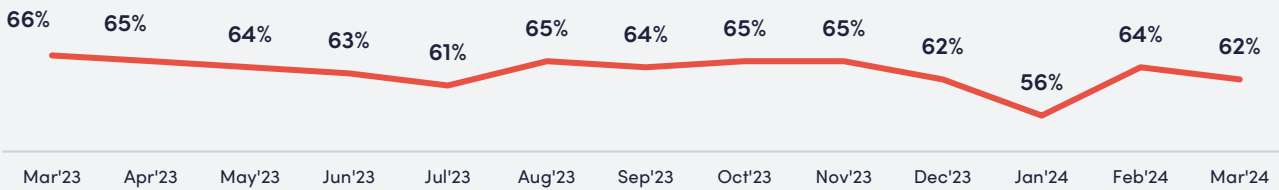


Welcome to the March Consumer Digest, where we provide relevant, informative and actionable insights around consumer trends. This month, we focus on consumers' purchasing habits around protein needs, both plant-based and animal-based. We'll look at how consumers are stretching their meat and protein dollar, what labels are important to them and sources of recipe inspiration. Finally, we'll look at Easter plans and traditions.

How are shoppers feeling about inflation?

Shopper concern over inflation - % of Households Extremely Concerned (Monthly)

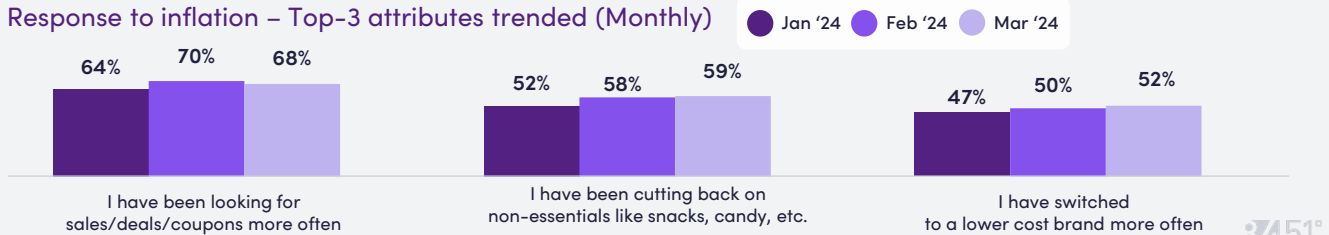


T2B on 7-point scale



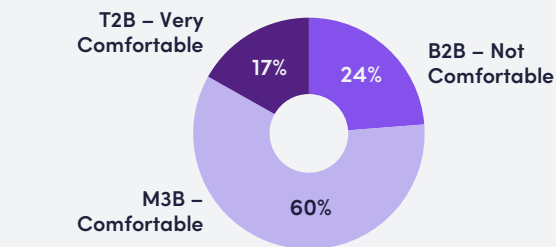
How have shoppers been responding to inflation this year?

Response to inflation – Top-3 attributes trended (Monthly)



How comfortable are shoppers feeling regarding their finances?

Shopper comfort about finances- % of Household Comfort (Monthly)

