

TODAY'S WEBINAR WILL BEGIN SHORTLY

The Impact of Inflation on Consumer Desire for Sustainability

QUESTIONS?

Use the questions box on your screen



Ujwal Arkaigud

EVP Lux Research, Founder, Lux-MotivBase

AUDIO ISSUES?

Use the global dial-in number in your confirmation email



The
Deciding
Factor

The Impact of Inflation on Consumer Desire for Sustainability



Ujwal Arkalgud

EVP Lux Research, Founder, Lux-MotivBase



The
Deciding
Factor



Inflation has become an issue

For the advancement of consumer demand for sustainable solutions and products.

Sustainability has a
problem it needs to
overcome in CPG

Accessibility, Trust, Harm Reduction,
and Waste are key issues.

Consumers are
looking for a reason
NOT to make the
sustainable choice

How do we know this?

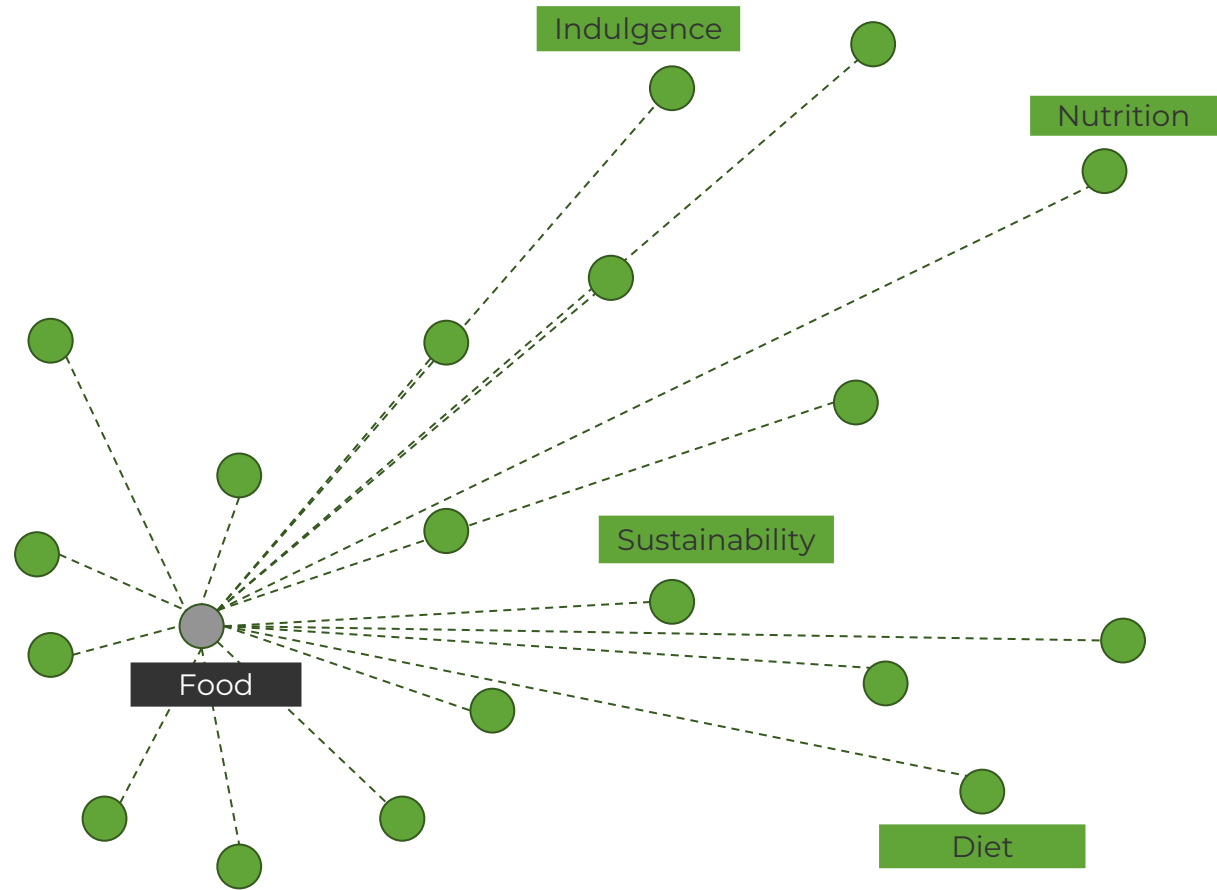
Humans act toward things
on the basis of the meaning
they ascribe to those things.

