



RETAIL

MAKING THE SHOPPER
THE HERO

REINVENTION

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EnsembleIQ
SMARTER TO MARKET

PROGRESSIVE
GROCER

EnsembleIQ

MEDIA FAMILY

Technology

Marketing

Retail Strategies



Grocery store **LISTS**

External



Outside Disruptors

- ✓ Market factors
- ✓ Health, well-being
- ✓ Technology
- ✓ Competitive factors

Internal



Store Level Impact

- ✓ Transparency and Trust
- ✓ Ecomm as game-changer
- ✓ Store-wide solutions
- ✓ Points of differentiation



Market factors

- **Economic expansion**
- **Retail deflation**
- **High consumer confidence**

Retail Landscape

- **Limited assortment**
- **Ecommerce**
- **Channel blurring**

Today's shopper

**Today's population is
younger & more multicultural**

**More men are responsible for
household shopping**

Channel agnostic

**Fewer physical shopping trips
(and fewer visits to
center store)**

– Tomorrow's shopper

- **Physical well-being**
 - Health
 - Personal safety
- **Info secure**
- **Knowledge empowered**
- **Assumed levels of convenience**





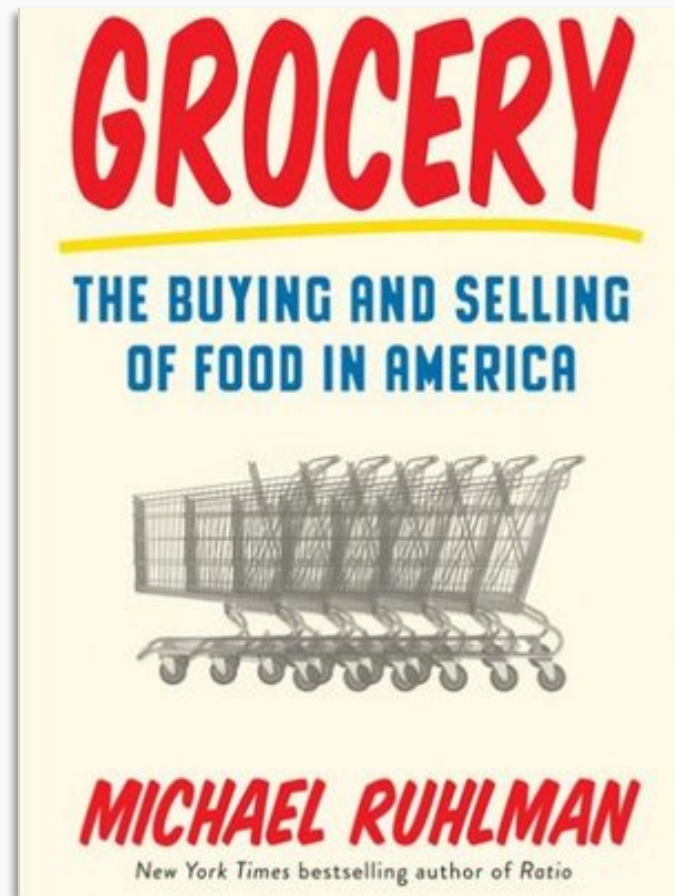
Well-being In-store

- Design
- Curation
- Personalized
- Messaging



“We want to think the people who
care about our food care about us.”

-Michael Ruhlman



– Transparency and Trust

Transparency is changing the way companies market to consumers.

Once trust is gained consumers will let you make decisions for them.



