# Telling a Win-Win Story For Your Portfolio, Category and Retail Partners

June 4, 2025

The quest for *next*

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# Today’s Hosts

**Krystal Dawson**
VP | SA&I NA Business Partner Team Leader

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SVP Global Consumer Intelligence

# Agenda

1. **Understand Consumer Sentiment, Design Strengths, and Actionable Distribution Strategies** to increase win-win outcomes
2. A guide to **formulating a win-win story**
3. **Win-Win Conversations,** a partnering panel discussion

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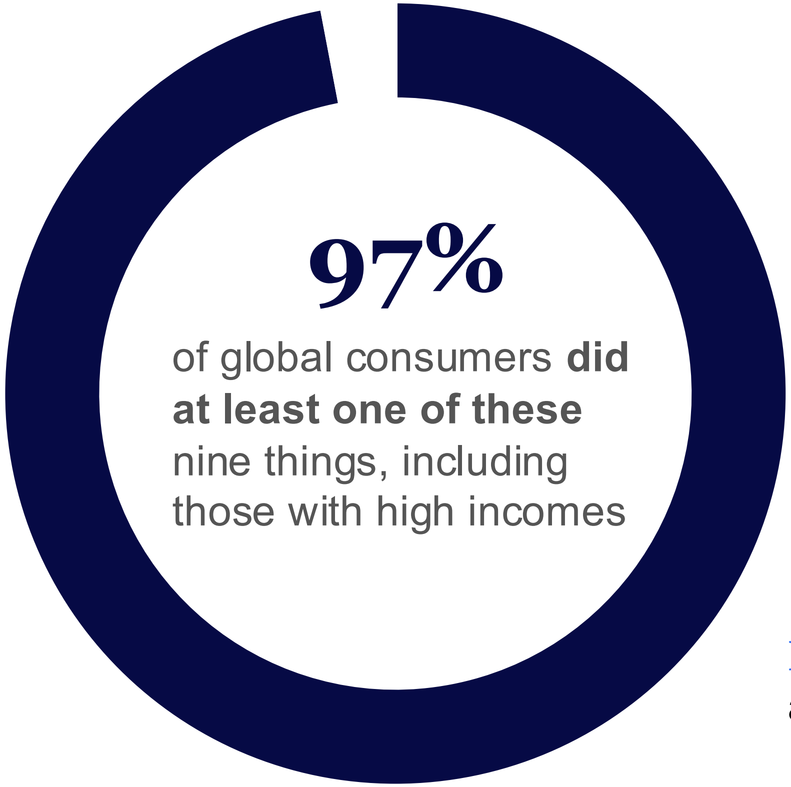
# Understand Consumer Sentiment, Design Strengths, and Actionable Distribution Strategies to increase win-win outcomes

**Krystal S. Dawson**

VP | SA&I Business Partner Team Leader

# The intentional consumer | Finding ways to save or stretch their money, prior to economic strife




**Shopped more carefully** for everyday necessities

**Bought something second-hand** instead of new

Shopped more at **discount stores**

**Postponed a purchase** until the product was on sale/special offer

**Switched from name brands** to less expensive brands

**Bought in bulk** to get a discount

Used a **coupon**

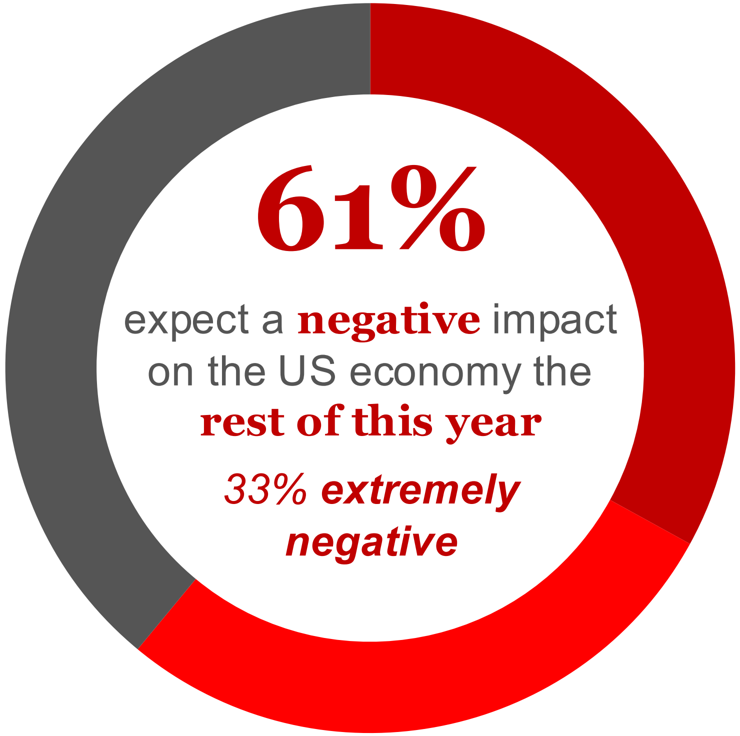
**Borrowed money** to maintain living standard/pay bills

