

Seafish Market Insight Webinar: Cost of Living Crisis: Finding Seafood's role in an Inflationary Economy

20th September 2022



Here to give the UK seafood sector
the support it needs to thrive.

Welcome to our Market Insight webinar

- **Everyone will be muted by default**
- **Q&A session at the end of the presentation**
- **Webinar is being recorded**
- **Link to the presentation will be sent**

UK Retail State of the Nation Cost of Living Crisis: Finding Seafood's role in an Inflationary Economy

Presented by Stephen Bough





Agenda

- The Cost of Living Crisis and Consumers' Coping Strategies
- Learnings from the Last Recession
- HFSS
- Topline Seafood Performance
- Seafood Sectors' and Proteins' Performance
- Species and Segments
- The Fish Consumer



Cost of Living Crisis

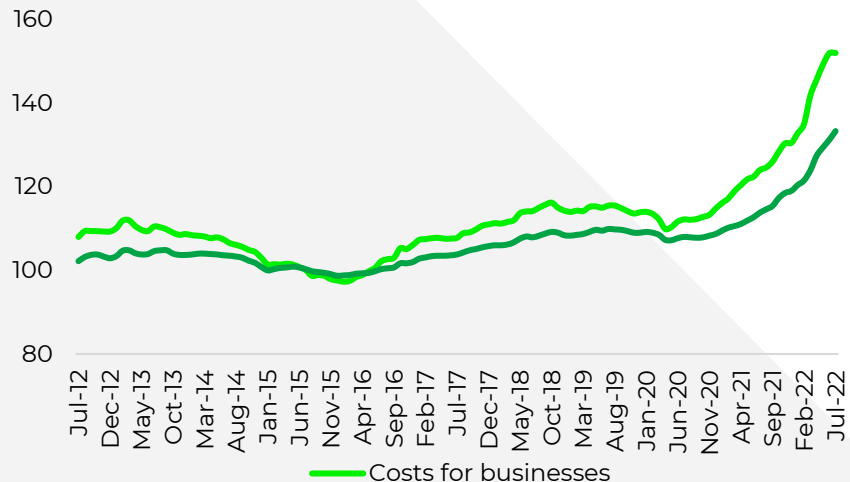
High inflation, historically low consumer confidence and recession likely in Q4 - all likely to remain in 2023

Governor Andrew Bailey warns of a Q4 recession which will continue throughout 2023

Bank of England warns the UK will fall into recession this year - BBC News

Producer Price Index, Index 2015 =100

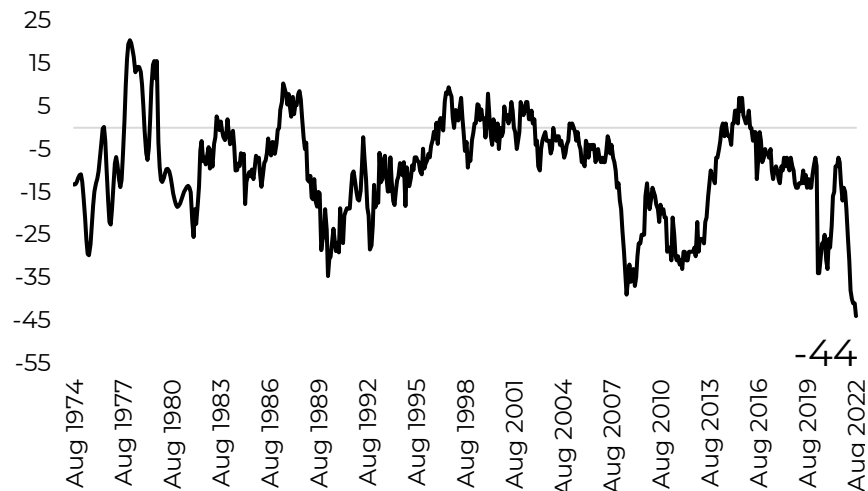
UK, July 2012 to July 2022



August 2022: UK CC hits new low of -44

GfK Consumer Confidence

-36 vs. August 2021



Updated as available

Source: <https://tradingeconomics.com/united-kingdom/consumer-confidence>

<https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/producerpriceinflation/latest> 'Costs for business' = input prices and 'prices of goods sold' = factory gate/output prices

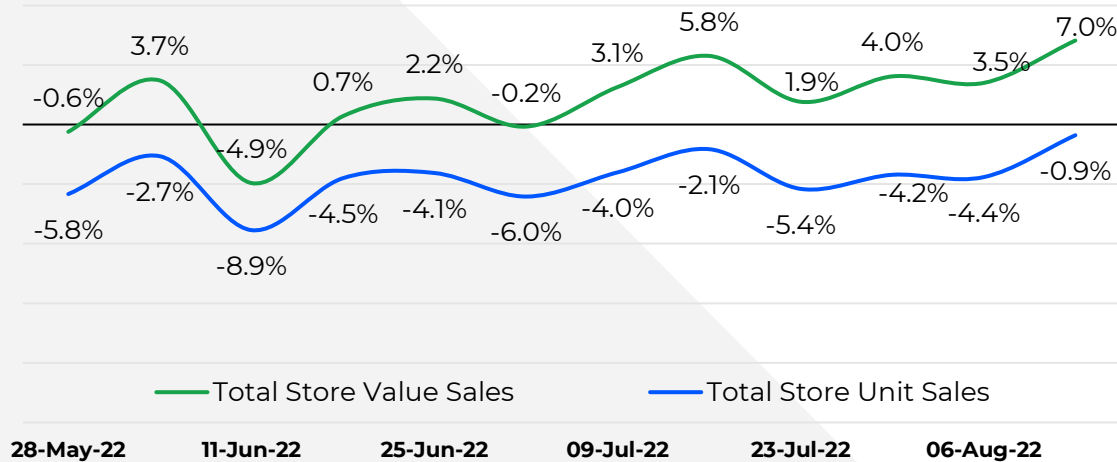
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Value growth is under food inflation indicating Shoppers' coping strategies to keep basket spend manageable. Strategies likely to ramp up in Q4 post summer / energy cap increase



Grocery Multiples

Weekly year on year value growth



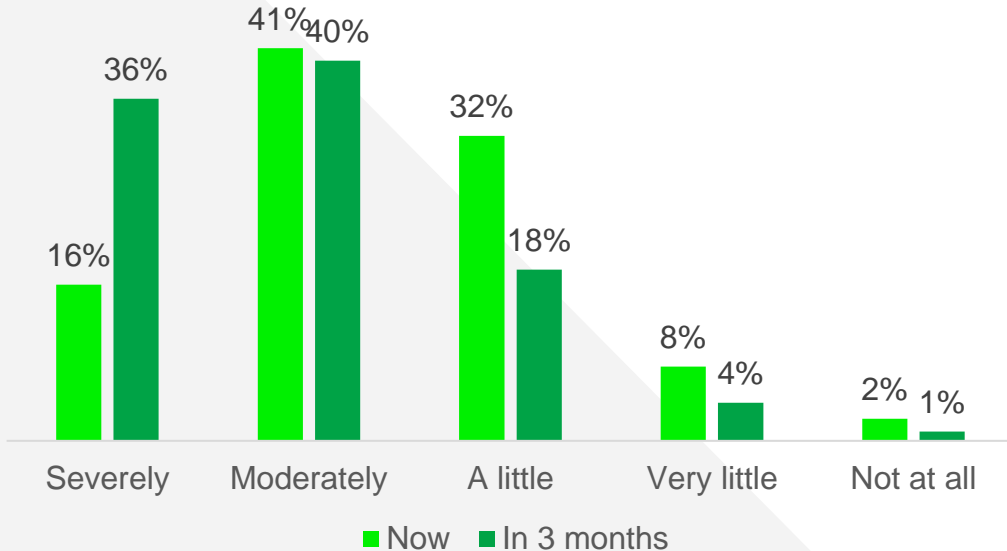
Food sales continued to be buoyant in the last 4 weeks with **+4.5% growth (Total Till)** and the **Grocery Multiples** growing sales by **+4.1%** (NielsenIQ Scantrack) boosted by inflation and the weather

Volume sales declined **-3.8%** (NielsenIQ Scantrack Grocery Multiples) but with the help of the weather, this is an improvement on **-4.1%** last month

Source: NielsenIQ Scantrack Total Store Read Grocery Multiples


Three quarters of consumers expect to be moderately or severely affected by the COL crisis in the next 3 months

How much is the cost of living crisis impacting you at the moment?



57% Shoppers are moderately/severely affected currently

In 3 months they anticipate this will increase to 76%



For many consumers, the last 2 years have been a rollercoaster of changed circumstance; stability and spending ability. But as we start to “live with COVID” and its many guises, consumers will approach 2022 with a new mindset reflective of their new adjusted realities. What was important to them in the past is not necessarily relevant now and in future.

Nicole Corbett, Global Thought Leadership,
NielsenIQ

How consumers are evolving

2020



■ Constrained consumers

■ Insulated consumers

2021



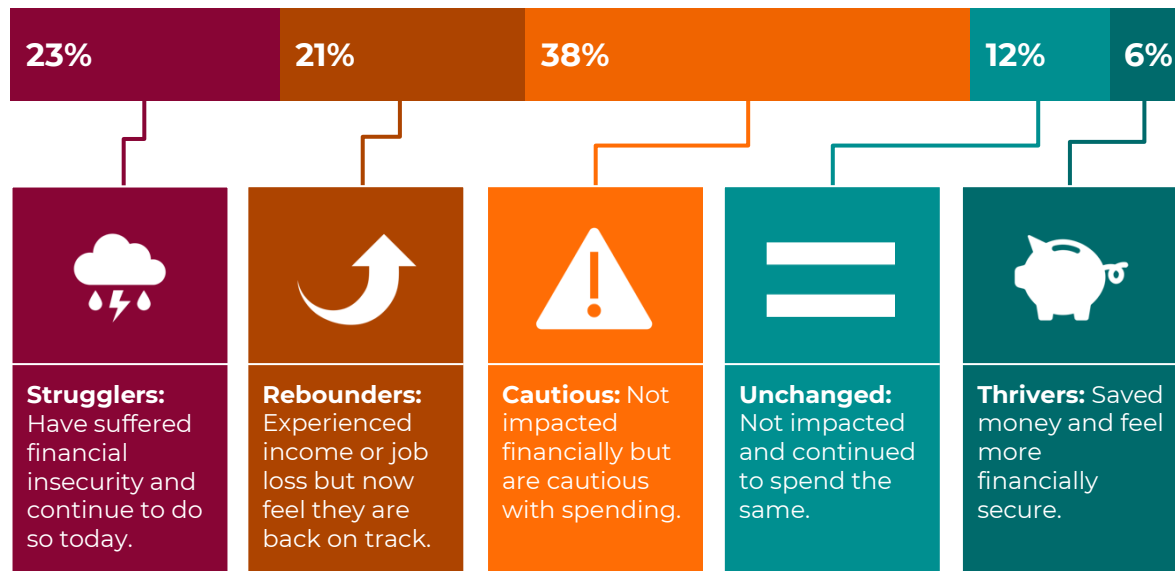
■ Existing constrained ■ Newly constrained

■ Cautious insulated ■ Unrestricted insulated



How consumers are evolving

2022

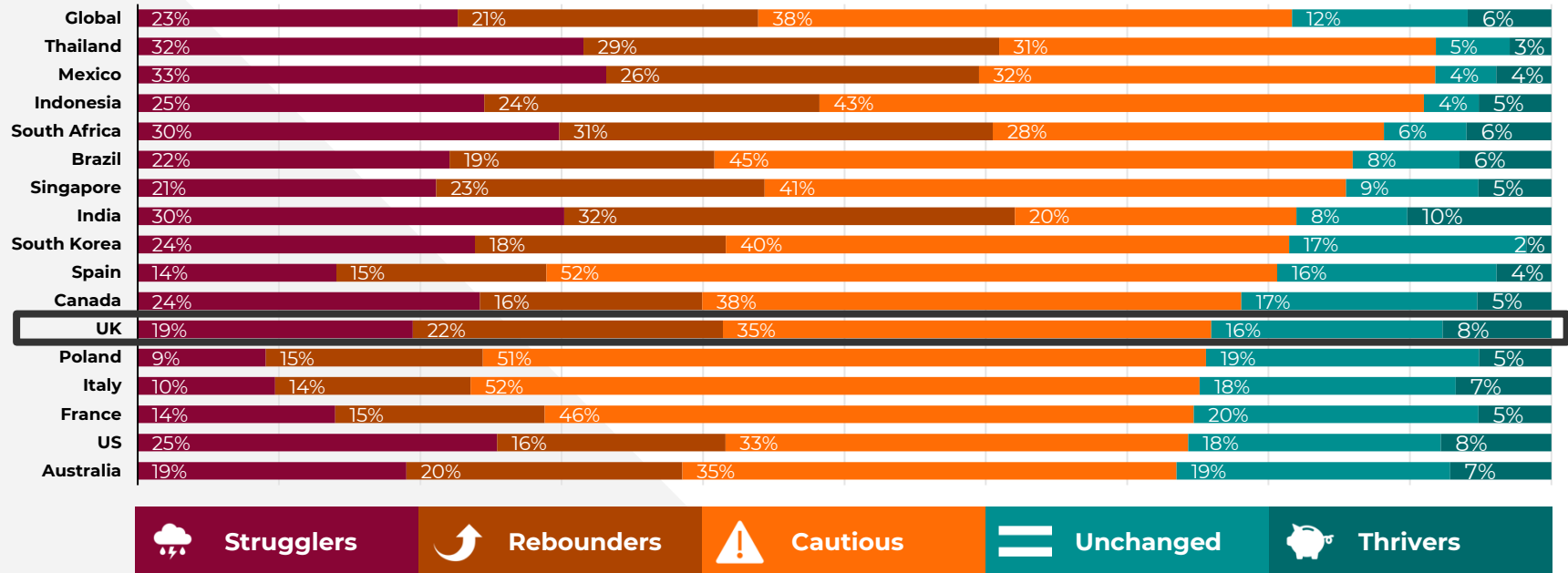


Source: NielsenIQ 2022 Consumer Outlook Survey, Dec 2021
Q. Which of the following best describes how COVID-19 impacted your overall household financial situation over the last 2 years?



Polarization differs by market, but cautious outlook dominates

Overall impact of COVID on household financial situation

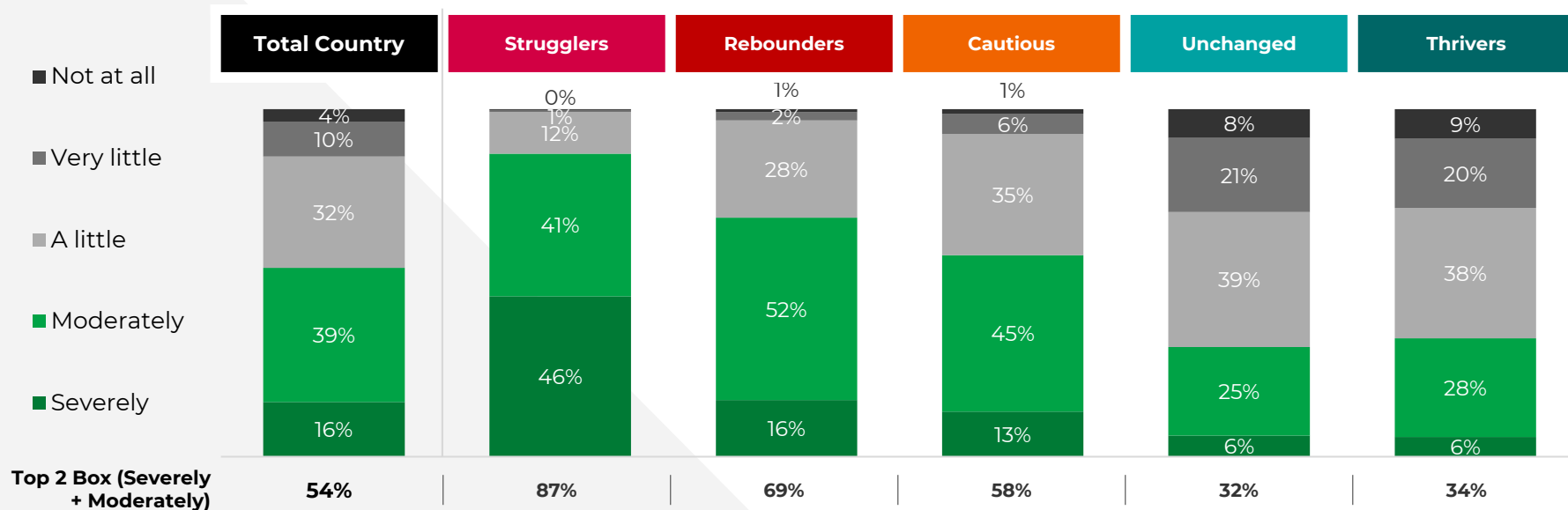


Source: NielsenIQ 2022 Consumer Outlook Survey, Dec 2021 – Ranked on cautionary spending
 Q. Which of the following best describes how COVID-19 impacted your overall household financial situation over the last 2 years?