**Menu
Labelin
g**



Old way

Catalogs

BlackBerry

Blockbuster

Bookstores

Film

Taxis

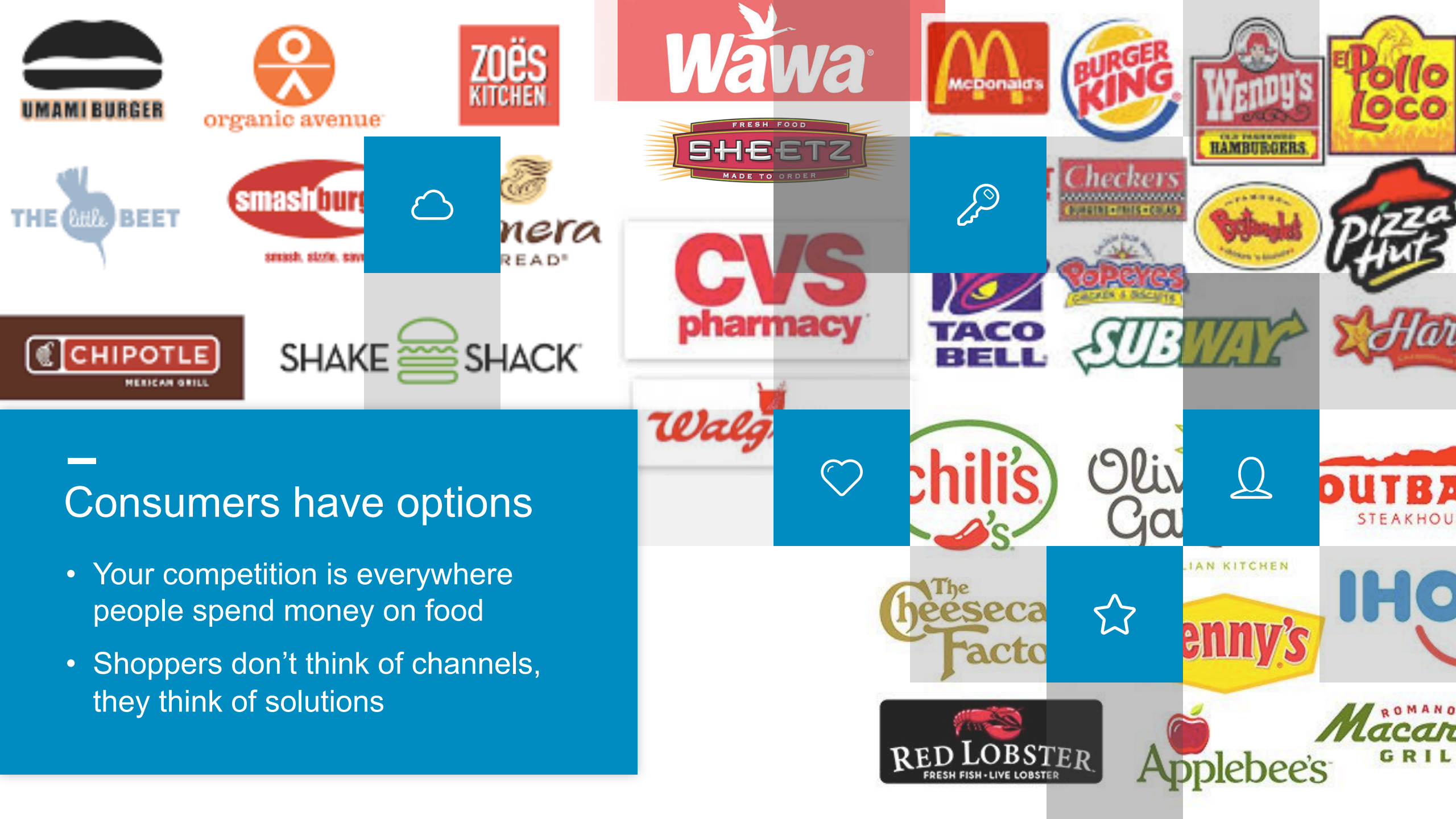
New way

Online shopping
iPhone

Streaming
content

Online shopping
Digital
uber
Airbnb

Heed
disruptions



— Consumers have options

- Your competition is everywhere people spend money on food
- Shoppers don't think of channels, they think of solutions

Grocery retail isn't top of mind because grocery retail isn't talking with consumers.

