



# January 2022 Summary

Main Trends In The Israeli FMCG Market

# Data Base

The data is based on **2,600 stores**

comprised of statewide chains, pharm chains, private market and convenience stores

**which transmit their POS scan data** on a daily basis to StoreNext

and which represent more **than 85%** of the total sales in the

Israeli barcoded FMCG market

Based on this data, StoreNext uses an advanced statistic model to perform an **extrapolation for**

**100%** of the barcoded FMCG Market in Israel,

excluding Kiosks and the Arab sector.



# Long Story Short

- ❖ In January 2022, FMCG value sales decline by 5.7% and when neutralizing change in sales days, change stands at 5.5%
- ❖ StoreNext Price Index presents an increase of 4.7 points in January 2022 compared to January 2021



- ❖ The Price Index increase is consistent over the past few months
- ❖ StoreNext Price Index shows an increase in all fields, especially in the Beverages and Home Care fields. The major increase was in parallel with coming into force of two new reforms



- ❖ All Food and Beverages key fields recorded a decline. Baking & Cooking Aids, Beer Wine & Spirits decline the most
- ❖ Personal Care and Home Care fields show a mixed trend while Cleaning Aids and House Hold Detergents decreased alongside Disposable Food Aids drop, which affected by the Plastic Ware Tax Reform



# Change in Sales and Price Indices

FMCG, YTD 2022 compared to YTD 2021



**-5.7%**  
**-247 Million NIS**

Change in Value Sales



**+ 4.7%**

Change in StoreNext Price Index



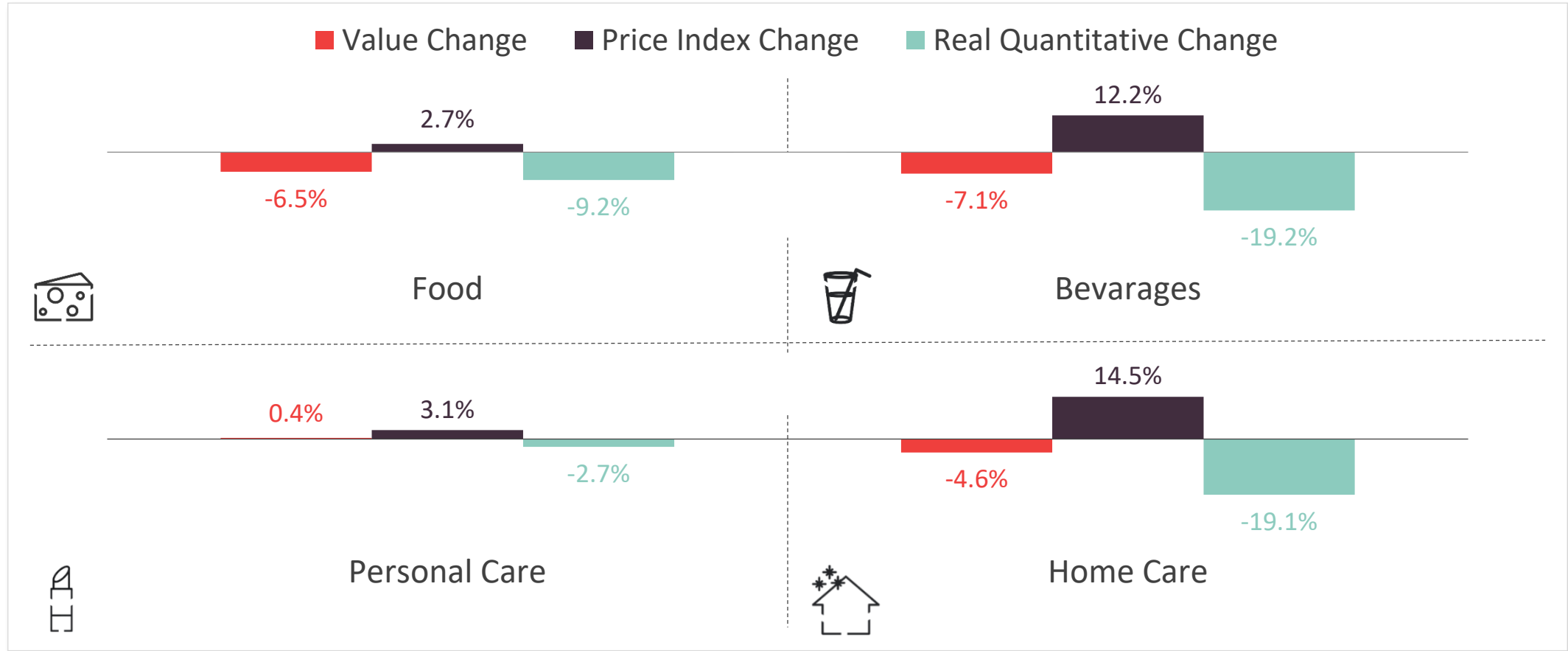
**-10.4%**

\*Real Quantitative Change

\* Real Quantitative Change – Value sales growth deducting StoreNext Price Index changes (neutralized of mix effects)

# FMCG YTD Change Rate By Fields (2022 VS 2021)

- Excluding Personal Care, all fields recorded a real quantitative decline while Beverages shows the most significant one – probably due to new reform
  - StoreNext Price Index shows an increase in all fields, with a major increase in Home Care which affected by a reform as well
- \* Real Quantitative Change – Value sales growth deducting StoreNext Price Index changes (neutralized of mix effects)

