



Discounts and Beyond: The Evolution of Grocery Shopping Habits



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



Who We Are



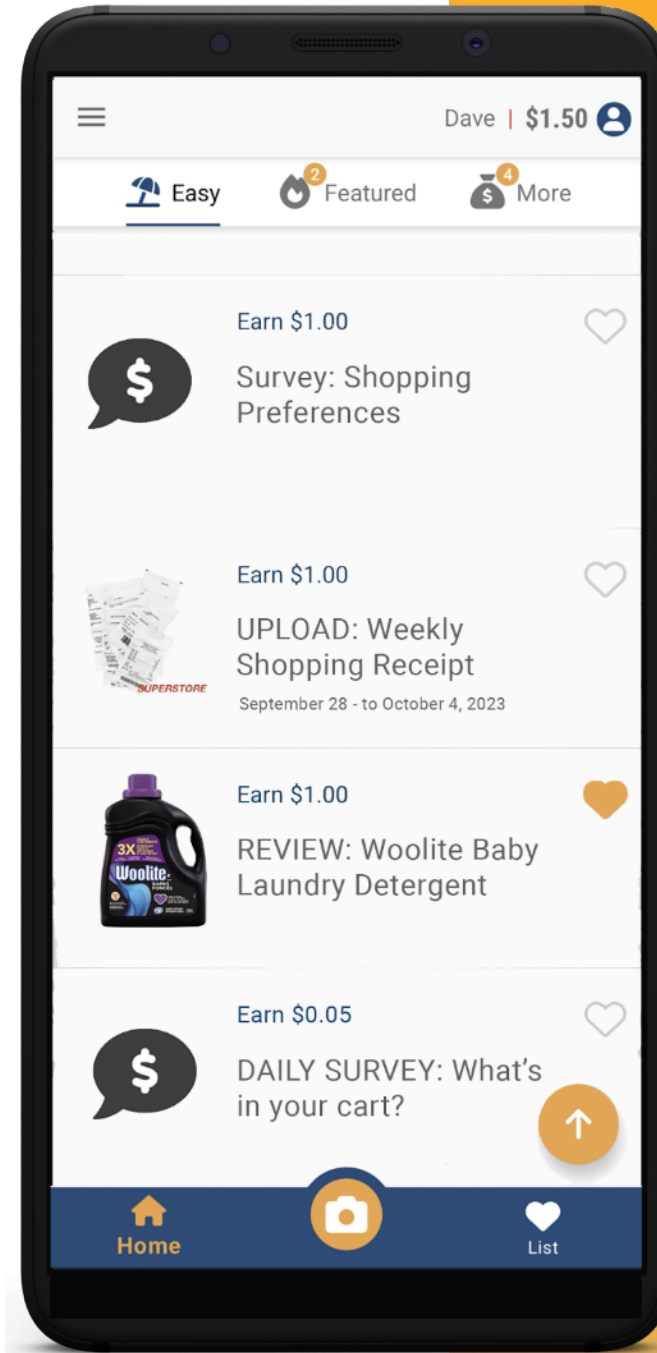
Dr. Sylvain Charlebois
Senior Director,
Agri-Food Analytics Lab

Colleen Martin
Chief Revenue Officer



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

Methodology

- Primary Grocery Shoppers
- 2,880 respondents
- In-field January 25 and 26, 2024
- Data weighted to reflect Canadian adult population (age, gender, province).





TODAY'S AGENDA

- **Current Grocery Landscape:
Changing Consumer Behaviours**
- **Discounts: Frequency, Habits and
Preferences**
- **Expiring Food Discounts**
- **Food Rescuing Initiatives**
- **Q&A**

Current Grocery Landscape: Changing Consumer Behaviours



The times they are a-changing: Our Bargain- Hunting Economy

Coupon Usage Trends:

- According to Statistics Canada's Coupon Usage Survey, Canadian consumers have steadily increased coupon redemptions over the past decade. In 2010, around 2.5 billion coupons were redeemed, rising to 3.1 billion in 2019, reflecting a consistent upward trend.

Bargain hunting:

- In the past year, 62.2% of respondents opted to switch primary stores to secure better deals, reflecting a substantial trend.
- Additionally, 29.8% of respondents exclusively select grocery stores based on in-store discounts and promotions.

The Tech Revolution:

- Technology has revolutionized couponing in Canada with apps like Flipp, Reebee, and Checkout 51 offering personalized discounts, while online platforms like RetailMeNot aggregate deals. This shift has made accessing and redeeming coupons easier, faster, and more convenient for Canadian consumers.

32% Rise in weekly shopping visits:

- According to a recent Caddle study, shoppers on average visit the grocery store 7.20 times per month. This represents a substantial 32% increase from 2018 when shoppers visited grocery stores only 5.43 times per month. This notable surge in visit frequency underscores a significant shift in consumer behaviour.

