Shopping Independents

A National Survey Defining Real Growth Opportunities
A Best in Class Integrated View of Independents

The Nielsen Independent Grocery Shopper Database and Analytics
(See and understand the Past)

Multiple Dimensions of Shopper Behaviors at Independent Grocers
Delivering to the Independent Grocer First Mover Advantage in Shopper Knowledge and Actionability

The Harris Poll Independent Grocery Shopper Annual Survey (2017)
(Crystallize today and the future)
The Nielsen Independents Database and Analytics
(See and understand the Past)
A new asset to develop real growth strategies and capabilities

Household-level window into where and how shoppers shop, and what they purchase

Nielsen Homescan Consumer Panel
100K Households

Nielsen Independent Grocery Shopper Panel
44K Households

44K Households across Nine US Census Divisions
First ever view of independent grocery shoppers in regional markets

Source: Nielsen Homescan, Total US, 52 weeks ending Q2 2017; Independent shopper defined as 1x+ in 52 weeks; Independent Shopper Share of Wallet defined within Grocery Channel
Windows into competing in your local trading regions

The power to benchmark in your region, multiple similar regions, and nationally

Source: Nielsen Homescan, Total US, 52 weeks ending Q2 2017; Independent shopper defined as 1x+ in 52 weeks; Sample size by regions
National views do not tell the true power of shoppers at Independents

<table>
<thead>
<tr>
<th></th>
<th>% of Grocery Channel Dollars</th>
<th>Household Penetration</th>
<th>Annual Spend</th>
<th>Annual Trips per Household</th>
<th>Average Dollars per Trip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grocery Channel</td>
<td>100%</td>
<td>98%</td>
<td>$2,376</td>
<td>50.2</td>
<td>$46</td>
</tr>
<tr>
<td>Independents</td>
<td>21%</td>
<td>56%</td>
<td>$884</td>
<td>19.7</td>
<td>$44</td>
</tr>
<tr>
<td>All Other Grocery Banners</td>
<td>79%</td>
<td>94%</td>
<td>$1962</td>
<td>40.8</td>
<td>$46</td>
</tr>
</tbody>
</table>

Source: Nielsen Homescan, Total US, 52 weeks ending Q4 2017; Independent shopper defined as 1x+ in 52 weeks
Illustrating the buying power of shopper loyalty at Independents

<table>
<thead>
<tr>
<th></th>
<th>Independent Shopper (1x+ Shopper)</th>
<th>Independent Shopper w/ 50%+ SOW</th>
<th>Independent Shopper w/ &lt;50% SOW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of Wallet of Total Market</td>
<td>13%</td>
<td>69%</td>
<td>11%</td>
</tr>
<tr>
<td>Percent of Independent Shoppers</td>
<td>100%</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Annual Spend</td>
<td>$884</td>
<td>$3,287</td>
<td>$641</td>
</tr>
<tr>
<td>Trips per Household</td>
<td>19.7</td>
<td>52.7</td>
<td>16.5</td>
</tr>
<tr>
<td>Dollars per Trip</td>
<td>$44</td>
<td>$62</td>
<td>$38</td>
</tr>
</tbody>
</table>

Source: Nielsen Homescan, Total US, 52 weeks ending Q4 2017; Independent shopper defined as 1x+ in 52 weeks, Share of Wallet defined in Total Outlet Universe
Getting local – the ability to prioritize real growth

Independent shoppers that spend more than 50% of their dollars in independents

**Pacific**
- Annual Spend: $3,499
- Dollars per Trip: $68
- Trips Per Year: 50.9
- Share of Wallet: 70%
- Household Penetration: 3%
- Percent Sold on Deal: 20%

**Mountain**
- Annual Spend: $3,937
- Dollars per Trip: $63
- Trips Per Year: 61.9
- Share of Wallet: 69%
- Household Penetration: 1%
- Percent Sold on Deal: 28%

**West North Central**
- Annual Spend: $2,730
- Dollars per Trip: $52
- Trips Per Year: 52.4
- Share of Wallet: 66%
- Household Penetration: 4%
- Percent Sold on Deal: 28%

**Mid Atlantic**
- Annual Spend: $3,383
- Dollars per Trip: $61
- Trips Per Year: 54.7
- Share of Wallet: 72%
- Household Penetration: 20%
- Percent Sold on Deal: 44%

**East North Central**
- Annual Spend: $2,905
- Dollars per Trip: $58
- Trips Per Year: 49.4
- Share of Wallet: 60%
- Household Penetration: 5%
- Percent Sold on Deal: 31%

**East South Central**
- Annual Spend: $2,985
- Dollars per Trip: $57
- Trips Per Year: 51.7
- Share of Wallet: 67%
- Household Penetration: 3%
- Percent Sold on Deal: 13%

**West South Central**
- Annual Spend: $2,942
- Dollars per Trip: $53
- Trips Per Year: 54.3
- Share of Wallet: 64%
- Household Penetration: 2%
- Percent Sold on Deal: 18%

**South Atlantic**
- Annual Spend: $3,120
- Dollars per Trip: $61
- Trips Per Year: 50.3
- Share of Wallet: 68%
- Household Penetration: 1%
- Percent Sold on Deal: 27%

**New England**
- Annual Spend: $3,498
- Dollars per Trip: $71
- Trips Per Year: 49.2
- Share of Wallet: 72%
- Household Penetration: 17%
- Percent Sold on Deal: 26%

**Total USA**
- Annual Spend: $3,287
- Dollars per Trip: $62
- Trips Per Year: 52.7
- Share of Wallet: 69%
- Household Penetration: 6%
- Percent Sold on Deal: 35%

Source: Nielsen Homescan, 52 week Q4 2017, 50%+ Share of Wallet Households
Less loyal independent shoppers spend in all other grocery, mass and club retailers

<table>
<thead>
<tr>
<th></th>
<th>Independent Shopper (1x+ Trip)</th>
<th>Independent Shopper 50%+ SOW</th>
<th>Independent Shopper &lt;50% SOW</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Independent</strong></td>
<td>16.4</td>
<td>69.3</td>
<td>11.4</td>
</tr>
<tr>
<td><strong>AO Grocery Banners</strong></td>
<td>28.0</td>
<td>6.5</td>
<td>30.0</td>
</tr>
<tr>
<td><strong>Mass Channel</strong></td>
<td>25.3</td>
<td>8.3</td>
<td>26.9</td>
</tr>
<tr>
<td><strong>Warehouse Club</strong></td>
<td>11.4</td>
<td>4.1</td>
<td>12.1</td>
</tr>
<tr>
<td><strong>Drug Store</strong></td>
<td>4.3</td>
<td>3.3</td>
<td>4.4</td>
</tr>
<tr>
<td><strong>Dollar Stores</strong></td>
<td>3.0</td>
<td>1.7</td>
<td>3.2</td>
</tr>
</tbody>
</table>

Source: Nielsen Homescan, Total US, 52 weeks ending Q4 2017; Independent shopper defined as 1x+ in 52 weeks, Share of Wallet defined in Total Outlet Universe
Independent households dynamics are clear

<table>
<thead>
<tr>
<th>MIDDLE AGED &amp; OLDER (45+)</th>
<th>NO CHILDREN IN THE HOME</th>
<th>HIGH SCHOOL EDUCATED</th>
</tr>
</thead>
<tbody>
<tr>
<td>TWO PERSON HOUSEHOLD</td>
<td>MULTI-CULTURAL</td>
<td>EAST &amp; CENTRAL REGION</td>
</tr>
</tbody>
</table>

Source: Nielsen Homescan, Total US, 52 weeks ending Q4 2017; Independent shopper defined as 1x+ in 52 weeks
## Perimeter strengths among independents vary by region, stronger in the South, East North Central and Mountain

<table>
<thead>
<tr>
<th>Region</th>
<th>Total USA</th>
<th>New England</th>
<th>Mid Atlantic</th>
<th>East North Central</th>
<th>West North Central</th>
<th>South Atlantic</th>
<th>East South Central</th>
<th>West South Central</th>
<th>Mountain</th>
<th>Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Independents</strong></td>
<td></td>
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</tr>
<tr>
<td>% Center Store</td>
<td>63%</td>
<td>64%</td>
<td>66%</td>
<td>61%</td>
<td>62%</td>
<td>60%</td>
<td>60%</td>
<td>59%</td>
<td>61%</td>
<td>61%</td>
</tr>
<tr>
<td>% Perimeter</td>
<td>37%</td>
<td>36%</td>
<td>34%</td>
<td>39%</td>
<td>38%</td>
<td>40%</td>
<td>40%</td>
<td>41%</td>
<td>39%</td>
<td>39%</td>
</tr>
<tr>
<td><strong>All Other Grocery Banners</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Center Store</td>
<td>61%</td>
<td>60%</td>
<td>58%</td>
<td>63%</td>
<td>62%</td>
<td>63%</td>
<td>62%</td>
<td>62%</td>
<td>61%</td>
<td>57%</td>
</tr>
<tr>
<td>% Perimeter</td>
<td>39%</td>
<td>40%</td>
<td>42%</td>
<td>37%</td>
<td>38%</td>
<td>37%</td>
<td>38%</td>
<td>38%</td>
<td>39%</td>
<td>43%</td>
</tr>
<tr>
<td><strong>Independents vs. Grocery Channel Index</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Independent’s Center Store vs. Channel</td>
<td>102</td>
<td>105</td>
<td>106</td>
<td>98</td>
<td>101</td>
<td>96</td>
<td>97</td>
<td>95</td>
<td>99</td>
<td>105</td>
</tr>
<tr>
<td>Independent’s Perimeter vs. Grocery</td>
<td>96</td>
<td>93</td>
<td>91</td>
<td>104</td>
<td>98</td>
<td>107</td>
<td>105</td>
<td>108</td>
<td>101</td>
<td>93</td>
</tr>
</tbody>
</table>

Source: Nielsen Homescan, 52 week Q4 2017 Center Store includes Dry Grocery, Frozen, Dairy, Non-Foods, HABA, GM, Independent shopper defined as 1x+ in 52 weeks
Engaging the most loyal Independent shoppers (90%+ SOW)
Where and how to target and maximize marketing spend

There are clear shopper engagement strategies based on loyalty to independents

<table>
<thead>
<tr>
<th>Radio Stations</th>
<th>Magazines Read</th>
<th>Websites Visited</th>
<th>Newspapers Sections Read</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any AM</td>
<td>Coastal Living</td>
<td>MapQuest.com</td>
<td>Sunday/Weekend Newspaper: International/National News</td>
</tr>
<tr>
<td>SiriusXM (Any Satellite)</td>
<td>Real Simple</td>
<td>LinkedIn</td>
<td>Weekday Newspaper: International/National News</td>
</tr>
<tr>
<td>News/Talk</td>
<td>Consumer Reports</td>
<td>TripAdvisor.com</td>
<td>Sunday/Weekend Newspaper: Circulars/Inserts/Fliers</td>
</tr>
<tr>
<td>Sports</td>
<td>American Way</td>
<td>AOL Mail</td>
<td>Sunday/Weekend Newspaper: Sports</td>
</tr>
<tr>
<td>All News</td>
<td>Cooking Light</td>
<td>Travelocity.com</td>
<td>Sunday/Weekend Newspaper: Entertainment/Lifestyle</td>
</tr>
<tr>
<td>Classical</td>
<td>Bon Appétit</td>
<td>Yahoo! Finance</td>
<td>Weekday Newspaper: Entertainment/Lifestyle</td>
</tr>
<tr>
<td>Adult Hits</td>
<td></td>
<td>Orbitz.com</td>
<td>Sunday/Weekend Newspaper: Food/Cooking</td>
</tr>
<tr>
<td>Soft Adult Contemporary</td>
<td></td>
<td>Shutterfly</td>
<td>Weekday Newspaper: Editorial Page</td>
</tr>
<tr>
<td>AAA</td>
<td></td>
<td>MSN Money</td>
<td>Sunday/Weekend Newspaper: Editorial Page</td>
</tr>
<tr>
<td>Jazz</td>
<td></td>
<td></td>
<td>Sunday/Weekend Newspaper: Business/Finance</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Sunday Mag/Net Carrier Newspapers: Any Issues Read</td>
</tr>
</tbody>
</table>

Source: Nielsen Spectra, Independent Shopper 90%+ SOW Profile View
The Harris Poll Independents Annual Survey (2017)

(Crystallize today and the future)
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Objectives and Methodology
The National Grocers Association has historically conducted a national survey of grocery shoppers and presented the results to its members at *The NGA Show*.

Past research has been considered a definitive snap shot of the state of the Independent Grocery industry.

The focus of the survey include the following:

- **Concentrating on actionable findings**: We want to provide guidance to retailers about consumer attitudes, communication channels and other *concrete steps* they can take to help their businesses grow.

- **Identify future trends**: instead of using the survey as a snapshot of the current state of the industry, we want to identify future trends that impact business operations for NGA members.

