NIQ Webinar

Navigating Uncertainty | FMCG & Consumer Trends in KSA and UAE During Conflict

April 30th, 2026

NielsenIQ

Today's Speakers

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SA&I FMCG Leader for APP

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SA&I Leader for KSA

Impact of the Initial & Following Weeks on FMCG

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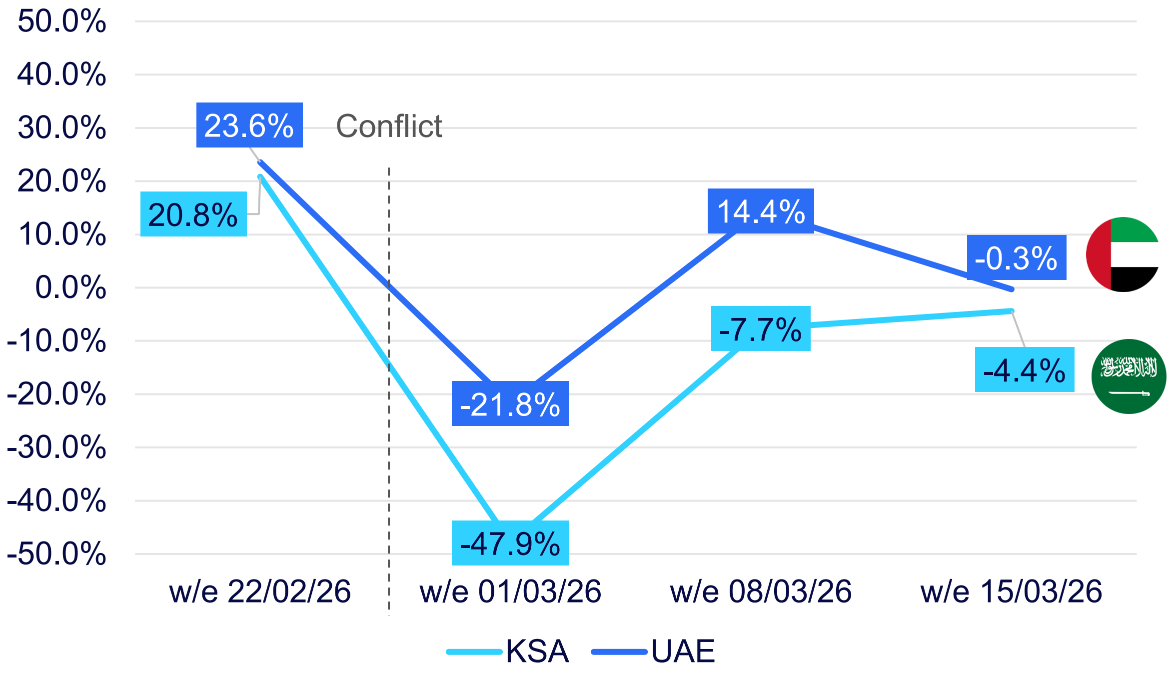
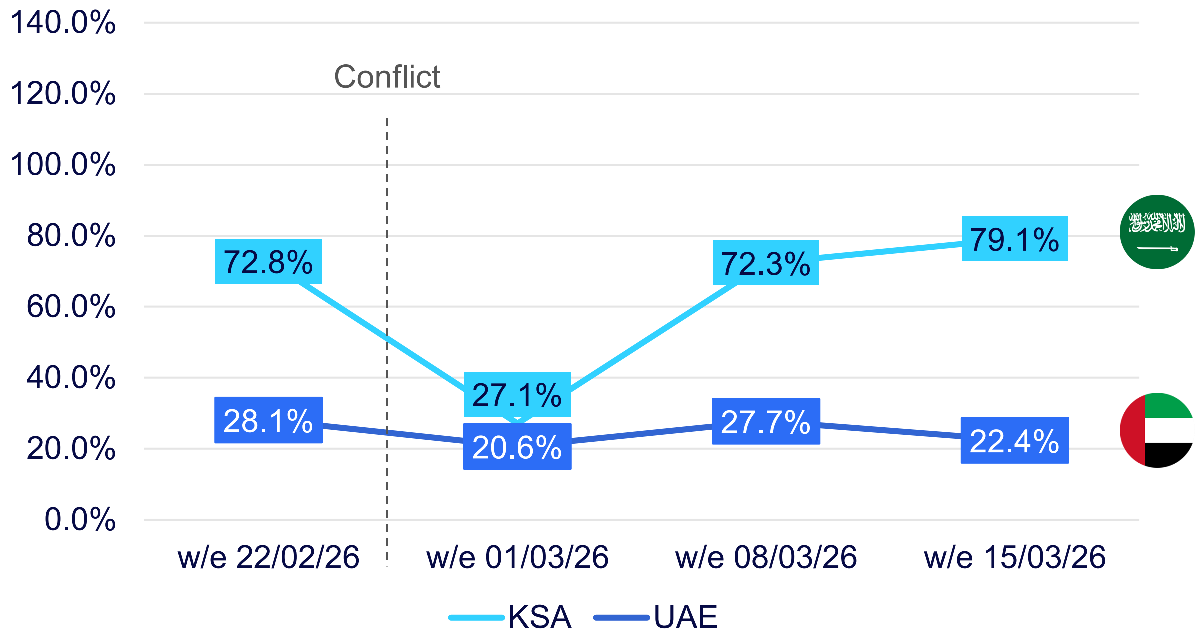
We have seen a very immediate negative impact for offline during the first week which led to a stock up situation while Ecom remained to have growth

Between Feb 16th till March 15th

Modern Trade Offline Value Change % – respective week vs year ago



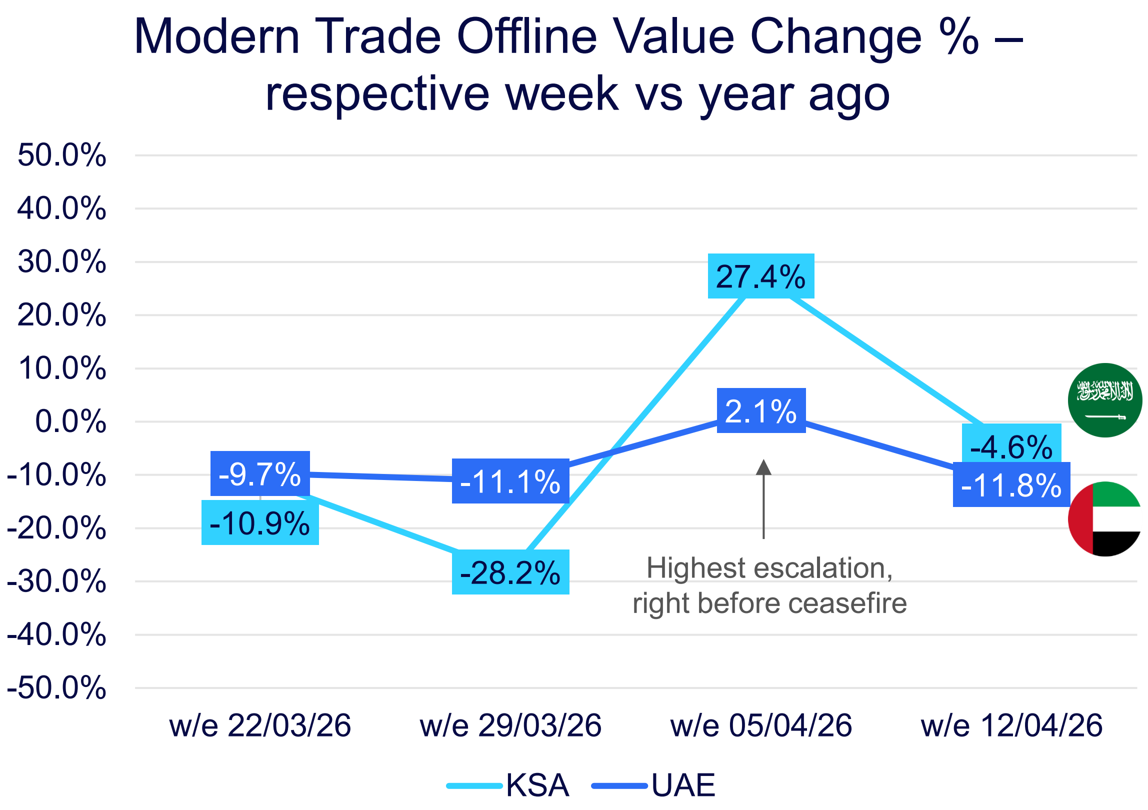
Online Value Change % – respective week vs year ago

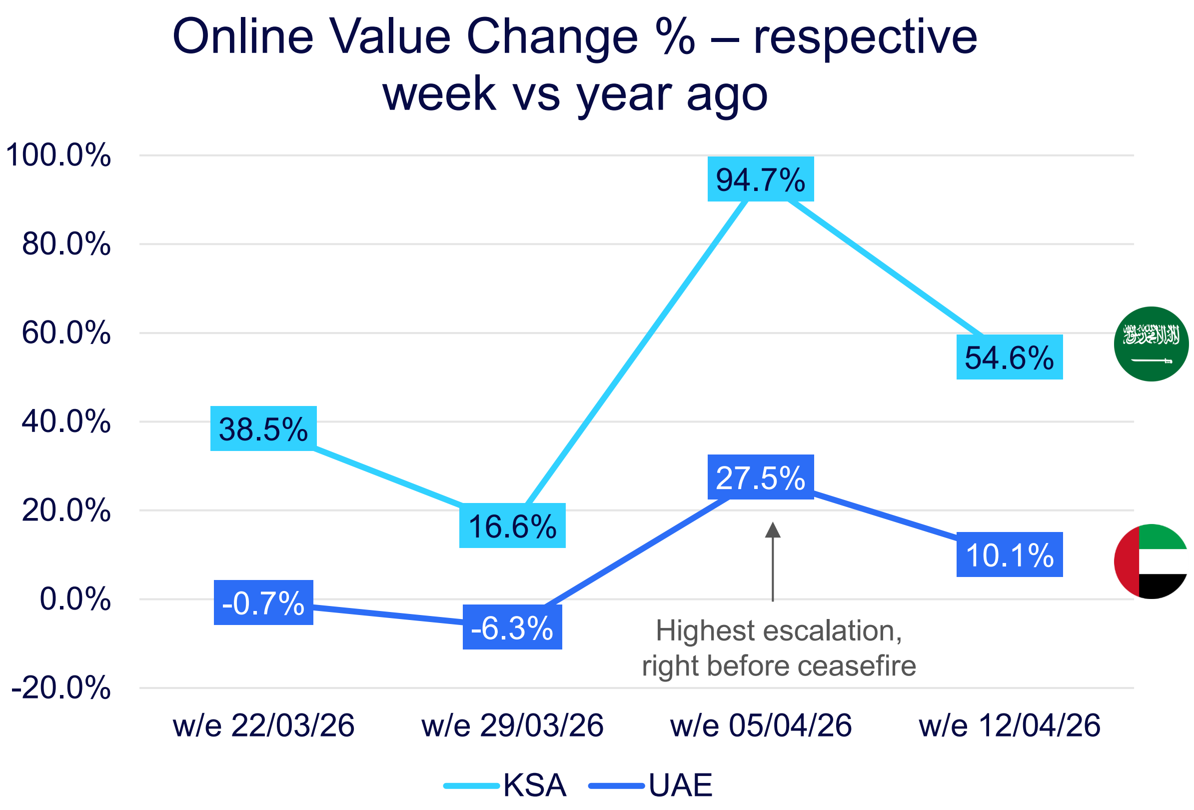


Source : NielsenIQ Weekly Scan Data

For the following weeks, week ending April 5th has seen a huge uplift in both markets due to stock up tendency from consumers. Latest week has the impact of that as well

Between Mar 16th till April 12th





Source : NielsenIQ Weekly Scan Data

Broader Impact on Channels & Baskets through March

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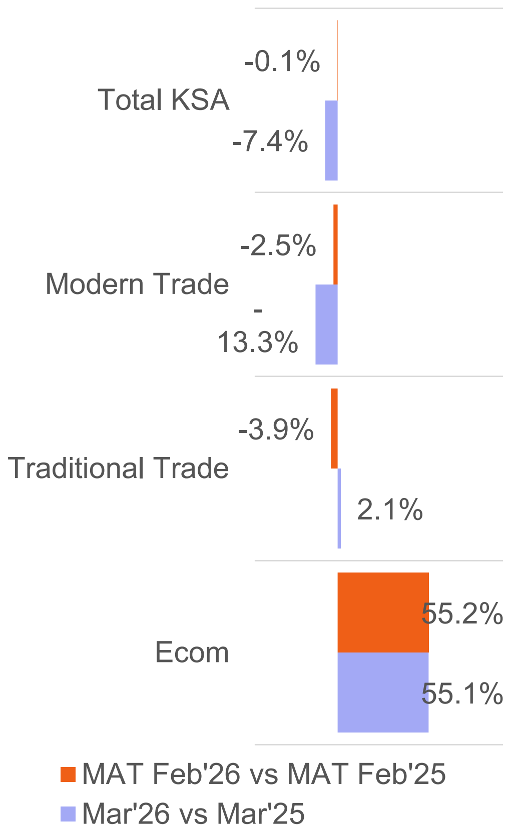
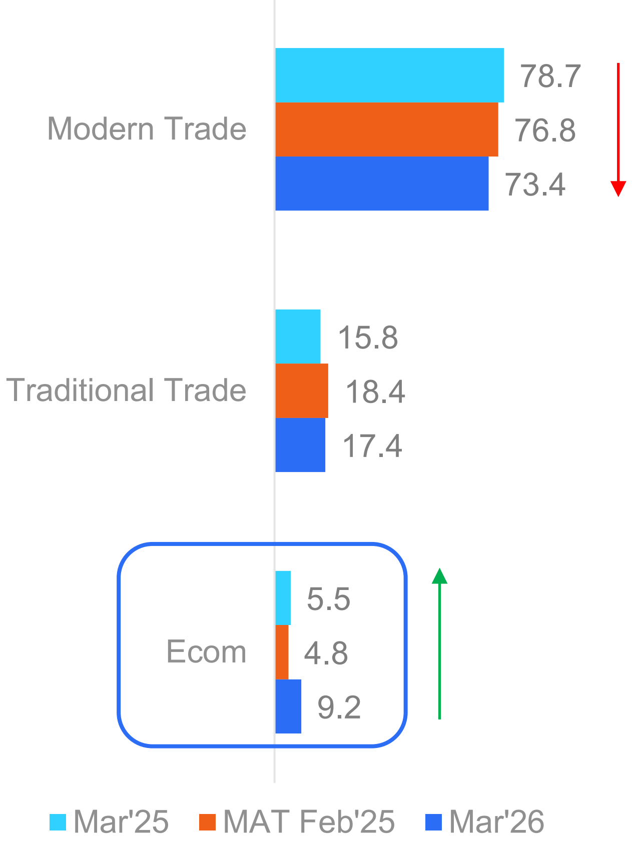
Modern Trade gets the hit for both markets in the current situation while Traditional Trade remains resilient. The absolute winner of the channels is Ecom, especially in KSA

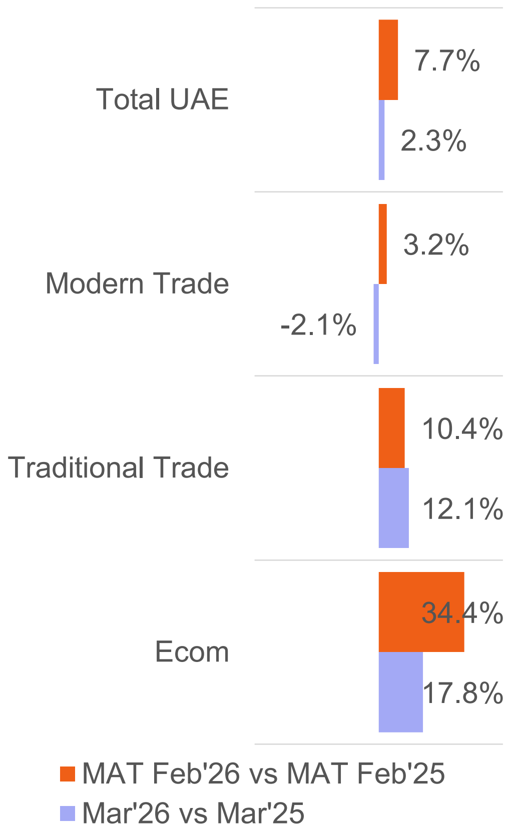
FMCG Value Change (%)



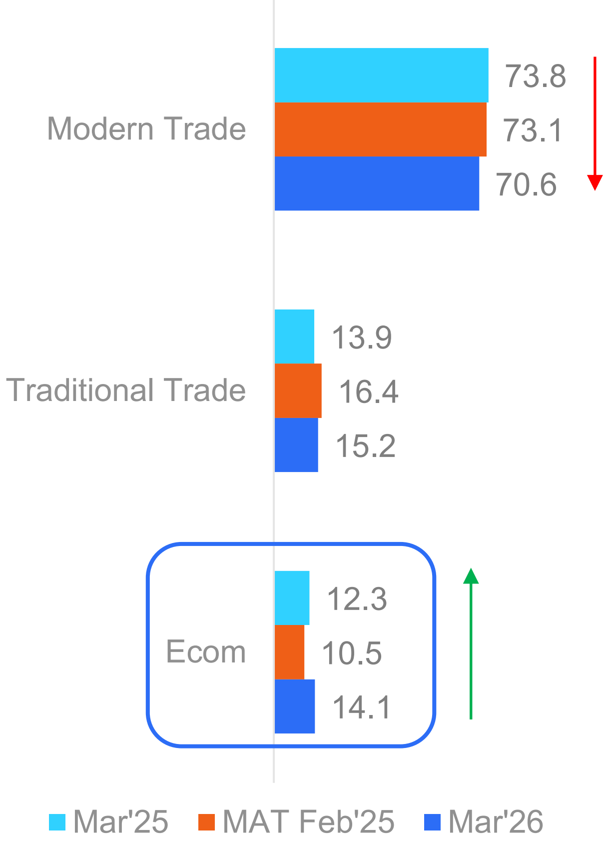
Value Split by Channel



FMCG Value Change (%)



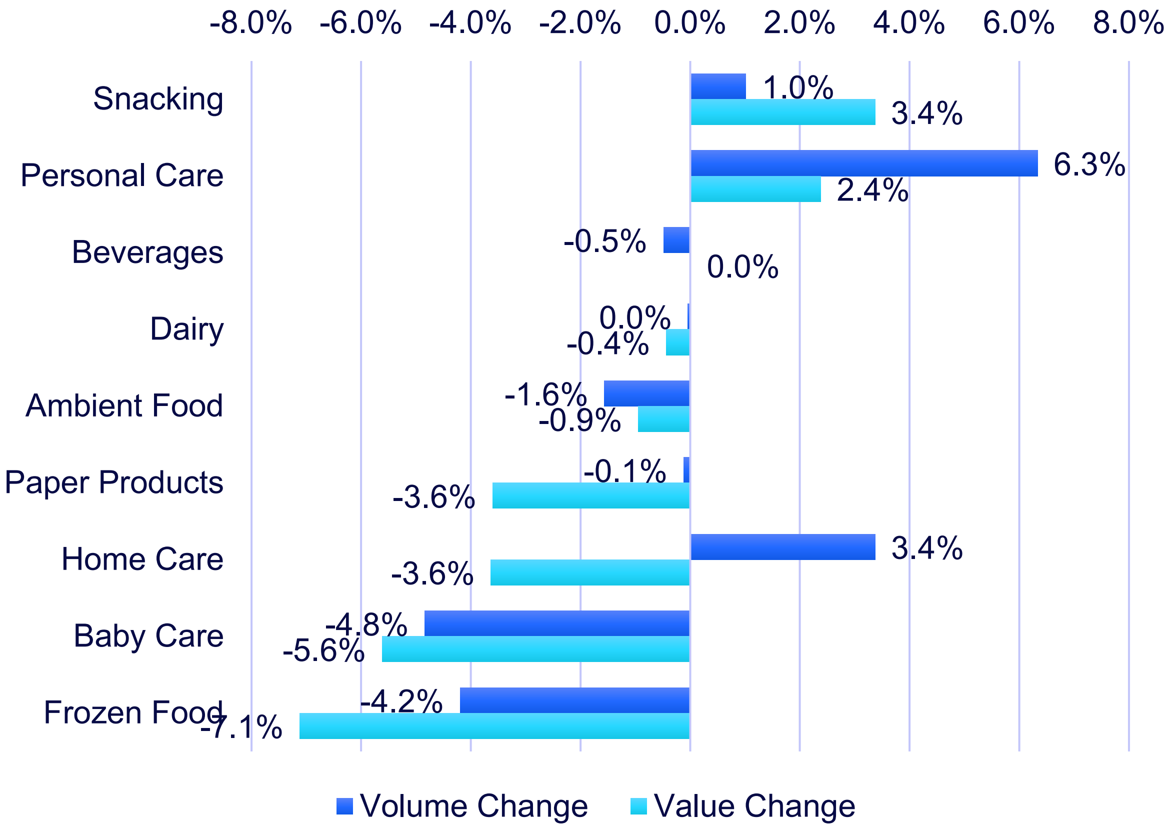
Value Split by Channel



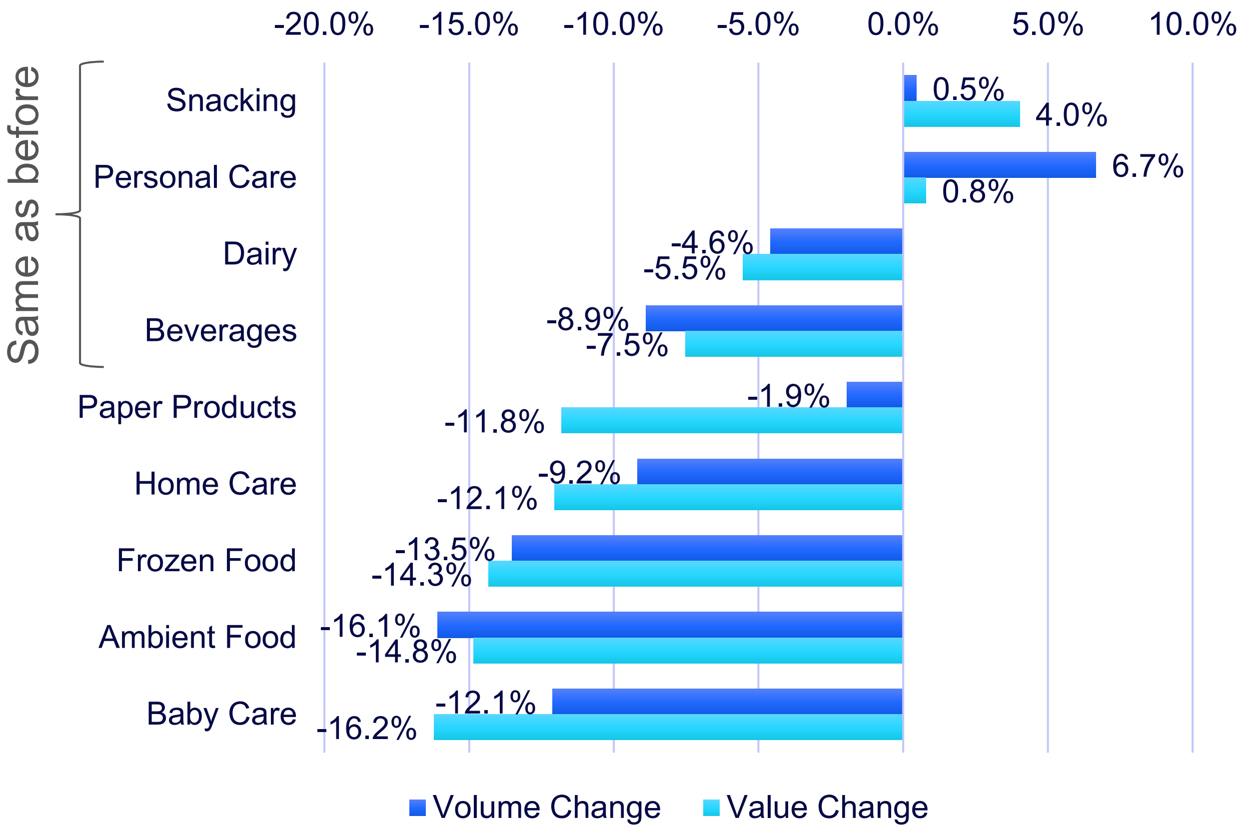
Source: NielsenIQ Retail Panel

The scenario of top growing vs declining industries did not change much in KSA post conflict

