

Courage to Lead

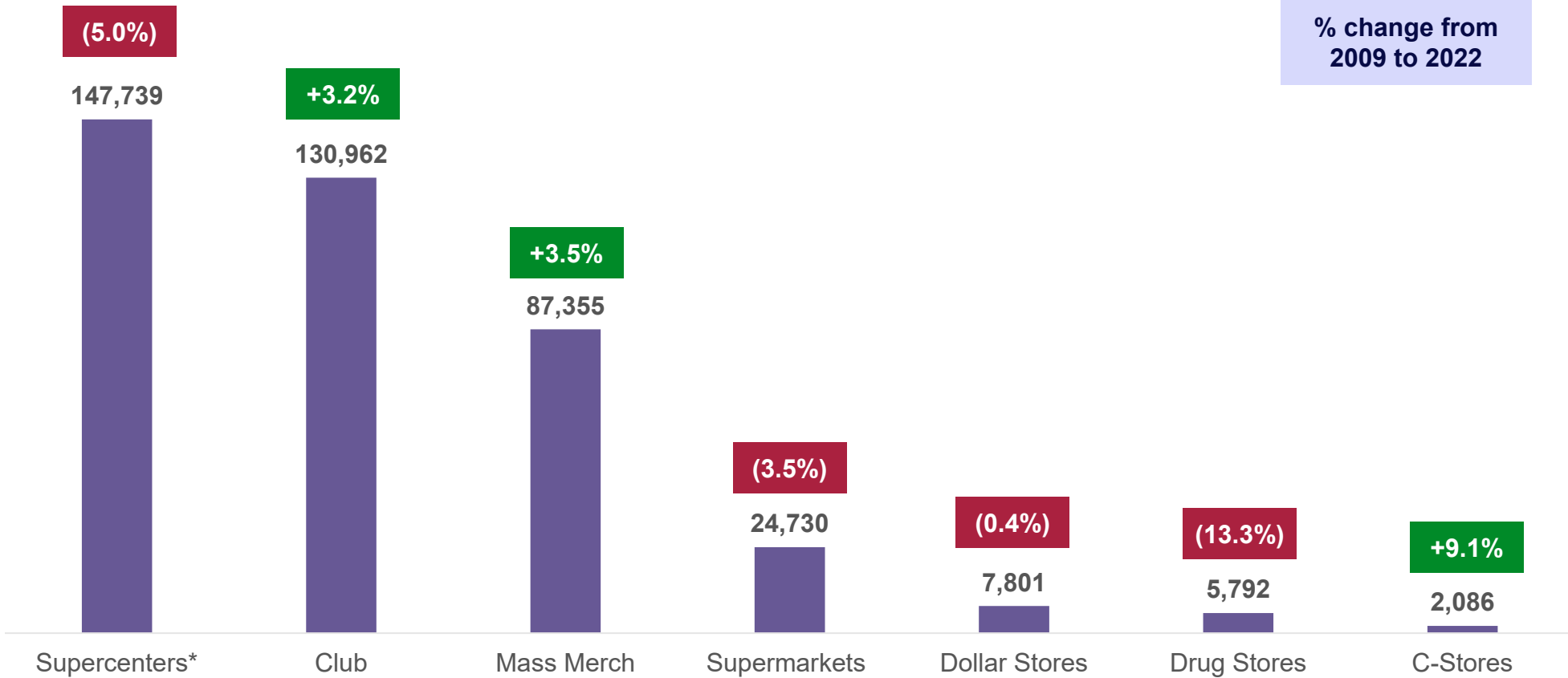
Categories and Aisles are Up For Grabs

Thought Leadership

Retail footprint is shrinking, putting pressure on available merchandising space

Double Duty: Stores that fulfill online and in-store purchasing challenge shelf holding power