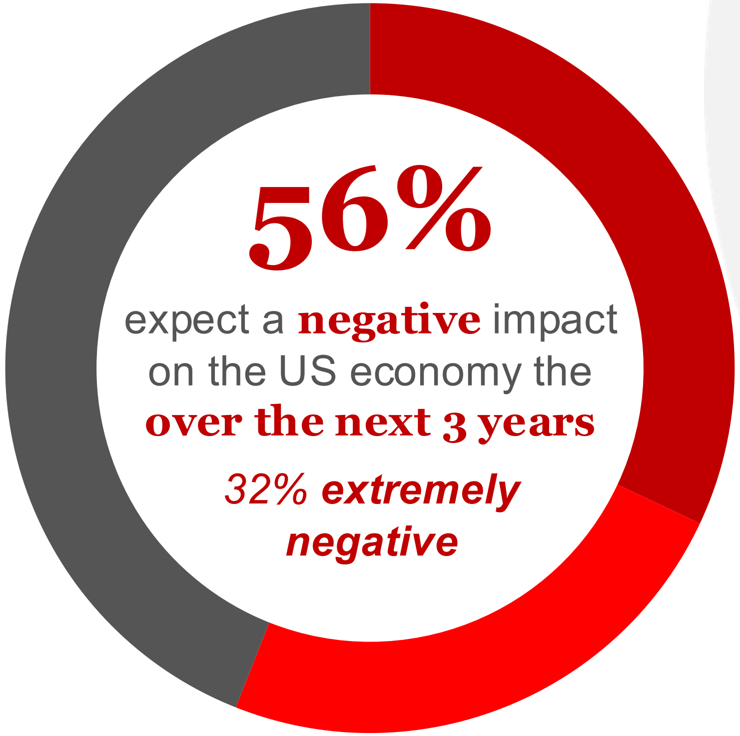
Purchased **energy-saving products** to save money in the long run

NIQ Consumer Life Global 2024

# Once economic uncertainty comes into play…

Fully understanding consumer sentiments long-term to craft win-win strategies is vital for manufacturers