Total Country Value & Volume Change % - MAT Feb'26 vs MAT Feb'25

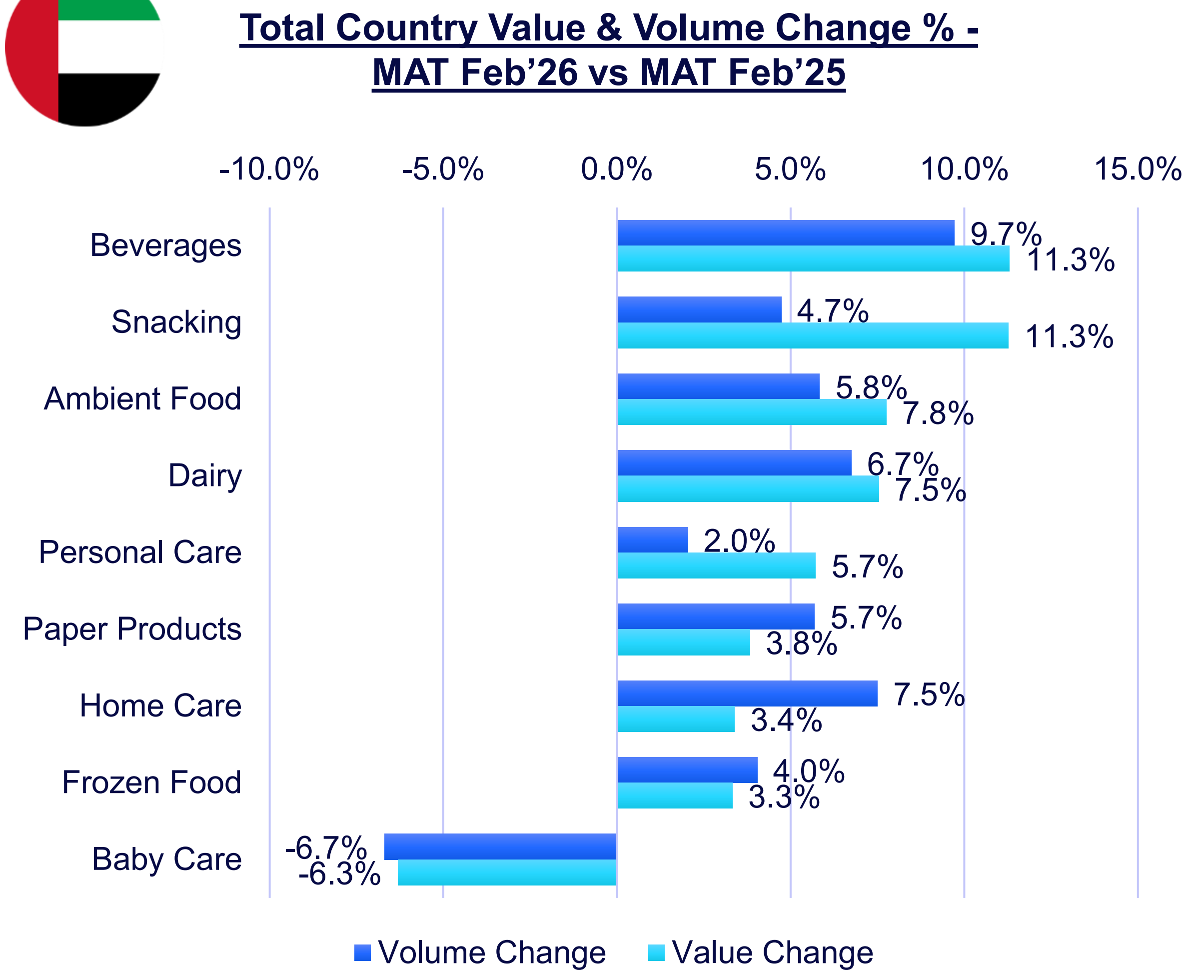


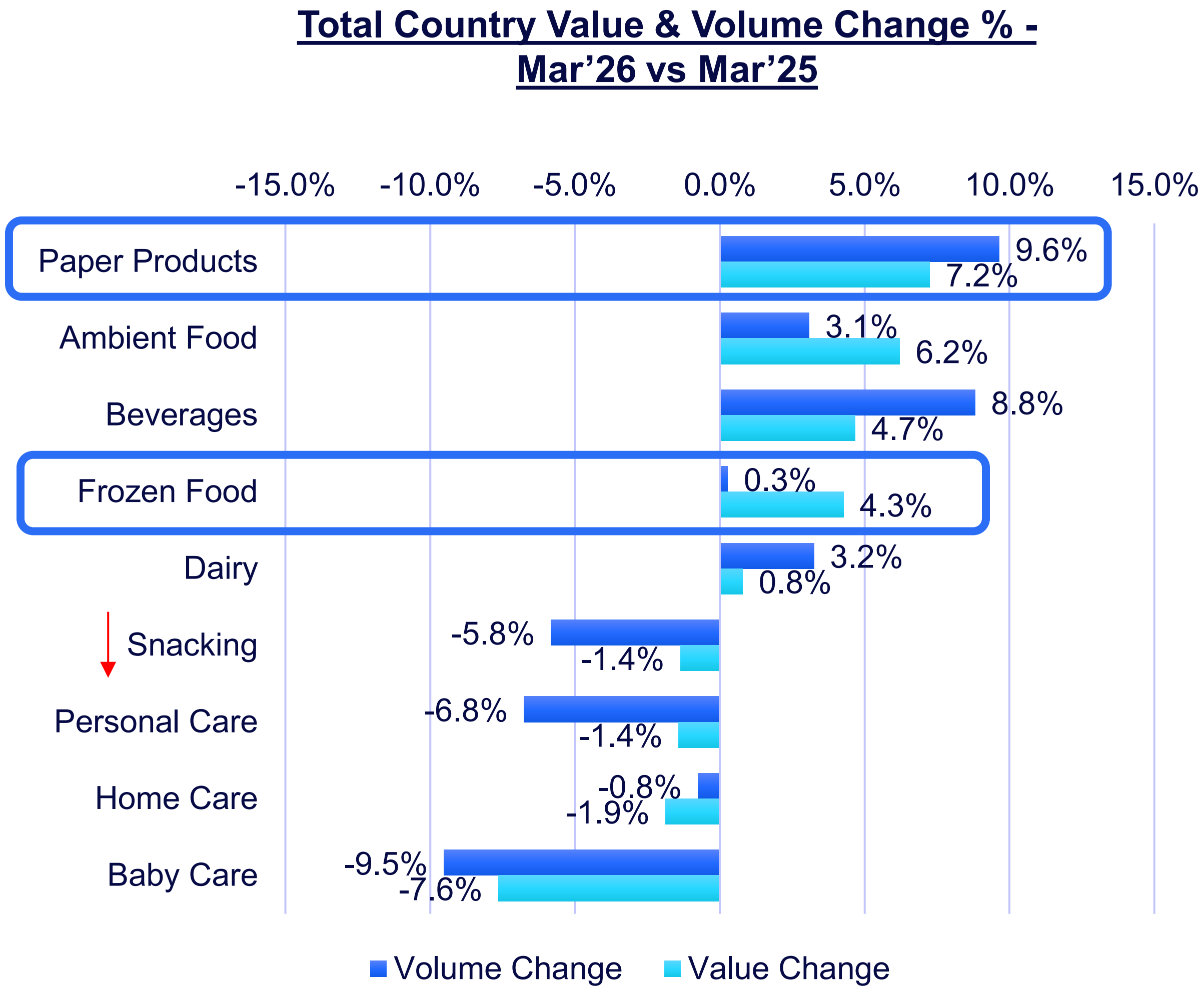
Total Country Value & Volume Change % - Mar'26 vs Mar'25



Source: NielsenIQ Retail Panel

While in UAE, some industries like Paper Products or Frozen Food gained more momentum in March. Snacking is impacted negatively

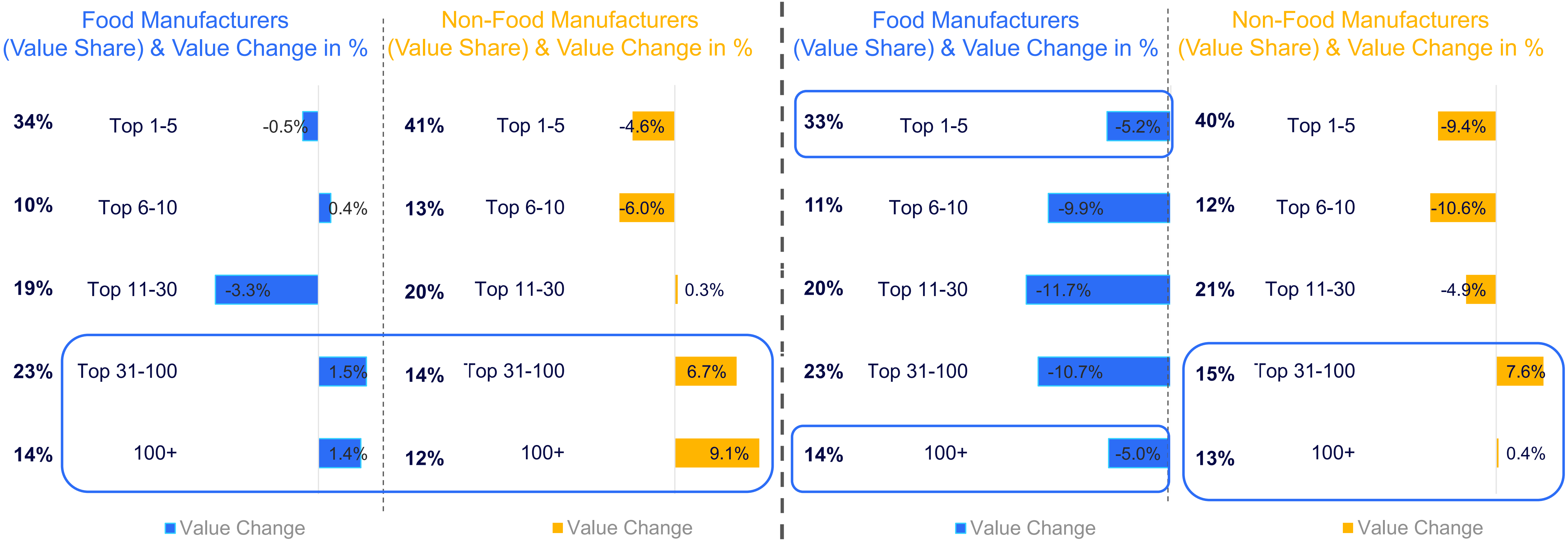




Source: NielsenIQ Retail Panel

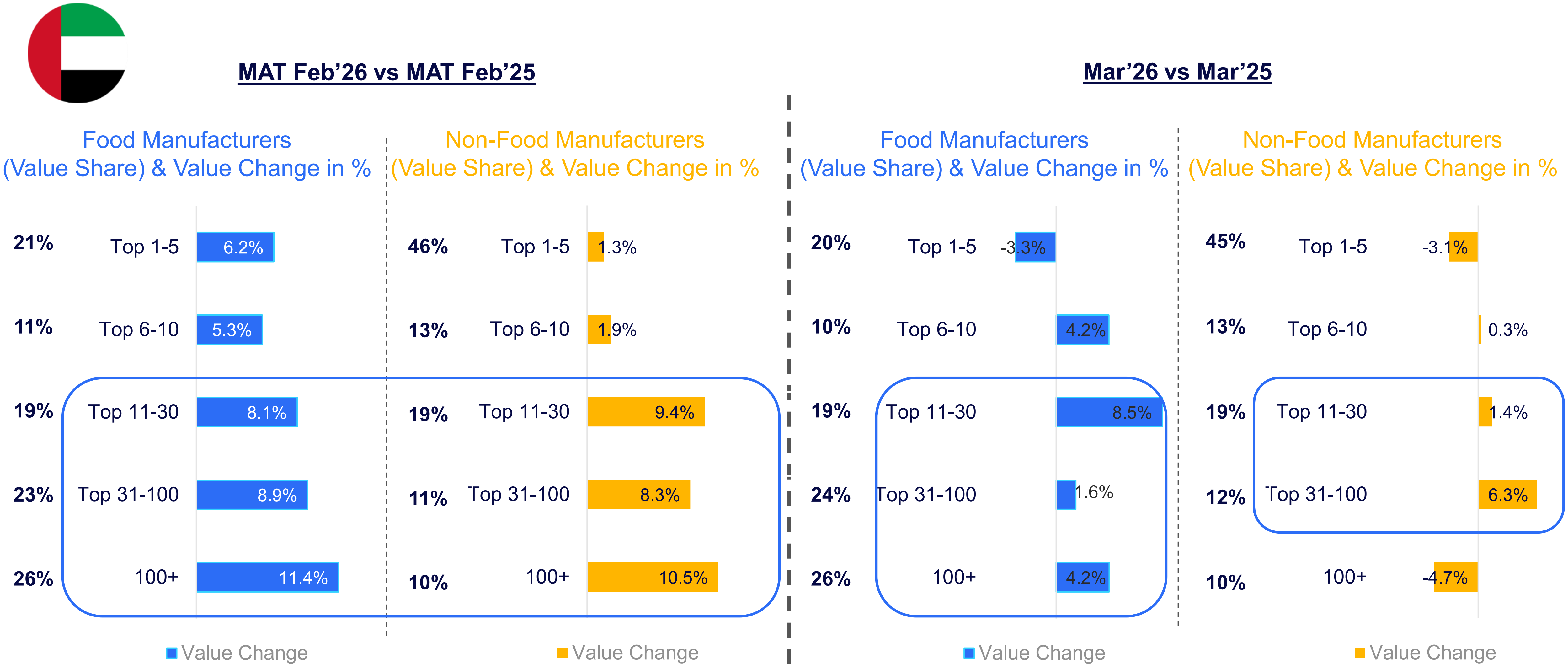
Smaller players were outperforming top players in KSA before conflict. This situation continued for Non-Food but only particularly in Food as top players suffered less

MAT Feb’26 vs MAT Feb’25 | **Mar’26 vs Mar’25**



Source: NielsenIQ Retail Panel

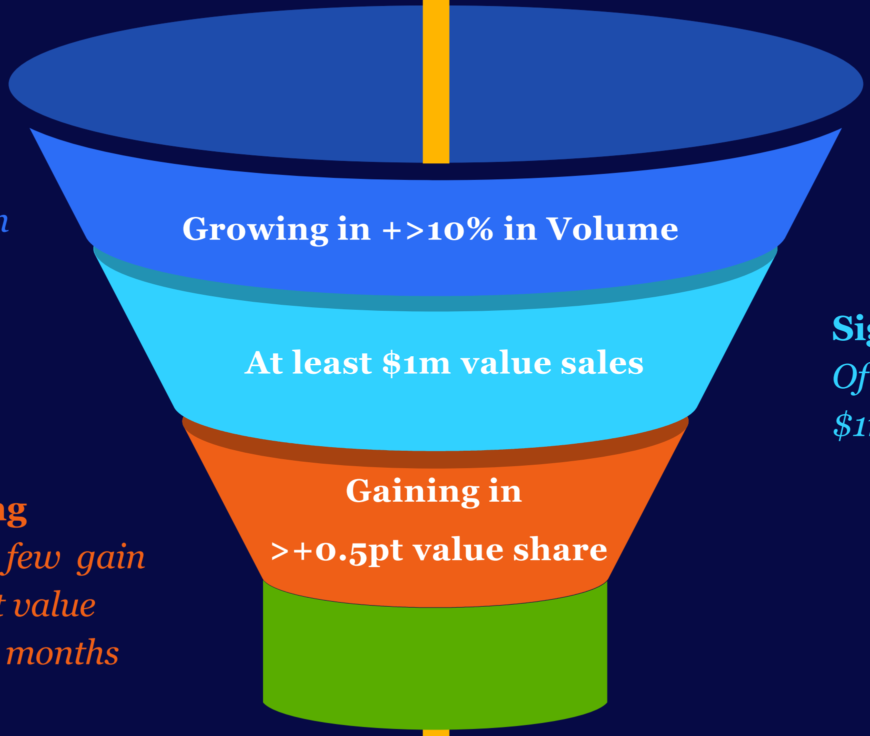
In UAE, similarly smaller players were performing better vs big players before conflict. Post conflict, this remained true for Food and Non-Food except smallest players



Source: NielsenIQ Retail Panel

There are 46,077 brand x category combination in KSA + UAE

Growing
Some of them can grow >10% in volume in past 12 months



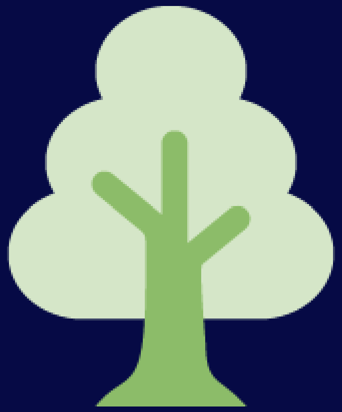
Significant
Of which only some have at least $1m sales in past 12 months

Outperforming
Of which only a few gain more than 0.5pt value share in past 12 months

There are only 390 "volume winners" in KSA + UAE
That is only 0.8% of total count

Source: Retail Audit Data Ending Dec 2025

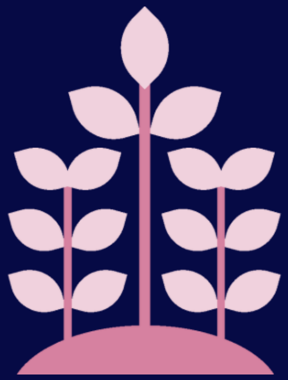
There are 390 “volume winners” in KSA + UAE



Established

>10% value share

100



Evolving

1.1%-9.9% value share

267

Emerging

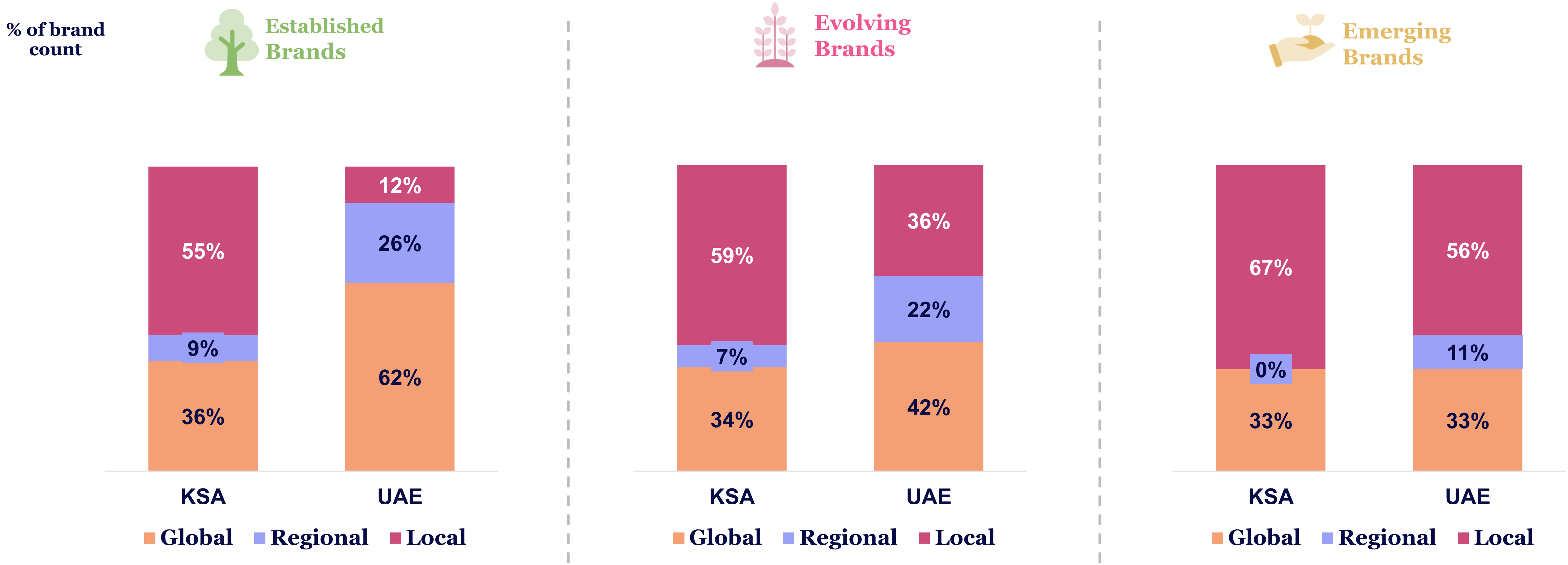
<1% value share

23

Source: Retail Audit Data Ending Dec 2025

Amongst volume winners, UAE has a higher percentage of global and regional players

