

The consumer at an inflection point: Health is wealth, and food is medicine

2023 @ Quirk's Chicago

The New Consumer

*Coefficient
Capital*

toluna 

Toluna makes it easy to make faster, smarter decisions

Expertise and Service

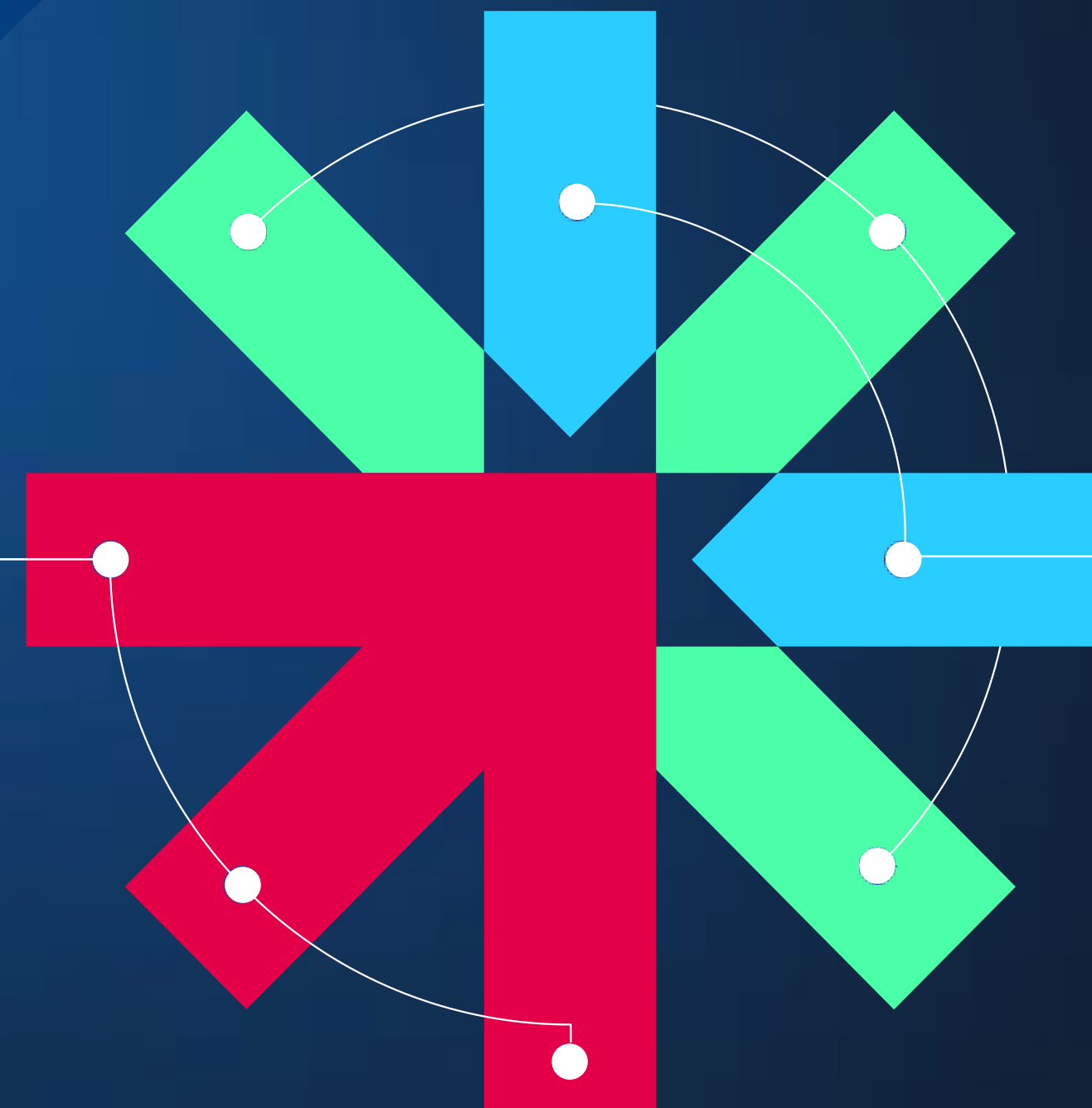
We incorporate our best thinking into our platform and can offer custom consultancy service when needed.

Technology

Cutting-edge research capabilities through our **Toluna Start platform** and ongoing tech innovation.

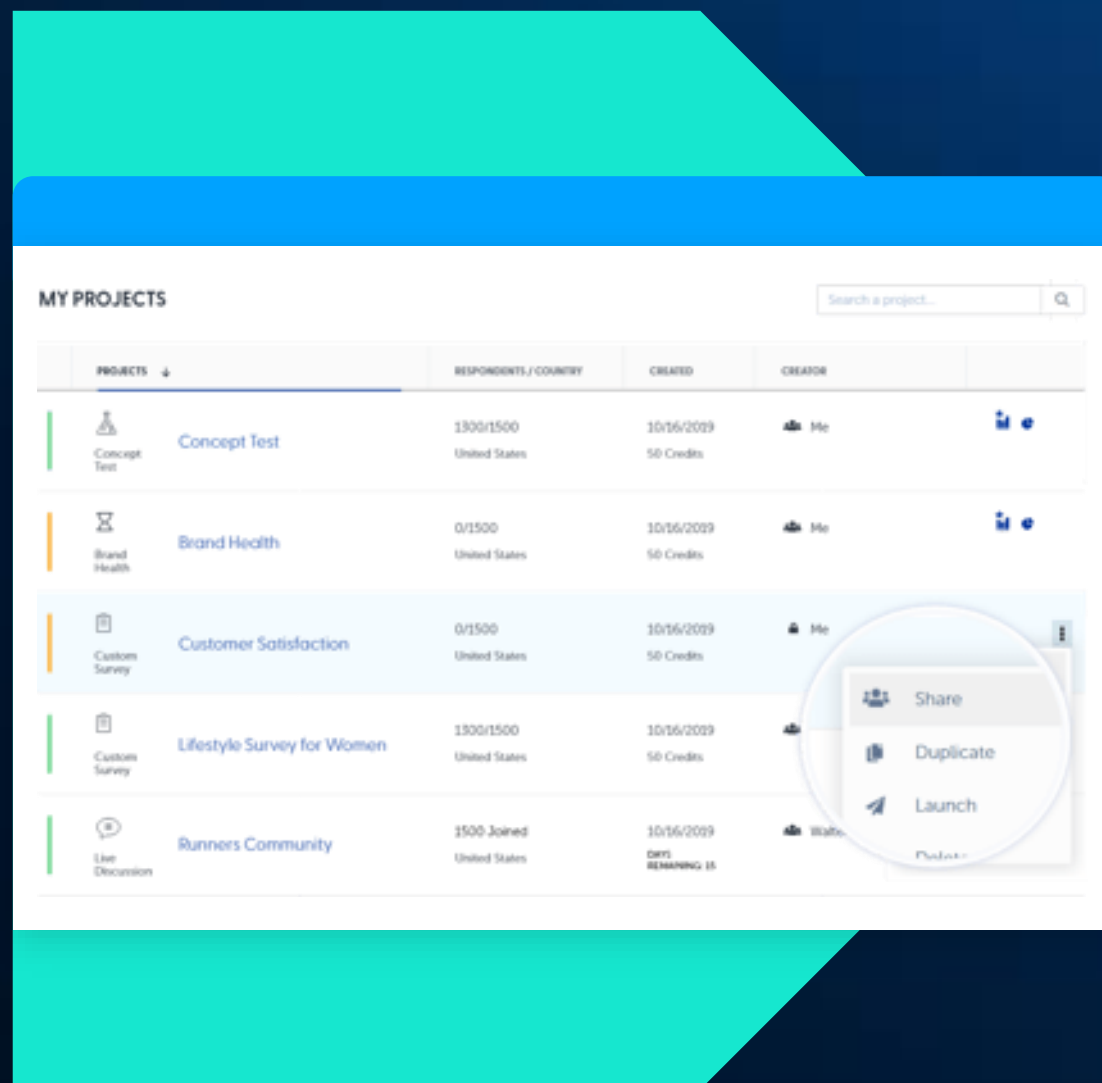
Global Consumer Panel

The world's largest social voting community.
More than 40 million strong.
70+ markets.

