

Market Intelligence Digest

Volume 2 Issue No. 25 | June 2020



The Department of Trade and Industry - Export Marketing Bureau (DTI-EMB) is mandated to oversee the development, promotion and monitoring of Philippine exports. The DTI-EMB provides the exporters the enabling environment to make them globally competitive.

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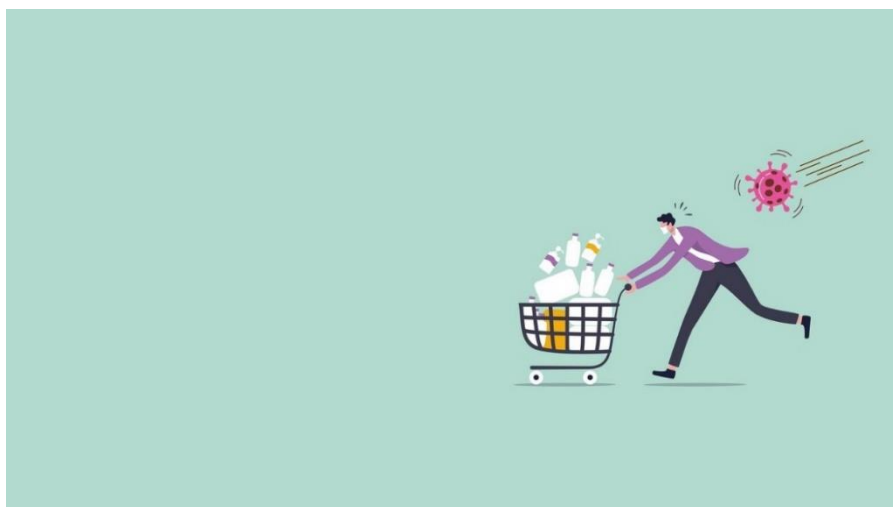
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The global impact of COVID-19 on the FMCG market (America's Updates)



What you need to know

There are signs of stabilization occurring in the Americas as lockdowns in some markets are eased.

Panic buying is coming down. "It used to be a 2-week wait for food delivery, but now it's getting back to normal," said one field evaluator. Another said in reference to online shopping that "Now that people are returning to work, less of the above [referring to challenges like delays] is happening. Some stores still limit one like cleaning wipes but most items are in stock now." This is not the case in every market though. For example, "the online deliveries are taking between 7 to 15 days in Lima, Peru."

A very different recession to the financial crisis

Social distancing is important to adhere to, but apparently difficult to enforce. A field evaluator in Chile said, "On April 30, the mayor of Las Condes authorized the re-opening of "Apumanque mall."

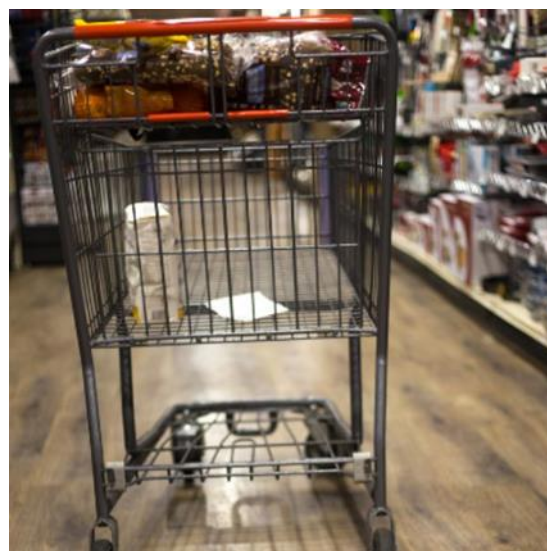
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The initiative lasted just one day because there were too many people, and the distance between them wasn't safe." Another evaluator commented that "A lot of stores in my area post/advertise COVID-19 changes, e.g. Kroger, Home Depot, but they do not enforce them. Only some employees wear masks, social distancing is not posted but neither customers nor employees practice. Senior hours advertised and posted, but anyone can shop." Retailers need to continue to enforce their stated guidelines or risk losing customers to the competition.

What you need to know

In-store, one of the biggest noticeable changes being observed is limitations on the number of allowable items that can be purchased per customer. More than eight in 10 field evaluators experienced this in the past week. "In some areas of Mexico there are restrictions to buy alcoholic drinks in order to maintain social distancing practices, and in the US, "certain products are no longer being offered, such as deli counter foods." This is leading to "people stealing from one another's shopping carts."



Many field evaluators also report one-way aisles to help manage social distancing, while others are reporting some unique observations at retail: "More food behind glass doors. Individualized packaging. No food bars." All measures around online shopping increased in the last week, suggesting that retailers in the region are still struggling to keep up with elevated levels of online demand.

More retailers are adding services as a result of COVID-19. Walgreens' health outcomes pharmacists completed a first phase of training in mental health first aid, while Stop & Shop launched a Grow & Learn program to teach young gardeners how to grow their own vegetables and herbs. As part of its "Food as Medicine" platform, Kroger Health is rolling out a free telenutrition service aimed at helping shoppers find new eating routines during the pandemic.

