COVID-19 Impact

CONSUMER SPENDING TRACKER FOR MEASURED CHANNELS

U.S., UK, France, Italy, Germany, Spain, New Zealand, Netherlands

April 30, 2020

IRi Growth delivered.

BCG

Executive Summary

- As the COVID-19 outbreak accelerates in Europe and the United States, governments, businesses and consumers are changing behaviors rapidly – this is reflected in consumer purchases in Italy, France, U.S., Germany, Netherlands, New Zealand, UK and Spain.
- In most geographies, sales remain elevated for Home Care and Frozen Food segments, while other areas saw less year-over-year growth in the past week, also due to overlap of Easter week.
- As stay-at-home orders persist, U.S. shoppers are shopping less frequently, increasing pantry stocking of essential goods, shifting to a fresher basket as the pandemic continues.
- In the U.S., OTC healthcare, baby care, and water saw the largest stock-ups without consistent replenishment, frozen and shelf-stable were stocked and are being replenished, and quarantine needs such as grooming supplies emerge in later weeks. Italy and UK did not see as much stock up without replenishment behavior, which could be driven by the speed at which the virus hit the areas or less storage space to hold non-urgent supplies.
- E-commerce continues to show strong growth over last year in Italy, France and Spain, indicating consumers are shifting their purchasing patterns from in-store to online. In all 3 countries, there is a consistent, increasing shift to eCommerce since the beginning of the crisis with a focus on Click & Collect.

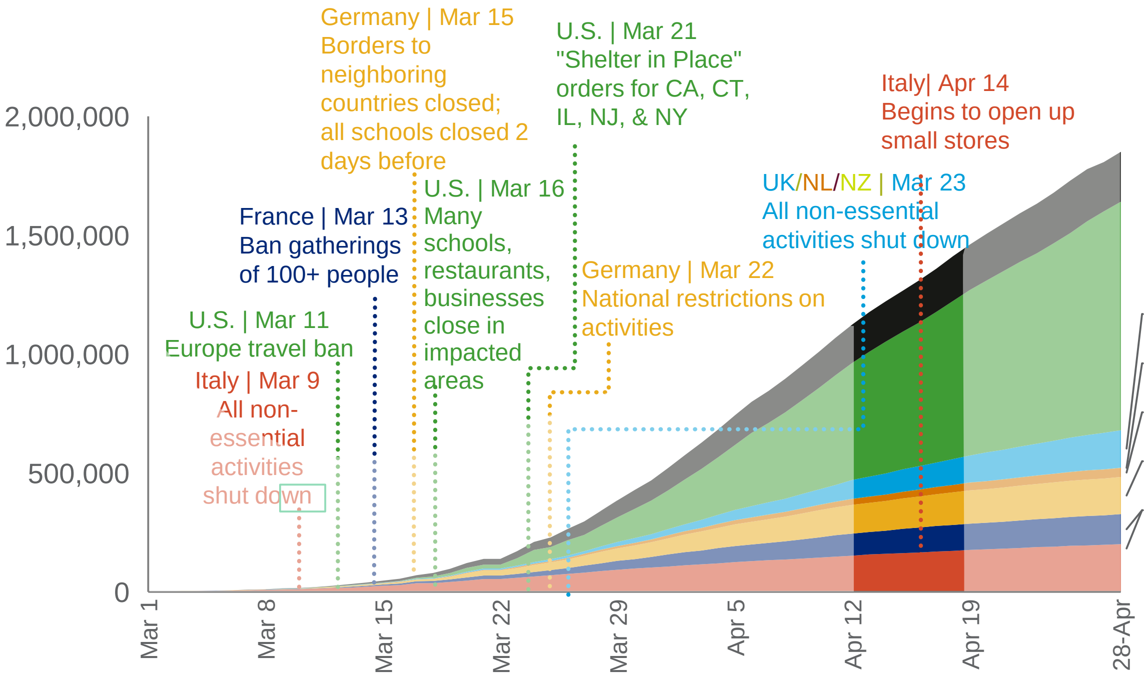
Document Contents

- **Market Context and Conditions**
- **Consumer Spending Results by Category, Market and Channel**
- **Deep Dive:**
  - Shopping Behavior in the U.S.
  - Stock-Up Trends in the U.S., UK and Italy
  - E-Commerce Results in Italy, Spain and France
- **Appendix**

market context and conditions

Countries Are at Different Points in the Crisis and Are Dealing With Different Levels of Infection During this Analysis Period

Cumulative # of Confirmed Cases as of 4.28.2020



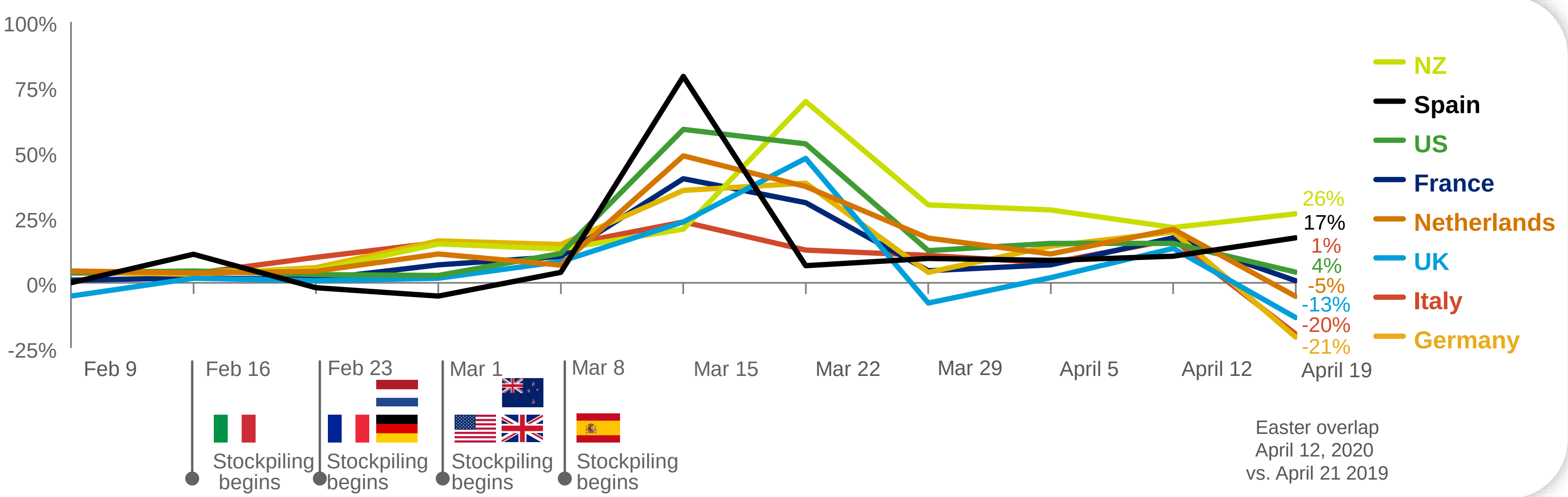
	Cases Confirmed: Total	Cases Confirmed: Past 24 hrs	Deaths
Spain	209,465	1,831	23,190
U.S.	960,916	29,218	50,492
UK	157,153	4,309	21,092
NZ	1,472	3	19
Netherlands	38,245	400	4,518
Germany	156,337	1,144	5,913
France	127,008	3,729	23,261
Italy	199,414	1,739	26,977

Source: World Health Organization

consumer spending tracking

Sales Trends Down in Latest Week Driven Primarily due to Easter Week Alignment vs. Last Year

Week Ending February 9 – April 19, 2020
Local Currency Sales % Change vs. Year Ago



Note: Greece data not available due to holiday delays; will return in next report Source: IRI POS Data Ending April 19, 2020

Consumers in Most Countries are Slowing Purchasing in Nonedible Categories as well as Edible Due to Lapping Strong Easter-week Growth Last Year

% Change Most Recent Week vs. Year ago, Based on Local Currency

	Italy	France	Germany	Netherlands	NZ	UK	US	Spain
TOTAL STORE	-19.7%	0.7%	-20.8%	-5.2%	26.4%	-13.3%	4.1%	17.3%
Total NONEDIBLE	-12.3%	5.6%	-9.0%	10.7%	25.7%	-16.1%	0.8%	-12.9%
Total EDIBLE	-21.0%	0.0%	-23.5%	-7.5%	26.5%	-12.9%	5.1%	24.5%
NONEDIBLE								
Paper Products	-3.7%	1.6%	-14.0%	0.0%	3.4%	-9.7%	36.8%	14.3%
Home Care	12.2%	15.2%	10.5%	23.9%	41.2%	6.0%	16.5%	27.1%
OTC Healthcare	24.6%	10.8%	-1.0%	2.1%	2.6%	-11.2%	-9.7%	-20.8%
Personal Care	-10.5%	3.8%	-18.6%	23.3%	22.4%	-3.7%	-5.5%	-25.2%
Pet Food + Care	-7.4%	-2.2%	-14.9%	-0.5%	20.2%	-16.6%	-5.4%	3.4%
Gen Merchandise	-42.7%	N/A	2.7%	3.4%	37.0%	-30.7%	1.7%	-15.6%
Cosmetics	-3.3%	-33.3%	3.6%	28.8%	47.2%	-27.4%	-8.2%	-76.4%
EDIBLE								
Beverage	-6.2%	-6.7%	-19.4%	-10.3%	20.4%	-11.7%	-2.6%	12.2%
Packaged Food	-37.5%	2.9%	-34.7%	-5.4%	15.4%	-21.0%	2.1%	27.4%
Alcohol	-20.6%	-15.7%	-26.7%	-14.3%	30.1%	-12.1%	17.5%	22.7%
Baby Food + Care	-16.5%	-9.6%	-33.3%	-25.1%	-6.7%	-26.7%	-11.9%	-24.9%
Dairy	-5.6%	9.1%	-16.7%	-5.5%	34.0%	2.9%	14.6%	24.5%
Frozen Foods	15.6%	12.8%	-11.1%	-1.1%	**75.0%**	3.4%	27.9%	-21.0%
Fresh Foods	-17.9%	-0.5%	-6.7%	-0.8%	17.3%	-13.9%	0.7%	30.1%

