



COVID-19 CRISIS

Nielsen Investigation of Impacts on FMCG trends in the Netherlands and around the world

Update: March 26, 2020

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COVID-19

TRACKING THE IMPACT ON FMCG AND RETAIL

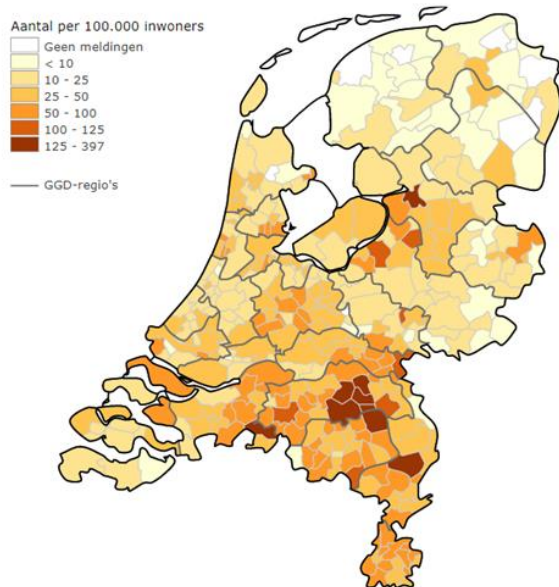
WEEKLY UPDATE

1. **COVID-19 IN THE NETHERLANDS: HOW COVID CASES ARE DEVELOPING BY REGION**
2. **COVID-19'S IMPACT ON SALES WITHIN THE SUPERMARKET AND DRUG CHANNELS**
3. **IMPACTS ON SUPERGROUP DEVELOPMENT**
4. **HIGH GROWTH CATEGORIES DUE TO COVID-19**

