Growth
from
Knowledge

#MasterTheCrisis

Shopping behavior in times of crisis

COVID-19

Phase 1: Panic

The panic phase:
calendar of key virus-related events

9 week	Numerous cases in Northern Italy
10 week	Northern Italy becomes a “red zone”, with infections spreading rapidly. First cases start appearing elsewhere in Italy and Europe
11 week	Total lockdown announced in Italy and some other countries follow suit
12 week	Scaling up of measures across the continent, schools/restaurants/ bars closed everywhere, non-essential stores in many countries
13 week	Tightening of governmental control, prolongation of measures

February / March 2020

April – Dec 2020

2021

Phase 1: **PANIC**

Phase 2: **ADAPT**

Phase 3: **NEW NORMAL**

Attitudes and purchasing behavior amidst panic

- **Fears & actions:** country comparison
- **The household perspective**
- **Lessons from Italy**
- **Cross-country Buying behavior**
- **What comes after?**

Corona effects in Europe

Countries

Italy	Germany	Belgium	Netherlands	
Croatia	Czech Republic	Slovakia	Serbia	Austria

Attitudes & purchasing behaviour

Why2Buy questionnaire in w11 n=9295 – w12 n=6295

Weekly purchasing data for selected countries

Fears & actions taken

Levels of concern increasing with virus spreading throughout Europe

11 week **65%** **(Really) concerned** Average

12 week **78%** **(Really) concerned** Average

Week 11 – 6 country average / week 12 – 7 country average

COVID-19: Household measures and attitudes in week 12

69%
WASH HAND MORE

69%
HYGIENCIC RULES

65%
AVOID CLOSE CONTACT

64%
AVOID CROWDS

98% of households take extra COVID- measures

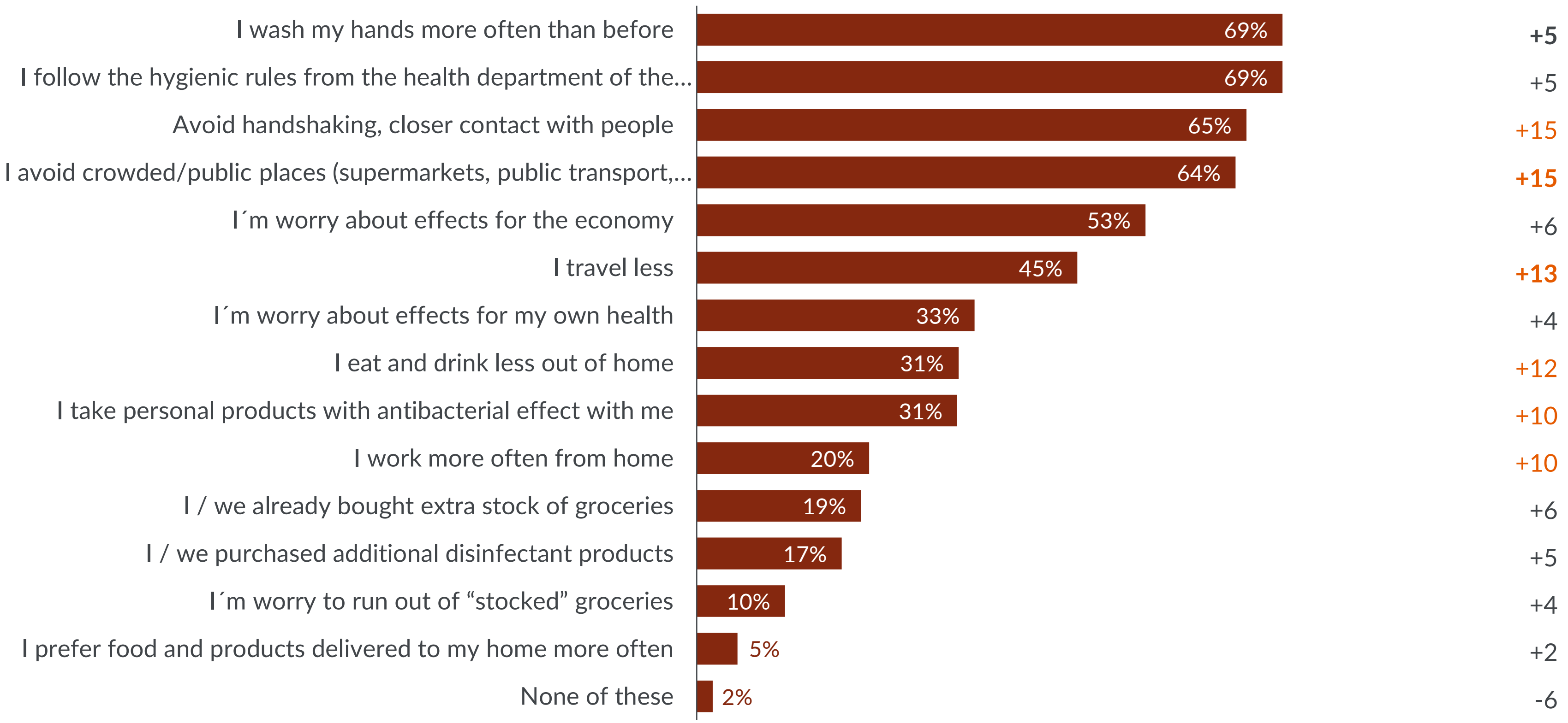
Week 12 - 7 country average

Week 12 marks a strong change in behaviors and attitudes

Regarding COVID-19, what applies to you?

Average w12 - 7 countries

12 week VS 11 week



As measures to «flatten the curve» spread across the European continent in week 12, there is a sharp increase in changing behaviors, both forced (eg. closures) and unforced (eg. social distancing)

N = 9295 | 6295

- COVID-19 Shopping behavior in times of crisis

Levels of self-activation vary widely across Europe

Due to the COVID-19 virus, I...

Data from week 12

69%

Wash hands more often

87%	78%	62%	55%
Slovakia	Austria	Serbia	Croatia

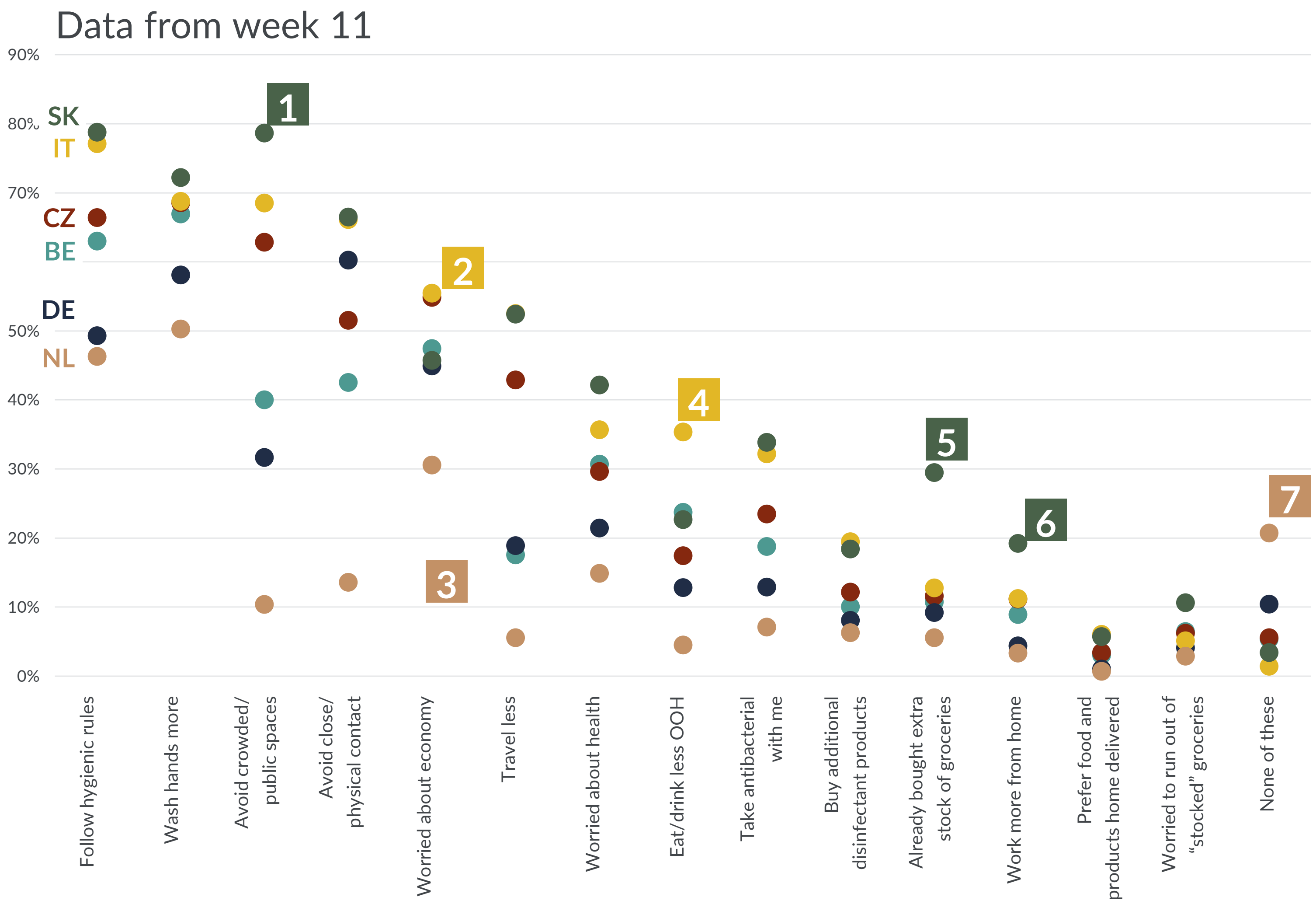
28%

Carry antibacterial products

45%	37%	22%	8%
Slovakia	Czech Republic	Austria	Netherlands

Taking individual responsibility is not yet the common denominator

While COVID-19 is still a ´local´ problem, behaviours greatly vary



1 Social distancing

2 Worries about economy

3 Lagging behind in general

4 Strong in home orientation

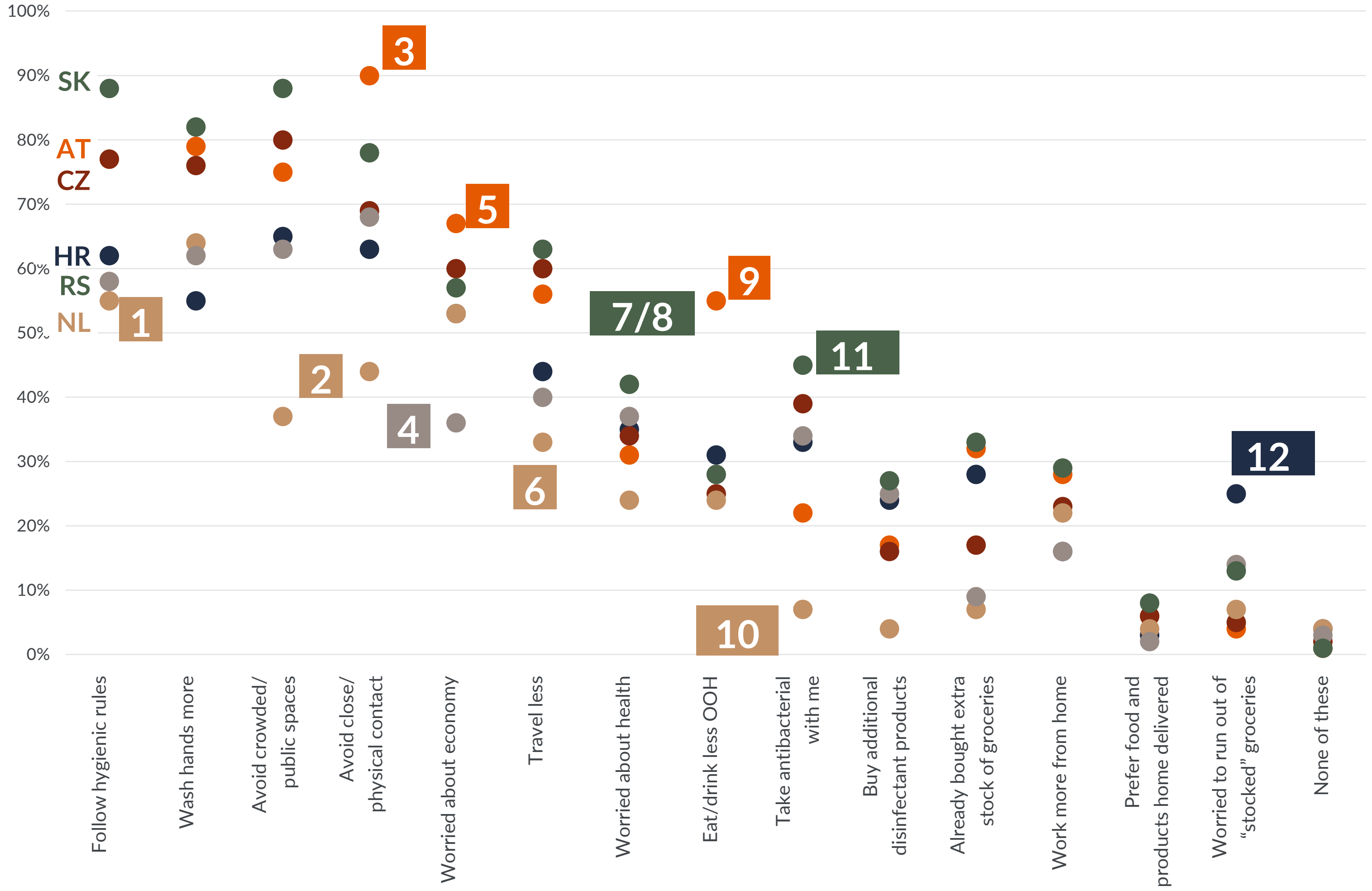
5 Early stocking-up

6 Time at home

7 Nothing to do with me

While the virus spreads, behaviours get more widely adopted

Data from week 12



1 Low hygienic measures
2 Contact of persons
3 Strict avoidance of physical contact
4 Least worried about economy
5 Most worried about economy
6 Contact of persons
7 Most worried about health
8 Quite worried about health
9 Strong in home orientation
10 Low use of antibacterials
11 Strong use of antibacterials
12 Most worried about stock