- **Highlighting areas of differentiation across the nine US regions**

- **Identify changes from last year**

- **Present the data in exciting new ways**
Who We Talked To

✓ 3008 U.S. Adults, 18 years and older

✓ A regional level representation versus a nationally representative sample

✓ Shoppers who self-identify as spending 50% or more of their grocery shopping at an independent grocery store

Note: Data weighted to represent the U.S. general population, age 18 and over

• Surveys conducted online
• Duration: ~23 minutes
• From Nov. 13 – Dec. 8th, 2017
Executive Summary
### Satisfaction with Primary Store

- **Satisfaction is high among shoppers**: almost 2 in 3 are very satisfied and nearly 9 in 10 are at least fairly satisfied.
- **Convenience, followed by price, are the two main factors** drawing consumers to their local supermarket. Location, and price, are also the key reasons a shopper might switch.
- **Only 14% have switched supermarkets in the past year**. Most would continue to shop at their local store even if prices increased by 5%, and the vast majority have no plans to switch in the coming year.

### Drivers of Satisfaction

- **The primary drivers** of satisfaction are: *low prices, quality meats and produce, and quick problem resolution.*
- **Secondary drivers** include: *friendly staff, easy-to-navigate layout, community support, cleanliness, and customization.*

### Action Steps

- **Price and convenience are top considerations**. But there are other steps you can take that are more manageable like quality and personal service to ensure that customers remain satisfied.
- **To drive satisfaction even higher, focus on core competitive strengths like quality, staff, and layout**. Offering fair prices and quicker problem resolution will also continue to build satisfaction and loyalty.
## Independents: Taking Action

<table>
<thead>
<tr>
<th>TOPIC</th>
<th>FINDINGS</th>
<th>ACTION STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Off Analysis</td>
<td>• When considering where to shop for groceries Independents value: <em>low prices, quality meats and produce, friendly staff, cleanliness, and offering locally grown produce and other packaged goods.</em></td>
<td>• Focus on <em>price and selling quality produce and meats,</em> these are the most important to Independent shoppers across all of the 9 census regions.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• There are <em>aspects of the shopping experience that are of higher importance based on region.</em> Take a customized approach by tailoring your efforts to what is most important to your region.</td>
</tr>
<tr>
<td>Business Impact</td>
<td>• Local supermarkets <em>perform well on most key drivers especially quality, staff and layout,</em> but do not fare nearly as well for price and resolving problems.</td>
<td>• Higher satisfaction leads to a greater likelihood your customers will speak positively on your behalf, recommend you, and continue to choose you over any online or offline alternatives.</td>
</tr>
<tr>
<td></td>
<td>• <em>Over 8 in 10 shoppers prefer their local store to an online alternative,</em> and nearly three-quarters are willing to advocate and recommend.</td>
<td></td>
</tr>
</tbody>
</table>
## E-Commerce

- **Online grocery shopping has yet to catch on for Independents.** (only 11% shop online today). For those who do, consumers use online grocery shopping more as a supplement to the store, not a replacement. In fact, they still make most of their purchases at the brick-and-mortar location.

- Convenience is the main rationale for shopping online for groceries, while the need for sight is the biggest barrier. And delivery is far more popular than “click and collect.”

- Not many rate their local store’s technology (website/app) very well, and don’t seem to find the same products or prices online as offline.

- Most would like fees in the $0-5 range (lower for click and collect than delivery), but even offering a reasonable fee does not appear likely to change behavior.

- That said, about 3 in 10 anticipate an uptick in their online grocery shopping over the next five years.

### Action Steps

- **Increase e-commerce investments in a targeted fashion,** focusing on ‘target markets’ that make sense.

- **Emphasize the benefit of convenience and keep fees low and consistent.**

- **Do research and make changes to improve the online modes (website/app) to become more user-friendly.**

- **Find a strategy to address concerns about sight and freshness.** High quality, fresh food at no additional cost = table stakes for e-commerce.

## Fresh Foods & Prepared Foods

- **Produce is the most important fresh food,** while the top preferences for prepared foods are split between entrees, side dishes and salads.

- For both fresh and prepared foods, shoppers care most about freshness and appearance.

- Similar to last year Independent shoppers more than any other group say it’s very important for prepared food to be prepared fresh every day.

### Action Steps

- **Pay close attention to freshness and appearance.** This is a clear place to differentiate from the competition. No traits matter more with fresh and prepared foods; freshness is one key reason consumers return to the store.
**TOPIC**

**Nutrition**
- Local supermarkets can – and should – **support shoppers in healthy eating and living**, according to consumers.
- Similar to last year, consumers recommend shelf tags, organics, a wider assortment and foods for special diets to help consumers lead healthier lives.
- Many would also welcome instruction on how to cook certain foods and on label reading.
- Most would prefer healthy foods alongside other foods, not in their own special section.

**Purchase Behavior**
- Approximately **two in ten shoppers say that their beef, seafood, deli and bakery purchases** have decreased.
- Changes in purchasing specific foods have to do more with diet and price than anything else and a many of these shoppers do not have plans to replace these items.

**FINDINGS**

**ACTION STEPS**

- Consumers expect action from supermarkets. **Help shoppers live healthier lives** by offering solutions like shelf tags and a greater array of options (organics, food for special diets).
- Provide tangible guidance on food (cooking and label reading) to ensure that shoppers make the best choices and receive the best nutritional value for the money.
- Whenever possible, these items should be provided at **no cost to the shopper**.
- Shoppers **are most sensitive when it comes to the price of seafood**...avoid price increases and run deals on seafood.
- For those that have moved away from beef due to diet, find healthier solutions within category or find ways to improve selection in other areas like produce, poultry, and other alternatives.
Independents: Taking Action

**Future Outlook**

- **FINDINGS**
  - A *price increase of 5%* to Independent shopper's weekly shopping basket, will cause nearly two in ten (19%) to leave their local supermarket. A 10% price increase will have nearly six in ten (58%) of shoppers looking for another place to do their grocery shopping.

- **ACTION STEPS**
  - Carefully manage price increases, but if it has to be done the realistic threshold is most likely in the 2-3% range. Develop a prioritized category specific price increase strategy.

**Sources of Information**

- **FINDINGS**
  - Half don’t use social networking tools to gain information on food.
  - But for those who do, Facebook is the pre-eminent source.

- **ACTION STEPS**
  - Given the importance (and growth) of social media to half the population, you can’t afford not to be online. *Develop an affordable Omnichannel capability set where on-line growth is fully integrated.*
Satisfaction with Independents
Convenience tops list of reasons to shop locally, followed by price
Loyalty is common; only 14% have switched in past year

Reasons to Shop at Independents

- Convenience (70%)
- Best prices (52%)
- Better than nearby alternatives (44%)
- Best quality (44%)
- Personal service (20%)

14% Switched local supermarkets in the past 12 months
Location and price are also key factors that prompt switch
Food options are less salient, like meat, perishables, organic food, and prepared food

**Factors Influencing the Switch**

<table>
<thead>
<tr>
<th>Factor</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>48%</td>
</tr>
<tr>
<td>Price</td>
<td>48%</td>
</tr>
<tr>
<td>Quality</td>
<td>38%</td>
</tr>
<tr>
<td>Meat</td>
<td>32%</td>
</tr>
<tr>
<td>Ease of shopping</td>
<td>32%</td>
</tr>
<tr>
<td>Customer service</td>
<td>29%</td>
</tr>
<tr>
<td>Fresh perishables</td>
<td>21%</td>
</tr>
<tr>
<td>Assortment</td>
<td>15%</td>
</tr>
<tr>
<td>Natural and organic selection</td>
<td>14%</td>
</tr>
<tr>
<td>In store expertise</td>
<td>13%</td>
</tr>
<tr>
<td>Prepared foods</td>
<td>11%</td>
</tr>
<tr>
<td>Home Delivery</td>
<td>9%</td>
</tr>
<tr>
<td>Health and wellness services</td>
<td>8%</td>
</tr>
<tr>
<td>Private Label</td>
<td>7%</td>
</tr>
<tr>
<td>Click and collect and/or curbside pick-up</td>
<td>6%</td>
</tr>
<tr>
<td>Other</td>
<td>13%</td>
</tr>
</tbody>
</table>
Satisfaction is high for independents primary store
Nearly 2 in 3 consumers are very or extremely satisfied

Q1 All things considered, how satisfied are you with the job your local supermarket is doing to satisfy your needs?

- Extremely/Somewhat Satisfied: 20%
- Very Fairly Satisfied: 44%
- Not at All Somewhat Satisfied: 12%
- Not at All Extremely Satisfied: 1%

Nearly 2 in 3 consumers are very or extremely satisfied with their primary independent store.
Drivers of Shopping Satisfaction at Independents
Cleanliness is the key trait associated with independents
Friendly employees and an easy-to-use layout are also common characteristics

Perceptions about Local Supermarket – Top Responses
Scores of 6 or 7 on a 7-point agreement scale where 7 = Describes very well and 1 = Does not describe well

Experience
- Is a clean, neat store
- Has courteous, friendly employees
- Has a store layout that makes it easy for me to shop
- Offers a deli with prepared foods or "foods to go"
- Offers Private Labels/Store Brands
- Sells high quality fruits & vegetables
- Sells high quality meats
- Store resolves shopping/product/service issues immediately
- Offers locally grown produce & other packaged goods
- Features low prices
- Pays attention to customers' special requests or needs
- Offers organic food of all kinds
- Is active in and supports our local community
- Offers a good selection of ethnic or cultural foods
- Has a Frequent Shopper Program that offers benefits
- Has nutrition & health information easily available near the products I buy
- Has a pharmacy inside the store
- Offers me mobile marketing
- Offers online ordering with curbside pick-up and/or home delivery
- Has a dietician at the store

Product

BASE: ALL QUALIFIED RESPONDENTS: Total (n=3008)

Q2 Thinking about your current grocery shopping experience, please tell us how well each of the following statements describes your local supermarket.
Over 8 in 10 prefer their independent store to an online option
Almost three-quarters are also willing to advocate for and recommend their local supermarket

Supportive Behaviors
Scores of 6 or 7 on a 7-point scale where 7 = Extremely likely and 1 = Not at all likely

- **TOTAL Respondents**
  - Continue to shop at the store instead of shopping online: 84%
  - Speak positively about the local supermarket: 74%
  - Recommend the local supermarket to others through word of mouth: 72%
  - Support the local supermarket because it is linked to the community through employees, local programs, and community donations: 57%
  - Recommend the local supermarket to others through social media: 37%

Shoppers who are EXTREMELY/VERY SATISFIED with their independent store
- Continue to shop at the store instead of shopping online: 92%
- Speak positively about the local supermarket: 89%
- Recommend the local supermarket to others through word of mouth: 87%
- Support the local supermarket because it is linked to the community through employees, local programs, and community donations: 69%
- Recommend the local supermarket to others through social media: 46%

**BASE:** ALL QUALIFIED RESPONDENTS (Total (n=3008)
Q4 And still thinking about your local supermarket, how likely are you to do each of the following?
Satisfaction matters because it drives business supportive behaviors

This drivers analysis pinpoints the attributes that have the highest impact on your customer’s satisfaction and with increased satisfaction comes a higher likelihood your customers will have these desired behaviors that drive business.

The key objective of the analysis for this research is to provide NGA with:

- a framework for understanding independents satisfaction
- a prioritized path for increasing satisfaction and the outcomes it affects (advocacy, benefit of the doubt, etc.)

**ATTRIBUTES**
Analysis to determine which attributes were statistically significantly related to local supermarket satisfaction.

**SATISFACTION**
Analysis to provide an assessment of the relative importance of these attributes in driving overall satisfaction.

**OUTCOMES**
Analysis of independent shoppers to find out which behavioral outcomes (advocacy, benefit of the doubt, etc.) they are most likely to do if they have a high level of satisfaction.
Independent shoppers who are very, extremely satisfied are 92% extremely likely to continue to shop at the store instead of shopping online, 89% extremely likely to speak positively about the store, 87% extremely likely to recommend the store to others through word of mouth. These shoppers also have a higher likelihood to act on these behaviors compared to national chain shoppers.

Key areas that most drive satisfaction for Independents include: low prices, efficient customer service, and quality meats and produce

**Primary Attribute Drivers**
- Features low prices
- Store resolves shopping/product/service issues immediately
- Sells high quality meats
- Sells high quality fruits & vegetables

**Secondary Attribute Drivers**
- Has courteous, friendly employees
- Has a store layout that makes it easy for me to shop
- Pays attention to customers’ special requests or needs
- Is active in and supports our local community
- Is a clean, neat store

**Behavioral Outcomes for Independent Shoppers**
- Continue to shop at the store instead of shopping online, 92%
- Speak positively about the local supermarket, 89%
- Recommend the store to others through word of mouth, 87%
- Support the local supermarket because it is linked to the community through employees, local programs, and community donations, 46%
- Recommend the store to others through social media, 69%
Importance vs. Performance

- **Low Importance**
  - High Performance: LEVERAGE
  - Low Performance: IMPROVE

- **High Importance**
  - High Performance: MAINTAIN
  - Low Performance: MONITOR

**Derived Importance** (Impact of Attributes on Satisfaction)

- Mean Importance
  - Low Performance
  - High Performance

- Low (6-7)

Mean Performance

- Low Importance
- High Importance
Impact of Attributes & Performance

Independents perform well on strong drivers of satisfaction like quality meats and produce, friendly employees, and easy-to-navigate layout.

But, there is room to improve other key attribute drivers like low prices and quick problem resolution, which will offer a lift to customer satisfaction.
Trade Off Analysis for Shopping Experience and Product Attributes
What Is Maximum-Difference (MaxDiff) Scaling?

- Maximum difference preference scaling is a **trade-off approach** that provides a means of estimating consumer preferences for each of several features or benefits.

