

Irish Market Performance

Karen Tyner

Senior Manager PCF & Small Business

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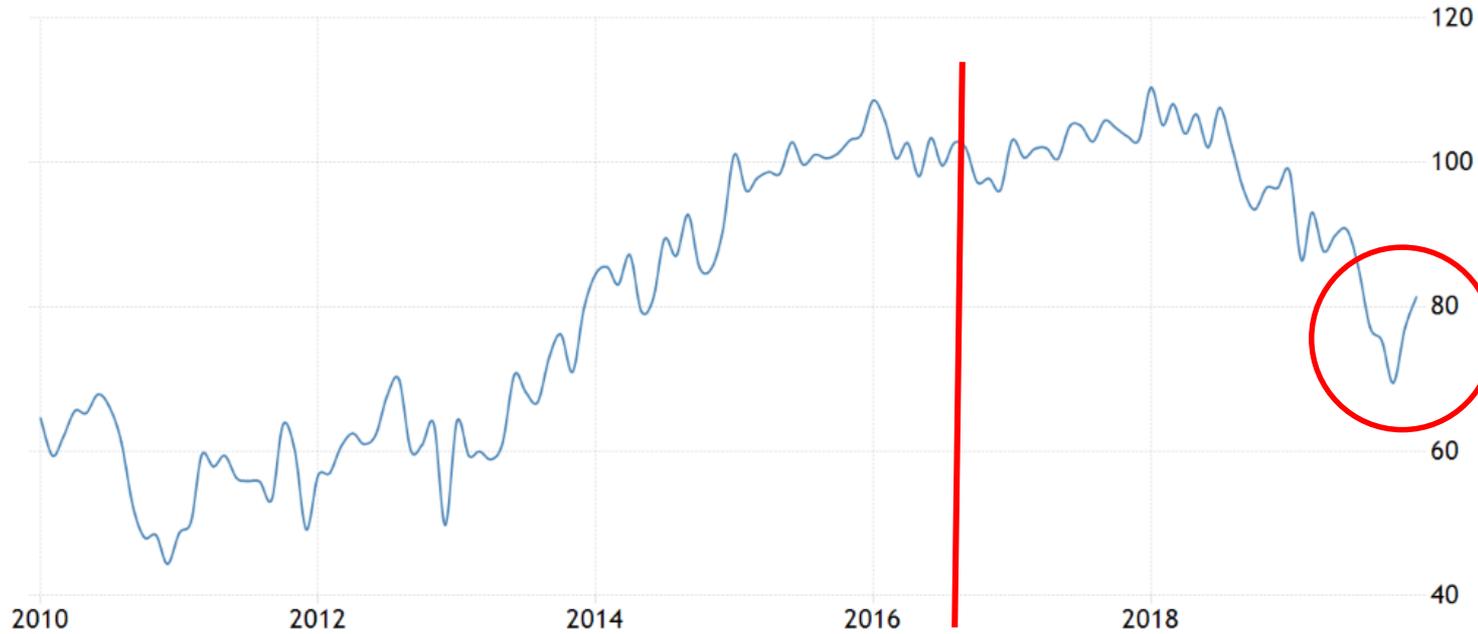
What is Happening in the Irish Market?

- Irish Economic Environment
- Irish Shopper Expectations
- Kantar Retail Data
- Foodservice Market

Irish Economic Environment

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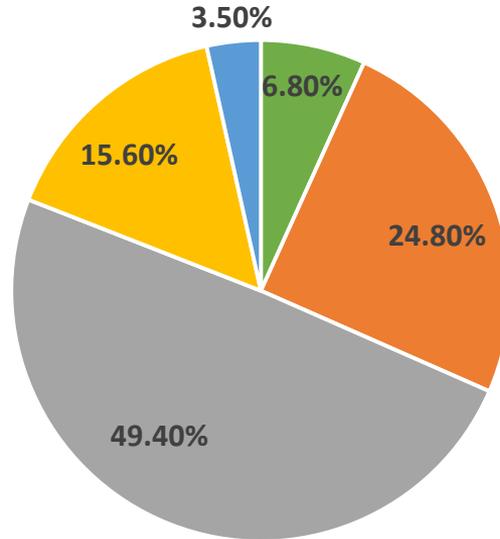
Irish Consumer Confidence Index



SOURCE: TRADINGECONOMICS.COM | KBC BANK IRELAND/ESRI

Irish Consumer Confidence

In terms of your personal circumstances, relative to 2019, do you think you will be?



