



WHITE PAPER

CPG KILLED IT IN E-COMMERCE IN 2015

LEADING BRANDS SURPASS GROWTH EXPECTATIONS

TOIODATA

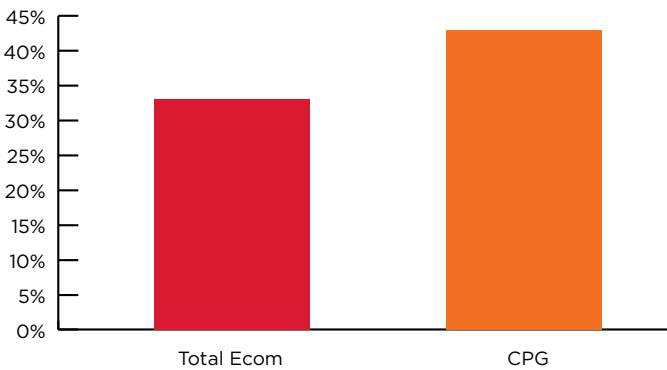
MORE POWER TO YOU

A YEAR OF GROWTH

2015 was a massive growth year for most consumer packaged goods (CPG) categories online. According to estimates from 1010data, retail e-commerce sales grew by 30% over 2014. In store sales for most categories remained nearly flat (U.S. Census Dep't).

While total e-commerce grew by 30%, CPG grew at an even faster pace of 42% year over year. Much of the growth was fueled by Amazon's Subscribe and Save feature (SNS) being the default selection for many Amazon users as they check out. Over 20% of all growth in CPG came from SNS.

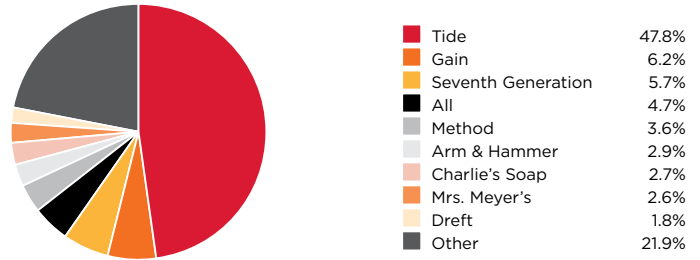
CPG vs Total E-Com Growth 2015 YOY U.S.



Source: 1010data Ecom Insights

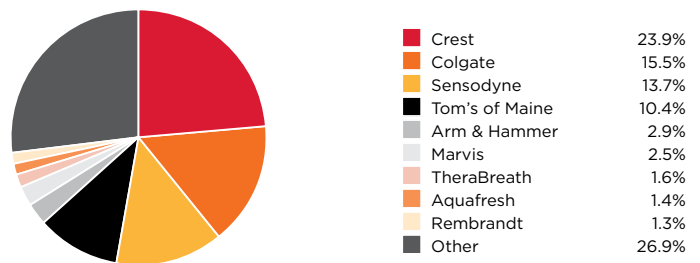
Amazon SNS revenue for the 50 CPG categories we measured grew by a whopping 214% - that's the beauty of the compounding nature of subscription sales. The 3 largest SNS categories were baby diapers, pet food, and coffee. The fastest growing were hair care, baby wipes, and deodorant.

The fastest growing category across total e-commerce we measured was Laundry Detergent with 85% YOY growth. Laundry Detergent is dominated online by Tide, who had 48% percent market share.



