

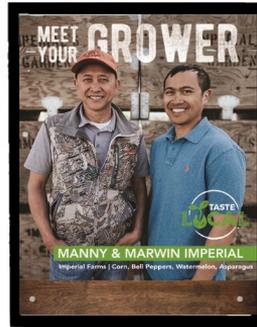
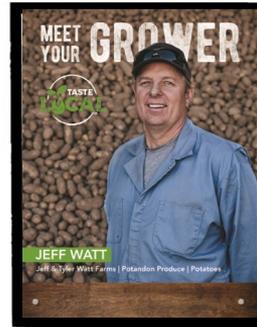
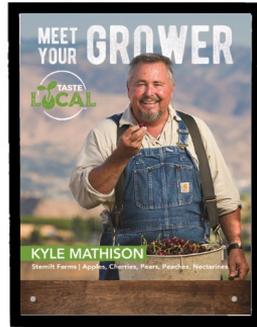
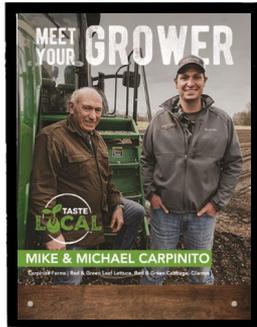
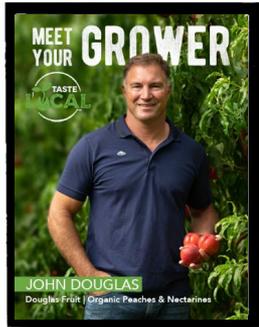


TASTE

LOCAL

TM

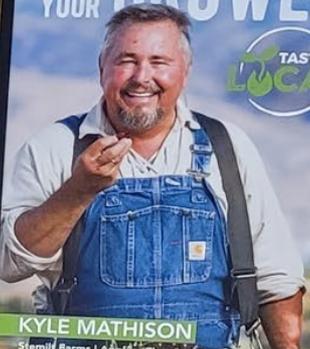
New for 2022: Grower Posters to be put with their actual product





MEET YOUR **GROWER**

TASTE LOCAL



KYLE MATHISON
Siemil Farms | Apples, Cherries, Peaches, Nectarines
Washington

Product of USA
\$1.98 LB WIC

Product of USA
\$2.28 LB WIC

Product of USA
\$2.28 LB WIC

Product of USA
\$2.28 LB WIC

New for 2022: Driving Consumer Awareness



TRAILERS USED AS ROLLING BILL BOARDS
PROMOTING THE “TASTE LOCAL BRAND”

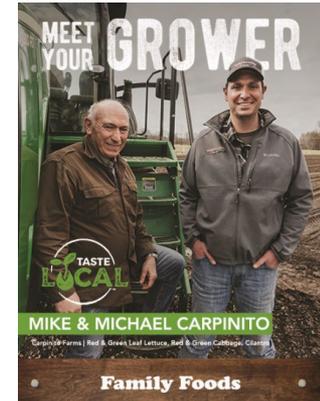
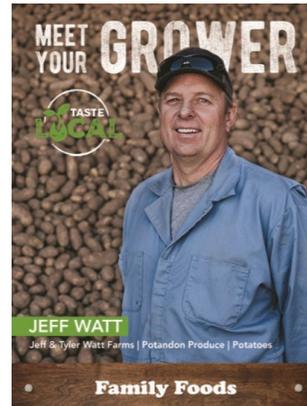
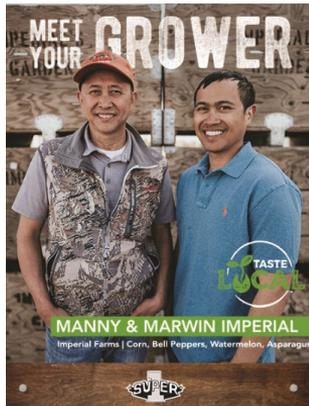
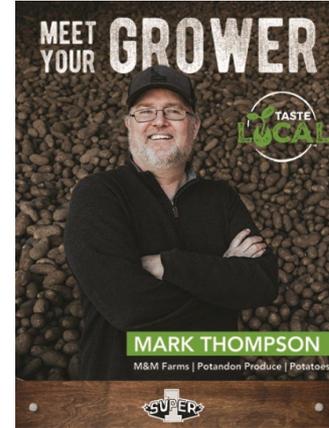
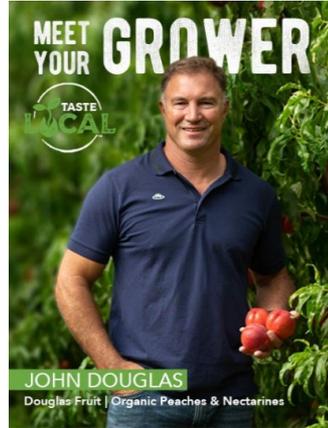
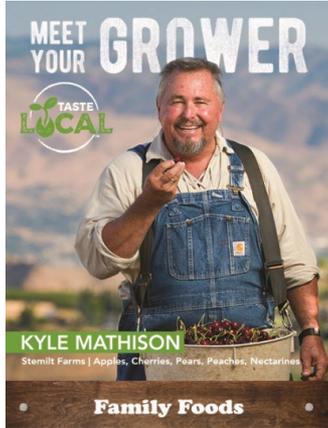
WITH A “CALL TO ACTION” AS TO
WHERE THE CONSUMER CAN GET IT



Lots of Program Materials

- 1) HANGING BANNERS HIGHLIGHTING THE LOCAL GROWERS
- 2) DAILY “AVAILABILITY” CHALK BOARDS
- 3) “TASTE LOCAL” SHELF TALKERS FOR EACH LOCAL ITEM
- 4) “READY TO USE” SOCIAL MEDIA CONTENT
- 5) “READY TO USE” WEBSITE CONTENT
- 6) “READY TO USE” VIDEO CONTENT FOR IN STORE NETWORKS OR LOCAL TV SPOTS
- 7) NEW: PORTABLE POSTERS TO BE DISPLAYED NEXT TO FARMERS’ PRODUCTS
- 8) NEW: USING OUR TRAILERS AS ROLLING BILLBOARDS, HIGHLIGHTING THE “TASTE LOCAL” BRAND, LOCAL GROWERS AND MEMBER STORES.

Meet Your Grower Hanging Banners



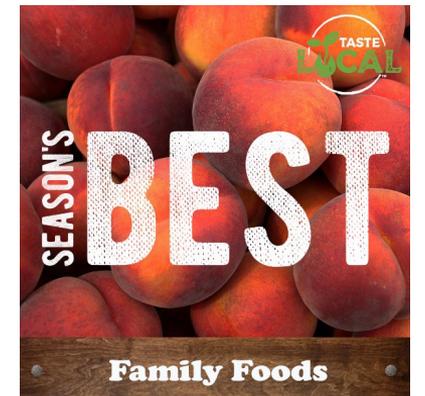
Tote Boards informing Consumers how many Locally Grown Items you each day



