oOh!media Covid-19 Pulse Report

Getting you ahead of the curve

Monday 24th August, 2020

Edition 16 – The Evolution of the Grocery Trolley

Making Brands Powerfully Unmissable

Ahead of the Curve

As confidence builds with the increased hope of a vaccine available on home soil, Australians outside Victoria continue to re-emerge back into life out and about, with the 'new normal' meaning adhering to social distancing and health measures outside the home while suppressing the outbreak and until a vaccine is made publicly available.

And with the worst of winter behind us, and less than a month to the joys of spring, Australians continue to adjust their everyday behaviours. This is no more apparent than in the grocery category where Australians are spending at or above pre Covid-19 levels, often transacting more frequently than before, and storing more than ever!

In this week's report we take a deep dive into one of Australians most common trips outside the home, the retail grocery shop; current visitation levels across retail centre types, how consumers have changed the size, composition and frequency of purchase since the outbreak, how both in-store and home behaviours have changed when it comes to food, and what this means for dining and social gatherings in and outside the home.

Trends covered

Here and Now:

Year on Year Out of Home audience volumes and movement trends

A Look to the Future:

Updated transactional and consumer attitudes and intentions data capturing adjusting behaviours in-store at the supermarket and entertaining in and outside the home

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Here & Now

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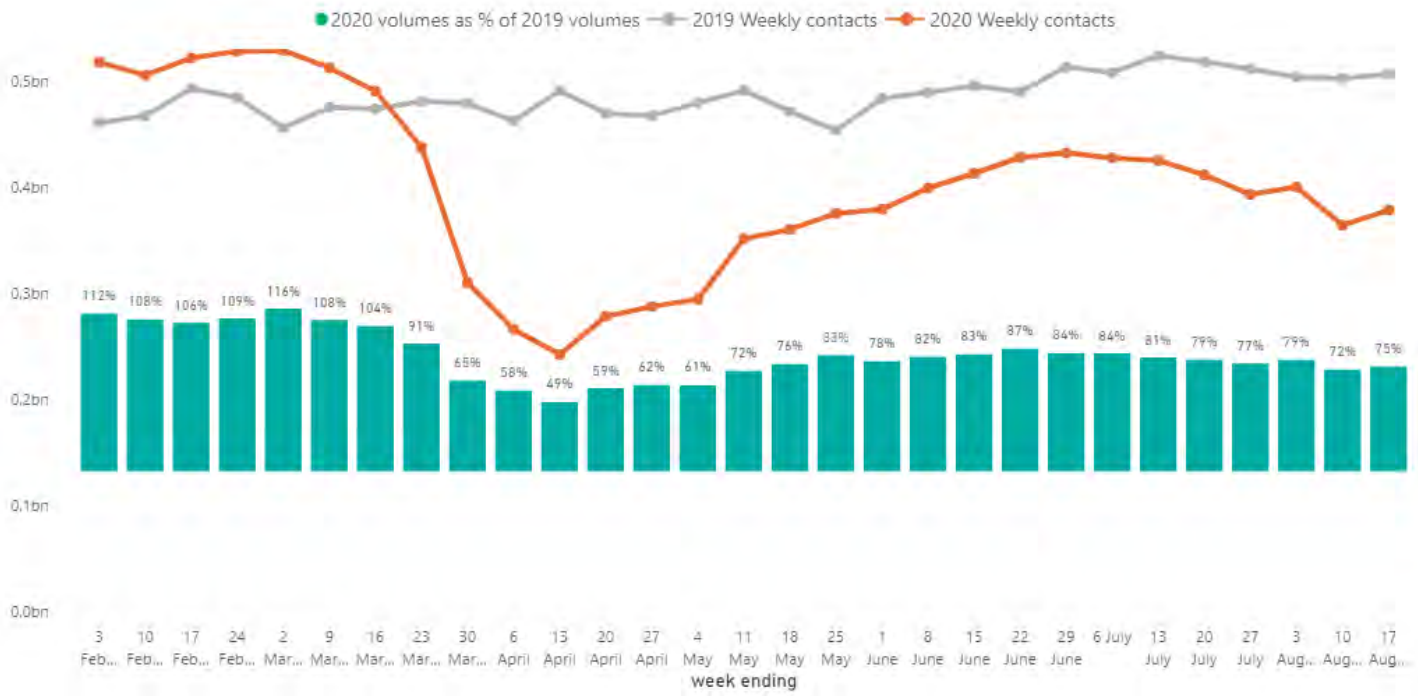
National audience growth returns off the back of stabilisation of new Covid-19 cases in Victoria and beyond

With weekly audience growth in all markets and a stabilisation of audience declines in Victoria, this week saw audience recovery return as Australians were buoyed by a reduction in new cases in Victoria and NSW.