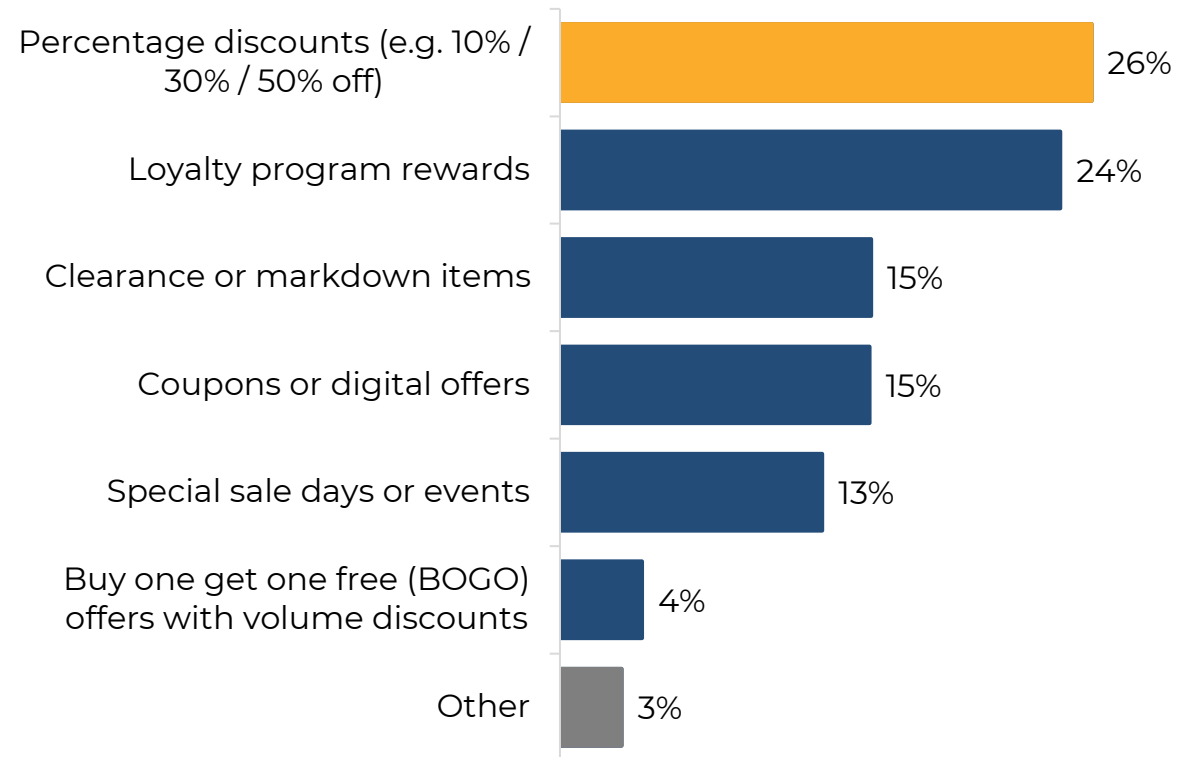
Discounts: Frequency, Habits and Preferences



Six in Ten consumers *Always* actively seek out discounts and promotions when shopping for groceries

Discount Hunting

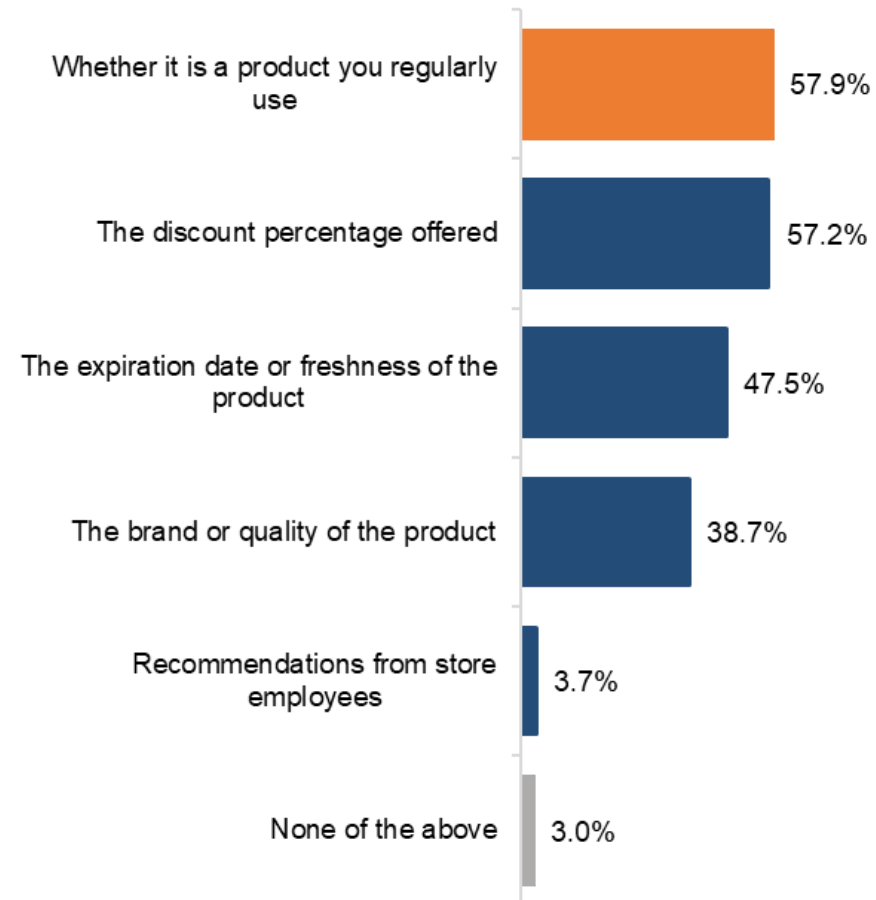
What types of grocery discounts or promotions do you find **MOST** appealing at the grocery store?



