Global Forces of Wellness

Consumer Goods Forum Collaboration for Healthier Lives

February 2022



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Agenda

Consumer outlook

Global consumers adopting endemic mindset

- Spending habits/stressors
- Moving on beyond COVID

Health reprioritization

Pandemic-formed priorities

- New priorities driving new choices in food and care
- NIQ State of Global Consumer Health

Looking forward

Health and homebody economy

- Shifting meals
- Health and altruism

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Prior to Omicron, consumers were preparing for the long haul

28%

of consumers globally believe their market will be impacted by COVID well into 2022

53%

think it will stretch into 2023 and beyond



Source: NielsenIQ 2022 Consumer Outlook Survey, Dec 2021
Q. When do you think your country will be free from the impacts of COVID-19 (infections, restrictions, impacts)?

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With many accepting COVID will be a factor in their lives over the next 12 months, most will continue to exercise some caution

16%

Will carry on their normal lives without fear of COVID

- 34% in US and 31% in India

47%

Will live with some caution

33%

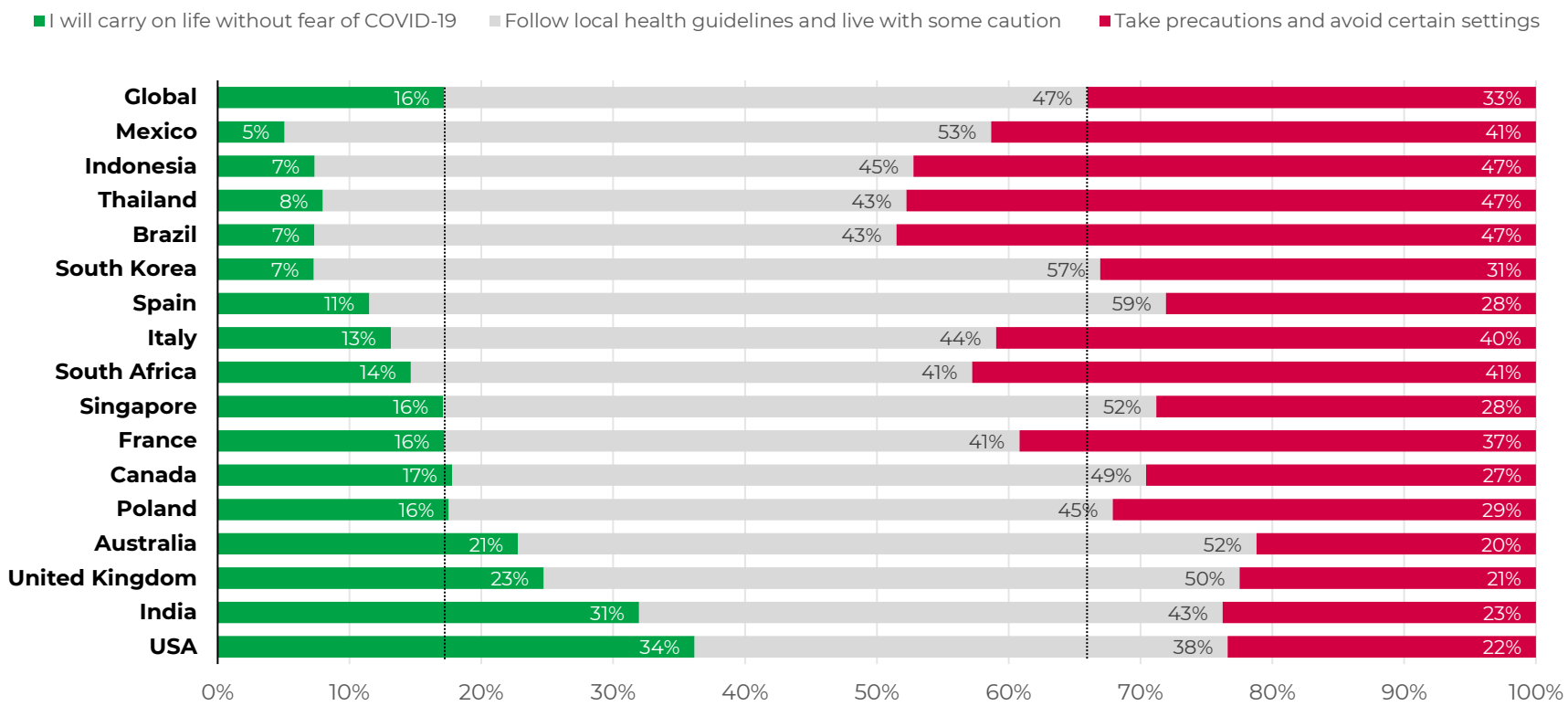
Will follow stricter vigilance, take precautions and avoid certain settings

- Most vigilant markets Indonesia; Brazil; Thailand; 47% respectively

Source: NielsenIQ 2022 Consumer Outlook Survey, Dec 2021
Q. If COVID-19 is still impacting your market in terms of infections and cautionary guidance over the next 12 months, what would you do?

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Majority of markets will exercise caution to some degree



Source: NielsenIQ 2022 Consumer Outlook Survey, Dec 2021
Q. If COVID-19 is still impacting your market in terms of infections and cautionary guidance over the next 12 months, what would you do?

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How will consumers spend their money?

Anticipated growth/decline vs last 12 months - 3 Recovery trajectories

	Variant lite	Variant mid	Variant max
Cooking and baking ingredients	▼	_	▲
Snacking products – at home	▼	_	_
Beer, wines, RTD, Spirits	▼	▲	▲
Beauty & body care	▲	_	▲
Home care – cleaning etc	▼	_	▲



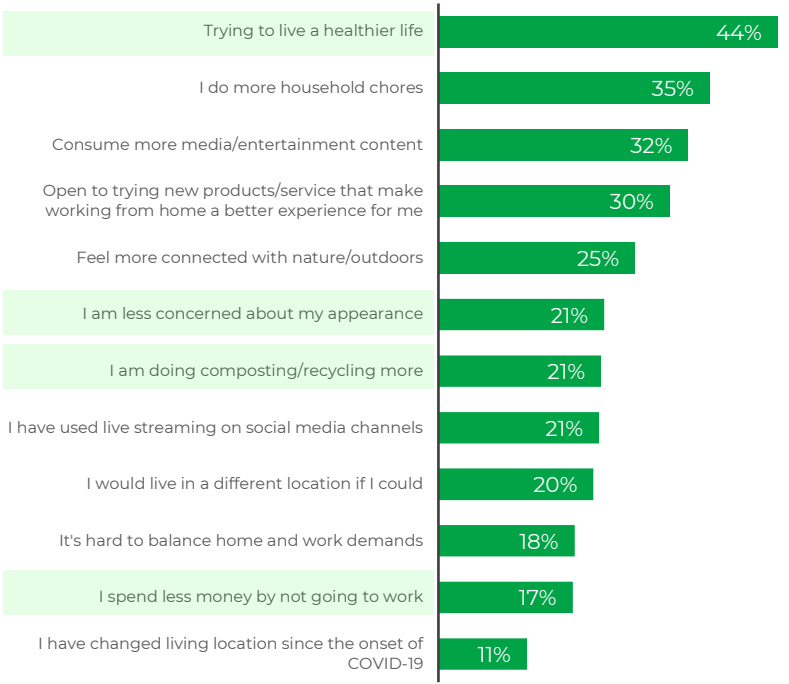
Source: NielsenIQ COVID-19 Recovery trajectories

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Consumers' lives have changed: new behaviors drive new opportunities

% of agreement with statements: Since COVID...

Living



Shopping



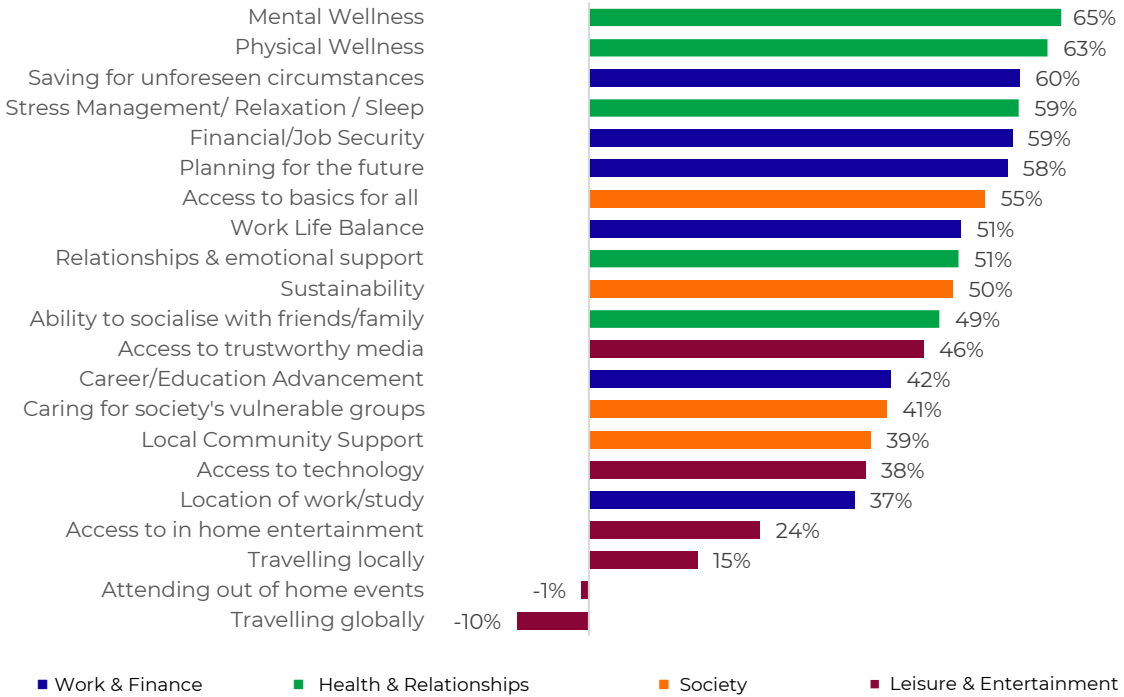
Source: NielsenIQ 2022 Consumer Outlook Survey, Dec 2021 - Q. Which of the following statements do you agree with?

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Increased focus on broad view of wellness

What is more important in next 12 months?

Net – More important minus less important

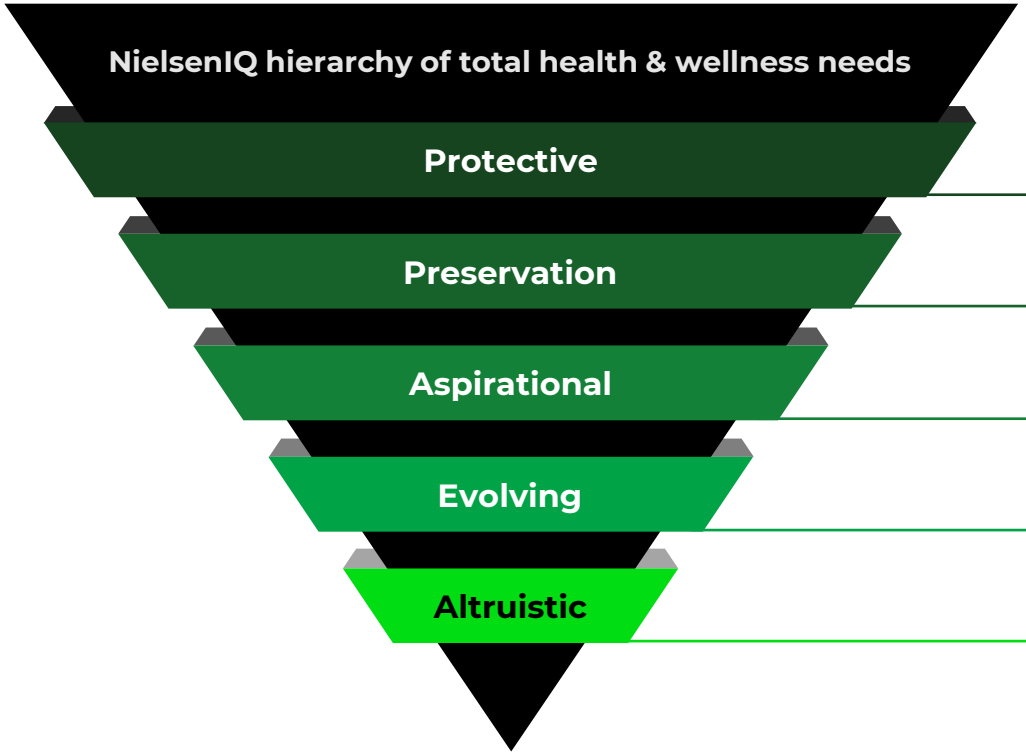




Source: NielsenIQ 2022 Consumer Outlook Survey, Dec 2021 - Q. What areas, if any, will be more important to you over the next 12 months?