Role of
Anthropology!
←

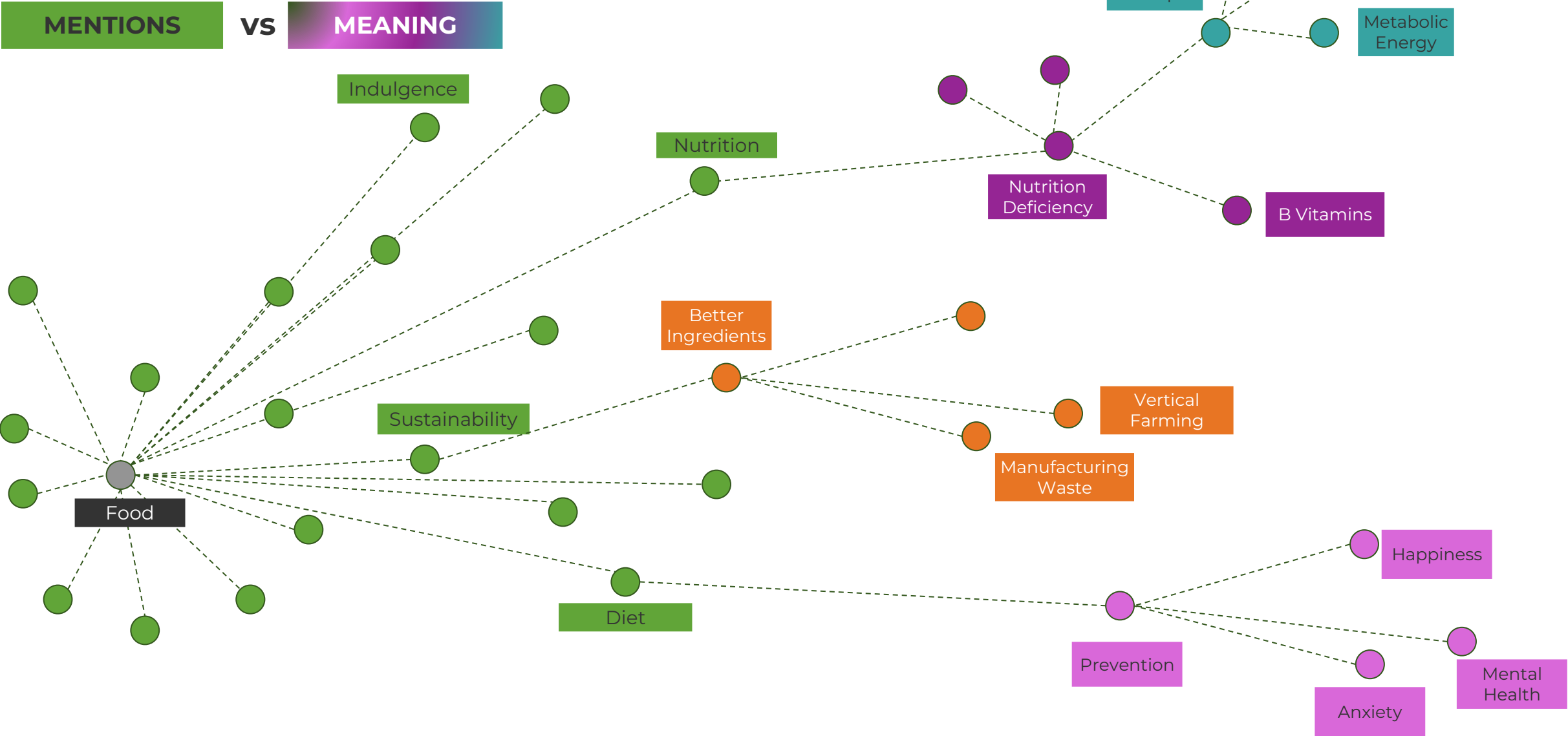
IMPLICIT + EXPLICIT

```
graph TD; A[Role of Anthropology!] --> B[IMPLICIT]; B --> C[meaning];
```

Without contextual meaning, we're seeing only a small and inaccurate part of the narrative



See how meaning in the broader context of food transforms our understanding of the space



Sustainability has a
problem it needs to
overcome in CPG

Accessibility, Trust, Harm Reduction,
and Waste are key issues.

Inflation is everywhere.

Challenges



Given the inflationary environment, CPGs have their work cut out in the coming year to build desire for sustainable solutions.

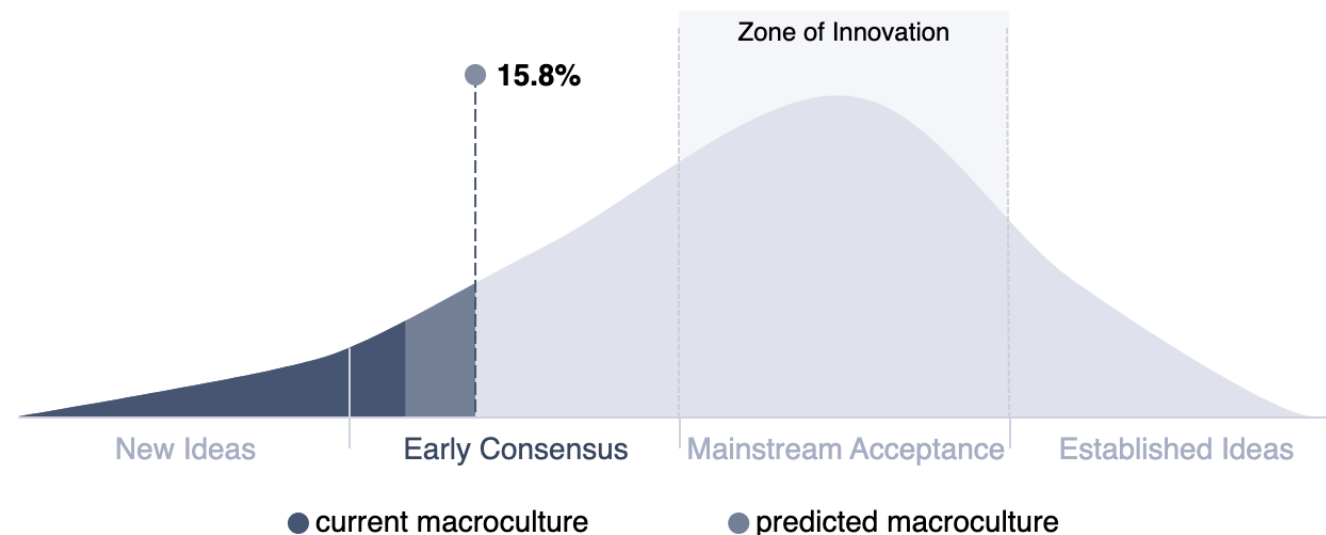
BARRIERS:

Harm Reduction, Waste, and Access are key barriers that must be resolved.

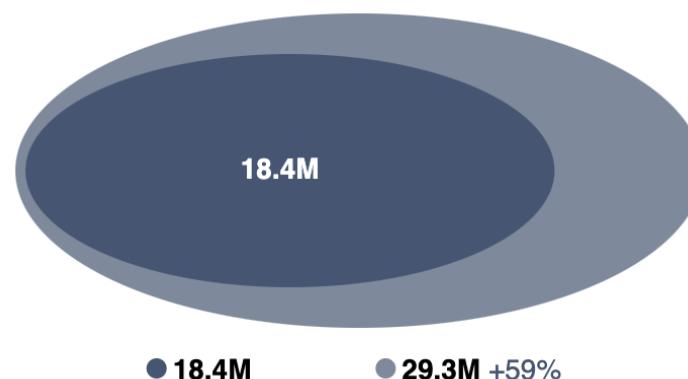
Maturity Curve

9.8%

current



Population



This topic scores 9.8% on the [maturity curve](#) and is expected to expand to 15.8% in 2-3 years.

This culture is currently relevant to 18.4M [people](#) and is expected to grow by 59.0% in 2-3 years.

A photograph of several wind turbines in a field under a cloudy sky, with a green overlay. The turbines are white and stand on a grassy hill. The sky is blue with white clouds. The entire image is covered with a semi-transparent green filter.

The need for accessibility

Is more critical than ever before, amid an inflationary and economic crisis (in the mind of the consumer).

Access Challenge

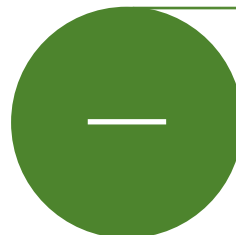


Consumers don't want to be constantly inconvenienced to solve day to day problems in their lives.

KEY CONSUMER:

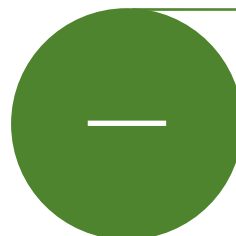
Latin X, African American

MATURITY:



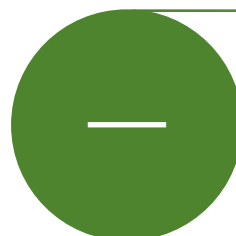
Privilege

Sustainability is becoming a matter of privilege, which is a problem.



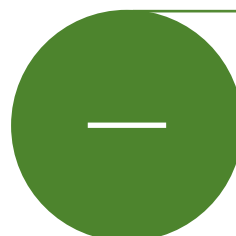
Experimentation

Consumer products require trial.



Efficacy

Still the primary driver.



Availability

Consistency is still an issue.

Access Challenge



Consumers don't want to be constantly inconvenienced to solve day to day problems in their lives.

KEY CONSUMER:

Latin X, African American

MATURITY:



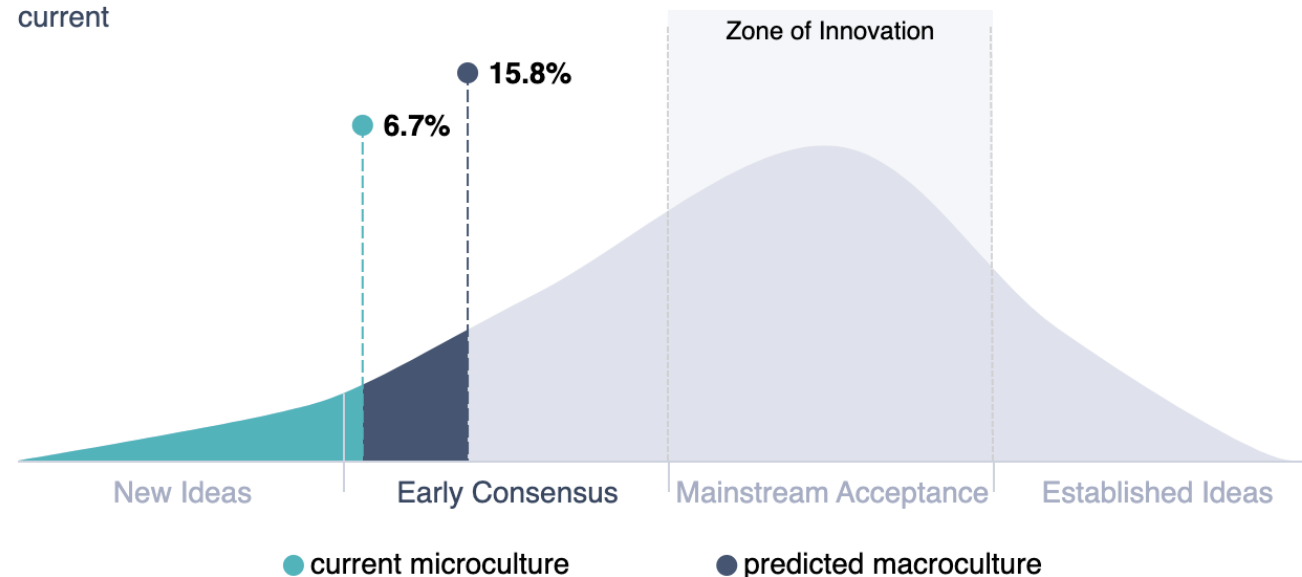
Maturity

Macroculture: *sustainability* Microculture: *affordable products*

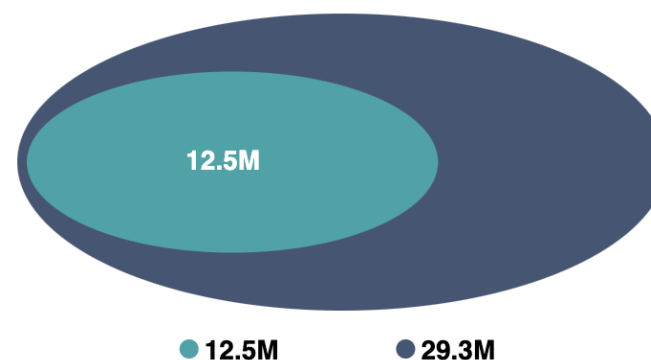
Maturity Curve

6.7%

current



Population



This topic scores 6.7% on the [maturity curve](#).

This culture is currently relevant to 12.5M [people](#).

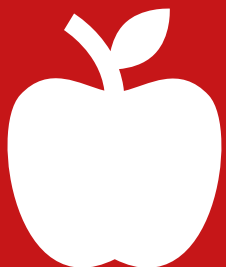
This topic is exhibiting high [volatility](#) and therefore cannot be predicted.

A photograph of several wind turbines in a green field under a cloudy sky. The image is overlaid with a semi-transparent green filter. The turbines are white and stand tall against the sky. The clouds are white and fluffy. The overall scene is peaceful and represents renewable energy.

The need for trust

Is more critical than ever before, amid an inflationary and economic crisis (in the mind of the consumer).

The Trust Challenge

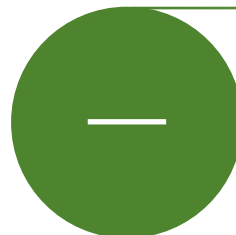


People just want to know what they're choosing to compromise on.

KEY CONSUMER:

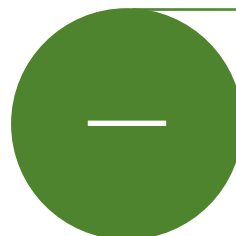
Caucasian, African American

MATURITY:



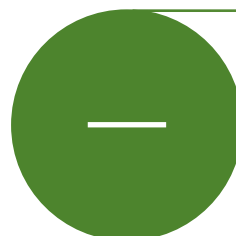
Impact on Efficacy

Will the use of more natural ingredients impact efficacy? If so, how?



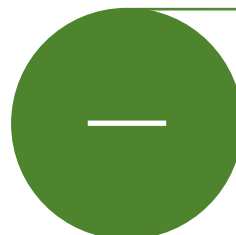
Shelf Life

How long does the product stay 'fresh'?



Less Active

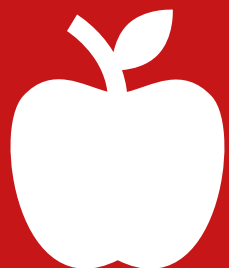
Does it limit the use of 'active' ingredients? That can help improve outcomes?



In the dark

People just want to feel like they know.

The Trust Challenge



People just want to know what they're choosing to compromise on.