Activation gap - ´stay home´ scenario

Still a sizeable gap in adoption between fearful and fearless

Concerning COVID-19, the following applies … [evidence from Germany]

Worries	
Worried about the economy	x2
Worried about running out of stocks	x5
Worried about effects on my health	x12

Measures	
I travel less	x3
I follow the hygienic rules	x2
I avoid crowded/public places	x3
I eat and drink less out of home	x5
I take antibacterial products with me	x2
I work more often from home	x3
Avoid handshaking, closer contact with people	x2
I wash my hands more often than before	x2
I/we purchased additional disinfectant products	x4
I/we already bought extra stock of groceries	x5

The factor by which the worried apply a measure more than those not worried

Week 11

Activation gap – ´social distancing´ approach

Still a sizeable gap in adoption between fearful and fearless

Concerning COVID-19, the following applies … [evidence from the Netherlands]

Worries	
Worried about the economy	x2
Worried about running out of stocks	x4
Worried about effects on my health	x9

Measures	
I travel less	x5
I follow the hygienic rules	x2
I avoid crowded/public places	x4
I eat and drink less out of home	x4
I take antibacterial products with me	x3
I work more often from home	x3
Avoid handshaking, closer contact with people	x3
I wash my hands more often than before	x2
I/we purchased additional disinfectant products	x3
I/we already bought extra stock of groceries	x5

The factor by which the worried apply a measure more than those not worried

Week 12

Activation gap - ´lockdown´ approach

As worries spread, adoption gets universal…except stockpiling

Concerning COVID-19, the following applies … [evidence from Italy]

Worries	
Worried about the economy	x1
Worried about running out of stocks	x14
Worried about effects on my health	x12

Measures	
I travel less	x1
I follow the hygienic rules	x1
I avoid crowded/public places	x1
I eat and drink less out of home	x1
I take antibacterial products with me	x2
I work more often from home	x1
Avoid handshaking, closer contact with people	x1
I wash my hands more often than before	x2
I/we purchased additional disinfectant products	x3
I/we already bought extra stock of groceries	x3

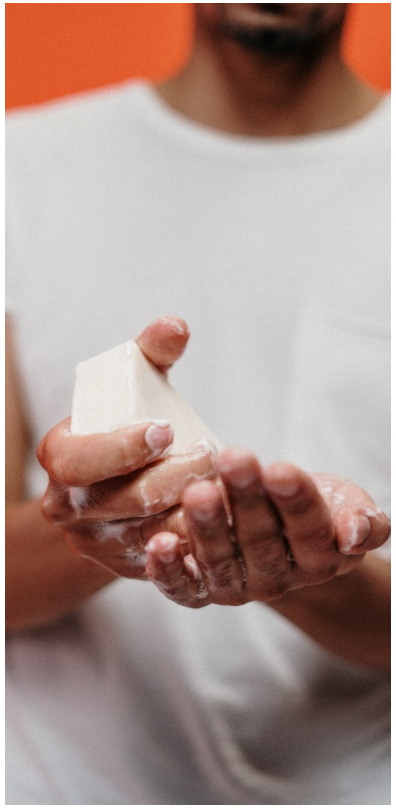
The factor by which the worried apply a measure more than those not worried

Week 11

Prevention and Fear of Missing Out

take-outs

- As the COVID-19 virus spread across Europe, concerns and measures grow. There is still quite a gap in activation levels between those worried and those that are not. Encouraging **self-correcting hygienic behaviours** remains highly important.
- Economic concerns are universal. Worries about one´s health and worries about having enough stock are more immediate **divisive factors** separating the worried from the rest.
- In a total **lockdown scenario**, the activation gap between the worried and ´relaxed´ is closing. The remaining differences are mainly related to purchasing attitudes.



The household perspective

Most and least worried – different behaviors

To which extent are you worried about COVID-19?

Households over 65 are quite worried about their **health**, and generally less about the economy. They take much more **hygienic measures**, and avoid crowded places and close contact with others. Only in Serbia are they more concerned with stocking up.

	DE	IT	BE	CZ	HR	NL	RS	SK	AT
65+	117	99	113	105	99	122	106	98	101
<35	80	97	82	91	94	87	98	96	94

Households under 35 are rather concerned with **stocking up**. Concerning the measures they take, it's about shifting habits: **working from home** and **reducing OOH consumption**. They also tend to carry antibacterial products more often, whilst actually scoring lower on general hygienic measures and washing hands.

Concern is not equally spread. Younger households worry significantly less.

Index versus country population average > week 11~12

- COVID-19 Shopping behavior in times of crisis

Income is a divisive marker when it comes to economic concerns

I'm worried about the economic effects of COVID-19

High incomes

DE	IT	CZ	HR	NL	RS	SK	AT
114	111	108	110	102	118	108	109

The higher the income, the more concerned with (longer term) economic effects. Low income households don't necessarily worry less about COVID-19 in general.

Index versus country population average > week 11~12

- COVID-19 Shopping behavior in times of crisis

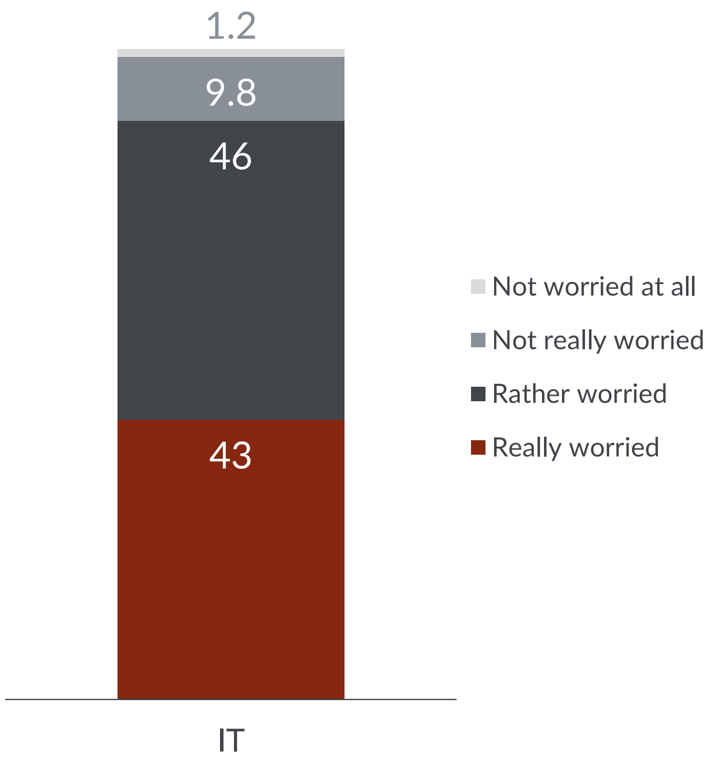
Word from the experts: ´Corooning´ in retail

As European retailers benefitted from the stockpiling, it also brought their logistics and employees to the limits. In the next weeks this situation will change. We will switch from the 'stockpiling phase' to the '**corooning phase**'. Due to shutdown of the public life in most of the European countries, people have to stay at home and make themselves comfortable at home.
What we learned from the last economic crisis, where we had detected a 'cocooning phase', this isn't too bad for the FMCG market, either. Shoppers switch big parts of their out-of-home consumption to an in-home consumption. Usually this should increase the in-home consumption in the next few months.
However, there should be also some risks for the FMCG sales: short-term the shoppers might have to use their stocks up. Mid-term the upcoming economic crisis might lead to lower income and to lower FMCG expenses of the shoppers. Though we learned from the last 'cocooning phase' that **good food** and **small treats** have helped shoppers to cope with the situation that they can't go out and can't travel that often as they were used to do.

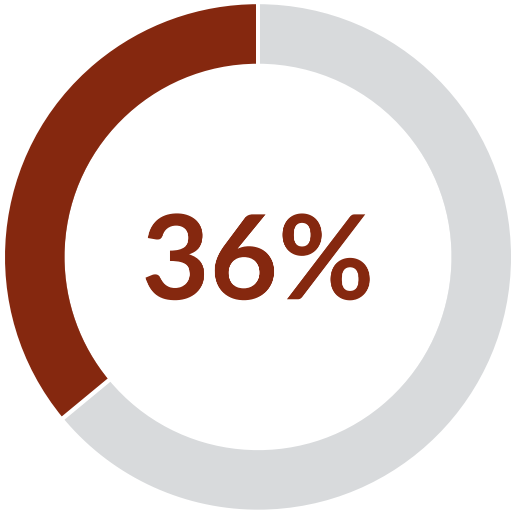
Dr. Marc Knuff
Global Director Retail
GfK

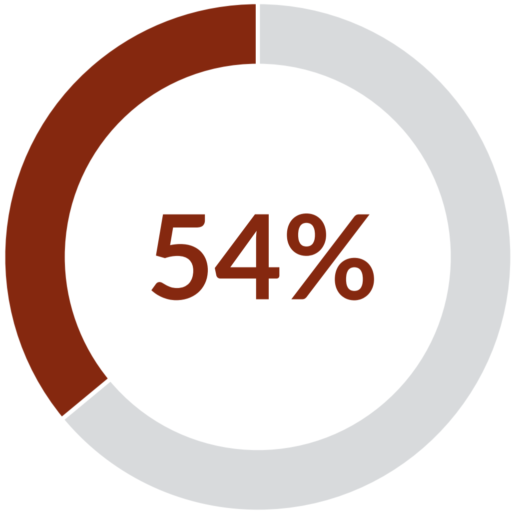
Lessons from Italy

By lockdown, 9 out of 10 Italians are worried



Worried about **Health** **Economy**



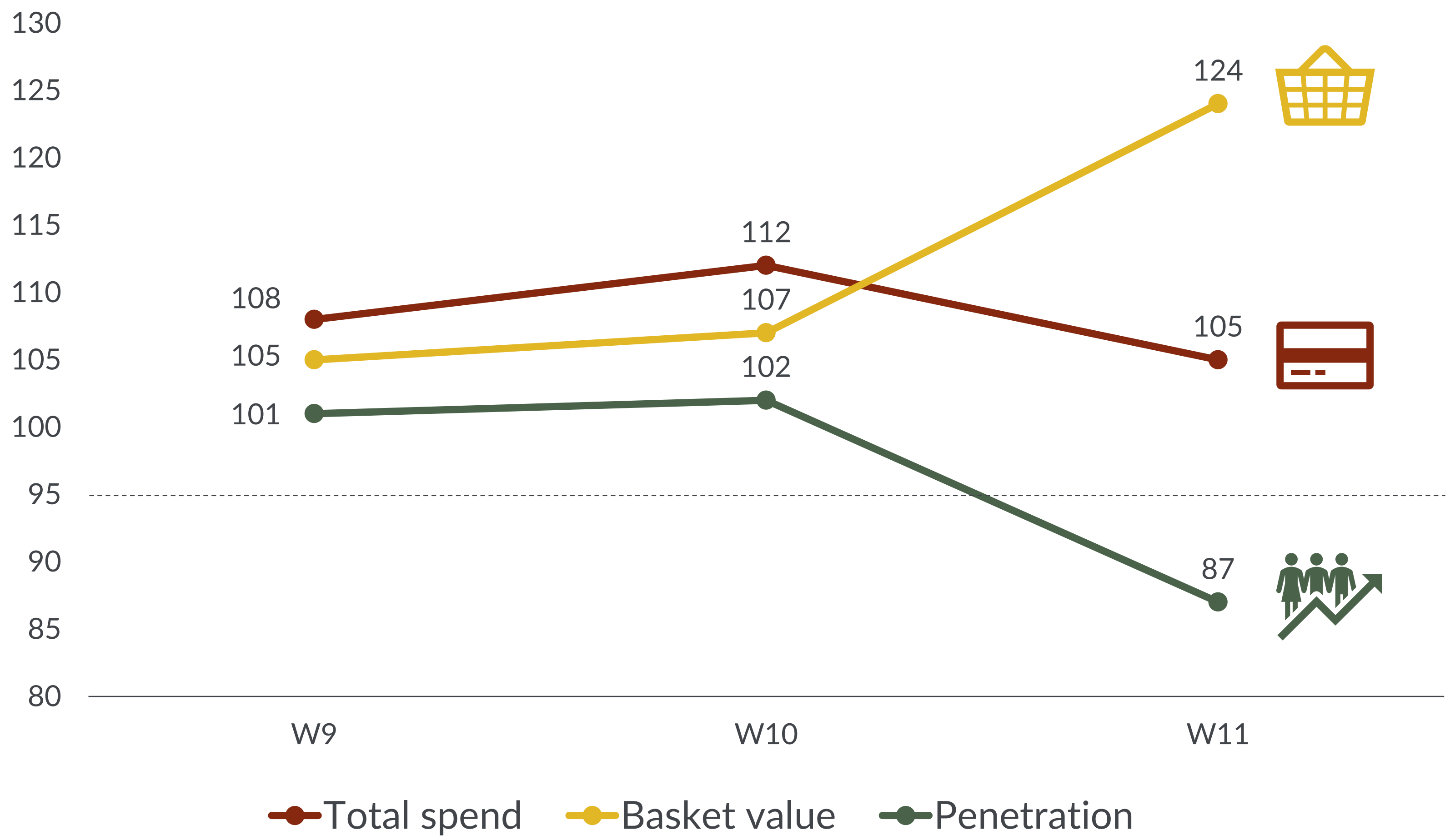


WEEK 11: FIRST WEEK OF TOTAL LOCKDOWN

By this time, 9 out of 10 Italians are quite worried about COVID-19. Economic concerns are highest.