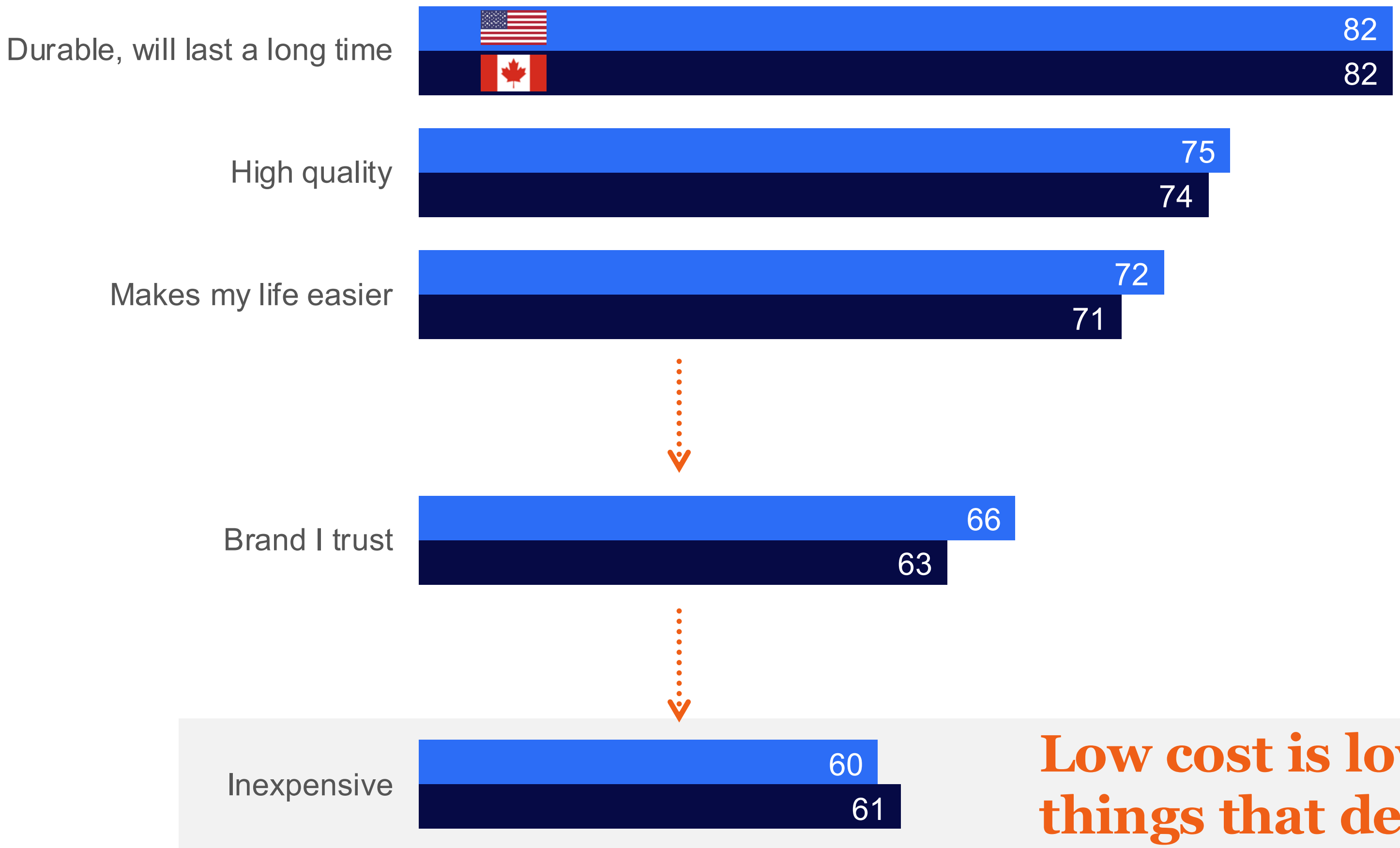

**When asked about the tariffs specifically, *majority of Americans expect a negative impact on the US economy* throughout the rest of this year and continuing for the next 3 years.**

NIQ Consumer Behavior & Insights: US Tariff Consumer Sentiment Study; Wave 1 - March 25-31, 2025

# Value *for* their money is paramount

But value is not always, or even usually, ***about*** money

*% who say factor is important when thinking about getting value from a product or service*




**Low cost is low on the list of things that define "value"**

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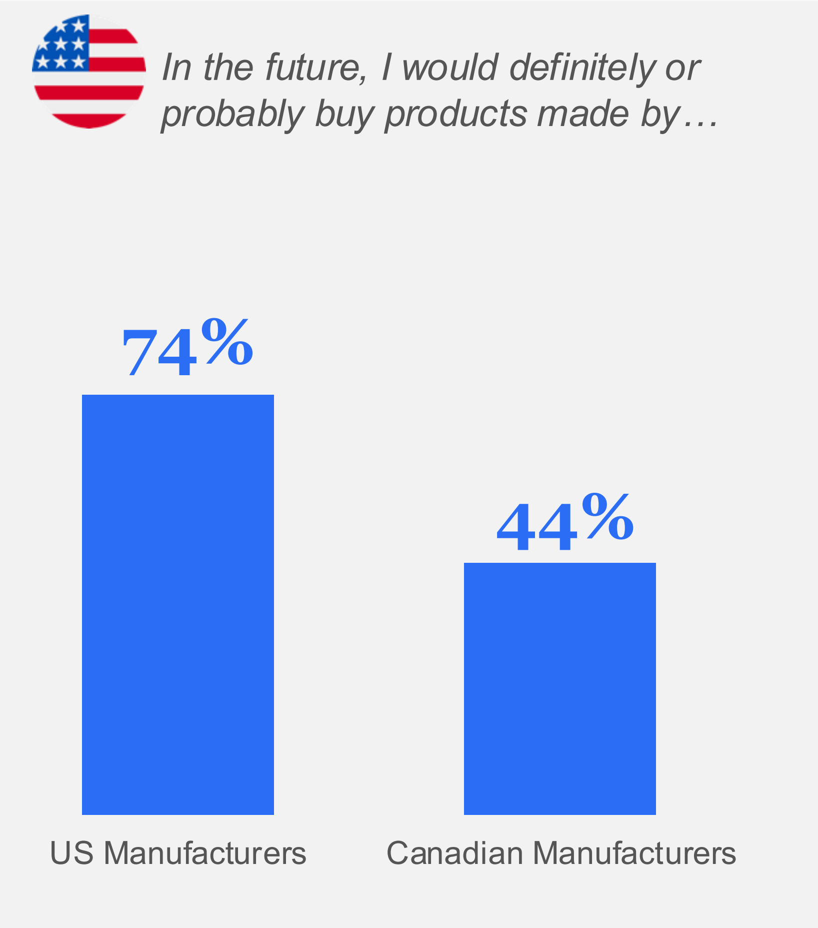
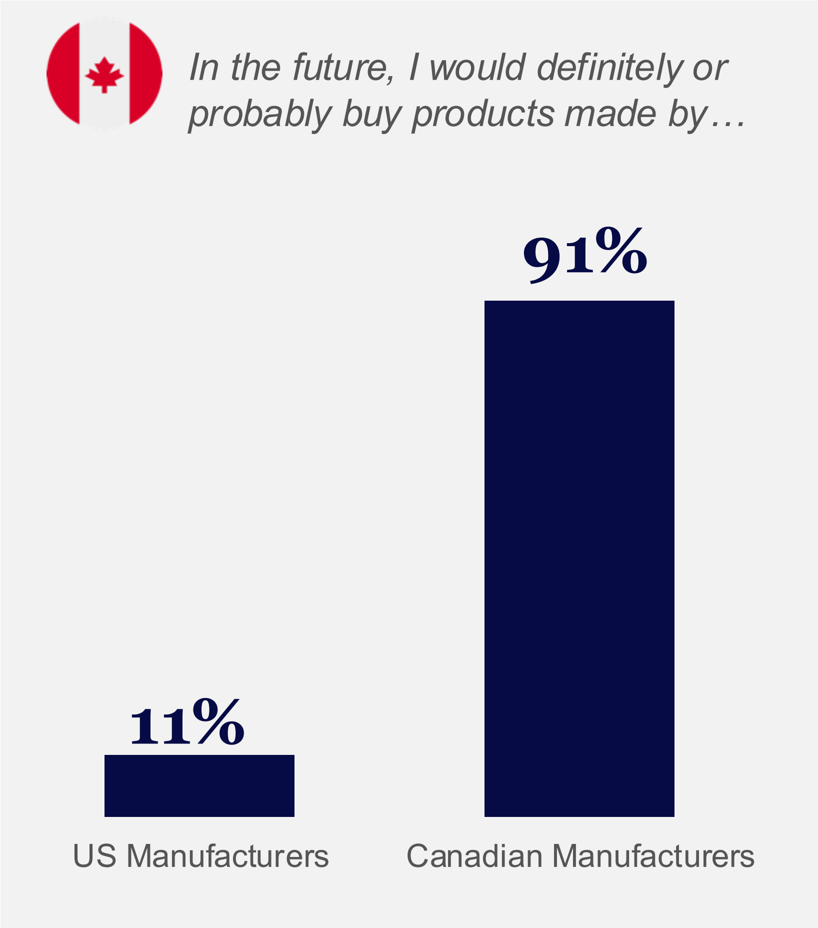
# Manufacturing location can be a key point of difference while navigating win-win stories in today's retail landscape

