Market and Consumer Study

Germany

08.06.2021

Agenda

01
Research Design

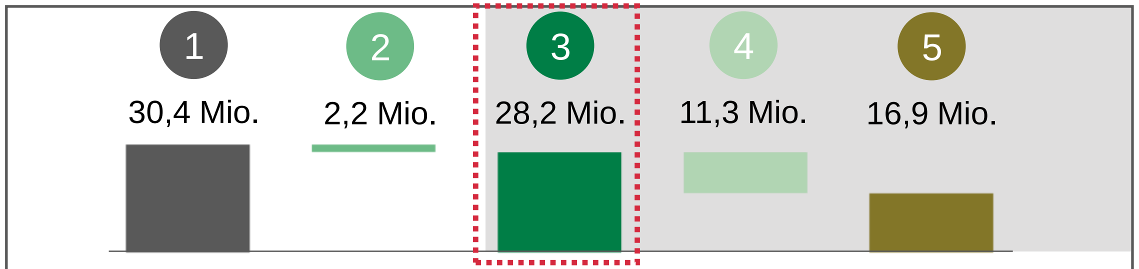
Sampling | Questionnaire | Target Group Description | Competitor Set

Research Design | Market Potential

The study at hand is representative for 28.2m onliners with eyewear need (e.g. glasses, lenses). Thereof, 59% would definitely or probably consider buying glasses online today.

Methodology	Online interview (CAWI) by means of a structured questionnaire
Sample	n=2.070 Market | n=4.165 Mister Spex customers
Field Time	18.02.2021 – 05.03.2021
Market Sample	representativeness ensured by controlling for available secondary data sources within the population with eyewear need: 1. gender | 2. age | 3. region | 4. net income | 5. glasses & contact lenses penetration
Client Sample	representativeness ensured by controlling for Mister Spex internal data warehouse metrics across buyers in the last 24 months: 1. product category segmentation | 2. contribution margin cluster prescription glasses | contribution margin cluster contact lenses | 4. gender | 5. age
Panel Full-Service and Data Analysis	Dynata Deutschland GmbH Kaiserstr. 13 60311 Frankfurt

Competitors



1 Population with eyewear need at the age of 18-69 years
(source: b4p 'best for planning' 2020 III)

2 Population without internet usage
(source: Eurostat EU database)

3 Representative potential*

4 Population not considering buying glasses online
(source: study at hand; online purchase of glasses -> 'not sure' + 'probably not + 'definitely not' (bottom3 %)

5 Representative relevant online market**

* Representative potential = 28.2m consumers represented by n=2.070 market respondents (entire market sample) | ** sub-sample of representative potential indicating online business opportunity

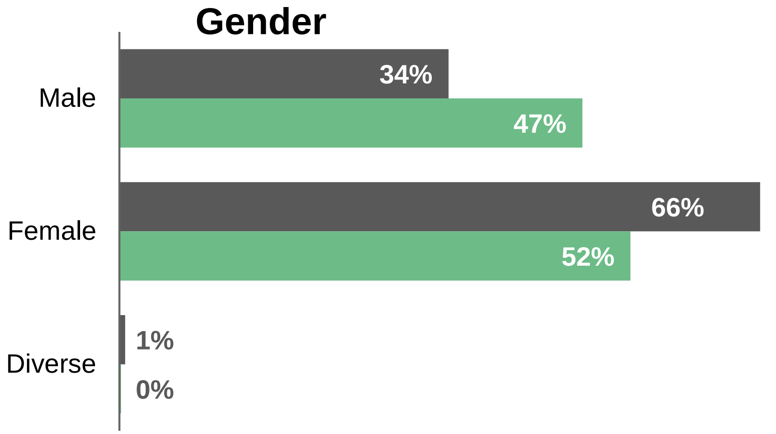
02
Target Group Profiling & Usage Behavior

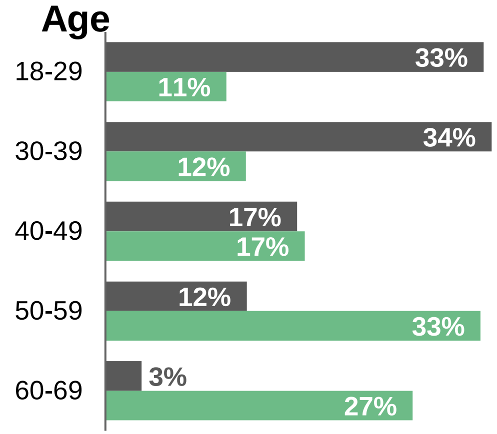
Demographics | Information & Consumption Behavior | Online Purchase | Motivation & Needs

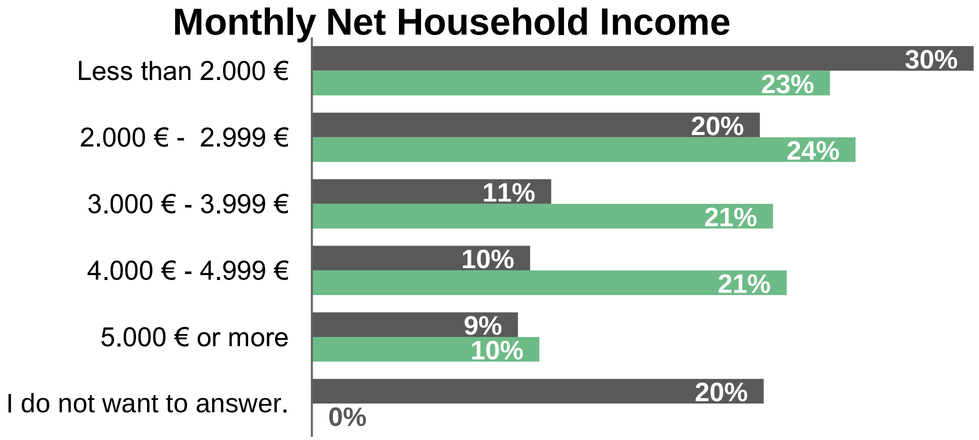
Key Demographics (1/2)

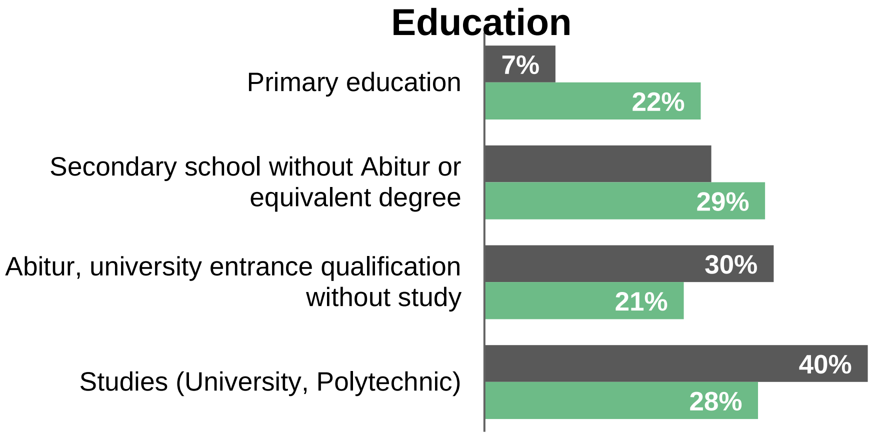
Mister Spex client base consists of significantly younger age groups (≈ 2/3 < 40 years old vs. 23% in the market). In addition, education levels in the Mister Spex database are higher compared to those in the overall market.

