



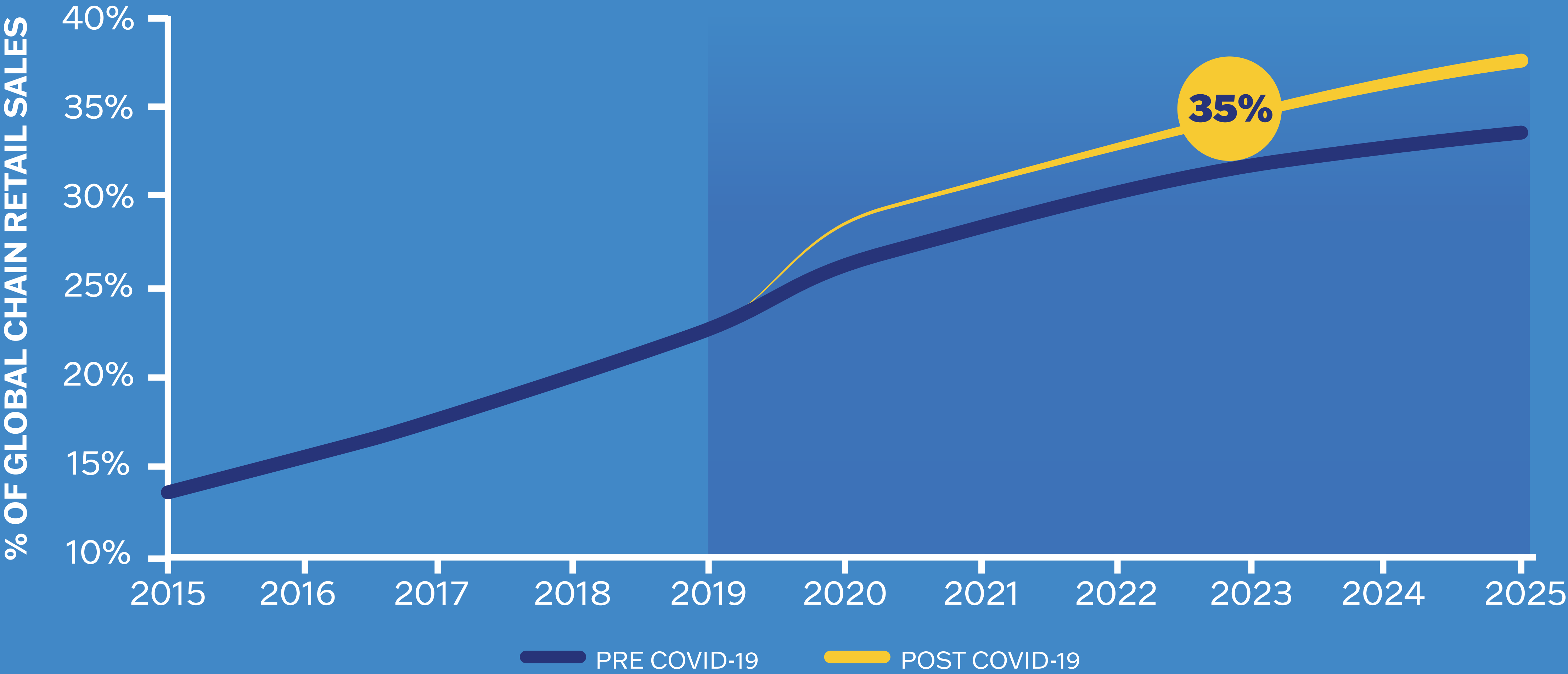
WHAT'S *in* STORE

THE LEGACY OF COVID-19

SHIFT TO DIGITAL



ECOMMERCE SHARE OF GLOBAL CHAIN RETAIL SALES, 2015-2025 (%)



