The 2023 Consumer: struggler or survivor?

Vaios Dimoragas
Managing Director Greece & Bulgaria

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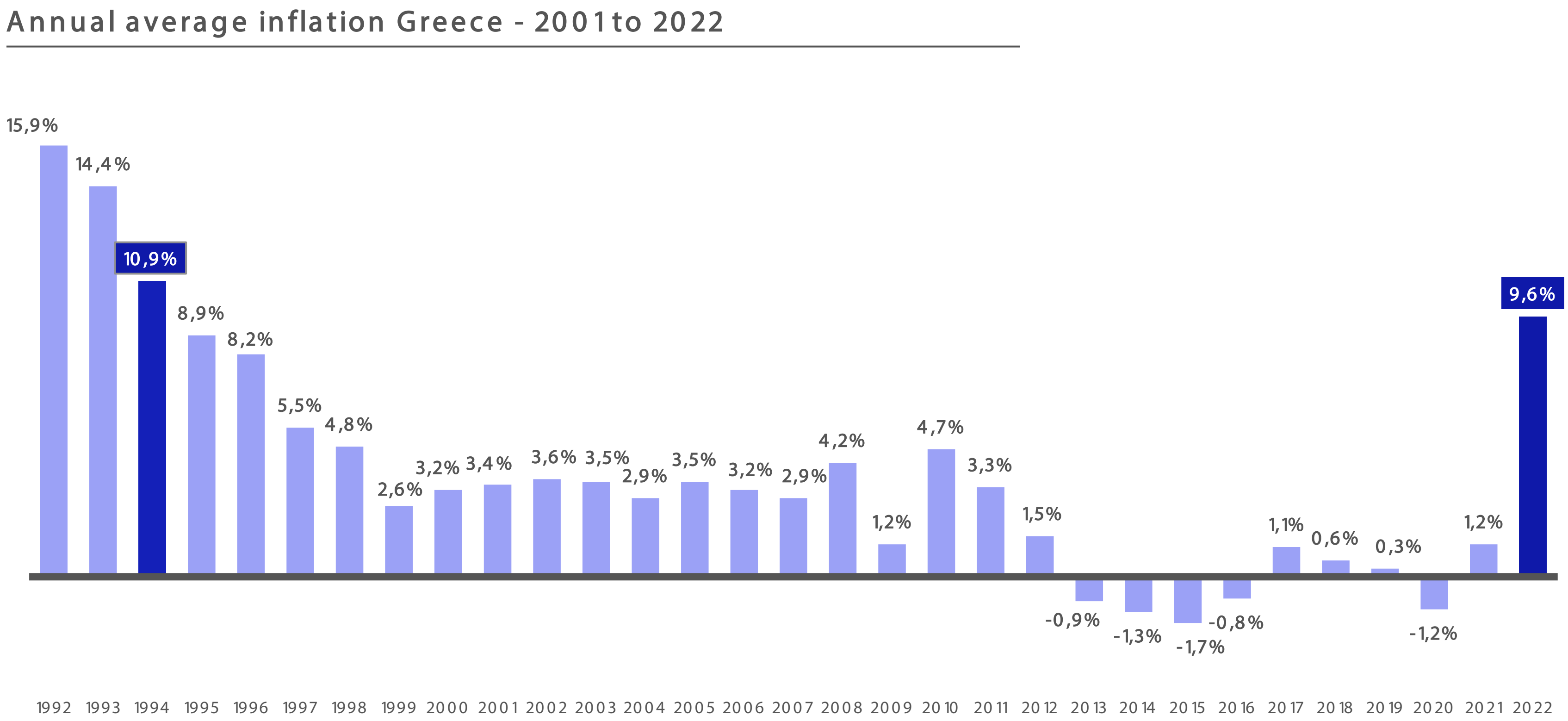
NIQ