KEY CONSUMER:

Caucasian, African American

MATURITY:



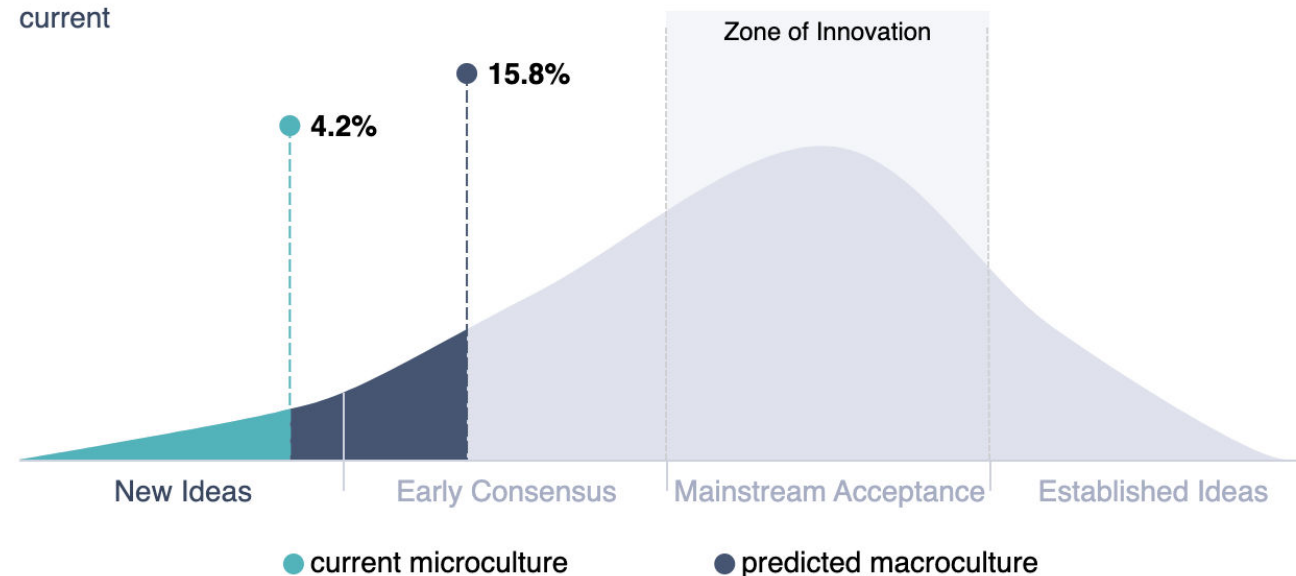
Maturity

Macroculture: *sustainability* Microculture: *approved products*

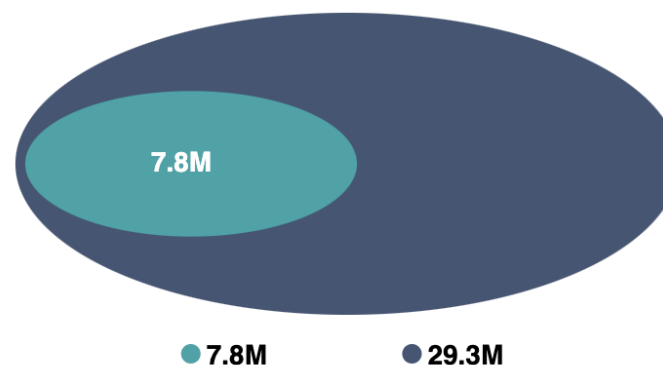
Maturity Curve

4.2%

current



Population



This topic scores 4.2% on the [maturity curve](#).

This culture is currently relevant to 7.8M [people](#).

This topic is exhibiting high [volatility](#) and therefore cannot be predicted.

A photograph of several wind turbines in a green field under a cloudy sky. The image is overlaid with a semi-transparent green filter. The turbines are white and stand tall against the sky. The field is lush green, and there are some trees in the distance.

Waste as a manufacturer issue

Is more critical than ever before, amid an inflationary and economic crisis (in the mind of the consumer).

The Waste Challenge

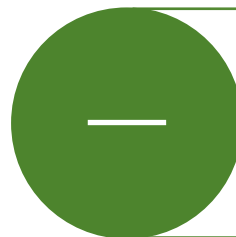


People do not want to take on the weight of the waste problem at home.

KEY CONSUMER:

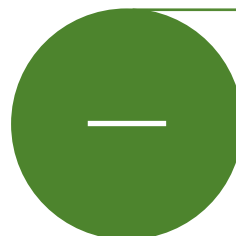
Caucasian, African American, Asian

MATURITY:



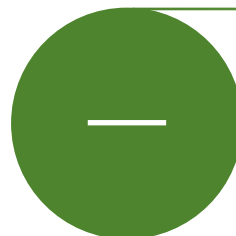
Plastics

The use of plastics even in 'better for the environment' products.



Product Design

Lack of improvement on product design; all the focus on packaging.



Wasteful business model

Selling three products where only one would suffice.

The Waste Challenge



People do not want to take on the weight of the waste problem at home.

