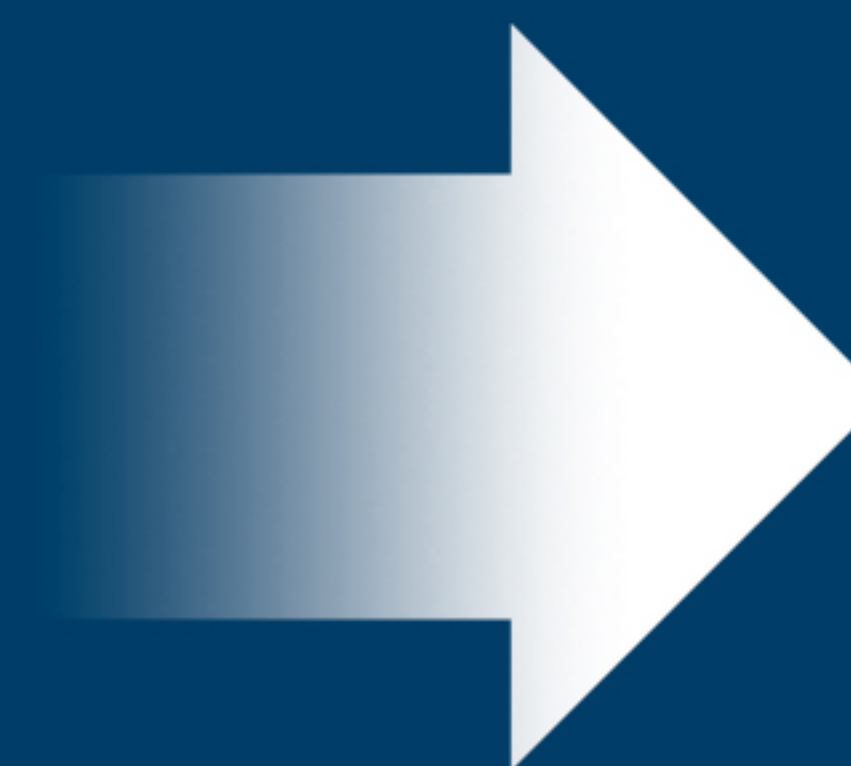
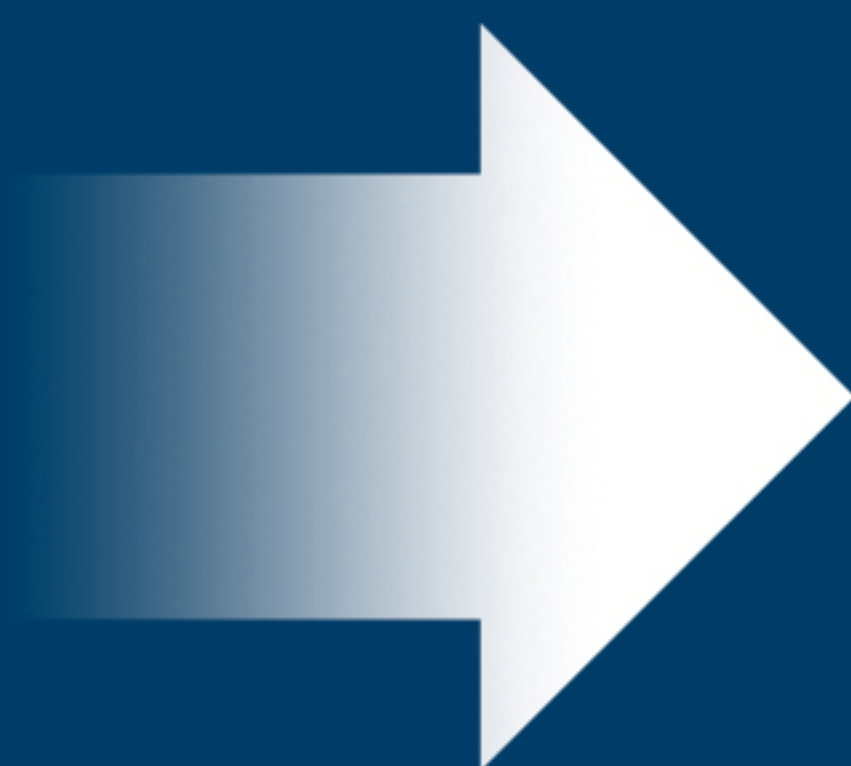


RECENT IN RETAIL COLD & FLU FINDINGS

The US flu season typically begins in October, peaks between December and February — and continues into March. An estimated 12,000 to 61,000 Americans die of flu-related complications annually. And now, CDC experts are predicting that the fall and winter seasons of 2020 and 2021 will be one of the most challenging for the American public health system yet. Read on to discover what's to come within the cold & flu category.

The power of OTC Medication

With more than 40 million Americans jobless as a result of COVID-19, more and more people are feeling anxious about healthcare bills. As we head into cold & flu season, we expect consumers to rely on OTC medication to help them safeguard their health and economic welfare.



