

# A sudden shift in behavior

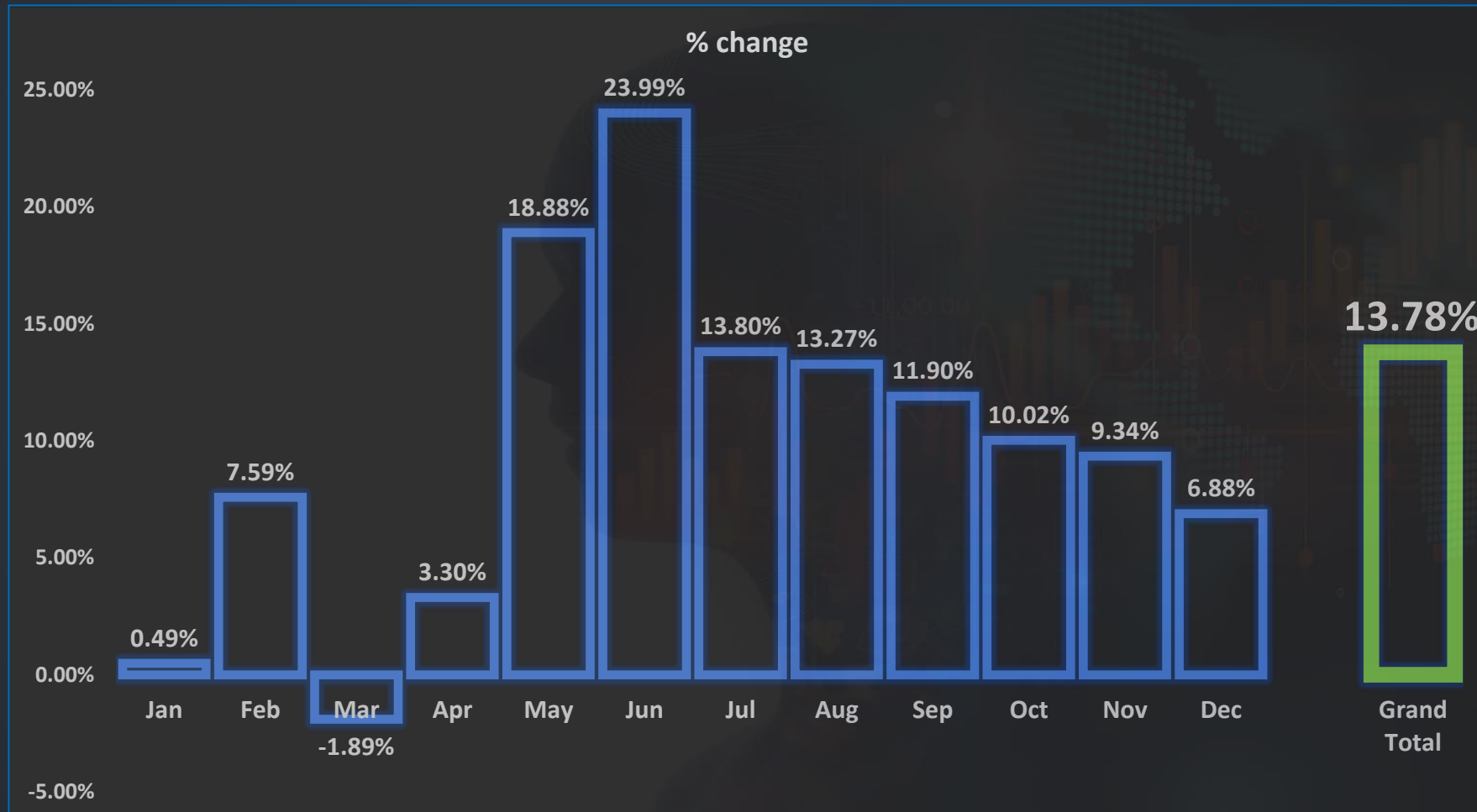
„What to expect from the unexpected“

RetailZoom



## Domestic Chains shine

Domestic chains grew by 13.8% in 2021, after a weak 2020. Q2 is only growing at such a rate as after first wave of 2020 there was a huge fall in sales due to panic shopping



Last year we praised the smaller fish, this year the sharks caught up. Proximity is key when it comes to Convenience, and Top-up shopping and the numbers show it too



### TOP 3 PLAYERS

Coop, CBA and Reál grow on average 11.4% meanwhile this was barely 1% in 2020.