Tariffs prompt a greater intention to buy locally made products, especially among Canadians




NIQ Consumer Behavior & Insights: US Tariff Consumer Sentiment Study; Wave 1 - March 25-31, 2025

# Monitoring activation is critical once on shelf, but don't forget about the idea & product performance while planning to stand out with consumers

**Good Idea** + **Good Product** + **Good Activation**

How is my trial rate? Did ad copy & media accurately convey the proposition?

How is my repeat rate? Do any revisions to the product need to be made?

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# **Optimize packaging** to engage shoppers and ease the challenge of the retail shelf

## The Retail Challenge

**6 seconds:** average consumer attention span at shelf

**>120** products in view at shelf

## The Shopper Reality

The shelf is complex, shoppers do not "see" all packs but instead, the **brain automatically deselects to simplify the shopping experience**

## The Win-Win Opportunity

Packaging that **stands out AND engages** shoppers increases sales & creates a more seamless shopper experience at shelf

# Varying distribution strategies is a pathway to long-term success


For 3 years, Magic Spoon ***operated exclusively online***, focusing on brand building, flavor development, assortment optimization, and packaging – ***all in preparation for a retail launch***


***Costco*** gave TruFru a chance when the brand was unknown. This partnership was crucial as it ***provided a platform to reach a wide audience and establish credibility***



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# Determine distribution strategy depending on brand awareness & marketing support levels to reach the right retail audience effectively and drive basket size

| | *Retailer Exclusive* | *Tailored Distribution* | *Exclusive → National* | *National* |
|---|---|---|---|---|
| ***Brand Awareness*** | **Low**<br>Lesser-known brands that don't have established retailer connections | **Low**<br>Lesser-known brands or small extensions of larger brands | **Mid**<br>Typically small brands backed by large investments or parent companies | **High**<br>Large manufacturers or owned/acquired by large parent companies |
| ***Marketing Support*** | **Strategic ad spend** | **Strategic ad spend** with **stronger promotional activity** | **Higher ad spend** to capitalize on growing distribution | **High ad spend & promotional activity** (above category average) |
| ***Benefits*** | Incentivizes retailers to want the launch to succeed; better shelving & promotions | Tactical distribution can better reach the right interested shoppers | Helps build awareness & interest before expanding | Broad distribution backed by significant marketing support helps drive rapid awareness |

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# What it all means

1 **Meet consumers where they are at** across every platform

2 **Track consumer sentiment as it evolves** to strengthen effective distribution strategies

3 **Harness this catalyzing time of economic uncertainty** to meet consumer needs and drive new retail opportunities

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# A guide to formulating a win-win story