An inflation not seen since 1994…



Source: ELSTAT

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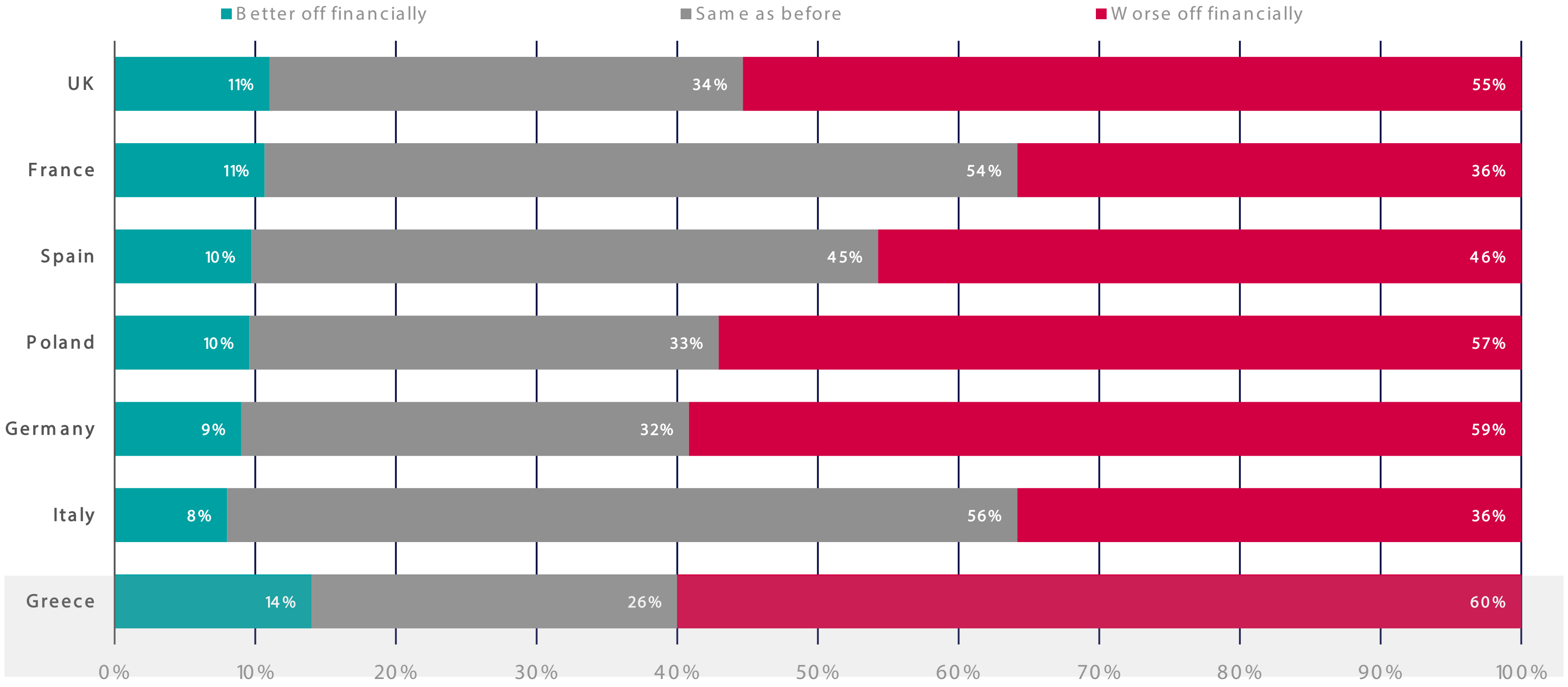
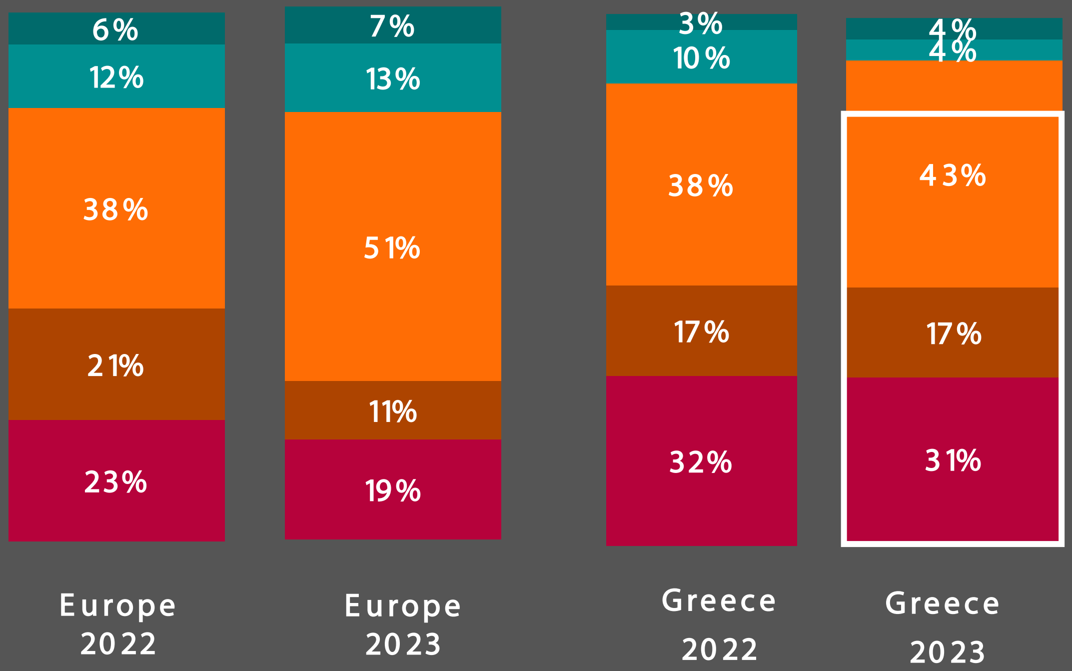
Intense financial polarization in many markets



