SIGHT **CPG Trends | July Edition**

SHAPING TOMORROW: LIFESTYLE TRENDS OF 2024

Emerging lifestyle trends redefining the CPG space

Consumer lifestyles are **constantly evolving** due to social, economic, environmental, and global changes.

These trends **revolutionize** how consumers **interact** with the world, influencing their interests, values, and **consumption choices**

A few exciting trends of 2024 that have shaped consumer lifestyles are…

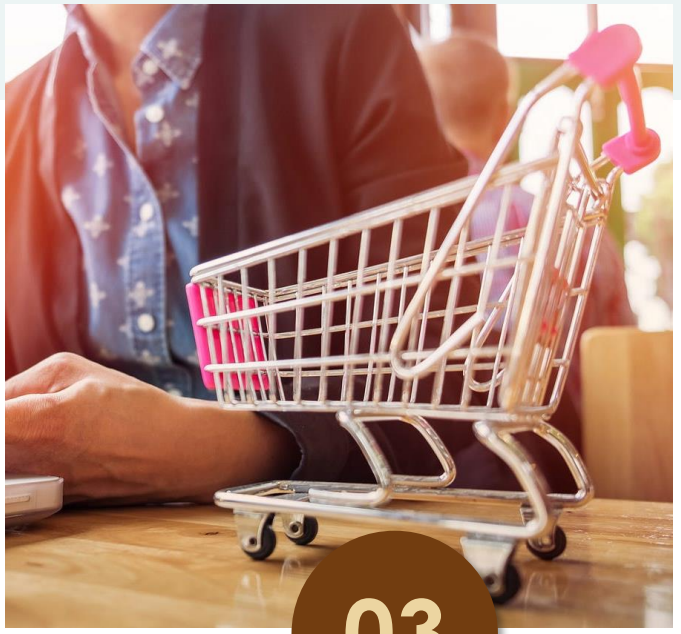
In this edition of our CRG Trends report, we explore 3 global trends that have gained much momentum in the Middle East...

01

VEGANISM

02

THRIFTING



03

LOCALIZATION

01

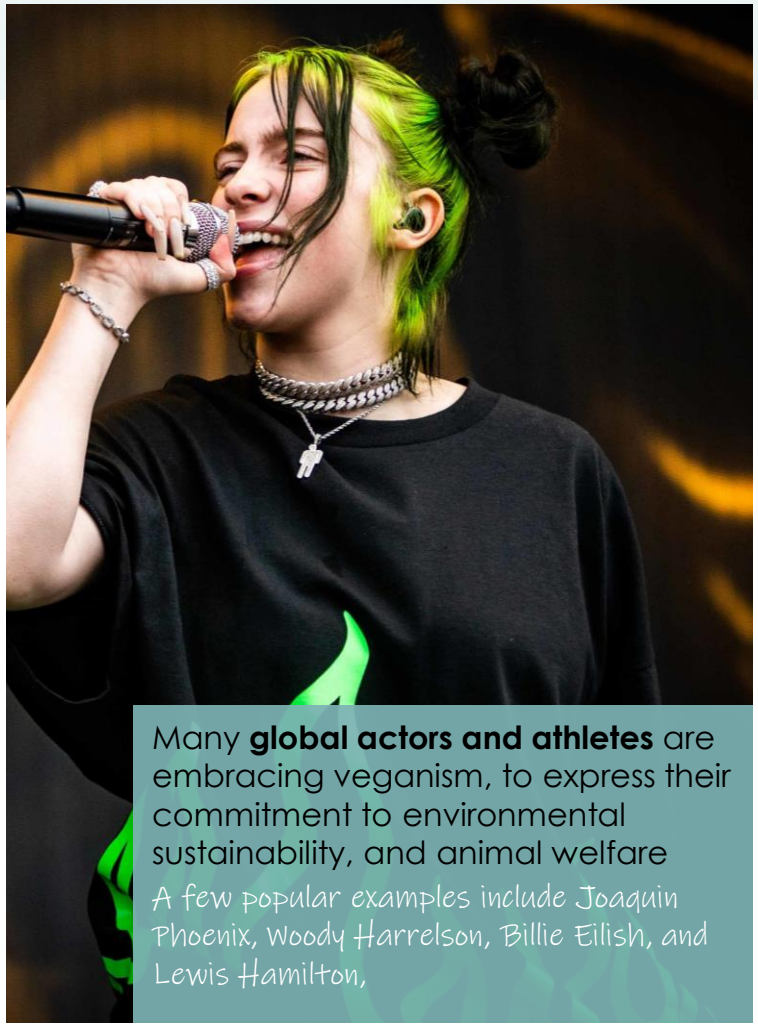
VEGANISM

The **vegan food market** size has grown rapidly globally in recent years and is expected to grow from $ 24.58 billion in 2023 - **$ 27.8 billion** in 2024

