GfK FutureBuy® 2017

US Market Findings Highlights

GfK FutureBuy® 2017 overview

GfK FutureBuy® is your invaluable resource to win with shoppers all over the world. Winning shoppers starts with seeing the world through their eyes- profiling their rapidly evolving behaviors and attitudes. GfK FutureBuy® provides one of the most robust perspectives in the shopper space with an in-depth look at 18 product categories in 35 diverse countries. There simply is no more efficient way for you to “know before you go!”

35 Countries…

Argentina	China	Indonesia	Philippines	Sweden
Austria	Colombia	Italy	Portugal	Switzerland
Australia	Dominican Republic	Japan	Romania	Thailand
Belgium	France	Malaysia	Russia	Turkey
Brazil	Greece	Mexico	Singapore	USA
Canada	Germany	Netherlands	South Africa	UK
Chile	India	Peru	South Korea	Vietnam

20 minute

Online Survey

N = 1,000 per country (18+)

35,000 shoppers!

18 Categories…

FMCG

- Beauty and Personal Care
- Packaged Food & Beverages
- Household Washing and Cleaning Products
- OTC Healthcare
- Baby Care
- Shaving
- Pet Food and Accessories

Consumer Durables

- TV & Video Devices
- Audio devices
- Wearables
- Computing
- Smartphones / cell phones
- Major Home Appliances
- Small Domestic Appliances

Other

- Financial Services
- Replacement car & truck tires
- Toys
- Apparel

GfK FutureBuy® 2017 illuminates the most vital shopper issues

Bricks and Clicks

- Rise of omni-channel
- How mobile transforming shopping
- Shopper loyalty
- Role of the store

Touchpoints

- Sources of information
- Most influential in shopping process
- Online and in-store

Mobile payments

- Attitudes about benefits of mobile payment
- How utilizing
- Barriers to adoption
- Generational differences

Special topics

- Showrooming
- Attitudes about privacy/security
- Peek into future with Leading Edge Consumers (LEC)

All of these topics can be profiled by shopper generation and compared across 35 countries

Example benefits of GfK FutureBuy® insights

More Bang for Buck

- Help to focus resources against the shopper touchpoints that are most important in shoppers' decision processes

Turbo-Charge Your Shopper Marketing

- Profiles the preferred shopping modalities of your target to ensure your shopper marketing programs "connect" and "convince"

Know Before You Go

- Provides immediate shopper landscape perspective in new geographies or new product spaces that are under consideration for expansion

A Look Over Horizon

- Early visibility to the emerging trends that are reshaping shopping
- Leading edge consumers and early adopting geographies can preview what's coming

A Smart Starting Point

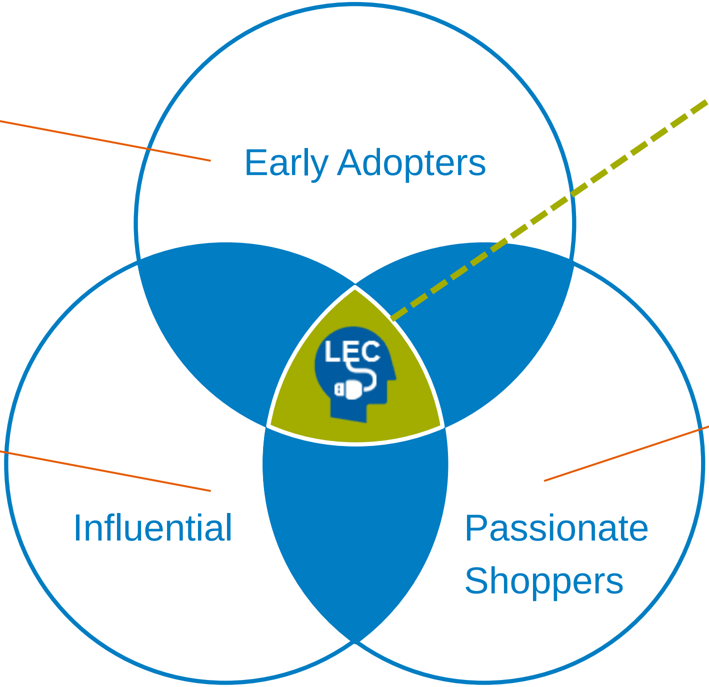
- Enables you to develop informed hypotheses to pipe into other custom studies
- Ensures you are asking the right questions- making all your custom studies more impactful

