



AI and the Changing Face of the Retail Industry

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Who We Are



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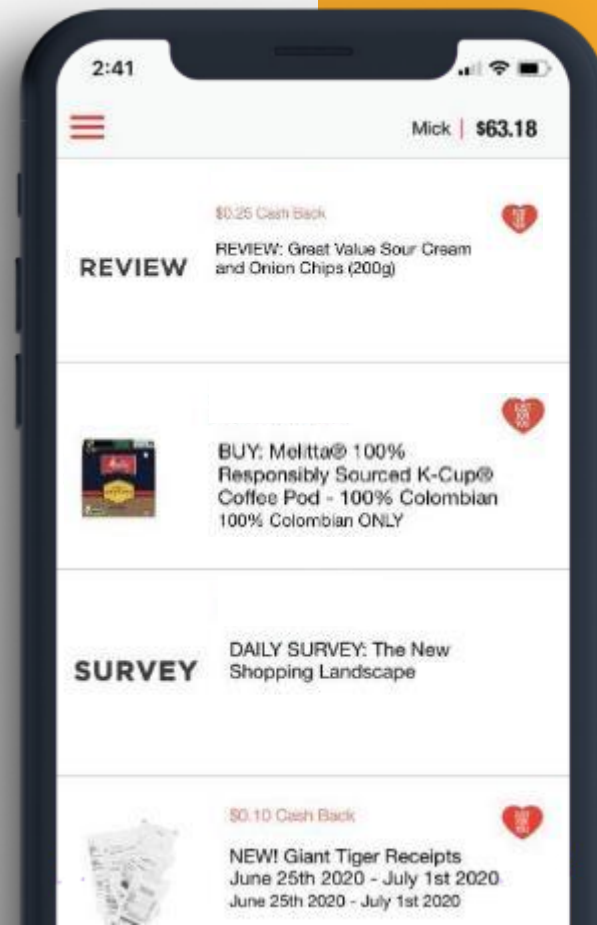
Founder & CEO
Caddle Inc.



AskCaddle®

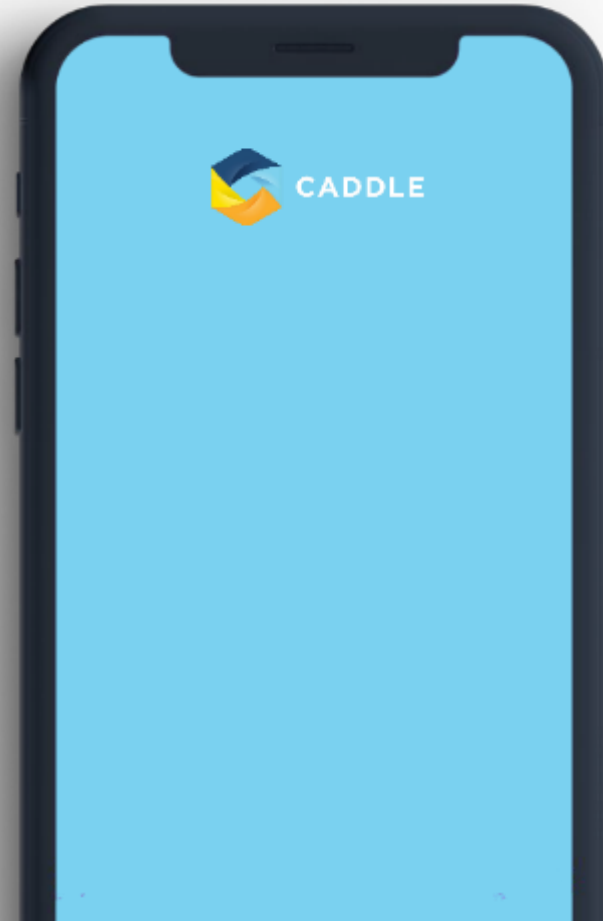
Caddle® is one of the largest, most diverse and daily active panel in the Canadian market. Our mobile-first insights platform rewards Canadians for sharing data and engaging with brands.

Caddle...the Voice of the Consumer!



