

CMA | SIMA CONFERENCE

ELEVATE

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From Category Managers to Experience Architects

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Merchant conversations will change when you talk about “futureproofing”



Optimizes assortment

Manages shelving and facings

Uses insights for merchandising

Aligns with retailer plans

Focuses on price & promotion



Designs journey and flow

Creates discovery and interaction zones

Uses insights for immersive experience design

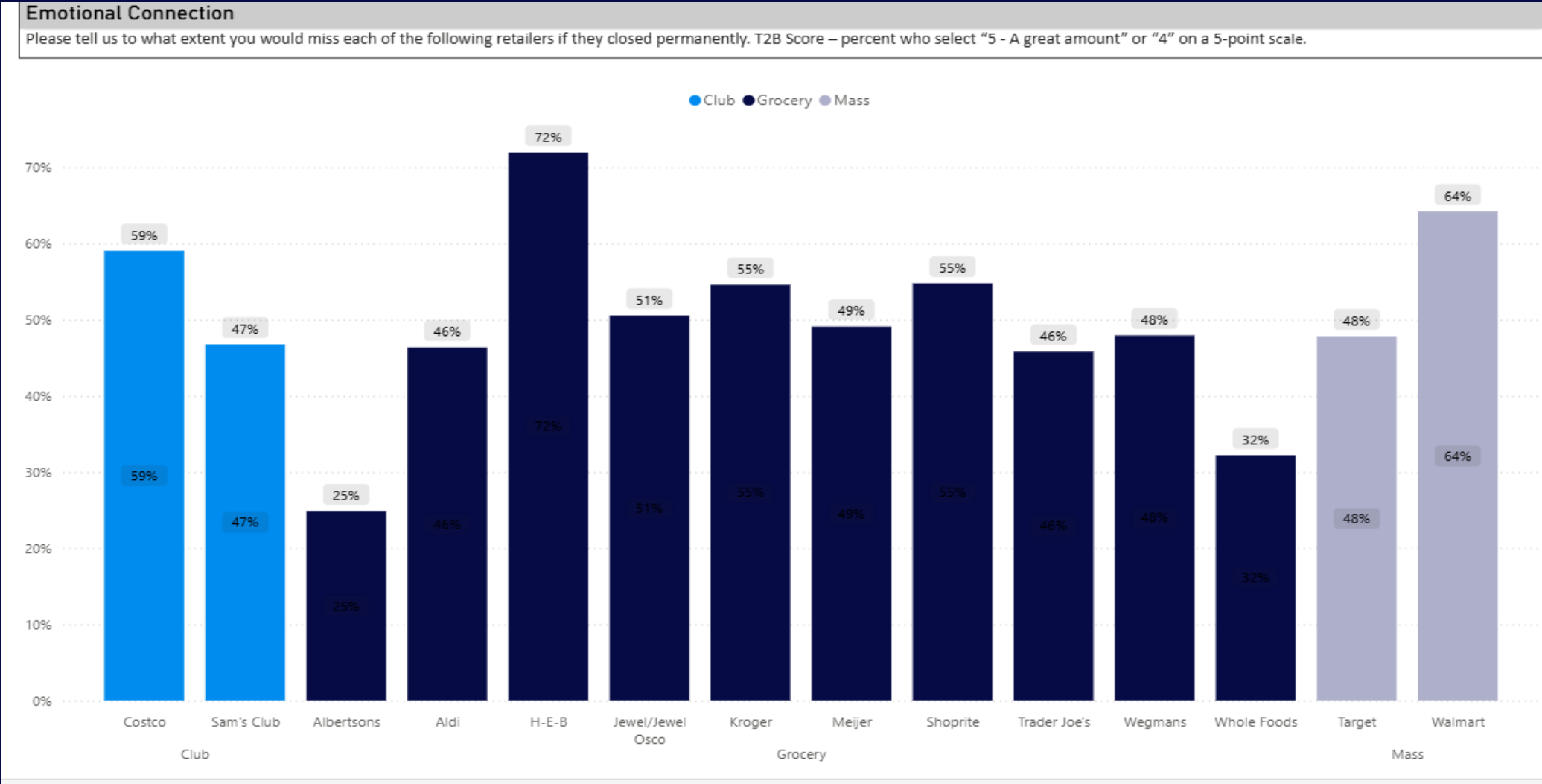
Co-engineers end-to-end experience with retailer