■ Customers ■ Market









Q1: Gender | Q2: Age | Q4: Education | Q31: Monthly Net Household Income („I don't want to specify" only in Customer-Sample)

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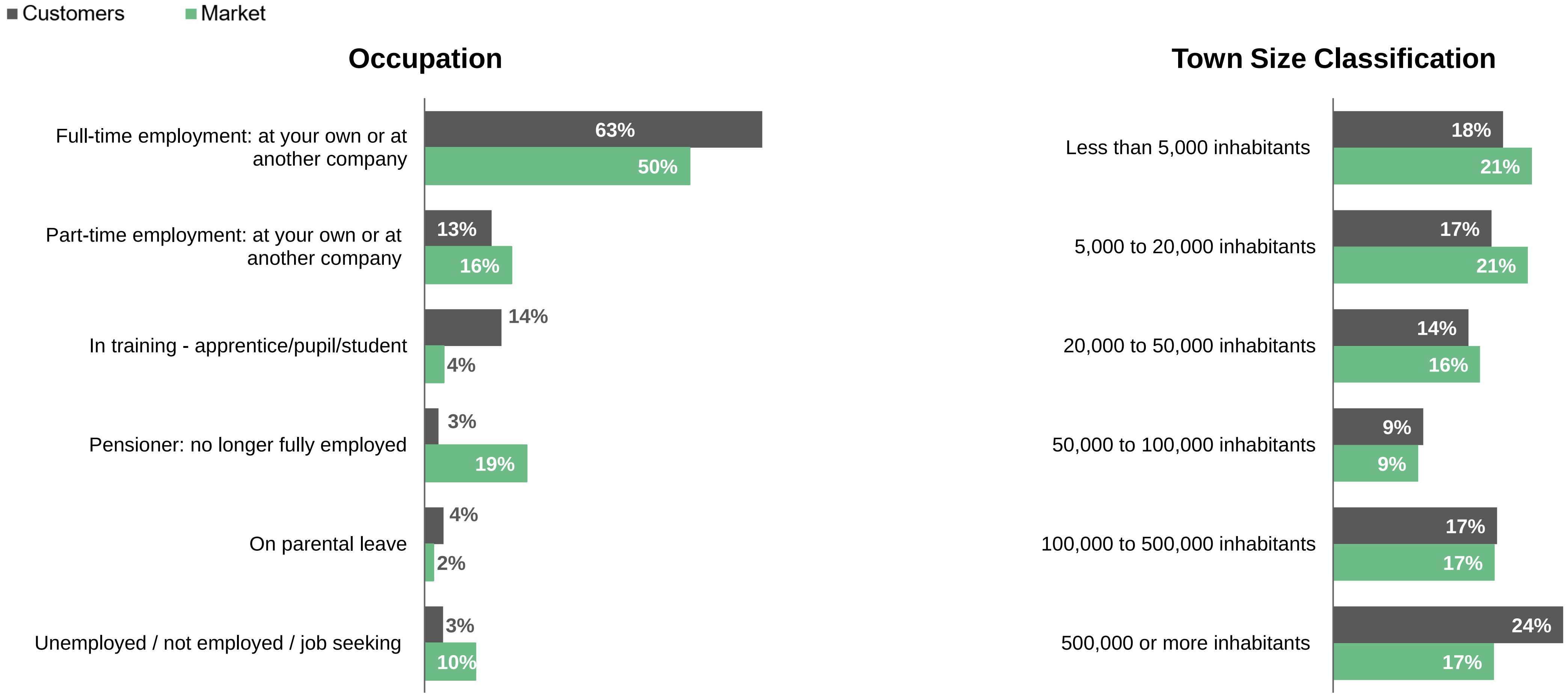
Key Demographics (2/2)

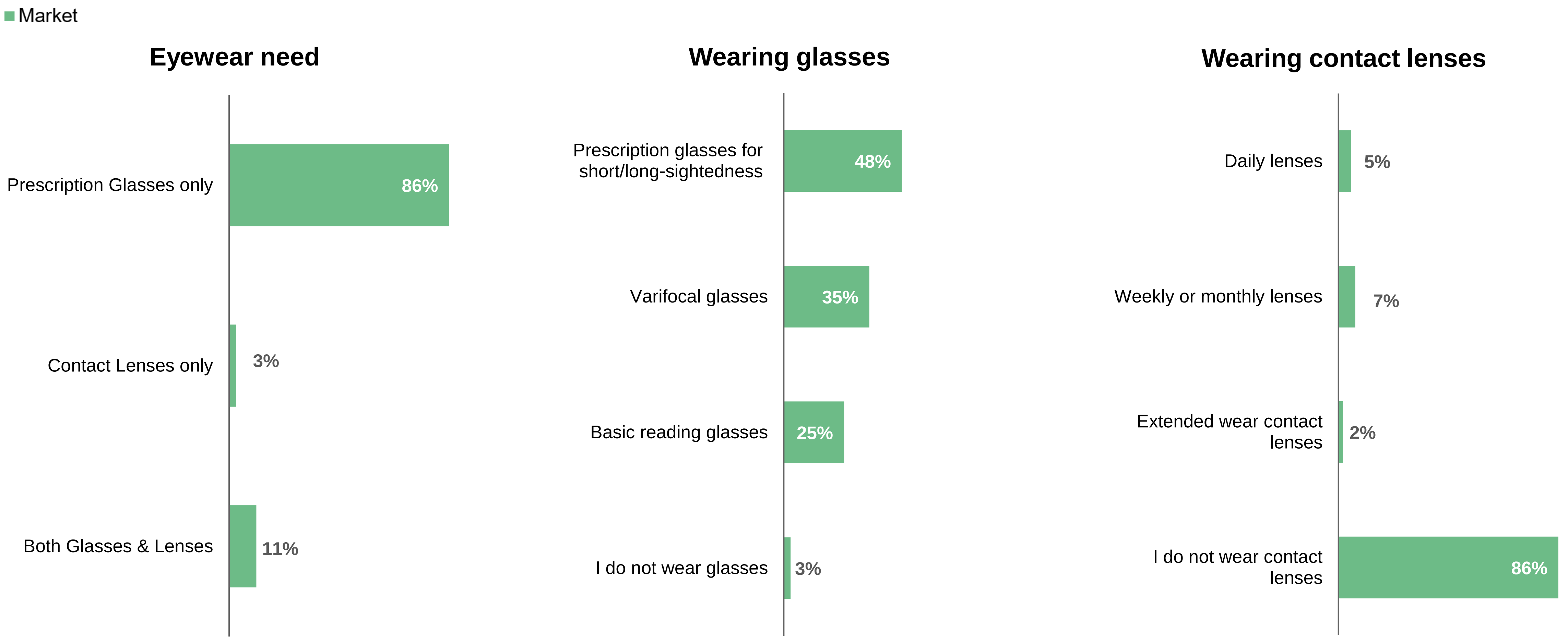
Full-time employment and student share is higher at Mister Spex, driven mainly by age distribution. Mister Spex reaches more people in the largest cities (+7%).



Q32: How would you describe your occupation? | Q33: How many inhabitants does your place of residence have?

Glasses & Contact Lenses Penetration

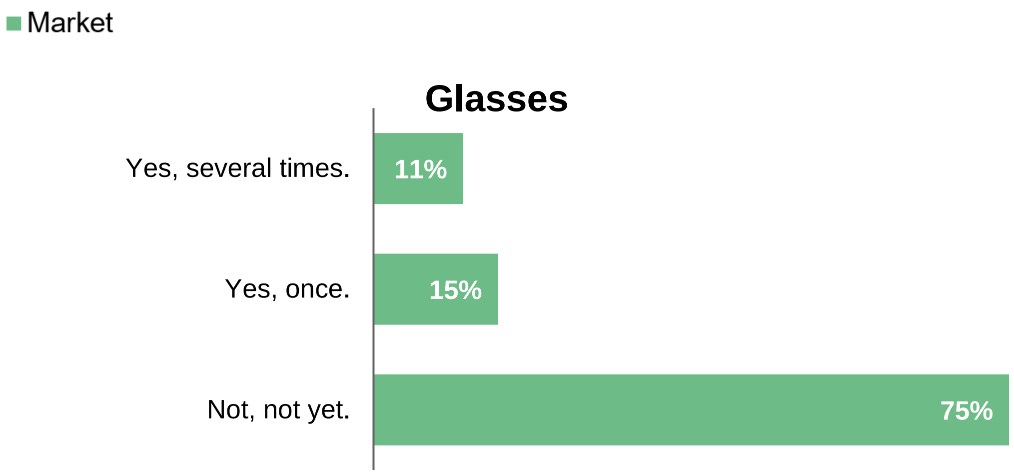
Almost everyone in the market population with eyewear need (97%) uses prescription glasses, whereas relatively few use contact lenses only (3%). Glasses for short/long sightedness is the dominant category (48%).