Tap into the opportunity: **67%**

of households with kids outsource cooking meals to the grocery store... some of the time.

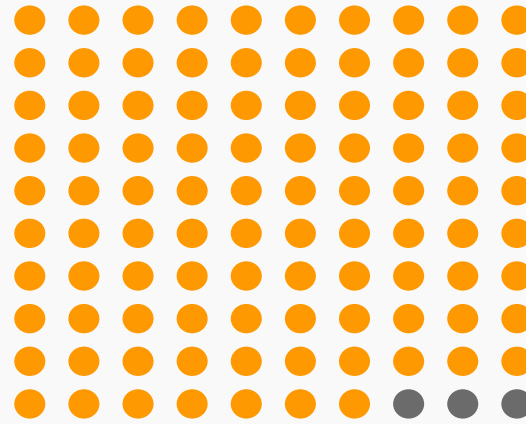


“E-commerce will transform the food industry in similar ways to how it transformed entertainment and apparel.”

– Denise Morrison, CEO, Campbell

Grocer retail
digital commerce
\$100 billion

THE
e-commerce
disruptor:



97%

of primary grocery shoppers
surveyed shop at Amazon at
least occasionally.



— And Walmart is right there, too

- Walmart: **#1** (for traffic)

- Adds an estimated **1 MILLION** new products each month

... and was at **17 MILLION**

January 2017

- Acquisitions: Shoebuy.com, ModCloth, MooseJaw, Bonobos Inc.



–
20% of CPG > Total Volume of Club, Dollar,
Hard Discounter and C-Stores combined.



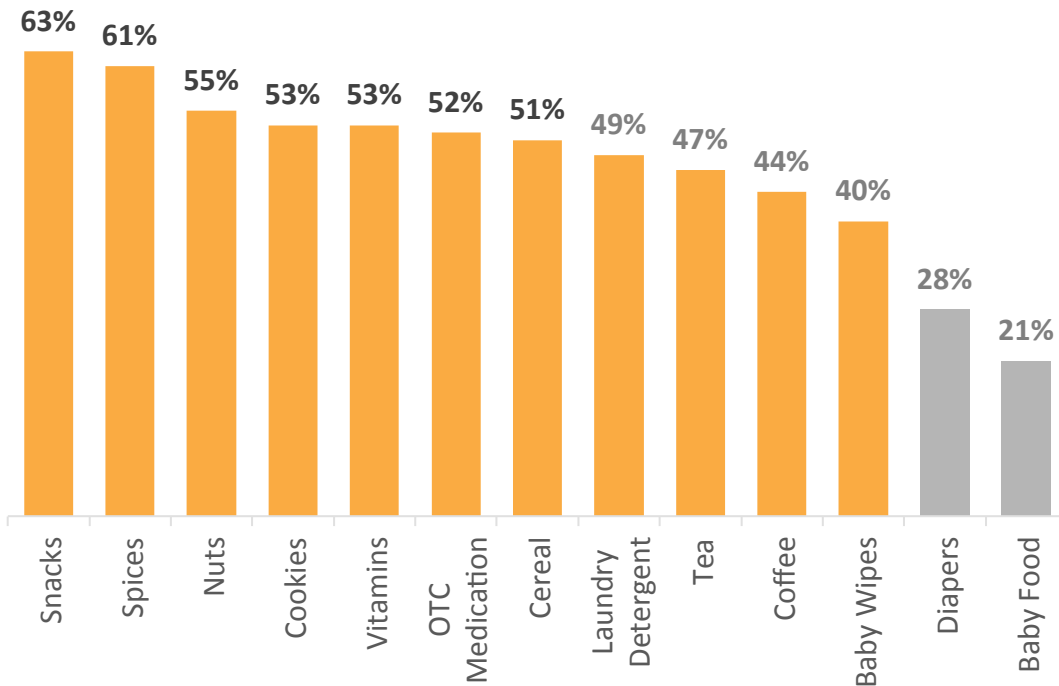
“If I go shopping and it’s something I don’t need to touch and feel, then I’m going to order it online...”

