

Understanding the *IMPACT* of Québec in the Canadian FMCG industry

NielsenIQ



Measure and understand the Québec *IMPACT* on your business

I

Importance of Québec

Contribution of population to Canada and demographic unicity

M

Money (finance)

Economic situation and freedom of spend, influenced by housing market, age of population and natality rate

P

Perceptions and mindset

Different vision of their health and habits in day to day

A

Attitudes and shopping patterns

Importance of price strategy and role of different channels

C

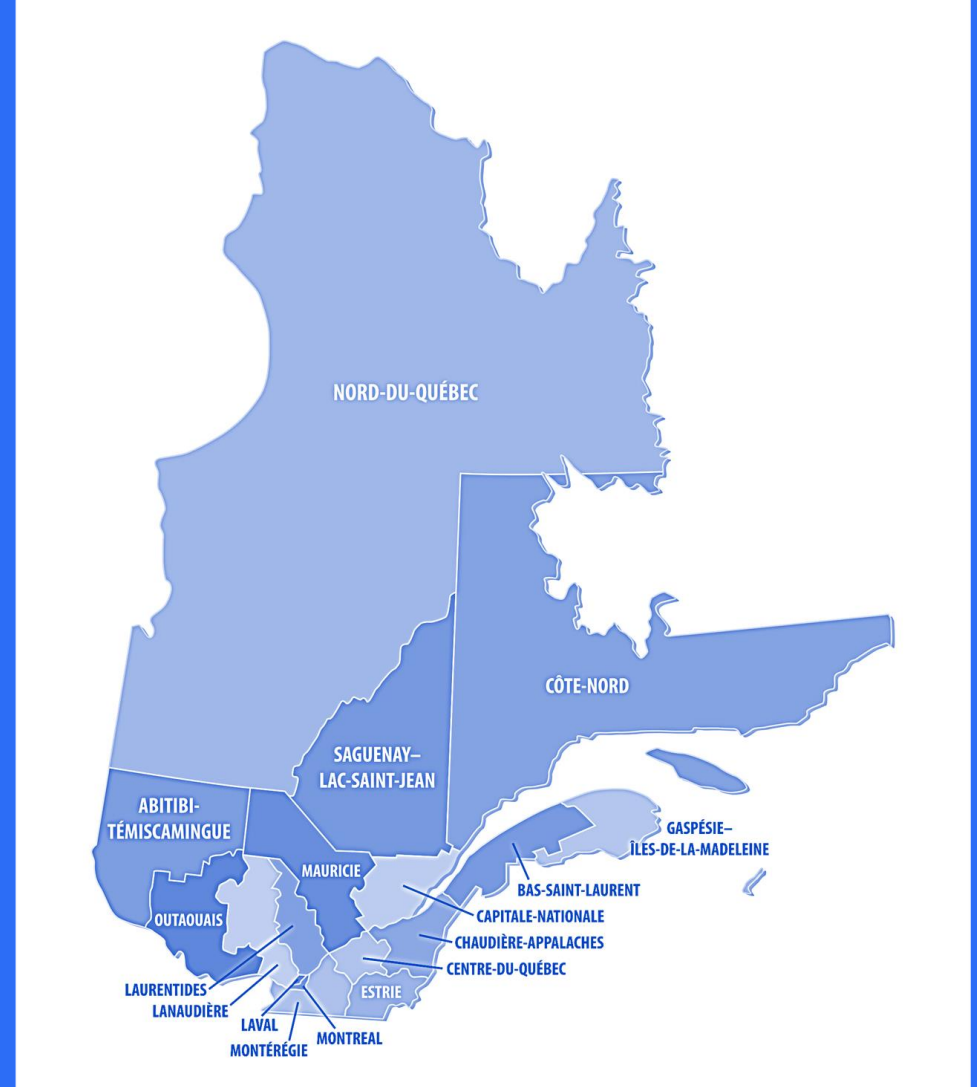
Cultural differences

Uniqueness in language and Holidays

T

Take-away

What you need to do to win in Québec





IMPORTANCE of Québec

1 out of 4
Canadian
households

2nd largest
group of
consumers

Population
growing
differently

Québec is a quarter of Canada's FMCG market

Québec's inflation is on par vs what we are seeing in Canada

24.4%

of Canadian households live in Québec

23.6%

of Total FMCG sales made in Québec

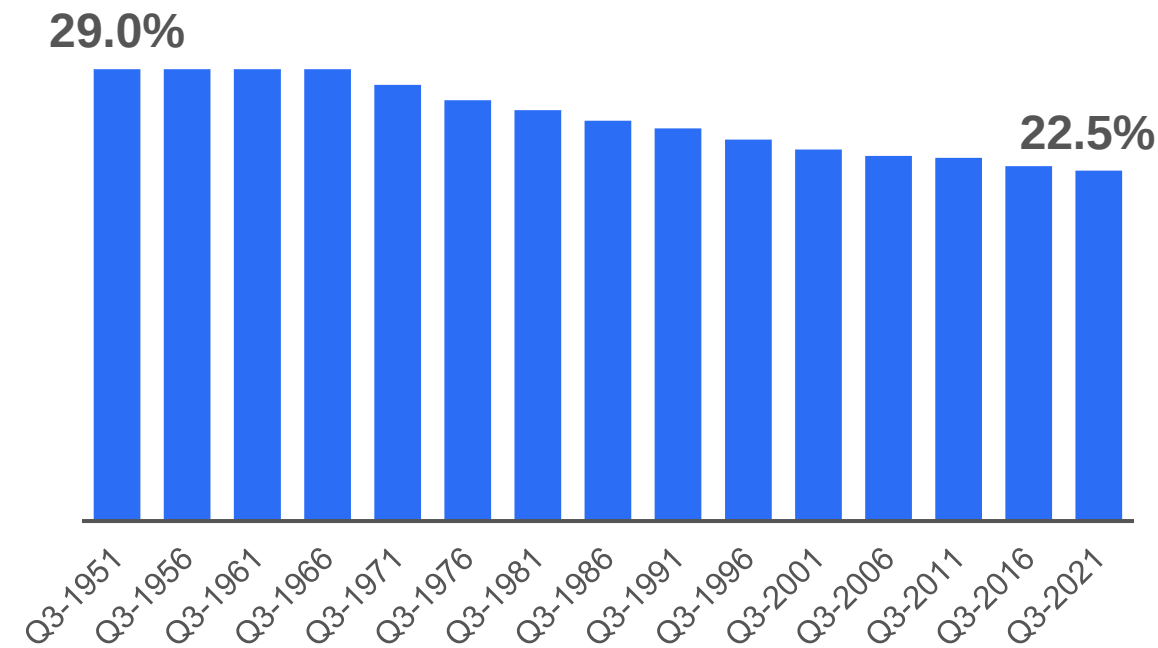
22.2%

of \$ growth sourcing from Québec

Québec's importance within Canada is diminishing

Two main reasons would explain why Québec is 'losing' share: less immigration and its population is aging faster

Québec's importance within Canada's population
Census information

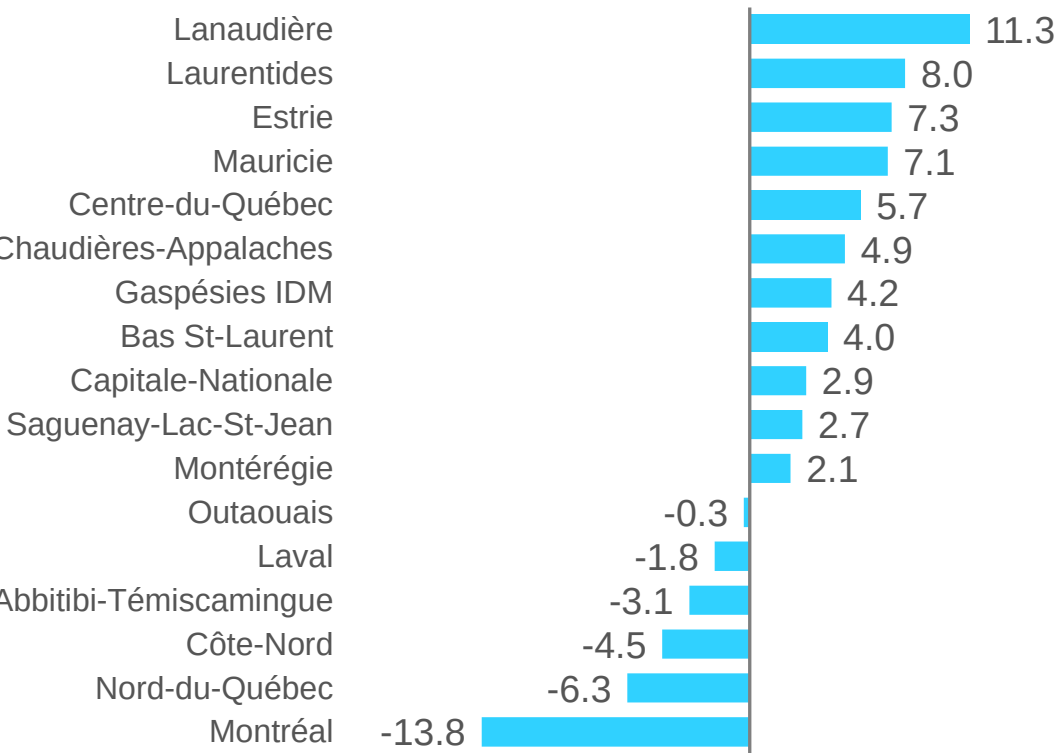


Source: Statistique Canada. Tableau 17-10-0009-01 Estimations de la population, trimestrielles



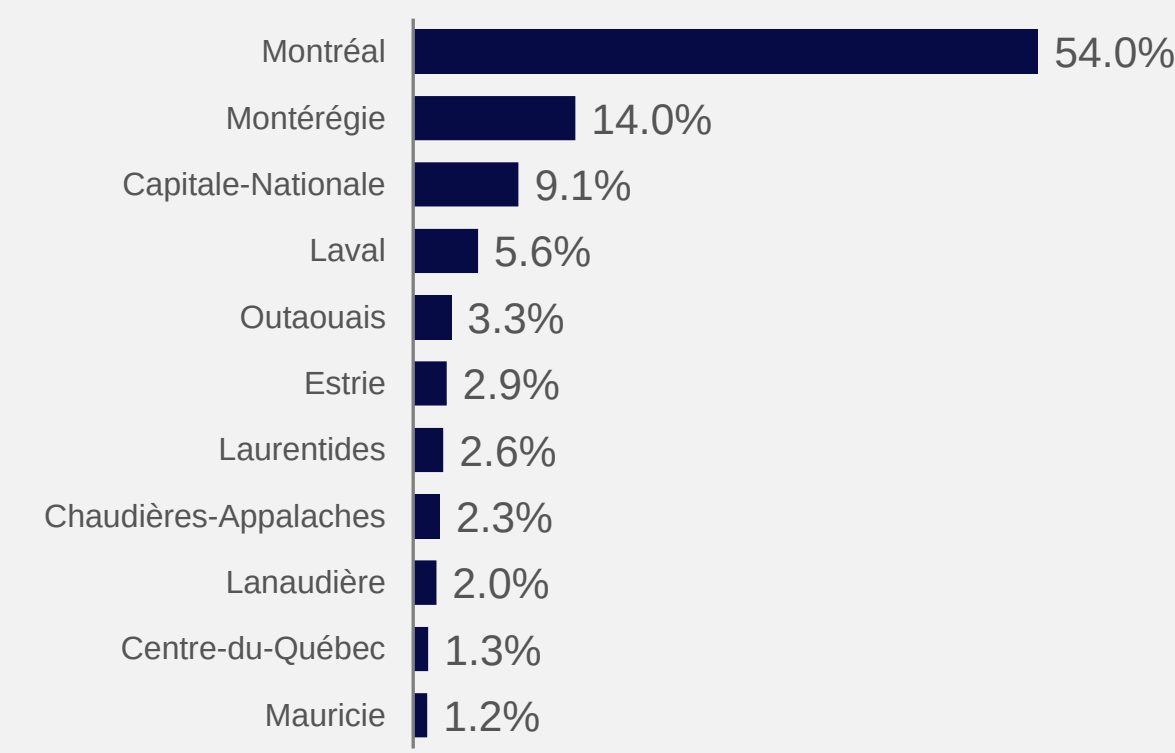
More and more ‘settled’ households are moving out of Montréal ...