KEY CONSUMER:

Caucasian, African American, Asian

MATURITY:

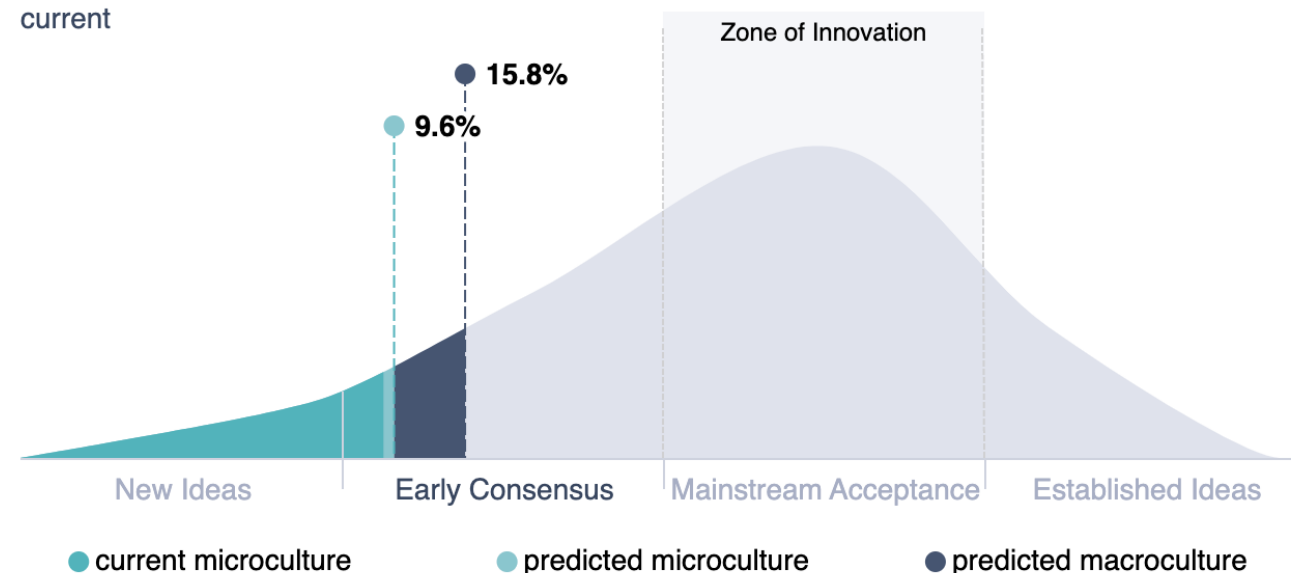


Maturity

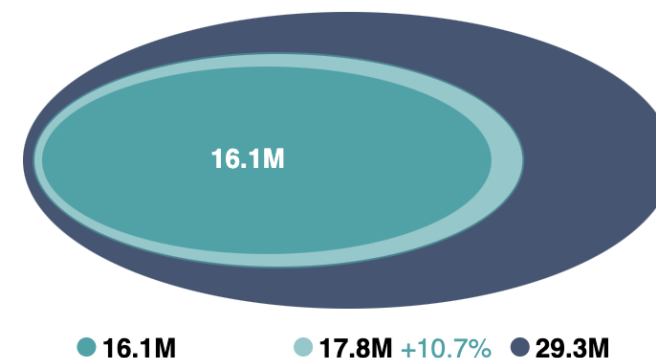
Macroculture: *sustainability* Microculture: *reduce waste*

Maturity Curve

8.6%
current



Population



This topic scores **8.6%** on the [maturity curve](#) and is expected to expand to **9.6%** in 2-3 years.

This culture is currently relevant to **16.1M** people and is expected to grow by **10.7%** in 2-3 years.

A photograph of several wind turbines in a green field under a cloudy sky. The image is overlaid with a semi-transparent green filter. The turbines are white and stand tall against the sky. The field is lush green, and there are some trees in the distance.

The Harm Reduction Issue

Is more critical than ever before, amid an inflationary and economic crisis (in the mind of the consumer).

Harm Reduction

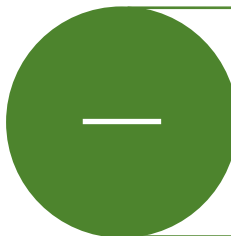


People just want to know that they're not harming themselves or others.

KEY CONSUMER:

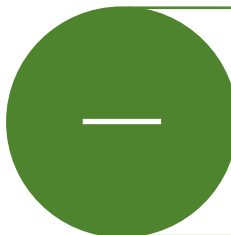
Caucasian, African American

MATURITY:



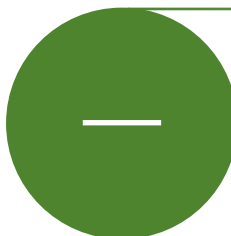
Sustainable chemicals

Are sustainable chemicals also the safest for the body and the home?



Animal derived ingredients

What if they are more sustainable?



Animal Testing

Certifications and independent validation.

Harm Reduction



People just want to know that they're not harming themselves or others.

