

GfK Insight Talk @IFA

Herzlich Willkommen

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Intro and Welcome



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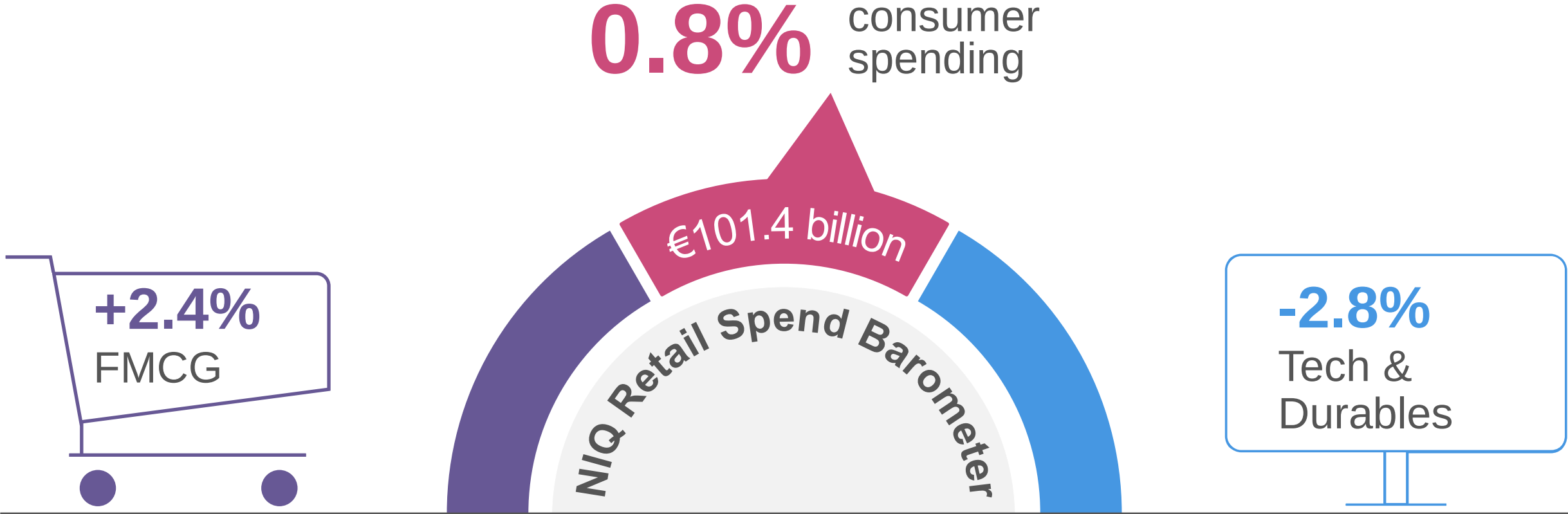
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What is the current state of the German TCG market?

