



AN ADVANTAGE SALES PULSE SURVEY

“I THINK I’LL TRY THAT”

Where and how consumers are discovering grocery products they want to buy

While brands and retailers settle on product innovation, marketing and placement strategies during this tumultuous time of inflationary pressures and supply chain woes, consumers' interest in trying grocery products that are new to them remains strong, according to a survey by Advantage Sales.

More than 60% of the 1,056 consumers surveyed by Advantage Sales in early February said they purchased at least one food or nonfood grocery item for the first time in the past three months — and nearly 90% of those shoppers said they'd repurchase their latest product discovery.

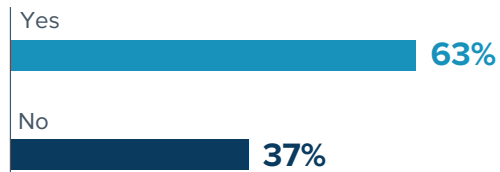
“Rising grocery prices and evolving shopping habits may be impacting what grocery shoppers buy and where they buy it, but they continue to look for and take a chance on products

they've never tried before,” said Kimberly Senter, executive vice president, analytics, insights and intelligence for Advantage Sales. “And, as our survey shows, they become repeat buyers of those products.”

The most commonly cited reason a shopper doesn't repurchase a grocery product after trying it once? Taste.

Consumers Who Purchased Grocery Items for the First Time

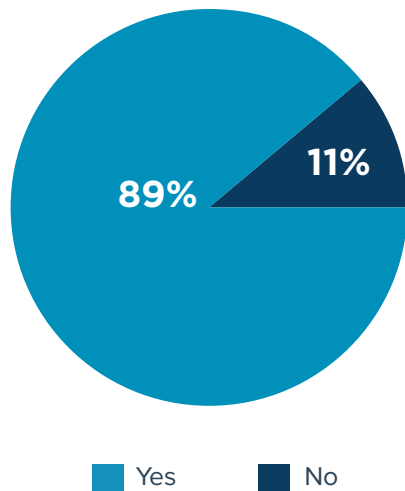
(In the past three months)



Source: Advantage Sales survey of U.S. consumers aged 16-73, Feb. 4, 2022.

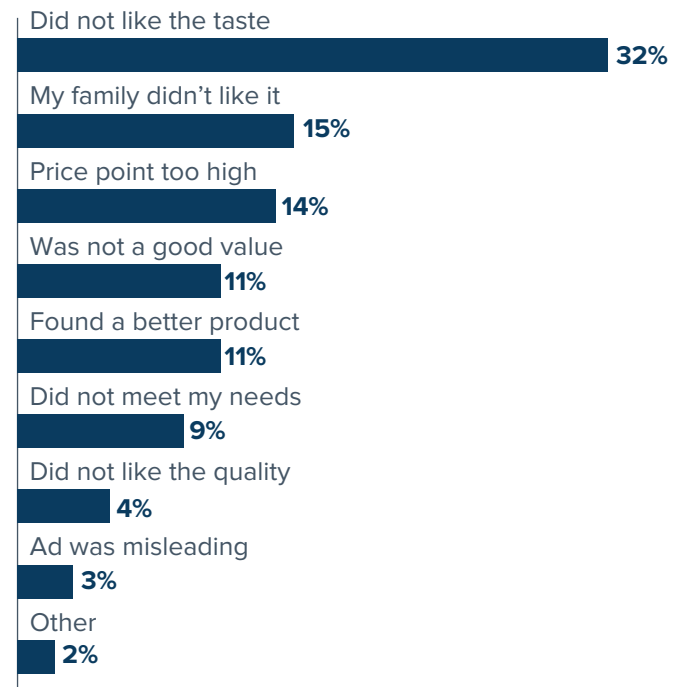
Repurchasing First-Time Products

(% who would or did repurchase most recent product discovery)



Primary Reason First-Time Product Won't Be Repurchased

(Respondents who said they won't repurchase most-recent product discovery)



Source: Advantage Sales survey of U.S. consumers aged 16-73, Feb. 4, 2022. Shoppers who purchased an item for the first time in the past three months.

HOW CONSUMERS ARE DISCOVERING PRODUCTS

The enduring value of having a home on a brick-and-mortar shelf — and being in stock — is clear as half of first-time product purchasers discovered their most recent new item while shopping or picking up an online order at a store. Regardless of how they discovered the product, more than 70% bought the item at a physical store.