### OTHER CHAINS

Player such as: Kerekes, EcoFamily, Next Unió, Dél-100, Tom Market, Manna ABC and Tobacco stores managed to grow by 16.9% in 2021 which slightly outperformed 2020.



### PRICE DRIVEN

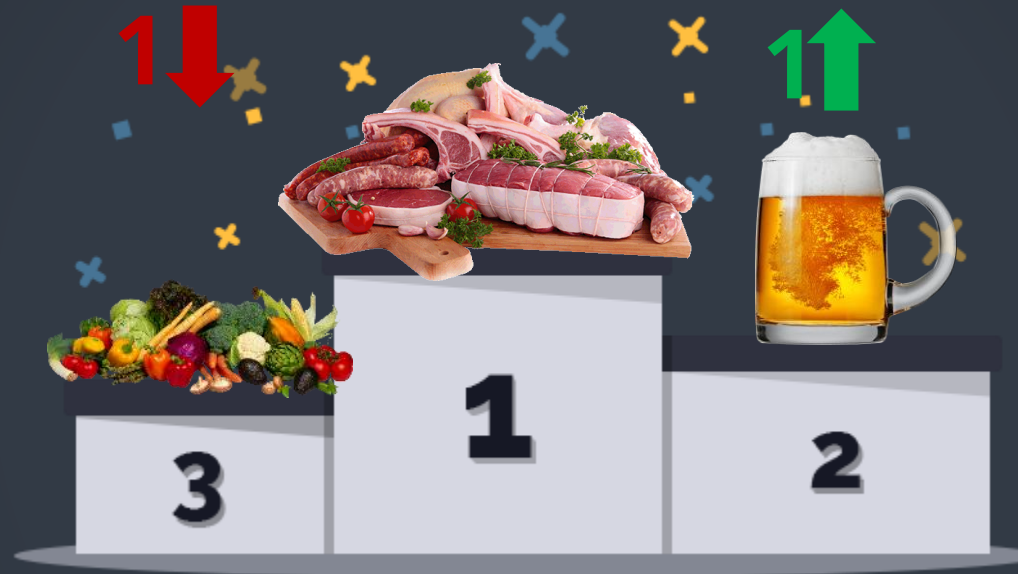
Although domestic chains managed to grow by 13.8%, price accounted for more 55% of the growth in case of the top 3 domestic players meanwhile it only accounted for 36% for OTHER domestic chains

Domestic chains grew by 13.8% in 2021, after a weak 2020. In Q4 we already see that domestic chains only grew due to price increases

	2021	END OF QUARTER 1	END OF QUARTER 2	END OF QUARTER 3	END OF QUARTER 4
Value Sales	+13.8%	+4.5%	+19.0%	+13.0%	+8.7%
Baskets	+6.2%	-7.9%	+23.3%	+4.8%	-3.7%
Unit Sales	+4.9%	-1.5%	+16.5%	+5.0%	-0.8%
Basket Value	+5.1%	+13.4%	-3.5%	+7.9%	+4.8%
Price per Unit	+6.4%	+6.0%	+2.1%	+7.6%	+9.5%
Items per basket	-1.5%	+7.0%	-5.5%	+0.2%	-4.4%

Dairy Snacks and Baked goods are now both top 10 categories, meanwhile Beer reclaims 2nd position