Source: NielsenIQ 2023 Consumer Outlook Survey
Q. Compared to a year ago, would you say that overall your household is better off, the same, or worse off financially?

The 2023 Economic Divide Insecurity limits spending power of consumers



Thrivers
Saved money and feel more financially secure

Unchanged
Not impacted and continue to spend the same

Cautious
Not impacted financially but are cautious with spending

Rebounders
Experienced income or job loss but now feel they are back on track

Strugglers
Have suffered financial insecurity and continue to do so today

Source: NielsenIQ 2023 Consumer Outlook Survey, Greece vs. Europe
Q. Which of the following best describes how current events* of the last year have impacted your overall household financial situation? *Note: Question phrased more specifically to COVID-19 impact in Jan. 2022 & June 2022

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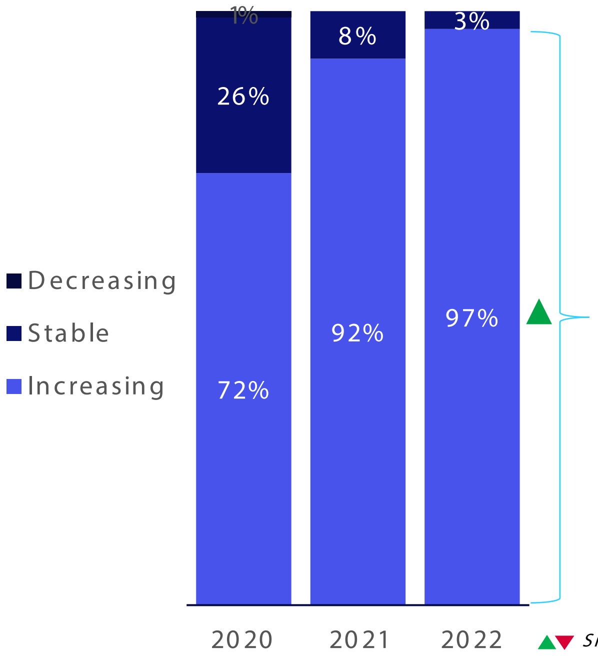
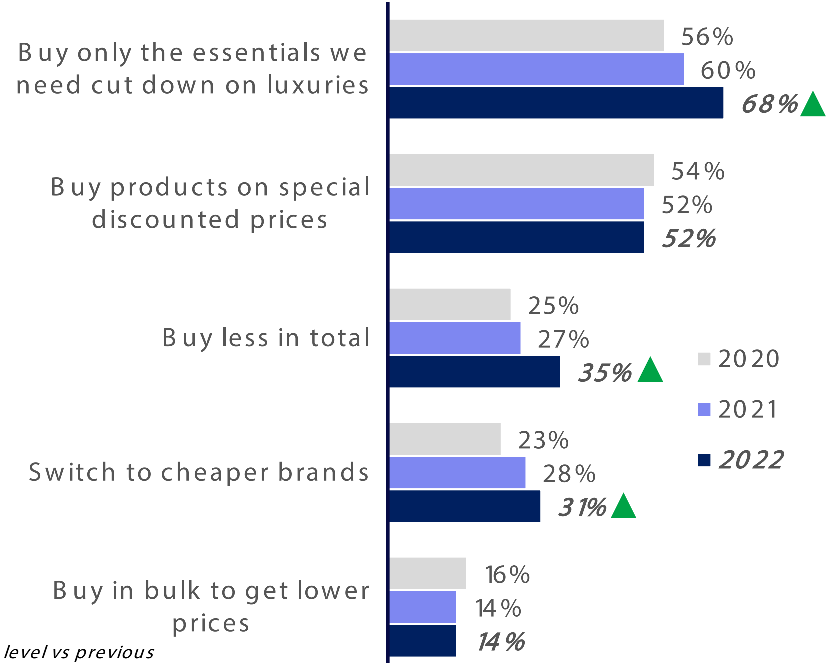
Almost all shoppers perceive prices increased

