SHOPPER INTELLIGENCE

GROCERY SHOPPING DURING COVID-19

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Shopper Intelligence

Putting the shopper into the conversation..

WHAT

WHY & HOW

9 YEARS IN UK GROCERY – 600k interviews

- **Objective** – neutral insight source, trusted by retailers
- **In-depth** – category, segment, brand, customisation
- **Benchmarking** - prioritise your investment

Shopper Intelligence

Shopper profile

Category DNA

Satisfaction

Path to Purchase

Instore Execution

WHY & HOW

Fieldwork details

BEFORE

2019 Fieldwork (Mar-Aug)

Post shop questionnaire

Total Market view collected at a category level

n=20,320

Standardised questionnaire

COVID-19

Fieldwork w/c 30/03

Post shop questionnaire

Total Market view collected at a category level

n=1,518

Standardised questionnaire plus custom CV-19 Q's

Summary..

How are we shopping?

- More men shopping
- Bigger baskets
- Shopping is more frequent
- Want to shop quickly
- Retailer loyalty still good
- Own label opportunity

01

Changing attitudes

- Availability more important
- Harder to find your brand
- We're sticking to one store
- Choice is also critical
- Opportunity for off-shelf
- Impulse behaviour stronger

02

Changing consumption

- We're forced to shop for occasions we otherwise wouldn't have
- Consumption is more expandable

03

How are we shopping?

There's a more even mix across gender for the shopping trip
More men purchasing than normal..

43%

Before = 36%

57%

Before = 64%

More opportunity to use shopper marketing to appeal to the male shopper

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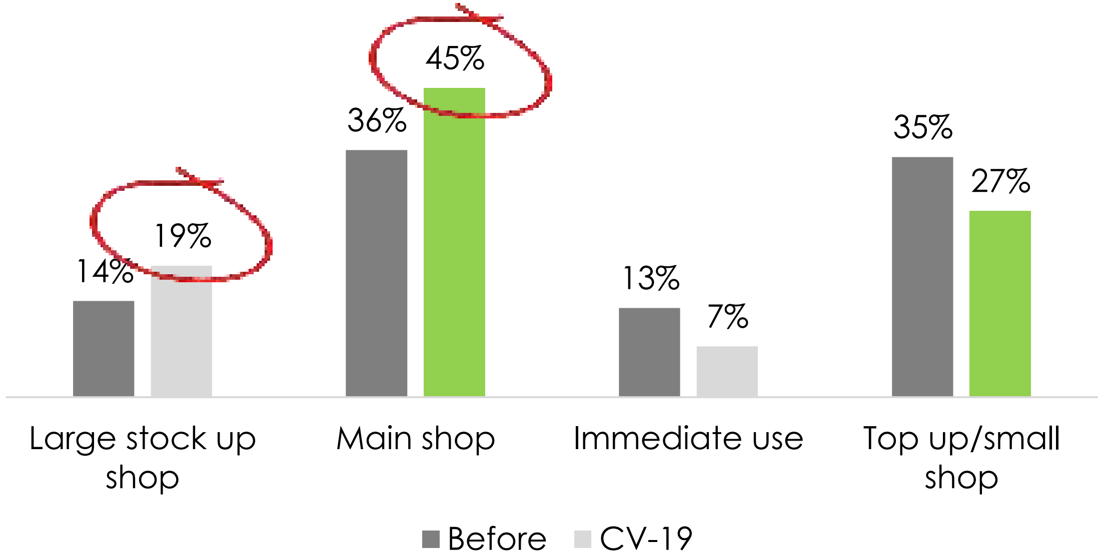
The main shop has become more of the norm
Bigger baskets represent almost 2/3rds of shops..