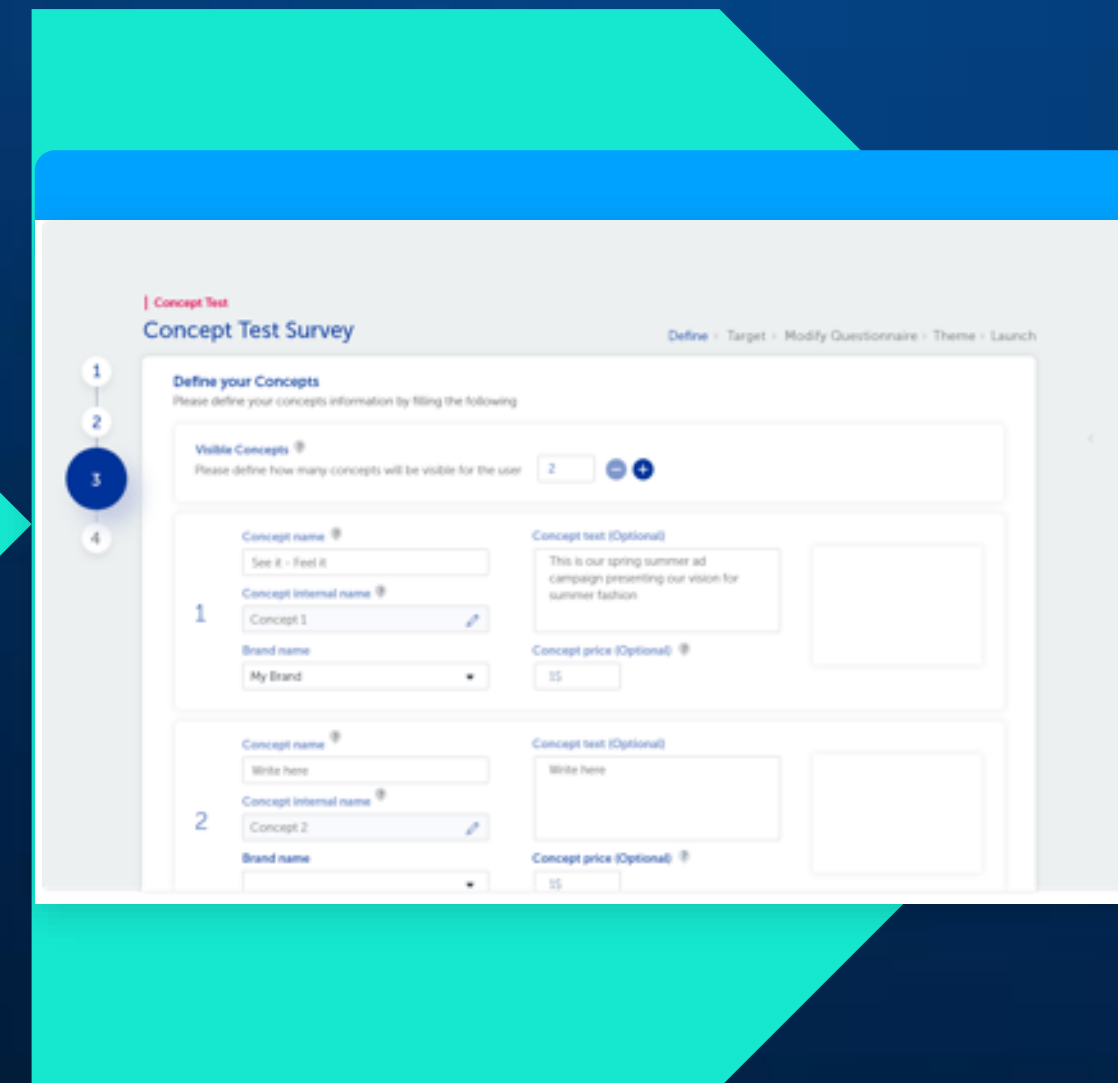


toluna*start

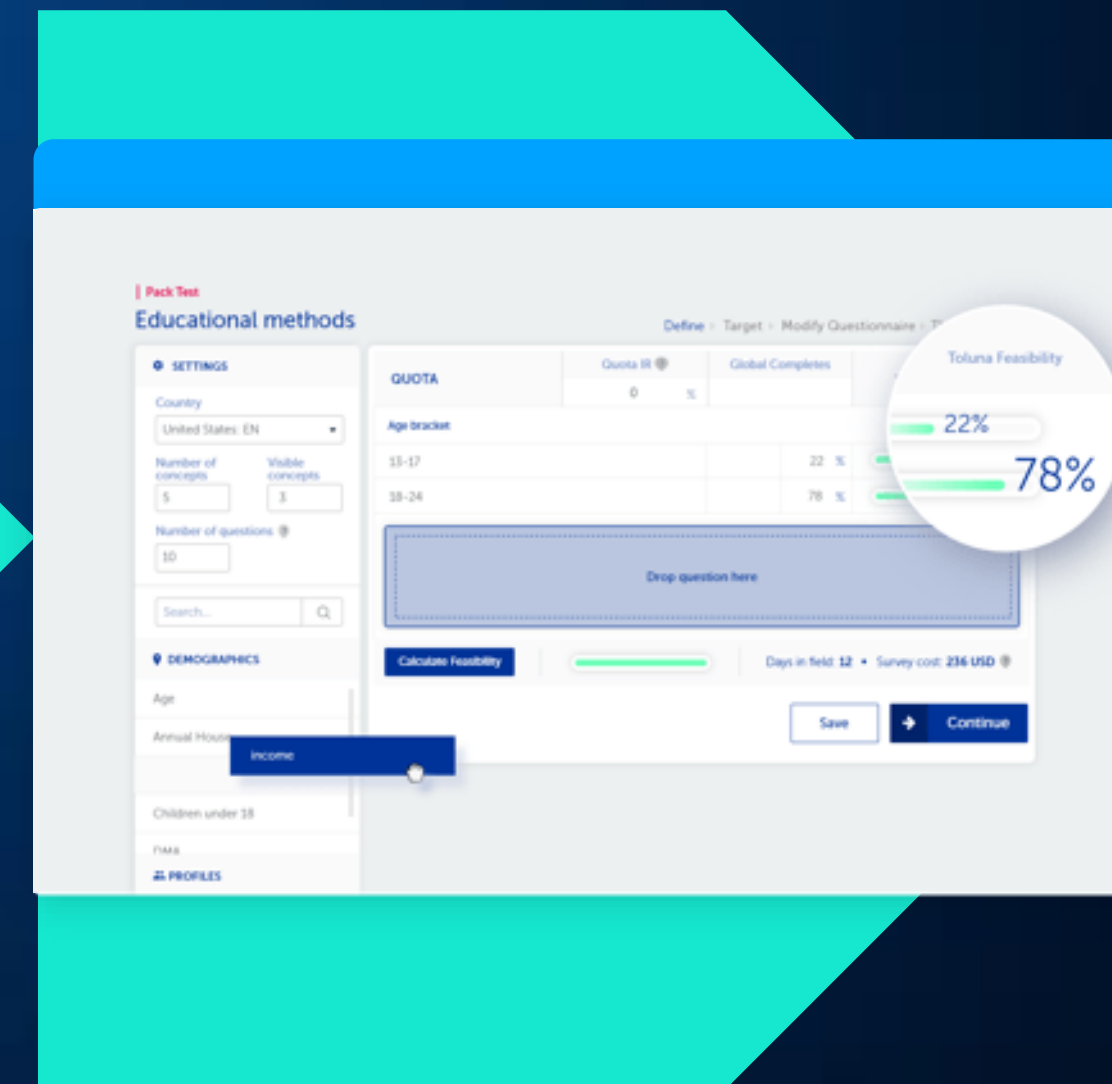
The industry's most advanced end-to-end, real-time consumer intelligence program. Toluna Start technology makes it possible to work seamlessly – the way you've always wanted to access insights.



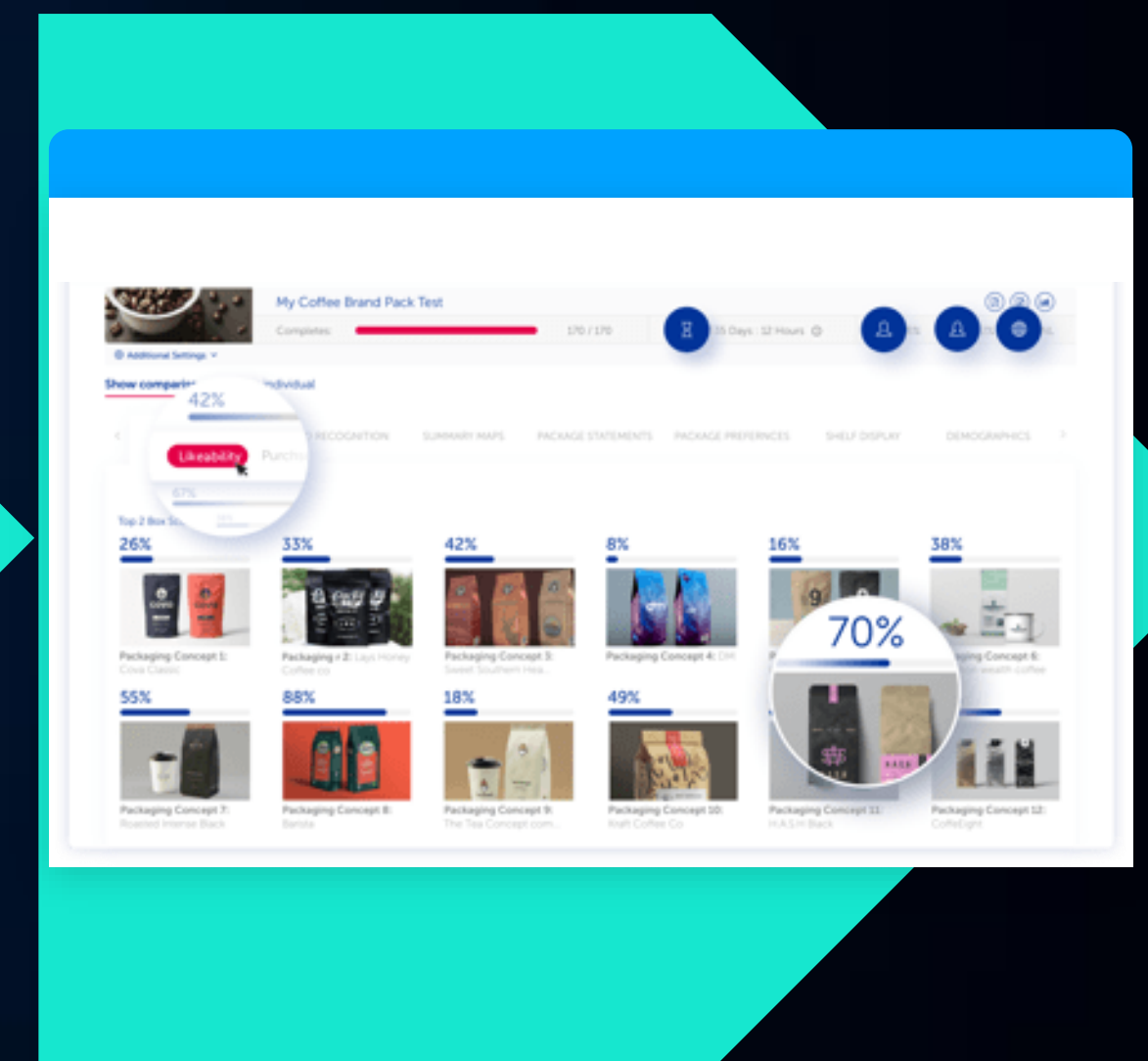
1. Platform Login



2. Create your survey



3. Target Respondents from our Integrated Panel



4. Analyze and Share Results

TikTok made me ~~buy~~ it **make** it





★TIKTOK WHIPPED COFFEE RECIPE★



-With prosecco in it.
-Oh, stunning.





Cara Edwards
VP, Digital Solutions, Americas



Natalie Borowski
Investor, Coefficient Capital



Coefficient
Capital

Coefficient Capital

- Launched in 2018 by Franklin Isacson and Andrew Goletka
- Investments in digitally powered consumer brands
- Focus on transformational consumer shifts
- coefficientcap.com

Coefficient Capital Portfolio

EXIT

NOM NOM

Personalized
pet nutrition

EXIT

**JUST
SPICES**

Cooking solutions for
the new consumer

hydrant

Sustainable, functional
hydration

Hawthorne

Personalized men's
personal care

IPO

THE ORIGINAL
OATLY!

Global plant-based
dairy leader

**MAGIC
SPOON**

Low-carb
breakfast innovator

HODINKEE

Content-driven
marketplace

SESAME

Direct-to-patient
healthcare

MILANO
VICE

Next-generation
restaurant brand

NEW
lemme

Innovative
wellness brand

NEW

katefarms

Clinical
nutritional formulas



The New Consumer

- Launched in 2019 by longtime business journalist Dan Frommer
- Exploring how and why people spend their time and money
- Analysis and research for anyone who cares about what's next
- newconsumer.com

Consumer Trends Report

- Our goal remains to highlight the profound changes in the consumer landscape and what matters most for the years ahead
- Special thanks to Earnest Analytics for spending data: earnestanalytics.com
- View the latest and our previous reports: newconsumer.com/trends

Consumer Trends Survey

- We've now conducted six surveys of 3,000+ US consumers, most recently in February 2023
- For a closer look at Gen. Z, our survey panel again includes 15- to 18-year-olds
- Powered by Toluna, “delivering real-time consumer insights at the speed of the on-demand economy” [tolunacorporate.com](https://www.tolunacorporate.com)

1

We're at an inflection point.

**Health is wealth,
and food is medicine.**

We asked 3,000+ Americans what they want to consume *more* of this year...

1. Vegetables (by far!)

2. Fruit

3. Protein

4. Water

5. Fish

...and what they want to consume *less* of this year

1. Sugar (by far!)

2. Fatty foods

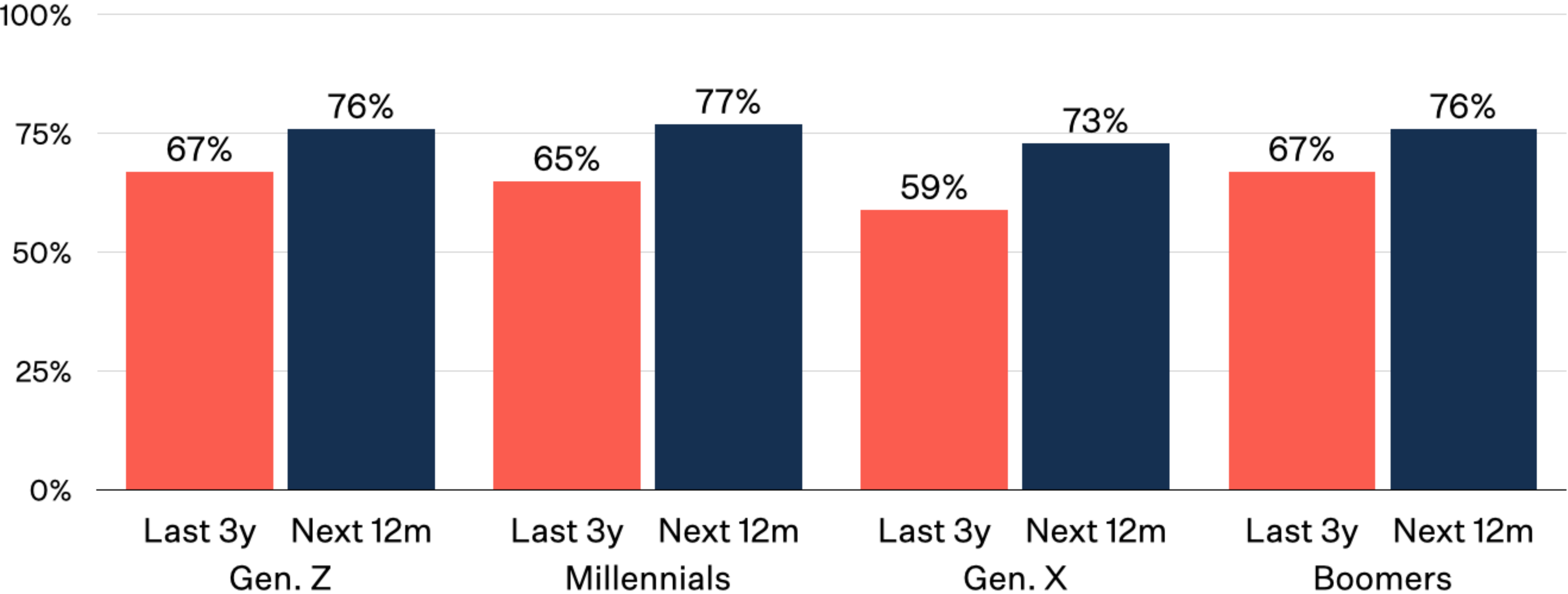
3. Salt

4. Carbs

5. Processed foods

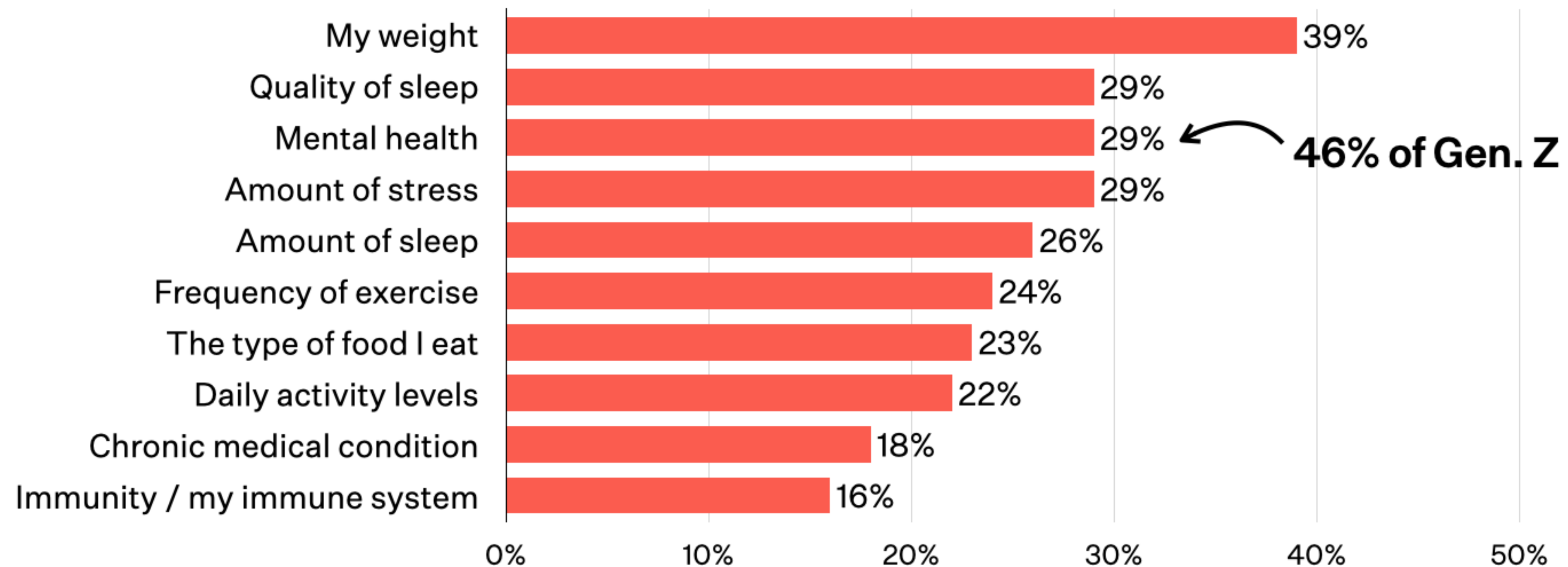
Most Americans plan to prioritize their health and wellness over the next year