Leading Edge Consumers (LEC) illuminate the new shopping horizons

LECs have potential to signal coming shopper trends

Innovators that value new products or ideas before their time; predictive of the rest of the population

Leading indicators of trends with history of being years ahead of the mainstream

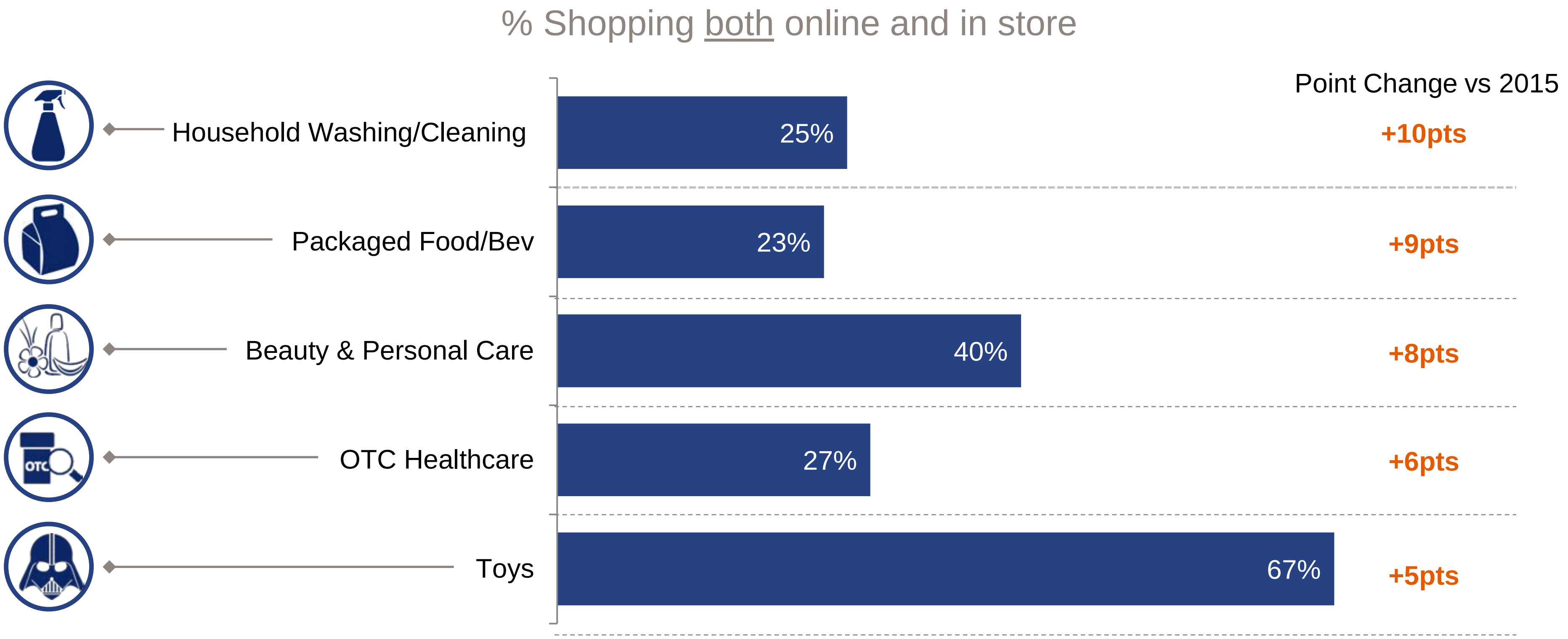


15% of sample identified via proprietary questions and analytics

Emotionally connected to shopping and thus, highly involved

Sample Findings

The categories where omni shopping is increasing most rapidly are predominately faster moving consumables



Q2: And have you shopped for each of the below exclusively online, exclusively in a store/physical location or both?

Source: GfK FutureBuy®, 2017

Bricks and clicks offer shoppers distinct benefits

Top reasons driving shopper decision to purchase in channel

Q4: Thinking about the last time you were deciding whether to purchase something online versus in a store, and decided to purchase online/in a store, what factors were most important in driving your choice to purchase there?

