Reimagining Grocery

Building Borderless, Predictive, and Consumer-Centric Ecosystems

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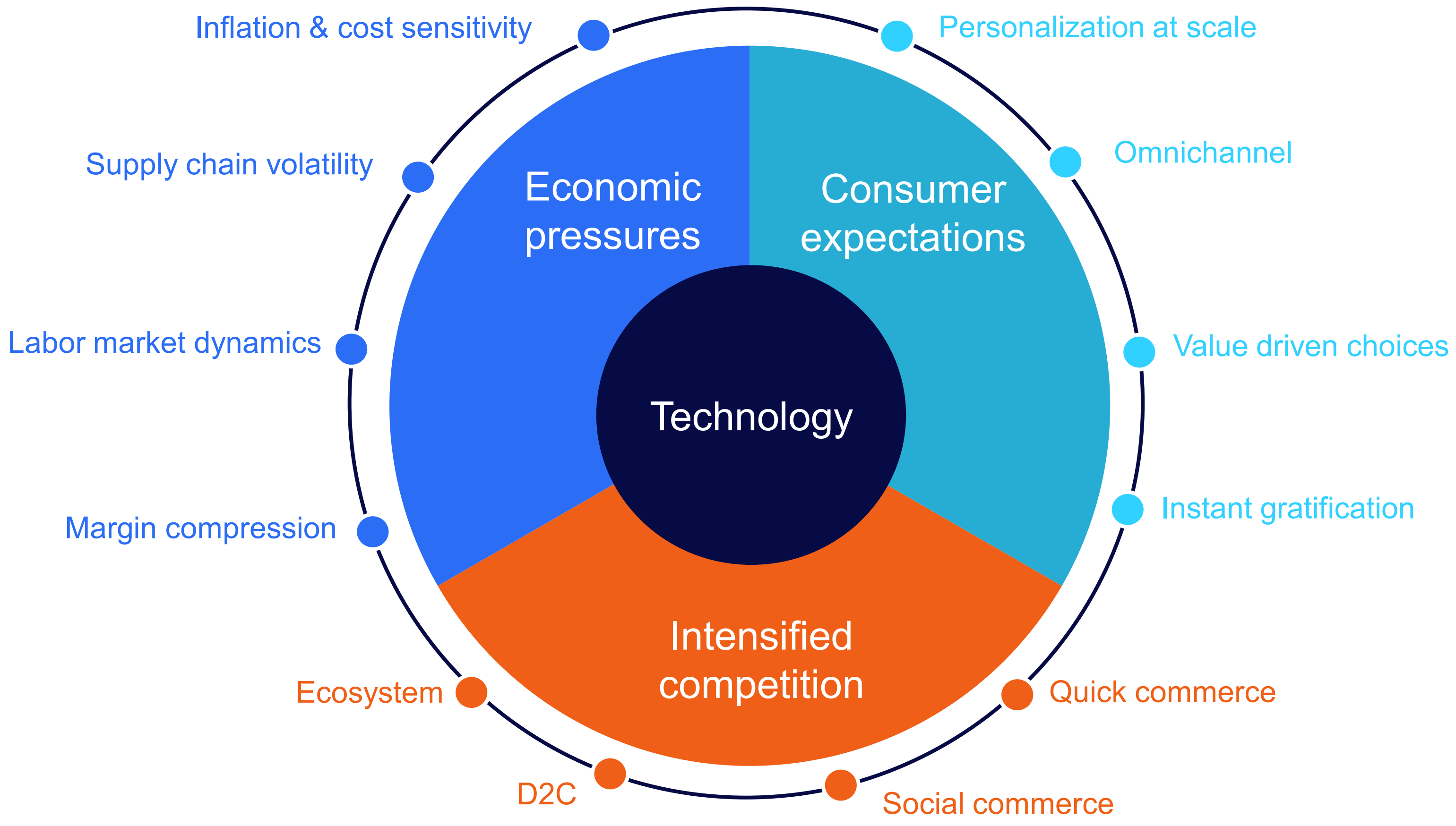
The NGA Show 2026