Methodology

- Nationally representative survey of Canadians
- Survey: May 5, 2023, N=5,525
- Main topics: Artificial Intelligence and the Changing Face of the Retail Industry (May 5)
- All data presented are owned by Caddle



Key Findings

Transparency

1 in 3 men and 1 in 4 women, would be more likely to use a grocery store/restaurant that uses AI if the company was transparent about how and why they were using it.

Employment

Around half (46.2%) of Canadians are very concerned to extremely concerned about AI's impact on jobs in grocery and restaurants.

Intent to Spend

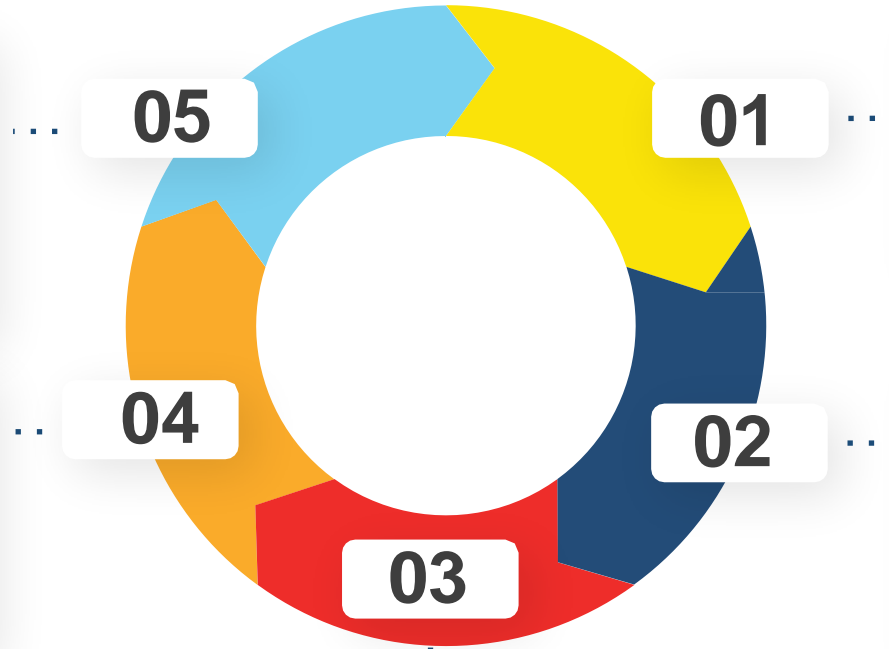
More than 2 in 3 Canadians are not willing to pay more for products and services that use AI.

Awareness

Half of Canadians (47.8 %) have heard of the use of artificial intelligence in the grocery and restaurant industries.

AI Concerns

1 in 2 (48%) Canadians are worried either about the potential negative impact on Jobs (26.5%) or the impact on privacy (21.8%), due to the use of AI in these industries.

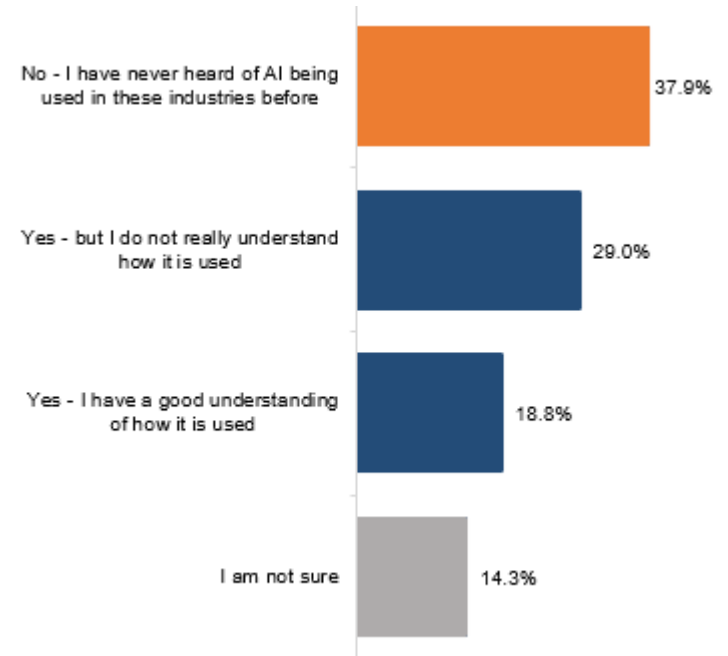


Consumer Awareness & Intent to Visit/Shop

47.8% of Canadians have heard of Artificial intelligence (AI) being used in the grocery industry or restaurant sector.