- Anthony Bourdain





“Lost in the
Supermarket”
- The Clash

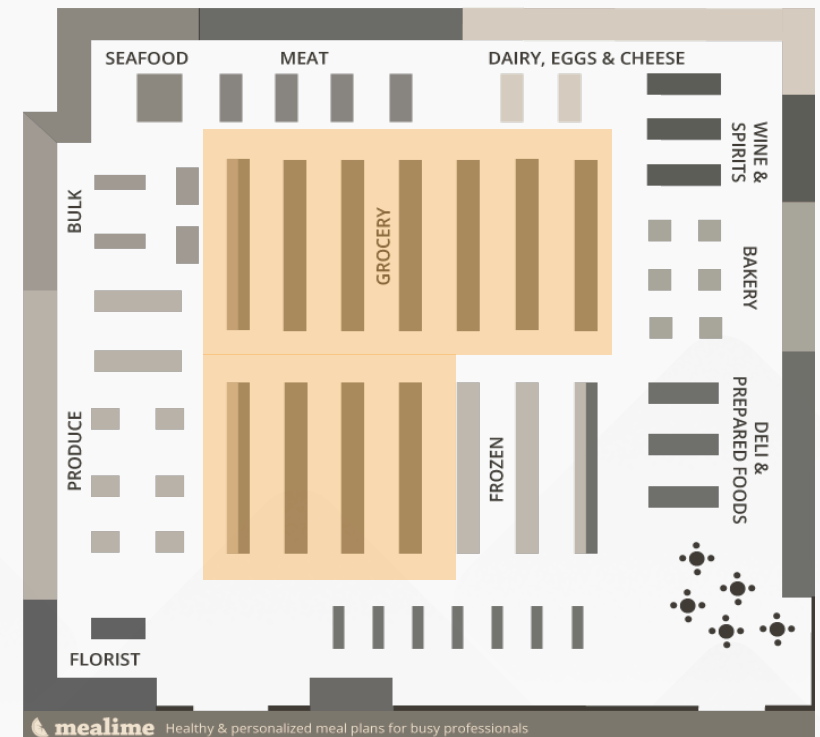


% Who Will "Definitely" or "Probably" Purchase*

TOTAL BASE = 1015 PRIMARY GROCERY SHOPPERS

*'PROBABLY WILL PURCHASE' OR 'DEFINITELY WILL PURCHASE'

Rethinking the store



Deliver against different
consumer “solutions” to...

Make the Shopper the Hero!

New and assumed
levels of convenience



Build experience



Deli

Deli (including fresh prepared foods) is the fastest growing area in the fresh perimeter. by the numbers

**\$14
BILLION**

Fresh prepared sales in 2015.
(Total sales: \$24 billion) (2)

**2.4
BILLION**
foodservice trips
in 2015. (1)

\$64

Average basket ring with
prepared food purchase,
vs. \$41 average basket (1)

30%

growth in in-store dining
and takeout from
grocers since 2008. (1)

40%

of U.S. population
purchases prepared foods
from grocery retail. (1)

58%

of deli sales generated by
fresh prepared foods. (2)

Grocerant myths



“Retailers will need ... to find ways to draw shoppers to the deli department when in the stores as well as prompting fresh prepared purchases among deli consumers there for deli meats, cheese, and other items.” -- 2017 Grocerant research

“...means becoming a prepared foods destination much like a restaurant.”

“My closest competitor isn't in this space, so the pressure is off me.”

Grocerant truths



Shoppers want ease and convenience... "if I trust you to know me, you can think for me."

Remember the consumer of the future?

Solutions can include using the entire store to provide quick options for the shopper.



Operational Considerations



Detach from the deli



Storewide solutions



PRODUCE BUTCHER

BRING US YOUR
PRODUCE

PICK A CUT

MINCED

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READY TO
COOK!