KEY CONSUMER:
Caucasian, African American

MATURITY:



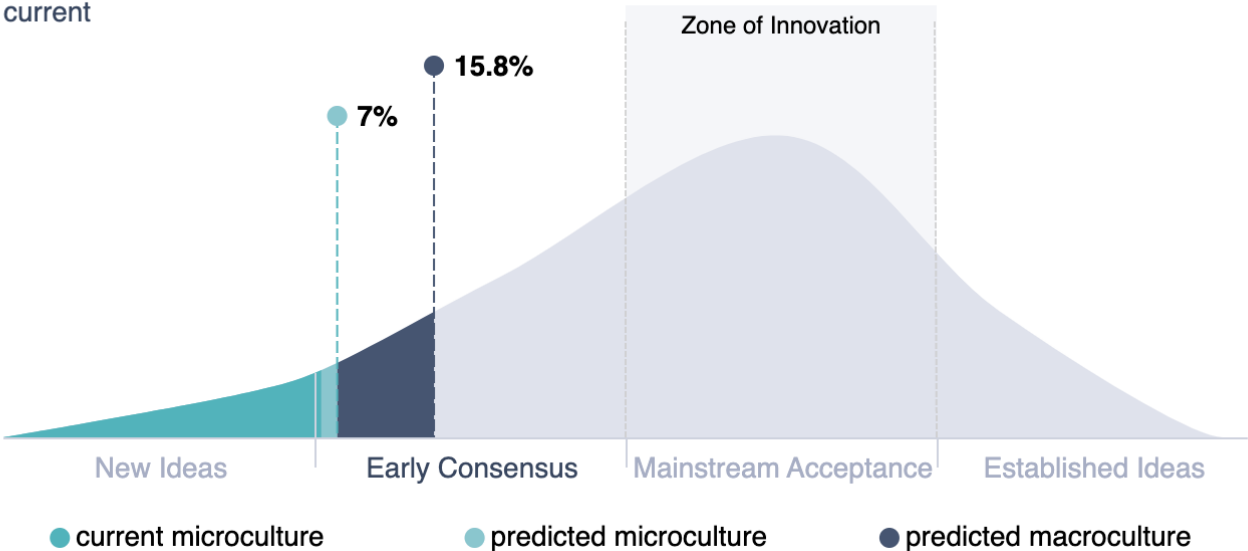
Maturity

Macroculture: *sustainability* Microculture: *harmful chemicals*

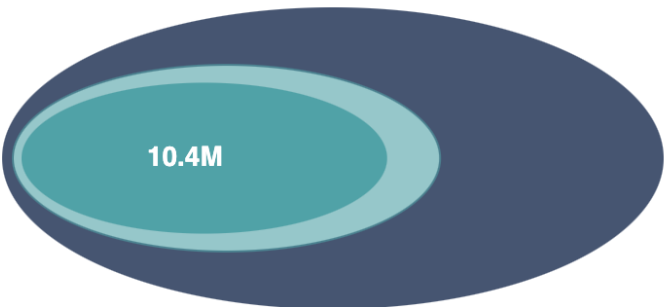
Maturity Curve

5.6%

current



Population



● 10.4M ● 13.1M +25.7% ● 29.3M

This topic scores **5.6%** on the **maturity curve** and is expected to expand to **7.0%** in 2-3 years.

This culture is currently relevant to **10.4M** **people** and is expected to grow by **25.7%** in 2-3 years.

Opportunities



Given the inflationary environment, CPGs have their work cut out in the coming year to build desire for sustainable solutions.

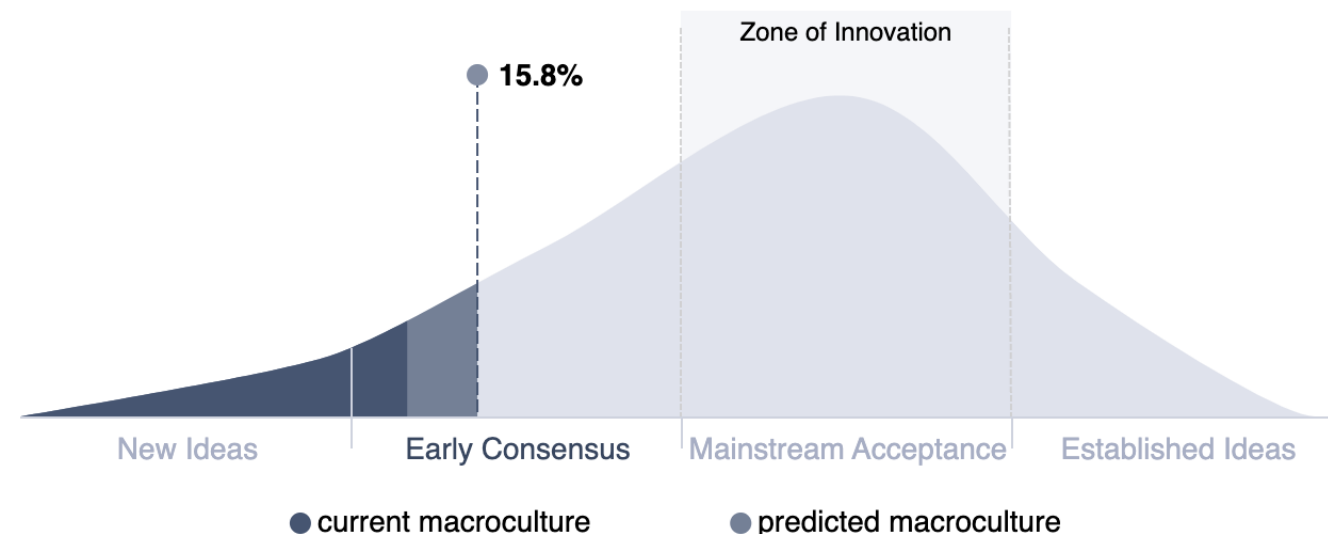
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Harm Reduction, Waste, and Access are key barriers that must be resolved.