- 37.9% of Canadians have never heard of AI being used in the grocery and restaurant industry.
- 18.8% of Canadians have a good understanding of how it is used.
- More men (51.7%) than women (43.9%) are aware of AI use in the grocery and restaurant industries.

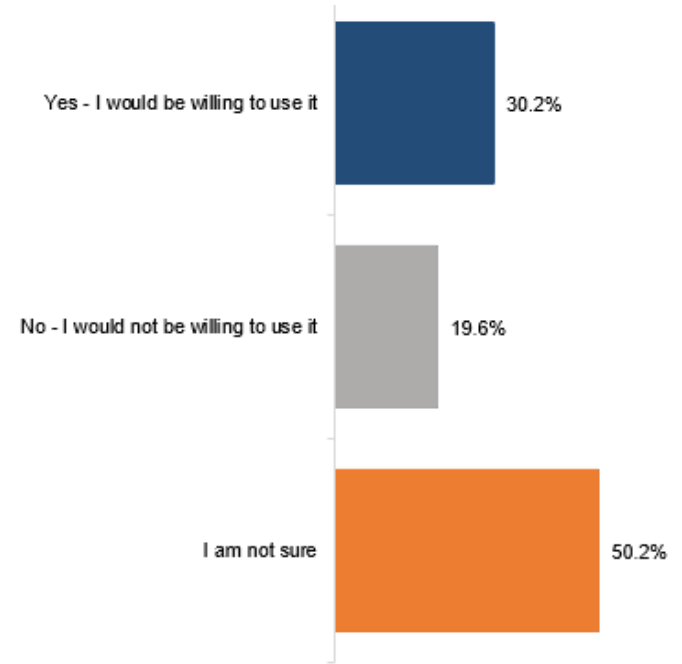
Have you heard of Artificial intelligence (AI) being used in the Grocery industry or Restaurant sector before this survey?



30.2% of Canadians would be willing to use a grocery store or restaurant that uses AI.

- More men (36%) than women (25%) are willing to use a grocery store or restaurant that uses AI.
- 19.6% of Canadians would not be willing to use a grocery store or restaurant that uses AI.
- 50.2 % of Canadians are not sure.

Would you be willing to use a grocery store or restaurant that uses AI?



69.4% of Canadians are not willing to pay more for products and services that use AI.



