



Shopper Expectations in the Age of Conscious Consumption

Use Product Intelligence to deliver against
shopper preferences & stay ahead of trends



Agenda

AGENDA

- Shopper Preferences & Modern Commerce
- What is Product Intelligence?
- What Makes for Quality Data
- Product Intelligence in Action
- Q&A

SPEAKERS

Albert Wang

- Director of Product Marketing, SPINS

Sam Slover

- SVP of Product Intelligence, SPINS
- Founder & CEO of Pinto
- Professor in Comp Sci & Interaction Design at NYU, with a specialty in Data Personalization Systems



Shopper Preferences & Modern Commerce

Shopper Preferences, Health Needs, and Conscious Consumption **Have Gone Mainstream**

Generic & limited product attribution won't cut it anymore

43%

of American adults follow a specific diet

66%

of Americans now choose products based on personal health needs.

60%

of Americans have a chronic disease that requires dietary modification

Product Intelligence can help shoppers find products that fit their needs and lifestyles.



Heart Friendly



Diabetic Friendly



No Added Sugars



Good Fiber



Vegan



Probiotics



Gluten-free



Nutrient Dense



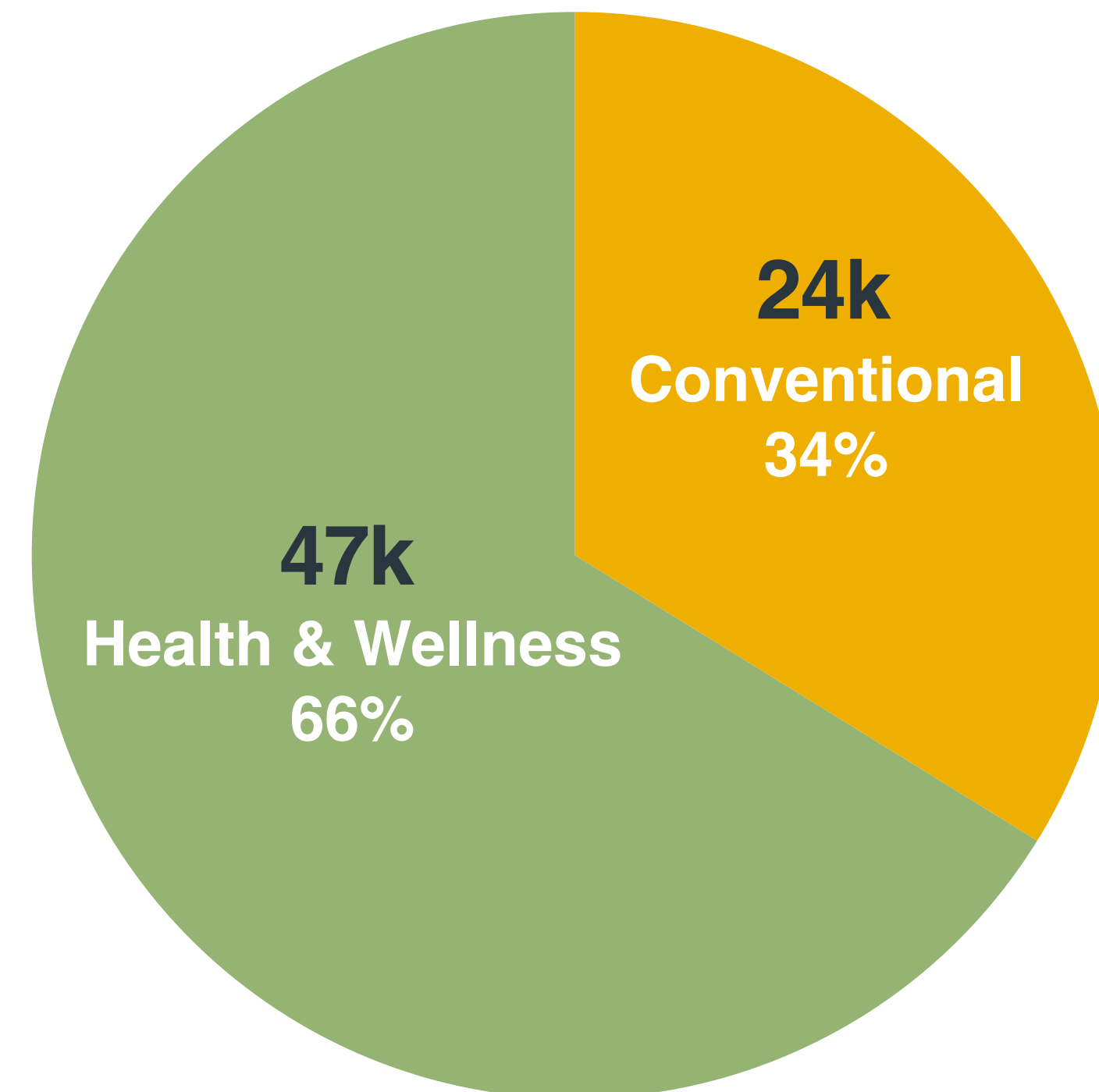
Product Search & Discovery is Driven by “Long Tail” Preferences

keto	gluten free	vegan	sugar free	dairy free
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keto cookies	gluten free crackers	vegan chocolate	sugar free jam	dairy free cream
keto pizza	gluten free beer	vegan mayo	sugar free jelly	dairy free alfredo
keto noodles	gluten free bagels	vegan cookies	sugar free cereal	dairy free dessert
keto bars	gluten free cereal	vegan shrimp	sugar free dessert	dairy free parmesan
keto granola	gluten free ravioli	vegan yogurt	sugar free granola	dairy free ranch
keto chocolate	gluten free tortillas	vegan bread	sugar free bread	dairy free cookies
keto tortillas	gluten free rolls	vegan protein powder	sugar free bbq sauce	dairy free heavy cream

The “Preference Megatrend” is leading to **explosive innovation in Modern Commerce**

... more trends to keep track of, more products to compete with.

- “Health & Wellness” products **ARE** now mainstream products
- Of the 71k products introduced in 2021, **47k** were in the Health & Wellness space (~66%)



New Products in 2021
(thousands)

The “Preference Megatrend” is leading to explosive innovation in Modern Commerce

... more trends to keep track of, more products to compete with.

In fact, SPINS data found that products with health and wellness attributes were among the **fastest-growing** over the last year. For example:

- Paleo grew 19%
- Grain free and pasture-raised each grew 17%
- Cage free grew 16%
- Grass-fed and animal welfare grew 15%