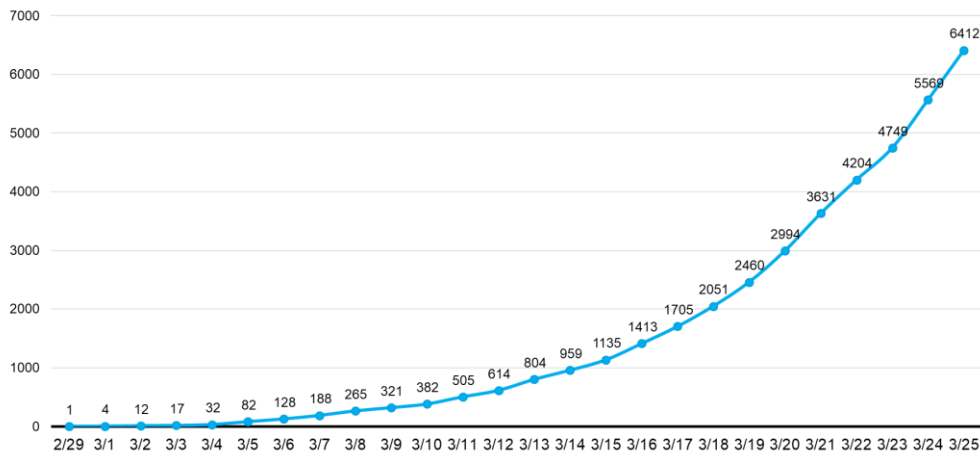
NUMBER OF CORONA CASES KEEPS INCREASING

Gemelde COVID-19 patiënten

Per 100.000 inwoners per gemeente tot en met 25-3-2020



NUMBER OF COVID-19 CASES IN THE NETHERLANDS

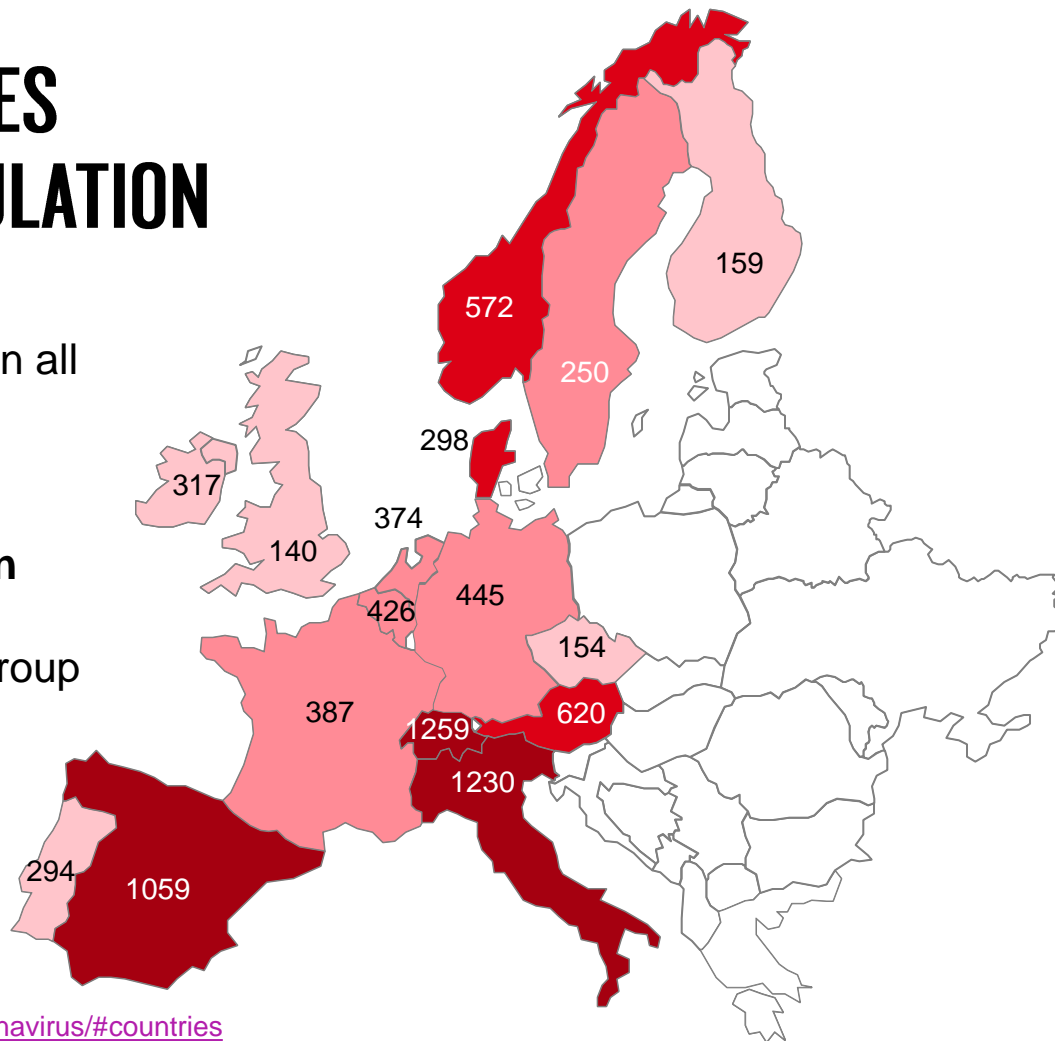


Similar pattern in number of deaths due to COVID-19

TOTAL CORONA CASES PER 1 MILLION POPULATION

March 25 2020

