

Piper Sandler commissioned a proprietary survey of 1,000+ consumers to better understand the current sentiment around food amidst the COVID-19 pandemic. This piece summarizes their key findings, including consumer food purchase and consumption habits, dietary adjustments encountered during the COVID-19 pandemic, and expectations going forward.

Key Takeaways

What is the consumer sentiment regarding food supply?

55% of respondents indicated that running out of food is or has been a concern since the start of the pandemic. 35% of consumers went on to say that their concerns persist week to week or have continued to rise as the pandemic continues. Refer to page 2 for detail.

How have consumers changed their food purchase habits?

36% of consumers decreased the frequency of purchasing food, yet 52% indicated higher overall food spending, suggesting a higher average spend per visit. Refer to pages 2-3 for detail.

How is online grocery performing in this environment?

Consumers are utilizing online grocery more frequently as a safe medium for purchasing food. 61% of respondents indicated they are purchasing groceries online with higher spend across all major online grocery platforms, with Amazon, Amazon Prime Now, Walmart Grocery and Instacart realizing the largest gains. Refer to page 4 for detail.

How is the pandemic impacting dietary habits? 73% of consumers previously adhering to a diet have either struggled to adequately maintain their diets or have given up their diets altogether. Refer to pages 5-6 for detail.

Do consumers anticipate maintaining COVID-19 habits?

Currently, 66% are cooking more from home and 50% have changed the restaurants from which they order take-out primarily to more affordable options. Going forward, 30% anticipate their newly adopted practices will become part of their lives. Refer to pages 7-8 for detail.

52% increased and **26%** maintained their spend on groceries

36% decreased their food purchase frequency

43% changed the food brands they are purchasing with private label, affordable and available brands benefitting relative to others

73% changed their diets
30% no longer adhere to a diet

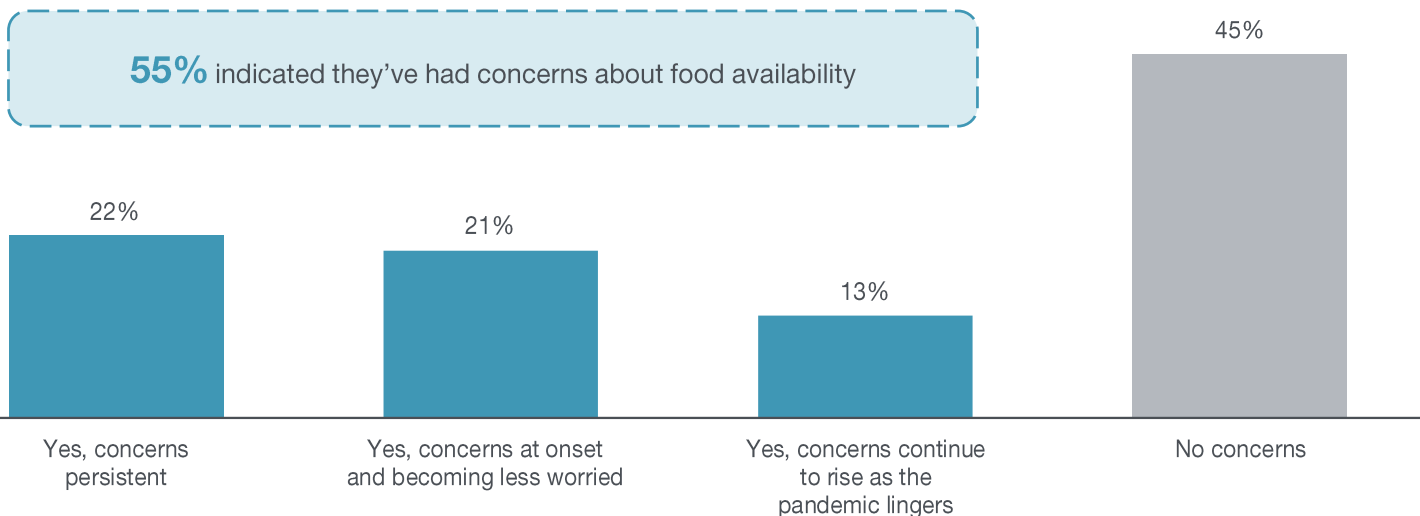
66% are cooking more
82% are making meals from scratch

Hygiene, social distancing and increased family time, including at-home meals, rank highest among the habits consumers expect to continue going forward

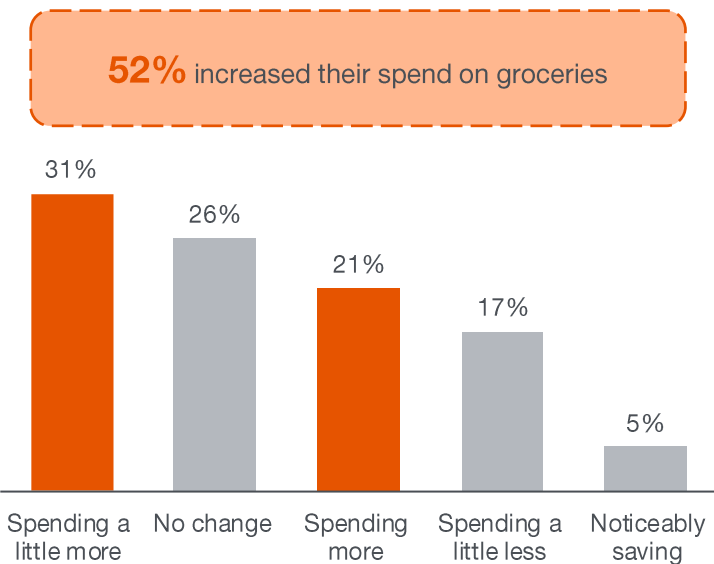
Consumers want to return to dining at restaurants with **58%** citing this as an activity they look forward to experiencing again