Week 11 data

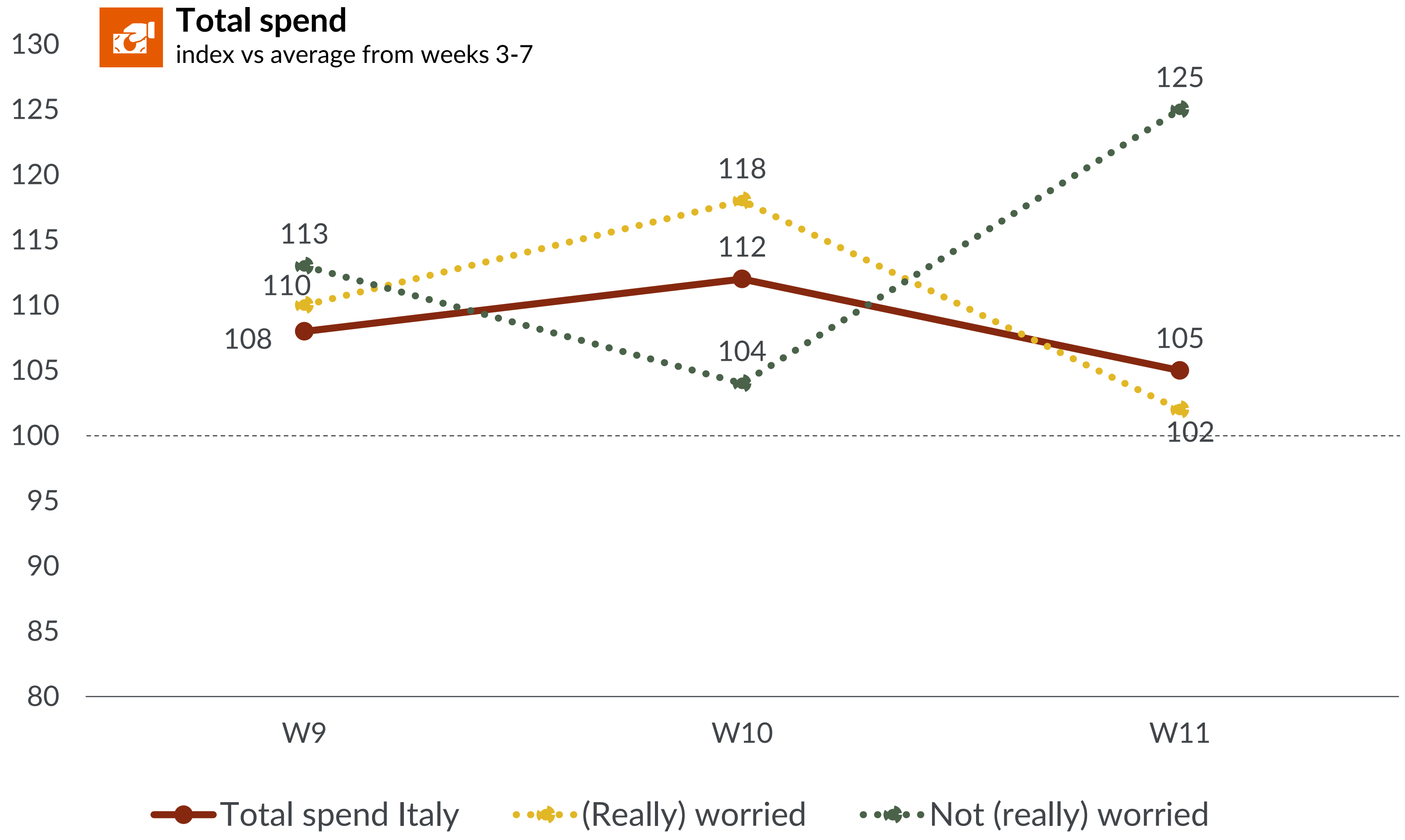
Lockdown week marks real change in purchasing behaviour



Big baskets drive value growth, especially in the lockdown week (+24%). Penetration actually falls, especially in the North West, as a result of stocking behavior in the week before and stricter shopping rules.

GfK Italy – Consumer Panel – PRELIMINARY RESULTS BASED ON UNWEIGHTED & UNPROJECTED CONSUMER PANEL DATA

The worried start stockpiling early on. The ´relaxed´ follow in lockdown.



During the first phase of the virus spreading (w9/w10), increased spending (+8%,+12%) is largerly driven by those worried. When the situation became insti-tutionalized in a lockdown (w11), those ‘not worried’ show a strong laggard effect (spend +25%).

GfK Italy – Consumer Panel – PRELIMINARY RESULTS BASED ON UNWEIGHTED & UNPROJECTED CONSUMER PANEL DATA

Young households worry more about their stock

I worry I run out of stock

<35 index **176**

5%

65+ index **20**

I already stocked up

<35 index **150**

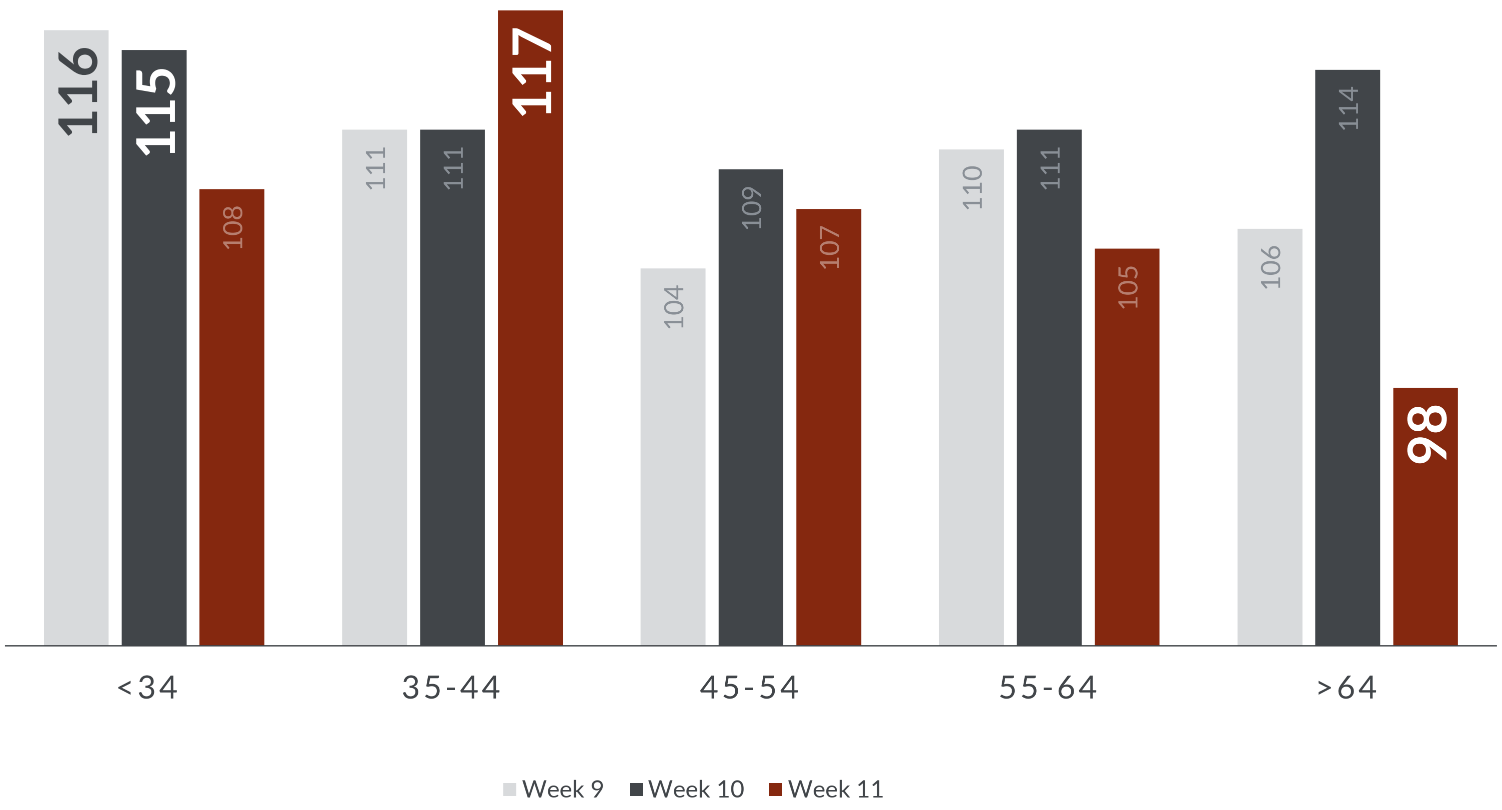
13%

65+ index **43**

As restaurant and alike options disappear, young households - usually more prone to consuming outside the home - find themselves confronted with having to plan and purchase in advance.

In lockdown, older households spend less

FMCG spend index vs. average wk 3-7: Age groups

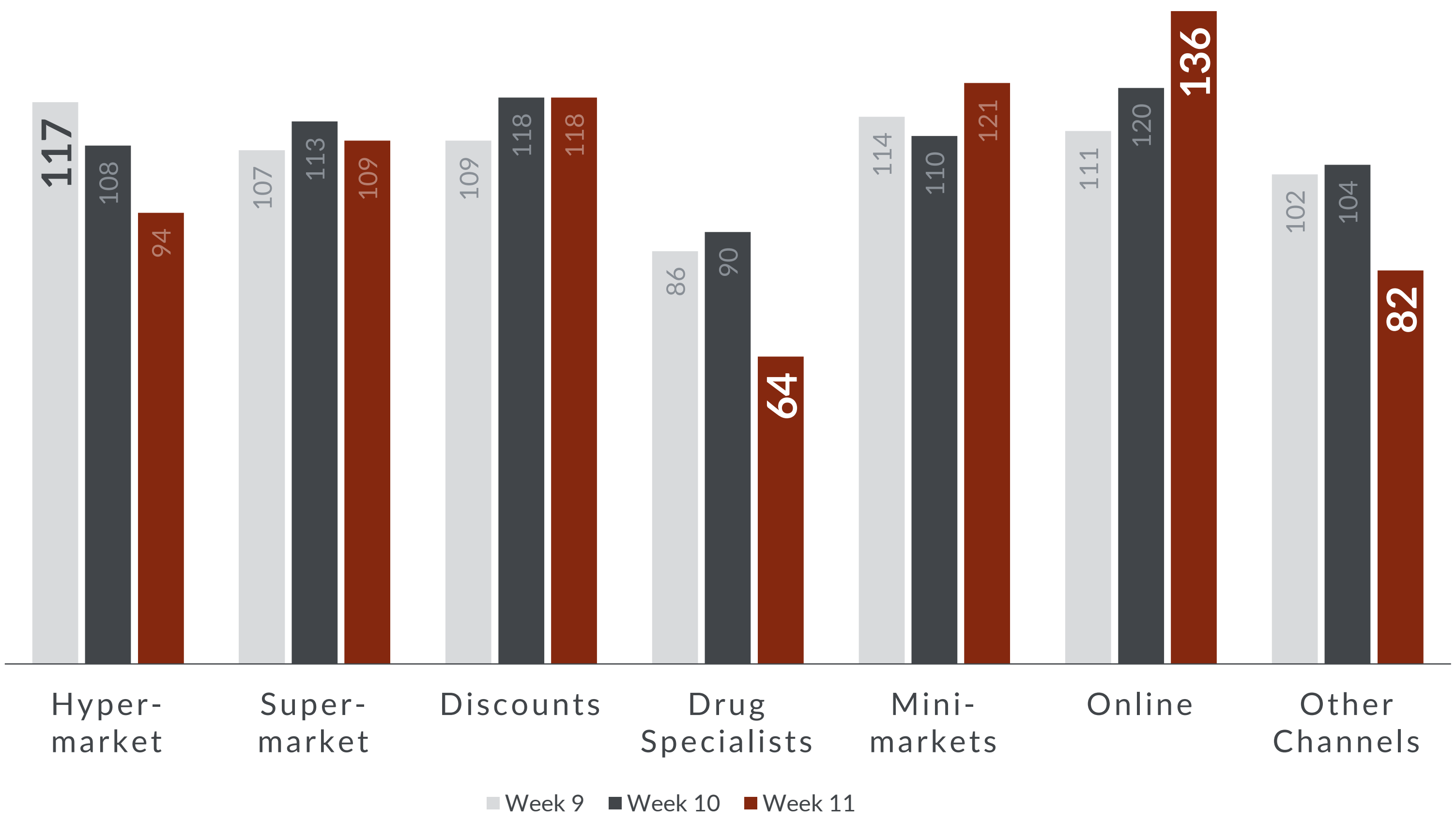


Younger households show the highest actual increase in FMCG spending. By the time the total lockdown started (w11), older households show a drop below 100 in spending. In a more vulnerable situation, older households avoid trips. With a high share of 65+ households, this might have
a strong negative effect in the long term if the situation continues.

GfK Italy – Consumer Panel – PRELIMINARY RESULTS BASED ON UNWEIGHTED & UNPROJECTED CONSUMER PANEL DATA

Specialist stores face a tremendous challenge. Proximity, discount and online profit.

FMCG spend index vs. average week 3-7: Channels



Where hypermarkets profited from first "unplanned" stock-up buying during uncertainty weeks, the lockdown pushes this to negative indexes. This effect is even stronger for drug stores and other channels / traditional stores. They face a real challenge, as people prefer one stop (online) shopping to avoid multiple points of contact.