Net interregional migration rate
2022 vs 2023 (rate per 1000) (Québec)



... while it remains the main destination for recent immigration to the province

Distribution of immigrants admitted in 2022-2023
(Québec)

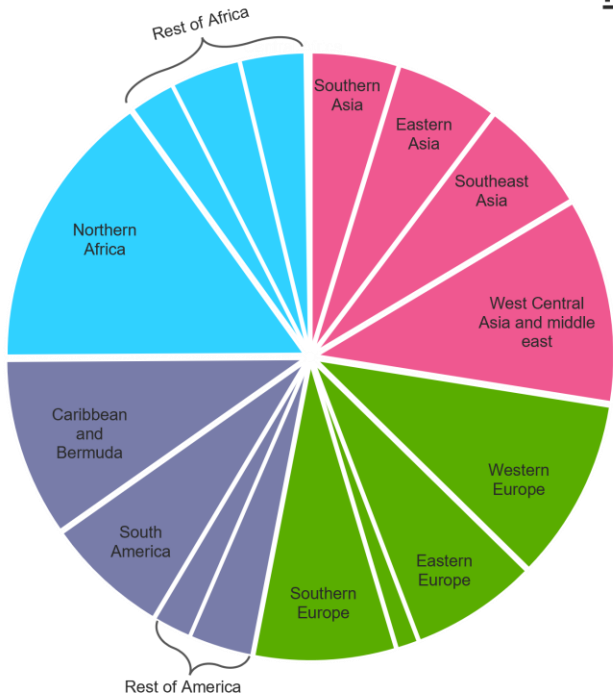


[Institut de la statistique du Québec Démographie – Comparaison entre les régions \(quebec.ca\)](https://www.quebec.ca/demographie)

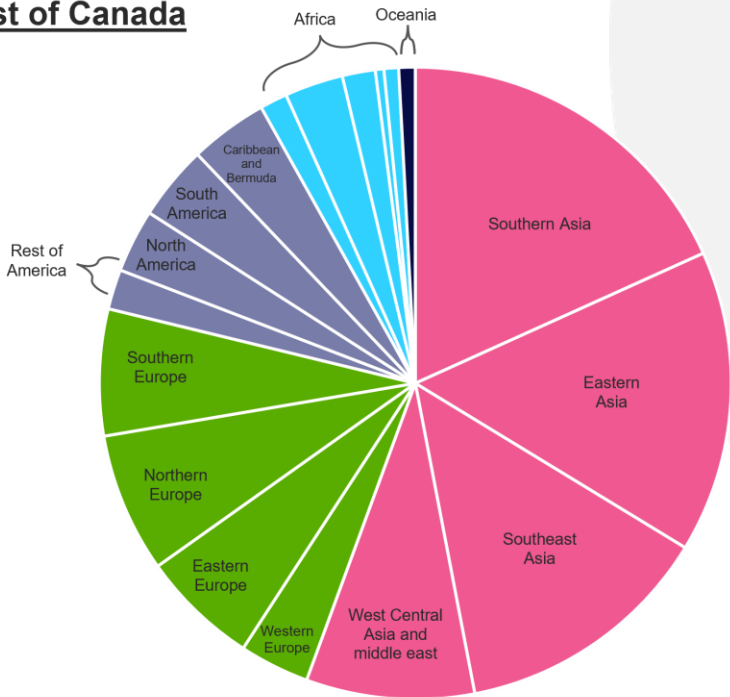
The face of multiculturalism is different in Québec, especially sourcing from across the Francophonie

Immigrant population by selected places of birth
2021 Census

Québec



Rest of Canada



Source: NIQ Canada, 2024 Meal Choice Study, May 2024

MONEY and FINANCIAL SITUATION

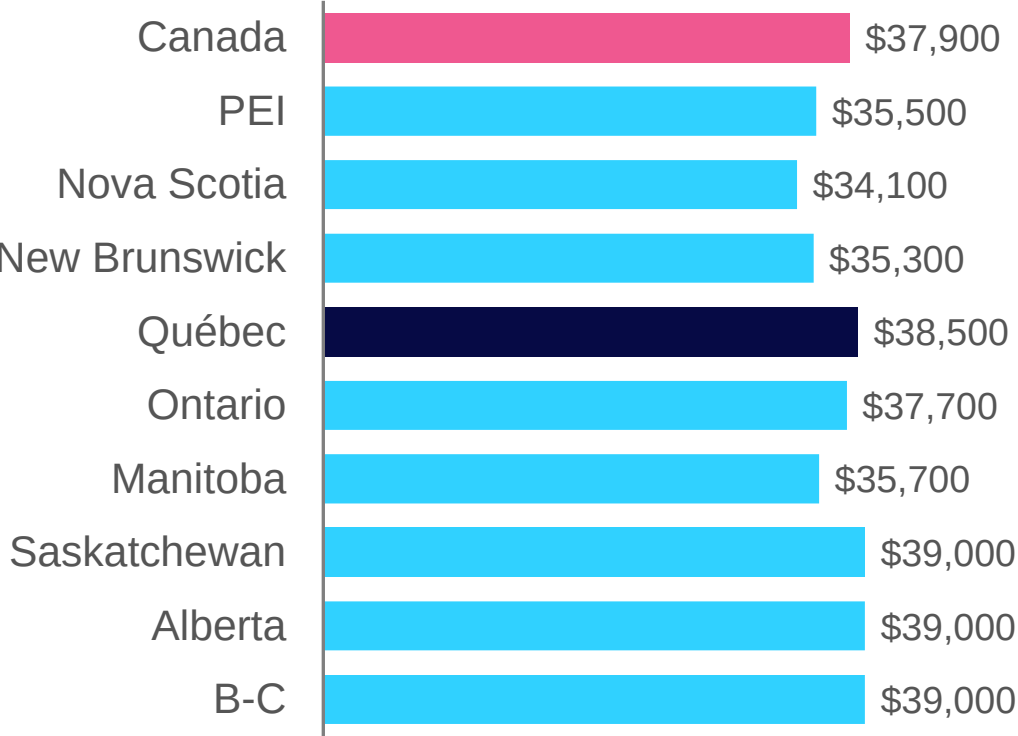
Revenue
on par

Women
at work

Growing
old and
single

Spending power for Québécois slightly above Canadian average – and higher than Ontario

Median after-tax income by province
2022, released in 2024 (Canada)

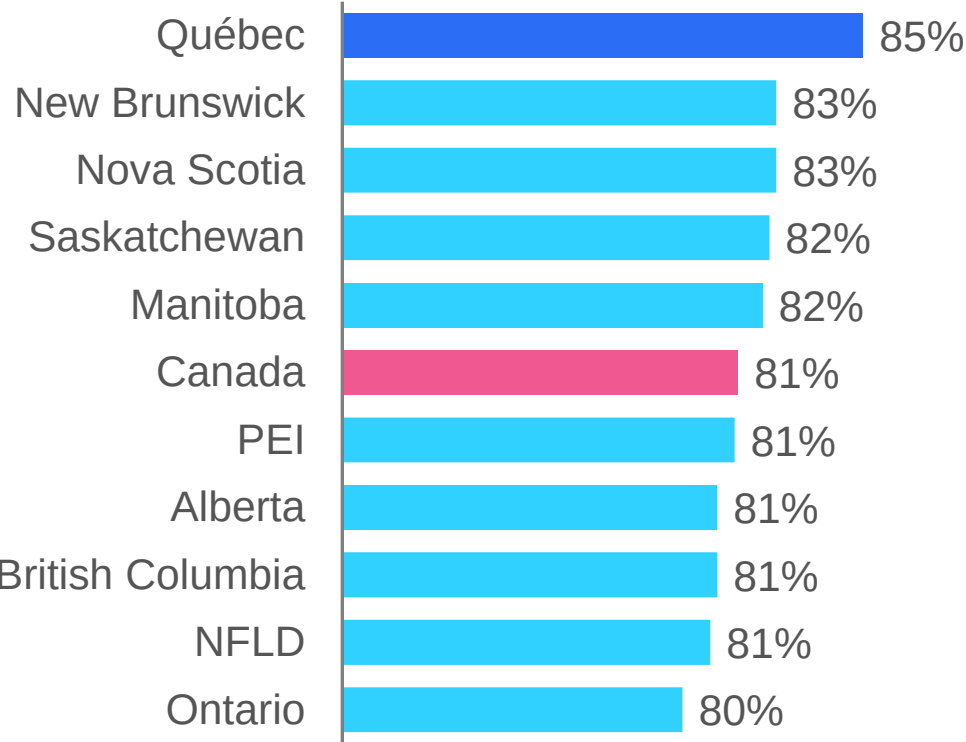


Source; Statistiques Canada, [Revenu du marché, total et après impôt moyen et médian des particuliers selon certaines caractéristiques démographiques](#)



The 1st reason why median revenue is now at par is that more women work in Québec

Employment rate for women
February 2024



[Employment rate highest among core-aged women in Quebec in February 2024 \(statcan.gc.ca\)](https://statcan.gc.ca)
Source: Labour Force Survey (3701), table 14-10-0287-01



More women at work in Québec increases their financial impact in the market

Impact of more women at work

- **Higher spending power**, both personal and for the household
- **Freedom to manage household finances** – being able to make personal purchases with one's own money
- **Different needs** (work clothing, lunch, commuting)
- **Less discretionary time**
- Importance and accessibility of **daycare**



[Employment rate highest among core-aged women in Quebec in February 2024 \(statcan.gc.ca\)](https://www150.statcan.gc.ca/n1/pub/75-602-x/2024001/article/00001-eng.htm)

