



IRI Australia Industry Insights

COVID-19: LEARNINGS FROM AUSTRALIAN & GLOBAL TRENDS

Daniel Bone, Insights Director

March 31, 2020



IRi
Growth delivered.

The **FMCG** industry is at the forefront in ‘making a difference’



IRi POINT OF VIEW

COVID-19 has brought into focus how the FMCG industry provides critical value on a daily basis for those in need of basic necessities. With the industry so intricately connected to the day-to-day lives of consumers, it is uniquely placed to play a leadership role in the two major ‘calls-to-action’ in this report. With over a third of the global population still figuring out their newfound at-home routines, the industry is aptly coming together to support those in need. In just a matter of weeks, countless examples have emerged of the local and global FMCG industry making a positive difference to a world engulfed in a global health and economic crisis

Stakeholders should help consumers navigate newfound lifestyle realities at a time when they value (and need) support from the brands they appreciate. Getting close to customers at this unprecedented time will allow industry stakeholders to optimally respond to genuinely new and evolving consumer behaviours during the COVID-19 outbreak and beyond. When faced with unprecedented levels of disruption and uncertainty, leveraging advanced analytics to support decision-making becomes even more important. And that’s where IRI continues to be ‘part of the solution’, as we seek to help optimise the industry’s decision making going forward

Source: IRI analysis; IRI MarketEdge; ABS

Ongoing uncertainty has fuelled unparalleled local grocery sales



2 wks to
March 10

\$ growth recorded in
84%
of categories

Nearly 100 categories
recorded \$ growth
≥20%
vs YA

\$ growth in >40
categories reached
≥50%
vs YA

Total sales growth
>5X higher
vs. HY'20 industry
averages



2 wks to
March 24

\$ growth recorded in
80%
of categories

20% of store recorded
≥100%
dollar growth vs YA

\$ growth in >80
categories reached
≥50%
vs YA

Total sales growth
>12X higher
vs. HY'20 industry
averages

Source: IRI analysis; IRI Australia MarketEdge Grocery, 2 wks to 10/03/2020 and 2 wks to 24/03/2020; IRI store visits

Focus on two major themes **in becoming part of the ‘common good’**

1

**Strengthen the
global response
simply by being a
‘part of the
solution’**

Approaches to consider:

- Use reach and influence to support evolving public health messages
- Help to channel consumers to credible and trusted sources
- Redeploy and partner on resources to support infection control
- Show solidarity & support to your entire customer value chain
- Tell your stakeholders about being ‘part of the solution’
- Nurture impactful community outreach donations
- Ensure that your business leaders are at the forefront of CRM efforts
- Routinely express pride in accomplishments and team tenacity
- Implement ‘gratitude pay’ and good gesture donations
- Champion hard-pressed frontline workers and social challenges
- Generate new targeted promotions/benefits for vulnerable cohorts
- Continually review and enhance stakeholder safeguarding measures
- Move to reassure customers about (revised) safety protocol
- Use off-location displays to optimise shelf-space

2

Respond to new consumer behaviours during the outbreak and beyond

Approaches to consider:

- Revisit and amend your existing marketing/advertising pipeline
- Address COVID-19 in adjusted marketing campaigns
- Shift branding focus to social and digital channels
- Consider renaming, reframing and reappropriating products
- Assess the opportune moment for brand gamification tactics
- Reframe essential products & services as consumers reappraise
- Help consumers navigate potential newfound (isolation) anguishes
- Support the maintenance of continuity amid new lifestyle realities
- Provide inspiration and enablement as people recalibrate at-home
- Develop partnerships that expand brand and customer horizons
- Support consumers in maintaining/reimagining (virtual) sociability
- Consider cultivating, or aligning with, new online experiences
- Know that keeping the spirits high can simply be quirky acts
- Reappraise the activities that brands are aligned with (e.g. e-sports)
- Determine how to establish/promote new brand consumption rituals
- Find new ways to deliver superior value for a 'recession mindset'
- Help 'stay-at-homers' maintain their commitment to good health
- Assess if this is a timely moment for co-creating with customers

Covid-19: Learnings from Australian & global FMCG

Part 1:
**COVID-19 INFLUENCED
SALES TRENDS**



IRi
Growth delivered.

First off, let's pick up where we left off...



...as this is IRI Australia's 2nd perspective on the impact of COVID-19

IRI Australia Industry Insights

COVID-19: IMPACT ON THE AUSTRALIAN FMCG LANDSCAPE

Daniel Bone, Insights Director

March 19, 2020



When released to our clients on **March 19**, the **global COVID-19 case count had only just surpassed 200K**. We have since observed **cases approach 800K – nearly quadrupling in around 10 days**. It proves that just 1 week, or even 1 day, is a very long time in a highly dynamic pandemic

Source: IRI analysis; Johns Hopkins University Coronavirus Resource Center



The **exponential spread of COVID-19** is more apparent each day



to reach
100,000
cases



for the next
100,000 cases
(total 200K)



for the next
100,000 cases
(total 300K)

Australia is still in the
earlier stages
of its outbreak...



...with cases
doubling close
to every 3 days



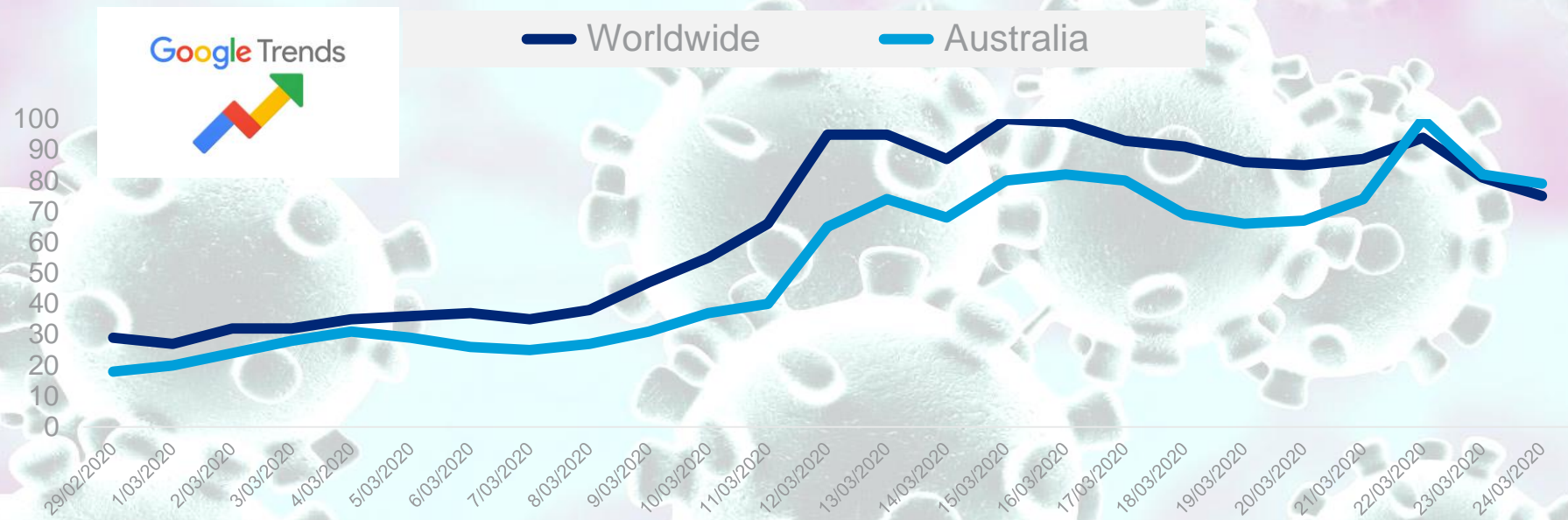
27
cases



4.3K
cases

Australian's peak interest in coronavirus* took longer to manifest

Coronavirus (search term): Interest over time



Source: IRI analysis; trends.google.com; *a value of 100 is the peak popularity for the term

The **US** has now emerged as the epicentre in the COVID-19 pandemic

Moved from the 'China period' to the 'pandemic period'

Global cases:

782,319

Countries impacted:

178

China cases:

82,198

Non-China cases:

700,121

China deaths:

3,308

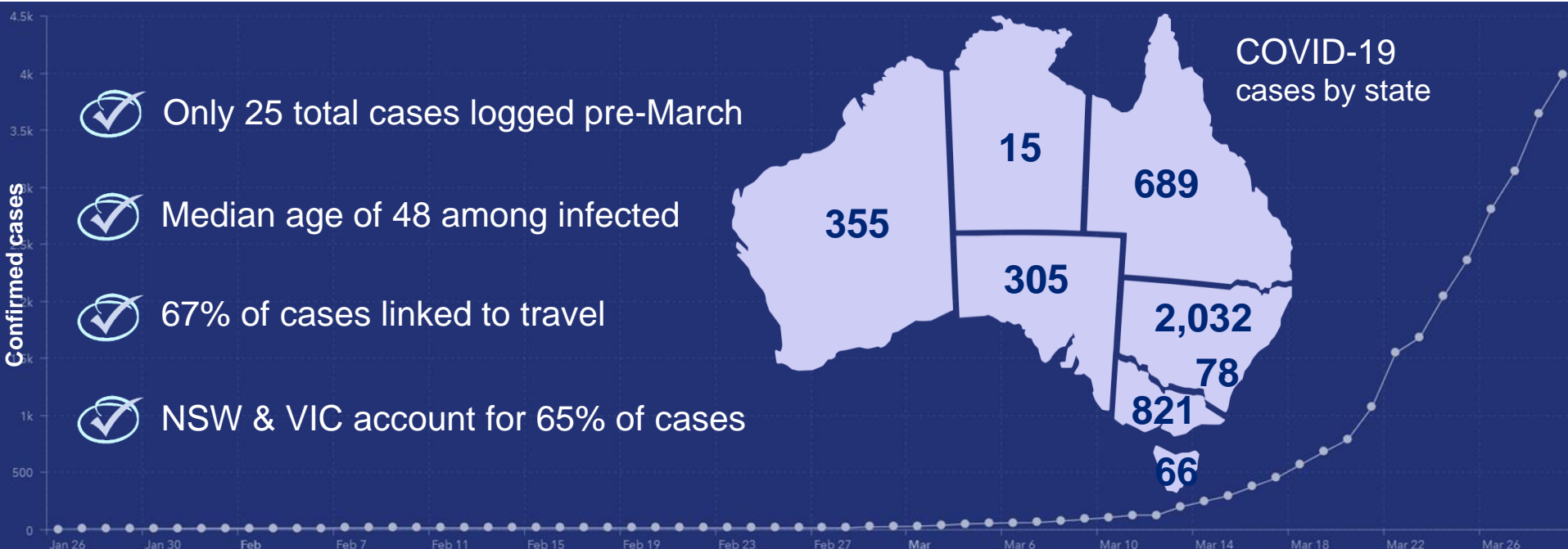
Non-China deaths:

34,274

	Country	Infections	Deaths
1	United States	161,807	2,978
2	Italy	101,739	11,591
3	Spain	87,956	7,716
4	China	82,198	3,308
5	Germany	66,885	645
6	France	45,170	3,030
7	Iran	41,495	2,757
8	UK	22,453	1,411
9	Switzerland	15,922	241
10	Belgium	11,899	359
20	AUSTRALIA	4,361	17

Source: IRI analysis; [ft.com/Johns Hopkins University](https://ft.com/Johns_Hopkins_University); Data as of 31/03/2020, 09:39am

Meanwhile, **NSW is the epicentre** in Australia's COVID-19 outbreak



Source: IRI analysis; [ft.com/Johns Hopkins University](https://ft.com/Johns_Hopkins_University); Data as of 31/03/2020, 09:39am

It now seems **unfathomable** that these scenes occurred just over a week ago...