New
conveniences

WHAT'S FOR DINNER

hack #11



LAMB KOFTA

Lamb Kofta + Tzatziki Sauce + Pita Bread + DLM Arabic Salad + Vera Jane's EVOO

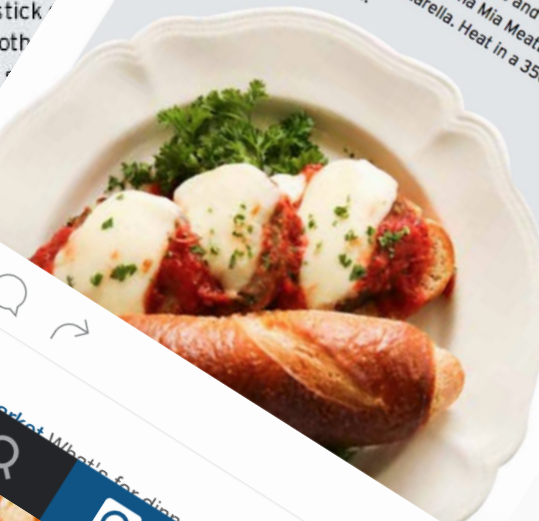
Broil lamb kofta, turning occasionally, until well browned on all sides and internal temperature reaches 160°F. In a nonstick skillet, brush pita with a little olive oil and briefly heat on both sides till warm. Serve cooked kofta on warm pita topped with Arabic Salad.



MEATBALL HOAGIES

Momma Mia Meatballs + DLM Original Pasta Sauce + DLM Mini Baguette + DLM Handmade Fresh Mozzarella

Heat sauce. Split open the mini baguette and generously layer with warm sauce and slices of the Momma Mia Meatball. Top with slices of DLM Handmade Fresh Mozzarella. Heat in a 350°F oven until hot and cheese is melted.