The cost of living crisis affects people differently resulting in headwinds and tailwinds for retailers and manufacturers

How much is the cost-of-living crisis impacting you at the moment?

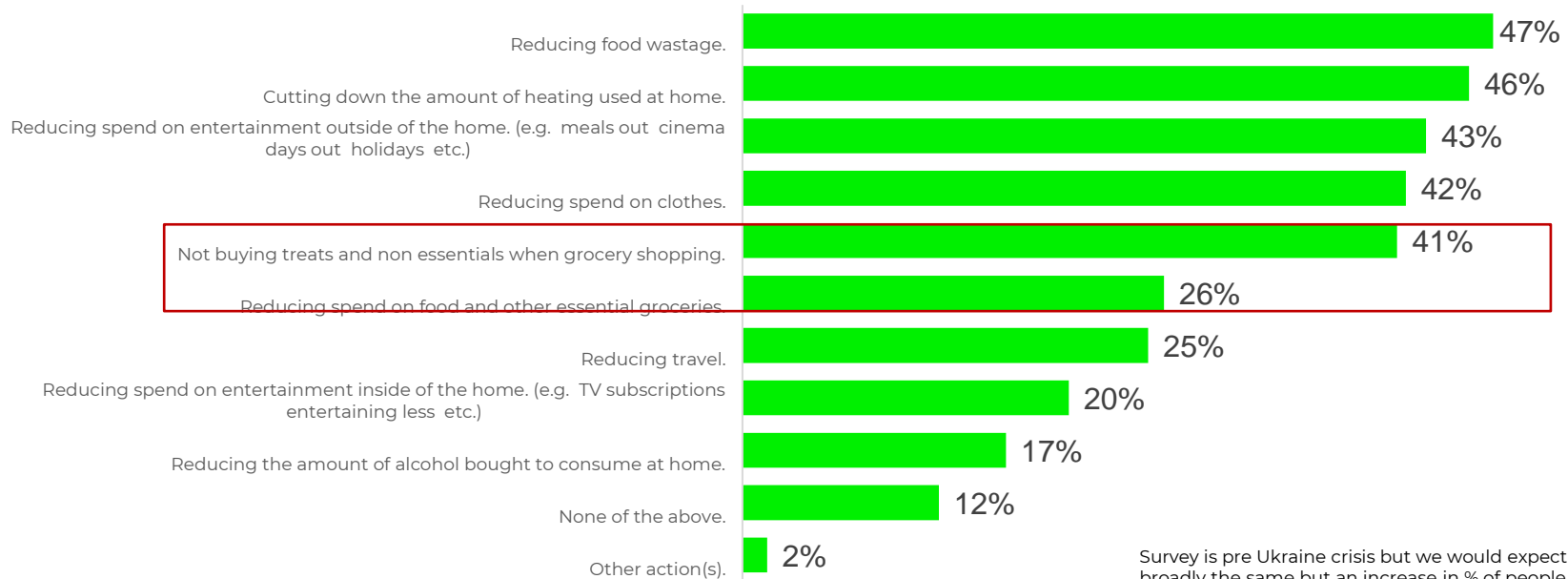
All households



EQ6. How much is the cost of living crisis impacting you at the moment?
 Base: All household, n=8576 / 1208 / 846 / 3408 / 2434 / 680 Source: Homescan State of the Nation April 2022 Survey

Key general coping strategies are to reduce wastage and out of home spend, but essential and non-essential groceries follow

Which of the following actions if any are you currently doing to help manage the cost of living crisis?



Survey is pre Ukraine crisis but we would expect the order to stay broadly the same but an increase in % of people choosing to make changes

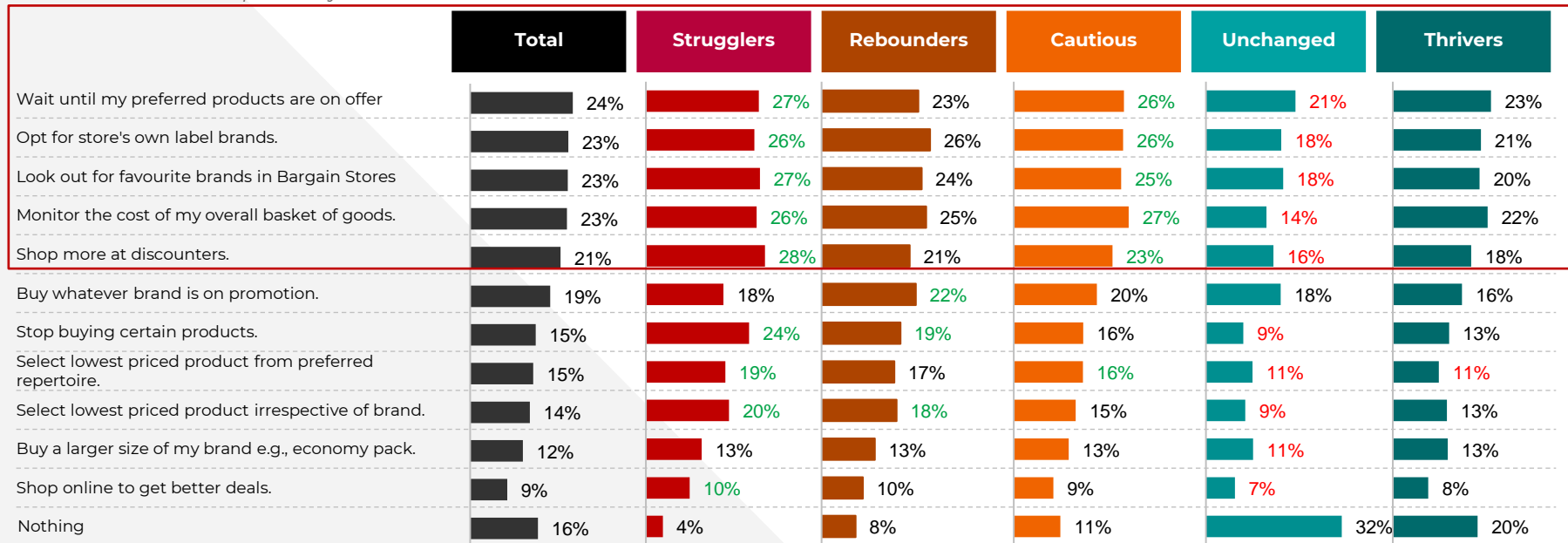


Consumer's grocery coping strategies

Top 5 stated Grocery coping strategies: Promotions, Own Label, Bargain stores, overall basket cost and Discounters to manage rising costs

Actions taken to manage household's grocery expenses

All households – select up to 3 only



Significantly higher/lower vs Total UK at 95% confidence

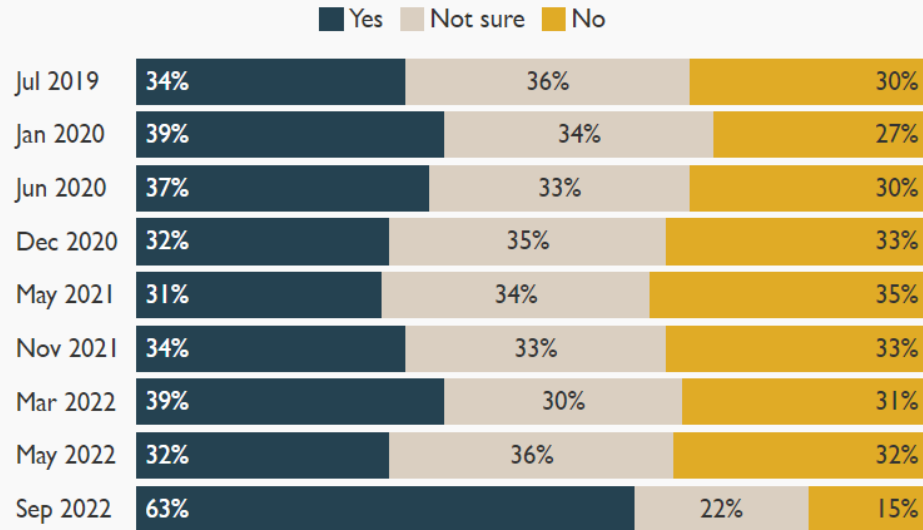
EQ5. What are you doing, if anything to manage your household's grocery expenses? ((Please select up to 3 things that best describe what you are doing.)

Base: All household, n=8576 / 1208 / 846 / 3408 / 2434 / 680 Source: Homescan State of the Nation April 2022 Survey

Always worth examining the actual vs the hypothetical

What the King's subjects say

Will Charles make a good king?



Data based on separate surveys of 1,632 to 1,782 British adults

Chart: The Times and The Sunday Times • Source: YouGov

'Wait until my preferred products are on offer' challenging given <available promo space post HFSS and retailer EDLP strategy – opp to promote on-pack and in aisle remains

Retailer strategies on HFSS will be widespread but scale yet to be confirmed

Implementing HFSS - in stores

We are using the physical HFSS changes as an opportunity to drive forward our brand message, customer offer and look & feel



Rotated aisle ends provides a space for key brand and value messages



Low profile plinths allow us to curate mission and value compliant ranges



We will bring together our food to go propositions where we can create a destination



The relocation of non compliant plinths in aisle will have strong stand out



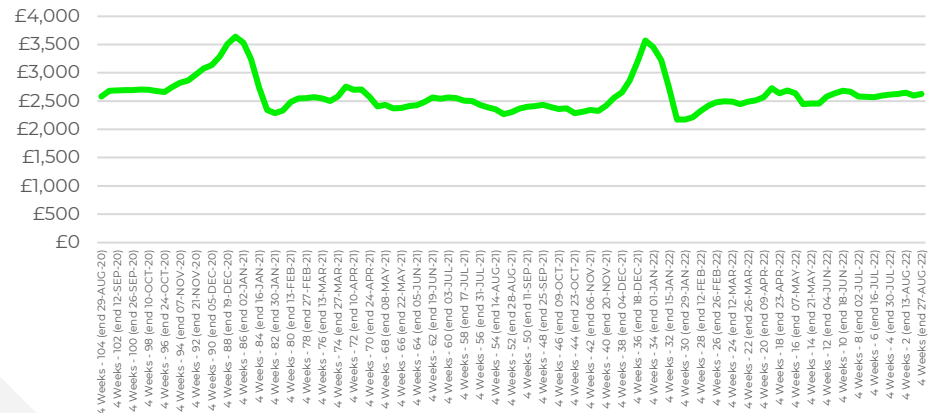
Testing ways we are can operationally support trading volume at peak events

Trialling these initiatives in stores enabled us to gain invaluable customer and store insight and feedback

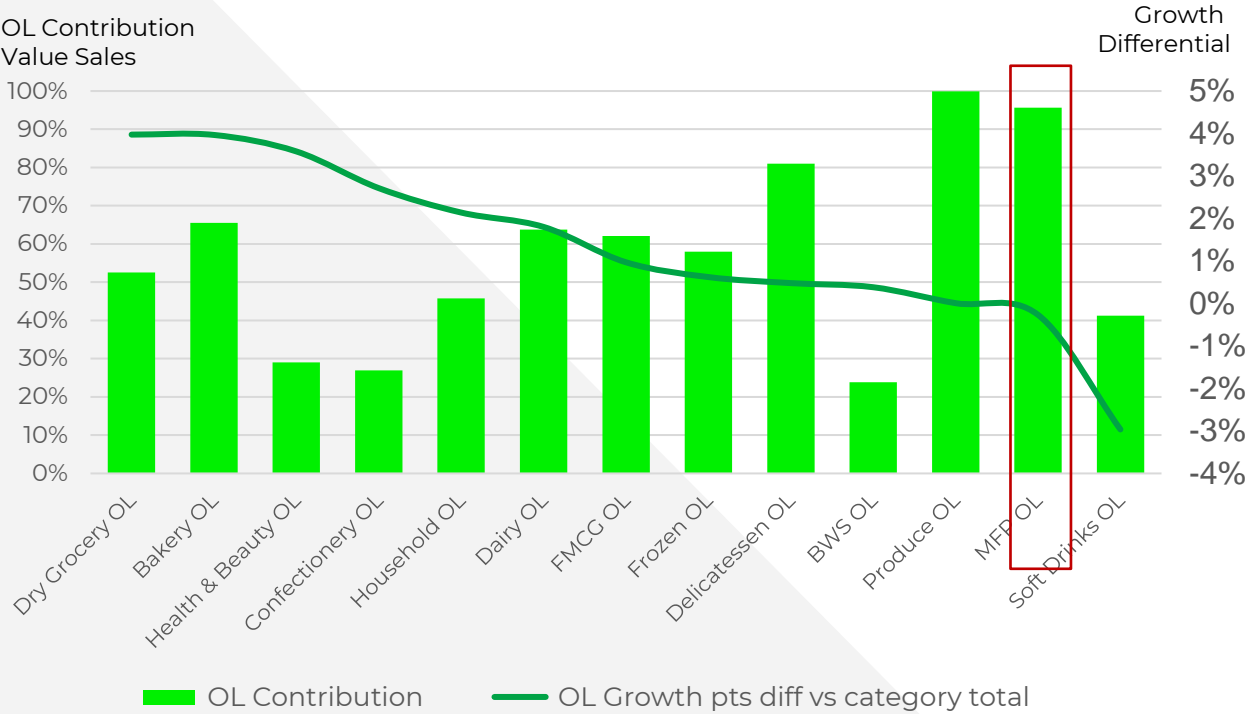
Sainsbury's Trade Briefing 2022 from IGD

Latest 4we promo +14% vs YA but against weak comparatives (+1.7% vs 2020)

£m sold on promo rolling 4we GMults total store



'Opt for store's own label brands' – only MFP & Soft Drinks brands, which benefited from the hot summer, outperformed OL



Packaged Grocery continues to have the greatest Own Label growth vs brands with a differential **4% points higher** where OL contributes 53% of category sales.

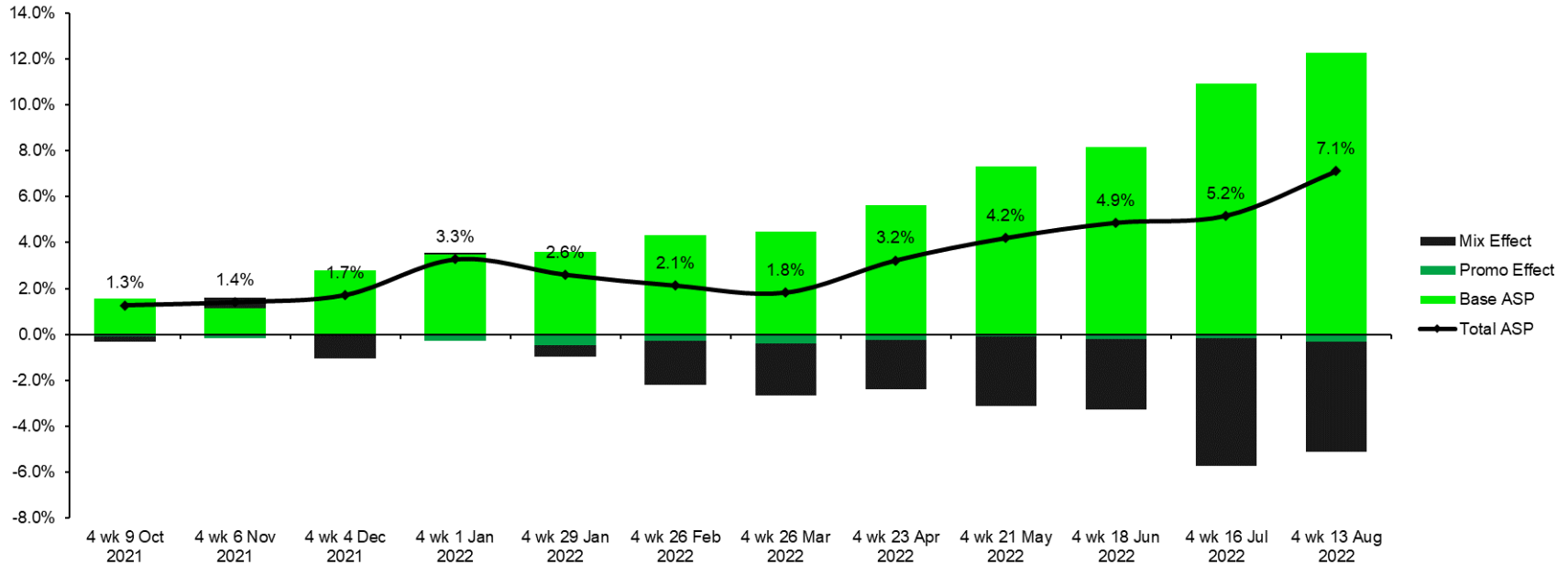
Even in categories where **OL contribution is low**, Health & Beauty, Confectionery, **Own Label is growing faster than brands**.