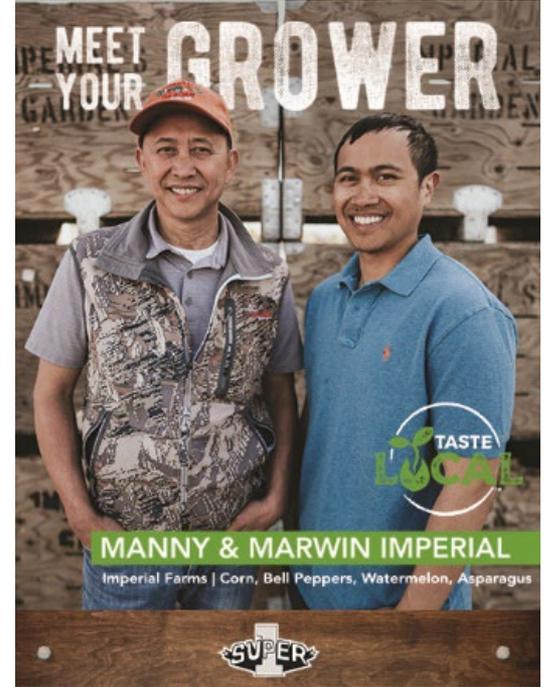
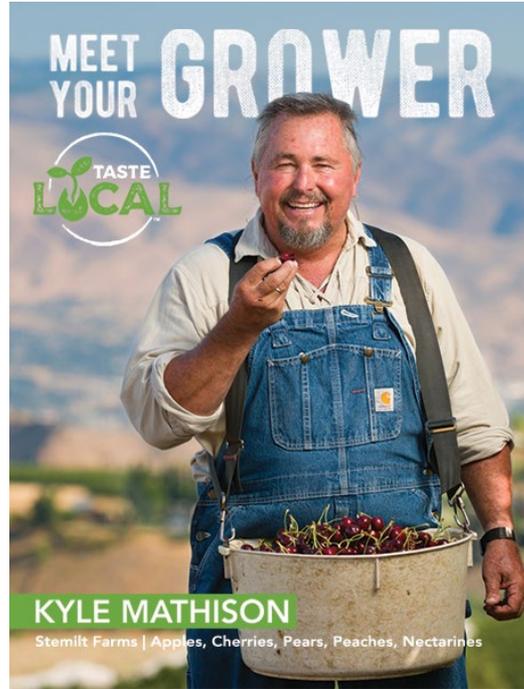
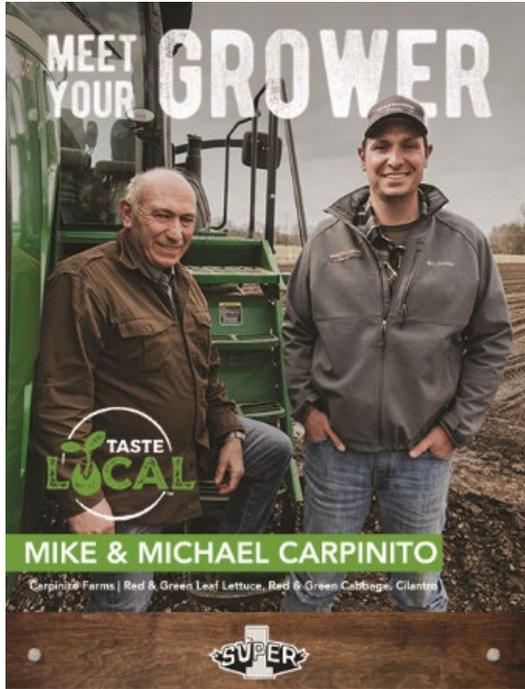
Shelf “Talker Signs” to be put on every locally grown item



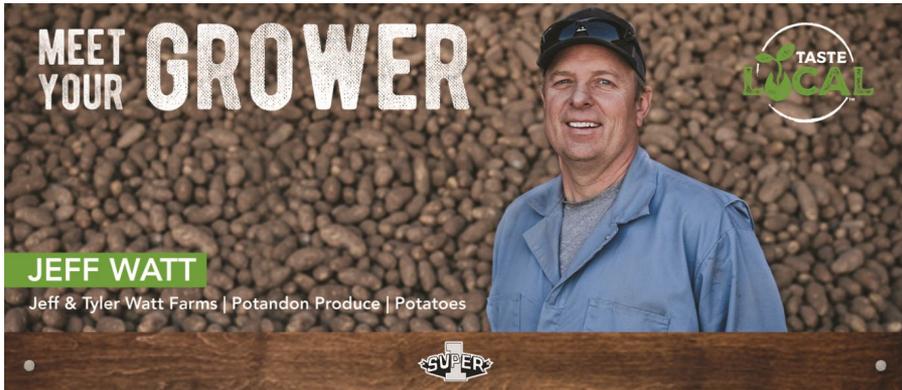
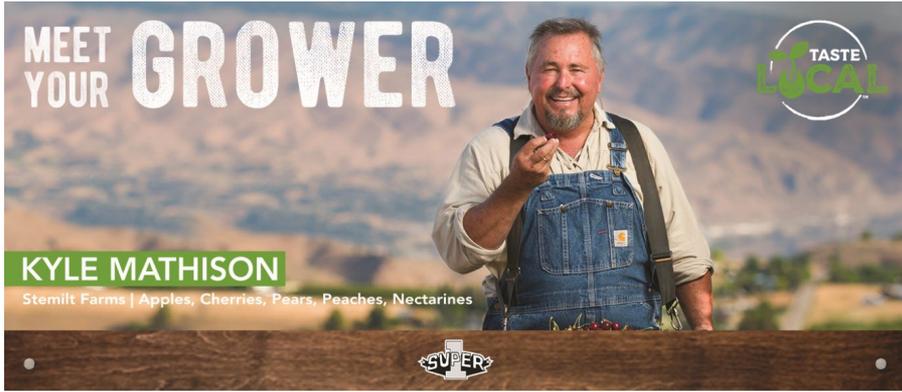
Social Media Library



Social Media Library



Web Site Materials



Social Media / Web Site / TV Video Segments



Growing Organic

Why Buy Local?

Hand Harvested.

Working Hard.



TASTE

LOCAL

TM

TOP TRENDS IN PRODUCE

Mike Kamphaus | Peirone
Anne-Marie Roerink | 210 Analytics



The rollercoaster ride continues

A new set of factors are added to the list of pandemic disruptors

August-December 2021 :

- Delta and Omicron variants
- High inflation
- Supply chain challenges
- Continued home-centric spending

Q1-Q2 2022:

- Omicron peaked early in the year
- Prices are up 10%
- Supply chain issues worsen
- War in Ukraine/Russian sanctions
- Gradual re-engagement with restaurants