- Roadside and Retail audiences up +3.7% week on week
- oOh! roadside and retail networks increased to 75% of 2019 audience levels, in the past week delivering 378mil contacts nationwide
- In Victoria, while still in Stage 3 & 4 lockdown restrictions, audience levels stabilised after 7 weeks of declines, remaining at 34% yoy.
- In markets outside of Victoria, audiences were up +4.7% to 88% of 2019 levels in the past week.
- In Regional areas, audiences bounced back up +6.2% in the past week, reaching 93% of 2019 levels as Australians return to normality

Year on Year

75% of 2019 levels



Source: Dspark data, Roadside and Retail locations, week ending Aug 17th 2020 vs. same week 2019

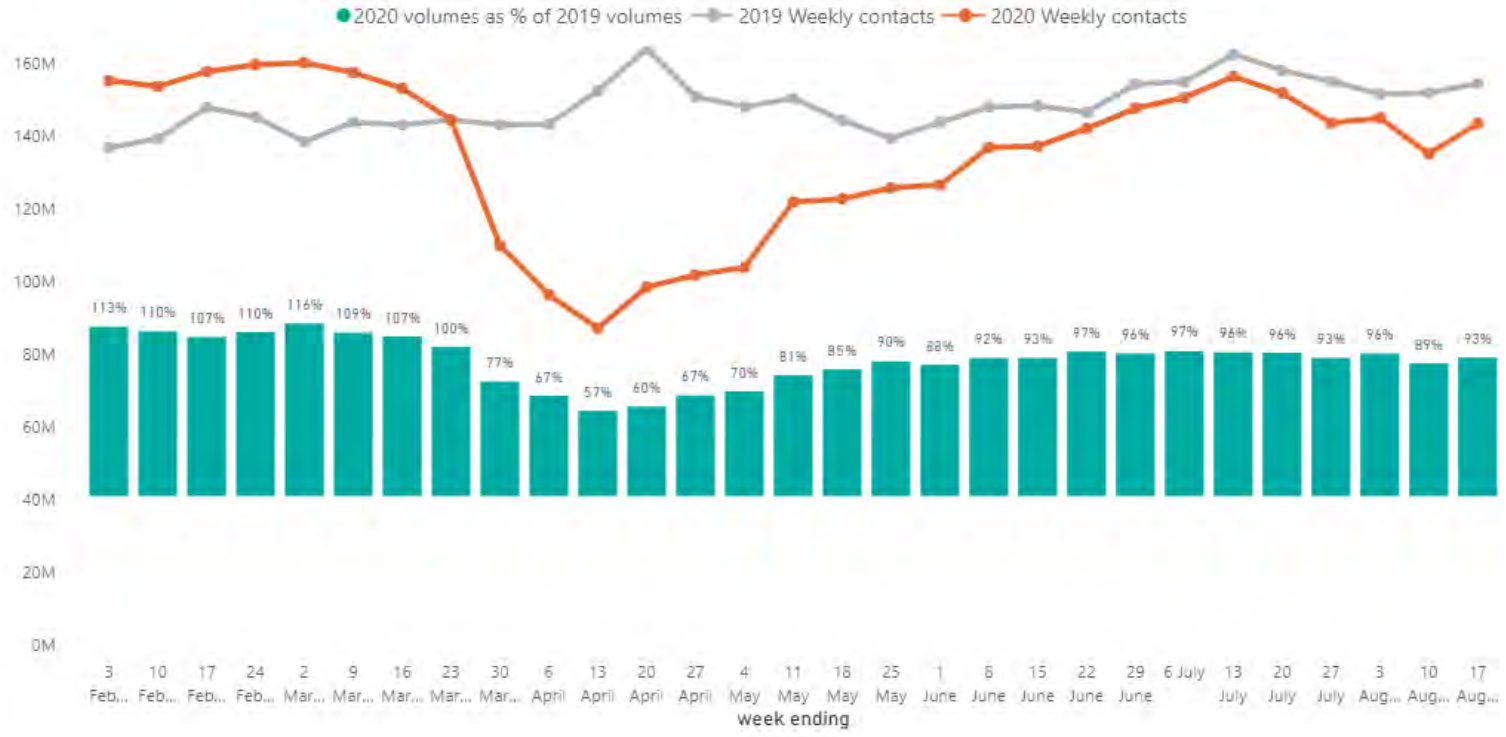
Regional Australia provides a glimpse of the future

With recovery building since mid April and peaking at 96% of 2019 levels before a slight dip in late July/early August, regional audience behaviour provides a glimpse to the future when case numbers are suppressed, and people return to normal behaviour.