24 likes

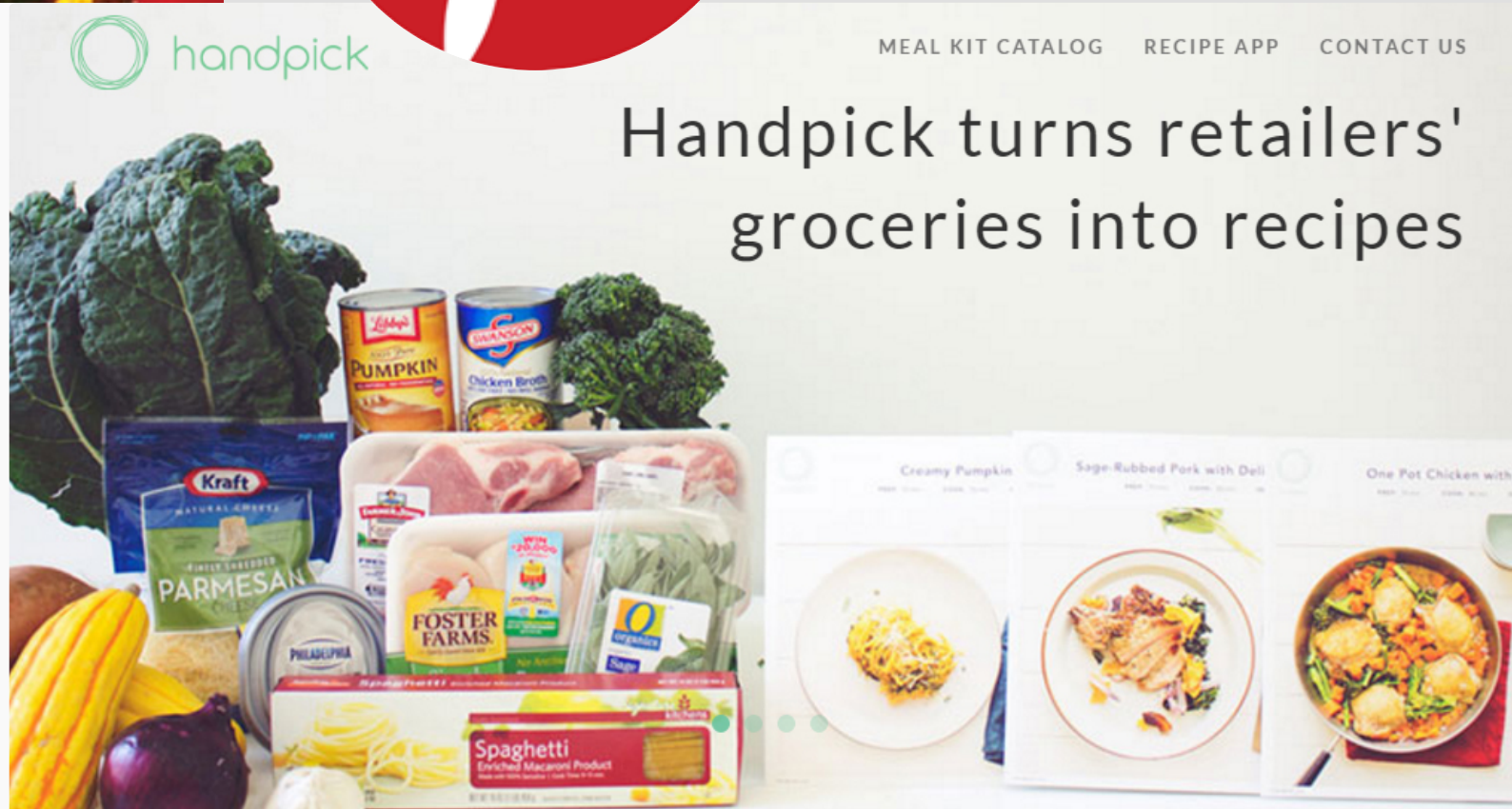


New partnerships



RI ROBERT IRVINE *foods*™





–
New
partnerships

Meal kits:
this party has started





WWW.ENSEMBLEIQ.COM

or

Buy in stores

Home delivery

Re-usable Vessel
reduces waste



"We do
the prep..."



You be
the chef."



Meal kits help...



Just for me:

- Paleo
- Vegan/Vegetarian
- Gluten free / allergen friendly
- Regional taste

I like cooking new dishes – 34%
I am cooking healthier meals – 33%
I am cooking at home more frequently – 29%
I am eating meals at home more frequently – 26%
I am grocery shopping less frequently – 24%
I am spending less time preparing meals – 23%
I am eating out less frequently – 20%