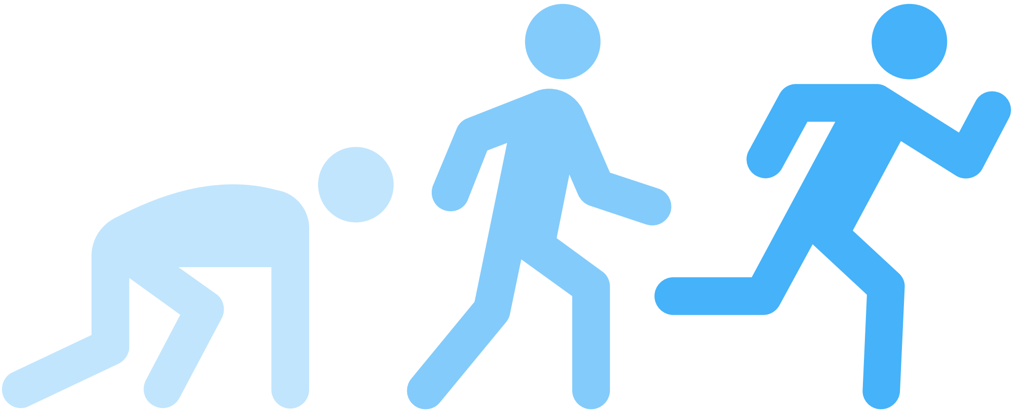
How can 'eat now' brands pivot to market for at home consumption

% shoppers | 99% | 90% | < 90% | 90% | 99% | > N

Benchmark: Before (2019)

Graphic designed by macrovector / Freepik

And shopping is more frequent
..perhaps driven by concern about stock/running out?



Every few days	4%	7%
Every week	19%	36%
Every 2-3 weeks	27%	26%
Every month	21%	17%
Every 2-3 months	15%	7%

Driven by purchases on less frequent items, opportunity to drive loyalty

% shopper | 99% | 90% | < 90% | 90% | 99% | > N

Benchmark: Before (2019)

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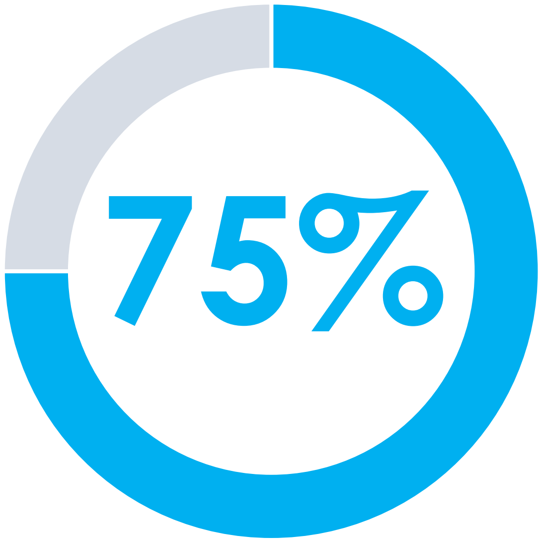
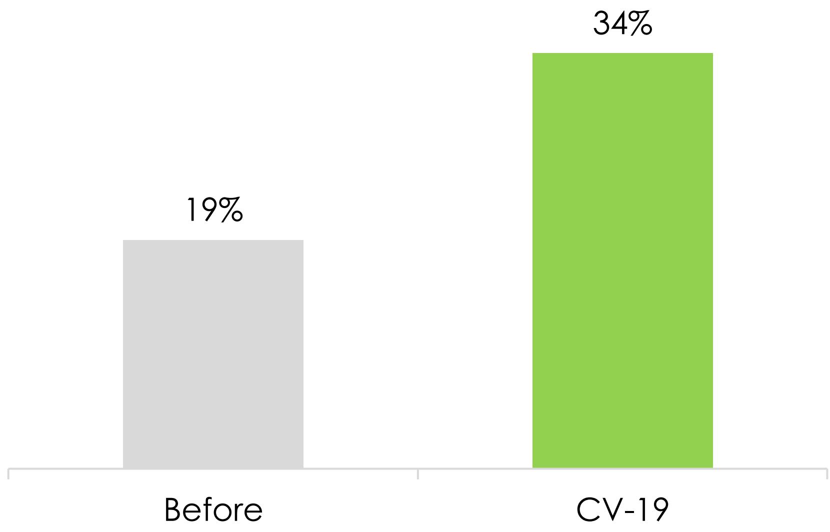
Time in store is not something shoppers want
15% increase in shoppers feeling the pressure to get in and out!