Compared to previous years, increased mentions for buying only the essentials or buy less in total or switch to cheaper brands. Secondary action addressing the price increase is buying on discounted prices





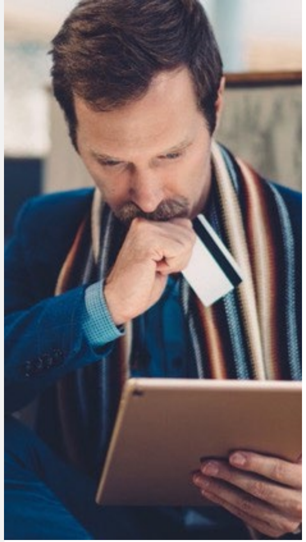
Significant difference at a 95% confidence level vs previous wave

Ref. Q79 Are food prices in your country...
Base: All HM/SM shoppers 2020 (n=996) 2021 (n=1007) 2022 (n=1008)

Ref. Q125 Which of the following best describes your response to rising food prices?
Base: all who claim that food prices are increasing 2020 (n=722), 2021 (n=928), 2022 (n=981)

Setting the spending tone for 2023

What's more important to Greeks in 2023?



41%
Mental wellness

Vs 33% T Europe

35%
Physical wellness

Vs. 30% T Europe

44%
Financial / job security

Vs. 33% T Europe

45%
Saving for unforeseen circumstances

Vs. 24% T. Europe

Source: NielsenIQ 2023 Consumer Outlook Survey Greece vs. Europe

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Understanding states of living

Living

I am **spending more time at home** and going out less often **57%**

I am generally **more stressed** than I have been before **52%**

I am more **skeptical** about which **sources of information** I can trust **45%**

Recent events (COVID, Ukraine crisis etc) have made me realize that **"less is more"** and I don't need as much as I thought to be happy **35%**

I make **conscious decisions** on the impact my choices have on the **planet and society** **32%**

I prefer having the **ability to work from home** when I want to **28%**

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Understanding states of shopping and consuming

Key behaviors

Shopping

I **plan ahead** before I go shopping	66%
I buy more **small personal luxuries** instead of spending on costly rewards	25%
I prefer to shop **locally for things made** or sold within my community	24%
I do most of my everyday **shopping online**	21%

Consuming

I only buy what I know I'll use to **avoid waste**	67%
I **eat leftovers** more often	45%
I try to consume products **made locally** or that support my local area	29%
I find it **hard to eat/drink healthily**	22%

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Wallet shifts during a pending recession

Grocery & Household categories central to 2023 consumer “spending more” intentions

Spending less

OOH Dinning / Eating	-12,0
Food delivery / Takeaways	-12,0
Clothing / Apparel	-12,0
OOH Entertainment	-11,0
Electronics /Technology	-9,0

Same as before

Financial services

In home entertainment

Rent / Mortgage

Savings / Investments

Spending more

Transportation Costs, fuel	8,0
Utilities	7,0
Grocery & household items	6,0

Grocery & household items

Dairy

Fresh Produce

Source: NielsenIQ 2023 Consumer Outlook Survey, Greece
Indexed on avg. of net change in spending

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Willingness to pay more for well-being, environmental sustainable and social responsible products

