

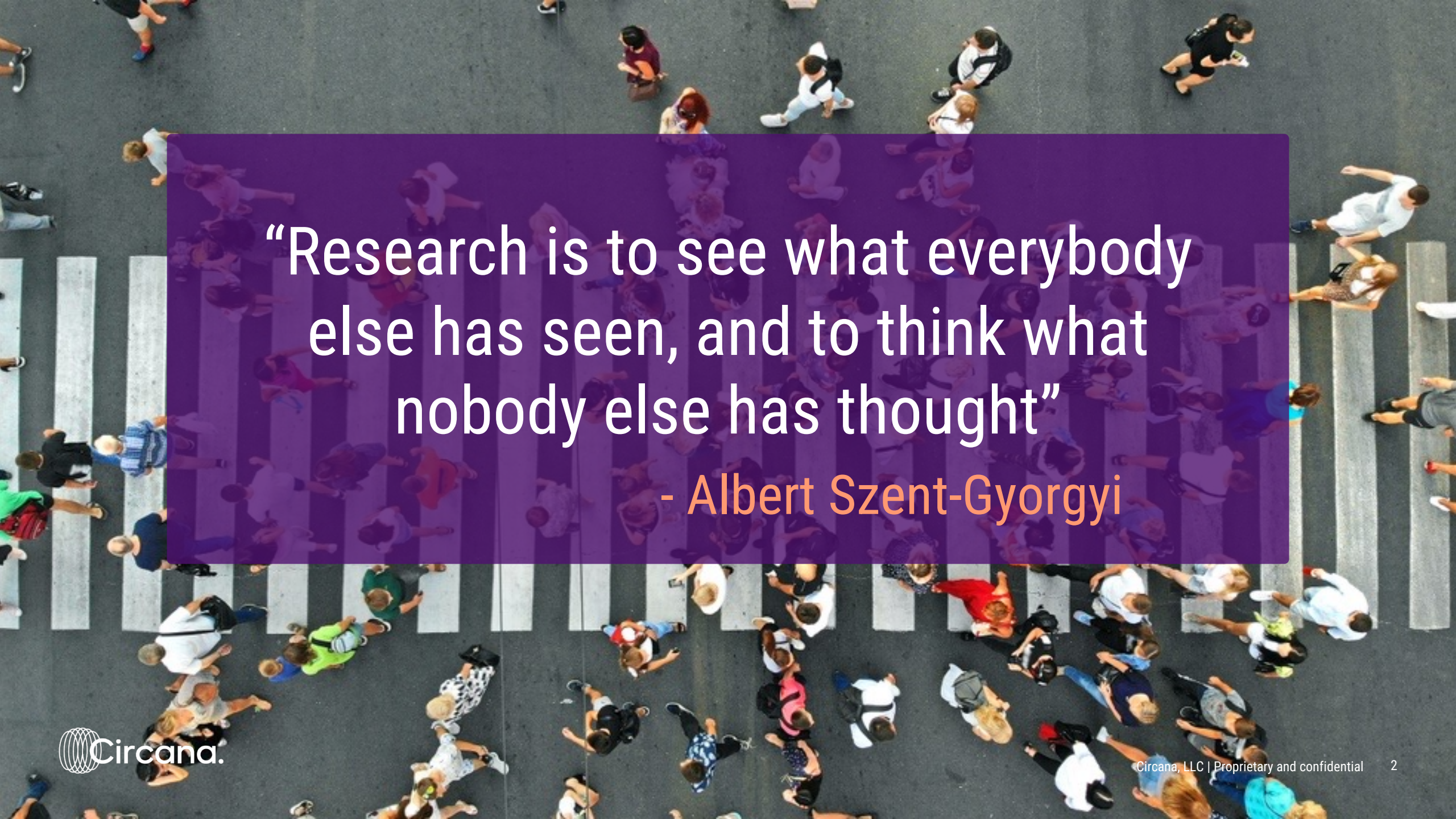


Uncovering Growth Opportunities

For the Home + Housewares Industry:
2024 and Beyond

March 2024



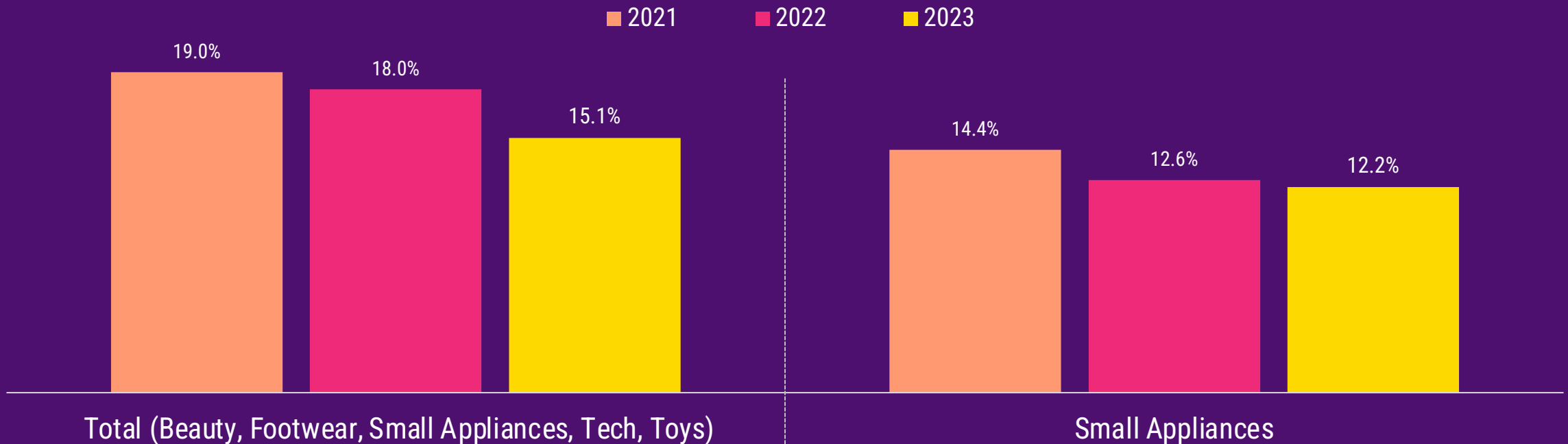
An aerial photograph of a busy city street with a crosswalk. A large purple rectangular overlay is centered on the image, containing white text. The background shows a diverse group of people walking in various directions.

“Research is to see what everybody
else has seen, and to think what
nobody else has thought”

- Albert Szent-Gyorgyi

Home continues to see a lack of newness

New Item Count Share of Total Items, January – December



Industries include Beauty, Footwear, Small Appliances, Tech, Toys
Annual new item count share = count of items selling for the first time divided by total item count
Source: Circana, Retail Tracking Service