Grab & Go

"I did not want to spend more time than necessary in RETAILER"



Store experience may be crucial for longer term loyalty here

% shoppers | 99% | 90% | < 90% | 90% | 99% | > N

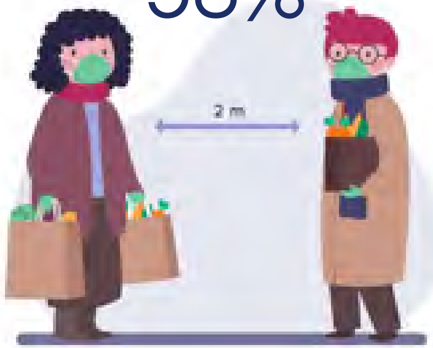
Benchmark: Before (2019)

Shopper Intelligence

Retailer loyalty hasn't really been impacted so far
57% still shopping at same retailer (up from 47%)..

Social distancing enforced

58%



84%

"Happy with how my retailer is handling the crisis"

62%

Item limits enforced

So far retailers are doing a good job of this

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There are also more shoppers considering Own Label products

Quality generally good, but likely driven by stock issues

57%

agree they're **willing to consider own label**

+8%

Great opportunity for retailers to gain buyers if PL delivers on quality expectations

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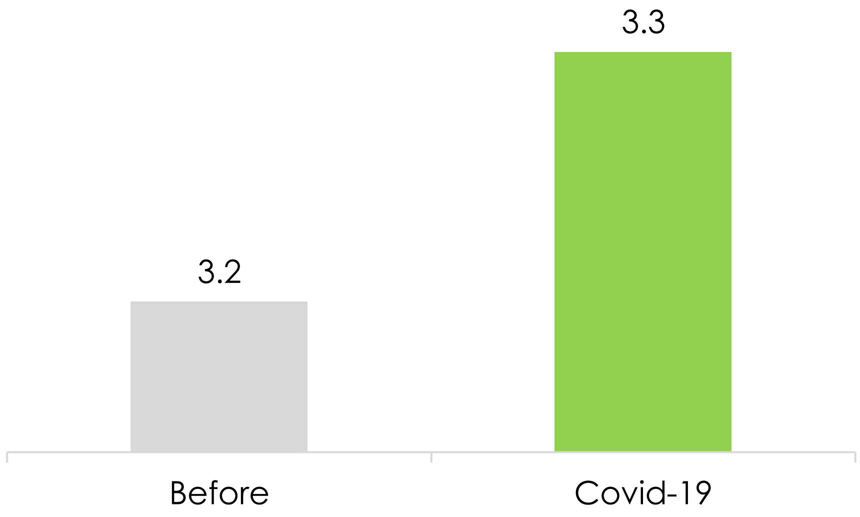
Changing attitudes..

Availability is unsurprisingly now more important
Nearly two thirds are finding issues at the moment..

Increase in Importance



Retailers and suppliers simplifying ranges but will this cause frustration?

62%

Say they have had issues with stock

5=most important
1=least important

99% 90% < 90% 90% 99% > N

Benchmark:
Before (2019)