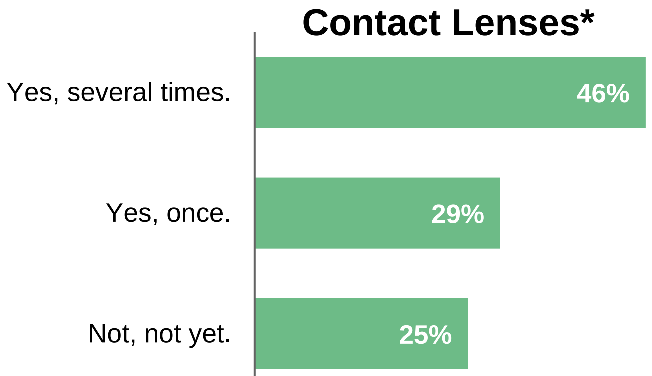


Q5: Which of the following glasses do you wear? | Q6: Which of the following contact lenses do you usually wear?

Online Purchase Share & Online Consideration

About 1/4 of respondents in the market have purchased glasses online, whereas 3/4 have bought contact lenses; 60% in the market definitely or probably consider buying glasses online.





Q10: Have you ever ordered glasses or contact lenses on the internet? | *Base: respondents wearing contact lenses ≈ 13.5% (n=280, weighted) within the eyewear population
Q7: In principle, could you imagine ordering glasses online?

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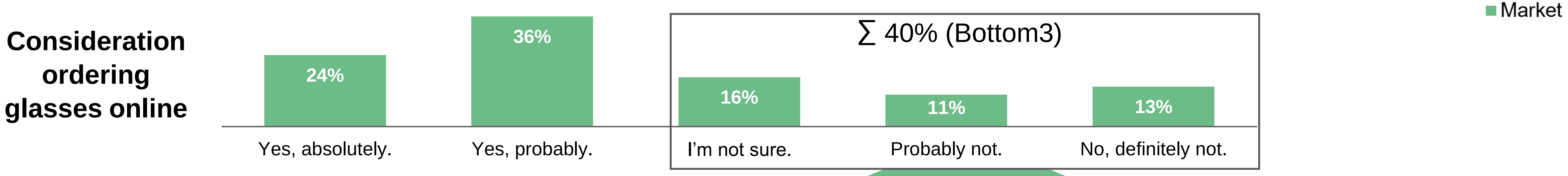
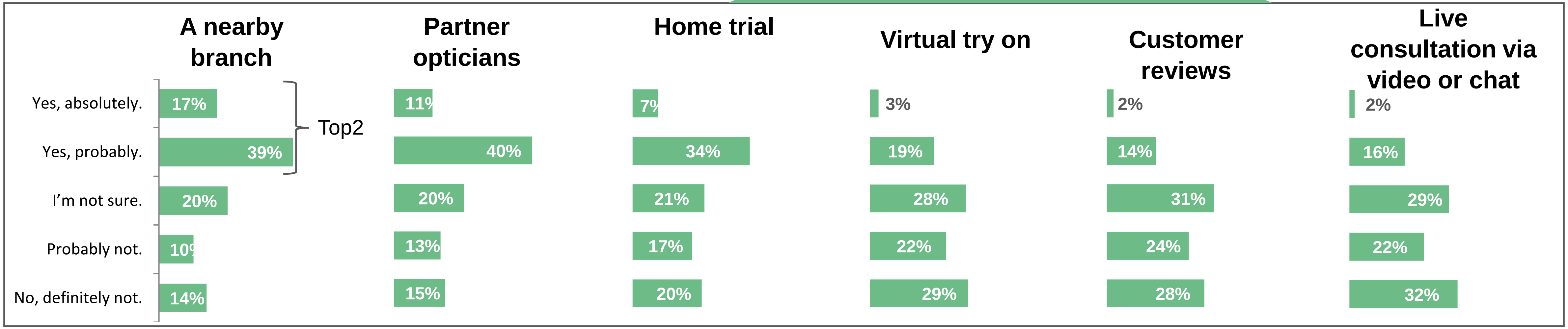
Consideration Ordering Glasses Online| Added Services

By providing additional omni-channel services, another 27% could be inclined to purchase online; retail services in branches or at partner optician and home trial serve as key drivers for online-purchase.





≈ 26,9% additional online purchase potential

67% (Top2 consideration of <u>at least one</u> omni-channels service) x 40% (Bottom3)

Q7: In principle, could you imagine ordering glasses online? | Q8: Could you imagine purchasing glasses online if the following services were available to you?

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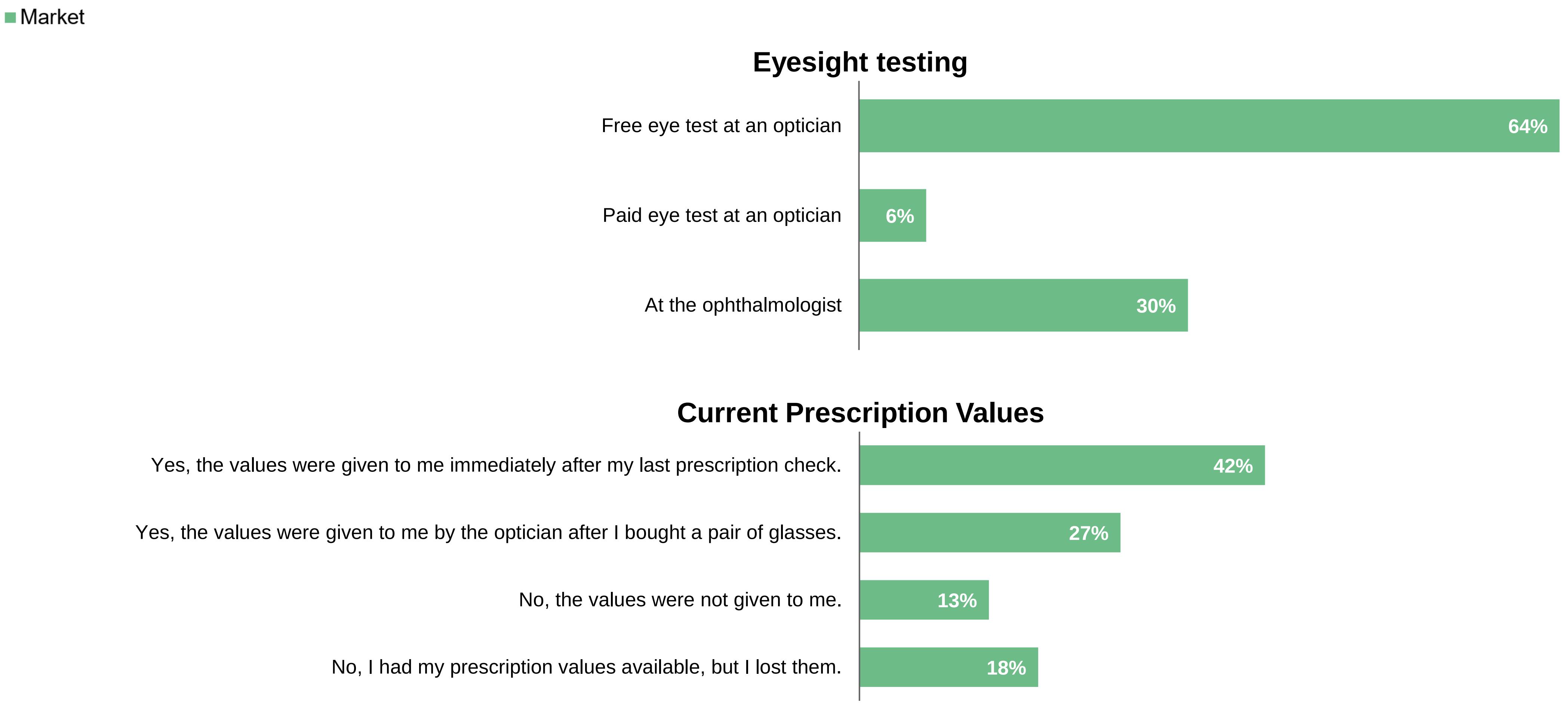
Eyesight Testing | Prescription Values

