COVID-19 CRISIS

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

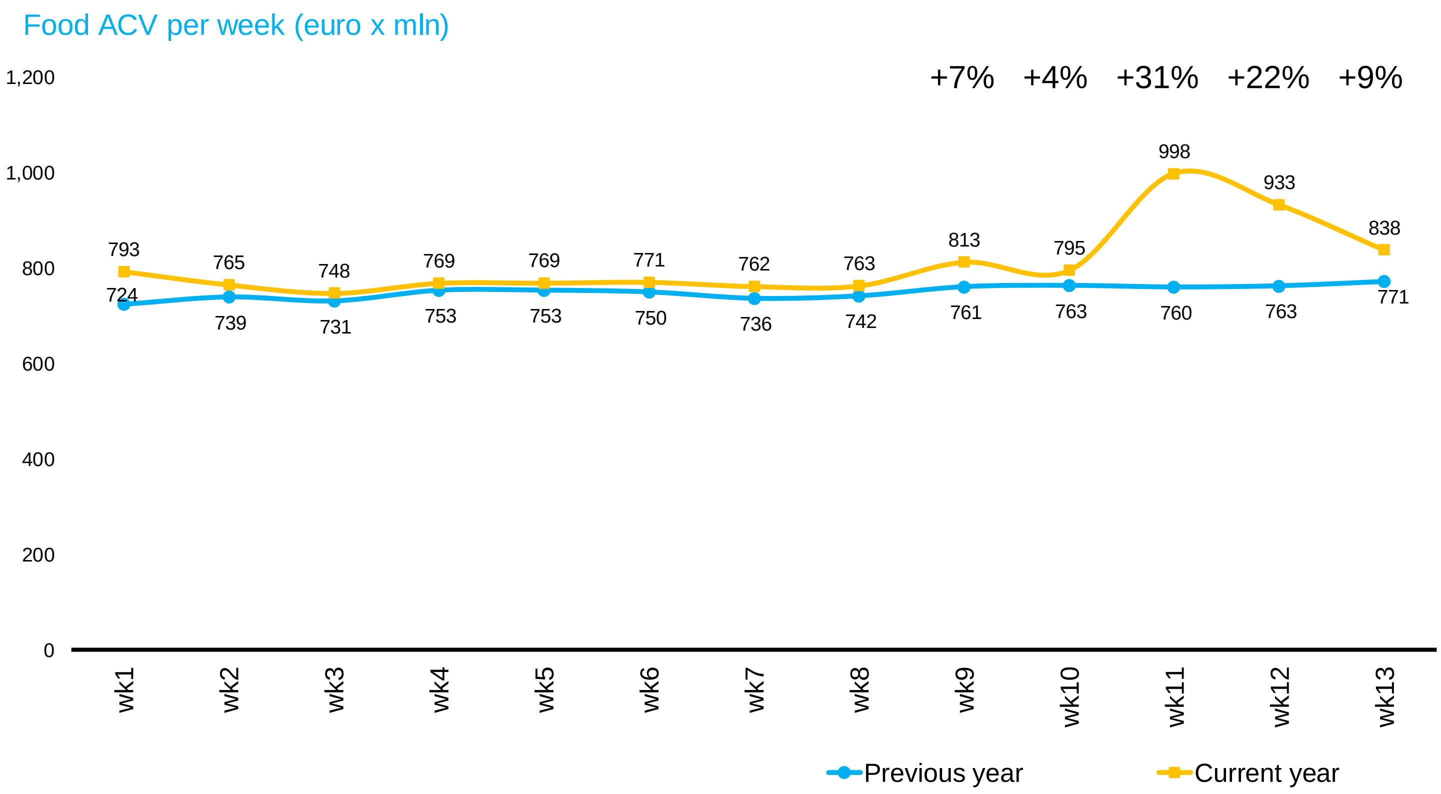
Update: April 6, 2020

Weekly update

- Impact of COVID-19 on Supermarket Channel
- Drug Channel
- Perfumery Channel
- Petrol Channel

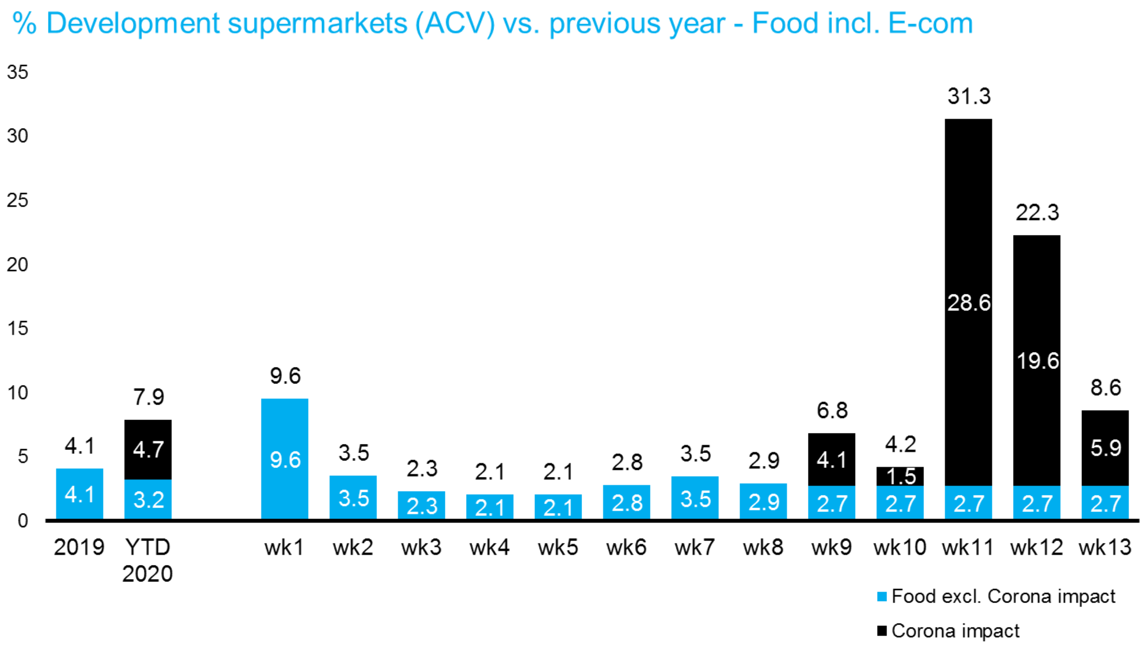
SUPERMARKETS

LESS STOCKPILING, BUT SALES REMAIN HIGH



€ 450M+ SALES DUE TO CORONA

More than half of the YTD supermarket growth due to Corona



Extra growth from wk9	Extra % growth from wk 9	Impact on % YTD growth
€ 454M	**11.6%**	**4.7%**

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 time the % value growth of weeks 2-8, so the weeks prior to the Corona crisis and excluding week 1 as this is an a-typical week

