

Choose Natural.

THE STORY OF OUR CUSTOMER.

Brought to you by Alive Publishing Group Inc.



AGENDA



- 🌿 **Meet APG**
- 🌿 **The alive Listens Insights Community**
- 🌿 **What We've Learned From our Community:
Special Report on Inflation**
- 🌿 **What It Means to You**
- 🌿 **The Reality & The Response**



MEET US



NINA WAGNER

VP, Publishing & Operations

Mum just trying to figure it out | Chief Organizer at work | Cares about others more than herself | Goes to bed early | Family, takeout and quality downtime fills her bucket.

 @ninacwagner



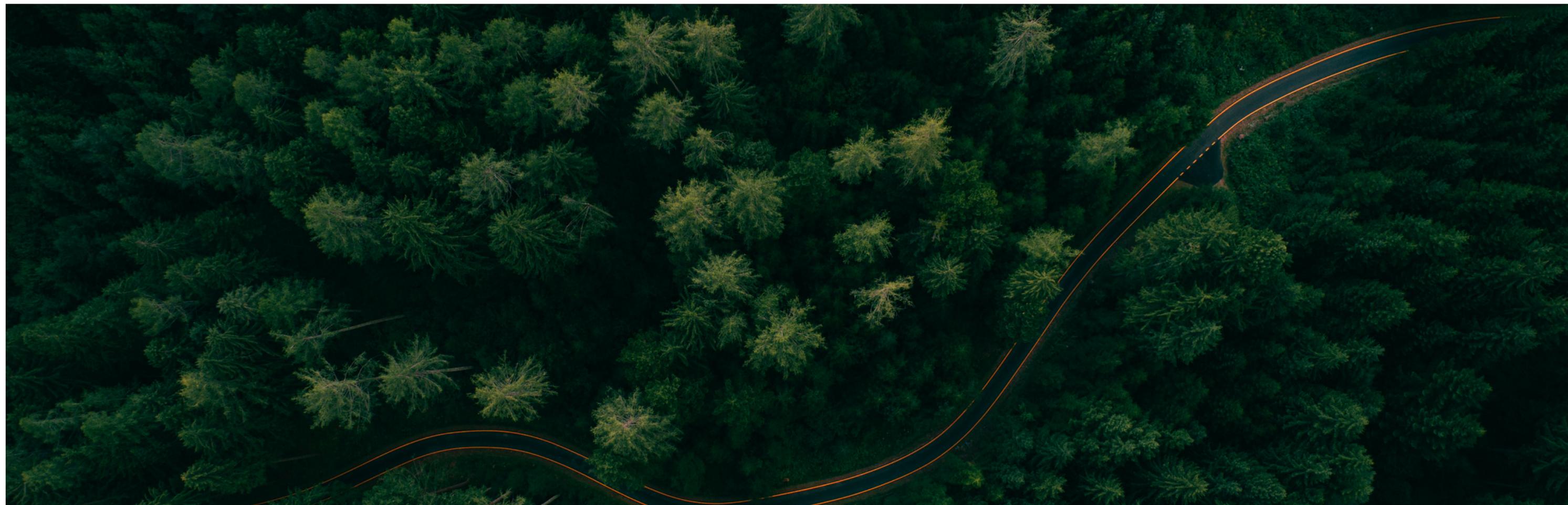
ELLEN WHEELER

VP, Sales

Wife, mama, and sister | Seller of all things at APG | Loves reading, skiing, spending time with her boys, and feeding people | Compulsive entertainer | Maker of amazing salsa.

 @ellentaylorwheeler

OVERVIEW



alive
PUBLISHING GROUP INC.

Alive Publishing Group (APG) is North America's recognized leader in health and wellness. The APG brand is synonymous with natural health and wellness, editorial integrity, and the empowerment of those we touch to make healthy, natural, and sustainable lifestyle choices.

With a suite of more than 16 different consumer- and industry-facing touch points, APG is the number one go-to source for both consumers and businesses interested in advancing their knowledge and positions in the natural health industry in Canada, across North America, and around the globe.