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Consumers’ health and wellness needs have evolved beyond the basics of physical wellbeing



Urgent care
Protecting myself and/or my family members from immediate health threats.

Self care
Improving my and/or my family's **current** physical or emotional wellbeing and connections.

Preventative care
Proactive actions to achieve & maintain specific health goals, or helping to avoid ailments in the **long-term.**

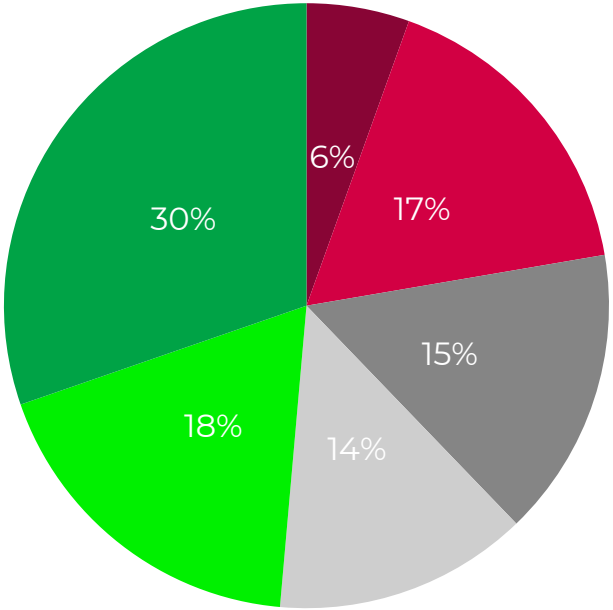
Innovative care
Seeking out the latest alternatives or developments to continuously meet my and/or my family's health & wellness goals.

Selfless care
Improving the world around me by advocating for environmental, ethical, humanitarian, and/or philanthropic causes.

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Approach to health is not one size fits all

Global Lifestyle Choices



Passive consumers

- Generally don't think about health
- I'd like to be healthier but difficult to prioritize in my life

Reactive consumers

- Focus on health only when required
- Sometimes triggered to look after health

Proactive consumers

- If a healthier option is offered will generally take it
- Actively make decisions on a regular basis to look after health

Source: NielsenIQ Global Health & Wellness Study of 17 markets, September 2021

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More proactive health choices

- **China**
- **India**
- Indonesia
- South Korea

More passive health choices

- **Thailand***
- Poland
- United Kingdom
- Australia

* Thailand polarized most reactive by also large share of proactive

Understand the diverse drivers that can influence consumer choice to be healthy

Top 10 reasons why health has become more important

% agree among the 'proactive health' consumer segment

Rank	Reasons why health has become important	% agree
1	Live a longer, healthier life	47%
2	Avoid preventable diseases	47%
3	Protection/exposure to ailments/diseases	43%
4	Want to look/feel healthier	41%
5	Re-evaluating lifestyle	31%
6	Influence from family, friends	28%
7	Influence from the news	27%
8	Worried about COVID unvaccinated	27%
9	Influence from social media	20%
10	Influence from advertising/rising costs of healthcare*	18%

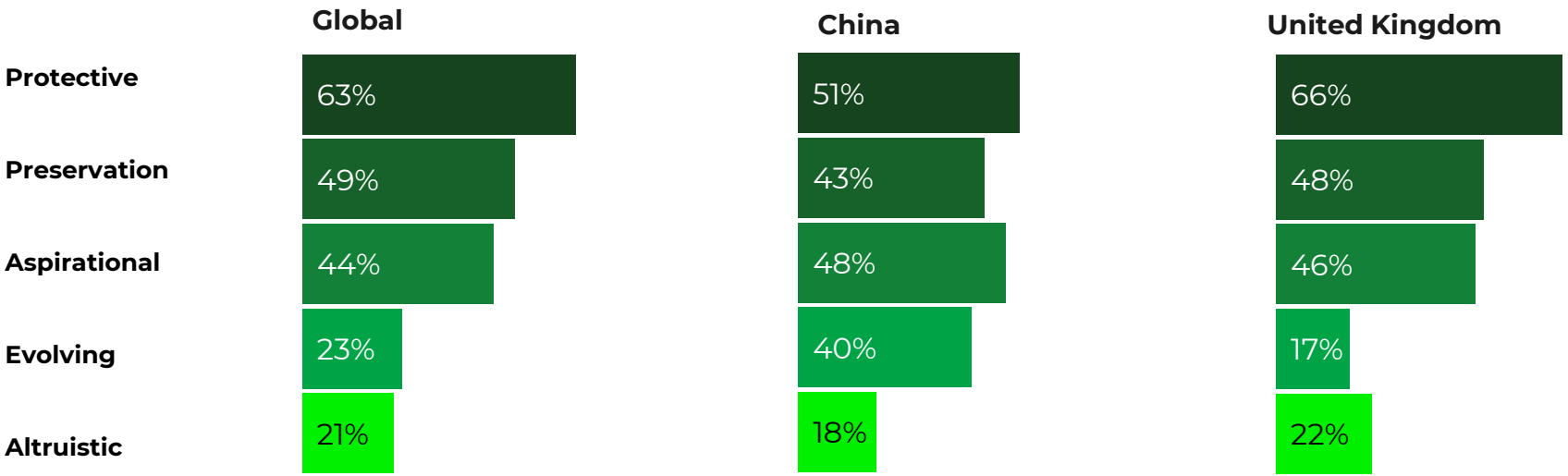
Source: NielsenIQ Global Health & Wellness Study of 17 markets, September 2021.

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Universal hierarchy but nuanced by market

Consumer hierarchy of needs

Global results for top 2 rank

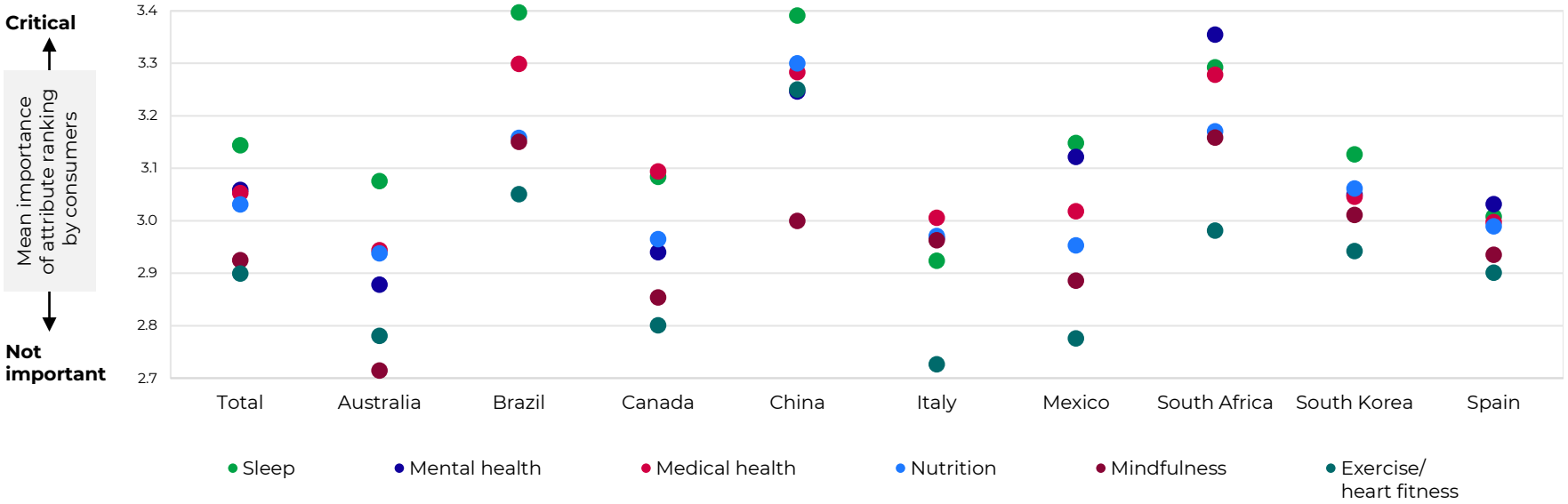


Source: NielsenIQ Global Health & Wellness Study of 17 markets, September 2021

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Preservation priorities are not the same everywhere

Importance of preservation priorities by country



Source: NielsenIQ Global Health & Wellness Study of 17 markets, September 2021

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A rising tide of attention on mental health

Globally,

29%

of women are struggling with work-life balance

54%

of women feel that emotional mental health is more important than 2 years ago, compared to 46% of men

47%

of women believe mental health will continue to be important in the next few years compared to 38% of men



Source: NielsenIQ Future Pulse Survey, Q2 2021, : NielsenIQ Global Health & Wellness Study of 17 markets, September 2021

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How people across the world are trying to lead healthier lifestyles

Top actions for a health lifestyle (* after regular exercise)

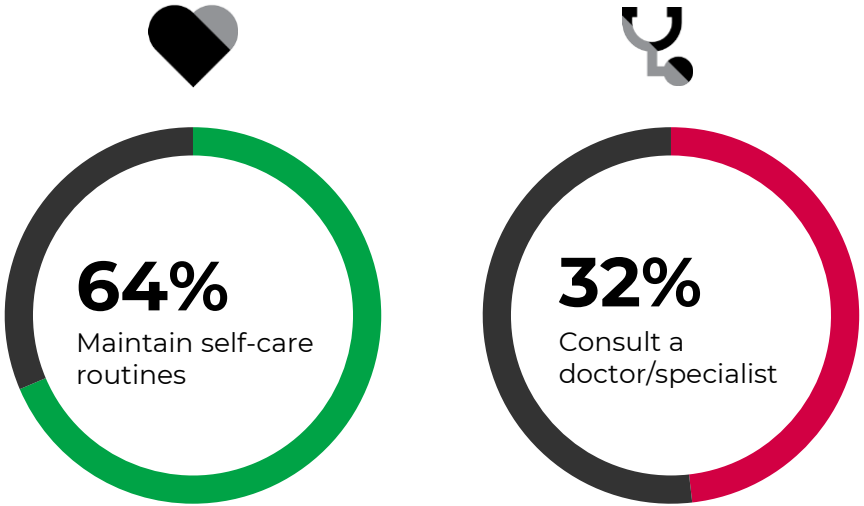


Source: NielsenIQ Global Health & Wellness Study of 17 markets, September 2021

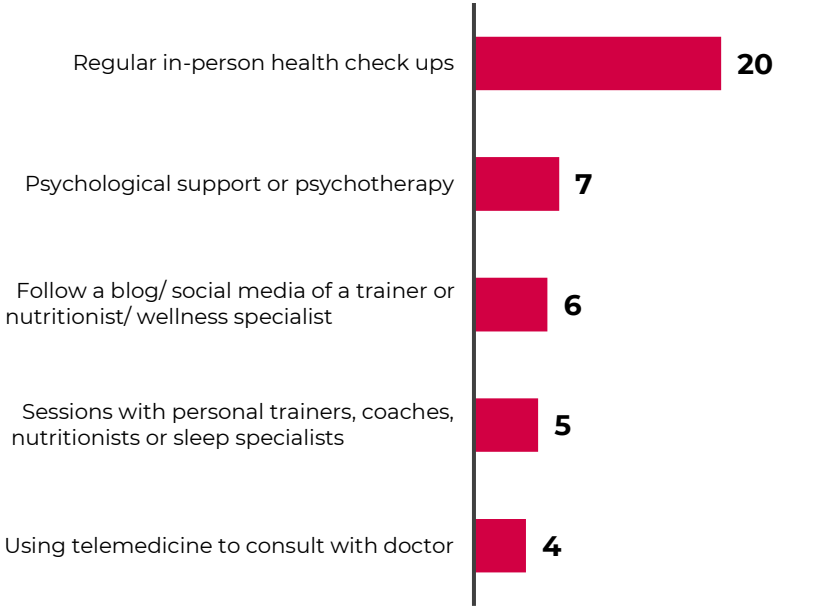
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Caring for health and well-being personally and professionally