Majority of the volume winners are local brands in KSA whereas a consistent ~35% of global presence remains

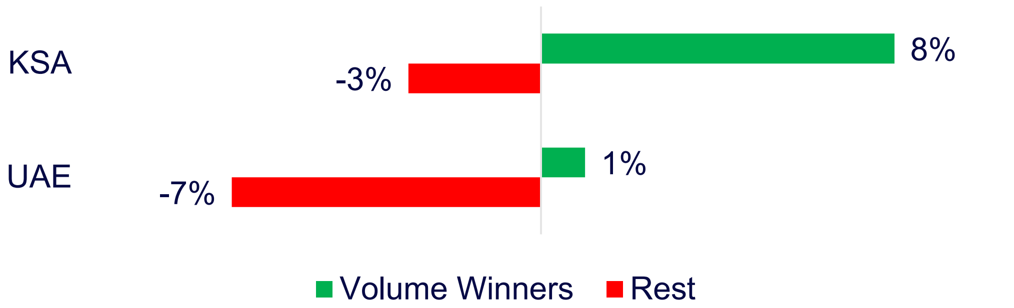


Source: Retail Audit Data Ending Dec 2025
*Brand origin classification has been conducted using AI. Classification excludes Private Label

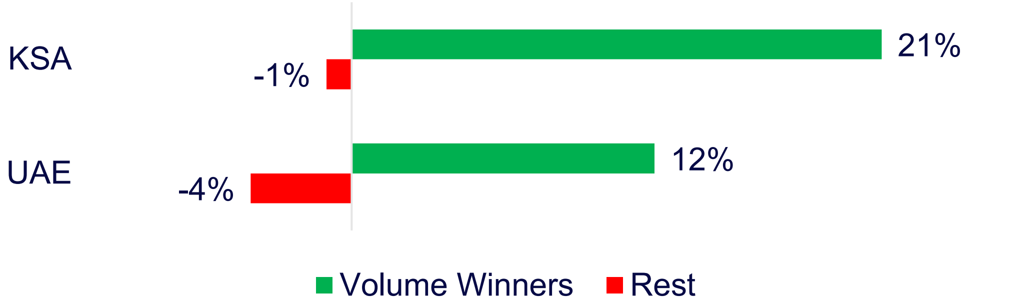
A common theme across the board: more availability

Total Distribution Points Change vs. YA

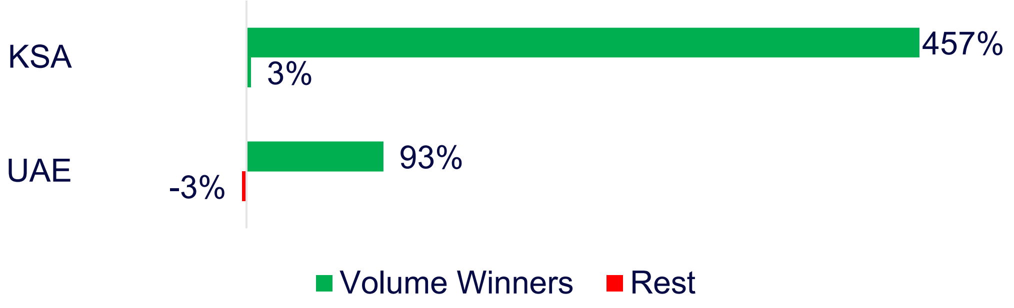
Established Brands

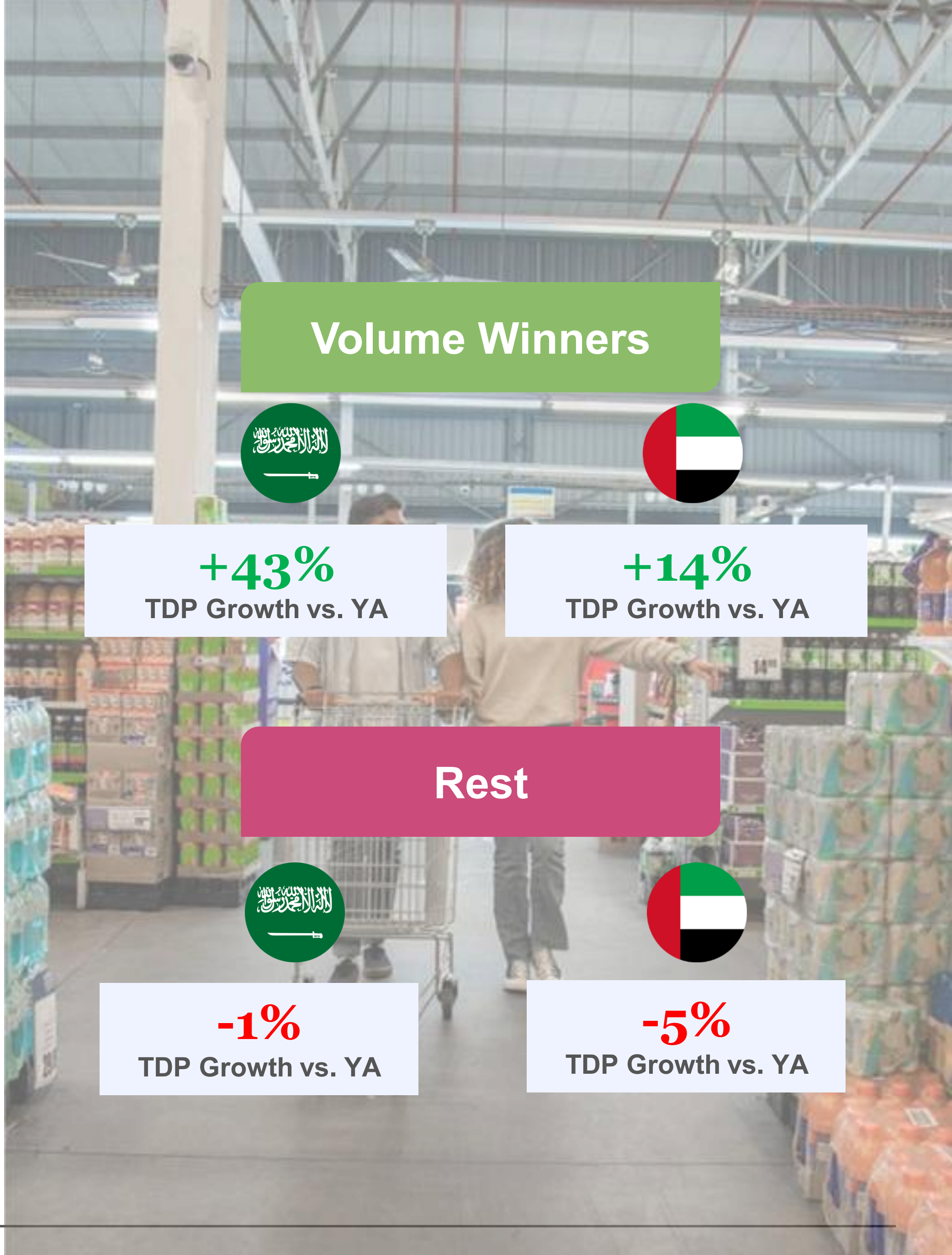


Evolving Brands



Emerging Brands





Source: Retail Audit Data Ending Dec 2025

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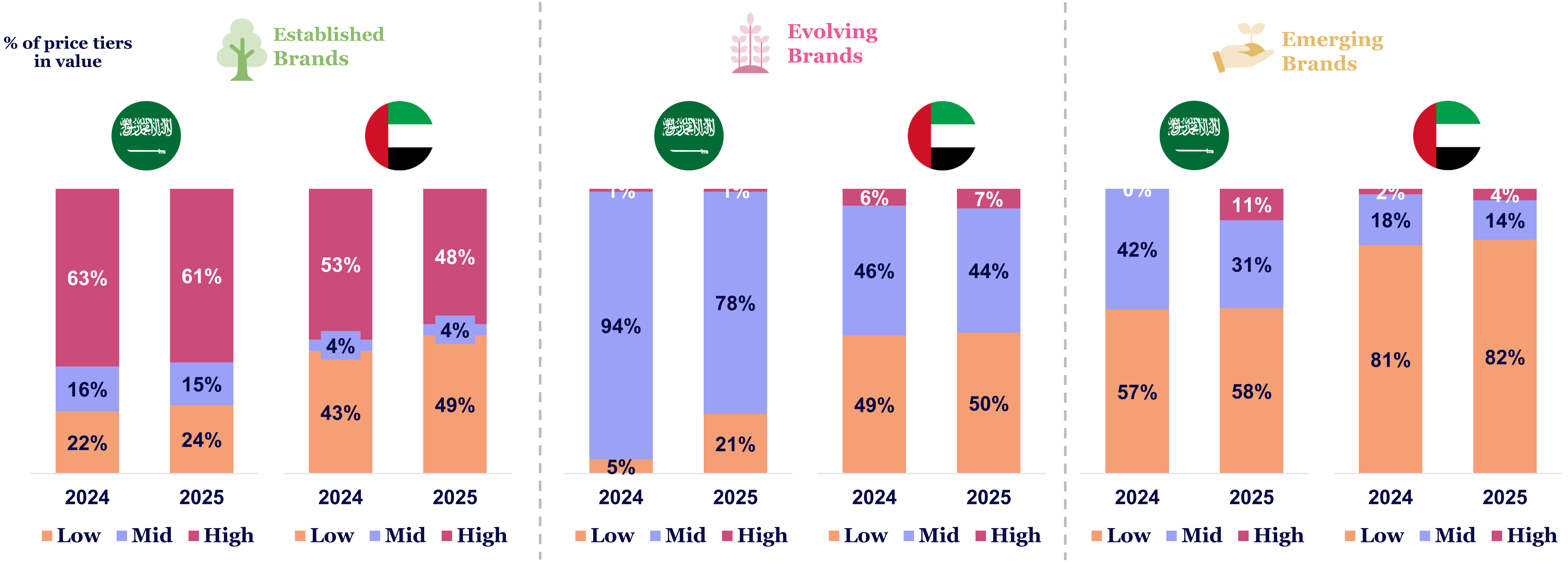
There is a clear theme amongst brand types vs price tiers for both markets

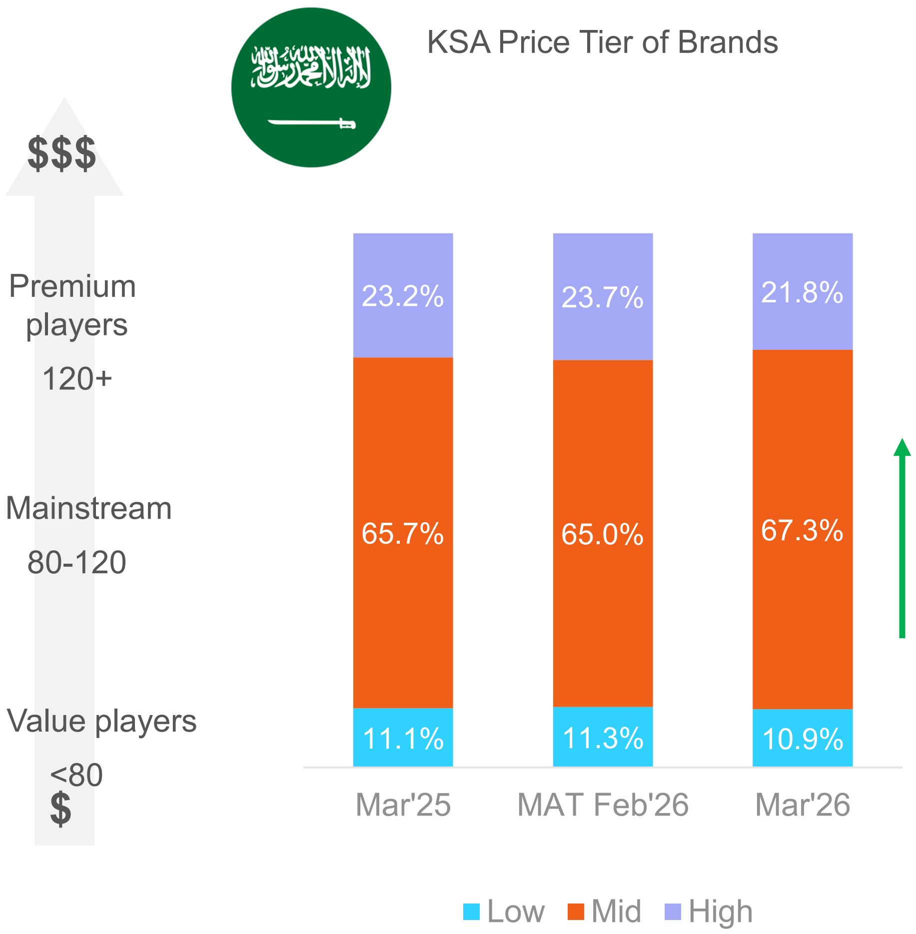
Established brands play at high tiers in KSA while it is a mixed bag in UAE while there is a clear low tier play for emerging ones

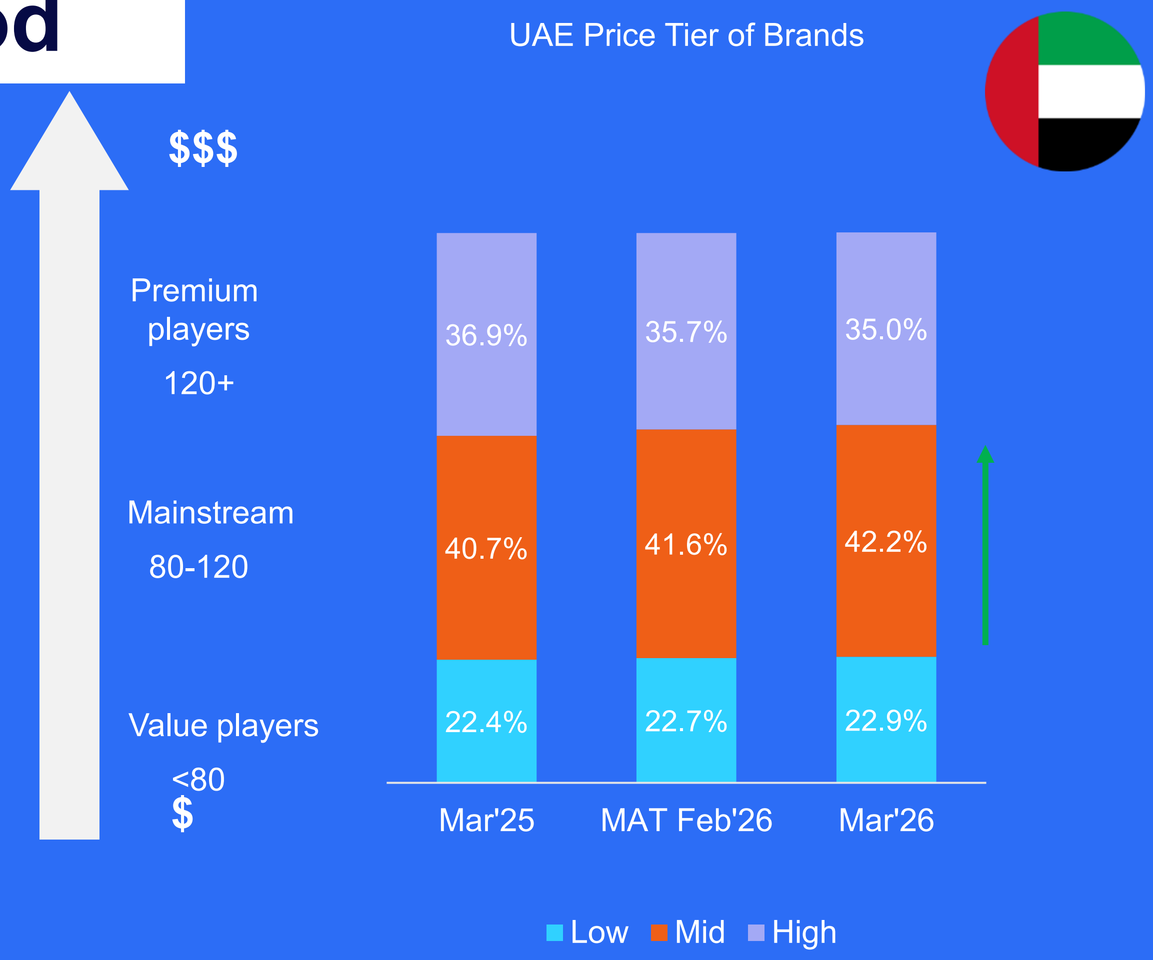


Source: Retail Audit Data Ending Dec 2025
Price tiers: If brand average price index to respective category is 0-80 = low, 80-120 = mid, 120+ = high

Although price tiers did not change drastically post conflict, there is a movement towards mid tier brands for both markets as people prioritize essentials

Food

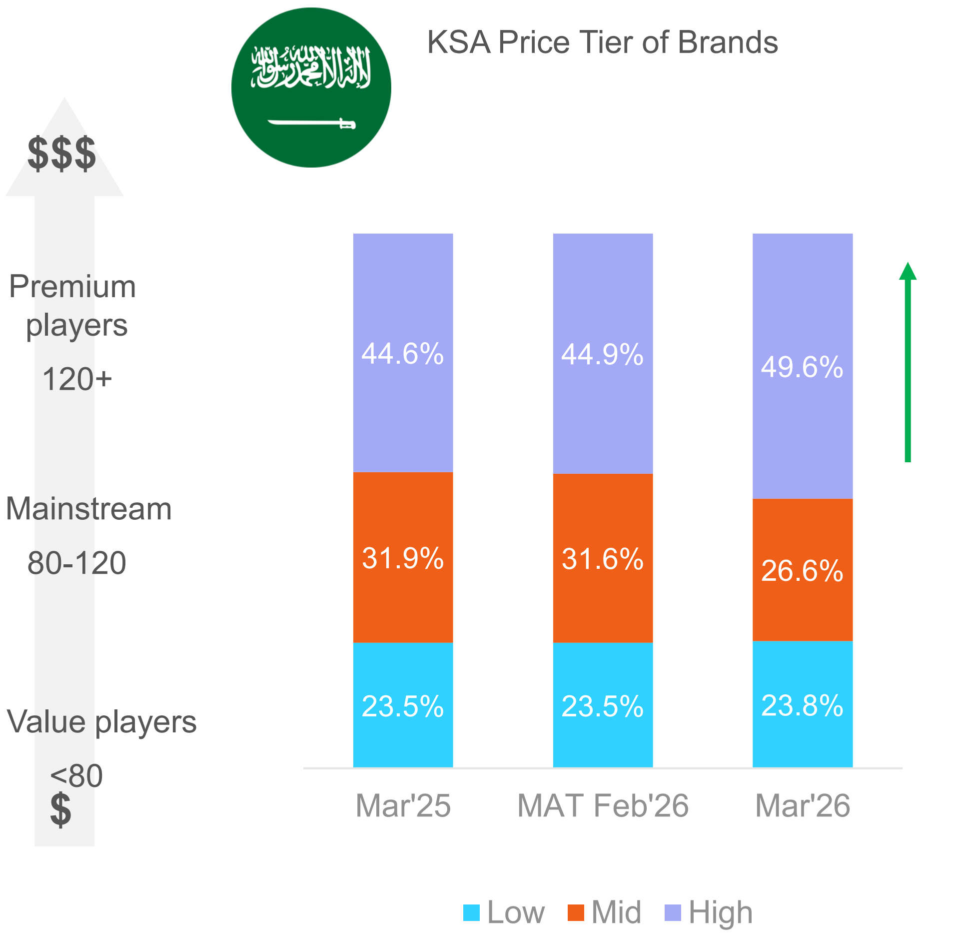


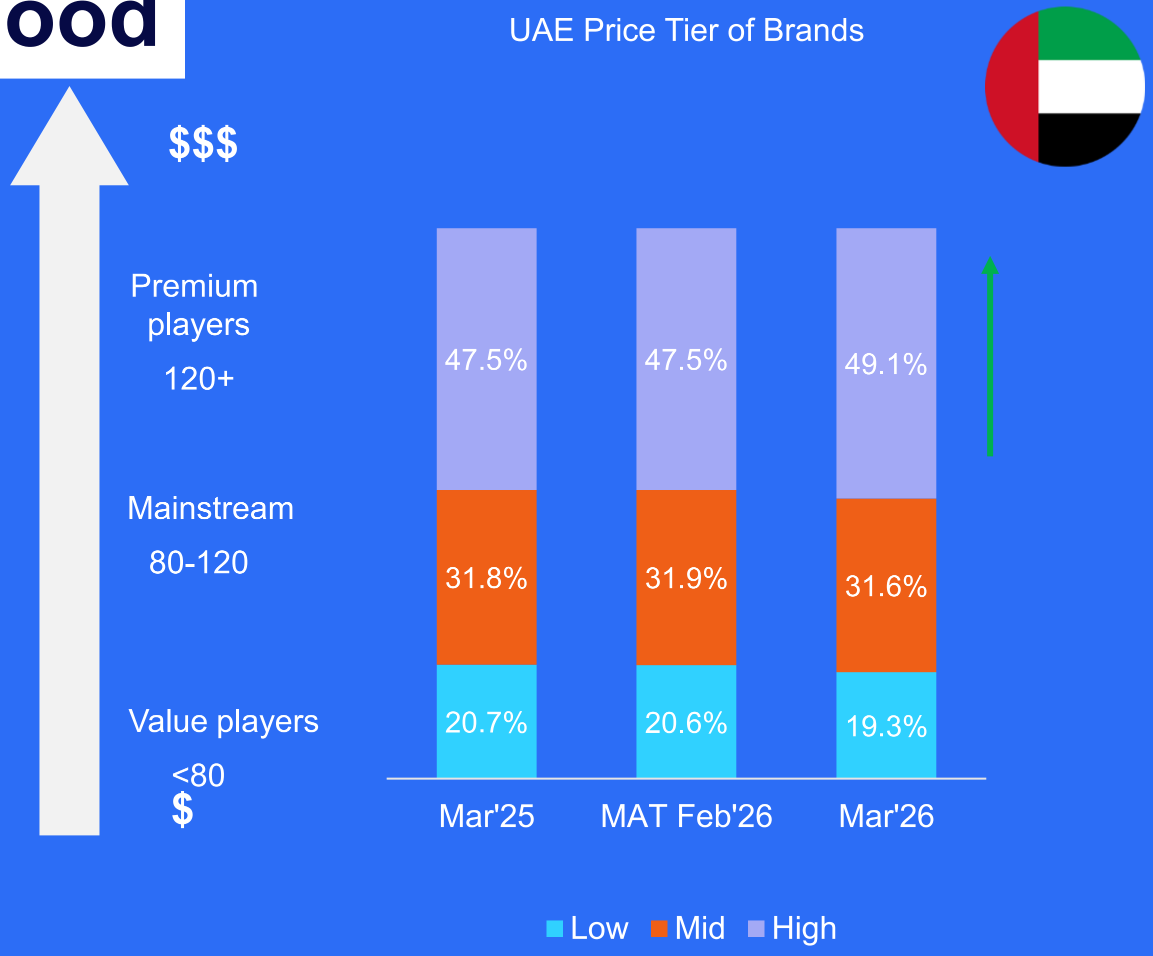


Source: NIQ RMS Data
Low: Brands with 0-80% price index to their respective category
Mid: Brands with 80-120% price index to their respective category
High: Brands with 120+% price index to their respective category

On the non-food side, we see uplift in Premium tier brands in both markets which is an opportunity to try trading up your consumers despite challenges

Non-Food





Source: NIQ RMS Data
Low: Brands with 0-80% price index to their respective category
Mid: Brands with 80-120% price index to their respective category
High: Brands with 120+% price index to their respective category

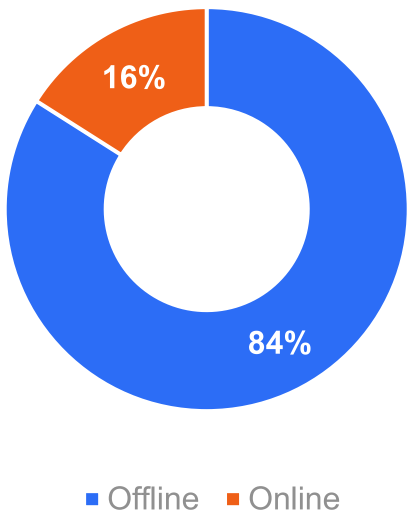
NIQ

How uncertainty in our region is *Translating Into FMCG Pressure* in KSA & UAE Scantrack Data?

