From Woof to Wow - The Impact of Ratings & Reviews on Pet Product Sales

CADDLE | Ren's Pets

Make better decisions, faster, with access to rapid insights at every stage of the consumer journey

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Who We Are

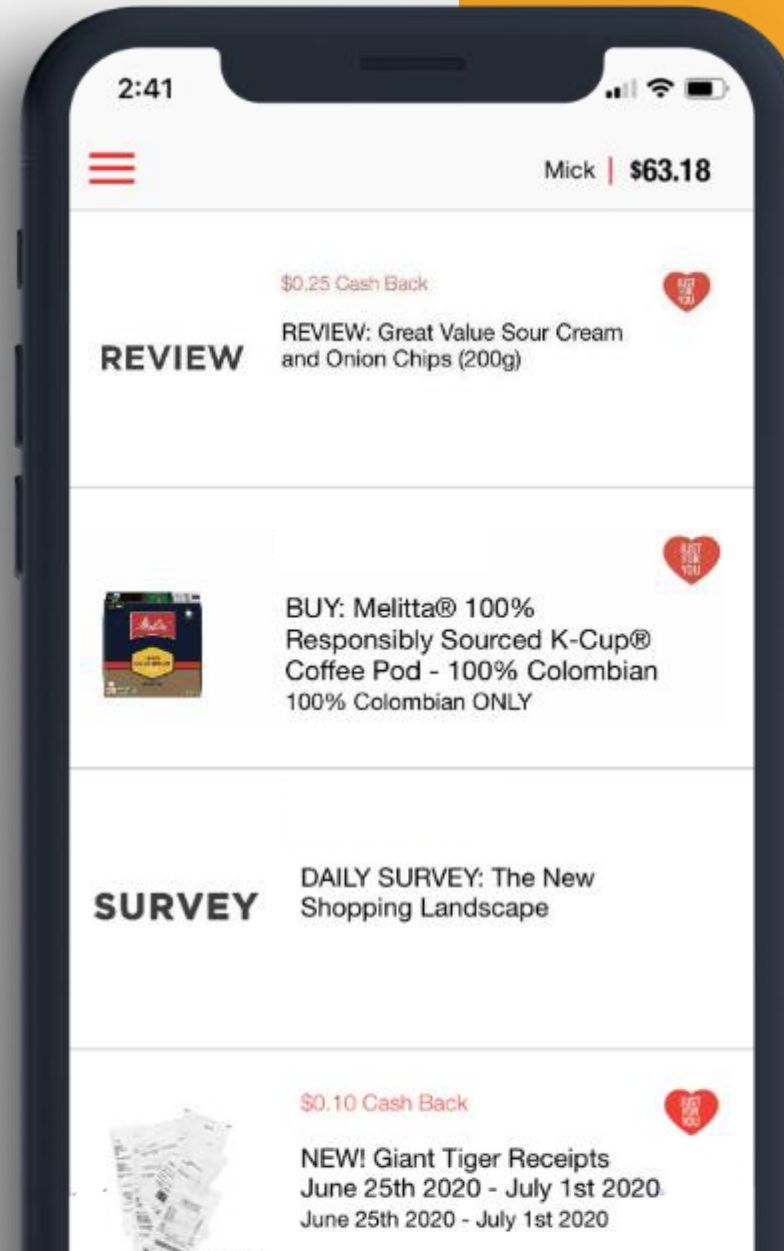**Larissa Wasyliw**

VP, Ecommerce & Marketing

Mark Smith

VP, Brand Partnerships

AskCaddle®

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

Large & Diverse Canadian Panel

Panel Details

Large and diverse daily active panel in Canada: 10,000+

Every type of shopper

Canadian representative samples

Holistic understanding across path to purchase

Engaged users rewarded for actions

Dynamic, on-demand reporting dashboard

Macro and niche data verticals including:

- New Moms
- Costco Shopper
- Amazon Prime Members
- Cannabis Consumers
- Health Professional
- Luxury Shoppers
- Shopper Dad
- Repeat Purchasers
- Vegan Buyers
- Pop Consumers
- Environmentalists

Who is Ren's Pets

We are passionate about pets and the people they own.
We believe that our furry companions deserve the best care and highest quality of products.
We are partners, not competitors, with local groomers, humane societies and other pet professionals.

Began as a small Canadian feed and supply store in 1975

Evolved to Best Specialty Pet Store in Canada

54 store locations and more to come

Online stores available across Canada

For more information please visit: https://www.renspets.com/

TODAY'S AGENDA

- **Current Landscape of Canadian Pet Industry**

- **Purchase Habits – What We Know**

- **Ratings and Reviews in the Pet Category**

- **How Caddle's Ratings & Reviews Product Works**

- **Q&A**

Methodology

About the Surveys

- Target – Pet Owners

- Series of studies conducted from May - July 2023

- Online Shopping Insights & Ratings & Review Insights
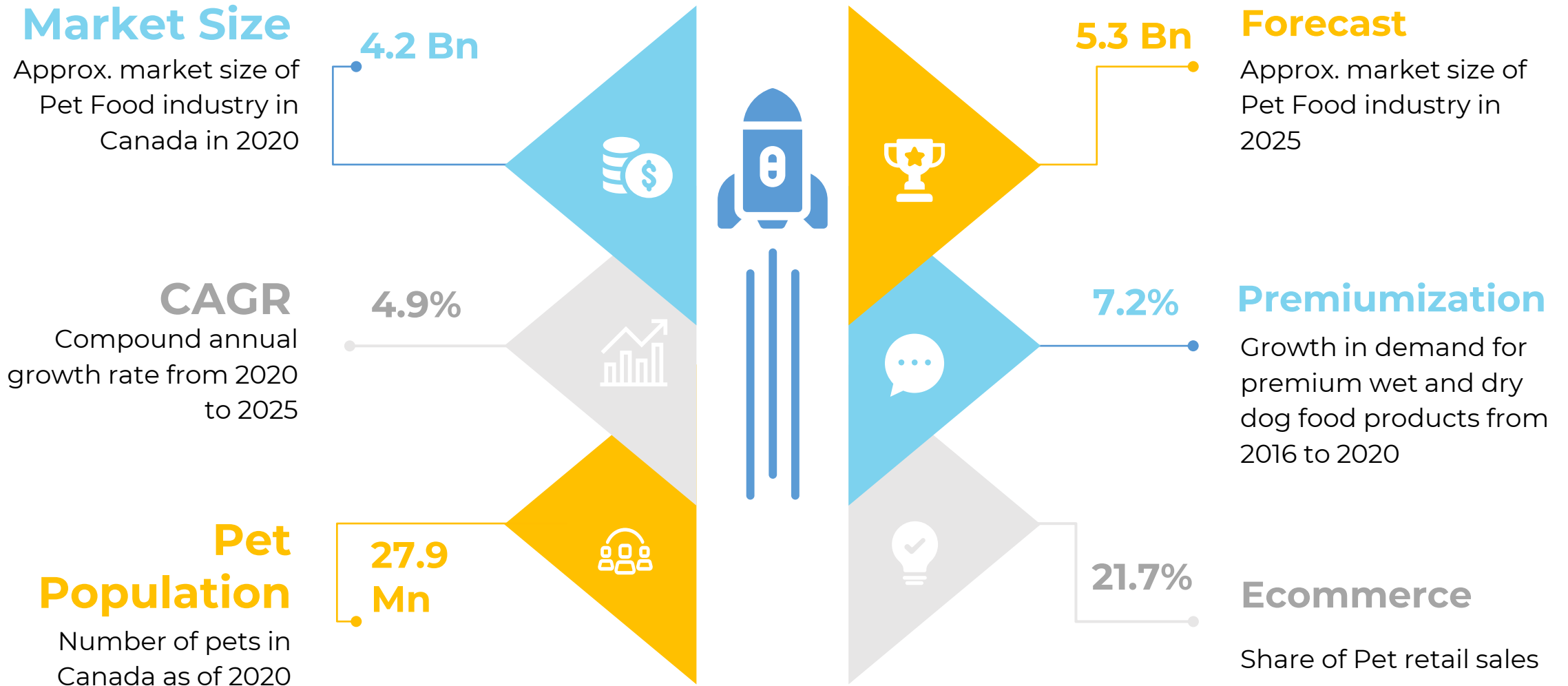
- 7 categories

