

DATA-DRIVEN SALES GROWTH

THE
SNACK, BEVERAGE
& GROCERY
EPPS



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Overview

Geoscape will present a case study showing how a global Consumer Packaged Goods company uses data driven insights to grow sales in the U.S.

The case study will highlight how companies can:

- Target Millennials as they grow and become more powerful consumers.
- Understand consumer spend by category to optimize product distribution.
- Increase sales in under-penetrated retail trade areas by matching product to consumers' cultures and tastes.
- Enhance retail partner relationships by guiding buyers with very specific shelf-stock recommendations at store level using predictive analytics.



Who We Serve

Geoscape enjoys reciprocal licensing relationships with key data partners to address challenges across industries and intelligence applications.

KEY DATA PARTNERS



SAMPLE CLIENTS FROM AMONG 200+ MAJOR BRANDS



84.51° and Geoscape

- Kroger loyalty file of over 56 million households.
- Generate actionable insights combining shopper behavior, detailed product, demographic and promotions data.
- Deep granularity including categories, brands and UPC levels.
- Infused with Geoscape® Hispanicity™ CultureCoding®



Understanding the New Mainstream

Population and business growth in foreseeable future



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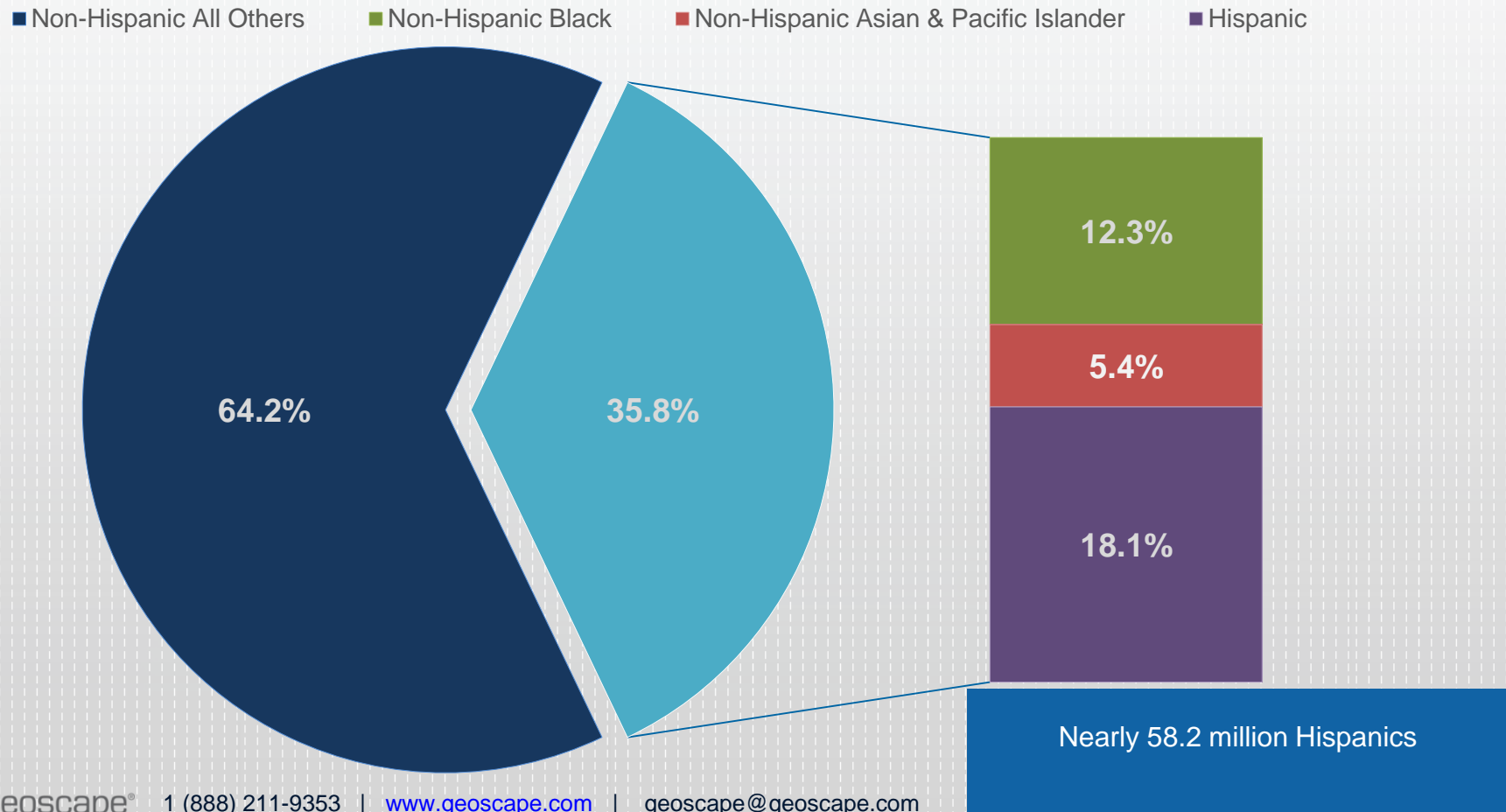
New American **Mainstream**

Although **Geoscape** is most often deployed to gain **actionable insights** on Hispanic, Asian, African American and other ethnic groups...our data and capabilities encompass all cultures and lifestyles in what today is referred to as – the **New American Mainstream** and sometimes also as the **Total Market**.