Percentage of responses by generation: Over the past 3 years and the next 12 months, made / plan to make health and wellness 'the top' or 'a high' priority



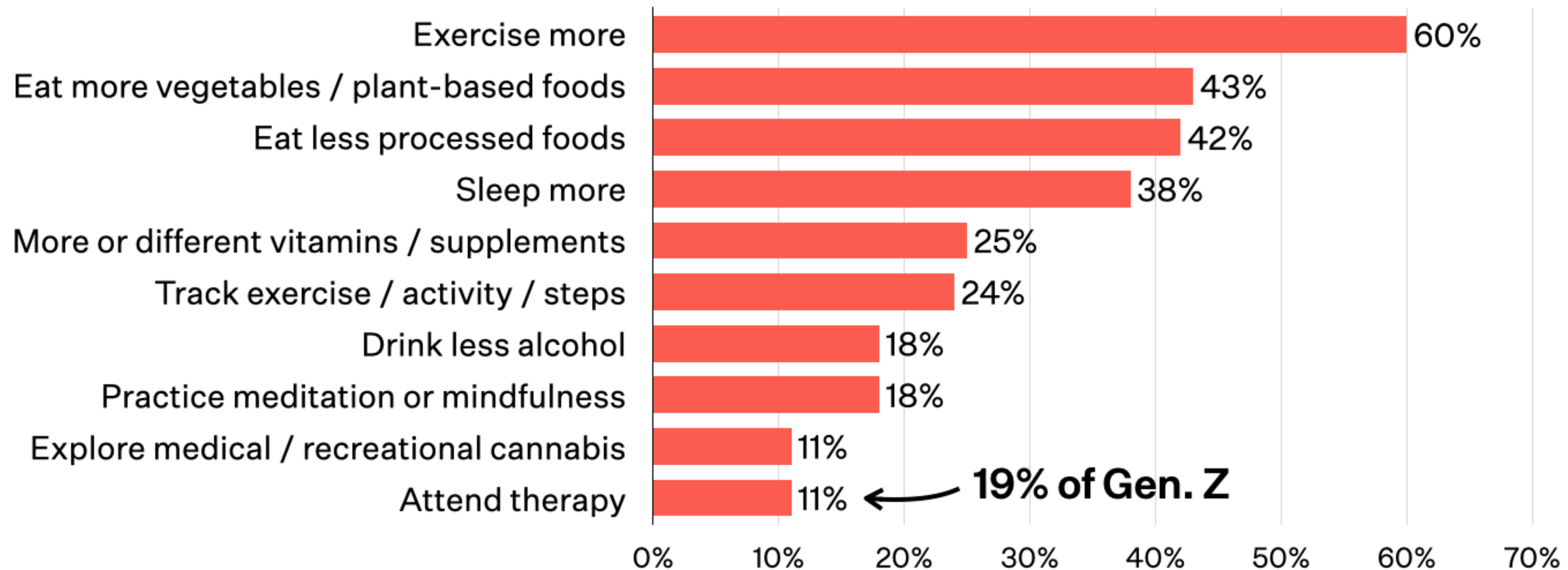
Americans say they're most concerned about weight, sleep, and mental health

Percentage of responses: What aspects of your health are you most concerned about? (Choose three.)

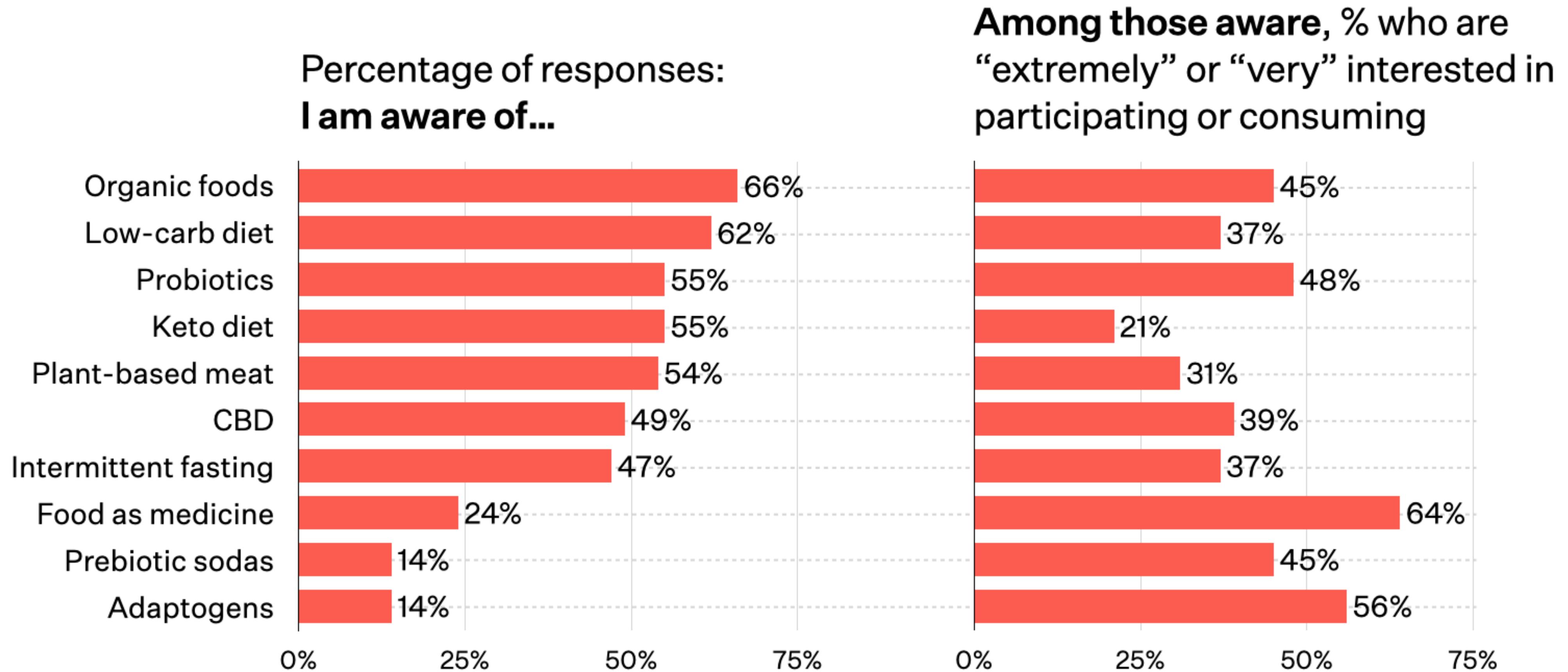


Most Americans plan to exercise more this year — and many plan to eat better

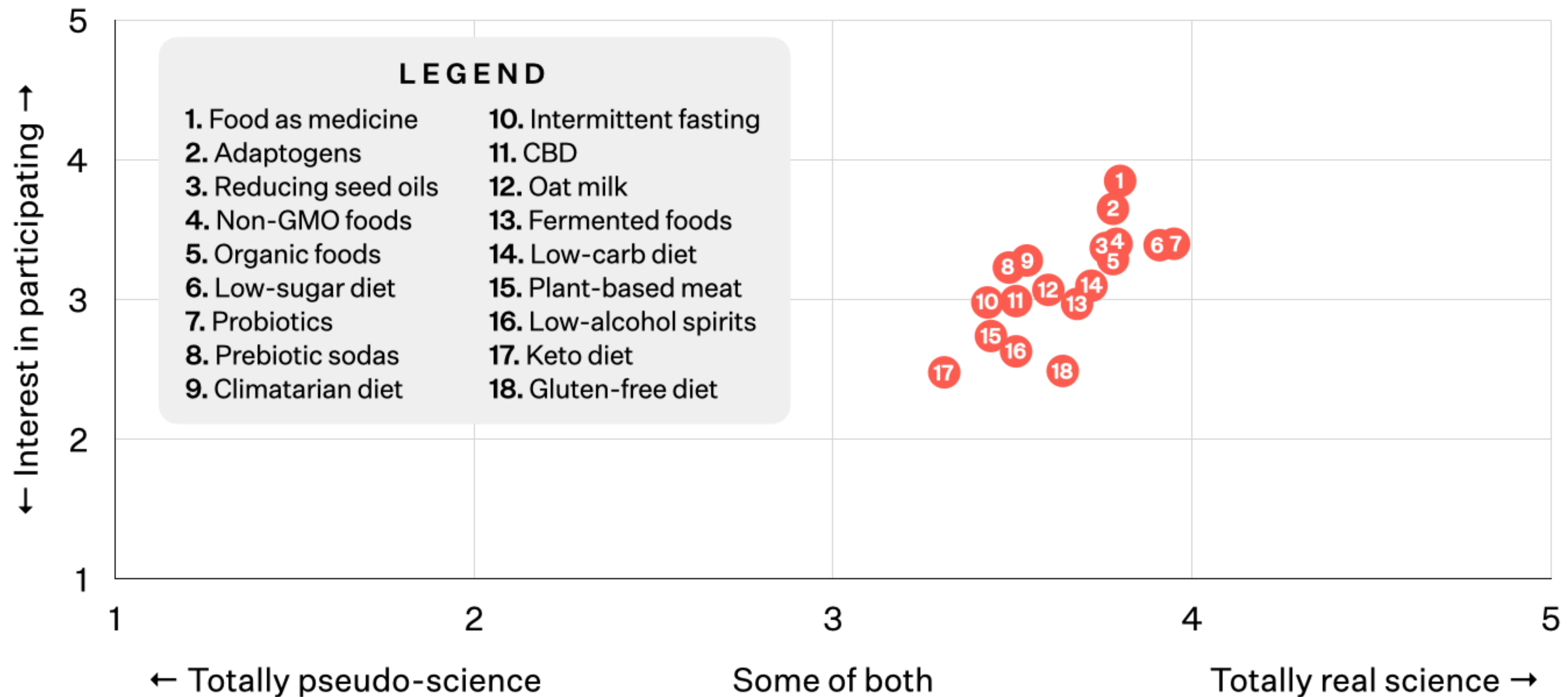
Percentage of responses: Which lifestyle changes for health do you plan to make over the next 12 months?



