Pulse Update

Data collected 25th January – 21st February 2021

KEY MESSAGES

Increase in shoppers purchasing snacks in-store

- The proportion of shoppers shopping in-store for snack occasions has increased by +3ppts compared to last month.
- Larger pack sizes and multipacks in the snacking category are key to help cater for the increase in at-home consumption and larger household sizes.

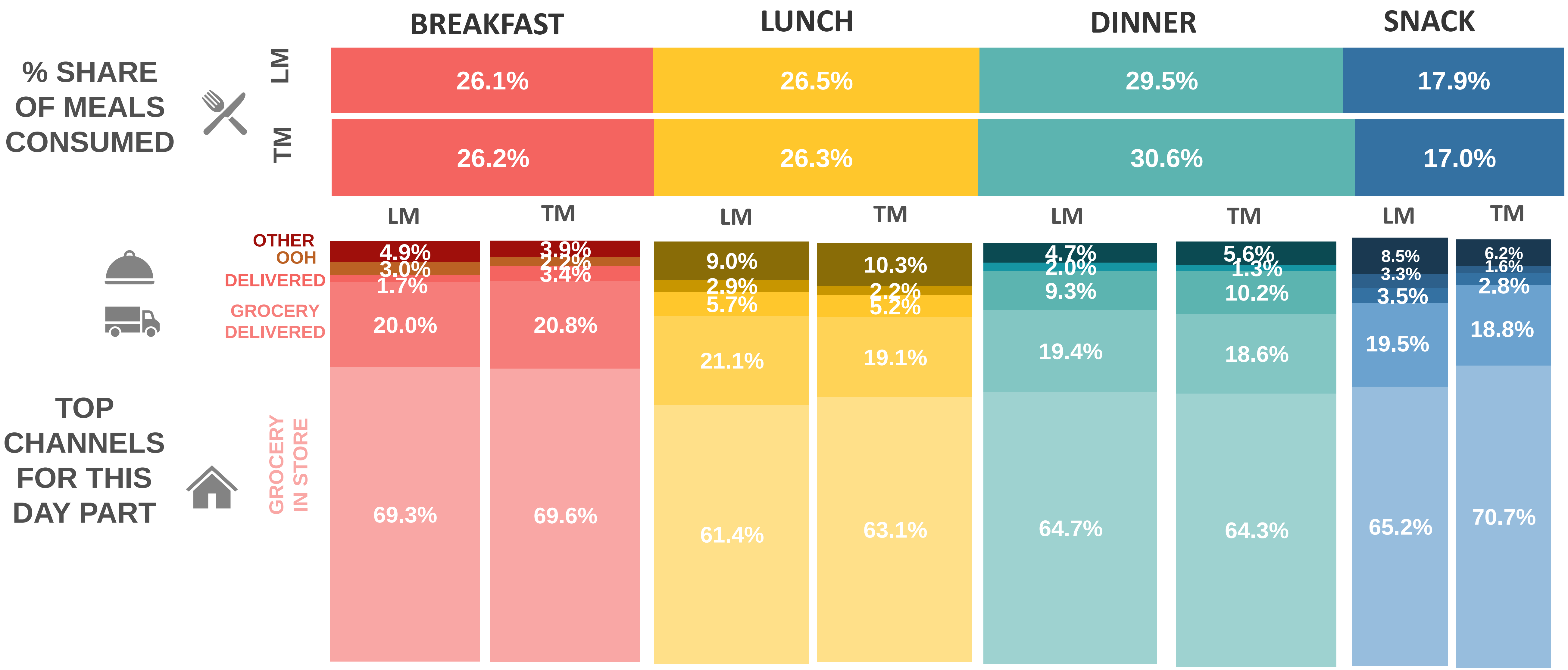
Shoppers are not sticking to the same store

- Shoppers are showing less loyalty. Familiarity, the need of 'it's where I always go' has declined across all meal occasions.
- Price has increased as a need at dinner (+4ppts) and snack (+3ppts) occasions, suggesting that consumers are shopping around to find the best price. Promotional deals will be a good way to lock in loyalty amongst these more price-conscious shoppers.

OOH share declines but channel opportunity shows improvement

- OOH share has declined across all meal occasions during the month, with OOH accounting for just 2% of the key lunch meal occasion.
- Channel opportunity however, has shown signs of improvement for all hospitality channels compared to last month, as consumers experience lunch fatigue and major players such as McDonald's re-open for walk-ins.