Shopper Intelligence

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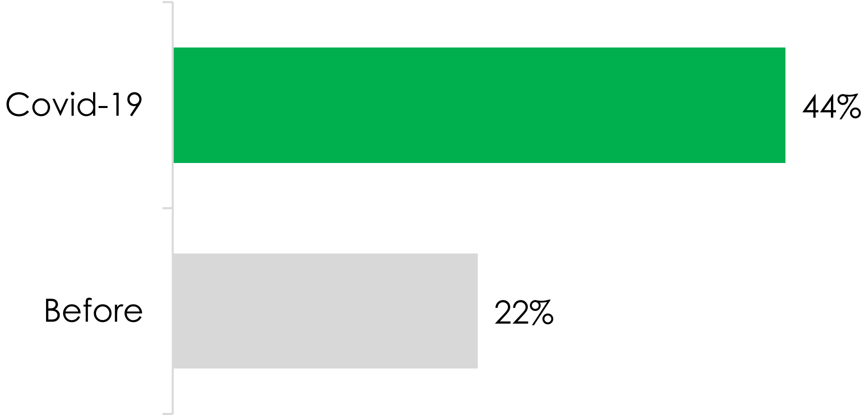
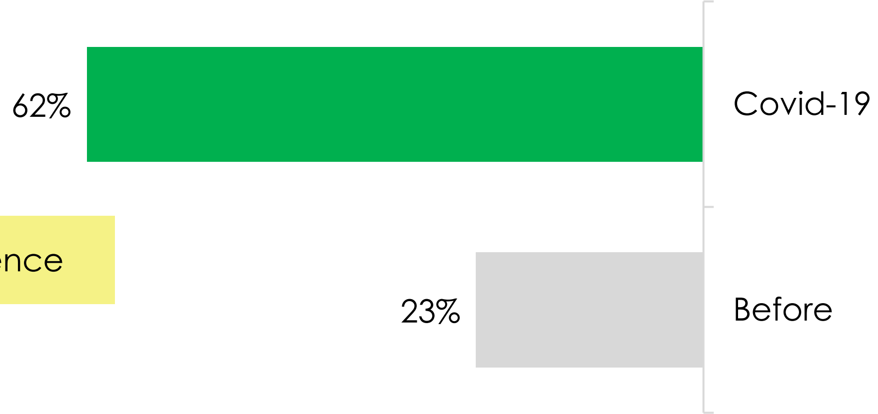
It’s harder to find the specific items/brands you want
..because they’re not in stock?

“I didn’t buy the brand/brands I planned to buy”





“It was out of stock / I couldn’t find it”

Risk for brands with less share of space/shelf presence

% shoppers | 99% | 90% | < 90% | 90% | 99% | > N

Benchmark: Before (2019)

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We're not shopping around for items though
The vast majority don't look elsewhere..

