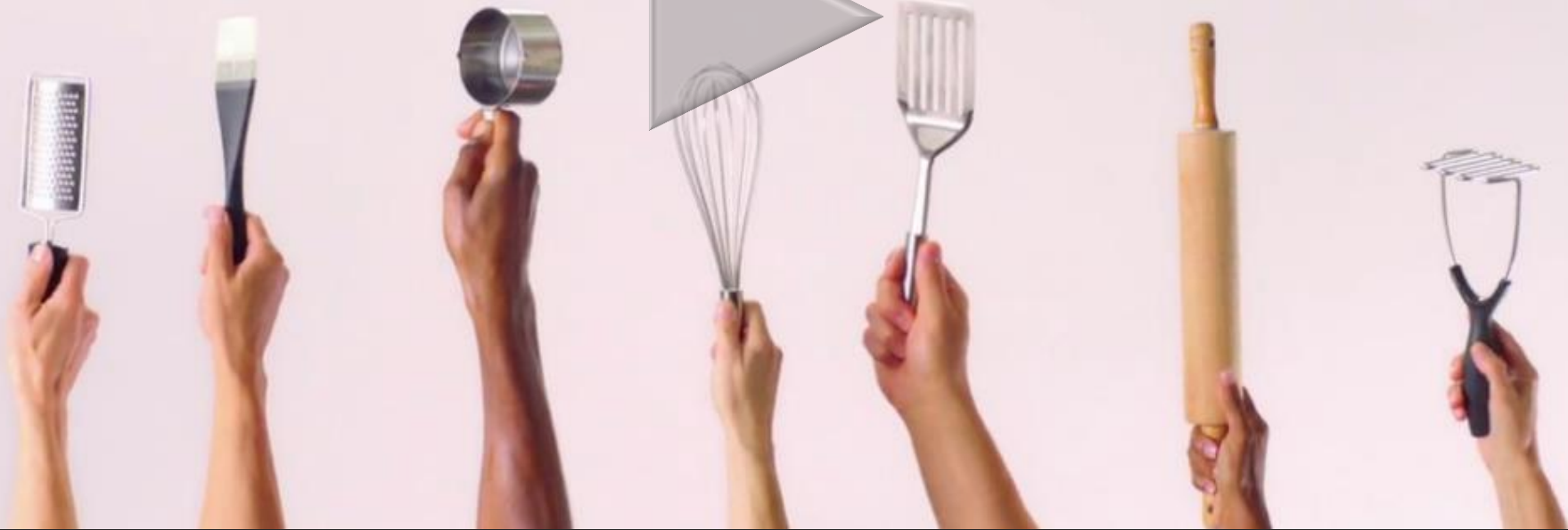


# FOODIE REVOLUTION





# Powered By Customer Insights

Mike Donnelly & Stuart Aitken



# Our focus on data allows us to see clearly and connect emotionally

**62M**  
Households  
*(Annually)*

**19B**  
Transactions

**3M**  
Calls

**13M**  
Surveys

**7M** Social  
Comments

**4B** Digital  
Click Events

## Mass

view of customers



## Segmented

view of customers



## Personalized

view of customers





# We use insights to differentiate in **food**

Insights...

**Trend:** Mainstream customers seeking to eat **clean, healthy ingredients**

Customers want **affordable Natural & Organics**

## Natural & Organics



## Simple Truth Brand



Results...

**Simple Truth** has grown **Double Digit** every year

**Millennials** driving the **greatest** growth in N&O

Natural/organics represent over **\$11B** in sales

# We use insights to inspire the **foodie** within

## Insights...

Exciting in-store **experiences** is a growing customer need. They **expect** more from us

Unique opportunity to be seen as a source of **trusted brands** and to foster a **passion for food**

## Events that Inspire



## Exclusive Brands



## Results...

More customers say they **"Love Shopping at Kroger"** during themed events

Private Selection is the **6<sup>th</sup> largest** brand at Kroger

# We use insights to lead in in-store **value**

Insights...

**Lower prices every day** is the top reason for choosing where to shop

**Promotion** drives trips and provides inspiration and excitement

Insight reveal what **items** are **most important** to customers

## Lower Prices Every Day



## Promotion



Results...

