



 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

Outline

Trends

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

Suggested Resources



Trends



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


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

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?*

A portrait of John David Rainey, Walmart's CFO, is shown in the background on the right side of the slide. He is a middle-aged man with short, light-colored hair, wearing a light blue button-down shirt. He is smiling slightly and looking directly at the camera.

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

Amazon Trends

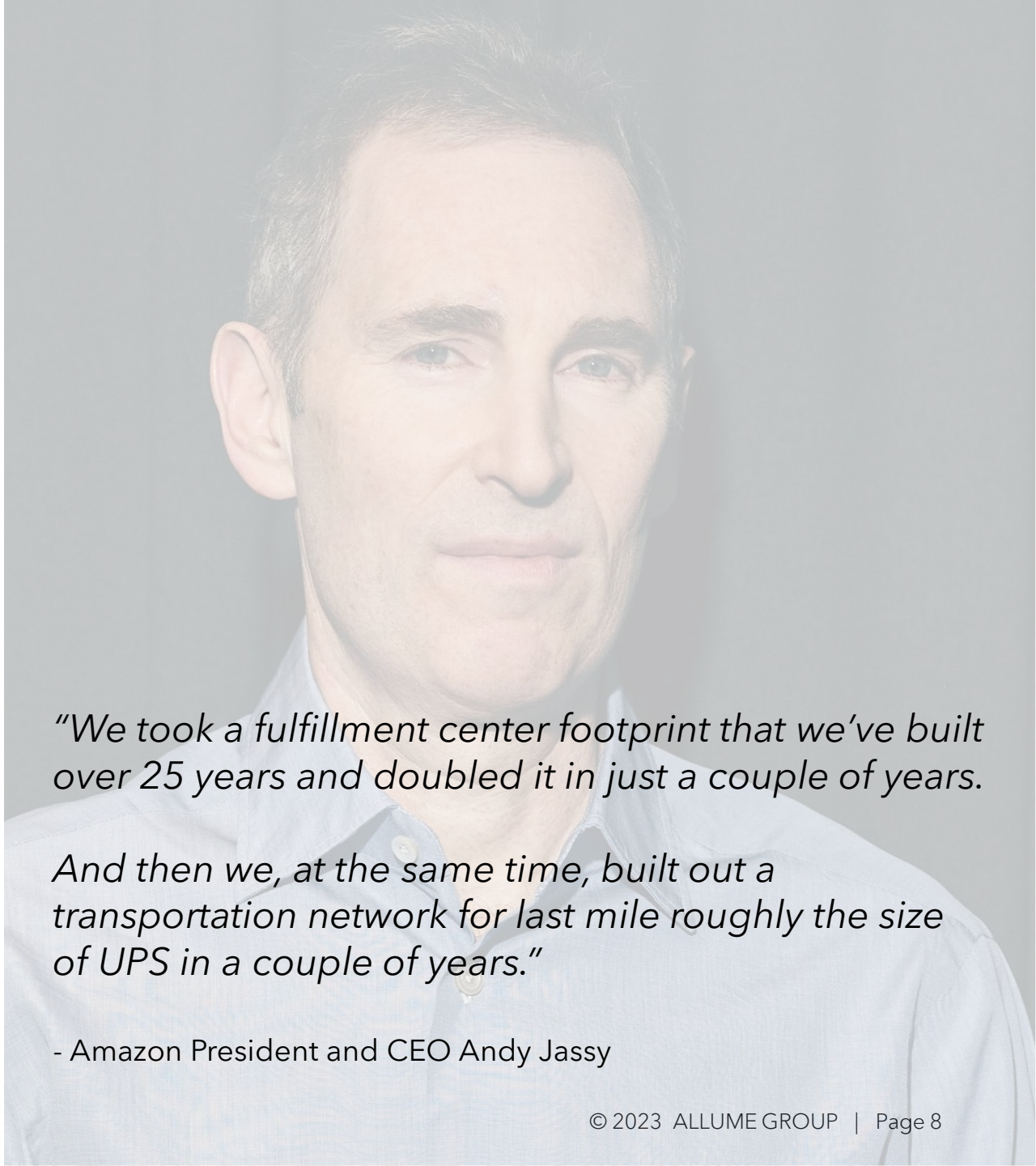
PLATFORMING

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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