LEGEND

- 50%+
- 20% to 50%
- 10% to 20%
- 5% to 10%
- 0% to 5%
- -20% to 0%
- <-20%

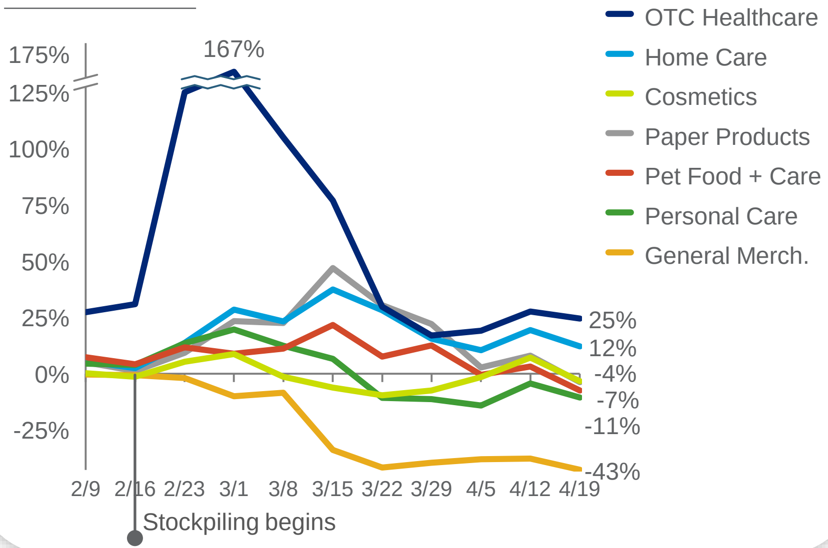
Source: IRI POS data Week Ending April 19, 2020 vs. year ago / Note: Exact product categorization varies slightly by country

OTC Healthcare, Home Care and Frozen Foods Remain Fastest Growing Segments

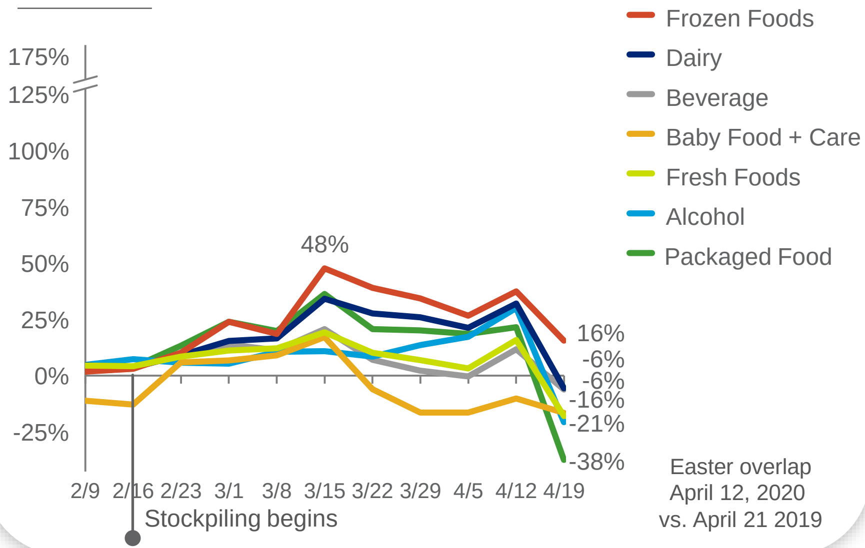
Italy

Week Ending February 9 – April 19, 2020
€ Sales % Change vs. Year Ago

Nonedible



Edible



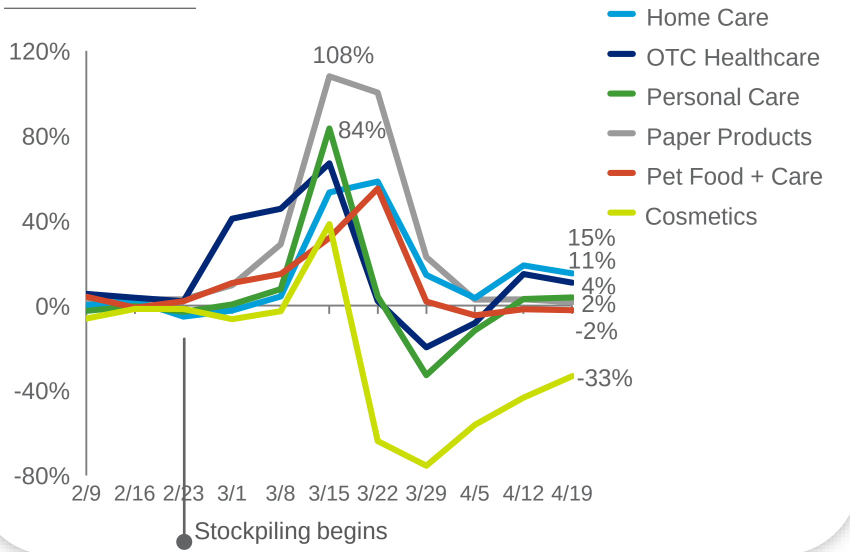
Note: Segments defined to evaluate representative companies. Source: IRI POS Data Ending April 19, 2020

Nonedible Categories Remain Stable While Frozen, Dairy and Packaged Food Continue to Outpace Other Edible

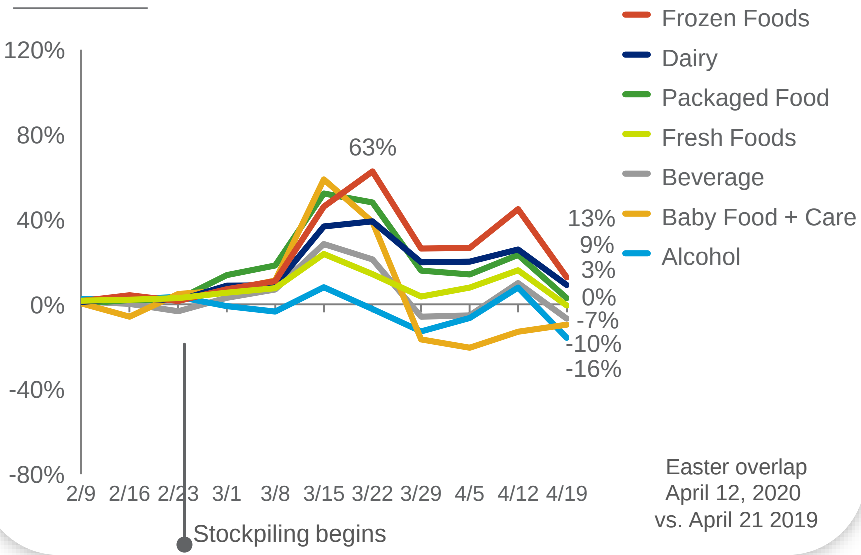
France

Week Ending February 9 – April 19, 2020
€ Sales % Change vs. Year Ago

Nonedible



Edible



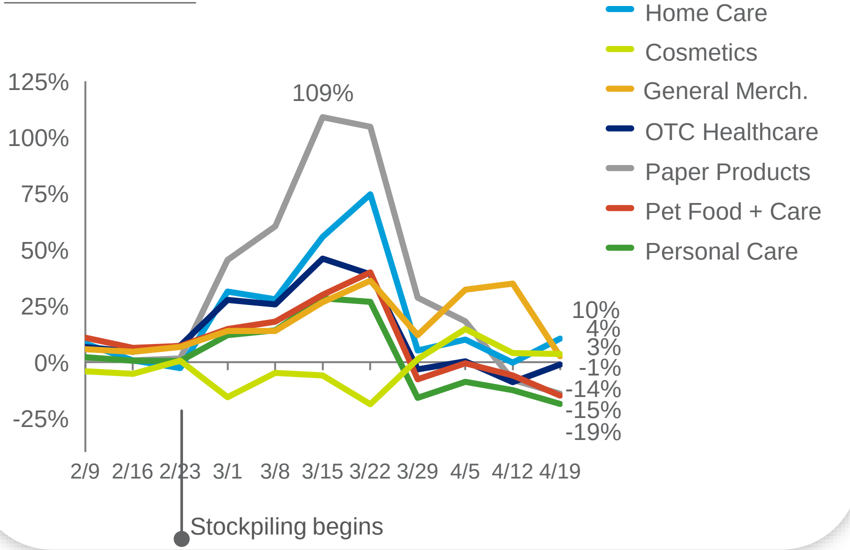
Note: Segments defined to evaluate representative companies. Source: IRI POS Data Ending April 19, 2020

Edible Categories Seeing Large Declines in Latest Week Driven By Easter Alignment; Nonedible Remained Mostly Stable

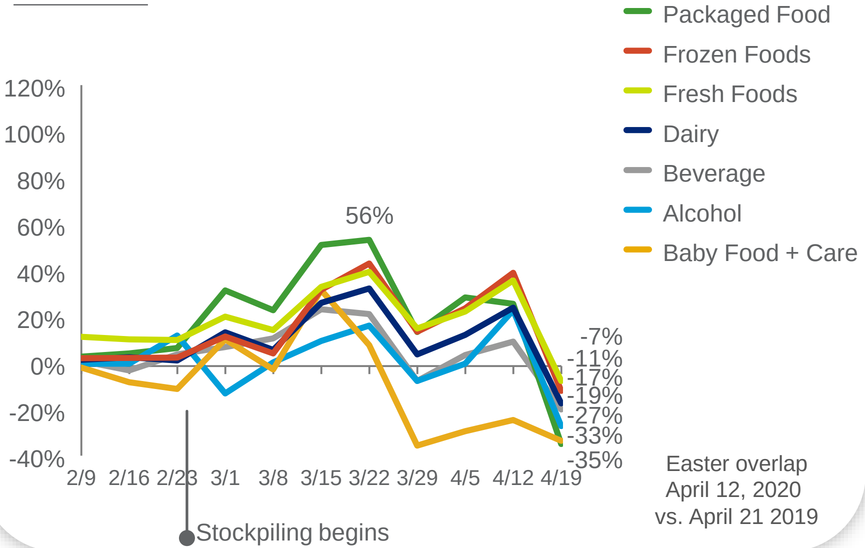
Germany

Week Ending February 9 – April 19, 2020
€ Sales % Change vs. Year Ago

Nonedible



Edible



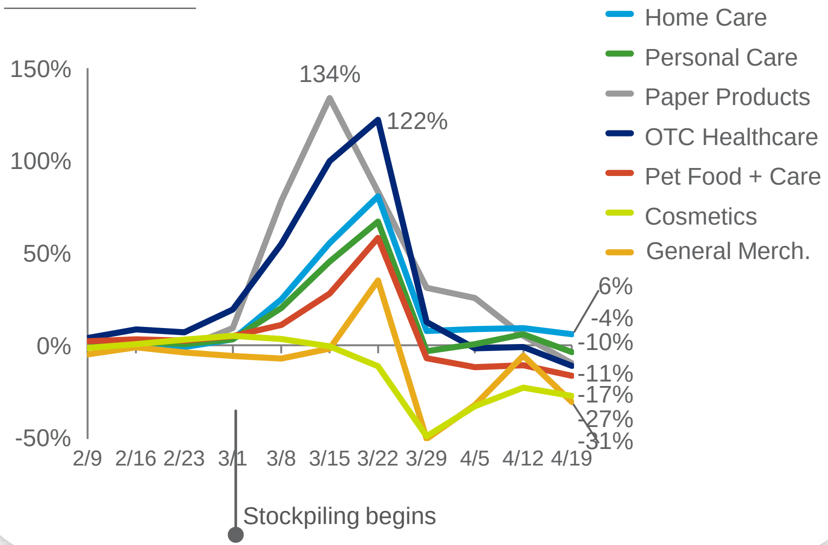
Note: Segments defined to evaluate representative companies. Source: IRI POS Data Ending April 19, 2020