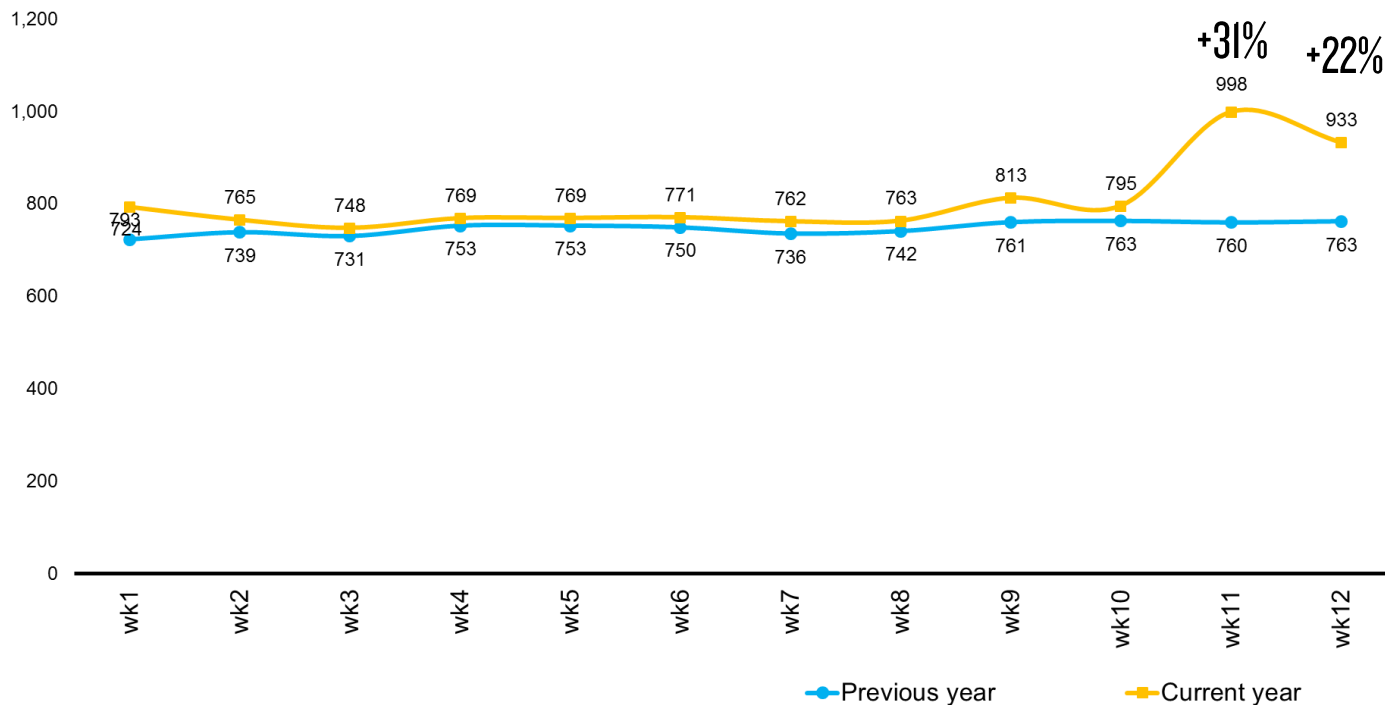
- Number of cases increased in all countries
- Most registered cases in **Switzerland, Italy** and **Spain**
- **Netherlands** in the middle group



SUPERMARKET SALES REMAIN HIGH

After high growth in week 11 of 31%, again a high week in week 12 (+22%)

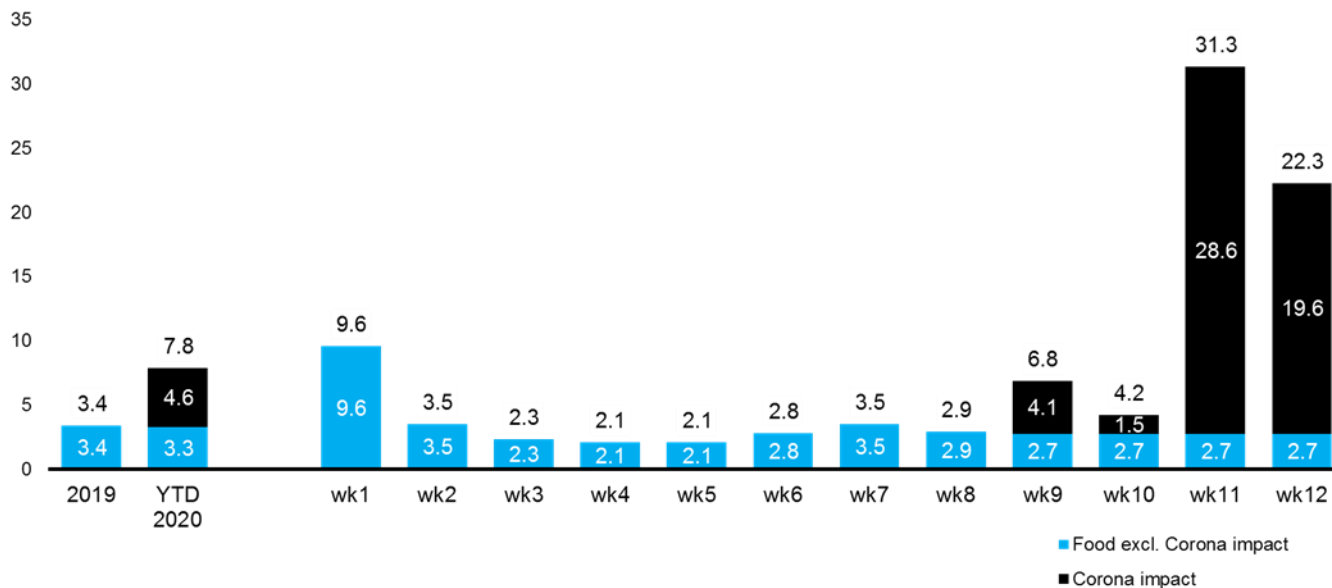
Food ACV per week (euro x mln)



