



DEMAND FORECASTING COVID-19

Panagiotis Boretos
Managing Director

22/04/2021

Topics

Greece Market View

2021 Forecasting – Demand Forecasting

EXECUTIVE SUMMARY

2020 changed the CPG retail landscape, most notably fueling unprecedented growth that in February 2021 remains up 10% from year-ago levels. Years' worth of industry transformation occurred in 2020, but what about 2021? Viewed from the consumer lens, how should product innovation address the dramatic, home-centric way lives are lived and as we begin our journey to return to the new normal? In this presentation, we discuss emerging consumer trends to guide innovation now and in the future.

Current Innovation Trends

- Dramatic changes impacting new product success in 2020 include work / working out from home; shift to at-home consumption; new approaches to leisure and holidays; changes to how we shop, especially with adoption of e-commerce; and investments made to our homes.
- Product innovation progressed at nearly a level pace in 2020, but line extensions were down.
- National and private / store brand product innovation leveraged and adapted many existing and emerging trends, including self-care and societal care, indulgence and convenience.

Innovation Opportunities

- Seize areas ripe for product innovation, including home-centric work and leisure, increased consumption at home, new ways of celebrating and new shopping behaviors.
- Innovate on the macro themes of self- and societal care, indulgence and convenience, as current trends, including plant-based, premium, and health and wellness continues in 2021. These themes will be redefined in the new normal (e.g., at-home cooking and on-the-go convenience, ease of searching and shopping).
- Be adept at detecting shifts in consumer needs and preferences, and leverage information including unconscious and unarticulated needs, in addition to search, social media and purchase data.
- Determine which preferences are must-haves using advanced analytics and algorithms from actual purchases of millions of shoppers across broad demand spaces, not just within your categories.
- Articulate product attributes so consumers understand benefits and are willing to pay the right price. Leverage trade-off models to understand which benefits matter to consumers. Communicate product origins, sustainability and societal care, as appropriate.
- Market innovation via search-friendly, shoppable recipes, and as samples in click & collect or home delivery orders as product discovery evolves in the new normal.





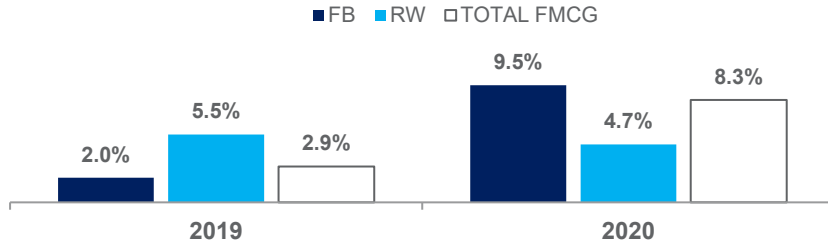
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MARKET VIEW February 2021

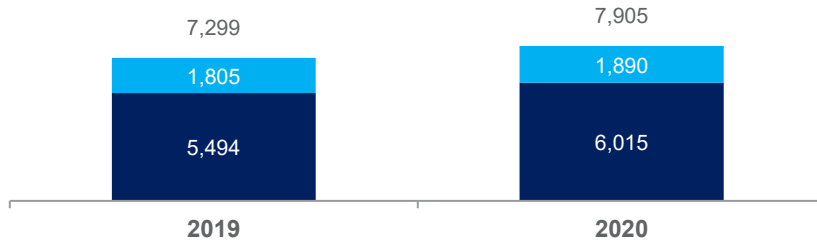
Trends for the Greek FMCG environment

Growth 8.3% for Total FMCG Market in 2020, coming from both segments. More intense increase for Fixed Barcodes

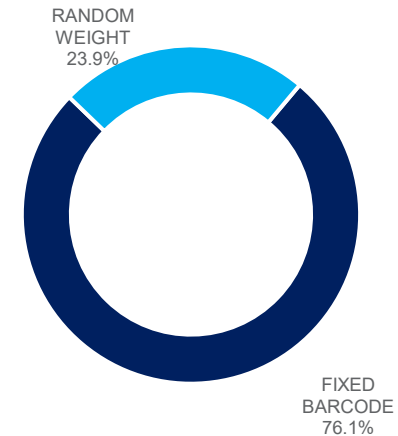
Value sales trend



Value Sales (in Millions)



