An Inside Look

An Overview of European SMB

NielsenIQ

August 2023

About the survey

NIQ's An Inside Look is a global survey to a digital panel comprising 181 business owners from 35 markets representing approximately $34 million in FMCG sales value. It was designed to understand the realities faced by SMBs in today's economic and retail landscape.

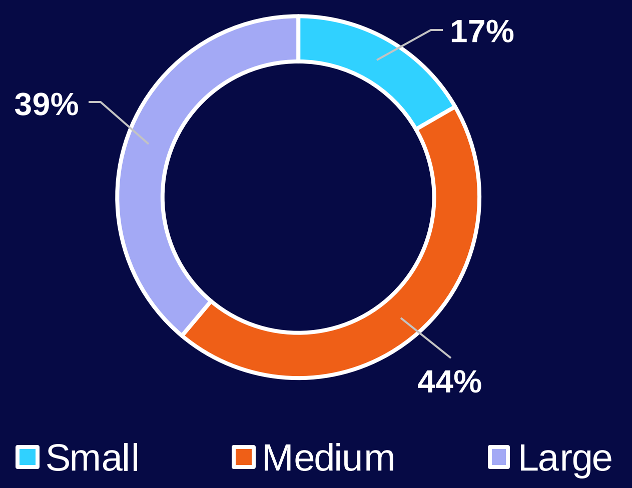
Fieldwork: April to May 2023.
Regions represented: Asia Pacific, Latin America, North America, Europe, Middle East & Africa and China.

This regional report delivers an overview of the European respondents from 8 markets* representing approximately $3.6 million** in FMCG sales value.

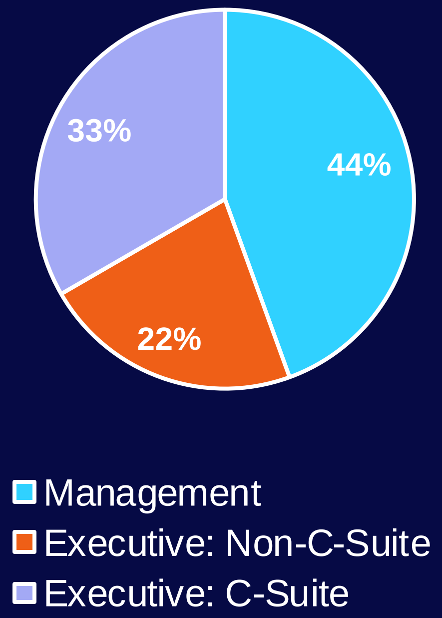
** Austria, Bulgaria, Denmark, Norway, Portugal, Finland, and Sweden*
*** Based on NIQ RMS segmentation for small and medium businesses*

About the respondents

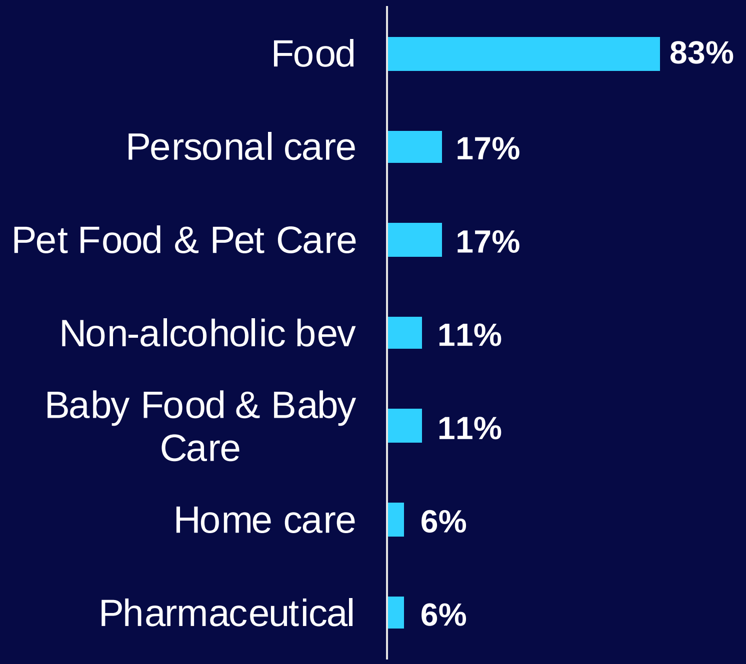
Respondents Business Size (Europe)



Respondents management level (Europe)



Category breakdown (Europe)