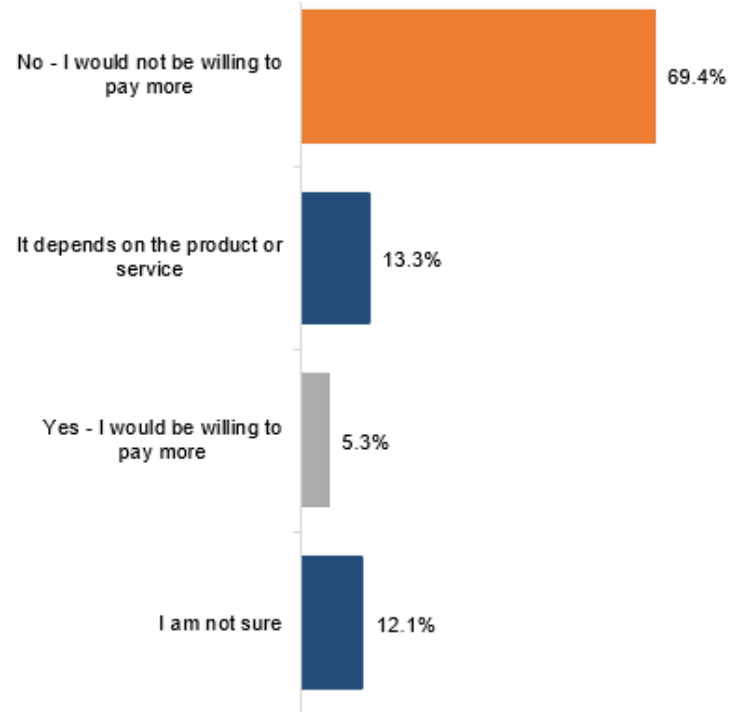
69.7 % of women



69.0 % of men

- 12.1% of Canadians are not sure if they will be willing to pay more.
- 5.3% of Canadians would be willing to pay more.

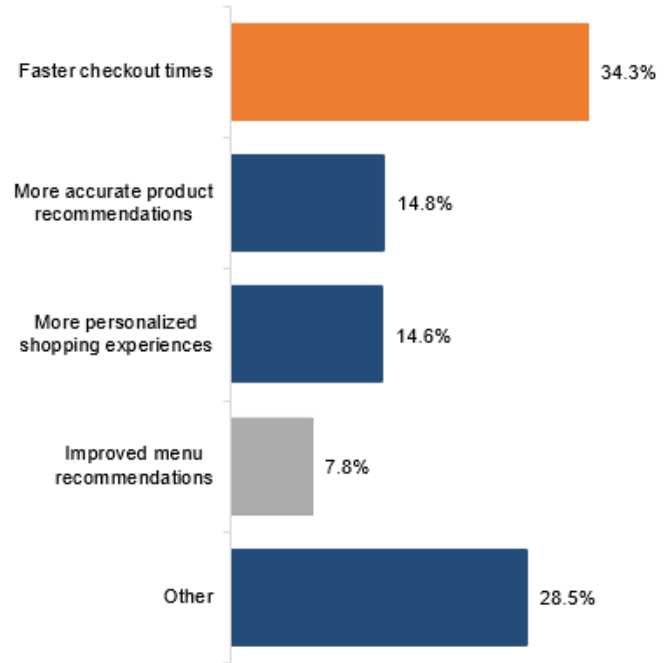
Would you be willing to pay more for the products and services that use AI?



AI-Driven Changes

How do you think the use of AI could MOST improve grocery shopping or restaurant experiences?

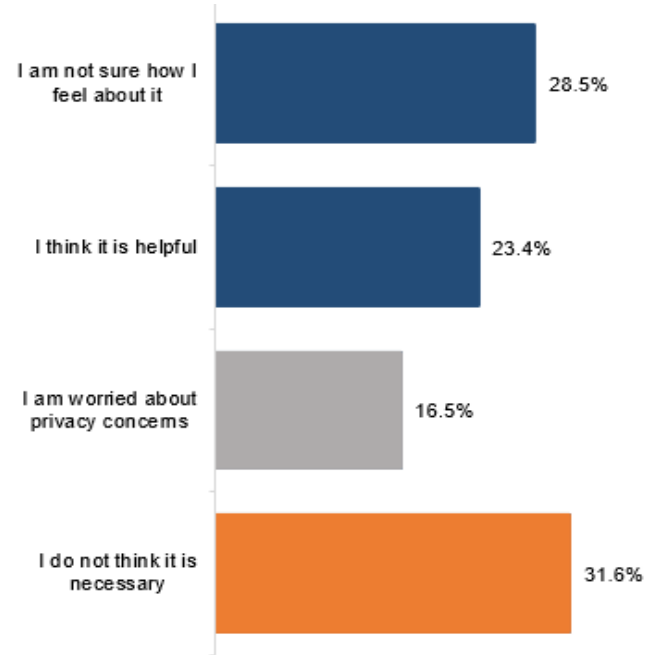
- Leading the potential improvements are faster checkout times (34.3% think it will lead to faster checkout) & 14.6% are expecting personalized shopping exp.
- 42.8%, of the Greatest Gen, think the use of AI will lead to faster checkout.



23.4% of Canadians think it will be helpful to use AI for personalized recommendations for groceries or restaurant menu items.

