The Shopper Shift: Decoding the New Consumer Journey

October 2025

NielsenIQ

Today's Experts

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About today…

1. **Navigating the new shopper reality** and strategies for a value-driven era
2. **Capitalizing on consumer sentiment shifts** to standout at the point of purchase

We're at a pivotal moment

Financially polarized consumers

Shift to telehealth

Chronic disease

Tariffs

Pop culture

SNAP/WIC

Globalization and localization

Clean label

Social media

Return to work mandates

Aging population

Rx to OTC

Online Growth

GLP-1 impact

AI

Growth of retail media

Personalization

Sustainability

Make America Healthy Again

Shifting demographics

GenZ and GenAlpha

Better For™ mainstreaming

Consumers are more challenged than ever

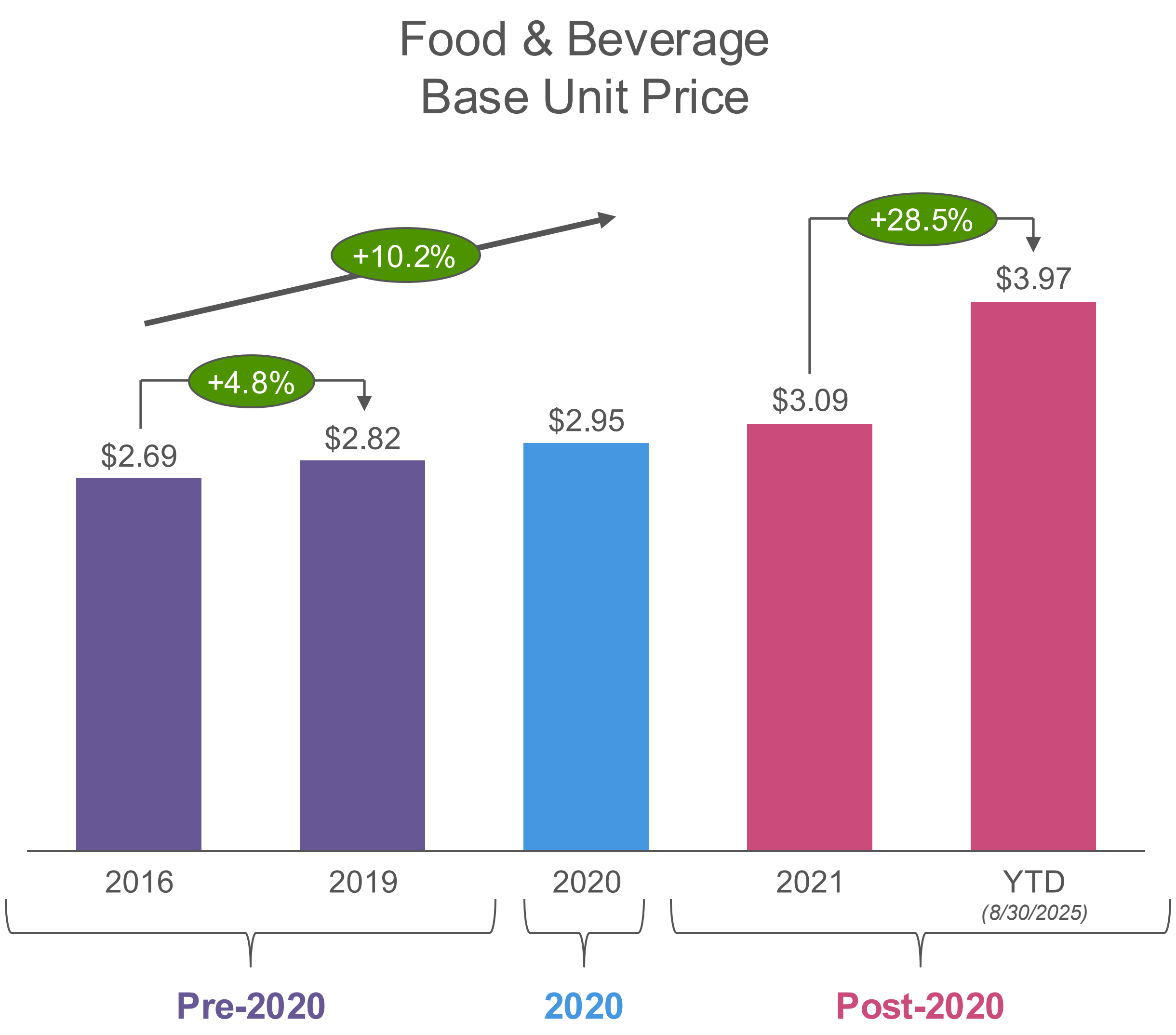
Strugglers	Rebounders	Cautious	Unchanged	Thrivers
18.1%	10.7%	43.7%	16.9%	10.6%

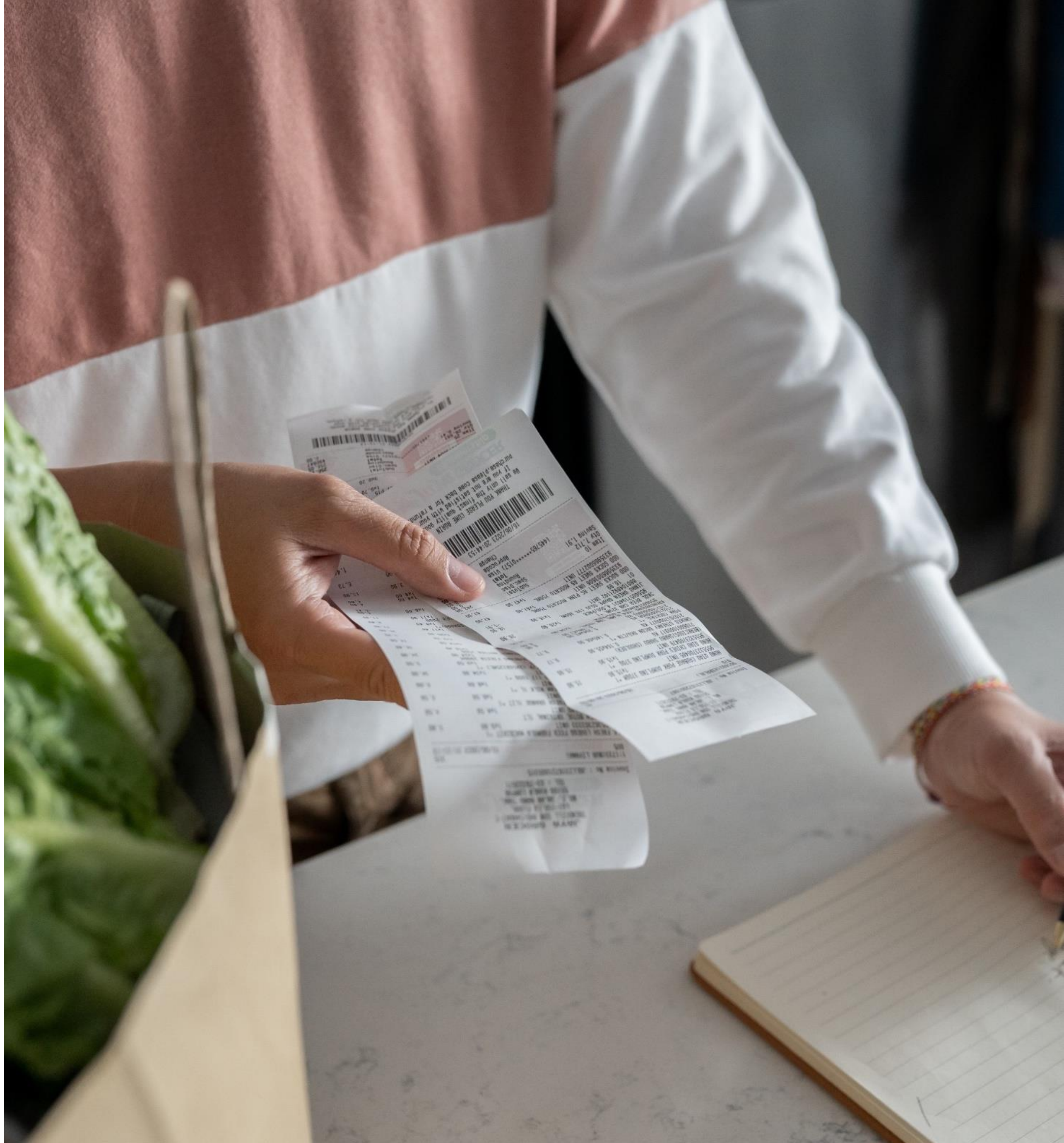
72.5% of consumer are vulnerable.

They're **cautious**, *calculating and craving value.*

Source: NIQ Consumer Outlook Report, Jul 2025, US Market

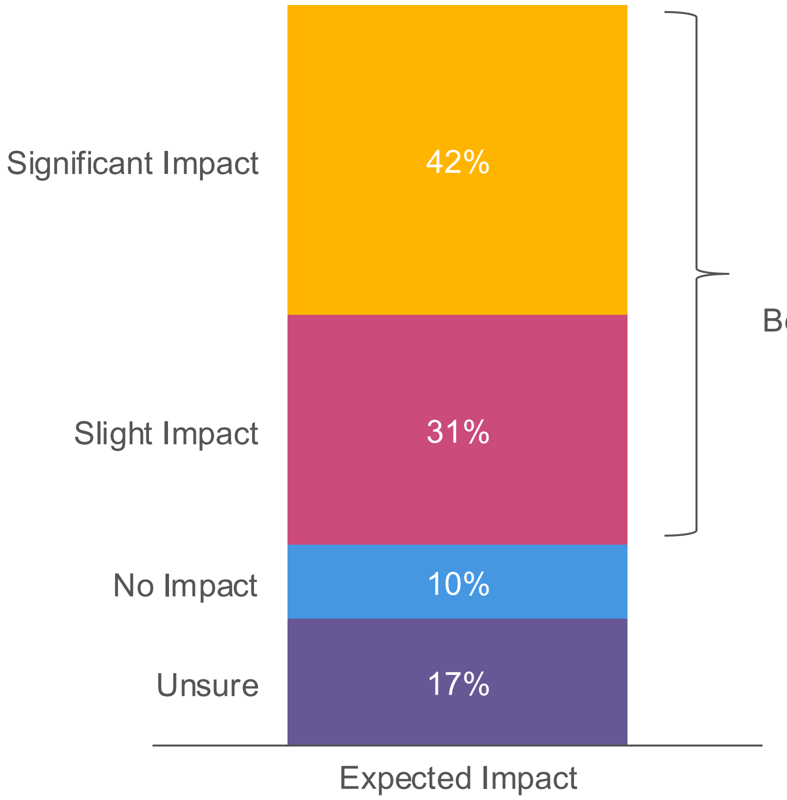
Prices have taken off since 2020...





…tariffs are having an impact…

Expected Impact Of Tariffs On Grocery Prices

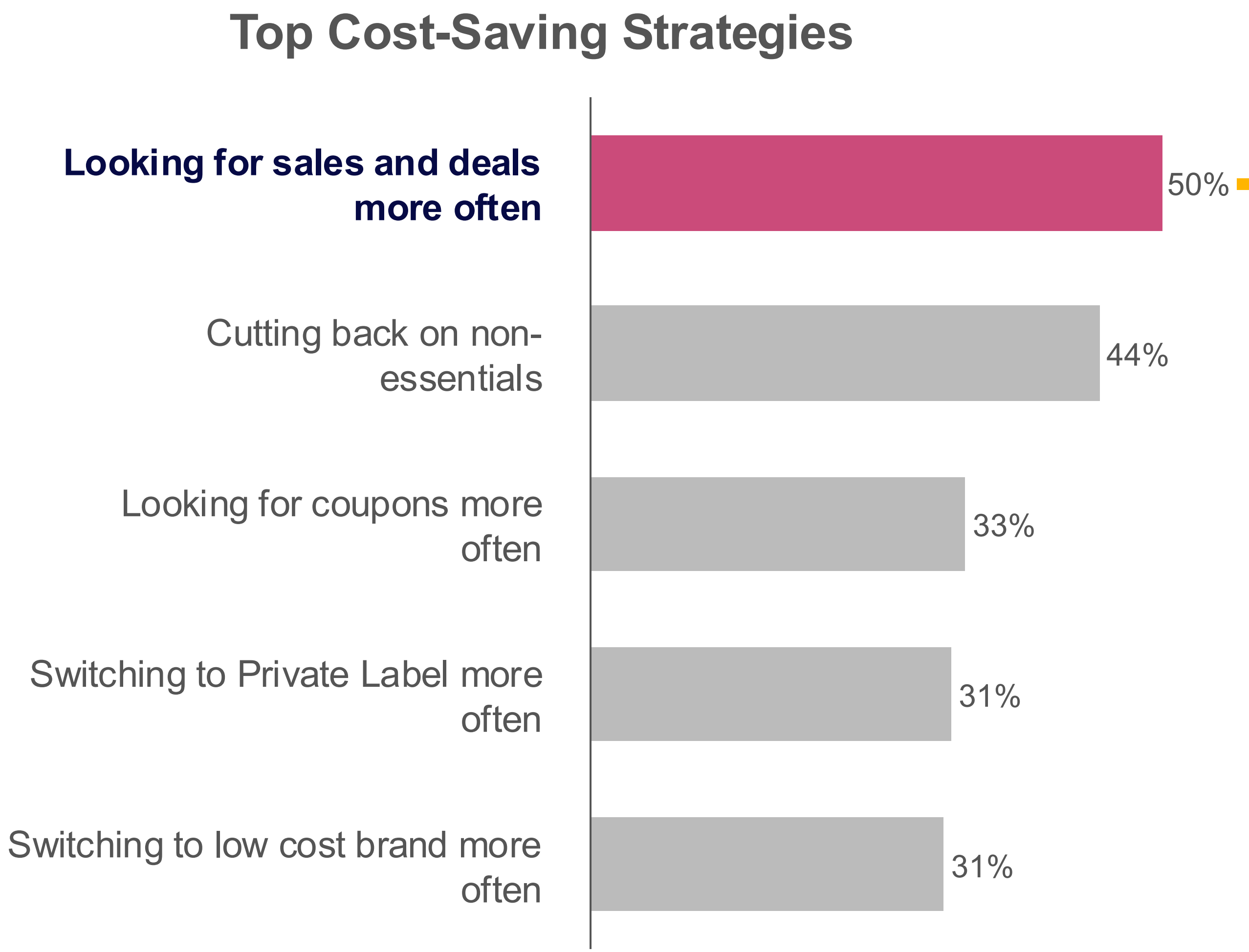


73%

Believe that tariffs will impact the price of groceries

Source: NIQ, BASES Quick Question Omnibus Survey, February 2025 n=1,003
Note: Survey was conducted when tariffs were announced on Canadian and Mexican imports only.

