



Pandemic-Driven Housewares Purchases & Usage Post-Lockdown

March 9, 2022

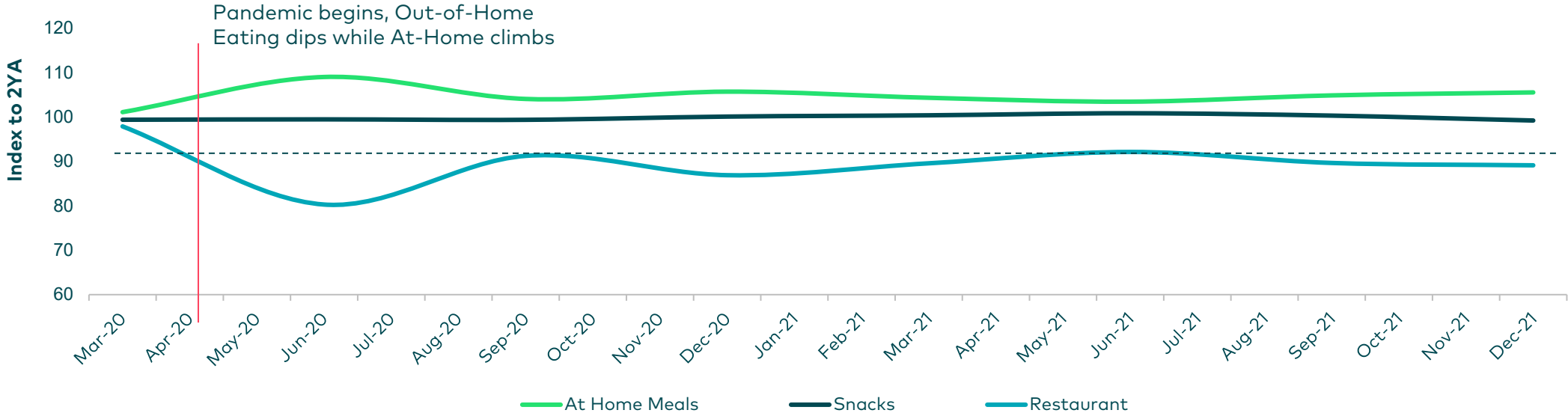


COVID-19 heavily impacted the way that consumers shop, cook and eat. Eating at home became more important—and this shift appears to be sticky.

Grocery categories commonly used for at-home meals continue to enjoy an elevated share of shopper spend

AT HOME MEALS, SNACKS, RESTAURANTS – % OF SPEND INDEXED TO 2YA

Rolling Quarters by Quarter, 1/1/2019-12/31/2021



Numerator Insights, Trended Metrics Scorecard, Total Meals, Total Snacks, QSR % of Spend, Rolling 1Q by Quarter, 1/1/2019-12/31/2021; Total Meals n=104,876, Total Snacks n=104,941, QSR n=93,594

More eating from home drove 3 in 4 households to purchase housewares since the onset of the pandemic.