Good for **People**

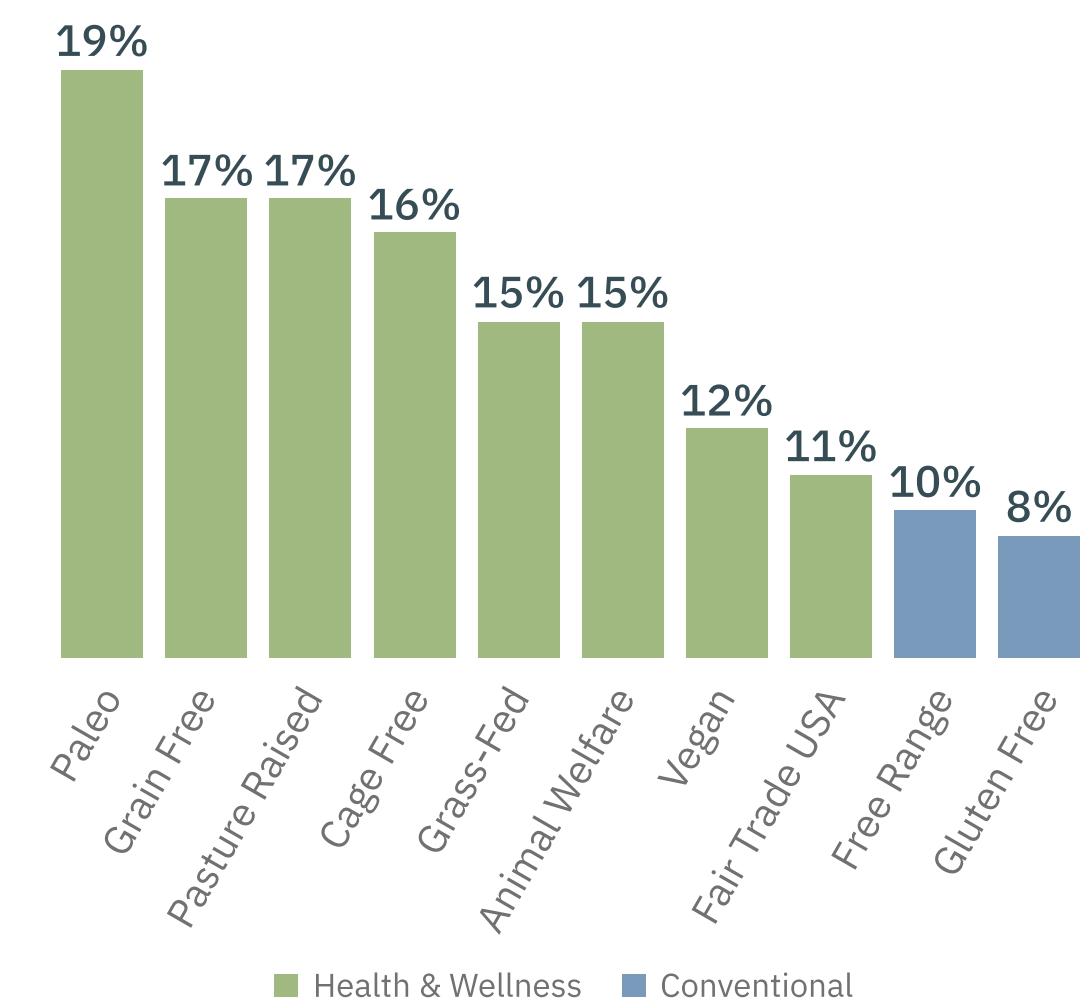
Good for **Animals**

Good for **Health**

Good for **Planet**

Fg 1: Health & Wellness is a complex, fast growing ecosystem¹

2022 U.S. Growth of Product Sales by Select Attributes

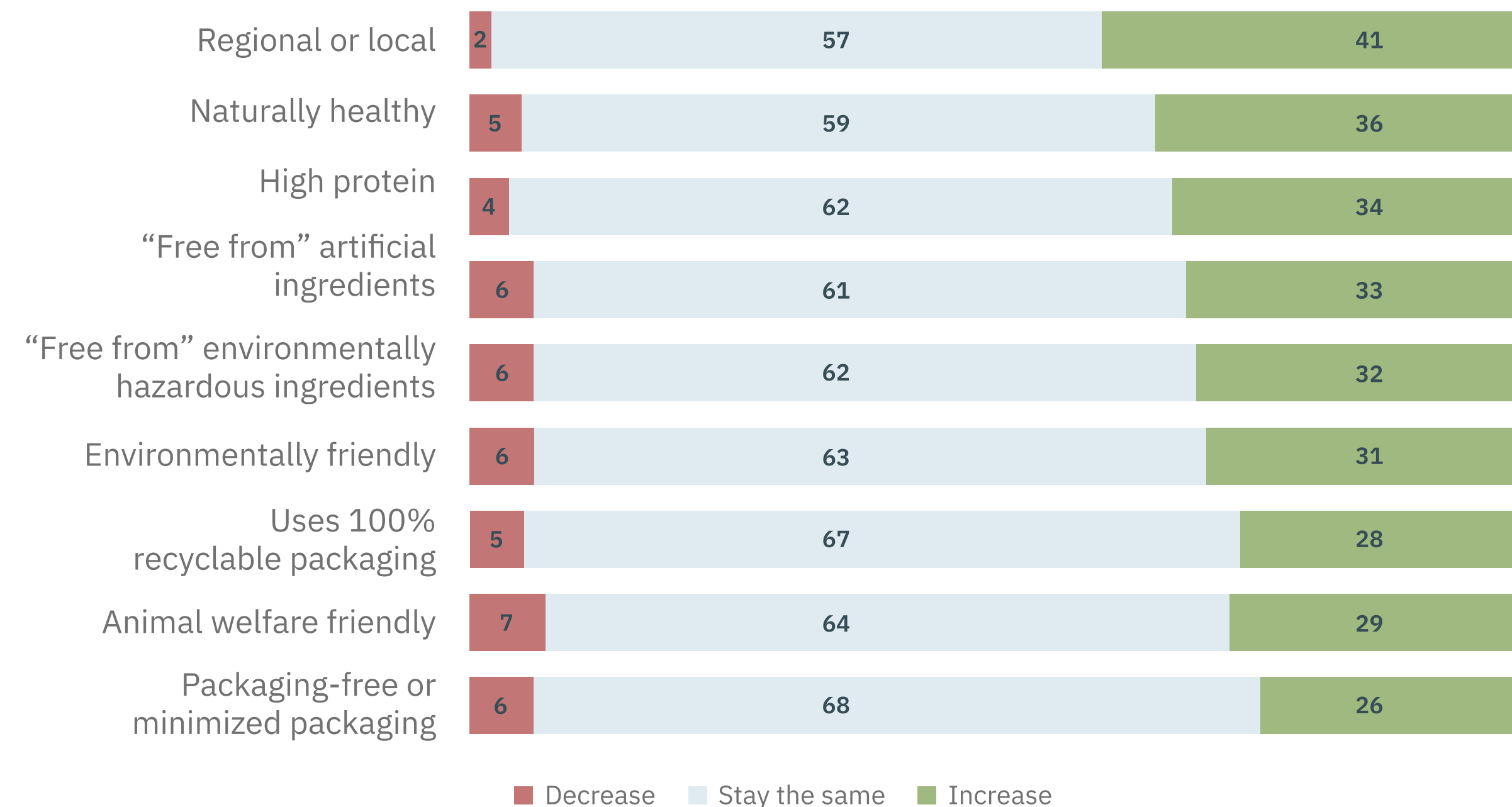


Shoppers are **actively seeking** these products and **are willing to pay more**

... to support businesses that align with their beliefs & lifestyle needs

Consumers expect to spend more money on food with specific attributes, such as high protein and natural ingredients

Spend preference by food type in '22 v '21, % change



Satisfying Today's Selective Shopper is Imperative

These new expectations make it even harder to stand out
and deliver what shoppers are looking for



Transparency

Shoppers expect to *easily* find full information about a product and how it maps to their preferences & values



Convenience

Shoppers want to easily search, discover, and buy the products that meet these preferences (frictionless commerce)




Variety

Shoppers will favor the retailers & brands who consistently offer the right variety (assortments) & evolve with them over time

Connecting the Right Products to
the Right People ...

thus presents a challenge and an
opportunity for the entire industry



If done well, it's **a massive opportunity** across shopper touch-points



Enter Product Intelligence

A Modern Problem Needs a **Modern Solution**

Product Intelligence helps **brands** respond to evolving shopper preferences and use them as a competitive advantage to build loyalty and engagement

FOR BRANDS

Development

Have a **portfolio and product development strategy** that's constantly in line with “what's next”

Positioning

Understand and optimize how to **position products** based on product qualities across every shopper touchpoint (physical packaging, digital product pages, etc.)

Discovery

Become **hyper-discoverable** and searchable across digital and e-commerce channels (be “above the fold”)

A Modern Problem Needs a **Modern Solution**

Product Intelligence helps **retailers** respond to evolving shopper preferences and use them as a competitive advantage to build loyalty and engagement

FOR RETAILERS

Optimization

Have an assortment that's constantly **optimized** for what shoppers are looking for, across every category

Differentiation

Have an assortment that's **differentiated**, competitive, and truly unique in the market

Discovery

Have an assortment that's **hyper-discoverable** across the long tail of shopper preferences

Connecting the Right Products to the Right People

... is both a challenge and opportunity for retailers, brands, & the entire supporting industry

Assortment & Category Analysis

Identify product & attribute gaps
Category review (Price and Promo)

Trends & Innovation

Discover HOT new items and trends by diet, allergies, lifestyle, preferences, and performance

In-Store Activation

Detailed shelf tags
POSM

Online & E-comm

Attribute-driven search & filtering
Product suggestions/recommendations

Customer Loyalty

Attribute-driven customer profile
Personalized product suggestions
Digital coupons

Digital Media

Targeting email communications
Banner Ads, Promoted Search

Flyers & Circulars

Dedicated Health & Wellness sections
Attribute tags in flyer

Mobile

Delivery & pickup order filtering
Scan product UPC for product attributes





What is Product Intelligence?

Product Intelligence through the ages

From basic categorization to continuous application of rich attribution
(down to long-tail preferences)

GEN 1

Basic Categorization

Organizing products into aisles—grouping like products with like products—is the simplest form of Product Intelligence.

GEN 2

Manual Extraction

Digitizing basic label data allowed for more nuanced data activation, but legacy manual processes are slow, expensive, and limited.

GEN 3

Automation At Scale (AI)

Modern solutions automate and enhance data extraction to ensure data is always complete, up-to-date, and immediately actionable.

What is Product Intelligence?

“Source of Truth” data to support best-in-class shopper experiences, product differentiation, and optimization — across every touchpoint

EXTRACT

ENHANCE

ENABLE



Product Facts

e.g. Category, Size, Brand, Company, Packaging, Form, Brand Positioning, Product Type

Allergens & Sensitivities

e.g. Major 8 Allergen Free, Labeled Gluten Free, Labeled Grain Free, Tree Nuts, Lactose, Shellfish, Soy, Peanuts, Dairy

Sustainability

e.g. Non-GMO Project Verified, Labeled Grass Fed, Organic, Fair Trade, Certified B-Corp, Certified Demeter Biodynamic, Labeled Animal Welfare

Health & Wellness

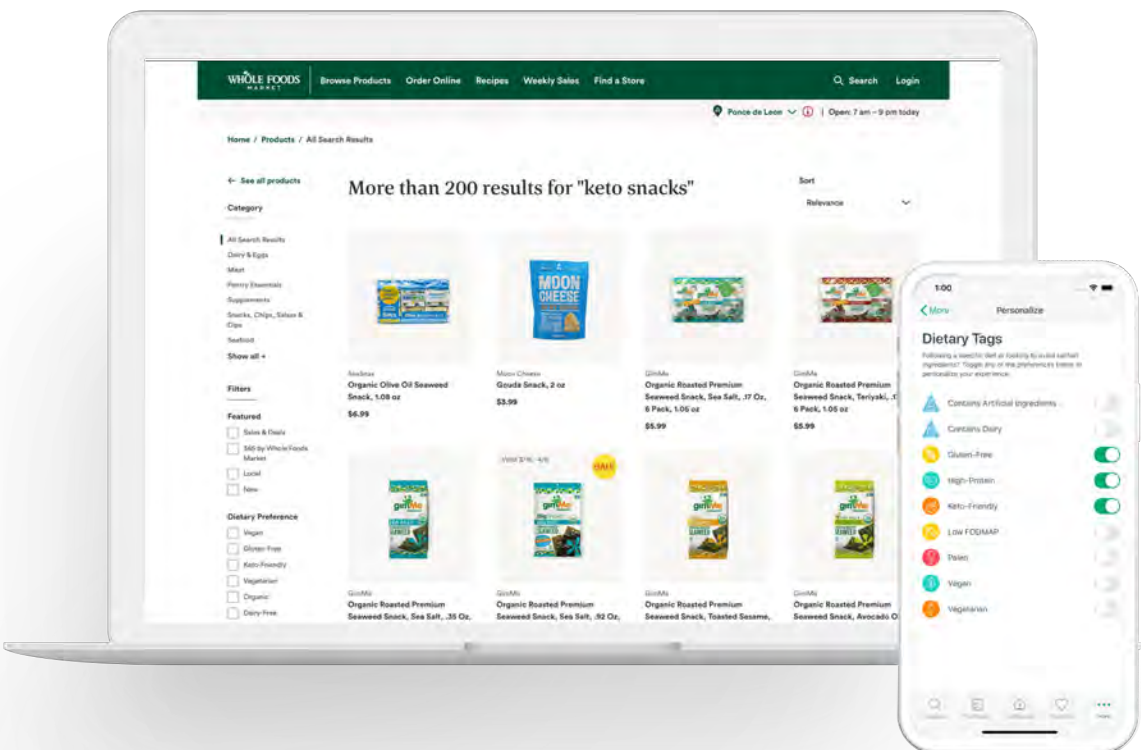
e.g. Labeled Sprouted, Probiotics, Functional Ingredient, Sugar Ingredients, Monk Fruit, Certified Whole Grains Council

Lifestyle, Diets & Tribes

e.g. Paleo, Vegan, Certified Paleo Keto, Raw, Plant Based

Clean Label

e.g. Yellow No. 5, Nitrates, Artificial Sweeteners, High Fructose Corn Syrup, MSG, Paraben Free, Aluminum Free



- ✓ Best-in-Class Personalization
- ✓ Optimized Product Positioning
- ✓ Search & Conversion Performance



What makes for Quality Data?

Quality Data Satisfies Every Audience

Brands, retailers, and shoppers all look for different information from different sources

Shoppers

Do I have the information necessary to discover the right products and understand how they deliver against my lifestyle preferences?

Brands

Are my most important product qualities being correctly positioned to shoppers? Am I getting the insights I need to develop and launch my next brand + product line?

Retailers

Does the data I'm using cover all my products—including categories like fresh? Does it reflect my unique market positioning, enforce my internal standards, and is it granular enough to ensure shoppers can easily find what they're looking for?

Product attributes need to be flexible and customizable to ensure businesses can easily enforce and express their internal standards technologically, and, in turn, translate those values to their shoppers.

Quality Data Satisfies Every Audience

Brands, retailers, and shoppers all look for different information from different sources