GfK Italy – Consumer Panel – PRELIMINARY RESULTS BASED ON UNWEIGHTED & UNPROJECTED CONSUMER PANEL DATA

The Lombardy-scenario that follows if shopping rules get tighter

Proximity channels grow further

Week 11 Lombardy vs the average of the previous weeks (value share)

Discount	Minimarket	Online
+17%	**+47%**	**+44%**

One stop shopping explodes

Even bigger baskets	Frequency ↓, planning ↑
+28%	**-25%**

Word from the experts: Surviving the panic phase

At the moment the prevailing shopper strategy in Italy is stock-piling and less frequency. Proximity channels and online win in this context. The stock-piling strategy leads to growth in the short term for FMCG and most of the categories behind, but the real question is how will this turn into real growth and how much will be only stock up with the same consumptions levels? We have identified 6 different area of possible real growth, due to changes in occasions and shopper behavior: **1. Breakfast at home 2. Creativity and Base Ingredients 3. Ready meals** (e.g. for smart-workers) **4. Disinfection** (personal and home) **5. Re-create OOH habits in home** (e.g. pizza, coffee capsules) 6. **More male shoppers** (with different habits)

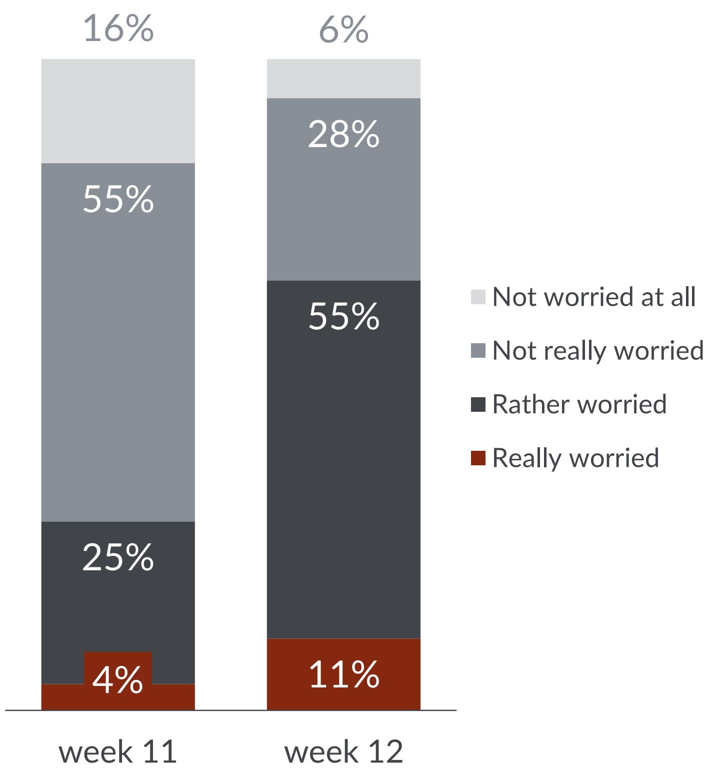
Marco Pellizzoni
Commercial Director
GfK Italy

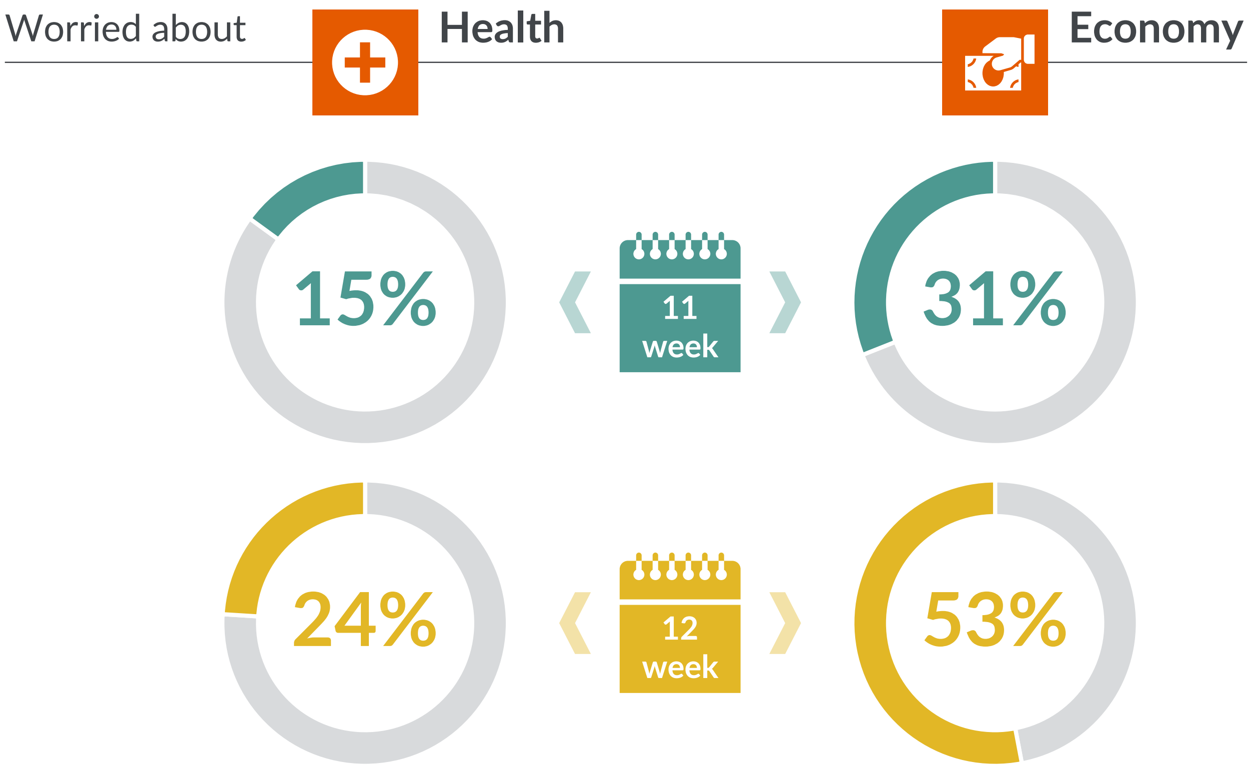
Roberto Borghini
Business Unit Lead
GfK Italy

Cross-country purchasing behavior

Netherlands

COVID-concerns grew by week 12



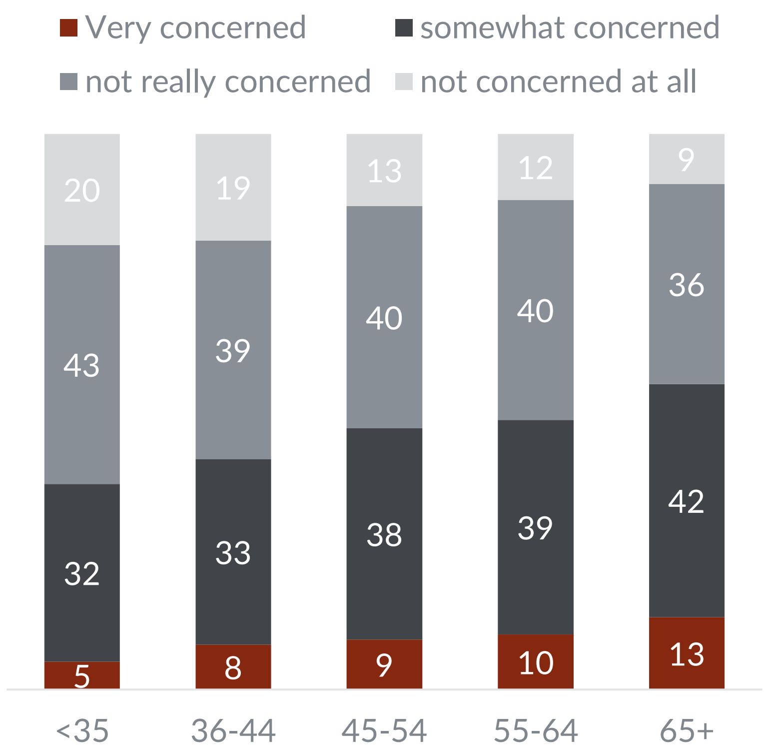


WEEK 12: FIRST WEEK OF CLOSURES

As worries about COVID-19 spike, economic concerns grow faster than health concerns.

Concerns vary by age and income

By shopper age



By household income

	very concerned
Low	**114**
Medium	**62**
High	**68**

Significant differences in anxiety levels depending on age and income

Activation levels increased when national measures were scaled up

Regarding COVID-19, what applies to you?

W12 - Netherlands

	12 week	VS 11 week (NL)	11 week (IT)
I wash my hands more often than before	63%	+12	-6
I follow the hygienic rules from the health department of the...	58%	+11	-19
I´m worry about effects for the economy	50%	+19	-6
Avoid handshaking, closer contact with people	46%	+33	-21
I avoid crowded/public places (supermarkets, public transport,...	39%	+29	-32
I travel less	31%	+25	-25
I eat and drink less out of home	27%	+23	-11
I´m worried about effects for my own health	24%	+9	-11
I work more often from home	21%	+18	+6
I take personal products with antibacterial effect with me	8%	+0	-28
I´m worried to run out of “stocked” groceries	8%	+5	+2
I / we already bought extra stock of groceries	8%	+2	-7
I / we purchased additional disinfectant products	4%	-2	-17
I prefer food and products delivered to my home more often	3%	+3	-3
None of these	4%	-16	+3

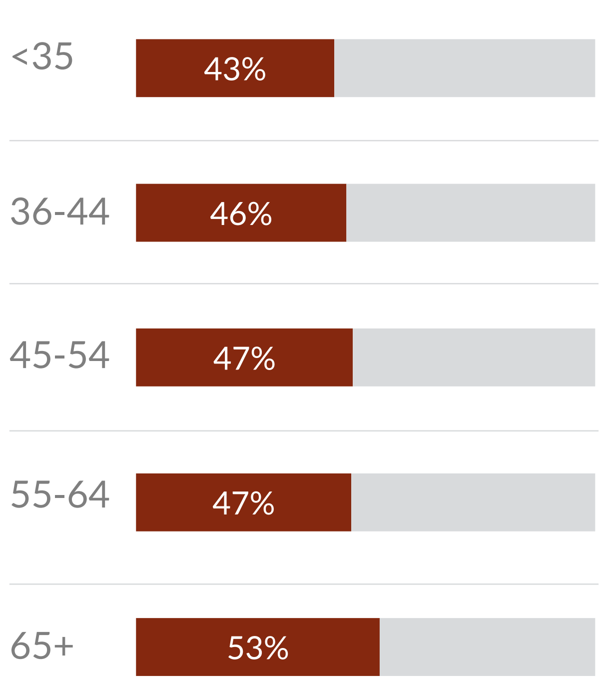
As a consequence of the political narrative, people especially increase their «social distancing» measures, but still falls behind Italy in the «lockdown» week. Hygienic measures, especially those concerning antibacterial products, are also quite lower.

