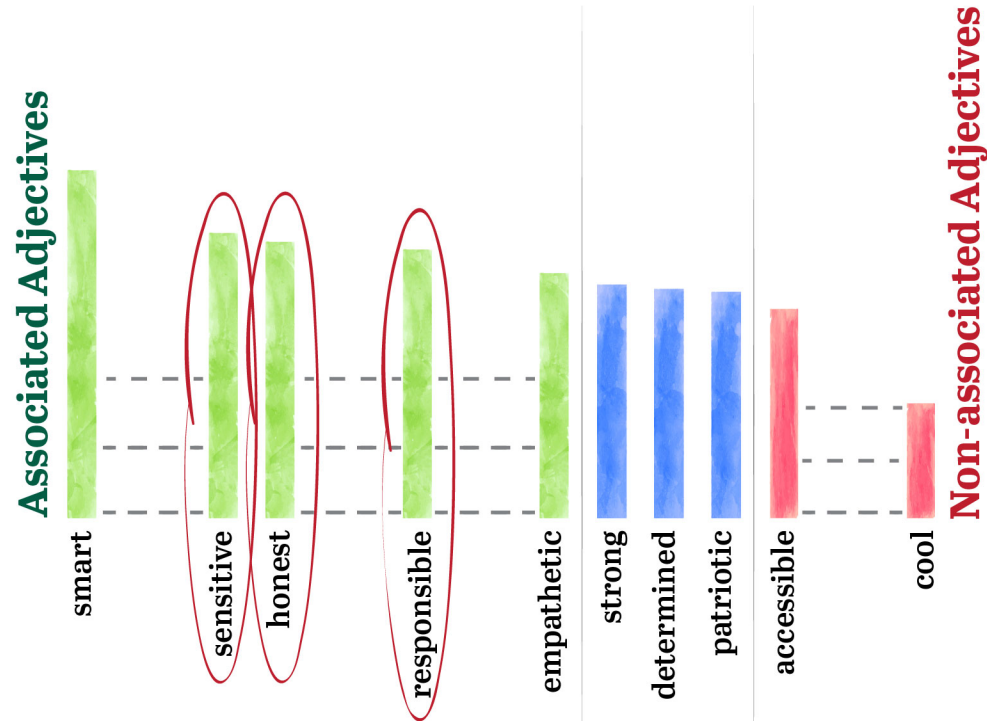
- Communication emphasizing daily experiences and everyday life
- Improving emotional connections with examples that are already present in the lives of consumers

TREND 9: SELF BENEFIT



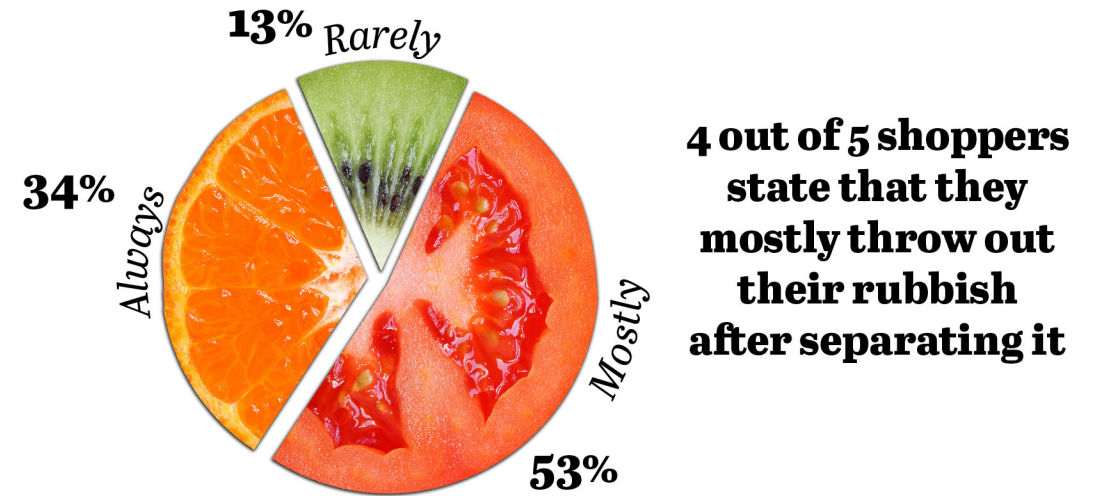
- *Self-benefit* is the initial response coming before consideration of the planet's future
- Self benefit for the consumer in terms of taste, price and utility