■ Substantially Better ■ Somewhat Better ■ Broadly Similar ■ Somewhat Worse ■ Substantially Worse

Irish Shopper Expectations

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Irish Shopper - 2020

Irish shoppers expect:

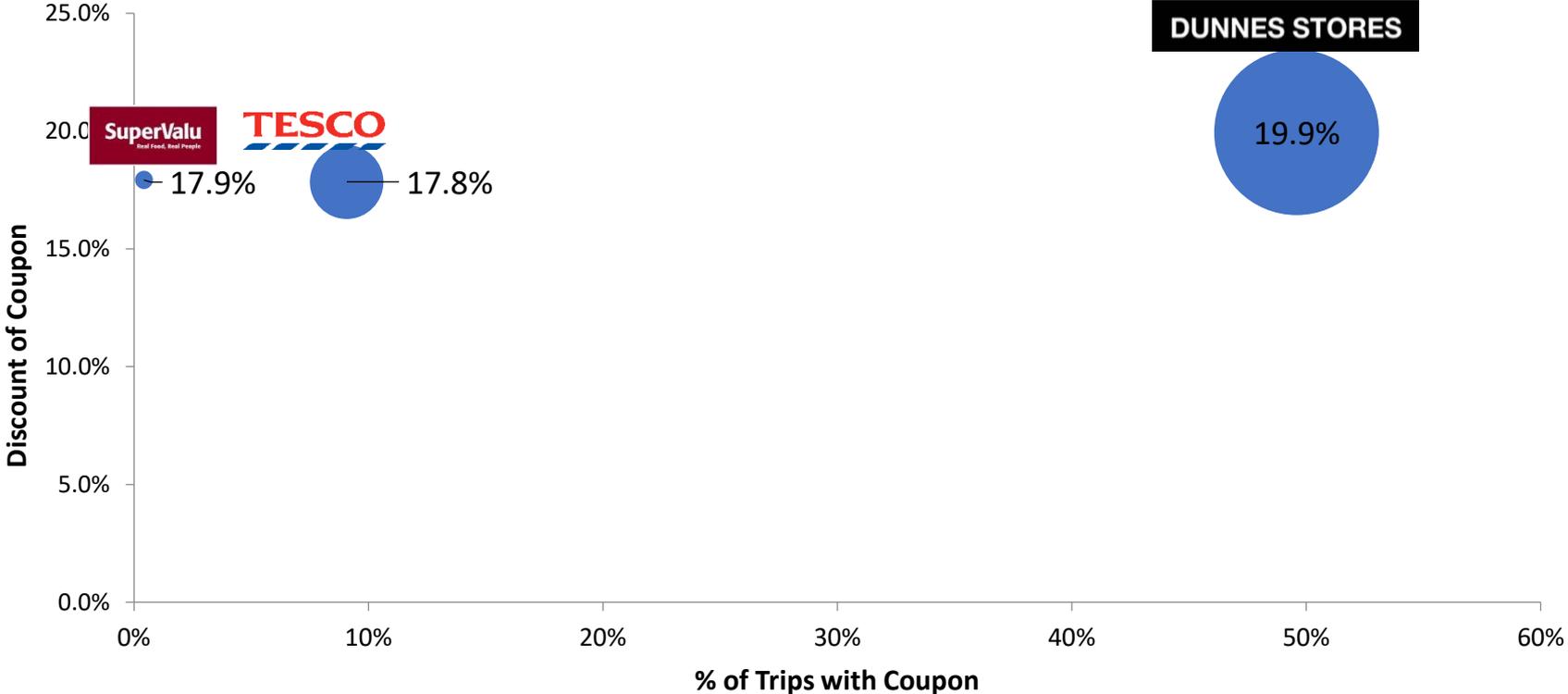
- Seamless and friction-free shopping experiences,
- To walk into the store and navigate it logically and rapidly,
- They expect to have access to knowledgeable and helpful sales assistants,
- To have an excellent customer experience
- Pay using contactless or mobile technology

Irish Shopper - 2020

The growth of the Micro-Trip:

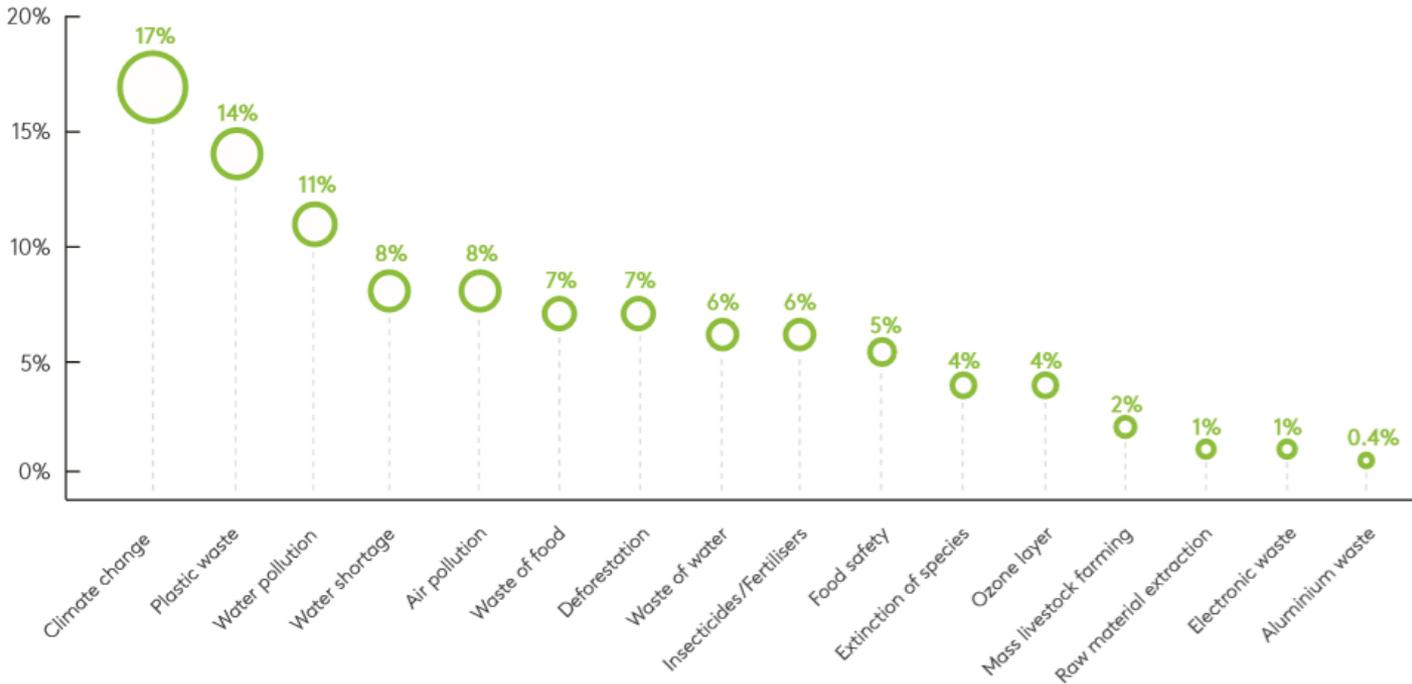
- A growing trend in grocery shopping where consumers spend less than five minutes in store.
- Changing lifestyles combined with growing urbanisation are key factors
- Younger shoppers behave differently to their parents' generation.
- A quarter of Irish consumers undertake micro trips at least daily compared to 31% of young millennials.