Builds emotional + educational value

Experiences draw shoppers into sections with emotional connection...assortments make them stay



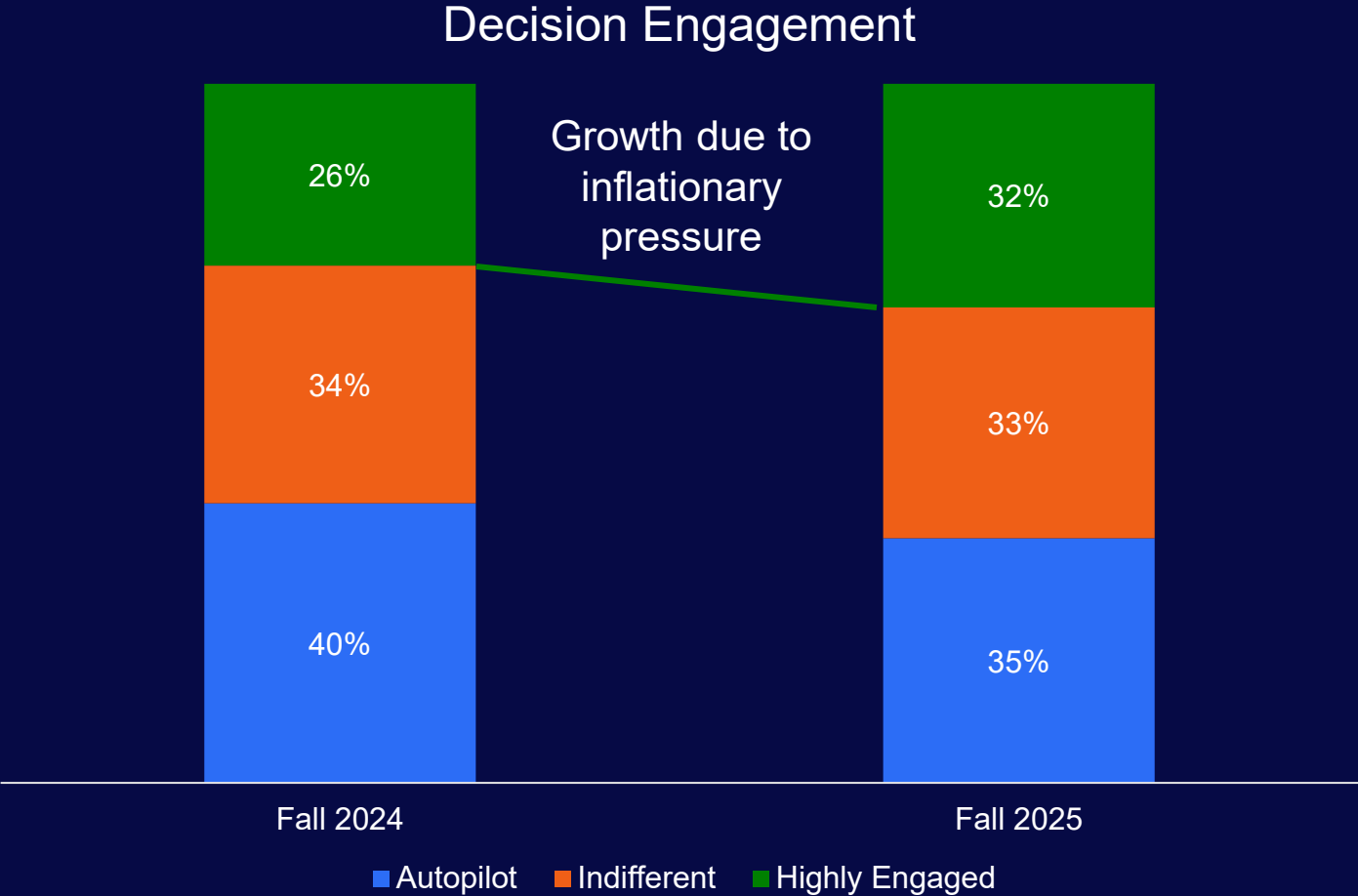
Emotional connection goes up when the category experiences are exceptional