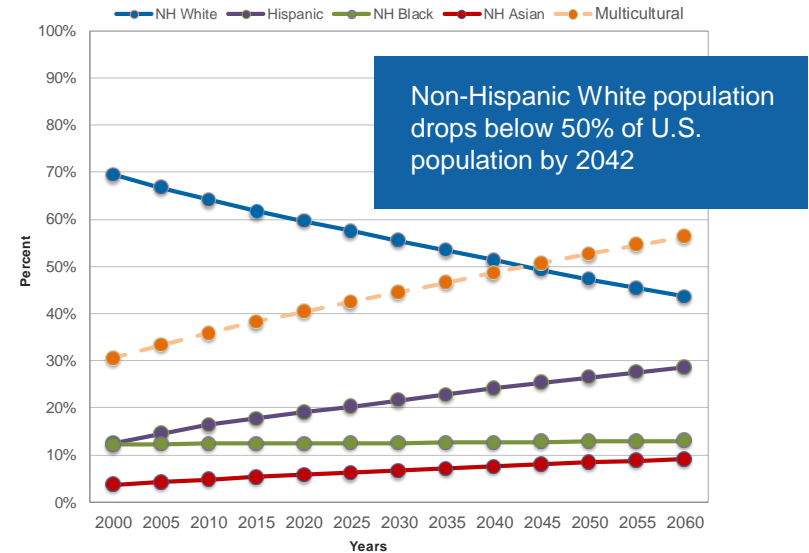
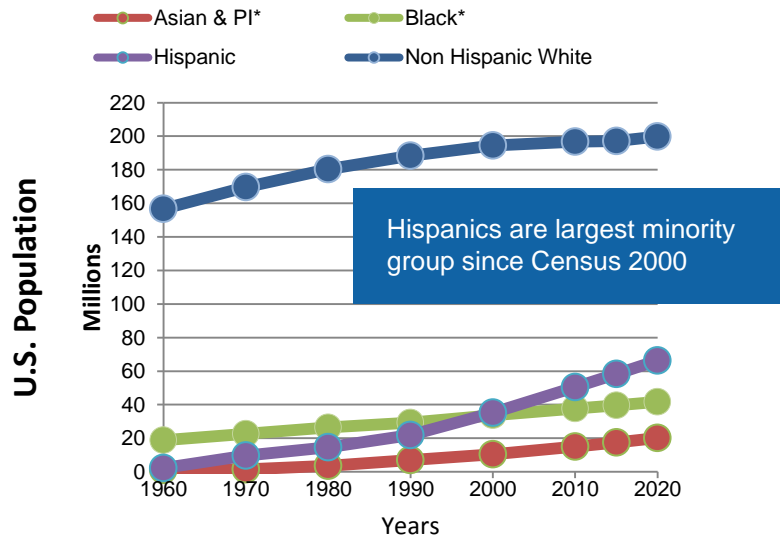
U.S. Population: **2015** by Ethnic Group

Over one-third of America's population is of either Asian/Pacific Islander, Black or Hispanic origin; however, these proportions vary dramatically at the state and metropolitan area levels. Many companies include Puerto Rico within their U.S. marketing efforts, with just under 3.55 million residents in 2014, which is not included in this chart.



Population Change by Ethnicity/Race

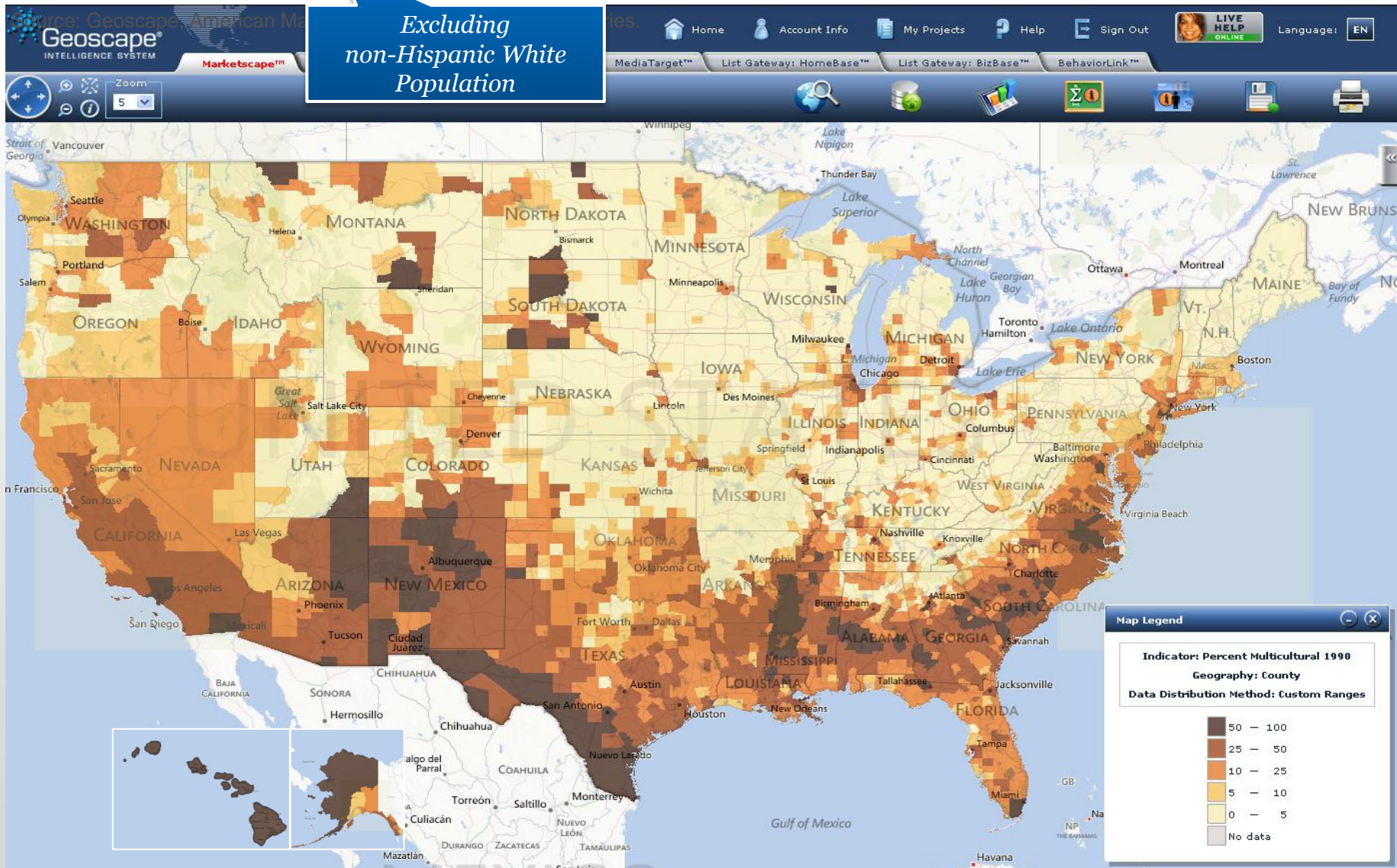
The three largest ethnic groups will be over 128 million by 2020 with Hispanics over half that population.