2020 Value Contribution

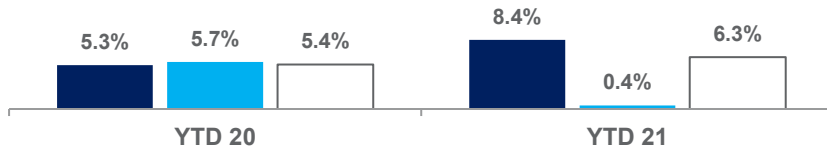


Source: IRI InfoScan, HM/SM + Random Weight, Year 2020

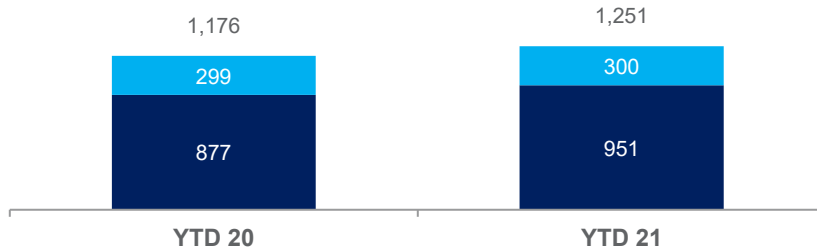
Fixed Barcodes lead the growth in YTD 21

Value sales trend

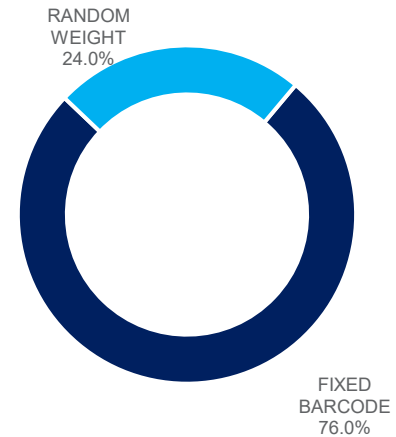
■ FB ■ RW □ TOTAL FMCG



Value Sales (in Millions)



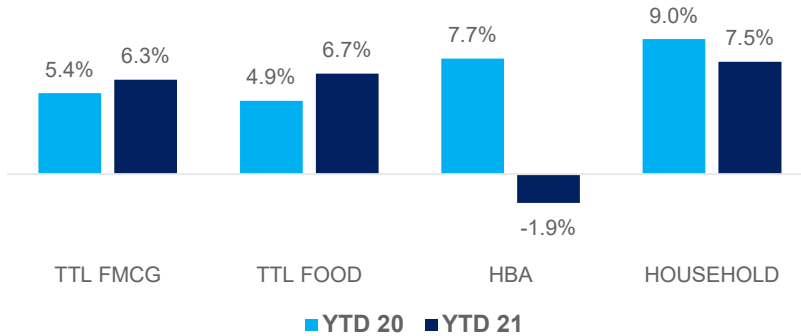
2021 Value Contribution



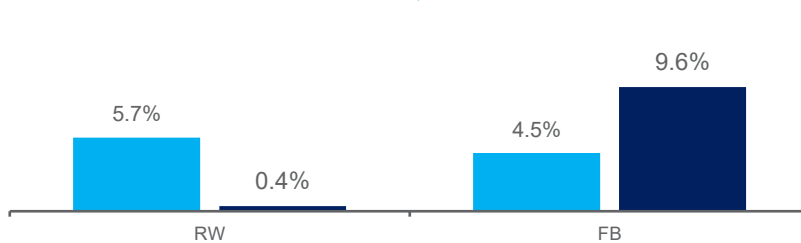
Source: IRI InfoScan, HM/SM + Random Weight, YTD February 21