Source: GfK FutureBuy® 2017

Online options are exerting accelerating pressure on brick and mortar retail models

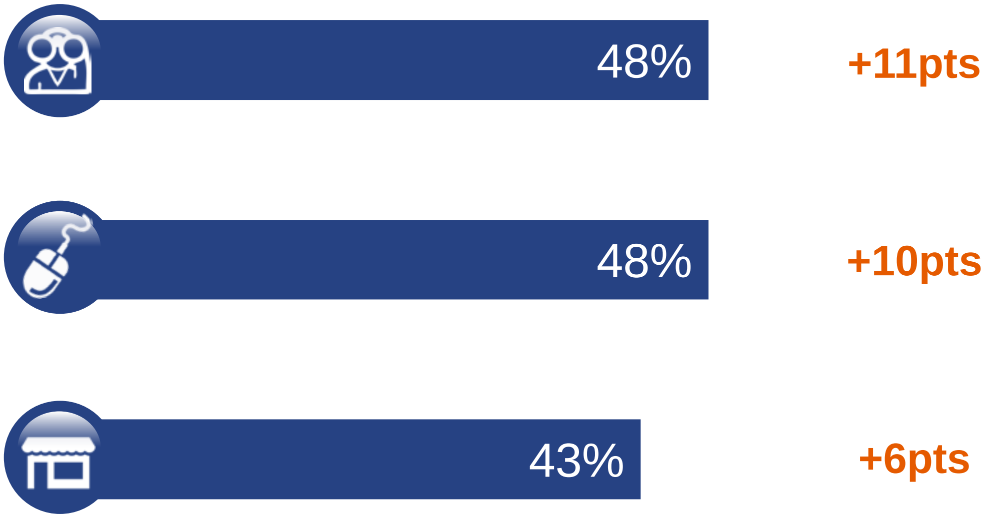
% shoppers agreeing
(Top 2 box)

Point change vs 2016

"I can see a future where traditional retail stores are not a big factor in how I shop."

"I can shop for 100% of the products I need online."

"Traditional stores are much less important in my shopping than a few years ago."



Q3a: Below are different statements about shopping. Please indicate how much you agree or disagree with each statement as it relates to your shopping experience in general across the many different kinds of products and services you shop for.
Source: GfK FutureBuy® 2017

Shoppers greatly expanding use of phone and social networks

Which they view as delivering an improved shopping experience

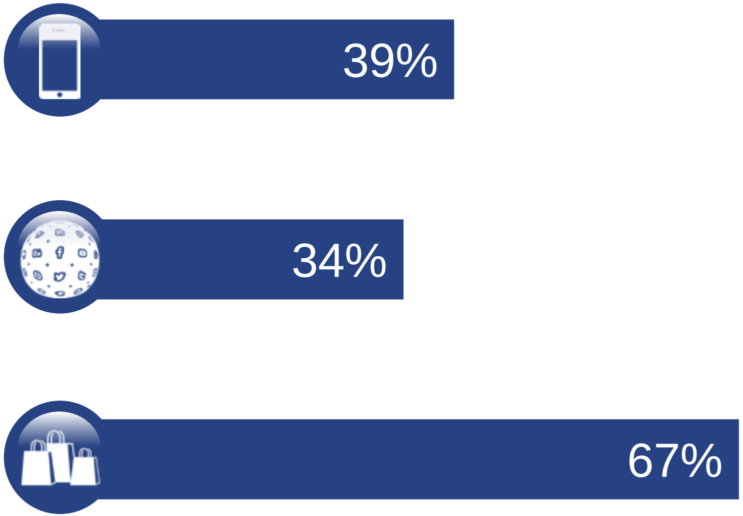
% shoppers agreeing
(Top 2 box)

Point change vs 2016

"My mobile device is quickly becoming my most important shopping tool."

"My social networks have become as important as my other information sources for me to make best product choices."

"I'm learning to shop more efficiently and better than before."



