

THE LOCAL CONSUMER – GERMANY – 2023

The vast majority of Germans buy local products or services. Global brands that celebrate 'glocalism' and partner with small local businesses will find appeal.



Dr. Jennifer Hendricks,
Senior Analyst - Consumer
Lifestyles, Germany



The Local Consumer – Germany – 2023

This report looks at the following areas:

- How consumers define 'local' products and services
- Purchase of local products and services in the last year, and what types of local products and services Germans have bought
- Reasons for, and barriers to, purchasing local products and services
- Behaviours around localism
- Attitudes towards localism



The vast majority of Germans buy local products or services. Global brands that celebrate 'glocalism' and partner with small local businesses will find appeal.

Overview

88% of Germans purchased local products or services in the 12 months to March 2023, across various categories. While buyers of local products/services are more likely to agree that **buying from local businesses helps to improve the world we live in** (64%), 33% of non-buyers also do so.

Recent events like the COVID-19 pandemic and the Ukraine conflict highlighted the **vulnerabilities of global food supply chains**, putting localism in the spotlight. Consequently, **69% of German consumers** agree that the impact recent events have had on international supply chains has shown the **importance of supporting local businesses**.

High inflation is putting pressure on household consumption, and **price has become the main barrier** to local consumption. **Communicating the benefits of the higher quality that localism offers** (eg **freshness and taste of local groceries**, product durability) is key across

BUY THIS REPORT NOW

€2600.00 | £2195.00 | \$2995.00*

store.mintel.com | store@mintel.com

Americas: +1 (312) 932 0400
China: +86 (21) 6032 7300
Germany: +49 (0) 211 3399 7411
India: +91 22 4445 1045
Singapore: +65 6653 3600
Thailand: +66 2 821 5122
UK: +44 (0) 20 7606 4533

MINTEL

*These prices are correct at time of publication, but are subject to change due to currency fluctuations.



categories, and **budget-friendly services** like repair and rental of durable goods (eg clothing) will also attract current non-buyers.

With the increasing significance of technology in consumers' lives, **digital tools provide tremendous opportunities to facilitate local buying**, such as one-stop local shopping, or [QR codes on product packaging](#) providing information about where an item comes from.

BUY THIS REPORT NOW

€2600.00 | £2195.00 | \$2995.00*

store.mintel.com | store@intel.com

Americas: +1 (312) 932 0400
China: +86 (21) 6032 7300
Germany: +49 (0) 211 3399 7411
India: +91 22 4445 1045
Singapore: +65 6653 3600
Thailand: +66 2 821 5122
UK: +44 (0) 20 7606 4533

*These prices are correct at time of publication, but are subject to change due to currency fluctuations.

MINTEL

Report Content

EXECUTIVE SUMMARY

Key issues covered in this Report

- Overview

Market context

- Reviving localism: a movement on the rise
- Sustainable lifestyles are here to stay

Opportunities

- Champion 'glocalism'
- Enable one-stop local shopping
- Travel & leisure: embrace younger Germans' desire for social interactions
- Quick download resources

MARKET DRIVERS

The German economy

- The cost-of-living crisis is holding back post-COVID-19 recovery
 - Graph 1: key economic data, in real terms, 2019-24
- Inflation remains the key concern in 2023 for consumers, brands and the economy...
- ...impacting financial wellbeing and consumer expenditure

Impact of the economy on local consumption

- The impact of the economy on local consumption
- Many working Germans earn good money, but rising prices prove a challenge
 - Graph 2: net equivalent income per year, by social status, 2021
- Many working Germans earn good money, but rising prices prove a challenge

Increase in local awareness

- Recent events have sparked interest in a return to localism
- COVID-19 increased emphasis on local consumption
 - Graph 3: consumers who are shopping more from local businesses since the start of the COVID-19/coronavirus outbreak, 2021-22
- Increasing importance of local communities in driving economic progress

Sustainability

- Climate change comes to the fore

The Local Consumer – Germany – 2023

- Germans are aware of their impact on planetary health
 - Graph 4: consumers who try to act in a way that is not harmful to the environment*, 2019-23

Population dynamics

- The German population is ageing

WHAT CONSUMERS WANT AND WHY

Definition of local products and services

- About two in five Germans associate local products and services with their region
- Cater to young men by discovering new distribution channels
- Focus on local selling to resonate with German women
 - Graph 5: definition of local products, by gender, 2023
- Local provision is about independence, but opportunities for global brands arise
 - Graph 6: definition of local services, 2023
- Mintel's approach to defining the local consumer

