



 Allume Group

# EIQ Report

## eCommerce Insider Quarterly

Q1 2023

Allume Group

# Company Overview

1,700+ learners  
Over 1,000 companies  
served

*"I loved the thought leadership and the "predictions" piece. It really gave me some ideas to think about in working with Amazon - What's in it for them? What are their underlying goals?"*

Allume Group Client

## Allume Academy™



Timely and comprehensive  
expertise

On-demand, eLearning  
curriculum laddering to  
certifications

## Private Workshops



Applied to your team and  
business

Private, hands-on learning

## Allume Assembly™



Alongside a supportive  
community

Managed communities of  
manufacturers and retailers

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# Outline

## Trends

- Shopper Trends
- Manufacturer Trends
- eCommerce Trends
- Amazon Trends

## Suggested Resources



# Trends



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# Shopper Trends

THE LIBERATED CONSUMER ROARS TO LIVE

## Brand loyalty is up for grabs

Nearly half of grocery and retail shoppers would leave their favorite brand for a less expensive competitor, and half of shoppers are reducing spend. Consumers are pulling back spend most on clothing, groceries, and electronics but holding strong on pet products, office supplies, health and wellness, and alcohol and tobacco.

**Takeaway:** *Ensure you're prioritizing loyalty marketing in your retail media efforts.*



*"While customers still look to their trusted brands, they no longer have the luxury to maintain strong brand loyalties at all costs."*

Mirakl Consumer Survey January 2023

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# Manufacturer Trends

## PREMIUMIZATION...A SOLUTION FOR PROFIT-CHALLENGED BRANDS

Profitability is a top concern for over 50% of consumer brands we surveyed, and continued discounting activity isn't sustainable.

Enter product premiumization.

**Takeaway:** *Look for opportunities to deliver incremental value in your portfolio. Be on the defense for competitor brands who are focused here as well, as retail media budgets and messaging shift quickly.*



**“Premiumization** creates opportunities for revenue growth, grows margin expansion and, most importantly, it delights our end users,”

- WD-40 CEO Steve Brass, recent earnings call

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# eCommerce Retailer Trends

## DIGITAL ENGAGEMENT IS THE NEW KPI

As the shopper transitions to a digital first mentality, retailers adapt their strategies and measurements to understand their behavior.

The term “digital engagement” was mentioned more than once on most Q1 major retailer earnings calls.

**Takeaway:** *What digital engagement metrics are priorities for your retailers, and how can you influence them?*



*The more eyeballs that are coming to your digital platforms, the more advertisers want to spend money.*

*The common thread through all of them is a greater digital engagement with our consumer.”*