Consumers are wanting to shop differently…



26%

of CPG Sales are *on Promotion*

+2pts

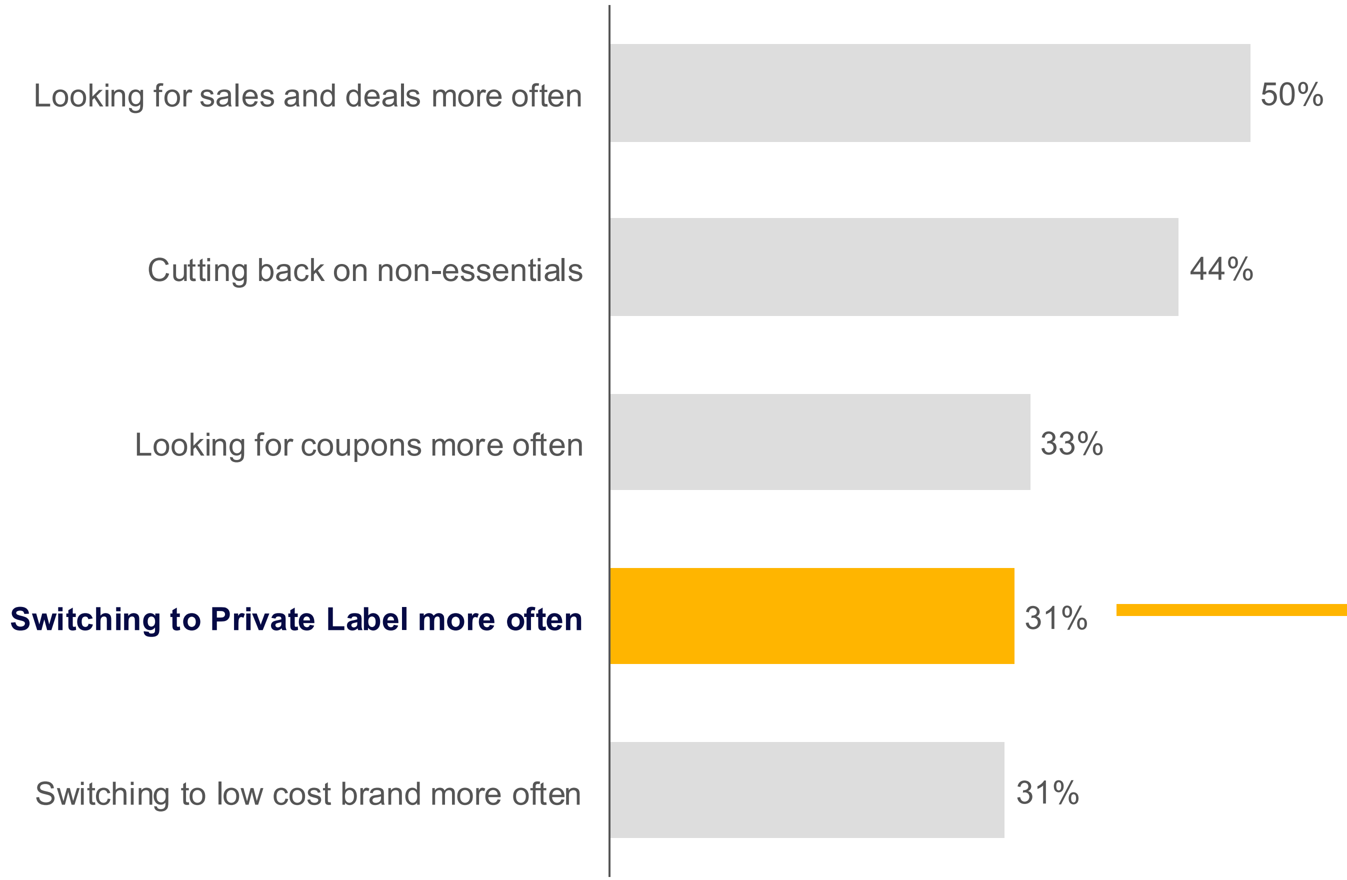
vs YA

Source: NIQ, BASES Quick Question Omnibus Survey, June 2025, n=1,005

: NIQ RMS | US Socialization TSR (Synd) | $ and $ % Chg YA | Latest 52 weeks w/e 08/09/25

… and Private Label is a beneficiary

Top Cost-Saving Strategies



18.5%

Private Label Share of CPG

+4.4pts

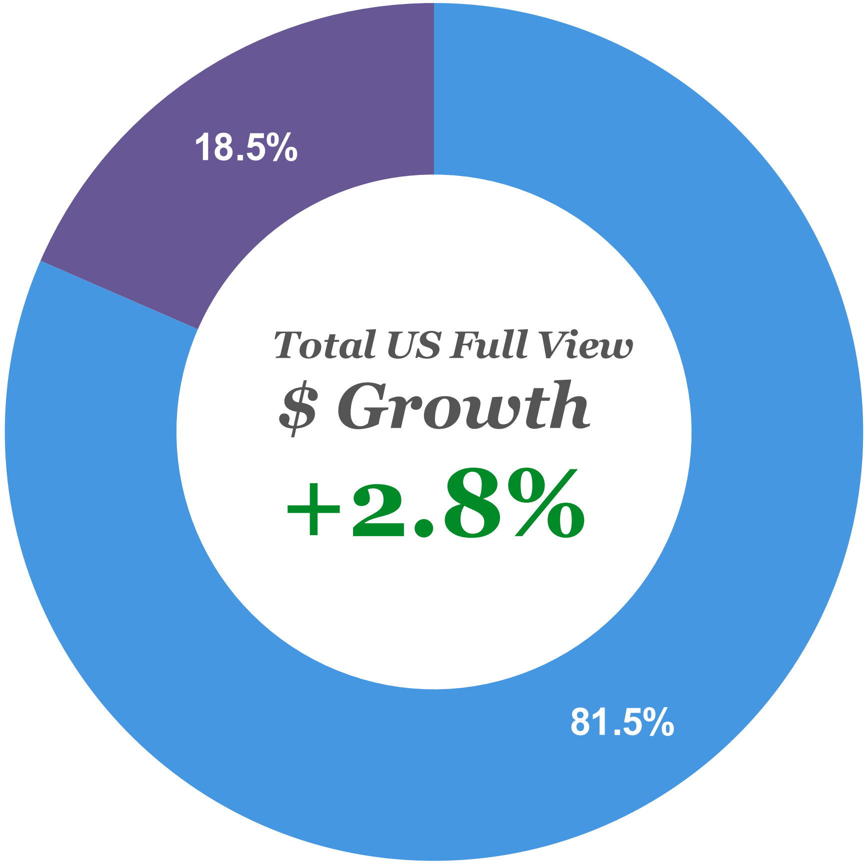
vs YA

Source: NIQ, BASES Quick Question Omnibus Survey, June 2025, n=1,005

: NIQ RMS | US Socialization TSR (Synd) | $ and $ % Chg YA | Latest 52 weeks w/e 08/09/25

Private Brand growth continues to outpace National Brand

Total Market Growth driven by Private Brand



Total US – Private Brand

$'s +5.1%

Units +1.3%

Price +3.8%

Total US – National Brand

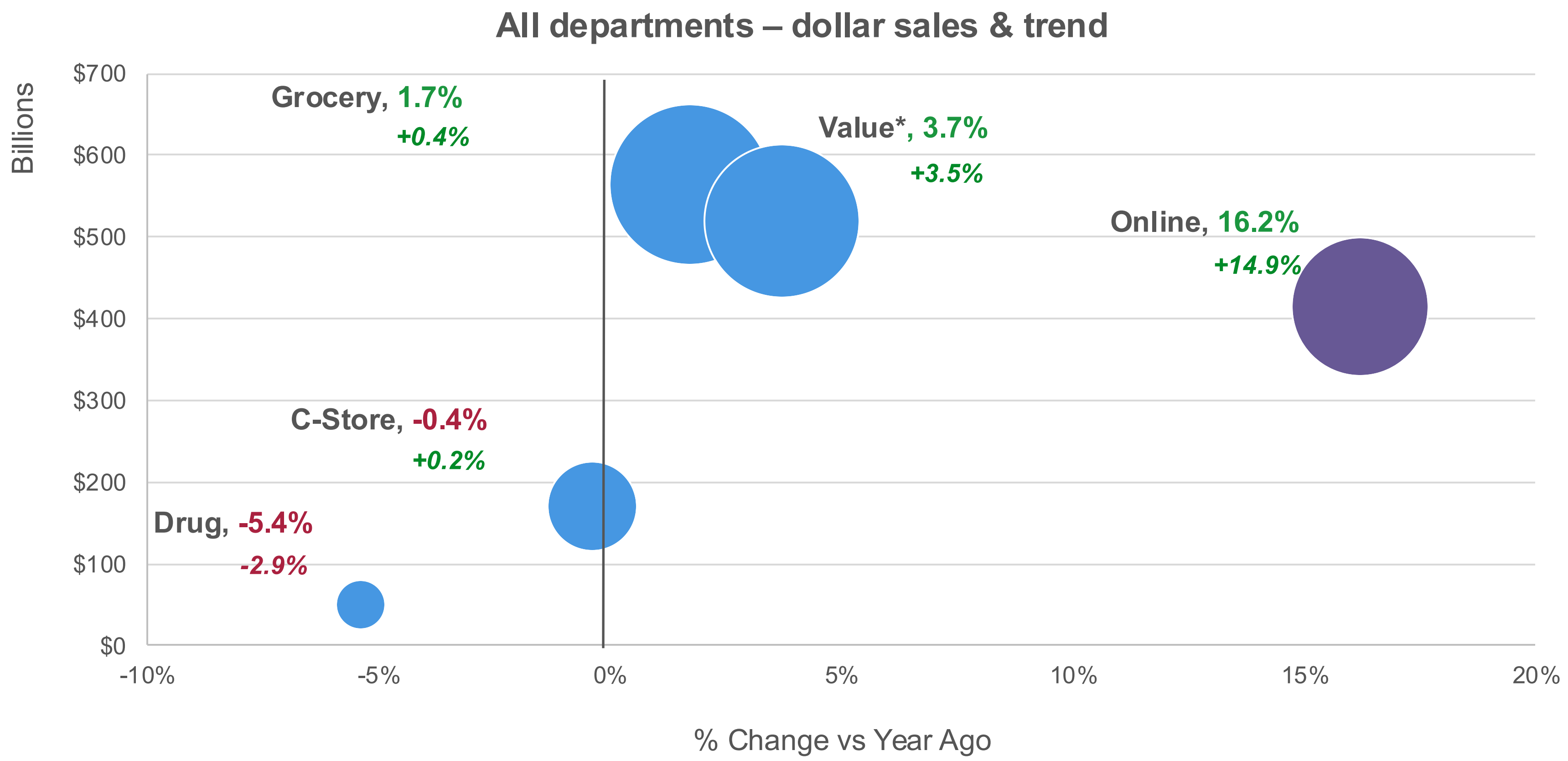
$'s +2.3%

Units -0.1%

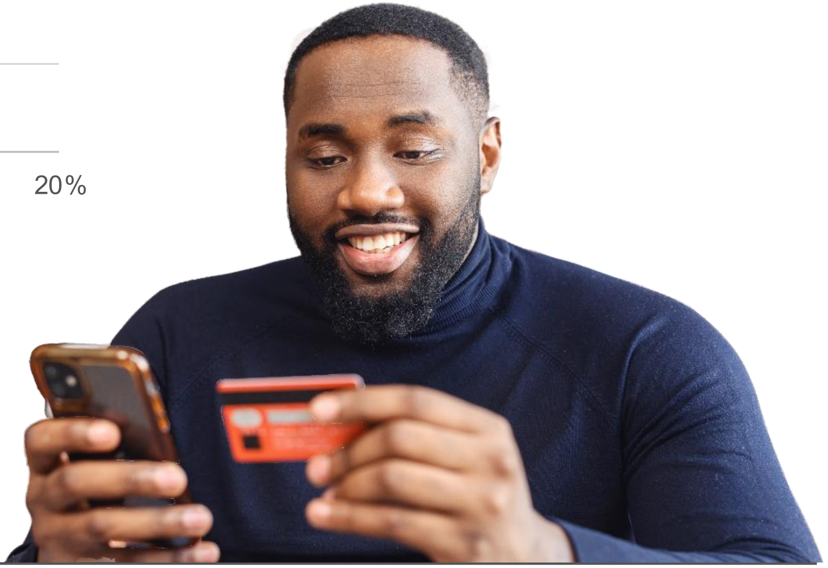
Price +2.5%

Source: NielsenIQ Total US Full View ™ (Total US xAOC + Convenience + Amazon1P + Costco), Calendar Years & 31 Weeks Year-to-Date W/E 08/02/25

Channel dynamics are ever changing.