With so many **ignoring social distancing protocol traits evident in retail stockpiling behaviour** on Mar. 20, Australians were exhibiting similar **'herd mentality'** (i.e. if others are doing it, it legitimates me doing so to)



w/c 16th-
21st

One-third believed there had been an **overreaction to the threat of the coronavirus***

Mar 19th-
21st

Minority (42%) think an infection from the outbreak could have a 'very' to 'extremely' **serious effect on their health****

Source: IRI analysis; 7news.com.au; abc.net.au; *Guardian Essential Poll; **Ipsos

...because we are now acutely wary of a two-tier crisis/impact

Health

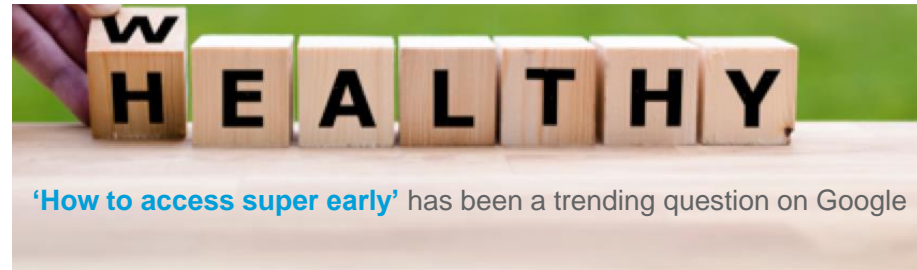
Risk of infection; silent killer; anguish of ambiguity; loneliness of isolation; new/disrupted regimes



WHO emphasised the need to “confront the defining **global health crisis** of our time,” while noting that **we are at war** with a virus that **threatens to tear us apart** - if we let it”

Wealth

Job loss; job insecurity; investment losses; lost retirement funds; prospect of property crash



‘How to access super early’ has been a trending question on Google

Around **half of Australians** think COVID-19 **poses a threat to their job/business**, up from <20% in mid-Feb. And **65%** said it will **have a financial impact on them and their family** in mid-March

Source: IRI analysis; World Health Organization; Ipsos; trends.google.com.au



and our lives are governed by a new social order for the foreseeable future



Public gatherings limited to 2 people, or 1 household



Growing number of public spaces set for imminent closure



States and territories enacting criminal penalties for breaches

4 mitigating circumstances to leave home:

1

Buy essential groceries

2

Medical or compassionate visit

3

Exercise

4

Going to work/school if unable to WFH

53%

“feel like things will never be the same again”*

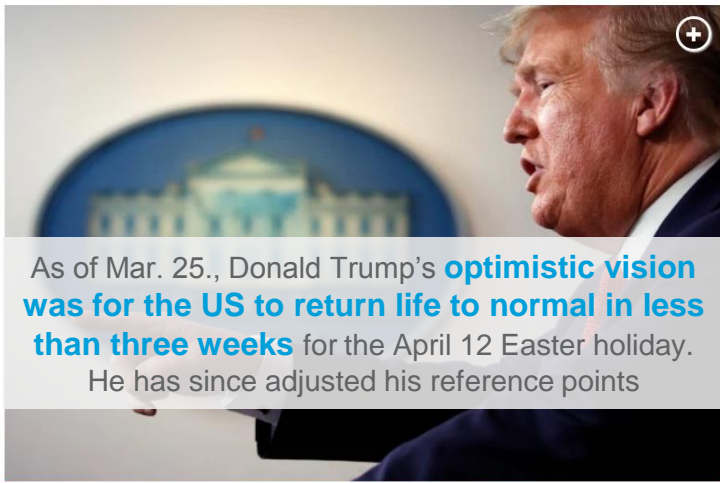
Source: IRI analysis; IRI store visits; *Nature and The Lab

Few Australians appeared to share Donald Trump's optimism last wk

Trump sticks to Easter reopening despite skepticism

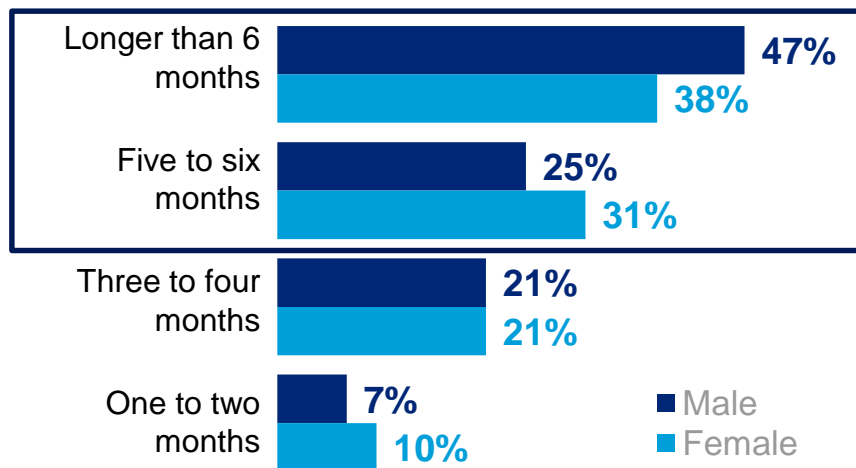
By Steven Nelson

March 25, 2020 | 8:13pm



A majority share of Australians anticipate longer-term disruption caused by the virus

Q: How long do you anticipate the disruption caused by the coronavirus situation will continue?

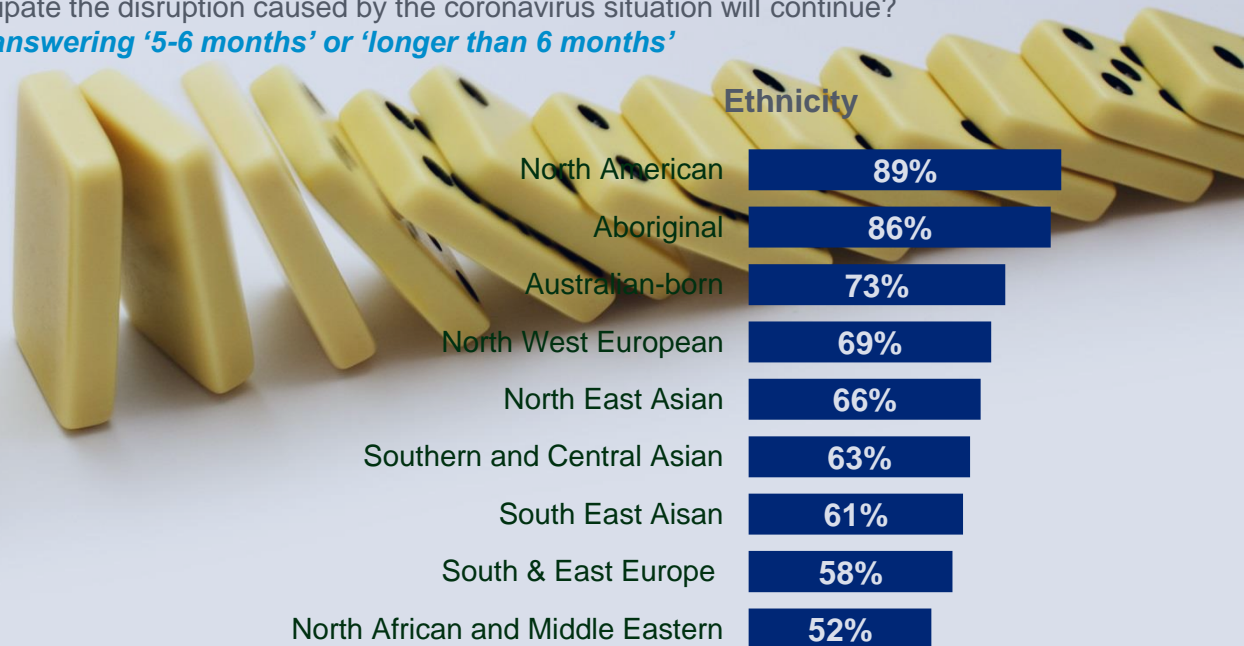
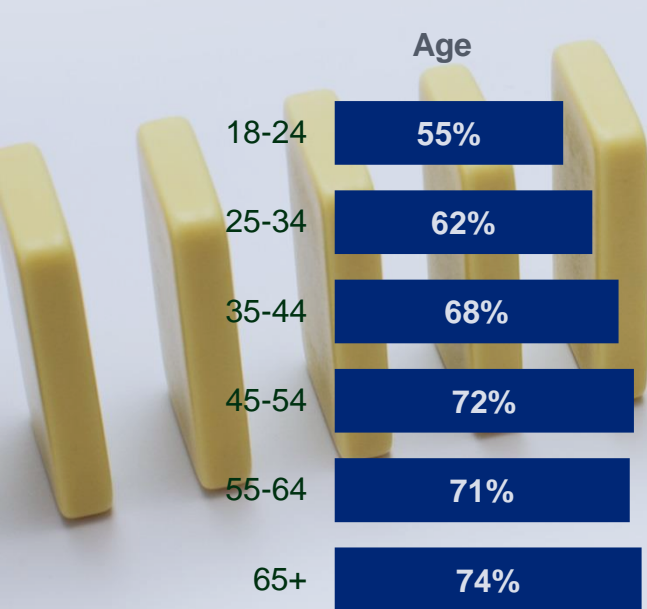


Source: IRI analysis; IRI Shopper Panel Survey March 20-27; nypost.com

Expectation of longer-term disruption increases with age...

Q: How long do you anticipate the disruption caused by the coronavirus situation will continue?

Those answering '5-6 months' or 'longer than 6 months'

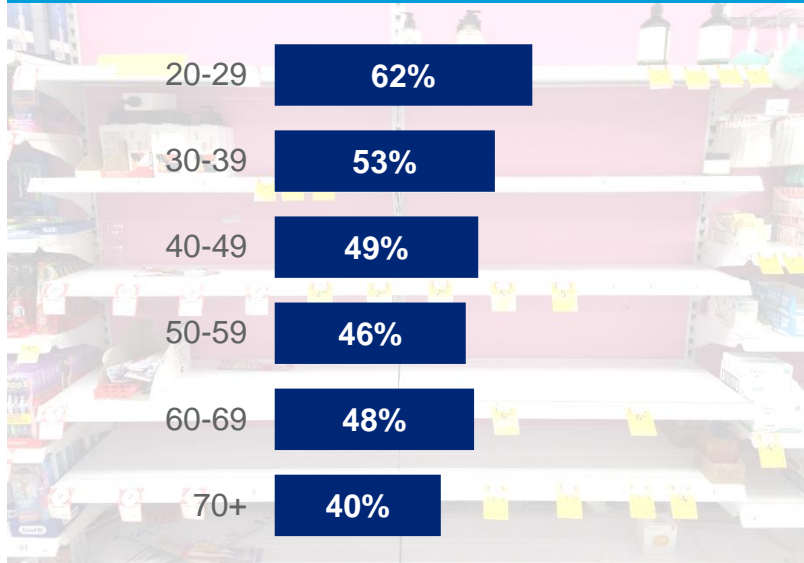


Source: IRI analysis; IRI Shopper Panel Survey March 20-27

...although **older Australians were less likely to report panic buying**

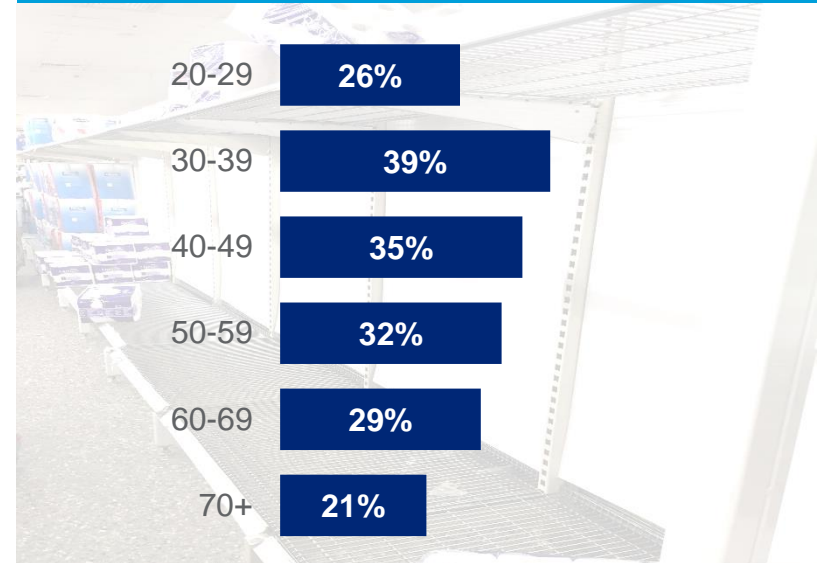
Purchase of health care essentials

(e.g. hand sanitizers, face masks, cleaning products, cold and flu tablets)



Stockpile of daily essentials

(e.g. toilet paper, rice, bottled water, canned or pre-packed food?)