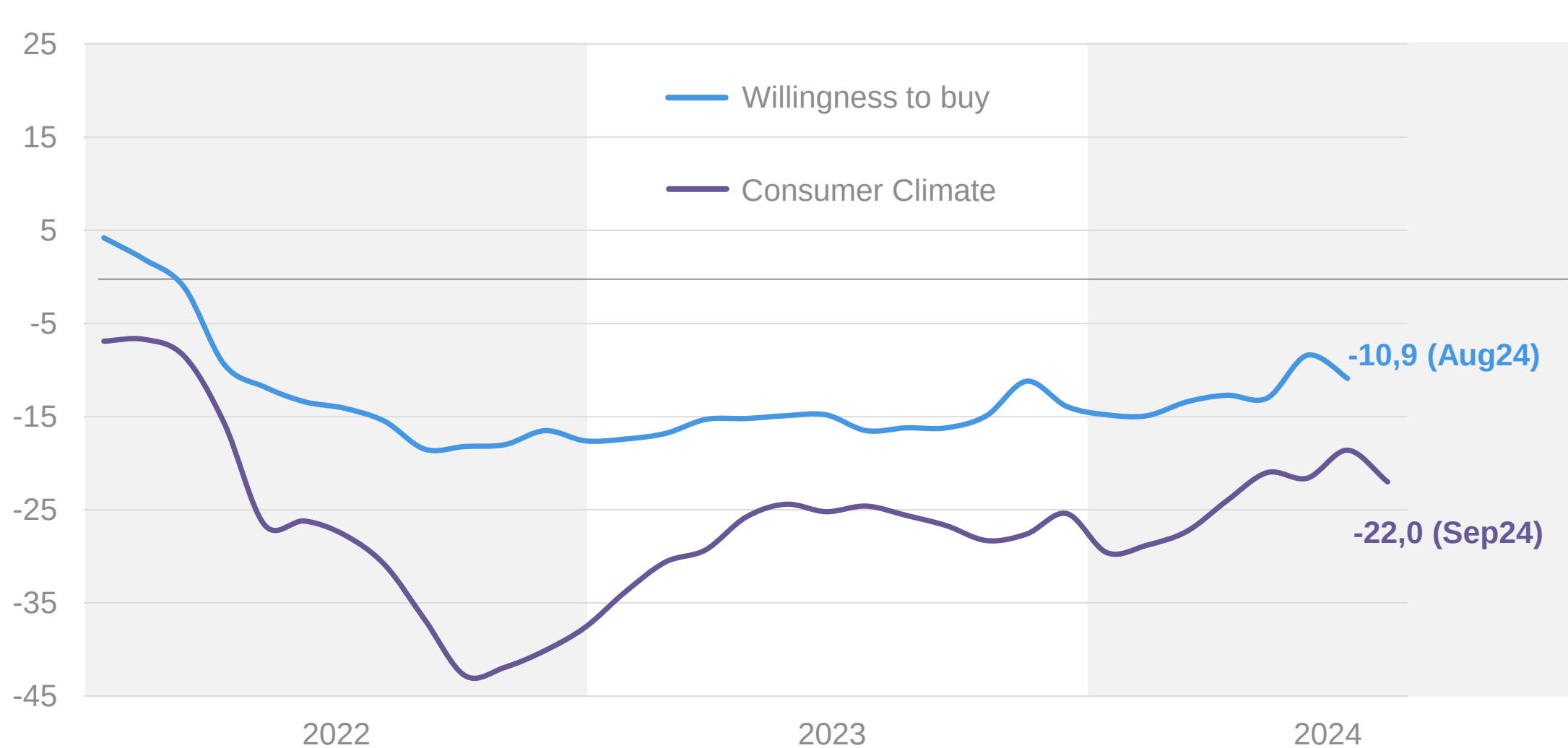


Consumer spending on FMCG and Tech & Durables products in Germany slightly increased in Q2'24 vs. Q2'23



Consumer sentiment in Germany suffers a severe setback in August

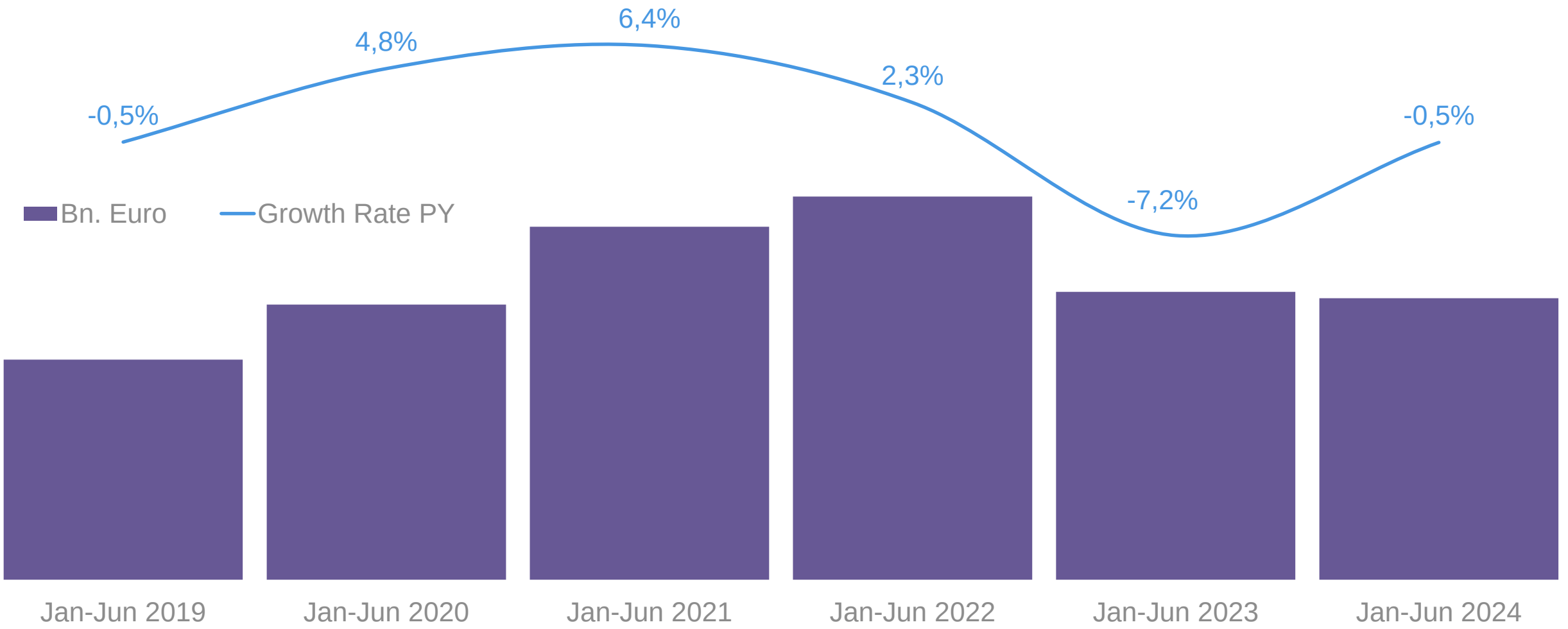
Consumer Climate decline forecasted for September by -3.4 points compared to the previous month