Marked Down Items are the most popular

Most important factors influencing purchase

When you see a discounted item at the grocery store, what factors influence your decision to purchase it? (Please select all that apply)



Types of Discounted Food Items Typically Purchased



Fresh Produce



Baked Goods



Meat or Seafood



Dairy Products



Packaged /Canned food



Ready-to-eat Meals



Produce and meat are the top categories for in-store bargain hunting, closely followed by packaged/canned foods.

Consumer perception of which Grocers offer the best discounts

62%

Six in ten have switched stores or changed habits to take advantage of discounts or promotions at another store.

30%

Three in ten exclusively make the choice of which grocery store to shop at based on in-store discounts and promotions.

Are there any specific grocery stores or supermarket chains you consider to be particularly good at offering in-store discounts and promotions? (Please select all that apply)

Loblaws / Real Canadian

Super Store/ No Frills/Maxi/

Atlantic Superstore (54%)

Walmart (35.5%)

Costco (26.8%)

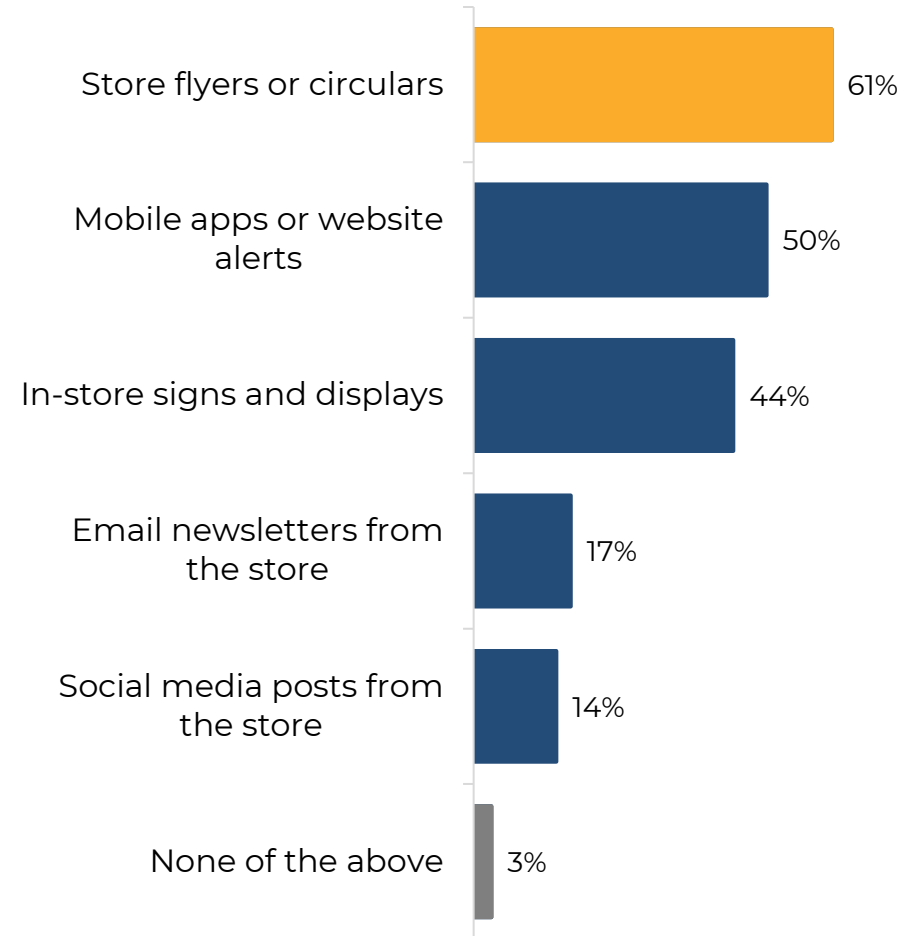
Metro/ Food Basics (20.4%)

Giant Tiger (15.1%)



Consumer Awareness of discounts and promotions

How do you usually become aware of in-store grocery discounts and promotions?