**Kelsey Michel**

SVP | Global Consumer Intelligence

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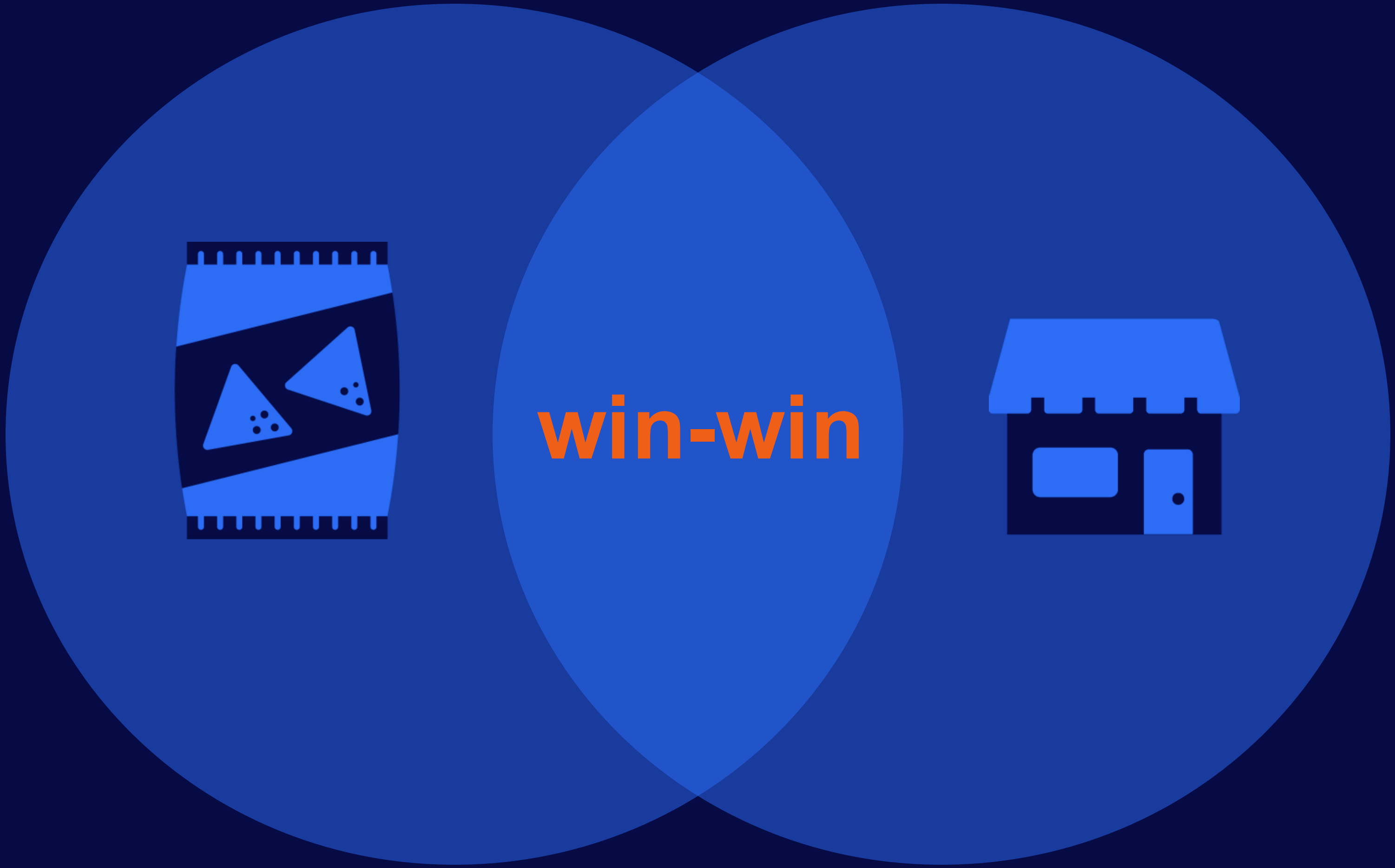
# Create high impact brand-retailer conversations by focusing on the win-win



# Understand the retailer, priorities and perspective

## Who is the shopper?

- Retailer shopper
- Segments and target segments for growth
- Your brand shopper overlap

## What is the category role?

- Understand the goals for the category – drive margin, drive traffic, drive dollars

## What are the KPIs?

- What are the category KPIs: margin, growth, penetration, etc
- Understand category performance assessment

## Who is your buyer?

- Experience level of your buyer at the retailer, with the category, in FCPG
- Understand their objectives and priorities