49%

Will be willing to **pay** **MORE** for at least one product characteristic

49% Supports holistic health

47% Healthy snack foods

41% Environmental sustainable

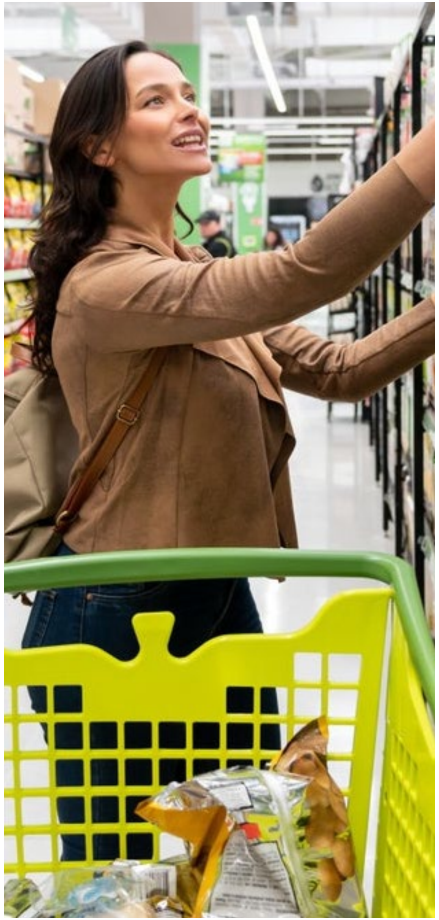
39% Simplify routine

34% Private Label

32% Social Responsible

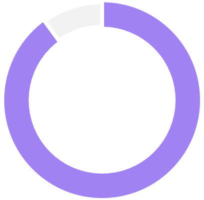
GLOBAL TREND

NIQ Risk Watch: Innovation



Avoid product portfolio stagnation with renovation over innovation this year

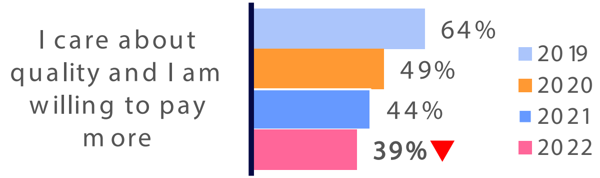
Consumer response: seeking to justify the necessity of all purchases



84%

of Greek companies are planning to launch new products in 2023

Willingness to pay premium for quality further decreased



High-opportunity 2023 Innovation Archetype:

Defenders

Short-term investments that drive excitement

Product innovations that defend your brand.

Action: Innovation strategically in the short-term to survive economic hurdles. Explore proactive “renovation” to add justification & excitement around buying your brand.

NIQ Risk Watch: Health & Wellness

The rising costs of healthy living

Consumer response: Those who need to it most will struggle to afford to pay for their health & wellness wants and needs.

63%

of Greeks is **most important to** protect themselves and/or their family members from health threats

Lack resources for preventative health and active seeking behavior

30% are PROACTIVE with their health

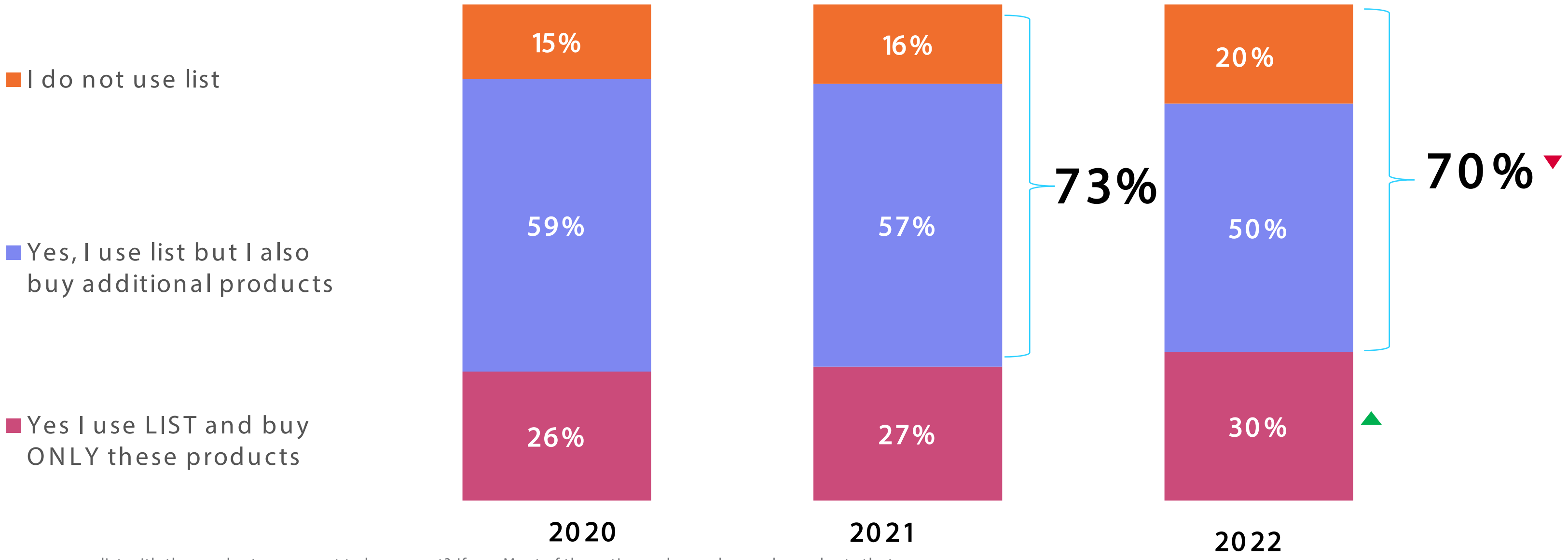
72% are PASSIVE with their health

Action: Cater wellness offerings to polarized spenders – enable affordability across a spectrum of healthy goods