Source: The Why Behind the Dine 2017, Acosta Sales and Marketing

—
CPG brands
are buying in



FRESHLY





CPG brands have
their own meal kits

Home delivery

or

Buy in stores



The Coca-Cola Company



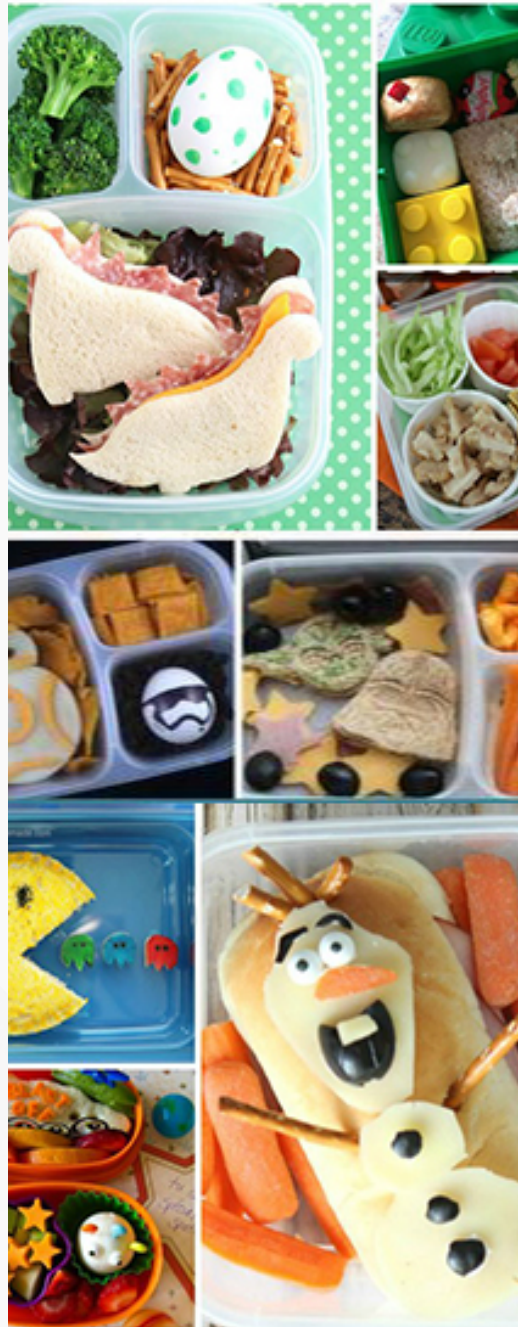
Perfectly Paired

MEAL SOLUTIONS

Some CPGs just want to be part of the solution.

Solutions beyond dinner:

- Lunch kits
- Snack bites
- College themes
- “I care” packages



ke sure
everything is in order
celebrate the
country's birthday
Tuesday.

3

**National Chocolate
Wafer Day**



4

**National
Barbecue Day
Independence Day**



5

**National Apple
Turnover Day.**
Have plenty of the
delicious treats ready
to go, and make sure
the freezer case is
well stocked, too.

6

**National Fried
Chicken Day**



7

**National
Strawberry
Sundae Day**

**National
Macaroni Day**

8

**National Chocolate
with Almonds Day.**
Set up end caps full
of candy options.



10

**National Piña
Colada Day**

11

**National Mojito Day
National Blueberry
Muffin Day**



12

**National
Pecan Pie Day**



13

**National French
Fries Day.** Don't
you wish this could
happen every month?



14

Hold an in-store
celebration —
it's **National
Independent
Retailer Mo**

15

18

a hot dog cart
making lot to
National

19

In honor of
**National Picnic
Month**, have lots of
picnic-worthy meals

20

**National Ice Cream
Sundae Day**

Fortune

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The
calendar
is your friend

**In Store
Events**

July 2017 is...

National Independent Retailer Month
National Ice Cream Month
National Picnic Month
National Pickle Month
National Hot Dog Month

Brick & Mortar: Point of Differentiation

- Community space
- Personal interaction
- Social events
- Higher levels of personal service
- Store brand exclusivity