HBA is the only category with declining sales in YTD 21

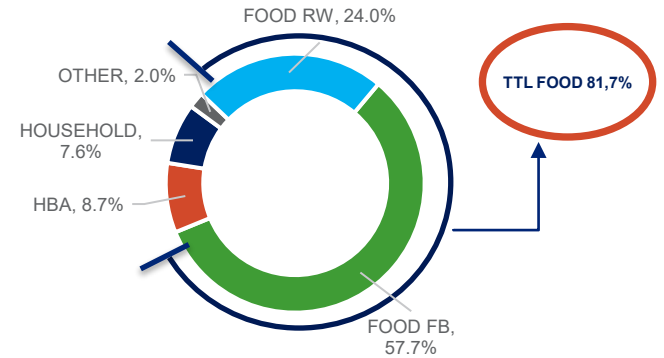
Value sales trend



Food sales trend



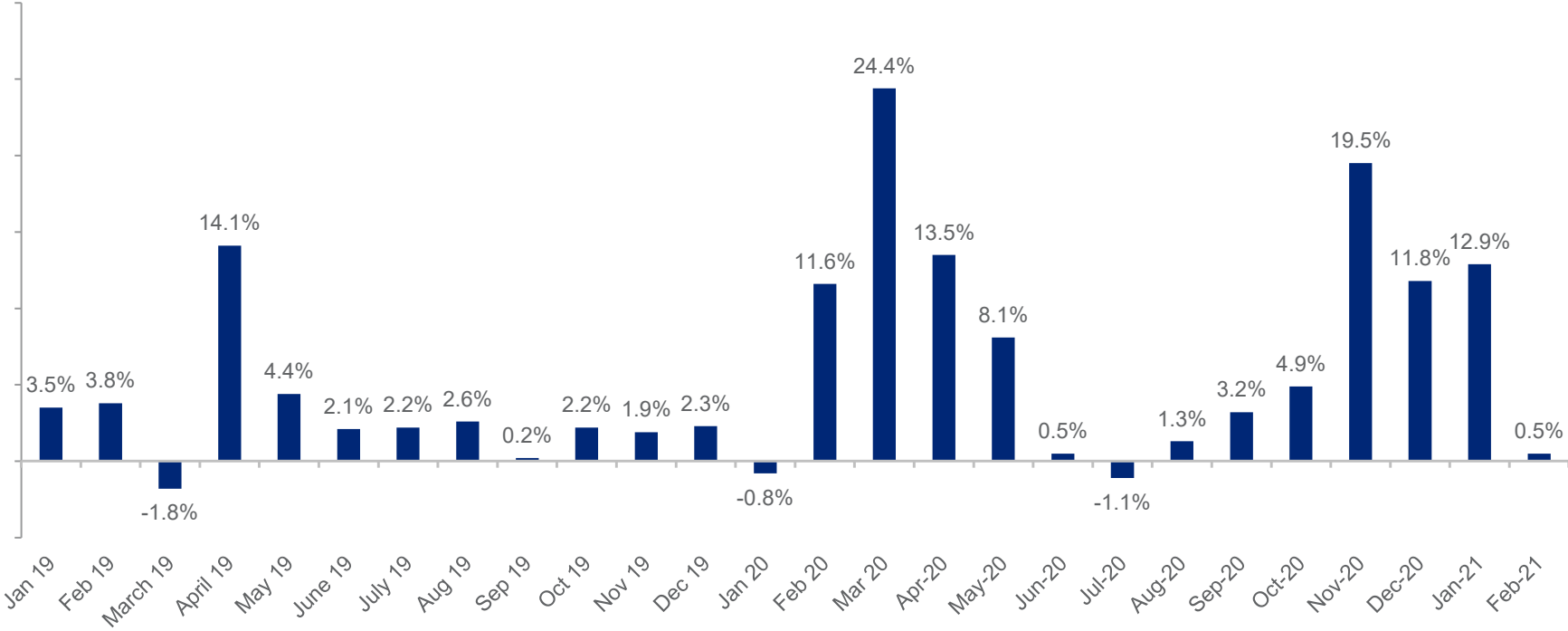
YTD 2021 Value Contribution



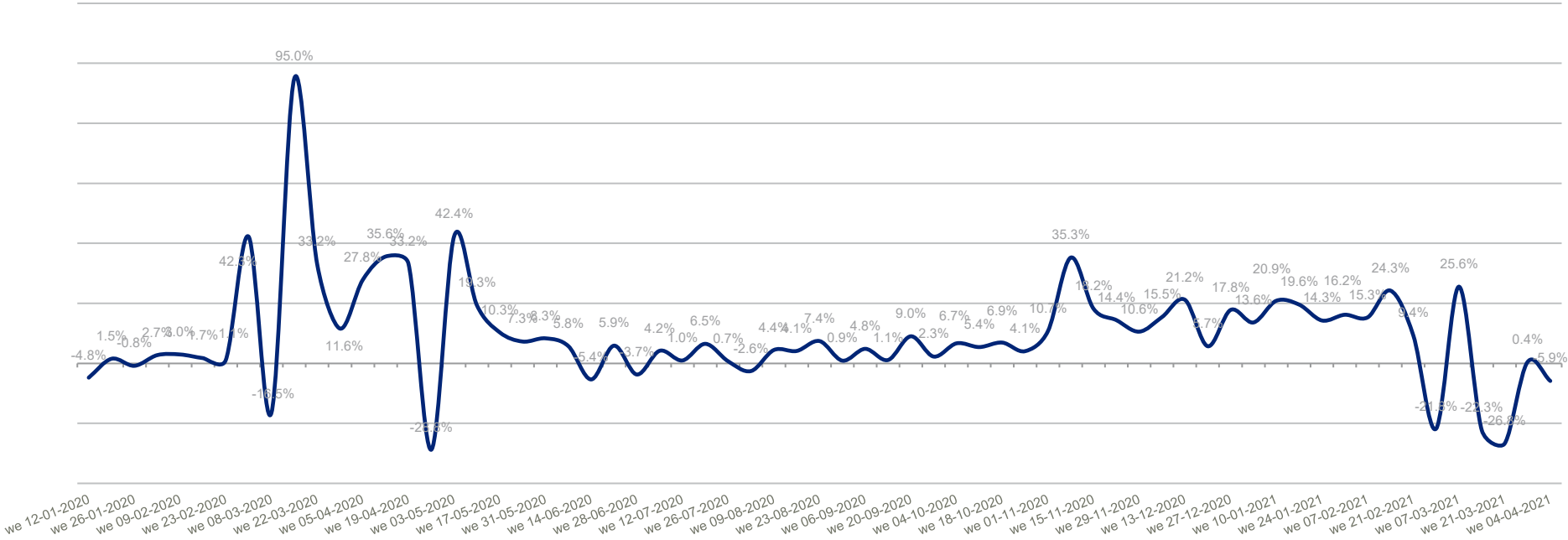
Source: IRI InfoScan, HM/SM + Random Weight, YTD February 21

February value sales slightly increased by 0.5%

