



# Thanksgiving *Insta Clarity* Study – Final Report

December 2, 2020



# Introduction and Methodology

## Introduction

A number of organizations have been tracking the emerging COVID situation. We challenged ourselves to go one step further in providing real time results and implications across the 2020 holiday period. The Thanksgiving and Christmas holiday periods are two of the most critical periods for food manufacturers and retailers. Understanding how shoppers purchased key categories across this period in real time provides insight for industry leaders to forecast their business and ensure that the right products are in-stock. This is the prime reason we developed the *Insta Clarity* study.

## Methodology

The Fetch Rewards Panel data has 5.5 million users and processes 3 million daily transactions. Fetch is able to process these receipts and, in partnership with Cadent Consulting Group, provide key insights to industry leaders. In this study, we assessed select Thanksgiving staple categories and looked to understand whether shoppers are making more or fewer trips and whether they are spending more or less on these trips.

For this report output, we evaluated shopper behavior in 2020 versus 2019 across a major Thanksgiving food stock-up week. Specifically, it included the 10 days ending Wednesday, November 25, 2020 compared to week ending Wednesday, November 27, 2019.

For this report in particular, we analyzed nearly 90K transactions in real time from a panel of over 270K users to make our assessment across Gravy, Dinner Rolls, Stuffing Mix, Cranberry Sauce, Whipped Topping and Frozen Pies. Turkey was intentionally left out of the analysis due to promotion and pricing activities during the holiday.

# Key Findings

## Discretionary Sides Drive Overall Consumption Decline

Cranberry Sauce and Stuffing Mix saw a significant decline in trips this year by -10% and -3% vs. YAG, respectively. Dollars per trip also declined. Traditionally, hosting and catering to a wider set of guests requires a broader set of side dishes. This year these side dishes, perhaps less universally preferred, failed to make the cut for many smaller gatherings.

Dinner Rolls and Whipped Topping, in contrast, saw trips increase this year by +9% and +16% respectively, offsetting a decline in dollars per trip from smaller gatherings. Dinner rolls come in a variety of forms from traditional French rolls to whole grain to gluten free and are a must have side. Whipped Toppings can be used as either a dessert ingredient or topping, which makes them relevant to a broad consumer base.

The decline in Cranberry Sauce and Stuffing, two key staple categories, resulted in an overall consumption decline for Thanksgiving.

## Last Minute Purchases Down vs. YAG

The 10 days leading up to Thanksgiving are a key shopping period for a focused set of categories traditionally associated with the Thanksgiving meal. As this year is atypical in many ways, the last 3 days of this focused shopping period turned out different than in prior years. For the Monday, Tuesday, and Wednesday leading up to Thanksgiving, trips across key staple categories fell by double-digits vs. YAG.

For example, 40% of Stuffing Mix trips, across the 10 day period, occurred during these final 3 shopping days in 2019 as shoppers made late purchases for their meal. In 2020, only 34% of Stuffing Mix trips occurred during those same 3 days as shoppers planned earlier and purchased well ahead of time.

# Implications

As retailers and manufacturers look ahead to the Christmas holidays it is possible to determine likely shopper behavior. We believe retailers and manufacturers must pay attention to three key factors.

1. **Early Stock-up Purchases and Select Category Focus:** It is expected shoppers will plan to purchase ahead of time to avoid crowds in the days just before the holiday. Shoppers are also likely to forgo purchasing items that only a select few in a larger gathering may prefer.
2. **Ample Inventory Levels:** Retailers should ensure they have ample stock early in the holiday shopping period. Failure to do so will result in lost sales that are less likely vs. previous years to be recouped later in the shopping period.
3. **Strong Promotion Execution:** Manufacturers should work to ensure execution of their promotion plans is strong, especially in the early weeks of the designated period. Weak execution early is likely to have negative consumption implications across the holiday.

2020 is a unique year in many respects. Shopping behavior during these critical holiday periods is being impacted and retailers and manufacturers must take into account these changes in order to realize strong consumption pull through.