Square footage per store

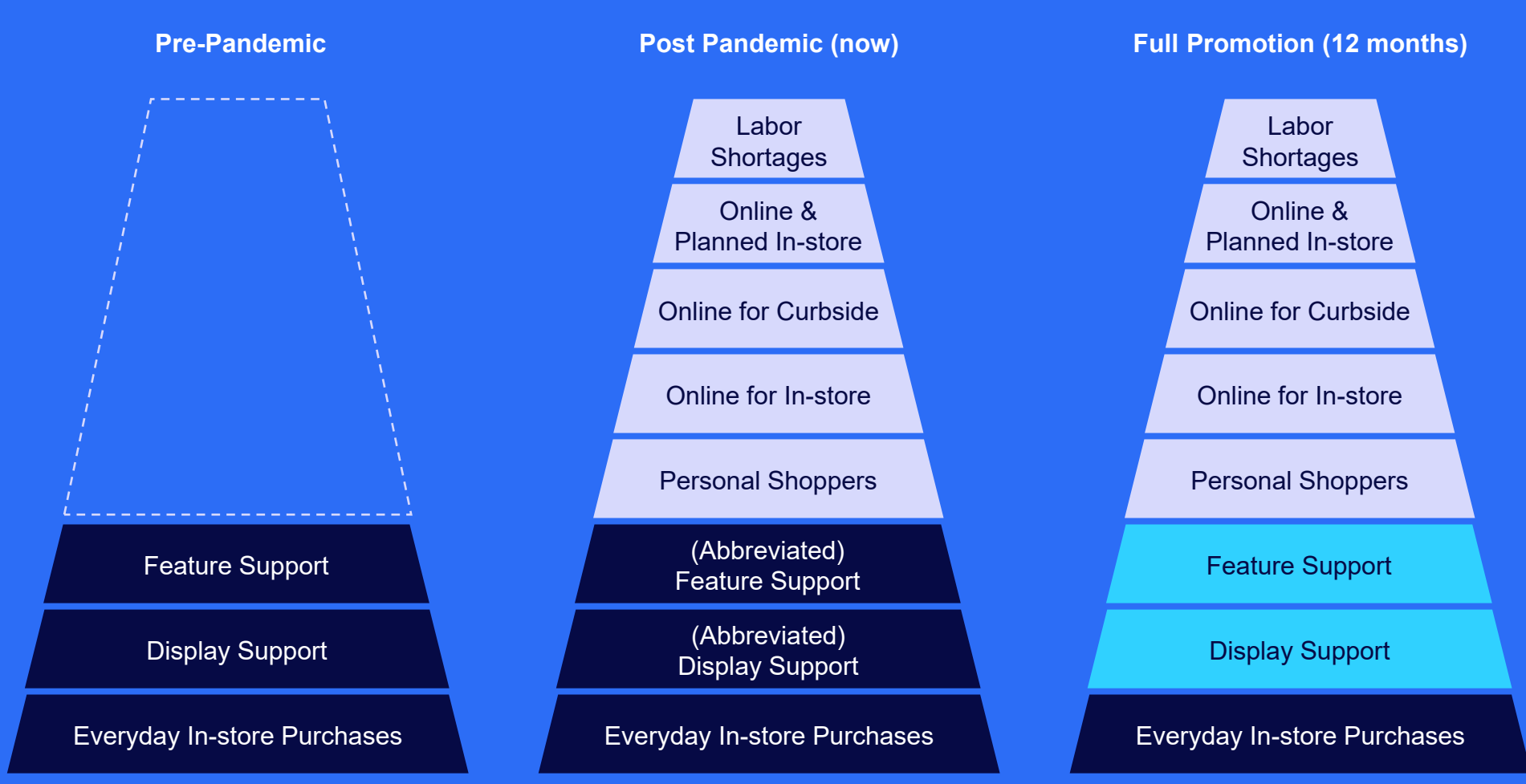


*Supercenters adjusted to reflect total store

Source: Nielsen Consumer LLC, TDLinx, U.S. counts are for open stores during month of December

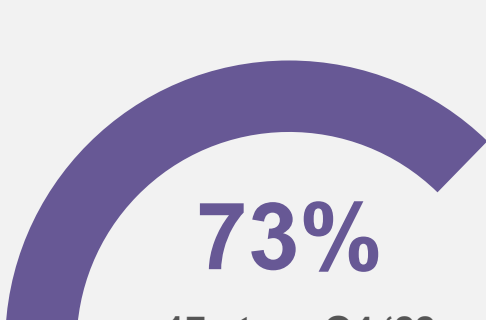
Assortment management no longer evolves seasonally across the store