Maintaining a self-care routine with having enough rest, good sleep routine and overall peace of mind



US respondents most likely to get regular health checkups and use telemedicine

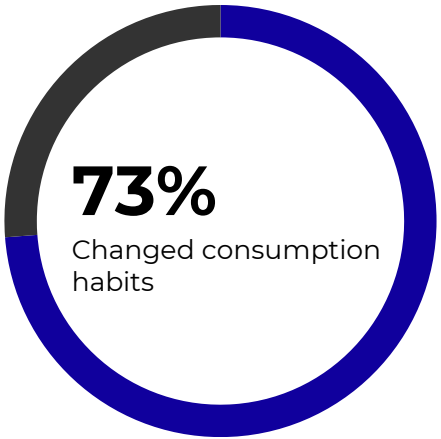


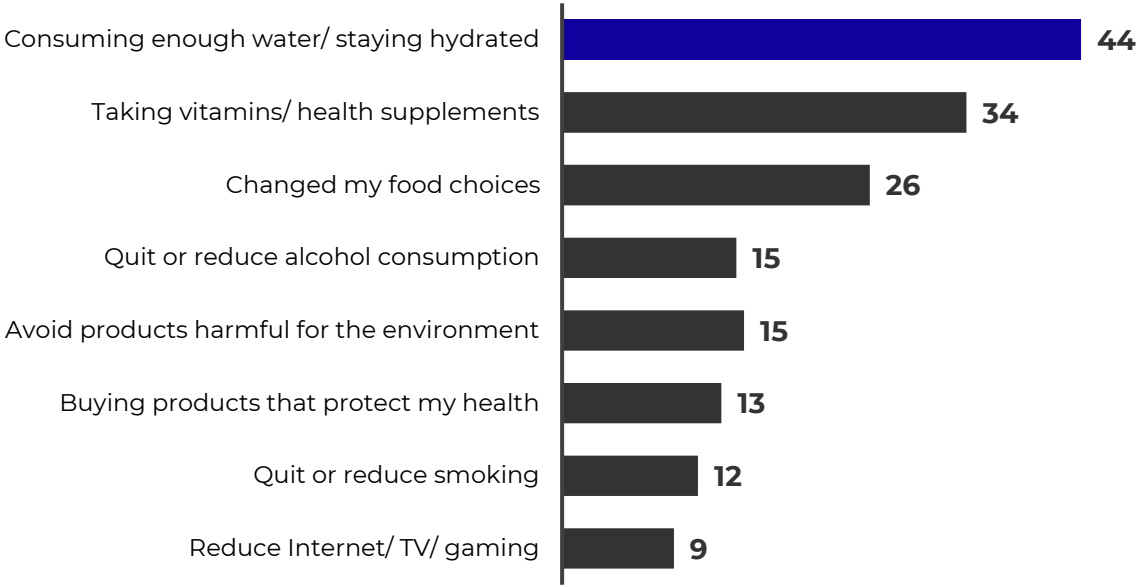
Q28: What do you do to maintain your health and wellbeing now? (All respondents n=1000), NIQ CI, Finding a Healthy Balance Report

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Changing consumption habits

They are taking vitamins / health supplements, like to stay hydrated and improve food choices



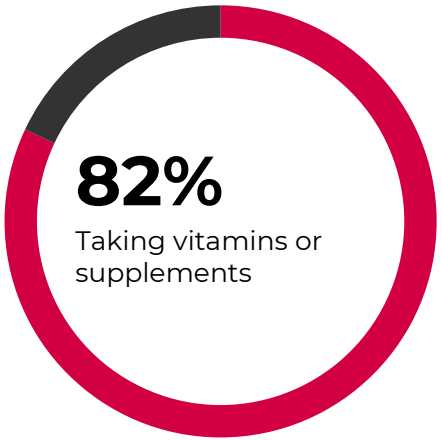


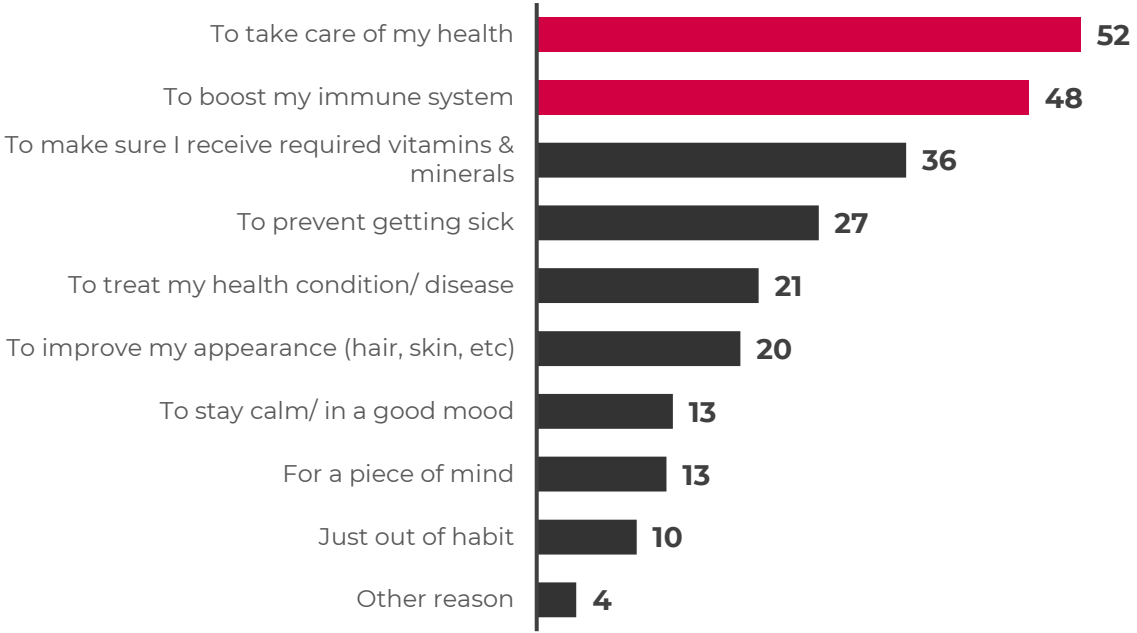
Q28: What do you do to maintain your health and wellbeing now? (All respondents n=1000), NIQ CI, Finding a Healthy Balance Report

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Consumers are supplementing diet with vitamins and supplements

Vitamin D, C, B, Multivitamins and Magnesium are the top vitamin/supplements taken





Q. 22B Why are you taking these vitamins and supplements?, NIQ CI, Finding a Healthy Balance Report

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Feeding the need for self-care with food as medicine has stood the test of time

Dissecting the “food as medicine” umbrella - U.S. Sales Growth vs. 2 years ago

+13%

in U.S., sales growth since 2019 among products supporting a ‘food as medicine’ function

Mental health

+10% Anxiety support
+9% Depression support
+4% Mood and stress health
+3% Sleep support

Ailment

+13% Diabetes support
+11% Hypertension support
+10% Immune system health
+8% Arthritis support

Physical

+12% Kidney health
+10% Eye health
+7% Bone health
+2% Brain health

Relief

+15% Heartburn & acid reflux support
+11% Pain support
+11% Digestive health
+11% Cough support

Source: NielsenIQ Product Insight, Total US xAOC, 52 weeks ended Sept. 11, 2021 vs. 2 years ago. Based on Label Insights Trending Attributes, a NielsenIQ company for search terms.

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High growth/across store trends to know

Hitting the sweet spot of high growth & rapid category expansion

NielsenIQ Emerging Trends across top categories in store

- Animal-welfare
- Probiotic group
- Organic
- Ayurvedic group
- Gluten-Free
- Cage-Free
- Hormone-Free
- Antioxidant group
- Adaptogen group
- Natural positioning

U.S. category growth

Category growth drivers vs store expansion

	Category count	$ % chg vs 2YA	Q3 2021 Total sales
Ayurvedic group	765	+18%	$34B
Ancient grains	492	+16%	$13B
Superfoods	513	+15%	$8B
TCM group	464	+23%	$3B
Adaptogen group	222	+25%	$1B
Sprouted ingredients	105	+25%	$139M

Source: NielsenIQ Retail Measurement Services, NielsenIQ Product Insight, powered by Label Insight, Total Store; Total US xAOC; Quarterly data Q3 2021 vs 2YA

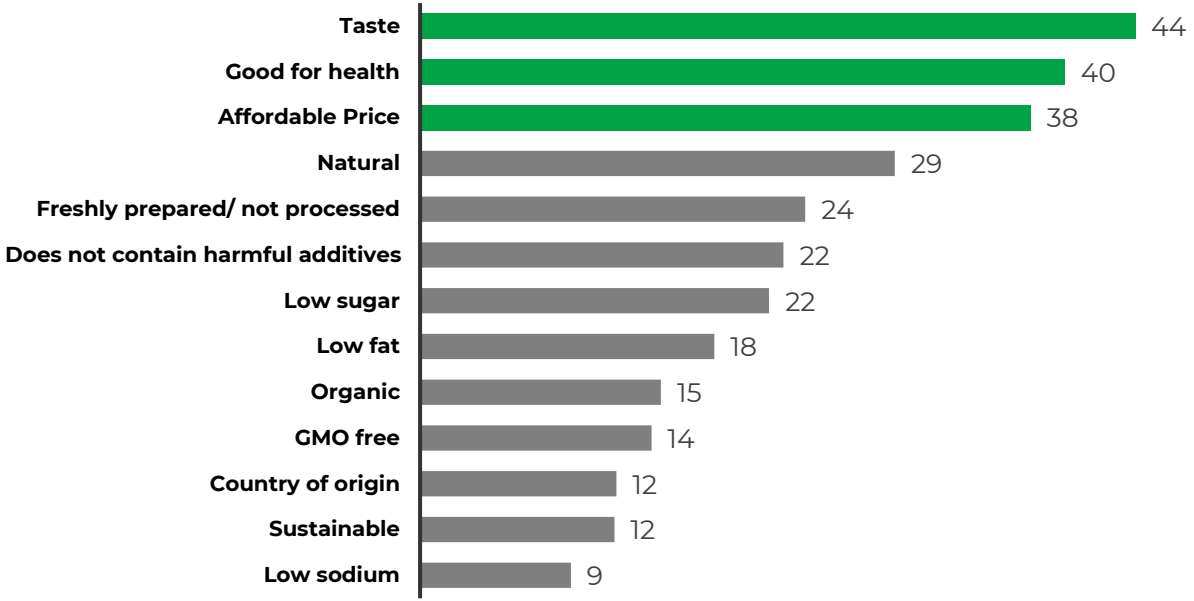
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Food & beverage choice drivers

