CONSUMERS FACE THE REALITY OF COVID-19

Rick Stein, Vice President, Fresh, FMI
Joan Driggs, VP, Thought Leadership IRI

March 31, 2020
CONSUMERS FACE THE REALITY OF COVID-19: IMPLICATIONS FOR CPG AND RETAIL

Hosted with thought leadership from FMI Associate member
Today’s Speakers

Rick Stein, Vice President, Fresh, FMI
Joan Driggs, VP, Thought Leadership, IRI

March 31, 2020
As the **food industry association**, FMI works with and on behalf of the entire industry to advance a **safer, healthier** and **more efficient** consumer food supply.

FMI brings together a wide range of members across the value chain — from **retailers** who sell to **consumers**, to **producers** who supply the food, as well as the wide-variety of companies providing critical services — to **amplify** the collective work of the industry.
Supply Chain
- Advocacy for Transportation
- Resource Sharing
- Foodservice Needs Network
- Private Brands
- Manufacturing

Public Policy
- Federal
- State
- Local
- USDA
- FEMA
- FDA
- CDC

FMI Efforts

Safety and Sanitation
- Standard protocols
- Links to best practices
- Access to PPE for essential tasks
- Information on approved chemicals (EPA-List N)

Media/Social
- Demand Issue vs. Supply Issue
- Worker Safety
- Food Industry Resilience
Recognize Industry Efforts

My personal superheroes are all of the grocery store workers who are putting themselves at risk every day to ensure we all have what we need, ESPECIALLY all of our STUDENTS who work at these places. You all are awesome and appreciated. 😊❤️ #virtualspiritweek #steelmenpride

Just wanted to start off the day saying THANK YOU to every --
grocery store worker, pharmacist, and delivery worker that are helping us get though this together.

You can social distance and self quarantine all you want but most of our cashiers at the grocery store are not provided with masks.

Crazy how grocery store workers had no idea they signed up for the draft
$2 Trillion Stimulus CARES Act

Coronavirus Aid, Relief and Economic Security Act

People Benefits
• $1,200 direct payments to taxpayers
• Unemployment benefits
• Student loan payments suspended until September 30
• Protections against foreclosures and evictions

Business Benefits
• Small businesses emergency loans
• Government bailouts
• Hospitals get $110B

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CARE Act to Provide Relief Related to the Food Industry

- Additional $15.5B in funding for SNAP ~$50 per recipient, or $200 for a household of four
- The bill extends current Temporary Assistance for Needy Families (TANF)
- The charitable contribution limit for food donations increased from 15% to 25% of taxable income
- Additional $3.5B in funding was appropriated for the Child Care and Development Block Grant to provide child care assistance for essential workers
- Under Title IV, the grocery industry will be eligible for business loan money

https://www.winsightgrocerybusiness.com/industry-partners/cares-act-provide-relief-grocers-consumers
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A Record 3.3MM Americans Filed for Unemployment Benefits as of March 21

Covid-19 is driving unprecedented unemployment
Initial unemployment insurance claims at end of week, seasonally adjusted

Biggest jump in new jobless claims in U.S. history. Economists warn more than 40MM Americans could lose their jobs by April.
94% Are Concerned About COVID-19; And Many Indicate Their Levels of Concern Are Increasing

**Extremely Concerned About COVID-19**

Survey March 15: 38%
Survey March 22: 58%

“I am more concerned about Coronavirus than last week”

59% W-2
54% W-1


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Lower-Income Consumers Already Feeling Additional Pinch of Economic Downfall

More than half of lower income households now struggle to afford needed groceries, up 9 percentage points from just a week earlier.