Source: GfK study co-funded from European Commission | Germany

TCG Germany market slightly negative in Jan to Jun '24, but with clear relaxation in Q2'24

Outlook for the rest of the year is a further market stabilization

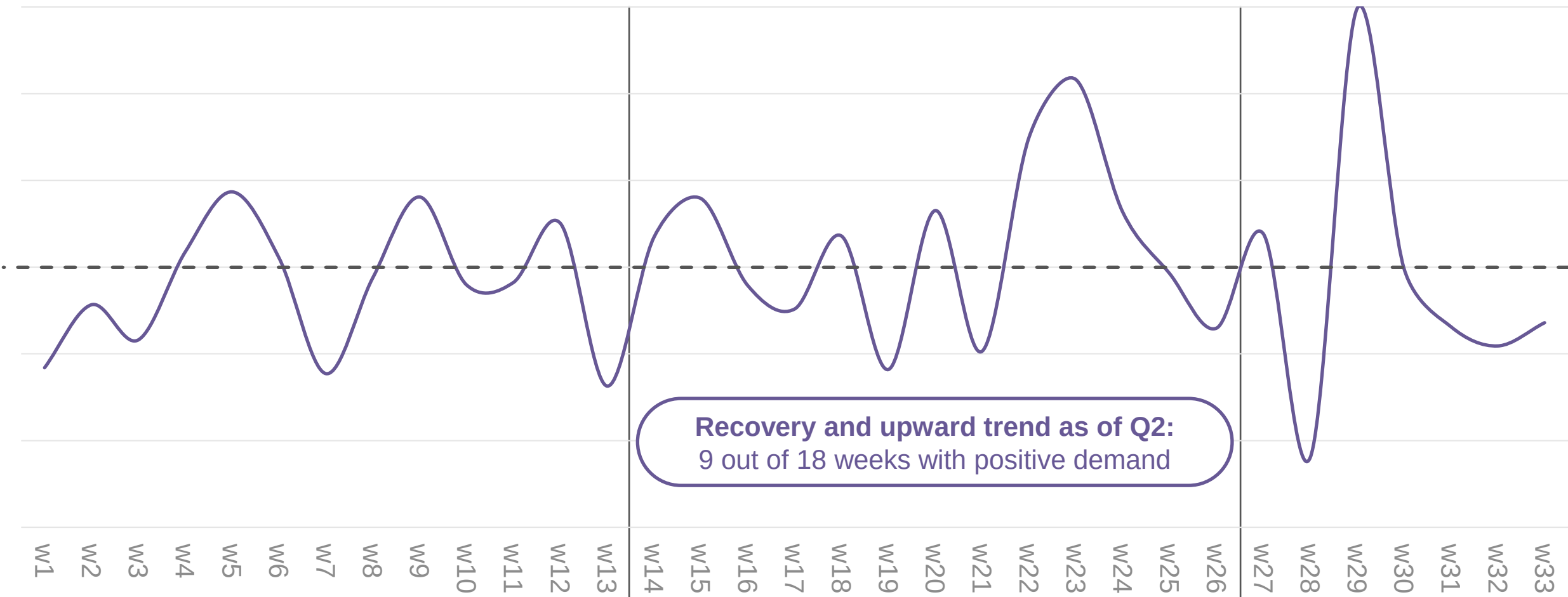


Source: GfK POS Panel. Retailer B2C Sales, TCG Product Groups, Sales Value EUR Growth, Jan-Apr of each year Germany

Q2'24 shows an outbalanced result, whilst most recent weeks (w27-33) rather were negative

Short-term effect or (long-lasting) trend reversal in Q3 and Q4 to come?