Expiring Food Discounts & Food Rescuing Initiatives



What is the consumer sentiment around Loblaws recent discount flip-flop on expiring foods

66.5%



2/3rd of Canadians aware of Loblaws initial decision to end the 50% discount on expiring food items

55.9%



More than half of Canadians support Loblaws decision to reverse its plan to end their 50% **DISCOUNT** on expiring food items

29.9%

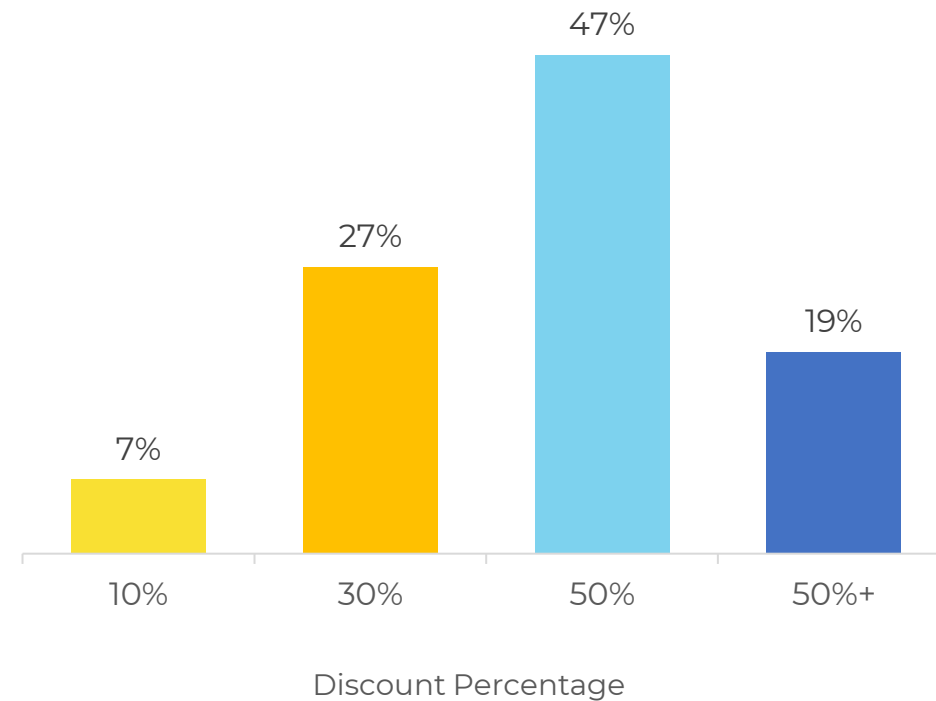


People more likely to shop at Loblaws after their decision to **REVERSE** its plan to end the discount

An overwhelming majority (81.3%) of Canadians feel that Loblaws decision to continue the 50% **DISCOUNT** will reduce food waste (significantly + somewhat)

**50% Off
is the sweet
spot for
Canadians**

When purchasing expiring food in-store, what level of discount IS ENOUGH to make you consider buying it?



What are Food Rescuing Apps?