The **plant-based** foods market in the MENA region is, however experiencing a much gradual growth and will reach **USD 8-9 billion** only by 2030

Source: https://www.thebusinessresearchcompany.com/report/vegan-food-global-market-report, https://cdn.asp.events/CLIENT_Dubai_Wo_4B15F265_5056_B739_54F3[illegible]/media/2023/reports/R02_Future-of-Vegan_101723_JP_VA.pdf

The adoption of veganism is increasing globally, driven by growing awareness of health benefits, environmental concerns, and animal welfare



Many **global actors and athletes** are embracing veganism, to express their commitment to environmental sustainability, and animal welfare

A few popular examples include Joaquin Phoenix, Woody Harrelson, Billie Eilish, and Lewis Hamilton,

It is projected that by 2026, the plant-based milk market will grow to **$26 billion**

Daiya is popularly known for its dairy-free cheese. is leveraging this trend – the brand recently launched dairy-free cheese shreds for food service operators

Several players in the food industry are focusing on **innovative plant-based** meat products to meet taste and texture requirements

Beyond meat launched Beyond Sausage, which looks and tastes like real meat

Sources: www.thebusinessresearchcompany.com/report/vegan-food-global-market-report, https://www.gminsights.com/industry-analysis/plant-milk-market,, https://www.vegansociety.com/news/media/statistics/worldwide

Closer to the region...

While veganism also finds a foothold in the meat-loving Middle East, it is primarily driven by the need to tackle health concerns like weight loss

Few multinationals have initiated ventures to offer **locally produced** plant-based meat alternatives

Thryve, is UAE & KSA's first 100% plant-based meat factory, that offers local, plant-based meat products inspired by Middle Eastern cuisine

Brands/store chains are also launching plant-based alternatives for popularly enjoyed **local meat dishes** like Kofta, meat loaf etc.

In 2022, Spinneys launched "Power of Plants," to create locally enjoyed dishes

Several UAE restaurants offer plant-based dishes, and many new ones are **entirely plant-based**, reflecting the demand for vegan options

A few popular examples are SEVA, Planet Terra, Neat burger etc.

Sources: www.venturesme.com/wpcontent/uploads/2024/03/Market%20Assessment%20GCC%27s%20Plant%20Based%20Market.pdf

Veganism – Roadblocks brands must navigate in the Middle East

Price Disparity – key barrier to adoption

Plant-based products are expensive as compared to animal-based counterparts, resulting in lower consumer adoption

Fear of social awkwardness discourages adoption

Veganism, especially in Saudi is viewed with skepticism - limited options at family gatherings, and social events, makes it hard to participate without drawing attention to their dietary choices

Taste and feel concerns – limits trials/experimentation

The sensory experience of plant-based food is a barrier to adoption – wider variety of plant-based food with similar taste and texture profiles can increase trials

02

THRIFTING

Resale is expected to more than **double** its market share over the next 10 years globally, growing at a CAGR of **11%** and gaining the largest volume of share of any distribution channel by 2033

However, in the Middle East, the surge in thrifting is limited to **luxury fashion goods** valued at **US$ 790 Mn**

Source: https://cf-assets-tup.thredup.com/resale_report/2024/ThredUp_2024_Resale%20Report.pdf, https://www.transparencymarketresearch.com/middle-east-second-hand-luxury-goods-market.html

Bringing back the old – thrifting is increasingly gaining popularity across driven by Gen Zs

Fast **fashion brands** have capitalized through this trend by introducing take-back programs, resale at discount etc.

Tommy Hilfiger, Kate Spade offer resale programs for buying and reselling secondhand items for shopping credit

Gen Z are the advocates for the trend. Studies show **62% of Gen Z** prefer secondhand clothing