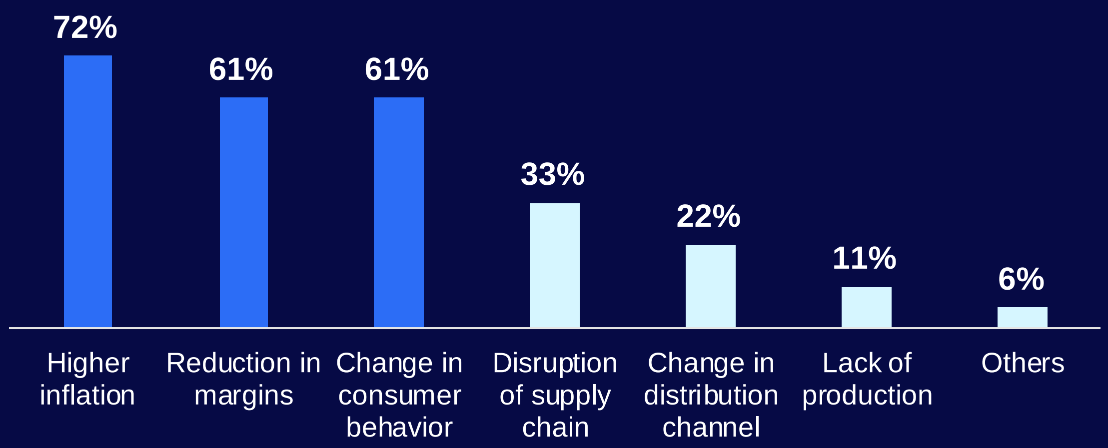


Survey Results

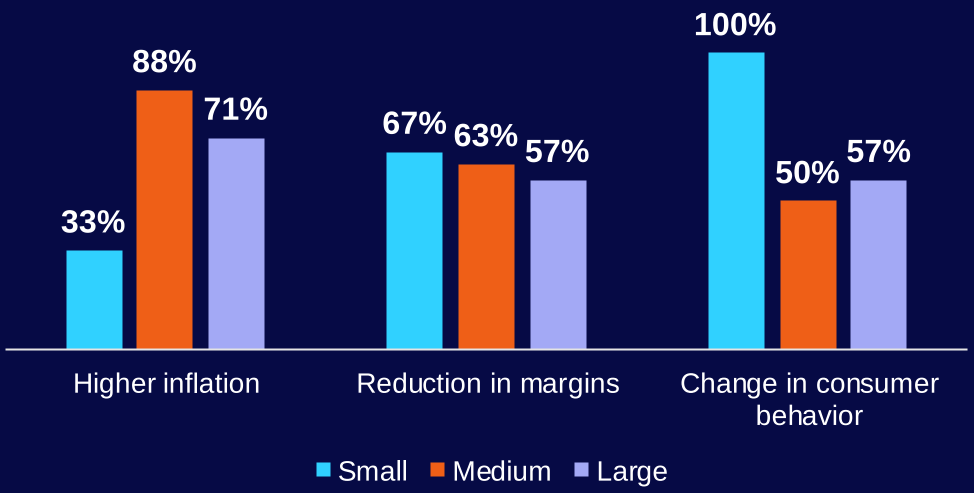
European Respondents

Inflation is the most common perceived risk for European markets

Europe

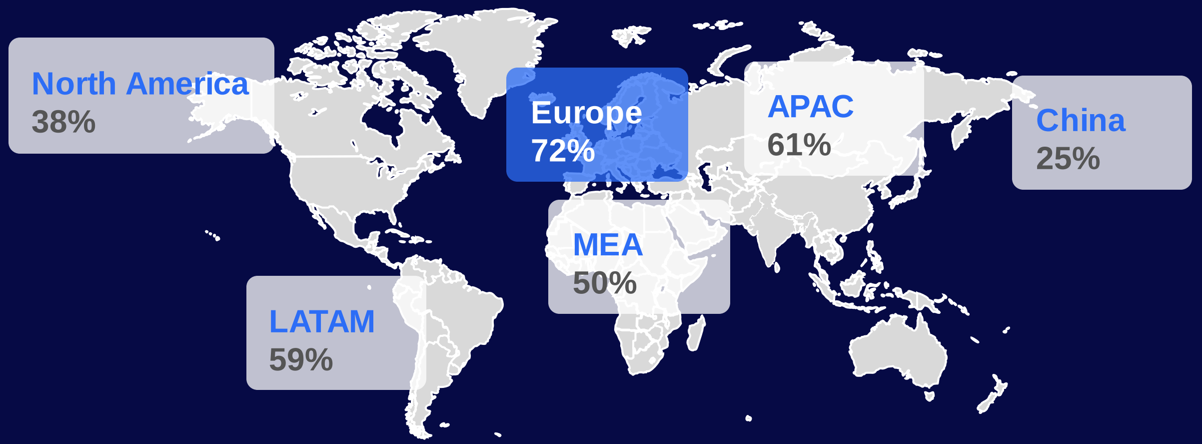


Europe



Global

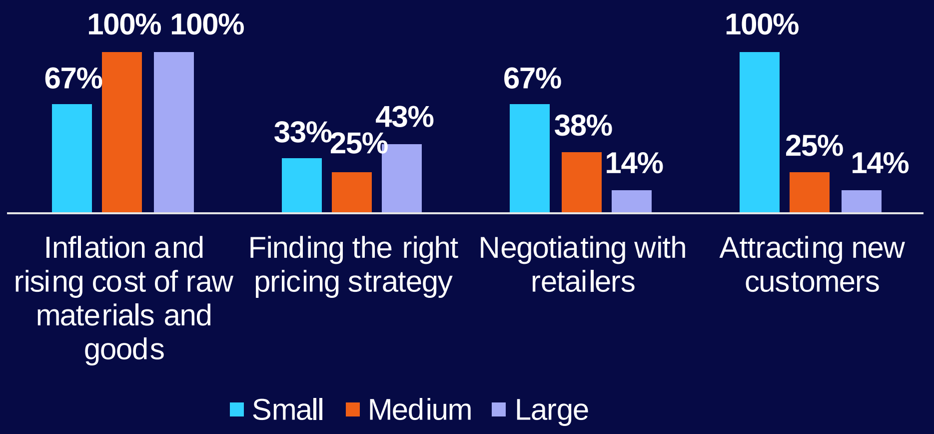
Europe is the region with the highest perceived risk for inflation



Question: “What do you think are the main risks for your business in the next 12 months?”

