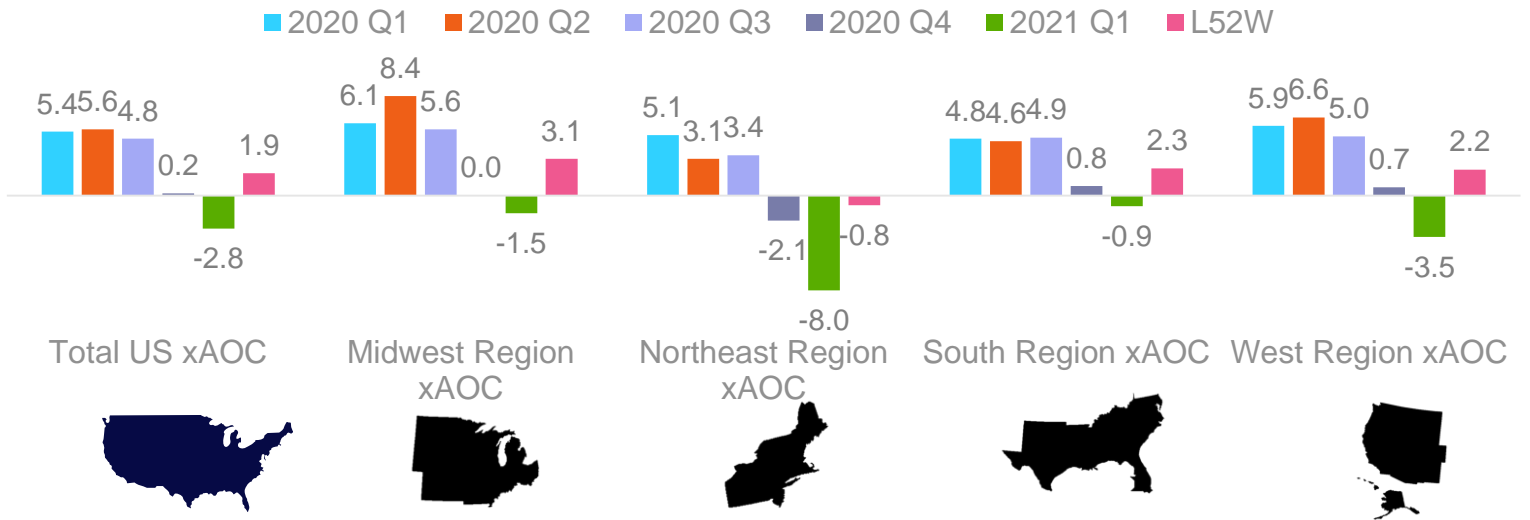


2021 Q1 COVID-19 update

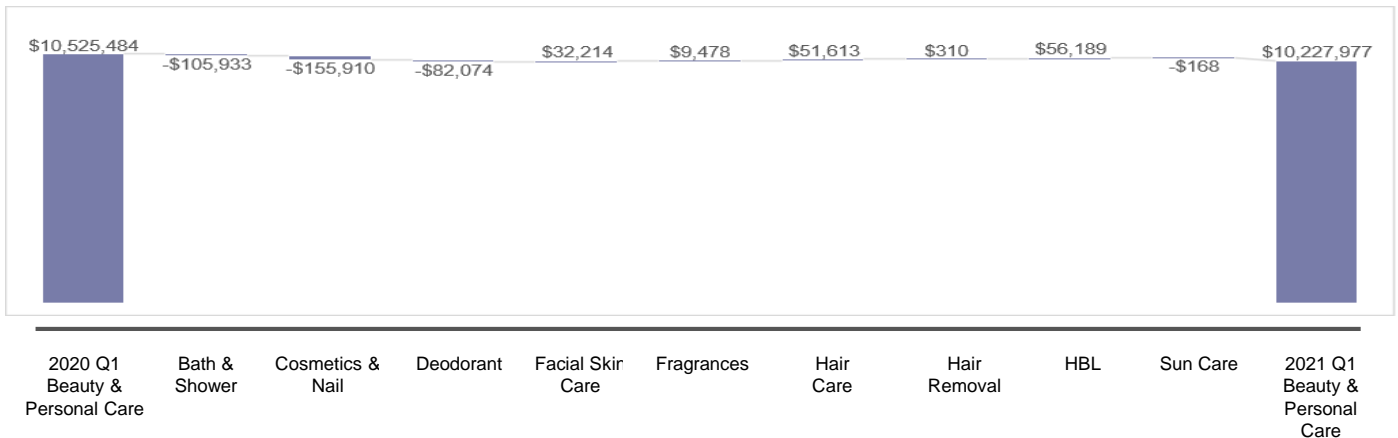
Tracking the impact on FMCG and Retail

Beauty and Personal Care dollar volume % change

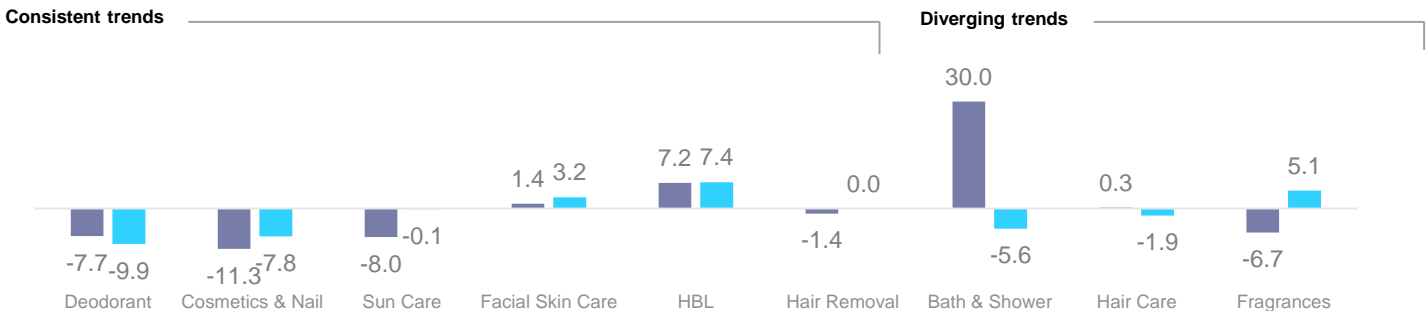


Key takeaway: At the beginning of 2020, the US was in lockdown and saw an uptick of unsustainable, unusual activity. As we lap last year's stock up period, we are seeing dips in 2021 Q1 Beauty and Personal Care consumption vs YA across regions, returning to a new normal.

2021 Q1 Beauty & Personal Care category volume decomposition



L52W vs Q1 buying patterns (% chg vs YA)



Key takeaway: Over the COVID year, Beauty and Personal Care saw some in-store growth (+1.9%), largely driven by Bath and Shower, with losses in Cosmetics and Nail. Compared to Q1 2020, the stock ups for Bath and Shower have declined. In Q1 2021, there is sustained growth in Facial Skin Care consumption and some recovery of Fragrances and Sun Care, as vaccines are administered and restrictions lifted.