TCG Total | Weekly Trends | cw1 to 31 2024

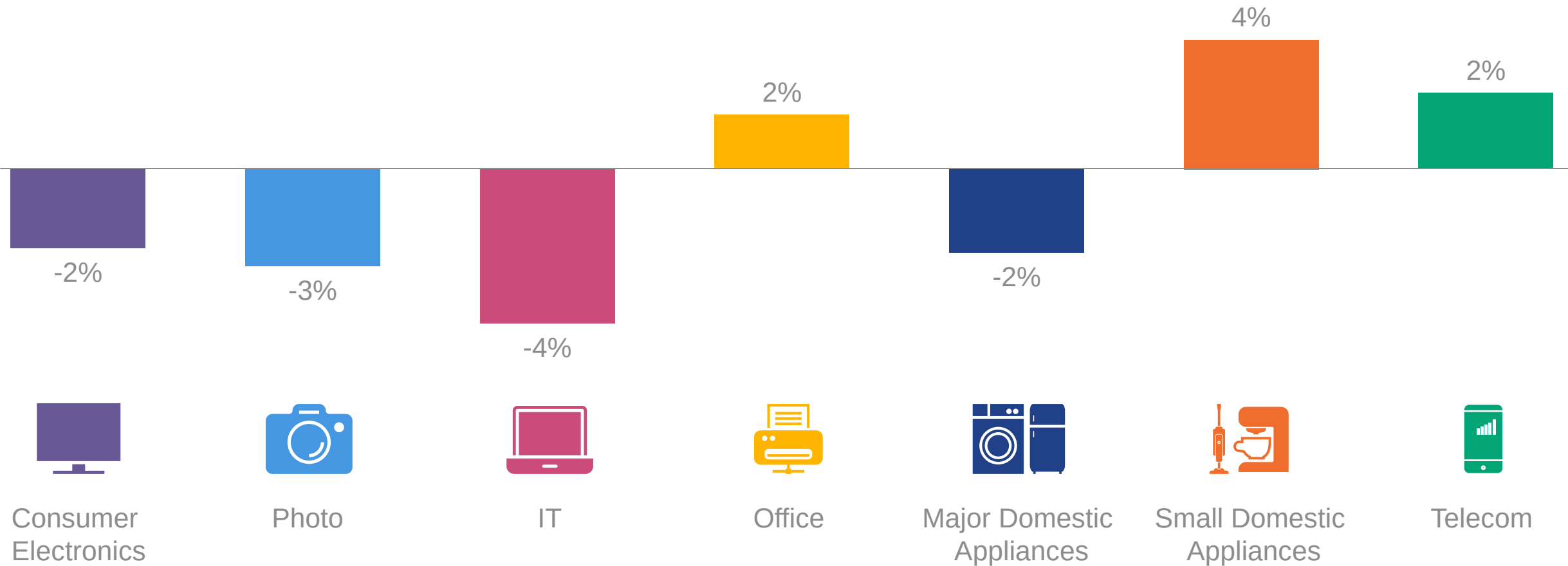


Source: GfK POS Weekly Panel. Germany; Retailer B2C Sales, Growth Rate: Sales Value EUR (NSP)

Small Domestic Appliances, Telecom and Office Products grow in the first six months