- 31.6% of Canadians do not think it is necessary to use AI for personalized recommendations for groceries or restaurant menu items.
- 16.5% of Canadians would be worried about privacy concerns.
- 28.5% of Canadians are not sure how would they feel about it.

What are your thoughts on the use of AI for personalized recommendations for groceries or restaurant menu items?

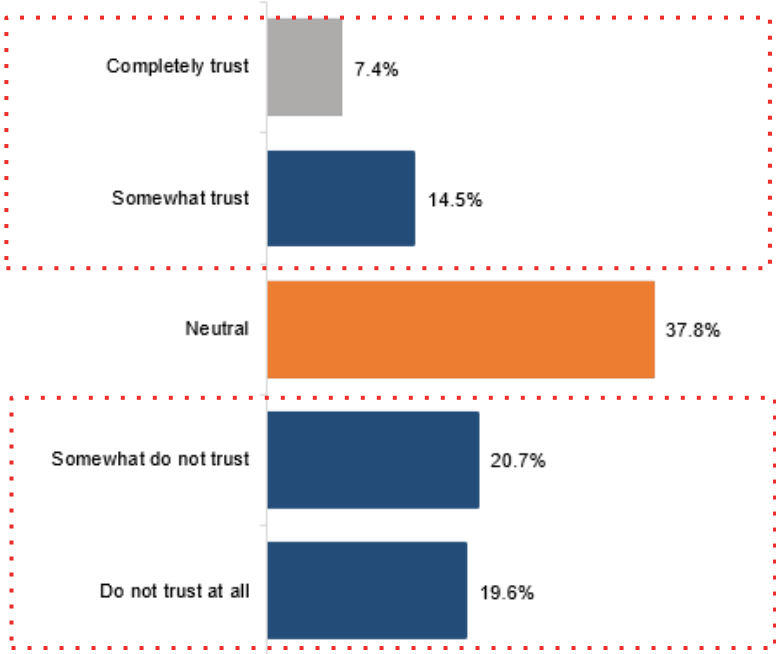


Consumer Trust, Privacy & Ethics

Only 1 in 5 (22%) Canadians trust that companies will use AI ethically in the grocery industry or restaurant sectors.

- More than 40 %(B2B) of Canadians do not trust that companies will use AI ethically in the grocery industry or restaurant sectors.

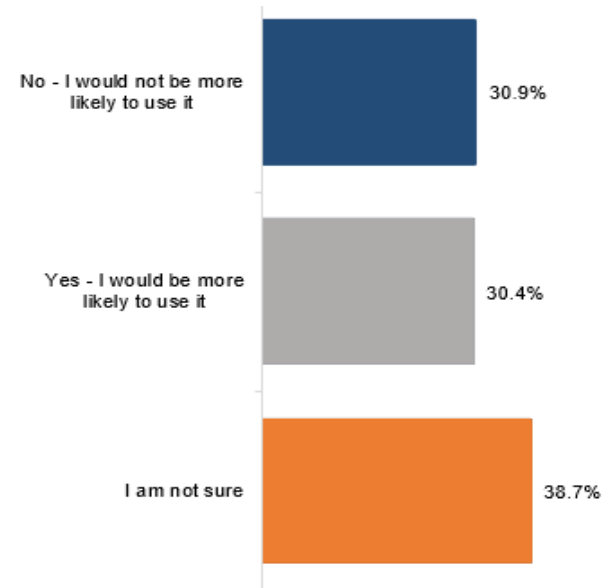
How much do you trust companies to use AI ethically in the grocery industry or restaurant sectors?



Canadians seem to be equally divided using a grocery store or restaurant if they were transparent on their AI usage.

- Nearly 40% of Canadians aren't sure if restaurant/grocery store AI transparency would increase intent to shop/visit.
- 1 in 3 men and 1 in 4 women, would be more likely to use a grocery store or a restaurant that uses AI if the company provided information on how they use it and ensured that it is being used ethically.

Would you be more likely to use a grocery store or a restaurant that uses AI if the company provided information on how they use it and ensured that it is being used ethically?