Total FMCG Value sales trend by month



Market Evolution vs YA



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IRI FORECASTING SOLUTIONS



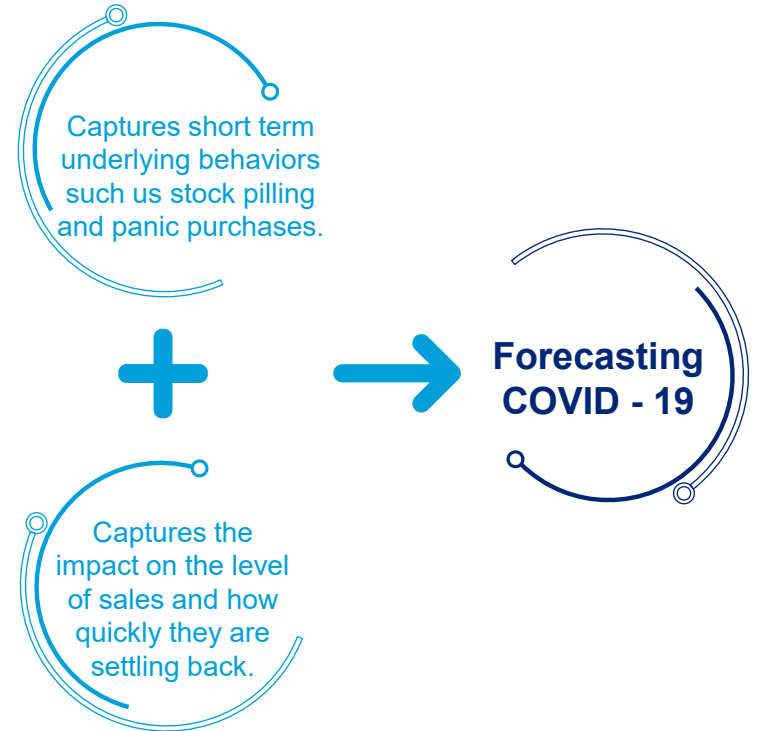
Forecasting solutions enable you to quickly and accurately focus your investment and take the decisions which drive growth.