Nonetheless, 4 out of 7 sectors are facing a slight decline in HY1'24

Growth HY1'24 vs. PY by sector

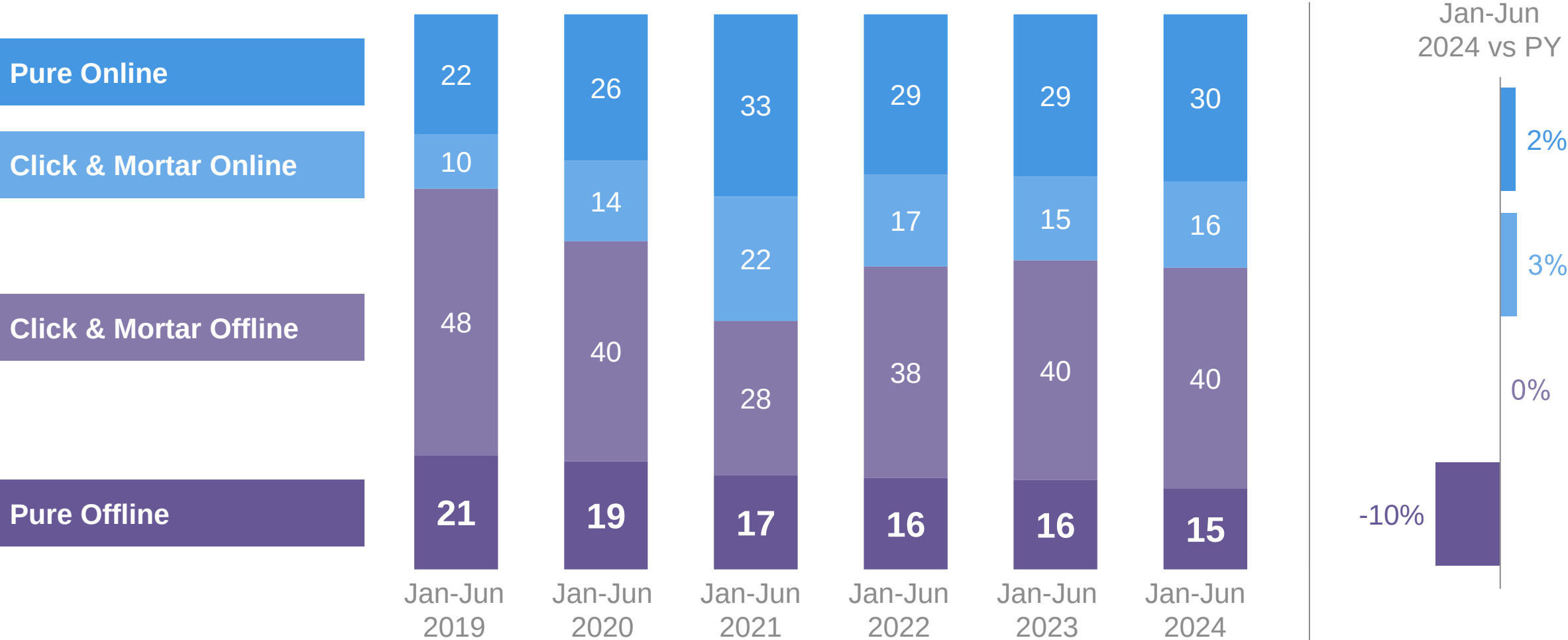


GfK Retailer B2C Sales, TCG Product Groups, Sales Value EUR (NSP), Germany

Omnichannel gaining shares due to uplift of Click & Mortar Online

Pure Offline retail with continuous downturn, even stronger than last year

Technical Consumer Goods (TCG B2C) Online/Offline shares



Source: GfK Retailer B2C Sales, Sales Value EUR (NSP), Germany

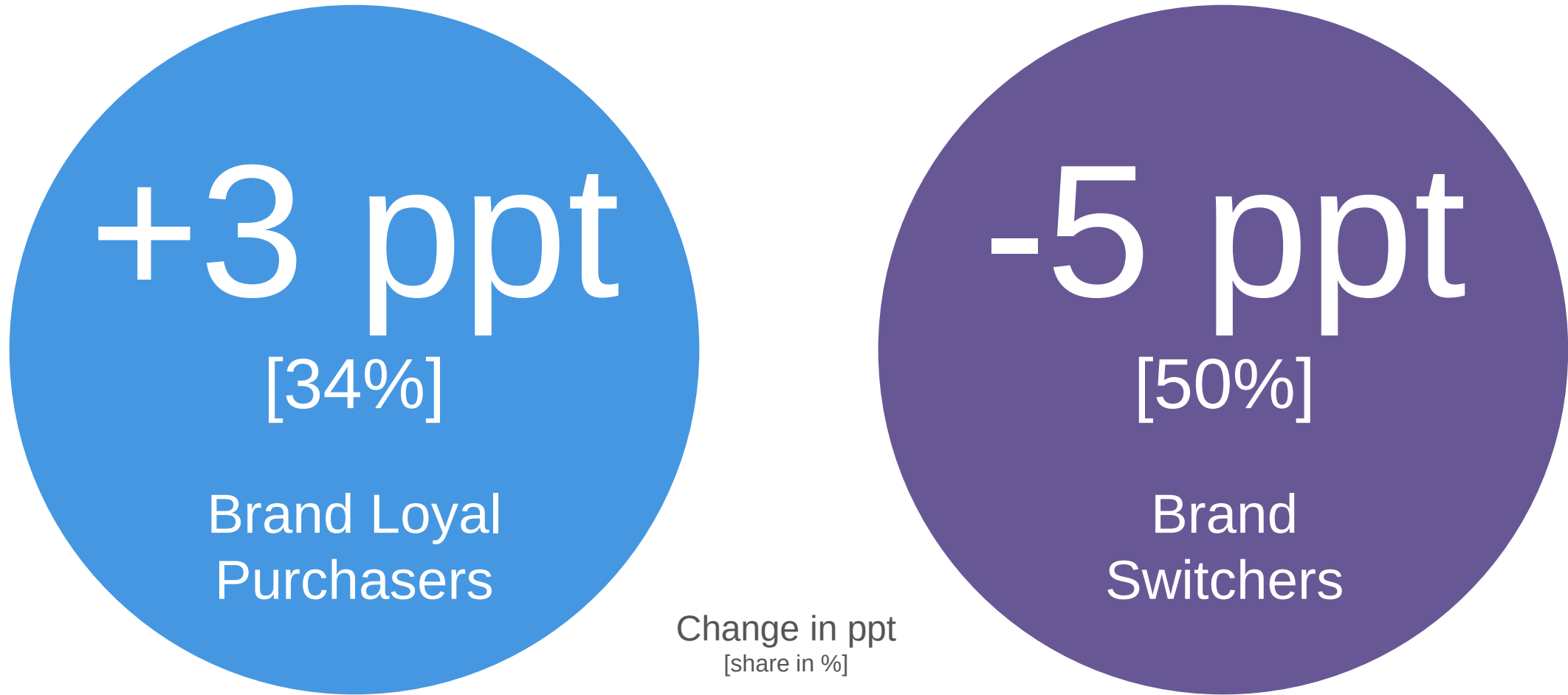
Loyalty to retailers and manufacturers on a low level