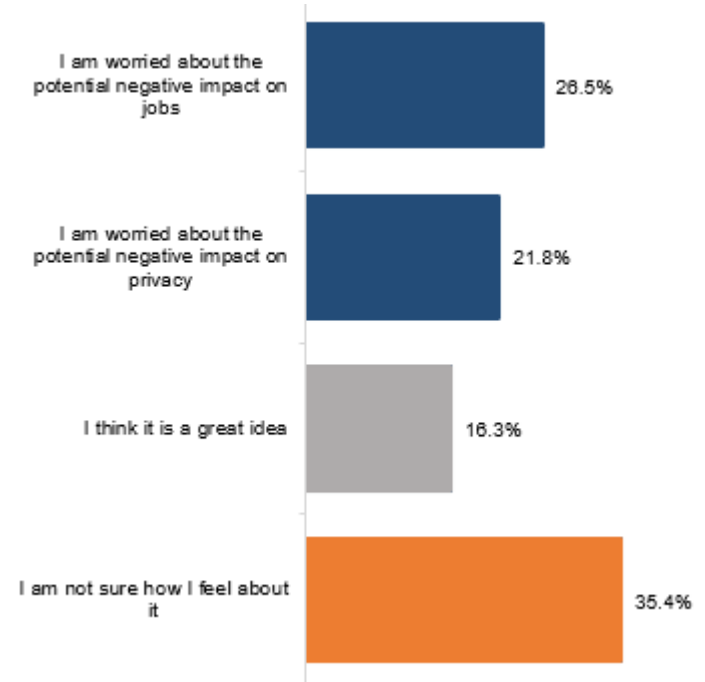


AI Perceived Benefits & Shortfalls

Around half (48.3%) of Canadians are worried either about the potential negative impact on Jobs (26.5%) or the impact on privacy (21.8%).

- 35.4% of Canadians are not sure how they feel about the impact of AI on the grocery industry and restaurant sector.
- 16.3% of Canadians think it is a great idea.

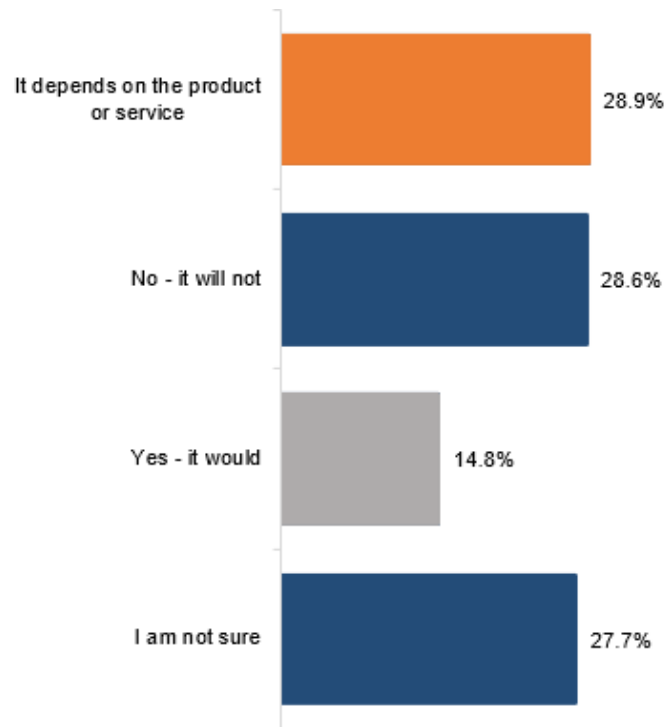
How do you feel about the use of AI in the grocery industry and restaurant sector?



Only 14.8% think AI can aid in saving time and/or money while doing grocery shopping or at a restaurant.

- About 1 in 4 Gen. Zs (24.5%) think AI can aid in saving during grocery shopping or at a restaurant.
- 28.9% of Canadians think it depends on the product or service.

Do you think AI can help you save time and/or money when doing grocery shopping or even at a restaurant?