Opportunity for successful instore still at high level 70%.

Increased importance of buying only the products that are in the list.

List usage



Ref. Q89 do you prepare any list with the products you want to buy or not? If yes: Most of these times, do you buy only products that are on your list or buy some additional products Base: All HM/SM shoppers,, 2020 (n=996, 2021 (n=1007), 2022 (n=1008)

Significant difference at a 95% confidence level vs previous wave

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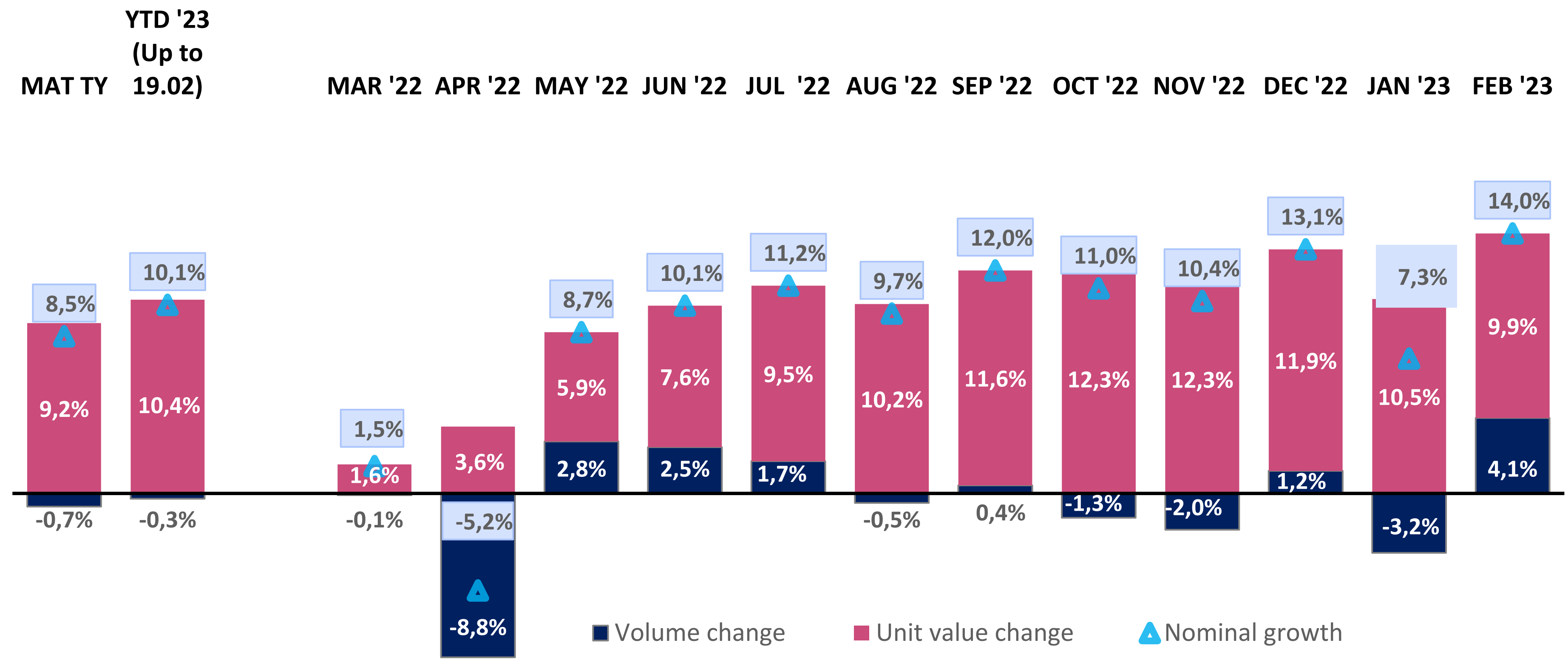

The Full View™