

New occasions for consumption

In times of stimulus and information overload, people's brand choices seem more erratic. Consumers' buying behaviour seems disloyal. How to use Context Thinking as a door opener for the confectionery industry after Corona?
 Dr. Uwe Lebok and Klaus Florian from K&A BrandResearch outline how this can be used.

The confectionery industry has by and large coped well with the Covid 19 crisis, especially as the sales trend in food retailing has been extremely positive in recent months. But which parameters and which contexts really influenced consumer behaviour during Corona's peak phase? Dr. Uwe Lebok, Executive Board (CMO) and Florian Klaus,

Director Brand Psychology and member of the management team at K&A BrandResearch AG in Röthenbach/Pegnitz, refer in this context on ContextThinking® in brand management. As they write, during a period of fear, isolation and the relinquishment of freedoms, sweet products have literally made everyday life „sweetened“. Thus, many people found variety and cheerfulness in the supermarkets, where at least with a mask they could indulge in the colourful variety of products, brands and enjoyment. While digitalisation and automation have been intensively promoted by Corona in many different industries, the confectionery sector seems to have been little touched so far. Yet new occasions would also arise for confectionery and

savouries in digital channels, which fuel consumption and the consumer's desire for variety. Actual innovations don't need to frantically „rock“ the markets. Rediscovering outdated or forgotten moments of pleasure can also be an anchor point for consumers to try products (again).

Less attention for brands through "too much diversity"

Strong brands are the goal of most marketers. Brands that are quickly present to consumers or even conquer their hearts as love brands are an idealised dream. Also in the confectionery industry. Unfortunately, brands actually play a much more subordinate role in the everyday life of consumers and also in purchasing decisions.

Stimulus and information overload, which lead to permanent distraction in an unprecedented „overabundance“, are certainly a main reason why brands are receiving less and less attention today compared to 20 or 30 years ago. In the psycho-

drama research by K&A Brand Research, a loss of brand capital has been observed for years - especially in Generations Y and Z. A common reason for the loss of relevance is that brands do not „mark“ sufficiently with consumers and in their everyday environment.

The brand (with its positioning pushed by marketing) signals to little about brand assets, has too little anchored „remember-worthy“ in memory mentally and routine behaviour and appears too arbitrary and interchangeable in the environment of the other providers.

Simply being louder or more attention-grabbing than others is not the solution to attracting more brand attention. Apart from the perceived annoyance of "advertising" with negative connotations on the part of consumers on all kinds of analogue and digital channels, this would only further overheat too much variety. For consumers who like sweets and savouries, it should be noted, as for other consumers, that the engagement with brands is strongly dependent on situations and contextual conditions. This applies to both the decision-making process (e.g. directly at the POS or online) and later usage situations - for example, nibbles for a shared Netflix evening at home. Today, contexts are much more key to attention and action than in the past.

In a fraction of a second, the System 1 autopilot of our brain decides which options are the right ones for us situationally and fulfil our needs under the prevailing conditions, such as availability, experience, expectations, etc., in a specific situation or

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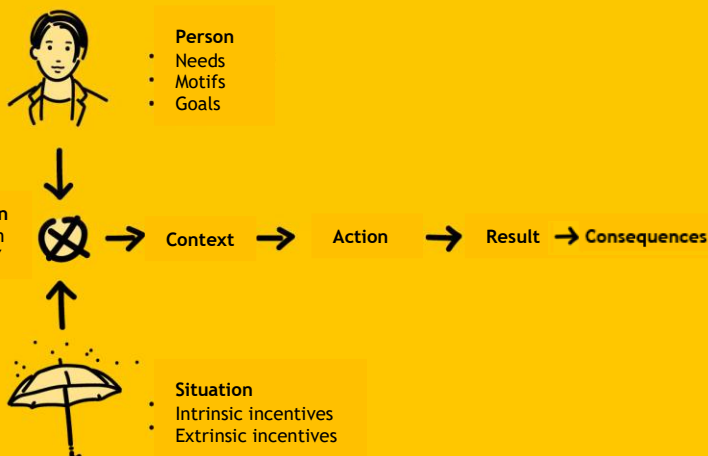


Fig. 1: Motivated behaviour in dependence of context conditions. (Source: Ohnemus, Lebok, Klaus: ContextMarketing)