Publishing
ers exclusive world-wi
all renewals and extens
ats including a



alive magazine

thrive

alive USA

CNHR

delicious living

delicious living Awards

sage

alive.com

alive Academy

alive Connect

alive@work

alive Awards

alive Listens

alive eNewsletter

alive Executive Summit

Live Naturally





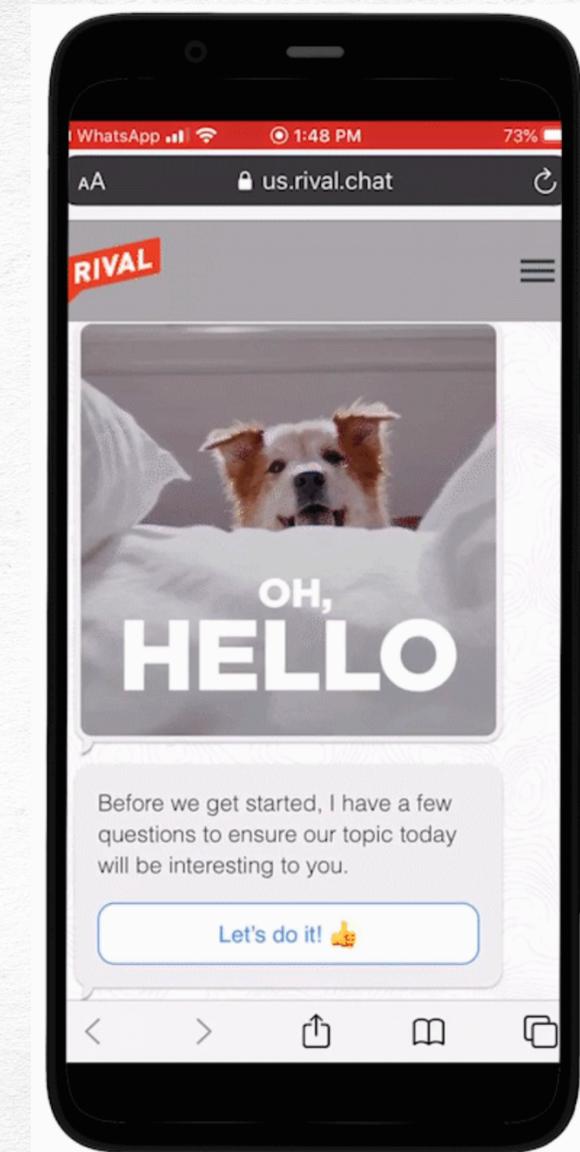
INSIGHTS COMMUNITY

alive listens

Insights Community

alive Listens is our state-of-the-art chat based research community made up of a grassroots group of dedicated natural health advocates. alive Listens engages consumers and produces in-depth results, allowing us to foresee trends, challenges, and opportunities.

Our community members are your
Opinion Leaders.

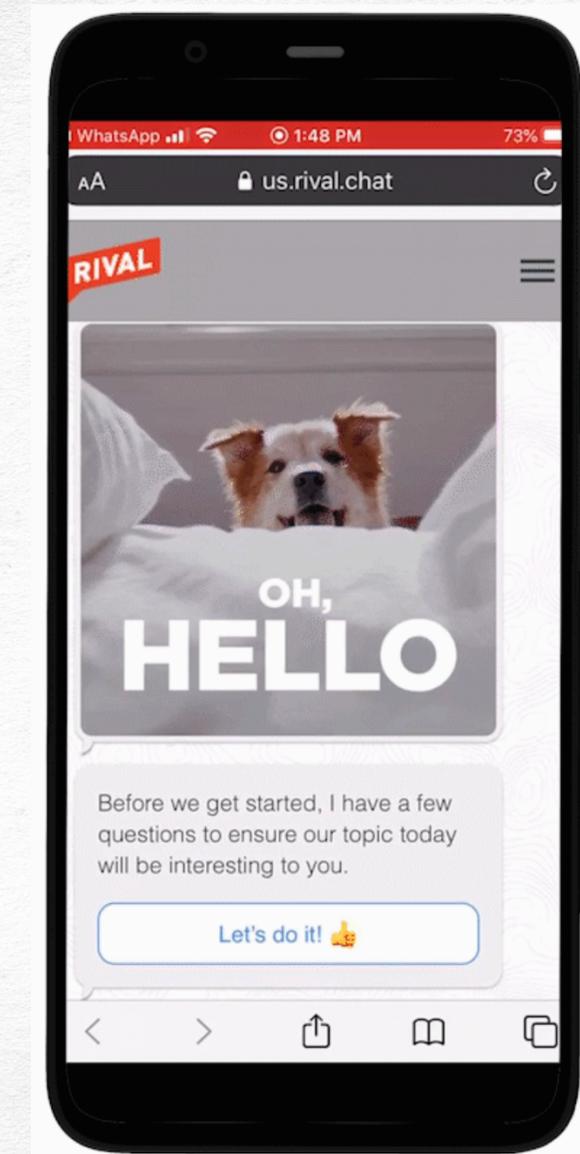


alive listens

Insights Community

HOW IT WORKS

- Respondents voluntarily join the community
- 1 - 2 x month receive a text asking them to chat about a particular topic
- Text message style chat exchange on 10-12 questions