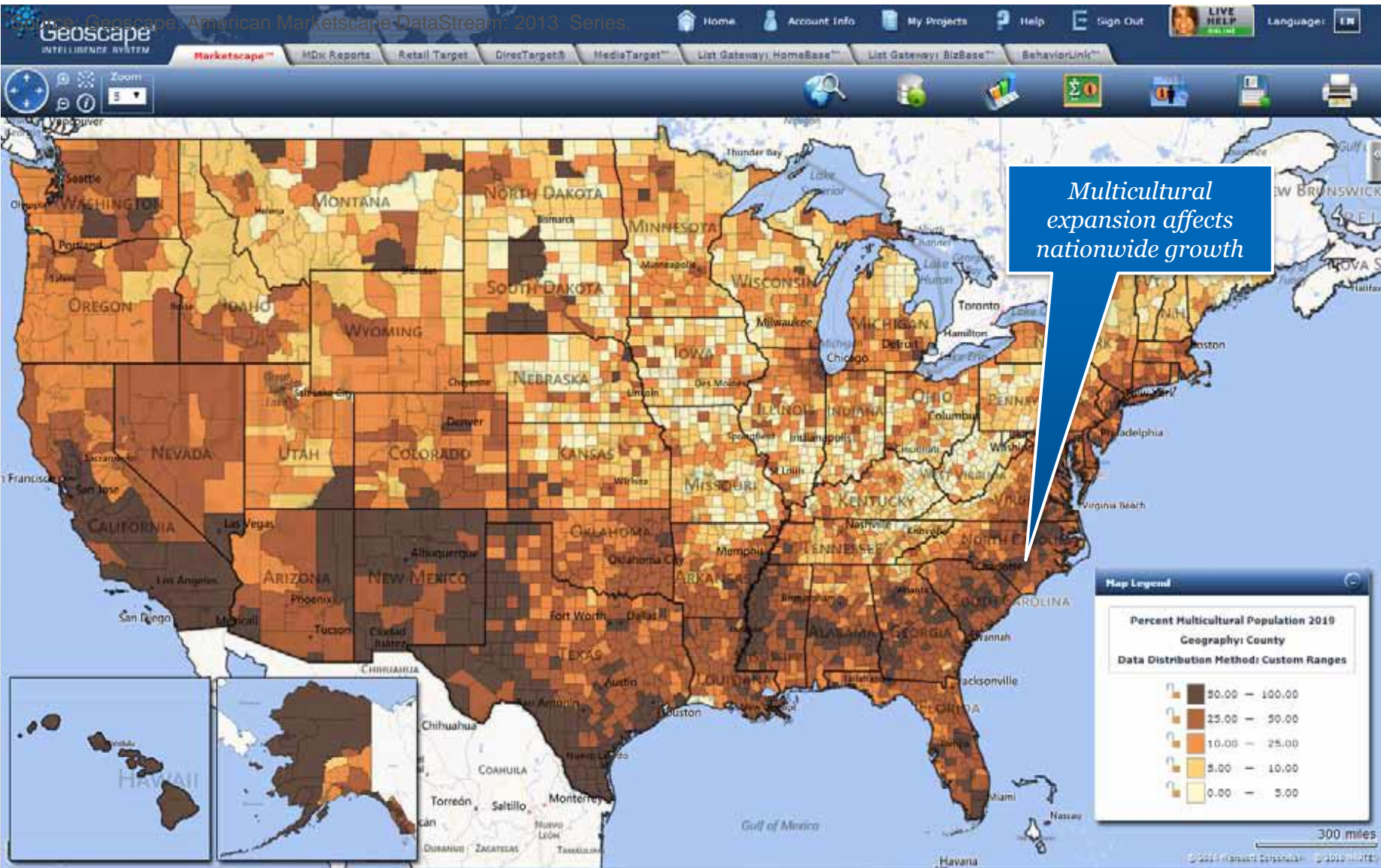
| POPULATION | 1960 | 1970 | 1980 | 1990 | 2000 | 2010 | 2015 | 2020 |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Asian & PI* | 980,337 | 1,538,721 | 3,500,439 | 6,994,034 | 10,410,556 | 14,946,700 | 17,442,207 | 20,200,576 |
| Black* | 18,871,831 | 22,580,289 | 26,495,025 | 29,284,605 | 33,707,230 | 37,685,848 | 39,521,466 | 41,652,418 |
| Hispanic | 2,181,409 | 9,589,216 | 14,608,673 | 21,898,546 | 35,238,481 | 50,477,594 | 58,198,156 | 66,387,155 |
| Non Hispanic White | 156,690,970 | 169,653,095 | 180,256,366 | 188,401,932 | 194,514,140 | 196,817,552 | 197,203,019 | 199,834,278 |
| Total | 179,323,175 | 203,211,926 | 226,545,805 | 248,709,873 | 281,421,906 | 308,745,538 | 321,626,470 | 337,811,666 |

1. "*" Non-Hispanic population part of Asian-Pacific Islander and Black race groups.
2. Population projections 2015 and 2020, Geoscape AMDS 2015 Series.
3. Population projections 2025 to 2060, U.S. Census Bureau, December 2014.