And a top challenge for 94% of European companies

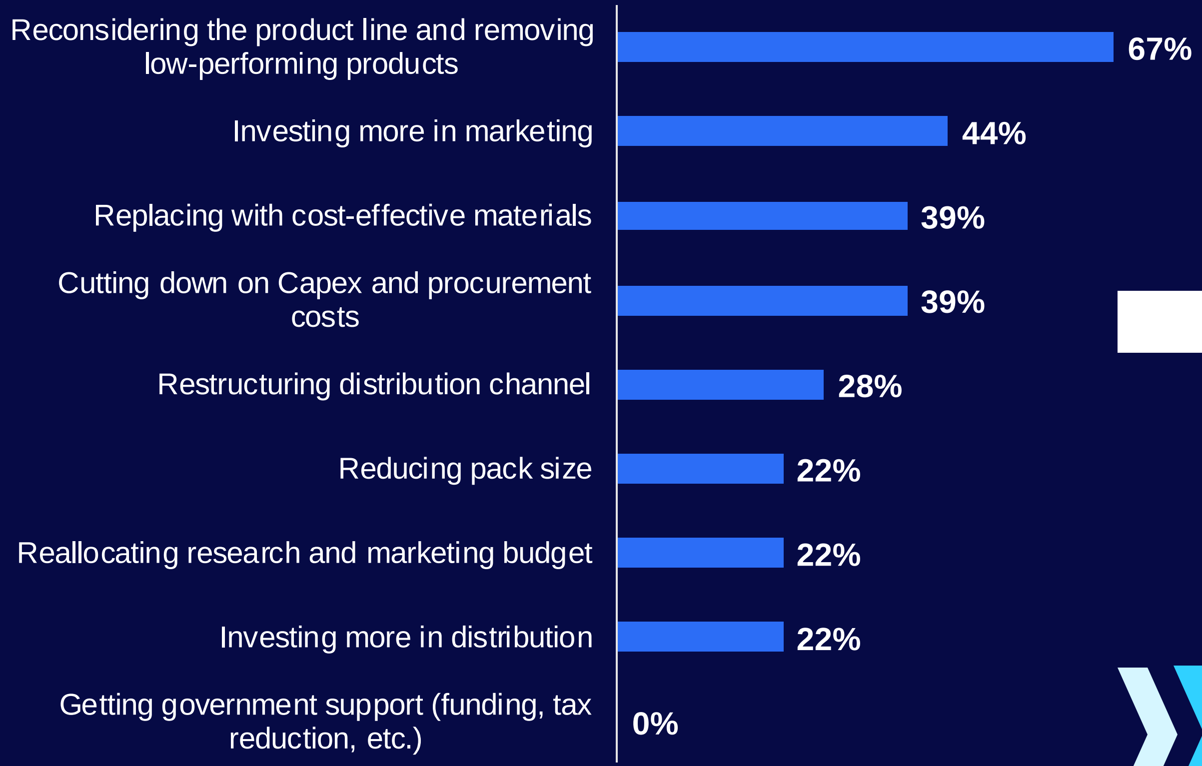
What are the main challenges your business encounters? (multiple choice)

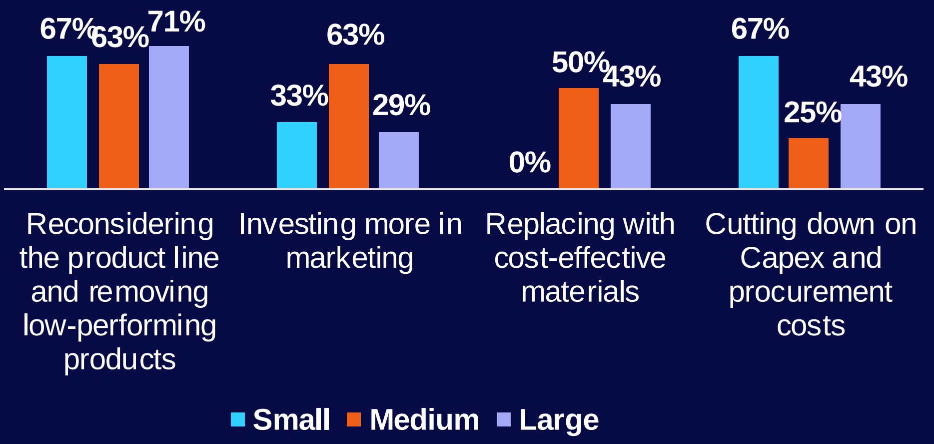


Macroeconomic and other external environments have a greater impact on European markets, comparing to other regions. Inflation and raw material prices are the main concerns to 100% of Medium and Large companies, while the attraction of new customers is a concern to 100% of Small enterprises.

Portfolio adjustments are the solution for 67% of respondents

How do you deal with those challenges? (multiple choice)