75%

Household penetration for small kitchen appliances, cookware, and bakeware

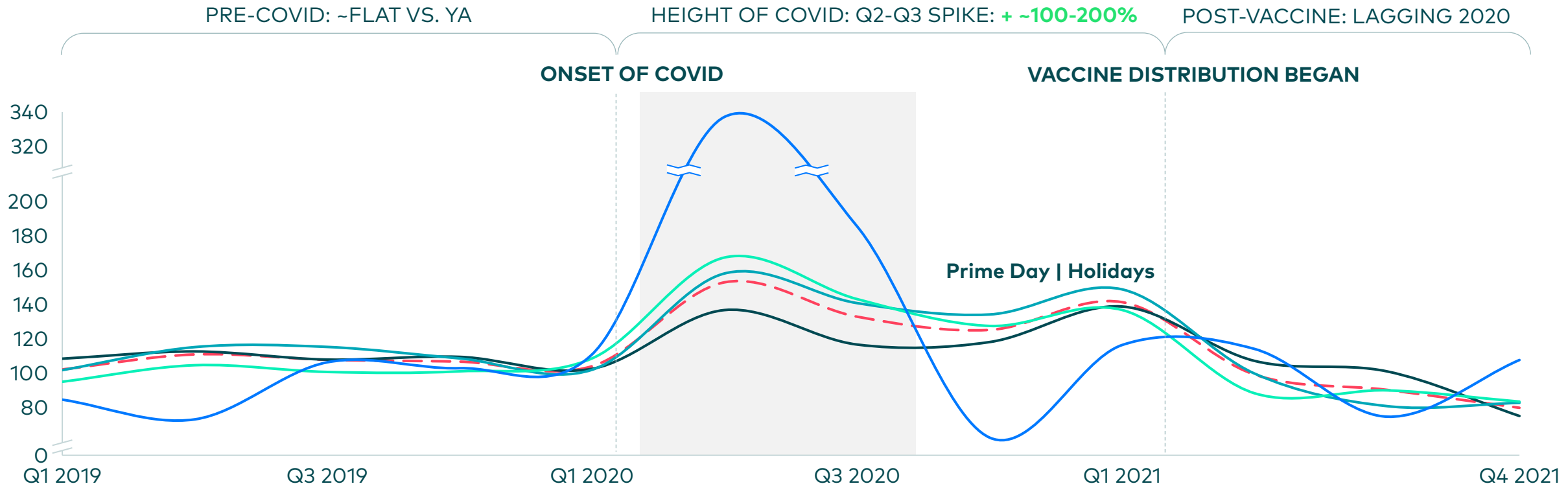
- That's up 13% from pre-COVID levels.



As consumers gravitated to new 'lockdown hobbies', these categories experienced a spike in trips in the early months of COVID versus pre-pandemic.

TRIPS BY QUARTER – INDEX VS. YA
Quarterly, Since Jan 2018

- Total Covid Housewares
- Cookware
- Wine, Beer & Beverage Refrigerators & Chillers
- Small Kitchen Appliances
- Bakeware



This was not a one-and-done trend— most households purchased multiple categories.

Existing buyers were likely to purchase *more* unique categories than new buyers, but new buyers were still likely to purchase more than one category

UNIQUE CATEGORIES PURCHASED

Since March 2020

1.8

unique categories purchased per buyer within COVID housewares

On average, these buyers have made 3.1 trips to these categories since Covid

2.0

unique categories purchased by existing category buyers

On average, these buyers have made 3.4 trips to these categories since Covid

1.6

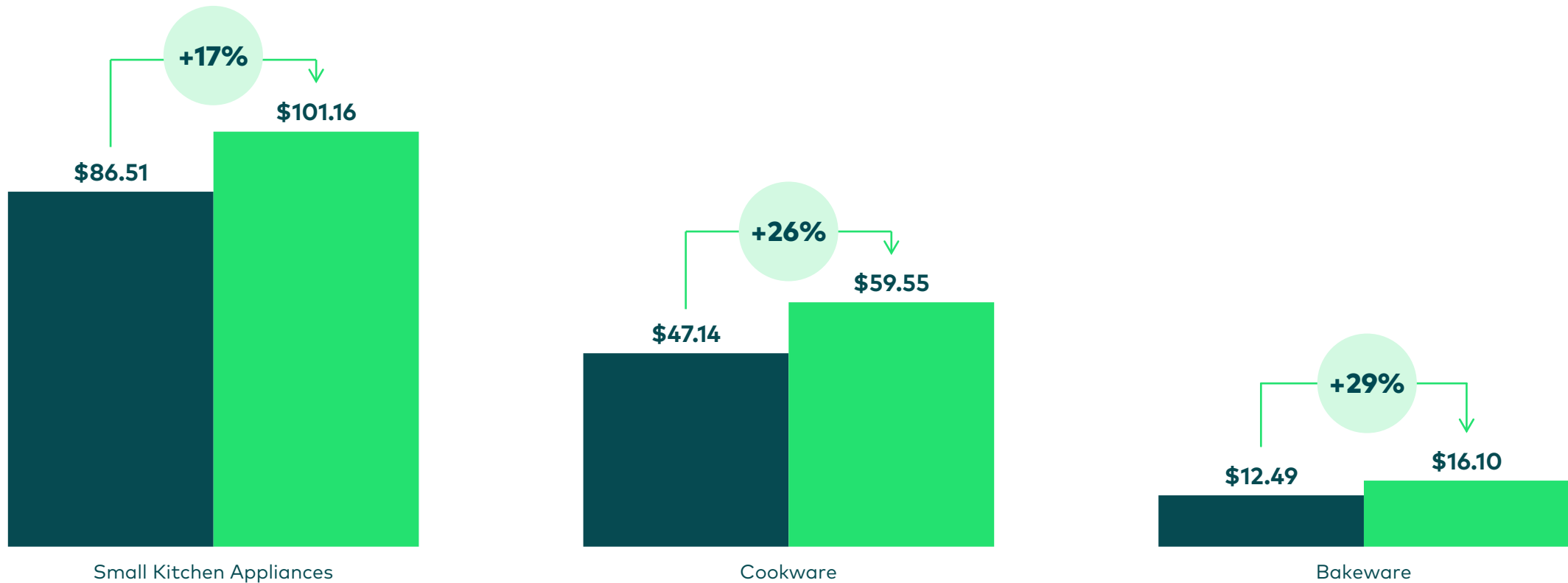
unique categories purchased by new-to-category buyers