Taste, health followed by pricing are the main drivers

Food & beverage attributes importance

% respondents consider very important/most important



77%

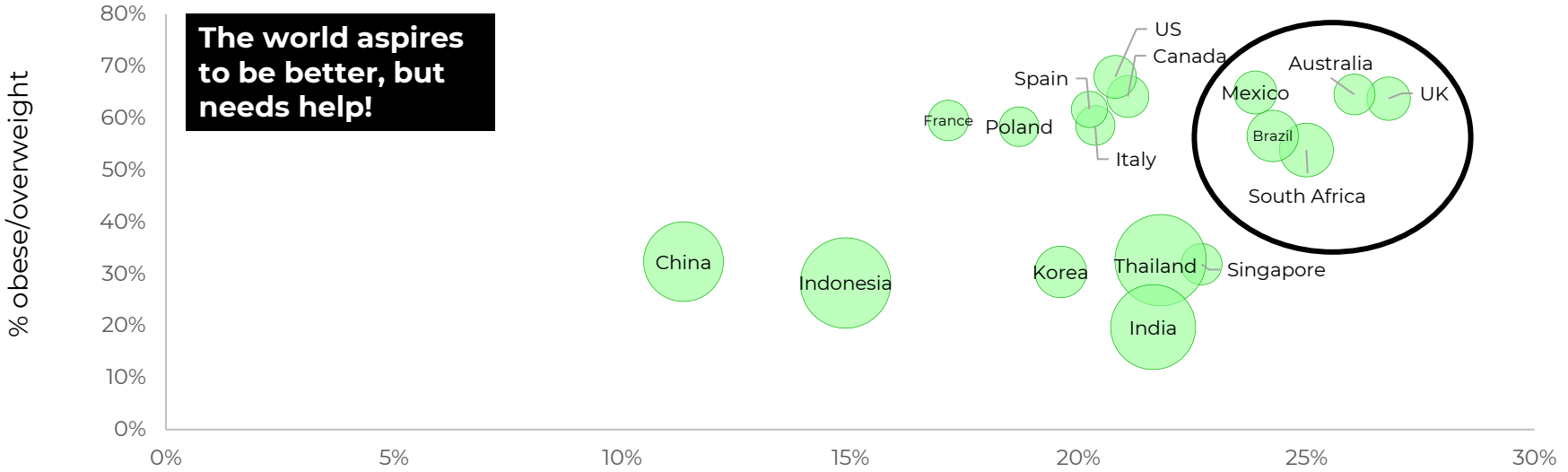
of surveyed global consumers feel product labels need to be more specific and transparent to facilitate making healthier choices

Q33. What is the most important for you when buying food and beverage?, NIQ CI, Finding a Healthy Balance Report

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“COVID kilos” exacerbate existing obesity issues

% Obesity vs importance of health for those who gained unwanted weight

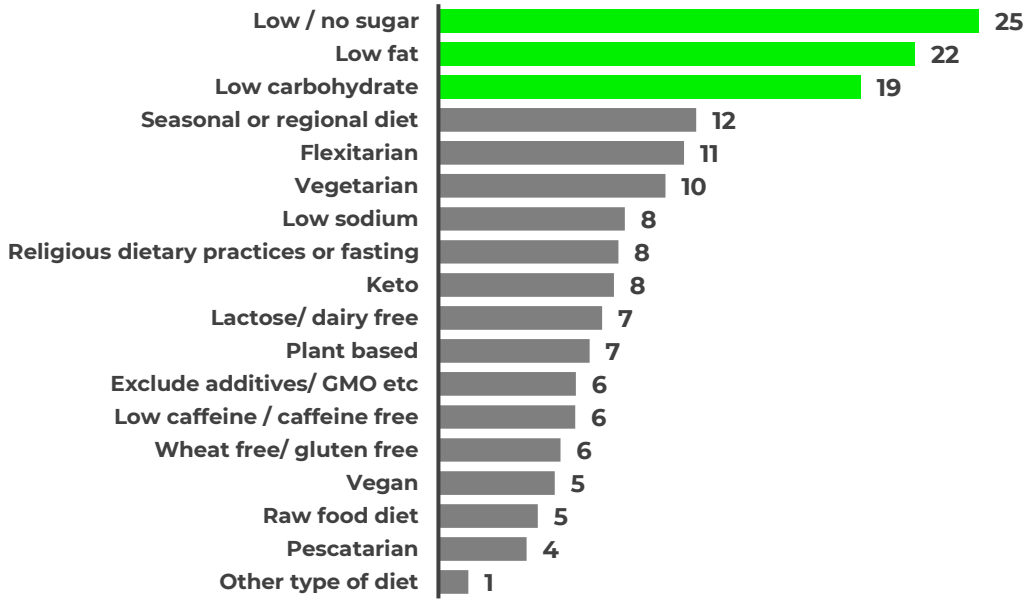


Source: NielsenIQ Global Health & Wellness Study of 17 markets, September 2021 and WHO
Size of bubble – growth in obesity since 2010

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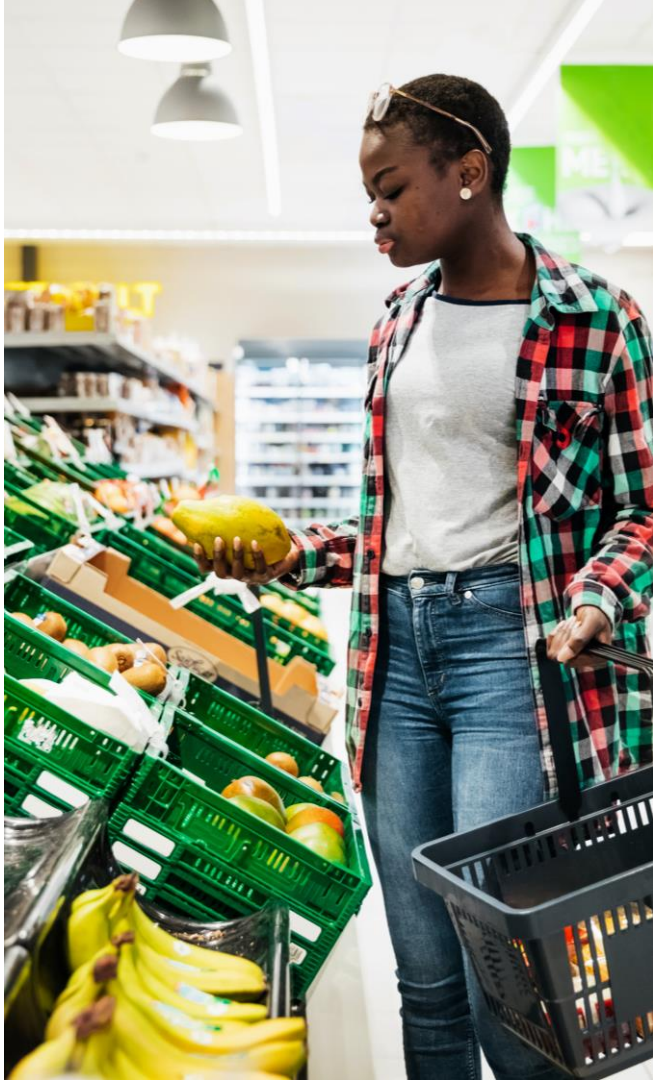
Global dieting has evolved but sugar, fat and carbs continue to top the list

Types of diets followed



NIQ CI, Finding a Healthy Balance Report
Q18b. Which of the following types of diets have you ever followed?

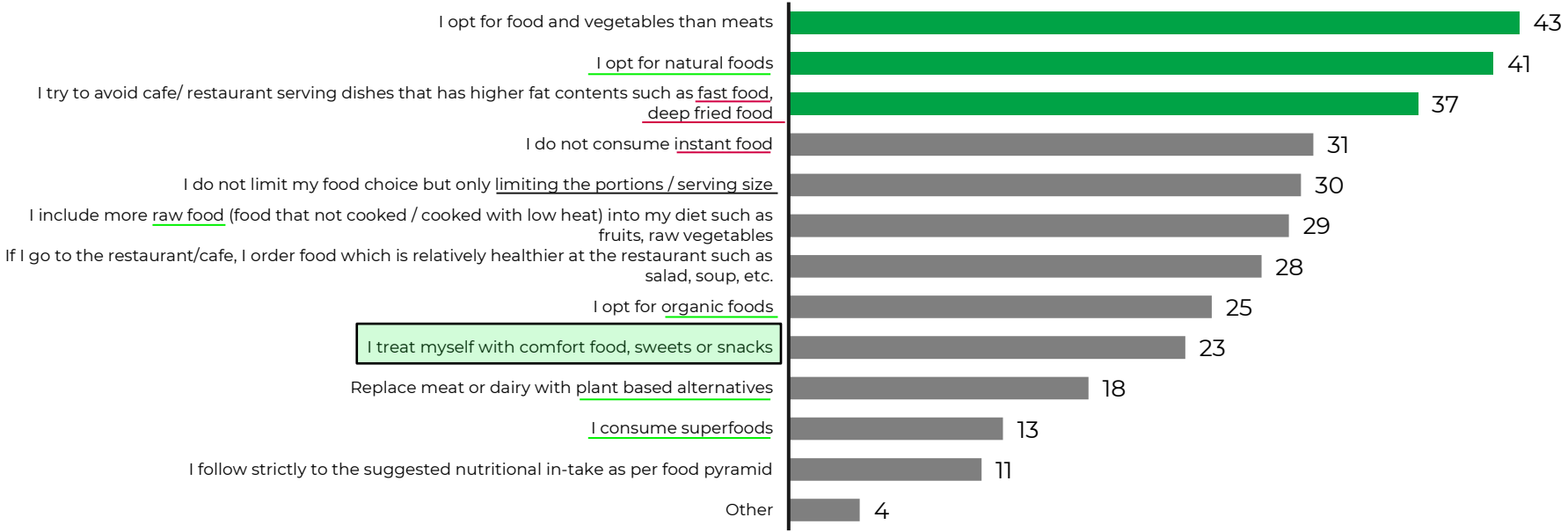
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Evolving food choices

It involves opting for less meat, having more natural foods and avoiding high fat

What is being changed? %

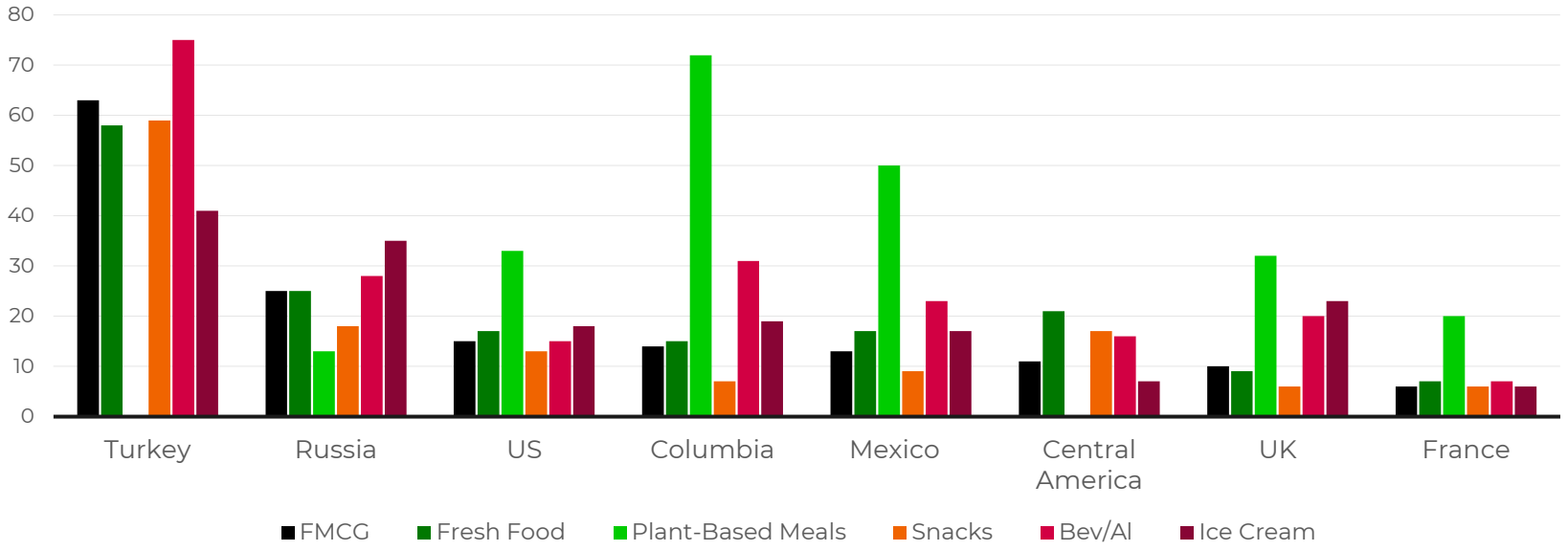


Q29. What do you do in regard to food choices? (Those who changed food choices), NIQ CI, Finding a Healthy Balance Report

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Healthy products and indulgences growing faster than total FMCG