Growth in the use of Vouchers



Plastic Waste is Growing in Importance

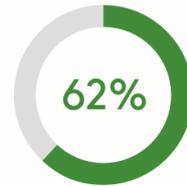
Top Concern Globally



I avoid buying drinks in plastic bottles

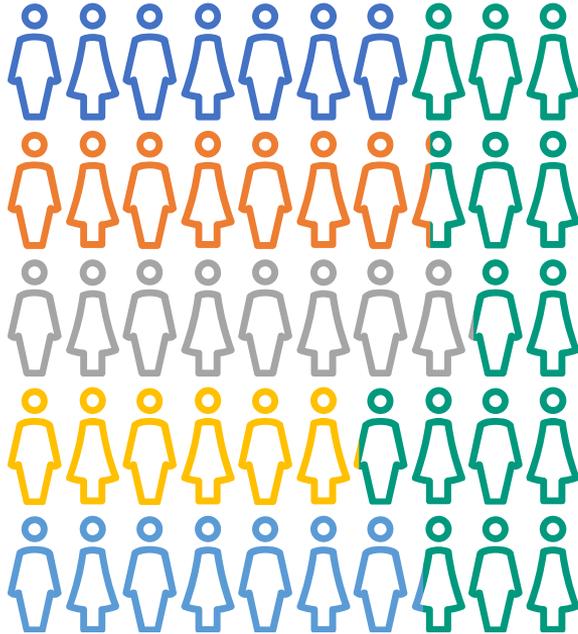


When out of home I drink tap water instead of bottled water



When I go out and take drinks with me, I use refillable drinking bottles

Health is Becoming Even More Important



69.5%

Say they try to restrict the amount of sugary food they consume

73.4%

Agree that diet is important to them

80.1%

Try to lead a healthy lifestyle

61.2%

Say nutritional information has an impact on their food choices

72.2%

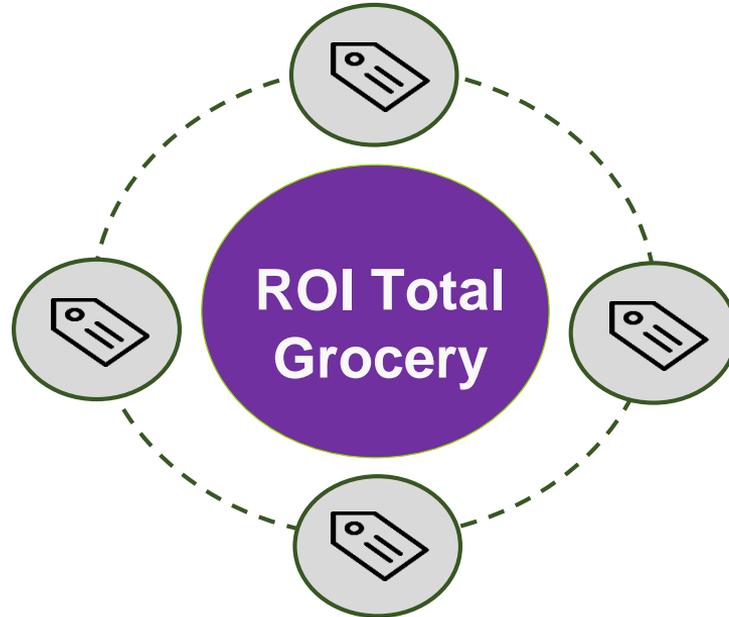
Are aware if a food is good for them

Irish Retail Market Performance

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Total Market Performance-Retail

