

# SEEING & DECODING CRISIS SHOPPING AND CONSUMPTION BEHAVIOR WEEK 2

This report has been prepared by NAILBITER in  
collaboration with RB Shopper Insights

- ▶ IN-STORE & ONLINE PURCHASE DECISIONS
- ▶ AT-HOME DELIVERY, STORAGE & CONSUMPTION
- ▶ MOST MAJOR CPG CATEGORIES
- ▶ US FOOD, DRUG, MASS, DOLLAR AND CLUB

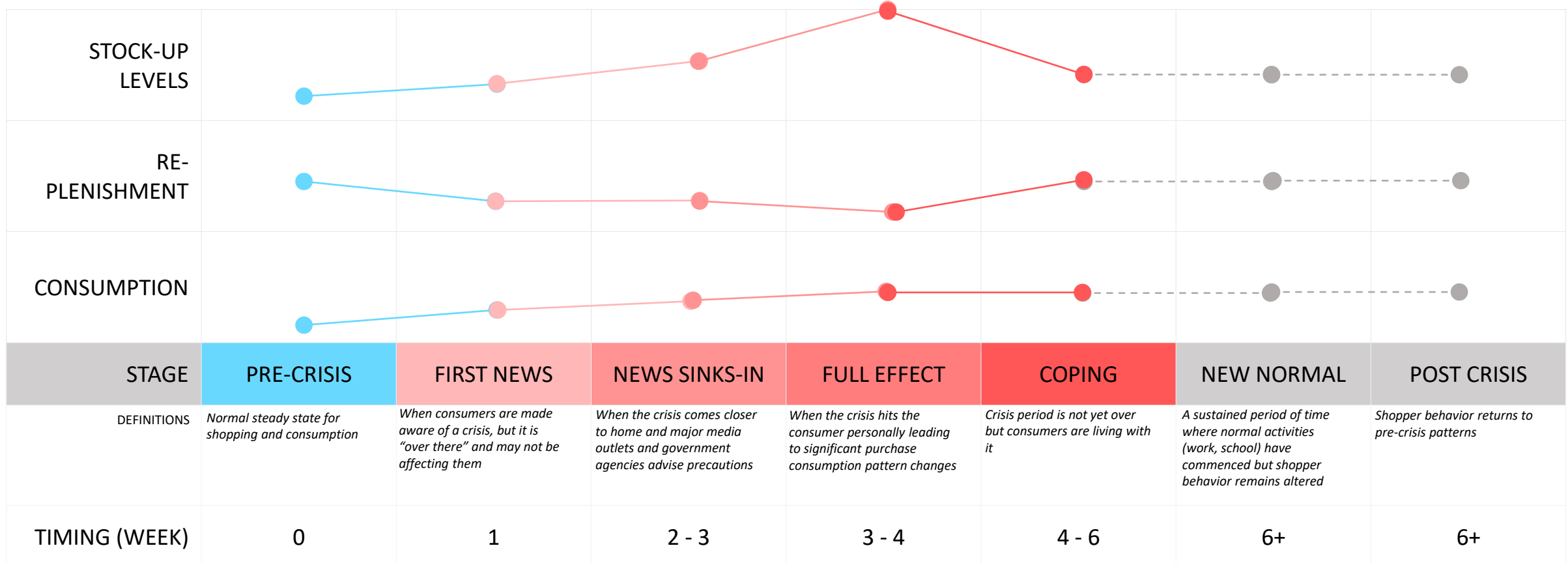


WEEK 1: March 15<sup>th</sup> to 21<sup>st</sup>

WEEK 2: March 22<sup>nd</sup> to 29<sup>th</sup>



*Category stock-ups spiked right around the time the crisis took full effect. However, Coping quickly set in and consumers are beginning to Normalize; whether that is the old normal or a 'new normal' is yet to be seen.*