MORE THAN € 400 MILLION IN SALES DUE TO COVID-19

More than half of the supermarket growth year-to-date due to COVID-19

% Development supermarkets (ACV) vs. previous year - Food incl. E-com



Extra growth from wk9
€ 409M

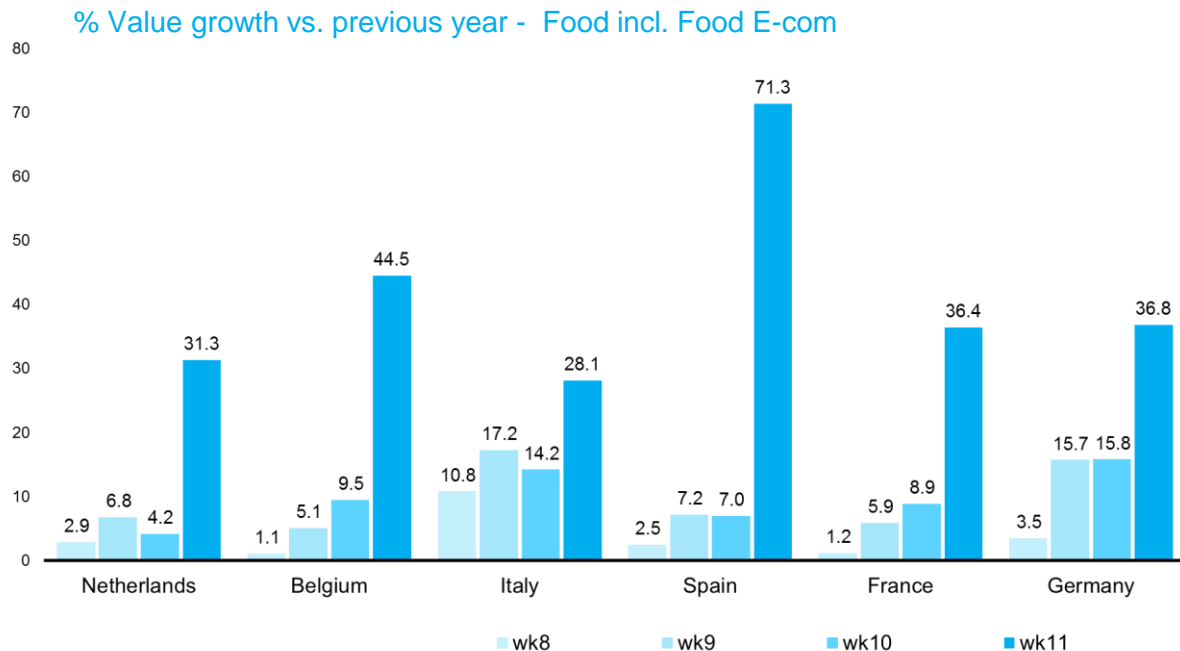
Extra % growth from wk 9
13.1%

Impact on % YTD growth
4.6%

Note: estimated impact is the difference between the actual sales and the expected sales. The expected sales is based on the sales of previous year times the % value growth of wk2-8, so the weeks prior to the Corona crisis and excluding wk1 as this is an atypical week.