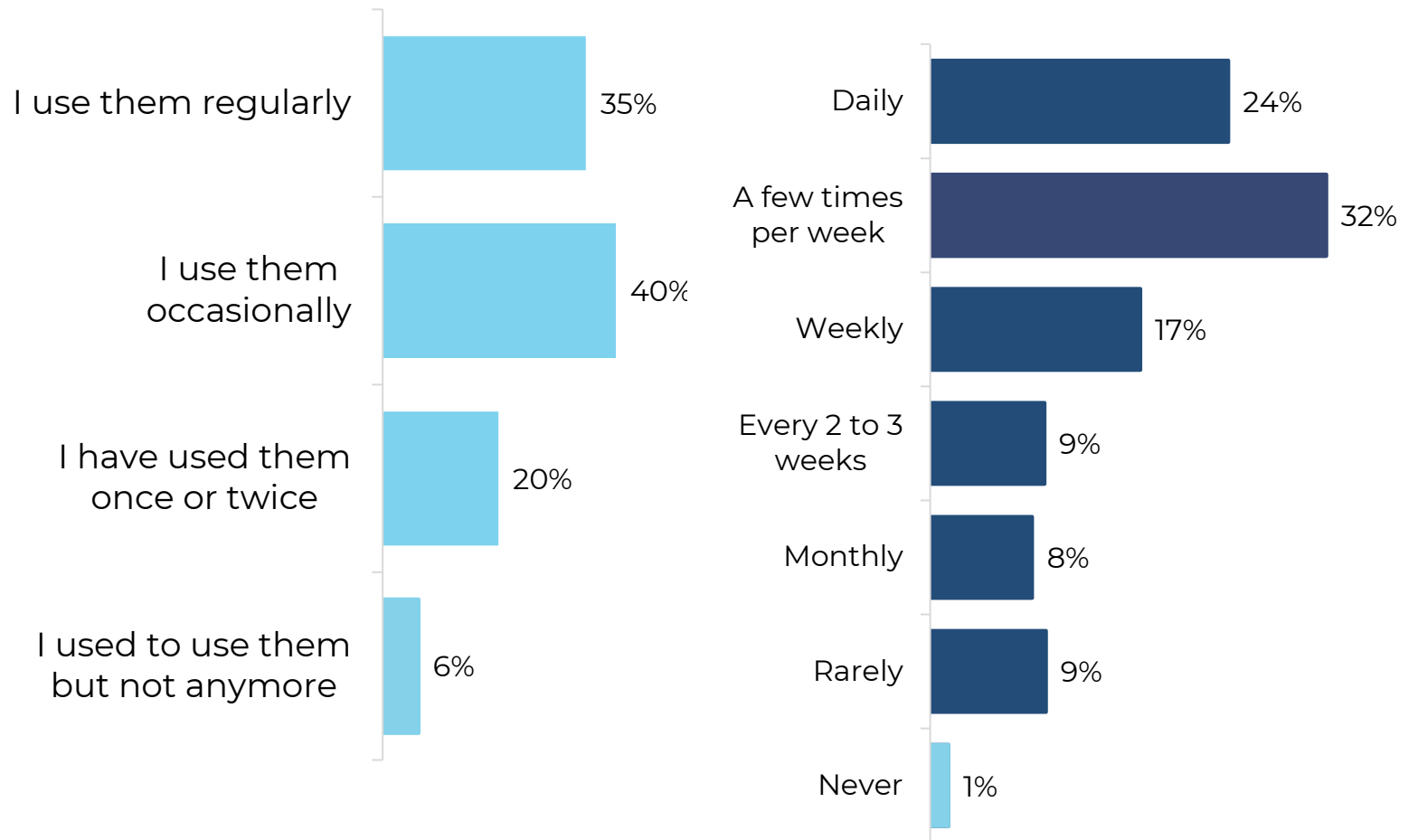
- Food rescuing apps connect consumers with surplus or expiring food from local businesses at discounted prices, reducing food waste.
- These apps offer users the chance to purchase expiring or surplus food from grocery stores, restaurants, and cafes at discounted prices.
- Users can browse available items on the app, purchase them at a reduced price, and pick them up from the designated location.
- By rescuing surplus food that would otherwise be wasted, these apps contribute to sustainability efforts and help users save money on groceries.