Small appliance + housewares forecast

-3.5%

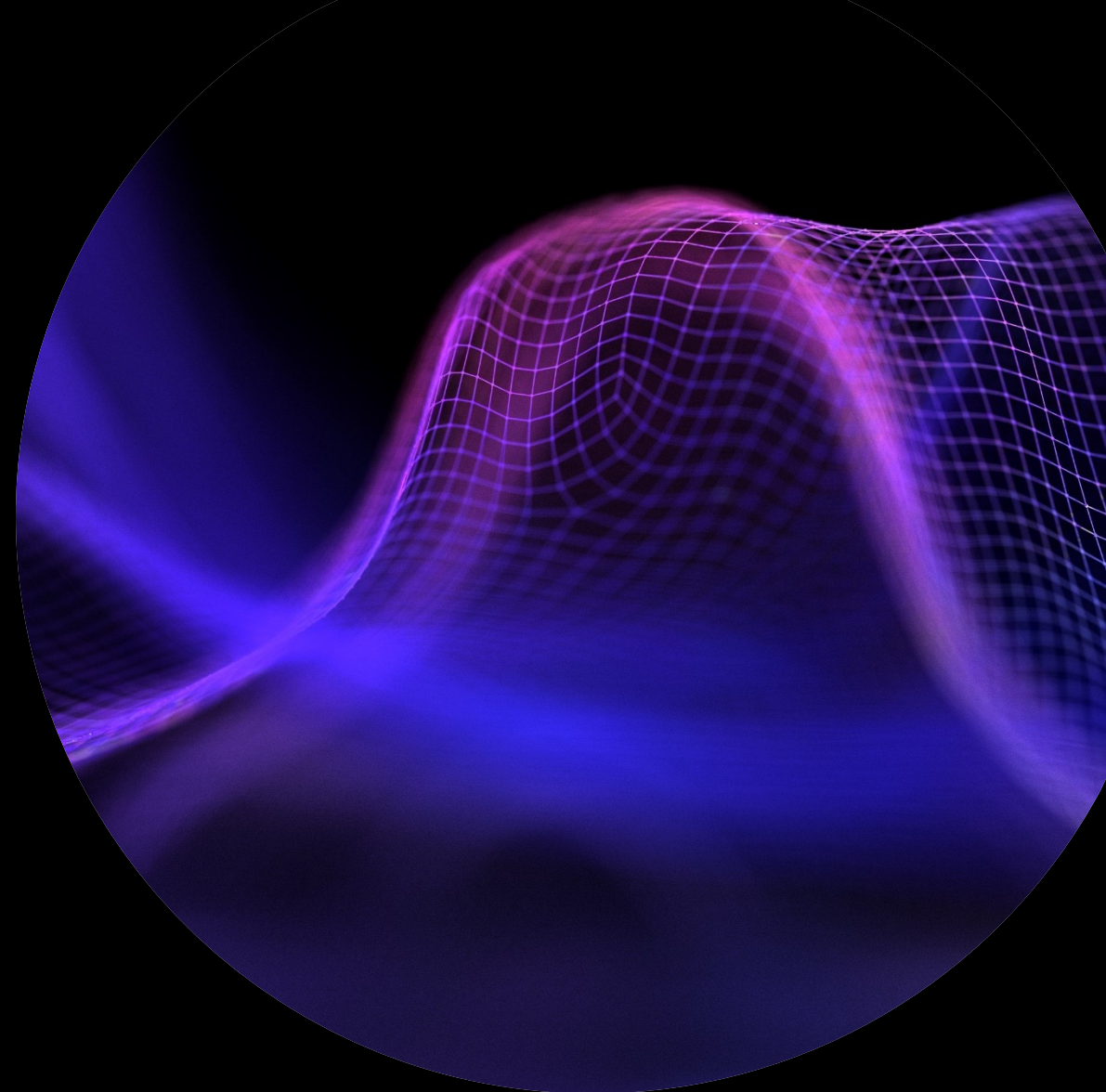
2024

Flat

2025

+3.4%

2026



Today's topics

- 1 Short-term Opportunities
- 2 Mid-term Opportunities
- 3 Long-term Opportunities