ROI Grocery Market value sales are in growth across 52we by **+3.2%**

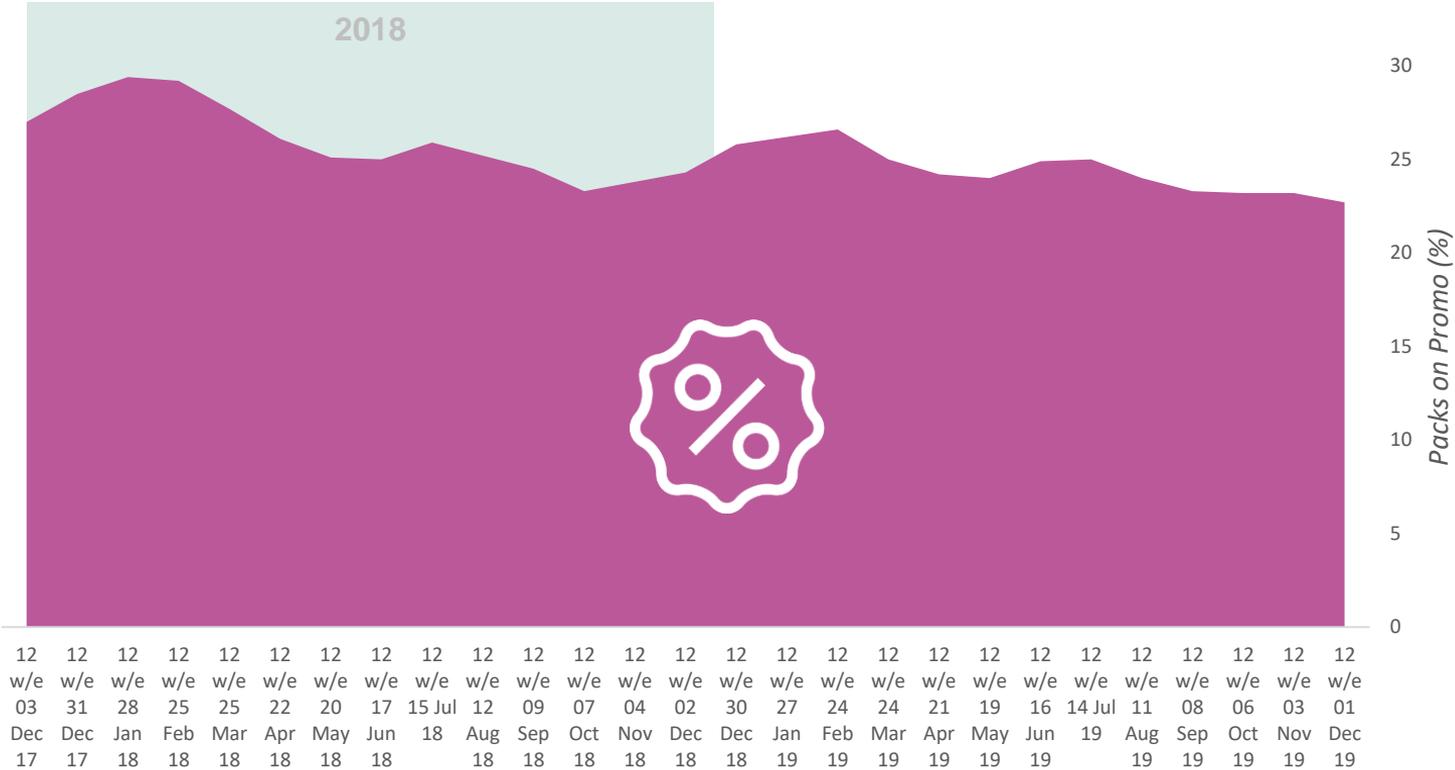


Ambient Groceries and Fresh & Chilled are in growth across all time periods.