**Top10**  
37%  
of total sales



4



5



6



7



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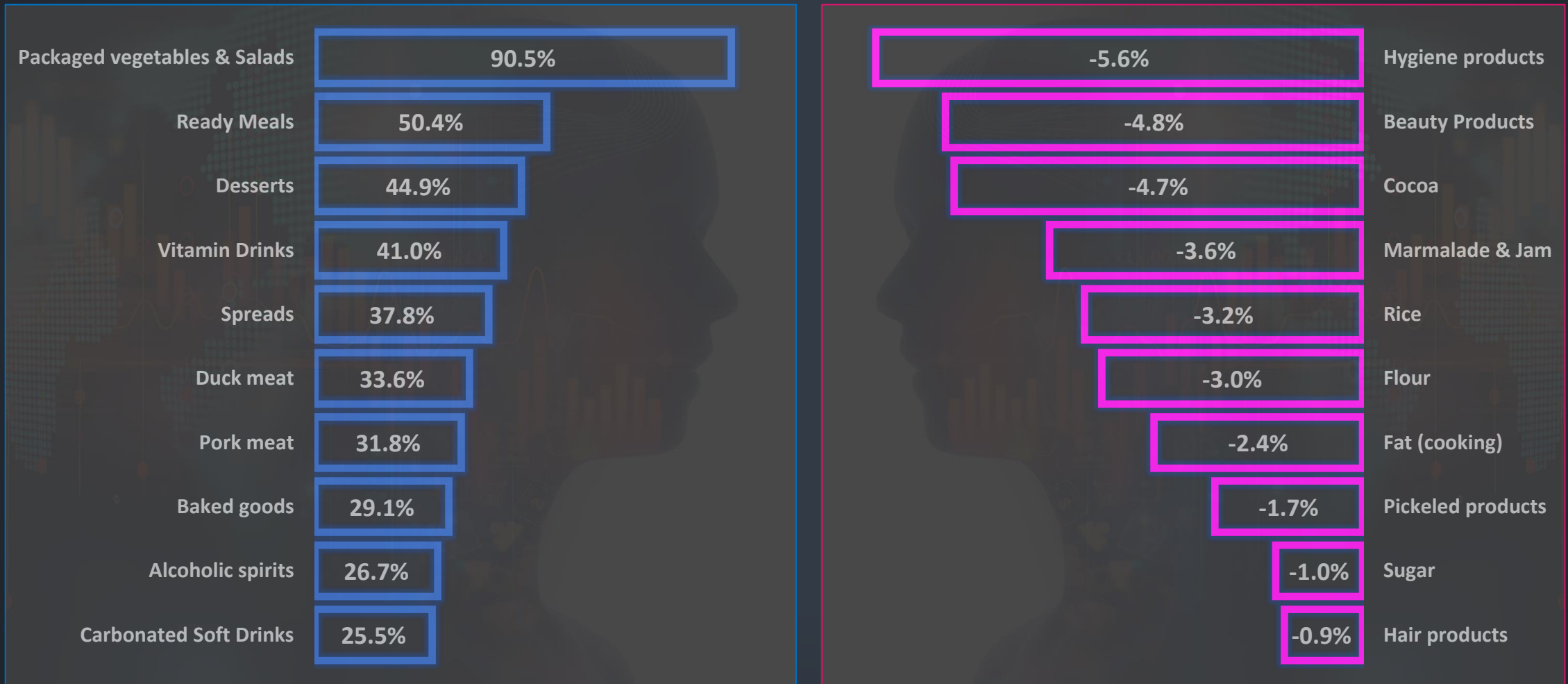


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Basic Foods are the main losers due to an intense 2020 and panic shopping in March-April



## PL NEARLY DOUBLED IN 2 YEARS

## 2019

PRIVATE LABEL GREW BY 4%,  
MEANWHILE DOMESTIC  
CHAINS WERE GROWING AT  
7.7%



## 2021 Q1

PRIVATE LEVEL CONTINUES TO INCREASE, AS %  
CHANGE HAS NOW REACHED 20% ADDITIONAL  
SALES VS YEAR AGO



## 2020

PRIVATE LEVEL GREW BY 20%  
MEANWHILE DOMESTIC CHAINS  
INCREASED SLOWED DOWN TO 4.4%



## 2021

PRIVATE LABEL INCREASE HAS SURPASSED  
20%, SO IT IS GROWING AT A 4X PACE  
COMPARED TO DOMESTIC CHAINS



## PL is now Cool

If we compare it to 2019, PL  
was increasing at half the  
pace of Domestic chains.  
Today, Private Label is  
increasing at 4x the rate of  
Domestic chains, thus  
SCISSOR EFFECT is in motion.



