SUSTAINABLE SHOPPERS
BUY THE CHANGE THEY WISH TO SEE IN THE WORLD

A STRATEGY GUIDE BY

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STRATEGY: VIEW YOUR EVERYDAY ANALYTIC THROUGH A SUSTAINABILITY LENS

MARKET SHARE  PRICING  PROMOTION  ASSORTMENT  CONSUMER
ACTION: CREATE NEW OPPORTUNITIES FOR GROWTH ACROSS THE SPECTRUM OF SUSTAINABILITY

- FAIR TRADE +5%
- SOCIAL RESPONSIBILITY +8%
- SUSTAINABLE FARMING +5%
- SUSTAINABLE RESOURCE MGMT +4%
- SUSTAINABLE SEAFOOD +8%
- SUSTAINABLE PACKAGING +2%
- ANIMAL WELFARE +6%
- B CORPORATION +14%
- ORGANIC FARMING +7%
- CARBON FOOTPRINT +8%
- SUSTAINABLE FISHING +27%
- TERRACYCLE CERTIFIED +2%
- GRASS FED +20%
- ETHICAL +7%
- FAIR WAGES -4%
- RENEWABLE ENERGY +4%
- DOLPHIN SAFE +5%
- PASTURE RAISED +8%
- LESS PACKAGING -8%
- FARM RAISED -3%

Source: Nielsen Product Insider, powered by Label Insight, Latest 52 weeks ended 3/9/19
STRATEGY: ZOOM OUT IN ORDER TO ZOOM IN

WHAT MATTERS

How are these forces of change pushing your brand or company forward? What are consumers expecting of your company over the long-term?

CORPORATE INVOLVEMENT
Corporations are stepping up to sustainability, changing both the economic and retail landscape.

GOVERNMENT ACTION
Sustainable legislation, aimed at cleaning up the earth will impact global economies and influence production and distribution practices.

CONSUMER DEMAND
Consumers see the impact of their purchases on the world and their health and need help making sustainable choices.

THE WHO ESTIMATES 12.6 MILLION PEOPLE GLOBALLY DIE FROM ENVIRONMENTAL HEALTH RISKS ANNUALLY WITH AIR AND WATER POLLUTION REACHING DANGEROUS LEVELS
LEVERAGE SEAFOOD’S SEASONALITY TO ATTRACT CONSUMERS

**Seafood Dept. Dollar Velocity**
*Total U.S. xAOC*
*Latest 52 weeks ending 02.23.19*

**Source:** Nielsen, Total Food View, Total US xAOC, 52 weeks ending 02/23/19, UPC-Coded and random-weight/Non-UPC data
STRATEGY: WHAT’S UNIQUE ABOUT YOUR BR

How can you help consumers live a Healthy For Me & Healthy For We lifestyle? What are the aspects across the sustainability spectrum that are most relevant for both your company and your consumers?
## HEALTHY EATING TRENDS DRIVING GROWTH FOR SALMON & SHRIMP

### Value Added Seafood Category Performance

**Total U.S. xAOC Latest 52 weeks ending 02.23.19**

<table>
<thead>
<tr>
<th>Top 10 Categories in Value Added Seafood</th>
<th>Dollar Share</th>
<th>Dollar Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Salmon</td>
<td>34.3%</td>
<td>16.7%</td>
</tr>
<tr>
<td>2. Shrimp</td>
<td>28.2%</td>
<td>2.7%</td>
</tr>
<tr>
<td>3. Crab</td>
<td>17.8%</td>
<td>-2.6%</td>
</tr>
<tr>
<td>4. Lobsters</td>
<td>2.6%</td>
<td>-14.4%</td>
</tr>
<tr>
<td>5. Tilapia</td>
<td>1.8%</td>
<td>-22.0%</td>
</tr>
<tr>
<td>6. Other Fin Fish</td>
<td>1.8%</td>
<td>0.2%</td>
</tr>
<tr>
<td>7. Cod + Scrod</td>
<td>1.6%</td>
<td>-6.1%</td>
</tr>
<tr>
<td>8. Scallops</td>
<td>1.5%</td>
<td>0.9%</td>
</tr>
<tr>
<td>9. Catfish</td>
<td>1.5%</td>
<td>-16.3%</td>
</tr>
<tr>
<td>10. Haddock</td>
<td>1.0%</td>
<td>-5.5%</td>
</tr>
</tbody>
</table>

Source: Nielsen, Total Food View, Total US xAOC, 52 weeks ending 02/23/19, UPC-Coded and random-weight/Non-UPC data
ACTION: UNDERSTAND WHAT RESONATES

Products with some type of social responsibility claim are up 8%, while total Food & Beverage is up only 2.6%

81%
OF GLOBAL RESPONDENTS
said that it is “extremely” or “very” important that companies implement programs to improve the environment

30%
OF CONSUMERS
are willing to pay a premium for products that deliver on social responsibility claims

FAIR TRADE +5%
Candy/gum/mints, desserts, diet & nutrition, baking staples

B CORPORATION +14%
Eggs, cheese driving growth
Baking staples, milk alternatives holding strong

ETHICAL +7%
Package coffee, eggs, beverages, cereal/granola

FAIR WAGES -4%
Only $17.5M coming from a select few categories

Source: The Conference Board® Global Consumer Confidence Survey conducted in collaboration with Nielsen Q2 2019
Nielsen Product Insider, powered by Label Insight, Latest 52 weeks ended 3/9/19
ETHICAL CONSUMERISM DRIVING VALUE ADDED SALES AND POPULARITY

Value Add Seafood Performance
Total U.S. xAOC Latest 52 weeks ending 02.23.19

VALUE ADD SEAFOOD
$1,548M in annual sales
+4.8% from YAGO

VALUE-ADDED SEAFOOD OPTIONS RESONATE AMONG CONSUMERS

COOKED
$243M in annual sales
+8.1% from YAGO

SMOKED
$156M in annual sales
+5.3% from YAGO

SALTED
$11M in annual sales
+25.5% from YAGO

Source: Nielsen, Total Food View, Total US xAOC, 52 weeks ending 02/23/19, UPC-Coded and random-weight/Non-UPC data
STRATEGY: CONSIDER YOUR SUPPLY CHAIN AND BUSINESS PROCESSES

Who do you need to engage, and what do you need to do, to bring sustainability into greater focus?

1. Reduce and/or reformulate packaging and ingredients
2. Revamp the supply chain and/or supplies
3. Diversify the product and/or vendor portfolio
4. Update and/or change existing business models
5. Integrate sustainability into consumer touchpoints and marketing
ACTION: SUSTAINABLE RESOURCE MANAGEMENT SHOULD BE A PART OF YOUR PROCESS

- **Renewable Energy**: $742M (4% increase)
- **Water Conservation**: $104M (1% increase)
- **Carbon Footprint**: $83M (8% increase)

Source: Nielsen Product Insider, powered by Label Insight, Latest 52 weeks ended 3/9/19
STRATEGY: AUTHENTICATE YOUR EFFORTS

Road-test your new innovations and brand evolution with consumers by using real-time data and insights to direct your way forward.

BUILDING A SUSTAINABILITY STRATEGY

CORPORATE/BRAND MESSAGING

PRODUCT IDEAS/SUSTAINABILITY CLAIMS

PACKAGING AND PORTFOLIO OPTIMIZATION