Regional audience recovery has picked back up in the past week, returning to 93% of 2019 levels.

In markets of Qld, SA and WA regional audiences have recovered and are over performing 2019 levels.

92% of 2019 levels across oOh! Regional locations



Source: Dspark data, Roadside and Retail locations, Regional areas, week ending Aug 17th 2020 vs. same week 2019

oOh! roadside network audience up +5% week on week as audience recovery bounces back

National audience recovery increased to 76% of 2019 levels, with the network delivering 211 million contacts weekly.

In markets outside of Victoria roadside audience recovery continues, hitting 86% of 2019 levels and up +6% week on week. In metro areas outside of Melbourne audience recovery at 81%, up +5% week on week.

Regionally, audiences increase +7% week on week to 91% of 2019 levels. And in metro areas, suburban assets continue to see an above average return, at 68% of 2019 levels vs. 55% across assets in CBD locations.

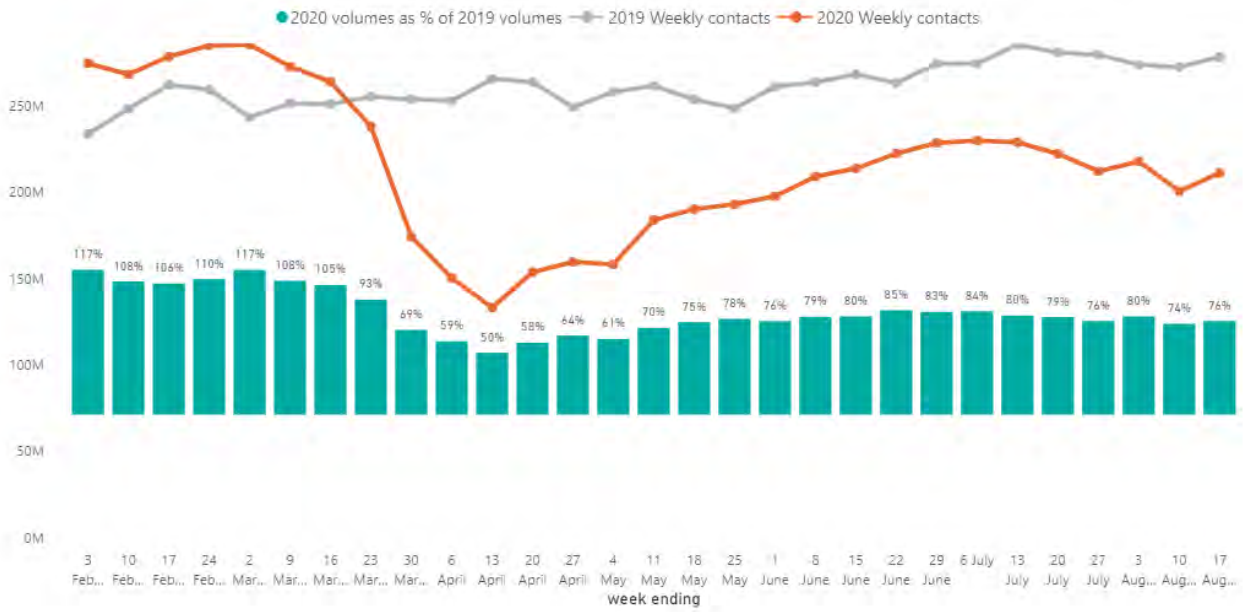
66% of 2019 levels in Metro areas

91% of 2019 levels in Regional areas

68% of 2019 levels in Suburban areas

55% of 2019 levels in CBD areas

76% of 2019 levels across oOh! Road locations



Source: Dspark data, 3,200 Roadside locations nationally, week ending Aug 17th 2020 vs same week 2019

oOh! retail network increases to 73% yoy, with local and medium centres up +3% week on week

Audience recovery at 73% of 2019 levels across oOh! Retail network, driven by continued growth in regional areas (+4.8% WoW) and across the local and medium centre network (+3.1% WoW).

In Victoria despite lockdowns, the continued purchase of essentials saw stability in audience, plateauing at 31% of 2019 levels.

In markets outside of Victoria audience growth of 3.1% week on week saw audiences hit 91% yoy.

