

IPSOS SOUTH AFRICA, JOHANNESBURG: 11 NOVEMBER 2021

South Africans spending more on snacks

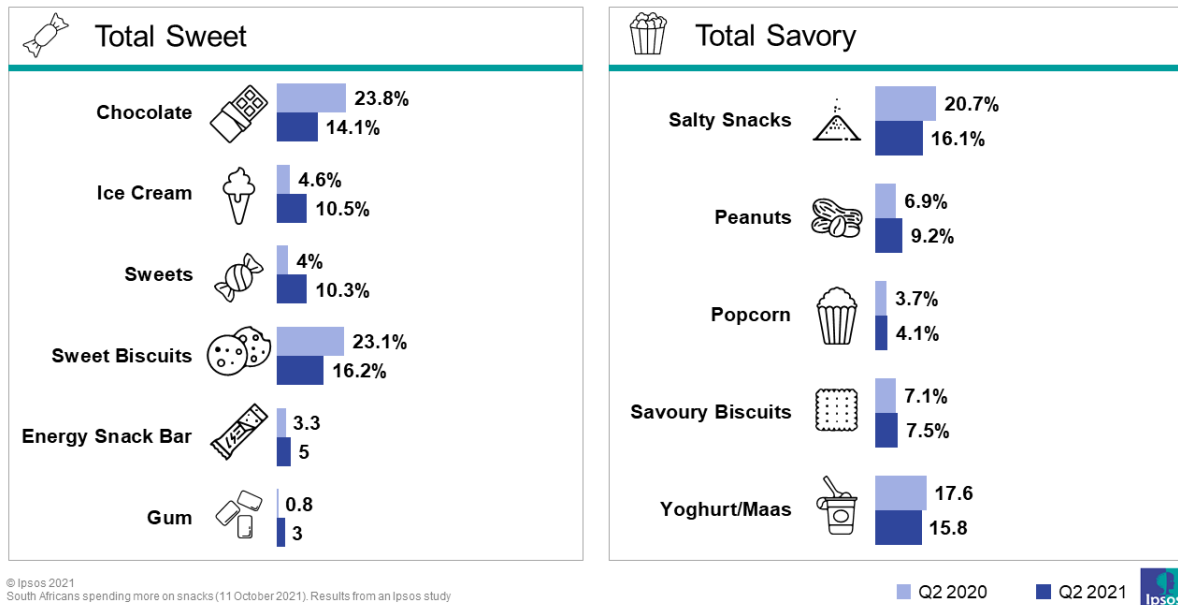
Snacking is on the increase with South Africans spending more on snacks.

Currently, snack buying is at the highest level since Ipsos began tracking this in January 2020, and with changing lifestyles and an increase in consumer sophistication and product awareness, it is probably no surprise. Snacks are more than just treats for consumers, they are also big business for manufacturers and retailers, with snacking becoming a daily occurrence for the modern consumer.

In the latest Ipsos Consumption and Shopper tracking study, the value of snack sales increased by almost half (+43%) compared to the previous year, with cheaper brands gaining traction in various categories. However, the study shows that there is a decline in purchase frequency - consumers thus spend more than before on snacks on the occasions when they purchase snacks.

This value growth for snacks is largely attributed to the 4% growth of the total sweet category, with ice cream (+5.9%) and sweets (+6.3%) recording significant increases. While ice cream and sweets remained stable across most age groups, it is the sweet-toothed 25 – 34 year olds driving the growth. Smaller in size but big in potential there is a slight push back from peanuts (+2.3%) in the total savoury category.