CHANNEL PULSE: OVERVIEW



NB: LM = Last month
TM = This month

Source: Channel Pulse data collected 25/01/21 – 21/02/21

CHANNEL PULSE: OVERVIEW

		BREAKFAST	LUNCH	DINNER	SNACK
% SHARE OF MEALS CONSUMED	LM	26.1%	26.5%	29.5%	17.9%
	TM	26.2%	26.3%	30.6%	17.0%
TOP NEEDS FOR THIS DAY PART — IN HOME	1	Familiarity (38%)	Familiarity (35%)	Familiarity (41%)	Familiarity (22%)
	2	Prices (29%)	Prices (28%)	Prices (34%)	Prices (20%)
	3	Quality (23%)	Quality (23%)	Quality (32%)	Quality (16%)
CHANGING NEEDS FOR THIS DAY PART — IN HOME	1	Familiarity (-3pp)	Confidence (+3pp)	Quality (+1pp)	Prices (+3pp)
	2	Quality (-3pp)	Familiarity (-4pp)	Familiarity (-2pp)	Familiarity (-3pp)
	3	Choice (-2pp)	Quality (-5pp)	Prices (+4pp)	Quality (-3pp)

NB: Sold Out/Shut = "My usual place was sold out or closed"
Confidence = "I knew they would have what I want"
Familiarity = "It's where I always go"

Source: Channel Pulse data collected 25/01/21 – 21/02/21

CHANNEL PULSE: CRYSTAL BALL

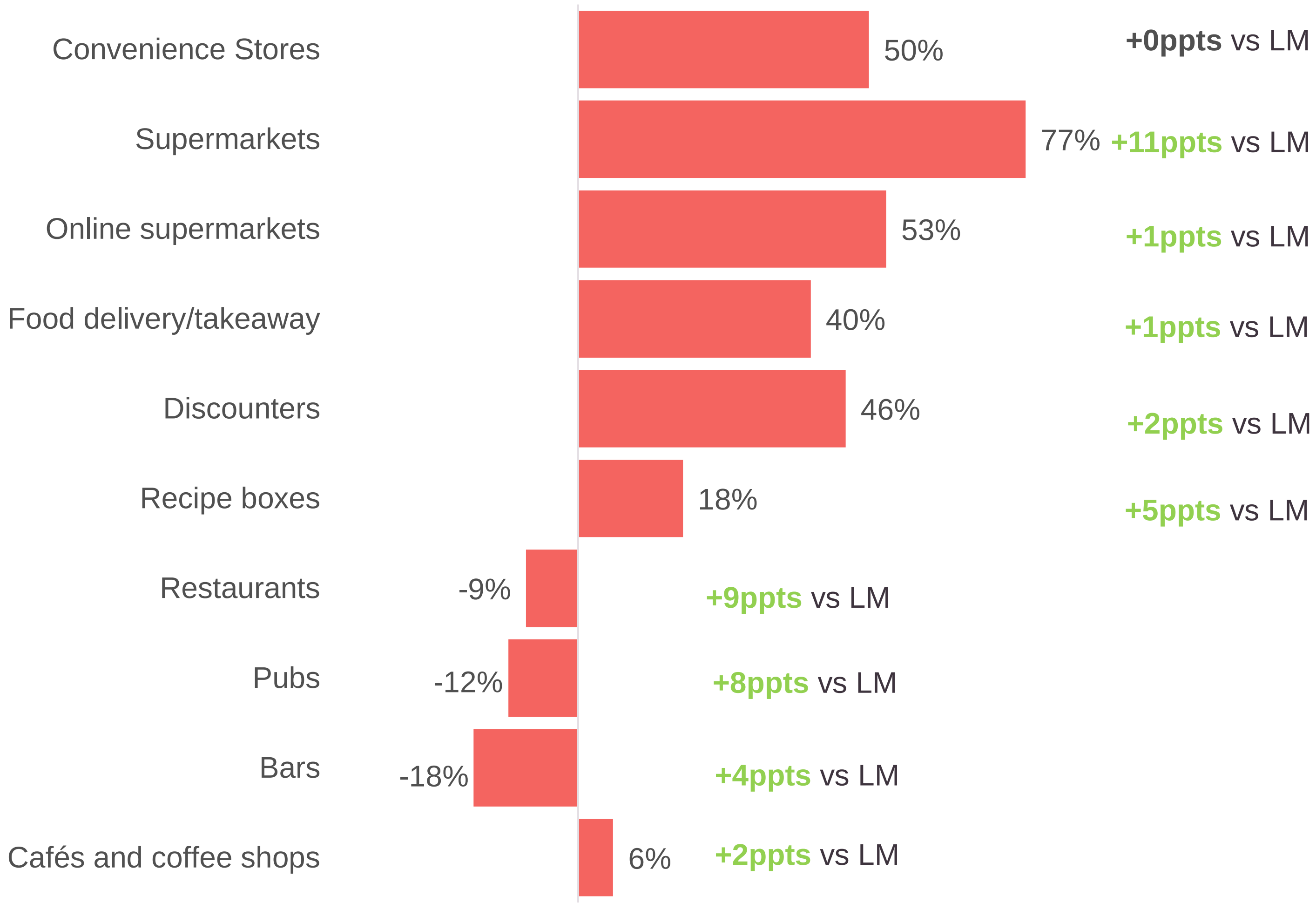
- The UK remained in national lockdown during the 4WE 21/02, with the Government stay at home message emphasising essential shopping only. Figures from the Barclaycard consumer spending report show that footfall plummeted in January, down by 76.9%.