How to create stickiness?



Hypothesis: Brand loyalty increased over time ('23 vs. '19 pre-Covid)

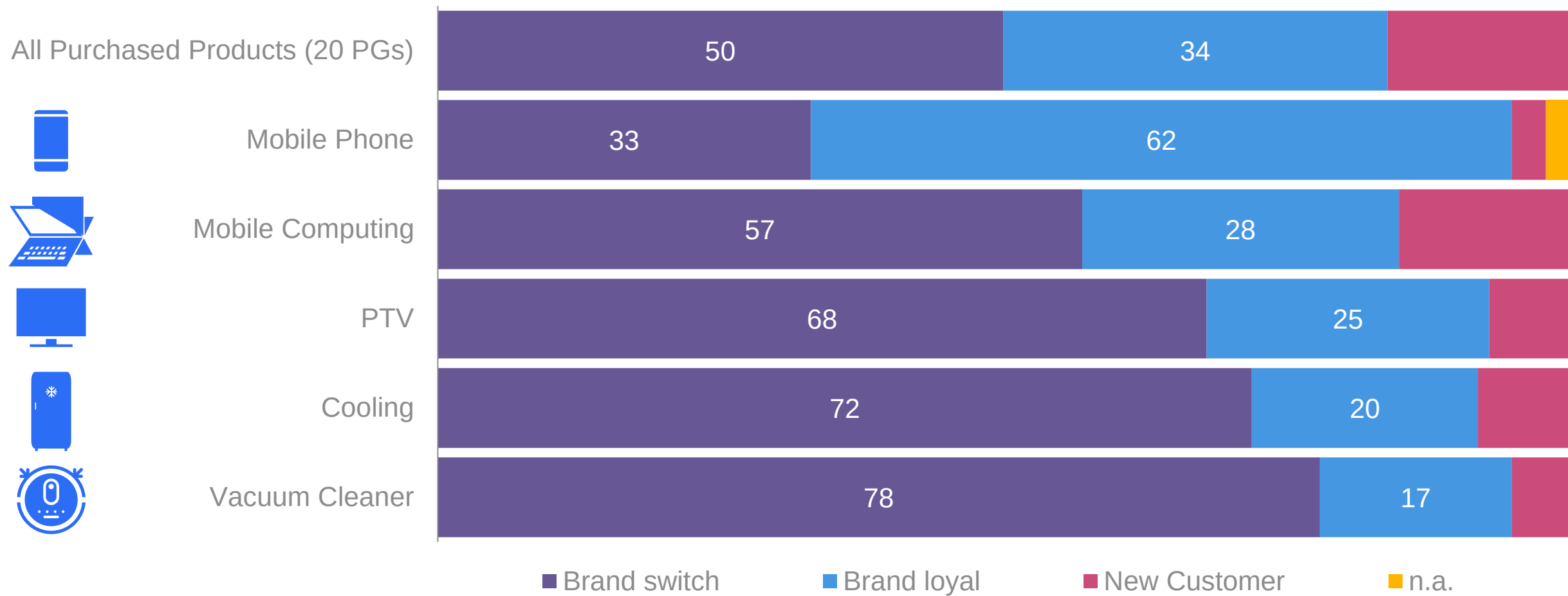
Accepted → Purchasers became more brand loyal (in %).



Source: gfknewron Consumer Intelligence, Germany, all PG audited, time frame 2019 & 2023, 72.606 Interviews (2019) & 89.229 Interviews (2023)

Mobile phone buyers have the highest brand loyalty, Vacuum Cleaner buyer the lowest!