- Category importance ratings are measured using a forced-choice method referred to as Maximum Difference Scaling.

- From their choices, we get a clearer understanding of what the audience **really values**.

- Responses lead to individual-level importance scores that differentiate strongly between what matters and “what is nice to have”.

- Typically, the first step in a max-diff analysis is to translate the raw data into a relative ranking index which is scaled to get an “average” ranking.

- This works more clearly than rating scales, where all items can be rated as having the same importance.
Independent shoppers value price, quality and local items, a clean store with an easy layout and friendly employees the most.

**Most Important** (ranking above 150)
- Features low prices: 220
- Sells high quality fruits & vegetables: 220
- Sells high quality meats: 195
- Is a clean, neat store: 181
- Has courteous, friendly employees: 150
- Offers locally grown produce & other packaged goods: 143
- Has a store layout that makes it easy for me to shop: 119
- Store resolves shopping/product/service issues immediately: 108
- Pays attention to customers’ special requests or needs: 103
- Has a Frequent Shopper Program that offers benefits: 102

**Average Importance** (ranking between 90 and 150)
- Offers Private Labels/Store Brands: 80
- Offers a deli with prepared foods or “foods to go”: 73
- Offers organic food of all kinds, including produce &…: 71
- Offers a good selection of ethnic or cultural foods: 65
- Is active in and supports our local community: 57
- Offers mobile marketing (through the use of digital…): 41
- Has nutrition & health information easily available near the…: 33
- Has a pharmacy inside the store: 18
- Offers online ordering with curbside pick-up and/or home…: 14
- Has a dietician at the store: 5

**Least Important** (ranking below 90)
- Experience
- Product

BASE: ALL QUALIFIED RESPONDENTS (Total n=3008)
Q6 Please indicate which of the following considerations will be most important and which will be least important when you are shopping for groceries over the next 12 months.
### Full Census View – Trade Off Analysis showing differentiation for 6 most important attributes

<table>
<thead>
<tr>
<th>Feature</th>
<th>Total</th>
<th>New England</th>
<th>Middle Atlantic</th>
<th>East North Central</th>
<th>West North Central</th>
<th>South Atlantic</th>
<th>East South Central</th>
<th>West South Central</th>
<th>Mountain</th>
<th>Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td>Features low prices</td>
<td>220</td>
<td>230</td>
<td>225</td>
<td>223</td>
<td>227</td>
<td>205</td>
<td>233</td>
<td>215</td>
<td>217</td>
<td>215</td>
</tr>
<tr>
<td>Sells high quality fruits &amp; vegetables</td>
<td>220</td>
<td>227</td>
<td>218</td>
<td>222</td>
<td>221</td>
<td>212</td>
<td>210</td>
<td>222</td>
<td>214</td>
<td>226</td>
</tr>
<tr>
<td>Sells high quality meats</td>
<td>195</td>
<td>194</td>
<td>189</td>
<td>194</td>
<td>210</td>
<td>198</td>
<td>207</td>
<td>206</td>
<td>189</td>
<td>187</td>
</tr>
<tr>
<td>Is a clean, neat store</td>
<td>181</td>
<td>181</td>
<td>178</td>
<td>183</td>
<td>190</td>
<td>177</td>
<td>191</td>
<td>185</td>
<td>179</td>
<td>180</td>
</tr>
<tr>
<td>Has courteous, friendly employees</td>
<td>150</td>
<td>149</td>
<td>137</td>
<td>153</td>
<td>167</td>
<td>148</td>
<td>168</td>
<td>160</td>
<td>158</td>
<td>144</td>
</tr>
<tr>
<td>Offers locally grown produce &amp; other packaged goods</td>
<td>143</td>
<td>151</td>
<td>137</td>
<td>144</td>
<td>133</td>
<td>137</td>
<td>140</td>
<td>141</td>
<td>149</td>
<td>157</td>
</tr>
<tr>
<td>Has a store layout that makes it easy for me to shop</td>
<td>119</td>
<td>123</td>
<td>117</td>
<td>125</td>
<td>139</td>
<td>109</td>
<td>116</td>
<td>119</td>
<td>116</td>
<td>115</td>
</tr>
<tr>
<td>Store resolves shopping/product/service issues immediately</td>
<td>108</td>
<td>117</td>
<td>107</td>
<td>106</td>
<td>116</td>
<td>116</td>
<td>116</td>
<td>106</td>
<td>107</td>
<td>97</td>
</tr>
<tr>
<td>Pays attention to customers’ special requests or needs</td>
<td>103</td>
<td>104</td>
<td>96</td>
<td>101</td>
<td>105</td>
<td>115</td>
<td>115</td>
<td>108</td>
<td>114</td>
<td>92</td>
</tr>
<tr>
<td>Has a Frequent Shopper Program that offers benefits</td>
<td>102</td>
<td>122</td>
<td>127</td>
<td>99</td>
<td>91</td>
<td>99</td>
<td>84</td>
<td>77</td>
<td>96</td>
<td>94</td>
</tr>
<tr>
<td>Offers Private Labels/Store Brands</td>
<td>80</td>
<td>78</td>
<td>81</td>
<td>80</td>
<td>85</td>
<td>71</td>
<td>96</td>
<td>86</td>
<td>69</td>
<td>82</td>
</tr>
<tr>
<td>Offers a deli with prepared foods or “foods to go”</td>
<td>73</td>
<td>63</td>
<td>76</td>
<td>80</td>
<td>83</td>
<td>71</td>
<td>66</td>
<td>64</td>
<td>69</td>
<td>71</td>
</tr>
<tr>
<td>Offers organic food of all kinds, including produce &amp; packaged</td>
<td>71</td>
<td>60</td>
<td>68</td>
<td>66</td>
<td>44</td>
<td>86</td>
<td>44</td>
<td>69</td>
<td>77</td>
<td>96</td>
</tr>
<tr>
<td>Offers a good selection of ethnic or cultural foods</td>
<td>65</td>
<td>49</td>
<td>62</td>
<td>70</td>
<td>44</td>
<td>65</td>
<td>47</td>
<td>64</td>
<td>60</td>
<td>89</td>
</tr>
<tr>
<td>Is active in and supports our local community</td>
<td>57</td>
<td>46</td>
<td>51</td>
<td>59</td>
<td>59</td>
<td>54</td>
<td>59</td>
<td>70</td>
<td>70</td>
<td>56</td>
</tr>
<tr>
<td>Offers me mobile marketing</td>
<td>41</td>
<td>46</td>
<td>50</td>
<td>39</td>
<td>34</td>
<td>41</td>
<td>49</td>
<td>35</td>
<td>41</td>
<td>36</td>
</tr>
<tr>
<td>Has nutrition &amp; health information easily available near the products I buy</td>
<td>33</td>
<td>25</td>
<td>39</td>
<td>27</td>
<td>28</td>
<td>38</td>
<td>25</td>
<td>36</td>
<td>37</td>
<td>33</td>
</tr>
<tr>
<td>Has a pharmacy inside the store</td>
<td>18</td>
<td>18</td>
<td>19</td>
<td>14</td>
<td>13</td>
<td>27</td>
<td>15</td>
<td>22</td>
<td>23</td>
<td>12</td>
</tr>
<tr>
<td>Offers online ordering with curbside pick-up and/or delivery</td>
<td>14</td>
<td>13</td>
<td>17</td>
<td>12</td>
<td>10</td>
<td>22</td>
<td>13</td>
<td>11</td>
<td>11</td>
<td>13</td>
</tr>
<tr>
<td>Has a dietician at the store</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>10</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

Blue arrow indicates areas where region is higher than the national average for 6 most important attributes.
E-Commerce
Similar to last year, online shopping is uncommon in the United States. Only about 1 in 10 shop for groceries online, convenience being the main incentive.

11% Shop for Groceries Online

Reasons for Shopping Online

- Convenience: 43%
- I don’t have enough time to go to the store: 13%
- It’s easier to purchase non-perishable items online: 12%
- It’s easier to find what I need online: 10%
- I don’t enjoy going to the grocery store: 10%
- Specialty items / Items unavailable local: 5%
- Inability to go shopping: 1%
- Something different to try: 1%
- Good/Better Prices: 1%

BASE: ALL QUALIFIED RESPONDENTS (Total n=3008)
Q8: When shopping for groceries, do you ever shop online?
BASE: SHOPS ONLINE (n=284)
Q10: Why do you shop for groceries online?
89% Do Not Shop for Groceries Online

**Reasons for Not Shopping Online**

- Some foods need to be purchased by sight: 67%
- Concerns about the food being fresh: 48%
- Enjoy the social experience of going to the grocery store: 35%
- Concerned that the product will arrive damaged: 31%
- The fees for online delivery service are too expensive: 30%
- My local supermarket does not have online delivery service: 23%
- The fees for pick up is too expensive: 21%
- Security concerns with providing information online: 15%
- Shopping for groceries online is too slow: 14%

*Reasons above 10% are shown*
Food delivery is much more common than “click and collect”. The majority of online shoppers pay a fee each time food is delivered.

When shopping for food online do you typically...

- **Have the food delivered to your home...**
  - For a fee each time (64%)
  - Unlimited times for a monthly fee (12%)

- **Pick the food up from the store (“click and collect”)...**
  - For a fee (13%)
  - For free (26%)

Base: Shops Online (Total (n=284)
Q9 When shopping for food online do you typically...
1 in 2 consumers (who view delivery prices as too high) think $5 is a fair price. However, a more reasonable fee would have little influence on their use of the service.

**What Should Be the Fee for Online Delivery?**
Among those who feel fee is too expensive

<table>
<thead>
<tr>
<th>Fee Range</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0</td>
<td>21%</td>
</tr>
<tr>
<td>$1 - $4</td>
<td>18%</td>
</tr>
<tr>
<td>$5</td>
<td>46%</td>
</tr>
<tr>
<td>$6 - $9</td>
<td>1%</td>
</tr>
<tr>
<td>$10</td>
<td>7%</td>
</tr>
<tr>
<td>$11+</td>
<td>7%</td>
</tr>
</tbody>
</table>

**How Likely to Shop Online if Delivery Were Reasonable?**
Among those who feel fee is too expensive

- Very likely: 45%
- Somewhat likely: 16%
- Neither likely nor unlikely: 18%
- Somewhat unlikely: 18%
- Very unlikely: 2%

**BASE:** FEES FOR ONLINE DELIVERY TOO EXPENSIVE (n=905)

- Q12 You told us that the fees for online delivery service are too expensive. In your opinion, how much do you think the fee should be?
- Q14 Over the next 12 months, how likely would you be to shop online for groceries if the fees became more reasonable?
Most consumers (who view pick-up prices as too high) think $1-5 is a fair price. But one-quarter believe the service should be free, and few would utilize it even if the fee changed.

**What Should Be the Fee for Click and Collect?**
Among those who feel fee is too expensive

<table>
<thead>
<tr>
<th>Fee Range</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0</td>
<td>26%</td>
</tr>
<tr>
<td>$1 - $4</td>
<td>24%</td>
</tr>
<tr>
<td>$5</td>
<td>38%</td>
</tr>
<tr>
<td>$6 - $9</td>
<td>1%</td>
</tr>
<tr>
<td>$10</td>
<td>7%</td>
</tr>
<tr>
<td>$11+</td>
<td>4%</td>
</tr>
</tbody>
</table>

**How Likely to Shop Online if Click and Collect Were Reasonable?**
Among those who feel fee is too expensive

- Very likely: 44%
- Somewhat likely: 19%
- Neither likely nor unlikely: 17%
- Somewhat unlikely: 18%
- Very unlikely: 3%

**BASE:** FEES FOR PICK UP SERVICE IS TOO EXPENSIVE (n=628)

Q13. You told us that the fees for pick up service are too expensive. In your opinion, how much do you think the fee should be?

Q15. Over the next 12 months, how likely would you be to shop online for groceries if the fees for pick up service became more reasonable?
Online grocery delivery is generally used *in addition to* the supermarket. All Amazon options lead the list of online services used.

**Uses Online Grocery Store and Home Delivery**
(Among those who shop online delivery service)

Men are significantly more likely than Women to use online grocery and delivery instead of going to the store: 38% vs. 24%.

**BASE:** SHOPS ONLINE DELIVERY SERVICE (n=200)
Q15 When you shop online, do you use an online grocery store and home delivery service ...?
“Click and collect” is typically used in addition to going to the supermarket.

Men are more likely than women to use in place of going to a supermarket.

% Use Online Grocery Store and Click and Collect...
(Among those who shop online pickup service)

- 36% in place of going to supermarket
- 64% in addition to going to supermarket

42% vs. 24%

Men are also more likely than Women to use online grocery and pick the food up instead of going to the store.

BASE: SHOPS ONLINE PICK UP SERVICE (n=118)
Q17. When you shop online, do you use an online grocery store and pick the food up from the store…
Even among online shoppers, the majority of purchases are made at the store.

Men are more likely to rely on online shopping for monthly grocery purchases.

% of Groceries Purchased At the Store
vs. Online in Average Month
(Among those who shop online)

Women (79%) more likely than Men (73%) to buy monthly groceries at the store rather than online.