The only constant is change

Change was long underway pre-pandemic, but hit the fast track come March 2020



how we EAT



how we SHOP



how we LIVE



how we WORK



The result: 2 record years

Growth upon growth upon growth

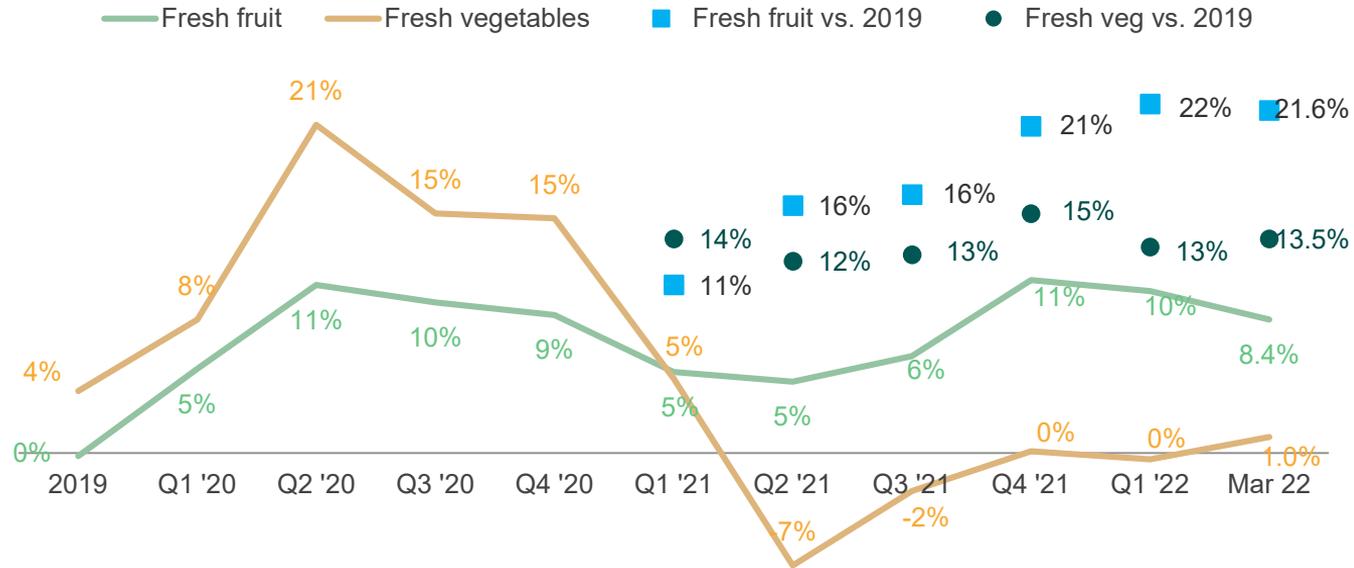
Total Produce \$

2020
+11.5%

2021
+2.6%

2022 YTD
+4.7%

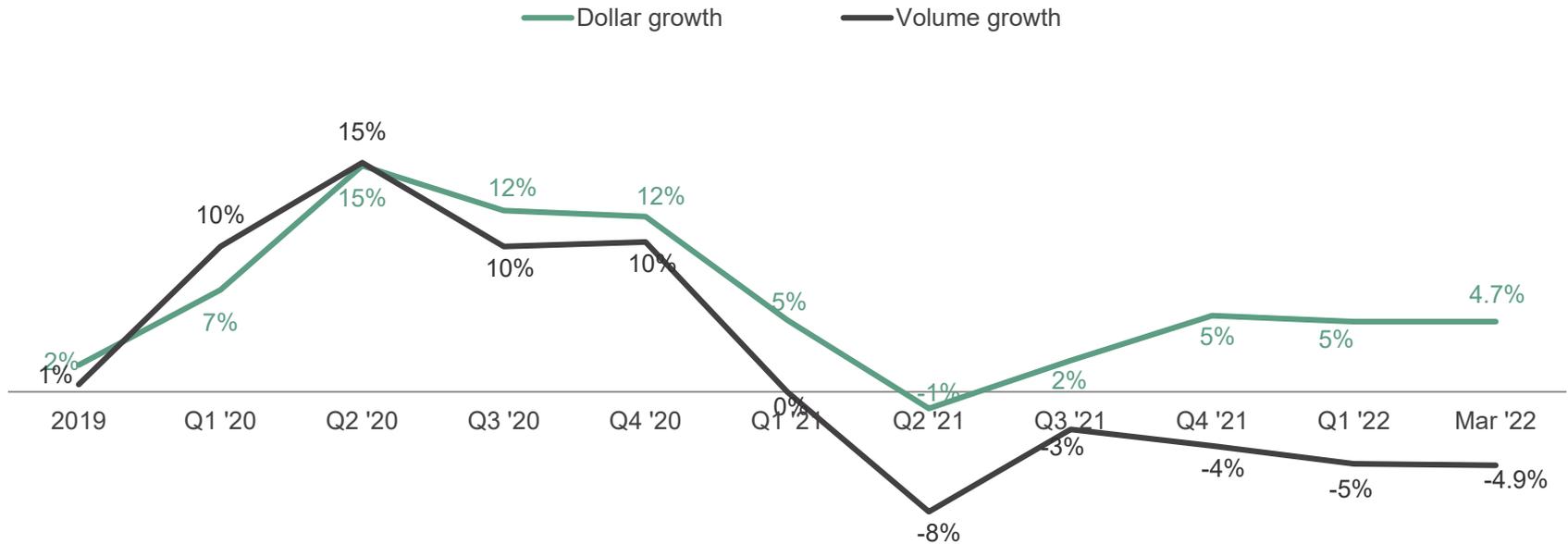
% Dollar growth fruit and vegetables



But a big difference between dollars and volume

Produce inflation is now in the double digits

Dollar and volume (pounds) growth total produce



SO NOW WHAT?

Where do we find continued growth amid ongoing disruption?



Finding pockets of growth

A data-driven perspective on fresh produce growth trends in 2022-2023

<p>Addressing the big elephant: inflation</p>		<p>Delivering true convenience</p>		<p>Better-for-me: the original plant-based diet</p>	
	<p>Innovative ways of selling</p>		<p>E-commerce</p>		<p>Technology and social media</p>
<p>Sustainability and local</p>		<p>In-store/ in-person experience</p>		<p>Optimizing the top and bottom line</p>	

ADDRESSING THE BIG ELEPHANT: INFLATION

Awareness

Consumer actions

Best-in-class examples





More consumers are now concerned about price increases than about COVID-19



92% of consumers feel that grocery prices are some or a lot higher

of whom...

95% are concerned about it

How do they address their concerns?

Price dominates the purchase; or is it?

Actually, it's really about **value** and **taste**

Fresh produce purchase decision

Rank #1 Rank #2 Rank #3 Not in top 3



To find the best value, shoppers are making changes

Many of the changes affect our volume sales

Changes made in response:

- 40% Buy more what's on sale
- 33% Items that last longer to avoid waste
- ↓ 31% Buy less
- 28% Buy cheaper items
- ↓ 27% Buy more frozen
- ↓ 22% Buy at a different store
- ↓ 22% Buy more canned

But in reality, fewer promotions and lower discount

↓ = volume pressure

Innovative promotions

Happy hour, 3-day, mix & match, meal-based approaches



Where people look for promotions is changing

In-store signage dominates

Checking specials

In-store promotional signage	48%
Paper circular at home	43%
Paper circular in-store	36%
Store/other grocery-related app	35%
Digital circular	32%
Website/email specials	31%
Facebook/social media specials	21%
Text specials	10%



Merchandising
and clear
signage
matter greatly

DELIVERING TRUE CONVENIENCE

Where help is needed
Value-added
Cross-merchandising



Quick & Easy wins the game

Help with planning, shopping, preparation and cleanup



Value-added fruit had a big year

Chopped | Cut | Halved | Hearts | Microwave-ready | Snack packs

\$10.2B

Value-added sales
(including VA lettuce)

14.4%

% of total produce sales; up from 12.4%

+11.2%

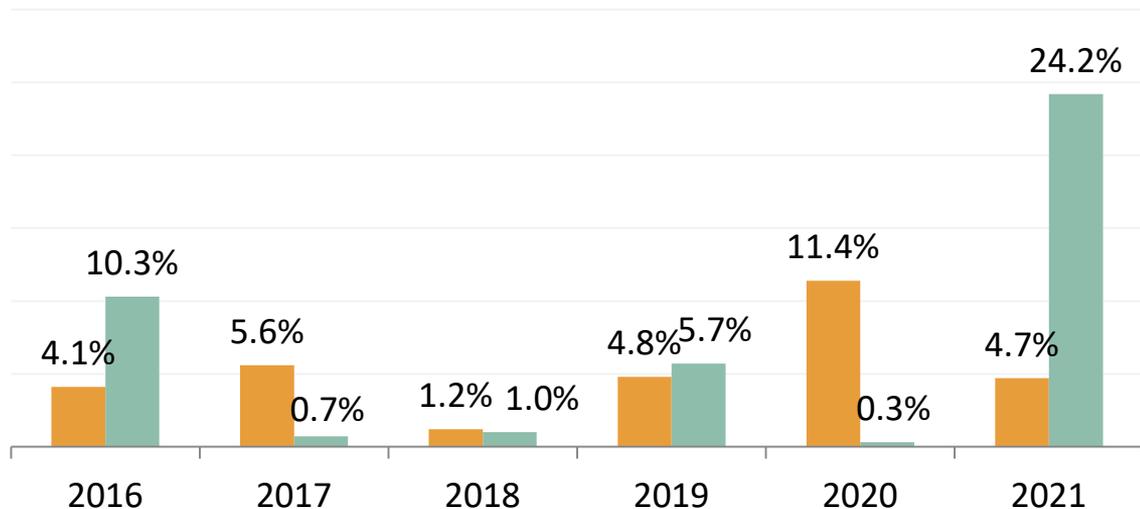
VA produce \$ growth vs. YAGO

+7.7%

VA produce volume growth vs. YAGO

Value-added vegetable and fruit \$ sales growth

■ Value-added vegetables ■ Value-added fruit



Price and shelf-life are hurdles

What would prompt you to purchase more value-added produce? (top 5)

