Agri-food sector digitization - consumer needs and challenges

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Food facts for healthy choices
www.eufic.org

Eufic mission

Communicate science-based information
on food and health,
to help consumers to be better informed
when choosing a well-balanced,
safe and healthful diet

EUFIC was established in 1995

Consumer needs and challenges in the era of digitisation

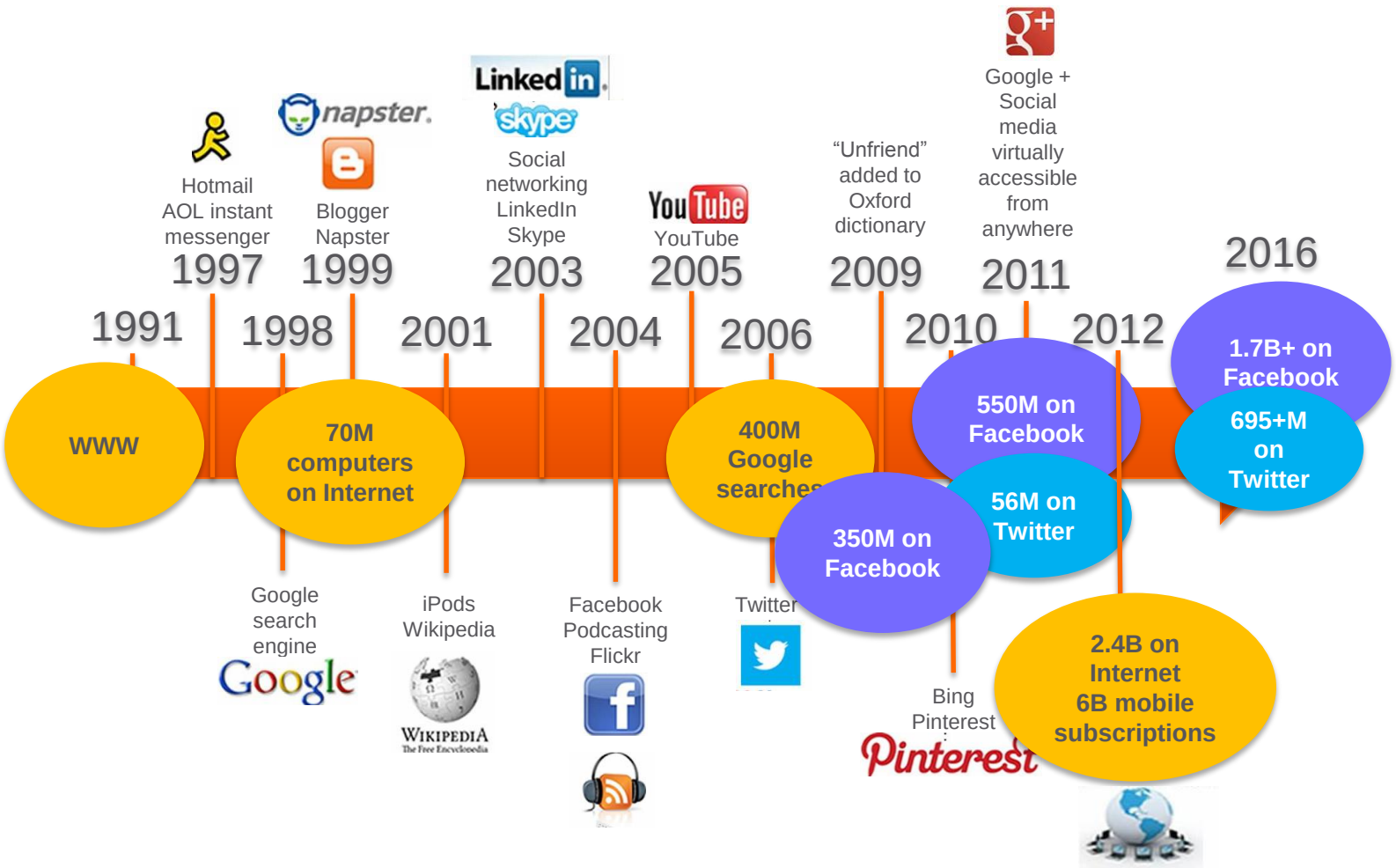
The digital revolution

- One of three major social revolutions in human history
  - Neolithic revolution
  - Industrial revolution
  - Digital revolution