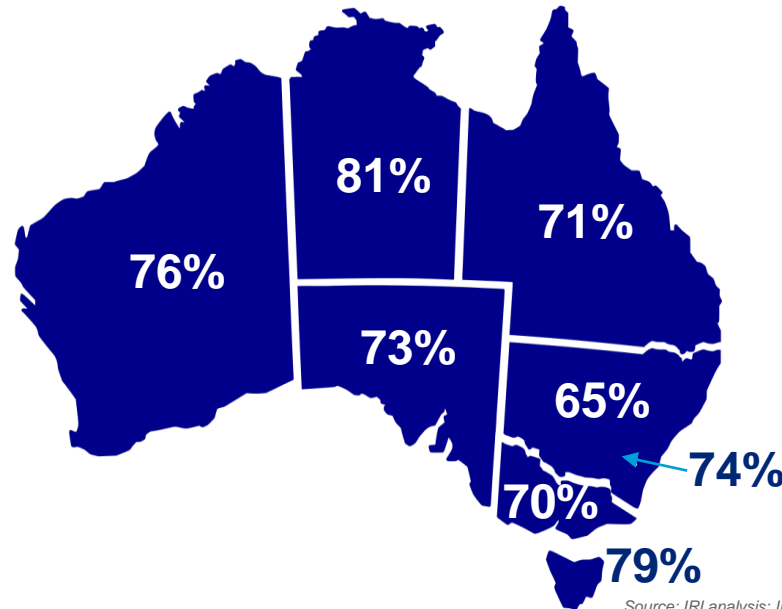


Source: IRI Shopper Panel Survey, March 2-4 2020; asking how respondents would respond to a health crisis like the coronavirus

Residents of NSW appear most optimistic of normality resuming

Q: How long do you anticipate the disruption caused by the coronavirus situation will continue?

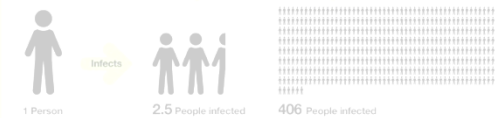
Those answering '5-6 months' or 'longer than 6 months'



Why social distancing matters

Social distancing of 1.5 metres decreases the exposure of coronavirus (COVID-19).

Now



50% less exposure

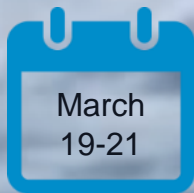


75% less exposure

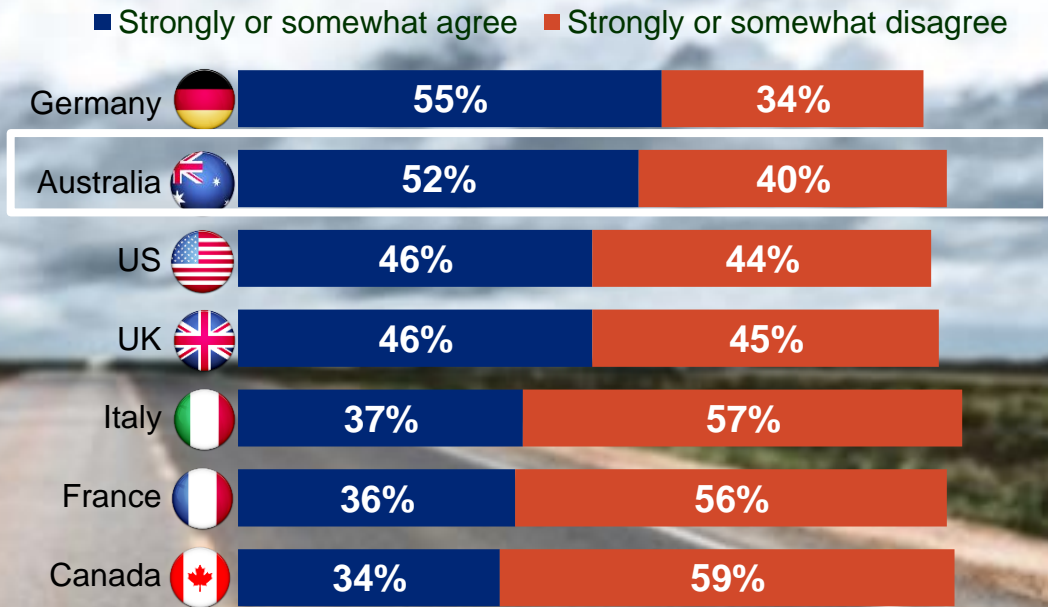


Source: IRI analysis; IRI Shopper Panel Survey March 20-27; qld.gov.au; Daily Telegraph; Reuters

Sentiment arguably reflects the **perceived futility of lifestyle restrictions**



More than half (52%) of Australians thought that **“the restrictions on travel and mandates for self-isolation will not stop the spread of the coronavirus”**



Source: IRI analysis; Ipsos Survey, Mar. 19-21

With the media often seen an echo-chamber of negative news



65%

feel informed
about the evolving
health crisis and the
impact on their family

but...



35%

trust the media
to provide honest and
objective information
about the outbreak

The Guardian

Think when coronavirus is over Australia's economy will snap back into place? Good luck with that

Coronavirus gets personal: crying in the streets as Australian jobs vanish and lives change forever

After the coronavirus, Australia and the world can never be the same again



Coronavirus Australia: Woman shares warning after pneumonia left her healthy husband in a coma for weeks

ABC NEWS

China's economic recovery from coronavirus could be ugly — and that's bad news for the rest of the world

Family violence perpetrators using COVID-19 as 'a form of abuse we have not experienced before'

Will the economic crisis caused by coronavirus reshape our idea of a depression?

It will be two weeks before we know if Australia's coronavirus restrictions are working

Virus lockdown a danger to mental health

Coronavirus: Young Australians warned they are transmitters, risking other lives by not social distancing

Source: IRI analysis; theguardian.com; news.com.au; abc.net.au



But how are persistent in-store scenes like this shaping grocery sales performance – both locally and globally?

Here in Australia, being able to obtain sufficient groceries is the 5th most significant COVID-19 induced concern* (after health and economic related issues). IRI data reveals record breaking sales influence



Source: IRI analysis; IRI store visits; *Nature and The Lab



Ongoing uncertainty has fuelled unparalleled grocery sales

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Source: IRI analysis; IRI Australia MarketEdge Grocery, 2 wks to 10/03/2020 and 2 wks to 24/03/2020; IRI store visits

9 of the top 20 growth driving food fixtures saw >100% gains vs. YA



Top 20 growth driving food fixtures



1) MEAT		11) CANNED MEALS	
2) PET FOOD		12) MEAL BASES	
3) CEREAL		13) RICE	
4) CHEESE		14) FROZEN SNACKS	
5) CANNED FISH		15) COFFEE	
6) VEG PACKS		16) CANNED VEG	
7) MEALS		17) SMALL GOODS	
8) LONG LIFE MILK		18) PASTA	
9) BISCUITS		19) OILS	
10) FROZEN VEG		20) SPREADS	

Top 10 growth driving non-food fixtures



Triple-digit growth is even more pronounced among the top \$ growth driving non-food merchandise

1) MEDICINAL PRODUCTS	
2) CLEANING GOODS	
3) TOILET PAPER	
4) LAUNDRY	
5) SOAP & BODY WASH	
6) DISHWASHING	
7) SANITARY PROTECTION	
8) NAPPIES	
9) ORAL CARE	
10) KITCHEN/BAGS	

\$ change %



>100%

50-100%

20-50%

Source: IRI analysis; IRI Australia MarketEdge Grocery, 2wks to 24/03/2020; NB all categories are ranked by actual dollar change vs. prior period



Whereas many of the **growth detractors reflect isolation protocol**



Reduced entertaining



More casual beauty regimes



Cancelled social gatherings



Stuttering/abandoned exercise/gym routines

Global FMCG sales have also lifted dramatically in most categories



% change most recent wk vs. YA



	Italy	France	UK	NZ	US
TOTAL STORE	21.4%	36.9%	23.2%	19.5%	52.5%
NONEDIBLE					
Paper Products	48.0%	98.3%	133.8%	100.2%	212.3%
Home Care	37.3%	50.4%	55.4%	42.1%	101.8%
OTC Healthcare	76.2%	60.3%	99.6%	58.3%	70.4%
Personal Care	6.0%	79.0%	45.4%	18.4%	49.3%
Pet Food + Care	20.7%	30.6%	27.9%	13.5%	38.7%
General Merchandise	-35.1%	NA	-1.9%	12.0%	18.8%
Cosmetics	-7.0%	38.9%	-0.7%	41.2%	8.1%
EDIBLE					
Beverage	17.5%	26.5%	24.2%	15.9%	39.6%
Packaged Food	33.8%	49.1%	42.0%	26.1%	77.2%
Alcohol	9.7%	7.2%	11.1%	4.6%	27.6%
Baby Food + Care	23.4%	53.0%	65.2%	0.7%	62.8%
Dairy	30.4%	32.9%	23.5%	12.0%	57.8%
Frozen Foods	45.1%	41.6%	32.8%	19.3%	78.8%
Fresh Foods	18.3%	22.5%	12.7%	16.8%	43.9%

Top growing subcategories by country (latest wk)

EDIBLE
NONEDIBLE



Italy

Subcategory	% Chg
Accessories / Gloves	415.5%
Brewer's Yeast & Ferments	189.4%
Hygienic Products/ Wipes	186.6%
Alcohol (denatured)	182.4%
Flour	180.7%
Videogames	132.6%
Dried Legumes	131.4%
Prepared Mix For Pizza	123.1%
Small Surfaces Detergents	114.3%
Personal Hygiene / Soaps	112.1%



France

Subcategory	% Chg
Bath Soaps	232.0%
Pasta	205.2%
Cooked Pasta Dishes	175.6%
Flours	175.2%
Rice	168.9%
Cleaning Gloves	166.3%
Dried Vegetables	148.5%
Dehydrated Potato Puree	146.5%
Canned Peas	140.2%
Household Soaps	134.4%



UK

Subcategory	% Chg
Personal Wash	168.4%
Facial Tissues	155.6%
Flour	145.5%
Canned Meats	143.8%
Household Cleaning	141.3%
Toilet Tissue	137.7%
Canned Beans & Pasta	120.1%
Vitamins	117.8%
Soup	116.7%
Dry Pasta	114.0%



New Zealand

Subcategory	% Chg
Dietary Supplements - Immunity	389.2%
Dietary Supplements - Cold & Flu	212.7%
Rice - Medium Grain	208.1%
Personal Wash - Liquid Soap	202.5%
Rubber Gloves - Disposable	196.1%
Soup - Cereal	187.9%
Analgesics - Paracetamol	176.4%
Cheese - NAT Block 750g	146.8%
Household Cleaners - All Purpose	144.8%
Personal Wash - Liquid Soap NAT/org	141.8%



U.S.