Base = NL n=987 (w11), n=117 (w12) | GfK Netherlands

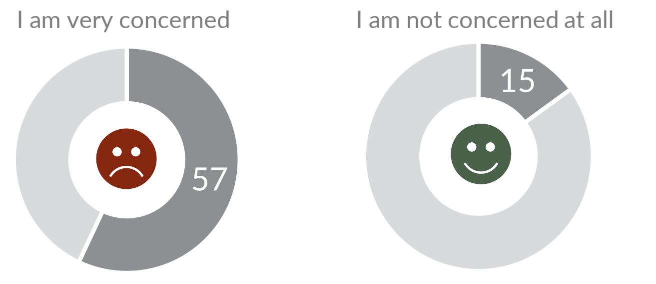
Hygiene: room for improvement

"I follow the hygienic rules from the health department of the government

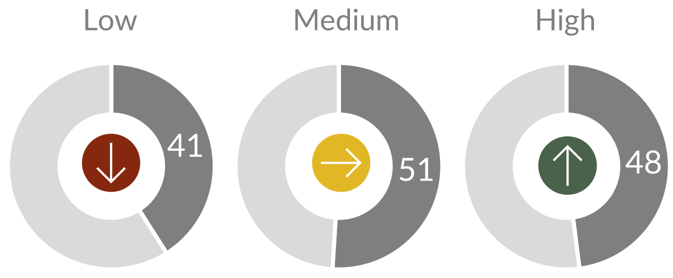
By shopper age



By level of concern

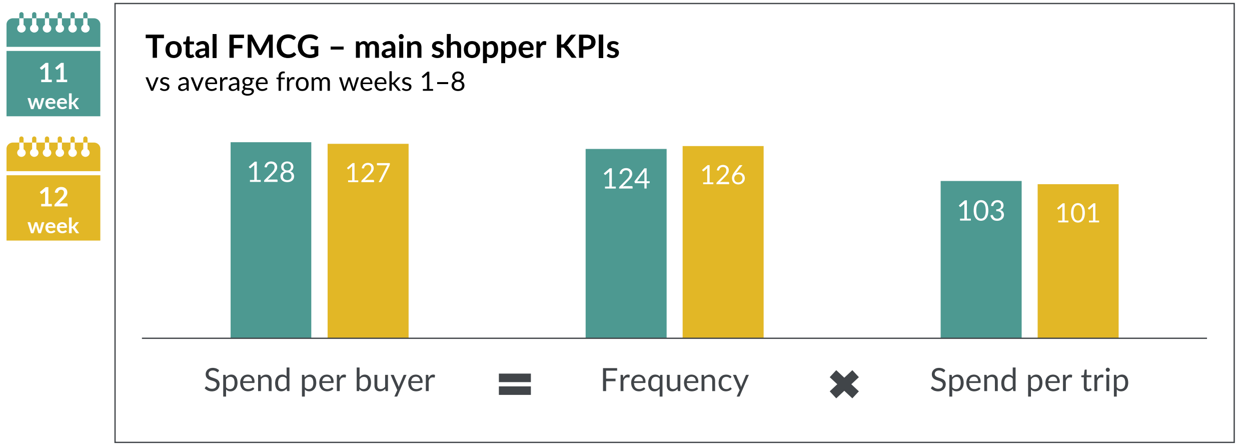


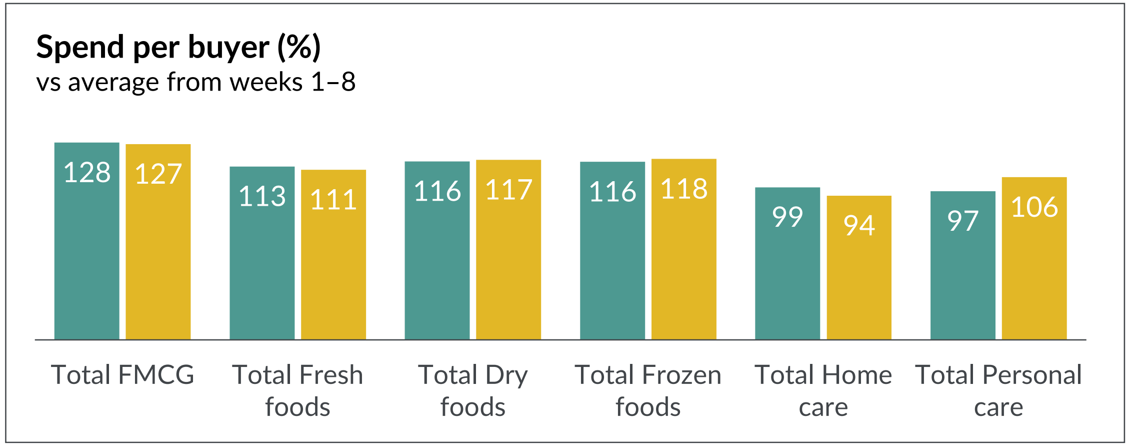
By education



Basic hygienic measures are certainly not followed by everyone. As concerns rise, adoption curves will increase

Altered behaviour in the panic phase driven by more trips

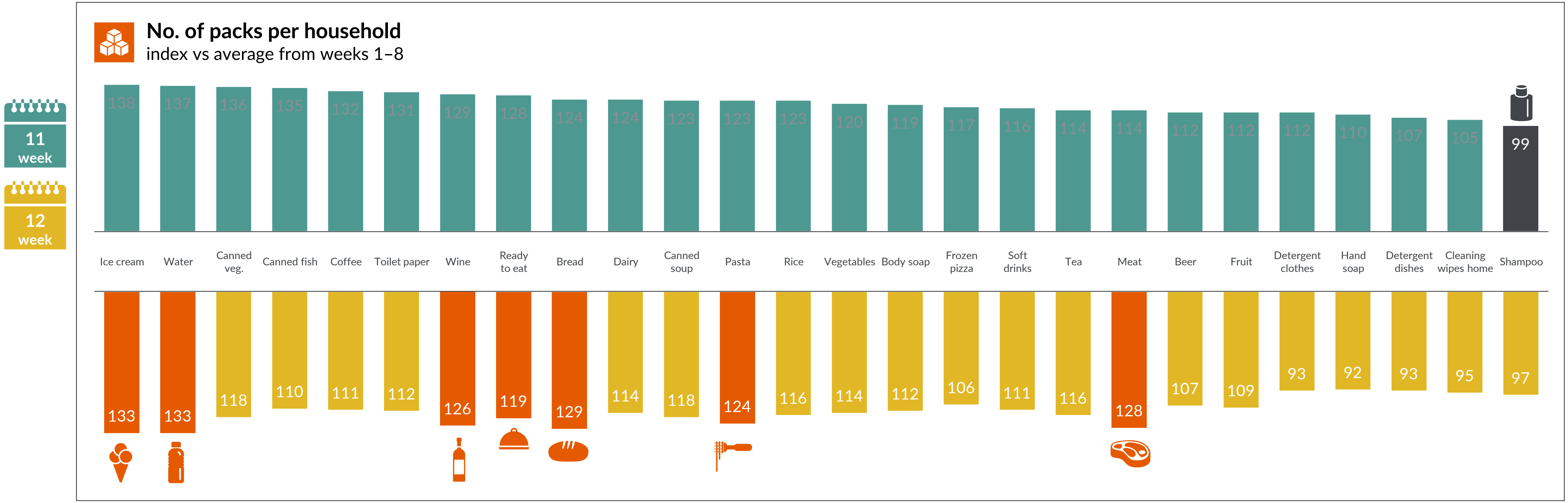




Stockpiling in panic phase driven by frequency (unplanned trips)

With tighter shopping rules and panic fading, we´ll see less but bigger, planned trips.

Stockpiling effects differ per category



Winning in home:

1. treat yourself
2. smart solutions
3. carbs
4. hydration

Tough times in home:

1. non-preventive personal care

GfK Netherlands – Consumer Panel – PRELIMINARY RESULTS BASED ON UNPROJECTED CONSUMER PANEL DATA

Young households worry more about their stock

<35 index **170** 65+ index **58**

"I worry I run out of stock

<35 index **162** 65+ index **70**

"I already stocked up

Young households move relatively more consumption from OOH to in home, due to the isolation measures. Therefore they have a high need for stockpiling, as this is a major shift from their regular habits.

Week 11 - 12

Increased spending driven by the younger age groups

11 week
12 week

Spend x Age (high index)
vs average from weeks 1–8

	11 week	12 week
<35 years	118	113
35–44 years	114	111

Spend x Income (high index)
vs average from weeks 1–8

	11 week	12 week
Low	104	104
Middle	113	112

Spend x District (high index)
vs average from weeks 1–8

	11 week	12 week
North	106	109
South	107	103

Increased spending by habit shifts cause especially younger households to drive growth
Middle incomes have increased their spending significantly. There are also large regional differences.

Word from the experts: new ways to reach customers

Despite the healthy state finances, some of the most **iconic sectors suffer** tremendously in the export-heavy Netherlands. As global consumer demand dropped, industries like the flower and potato industry are facing huge surpluses they cannot get rid of. At the same time, domestic demand for home-oriented consumer goods is spiking. A good example is coffee. Shoppers are spending **25% more than normal** to get their caffeine fix at home.

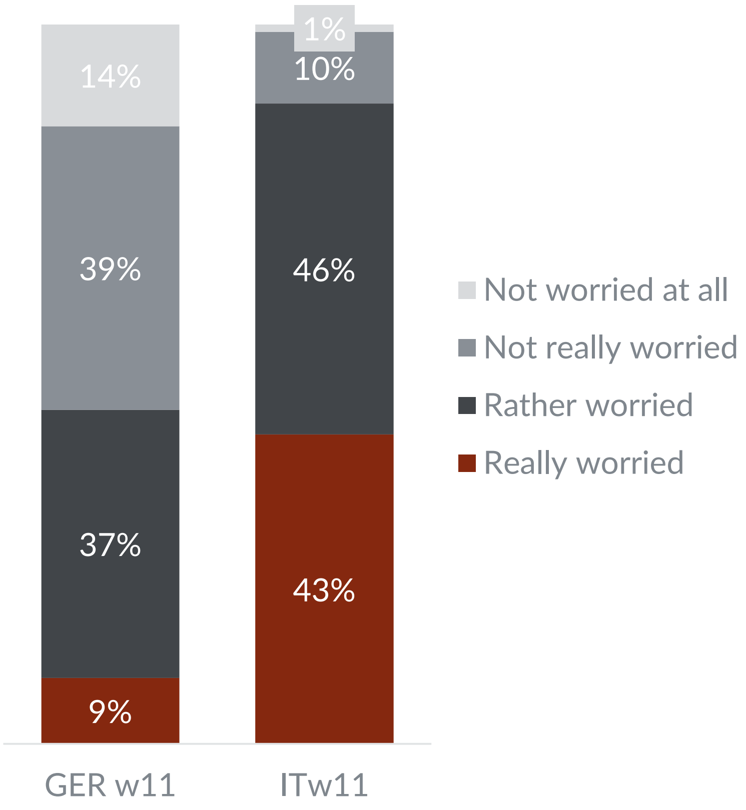
Needless to say, supermarkets and in home oriented manufacturers are flourishing. At the same time, we see an interesting shift in channels. Wholesalers open for consumers, online players are going through a quick transformation, and Takeaway.com has thousands of new businesses joining the platform.

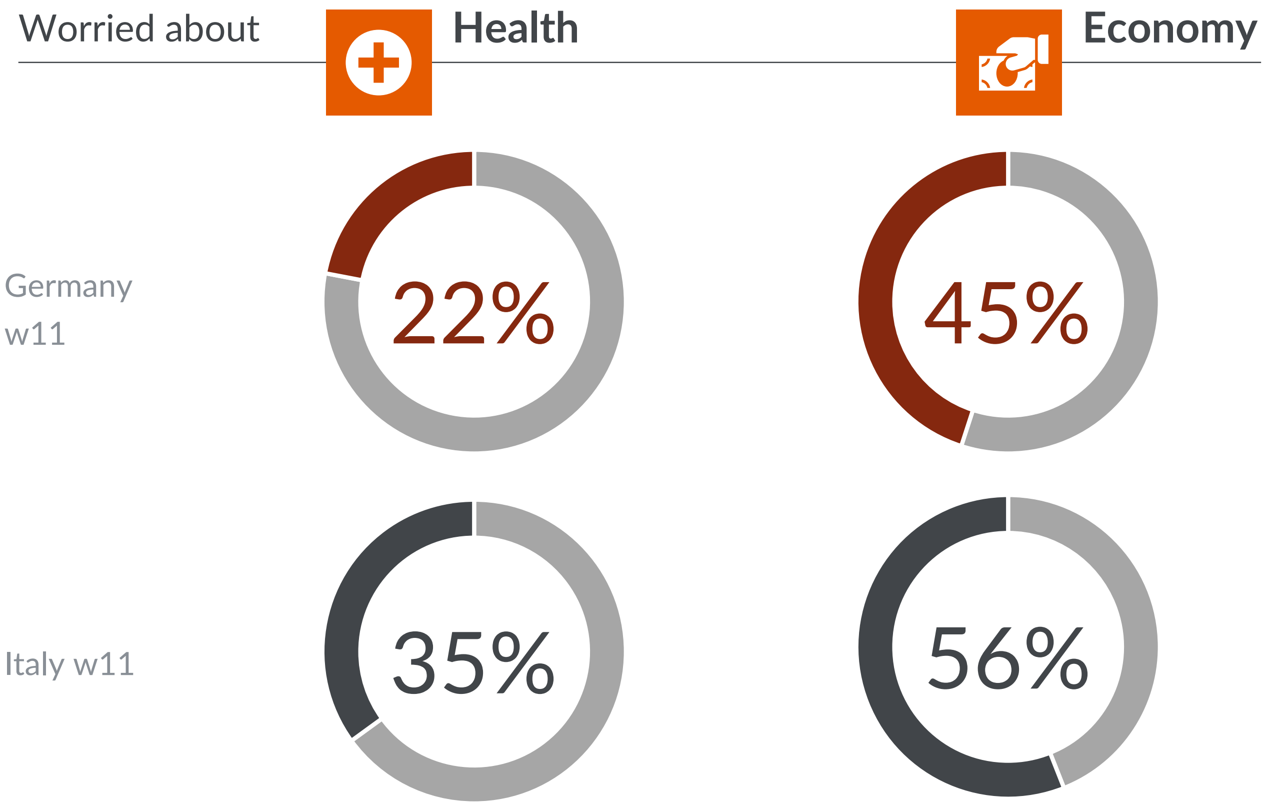
As more entrepreneurs find **new ways to reach their customers**, they also start facing a series of challenges. From health codes, a cap on distribution capabilities to a lack of sound CRM management. As always, a crisis will leave winners and losers. But if anything, it will certainly **speed up** (digital) loyalty systems, occasion-based marketing and e-commerce capabilities.