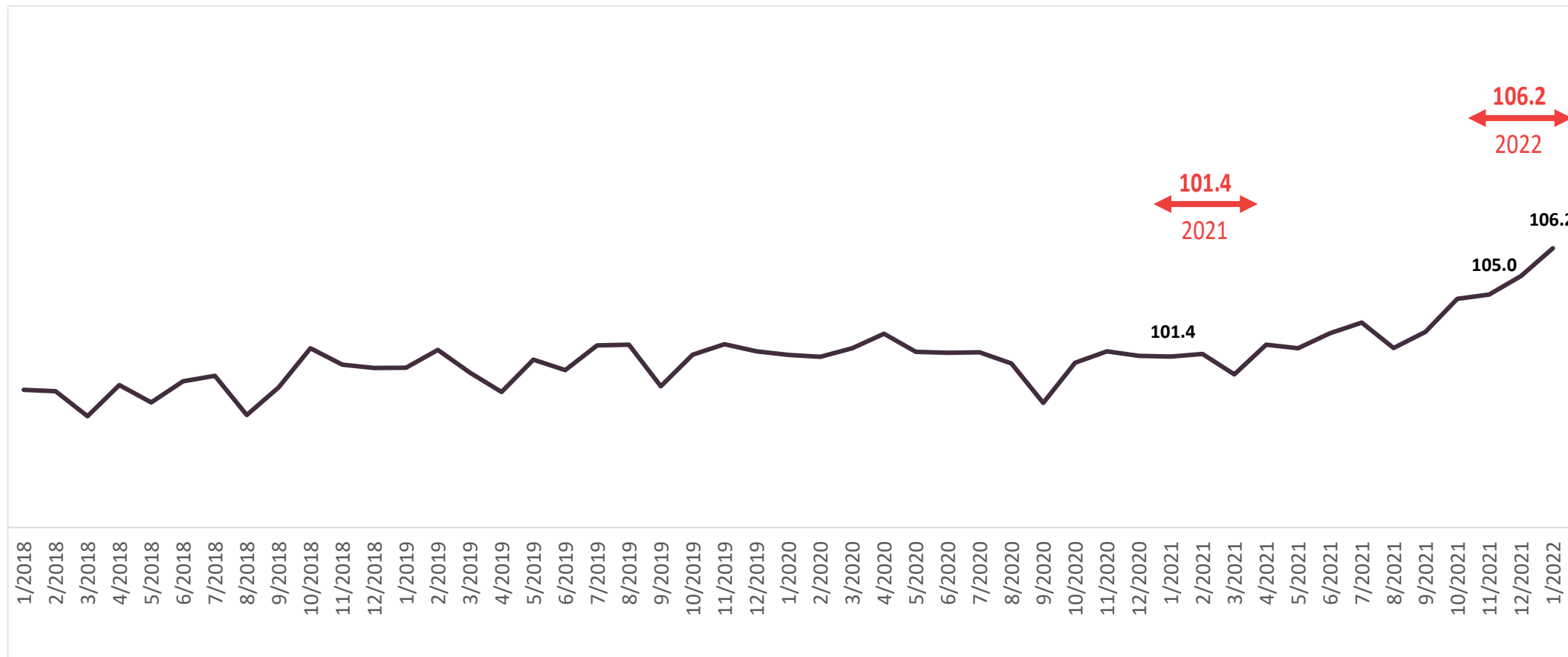


# The StoreNext Price Index

- 🏠 In January 2022 StoreNext Price Index presents an increase of 4.7 points compared to January 2021, and an increase of 1.2 points compared to December 2021



\* StoreNext Price Index measures the change in product prices, neutralizing sales mix changes