TREND 10: ACTIONS SPEAK LOUDER

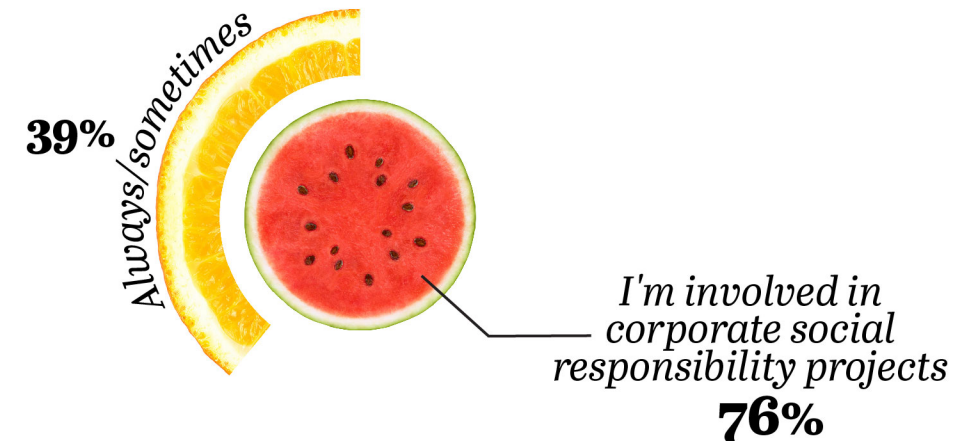


- Being responsible, sensitive and honest are top concepts associated with sustainability
- Armchair activism is the norm and action is the exception

How often do you sort your rubbish?



The declaration of being active in social responsibility projects for society / environment



TREND 11: BELONGING TO A GROUP



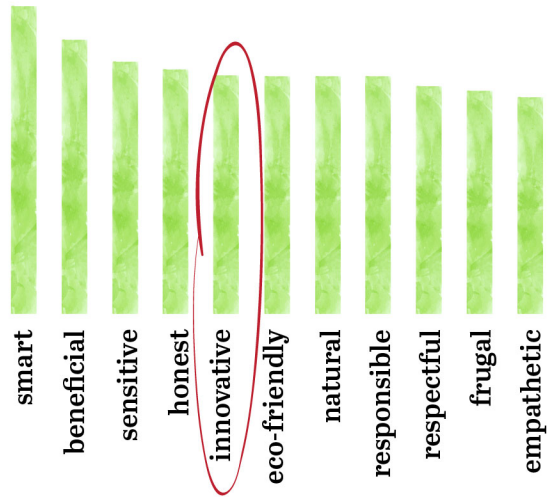
- Desire to be a part of society
- Willingness to be moved by influencers

- Fear of being a social outcast for not taking action on sustainability issues
- Role sharing to discourage social loafing and nurture feelings of togetherness