Multicultural America by County in 1990

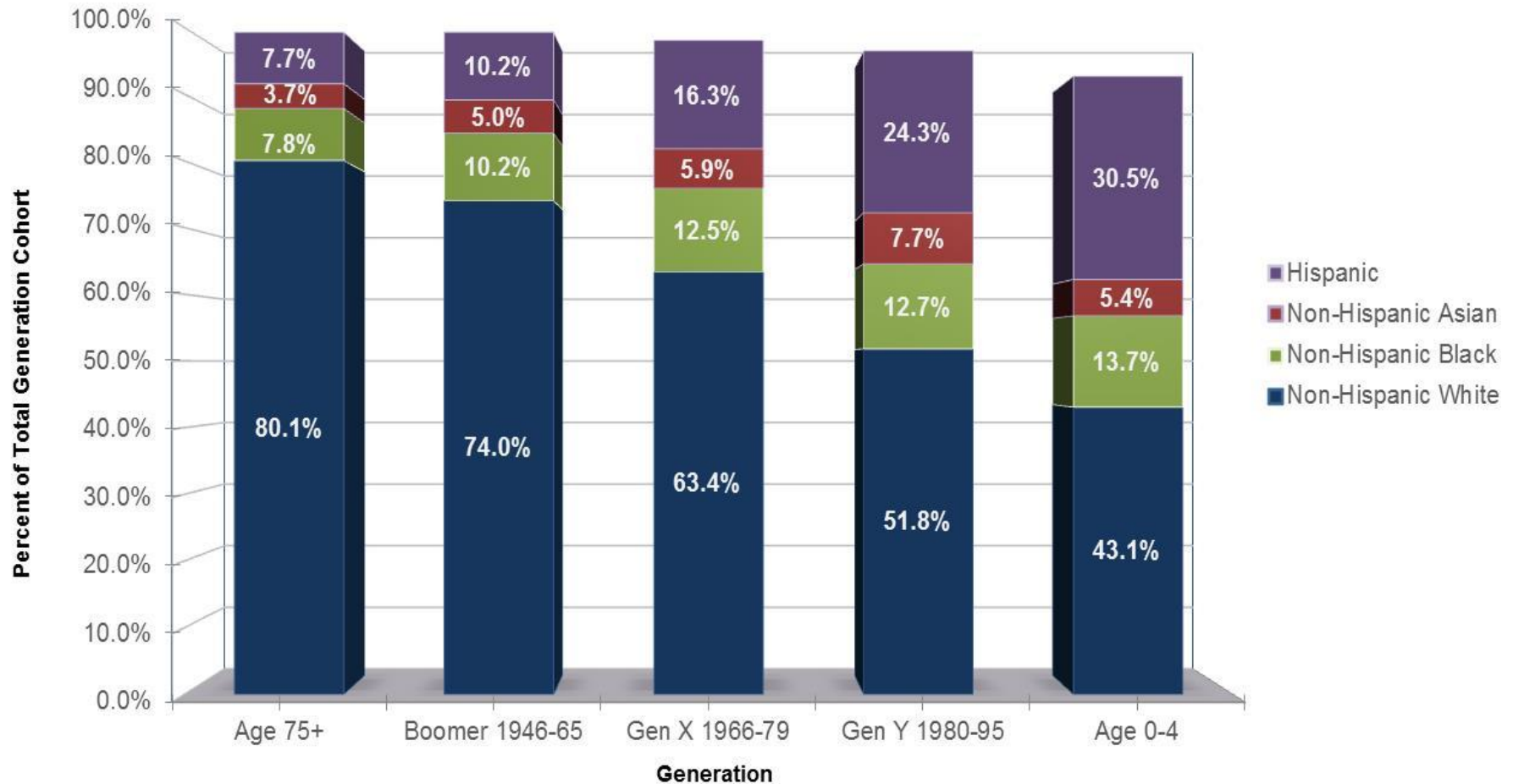


Multicultural America by County in 2019



Generational Population 2020

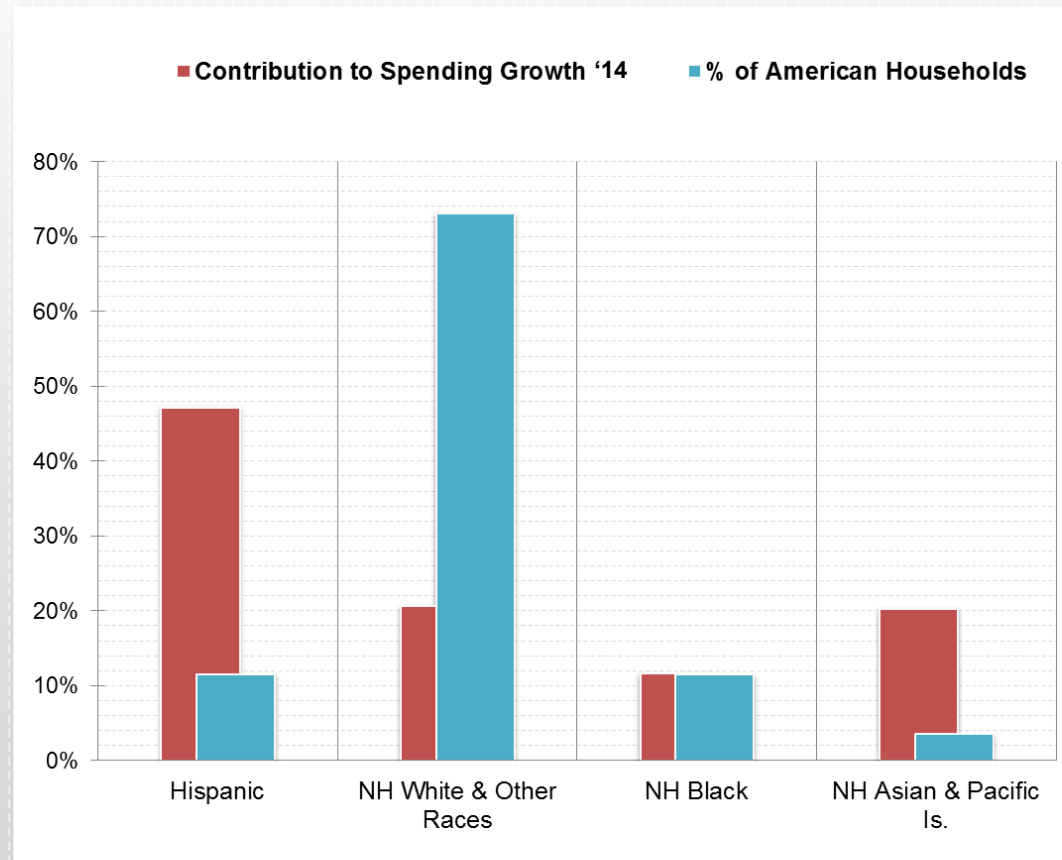
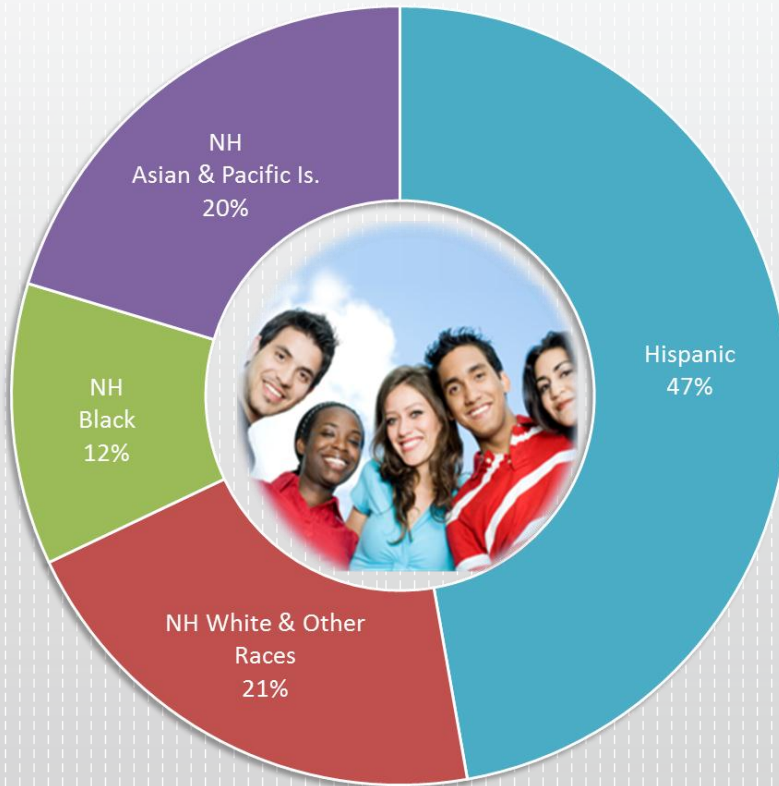
Younger age groups are made up from a more diverse population and vice versa. This dramatic trend in life stage presence by ethnicity will have deep implications for marketers in the years and decades that follow.