Availability and Safety Concerns Have Impacted Food Spending Habits: Consumers Spending More, Yet Purchasing Less Frequently

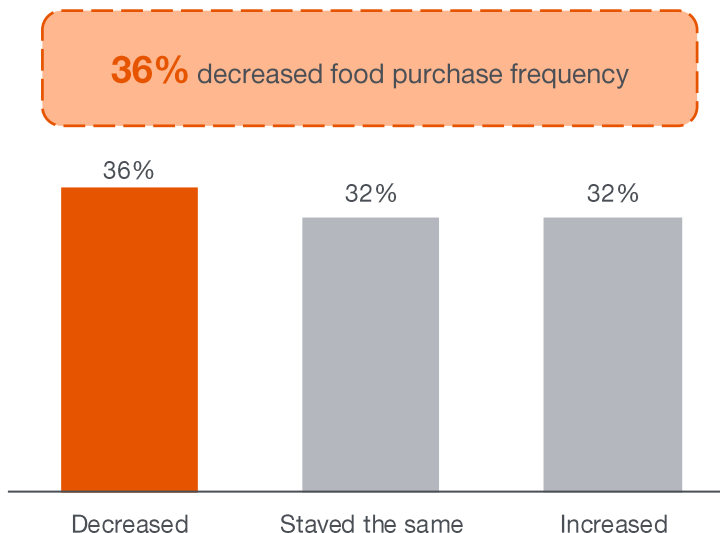
Have you had any concerns that you may run out of food, and if yes, have these concerns persisted since the start of the COVID-19 pandemic?



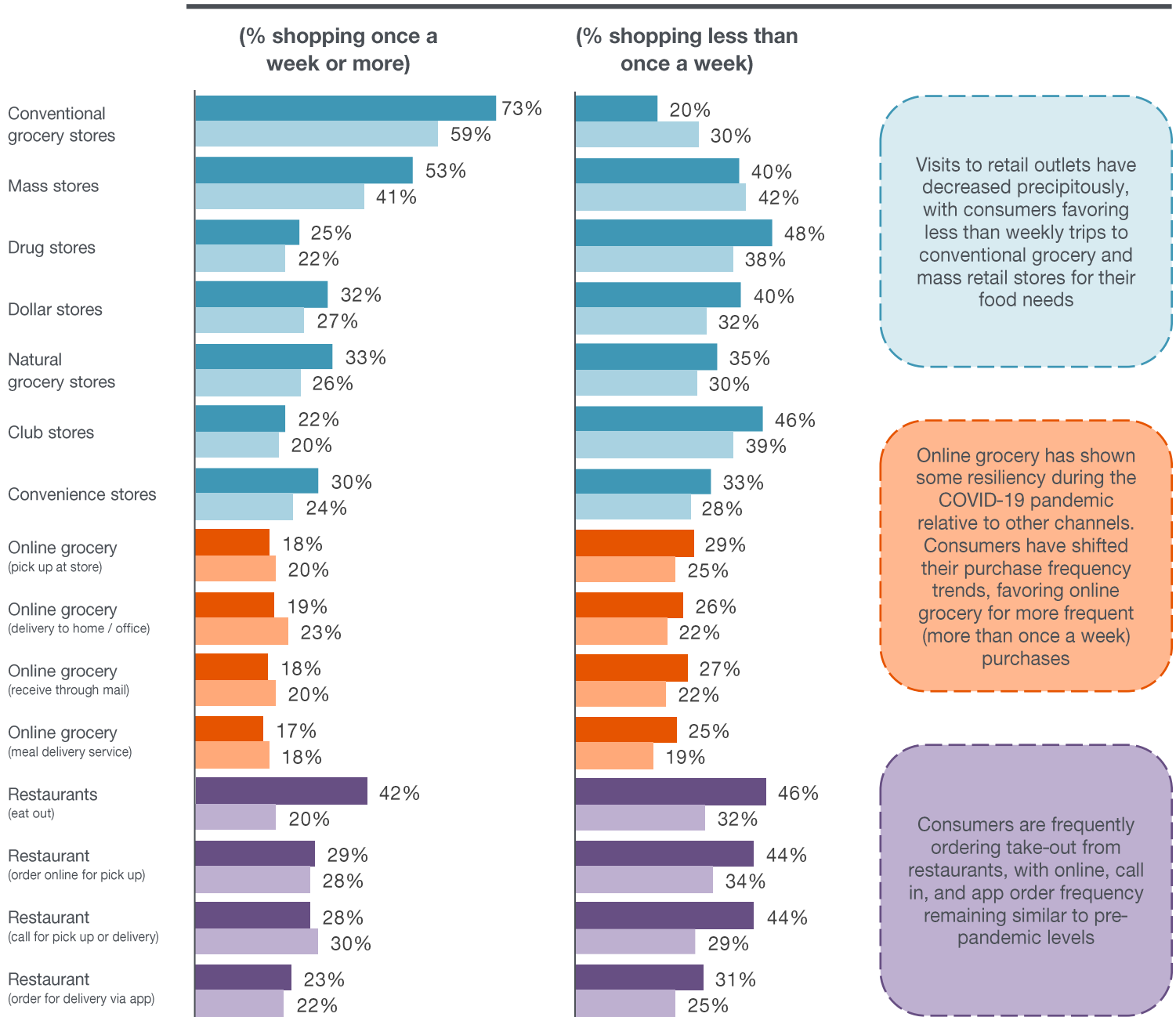
From a budgeting perspective, how is your spending on groceries compared to spending pre-COVID-19?