BASE: SHOPS ONLINE (n=284)
Q20 When shopping online for groceries each month, what percentage of your groceries are purchased at the store and what percentage are purchased online?
Even if you are not sure, please provide your best guess.
The most common online purchase is packaged foods
10% of purchases tend to be general merchandise and/or health/beauty care

% Breakdown of Typical Online Shopping Purchases
(Among those who shop online)

- Packaged foods: 14%
- General merchandise/health and beauty care: 10%
- Cleaning products or supplies: 10%
- Paper products: 9%
- Fresh foods, fruits, and vegetables: 9%
- Canned foods: 6%
- Meats: 6%
- Milk, cheese, and other dairy: 5%
- Frozen foods: 5%
- Soda/soft drinks: 4%
- Juice: 4%
- Bakery (bread and fresh baked goods): 4%
- Prepared foods/Foods to go: 4%
- Deli: 3%
- Beer/wine/liquor (where allowed): 2%
- Baby food/products: 2%
- Other: 4%

**BASE:** SHOPS ONLINE (n=284)

Q19 When shopping online, what percentage of the time do you buy each of the following?
In the near-term future, only 1 in 7 will increase their online shopping habits. But in the longer-term (i.e., 5 years), almost 3 in 10 plan to do more online.

% Increase of Groceries Purchased Online
Scores of 4-Somewhat likely or 5-Very likely on a 5-point scale where 5 = Very likely and 1 = Very unlikely

BASE: ALL QUALIFIED RESPONDENTS (n=3008)
Q21 How likely is it that the percentage of your groceries purchased online will increase over the next…?
Fresh Foods and Prepared Foods
Produce is the most important department by far when thinking of ‘fresh foods’. Highest among non parents.

Most Important Fresh Foods Department

- **Produce**: 47%
- **Beef**: 22%
- **Dairy**: 9%
- **Poultry**: 7%
- **Seafood**: 5%
- **Deli**: 5%
- **Bakery**: 3%
- **Cheeses**: 1%

Produce is significantly more important to those without children (51% vs 42% children in HH).

The beef department is most important to East and West South Central regions (34% and 31% respectively).

**BASE**: ALL QUALIFIED RESPONDENTS (n=3008)

Q23 Which fresh foods department is most important to you?
Not surprisingly, freshness matters most in the presentation of fresh foods. Appearance and cleanliness are tied in second place.

What Matters Most in Presentation of Fresh Foods?

<table>
<thead>
<tr>
<th>Feature</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Products are fresh</td>
<td>76%</td>
</tr>
<tr>
<td>Appealing appearance of food</td>
<td>35%</td>
</tr>
<tr>
<td>Cleanliness of display</td>
<td>35%</td>
</tr>
<tr>
<td>Packaging that gives me a clear view of product</td>
<td>32%</td>
</tr>
<tr>
<td>Size appropriate to my needs</td>
<td>23%</td>
</tr>
<tr>
<td>Packaging that preserves freshness</td>
<td>21%</td>
</tr>
<tr>
<td>Locally grown</td>
<td>17%</td>
</tr>
<tr>
<td>Organic</td>
<td>10%</td>
</tr>
<tr>
<td>Sustainability</td>
<td>10%</td>
</tr>
<tr>
<td>Packaging with nutritional information</td>
<td>9%</td>
</tr>
<tr>
<td>Source traceability</td>
<td>5%</td>
</tr>
<tr>
<td>Packaging with cooking instructions</td>
<td>5%</td>
</tr>
<tr>
<td>Brand name</td>
<td>4%</td>
</tr>
<tr>
<td>Recipes</td>
<td>2%</td>
</tr>
</tbody>
</table>

BASE: ALL QUALIFIED RESPONDENTS (n=3008)
Q24 What matters to you most about the presentation of fresh foods? You can select as many as three responses from the list below.
Freshness is also a key priority in the presentation of prepared foods. Appearance and clear packaging are second and third respectively.

What Matters Most in Presentation of Prepared Foods?

- Products are fresh: 68%
- Appealing appearance of food: 41%
- Packaging that gives me a clear view of the product: 35%
- Size appropriate to my needs: 34%
- Packaging that preserves freshness: 27%
- Packaging with cooking/heating instructions: 19%
- Packaging that enables easy heating/cooking: 17%
- Packing with nutritional information: 14%
- None of these: 8%

Prepared foods that preserve freshness is significantly more important to the Mountain region (44%).

**BASE: ALL QUALIFIED RESPONDENTS (n=3008)**

Q26 What matters most to you about the presentation of prepared foods? You can select as many as three items from the list below.
Hot entrees, side dishes and salads are the most popular prepared foods
Breakfast items are the least common

Types of Prepared Foods Purchased at Supermarket

- Hot dinner entrees: 34%
- Sides dishes: Salads: 32%
- Pizza: 27%
- Heat at home dinner entrees: 24%
- Pre-made sandwiches: 22%
- Soups: 21%
- Made-to-order sandwiches: 20%
- Side dishes: Vegetables: 19%
- Breakfast items: 15%
- None of these: 28%

**BASE:** ALL QUALIFIED RESPONDENTS (n=3008)
Q25 What type of prepared foods do you purchase at your supermarket, Please select all that apply.
Nutrition
Consumers believe independents can support healthy eating
The #1 way that supermarkets can help adults eat healthier is shelf tags with nutritional info

The same 3 top the list this year with almost similar rate (41%, 33%, 31%)

How Can Your Primary Independent Store Help You Maintain a Healthy Diet?

- Shelf tags with easily visible nutritional information: 39%
- Greater assortment of natural/organic items: 33%
- Products for special diets (i.e., gluten free) that are clearly marked: 32%
- Cooking instructions: 24%
- Recipes for specific diets: 24%
- Knowledgeable staff on-hand who can suggest alternative products: 20%
- In-store classes that focus on specific diets: 9%
- Access to diéticians: 6%
- None of these: 23%

BASE: ALL QUALIFIED RESPONDENTS (Total n=3008)

Q28 How can your local supermarket help you maintain a healthy diet?

South Atlantic and West North Central regions are more likely to want shelf tags with easily visible nutritional information (46%). As are those who are likely to switch grocers in the next year (42%).
Consumers expect independents to support healthy living
The top recommendations are instruction on how to cook certain foods and how to read labels

Would Like Primary Store to Offer the Following…

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>How to cook certain foods</td>
<td>28%</td>
</tr>
<tr>
<td>Label reading including ingredients and nutritional claims</td>
<td>25%</td>
</tr>
<tr>
<td>General guidance on foods that give good nutritional value for the dollar</td>
<td>23%</td>
</tr>
<tr>
<td>Best foods for my specific health condition</td>
<td>21%</td>
</tr>
<tr>
<td>General guidance on a balanced diet</td>
<td>20%</td>
</tr>
<tr>
<td>Foods to stay away from for my specific health condition</td>
<td>16%</td>
</tr>
<tr>
<td>Weight loss guidance</td>
<td>16%</td>
</tr>
<tr>
<td>Nutritionally smart holiday entertainment ideas</td>
<td>14%</td>
</tr>
<tr>
<td>Foods to go with my fitness program</td>
<td>14%</td>
</tr>
<tr>
<td>Guidance towards my individual wellness goals</td>
<td>11%</td>
</tr>
<tr>
<td>Guidance from an in-store nutritionist/dietitian</td>
<td>8%</td>
</tr>
<tr>
<td>Collaboration with the pharmacist, with my permission</td>
<td>4%</td>
</tr>
</tbody>
</table>

**A/B/C indicates significant difference between segments at 95% confidence.**

**37%**
Do not expect my local supermarket grocery store to provide me with this type of assistance.
Over half of adults think healthy foods should be displayed next to other foods
Only about 4 in 10 believe healthy foods belong in a separate section

**How Should Healthy Foods Be Displayed?**

- Healthy food alternatives shelved alongside other food items: 58%
- A healthy foods section in the store, separate from the main aisles: 42%

Over half who may switch supermarket in next year think healthy foods should have their own section of a store (51%)

**BASE:** ALL QUALIFIED RESPONDENTS (Total n=3008)

Q29 Which would you prefer most when shopping for healthy foods?
More than half would like fresh and seasonal items to be clearly marked. Only about one-quarter say no help is needed.

Advice on Seasonal Items

- Clearly indicate what is fresh and in season: 54%
- Fliers with recipes in store: 33%
- In-store demos: 30%
- No help needed: 24%
- Fliers emailed with recipes: 22%

Those who may switch supermarket in next year would like fliers emailed with recipes (33%).

**BASE:** ALL QUALIFIED RESPONDENTS (Total n=3008)

Q31 How would you like your local supermarket to offer you advice on in season items? Please select all that apply.
Purchase Behavior
For the most part, purchasing has stayed the same. Beef, Seafood, Deli, and Bakery purchase have decreased the most.

### Department Purchase Change

<table>
<thead>
<tr>
<th>Department</th>
<th>Decreased</th>
<th>Stayed the same</th>
<th>Increased</th>
</tr>
</thead>
<tbody>
<tr>
<td>Produce</td>
<td>3%</td>
<td>71%</td>
<td>26%</td>
</tr>
<tr>
<td>Beef</td>
<td>18%</td>
<td>62%</td>
<td>19%</td>
</tr>
<tr>
<td>Poultry</td>
<td>9%</td>
<td>71%</td>
<td>20%</td>
</tr>
<tr>
<td>Seafood</td>
<td>16%</td>
<td>64%</td>
<td>20%</td>
</tr>
<tr>
<td>Deli</td>
<td>17%</td>
<td>66%</td>
<td>17%</td>
</tr>
<tr>
<td>Dairy</td>
<td>8%</td>
<td>74%</td>
<td>18%</td>
</tr>
<tr>
<td>Cheeses</td>
<td>6%</td>
<td>75%</td>
<td>19%</td>
</tr>
<tr>
<td>Bakery</td>
<td>16%</td>
<td>71%</td>
<td>13%</td>
</tr>
</tbody>
</table>

BASE: ALL QUALIFIED RESPONDENTS (Total n=Base Varies)

Q33 Have your purchases at your local supermarket in the following departments…
For the most part, purchasing has stayed the same.
Beef, Seafood, Deli, and Bakery purchase have decreased the most.

<table>
<thead>
<tr>
<th>Department</th>
<th>Increase</th>
<th>Stayed the Same</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Produce</td>
<td>26%</td>
<td>71%</td>
<td>3%</td>
</tr>
<tr>
<td>Beef</td>
<td>19%</td>
<td>62%</td>
<td>18%</td>
</tr>
<tr>
<td>Poultry</td>
<td>20%</td>
<td>71%</td>
<td>9%</td>
</tr>
<tr>
<td>Seafood</td>
<td>20%</td>
<td>64%</td>
<td>16%</td>
</tr>
<tr>
<td>Deli</td>
<td>17%</td>
<td>66%</td>
<td>17%</td>
</tr>
<tr>
<td>Dairy</td>
<td>18%</td>
<td>74%</td>
<td>8%</td>
</tr>
<tr>
<td>Cheeses</td>
<td>19%</td>
<td>75%</td>
<td>6%</td>
</tr>
<tr>
<td>Bakery</td>
<td>13%</td>
<td>71%</td>
<td>16%</td>
</tr>
</tbody>
</table>

*BASE: ALL QUALIFIED RESPONDENTS (Total n=Base Varies)*

Q33 Have your purchases at your local supermarket in the following departments…
The main reason for a decline in seafood and produce purchases is price. But for beef, deli food, dairy, cheese, and baked goods, the motivation is a change in diet.

### Factors Describing the Decrease

<table>
<thead>
<tr>
<th>Department</th>
<th>Change of Diet</th>
<th>Quality</th>
<th>Service</th>
<th>Lack of Knowledge with this Department</th>
<th>Price</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Produce (n=102)</td>
<td>14%</td>
<td>38%</td>
<td>4%</td>
<td>5%</td>
<td>50%</td>
<td>Continue To Differentiate On Quality And While Monitoring And Adjusting Pricing To Drive Traffic</td>
</tr>
<tr>
<td>Beef (n=570)</td>
<td>57%</td>
<td>12%</td>
<td>3%</td>
<td>3%</td>
<td>39%</td>
<td>Consider Alternate Protein Offerings Coupled Quality, Pricing, And Merchandising Initiatives</td>
</tr>
<tr>
<td>Poultry (n=262)</td>
<td>43%</td>
<td>18%</td>
<td>3%</td>
<td>6%</td>
<td>40%</td>
<td>Consider Alternate Protein Offerings While Insuring An Optimized Pricing Strategy</td>
</tr>
<tr>
<td>Seafood (n=512)</td>
<td>18%</td>
<td>21%</td>
<td>6%</td>
<td>9%</td>
<td>55%</td>
<td>Differentiate on Quality, Education, and Pricing. Improve Category Merchandising</td>
</tr>
<tr>
<td>Deli (n=517)</td>
<td>50%</td>
<td>13%</td>
<td>7%</td>
<td>5%</td>
<td>32%</td>
<td>Adjust Assortment to Reflect Better for You Choices While Insuring Pricing in Market Competitive</td>
</tr>
<tr>
<td>Dairy (n=250)</td>
<td>54%</td>
<td>10%</td>
<td>10%</td>
<td>6%</td>
<td>32%</td>
<td>Redesign Assortment To Align With Current Trends And Insure Market Competitive Pricing</td>
</tr>
<tr>
<td>Cheeses (n=209)</td>
<td>59%</td>
<td>13%</td>
<td>11%</td>
<td>7%</td>
<td>31%</td>
<td>Recognize Current Diet Trends And Consider Category Innovation, Artisanal Coupled With Pricing. Seek Alternative Options For Shoppers</td>
</tr>
<tr>
<td>Bakery (n=515)</td>
<td>73%</td>
<td>10%</td>
<td>3%</td>
<td>1%</td>
<td>21%</td>
<td>Optimize Market Level Pricing, Invest In Category Innovation Especially Trend Alternatives</td>
</tr>
</tbody>
</table>

**BASE: DECREASED PURCHASES AT LOCAL SUPERMARKET (n=Base Varies)**

Q35 You mentioned that your purchases have decreased for the following departments. What reasons best describe this decrease?
Generally consumers don’t replace items that they no longer purchase. Only in the case of produce do they typically switch to a different store.