Most Americans are aware of ‘better-for-you’ food and diet trends

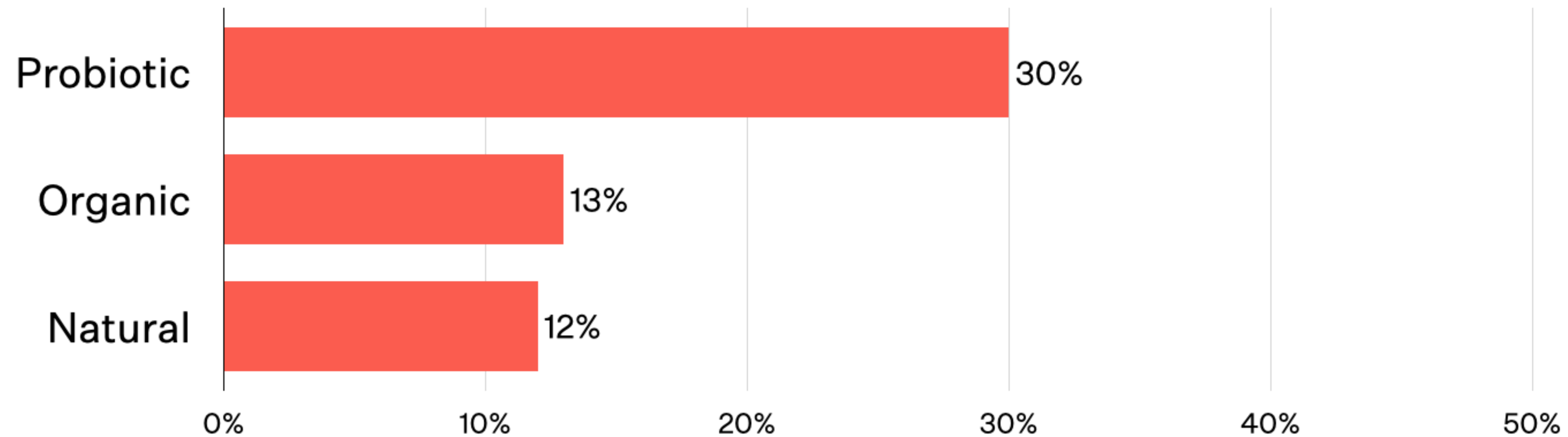


Consumers mostly believe 'better-for-you' science — many want to participate

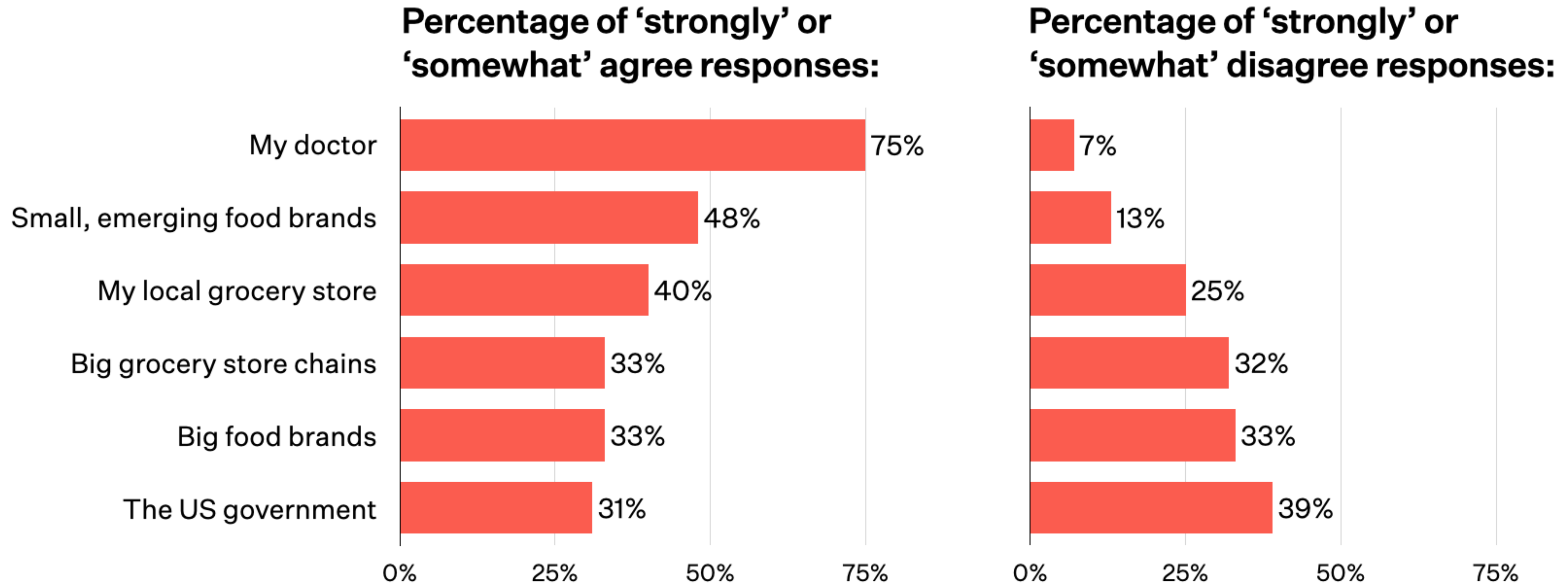


Instacart search interest for ‘probiotic’ items grew 30% last year as online shoppers prioritized gut health

Year-over-year growth in share of Instacart customers searching specified terms in 2022 vs. 2021

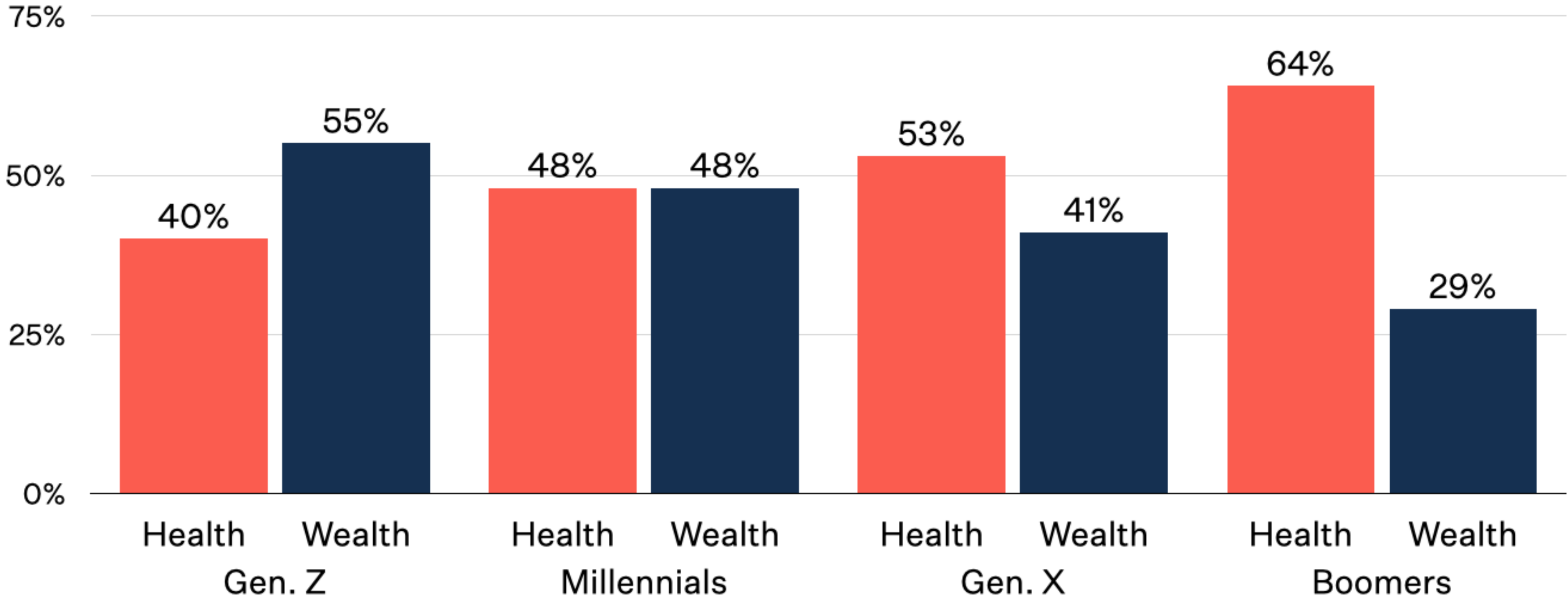


Who's looking out for Americans' health and nutrition?



More Americans would rather feel 25% healthier than earn 25% more money

Percentage of responses by generation: If you could only choose one, would you rather feel 25% more healthy or earn 25% more money?

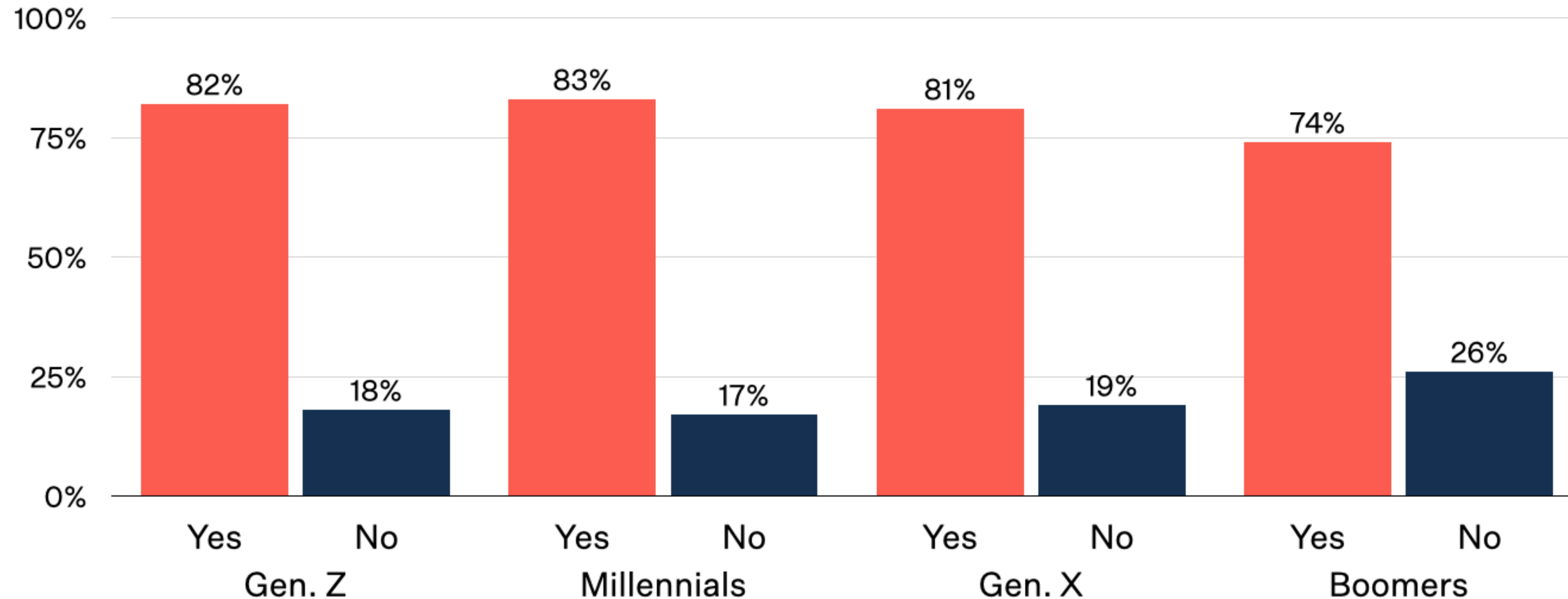


2

Online grocery has become essential consumer infrastructure, not just a luxury convenience.

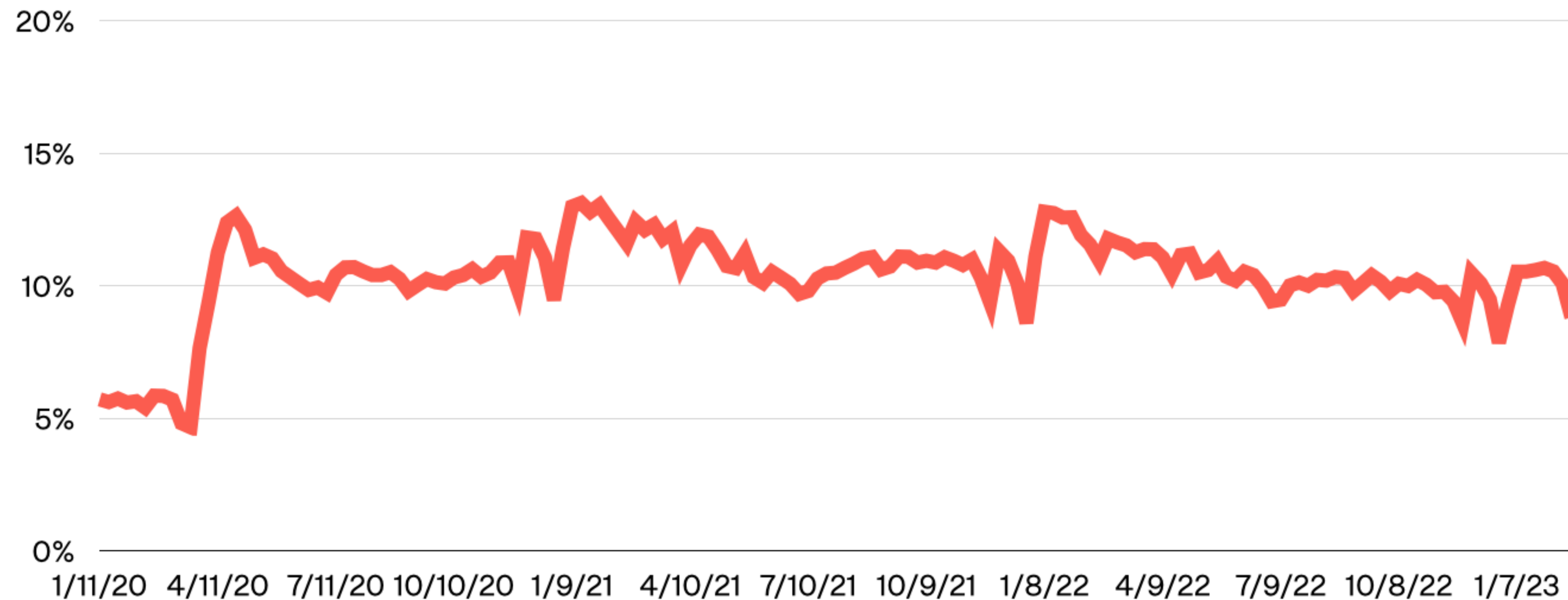
Most Americans say they actually like grocery shopping

Percentage of responses by generation: Do you like shopping for groceries?