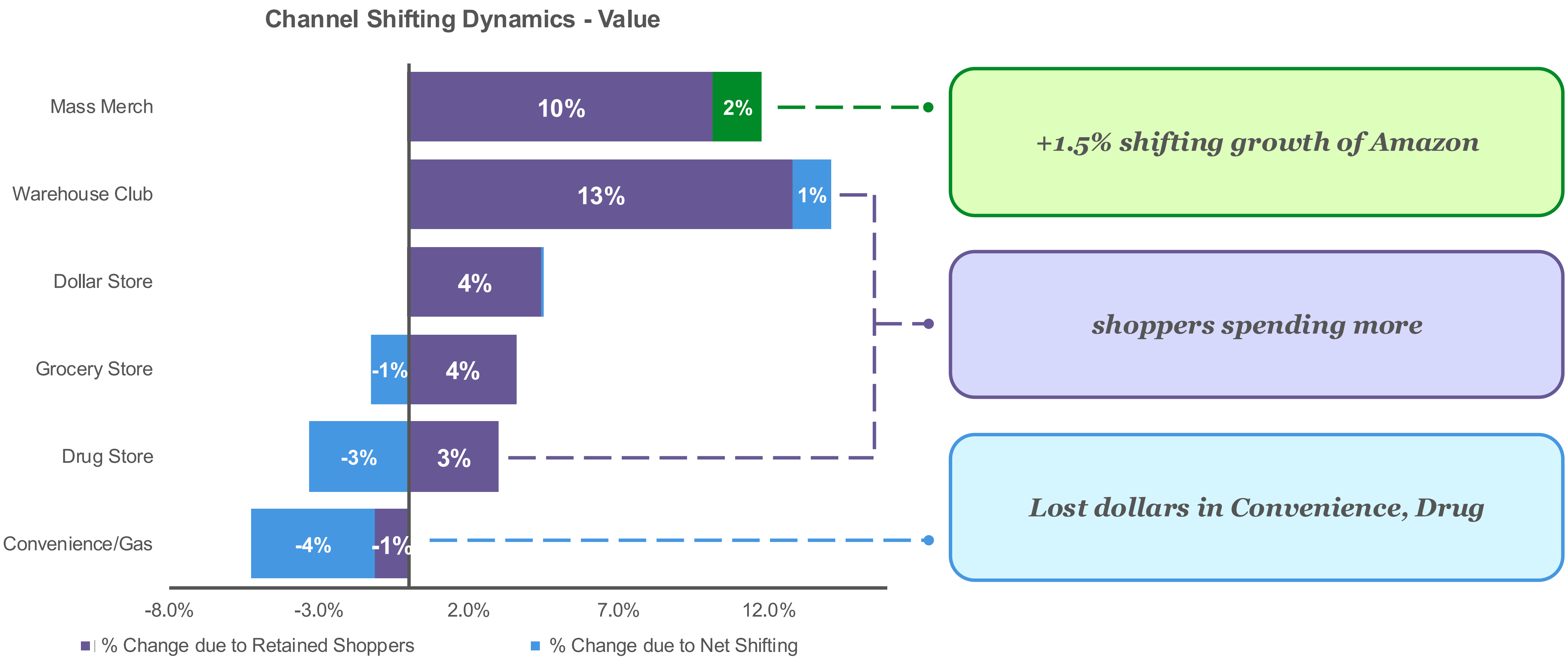


Bold = $ % Chg vs YA
Bold + Italics = Hurdle (YA - $ % Chg vs YA)
Size of bubble denotes dollar share of Total US Omni



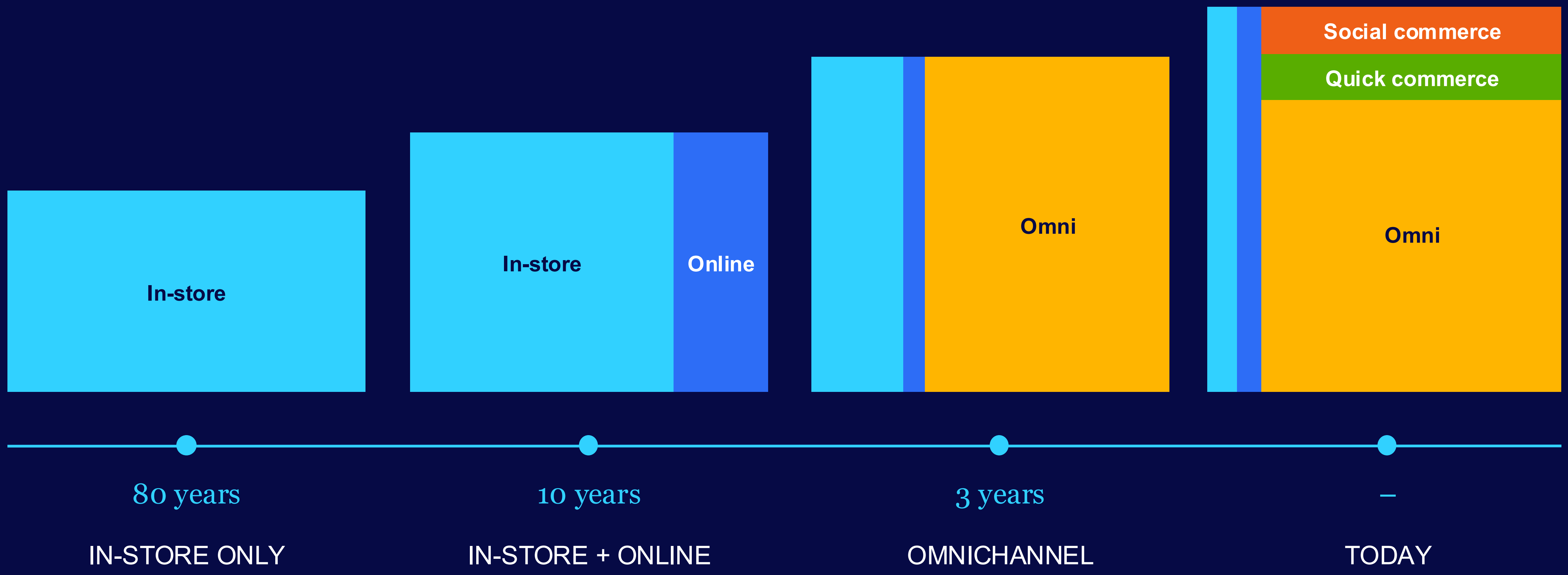
Source: NIQ, Retail Measurement Services, Total U.S. xAOC (UPC-coded + random-weight/Non-UPC) plus Convenience (UPC-coded) | $ and $ % Chg YA 52 weeks ended 6/28/2025; *mass-merchandisers, dollar stores, warehouse clubs, and military
NIQ Omnisales +, Total US Omni and Total US Online, 52 weeks ended 7/26/25

Share of Wallet Is Shifting: Retailers Compete for a Slice of the Pie



Source: NIQ Expanded Omnishopper | US Exp Osh - NDH Synd Full View - 444 5 yr | Shopper Shifting Template, Spend per Trip, Items per Trip | Latest 52 weeks w/e 07/12/25

The pace of change *is accelerating rapidly*



NIQ

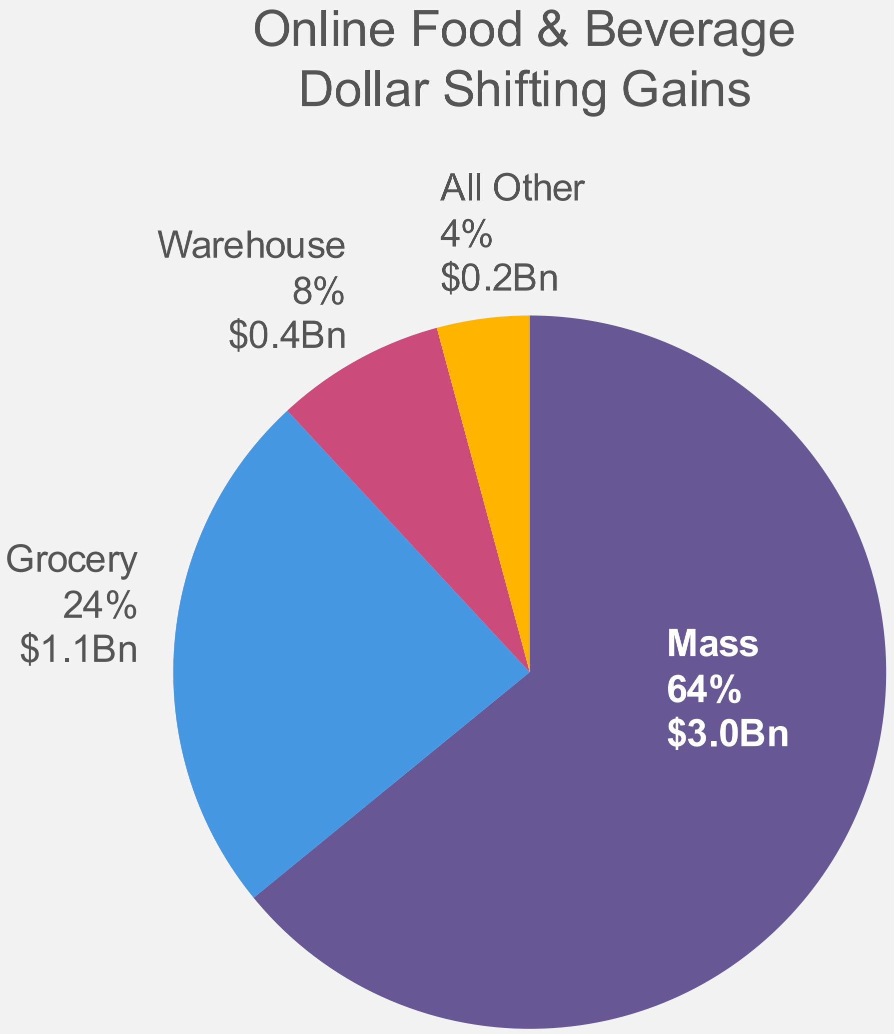
1.2Bn units shifted away from B&M…

…and online Mass retailers won 64% of them

Brick & mortar stores

lost $4.7 billion

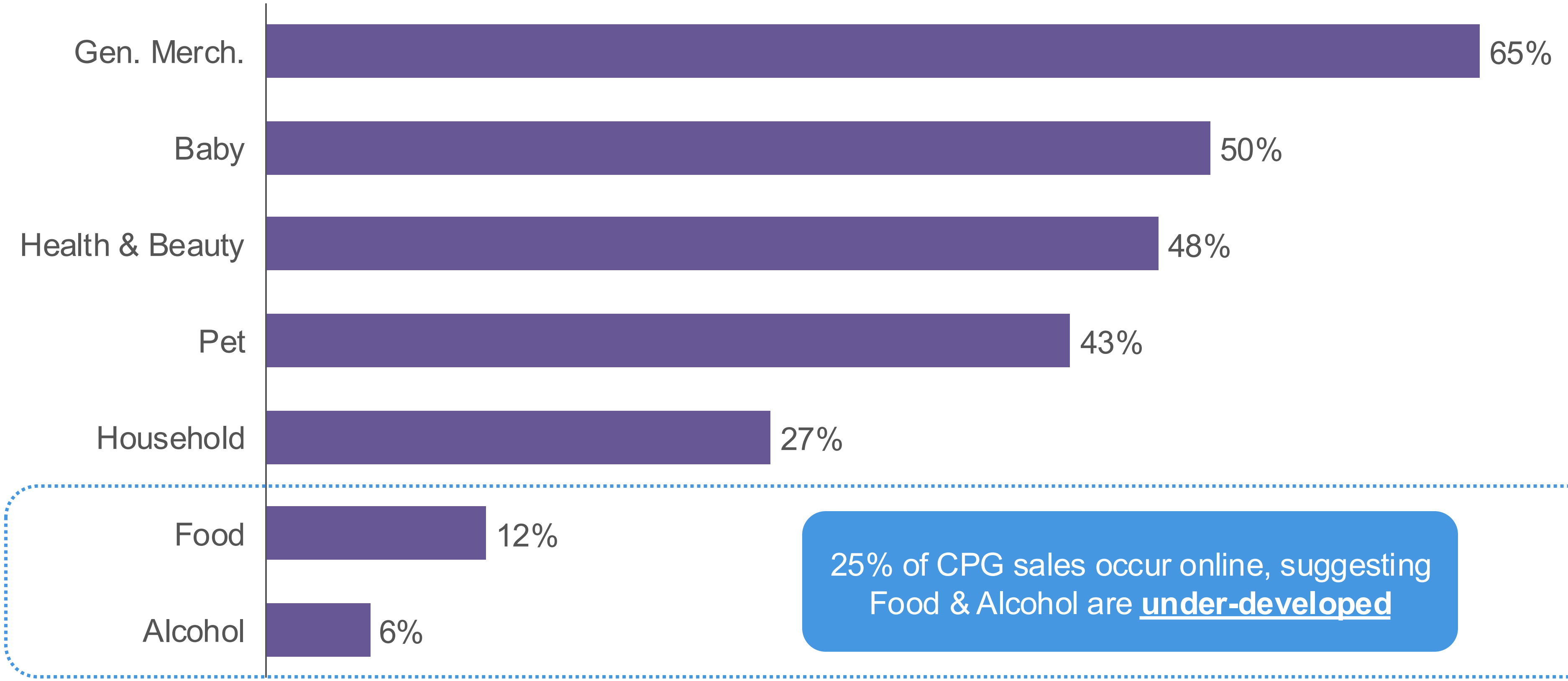
in food & beverage sales to eCommerce



Source: NIQ, Omnishopper Panel On Demand, Total US, Total Food & Beverage, 52 Weeks Ending 3/22/2025