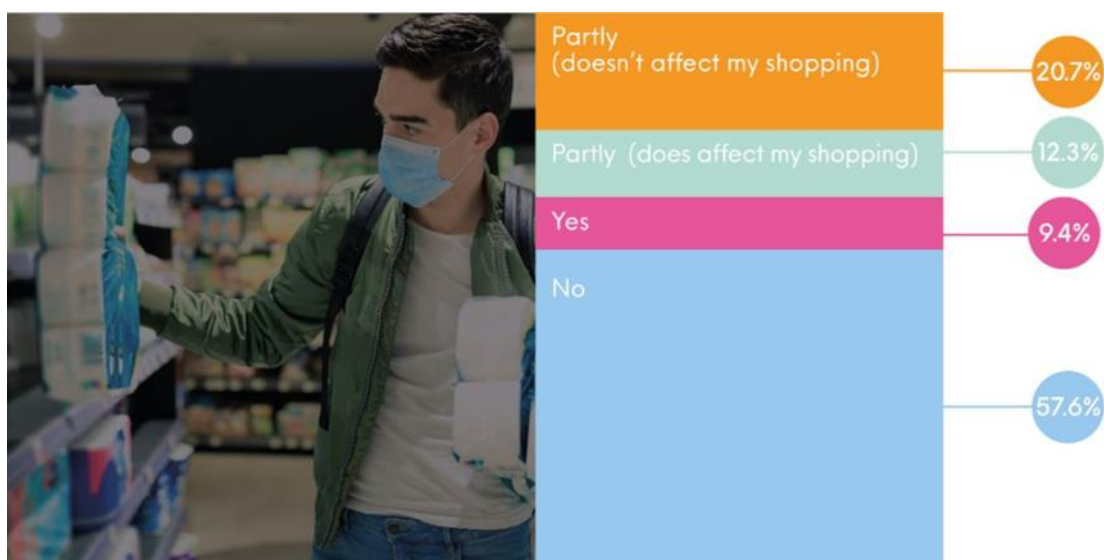
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Panic buying is leveling off in the Americas

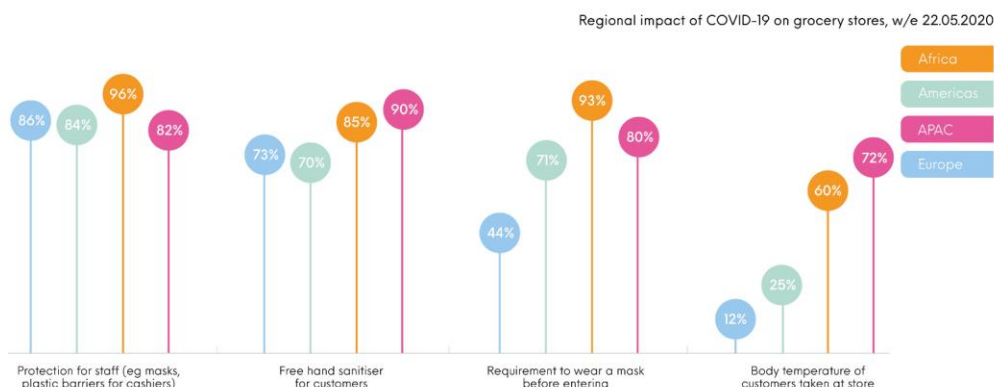
Panic buying dropped further in Europe, Asia, and Africa, but increased in the Americas again vs last week. The region continues to see much higher levels of panic buying comparatively (63%); however, levels remain much lower than reported in the initial week (79%), reflecting improvement.

What's more, an increased number of field respondents report that it's not impacting their shopping, indicative of the fact that supply chains are definitely stabilizing.



Safety measures remain in place but the observance of in-store measures is subsiding somewhat with the exception of required face coverings

In the Americas, there's been a decline in the occurrence of staff protection measures in-store, now ranking the region third but, an increase in face covering requirements.



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Retail initiatives



USA: Target makes products shoppable on Instagram

Target has become the first mass retailer to make its products displayed in @Target and @TargetStyle available via Instagram Checkout.



Canada: Grocery Neighbour provides meals on wheels

An entrepreneur will be rolling out a fleet of trucks that will serve as a mobile supermarket. The goal is to have 1,000 trucks throughout the Canada fitted with shelves and refrigeration.



Colombia: Ramo repackages chocoramo

Ramo changed the packaging of its flagship product and three others to spread hope and lift people's spirits amid COVID-19. Its sliced bread is now called 'Unidos', meaning 'Together', and other messages like 'Hugs' or 'Courage' are showcased.



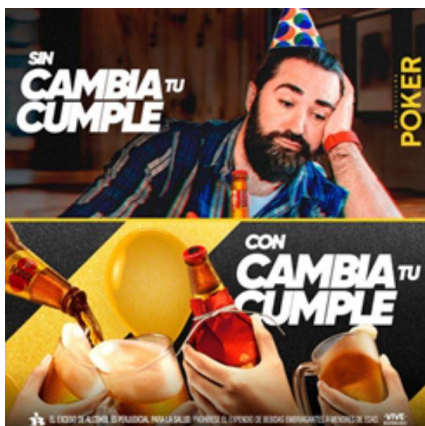
Brazil: Enxuto Supermarket debuts drive-thru store

The drive-thru will be open Monday to Saturday from 8AM-9PM and offer 6,300 products in the Morumbi neighborhood. Customers order online and pick them up using the drive-thru option.

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Colombia: Poker encourages rescheduling birthdays

Beer brand Poker is encouraging consumers to reschedule their birthday parties between August and December so they can win 2 liters of Poker Beer. The initiative aims to reach 100,000 Colombian consumers by donating 200,000 liters of beer.



Chile: Walmart takes to the appointment economy

Walmart is letting people schedule visit times and it's also keeping track of visitors in a bid to respect capacity restrictions. Shoppers can schedule visits to Walmart's Lider, Express de Lider, and Bodega aCuenta outlets.