Numerator

Missed Trips in an Omnichannel World

Correct Your *Miss-Understanding*

Executive Summary

In an evaluation of 200 of the largest fast-moving consumer good categories, Numerator data shows 57 of the categories (29%) are missing over half of all trips when leveraging legacy panels. Another 113 categories (57%) are missing between 33%-50% of CPG shopping trips. In total, 170 of 200 categories (85%) analyzed are missing over a third of trips based on channel coverage gaps from traditionally tracked channels.

Introduction

What if you were asked to make a multi-million dollar decision based on information showing only half of the story? It doesn't sound very prudent, yet that is what brands and retailers are doing every day using legacy tools. Point of Sale data and Legacy Panel data have contracted to less than half of CPG shopping trips, leaving brands to make major investment decisions without visibility into the majority of consumer spending and behavior.

CPG market dynamics have historically been defined by a view from traditionally "tracked channels" — retailers that share Point of Sale (POS) data. The problem is that the retailers sharing POS data represent a contracting portion of the market (just 45%). This challenge is compounded by the fact that legacy panels typically align to POS data and rely heavily on burdensome and manual collection methodology. Legacy panels' outdated collection has led to decreasing cooperation rates and misses a significant percent of consumer purchasing, resulting in marketers getting a distorted and incomplete view of consumer behavior.

Traditionally tracked channels typically include brick and mortar stores in the food, drug and mass retail channels, whereas Untracked Channels include convenience, health, beauty, pet, liquor and specialty stores, as well as all online shopping.

Numerator's focus is on providing a true omnichannel view of the marketplace. We provide comprehensive consumer purchasing behavior by leveraging receipt capture (via Smartphone technology that people already have at their fingertips) and automated collection of Amazon and other online retailers' purchase data from the same users. The difference a true omnichannel view can bring to marketers who have only relied on tracked channels in the past is sobering.

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Missed Trip Findings

In an evaluation of 200 of the largest fast moving consumer good categories, Numerator data shows 57 of the categories (29%) are missing over half of all trips when leveraging legacy panels. Another 113 categories (57%) are missing between 33%-50% of CPG shopping trips. In total, 170 of 200 categories (85%) analyzed are missing over a third of trips based on channel coverage gaps.

The top 50 major categories missing trips are shown below (Figure 1), with the full list of 200 categories available in the Appendix. This analysis focused on trips missed because the retailer / retail channel does not participate or report to POS. In addition to retail channels that do not share data, trips are often missed within food, mass and grocery stores. While coverage gaps cover a wide range of categories, frequently missed categories include:

85% of the top 200 categories are missing a third or more trips.

- **Fresh produce** — which are often sold by weight, lack UPC codes, or are in hard-to-scan packaging.

- **Perishables** (milk, meat, ice cream) — often quickly placed into the refrigerator or freezer prior to legacy scanning exercises.

- **"On-the-Go" and/or Immediate Consumption** (energy drinks, non-seasonal candy, chips, small beauty items like lipstick) — items more likely to be consumed on-the-go, placed directly into a handbag or taken to another location (work, school, social gatherings) are less likely to be captured.

- **Bulky/heavy items** (cases of water, large packages of paper products, large bags of dog food) — often staged in the garage, pantry or mudroom so excluded from legacy scanning.

There are many advantages of having a dataset with a lot more trips from each participant when making marketing decisions, including:

- A higher likelihood of observing people buying a brand, leading to higher and more accurate penetration levels

- Observing a consumer buying a brand at a retailer that a legacy panel had not seen, hence more realistic and more actionable estimates of retailer conversion and leakage patterns

- Revealing more switching behavior among consumers, leading to a better ability to determine loyalty levels, identify heavy/medium/light buyers and understand brand interactions

- A more true assessment of new vs repeat/existing buyers providing a more accurate account of the consumer purchase journey and preferences

If the data you are using to make decisions is not designed in a way that captures consumer behavior for the modern consumer, you have a high risk of misunderstanding your consumer, leading to the wrong conclusions and the wrong actions. Said another way, decisions based on information that is missing a significant number of your consumer's shopping trips are bound to miss their mark.