**+\$3.5B** in targeted price investments during last 11 years

Our **price perception** has improved **significantly** over the last **11** years



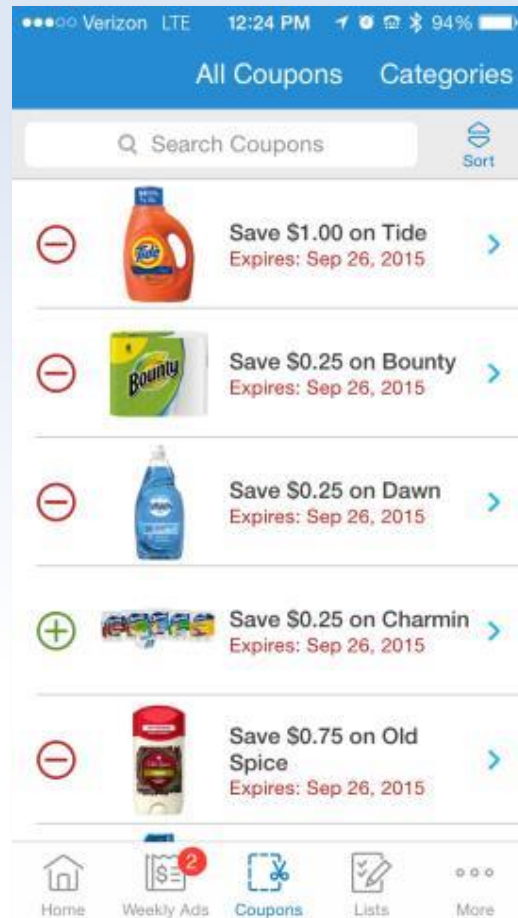
# We use insights to lead in digital value

Insights...

Customers find it **difficult** to wade through thousands of available digital coupons

**Digital coupons** have grown dramatically as customers continue to look for value

## Digital Coupons



Results...

**15%** increase in downloads when personalized sorted

Digital coupon usage is a **key driver** of digital engagement

**+2.3B** coupons downloaded



# We use insights to differentiate in **fresh**

Insights...

Fresh are the most **influential** depts. where customers choose to shop

**87%** of consumers say offering **LOCAL** food is important to them

## Focus on Fresh



**Grown in the Midwest**  
and harvested at the peak of freshness.



Results...

Our Fresh Depts. **Continually outpace** the rest of the store

Working with hundreds of **local farmers**

# We use insights to lead in **experience**

Insights...

Customers cite **speed of checkout** is a major differentiator to where they shop