Have you changed your food purchase frequency since the beginning of the COVID-19 pandemic?



Consumers Have Adjusted Their Food Purchase Habits, Frequenting Less at Brick-and-Mortar and More Online

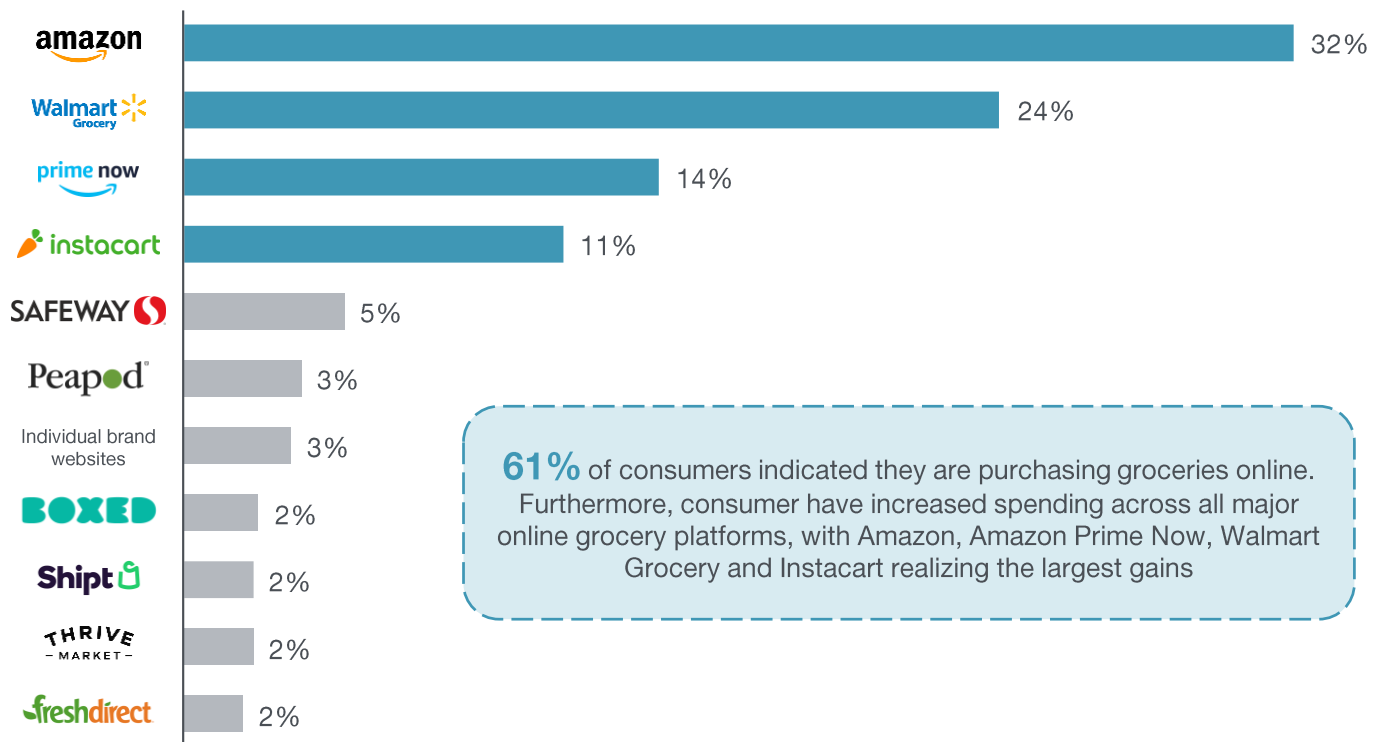


■ Retail
 ■ Online
 ■ Restaurant

Note: Dark colored bars represent pre-COVID-19 purchasing trends and light colored bars represent post-COVID-19 purchasing trends