Online grocery got a huge pandemic boost and has maintained most of it

Online share of US grocery spending — Earnest Analytics



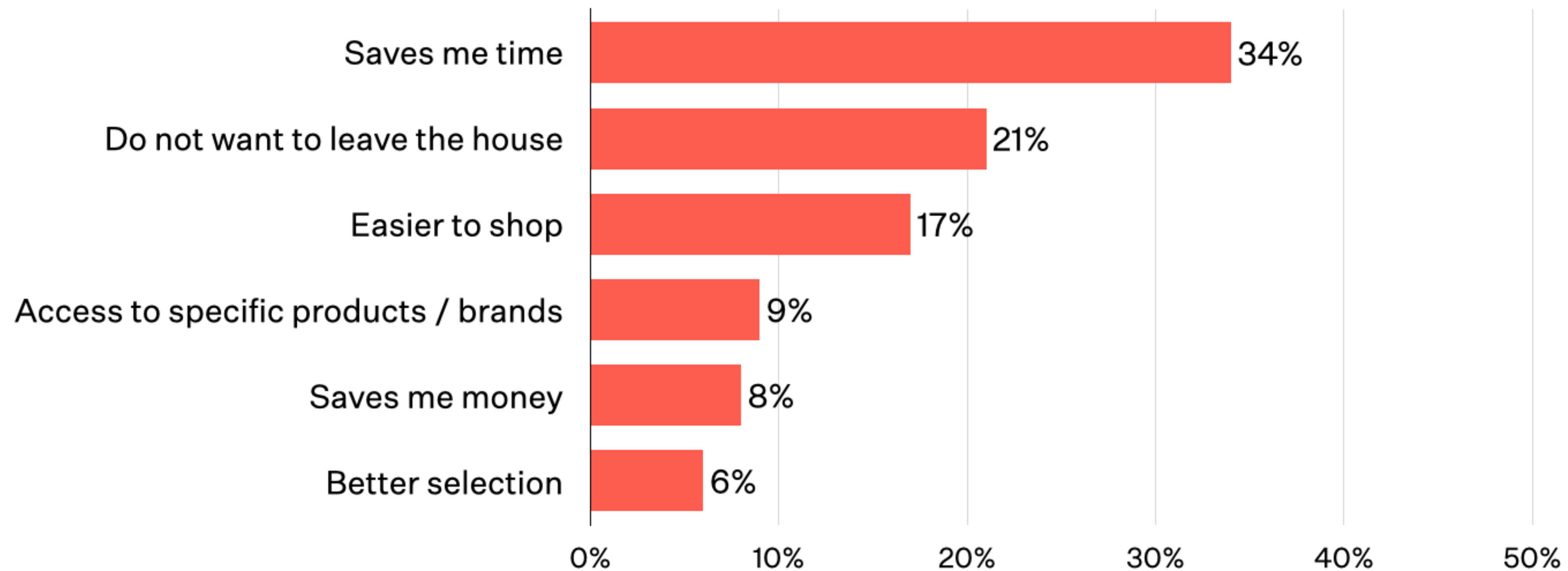
Online grocery shelves are limitless and personalized, but the staples still rule

Top Instacart search terms and change in rank by year

2020			2021			2022		
1	Milk		1	Milk		1	Milk	
2	Toilet paper	+17	2	Bread	+2	2	Eggs	+1
3	Eggs		3	Eggs		3	Bread	-1
4	Bread	-2	4	Cheese	+2	4	Water	+1
5	Chicken	-1	5	Water	+8	5	Chips	+1
6	Cheese	-1	6	Chips	+8	6	Chicken	+2
7	Butter	-1	7	Tomato	+8	7	Cheese	-3
8	Paper towels	+15	8	Chicken	-3	8	Ground beef	+3
9	Ground beef	+5	9	Butter	-2	9	Butter	
10	Ice cream	+8	10	Ice cream		10	Tomato	-3

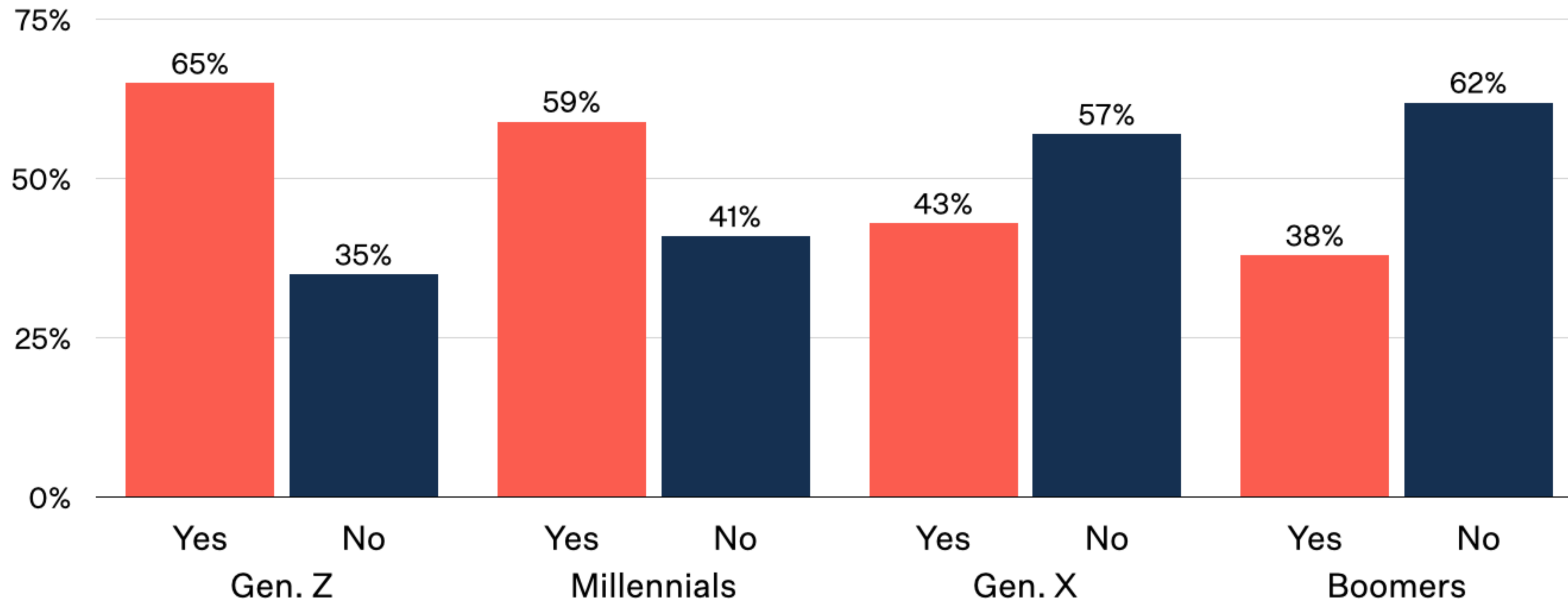
Convenience is the top reason people shop for groceries online

Percentage of responses: Why do you shop for groceries online? Please pick your top reason.



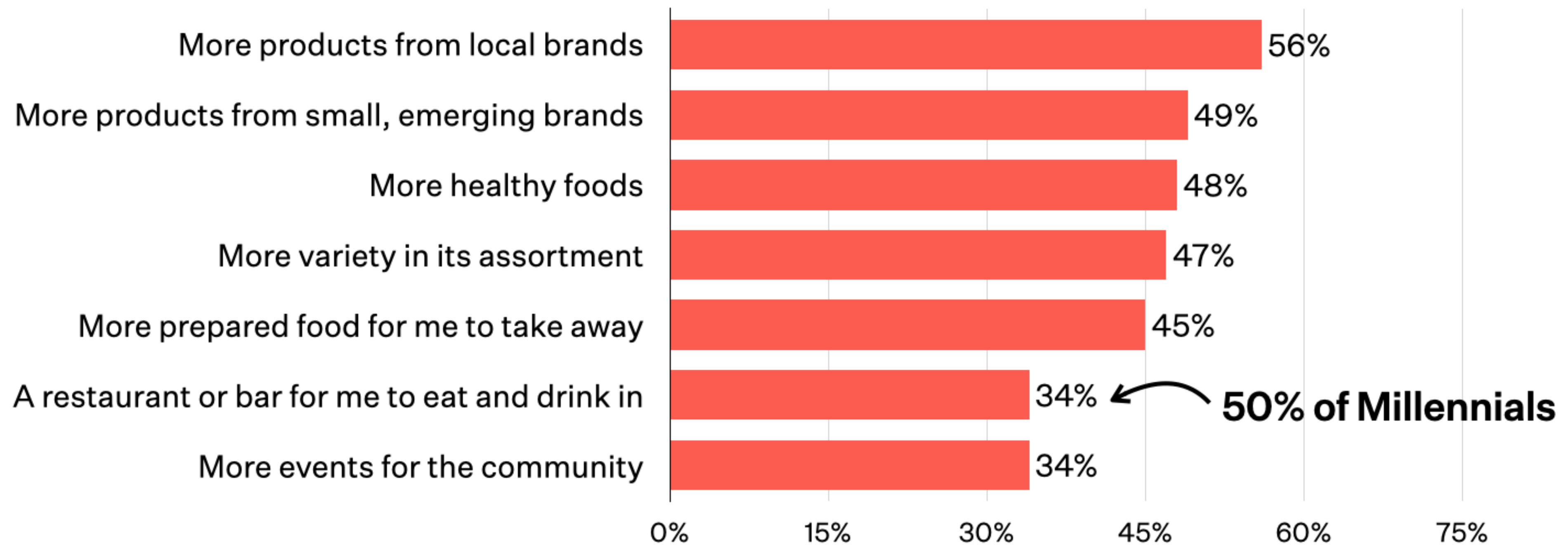
Grocers' algorithms may also influence our health — something to take seriously

Percentage of responses by generation: Do online grocery stores have a responsibility to recommend healthy food?



Many consumers want more from their grocery stores

Percentage of 'strongly' or 'somewhat' agree responses:
I wish my grocery store had...



3

Social media is the place for food discovery and inspiration, especially for younger consumers.

We asked 3,000+ US consumers to list their top food influencers

1. Rachael Ray (by far!)

2. Gordon Ramsay

3. Martha Stewart

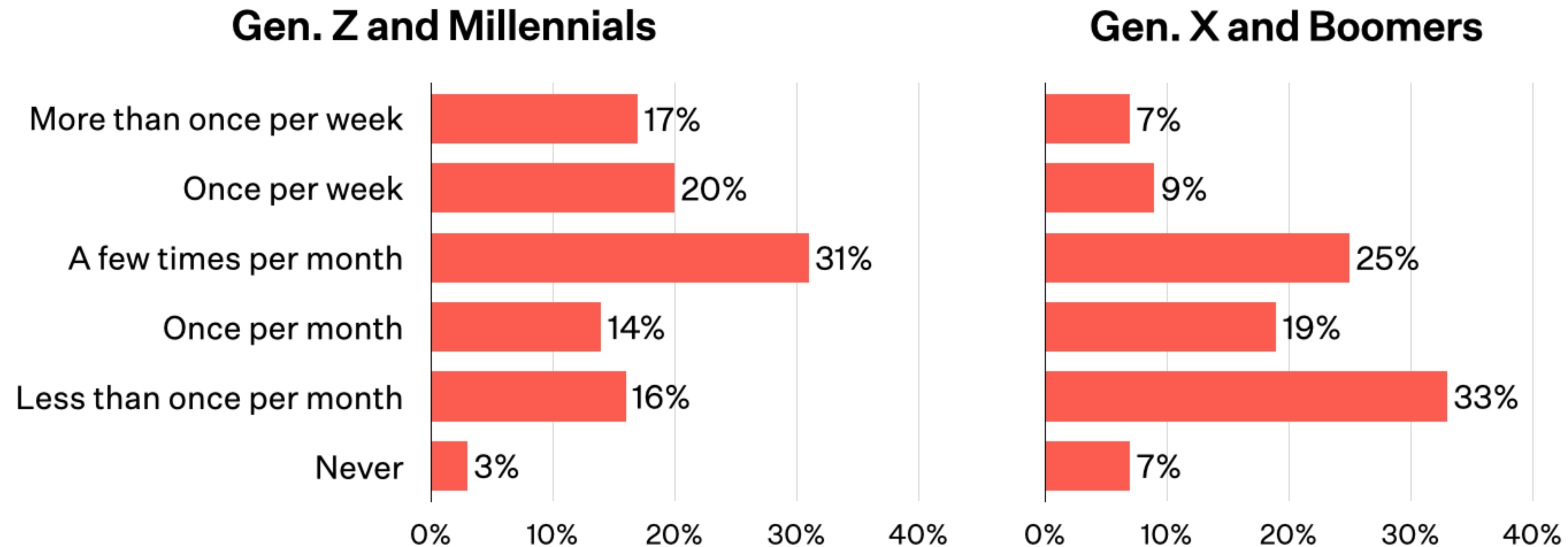
4. Bobby Flay

5. Guy Fieri

(Also: More than 100 responses for mom)