<table>
<thead>
<tr>
<th>Department</th>
<th>Not Replacing Them at All</th>
<th>Different Store</th>
<th>Going Out to Eat</th>
<th>Online</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Produce (n=102)</td>
<td>27%</td>
<td>59%</td>
<td>7%</td>
<td>3%</td>
<td>8%</td>
</tr>
<tr>
<td>Beef (n=570)</td>
<td>56%</td>
<td>21%</td>
<td>10%</td>
<td>3%</td>
<td>19%</td>
</tr>
<tr>
<td>Poultry (n=262)</td>
<td>45%</td>
<td>35%</td>
<td>10%</td>
<td>4%</td>
<td>18%</td>
</tr>
<tr>
<td>Seafood (n=512)</td>
<td>55%</td>
<td>26%</td>
<td>12%</td>
<td>2%</td>
<td>13%</td>
</tr>
<tr>
<td>Deli (n=517)</td>
<td>64%</td>
<td>16%</td>
<td>9%</td>
<td>2%</td>
<td>19%</td>
</tr>
<tr>
<td>Dairy (n=250)</td>
<td>52%</td>
<td>33%</td>
<td>3%</td>
<td>2%</td>
<td>15%</td>
</tr>
<tr>
<td>Cheeses (n=209)</td>
<td>51%</td>
<td>20%</td>
<td>8%</td>
<td>5%</td>
<td>21%</td>
</tr>
<tr>
<td>Bakery (n=515)</td>
<td>69%</td>
<td>14%</td>
<td>4%</td>
<td>2%</td>
<td>17%</td>
</tr>
</tbody>
</table>

*BASE: DECREASED PURCHASES AT LOCAL SUPERMARKET (n=Base Varies)*

Q36 With the decrease in purchases for the following departments, how are you replacing items that would have previously been purchased from these departments?
Future Outlook
A price increase of 5% to shopper’s weekly shopping basket, will cause nearly two in ten (19%) to leave their independent store.

If price is increased by X%, would you continue to shop at your local supermarket?

**BASE: ALL QUALIFIED RESPONDENTS**

Q32 Thinking about your average weekly shopping basket, would you continue to shop at your local supermarket if the price increased...
Almost 7 in 10 consumers have no plans to switch from their independent store. But for those who do, Walmart or Kroger is where they plan to shop in the future.

Likelihood to Switch Local Supermarket in Next 12 Months

- **9% Likely (Net)**
- **Supermarket Planning to Switch To**
  - Kroger: 9%
  - Walmart: 9%
  - Whole Foods Market: 4%
  - Trader Joe's: 3%
  - Acme: 3%
  - Aldi: 4%

**BASE**: ALL QUALIFIED RESPONDENTS (Total n=3008)

Q37 Within the next 12 months, how likely are you to switch your local supermarket?

**BASE**: SOMEWHAT OR VERY LIKELY TO SWITCH IN NEXT 12 MONTHS (Total n=218)

Q38 What supermarket are you planning to switch to?
Sources of Information
Nearly half do not use any social networking tools to exchange food info. But for those who do, Facebook tops the list of social media sites.

Use Social Networking Sites to Research New Products, Recipes and Nutrition

- **Facebook**: 38%
- **Pinterest**: 19%
- **YouTube**: 18%
- **Instagram**: 12%
- **Twitter**: 8%
- **Other**: 6%
- **None of these**: 47%

Who Uses Social Networking Most?

Those who are likely to switch supermarkets in next year are significantly higher across all social networking tools, as are parents.

**BASE:** ALL QUALIFIED RESPONDENTS (Total n=3008)

Q27 Of the following social networking tools, which do you actively use to gather or exchange information about foods, including new products, nutrition and recipes?
Regional Scorecards
## Scorecard: Snapshot Across All Regions

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>New England</th>
<th>Middle Atlantic</th>
<th>East North Central</th>
<th>West North Central</th>
<th>South Atlantic</th>
<th>East South Central</th>
<th>West South Central</th>
<th>Mountain</th>
<th>Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Satisfaction</strong></td>
<td>64%</td>
<td>67%</td>
<td>60%</td>
<td>65%</td>
<td>73%</td>
<td>65%</td>
<td>52%</td>
<td>67%</td>
<td>66%</td>
<td>63%</td>
</tr>
<tr>
<td>(extremely/very satisfied)</td>
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<td></td>
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</tr>
<tr>
<td><strong>Switch local supermarket</strong></td>
<td>9%</td>
<td>4%</td>
<td>7%</td>
<td>10%</td>
<td>7%</td>
<td>11%</td>
<td>13%</td>
<td>10%</td>
<td>4%</td>
<td>12%</td>
</tr>
<tr>
<td>(somewhat/very likely)</td>
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<tr>
<td><strong>Trade off analysis</strong></td>
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<tr>
<td>(top 3 attributes of importance)</td>
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</tr>
<tr>
<td>• Features low price</td>
<td></td>
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<td></td>
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<tr>
<td>• Sells high quality</td>
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</tr>
<tr>
<td>• Fruits &amp; Vegetable</td>
<td></td>
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<td></td>
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<td></td>
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<tr>
<td>• Sells high quality</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Meats</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Shops online</strong></td>
<td>11%</td>
<td>8%</td>
<td>11%</td>
<td>8%</td>
<td>8%</td>
<td>14%</td>
<td>7%</td>
<td>7%</td>
<td>13%</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Increase online purchases over next 2 years</strong></td>
<td>19%</td>
<td>10%</td>
<td>22%</td>
<td>15%</td>
<td>18%</td>
<td>23%</td>
<td>19%</td>
<td>20%</td>
<td>20%</td>
<td>19%</td>
</tr>
<tr>
<td>(somewhat/very likely)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Most important fresh food dept (top 3)</strong></td>
<td>47% Produce Beef 22% Dairy</td>
<td>52% Produce 15% Beef 11% Dairy</td>
<td>47% Produce 17% Beef 12% Poultry</td>
<td>47% Produce 23% Beef 11% Dairy</td>
<td>52% Produce 22% Beef 6% Dairy</td>
<td>46% Produce 34% Beef 10% Dairy 10% Poultry</td>
<td>43% Produce 31% Beef 10% Dairy</td>
<td>51% Produce 24% Beef 9% Dairy</td>
<td>48% Produce 20% Beef 10% Dairy</td>
<td></td>
</tr>
<tr>
<td><strong>Social networking Tools used (top 3)</strong></td>
<td>38% Facebook 19% Pinterest 18% YouTube</td>
<td>33% Facebook 16% Pinterest 10% Instagram</td>
<td>35% Facebook 16% YouTube 13% Pinterest</td>
<td>38% Facebook 18% Pinterest 14% YouTube</td>
<td>31% Facebook 22% Pinterest 10% YouTube</td>
<td>46% Facebook 25% YouTube 22% Pinterest</td>
<td>43% Facebook 30% Pinterest 17% YouTube</td>
<td>40% Facebook 22% YouTube 20% Pinterest</td>
<td>44% Facebook 28% Pinterest 19% YouTube</td>
<td>37% Facebook 22% YouTube 20% Pinterest</td>
</tr>
<tr>
<td><strong>Ways local supermarket can help with maintaining a healthy diet (top 2)</strong></td>
<td>39% Shelf tags with easily visible nutritional info 33% Greater assortment of natural/organic items</td>
<td>35% Shelf tags with easily visible nutritional info 32% Greater assortment of natural/organic items</td>
<td>40% Shelf tags with easily visible nutritional info 30% Products for special diets</td>
<td>39% Shelf tags with easily visible nutritional info 32% Greater assortment of natural/organic items</td>
<td>46% Shelf tags with easily visible nutritional info 33% Products for special diets</td>
<td>46% Shelf tags with easily visible nutritional info 38% Greater assortment of natural/organic items</td>
<td>40% Shelf tags with easily visible nutritional info 34% Products for special diets</td>
<td>33% Shelf tags with easily visible nutritional info 31% Greater assortment of natural/organic items</td>
<td>39% Shelf tags with easily visible nutritional info 39% Products for special diets</td>
<td>40% Greater assortment of natural/organic items 36% Shelf tags with easily visible nutritional info</td>
</tr>
<tr>
<td>% of shopper base that would continue to shop at your store based on a X% price increase</td>
<td>5% – 81% 10% – 42% 15% – 21% 5% – 81% 10% – 42% 15% – 21%</td>
<td>5% – 81% 10% – 42% 15% – 21% 5% – 81% 10% – 42% 15% – 21%</td>
<td>5% – 81% 10% – 42% 15% – 21% 5% – 81% 10% – 42% 15% – 21%</td>
<td>5% – 81% 10% – 42% 15% – 21% 5% – 81% 10% – 42% 15% – 21%</td>
<td>5% – 81% 10% – 42% 15% – 21% 5% – 81% 10% – 42% 15% – 21%</td>
<td>5% – 81% 10% – 42% 15% – 21% 5% – 81% 10% – 42% 15% – 21%</td>
<td>5% – 81% 10% – 42% 15% – 21% 5% – 81% 10% – 42% 15% – 21%</td>
<td>5% – 81% 10% – 42% 15% – 21% 5% – 81% 10% – 42% 15% – 21%</td>
<td>5% – 81% 10% – 42% 15% – 21% 5% – 81% 10% – 42% 15% – 21%</td>
<td></td>
</tr>
</tbody>
</table>
## Full Census View – Trade Off Analysis showing differentiation for 6 most important attributes

<table>
<thead>
<tr>
<th>Feature</th>
<th>Total</th>
<th>New England</th>
<th>Middle Atlantic</th>
<th>East North Central</th>
<th>West North Central</th>
<th>South Atlantic</th>
<th>East South Central</th>
<th>West South Central</th>
<th>Mountain</th>
<th>Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td>Features low prices</td>
<td>220</td>
<td>230</td>
<td>225</td>
<td>223</td>
<td>227</td>
<td>205</td>
<td>233</td>
<td>215</td>
<td>217</td>
<td>215</td>
</tr>
<tr>
<td>Sells high quality fruits &amp; vegetables</td>
<td>220</td>
<td>227</td>
<td>218</td>
<td>222</td>
<td>221</td>
<td>212</td>
<td>210</td>
<td>222</td>
<td>214</td>
<td>226</td>
</tr>
<tr>
<td>Sells high quality meats</td>
<td>195</td>
<td>194</td>
<td>189</td>
<td>194</td>
<td>210</td>
<td>198</td>
<td>207</td>
<td>206</td>
<td>189</td>
<td>187</td>
</tr>
<tr>
<td>Is a clean, neat store</td>
<td>181</td>
<td>181</td>
<td>178</td>
<td>183</td>
<td>190</td>
<td>177</td>
<td>191</td>
<td>185</td>
<td>179</td>
<td>180</td>
</tr>
<tr>
<td>Has courteous, friendly employees</td>
<td>150</td>
<td>149</td>
<td>137</td>
<td>153</td>
<td>167</td>
<td>148</td>
<td>168</td>
<td>160</td>
<td>158</td>
<td>144</td>
</tr>
<tr>
<td>Offers locally grown produce &amp; other packaged goods</td>
<td>143</td>
<td>151</td>
<td>137</td>
<td>144</td>
<td>133</td>
<td>137</td>
<td>140</td>
<td>141</td>
<td>149</td>
<td>157</td>
</tr>
<tr>
<td>Has a store layout that makes it easy for me to shop</td>
<td>119</td>
<td>123</td>
<td>117</td>
<td>125</td>
<td>139</td>
<td>109</td>
<td>116</td>
<td>119</td>
<td>116</td>
<td>115</td>
</tr>
<tr>
<td>Store resolves shopping/product/service issues immediately</td>
<td>108</td>
<td>117</td>
<td>107</td>
<td>106</td>
<td>116</td>
<td>116</td>
<td>116</td>
<td>106</td>
<td>107</td>
<td>97</td>
</tr>
<tr>
<td>Pays attention to customers’ special requests or needs</td>
<td>103</td>
<td>104</td>
<td>96</td>
<td>101</td>
<td>105</td>
<td>115</td>
<td>115</td>
<td>108</td>
<td>114</td>
<td>92</td>
</tr>
<tr>
<td>Has a Frequent Shopper Program that offers benefits</td>
<td>102</td>
<td>122</td>
<td>127</td>
<td>99</td>
<td>91</td>
<td>99</td>
<td>84</td>
<td>77</td>
<td>96</td>
<td>94</td>
</tr>
<tr>
<td>Offers Private Labels/Store Brands</td>
<td>80</td>
<td>78</td>
<td>81</td>
<td>80</td>
<td>85</td>
<td>71</td>
<td>196</td>
<td>86</td>
<td>69</td>
<td>82</td>
</tr>
<tr>
<td>Offers a deli with prepared foods or “foods to go”</td>
<td>73</td>
<td>63</td>
<td>76</td>
<td>80</td>
<td>83</td>
<td>71</td>
<td>116</td>
<td>66</td>
<td>64</td>
<td>69</td>
</tr>
<tr>
<td>Offers organic food of all kinds, including produce &amp; packaged</td>
<td>71</td>
<td>60</td>
<td>68</td>
<td>66</td>
<td>44</td>
<td>86</td>
<td>44</td>
<td>69</td>
<td>77</td>
<td>96</td>
</tr>
<tr>
<td>Offers a good selection of ethnic or cultural foods</td>
<td>65</td>
<td>49</td>
<td>62</td>
<td>70</td>
<td>44</td>
<td>65</td>
<td>47</td>
<td>64</td>
<td>60</td>
<td>89</td>
</tr>
<tr>
<td>Is active in and supports our local community</td>
<td>57</td>
<td>46</td>
<td>51</td>
<td>59</td>
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<td>54</td>
<td>59</td>
<td>70</td>
<td>70</td>
<td>56</td>
</tr>
<tr>
<td>Offers me mobile marketing</td>
<td>41</td>
<td>46</td>
<td>50</td>
<td>39</td>
<td>34</td>
<td>41</td>
<td>49</td>
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<td>41</td>
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</tr>
<tr>
<td>Has nutrition &amp; health information easily available near the products</td>
<td>33</td>
<td>25</td>
<td>39</td>
<td>27</td>
<td>28</td>
<td>38</td>
<td>25</td>
<td>36</td>
<td>37</td>
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</tr>
<tr>
<td>Has a pharmacy inside the store</td>
<td>18</td>
<td>18</td>
<td>19</td>
<td>14</td>
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<td>27</td>
<td>15</td>
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<td>23</td>
<td>12</td>
</tr>
<tr>
<td>Offers online ordering with curbside pick-up and/or delivery</td>
<td>14</td>
<td>13</td>
<td>17</td>
<td>12</td>
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<td>13</td>
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<tr>
<td>Has a dietician at the store</td>
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<td>4</td>
<td>3</td>
<td>10</td>
<td>5</td>
<td>4</td>
<td>5</td>
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</tr>
</tbody>
</table>