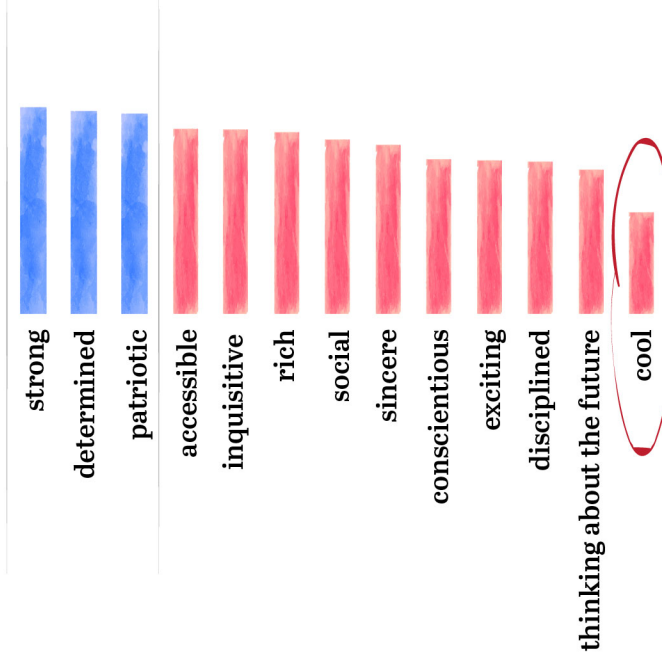
**Source: Alex Laskey : How behavioral science can lower your energy bill? TED 2013*

TREND 12: BE TRENDY, BE COOL

Associated Adjectives



Non-associated Adjectives



How is sustainability perceived?

How should it be?

What kind of innovation?



*Respectful,
Smart*



*Exciting,
Cool*

- Making sustainable products cool and trendy
- Exciting and innovative products that reflect the consumer's personality

TREND 13: MAKING A STATEMENT

↓ *Instead of saying*

120 m³ water

say

**‘the amount of water you would
use to take a shower X times’**



A concise, clear and action-oriented
language in communication
for sustainability

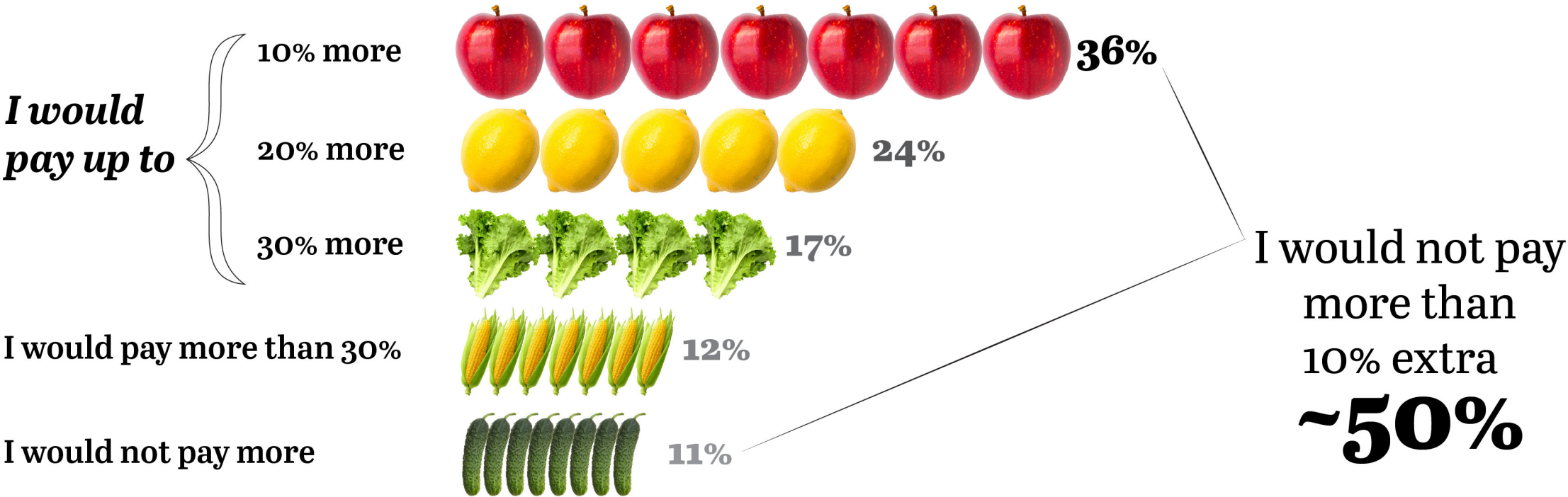
Concepts associated with sustainability are quite **“limited”**
and **“internalization”** is still taking baby steps



Sustainable products cannot be conceptually
internalized, pay attention to the language
of communication!