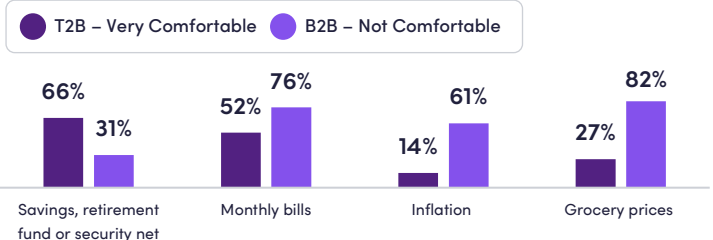


T2B – Top 2 boxes, M3B – Middle 3 boxes, B2B – Bottom 2 boxes on 7-point scale



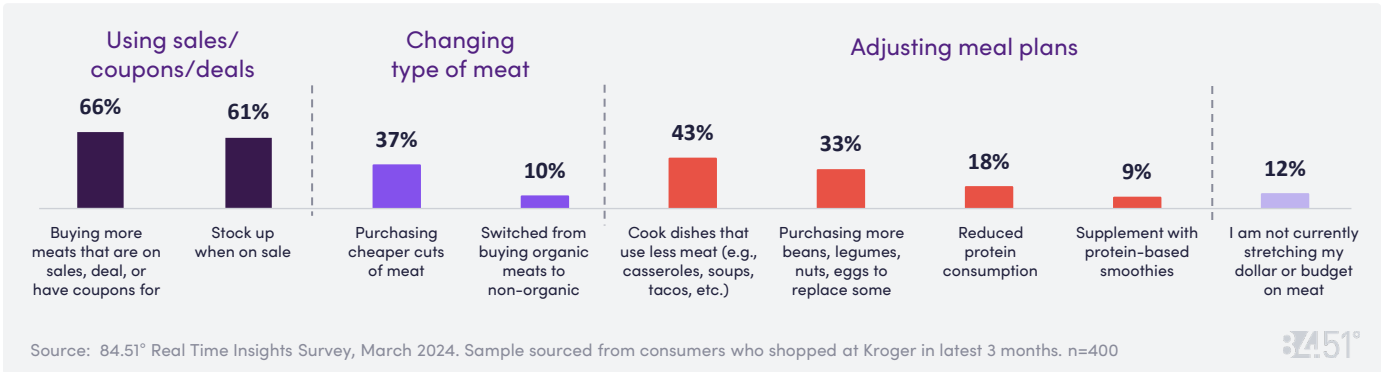
Drivers of Comfort

While most shoppers claim to feel neutral on their comfort level over finances, what's driving that comfort level differs drastically amongst the 17% who claim to feel very comfortable vs. the 24% who feel not comfortable at all.

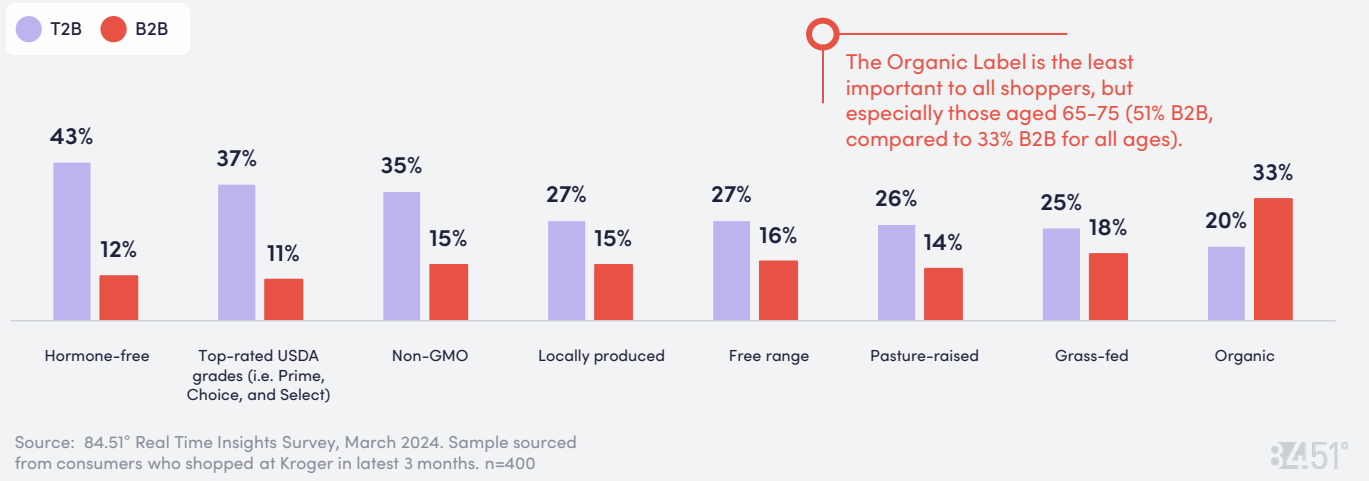


Stretching the meat dollar

When asked about how they are stretching their dollar to fulfill their meat needs, shoppers are relying on discounts, changing the type of meat they purchase, and adjusting their meal plans.