+11pts

+8pts

+9pts

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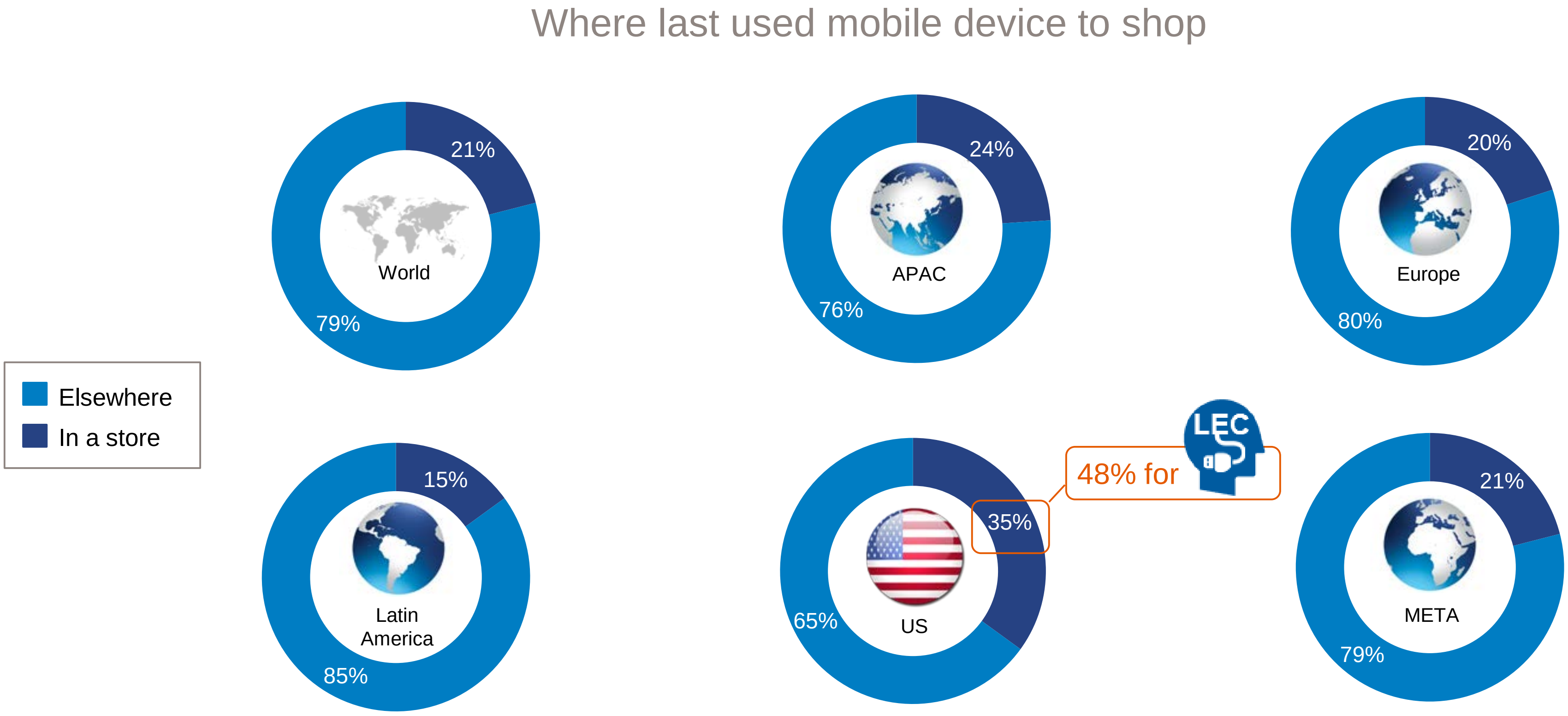
Source: GfK FutureBuy® 2017

US leads the world in mobile shopping while in a physical store



Q15D: Thinking of the last time you used a smartphone or tablet to help you shop, where did you use the device or devices?
Source: GfK FutureBuy®, 2017

Product/pricing search and reviews are most common mobile shopping activities

Q16: Let's focus on the last time you used your smartphone to help you shop for [**CATEGORY**]. In which of the following ways did you use your smartphone when you were shopping?
Source: GfK FutureBuy®, 2017

Reviews are a vital touchpoint for durables purchases while FMCG more deal/discount oriented