Stefan Heule
Commercial Director
GfK Netherlands

Germany

Germany vs. Italy: concerns will keep growing



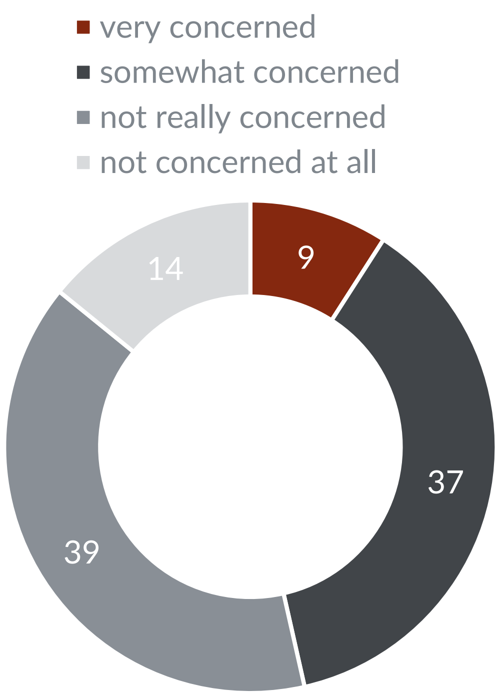


WEEK 11: Sentiment in lockdown week in Italy are clear future indicators

German concerns will keep growing, even at a faster pace due to fears of an Italian scenario

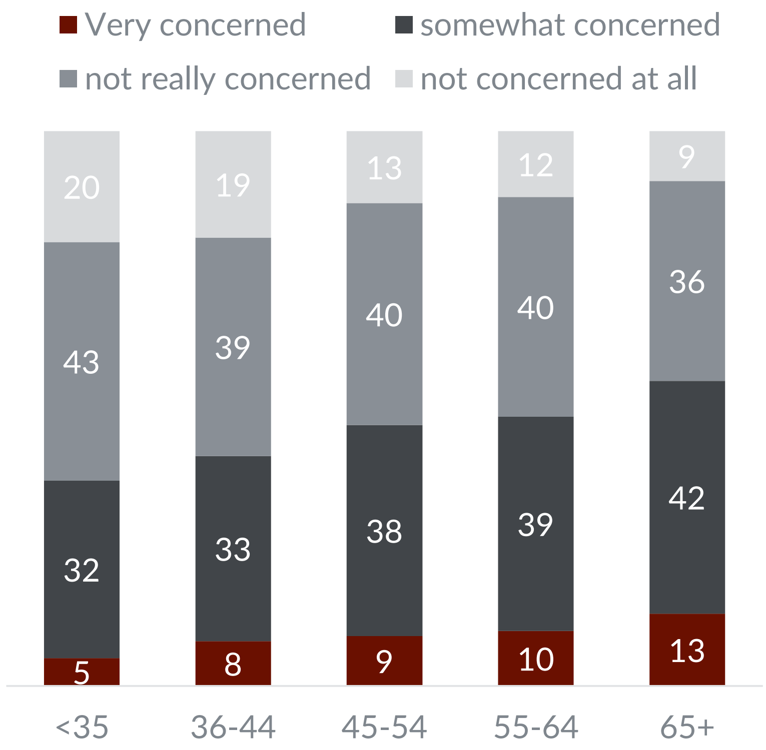
Concern about COVID-19 increases with age. Low incomes worry more.

Total



Base: 2297

By shopper age



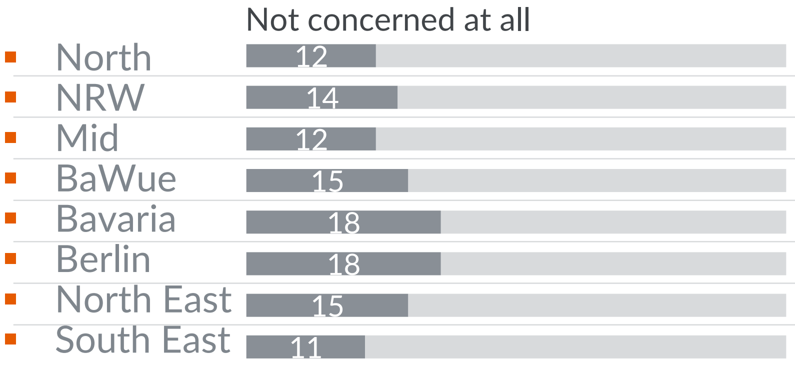
Base: 371-627

By household income

	very concerned
Low	12%
Medium	9%
High	8%

Base: 506-1015

By region



Base: 109-492

Young households worry more about their stock

35-44 index **160** 65+ index **55**

” I worry I run out of stock

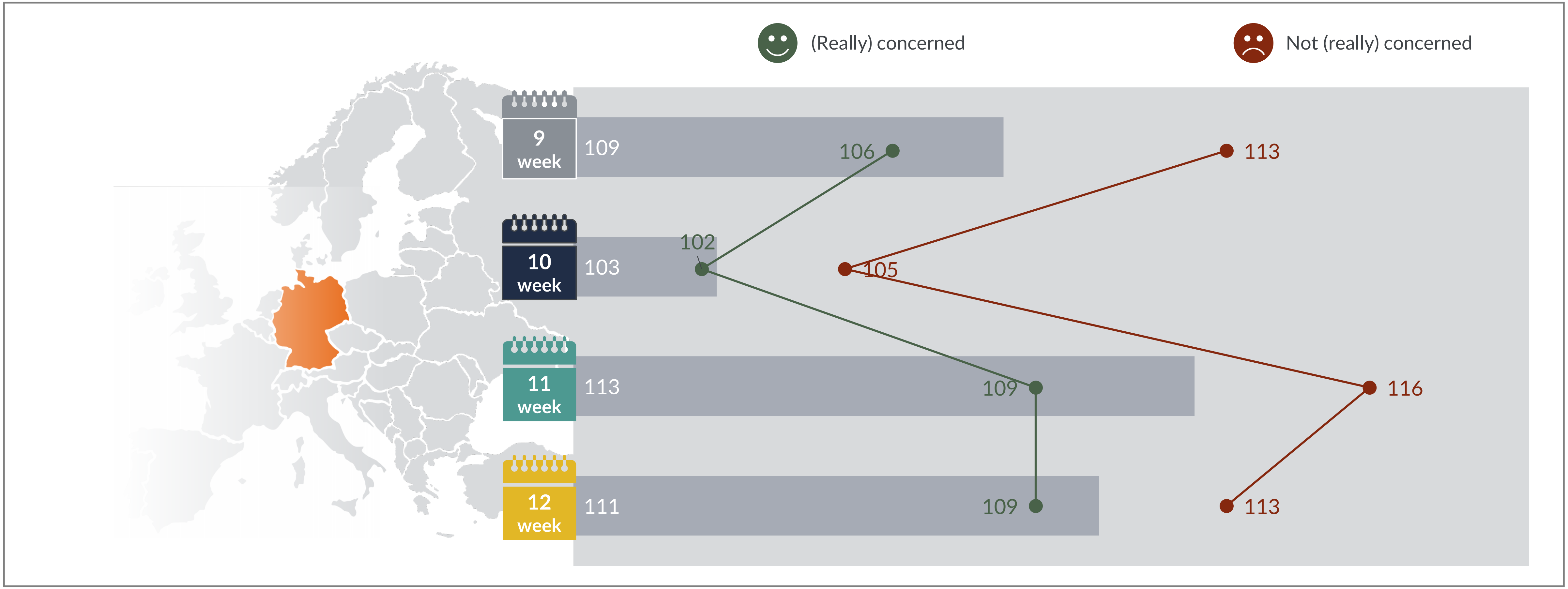
35-44 index **147** 65+ index **73**

” I already stocked up

In Germany the age group 35 to 44 are the most in stockpiling mode. Elder generations do not fear nor act upon the threat of empty shelves.

Concerned shoppers increased their purchasing more

Trip value
index vs average from weeks 1–8



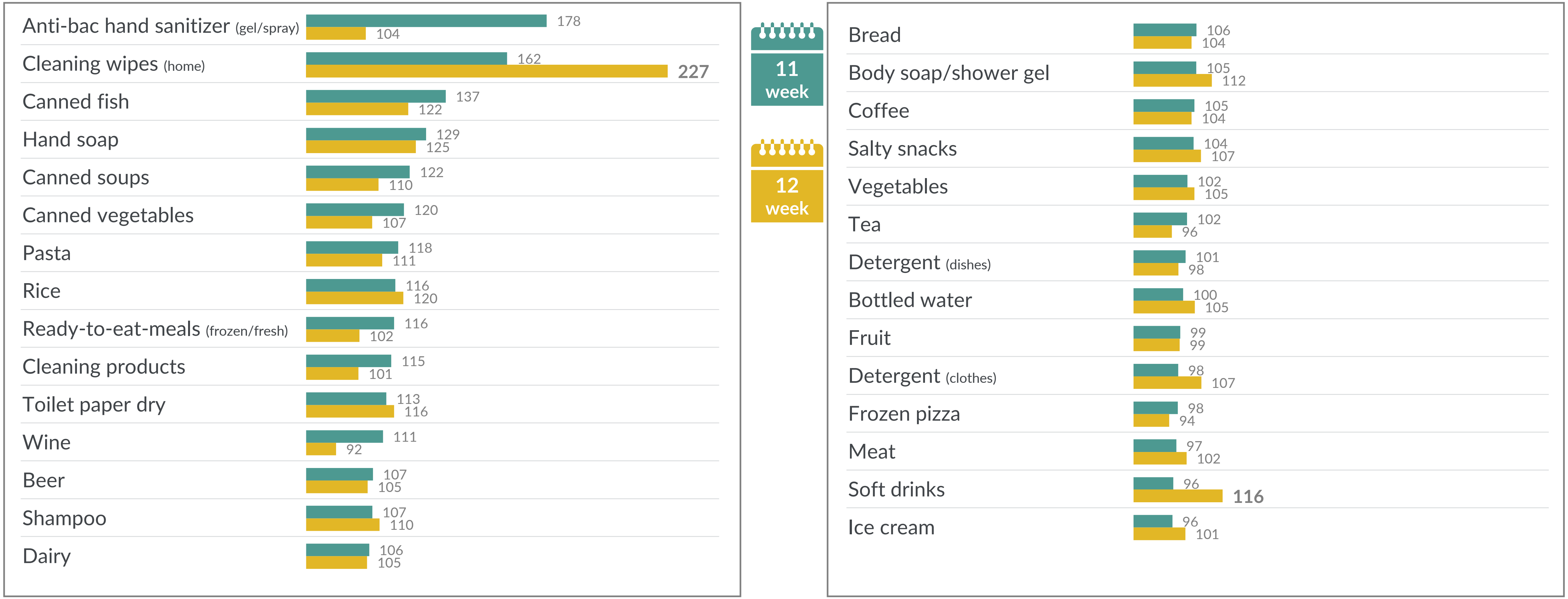
Prevention mode – huge stocking of hygiene products

No. of packs per trip
index vs average from weeks 1–8

Consistent stockpiling in panic weeks, soft drinks and wipes stand out

No. of packs per trip

index vs average from weeks 1–8



Fearful shoppers buy more, but top categories are similar in both groups

No. of packs per trip
index vs average from weeks 1–8

(Really) concerned

		11 week	12 week
#1	Cleaning wipes (home)	215	293
#2	Anti-bac hand sanitizer (gel/spray)	166	93
#3	Canned fish	151	131
#4	Rice	137	135
#5	Pasta	129	116

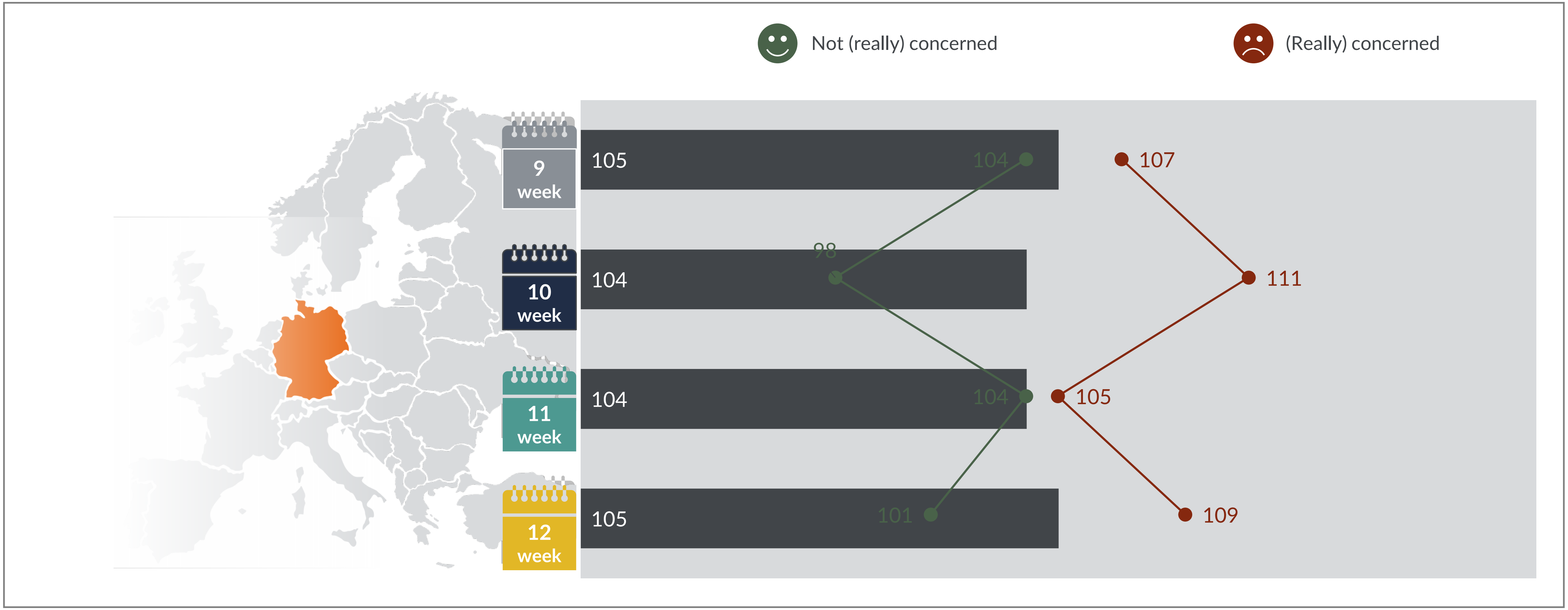
Not (really) concerned

		11 week	12 week
#1	Anti-bac hand sanitizer (gel/spray)	150	115
#2	Hand soap	132	112
#3	Ready-to-eat-meals (frozen/fresh)	128	95
#4	Canned soups	123	112
#5	Canned fish	122	112

GfK Germany ConsumerPanel data - Ranking based on a selection of **29 categories**, in week 11