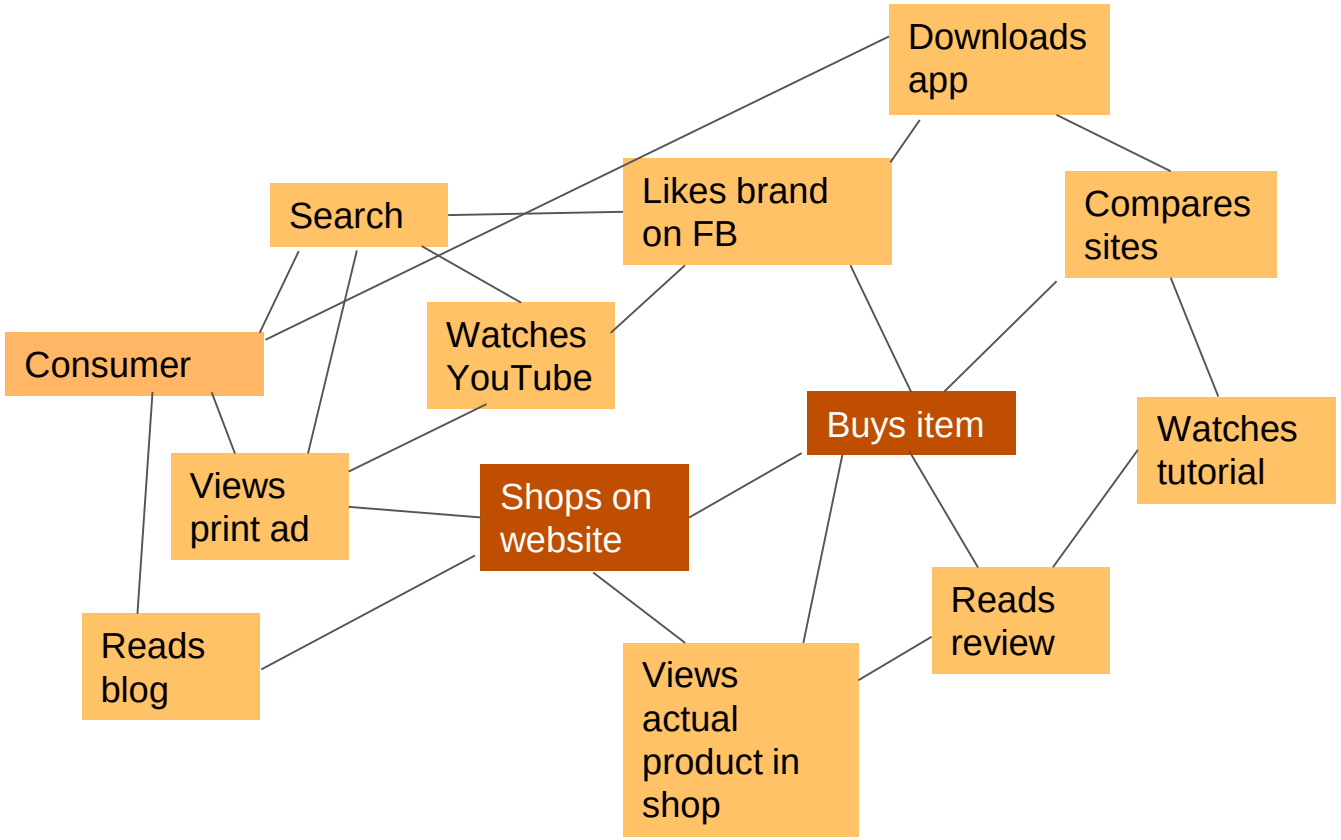
- The Digital Revolution
  - Change from mechanical and analogue electronic technology to digital. Start late 1950s to late 1970s with digital computers.
  - Changes brought about by digital computing and communication technology during (and after) the latter half of the 20th century.