Who is Driving **Economic Growth**?

Hispanics represent about 18 percent of American households but contribute nearly half of the growth in consumer spending—and with the addition of Asians are responsible for two-thirds of spending growth. The data below are for 2013 and are expected to increase further for 2014.

Annual Consumer Spending Growth '13 –'14



Case Study

Real Examples of Data Driven Insights



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Case Study: **Consumer Packaged Goods**

Sizing the Millennials Opportunity

■ **Business Issue:**

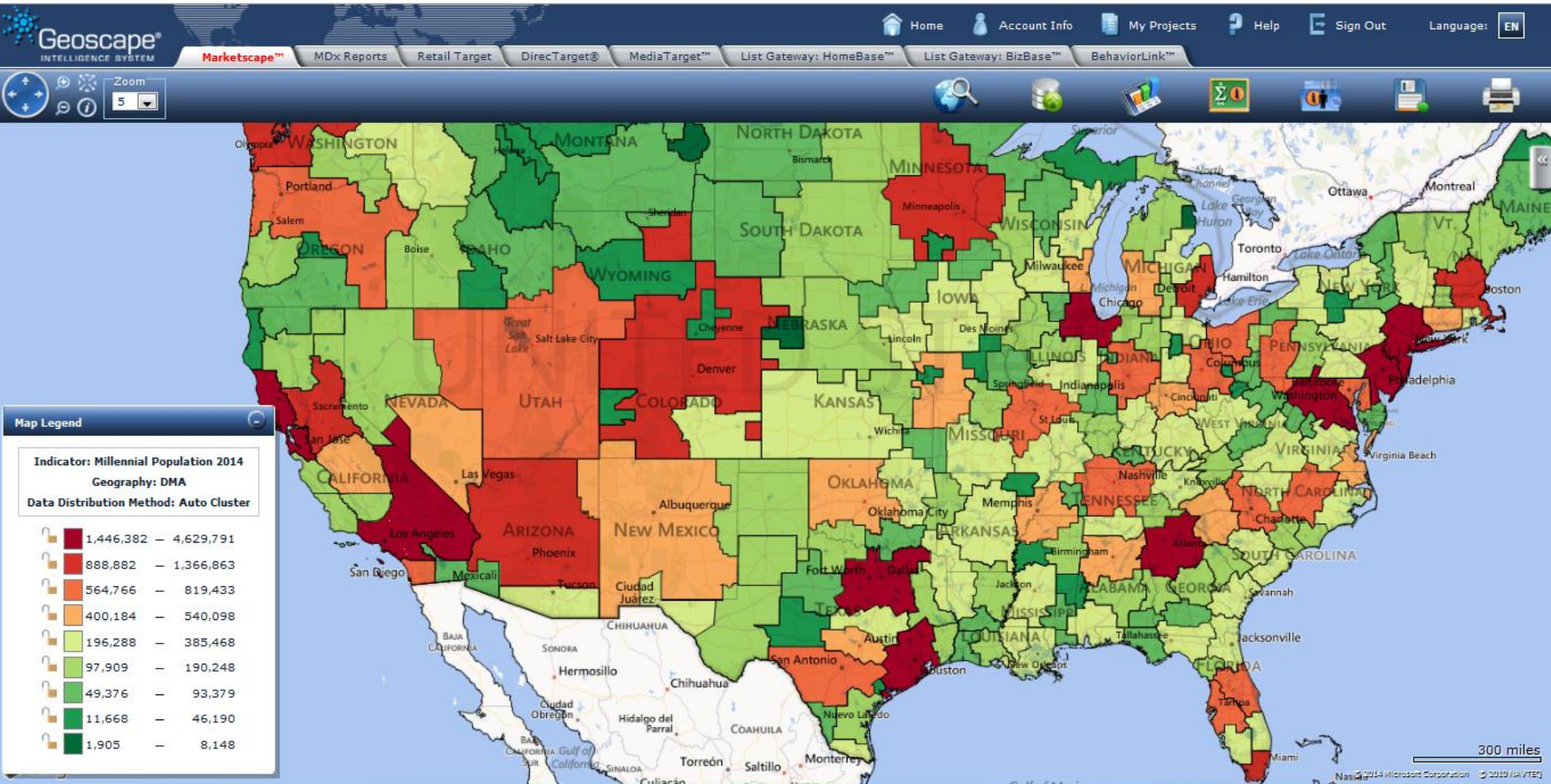
- ✓ Beverage company tapping into healthy energy drink trend.
- ✓ Seeking to target the highly coveted millennial consumer segment.
- ✓ Need to understand where they live and where they shop.