With the cost of living crisis top of mind switching to Own Label is a compromise many shoppers are willing to make.

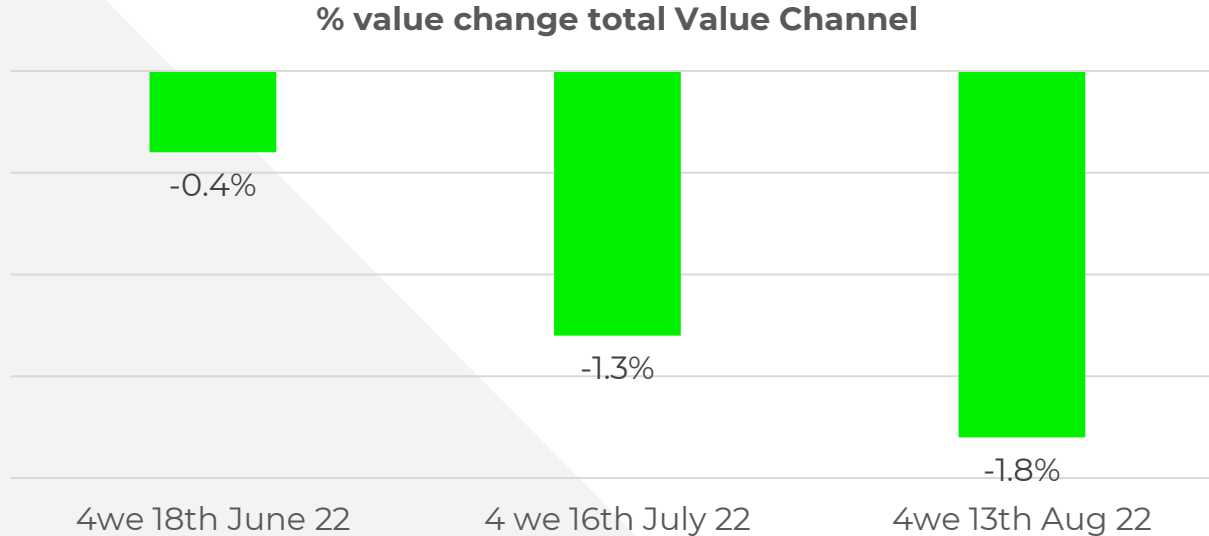
Source: NielsenIQ Homescan Total GB, 32w/e 13Aug22 vs year ago

Base price inflation increased to 12.3% in August, with trading down failing to offset the increases vs July. Promotion remains a small impact as retailers focus in on EDLP/ price matching initiatives.

Price Decomposition - FMCG - Total GB



'Look out for favourite brands in Bargain Stores' – not evident in recent data at total FMCG level



'Monitor the cost of my overall basket of goods' – Shoppers are managing spend by making more trips and reducing basket size and spend

-3%

Spend per visit fell to **£17.84** from £18.40



-9%

Items in basket fell to **10.4** from 11.5



+6%



Frequency of visit **increased to 18.1 trips** from 17.1



As price inflation builds, the discounters are poised to continue share gains – need to think about your long term discounter strategy

Discounters' share gain momentum has returned and is fuelled by new store openings



	Value Share	Penetration	Frequency	Spend per trip	Loyalty (£)
	18.1% +1.4pts	79.8% -1.3pts	37x +14.5%	£23.38 -4.4%	24.1% +2.4pts
	10.7% +0.6pts	65.5% -0.5pt	25x +13.6%	£24.70 -6.5%	17.5% +1.3pts
	7.5% +0.8pts	58.2% -0.8pts	22x +13.8%	£21.71 -1.2%	13.9% +1.8pts

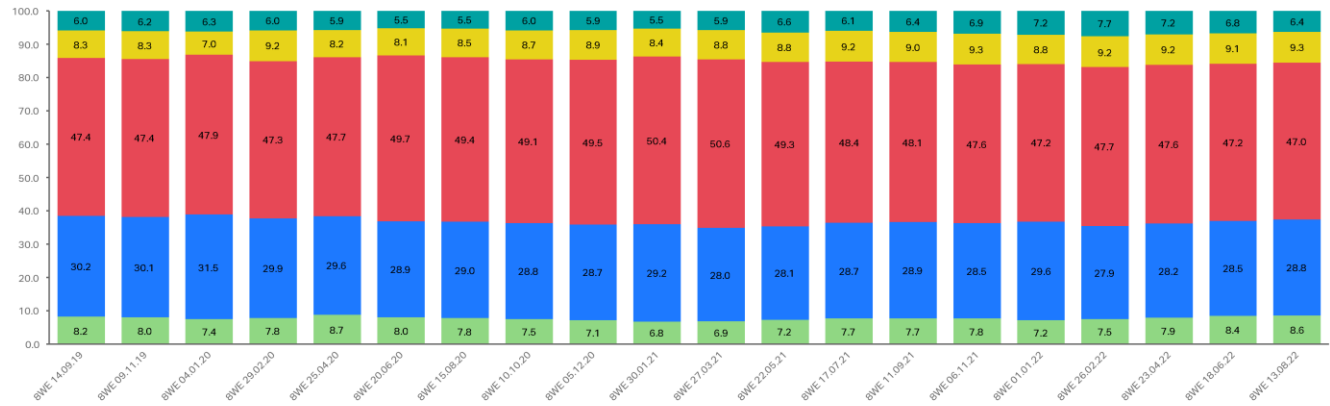
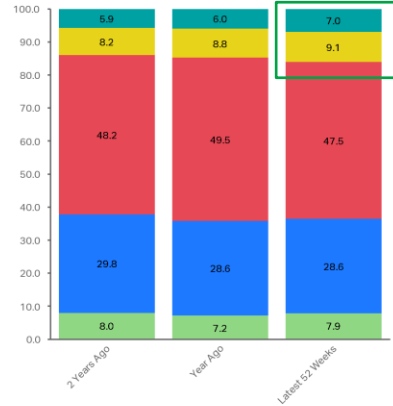


20%
Combined share by
end of 2023

Discounters have a smaller share of Fish (16.1%) than their overall FMCG share, but this is growing steadily. Convenience has bounced back in terms of importance, after losing share YA

How do share of trade / sales in markets evolve over time?

FISH - Share of Trade in Value (in %) - 20 Latest 8 Weeks - WE 13 August 2022



GB Total Coverage including Discounters-Value(in £M)

3970.0	4207.5	4027.2	568.3	552.7	585.3	589.7	668.2	655.5	636.5	621.0	623.8	687.8	673.9	658.2	635.3	607.5	598.7	640.4	632.3	616.0	620.9	619.0
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■ GB Total Coverage Convenience

■ GB Total Coverage High Street

■ GB Total Coverage Out of Town

■ GB Total Discounters Aldi

■ GB Total Discounters Lidl

Benchmark Market : GB Total Coverage including Discounters Country : United Kingdom Category : FISH
Please note: the selected markets originate from different market hierarchies

Promotions are most important to consumers trying to save on grocery bills – big watch out that Fish (MFP) is the top category consumers say they will make savings on

Top 5 ways to save on grocery bills

% Households stating it's important to make savings on Groceries

...looking out more for price promotions. 34%

...trying to buy more products when they are on promotion. 31%

...being more careful when I shop so that I waste less food. 29%

...using a shopping list when grocery shopping. 25%

...comparing prices more carefully. 23%

Top 5 categories to make savings on

% Households stating it's important to make savings on Groceries

1 Meat, Fish & Poultry **28% ▲ 3pts**

2 Crisps & Snacks **25% ▶ 0pts**

3 Toiletries **22% ▲ 2pts**

4 Confectionery **19% ▲ 0.5pts**

5 Beers, Wines & Spirits **19% ▼ 1pt**

Summary of evidence of key consumer coping strategies

Consumer coping strategy	Evident?
Wait until my preferred products are on offer	To some extent but against tough comparatives and promo landscape will change dramatically post HFSS
Opt for store's own label brands.	Yes – all categories apart from Meat, Fish & Poultry, and Soft Drinks have seen growth in OL
Look out for favourite brands in Bargain Stores	At total store level we do not yet see evidence
Monitor the cost of my overall basket of goods	Yes – more frequent smaller baskets
Shop in discounters more	Yes – move into discounters continues apace and Fish currently still under-indexes here



The last recession



What were the '08 behaviour changes?

- **E-commerce & value retailers** were the big winners, while conventional retailers suffered
- **Coupon redemptions** increased after years of steady declines, but redemptions skewed to extreme users
- **Instore promotions** became more important, with shoppers actively seeking out offers
- **Polarisation of FMCG brands** – value and premium brands were the winners, whilst the middle ground declined heavily
- **Own Label** acceptance and sales increased significantly, with retailers offering different price tiers within their ranges meaning they became a viable choice for more consumers
- **Bulk buying to save** – many shoppers were happy to buy bigger packs to save money over the longer term
- **Away-from-home eating** tanked
- **DIY and back to basics** movement, of home cooking, dining-in, lunchboxes, etc, growth
- **Health & Wellness** took a short-term hit

2008/09 recessionary behaviours, but with Inflation at +9% and highest in 40 years, impact will be greater

Behaviour Change	Likelihood of repeat FMCG	Comments
Value/Discounter retailers & D-com growth	High	Value/Discounter store openings and strong VFM position vs rest of market continues. D-com behaviours embedded during Covid (12% share vs 8% in 2019). Amazon, Quick Commerce & Discounter Click/Collect devps will fuel growth.
Coupon redemptions/loyalty programmes	High	Retailers will continue to leverage loyalty programmes to target promos
Instore promotions increase	Medium	Strong pressure from Consumers (#1 coping strategy) but HFSS will restrict options= competitive. Transparency of VFM vs Discounters/EDLP strategy looks set to continue
Polarisation of FMCG brands	High	All occasions /needs states will need to be met, leaving middle highly competitive.
Own Label growth	High	OL growth via Discounters and Retailer Own Label evident.
Bulk buying to save	High	Given disposable income constraints and <OOH occasions set to continue.
OOH entertainment slow down	High	80% of UK households need to adjust spending and <OOH entertainment #3 coping strategy. Increase in in-home occasions which provide headwinds for retailers and manufacturers
Back to basics; home cooking etc	High	Entertainment moves back into the home and consumers cut back on OOH meal occasions.
Health & wellness declining interest	Medium	Bottom 20% = lower priority – with just £1,200 disposable income an increase of £200+ in bills = eat or heat Mid 60% = priority, but growing importance of mental health/broader H&W and likely to drop behind financial concerns. £2,500 disposable income Top 20% - priority But will rebound so preparation in med term is key along with HFSS legislation thin end of the wedge and retailer's H&W strategies

Headwinds are coming in Q4 ...

1

- Whilst the market has seen **recovery over the last 6 months** from a low point in March post lockdown, we are now seeing the start of **`peak inflation`**.
- We anticipate shoppers will need to reign in spend again and **perhaps even more significantly, after `back to school`** in a few weeks' time.

2

Focussing on **price locks** and **price matches** as inflation **continues to bite** will be key to **maintain sales momentum** at the Top 4.

There is also the possibility of a short-term **return of money-off vouchers** e.g. fuel, or **WIGIG offers** as a way of **stimulating frequency of visit** in the run up to October half term.

The **battle** for loyalty is still around attracting **repeat visits** in a market where volumes are down and shopper promiscuity is on the increase..

3

- **Savings** and **sustainability**, will be key battlegrounds as we edge into the final 20 weeks of trading in 2022.
- Increasingly, shoppers will **need to save money** and if they can do this in a **sustainable way**, such as reducing wastage and saving money, such as the 'Too Good to Go' app, this will be a win:win for shoppers.
- The **cost of living crisis** is expected to become more of a **focus** as shoppers transition from summer activities and start to **plan for the final quarter** and Christmas.
-



HFSS



HFSS Overview

Promotions of unhealthy foods restricted from October 2022

HFSS includes items High in Fat, Sugar and Salt

HFSS Policy:

The government intends to restrict the **advertising, promotion and instore location of HFSS products** to help reduce obesity. These new rules will apply from 1st October 2022 for promo/in-store locations and 1st January 23 for media, in England only.

All Large & Medium Retailers (incl. Symbol Groups) > 2000 sq. ft are in scope. Businesses with fewer than 50 members of staff (including head offices for symbol / franchise groups, and back-office roles) are exempt, and stores smaller than 2,000 sq. ft are exempt from restrictions on location and display.

What is restricted?

The regulations cover volume promotions and where products can be located in-store and online based on the Nutrient Profiling Model (NPM).

Store entrances

up to 3% of stores relevant floor area (or up to 15 metres)

Checkouts

within two metres, unless in a main aisle

Designated queuing areas

within two metres, unless in a main aisle

End of aisles

adjacent to main aisle or on a sperate display (FSDU) within 50cm of an aisle end

Online store locations

home page, checkout and pop-ups

HFSS Categories:

1. Soft drinks with added sugar
2. Milk with added sugar
3. Juice drinks with added sugar
4. Confectionery
5. Cakes
6. Crisps & savoury snacks
7. Sweet biscuits
8. Morning goods
9. Ice-cream
10. Cereals
11. Pudding & dairy desserts
12. Yoghurts
13. Ready meals
14. Pizza
15. Chips/similar potato products

HFSS categories expected to face loss of sales

Without mitigating actions, a fall by 10%+ could be seen

£31Bn+

Value for categories that include items that fall under HFSS regulation and account for 23% of FMCG products

32%

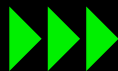
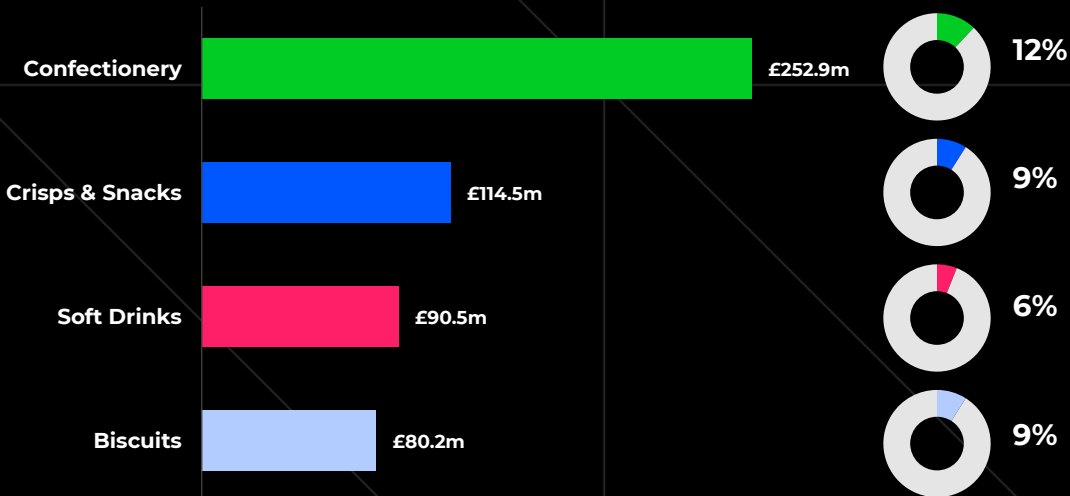
HFSS categories are more reliant on promotions

vs. 25% non HFSS

1/3

Value generated from off-shelf sales account for 33% of all off-shelf in grocery

Key Impacted Categories | Incremental Sales and % Off-Shelf



£93.5m

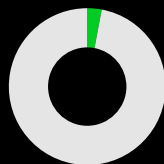
High sugar and salt foods in the **freezer aisles**, such as pizza and ice cream are also impacted

Healthier options will have opportunities to take display space – e.g. Frozen Fish

But bring in lower incremental off-shelf values vs. HFSS products

Incremental Offshelf & potential replacements

Impulse



HFSS - £538m

- Confectionary
- Sweet Biscuits
- Crisps
- Soft Drinks



Non-HFSS - £16m

- Crackers & savoury biscuits
- Nuts & seeds
- Non-HFSS Soft Drinks

Frozen



HFSS - £93m

- Frozen Chips & Potato
- Frozen Desserts & Ice Cream
- Frozen Pizza



Non-HFSS - £67m

- Frozen Fish
- Frozen Meat/Poultry
- Frozen Meal Solutions

**Fresh Food Bakery,
Dairy & Deli**



HFSS - £209m

- Dairy desserts & yoghurts
- Fresh Pizza & ready meals
- Cakes & Specialty Breads



Non-HFSS - £323m

- Cheese
- Pies & Pastry
- Other Bakery e.g. rolls & bread

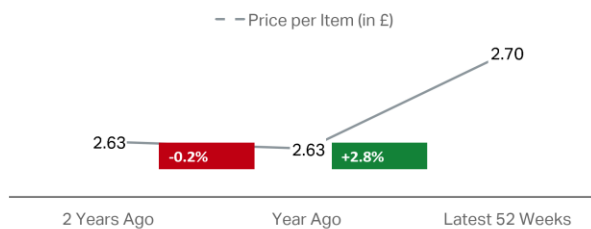
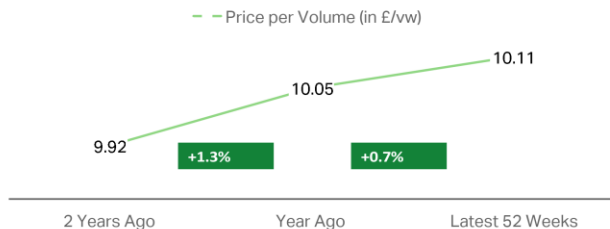
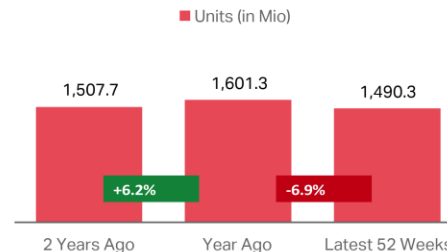
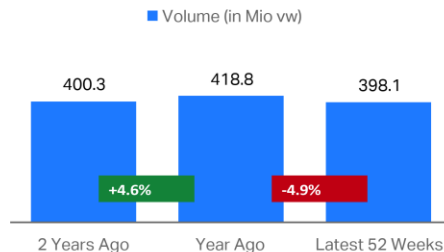
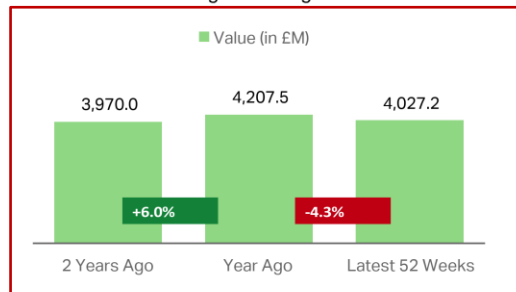


Top Line Seafood Performance

After strong Covid fueled value growth YA (+6%), Fish fell back 4.3% TY, though sales remain above £4B. In L12W, value losses have slowed, but price inflation has increased ~4%

What are the market trends?