[source: Wikipedia]

Exponential growth …

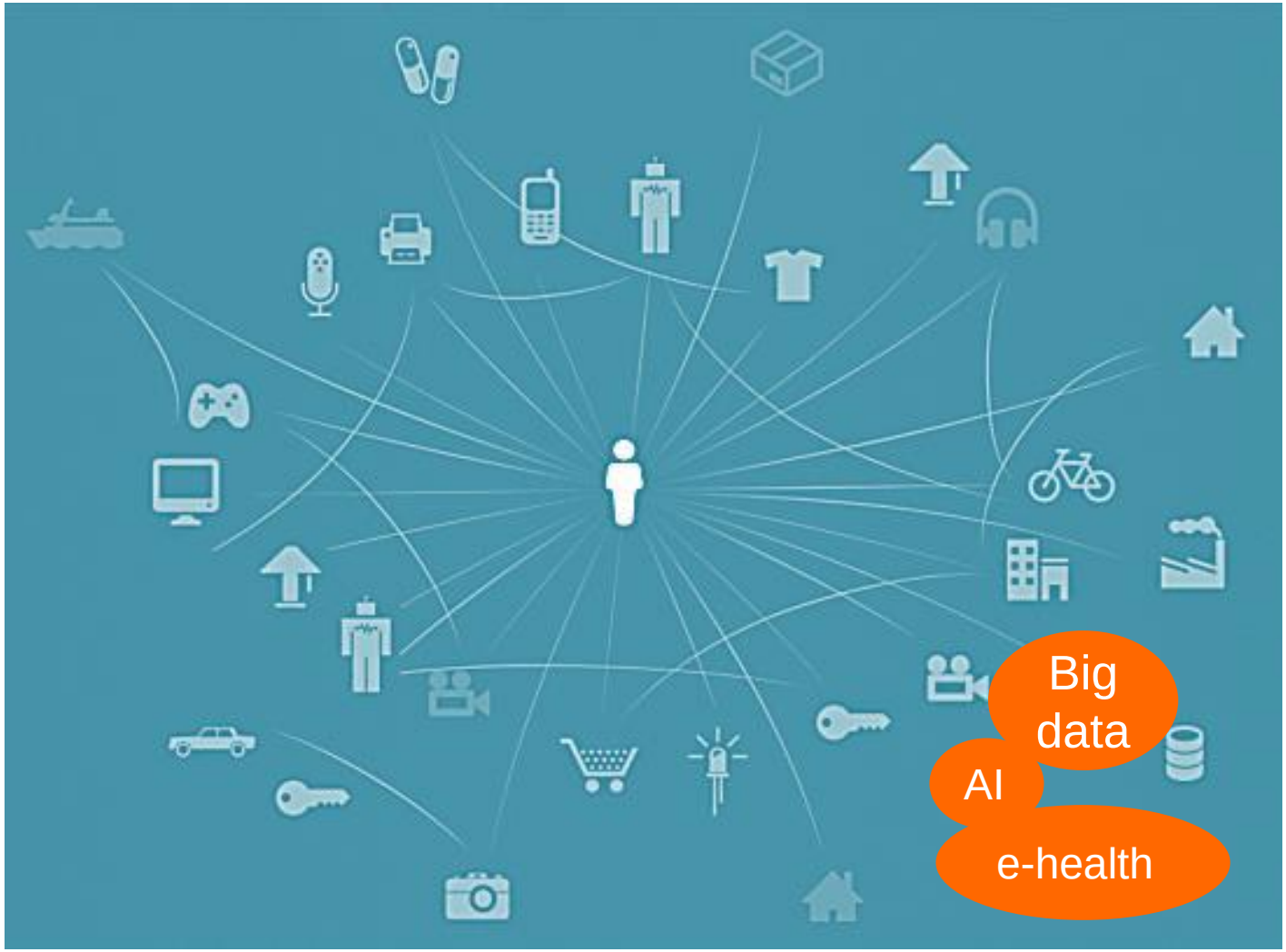


Information journey no longer linear



[source: Whirlpool]

Internet of Things



[source: http://intel.com/content/www/us/en/internet-of-things/infographics/guide-to-iot.html]

The impact of the digital revolution

- **Consumers are less tolerant**
  Faster to complain and harder to satisfy.

- **Consumer-to-consumer dialogue has grown**
  Social media - huge potential both to build and destroy brands (driven by opinions of 'friends','followers').

- **Consumers are more informed**
  Information and opinions are a click away.

- **All consumers are becoming multichannel users**
  Consumers – not businesses – decide which communication methods will be most used.

The impact of the digital revolution

- **Consumers are less loyal**
  No longer accept poor standards of service, want value for money, demand quality and are willing to pay for it.
- **Consumers no longer compare companies only with competitors**
  Company performance compared broadly (with insurance company, supermarket, etc).
- **Consumers no longer accept branding and marketing from organisations**
  Widespread distrust of mainstream information channels, plus strong legislation against direct marketing and a growing technical ability to screen out advertising.