■ **Solution:**

- ✓ Pilot test a joint marketing initiative to exploit growth in sports drinks.
- ✓ Rank all US markets by Millennial population and focus on growing markets.
- ✓ Highlight spend on noncarbonated drinks.
- ✓ Analyze the trade areas of store locations, rank by opportunity and access to the Millennial consumer group. Project forward to 2020.
- ✓ Enhance store segmentation to tune experience and choice.
- ✓ Maximize product distribution with key retail partners.
- ✓ Optimize marketing and media plan.



Millennials by Market



Rank Markets by Opportunity

Rank markets by
Millennial Population

| Geographic Name | State | Millennial Population Percentage 2014 | Millennial Population 2014 ▼ |
|---------------------------------|----------------|---------------------------------------|------------------------------|
| New York | CT-NJ-NY-PA | 21.77 | 4,629,791 |
| Los Angeles | CA | 23.24 | 4,163,980 |
| Chicago | IL-IN | 22.17 | 2,170,083 |
| Philadelphia | DE-NJ-PA | 20.89 | 1,701,164 |
| Dallas-Ft. Worth | TX | 22.44 | 1,660,783 |
| San Francisco-Oakland-San Jose | CA | 22.21 | 1,602,175 |
| Houston | TX | 23.02 | 1,556,449 |
| Washington, DC (Hagerstown) | DC-MD-PA-VA-WV | 22.70 | 1,510,840 |
| Atlanta | AL-GA-NC | 22.06 | 1,446,382 |
| Boston (Manchester) | MA-NH-VT | 21.18 | 1,366,863 |
| Phoenix (Prescott) | AZ | 21.66 | 1,120,184 |
| Seattle-Tacoma | WA | 22.17 | 1,109,456 |
| Minneapolis-St. Paul | MN-WI | 21.47 | 995,315 |
| Denver | CO-NE-WY | 22.94 | 963,278 |
| Detroit | MI | 19.44 | 957,590 |
| Miami-Ft. Lauderdale | FL | 20.94 | 930,519 |
| Sacramento-Stockton-Modesto | CA | 21.59 | 888,882 |
| Tampa-St. Petersburg (Sarasota) | FL | 18.10 | 819,433 |
| San Diego | CA | 25.17 | 798,833 |
| Salt Lake City | ID-NV-UT-WY | 25.40 | 789,246 |
| Orlando-Daytona Beach-Melbourne | FL | 20.07 | 777,332 |
| Cleveland-Akron (Canton) | OH | 18.69 | 731,714 |
| Raleigh-Durham (Fayetteville) | NC-VA | 22.51 | 701,236 |
| Portland, OR | OR-WA | 21.44 | 694,550 |
| St. Louis | IL-MO | 20.60 | 672,433 |