Most important touchpoints

Small Home Appliances

1. General shopping sites
2. Online peer reviews
3. Information at shelf
4. Online expert reviews
5. Coupons/deals

Packaged Food/Beverage

1. Coupons/deals
2. Store circulars
3. Information at shelf
4. Product samples/demos
5. General shopping sites

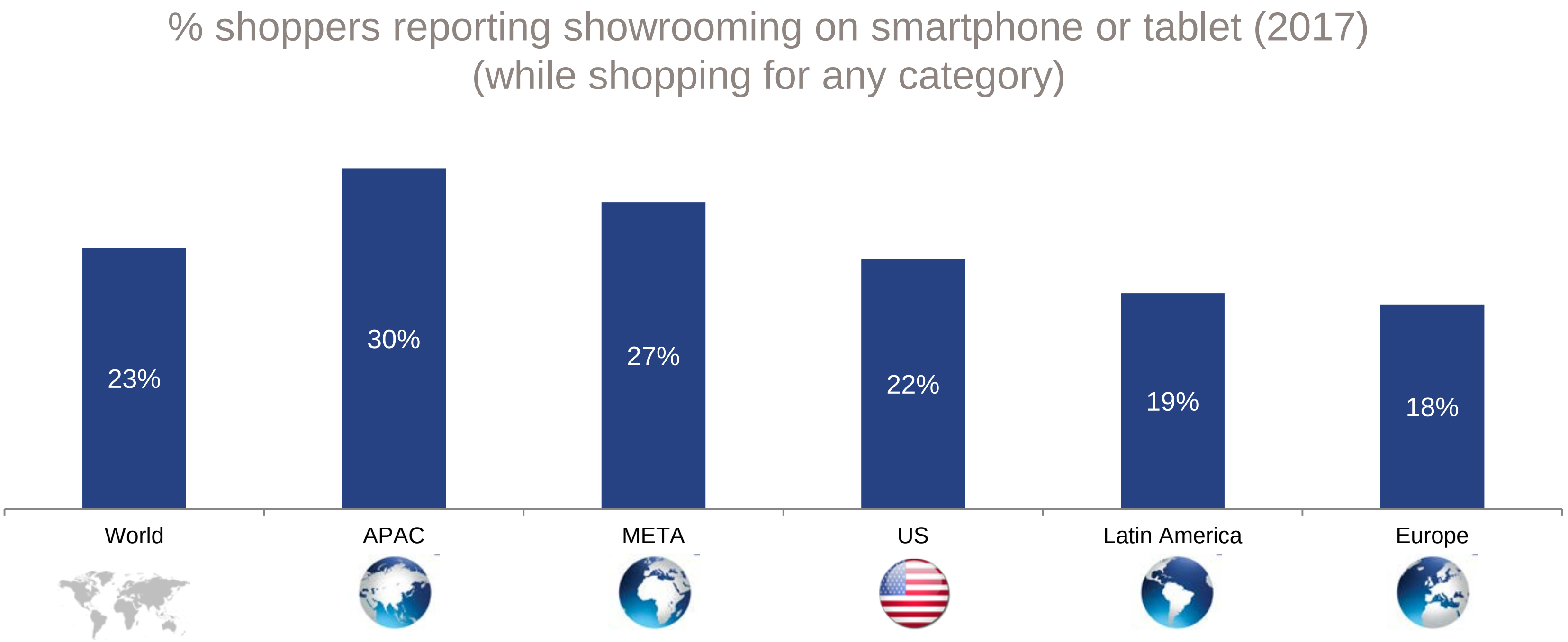
Q8: When shopping for (category) how important was each of the following factors in your shopping decisions?
Source: GfK FutureBuy® 2017

Webrooming levels bumped up in 2017 while showrooms incidence remained near 20%

Q17: During any of your shopping occasions over the last 6 months have you used your smartphone or tablet for any of the following.
Source: GfK FutureBuy® 2017:

Showrooming is highest in APAC and META regions

US rates are near global levels

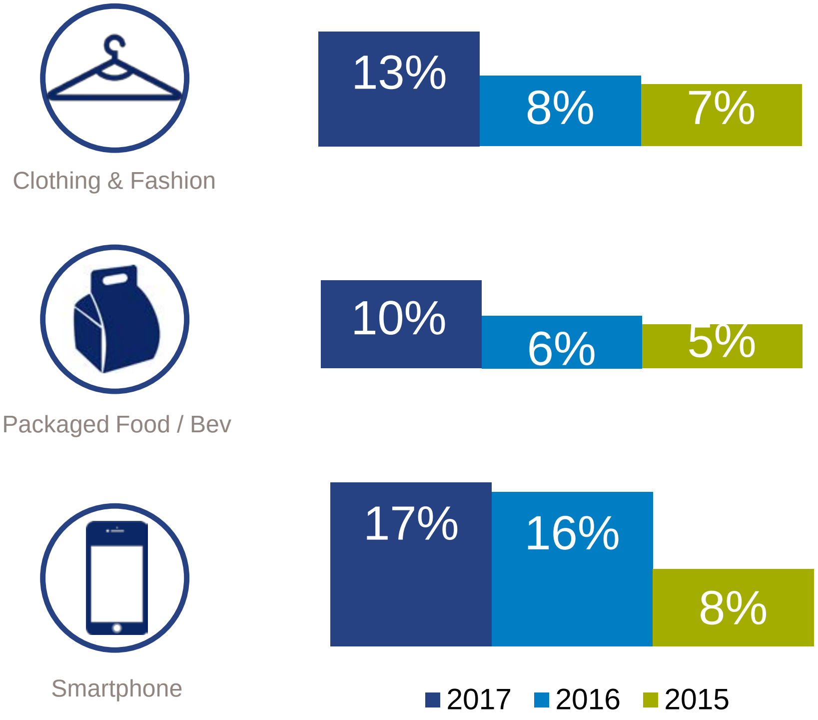


Q17: During any of your shopping occasions over past 6 months have you used your smartphone or tablet to do any of the following:
Saw a product in the store and then purchase it on your device from another retailer or online competitor.