89,924 Interviews with new buyers of TCG Products



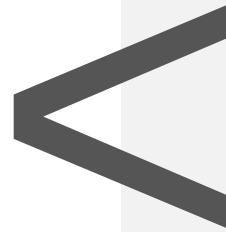
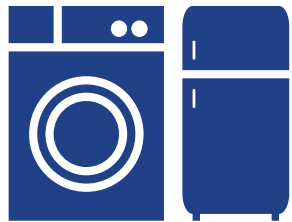
Source: gfknewron Consumer Intelligence, Germany, all PG audited, time frame: last four quarters (Apr 23 - Mar 24), 89.813 Interviews

Hypothesis: Brand loyalty is equal in Household Appliances and Personal Use* products

Rejected → In Personal Use categories brand loyalty is higher

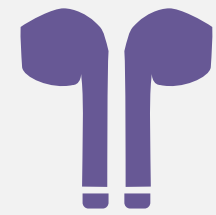
22%

Household Appliances



39%

Personal Use



Source: gfknewron Consumer Intelligence, Germany, time frame: last 8 quarters incl. Q1/2024, 82.796 Interviews (Personal Use) & 89.920 Interviews (Household Appliances) | *Personal Use Products contain a.o. Personal Care & Beauty devices, Headphones/-Sets, Mobile Phones, Media Tablets, Notebooks, Gaming Consoles, Digital Cameras, Action Cams, Smart Speakers, etc. | Household Appliances contain MDA categories (Cooking, Washing Machines, Cooling & Freezers, Dishwasher), SDA (Coffee Machines, Kitchen Appliances, Vacuum Cleaners), TV sets, Printer

Hypothesis: 'Brand' is key for Brand Loyal Purchasers

Accepted → Brand Loyals love 'their brand'

Survey Question:

Which three of the following were **most** important to your final choice of product?

Brand → 59%

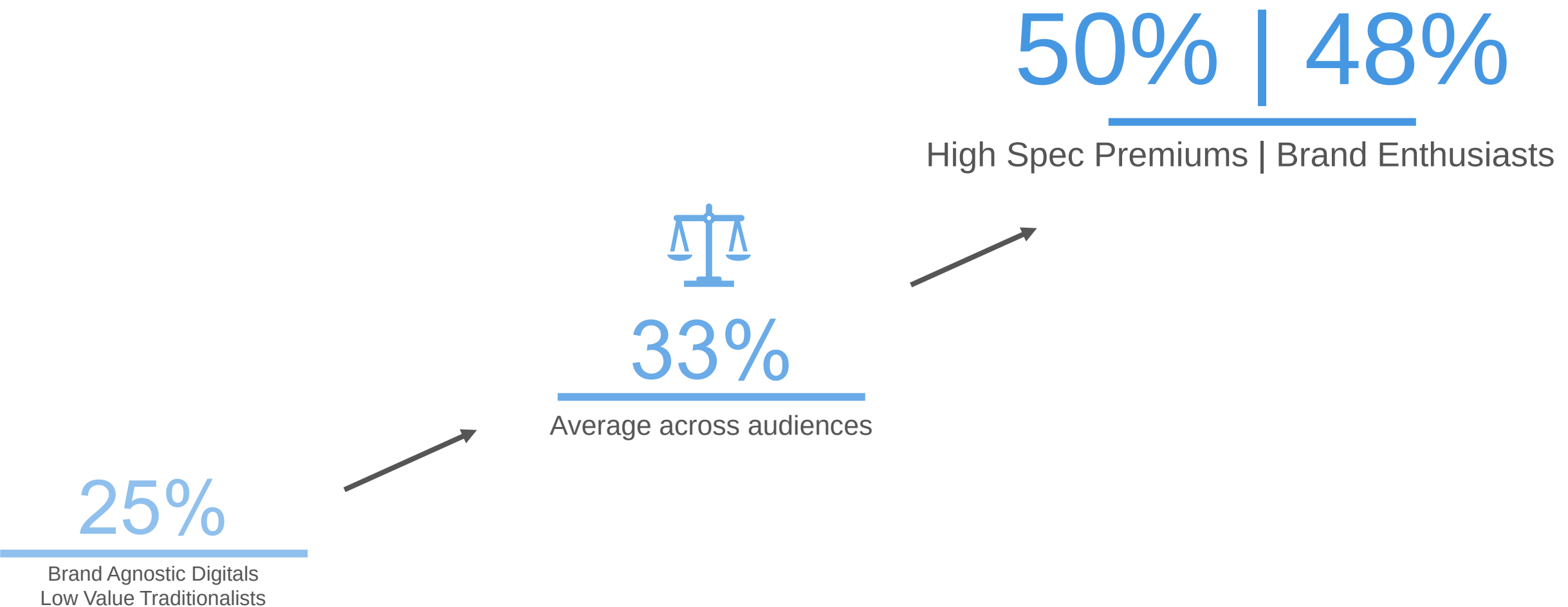
Product Features → 66%

Price → 69%

Source: gfknewron Consumer Intelligence, Germany, all PG audited, time frame: last 8 quarters incl. Q1/2024 , 53.790 Interviews