NielsenIQ

We are at a pivotal moment…

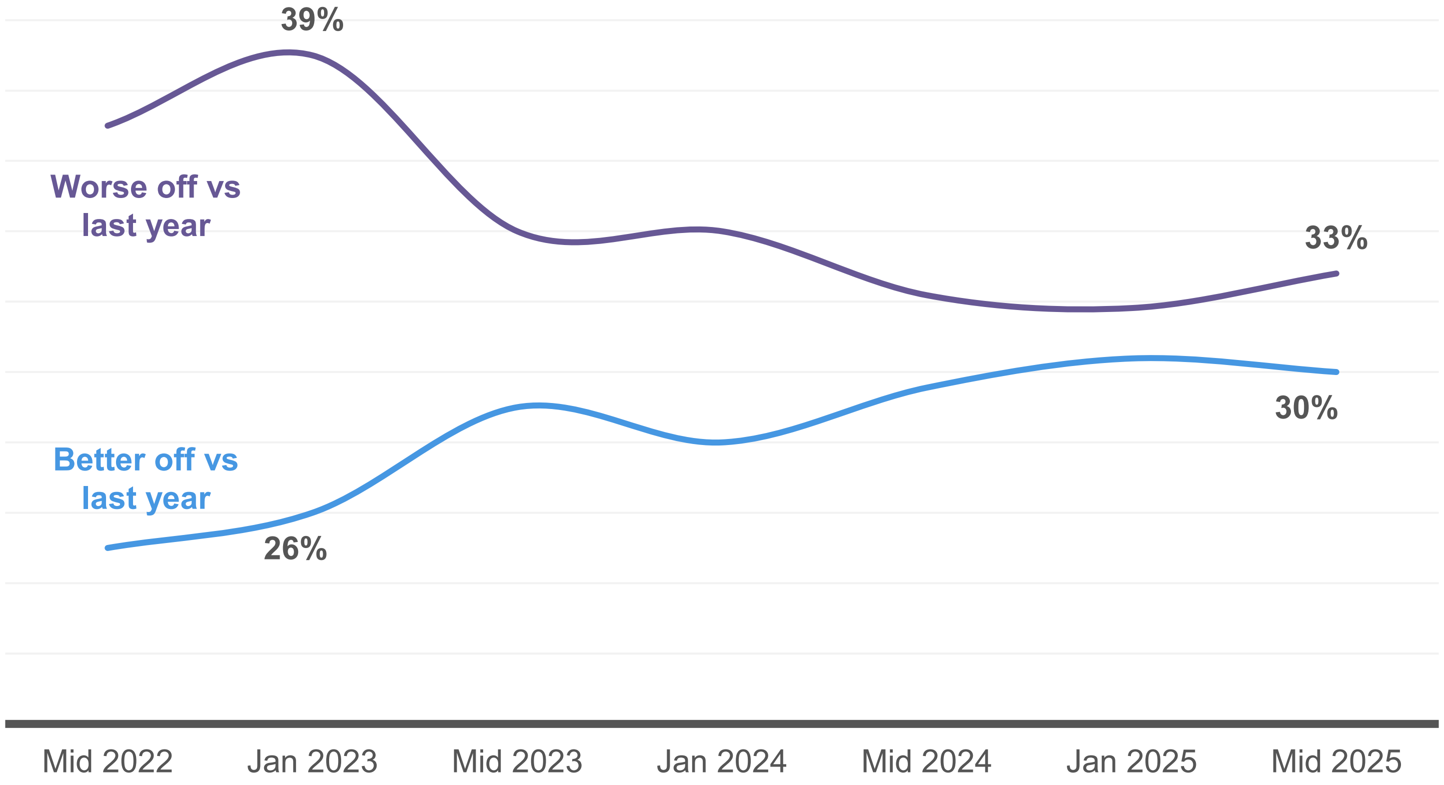


People are feeling cautious …

The worst is over, but intentional spending persists

Consumer financial position

Sentiment year-over-year (% respondents)



Why?

73%	**due to *increased costs of living*** (down from 76% in July 2024)
39%	**due to *economic slowdown*** (down from 41% in July 2024)
30%	**due to *job insecurity/loss*** (down from 31% in July 2024)

Source: NIQ Consumer Outlook Mid 2025, Global
Q: Compared to a year ago, is your household better off or worse off financially

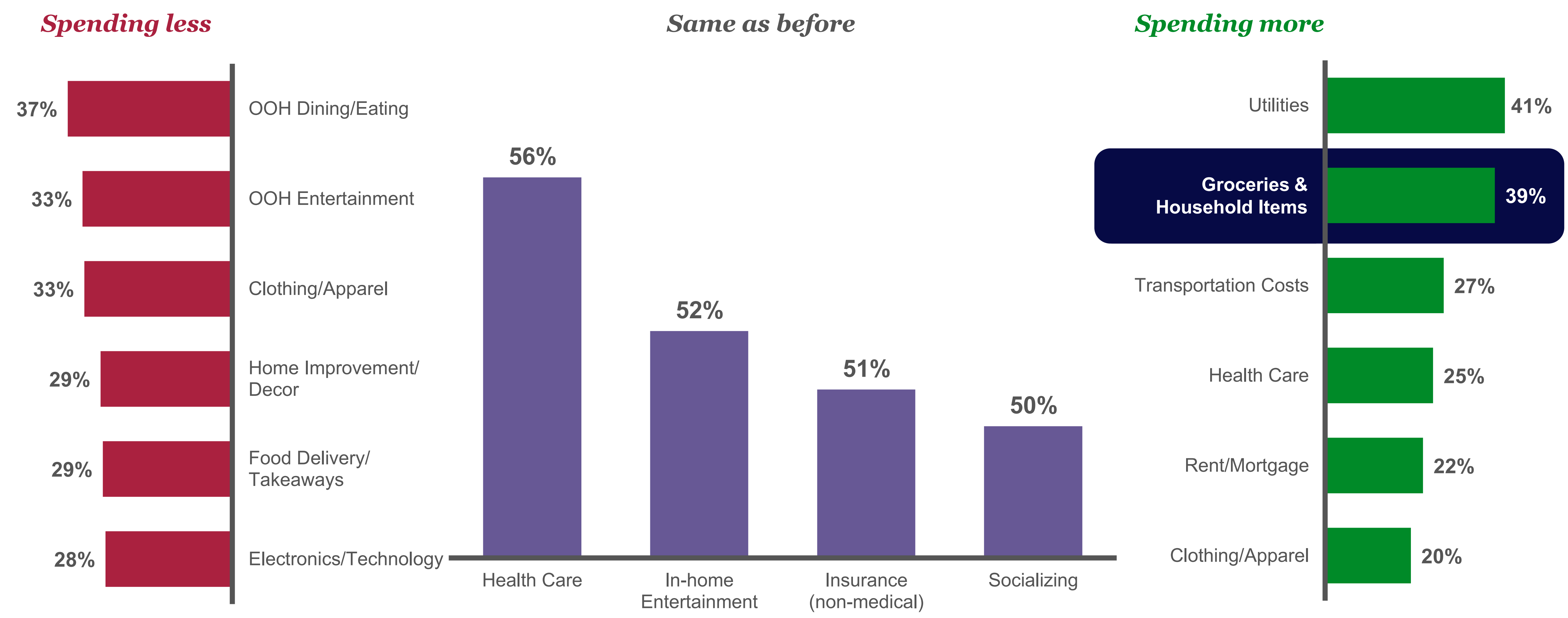
Food away from home is **getting more expensive**, driving people to ***dine at home more…***

Food Away From Home CPI + 3.7 %	Food At Home CPI + 2.7 %
Full Service +4.2% Limited Service +3.2%	Meats/Poultry/Fish/Eggs +5.2% Beverages (non alc) +5.3% Cereals and Bakery +1.6% Fruits and Vegetables +1.3% Dairy 0.7%

NIQ

How does this affect our shoppers mindset coming into this year?

