MISTER SPEX

Market and Consumer Study

United Kingdom

08.06.2021

Agenda

01
Research Design

Sampling | Questionnaire | Target Group Description | Competitor Set

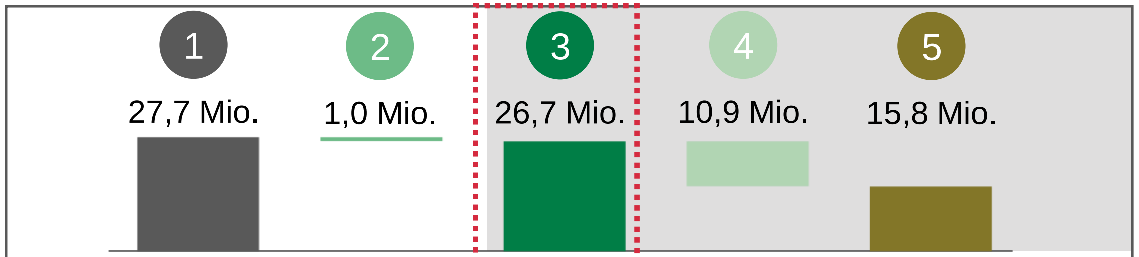
Research Design | Market Potential

The study at hand is representative for 26.7m 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=2.090 Market | n=761 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

Specsavers | glasses direct (YOUR GLASSES. YOUR WAY.) | Boots Opticians | ASDA Opticians | vision express



1. Population with eyewear need at the age of 18-69 years
(sources: Euromcontact 2019; CBS Statistics Netherlands -> no representative, vision aid & age related UK study was available to us; therefore we chose NL due to geographical closeness and similarities in key demografics)
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 = 26.7m consumers represented by n=2.090 market respondents (entire market sample) | ** sub-sample of representative potential indicating online business opportunity

02
Target Group Profiling & Usage Behavior

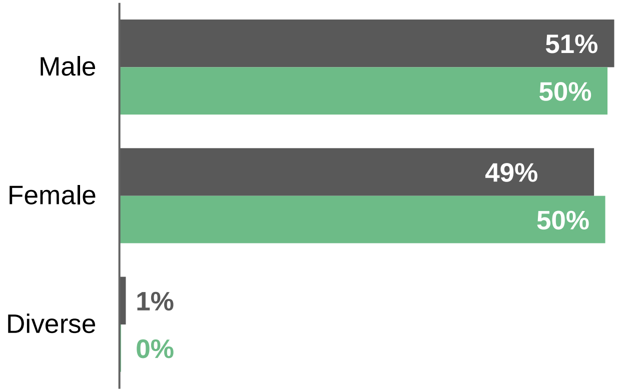
Demographics | Information & Consumption Behavior | Online Purchase | Motivation & Needs

Key Demographics (1/2)

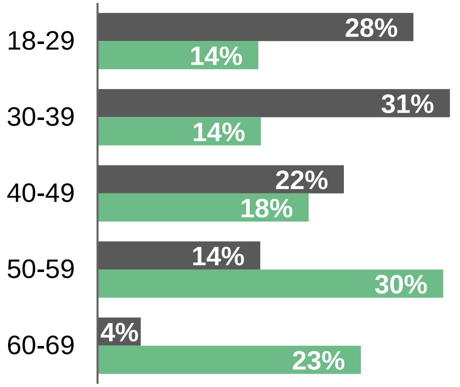
A significantly younger age group can be observed in the Mister Spex sample (59% < 40 years old vs. 28% in the market). Additionaly, education levels in the Mister Spex database are higher compared to those in the overall market.