DOUBLE-DIGIT GROWTH CONTINUES IN THE EU

NL shows moderate growth compared to other countries

Country	Channels	w8	w9	w10	w11	w12
Belgium	Food/Drug, excl. HD	0.6	4.7	9.4	43	32.9
Germany	FD, C&C, excl. HD	3.5	16	16.1	37.2	41.7
Spain	FD, Ecom, excl. HD	1.5	6.9	6.4	77.5	8.4
France	Food, proximity, Click & Drive, excl. HD	1.2	6.5	9.9	40	30
Italy	FD, excl. HD	10.8	17.2	14.2	28.1	17.2
Netherlands	FDPPL incl. Ecom	4.3	9.5	6.7	35.9	22.3
UK	FDL, excl. HD, incl. Ecom Food	1	1.6	9.9	25.1	51.5

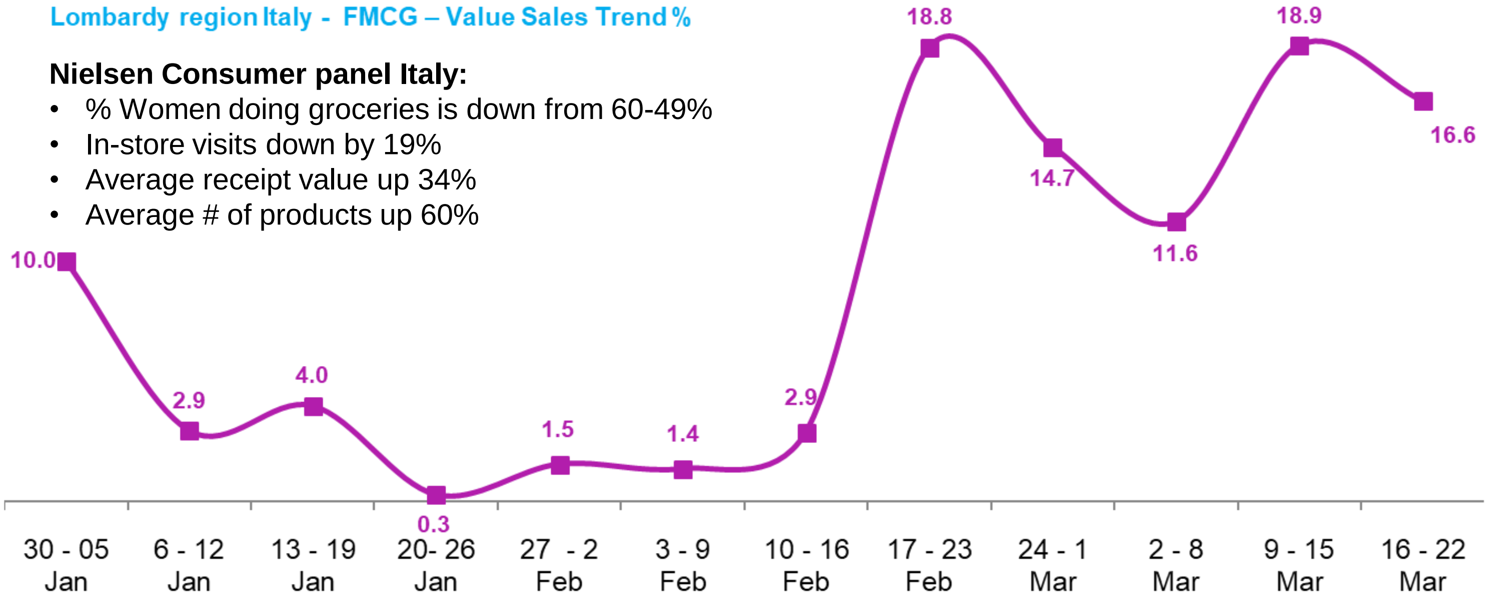
The growth trend for supermarkets only in NL is lower than
in BE, both in the peak weeks (31 vs 45%) as in w13 (8.6 vs 14.8%)

SALES DEVELOPMENT IN LOMBARDY - ITALY

Double digit growth continues after 5 weeks of lock-down

Nielsen Consumer panel Italy:

- % Women doing groceries is down from 60-49%
- In-store visits down by 19%
- Average receipt value up 34%
- Average # of products up 60%



Source: Nielsen Trade*Mis – Hyper+Super

LOWER GROWTH IN MOST SUPERGROUPS

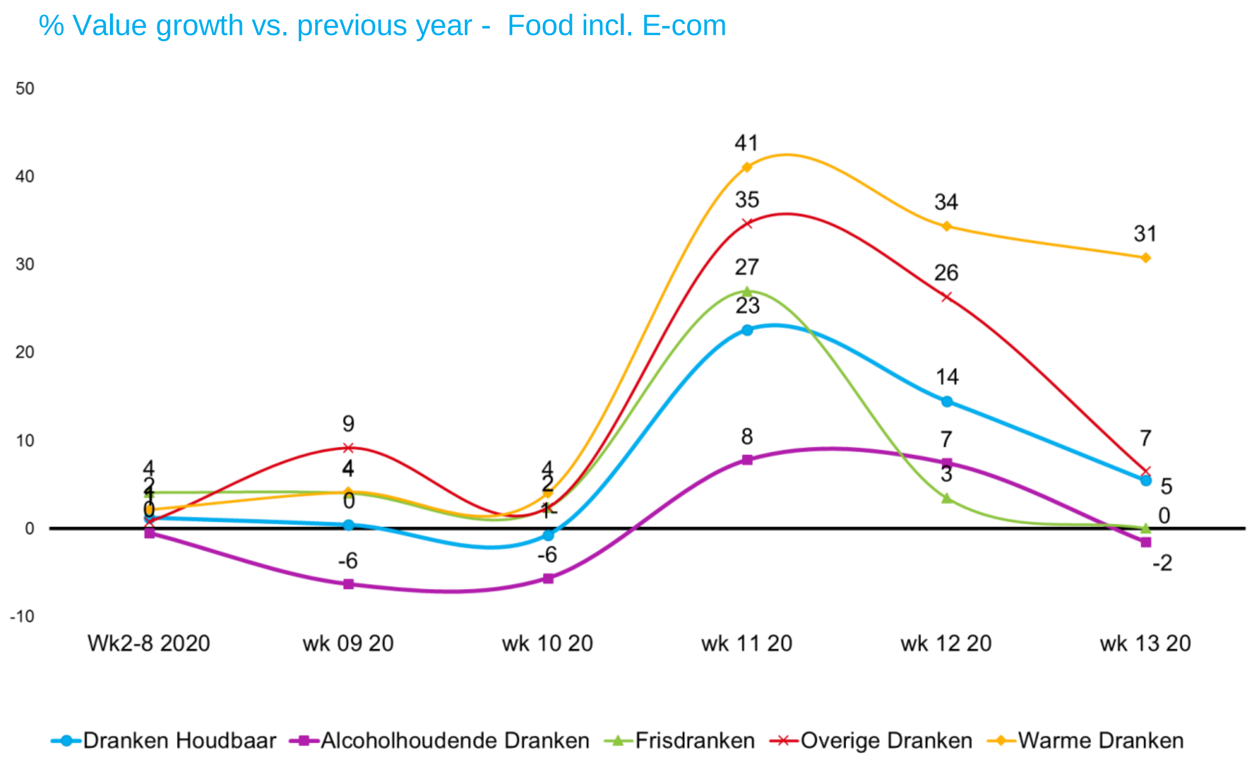
Still 20%+ growth in KW, Homecare and various personal care groups