**Price Index has increased significantly—  
fields In-depth examination**

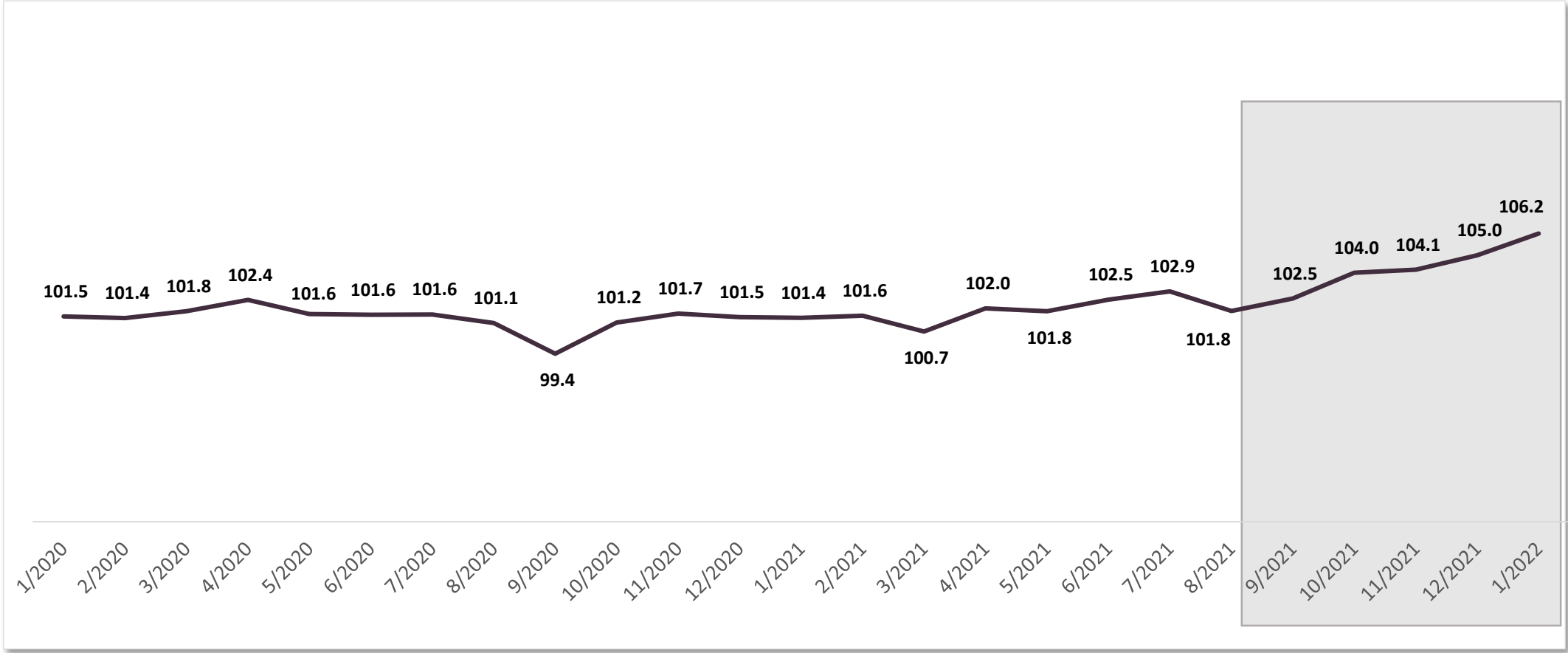


# StoreNext Price Index began its growth at the end of 2021

After a year of stagnation in 2020 (an increase of 0.2), 2021 records an increase in Price Index that began at the end of the year and intensified during the last couple of months



\* StoreNext Price Index measures the change in product prices, neutralizing sales mix changes



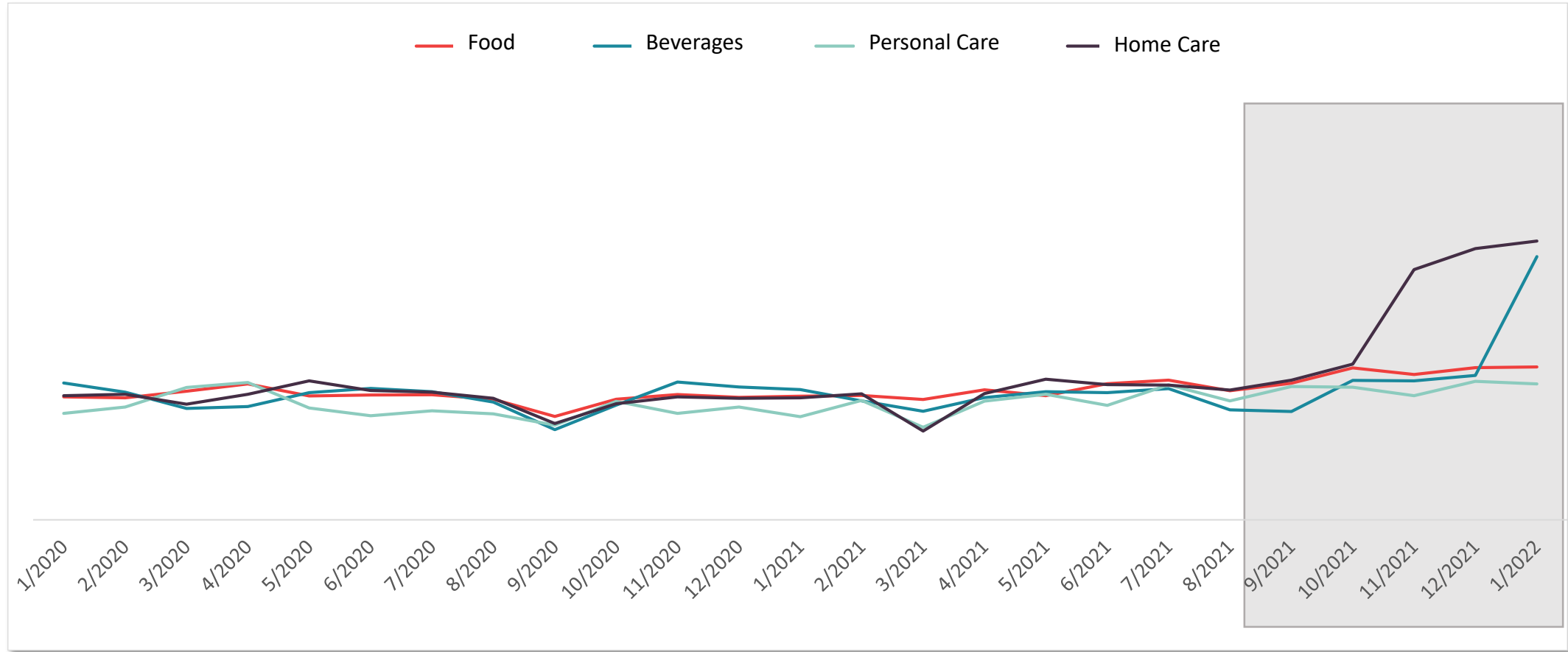


# Mainly affected by increase in Beverages and Home Care

From January 2018 the Price Index in all the fields remained stable with slight changes due to holiday timing. Until last months of 2021, where a great increase occurred in Beverages and Home Care fields