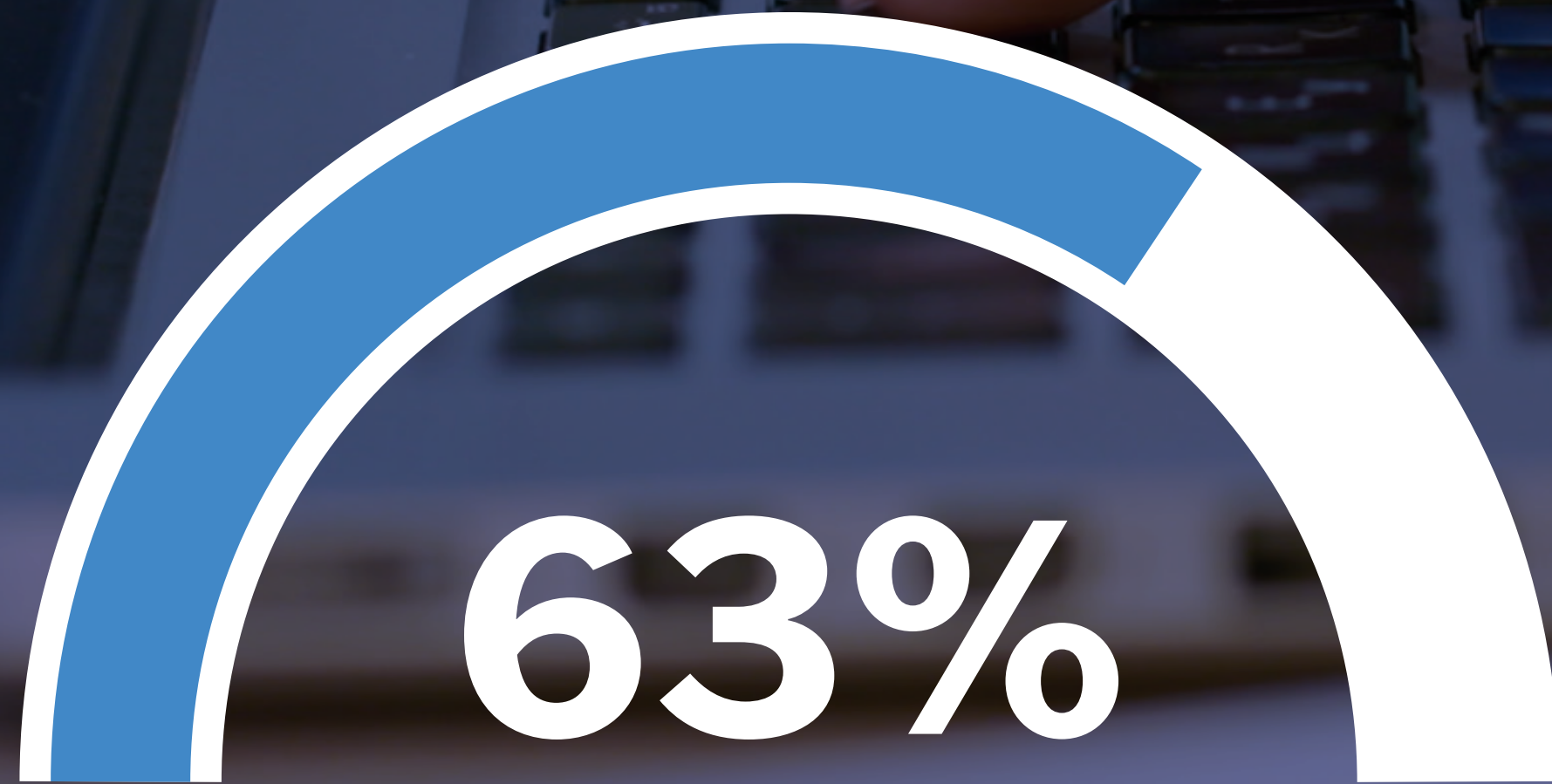


A diagram consisting of two yellow circles connected by an equals sign. The left circle contains the text "35%" in dark blue. The right circle contains a dark blue plus sign above the text "2 YRS" in dark blue.