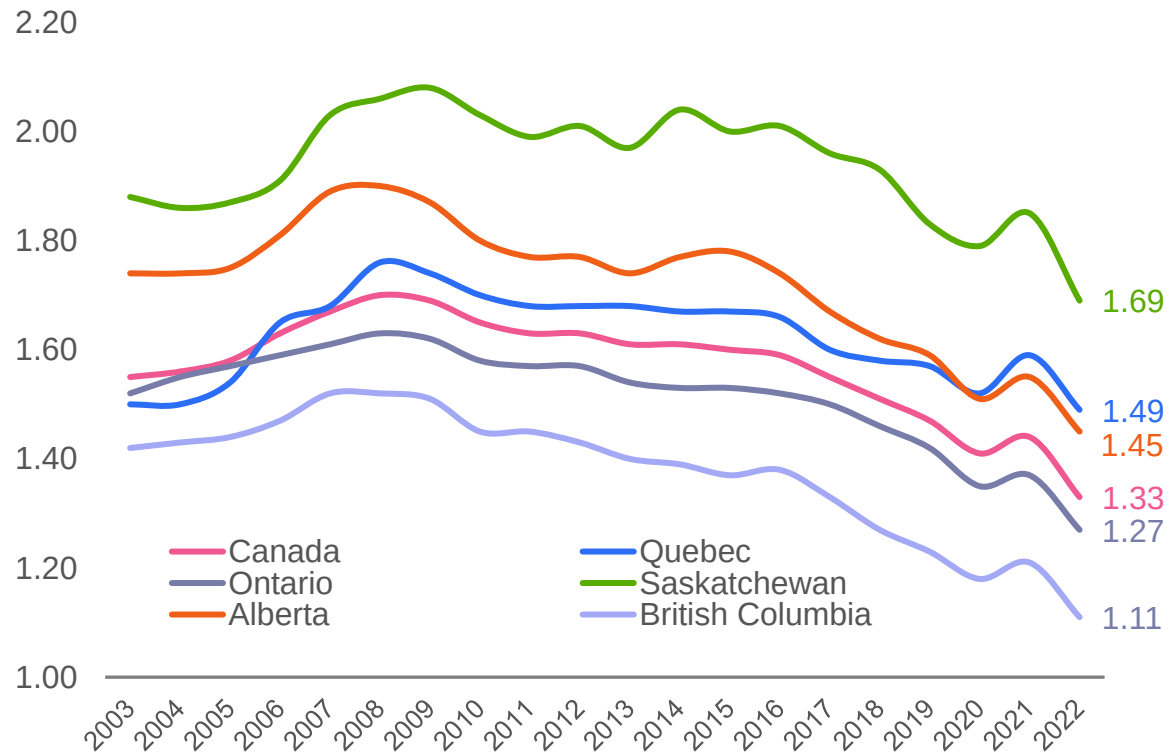
Source: Labour Force Survey (3701), table 14-10-0287-01

While declining, Québec's fertility rate remains higher than the national average

Factors contributing to higher fertility = Subsidized childcare service (\$9.10/day), provincial family allowance (up to \$2,923 for each child) and Québec Parental Insurance Plan (QPIP)

Total fertility rate in Canada

Number of children per woman, up to 2022 (Canada)



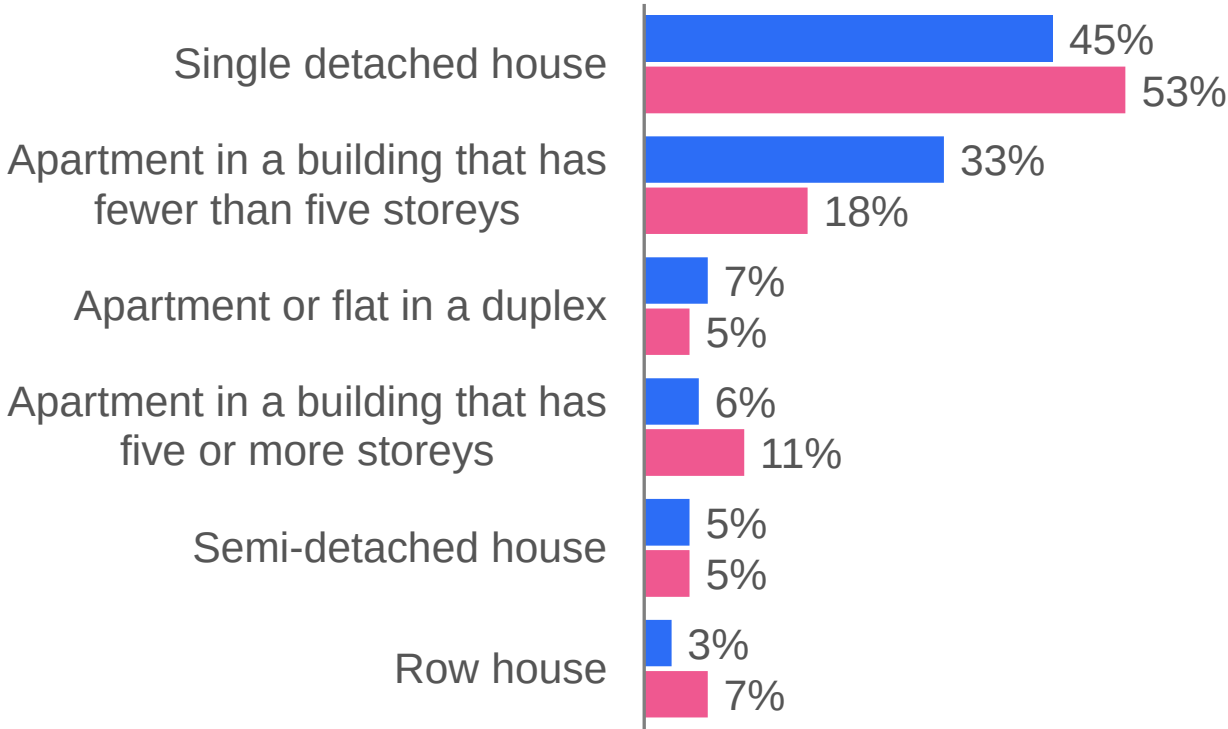
Source: [Retraite Québec - Amounts and payment \(gouv.qc.ca\)](https://retraite.quebec.ca/fr/taux-et-montants), Source: <https://www.statcan.gc.ca/en/start>



Québécois live in smaller spaces, influencing their needs and choices

Less space to stock up!

Type of housing – Québec vs Canada
2021 (Canada)



<https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=9810024001>
[L'historique de l'architecture des appartements à Montréal | Association des Propriétaires du Québec \(APQ\)](#)



Do not neglect spending power outside urban cores

*Québec has a big rural
population – but that doesn't
mean they are all farmers!*

70%
Urban
Index = 98

11%
**Small cities
& towns**
Index = 83

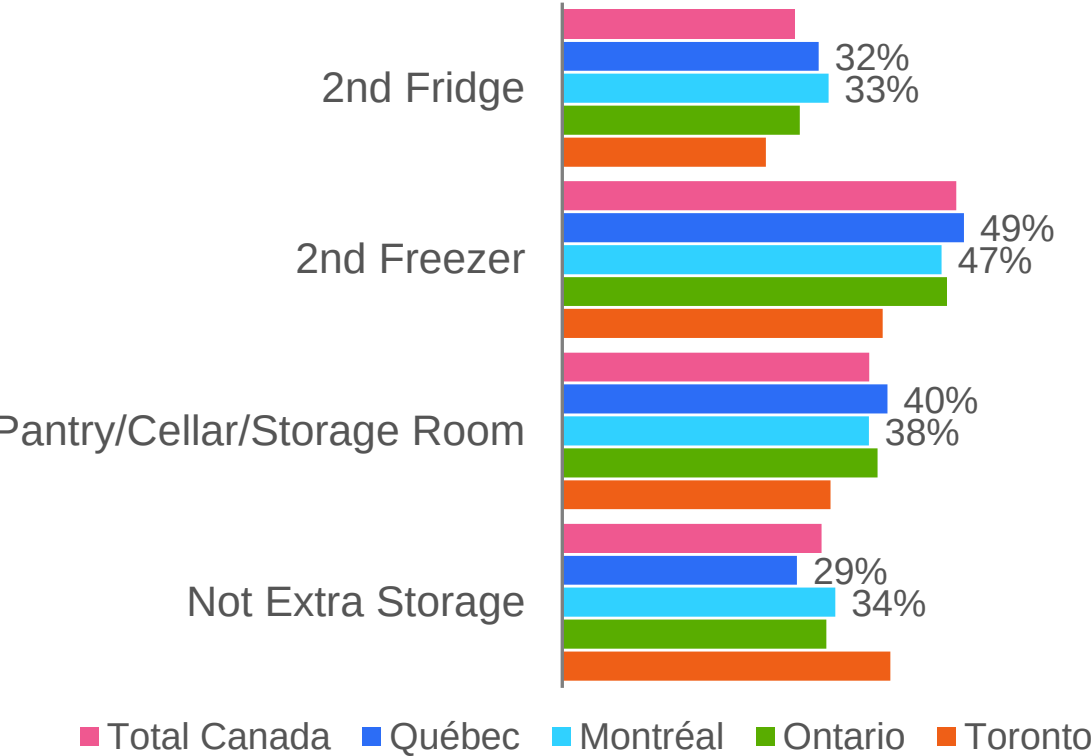
19%
Rural
Index = 123

Québec =
22.9% of
Canadian
population, but
only **16.4%** of
farm
population

Source: NIQ CPS – National TL Outlet – FMCG – 52wks ending April 20 2024 <https://www150.statcan.gc.ca/n1/pub/11-627-m/11-627-m2023044-eng.htm>

Even if they rent, Québécois find ways to stock-up on their favorite products

Storage space ownership
2024 (Canada)



Source: NielsenIQ Canada, SS Private Label Choice Study, 2024

Québécois are not ‘cheap’ – they like to find different ways to save on FMCG

Ways of savings & reducing FMCG expenses 2024

What we will do more	Ind	What we will do less	Ind
Use coupons	115	Buy less expensive alternatives (ex. <i>cheaper cuts of meat</i>)	73
Buy less expensive name brands products	108	Purchase smaller size	78
Seek out stores with lowest price	105	Travel less to save gas	81
Shop more often at discounters	105	Shop online	86
Buy private label	102	Shop retailers with loyalty points	86
		Price or ad match	90