The Miami Market

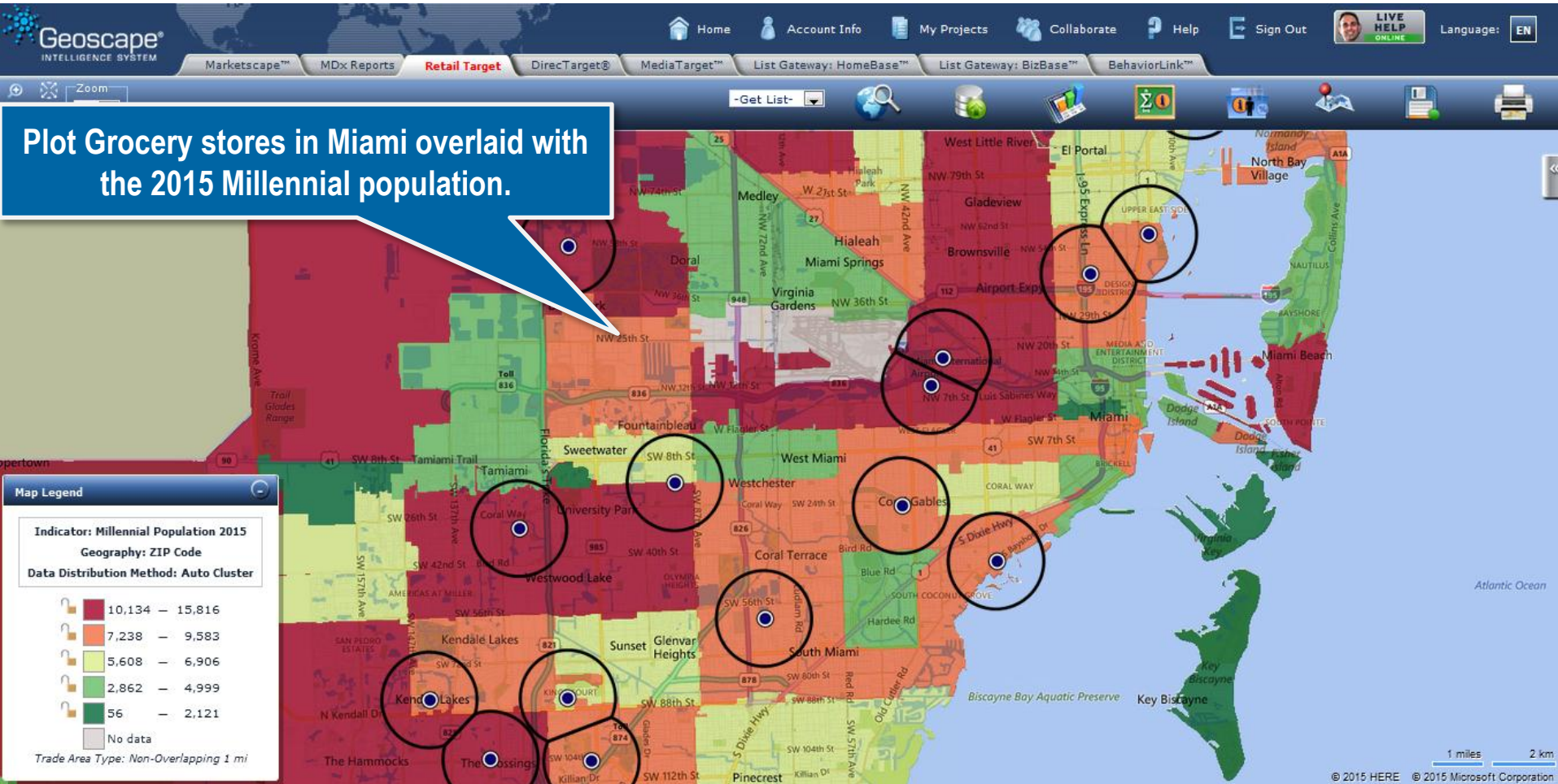
MIAMI DMA

- Asians, Blacks, and Hispanics account for 73% of the population in the Miami-Ft. Lauderdale Market.
- Over 930K Millennials!
- Multicultural Millennials account for over 80% of the 18-34 yr olds in this market.

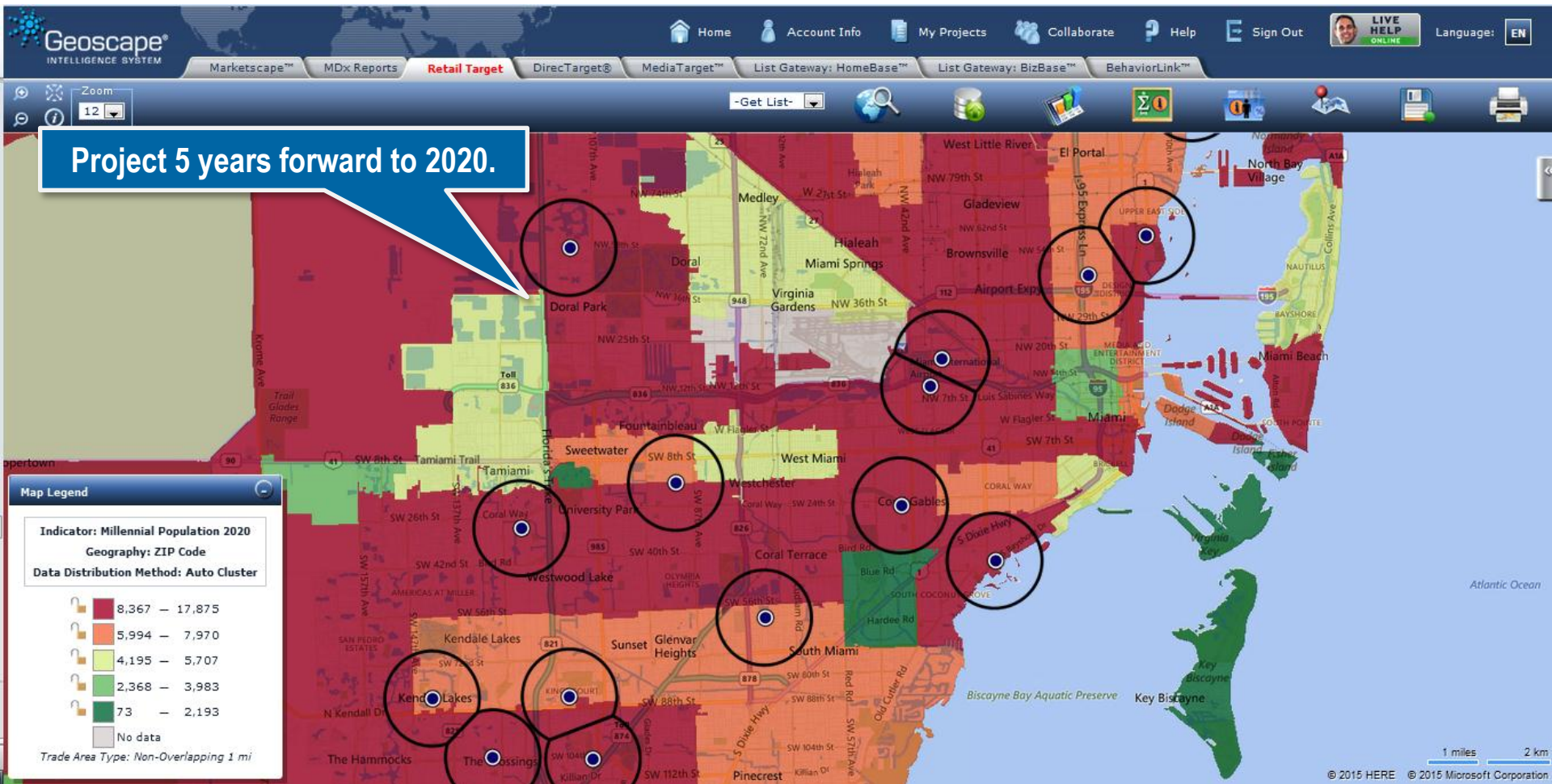
The Food / Supermarket Category

- **\$6.9 Billion** Total annual spend on Food & Non-Alcoholic beverages in the Miami-Ft. Lauderdale DMA.
- **66% of the Food & Non-Alcoholic beverage** spend comes from ethnic consumers.