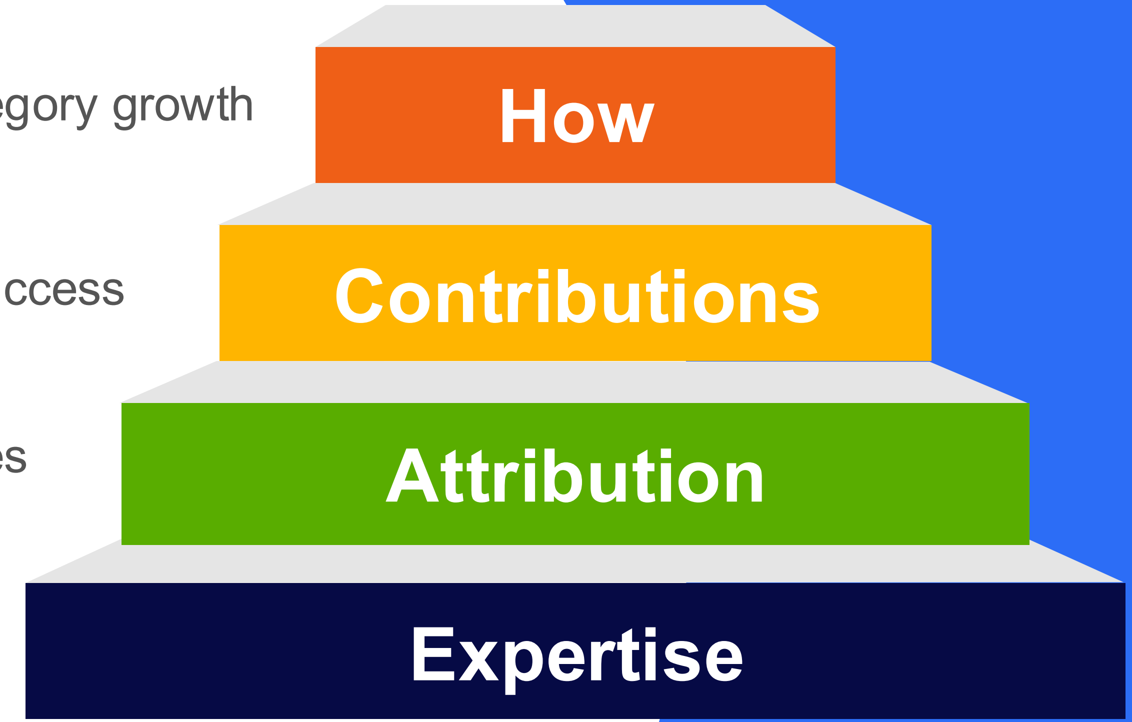
# Principles for retailer conversations

**HOW** outline how you will drive category growth

**CONTRIBUTIONS** highlight your success

**ATTRIBUTION** dissect performance nuances

**EXPERTISE** Showcase category performance



# Your **expertise** in the category builds confidence and partnership

Based on what you know, what are the top concerns, trends, macro factors impacting that category at the retailer today? How are you addressing?

Ideas
- Population Growth
- Economic factors
- Crops/agriculture/supply chain
- Concern growth/behavior change
- Changes in consumption

***What would a coffee brand say today?***

Coffee prices are up **69%** vs YA but **flat** to last month


Trading Economics May 2025

**34%** of Americans are extremely/very concerned about tariffs impacting pricing in Coffee

Our brand top products are in-elastic

**70%** of our products our sourced from Columbia, which COULD face a reciprocal 10% tariff

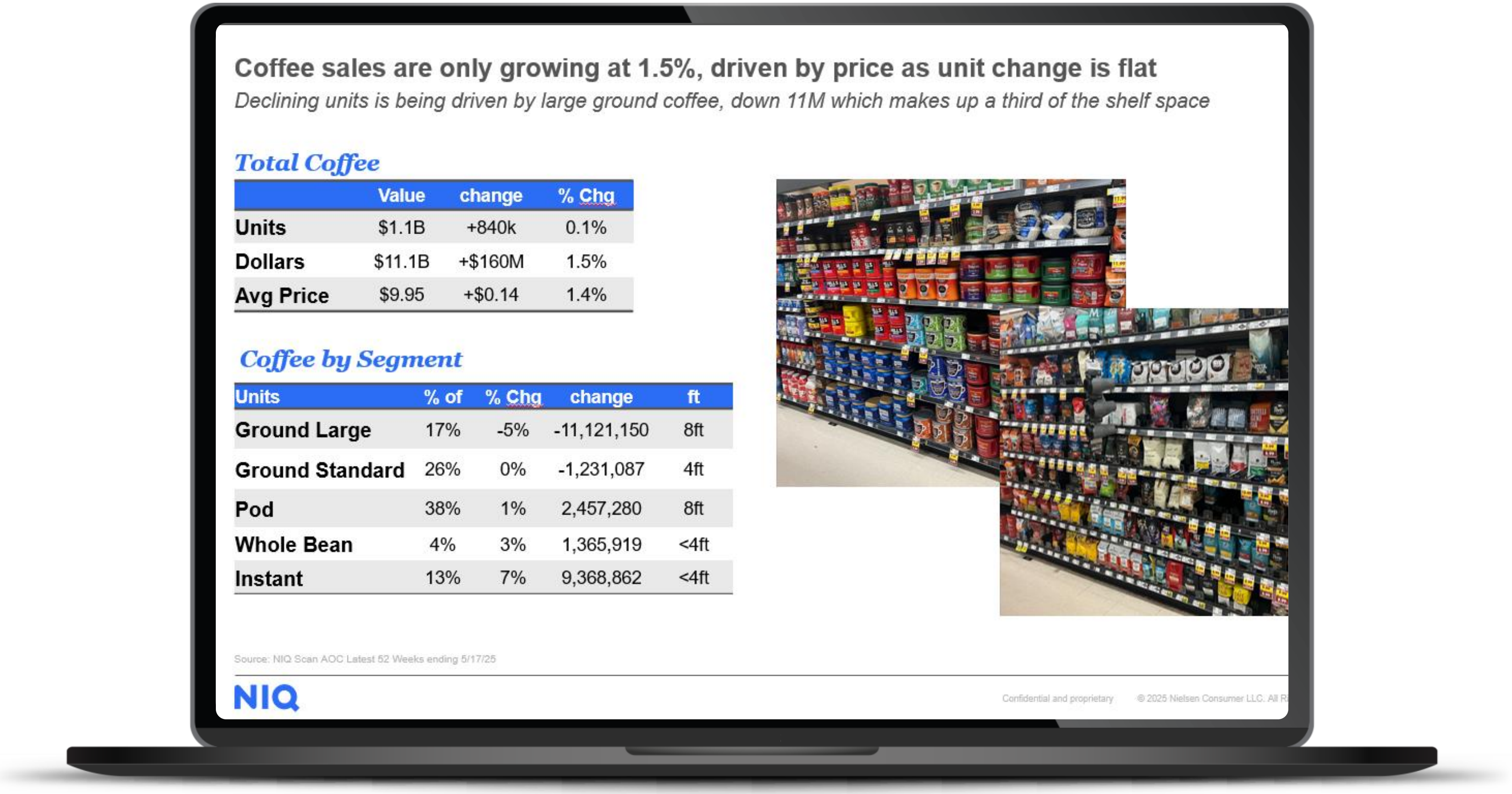
# Dive deeper into performance using attributes

