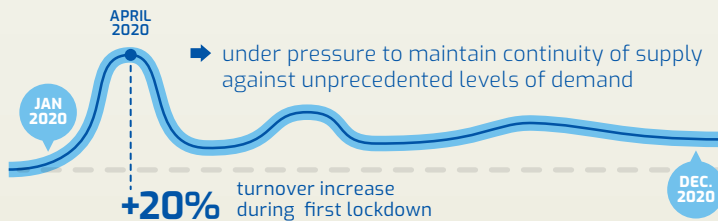


# Impact of COVID-19: «A tale of two cities...»

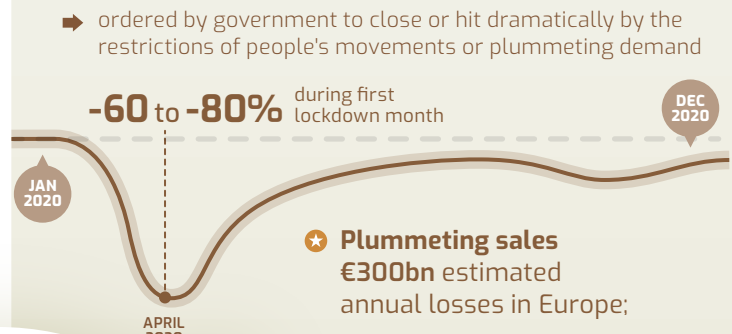
**...it was the best of times** for retailers selling food and groceries, the so-called “essentials”, but also DIY, toiletry and hygiene products, petfood, computers, printers, video games



- ★ **Higher volatile demand** leading to shortages of supply in selected key categories
- ★ **Higher sales** from closure of restaurants and canteens
- ★ **Higher costs**
  - safety measures
  - additional labour costs
  - handling volatile demand
  - logistics and supply chain disruption

Source: Nielsen

**...it was the worst of times** for retailers selling apparel, luxury, furniture, or in tourist areas, as well as for wholesalers selling to restaurants, hotels, or the construction industry, the so-called “non-essentials”



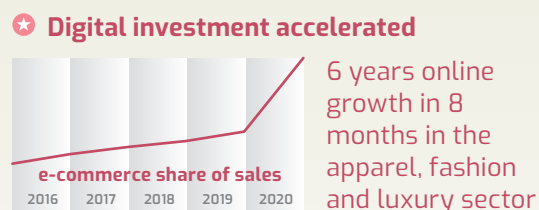
- ★ **Plummeting sales** €300bn estimated annual losses in Europe;
- ★ **-30 to -40% annual turnover** for fashion retailers
- ★ **Online sales + click & collect** helped, but did not compensate for lost sales
- ★ **Bankruptcies** e.g. 50,000 expected in Germany

Source: Eurostat, McKinsey

## Retail and wholesale in Europe

**5.4 million** businesses  
**29 million** jobs  
**10%** EU value added  
**1 billion** transactions /day

### A shift to online shopping and working



### Changing consumer behaviour

- ★ **Depressed consumer confidence** **50%** of consumers are looking for a way to save money
- ★ **Price is top priority for consumers**
- ★ **Touchless economy** **30%** of consumers view disinfection and safety measures as top priority for shopping in-store
- ★ **Focus on health and sustainability**

## We call for a European pact for commerce

Retail and wholesale is the sector second most in need of investment support (European Commission May 2020)

👉 **A 10-point action plan** to support retail & wholesale through the digital and green transition.

INVESTMENTS AND POLICIES SHOULD ACHIEVE THE FOLLOWING FOUR GOALS:



**Digitalisation**  
Converting all retail and wholesale to omnichannel



**Sustainability**  
Making the Green Deal a reality in retail & wholesale



**Local employment**  
Supporting local employment & communities



**Open markets**  
Keeping markets open and fostering European ecosystems

# Retailers & wholesalers during COVID-19 = an essential ecosystem for all Europeans

