NIQ
Perspectives
Food & Beverage

March 18, 2025

Designing for demand during uncertainty

"When uncertainty rises, the shopper demands simpler decisions and more predictable experiences. That elevates the retailer's role as a curator of value and stability, and it fundamentally changes the brand's role from demand driver to execution partner. Brands that support retailers with clearer value architectures, dependable supply, and decision-reducing messaging enable confidence at the shelf. That collaboration increasingly determines who earns trips and basket space during periods of stress."

Chris Costagli
Vice President, Thought Leadership F&B Insights Lead, NielsenIQ

Did you know…

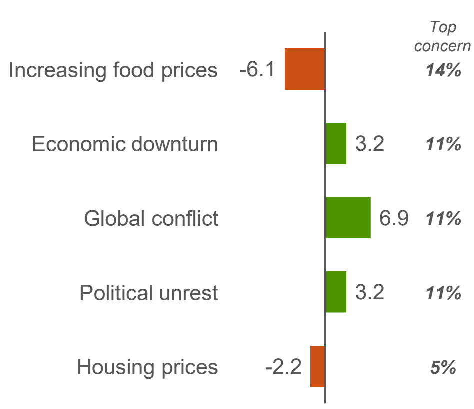
- SNAP consumers are **1.4x more likely** spending, planning, and future decision making with significantly more caution than the average consumer during times of crisis[2]
- GLP-1 using consumers are **2.0x more likely** to be buying slightly more groceries per trip as a precaution due to recent global events[2]
- Asian consumers are **1.8x more likely** to be stocking up on household essentials like paper towels and toilet paper due to recent global events[2]

Implications for the Food & Beverage Industry

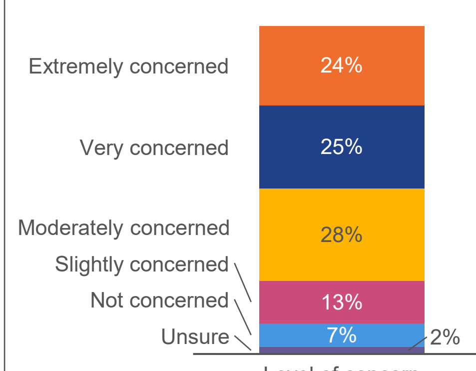
Global conflicts shape daily decisions

U.S. consumers increasingly view global conflict as a risk factor with real household consequences. That perception is influencing spending behavior well beyond discretionary categories. The consumer response is not panic, but vigilance — they are adapting rationally to uncertainty by tightening priorities and planning more deliberately. It's a shift with long-term implications for demand stability and brand loyalty.

POINT CHANGE IN TOP CONCERNS FOR US SHOPPERS IN THE NEXT 6-MONTHS[1]



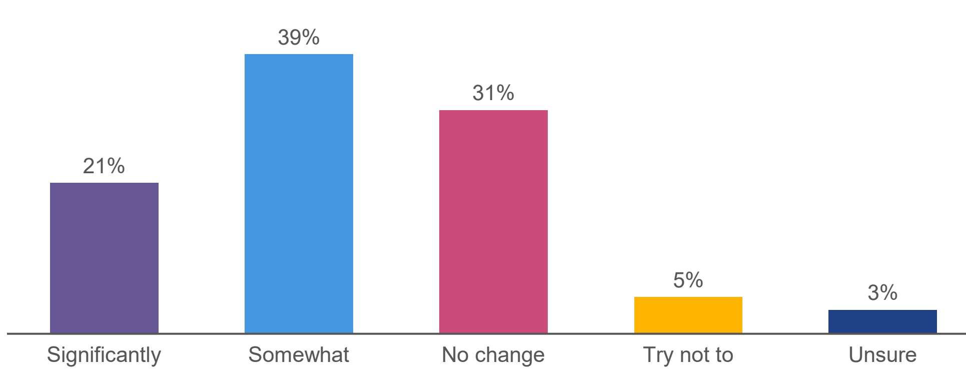
CONCERN ABOUT IMPACT OF GLOBAL CONFLICT ON EVERYDAY LIFE[2]



Caution is shaping demand architecture

Caution has evolved into a deliberate spending strategy. As uncertainty increases, consumers are scrutinizing trade-offs and elevating the threshold for what earns spend. This dynamic puts disproportionate pressure on non-essential and premium segments, where winning trips and basket inclusion now hinges on clear relevance, defensible value, and confidence-building execution.

HAVE RECENT GLOBAL CONFLICTS CHANGED HOW CAUTIOUS YOU FEEL ABOUT SPENDING, PLANNING, OR FUTURE DECISIONS?[2]



Industry Analysis Sources: [1]NIQ, Consumer Outlook, 2025, United States; [2]NIQ, BASES Quick Question Omnibus Survey, n=2,024, March 2026; [3]U.S. Energy Information Administration (EIA). Gasoline and Diesel Fuel Update. U.S. Department of Energy. https://www.eia.gov/petroleum/gasdiesel/, Accessed 3/18/2026; [4]NIQ, Retail Measurement Services, Total US Full View Incl. Non-UPC, Total US, Periods Ending 3/7/2026

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The takeaway…

- In times of crisis, shopper trust is co-owned–retailers and manufacturers win or lose confidence together at the shelf
- Crisis elevates retailer-manufacturer collaboration from a support function to the primary infrastructure for protecting demand
- Crisis conditions do not eliminate demand–they compress it, they delay it, and they release it unevenly, raising the cost of being unprepared.