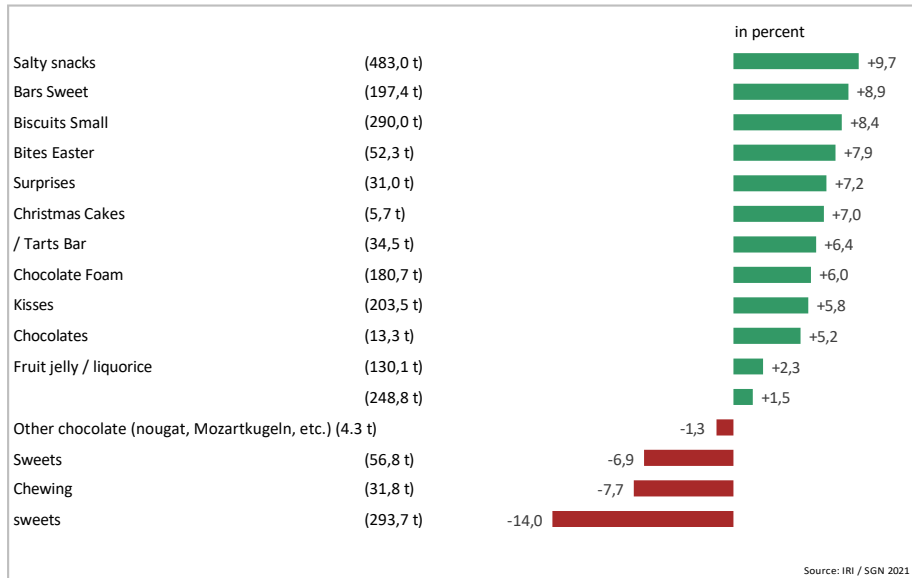


Fig. 2: Overall, confectionery is one of the winners of the crisis. The industry records significant volume growth in 2020 under Corona influence. (Chart: K&A BrandResearch/IRI)

in a situation anticipated for the future (see Fig. 1). We like to call the resulting mechanism System 1 laziness. What this means for brands is that they must quickly come to people's minds as the most effortless solution possible in a context.

Contexts are spaces of perception in which different facts have an effect and combine to form an overall picture. In accordance with the context principle of philosophy, terms only acquire meaning "in connection with something". Meaning only becomes apparent when the context is known and understood (cf. Ohnemus, Lebok, Klaus: Context-Marketing, Springer Gabler, 2021). In this way, symbols, messages and brand signals only become effective when the prevailing contextual conditions sharpen the senses for them.

People are always looking for an efficient solution to cope with their everyday demands under the effective contextual conditions - ideally with the help of a

suitable brand. Using Context Thinking® in brand management, K&A BrandResearch pursues the goal of making brands stronger in contexts. The stronger the links between a brand and contextual schemes, the greater the relevance of a brand in everyday life.

Of course, motivational-psychological factors such as needs enter into the intuitive assessment just as much as Situational factors that change and then lead to changed reactions in behaviour. According to the current findings of psychology, however, in the vast majority of human decisions, so-called "deeper motives" or higher-level purpose-attitude dimensions are clearly downstream of the situational factors. In short: Man is by no means a puppet of his Freudian urges. Since we humans are usually not aware of the influence of contexts on our decision-making behaviour (see Fig. 1), "context thinkers" should observe

analyse and understand target groups in contexts in order to establish alternative strategies for changing decision-making behaviour in favour of the brand. At K&A BrandResearch, we have decades of experience in applying psychodrama techniques to help consumers re-experience everyday situations and thus shape them for marketers.

The colourful world of the confectionery contexts

The strongest context effect across all sectors in recent years was undoubtedly Covid-19. While gastronomy, hotels, events and trade fairs were among the big losers of the lockdown, others were able to make the best use of the forced change in conditions for gains. In addition to the well-known winners such as Amazon, Alphabet and other tech giants, these included above all the sectors that promised everyday beautification in addition to everyday relief under the FFP2 mask.

The confectionery industry is one of the winners of the crisis. With a 6.0 per cent increase in sales and a 7.5 per cent rise in turnover compared to the Corona-free year 2019, the industry continued to grow in the previous year - despite the increasingly intense public discussion about sugar, obesity and healthier diets. As in previous years, the growth was driven by salty snacks, although this time numerous other segments also profited from the increased consumption-at-home, especially sweet pastries, cakes and pies.