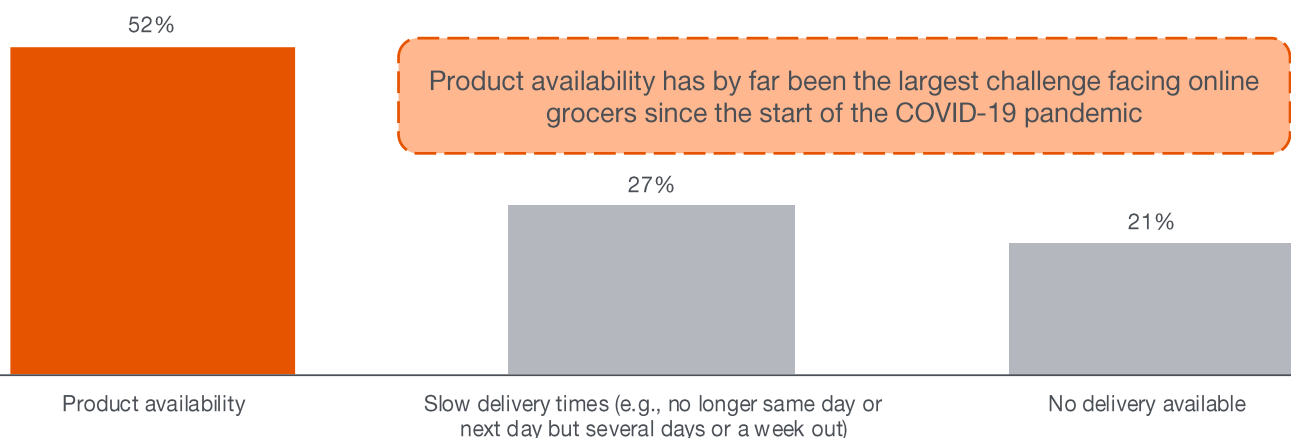
Online Grocery Platforms Are Benefiting from Changing Consumer Spending Habits...So Long as They Have Products Readily Available

If you are purchasing groceries online, have you increased usage of any particular provider based on availability or other factors?



61% of consumers indicated they are purchasing groceries online. Furthermore, consumer have increased spending across all major online grocery platforms, with Amazon, Amazon Prime Now, Walmart Grocery and Instacart realizing the largest gains

What has been the biggest challenge you have experienced with online grocery orders?

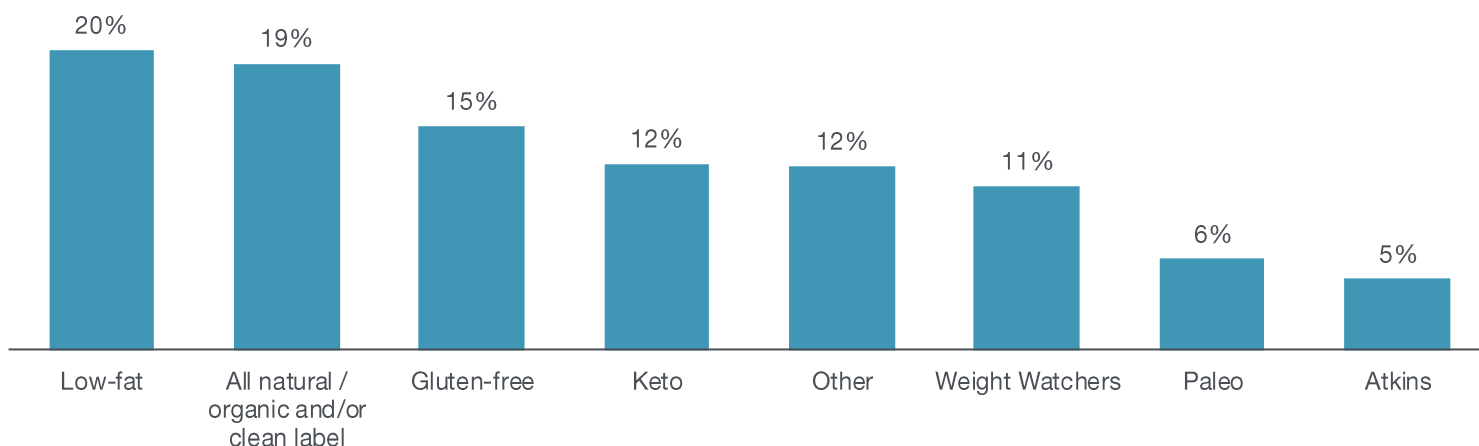


Product availability has by far been the largest challenge facing online grocers since the start of the COVID-19 pandemic

Consumers Have Modified Their Diets in Response to COVID-Induced Lifestyle Changes

Which type of diet did you typically adhere to prior to the COVID-19 pandemic?⁽¹⁾

42% of consumers indicated they followed a specific diet prior to the COVID-19 pandemic

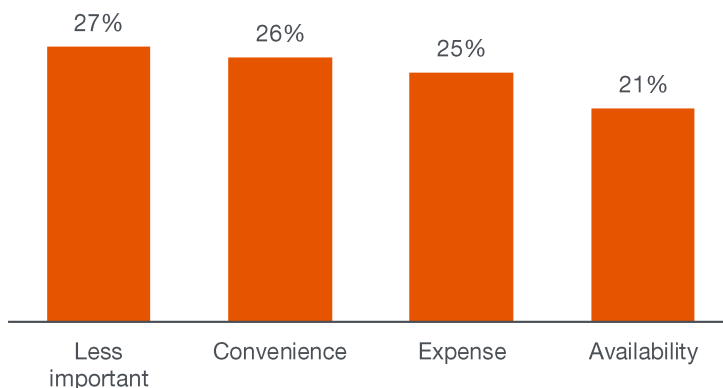
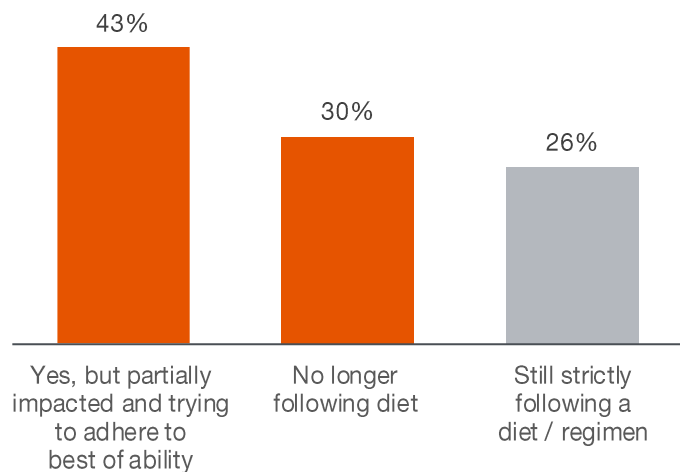