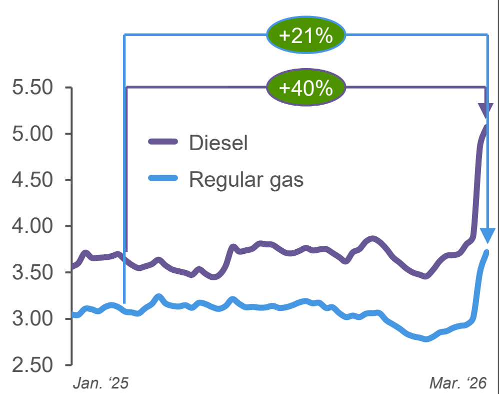
Your next move…

- Plan for demand volatility by prioritizing flexibility and preparedness over volume targets tied to steady-state assumptions
- Design shelf, pricing, and promotion strategies that feel coordinated and confidence-building, not fragmented or opportunistic
- Prioritize helping shoppers make decisions easier when emotions are heightened, because during times like these shoppers reward clarity over complexity

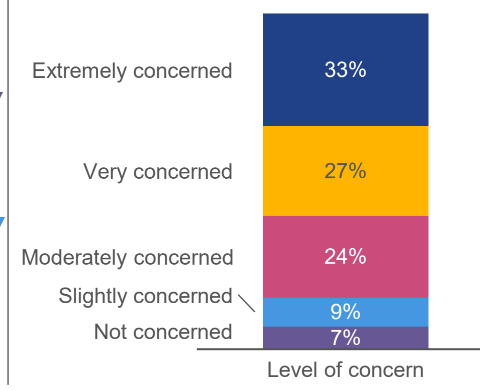
Gas prices squeeze the household budget

Every dollar spent at the pump is a dollar pulled from the basket. Higher gas prices squeeze discretionary flexibility, forcing consumers to cut back on impulse and indulgence while becoming more deliberate about where and how they shop. In that environment, eCommerce wins by design—reducing travel, limiting friction, and giving shoppers tighter control over spending.

U.S. ENERGY INFMORMATION ADMINISTRATION FUEL PRICE TREND[3]



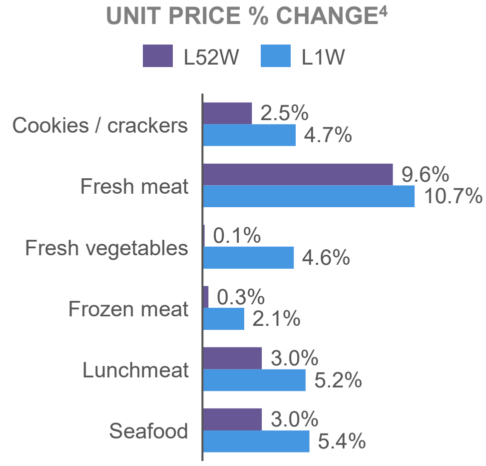
LEVEL OF CONCERN ABOUT INCREASING GAS PRICES[2]



Transportation costs hit fresh first

Transportation-driven inflation is likely to surface first in fresh categories, where perishability limits retailers' ability to manage volatility through inventory. As a result, price increases hit faster and with greater consumer visibility. With 10–17% of shoppers already questioning the value of fresh produce, meat, and seafood, early softness in these categories may foreshadow broader demand pressure.

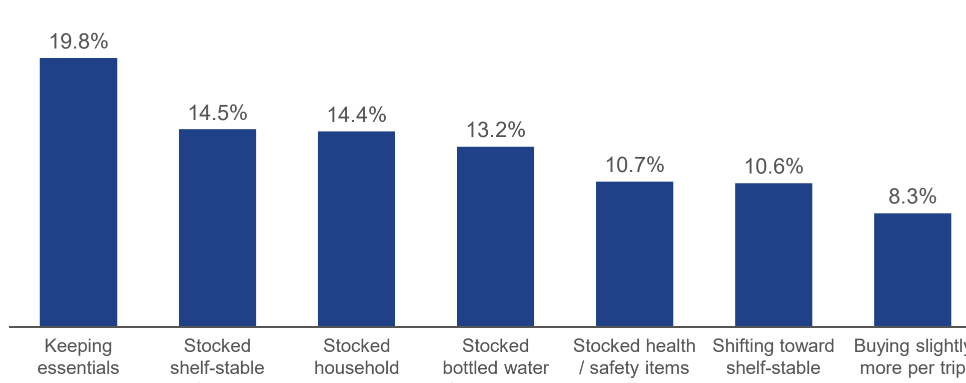
UNIT PRICE % CHANGE[4]



Experience has changed how shoppers prepare

Consumers don't enter new crises naïve—they enter experienced. Shoppers remember empty shelves, and those memories have reshaped behavior. Experience has taught consumers to act earlier, buy more intentionally, and avoid being caught off guard. Younger consumers, in particular, are keeping more essentials on hand as a form of preparedness—shaping purchasing patterns even without acute shortages.

HAVE RECENT GLOBAL CONFLICTS CAUSED YOU TO CHANGE HOW YOU SHOP FOR FOOD AND EVERYDAY HOUSHEOLD ITEMS[2]



Looking for more?

Crises accelerate a predictable shift in consumer behavior: less impulse, more intention, and higher expectations of the retail experience. Shoppers look to retailers for clarity and control, while relying on brands to justify price and deliver consistency behind the scenes. This dynamic raises the importance of retailer–manufacturer collaboration, as execution quality becomes a primary driver of demand. Companies that support shoppers by simplifying decisions—and support retailers by reducing volatility—will be best positioned to sustain growth through uncertainty. In this environment, resilience is built at the shelf, not in forecasts.

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