■ Customers ■ Market

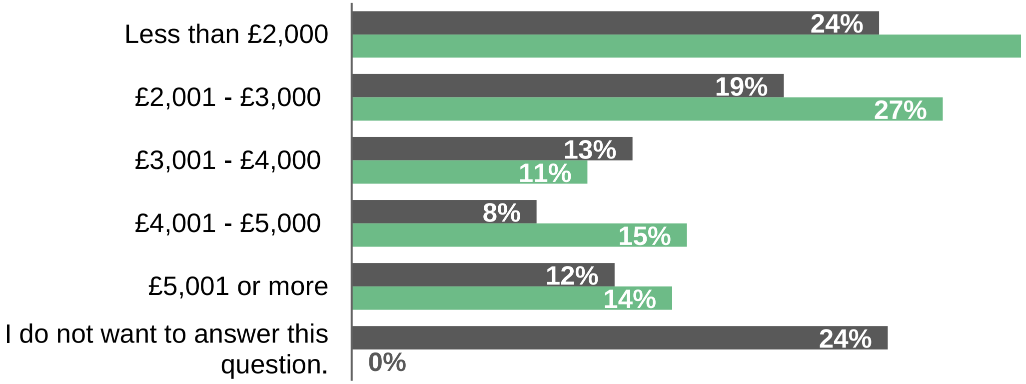
Gender



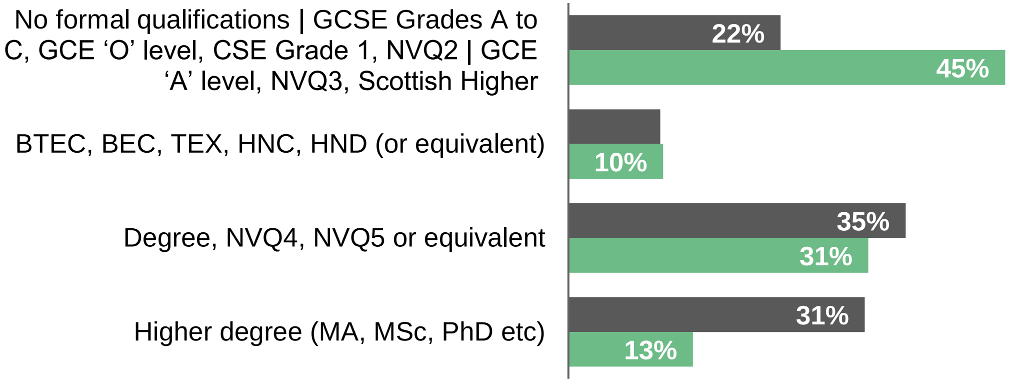
Age



Monthly Net Household Income



Education



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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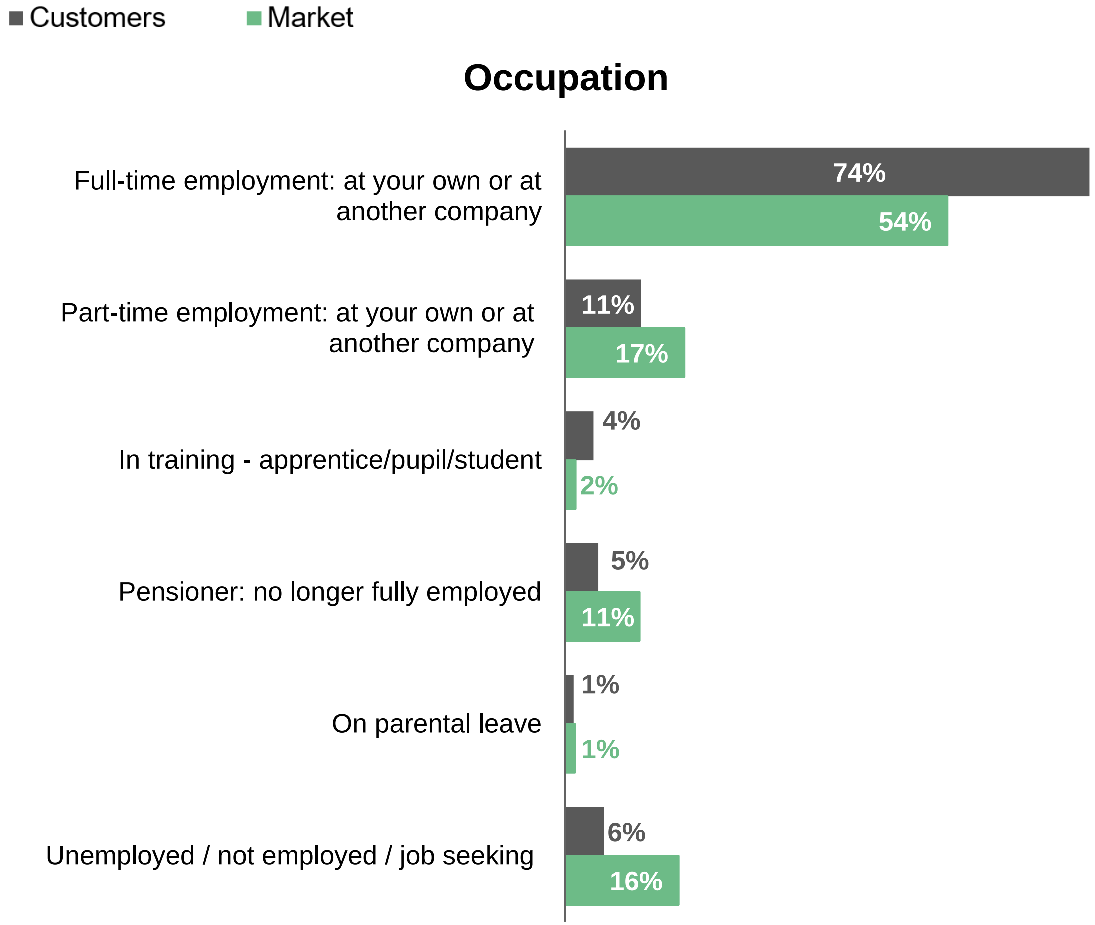
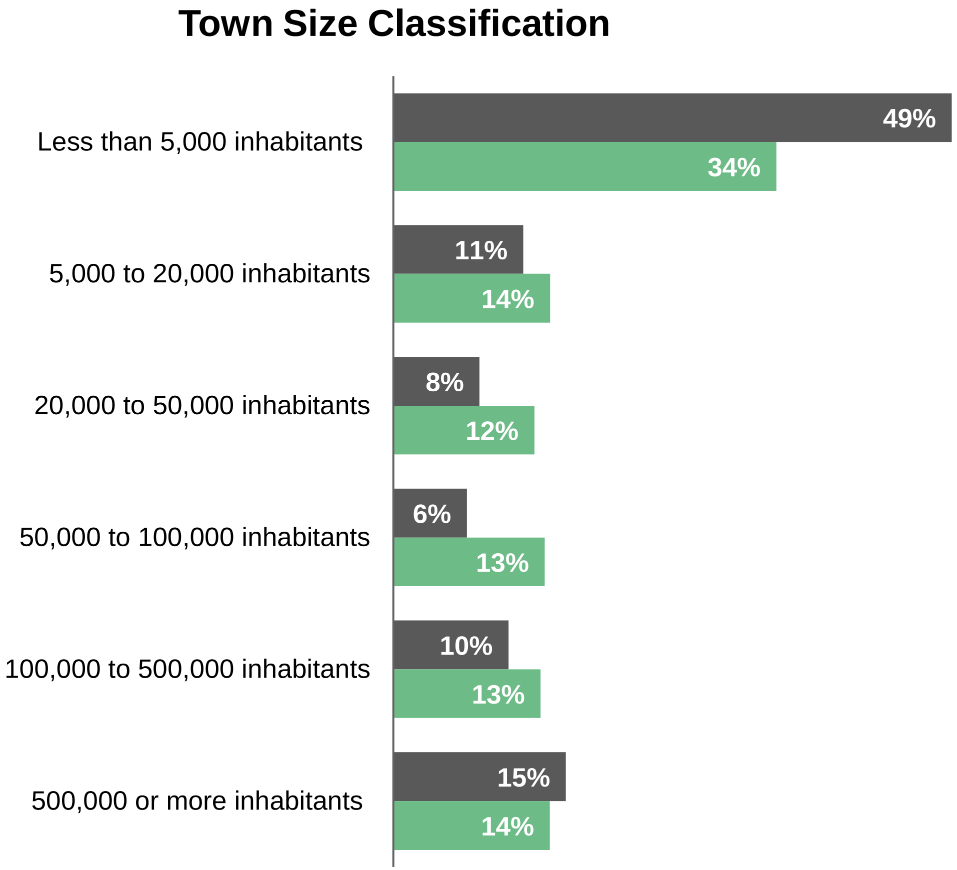
Key Demographics (2/2)

Due to different age distributions full-time employment levels are higher in the Mister Spex database. The market sample has proportionally more unemployed & pensioners. Mister Spex is reaching more people in small cities.





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

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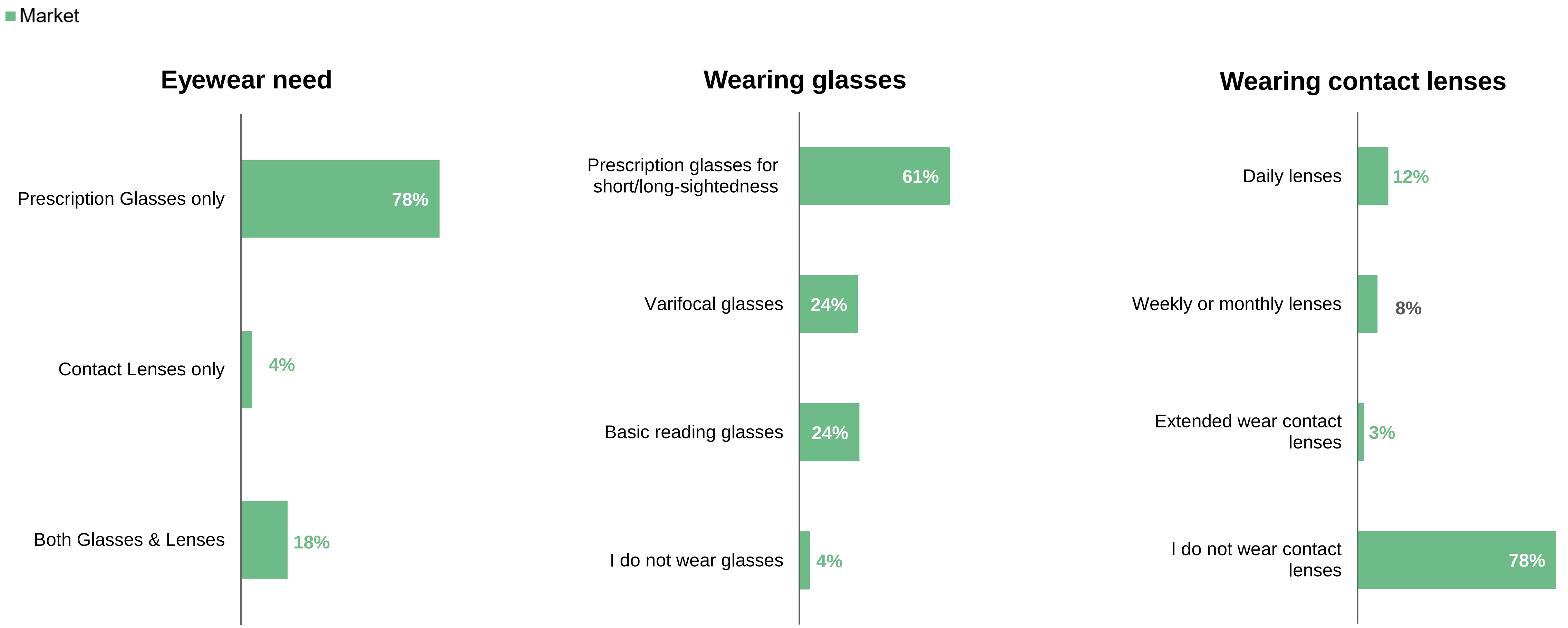
Glasses & Contact Lenses Penetration