Purchase of local products and services

- The vast majority of Germans buy local
- Capitalise on the local movement by acting 'glocal'
 - Graph 7: consumers who have purchased local products/services in the last 12 months (NET), by age, 2023
- Germans have a passion for local food
 - Graph 8: types of local products and services purchased in the last 12 months, 2023
- Wow better-off consumers with ingenious subscriptions
 - Graph 9: number of types of local products/services purchased in the last 12 months, by net monthly household income, 2023
- Wow better-off consumers with ingenious subscriptions
- Examples of products that champion local origin
- Innovate with the cultivation of fresh food
- REWE Green Farming sets new standards for a new generation of green supermarkets
- Promote the social aspects of local tourism and leisure activities
- Astonish younger Germans with super-fast local fashion delivery

Reasons for and barriers to purchasing local products and services

- Germans show a strong need to support local communities
 - Graph 10: reasons for purchasing local products and services, 2023
- Support consumers in making a positive local impact
- Consider consumers value creation partners to create sustainable change
- Marktschwärmer connects local producers with consumers in their communities

The Local Consumer – Germany – 2023

- Build social gathering spots to sympathise with consumers in rural areas
 - Graph 11: consumers who purchase local products/services to engage with the local community, by area, 2023
- Tante Enso aims to bring supermarkets back to rural areas
- Satisfy younger men's hunger for local experiences
- Price is the greatest obstacle to local consumption
 - Graph 12: reasons for not purchasing local products and services, 2023
- Tap into the circular economy to make local buying more affordable

Behaviours around local consumption

- German consumers are hungry for knowledge
 - Graph 13: behaviours around local consumption, 2023
- Provide access to sourcing and manufacturing history
- Celebrate transparency to resonate with German consumers
- 'Heimat shoppen' campaign promotes local buying
- Cater to younger Germans with convenient all-in-one shopping
- Dorfladenbox makes local shopping easy

Attitudes towards local consumption

- Germans rely on local initiatives to shape a better future
 - Graph 14: attitudes towards local consumption, 2023
- Draw inspiration from Edeka and champion localism
- Act 'glocal': global brands to partner with local brands
- Act 'glocal': global brands to partner with local brands
- Learn from dm and provide authentic insights into social engagement
- Count on quality to make local buying reasonable
 - Graph 15: consumers who agree that it is worth paying more for local products than for non-local products, by reasons for purchasing local products/services, 2023
- Count on quality to make local buying reasonable
- Take influencer marketing to the local level to bond with younger Germans
- Brands capitalising on local influencer marketing

LAUNCH ACTIVITY AND INNOVATION

Advertising and marketing activity

- Netto ad campaign: "Die ganze Heimat an einem Ort"
- REWE ad campaign: #UMDENKBAR
- Flaschenpost promotes local partnerships
- Hornbach cooperates with 'meine ernte'

APPENDIX

Appendix – products covered, abbreviations, consumer research methodology and language usage

- Products covered in this Report
- Abbreviations
- Consumer research methodology
- CHAID analysis – methodology
- CHAID analysis
- A note on language

About Mintel Reports: Germany

Access our reports now and get the most accurate, credible and powerful data, insights and analysis. Mintel Reports Germany gives you everything you need to know about what German consumers want and why.

In each report, we're analysing the market, new product innovations and the competitive landscape, as well as consumer behaviours across Germany. Our local analysts, supported by our team of global experts then translate it into what it means for you.

What makes us unique?

- ✔ A 360-degree view of German markets
- ✔ Experienced analysts based in Germany
- ✔ Expert-led support from global category experts

How Mintel Reports Germany will help your business grow:

01

Identify future opportunities by understanding what German consumers want and why

02

Make better decisions faster by keeping informed on what's happening across your market

03

See the trends and innovations impacting Germany both on a local and global level

BUY THIS REPORT NOW

€2600.00 | £2195.00 | \$2995.00*

store.mintel.com | store@mintel.com

Americas: +1 (312) 932 0400
China: +86 (21) 6032 7300
Germany: +49 (0) 211 3399 7411
India: +91 22 4445 1045
Singapore: +65 6653 3600
Thailand: +66 2 821 5122
UK: +44 (0) 20 7606 4533

*These prices are correct at time of publication, but are subject to change due to currency fluctuations.

MINTEL

Disclaimer

This is marketing intelligence published by Mintel. The consumer research exclusively commissioned by Mintel was conducted by a German licensed market survey agent ([See Research Methodology for more information](#)).

Terms and Conditions of use

Any use and/or copying of this document is subject to Mintel's standard terms and conditions, which are available at <http://www.mintel.com/terms>

If you have any questions regarding usage of this document please contact your account manager or call your local helpdesk.

Published by Mintel Group Ltd

www.mintel.com

email: store@mintel.com

Help desk

| | |
|-----------|---------------------|
| UK | +44 (0)20 7778 7155 |
| US | +1 (312) 932 0600 |
| Australia | +61 (0)2 8284 8100 |
| China | +86 (21) 6386 6609 |
| Germany | +49 211 2409023 |
| India | +91 22 4090 7217 |
| Japan | +81 (3) 6228 6595 |
| Singapore | +65 (0)6 818 9850 |