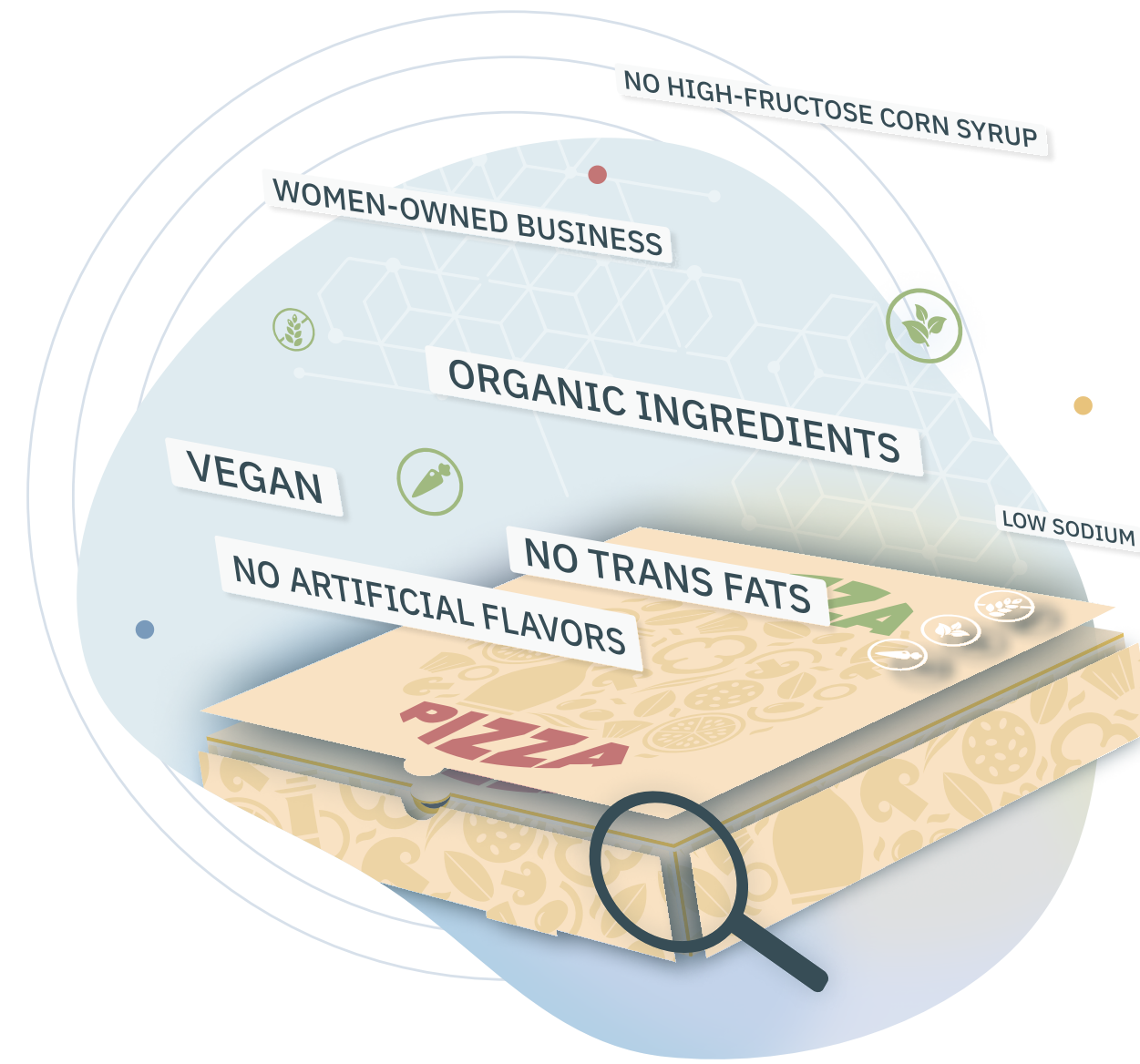




How to get **Quality Data?**

Getting to Quality Data

3 Key Tenets



Go Beyond the Label

1000s of attributes need to cover the long tail of shopper preferences, trends, and search terms



Stay Up-to-Date

Control product positioning & ensure retailers and shoppers have the data they need to maximize discoverability



Easily Accessible

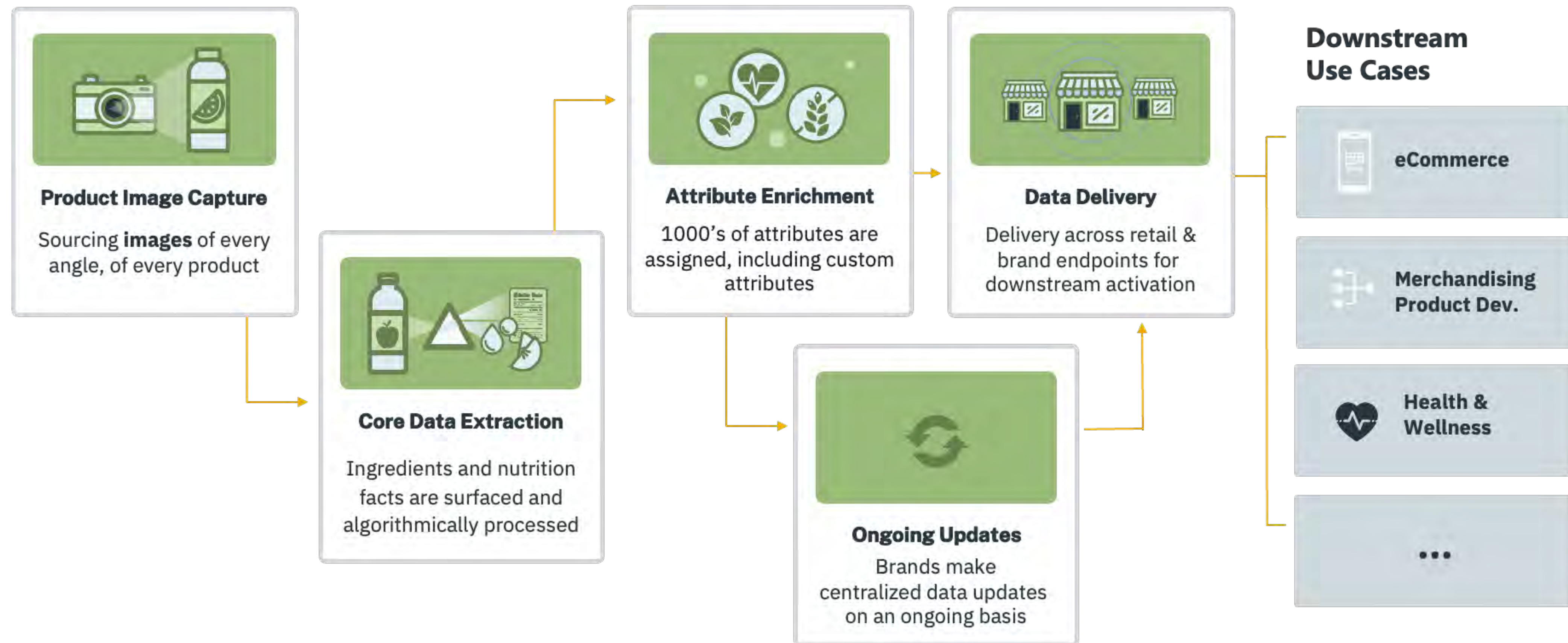
Ensure a consistent “source of truth” omnichannel representation of a product across every touchpoint



Product Intelligence In Action

Product Intelligence In Action

Product Intelligence streamlines and supports the entire product data lifecycle



Examples

The background of the slide is a dark charcoal gray. On the left side, there are several thin, light gray wavy lines that flow from the bottom left towards the center. Three small, solid-colored dots are scattered across the slide: a yellow dot on the left, a light blue dot in the upper right, and a light green dot in the lower right.

Search & Discoverability

Product Intelligence ensures **retail inventories & brand portfolios** are hyper-discoverable — all products are consistently tagged across the preferences and search terms that modern shoppers use to find products.



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.... And if products aren’t properly attributed, they’re invisible in these searches.

Optimizing Search & Discoverability

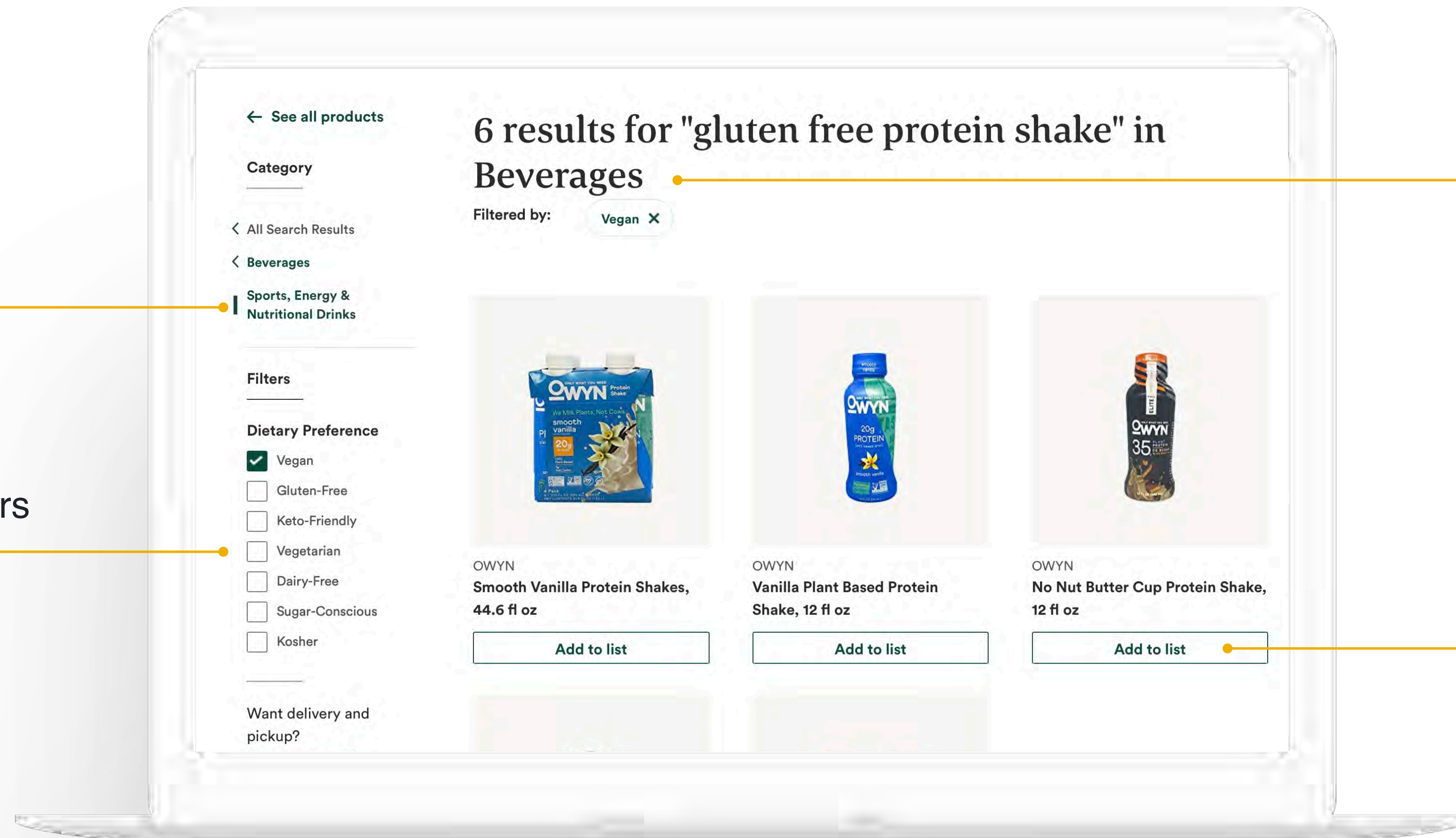
Ensure shoppers discover all relevant items and never miss an opportunity to get more products in baskets