Recovery by centre type indicative of continued shopping for essentials in local and medium centres and at large centres within grocery precincts

67% of 2019 levels in Metro areas

83% of 2019 levels in Local centres

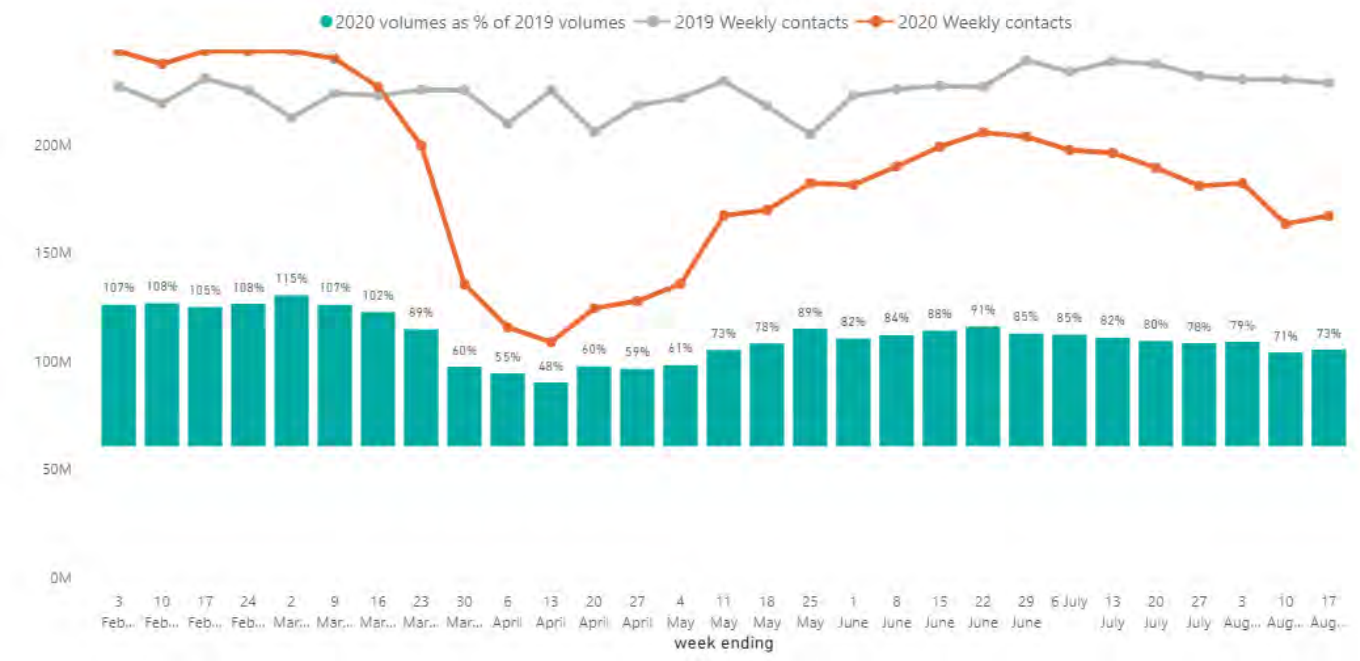
98% of 2019 levels in Regional areas

82% of 2019 levels in Medium centres

86% of 2019 levels in Homemaker centres

67% of 2019 levels in Large centres

73% of 2019 levels across oOh! Retail locations



Source: Dspark data, 500+ Retail locations nationally, week ending Aug 17th 2020 vs same week 2019

A Look to the Future

The Evolution of the Grocery Trolley

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Current state of play in grocery retailing

Supporting Australia's largest manufacturing industry, grocery retailing has been at the forefront of the Covid-19 outbreak, not only supporting and serving Australians during the initial nation-wide lockdown but also adjusting services to support changing consumer demand and behaviors.

Google Covid-19 Mobility Data- Supermarkets & Pharmacy

Movement to Supermarket and Pharmacy destinations is at or above Covid-19 baseline for Western Australia, South Australia and Queensland, with ACT and NSW making a recovery to previous visitation levels[2].

Victorian 2.0 lockdown restrictions, limiting movement to supermarkets to one family member only at a time has seen a decline in movement to baseline at these destinations[2].

NSW	ACT	QLD	VIC	SA	WA
-4%	-6%	-1%	-19%	+2%	+3%

Food & Beverage production, the backbone of regional Australia

The $122.1 billion Australian food, beverage and grocery manufacturing sector is the biggest manufacturing sector with 273,000 jobs and is a backbone to regional Australia[3].