GROWTH PEAK IN OTHER COUNTRIES EVEN HIGHER

Netherlands not extreme in stockpiling behaviour

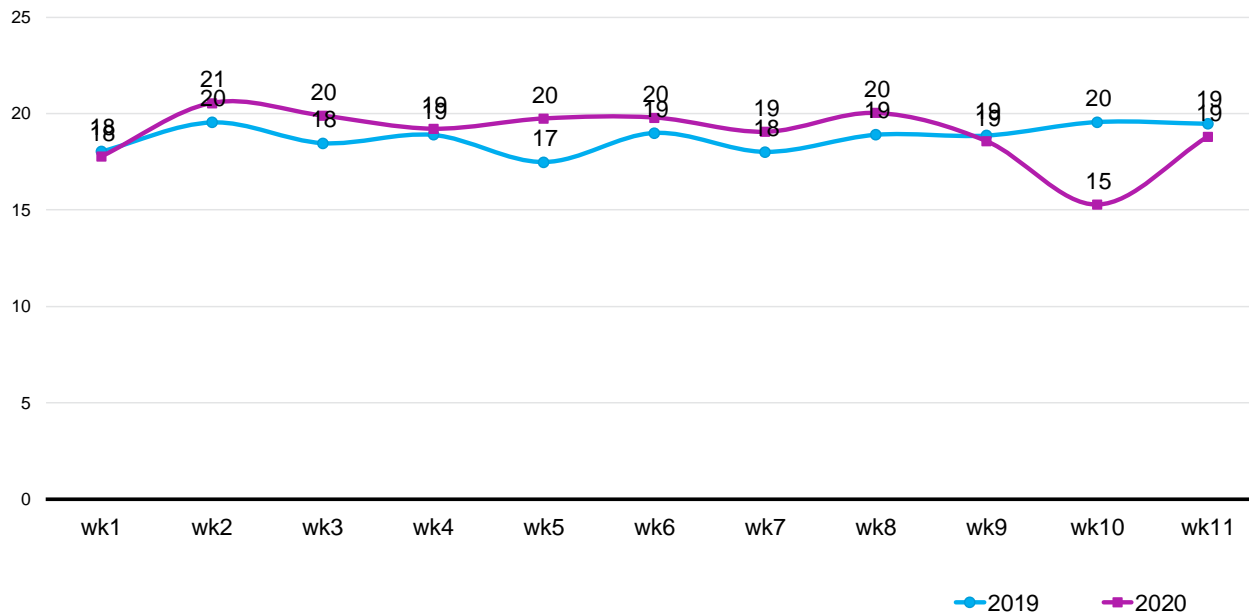


Italy: growth is mainly coming from smaller proximity store and less from hypermarkets. Online is showing very high growth rates in Italy. One possible explanation why growth rates seem lower in Italy is that growth is spread across more weeks because the lock down was phased from regional to national.

SO FAR NO BIG CHANGE IN PROMO PRESSURE

...but a drop is expected in the coming weeks

% Promoted value - Food incl. E-com - Totaal gemeten groepen



Totaal gemeten groepen excludes Fresh categories with variable weight. In coming weeks promotional pressure may decline. AH has announced it will stop with Hamster promotions to detract an influx of shoppers into the stores. Belgium takes it a step further: promotions are forbidden by law.

HEALTHCARE AND PAPER PRODUCTS SHOW HIGHEST GROWTH

Fresh, Beverages and Tobacco are behind in percentage growth

% Value development supergroups - Food incl. Food-Ecom

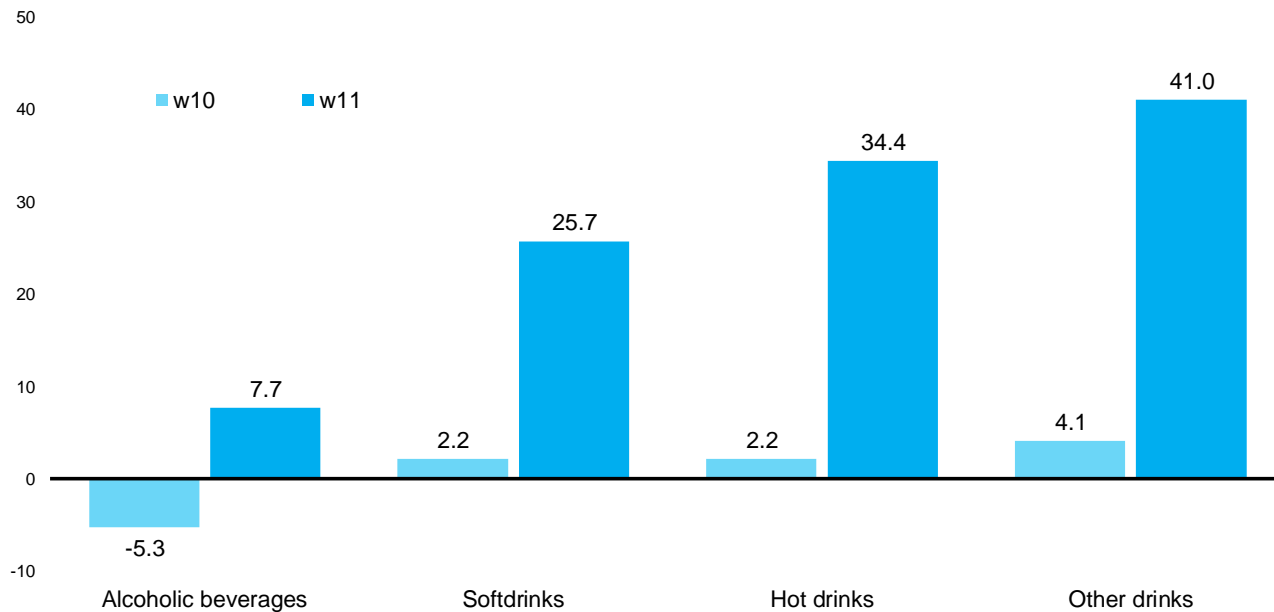
	YTD 2020	wk2-8 2020	Cum from wk9 2020	wk 09 20	wk 10 20	wk 11 20
Totaal Supermarkten (ACV)	6.5	2.7	14.1	6.8	4.2	31.3
Dranken Houdbaar	4.1	1.2	7.1	0.3	-0.6	22.2
Kruidenierswaren	11.8	3.2	32.7	20.7	9.2	68.0
Zoetwaren & Snacks	6.5	4.0	10.9	6.7	5.4	20.4
Diepvries	7.9	4.3	14.9	5.8	0.1	38.9
Vers	5.0	2.4	9.7	4.6	3.3	21.2
Schoonmaak & Onderhoud	7.2	2.3	23.1	25.2	2.2	43.1
Drogmetica	13.7	2.7	41.8	25.9	25.2	72.5
Haarverzorging	4.2	0.7	6.5	0.0	-10.5	28.0
Health Care	22.0	6.5	63.9	31.3	33.4	126.8
Lichaamsverzorging	12.3	3.8	35.5	29.1	40.1	36.8
Mondverzorging	16.5	11.5	30.7	41.8	77.3	-6.0
Papier	13.3	0.5	46.8	25.8	16.1	101.7
Rookwaren	3.3	2.4	4.2	-2.4	1.6	13.9