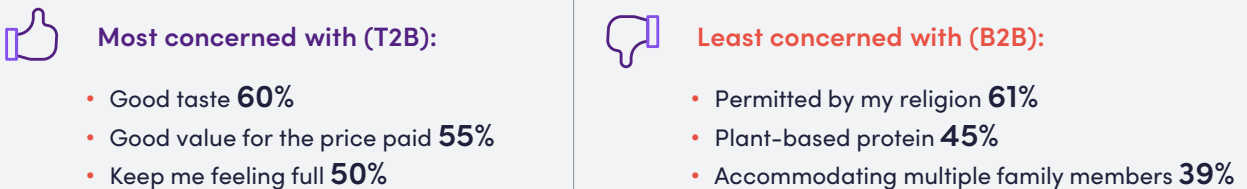
How important are the following when it comes to buying meat or poultry?



Proteins: The building blocks of life

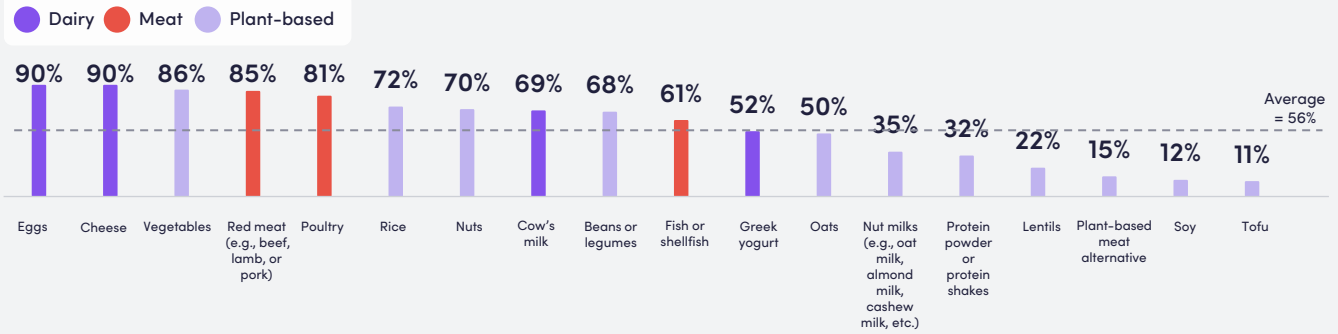
Shoppers include protein in their diets for a variety of reasons and leverage multiple food sources to achieve their protein consumption goals.

When it comes to including protein in their diets, shoppers are ...



Source: 84.51° Real Time Insights Survey, March 2024. Sample sourced from consumers who shopped at Kroger in latest 3 months. n=400

Animal-based protein sources (dairy & meat) rank in the top 4 of 5 protein sources



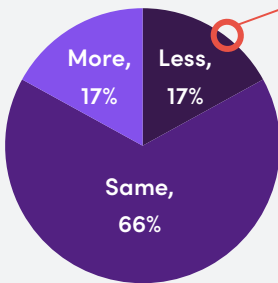
Source: 84.51° Real Time Insights Survey, March 2024. Sample sourced from consumers who shopped at Kroger in latest 3 months. n=400
 Q: Which of the following sources of protein do you or members of your household consume?



Protein consumption has remained flat vs. last year with 66% of households reporting they are consuming about the same amount of protein, and 17% of households state that they are consuming less/more protein.

- For households who reported declining consumption, they claim that **the cost of groceries** is making it difficult for many people to afford.

My HH is consuming...
 ...protein than a year ago



"We are trying to eat a more balanced meal, and meat is very expensive now"

"Price and lack of money to buy is what has caused my household to consume less protein."

"Meat has gotten so expensive we don't have it with every meal."

"Protein is the most expensive line item on our grocery receipts. So, we have to cut back."