ROI Grocery Market volume(packs) sales are in growth across 52we by **+2.1%**

Grocery Value Sales are in growth across 52, 12 and 4 week ending periods.

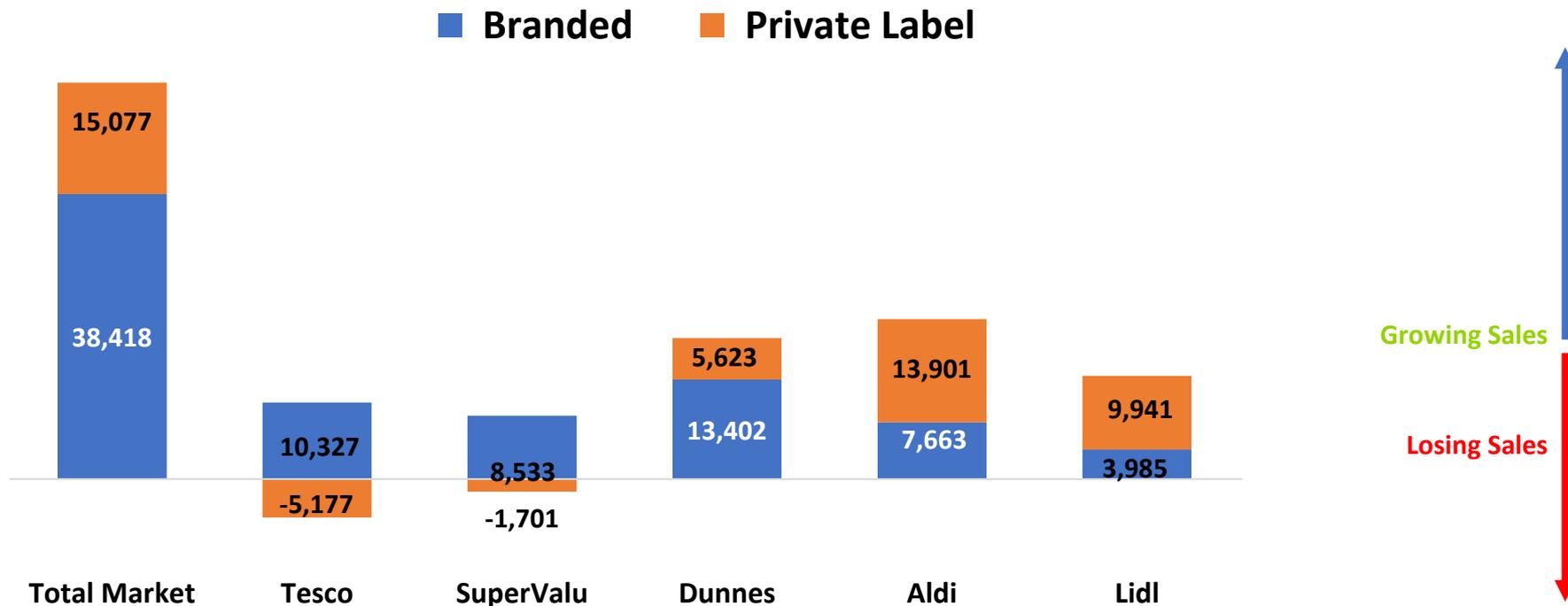
The Number Of On Shelf Packs On Promotion