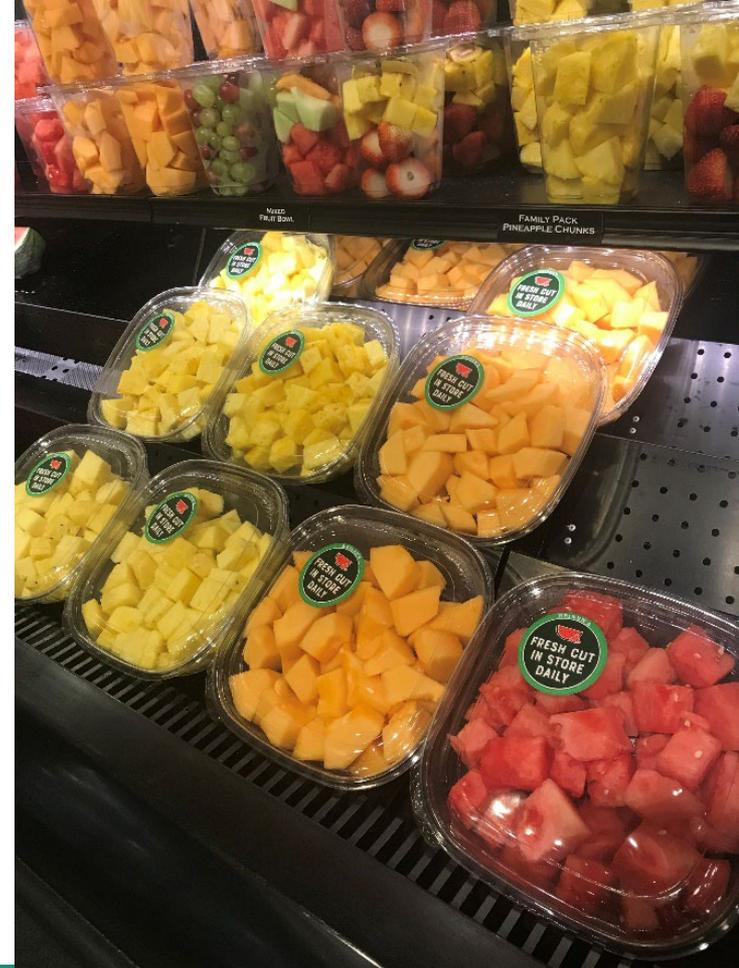
54% Better prices

39% If it were to last longer

31% Greater assortment

31% Insight into *when* it was prepared

27% Knowing it was prepared safely



Cross-merchandise for true convenience



And this year's creative choice award winner...



BETTER-FOR-ME

Put a label on it
Immunity

The original plant-based diet



Eating healthy = wanting more fruits & vegetables

Think beyond the big three meals

Try to include fresh fruits and vegetables with:



Breakfast



Lunch



Dinner



Snack



Dessert



Beverage

Vegetables	46%	71%	81%	40%	33%	46%
Fruit	71%	64%	54%	62%	61%	62%

Vegetables as the veg, carb and protein

Using vegetables to replace traditional starches

67%



Occasionally replacing animal with plant-protein

73%

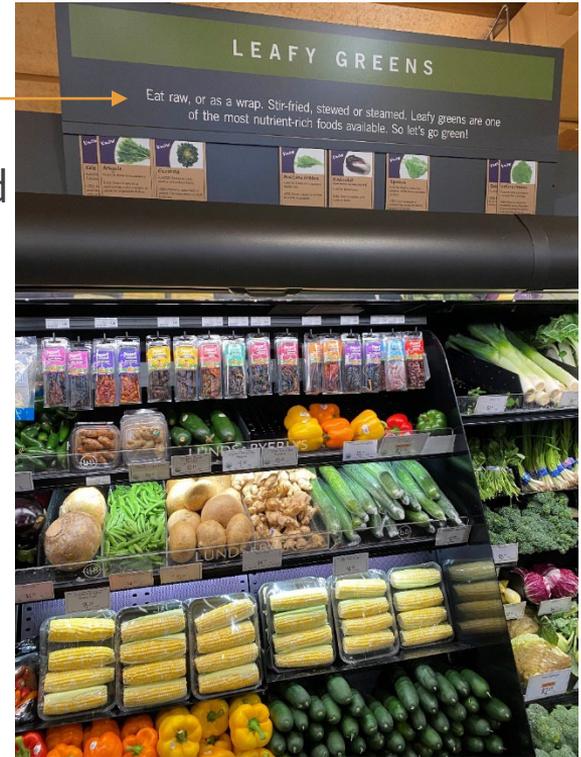


Making suggestions: restaurants do it!



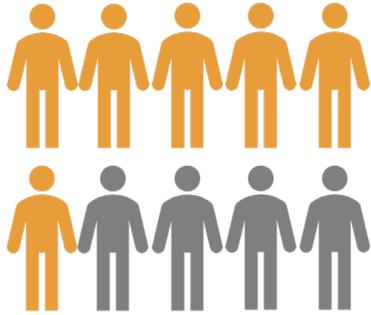
Leafy greens — Eat raw, or as a wrap. Stir-fried, stewed or steamed. Leafy greens are one of the most nutrient-rich foods available. So let's go green!

Add extra house-cut veggies +\$1.99

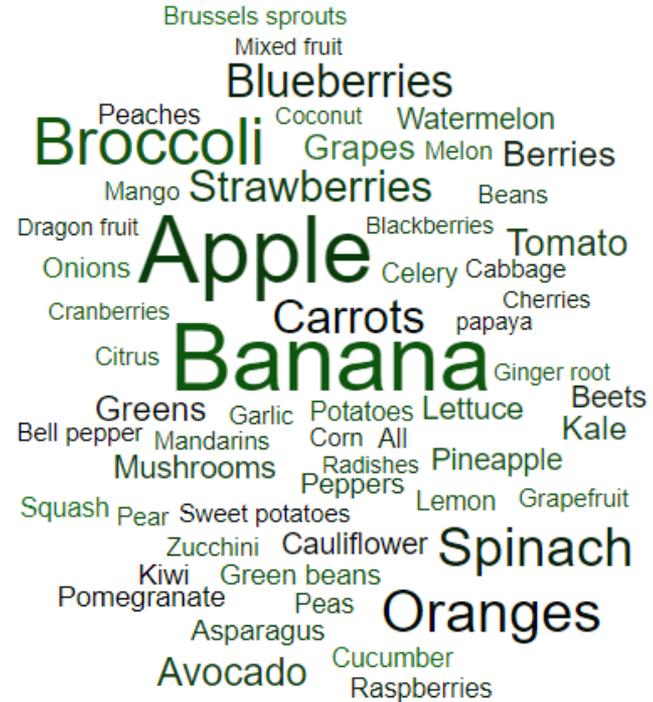


Buying for specific health benefits

Can expanding nutritional knowledge drive more specific health purchases?



59% purchase specific fruits and vegetables because they associate with delivering health benefits



Wide interest in knowing more

Let's give it to them!