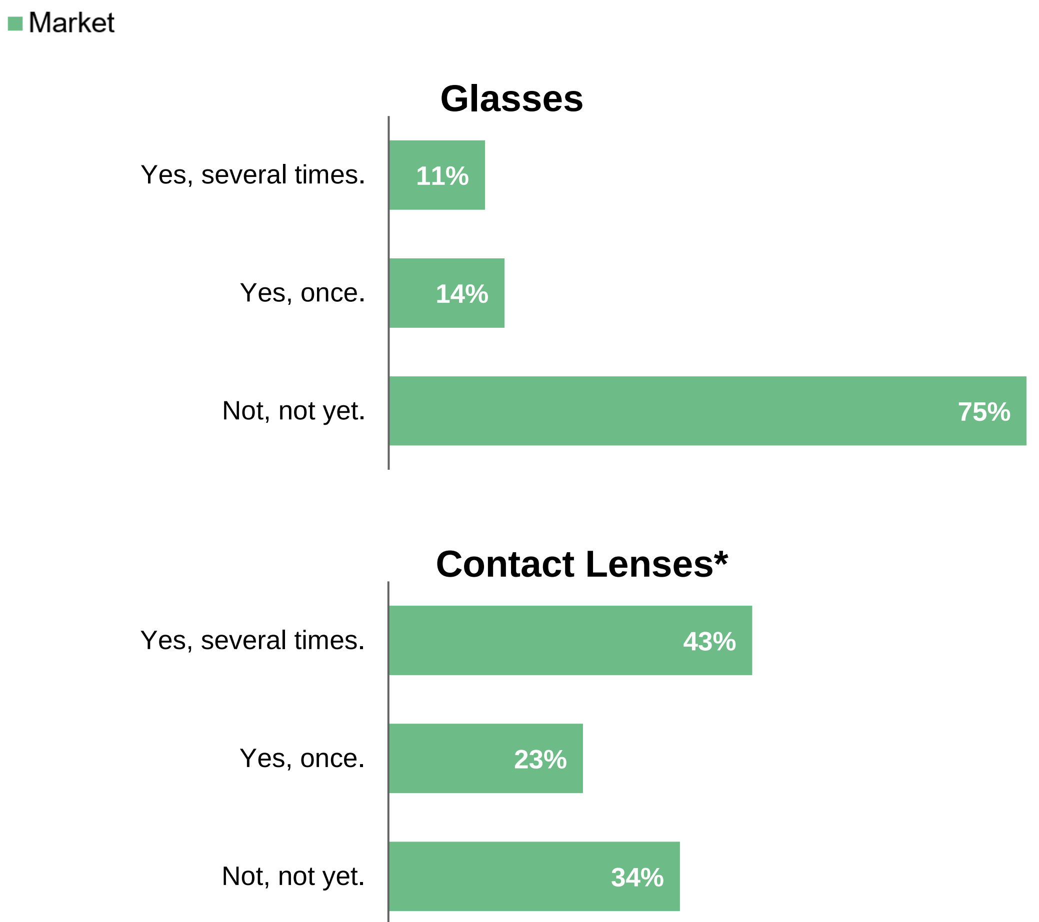
Almost everyone in the market population with eyewear need (96%) uses prescription glasses, whereas very few use contact lenses only (4%). Glasses for short/long sightedness is the dominant category (61%).

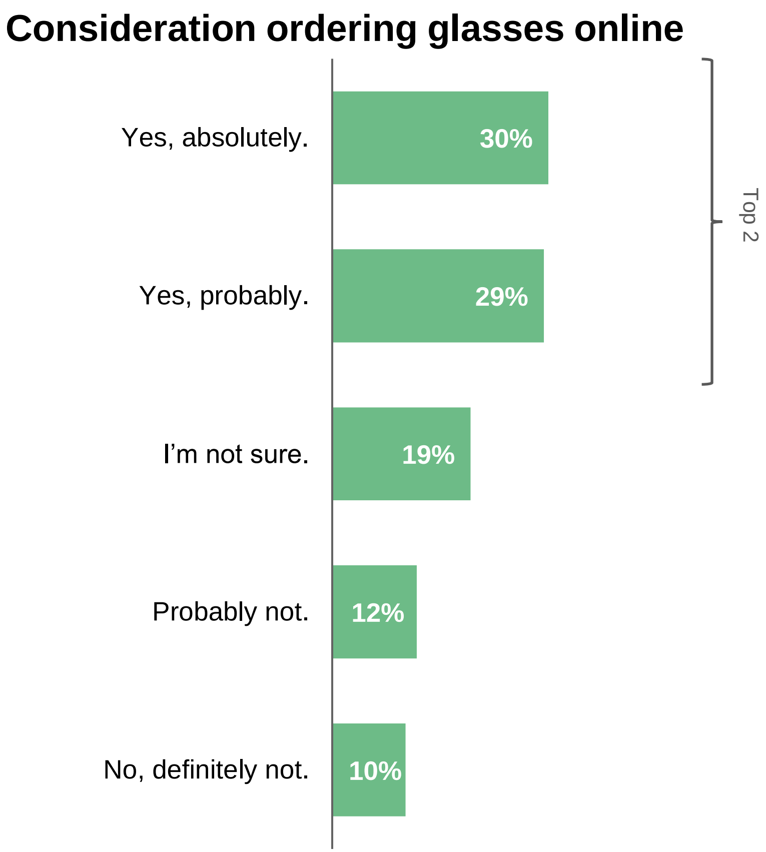


Q5: Which of the following glasses do you wear? | Q6: Which of the following contact lenses do you usually wear?

Online Purchase Share & Online Consideration

While 1/4 of respondents in the market have purchased glasses online, 2/3 have bought contact lenses; 59% in the market definitely or probably consider buying glasses online.