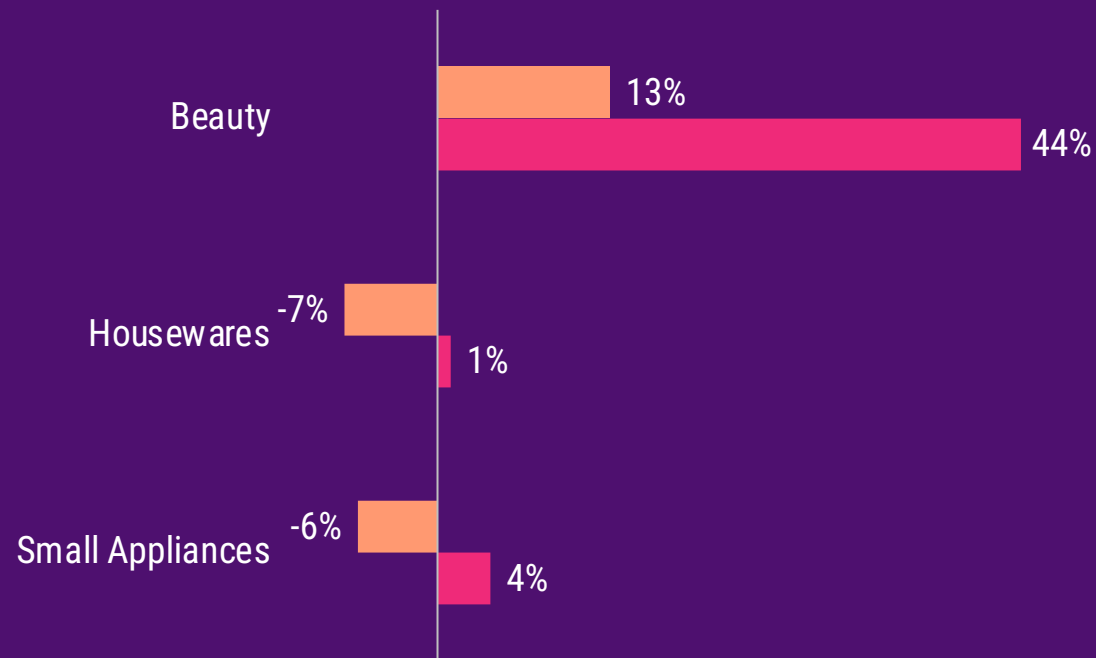


What can we learn from Beauty? Innovation in marketing can drive growth

Unit Percent Change

■ Unit Percent Change vs. YA

■ Unit Percent Change vs. 4YA



Consumer-driven innovation



Hook/Insight

The pain or wishes or loves that a consumer has in usage or in the moment with a product.



Benefit

The solve of the Hook.

Reason to Believe

The technology that makes the benefit possible.



Price

The price of the product.



Eating trends drivers to leverage



Coffee



Other Beverages



Balanced Diet



Heat & Eat



Leftovers



Portability



Entertaining



Outdoor Events

Path to purchase innovation is needed in-store and online

Online gained +3pts and now accounts for 66% of Small Appliance Sales



Consumers are buying fewer items during trips

Shoppers are making more single-item trips compared to pandemic-era occasions.

The number of items per purchase is down

▼ 2%

vs. a year ago, repeating a second year of decline.

Q. Which promotional day created the biggest market lift for single serve coffee makers?

1

October Deal events

2

Black Friday

3

Cyber Monday

4

Super Saturday

A large, white, hollow outline of the number '2' is positioned on the left side of the image. The background consists of a series of wavy, horizontal lines in shades of purple and orange, creating a sense of depth and movement. The overall aesthetic is modern and digital.

Mid-term
Opportunities

The importance of convenience

Hot air stylers grew

33%

vs. 2022...



...and

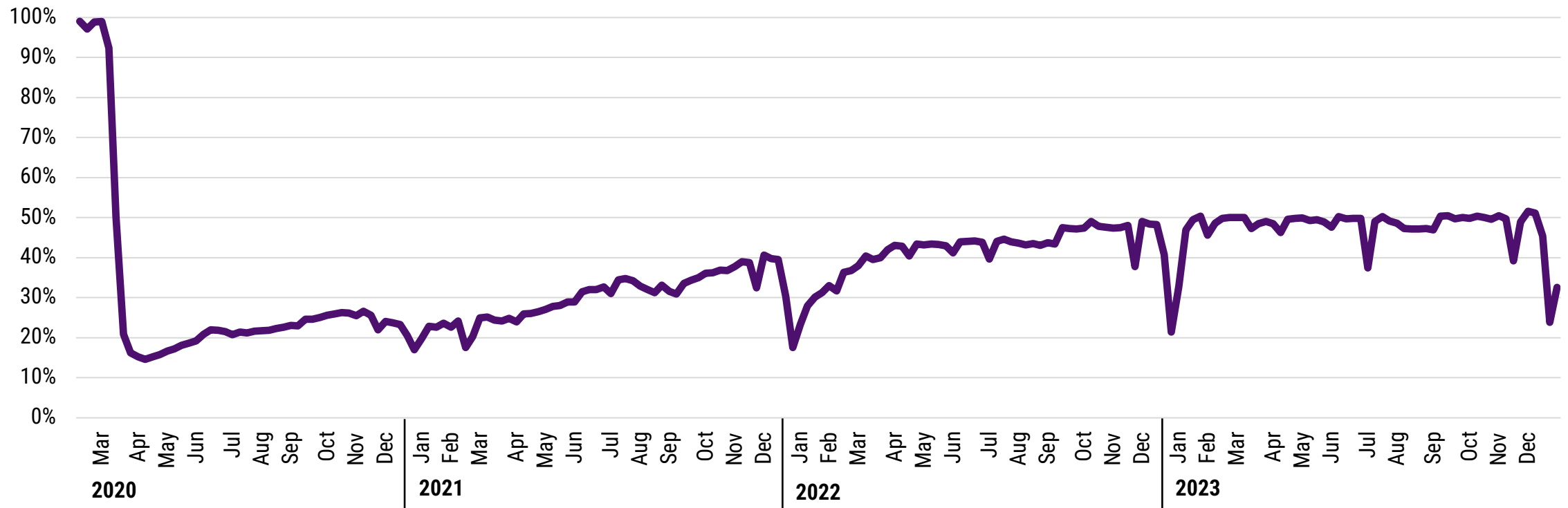
211%

vs. 2019.