Québec represents
42%
of electric vehicles (EV)
registered in
Canada

Source: NielsenIQ Canada, SS Private Label Choice Study, 2024



30%

of Québec's
households are
1-member
households

26%
ROC

Source: NIQ Omnishopper – National TL Outlet – FMCG – L52wks PE April 20 2024

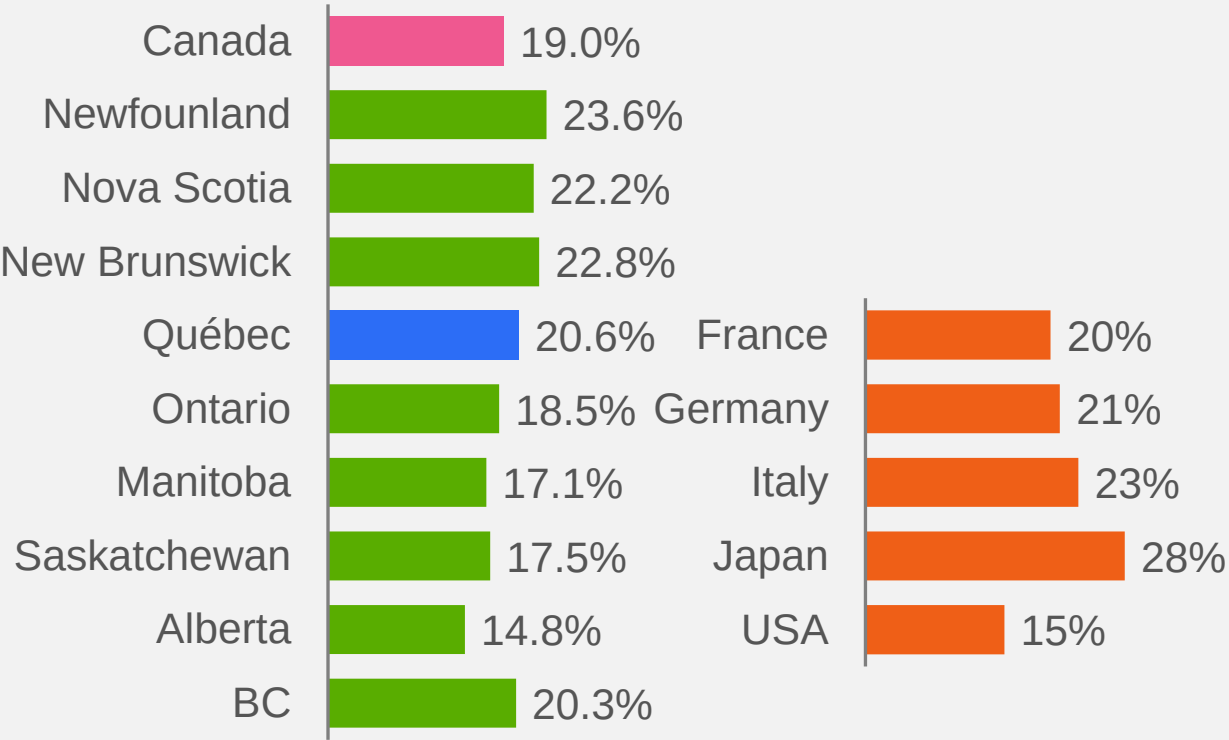
More older Québécois live alone – *not estranged with aging population trend*

1-member household distribution
2024 (Canada)

1 member HHLD	Age 18-24	Age 25-34	Age 35-44	Age 45-54	Age 55+
Buyer dist. Québec	3%	14%	14%	18%	51%
Buyer dist. ROC	5%	17%	17%	14%	47%

Myth – Québec is not the 2nd oldest population after Japan; some provinces have a bigger proportion of 65+ years old

% of population over 65
Census 2021 (Canada), OCDE for G7 countries



Source: NIQ Omnishopper – National TL Outlet – FMCG – L52wks PE April 20 2024
Statistiques Canada, [Les populations des provinces de l'Atlantique vieillissent rapidement](#) / [Le vieillissement de la population s'accélère](#) | La Presse



43%

of Québec's
couples live in
common-law
unions (57%
are married)

23%
ROC

Source: <https://www.ledevoir.com/societe/733353/societe-le-canada-a-le-plus-haut-taux-de-couples-non-maries-du-g7>

A photograph of two people walking away from the camera on a snowy mountain slope. The person on the left is wearing a dark jacket and white pants, holding a snowboard. The person on the right is wearing a dark jacket and yellow pants, also holding a snowboard. In the background, other people are visible on the slope, and the sun is shining, creating a bright, hazy atmosphere.

PERCEPTION and MINDSET

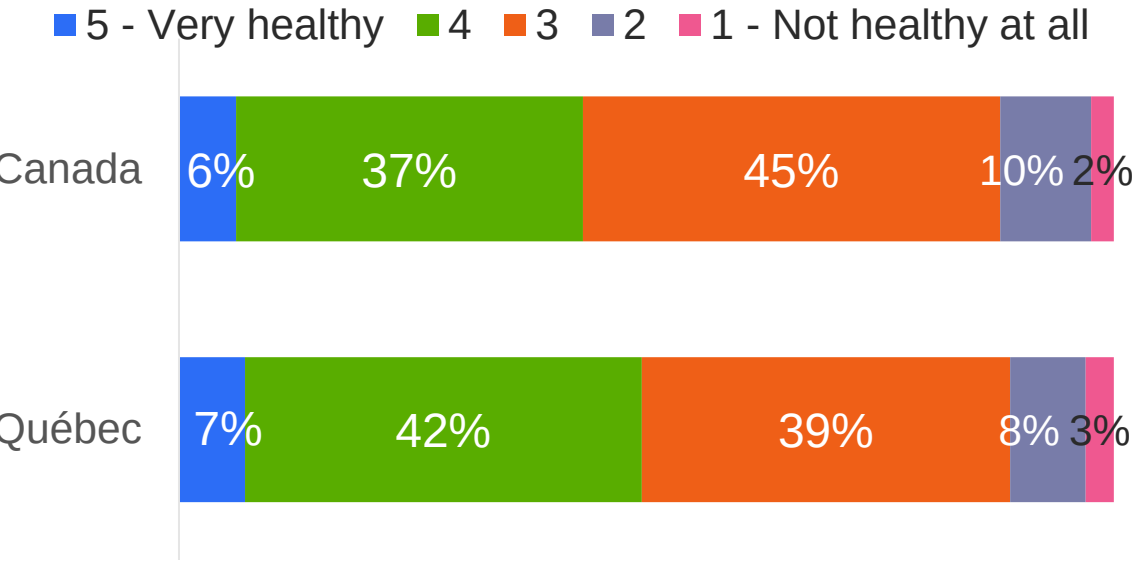
Healthier
(or it seems
like it)

**Sweet
tooth**

**Going
out in
different
ways**

Québécois, fitter and healthier than the rest of Canadians!

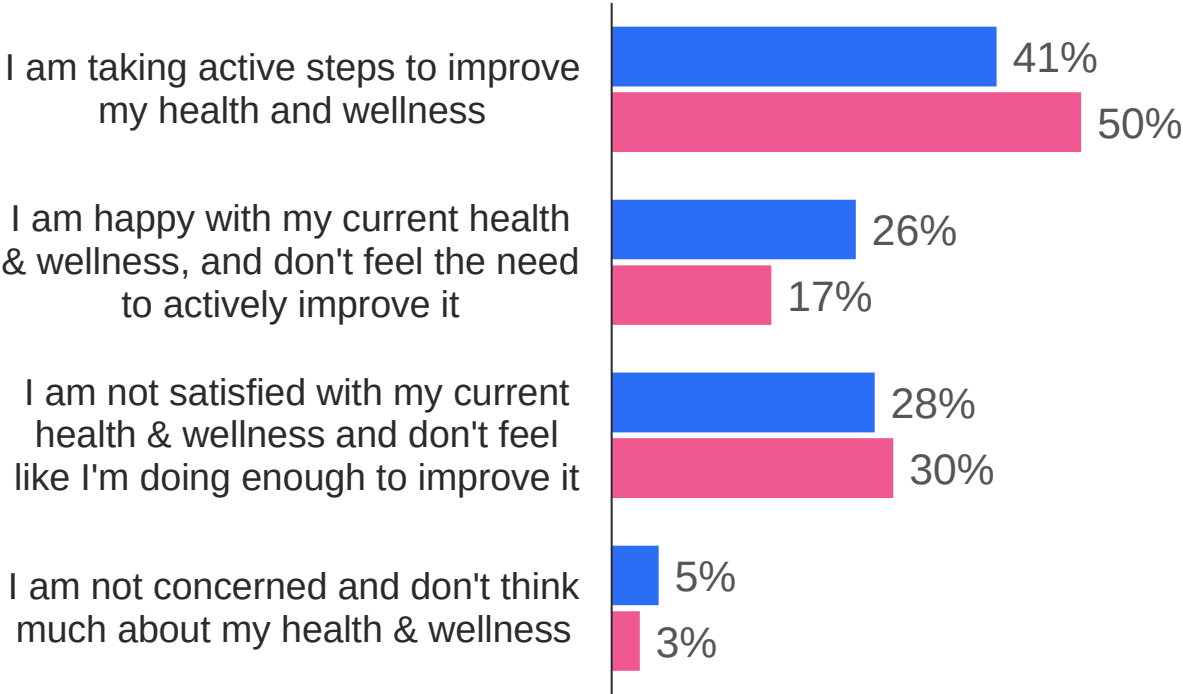
Do you consider yourself healthy?
2023 (Canada vs Québec)



Source: NielsenIQ Canada, SS 2023 Health & Wellness Study

Québécois taking action for their health act more on prevention than privation

% respondents by overall health and wellness description
2023 (Canada)

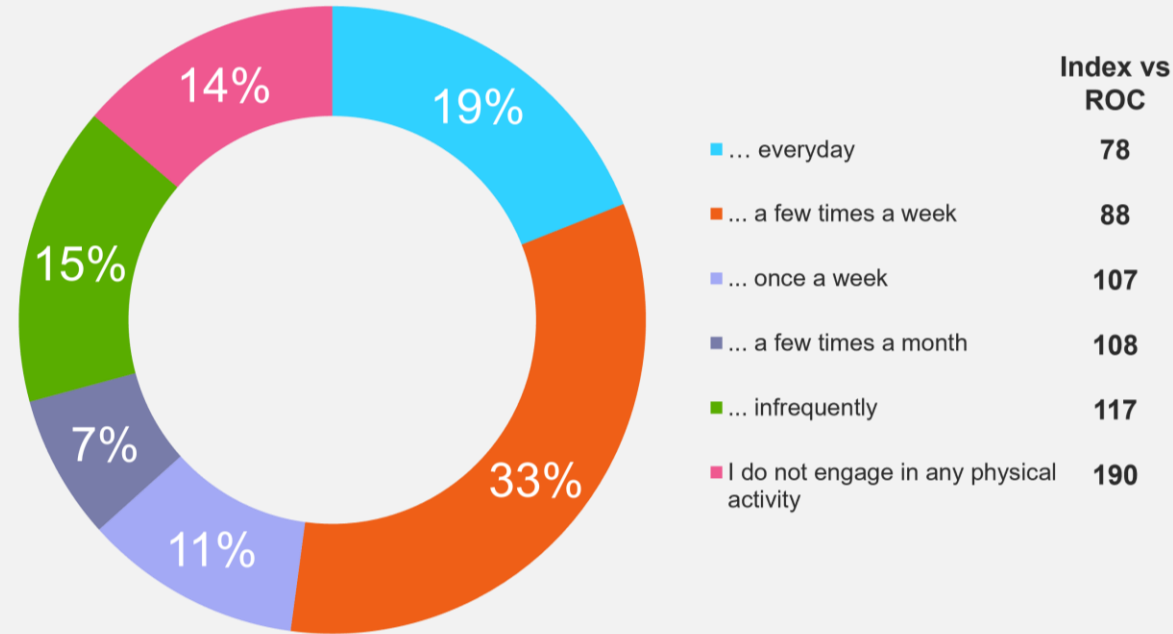


Source: NielsenIQ Canada, SS 2023 Health & Wellness Study

Québécois are less likely to engage in physical activity

This impacts negatively their consumption of related categories, such as energy and nutrition products and hot/cold compress

I engage in physical activity
2023 (Canada)



33%

of Québécois say
they've reduced
their sugar intake in
the past 3 months

41%
ROC

Overdeveloped 'sweet' categories in Québec

Ind.