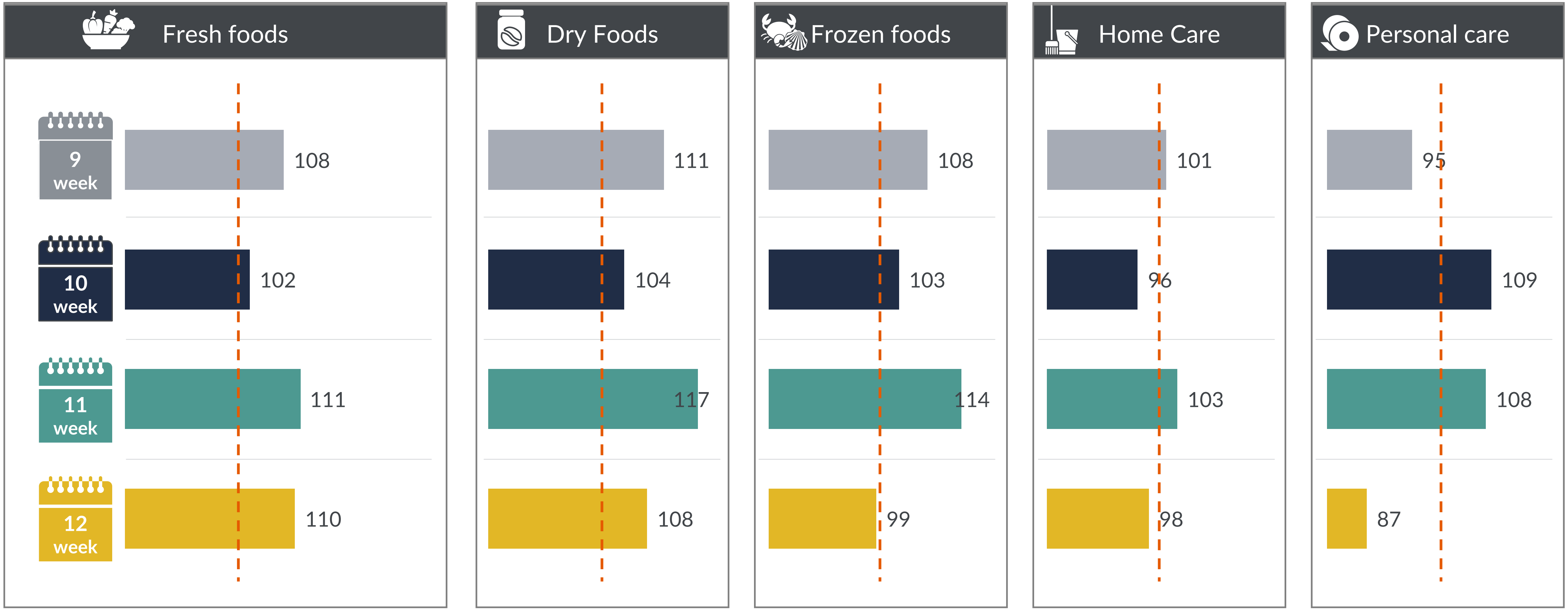
Uncertainty and stockpiling drives PL shares among fearful shoppers

Trip value / Private Label share
index vs average from weeks 1–8



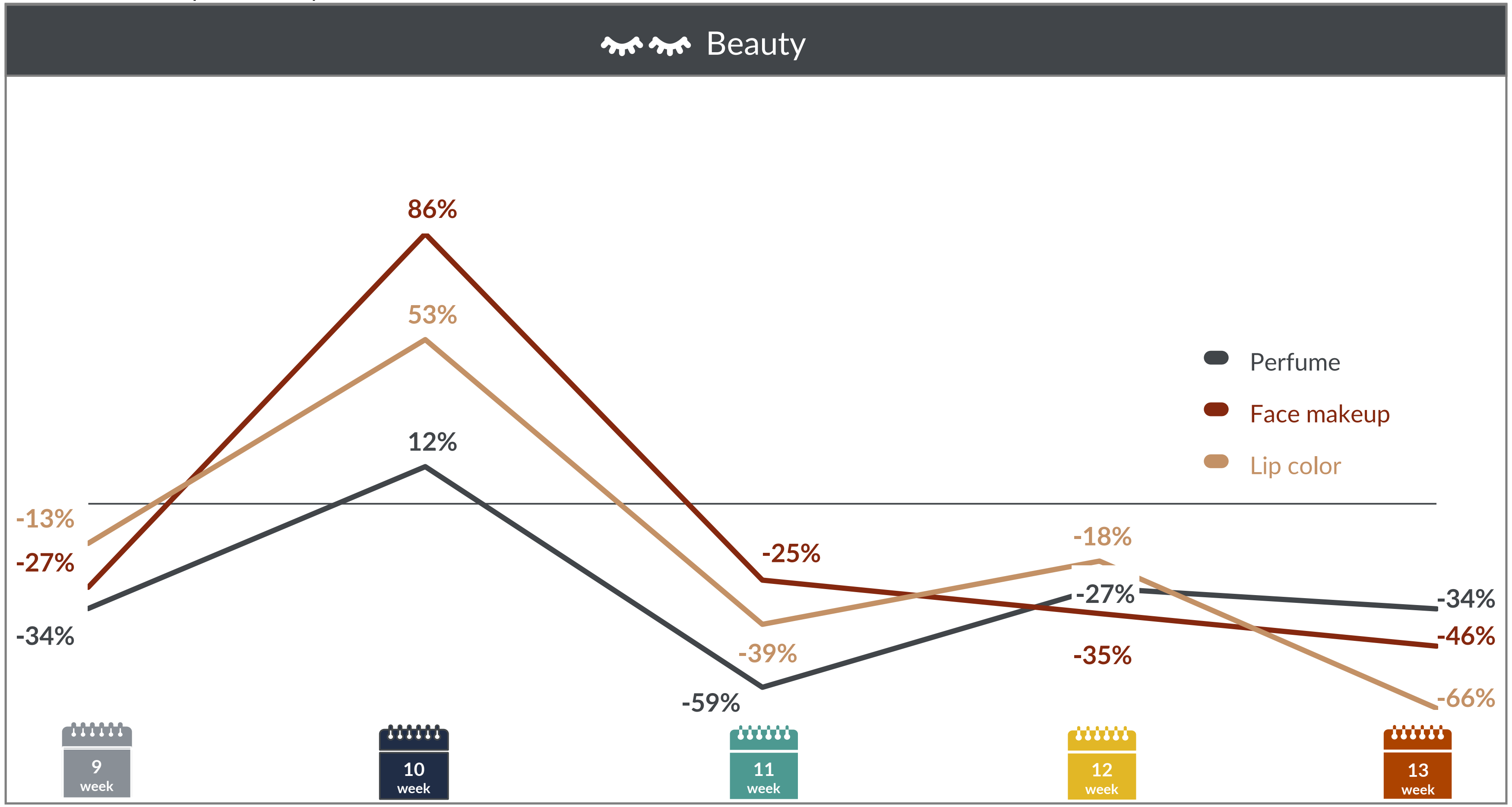
As shopping frequency drops, home and personal care will struggle

Trip value
index vs average from weeks 1–8



In home orientation causes tough times for specific categories

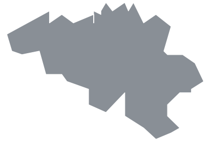
Value change
vs. same period last year



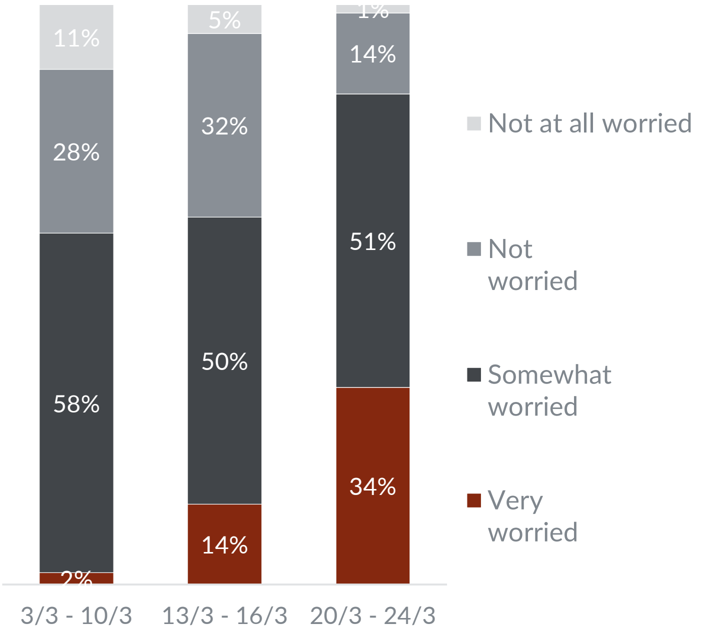
In home orientation is a direct threat to specific categories. Beauty is an exemplary case that illustrates the crisis effects. Other categories that bound to suffer are holiday essentials like sun screen, on the go favourites like energy drinks, and school stocks like prepacked drinks.

Belgium sneak peek

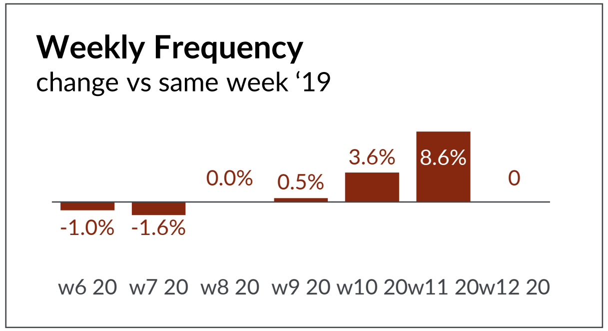
COVID-19: impact on FMCG in Belgium

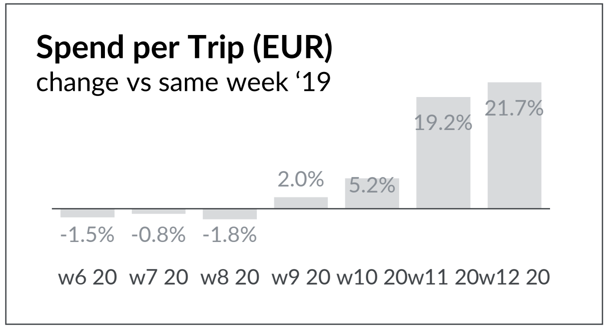


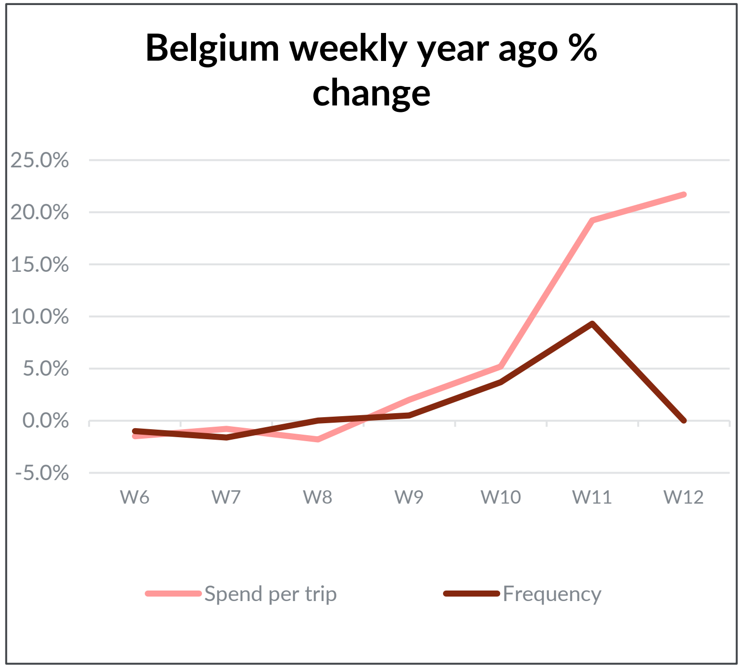
Emotional impact



Purchasing







Belgium follows a similar pattern as witnessed in Italy

Erratic stockpiling at first, with concerns and measures increasing, shopping becomes planned and less frequent

PRELIMINARY RESULTS BASED ON UNWEIGHTED & UNPROJECTED CONSUMER PANEL DATA

Word from the experts: Forced budget choices

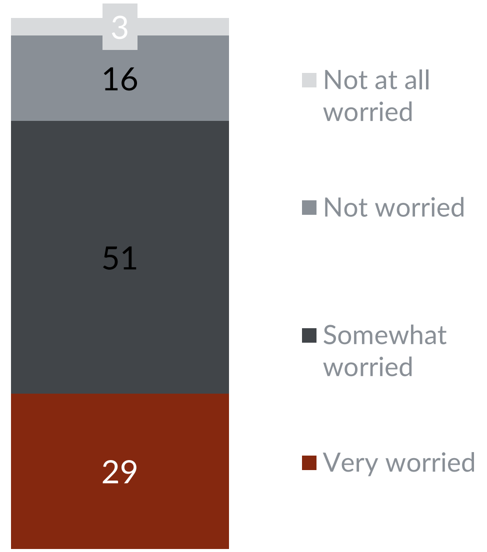
In the end 2020 will be a year with **significant volume growth** in in-home consumption, which is opposite to the trend of the last couple of years where volumes were under pressure and both retailers and manufacturers are still looking for added value creation. Ordering online had a massive opportunity just before and shortly after the governmental regulations in FMCG as well. However, due to the massive hoarding in store, the logistic chain was not adapted to this disruptive situation and current **loyal online buyers suffered** from this. Because of excessive hoarding, the Minister of Economic Affairs decided to temporarily not allow promotions anymore. As a consequence, the average price paid went up and shoppers did notice that they had to pay more for less. Due to the lobbying of both retailers and shoppers, this temporary restriction will be taken away in week 14. Currently over one million Belgians are (temporarily) unemployed. This will definitely impact their spending pattern as fixed costs remains for these types of households as well. They will have to make **budget choices**. Step by step, the disrupted purchase behavior will get back to normal or what we call, "the new normal". We will see which forced changes in will be only temporary and which are here to stay.