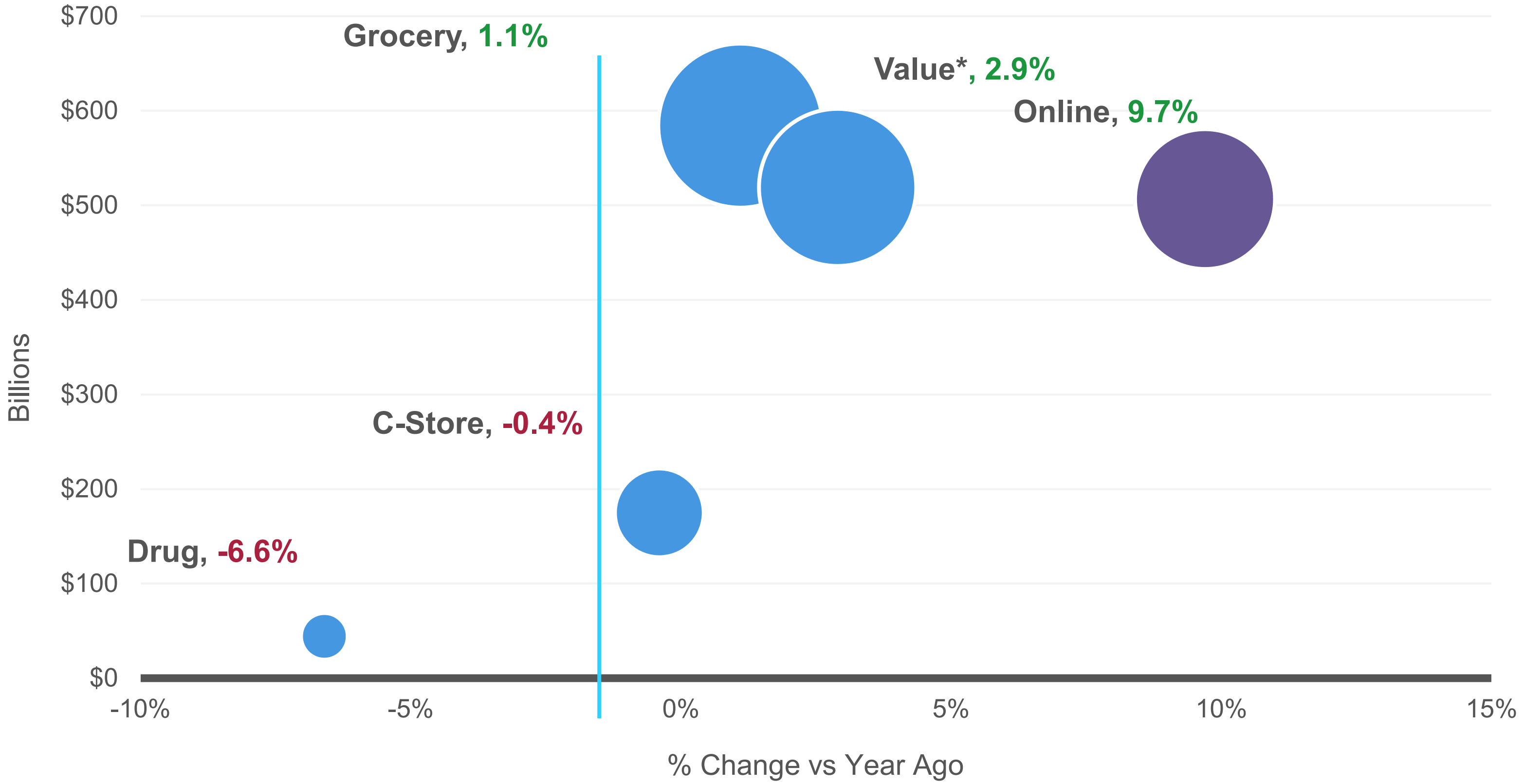
2026 wallet intentions show cautious consumers are prioritizing basic expenses rather than entertainment and luxuries.



Source: NIQ 2025 Consumer Outlook survey

Additionally, where we are shopping is still changing.

All departments – dollar sales & trend



Bold = $ % Chg vs YA
Size of bubble denotes dollar share of Total US Omni

$1,841 billion
Total US Omni

+3.6%

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 12/27/2025; *mass-merchandisers, dollar stores, warehouse clubs, and military
NIQ Omnisales +, Total US Omni and Total US Online, 52 weeks ended 11/22/2025

Who’s winning on: Penetration | Trips | $/Trip

	Household Penetration	Trips	$ per Trip
Grocery	↓	↑	↑
Mass	—	↑	↑
Dollar	—	—	↑
Club	↑	↑	↑

*Includes Amazon, Target, Walmart, etc.
Source: NIQ, Omnishopper Panel, Total U.S., 52 weeks ended 11/29/25 vs YA , Trip Projection, UPC-coded purchases

Units per trip are flat for grocery, but slightly growing in dollar, mass, and club!

	$ per Trip	Units Per Trip
Grocery	^	—
Mass	^	^
Dollar	^	^
Club	^	^

*Includes Amazon, Target, Walmart, etc.
Source: NIQ, Omnishopper Panel, Total U.S., 52 weeks ended 11/29/25 vs YA , Trip Projection, UPC-coded purchases

What to keep in mind….

Customers are feeling **cautious**

People are being driven to **eat more at home**

How they are shopping is **changing by channel-** particularly with value. People are being driven towards club