- **Blue arrow indicates areas where region is higher than the national average for 6 most important attributes**

### Most Important
- (ranking above 150)

### Average Importance
- (ranking between 90 and 150)

### Least Important
- (ranking below 90)
### Full Census View – Driver Analysis

<table>
<thead>
<tr>
<th>Statement</th>
<th>New England</th>
<th>Middle Atlantic</th>
<th>East North Central</th>
<th>West North Central</th>
<th>South Atlantic</th>
<th>East South Central</th>
<th>West South Central</th>
<th>Mountain</th>
<th>Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has a store layout that makes it easy for me to shop</td>
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<tr>
<td>Is a clean, neat store</td>
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<td>Has courteous, friendly employees</td>
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<tr>
<td>Offers a deli with prepared foods or &quot;foods to go&quot;</td>
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<tr>
<td>Offers a good selection of ethnic or cultural foods</td>
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<tr>
<td>Has a dietician at the store</td>
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<tr>
<td>Has a pharmacy inside the store</td>
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<tr>
<td>Offers organic food of all kinds, including produce &amp; packaged foods</td>
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<tr>
<td>Sells high quality fruits &amp; vegetables</td>
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<tr>
<td>Sells high quality meats</td>
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<td>Offers locally grown produce &amp; other packaged goods</td>
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<td>Offers online ordering with curbside pick-up and/or home delivery</td>
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<td>Features low prices</td>
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<td>Offers mobile marketing</td>
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<td>Is active in and supports our local community</td>
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<tr>
<td>Pays attention to customers’ special requests or needs</td>
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<tr>
<td>Offers a Frequent Shopper Program that offers benefits</td>
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<tr>
<td>Store resolves shopping/product/service issues immediately</td>
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<tr>
<td>Offers Private Labels/Store Brands</td>
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</tbody>
</table>

**Q2** Thinking about your current grocery shopping experience, please tell us how well each of the following statements describes your local supermarket.

---

**BASE:** ALL QUALIFIED RESPONDENTS (Total (n=3008))

---

73
Scorecard: New England

% Increase of Groceries Purchased Online

% of Shopper Base that Would Continue to Shop at Your Store Based on a x% Price Increase

Likelihood of Switching Your Local Supermarket (Somewhat/Very Likely)

Features low prices
Sells high quality fruits & vegetables
Sells high quality meats
Is a clean, neat store
Offers locally grown produce & other packaged goods

Trade Off Analysis

Business Critical Shopper Behaviors

Most Important Fresh Foods Department

Social Networking Tools

Ways Local Supermarket Can Help to Maintain a Healthy Diet

Gender
69% White
11% Black
5% Hispanic
14% Other

Race
52% 48%

Gender

Avg Age
49

New England

9%

74% White
11% Black
5% Hispanic
14% Other

52% 48%

8% Shop for Groceries Online

% Increase of Groceries Purchased Online

10% 10% 18%

10
20
30
40
50
0
12 mo 24 mo 5 years

10%

35%

32%

0%

10%

20%

30%

40%

50%

60%

70%

80%

90%

100%

+5%

+10%

+15%

Facebook
Pinterest
Instagram

33%
16%
10%

35%
32%
31%

90%
43%
18%

90%
43%
18%

90%
43%
18%

90%
43%
18%

90%
43%
18%

90%
43%
18%

90%
43%
18%

90%
43%
18%
New England – Trade Off Analysis

Most Important (ranking above 150)
- Features low prices
- Sells high quality fruits & vegetables
- Sells high quality meats
- Is a clean, neat store
- Offers locally grown produce & other packaged goods

Average Importance (ranking between 90 and 150)
- Has courteous, friendly employees
- Has a store layout that makes it easy for me to shop
- Has a Frequent Shopper Program that offers benefits
- Store resolves shopping/product/service issues immediately
- Pays attention to customers’ special requests or needs
- Offers Private Labels/Store Brands
- Offers a deli with prepared foods or “foods to go”
- Offers organic food of all kinds, including produce &…
- Offers a good selection of ethnic or cultural foods
- Offers me mobile marketing (through the use of digital…
- Is active in and supports our local community
- Has nutrition & health information easily available near the…

Least Important (ranking below 90)
- Experience
- Product
- Offers a pharmacy inside the store
- Offers online ordering with curbside pick-up and/or home...
- Has a dietitian at the store

BASE: ALL QUALIFIED RESPONDENTS (New England n=215)
Q6 Please indicate which of the following considerations will be most important and which will be least important when you are shopping for groceries over the next 12 months.
Scorecard: Middle Atlantic

Middle Atlantic

Avg Age
51

Gender
51% 49%

Race
69% White
13% Black
12% Hispanic
5% Other

20% % Increase of Groceries Purchased Online

% Increase of Groceries Purchased Online

14% 22% 30%
12 mo 24 mo 5 years

Satisfaction (Extremely/Very Satisfied)
60%

Likelihood of Switching Your Local Supermarket (Somewhat/Very Likely)
7%

Trade Off Analysis

Features low prices
Sells high quality fruits & vegetables
Sells high quality meats
Is a clean, neat store

225
218
189
178

Business Critical Shopper Behaviors

83% Continue to shop at the store instead of shopping online
69% Speak positively about the local supermarket
65% Recommend local supermarket to others through word of mouth
50% Support local supermarket because it is linked to the community
27% Recommend local supermarket to others through social media

Most Important Fresh Foods Department

- Produce: 47%
- Beef: 17%
- Poultry: 12%

Social Networking Tools

Facebook: 35%
YouTube: 16%
Pinterest: 13%

Ways Local Supermarket Can Help to Maintain a Healthy Diet

Shelf tags with easily visible nutritional information

40%

Products for special diets (i.e., gluten free) that are clearly marked

30%

Greater assortment of natural/organic items

28%
Q6 Please indicate which of the following considerations will be most important and which will be least important when you are shopping for groceries over the next 12 months.

### Mid Atlantic - Trade Off Analysis

#### Most Important (ranking above 150)
- Features low prices: 225
- Sells high quality fruits & vegetables: 218
- Sells high quality meats: 189
- Is a clean, neat store: 178

#### Average Importance (ranking between 90 and 150)
- Has courteous, friendly employees: 137
- Offers locally grown produce & other packaged goods: 137
- Has a Frequent Shopper Program that offers benefits: 127
- Has a store layout that makes it easy for me to shop: 117
- Store resolves shopping/product/service issues immediately: 107
- Pays attention to customers’ special requests or needs: 96
- Offers Private Labels/Store Brands: 81
- Offers a deli with prepared foods or “foods to go”: 76
- Offers organic food of all kinds, including produce &…: 68
- Offers a good selection of ethnic or cultural foods: 62

#### Least Important (ranking below 90)
- Is active in and supports our local community: 51
- Offers mobile marketing (through the use of digital…: 50
- Has nutrition & health information easily available near the…: 39
- Has a pharmacy inside the store: 19
- Offers online ordering with curbside pick-up and/or home…: 17
- Has a dietician at the store: 5

**BASE:** ALL QUALIFIED RESPONDENTS (Middle Atlantic n=611)

*Q6 Please indicate which of the following considerations will be most important and which will be least important when you are shopping for groceries over the next 12 months.*
Scorecard: East North Central

Satisfaction (Extremely/Very Satisfied) 65%

Likelihood of Switching Your Local Supermarket (Somewhat/Very Likely) 65%

Trade Off Analysis
- Features low prices: 223
- Sells high quality fruits & vegetables: 222
- Sells high quality meats: 194
- Is a clean, neat store: 183
- Has courteous, friendly employees: 153

Business Critical Shopper Behaviors
- 83% Continue to shop at the store instead of shopping online
- 71% Speak positively about the local supermarket
- 66% Recommend local supermarket to others through word of mouth
- 59% Support local supermarket because it is linked to the community
- 33% Recommend local supermarket to others through social media

% Increase of Groceries Purchased Online
- 10% 15% 23%

% of Shopper Base that Would Continue to Shop at Your Store Based on a x% Price Increase
- 80% 78% 76% 74% 72%

Most Important Fresh Foods Department
- Produce: 47%
- Beef: 23%
- Dairy: 11%

Social Networking Tools
- Facebook: 38%
- Pinterest: 18%
- YouTube: 14%

Ways Local Supermarket Can Help to Maintain a Healthy Diet
- Shelf tags with easily visible nutritional information: 39%
- Greater assortment of natural/organic items: 32%
- Products for special diets (i.e., gluten free) that are clearly marked: 31%

Gender
- 54% Male
- 46% Female

Race
- 75% White
- 14% Black
- 7% Hispanic
- 4% Other

Avg Age
- 51

Most Shop for Groceries Online
- 8%

East North Central 15%
Q6 Please indicate which of the following considerations will be most important and which will be least important when you are shopping for groceries over the next 12 months.

**Most Important (ranking above 150)**
- Features low prices: 223
- Sells high quality fruits & vegetables: 222
- Sells high quality meats: 194
- Is a clean, neat store: 183
- Has courteous, friendly employees: 153
- Offers locally grown produce & other packaged goods: 144
- Has a store layout that makes it easy for me to shop: 125
- Store resolves shopping /product/service issues immediately: 106
- Pays attention to customers’ special requests or needs: 101
- Has a Frequent Shopper Program that offers benefits: 99

**Average Importance (ranking between 90 and 150)**
- Offers Private Labels/Store Brands: 80
- Offers a deli with prepared foods or “foods to go”: 80
- Offers a good selection of ethnic or cultural foods: 70
- Offers organic food of all kinds, including produce &…: 66
- Is active in and supports our local community: 59

**Least Important (ranking below 90)**
- Offers mobile marketing (through the use of digital…: 39
- Has nutrition & health information easily available near the…: 27
- Has a pharmacy inside the store: 14
- Offers online ordering with curbside pick-up and/or home…: 12
- Has a dietician at the store: 4
Scorecard: West North Central

**Satisfaction**
(Extremely/Very Satisfied)
- 73%

**Likelihood of Switching Your Local Supermarket**
(Somewhat/Very Likely)
- 7%

**Trade Off Analysis**
- Features low prices: 227
- Sells high quality fruits & vegetables: 221
- Sells high quality meats: 210
- Is a clean, neat store: 190
- Has courteous, friendly employees: 167

**Business Critical Shopper Behaviors**
- 89% Continue to shop at the store instead of shopping online
- 84% Speak positively about the local supermarket
- 80% Recommend local supermarket to others through word of mouth
- 64% Support local supermarket because it is linked to the community
- 35% Recommend local supermarket to others through social media

**% Increase of Groceries Purchased Online**
- 10% in 12 mo
- 18% in 24 mo
- 23% in 5 years

**% of Shopper Base that Would Continue to Shop at Your Store Based on a x% Price Increase**
- 80% at +5%
- 40% at +10%
- 16% at +15%

**Most Important Fresh Foods Department**
- Produce: 52%
- Beef: 27%
- Dairy: 6%

**Social Networking Tools**
used to gather or exchange information about foods
- Facebook: 31%
- Pinterest: 22%
- YouTube: 10%