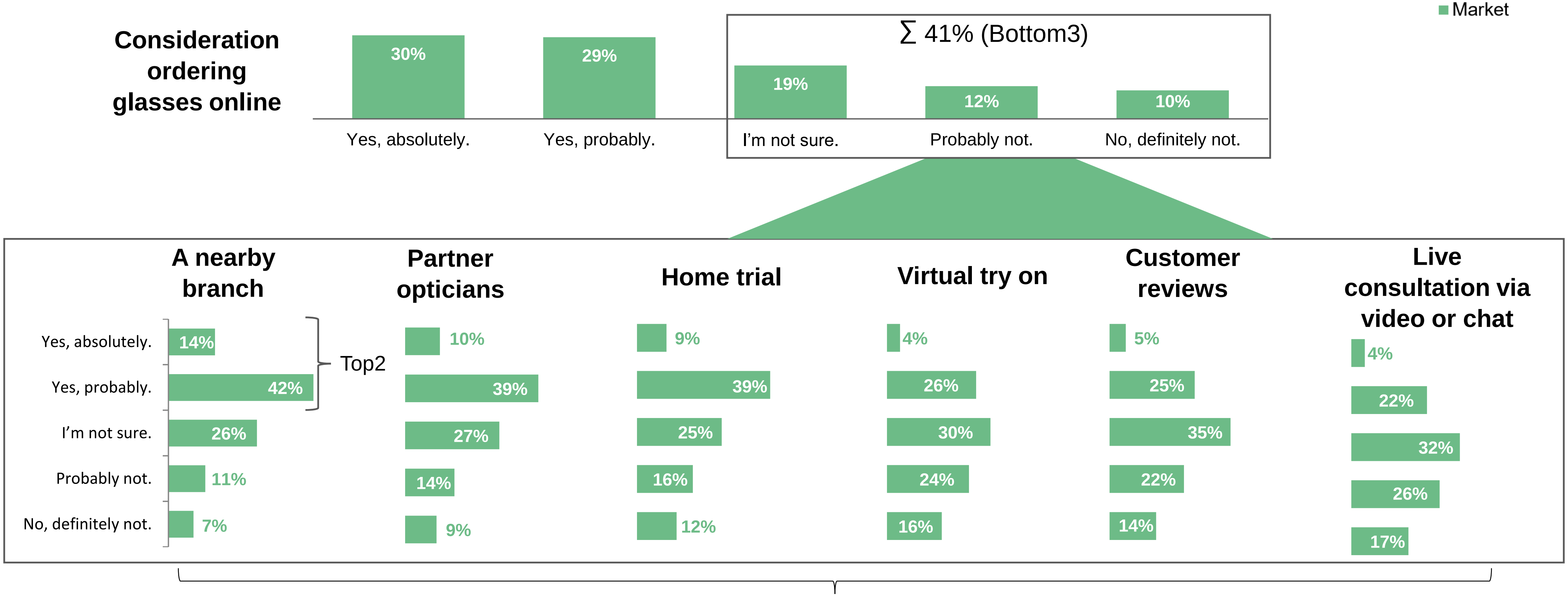




Q10: Have you ever ordered glasses or contact lenses on the internet? | *Base: respondents wearing contact lenses ≈ 22.4% (n=469, weighted) within the eyewear population
Q7: In principle, could you imagine ordering glasses online?

Consideration Ordering Glasses Online| Added Services

By providing additional omni-channel services, another 27,6% could be inclined to purchase online; retail services in branches or at partner optician and home trial serve as key drivers for online-purchase.



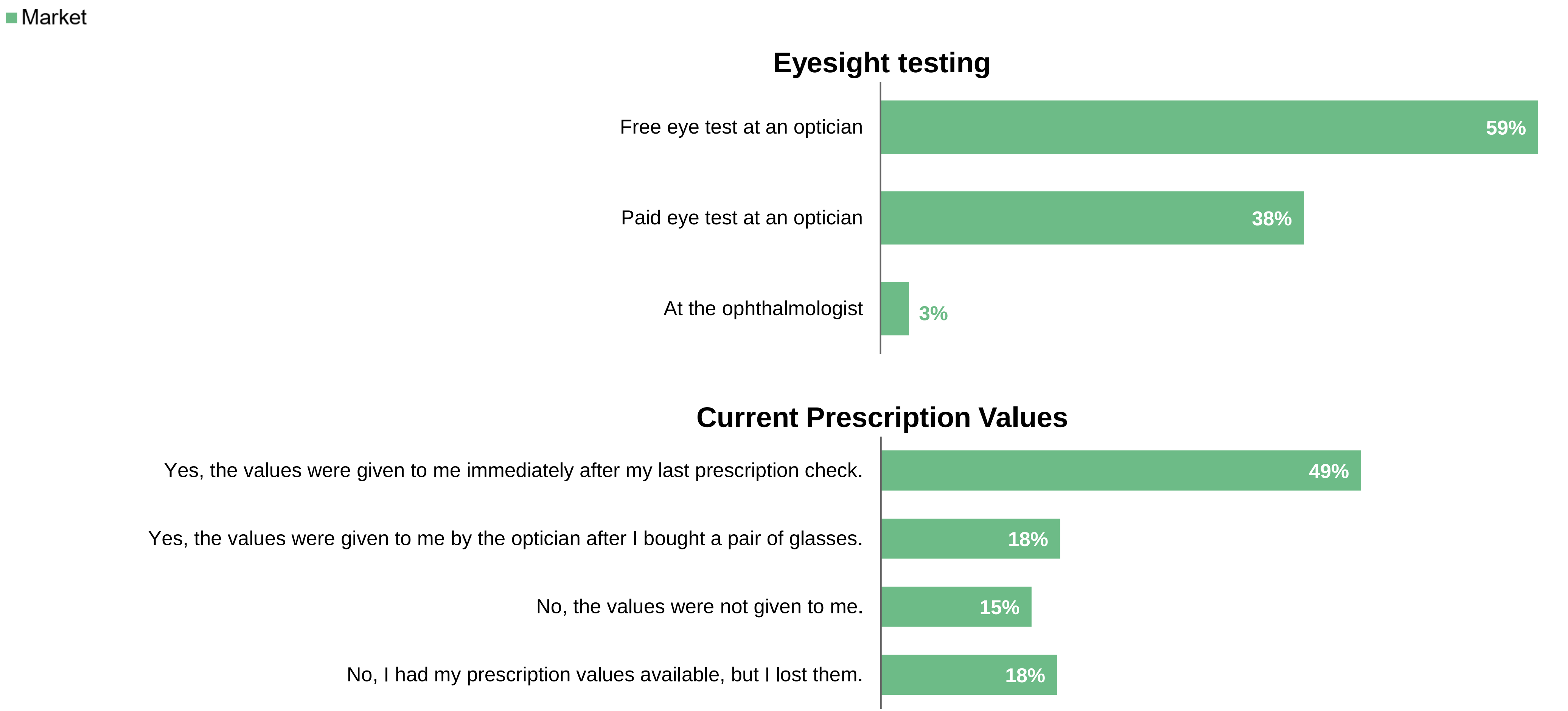
≈ 27,6% additional online purchase potential

67.5% (Top2 consideration of at least one omni-channels service) x 41% (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?

Consideration ordering glasses Online | Added Services

Eyesight is preferably tested by free or paid eye test at the optician; almost the half of the market sample received the current values after the last prescription check or purchase, 1/3 do not have their values.