Have you been able to maintain your dietary habits in the current environment?

73% of consumers have changed their dietary habits with 30% no longer adhering to any diet

If diet was changed or partially impacted, please identify the main reasons for changing your diet.

Convenience, expense, availability and lack of importance are all cited as reasons consumers changed their dietary habits



(1) Other includes low-carb, low-sodium, low-calorie, vegan, vegetarian, diabetic, high protein and miscellaneous

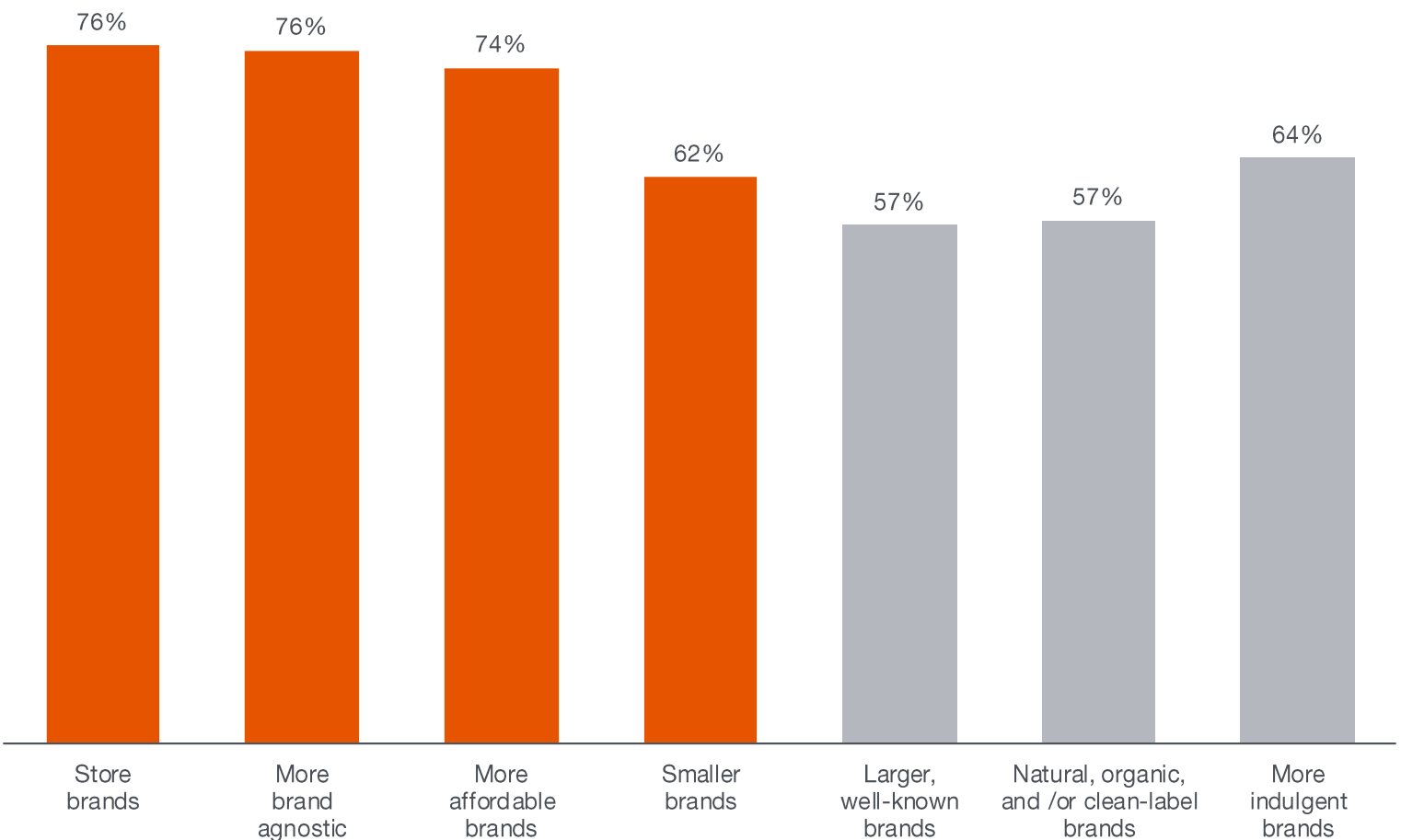
Consumers Are Stocking Up on Certain Brands and Private Label, While Leaving Other Familiar Favorites on the Shelf