"In Australia we are lucky because most of our food is grown and produced here. We produce enough food to feed 75 million people. That is enough to feed the entire population three times over"[3]

The Australian Food and Grocery Council, Acting CEO, Dr Geoffrey Annison

Current and projected industry growth

Supermarkets and grocery stores have seen a 4.6% rise in business thanks to the increase in home cooking this year, with that figure expected to rise at least another 0.5% next year[4].

IbisWorld, Senior Industry Analyst, Liam Harrison

A time to leverage brand messaging

With growing trust and appreciation towards key category players, consumers are leaning-in, presenting an opportunity for brands to cut-through with grocery brand customers.

Roy Morgan Trust Barometer confirms Aldi (#2), Woolworths (#3) and Coles (#4) are amongst the top 5 trusted brands in Australia to date[5].

At the end of July 2020, 95% of Australians said their appreciation towards supermarket brands had maintained or grown as a result of their response to Coronavirus outbreak[1]

Source: 1 oOh!media Pulse Report | Timing Wave 1: 1st- 4th May, 2020 Wave 2:18th- 19th May, 2020 Wave 3: 1st -3rd June 2020 Wave 4: 24th - 28th July 2020 | Research Panel: Dynata | Australians aged 16+, n=2,953, Wave 1: n=2,212 / Wave 2: n=423/ Wave 3: n=318/ Wave 4: n= 773. Source: 2 Google, COVID-19 Community Mobility Report, 14th August 2020. Baseline: median value, for the corresponding day of the week, during the five-week period 3 Jan – 6 Feb 2020. Source: 3 The Australian Food and Grocery Council, No need to panic, Australia produces enough food for 75 million, Media Release June 25th 2020. Source 4: Inside FMCG, Covid-19 has changed the eating habits of Australians, 29th July 2020. Source: 5 Roy Morgan, It's official: Bunnings is Australia's most trusted brand, with Coles the big mover, May 29th 2020 Finding No. 8428

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The evolving in-store shopping experience

Covid-19 has changed the in-store experience for Australian grocery shoppers with wellbeing measures such as hand sanitizer, trolley wipes and face masks being adopted by shoppers across the nation, bringing a sense of calm to the overall shopping experience compared to during nation-wide lockdowns earlier in the year.

Australians believe the last 6 months has been marked by prominent society changes including…

- 70% Social distancing and the **'stand here'** markers[2]
- 59% seeing hand sanitizer everywhere[2]
- 53% people hoarding toilet rolls[2]
- 52% the shock of empty shelves[2]
- 50% everyone wearing face masks[2]

With mandatory face coverings required in parts of Victoria, the uptake is also visible in other states to ensure the suppression of Covid-19 continues, with ACT and NSW leading the way with intentions to wear a face masks in public[1].

NSW	ACT	QLD	SA	WA
43%	55%	34%	15%	23%

Supporting public health, Woolworths Group has appointed Dr Rob McCartney to the newly created position of Chief Medical Officer, with the appointment being a first for an Australian retailer[3].

Source: 1 oOh!media Pulse Report | Timing Wave 1: 1st- 4th May, 2020 Wave 2:18th- 19th May, 2020 Wave 3: 1st - 3rd June 2020 Wave 4: 24th - 28th July 2020 | Research Panel: Dynata | Australians aged 16+, n=2,953, Wave 1: n=2,212 / Wave 2: n=423/ Wave 3: n=318/ Wave 4: n= 773. Source: 2 Pollinate Social Soup Research, 3rd August 2020, n=978 Australians. Source: 3 Retail World, Woolworths appoints chief medical officer, 14th August 2020.

Changing behaviors during the second wave

While there has been an influx of meat buying during Victoria's second lockdown, Coles Chief Operating Officer Matt Swindell confirms there hasn't been a rush on toilet paper, nor have Coles seen the same level of anxiety from the previous lockdown[3].

Despite the appeal of online, Australians choose retail!

At 8th August 2020, Deloitte Research found 1 in 4 Australians intend to spend more on groceries over the coming 4 weeks, with only 15% of that group saying they would make purchases online[2].

And looking to the future, Australians intend to continue buying **their groceries from bricks and mortar locations…**

- 75% intend to buy groceries in-store only[1].
- 8% online only; with Gen Z and Y being 1.5x more likely than the average[1].
- The remaining 18% intend to buy their groceries across both channels[1].