Estimated % Missed Trips for Top CPG Categories

(50 of the Top 200 largest CPG categories across Grocery, Health & Beauty, Household, Baby and Pet)

	MAJOR CATEGORY	% OF TRIPS MISSING FROM LEGACY PANELS
1	Soft Drinks	60%
2	Non-Seasonal Candy	60%
3	Water	58%
4	Sports & Energy Drinks	57%
5	Chips	57%
6	Juices	57%
7	Bath Tissue	57%
8	Dog Food & Treats	57%
9	Milk, Cream, & Milk Substitutes	56%
10	Bread	56%
11	Packaged Cookies	56%
12	Cheese	56%
13	Vegetables	56%
14	Sauces	56%
15	Laundry Detergent	55%
16	Coffee	55%
17	Crackers	55%
18	Breakfast Cereal	55%
19	Cleansers	55%
20	Meals	54%
21	Packaged Soups-Shelf Stable	54%
22	Beef	54%
23	Fruits	54%
24	Tea	54%
25	Ice Cream & Novelties	54%
26	First Aid	54%

Estimated % Missed Trips for Top CPG Categories

(50 of the Top 200 largest CPG categories across Grocery, Health & Beauty, Household, Baby and Pet)

	MAJOR CATEGORY	% OF TRIPS MISSING FROM LEGACY PANELS
27	Eggs	54%
28	Disposable Tableware	53%
29	Paper Towels	53%
30	Shampoo and Conditioners	53%
31	Grains, Rice & Pasta Dishes-Shelf Stable	53%
32	Face Care	53%
33	Butter & Margarine	53%
34	Poultry	53%
35	Snack Cakes	53%
36	Fabric Softener	53%
37	Sausage	53%
38	Cold Cuts-Mainstream	52%
39	Canned Vegetables	52%
40	Hand Soaps & Sanitizers	52%
41	Baking Mixes	52%
42	Snack Seeds, Nuts & Trail Mixes (Snack)	52%
43	Dips	52%
44	Oil & Shortening	51%
45	Cat Food & Treats	51%
46	Puffed Snacks	51%
47	Cold, Cough & Flu	51%
48	Salad Dressings & Toppings	51%
49	Beer	51%
50	Frozen Meat	51%

Appendix

Methodology

For this study, CPG major categories from the Grocery, Health & Beauty, Household, Baby and Pet sectors were ranked based on total sales to identify the top 200 largest categories. Average trips per household for each category based on an omnichannel view was then compared to a simulated view of the legacy panel universe to calculate an estimate of the percent of trips missing from the legacy panel environment.

Estimated % Trips Missing from Legacy Panels for the Top 200 largest CPG Categories

(Based on Grocery, Health & Beauty, Household, Baby and Pet sectors)

	MAJOR CATEGORY	% OF TRIPS MISSING FROM LEGACY PANELS
1	Soft Drinks	60%
2	Non-Seasonal Candy	60%
3	Water	58%
4	Sports & Energy Drinks	57%
5	Chips	57%
6	Juices	57%
7	Bath Tissue	57%
8	Dog Food & Treats	57%
9	Milk, Cream, & Milk Substitutes	56%
10	Bread	56%
11	Packaged Cookies	56%
12	Cheese	56%
13	Vegetables	56%
14	Sauces	56%
15	Laundry Detergent	55%

Estimated % Trips Missing from Legacy Panels for the Top 200 largest CPG Categories

(Based on Grocery, Health & Beauty, Household, Baby and Pet sectors)