Topic	Date	Sample Size – Ratings & Reviews Insights	Sample Size – Online Shopping Insights	Sample Size – Shopping Insights
Dry cat food (A)	May 2023	3,189	1,467	3,441
Wet cat food (B)	June 2023	2,317	N/A	3,038 (May 2023)
Dry dog food (C)	June 2023	2,897	1,333	3,166
Wet dog food (D)	July 2023	1,813	1,039	2,369 (June 2023)
Pet toys (E)	July 2023	3,820	1,924	3,746
Pet accessories (F)	July 2023	3,596	N/A	4,534
Pet clothing (G)	July 2023	1,507	1,293	2,397

Current Landscape of Canadian Pet Industry

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Canadian Pet Industry Landscape

Market Size
4.2 Bn

Approx. market size of Pet Food industry in Canada in 2020

Forecast
5.3 Bn

Approx. market size of Pet Food industry in 2025

CAGR
4.9%

Compound annual growth rate from 2020 to 2025

Premiumization
7.2%

Growth in demand for premium wet and dry dog food products from 2016 to 2020

Pet Population
27.9 Mn

Number of pets in Canada as of 2020

Ecommerce
21.7%

Share of Pet retail sales

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Purchase Habits – What We Know

Main "Store Type" for Pet Categories
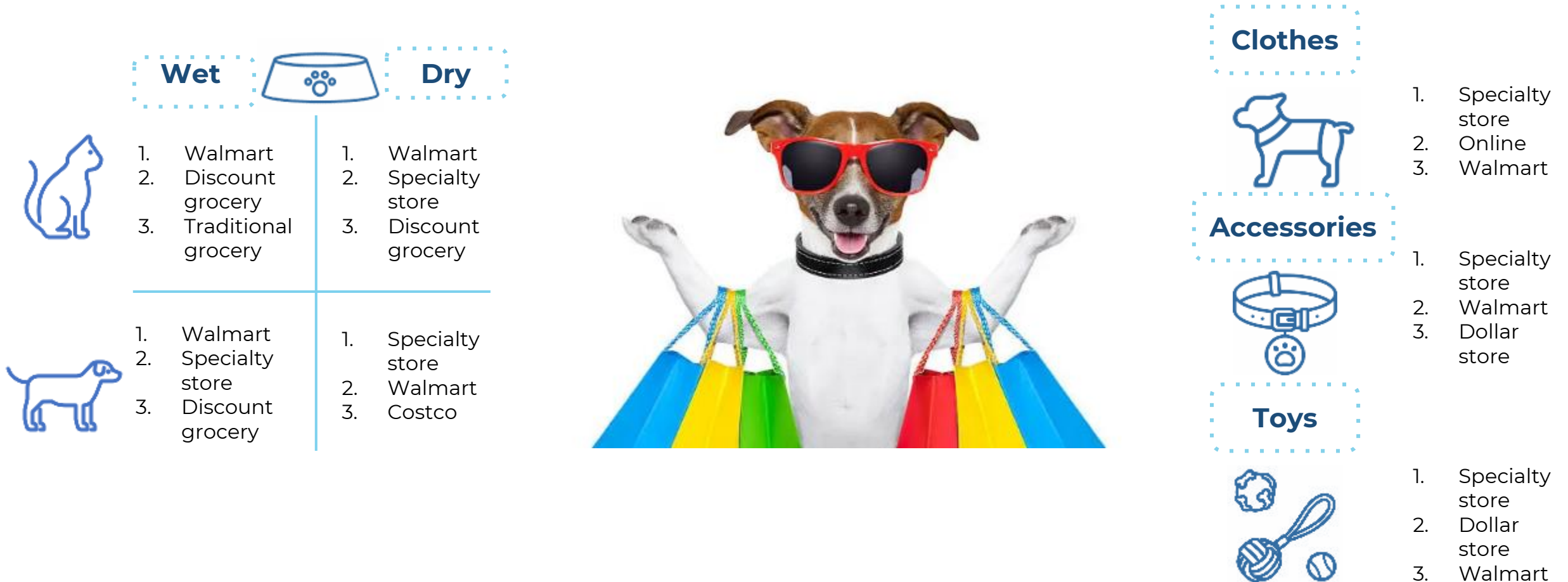
Wet | **Dry**

Wet (cat)
1. Walmart
2. Discount grocery
3. Traditional grocery

Dry (cat)
1. Walmart
2. Specialty store
3. Discount grocery

Wet (dog)
1. Walmart
2. Specialty store
3. Discount grocery

Dry (dog)
1. Specialty store
2. Walmart
3. Costco

Clothes
1. Specialty store
2. Online
3. Walmart

Accessories
1. Specialty store
2. Walmart
3. Dollar store

Toys
1. Specialty store
2. Dollar store
3. Walmart

Opportunity #1: Pet owners are open to change

Between 21% and 33% say they have switched where they buy for their pets in the past 12 months

Opportunity #2: Pet owners are open to buying and spending more, particularly on food

20% upswing expected in the overall pet category in next six months*

(*For each item, the question was asked: "In the next six months, are you planning to...buy more/same/less."
This insight is based on is the average of the Δs between "more" and "less" across the pet category)

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Ratings and Reviews in the Pet Category

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Ratings and Reviews are important in the pet category