Attribution can cover segments, characteristics, seasonality, packaging, ingredients and much more

## Goals

- What are the key attributes
- Identify growth and size of relevant attribute
- Highlight to the retailer where their might be risk or opportunity for compression

*How are you unique positioned to meet/address this attribution?*



**Coffee sales are only growing at 1.5%, driven by price as unit change is flat**

*Declining units is being driven by large ground coffee, down 11M which makes up a third of the shelf space*

***Total Coffee***

| | Value | change | % Chg |
|---|---|---|---|
| Units | $1.1B | +840k | 0.1% |
| Dollars | $11.1B | +$160M | 1.5% |
| Avg Price | $9.95 | +$0.14 | 1.4% |

***Coffee by Segment***

| Units | % of | % Chg | change | ft |
|---|---|---|---|---|
| Ground Large | 17% | -5% | -11,121,150 | 8ft |
| Ground Standard | 26% | 0% | -1,231,087 | 4ft |
| Pod | 38% | 1% | 2,457,280 | 8ft |
| Whole Bean | 4% | 3% | 1,365,919 | <4ft |
| Instant | 13% | 7% | 9,368,862 | <4ft |

Source: NIQ Scan AOC Latest 52 Weeks ending 5/17/25

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# Highlight your contributions to category performance

Make sure to focus on the shoppers and KPIs that are most important to the retailer