Granular categorization

Lifestyle/diet-based filters

Optimized for complex, multi-word search queries

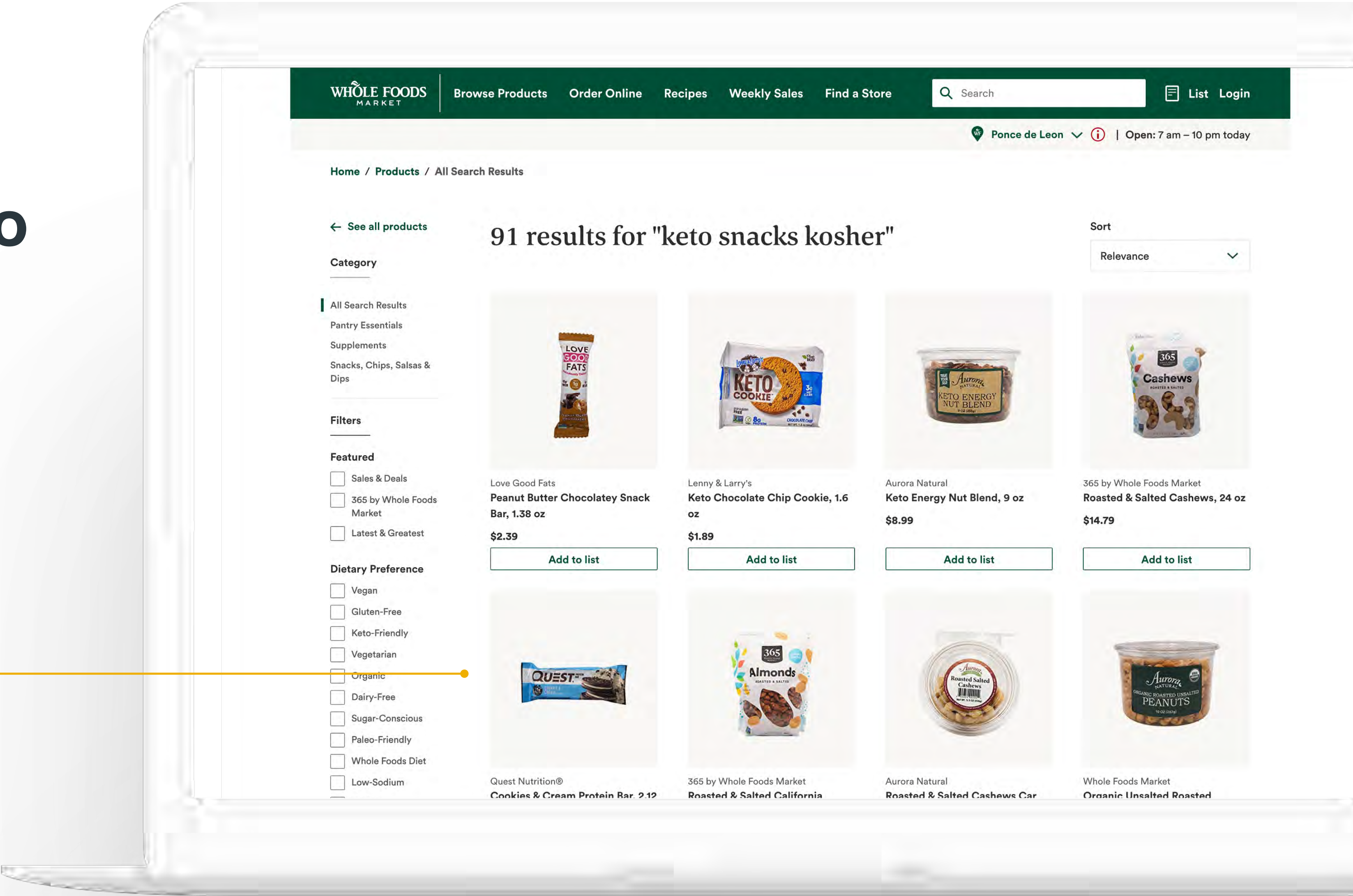
Quick add to cart/shopping list



EXAMPLE OF SEARCH OPTIMIZATION

“I’m looking for **keto snacks** that are **Kosher**”

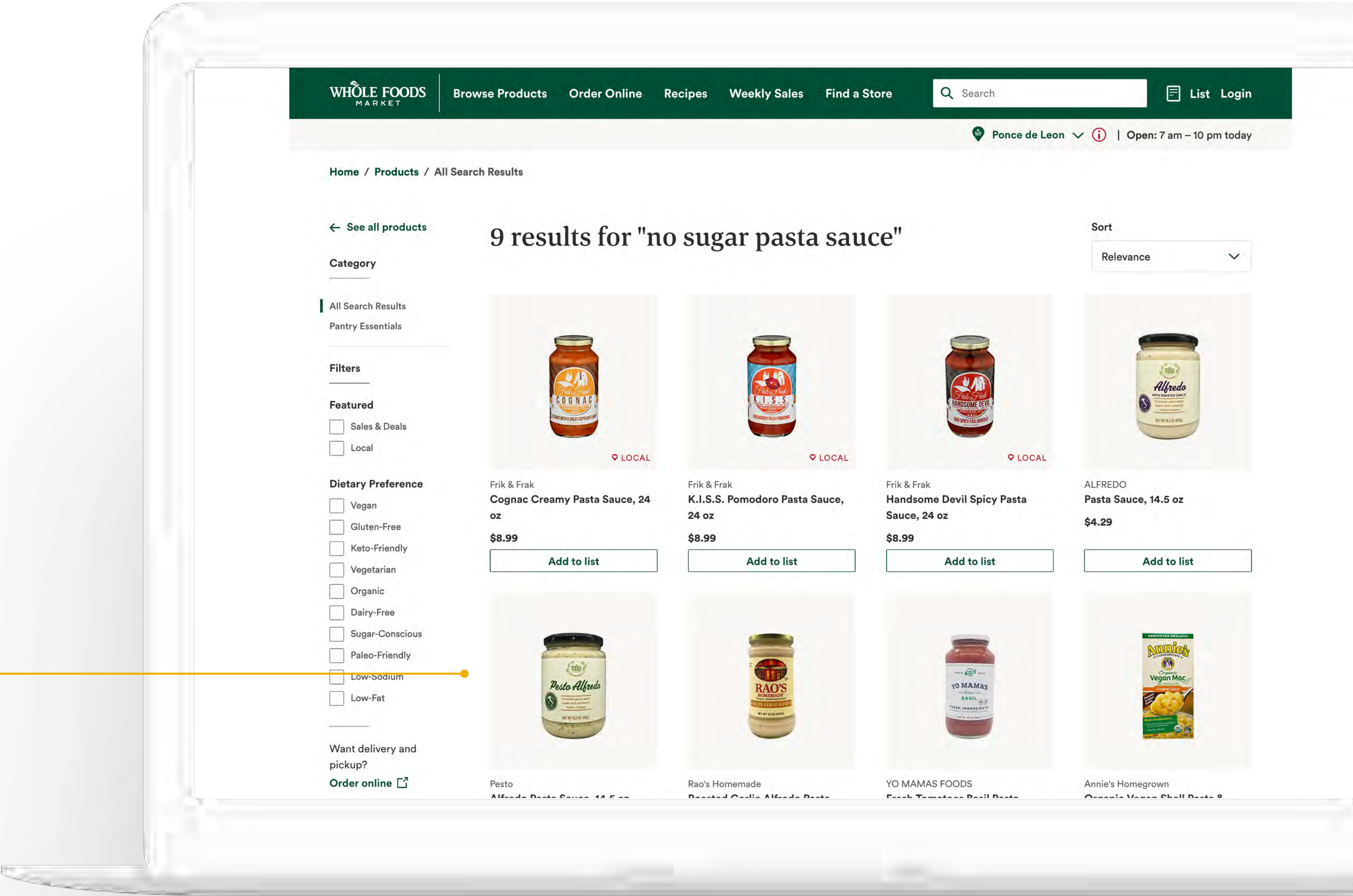
The products being surfaced in search results are based on Product Intelligence



EXAMPLE OF SEARCH OPTIMIZATION

“I’m looking for
pasta sauces that
don’t have added
sugars”

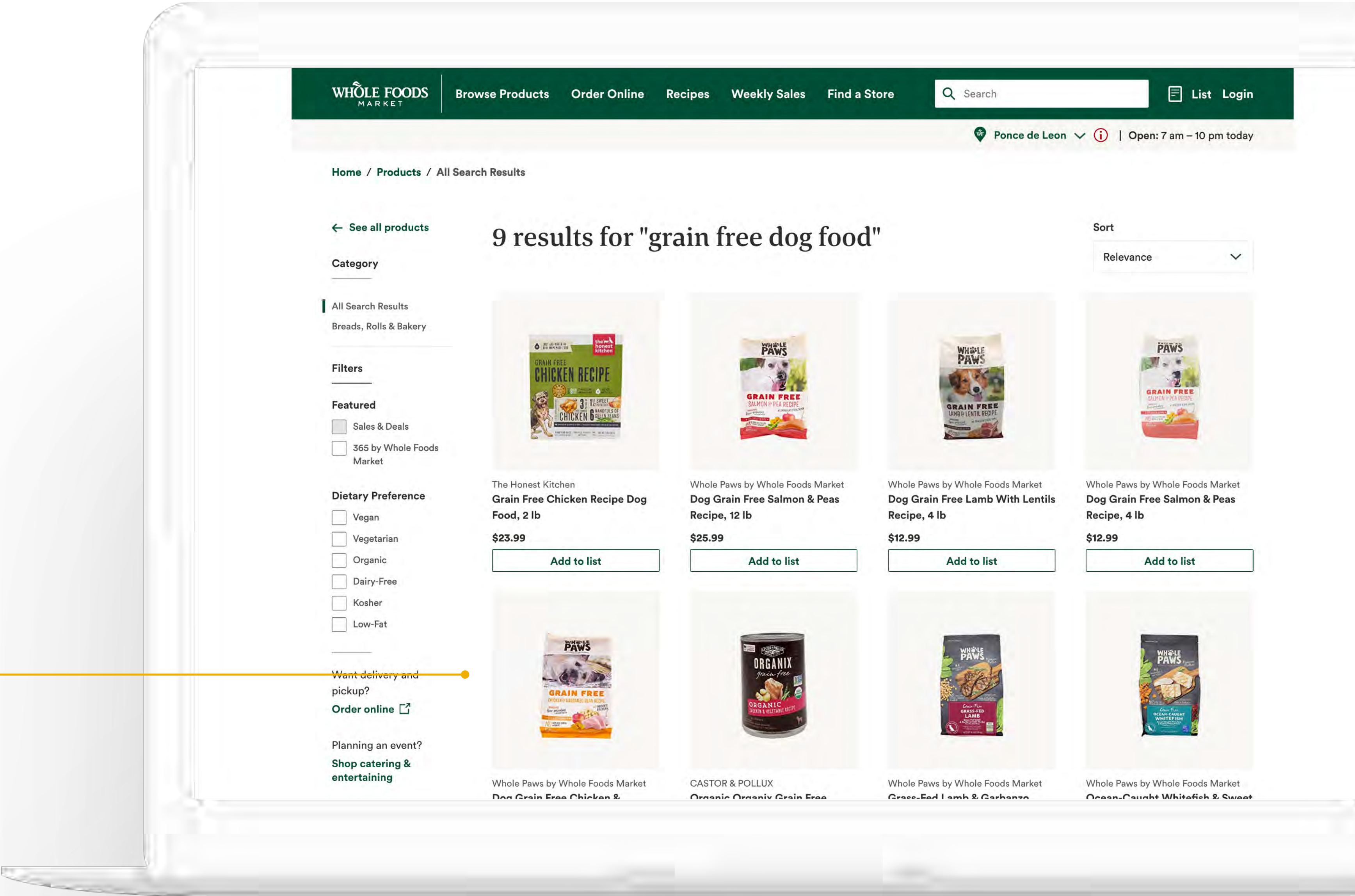
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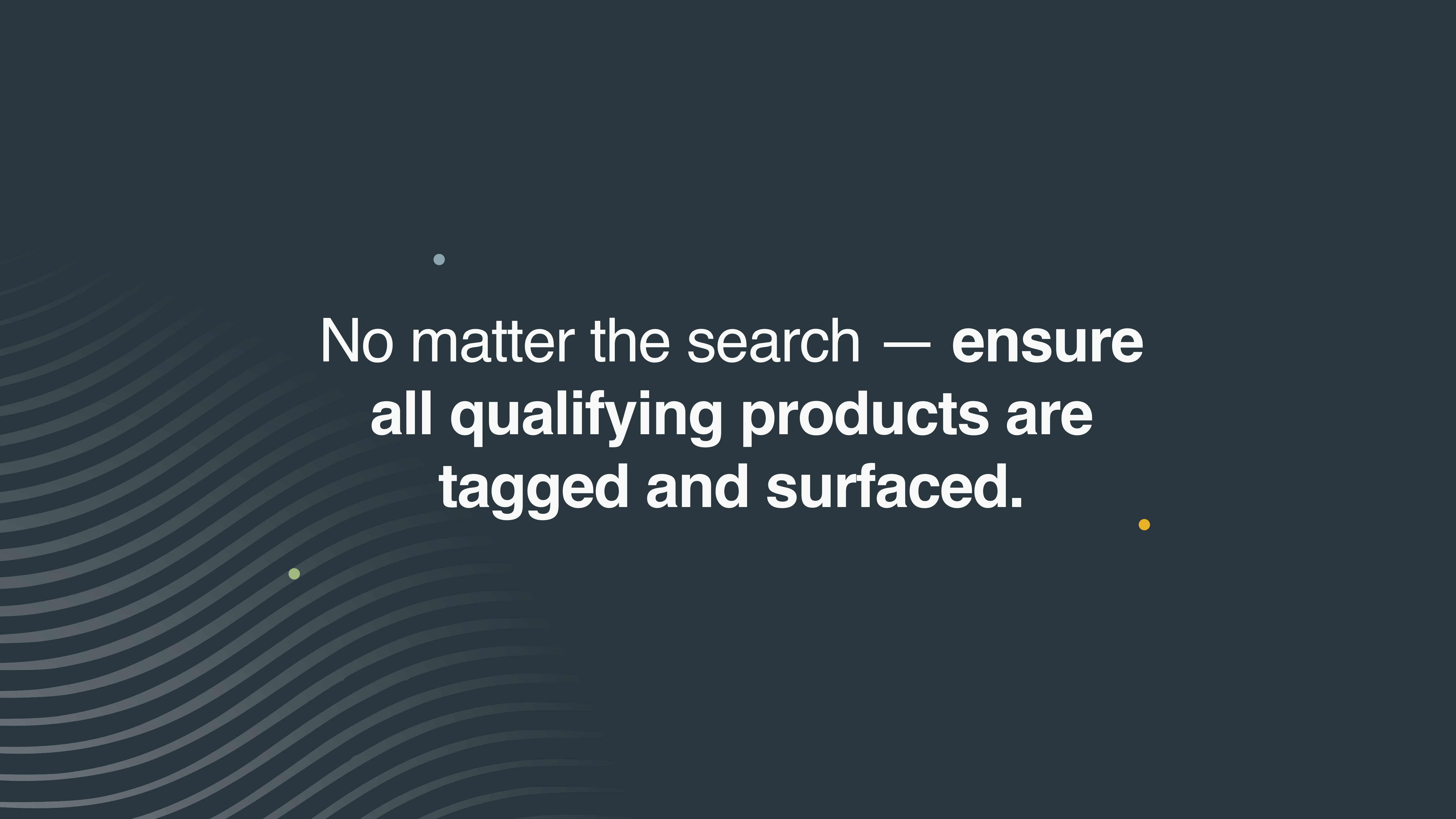