Source: 1 oOh!media Pulse Report | Timing Wave 1: 1st- 4th May, 2020 Wave 2:18th- 19th May, 2020 Wave 3: 1st - 3rd June 2020 Wave 4: 24th - 28th July 2020 | Research Panel: Dynata | Australians aged 16+, n=2,953, Wave 1: n=2,212 / Wave 2: n=423/ Wave 3: n=318/ Wave 4: n= 773. Source: 2 Deloitte State of the Consumer Tracker, 4th-8th August 2020 Source: 3 News.com.au, Melbourne Woolworths, Coles meat shelves stripped bare as panic buying sets in, 4th August 2020

Inside the kitchen pantry

The uncertainty of the initial nation-wide lockdown earlier in the year has resulted in some Australians continuing with pantry-hoarding as a means of piece of mind that they have enough grocery items available in their household should community outbreak occur.

Deloitte Research in early August 2020 found 38% of Australians plan to keep their home stocked more than they immediately need[2].

Non-perishable food items

37% will continue to store non-perishable food items in their pantry moving forward, with Gen Z & Y Australians 1.2x more likely to hold this intention[1].

Gen Z	Gen Y	Gen X	Baby Boomers
46%	45%	38%	28%

Hygiene items

Over 2 in 5 (43%) will continue storing hygiene items, the highest observed intention compared to storing non-perishable or cleaning products in the panty[1].

Gen Z	Gen Y	Gen X	Baby Boomers
52%	52%	44%	32%

Cleaning items

39% will continue storing cleaning items at home, with Gen Z and Y Australians both 1.3x more likely to hold this intention[1].

Gen Z	Gen Y	Gen X	Baby Boomers
51%	49%	40%	28%

Source: 1 oOh!media Pulse Report | Timing Wave 1: 1st- 4th May, 2020 Wave 2:18th- 19th May, 2020 Wave 3: 1st -3rd June 2020 Wave 4: 24th - 28th July 2020 | Research Panel: Dynata | Australians aged 16+, n=2,953, Wave 1: n=2,212 / Wave 2: n=423/ Wave 3: n=318/ Wave 4: n= 773. Source: 2 Deloitte State of the Consumer Tracker, 4th- 8th August 2020.

Dining-in on the rise!

The way Australians approach meal-time has changed over the last 6 months, with more Australians cooking at home, experimenting with new recipes and holding small dinner parties.

A nation looking for home-meal inspiration

Nielsen Digital Content Ratings reported a 71% increase in the amount of time being spent on food and cooking websites during the Covid-19 pandemic, visible across all age groups and most profound with those aged under 40[2].

Once all social distancing restrictions are removed, 89% of all Australians intend to maintain or increase frequency of eating home-cooked meals at their place of residency[1].

Gen Z	Gen Y	Gen X	Baby Boomers
85%	86%	89%	94%

By comparison 14% of Australians intend to buy more home-delivered food to their door in the future, with this higher amongst younger generations[1]...

Gen Z	Gen Y	Gen X	Baby Boomers
22%	25%	14%	5%

The renaissance of the suburban dinner party!

The Age reports, from the moment the coronavirus ban on at-home get-togethers came off in May and until recent 2.0 lockdown, Melbournians hit the phones to resuscitate a suburban institution, the dinner party![4].

"I host a lot of parties and go to parties, that is one part [of life outside isolation] that I've really missed: socialising, hosting parties, inviting people and cooking"[3]

"I've missed having people over to the house; having Zoom dinner parties and drinks or catchups is just not the same"[3]

Gen Y Australians in particular have enjoyed meal preparation during the last 6 months, with 60% citing spending more time cooking/baking within their top 3 aspects of life they would like to keep moving into the future[4].

Source: 1 oOh!media Pulse Report | Timing Wave 1: 1st- 4th May, 2020 Wave 2:18th- 19th May, 2020 Wave 3: 1st -3rd June 2020 Wave 4: 24th - 28th July 2020 | Research Panel: Dynata | Australians aged 16+, n=2,953, Wave 1: n=2,212 / Wave 2: n=423/ Wave 3: n=318/ Wave 4: n= 773. Source: 2 Nielsen, Food for thought: examining Australians' changing eating habits and shopping lists, 7th May 2020. Source: 3 The Age, Joyous return of the dinner party as suburbs (kind of) come back to life, 16th May 2020 Source: 4 McCrindle Research, Recovering from Covid-19, 8th- 12th of May 2020, n=1004 Australians.

The joys of eating out!

By contrast, Australians outside of Victoria are also savoring the experience of eating-out at their favourite food destinations, breaking the monotony of commonly cooked meals at home with trips to suburban cafes and restaurant food destinations.