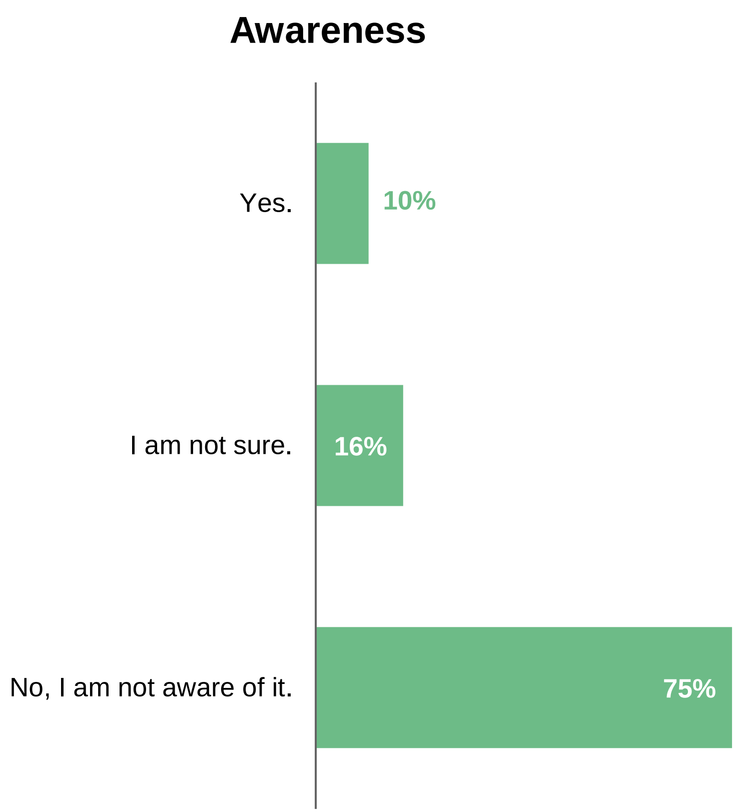


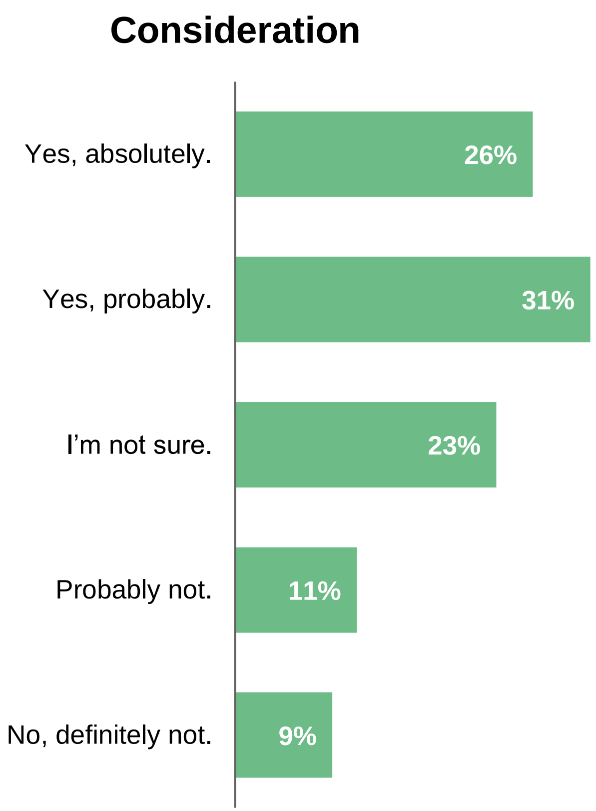
Q8a: Where do you usually have your eyesight tested? | Q8b: Do you have your current prescription values available?

Online Prescription Check

Very few respondents are currently aware of an online prescription check (10% in the market). 57% in would definitely or probably consider such an online test.

Market





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?

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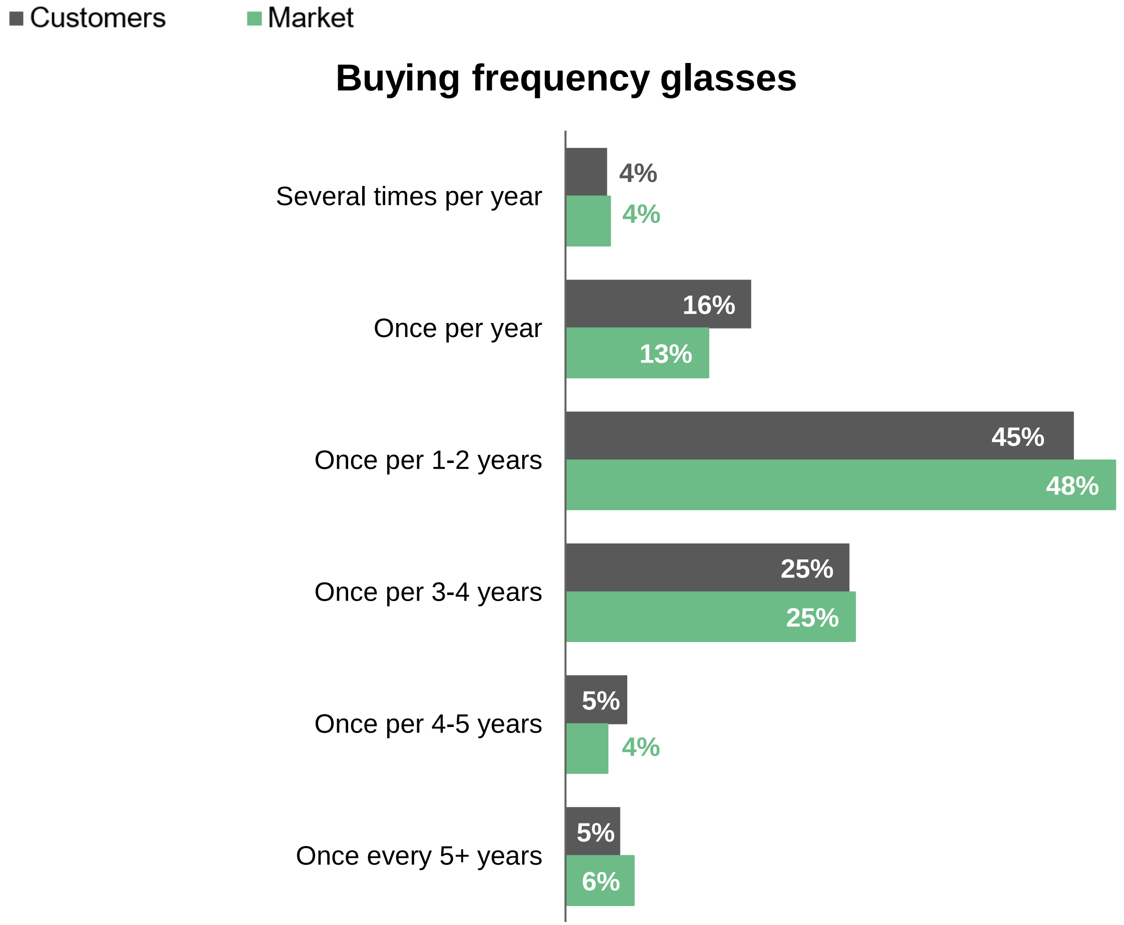
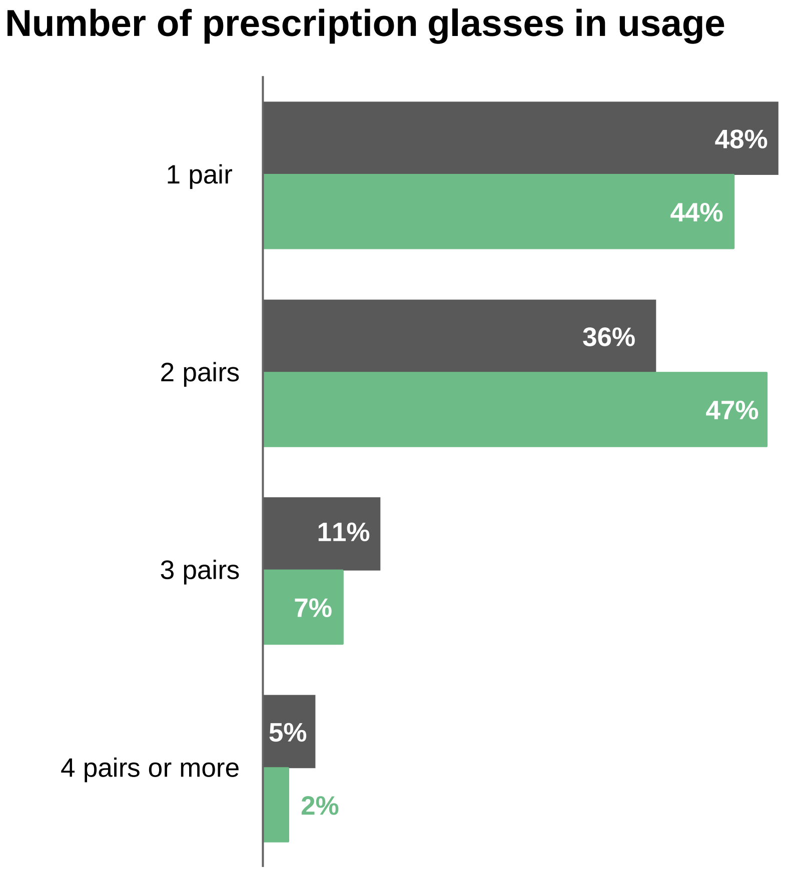
Buying frequency | Number of prescription glasses in usage

Almost 2/3 of both Mister Spex clients and the respondents in the market buy new glasses every 1-2 years or more often. Slightly more glasses are being used in the market compared to the MSX client base.