% 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	wk 12 20	wk 13 20
Totaal Supermarkten (ACV)	7.9	2.7	14.6	6.8	4.2	31.3	22.3	8.6
Dranken Houdbaar	5.1	1.2	8.3	0.4	-0.7	22.6	14.5	5.5
Kruidenierswaren	15.6	3.2	34.4	20.6	9.0	68.2	52.8	20.9
Zoetwaren & Snacks	6.7	4.0	9.7	6.8	5.4	20.7	11.0	4.6
Diepvries	10.8	4.3	19.0	5.9	0.0	39.7	34.1	15.4
Vers	6.2	2.4	10.9	4.8	3.3	21.5	15.7	9.3
Schoonmaak & Onderhoud	12.5	2.4	30.8	25.9	1.6	43.6	54.8	31.2
Drogmetica	20.1	2.8	47.7	26.0	25.2	72.9	80.4	34.6
Haarverzorging	7.1	0.8	13.2	0.0	-11.0	29.7	38.2	11.2
Health Care	29.6	6.5	68.9	31.3	33.4	126.8	122.6	33.0
Lichaamsverzorging	20.6	3.9	48.3	29.3	40.1	37.0	76.2	61.6
Mondverzorging	18.7	11.5	31.0	41.8	77.0	-6.0	47.4	17.4
Papier	20.0	0.5	51.5	25.9	16.3	102.2	84.3	33.2
Rookwaren	3.5	2.5	4.3	-2.3	1.7	14.2	9.3	-1.0

HOT DRINKS GROWTH CONTINUES AT 30%+

Impact Horeca on alcoholic drinks seems very limited



TOILET PAPER GROWTH STILL 40%

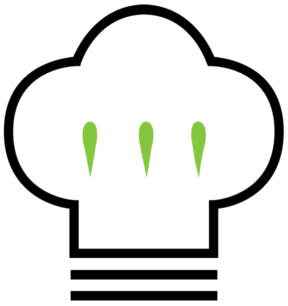
Canned food and Coffee growth also remains high

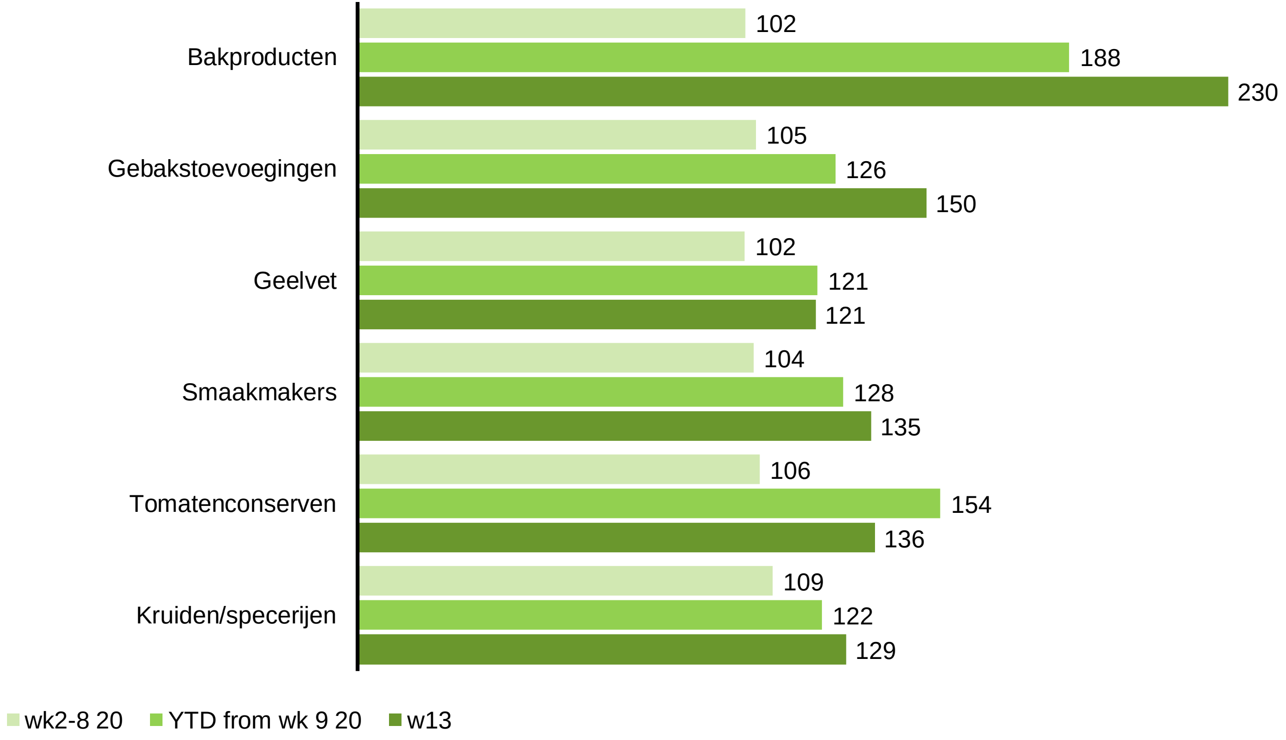
Category	Value index wk2-8 2020/2019	Value index from wk9 2020/2019	Est. Impact in € (000) Actual minus expected	Index € sales vs PY: wk2-8 20	Index € sales vs PY: YTD from wk 9 20	Index € sales vs PY: w9	Index € sales vs PY: w10	Index € sales vs PY: w11	Index € sales vs PY: w12	Index € sales vs PY: w13
Vlees	100	118	39,010	100	118	107	103	131	132	118
Fruit	104	117	26,289	104	117	107	106	122	122	126
Toiletpapier	104	163	18,904	104	163	131	134	227	183	141
Groenten	99	109	16,050	99	109	102	99	117	111	115
Groentenconserven	104	173	14,398	104	173	154	112	252	219	135
Bonenkoffie	104	123	12,931	104	123	99	101	142	139	136
Kaas	102	110	12,682	102	110	106	101	124	113	107
Geelvet	102	121	9,136	102	121	107	101	138	140	121
Zuivel	102	108	9,123	102	108	104	103	117	109	106
Broodbeleg	102	123	9,024	102	123	116	109	151	128	111
Vleeswaren	103	110	8,989	103	110	107	104	120	112	107
Maaltijdversierders	102	145	8,516	102	145	118	107	198	179	125
Eetdeegwaren	103	151	8,408	103	151	120	115	229	179	116
Natte Soepen	102	165	7,736	102	165	160	120	186	202	150
Vleesconserven	112	180	7,197	112	180	138	138	249	223	153
Huishoudreinigers	111	171	7,177	111	171	139	131	222	185	183
Melk/Karnemelk Lhb	97	138	6,981	97	138	130	92	191	168	120
Brood Afbak	106	142	6,885	106	142	104	106	195	165	146
Droge Snacks	108	119	6,617	108	119	113	109	130	129	117
Rijst	105	174	6,529	105	174	145	129	254	207	132