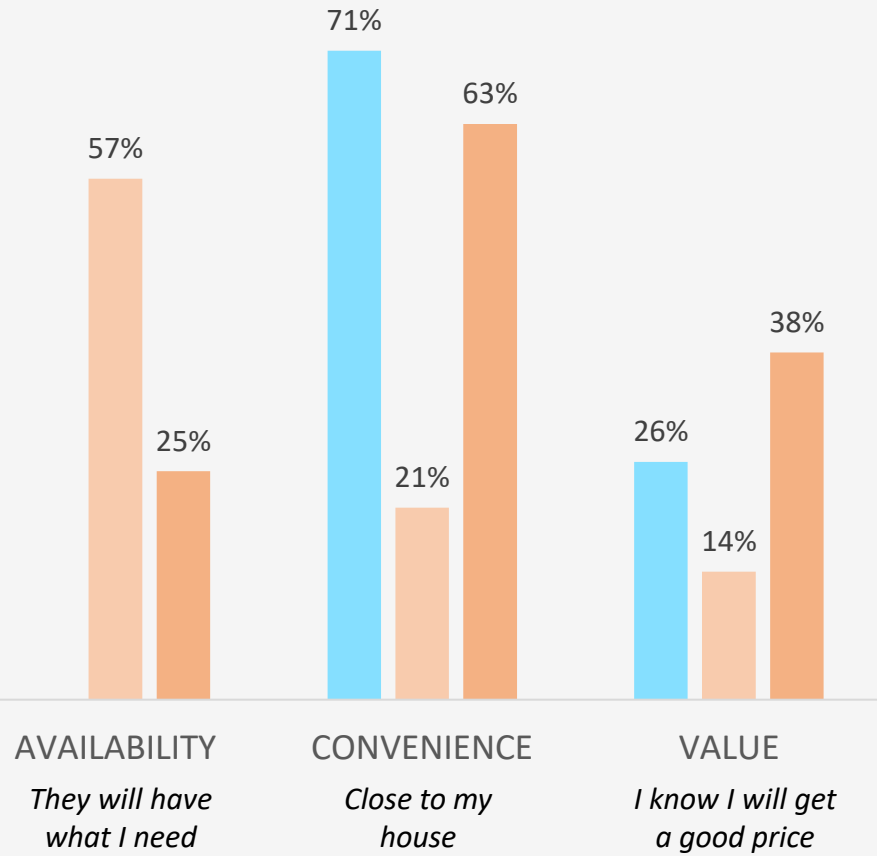
**CATEGORY SHOPPERS "STOCK-UP STATE OF MIND"**



## DRIVERS OF RETAILER SELECTION

(Top criteria by % of Shoppers)

■ Pre-Crisis (NAILBITER Norms) ■ Week 1 ■ Week 2

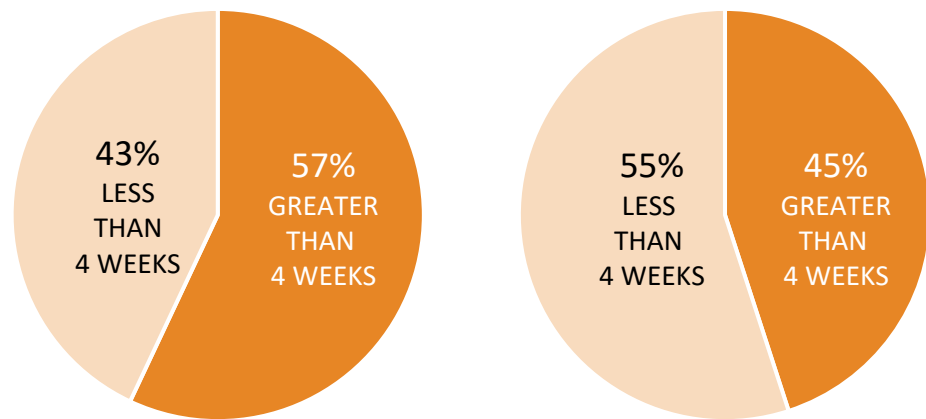


*Meaningful shifts are occurring in how shoppers are making decisions.*

*One major shift is shoppers getting back to selecting retailers based on conventional reasons such as Value and Convenience; however, product availability remains an important driver and concern.*



*As the crisis progresses, consumers are stocking up for shorter durations, which may indicate that they are getting used to coping with the pandemic. Additionally, we see some generational differences: Millennials are stocking up for longer time periods than older generations.*