$ % chg. vs 2 YA



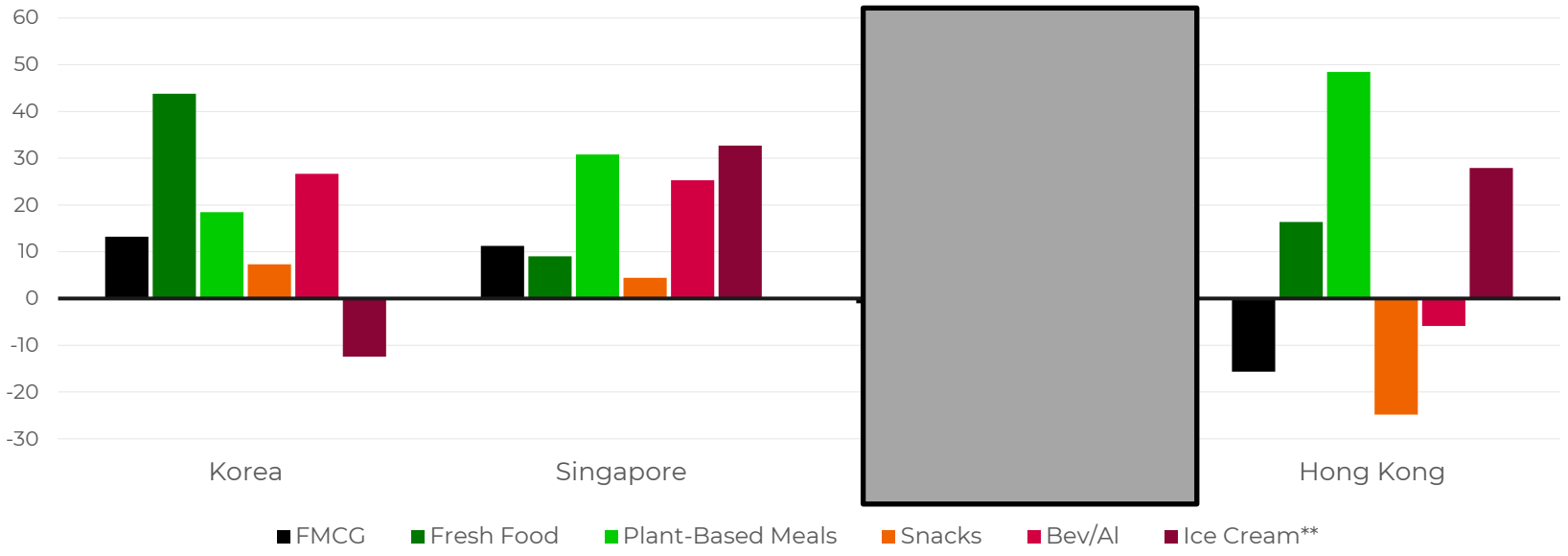
Source: NielsenIQ Global Fusion Database, 2021 v. 2019 sales growth

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Changing food choices

Both healthy and indulgences growing faster than total FMCG

$ % chg. vs 2 YA



NA = not applicable (no data available)

NielsenIQ Global Fusion Database, 2021 v. 2019 sales growth
*China (offline): China hierarchy definitions differ from other countries
**Ice cream not available in China – yogurt figures quoted

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Snacking growing across all segments

46%

Consume healthy snacks

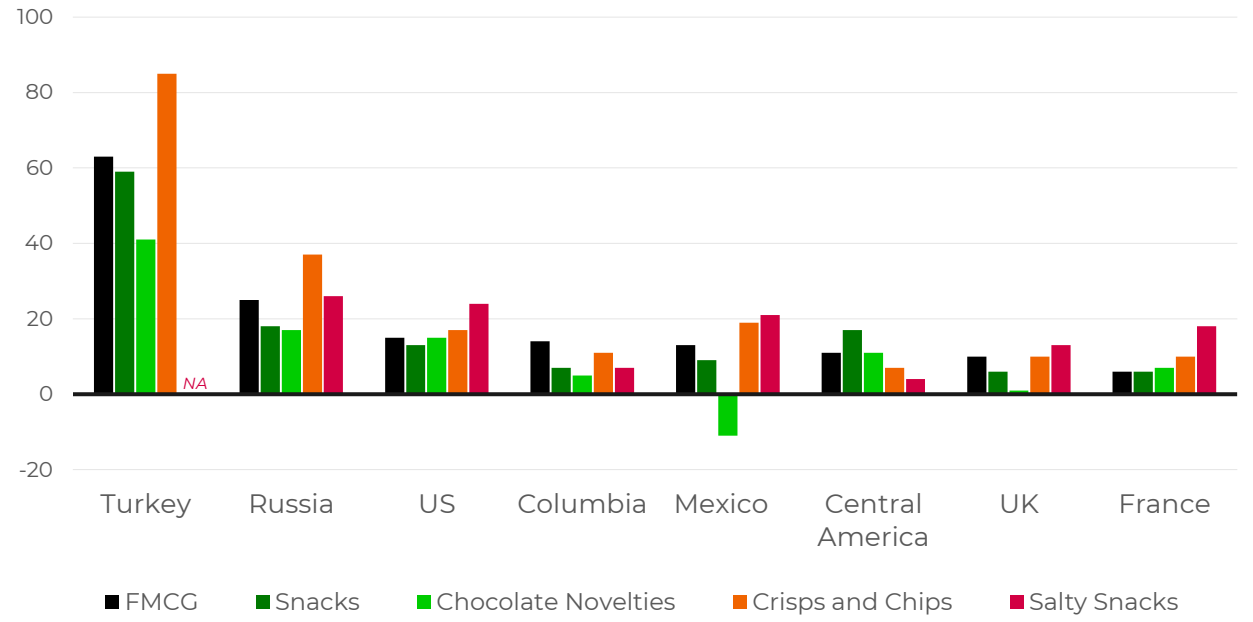
Dried fruit/ nuts, cereal bars/granola, crispbread

78%

Consume regular snacks:

Chocolate, candies, ice cream, chips, pastry, biscuits and crackers

$ % chg. vs 2 YA



NA = not applicable (no data available)

Q4. What do you usually eat/ drink during each mealtime on weekday and weekend?, NIQ CI, Finding a Healthy Balance Report
NielsenIQ Global Fusion Database, 2021 v. 2019 sales growth

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Snacking growing across all segments

46%

Consume healthy snacks

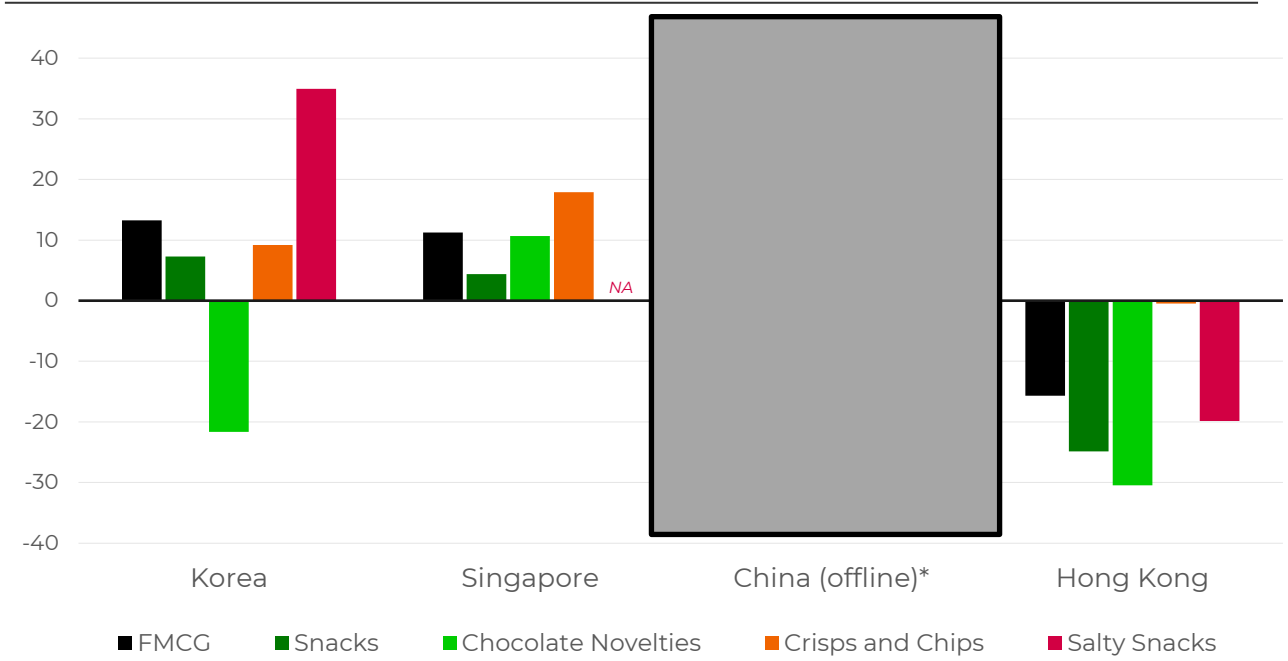
Dried fruit/ nuts, cereal bars/granola, crispbread

78%

Consume regular snacks:

chocolate, candies, ice cream, chips, pastry, biscuits and crackers

$ % chg. vs 2 YA



Graph sorted by FMCG growth (descending)

NA = not applicable (no data available)

Q4. What do you usually eat/ drink during each mealtime on weekday and weekend?, NIQ CI, Finding a Healthy Balance Report
NielsenIQ Global Fusion Database, 2021 v. 2019 sales growth
*China (offline): China hierarchy definitions differ from other countries

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Focus on attributes that matter most to consumers now

More like to buy: Purchase preference change over the last 2 years (More – less likely to buy)



Health & hygiene

Fresh produce	+26
Hygiene/safety claims	+25
Nutritional benefits	+22
Healthier options	+17



Social and sustainable

Environmental/ sustainable	+26
Supported consumers during COVID	+20
Socially responsible	+18
Ingredient/supply chain transparency	+17
Transparent about purpose	+15



Cost and quality

Affordable/lower prices	+32
Known and trusted	+25
Guarantees - safety/quality	+15



Convenience and time saving

Makes working at home easier	+15
Makes household chores easier	+14



Origin and experience

Local country origin	+20
From my local neighbourhood	+18

Source: NielsenIQ 2022 Consumer Outlook Survey, Dec 2021
Q. How have your brand and product purchasing preferences changed over the last 2 years (since COVID-19)?

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What was important in the past, no longer applies

Less likely to buy: Purchase preference change over the last 2 years (More – less likely to buy)



Health & hygiene

Packaged food	-6



Cost and quality

Luxury/ indulgence	-25
Premium at home treats	-7
Superior, high quality	-2



Convenience and time saving

Work accompaniments	-7
Pre prepared/instant meals/snacks	-2



Origin and experience

Foreign/overseas products	-22
Recreate an out of home experience	-3
Niche, specific needs	-2
New, exciting	-2

Source: NielsenIQ 2022 Consumer Outlook Survey, Dec 2021
Q. How have your brand and product purchasing preferences changed over the last 2 years (since COVID-19)?

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Consumers expect business to share wellness responsibility

72%

of consumers want retailer regulation for **fresh and healthy food availability** and affordability for citizens in all locations

68%

of global consumers agree that governments should more closely **regulate businesses** to help consumers make better health choices

66%

of surveyed global consumers feel that **advertising (on and offline) should be regulated** so children are unable to see unhealthy product advertising

64%

of global consumers agree that **companies should be taxed heavily** if they continue to produce or promote unhealthy choices

63%

of consumers are more likley to buy from companies that have **a strong health agenda** and focus across their whole portfolio



Source: NielsenIQ Global Health & Wellness Study of 17 markets, September 2021

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Consumers' lives have changed: new behaviors drive new opportunities

% of agreement with statements: Since COVID...