Wet | **Dry**

52% | 52%

64% | 58%

66%

54%

49%
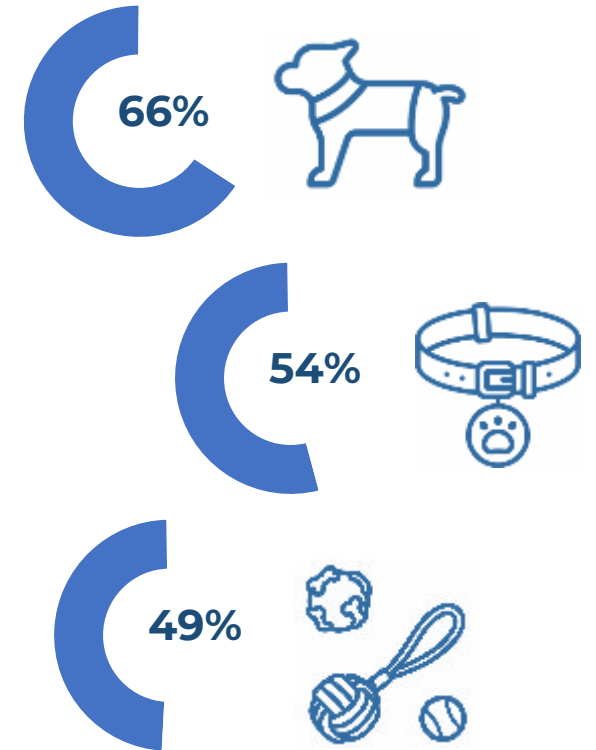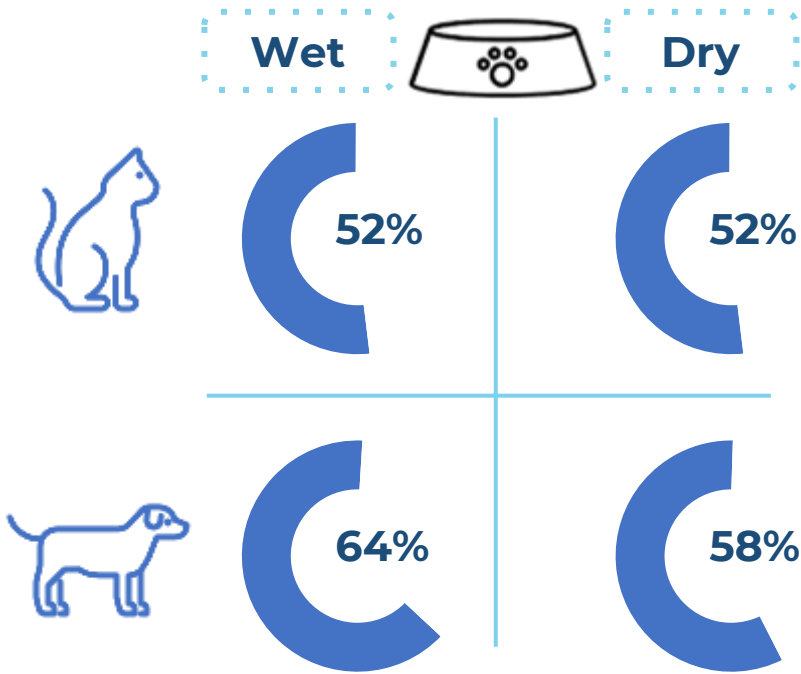
On average

56%

Say R+R are important (very / somewhat) in purchase decisions in this category

Source: Caddle Surveys A - G. Please refer to methodology slide
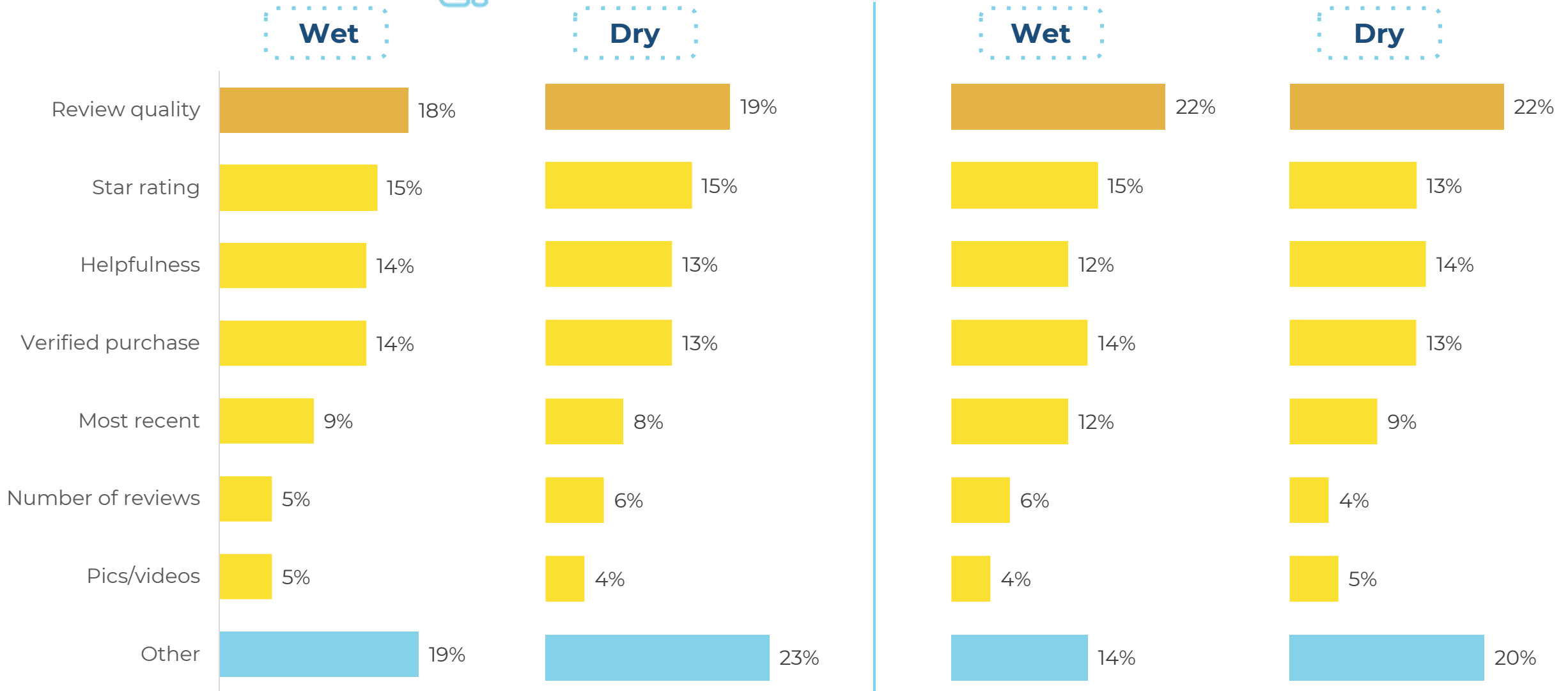
Most important review features

We dove deep into Food (wet, dry), toys, clothing, accessories for both dogs and cats.

Every category ranked the same in order of importance when looking at Reviews:
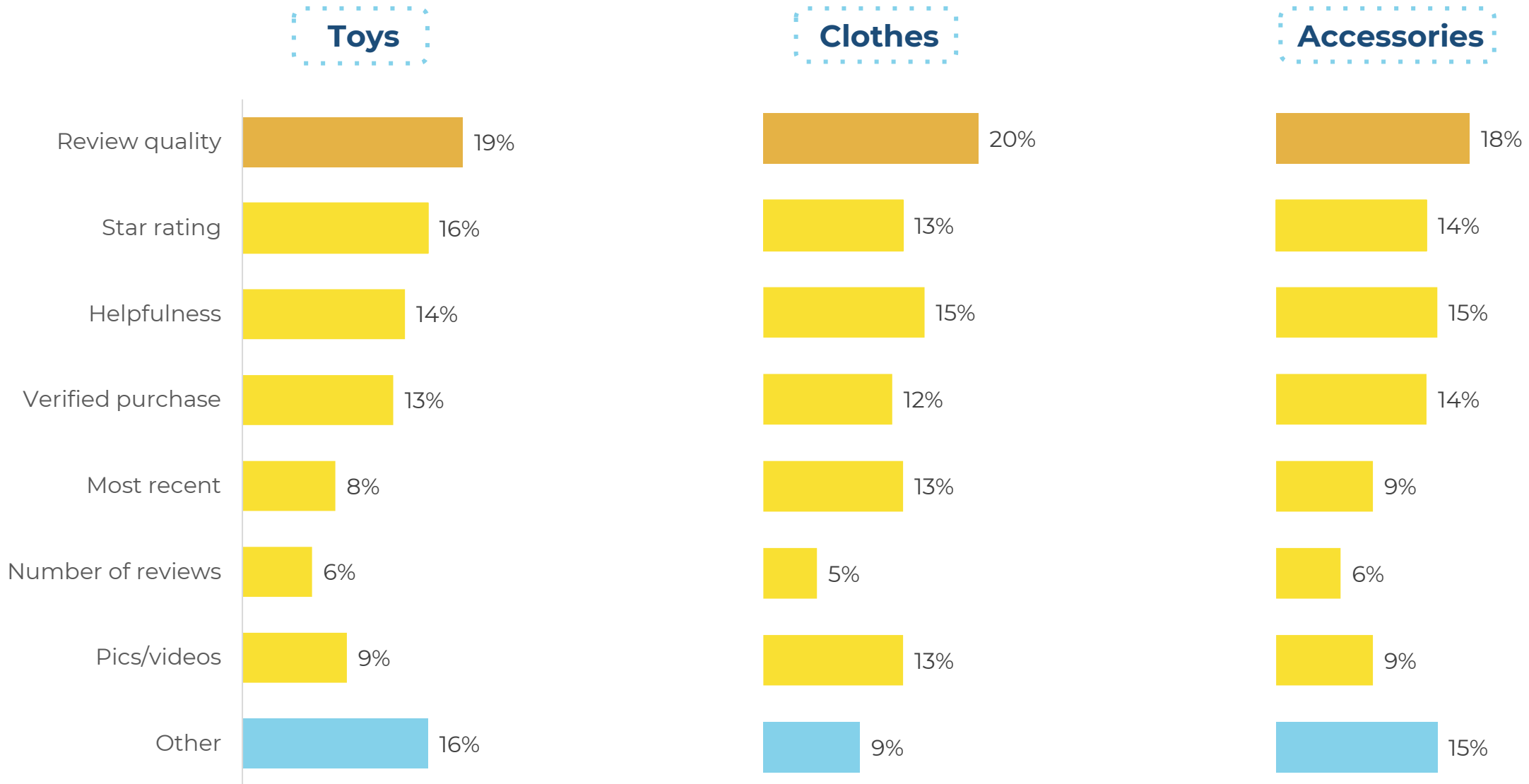
1 **Quality**