TREND 14: I CAN PAY MORE BUT...

Tendency To Pay More For Sustainable Products (%)



Half of the shoppers said they would not pay more than 10% extra for sustainability products.



Migros Ticaret, founded in 1954, is the leading supermarket company of Turkey. Migros delivers a broad product range to meet the different needs of its customers through its Migros stores (MigrosJet, Migros, MM, MMM, 5M, Migros Wholesale), Macrocenter stores and e-commerce channels (Migros Sanal Market, Migros Hemen, Macroonline and Tazedirekt) in 81 provinces of Turkey. Integrating its 67 years of retail experience into all business processes with digital transformation, Migros provides a unique shopping experience through its innovations, ultimate service approach and pioneer applications. Migros is the biggest fresh food seller in retail sector of Turkey with an exclusive expertise on fruits, vegetables, red meat and poultry products. Migros also aims to offer the basic needs of households with the best price and the best quality. Migros is the first and only retailer to be listed in the Borsa İstanbul Sustainability Index seven years in a row. In addition, Migros has been selected among the “CDP Turkey Climate Leaders” for three years and ranked among leaders in CDP Water Programme in 2020. Migros has received the “The Most Admired Company of the Retail Sector” award for 17 consecutive years associated with “Turkey’s Most Admired Companies” research. www.migroskurumsal.com



NielsenIQ is the leader in providing the most complete, unbiased view of consumer behavior, globally. Powered by a ground-breaking consumer data platform and fueled by rich analytic capabilities, NielsenIQ enables bold, confident decision-making for the world’s leading consumer goods companies and retailers. Using comprehensive data sets and measuring all transactions equally, NielsenIQ gives clients a forward-looking view into consumer behavior in order to optimize performance across all retail platforms. Our open philosophy on data integration enables the most influential consumer data sets on the planet. NielsenIQ delivers the complete truth. NielsenIQ, an Advent International portfolio company, has operations in nearly 100 markets, covering more than 90% of the world’s population. For more information, visit www.nielseniq.com.



Thinkneuro is the first and leader neuromarketing research company in Turkey that is the member of Neuromarketing Science and Business Association (NMSBA), TUAD and ESOMAR. Thinkneuro conducts neuromarketing research regarding advertisement, packaging, pricing, taste/odor, brand perception, shopper/ web/ app experience. Parallel to the exciting global developments regarding neuromarketing, the company centered all its research activities on direct brain measurement techniques that eliminate the need for explicit data.

Thinkneuro mainly measures brain waves (EEG) gaze plots (eye tracking) of participants. In addition, Thinkneuro utilizes fNIRs research tool to retrieve data from decision making center of the brain by measuring blood oxygenation level. Thanks to neuromarketing research methodology, it is now possible to learn what the consumers feel towards any marketing stimuli.

Team formed by marketing consultants and academicians; sociologists and psychologists along with brain computer interface experts, statisticians and cognitive scientists; ThinkNeuro is proud to validate its research outcomes with real life marketing results of its clients. Enjoying vast marketing knowledge and expertise, ThinkNeuro is known for not only delivering robust neuro results but also presenting doable action plans for each project. Having operations in 21 countries; ThinkNeuro embeds valuable unheard consumer insight into strategic decision making process. For more information, please visit: www.thinkneuro.net



The Consumer Goods Forum (“CGF”) is a global, parity-based industry network that is driven by its members to encourage the global adoption of practices and standards that serves the consumer goods industry worldwide. It brings together the CEOs and senior management of some 400 retailers, manufacturers, service providers, and other stakeholders across 70 countries, and it reflects the diversity of the industry in geography, size, product category and format. Its member companies have combined sales of EUR 3.5 trillion and directly employ nearly 10 million people, with a further 90 million related jobs estimated along the value chain. It is governed by its Board of Directors, which comprises more than 50 manufacturer and retailer CEOs. For more information, please visit: www.theconsumergoodsforum.com