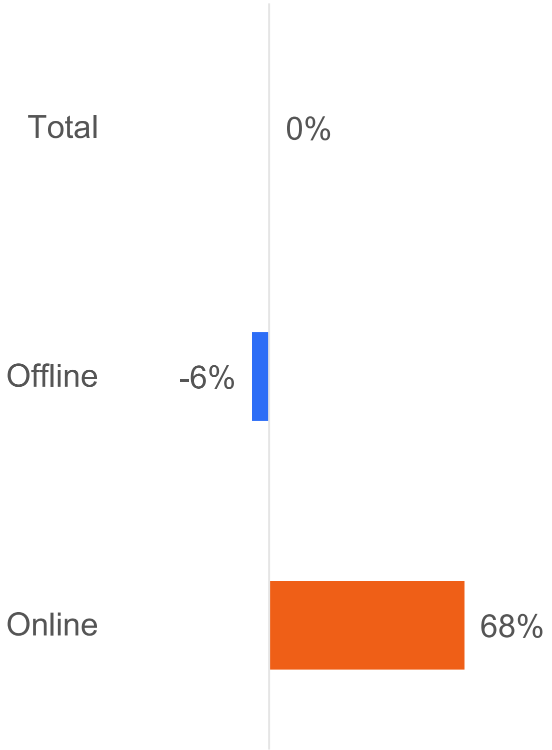
Offline dominates the trade, however slowing down in the latest quarter

Online has the fastest growth – gained 6pp vs YA and stand at 16% of value contribution

Online vs Offline – Value Contribution | Q1’26



Value Growth | Q1’26



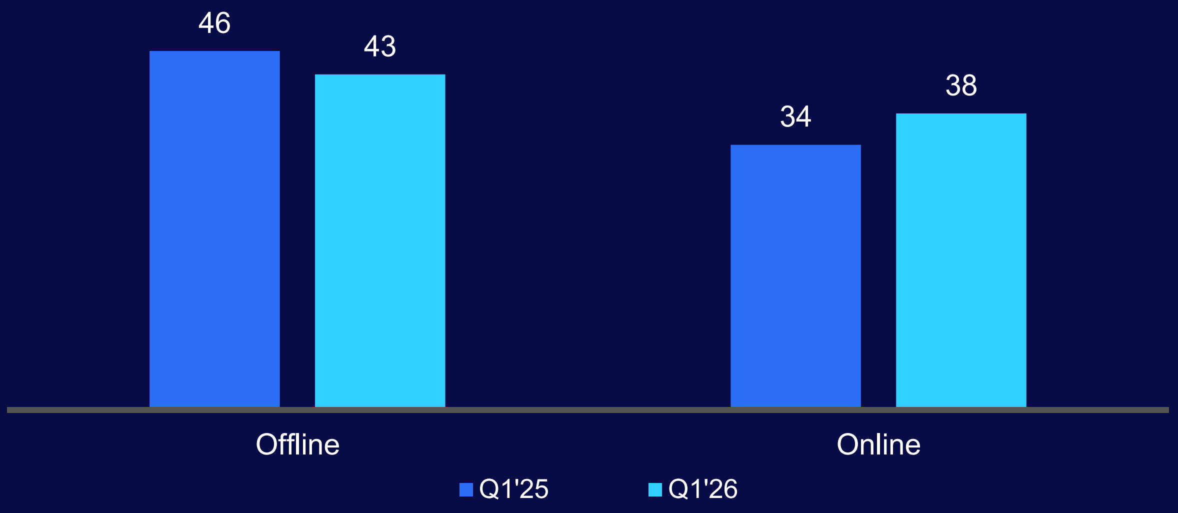
Offline – Includes offline sales of all the key accounts like Panda, Othaim, Lulu Etc,.
Online – Includes online sales from Hybrid players like Panda, Othaim etc,. And sales from Pure players like Amazon etc,.

NIQ **ScanTrack Data**

Promo intensity higher in the offline space; albeit softening in the latest quarter

while we see traction in the online space

Promo Intensity Value | Online vs Offline

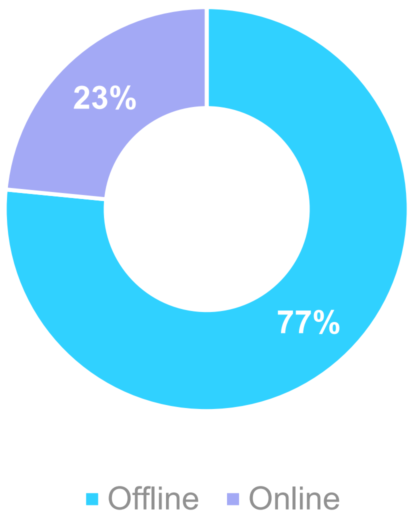


Promo intensity = Promo Sales / Total Sales

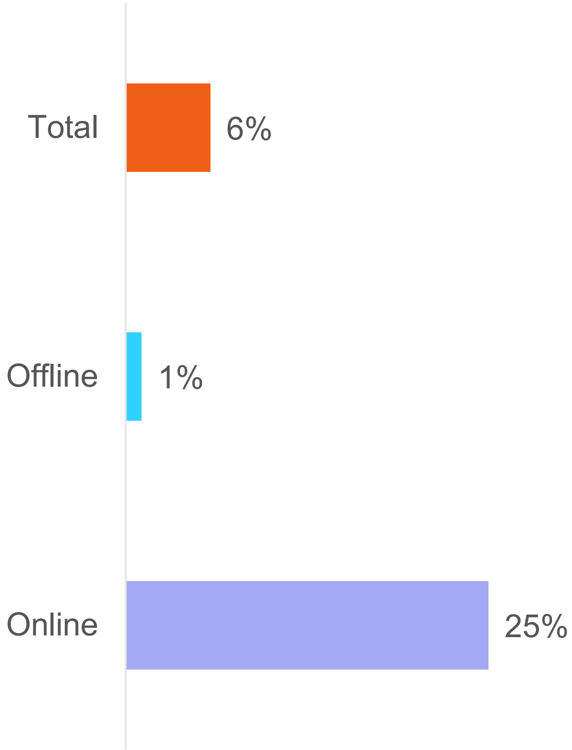
Offline dominates the trade, however being outpaced by Online

Online has the fastest growth – at 25% vs YA and stands at 23% of value contribution

Online vs Offline – Value Contribution | Q1'26



Value Growth | Q1'26



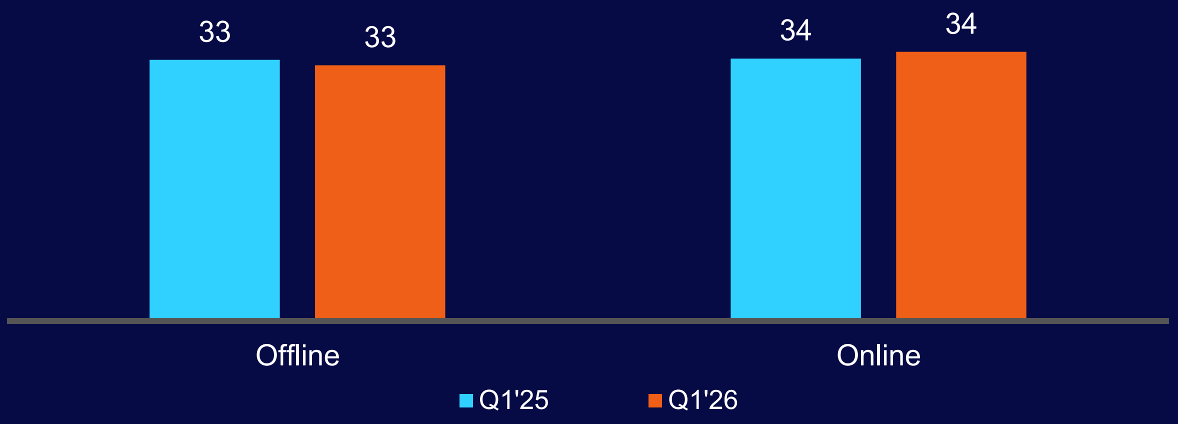
Offline – Includes offline sales of all the key accounts like Carrefour, Lulu, Nesto Etc,.
Online – Includes online sales from Hybrid players like Carrefour, Lulu, Nesto etc,. And sales from Pure players like Amazon etc,.

ScanTrack Data

Unlike KSA, Promo intensity levels are lower on both fronts

Levels have remained same TY

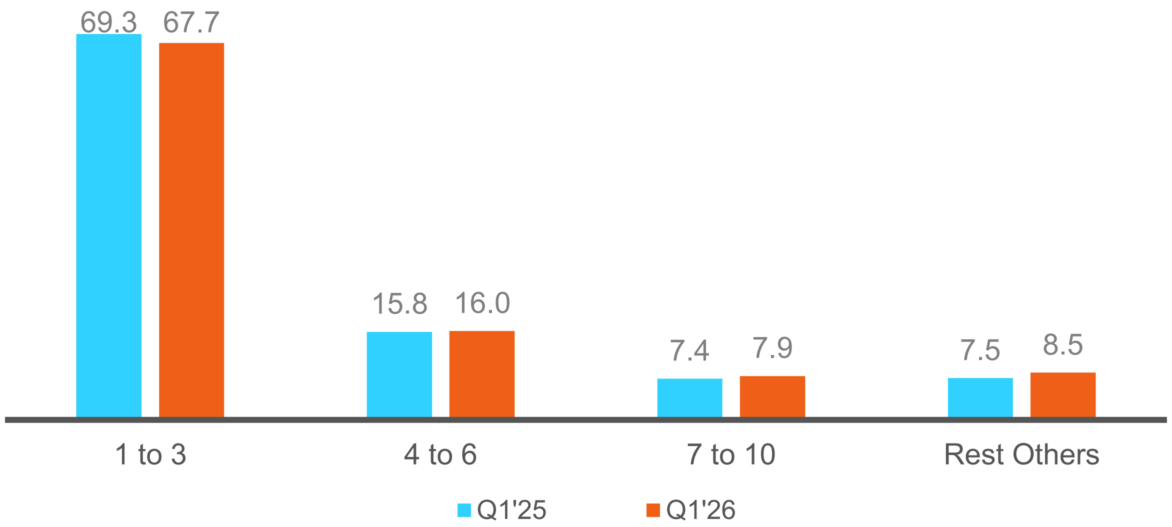
Promo Intensity Value | Online vs Offline



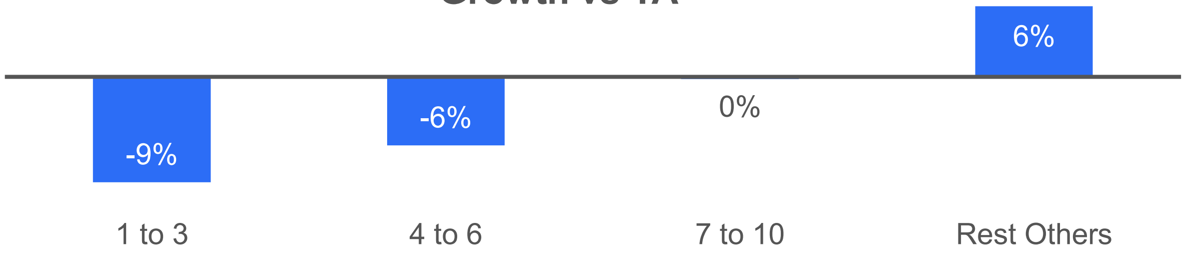
The Top 3 players make up majority of share …

Top players are declining in the offline space, growth driven by the smaller players

Value Share - Offline



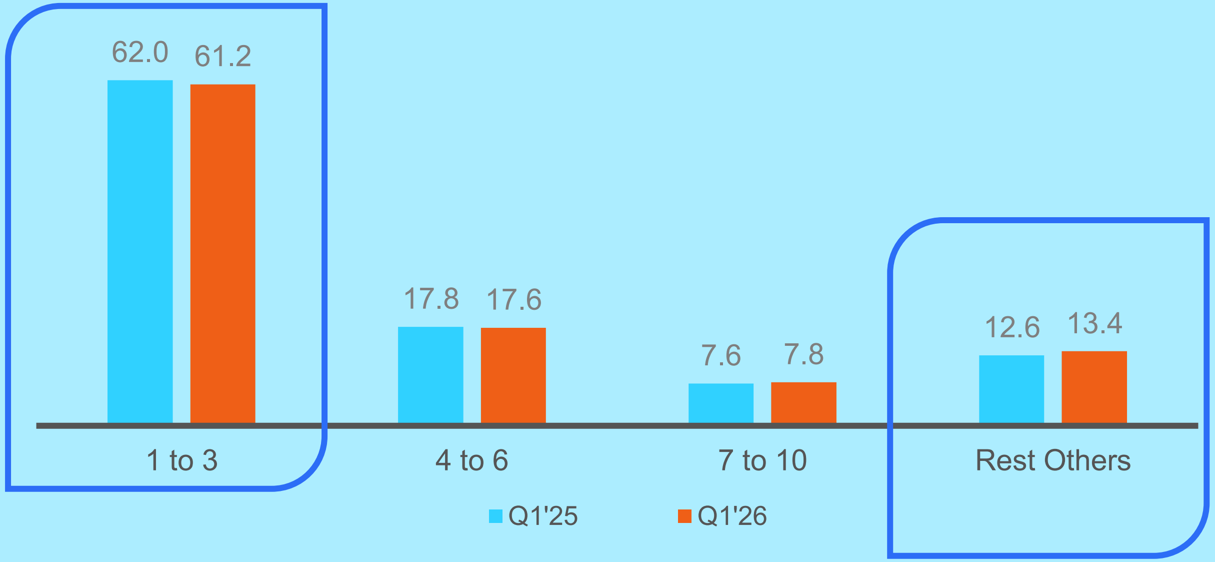
Growth vs YA



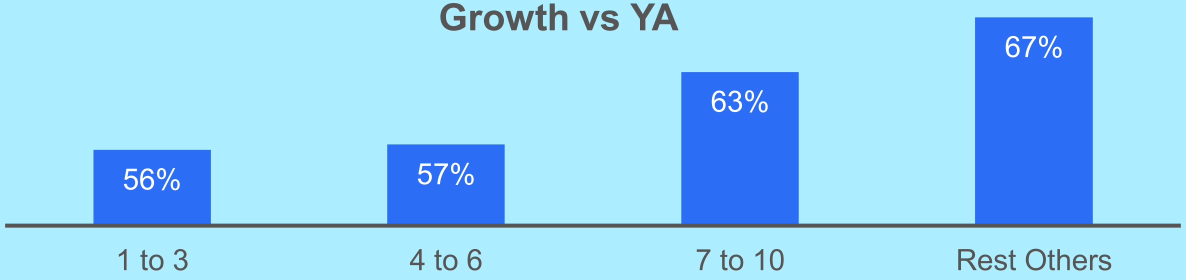
However, they are significantly below their fair share in the online space

Smaller players making their presence felt and growing significantly

Value Share - Online

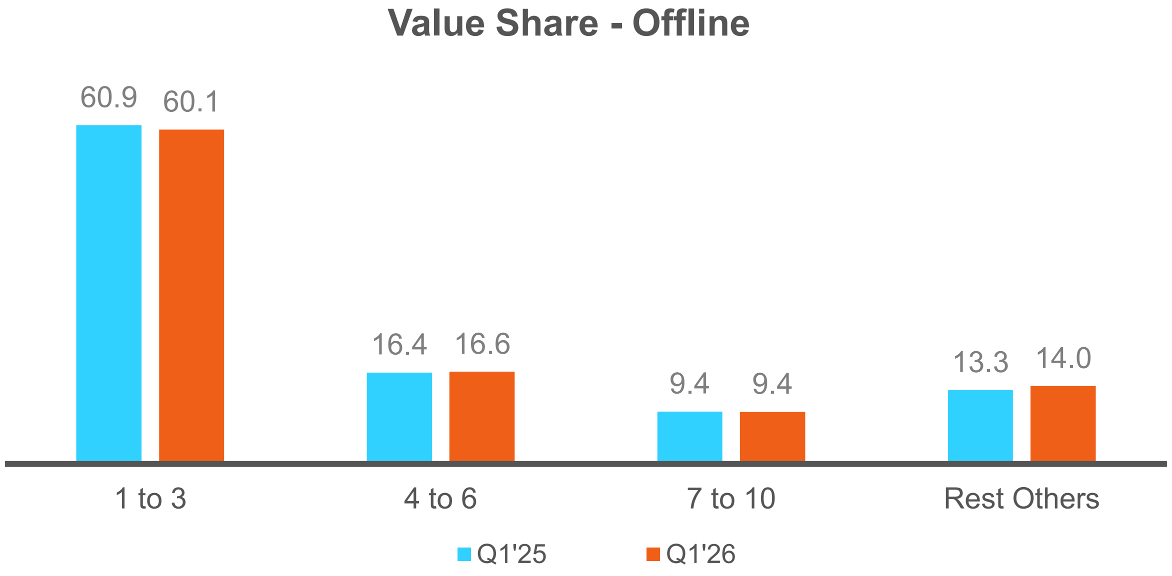


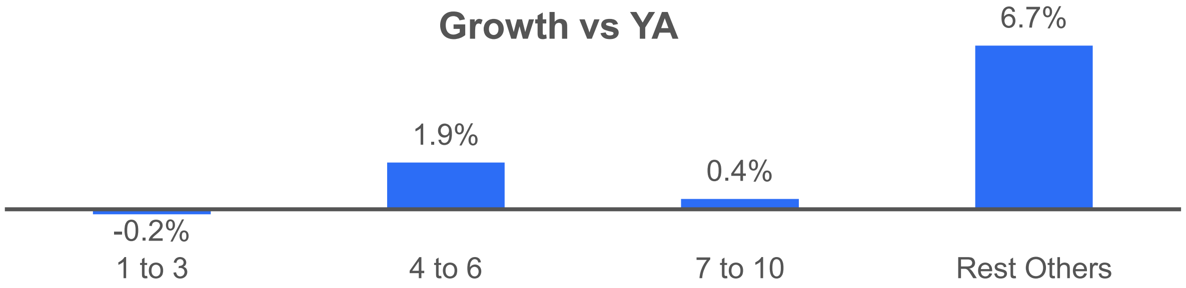
Growth vs YA



The Top 3 players dominate the market…

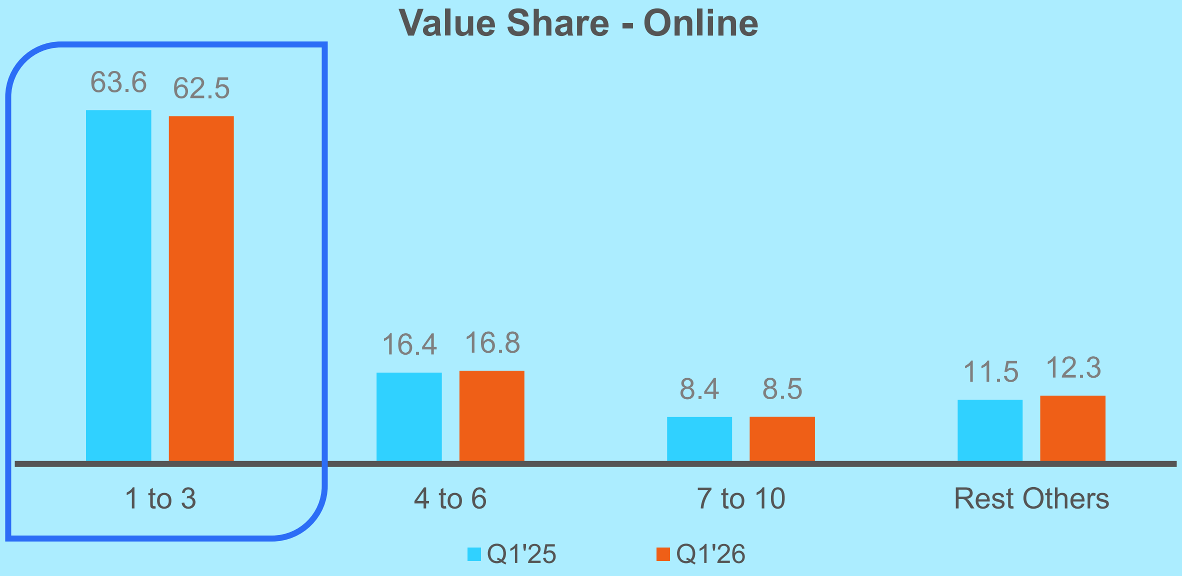
Top players are declining in the offline space, growth driven by the smaller players