$$35\% = +2 \text{ YRS}$$

2 YEARS AHEAD
OF THE PRE COVID-19 SCHEDULE

SHARE OF TOTAL SALES ADDED 2021-26

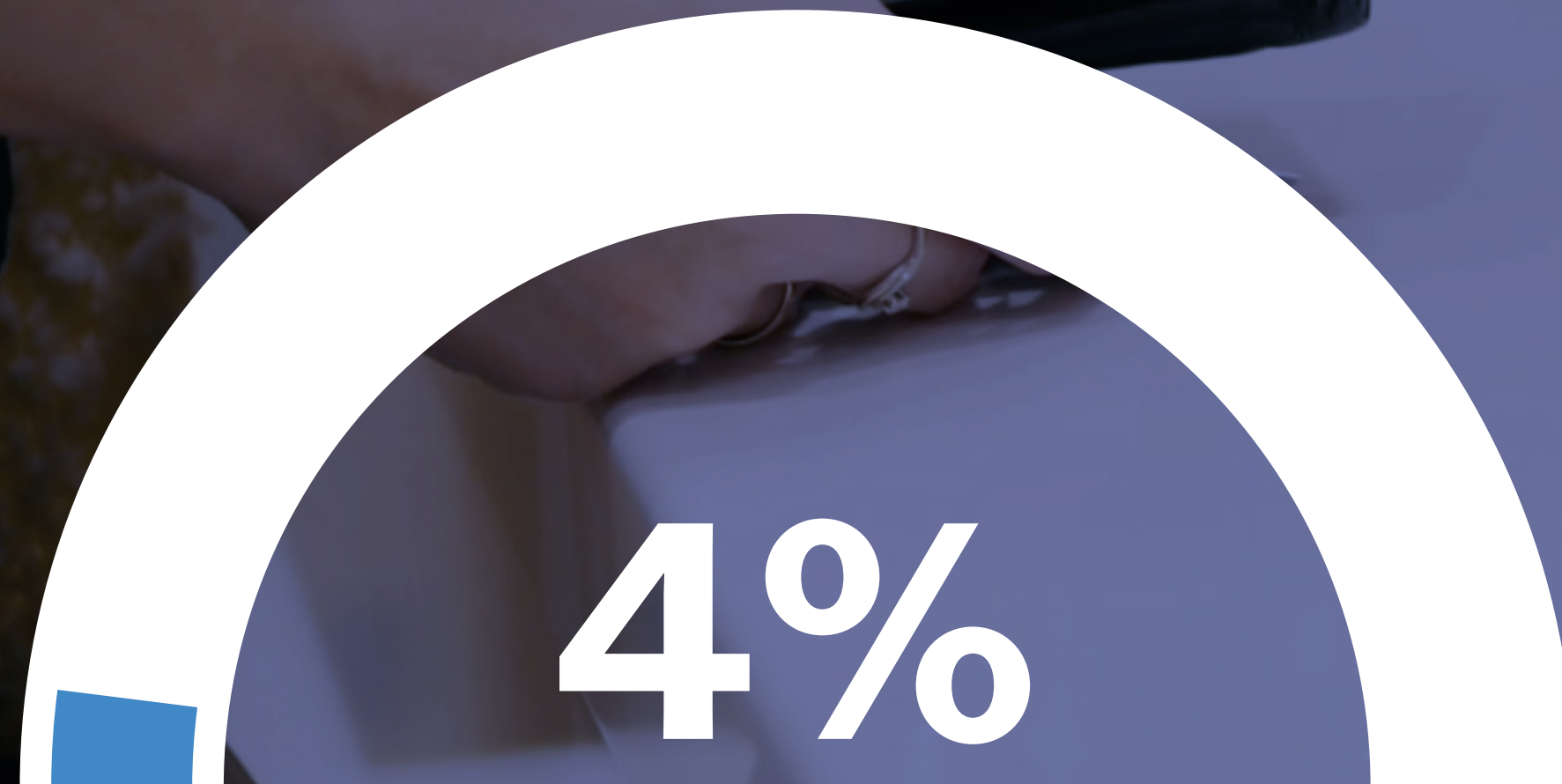


ECOMMERCE

CAGR GROWTH 2021-26



ECOMMERCE

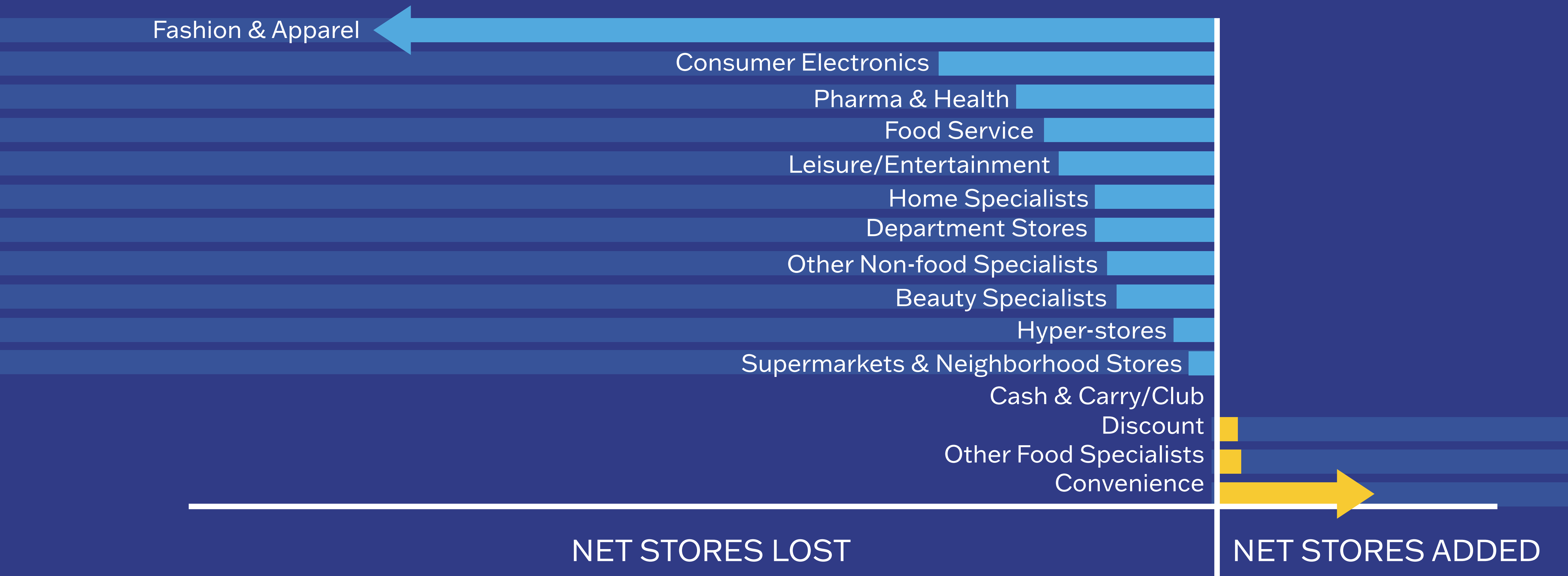


STORES

WHAT DOES THIS MEAN FOR STORES?



GLOBAL NET STORES ADDED BY CHANNEL 21-26



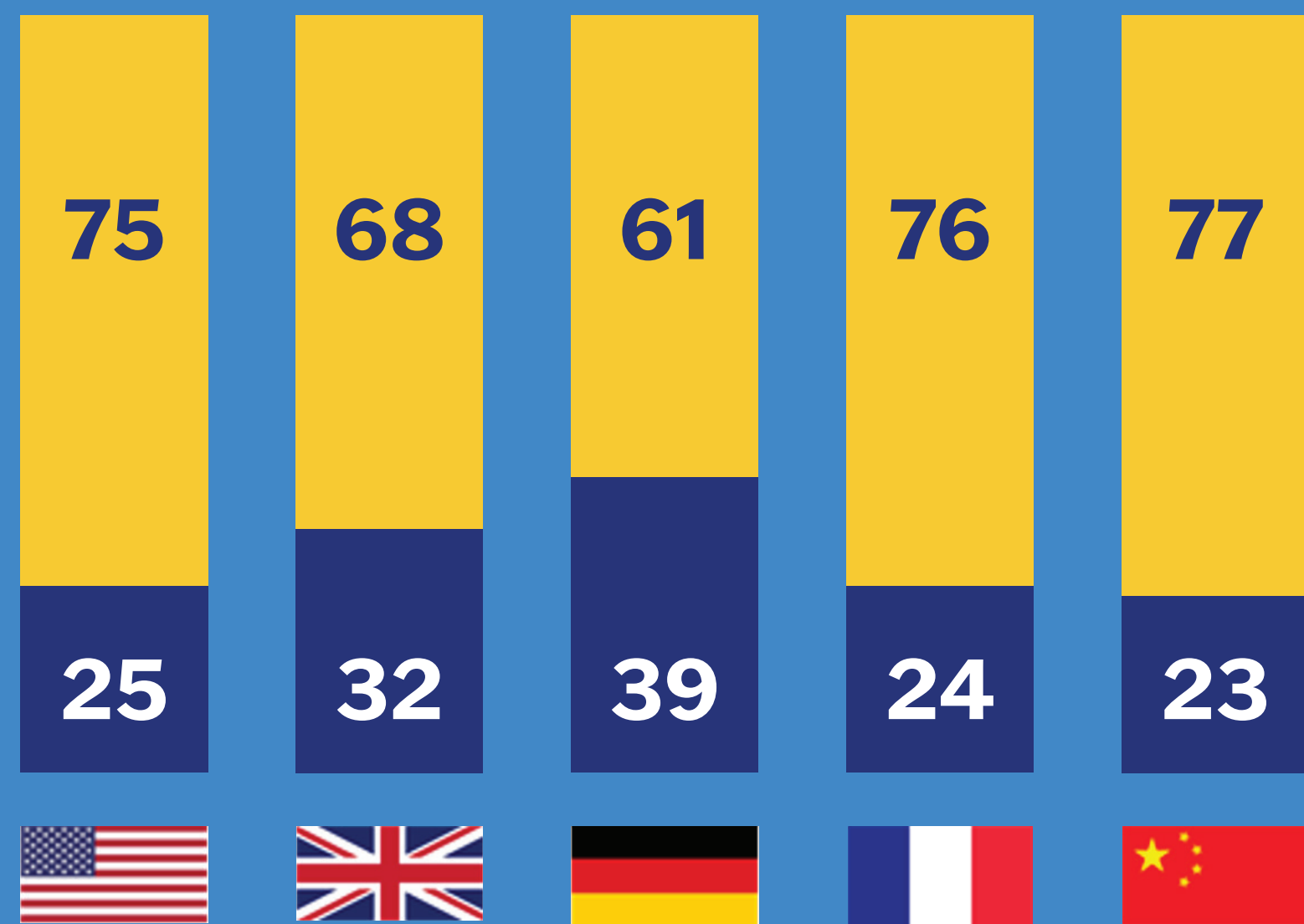
A man wearing a black face mask and a light-colored short-sleeved button-down shirt is loading a large brown paper shopping bag into the open trunk of a car. The scene is set in a parking lot with other cars and buildings in the background. A shopping cart is partially visible in the lower right corner. The entire image has a blue tint, and a yellow horizontal bar is positioned below the text.