Source: NielsenIQ AOD; Beauty & Personal Care (Bath & Shower, Cosmetics & Nail, Deodorant, Facial Skin Care, Fragrances, Hair Care, Hair Removal, HBL, Sun Care) xAOC, Census Regions; L52 WE 03/27/2021), 2021 Q1 (L13 WE 03/27/2021), 2020 Q1 (L13 WE 03/28/2020), 2020 Q2 (L13 WE 06/27/2020), 2020 Q3 (L13 WE 09/26/2020), 2020 Q4 (L13 WE 12/26/2020)

2021 Q1 COVID-19 update

Tracking the impact on FMCG and Retail

COVID in review

Outlet	% HH Penetration	Purchase Size	Trips
Total Outlets	98.1 (-0.1%)	\$51.0 (+6.4%)	3.5MM (+0.7%)
xAOC	96.1 (-0.6%)	\$49.1 (+5.6%)	2.7MM (-2.0%)
Grocery	69.7 (+1.7%)	\$44.2 (+4.5%)	727K (+1.9%)
Drug	42.4 (-3.5%)	\$36.3 (+12.4%)	389K (-6.5%)
Mass	78.5 (-2.6%)	\$54.4 (+3.6%)	1.3MM (-3.5%)
Dollar	47.2 (-4.6%)	\$38.3 (-1.5%)	570K (-4.2%)