Home Care and Frozen Grew in the Latest Week, While Other Segments Declined Due to Easter Alignment

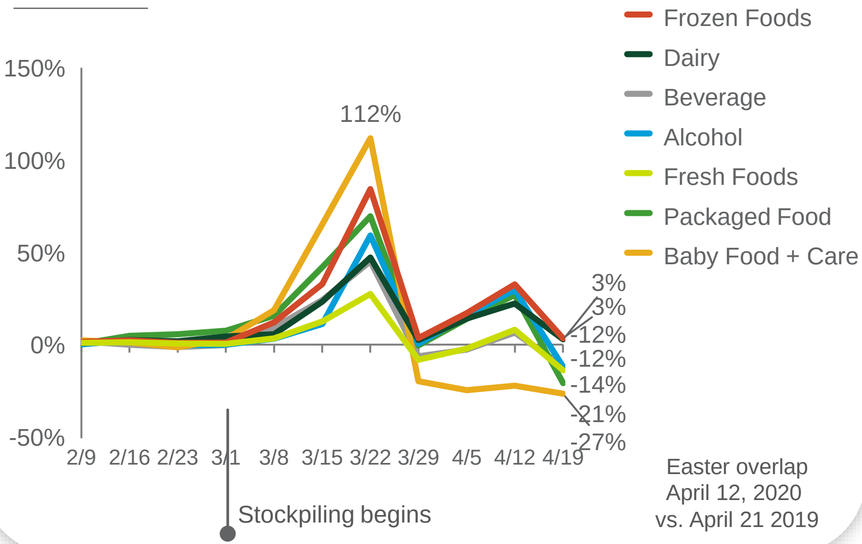
United Kingdom

Week Ending February 9 – April 19, 2020
£ Sales % Change vs. Year Ago

Nonedible



Edible



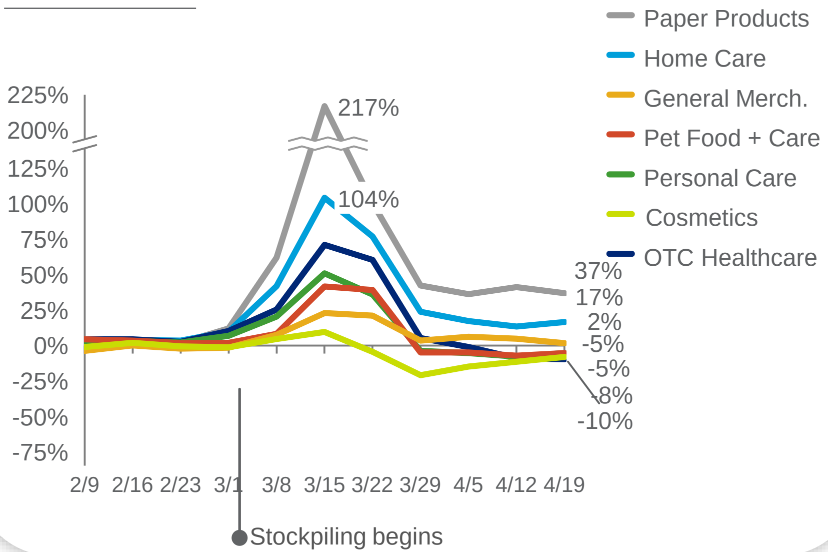
Note: Segments defined to evaluate representative companies. Source: IRI POS Data Ending April 19, 2020

Sales Growth Remained Stable Over Last Week Across Segments in Both Edible and Nonedible, Despite the Easter Overlap

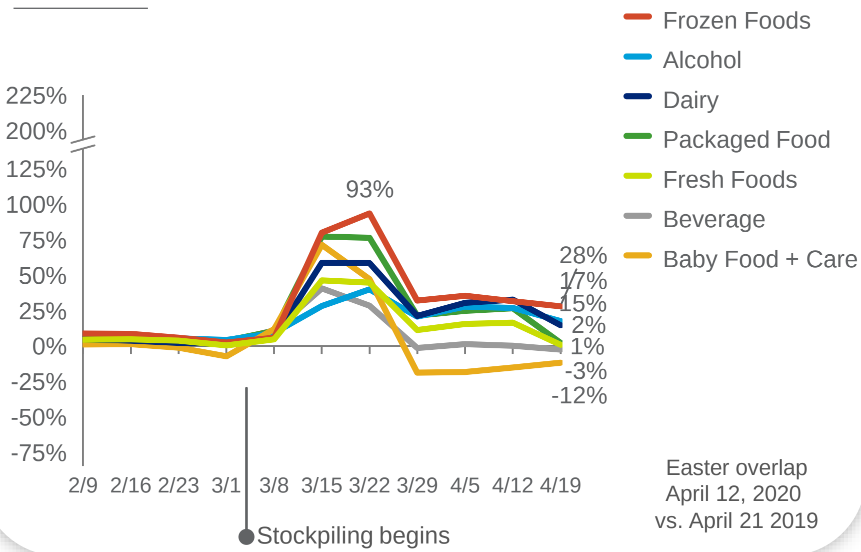
United States

Week Ending February 9 – April 19, 2020
$ Sales % Change vs. Year Ago

Nonedible



Edible

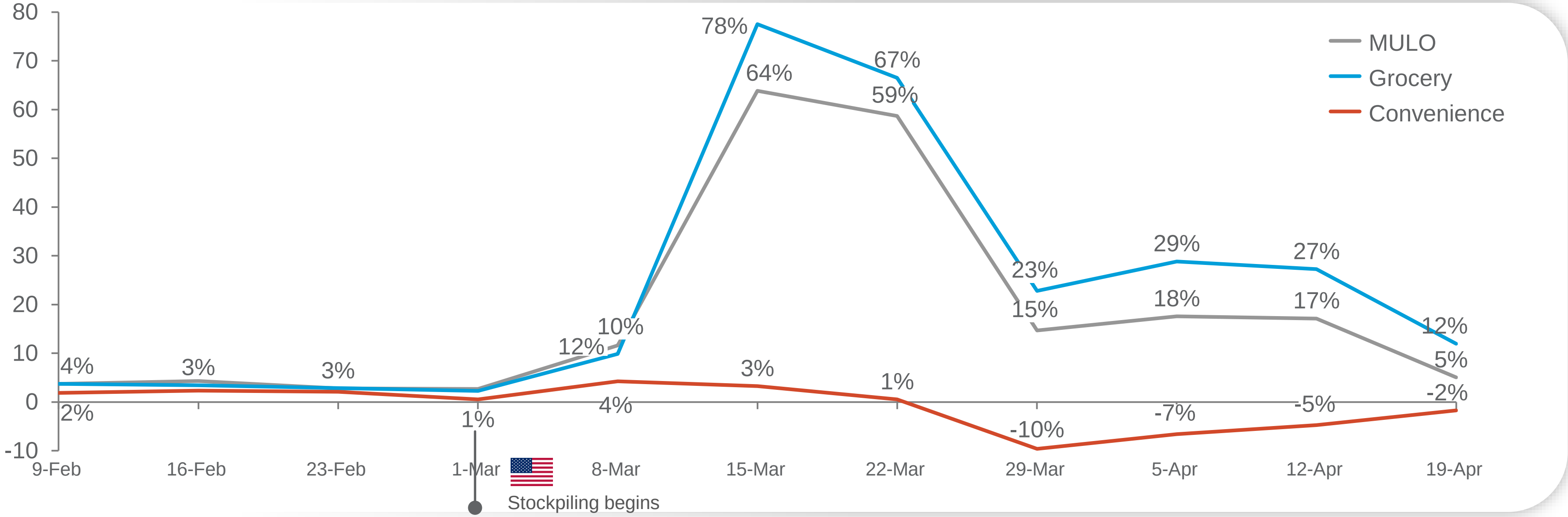


Note: Segments defined to evaluate representative companies. Source: IRI POS Data Ending April 19, 2020

Grocery Continues to Outpace MULO Since Peak Stockpiling, while Convenience Sales Slowly Grow Back to Normal

United States

Week Ending February 9 – April 19, 2020
$ Sales % Change vs. Year Ago



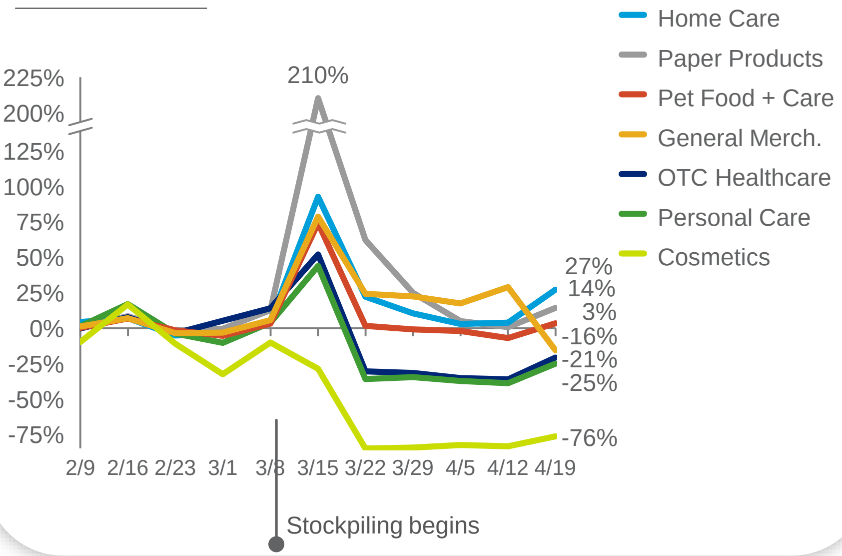
Note: MULO includes Grocery, Drug, Mass, Club (excluding Costco), Dollar and DeCA retailers. Source: IRI POS data ending April 19, 2020.