Sweet spreads	176
Baked desserts - frozen	145
Muffin mixes	139
Molasses	138
Pure maple syrups	132

Source: NIQ Health & Wellness survey – Q. Which of the following food items, if any, have you or anyone in your household, been reducing the intake of during the past 3 months (SUGAR)?
NIQ RMS – Quebec All Channel vs National – Total tracked slaes – 52wks ending May 18 2024



35%
of Québécois
eat out
weekly

51%
ROC

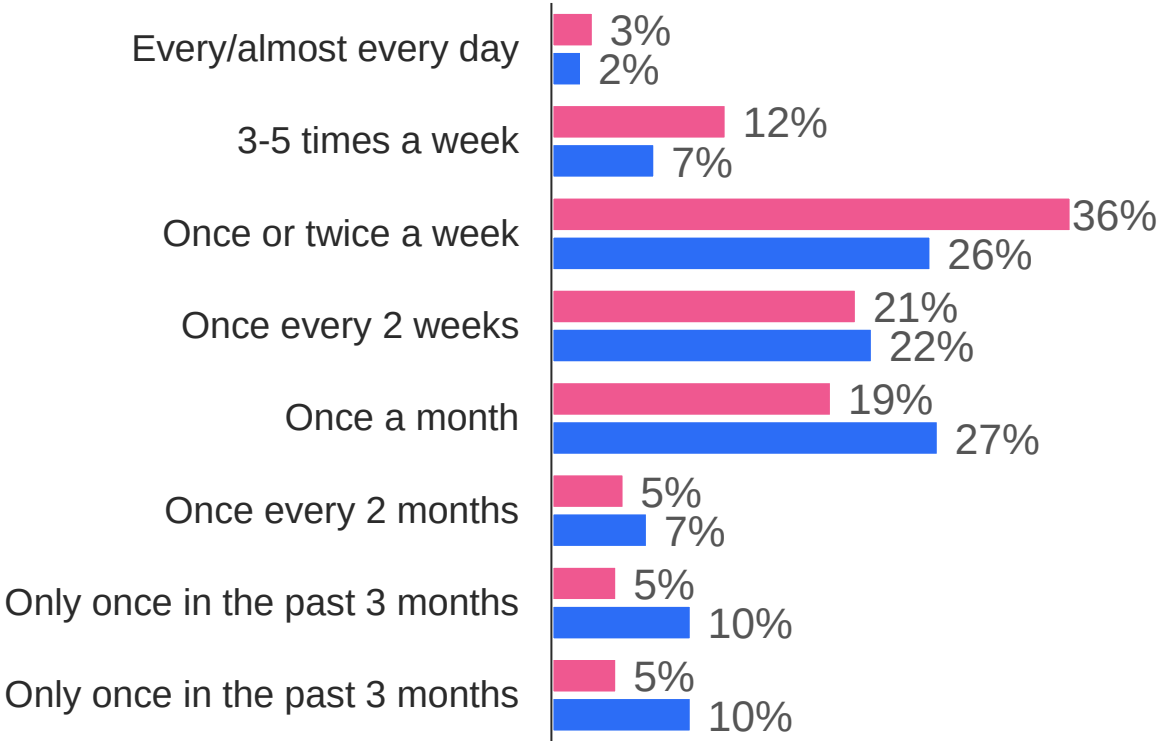
17%
of Québécois
go out to drink
weekly

25%
ROC

Source: <https://www.ledevoir.com/societe/733353/>Source: NIQ CGA — OPUS Canada Spring 2024 — sample 1 610 Quebec/ 5 887 Rest of Canada

Yes to the ‘Joie de vivre’ – but we do it for a reason!

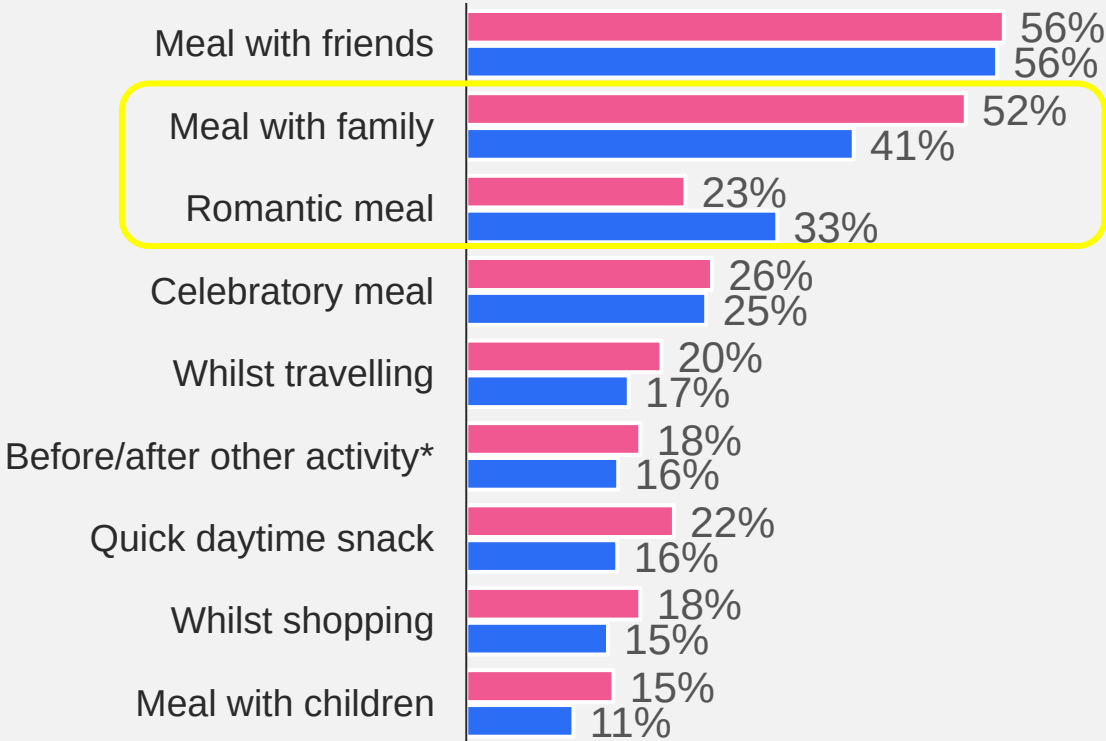
Frequency eating out in the past 3 months
(Canada)



(e.g. going to cinema)
Source: NIQ CGA – OPUS Canada Spring 2024 – sample 1 610 Quebec/ 5 887 Rest of Canada

Québécois are more prone to go out with their loved one

Occasions for going out in the past 3 months
(Canada)



■ Rest of Canada ■ Québec



ATTITUDES and SHOPPING PATTERNS

More
price
sensitive

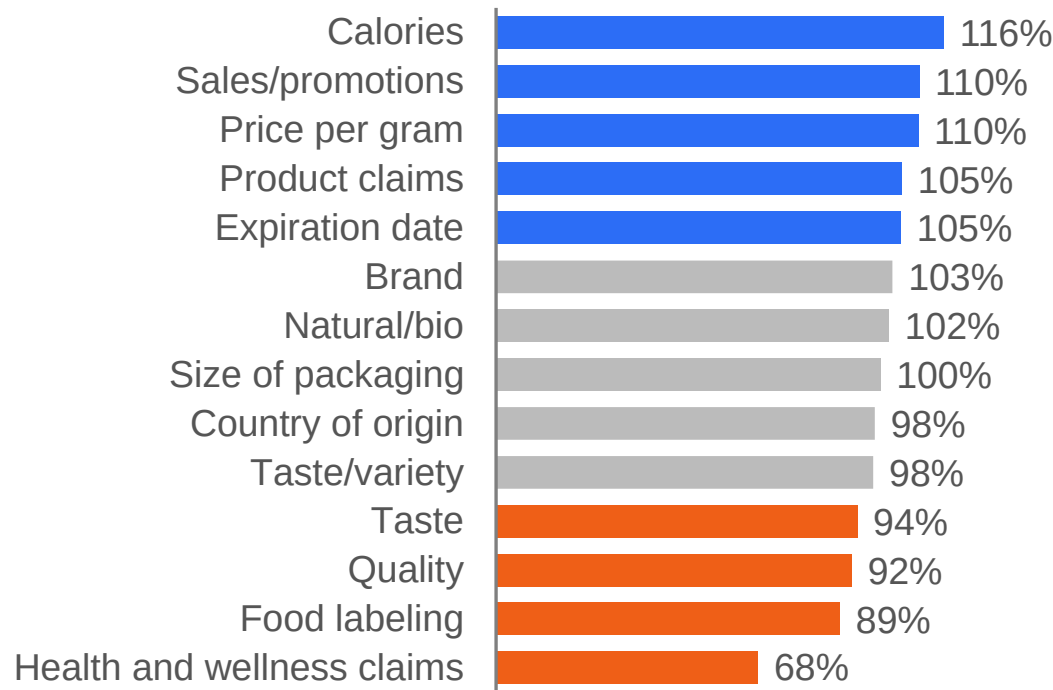
Discount
growing

Growing
online

Source: 2023 Beauty Survey on NielsenIQ Omni Panel

Québécois looking even more at the price and importance of sales and promotions

Principal important factors when buying packaged food and beverage products (%)
Québec, index vs Canada (2024)



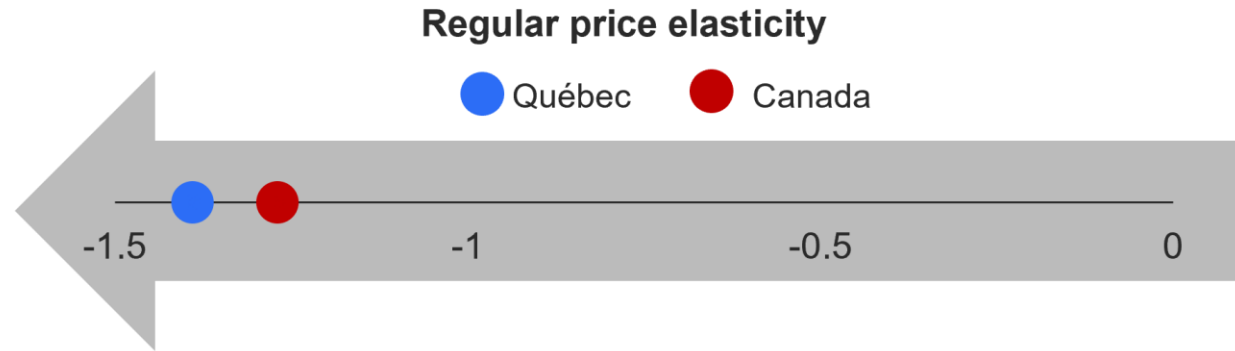
Source: NielsenIQ PanelView | Food and beverage label content syndicated survey
Q4. The food and beverage product package usually contains the following information. Please select the top 5 factors that you consider to be most important when buying packaged food and beverage products in general. Please select the top 5 factors. |



Price must be right with Québécois

Higher price sensitivity in Québec: *review strategy to realign prices to ROC and consider proposing higher prices outside QC to absorb part of price increase while limiting the risk?*

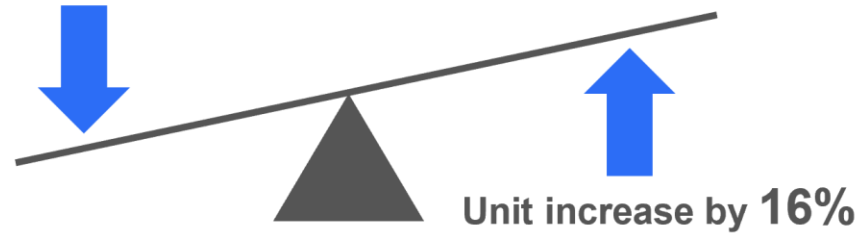
Regular price elasticity is **high** in Québec. Be cautious when increasing price because of volume loss. It may be profitable to decrease price.