Subcategory	% Chg
Frozen Cookie Dough	570.4%
Spray Disinfectant	546.1%
Personal Thermometers	448.0%
Dry/Rfg Yeast	355.5%
Cloth All Purpose Cleaner	330.4%
Powdered Milk	319.2%
Liquid Hand Soap	303.7%
Color-Safe Bleach	289.8%
RTS Wet Soup	279.3%
Dried Beans/Grains	276.4%

OTC healthcare products are in peak demand across all countries. Products that help consumers clean their homes also remain in high demand. Frozen and packaged food purchases have increased as consumers continue stocking their homes with long-lasting foods

Source: IRI analysis; IRI POS Data Week Ending March 15, 2020 vs YA; Note: Exact product categorization varies slightly by country



N. Zealand grocery has seen accelerated sales growth in March

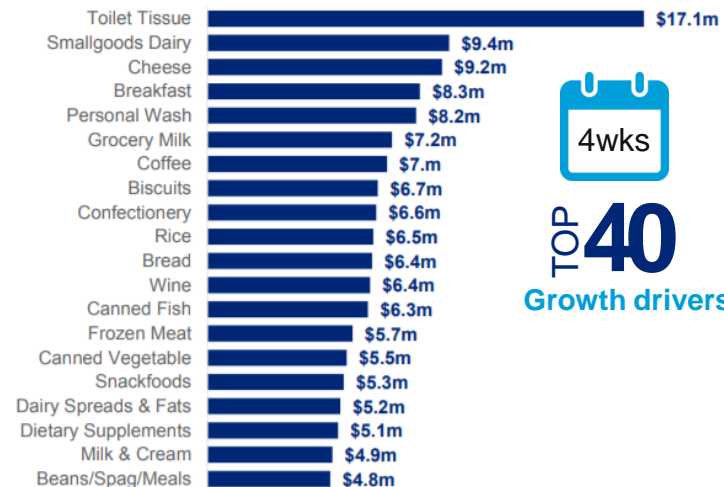


In the **latest week** we recorded a **67% dollar uplift in grocery sales vs. YA**



Food: **+25.7%**

Non-food: **+38.1%**



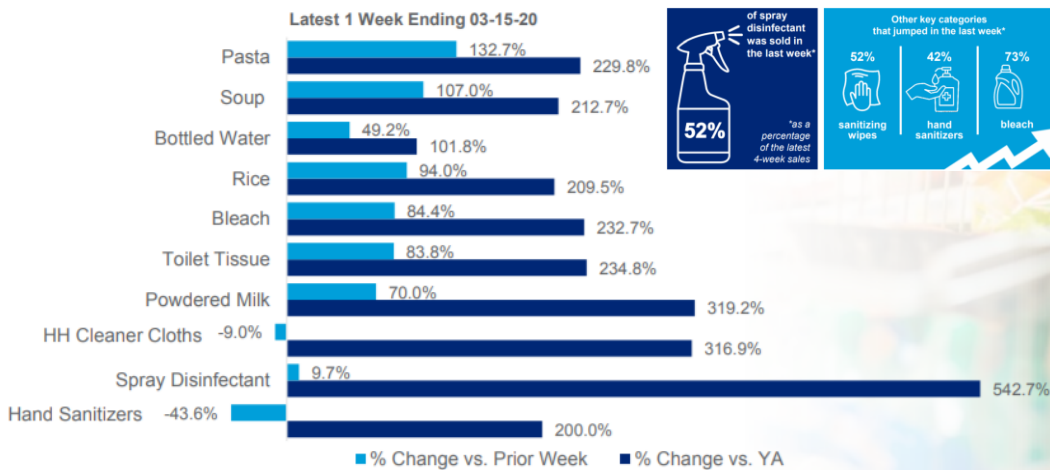
4wks
TOP 40
Growth drivers

Led by toilet paper, 52 of the 164 \$2m+ categories delivered over \$1m growth

Source: IRI analysis; IRI MarketEdge New Zealand Pre Packaged Grocery to 22/03/20; categories values over NZ\$2M



The US centre-store revival reflects buyers reacquainting with shelf-stable



Buyers and Dollar Sales per Buyer Percent Growth vs. YA by Selected Category – Total U.S. All Outlets				
Total U.S. (4-Region Total) – All Outlets	Buyers (MM)		\$ Sales per Buyer Past 12 Weeks	
12 Weeks Ending March 8, 2020	Current	% Chg. vs. YA	Current	% Chg. vs. YA
Hand Sanitizers	18.3	62.2	\$6.12	47.0
Dried Beans / Grains	30.9	1.6	\$7.62	29.0
Hair Accessories	42.7	1.3	\$9.40	13.9
Cloth All-Purpose Cleaner	34.5	32.8	\$10.05	12.8
Spray Disinfectant	17.0	46.5	\$9.79	12.3
Sleeping Aid Tablets	13.9	7.6	\$17.68	12.0
Baby Wipes	26.9	2.1	\$14.81	10.1
Dry Rice	53.9	4.4	\$8.70	9.5
Frozen / Rfg Meat Substitutes	10.2	28.7	\$19.38	9.3
Cough Syrup	14.8	3.2	\$15.75	9.3
Toilet Tissue	91.8	1.0	\$30.81	8.6
Shelf-Stable Lunch Meats	30.3	2.3	\$9.59	8.6
First Aid Ointments / Antiseptics	29.7	8.5	\$6.87	7.6
Salty Snacks - Cheese Snacks	50.1	5.6	\$10.04	7.6
Dried Meat Snacks	15.1	6.4	\$13.26	6.9

Despite lagging behind Europe in the country's COVID-19 response, sales trends indicate **Americans are intent on hunkering down for the long haul**, with **center-store** seeing **unprecedented gains**

Many categories are **enticing new buyers** vs. YA

Source: IRI analysis; IRI Market Advantage TSV, Week To March 15, 2020; IRI National Consumer Network Product Trips Percent Change vs. Year Ago Through March 8, 2020

Consumers equate OSA* disruption as a stockpiling problem...



...rather than due to inherent supply chain failings



Well over 4-in-5 (86%) of
Australians perceive
**stockpiling as more of
a factor leading to
product shortages,**



Source: IRI analysis; Ipsos Survet Mar. 19-21; *OSA = On Shelf Availability

In Australia, the **growth from hoarding has slowed** for many reasons



Scott Morrison **urged Australians to cease panic buying** following a record breaking week in supermarket sales. The Guardian described it as **“frenzied displays of selfishness,”** while the PM described it as **“ridiculous”** and **“un-Australian.”** Such comments **reflect the broader social tensions of COVID-19**



Weekly sales growth was **half the pace recorded in the prior week**

Why the Slowdown?



On shelf availability

Many of the top trending sellers have had ongoing shortages. Equally, as supply chains have adjusted we are assured by fuller shelves



Less hysteria

Perhaps heeding the PM's advice, or the restrictive lack of pantry space at home from prior weeks



Foodservice fightback

Out-of-home eateries doing better job of remaining relevant in a 'stay-at-home economy'



Inevitable 'cliff'

Unprecedented sales were never sustainable. Now it is a question how steep and how quick the 'cliff' will be and IPI* length stretches

Source: IRI analysis; IRI MarketEdge 2wks to 24/03/2020; sbs.com.au; theguardian.com.au;; *Inter-purchase interval



And we have **observed** grocery stores normalise in recent days...

PRIOR WEEKS (March 2020)



Improved OSA for perishable products was particularly noteworthy for the **w'end of Mar 28 and 29** versus the prior 2 weeks



CURRENT WEEK (w/c March 30)

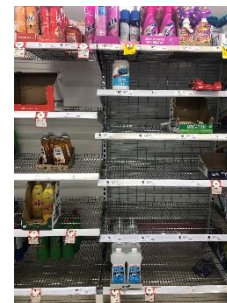
Source: IRI analysis; IRI store visits



...albeit with some **clear OSA challenges persisting** across banners



- ✗ Flour
- ✗ Pasta/Sauces
- ✗ Kit. towels
- ✗ Cleaning
- ✗ Toilet paper



Source: IRI analysis; IRI store visits



The late Feb/early March sales **uplift** is not apparent in P&C retail...

A distortion of sales was already evident in Australian packaged grocery in the same timeframe, whereas P&C largely followed a **pre-existing (downward) sales trajectory** – at least until March 08



MAT To
08/03/20

+0.6%

+4.5%

-1.4%

-6.5%

4 WKS To
08/03/20

-0.8%

+1.4%

-0.9%

-8.4%

1 WK To
08/03/20

-0.8%

+0.1%

-1.6%

-2.0%

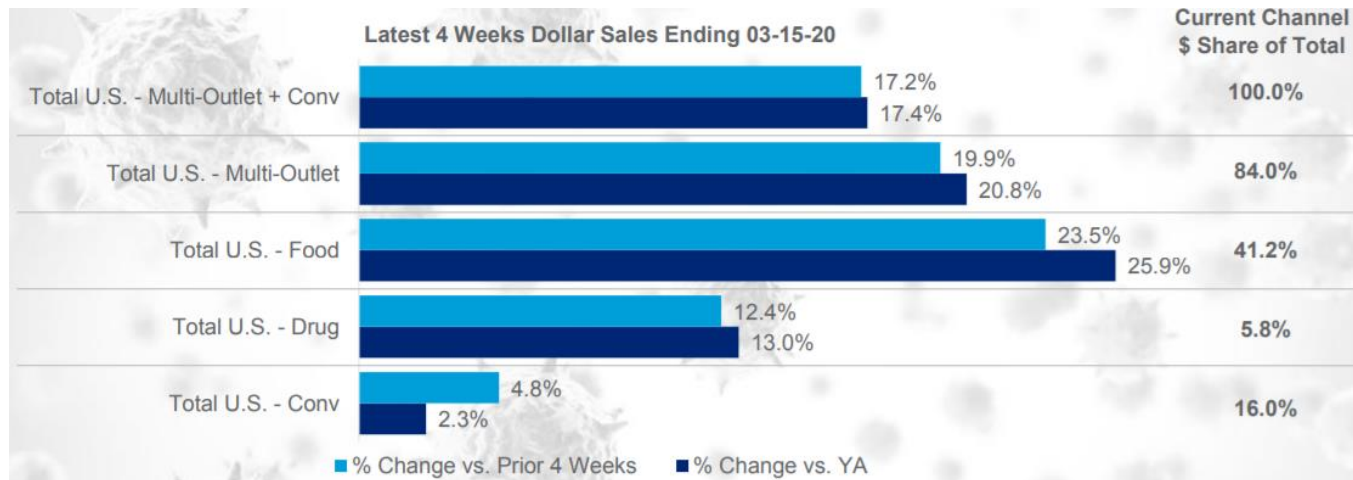
Source: IRI analysis; IRI Australia MarketEdge Petrol & Convenience, MAT, 4Wks & 1 wk to 08/03/2020



...which is consistent with IRI channel sales data in the US

While it's early in the COVID-19 cycle, data already indicates that **traditional CPG retail stands to gain as more of the food dollar spend shifts away from foodservice.**

US drug and convenience stores have not yet recorded the sales growth spike observed in food, but do have an opportunity to **increase assortment of staple and fresh items** to accommodate consumers staying close to home. The **same applies for Australia.**



Source: IRI analysis; IRI Market Advantage TSV, Week To March 15, 2020; IRI National Consumer Network Product Trips Percent Change vs. Year Ago Through March 8, 2020

But **Australians craving toilet paper** has impacted the channel



Total
Household
Products



MAT To
08/03/20

+12.2%

4 WKS To
08/03/20

+81.5%

1 WK To
08/03/20

+250.4%



Household products is the #1 growth driving category in the P&C channel for the **latest week of data**, with **>\$1M in additional sales** vs YA. **Paper products** account for **98.5% of** the total household **category dollar growth**



Source: IRI analysis; IRI Australia MarketEdge Petrol & Convenience, MAT, 4Wks & 1 wk to 08/03/2020; Image sourced from a 9news report



Liquor sales were **not** impacted by early stockpiling shifts...