Hypothesis: Brand loyalty differs hugely between audiences

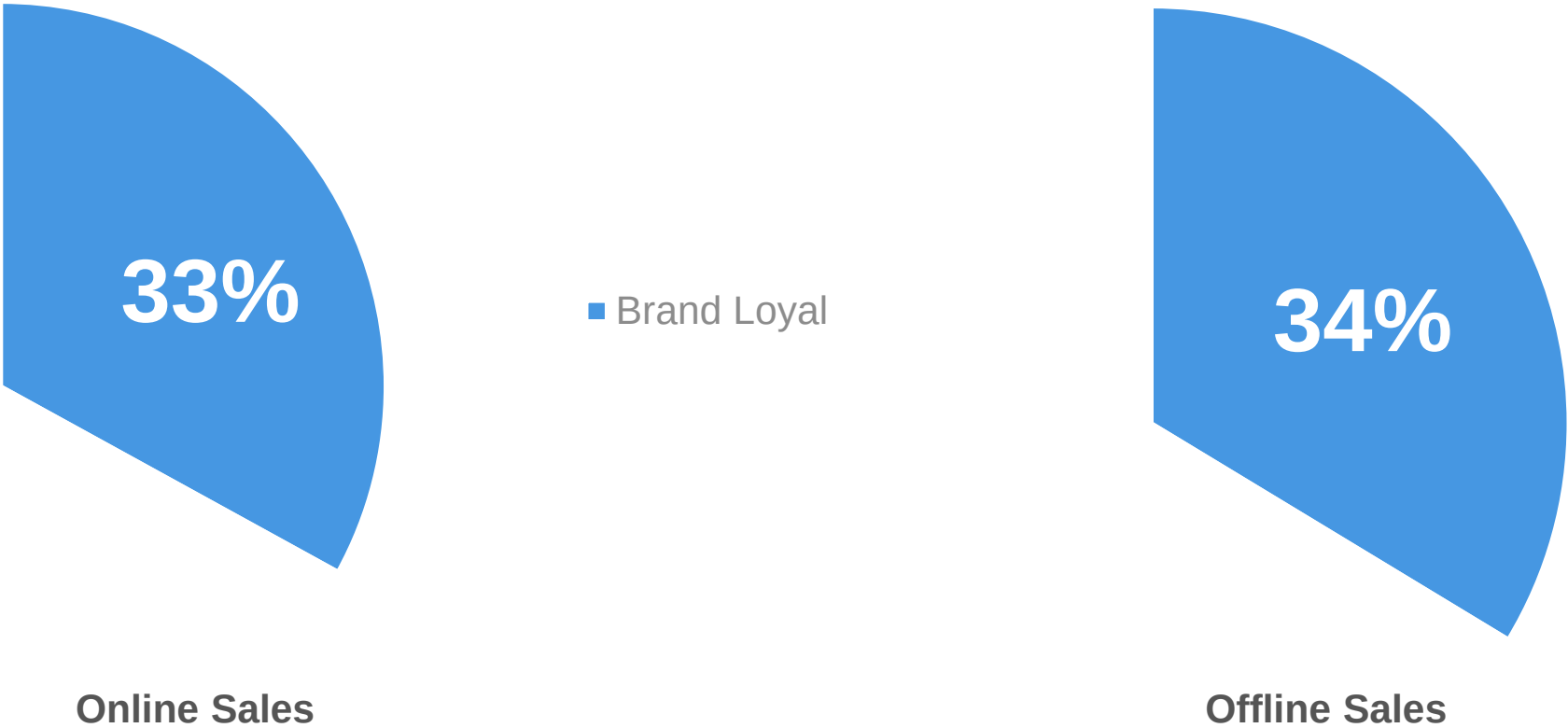
Accepted → GfK 'High Spec Premiums' and 'Brand Enthusiasts' with highest loyalty



Source: gfknewron Consumer Intelligence, Germany, all PG audited, time frame: last 8 quarters incl. Q1/2024, 172.716 Interviews

Hypothesis: Brand loyalty is higher in Offline purchases (in-store)

Rejected → Brand loyalty is not a question of purchase channel, rather same in Online and Offline



Source: gfknewron Consumer Intelligence, Germany, all PG audited, time frame: last 8 quarters incl. Q1/2024, 172.716 Interviews

Thank you!
Contact us with
your questions



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