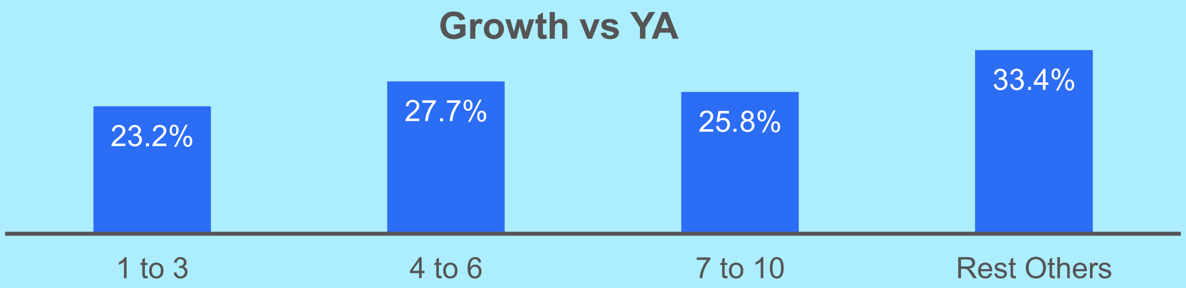




However, unlike KSA they are above their fair share in the online space

Smaller players growing at much faster rate

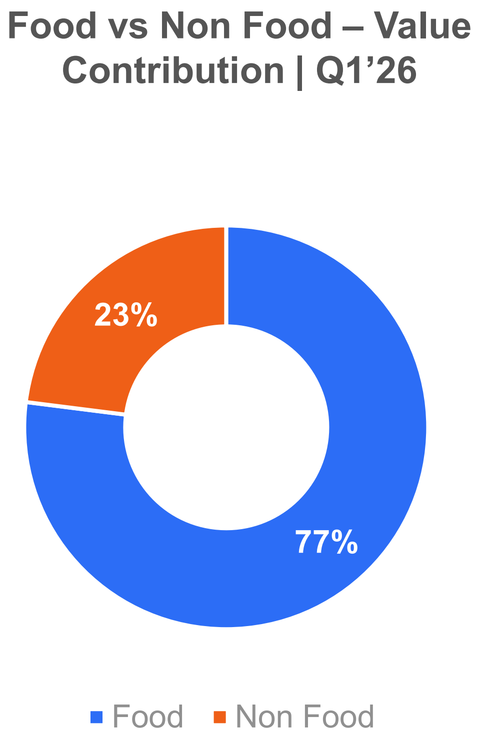


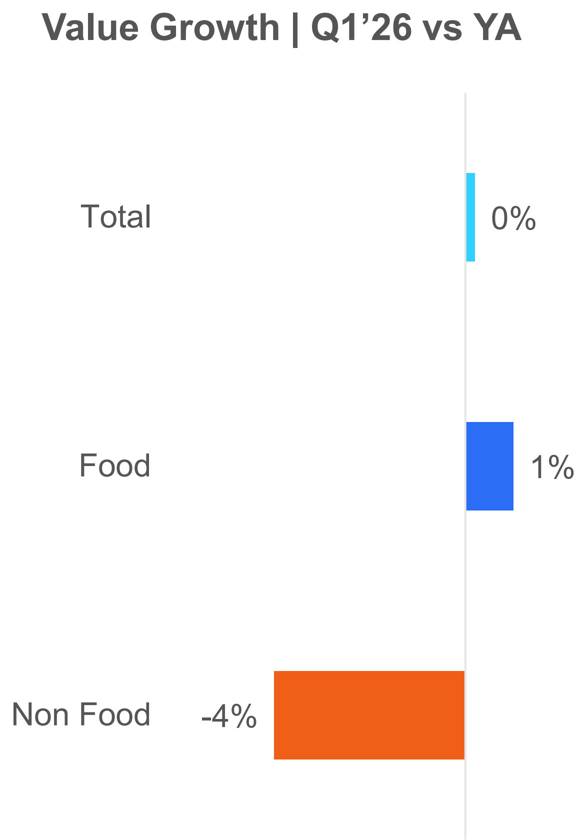


ScanTrack Data

Food is ~2/3rd of business & growing marginally

Non Food categories driving the declining



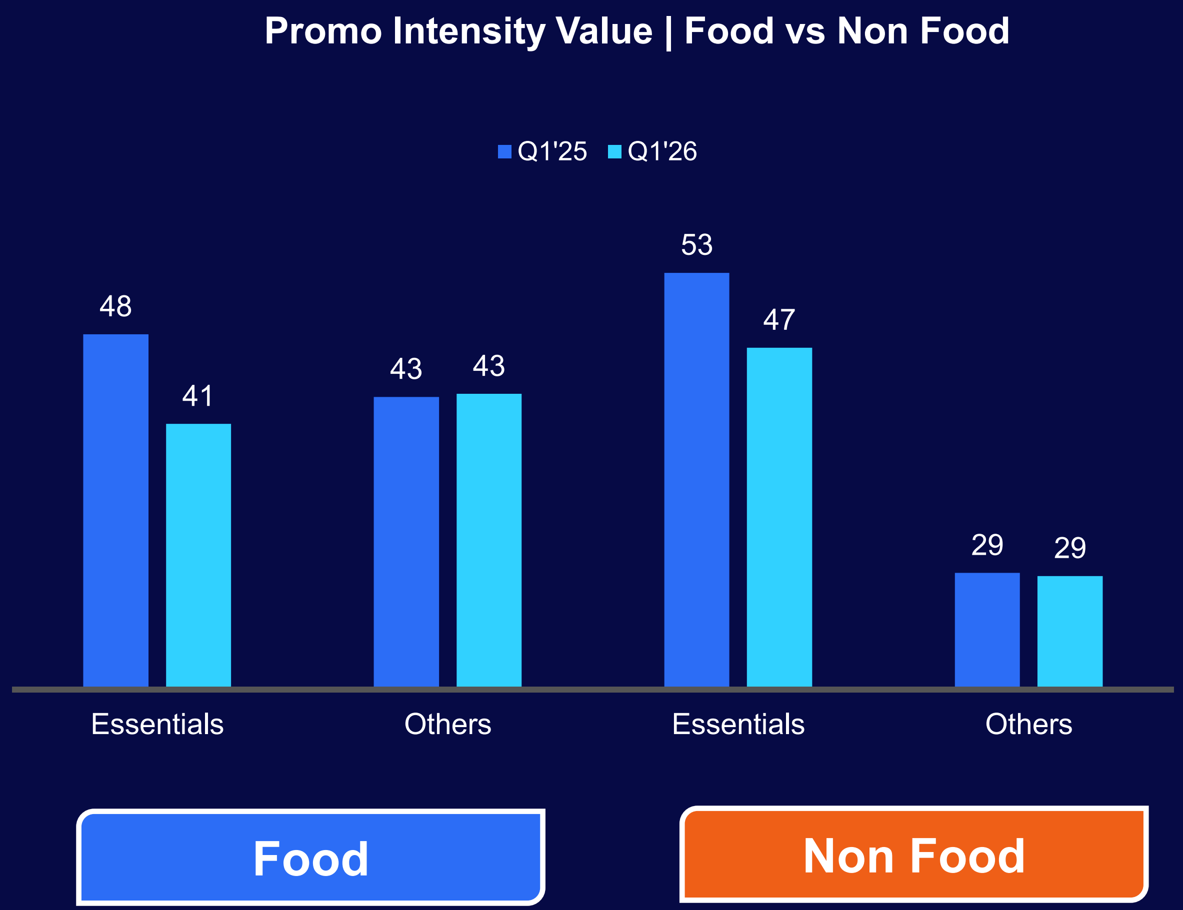


On the base of Total Scantrack – Including Online & Offline

NIQ ScanTrack Data

Promo intensity softening in the essential categories across Food & Non food baskets

While that of others has remained same as last year

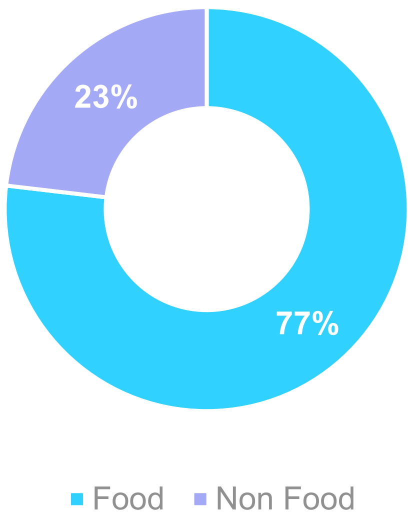


Food Essentials include – Rice, Meat/Poultry, Flour, Oil, Eggs, etc,.
Non Food Essentials Include – Detergents, Shampoo, Tooth paste, Toilietries etc,.

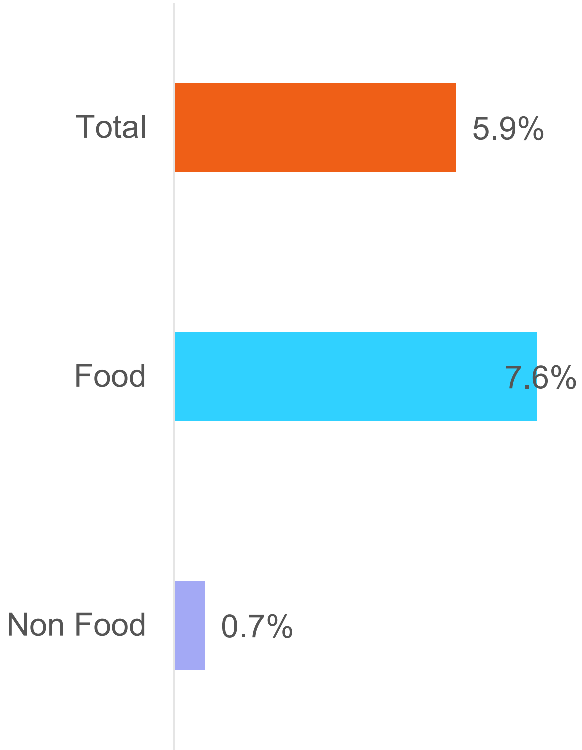
Similar Food/Non Food mix as in KSA..

Food basket is driving the growth while Non Food is flat

Food vs Non Food – Value Contribution | Q1’26



Value Growth | Q1’26 vs YA



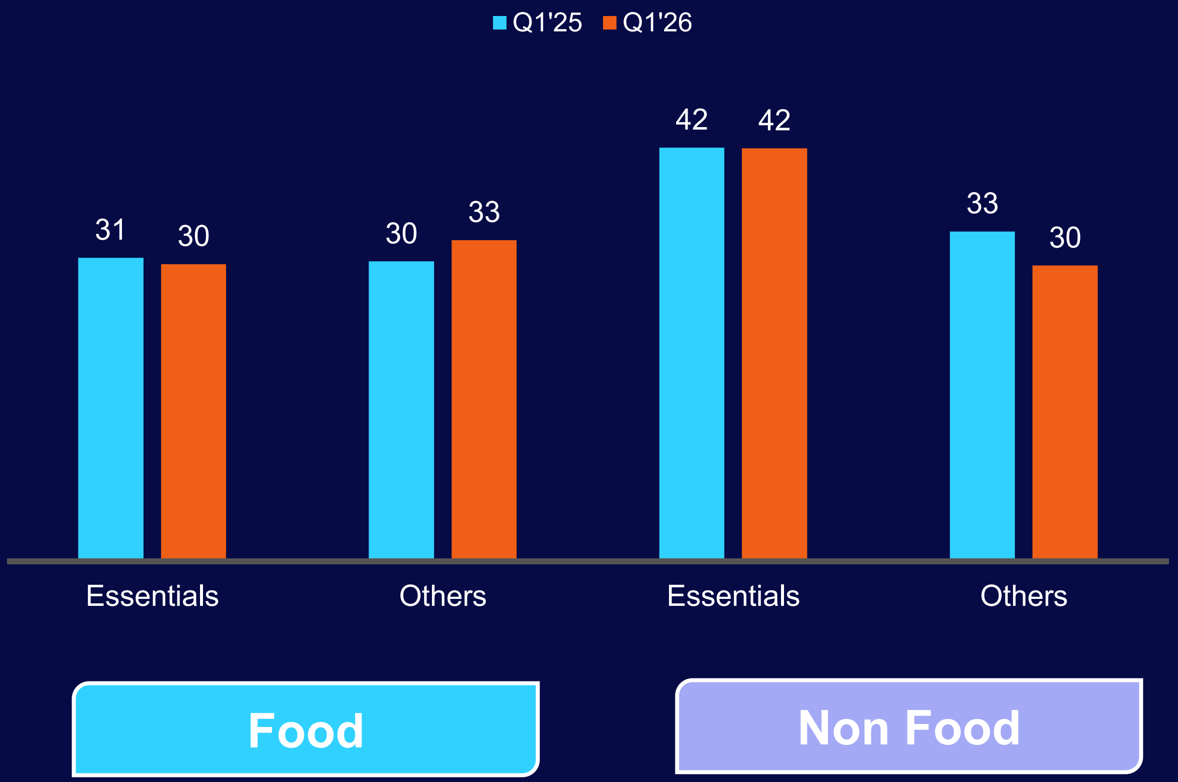
On the base of Total Scantrack – Including Online & Offline

NIQ ScanTrack Data

… while Promo levels much lower vs KSA

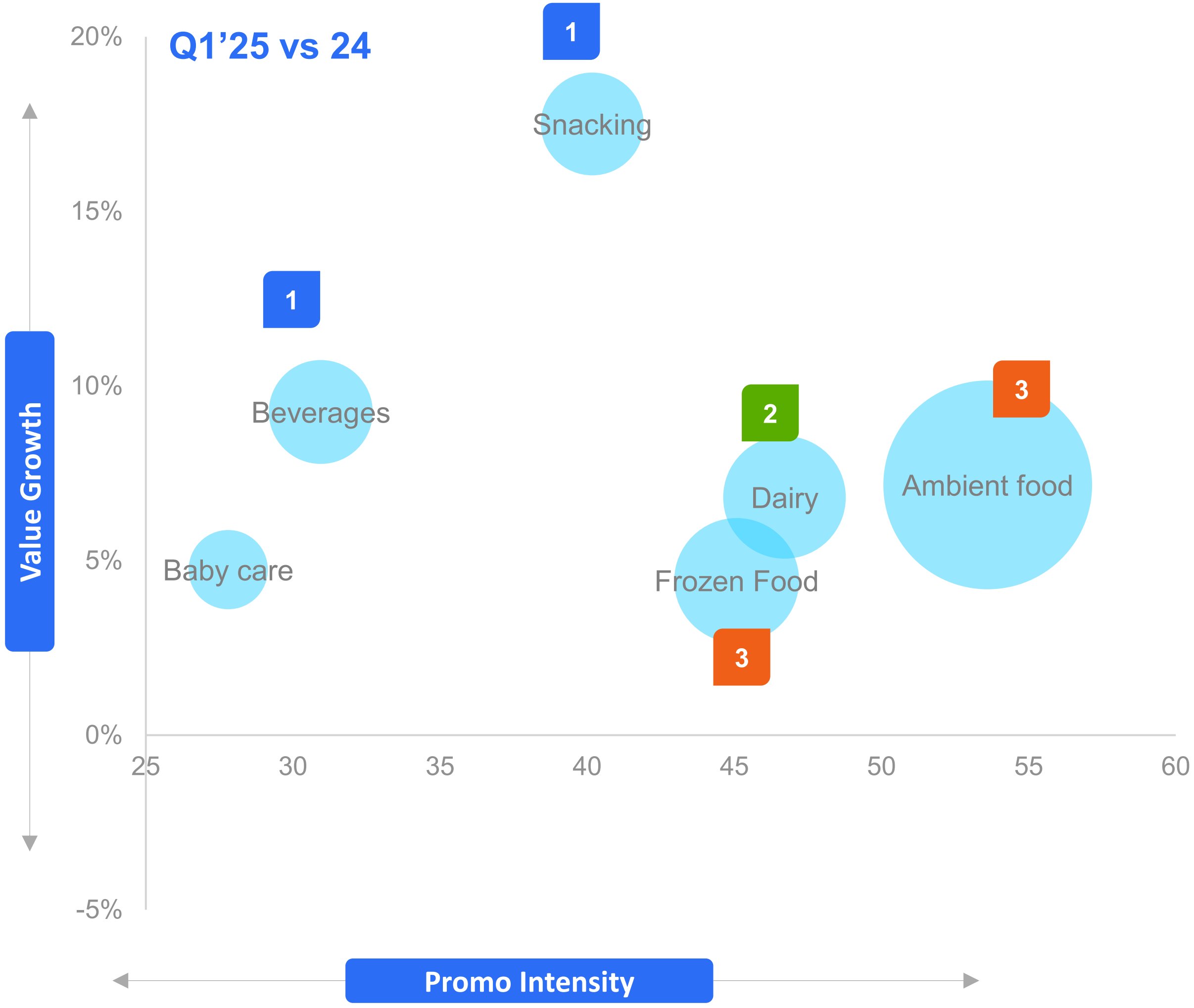
Promo intensity remained largely stable year-on-year.

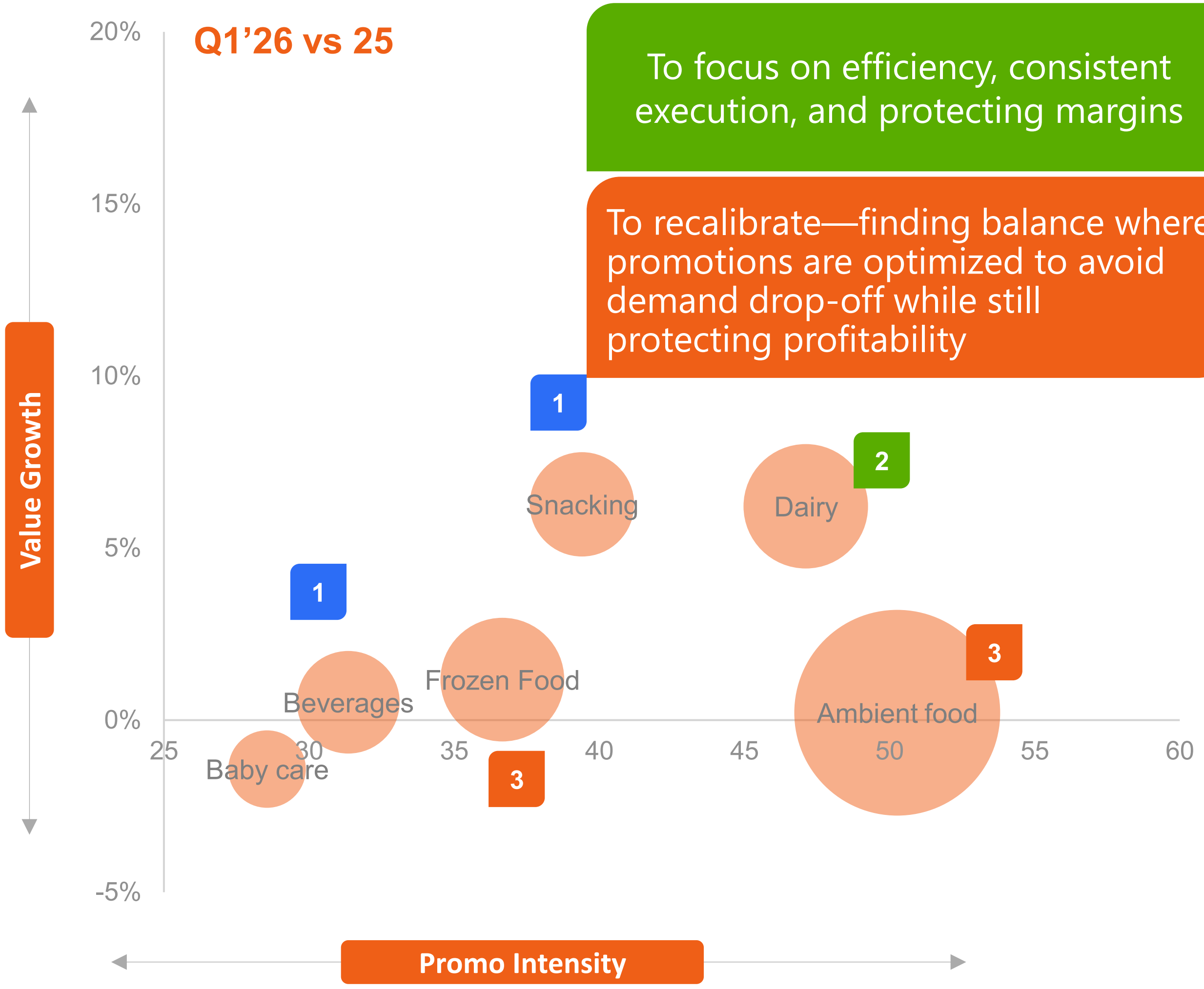
Promo Intensity Value | Food vs Non Food



Food Essentials include – Rice, Meat/Poultry, Flour, Oil, Eggs, etc,.
Non Food Essentials Include – Detergents, Shampoo, Tooth paste, Toilietries etc,.