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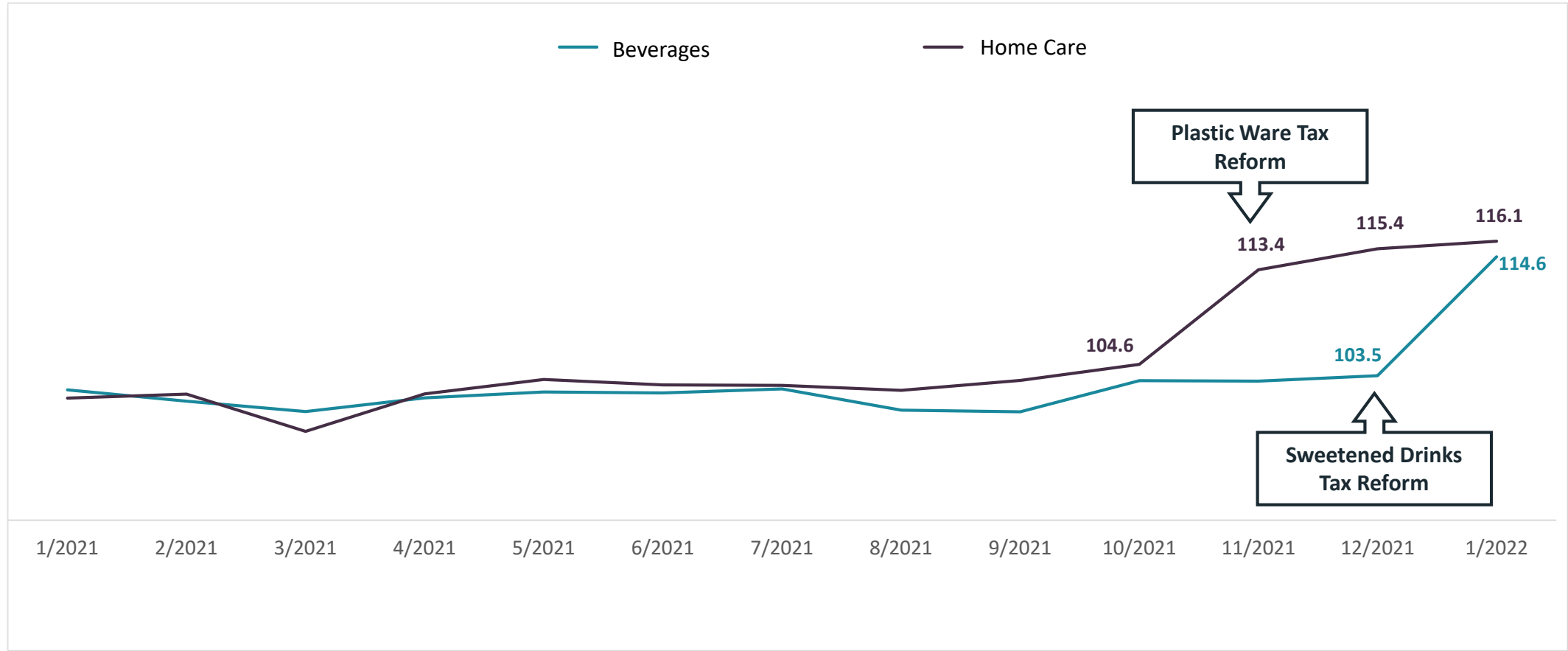


# Price Index rise is due to reforms in those fields

- 🏠 Beverages and Home Care fields show a major increase in parallel with coming into force of two new reforms, and fields relative weight in the FMCG market affects the total Price Index



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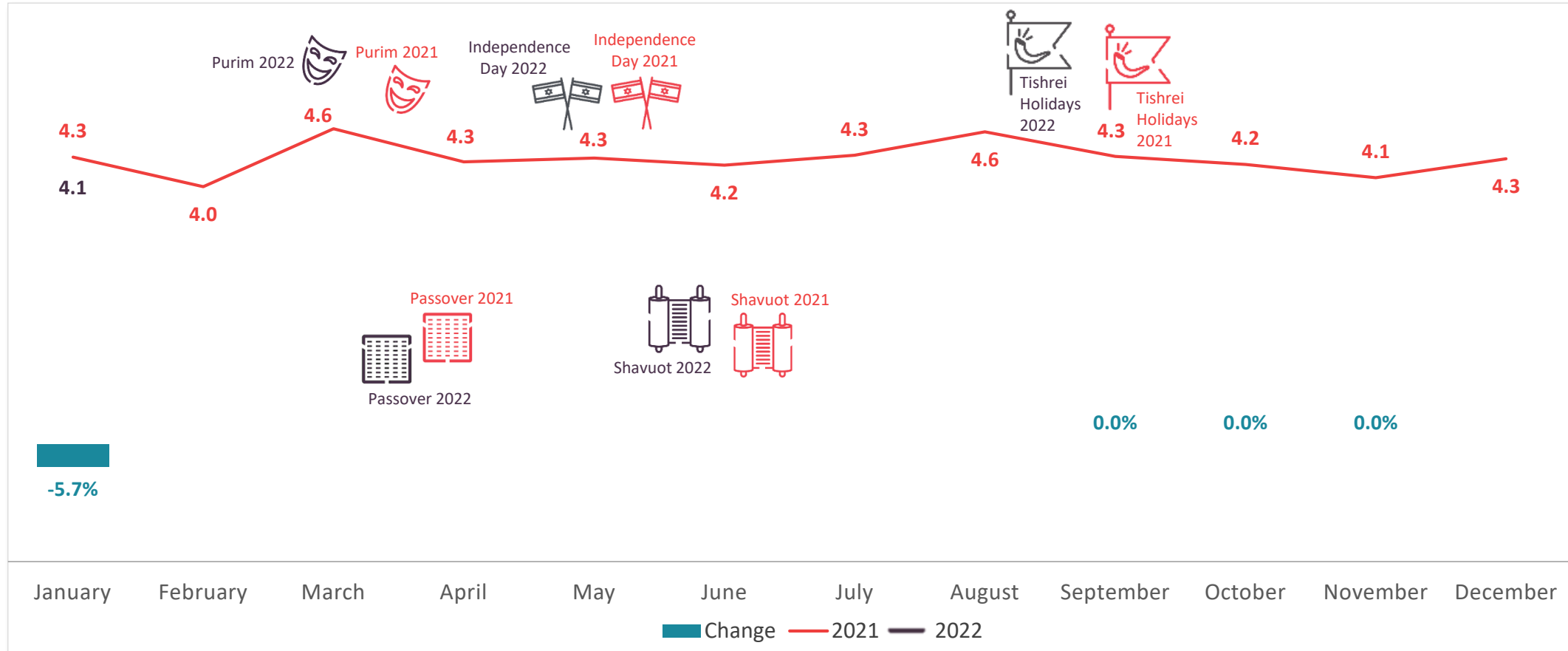