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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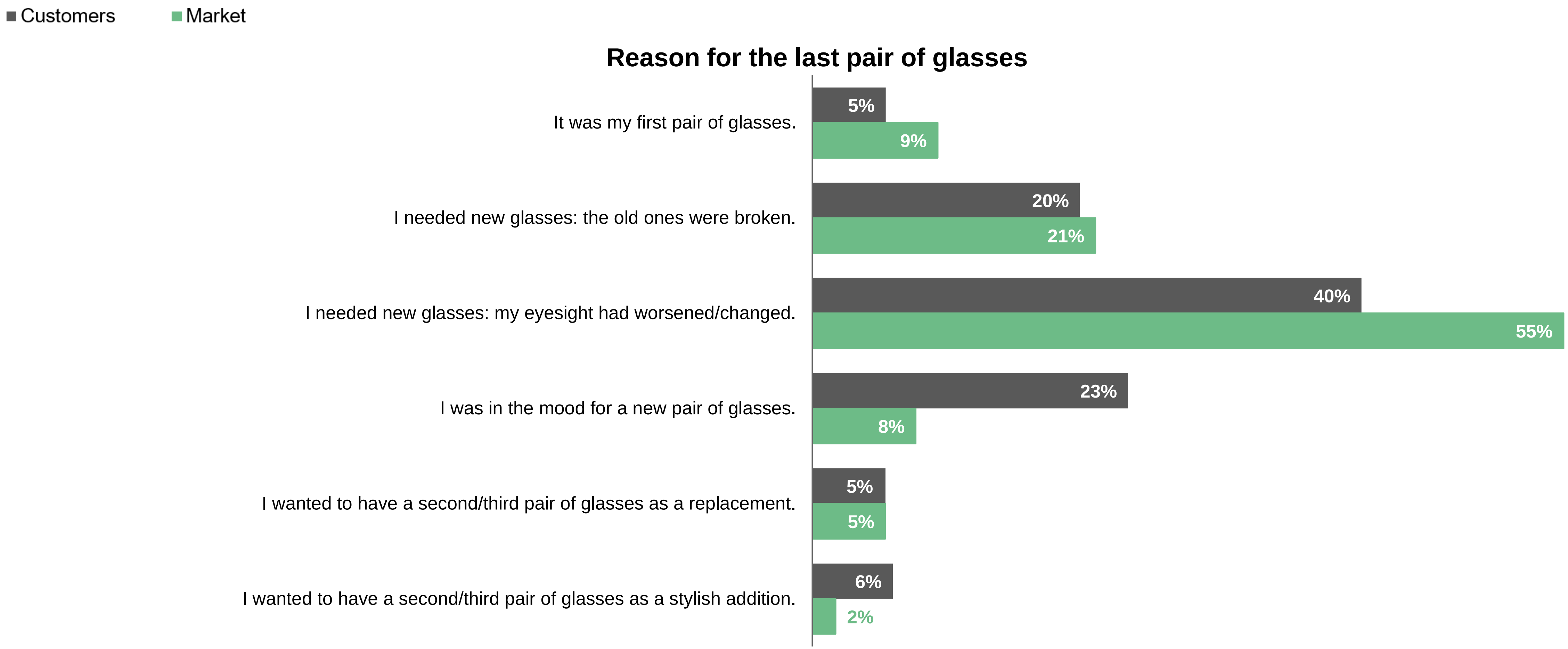
Buying reason for the last Pair of Glasses

Most frequent use case is the worsening of eyesight in both populations followed by the need when the old glasses broke. 23% in the MSX sample indicate to have been in the emotional mood for a new pair vs. just 8% in the market.



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

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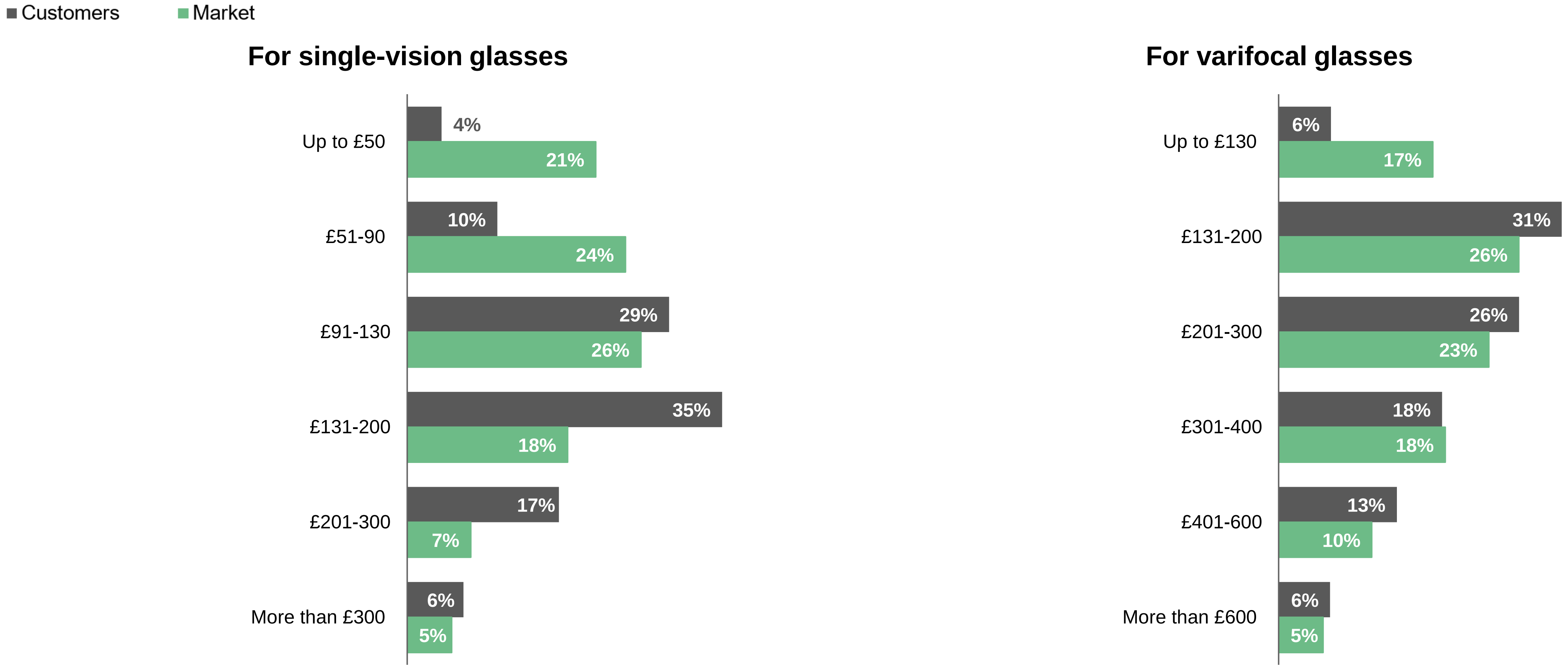
Willingness To Pay