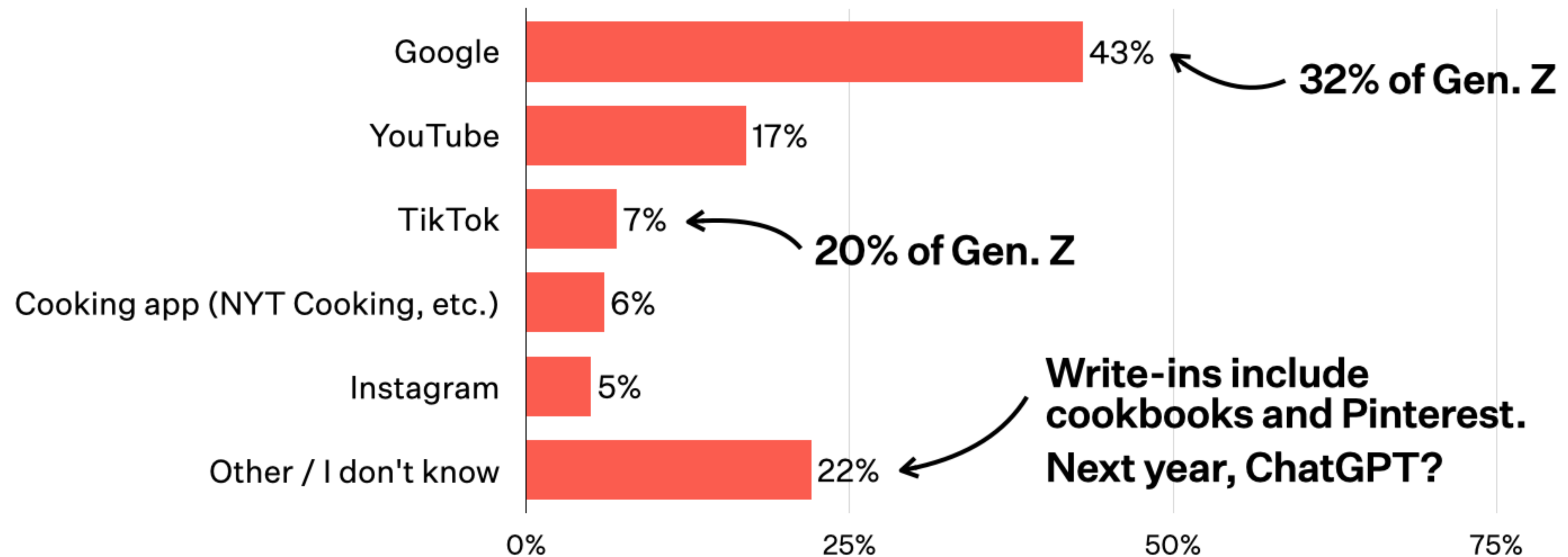
Younger (and wealthier) consumers say they prepare new meals more frequently

Percentage of responses by generation: About how often do you prepare a new meal that you've never made before?



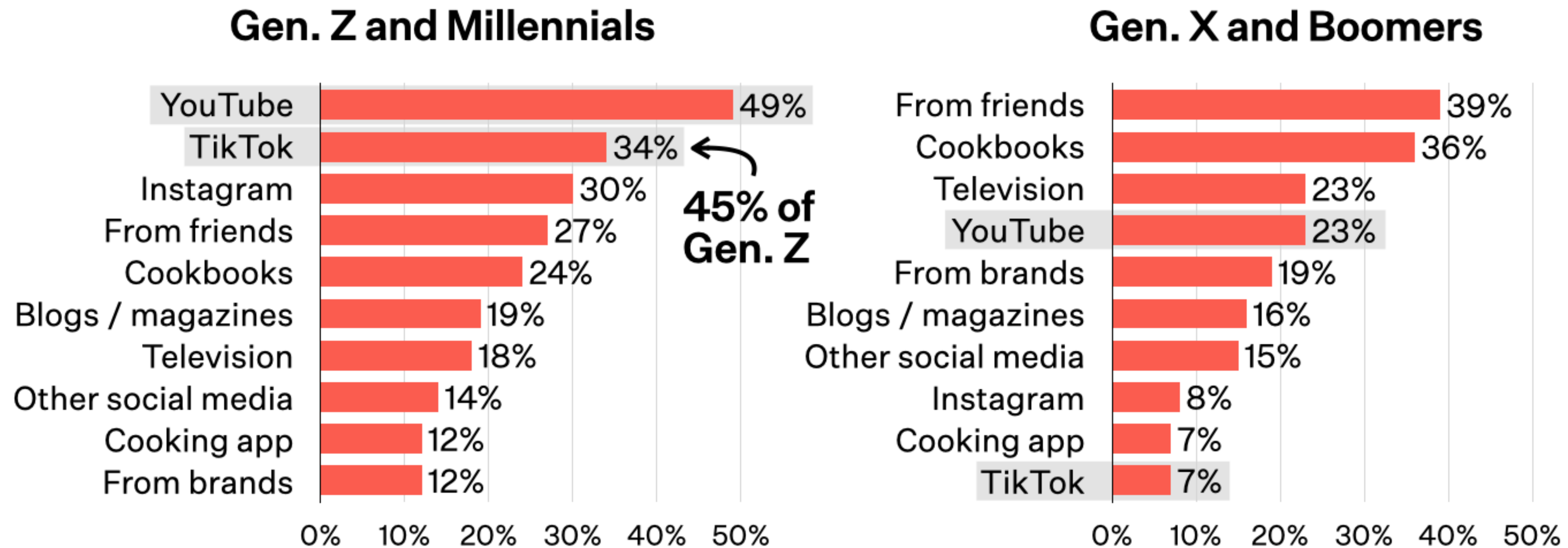
Google is still the top search engine for food inspiration, but for Gen. Z, it's close

Percentage of responses: If you wanted to find a recipe or meal idea, where would you search first?



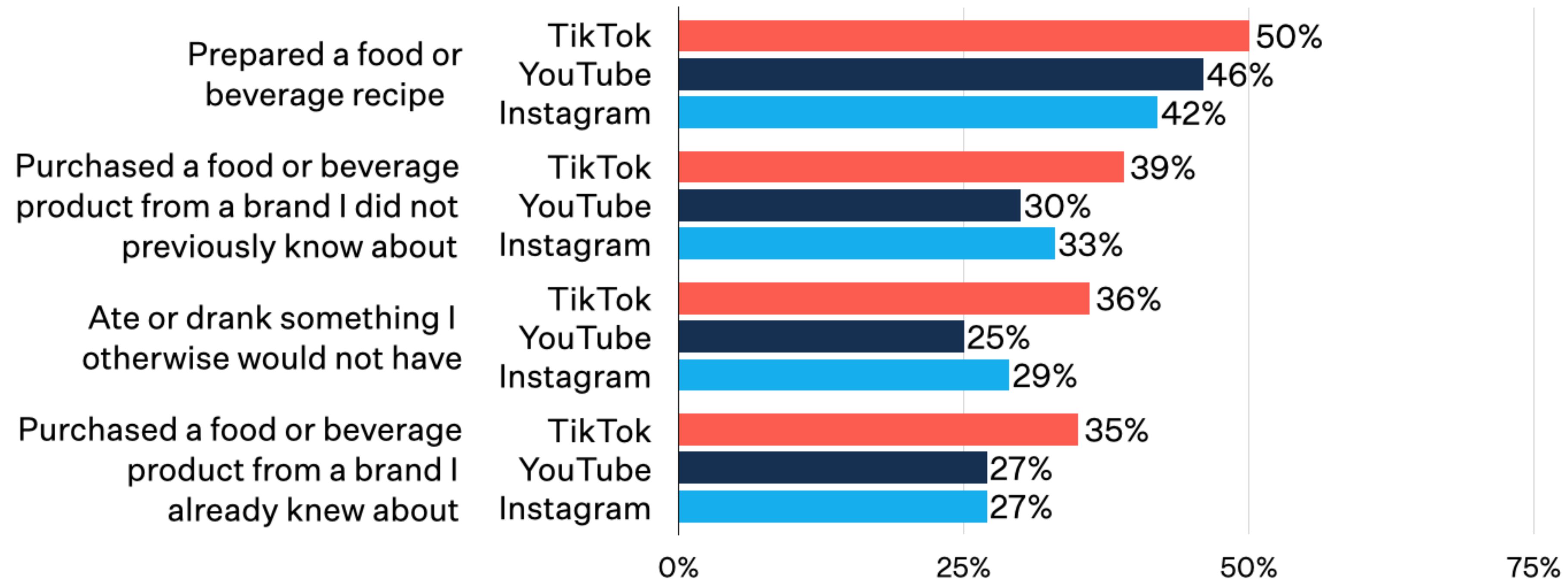
Gen. Z and Millennials discover recipes differently: On YouTube and TikTok

Percentage of responses by generation: Where do you typically discover new food and beverage recipes?



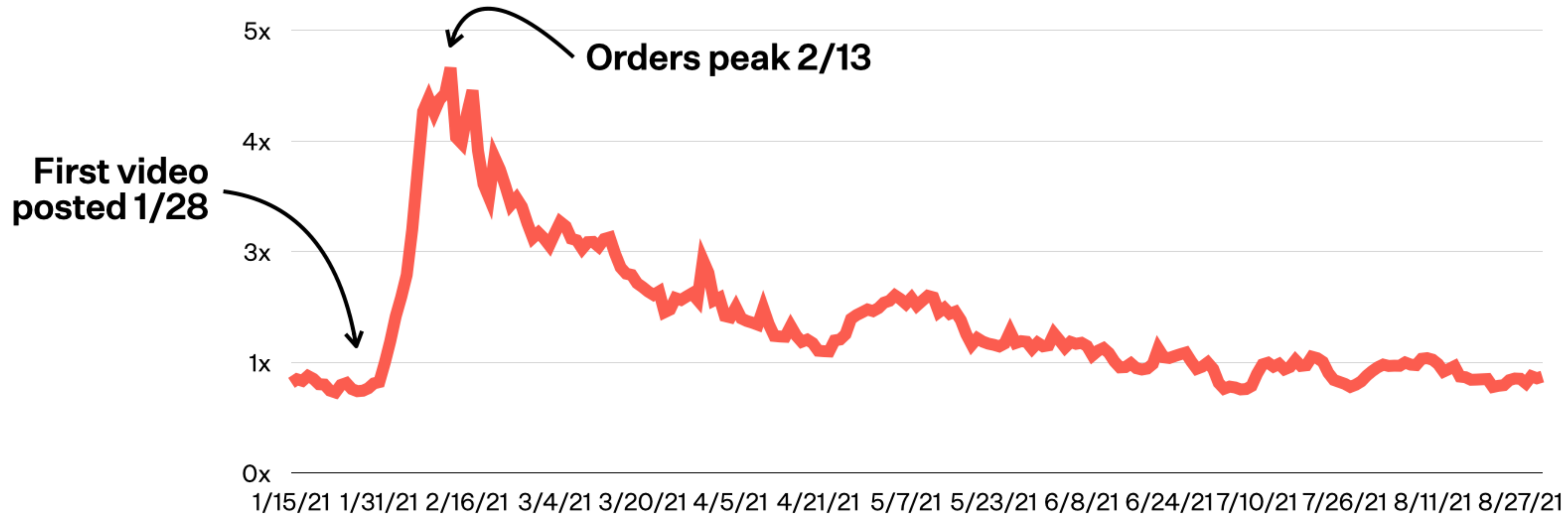
Half of TikTok users say they've prepared a new recipe because of a video

Percentage of responses: Which of the following have you done because of a food-related TikTok, YouTube, or Instagram video or post?



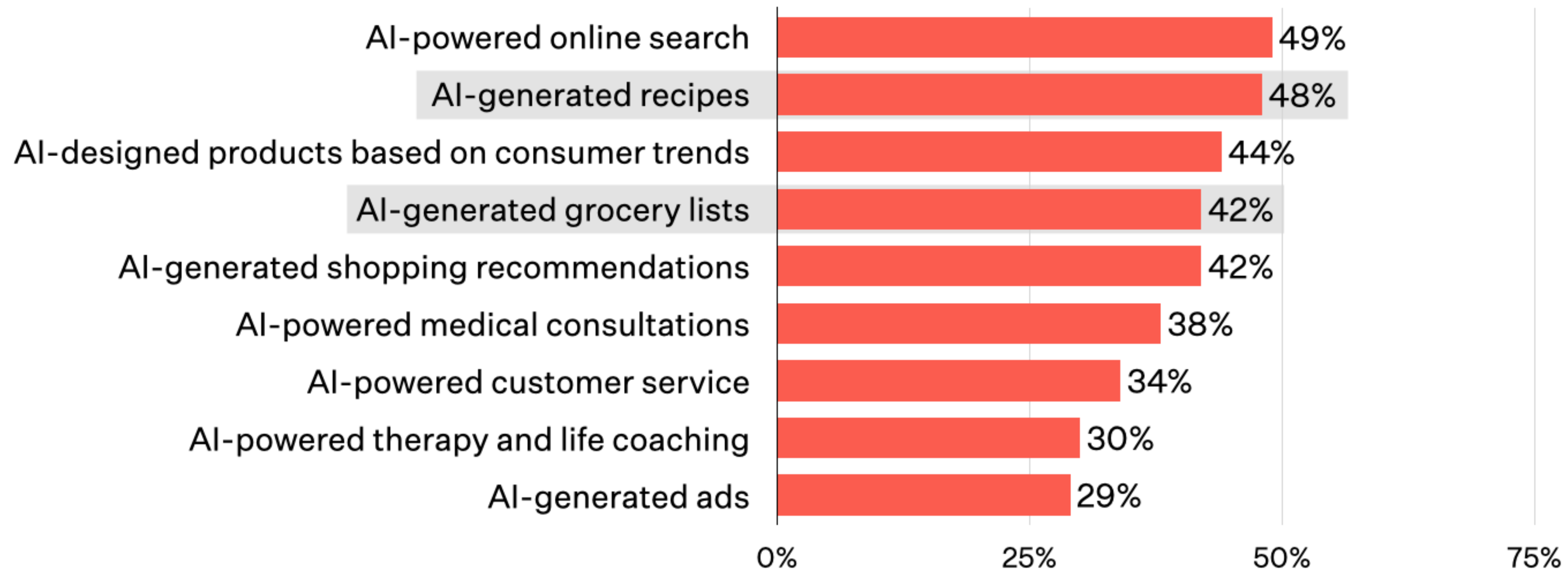
A viral TikTok food video can drive a real shift in online grocery orders