# Monthly Sales Trend

- January 2022 sales records a decrease of 5.7% compared to January 2021, and amounted to 4.1 Billion NIS, a decline of 247.1 Million NIS



\* FMCG Value Sales, Billion NIS

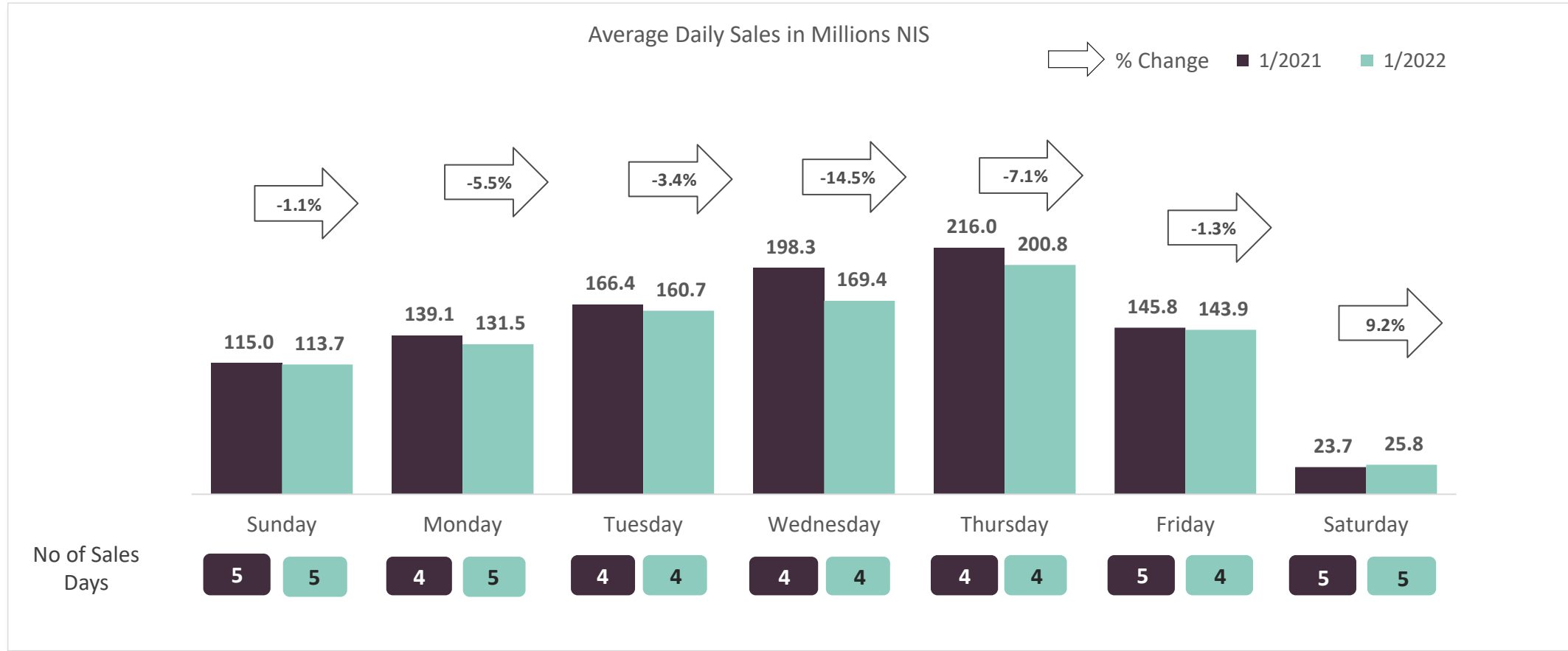


# Sale By Days

- Monthly rate decline is affected due to change in sales days and stands at -5.7%
- Neutralizing change in sales days, January 2022 value change stands at -5.5%



\* Sales (NIS Million) by days and percentage of change in sales, current month compared to the same period last year