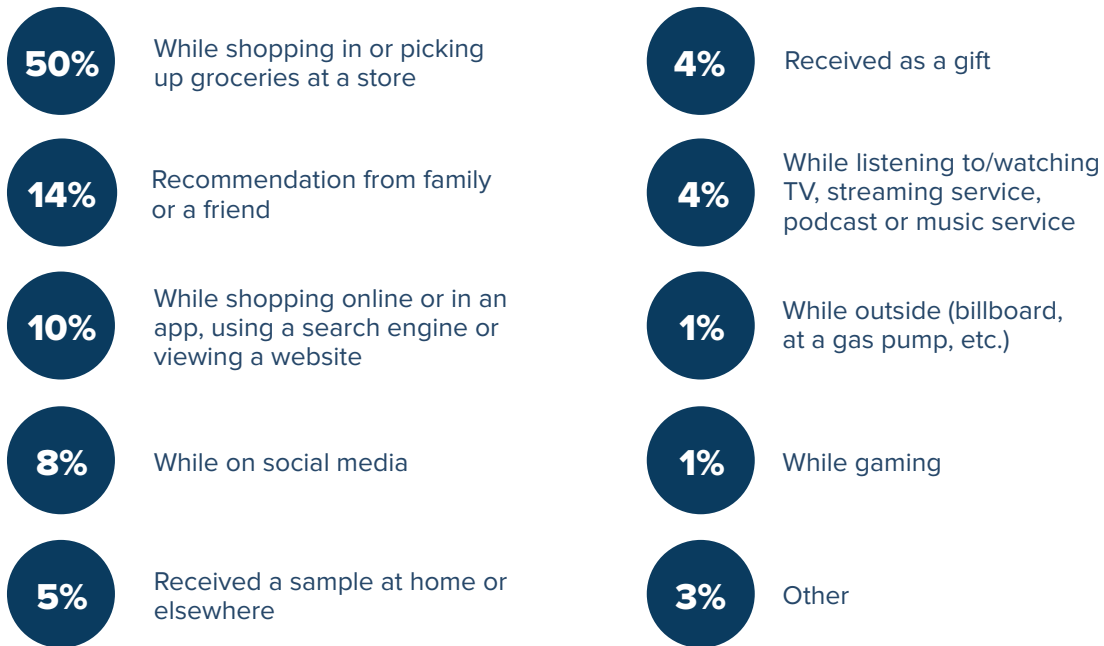
Fourteen percent of respondents said they tried a product for the first time on the recommendation from a family member or friend. One in 10 discovered the product while grocery shopping

online or in an app, using a search engine or viewing a website. Nearly as many (8%) purchased a recent discovery after seeing it on social media.

“As more shoppers find products while shopping online or surfing the web, the significance of investments in retail media and being present and visible on the digital shelf grows,” Senter said.

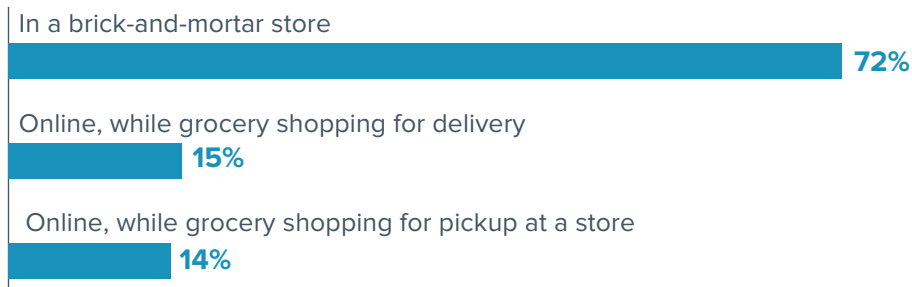
“Nearly as many shoppers are willing to take a chance on a grocery product they find online as those who buy a product after hearing about it from a trusted family member or friend.”

Where Most Recent First-Try Purchase Was Discovered



Source: Advantage Sales survey of U.S. consumers aged 16-73, Feb. 4, 2022. Shoppers who purchased an item for the first time in the past three months.

Where Most Recent First-Try Purchase Was Made



Source: Advantage Sales survey of U.S. consumers aged 16-73, Feb. 4, 2022. Shoppers who purchased an item for the first time in the past three months. Does not equal 100% due to rounding.