One-third of Canadians have used FOOD RESCUING apps

Apps Consumers are using

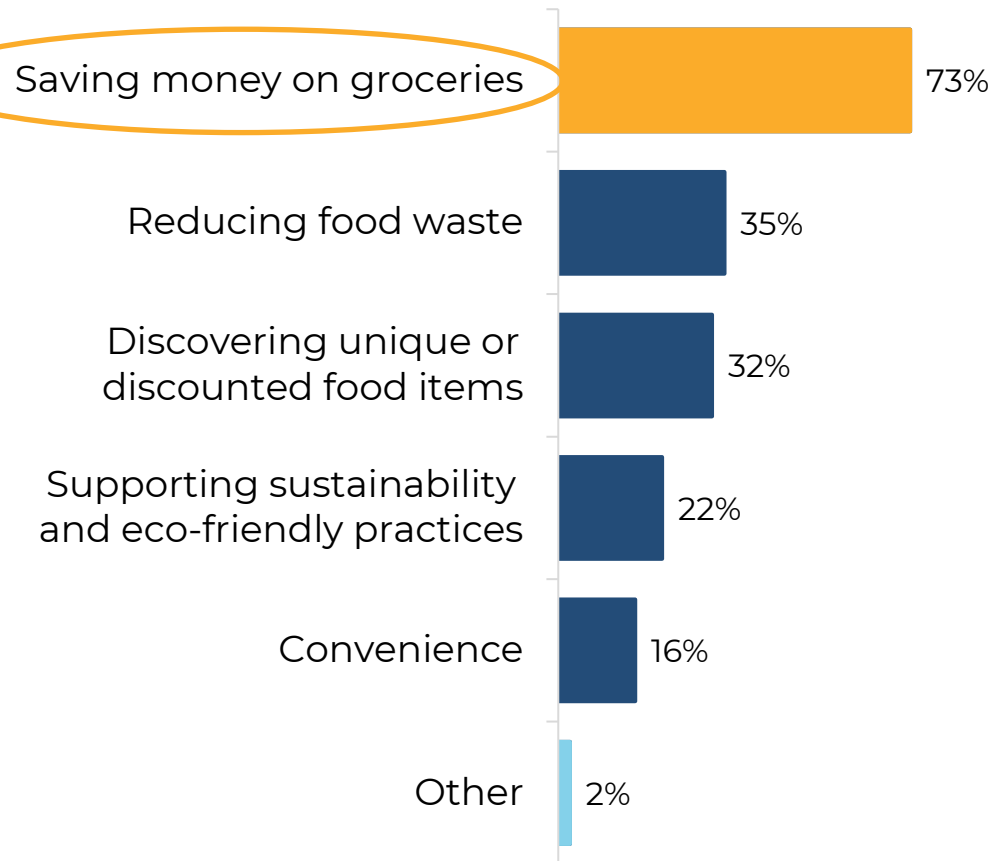


Frequency of Use

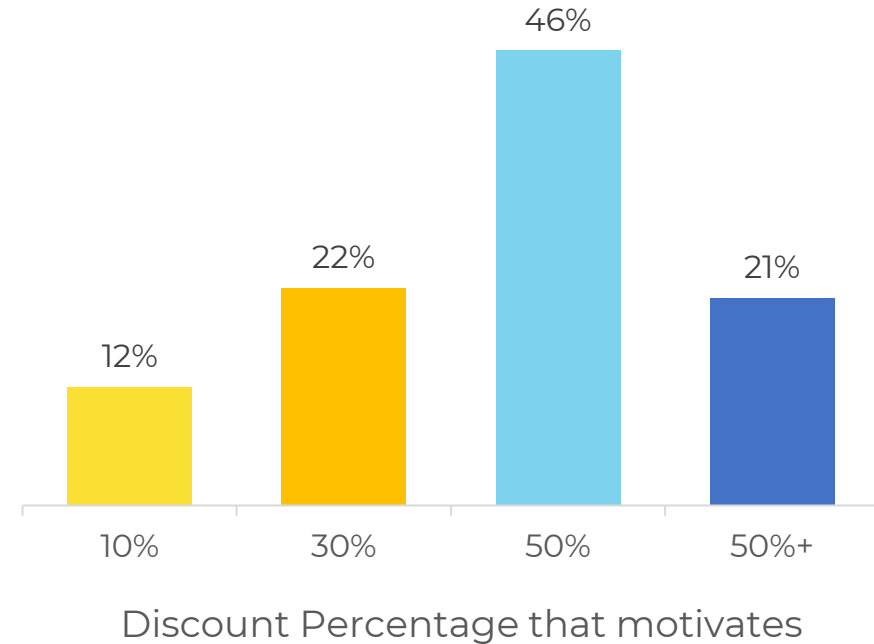


FOOD RESCUE APPS: It's all about the savings

Motivators



When purchasing expiring food while using a **FOOD SAVINGS** app, what level of discount **IS ENOUGH** to make you consider buying it?



Top Three Food Items Bought Through Food Rescue Apps:

1. Baked Goods



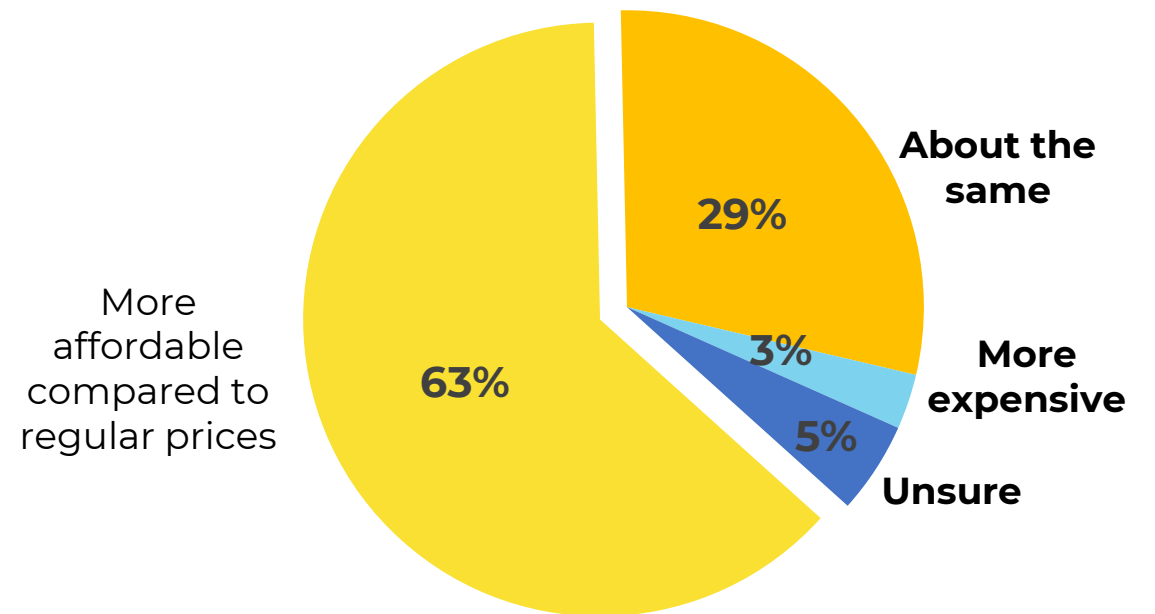
2. Fresh Produce



3. Meat or Seafood



What do people feel about the pricing of items on Food Rescue apps?



Canadians are looking for discounts and will change where they shop to get them

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Consumers want to save



The survey findings underscore a strong inclination towards discount-oriented shopping among grocery consumers, with weekly shopping being commonplace.