Indexed change in Instacart orders including 'Baked Feta Pasta' ingredients



Consumers say they're hungry for AI-generated recipes and grocery lists

Percentage of 'very' and 'somewhat' interested responses for specific AI-powered products and services



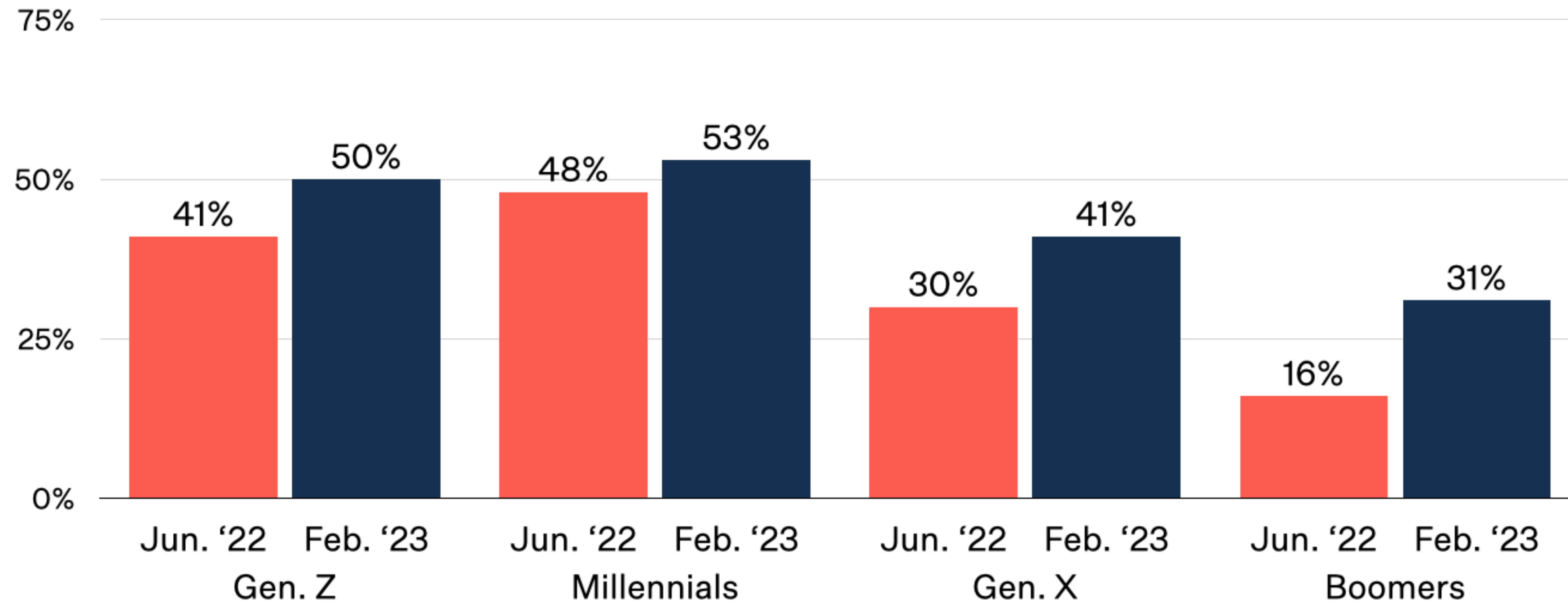
4

Plant-based alt-meat is in a narrative slump right now.

More innovation is necessary — and it's still early.

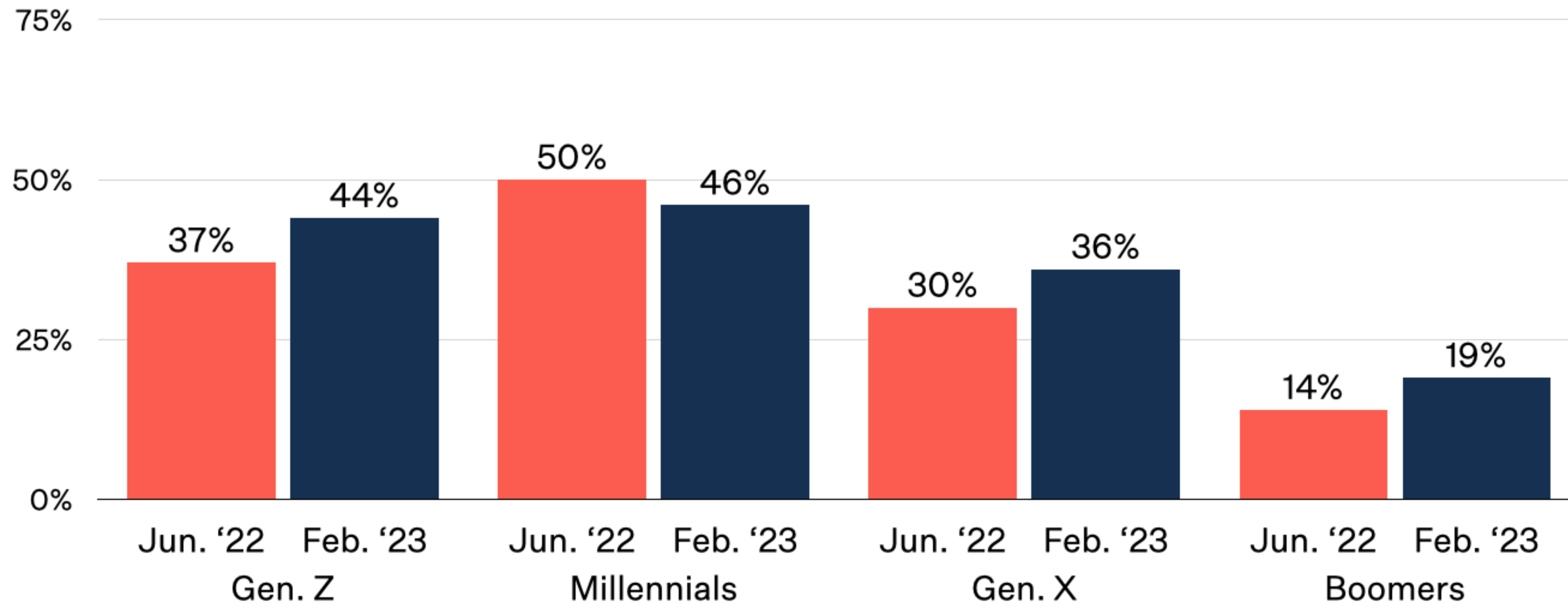
Interest in eating more plant-based foods has grown since last summer

Percentage of 'Yes' responses by generation: Do you plan to eat more plant-based foods over the next 12 months?



Interest in plant-based alt-meat and dairy hasn't collapsed — it's mostly up

Percentage of 'extremely' or 'very' interested responses by generation: How interested are you in meat or dairy alternative plant-based products?



Plant-based early adopters shop Instacart across alt-meat categories

What do people buy *together* on Instacart?

Vegetarian beef substitute +

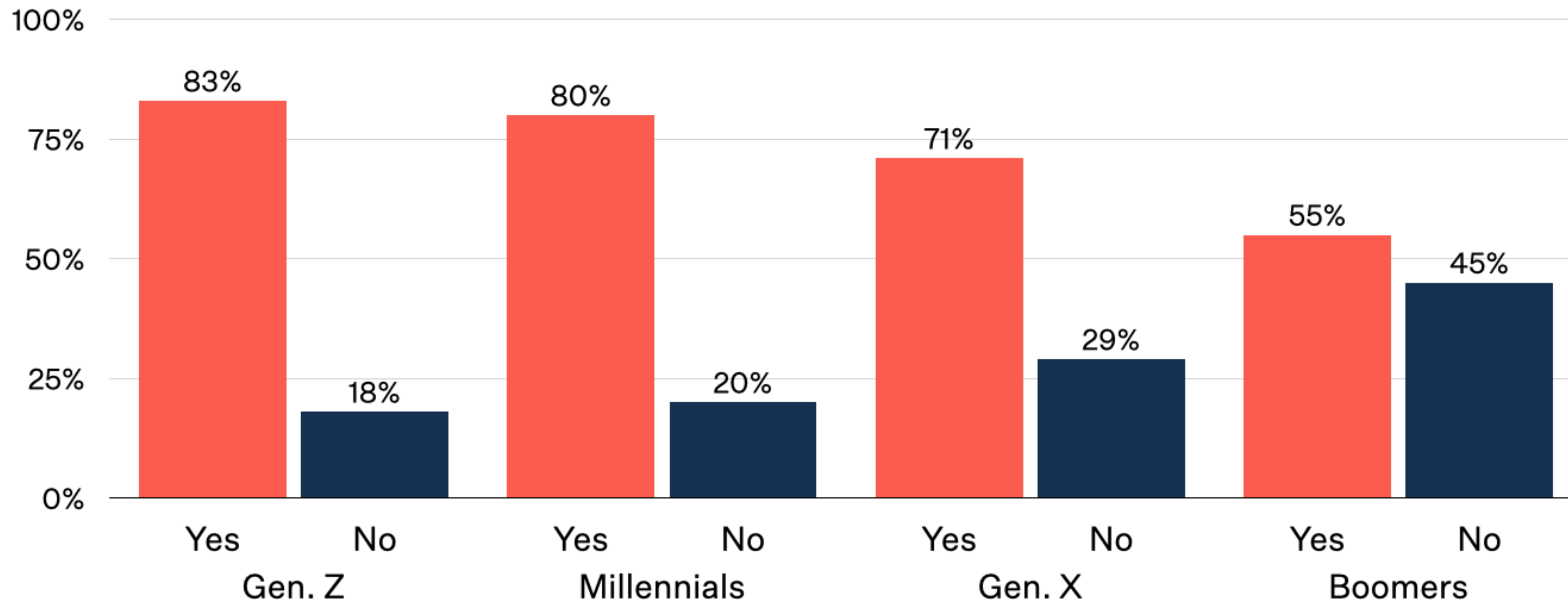
Vegetarian meatballs	42.3x
Vegetarian sausages	33.3x
Vegetarian chicken substitute	29.7x
Vegetarian deli meat	29.1x
Vegetarian bacon	25.6x
Egg substitutes	25.5x
Frozen chicken substitute	19.4x
Cheese alternatives	17x
Vegetarian burgers	13.8x
Tofu and bean curd	9.9x

Beef patties +

Hamburger buns	11.2x
Bratwurst	6.8x
Hot dog buns	5.6x
Sandwich rolls	5.4x
Canned baked beans	4.6x
Hot dogs	4.6x
Frozen fries	4.4x
Yellow mustard	4.2x
Beefsteak tomatoes	4x
American cheese	3.9x

Younger consumers appear more likely to switch to plant-based to save money

Percentage of responses by generation: If plant-based alternatives were less expensive than meat or dairy, would you switch (or buy more)?