“My Household is Having Difficulty Affording Needed Groceries”
Recession-Like Behaviors Likely as COVID-19 Impacts the Economy

Consumer Spending Shifts in 2008-2009 Recession

- Brand switching from mainstream to value brands
- Increase in private label
- Cost valued more than convenience
- Shift to smaller, lower-priced packs
- Shift to value channels (e.g., Mass and Club)
- Greater impact to Convenience and Gas channel
- Decline in foodservice and increased eating at home

Source: Chicago Booth Food Purchases During the Great Recession. IRI archived data. IRI Consulting analysis
Consumers are Likely to Continue Shifting Spending and Shopping Behavior in Response to COVID-19

*Consumer Spending Shifts Likely With COVID-19*

- Decrease in brand loyalty
- Revival of center-store
- Continued stock-up behavior to continue for the next few weeks
- Increased purchases of comfort / indulgent and entertainment categories
- Greater shift to online home shipment and click & collect
- Convenience and Gas channel opportunity
- Opportunity for retailers to fill the void for consumers

Source: Chicago Booth Food Purchases During the Great Recession. IRI archived data. IRI Consulting analysis
We Are United in This Together

94% of the total population is concerned about COVID-19, and concern transcends age, generation, gender, ethnicity, household income and the presence of children in the home.

On this, we are united.

Source: IRI Survey fielded 3/13-3/15 among National Consumer Panel representing Total U.S. Primary Grocery Shoppers
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Who Are the Extremely Concerned: Nearly 4 in 10 Americans Are Extremely Concerned

Report being MORE CONCERNED about Coronavirus than a week ago

Extremely Concerned Segment: 38%

83% MORE CONCERNED

Shifting Product Selection: What the Extremely Concerned are Buying

- 50% Stocking up on pantry staples / essentials more than usual
- 37% Buying more sanitizing products (e.g., hand sanitizer, sanitizing wipes)
- 18% Buying more immune-boosting products, such as vitamins and probiotics, in case they help protect me from the coronavirus

Source: IRI Survey fielded 3/13-3/15 among National Consumer Panel representing Total U.S. Primary Grocery Shoppers
Stock-Up Remains Top Purchase Driver

In addition to cleaning, Americans are showing signs of hunkering down for the long haul, with sales of center-store categories experiencing outsized sales. Categories such as rice, macaroni and cheese, pasta, canned vegetables and canned fruit all drove significant growth as consumers purchased multi-serve products from various categories.

<table>
<thead>
<tr>
<th>Product</th>
<th>Latest 1 Week Ending 03-15-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pasta</td>
<td>132.7%</td>
</tr>
<tr>
<td>Soup</td>
<td>107.0%</td>
</tr>
<tr>
<td>Bottled Water</td>
<td>49.2%</td>
</tr>
<tr>
<td>Rice</td>
<td>101.8%</td>
</tr>
<tr>
<td>Bleach</td>
<td>84.4%</td>
</tr>
<tr>
<td>Toilet Tissue</td>
<td>83.8%</td>
</tr>
<tr>
<td>Powdered Milk</td>
<td>70.0%</td>
</tr>
<tr>
<td>HH Cleaner Cloths</td>
<td>-9.0%</td>
</tr>
<tr>
<td>Spray Disinfectant</td>
<td>9.7%</td>
</tr>
<tr>
<td>Hand Sanitizers</td>
<td>-43.6%</td>
</tr>
</tbody>
</table>

Source: Market Advantage TSV; IRI Liquid Data - the leading global provider of enterprise market information solutions, March 15, 2020
Changing Shopping Behavior in the U.S. Due to COVID-19

43% are Making Fewer, Larger Trips to Buy Groceries to Limit Trips to the Store,
Up From 24% the Week Prior

<table>
<thead>
<tr>
<th>Time Frame</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 week</td>
<td>24%</td>
</tr>
<tr>
<td>2 weeks</td>
<td>50%</td>
</tr>
<tr>
<td>3-4 weeks</td>
<td>20%</td>
</tr>
<tr>
<td>4+ weeks</td>
<td>7%</td>
</tr>
</tbody>
</table>

Source: IRI Survey fielded 3/13-3/15 among National Consumer Panel representing Total U.S. Primary Grocery Shoppers; Base: 808
As COVID-19 Spread Escalated in the U.S., Trips for Essentials Increased

As confirmed cases of COVID-19 increased in the U.S., so did consumers’ product trip rates for many items, compared with product trip levels last year.

Product Trips Percent Growth vs. YA by Selected Category – Total U.S. All Outlets

Historically, CPG Manufacturers Have Seen a Positive Boon in Sales in Times of Crisis Due to Stockpiling Behavior

Stockpiling Behaviors Across Key CPG Categories

Examples of localized crises include Hurricane Irma in Florida and Hurricane Harvey in Texas in 2017.