FISH - GB Total Coverage including Discounters - MAT TY

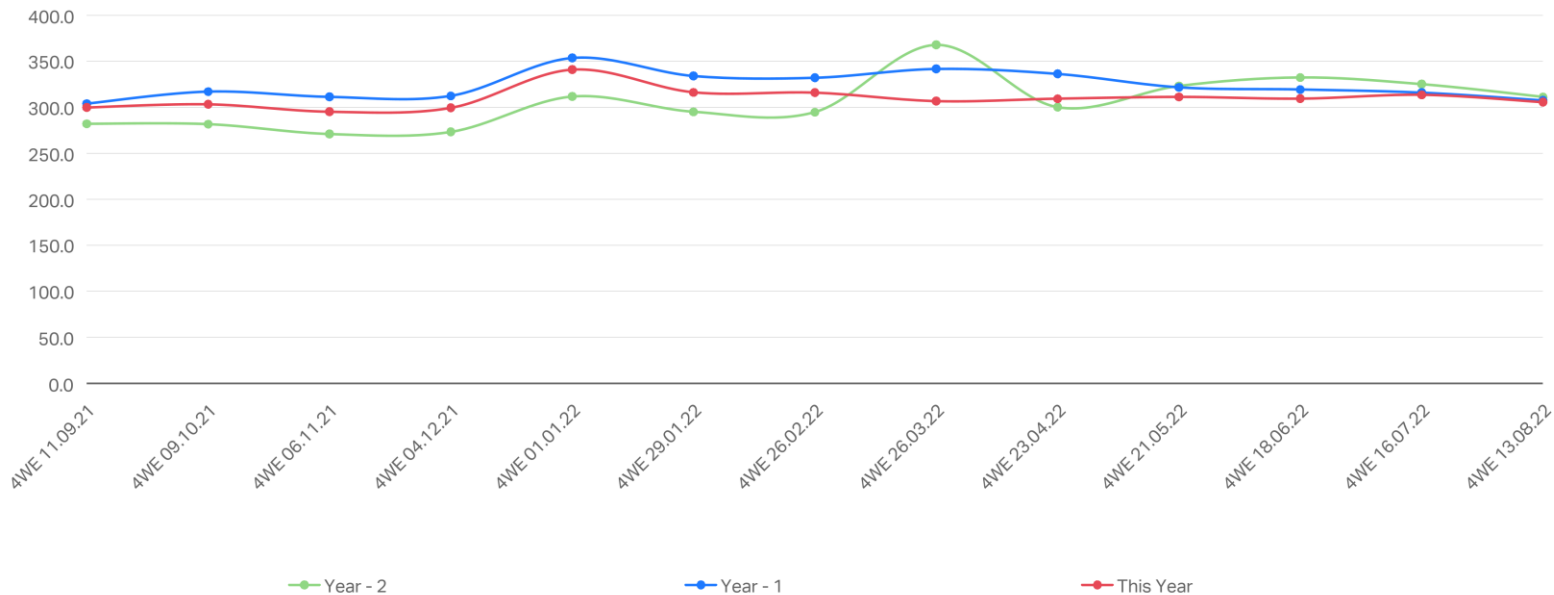


Country : United Kingdom Category : FISH
 MAT TY : Latest 52 Weeks - WE 13 August 2022 Compared with Year Ago

Seasonality has returned to normal post Covid

What is the market seasonality?

FISH - GB Total Coverage including Discounters - Value (in £M) - WE 13 August 2022

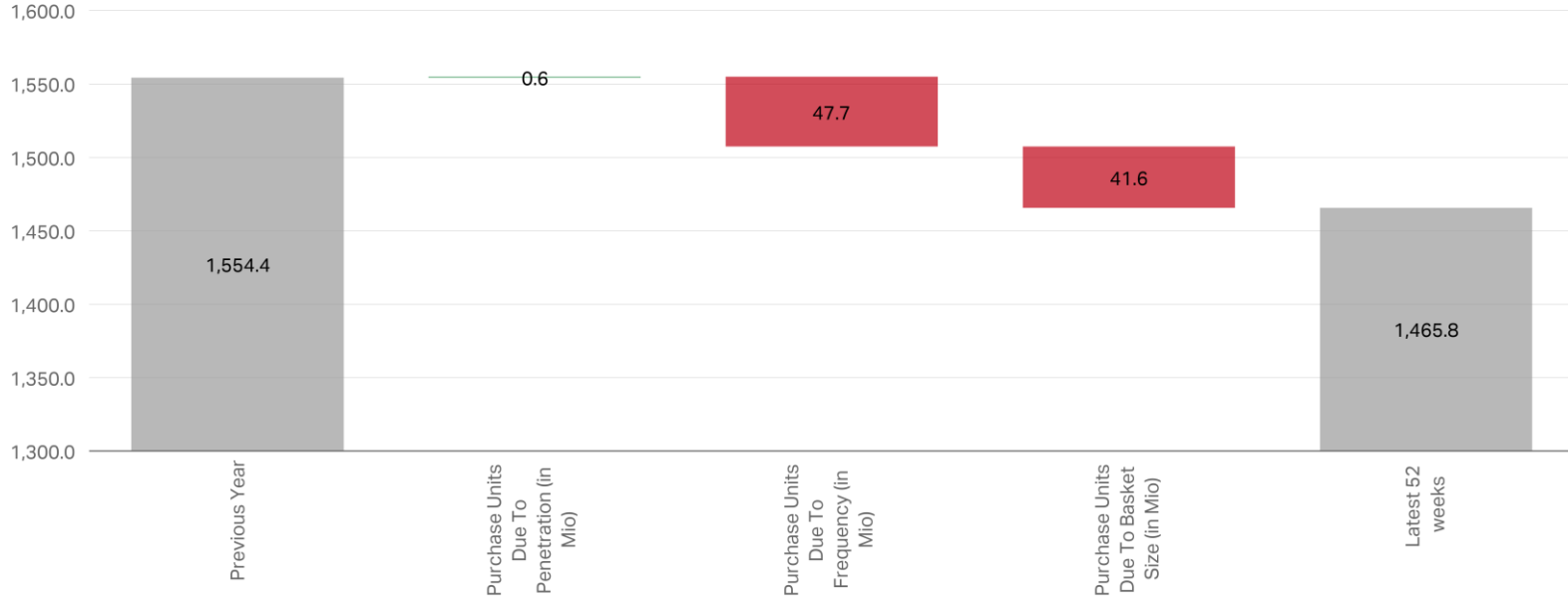


Country: United Kingdom Category: FISH
Compared with Year Ago

Losses in Fish were not driven by people exiting the category, but by reduced frequency of purchase and lower basket size

Purchase Drivers - Waterfall

TOTAL FISH - TOTAL GB - Purchase Units (in Mio) - 52 Weeks - WE 13 August 2022

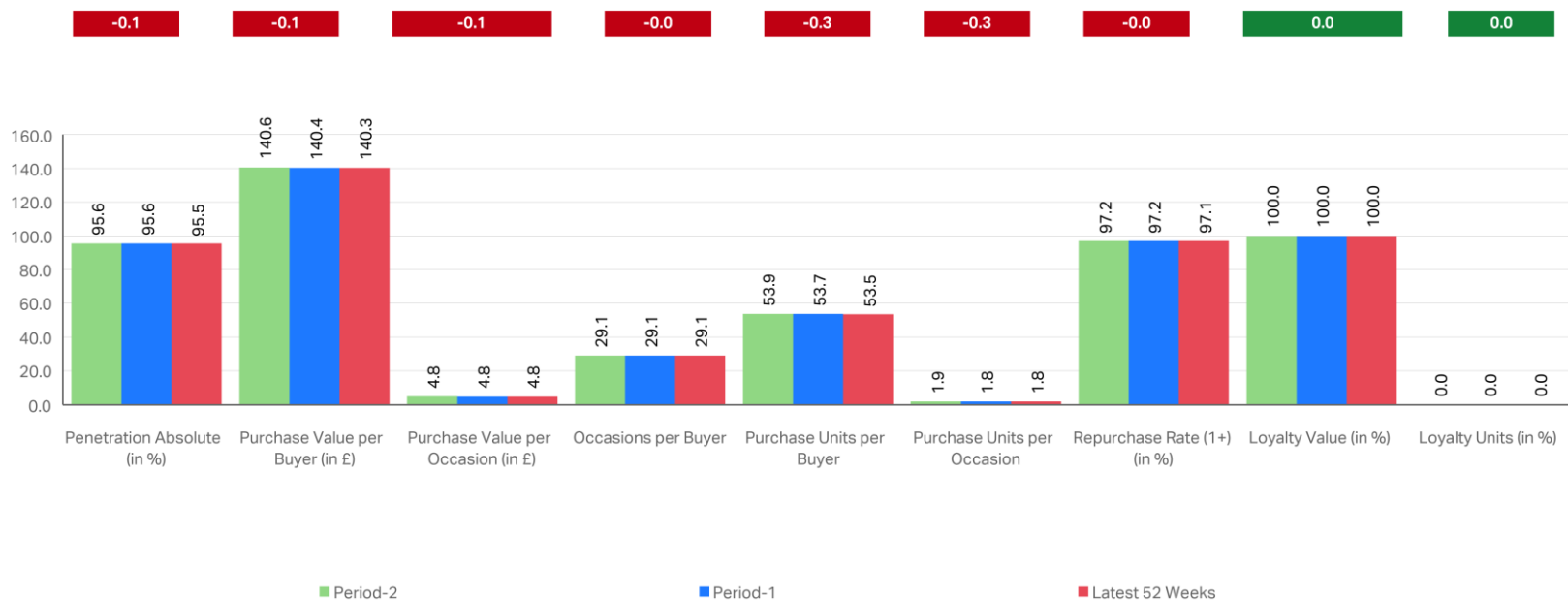


Country: United Kingdom Category: PANEL: TOTAL FISH (CT)
Compared with Year Ago WE 14 August 2021

Despite the turbulence of Covid, topline consumer behaviours on Fish buying are generally very stable over last 3 years

How do consumer KPIs of a product evolve over 3 periods?

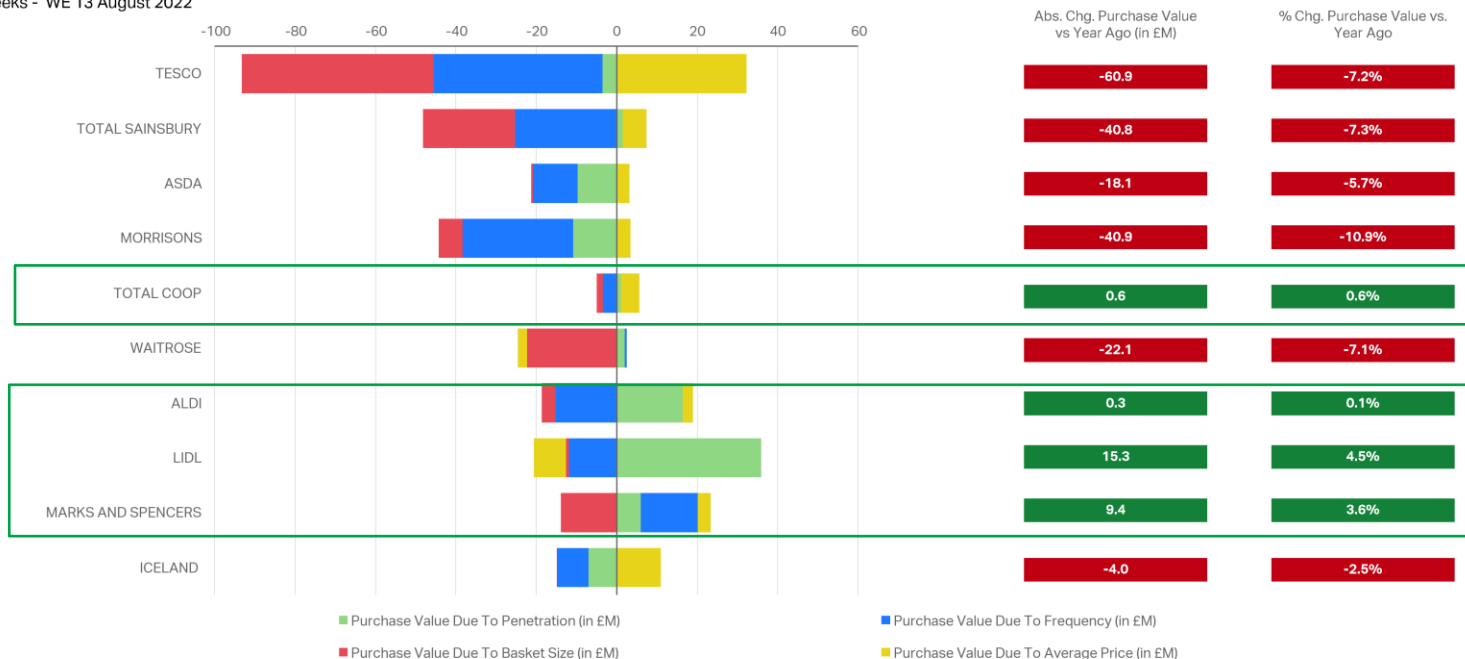
TOTAL FISH - TOTAL GB - Purchase Units - 52 Weeks - WE 13 August 2022



Country: United Kingdom Category: PANEL: TOTAL FISH (CT)
Compared with Previous Period

M&S and Co-Op did very well in Fish despite pushing through big price rises, while Lidl was responsible for most of the growth in the category

Purchase Drivers - Compare Markets
TOTAL FISH - 52 Weeks - WE 13 August 2022



Country : United Kingdom Category : PANEL: TOTAL FISH (CT)
Compared with Year Ago WE 14 August 2021

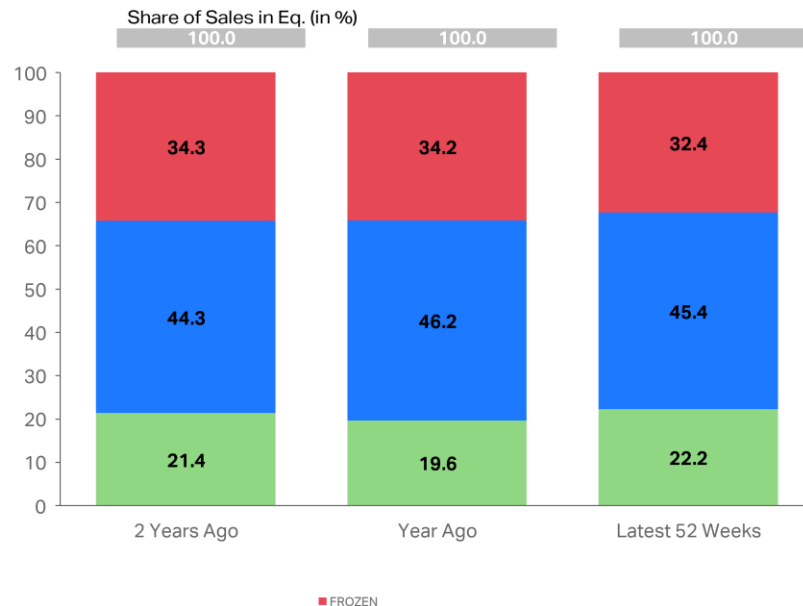
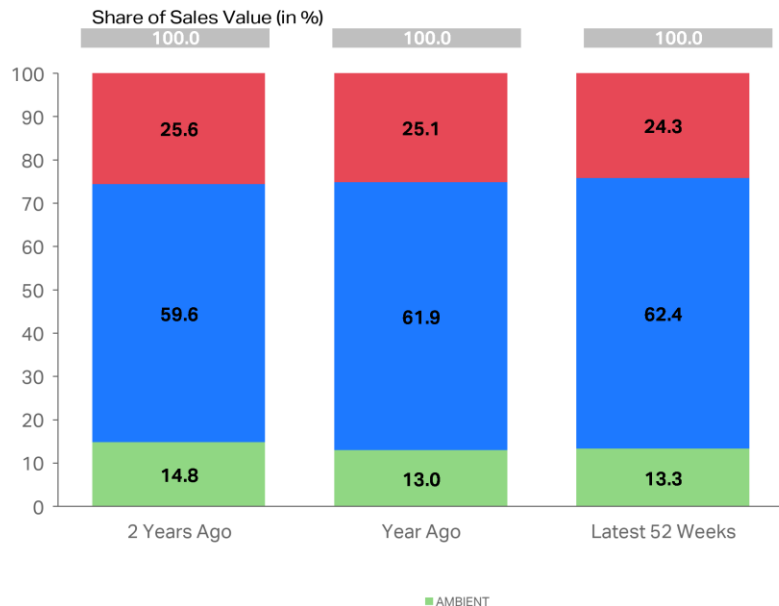


Seafood Sectors' and Proteins' Performance

Frozen continues to be squeezed, as Fresh takes a larger value share of the market despite volume shrinking

How do market shares / sales of products evolve over 3 periods?