CATEGORY VALUE SHARE



The role of retailers

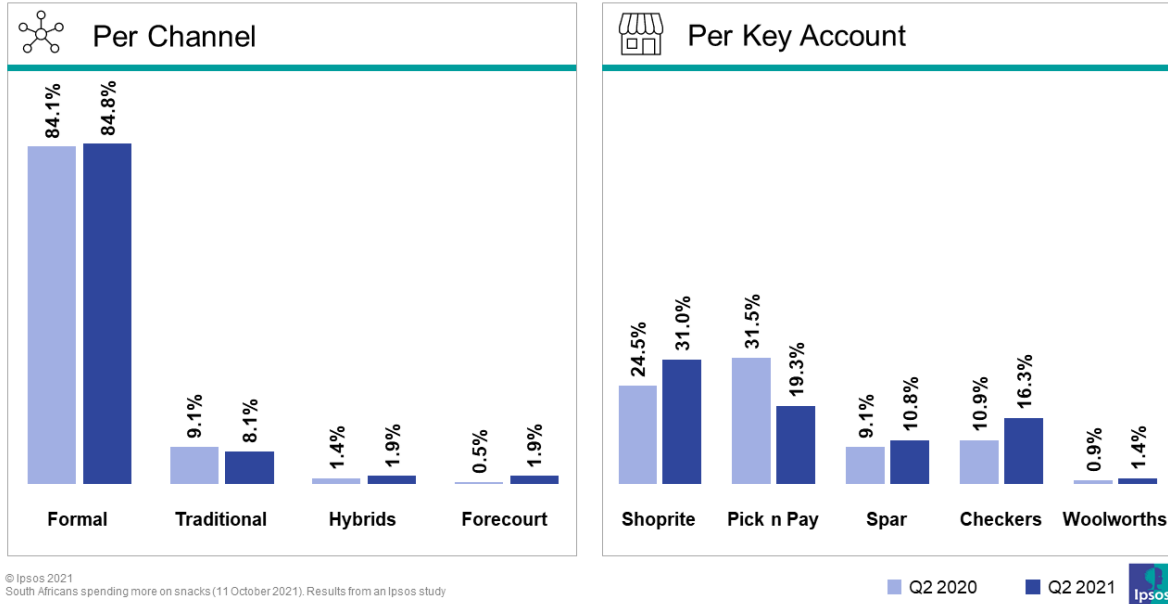
In keeping with the increased sales of snacks, most retailers experienced an increase in crispy chips shopping, bar traditional channels with a 1% decrease. Looking at individual retailers specifically,



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Shoprite benefited the most from an increased volume of sales (+6.5%) of chips, with sister company Checkers in second with a 5.4% increase. Pick n Pay recorded a significant decrease (-12.2%) in chip shopping.