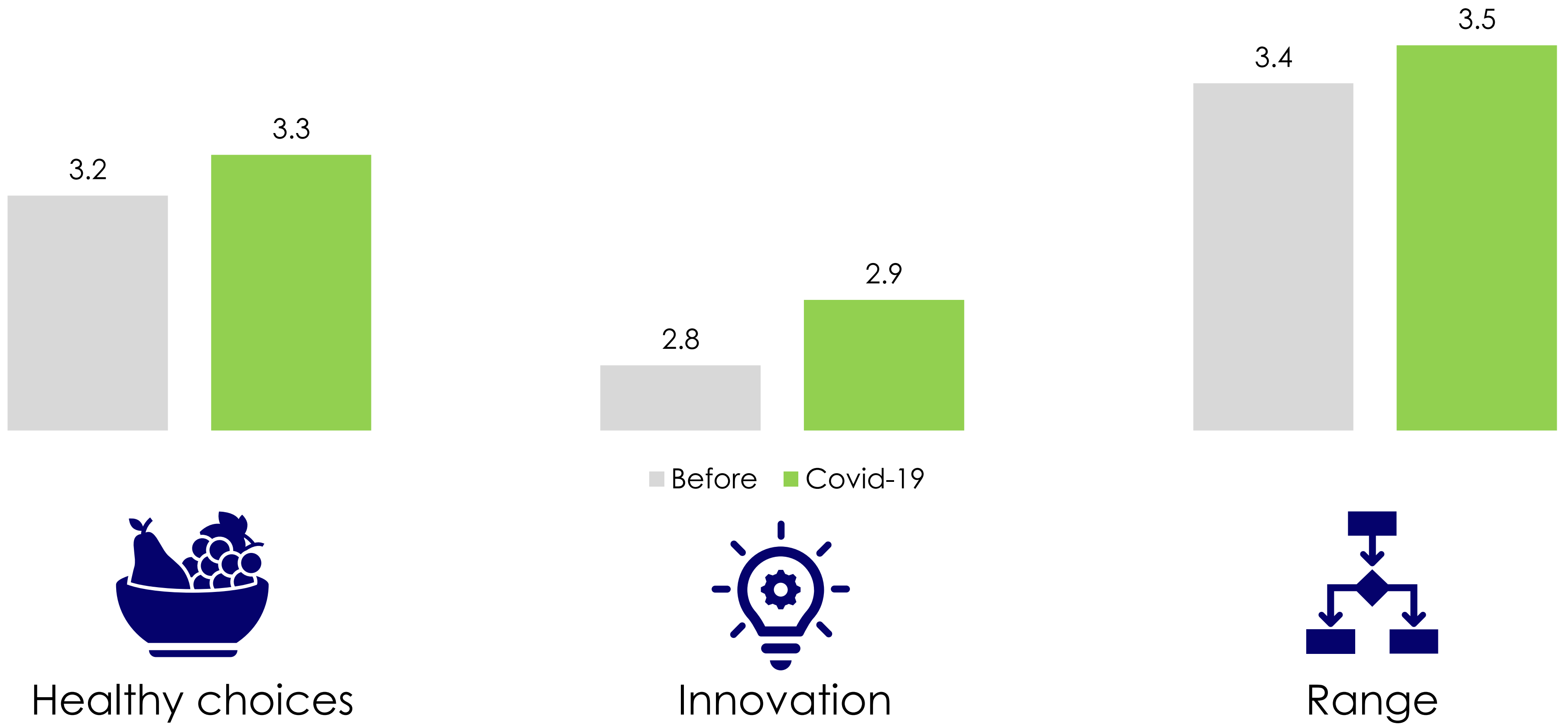
89%

only visited one store

Further evidence of loyalty and that most are obeying government guidelines

Graphic designed by macrovector / Freepik

This means choice is more important than ever
..and 21% were forced to buy something they normally wouldn't



5=most important
1=least important

99% 90% < 90% 90% 99% > N

Benchmark:
Before (2019)

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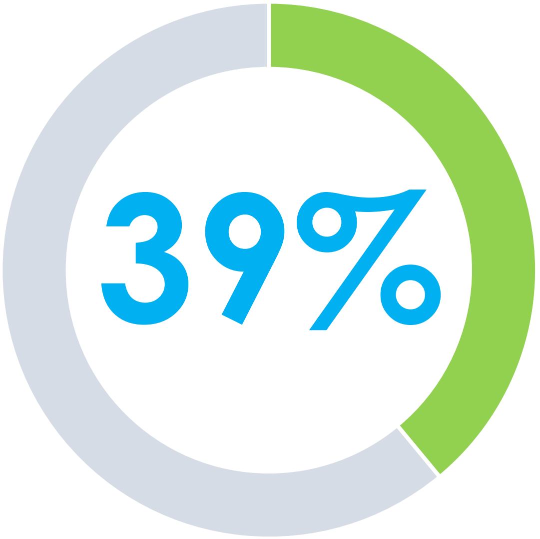
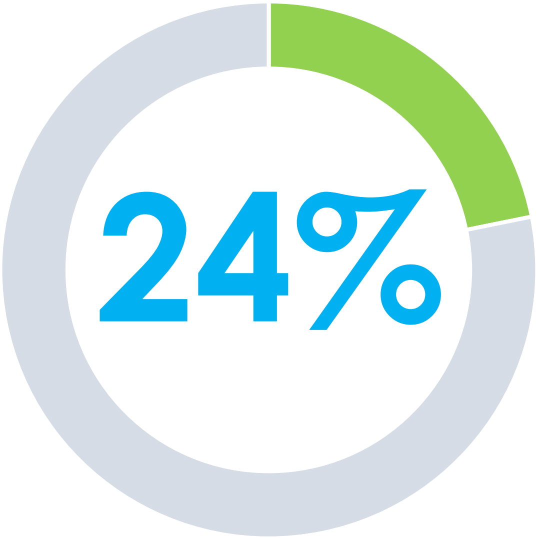
It also leads to more significance for off shelf feature
An opportunity for brands that can secure secondary space

DISPLAY is a key trigger to purchase



…versus 28% before

Bought from **SECONDARY DISPLAY**



…versus 17% before

With poorer availability we're picking up items wherever we can find them

% shoppers | 99% | 90% | < 90% | 90% | 99% | > N

Benchmark:
Before (2019)

Shoppers are being more impulsive as a result
A chance to create new purchase habits?

38%

agree they're "**willing to try new/different**"

+8% vs. before

+28% vs. before

agree they "**buy because they feel like it**"

27%

% agreement with statement | 99% | 90% | < 90% | 90% | 99% | > N

Benchmark: Before (2019)

Graphic designed by macrovector / Freepik

Changing consumption..