2 **Overall Star Rating**

3 **Help Reviews**

4 **Verified purchase Reviews (trust)**

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Most important Ratings & Review feature in purchase decision – FOOD

	CAT Wet	CAT Dry	DOG Wet	DOG Dry
Review quality	18%	19%	22%	22%
Star rating	15%	15%	15%	13%
Helpfulness	14%	13%	12%	14%
Verified purchase	14%	13%	14%	13%
Most recent	9%	8%	12%	9%
Number of reviews	5%	6%	6%	4%
Pics/videos	5%	4%	4%	5%
Other	19%	23%	14%	20%

Most important Ratings & Review feature in purchase decision – OTHER

	Toys	Clothes	Accessories
Review quality	19%	20%	18%
Star rating	16%	13%	14%
Helpfulness	14%	15%	15%
Verified purchase	13%	12%	14%
Most recent	8%	13%	9%
Number of reviews	6%	5%	6%
Pics/videos	9%	13%	9%
Other	16%	9%	15%

Source: Caddle Surveys A - G. Please refer to methodology slide

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Frequency of Ratings & Reviews use when buying various pet categories

In-Store
On average for category:

Always:

20%

Always + Often:

39%

Always + Often + Sometimes:

62%

Online
On average for category:

Always:

22%

Always + Often:

44%

Always + Often + Sometimes:

66%
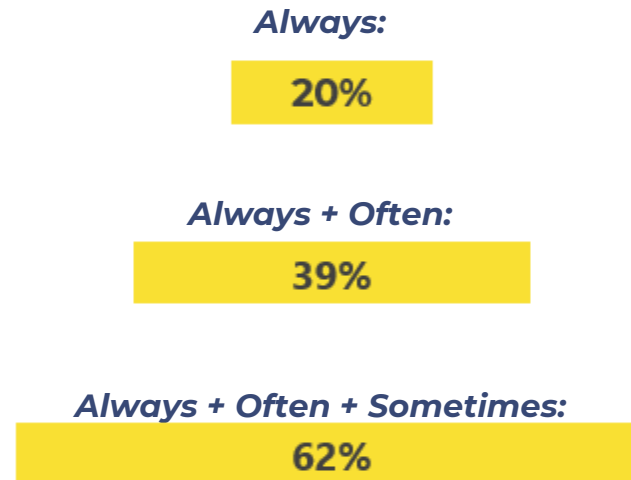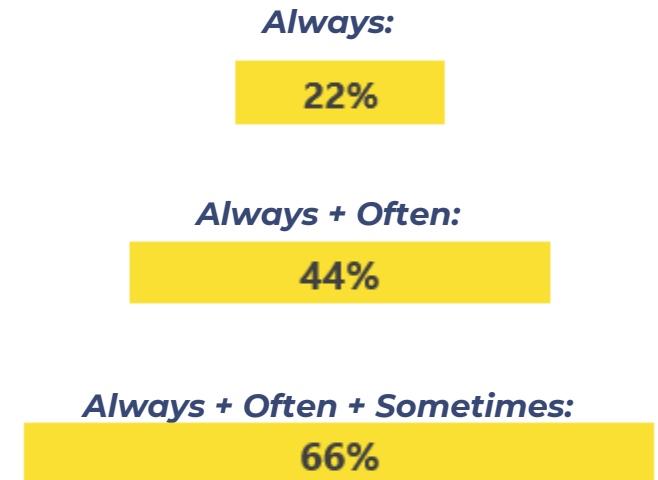
Why Ratings + Reviews Are Crucial for Consumers and Business

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More Reviews = More Sales⭐

- Product pages with reviews have 3x more sales than pages without reviews
- First 50 reviews provide +30% lift in orders
- Reviews make products more discoverable on Google

Lost sales:

57% of consumers will have decreased intentions to purchase when there are no R&Rs

Giving business to competitors:

41% of consumers would switch to another retailer if R&Rs are not on their website

Timeliness:

57% of consumers think R&Rs older than 4 months are considered "outdated"

Rating:

62% of consumers look for a 4.0 star-rating or higher when purchasing a product online

Caddle has an average star-rating of 4.3 due to our hyper- targeting and screening process

The Secret to Top Of Fold

Google

✓

Number of Reviews: 30-50 relevant reviews

Star Rating: Average Star Rating of 4 stars and above

Recency: Within a time-range of 3-5 months

Google's Algorithm Rewards SKUs with this Optimal Mix

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Pet Brand Case Study

More Reviews

=

Higher SEO

=

Higher Conversion

Pet brand set out to further increase awareness, SEO and conversion for two of their core brands by leveraging Ratings & Reviews.

67% increase in number of pages ranked organically.

140% increase in impressions from organic search.