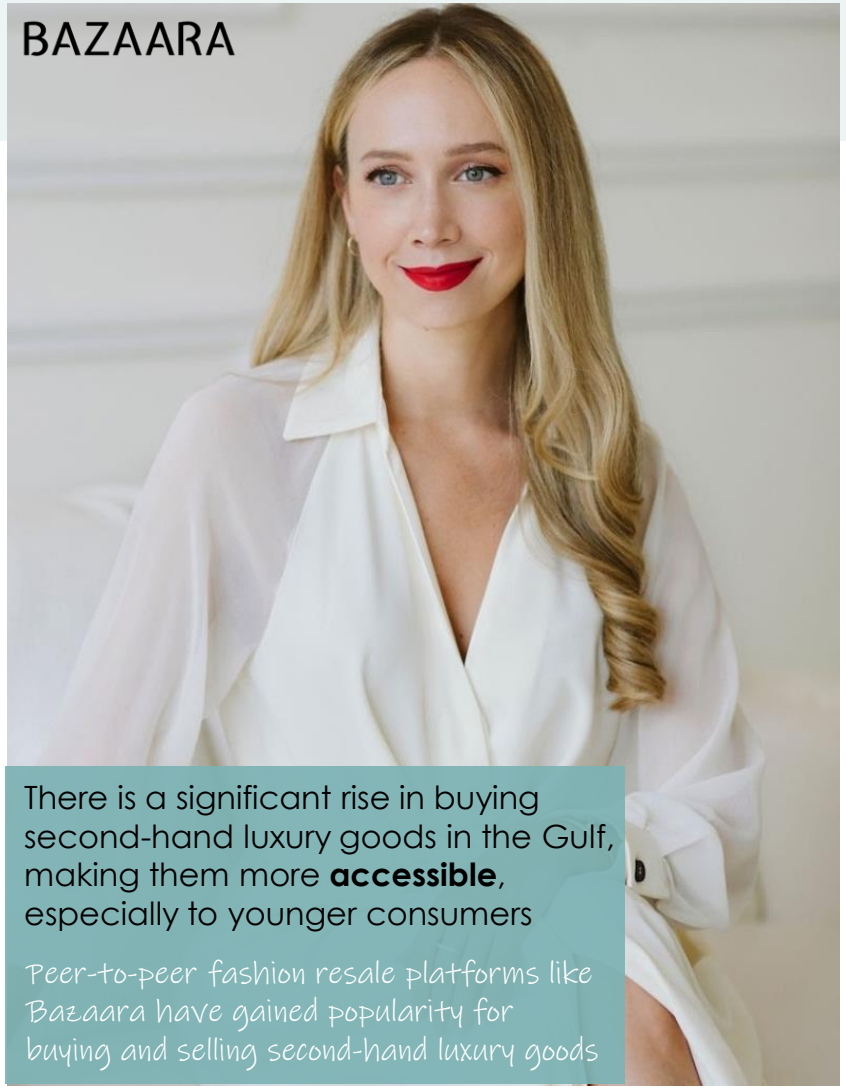
Depop is globalizing Gen Z fashion by offering accessibility and vast product range that enables global buying and selling

Collaborations between mainstream **brands/celebrities** and resale platforms has risen

Thredup x Olivia Wilde - #chooseused is a limited-edition collection and social movement celebrating secondhand fashion

Sources: https://www.inverse.com/input/style/tommy-hilfiger-resale-program-used-clothing-thredup, https://cf-assets-tup.thredup.com/resale_report/2024/ThredUp_2024_Resale%20Report.pdf

Advocated by Gen Z too, thrifting in the Middle East is in its nascent stages, primarily driven by access to luxury fashion items



There is a significant rise in buying second-hand luxury goods in the Gulf, making them more **accessible**, especially to younger consumers

Peer-to-peer fashion resale platforms like Bazaara have gained popularity for buying and selling second-hand luxury goods

Several social media influencers are promoting thrifting - the regional market share is anticipated to **surpass 10%**

Several regional social media influencers like Nirvana Abdul, Hannah Rasekh, Rae Joseph have played a pivotal role in advocating this trend

There is a rise in thrift stores diversifying to **digital channels** – this expansion showcases the growing demand

OSKELLY introduced an omnichannel luxury resale platform with digital and AI solutions – one can sell and buy pre-owned luxury goods

Sources: https://fastcompanyme.com/impact/thrift-stores-are-making-a-grand-entry-in-the-gulf-and-these-brands-are-getting-in-on-it

Thrifting– Roadblocks brands must navigate in the Middle East

Lack of awareness limits adoption

Thrifting is still a relatively new concept in some parts of the Middle East. There is a lack of awareness about the benefits and availability of second-hand goods, which limits their adoption

Second-hand = low quality

Stigma around buying secondhand fashion persists, especially among older generations who prefer familiar brands despite thrift stores' lower costs and higher quality

Limited appeal results in slow adoption

Thrifting lacks the same style status in the Middle East vs.. globally, with Bain and Co. estimating Gulf region spending on preloved fashion is one-fifth of Western markets

Source: https://fastcompanyme.com/impact/thrift-stores-are-making-a-grand-entry-in-the-gulf-and-these-brands-are-getting-in-on-it/

03

LOCALIZATION

COVID-19 has significantly increased the preference for localized goods worldwide, with **65%** of consumers now preferring to purchase items from the **country they live in**

In the Middle East, although younger consumers support local businesses, the demand for **Western products** continues to **dominate**

Source: : https://www.warc.com/newsandopinion/news/localism-is-forecast-to-be-a-major-post-pandemic-trend/en-gb/43612, https://linkedin.com/pulse/expanding-products-services-middle-east-good-/

While driven by the necessity of lockdown, localization has accelerated and continued even post-pandemic due to heightened value-consciousness

Global brands are building community connections and **embracing local pride**, incorporating local focus into their creative work