WEEK 1

WEEK 2

### STOCK-UP DURATION

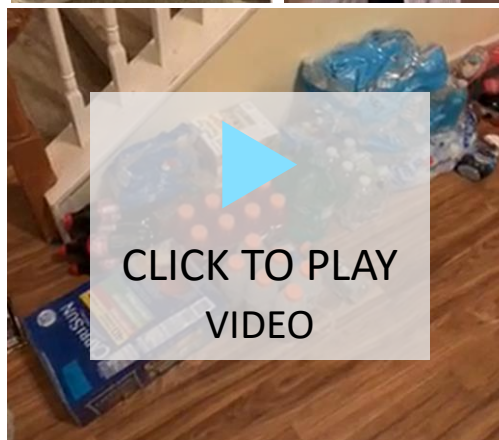
**1.6x**

Millennials are 1.6 times more likely to Stock up for more than 4 weeks compared with Gen X consumers

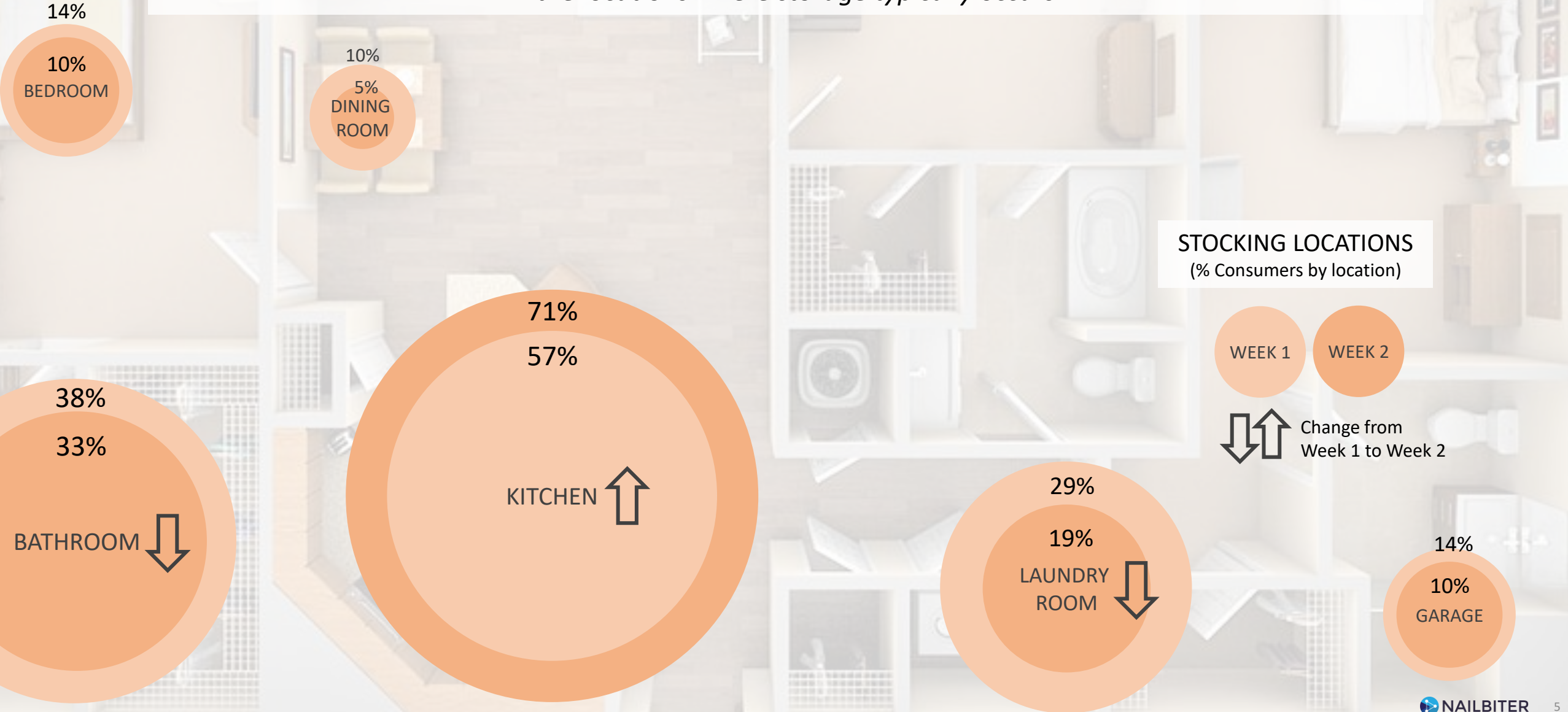
LESS THAN 4 WEEKS



MORE THAN 4 WEEKS

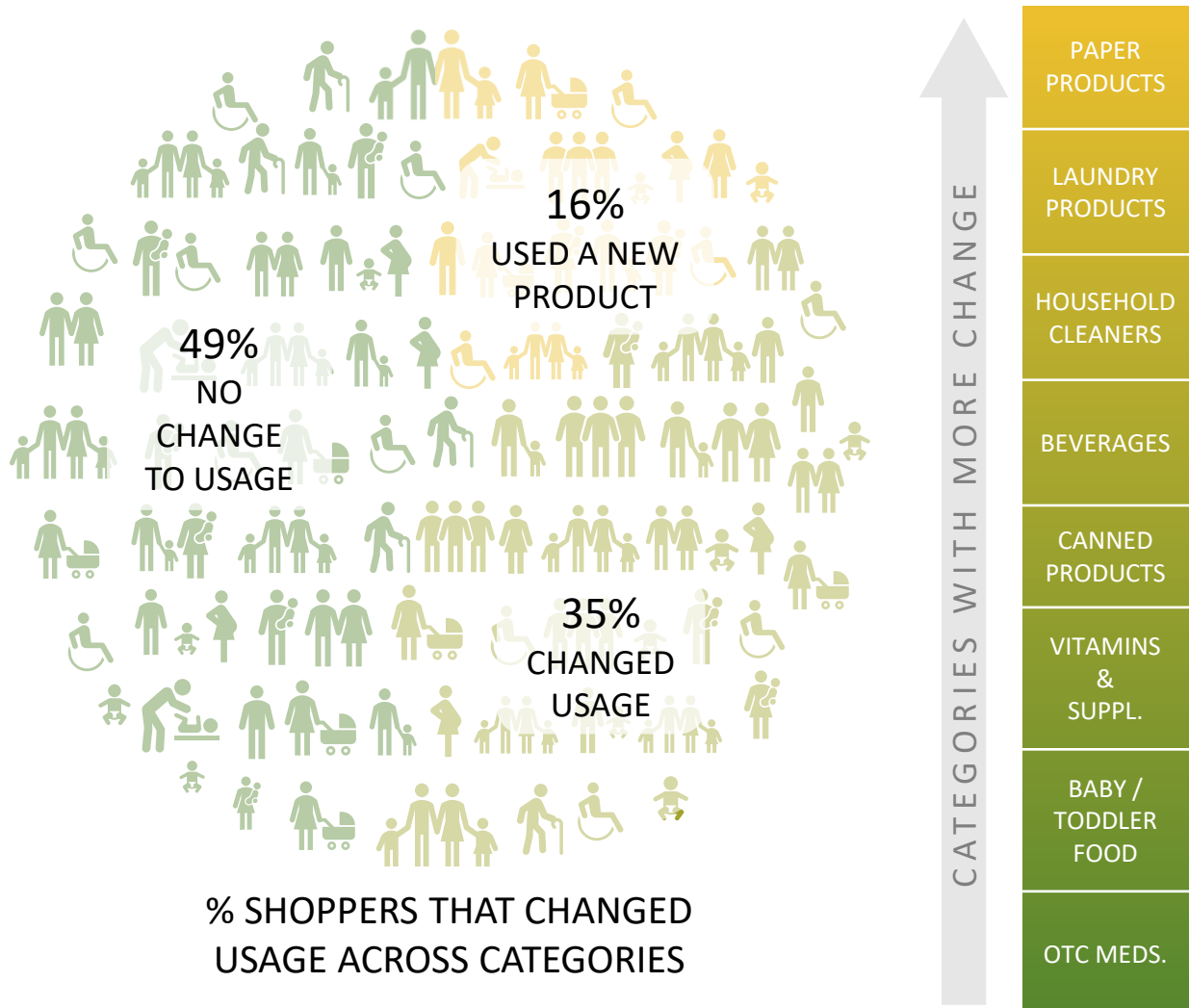


*Consumers are still stocking up but are beginning to resume stocking up on the categories they typically keep on hand. This may be evidence of normalization as consumers are storing products more frequently in the locations where storage typically occurs.*





Consumers are changing their consumption behavior, at least in some categories like Paper Products, Laundry Products, and Household Cleaners. When change does occur, it is most frequently a change in actual category usage (frequency, quantity) or completely new entrance into a category.