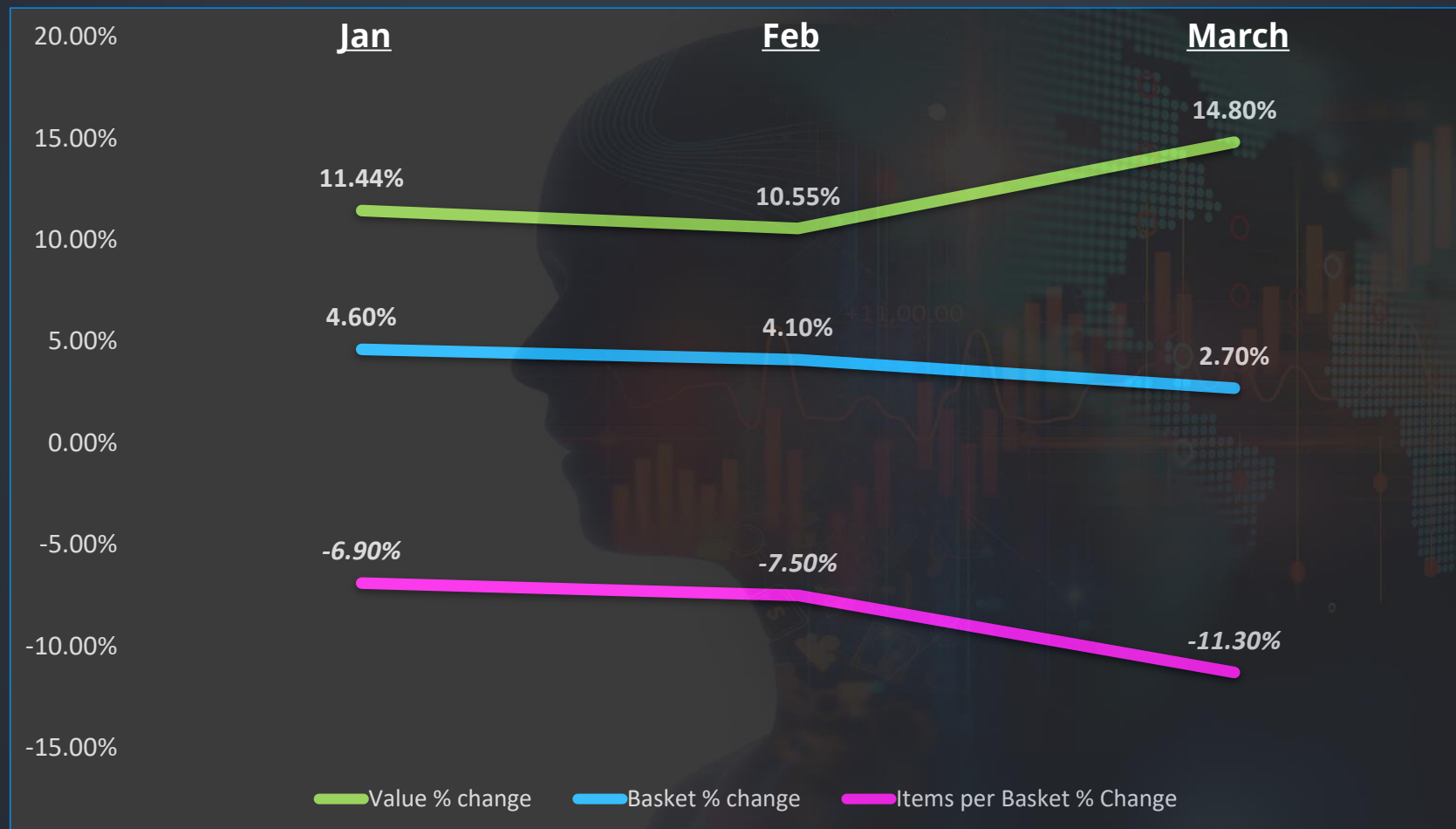
# SCISSOR EFFECT IN 2022

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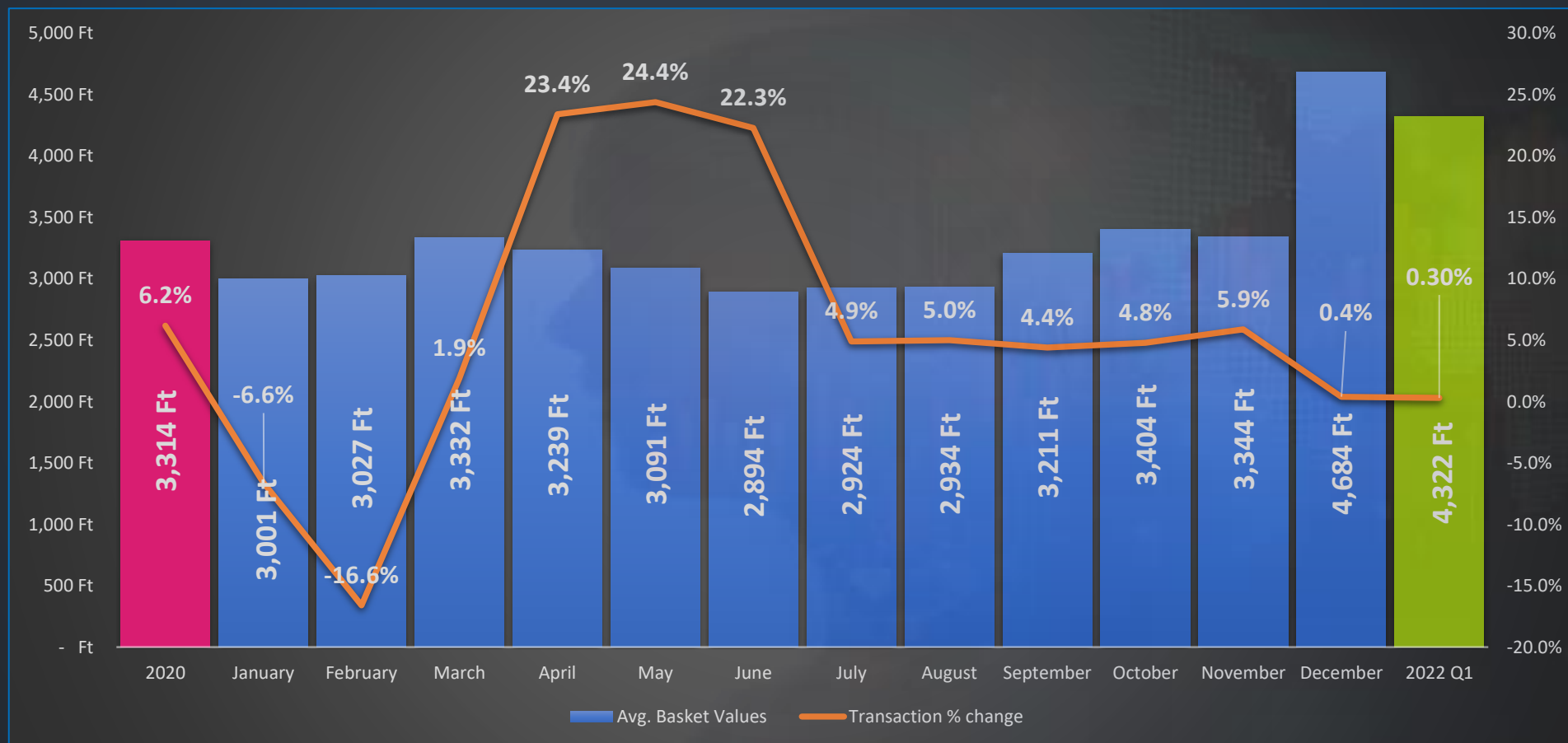


## New Trends on the Horizon

Instead of Larger baskets and larger pack-size we are moving towards convenience and Top-up shopping



Although medium baskets are growing, Large baskets still account for a huge portion, and they are visibly pushing up the size of the baskets over time. Price increase accounts for 50% of the growth in basket size.



Instead of Larger baskets and larger pack-size we are moving towards convenience and Top-up shopping



Value Sales



Baskets



Unit Sales



Basket Value

Items per  
basket

5,000-10,000 Ft. baskets

+9.5%

+9.4%

+3.9%

7,977 Ft.

20



1,500-5,000 Ft. baskets

+19.9%

+17.1%

+12.0%

3,847 Ft.