EXAMPLE OF SEARCH OPTIMIZATION

“I’m looking for grain free dog food”

The products being surfaced in search results are based on Product Intelligence



The background is a dark blue-grey color. On the left side, there are several thin, light grey wavy lines that curve upwards and to the right. There are three small colored dots: a light blue dot in the upper left, a light green dot in the lower left, and a yellow dot in the lower right.

No matter the search — **ensure
all qualifying products are
tagged and surfaced.**



Personalization

Product Intelligence ensures all of products are **structured to be included across modern personalization strategies** — such as "The Gluten-Free Aisle", "Top Options for Vegan", "All Organic", or "Clean Label".

Personalized
“aisles” provide
best-in-class
product curation
and discovery

Browse by Dietary Preference




EXAMPLE

The “Paleo” Aisle is curated to Paleo products

Paleo

Eat like a caveman





RXBAR BLUEBERRY PROTEIN
BAR

\$1.99
each



RXBAR MAPLE SEA SALT
PROTEIN BAR

\$1.99
each



RXBAR COCONUT CHOCOLATE
PROTEIN BAR

\$1.99
each



ORGANIC GOTTA GET
GOJIBERRY BAR

\$2.49
each



ORGANIC CRANBERRY CRUSH
NUT BAR

\$2.49
each



UNCURED BACON & PORK BAR

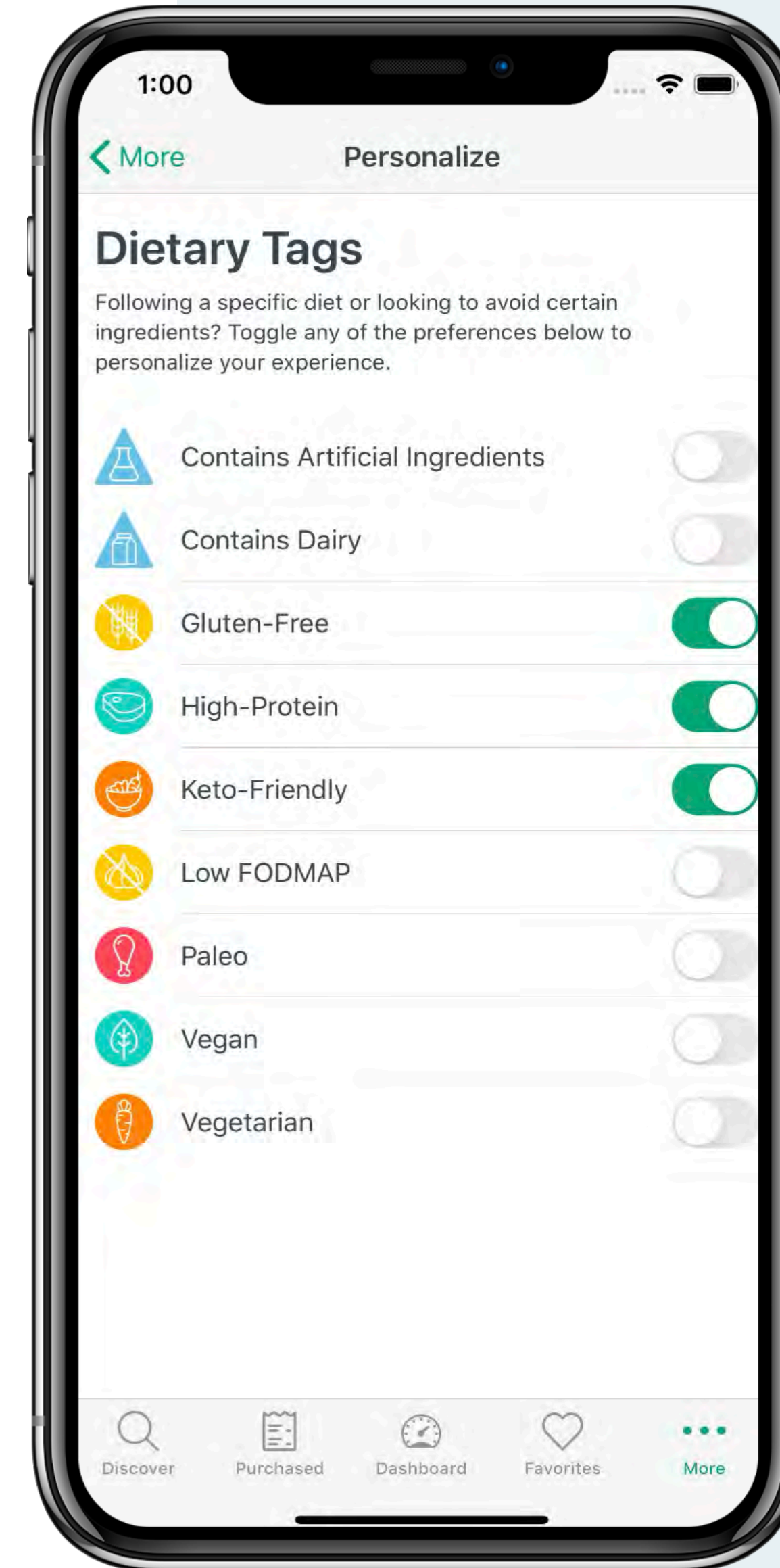
\$2.69
each

Personalized Shopper Profiles

Product Intelligence empowers customers to create **highly-personalized profiles**, which then allows the shopping experience to **become curated around that shopper's unique preferences.**



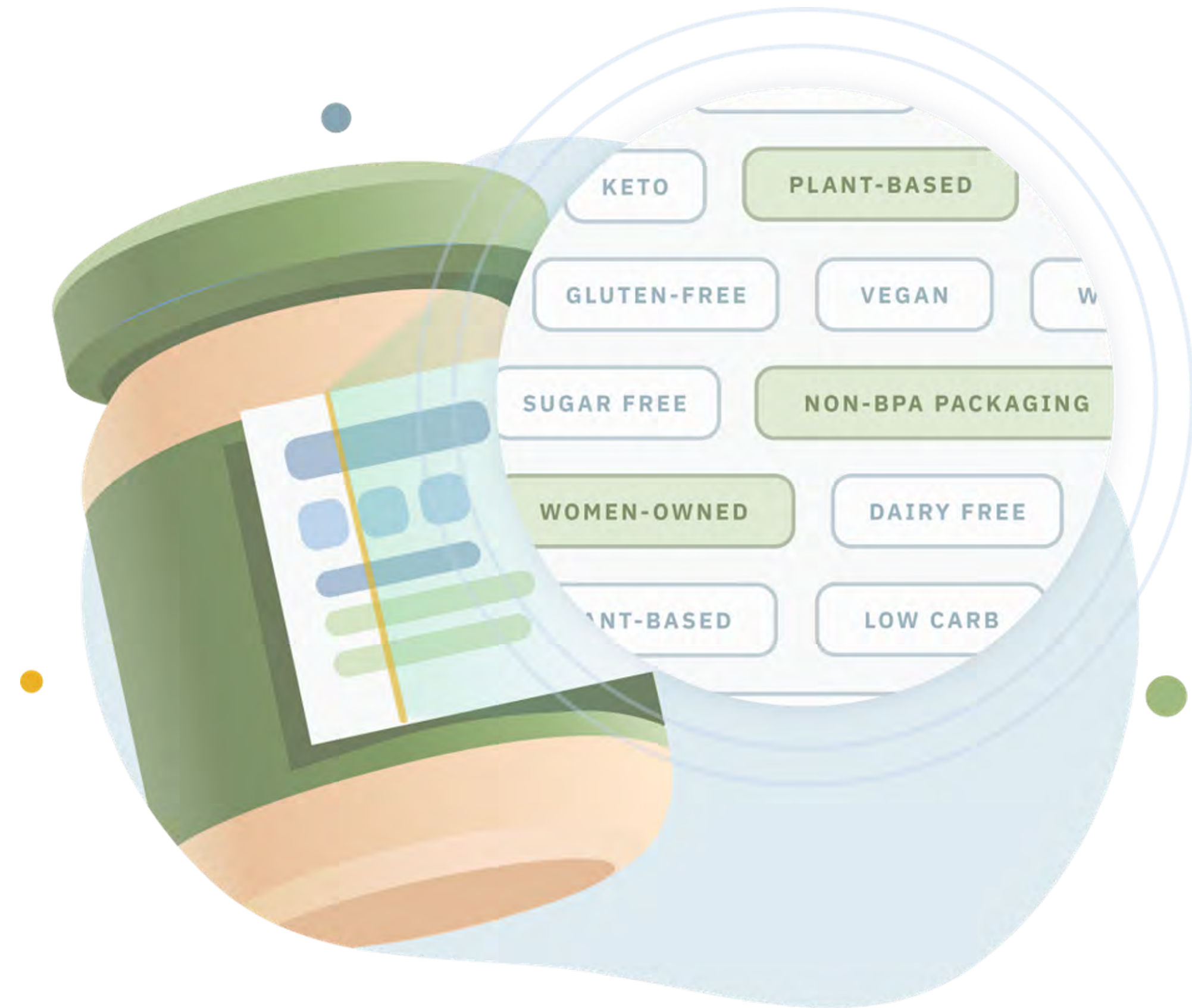
“I’d like to set a profile that targets **Gluten-Free, High-Protein, Keto-Friendly** products”



Optimized Product Positioning & Content

For every product, Product Intelligence provides positioning & content recommendations for digital product pages, physical packaging, and similar.

What should a brand highlight for each product in order to increase shopper conversion?



What should you highlight to optimize conversions?