- Supermarkets maintained the highest channel opportunity and saw a +11ppt increase compared to the previous month, as shoppers stuck to main weekly shops to limit the number of trips. Online supermarkets managed to maintain a higher channel opportunity than convenience stores for the second consecutive month in a row, as the switch to online cements as a lasting legacy of the pandemic.

- Delivery and takeaway remained the only viable way of operating for hospitality businesses during the month, reflected in negative channel opportunity for restaurants, pubs and bars. All foodservice channels have seen an increase in channel opportunity compared to the previous month, as consumers adjust to lockdown and key players such as McDonald's reopened doors to walk-in customers.

Predicted Channel Opportunity

Do you think you will visit/use the following channels more, less, or the same in the next week? (Index calculation = More + Same, - Less)



Source: Channel Pulse data collected 25/01/21 – 21/02/21

LM = Last month

THE TRUSTED SOURCE FOR FOOD, DRINK AND NUTRITION MARKET INSIGHT SOLUTIONS

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Lumina Intelligence is the new name and new solution from HIM and MCA Insight

OUR CORONAVIRUS LABELLING

Pre Coronavirus

Pre-2020

Pre Coronavirus Uncertainty

January-February 2020
At this time little had happened in the UK and Europe regarding the outbreak.

Peak Coronavirus Lockdown

March-May 2020 (I)
November 2020 (II)
Now (III)
The height of the pandemic. Government intervention led to widespread home working, school closures and reduced public transport. Public encouraged to avoid non-essential travel and implement social distancing.

Post Lockdown

May-November 2020
Intermittent periods of time directly following Lockdown I-III.
This is predicted to be a minimum period of six months with continuing risk aversion mindsets.

Recessionary Impact

Future (months)
Period when the UK feels the economic impact that the virus will leave. This period is set to be defined by cautionary consumer spending and notable operator causalities.

Market Recovery Adjusted Normality

Future (years)
Expected to be in around 3-5 years. The competitive landscape of the food and drink market will be very different, with Lumina Intelligence expecting some lasting legacies from both consumers and operators going forward.

Source Lumina Intelligence

METHODOLOGY

The Channel Pulse methodology is built up from three sections, comprised of online feedback with a nationally representative sample of 1000 participants every week

1) Meal Share: Consumption in the last 24 hours

- Share of Meals
- Consumption Location
- Purchase Location
- Retailer/Operator
- Needs & Motivations

2) Channel Detail: Channel penetration in the last 7 days

- Channel Penetration
- Retailer/Operator
- Visit Frequency
- Purchases
- Mission

3) Topical Content And Subject Deep Dives

BESPOKE ANALYSIS CAPABILITIES

Using our **wealth of data**, **channel expertise** and **advance analysis tools** our consultants can **produce tailored outputs**, **exclusively for you**, in order to quickly react and answer your critical **key business questions**. We will be able to contextualise these trends through our existing out of home and retail trackers providing a historical perspective.

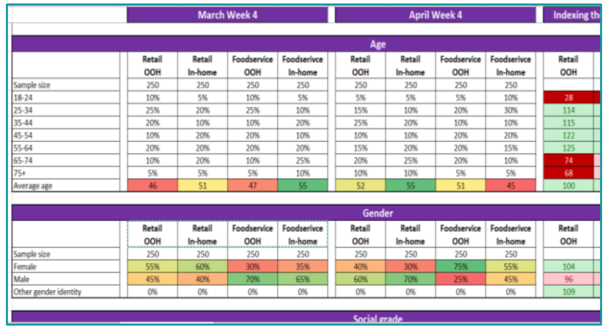
EXAMPLE QUESTIONS WE CAN ANSWER

Adaptable to be applicable for whether you're a **supplier**, **retailer** or **operator**

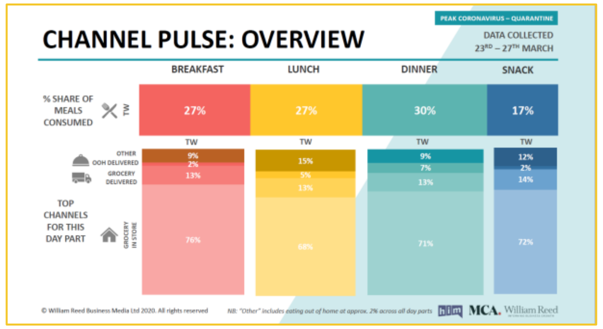
- Who are your opportunity consumers and how can you connect with them?
- Which channels are missed opportunities and how can you break into them?
- How can you drive incremental visits, increased spend and loyalty'
- How does your offer need to change by day-part and season?
- How can you maximise foodservice & retail for your category?
- What is your category penetration and how can you grow your category?

DELIVERABLE OPTIONS

Data tables



Dashboards



Reports

Presentations & workshops

Get in touch

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Lumina Intelligence