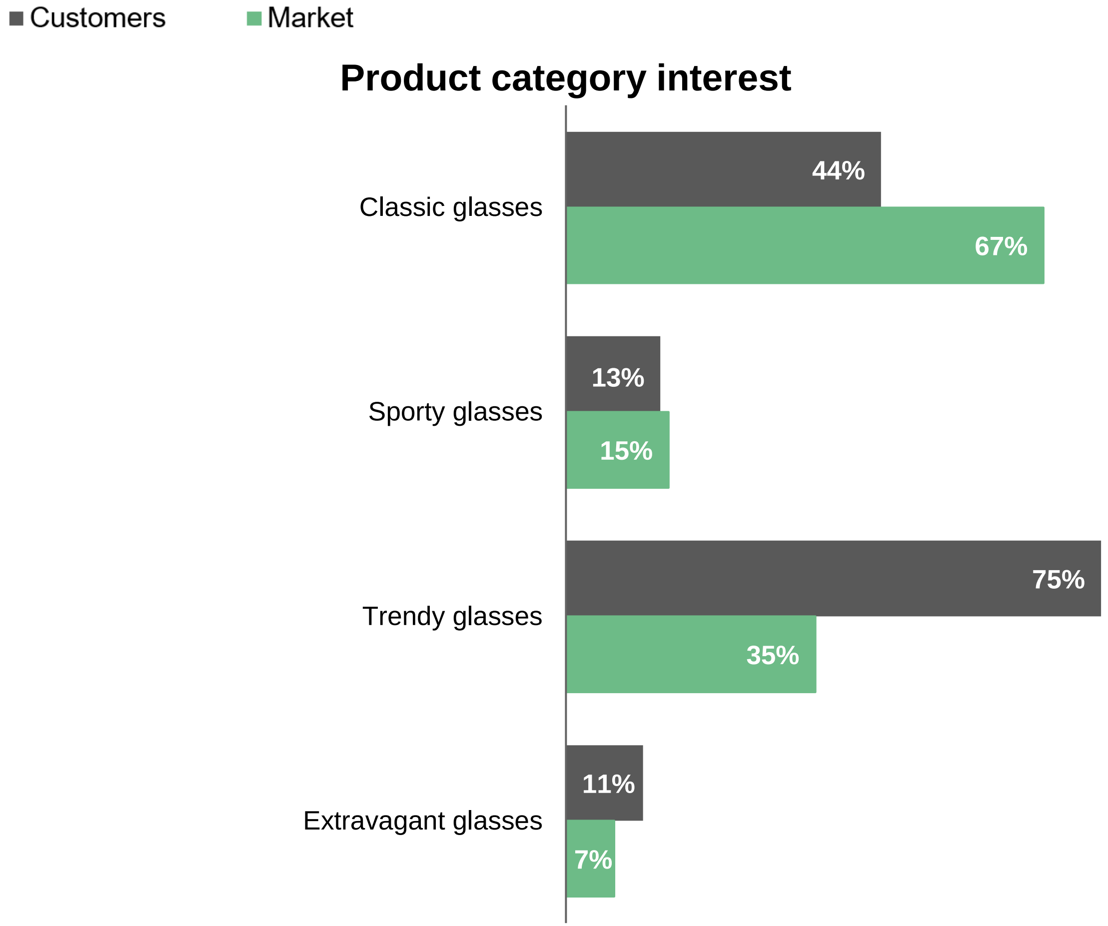
The willingness-to-pay for single-vision glasses – especially in the range between £91-200 - is higher for MSX customers. Also, willingness-to-spend for varifocal glasses is overall higher in the MSX sample.

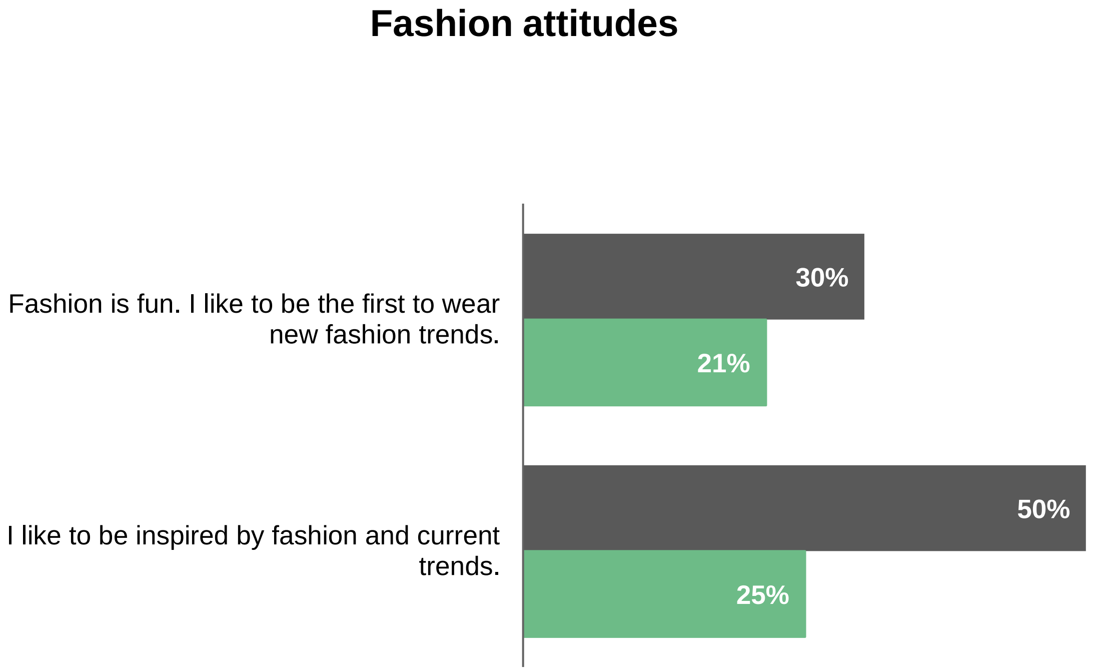


Q18: How much do you generally spend on new glasses including lenses?

Glasses Styles / Fashion Attitudes

With a score of 67% classic glasses are most popular in the market. In the MSX population ¾ are interested in trendy glasses vs. 35% 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

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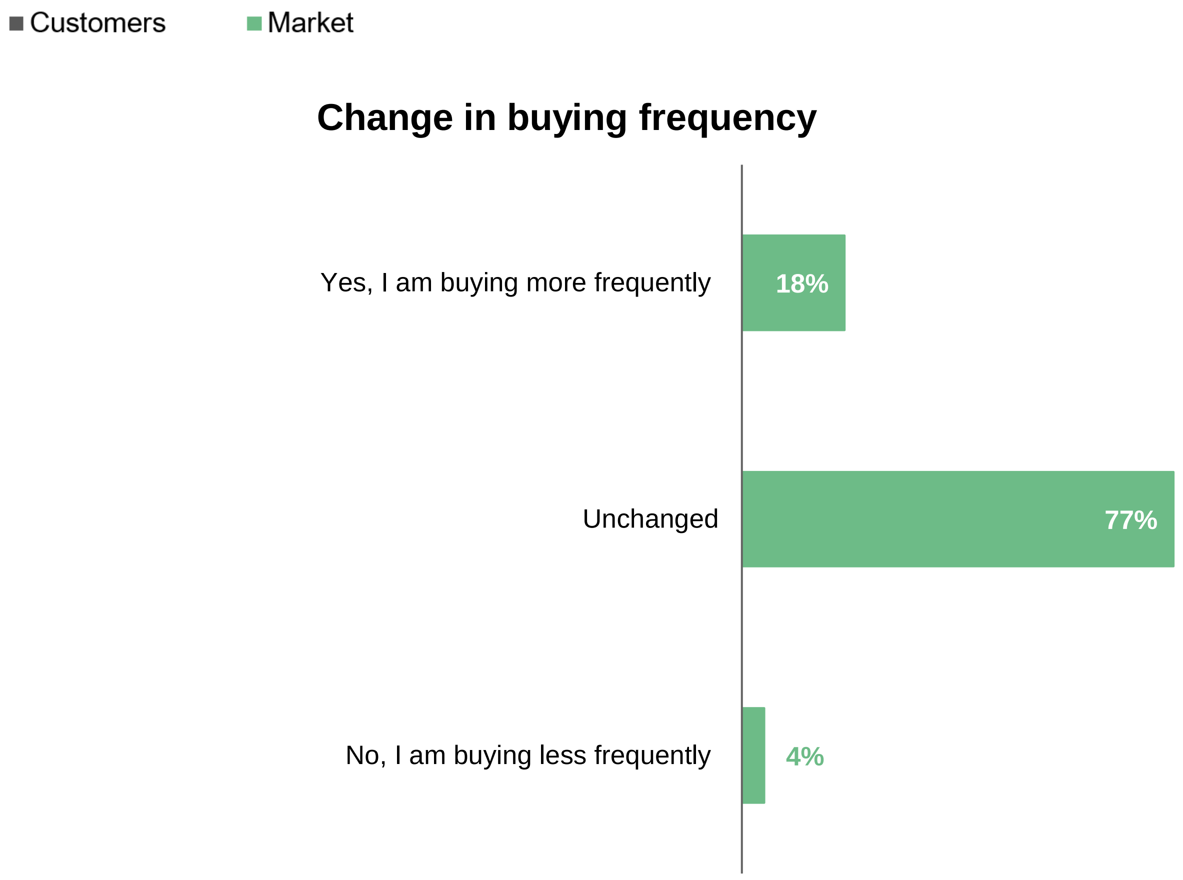
Rational Needs | Emotional Motivation