*"I would try to use it sparingly until after the virus craze is kind of over then I would probably get back to using it as I would usually do."*  
 – Paper Towels User



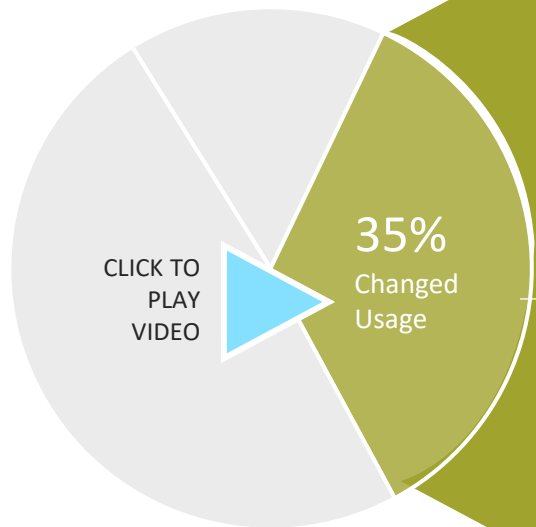
*"I use it pretty much 3-4 times a day. I am **cleaning dishes more often**; I am not leaving them sitting due to viruses or bacteria."*  
 –Liquid Dish Soap User

*"We will probably be **consuming these more than we have in the past since the family is home and we will be eating more snacks.**"*  
 –Chips User

*"I probably **would not use them quite as often if it wasn't for the whole coronavirus thing.** I mean, I would still disinfect, but not quite as much as I do now."*  
 –Disinfectant Spray/ Wipes User



Consumption habits should be evaluated on a category-by-category basis. Some categories are experiencing increases in consumption, while others are being rationed. Increased usage is often to maintain higher standards of 'clean' or 'sanitized' while rationing occurs in categories like Toilet Paper where in-store out-of-stocks make consumers worried they will completely run out.



% CONSUMERS THAT CHANGED USAGE FREQUENCY

78%  
USE MORE  
OFTEN

↑

↓

22%  
USE LESS  
(RATIONING)

*"I have been using paper towels more during this time, just because of the germs. I just want to make sure that I am not spreading germs, and if I can use paper towels and wash my hands and wipe down counters, things like that, I feel like I am not spreading germs as much as if I were using cloths or towels."*

*"Usually, I do not care how I use toilet paper, but I have been really trying to not use as much so we can save toilet paper, because stores are not stocking up on them. We don't use it like we used to."*