Consuming

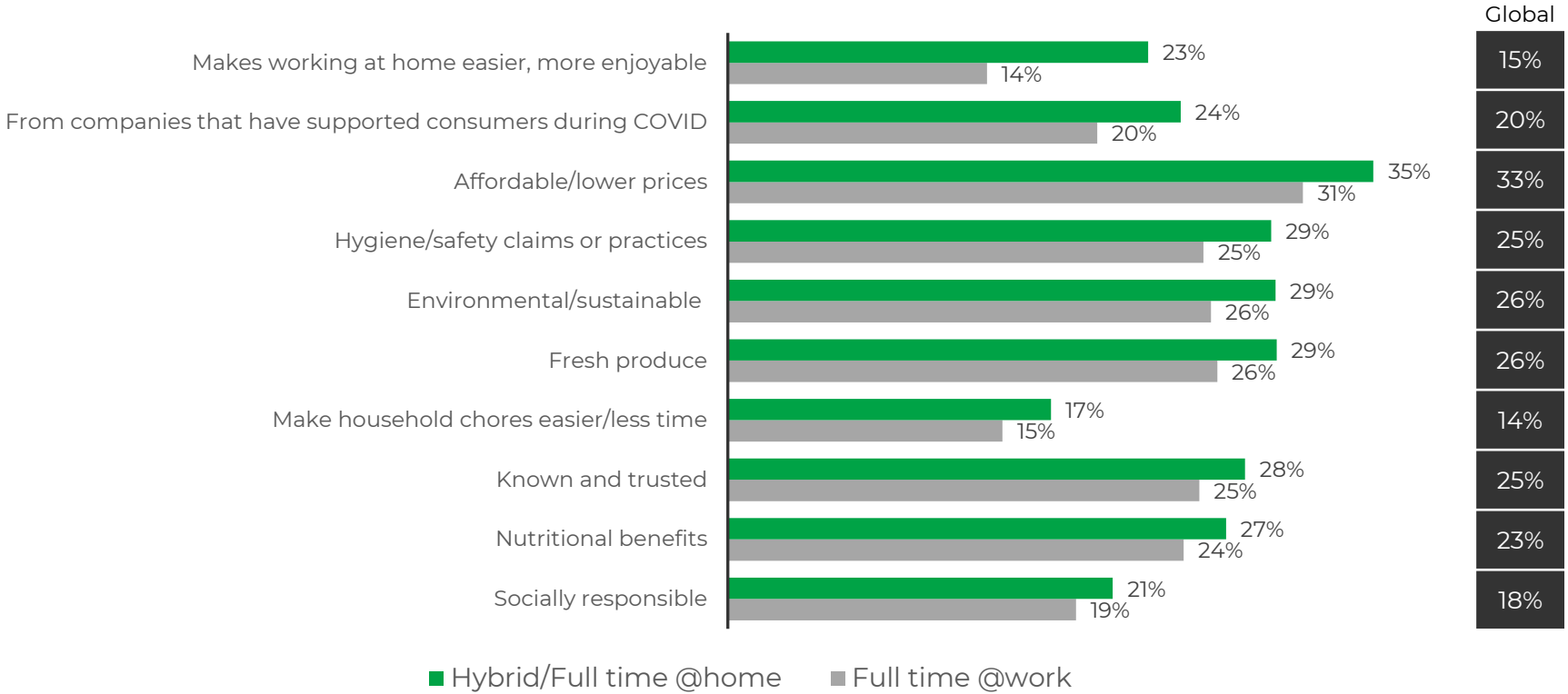


Source: NielsenIQ 2022 Consumer Outlook Survey, Dec 2021
Q. Which of the following statements do you agree with?

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Innovate to address benefits @home workers seek

Top 10 ranked attributes based on differences between @home vs @work



Source: NielsenIQ 2022 Consumer Outlook Survey, Dec 2021
Q. How have your brand and product purchasing preferences changed over the last 2 years (since COVID-19)? (by current work/study location) (More likely to buy represents Net More-Less))

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Fruits and vegetables top occasions

	% of Occasions
Fruits & vegetables	11%
Sandwich	9%
Cookies	7%
Eggs	5%
Pizza	5%
Chicken	5%
Soup	5%
Cake	4%



NielsenIQ Consumer Insights, Consumption Moments

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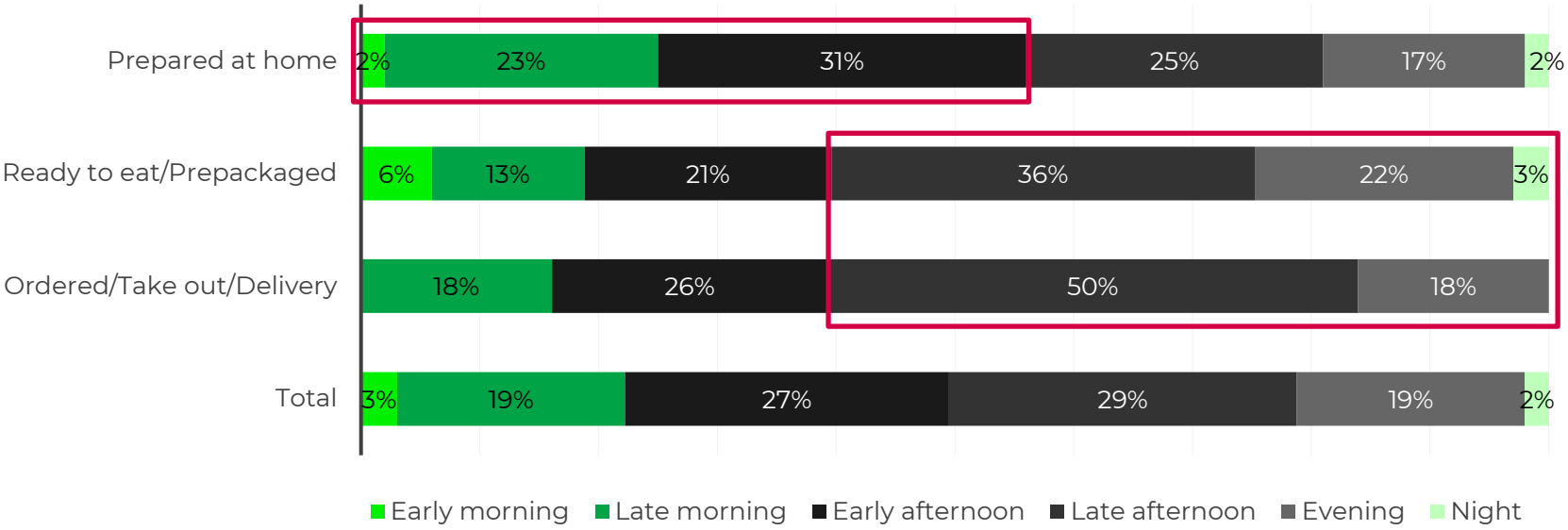
Later in the day, convenience gains importance

Consumption Moments 360w

When

Daypart consumption

% of occasions per category



NielsenIQ Consumer Insights, Consumption Moments

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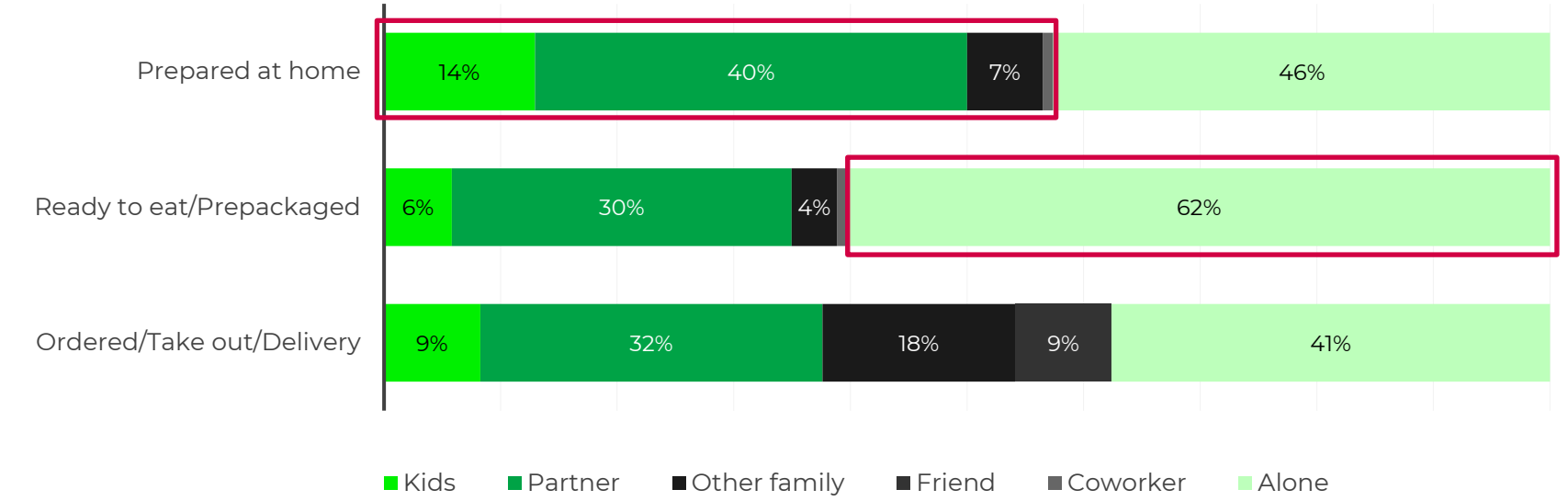
Convenience is key when eating alone

Consumption Moments 360w

With whom

Social consumption

% of occasions per category



NielsenIQ Consumer Insights, Consumption Moments

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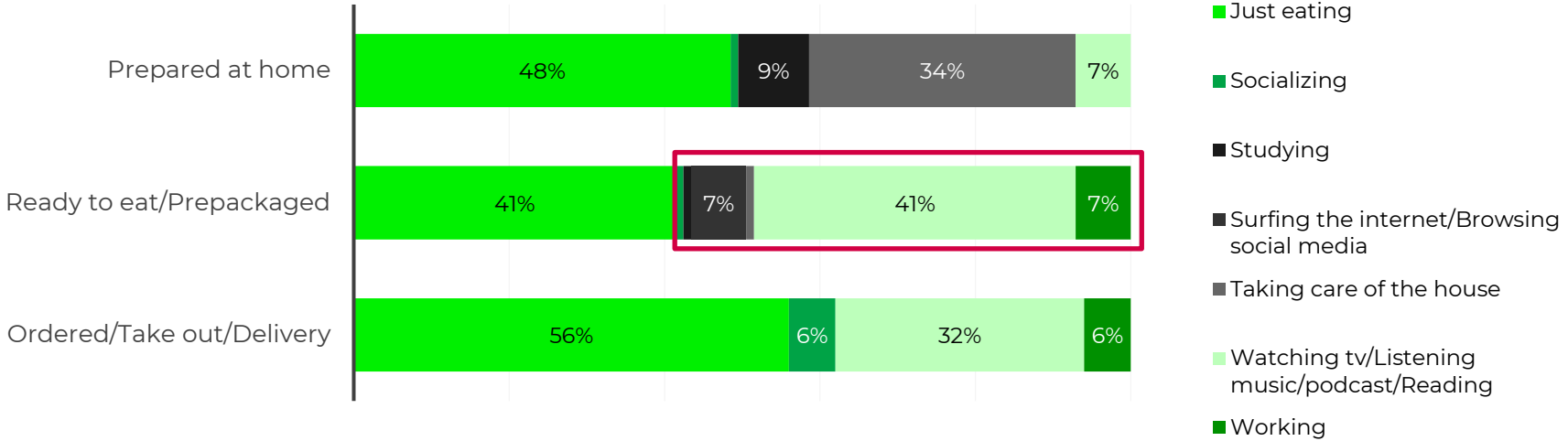
Half of eating occasions include multi-tasking