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They will switch stores to get them



Discounts play a significant role in in-store selection and product purchases, with percentage discounts and loyalty rewards proving particularly attractive.



3

More app usage



A growing number of Canadians are using technology to remove friction from finding the best discount



4

Which grocers are winning



According to the data, Loblaws is seen as the preferred grocer when it comes to discounted food products, followed by Walmart and Costco. Both Metro and Giant Tiger make the top 5.



**This presentation will be emailed to you shortly!
Get in touch if you have any queries.**



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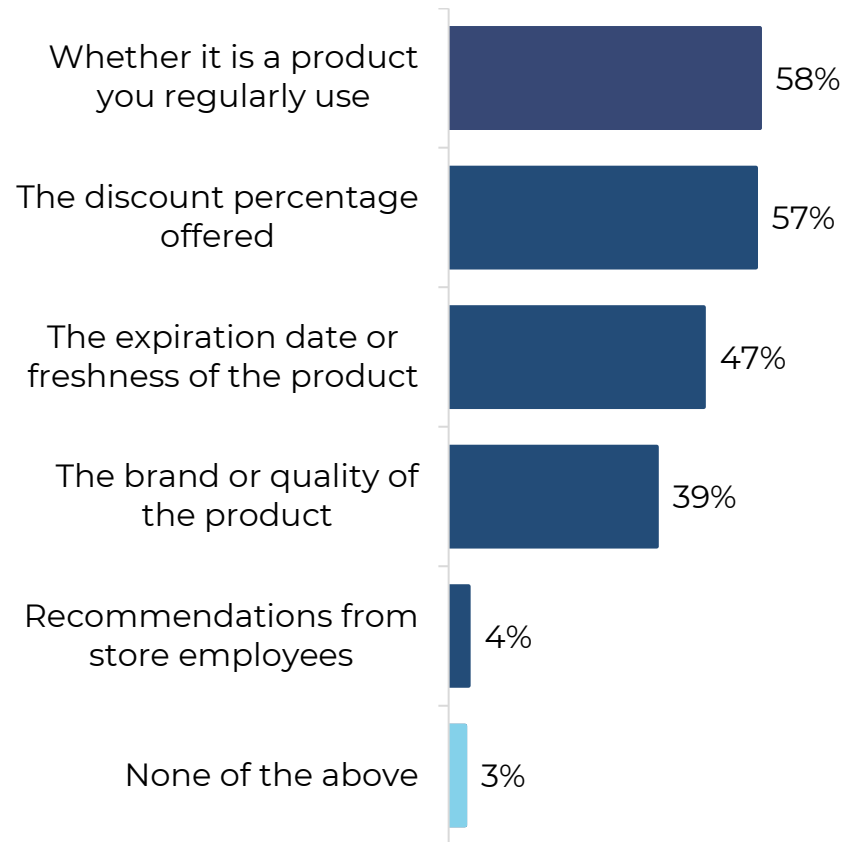
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Appendix



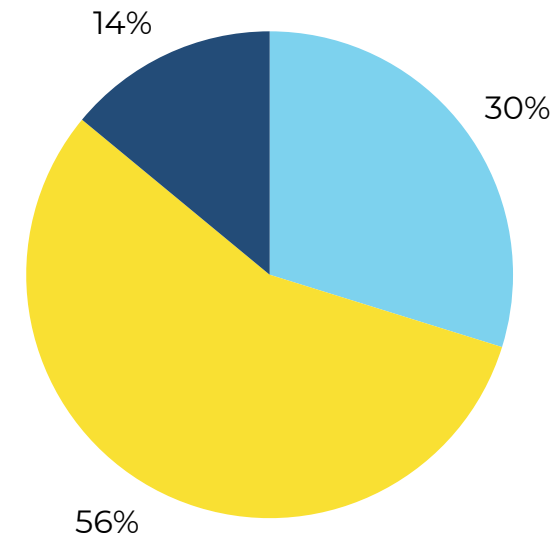
Purchase Decision Influencers

**When you see a discounted item at the grocery store, what factors influence your decision to purchase it?
(Please select all that apply)**