GB Total Coverage including Discounters - MAT TY

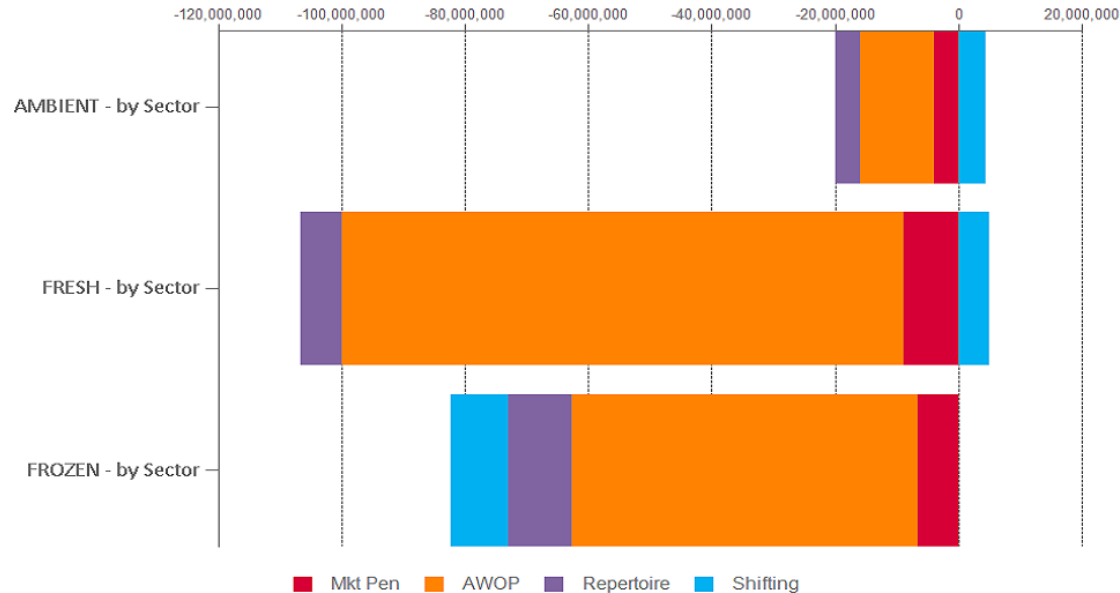


Shared vs. FISH
Country: United Kingdom Category: FISH MAT TY: Latest 52 Weeks - WE 13 August 2022

There have been people **shifting** from Frozen into Fresh and Ambient, but most of the losses have been down to reduced **Average Weight of Purchase** i.e. people buying less when they buy. **Penetration** has fallen, but this isn't the main loss driver

Total Fish - TOTAL UK inc Discounters – Switching Gains/Losses & Value % Share - 52 weeks to WE 13.08.22 vs YA

Gains / Losses (Value £)



Source: Nielsen Homescan & Scantrack data to: 13.08.22

Concerningly for Fresh, this picture has changed significantly in the last 12 weeks. Price rises have driven some Consumers to **exit all together**, while others coped by **buying less** and/or **shifting** into cheaper Ambient and Frozen sectors. Expect these trends to accelerate at the CoLC bites hard at Consumers' discretionary spend

Total Fish - TOTAL UK inc Discounters – Switching Gains/Losses & Value % Share - 12 weeks to WE 13.08.22 vs YA

Gains / Losses (Value £)

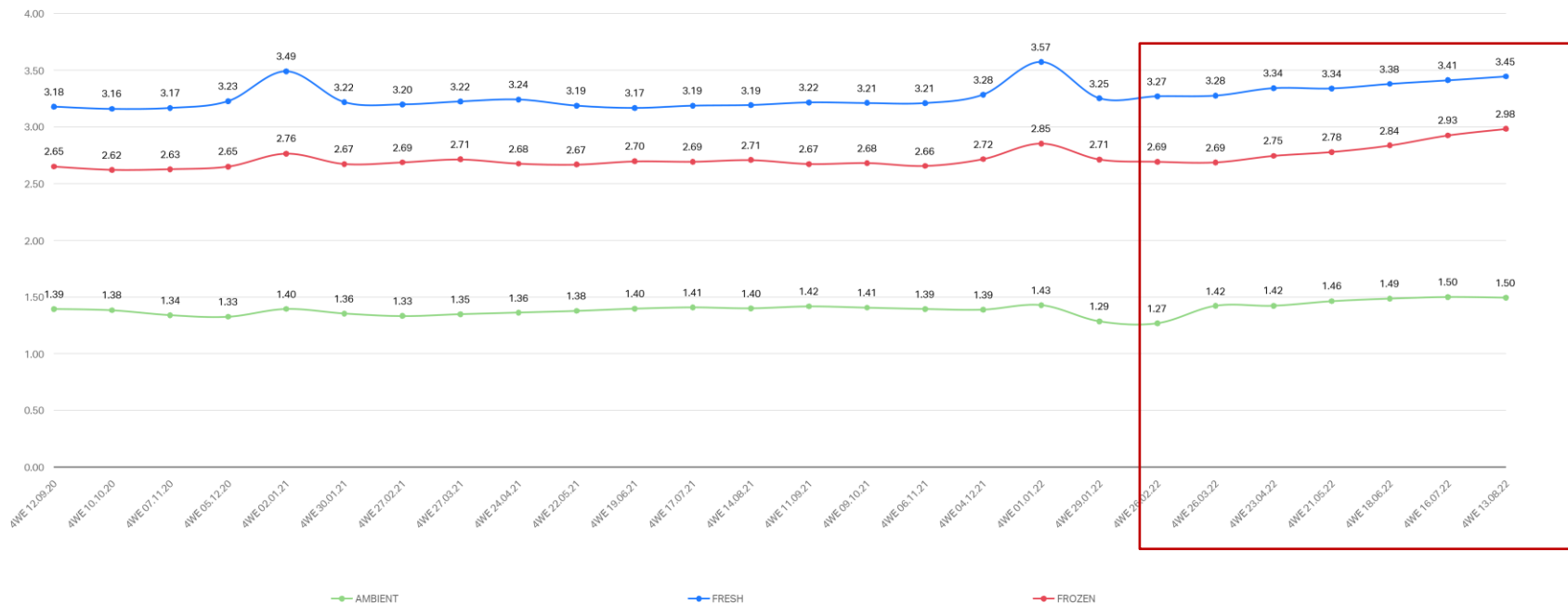


Source: Nielsen Homescan & Scantrack data to: 13.08.22

We can see the recent acceleration of inflation most strongly in **Fresh** and **Frozen**

KPIs - Comparisons

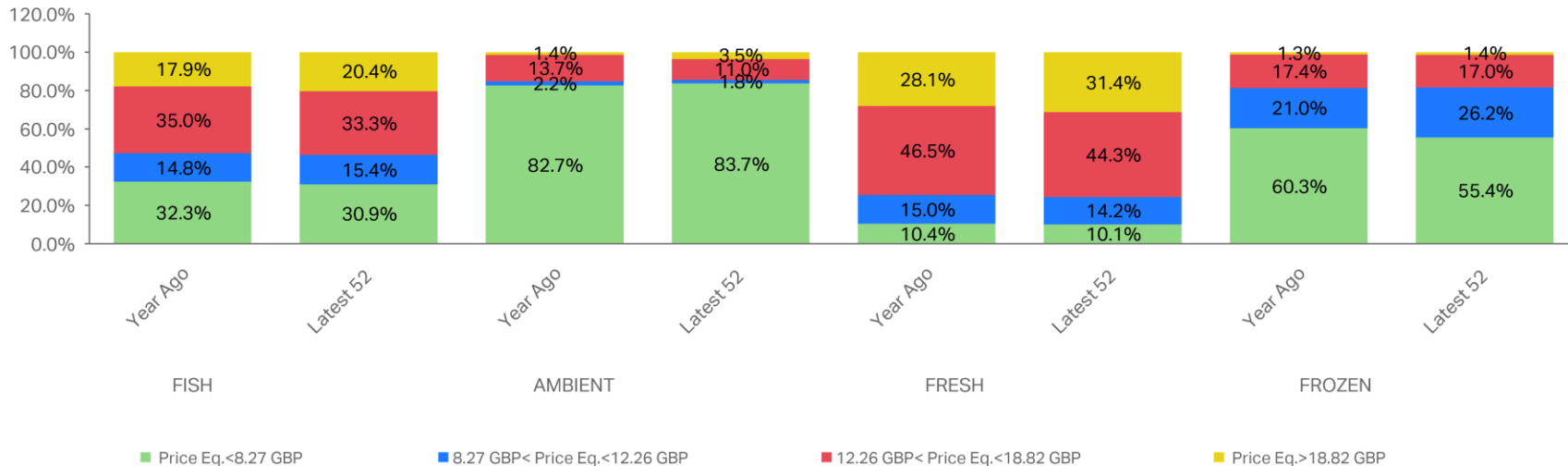
GB Total Coverage including Discounters - Price per Item (in £) - 26 Latest 4 Weeks - WE 13 August 2022



Benchmark Market: GB Total Coverage including Discounters Country: United Kingdom Category: FISH

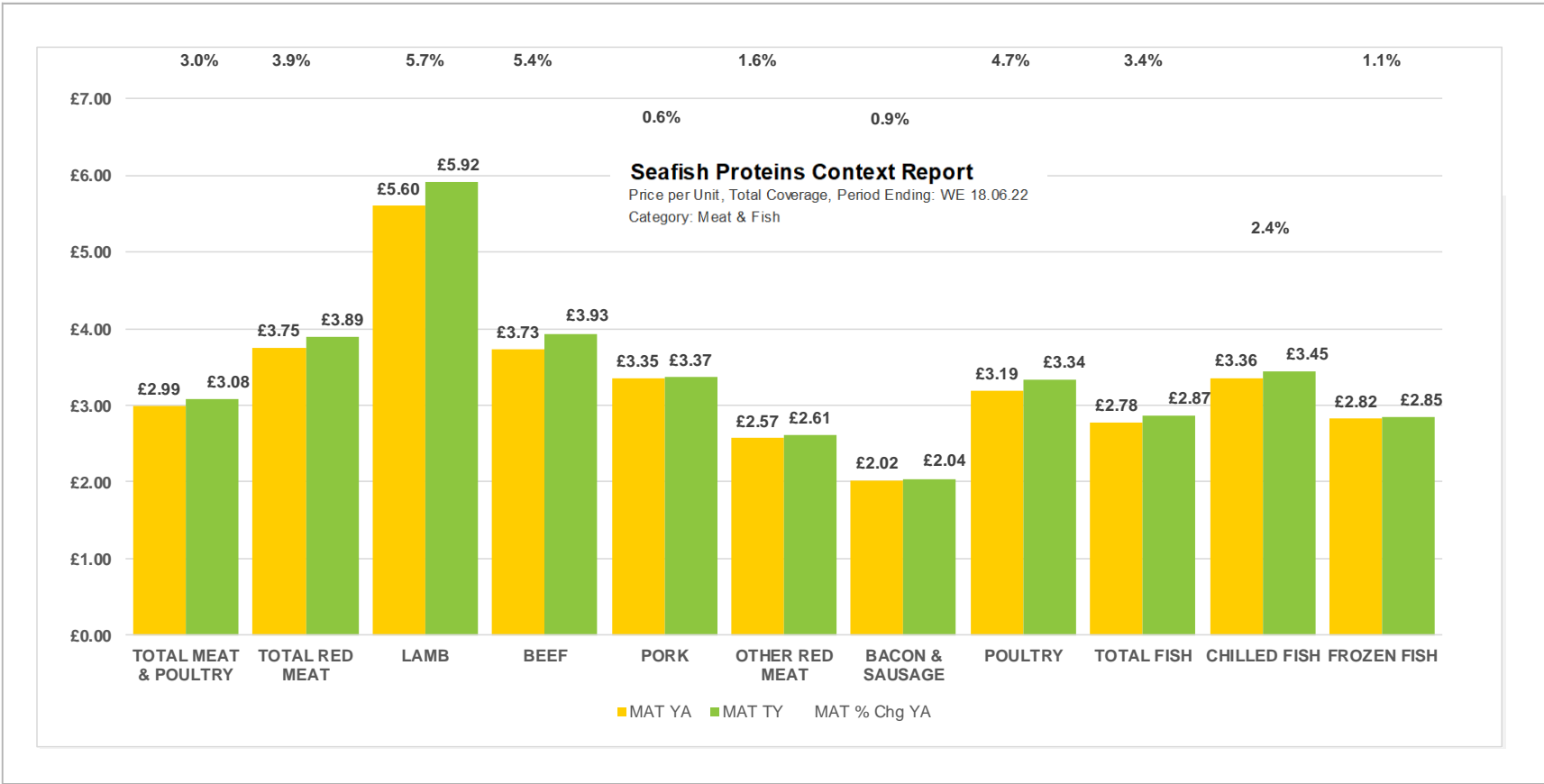
Top quartile of prices gaining value share, squeeze is in the upper middle. Key point is that we've not seen consumers trade down into the lowest price ranges, except in Ambient

How are the products' sales split by price ranges between 2 periods?
 GB Total Coverage including Discounters - Share of Sales Value (in %) - MAT TY - SKU Level