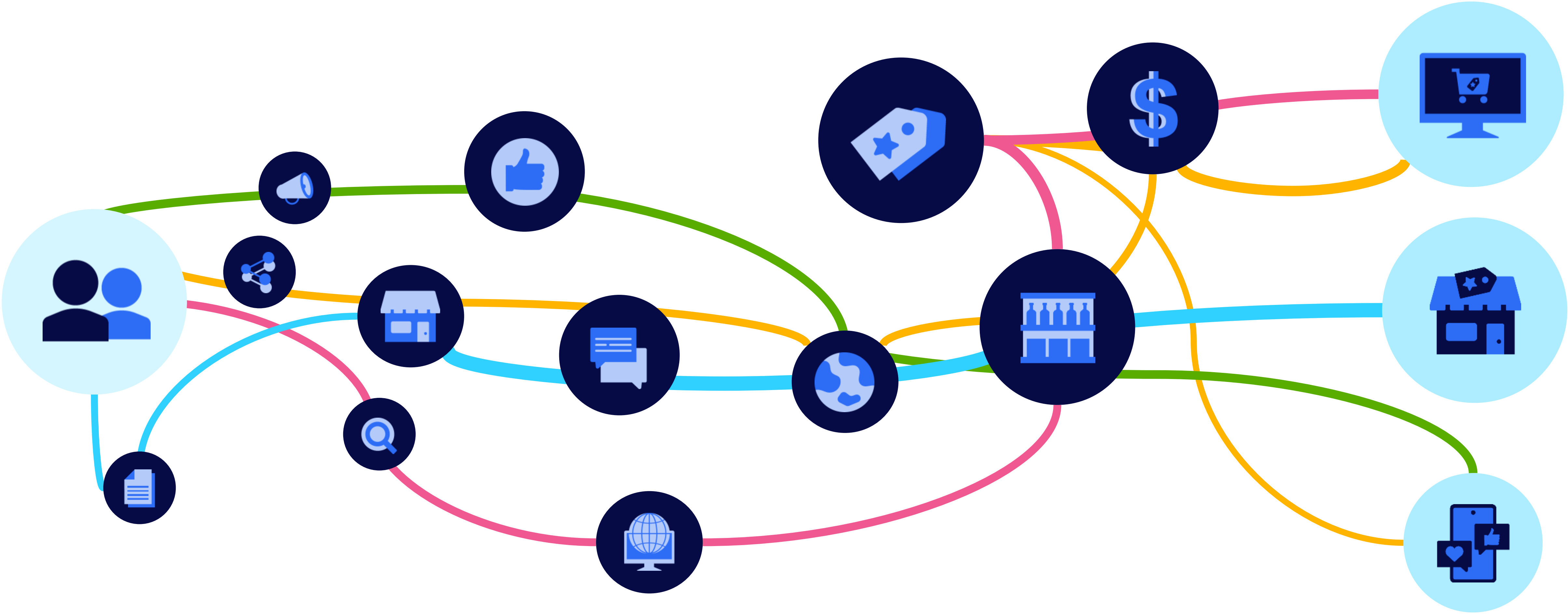
Knowing **consumer sentiment and consumer behavior** are the foundation to a good strategy to maximize where we are now…

Is Loyalty Dead?

The continued Rise of Dynamic Affinity

Shopper journeys are complex due to *digitization* and *personalization*

Enabled by technology and pivoted by change, consumers have found new ways to shop, select and purchase



Representation only, not linked to any NIQ data

Shoppers are changing... and they are more *intentional* than ever....

It's price, and it's value

88%
of US consumers **changing how they shop** to save money

1/4
of consumer say they shop more often at Value stores

31%
stock up or buy in bulk when an item goes on sale

75%
of people decide what to buy before they are in store

54%
of consumers willing to **pay more to eat healthy**

51%
of consumers say they are willing sp pay more for products that **"makes my life easier"**

56%
of consumers say they are willing sp pay more for Environmental/ Sustainable products

Source: NIQ 2026 Global Consumer Outlook Report

NIQ

When it comes to store choice, Boomers are loyal shoppers, but younger generations are not…

Boomers proclaiming loyalty to the top ~100 retailers….

9%

>

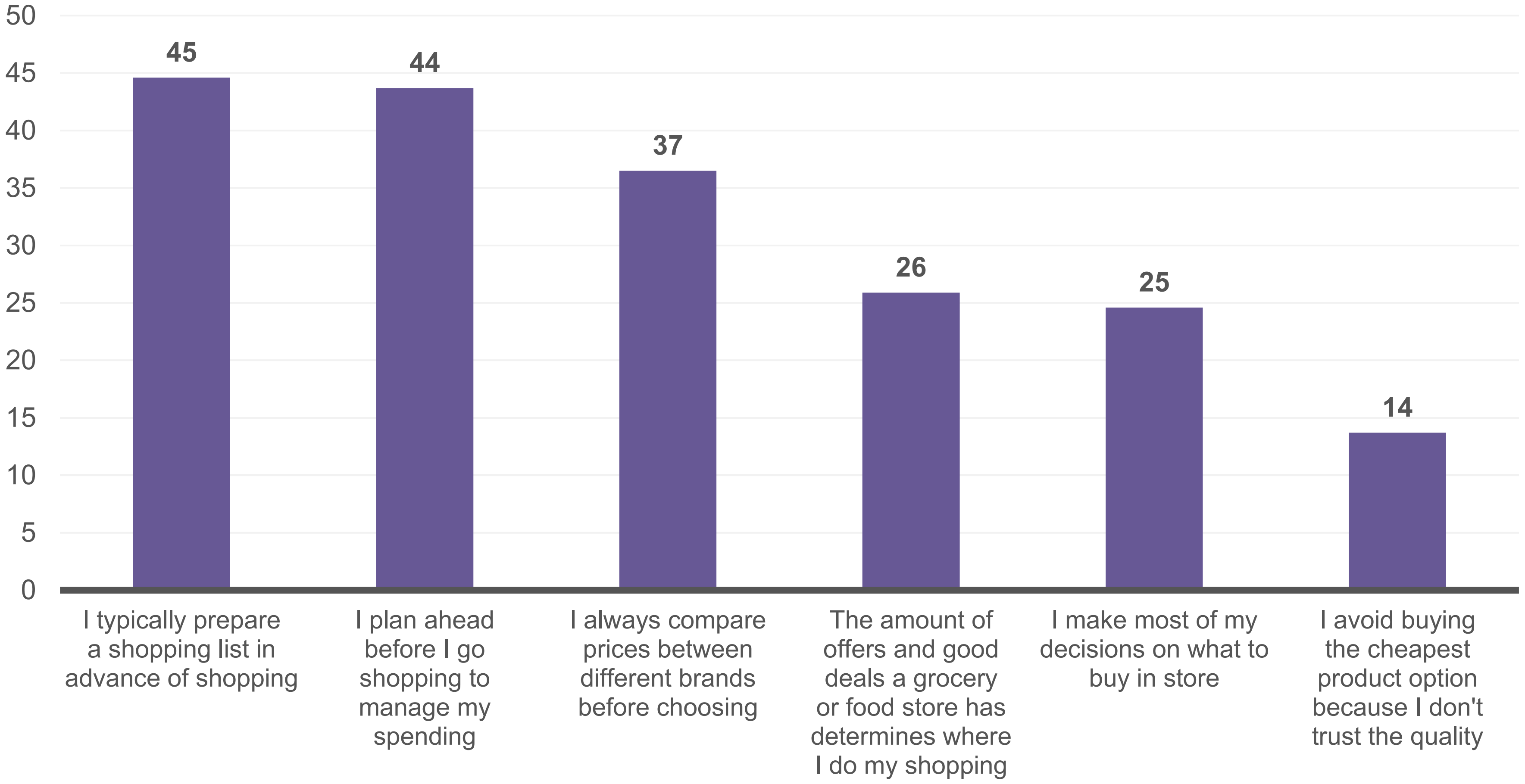
Gen X, Y, & Z proclaiming loyalty to the top ~100 retailers….