Customers are looking for us to **save them time** and make their lives easier

## QueVision

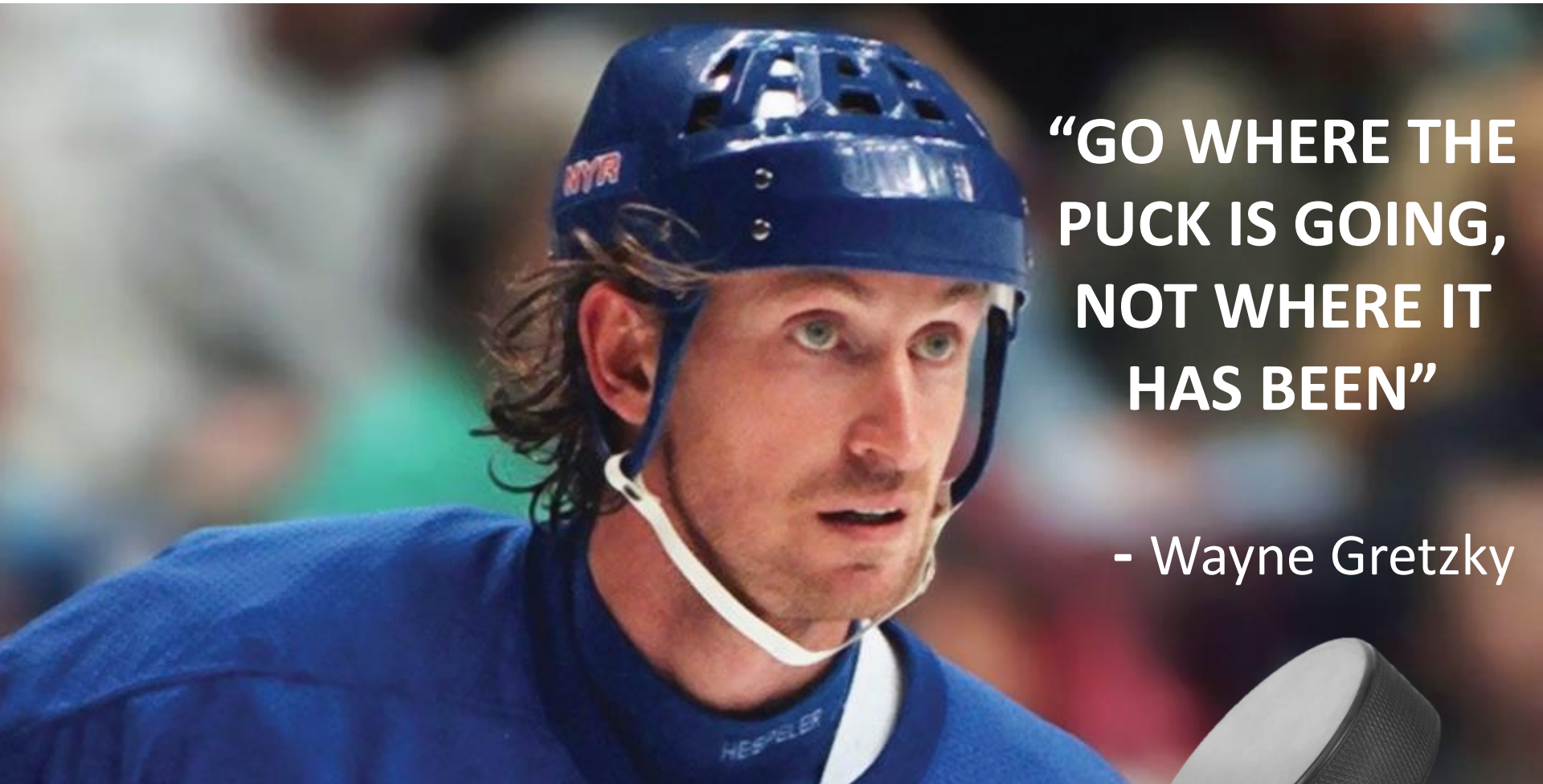


Results...

Achieved **34** second average wait time versus 4 minute industry average

Collectively save customers **Millions** minutes a day

**We continue to keep a sharp focus on shifting needs**

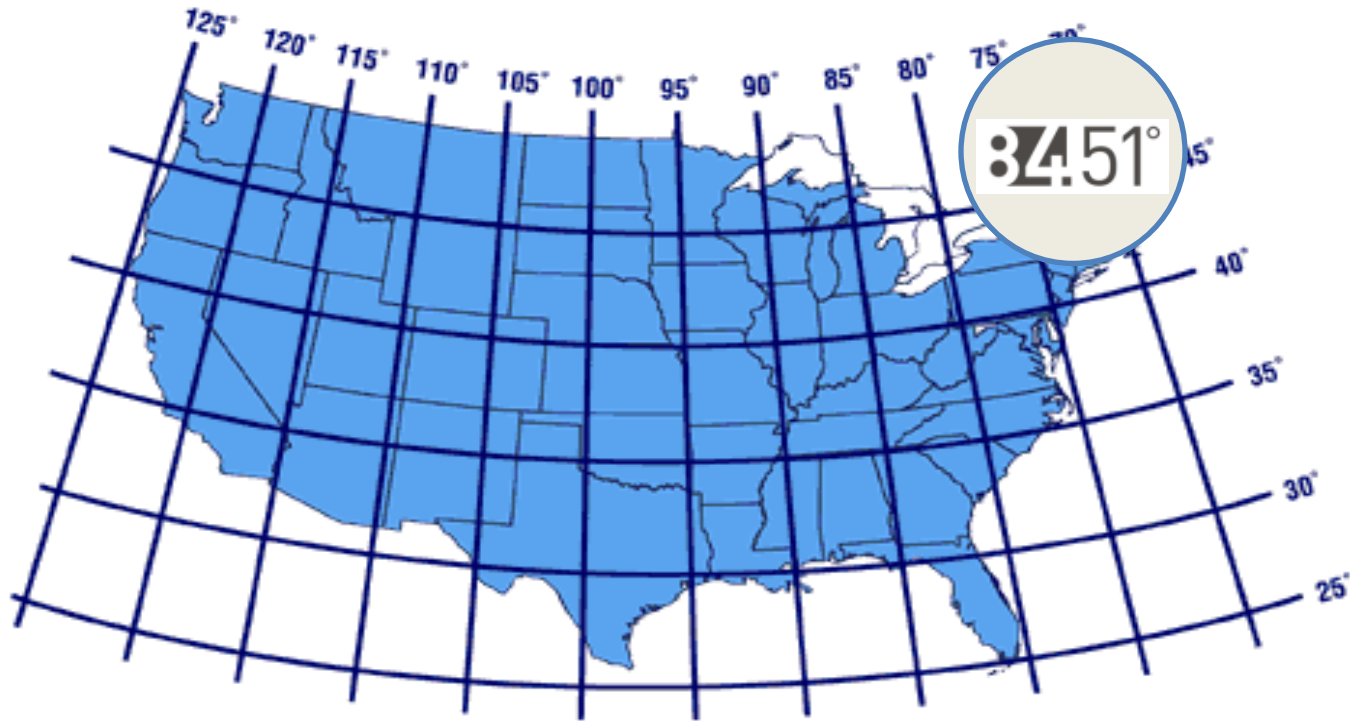


**“GO WHERE THE  
PUCK IS GOING,  
NOT WHERE IT  
HAS BEEN”**

**- Wayne Gretzky**



# 84.51 is a key part of the future for us



Solving longitude was one of the great challenges and took centuries

Longitude is a common language and provides a direction and a destination

Looking at customers longitudinally provides deeper insight

We are a numbers business...data, science, are our differentiators



# Questions