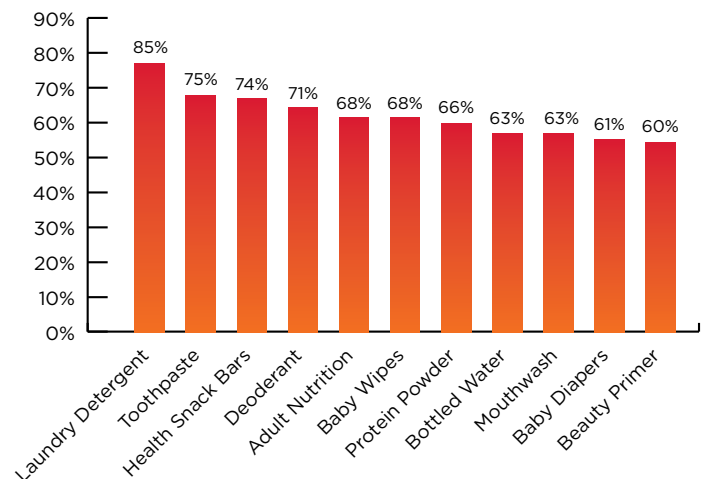
Source: 1010data Ecom Insights

The category that came in second place for growth was Toothpaste with 75% YOY growth, with Crest leading the way in terms of market share. Colgate Palmolive owns both the Colgate brand and Tom's of Maine. When you combine both those brands, as a manufacturer, Colgate Palmolive is the leading seller online toothpaste seller with 26% market share.



Source: 1010data Ecom Insights

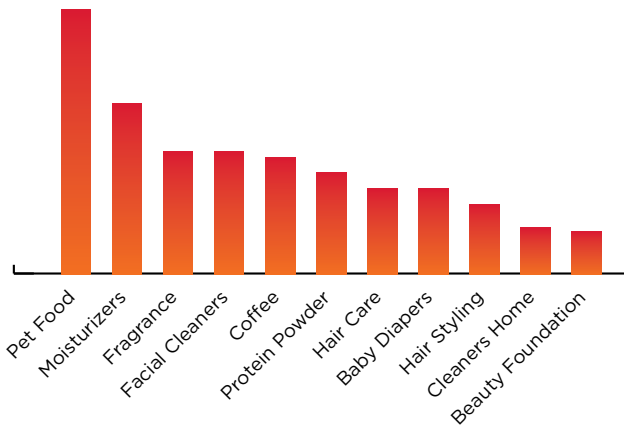
Top 10 CPG Categories YOY Ecom Growth U.S.



Source: 1010data Ecom Insights

The largest category in CPG, according to 1010data estimates, is pet food, which did \$760M in e-commerce sales in the U.S. in 2015, up 55% from \$490M the prior year. The next largest categories were Facial Moisturizers and Fragrances with \$450M and \$330M in revenue respectively and 25% and 11% growth respectively.

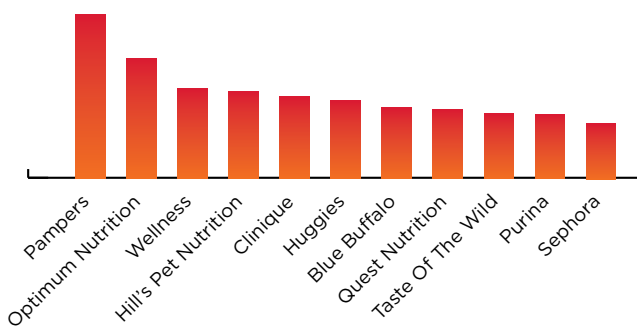
Largest CPG Categories in \$ Sales Online U.S. 2015



Source: 1010data Ecom Insights

The CPG brand that sold the most in 2015 was Pampers followed at a distant second by the protein brand Optimum Nutrition.

Biggest Selling CPG Brands in \$ Online 2015 U.S.