Why

Consumption Moments 360w

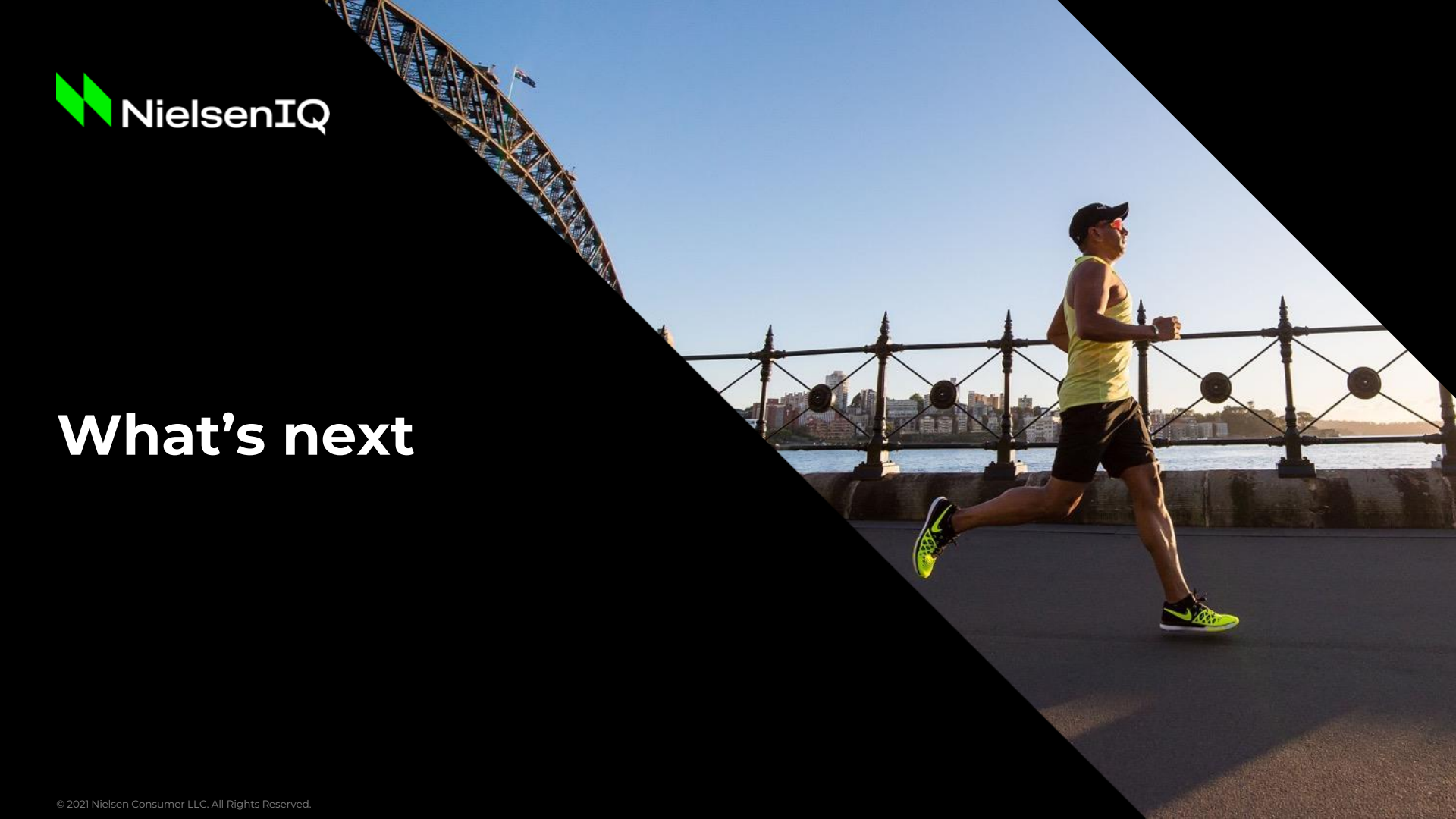
Activity consumption

% of occasions per category



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NielsenIQ

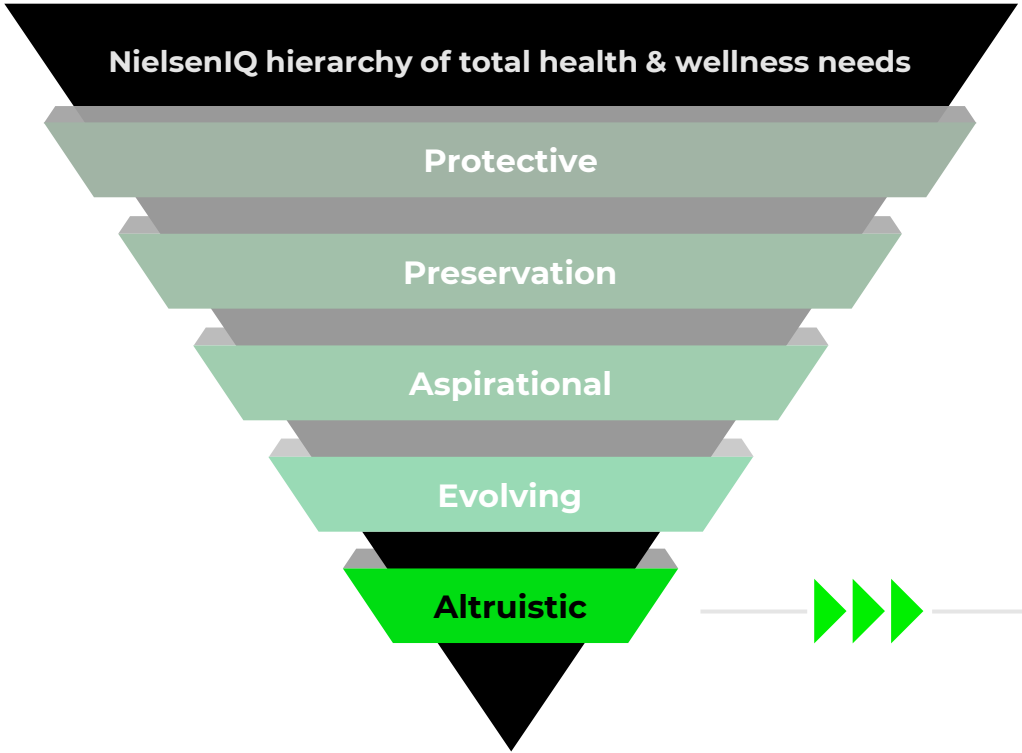


What’s next

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Five Altruistic micro-cultures to watch.

Decoding the system of meanings that will shape health & wellness in the context of altruism



Aging with dignity
Consumers strive to help their aging family and neighbors thrive in their golden years with dignity, independence, and good health

Mental health advocacy
Consumers want to end the stigma around mental health, turning their focus to workplace culture and health programs in particular

Social bonds
Consumers proactively nurture existing social bonds while also creating new ones to boost the health of themselves and others

Healthy eating for all
Consumers believe nutrition education and access are critical barriers to community health

Sustainable wellness
Consumers directly connect living a sustainable lifestyle with the mental and physical health of society and that of themselves.

Source: MotivBase, a member of the NielsenIQ Partner Network

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Thank you.

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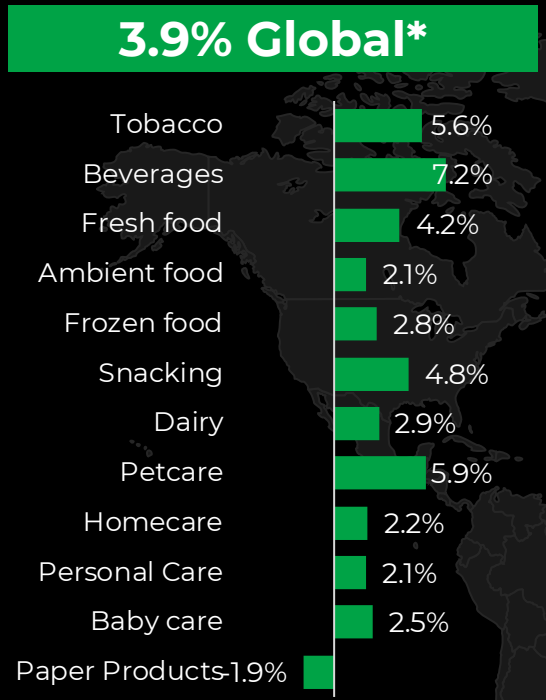
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Appendix

FMCG Performance Across Regions

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FMCG Industry performance across regions



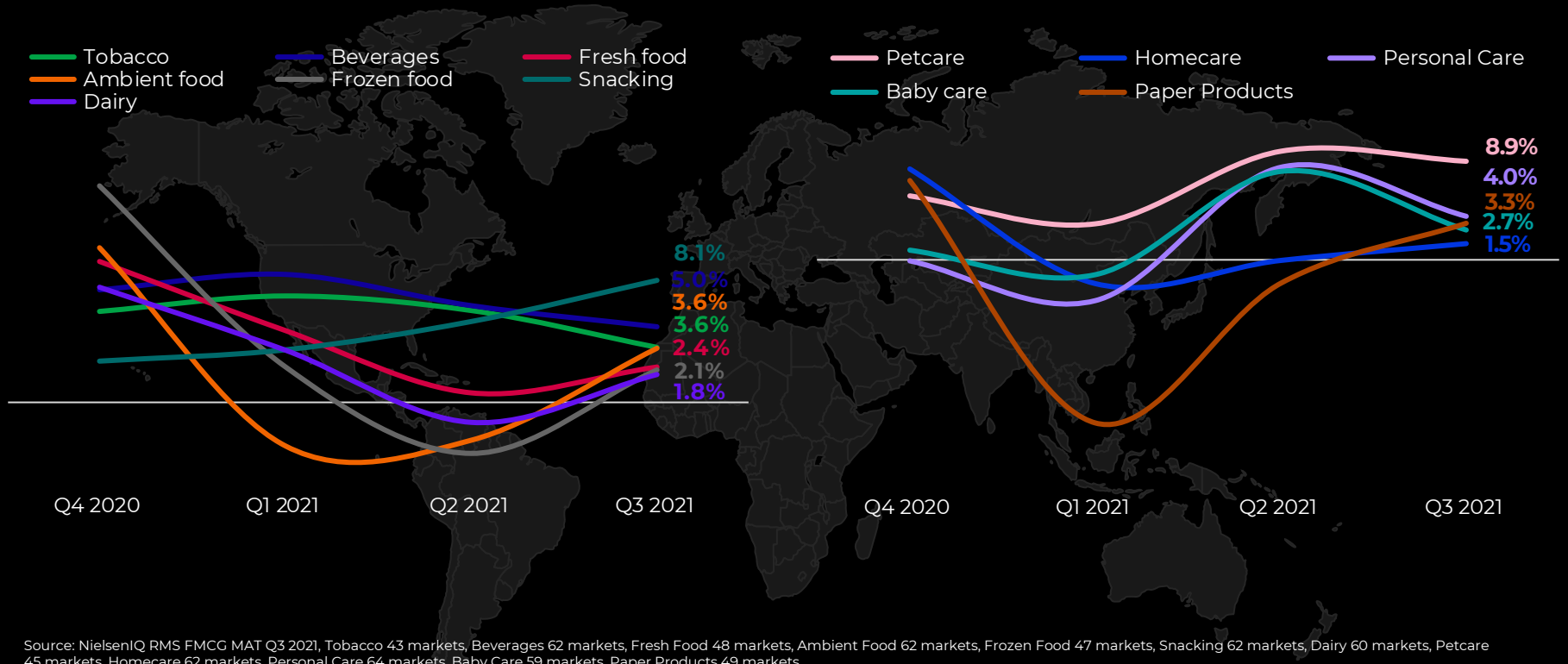
Global* FMCG growing at 3.9% MAT Q3 2021 with **5 out of 12** Industries outpacing FMCG

Beverages lead global growth as the fastest growing industry at 7.2%, followed by Petcare 5.9% and Tobacco 5.6%

Source: NielsenIQ RMS FMCG MAT Q3 2021, Tobacco 43 markets, Beverages 62 markets, Fresh Food 48 markets, Ambient Food 62 markets, Frozen Food 47 markets, Snacking 62 markets, Dairy 60 markets, Petcare 45 markets, Homecare 62 markets, Personal Care 64 markets, Baby Care 59 markets, Paper Products 49 markets.
Fact: Value % growth vs YA (unweighted)
Note: Italy and Serbia e▪cluded from Regional and Global Benchmarks