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 week 2-8, so the weeks prior to the Corona crisis and excluding week 1 as this is an a-typical week

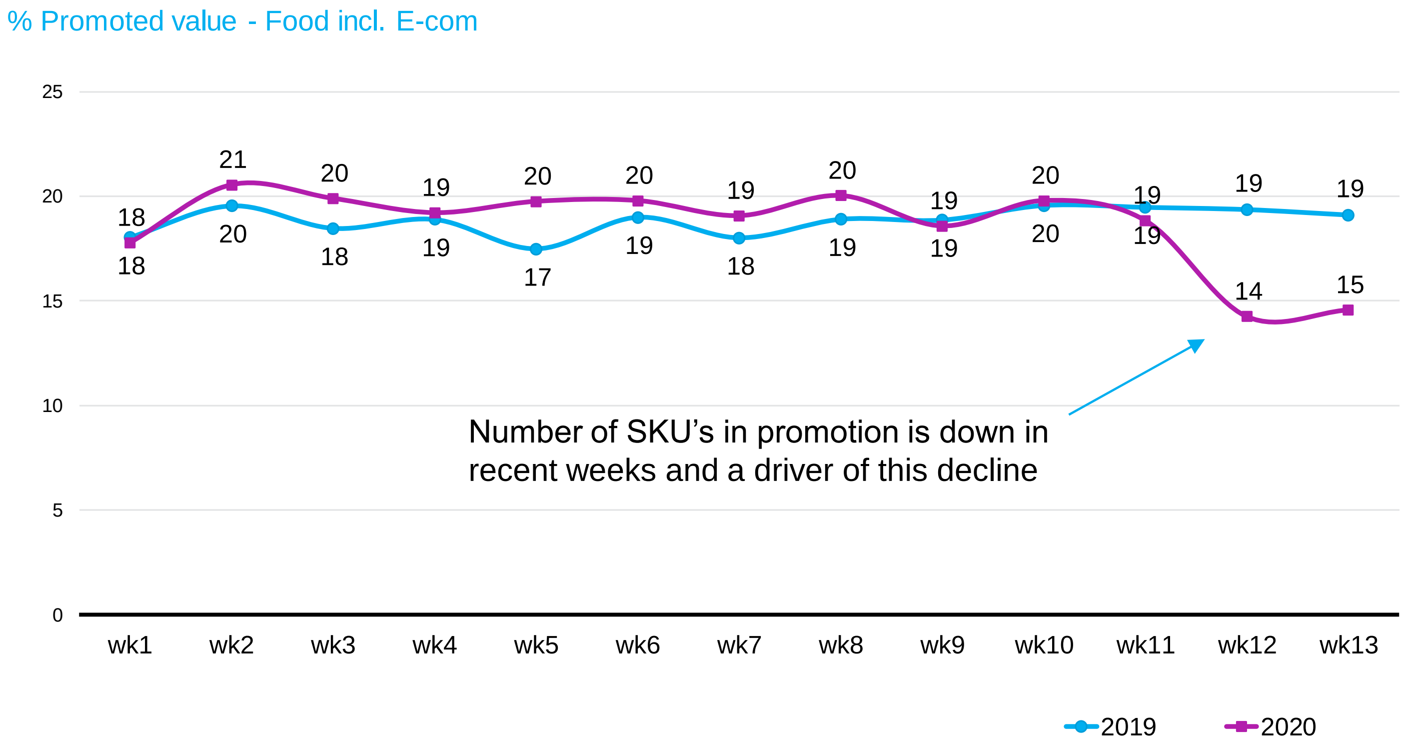
A REDISCOVERED PASSION FOR COOKING

Index € sales vs. prev. year – Food incl. Food Ecom



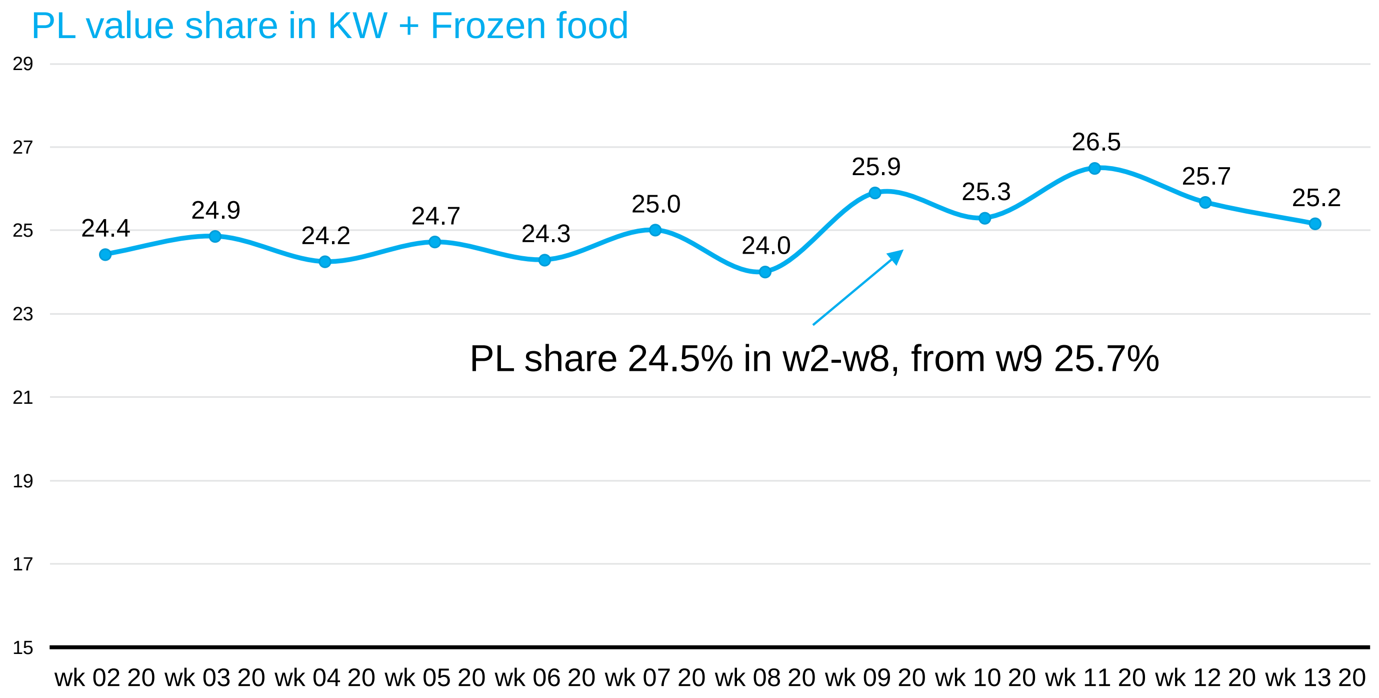


PROMO PRESSURE DROPS



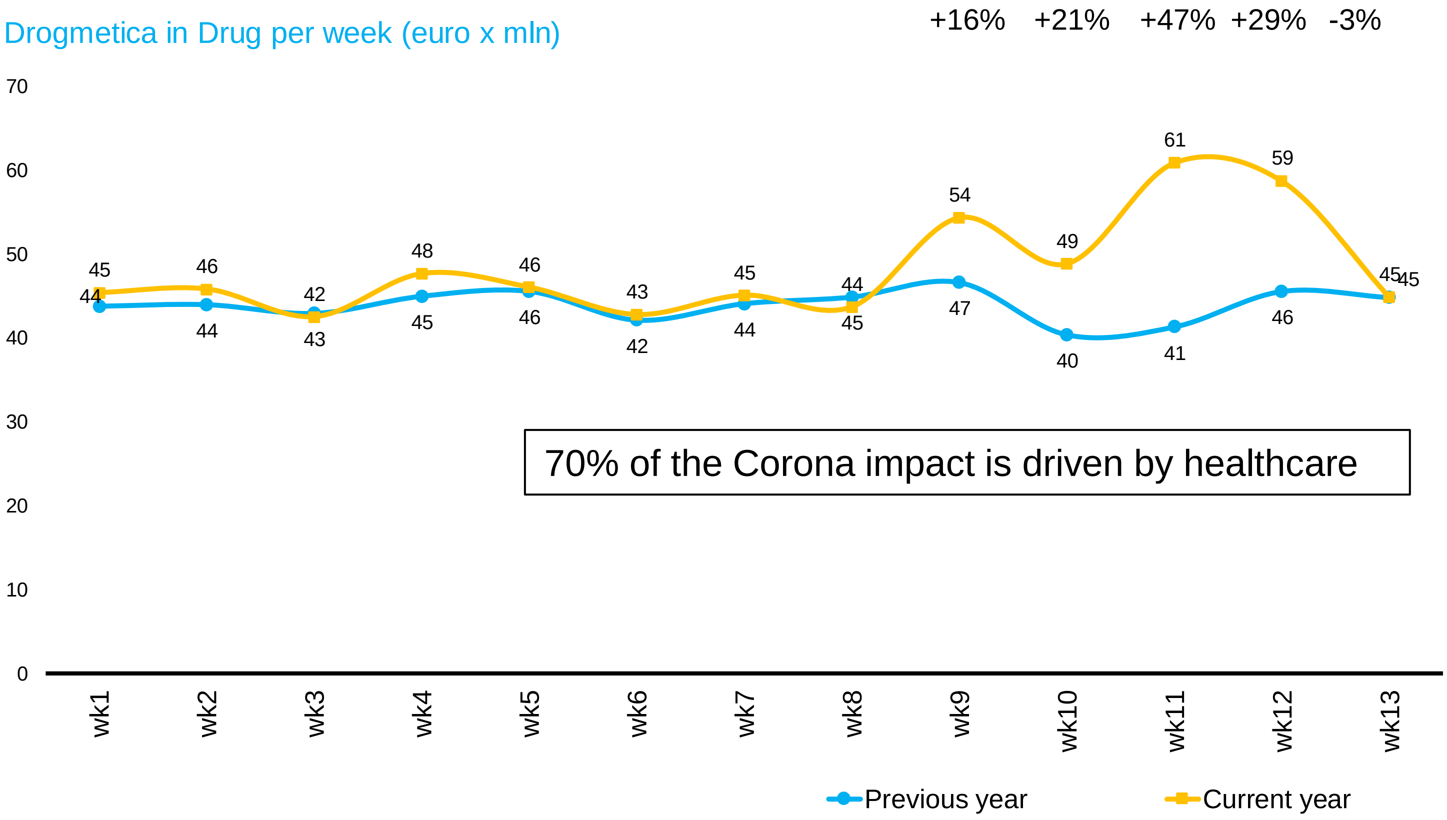
Totaal gemeten groepen excludes Fresh categories with variable weight. Promo