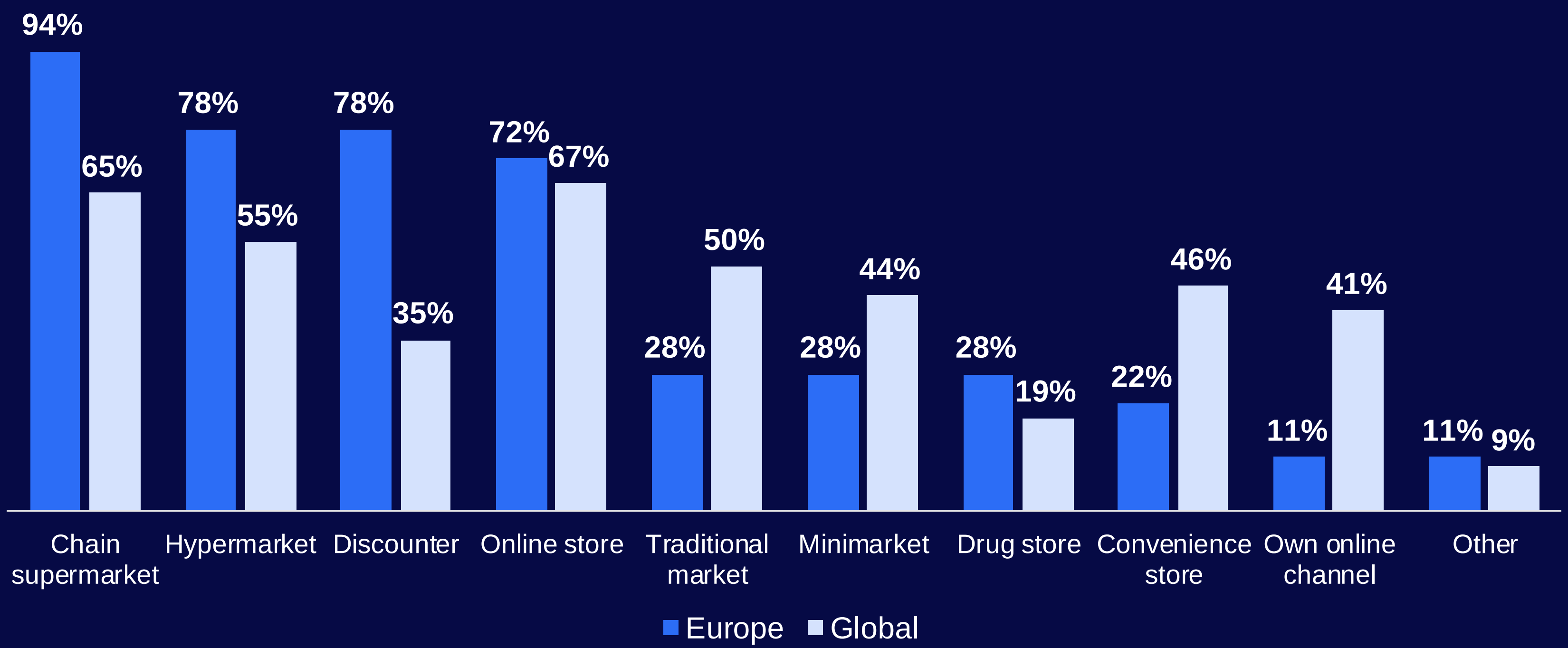
The right products in the right place

NIQ can support your product line and assortment decisions. Know how!

Discounters most relevant in Europe, except for Small businesses

Supermarket chains, Hypermarkets, and Discounters are the three most widely deployed channels by European enterprises, showing much higher penetration in compared to the global average. Online stores are the main channel globally, while in Europe, they rank fourth in terms of popularity (despite having higher penetration). Own online channels are less common in Europe compared to the global average.

Channel distribution (% of respondents)



Top 3 – Small (EU)

Hypermarket, Online Store, Chain supermarket

Top 3 – Medium (EU)

Chain supermarket, Discounter, Hypermarket

Top 3 – Large (EU)

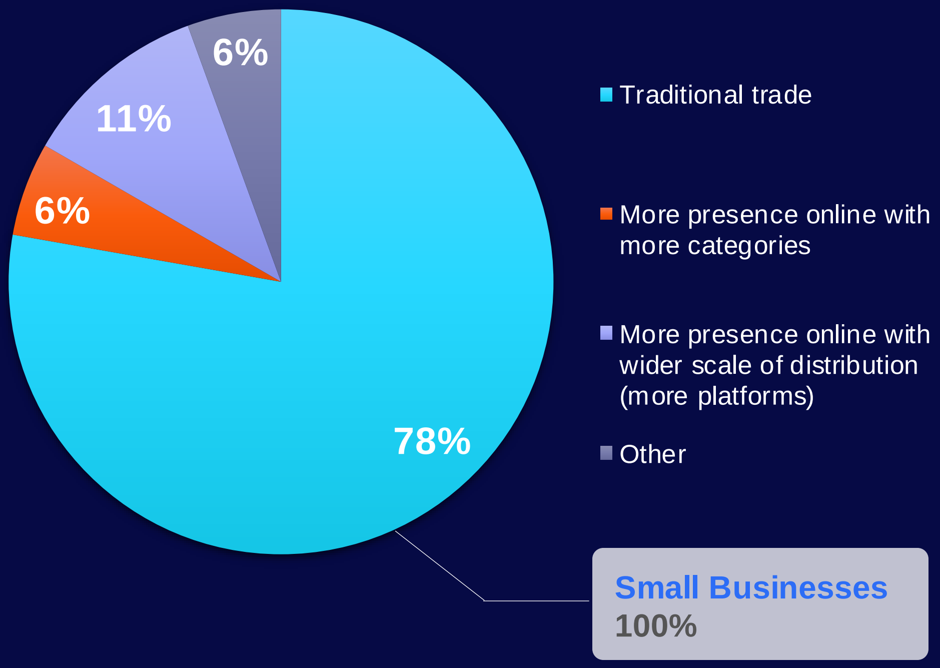
Chain supermarket, Discounter, Hypermarket & Online store

NIQ Question: "What channels are you represented in? Please select all that apply."

European companies are focused on Traditional Trade, especially Small Businesses

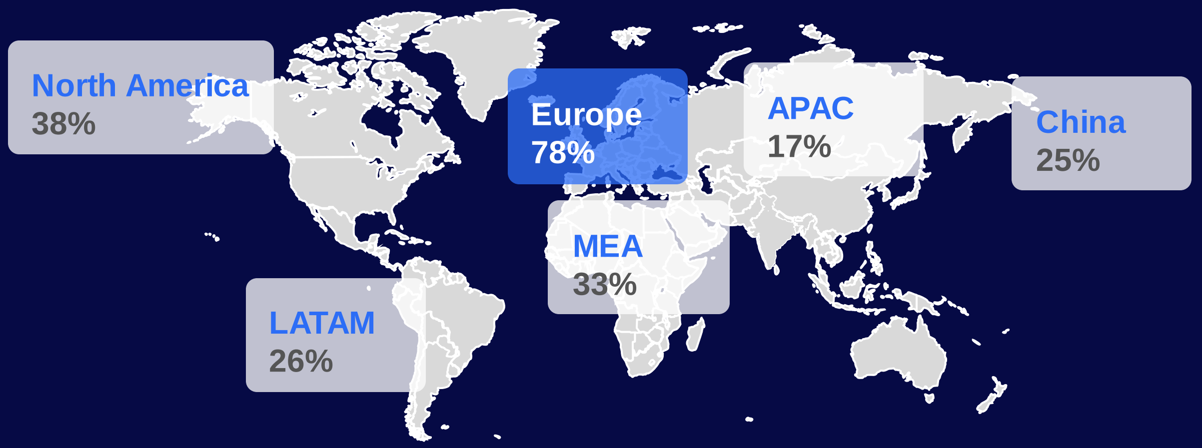
What is the primary area of focus of your channel/distribution strategy in the next 12 months?