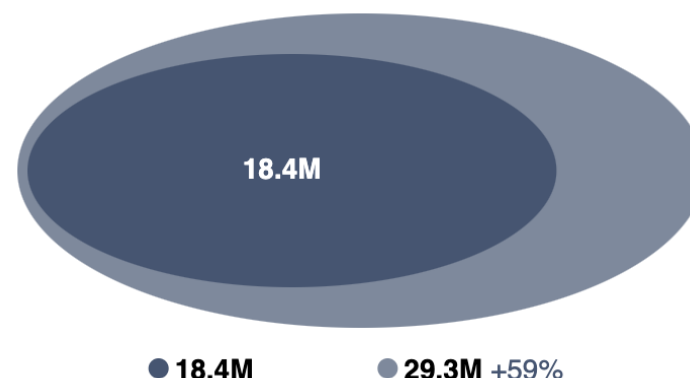
Maturity Curve

9.8%

current



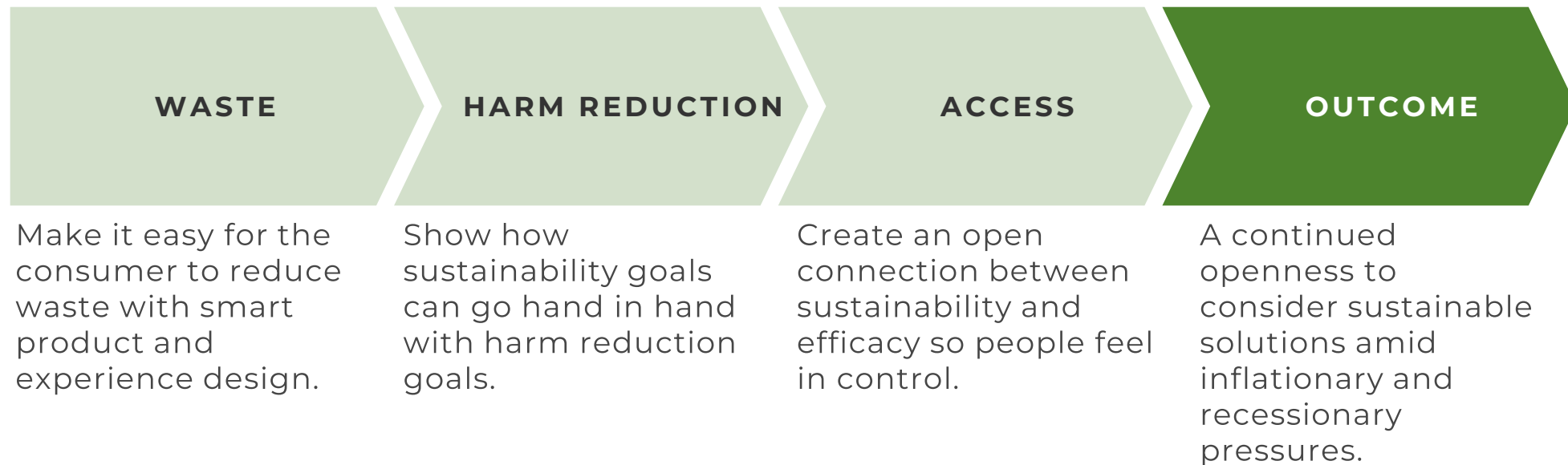
Population



This topic scores 9.8% on the [maturity curve](#) and is expected to expand to 15.8% in 2-3 years.

This culture is currently relevant to 18.4M [people](#) and is expected to grow by 59.0% in 2-3 years.

A revised approach is necessary in the current economic environment.



Key Takeaways

1

Waste reduction at every stage

Consider ingredients, processes, and business models that cut waste; Use the product to take the *stress* away from the consumer.

2

Harm reduction

Choose sustainable chemicals and materials that minimize harm to skin, health, home environment, and even animals.

3

Access

Focus on identifying sustainable solutions that have minimal impact on efficacy. Consider product design solutions to bridge gaps.

Thank you

A link of the Webinar recording will be emailed within 24–48 hours.

UPCOMING WEBINARS

NOVEMBER 22

**Product Innovation:
Balancing Sustainability,
Risk, and Returns**

DECEMBER 7

**How to Unpack Opportunities in
Spaces That Were Previously
Misunderstood or Under-Valued**

DECEMBER 20

**The Top Technologies
Enabling the Net-Zero Grid
of the Future**



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The
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Factor

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