pressure might be negatively impacted from week 12 by fewer registered promotions (due to cancelled display and folder registrations). The strong rise of non promo sales also lowers the % promoted value

PL SHARE UP IN FOOD CATEGORIES

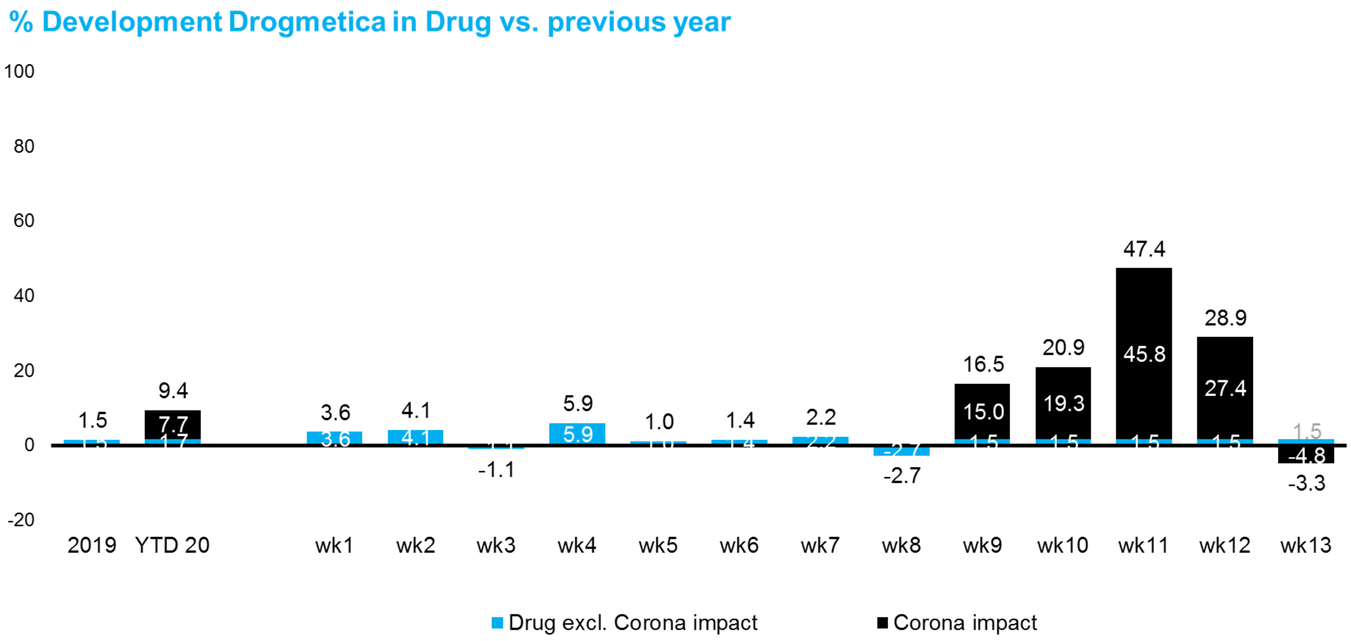


DRUG CHANNEL

DRUG FROM HIGH GROWTH TO DECLINE



STILL, € 40M+ SALES IN DRUG DUE TO CORONA



Extra growth from wk9	Extra % growth from wk 9	Impact on % YTD growth
€ 44M	**19.7%**	**7.7%**