NEW SHOPPING BEHAVIORS

STORE CURBSIDE PICKUP

POST COVID-19...

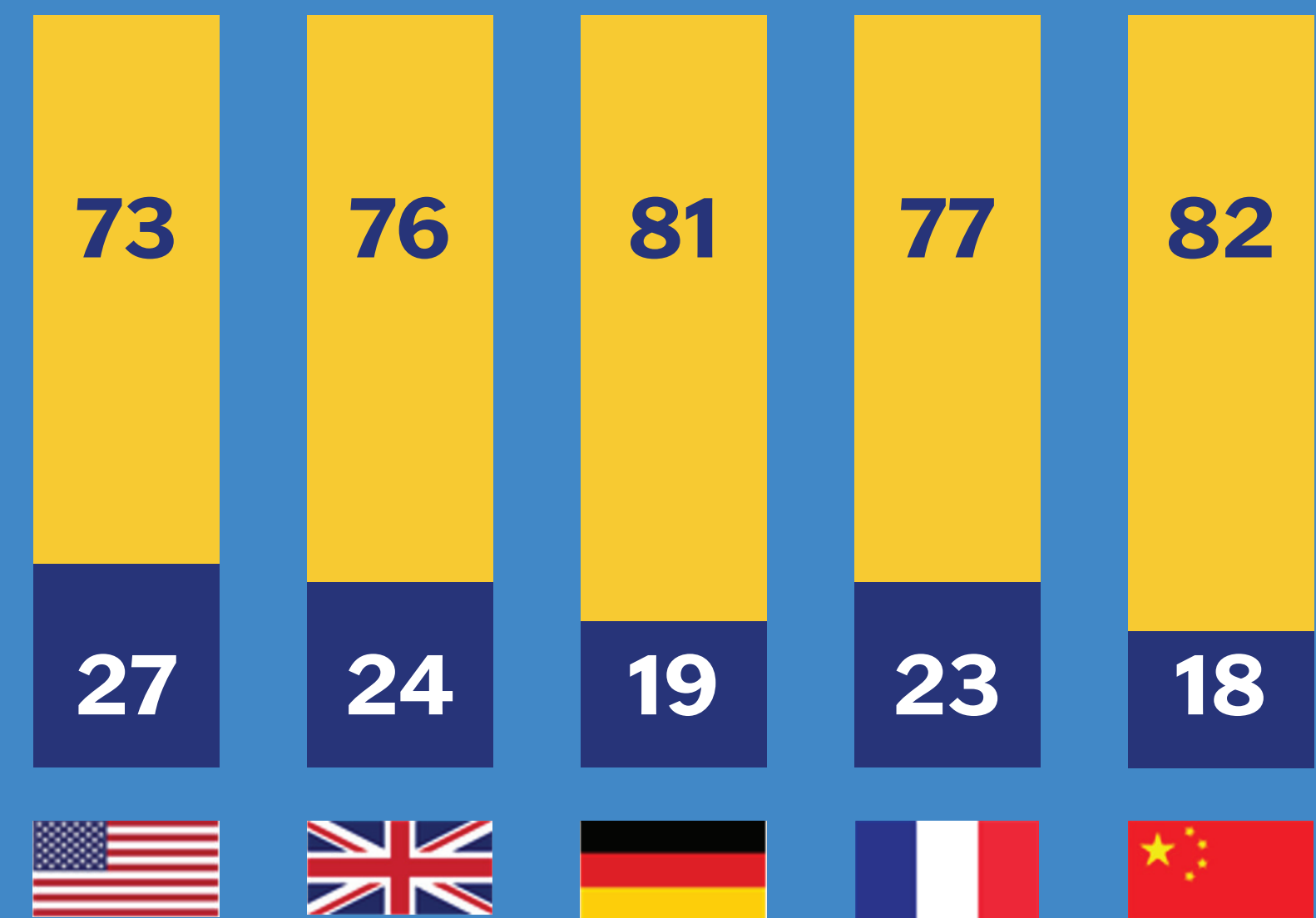
■ % WILL REDUCE OR STOP CURBSIDE PICKUP
■ % WILL CONTINUE THE SAME OR INCREASE CURBSIDE PICKUP