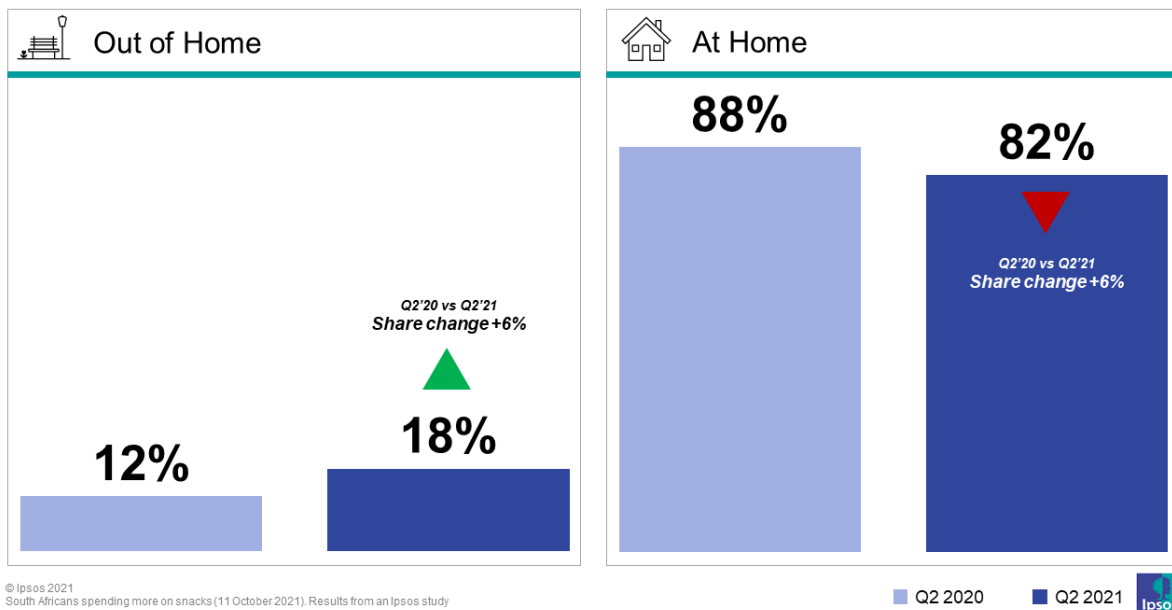
SAVORY SNACKS VOLUME SHARE



Snacking occasions are influencing pack size choice

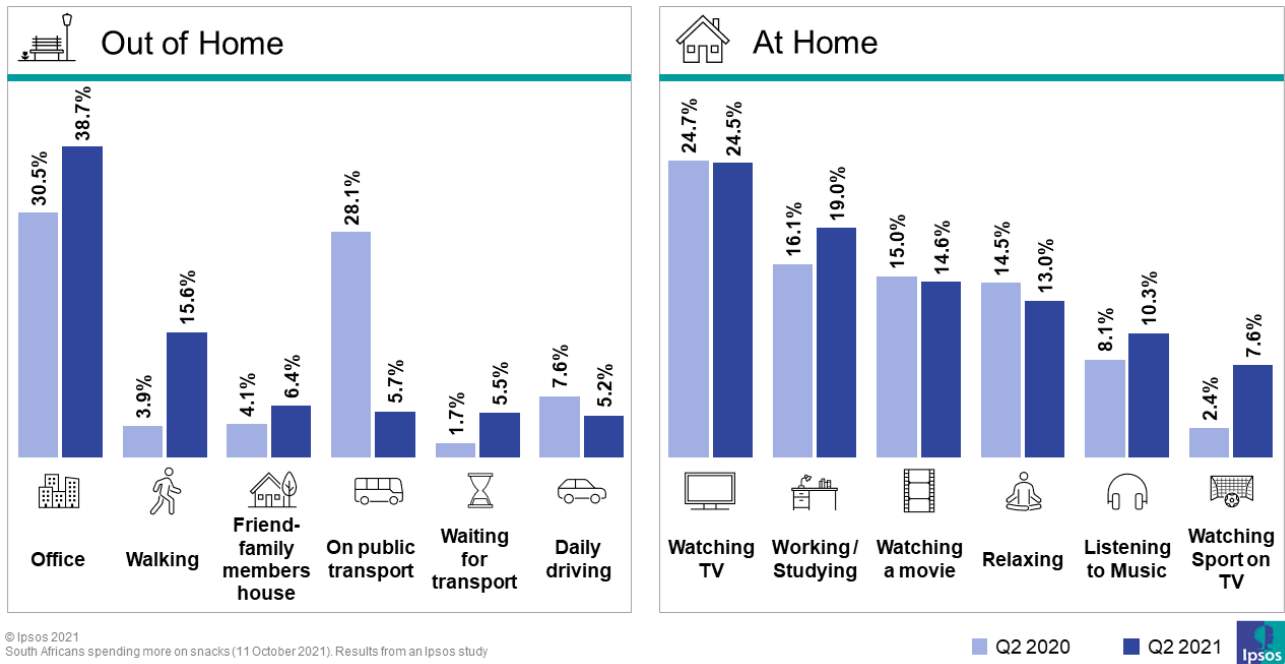
Although at-home consumption of snacks sits at a comfortable 82%, compared to 18% of out-of-home snacking, the market is being driven by increased demand for convenient food products and on-the-go trends, most likely with people increasingly returning to post-lockdown lives.

SNACKS: AT HOME AND OUT OF HOME OCCASION SHARE



Snacking while walking has seen the sharpest increase (+12%), followed by snacking at the office (+8%), and snacking while watching sports on TV at home (+5%). On the other hand, consumption of snacks on public transport has declined sharply (-22%).

