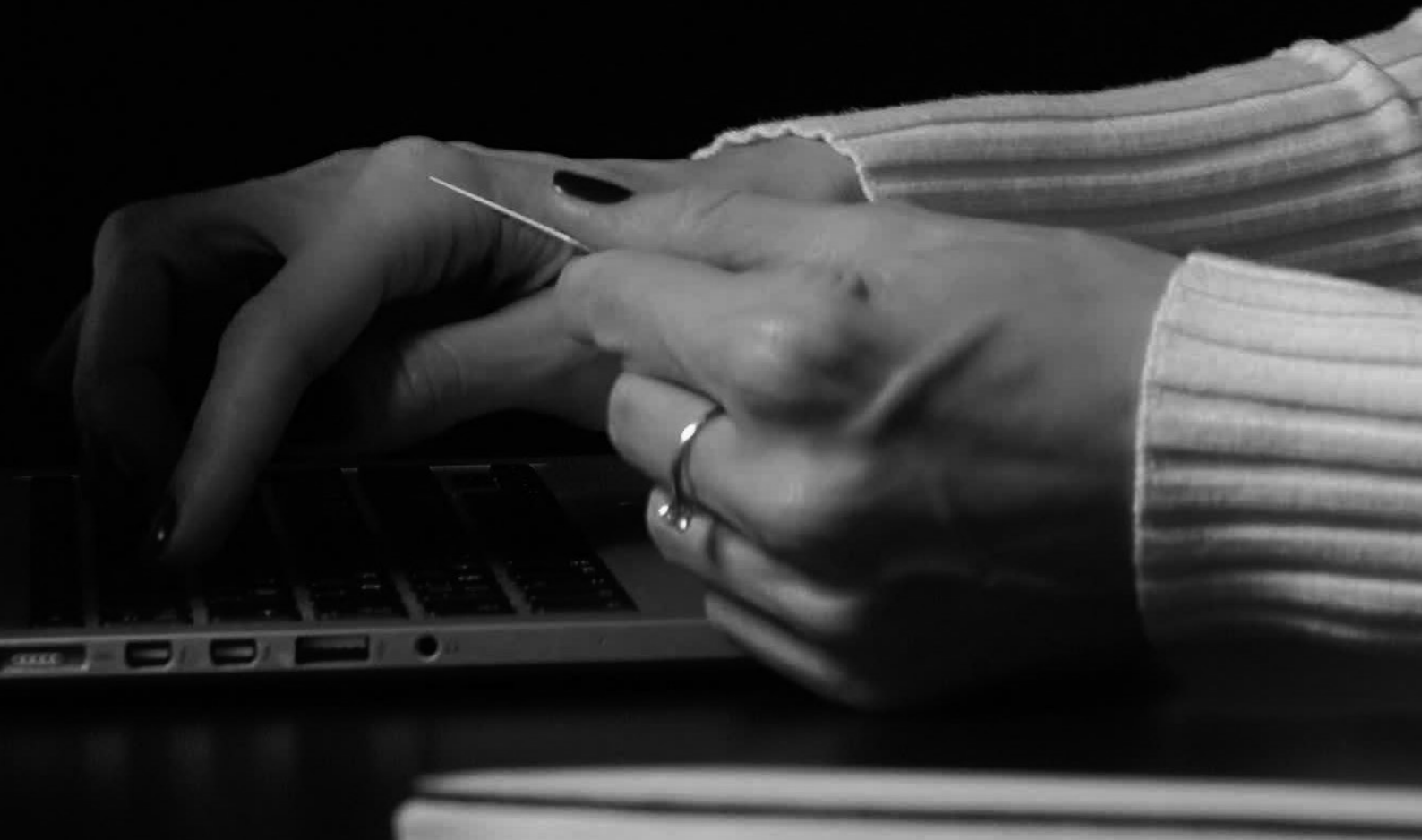


RETAIL WEEK SERIES:

Germany and
Switzerland



1 GOING DIGITAL, IN MORE WAYS THAN ONE

Fewer than one in five Western European consumers had purchased groceries online before the pandemic. Even among these scant numbers, the share of ecommerce in total grocery shopping has been among the lowest in Germany and Switzerland. The number has hovered around the 1 to 2% mark for the last few years – but the pandemic may have advanced the countries four to five years into the future. We expect some consumers who had never before bought food or groceries online will stick around, thus increasing the overall market share measurably. Both countries also experienced another dramatic culture shift as retailers, big and small, raced to implement digital payment methods. While cash has always been the most preferred mode, contactless payment is now in high demand. And it is likely to stay that way. According to one survey, 47 percent of the German population has significantly **reduced cash use**, while one in two would like to use contactless payment methods more frequently going forward.

2 COMING TOGETHER FOR THE GREATER GOOD

After brands – Aldi and McDonald's in this case – came together during the height of the crisis by reallocating restaurant employees to grocery delivery, there is more business cooperation afoot. In an attempt to save city centers, the country's property association and the official German retailer representative group have agreed upon rent guidelines both for when stores were closed and going forward for the next few months. Of course, upheaval will continue in nonfood retail, but these measures should give struggling retailers some runway. Many companies were also able to put their employees on government-sponsored furlough programs. This has been extended to 18 months in Switzerland and 24 months in Germany.

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ABOUT US

For nearly forty years, AlixPartners has helped businesses around the world respond quickly and decisively to their most critical challenges – circumstances as diverse as urgent performance improvement, accelerated transformation, complex restructuring and risk mitigation.

These are the moments when everything is on the line – a sudden shift in the market, an unexpected performance decline, a time-sensitive deal, a fork-in-the-road decision. But it's not what we do that makes a difference, it's how we do it.

Tackling situations when time is of the essence is part of our DNA – so we adopt an action-oriented approach at all times. We work in small, highly qualified teams with specific industry and functional expertise, and we operate at pace, moving quickly from analysis to implementation. We stand shoulder to shoulder with our clients until the job is done, and only measure our success in terms of the results we deliver.

Our approach enables us to help our clients confront and overcome truly future-defining challenges. We partner with you to make the right decisions and take the right actions. And we are right by your side. When it really matters.

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