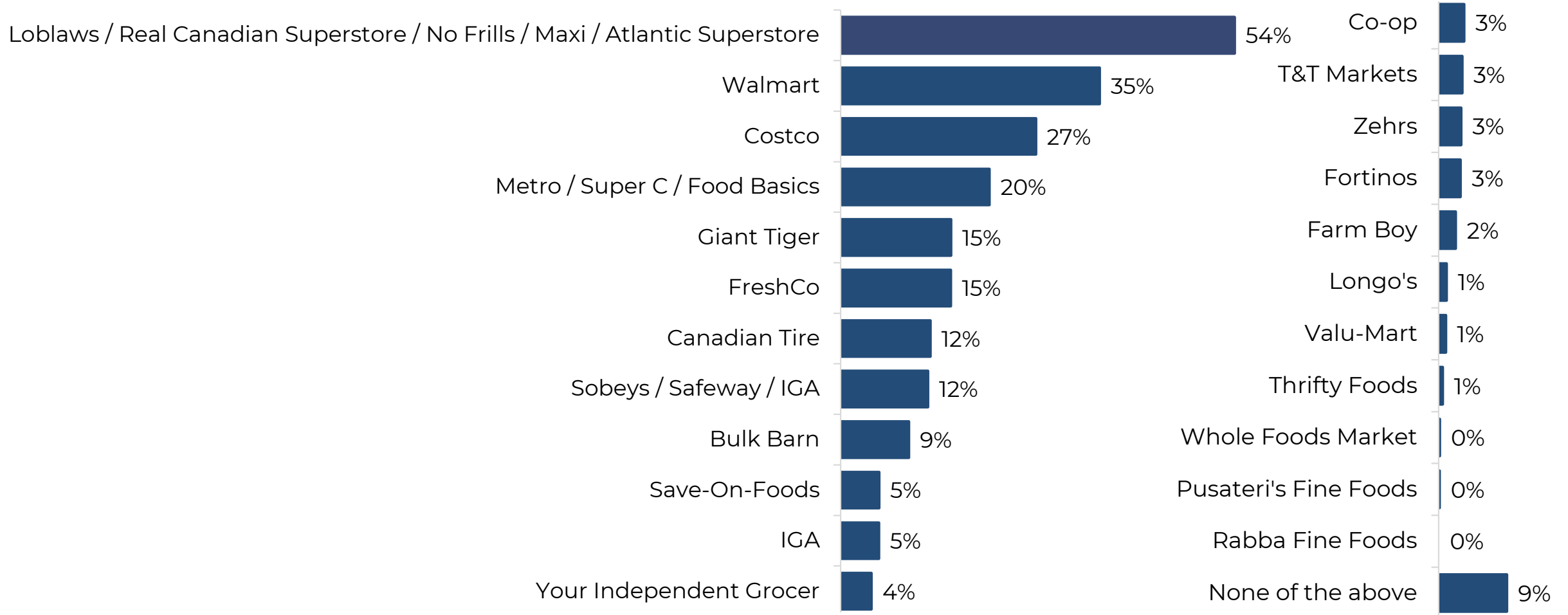
Do you make your choice of which grocery store to shop at primarily based on the availability of in-store discounts and promotions?

- Yes - exclusively
- Mostly - but other factors also matter
- No - discounts are not a primary factor in my choice of store



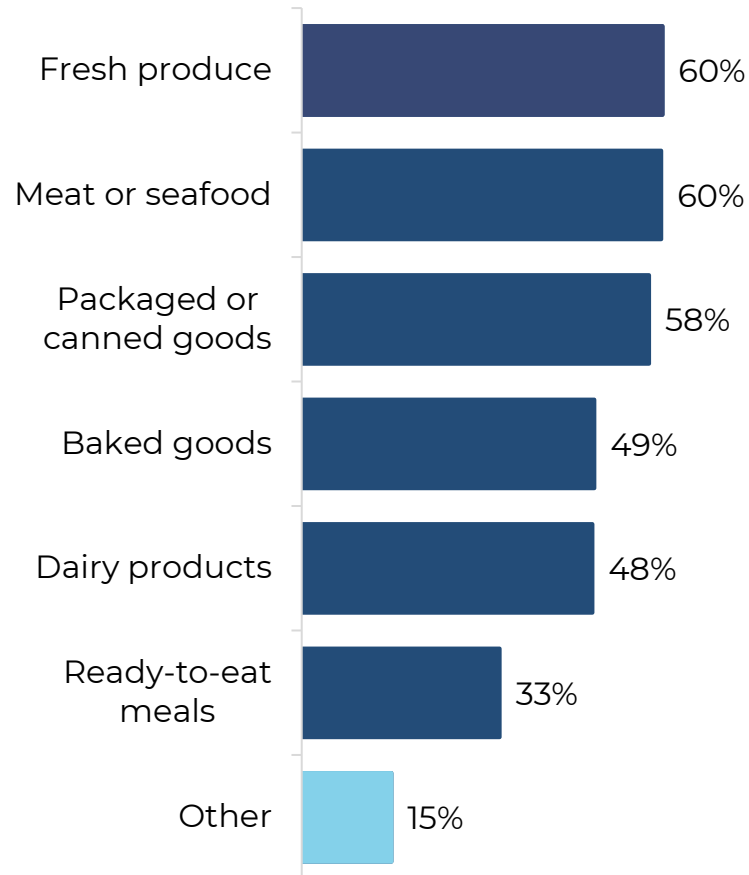
Best stores for discounts

Are there any specific grocery stores or supermarket chains you consider to be particularly good at offering in-store discounts and promotions? (Please select up to 5 options)



Food items bought when discounted / with food saving apps

What types of food items do you typically purchase when **discounted in stores**?
(Please select all that apply)



What types of food items do you typically purchase through **food savings apps**?
(Please select all that apply)