Data: Consumer Trends Survey, powered by toluna* “Yes” responses break down as following: For “both meat and dairy” (50% of overall responses), “for dairy only” (11%), and “for meat only” (11%). (n=2675)

The New Consumer | Coefficient

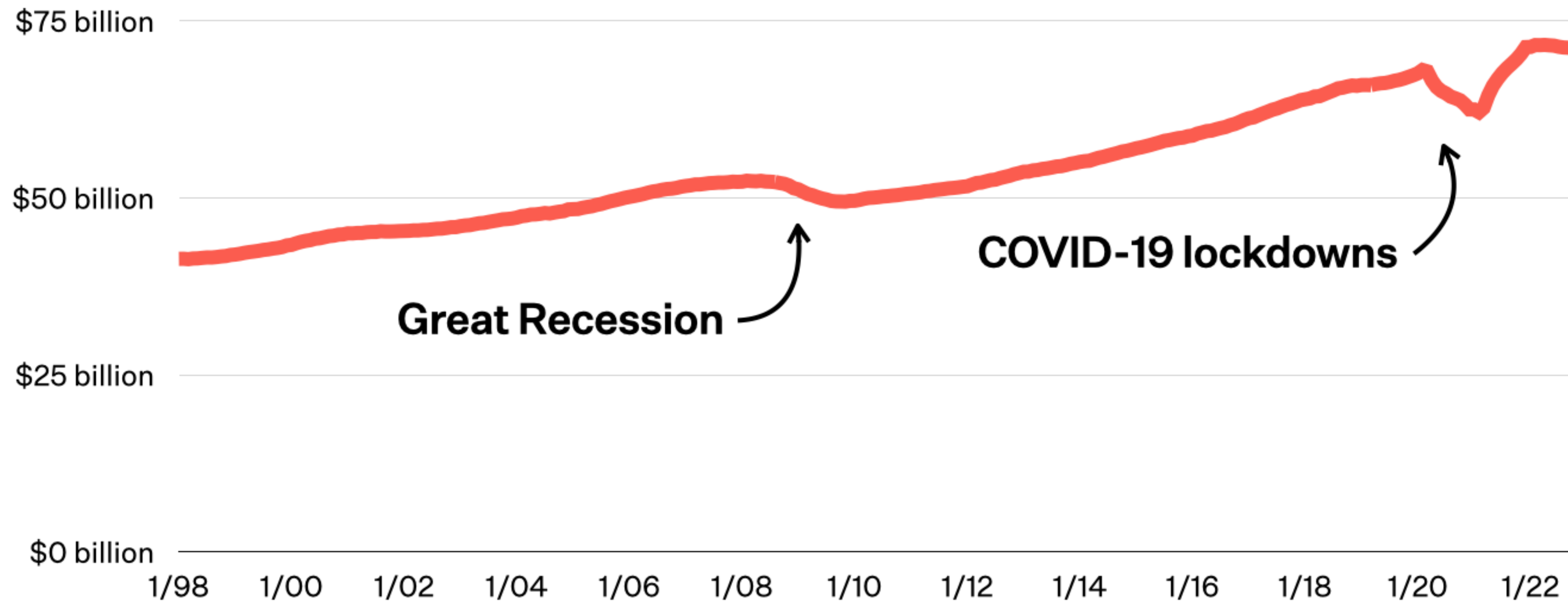
5

Despite today's macroeconomic uncertainty, Americans are spending more money than ever on food.

We believe the new consumer will prioritize health and wellness in almost any economy.

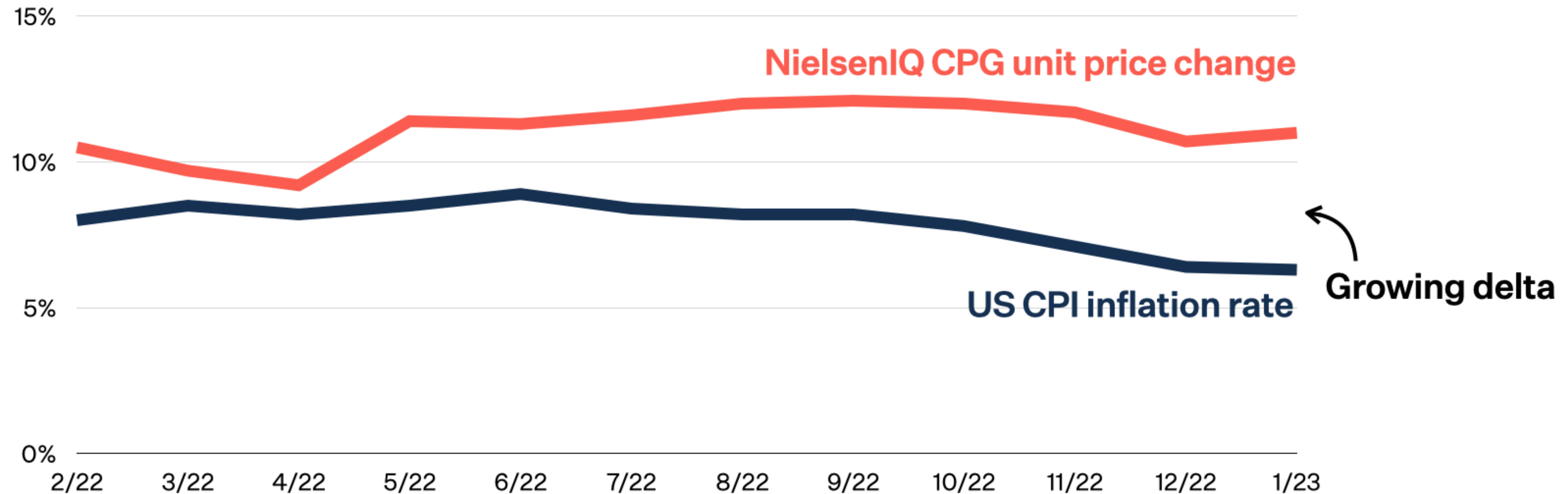
Americans are spending more money than ever on food, even adjusting for inflation

US monthly constant-dollar food sales, 12 month trailing avg.



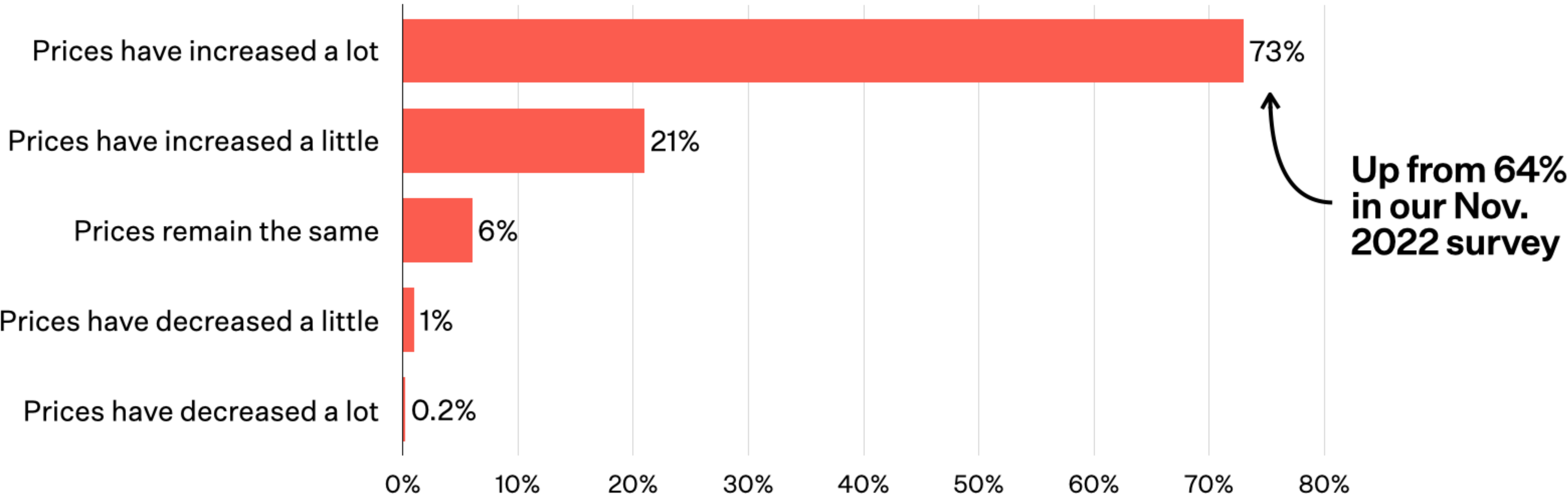
While overall US inflation has slowed, CPG prices remain steadily increasing

Year-over-year change



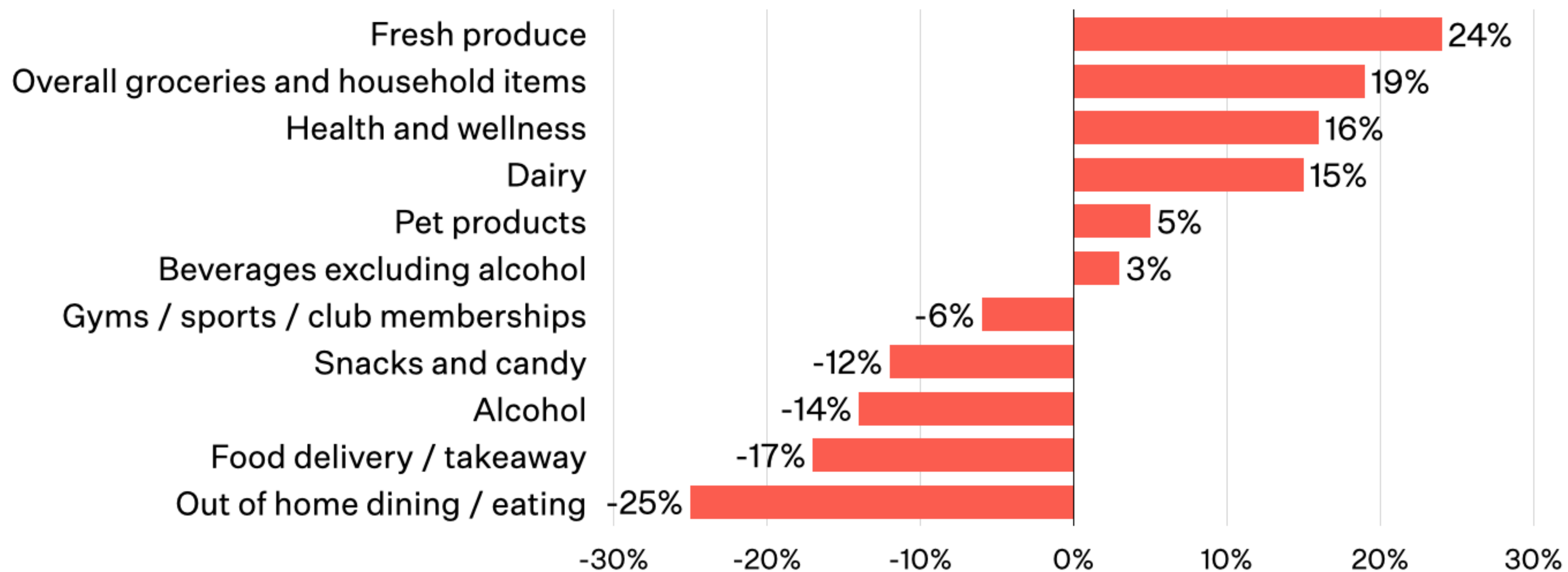
Even as inflation cools, it still feels like prices have increased 'a lot'

Percentage of responses: How, if at all, have prices for everyday goods changed over the past six months?



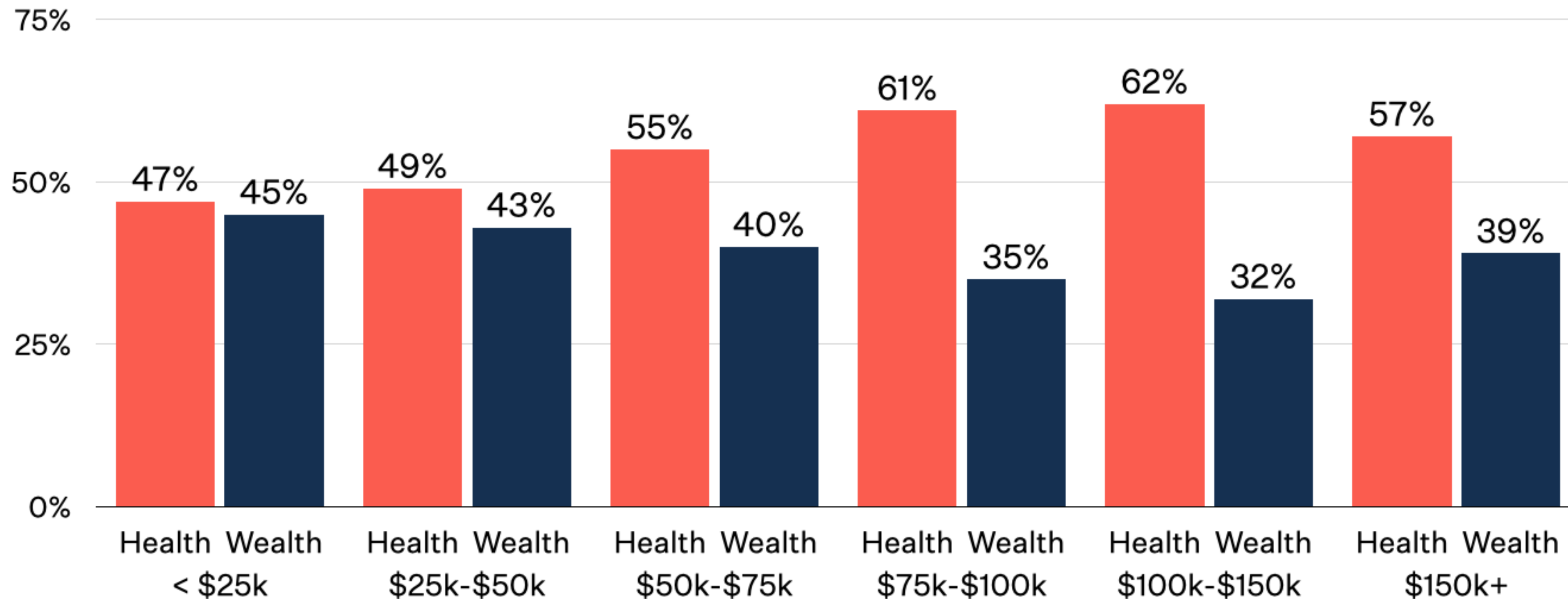
Consumers expect to spend more on groceries this year and less on dining

Net population difference in spending intentions for 2023



The bottom line: Health beats wealth across income categories

Percentage of responses by income: If you could only choose one, would you rather feel 25% more healthy or earn 25% more money?



Thank you!

Any Questions?

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