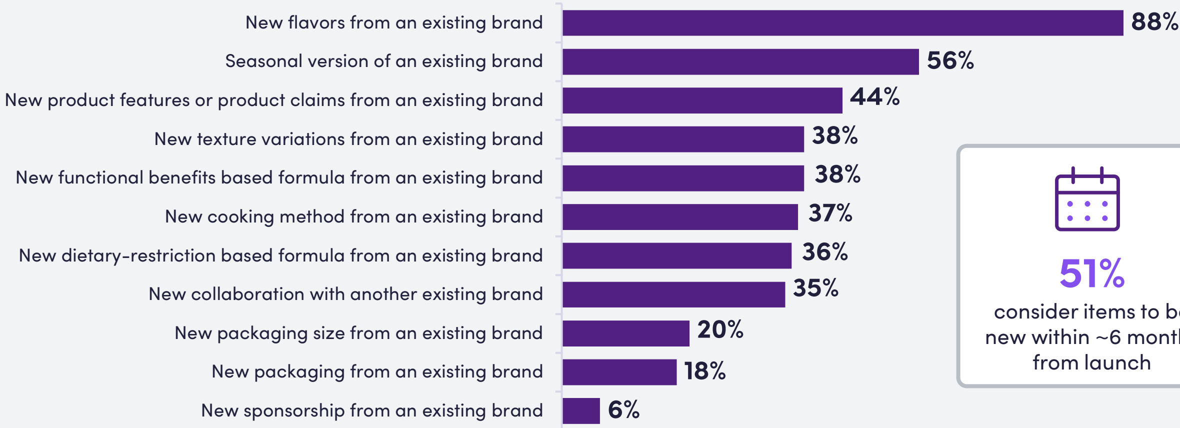
84.51° | Kroger PRECISION MARKETING

Consumer Digest

Issue 1: 2026

Welcome to this edition of the Consumer Digest, our periodic newsletter where we provide relevant, informative, and actionable insights around consumer trends. Get ready to discover what "new" really means to shoppers, where they're hunting for innovation (and where they're definitely not), and exactly what it takes to break through their autopilot routines. We'll reveal the sweet spot between curiosity and commitment, plus the promotional tactics that actually move products off shelves and into carts.

New doesn't mean reinventing the wheel: How do consumers define innovation for an existing brand?



51% consider items to be new within ~6 months from launch

[TABLE] Q: Which of the following product innovations from existing brands do you classify as 'new' items, if any? (n=400)
[CALLOUT] Q: How long do you consider an item to be 'new' after its launch? (n=400)

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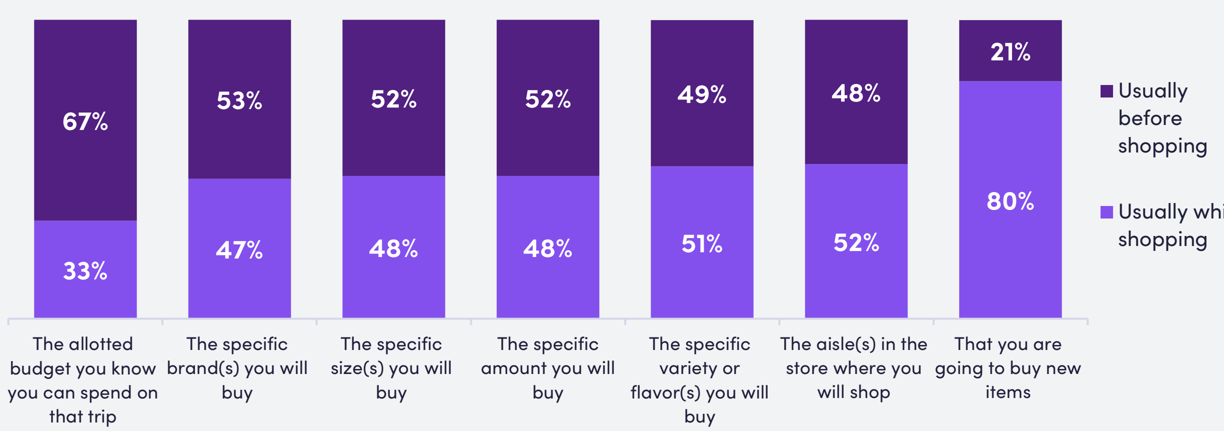
Consumers report buying new items on about 3 of every 10 shopping trips.