The working lunch is now at home!
28% buying for 'lunch at home' occasion..

+9% versus before

An opportunity to capitalise on some of the £bn not being spent out of home

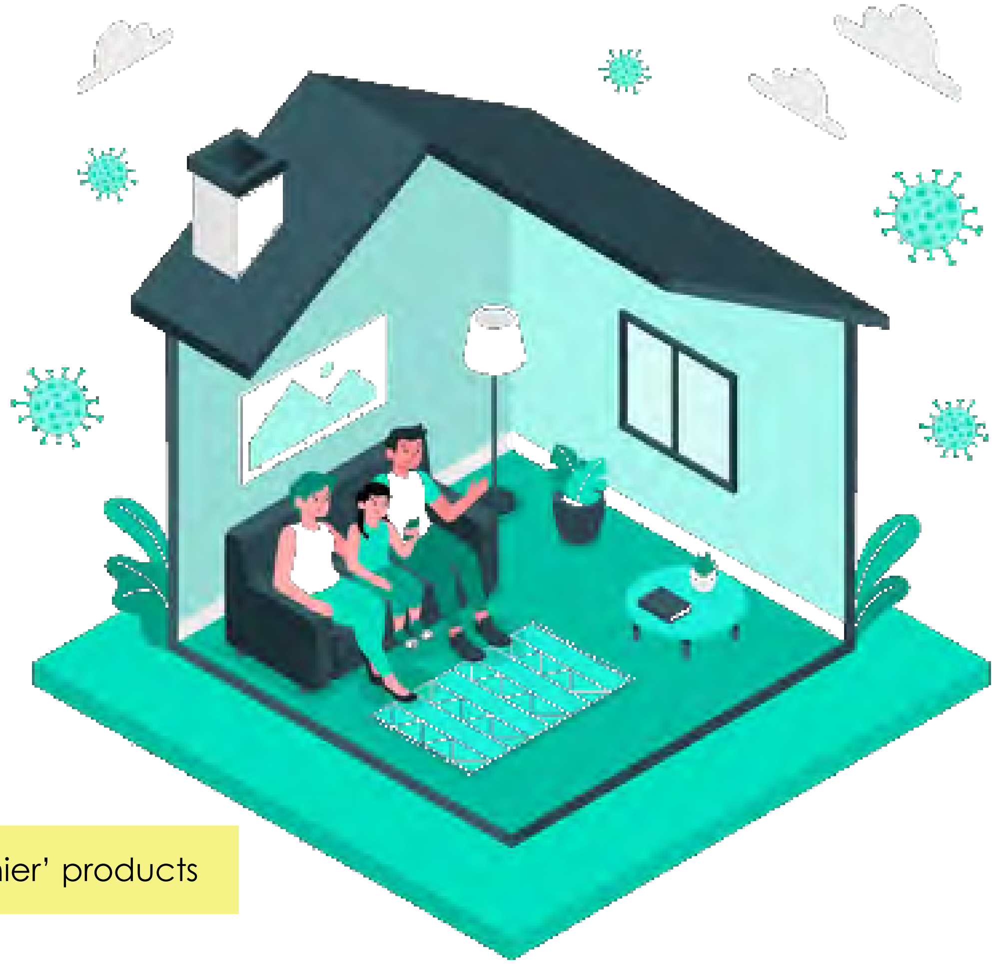
Graphic designed by macrovector / pch vector / Freepik

Lockdown may mean we're being tempted to eat more
Expandability is up..

25%

"the **more** we buy the **more** we consume"

...up from 16% previously



Boredom leads to the fridge! Good opportunity to leverage 'healthier' products

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Closing thoughts

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Some final thoughts..

- **Some of the obvious stuff is changing as we might expect**
  - Bigger shops, focus on availability and choice, less time wanted in store
- **There are opportunities if handled well**
  - Off shelf and display are getting greater engagement and awareness
  - Own Label is more likely under consideration
  - 'At home' consumption of typical 'out of home' occasions means a new opportunity for brands that act
- **Long term changes aren't yet clear**
  - We may see a lot of these trends revert once times return to more normal behaviour

All data in this report is available at a **category and retailer level** as part of our ongoing, store - wide shopper benchmarking service

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