**Ways Local Supermarket Can Help to Maintain a Healthy Diet**
- Shelf tags with easily visible nutritional information: 46%
- Products for special diets (i.e., gluten free) that are clearly marked: 33%
- Cooking instructions: 28%

**Avg Age**
- 54

**Race**
- 83% White
- 5% Black
- 5% Hispanic
- 6% Other

**Gender**
- 61% Female
- 39% Male

**Features low prices**
- 10%

**Increase of Groceries Purchased Online**
- 9%

**Trade Off Analysis**
- 8%
West North Central - Trade Off Analysis

Most Important (ranking above 150)

- Features low prices: 227
- Sells high quality fruits & vegetables: 221
- Sells high quality meats: 210
- Is a clean, neat store: 190
- Has courteous, friendly employees: 167

Average Importance (ranking between 90 and 150)

- Has a store layout that makes it easy for me to shop: 139
- Offers locally grown produce & other packaged goods: 133
- Store resolves shopping /product/service issues immediately: 116
- Pays attention to customers' special requests or needs: 105
- Has a Frequent Shopper Program that offers benefits: 91

Least Important (ranking below 90)

- Offers Private Labels/Store Brands: 85
- Offers a deli with prepared foods or “foods to go”: 83
- Is active in and supports our local community: 59
- Offers organic food of all kinds, including produce &…: 44
- Offers a good selection of ethnic or cultural foods: 44

Experience

- Offers me mobile marketing (through the use of digital…: 34
- Has nutrition & health information easily available near the…: 28
- Has a pharmacy inside the store: 13
- Offers online ordering with curbside pick-up and/or home…: 10
- Has a dietician at the store: 3

Product

BASE: ALL QUALIFIED RESPONDENTS (West North Central n=265)

Q6 Please indicate which of the following considerations will be most important and which will be least important when you are shopping for groceries over the next 12 months.
Scorecard: South Atlantic

% Increase of Groceries Purchased Online

- 18% in 12 mo
- 23% in 24 mo
- 28% in 5 years

Likelihood of Switching Your Local Supermarket (Somewhat/Very Likely)

- 65% Extremely/Very Satisfied
- 11% Extremely/Very Likely

Trade Off Analysis

- Sells high quality fruits & vegetables: 212
- Features low prices: 205
- Sells high quality meats: 198
- Is a clean, neat store: 177

Business Critical Shopper Behaviors

- 83% Continue to shop at the store instead of shopping online
- 73% Speak positively about the local supermarket
- 77% Recommend local supermarket to others through word of mouth
- 52% Support local supermarket because it is linked to the community
- 42% Recommend local supermarket to others through social media

Ways Local Supermarket Can Help to Maintain a Healthy Diet

- Shelf tags with easily visible nutritional information: 46%
- Greater assortment of natural/organic items: 38%
- Products for special diets (i.e., gluten free) that are clearly marked: 34%

Most Important Fresh Foods Department

- Produce: 46%
- Beef: 23%
- Dairy: 9%

Social Networking Tools

- Facebook: 46%
- YouTube: 25%
- Pinterest: 22%

Gender

- 52% Male
- 48% Female

Race

- 59% White
- 17% Black
- 19% Hispanic
- 4% Other

South Atlantic

- 13% Increase of Groceries Purchased Online
- Avg Age: 47
- 52% Male, 48% Female

14% Shop for Groceries Online

59% White, 17% Black, 19% Hispanic, 4% Other

82
**South Atlantic - Trade Off Analysis**

<table>
<thead>
<tr>
<th>Consideration</th>
<th>South Atlantic - Trade Off Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sells high quality fruits &amp; vegetables</td>
<td>212</td>
</tr>
<tr>
<td>Features low prices</td>
<td>205</td>
</tr>
<tr>
<td>Sells high quality meats</td>
<td>198</td>
</tr>
<tr>
<td>Is a clean, neat store</td>
<td>177</td>
</tr>
<tr>
<td>Has courteous, friendly employees</td>
<td>148</td>
</tr>
<tr>
<td>Offers locally grown produce &amp; other packaged goods</td>
<td>137</td>
</tr>
<tr>
<td>Store resolves shopping /product/service issues immediately</td>
<td>116</td>
</tr>
<tr>
<td>Pays attention to customers’ special requests or needs</td>
<td>115</td>
</tr>
<tr>
<td>Has a store layout that makes it easy for me to shop</td>
<td>109</td>
</tr>
<tr>
<td>Has a Frequent Shopper Program that offers benefits</td>
<td>99</td>
</tr>
<tr>
<td>Offers organic food of all kinds, including produce &amp;…</td>
<td>86</td>
</tr>
<tr>
<td>Offers Private Labels/Store Brands</td>
<td>71</td>
</tr>
<tr>
<td>Offers a deli with prepared foods or “foods to go”</td>
<td>71</td>
</tr>
<tr>
<td>Offers a good selection of ethnic or cultural foods</td>
<td>65</td>
</tr>
<tr>
<td>Is active and supports our local community</td>
<td>54</td>
</tr>
<tr>
<td>Offers me mobile marketing (through the use of digital)</td>
<td>41</td>
</tr>
<tr>
<td>Has nutrition &amp; health information easily available near the…</td>
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</tr>
<tr>
<td>Has a pharmacy inside the store</td>
<td>27</td>
</tr>
<tr>
<td>Offers online ordering with curbside pick-up and/or home</td>
<td>22</td>
</tr>
<tr>
<td>Has a dietician at the store</td>
<td>10</td>
</tr>
</tbody>
</table>

**BASE:** ALL QUALIFIED RESPONDENTS (South Atlantic n=383)

Q6: Please indicate which of the following considerations will be most important and which will be least important when you are shopping for groceries over the next 12 months.
Scorecard: East South Central

**East South Central**

**Avg Age** 46

**Race**
- 73% White
- 12% Black
- 4% Hispanic
- 11% Other

**Gender**
- 64% Female
- 36% Male

**7%** Shop for Groceries Online

**52%** Satisfaction (Extremely/Very Satisfied)

**5%** Increase of Groceries Purchased Online

**13%** Likelihood of Switching Your Local Supermarket (Somewhat/Very Likely)

**Trade Off Analysis**
- Features low prices: 233
- Sells high quality fruits & vegetables: 210
- Sells high quality meats: 207
- Is a clean, neat store: 191
- Has courteous, friendly employees: 168

**Business Critical Shopper Behaviors**
- 78% Continue to shop at the store instead of shopping online
- 74% Speak positively about the local supermarket
- 75% Recommend local supermarket to others through word of mouth
- 56% Support local supermarket because it is linked to the community
- 44% Recommend local supermarket to others through social media

**Social Networking Tools**
- Facebook: 43%
- Pinterest: 30%
- YouTube: 17%

**Most Important Fresh Foods Department**
- Produce: 35%
- Beef: 34%
- Dairy: 10%
- Poultry: 10%

**Ways Local Supermarket Can Help to Maintain a Healthy Diet**
- Shelf tags with easily visible nutritional information: 40%
- Products for special diets (i.e., gluten free) that are clearly marked: 34%
- Greater assortment of natural/organic items: 29%

**Gender**
- 73% Female
- 27% Male

**Race**
- 84% White
- 12% Black
- 4% Hispanic
- 11% Other

**64%** Shop for Groceries Online

**% Increase of Groceries Purchased Online**
- 10% in 12 mo
- 19% in 24 mo
- 30% in 5 years

**% of Shopper Base that Would Continue to Shop at Your Store Based on a x% Price Increase**
- +5%: 77%
- +10%: 34%
- +15%: 8%
## East South Central - Trade Off Analysis

### Most Important (ranking above 150)
- Features low prices: 233
- Sells high quality fruits & vegetables: 210
- Sells high quality meats: 207
- Is a clean, neat store: 191
- Has courteous, friendly employees: 168

### Average Importance (ranking between 90 and 150)
- Offers locally grown produce & other packaged goods: 140
- Store resolves shopping/product/service issues immediately: 116
- Has a store layout that makes it easy for me to shop: 116
- Pays attention to customers’ special requests or needs: 115
- Offers Private Labels/Store Brands: 96

### Least Important (ranking below 90)
- Has a Frequent Shopper Program that offers benefits: 84
- Offers a deli with prepared foods or “foods to go”: 66
- Is active in and supports our local community: 59
- Offers me mobile marketing (through the use of digital): 49
- Offers a good selection of ethnic or cultural foods: 47
- Offers organic food of all kinds, including produce &...: 44
- Has nutrition & health information easily available near the...: 25
- Has a pharmacy inside the store: 15
- Offers online ordering with curbside pick-up and/or home: 13
- Has a dietician at the store: 5

**BASE:** ALL QUALIFIED RESPONDENTS (East South Central n=139)

**Q6** Please indicate which of the following considerations will be most important and which will be least important when you are shopping for groceries over the next 12 months.
Scorecard: West South Central

% Increase of Groceries Purchased Online

Likelihood of Switching Your Local Supermarket
(Somewhat/Very Likely)

Trade Off Analysis

Business Critical Shopper Behaviors

Ways Local Supermarket Can Help to Maintain a Healthy Diet

Most Important Fresh Foods Department

Social Networking Tools used to gather or exchange information about foods

Gender
60% White
10% Black
22% Hispanic
8% Other

Race
52% White
48% Other

Avg Age
45

West South Central
10%

Satisfaction
(Extremely/Very Satisfied)

+5% +10% +15%

% of Shopper Base that Would Continue to Shop at Your Store Based on a x% Price Increase

80%

85% Continue to shop at the store instead of shopping online
80% Speak positively about the local supermarket
75% Recommend local supermarket to others through word of mouth
70% Support local supermarket because it is linked to the community
52% Recommend local supermarket to others through social media

Sells high quality fruits & vegetables
Features low prices
Sells high quality meats
Is a clean, neat store
Has courteous, friendly employees

Sells high quality fruits & vegetables
Features low prices
Sells high quality meats
Is a clean, neat store
Has courteous, friendly employees

Most Important Fresh Foods Department

Facebook 40%
YouTube 22%
Pinterest 20%

Social Networking Tools

Ways Local Supermarket Can Help to Maintain a Healthy Diet

Shelf tags with easily visible nutritional information
Greater assortment of natural/organic items
Products for special diets (i.e., gluten free) that are clearly marked

Gender
60% White
10% Black
22% Hispanic
8% Other

Race
52% White
48% Other

Gender
60% White
10% Black
22% Hispanic
8% Other

Race
52% White
48% Other

Avg Age
45

West South Central
10%

Satisfaction
(Extremely/Very Satisfied)

+5% +10% +15%

% of Shopper Base that Would Continue to Shop at Your Store Based on a x% Price Increase

80%

85% Continue to shop at the store instead of shopping online
80% Speak positively about the local supermarket
75% Recommend local supermarket to others through word of mouth
70% Support local supermarket because it is linked to the community
52% Recommend local supermarket to others through social media

Sells high quality fruits & vegetables
Features low prices
Sells high quality meats
Is a clean, neat store
Has courteous, friendly employees

Sells high quality fruits & vegetables
Features low prices
Sells high quality meats
Is a clean, neat store
Has courteous, friendly employees

% Increase of Groceries

5% 10% 15%

% Increase of Groceries Purchased Online

12 mo 24 mo 5 years

17% 20% 27%

17% 20% 27%

% Increase of Groceries

5% 10% 15%

% Increase of Groceries Purchased Online

12 mo 24 mo 5 years

17% 20% 27%

17% 20% 27%

Most Important Fresh Foods Department

Produce 43%
Beef 31%
Dairy 10%

Social Networking Tools used to gather or exchange information about foods

Facebook 40%
YouTube 22%
Pinterest 20%

Ways Local Supermarket Can Help to Maintain a Healthy Diet

Shelf tags with easily visible nutritional information
Greater assortment of natural/organic items
Products for special diets (i.e., gluten free) that are clearly marked

Gender
60% White
10% Black
22% Hispanic
8% Other

Race
52% White
48% Other

Gender
60% White
10% Black
22% Hispanic
8% Other

Race
52% White
48% Other
West South Central - Trade Off Analysis

Most Important (ranking above 150)
- Sells high quality fruits & vegetables: 222
- Features low prices: 215
- Sells high quality meats: 206
- Is a clean, neat store: 185
- Has courteous, friendly employees: 160

Average Importance (ranking between 90 and 150)
- Offers locally grown produce & other packaged goods: 141
- Has a store layout that makes it easy for me to shop: 119
- Pays attention to customers’ special requests or needs: 108
- Store resolves shopping/product/service issues immediately: 106
- Offers Private Labels/Store Brands: 86

Least Important (ranking below 90)
- Has a Frequent Shopper Program that offers benefits: 77
- Is active in and supports our local community: 70
- Offers organic food of all kinds, including produce &…: 69
- Offers a deli with prepared foods or “foods to go”: 64
- Offers a good selection of ethnic or cultural foods: 64
- Has nutrition & health information easily available near the…: 36
- Offers me mobile marketing (through the use of digital…: 35
- Has a pharmacy inside the store: 22
- Offers online ordering with curbside pick-up and/or home…: 11
- Has a dietician at the store: 4

Experience
Product
Scorecard: Mountain

- **Mountain**
  - Avg Age: 48
  - Race: 68% White, 5% Black, 19% Hispanic, 7% Other
  - Gender: 60% Female, 40% Male
  - Shop for Groceries Online: 13%
  - % Increase of Groceries Purchased Online: 15%, 20%, 32%