Europe



Global

In the Global average, the Traditional Trade is also the top priority for the next 12 months, but only with 31% of the respondents selecting this option.



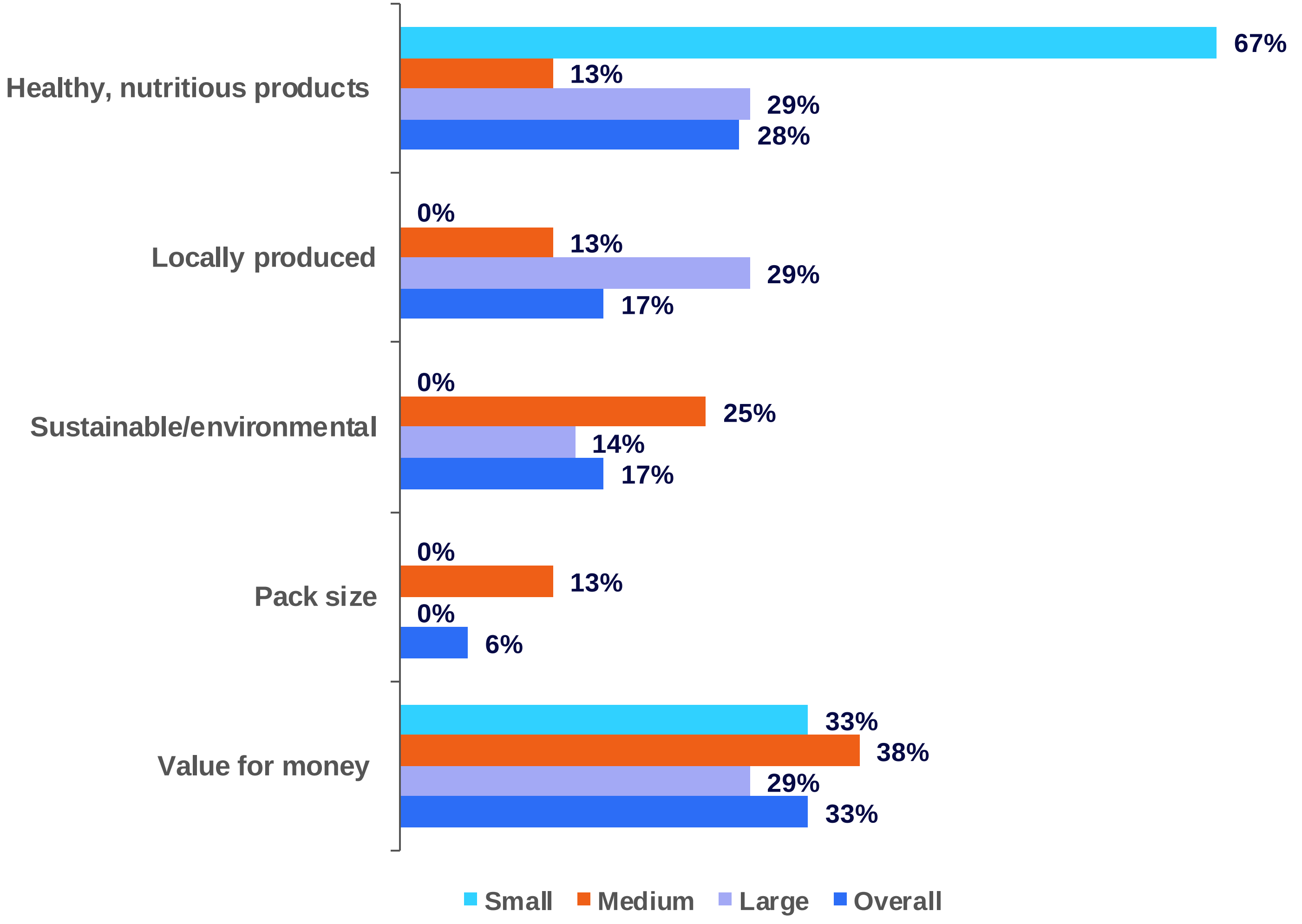
European companies see these as key values in their products:

33%
Value for Money
vs. global average of 21%

28%
Healthy, nutritious products
vs. global average of 31%

17%
Sustainable & Locally produced
vs. global average of 6% & 7%

What is the key value your product offers to your customers?