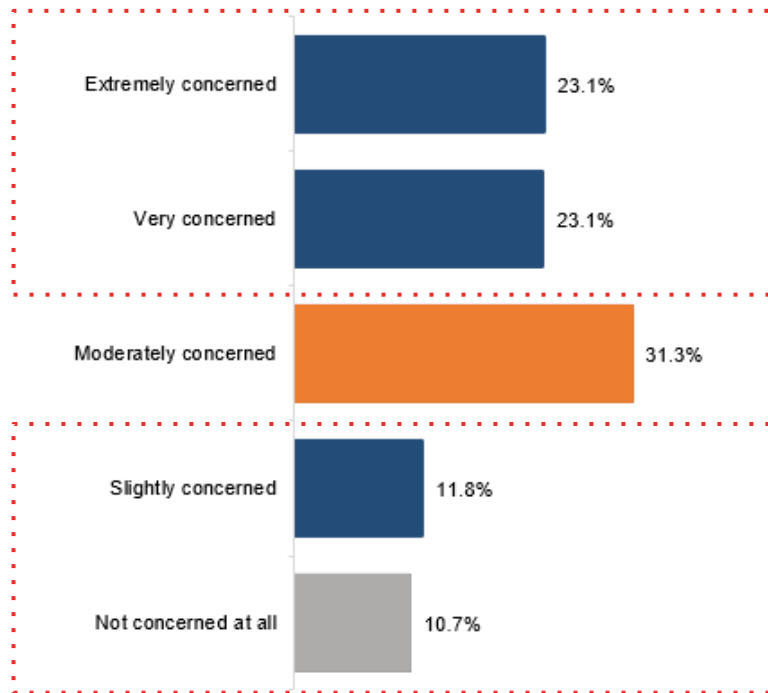
46.2% of Canadians are very concerned to extremely concerned about the use of AI that could impact jobs in the grocery industry and restaurant sector.

- 22.5 % of Canadians are slightly concerned to not at all concerned about the impact on jobs due to the use of AI in the grocery industry and restaurant sectors.

Across the country (Top 2 Box):

- East: 44.9%
- Quebec: 39.7%
- Ontario: 48.9%
- Manitoba: 51.5%
- Alberta: 51.5%
- BC: 44.1%

How concerned are you about the potential negative impact of AI on Jobs in the grocery industry and restaurant sector?



Want to dig into the data? Let's talk insights.



Ransom Hawley
CEO
insights@caddle.ca



Appendix

48.3% of Canadians are worried either about the potential negative impact on Jobs (26.5%) or the impact on privacy (21.8%).



47.7 % of women



• 36.5% of Greatest Gen



48.9% of men



• 48.6% of Boomers



• 49.9% of Millennials



• 48.5% of Gen X

• 45.6% of Gen Z



Variations across the country:

- Quebec: 42.8%
- Ontario: 49.5%
- East: 47.5%
- Alberta: 56.4%
- BC: 46.3%
- Manitoba: 49.7%

16.3% of Canadians think AI in the grocery and restaurant industries is a great idea

46.2% of Canadians are very concerned to extremely concerned about the use of AI that could impact jobs in the grocery industry and restaurant sector



49% of women



43.5% of men



• 55.4% of Greatest Gen



• 45.9% of Boomers



• 46.5% of Millennials



• 46.1% of Gen X



• 55.3% of Gen Z



Across the country:

- East: 44.9%
- Quebec: 39.7%
- Ontario: 48.9%
- Manitoba: 51.5%
- Alberta: 51.5%
- BC: 44.1%

39.7% of Quebecers are very concerned to extremely concerned about the impact of AI on jobs.

Only 14.8% think AI can aid in saving while doing grocery shopping or at a restaurant.



10.7% of women



18.9% of men



- 5.6% of Greatest Gen



- 6.6% of Boomers



- 21.3% of Millennials



- 14.2% of Gen X



- 24.5% of Gen Z



Across the country:

- East: 15.4%
- Quebec: 19.3%
- Ontario: 15.1%
- Manitoba: 13.9%
- Alberta: 11.5%
- BC: 12.7%

About 1 in 4 Gen. Zs (24.5%) think AI can aid in saving during grocery shopping or at a restaurant.