The health benefits of specific fruits/vegetables



Recommended daily amount



Nutritional content of specific fruits/veg

Areas of opportunity

Low-carb diets drive interest in further information



Fruits/veg that are low(er) in carbs/sugar



Different preparation methods that help preserve nutrients better

SUSTAINABILITY

Environmental sustainability
Locally grown
Social responsibility



Shoppers may not know much about our world

But many want to know more, and, vote with their wallets

Want to know when buying produce:

54% The country it was grown in

50% How it was grown

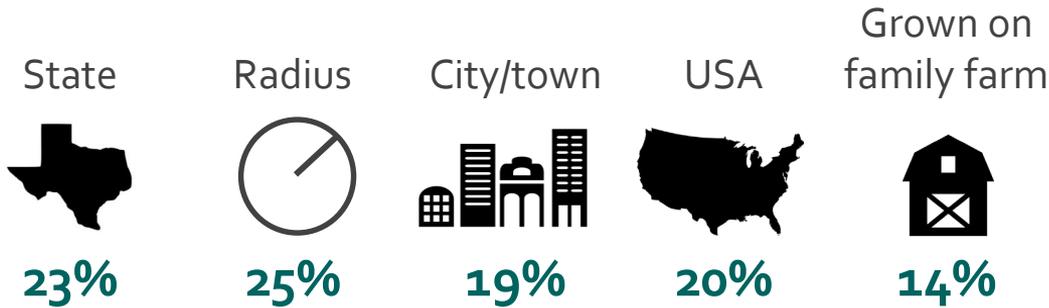
46% By whom it was grown

45% How far it traveled



Local is the hottest claim

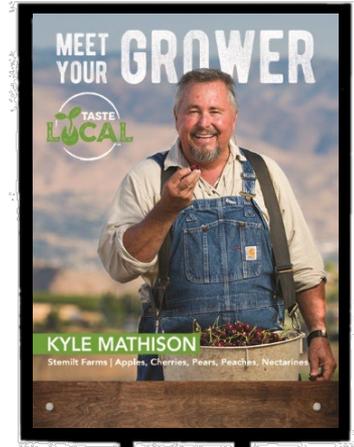
84% say local matters and 53% want their store to carry more of it



There is no one specific way
Build the program that works for you but be consistent!



Communicate the story everywhere

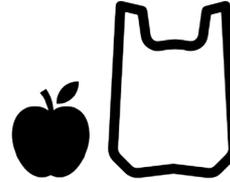


Packaging conundrum: all growth is in fixed weight

Balanced packaging decisions



Packaged



Loose/bulk

2019	+5.7%	-2.5%
2020	+17.9%	+3.7%
2021	+7.5%	-2.5%

Share of \$ sales **60%**

40%



Lot of innovation and education



Many innovations in food waste

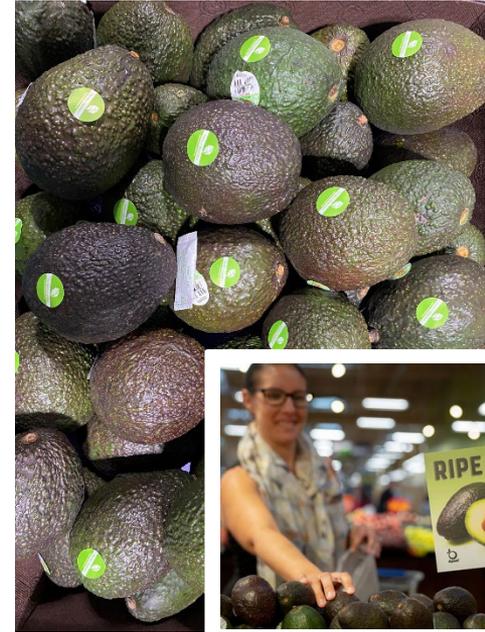
From adapting portion size to imperfect produce to shelf-life technologies



Selling imperfect produce



Portion-sized “Naturally smaller for a perfect single serving”



Improved shelf life technology

In-store programs reducing waste

Zero waste goal: second chance sales versus shrinking out



Each box has different items, depending on what's too ripe

Goal zero waste: In these boxes, fruits and veggies less pretty but always good!



INNOVATIVE WAYS OF SELLING

Direct to consumer
Farmers markets
Robots, drones and more

FREE Front Door Contact-Free Delivery [Sign Up](#)

[About Us](#) [Reviews](#) [Covid-19](#) [Blog](#) [Sign Up](#) [Log In](#)

Farmbox DIRECT

Organic & Natural Produce Delivery

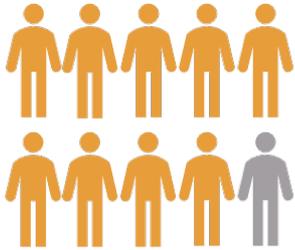
Fresh fruit and vegetable delivery throughout the continental United States

[GET STARTED](#)

<p>\$33</p>  <p>All Natural Essential ⓘ</p> <p>See Menu</p> <p>SELECT</p>	<p>\$47.95</p>  <p>Only Organic Small Box ⓘ</p> <ul style="list-style-type: none"><input type="radio"/> Fruits & Veggies See Menu<input type="radio"/> Only Fruit See Menu<input type="radio"/> Only Veggies See Menu <p>SELECT</p>	<p>\$57.95</p>  <p>Only Organic Medium Box ⓘ</p> <ul style="list-style-type: none"><input type="radio"/> Fruits & Veggies See Menu<input type="radio"/> Only Fruit See Menu<input type="radio"/> Only Veggies See Menu <p>SELECT</p>
<p>\$68.95</p>  <p>Only Organic Large Box ⓘ</p> <ul style="list-style-type: none"><input type="radio"/> Fruits & Veggies See Menu<input type="radio"/> Only Fruit See Menu<input type="radio"/> Only Veggies See Menu <p>SELECT</p>	<p>\$43.95</p>  <p>All Natural Small Box ⓘ</p> <ul style="list-style-type: none"><input type="radio"/> Fruits & Veggies See Menu<input type="radio"/> Only Fruit See Menu<input type="radio"/> Only Veggies See Menu <p>SELECT</p>	<p>\$48.95</p>  <p>All Natural Medium Box ⓘ</p> <ul style="list-style-type: none"><input type="radio"/> Fruits & Veggies See Menu<input type="radio"/> Only Fruit See Menu<input type="radio"/> Only Veggies See Menu <p>SELECT</p>