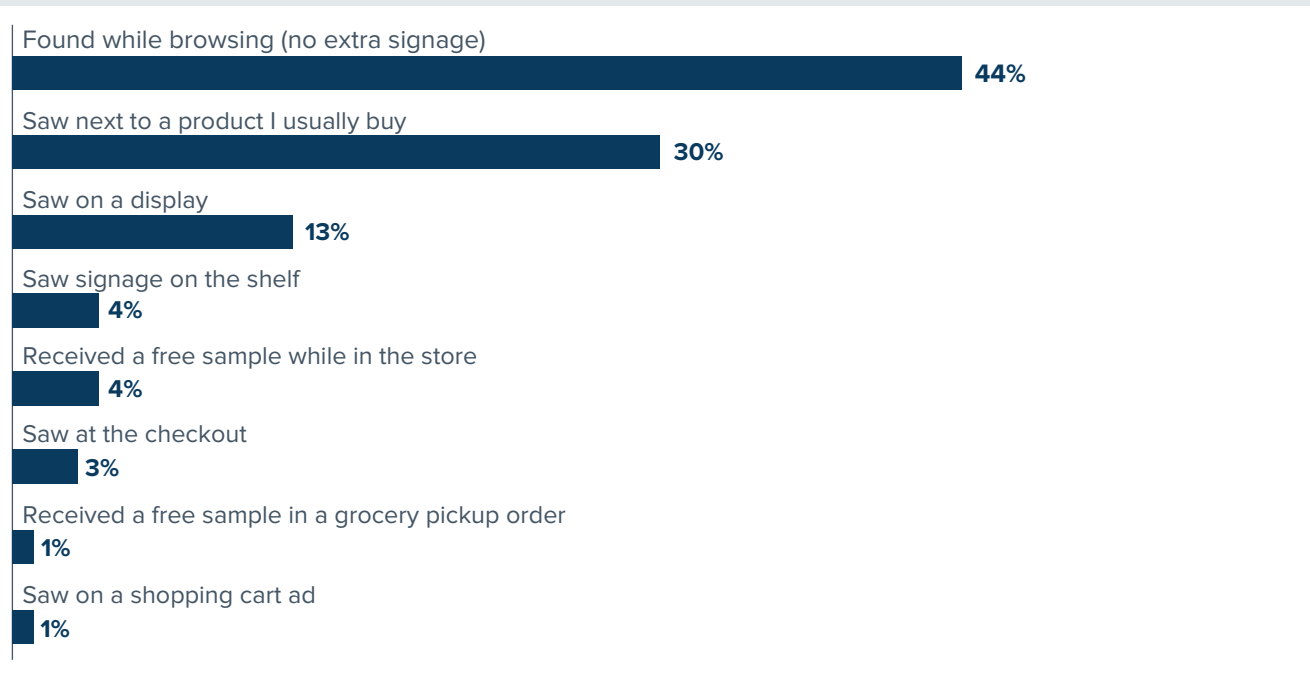
“More than 60% of the consumers surveyed purchased at least one grocery item for the first time in past three months.”

The vast majority of shoppers who are finding products they want to try at stores are encountering them while browsing or as they

look for an item they regularly purchase. More than one in 10 of these shoppers, however, were drawn in by a secondary display.

Discovering Grocery Products at a Brick-and-Mortar Store

(Respondents whose most recent first-time purchase was discovered at a store)



Source: Advantage Sales survey of U.S. consumers aged 16-73, Feb. 4, 2022. Shoppers who purchased an item for the first time in the past three months.



The growing importance of retail media networks is found in the number of customers who are discovering products they want to try while spending time online or grocery shopping with an app. Four in 10 of these consumers found a

grocery product while shopping on a retailer's website or through a delivery service app. One-fifth of these curious shoppers discovered the most recent product they wanted to try while shopping or searching on Amazon.

Discovering Grocery Products While Shopping Online or in an App, Using a Search Engine or Viewing a Website

(Respondents whose most recent first-time purchase was discovered during these activities)



Source: Advantage Sales survey of U.S. consumers aged 16-73, Feb. 4, 2022. Shoppers who purchased an item for the first time in the past three months.

On social media, there was no one standout platform or marketing tactic that led shoppers to products they decided to try. Nearly one-fifth (18%) discovered their most recent first-time purchase on a social media influencer's post.