ONE OF OUR BIG FOCUSES THROUGH THE LAST 2 YEARS HAS BEEN ON RESEARCH:

1. GROWING OUR COMMUNITY (over 150% growth in 12 months)
2. ENGAGING OUR COMMUNITY (29,326 chat completes)
3. FROM OUR COMMUNITY (60% avg. participation rate)
4. SHARING OUR LEARNINGS (Launch of Evolution of Wellness)

GET TO KNOW THE OPINION LEADERS

The opinion leader is our prized community member. She is a highly educated, organized mom who makes most of the purchasing decisions for her household. She values sustainability, buys organic, and has a favorite health food store.

- 41.7 years old
- 94% female
- 60% CA | 40% US
- 57% University degree +
- 69% Omnivore | 41% Plant-based/Vegan/Veg/Other
- 85% take supplements daily
- 45% exercise 3-5 times per week (usually yoga, hiking, or strength training)
- 39% see a naturopath
- 62% are pet owners
- 67% enjoy cooking in their spare time

TODAY

- ✓ Macro context
- ✓ What we've learned from our community
- ✓ What it all means to you
- ✓ The reality
- ✓ The result





MARKET & CONSUMER CHANGES

How is the health & wellness world changing?

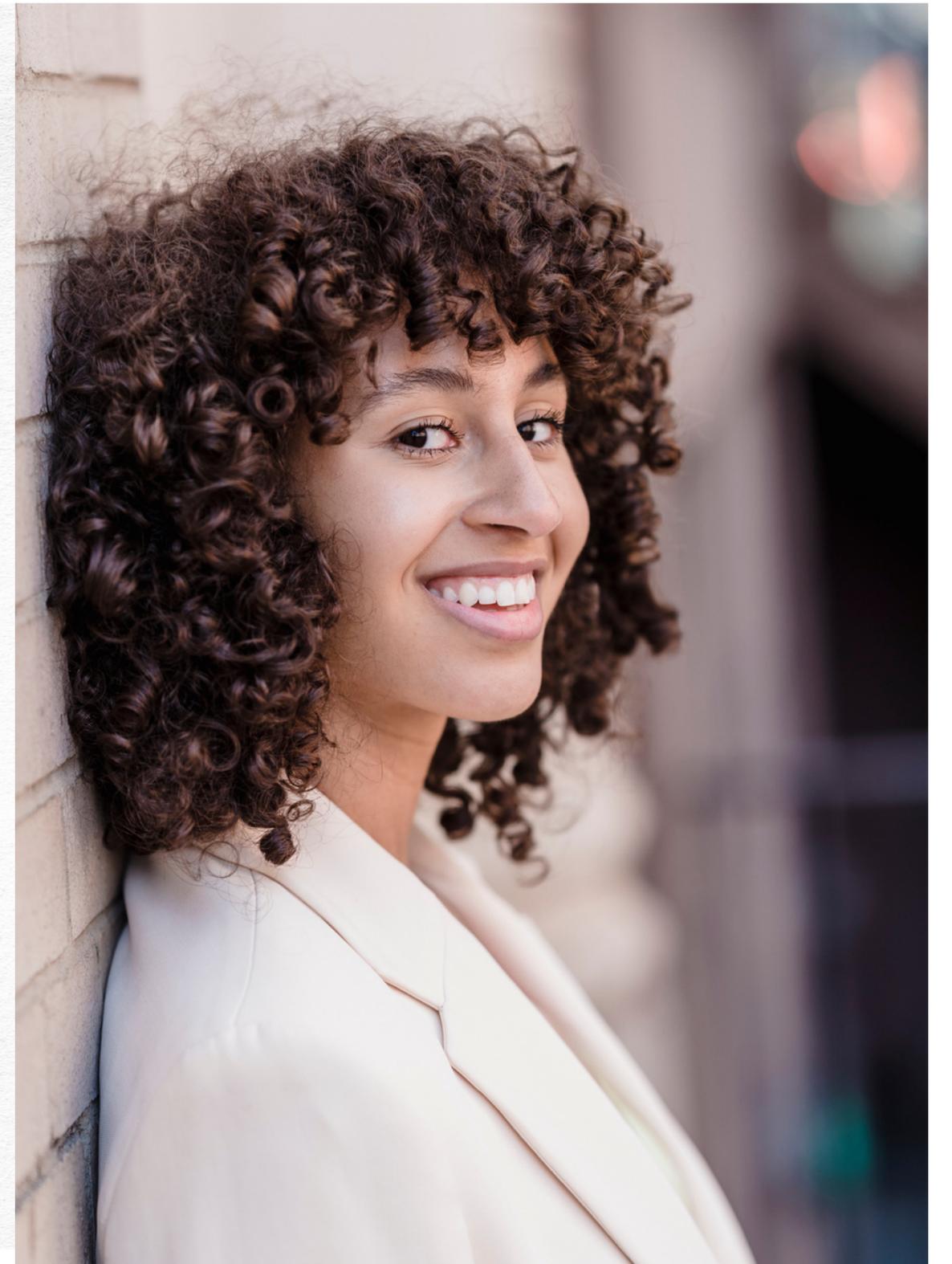
- 01** Expansion of service providers
- 02** Technological advancements (greater access)
- 03** Product availability (breadth & depth)