Departments online are growing double-digit

Online Dollar Share Of Department Sales



$ Sales % Chg

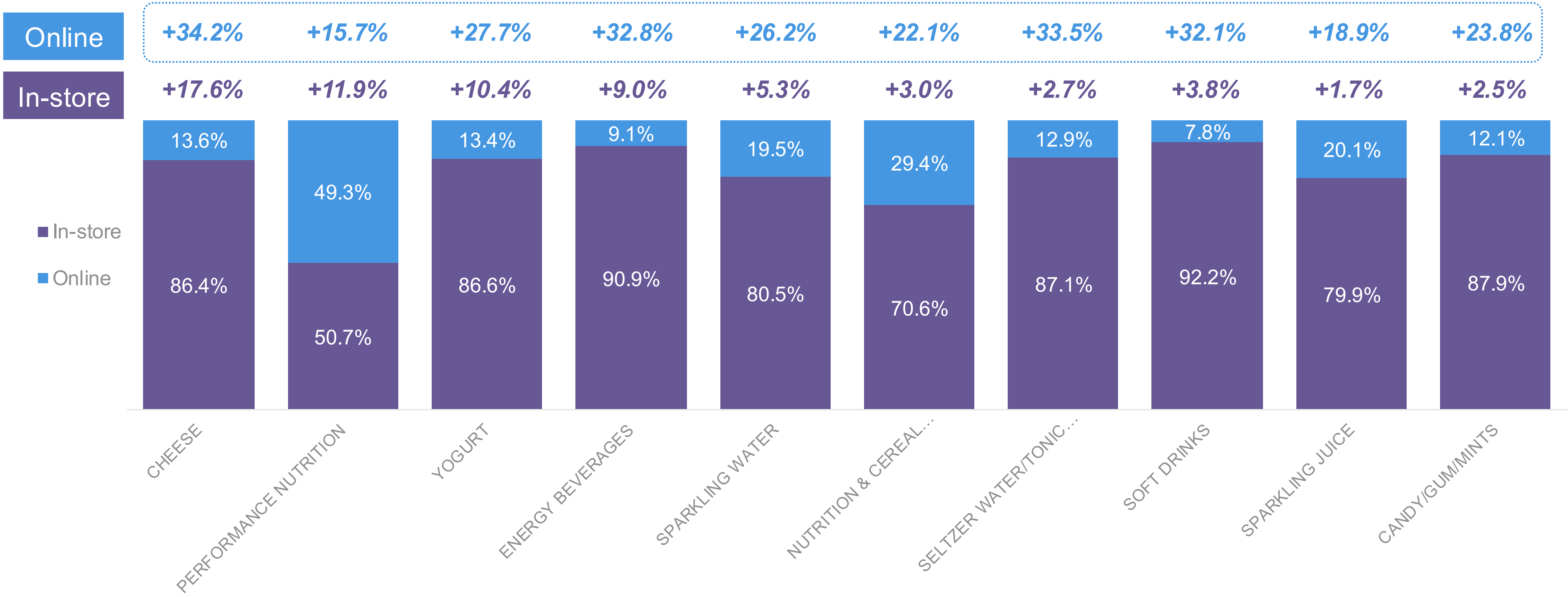
	In-store	On-line
Gen. Merch.	*0.0%*	*+16.0%*
Baby	*-1.3%*	*+20.3%*
Health & Beauty	*0.0%*	*+17.8%*
Pet	*-3.5%*	*+10.5%*
Household	*-1.1%*	*+21.2%*
Food	*+1.2%*	*+19.2%*
Alcohol	*-0.9%*	*+6.0%*

25% of CPG sales occur online, suggesting Food & Alcohol are **under-developed**

Source: NIQ, Omnisales+, Total US Omni, 52 Weeks Ending 3/29/2025

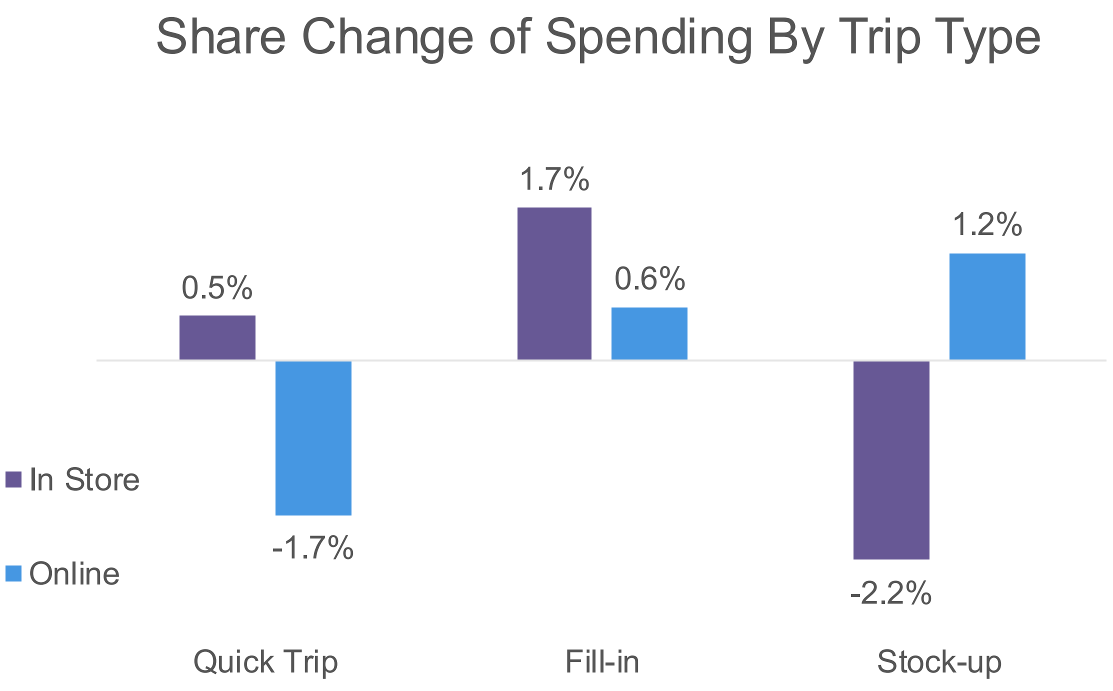
Snacking and Non-Alc Beverages are no exception with Online growth significantly outpacing Brick & Mortar

Omni $ Share and $ % Chg YA



Source: NIQ, Omnisales+, Total US Omni, 52 Weeks Ending 8/23/2025 | Top 10 Snacking + Beverage categories based on Omni $ % Chg YA

In-store remains key for quick trips and fill-ins, but online is taking over stock-up spending

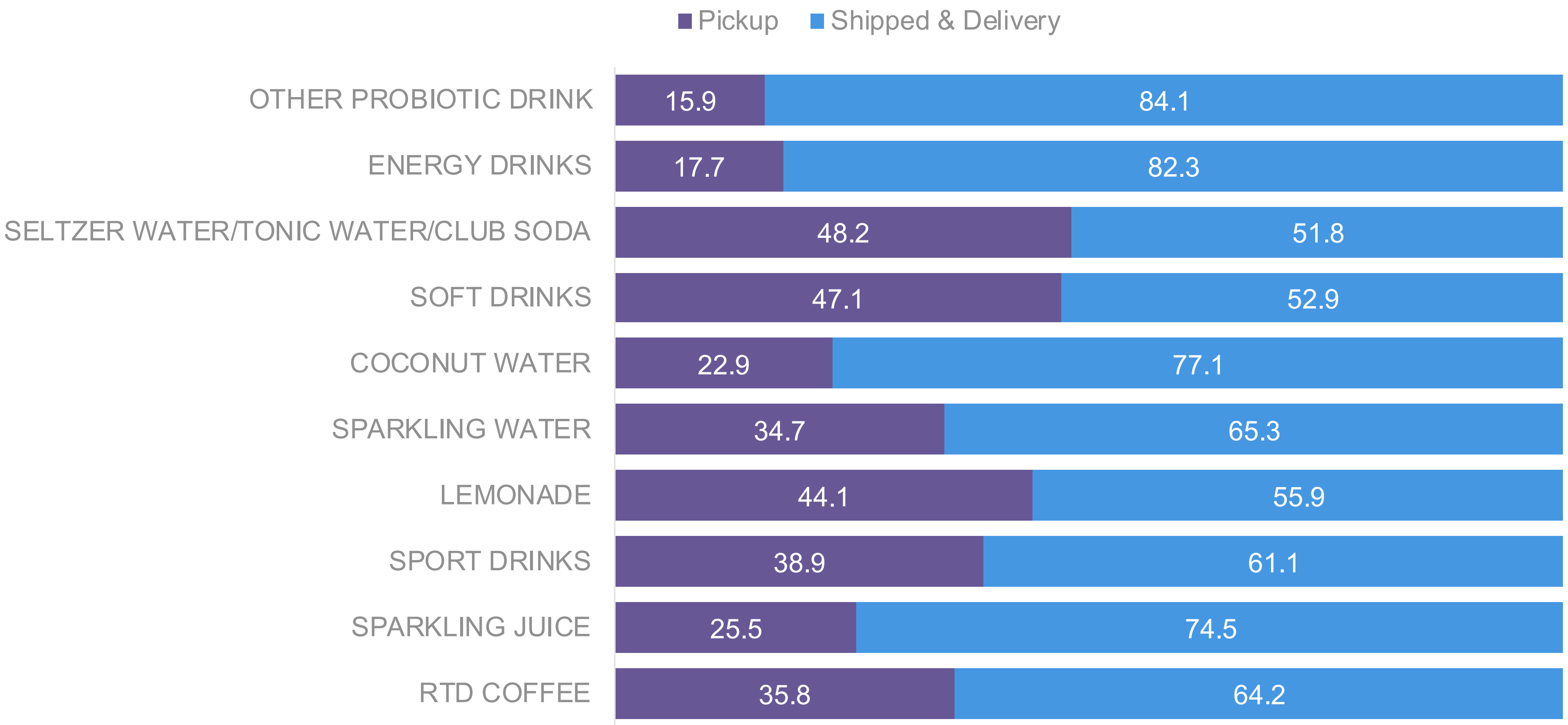


Source: NIQ Expanded Omnishopper | US Exp Osh - NDH Synd Full View - 444 5 yr | Share of Spending by Trip Type, Value per Occasion and Units per Occasion| Latest 52 weeks w/e 07/12/25

NIQ

Across the board, Shipped & Delivery is the preferred fulfillment method for NA beverage categories

Online $ Share By Fulfillment Type



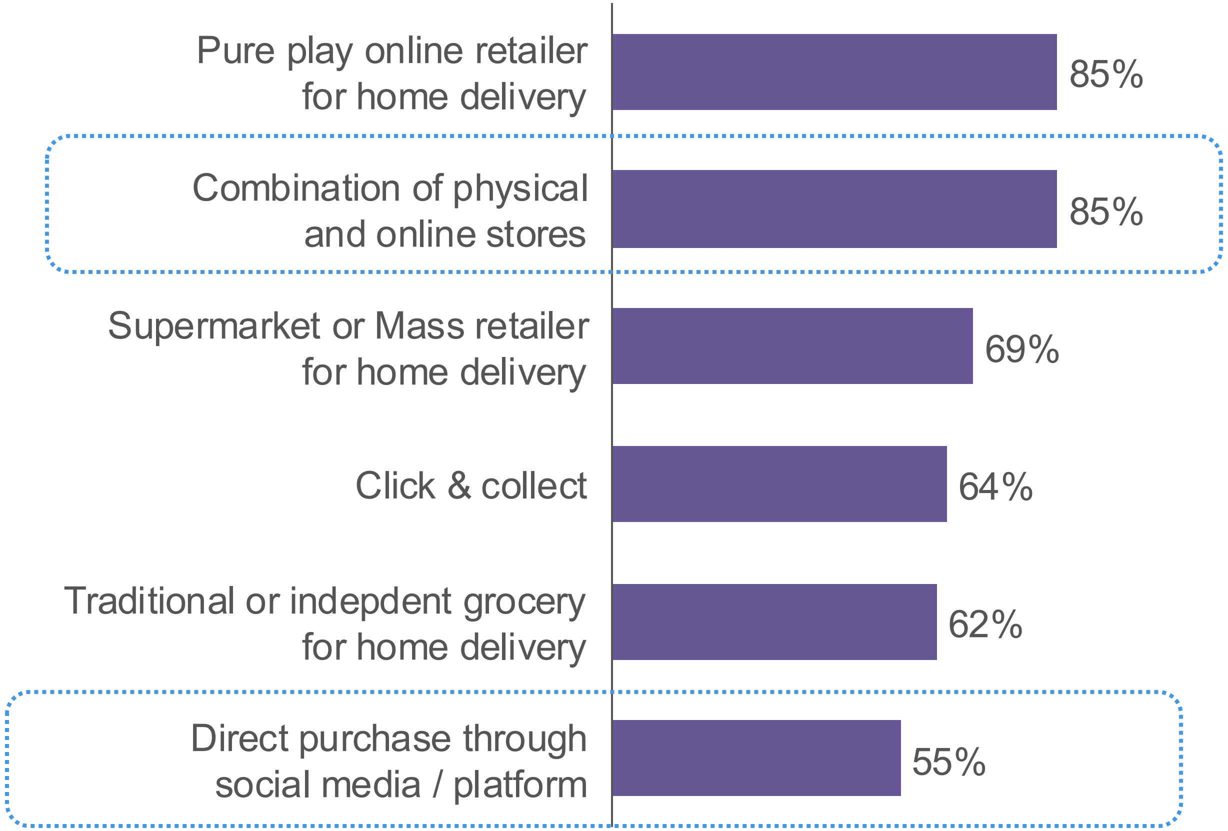
$ Sales % Chg

	Pickup	Shipped & Delivery
OTHER PROBIOTIC DRINK	(7.8)%	+53.9%
ENERGY DRINKS	+30.3%	+35.3%
SELTZER WATER/TONIC WATER/CLUB SODA	+54.0%	+18.9%
SOFT DRINKS	+17.6%	+48.4%
COCONUT WATER	+28.0%	+28.4%
SPARKLING WATER	+12.0%	+35.4%
LEMONADE	+9.7%	+32.7%
SPORT DRINKS	+4.0%	+35.4%
SPARKLING JUICE	+17.8%	+19.3%
RTD COFFEE	+9.3%	+24.6%