- **% Increase of Groceries Purchased Online**
  - 12 mo: 15%
  - 24 mo: 20%
  - 5 years: 32%

- **Likelihood of Switching Your Local Supermarket**
  - (Somewhat/Very Likely)
  - Scorecard: Mountain

- **Trade Off Analysis**
  - Features low prices: 217
  - Sells high quality fruits & vegetables: 214
  - Sells high quality meats: 189
  - Is a clean, neat store: 179
  - Has courteous, friendly employees: 158

- **Business Critical Shopper Behaviors**
  - 85% Continue to shop at the store instead of shopping online
  - 82% Speak positively about the local supermarket
  - 76% Recommend local supermarket to others through word of mouth
  - 62% Support local supermarket because it is linked to the community
  - 49% Recommend local supermarket to others through social media

- **Most Important Fresh Foods Department**
  - Produce: 51%
  - Beef: 24%
  - Dairy: 9%

- **Social Networking Tools**
  - Facebook: 44%
  - Pinterest: 28%
  - YouTube: 19%

- **Ways Local Supermarket Can Help to Maintain a Healthy Diet**
  - Shelf tags with easily visible nutritional information: 39%
  - Products for special diets (i.e., gluten free) that are clearly marked: 39%
  - Greater assortment of natural/organic items: 33%

- **% of Shopper Base that Would Continue to Shop at Your Store Based on a x% Price Increase**
  - +5%: 80%
  - +10%: 43%
  - +15%: 25%
**Mountain - Trade Off Analysis**

<table>
<thead>
<tr>
<th>Feature</th>
<th>Most Important (ranking above 150)</th>
<th>Average Importance (ranking between 90 and 150)</th>
<th>Least Important (ranking below 90)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Features low prices</td>
<td>217</td>
<td>189</td>
<td>69</td>
</tr>
<tr>
<td>Sells high quality fruits &amp; vegetables</td>
<td>214</td>
<td>179</td>
<td>69</td>
</tr>
<tr>
<td>Sells high quality meats</td>
<td>217</td>
<td>179</td>
<td>68</td>
</tr>
<tr>
<td>Is a clean, neat store</td>
<td>158</td>
<td>158</td>
<td>60</td>
</tr>
<tr>
<td>Has courteous, friendly employees</td>
<td>149</td>
<td>116</td>
<td>41</td>
</tr>
<tr>
<td>Offers locally grown produce &amp; other packaged goods</td>
<td>149</td>
<td>116</td>
<td>41</td>
</tr>
<tr>
<td>Has a store layout that makes it easy for me to shop</td>
<td>114</td>
<td>114</td>
<td>37</td>
</tr>
<tr>
<td>Pays attention to customers’ special requests or needs</td>
<td>114</td>
<td>114</td>
<td>37</td>
</tr>
<tr>
<td>Store resolves shopping /product/service issues immediately</td>
<td>107</td>
<td>107</td>
<td>37</td>
</tr>
<tr>
<td>Has a Frequent Shopper Program that offers benefits</td>
<td>96</td>
<td>96</td>
<td>37</td>
</tr>
<tr>
<td>Offers organic food of all kinds, including produce &amp;…</td>
<td>77</td>
<td>77</td>
<td>23</td>
</tr>
<tr>
<td>Is active in and supports our local community</td>
<td>70</td>
<td>70</td>
<td>23</td>
</tr>
<tr>
<td>Offers a deli with prepared foods or “foods to go”</td>
<td>69</td>
<td>69</td>
<td>23</td>
</tr>
<tr>
<td>Offers Private Labels/Store Brands</td>
<td>69</td>
<td>69</td>
<td>23</td>
</tr>
<tr>
<td>Offers a good selection of ethnic or cultural foods</td>
<td>60</td>
<td>60</td>
<td>23</td>
</tr>
<tr>
<td>Offers me mobile marketing (through the use of digital…</td>
<td>41</td>
<td>41</td>
<td>11</td>
</tr>
<tr>
<td>Has nutrition &amp; health information easily available near the…</td>
<td>37</td>
<td>37</td>
<td>11</td>
</tr>
<tr>
<td>Has a pharmacy inside the store</td>
<td>23</td>
<td>23</td>
<td>11</td>
</tr>
<tr>
<td>Offers online ordering with curbside pick-up and/or home…</td>
<td>11</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Has a dietician at the store</td>
<td>5</td>
<td>5</td>
<td>11</td>
</tr>
</tbody>
</table>

**BASE: ALL QUALIFIED RESPONDENTS (Mountain n=171)**

Q6 Please indicate which of the following considerations will be most important and which will be least important when you are shopping for groceries over the next 12 months.
Scorecard: Pacific

- **% Increase of Groceries Purchased Online**
  - 16% 19% 31%
  - 12% increase

- **Likelihood of Switching Your Local Supermarket**
  - Somewhat/Very Likely
  - 63%

- **Trade Off Analysis**
  - Sells high quality fruits & vegetables
    - 226%
  - Features low prices
    - 215%
  - Sells high quality meats
    - 187%
  - Is a clean, neat store
    - 180%
  - Offers locally grown produce & other packaged goods
    - 157%

- **Business Critical Shopper Behaviors**
  - 86% Continue to shop at the store instead of shopping online
  - 75% Speak positively about the local supermarket
  - 73% Recommend local supermarket to others through word of mouth
  - 59% Support local supermarket because it is linked to the community
  - 37% Recommend local supermarket to others through social media

- **% of Shopper Base that Would Continue to Shop at Your Store Based on a x% Price Increase**
  - +5% 43% 22%

- **Most Important Fresh Foods Department**
  - Produce 48%
  - Beef 20%
  - Dairy 10%

- **Social Networking Tools**
  - Facebook 37%
  - YouTube 22%
  - Pinterest 20%

- **Ways Local Supermarket Can Help to Maintain a Healthy Diet**
  - Greater assortment of natural/organic items
    - 40%
  - Shelf tags with easily visible nutritional information
    - 36%
  - Products for special diets (i.e., gluten free) that are clearly marked
    - 32%

- **Avg Age**
  - 47

- **Gender**
  - 49% White
  - 5% Black
  - 29% Hispanic
  - 21% Other

- **Race**
  - 45% White
  - 5% Black
  - 29% Hispanic
  - 21% Other

- **Pacific**
  - 16%

- **Most Important Fresh Foods Department**
  - Produce
  - Beef
  - Dairy

- **Social Networking Tools**
  - Facebook
  - YouTube
  - Pinterest

- **Ways Local Supermarket Can Help to Maintain a Healthy Diet**
  - Greater assortment of natural/organic items
  - Shelf tags with easily visible nutritional information
  - Products for special diets (i.e., gluten free) that are clearly marked
**Pacific - Trade Off Analysis**

**BASE:** ALL QUALIFIED RESPONDENTS (Pacific n=474)

**Q6** Please indicate which of the following considerations will be most important and which will be least important when you are shopping for groceries over the next 12 months.

<table>
<thead>
<tr>
<th>Experience</th>
<th>Product</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Most Important (ranking above 150)</strong></td>
<td><strong>Average Importance (ranking between 90 and 150)</strong></td>
</tr>
<tr>
<td>Sells high quality fruits &amp; vegetables</td>
<td>Features low prices</td>
</tr>
<tr>
<td>226</td>
<td>215</td>
</tr>
<tr>
<td>Sells high quality meats</td>
<td>Sells high quality meats</td>
</tr>
<tr>
<td>187</td>
<td>187</td>
</tr>
<tr>
<td>Is a clean, neat store</td>
<td>Is a clean, neat store</td>
</tr>
<tr>
<td>180</td>
<td>180</td>
</tr>
<tr>
<td>Offers locally grown produce &amp; other packaged goods</td>
<td>Offers locally grown produce &amp; other packaged goods</td>
</tr>
<tr>
<td>157</td>
<td>157</td>
</tr>
<tr>
<td>Has courteous, friendly employees</td>
<td>Has courteous, friendly employees</td>
</tr>
<tr>
<td>144</td>
<td>144</td>
</tr>
<tr>
<td>Has a store layout that makes it easy for me to shop</td>
<td>Has a store layout that makes it easy for me to shop</td>
</tr>
<tr>
<td>115</td>
<td>115</td>
</tr>
<tr>
<td>Store resolves shopping /product/service issues immediately</td>
<td>Store resolves shopping /product/service issues immediately</td>
</tr>
<tr>
<td>97</td>
<td>97</td>
</tr>
<tr>
<td>Offers organic food of all kinds, including produce &amp;…</td>
<td>Offers organic food of all kinds, including produce &amp;…</td>
</tr>
<tr>
<td>96</td>
<td>96</td>
</tr>
<tr>
<td>Has a Frequent Shopper Program that offers benefits</td>
<td>Has a Frequent Shopper Program that offers benefits</td>
</tr>
<tr>
<td>94</td>
<td>94</td>
</tr>
<tr>
<td>Pays attention to customers’ special requests or needs</td>
<td>Pays attention to customers’ special requests or needs</td>
</tr>
<tr>
<td>92</td>
<td>92</td>
</tr>
<tr>
<td>Offers a good selection of ethnic or cultural foods</td>
<td>Offers a good selection of ethnic or cultural foods</td>
</tr>
<tr>
<td>89</td>
<td>89</td>
</tr>
<tr>
<td>Offers Private Labels/Store Brands</td>
<td>Offers Private Labels/Store Brands</td>
</tr>
<tr>
<td>82</td>
<td>82</td>
</tr>
<tr>
<td>Offers a deli with prepared foods or “foods to go”</td>
<td>Offers a deli with prepared foods or “foods to go”</td>
</tr>
<tr>
<td>71</td>
<td>71</td>
</tr>
<tr>
<td>Is active in and supports our local community</td>
<td>Is active in and supports our local community</td>
</tr>
<tr>
<td>56</td>
<td>56</td>
</tr>
<tr>
<td>Offers me mobile marketing (through the use of digital)</td>
<td>Offers me mobile marketing (through the use of digital)</td>
</tr>
<tr>
<td>36</td>
<td>36</td>
</tr>
<tr>
<td>Has nutrition &amp; health information easily available near the…</td>
<td>Has nutrition &amp; health information easily available near the…</td>
</tr>
<tr>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Offers online ordering with curbside pick-up and/or home</td>
<td>Offers online ordering with curbside pick-up and/or home</td>
</tr>
<tr>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Has a pharmacy inside the store</td>
<td>Has a pharmacy inside the store</td>
</tr>
<tr>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Has a dietician at the store</td>
<td>Has a dietician at the store</td>
</tr>
<tr>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>
Independent Shopper Demographic Profile
# Shopper Demographics (n=3008)

<table>
<thead>
<tr>
<th>Gender</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>47%</td>
</tr>
<tr>
<td>Female</td>
<td>53%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>18 – 35</td>
<td>28%</td>
</tr>
<tr>
<td>36 – 50</td>
<td>24%</td>
</tr>
<tr>
<td>51 – 69</td>
<td>37%</td>
</tr>
<tr>
<td>70+</td>
<td>11%</td>
</tr>
</tbody>
</table>

| Mean           | 48.9  |

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>65%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>15%</td>
</tr>
<tr>
<td>Black/African American (NET)</td>
<td>11%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marital Status</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Never married</td>
<td>23%</td>
</tr>
<tr>
<td>Married or civil union</td>
<td>53%</td>
</tr>
<tr>
<td>Divorced</td>
<td>12%</td>
</tr>
<tr>
<td>Separated</td>
<td>1%</td>
</tr>
<tr>
<td>Widow/Widower</td>
<td>5%</td>
</tr>
<tr>
<td>Living with partner</td>
<td>6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Education Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>High School or Less</td>
<td>27%</td>
</tr>
<tr>
<td>Attended College or College Degree</td>
<td>51%</td>
</tr>
<tr>
<td>Attended Graduate School or Graduate Degree</td>
<td>16%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed full time</td>
<td>42%</td>
</tr>
<tr>
<td>Employed part time</td>
<td>10%</td>
</tr>
<tr>
<td>Self-employed</td>
<td>8%</td>
</tr>
<tr>
<td>Not employed, but looking for work</td>
<td>4%</td>
</tr>
<tr>
<td>Not employed and not looking for work</td>
<td>2%</td>
</tr>
<tr>
<td>Retired</td>
<td>19%</td>
</tr>
<tr>
<td>Not employed, unable to work due to a disability or illness</td>
<td>5%</td>
</tr>
<tr>
<td>Student</td>
<td>4%</td>
</tr>
<tr>
<td>Stay-at-home spouse or partner</td>
<td>7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$50K</td>
<td>35%</td>
</tr>
<tr>
<td>$50K &lt; $75K</td>
<td>16%</td>
</tr>
<tr>
<td>$75K &lt; $100K</td>
<td>13%</td>
</tr>
<tr>
<td>$100K+</td>
<td>30%</td>
</tr>
<tr>
<td>Decline to answer</td>
<td>7%</td>
</tr>
</tbody>
</table>
For Further Understanding of the 44k Independent Shopper Panel

✓ Retailers contact:
  ✓ Andrea Scheuerman: andrea.scheuerman@nielsen.com
  ✓ Bob Greenwood: robert.greenwood@nielsen.com

✓ Manufacturers contact:
  ✓ Hin-Lo Lau: hin-lo.lau@nielsen.com
  ✓ Aurora Tice: aurora.tice@nielsen.com