How is the consumer changing?

CONSUMERS ARE NOW...

- 01** Taking control of their own health
- 02** Focusing on future self
- 03** Facing information overload





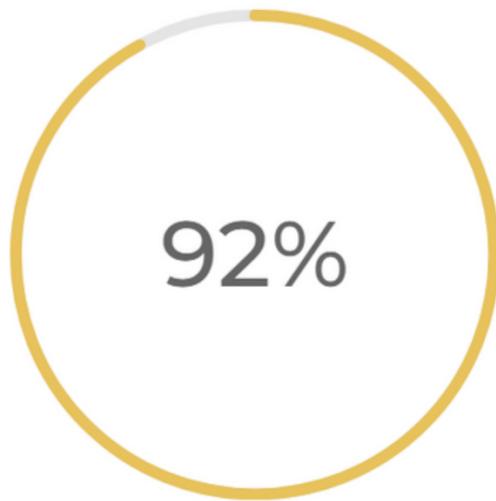
**WHAT WE'VE
LEARNED
FROM OUR
COMMUNITY**



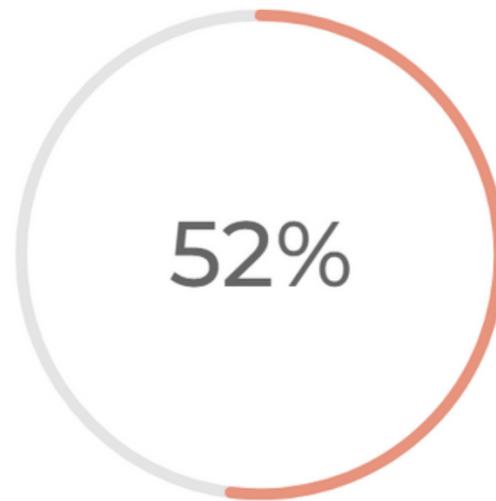
CONCERNS WITH INFLATION

Overall concern towards the current inflation levels are VERY high; especially among parents, who are worrying the most.

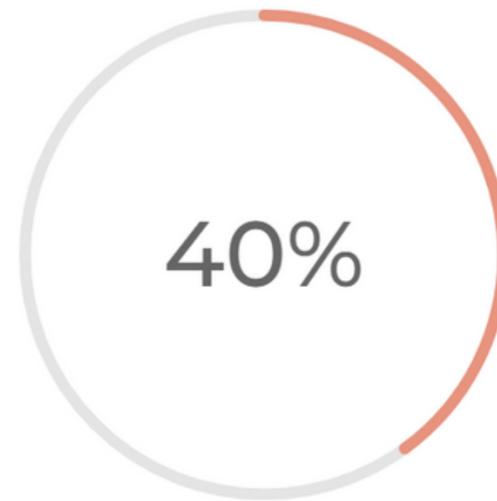
Concern towards current inflation levels