As illustrated by these events, stockpiling occurred across three different types of products:

- **Normal Purchases**
  Lend themselves well to stockpiling – e.g., canned meat, canned vegetables, canned soups, toilet tissue

- **New Purchases**
  Well suited for stockpiling – e.g., canned citrus fruit

- **Longer Shelf-Life Indulgences**
  Maintains variety and enjoyment – e.g., packaged cookies

Source: IRI POS Data, 4 Weeks Ending 12-03-17, Florida MULO+C. IRI Growth Consulting
Household Penetration Increases in the Moment, but That Growth Tends to Evaporate in the Long Term

### Hurricane Irma Impact on Select CPG Categories | Stockpiling Behaviors Across Key CPG Categories | Quarterly % HH Penetration

**Clear Stockpiling Demand Spikes Occurred Across Categories, Followed by a Typical Trail Off of Shoppers**

<table>
<thead>
<tr>
<th>Category</th>
<th>12 Weeks Ending</th>
<th>Hurricane Period</th>
<th>Annual HH Penetration Growth (% Chg CY 2018 v 2017)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canned Citrus</td>
<td></td>
<td></td>
<td>-3.0pts</td>
</tr>
<tr>
<td>Canned Soup</td>
<td></td>
<td></td>
<td>-4.4pts</td>
</tr>
<tr>
<td>Canned Meats</td>
<td></td>
<td></td>
<td>-2.8pts</td>
</tr>
<tr>
<td>Package Cookies</td>
<td></td>
<td></td>
<td>-0.1pts</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Canned Citrus</td>
<td>11%</td>
<td>10%</td>
<td>13%</td>
<td>11%</td>
</tr>
<tr>
<td>Canned Soup</td>
<td>25%</td>
<td>21%</td>
<td>35%</td>
<td>33%</td>
</tr>
<tr>
<td>Canned Meats</td>
<td>39%</td>
<td>40%</td>
<td>48%</td>
<td>41%</td>
</tr>
<tr>
<td>Package Cookies</td>
<td>79%</td>
<td>79%</td>
<td>81%</td>
<td>82%</td>
</tr>
</tbody>
</table>

Despite a short-term boon to sales, these categories still saw long-term penetration declines.

Source: IRI Panel Data, 12 Weeks Ending 01-28-18, Florida All Outlets. IRI Growth Consulting
Within These Categories, Brands With Low Penetration or Price Position Are Best Suited to See Longer-Term Gains From Stockpiling Behavior

Effects from Stockpiling – Framework of Long-Term Stockpiling Risk After Initial Spike in Demand

**SELECTIVE OPPORTUNITIES**

- Increase consumer trial / penetration
- New opportunities to fill in for out of stocks of more popular brands

**LONG-TERM RISK OF DECLINE**

- Competition takes shelf space
- Long-term sales softness
- Non-buying shoppers won’t offset loyals

**POSITIONED FOR LONG-TERM GROWTH**

- Increase consumer trial / penetration
- Growth in shelf space
- Penetration is low enough for new trial

**CATEGORY TRADE-DOWN**

- Increase consumer trial/penetration
- Stockpiling spurs trial among shoppers trading down

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Source: IRI Growth Consulting
Many Categories are Seeing New Buyers and Growth Relative to a Year Ago