...in fact, **social distancing** was evidently **impeding Q1'20 sales**



Total
Liquor 

+3.4%

-1.7%

-2.3%

Total
Beer 

+1.2%

-7.5%

-7.1%

Total
Spirits 

+9.4%

+4.2%

+5.2%

Total
Wine 

+2.3%

+1.0%

-1.7%

Total
RTD 

+3.3%

+2.3%

+1.2%

Total
Cider 

-2.7%

-8.0%

-10.5%

MAT To
01/03/20

4 WKS To
01/03/20

1 WK To
01/03/20

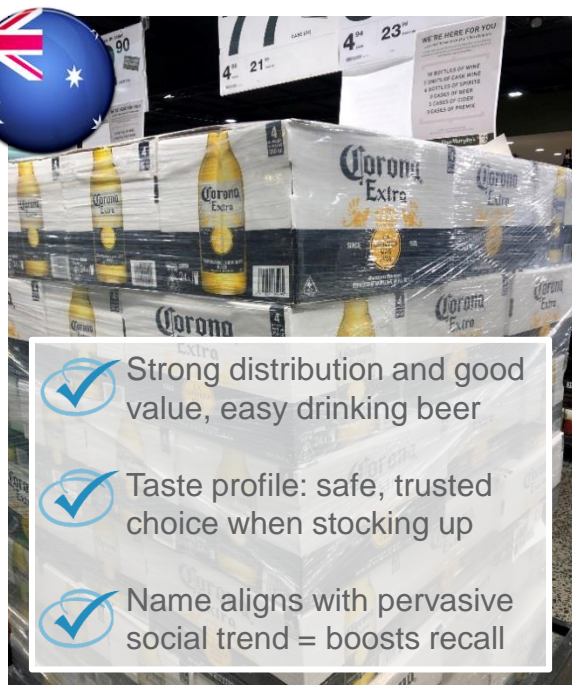
...partly because **liquor hoarding only kicked in after mid-March**



Dan Murphy's and BWS were forced to partially mimic the **enforced limits imposed on customers** by supermarkets. Retail **liquor supplies became highly coveted in the w/c March 23** after ambiguity around leadership statements concerning the shutdown of non-essential services

Source: IRI analysis; IRI store visits; twitter.com; au.news.yahoo.com

This has coincided with a sales resurgence for Corona in Oceania



MAT To
08/03/20

-1.0%

4 WKS To
22/03/20

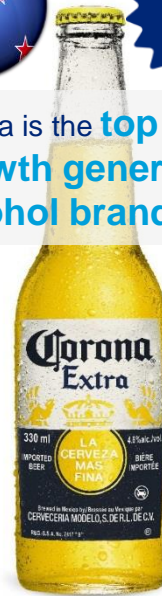
+12.8%

1 WK To
22/03/20

+54.2%



Corona is the **top value growth generating alcohol brand** in NZ



Source: IRI analysis; IRI Australia MarketEdge Retail Liquor Weighted, MAT, 4 wks & 1 wk to 22/03/2020

Headline FMCG issues to consider moving forward...



Mitigate decrease in loyalty and/or encourage trial as consumers try new solutions/brands in a low-stock store environment



Be mindful of cost being valued more than convenience. Prepare for a possible migration to value brands as a 'recession mindset' take hold; premium brands will be even more valued as permissible luxuries



Help shoppers make the most of products as they are reacquainted with shelf-stable categories and brands amid stockpiling/hoarding



Navigate the likely increase in private label amid an ongoing increase in own label offerings across price tiers, as well as consumers searching for better deals



Capitalise on an accelerated shift to online, as shoppers seek products they cannot find in store and/or in an effort to reduce contact with others



Shift to smaller, lower-priced packs to meet demand from lower-income consumers, and from manufacturers downsizing to improve margins

Source: IRI analysis

Covid-19: Learnings from Australian & global FMCG

Part 2:
**THE RESPONSE FROM
COMMERCE GLOBALLY**



IRi

Growth delivered.

On Mar. 19, IRI Australia offered some ‘thought-starters’...

...because brands can harness a strong cultural reach in order to exert a positive influence

Six specific ‘thought starters’:

- 💡 Draw inspiration from the solidarity and resolve of the bushfire crisis
- 💡 Boost resource allocated to demand planning & supply chains
- 💡 Position everyday indulgences as ‘antidotes to reality’
- 💡 Help consumers reengage with the benefits of previously overlooked staples
- 💡 Act as a trusted and transparent ‘human-like’ brand
- 💡 Be prepared to adjust marketing messaging and channel focus

Google Trends



+3,650%

uplift in “**how to help other during coronavirus**”
(past week, Worldwide)



But Australian COVID-19 themed research from Nature and The Lab found **“a large majority of people were unable to single brands doing anything helpful”**



80% of Australians think that **“care and consideration for others has never been more important”**

Source: IRI analysis

Source: IRI analysis; Google Trends/Twitter;; Nature & The Edge



First, consider the positive & negatives to avoid the CRM* pitfalls

DRIVERS

- ✓ **Expectation vs. nice-to-have:** consumers expect business to help combat societal challenges, especially amid wavering political and institutional trust. People are also aware of the reach and influence of brands with 'cultural cachet'
- ✓ **Unprecedented times:** regardless of the source, we value shows of solidarity and a collective spirit in uncertain times. People are engulfed in the 'anguish of ambiguity' and will remember those that became part of the solution
- ✓ **Showcase ingenuity & innovation:** innovation need not be bound to physical items, especially as people rely on digital/social content for entertainment/ inspiration. Home-bound citizens need help being kept busy, optimistic and excited
- ✓ **Merit in a commercial focus:** given the widespread economic ramifications of COVID-19 (e.g. job losses), brands have more validation in bring commerciality into their attempts to be part of the solution

INHIBITORS

- ✗ **Perception of insincerity & triviality:** poorly executed/disingenuous CRM can be dismissed as irrelevant/superficial (at best) and damaging to brand reputation (at worst), especially as consumers are more cynical than ever
- ✗ **Leave it to the experts:** a notion that COVID-19 should be left to the professional experts rather than brands, and that a disproportionate focus on earnest comms risks impeding more substantive tactical efforts
- ✗ **Appearing to profit from the crisis:** while there has seemingly never been such a need for 'acts of good', brands must be wary of being seen as profiteering from people's fears and/or further propelling the fearmongering

Source: IRI analysis; *Cause Related Marketing

And then consider two major themes **to be part of the 'common good'**

1

**Strengthen the
global response
by 'being a part
of the solution'**

2

**Respond to new
consumer
behaviours during
the outbreak and
beyond**

Source: IRI analysis

Use reach and influence to **support evolving public health messages**

Using culturally connected brands to issue a ‘rallying call’, and to amplify health advice

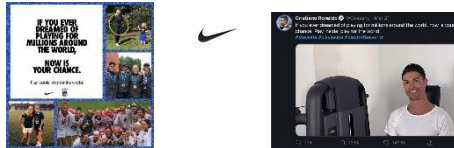


Coca-Cola Times Square

Coca-Cola's iconic billboard location featured the brand name with extended spaces between letters, thus symbolically adding weight to the wider messaging pleading for Americans to comply with social distancing instructions

**IF YOU EVER DREAMED OF PLAYING
FOR MILLIONS AROUND THE WORLD,
NOW IS YOUR CHANCE.**

Play inside, play for the world.



Nike 'Now Is Your Chance'

Nike's social campaign advocated social distancing while tapping into the broad reach of its sponsored athletes. It had a clear 'call-to-action' and tapped into the amplified reach of social during when people are quarantined



Go Cheese

Go Cheese, a leading supplier of cheese to Indian retail and all foodservice, embedded its brand name into a campaign urging the 1.3B Indian population to remain safe and healthy at home

Source: IRI analysis; [instagram.com](https://www.instagram.com); [businessinsider.com](https://www.businessinsider.com); gocheese.in; [adweek.com](https://www.adweek.com); [fastcompany.com](https://www.fastcompany.com)

Help to channel consumers to credible and trusted sources

Driving awareness and action by informing with timely and relevant messages

WhatsApp and WHO

WhatsApp and WHO collaborated on a chatbot creation that dispenses accurate and timely information related to the COVID-19 outbreak. WhatsApp allows WHO to reach 2 billion people



Leverage influencer platforms

Influencer marketing platforms Tribe and Takumi used their influencer networks to support the messaging being promoted by the WHO. Influencers submitted the content for free, with the platforms helping to increase the reach. It is symptomatic of how brands may be forced to rely on social influencers for content creation and relevance in the stay-at-home economy



Source: IRI analysis; who.int; takumi.com; prweek.com; tribegroup.co

Redeploy and partner on resources to support infection control

Producing medical equipment



Ford and 3M | H&M & EU | Nike

Ford scaled production of Powered Air-Purifying Respirators with 3M. Meanwhile, H&M is distributing resources to European nations, including production of hygiene masks. And Nike has teamed up with Oregon Health & Science University to produce Nike face shields for medical professionals

Producing daily essentials



Beiersdorf

Liquor producers | Beiersdorf

Brewdog Punk Sanitiser is one of many brewer and distiller solutions addressing unprecedented sanitiser demand. Elsewhere, Beiersdorf has begun serial production of medical-grade disinfectants for clinics, hospitals, medical and nursing staff, and other public services

People/logistical resourcing



Liverpool FC | The AHLA

Liverpool FC's CEO offered club stewards to assist with growing crowds at UK supermarkets. In the US, the AHLA identified over 6,500 hotel properties located near to healthcare facilities and available to house healthcare workers and other first responders

Source: IRI analysis; trendhunter.com; thedrinksbusiness.com

Show **solidarity and support** to your entire customer value chain



Target

Target pledged a US\$10M donation on Mar. 20, supporting efforts in four areas:

Team members – assist team members who are most impacted

Local communities – state & local community foundations supporting vulnerable populations

National organisations – national non-profits such as Feeding America

Global response – e.g. UNICEF in providing critical medical supplies

Unilever

Announced €100m to enable a wide-ranging 3 headlines sets of measures to support global and national efforts to tackle the coronavirus:

Consumers & communities – donations of soap, sanitiser, bleach and food

Customers & suppliers – cash flow relief to support livelihoods

Workforce – protect workforce from sudden drops in pay for up to 3 months



IKEA

Action to support colleagues, communities IKEA operates in, and the society it is part of:

Helping communities in need – €26M in relief in 30 countries for beds, furniture, and food aid

Caring for workers – secure the livelihoods for as many co-workers as possible

Suppliers & tenants – proactive measures including cash flow relief

Helping people enjoy a better life at home – trying new thing such as drive-thru click & collect and contactless deliveries

...and **tell your stakeholders about being part of the solution**

Combining essential resources and stakeholder support

Coca-Cola Philippines used social media to announce it is diverting around PhP150M in advertising budget to efforts in support of the COVID-19 response and relief work



"We will never forget ...Thank you for helping our countrymen"

WE'LL BE OFF AIR FOR A WHILE...



"Thank you for your help to our Frontliners"



Hydration needs for health workers



Protective personal equipment



Delivering food to vulnerable communities



Supporting small distribution partners

WE'LL BE OFF AIR FOR A WHILE...

These are challenging times for all of us, and we are fully committed to doing everything we can to help.

Starting today, commercial advertising of Coca-Cola and all our brands in the Philippines will be put on hold. All our committed advertising space and budgets will be redirected towards supporting COVID-19 relief and response efforts for the most affected communities.

We will re-channel PhP 150 million to the following efforts: provision of protective equipment and beverages for health workers, delivery of food packs to the most vulnerable families and support for affected small retailers.