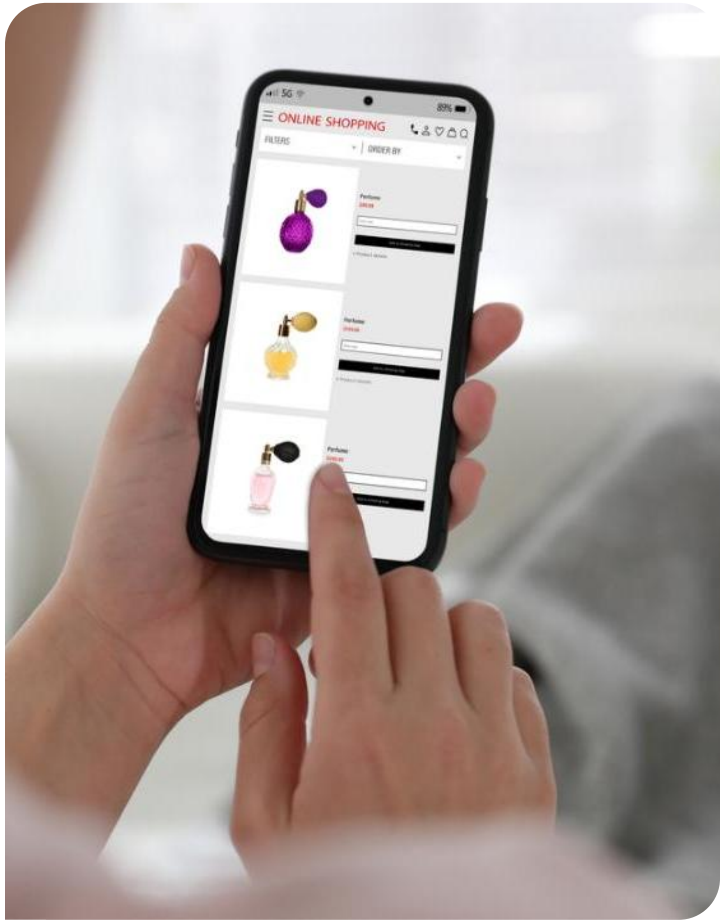
7%

NIQ Retail Pulse December 2025

And when it comes to product choice, shoppers are likely to know what they're shopping for, *but are open to multiple brand options*

Thinking about your values and habits in the last year. Which of the following statements do you agree with? (Shopping)





Source: NIQ 2025 Consumer Outlook survey

We see this manifesting in the expansion of private label vs. national brands…

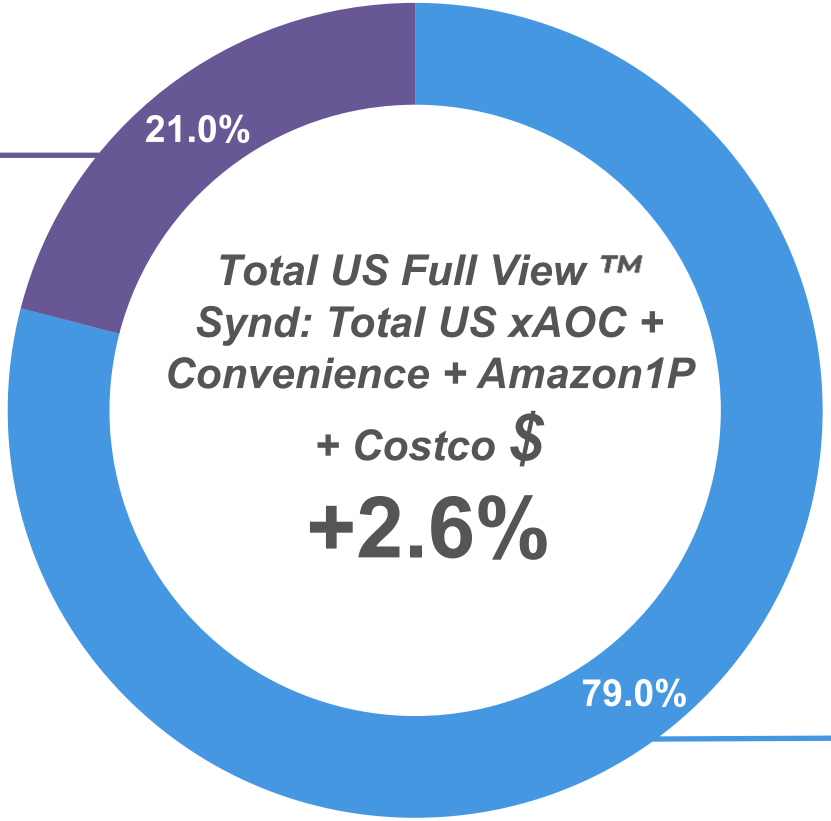
Market Growth Driven by Private Brands as National Brands See Unit Declines vs. Last Year

Total US – Private Brand

$'s +4.7%

Units +0.7%

Price +3.9%



Total US – National Brand

$'s +2.1%

Units -0.2%

Price +2.3%

Source: NielsenIQ Total US Full View ™ (Total US xAOC + Convenience + Amazon1P + Costco), Calendar Years & 48 Weeks Year-to-Date W/E 11/29/25

For private labels, above all else, consumers in the US *expect value and availability*

Source: NIQ 2025 Private Label & Branded Products report global survey

But *for name brands*, consumers expect and *prioritize factors beyond affordability* alone

They key to unlocking growth is understanding what your shopper is buying when they aren't in your store…

What to keep in mind….