DECLINE IN DRUG DRIVEN BY HEALTHCARE

Lower growth Healthcare - actual decline in Fragrances and Cosmetics

% Value development supergroups - Drug

	YTD 2020	wk2-8 2020	Cum from wk9 2020	wk 09 20	wk 10 20	wk 11 20	wk 12 20	wk 13 20
Drogmetica	9.4	1.5	21.5	16.5	20.9	47.4	28.9	-3.3
Deco.Cosmetica	-8.3	-1.6	-18.9	-2.0	3.4	-17.2	-38.9	-37.6
Geuren	-11.3	-1.7	-26.6	-11.7	-2.5	-17.1	-39.1	-53.8
Haarverzorging	9.6	6.9	13.8	14.5	17.5	21.3	12.1	5.4
Health Care	16.9	0.2	44.9	17.7	26.3	96.3	83.0	6.6
Lichaamsverzorging	9.5	3.2	18.9	21.4	26.7	26.1	10.8	11.2
Mondverzorging	8.8	4.1	16.4	24.3	18.2	35.8	20.5	-14.2
Papier	10.0	-2.0	29.8	28.2	20.9	80.0	39.0	-15.6
Schoonmaak & Onderhoud	20.1	11.9	36.7	39.1	22.1	65.7	50.0	8.7
Dranken Houdbaar	11.7	6.2	16.3	36.3	48.6	29.9	2.0	-20.2
Kruidenierswaren	7.2	0.3	19.4	19.8	5.9	63.5	26.7	-22.8
Zoetwaren & Snacks	5.0	4.0	6.4	13.7	14.6	25.2	-1.6	-17.4

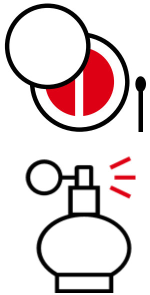
HIGH GROWTH FOR PAINKILLERS ENDS

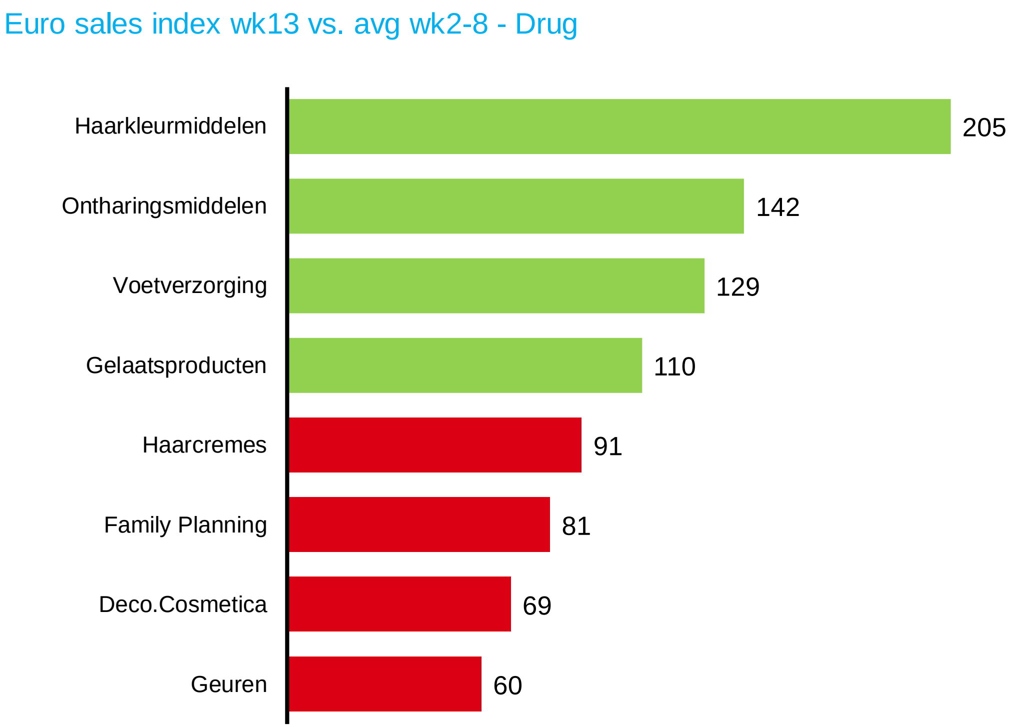
Still plenty of categories with very high growth

Category	Value index wk2-8 2020/2019	Value index from wk9 2020/2019	Impact in € (000) Actual minus expected	Index € sales vs PY: wk2-8 20	YTD from wk 9 20	w9	w10	w11	w12	w13
Vit/Mineralen Suppl.	99	162	10,848	99	162	129	132	206	215	125
Pijnstillers	107	189	7,852	107	189	134	147	318	253	103
Otc Hoest Verkoudheid En Griep	94	160	7,619	94	160	105	129	244	227	122
Toiletzeep	123	380	5,065	123	380	462	382	477	365	215
Hand/Bodyproducten	92	132	2,803	92	132	108	122	131	127	173
Celstofbabyluiers	89	114	1,850	89	114	125	100	154	114	72
Haarkleurmiddelen	106	134	1,677	106	134	107	113	122	137	182
Tandpasta	100	121	1,501	100	121	108	104	154	150	98
Schuimbadproducten	101	117	1,307	101	117	124	117	129	114	100
Vochtige Doekjes	99	156	1,278	99	156	154	151	226	186	94
Toiletpapier	85	151	1,008	85	151	136	130	358	106	112
Dameshygiene	107	121	894	107	121	119	124	147	147	77
Otc Diverse Zelfzorg	100	112	827	100	112	109	110	121	132	90
Huishoudreinigers	99	233	823	99	233	156	155	311	426	158
Wasmiddelen	111	134	779	111	134	161	97	157	144	115
Papieren Zakdoekjes	103	233	718	103	233	200	207	380	304	105
Wond- En Sportverzorging	115	139	700	115	139	150	155	176	125	94
Gelaatsproducten	107	107	652	107	107	109	118	95	103	113
Shampoo	107	113	593	107	113	121	120	129	113	88
Machinevaatwasmiddel	107	202	575	107	202	170	347	169	181	189