Source: GfK FutureBuy® 2017

Incidence of in store mobile payments nearly doubled since 2015 but remains low in absolute

Incidence of making mobile payment in store



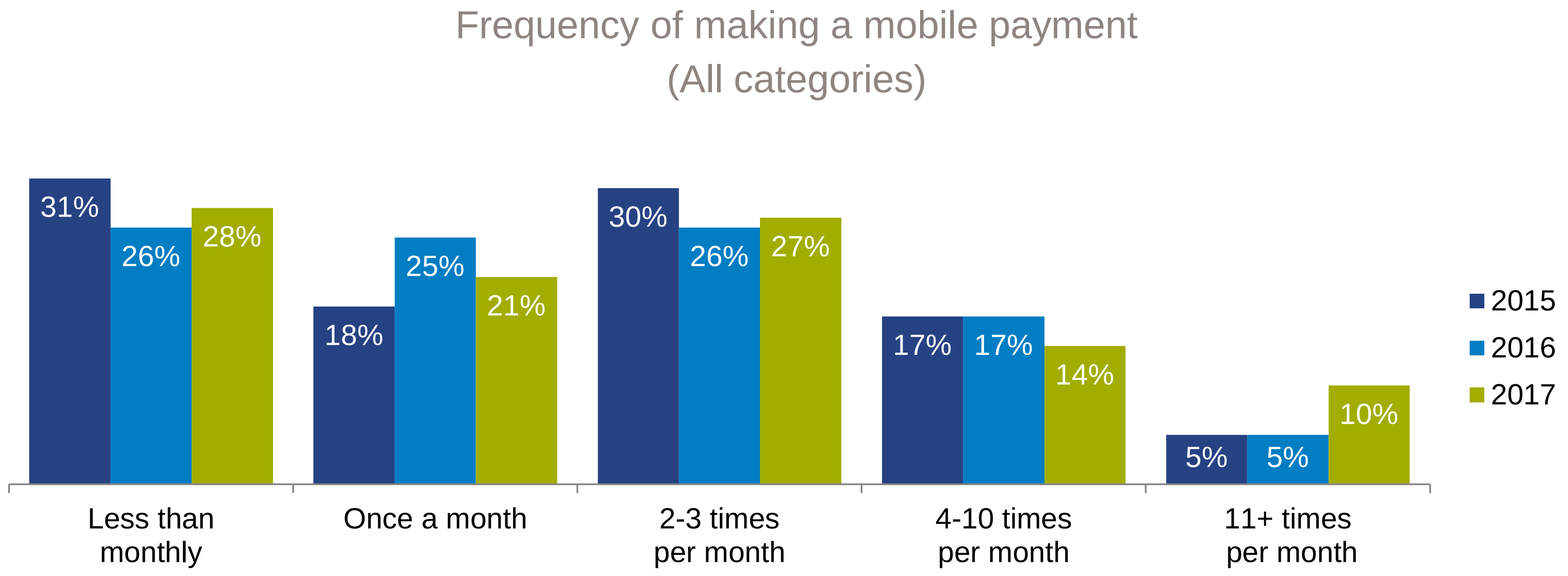
Top 5 *categories for mobile payment in store*

Furniture / Furnishings	12%
Financial Services	10%
Toys	9%
Smartphone	8%
Small Home Appliances	8%

Q18A: In the past 6 months, have you used your mobile device (including smartphones, tablets and wearable devices) to pay for any of the products or services below?
Source: GfK FutureBuy®, 2017

Mobile payment frequency relatively stable in 2017

Suggesting that even for those early adopters, mobile has yet to become an everyday payment tool

