

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



1

Providing essential services

★ **Non-stop supply:** no food shortage, accelerating and shifting supply chains to essential and most demanded products

★ **More online services** and growing e-commerce

★ Company commitments not to increase **prices**

★ **Access to** high quality, safe and affordable **food**

★ **Priority access to stores** for elderly and people with disabilities

★ **Social distancing**

★ **More delivery options:** new pick-up points, pop-up stores in care facilities and home deliveries to isolated and vulnerable people

★ **Extended opening hours**

★ **Face masks**

★ **Disposable gloves**

★ **Hand sanitizer**

★ **Plexiglass screens**

★ **Cleaned trolleys**

★ **In-store signage**



2

Keeping everyone safe

★ **Donations:** Food, consumer electronics for home schooling, safety and hygiene products

★ **Financial support** to medical equipment and research

★ **Assistance in fighting gender-based violence**

★ **Digital activities/entertainment**

★ **Converting supply chain** to produce Personal Protective Equipment



3

Helping communities & society

★ **Transfers of staff** between companies to help with labour shortages in sectors most in need

★ **Vouchers** for local restaurants

★ **Shorter payment terms** towards SME suppliers

★ **Rolling out Covid-19 testing facilities** in parking lots, shops, ...

★ **Ensuring deliveries** to isolated and vulnerable people

★ **Promotion of local products**



4

Supporting employment & other businesses

★ **Supporting HORECA** going digital

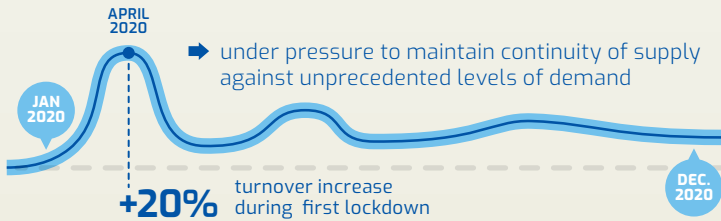
★ **Taking over surplus volumes** intended for HORECA and others

★ **Support to local farmers** and suppliers

Responsibility ★ Solidarity ★ Cooperation

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

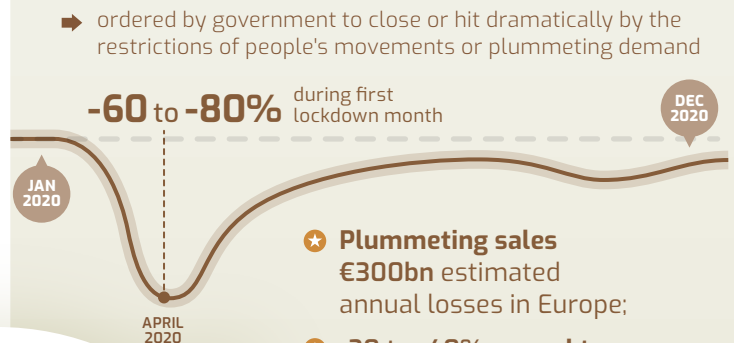
...it was the best of times for retailers selling food and groceries, the so-called “essentials”, but also DIY, toiletry and hygiene products, petfood, computers, printers, video games



- ★ **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

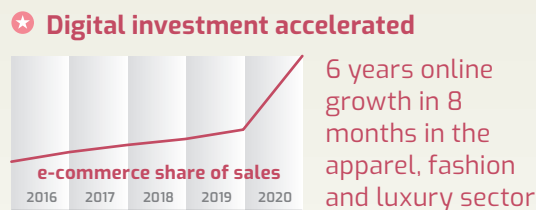
Source: Eurostat, McKinsey

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