Source: NIQ, Omnisales+, Total US Omni, 52 Weeks Ending 8/23/2025 | Top 10 Beverage categories based on Online $ % Chg YA

On-line benefits can no longer be ignored

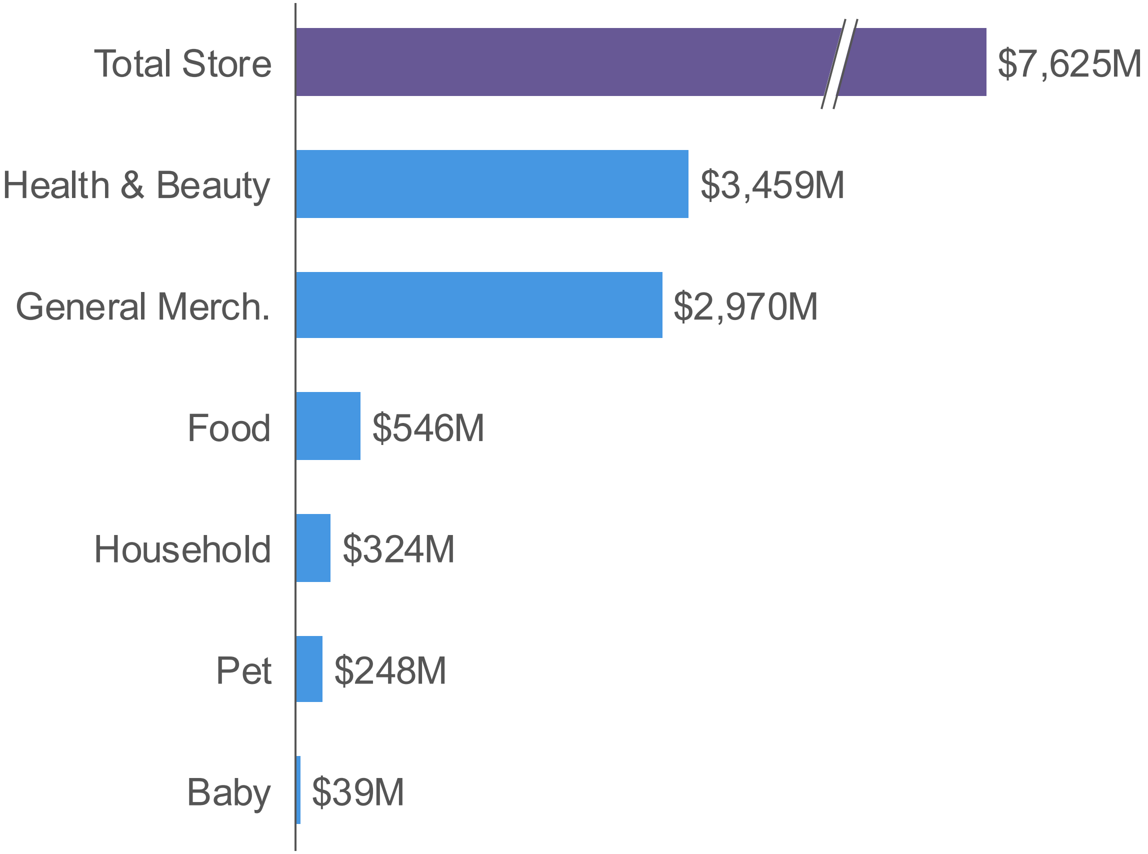
Where Shopping For Grocery & Household Items Normally Happens



Source: NIQ 2024 Consumer Outlook, U.S.
TikTok Shop sales, NIelsenIQ Omnisales 52wks ending 9/30/2024

Nearly $6 billion sold through TikTok Shop

TikTok Shop
Sales By Department



Source: NIQ, Omnisales+, Total US Omni, Total Store, 52 Weeks Ending 7/26/2025

Snacks are among the top selling categories

Top Food Super Categories
Selling On TikTok Shop

Health & Performance
$117M +51%

Beverages
$100M +206%

Candy, Gum, & Mints
$99M +132%

Nutrition & Cereal Bars
$42M +795%

Salty Snacks
$30M +104%

TikTok trends driving new product awareness and trial in snacking & beverage

#spritetea

#dirtysoda

#freezedried candy

Source: TikTok

“Regulatory” changes moving quickly with states and consumers reacting

THE WALL STREET JOURNAL.

World Business U.S. Politics Economy Tech Markets & Finance Opinion Arts Lifestyle

RFK Jr. Unveils Plan to Phase Out Artificial Food Dyes

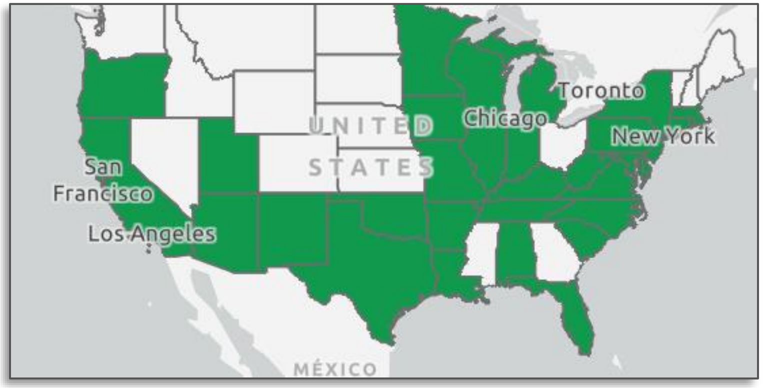
Trump administration aims to eliminate petroleum-based dyes in food by the end of 2026; food companies have vouched for dyes' safety

By *Jesse Newman* Follow

Updated April 22, 2025 7:26 pm ET

Gift unlocked article Listen (6 min)

Active state-level ingredient bills[1]



Seed Oils Ingredients[3]

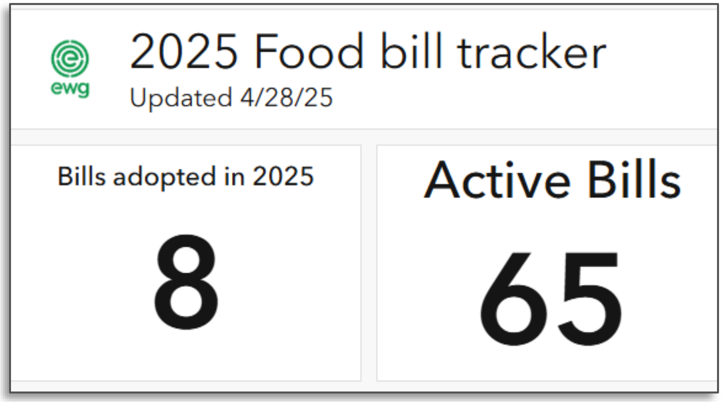
\# of Food & Beverage items

	xAOC + C-Stores	C-Stores
Soybean oil	46.4K	15K
Canola oil	33.7K	10.9K
Sunflower oil	26.6K	9.2K
Peanut oil	4.6K	1.4K
Safflower oil	4.0K	1.5K
Flaxseed oil	193	66

Food Additives Potential Bans Impact[2]

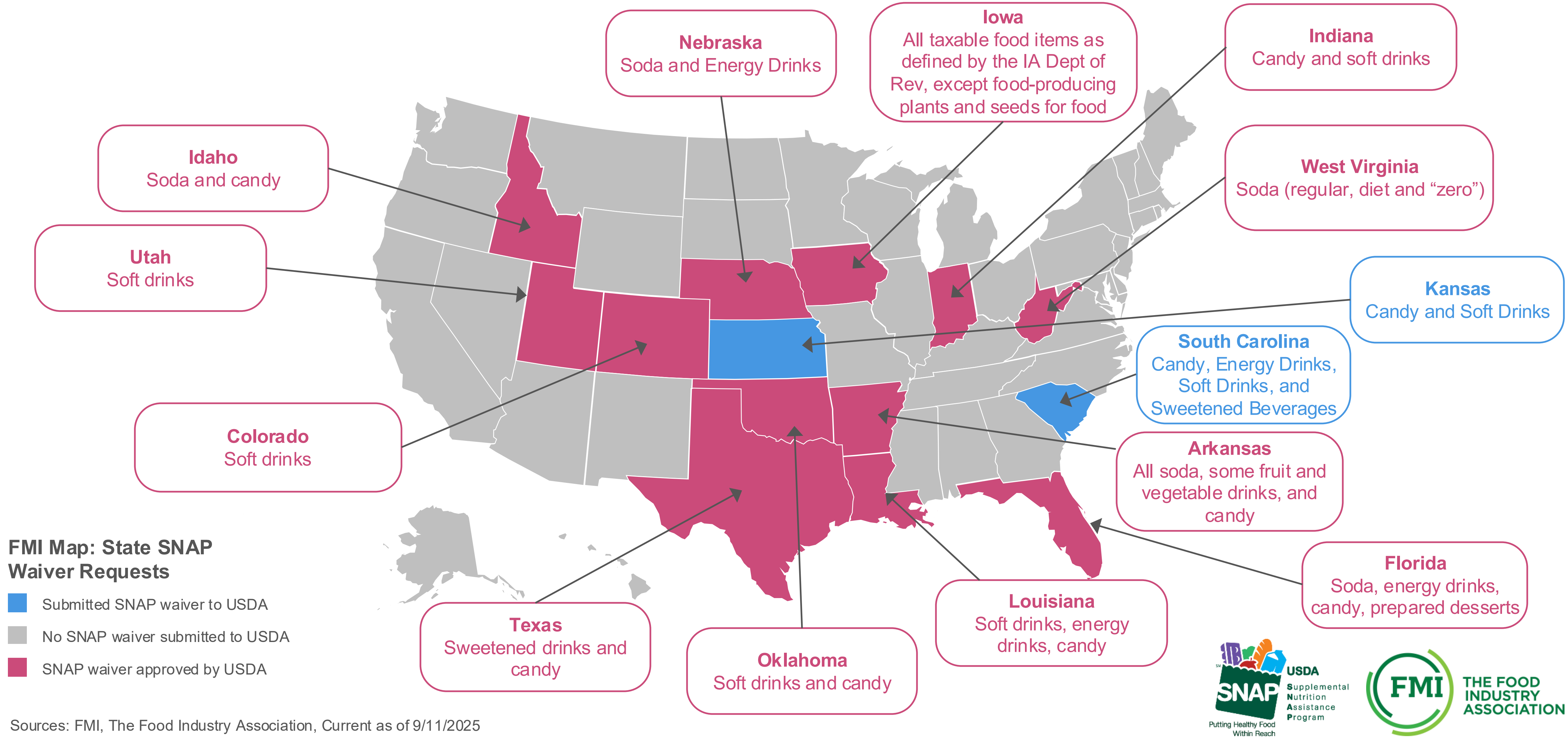
\# of Food & Beverage items

	xAOC + C-Stores	C-Stores
Brominated Vegetable Oil	~300	~140
Propyl Paraben	~260	~100
Potassium Bromate	~610	~160
Titanium Dioxide	7.5K	2.3K
High Fructose Corn Syrup	22.4K	8.6K



Sources: [1]Track U.S. Food Chemical Bans with EWG's Interactive Map; [2] NIQ Retail Measurement Services, NIQ Product Insight, powered by Label Insight; Total US xAOC + Conv vs Total US Convenience; Total Food & Beverage; Number of UPCs selling impacted; 52 weeks ending March 22, 2025; [3] NIQ Retail Measurement Services – NIQ Product Insight, powered by Label Insight; Total Us xAOC + Conv vs Total US Conv