Strive for experiential excellence and differentiation to be a leader within your channel

Use data to understand the ‘why’ behind what makes shoppers shop certain places

Understand consumer expectations of brands and find ways to delight and surprise them

Use internal and external data when creating key strategies to win trips and fill baskets

Commerce Without Borders

The Collapse of Categories

US consumers show appetite for AI-driven personalized solutions

US | % Of respondents

48%

Are comfortable with a digital shopping platform making product **suggestions**

34%

Would be interested in using tools powered by Artificial Intelligence (AI) to **help manage their household shopping in the future**

32%

Are comfortable with a digital shopping platform **making purchase decisions for them**

Source: NIQ US Consumer Outlook Jul-25

Agentic Commerce is a game changer and we are all on the journey together…

AI- powered Discovery

Product search and discovery

AI- assisted Shopping

Compare products, prices and reviews

Agentic Shopping

Build carts and check out… eventually will autonomously instigate a purchase cycle

Agent to Agent Commerce

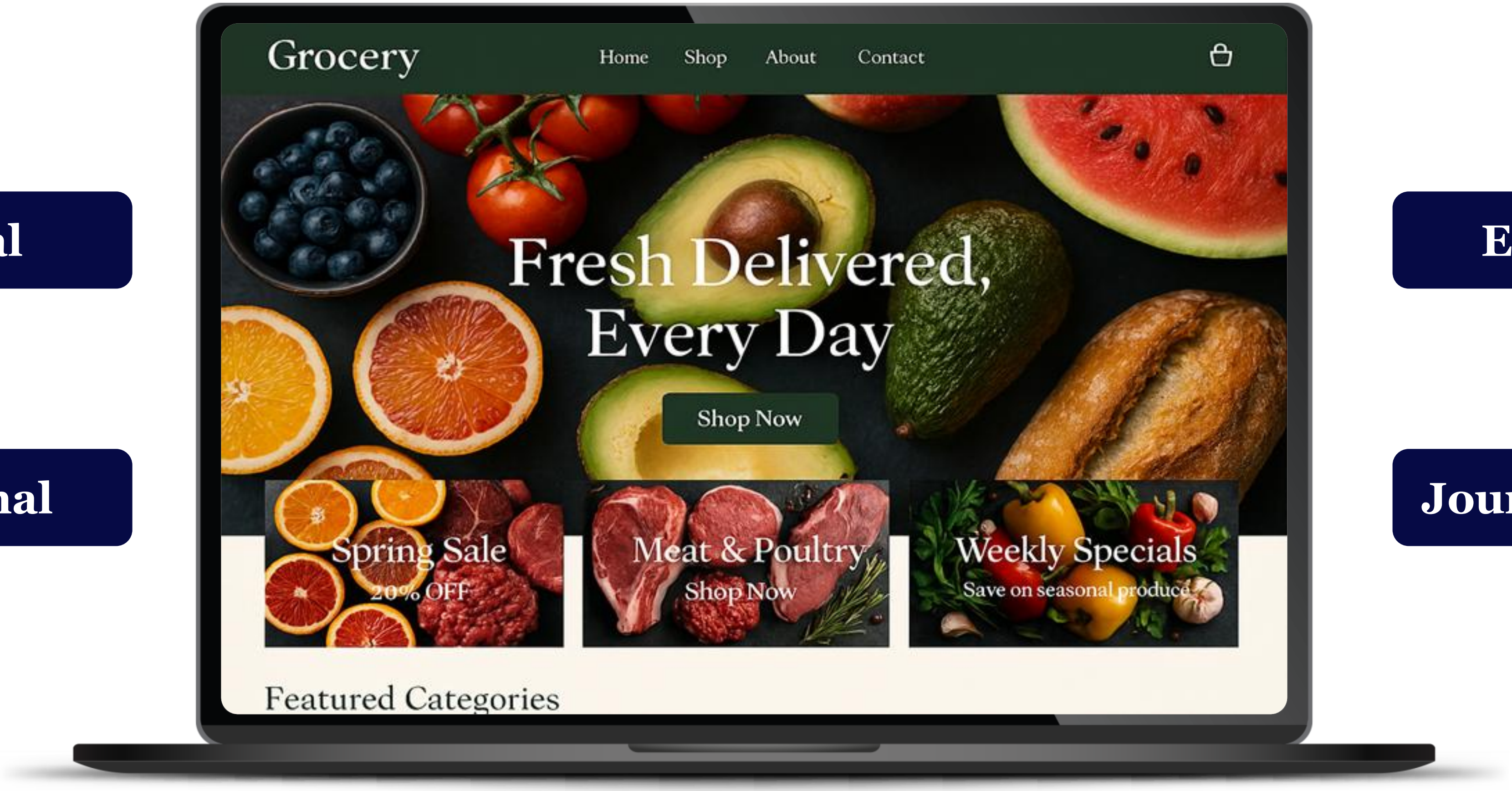
Agents for consumers negotiate with agents of sellers to define deal structures.