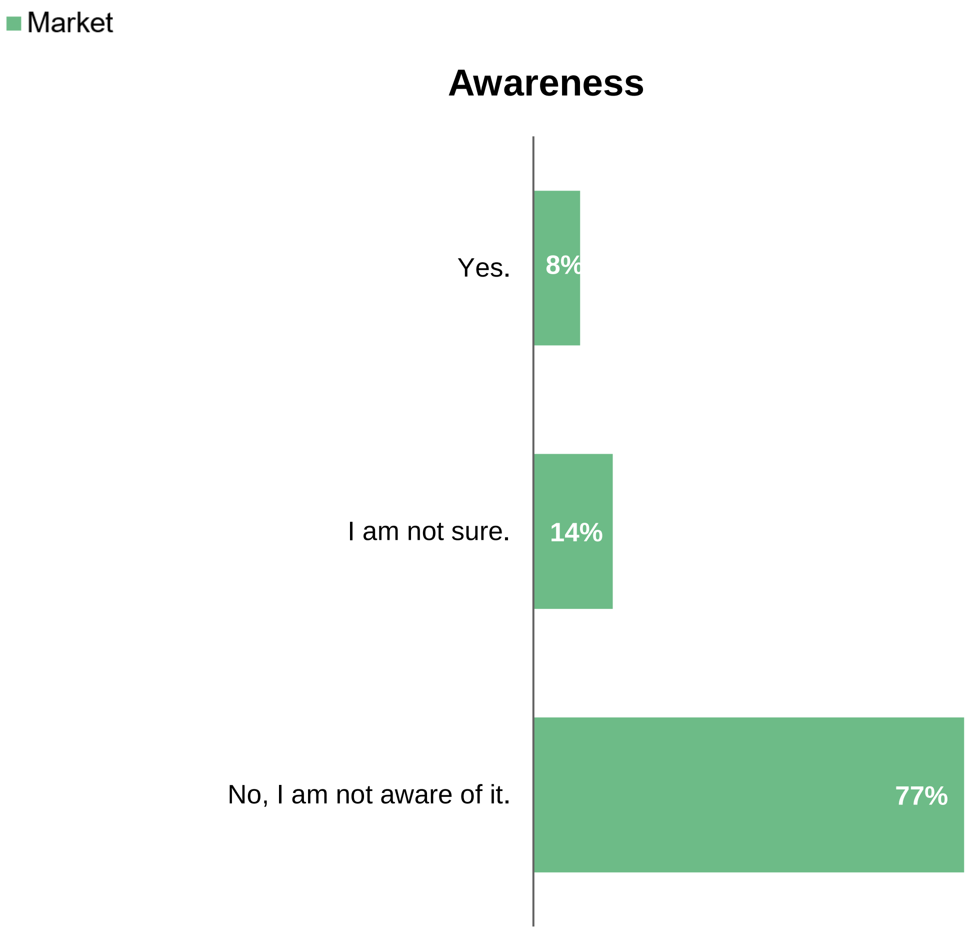
Eyesight is preferably determined by free eye test at the optician or at the ophthalmologist; 69% of the nation's spectacle wearers have their values available which were provided after the last prescription check or purchase.

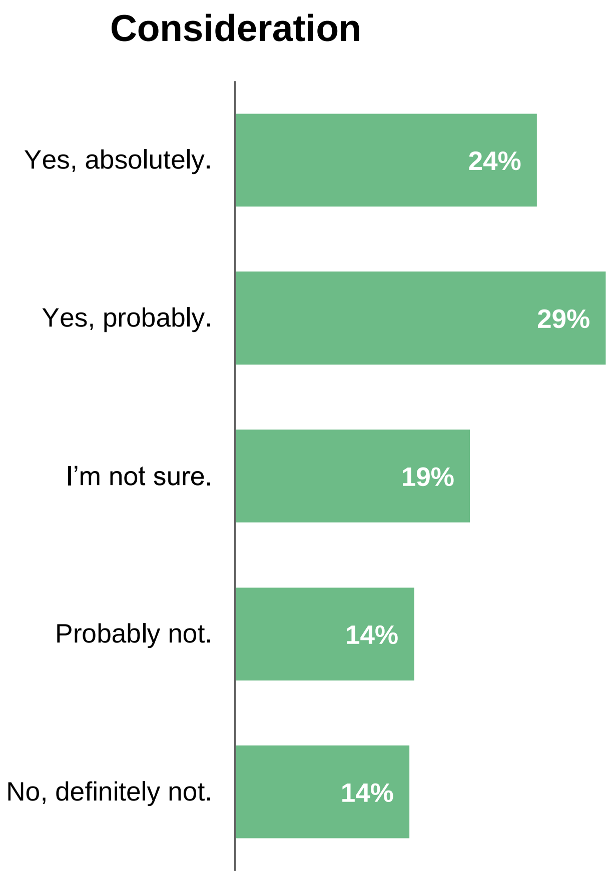


Q8a: Where do you usually have your eyesight tested? | Q8b: Do you have your current prescription values available?

Online Prescription Check

Very few respondents are currently aware of an online prescription check (8% in the market). More than 50% in the market population would definitely or probably consider such an online test.