Q: Please think about the last ten times you shopped for groceries and household items. During how many of those ten trips did you purchase a new item? Households that claimed to purchase new items at least once in their last ten trips (n=279)

When do shoppers decide to try something new — before or during the trip?



Q: At what point do you typically know the following when shopping for groceries and household items? (n=400)

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Source: 84.51° Real Time Insights Survey, December 2025. Sample sourced from those who have shopped at Kroger in the past 3 months & claim to have shopped at least one fresh, packaged, or health & beauty commodity. (n=400).

Top 3 New Item Discovery Methods

1. In-store displays or promotions
2. Word of mouth
3. Digital media advertisements

Q: How do you typically discover new items? (n=400)

DIVING DEEPER: When Shoppers want to LEARN more about a new product, they are most likely to turn to the package or rely on word of mouth.

Q: How do you typically learn more information about new items? (n=400)

Where do **In-Store Shoppers** expect to find grocery and household item innovation?

68%	55%	54%	34%	22%
Endcaps	Seasonal or promotional areas	Regular aisles	Dedicated 'new item' displays	Checkout areas

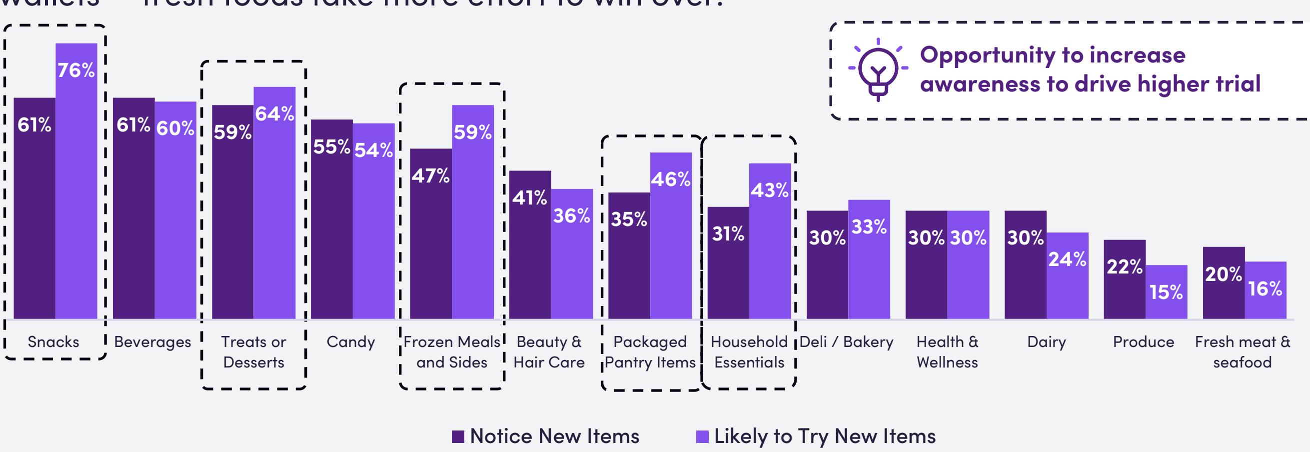
Q: Where do you expect new grocery and household items to be placed in store? Households shopping in-store (n=375)

Where do **Online Shoppers** expect to find grocery and household item innovation?

51%	46%	37%	36%	31%	22%	17%
Ads	Savings page	Suggested products	Home page	Dedicated 'new item' page	Department page	Searching for new items

Q: Where do you expect new grocery and household items to be shown online? Households shopping online (n=90)

Spotting Innovation vs. Putting it in the Cart: Snacks and sweets catch eyes AND open wallets — fresh foods take more effort to win over.



Q: For each of the following categories, how often do you notice new items? Those who claim they shop the category (n= 240-380)* T2B% on a 5-point frequency scale.