11



0-1,500 Ft. baskets

+6.5%

2.1%

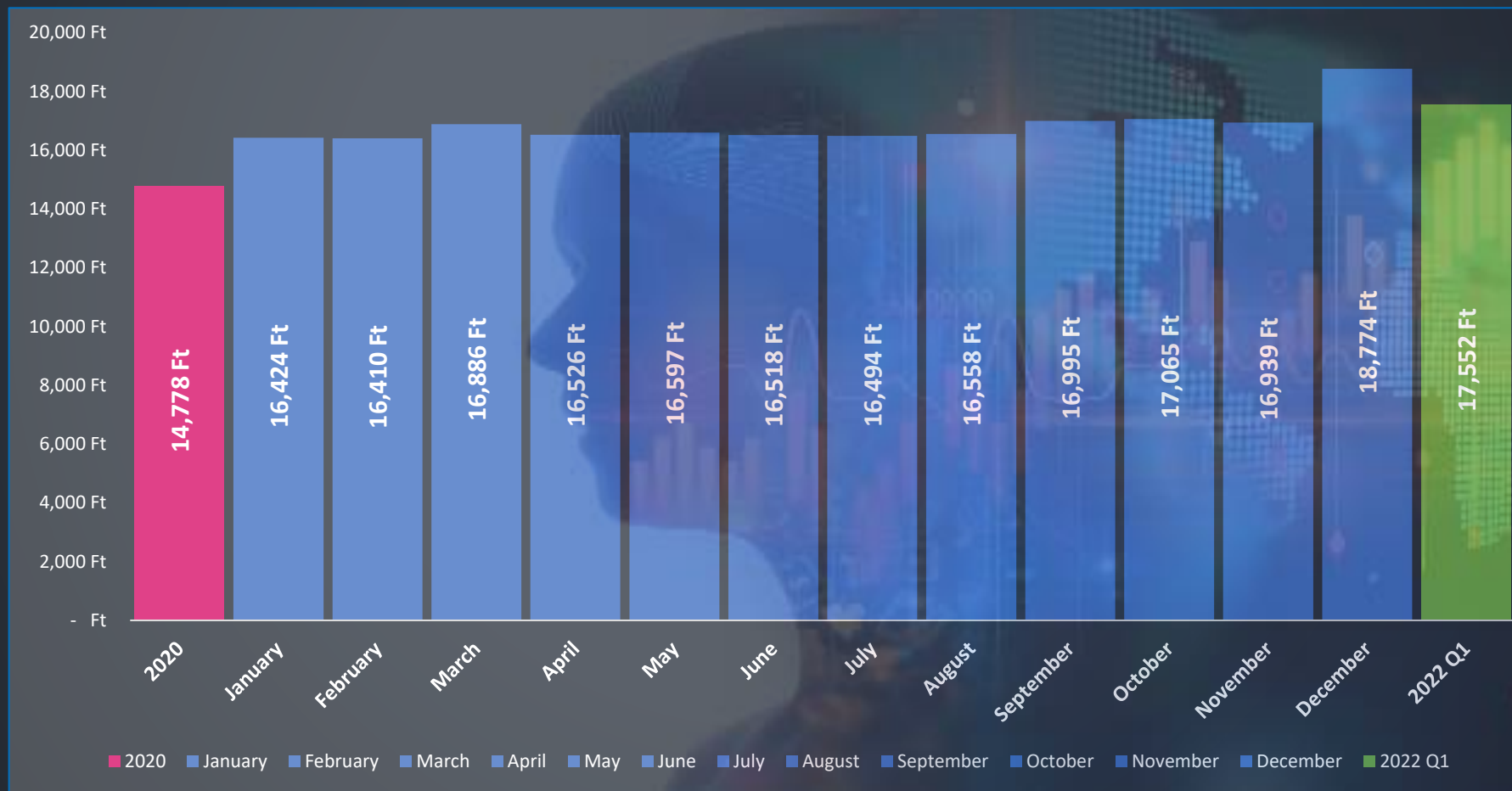
-1.1%

1,452 Ft.