<table>
<thead>
<tr>
<th>Total U.S. (4-Region Total) – All Outlets</th>
<th>Buyers (MM)</th>
<th>$ Sales per Buyer Past 12 Weeks</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 Weeks Ending March 8, 2020</td>
<td>Current % Chg. vs. YA</td>
<td>Current % Chg. vs. YA</td>
</tr>
<tr>
<td>Hand Sanitizers</td>
<td>18.3</td>
<td>$6.12</td>
</tr>
<tr>
<td>Dried Beans / Grains</td>
<td>30.9</td>
<td>$7.62</td>
</tr>
<tr>
<td>Hair Accessories</td>
<td>42.7</td>
<td>$9.40</td>
</tr>
<tr>
<td>Cloth All-Purpose Cleaner</td>
<td>34.5</td>
<td>$10.05</td>
</tr>
<tr>
<td>Spray Disinfectant</td>
<td>17.0</td>
<td>$9.79</td>
</tr>
<tr>
<td>Sleeping Aid Tablets</td>
<td>13.9</td>
<td>$17.68</td>
</tr>
<tr>
<td>Baby Wipes</td>
<td>26.9</td>
<td>$14.81</td>
</tr>
<tr>
<td>Dry Rice</td>
<td>53.9</td>
<td>$8.70</td>
</tr>
<tr>
<td>Frozen / Rfg Meat Substitutes</td>
<td>10.2</td>
<td>$19.38</td>
</tr>
<tr>
<td>Cough Syrup</td>
<td>14.8</td>
<td>$15.75</td>
</tr>
<tr>
<td>Toilet Tissue</td>
<td>91.8</td>
<td>$30.81</td>
</tr>
<tr>
<td>Shelf-Stable Lunch Meats</td>
<td>30.3</td>
<td>$9.59</td>
</tr>
<tr>
<td>First Aid Ointments / Antiseptics</td>
<td>29.7</td>
<td>$6.87</td>
</tr>
<tr>
<td>Salty Snacks - Cheese Snacks</td>
<td>50.1</td>
<td>$10.04</td>
</tr>
<tr>
<td>Dried Meat Snacks</td>
<td>15.1</td>
<td>$13.26</td>
</tr>
</tbody>
</table>

Source: IRI National Consumer Network Product Trips Percent Change vs. Year Ago Through March 8, 2020

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When Consumers Don’t Find What They Want

Particularly in households with children, shoppers faced with out-of-stocks went to a different store to find a preferred product. Households with no children were most likely to walk away from a purchase altogether.

Q: You mentioned grocery or household essentials were out of stock or unavailable when you recently tried to buy them. What did you do most often when something you wanted to buy was recently unavailable at your store/site? (Select all that apply.)

<table>
<thead>
<tr>
<th>Action</th>
<th>Total</th>
<th>Yes Kids Under 18 in HH</th>
<th>No Kids Under 18 in HH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bought a different brand or variety instead, from the same retailer location</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Went to a different physical store to look for the item I wanted</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Went online to order the item I wanted from an online retailer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Went back to that same retail location later to buy it when it was back in stock</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>None of the above, just didn’t buy it</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: IRI Survey fielded 3/13-3/15 among National Consumer Panel representing Total U.S. Primary Grocery Shoppers

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As consumers settle into the new normal of social distancing or sheltering in place, they will be seeking products that bring comfort and joy. Look for these products to increase in sales week to week. Essentially, where half the American food dollar was spent outside the home, it will now be consumed in-home. Consumers will be need help to satisfy their continuous desire for new experiences and tastes.

Source: Market Advantage TSV; IRI Liquid Data - the leading global provider of enterprise market information solutions, March 15, 2020
Countries are at Different Points in the Crisis, with Italy About ~3 Weeks Ahead and France About 2 Weeks Ahead of the U.S., NZ and UK

Cumulative # of Confirmed Cases; Data as of 3.23.2020

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy</td>
<td></td>
<td>All schools closed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>France</td>
<td></td>
<td>Europe travel ban</td>
<td></td>
<td></td>
<td>Ban gatherings of 100+ people</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>US</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NZ</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Data in this analysis

Source: World Health Organization

<table>
<thead>
<tr>
<th>Country</th>
<th>Cases Confirmed</th>
<th>Past 24 hrs</th>
<th>Deaths</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>42,164</td>
<td>10,591</td>
<td>471</td>
</tr>
<tr>
<td>NZ</td>
<td>102</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>UK</td>
<td>6,653</td>
<td>967</td>
<td>335</td>
</tr>
<tr>
<td>France</td>
<td>19,615</td>
<td>3,794</td>
<td>860</td>
</tr>
<tr>
<td>Italy</td>
<td>63,927</td>
<td>4,789</td>
<td>6,077</td>
</tr>
</tbody>
</table>
Is Italy the Example Other Markets Will Follow?

Market Performance, F&B, Italy vs. U.S.
Dollar % Chg. Vs. YA // Total Italy + Discount and U.S. MULO // F&B

F&B sales in Italy accelerated two weeks earlier than in the U.S. Italy's growth decelerated slightly for the week ended March 8, but sales are still more than 10% above year ago.