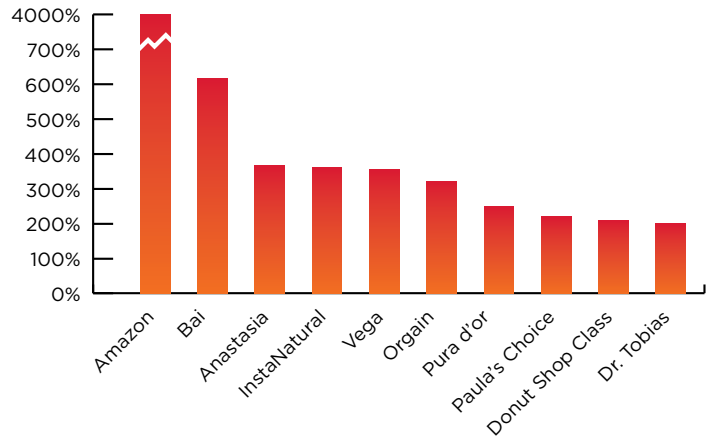
Source: 1010data Ecom Insights

The fastest growing brand that did more than \$5M in annual sales in 2015 was Amazon's own CPG brand (Amazon Elements) that sells parenting staples such as Amazon Elements Baby Wipes. Amazon Elements

grew by over 4000% in CPG sales. Not big dollars yet, but they are well on their way.

Bai energy drinks grew by 625% and took the second place in growth for \$5M+ brands.

Fastest Growing Brands Online \$5M+ Sales U.S. 2015



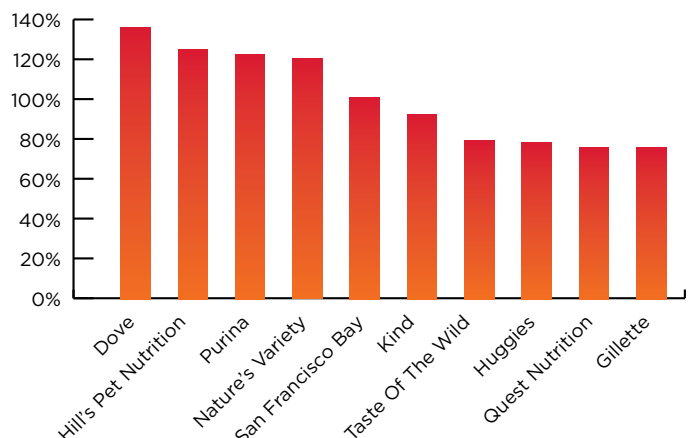
Source: 1010data Ecom Insights

The fastest growing brand that did more than \$20M in online sales in 2015 was Dove with 136% YOY growth. There were only 40 brands in the CPG categories we measured that did over \$20M in annual sales in 2015.

The #2 and #3 growth winners amongst the larger brands were pet food with Hill's Pet Nutrition growing 126% and Purina growing 123%.

Four of the top ten fastest growing large brands were pet food.

Top 10 Fastest Growing Online Brands \$20M+ Sales U.S. 2015



Source: 1010data Ecom Insights

E-commerce is still less than 10% of total sales and often less than 5% for major CPG manufacturers such as P&G, J&J, Unilever, Mondelez, Coca-Cola, and Pepsi. However, the majority of their sales growth in the U.S. is coming from e-commerce in many categories.

Over the past 12 months, we at 1010data have experienced a surge in interest in online insights from major CPG companies given these growth statistics. We will be presenting at eTail West in February if you want to talk in more depth. **Reach out to us at sales@1010data.com.**

METHODOLOGY

1010data's Ecom Insights panel consists of millions of online shoppers in the U.S. who allow 1010data to anonymously track their online behavior for market research purposes, including e-commerce activity.

1010data applies advanced, proprietary statistical modeling, machine learning, and data science techniques to ensure that its panel is representative of the Internet Browsing Population in the U.S. and suitable to extrapolate observations to the broader population.

Retailers measured include the top 100 online mass retailers in the United States that – according to 1010data's estimates – make up over 95% of dollars spent online on hard line goods.



ABOUT 1010DATA

Gaining actionable insight from Big Data requires both access to all relevant data and the best analytical tools to analyze it. 1010data is a complete solution that provides both. In fact, it's the only solution that serves the entire gamut of data insight needs, from Big Data Discovery to enterprise reporting to the sharing of Big Data among disparate organizations. More than 750 of the world's largest retail, manufacturing, telecom, and financial services enterprises trust 1010data to manage and analyze over 25 trillion rows of data because of 1010data's proven ability to deliver actionable insight more quickly, easily and inexpensively than any other solution.

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