Kraft Aged Balsamic Vinaigrette Dressing

**Most Valuable
Keywords to Increase
Conversions**

Potential Attributes & Terms

which associated terms are shoppers considering for this product on the path to purchase? **Blue are most important.**

Vegan

best vegan balsamic vinegar; vegan aged balsamic vinegar; **vegan aged balsamic vinaigrette**; vegan balsamic; vegan balsamic dressing; vegan balsamic salad dressing; **vegan balsamic vinaigrette**; vegan balsamic vinegar dressing; vegan balsamic vinegar glaze; vegan balsamic vinegar of modena; vegan dressing; **vegan salad dressing**; vegan salad dressings; vegan vinaigrette salad dressing; vegan vinegar; vegan vinegar balsamic; vegan vinaigrette

Gluten-Free

best gluten free balsamic vinegar; gluten free aged balsamic vinegar; gluten free balsamic; gluten free balsamic dressing; gluten free balsamic salad dressing; **gluten free balsamic vinaigrette**; gluten free balsamic vinegar dressing; gluten free balsamic vinegar glaze; gluten free balsamic vinegar of modena; gluten free dressing; gluten free salad dressing; gluten free salad dressings; gluten free vinaigrette salad dressing; gluten free vinegar; gluten free vinegar balsamic; best gluten-free balsamic vinegar; gluten-free aged balsamic vinegar; gluten-free balsamic; gluten-free balsamic dressing; gluten-free balsamic salad dressing; gluten-free balsamic vinaigrette; gluten-free balsamic vinegar dressing; gluten-free balsamic vinegar glaze; gluten-free balsamic vinegar of modena; gluten-free dressing; gluten-free salad dressing; gluten-free salad dressings; gluten-free vinaigrette salad dressing; gluten-free vinegar; gluten-free vinegar balsamic

Mediterranean Diet

best mediterranean balsamic vinegar; mediterranean aged balsamic vinegar; mediterranean balsamic; mediterranean balsamic dressing; mediterranean balsamic salad dressing; mediterranean balsamic vinaigrette; mediterranean balsamic vinegar dressing; mediterranean balsamic vinegar glaze; mediterranean balsamic vinegar of modena; **mediterranean diet salad dressing**; mediterranean salad dressing; mediterranean salad dressings; mediterranean vinaigrette salad dressing; mediterranean vinegar; mediterranean vinegar balsamic

Heart Friendly

best heart healthy balsamic vinegar; heart healthy aged balsamic vinegar; heart healthy balsamic; heart healthy balsamic dressing; heart healthy balsamic salad dressing; **heart healthy balsamic vinaigrette**; heart healthy balsamic vinegar dressing; heart healthy balsamic vinegar glaze; heart healthy balsamic vinegar of modena; heart healthy dressing; heart healthy salad dressing; heart healthy salad dressings; heart healthy vinaigrette salad dressing; heart healthy vinegar; heart healthy vinegar balsamic

What should you highlight to optimize conversions?



Kraft Aged Balsamic Vinaigrette Dressing

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Diabetes Friendly

best low sugar balsamic vinegar; low sugar aged balsamic vinegar; low sugar balsamic; low sugar balsamic dressing; **low sugar balsamic salad dressing**; low sugar balsamic vinaigrette; low sugar balsamic vinegar dressing; low sugar balsamic vinegar glaze; low sugar balsamic vinegar of modena; low sugar dressing; low sugar salad dressing; low sugar salad dressings; low sugar vinaigrette salad dressing; low sugar vinegar; low sugar vinegar balsamic

Healthy Eating

best healthy balsamic vinegar; healthy aged balsamic vinegar; healthy balsamic; healthy balsamic dressing; healthy balsamic salad dressing; **healthy balsamic vinaigrette**; healthy balsamic vinegar dressing; healthy balsamic vinegar glaze; healthy balsamic vinegar of modena; healthy dressing; healthy salad dressing; healthy salad dressings; healthy vinaigrette salad dressing; healthy vinegar; healthy vinegar balsamic

Low Saturated Fat

best low saturated fat balsamic vinegar; **low saturated fat aged balsamic vinegar**; low saturated fat balsamic; low saturated fat balsamic dressing; low saturated fat balsamic salad dressing; low saturated fat balsamic vinaigrette; low saturated fat balsamic vinegar dressing; low saturated fat balsamic vinegar glaze; low saturated fat balsamic vinegar of modena; low saturated fat dressing; low saturated fat salad dressing; low saturated fat salad dressings; low saturated fat vinaigrette salad dressing; low saturated fat vinegar; low saturated fat vinegar balsamic

The result = best-in-class customer-facing product positioning that converts (digital)

Multiple Product Image Angles

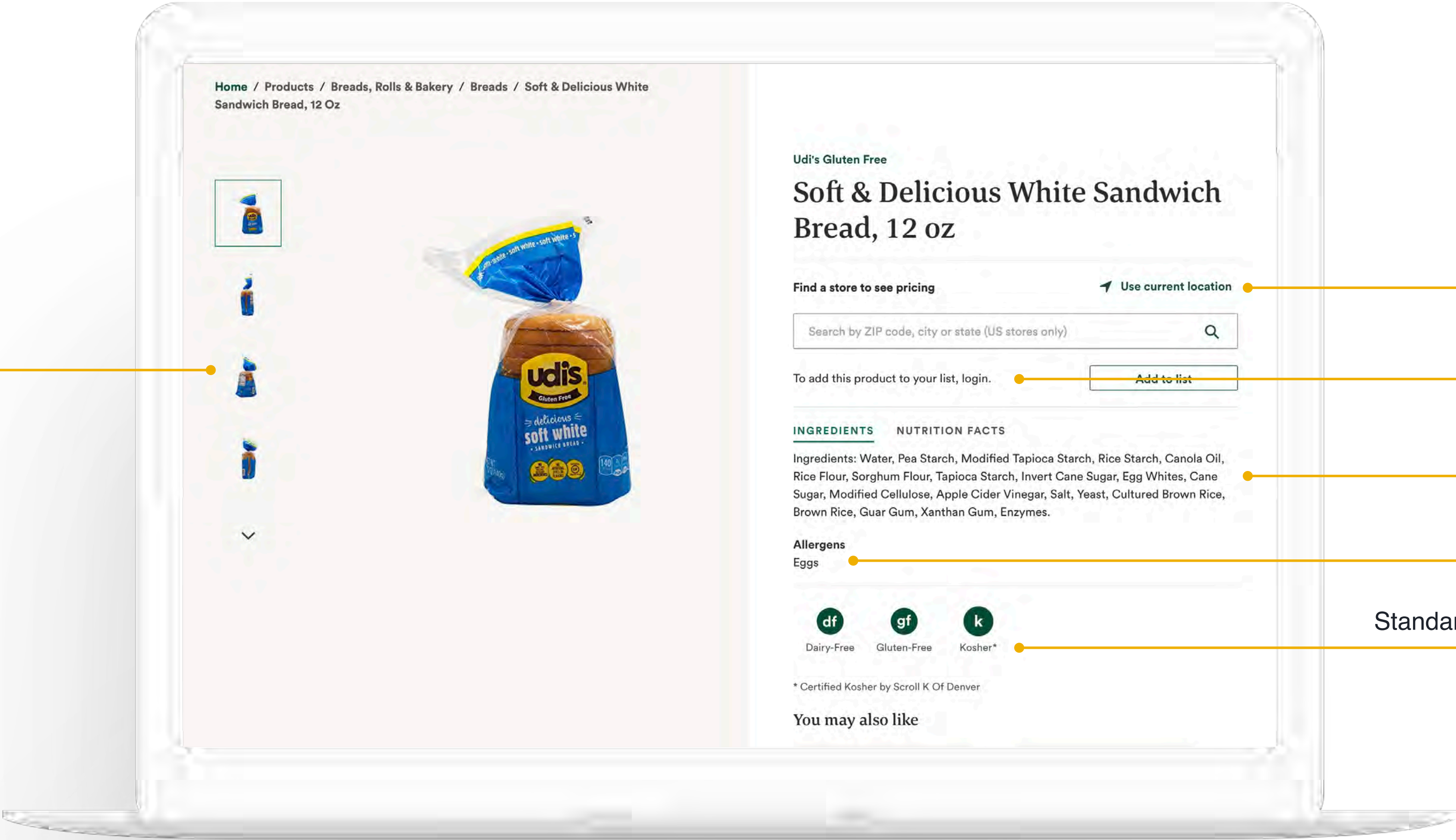
Optimized by Location

Product Purchase Information

Ingredients and Nutrition

Allergens

Standardized/Custom Attribute Badges

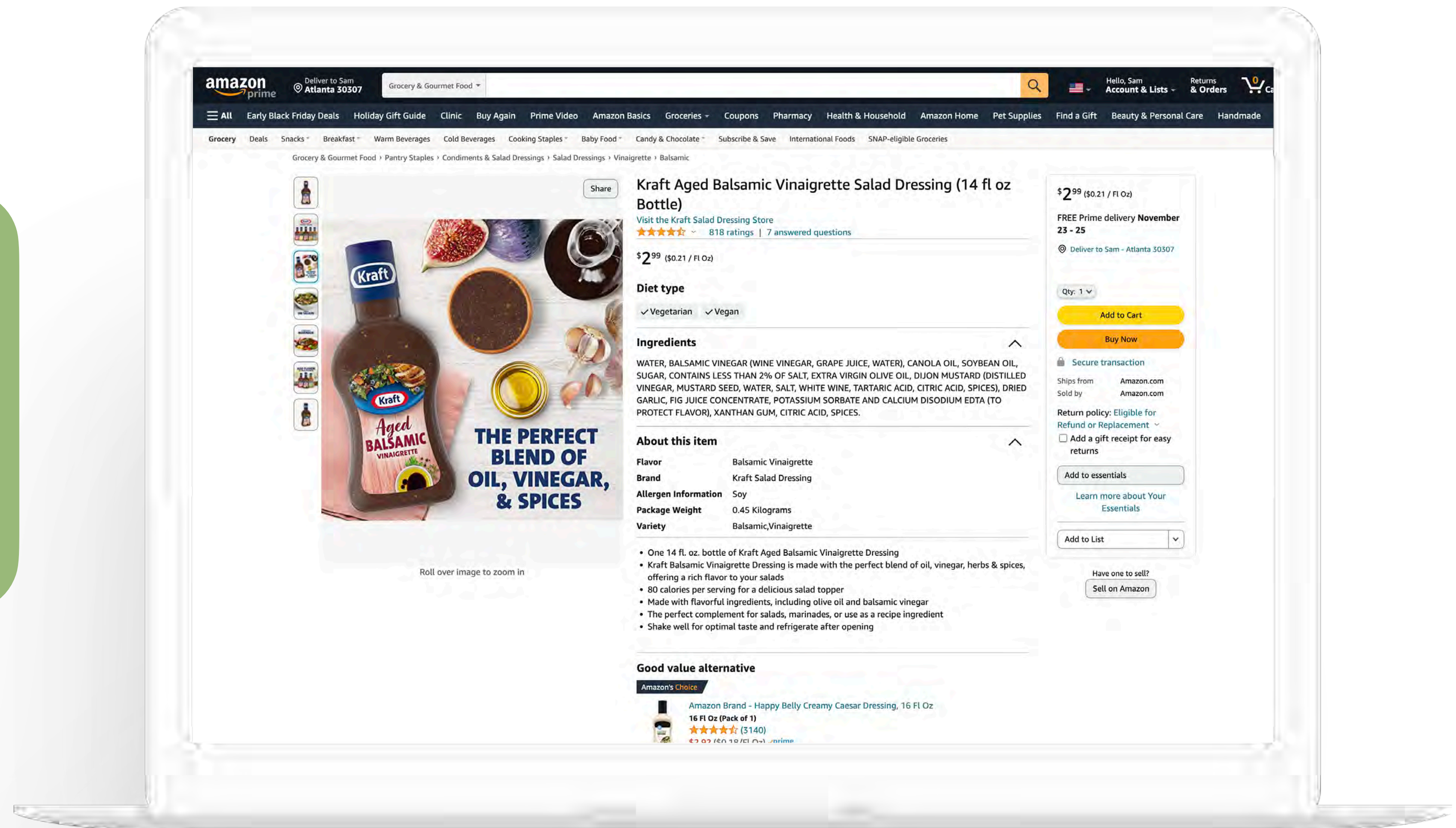


The result = best-in-class customer-facing product positioning that converts (digital)

~43-58%

Average sales lift on Amazon.com
when brands improve content to meet
category bestseller benchmarks for images,
video, and text on a product page

Source: Profitero



The result = best-in-class customer-facing product positioning that converts (physical)