- Jan. 21: Washington state confirms the first case on U.S. soil
- Jan. 30: First U.S. confirmed case of person-to-person transmission of virus
- Feb. 29: U.S. reports first death in Washington state
- March 8: Reported cases in 35 states

Source: IRI POS data ending March 8, 2020
In Italy, Consumers Go From Stock-up to Meal Maintenance

As reported cases of COVID-19 increased during the week ending 2.23.2020, Italy experienced the same panic stock-up as in many global markets. Moving into the week ending 3.8.2020, consumers are still purchasing these staple goods at high growth rates, indicating they’re concerned about both stockpiling and adjusting to preparing daily meals.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Week Ending 02/09/20</th>
<th>Week Ending 02/16/20</th>
<th>Week Ending 02/23/20</th>
<th>Week Ending 03/01/20</th>
<th>Week Ending 03/08/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Champagne</td>
<td>10.3%</td>
<td>16.9%</td>
<td>26.7%</td>
<td>56.6%</td>
<td>Basic ingredients</td>
</tr>
<tr>
<td>Aperitifs</td>
<td>9.8%</td>
<td>9.5%</td>
<td>19.2%</td>
<td>46.4%</td>
<td>Tomato derivatives</td>
</tr>
<tr>
<td>Fixed-Weight Meat</td>
<td>9.4%</td>
<td>7.0%</td>
<td>17.5%</td>
<td>45.3%</td>
<td>Ethnic food</td>
</tr>
<tr>
<td>Ice Creams</td>
<td>9.2%</td>
<td>6.8%</td>
<td>17.1%</td>
<td>44.5%</td>
<td>Rice &amp; Cereals</td>
</tr>
<tr>
<td>Fruits - Packaged</td>
<td>6.4%</td>
<td>6.7%</td>
<td>16.8%</td>
<td>38.3%</td>
<td>Fixed-Weight Meat</td>
</tr>
<tr>
<td>Fresh beverage</td>
<td>6.4%</td>
<td>5.6%</td>
<td>16.1%</td>
<td>32.7%</td>
<td>Canned vegetables</td>
</tr>
<tr>
<td>Still Drinks</td>
<td>6.3%</td>
<td>5.5%</td>
<td>15.9%</td>
<td>32.4%</td>
<td>Prepared mix for meals</td>
</tr>
<tr>
<td>Snacks - Salted</td>
<td>6.0%</td>
<td>5.3%</td>
<td>15.8%</td>
<td>28.7%</td>
<td>Dressing &amp; sauces</td>
</tr>
<tr>
<td>Salami</td>
<td>5.6%</td>
<td>5.2%</td>
<td>15.7%</td>
<td>21.7%</td>
<td>Milk &amp; milk derivatives</td>
</tr>
<tr>
<td>Yogurt</td>
<td>5.4%</td>
<td>4.9%</td>
<td>15.5%</td>
<td>21.7%</td>
<td>Ethnic food</td>
</tr>
<tr>
<td>Dressing &amp; sauces</td>
<td>5.3%</td>
<td>4.9%</td>
<td>12.8%</td>
<td>20.2%</td>
<td>Spices</td>
</tr>
<tr>
<td>Cereals &amp; bakery</td>
<td>5.1%</td>
<td>4.9%</td>
<td>12.2%</td>
<td>20.0%</td>
<td>Prepared mix for meals</td>
</tr>
<tr>
<td>Carbonated Drinks</td>
<td>4.9%</td>
<td>4.4%</td>
<td>11.0%</td>
<td>19.8%</td>
<td>Cooked pork</td>
</tr>
<tr>
<td>Beers</td>
<td>4.8%</td>
<td>4.3%</td>
<td>10.8%</td>
<td>19.2%</td>
<td>Cheese</td>
</tr>
<tr>
<td>Fish/animal canned fd</td>
<td>4.2%</td>
<td>3.7%</td>
<td>21.0%</td>
<td>18.5%</td>
<td>Fish/animal canned fd</td>
</tr>
</tbody>
</table>

Source: IRI POS data ending March 8, 2020
Online Channel Sales Doubled in the First Days of COVID-19 Exposure; Click and Collect Up 3-4x from Same Period in 2019

CPG Sales % Change vs. Year Ago

Source: IRI Panel online, Dates reflect Monday, 17 February through Sunday, 1 March, 2020
Not Surprisingly, Shoppers are Going to Large-Format Retailers to Stock Up