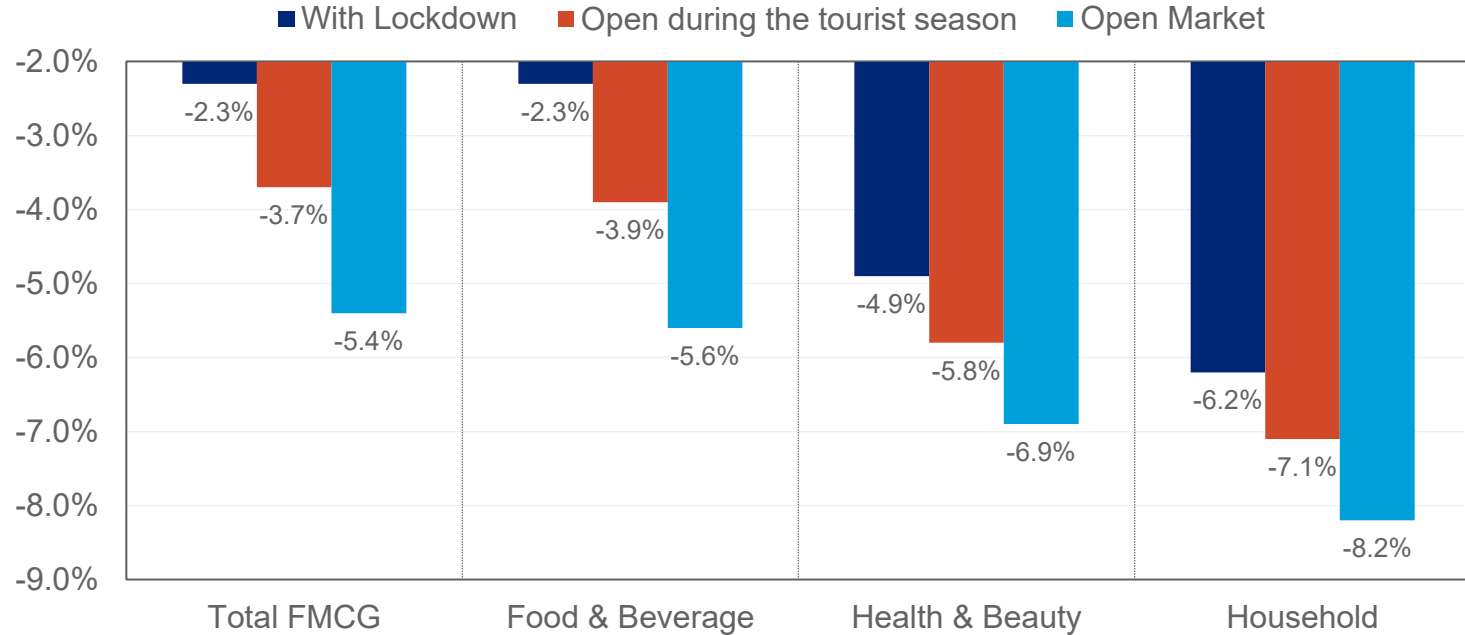
IRI Forecasting 2021: Background and scenarios

IRI developed an optimum function, with two combined kernels, that has the below desired properties.