"We barely afford to purchase groceries and carbs are cheaper and filling"

Source: 84.51° Real Time Insights Survey, March 2024. Sample sourced from consumers who shopped at Kroger in latest 3 months. n=400

Shoppers predominantly purchase their protein sources at Grocery, Mass & Club stores

18-34-year-olds are significantly more likely to purchase their protein at a mass retail store than older generations



Source: 84.51° Real Time Insights Survey, March 2024. Sample sourced from consumers who shopped at Kroger in latest 3 months. n=400

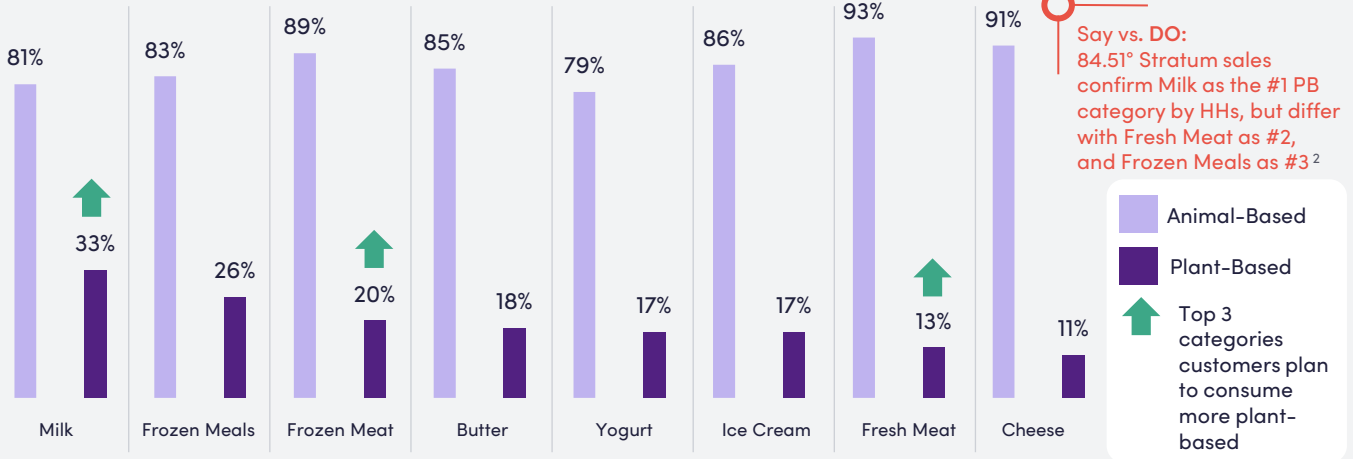


Plant-Based Consumption

As shoppers seek better health and environmental stewardship, many turn towards plant-based alternatives to traditional meat and/or dairy foods. Often, shoppers “enter” plant-based with milk, then expand consumption to additional categories.

Shoppers most likely to purchase plant-based milk, frozen meals, & frozen meat¹

Q: In which of the following categories does your household consume animal-based foods or plant-based alternative?



Sources (1): 84.51° Real Time Insights Survey, March 2024. Sample sourced from consumers who shopped at Kroger in latest 3 months. n=400 (2) 84.51° Stratum Latest 52 Weeks ending 03-16-2024



Drivers of plant-based consumption

What drives you to consume more plant-based?

- 59% Overall Health
- 42% Sustainability/ Environment
- 38% Taste/ Flavor
- 36% Animal Cruelty

What drives you to consume less plant-based?

- 53% Cost
- 41% Less Sales/ Promos
- 24% Texture
- 22% Taste/ Flavor

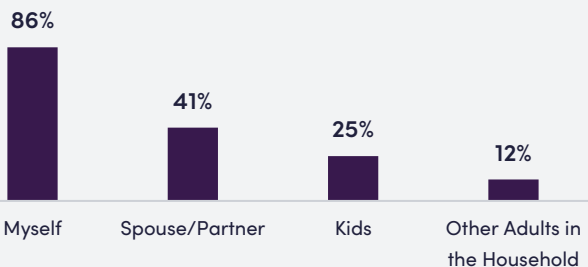
Where do you find plant-based recipe inspiration?