Have you made changes to the food brands that you are purchasing? If yes, please specify what purchasing changes you have made (e.g., more or less frequent purchasing per brand / product category)

43% of consumers have changed the food brands that they are purchasing with private label and more affordable and available brands benefitting relative to others

% Consumers Purchasing More

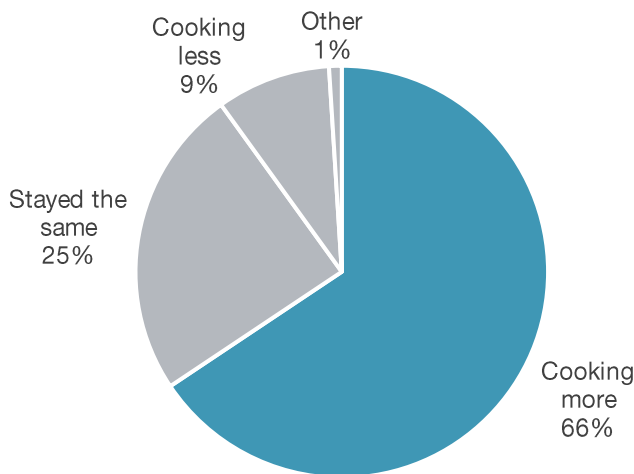
% Consumers Purchasing Less



Consumers Are Adopting New Meal Routines

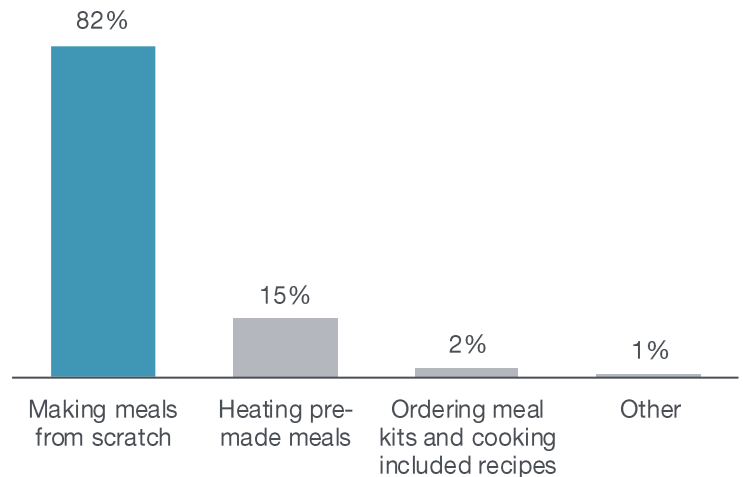
How have your at-home cooking habits changed?

66% of consumers are cooking more at home



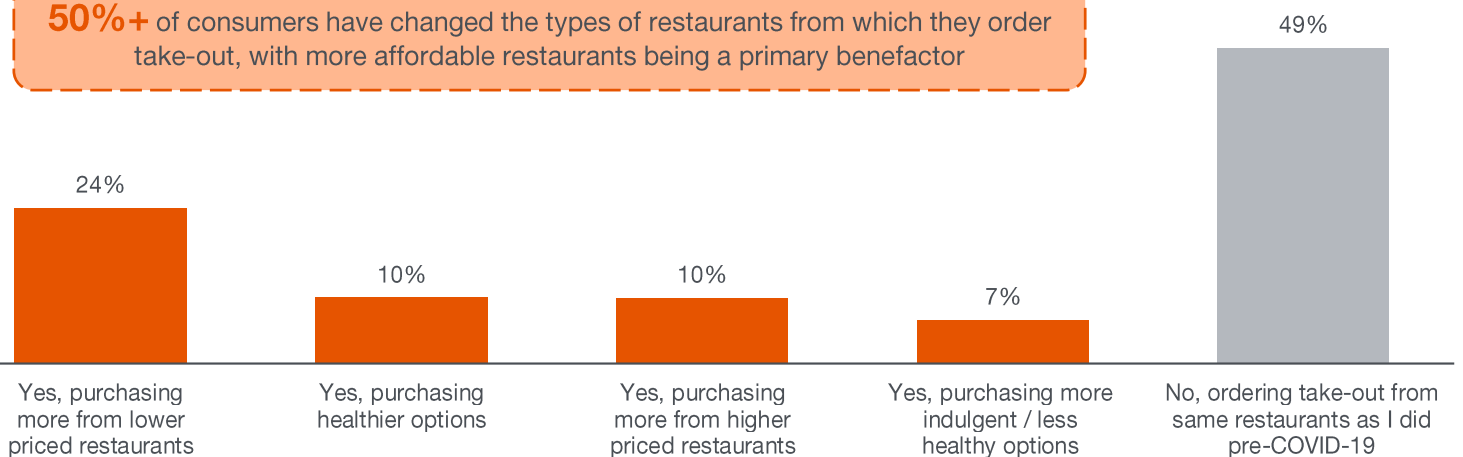
If at-home cooking frequency has increased, please elaborate on the type of at-home cooking.

82% of consumers are making meals from scratch



If you are purchasing take-out food from restaurants, have you changed the types of restaurants from which you order food?