Q: Which of the following categories are you likely to try new items from? Those who claim they shop the category (n= 240-380)

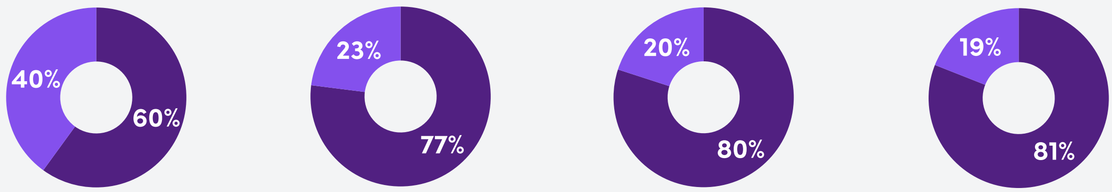
Source: 84.51° Real Time Insights Survey, December 2025. Sample sourced from those who have shopped at Kroger in the past 3 months & claim to have shopped at least one fresh, packaged, or health & beauty commodity. (n=400).

Top 3 factors that encourage new product purchase at the grocery store:

1. Discounts
2. Coupons
3. Free Samples

Q: Please rank the top three factors that encourage you to purchase a new product at the grocery store. (n=400)

The Tipping Point: What discount makes shoppers switch from regular to new?



New Item Innovation **5% LOWER** than Regular Price	New Item Innovation **10% LOWER** than Regular Price	New Item Innovation **20% LOWER** than Regular Price	New Item Innovation **25% LOWER** than Regular Price
40% / 60%	23% / 77%	20% / 80%	19% / 81%

■ New Item Innovation ■ Regular Priced Item

Q: For this question, please imagine you are shopping for salty snacks and each item is the same size and weight. Which item would you purchase? Households who would purchase new item in general (n=374), households who would buy new item at 5% discount (n=89), households who would buy new item at 10% discount (n=93), households who would buy new item at 20% discount (n=97), households who would buy new item at 25% discount (n=95)

What makes a new product buzzworthy?

- **Tasted unique or different** (59%)
- **Health benefits I notice** (35%)
- **Simpler ingredient list** (21%)
- **Better quality, same price** (50%)
- **Came from a Brand I love** (35%)
- **Better pack size** (17%)
- **Made my life easier** (39%)
- **Provided unique benefits** (30%)
- **Had better packaging** (8%)

Q: Which of the following would encourage you to talk to others about a new product you recently tried? If compared to other products, this product... (n=400)

The tug-of-war between routine and discovery: Consumers are open to innovation but may need a nudge to break from their usual purchase

MAINTAINING ROUTINE

76% of households say they are satisfied with the products that are currently available overall

53% tend to just grab the same products each time without much thought

49% stick to familiar products and avoid experimenting with new flavors

NEW ITEM DISCOVERY

68% of households are open to trying innovative and unique products

52% enjoy discovering new products even if they must deviate from their usual choices

52% spend extra time looking at all the products on shelf

43% say that the novelty of a new product makes it more desirable

Q: How much do each of the following statements describe your approach to shopping? (n=400) *T3B% based on a 7-point scale where 1 is *does not describe me at all*, and 7 is *describes me completely*.

Source: 84.51° Real Time Insights Survey, December 2025. Sample sourced from those who have shopped at Kroger in the past 3 months & claim to have shopped at least one fresh, packaged, or health & beauty commodity. (n=400).

Multi-modal shoppers lead in media engagement, but in-store exclusives are still tuned in — and buying

1.8x

Despite less than half claiming media drives trial, KPM-exposed households are 1.8x more likely to try innovation.[2]

Q: How much do the following statements about your engagement with advertising and media describe you? *T3B% based on a 7-point scale, 1= does not describe me at all, 7= describes me completely. 84.51 UPC Innovation Research Study May 2023.[2]

Why DON'T consumers want to try new products?

1. Price is too high

"They are usually more expensive, and I would not want to waste anything if the rest of the family would not like it."

2. Risk of not liking it

"I know what to expect when buying those items and don't want to gamble on something I may not like."

3. Preference to stick to what I know

"I prefer to just stick to what I know. Unless it is recommended by someone I trust."

[RANK] Q: Please rank the top three factors that prevent you from purchasing new products at the grocery store. (n=400)
[QUOTES] Q: In the previous question, you did not select 'X' as categories that you are willing to try new items from. In the box below, please explain why that is the case. households who are hesitant to try new items in certain categories (n=384).