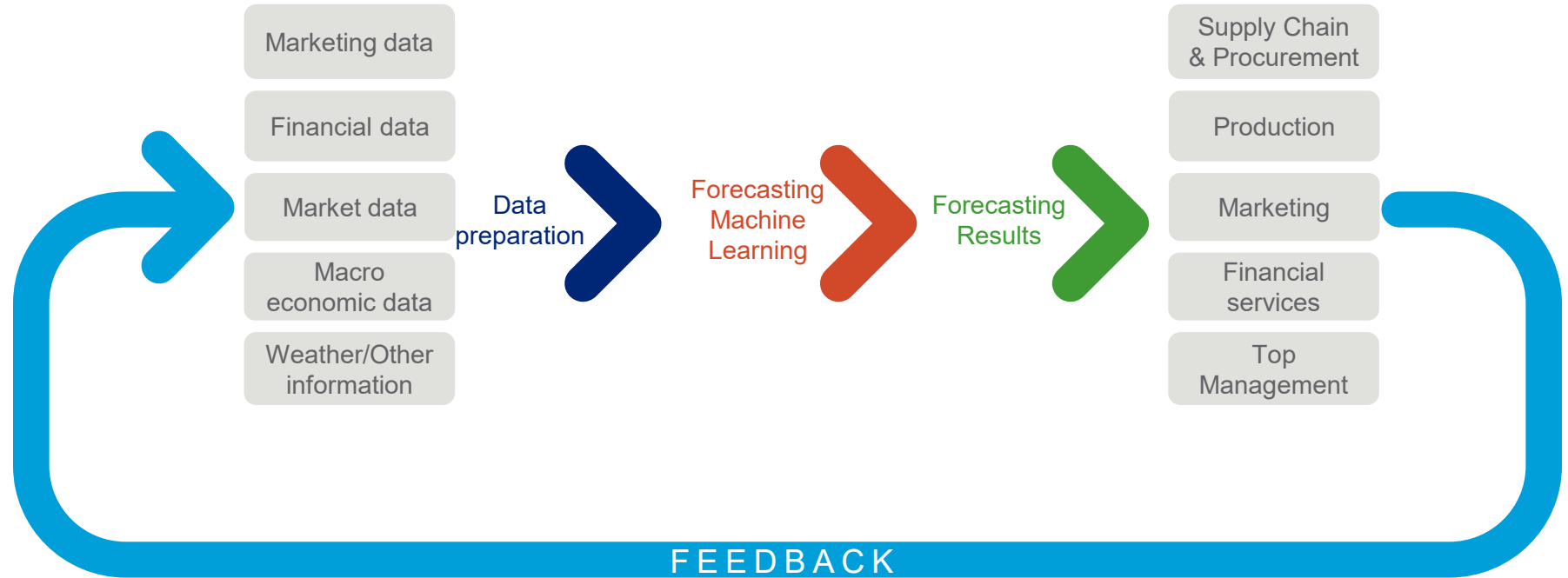
- One component captures the impact of COVID – 19 on the level of sales and how quickly they are settling back.
- A second component is seeking to capture more short term underlying behaviors such as stock piling, panic purchases, etc.
- The above components are functions of both time and number of COVID – 19 incidents.
- The parameters of these components are repeatedly estimated and re-evaluated by a machine learning algorithm once new observations become available.
- It allow us to simulate scenarios on new waves of COVID – 19.



Value sales forecasting of '21 vs '20 in total FMCG Food, Personal Care & Home Care