Promo intensity has reduced in this year, which resulted in the top baskets struggling for growth





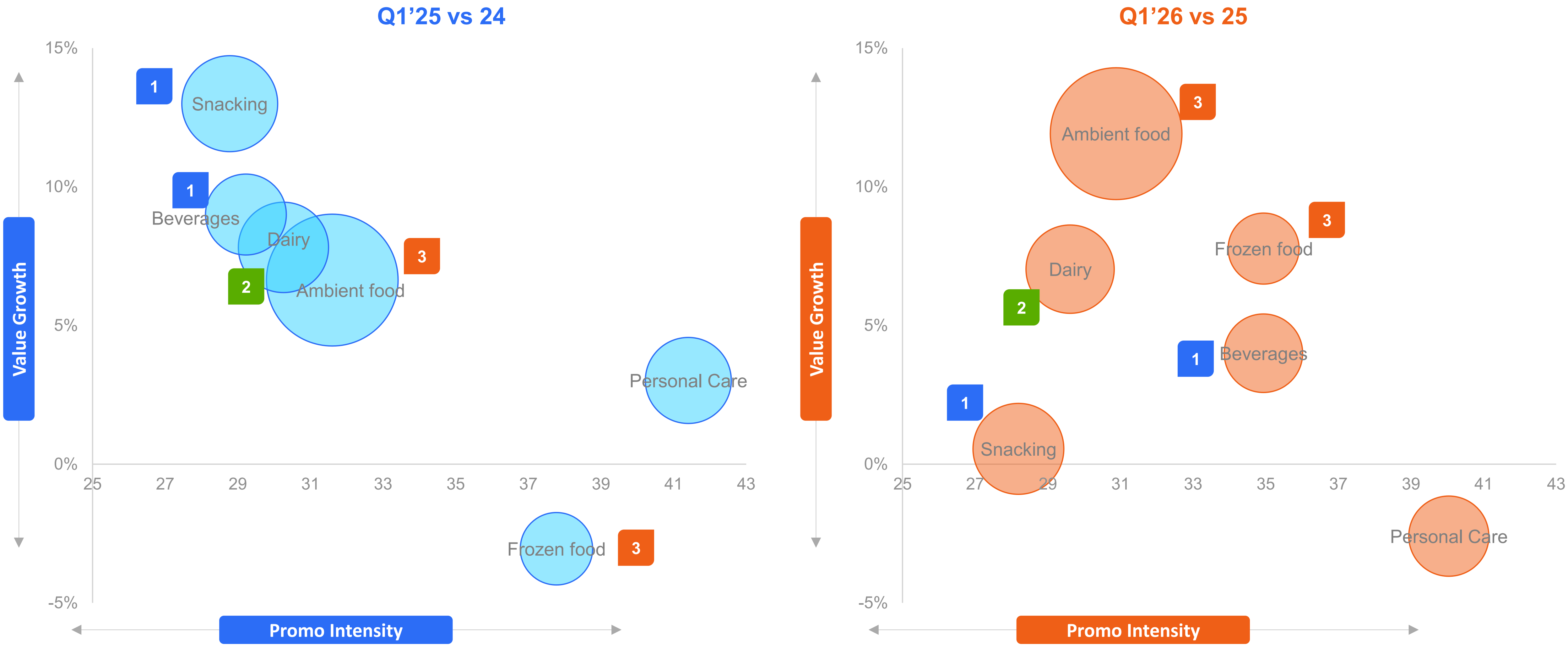
To Shift from blanket promotions to more targeted, occasion-led or pack-based strategies

To focus on efficiency, consistent execution, and protecting margins

To recalibrate—finding balance where promotions are optimized to avoid demand drop-off while still protecting profitability

The size of bubble is the value sales in SAR

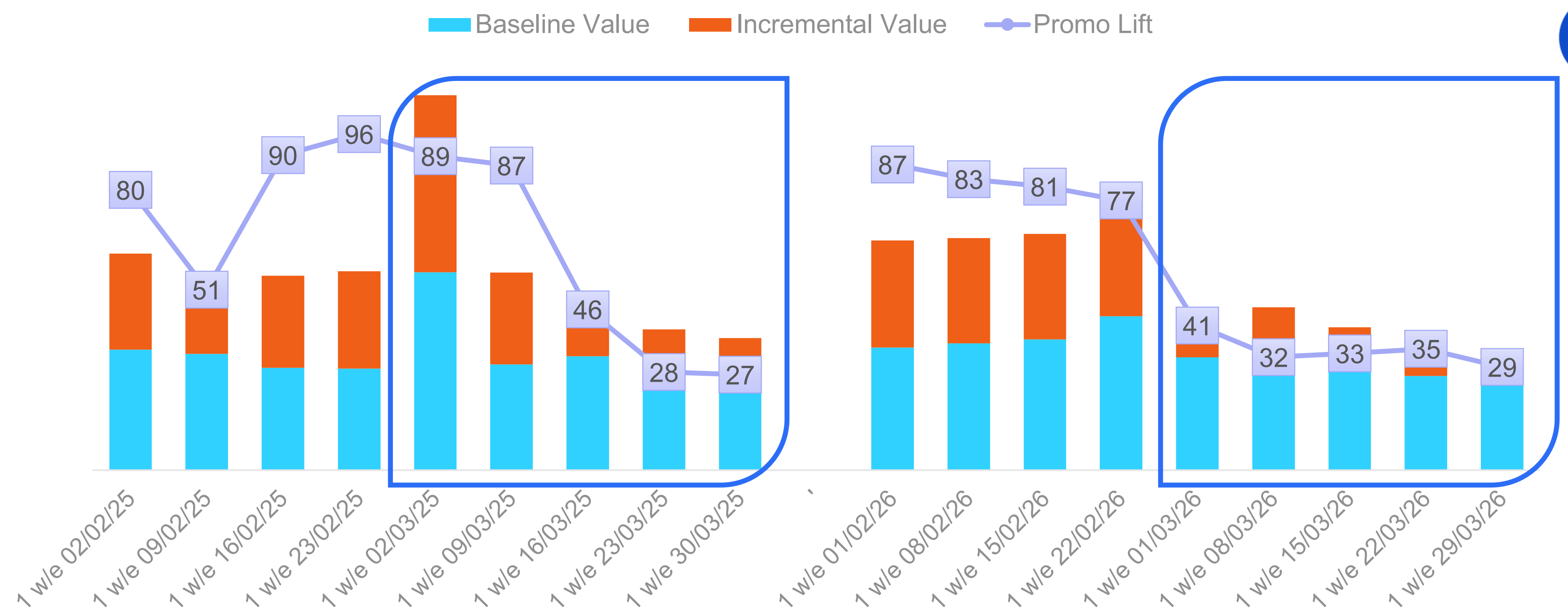
Similar trend observed in UAE – with Snacking & Beverages baskets showing reduced growth vs LY; Indicating consumers are rationalizing impulse categories and focusing on essentials



The size of bubble is the value sales in AED

Significant reduction in the promo intensity also impacted the incrementality in Mar’26

Last Year Weeks | **This Year Weeks**



Promo Intensity	59	51	63	66	64	62	48	37	41	61	61	60	57	47	40	38	35	39

Preserve baseline performance by shifting *from broad discounts* to *smarter and scientific promotions* by understanding the *category consumption behavior, price elasticity etc,.*

Promo Efficiency – Value sold on Promotions / Total Value sold

Promo Lift – Incremental Sales / Baseline Sales

How Does the Current Situation Affect UAE Consumers?

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Rising fuel prices is the highest concern followed by the cost of living, broader economic and job worries

Levels of Concerns in the Current Situation

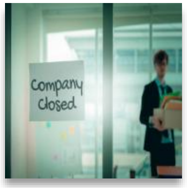
(% of those who said Very worried)

50%
Rising prices of Fuel and Energy
Global 47%

39%
Cost of living
(essentials, food, HH goods)
Global 42%

38%
Overall Economic Situation
Global 35%

37%
Unemployment
Global 34%



36%
Macro-economy
Global 33%

NIQ

Consumer Pulse Study, Base: 250, Ref: Based on the *information available to you* (from media, conversations, or things you notice in everyday life), please indicate *how worried you are* about each of the following in the current situation?

Key concerns are not translating into a negative perception of family finance

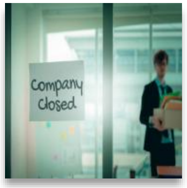
Levels of Concerns in the Current Situation
(% of those who said Very worried)

50%
Rising prices of Fuel and Energy
Global 47%

39%
Cost of living
(essentials, food, HH goods)
Global 42%

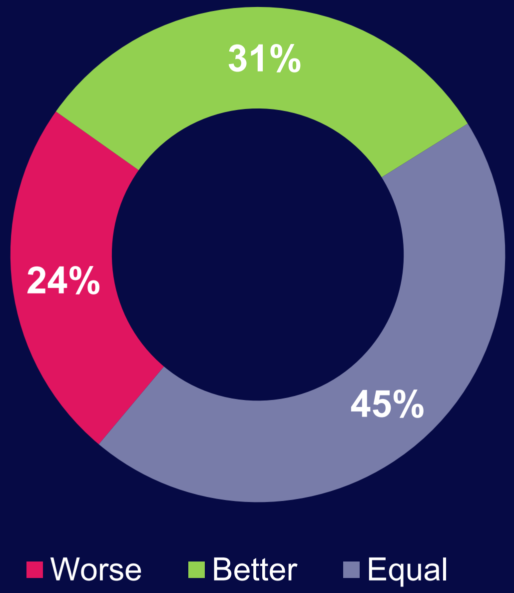
38%
Overall Economic Situation
Global 35%

37%
Unemployment
Global 34%



36%
Macro-economy
Global 33%

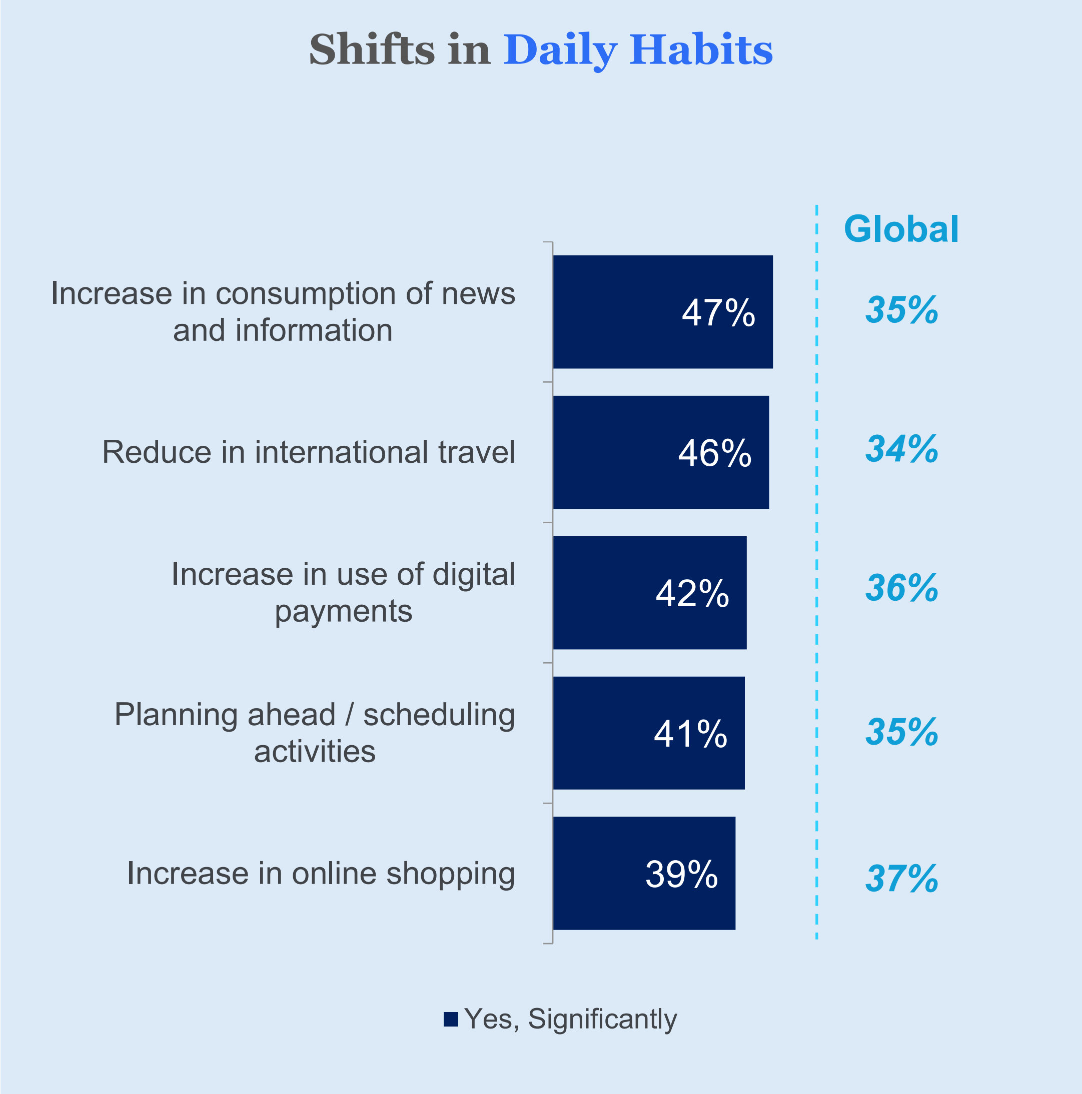
Family Financial Situation vs. 3 Months Ago



Global *22%* *33%* *45%*

Consumer Pulse Study, Base: 250 : As compared to 3 months ago, would you say that you or your family are financially…? Based on the *information available to you* (from media, conversations, or things you notice in everyday life), please indicate *how worried you are* about each of the following in the current situation

Shifts in the daily habits demonstrated cautious adaptation rather than a full consumer retreat.

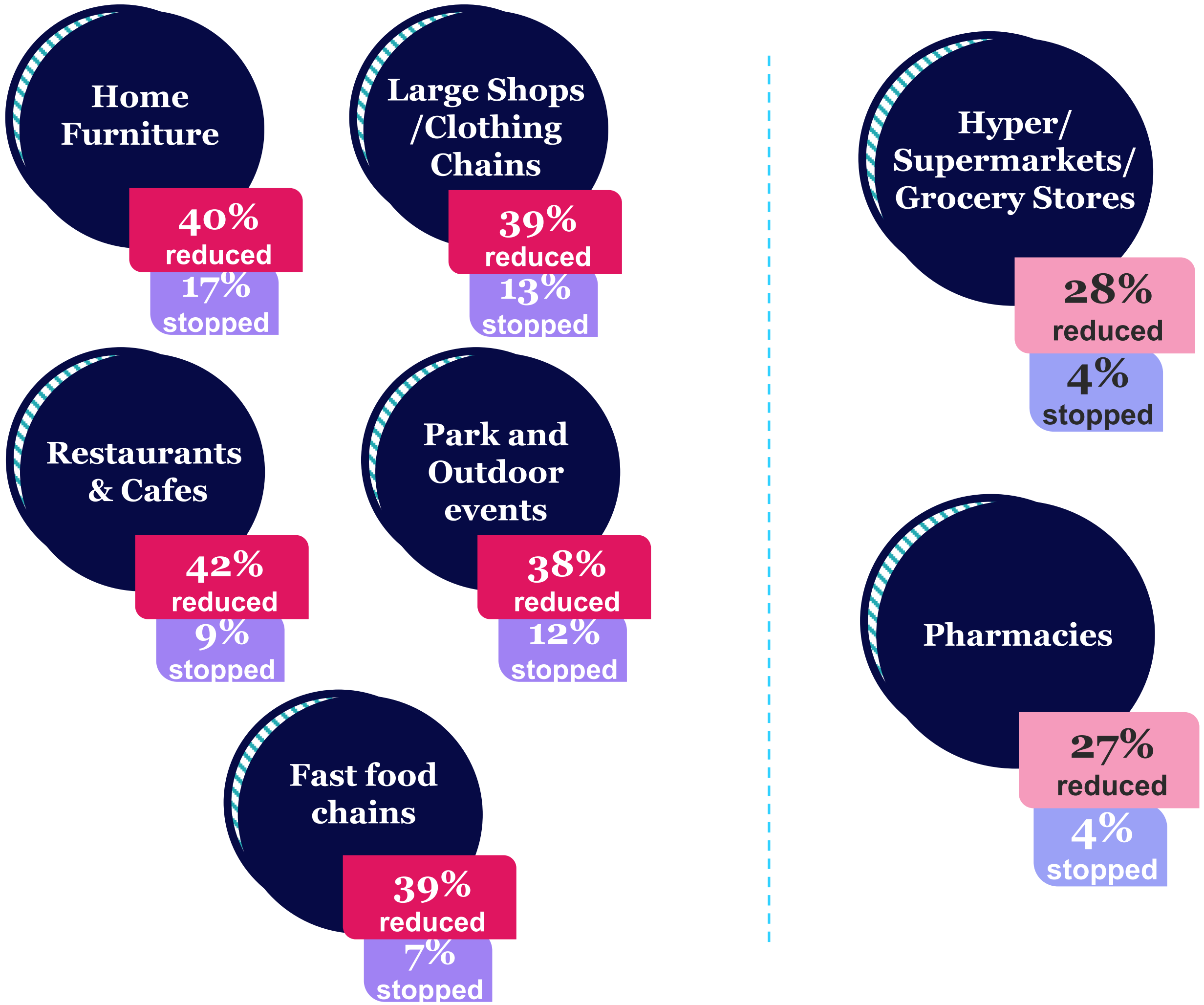


Consumer Pulse Study, Ref: Thinking about the current situation, *have you changed or had to change any of your habits* or *day-to-day behaviours* in relation to the following? Now let's talk specifically about *public places*, basis the current situation and in reference to last week, *did you change your frequency of visiting*

Shigts in the daily habits demonstrated cautious adaptation rather than a full consumer retreat.

Shifts in Daily Habits

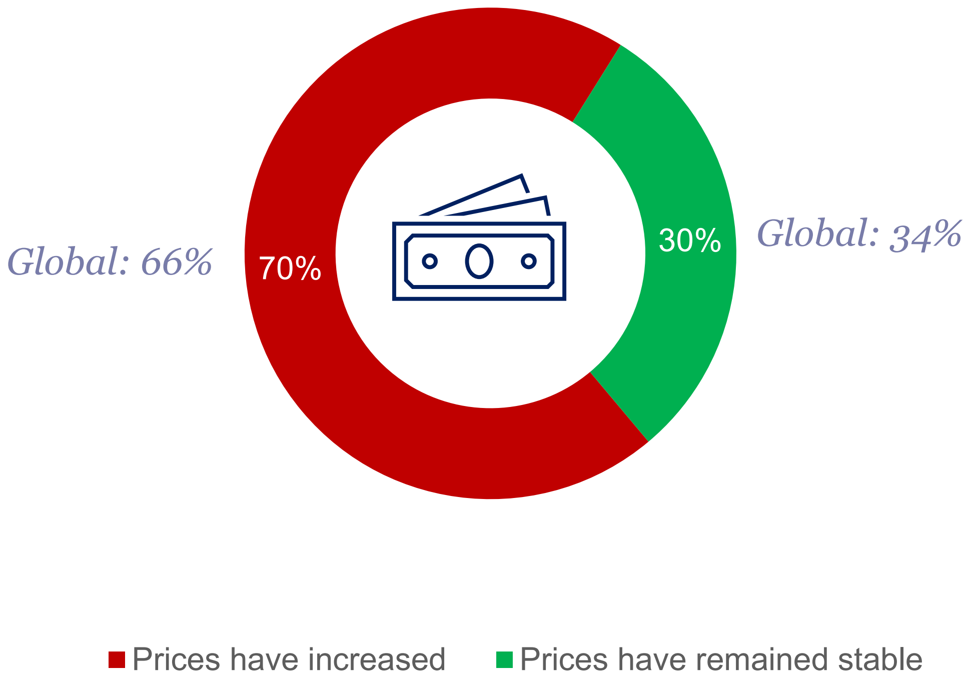
Visiting Public Places: What's Changed



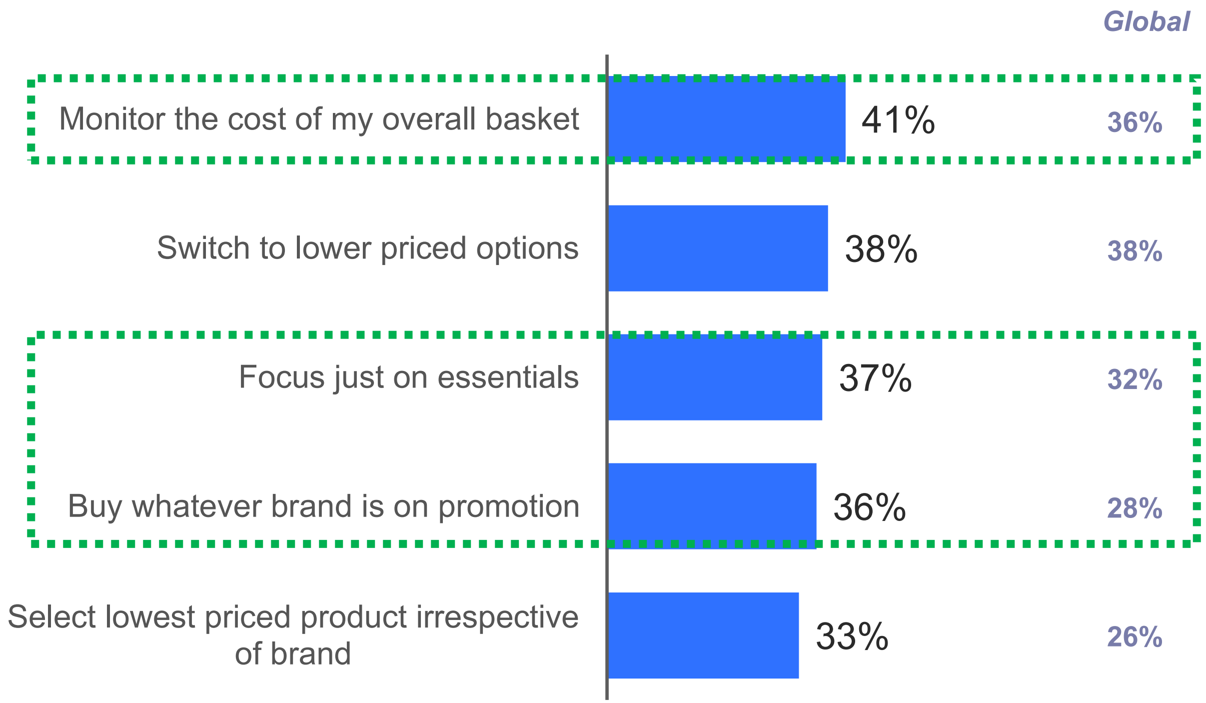
Consumer Pulse Study, Ref: Thinking about the current situation, *have you changed or had to change any of your habits* or *day-to-day behaviours* in relation to the following? Now let's talk specifically about *public places*, basis the current situation and in reference to last week, *did you change your frequency of visiting*

With food prices perceived as rising, consumers are actively managing their budgets, monitoring the basket costs, switching to lower-priced options and focusing on essentials, signaling heightened price sensitivity in everyday shopping.