- 50% Online Recipe Sites
- 35% Friends & Family
- 32% Cooking Shows/ YouTube
- 27% Pinterest



The head of household is the main consumer of plant-based products among shoppers who purchase plant-based

Q: Who in your household consumes plant-based alternative food products?

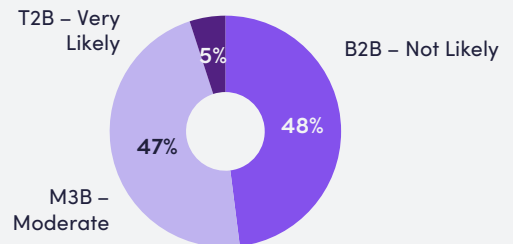


Source: 84.51° Real Time Insights Survey, March 2024. Sample sourced from consumers who shopped at Kroger in latest 3 months. n=400



Shoppers who do not consume plant-based are not likely to try in the future

Q: How likely, if at all, are you to try plant-based alternative food products in the future?

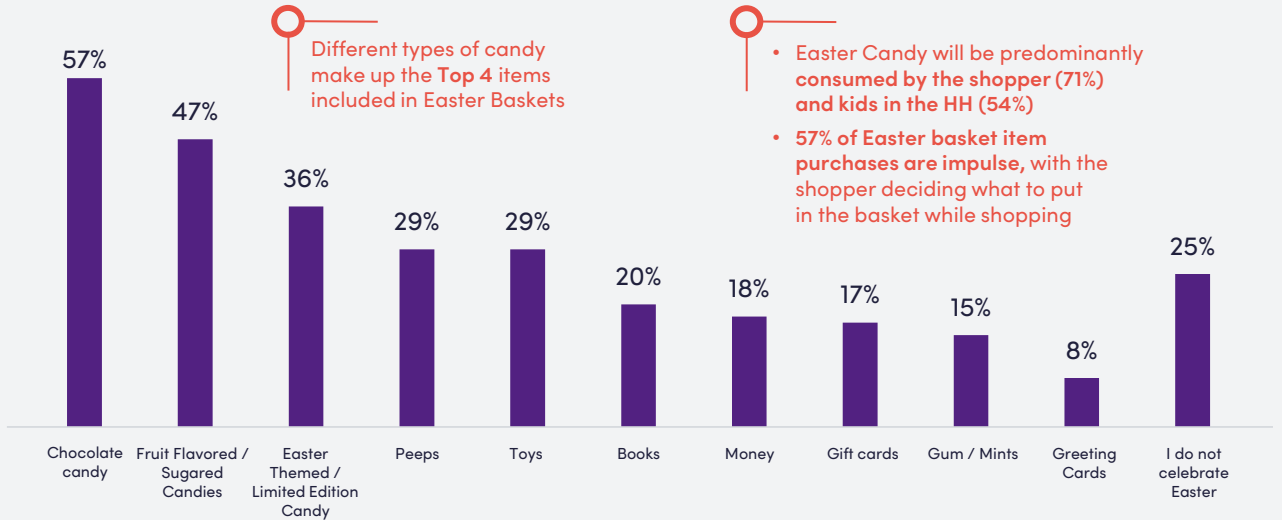


Source: 84.51° Real Time Insights Survey, March 2024. Sample sourced from consumers who shopped at Kroger in latest 3 months. n=400



Easter Baskets – Who is eating the candy?

What do you plan on putting in your Easter Baskets?