Source: NIQ Retail Choice Drivers Fall 2025



Consumers are becoming more highly engaged in their purchasing due to the rising costs in key segments in the store



Implication

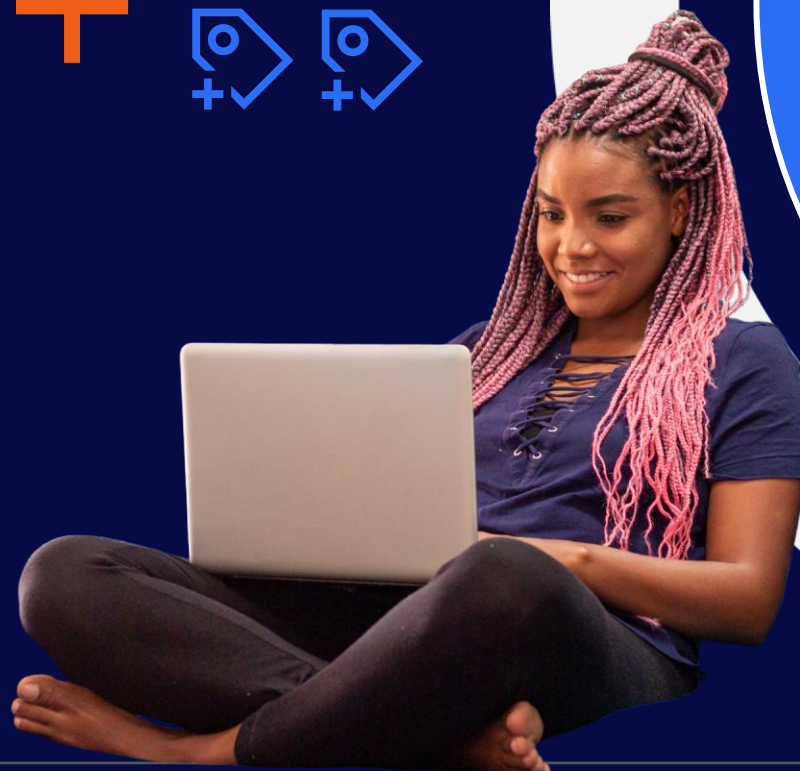
More opportunities to capture shoppers because they're paying attention!

The consumer path to acquisition is no longer linear...

How many ways does the average consumer use to shop?