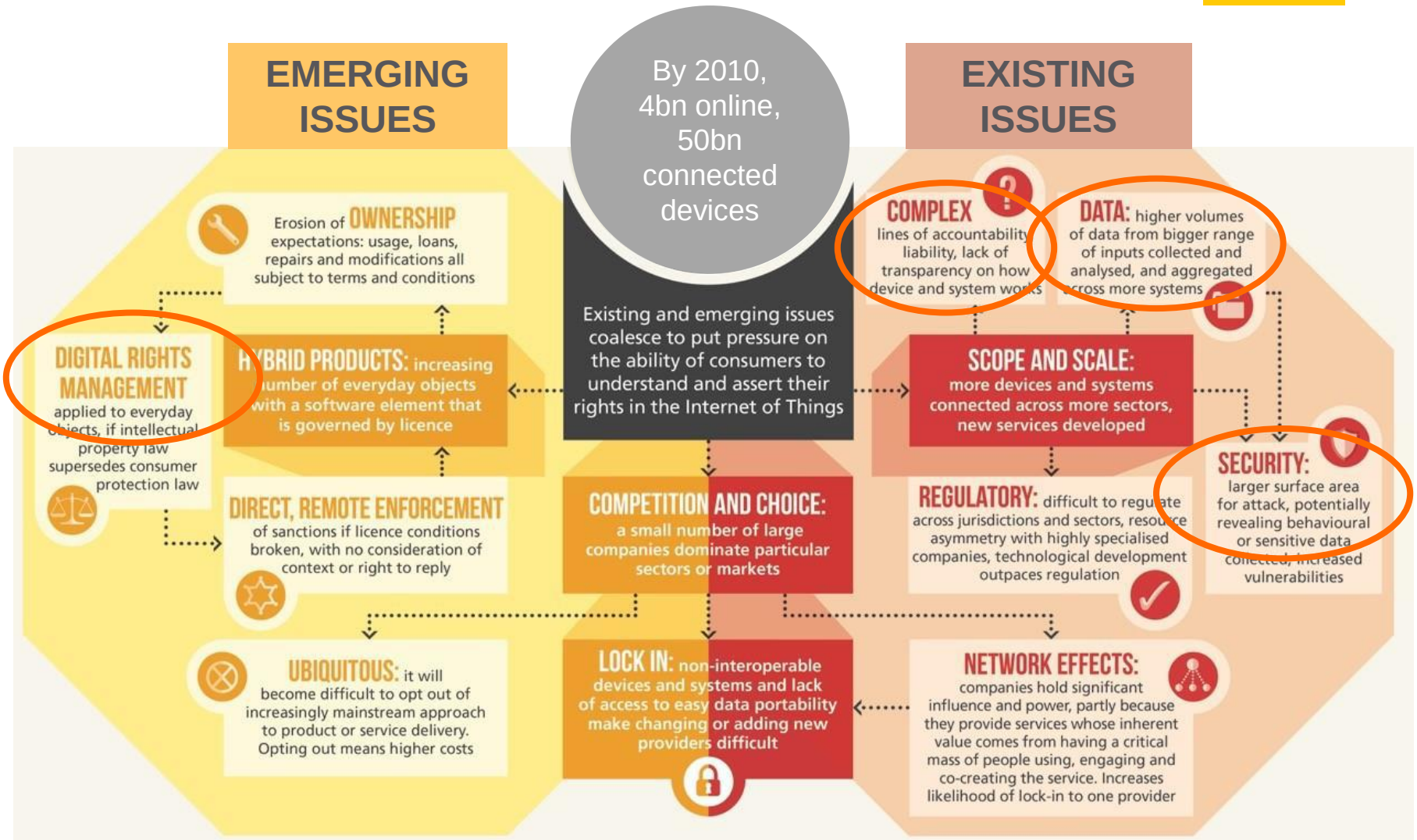
[source: http://paconsulting.com/our-thinking/how-the-digital-revolution-is-changing-consumer-behaviour/]

The impact of the digital revolution

- Additional power to consumer (more information & choice)
- Increased complexity of making decisions ('tyranny of choice')
- Available tools & devices (shift power between consumers and businesses)

"The human race is still evolving. Your baby was born with extra thumbs for text messaging."

Challenges for consumer protection



[source: Consumers International]

Thank you