# Trips and Dollars per Trip

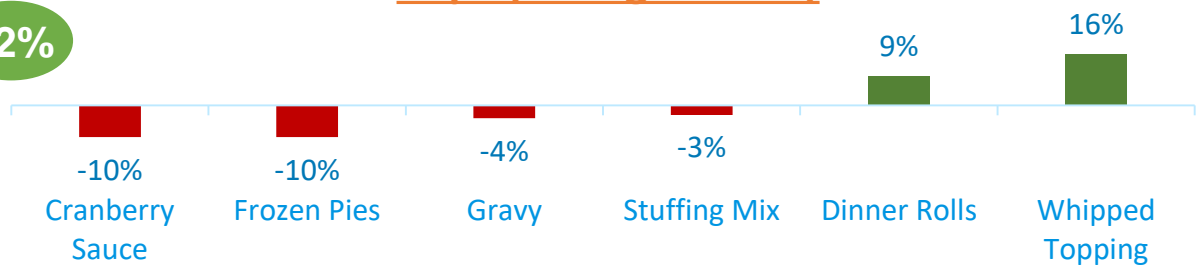
Trips measures how frequently shoppers are choosing to purchase a given category compared to the same period in 2019. The results show that trips for the 10 day period ending 11/25/20, overall, were up vs. YAG, but this was inconsistent across all measured categories. Many households decided to forgo potential last minute fill-in categories, such as Cranberry Sauce, Frozen Pies, Gravy and Stuffing Mix.

As there were more households holding smaller gatherings, fewer sides and desserts were required to appeal to the tastes of fewer guests. This factor is exacerbated by the avoidance of unnecessary trips during the current COVID period.

## Average

+2%

## Trips (Change vs. YA)

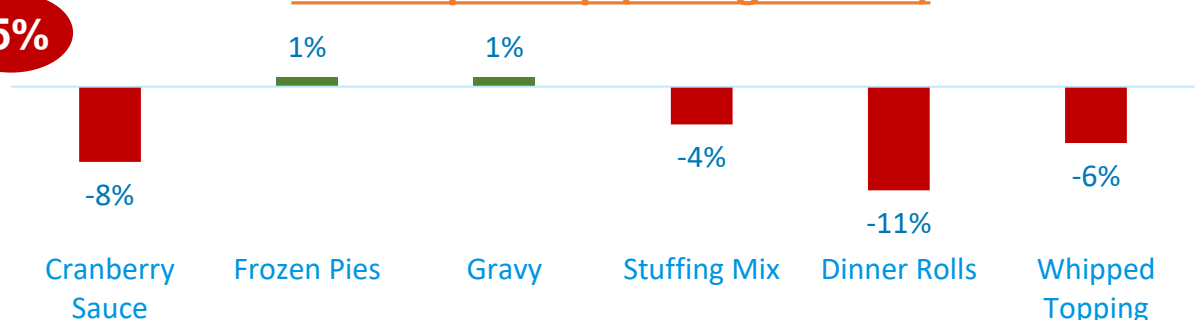


Dollars per Trip measures how much shoppers spent on a given category compared to the same timeframe in 2019. The results show that dollars per trip, on balance, declined across key categories analyzed. Dinner rolls remained the largest decliner in dollars per trip through the full 10-day Thanksgiving meal shopping period, while Gravy and Frozen Pies were up slightly in dollars per trip as shoppers potentially seek easier to prepare shelf stable, pre-prepared options vs. homemade versions.