State-level SNAP legislation creates challenges across categories



Sources: FMI, The Food Industry Association, Current as of 9/11/2025

Support SNAP households by turning habit shifts into your competitive edge

31%** will buy **less food

27%** will cut back on **non-essentials

26%** will **skip meals

Reduction

28%** will shop **low-cost retailer

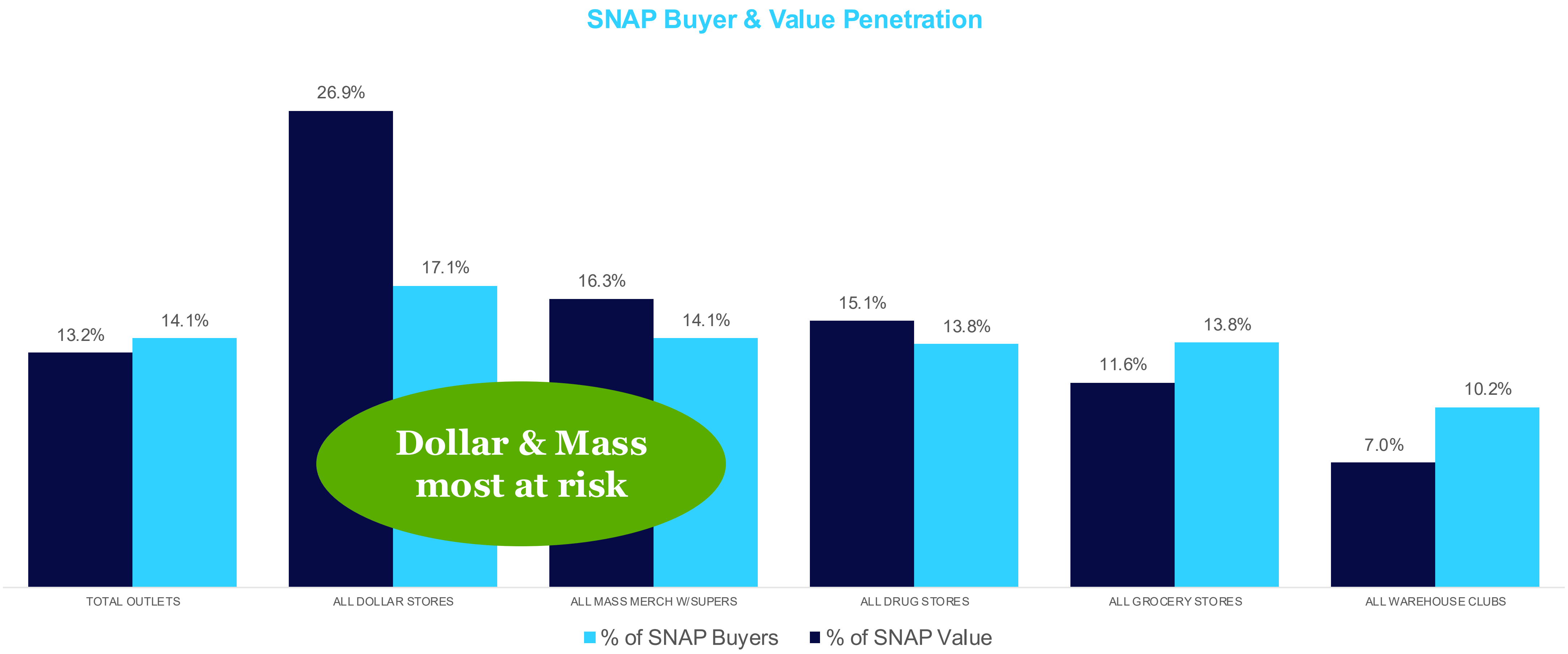
26%** will buy more **Private Label

26%** will use **coupons more

Habit Shift

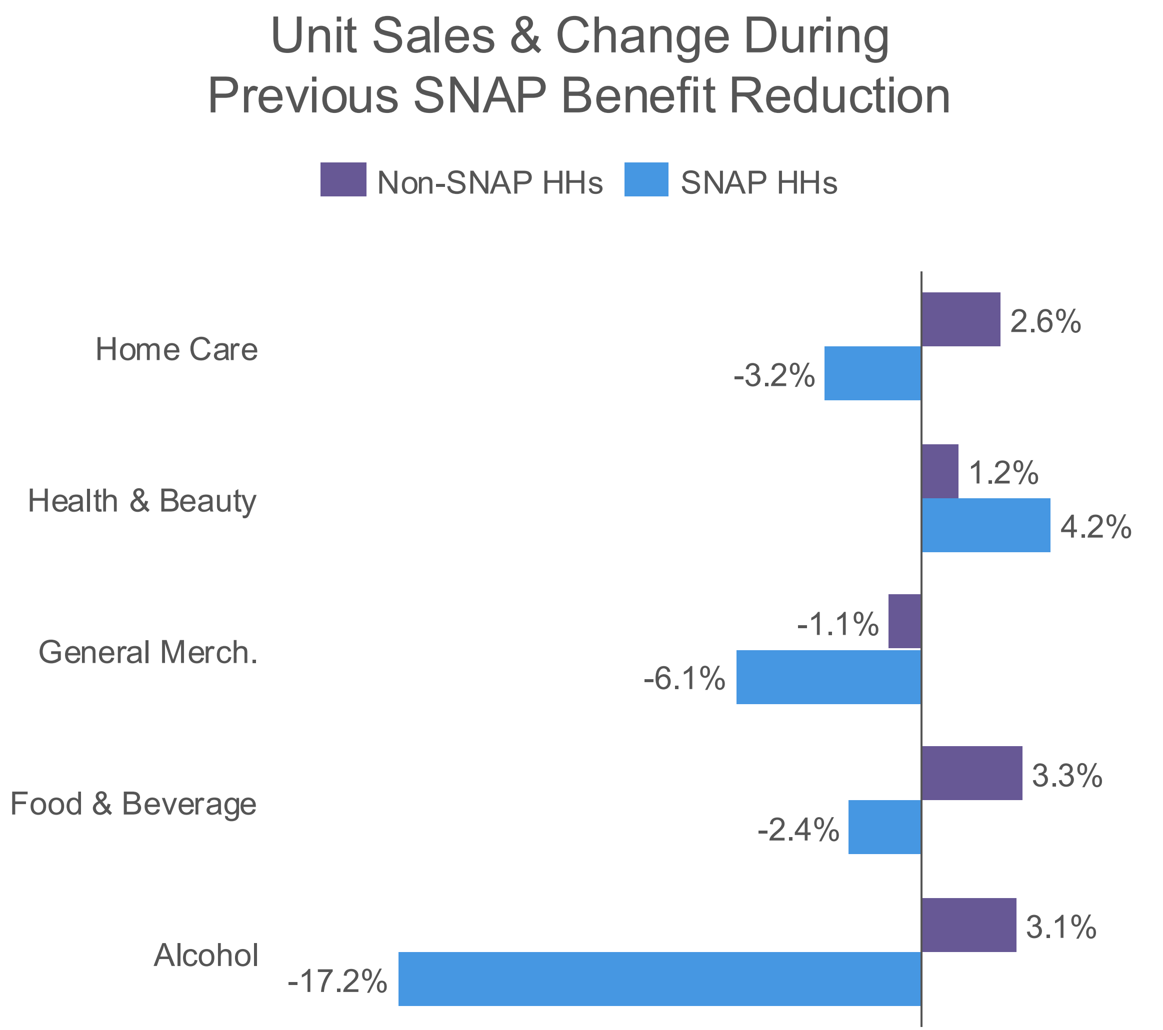
Source: NIQ, BASES Quick Question Omnibus Survey, February 2025 n=1,003

Planned $186B in SNAP reduction from 2025-2034 will impact 14.1% of buyers



Source ¹NiesenIQ Homescan Panel, All Outlets, SNAP Survey, Total US, Total Store Excluding Tobacco, Latest 52 Wks W/E 07/26/25,
Source: NIQ Homescan Panel SNAP Survey, Total Outlets 3/5/2023-7/22/2023
Note: Analysis focused on a comparison of pre/post the COVID-19 crisis SNAP benefit allotment

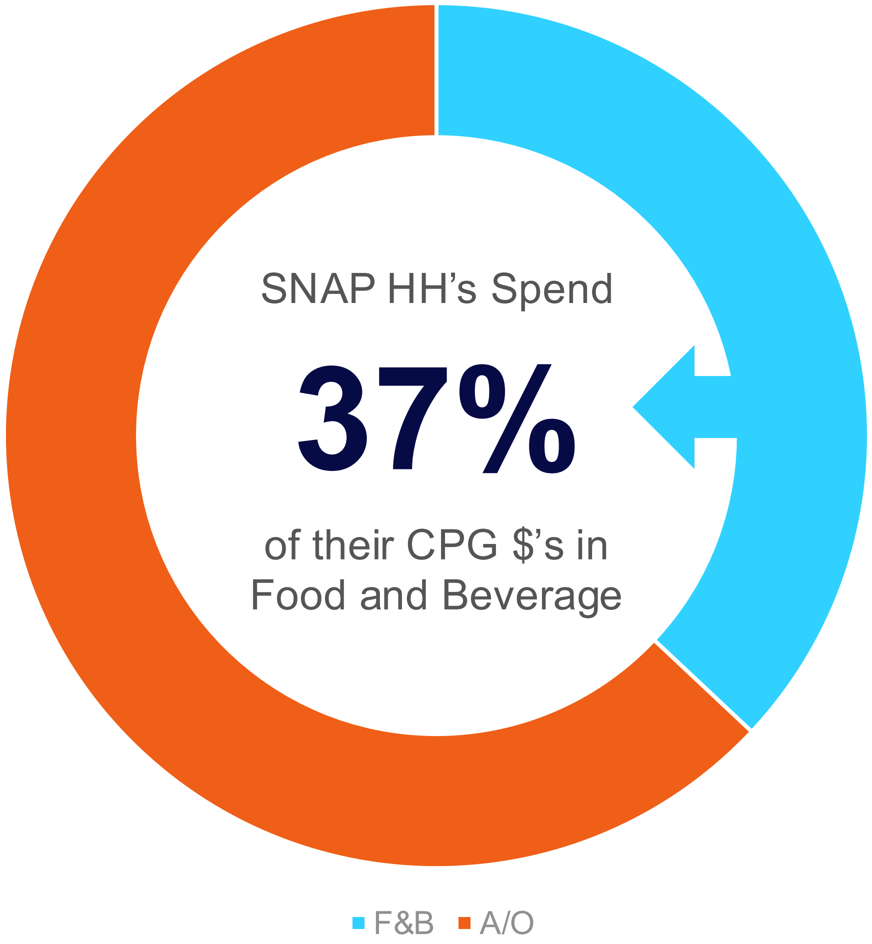
Causing a ripple effect across the industry



Source: NIQ Homescan Panel SNAP Survey, Total Outlets 3/5/2023-7/22/2023

Note: Analysis focused on a comparison of pre/post the COVID-19 crisis SNAP benefit allotment

Food and Beverage Captures the Largest Share of SNAP Spend



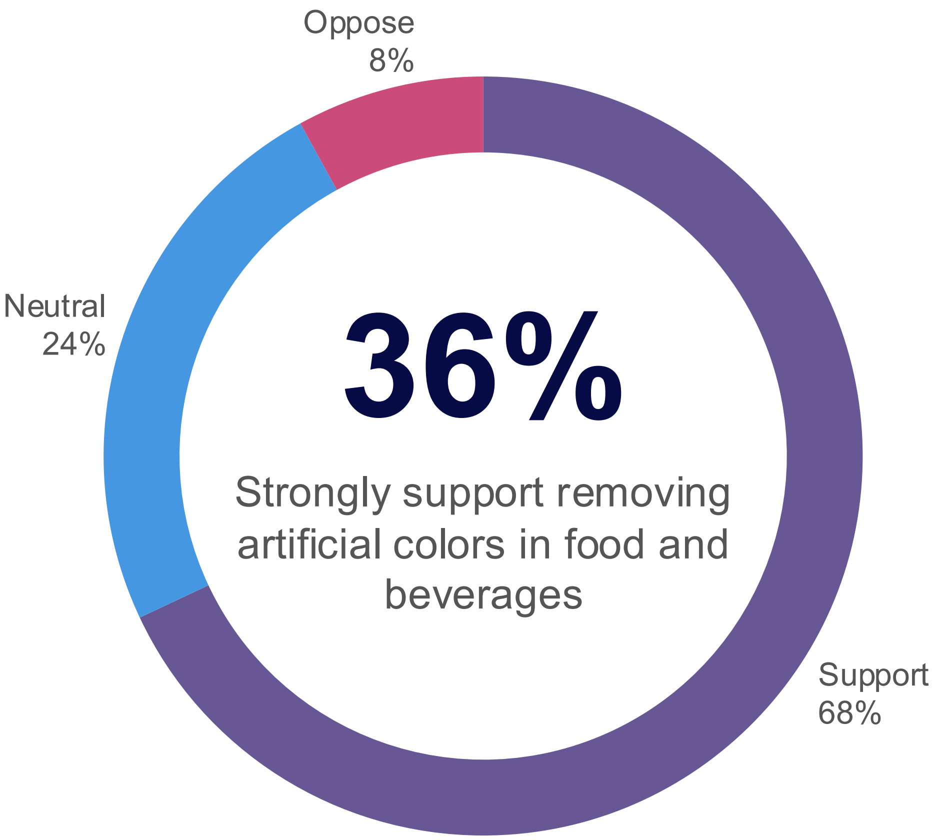
Top 10 Food & Bev Categories by Snap HH $ Shr

	Category	Food & Bev $ Share
1	Beverages	28%
2	Salty Snacks	11%
3	Candy, Gum, Mints	8%
4	Prepared Foods	5%
5	Cookies and Crackers	4%
6	Cereal and Granola	4%
7	Packaged Coffee	3%
8	Sweet Snacks	2%
9	Bread	2%
10	Sauce, Gravy, Marinade	2%

Source: NielsenIQ Homescan Panel Data, Total Outlets, SNAP Survey, TSR data ending 5/24/2025