Example:

Elasticity in Québec: **-1.39**

Price decrease by 10%



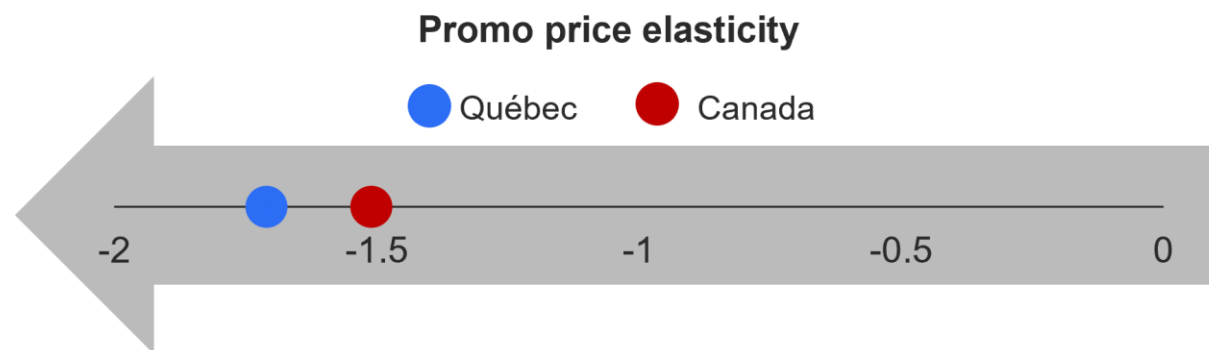
Source: NIQ RMS – National All Channel – TL FMCG – L52wks ending August 10 2024

Source: Price optimizer model – period ending March 2024 | Elasticity range: Low: 0 to -1.00, Moderate: -1.01 to -1.30, High: -1.31 to -2.00, Very High: -2.00 and greater

Tailor your promotional strategy to Québec

It is not a one size fits all across the country *Promotions are crucial in Québec, with price sensitivity being higher than in the rest of Canada. Poorly planned promotions can significantly impact sales and lead to lost opportunities.*

*Promoted price elasticity is **high** in Québec. Be cautious when increasing price because of volume loss. It may be profitable to decrease price.*



46.9%

\$ sold on promotion
Québec

44.2%

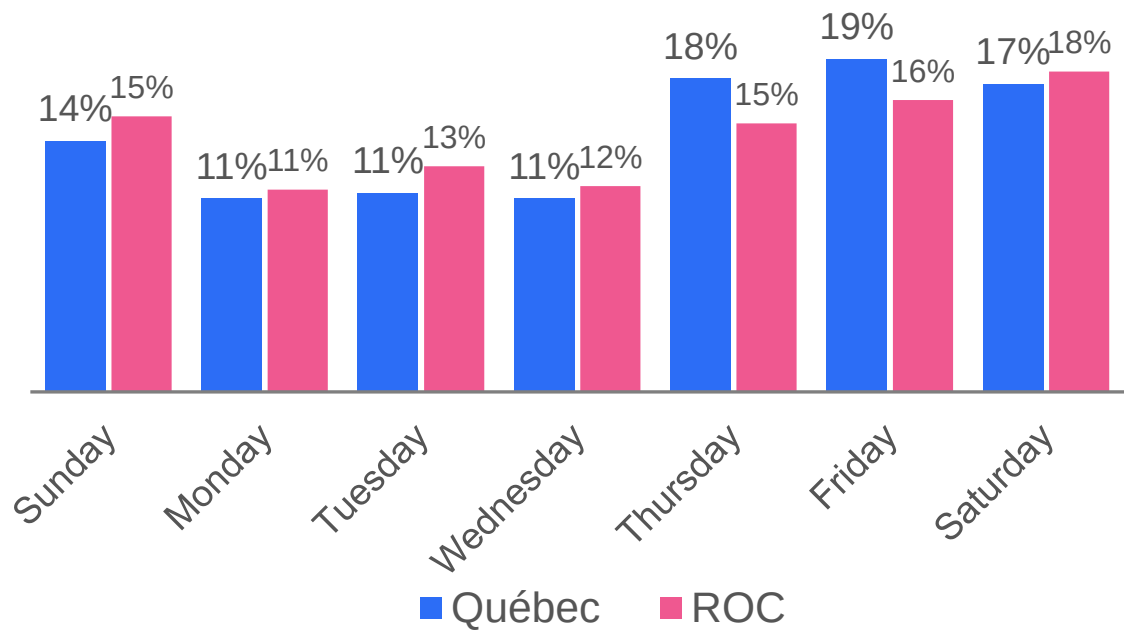
\$ sold on promotion
Rest of Canada

Source: NIQ RMS – National All Channel – TL FMCG – L52wks ending August 10 2024

Source: Price optimizer model – period ending March 2024 | Elasticity range: Low: 0 to -1.00, Moderate: -1.01 to -1.30, High: -1.31 to -2.00, Very High: -2.00 and greater

Québécois shop fresher deals, right before the weekend

% sales by day of the week
(Canada)

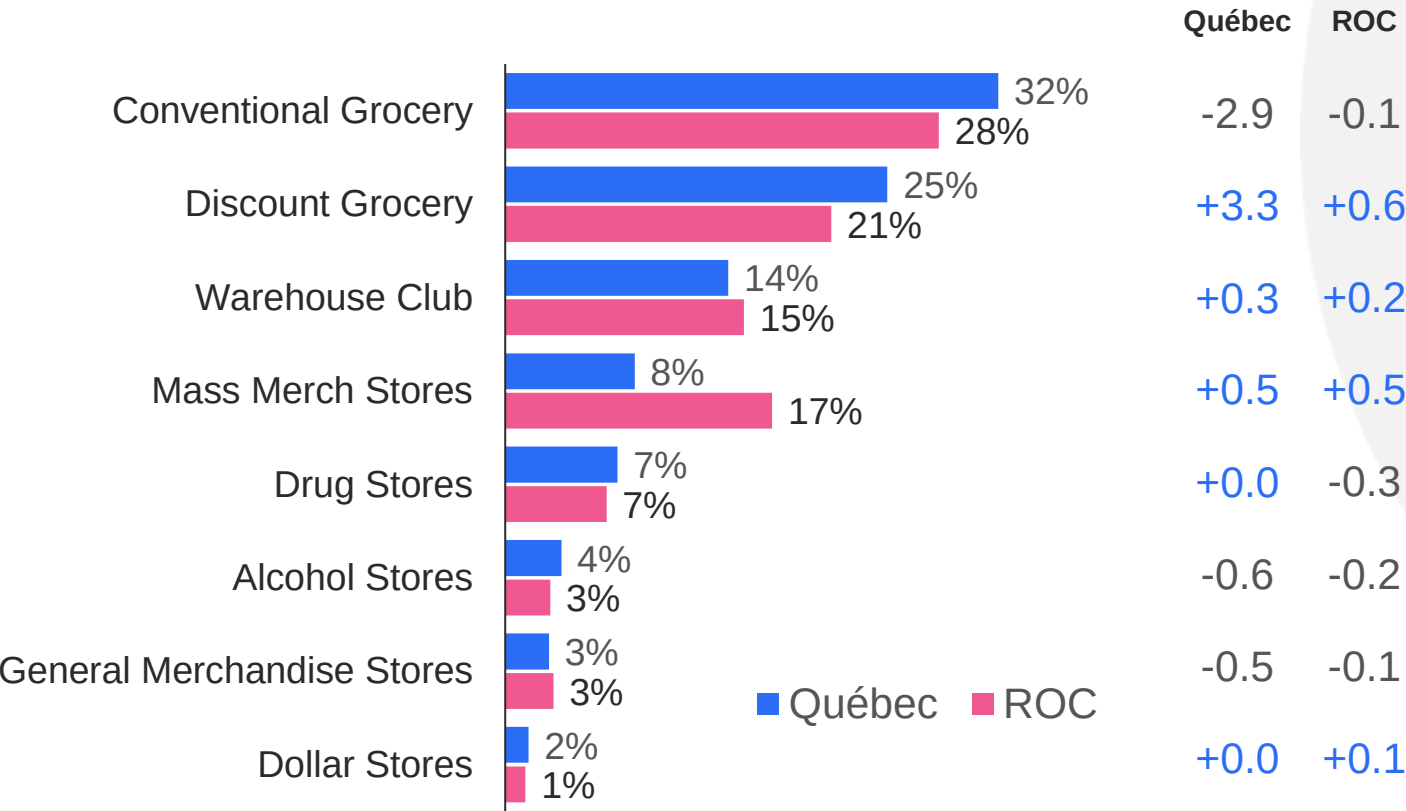


Source: NIQ CPS – National All channel – TL FMCG – 52wks end 18 May 2024



Conventional stores remain important in Québec, but the rise of discounters is tangible

\$ share of channel and var. vs YA
Québec versus Rest of Canada



Source: NIQ CPS – National TL Outlet – FMCG – L52wks PE August 26 2024

Québécois are spending more and more at discounters

41%

units gain for discounters is due to Québécois shifting from conventional store

35%

of units increase came from Québécois buying more at discounters than previous year

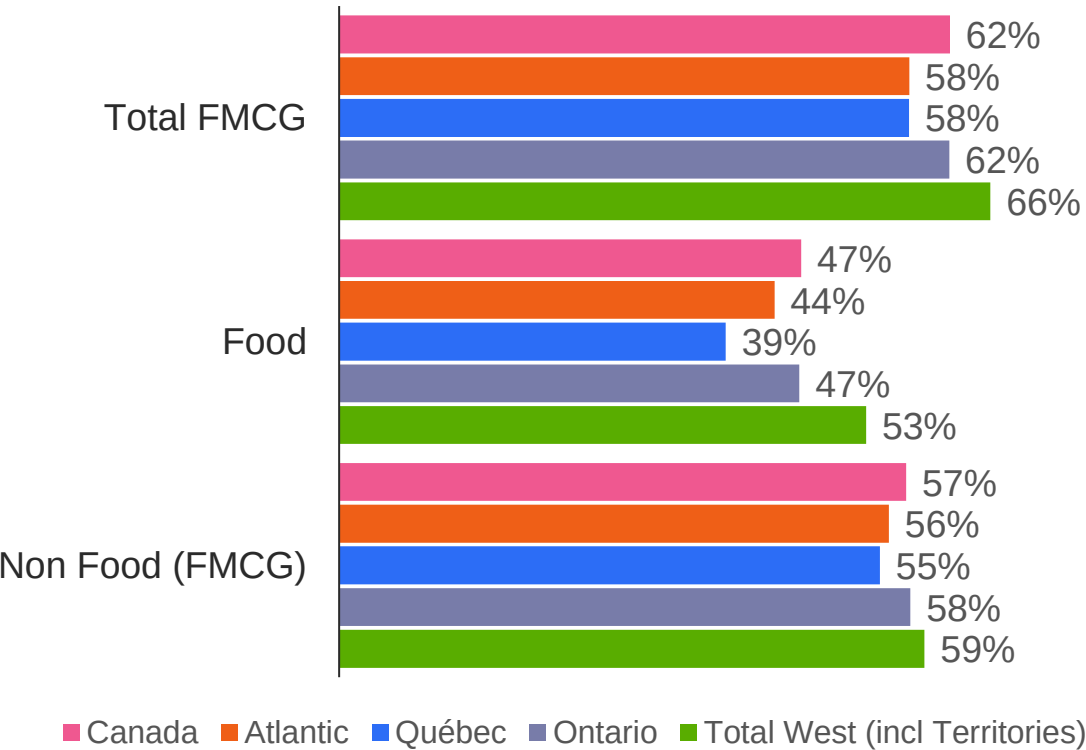
4%

units gain for discounters coming from shoppers adding discount to their shopping mix