BUY ONLINE FOR IN-STORE PICKUP

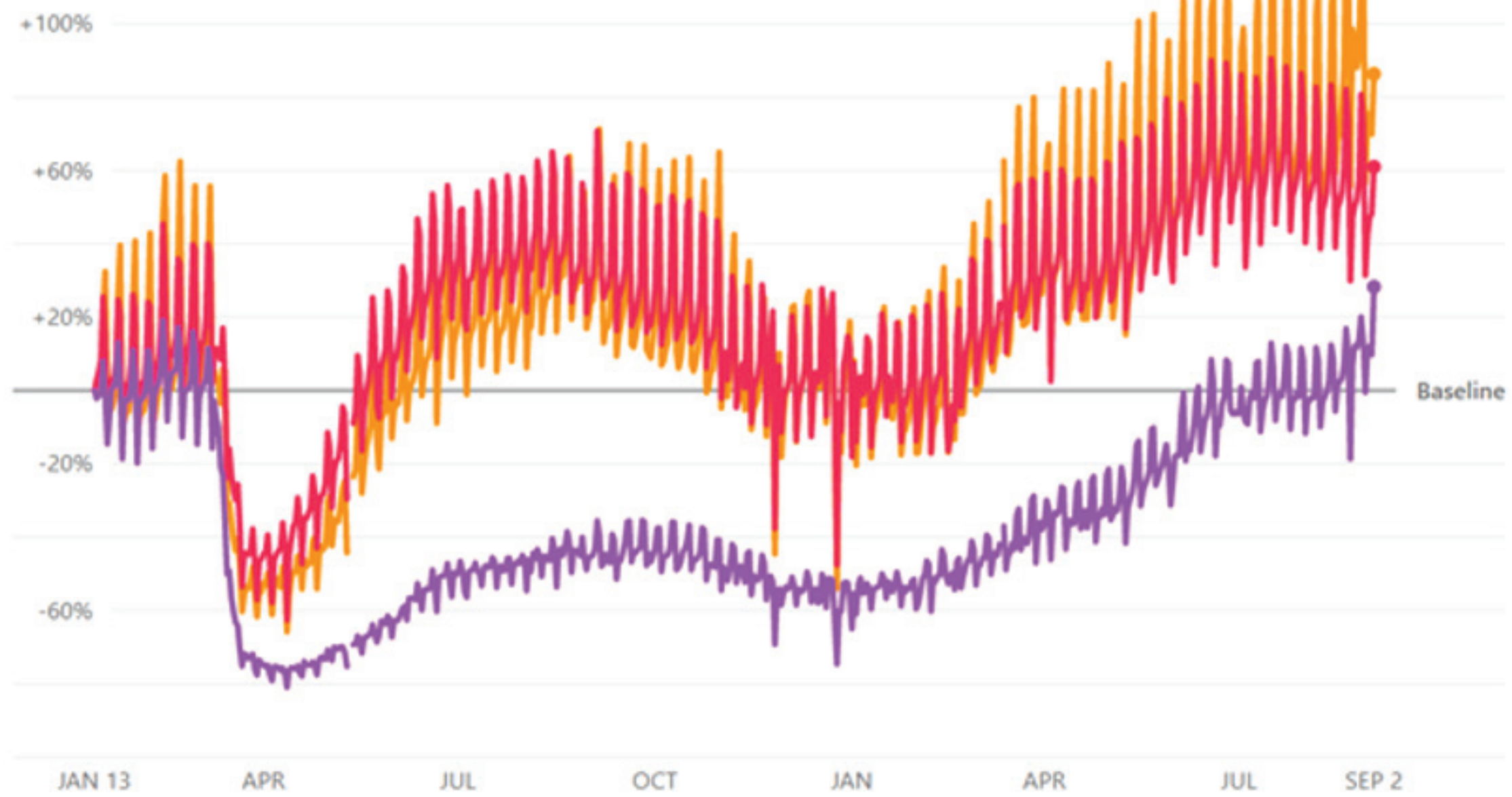
POST COVID-19...