Recovery of hospitality sector

CBA transactional data confirms YOY recovery back to pre Covid-19 levels when it comes to food services spend nationally (e.g. restaurants, cafes, takeaways), with w/e 14th August 2020 credit and debit card spending back a nominal -1% YOY[2].

Once all social distancing restrictions are removed, over 2 in 5 (45%) of all Australians intend to increase frequency of eating out, with Gen Z and X eager to dine outside the home more often compared to the other generations![1].

Gen Z	Gen Y	Gen X	Baby Boomers
51%	45%	47%	43%

Suburban café culture

Over half (55%) of all Australians intend to visit cafes more often compared to pre Covid-19 visitation levels with Gen Z and Y most eager to increase visitation for their daily coffee or café meal[1].

Gen Z	Gen Y	Gen X	Baby Boomers
62%	60%	54%	53%

Night life

2 in 5 Australians intend to visit venues and pubs more often compared to pre Covid-19 visitation levels with Gen Z Australians 1.3x more likely to hold this intention compared to the average Australian[1].

Gen Z	Gen Y	Gen X	Baby Boomers
52%	49%	41%	35%

At the end of July 2020, the bulk of metro Australians were frequenting their local area at similar or higher levels to before the Covid-**19 outbreak…**

46% maintained/ increased visitation for socialising purposes including visiting pubs and/or restaurants[1].

Source: 1 oOh!media Pulse Report | Timing Wave 1: 1st- 4th May, 2020 Wave 2:18th- 19th May, 2020 Wave 3: 1st -3rd June 2020 Wave 4: 24th - 28th July 2020 | Research Panel: Dynata | Australians aged 16+, n=2,953, Wave 1: n=2,212 / Wave 2: n=423/ Wave 3: n=318/ Wave 4: n= 773. Source: 2 CBA, Commbank weekly card spending data shows easing trend continues, 18th August 2020

Brand saliency & product consideration in grocery

Covid-19 has presented a unique set of distribution challenges for FMCG brands, resulting in a decline in brand loyalty as consumers trial new products with the intention of making the switch for future grocery purchases.

With Australians buying more on each shopping trip and purchasing across most categories more frequently, it is not surprising that out of stocks and the absence of the brands we know and trust has become a reality.

Research focused on people's shopping experiences during Covid-19 restrictions found 95% had experienced empty supermarket shelves and 49% expressed disappointment their favourite brands were unavailable[2].

WOM Network research found 61% of Australians have been forced to try new brands over the past few months. Only 18% who have trialed new brands during this period plan to shift completely back to their original brand choice[3].

"They {consumers} had to buy competing brands, shop elsewhere or could not buy their favourite products at all. Both retailers and brands alike need to work on re-establishing purchasing habits among consumers and rebuilding the trust relationship"[2]
Insight Founder, Andris Versteeg

Brand awareness during stock shortages

With concerns of short-term stock shortages in the grocery category and coupled with more Australians trialing challenger brands during the period…

Nielsen research shows that brands that go totally dark for the rest of 2020 could be facing revenue declines of up to 11% in 2021[3].

Additionally Nielsen report it takes up to three to five years of solid and consistent brand building effort to recover[4].

Source: 1 oOh!media Pulse Report | Timing Wave 1: 1st- 4th May, 2020 Wave 2:18th- 19th May, 2020 Wave 3: 1st -3rd June 2020 Wave 4: 24th - 28th July 2020 | Research Panel: Dynata | Australians aged 16+, n=2,953, Wave 1: n=2,212 / Wave 2: n=423/ Wave 3: n=318/ Wave 4: n= 773. Source 2: The Advertiser, Marketing, media and technology: Why connections are the key to campaign success, 11th August 2020 Source 3: B&T, Covid-19 has killed brand loyalty: Study, 18th June 2020 (WOM Network, n=1700 Australian Grocery Buyers) Source: 4 Nielsen USA, A pandemic dilemma: stop advertising or maintain brand equity through a cause, 28th May 2020.

oOh! as a broad reaching media supports brand saliency and product consideration across the entire consumer journey to the supermarket!

"Broad-reach campaigns are still the best way to drive market share, which in-turn is a key driver for profit"

Les Binet & Peter Field

oOh! datascience

Source: Media In Focus- Marketing Effectiveness In The Digital Era, Les Binet And Peter Field, 2019

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oOh!media **Pulse Report** Methodology

The Covid-19 Pulse Report is a weekly up-to-date insights summary harnessing a combination of best in class behavioral data on what is happening today, in addition to current and finger on the pulse attitudinal insights into what the future looks like in the eyes of Australians.