## Average

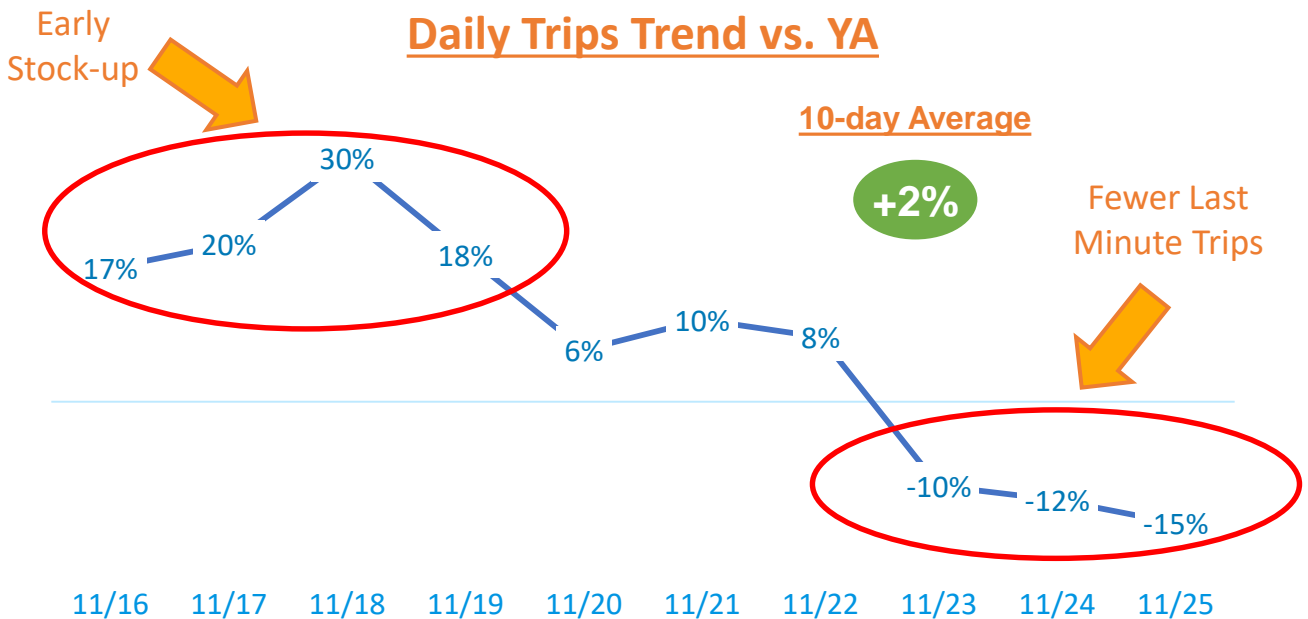
-5%

## Dollars per Trip (Change vs. YA)



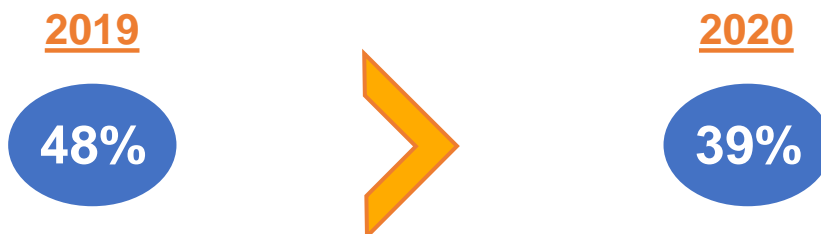
# Last Minute Shopping Declines

Trips were up +2% overall vs. YAG in the key 10 day period. Early stock-up trip increases were significant, but as the shopping period progressed, it became clear that those early trips were often simply that – early – not more. Across the 6 categories analyzed, trips fell 10-15% across last 3 days, Monday, Tuesday and Wednesday, leading up to Thanksgiving.



For example, the last-minute fill-in trips that were present in categories such as Whipped Topping in 2019, failed to transpire in 2020 resulting in a much higher share of total trips that were made early in 2020.

## Late Trips Share of Total Whipped Toppings Trips (3 Days Ending, Wednesday 11/25 vs. YAG)





## Why Cadent?

Cadent Consulting Group has extensive expertise in identifying and capitalizing on profitable growth opportunities with manufacturers and retailers. The company integrates multiple data sources to develop proprietary research and advanced analytics. With a track record of success in the consumer products area, Cadent's managing partners have over 25 years of experience working across outlets and industries.

## Why Fetch?

Fetch Rewards is the fastest-growing consumer loyalty app in its category. With nearly 8 million downloads since launching in 2017, Fetch Rewards has processed more than 340 million receipts and delivered nearly \$54 million in savings to its shoppers. In Q1 2020, the company tracked 3.1 million active monthly users and weekly downloads of the app increasing 74 percent.