Sales Across Categories Stabilize; Home Care and Paper Products see Higher Growth in Latest Week

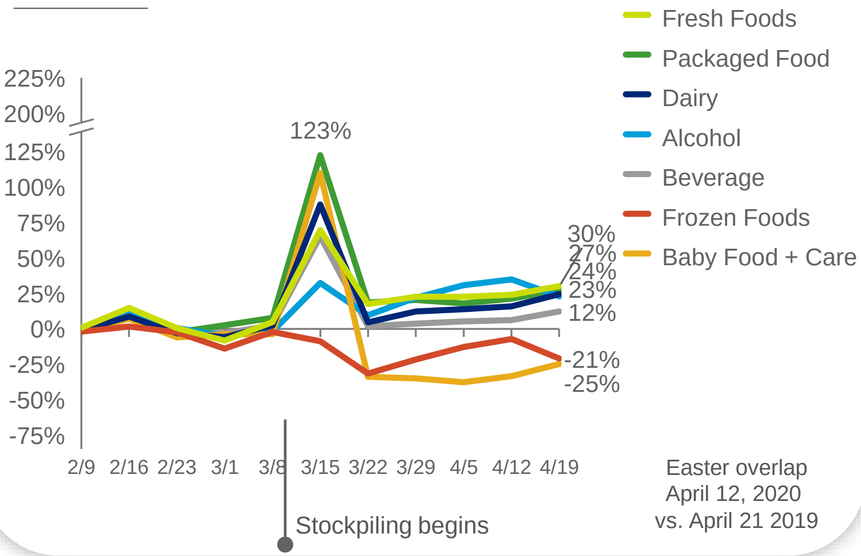
Spain

Week Ending February 9 – April 19, 2020
€ Sales % Change vs. Year Ago

Nonedible



Edible



Note: Segments defined to evaluate representative companies. Source: IRI POS Data Ending April 19, 2020

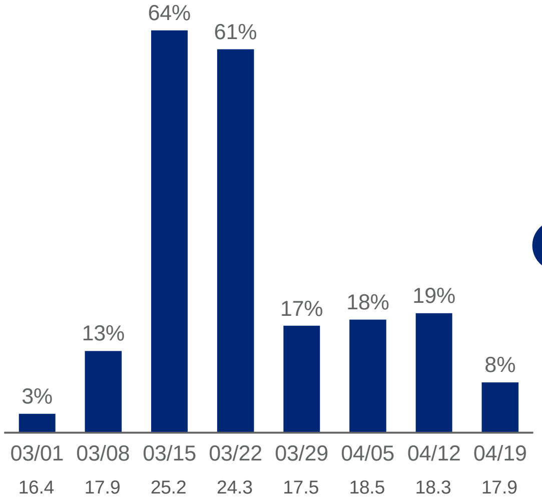
deep dive: shopping behavior in the U.S.

Post Stock-Up, Consumers are Making Fewer Trips while Continuing to Buy More per Trip

United States

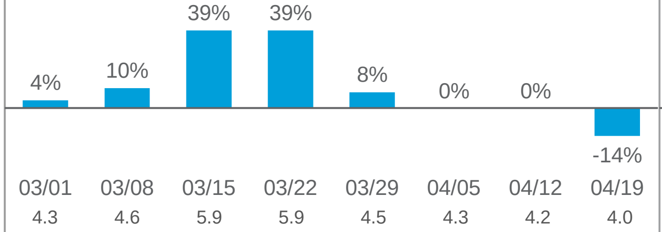
Total U.S. All Outlets CPG Consumer Purchasing Dynamics

Dollar Sales
% Chg. vs. YA



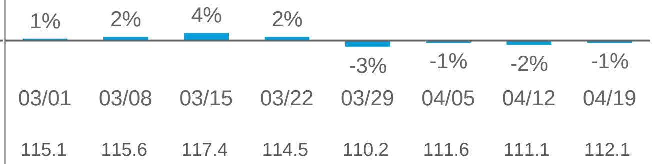
Actuals ($B)

Trips per Buyer
% chg. vs. YA



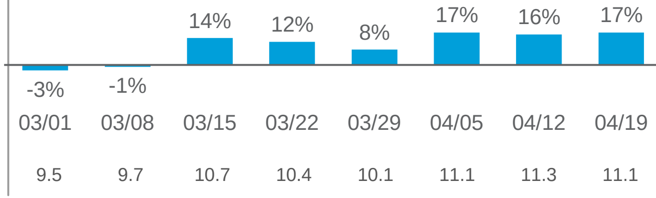
Actuals

Buyers
% chg. vs. YA



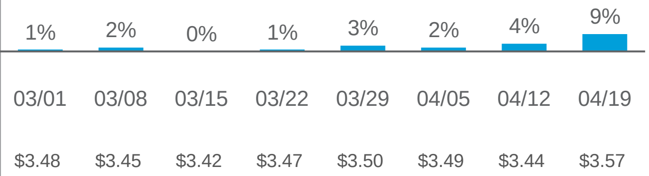
Actuals (M)

Units per Trip
% chg. vs. YA



Actuals

Price per Unit
% chg. vs. YA



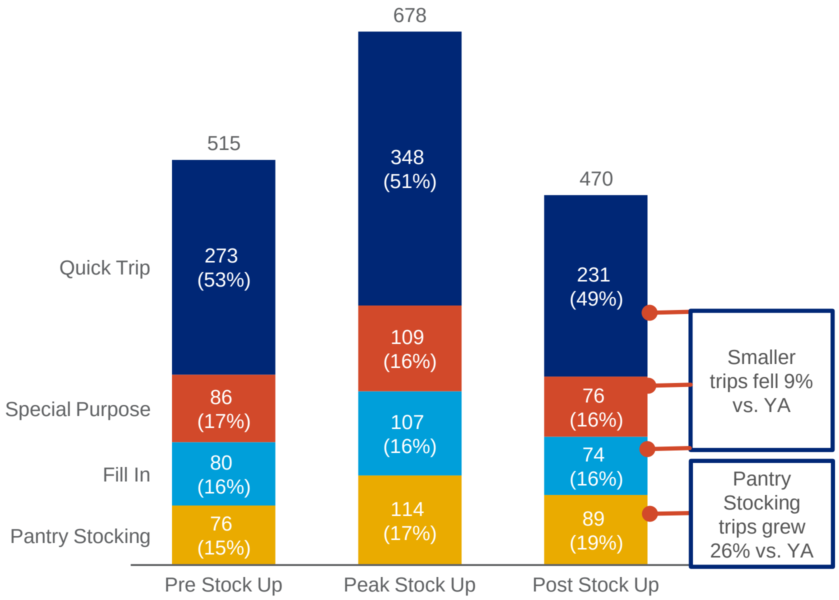
Actuals

Source: IRI Panel 8 weeks ending April 19, 2020. All Outlets.

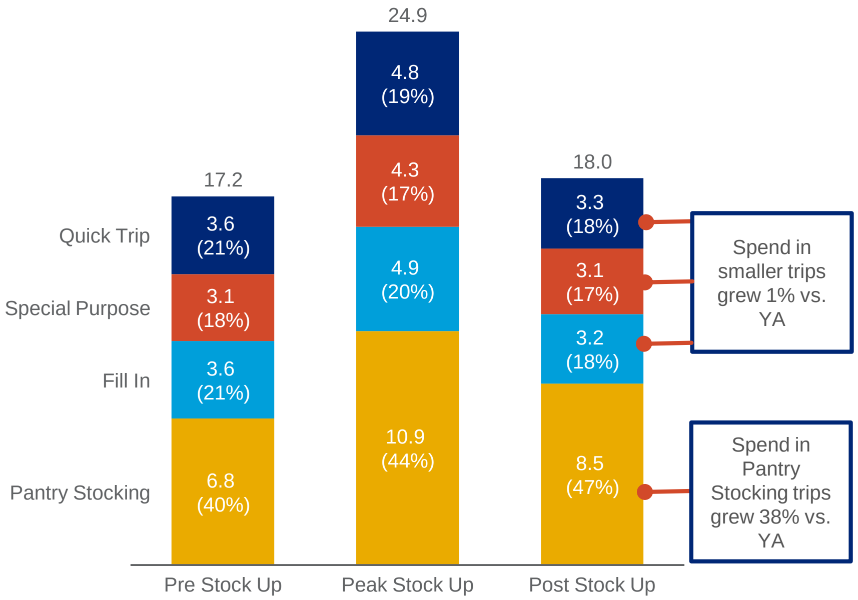
Even After Peak Stock Up, Pantry Stocking is Accounting for an Increasing Share of Trips and Sales

United States

AVG. WEEKLY TRIP COUNT BY TYPE (M)