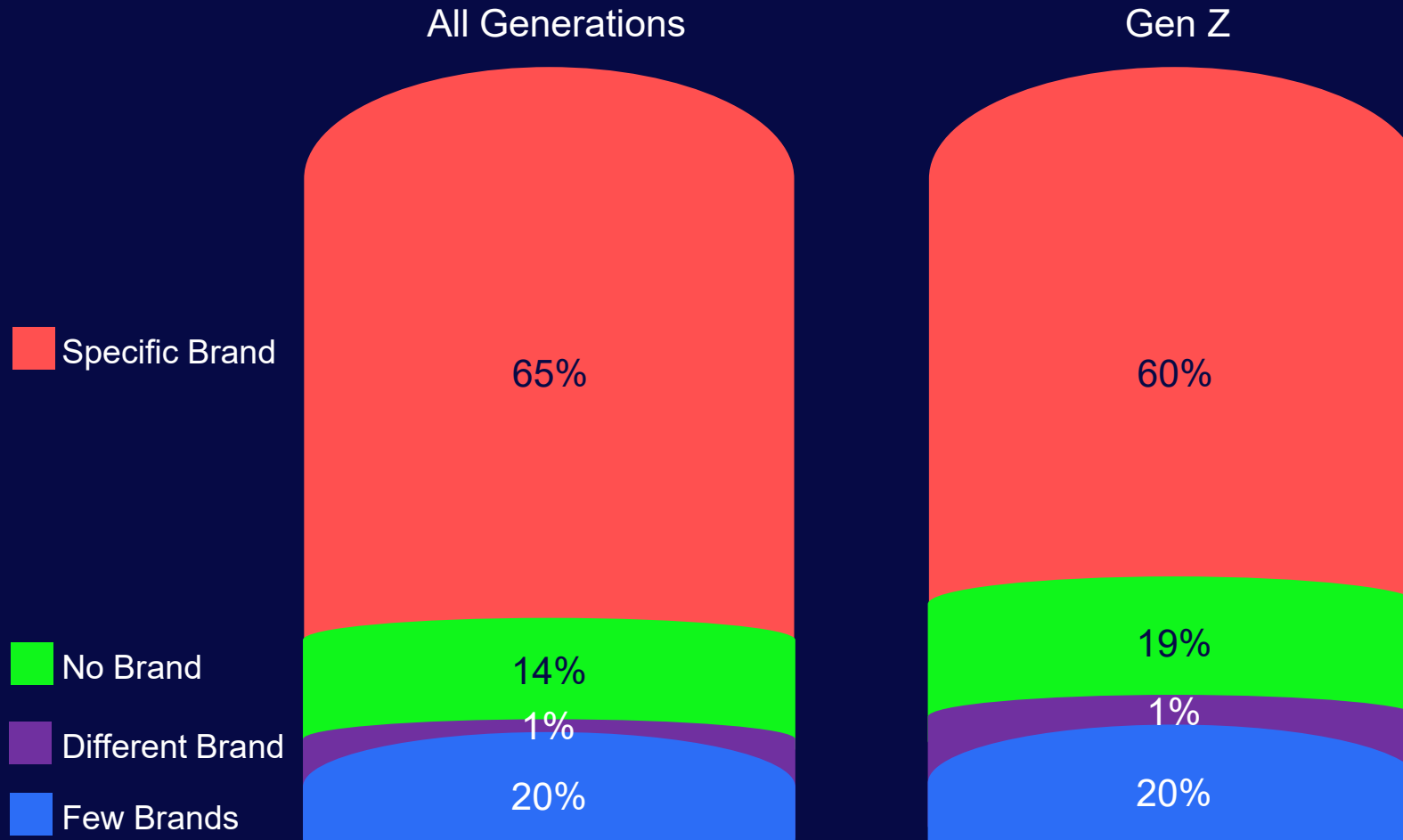
To grow in a
challenged market,
you need to
**reach consumers
where they are**



Source: NielsenIQ Omnishopper Panel, Total US

Shoppers' brand planning leaves some room for brand discovery

Gen Z is a pivotal generation due to their willingness to explore different brands more than any preceding cohort



- Most shoppers enter the store with a specific brand in mind
 - Low probability of switching
- Gen Z has broader brand considerations
 - Greater opportunities to gain trial
 - 19% have no brand in mind or a few brands in their consideration set

Trade dollars have little effect on an autopilot shopper that have no decision investment in a category

- Brands benefit enormously if they are nurturing an autopilot shopper, but they should spend **ZERO** dollars trying to convert autopilot shoppers of another brand.
- Winning companies will understand shopper journeys and have greater engagement with categories where shoppers are considering a potential menu of brands within the category and are open to trial driving trade tactics

35%

of Shoppers are on Autopilot
when shopping in FMCG

65%

are mildly to highly engaged in their category decisions
These are the shoppers to target!

The cosmetics section isn't your typical share of shelf capture

What's unique:

- Section is managed in increments of 2' merchandising fixtures – brand blocking is fixed
- Line representation is critical – one in one out doesn't work
- Shelf gains require a significant investment in fixturing from manufacturers
- Frequent resets to reflect seasonal and beauty trends

What's universal:

- POG compliance and consistency
- Inventory issues and out-of-stocks
- Retail labor issues



From roadblocks to results: The case for strategic shelf expansion

Company

Milani Cosmetics is a leading brand of cosmetics focused on long-term growth accretive to the category.

Challenge

Despite year over year growth, and a strong reputation with retailers, Milani's footprint in stores has remained largely unchanged. As a nimble team, they needed to work smarter to compete with larger brands.

Goal

Grow the shelf with key retail partners by developing a collaborative growth strategy, rooted in data, and proving incrementality.