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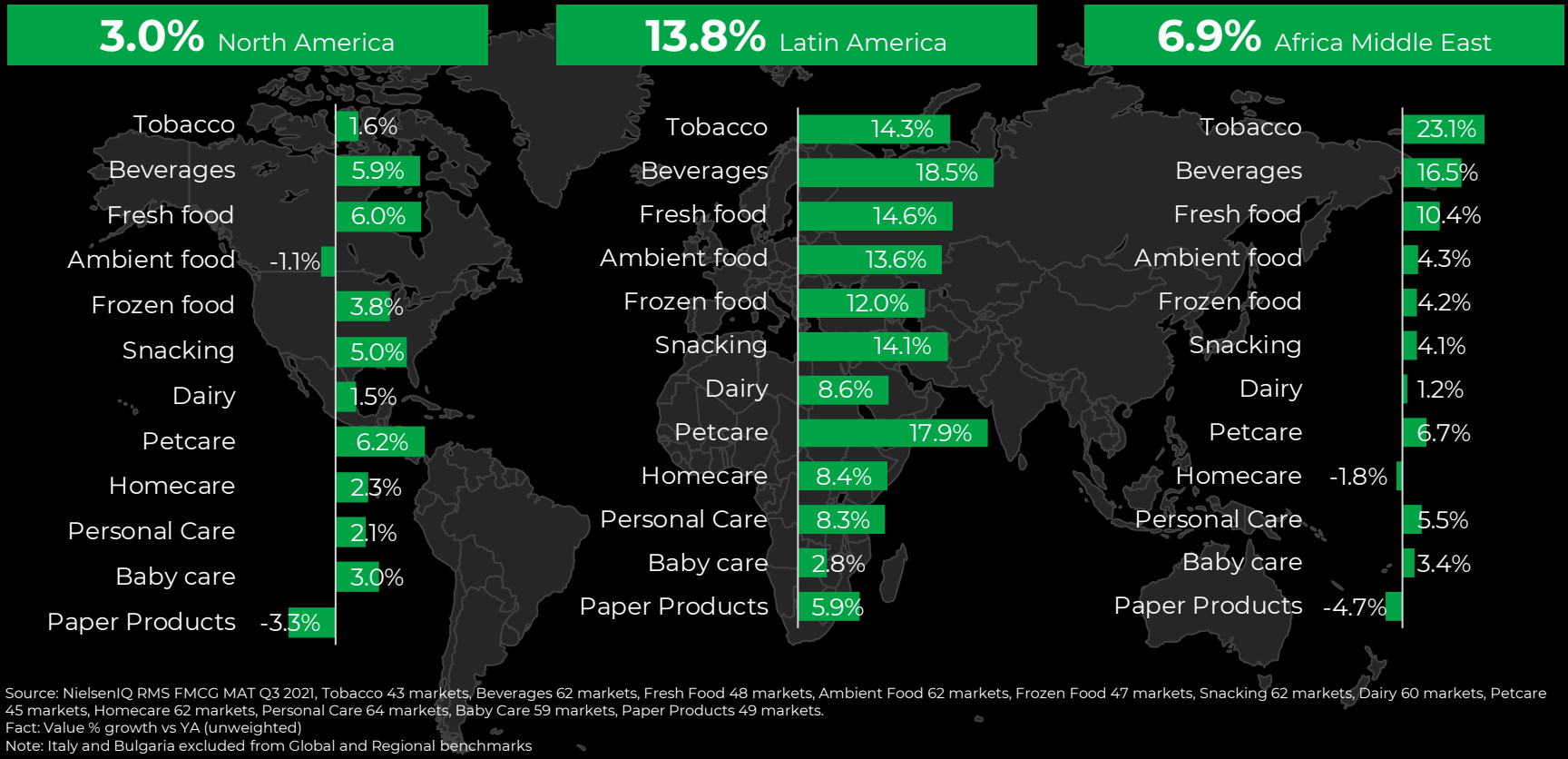
FMCG Industry performance around the world



Source: NielsenIQ RMS FMCG MAT Q3 2021, Tobacco 43 markets, Beverages 62 markets, Fresh Food 48 markets, Ambient Food 62 markets, Frozen Food 47 markets, Snacking 62 markets, Dairy 60 markets, Petcare 45 markets, Homecare 62 markets, Personal Care 64 markets, Baby Care 59 markets, Paper Products 49 markets.
Fact: Value % growth vs YA (unweighted)
Note: Italy and Bulgaria excluded from Global and Regional benchmarks

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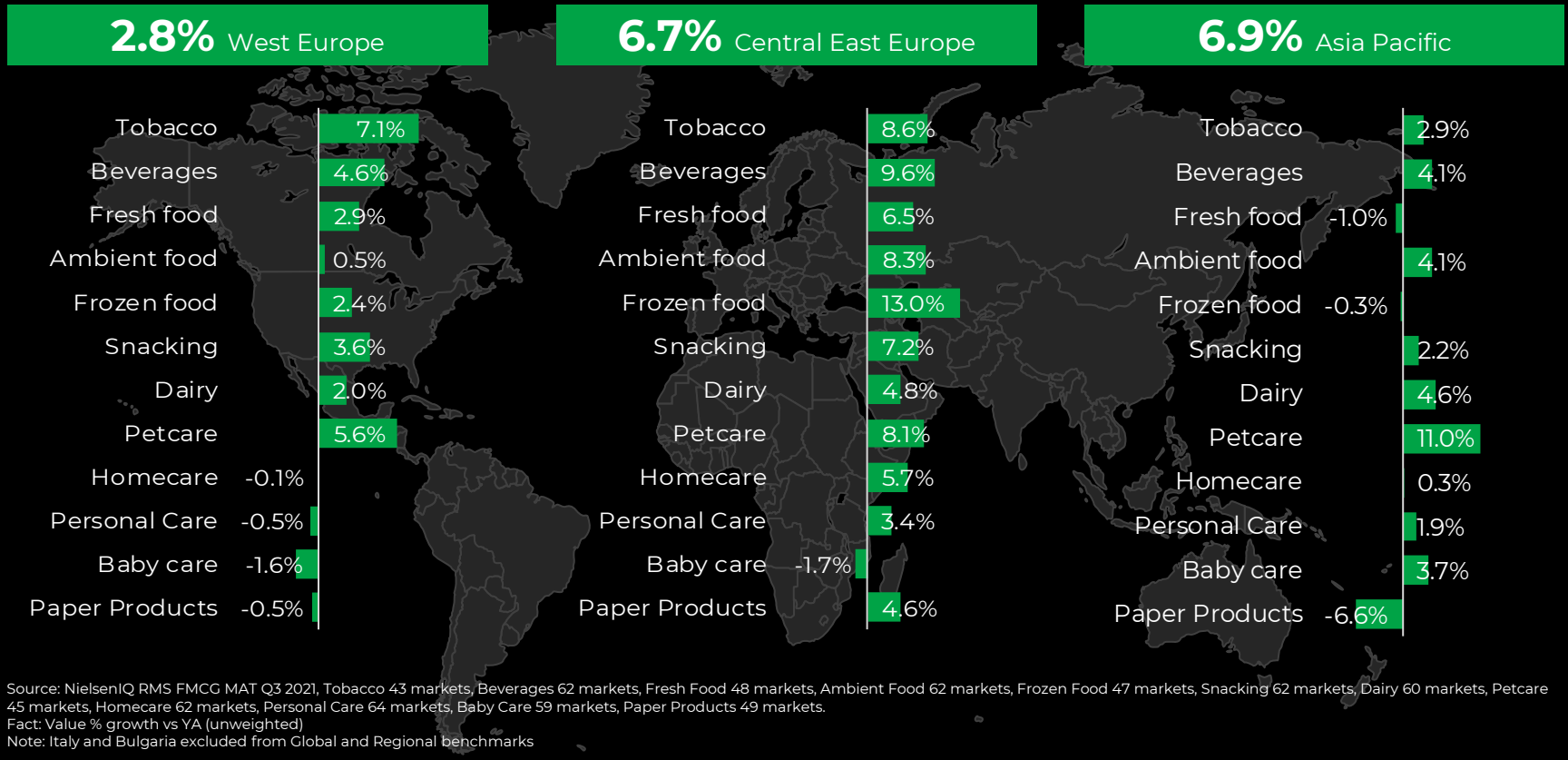
FMCG Industry performance across regions



Source: NielsenIQ RMS FMCG MAT Q3 2021, Tobacco 43 markets, Beverages 62 markets, Fresh Food 48 markets, Ambient Food 62 markets, Frozen Food 47 markets, Snacking 62 markets, Dairy 60 markets, Petcare 45 markets, Homecare 62 markets, Personal Care 64 markets, Baby Care 59 markets, Paper Products 49 markets.
Fact: Value % growth vs YA (unweighted)
Note: Italy and Bulgaria excluded from Global and Regional benchmarks

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FMCG Industry performance across regions



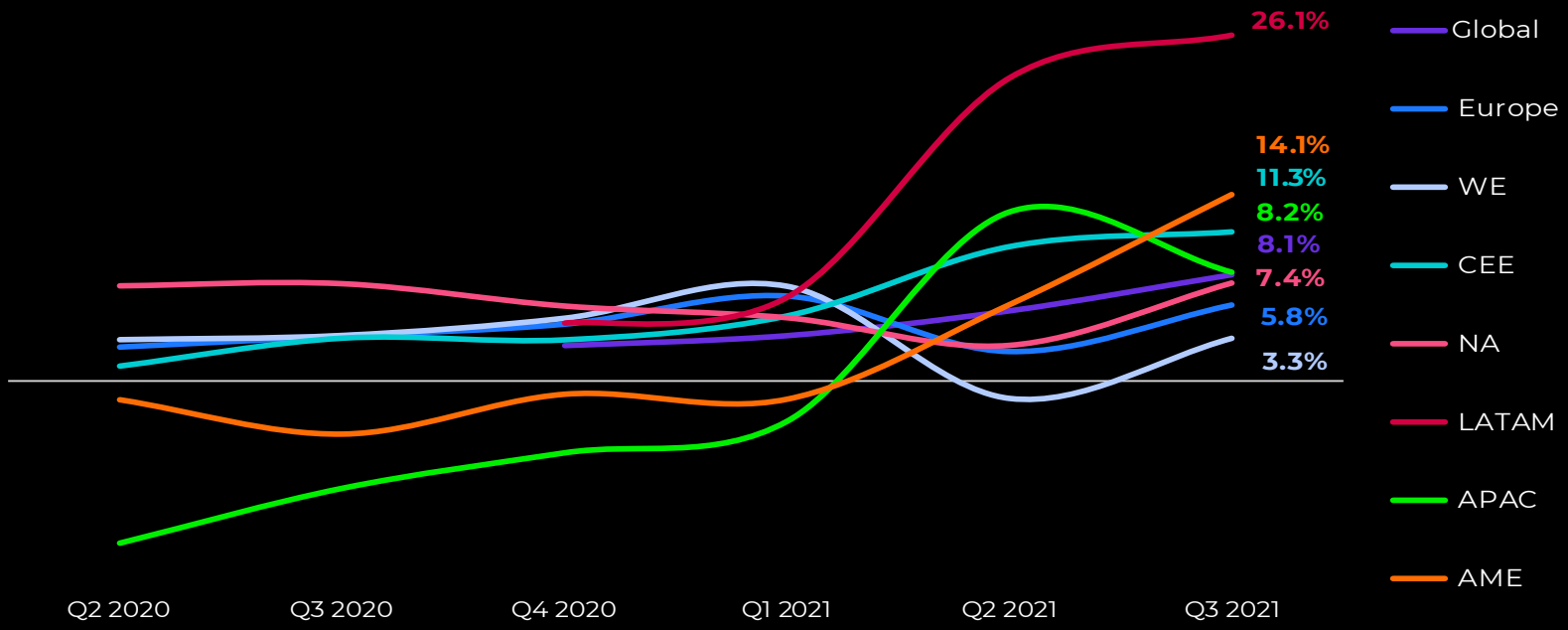
Source: NielsenIQ RMS FMCG MAT Q3 2021, Tobacco 43 markets, Beverages 62 markets, Fresh Food 48 markets, Ambient Food 62 markets, Frozen Food 47 markets, Snacking 62 markets, Dairy 60 markets, Petcare 45 markets, Homecare 62 markets, Personal Care 64 markets, Baby Care 59 markets, Paper Products 49 markets.
Fact: Value % growth vs YA (unweighted)
Note: Italy and Bulgaria excluded from Global and Regional benchmarks

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Snacking growth begins continues to resurge in most regions

Industry performance

% value growth vs YA



Source: NielsenIQ RMS FMCG MAT Q3 2021 - Snacking 62 markets considered

Africa Middle East n=9 , Asia Pacific n= 13, Latin America n=7 , North America n=2 , Central East Europe n=17 , Western Europe n=14

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