Agentic Commerce Necessitates that we Revolutionize our Digital Approach…

Personal Connections

Emotional

Inspirational



Experiential

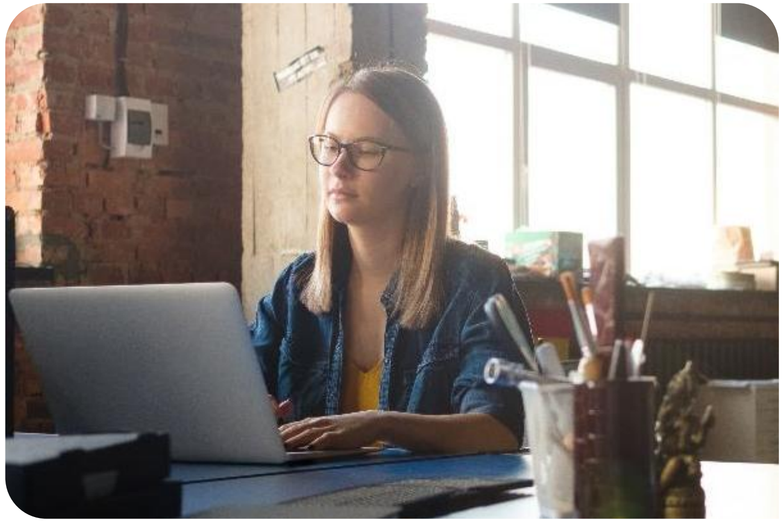
Journey Oriented

To satisfy how a bot might approach a purchase…

0. Preconditions/ Roles	1. Trigger/ Intent Understanding	2. Plan Generation	3. Inventory Check	4. Retailer Fulfillment / Selection	5. Basket Construction & Optimization	6. Checkout Orchestration	7. Fulfillment & Exception Handling
User context: • Household preferences, dietary rules, budget, loyalty programs, preferred retailer(s), delivery windows, past baskets. ***Agents (or agentic capabilities):*** Intent & Context Agent: Understands "weekly shop" scope. Planning Agent: Drafts the list & menu plan with constraints. Sourcing Agent: Finds best-fit retailer(s)/fulfillment options. Basket Optimization Agent: Substitutions, promos, pack sizes. Checkout & Fulfillment Agent: Payments, delivery/pickup, slots. Post-Purchase Learning Agent: Feedback, spend analysis, inventory updates.	← BOT ACTIONS →						
	Signals *Explicit ("Do my weekly grocery shop") or implicit (calendar reminder, pantry depletion, consumption patterns).Context signals (weather, holidays, guests, travel).* • Confirm scope silently via constraints: household size, meal count, dietary rules, budget, timing. • Pull loyalties & preferred retailers; check availability windows (same-day/next-day) .	• Generate a meal plan (e.g., 7 dinners, 5 lunches) that respects dietary rules and budget. • Convert to a shopping list with quantities (auto-normalize pack sizes). • Apply household constraints: brands to prefer/avoid, sustainability, health targets (e.g., sodium, added sugar). *User Controls* • *Approve/adjust meals; freeze staple items; set substitution tolerance per item.*	• Deduplicate based on home inventory (from past receipts, smart fridge, user confirmations). • Suggest "use-up" items to reduce waste; recommend substitutions when stock is low.	• Score candidate options by price, promos, fees, slot availability, reliability, loyalty benefits. • Offer a primary recommendation + alternatives: ✓ Single-retailer basket (simplicity). ✓ Split-basket option (price-optimized) if savings justify extra effort.	• Map list items to exact SKUs; resolve pack sizes. • Apply promo stacking (digital coupons, loyalty, bulk discounts). • Manage substitutions with user preference rules (brand, allergens, organic). • Detect price-quality tradeoffs (e.g., private label vs. national brand). • Validate nutrition/ingredient constraints (e.g., gluten-free). *User Controls* • *Set hard stops ("no substitutions for baby formula"), upgrade/downgrade brands, review savings summary.*	• Claim delivery/pickup slot. • Confirm payment (preferred card, EBT where applicable), apply loyalty IDs. • Address validation & special instructions (gate code, leave at door, bagging preferences). • Fraud & risk checks.	• Live updates: out-of-stock pings, picker messages; dynamic re-optimization for substitutions. • Track order status; streamline multi-retailer coordination if split. • Support customer service (missing/damaged items, partial refunds, re-delivery).
KPIs→	Intent recognition accuracy, time-to-plan, % of successful auto-runs without user intervention.	Plan acceptance rate, budget adherence, nutrition target adherence, % staples automatically included.	Waste reduction, duplicate purchase avoidance, inventory accuracy.	Delivered cost vs. baseline, on-time slot availability, basket fill rate, promo capture rate.	Savings vs. baseline, substitution acceptance, nutrition compliance, time to basket completion.	Checkout success rate, payment authorization rate, slot confirmation lag, cart abandonment.	Fill rate, substitution quality score, on-time delivery, NPS/CSAT for order experience.

What can you being doing right now to win in the age of Agentic Commerce?

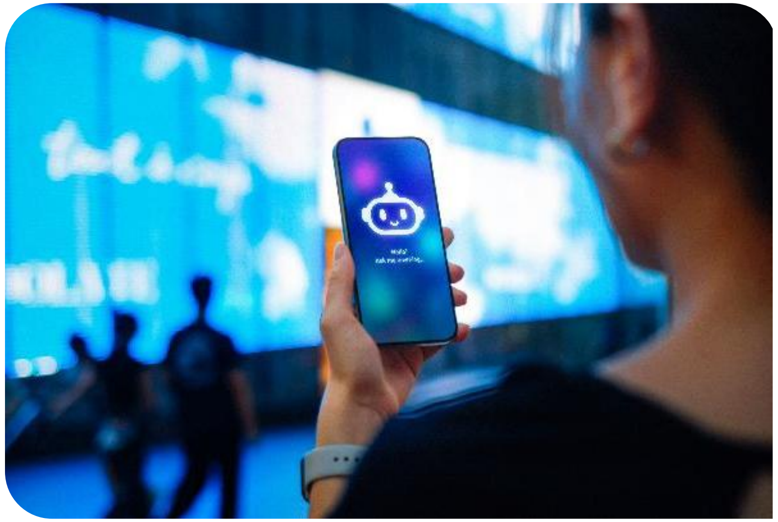
Product Attribution



Data Quality

Operational Rigor (ie- In Stocks)

Long term- what must be true to win in the age of Agentic Commerce?



Basket Deals

Agent Empowerment

What to keep in mind….

We are in full swing of the **AI Revolution**. Act now to ensure you don't get left behind.

Foundational elements such as Master Data Management, Inventory Accuracy, and Product attribution **are no longer 'nice to haves'**- they are table stakes and will decide winners and losers.

You must think **beyond the typical hierarchy** of a 'category'… AI will necessitate that you show great basket opportunities and value.