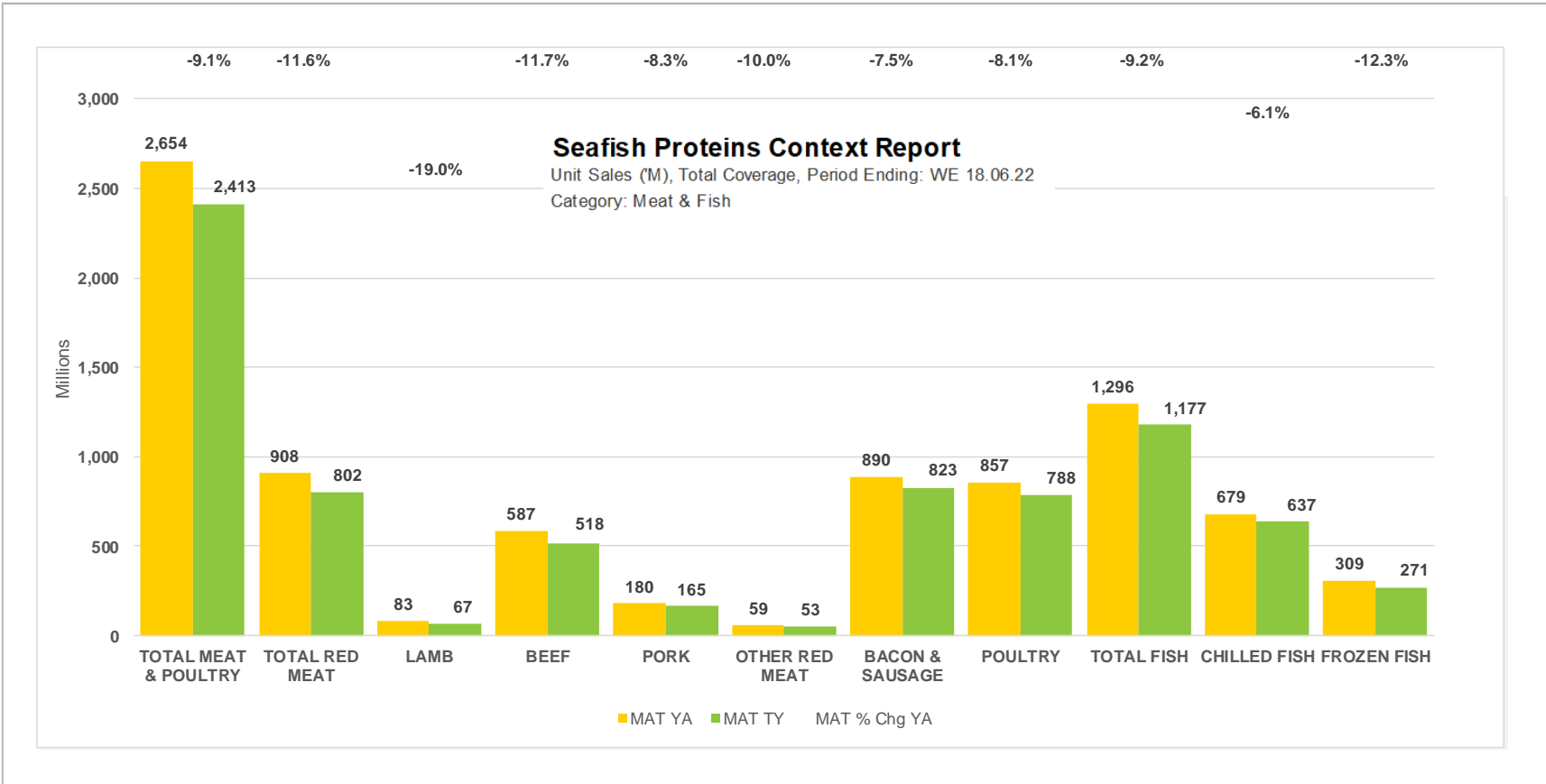


Shared vs. FISH
 Country : United Kingdom Category : FISH
 MAT TY : Latest 52 Weeks - WE 13 August 2022 Compared with Year Ago WE 14 August 2021

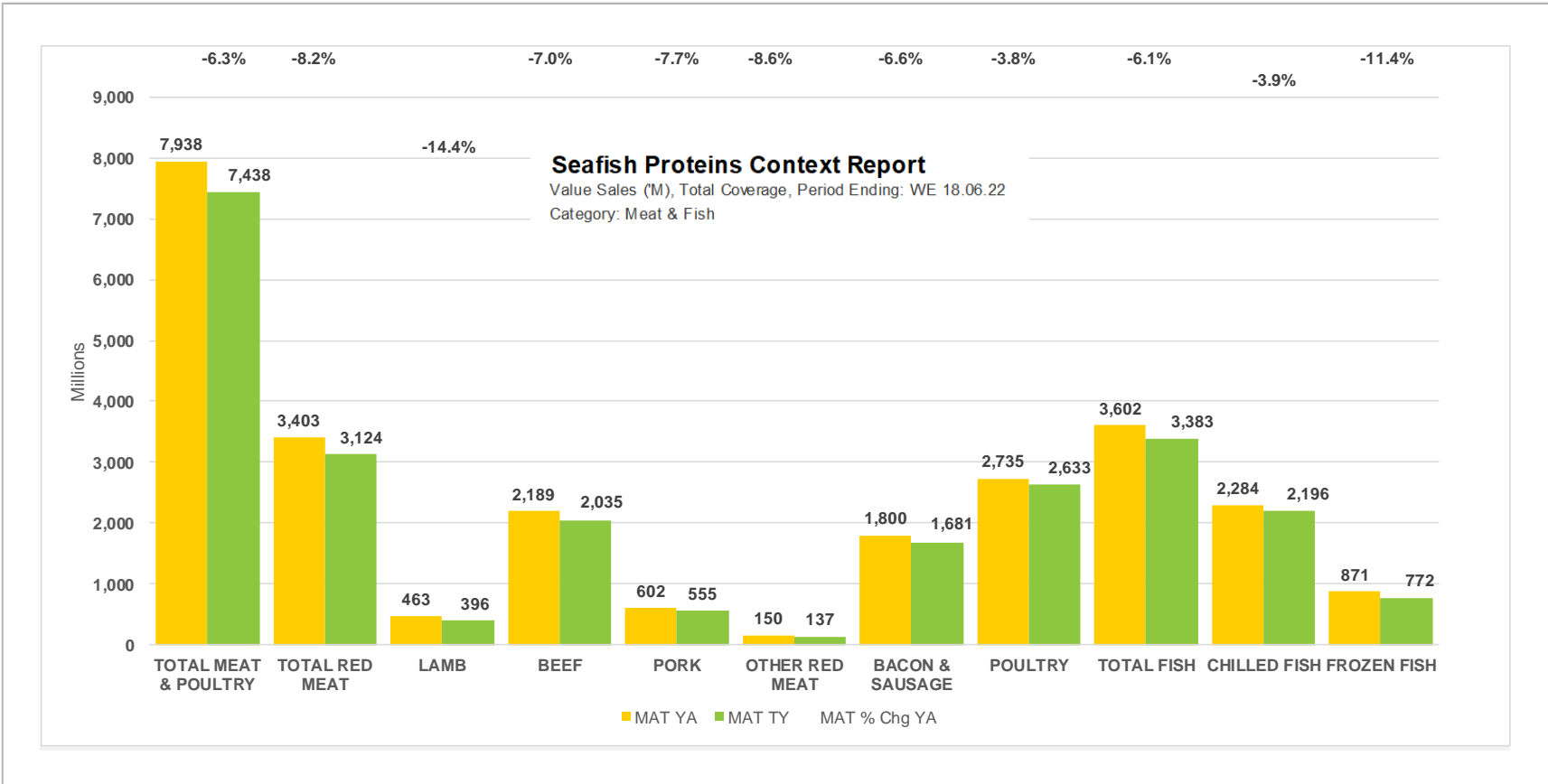
Fish categories were roughly in line with other protein types in price per unit rises, up 3.4% vs 3.0%



Unit sales fell in every protein category vs YA



Fish value performance was very mixed, with Chilled the 2nd best performing type of protein, but frozen the 2nd worst.



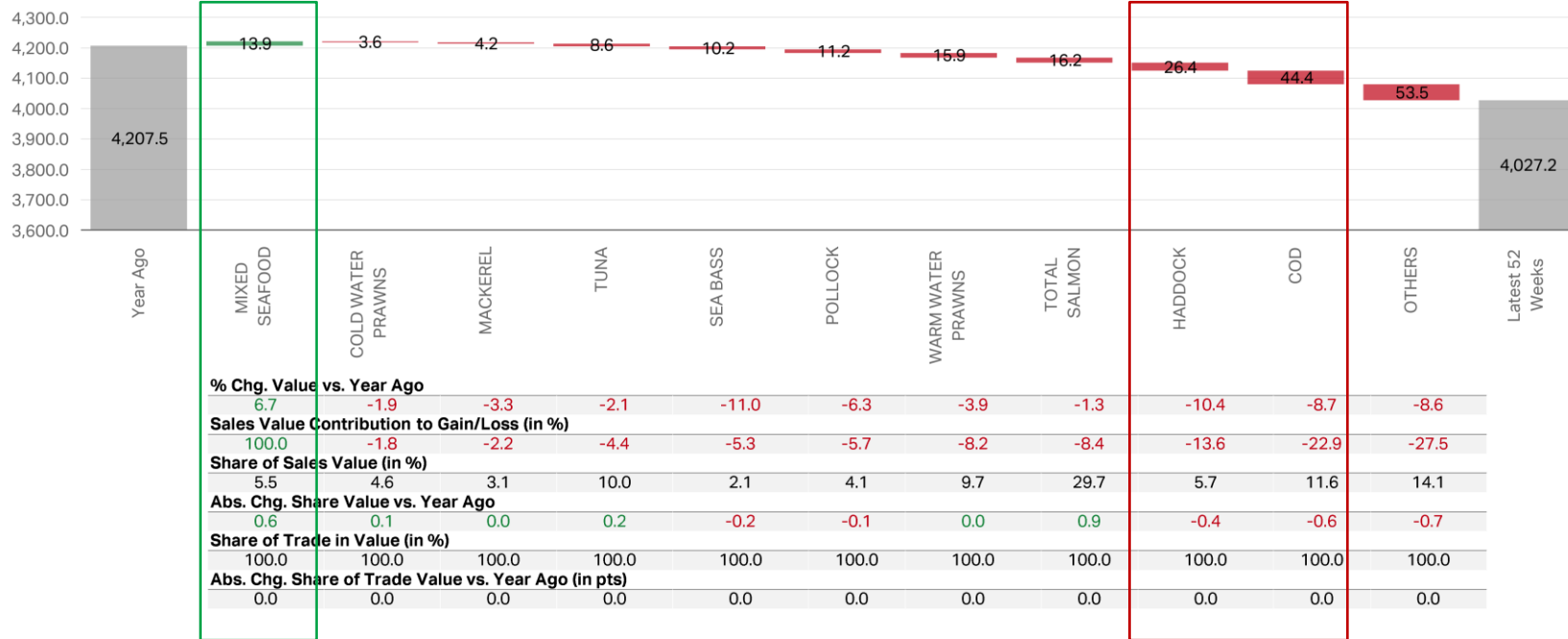


Species and Segments

Only “Mixed Seafood” gained value TY (£14m), while Cod (-£44m) and Haddock (-£26m) were the big losers; consumers either removed them from their repertoire entirely or reduced the amount they bought

How do products contribute to category gains / losses ?

GB Total Coverage including Discounters - Value (in EM)- MAT TY - % Chg. Value vs. Year Ago: -4.3

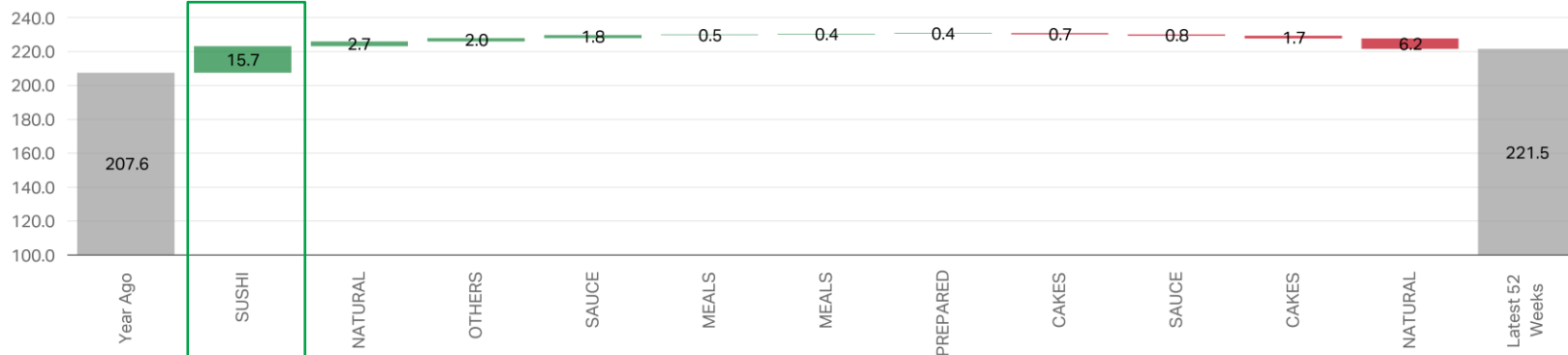


Shared vs. FISH
 Benchmark Market : GB Total Coverage including Discounters Country : United Kingdom Category : FISH
 MAT TY : Latest 52 Weeks - WE 13 August 2022 Compared with Year Ago WE 14 August 2021

Sushi is the fish 'type' driving those Mixed Seafood gains; follows on from 29% growth YA – key focus area

How do products contribute to category gains / losses ?

Total Coverage Including Discounters - Value (in EM) - MAT TY - % Chg. Value vs. Year Ago: 6.7



	SUSHI	NATURAL	OTHERS	SAUCE	MEALS	MEALS	PREPARED	CAKES	SAUCE	CAKES	NATURAL
% Chg. Value vs. Year Ago	26.4	11.3	38.0	42.5	0.7	18.3	6.3	-31.5	-42.3	-17.0	-29.2
Sales Value Contribution to Gain/Loss (in %)	67.2	11.6	8.4	7.5	2.1	1.7	1.5	-7.7	-8.2	-18.5	-65.6
Share of Sales Value (in %)	33.9	12.0	3.2	2.7	32.6	1.1	2.7	0.7	0.5	3.8	6.8
Abs. Chg. Share Value vs. Year Ago	5.3	0.5	0.7	0.7	-2.0	0.1	0.0	-0.4	-0.4	-1.1	-3.4
Share of Trade in Value (in %)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Abs. Chg. Share of Trade Value vs. Year Ago (in pts)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

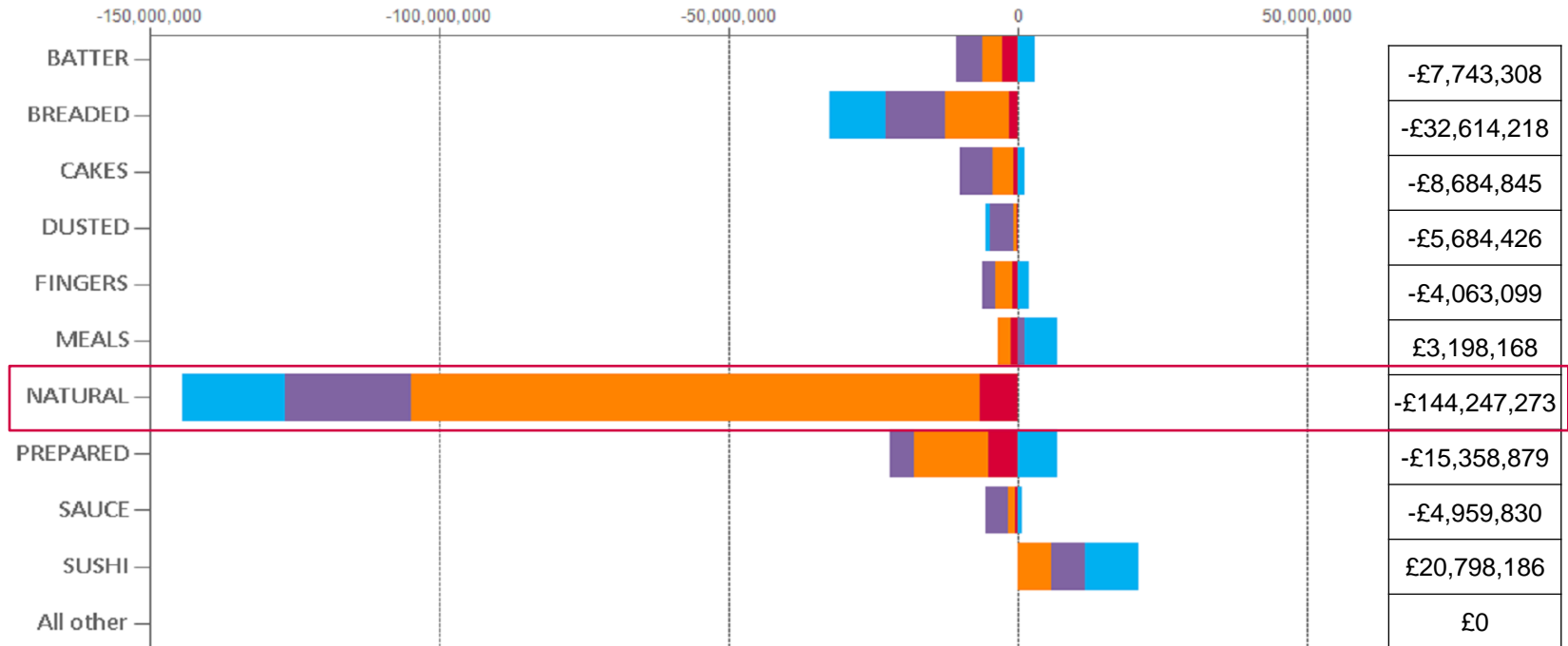
Shared vs. MIXED SEAFOOD

Benchmark Market: Total Coverage Including Discounters Country: United Kingdom Category: FISH

MAT TY: Latest 52 Weeks - WE 13 August 2022 Compared with Year Ago WE 14 August 2021

After driving huge (+£177m) growth last year, natural fish lost much of those gains (-£144m) this year. Some of that lost value shifted into Sushi