Healthcare and Paper show the highest % growth. KW also shows high growth: more stockpiling, but also more consumption since more people are at home. Fluctuations in Mondverzorging are more driven by promotions.

NO EXTREME IMPACT ON ALCOHOLIC BEVERAGES

Alcoholic beverages are growing but clearly less than other beverages

% Value growth vs. previous year - Food incl. E-com



The Horeca lockdown has impact, but the increase in alcoholic beverages is up 'only' 7.7% in week 11, while other beverages show a much higher growth rate. Part of alcoholic beverages sales in Horeca likely just disappeared.

IN EUR, BIGGEST CORONA IMPACT IS ON MEAT

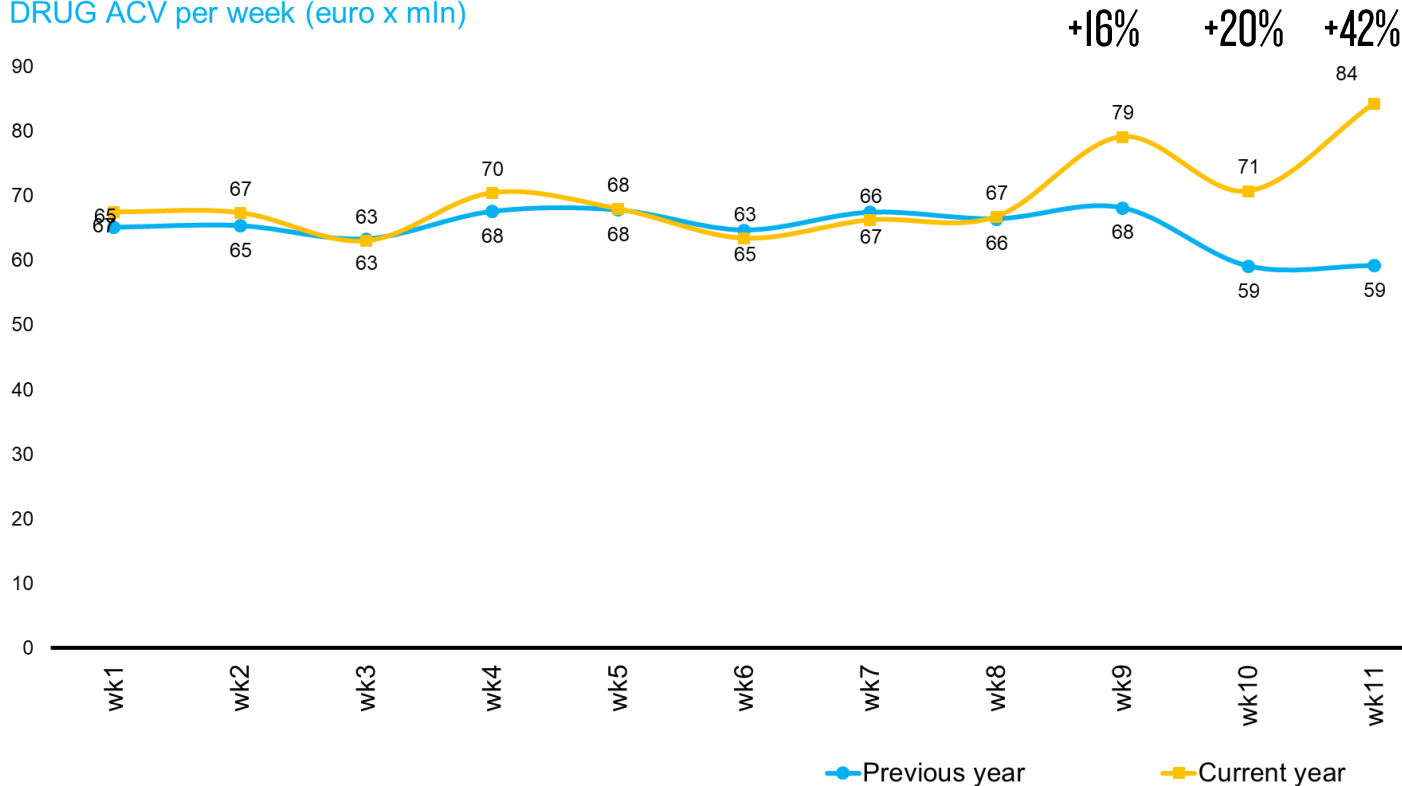
Toilet paper and Fruit complete the top 3