Nike's "Air Max Graffiti Stores" leveraged Brazil's local graffiti culture boosting social engagement by 22%

The rise in localization is driven by increased awareness of the benefits of supporting local businesses **- fosters economic growth**

Promoted as an African women owned brand, Portia M Skin, is renowned for making products catering to African skin

Several brands have embraced this trend by **aligning their marketing** with local sentiments and culture

Coca-Cola entered the Chinese market as "Kekou Kele," meaning "tasty fun" in Mandarin. This resonated with consumers and ensured a successful entry

Sources: https://www.warc.com/newsandopinion/news/localism-is-forecast-to-be-a-major-post-pandemic-trend/en-gb/43612, https://ecom.nets.eu/magazine/the-rise-of-localism/, https://www.bizcommunity.com/Article/196/82/236536.html

Younger consumers in the Middle East are increasingly choosing local products due to their sense of patriotism, perceived better value for money, and better aesthetic alignment

There is a significant rise in buying second-hand luxury goods in the Gulf, making them more **accessible**, especially to younger consumers

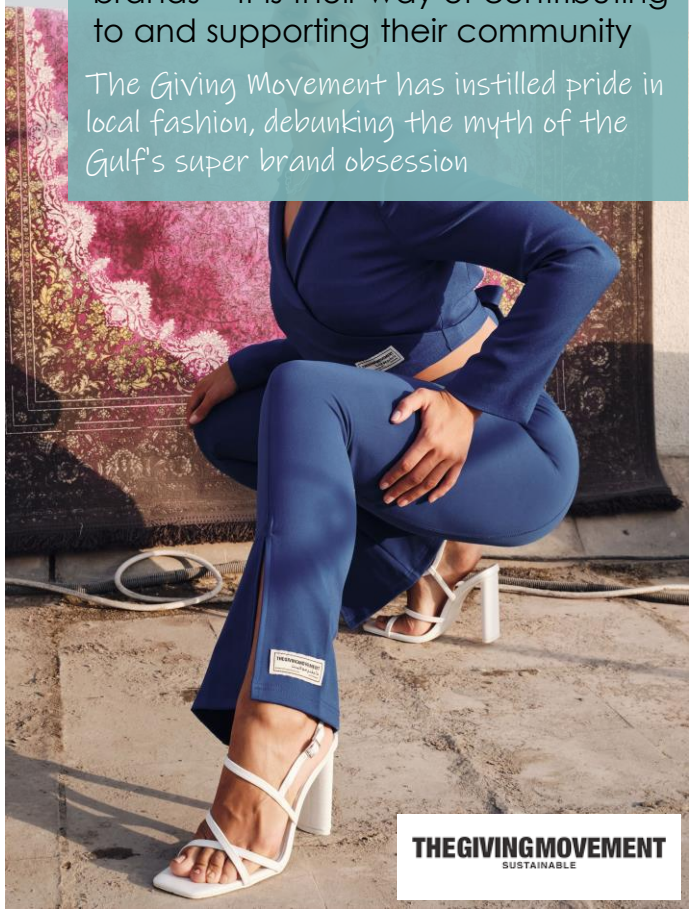
Peer-to-peer fashion resale platforms like Bazaara have gained popularity for buying and selling second-hand luxury goods

Local brands are placing a greater emphasis on honoring **local cultural and traditional values** fostering loyalty

Native Threads focuses on designs inspired by vintage Middle Eastern elements, seamlessly blending traditional aspects with modernity

Consumers experience **a sense of pride** when purchasing from local brands - it is their way of contributing to and supporting their community

The Giving Movement has instilled pride in local fashion, debunking the myth of the Gulf's super brand obsession



Sources: https://fastcompanyme.com/impact/thrift-stores-are-making-a-grand-entry-in-the-gulf-and-these-brands-are-getting-in-on-it

Localization – Roadblocks brands must navigate in the Middle East

Higher trust on established brands vs. local brands

Consumers often prefer established international brands for their reliability and quality, posing a challenge for new local brands to gain recognition and build trust

A saturated market

It is a highly competitive market with many established international brands. Local brands face a challenge to develop unique value propositions to stand out

In sum, what can integrating relevant lifestyle trends do for a brand?

Equip with knowledge that shapes consumer behaviour and preferences
Awareness of these trends allows for more precise targeting and personalization

Create communities around shared interests and values
Brands can leverage through communities and foster a sense of belonging and loyalty, encouraging long-term consumer relationships

Influence brand perception
Lifestyle trends shape the needs and preferences of consumers - therefore, brands that evolve with and adapt to these changes stay ahead of the curve and create a winning image

Drive innovation in product development
Brands can create products that meet new needs, leading to growth and opening up new market opportunities

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For more information, contact info@4sight-global.com

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SIGHT

Our insight drives your foresight

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