Source: NIQ CPS National total outlet – Québec vs Rest of Canada (ROC) – FMCG – 52wks ending August 10th 2024 vs Yr

Buying food online? Québec lagging the rest of Canada for FMCG categories in general

Online penetration
2024, Total FMCG

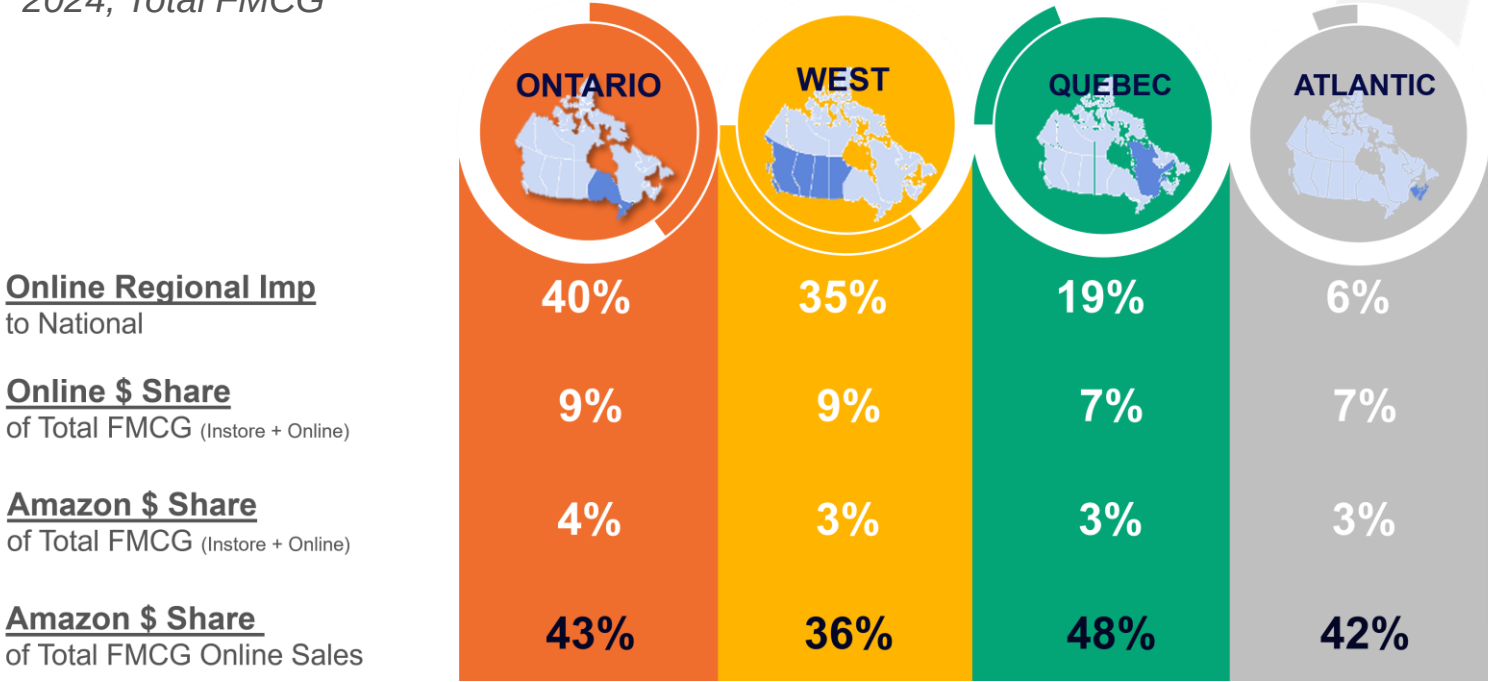


Source: NIQ CPS – National TL Outlet – FMCG – L52wks PE August 26 2024



Amazon in Quebec is over indexed while it is underdeveloped in Western Canada

Online overview, with focus on Amazon
2024, Total FMCG



Source: Source: NielsenIQ Omnishopper | National | Online| FMCG | L52wks WE December 30, 2023

Recent announcement between *Produits du Québec* and Amazon will lead to more growth

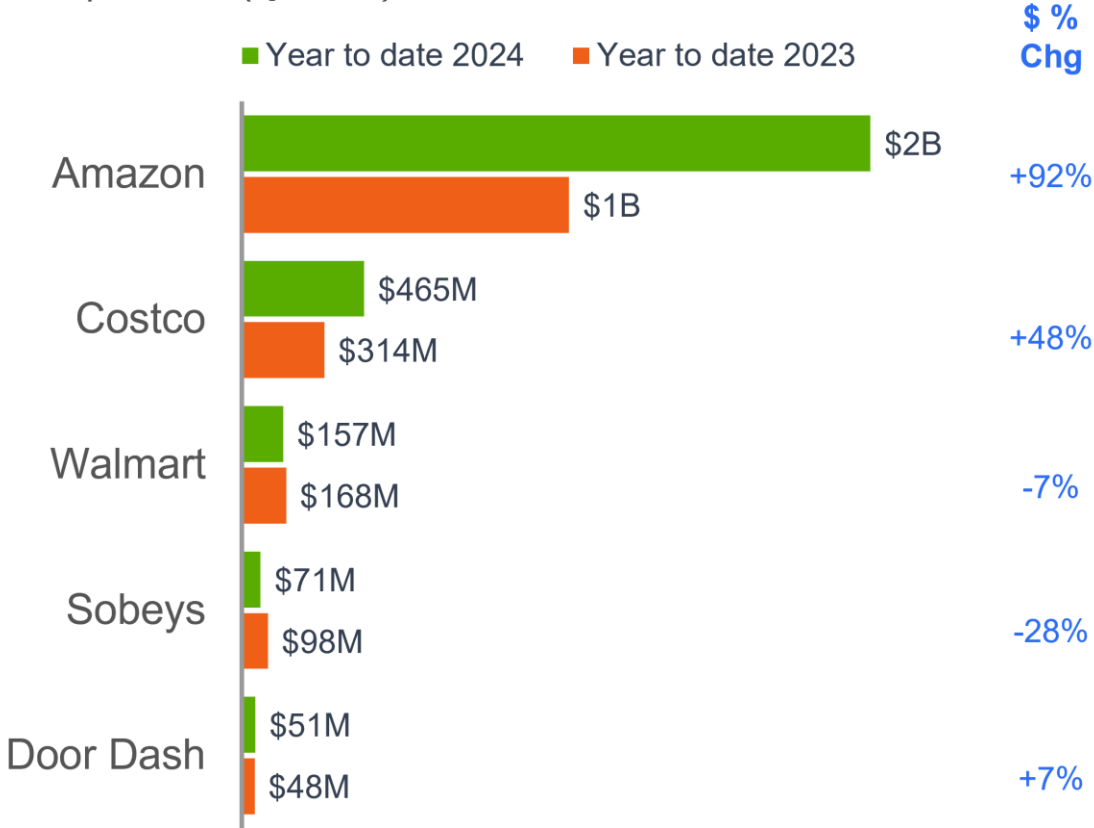
Amazon, working Les Produits du Québec, will now display the certification (showing it's a local products) and will deploy different tolls to increase sales of Québec-based products, such as dedicated pages, special boutiques, ads, etc ...



Source; Amazon Canada, [Les produits certifiés par Les Produits du Québec maintenant disponibles sur Amazon - Canada About Amazon](#)

Competitive retailers need to be aware of the growing importance of Amazon and the ‘barrier’ it creates to entry

Online sales (\$) by retailers
Total products (Québec)



Source: NielsenIQ Omnishopper | Quebec | Online Retailers| FMCG | PE July 13th 2024

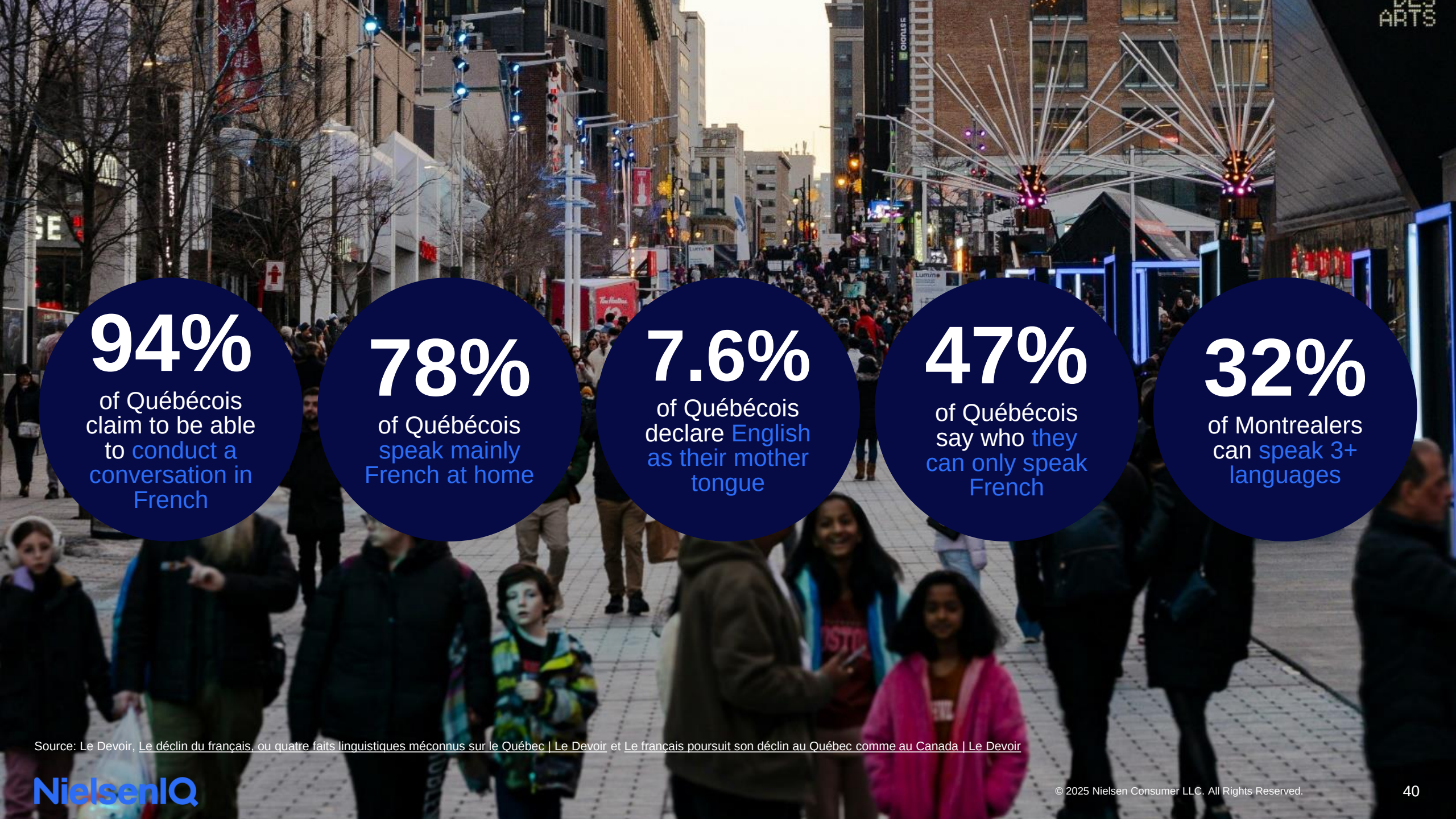


CCULTURAL differences

En
français,
SVP!