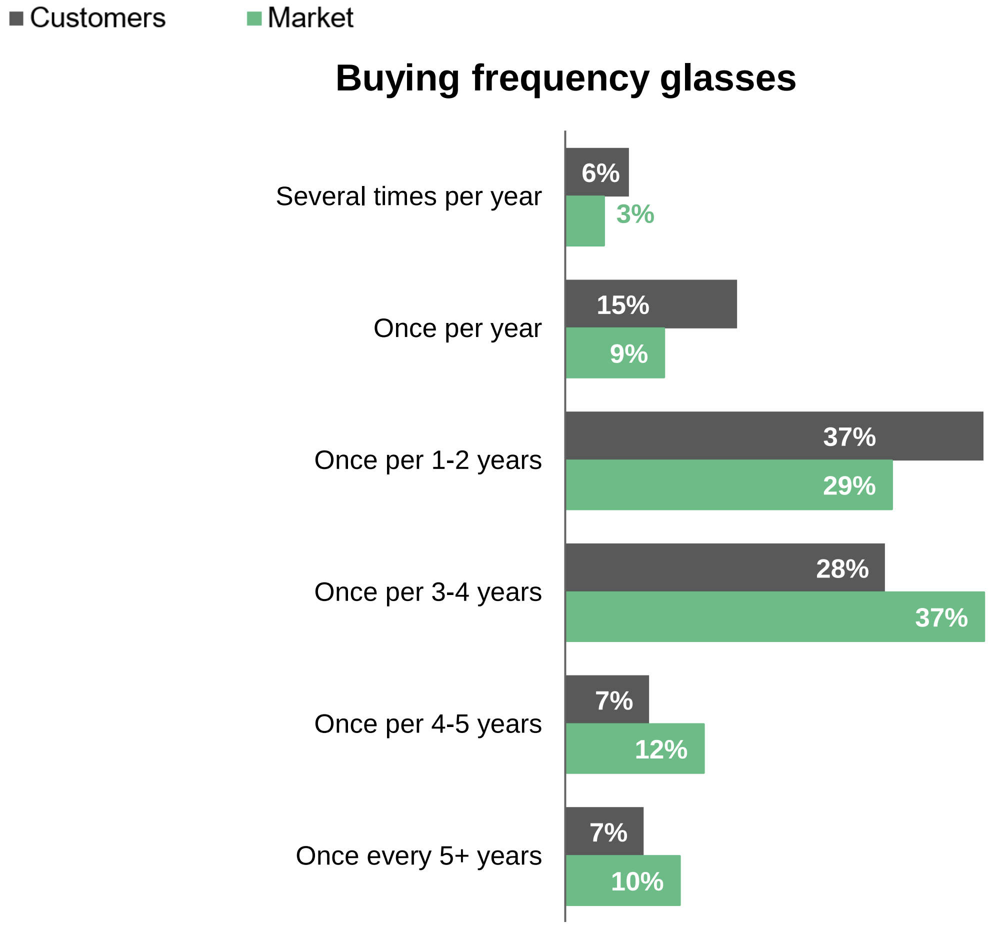


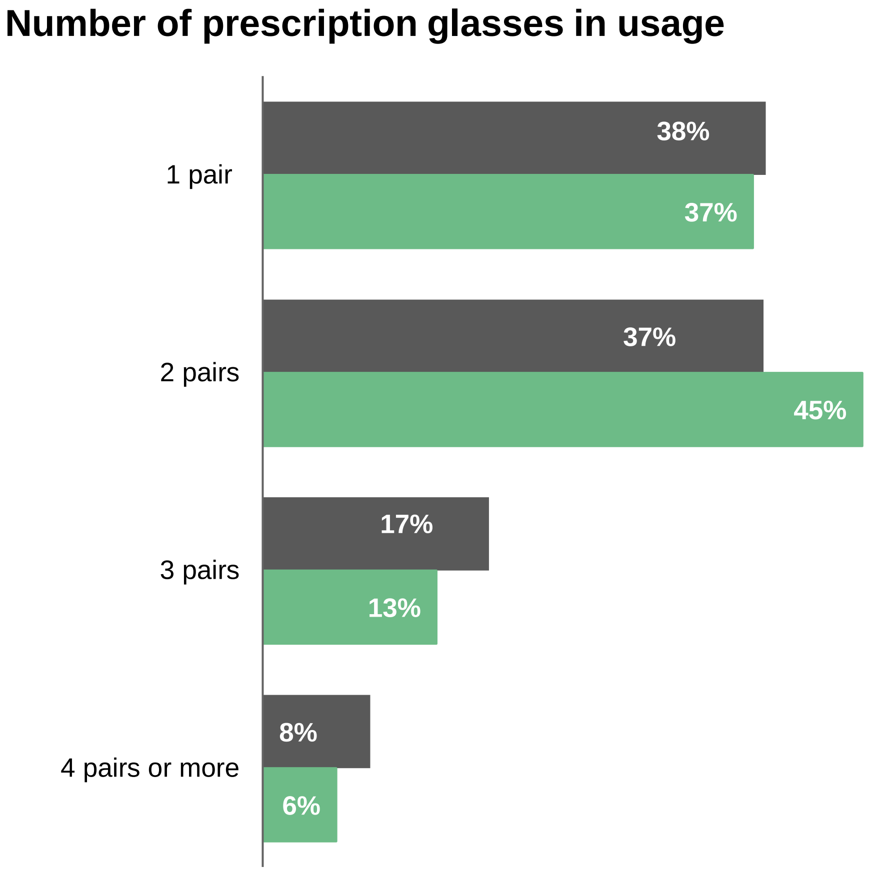


Q9a: Did you know that there is an online prescription check for short-sightedness up to -3 dioptres? | Q9b: Would you consider an online prescription check using a computer and a mobile phone if it were free of charge?

Buying frequency | Number of prescription glasses in usage

60% buy new glasses once every 3 years or less often, whereas 58% of Mister Spex clients purchase at least once every 1-2 years or more often. The numbers of prescription glasses used is slightly higher per MSX customer.





Q15: On average, how often do you purchase new glasses? | Q16: How many pairs of prescription glasses are you using at the moment?

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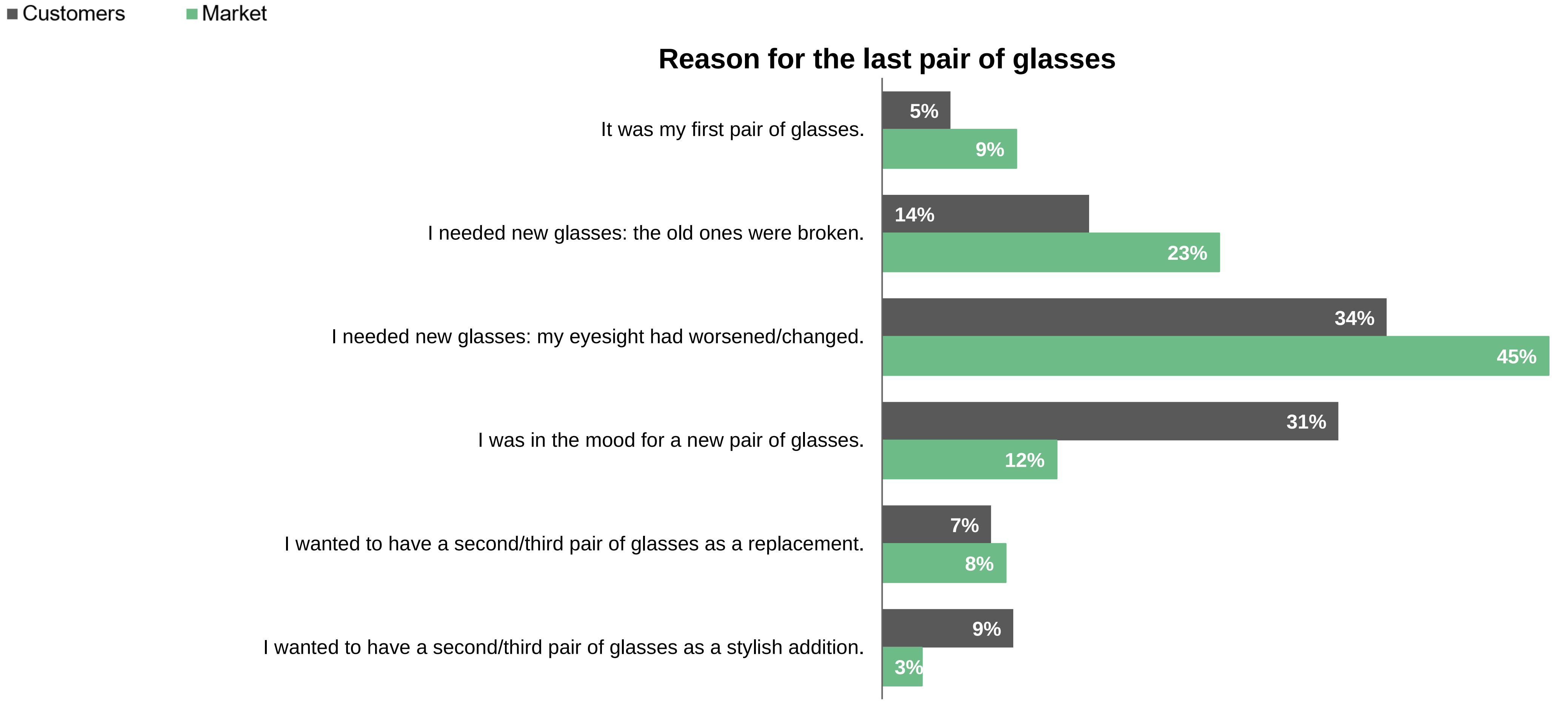
Buying reason for the last Pair of Glasses

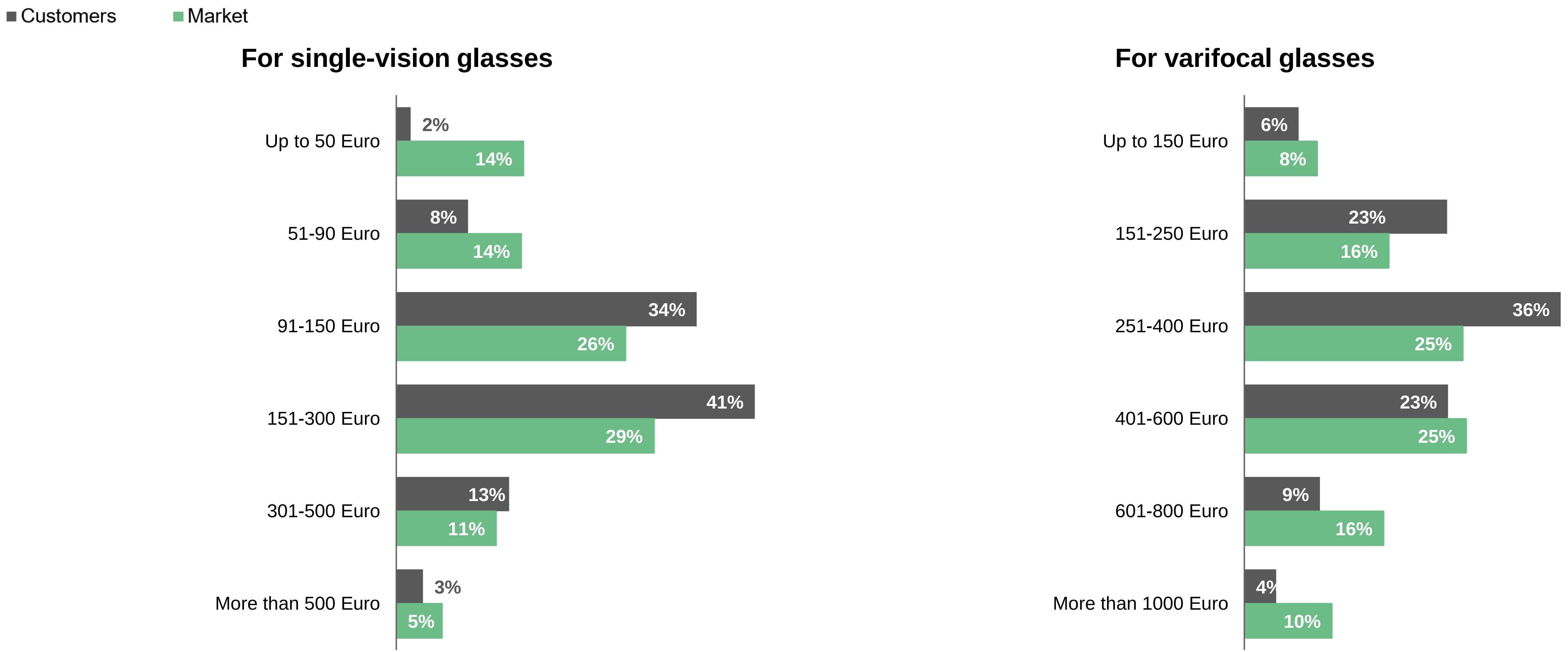
Most frequent use case is the worsening of eyesight in both populations. 31% in the MSX sample indicate to have been in the mood for a new pair vs. 12% in the market. 11% (16% MSX) wanted to own a 2nd/3rd pair.