■ % WILL REDUCE OR STOP BOPIS
■ % WILL CONTINUE THE SAME OR INCREASE BOPIS

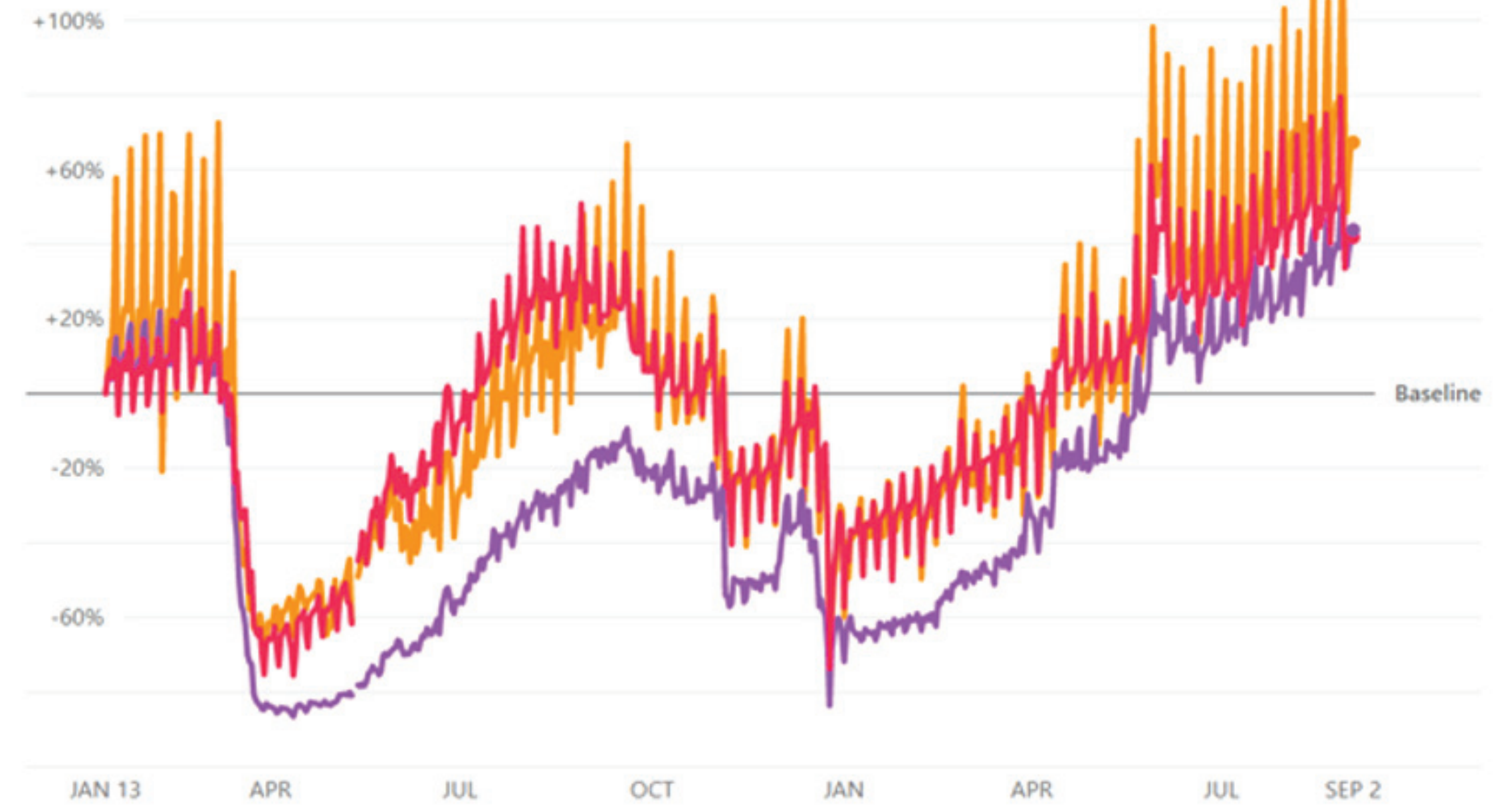




United States



United Kingdom



● Walking ● Driving ● Transit

SUPPLY CHAIN IMPACTS

A blue-tinted photograph of a warehouse or factory floor. In the foreground, a large blue plastic bin is filled with cardboard boxes. Some boxes have labels, including one that says 'JC BREN' and another that says 'FILTER'. The background shows more boxes and industrial equipment, all slightly out of focus. The text 'SUPPLY CHAIN IMPACTS' is overlaid in white, bold, sans-serif font. Below the text is a solid yellow horizontal bar.