Shelf supports more frequent shopping events and evolves to match digital age vs. 1x-2x/year

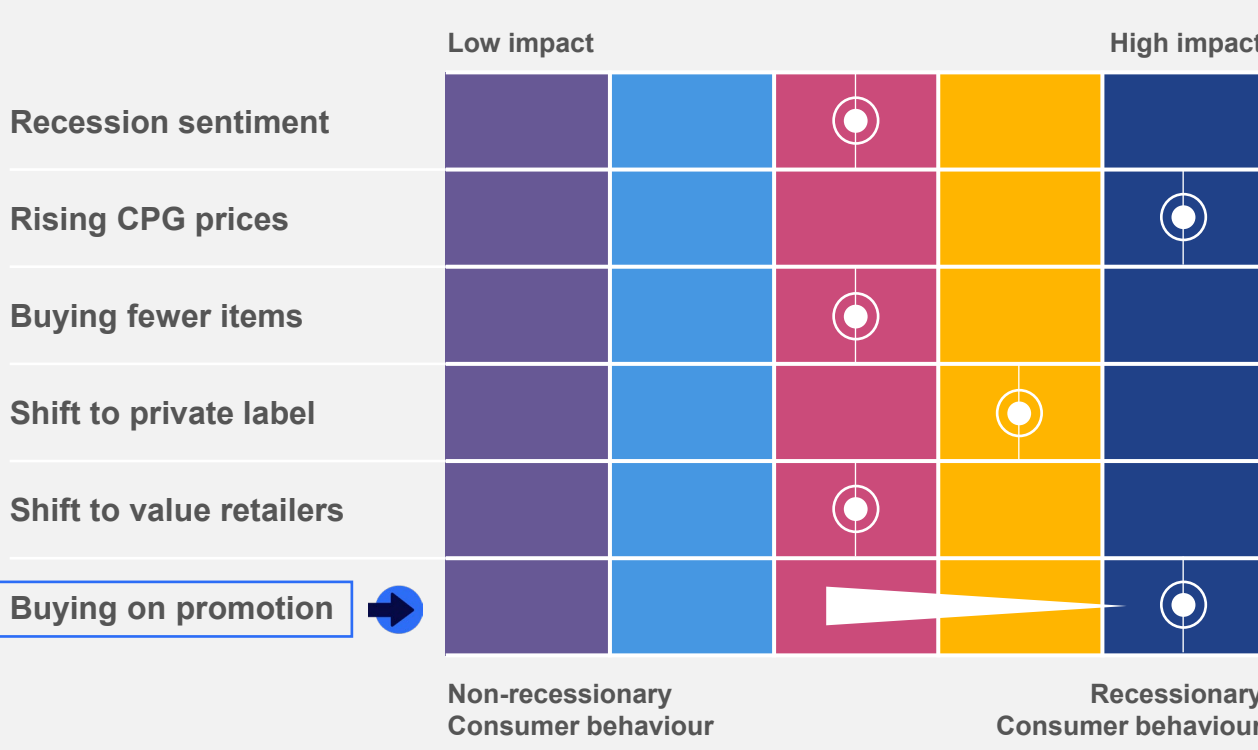


In Q1, the U.S. moved closer to a consumer recession with a sensitivity score of 73 out of 100