Grain Free

Paleo

Non GMO

Gluten Free

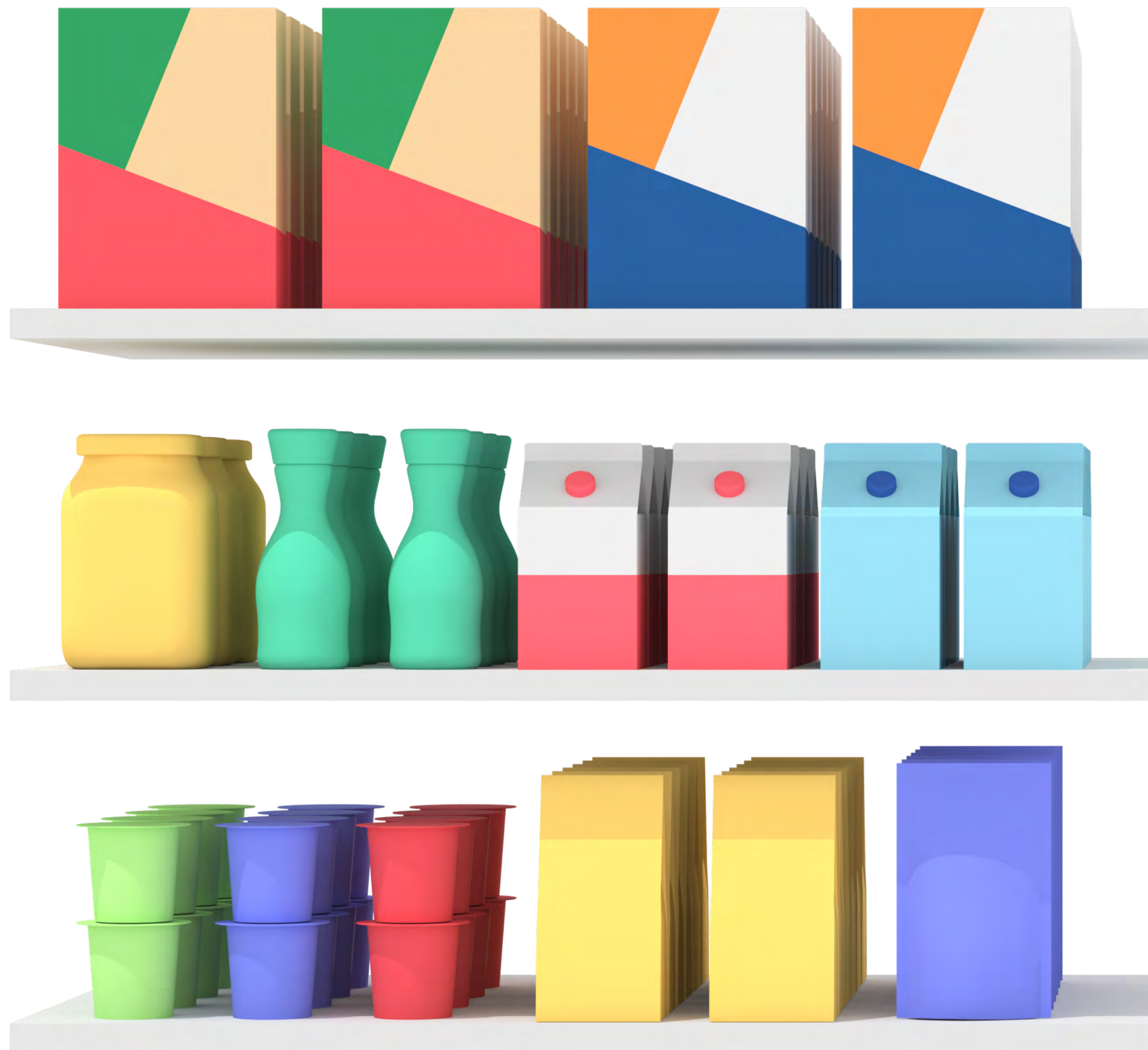
Vegan

Soy Free

Dairy Free

Certified Non-GMO; Certified Gluten Free





Smarter Merchandising & Shelf Assortments

Product Intelligence helps retail merchants **understand and optimize product mix** in line with current and forecasted customer preferences.

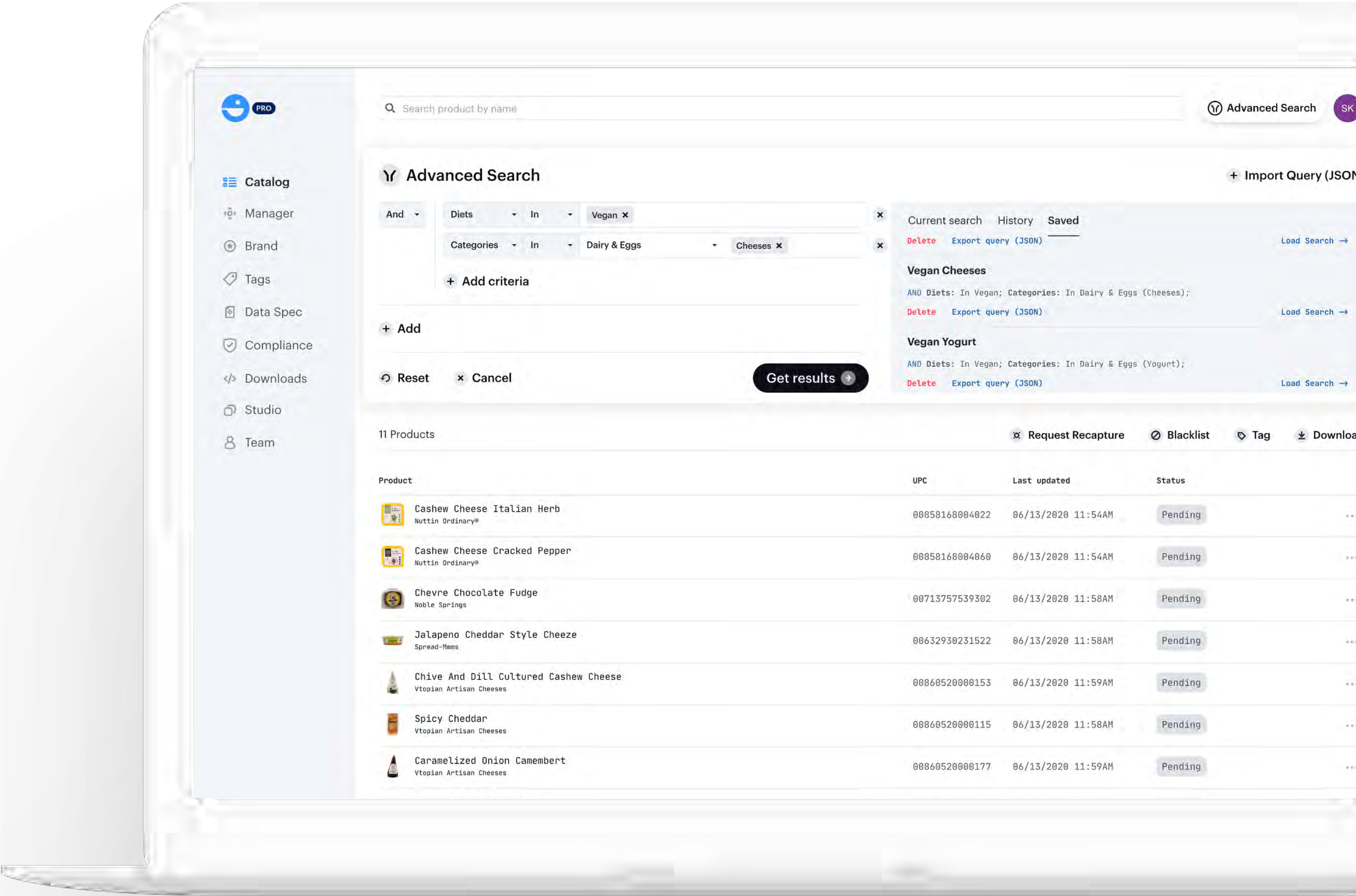
Category managers and merchants need to constantly “**understand**” **their product mix** across the key and emerging preferences that drive shopper purchases.

- **Benchmark** product assortments against current and emerging customer preferences
- **Identify areas for improvements**
- **Track progress** against these assortment goals and update as trends/preferences evolve



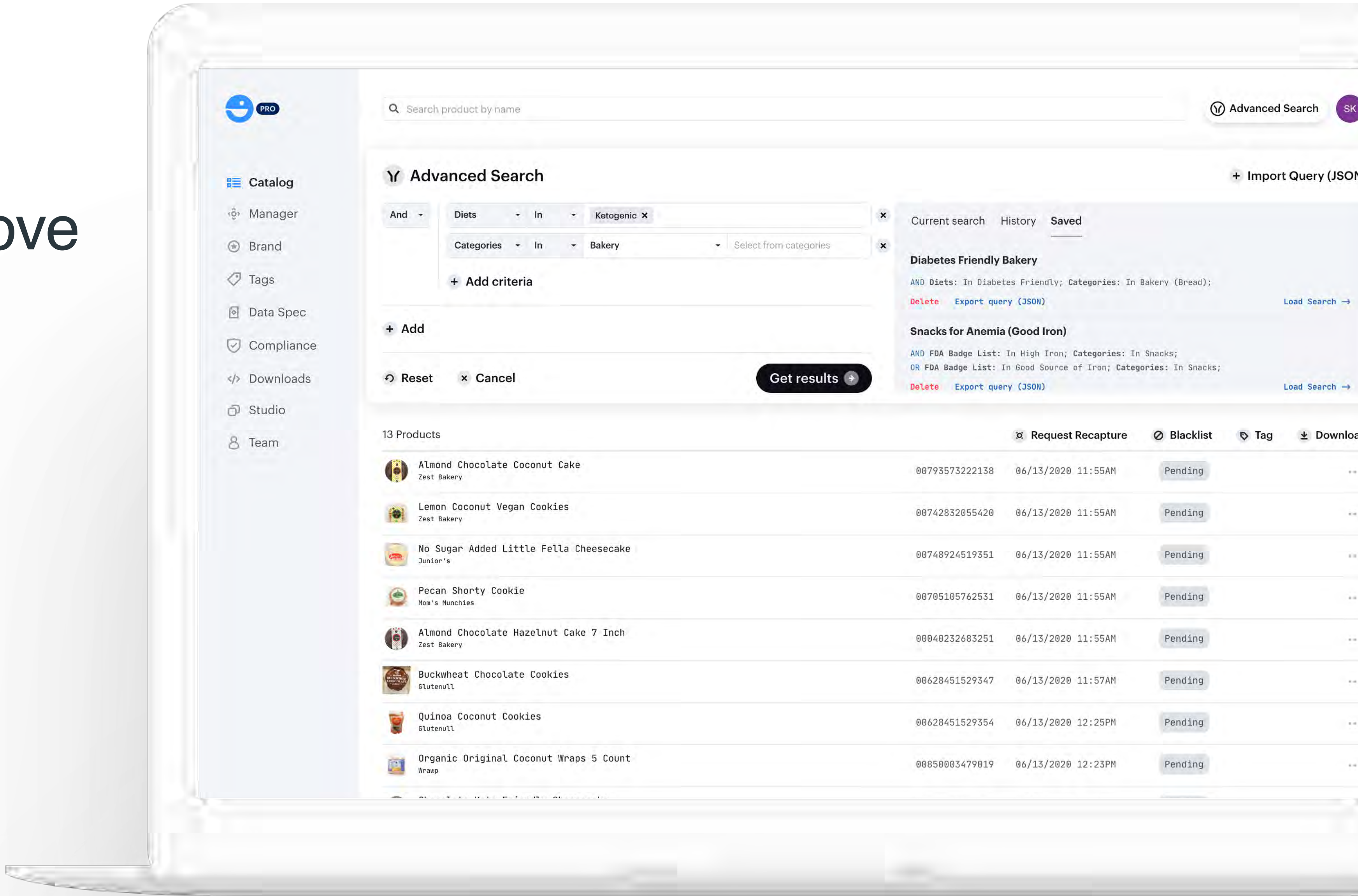
MERCHANDISING & SHELF ANALYTICS

“Do we have enough **plant-based cheeses** in the Northeast?”