Shoppers support removing artificial colors

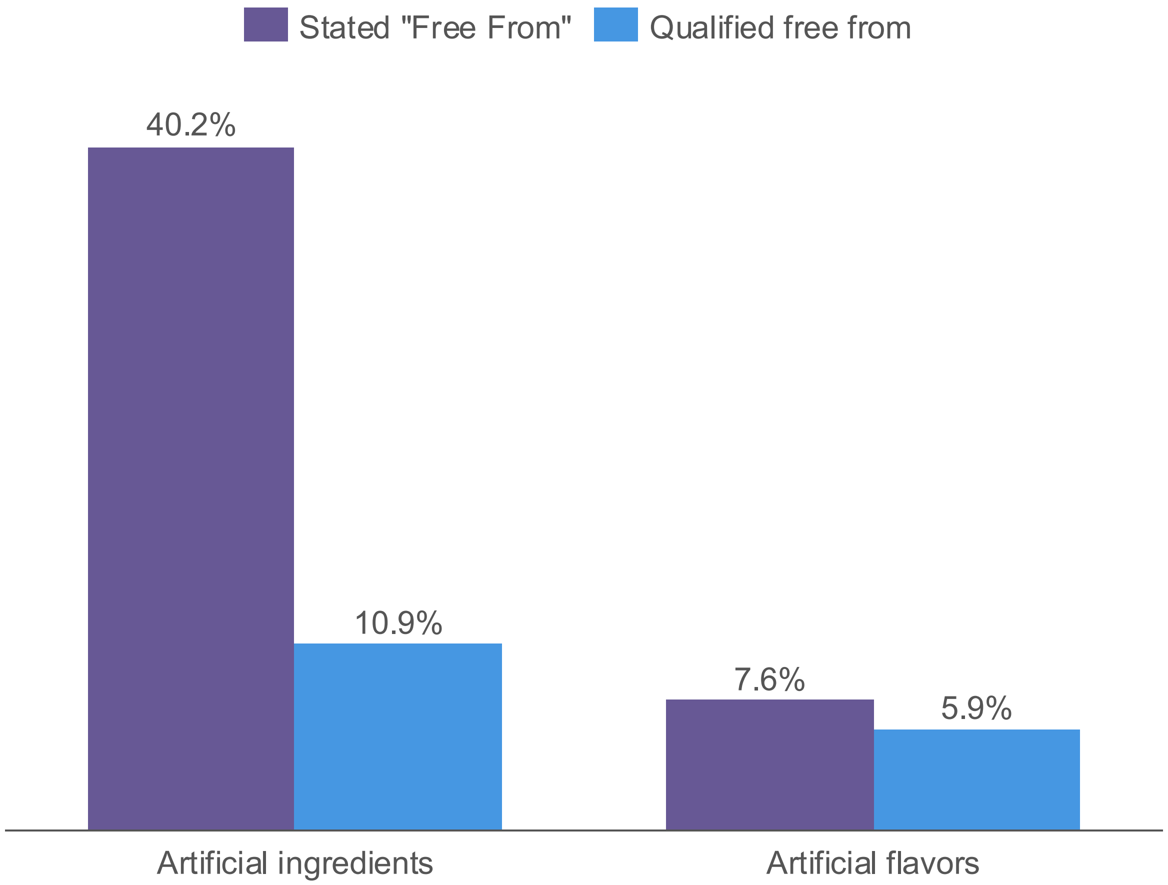
Support For Removing Artificial Colors From Food & Beverages



Source: NIQ, BASES Quick Question Omnibus Survey, May 2025, n=1,000

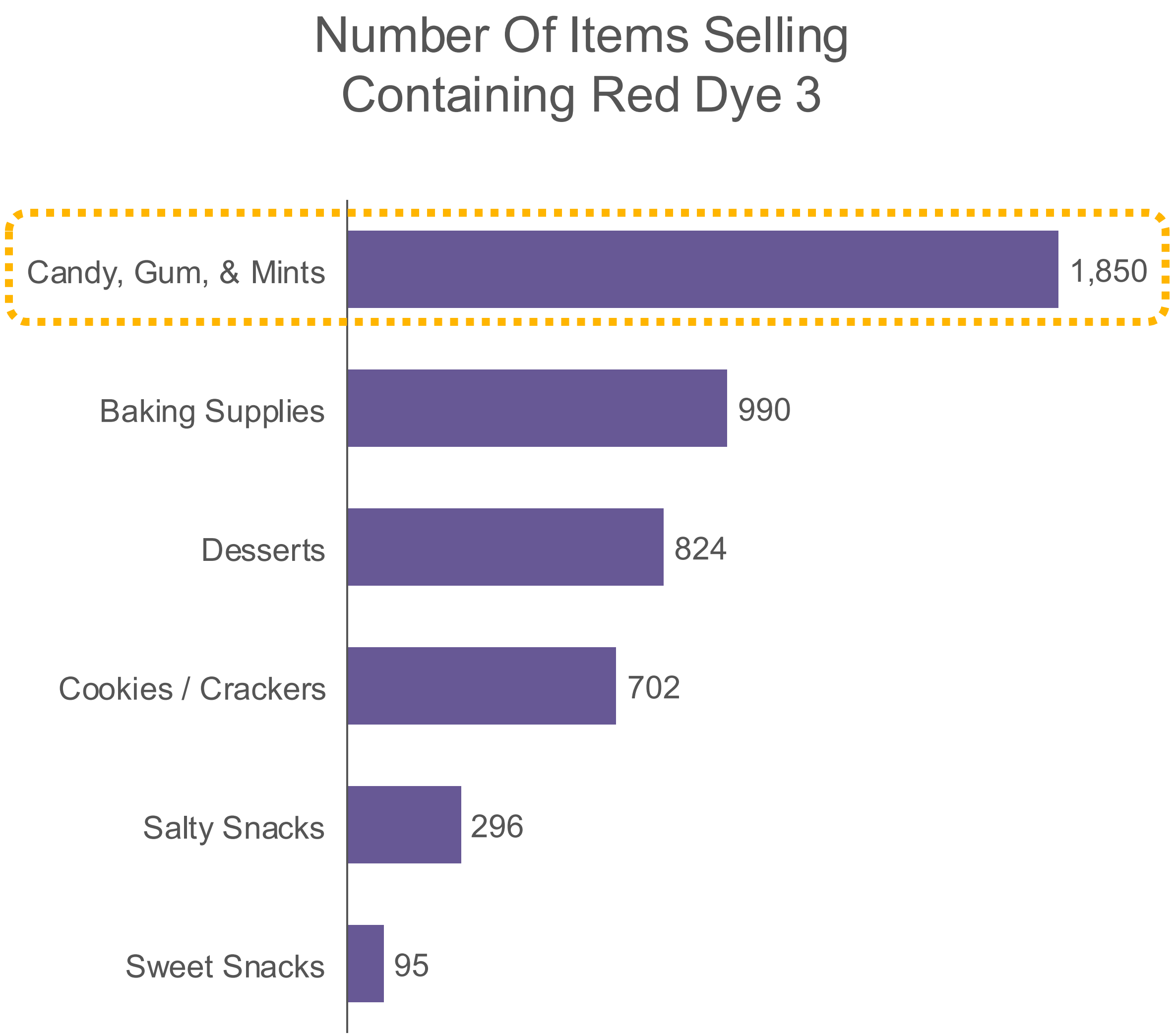
“Free From” claims are winning

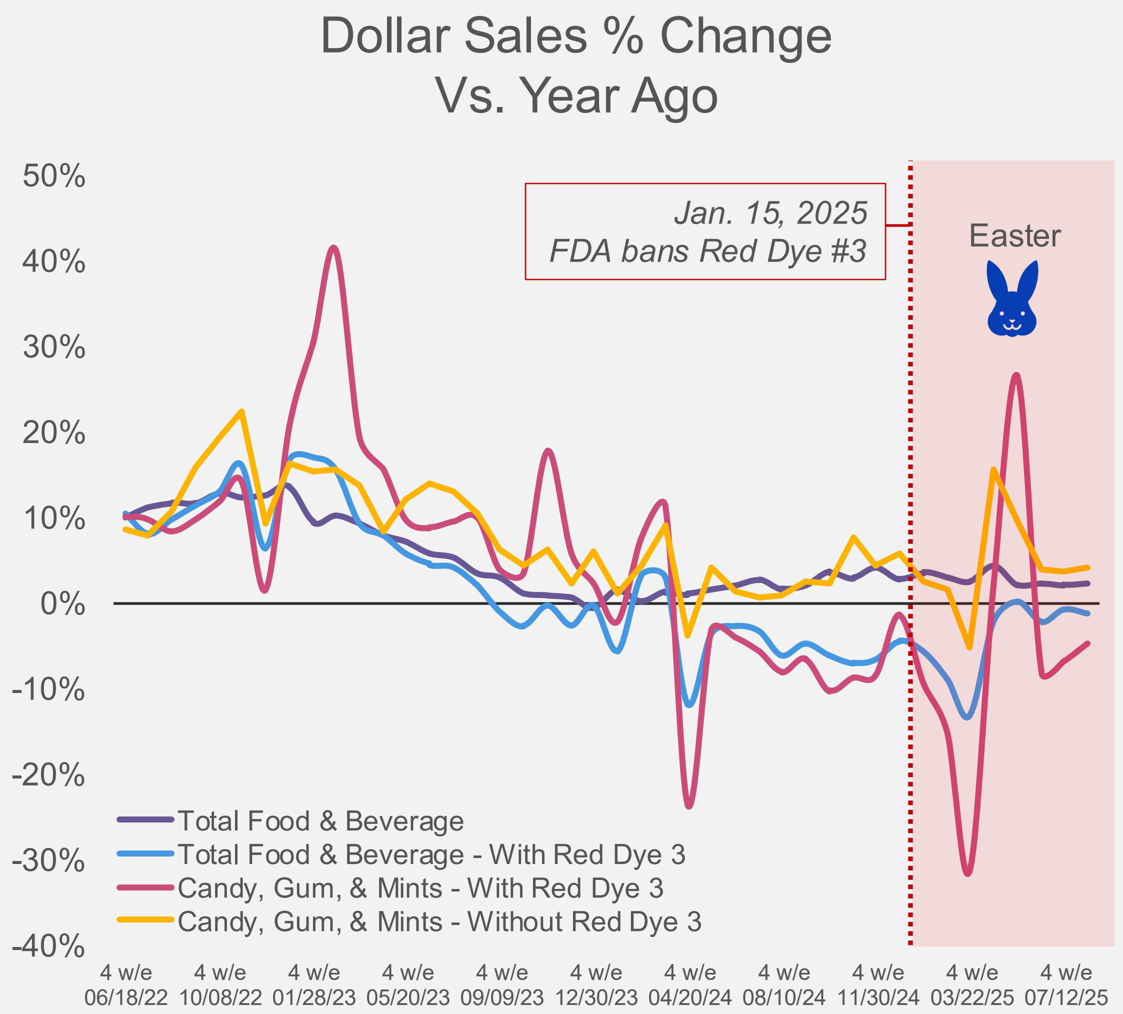
Candy, Gum, & Mints Free From Artificial Dollar Sales Performance



Source: NIQ, RMS, Powered By Label Insights, Total US Full View + Conv., 52 Weeks 8/16/2025

Ingredient scrutiny is weighing on shoppers





Left Source: NIQ, RMS, Powered By Label Insights, Total US Full View + Conv., 52 Weeks 8/16/2025

Right Source: NIQ, RMS, Powered By Label Insights, Total US xAOC + Conv., 52 Weeks 8/16/2025

Capitalizing on consumer sentiment shifts *to standout at the point of purchase*

Krystal S. Dawson

North America SA&I Business Partner Team Leader

Consumers are more ***conscious*** than ever…

Price matters, but not in isolation!