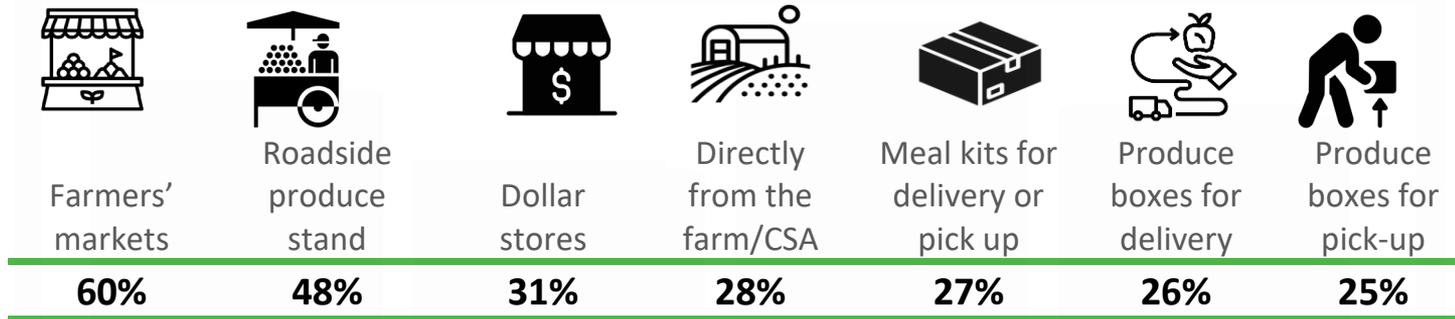
Produce dollar follows primary store

Or, really, vice versa



89% purchase fresh produce in the same store where they purchase most groceries

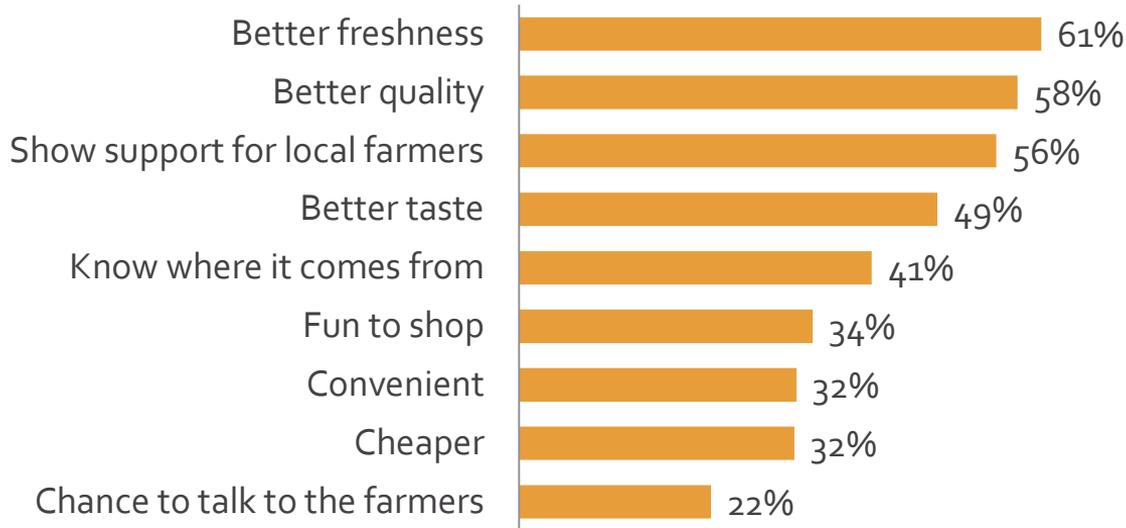
But dollars do escape:



Why farmers' markets?

They leverage the romanticized view of the farmer

Reasons for purchasing fresh fruit/vegetables at the farmers' market versus at the regular store



Technology has prompted a host of new models

- Vending machines
- Subscription services
- Home delivery boxes
- Restaurant delivery and pickup
- Drone delivery
- Robot delivery

...Aimed at the impatient consumer

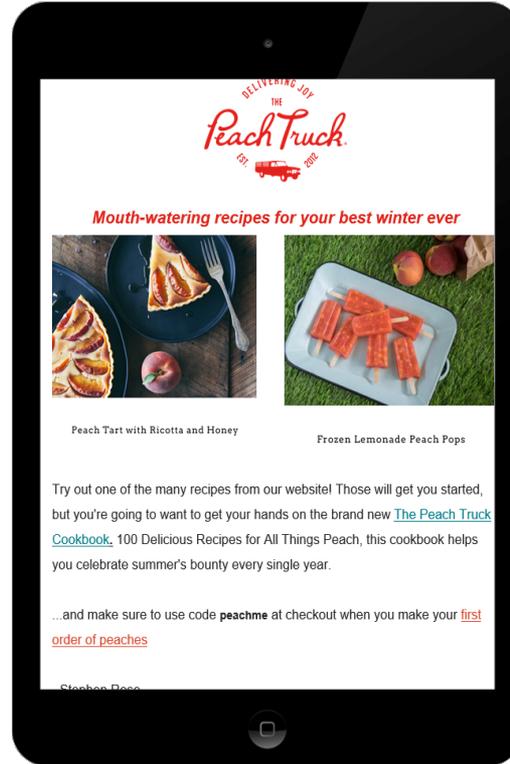


Beyond the sale: tips and inspiration

These models target basket size, while growing penetration and trips



\$45



Peach
engagement in
traditional retail



Spend/trip
\$4.15

Source: IRI, Integrated Fresh, household panel 52 w.e. 8/8/2021

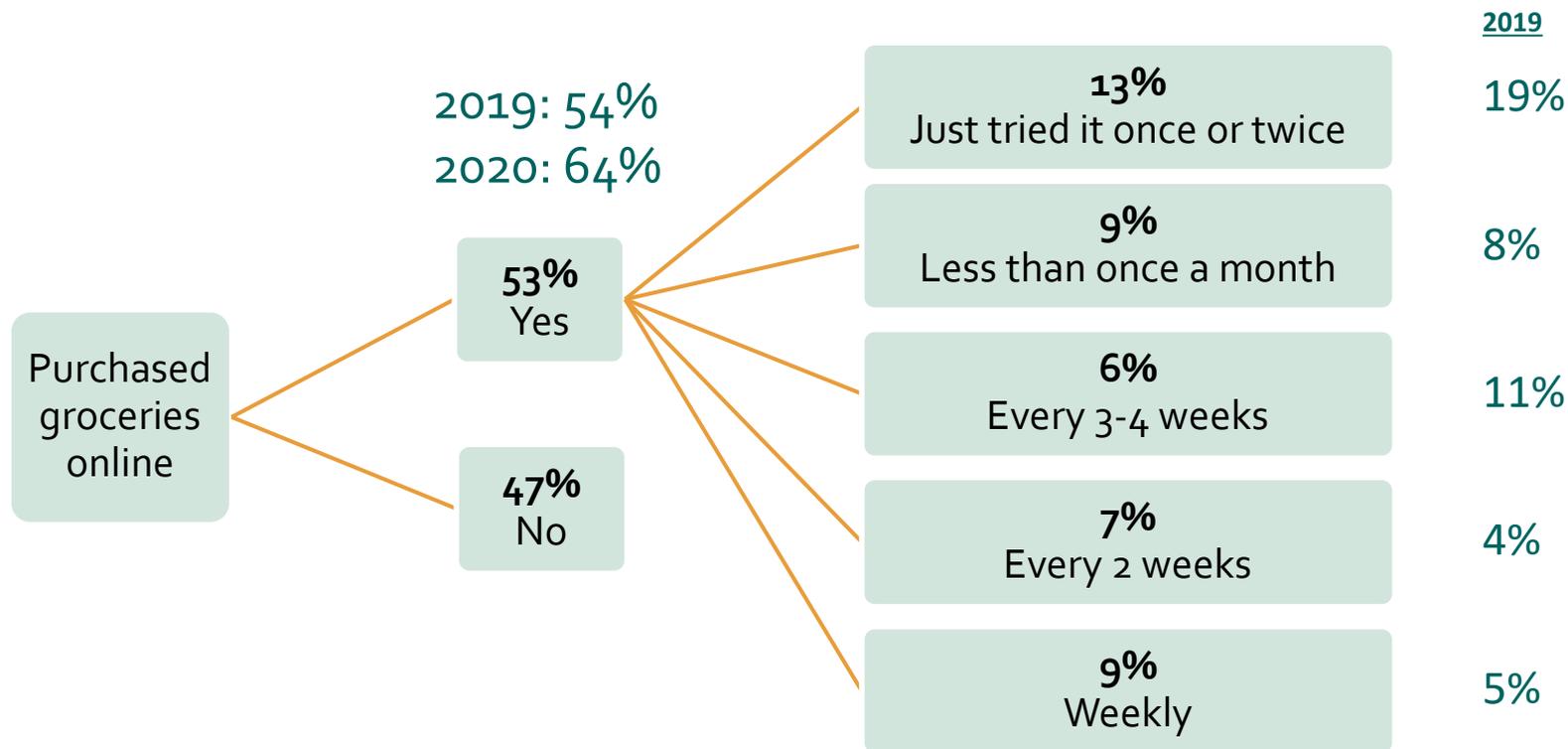
PRODUCE E-COMMERCE

Engagement
Best practices



Online retreats a bit vs. 2020 records

But frequency of purchase grows further



E-commerce can extend traditional market territory

Through delivery, depots or micro fulfillment far outside of store territory



We Now Deliver TO CARROLLTON!