Q17: What was your reason for buying your last pair of glasses?

Willingness To Pay

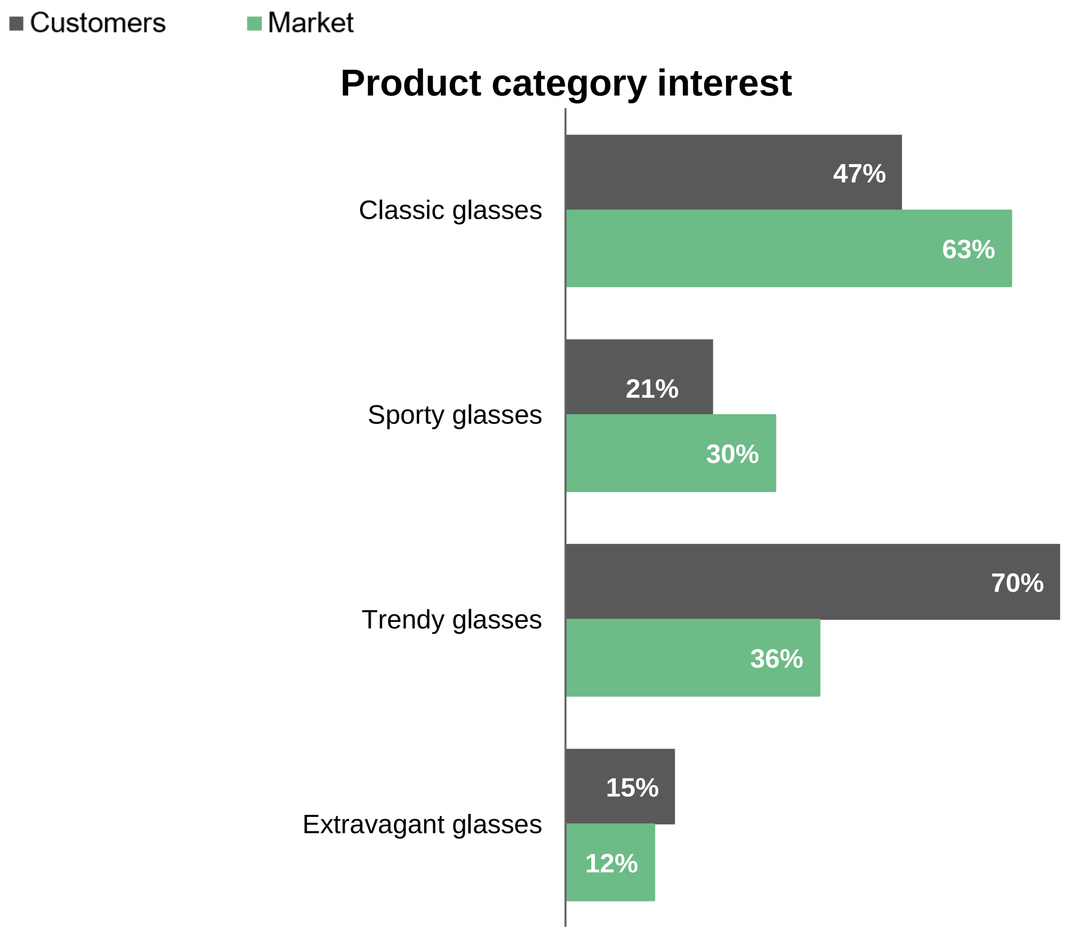
The willingness-to-pay for single-vision glasses – especially in the range between 91-300€ - is higher for MSX customers. On the other hand, willingness-to-spend for varifocal glasses is higher in the market – esp. >400€.

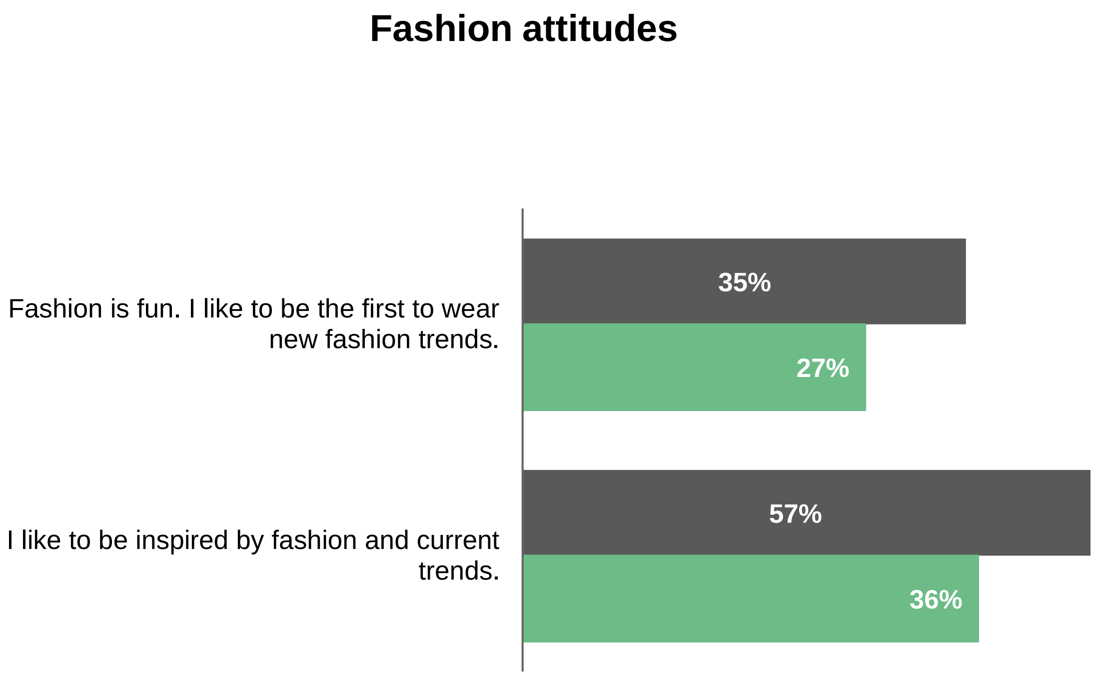


Q18: How much do you generally spend on new glasses including lenses?

Glasses Styles / Fashion Attitudes

With a score of 63% classic glasses are most popular in the market. In the MSX population 70% are interested in trendy glasses vs. 36% for the market. MSX customers more often perceive fashion as fun and like to be inspired.