NIQ

Predictive Merchandising

Winning Before the Shelf

AI will revolutionize the way we work, not just the way our shoppers shop

Descriptive Phase

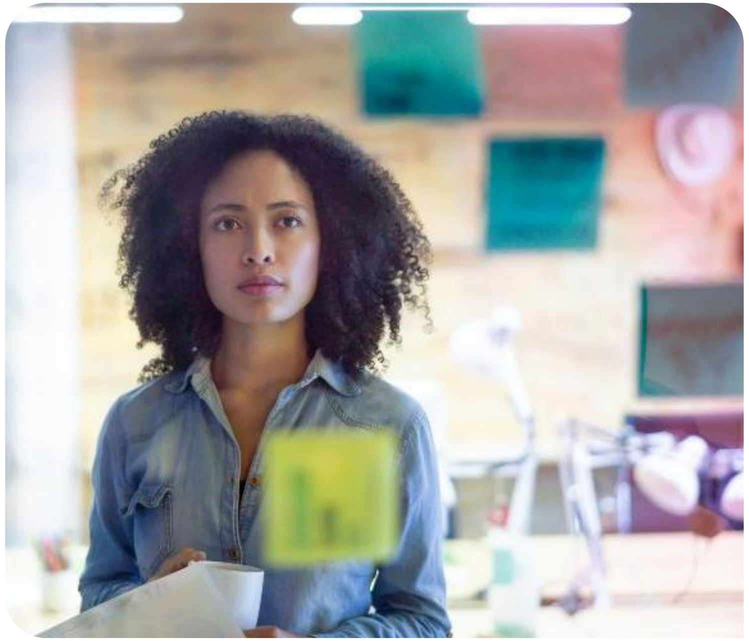
What is happening?

Prescriptive Phase

What should we do?

Generative Phase

What opportunities can we capitalize on?



Assortments and planograms will no longer be “set and forget”

AI revolutionizes the way we plan.

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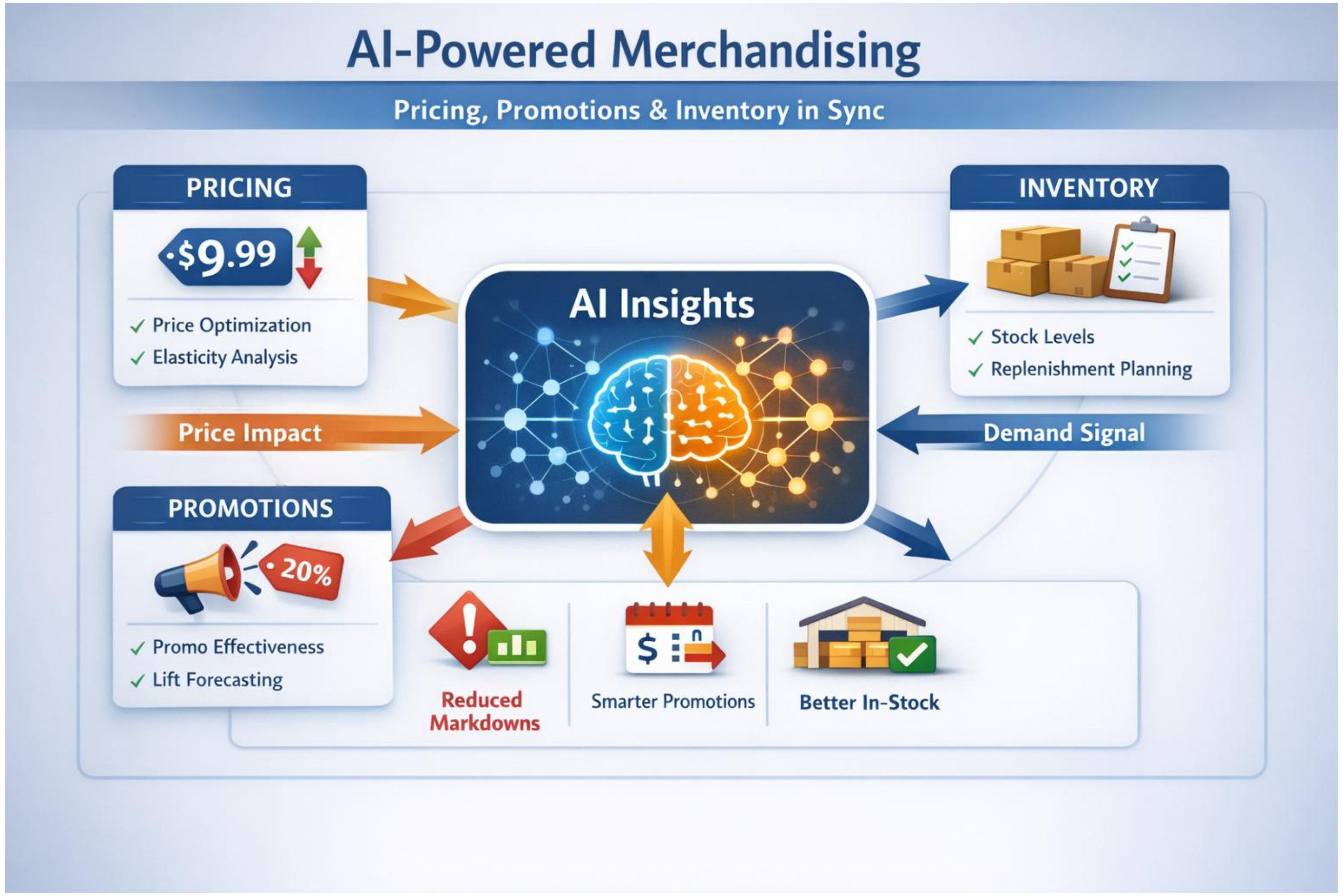
Pricing, Promotions & Inventory Are Now Connected



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The Evolving Role of Merchants

From data crunching to strategic thinking

Old Way
Pulling Reports
Sales Data Analysis
Historical Debates

AI Assistance
Handles the Data

New Way
Strategic Decisions
Insights and Trends
Brand Development

From Spreadsheet Busywork to Creative Strategy

What to keep in mind….

Total **experience** should be on everyone’s mind moving into 2026.

Driving progress is imperative.   Grocers must move away from descriptive, reactive into predictive and generative **now.**

Leveraging AI is the best way to **scale** merchandising operations and ensure that comprehensive plans built on shopper and product attributes are designed and executed with distinction.

Thank you!

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