Almost as many discovered grocery products through an ad on TikTok (16%), Facebook or Instagram (each accounting for 14%) or on a friend's social media post (16%). About one in 10

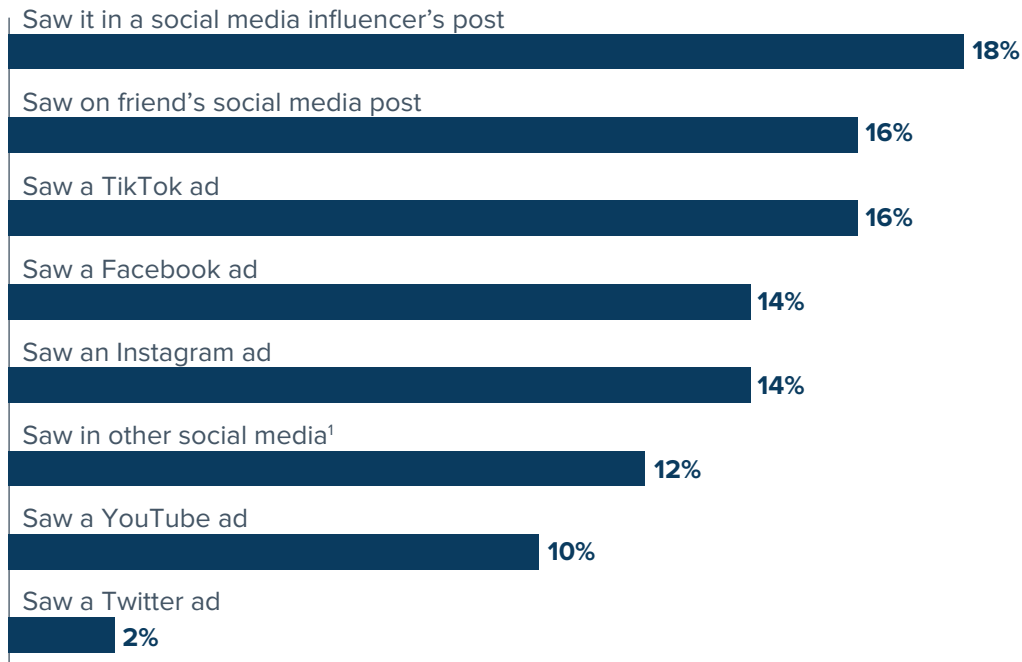
found the product on other social media (such as a post or ad on Pinterest or Snapchat) or in an ad before, during or after a YouTube video.

Nearly two-thirds of those whose most recent new-item purchase was made after receiving a sample outside a store said their purchase-prompting sample came to their home. Nearly one-fourth, though, received a sample from a family member or friend.

“The vast majority of shoppers who are finding products they want to try at stores are encountering them while browsing.”

Discovering Grocery Products on Social Media

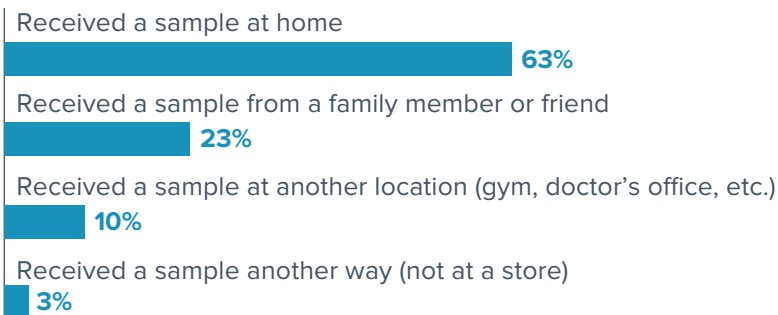
(Respondents whose most recent first-time purchase was discovered on social media)



¹ Saw an ad or post on other social media, such as Pinterest, Snapchat, Reddit, etc. Source: Advantage Sales survey of U.S. consumers aged 16-73, Feb. 4, 2022. Shoppers who purchased an item for the first time in the past three months.

Discovering Grocery Products Through a Sample Outside of a Store

(Respondents whose most recent first-time purchase was discovered through an outside sample)



Source: Advantage Sales survey of U.S. consumers aged 16-73, Feb. 4, 2022. Shoppers who purchased an item for the first time in the past three months.

“Even as supply chain and cost pressures have manufacturers pulling back on new product introductions, shoppers still desire to try new items and are willing to switch brands if their

favorite products are out of stock or gamble on an untried product if it catches their interest,” Senter said.



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