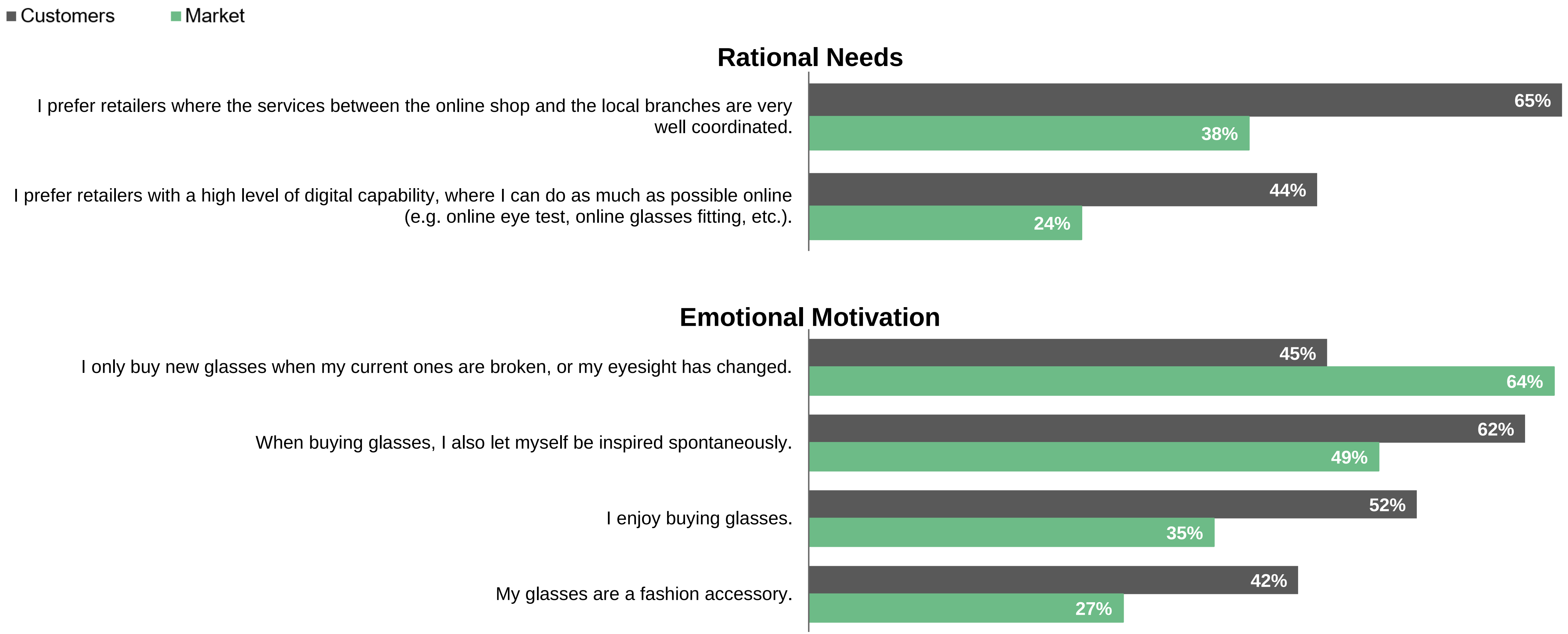




Q19: Which of the following types or styles of glasses are you generally interested in? | Q20: To what extent do the following statements apply to you in relation to fashion or buying fashion? | Top 2

Rational Needs | Emotional Motivation

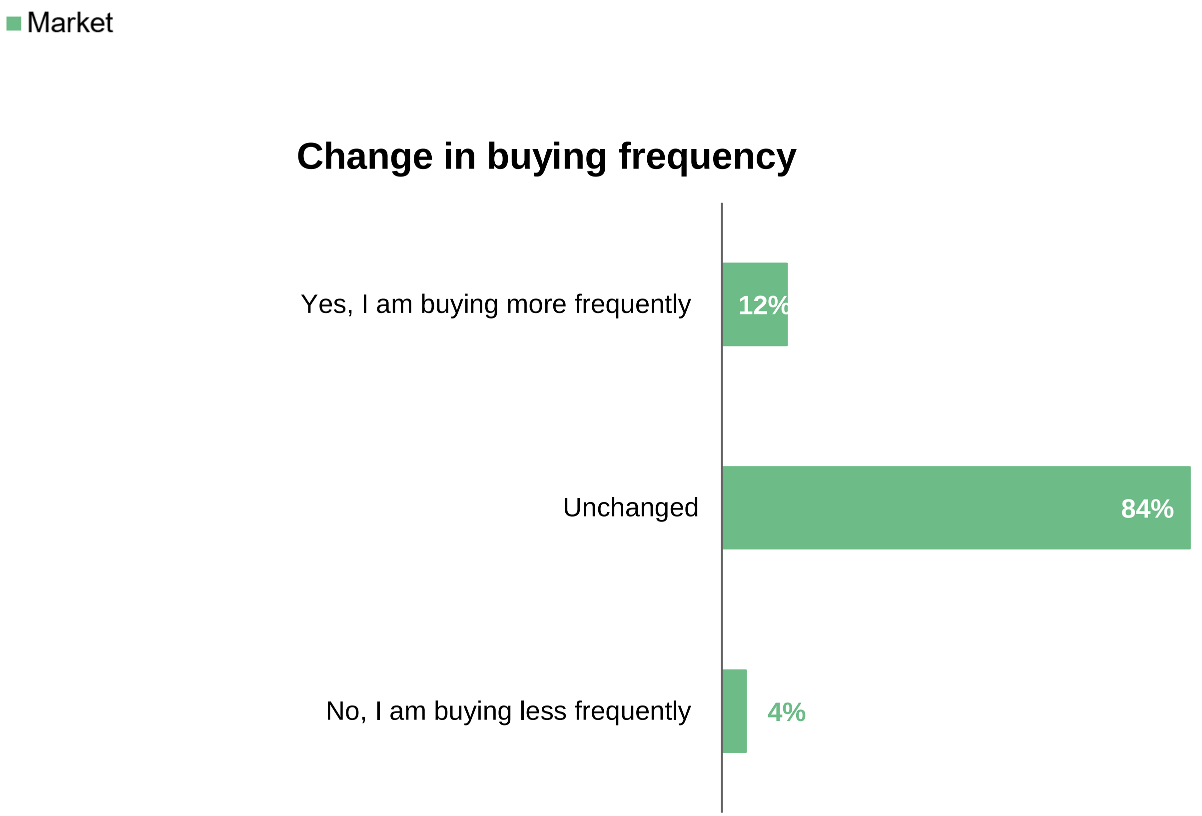
The market is mainly characterized by replacement buying (64%). MSX clients prefer a multi-channel experience with a high level of digital capability. Inspiration, fun and fashion is higher with MSX clients.

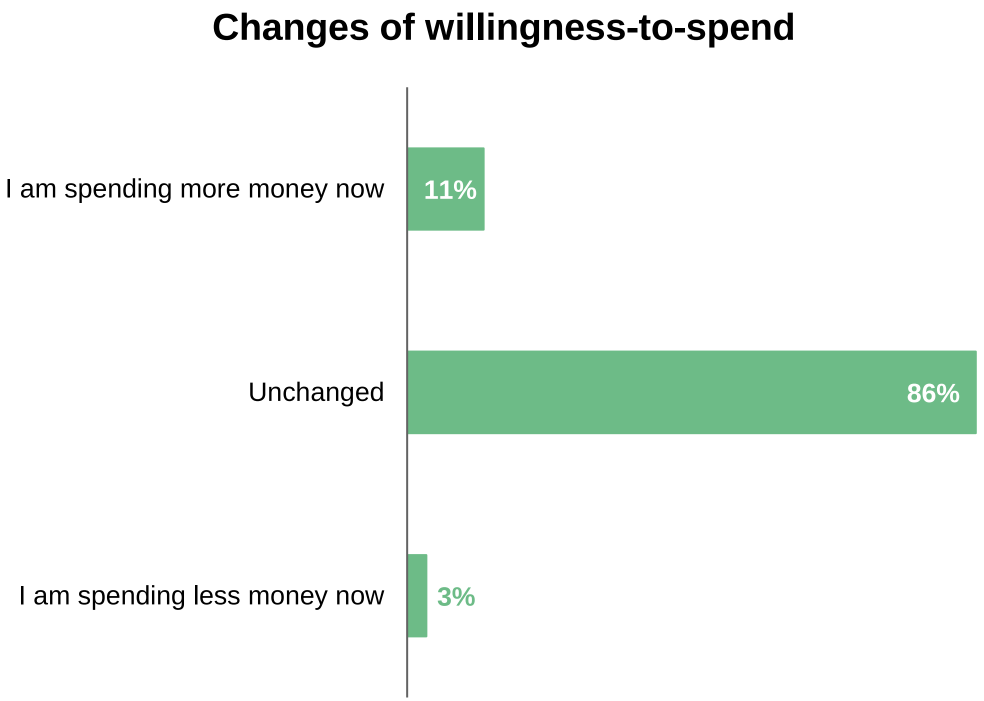


Q21: To what extent do the following statements apply to you in relation to buying glasses? | Top 2
Q22: To what extent do the following statements apply to you in relation to the purchase of glasses or to the personal relationship with your glasses themselves? | Top 2

Change of Buying Behavior due to increased Screen Time

Buying frequency and willingness-to-spend have increased in the market. 11/12% in the market are willing to buy more frequently or to spend more.