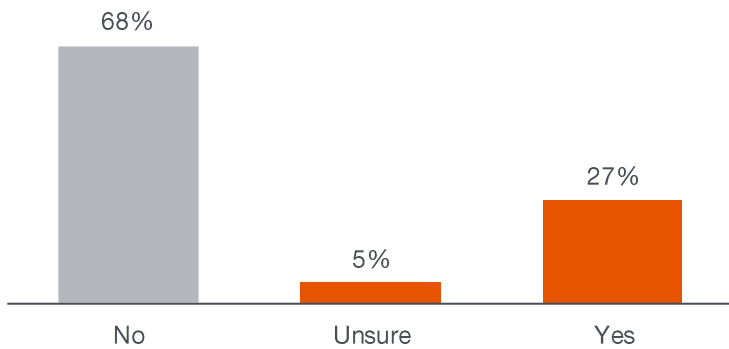
50%+ of consumers have changed the types of restaurants from which they order take-out, with more affordable restaurants being a primary benefactor



Consumers Expect to Keep Certain Recently Adopted Food Consumption and Safety Habits for the Foreseeable Future (Post-COVID-19)

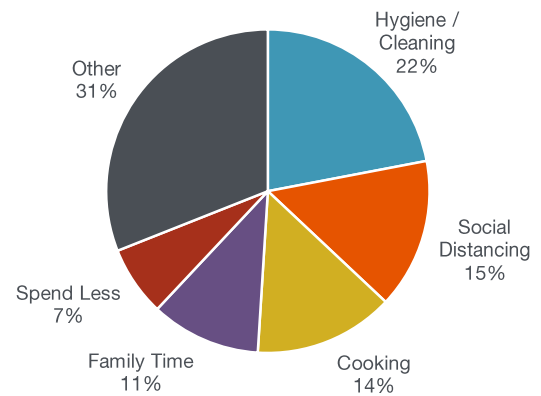
Do you anticipate maintaining newly adopted food purchasing habits after the pandemic subsides?

~30% of consumers anticipate newly adopted practices will become a part of their lives after the pandemic subsides



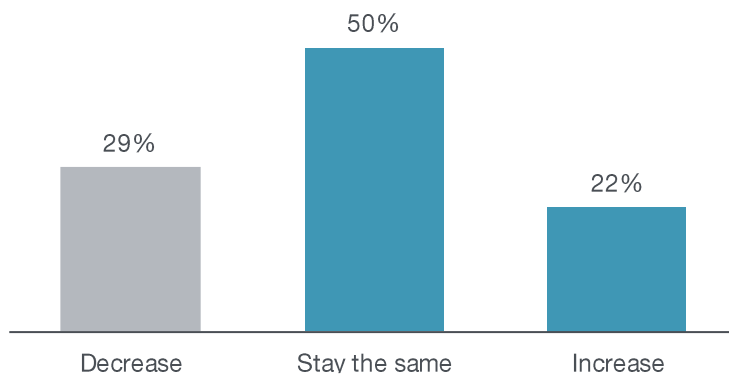
Which habits developed since the start of the pandemic do you expect to maintain over the long term?(1)

Hygiene, social distancing, and increased family time, including at-home meals, rank highest among the habits consumers expect to continue going forward



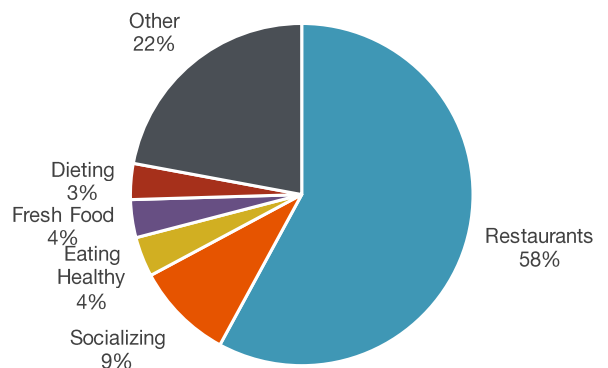
Once restrictions are lifted, do you expect your at-home meals to increase, decrease or stay the same relative to before the COVID-19 pandemic?

Going forward, 22% of consumers expect to cook more at home, 50% will return to pre-COVID-19 habits, and 29% expect to eat at home less



Describe any food-related habits or activities that you've given up during the pandemic and look forward to again experiencing once COVID-19 ends.(2)