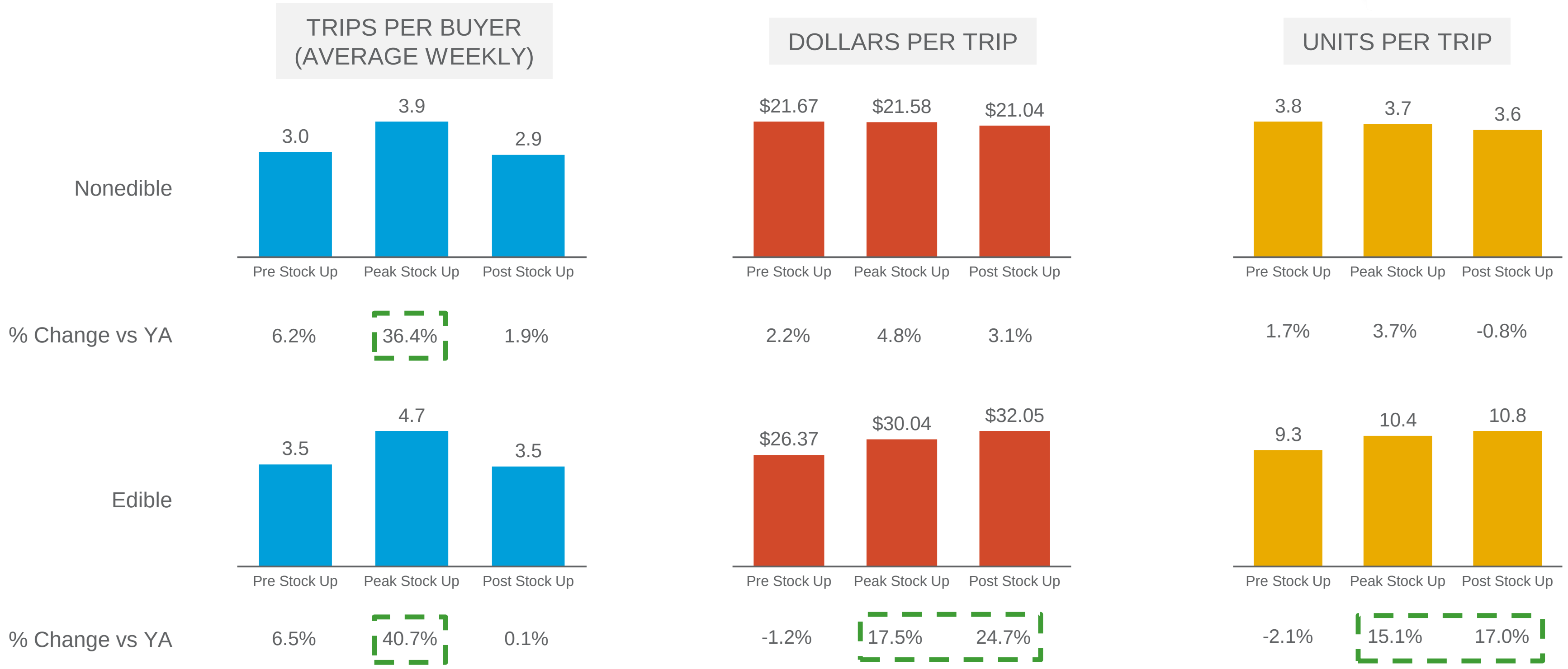
AVG. WEEKLY DOLLAR SALES ($B) BY TRIP TYPE



Source: IRI National Consumer Panel 4 weeks ending April 19, 2020. All Outlets. Pre Stock Up 3/1-3/8, Peak Stock Up 3/15-3/22, Post Stock Up 3/29-4/19

While Both Edible and Nonedible Trips Have Decreased in Post Stock Up, Edible Basket Sizes Continue to Grow

United States

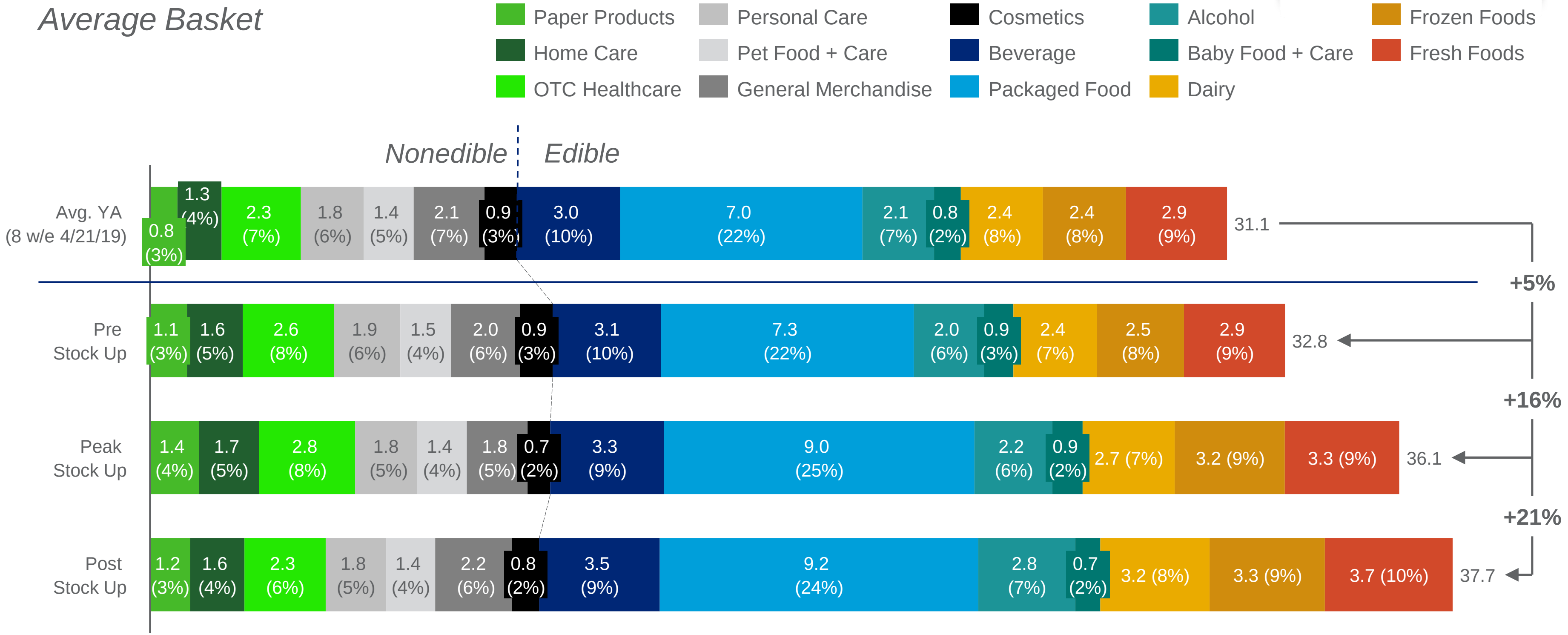


Source: IRI National Consumer Panel 4 weeks ending April 19, 2020. All Outlets. Pre Stock Up 3/1-3/8, Peak Stock Up 3/15-3/22, Post Stock Up 3/29-4/19

Post Stock-up, Packaged and Frozen Food Remains Elevated, But More Fresh Food in Basket

United States

Average Basket

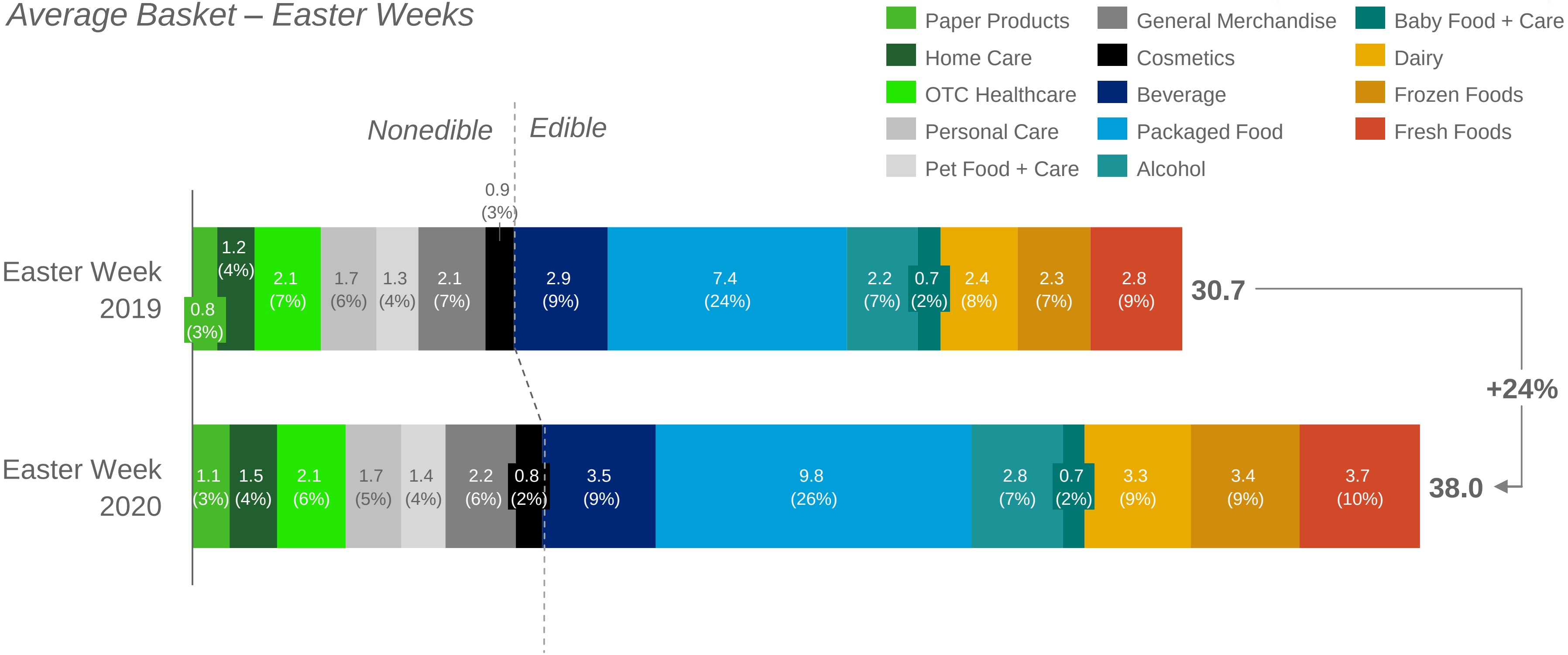


Source: IRI National Consumer Panel 4 weeks ending April 19, 2020. All Outlets. Pre Stock Up 3/1-3/8, Peak Stock Up 3/15-3/22, Post Stock Up 3/29-4/19

The Easter Week Basket had a Higher Share of Packaged and Frozen Food

United States

Average Basket – Easter Weeks



Source: IRI National Consumer Panel All Outlets data Week Ending 12 April 2020 vs 21 April 2019

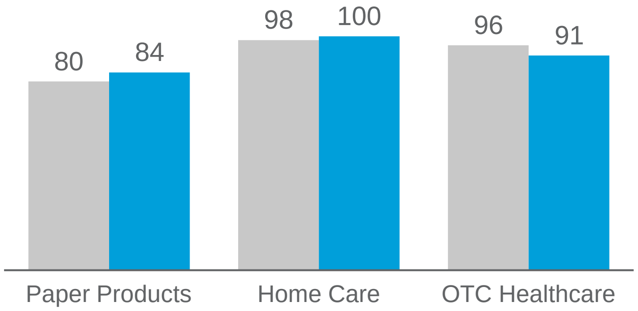
Nonedible: Largest Post Stock Up Gains Seen in Paper Products and Home Care Which Shoppers are Buying More Frequently