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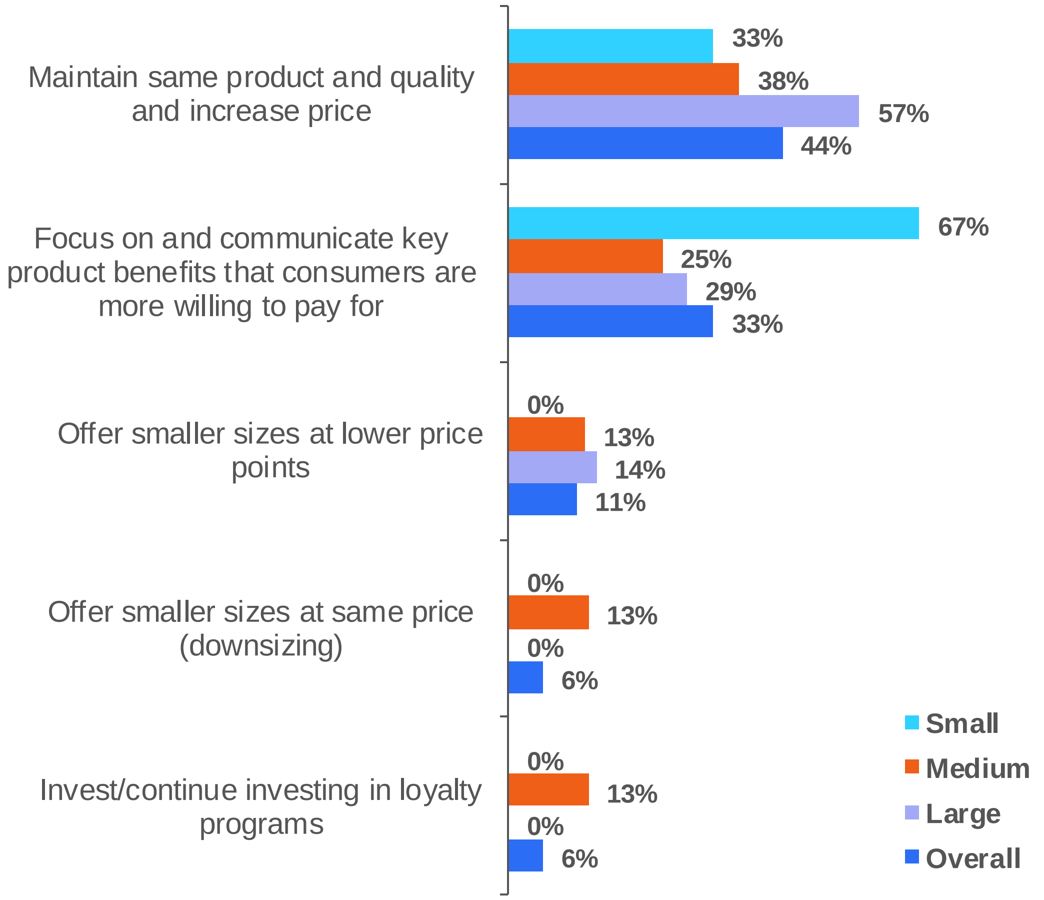
Pricing and promotion strategies

What **pricing and promotional strategies** is your business most likely to follow in the next 12 months?



Despite high inflation and intense competition in the FMCG industry, European companies prioritize their **strengths and differentiation**. Larger companies maintain product quality while charging a higher price, while smaller companies focus on communicating product benefits.

44%

Maintain the same quality, increasing the price
(vs ***19% in the global*** *average)*

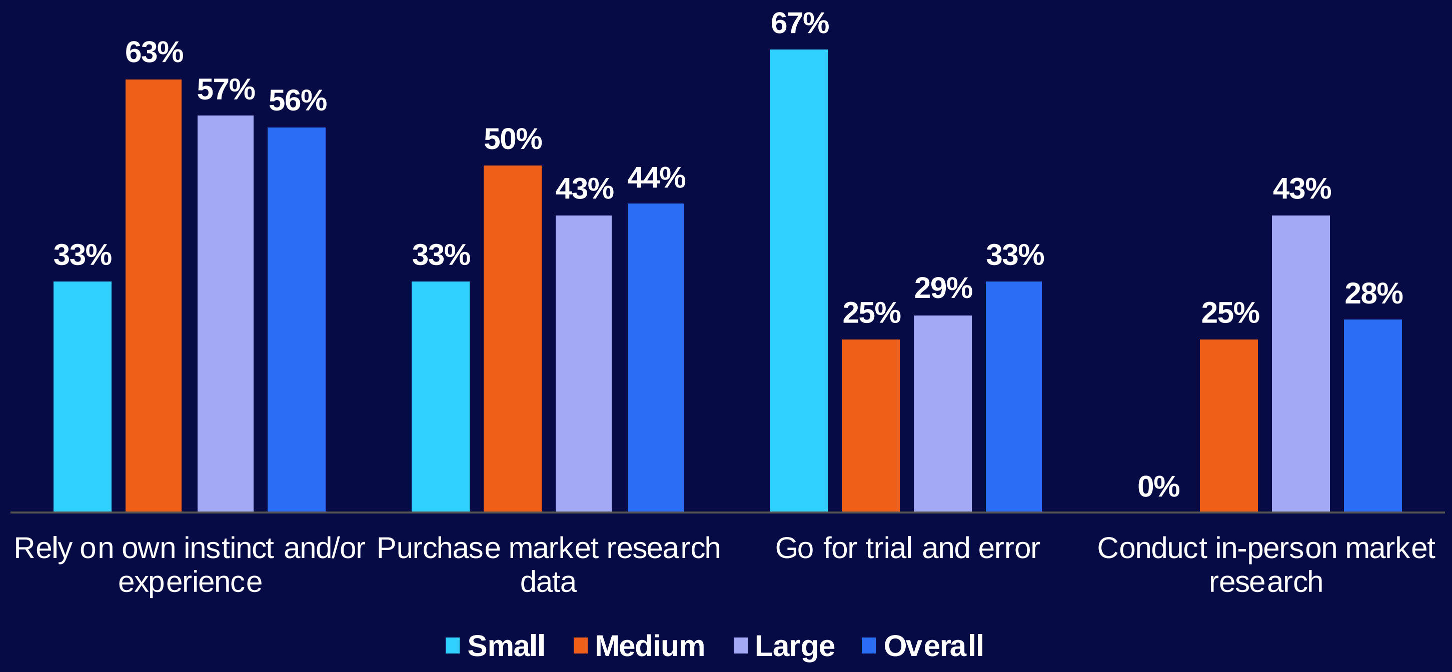
33%

Opt to invest in communicating the benefits of their products
(vs ***42% in the global*** *average)*

NIQ

Medium and Large companies are more likely to purchase market data to aid decision-making, while Small Businesses tend to use empirical intuition

Please specify what tools you use to reposition your price range. Please select the top three that apply.