Overall consumer recessionary gauge United States – Q1, 2023



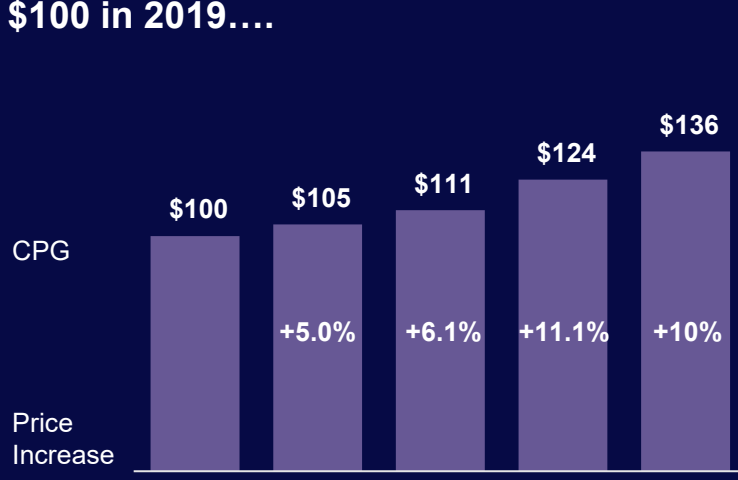
Consumer behavior recessionary signals United States – Q1, 2023



United States: Based on Q1'23 CPG growth metrics benchmark to total market performance

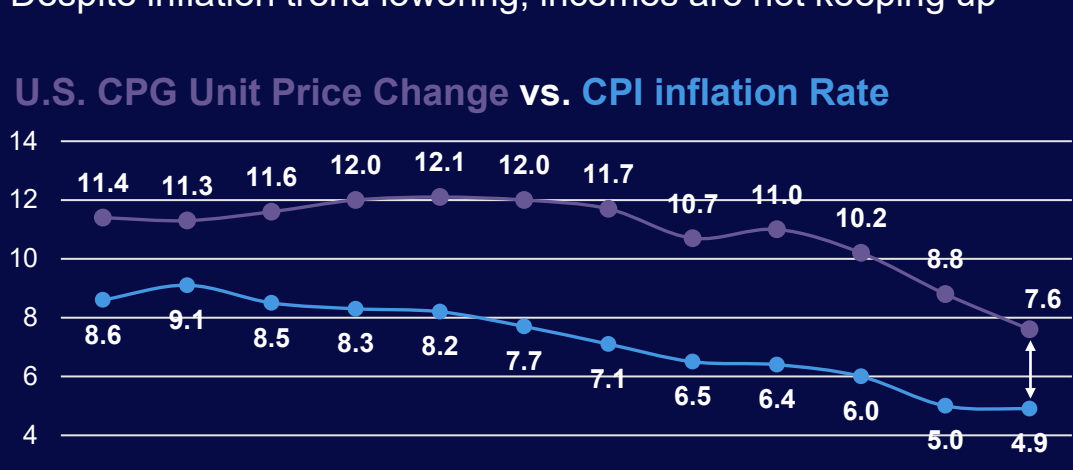
Incomes are not keeping pace

\$100 in 2019....



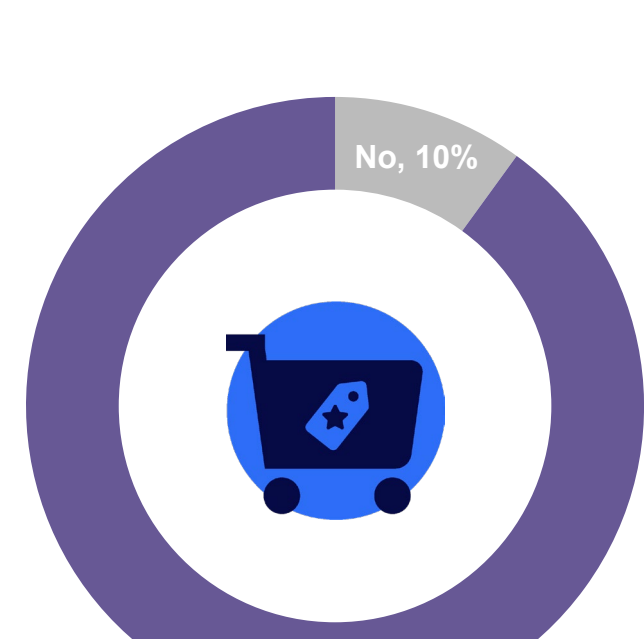
Shoppers are feeling financial anxiety spending 36% more today than 2019