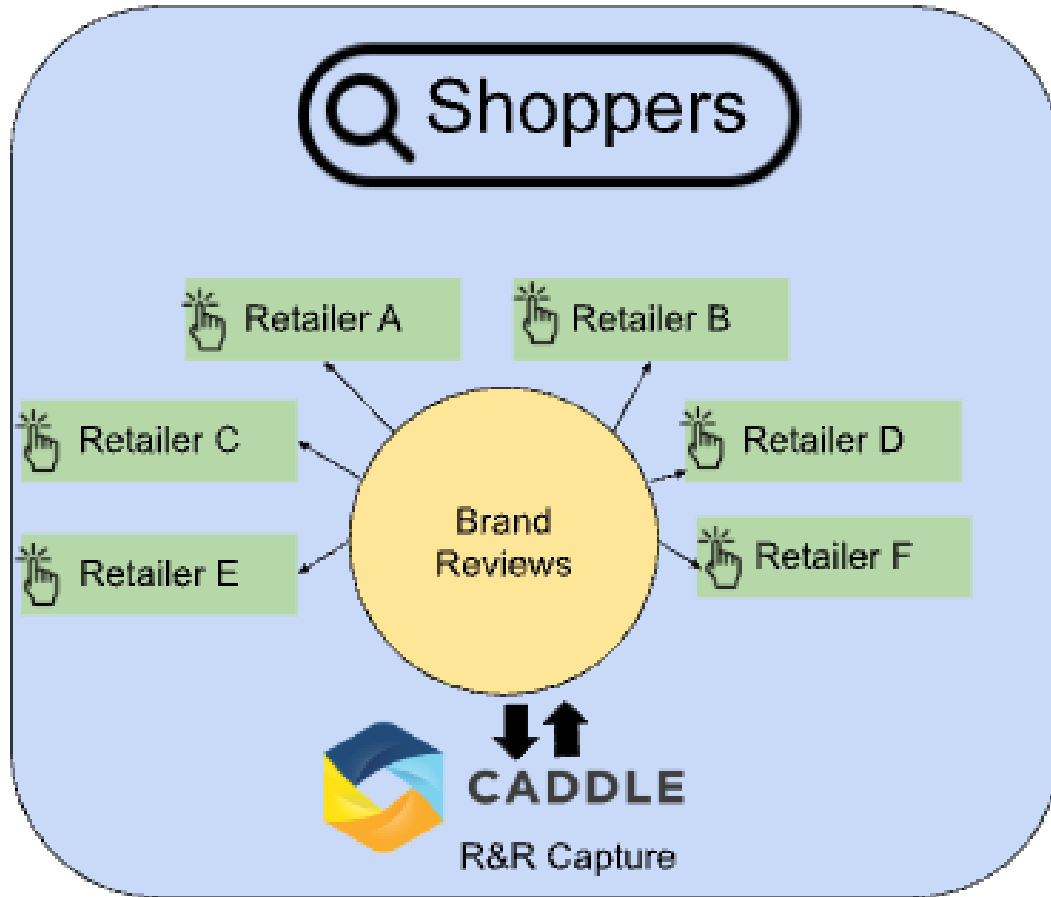**80%** increase in clicks from organic search.

28% increase in conversion rate.

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How our Ratings & Reviews Product works

Caddle R&R Syndication Network

- ➜ Incentivize Caddle's members

- ➜ Receipt capture & verified purchase

- ➜ Brands extend reach to Retailer websites directly

- ➜ 80% less touchpoints vs. competitors

- ➜ Fast results & comprehensive reporting

Pawsome Reviews

with Caddle

Caddle's Track Record in Ratings & Reviews

Caddle has spent 5+ years building a trusted panel of Canadian consumers

200K+
Ratings & Reviews Collected through Caddle

4.4
Average Rating & Review Star Rating

10,000's
of Products Reviewed through Caddle

Trusted by the Biggest Brands in CPG & Retail

No More R&R Headaches

- No samples required (environmentally sustainable)

- Caddle members purchase the actual product

- Caddle pays for the discount/incentive (if rebate is needed)

- Speedy Reviews

- Receipt verification by an actual human

- Summary & Detail Level Reporting (with shopper profile info)

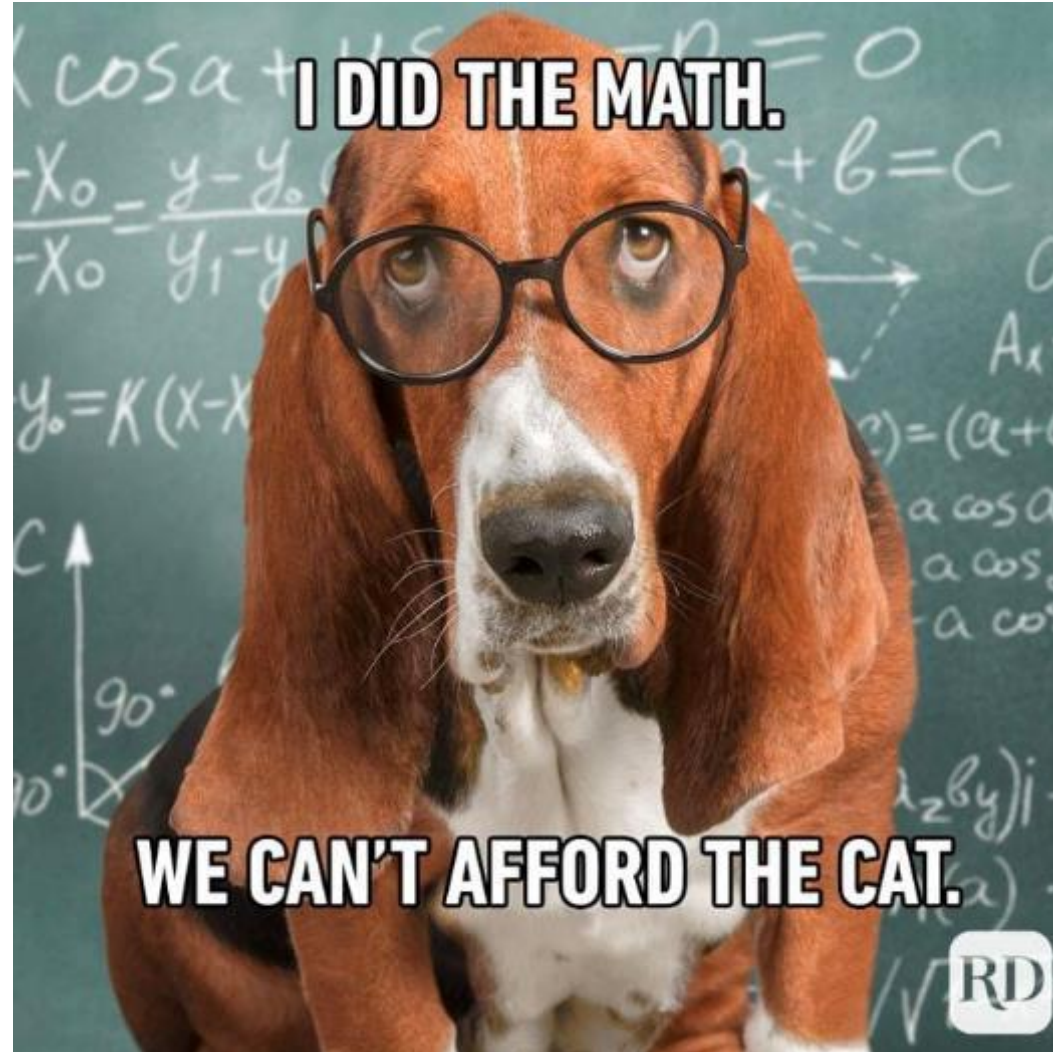- Frequent, quality Reviews at scale. Average 4.4 Rating

💡 82% Less Onboarding Touch Points vs. Our Competitors

Large & Diverse Panel

Trusted by Fortune 500 Brands

Final Thoughts

Let's talk reviews.

Send A SKU. Get a Review!