Different types of candy make up the **Top 4** items included in Easter Baskets

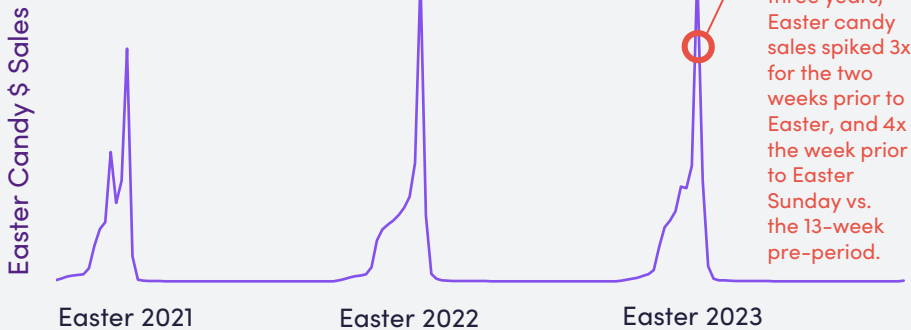
- Easter Candy will be predominantly consumed by the shopper (71%) and kids in the HH (54%)
- 57% of Easter basket item purchases are impulse, with the shopper deciding what to put in the basket while shopping

Source: 84.51° Real Time Insights Survey, March 2024. Sample sourced from consumers who shopped at Kroger in latest 3 months. n=400



People wait until the “last minute” to buy Easter candy

Easter candy sales last three years



For the past three years, Easter candy sales spiked 3x for the two weeks prior to Easter, and 4x the week prior to Easter Sunday vs. the 13-week pre-period.

Source: 84.51° Stratum; Easter Candy includes mainstream & NF Easter candy sub commodities



Sales Spike Wk. ending	Easter Sunday
4/3/21	4/4/21
4/16/22	4/17/22
4/8/23	4/9/23

Top Easter Traditions for 2024:

72% of Households with Kids will create Easter baskets for family/friends

66% Easter baskets for family/friends



54% Celebratory Meal



53% Decorating/Dying eggs



46% Attend Church Services



45% Egg Hunts



Source: 84.51° Real Time Insights Survey, March 2024. Sample sourced from consumers who shopped at Kroger in latest 3 months. n=400 Q: What Easter holiday traditions do you plan to participate in this year?



Submit potential topics for future Consumer Digest editions by emailing consumerdigest@8451.com

84.51° Insights

The Customer Journey is the end-to-end path a shopper takes from discovery and purchase of an item or category, to exploration within a category, and finally how they exit or stop engaging with an item or category.

The New Customer Journey Suite includes:

- **New Household Module:** Use profiling metrics of new households to most accurately target shoppers to bring in new customers.
- **New Household Journey:** Deep dive into who is most likely to repeat and continuing to purchase across key product groups to target the right shoppers.
- **Increasesers Module:** Determine which products are seeing unique increase in spend to identify opportunity areas for continued growth.
- **Decreasers Module:** Determine which products are experiencing a true decrease to focus on areas experiencing leakage not caused by tightening budgets.

Connect with us at insights@8451.com



Gain a broad overview of trends in new/leaver households

84.51° Loyalty Marketing

MyMagazine is a full-format magazine that includes highly personalized offers and engaging editorial content.

- MyMagazine is an ideal event to highlight your brand's distinct points of difference or seasonal thematic, utilizing the full-page creative.
- Targeted HHs are a mix of both retention (60%) and acquisition (40%) strategies with a 3-month redemption window.
- My Magazine's also include Equity Ad and New Innovation Module opportunities.
- Average ROI is strong at \$5.88 sales to cost (STC)!

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Next MyMag 2403 deadline coming up very soon! (4/5/24)



Take advantage of elevated shopper traffic this Easter and position your brand(s) for omnichannel growth by executing KPM full funnel campaigns with channels that are proven to be seasonally successful.

- "Easter product" campaigns (Feb-April) historically outperform total campaign metrics, showing higher iROAS results among: Display (230% higher iROAS, EMOD (490% higher iROAS), Push (295% higher iROAS), XCM (210% higher iROAS).
- Explore KPM activations for Easter using Seasonal Search Terms (Easter '23) and Products with seasonal \$ Spike (Easter '23).

Connect with us at KPMinfo@8451.com



Signal the season by executing KPM full-funnel campaigns