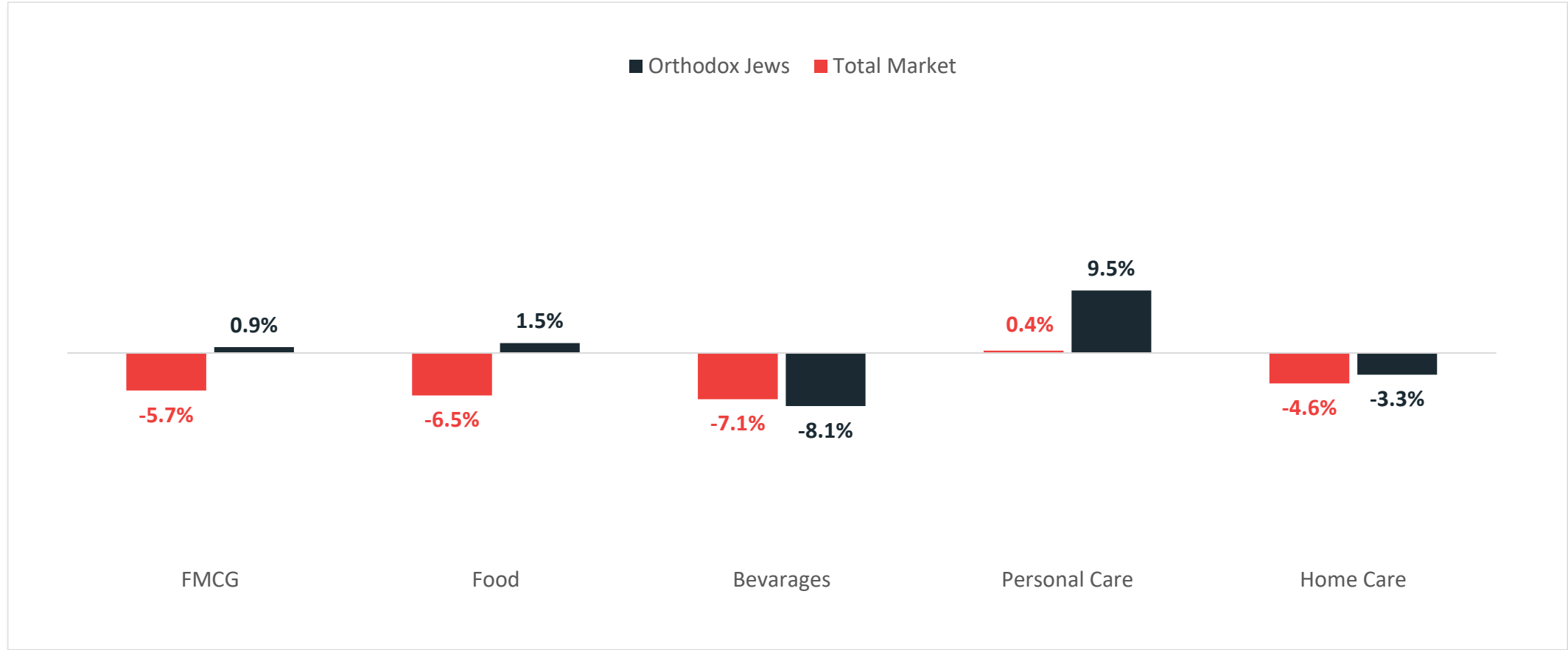


# Orthodox Jews Sector Value Change Rate

- Orthodox Jews sector continues to record opposite trend in comparison to total market in FMCG value sales – an increase of 0.9%
- The fields present a mixed trend, while Orthodox Jews sector records a much significant decline in Beverages

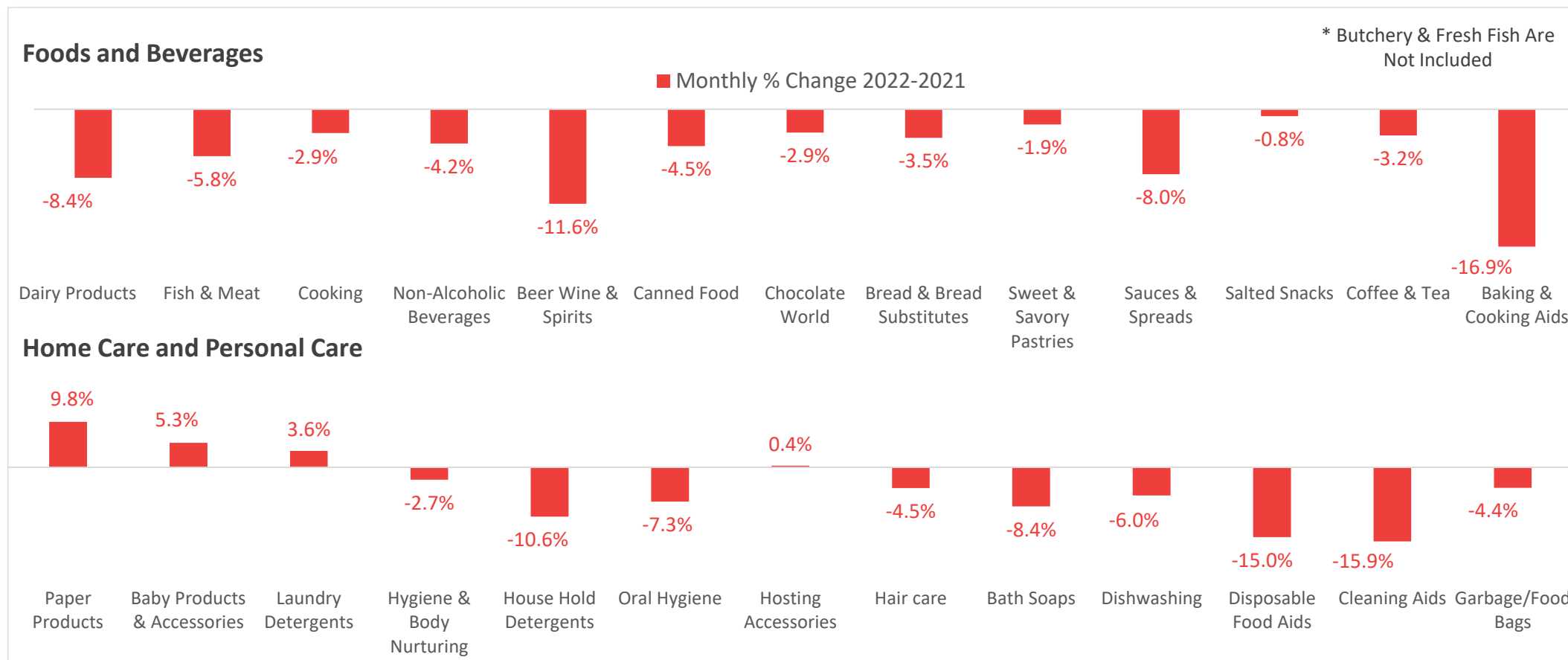


\*Orthodox Jews– only stores with orthodox attributes, that are reflected in location, chain and basket composition, excluding Orthodox Jews population sales in General sector