44%

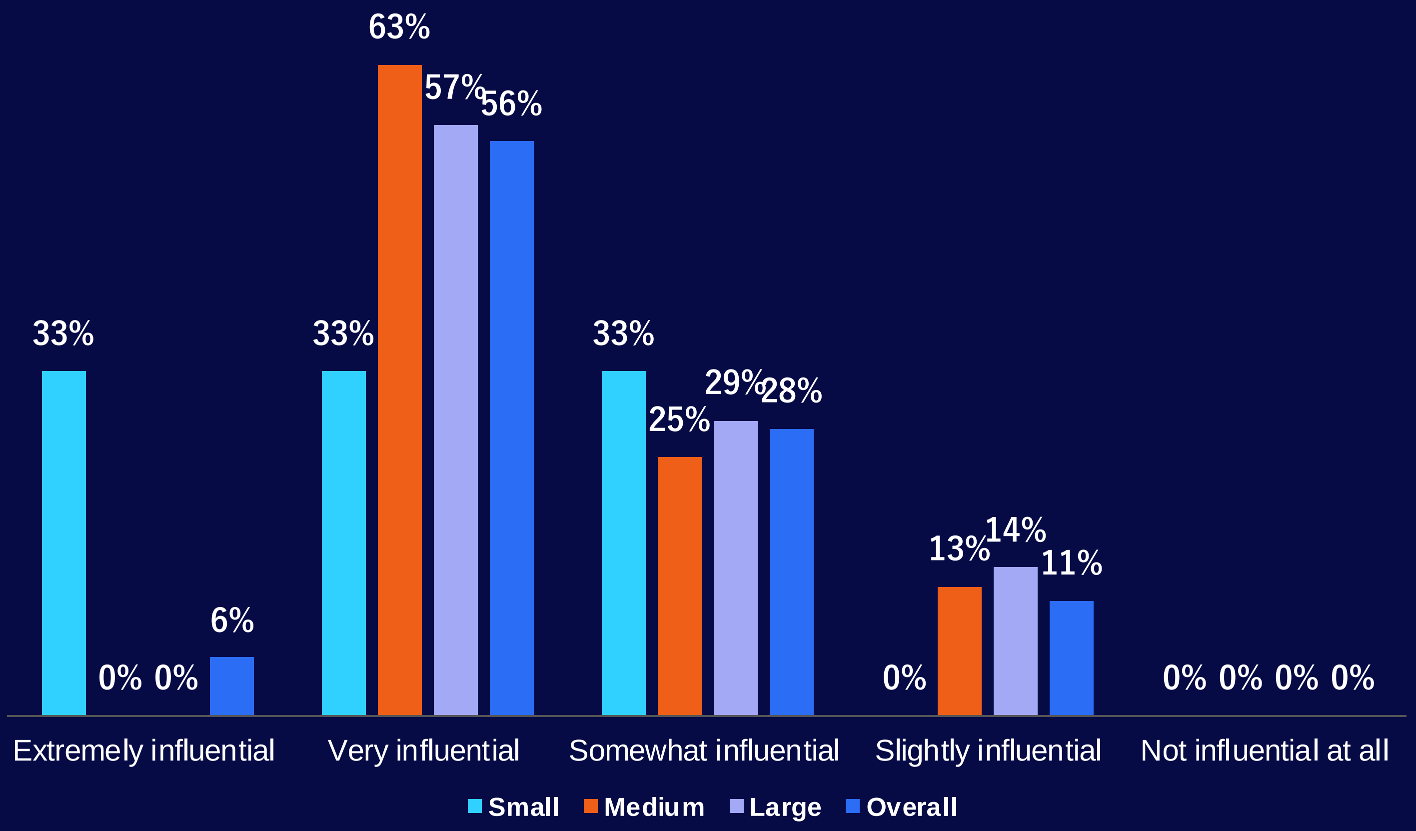
of European enterprises choose to buy market data **vs. 51% in the global average.**

NielsenIQ empowers SMBs with tailored data and insights. [Find out how.]

NIQ

European organizations recognize the positive impact of data and insights on business decisions

How much do data and insights influence the decisions you make?



43%

of Large companies say that data and insights **contributed to their success** (against 33% of Small and 13% of Medium companies)