Q30a: More and more people are working in front of screens. Has the increased screen work changed your buying behavior for glasses? | Q30b: Do you now spend more on glasses due to increased screen work? -> entire eyewear need population was surveyed -> numbers will likely be higher for screen-intensive consumers.

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03
Brand Performance

Aided Awareness | Global Brand Image | Rebuy Intention

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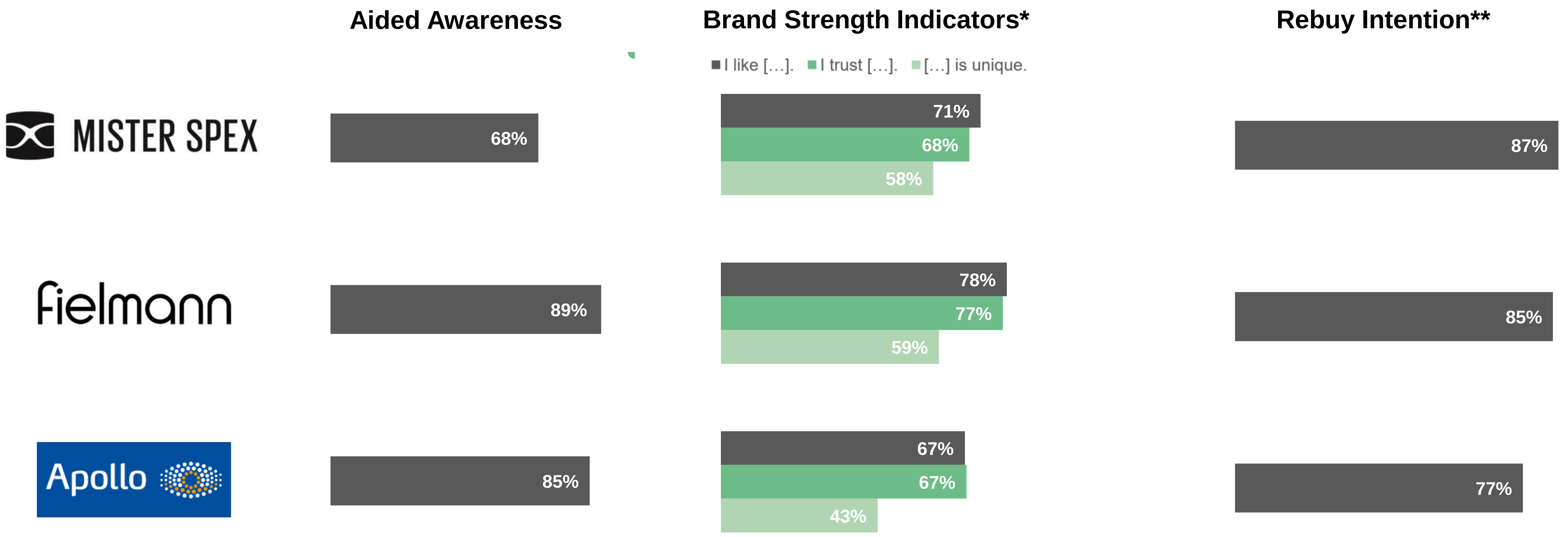
Aided Awareness | Brand Strength | Rebuy Intention

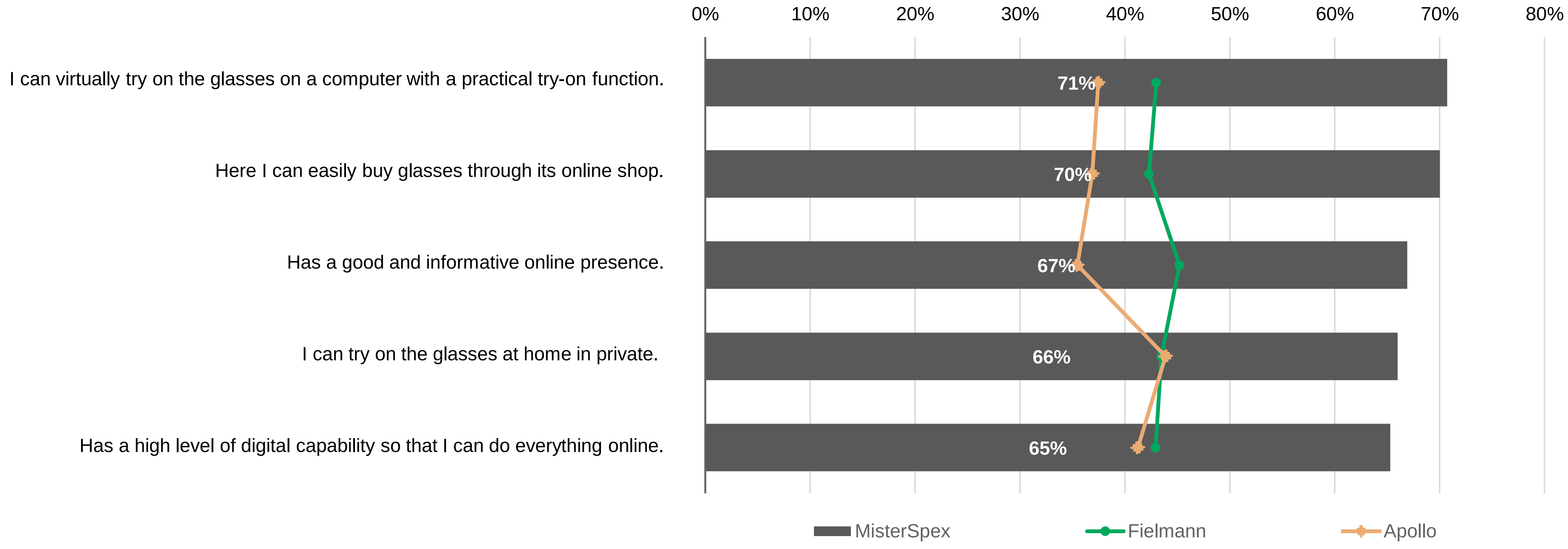
Hígh awareness level for Fielmann and Apollo; repurchase intention for current buyers is highest for Mister Spex with 87% followed by Fielmann (85%) and Apollo (77%). Fielmann with industry-leading global brand strength performance with a small lead over Mister Spex. Mister Spex head-to-head with Fielmann regarding uniqueness.



Q23a: Which of the following (online) retailers for glasses and contact lenses do you know - even if only by name? | Base: entire market sample
* Q25: For each statement, please indicate whether it applies to the retailers mentioned. | Top 2 | Base: brand buyers of respective retailers | number of cases (unweighted): Mister Spex n=318 | Fielmann =1.111 | Apollo n=831
** Q23f: Where would you shop again? | Top 2 | Base: brand buyers of respective retailers | number of cases (unweighted): Mister Spex n=318 | Fielmann =1.111 | Apollo n=831

Key Digital Benefits | Brand Buyers

Mister Spex is leading in terms of key digital benefits such as digital capability to do everything online or mere online presence. Evaluations for virtual try-on and home trial are also ahead of competition.



Q27: Please indicate to what extent the displayed statements apply to the following (online) retailers for glasses and contact lenses. | Top2 | Base: Market Sample Buyer
Number of cases (unweighted): Mister Spex = 260 | Fielmann = 406; Apollo = 294

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