Together, we can make a difference.



Nurture impactful community outreach donations

Enabling & matching customer fundraising

HyVee

COVID-19 has resulted in low food bank supplies. In response, Iowa-based Hy-Vee launched a campaign to raise money and awareness for food banks across its 8-state region. Customers are encouraged to donate \$5 or more at the checkout, with the retailer matching donations (up to \$500K) until April 30. Customers can also make a donation in a pre-set increment during their Hy-Vee Aisles Online purchase



Adjusting & amplifying existing outreach initiatives

Kroger & Coles

Kroger's Zero Hunger | Zero Waste Foundation is investing US\$3M (via Feeding America and No Kid Hungry) to deploy hunger-relief resources to communities more heavily impacted by the COVID-19 pandemic. The funding supports local food banks across the US; as well fund initiatives provide children access to nutritious meals amid widespread school closures



coles

Coles donation of AU\$1M a week worth of food and groceries to Foodbank and SecondBite will reach up to 3,800 community food programs



IRI

Source: IRI analysis; hy-vee.com; supermarketnews.com; twitter.com

Ensure that your **business leaders** are at the forefront of CRM efforts

Being at the forefront of brand ingenuity



Dyson Ventilator

Sir James Dyson was at the forefront of designing a ventilator – in just 10 days – to address the intensifying need for the lifesaving device among the growing number of COVID-19 patients. Scaled production has begun, with the ventilators expected to be available in early April

Championing company efforts (via social media)

Dear Amazonians,

This isn't business as usual, and it's a time of great stress and uncertainty. It's also a moment in time when the work we're doing is its most critical.

We've changed our logistics, transportation, supply chain, purchasing, and third party seller processes to prioritize stocking and delivering essential items like household staples, sanitizers, baby formula, and medical supplies. We're providing a vital service to people everywhere, especially to those, like the elderly, who are most vulnerable. People are depending on us.

I'm not alone in being grateful for the work you are doing. I've received hundreds of emails from customers and seen posts on social media thanking you all. Your efforts are



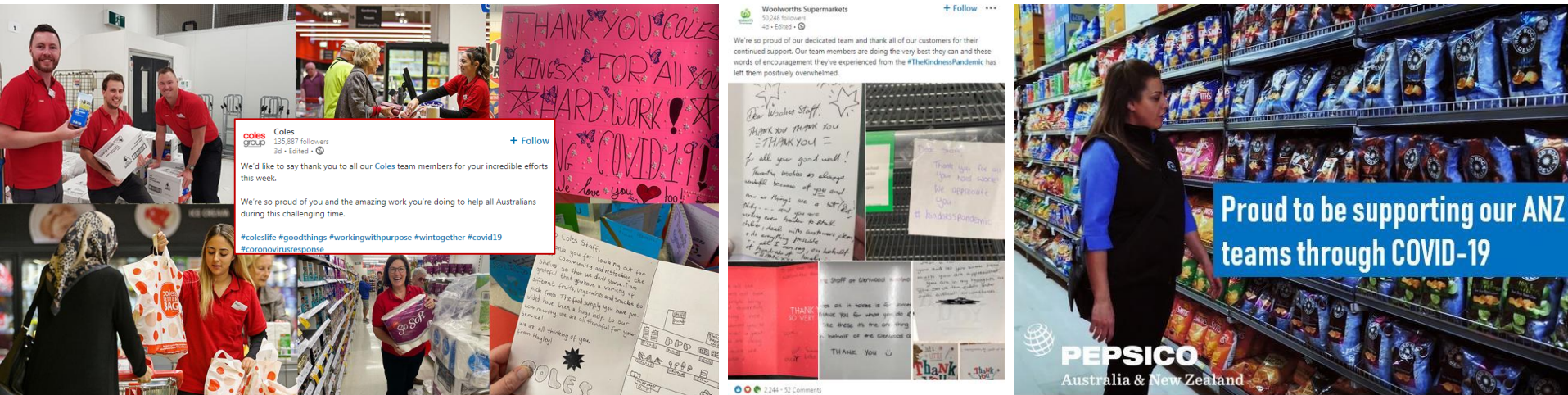
Amazon

Jeff Bezos posted a 4-page Letter to Amazon staff onto Instagram in a call-to-action. His call-to-action outlined the need to optimise its “vital service” around the provision of daily essentials. Bezos also posted a picture to Instagram of a video call he partook in with the WHO – the agency at the forefront of international public health. Utilising Amazon's logistics capabilities in distributing test kits was one such theme in how Amazon could strengthen the global response.

Source: IRI analysis; instagram.com; businessinsider.com; forbes.com

Routinely express pride in accomplishments and team tenacity

Building on the newfound respect and appreciation that comes from counting on frontline staff



Ensure that the full value chain is factored in: manufacturing plants; distribution centers; within stores

Implement 'gratitude pay' and good gesture donations



Giving bonuses of \$150 to part-time workers and \$300 for full-time workers hired before March 1.

Bought Donatos pizza for 12,000 workers at its Columbus, Ohio, stores on Mar. 22 – a single-order record for the regional chain



In line with parent company Amazon, Whole Foods Market is giving hourly employees another \$2 per hour for their extra efforts in serving customers during the COVID-19 crisis.

In the UK, Whole Foods staff will receive an extra £2 per hour over the same time period.



Recognising the essential work and societal contribution by rewarding permanent hourly paid staff and front line managers with a backdated 10% bonus (from Mar. 09 to early May), and improved colleague clubcard benefits



Morrisons has introduced guarantees on sick pay – including to those staff who are self-isolating rather than ill.

Also created a colleague hardship fund - to support colleagues who are in financial difficulty as a result of the Coronavirus outbreak



Champion hard-pressed frontline workers and social challenges

Championing those on the frontline – like healthcare workers and teachers



Dear NHS Workers

Your hot drinks are on the house from today, and we'll take 50% off everything else. Thank you for everything you are doing.

We look forward to serving you.

With love,
Everyone at Pret



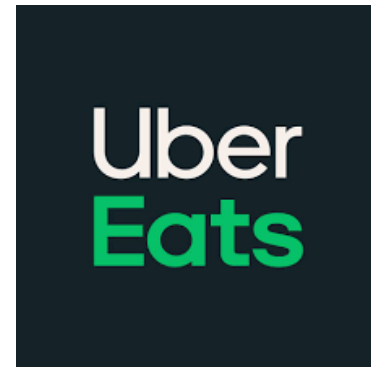
Pret a Manger

Offering UK NHS workers hot drinks for free, as well as offering a 50% discount on all other products. It was deemed a sincere message that quickly gained widespread public support



L'Occitane

Sending hand creams to UK hospitals to help soothe their hands, and invite any NHS worker to obtain a 30ml hand cream. Also reassigning some production capacity to make hand sanitiser back at home in France



Uber

Pledging free food for medical providers across North America. Also launched daily campaigns to promote delivery from 100,000 indie restaurants that are financially more at risk with stay-at-home customers

Source: IRI analysis; marketingweek.com; thedrum.com; harpersbazaar.com

...Australian **teachers are feeling neglected** amid prolonged school opening

Australian brands seeking to champion the 'frontline' workers facing into the intensifying COVID-19 crisis would be tapping into a culturally relevant theme by showing empathy and appreciation for teachers (among other)

Defying policy



Coronavirus concerns in schools as teachers break ranks to ...
ABC News - 19 hours ago
Two **teachers** — one public, one private — have given two very different accounts of **teaching** amid **coronavirus**; They both say social ...

Fearful of safety



Coronavirus pandemic has school teachers questioning safety ...
ABC News - 24 Mar 2020
Public school **teachers** in South Australia say they have not been supplied with enough soap and do not have the facilities to safely teach ...

Taken for granted



'I feel expendable': Australian teachers sound alarm about ...
The Guardian - 20 Mar 2020
Coronavirus Australia: medical certificate needed for childcare subsidy if children kept home. Read more. Queensland **Teachers** Union president ...

Angry & frustrated



Teachers' unions still angry after meeting with Scott Morrison ...
ABC Technology and Games - 24 Mar 2020
The NSW **Teachers** Federation, other states and the AEU see a more limited role for schools in the **coronavirus** era. This week they cited the ...

Vulnerable to infection



Sydney teacher shares coronavirus message after positive test
9News - 13 hours ago
The **teacher** was the first of two **coronavirus** cases to emerge at Normanhurst West Public School in the city's upper north shore. The first case ...

Mixed messaging



Teachers aged over 60 should not be in classrooms during ...
ABC Technology and Games - 23 Mar 2020
Teachers over the age of 60 have been advised to avoid classrooms, ... Government to keep schools open during the **coronavirus** pandemic.

In need of support



Teachers working through the coronavirus pandemic need our ...
ABC News - 22 Mar 2020
Teachers working through the **coronavirus** pandemic need our support more than ever. ABC Life. / By Ginger Gorman. Two primary school-age ...
Philly public school **teacher**: School District's laptop plans are ...
International - The Philadelphia Inquirer - 21 hours ago
[View all](#)

Feeling like babysitters



'Like expendable babysitters': Teachers slam decision to leave ...
The New Daily - 19 Mar 2020
As more and more countries shut down schools to slow the spread of the **coronavirus**, anger is growing among Australian **teachers** over the ...
'We are the sacrificial lambs': **Teachers** plead for government ...
In-Depth - 9News - 18 Mar 2020

Source: IRI analysis; google.com

Generate new **targeted promotions/benefits** for vulnerable cohorts

Daily discounts for seniors



Brookshire Grocery Company

Offering a temporary 5% daily discount for senior citizens in all four banners it operates, initially through to May 05

Reserved hours



Albertsons

Reserving two hours every Tuesday and Thursday morning for vulnerable shoppers, including seniors, pregnant women or those with compromised immune systems

Supporting impacted businesses



Bud Light 'Open for Takeout'

Aims to help consumers locate bars and restaurants across the US that are "open for takeout". The initiative hopes to support both business owners and employees

Source: IRI analysis; budlight.com; kwtx.com; komonews.com

Generate new **targeted promotions/benefits** for vulnerable cohorts (2)

Donations to industry funds/associations

Normally on St. Patrick's Day, we'd be celebrating our favorite holiday with everyone at the neighborhood bar.

And, while many may not be able to get together the way they'd like to right now - we know that only one thing is certain - we need to keep the spirit of this holiday alive together.

At Jameson, that means standing behind the people that have made Jameson what it is today: our neighborhood bartenders.

We are pledging \$500,000 to support the charity of the United States Bartenders' Guild, because we know that there may be some hard roads ahead for members in this community.

To our local bartenders: You've always had our backs, and we promise to always have yours.