Davy van Raemdonck
Director Consumer Panel
GfK Belgium

Croatia sneak peek

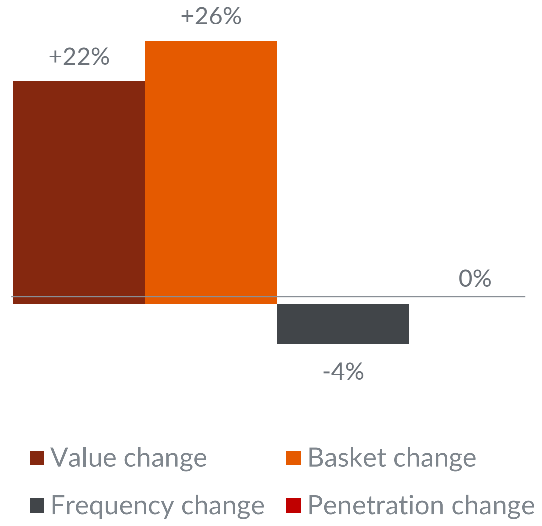
COVID-19: impact on FMCG in Serbia

Emotional impact

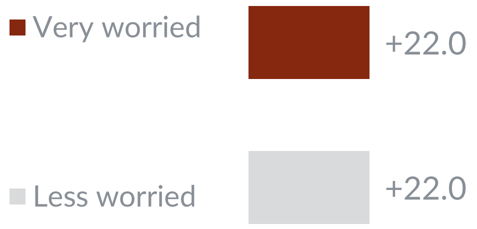


Purchasing

FMCG
W9-11 2020 vs. 2019



Value change
W9-11 2020 vs. 2019



Croatian shoppers increase basket size but shop less often

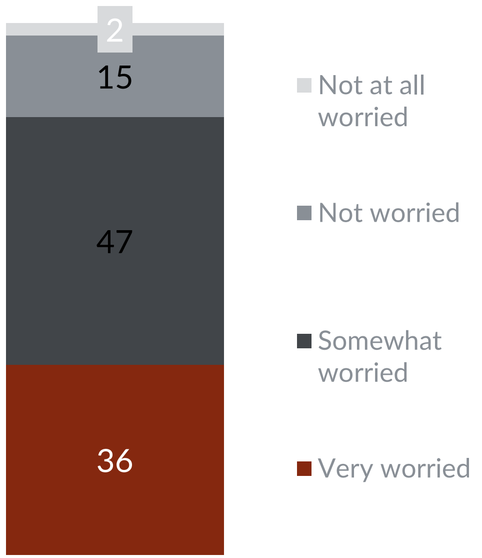
Level of concern on COVID-19 does not impact the level of spend uplift

PRELIMINARY RESULTS BASED ON UNWEIGHTED & UNPROJECTED CONSUMER PANEL DATA

Serbia sneak peek

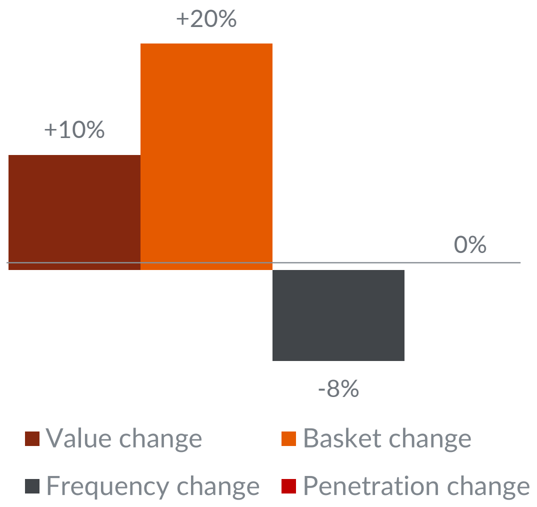
COVID-19: impact on FMCG in Serbia

Emotional impact

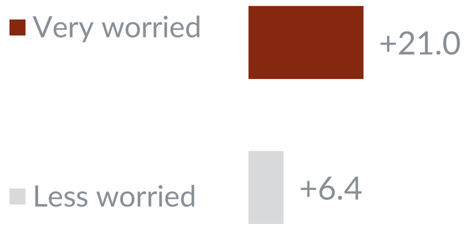


Purchasing

FMCG
W9-11 2020 vs. 2019



Value change
W9-11 2020 vs. 2019



Serbian shoppers increase basket size but shop less often
Value growth is strongly driven by the most worried shoppers

PRELIMINARY RESULTS BASED ON UNWEIGHTED & UNPROJECTED CONSUMER PANEL DATA

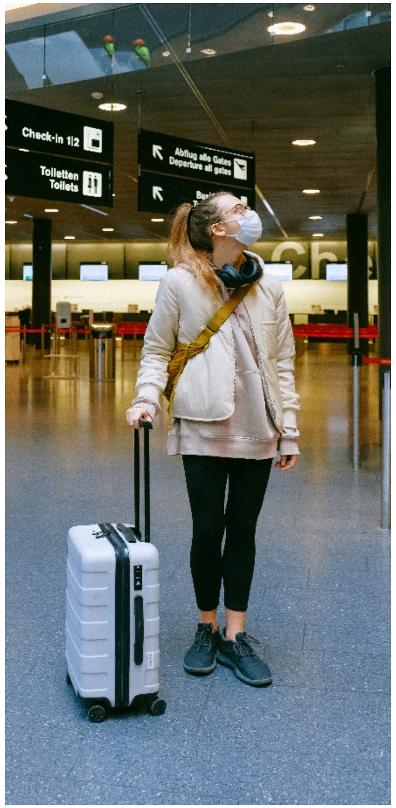
Forced choices and pausing habits

take-outs

- **Due to the implemented set of measures, shoppers are forced to alter their behaviours. For products and solutions with a clear in-home orientation, this pays off in the short term. The challenge is how to be the brand that gets picked in planned one-stop-shopping trips.**

- In the panic phase, stockpiling is commonplace. Players in `cupboard categories´ now have to focus on repurchase and keeping the momentum.

- Categories that suffer from paused behaviours should focus on minimizing losses and maximize gains after the crisis.



What comes after?

What marked the panic phase?

#1 FOMO

As COVID-19 takes hold of Europe, shopper behavior is severely influenced by uncertainty and fears. Will stores close, will products run out? Two waves of hoarding follow. Fear of missing out causes a first spike amongst the really worried (unplanned, high frequency), a second run after strict measures are announced (planned, high basket value).

#2 FORCED CHOICES

Government-led restrictions on where and when to shop will cause a landslide in channel switch. As most shoppers want to do as much one-stop-shopping as possible, specialty stores stand to lose most. Proximity stores and online grow up to full capacity. Meanwhile, panic purchasing and out-of-stocks will reshape the brand landscape. With the pro-longation of isolation measures, planning and price will become more important, reducing impulse and stimulating discount channels.

Phase 1:
PANIC

#3 PREVENTION

As the virus spreads, health concerns grow by the day. Products that provide a sense of security and control are in high demand. Soap, antibacterial home and personal care products, products with added vitamins and OTC medicines fly off the shelves. As the situation progresses, there will be a gradual shift to indirect health aspects related to COVID-19: e.g. maintaining a mental and physical balance.

#4 PAUSE

Although economic uncertainty causes panic behavior on the one hand, it freezes all longer term decisions and planning. As a con-sequence, hot topics such as plastic avoidance are (temporarily) put on hold. Major expenditures such as on home appliances, clothes and cars are post-poned. Afraid of toxic shock, brands massively pull their advertising. Launches are postponed. In times of panic, a lot goes dark.

How to mitigate panic …

#1 FOMO

- Ramp up distribution on the short term, plan prudently for post-hoarding phase
- Make sure you're on the list – there's only once chance with one stop shopping
- Inspire shoppers with ways to use your products … or end up in the pantry

#2 FORCED CHOICES

- Start today with your strategy to win lost shoppers back
- Invest in repurchase stimuli to keep new buyers
- Care for your loyal shoppers

#3 PREVENTION

- Make safety convenient: touchless & digitalized shopping
- Reduce barriers: prepack, preorder, prepay

#4 PAUSE

- Don't go dark – invest in a consistent strategy for brand longevity
- Adapt message and offer to new need states arising
- Optimize in store and digital touch points

Looking ahead

February / March 2020	April – Dec 2020	2021
		
Phase 1: **PANIC**	Phase 2: **ADAPT**	Phase 3: **NEW NORMAL**

Adaption amidst supply and demand chaos

Phase 2:
ADAPT

#1 JOMO

As it becomes clear the temporary measures will be extended, many will try and make the best of it. Celebrate the joy of missing out by celebrating the homely lifestyle: treating yourself, embellishing the home, more attention to eating occasions, bringing the out of home experience to the home.

#2 LOYAL LOVE

With renewed awareness of the freedom of choice, we'll turn to support those brands, stores and services that we actually love most. Confronted with closures and limited supplies, we'll do what we can to support the businesses we really want to survive COVID-19.

#3 ENDURANCE

The focus on personal and family wellbeing will increase. As the novelty of isolation wears off, the situation is beginning to take its toll. Keeping a healthy mind, spirit and body is in this period even more essential to balance work-life reality. Establishing new routines whilst emphasizing small joyful surprises to cut through the stress.

#4 PRUDENT PLANNING

As new habits come into existence and the biggest panic is over, we allow ourselves to slowly start looking ahead. However, we might not like what we'll see. As recession scenarios get more real, budget scrutiny will rise. Whilst more businesses are allowed to open their doors again, expect strong budget competition from these "revivalists".

Adapt along...

#1
JOMO

- Develop home meal occasions
- Create experiences that make the most of “alone” time – both family fun and spoiling oneself

#2
LOYAL LOVE

- Don’t go dark
- Find new touch points
- Reward loyal clients

#3
ENDURANCE

- Healthy, easy and affordable meal planning
- Re-establish your quintessential purpose: good products for everyday lives
- Interactive and experiential marketing to cut through the routines

#4
PRUDENT PLANNING

- Attractive promotions to re-acquaint lost buyers and stimulate stock keepers to repurchase
- One-stop-shopping concepts
- Touchless, self-serve

The new normal starts today

Phase 3: NEW NORMAL

#1 ECONOMIC SCHISM

As we're seeing first signs of early recovery in China, the length and depth of the economic crises will vary due to varying levels of epidemic control, rescue plans, dependency on international trade and consumer confidence. Unemployment will cause many households to narrow their purchasing to short term essential basics.

#2 SOCIETAL SCHISM

After the dust has settled, discussions on societal reforms will get to the foreground. The crises had evidenced some major issues, such as the pressure on "vital jobs", the state of health care systems, complexity of globalized living, the digital gap, environmental concerns, the use of big data and privacy rules. 2021 will be marked by a politization of these topics.

#3 LOCALISM

The effects of the crisis are most strongly felt in one's own sphere of influence. As a reaction, local and national sentiments will grow. The crisis will not only have strengthened community feeling, but will also push opinion-leaders to call for "national consumption first".

#4 SURVIVALISM

The crisis will leave clear winners and losers. Economically and mentally. For many, the 2020 events will be a call to come back stronger than ever #coronasurvivor. They will strive to push forward with more force than ever. Expect over the top consumerism, and a revived focus on (self-) improvement.

Co-shape the new normal

#1 ECONOMIC SCHISM

- Engage budget-tight shoppers with product performance/price narratives
- Engage crisis resistant shoppers with future/ quality narratives
- Don't go dark: use anti-cyclical measures to build trust

#2 SOCIETAL SCHISM

- Reengineer purposeful entrepreneurship to the new normal
- Choose "togetherness" over "I"

#3 LOCALISM

- Differentiate your offer to local needs
- Reward loyalty
- Increase supply chain transparency

#4 SURVIVALISM

- Don't shy away from premiumization
- Use self-improvement as a departure for innovations
- Sensorial product features and experiences

We help you navigate through the crisis

Different phases require specific solutions

Panic Mode

Ongoing **Pulse Check** observation of market changes is the basis for any short-term decisions allowing for maintaining market positions and identifying new opportunities offered by the changing market situation.

Habituation Mode

CP data combined with consumer insights support understanding mid-term market changes & help planning necessary adjustments in sales & marketing tactics to secure current business of our clients.

Identification of the most likely long term effects of COVID-19 is needed for future strategic planning matching the NEW market conditions. Understanding post-COVID consumer attitudes and behaviors, helps shaping the existing product offer in the light of new opportunities for growth.

GfK POV on COVID-19 and its market impact

Go to our COVID-19 resource centre on GfK.com or reach out to your local contact person

Pulse Reports – react, use opportunities

Panic Mode

Stage
1

Pulse check

Weekly – Monthly Pulse Report Modules and their scope

1	▪ Products: FMCG total/meta categories/categories ▪ Shops: total market/retail channel/retailers ▪ KPI: value (index), shopping trips (index) OR value (index + share), shopping trips (index + share)	Category Check
2	▪ Target group: social demographics ▪ Product group: total FMCG ▪ Shops: total market ▪ KPI: value (index + share), shopping trips (index + share)	Target Group Check
3	▪ Product group: total FMCG ▪ Shops: total market, retail channels, retail accounts ▪ KPI (non-concluded): value (index + share), shopping trips (index + share) ▪ KPI (concluded): value (abs. + share), buyers, penetration, shopping trips, frequency, loyalty, spend per trip, spend per buyer	Retail Check

For all Modules:

- Delivery format: spreadsheet
- Availability: Friday after reported week

Growth
from
Knowledge

Let us help you master the crisis

Our international consumer panel research expertise provides you with smart customer insights into who your consumers are, their attitudes and behaviors, across all channels.

Contact us

Click here to discover our consumer panel solutions