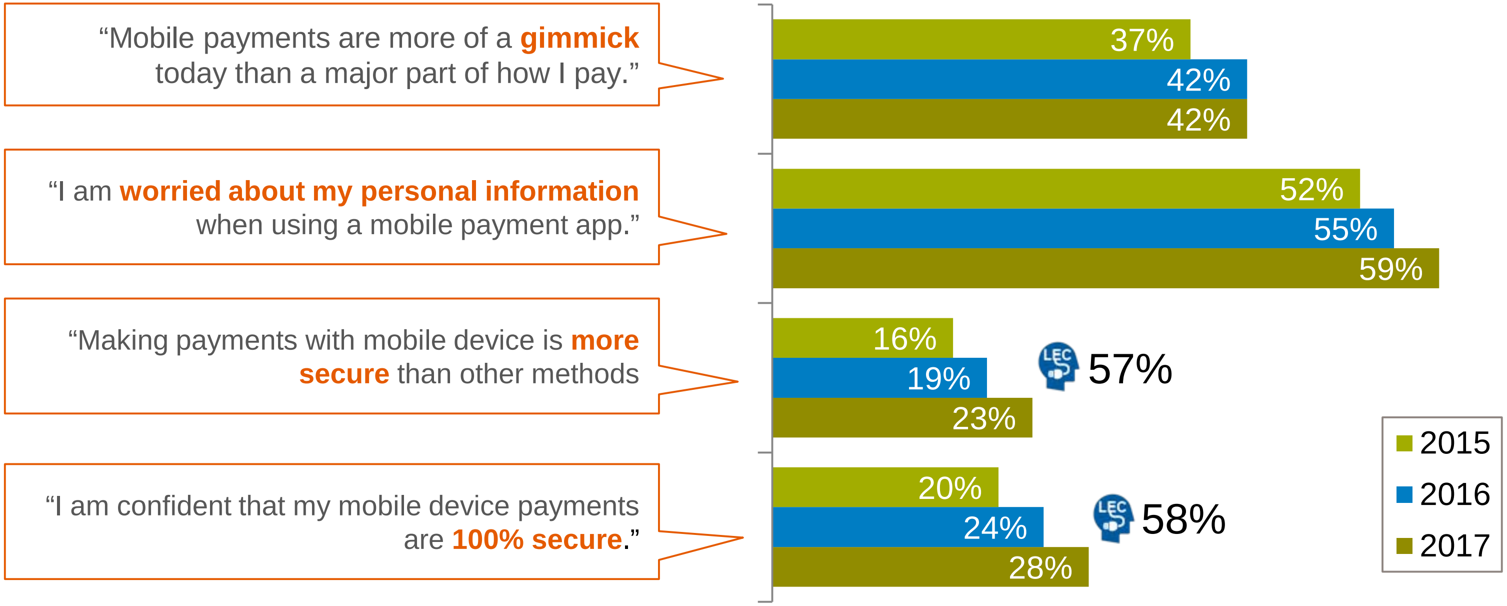


Q18c: Across all the products and services you typically buy, how often do you estimate you make payments directly from your mobile device?
Source: GfK FutureBuy®, 2017

A lack of perceived utility and security concerns remain as key barriers to greater mobile payment adoption

LECs view of mobile security much more positive

% shoppers agreeing with statement (Top 2 box)



Q18F: Thinking about your experience with mobile payments in general, how much do you agree or disagree with the following statements?
Source: GfK FutureBuy®, 2017