Week Ending Feb 9 – March 15, 2020
$ Sales % Change vs. Year Ago

Source: IRI POS Data Week Ending March 15, 2020  Note: Large format includes MULO and Clubs (excluding Costco), Small format is primarily convenience stores
Growth Trip by Mission

NBD Adjustment: NBD_Dollars Projection Fit: Total Fit 52  Sample Size: 30

Dollar Sales % Change vs YA Growth by Trip Mission

Dollar Sales % Change vs YA

Dollar Sales % Change vs Prior


PANTRY STOCKING 42.61%
FILL-IN 19.88%
SPECIAL PURPOSE 17.31%
QUICK TRIP 20.19%
E-Commerce Growth Rates Have Been Accelerating Significantly in the Past 3 Weeks; Edible Categories Are Experiencing the Steepest Growth

* Dollar % Change vs YA, Total E-Commerce*
**Accelerated Growth Across Health Care, Cleaning, F&B Stock-Ups Highlight Continued E-Commerce Shifts in Response to Virus Fears**

% Chg vs. YAG // Health Care, Cleaning, Stock Up Categories // Total E-Commerce // eMarket Insights Model Ranked by $

### Delta

<table>
<thead>
<tr>
<th>Categories</th>
<th>Pre-Period*</th>
<th>Post-Period**</th>
<th>Delta</th>
<th>Pre-Period*</th>
<th>Post-Period**</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Store</strong></td>
<td>23.5%</td>
<td>30.7%</td>
<td>7.3</td>
<td>39.6%</td>
<td>41.2%</td>
<td>1.7</td>
</tr>
<tr>
<td>CANNED JUICES - SS</td>
<td>43.3%</td>
<td>100.9%</td>
<td>57.7</td>
<td>47.6%</td>
<td>54.7%</td>
<td>7.1</td>
</tr>
<tr>
<td>SLEEPING REMEDIES</td>
<td>13.7%</td>
<td>49.2%</td>
<td>35.5</td>
<td>37.2%</td>
<td>51.5%</td>
<td>14.4</td>
</tr>
<tr>
<td>BAKING MIXES</td>
<td>15.3%</td>
<td>48.9%</td>
<td>33.6</td>
<td>51.3%</td>
<td>67.7%</td>
<td>16.4</td>
</tr>
<tr>
<td>NASAL PRODUCTS</td>
<td>11.1%</td>
<td>43.9%</td>
<td>32.8</td>
<td>18.5%</td>
<td>49.9%</td>
<td>31.3</td>
</tr>
<tr>
<td>HOUSEHOLD CLEANER CLOTHS</td>
<td>41.0%</td>
<td>73.3%</td>
<td>32.3</td>
<td>37.5%</td>
<td>75.6%</td>
<td>38.1</td>
</tr>
<tr>
<td>BABY NEEDS</td>
<td>26.2%</td>
<td>57.9%</td>
<td>31.7</td>
<td>30.6%</td>
<td>59.0%</td>
<td>28.4</td>
</tr>
<tr>
<td>INTERNAL ANALGESICS</td>
<td>9.0%</td>
<td>38.7%</td>
<td>29.6</td>
<td>16.1%</td>
<td>53.8%</td>
<td>37.7</td>
</tr>
<tr>
<td>BABY FORMULA/ELECTROLYTES</td>
<td>25.0%</td>
<td>53.2%</td>
<td>28.1</td>
<td>15.4%</td>
<td>38.7%</td>
<td>23.3</td>
</tr>
<tr>
<td>ASEPTIC JUICES</td>
<td>75.0%</td>
<td>100.3%</td>
<td>25.3</td>
<td>102.3%</td>
<td>104.7%</td>
<td>2.5</td>
</tr>
<tr>
<td>BOTTLED WATER</td>
<td>41.3%</td>
<td>66.1%</td>
<td>24.8</td>
<td>62.1%</td>
<td>71.4%</td>
<td>9.3</td>
</tr>
<tr>
<td>RICE</td>
<td>33.7%</td>
<td>58.2%</td>
<td>24.5</td>
<td>46.6%</td>
<td>64.9%</td>
<td>18.4</td>
</tr>
<tr>
<td>HOME HEALTH CARE/KITS</td>
<td>6.8%</td>
<td>29.2%</td>
<td>22.4</td>
<td>6.6%</td>
<td>28.9%</td>
<td>22.3</td>
</tr>
<tr>
<td>DRY PACKAGED DINNER MIXES</td>
<td>36.9%</td>
<td>59.3%</td>
<td>22.4</td>
<td>63.0%</td>
<td>64.9%</td>
<td>1.9</td>
</tr>
<tr>
<td>COLD/ALLERGY/SINUS TABLETS</td>
<td>36.9%</td>
<td>59.3%</td>
<td>22.4</td>
<td>54.0%</td>
<td>76.9%</td>
<td>22.9</td>
</tr>
<tr>
<td>DIAPERS</td>
<td>23.3%</td>
<td>45.0%</td>
<td>21.6</td>
<td>32.1%</td>
<td>55.9%</td>
<td>23.8</td>
</tr>
</tbody>
</table>