Change in Food prices in the past week



Measures to manage prices over the past weeks

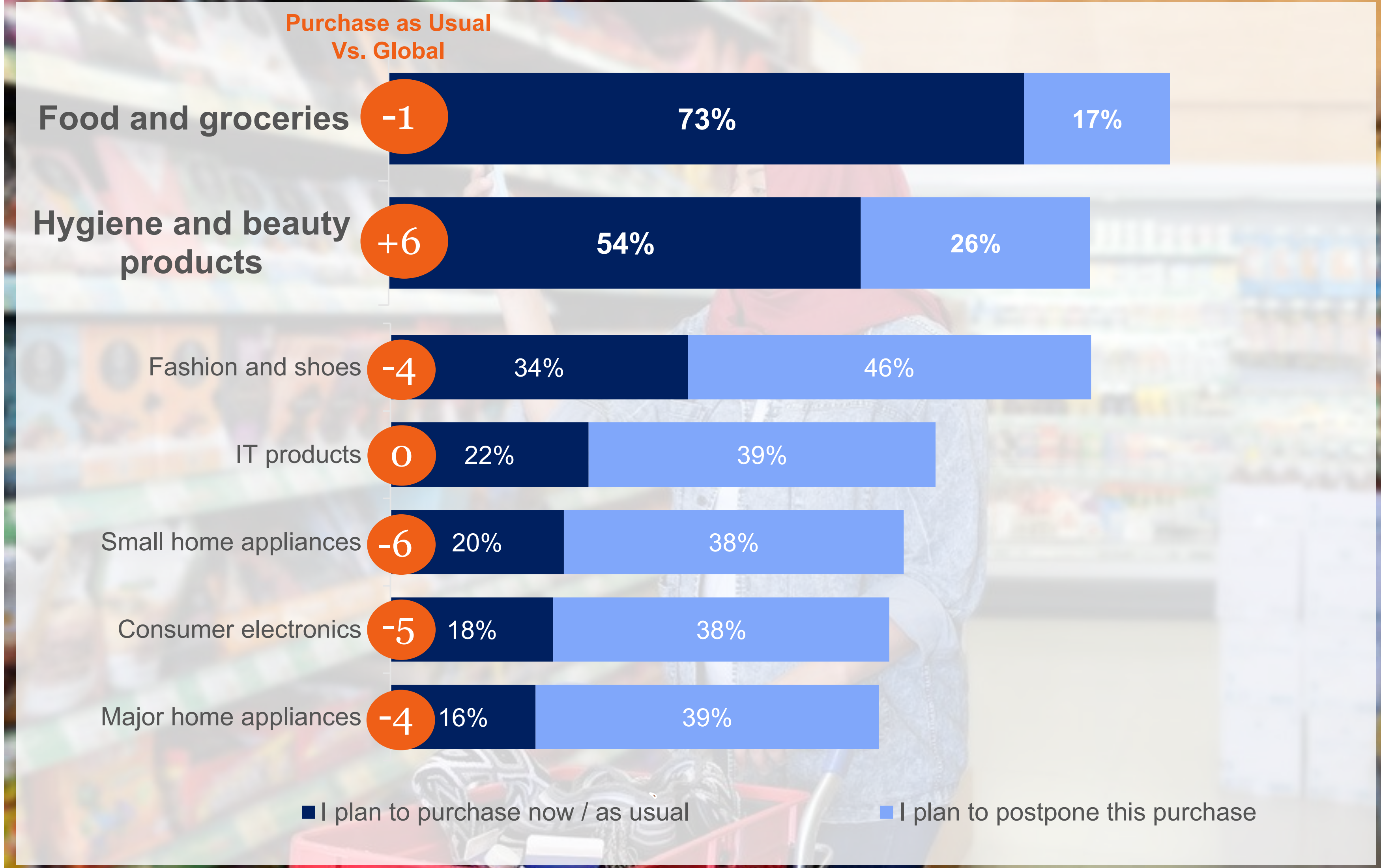


Consumer Pulse Study, Base: 250 Ref: How have food prices in your country changed over the past week? Have you done any of the following over the past weeks to manage prices?

While ***essentials continue to be a priority purchase,*** non-essential spending is being deferred rather than cancelled

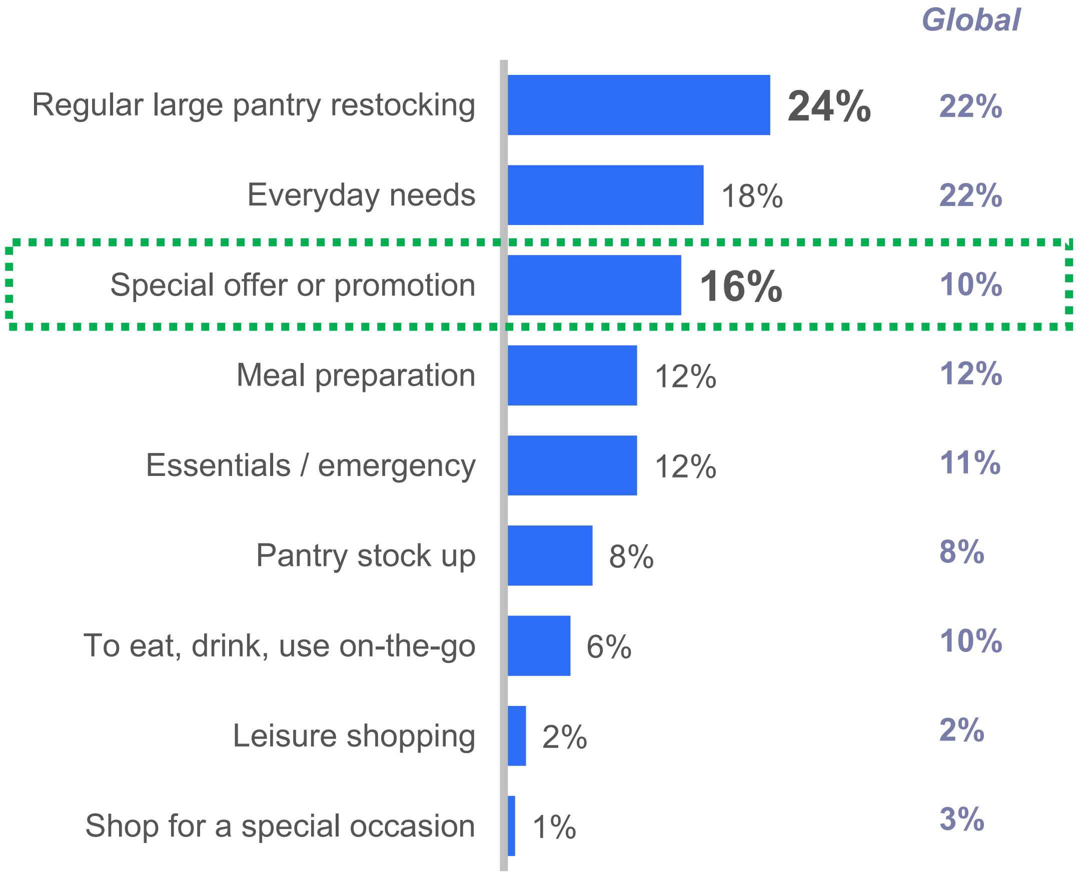
Consumer Pulse Study, Ref: Base: 250 Ref: Thinking about the current situation, what are your purchase plans in the coming period for the following products?

Purchase plans

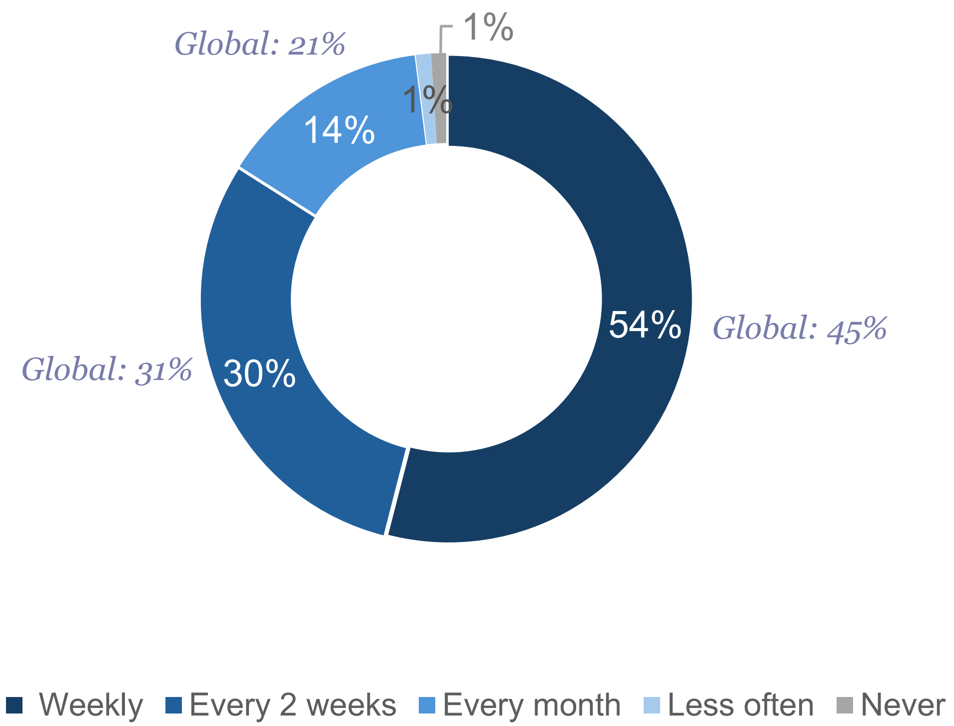


Weekly need-based shopping is clearly the prevailing pattern

Shopping Trip Type *(Most Recent Visit)*



Frequency of *main grocery shopping*



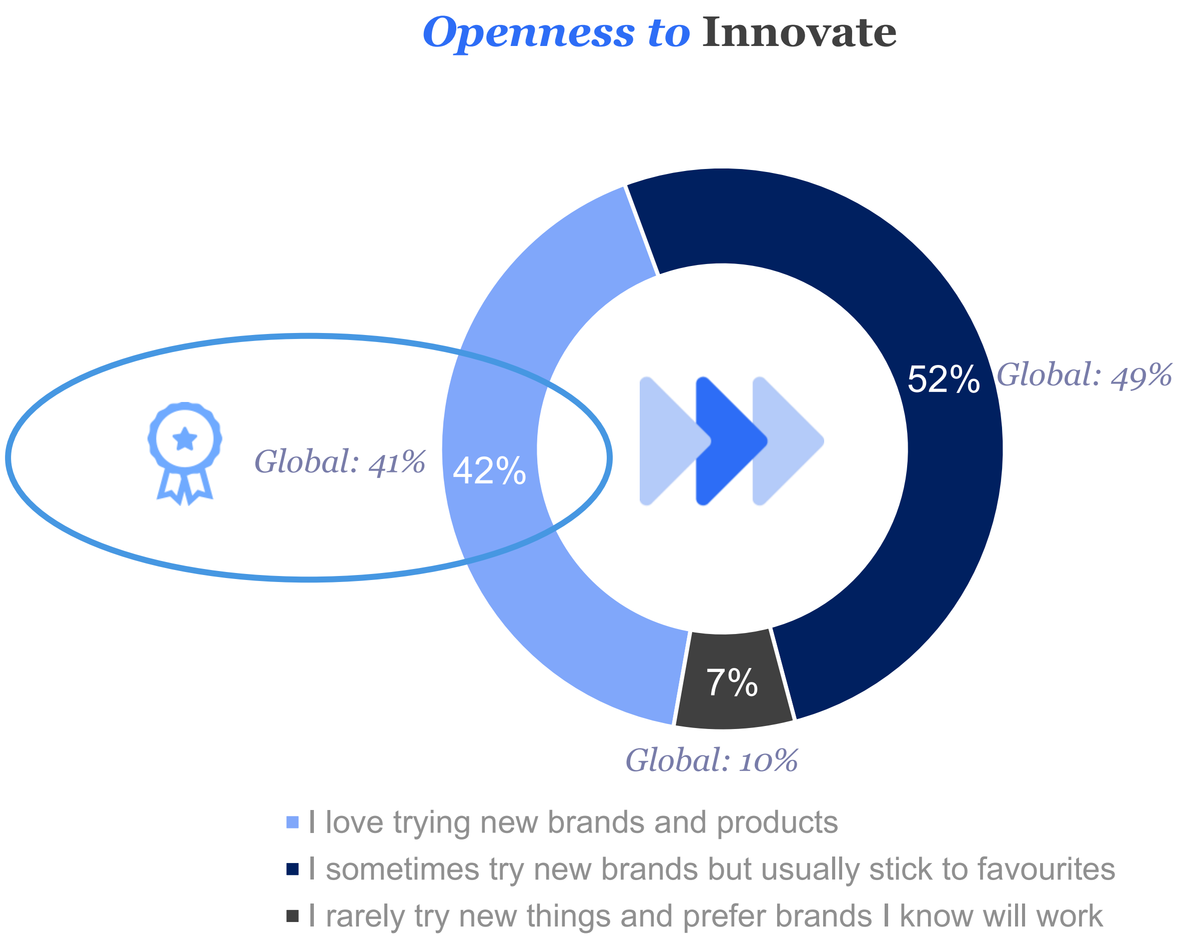
When visiting physical stores, customers prioritize **staff efficiency and the variety of products** available

Expectations from **Offline Retailers**

		Global
Well-trained staff able to assist efficiently	61%	*53%*
Wide range of products to select from	60%	*50%*
Secure handling of products	56%	*48%*
Availability of essential goods even during disruptions	56%	*48%*
A stock guarantee or transparency on product availability	55%	*47%*

Consumer Pulse Study, Base: 250
Ref: What do you expect from the retailers you are visiting now? – Offline Retailers

Consumers remain genuinely open to trying new products, even amid the current uncertainty



Retail Pulse 2025

Love try new brands and products
51%

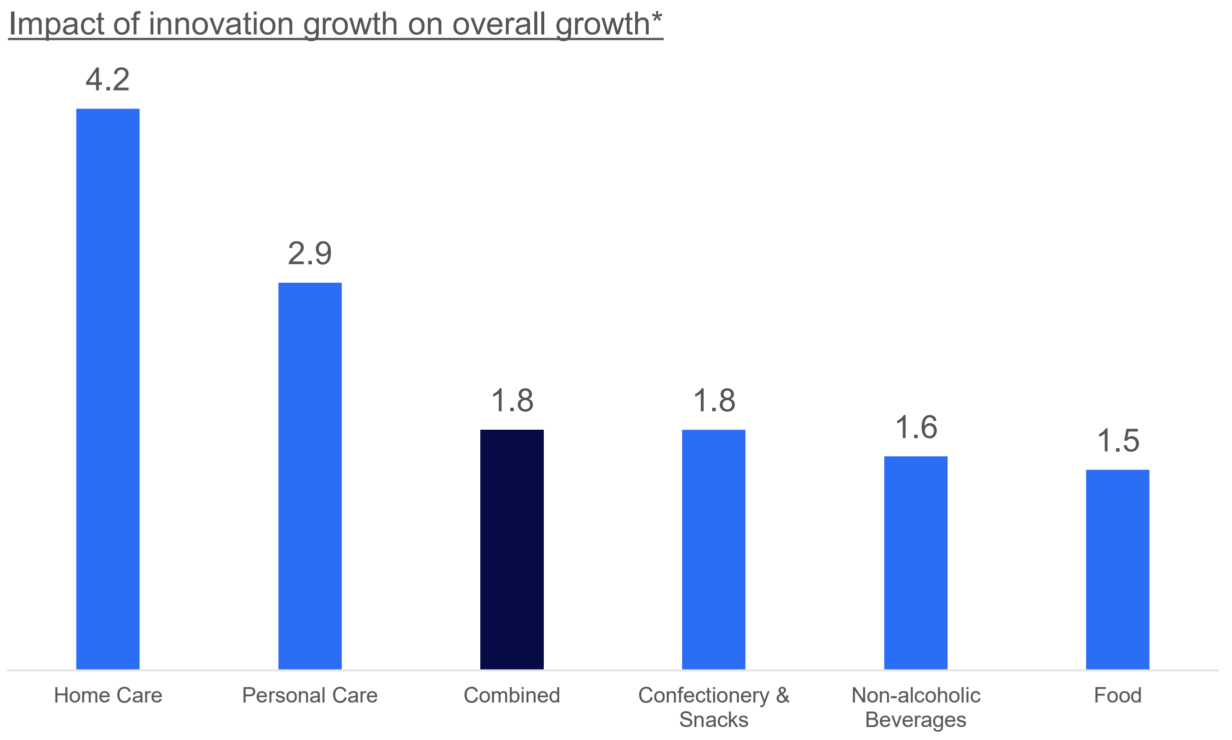
Consumer Pulse Study Base: 250
Ref: Which of the following best describes how you feel about changing brands and buying different grocery items?

Lessons from COVID-19: Innovation growth boosts overall growth

Manufacturers growing innovation sales in 2022 were

1.8X

more likely to grow overall sales compared to those with stagnant or declining innovation sales.



****Impact is calculated as a ratio of percentages of manufacturers growing total sales among those growing innovation sales vs those with no growth in innovation sales.***

Source: BASES Innovation Measurement

And what about KSA Consumers?

NIQ

KSA consumers are less concerned than UAE and remain much more positive regarding the household financial situation

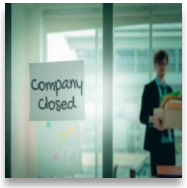
Levels of Concern in the Current Situation

39%
Rising prices of Fuel and Energy
Global 47% / UAE 50%

34%
Cost of living
(essentials, food, HH goods)
Global 42% / UAE 39%

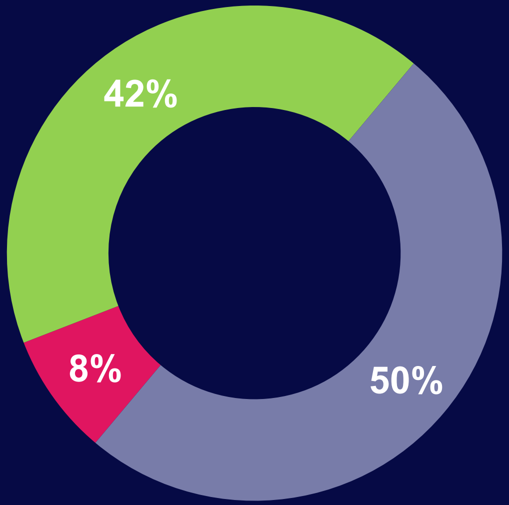
27%
Unemployment
Global 34% / UAE 37%

25%
Cybersecurity
Global 27%



23%
Macro-economy/jobs
Global 33%

Family Financial Situation vs. 3 Months Ago



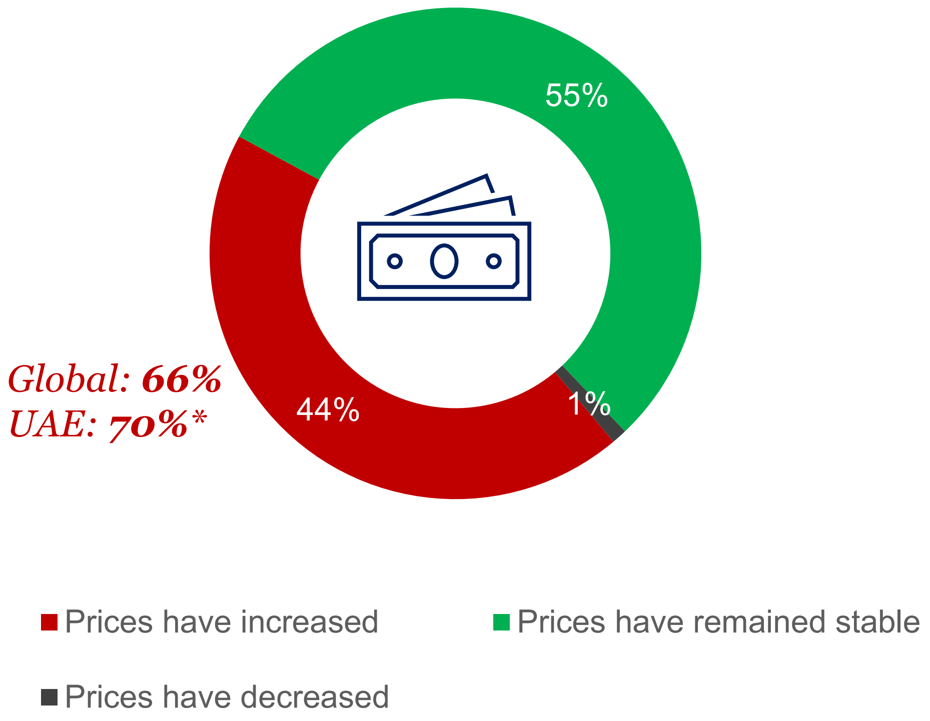
	Worse	Better	Equal
Global	*22%*	*33%*	*45%*
UAE	*24%*	*31%*	*45%*

NIQ

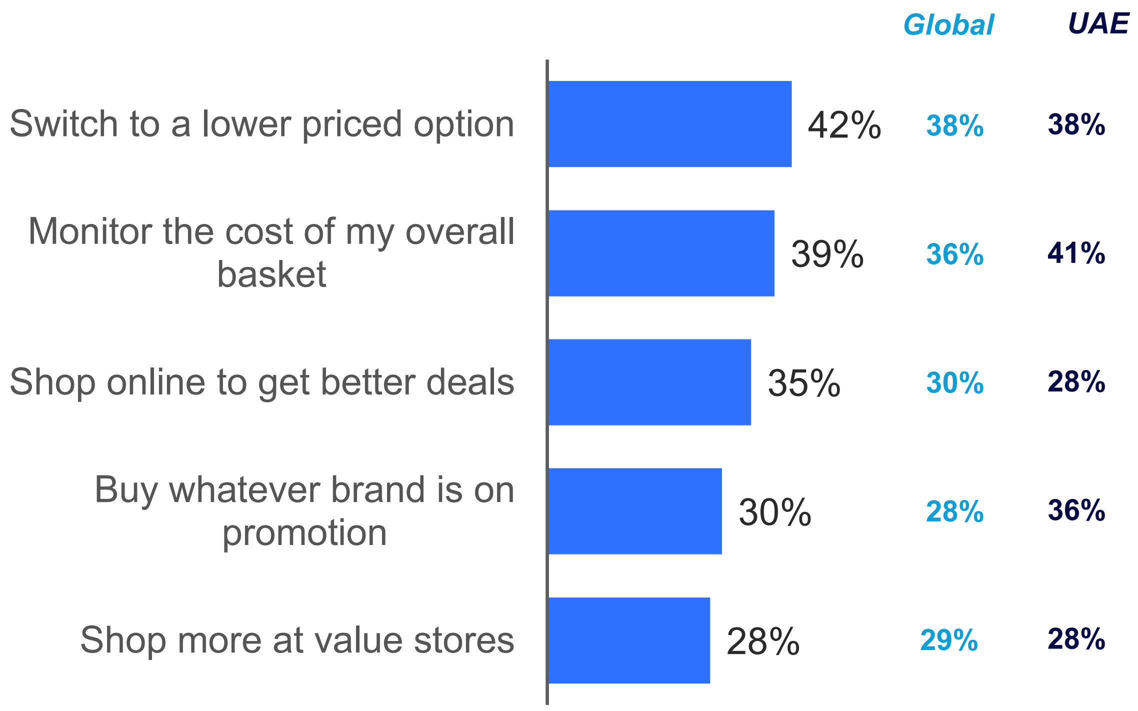
Consumer Pulse Study Base: 404 Ref: As compared to 3 months ago, would you say that you or your family are financially…? Based on the information available to you (from media, conversations, or things you notice in everyday life), please indicate how worried you are about each of the following in the current situation?