United States

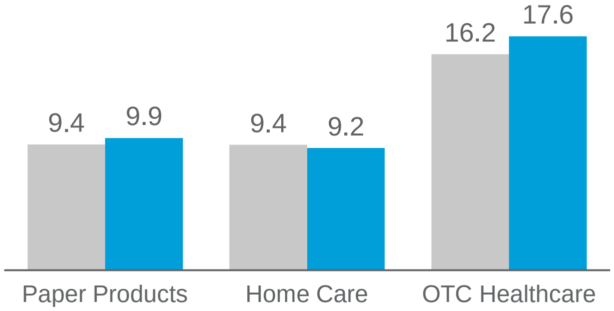
Post Stock Up: Latest 4 Weeks Ending April 19, 2020

2019 2020

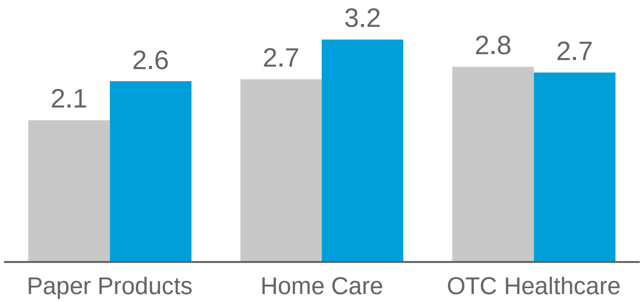
Household Buyers (M)



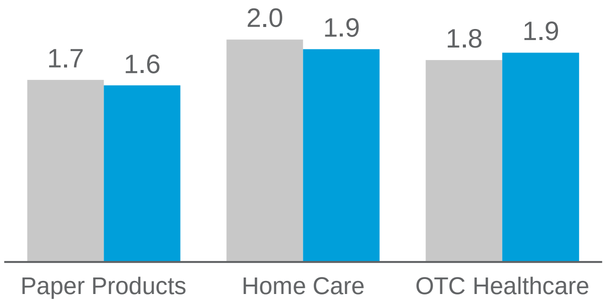
Basket Size ($)



Trips per Buyer



Avg. Units per Trip



Source: IRI National Consumer Panel All Outlets Data 4 Weeks Ending 19 April 2020 vs. Year Ago

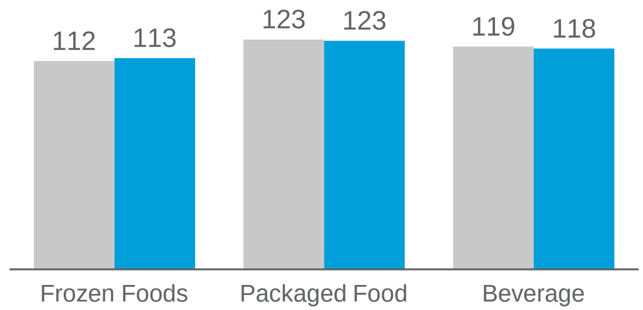
Edible: Consumers Purchased Larger Baskets of Frozen & Packaged Foods as Well as Beverages

United States

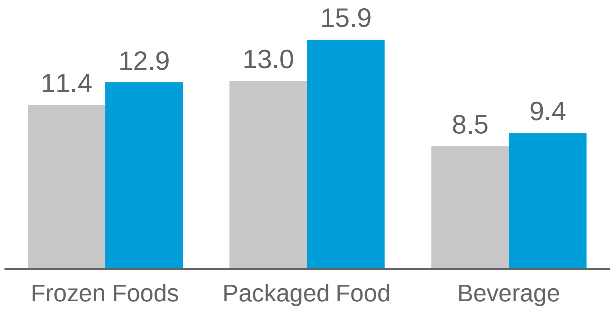
Post Stock Up: Latest 4 Weeks Ending April 19, 2020

2019 2020

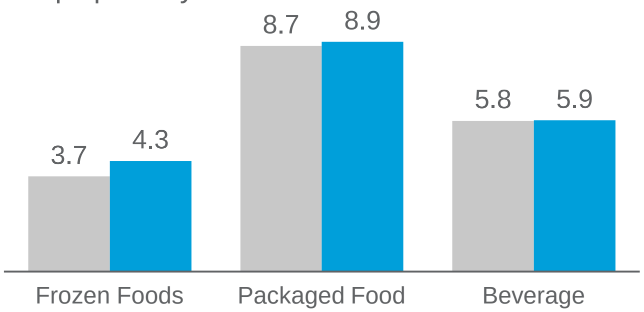
Household Buyers (M)



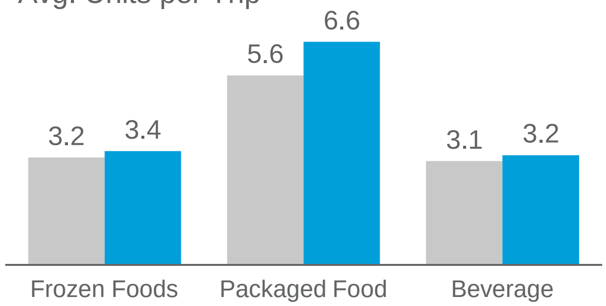
Basket Size ($)



Trips per Buyer



Avg. Units per Trip

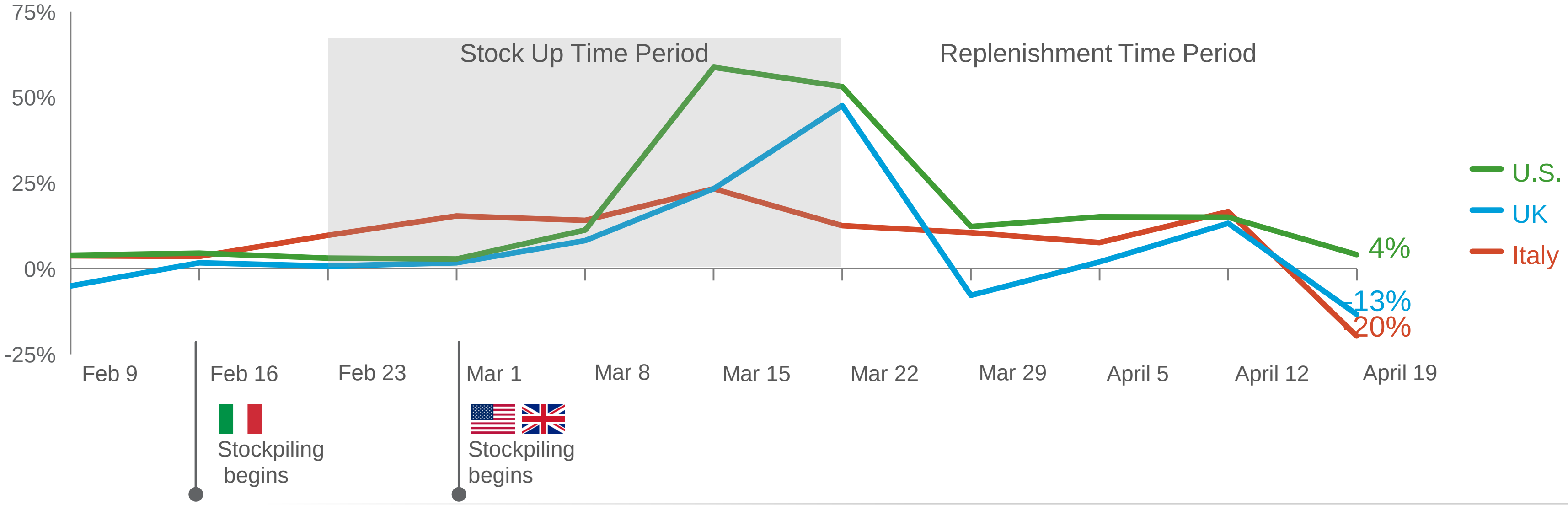


Source: IRI National Consumer Panel All Outlets Data 4 Weeks Ending 19 April 2020 vs. Year Ago

deep dive: stock-up trends in the U.S. UK and Italy

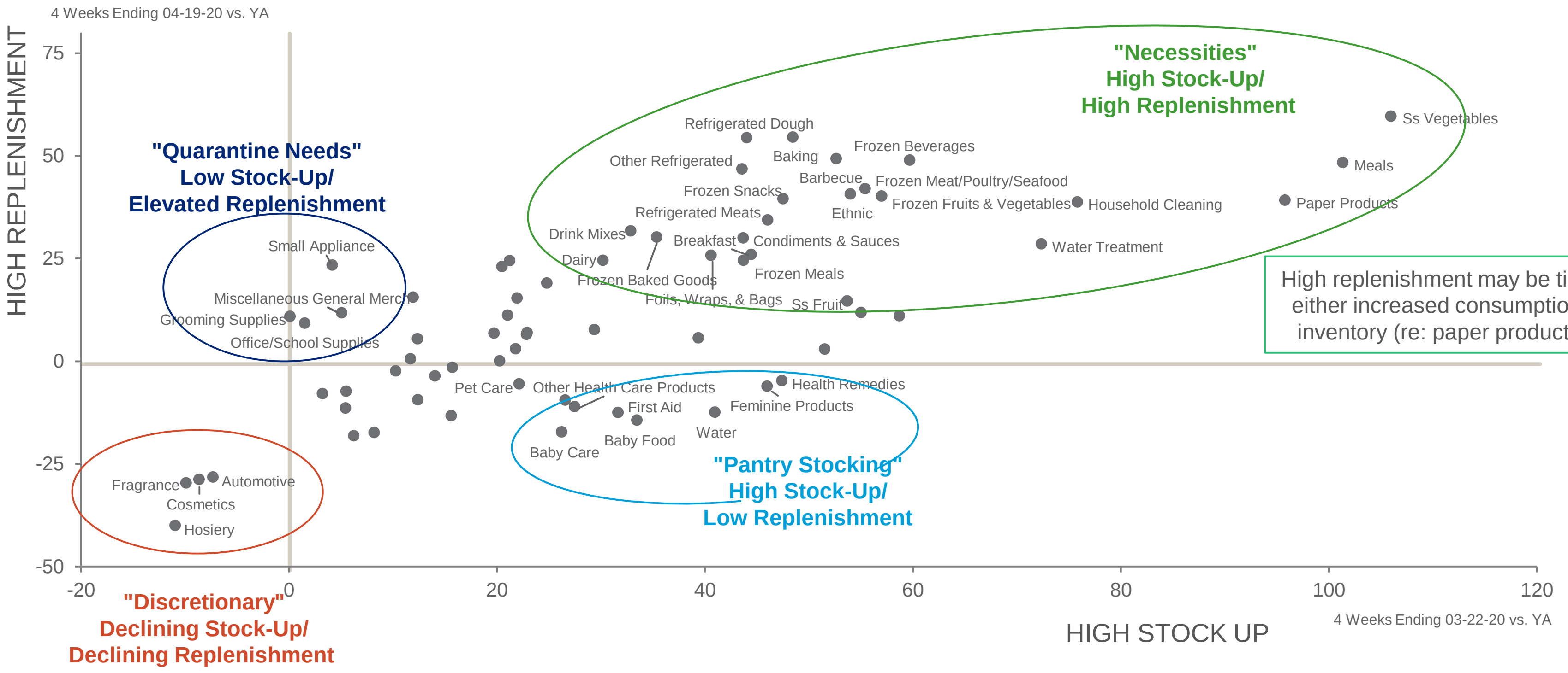
US / UK / Italy Comparison: Stock Up vs. Replenishment