Innovation Shoppers vs. Non-Innovation Shoppers: Who Delivers More Value?

69% of Households have purchased innovation items

Purchase Innovation	Do not Purchase Innovation
Purchase **12** units per trip	Purchase **4** units per trip
Spend **$49** per trip	Spend **$15** per trip
Visit **14X** per quarter	Visit **4** per quarter

84.51° Stratum, FY2025 Q1-Q3, Households who have purchased innovation & households who have not purchased innovation.

Source(s): 84.51° Real Time Insights Survey, December 2025. Sample sourced from those who have shopped at Kroger in the past 3 months & claim to have shopped at least one fresh, packaged, or health & beauty commodity. (n=400). 84.51° Stratum, FY2025 Q1-Q3, Households who have purchased innovation & households who have not purchased innovation. 84.51 UPC Innovation Research Study May 2023.

Key brand takeaways

Online Shoppers expect to see innovation in advertisements and regardless of their modality, shoppers exposed to innovation via media claim to be more likely to purchase. **To ensure your innovation is in the consideration set, consider leveraging PLAs & TOAs.**

Discounts and coupons are the top drivers of innovation trial, while high price is the #1 barrier—**leverage TDCs, digital coupons, and strong promotional activity to get new products in the cart.**

Most households are willing to try new items in these categories: Snacks, Treats/Desserts, Frozen Meals & Sides, Packaged Pantry Items, Household Essentials. But they claim often not to notice innovation at the same rate. **Create robust awareness campaigns to increase conversion.**

Dig deeper with 84.51° Consumer Research & Digital Journey

84.51° Consumer Research

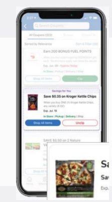
- Complete early-stage innovation (from unmet needs to idea screen to concept test) projects among verified shoppers to **ensure your items are buzzworthy.**
- Understand **early consumer perception** of your innovation to inform necessary pivots to activation plans.

Customer Journey

- Dive into the Customer to **understand the complete path a shopper takes from innovation discovery** and purchase.
- Drive **new household acquisition** with your innovation by understanding how they enter a product group through pricing, promotions, modality and multiplicity.

Connect with us at **Insights@8451.com**

Increase Innovation Trial with Targeted Digital Coupons

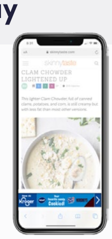


Leverage Targeted Digital Coupons to create custom, tailored digital-only offers that utilize 84.51° personalization sciences to deliver your campaign specific objectives.

- **Give households a chance to try innovation with lower cost risk**. Connect with shoppers at the point of purchase to secure conversions and reward them for their brand loyalty with savings.
- **Recommended:** Campaign length 4-6 weeks, with a 2-week post-period redemption window.
- **Drive stronger sales uplift with media amplification** and 84.51° Collaborative Cloud: 6.64x aROAS, 0.94x iROAS, +18.31% Sales uplift.

Connect with us at **loyalty&incentives@8451.com**

Drive awareness & consideration for your brand's innovation with Display



Drive awareness & consideration for your innovation by **showcasing** your products next to a Kroger shopper's favorite web content. Seamlessly feature your product's benefits among trusted offsite sources & entice shoppers to **engage with a strong call to action.**

- Display is perfect for **getting your brand in front of the right people at the right time** keeping you top-of-mind with eye-catching creative that **drives awareness** and nudges customers closer to purchase.
- Leverage display to keep your **brand visible where your customers are already spending time** online building **awareness, driving consideration**, and ultimately **influencing purchase decisions**.

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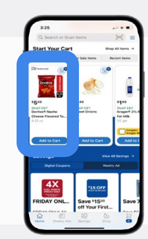
Boost innovation visibility via Product Listing Ads



Product Listing Ads are a pay-per-click solution where brands can set a bid price to **boost individual products across highly trafficked placements in search results** and other customized carousels across Kroger.com and mobile app.

- **Basket Builder:** Get your items in the basket via personalized, science-driven carousels across the site & app.
- **Search & Browse:** Boost your newest items while users are actively shopping and adding items to their cart.
- **Savings:** Remove the high prices perception barrier to trial of innovation with sales or digital coupons.

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