FRAGRANCES AND COSMETICS DOWN 30-40%

Hair colouring and Hair removal products maintain high growth levels

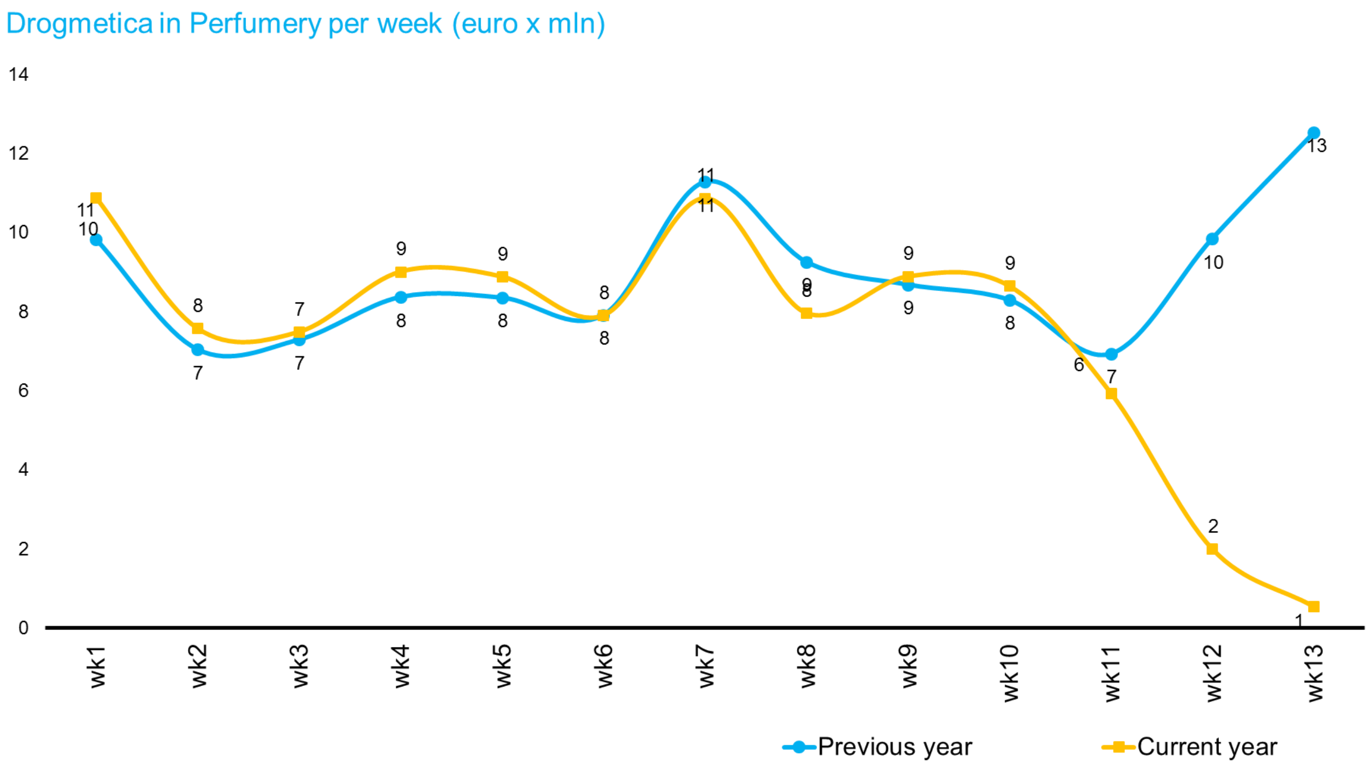




PERFUMERY CHANNEL

PERFUMERY SALES ALMOST DOWN TO ZERO

Due to closure of stores - €20M damage from week 9



PETROL CHANNEL

LESS TRAFFIC FOR PETROL SHOPS

Unlike horeca, most petrol stations are still open

But traffic is much lower. Sales have dropped 30-50%

Fresh products no longer available in part of the petrol stations

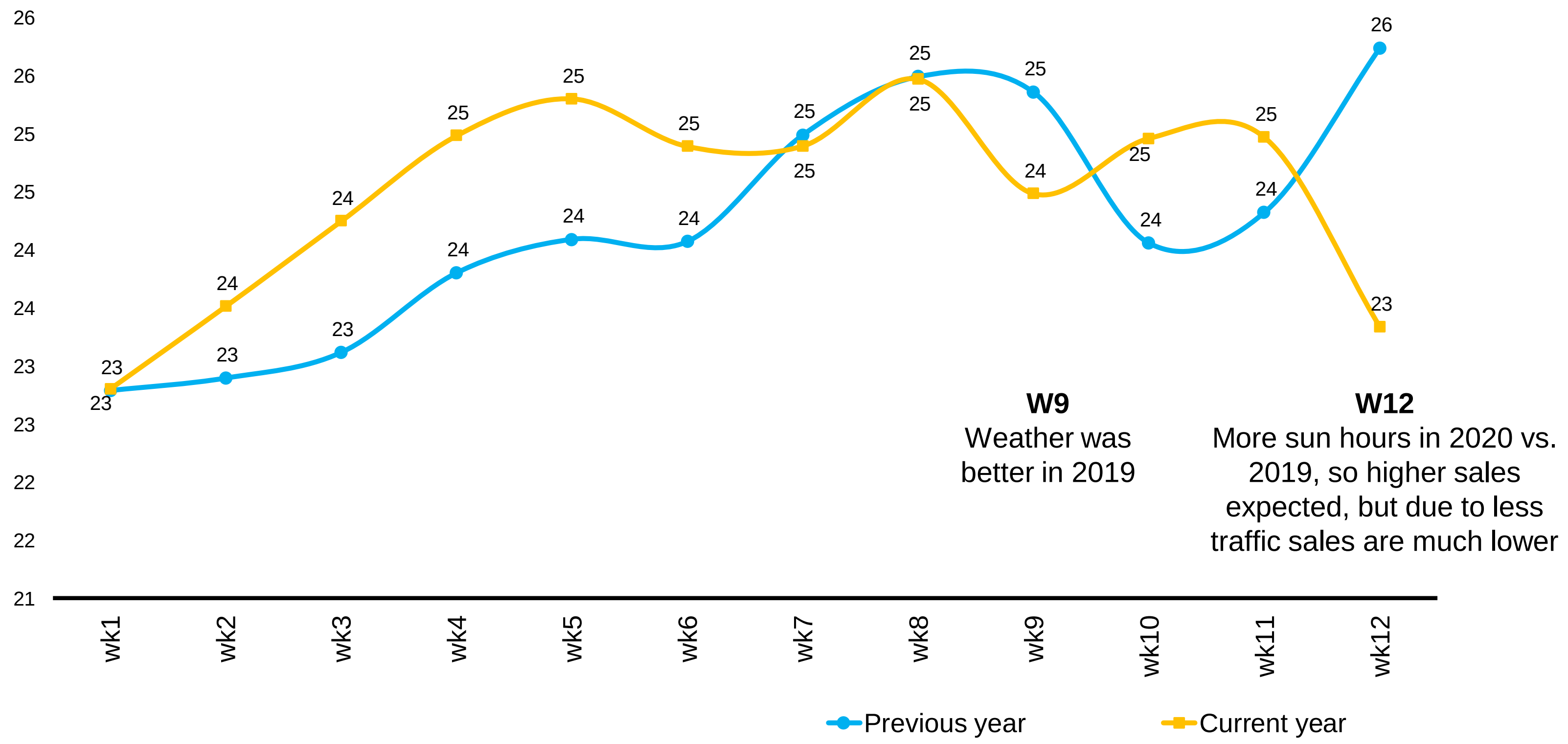
Bakeries are getting closed or still open with a limited assortment