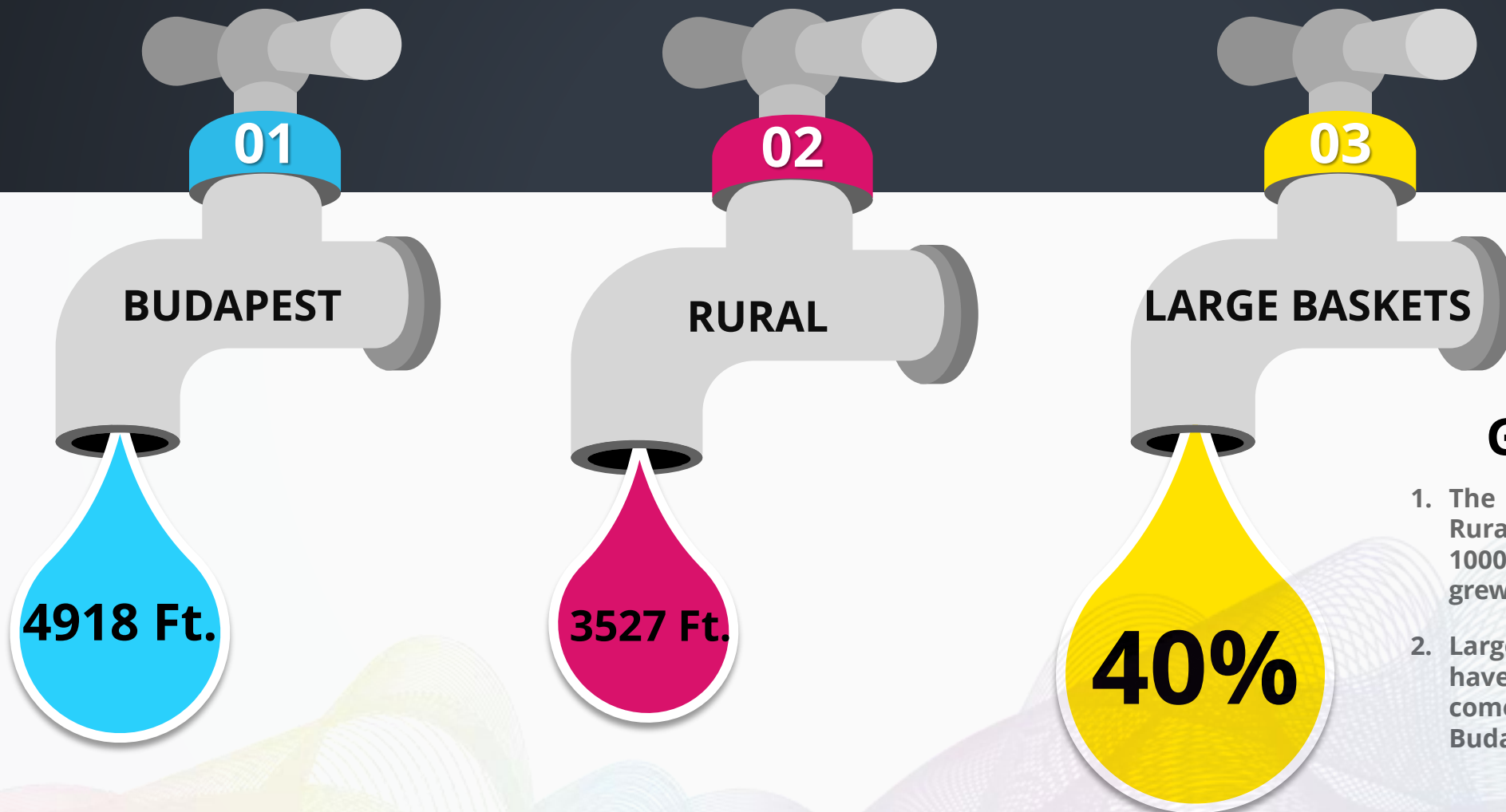
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## The bigger the pie the bigger the slice

Although medium baskets are on the rise the gap between impulse and large continues to widen as in 2020 1 large basket was equivalent to 10 impulse baskets, now it equals to 13



The gap between Budapest and Rural is staggering yet again



## GEO IMPACTS

1. The gap between Budapest vs Rural basket size was less than 1000 Ft. In 2020, however, the gap grew to 1500 Ft. by 2022 Q1.
2. Large Baskets (above 10,000 Ft) have 40% size difference when it comes to Rural (13,977 Ft.) vs Budapest (23,002 Ft.)