**Note:** *Pre-Period is 8/5/2019-1/19/2020 **Post-Period is 1/20/2020-3/8/2020

Source: IRI TSV eMarket Insights Model
Thought Starters for CPG and Retail

COVID-19 Response Opportunities

• Consumer survey results reflect mounting anxiety. Retailers should prepare for more indulgent assortments. Manufacturers should be aware of the emotional toll prolonged home confinement will have on consumers.

• Offer products that help keep daily routines stable, including products that promote sleep (both food and OTC); products with vitamin D for those who are really locked inside; and products with more fiber/roughage. Retail dietitians can take on a bigger role here.

• Data from Italy emphasizes the value shoppers place on click and collect.

• Revival of center-store as quarantine reintroduces consumers to shelf-stable categories and brands. Help shoppers make the most of these products.

• People are getting into more scratch cooking. Retailers and CPG manufacturers can encourage social posts and “gamification.” Examples include “The cheapest healthy meal you’ll eat all week”; “What to do with pulses/beans”; and “Meals prepared from canned goods.”

• As professional services, such as hair, nail and skincare services are suspended, retailers and manufacturers can encourage consumers to do more of this in-home by providing DIY tutorials, kits or supplies, etc.

Source: Chicago Booth Food Purchases During the Great Recession. IRI archived data. IRI Consulting analysis
Helping Consumers Through Uncertain Times

Leverage Lessons
Leverage lessons from other crises, including hurricanes, recessions

Comfort & Joy
Shoppers will be looking for comfort and joy: Stock up on snacks and sweet treats

Panty Stock-Up
Italy is ahead of the U.S.: people will continue to stock up, but with slight shifts to complement pantry items

E-Commerce
E-commerce will likely be a big winner post-COVID-19
IRI COVID-19 Thought Leadership
Helping You Stay Informed

IRI’s Online Insights Offers Real-Time Updates and Weekly Reports of the Impact of the Virus on CPG and Retail

The IRI COVID-19 Info Portal
Includes COVID-19 impact analyses, dashboards and the latest thought leadership on supply chain, consumer behavior, channel shifts for the U.S. AND international markets

The COVID-19 Dashboard
Accessible through the insights portal and tracks the daily impact of COVID-19. This includes the top categories across countries, out-of-stocks and consumer sentiment on social media.
FMI Coronavirus Resources

https://www.fmi.org/food-safety/coronavirus

Coronavirus Resources

CDC is working across the Department of Health and Human Services and across the U.S. government in the public health response to COVID-19, commonly known as coronavirus. FMI has compiled background information, a preparedness checklist, resources and more to support the food industry.

(Right Click On This Page to Print, Page Updated March 27, 2020)
II. Short-Term Best Practices

This document provides best practices and operational guidance for the food industry in the short term as we face new situations resulting from the coronavirus outbreak.

I. Best Practices and Planning for the Immediate Situation

This document provides best practices and operational guidance for the food industry on the scenarios and issues that are occurring today, just days after the president declared a national emergency.
FMI Coronavirus Resources

https://www.fmi.org/food-safety/coronavirus

You will receive a link to view this webinar. An e-mail will be sent with the link and the Q&A in 2-3 days.
How Did We Do?

Your Feedback is Important. Please Complete a Brief Survey