47.8% of Canadians are aware of the use of artificial intelligence (AI) in the grocery and restaurant industries.



43.9% of women



- 39.3% of Greatest Gen



51.7% of men



- 39.2% of Boomers



- 54.7% of Millennials



- 48.6% of Gen X

- 56.4% of Gen Z



Variations across the country:

- Quebec: 42.6%
- Ontario: 50.5%
- East: 40.9%
- Alberta: 54.4%
- BC: 48%
- Manitoba: 49.7%

More men (51.7%) than women (43.9%) are aware of AI use in the grocery and restaurant industries.

69.4% of Canadians are not willing to pay more for products and services that use AI.



69.7% of women



- 68% of Greatest Gen



69 % of men



- 73.7% of Boomers



- 66.2% of Millennials



- 70.7% of Gen X

- 62.8% of Gen Z



Across the country:

- East: 65.2%
- Quebec: 62.6%
- Ontario: 71.2%
- Manitoba: 68.2%
- Alberta: 70.3%
- BC: 74%

74% of BC citizens are not willing to pay more for products and services that use AI.

1 in 3 (34.3%) Canadians think the use of AI will lead to faster checkout



33.5% of women



35.2% of men



- 42.8% of Greatest Gen



- 28.9% of Boomers



- 38.2% of Millennials



- 34.8% of Gen X

- 37.8% of Gen Z



Across the country:

- East: 25.6%
- Quebec: 34.7%
- Ontario: 35.9%
- Manitoba: 30.6%
- Alberta: 34.3%
- BC: 33.6%

42.8%, of the Greatest Gen, think the use of AI will lead to faster checkout.

Around 22% of Canadians show the trust that companies will use AI ethically in the grocery industry or restaurant sectors.



18% of women



26% of men



- 7.6% of Greatest Gen



- 14.3% of Boomers



- 27.2% of Millennials



- 21.3% of Gen X

- 32.4% of Gen Z



Across the country:

- East: 21.5%
- Quebec: 25.8%
- Ontario: 23.5%
- Manitoba: 22.0%
- Alberta: 20.5%
- BC: 15.9%

More than 1 in 4 men show the trust that companies will use AI ethically.

23.4% of Canadians think it will be helpful to use AI for personalized recommendations for groceries or restaurant menu items.



17.7% of women



29% of men



• 9.5% of Greatest Gen



• 12.4% of Boomers



• 31.6% of Millennials



• 24.2% of Gen X



• 33.8% of Gen Z










Across the country:

- East: 21.3%
- Quebec: 27.5%
- Ontario: 23.7%
- Manitoba: 17.0%
- Alberta: 21.3%
- BC: 23%

(33.8%) 1 in 3 of Gen. Z think the use of AI for personalized recommendations for groceries or restaurant menu items will be helpful

Around 30% of Canadians would be more likely to use a grocery store or a restaurant that uses AI if the company provided information on how they use it and ensured that it is being used ethically

-  25% of women
-  36% of men

-  15% of Greatest Gen
-  26% of Boomers
-  36% of Millennials
-  28% of Gen X
-  38% of Gen Z



- Across the country:
- East: 30%
 - Quebec: 35%
 - Ontario: 30%
 - Manitoba: 32%
 - Alberta: 24%
 - BC: 33%

1 in 3 men and 1 in 4 women, would be more likely to use a grocery store or a restaurant that uses AI if the company provided information on how they use it and ensured that it is being used ethically.

30.4% of Canadians are more likely to use a grocery store or a restaurant that uses AI if the company provided information on how they use it and ensured that it is being used ethically.



24.8% of women



36.0% of men



- 14.6% of Greatest Gen



- 26.0% of Boomers



- 35.7% of Millennials



- 28.0% of Gen X

- 37.9% of Gen Z



Across the country:

- East: 29.8%
- Quebec: 34.7%
- Ontario: 30.0%
- Manitoba: 31.5%
- Alberta: 24.1%
- BC: 33.0%

Gen. Zs (37.9%) is the generation that is more likely to use a company that uses AI, which provides and uses information ethically.