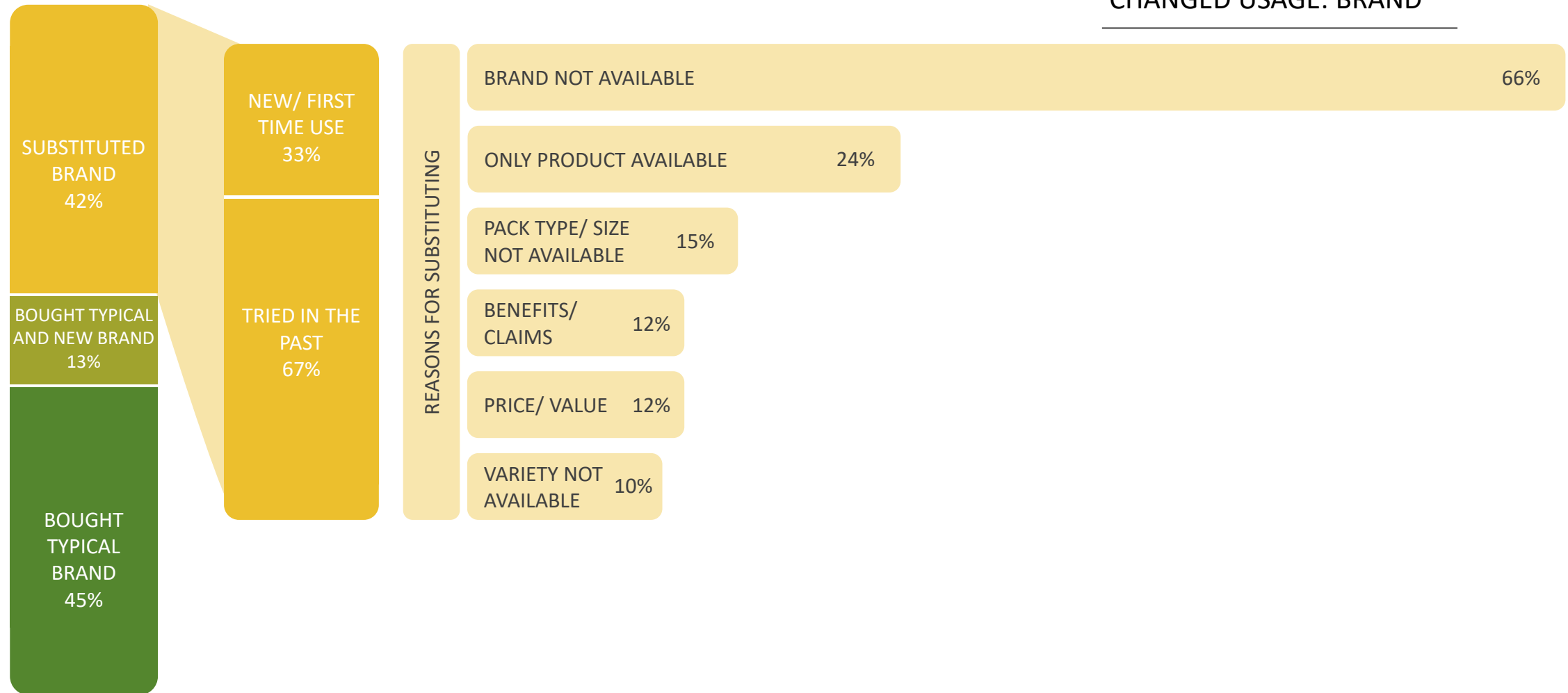
MOST AFFECTED

-  DISINFECTING WIPES
-  BABY WIPES
-  DISH CLEANERS
-  HAND SOAP
-  MILK AND DAIRY
-  BREAD
-  PAPER TOWELS
-  TOILET PAPER



*While half of consumers are sticking with their typical brand, out-of-stocks and evolving needs are forcing consumers to try out different brands. This presents a great opportunity for brands to win new users over, but also poses a risk for brands trying to minimize leakage to competition.*

### CHANGED USAGE: BRAND







*In many categories, Consumers are finding solace in Brands and are eager to switch back to their normal Brands when available. The impact of brand switching appears to be short-term as consumers may want to rush back to their favorites once they're available again.*



**9 in 10**  
plan to return to their  
typical brand/product

*"I would not purchase these [private label paper towels] again because they're not nearly as soft as the Viva towels I normally use."*



**1 in 10**  
plans to continue using  
the substitute product

*"Once this situation is over, I will go back to Dawn, my normal one, and I'll continue using Seventh Generation."*





# ABOUT NAILBITER



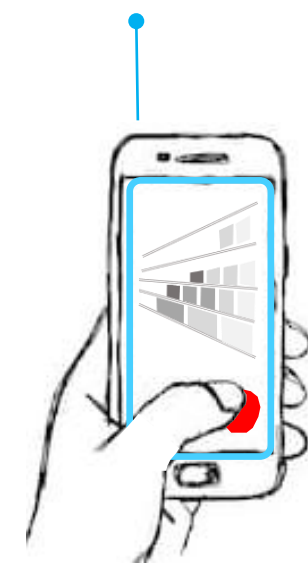
# VIDEO IS USED TO OBSERVE HUMAN BEHAVIOR & YIELD VIDEOMETRICS



ANY COUNTRY  
ANY CLASS OF TRADE  
ANY RETAILER



REAL SHOPPERS  
REAL SHOPPING TRIPS  
NO MISSIONS



IN-STORE



E-COMMERCE

SMARTPHONE APP  
LIGHT INSTRUCTIONS  
SHORT VIDEOS OF REAL TRANSACTIONS