$ Sales % Change vs. Year Ago / WE February 9 – April 19, 2020



Baby Care, OTC Healthcare, Water Were Some of Largest Pantry Stocking Aisles; Frozen, Shelf Stable Saw Continued Replenishment

United States

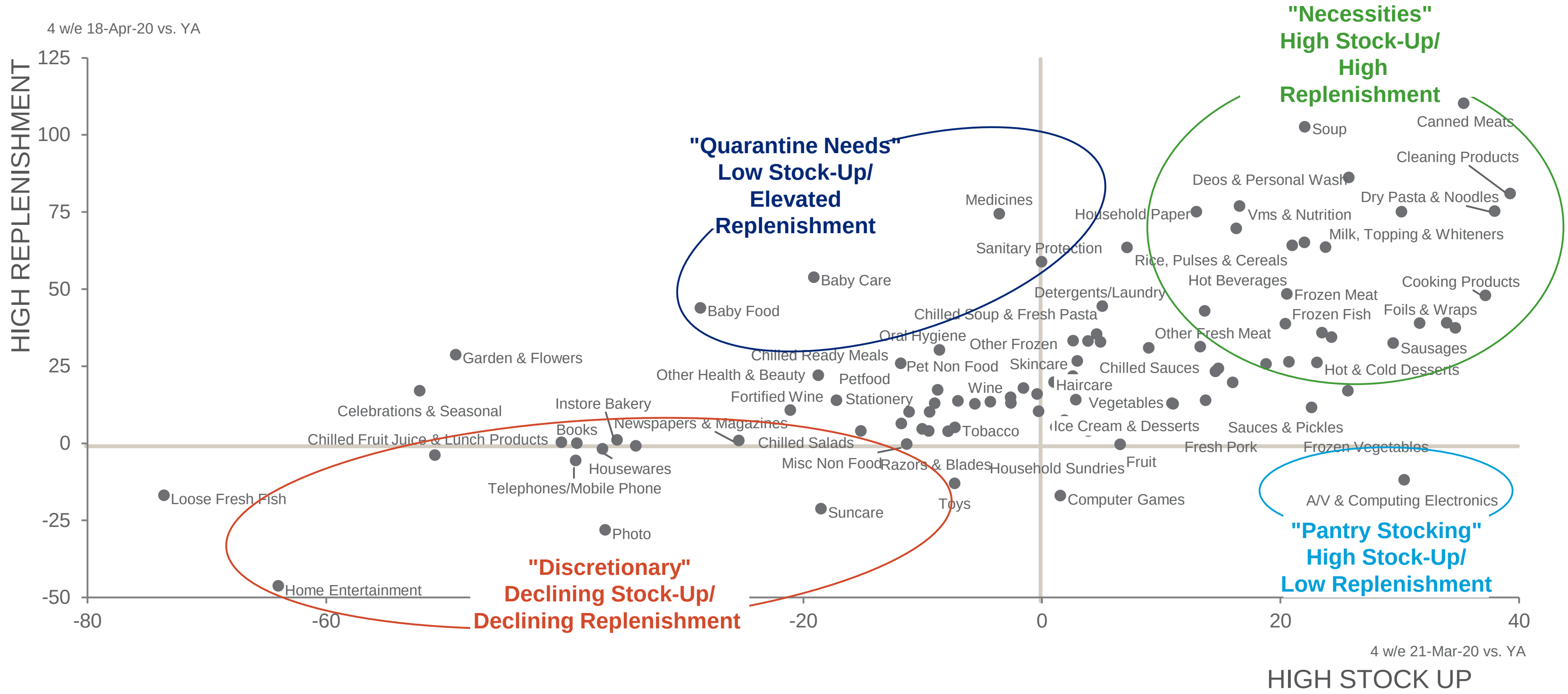


High replenishment may be tied to either increased consumption or inventory (re: paper products)

Note: Segments based on IRI Standard "Aisles" / Source: IRI POS data Week Ending April 19, 2020

Most Stocked Up Categories Continue to be Replenished

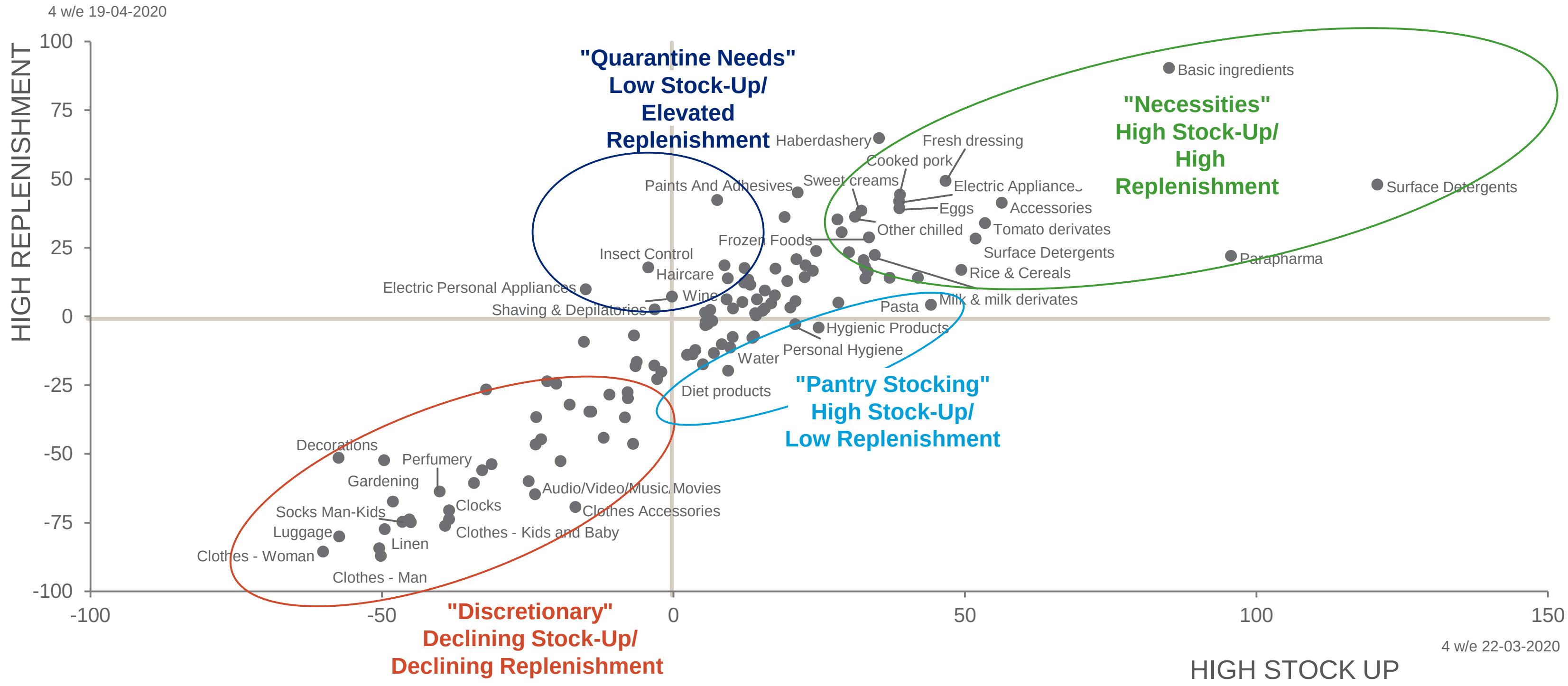
United Kingdom



Note: Segments based on IRI Standard "Categories" / Source: IRI POS data Week Ending April 19, 2020

Most Stocked Up Categories Continue to be Replenished

Italy

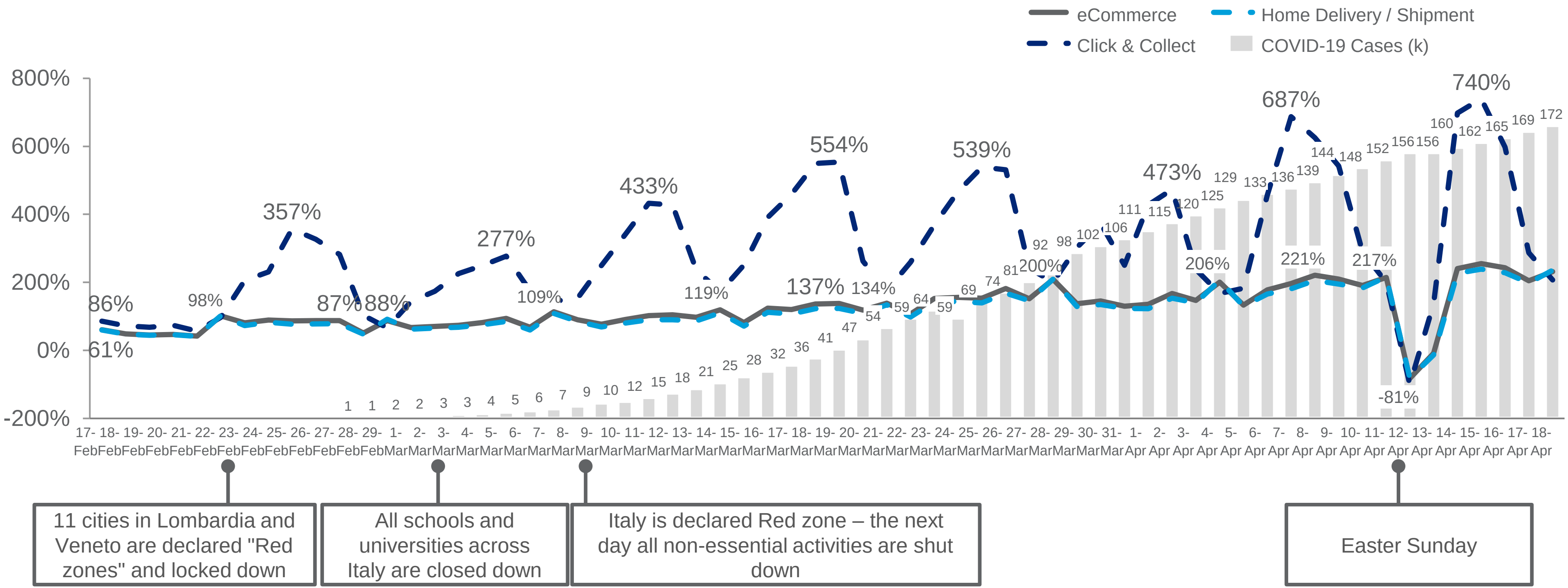


deep dive:
e-commerce trends in Italy, France & Spain

Italy Has Seen Continued Upward Trajectory in Growth of Click & Collect and Home Delivery / Shipment E-Commerce