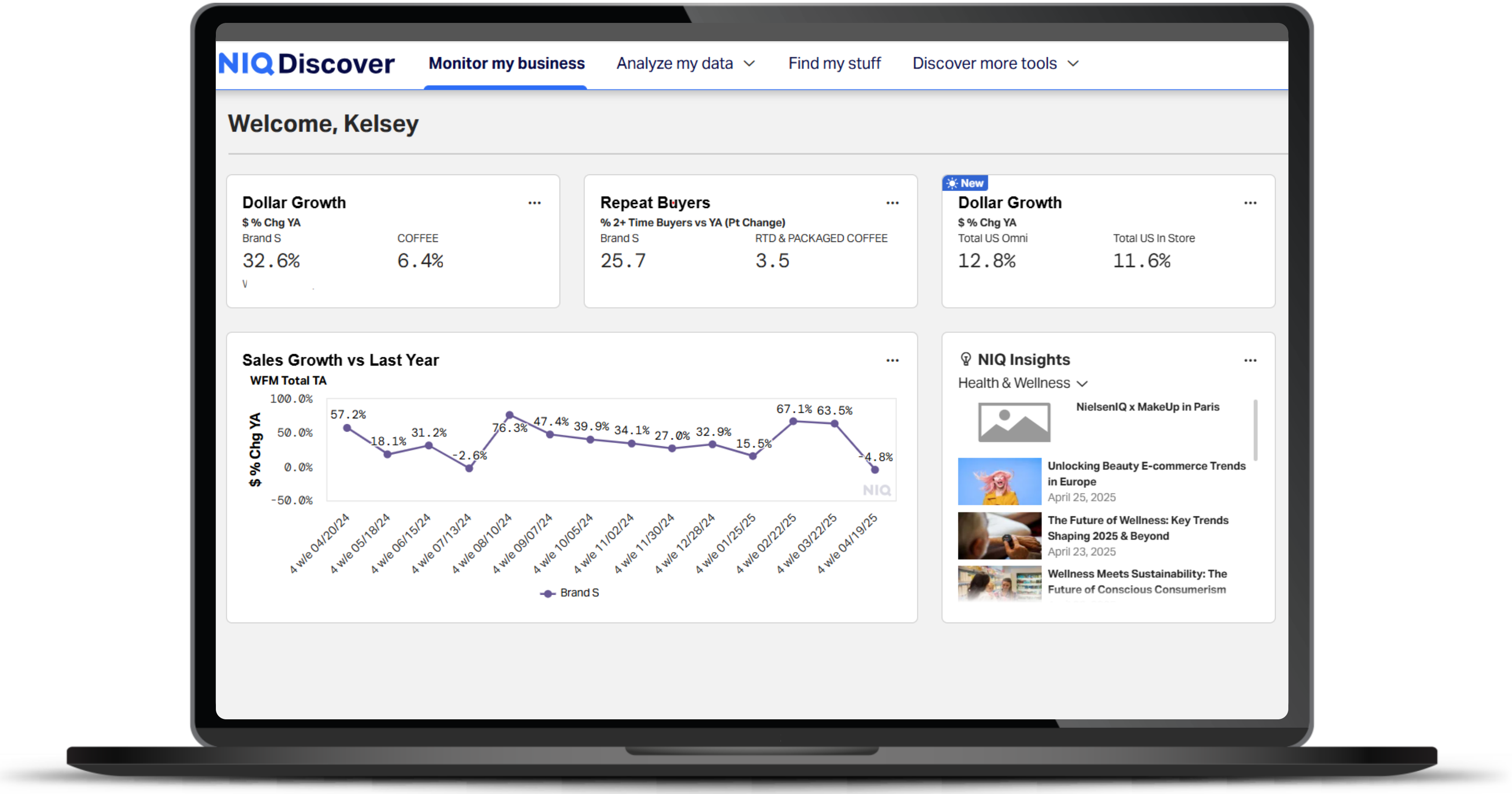
## Know your retailer KPIs

### Volumetric
- Dollars
- Units
- Growth
- Velocity: I/S/W
- Market Share

### Shopper
- Penetration
- Basket Value
- Leakage
- Growth

### Promo/Marketing
- Lift
- Brand

### Operations
- Margin
- Out of Stocks



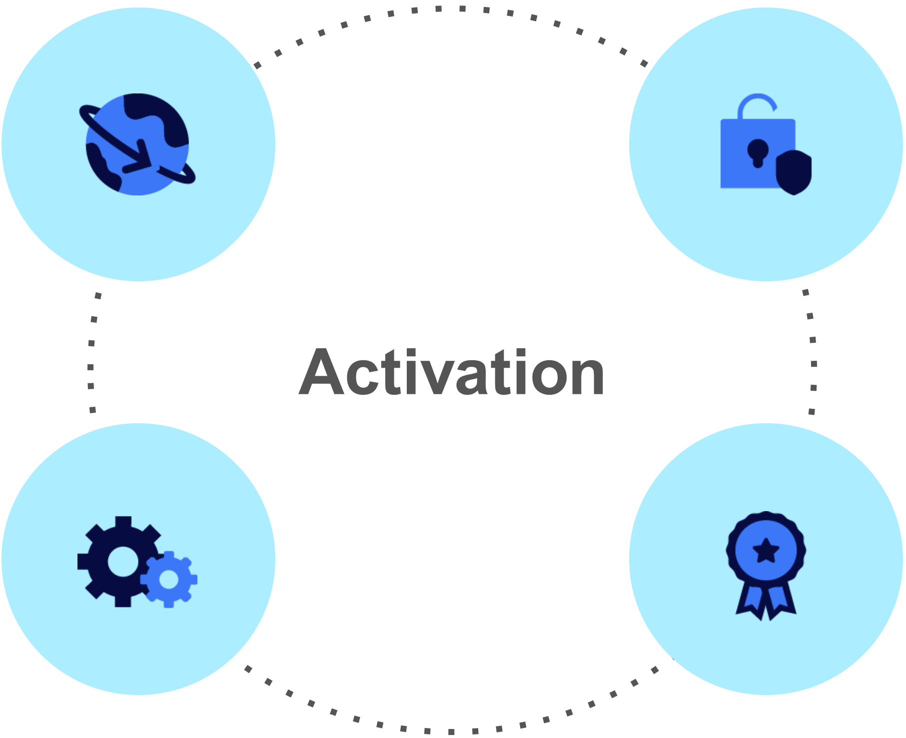
# Activation shows how you will achieve mutual growth

Ensure you are highlighting how your actions are helping the retailer achieve their objectives through your investment

## Price

If you are recommending pricing changes, outline how it will impact the category

Key facts: price position, elasticity




## Assortment

If launching new products, demonstrate how they will grow not cannibalize

Key facts: velocity, innovation, incrementality

## In Store Promotion

Investment in trade spend will result in category lift

Key facts: lift, forecasted impact

## Marketing

How will you continue reach and covert shoppers

Key facts: Reach, ROI

# A win-win story is
# Relevant
# Valuable
# Trusted

# Win-Win Conversations – a Partnering Panel Discussion

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# Win-Win Conversations – a Panel Discussion

**Scott Nicholas**
Senior Director of Analytics & Insights

four Loko

**Maggie Ting**
Data Insights Manager

naTerra INTERNATIONAL INC.

**Phil DeConto**
VP Sales, Strategy, & Trade Marketing

CiboVita FOOD FOR LIFE

**Susanna Valerius**
VP Sales Strategy

DUDE WIPES BEST CLEAN PANTS DOWN

**Katie Arundel**
Sr. Director National Merchandising

UNFI BETTER FOOD. BETTER FUTURE.

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# Let’s continue the conversation!


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*Find your next growth opportunity*

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