	MAJOR CATEGORY	% OF TRIPS MISSING FROM LEGACY PANELS
16	Coffee	55%
17	Crackers	55%
18	Breakfast Cereal	55%
19	Cleansers	55%
20	Meals	54%
21	Packaged Soups-Shelf Stable	54%
22	Beef	54%
23	Fruits	54%
24	Tea	54%
25	Ice Cream & Novelties	54%
26	First Aid	54%
27	Eggs	54%
28	Disposable Tableware	53%
29	Paper Towels	53%
30	Shampoo and Conditioners	53%
31	Grains, Rice & Pasta Dishes-Shelf Stable	53%
32	Face Care	53%
33	Butter & Margarine	53%
34	Poultry	53%
35	Snack Cakes	53%
36	Fabric Softener	53%
37	Sausage	53%
38	Cold Cuts-Mainstream	52%
39	Canned Vegetables	52%
40	Hand Soaps & Sanitizers	52%
41	Baking Mixes	52%
42	Snack Seeds, Nuts & Trail Mixes (Snack)	52%

Estimated % Trips Missing from Legacy Panels for the Top 200 largest CPG Categories

(Based on Grocery, Health & Beauty, Household, Baby and Pet sectors)

	MAJOR CATEGORY	% OF TRIPS MISSING FROM LEGACY PANELS
43	Dips	52%
44	Oil & Shortening	51%
45	Cat Food & Treats	51%
46	Puffed Snacks	51%
47	Cold, Cough & Flu	51%
48	Salad Dressings & Toppings	51%
49	Beer	51%
50	Frozen Meat	51%
51	Sugar, Sugar Substitutes & Sweeteners	51%
52	Toothpaste	51%
53	Refreshers (Candy)	51%
54	Salad Mixes & Salad Kits	51%
55	Frozen Dinners & Meals	51%
56	Dish Detergent	51%
57	Pork	51%
58	Meat Snacks	50%
59	Pasta	50%
60	Cakes, Cupcakes & Muffins	50%
61	Herbs, Spices & Seasonings-Blends	50%
62	Canned Meat & Seafood	50%
63	Bacon	50%
64	Yogurt & Yogurt Drinks	50%
65	Tortillas, Pitas, Taco Shells & Wraps	50%
66	Household Batteries	50%
67	Beans	50%
68	All-Purpose Cleaners	49%
69	Pain Relievers	49%

Estimated % Trips Missing from Legacy Panels for the Top 200 largest CPG Categories

(Based on Grocery, Health & Beauty, Household, Baby and Pet sectors)

	MAJOR CATEGORY	% OF TRIPS MISSING FROM LEGACY PANELS
70	Popcorn	49%
71	Health & Wellness (Pet)	49%
72	Frozen Potato Snacks	49%
73	Hot Dogs	49%
74	Cat Supplies	49%
75	Jam, Jelly, Preserves, Marmalade, Fruit & Nut Butters	48%
76	Nutrition and Wholesome Bars	48%
77	Frozen Breakfast Food	48%
78	Trash Bags	48%
79	Food Storage Bags	48%
80	Frozen Appetizers	48%
81	Canned Fruit	48%
82	Frozen Pizza	48%
83	Body Skin Care	47%
84	Mayonnaise & Mayonnaise Dressings	47%
85	Digestive Health	47%
86	Frozen Vegetables	47%
87	Continuous Action Air Freshener	47%
88	Refrigerated Dough	47%
89	Dried Fruit & Fruit Snacks	46%
90	Instant Action Air Freshener	46%
91	Herbs, Spices & Seasonings-Single	46%
92	Hair Accessories	46%
93	Nail Color & Care	45%
94	Facial Tissue	45%
95	Stocks & Broths	45%

Estimated % Trips Missing from Legacy Panels for the Top 200 largest CPG Categories

(Based on Grocery, Health & Beauty, Household, Baby and Pet sectors)