One Rule to Rule All Others - 1 Product per Brand/Retailer

Step 1: Scan QR Code and fill out contact us form
Step 2: Send 1 Product under a $10 Price Point
Step 3: Caddle will leverage our Targeted Review Product to collect min of 10 Reviews
Step 4: Reporting will be shared

Appendix

Purchase Habits – What We Know

Online options typically used

Most popular for: Dog food

Most popular for: Dry cat food, clothing, toys

Legend:
- ■ Buy online/PU in-store or C&C
- ■ Ship to home
- ■ Buy online/PU curbside
- ■ Reserve online/Pay+PU in store

	Buy online/PU in-store or C&C	Ship to home	Buy online/PU curbside	Reserve online/Pay+PU in store
Wet dog food	38%	20%	31%	11%
Dry dog food	34%	32%	26%	8%
Dry cat food	29%	35%	25%	10%
Pet clothing	26%	48%	19%	7%
Pet toys	23%	60%	12%	5%
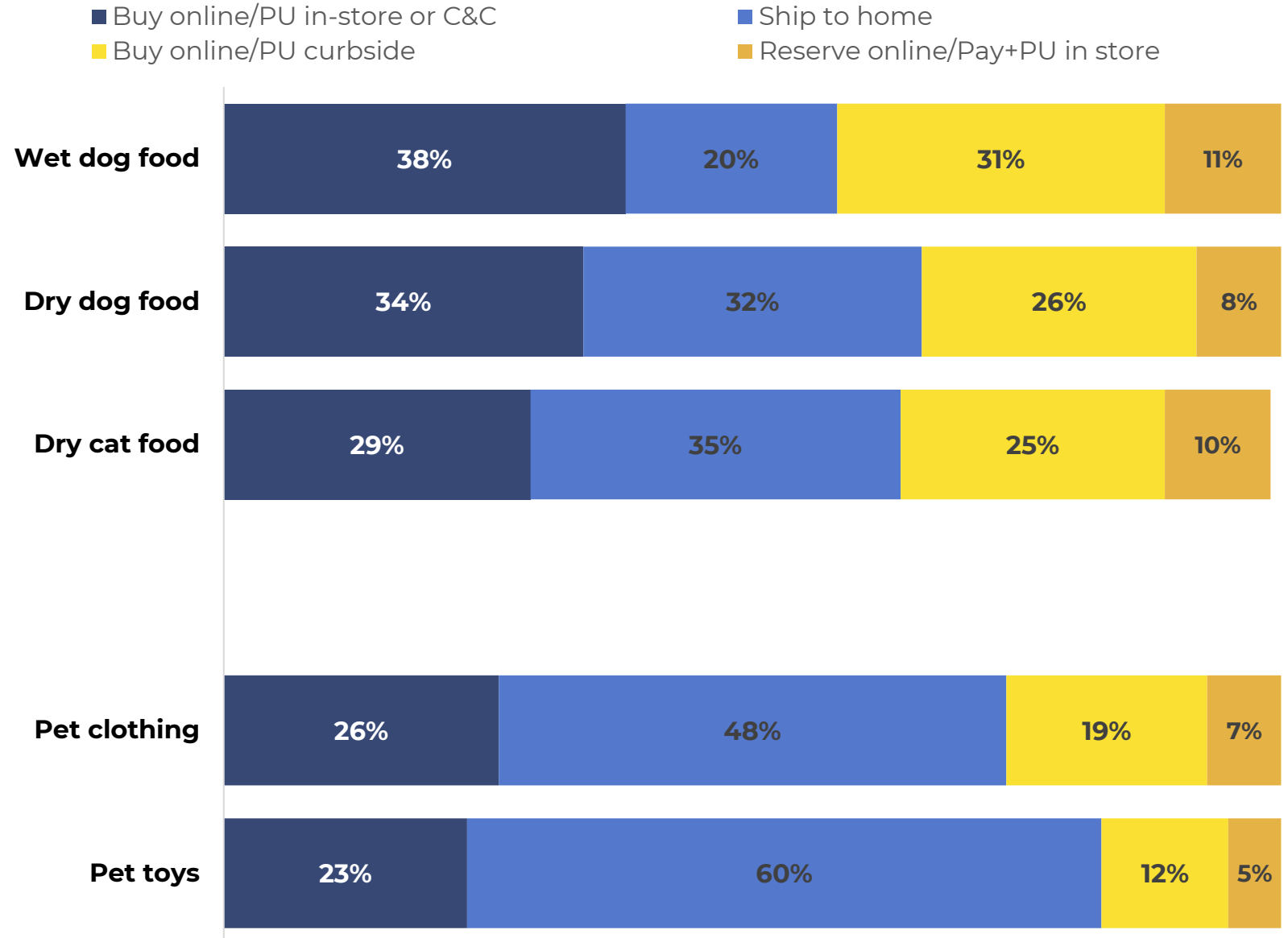
Preferred online Retailers FOOD
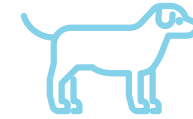
Retailer	Cat — Dry	Dog — Wet	Dog — Dry
amazon	33%	28%	28%
Walmart	32%	34%	26%
COSTCO WHOLESALE	16%	22%	17%
Loblaws CLICK&COLLECT	16%	24%	18%
metro	10%	14%	9%
instacart	10%	18%	8%
voilà by Sobeys	9%	12%	10%
Other	23%	17%	26%