John David Rainey, Walmart's CFO

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# Amazon Trends

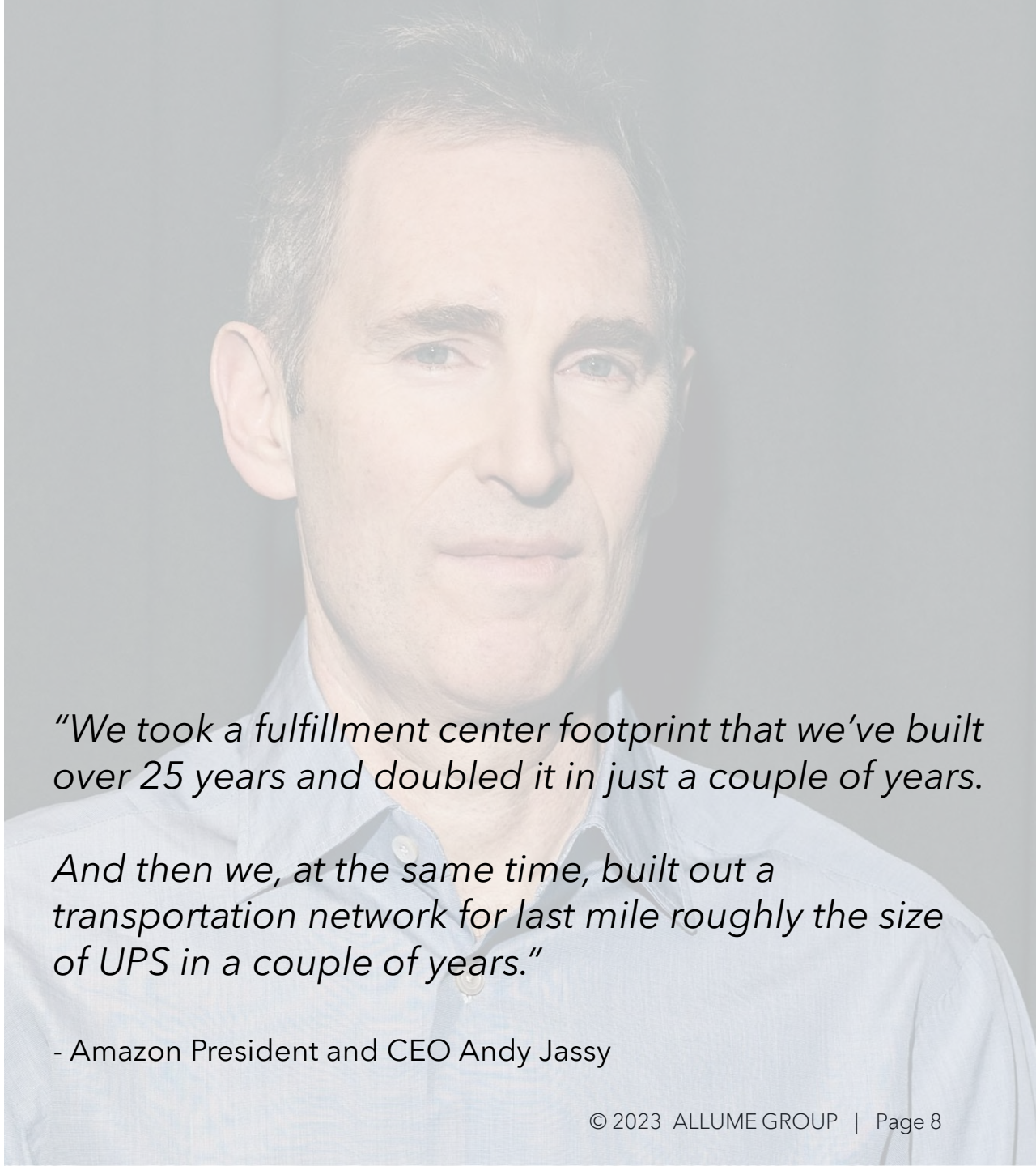
## PLATFORMING

From their forays into healthcare, including Healthcare (Amazon Clinics and Pharmacy), warehousing and transportation (Buy With Prime), and retail media, Amazon continues to focus on what they do best - offering a platform for vendors and sellers to make use of their infrastructure.

### **Takeaways:**

Many industries are new for Amazon, such as healthcare. Manufacturers that offer partnership - in understanding industry dynamics and shopper preferences - are likely to have a leg up.

Also, with platforming comes data. First mover advantages



*"We took a fulfillment center footprint that we've built over 25 years and doubled it in just a couple of years.*

*And then we, at the same time, built out a transportation network for last mile roughly the size of UPS in a couple of years."*

- Amazon President and CEO Andy Jassy



# Resources

## Consumer Trend

### THE LIBERATED CONSUMER ROARS TO LIFE

- [The False Appeal of Deal-Chasing Consumers](#) - PYMNTS

## eCommerce Retailer Trend

### DIGITAL ENGAGEMENT IS THE NEW KPI

- [Kroger's 4 pillars of ecommerce growth](#) - The Daily Current
- [Modern Retail Index 2022: E-Commerce experience strategies](#) - Modern Retail
- [Are Brands Measuring the Wrong Type of Engagement? A Red Bull Case Study](#) - Search Engine Journal

## Manufacturer Trend

### PREMIUMIZATION AS A SOLUTION FOR PROFIT-CHALLENGED BRANDS

- [Is the Entire Economy Gentrifying?](#) - The New York Times
- [Modern Retail Rundown: Allbirds woes, Shein vs. Temu and the rise of 'premiumization'](#) - Modern Retail

## Amazon Trend

### PLATFORMING

- [Amazon Q1 2023 Earnings Call Transcript](#) - The Motley Fool
- [Amazon Q1 2023 Earnings Report](#) - Amazon.com
- [Amazon Q1 2023 Earnings Recap](#) - Allume Group



Thank You

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