Brand impulse provider and brand psychologist: Dr. Uwe Lebok (left) and Florian Klaus have been a well-established team at K&A BrandResearch for many years. (Photos: K&A BrandResearch)



Fig. 3:
Influenced by
Sweets - for
the new Gen
Z consumers
Incentives must
be sent early; here
a YouTube campaign
by Mondelez
with Julia Beaux
and Jonas.
(Screenshot:
K&A BrandResearch



In addition, Easter 2020 had a greater seasonal effect than Christmas. The gains once again clearly underline the fact that seasonal contexts have a buying-impulse driving effect. Likewise, the comparatively small subcategory of the foam kisses with their packaging for special occasions grows unbroken,

especially Super Dickmann's. At the lower end of the scale are sweets (hard candy and chewy sweets), other chocolate products (nougat, Mozartkugeln, etc.) and especially chewing gum.

New contexts and intuitive suitable occasions for chewing gum

Although chewing gum sales remain high, the double-digit negative development compared to the previous year proves that "No Fun for Chewing Gum" is currently emerging: New contexts, opportunities and intuitive suitable occasions for chewing gum and its mental siblings, lollipop and chewy sweets, are urgently needed to continue to attract consumers in the future. While attention for confectionery with everyday relevance can be achieved through changed colour codes, occasion concepts and special package design, chewy products need much more inspiration to continue to inspire consumers in the future. Corona has shown us one thing: Everything that can be digitised will be digitised. Attempts to establish live events such as concerts or live tastings as an alternative to social-analogue interaction with spontaneity, smells, touches and empathy were only partially successful. In any case, shopping behaviour will shift from 2022 onwards. Up to now, groceries have played a comparatively minor role in online commerce in Germany.

This correlates with the local density of stationary retailers. However, flaschenpost.de's tentative successes in the beverage segment also suggest future developments for confectionery, which is still more strongly influenced by impulse buying.

Generation Z's demand for immediacy

Increased touchpoint management online automatically leads to changed communication and a more contextual approach. Especially when the desire for nibbles and sweets arise spontaneously and thus fill the shopping trolley unplanned or sweeten the stop at the petrol station. In order to reach the new consumers of Gen Z, whose most important common characteristic is their demand for immediacy (wanting to have something immediately), enormous challenges have to be met in confectionery marketing.

Incentives must be sent early so that products enliven or refine the experiences in the respective contexts. In this context, influencers are increasingly gaining influence, as even on digital channels the classic advertising speak from the brand and its world to the consumer is perceived as cheap advertising. Influencers can be ordinary consumers who are intrinsically motivated to share outstanding experiences with confectionery brands, but also You-Tubers with a wide reach. Relatively early on, Sally Özcan was able to animate a young audience of millions to bake with Sally's World, which paid off even more under lockdown conditions.

Social media star Simon Desue, for example, with a reach of 4.3 million subscribers on TikTok, Instagram and YouTube, explicitly advertises Haribo sweets.

Various companies have recently resorted to this variant of personal and, for consumers, seemingly independent communication. With influencer Julia Beaux, Mondelez International succeeded in reaching 100,000 young consumers by a Milka Oreo campaign (see Fig. 3)..

In Austria, Viktoria and Sarina present sweets from Ferrero, Copenrath & Wiese or spoon their own pink biscuit dough with girlie voices. A recent study by the market research agency M-Science

postulates that younger target audience adopt advertising messages more uncritically. 56 percent of young people between the ages of eleven and twelve have already bought products recommended by influencers. For this reason, too, the voices calling for a ban on advertising for high-sugar products directed at children have not fallen silent.

Human and individualised approaches to consumers

Thus, the digital way offers the confectionery industry new human and individualised access to consumers on the one hand; on the other hand, an increased use of influencers intensifies the discussion about bans and restrictions. Ultimately, the confectionery industry will also have to discover new contextual conditions for itself or develop them projectively from consumers' everyday lives. Even under advertising bans, it is possible to expand market positions, as the example of Jägermeister successfully demonstrates in Switzerland. Early thinking in consumer contexts helps here - and should also pave new ways for sweets and salty treats.

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