Key challenges



Overcoming complexities and potential investments associated with increasing shelf space



Proving to retailers that they could **bring incremental dollars** with additional shelf space

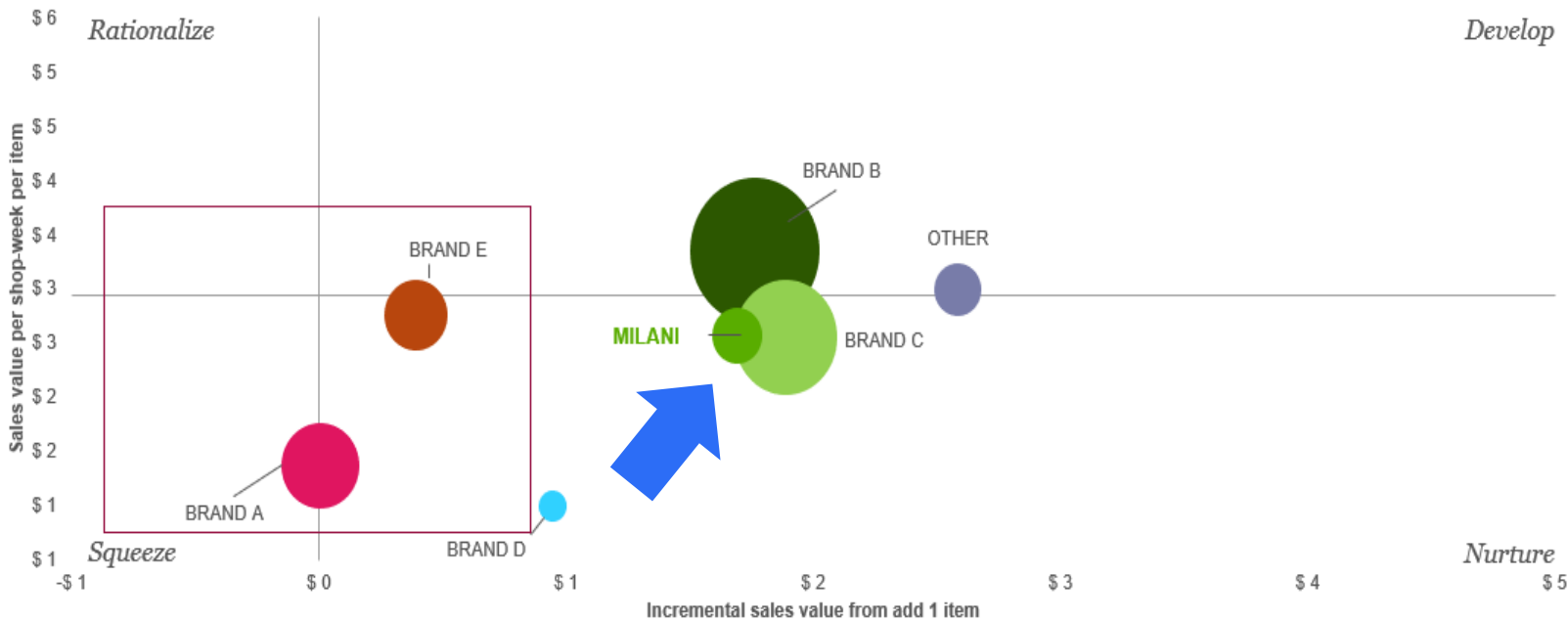


Identifying the **right mix of products** to meet diverse consumer needs

Ultimately, Milani needed a deep understanding of specific nuances of the category to propose more efficient and effective solutions

Competitive insights: Uncover *rival brands* and decode their retailer-specific interactions

Total US Walmart > Cosmetics Aisle > Impact of +1 item



Source: NielsenIQ Shelf Architect, Color 52 weeks ending on 11/30/2024

Key Finding

Recommendation: **Improve efficiency** for Color Cosmetics by **remixing brand offerings** to focus on brands that bring incremental velocity when expanded

Improve efficiency for Color Cosmetics by *remixing brand offerings* to focus on brands that bring incremental velocity when expanded