On average, these buyers have made 2.5 trips to these categories since Covid

Shoppers not only made more trips to these categories since they were eating at home more often, but they also spent more across the core categories.

OMNICHANNEL HOUSEHOLD SPEND

(March 2020-Dec 2021 vs. prior period)



While most categories grew during COVID, air fryers and juice extractors helped lead the pack from a growth perspective.

OMNICHANNEL HOUSEHOLD PENETRATION (since March 2020)

● HH Penetration ● Index vs. Prior Period



COVID accelerated adoption of new buyers into the category, most of whom are younger relative to existing category shoppers.

Many of these shoppers are not historically buyers of these products.

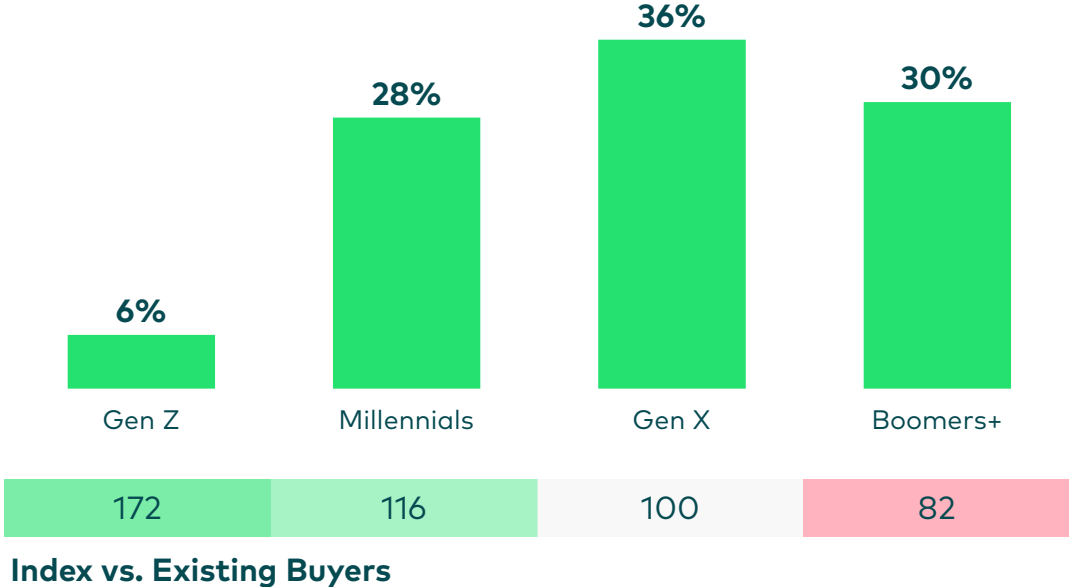
42%

who purchased during Q2-Q3 2020 had not purchased in the prior year.

● **As the pandemic wanes, now is the time to convert these new buyers into loyal category buyers as younger generations form their habits in the kitchen.**

NEW CATEGORY SHOPPERS BY AGE

Percent of New Shoppers Purchasing Q2-Q3 2020



These new buyers are a younger, single, diverse, & urban group.