Source: NIQ Consumer Life Global 2024, 2024 Global Consumer Outlook Report

NIQ

… and consumer-driven *VALUE* remains important during economic concerns

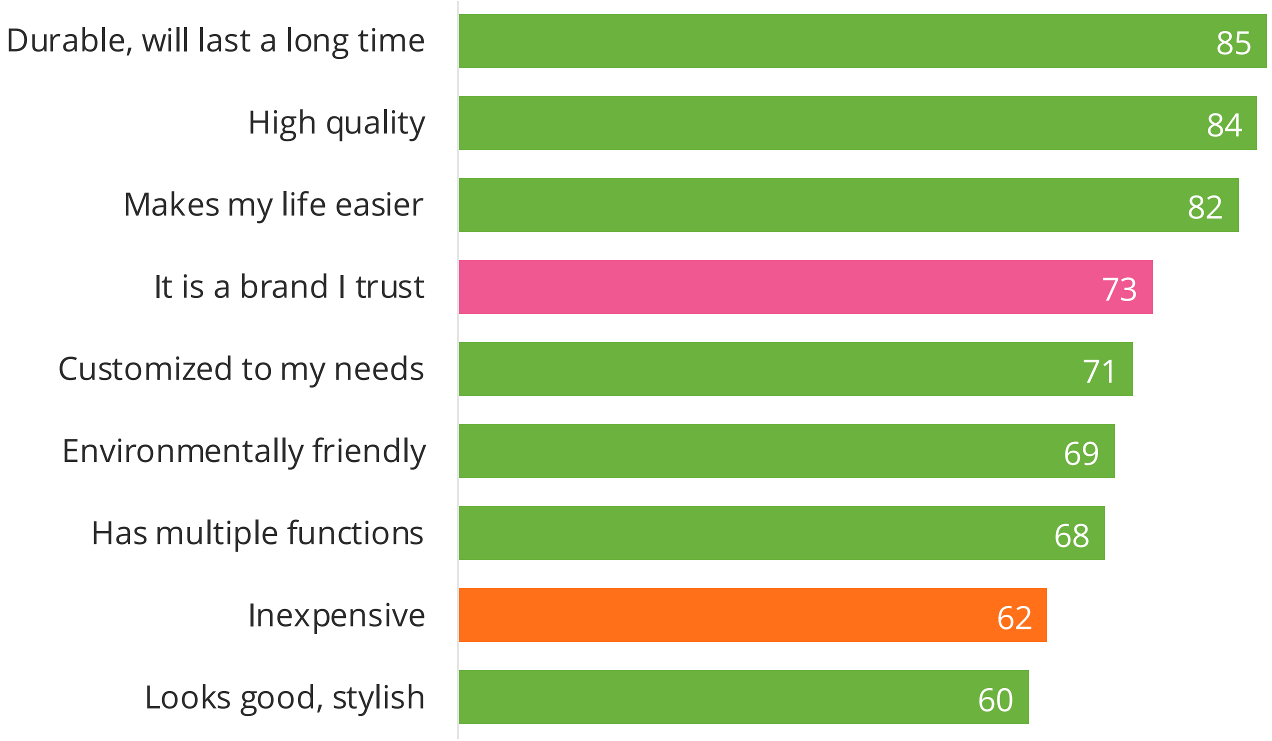
Some brands score sales growth despite challenging environment

Source: NIQ Consumer Life (2024)

For me, the most important thing about a brand is that it offers good value for the money

+10 ranks higher than "Price is the most important factor in my purchasing decisions"*, and #2 life attitude on a list of 43 tracked*

% citing the following as very/somewhat important in getting 'value' from a product or service



Trust remains important to consumer decision-making, even socially…

73% of global consumers say that **being a brand they can trust** is important to value perceptions

But 62% **do not trust health claims** that food companies put on their packaging

Top 5 most important when shopping:

Global Consumers

1. eComm websites (e.g., Amazon)
2. Online reviews from users
3. Opinions of family/friends
4. Online reviews from experts
5. Product samples

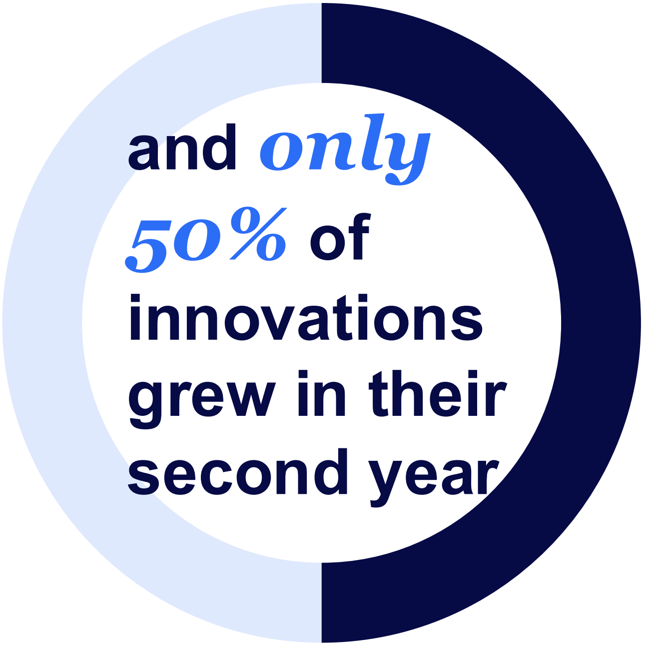
Source: NIQ Consumer Life (2024)

*...and **innovation growth** can drive overall business growth when focused on consumer needs*

Companies with growing innovation sales are

2x

more likely to grow overall sales than those with stagnant or declining innovation sales



Source: NIQ Innovation Vitality Multi-year Meta-Analysis 2025;
NIQ Innovation Measurement comparison of Total Sales $ Innovation Sales growth across 70K+ manufacturers, 130 syndicate categories in 15 global markets comparing latest 52 weeks with previous 52 weeks.

Historical Snacking / Indulgence Winners

North America breakthrough innovations have achieved outstanding outcomes for 14 years

Of the 30,000+ UPCs launched per year, Breakthrough winners stand out and meet evolving consumer jobs-to-be-done.

322
Innovations celebrated over the past 14 years (2012-2025)

$28B
Total Year 1 Sales across innovations recognized

Innovations recognized across categories:

39% Food

22% Health & Beauty

19% Beverages *(non-alcoholic)*

NIQ Breakthrough Innovation

A simple formula for driving innovation and standing out with consumers

But there are many elements that impact innovation performance

Great ideas
- Consumer Target
- Parent brand impact
- Category impact
- Value proposition

+

Great products
- Repeat purchasing
- Loyalty

+

Great activation
- Physical availability
- Mental availability
- Shelf presence
- Support beyond Year 1

=

Meaningful growth

2025 Breakthrough Winners & their *IMPACT* *resonates with consumers*

Some build VALUE for the parent brand…

Post Malone OREO Cookies

21% of buyers were new or re-engaged buyers of OREO

…others go TARGETED in consumer reach

Indulgent, no-sugar-added protein bars that appeal to fitness and wellness consumers

Barebells

1.0%
Year 1 penetration

Better-for-you ingredients with kid-approved taste

good2grow Snackers

0.5%
Year 1 penetration

Source: NIQ Homescan, NIQ Retail Measurement Sales data

Breakthrough Winners & their ***SHELF PRESENCE*** at the point of purchase

Most **GET NOTICED** at shelf by ***prioritizing "what stands out"*** to the brain

Dr Pepper Creamy Coconut

- Large logo and maroon color to emphasize branding
- Swirls help to reinforce 'creamy' and draw the eye naturally to the coconut imagery

Legendary Foods Protein Pastries

- Vibrant consistent designs
- Wide landscape logo
- Actual product visuals
- Larger packaging (vs category)

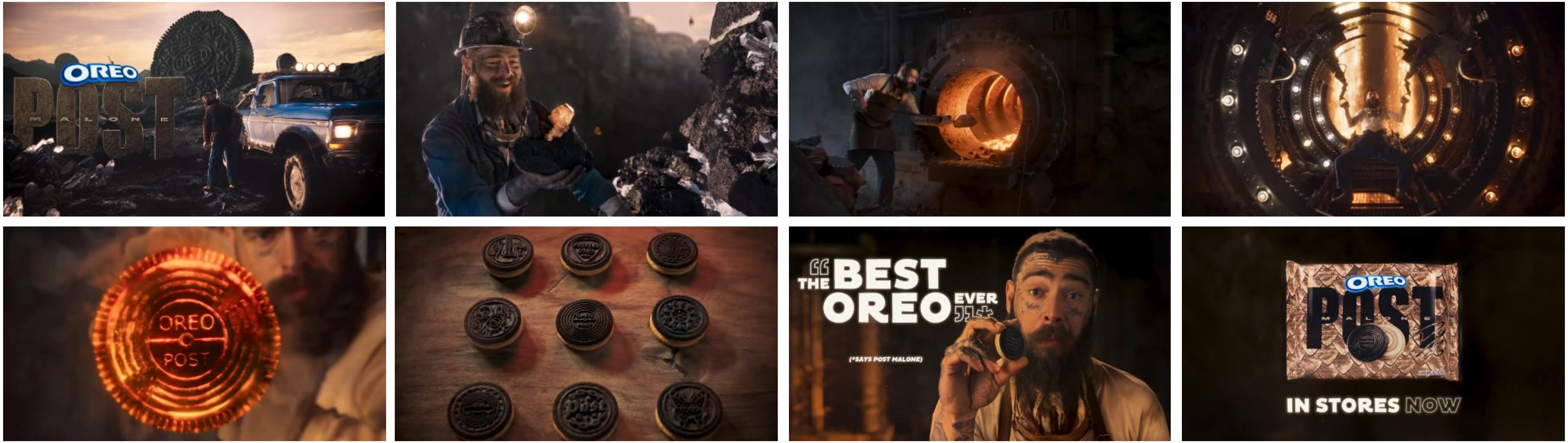
NIQ Neuro Decision Tree

Color → Size/ shape → Pattern/ Orientation → Words/ Numbers

NIQ Breakthrough Innovation **Source:** *NIQ Neuro Pack Design*

Breakthrough Winners & their consumer *MENTAL AVAILABILITY focus*

Some use highly engaging ads which DRIVE ACTION



Post Malone OREO Cookies 2025 Superbowl Ad

Engagement drivers:

Consistent and natural branding

Leaning into positivity

The power of celebrity

Source: *NIQ Neuro Ad; Insights from Dr Joshua Balsters, NIQ Neuroscience Director with the Ad Effectiveness team*

Launch timing is aligned with product, brand, and market readiness

6 months
from ideation to shelf, thanks to Coca-Cola's powerful distribution network

12 -18 months,
including extensive consumer testing, iterative crust development, sauce refinement, and naming & packaging decisions

4 years
from concept to viable product; with ongoing R&D

12–18 months,
balancing long-range planning with responsiveness to consumer trends

18 months,
to align with manufacturing schedules, marketing strategy, and Post Malone's career trajectory

Many years in the making,
with hundreds of iterations on re-engineered machinery

Several 2025 winners capitalized on protein/better-for-you trends…

Legendary Foods
Protein Pastries

- 20g protein
- <1g sugar
- 4-5g net carbs

High-protein toaster pastries with nostalgic appeal

Barebells

- 20g protein
- no added sugar

No-sugar bars that feel indulgent

BODYARMOR
Flash I.V.

- 2,290mg electrolytes
- nothing artificial
- coconut water

Functional hydration with real ingredients

Athletic Brewing

- non-alcoholic
- lower calories
- lower carbs

Non-alcoholic beer for wellness seekers

Real Good Foods
Lightly Breaded Chicken

- more protein
- low carb
- gluten free
- no BS flours

Keto-friendly frozen chicken with high protein

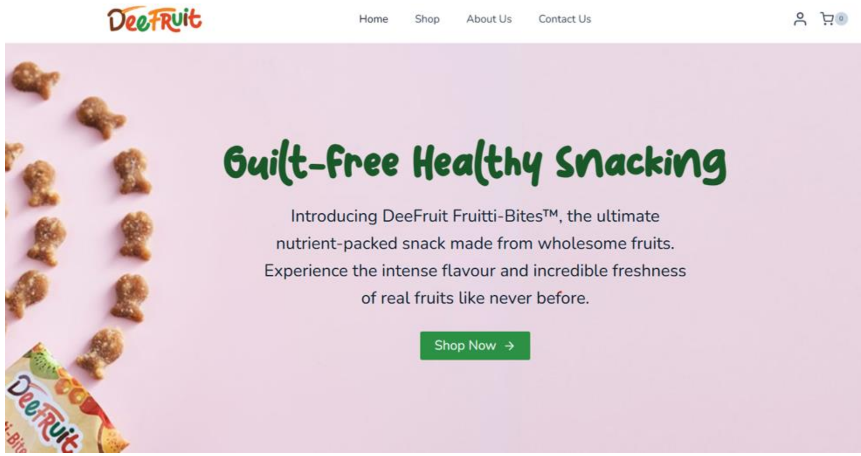
Just Bare Lightly
Breaded Chicken

- no antibiotics
- no added hormones or steroids
- nothing artificial

Clean-label for health-conscious families

Healthy indulgence remains on trend to garner consumer share of mind

Balancing physical wellness with emotional satisfaction and mental health needs



Better For You™ snacking products' **4-Year velocity CAGR** outpaces Non-Better For You in All Channels in the US

Food to de-stress

31%

of global consumers **view stress as the biggest health issue in their country,**
up 6 pts from 2018

Source: NIQ Consumer Life (2024)

High-Protein Foods are a Growing Trend

Includes both:

animal-based
(meat, dairy, seafood)

67%
of consumers have a ***positive perception*** of animal-based proteins

28%
of consumers ***plan to buy more*** high-protein animal-based protein foods in the next year

plant-based
(chickpeas, lentils, tofu, quinoa)

69%
of consumers have a ***positive perception*** of plant-based proteins

40%
of consumers ***plan to buy more*** high-protein plant-based protein foods in the next year

Protein-rich products saw a ***9.7% increase*** in value sales in the US this year[1]

Source: *NIQ Global State of Health & Wellness Report 2025*
[1]NIQ Product Insights, US, 52 weeks ending Feb. 22, 2025 vs. same period previous year.

Health-Driven Consumer Trends to Watch in 2026

Functional Wellness

- Protein-Rich
- Fiber-Dense
- Digestive Health
- Clean Label
- Better-For-You

Simplicity & Trust

- Fewer, Clearer Choices
- Ingredient Transparency
- Functional Quality

Preventative Health

38% of consumers are proactively managing their health

- Wellness
- Supplements
- Nutritional Balance

Impact of Anti-Obesity Medication (AOMs)

Over 1 in 3 consumers are likely to use AOMs

- Portion-Controlled
- Metabolic Health
- Low-Calorie

Source: *NIQ Consumer Outlook Guide to 2026*

Charting the Course Forward

Omnichannel Strategies Are Essential for Growth

Ecommerce and digital channels are absorbing losses from brick-and-mortar, and winning retailers are those who connect channels seamlessly and meet consumers wherever they shop.

Consumer Behavior Is Shifting Rapidly

Shoppers are cautious, value-driven, facing economic pressures and regulatory changes adapting how and where they buy. Retailers and manufacturers must adapt quickly to stay relevant.

Strategize to stand out at shelf and exceed product performance expectations

Success depends on proactively spotting and acting on shifts in consumer sentiment and purchase drivers, private label growth, and digital commerce. Early movers will capture growth and avoid being left behind as the market evolves.

Thank You!

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