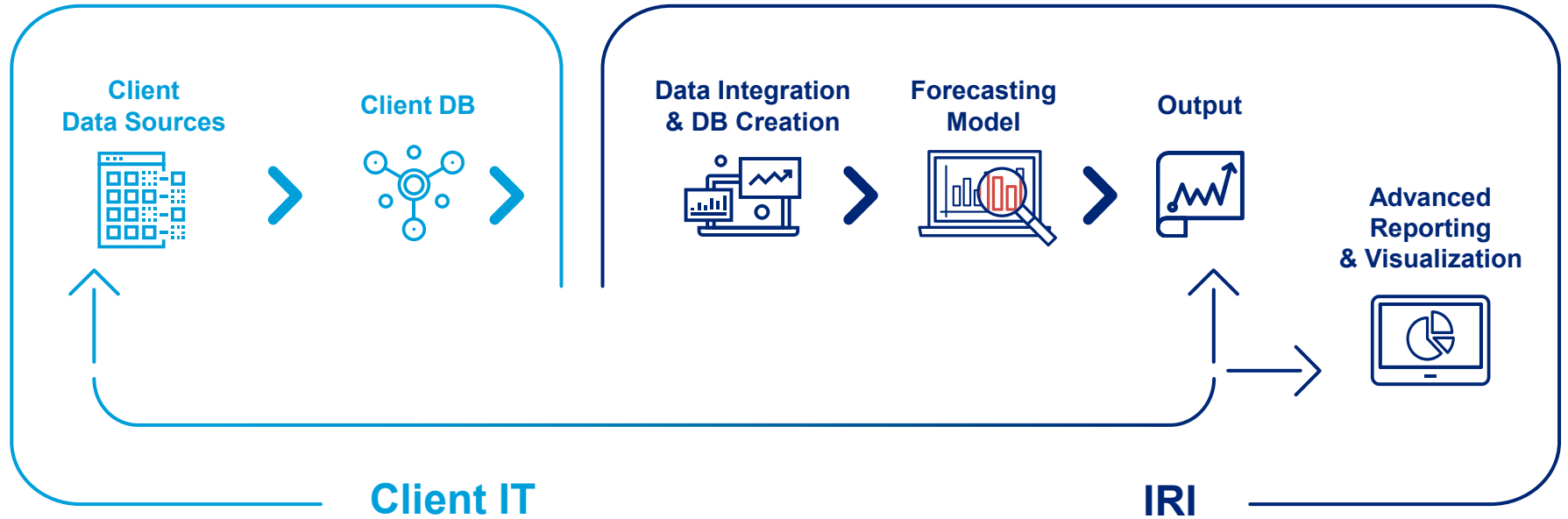


On going Demand Forecasting process and key stakeholders

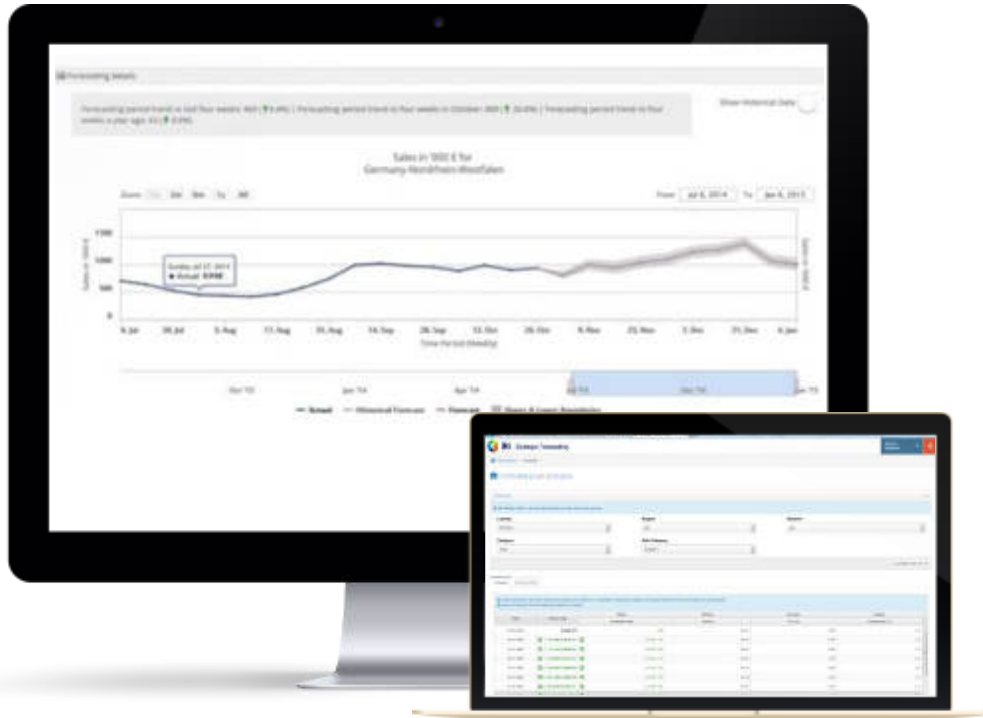


Answer's all business-critical questions such as future sales trends and the impact of own activities and external factors

IRI online platform in a nutshell



IRI holistic solution to support forecasting processes makes your life easier



SCALABLE

Visualise and forecast sales in a consistent integrated manner and at any product level (category, brand, sub-brand).



INSIGHTFUL

Consistent insights consolidated in one platform, available 24/7 for better and faster decision-making



ALL-INCLUSIVE

Integrated solution for finance, planning, consumer demand and logistics departments, for a consistent company-wide forecasting solution and a common growth target.



UP-TO-DATE

Ongoing consistent updates for real-time adjustments to stay ahead of the game and react fast versus competition.



CUSTOM-BUILT

Entirely flexible solution designed to suit your needs and to blend into your own internal systems for the most actionable outcome.



thank
you!