Pernod, Diageo and Tito's

Many liquor businesses have made financial pledges and supported fundraising initiatives in recognition of hospitality workers losing livelihoods. Jameson donated US\$500K to the US Bartenders' Guild, while Diageo donated \$1.2M to UK bartender

Tito's Vodka is donating US\$1M to four organizations that support the service industry, CORE, USBG Foundation, Southern Smoke, and World Central Kitchen, and is allocating another US\$1M to other organisations in need

Considering non-human vulnerabilities

Busch beer

US animal shelters are struggling to stay open and find homes for the pets in their care. Until April 22, Busch is offering a three-month supply of beer to anyone who fosters or adopts a dog from Minneapolis-based shelter Midwest Animal Rescue & Services (MARS). Busch is also making a \$25,000 donation to MARS



Source: IRI analysis; vinepair.com; busch.com; forbes.com; twitter.com

Continually review and enhance stakeholder safeguarding measures

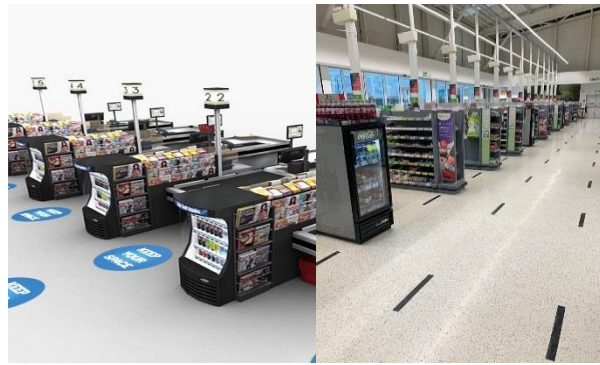
Protecting frontline retail staff



Global grocers

Grocers are at the forefront of installing plexiglass barriers in its checkout lanes to safeguard shoppers and cashiers. Across geographies more retailers have taken measures to safeguard their staff providing a vital community service

Enforcing social distancing



Styleprint floor decals

Citizens have proven they are ignorant, complacent and/or forgetful of required social distancing etiquette. It is important to visually re-enforce social distancing as supermarkets become even more important pillars of the community

Mitigating risk/addressing fears



Global grocers & Uber Eats

Instacart in the US has reported a 150% YOY sales increase in online orders in March, with the average basket size having grown by 15%. In recent weeks, around 40% of all orders used the new 'Leave at My Door Delivery' drop-off option. Elsewhere, Uber Eats has made notable changes to its app with new functionality allowing consumers to request a delivery at the doorstep rather than in person

Move to reassure customers about (revised) safety protocol

Food safety communications



Tamper proof packaging



Hygiene-themed pack solutions



Consumers will be seeking greater assurance that the products they buy are free of risk.
Marketing teams must clearly communicate why their products and supply chains are trustworthy

KFC

Taken steps to reassure customers of its safety precautions in food delivery in line with the graphic above

Chipotle

Using new tamper-evident packaging seals to reassure diners that food is untouched during delivery

Zyplus Potrapper

New pack format to help people avoid getting their fingers dirty while eating snacks



IRI

Source: IRI analysis; trendhunter.com; restaurantdive.com; qsmagazine.com; zyplus.co.jp

Use off-location displays to optimise shelf-space

Coles' Edgecliff store in Sydney's Eastern suburbs is using the vast retail estate left from ongoing toilet & kitchen paper unavailability to deliver off location displays for food items



Woolworths in Double Bay, Sydney is beginning to optimise empty floor space by ranging snacks and laundry products in the currently redundant in-store café space

Source: IRI analysis; IRI store visits

Moving on to **the second major 'call-to-action'...**

1

Strengthen the global response by being a 'part of the solution'

2

Respond to new consumer behaviours during the outbreak and beyond

Source: IRI analysis

Revisit and amend existing marketing/advertising pipeline...

Pulling planned/existing ads



KFC | Hershey | Cadbury

COVID-19 has rendered lots of staple content themes in advertising irresponsible and/or irrelevant. Recognising this, KFC pulled a campaign in the UK that put a spotlight on the “finger-licking” consumption experience. Hershey (US) and Cadbury (UK) also pulled pre-existing ads celebrating human contact

Rapidly shifting sales channel mix



Lin Qingxuan

After closing 40% of stores, the Chinese cosmetics company rapidly redeployed sales efforts to new channels. Beauty advisors were asked to become online influencers and engage customers virtually (e.g. via WeChat) in order to drive online sales. Wuhan sales were reportedly up 200% vs. YA

Redirecting funds to donations



AB InBev Bud Light

The brewing giant redirected its US funding from sports and entertainment partnerships to better support the COVID-19 response with the American Red Cross. AB InBev released a 60-second video on Budweiser social channels to announce the partnership



IRI

Source: IRI analysis; hbr.org; adweek.com; cnbc.com; adage.com

...and address COVID-19 in adjusted marketing campaigns

Championing enduring brands, while keeping spirits high by looking on the bright side



GUINNESS TODAY IS COMMITTING
\$500,000 THROUGH OUR
GUINNESS GIVES BACK FUND
TO HELP THE COMMUNITIES
WHERE WE LIVE, WORK
AND CELEBRATE.

Source: IRI analysis; adage.com; irishcentral.com

Promptly **shift branding focus to social and digital channels**

Designing virtual billboards to integrate into video conferencing



Audi and Taco Bell

In the w/c Mar. 23 an estimated one-third of the world population was under containment (after India went into lockdown). With a huge spike in time spent interacting via video conferences (both professionally and socially) we have observed more branded video call backgrounds. While mostly superficial, it highlights the need to redirect messaging to where consumers are spending their time. As such, we anticipate a huge increase in digital ad spend over the next few months

Consider renaming, reframing and reappropriating products...

Virtual (in-home) engagement



NuFace

Having seen many of its physical retail channel partners close stores, or adjust consultation approach, NuFace has stepped up its use of 'virtual house calls', whereby a brand tutorial is conducted through Zoom or FaceTime with one or more brand influencers



The (Virtual) Whiskey Show

Complying with social distancing/quarantining protocol has meant that events are being postponed, or entirely cancelled. Virtual alternatives allow for continuity, as exemplified by The Virtual Whiskey Show which will substitute April's planned physical experiential event in Melbourne

Renaming



Beyond Sushi

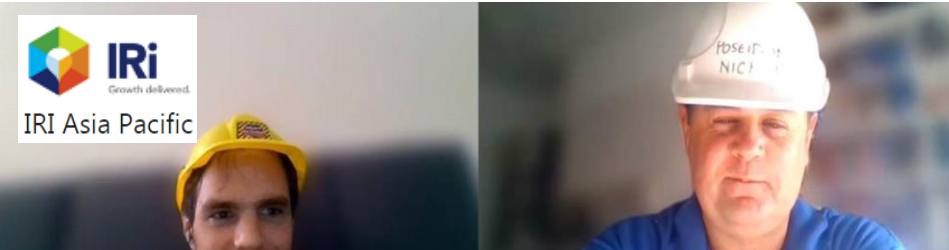
US-based Beyond Sushi introduced a Stay at Home catering menu that offers nourishing meals for a week that can be stored, frozen and reheated. It promises affordably priced, free no-contact delivery, no order minimums, of items that can be easily stored, frozen, and reheated



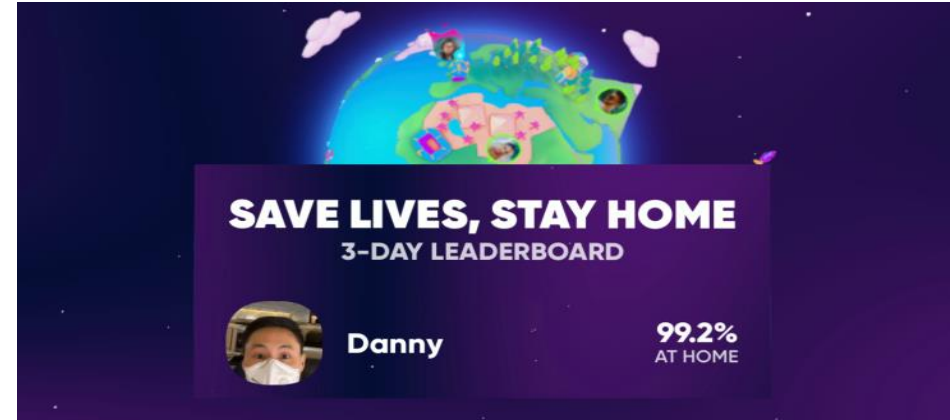
IRI

Source: IRI analysis; glossy.co; beyondsushi.com; adnews.com.au; trendhuter.com

...and how a digital reliance is an **opportune moment for ‘gamification’**



With a majority of global white collar workers now WFH, **the lines will further blur between work and play**, as business leaders pursue ways to boost morale and workers proactively seek momentary lighter notes (or ‘antidotes to reality’)



Snapchat's Zenly

Snapchat's location-sharing app gamified the challenge of maintaining quarantine by launching its 'Stay At Home' challenge. The new feature creates a leader-board based on percentage of time spent at home. It highlights how gamification mechanics have the potential to positively impact customer engagement by tapping into our innate sociability, competitiveness, and need for status and self-expression

Source: IRI analysis; Screenshot of an IRI Australia MS Teams meeting; smartcompany.com.au

Reframe essential products & services as consumers reappraise



000060201720

Helping to keep
the lights on

Dear Daniel,

AGL plays an essential role in keeping the lights on for Australians and we take that responsibility seriously. Every day our people work tirelessly to make sure the energy that cooks your dinner, cools or heats your home, or powers your business is provided. We are proud of the work we do and the trust you place in us. During the evolving COVID-19 (Coronavirus) pandemic, we want to reassure you that we are committed to supporting our people, customers and the community. We are well-prepared.

AGL – helping to keep the lights on

Australian utility providers are often bemoaned for constantly rising bills. But COVID-19, much like it has for retailers specialising in essentials, has highlighted the value in the provision of services that meet basic survivalist needs. The communication here does however feel a little stilted and formulaic, which makes it feel a little superficial

SELF

[Fitness](#) [Food](#) [Health](#) [Love](#) [Beauty](#) [Culture](#)

Food | March 18, 2020

How to Make Canned Food Actually Taste Good

11 yummy hacks for zhuzhing up your canned goods.

By Carolyn L. Todd



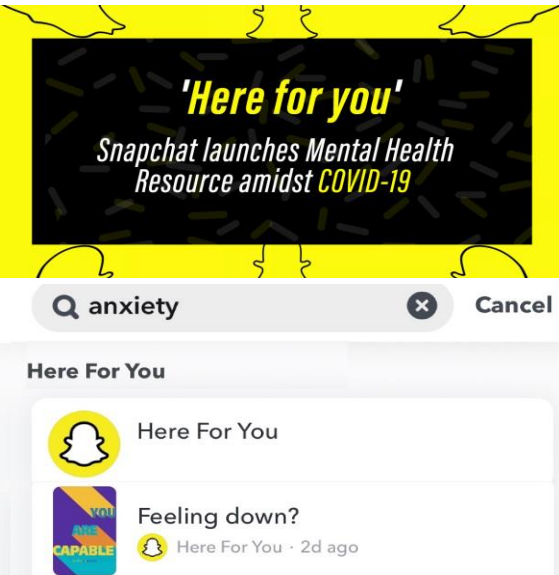
Helping consumers make the most of what they have bought

Consumers have purchased an abundance of shelf-stable items that they would not otherwise have done so. An opportunity to help shoppers make the most of these products – e.g. by encouraging social posts and “gamification.” Examples might include “the cheapest healthy meal you’ll eat all week”; “meals prepared from canned goods.” Or create a platform for customers to share their accomplishments

Source: IRI analysis; self.com

Help consumers navigate potential newfound (isolation) anguishes

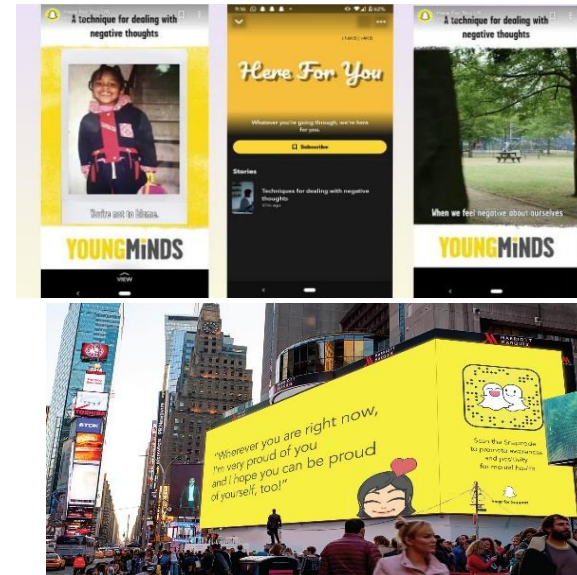
Becoming a resource, or gateway to resources, that help citizens manage the emotional toll of COVID-19



Snapchat

COVID-19 has disrupted social lives, with distancing ('physical' & 'social') becoming the major watchword of the moment. Given that social connection bridges emotional and physical wellness (i.e. it is core to 'holistic health'), the outbreak will once again put mental health in the spotlight

Brands can play a role in remind consumers that social distancing need not equate to social isolation, but also play a role in curating/supporting consumers. Recognising this, Snapchat rolled-out its planned 'Here For You' feature ahead of time. The in-application mental health tools are designed to assist users in tackling anxiety and depression



Source: IRI analysis; engadget.com; theverge.com; adweek.com

Support the **maintenance of continuity** amid new lifestyle realities

Democratising services to proactively respond to changing customer needs



Telstra

From Mar. 19 Telstra is providing broadband customers with unlimited data at no additional charge on their plan until Apr. 30 2020. It is designed to help facilitate the various connectivity tools when working from home, or in isolation.