Despite inflation trend lowering, incomes are not keeping up



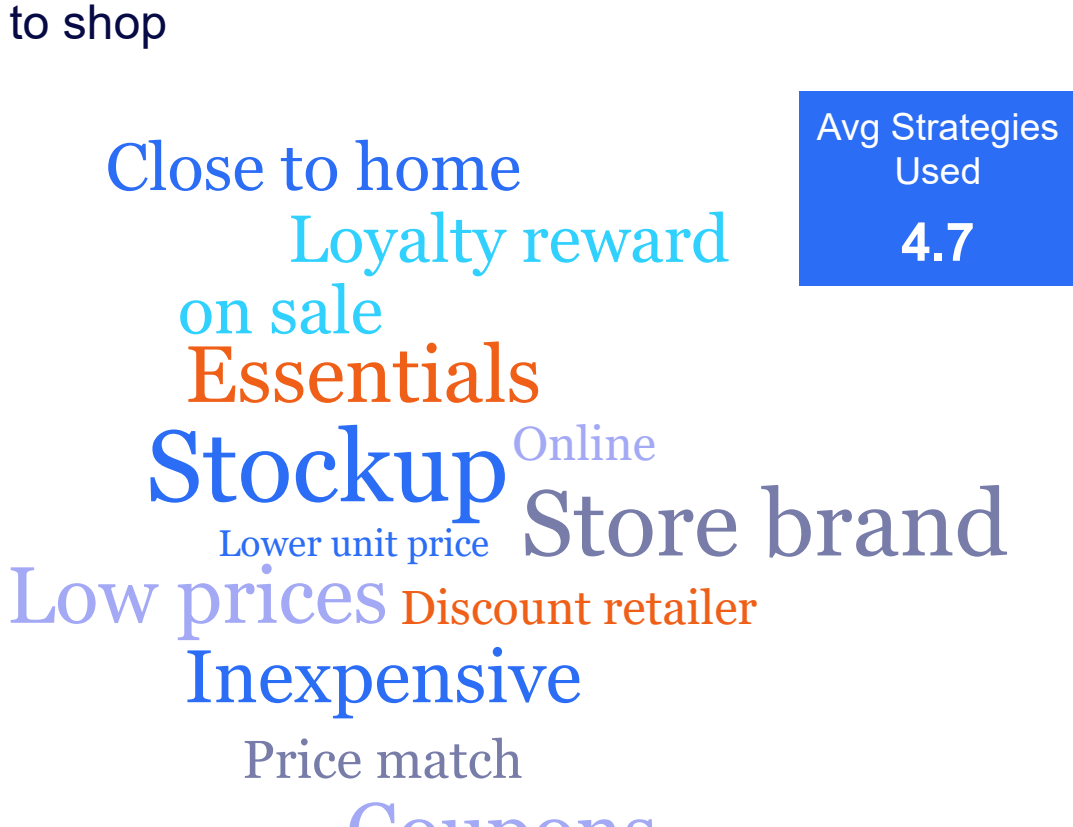
Source: U.S. Bureau of Labor Statistics – Consumer Price Index

Q. Have you adapted any strategies on how you shop to manage grocery expenses?



Source: NIQ Homescan Shopper Sentiment Survey March 2023

Did you know? The average shopper is walking into the store with nearly 5 different savings strategies that they will employ during their trip to shop



Questions to consider to future proof your business

- Do you have a roadmap identified so that you can pivot quickly based on market conditions?
- Are tools in place and at the right levels in your organization to evaluate business performance and every trade promotion's return?
- Is your organization well equipped to translate strategy into account specific plans & tactics?
- Promotions have reset due to the pandemic, but do you know what your promoted prices should be? Don't leave dollars on the table.

Actions to Consider: Delivering Value to Your Consumers

- Value does not equal price, it's solution-oriented**
 - For example, bundle to meet occasion & need
 - Size of the right channels (e.g., Dollar vs. Club)
- Invest now for future brand equity**
 - When the U.S. market 'recovers', consumers will remember the products/brands that offered them budget management options
- Continuously monitoring, adjusting and course-correcting with Predictive intelligence quickly can help**
 - Your brand avoid mistakes
 - Grow your revenue
 - Your employees make informed, risk-adverse decisions with increased visibility



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