



Opinion piece

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12 ways your festive feast may change in 2017

To eat, drink and be merry could be very different in Christmases to come, writes Craig Armitage, Global Leader of PwC's Food Supply and Integrity Services.

For many it's beginning to look a lot like Christmas with logs on the fire, carols aplenty, mistletoe and wine, turkey, trimmings and a feast of festive foods to buy for the big day.

Consumers are fast filling their sleighs with groceries – but what, where and how food is sourced, produced and sold is becoming a more important part of the Christmas grocery shop.

Everybody wants to trust their food has come from a good place – so trusting the promises that companies make about their food is vital. Our PwC research shows consumers are now the most disruptive force facing business today¹ – their voice, values and the trust they feel for food brands matters more than ever.

We only have to consider ourselves in this equation – usually, we'll pay more for foods we favour, and we'll stay loyal to brands we trust. Food companies recognise that being trustworthy drives business performance – which is based upon implementing a strategy, culture and operating model that puts decisions about customer trust first.

But despite this, a daily search of the news shows supply chain failures are commonplace – causing regular disruptions, recalls and breaches of that trust. This is something that's all too familiar to companies, with more than half of CEOs surveyed for PwC's Global CEO Survey saying they are concerned about the lack of trust in business today².

So what's the secret sauce? The challenge is to improve the traceability and transparency of food supply from farm to fork. Over the years, supply chains have become longer, more complex and thus more prone to disruption. In response, we're seeing companies implement a range of innovative solutions to build resilience, integrity and trust in food supply and brands.

Here are our picks for the 12 ways the food industry is changing, and may continue to change, in Christmases to come:

¹ PwC CEO Pulse 2016: The disruptors

² PwC 19th Annual Global CEO Survey 2016

1. **Customers are becoming more disruptive than competitors** – changing tastes and growing customer expectations will continue dictating the fortunes of food companies – who must meet these demands or risk losing preference.
2. **Connectivity is empowering consumers** – There's a growing trend for consumers to want direct links to the companies that grow and produce their food. Companies are collecting more data and using it to feed customers with the information they crave.
3. **Scandals, scrutiny and impacts on brand value** – Fake food, contamination, safety and quality failures, ethical and environmental concerns cost money and damage trust. Bad news travels fast, and will quickly influence today's social-media addicted consumers.
4. **Millennials and mobile commerce is changing the game** – Demand for organic, sustainably sourced, ethically traded and healthy food is rising, spurred by millennials and more conscious consumers. Mobile devices are researching and publishing tools, with mobile commerce becoming the online shopping tool of choice for millennial shoppers.
5. **Companies are going further than rules and regulations to win trust** – Regulations are increasing worldwide from governments and industry bodies as they respond to the surge in supply chain failures. But food companies are going further than compliance to win trust.
6. **The security of food supply is being challenged** – Price spikes, availability of food and the integrity of supply are a concern as global food demand grows. Solutions are linked to trade, regulation, technology, infrastructure and increased public-private-partnerships.
7. **Smarter technology to manage data from farm to fork** – Improving supply chain traceability and transparency is at the heart of building trust in food. Solutions include the creation of farm-to-fork ecosystems enabled by the digitisation of food supply.
8. **Buying up whole supply chains** – Big food companies are investing millions in the integration of their supply chains to improve oversight, control and integrity.
9. **Globalisation is transformational** – Global megatrends, such as climate change, urbanisation, digitisation and demographic change, are transforming society and the way we do business. It's a world without borders. Staying on-top of these issues means adapting faster.
10. **Shifts in economic power are changing the customer base** – The growth of maturing economies is creating huge consumer markets where none existed before. More economies are moving up the value chain and becoming core consumer markets.
11. **Growth opportunities and differentiation** – Food trust isn't about playing defence – it's about playing offence – finding competitive advantage by shaping a strategy of disruption avoidance and sustained performance in response to the changing marketplace.
12. **...But Christmas with all the trimmings is unlikely to change** – Roast turkey, turkey sandwiches, turkey salads, turkey soup... you'll likely continue eating Christmas leftovers well into the New Year, every year. Some traditions will never change!

Wishing you a very Merry Christmas and a Happy New Year!

[Craig Armitage](#) is the Global Leader of PwC's Food Supply and Integrity Services, and leads PwC New Zealand's Primary Industries Sector. Find out more at www.pwc.com/foodtrust.



About PwC's Food Supply and Integrity Services

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