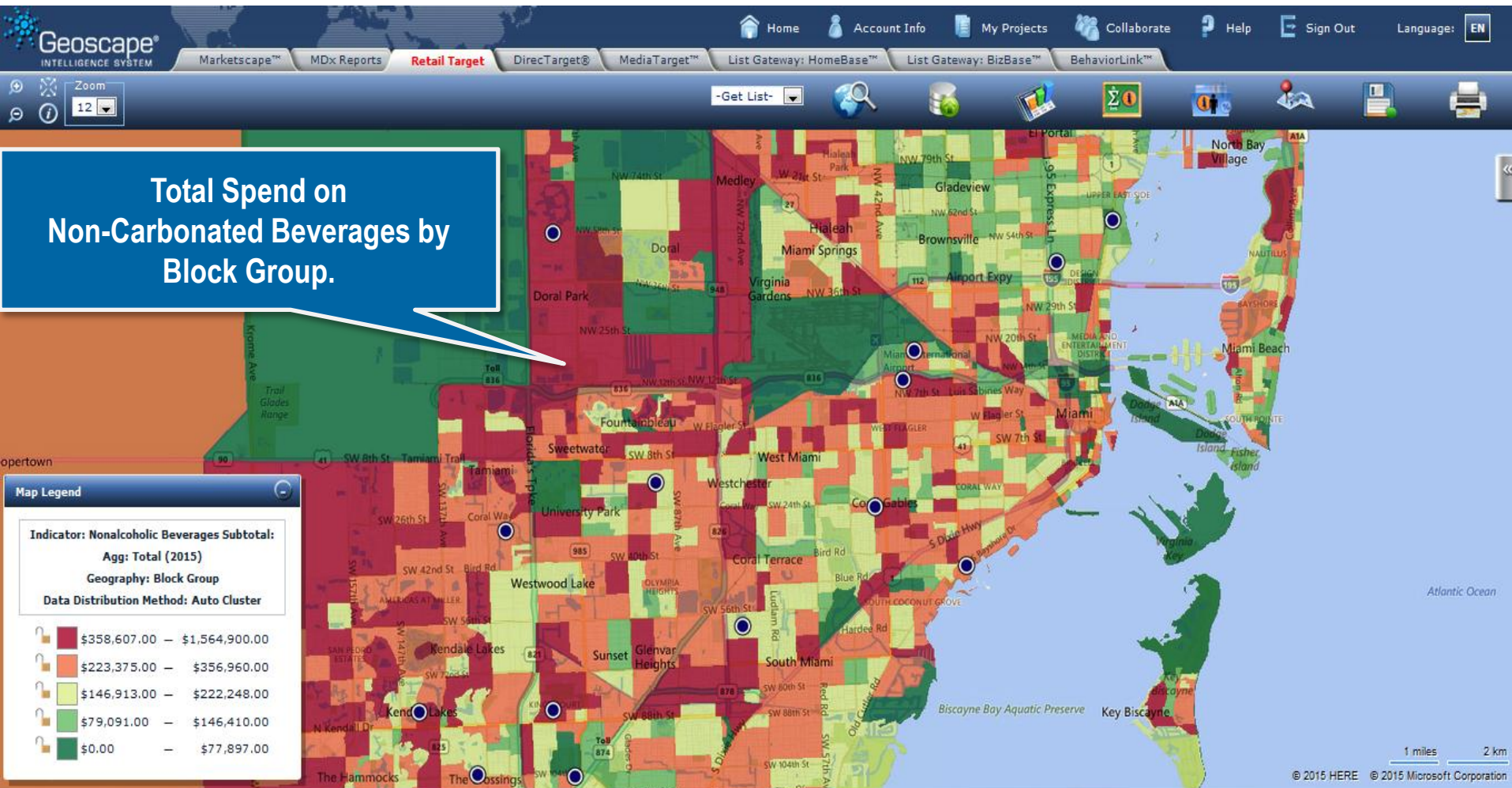
Analyze Store Trade Areas



Millennials Population by 2020



Beverage Spend



Consumer Shopping Behaviors

Geoscape
INTELLIGENCE SYSTEM

Marketscape™ MDx Reports Retail Target DirecTarget® MediaTarget™ List Gateway: HomeBase™ List Gateway: BizBase™ BehaviorLink™

Home Account Info My Projects Help Sign Out Language: EN

Data Selector Filter Selector Grid View Graph View

The Media Audit - Miami-Ft. Lauderdale FL
Base : Demographics - Age Group: ADULTS--AGE 18-34

[Methodology Statement](#)

| Description | All (Wt. Resp.) | BLACK - NOT HISPANIC (Wt. Resp.) | HISPANIC DESCENT (Wt. Resp.) | ASIAN (Wt. Resp.) |
|---------------------------------|-----------------|----------------------------------|------------------------------|-------------------|
| All | 884,536 | 207,581 | 501,724 | 37,329 |
| PUBLIX | 636,469 | 134,596 | 346,950 | 37,329 |
| Description | All (Wt. Resp.) | BLACK - NOT HISPANIC (Wt. Resp.) | HISPANIC DESCENT (Wt. Resp.) | ASIAN (Wt. Resp.) |
| All | 636,469 | 134,596 | 346,950 | 37,329 |
| FACEBOOK | 473,414 | 78,833 | 272,226 | 37,329 |
| TWITTER | 204,113 | 34,173 | 132,789 | 17,423 |
| NOT EXPOSED - WEEKDAY NEWSPAPER | 461,693 | 92,292 | 254,077 | 24,634 |
| NOT EXPOSED - RADIO | 123,108 | 21,570 | 66,015 | 7,860 |
| NOT EXPOSED - INTERNET | 52,981 | 20,063 | 22,583 | 1,922 |
| NOT EXPOSED - DIRECT MAIL | 129,647 | 23,513 | 74,690 | 3,844 |
| HAVE USED COUPONS | 354,674 | 69,672 | 204,958 | 10,343 |
| SEDANO'S SUPERMARKET | 42,172 | 11,616 | 30,556 | 0 |
| TARGET | 37,140 | 14,303 | 7,980 | 5,938 |
| WALMART | 286,873 | 110,428 | 124,806 | 10,343 |
| WINN-DIXIE | 272,480 | 70,580 | 162,739 | 11,468 |

Ready. Loaded 6 of 6

[Parent Menu] [Main Menu] Sources: The Media Audit - Miami-Ft. Lauderdale, FL (2011) (Sample Size: 1902); AMS 2012 Series

☐ Unwgted. Resp. ☒ Wt. Resp. ☐ Horiz % ☐ Vert % ☐ Index [Update Report](#)

Understand Supermarket preference of Millennials in Miami-Ft. Lauderdale and the best media options to reach them.

Findings

- **Millennials** make up nearly **22% of the U.S. Population**; most of the larger markets like NY, Los Angeles, Chicago, Miami and others have a similar range between 19% and 23% of the population.
- Over **42% of Millennials in the U.S.** are **Multicultural** (Hispanic, Asian, or Black).
- **69% of Millennials** in the **Miami market** shop at Publix.
- Nearly **75% of them** are on **Facebook**.
- Nearly **72% of them NOT** exposed to weekday newspapers.
- **55% of them** have **used a coupon** in the past 30 days.



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