Italy

 # COVID-19 Cases / CPG Sales % Change vs. Year Ago



Note: eCommerce Includes select eCommerce retailers including Amazon, other local eRetailers and the eCommerce operations of traditional Brick & Mortar retailers
Home delivery / shipment: goods delivered at doorstep of purchaser, Click & Collect: purchaser submit order online and collects in store, accounts for 9% of total eCommerce.

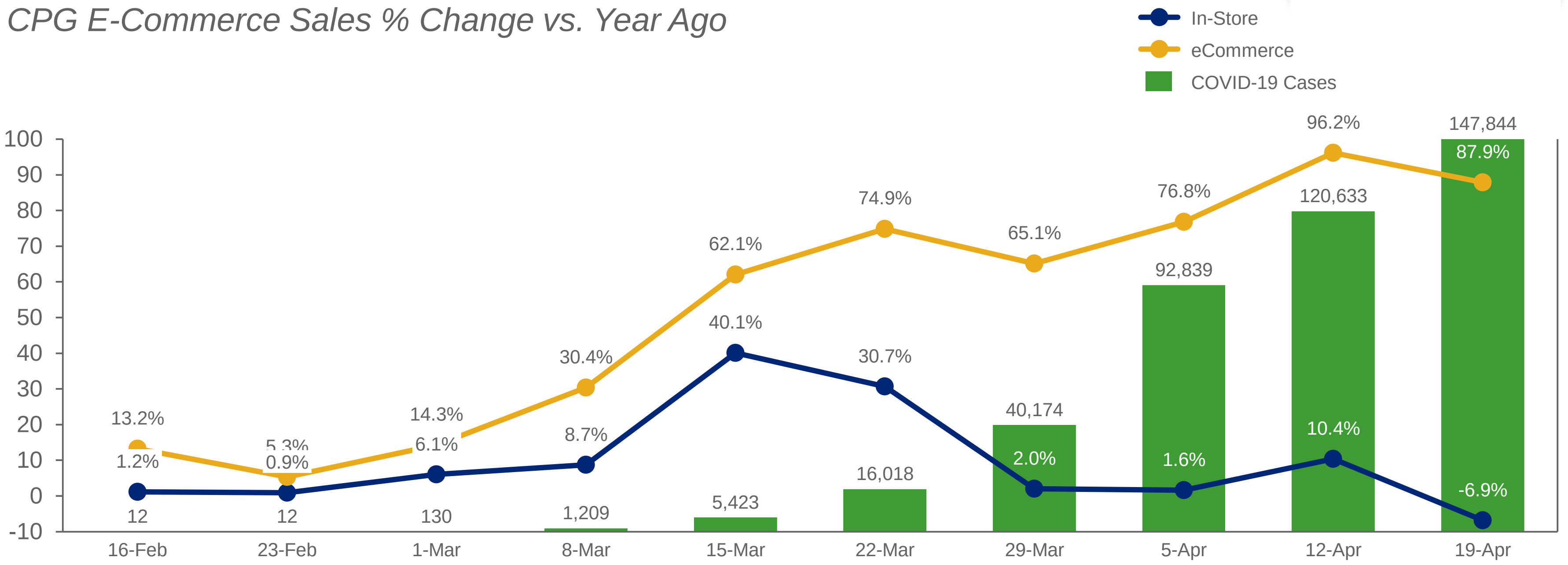
Source: IRI Panel online, Dates reflect Monday, 17 February through Sunday 18 April, 2020. Worldometer as of April 20, 2020.

IRi BCG

In France, E-Commerce Has Consistently Grown While In-Store Declined due to Easter Alignment

France

CPG E-Commerce Sales % Change vs. Year Ago



E-Com % share of total	6.8%	6.5%	7.4%	8.0%	7.7%	8.5%	10.7%	11.2%	10.5%	10.7%

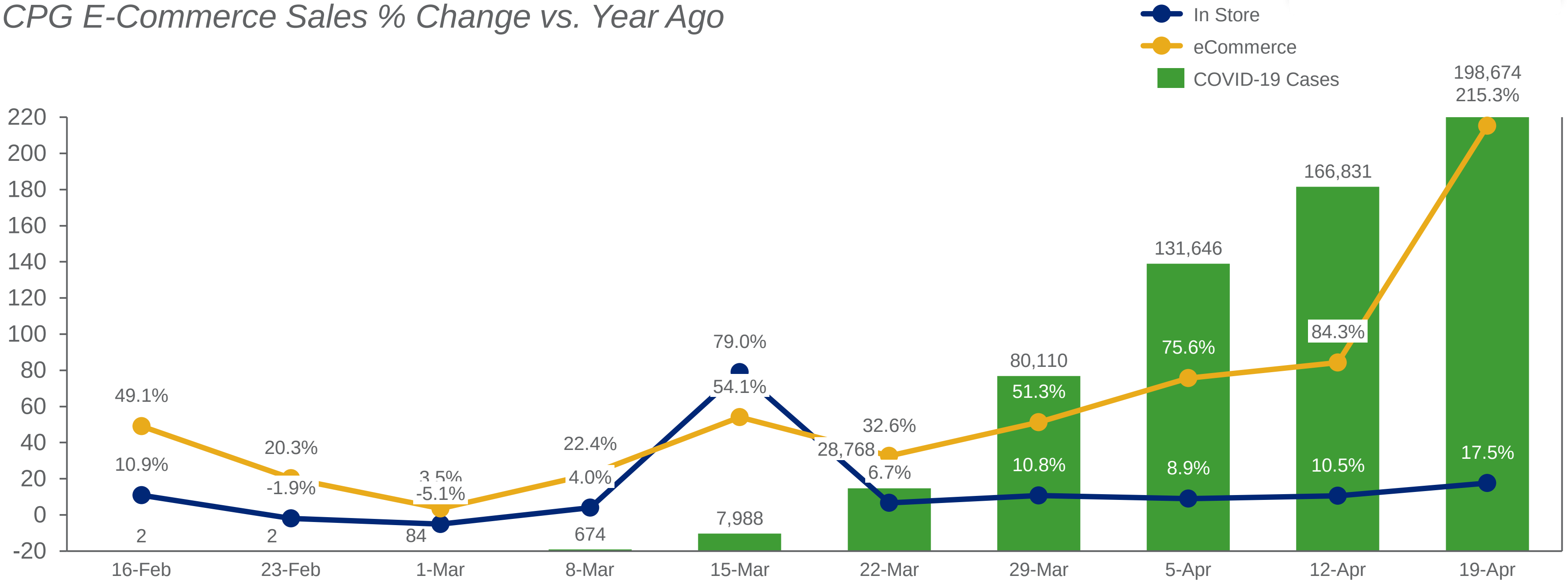
Note: Includes Click & Collect and some Home Delivery providers (Home Delivery represents a small portion of sales. Excludes Amazon.

Source: IRI POS Data Week Ending April 19, 2020. Worldometer as of April 29, 2020

In Spain, eCommerce Sales Have Grown Since the Start of Lockdown with a Spike in the Most Recent Week

Spain

CPG E-Commerce Sales % Change vs. Year Ago



E-Com % share of total	1.9%	1.9%	2.1%	2.2%	1.6%	2.1%	2.5%	3.1%	2.8%	3.2%

Note: eCommerce includes Brick & mortar retailers that deliver online orders to customer homes and Amazon.

Source: IRI Data Ending April 19, 2020. Worldometer as of April 29, 2020

appendix

Data Methodology and Notes

IRI tracks POS data weekly (weeks end on Sundays) and has ~one week of required processing time (E-commerce has ~2 weeks processing time). U.S. National Consumer Panel data is released monthly. Tracker will be released weekly on Wednesday / Thursday as data is available; deep dives will be refreshed periodically.

U.S. Data

- Represents transaction POS database (accounts for 80%+ of FMCG sales)
- Data collected in multi-outlet + convenience (MULOC) channels: Grocery, Drug, Convenience, Mass, Walmart, Club, Dollar, and DECA Stores
- Excludes Costco

UK Data

Aggregated sales across major grocery retailers

France Data

Data collected in hypermarkets, supermarkets, discount, convenience stores and e-shopping

Germany Data

Includes hypermarkets, supermarkets, and drug stores

Italy Data

Excludes open air markets estimated at 6% of total FMCG sales

Netherlands Data

Data collected for supermarket, including online

New Zealand Data

- Represents grocery channel
- Point of sale data, accounting for 100% of pre-packaged grocery sales

Spain

Includes hypermarkets and supermarkets >100M and modern drug stores

CONTACT U.S. FOR MORE INFORMATION

Follow IRI on Twitter: @IRIworldwide

IRI U.S. / Global HQ
Chicago, IL
+1 312.726.1221

IRI France
Chambourcy Cedex
+ 33 (0) 1 30 06 22 00

IRI Germany
Düsseldorf
+49 211 361190

IRI Greece
Athens, Greece
+30 210 27 87 600

IRI Italy
Milan: +39 02 52579 1
Rome: +39 335 73 12 283

IRI Spain
Madrid
+(0034) 91 548 80 80

IRI Netherlands
+31 (0) 418-570800

IRI New Zealand
Ellerslie, Auckland
+64 9526 5408

IRI United Kingdom
Bracknell, Berkshire
+44 (0) 1344 746000