County Market

Pickup site at 803 5th St. (former IGA parking lot)

ORDER GROCERIES ONLINE-PICK-UP IN TOWN

On Tuesday or Friday – 2 to 6 pm.



Simply scan this **QR CODE** to download the Rosie App **OR** go online to shop.rosieapp.com/countymarket300

"Our Personal Shoppers make life easy for you!"



Use Girard County Market's Online Ordering System.

- 1 Sign Up.** Go to "shop.rosieapp.com/countymarket300" and create an account or Login to order groceries from the Girard County Market.
- 2 Shop. Checkout.** When checking out, choose Carrollton Pickup. Then select an available date & time.
- 3 Pay.** Enter your payment method once and we'll save it for your next order.
- 4 Pick Up** your order during your selected date and time from our County Market Mobile Store. Bring your confirmation number to **803 5th Street** in the former IGA parking lot.

CHECKOUT ONLINE...



Select Carrollton Pickup



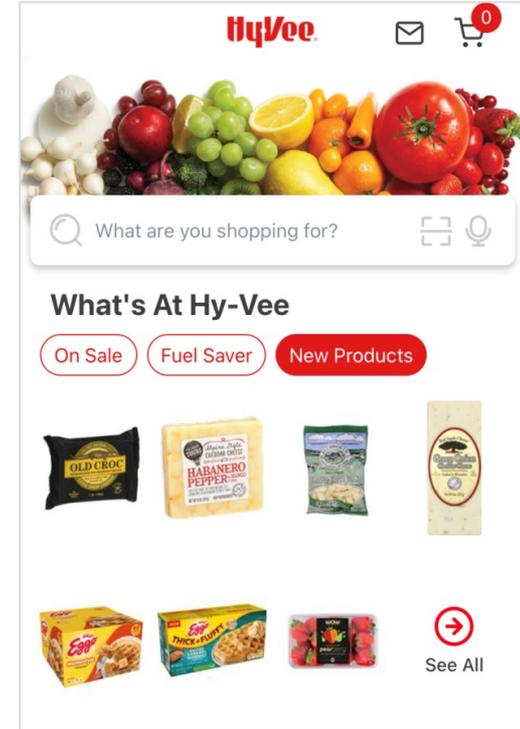
County Market **CLICK & GO**

powered by Rosie



Translating the impulse power of new in an online world

49%
Don't look
for new
items
online



Driving cross-store seasonal baskets



Cinco de Mayo favorites

Make your own Guacamole

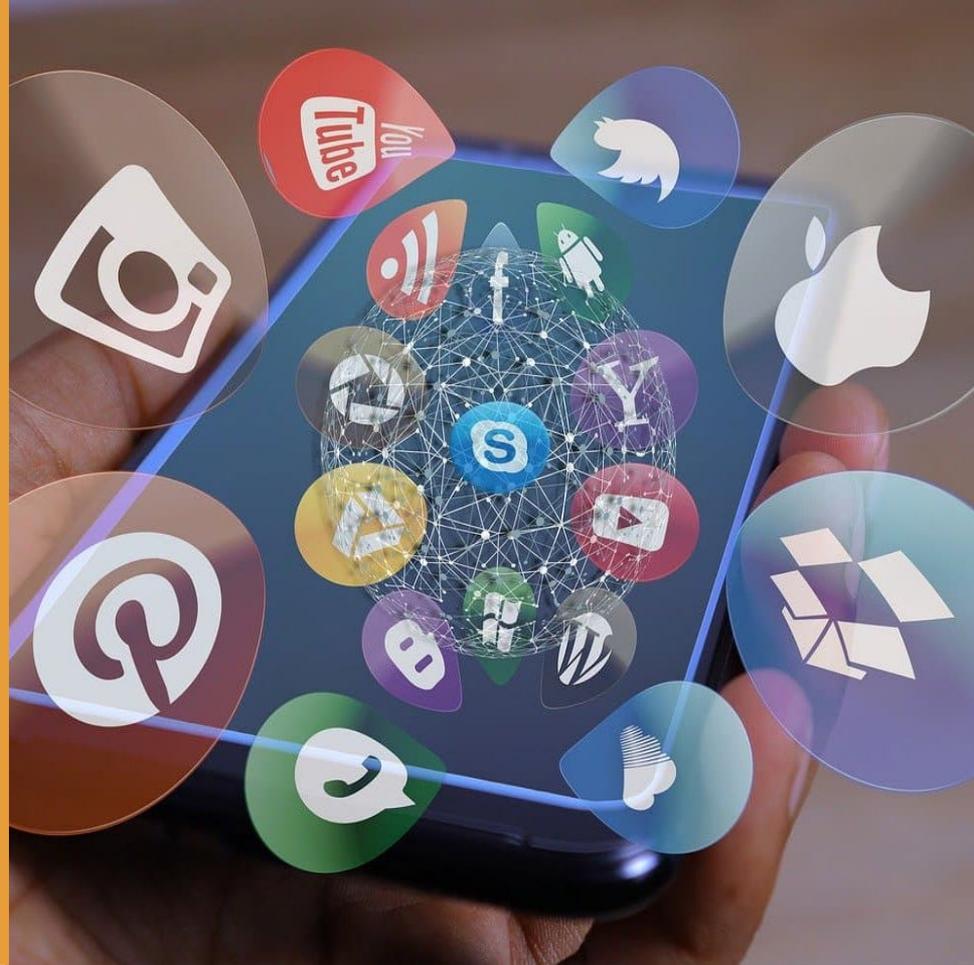
 \$4.13 Organic Medium Hass Avocados, 3-5 Count Bag Add to cart	 \$2.68 White Onions, 2 lb bag Add to cart	 \$0.78 Cilantro, bunch Add to cart	 \$0.48 Jalapeño Peppers, approx. 3-5 per 0.25 lb Add to cart	 \$0.29 Roma Tomatoes, each Add to cart	 \$0.42 Great Value Finely Shredded Fiesta Blend Cheese, 32 oz Add to cart
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Taco Fixings

 \$2.88 Marketside Shredded Iceberg Lettuce, 16 oz Add to cart	 \$2.28 Daisy Sour Cream, 14 Oz Add to cart	 \$0.80 Great Value Fat Free Refried Beans, 16 Oz Add to cart	 \$1.12 La Costena Green Pickled Jalapeño Peppers, 26 Oz Add to cart	 \$1.37 Old El Paso Black Bean Refried Beans, 16 oz Add to cart	 \$6.96 Great Value Finely Shredded Fiesta Blend Cheese, 32 oz Add to cart
--	---	---	--	---	--

SOCIAL MEDIA

Impact on food choices
Ways to leverage



Social media has an enormous influence on where and what people eat

72.3% | 240 M

Americans who are active social media users

2hrs and 7 minutes

Avg daily time on social media

Leverage Peirone social media resources!