Total FMCG – Total GB – Purchase Value (in £M) – Gains/Losses by Drivers by Segments – 52 weeks to WE 14.08.21



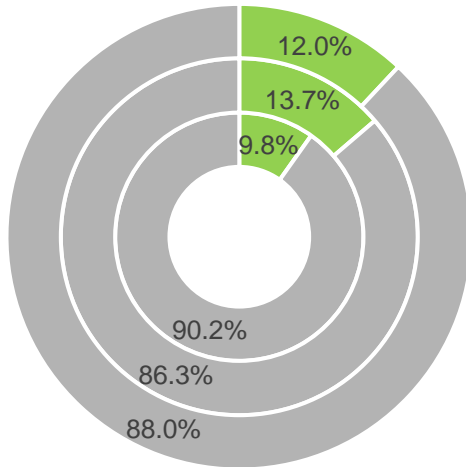
Source: Nielsen Homescan data to: 13.08.22



The Fish Consumer

Fish still over-indexes online vs FMCG, though the gap has shrunk as Covid threat has receded. Expect that this will be the long term floor for online now though, up ~2% from 2YA, rather than seeing further shrinkage

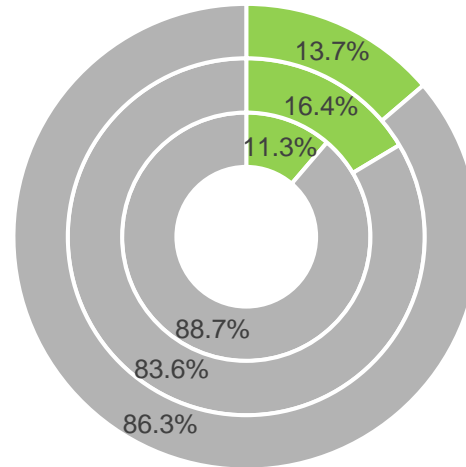
Total FMCG - Value % Share



■ Online ■ All Other

Inner = 52 w/e 15.08.20
 Middle = 52 w/e 14.08.21
 Outer = 52 w/e 13.08.22

Total Fish - Value % Share



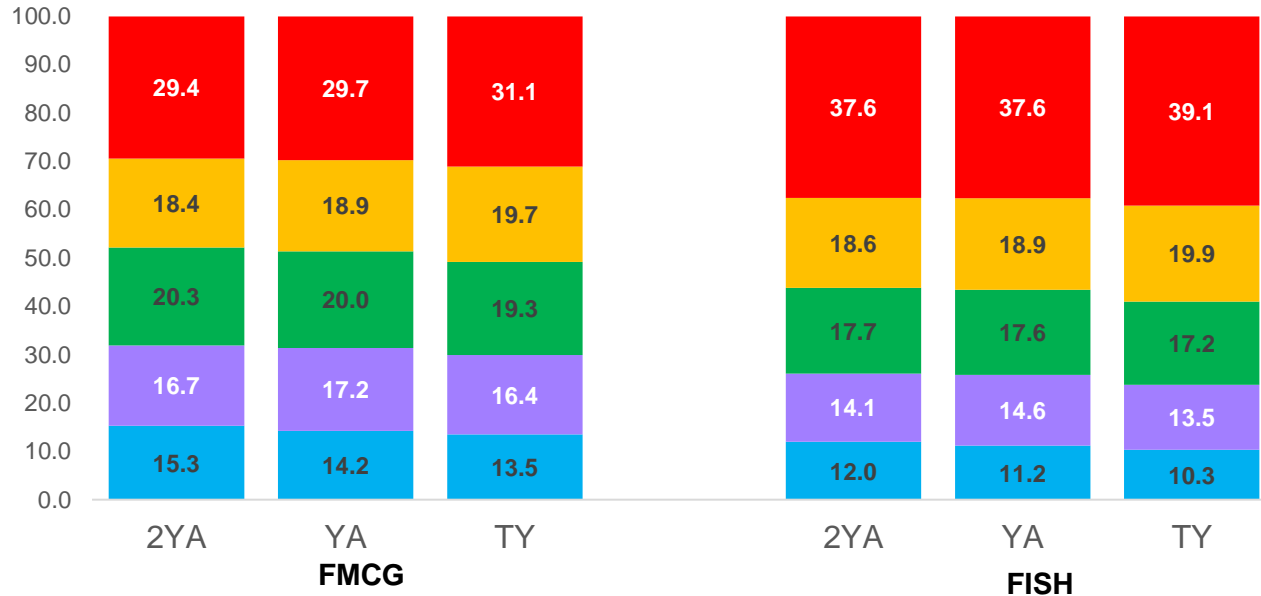
■ Online ■ All Other

Inner = 52 w/e 15.08.20
 Middle = 52 w/e 14.08.21
 Outer = 52 w/e 13.08.22

The over 55s now represent almost 3 fifths of total Fish spending (59%), up from 56.2% 2YA. The CoLC is exacerbating this, as younger consumers with less security/disposable income are forced either out of the category or to trade down

Total FMCG & Fish – Total GB – Value % share by Demographics – Data period to WE 13.08.22

Total GB – Value % Share by Age Demographics



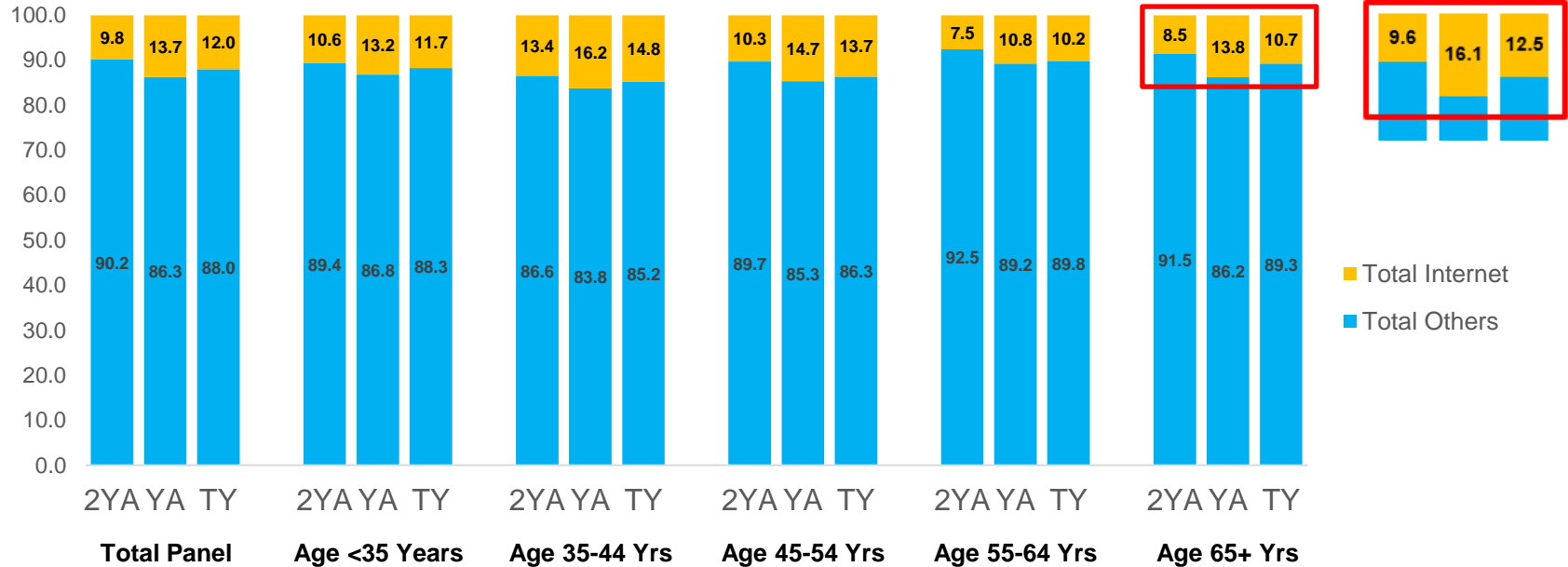
65+ consumers over index on fish vs FMCG by ~26%!

- Age 65+ Years
- Age 55 - 64 Years
- Age 45 - 54 Years
- Age 35 - 44 Years
- Age <35 Years

65+ year olds have bounced back hardest to old behaviours away from online, after being the key group impacted by Covid. The same pattern is seen in Fish Buyers behaviour

Total FMCG – Total GB – Value % share by channels – Data period to WE 13.08.21

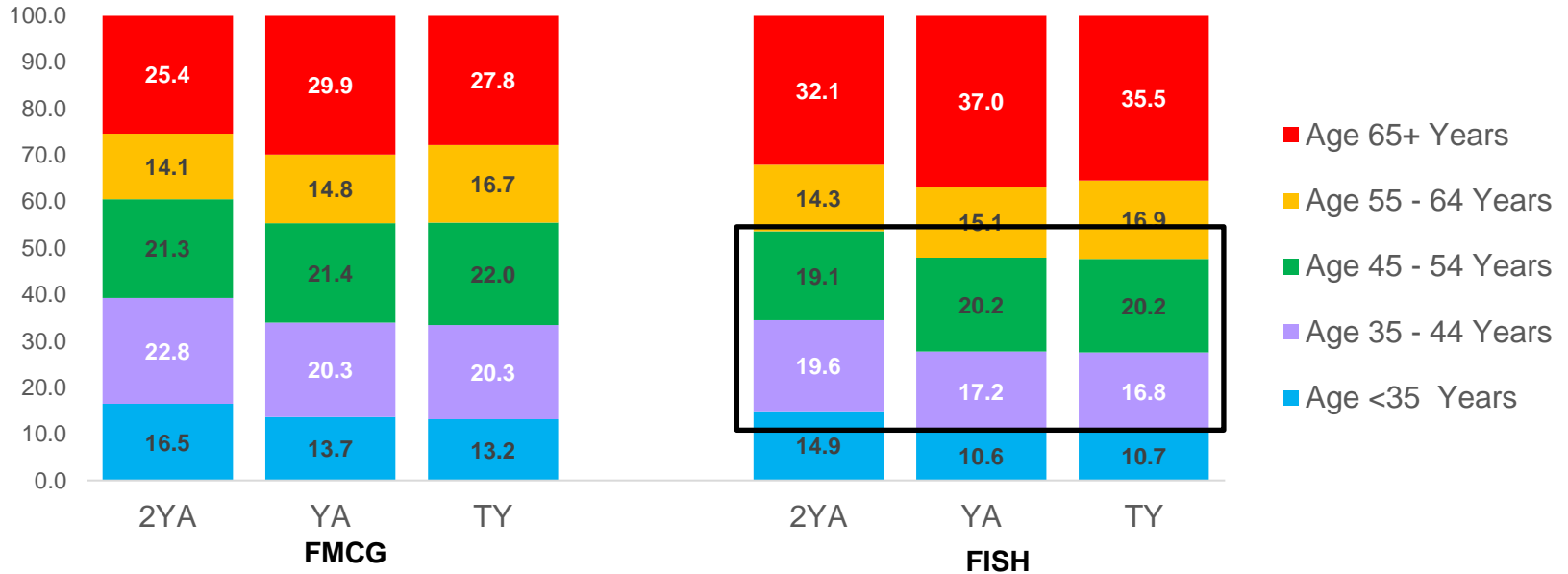
FMCG – Value % Share by Markets



The 35-54 age groups are the ones who overindex on Fish purchasing online compared with their offline purchase behaviour. However, 65+ still make up more than a third of online fish sales

Total FMCG & Fish – Total Internet – Value % share by Demographics – Data period to WE 13.08.22

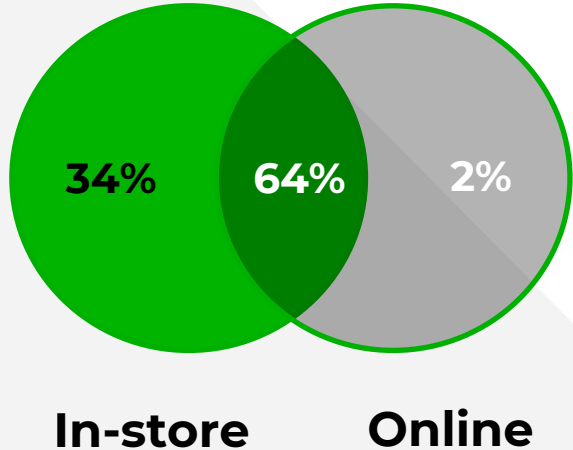
Total Internet – Value % Share by Age Demographics



Online: revolution to evolution. Traditional Online now part of more households routine, Rapid Delivery likely to drive further growth through capturing impulse missions – think about how to optimise online offering for your target consumers

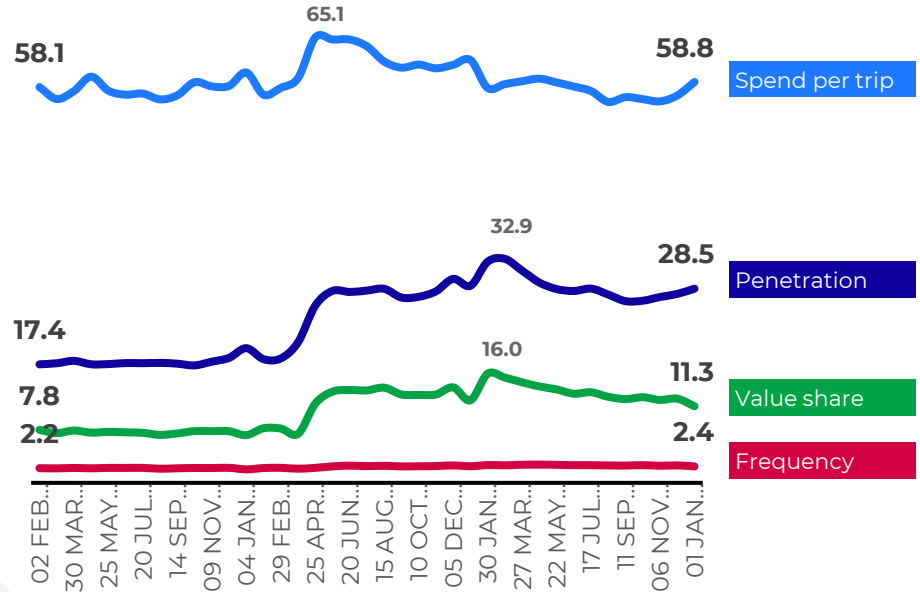
Omnishopper

FMCG – % households – 52 weeks



Online

FMCG – KPIs – 4 weekly





Any questions?

Thank you

For more details contact Richard.Watson@seafish.co.uk



Here to give the UK seafood sector
the support it needs to thrive.