Category	Index € sales vs PY						
	Value index from wk9 2020/2019	Est. Impact in € (000) Actual minus expected	wk2-8 20	YTD from wk 9 20	wk 09 20	wk 10 20	wk 11 20
Vlees	113	14,563	100	113	106	102	130
Toiletpapier	164	11,435	104	164	131	134	227
Fruit	112	9,994	104	112	107	106	122
Groentenconserven	171	8,442	104	171	154	112	252
Kaas	110	7,636	102	110	106	101	123
Vleeswaren	110	6,000	103	110	107	104	120
Broodbeleg	126	5,933	102	126	116	109	151
Groenten	106	5,752	99	106	102	99	117
Zuivel	108	5,543	102	108	104	104	117
Frisdranken	110	5,527	104	110	104	102	126
Eetdeegwaren	154	5,305	103	154	120	115	229
Maaltijdversierders	140	4,636	102	140	118	107	198
Natte Soepen	162	4,586	105	162	163	123	189
Rijst	177	4,085	105	177	145	129	254
Vleesconserven	175	3,981	112	175	138	138	249
Melk/Karnemelk Lhb	134	3,842	97	134	130	92	191
Bonenkoffie	113	3,785	104	113	99	101	142
Toiletzeep	376	3,691	104	376	340	335	442
Geelvet	114	3,422	102	114	107	100	136
Huishoudreinigers	162	3,390	111	162	139	131	222
Brood Afbak	133	3,205	106	133	104	106	195
Droge Snacks	117	3,162	108	117	113	109	130
Broodvervangers	133	3,013	108	133	120	112	162
Aardappelen	112	2,804	96	112	108	97	131
Thee	131	2,706	101	131	130	120	145
Olien	134	2,684	100	134	119	125	158

Note: estimated impact is the difference between the actual sales and the expected sales. The expected sales is based on the sales of previous year multiplied by the % value growth of weeks 2-8, so the weeks prior to the Corona crisis and excluding week1 as this is an atypical week.