Many young people in cities were bored during lockdown, prompting new cooking & baking hobbies potentially spurred on by TikTok and a stimulus check-padded wallet.



LOWER INCOME

30%

124 index



NON-CAUCASIAN

38%

116 index



1-PERSON HOUSEHOLD

20%

119 index



NEVER MARRIED

21%

138 index



LOWER BUY RATE

\$48.09

85 index



MALES & KIDS ON TRIP

MALE ONLY

21%

117 index

There is an opportunity to focus marketing to these new young shoppers on their most influential social media touchpoints.

47%

of new Gen Z & Millennial
COVID housewares spend in
Q2-Q3 was **Online**

Social media is intertwined with these young shoppers' lives

- **20%** of New Gen Z & Millennial buyers claim social media is the most influential advertising touchpoint, 144 Index vs. Existing buyers
- **40%** of survey respondents were influenced by social media or browsing online when purchasing housewares
- Social media is used for product reviews / ratings (**12%, 120 Index**), for products / services (**25%, 111 Index**), for exclusive offers (**21%, 113 Index**), and to follow influencers (**21%, 166 Index**)
- Recipe searching and cooking demonstration videos on social media played a role in influencing houseware purchases during COVID

Focus on the most influential touchpoints for these new, young buyers:



The COVID-19 pandemic influenced these purchases, but while most households still own the product today, some products are stickier than others.

It'll be important to emphasize everyday, long-lasting functionality to keep new young shoppers purchasing the category.

63%

used it as often as anticipated

89%

still own the product

57%

use it as frequently as the 6M post purchase

Pandemic Usage

Current Ownership

Current Usage

Air Fryers



39%

used it *more* often than anticipated



86%

still own product



31%

use it *more* frequently than first 6M post purchase

Juice Extractors



23%

used it *less* than anticipated



77%

still own product

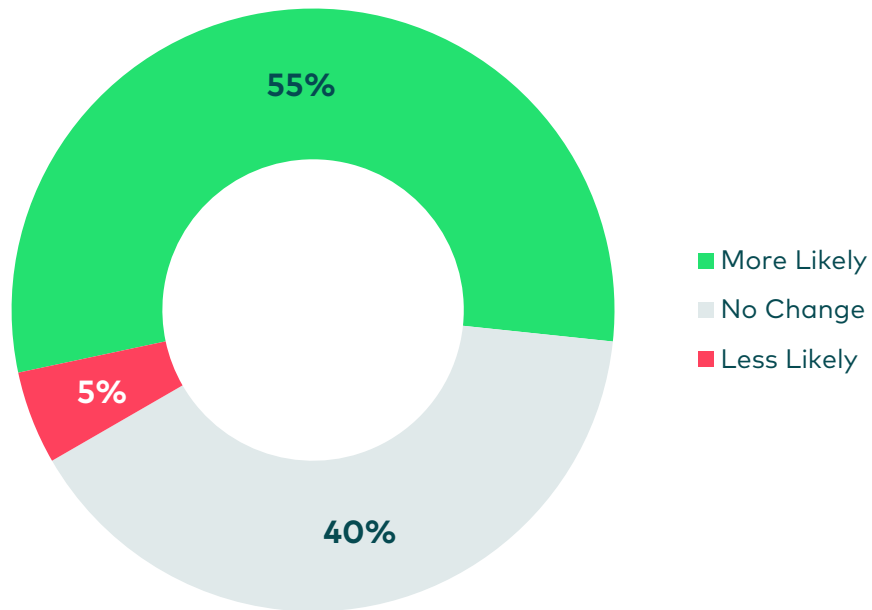


41%

use it *less* frequently or not at all

Based on this experience, 5 in 10 respondents said they're more likely to purchase similar items in the future, a positive indicator for *most* categories.