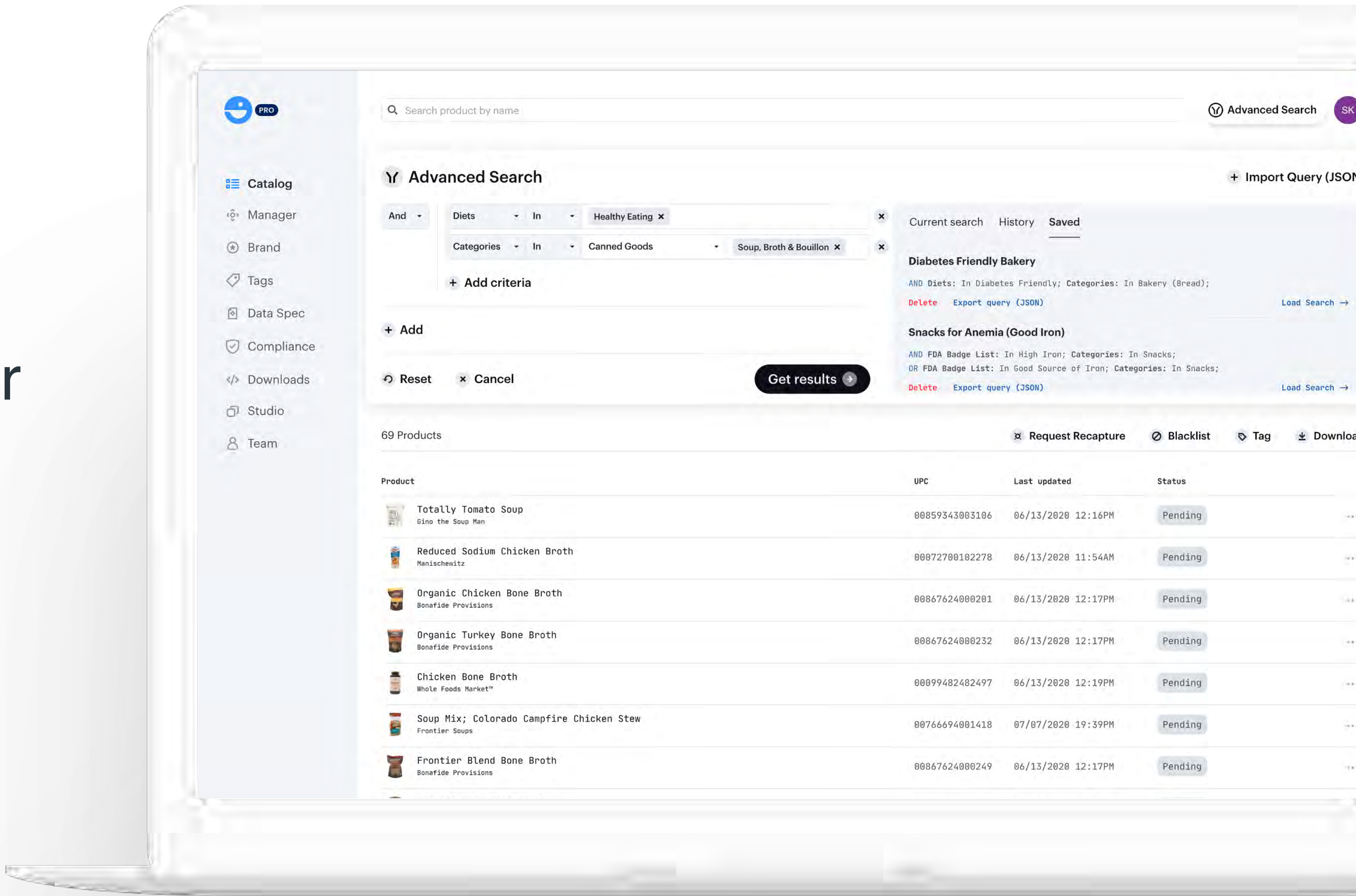
MERCHANDISING & SHELF ANALYTICS

“How can we improve
our **Keto bakery**
assortment?”



MERCHANDISING & SHELF ANALYTICS

“Do we have enough healthy soup options in our grab-and-go category?”



From Insight to Innovation

Critical action items to improve product discovery, sales, and conversions through application of product intelligence

FOR RETAILERS

1. **Reflect shopper lifestyle needs**
across online and in-store experiences
2. **Increase customer loyalty** through transparent, thorough, and easily accessible product information
3. **Bring product discovery to life**
through enhanced shopper experiences with best-in-class search, discoverability & recommendations

FOR BRANDS

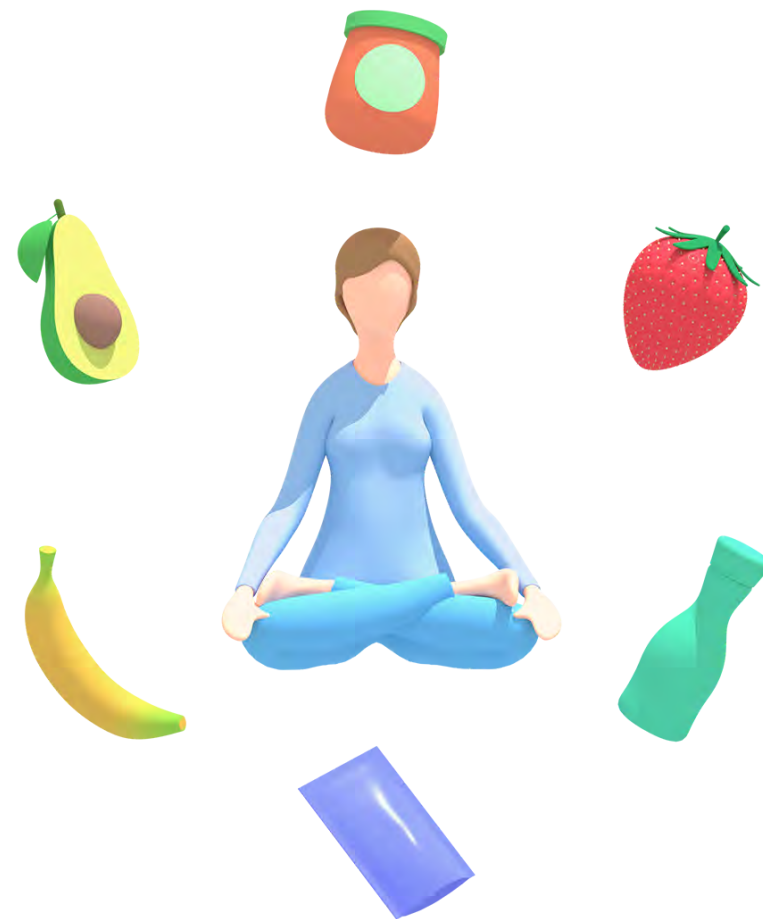
1. **Ensure packaging showcases differentiating attributes** to inform retailers and shoppers alike
2. **Manage digital product information** as actively as you manage physical distribution (control the narrative)
3. **Cross-merchandise and highlight key product attributes** alongside price promotions



Key Takeaways

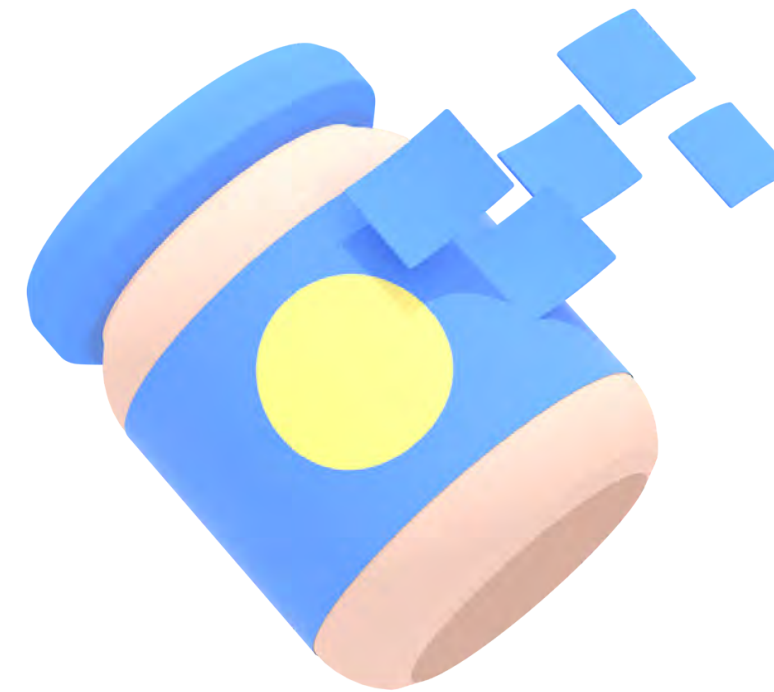
Key Takeaways

Using Product Intelligence to enhance market performance and increase shopper loyalty



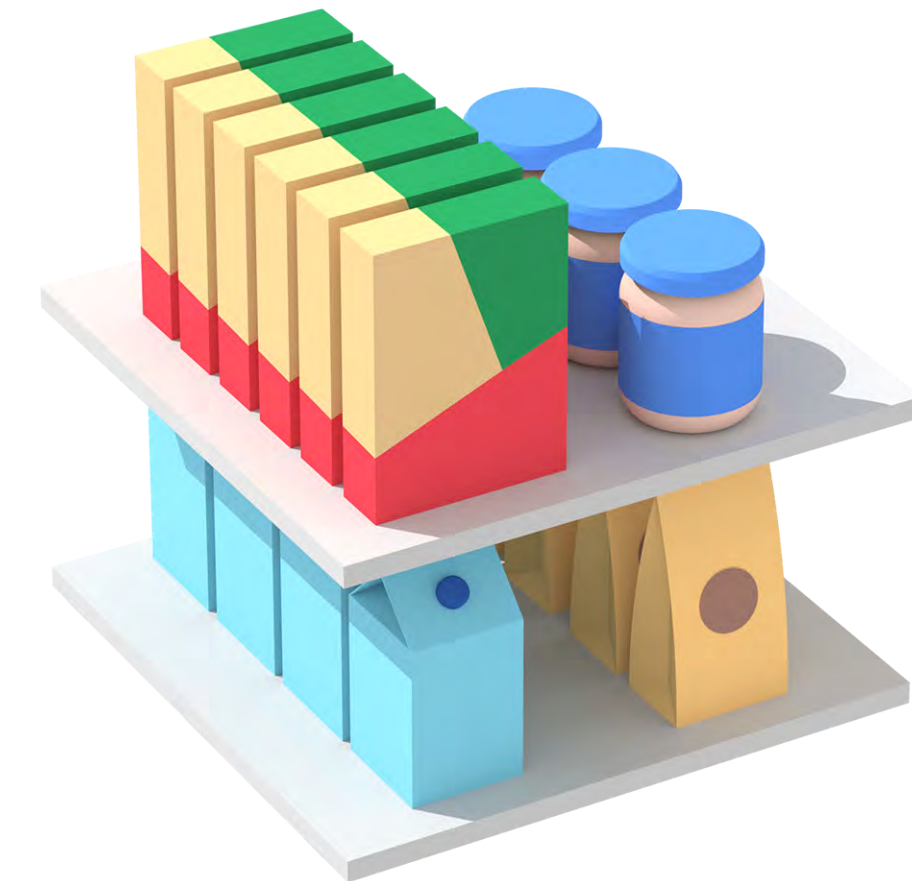
Connect Products to Personal Preferences

Ensure every shopper touchpoint has the product data to increase discoverability & conversions — both in online and physical formats



Streamline Speed to Market

Combine quick data updates and accessibility across touchpoints to ensure shoppers always have the best data available. Never miss an opportunity due to stale data!



Optimize in-store and online

Use Product Intelligence to ensure in-store assortments and online experiences are constantly optimized for real-time and forward-looking consumer preferences

THANK YOU

• Look out for the eBook
and reach out to us at
Growth@SPINS.com