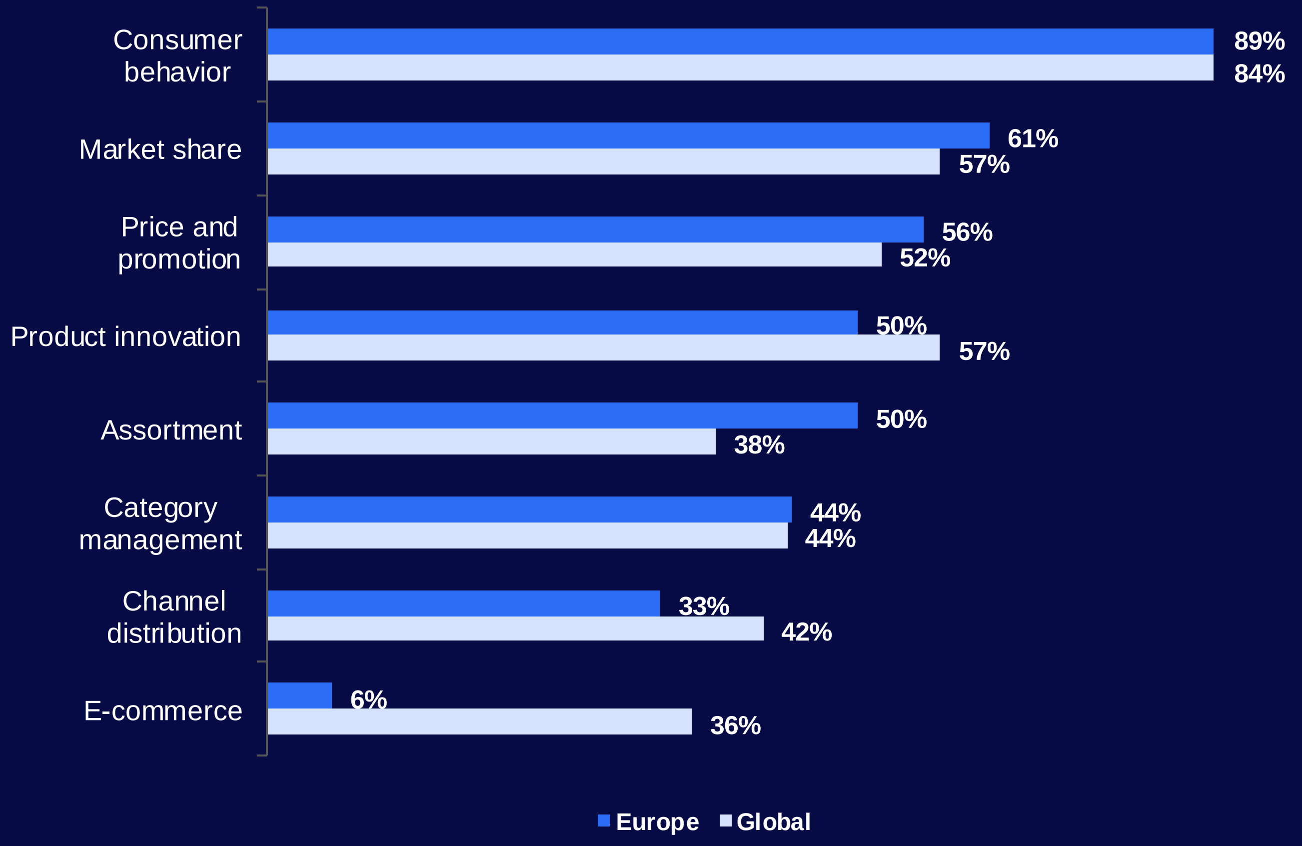
The answers that you need come in the data

Which in turn can build the map to growing your business.

Contact NielsenIQ to know how!

Consumer behavior and market share are the core interests of European companies

Regarding data and insights, what topics are you most interested in? (multiple choice)



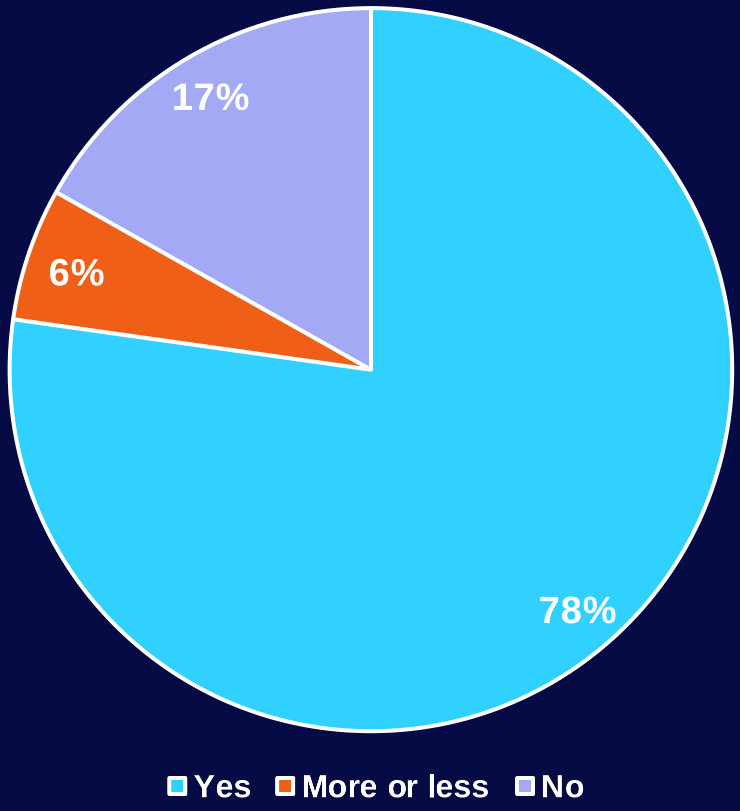
E-commerce and channel distribution represent opportunities in Europe. Globally, there is a higher interest in learning more about these topics.

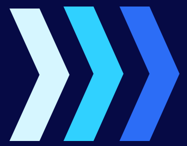
Find out how NielsenIQ can help you

NIQ

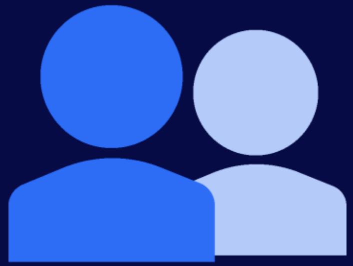
78% of European companies are aware of NielsenIQ tailored services for Small and Medium business. Are you?

Are you aware that NIQ delivers data and solutions for small and medium-sized businesses?





If not…



[Let's Talk!]

Thank you.

For more information, please check out.

NielsenIQ official website: nielseniq.com
Small and medium-sized businesses webpage
Contact us

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