LIKELIHOOD TO PURCHASE SIMILAR PRODUCTS IN THE FUTURE



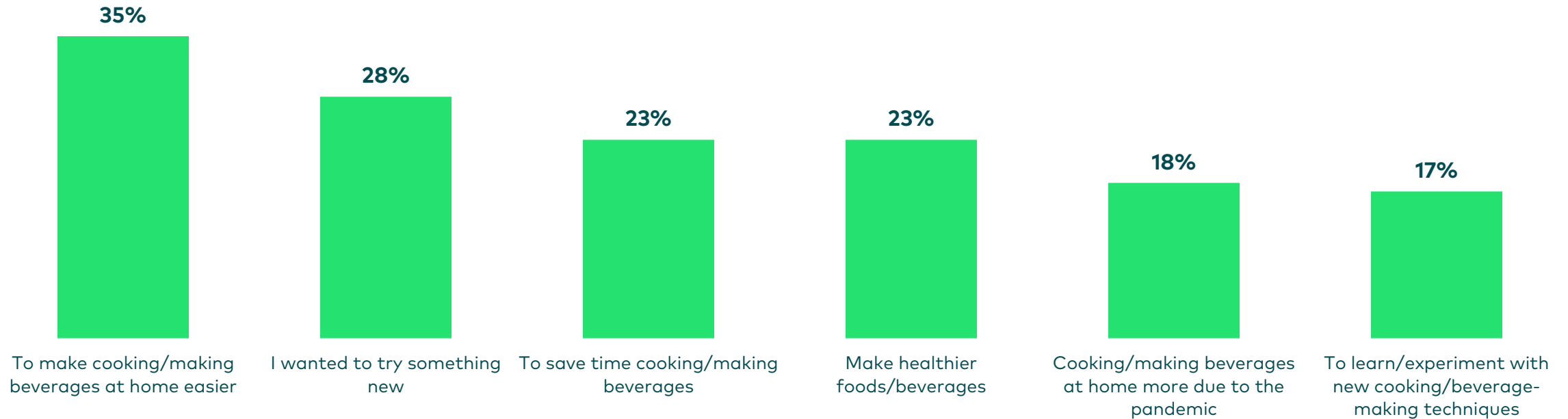
Much more likely...
Air Fryers
Coffee & Espresso
Makers



Much less likely...
Juice Extractors
Soda Makers

Consumers purchased these products for cooking ease, to try something new, or for healthier food options.

TOP DRIVERS FOR PRODUCT PURCHASE





Lockdown hobbies popularized the housewares aisle, but also impacted other aisles.

New Beverage Center buyers are doing more than just spiking their punch... they're spiking their spend on alcohol, as well, driven by spirits.

Among new Alcohol Refrigerator & Chiller Buyers, spend on Alcohol increased by **102%** in P12M post-purchase vs. prior period... versus total Alcohol spend +32% among all shoppers!



+152%

Spend on Spirits

Fresh lemons and limes spend also grew... 62% and 31%, respectively



+72%

Spend on Beer



+52%

Spend on Wine

Spend on Baking & Cooking rose **46%** among new Pizza Pan & Stone Buyers in P12M post-purchase vs. prior period.



+39%

Spend on Cheese



+46%

Spend on Yeast & Leaven



+44%

Spend on Pizza Sauce

And new buyers of coffee & espresso makers are driving increases in coffee and related food category spend, as well.

Spend on Coffee increased **25%** among new Coffee & Espresso Maker Buyers in P12M post-purchase vs. prior period.



+21%

Spend on Coffee
Filters



+22%

Spend on Coffee
Creamers



+27%

Spend on Sugar, Sugar
Substitutes, and
Sweeteners

Takeaways

Lockdown driven hobbies drew existing and new shoppers to the category.

Many of these new shoppers were Gen Z/Millennials, who are heavily influenced by social media.

The industry should focus on targeted marketing via social media and online avenues for younger generations.

Current usage varies by category and early reads indicate that some categories will be stickier in the long term than others.

Air Fryers and Coffee/Espresso Makers are here to stay, while more items with a limited scope of end use, such as Juice Extractors and Soda Makers, aren't sticking.

Purchasing of housewares had an impact across many aisles.

New to category buyers spent up to 2x more on inputs for these COVID housewares.

Valuable cross-promotional opportunities with related CPG categories exist for housewares brands .

Impacted cross products should target new category buyers to establish preferred brands as these consumers continue to utilize their houseware products.

There's **More** to Know.

Reach out to us at hello@numerator.com to find out how COVID consumer behaviors will impact the future of your category.



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