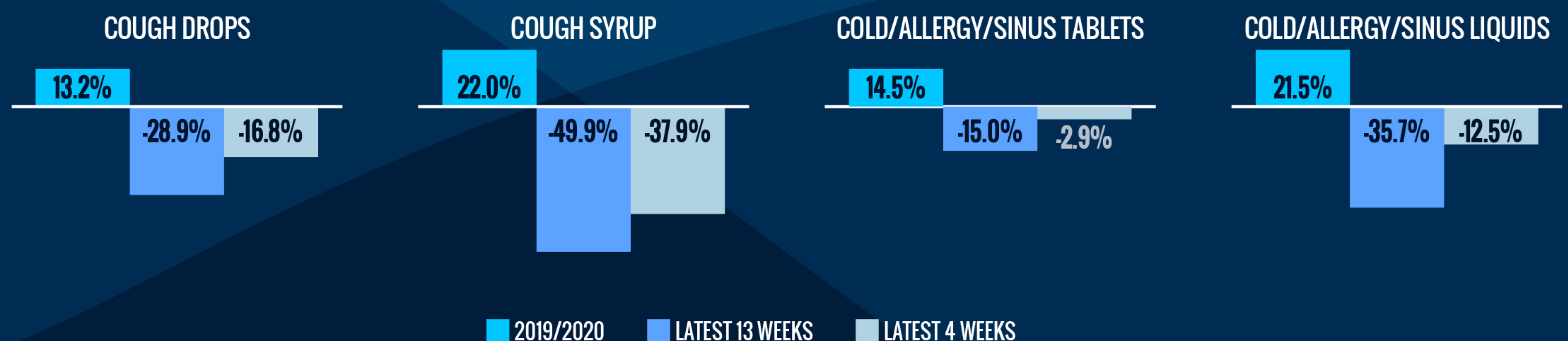
≈111MM WORKDAYS ARE LOST ANNUALLY FROM THE FLU — which translates to a \$16.3BN loss in earnings annually

MANY PEOPLE TURN TO OTC MEDS FOR AFFORDABLE AND CONVENIENT CARE — which saves the American healthcare system over \$146BN annually

81% OF ADULTS USE OTC MEDICATIONS AS A FIRST RESPONSE TO MINOR AILMENTS, including symptoms brought on by cold and flu

Flu remedies are rising...again

Items directly related to treating cold/flu symptoms saw a large YOY growth during the 2019/2020 flu season — mostly due to COVID-19. Medications used to alleviate the flu can also be used for COVID-19 symptoms, causing sales to be over-inflated. That growth dramatically slowed once the season ended and is now beginning to pick back up as the new cold & flu season begins.



What's to come with cold & flu?

Predictive weather forecasting has indicated a late start to the 2020/2021 flu season. Despite the late start, the season is anticipated to be one of the most intense due to the presence of COVID-19. Brands should be prepared for the high demand of OTC flu-relief medication and supporting products.



DELAYED FLU SEASON

A warmer and drier fall season could delay the start and peak of flu season — pushing it to late January 2021



MORE PROACTIVE HEALTH PRACTICES

Vitamin sales are up +14.7% vs YA — likely in an attempt to prevent COVID-19 or other illnesses — making it the top selling product in the VMS category



CONTINUED CLEANING & PERSONAL HYGIENE

Heightened sanitization designed to limit COVID-19 are also effective against the flu — an increased demand for soap, hand sanitizer and face masks are likely



A GROWTH IN NON-HEALTH PRODUCTS

OTC meds are obvious, but non-healthcare and comfort items are essential during any illness — expect a rise in tea bags, soup, electrolyte drinks and more

How to catch cold & flu opportunities

The COVID-19 pandemic is leading us into a heavier and more stressful cold & flu season. We know consumers will be turning to OTC medication, cleaning products and trending vitamins/ingredients when it comes to staying healthy — leaving a big opportunity for retailers to connect and comfort shoppers this season.



MAKE ACQUISITION A PRIORITY

Consumers are willing to try new products now more than ever — just to avoid getting sick. What are your marketing strategies to capture this audience?



CONSIDER NEW INGREDIENTS

Sales for melatonin, vitamin D, phosphatidylserine, collagen, zinc and mushrooms have increased during COVID-19. How can your brand leverage these items?



INTRODUCE BETTER MESSAGING

Buying OTC meds can be overwhelming — especially if you're the sick one. Consider clear navigation, extra displays and digital endcaps to help consumers.



CREATE EASY-TO-USE E-COMMERCE

As shoppers move from in-store to online to avoid crowds, how can you improve their experience and replicate the excitement of new finds and deals?

How is your brand getting ahead of this soon-to-be congested cold & flu season? We can help.

IRI Unity MULO- 4-wk Period ending 7.12.20; 2019/2020 Flu Season 10/6/2019 - 3/29/2020; 13-week period 4.26.20-7.12.20
Numerator Trip Types CCF category 7.29.2019-07.26.2020
Vaccine Medical Journal 2007- The annual impact of seasonal influenza in the US: Measuring disease burden and costs
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