

Need States Across FMCG

January 2025

Table of Contents

EXECUTIVE SUMMARY

Why read this report?

Key findings

INTRODUCTION

Consumers are attuned to and looking to address a broad range of needs

What are need states?

A powerful means of segmenting and targeting modern consumer behaviour

Key drivers of the need states mindset in modern consumers

EUROMONITOR'S NEED STATES FRAMEWORK

Euromonitor's updated need states framework

Emerging need states

Framing need states as the nexus of short- and long-term drivers

Need states framework is a recognition of multifaceted consumer drivers

Potency of need state positioning

INGREDIENT SYMBIOSIS

Symbiotic relationship between ingredients and need state delivery

Need states and ingredients

Kind Patches: Formulating across a need states-orientated portfolio

CHALLENGES IN NEED STATE POSITIONING

Key challenges to developing and executing a successful need state positioning

Regulators are hair trigger wary of claims in marketing language

Products must be able to deliver the promises implied by need state positioning

Standing out from an ocean of products converging towards a mean

Understanding where and what need states clear the sociodemographic hurdle

MEASURING THE SIZE OF THE NEED STATES PRIZE

The opportunities and challenges of sizing need state economies

Investigating the pyramid - potential approaches to quantifying size of prize

Euromonitor's sizing approach blends web scraping and expertise

A proof of concept across five markets shows that recreation is king in soft drinks

NEED STATES ACROSS FMCG

Our expert's view of need states in Consumer Health

Lifestyle maintenance positionings and immunity on the rise

Multifunctionality at the heart of consumer health need state innovation

Our expert's view of need states in Packaged Food

Energy and immunity central to propositions as mental wellbeing gains traction

Innovation pushes packaged food into novel areas

Our expert's view of need states in Non-Alcoholic Drinks

Energy remains dominant as mental wellness offerings expand rapidly

Flood of need state beverage innovations emphasises functional commitments

Our expert's view of need states in Beauty and Personal Care

Need states in BPC centred around core physical needs with emerging emotional focus

Mental and emotional wellbeing emerging rapidly in beauty and personal care

Our expert's view of need states in Cannabis

Mood modulation dominates cannabinoid need states

Cannabinoid innovation demonstrates ability to service frontier need states

Our expert's view of need states in Home Care

Need states offer premium opportunities for wellness-positioned home care brands

Mood, sleep and immunity to the fore in home care need state innovation

Our expert's view of need states in Pet Care

Physical needs a perennial focus with stress relief and emotional wellbeing rising fast

Owners increasingly seek to address pet stress and mental wellbeing

CONCLUSION

Recommendations for navigating need states Evolution of need states across FMCG Questions we are asking

About Euromonitor International

Euromonitor International is an independent market intelligence provider. Data, insight and analysis stem from in-the-field research spanning 210 national markets.

Content ranges from the in-depth and country-specific, to key strategic themes with a global range and significance. Products cover a comprehensive range of insights and market data, but can be broadly categorised as:

- Strategy Briefings: Global or regional in scope, and focussing on the most important themes shaping consumer demand, the key markets, competitive environment and future outlook across a range of industries.
- Company Profiles: Analysis dedicated to the world's most significant companies, with detailed insight into their activities, focus of operations, their competitors, their geographic presence and performance.
- Country Reports: For an in-depth understanding of specific countries, whether by industry, economic metrics or consumer trends and lifestyles. These reports cover current trends, consumer demand, market potential and future prospects, with country-specific local insight and comprehensive data, unavailable elsewhere.

For more information on this report, further enquiries can be directed via this link www.euromonitor.com/need-states-across-fmcg/report.