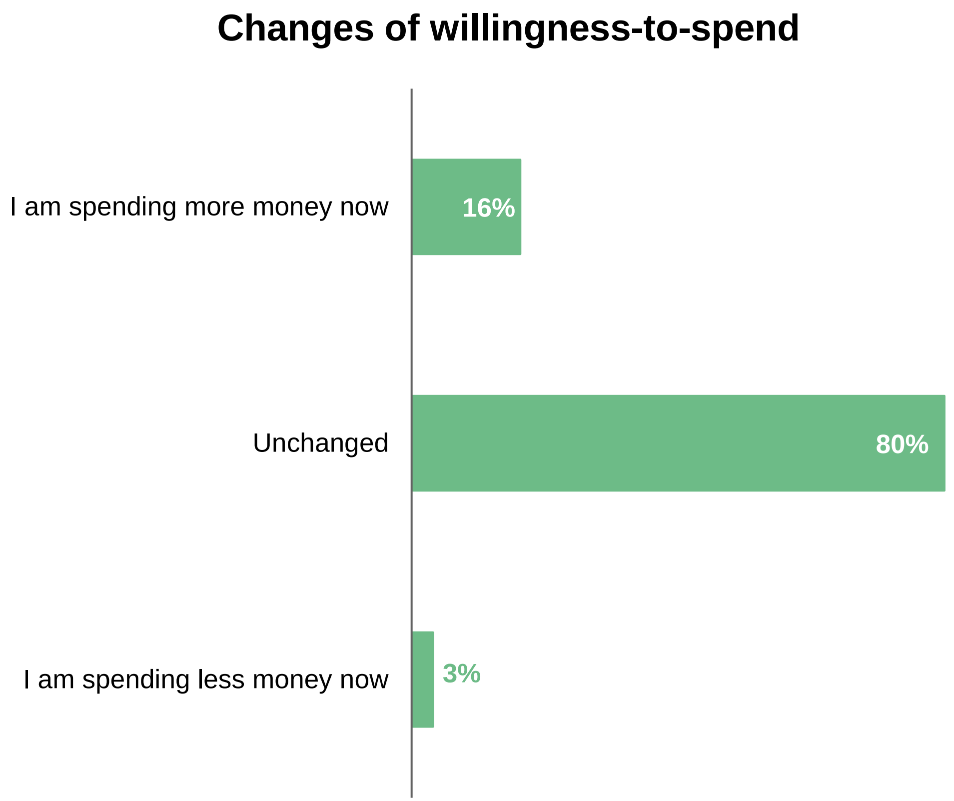
The market is mainly driven by replacement buying (65%). On the contrary, MSX clients prefer a multi-channel experience with a high level of digital capability, trends and well-known brands. Inspiration, fun and fashion is higher with MSX clients.

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

Frequency and willingness-to-spend have increased roughly at the same level. 18/16% in the market are willing to buy more often/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.

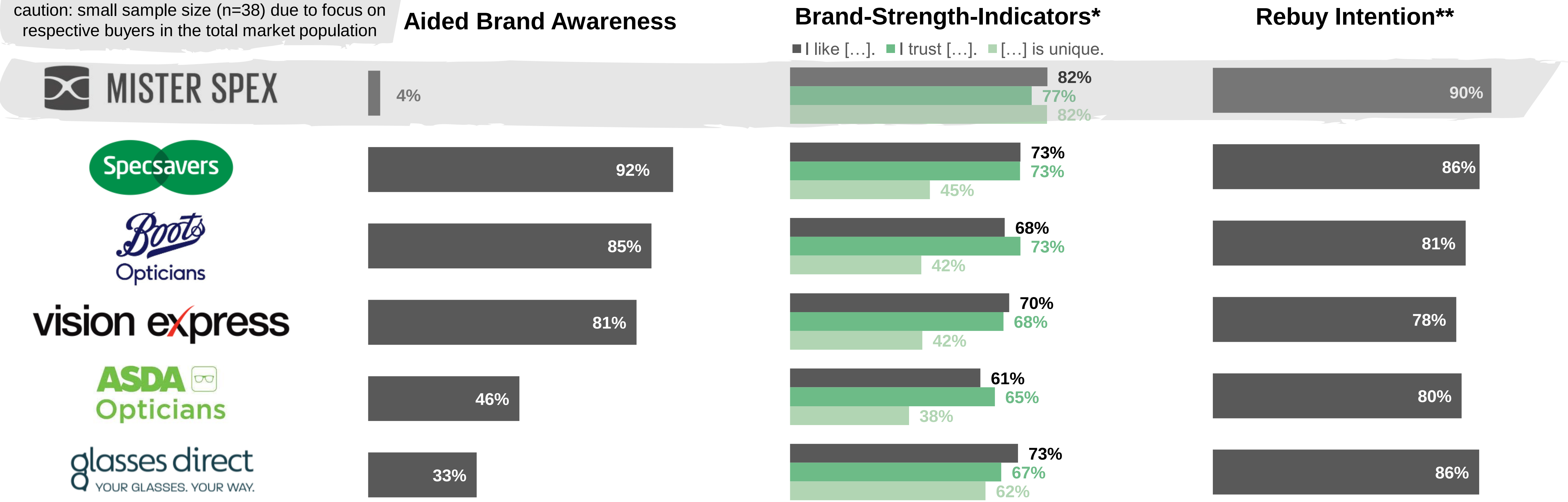
03
Brand Performance

Aided Awareness | Global Brand Image | Rebuy Intention

Aided Awareness | Brand Strength | Rebuy Intention

Hígh awareness levels exist for Specsavers, Boots and Vision Express; repurchase intention for current buyers is highest for Mister Spex (taking the small sample size into account) and Vision Direct. In terms of brand strength Specsavers is leading with strong values for liking and trust.

caution: small sample size (n=38) due to focus on respective buyers in the total market population



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=38; Specsavers n=1.300; Boots Opticians n=742; Vision Express n=495; Asda Opticians n=236; Glasses Direct n=183

** Q23f: Where would you shop again? | Top 2 | Base: brand buyers of respective retailers | number of cases (unweighted): Mister Spex n=38; Specsavers n=1.300; Boots Opticians n=742; Vision Express n=495; Asda Opticians n=236; Glasses Direct n=183

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