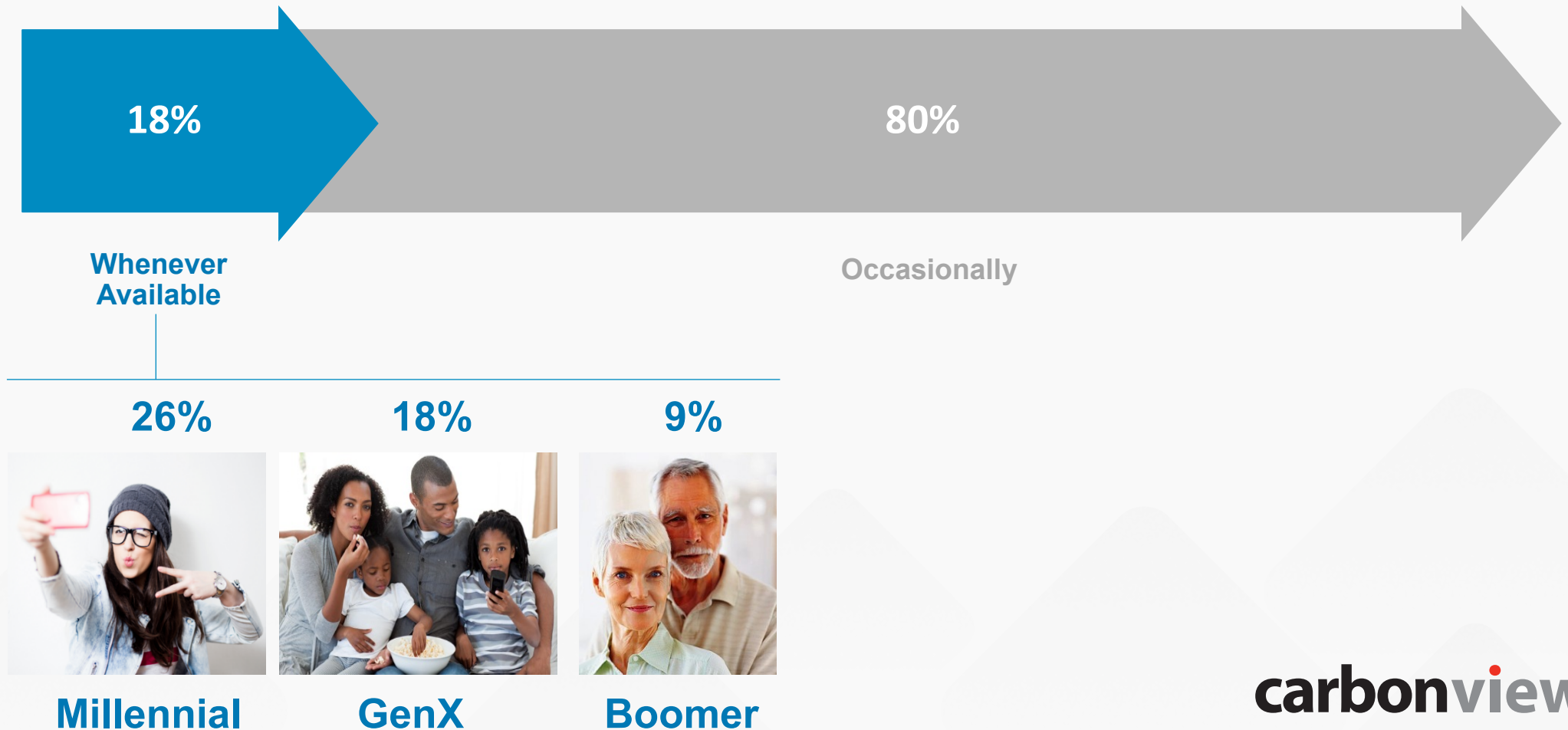
– Store brands leverage “solutions”



- Lifestyle: Health, Sustainability
- Seasonal, Limited Availability

Store brands: We're buying them

(Especially Millennials)





— Store Brands

THE NO. 1
COMPETITIVE
TOOL?

98% of retailers use private brands to differentiate – the #1 competition strategy

(source: Food Retailing Industry Speaks 2016, FMI)

But private label **lags** in success behind customer service, produce, community support/ties, meat/poultry, and deli/fresh-prepared initiatives

(source: Food Retailing Industry Speaks 2016, FMI)

96% of households purchase some form of private label at grocery retail.

(source: FMI Power of Private Brands Report, 2017)

Your
brand
here?

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—
Fresh
opportunity

Chef-inspired
meals in minutes.





Chicago
style!



—
Consider the bun.
Solution as next gen inspiration



Make the Shopper the Hero

Deliver against shopper needs:

New levels of convenience
Specific expectations for health

Recognize the shopper of the future :

Demonstrate your support
Communicate with consumers on their terms
Deliver an experience



Join us at the 3rd Annual



PROGRESSIVE **GROCER**

Grocerant

— S U M M I T —

~ 2017 ~

September 27-28 • Donald E. Stephens Convention Center • Rosemont, IL



THANK YOU

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