Preferred online Retailers
OTHER

Clothes

Accessories
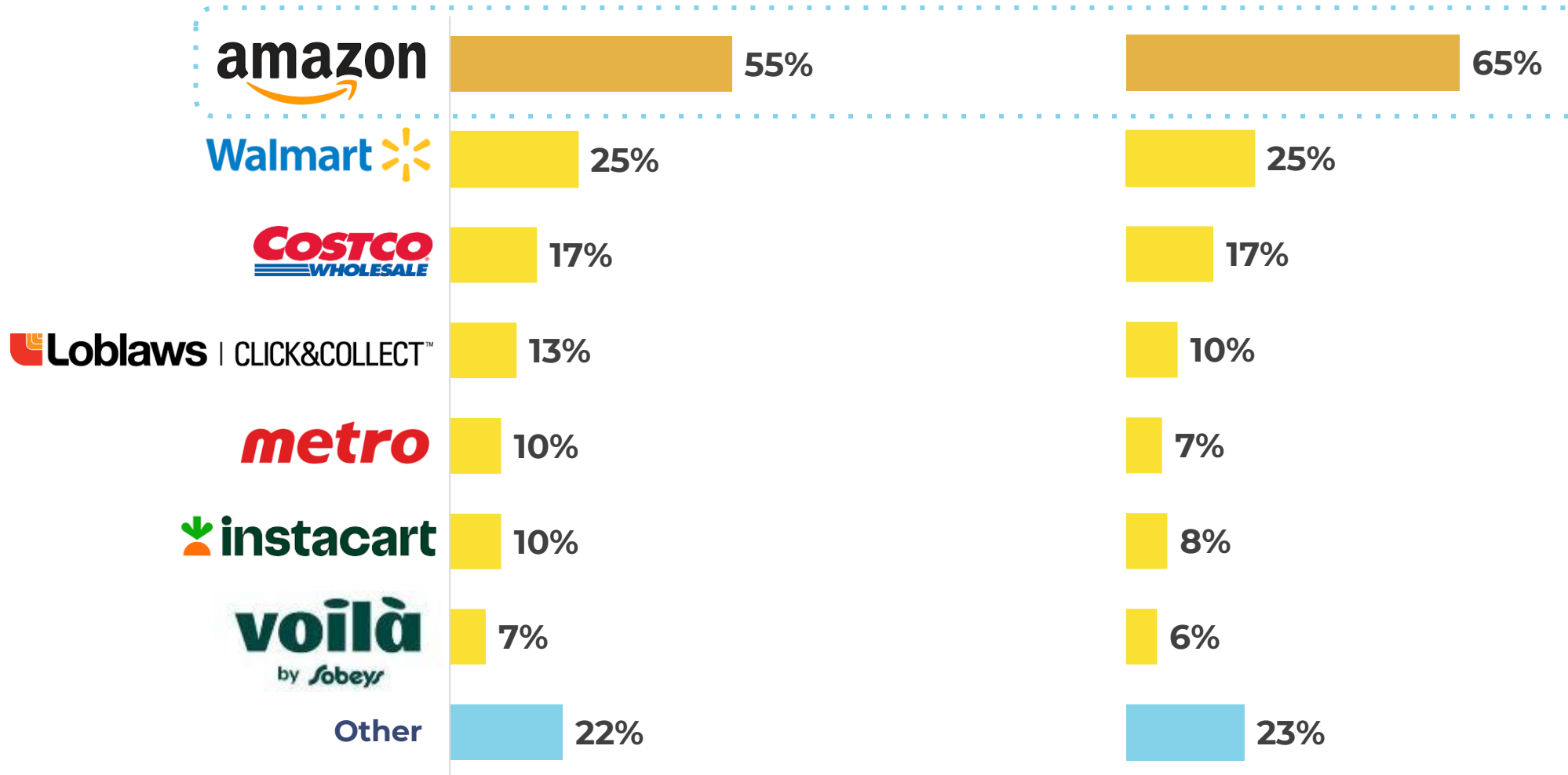
Retailer	Clothes	Accessories
amazon	55%	65%
Walmart	25%	25%
COSTCO WHOLESALE	17%	17%
Loblaws | CLICK&COLLECT	13%	10%
metro	10%	7%
instacart	10%	8%
voilà by Sobeys	7%	6%
Other	22%	23%
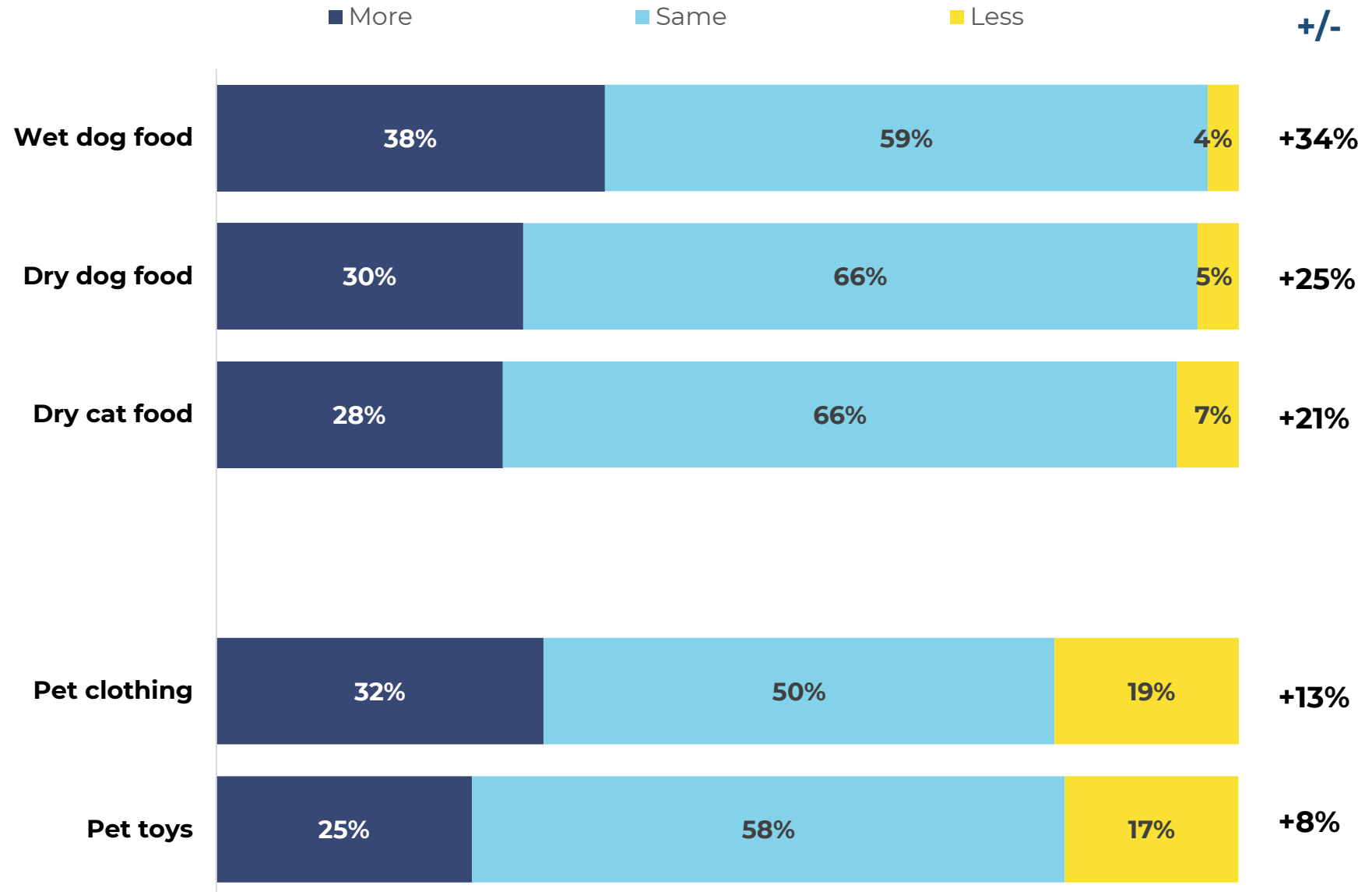
Ratings and Reviews in the Pet Category

