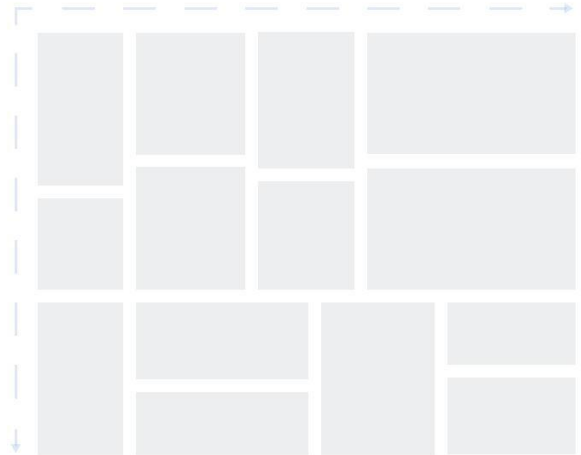


# THE POWER OF UNDERSTANDING CONSUMER DEMAND



## OVERVIEW

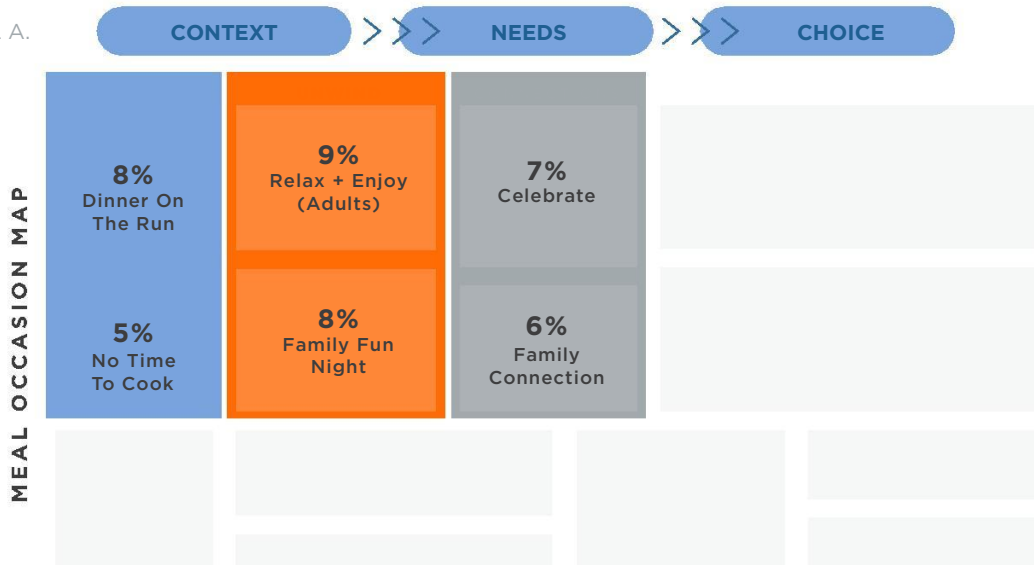
Some of our clients have asked "Can you explain what a demand landscape is and why we should consider it at our company?" This article provides our perspective on how the industry defines demand, how it can be used, and some things to consider if your organization is interested in pursuing demand work.

## WHAT IS DEMAND LANDSCAPE?

Consumer needs are at the core of **demand landscape**. Unlike segmentation, where consumers are presumed to behave similarly across various situations, a demand landscape framework captures multiple needs for each consumer depending on the context [Visual A].

Instead of grouping people, we group occasions (e.g. what I need out of dinner changes depending on who I am with, where I am, whether I am eating healthy, etc.), such that context drives consumer needs, and needs drive consumption choice.

VISUAL A.



**Demand spaces** within a demand landscape are mutually exclusive and collectively exhaustive groups of distinct consumer-driven needs. They are:

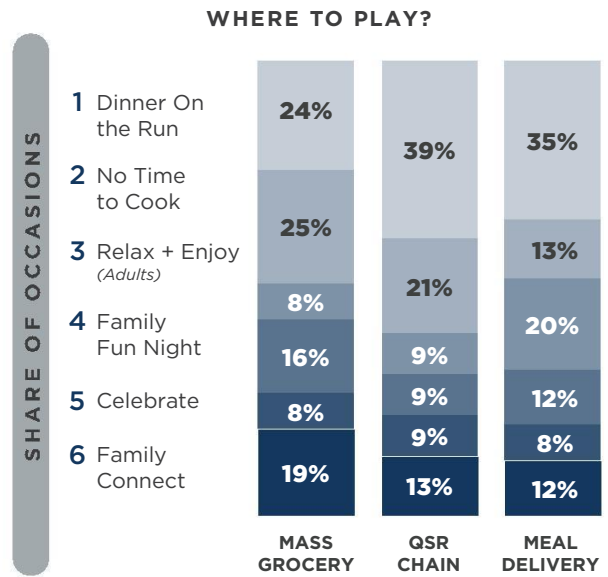
- Defined multi-dimensionally (i.e. forced choice methodology uncovers emotional and functional needs)
- Framed contextually (i.e. who, what, when, where and why)
- Profiled to gain further understanding of how consumers meet their consumption needs

Though most demand landscapes include 10-15 demand spaces, they can be rolled up under common themes (e.g. "Relax + Enjoy (Adults)" and "Family Fun Night" = Unwind) or broken down into more specific micro-spaces for further consideration [Visual A].

A demand landscape leverages channel, category and brand insights from consumer usage occasions to inform strategy, foster customer communication, and drive innovation. In essence, it helps organizations determine where to play, their right to win and how to win [Visuals B, C & D].

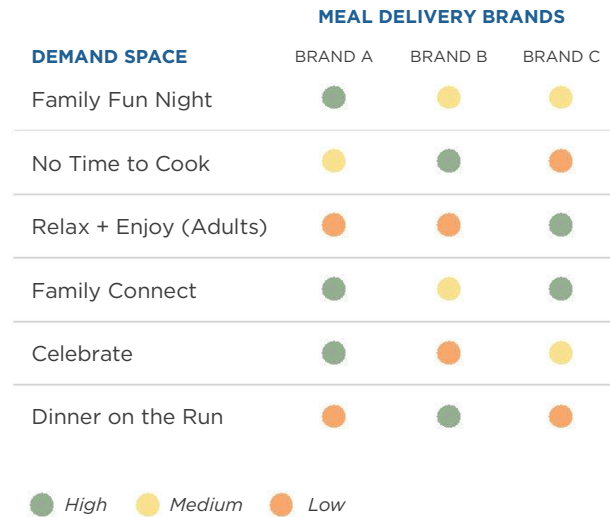
In the household meal example provided, the demand landscape identifies preparation methods, purchase channel and delivery options. Within the Family Fun Night demand space, we see certain types of meals over-index (e.g. easy one-skillet meals, delivery services and making meals together) because these occasions are more likely to happen at home on the weekend [Visual D].

VISUAL B.



VISUAL C.

**WHERE DO WE HAVE A RIGHT TO WIN?**



VISUAL D.

**HOW TO WIN?**



**Family Fun Night**

<b>Demand Space Size</b>	8% occasions
<b>Cohort/ Context</b>	Married/Separated, Age 30-45 HH's with Kids Weekends (Fri & Sat) At home and AFH
<b>Key Emotional &amp; Functional Needs</b>	Fun Connect Crowd Pleasing Easy Prep & Easy Eat
<b>Inspiration</b>	Childhood Favorites Kids Camp Schools
<b>Preferred Prep Method</b>	Frozen Ready To Prepare Ready to Serve
<b>Retail Channel</b>	QSR / Casual Dining Grocery Pantry
<b>Fulfillment Method</b>	Quick stop Door Dash / Uber Eats

**HOW ARE COMPANIES USING DEMAND?**

Many companies tend to think about the marketplace through a category, channel or competitive lens instead of focusing on what consumers need. A demand landscape allows management to:

- Strategically determine consumer demand today and where it is forecasted to grow.
- Understand where their brand has an advantage.
- Identify underserved needs of their target consumers.
- Uncover inspiration from other top brands that speak to consumer needs.
- Target white space opportunities to inform innovation.

We have seen organizations leverage this work when they have a need to:

- Distinguish a large portfolio of brands in the same or similar categories.
- Source volume from other lines of business (i.e. a dominant share in one category).
- Penetrate across international markets.



**THINGS TO CONSIDER:**

A demand landscape requires resources, time and organizational alignment on relevant consumer needs.

- Multi-team involvement (insights, marketing, strategy & innovation) = actionability
- Investment of time & resources (larger sample size required and in-depth surveys over a week time frame required)
- Comprehensive (Emotional/ Functional needs)