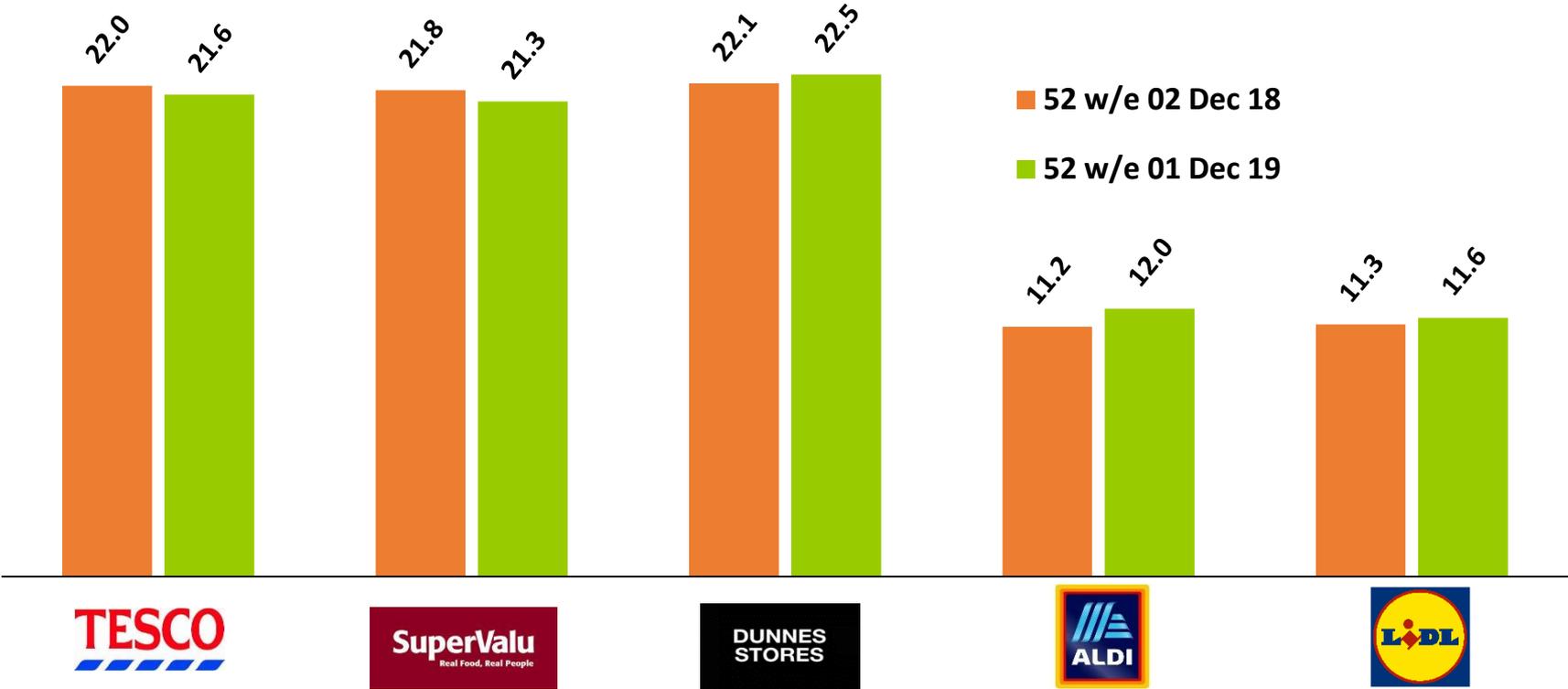
Branded Contributes The Most To Growth

12w Total Grocery – retailer branded vs PL value sales change YoY €000s

12 w/e 01 Dec 2019

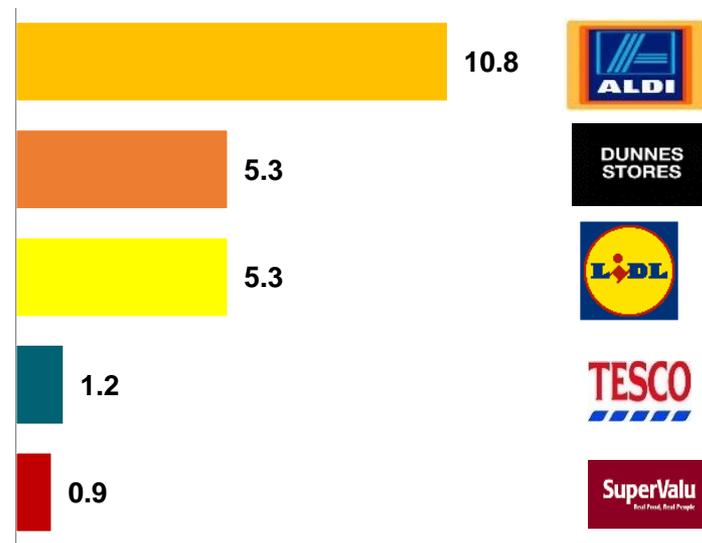
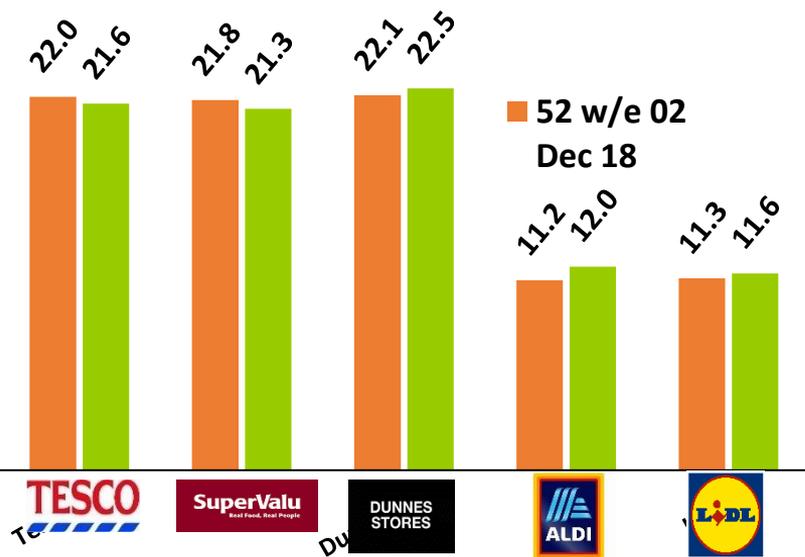


Retailers Market Share – 52 Weeks % Value



Retailers Market Share – 52 Weeks

52w- Retailer Value Sales Change %



Christmas Performance

December sales beat €1 billion +1.5% on last year.

Many seasonal classics fell out of favour:

Turkey -3%, Mince pies -13%, Beer -5.3%,
Christmas puddings -10%, Wine -2.2%,
Brussels sprouts, carrots, parsnips and potatoes