Source: NielsenIQ Homescan; Beauty & Personal Care (Bath & Shower, Cosmetics & Nail, Deodorant, Facial Skin Care, Fragrances, Hair Care, Hair Removal, HBL, Sun Care) across outlets; L52 WE 03/27/2021

Category	% HH Penetration	Purchase Size	Purchase Frequency
Beauty and Personal Care	96.1 (-0.6%)	\$49.1 (+5.6%)	22.8 (-1.8%)
Bath and Shower	87.5 (+1.7%)	\$37.6 (+7.6%)	9.7 (+13.9%)
Cosmetics and Nail	72.3 (-4.3%)	\$103.6 (+10.3%)	6.6 (-8.8%)
Deodorant	70.3 (-6.5%)	\$5.0 (+0.7%)	4.4 (-9.5%)
Facial Skin Care	50.9 (-3.2%)	\$14.1 (+6.9%)	4.2 (-0.7%)
Fragrances	16.5 (-12.1%)	\$6.2 (+10.2%)	2.6 (-2.6%)
Hair Care	83.5 (-2.1%)	\$22.0 (+2.2%)	8.4 (-5.6%)
Hair Removal	52.9 (-6.8%)	\$8.5 (+0.5%)	3.6 (-3.4%)
HBL	57.1 (-1.5%)	\$16.0 (+0.9%)	3.8 (+2.4%)
Sun Care	28.3 (-14.6%)	\$9.8 (+0.8%)	2.0 (+2.4%)

Source: NielsenIQ Homescan Beauty & Personal Care (Bath & Shower, Cosmetics & Nail, Deodorant, Facial Skin Care, Fragrances, Hair Care, Hair Removal, HBL, Sun Care) xAOC; L52 WE 03/27/2021

Key takeaway: Over the last year, consumers shifted the outlets they frequented; more buyers fulfilled their Beauty and Personal Care needs by shopping at Grocery stores. Consumers made larger purchases and fewer shopping trips to avoid risk of exposure to COVID. This behavior was especially seen with Cosmetics and Nail as well as Fragrance consumption.

2021 Q1 COVID-19 update

Tracking the impact on FMCG and Retail

In the news

NPR

More Than Half Of U.S. Adults Have Gotten At Least One COVID-19 Vaccine Dose

The CDC reported a hopeful statistic in the country's fight against the coronavirus on Sunday. On Monday, every adult in the country will be ...



The New York Times

Covid-19: Fauci Says Ending Mask Mandates Is 'Risky'

Fewer than half of states are giving vaccine access to U.S. Postal Service workers. A frat-party-fueled outbreak prompts Duke to quarantine ... 1 month ago



AP News

US colleges divided over requiring student vaccinations

BOSTON (AP) — U.S. colleges hoping for a return to normalcy next fall ... students to get the COVID-19 vaccine, including whether they should — or ... from a campus mask mandate two weeks after they are fully vaccinated.



The Texas Tribune

Almost 70% of Texans served by ERCOT lost power in winter storm, study says

Related News · At least 111 people died in Texas during winter storm, most from hypothermia. March 25, 2021 · Texas' natural gas and power ...



Total Beauty and Personal Care e-commerce

2021 Q1 vs 2020 Q1

Amazon	\$2.60 billion	+21.0%
Sephora	\$629 million	+41.7%
Ulta Beauty	\$455 million	+69.7%
Target	\$335 million	+206.3%

\$6.1 billion
+32.7%

Beauty and Personal Care
E-commerce

\$432 million
+125.4%

Beauty and Personal Care
Click & Carry

\$5.6 billion
+28.6%

Beauty and Personal Care
Shipped

Key takeaway: Beauty and Personal Care sales have seen strong online growth. Amazon continues to dominate the Total Beauty and Personal Care volume online. Target's growth exploded (+206.3%), propelling the retailer to be the #4 eComm merchant for Beauty and Personal Care, following large beauty retailer Ulta (+69.7%). While spend on shipped orders continues to see a strong lift, Click and Carry has more than doubled, as restrictions start to lift and consumers want to get their hands on purchases sooner.