SNACKS: OCCASION SHARE SHIFTS



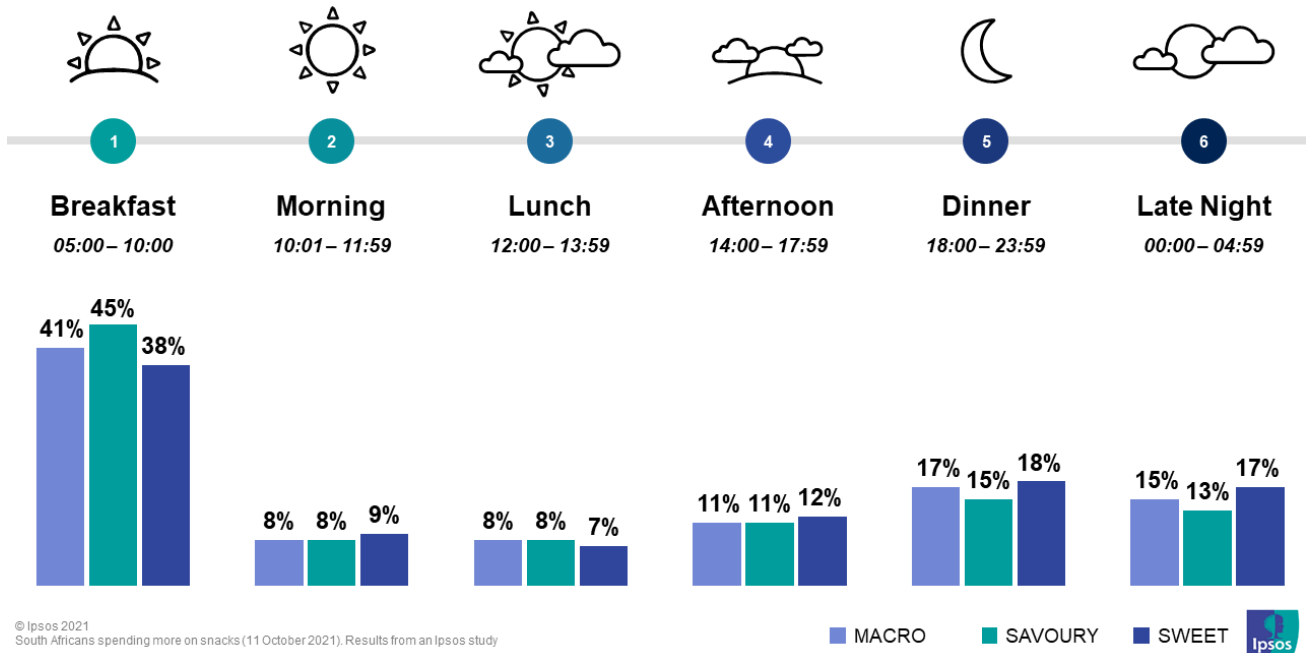
With the gradual growth in snacking out of home, consumers are downsizing to smaller pack sizes which is especially evident in the chip category. Small and medium pack size volumes have grown by 3.8% and 3.4%, respectively. Consequently, this has decreased volume share of large pack sizes by 5.7% and extra-large pack sizes by 1.5%.

“Snack time” can be any time

Looking at the time of snacking, traditional breakfast hours (05:00 – 10:00) is the most popular time for both savoury (45.2%) and sweet (37.6%) snacks, followed by traditional dinner and evening time (18:00 – 23:59).

Most interestingly, late at night and early morning (00:00 – 04:59) many consumers are looking for something sweet to snack on (17.2%).

SNACKING CATEGORIES PER TIME OF DAY: OCCASION



Technical detail

- Shopper Panel
 - The Ipsos Shopper panel is a unique Individual Shopper Panel of 2 000 Panellists, that provides insights into end user continuous purchasing patterns across various snacking categories. Consumers are contacted once a week on a continuous basis for the past seven days of purchases
 - Categories measured: Snacks: (Chips, Peanuts, Popcorn, Savoury Biscuits/Crackers, Sweet Biscuits, Energy Snack Bars, Chocolate Slabs, Chocolate Bars, Chocolate Assortments, Sweets, Gum, Ice Cream, Yoghurt/Maas) and beverages (Carbonated Soft Drinks, Fruit Juice, Sports & Energy Drinks, Bottled Water, Flavoured Milk, Mageu, Iced Tea, Tea, Coffee, Beer, Wine, Ciders, Spirits)
 - Multi-modal methodology: CATI, Online, Mobile App with barcode scanning and receipt picture capabilities
- Consumption Panel
 - The Ipsos Consumption Panel allows for in-depth individual understanding on consumption habits. With a sample of 1500 Panellists, understanding continuous consumer consumption and choice has never been easier. Total sample of 1500 rolls up over a quarter with the same sample of respondents. Consumers are contacted three times a week (rotation-based Monday, Wednesday and Friday or Tuesday, Thursday and Saturday) for the past 48 hours of consumption.
 - Categories measured: Snacks (Chips, Peanuts, Popcorn, Biltong, Savoury Biscuits/Crackers, Sweet Biscuits, Other Savoury Snacks, Rusks, Dried Fruit, Energy Snack Bars, Chocolate Slabs, Chocolate Bars, Chocolate Assortments, Sweets, Gum, Ice Cream/Sorbet, Fruit, Yoghurt/Maas, Other Snacks) and beverages (Carbonated



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Soft Drinks, Flavoured Milk, Squashes and Cordials, Powdered Soft Drinks, Fruit Juice, Sports & Energy Drinks, Bottled Water, Milk, Mageu, Iced Tea, Tea, Coffee, Other Hot Beverages, Beer, Wine, Ciders, Spirits, Other Alcoholic Beverages

- Multi-modal methodology: CATI, Online

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