“Time” drives our needs and behaviors and Return To Office is a key variable to monitor

Weekly Office Occupancy Rate

Week Ending February 12, 2020 – through January 3, 2023



Source: Kastle Access Control Systems Weekly Occupancy Report
Kastle tracks access activity data from KastlePresence app, keycard, and fob usage in 2,600 buildings and 41,000 businesses across 47 states

Provide an “er” for these meal occasion needs



Breakfast



Mid-Morning
Snack



Lunch



Mid-Afternoon
Snack



Dinner



Evening Snack

Caffeine
Smoothie
Cereal
Eggs
Oatmeal
Heat & Eat
Kids

Protein
Portable

Quick
Portable
Leftovers
Heat & Eat
Taste

Sweet

Rhythm
Main Dish
Side Dish
Ingredients
Additives
Desserts

Craving
Comfort
TV Watching



3

Long Term
Opportunities

Population change by age, 2020–2030

Projected U.S. Population Change by Age, 2020 to 2030 (Thousands)

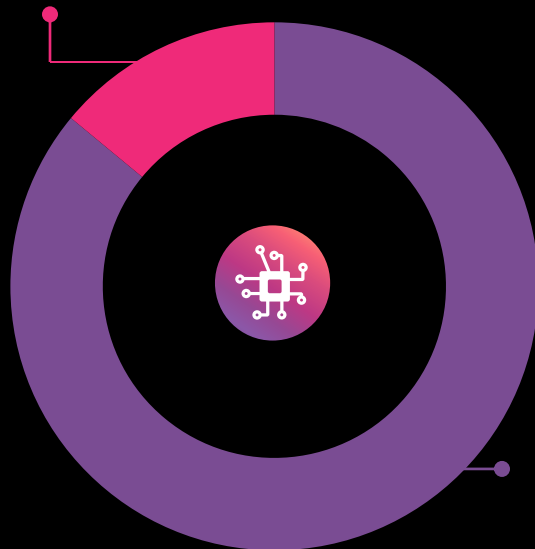


Smart kitchen device ownership still growing

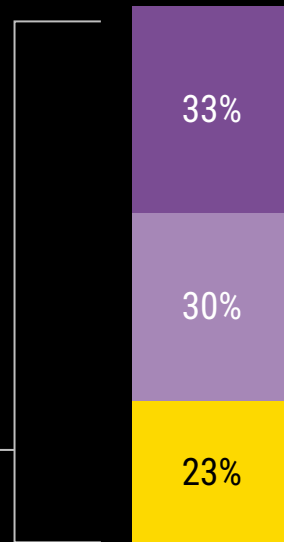
% of Total Meal Preparers Who Own a Smart Kitchen Device

YES

14% (+5 vs. 2020)



NO
86%



No, but I'm interested in these

No, and I'm not sure if I'm interested in these

No, and I'm not interested in these



2x

Accomplished home cooks are twice as likely to say they own a smart kitchen device.



Q. Do you own any kitchen appliance that is Wi-Fi-enabled and can be controlled by a mobile phone?
Source: Circana, Kitchen Audit 2023

North American Home Industry Performance

North American Home Industry sales declined 5% in 2023 to \$66B. Canada and U.S. sales declined in 2023, while Mexico experienced double digit gains.

Mexico dollars

14%



U.S. dollars

-5%

Canada dollars

-5%

North American Housewares Trends – Focus on Opportunities in Canada & Mexico

Tuesday, March 19 9am – 9:50am

Location: South Building, S101A



PAM WOOD

Executive Director, Industry Analyst,
Canada Home



RENEE BADIOLA

Director, Industry Analyst,
Mexico Home

In summary, this is a great time for innovation!



Successful products

- ✓ Have **attributes** consumers are looking for
- ✓ Offered at the **right price**
- ✓ Have the **correct positioning**
- ✓ **Packaged/shelved** in a way that they stand out
- ✓ Have appropriate **creative/media** behind them
- ✓ Know their **target audience**



Thank you



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