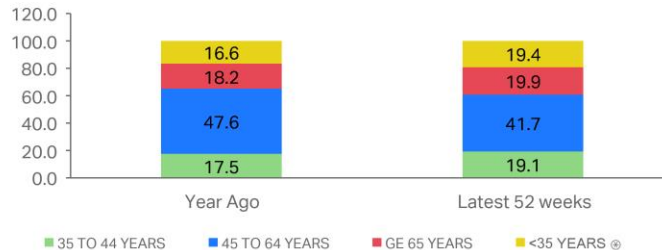
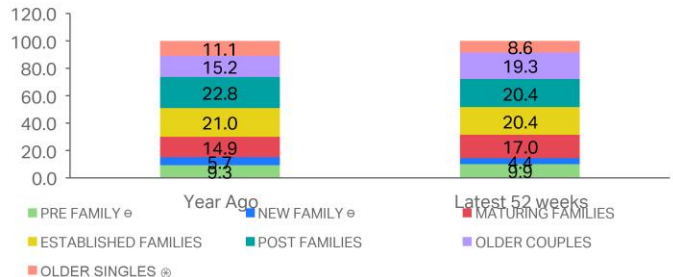
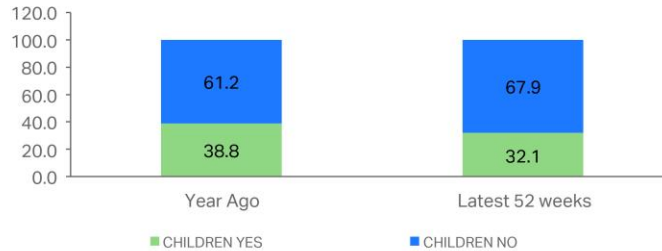


Appendix

Vs Total Fish, Sushi has more AB/C1s (69.5% vs 64.3%), more HHs with children (32.1% vs 21.2%), fewer older couples/singles (27.9% vs 56.2%) and more <45 year olds (38.5% vs 23.7%). Interestingly, all these gaps have closed vs YA as Sushi has gone more 'mainstream'

Demographics - Overview

MIXED SEAFOOD FRESH MIXED SEAFOOD SUSHI -TOTAL GB - Purchase Value (in £) - 52 Weeks - WE 10 September 2022

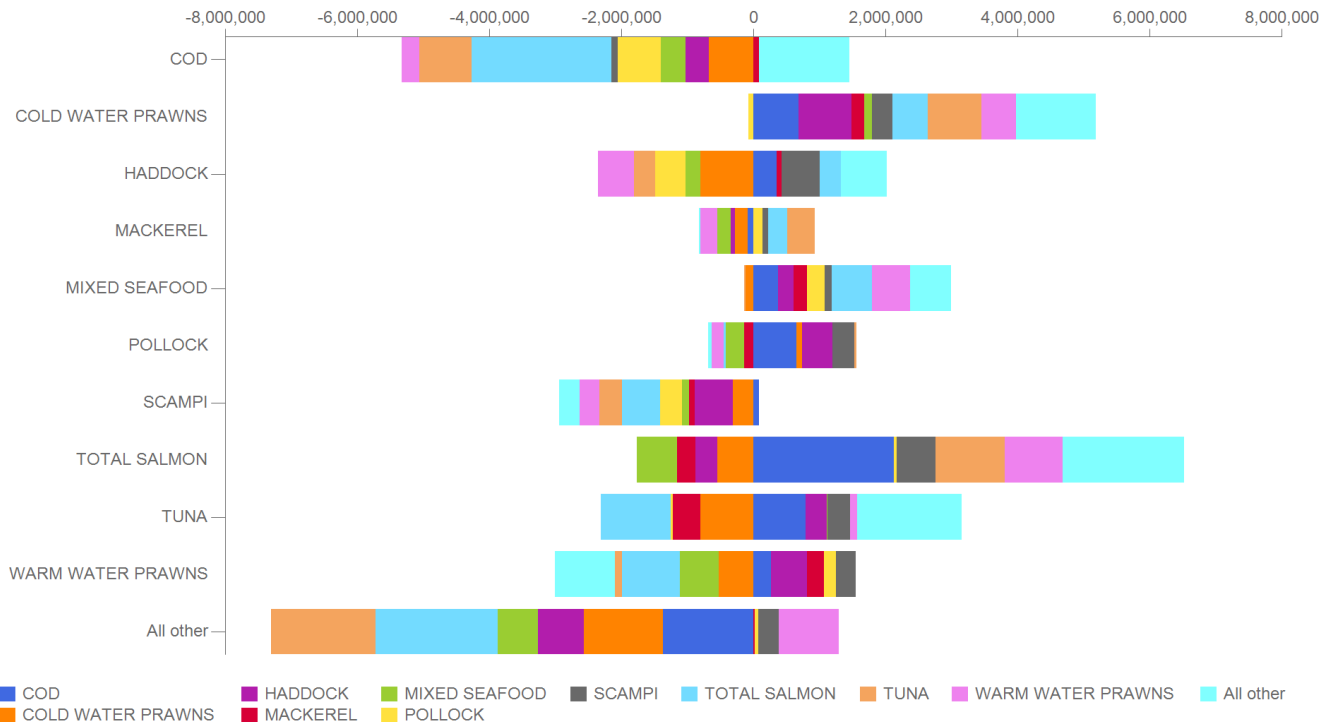


Watch out: @:Use with Caution, e:Use with high level of Caution, ©:Not Robust
 Country: United Kingdom Category: PANEL: TOTAL FISH (CT)
 Please note: the selected markets originate from different market hierarchies

In terms of White Fish, Cod has been losing to Pollock and Haddock, Haddock to Pollock. All of these interact more than you would expect based on size of market (see following slides) – which means there no longer seems to be any strong barriers on Consumers switching between these species

Source Of Shifting Gains Between Key Products

Total G.B. - 16/08/2020-14/08/2021 vs 15/08/2021-13/08/2022 - (£)

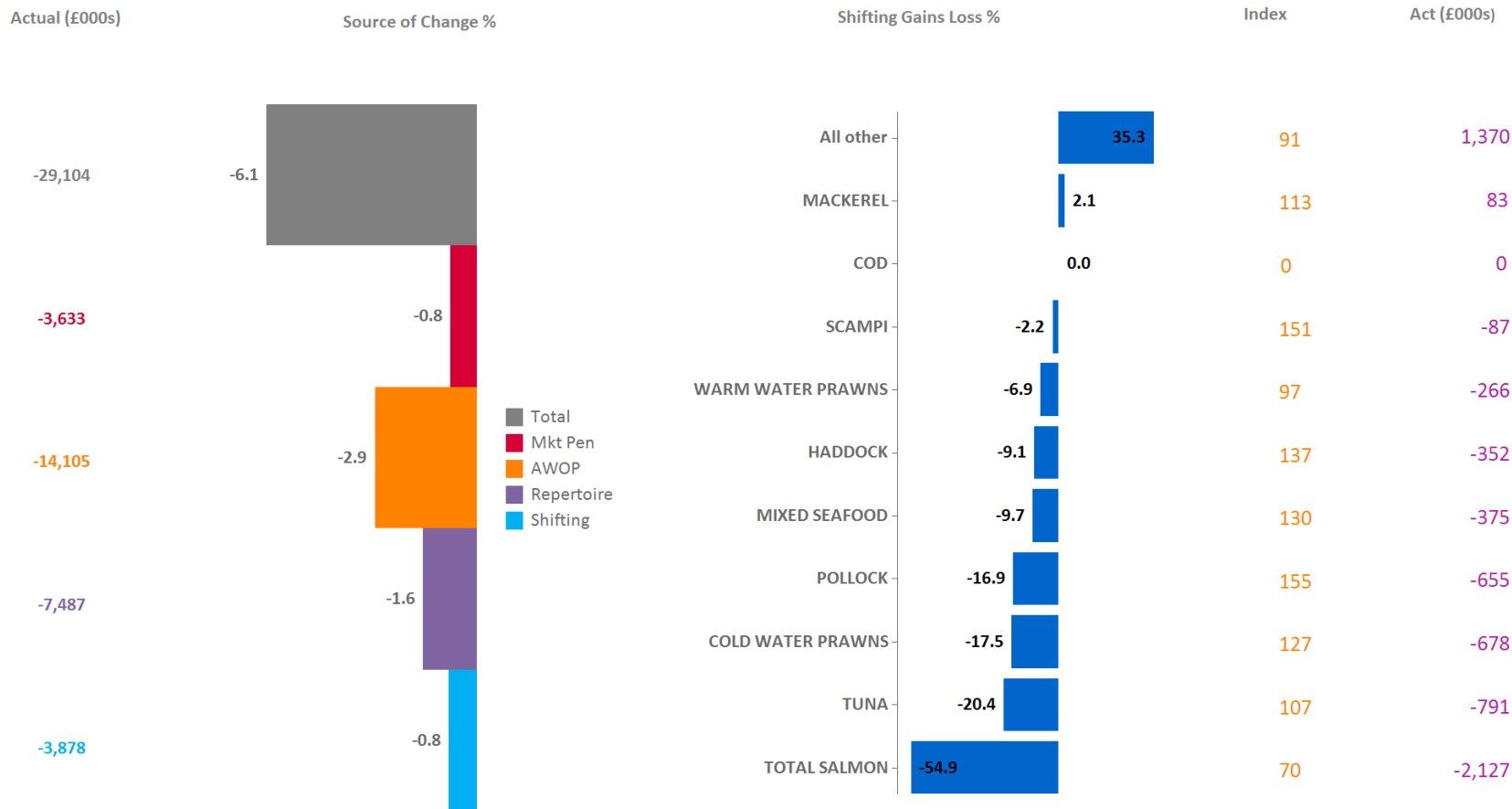


Source: Nielsen Homescan data to: 13.08.22

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What Are The Reasons A Product Has Changed In Value?

Total G.B. - COD - 16/08/2020-14/08/2021 vs 15/08/2021-13/08/2022 - Sales £000s



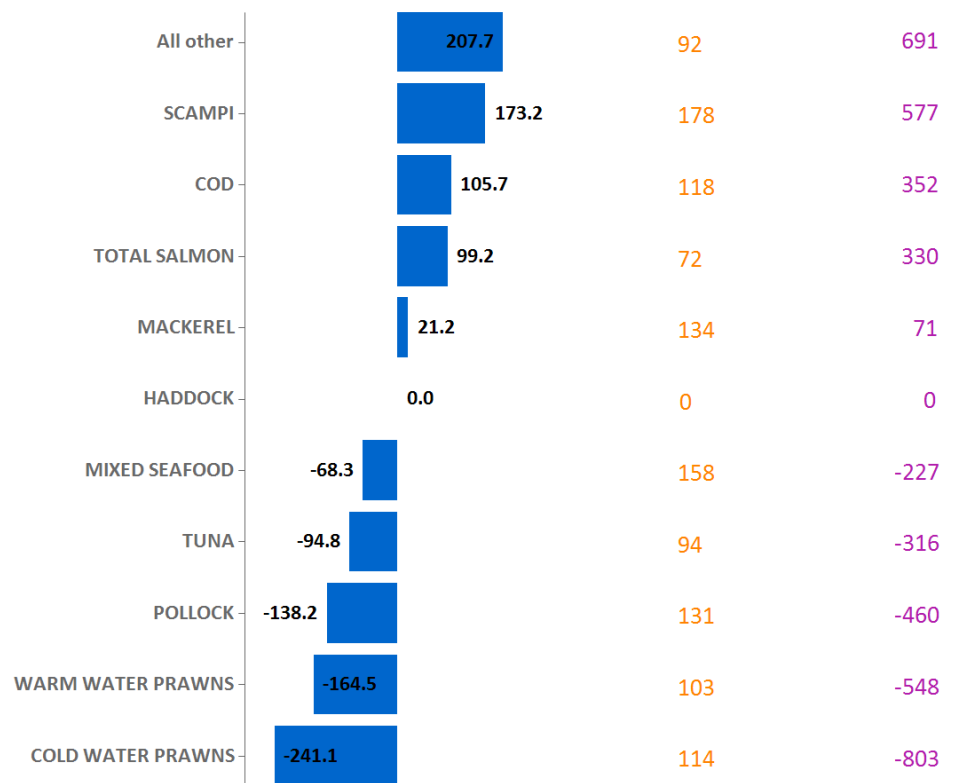
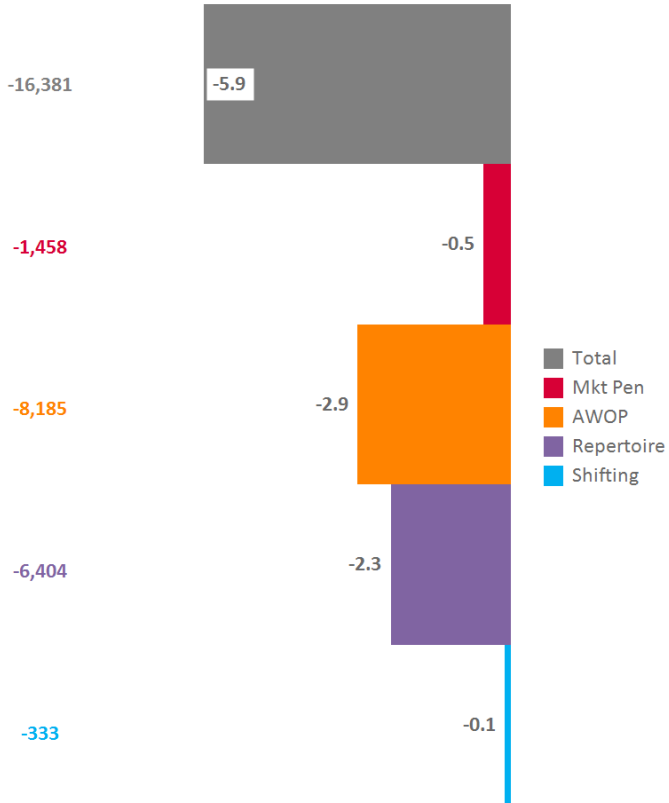
Actual (£000s)

Source of Change %

Shifting Gains Loss %

Index

Act (£000s)



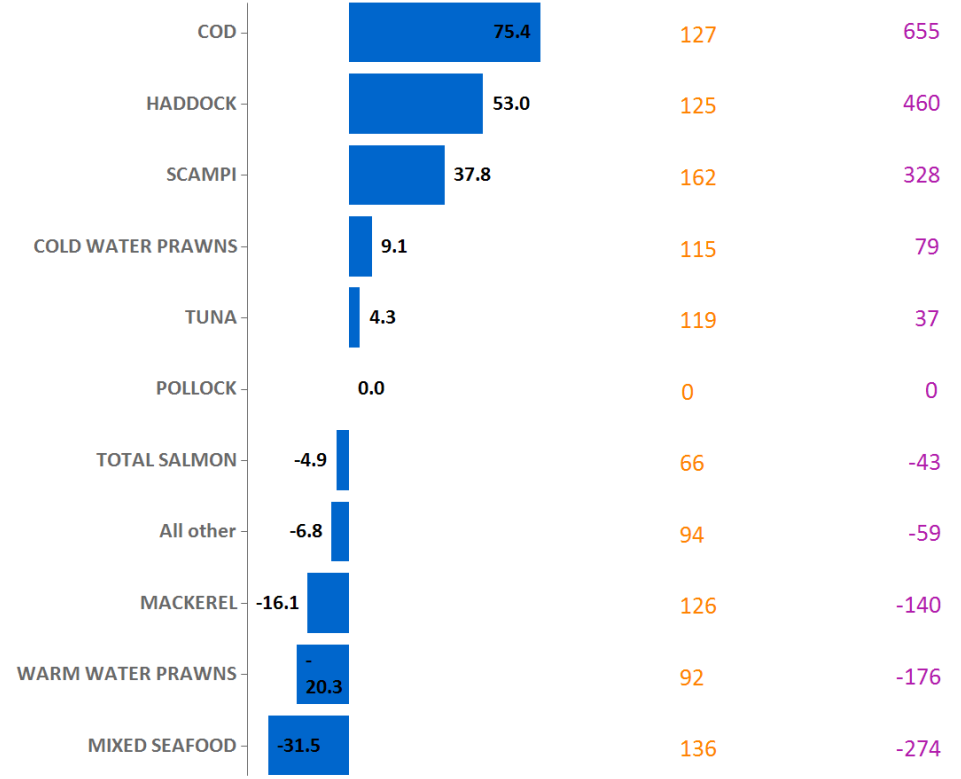
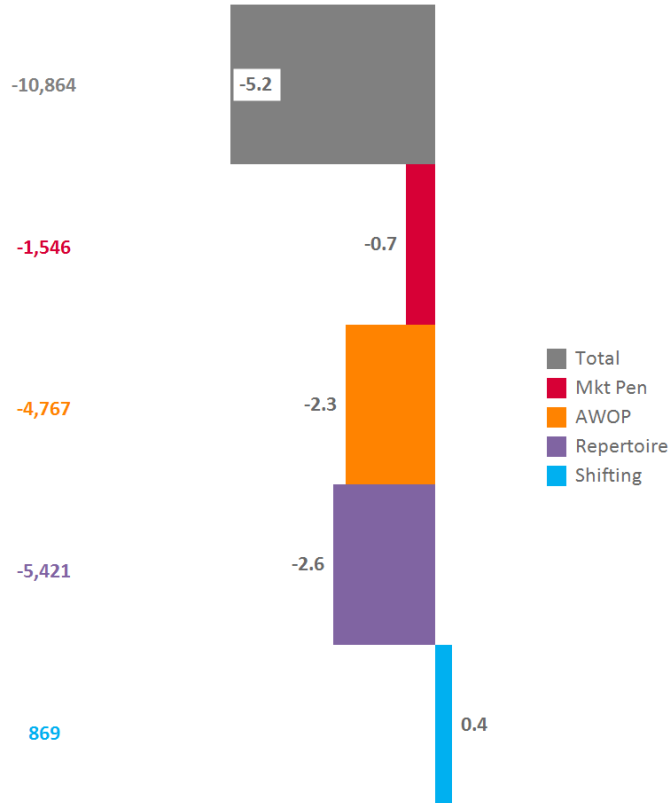
Actual (£000s)

Source of Change %

Shifting Gains Loss %

Index

Act (£000s)



Mixed Seafood Groups

Selection	Σ ↓
MIXED SEAFOOD FRESH MIXED SEAFOOD MEALS	
MIXED SEAFOOD FRESH MIXED SEAFOOD SUSHI	
MIXED SEAFOOD FRESH MIXED SEAFOOD NATURAL	
MIXED SEAFOOD FROZEN MIXED SEAFOOD NATURAL	
MIXED SEAFOOD FRESH MIXED SEAFOOD CAKES	
MIXED SEAFOOD FRESH MIXED SEAFOOD PREPARED	
MIXED SEAFOOD FRESH MIXED SEAFOOD SAUCE	
MIXED SEAFOOD FROZEN MIXED SEAFOOD MEALS	
MIXED SEAFOOD FROZEN MIXED SEAFOOD CAKES	
MIXED SEAFOOD FROZEN MIXED SEAFOOD SAUCE	