Popeye/Netflix

Although perhaps lacking an empathetic nuance, US QSR chain's 'Fired Chicken and Chill' campaign gives away 1,000 Netflix accounts to the first 1,000 fans who post photos of themselves enjoying Popeyes and tagging #ThatPasswordFromPopeyes



Amazon

Offering free viewing of Prime Video content intended for kids to help parents entertain their children during COVID-19 induced isolation. Viewers require an account with Amazon to access



IRI

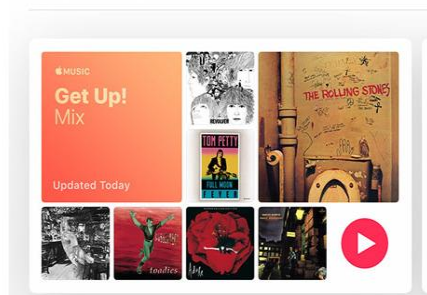
Source: IRI analysis; telstra.com.au; fastcompany.com; trendhunter.com

Provide inspiration and enablement as people recalibrate at-home

Creating new platforms for leisure activity and all round positivity inspiration

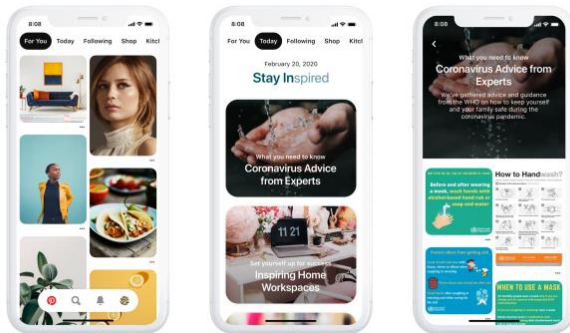
MONDAY, MARCH 23

For You



Apple Get Up Mix

Launched new Apple Music AI-generated features aimed at helping users stay positive during the ongoing COVID-19 pandemic. The new "Get Up! Mix" and Home Office DJ plays upbeat tunes for those individuals who are quarantined, or working from home



Pinterest's today tab

The COVID-19 outbreak has led to record Pinterest usage as people searches for stay-at-home inspiration. In response, Pinterest created today tab designed to offer daily inspiration (and trending Pins) for topics like recipes, activities for children, and self-care



Active by Popsugar

Popsugar has made its monthly subscription online workout class platform Active for free in order to make social distancing/quarantining easier. Other digital wellness brands have done similar with in the aim of being helpful and recruiting future customers



IRI

Source: IRI analysis; adage.com; trendhuter.com; appleinsider.com; techcrunch.com

Develop partnerships to expand brand and customer horizons...

Being an ongoing source of inspiration with an expandable (multi-brand) campaign



Bombay Sapphire 'Create From Home'

The platform launched by the Bacardi-owned brand is designed to enable consumers to express their creativity when self-isolating. It is an extension of the aptly named an extension to the Bacardi 'Raise Your Spirits' campaign, which can be followed on Instagram using the hashtag #RaiseYourSpirits

#RAISEYOURSPIRITS

Source: IRI analysis; businesswire.com; trendhunter.com

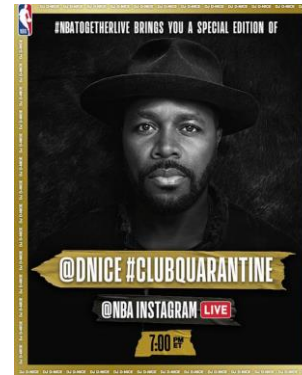
...and focus on **supporting them in reimagining virtual sociability**

Facilitating virtual gatherings to bring people together



Chipotle Together

Chipotle's series of daily "Chipotle Together" sessions on videoconferencing site Zoom features celebrity guests and up to 3,000 brand/celebrity enthusiasts. The social approach is consistent with pre COVID-19 marketing via other digital platforms such as Amazon Alexa, Instagram, Snapchat, TikTok, Twitter and Venmo. In the current climate, it enables some much needed positive vibes



NBA and Club Quarantine

DJ D-Nice's Club Quarantine is a live-streamed set that has drawn in hundreds of thousands of viewers and has featured cameos from other big names in music and culture. Recognising that people are socially adjusting by virtual means, the NBA brought a Club Quarantine set to its official Instagram account on Mar. 27.



IRI

Source: IRI analysis; adage.com; qsmagazine.com; newyorker.com; instagram.com

Consider **cultivating**, or **aligning with**, new online experiences

Cultivating, or aligning with, new online communities



Brewdog

Announced the opening of 102 new virtual bars due to open in Mar. 27 with each BrewDog bar in the UK, Germany, Australia and US reinvented with its own online alternative for locals and regulars to connect. BrewDog updates, a beer tasting with the BrewDog co-founders, guest breweries, a virtual pub quiz, live music, and the opportunity to enjoy banter with online beer enthusiasts



JD.com and Taihe Music Group

JD.com and Chinese music label Taihe Music Group have collaborated to establish an online clubbing experience. Budweiser, Rémy Martin, Carlsberg and Pernod Ricard are part of the service, which JD.com has indicated that alcohol sales grew by significant double-digit uplifts during some shows. Online versions of other activities such as museum visits and theatre performances have also emerged in China



But also **know that keeping the spirits high can be quirky acts**



Zoos Victoria |

Coronavirus: Melbourne zookeeper's livestream dance goes viral

Australia's Melbourne Zoo has started livestreaming its enclosures for people to enjoy while in isolation at home.

But it's a dancing zookeeper who's proved most popular.



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Source: IRI analysis; bbcnews.com

Reappraise the lifestyle activities that brands are aligned with

Starting with monitoring the virtual activities that are trending



FOX Sport and e-sports

The so-called “stay-at-home-economy” is likely to further accelerate the popularity of e-sports, which was already a key form of socialising for Gen Z and Millennials. It is therefore timely for FOX Sport to broadcast the eNASCAR Pro Invitational iRacing Series

TRENDING VIRTUAL ACTIVITIES

past week, US

Google Trends

- 1 Winchester House virtual tour
- 2 Beyond Wonderland virtual
- 3 Virtual Disney World ride
- 4 NASCAR virtual race
- 5 Virtual birthday party ideas

And this kind of inspiration is where branded content can play an influential and affinity building role

google.com/trends

Aligning with e-sports warrants consideration in the current climate

Explore opportunities to align with the ever-growing e-sports



Coronavirus has stalled traditional sports around the world. Esports are here to fill the weekend void

By Peter Marsh
Updated Thu at 9:46am



Coronavirus: The sports turning to gaming during lockdown

By Joe Tidy
Cyber-security reporter

© 26 March 2020



Coronavirus pandemic



Formula 1 has launched a Virtual Grand Prix Series to replace the races that have been postponed due to the coronavirus. Similarly, the screenshot to the left shows a virtual fight organised by the World Boxing Super Series (WBSS) after the coronavirus forced the company to cancel all its real-life events

Source: IRI analysis; bbc.com; abc.net.au

Consider how to **establish/promote new brand consumption rituals**



Example of a new virtual consumption ritual among IRI employees...



IRi

Growth delivered.

Thanks Gabi & Geoffrey for your valuable feedback!

@Geoffrey I'll see you for a WhatsApero this afternoon 😊



\$24M brand
+28% \$ growth

>7M users

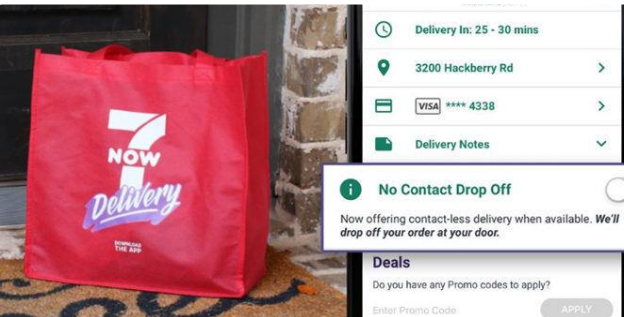
#4 social brand

Example of a leading liquor brand being able to reappropriate the consumption ritual – and the 'call-to-action' – surrounding it

Source: IRI Liquor MarketEdge, MAT To 05/01/20; socialmedianews.com.au

Find **new ways to deliver superior value** for a ‘recession mindset’

Wave fees/charges & free rewards



7 Eleven | Dunkin Donuts

7-Eleven waived delivery charges on all orders made through its 7NOW delivery app to make it easy for them to access essential items when people are sheltering. And Dunkin Donuts gave loyalty members who use on-the-go ordering an extra 100 points in their DD Perks program

Affordable family friendly online takeout



Subway Family Takeout, US market

The Subway Family Takeout Special was introduced with an amplified focus on providing US consumers with enhanced value and special promotions for takeout. When ordering two Footlongs from the Subway website or its mobile app, customers receive a free Footlong



Burger King

BK offered two free kids meals with any purchase made on its app for takeout or drive-thru. The one time per guest per day offer runs through to Apr 6.

Source: IRI analysis; adage.com; subway.com

Help 'stay-at-homers' maintain their commitment to good health

Memes in social media highlight the concern and realisation that at-home quarantine has compromised healthy eating intentions for many. Feelings of feelings of boredom and frustration can be triggers for (over)eating

% of Australians saying that their **diet is important** to them...



BUT...

Boredom
Isolation
Anxiety
Storing more food

Day 5 in quarantine:



Source: IRI analysis; IRI Shopper Panel Psychographics Survey, 2017-19

Appraise if this is a timely moment for **co-creating with customers**

Giving consumers the chance to shape the direction of brands they care about



Global impulse snack providers

Flavour voting campaigns are nothing new in the realm of consumer engagement tactics. Nevertheless, the unique backdrop of isolated consumers who are likely to be snacking more frequently – and with more time on their hands – creates an opportune moment to elevate participation rates in a well-executed idea



The **FMCG** industry is at the forefront in ‘making a difference’



IRi POINT OF VIEW

COVID-19 has brought into focus how the FMCG industry provides critical value on a daily basis for those in need of basic necessities. With the industry so intricately connected to the day-to-day lives of consumers, it is uniquely placed to play a leadership role in the two major ‘calls-to-action’ in this report. With over a third of the global population still figuring out their newfound at-home routines, the industry is aptly coming together to support those in need. In just a matter of weeks, countless examples have emerged of the local and global FMCG industry making a positive difference to a world engulfed in a global health and economic crisis.

Stakeholders should help consumers navigate newfound lifestyle realities at a time when they value (and need) support from the brands they appreciate. Getting close to customers at this unprecedented time will allow industry stakeholders to optimally respond to genuinely new and evolving consumer behaviours during the COVID-19 outbreak and beyond. When faced with unprecedented levels of disruption and uncertainty, leveraging advanced analytics to support decision-making becomes even more important. And that’s where IRI continues to be ‘part of the solution’, as we seek to help optimise the industry’s decision making going forward.

Source: IRI analysis; IRI MarketEdge; ABS



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