How Lidl became a one-stop-shop for mainstream consumers buying plant-based products

Lidl shows the way

ProVeg and Lidl Germany have been working closely together since 2019. Since then, Lidl has steadily expanded its plant-based product range in order to tap into the growing target audience of people who want to integrate a more plant-based diet into their everyday lives. Let's take a look at how Lidl became a one-stop-shop for mainstream consumers looking for plant-based products.

Lidl's focuses on the **mainstream shopper**, using **taste** as the **number-one** criterion for making plant-based food attractive to consumers, and always bearing in mind the **price sensitivity** of its customers and **covering all the basics** of plant-based grocery shopping.

In 2019, Lidl partnered with ProVeg to develop a new plant-based range tailored specifically to its customers. ProVeg's **product-testing community** was activated to develop ideas for new plant-based products through an **online product configurator**. Over 70,000 people took part in the online questionnaire, which facilitated the creation of plant-based food-product ideas and allowed for configuring them with certain properties, e.g preferred ingredients or importance of protein content. These **insights** into consumer demand for plant-based foods served as the input for the **co-created Vegan Workshops project**.

Additionally, Lidl's customers are provided with useful information, tips, and recipes covering the new product range as well as mythbusting prejudices about plant-based nutrition. For this, Lidl uses **multiple channels** to reach their full audience, including social media, magazines, and in-store signage, making the plant-based topic visible and accessible to all.



- Vegan Workshops with ProVeg: many new plant-based products were launched in course of the workshops
- Instagram channel Lidl Kochen: Vegan Wednesday with ProVeg: up to 9000 likes per post and high community engagement
- Podcast with one episode monthly
- Lidl's plant-based testimonials in the form of the <u>vegan trio</u> – including a plant-based chef, a famous actor, and a TV moderator.



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Lidl focuses on its plant-based private label <u>Vemondo</u>. Within two years, the assortment increased from a bare minimum to an assortment of **over 50 plant-based own-label products**. In order to meet the needs of customers, the assortment is continuously expanded, with the goal of **offering alternatives in every product category** e.g. **meat and fish alternatives, ready meals, pizzas, pasta, ice cream, and dairy alternatives**. By offering a wide range of diverse and delicious alternatives, more customers can be reached and new target groups can be tapped. And keeping the **price points** of product close to those of their animal-based counterparts means that it is far easier for customers to choose the plant-based alternative. All Vemondo products are V-Label certified, making them **easy to recognise** and providing certainty to customers that **no animal ingredients** are included. Lidl's stocking of key plant-based brands such as **Rügenwalder Mühle** and **Alpro** offers customers an even greater variety of products and also strengthens confidence in the overall plant-based category, and thus in private labels – if customers like the plant-based products provided by the key brands brands, they are more likely to choose the **private-label alternative**. Additionally, well-known brands such as **Beyond Meat** are temporarily stocked in order to attract more customers. As a result, Lidl stores now stock **more than 450** plant-based products.



Integrated placement drives plant-based revenues

Since August 2021, Lidl Germany implemented a <u>fully integrated</u> placement strategy. Customers can find plant-based alternatives **next to their animal-based counterparts** which **increases impulse buying** since consumers do not want to search for a new product but will happily pick it up if it if they find it in the course of their shopping trip. To maximise visibility, Lidl uses in-store communication mechanisms such as shelf stoppers, using the V-Label on price tags, and a distinct design of their private label. If **better visibility** of the plant-based range is desired, the products can be placed in an **own block**, although still adjacent to the animal-based category.



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Key actions that were taken:

- The **customer-focused** range expansion and placement, along with Lidl's **engaging communication activities** provided the cornerstones to successfully establish their plant-based private label and brand their outlets as a **one-stop-shop** for plant-based purchases.
- Taste was used as the number-1 criterion for promoting plant-based food and attracting mainstream customers.



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- A wide range of products is crucial to becoming a **one-stop-shop** for plant-based products.
- Keeping the **price point** of plant-based products close to their animal-based counterpart encourages a plant-based choice.
- Increase product offering by stocking key plant-based brands.
- Temporary promotions with well known brands will attract more customers due to high brand awareness.



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- Choose a fully-integrated product placement approach, once there is a substantial number of plant-based alternatives in each product category. Impulse purchases increase when the plant-based items are <u>placed next to their animal-based</u> counterparts.
- For **better visibility**, place the products in a **plant-based block**, adjacent to the traditional product.
- A segregated approach, with a separate plant-based shelf featuring products from various categories, is only recommended for secondary placement in stores (such as hypermarkets) that have plenty of shelf space.

Learn more at **ProVeg's New Food Hub**: the New Food Hub is your ultimate guide to increasing plant-based revenue. It's packed with concise expert guides designed for busy people. We've compiled global market data, case studies, and professional recommendations in one easy-to-use place. Get the ultimate bird's-eye-view of the alternative-protein sector, with clear, actionable insights.