	MAJOR CATEGORY	% OF TRIPS MISSING FROM LEGACY PANELS
96	Cleaning Wipes	45%
97	Eye Makeup	45%
98	Cold Cuts-Deli	45%
99	Spirits	44%
100	Pretzels	44%
101	Baby & Toddler Wipes	44%
102	Bathroom Cleaners	44%
103	Wild Bird Food & Treats	44%
104	Ketchup	44%
105	Drinks & Mixes	44%
106	Christmas & Winter Holiday Candy	43%
107	Disposable Diapers & Pants	43%
108	Syrups	43%
109	Hair Removal Tools	43%
110	Frozen Seafood	43%
111	Men's Deodorants & Antiperspirants	43%
112	Women's Deodorants & Antiperspirants	43%
113	Donuts	43%
114	Easter Candy	43%
115	Plastic Wrap & Foil	43%
116	Pet Toys (Cat/Dog)	43%
117	Wine	42%
118	Medical Supplies & Equipment	42%
119	Pickles	42%
120	Sides	42%
121	Fish Supplies	42%

Estimated % Trips Missing from Legacy Panels for the Top 200 largest CPG Categories

(Based on Grocery, Health & Beauty, Household, Baby and Pet sectors)

	MAJOR CATEGORY	% OF TRIPS MISSING FROM LEGACY PANELS
122	Mouthwash	42%
123	Baking Ingredients	41%
124	Dishwasher Detergent	41%
125	Styling Products	41%
126	Allergy Care	41%
127	Bleach & Brightening	41%
128	Side Dishes-Shelf Stable	41%
129	Toothbrushes	41%
130	Rice	41%
131	Pads	41%
132	Toaster Pastries	41%
133	Hair Color	40%
134	Incontinence	40%
135	Frozen Sandwiches	40%
136	Sponges & Scouring Pads	40%
137	Meal Combo-Kids	40%
138	Face Makeup	40%
139	Lip Care	39%
140	Dessert Snacks	39%
141	Napkins	39%
142	Tampons	38%
143	Waste Management (Pet)	38%
144	Sleep Aids	38%
145	Canned Olives	38%
146	Probiotics	38%
147	Pies, Cobblers, Creams & Flans	38%
148	Vitamin Letters	38%

Estimated % Trips Missing from Legacy Panels for the Top 200 largest CPG Categories

(Based on Grocery, Health & Beauty, Household, Baby and Pet sectors)

	MAJOR CATEGORY	% OF TRIPS MISSING FROM LEGACY PANELS
149	Canned & Powdered Milk	38%
150	Flour & Blends	38%
151	Performance Shakes	37%
152	Variety Packs	37%
153	Frozen Bakery	37%
154	Herbal Supplements	37%
155	Laundry Cleaning Additives	37%
156	Shrimp & Prawns	37%
157	Flushable Wipes	37%
158	Baking Chips & Bars	36%
159	Fish	36%
160	In-Store Bakery Sweet Goods	36%
161	Vinegars	35%
162	Heart	35%
163	Hair, Skin & Nails	35%
164	Formula	35%
165	Valentine Candy	35%
166	Toiletries (Baby)	34%
167	Multivitamins	34%
168	Hair & Scalp Treatments	34%
169	Baby Food	34%
170	Performance Powders	34%
171	Brooms, Mops & Brushes	33%
172	Collars & Leads	33%
173	Frozen Desserts	33%
174	Indoor/Perimeter Insect Control	33%
175	External Pain	33%

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	MAJOR CATEGORY	% OF TRIPS MISSING FROM LEGACY PANELS
176	Foot Care	32%
177	Dental Floss & Between Teeth Cleaners	32%
178	Weight Loss Product	32%
179	Flea & Tick (Pet)	32%
180	Halloween Candy	32%
181	Quick Clean	31%
182	Cheese-Deli	31%
183	Food Storage Containers	31%
184	Cocktails & Mixers	29%
185	Diabetes	29%
186	Sun Care	29%
187	Nutrition Drinks & Shakes	29%
188	Drops and Lubricants	29%
189	Drain & Septic Care	29%
190	Frozen Fruit	28%
191	Honey	26%
192	Crab	26%
193	Braces, Slings, Splints, & Support	25%
194	Nuts & Seeds (Produce)	25%
195	Pet Containment (Dog/Cat)	24%
196	Flowers & Indoor Plants	24%
197	Massage Appliances	19%
198	Hair Fashion Appliances	18%
199	Vacuums	15%
200	Cleaners and Steamers	7%