Research Agency	Independent research panel provider, Dynata on behalf of oOh!media
Methodology	Quantitative research via online consumer panel. Nationally representative sample based on age and geographic location
Sample	Australians aged 16+
Sample Size	Total respondents, n=3,726 Wave 1: n= 2,212 Wave 2: 423 Wave 3: 318 Wave 4: 773
Research Timings	Wave 1: 1st- 4th May, 2020 Wave 2: 18th- 20th May, 2020 Wave 3: 1st- 3rd June, 2020 Wave 4: 24th- 28th July, 2020

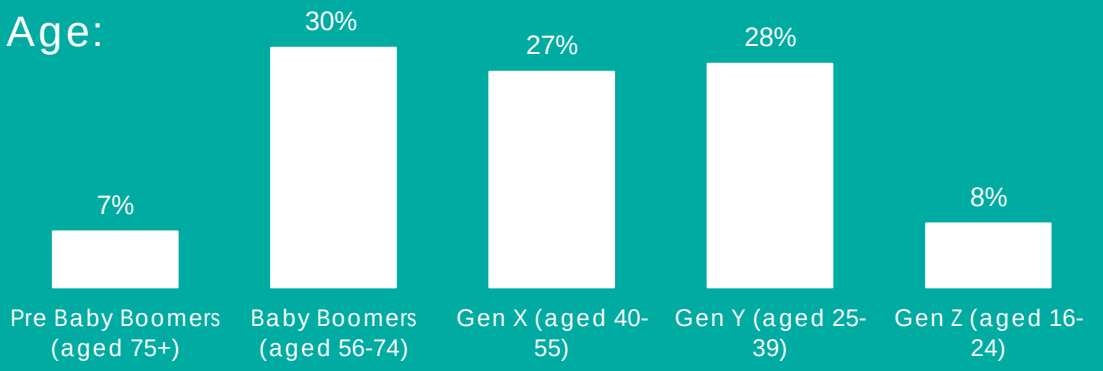
Source: oOh!media Pulse Report | Timing Wave 1: 1st- 4th May, 2020 Wave 2:18th- 19th May, 2020 Wave 3: 1st -3rd June 2020 Wave 4: 24th - 28th July 2020 | Research Panel: Dynata | Australians aged 16+, n=2,953, Wave 1: n=2,212 / Wave 2: n=423/ Wave 3: n=318/ Wave 4: n= 773. Wave 4 results displayed right.

oOh! datascience

Wave 4

Gender: 50% Male 50% Female

Age:



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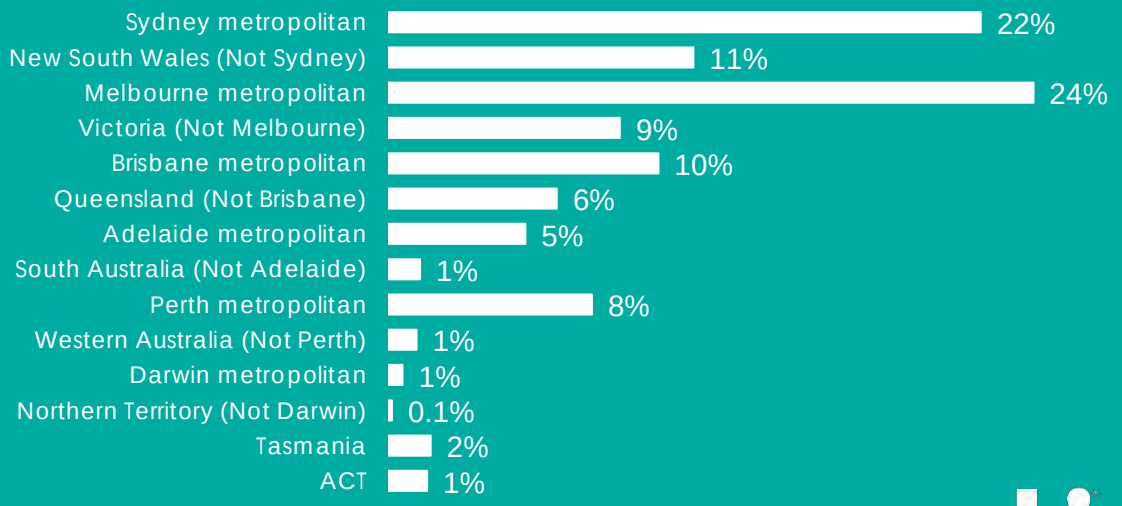

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