

Areas Prioritized by Retailers During Wave 1

 **KEEPING UP WITH PANIC BUYING:** The onset of the pandemic saw panic buying, limited price sensitivity and a reduction in brand loyalty – a whirlwind of change to adapt to.

 **SHELF MANAGEMENT AND ASSORTMENT:** During the peak of the crisis, category prioritization and assortment was all about keeping staple items on shelves while marketing and product development plans were put on hold.

 **MANAGING RISK:** The crisis saw a focus on new health and safety requirements and the reinvention of delivery structures to accommodate pandemic-related supply chain challenges.

 **CRISIS RESPONSE:** The best companies adapted on the fly to prioritize immediate needs ahead of strategy, adjusting teams, terms and plans and under-pinning their outstanding outcomes by dialing up the tenants of collaboration in ways of working with their business partners.

Areas of Focus for Retailers Moving Out of Wave 1

 **ADJUSTING TO THE NEW NORMAL:** Retailers and suppliers experience a shift in consumer behaviour. Escalating digital engagement and online shopping with in-store shopping preferences moving towards small-format/proximity stores amidst the additional challenges of higher price sensitivity, less brand loyalty, greater social and environmental consciousness and heightened health and safety expectations.

 **PRIORITIZING PROFIT:** Retailers and suppliers must reassess and recalibrate category and business strategies and learn new ways into profitability against a backdrop of rising costs to serve from the new normal challenges. Marketing will emphasize CRM/loyalty programs, focus on sustainability offers adjust to the need to be responsive to affordability.

 **ESTABLISHING NEW EXPECTATIONS:** Retailers and suppliers will continue their adoption of employee and shopper protection protocols and long-term distribution solutions to support the new trends and unstable demand periods.

 **RAPID RE-PLANNING AND CONTINGENCY PLANNING:** Retailer and supplier partners must look to future-proof inside their respective businesses together in preparedness for a Wave 2 and/or future crises.

Where to Focus Partnership Efforts in Preparation for Wave 2

-  **COLLABORATION, TRUST, COMMUNICATION AND TRANSPARENCY**
-  **NEW RELATIONSHIPS AND BUSINESS MODELS**
-  **CATEGORY MANAGEMENT**
-  **ROUTE TO MARKET AND MARKETING**
-  **SUPPLY CHAIN**
-  **BUSINESS RELATIONSHIPS**
-  **CONTINGENCY AND CRISIS-PLANNING**



Looking Ahead: What Will Be the Focus for Retailers Moving into Wave 2 of the COVID-19 Pandemic?