Star
System

Different
taste(s)



94%

of Québécois
claim to be able
to conduct a
conversation in
French

78%

of Québécois
speak mainly
French at home

7.6%

of Québécois
declare English
as their mother
tongue

47%

of Québécois
say who they
can only speak
French

32%

of Montrealers
can speak 3+
languages

Source: Le Devoir, [Le déclin du français, ou quatre faits linguistiques méconnus sur le Québec](#) | [Le Devoir](#) et [Le français poursuit son déclin au Québec comme au Canada](#) | [Le Devoir](#)



Guy A. Lepage

The host and co-producer of Tout le monde en parle, now in its 20th year, still attracting 1M people every Sunday.



Julie Snyder

Popular animator and producer of some of the most popular TV shows in Québec. Has own brand of plant-based products.



Jay du Temple

Comedian and respected hostess of different TV shows, very well known by younger Québécois, he's got one of the largest social media following in Québec



Véronique Cloutier

Hostess and producer of different TV shows; has her own magazine and a platform with Radio-Canada. Also has a foundation with husband Louis Morrisette



Paul Arcand

Known as 'Le roi des ondes', he was the host of Canada's most listened-to radio program until his retirement last year.

Source: [Le palmarès des 100 personnes les plus influentes du Québec | L'actualité](#) // Pictures: [Guy A. Lepage | Journal Métro](#), [Véronique Cloutier \(@CloutierV\) / X](#), [Tout le monde à table avec Julie Snyder cuisine](#), [Les divers rôles de Jay Du Temple](#), [Après une infection fulgurante, Paul Arcand marquera son retour à la radio | 7 Jours](#)

Get your holidays right when you're talking to Québécois!

We celebrate!

- Journée des Patriotes
- St-Jean-Baptiste (AKA la Fête nationale, on June 24)
- National moving day (July 1)
- Vacances de la construction

We don't celebrate or celebrate less

- Victoria day
- Canada day
- Thanksgiving
- Diwali or Chinese New Year (because of less immigration)

Bonne fête nationale du Québec

IGA

FORMAT FAMILIAL

18⁹⁹ \$/lb

Prêt à trancher
Gros, enlevé
Sans perles

Scène PRIX MEMBRE

LE QUÉBEC EN VEDETTE

244 PRIX MEMBRE

Produit d'ici

Bonne Saint-Jean! Happy Saint-Jean-Baptiste Day

Walmart

Économisez plus. Vivez mieux.

TOUJOURS DES BAS PRIX

Chute de prix Économisez/Save 1,30

ÉCONOMISEZ MAINTENANT! SAVE NOW! Économisez/Save 1,46/lb

DE QUOI ÊTRE FIER

Kruger Produits

Entrez tout code CUP d'un produit Kruger et dites-nous « QU'EST-CE QUI VOUS REND FIER AU QUÉBEC? » pour courir la chance de **GAGNER**

JOUR DU DÉMÉNAGEMENT

8 + 16 NOUVEAUX

6 NOUVEAUX

Cashmere

Sponge Towels

ÉCONOMISEZ JUSQU'À 3,98

5⁹⁹ ch.

LIMITE DE 3 Paper Hygienique Cashmere ou éponge tout Sponge Towels Reg. 3,98 à 1,97 Économisez jusqu'à 3,98 (prix de 4,95 à 10,95)

100 BRASÉS

88 BRASÉS

ARCTIC POWER

4-1

ÉCONOMISEZ 2,98

5⁹⁹ ch.

LIMITE DE 3 Détergent à lessive Arctic Power Reg. 8,97 à 6,97 Économisez 2,98 (prix de 4,95 à 10,95)

Hertel

MULTI

43



#1

1st in term of
production

50% of Canadian
cheese production
is from Québec

#1

1st in term of
consumption

Québécois eat on
avg 8.5 kg, 1.5 kg
more vs ROC

Source: [La consommation des aliments chez les Québécois selon les recommandations du Guide alimentaire canadien](#)

Québécois consume differently than the rest of the country

Overdevelopped categories in Québec
Vol. \$, vs Total FMCG

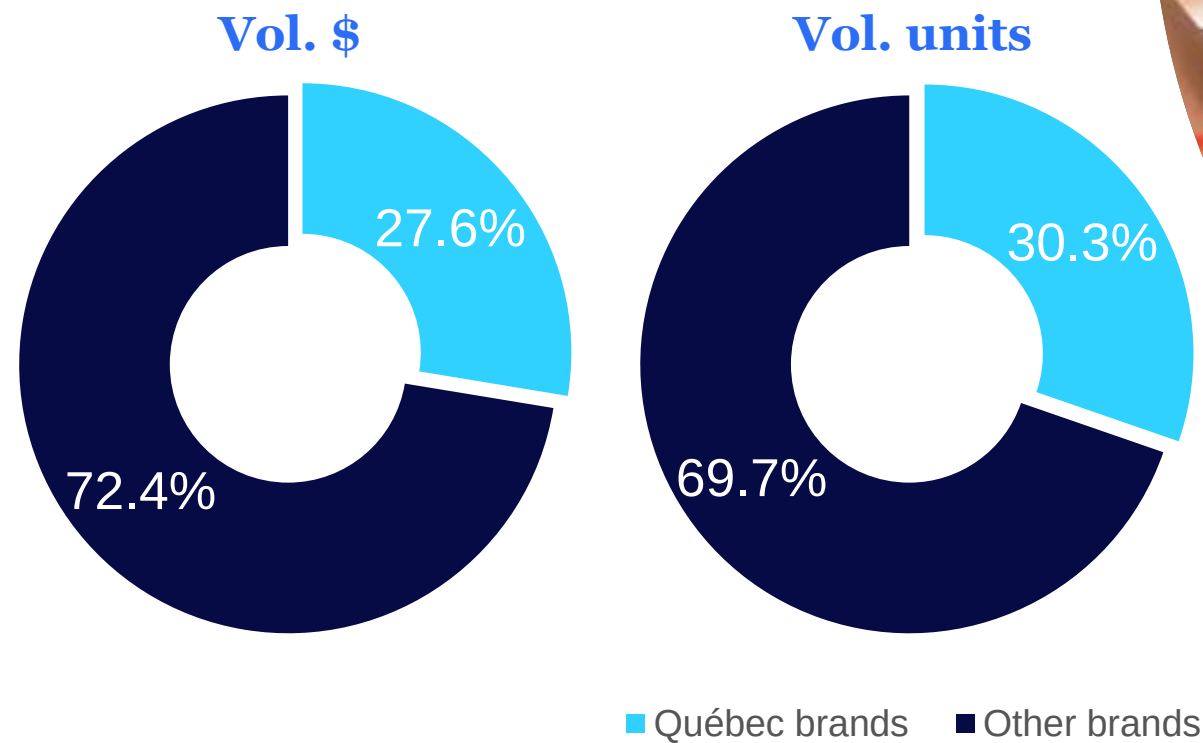
Ethnic food	Proteins	Breakfast
Couscous	Beef	Pure maple syrup
Dates	Pork	Baked breakfast
Olives	Veal	Ref. juices & drinks
Anise	Seafood	Sweet spread
	Lamb	Peanut butter
Meal prep	Beauty	Gen merch
Dry pasta	Nail products	Aromatherapy
Fondue products	Nail cosmetics	Household
Meat pies refrigerated	Artificial nails & accessories	bleaches
Pasta refrigerated		Bar soap



Source: NIQ RMS – Québec All Channel – TL FMCG – 52wks ending August 24 2024

Québec also has a distinct set of manufacturers & brands in all categories

Importance of Québec-based brands
(Québec)



Source: NielsenIQ, MarketTrack, Total Québec All Channels, 52 weeks ending Dec. 20, 2023

Walking down the aisles of Québec stores will allow you to discover new brands

Examples of regional brands
Importance of Québec sales > 80%



Source: NielsenIQ, MarketTrack, Total Québec All Channels, 52 weeks ending Nov. 2, 2024



FIER
PARTENAIRE

Manger local, un choix gagnant

65%

of Québécois say
they trust the
'Aliments du Québec'
label when choosing
a local product

Source: NielsenIQ, Canadian Label Studies, 2023 (TABLE 182)

Picture: La Terre de chez nous: [Comment soutenir les produits d'ici - La Terre de chez nous](#)

TAKE AWAY - Know the **I.M.P.A.C.T.** of Québec for your business

Importance

With the impact of discounters affecting spending, there's a prime opportunity to boost consumer expenditure in Québec. Strategically position your offerings to reverse the trend and attract more spending from Québécois. Address city centers and differently with relevant assortment and communication strategy. Tailor your strategy and offer to newcomers, especially in the Montreal area.

Money

Consider smaller, convenient packages to ease transportation and needs of smaller households.

Appeal to women who contribute in larger proportion to family income.

Tailor your approach to renters by acknowledging their unique financial constraints, which differ from those of homeowners. Address their specific needs with solutions that fit their budget and living situation.

Perception

Frame health and wellness as positive and empowering rather than as a problem. Most Québécois have a strong sense of their well-being, so avoid messages that might imply otherwise, which could lead them to think, "I don't need this." Instead, highlight how your offerings can enhance their already positive lifestyle.

Be cautious with messaging about sugar, as many Québécois enjoy their sweets and aren't focused on reducing sugar intake. Tailor your approach to acknowledge their preferences and highlight the enjoyment and quality of your products.

Attitude

Develop a strategic pricing approach to attract price-conscious Quebecer and minimize the shift toward private labels.

Curate a relevant product assortment to counter the rise of discounters and safeguard your shelf space.

Embrace an online strategy especially with non-food categories.

Culture

Nail your communications in (Canadian) French

Align with important dates such as June 24th, Moving Day, and the two-week construction holiday to connect with local events.

Make summer enjoyable for Québécois by providing convenient, quick, and easy options for their busy event schedules. Québécois traveling to other regions may have to do their grocery shopping in a new environment. Help them find your products easily with convenient displays.

Merci!



Your feedback matters!

Please take 2 minutes to complete this survey to help us improve our services



[Link to survey](#)