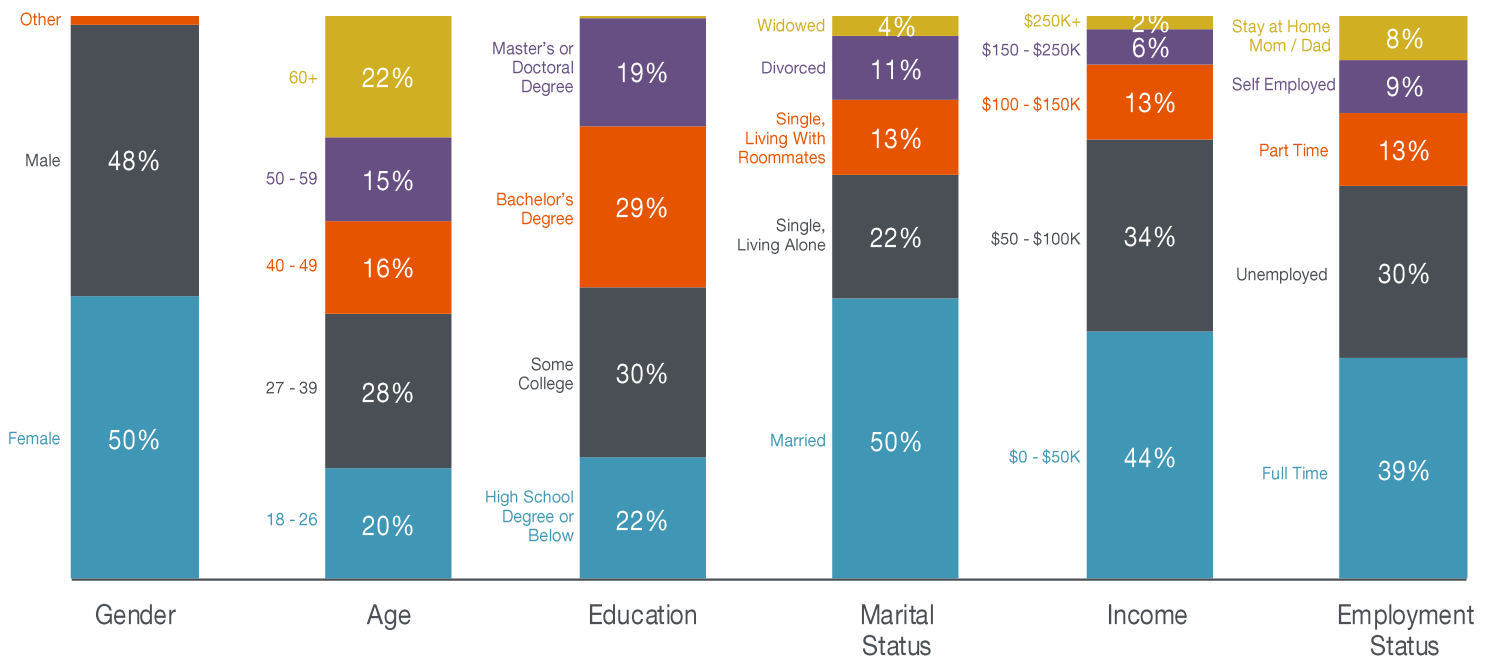
More than anything consumers want to eat out, with 58% of consumers citing this as an activity they look forward to experiencing again



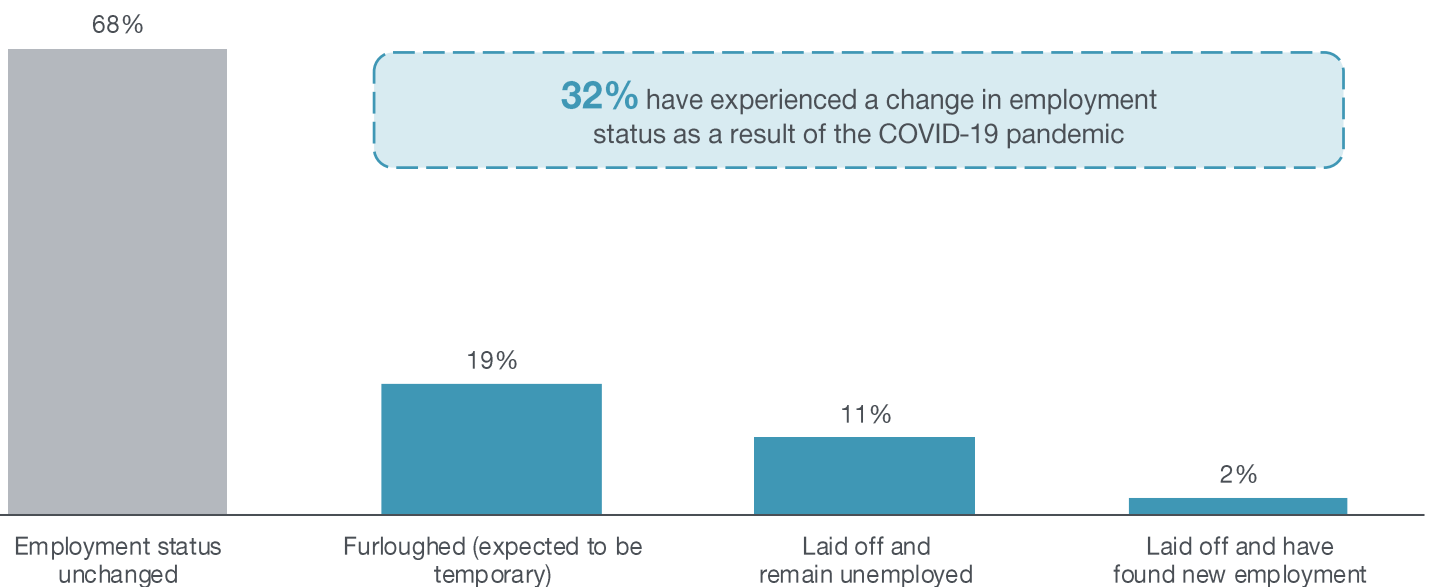
(1) Other includes stockpiling essential items, healthy eating, eating less, ordering more takeout, more online shopping, exercising more and regularly wearing protective equipment in public
 (2) Other includes shopping, product availability, eating a variety of different foods and traveling

Consumer Survey Demographics

Participant Demographic Profile



Impact of COVID-19 on Employment



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