DRUG GROWTH INCREASES BY WEEK, UP TO 40%

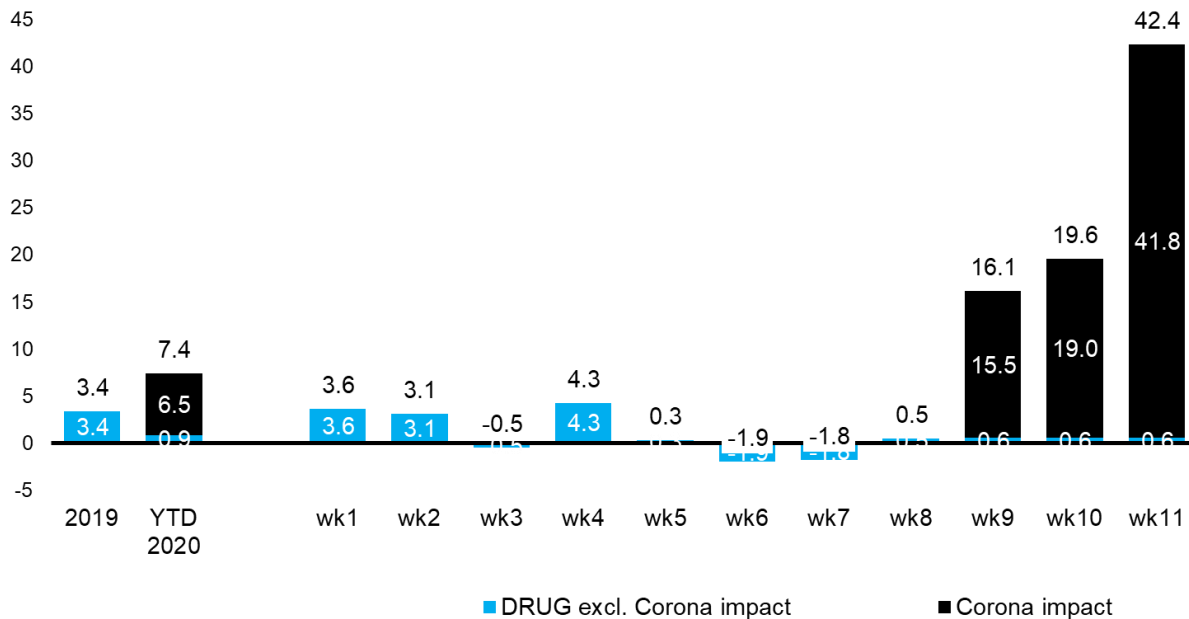
DRUG ACV per week (euro x mln)



NEARLY €50M SALES IN DRUG DUE TO COVID-19

7% growth year-to-date is largely driven by COVID-19

% Development DRUG (ACV) vs. previous year



Extra growth from wk9
€ 47M

Extra % growth from wk 9
24.8%

Impact on % YTD growth
6.5%

COVID-19

TRACKING THE IMPACT ON FMCG AND RETAIL

BE A STEP AHEAD WITH WEEKLY UPDATES.

COVID-19 IS MOVING FAST, BUT YOU CAN BE FASTER.

CONTACT YOUR NIELSEN REPRESENTATIVE TO FIND OUT HOW TO GET WEEKLY UPDATES ON:

- THE IMPACT TO YOUR CATEGORIES AND BRANDS
- WHICH CHANNELS ARE PARTICULARLY IMPACTED
- WHERE THERE ARE DIFFERENCES REGIONALLY
 - WHEN THE IMPACT WILL SLOW DOWN

COVID-19'S IMPACT ON CONSUMERS

NEW SYNDICATED STUDY

CONTACT YOUR NIELSEN REPRESENTATIVE ON HOW THE DUTCH
CONSUMER BEHAVIOR IS CHANGING DUE TO COVID-19



MARKET SENTIMENT

Lifestyle changes, shopping, social & entertainment activities, the new “normal” behavior



E-COMMERCE ECOSYSTEM

Change in shopping behavior across different channels, including online vs offline to mega product categories



CATEGORIES ON DEMAND

Current shopping behavior with current consumption, embedding sales trend data, and tenure of impact



TRAVEL BEHAVIOR

Impact on leisure and business travel in the next six months, including summer vacations, due to COVID-19



NIELSEN BASES

MEASURING INNOVATION DURING A CRISIS

BUYING BEHAVIORS CHANGE IN A CRISIS

You know COVID-19 is affecting buying behavior, but what about innovations that are still in development? Can we rely on consumer input collected during these turbulent times?

Join us in this free webinar explaining how to measure innovation during a crisis.

DATE: April 1st 2020

TIME: 16h00 – 17h00

COST: Free

REGISTER





“As patterns begin to emerge in response to news events of this nature, it will be imperative for companies to learn from these scenarios so they can sustain growth even in times where COVID-19 has uprooted people’s lives. These patterns will help provide leading and trailing indicators to those trying to understand how people will respond as developments continue to play out at different times in different countries.”

SCOTT MCKENZIE

Nielsen’s Global Intelligence Leader

Read the latest insights at www.nielsen.com/covid-19,
and reach out to your Nielsen representative for help.



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