Some favourites performed well

Ham resisted the trend, growing at 5%
Soft drinks sales rose by 2.7%



Christmas Performance

All of the major retailers achieved growth

Dunnes remained Ireland's largest retailer

SuperValu, had a Christmas boost +1.4%

Aldi had the strongest Christmas growth +6.3%

Both Aldi and Lidl saw prices/pack increase

Tesco's growth was the lowest +0.1%



Food Service Market

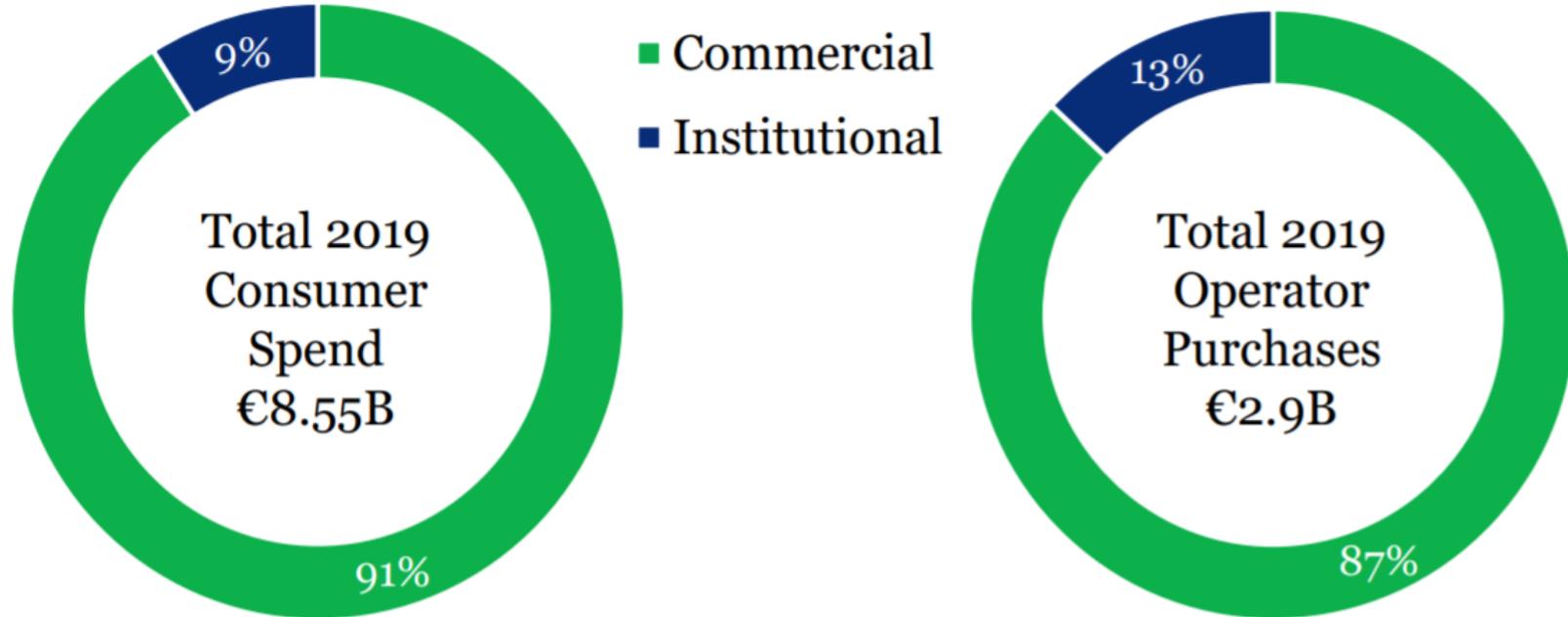
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Source: 2019 Irish Foodservice Market & Consumer Insights Report

Irish Foodservice Market

Total Market Value – Island of Ireland



Commercial Foodservice Channels

2019 Irish Foodservice Market	2018-19 CAGR
Limited Service (QSR, fast casual, food to go)	4.9%
Full Service Restaurants	4.6%
Pubs	2.0%
Coffee Shops and Cafes	5.7%
Hotels & Accommodation	6.0%
Other Commercial	6.2%
Total Commercial	4.6%

5 Macro Consumer Findings



Growing consumer reliance on **everyday foodservice occasions**

Different decision-making process and value equation for **pleasure-related** occasions



Consumers are accustomed to using **technology** to discover foodservice options

Customer service is a differentiator



Little effort to prepare for **uncertain times** ahead

5 Unmet Consumer Needs

1

Healthy Options for all ages



2

Customisation



3

Access to authentic **global flavours**



4

Reliable and competitive **delivery services**



5

Perceived **goodwill** from operators



To Conclude

- Consumer confidence is recovering
- Shopper want fast, frictionless, excellent in-store experiences
- Promotional mechanics are changing
- Retail market grew 3.2% Foodservice 4.6%
- There are identified unmet consumer needs in food service



Thank You

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