# Value Sales Change in Key Fields

- 🏠 All Food and Beverages key fields recorded a decline. Baking & Cooking Aids, Beer Wine & Spirits decline the most.
- 🏠 Personal Care and Home Care fields show a mixed trend while Cleaning Aids and House Hold Detergents decreased alongside Disposable Food Aids drop, which affected by the Plastic Ware Tax Reform

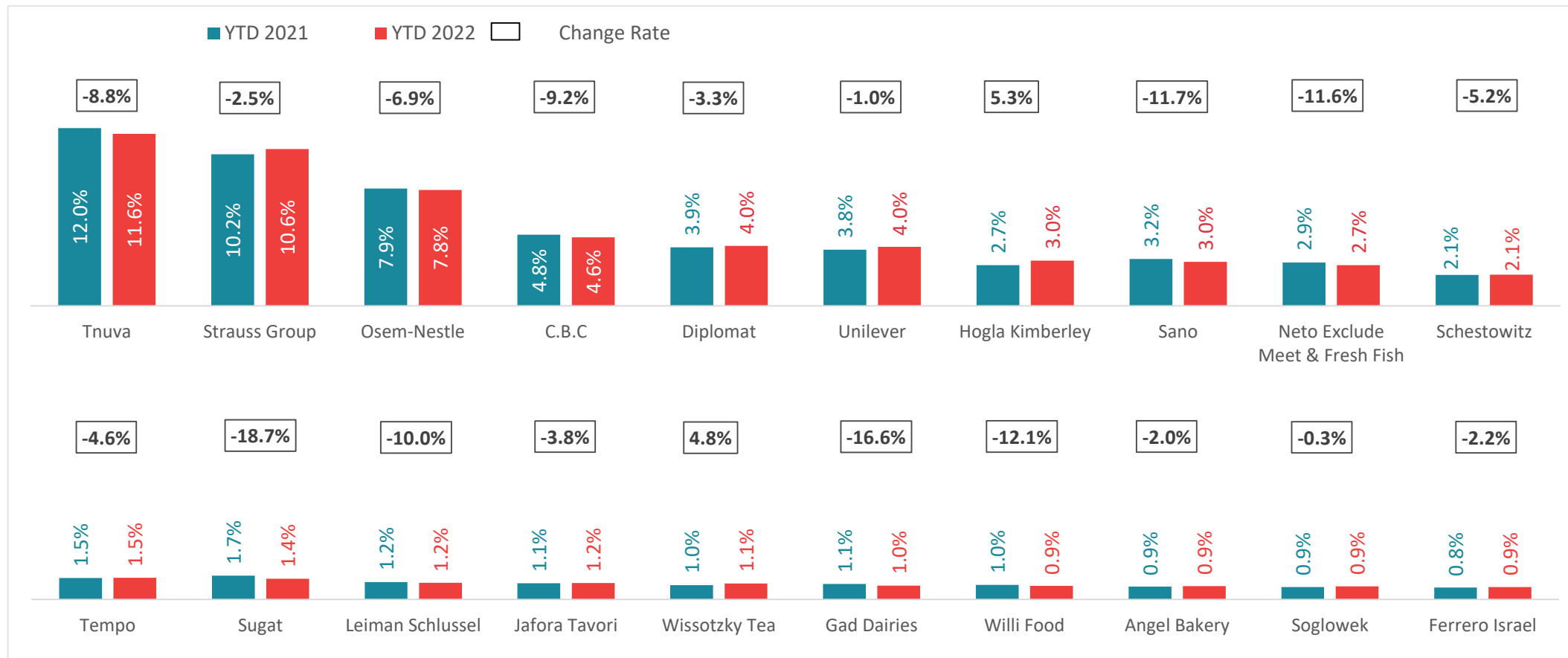


# Market Share and Suppliers' Growth

- 🏠 Top 20's SOM reaching 64.4% in current YTD, records a decline of 0.3 points compared to YTD 2021
- 🏠 Top 10's SOM stands at 53.4% in current YTD and presents a decline of 0.1 compared to previous period



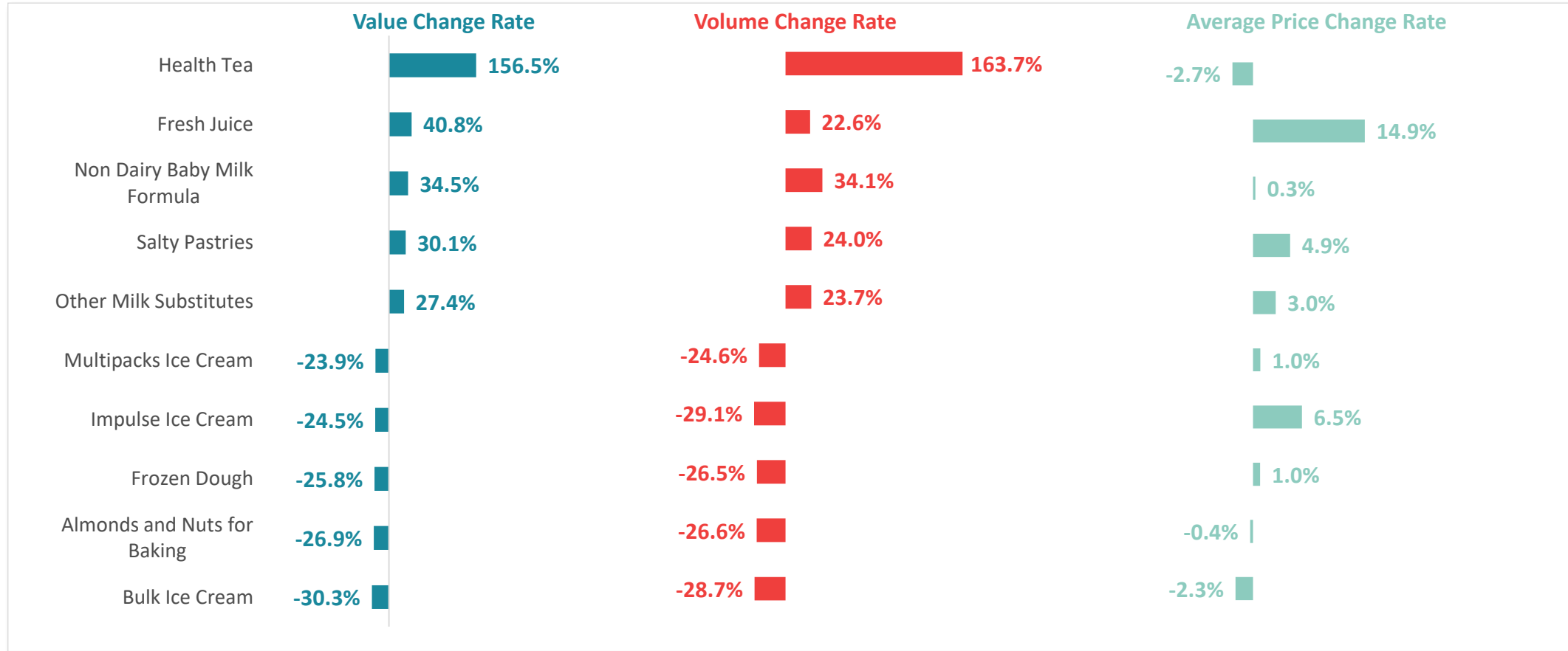
\* Value Shares (FMCG Market- Excluding Butchers, Bakery, Fruits and Vegetables and Cigarette data)