60% OF RETAILERS


**NOW OFFER 2-HOUR DELIVERY OR FASTER
AS THEIR FASTEST SPEED**



**SAME DAY
DELIVERY**



**CONTACTLESS
CURBSIDE
PICKUP**



COVID-19 & BRAND LOYALTY

85%

BRAND NAMES **DO NOT MATTER**
TO THEM DURING A CRISIS

30-45%

WOULD BE WILLING **TO STICK WITH**
A NEW BRAND AFTER PANDEMIC

65%

HAVE TRIED A **NEW BRAND** IN
AT LEAST ONE CATEGORY



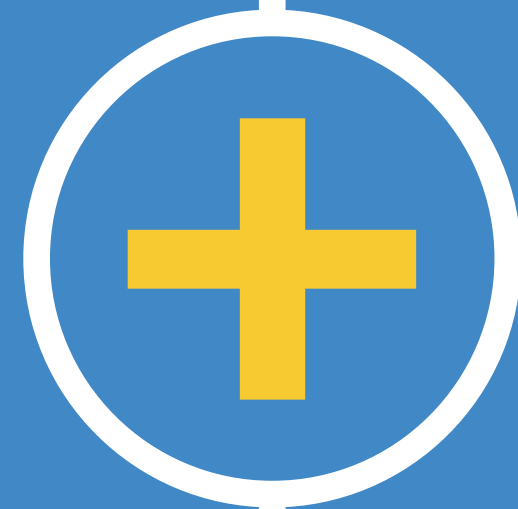
A man and a woman are standing in a retail store, possibly an electronics or smart home section. The man, on the right, is wearing a black and white checkered shirt and has headphones around his neck. He is holding a smartwatch in his hands, showing it to the woman. The woman, on the left, is wearing a light blue t-shirt, glasses, and a blue lanyard. She is smiling and looking at the smartwatch. The background shows shelves stocked with various electronic devices and smart home products. The entire image has a blue tint, and a yellow horizontal bar is positioned below the text.

**THE STORE IS
BEING REIMAGINED**

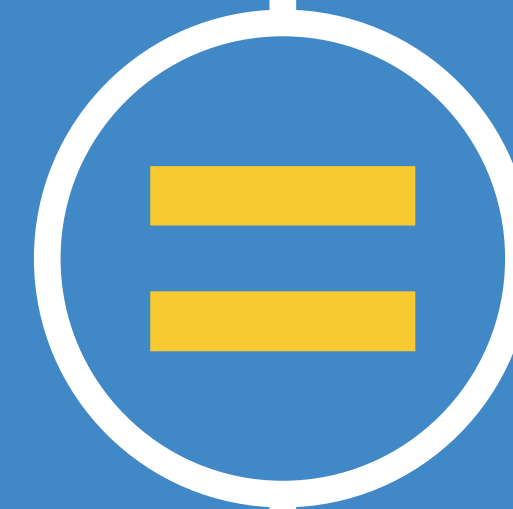
SUCCESSFUL STORES WILL EMERGE



ECOMMERCE






STORE



ADVANTAGE

SUCCESSFUL STORES WILL EMERGE

-  Differentiate through characteristics that will optimize the value of stores
-  Drive operational efficiency through margin control and cost management
-  Rethink the store as a fulfillment solution, adding convenience and capacity to the last mile.



**OMNICHANNEL GROCERY SHOPPERS
SPEND UP TO 20% MORE**



UPDATED SCENARIOS FOR RETAILERS & SHOPPERS

SCEARIOS WE ARE PLANNING FOR



SHOPPER

- ✓ Consumers re-enter stores but **with new habits**
- ✓ Swings in consumer priorities will be **deeper and more frequent**
- ✓ **Hybrid shoppers spend more** with favored retailers due to proliferation of channel options

SCEARIOS WE ARE PLANNING FOR



RETAILER

- ✓ Online will provide **63% of global added sales by 2025**
- ✓ **Automation is the path** to profitable digital operations
- ✓ **Supply chain agility is essential** to support emerging distribution channels



WHAT'S *in* STORE

THE LEGACY OF COVID-19