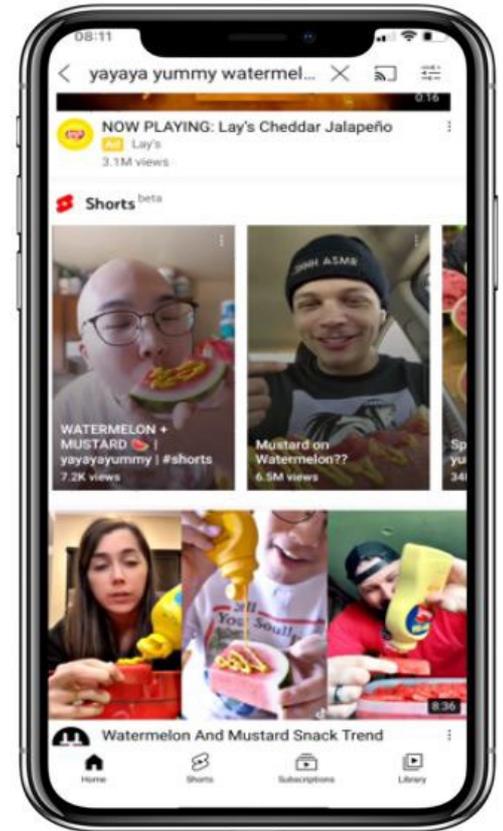
And then there's TikTok

Unleashing short-lived, but powerful food trends

130 M

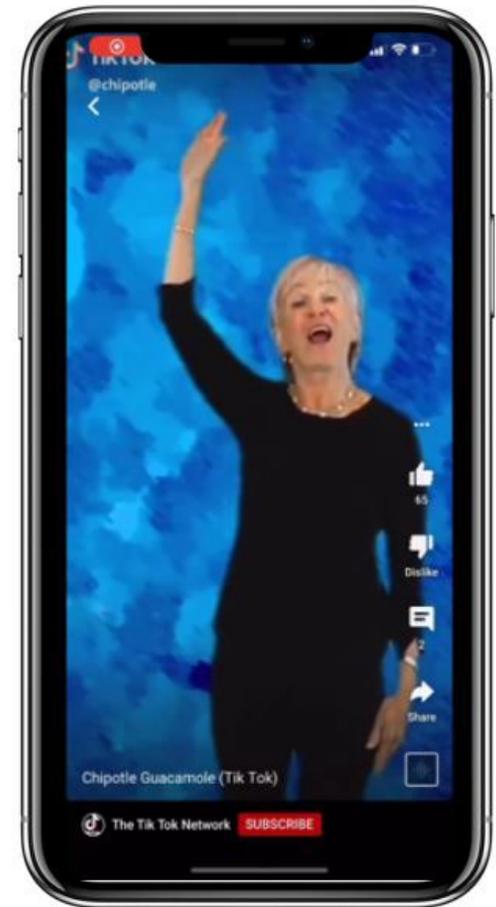
U.S. daily users in fall 2021 share short-form videos, mostly Gen Z and Millennials

Promoted hashtag challenges



Chipotle's #GuacDance challenge

- TikTok's highest-performing US branded challenge
- 250,000 video submissions
- 430 million video starts in a 6-day run
- Record 800,000+ guac side orders in a single day
- Additional 7,500 cases or 187,500 pounds of avocados
- 420,000 pounds of avocados were "mashed" at Chipotle just on National Avocado Day alone



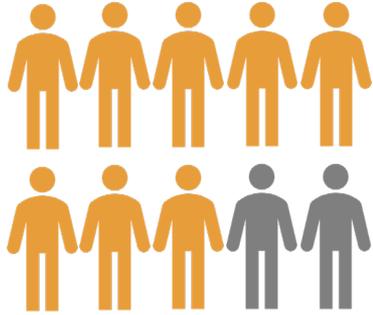
Does the mania
remind you of
something?

Except, we won't get
a demand spike
heads up when
something goes viral



People are more plan/list driven, but dwelling = selling

Seasonal is the best way to drive impulse



82% plan and list out produce purchases pre-trip. Up from 75% in 2017

Ways in which consumers are encouraged to make unplanned produce purchases:



50%
Items in season

More ways to drive impulse

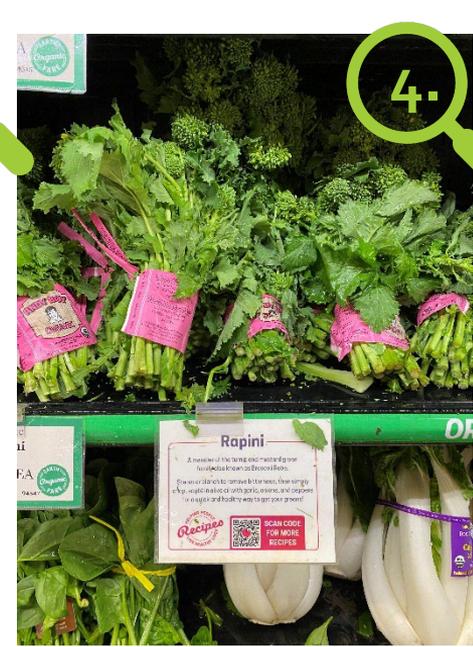
Ways in which consumers are encouraged to make unplanned produce purchases:



46% Great promotion



46% Eye-catching display



27% Recipe

TOP AND BOTTOM LINE OPTIMIZATION

Managing shrink
The profit leaders



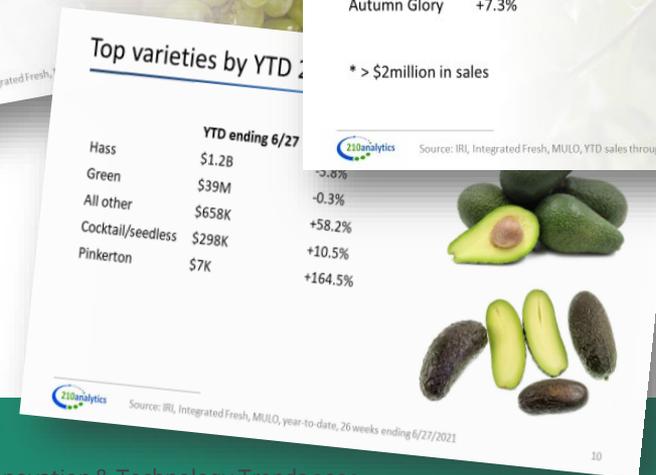
New varieties grow sales

Finding the right balance between varieties that are your bread & butter and those that can delight and prompt impulse

83%

Like seeing new varieties introducing new flavors or sizes

Survey examples: cotton candy grapes and seedless avocados



Execute on the pandemic powerhouses

Capitalize on the return of entertaining and on-the-go

Top 10 produce items in new \$	2021 \$ gain vs. YA	2021 \$ sales
Berries	+\$823M	\$8.0B
Salad kits	+\$382M	\$3.2B
Melons	+\$296M	\$3.0B
Mixed fruit	+\$175M	\$921M
Apples	+\$153M	\$4.1B
Grapes	+\$144M	\$3.5B
Lettuce	+\$117M	\$2.7B
Mandarins	+\$115M	\$1.9B
Cucumbers	+\$87M	\$1.3B
Pineapples	+\$87M	\$883M

Last but not least, learn from the profit leaders

Who lead with fresh

3-5X

Industry profit leaders make 3 to 5 times the average

Profit leaders...

- Focus on fresh, in **particular produce** and meat
- Drive **more transactions** and **bigger transaction size**
- Command **higher margins**, especially in fresh
- Have **shrink management** programs resulting in below-average shrink

In summary: the power of produce is you

1. 90% of produce dollars are still spent in-store at the trusted produce department

2. Eye-catching displays and seasonal items prompt impulse purchases

3. Freshness and local are the ways to beat direct-to-consumer models

4. Optimize in-store promotional signage and be creative with promotions

5. Share your knowledge on nutrition attributes and benefits

6. Truly make convenience-focused items more convenient

7. Engage on social media and leverage your in-store trust to sell online as well

8. The who, what, where and how of produce will matter more and more

9. Optimize shrink, convert on the bigs and delight with new

Questions?

- Share your pictures!
- Reach out any time!
 - aroerink@210analytics.com
 - Or find me on **LinkedIn**

Thank you!