Importance of Ratings & Reviews in decision-making in pet categories

56% AVERAGE VERY / SOMEWHAT IMPORTANT

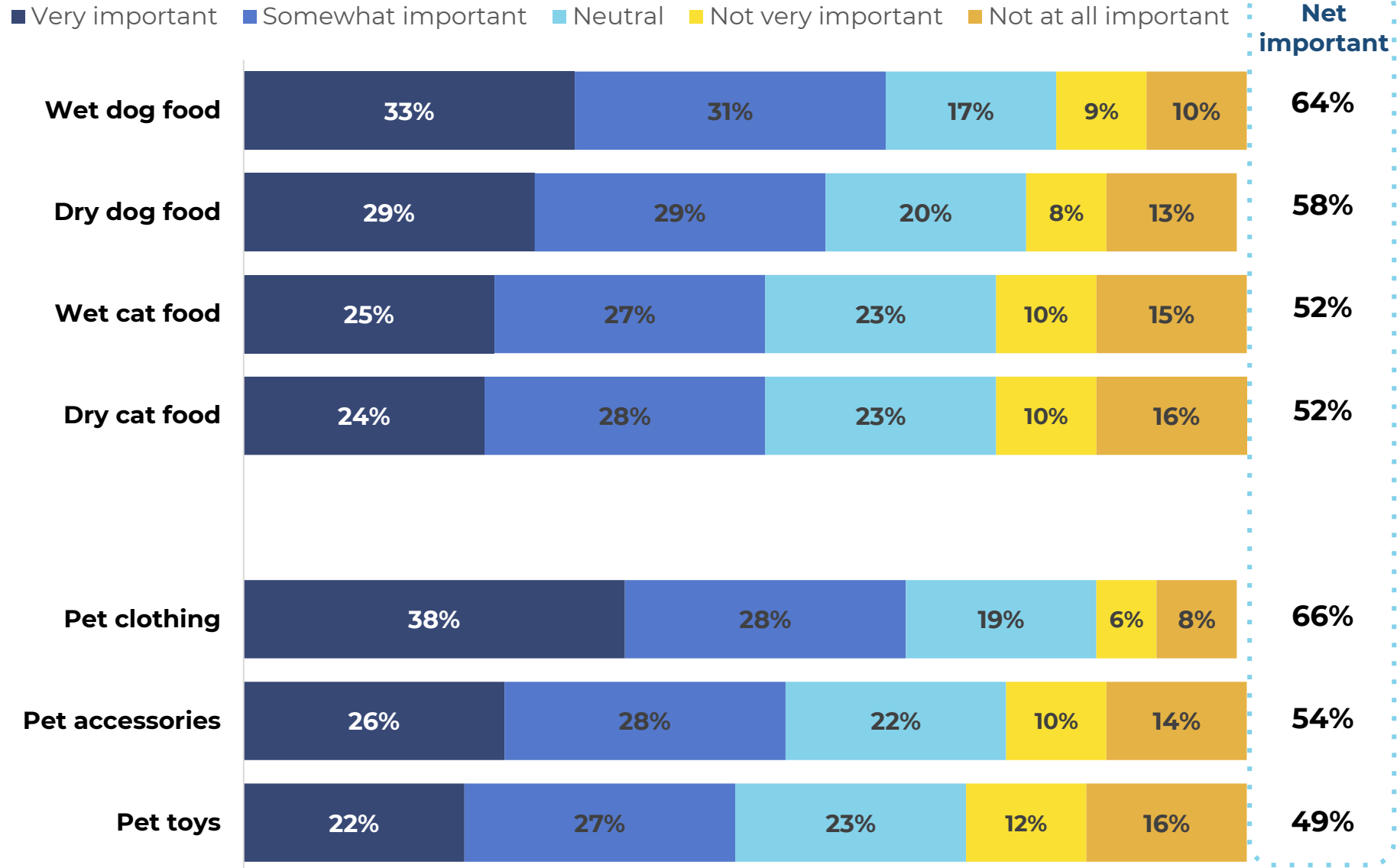| Category	Very important	Somewhat important	Neutral	Not very important	Not at all important	Net important
Wet dog food	33%	31%	17%	9%	10%	64%
Dry dog food	29%	29%	20%	8%	13%	58%
Wet cat food	25%	27%	23%	10%	15%	52%
Dry cat food	24%	28%	23%	10%	16%	52%
Pet clothing	38%	28%	19%	6%	8%	66%
Pet accessories	26%	28%	22%	10%	14%	54%
Pet toys	22%	27%	23%	12%	16%	49%

Frequency of Ratings & Reviews use when buying in-store for various pet categories

On average for category:

Always:
20%

Always + Often:
39%

Always + Often + Sometimes:
62%

	Always	Often	Sometimes	Seldom	Never	T2B
Wet dog food	24%	23%	22%	13%	18%	47%
Dry dog food	19%	19%	24%	15%	23%	38%
Wet cat food	20%	16%	22%	17%	25%	36%
Dry cat food	16%	18%	21%	16%	29%	34%
Pet clothing	30%	22%	22%	13%	13%	52%
Pet accessories	18%	18%	24%	19%	21%	36%
Pet toys	15%	16%	24%	21%	25%	31%

Frequency of Ratings & Reviews use when buying online for various pet categories
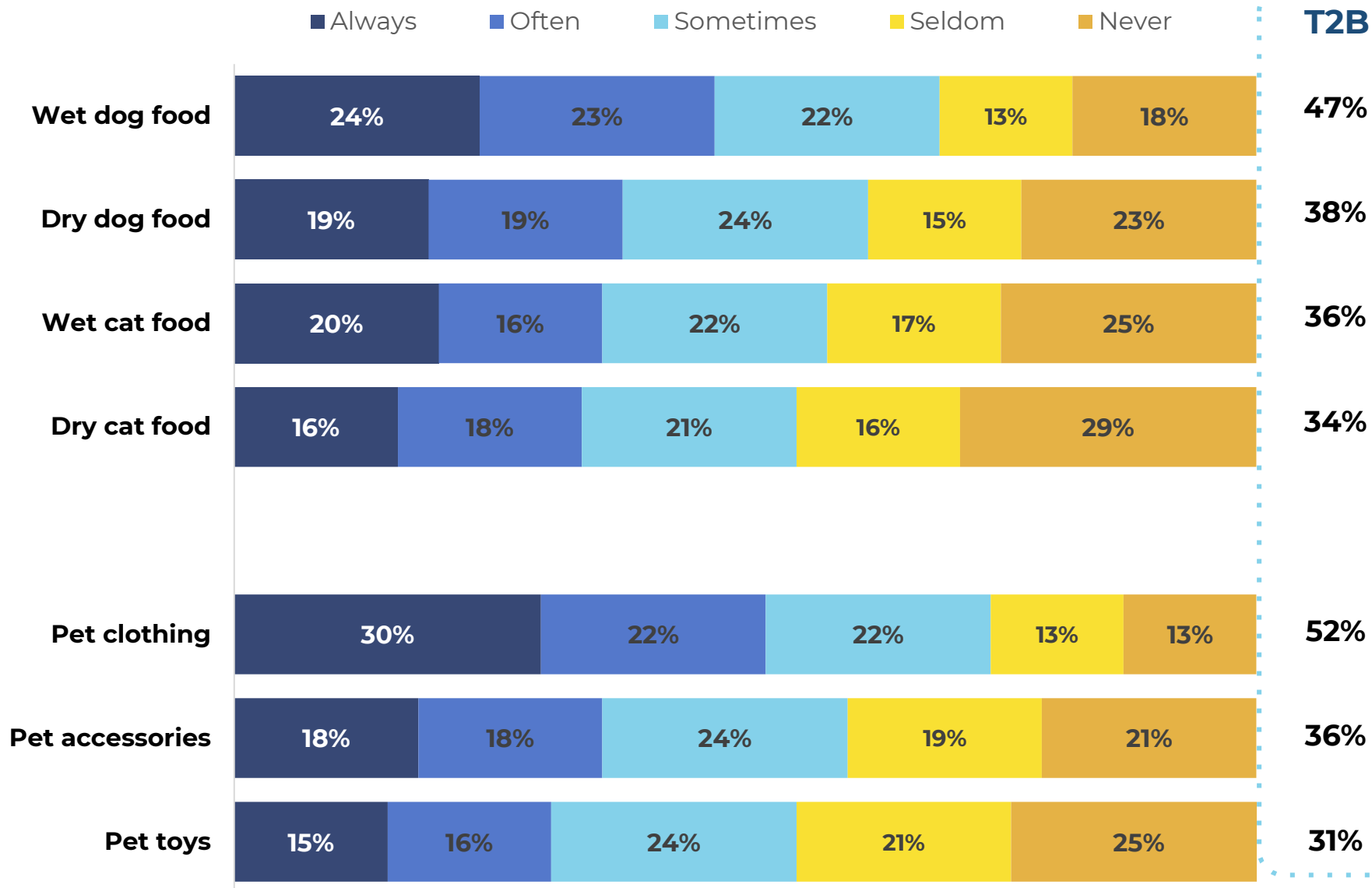
On average for category:

Always:
22%

Always + Often:
42%

Always + Often + Sometimes:
66%

	Always	Often	Sometimes	Seldom	Never	T2B
Wet dog food	26%	23%	22%	11%	17%	49%
Dry dog food	20%	19%	24%	20%	25%	39%
Wet cat food	20%	16%	25%	14%	24%	36%
Dry cat food	16%	18%	22%	15%	29%	34%
Pet clothing	32%	26%	24%	10%	9%	58%
Pet accessories	20%	22%	26%	15%	18%	42%
Pet toys	18%	20%	25%	16%	21%	38%