# Rising / Descending Categories – Current Month TY vs LY

🔍 Among rising categories- Health Tea, Fresh Juice, Non Dairy Baby Milk Formula, Salty Pastries and Other Milk Substitutes

🔍 Among descending categories- categories in Ice Cream World (Bulk, Impulse and Multipacks), Frozen Dough and Almonds and Nuts for Baking



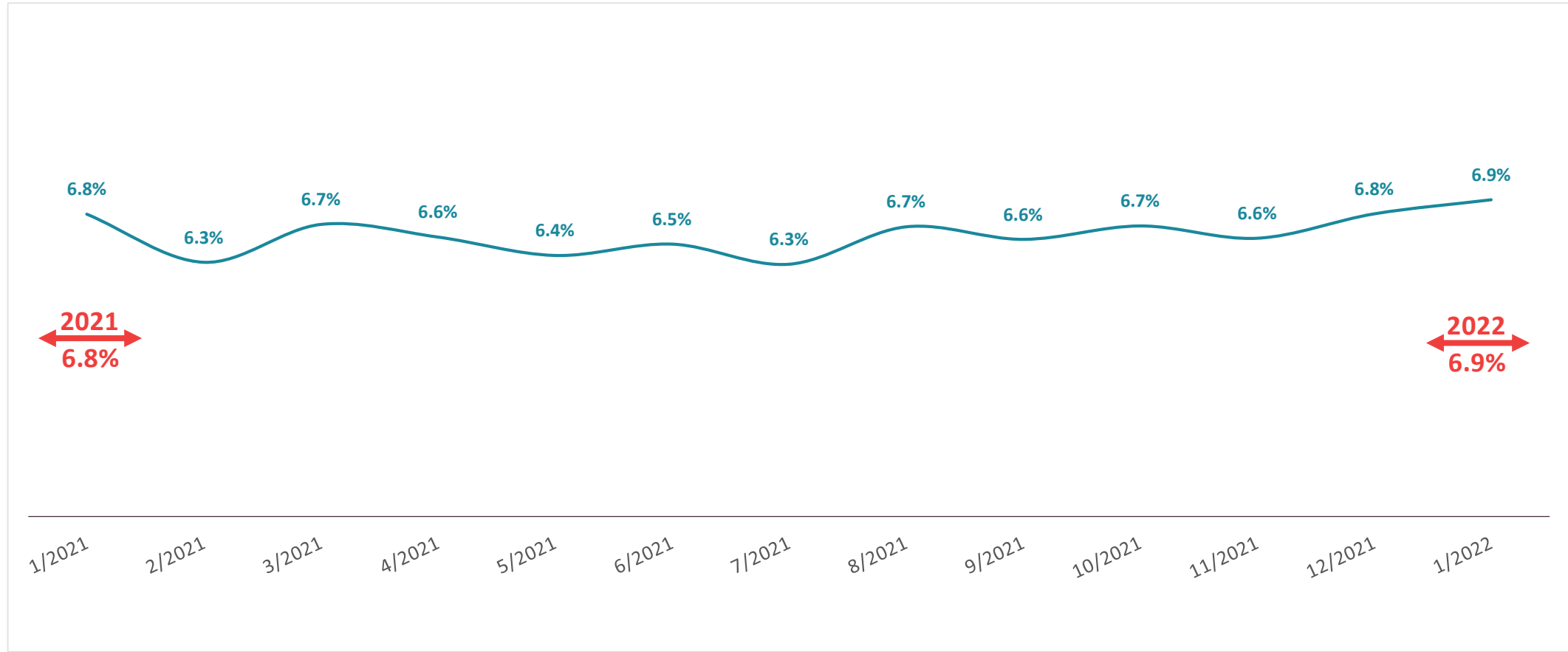


# Private Label Market Share - FMCG Market

Private label share records an increase of 0.1 points in January 2022 in comparison to January 2021, and has the highest market share recorded in the last 13 months



\* Value Share (FMCG Market- Excluding Butchers, Bakery, Fruits and Vegetables and Cigarette data)



# Thank You!



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StoreNext

Looking Forward