Food price perception is more on positive note among KSA consumers who are not only monitoring their expenses but use different channels to benefit

Change in Food prices in the past week

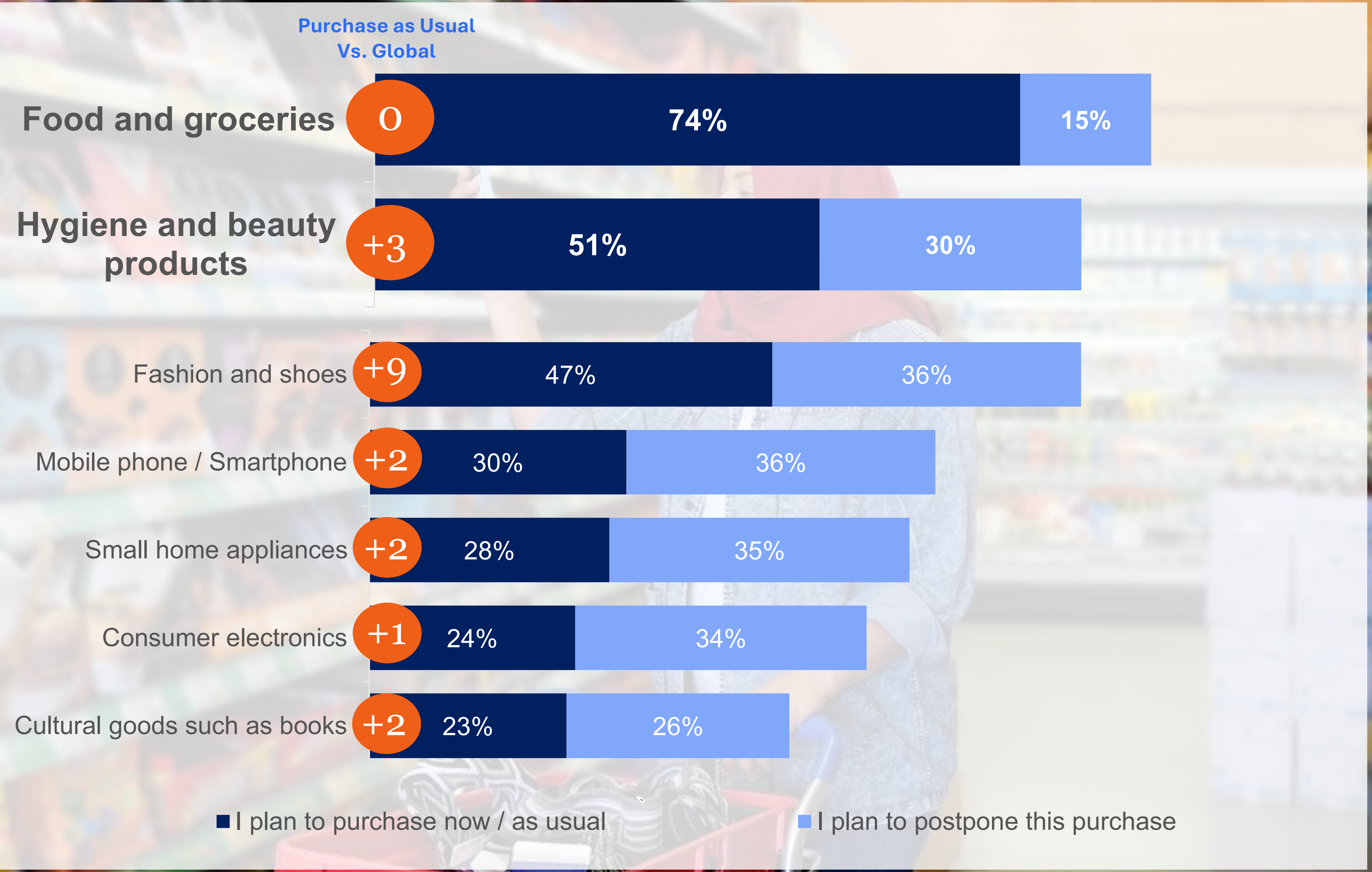


Measures to manage prices over the past weeks



Purchase plans

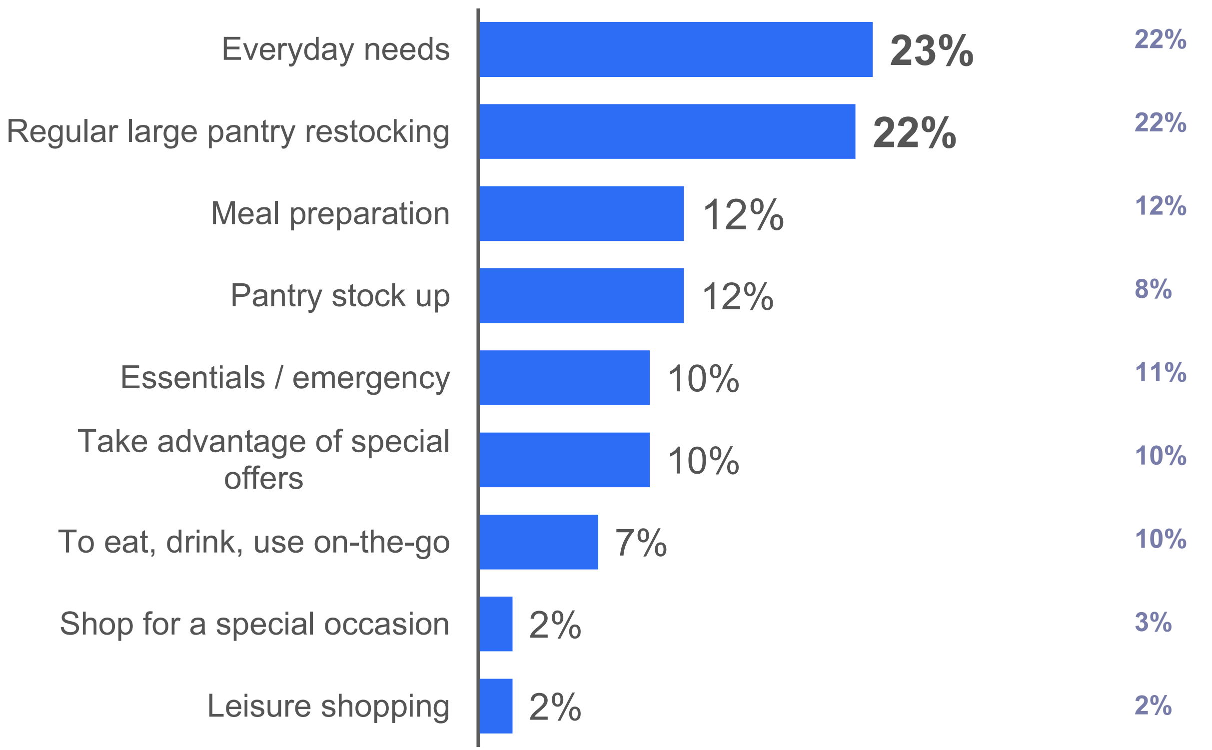
Essentials continue to be protected in consumer purchase plans, while non-essential categories are being deliberately postponed.



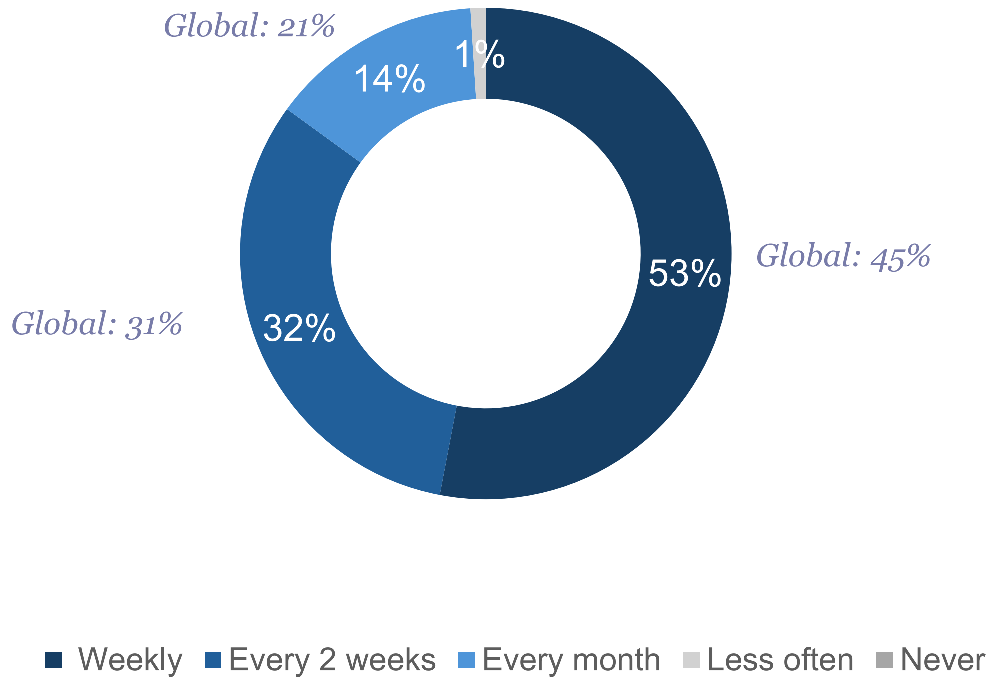
NIQ

Weekly Shopping is focused on routine trip, not being different vs. UAE shopping patterns

Shopping Trip Type
(Most Recent Visit)



Frequency of *main grocery shopping*

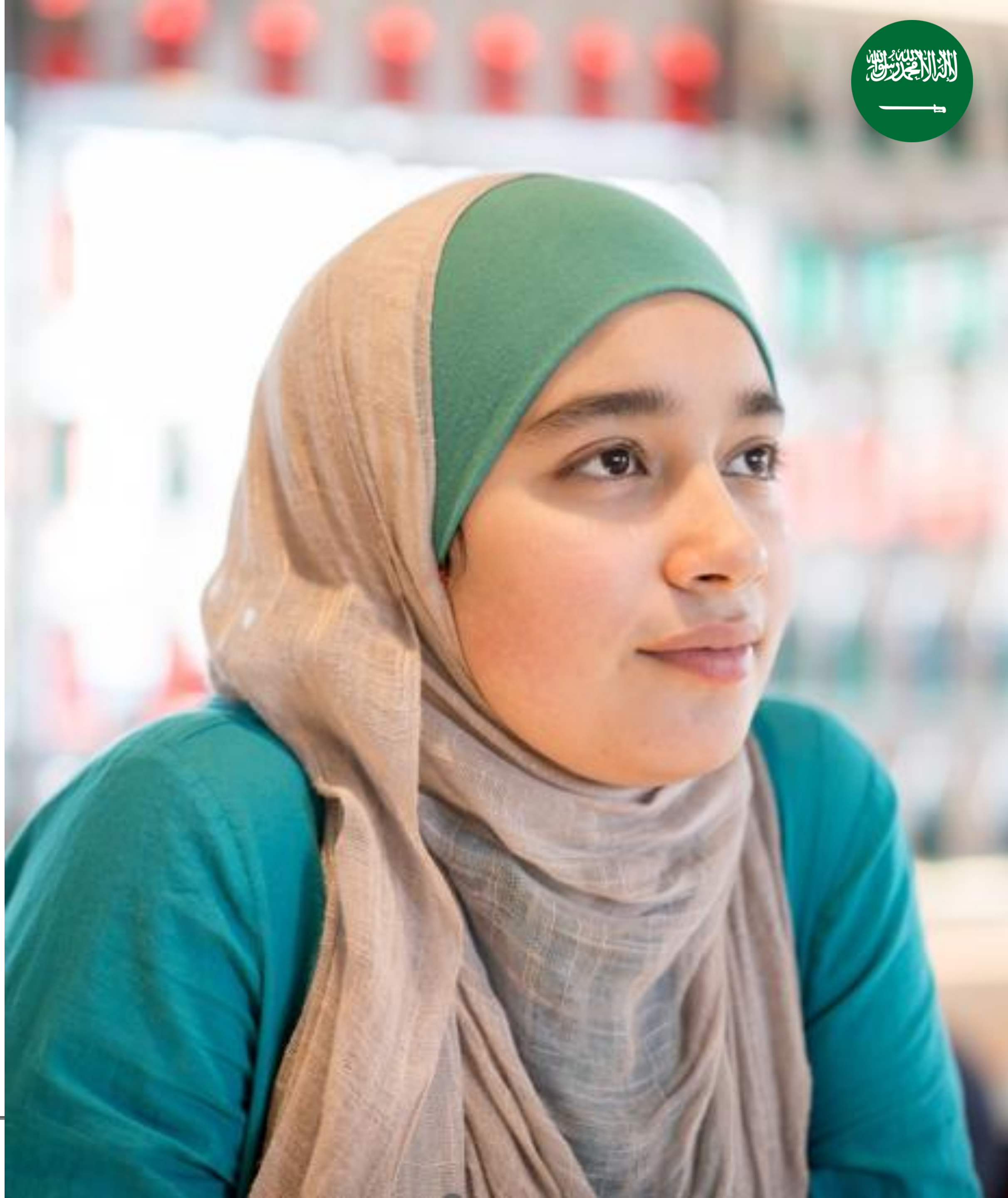


Consumer Pulse Study Base: 404 Ref: And on your latest trip, which of the following best describes the type of shopping trip it was?
How often do you do your main grocery shopping, where you buy a lot of groceries including all the essentials?

When visiting physical stores, customers prioritize **staff efficiency and assurance on price stability**

Expectations from **Offline Retailers**

		Global	UAE
Well-trained staff able to assist efficiently	51%	*53%*	***61%***
Assurance that prices remain stable / no unjustified price increases	50%	*50%*	***55%***
Availability of essential goods even during disruptions	48%	*48%*	***56%***
Acceptance of different payment methods	47%	*48%*	***54%***
Secure handling of products	46%	*48%*	***56%***



Consumer Pulse Study Base: 404
Ref: What do you expect from the retailers you are visiting now? – Offline Retailers

Value considerations dominate food delivery choices in KSA, with discounts, deals and speed

30% Discounts/ Deals

28% Delivery Fee/ Speed

19% Brand trust/ Familiarity

11% App Promotions

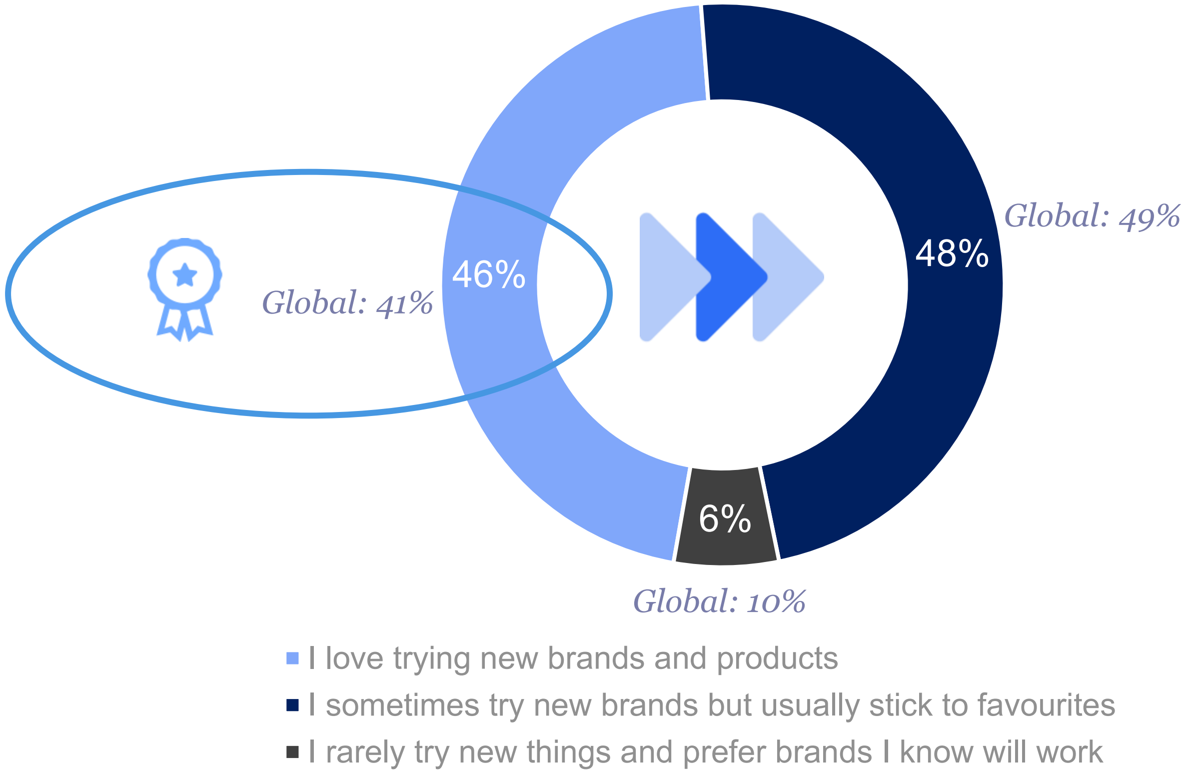
7% Cravings/ Product Desire

4% Safety/ Reliability Concerns

Consumer Pulse Study *Base: 404*
Ref:Main factor influencing choice when ordering food for delivery

Consumers are open to try new brands and products

Openness to Innovate



Retail Pulse 2025

Love try new brands and products

49%

Consumer Pulse Study Base: 404
Ref: Which of the following best describes how you feel about changing brands and buying different grocery items?

What’s Next?

So.. What are the key takeaways?

Emerging Channel & Assortment Landscape

Brands need to have a specific strategy for Ecom and smaller channel formats to drive availability as smaller players (especially local production) are emerging given the situation

Price Dynamics

In an evolving price environment, a blanket promotional approach is no longer effective. Driving higher promotional ROI requires a shift toward a scientific, data-driven framework by understanding price elasticities, promo frequency, and depth of discounts to unlock true incrementality.

Consumer Preferences

Consumers are actively reallocating their budgets toward necessities and away from discretionary spending. There is a need to sharpen value propositions and to consider more targeted pricing and promo strategies

Opportunity despite challenges

Despite all the changes in dynamics and consumer preferences we have seen, there is always opportunities to grow through innovation, unlocking white spaces or marketing mix

NIQ

NIQ Next Conflict Response Framework guides to navigate the uncertainty

NIQ Next

NIQ's Advisory Arm
Connecting what's now with what's next

NAVIGATING THROUGH THE CRISIS	Near term	SHOPPER & CUSTOMER MANAGEMENT	X	RECODE PRICE & PACK ARCHITECTURE	X	PROTECT BRAND RELEVANCE	X	RENOVATION PLANNING	**NAVIGATING WHAT'S *NOW*** Staying relevant and activating tactical plans
ACCELERATING POST THE CRISIS	Future term	REBUILD CATEGORY & SHOPPER PLAYBOOK	X	REWIRE DEMAND SPACES	X	MARKETING MIX OPTIMIZATION	X	INNOVATION ACCELERATION	**NAVIGATING WHAT'S *NEXT*** Future proof the portfolio and aim for breakthrough innovations

The Full View™

Thank you!

If you would like to explore how these insights can help shape your 2026 strategies, we would be happy to schedule a discussion with you and your team. Looking forward to supporting your business growth!

NielsenIQ