Source: FD 29 maart 2020

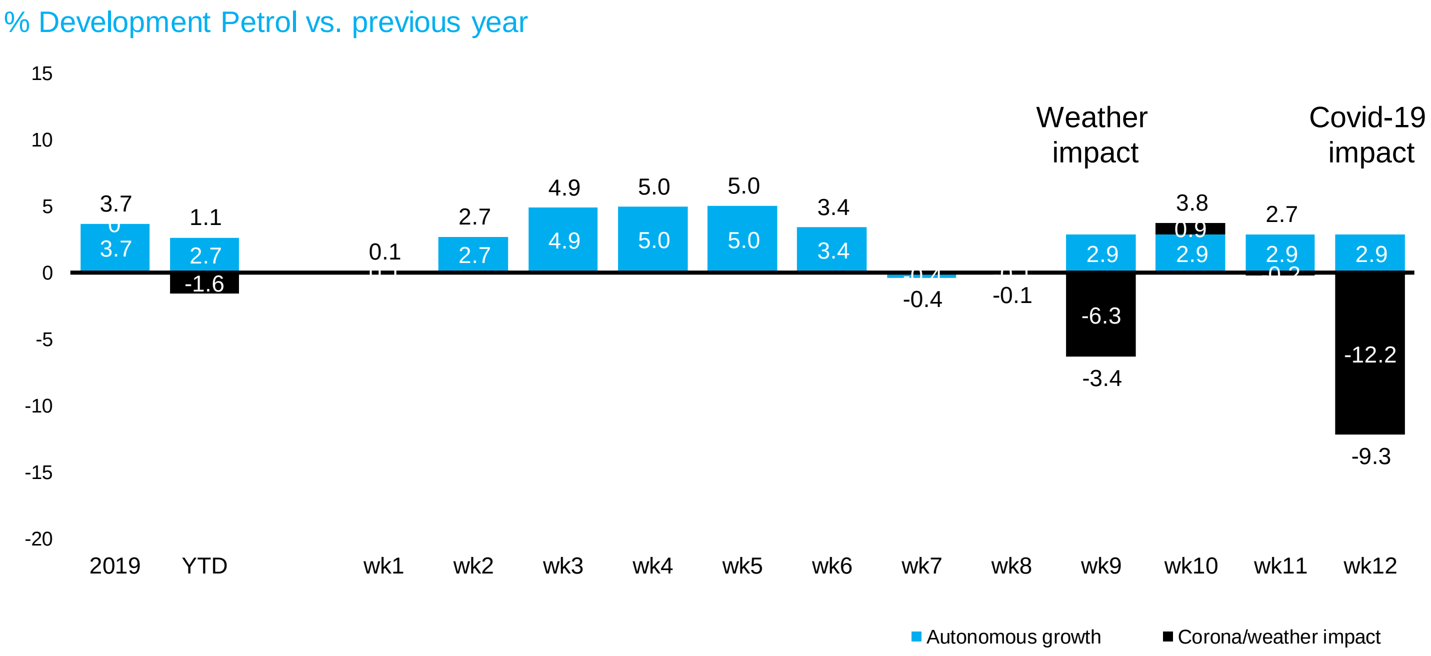
PETROL SALES FAR BELOW LAST YEAR IN W12

11% down compared to week 12 in 2019

Petrol - Totaal gemeten groepen per week (euro x mln)



BIG DROP IN SALES PETROL SHOPS IN WK12



Extra growth from wk9	Extra % growth from wk 9	Impact on % YTD growth
€ -5M	**-4.5%**	**-1.6%**

20-30% LOWER SALES IN PETROL SHOPS

Biggest impact on Food service and Impulse

% Value development supergroups - Petrol excl BP CoCo

	YTD 2020	wk2-8 2020	Cum from wk9 2020	wk 09 20	wk 10 20	wk 11 20	wk 12 20
Totaal Gemeten Groepen	1.1	2.9	-1.7	-3.4	3.8	2.7	-9.3
Food Service	2.4	9.4	-8.9	1.2	5.3	-5.9	-34.8
Impuls	-3.4	0.5	-9.3	-3.9	2.2	-8.2	-25.8
Koude Dranken	4.9	9.0	-1.6	-5.8	11.5	6.9	-16.2
Non Food	-0.8	-1.4	-3.0	3.7	-5.4	-4.3	-6.2
Tabak	1.1	2.3	-0.2	-4.3	3.9	4.8	-4.6

BIGGEST SALES DROP IN € FOR CIGARETTES

Nearly €2M lower sales for Cigarettes, driven drop in w12

Category	Value index wk2-8 2020/2019	Value index from wk9 2020/2019	Est. Impact in € (000) Actual minus expected	Index € sales vs PY wk2-8 20	YTD from wk 9 20	wk 09 20	wk 10 20	wk 11 20	wk 12 20
Sigaretten	103	100	-1,861	103	100	96	105	106	94
Broodsnacks	113	91	-1,018	113	91	103	107	94	62
Sport/Energiedranken	110	100	-555	110	100	94	111	108	89
Telefoonkaarten	105	98	-450	105	98	101	95	93	103
Loterij	109	88	-436	109	88	106	83	95	64
Frisdranken	107	96	-390	107	96	92	112	106	77
Suikerwerk	100	90	-311	100	90	99	103	91	67
Chocoladeproducten	100	89	-283	100	89	99	100	84	73
Dv Ijs	85	72	-64	85	72	45	82	101	75
Koelverse Snacks	13	9	-49	13	9	10	10	10	6
Biscuits & Koeken	102	100	-35	102	100	96	105	106	94
Sigaren	101	101	-30	101	101	95	107	104	96
Zure Melkdranken	100	88	-27	100	88	95	100	90	69
Droge Worst	94	80	-20	94	80	87	80	77	78
Tussendoor	139	124	-19	139	124	141	154	121	83
Pindas Noten+Aanv	89	73	-17	89	73	84	81	73	56
Non Food Electrisch	78	61	-16	78	61	66	77	60	43
Luchtverfrissers	92	85	-14	92	85	91	104	89	61
Dagbladen	71	70	-13	71	70	68	62	74	77
Voorverpakt Brood	140	132	-13	140	132	133	133	138	125

LONG TERM IMPLICATIONS

- Independent Petrol stations already have a hard time due to less traffic, Tobacco restrictions and the rise of electric cars

- Covid-19 might lead to faster closure of the smaller independent petrol shops

BE A STEP AHEAD WITH WEEKLY UPDATES

COVID-19 IS MOVING FAST, BUT YOU CAN BE FASTER.
CONTACT YOUR NIELSEN REPRESENTATIVE TO FIND OUTHOW 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

"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.

This artwork was created using Nielsen data.