NET Concerned ▲



Very concerned ▲



Somewhat concerned



Neutral / unconcerned

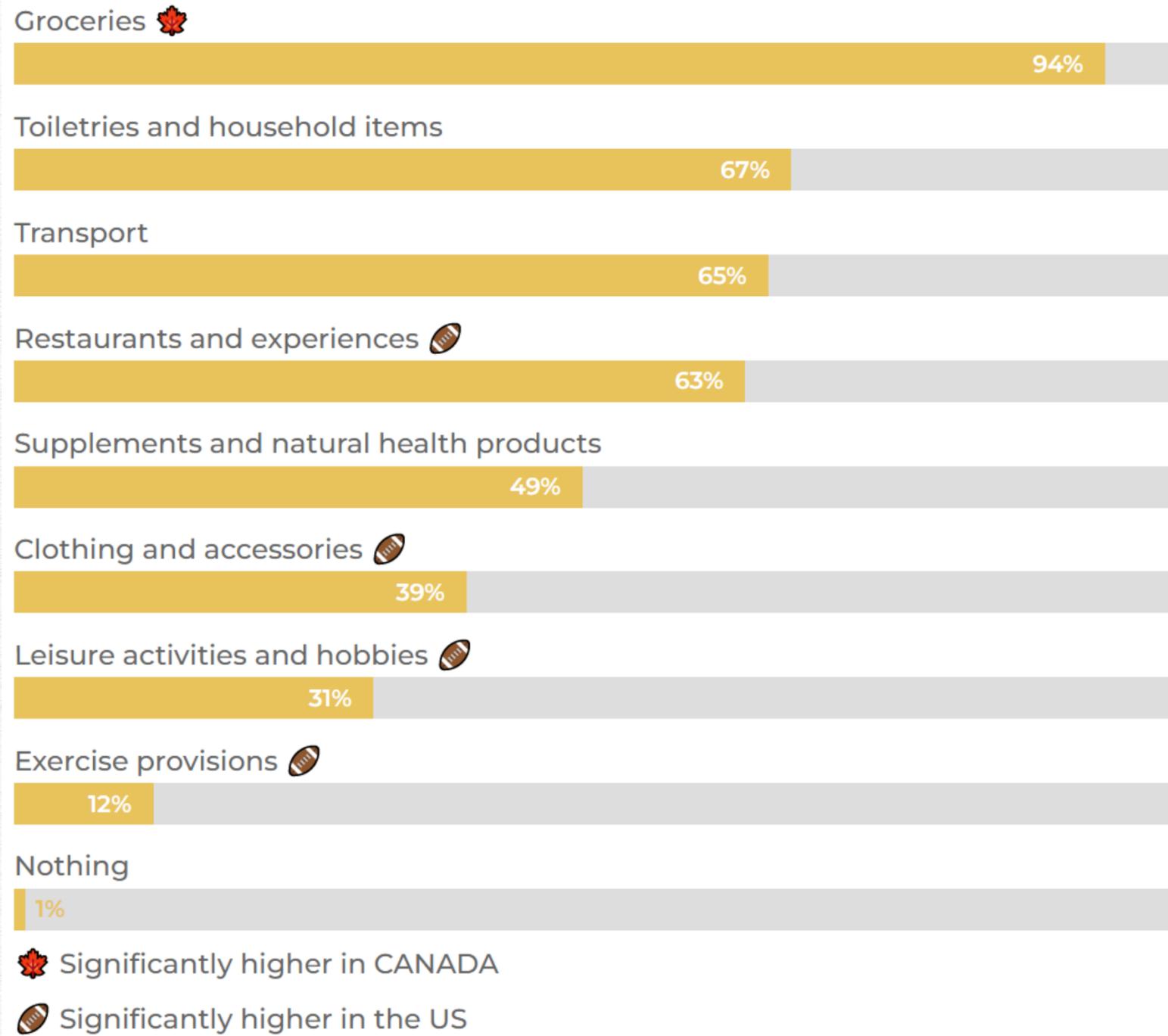
- ▲ Significantly higher in PARENTS
- ▲ ▲ Significantly higher in NON-PARENTS

Concern towards inflation is not based on hysteria and misinformation.

99%

OF CONSUMERS HAVE NOTICED SIGNIFICANT PRICE INCREASES IN MANY FACETS OF THEIR EVERYDAY SPENDING.