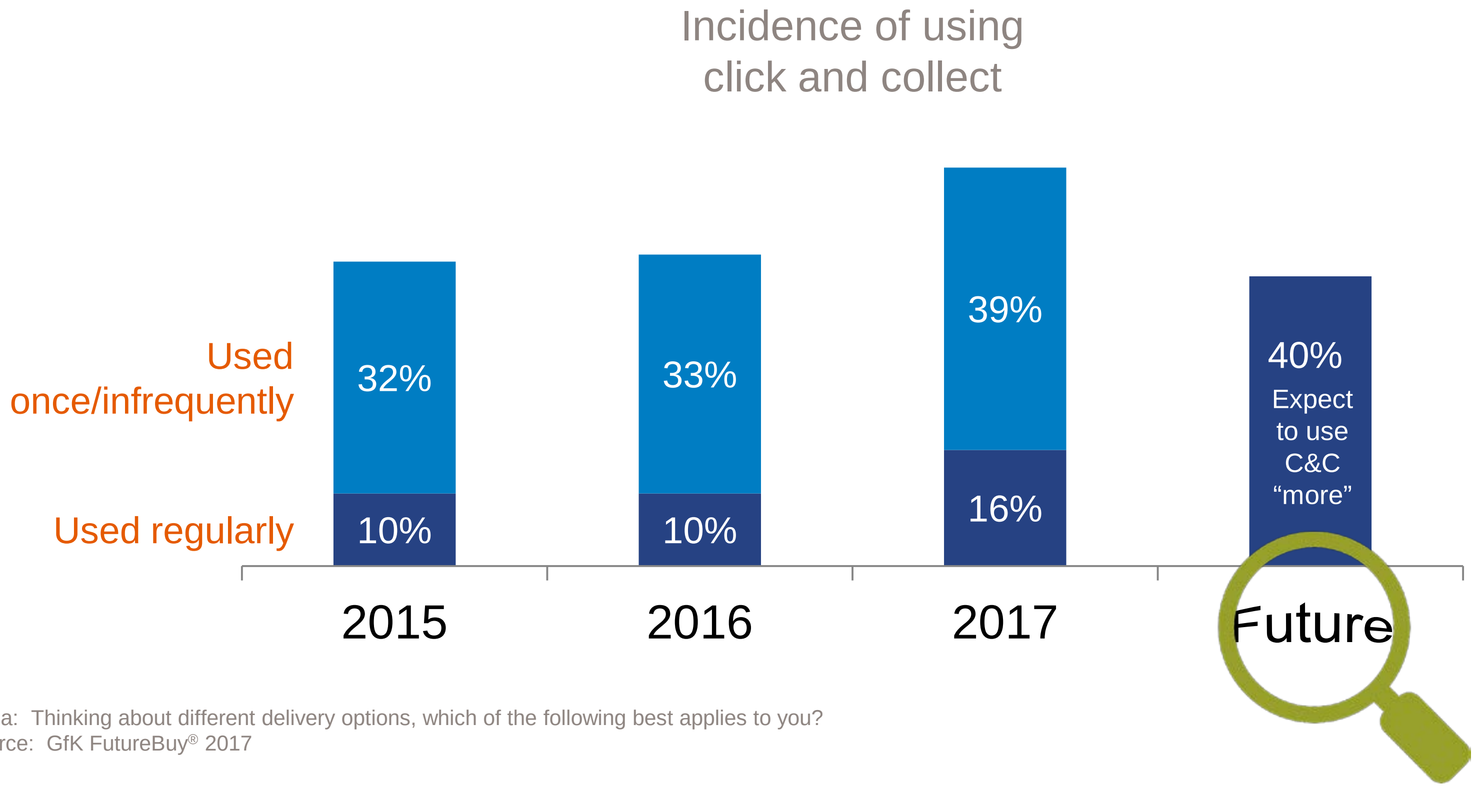
Shopper loyalty is elusive, but shoppers' openness to engage with brands and retailers is trending up

Virtual reality and co-creation appear to be effective drivers of store visits and loyalty

Q3a: Below are different statements about shopping. Please indicate how much you agree or disagree with each statement as it relates to your shopping experience in general across the many different kinds of products and services you shop for.

Source: GfK FutureBuy® 2017

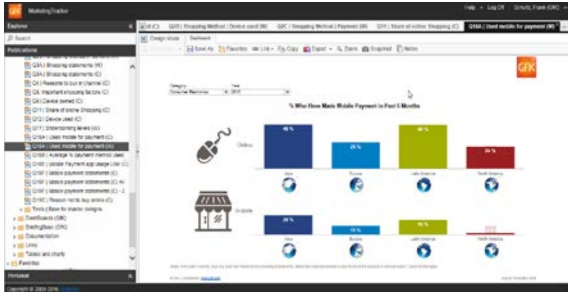
Click and collect fulfillment is on the upswing and appears poised for continued expansion



Q19a: Thinking about different delivery options, which of the following best applies to you?
Source: GfK FutureBuy® 2017

GfK FutureBuy® 2017 offerings and pricing

Data Portal Access



- Live interface access to all FutureBuy® survey data spanning 35 countries and 18 categories
- Includes 2017, 2016 and 2015 data

Global Access 1 year portal access to all countries/categories for 2017, .2016 and 2015 includes: ▪ Webinar training session on portal navigation ▪ Activation of up to 5 users at single client site	$30,000
Regional Access (NA region is $8k)	Varies by region (range $8k to $17k)
Individual Market Access ▪ Varies by market	$4,000 - $5,000
All Access Packages Include: ▪ Webinar training session on portal navigation ▪ Up to 5 users at single client site	

Custom Presentations

Fully prepared, custom category and/or market-specific insights presentations

Customized findings report on 1 category in 1 market (30-35 page report)	$10,000
Additional presentations in same category with different market	$5,000 per market

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