# TWO EXTREMS AND NOTHING INBETWEEN



PRICES CONTINUE TO SOAR VS  
BASKETS CONTINUE TO FALL



PRIVATE LABEL WILL  
CONTINUE TO INCREASE



MEDIUM BASKETS BUT  
MORE FREQUENCY



PROXIMITY IS IMPORTANT  
YET AGAIN

Fast

Moving

Consumer

Goods

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TOBACCO  
STORES

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# Fastest growing channel among domestic chains

## FMCG

Value Sales:  
+17%  
vs 2020

Over **4,600**  
stores across  
Hungary

Over **337**  
million  
baskets or  
transactions

~ over **135 billion**  
Ft. **revenue**  
generated by  
domestic chains

**400 Ft**  
average basket  
value (non  
Tobacco)

≈ **2,700**  
**SKUs** in  
these chains

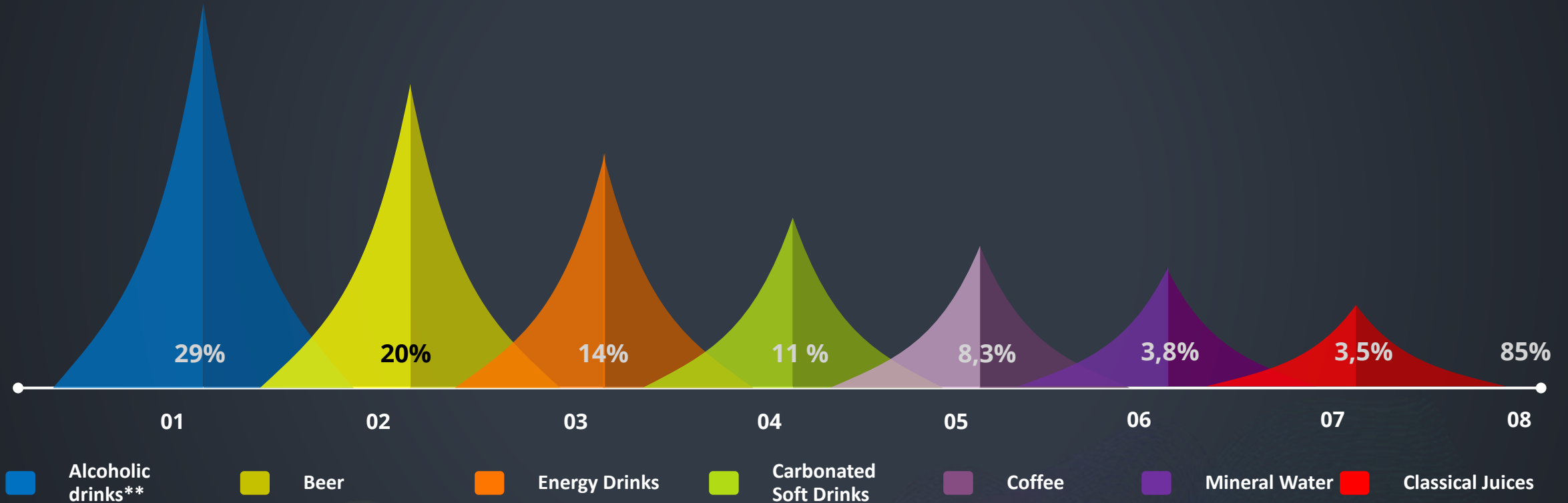
on average  
**1,5 products**  
per basket

Growth  
rate

**17%**

Tobacco stores = 135 billion sales

8 categories make up 89% of sales



Alcoholic drinks contains 13 subcategories (e.g.: Vodka, Bitter, Alcoholic Spirits, Wines, Sparkling Wines, Whiskey, Liqueur, Brandy, Gin, Rum, Pálinka, Vermouth and Tequila.)

56.4% of sales is Alcoholic Beverages

Beer is the biggest of the 15 alcoholic drinks but Spirits are growing at a faster rate



**ALCOHOLIC  
BEVERAGES**

=



**SPIRITS**

+



**BEER**

+



**OTHER ALCOHOLIC  
DRINKS\*\***

OTHER ALCOHOLIC DRINKS\*\* = Wine, Sparkling wine, cocktails, cider...etc.

42% of sales is NON-ALCOHOLIC BEVERAGES

Non-alcoholic beverages represent 42% of sales and stems from 4 major categories



**ENERGY  
DRINKS**



**CSD**



**WATER**



**JUICES**



**OTHER\***

OTHER NON-ALCOHOLIC DRINKS\*\* = Coffee, Tea, Ice Tea, Iced Coffee, Dairy Drinks

# THANK YOU FOR YOUR TIME!

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