Source: NielsenIQ Shelf Architect, Color Cosmetics, 52 weeks ending on 2/10/2024

Outcome - Walmart

Before: 4-foot section



Increased footprint by **39%**



Pivoted to retail-specific selling with data-driven conversations



Gained double-digit space increase at Walmart



Strategically positioned by understanding where the category is heading

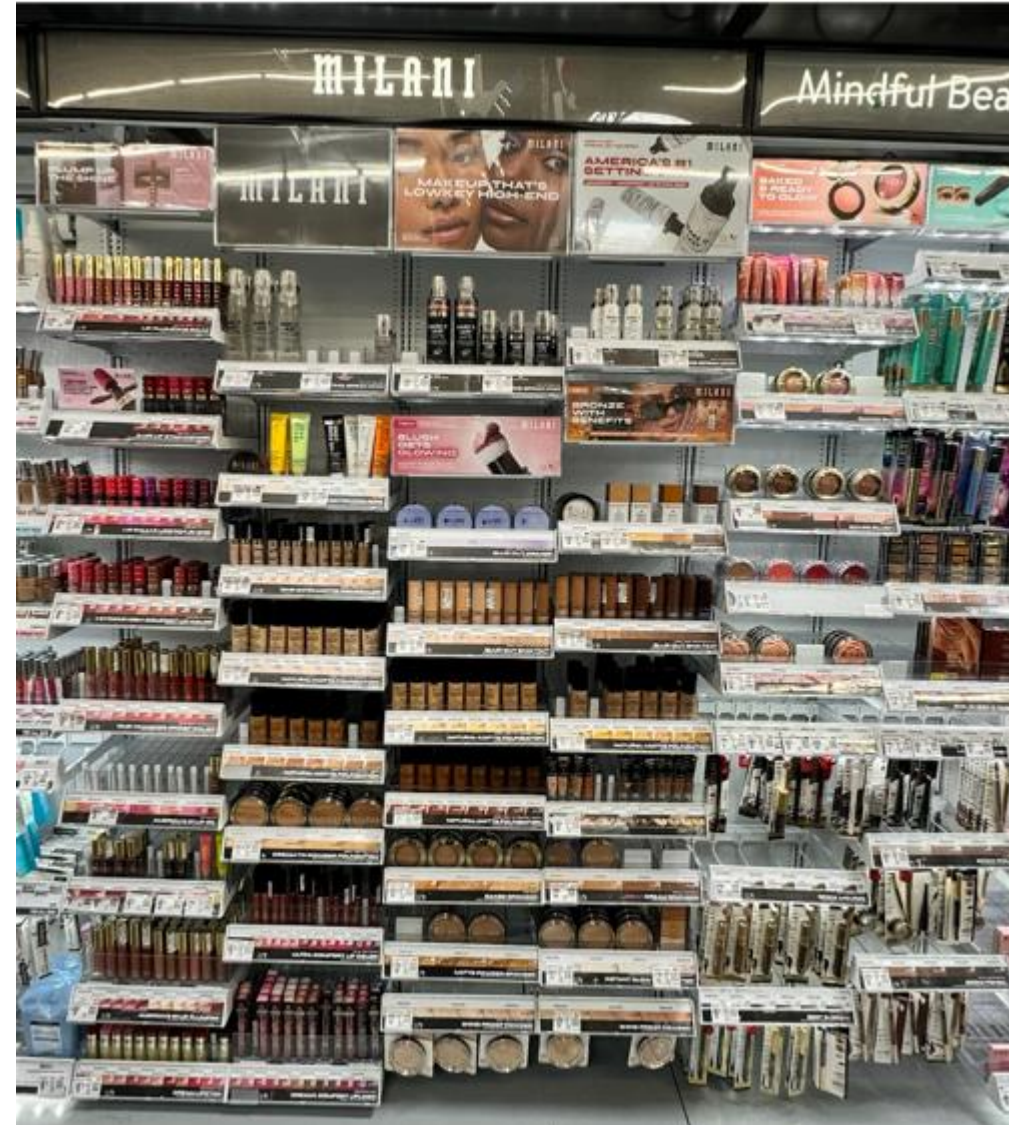


Milani drove +22% sales increase in Supercenters



Shortened time to market for new offerings

January 2025: 6-foot section



Closing Remarks

Each project must start with a vision

New partnerships require educating each other

Success comes from looking inward

The project path is never linear

Delivery isn't the end...it's the beginning



Let NIQ Shelf Architect Help You:

Leverage predictive insights to optimize assortment and act on your greatest opportunities

From strategy...

Where to play

**Item
incrementality**

**Retail
opportunity**

**Portfolio
optimization**



To execution...

**Prove
ROI**

**Develop
category-first
narratives**

**Leverage
the latest
data**

**Promote
accuracy**

**Create
store-level
recommendat
ions**

Booth #419

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