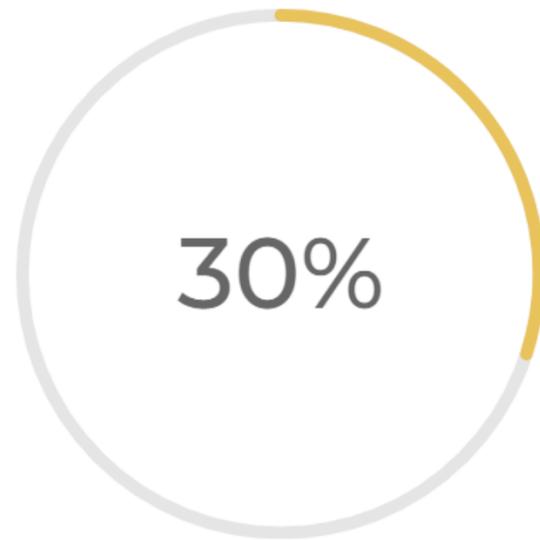


NOTICABLE
PRICE
INCREASES
IN THE LAST
6 MONTHS

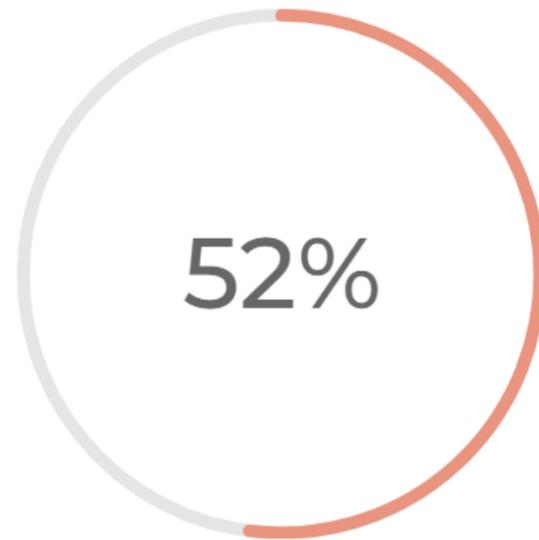


EFFECTS OF INFLATION

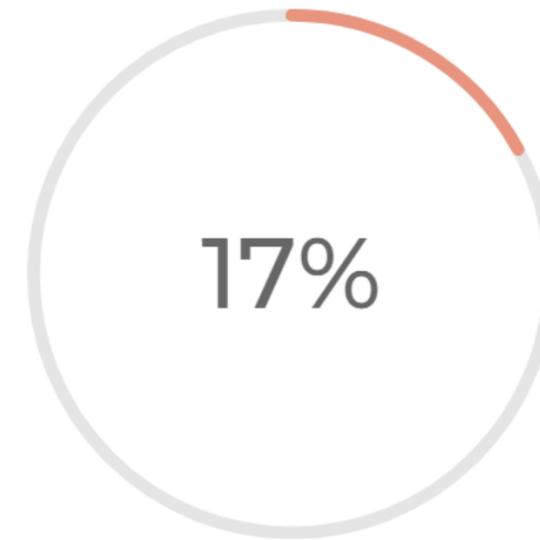
Past 6-months spending relative to budget



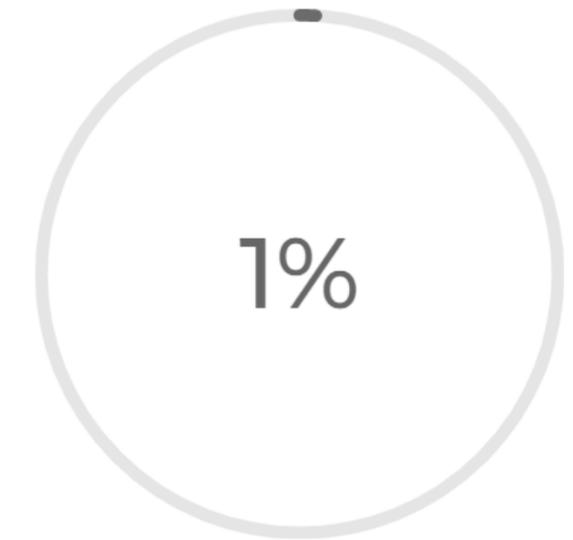
Having to spend more, and struggling to make ends meet ▲



Having to spend more, but coping



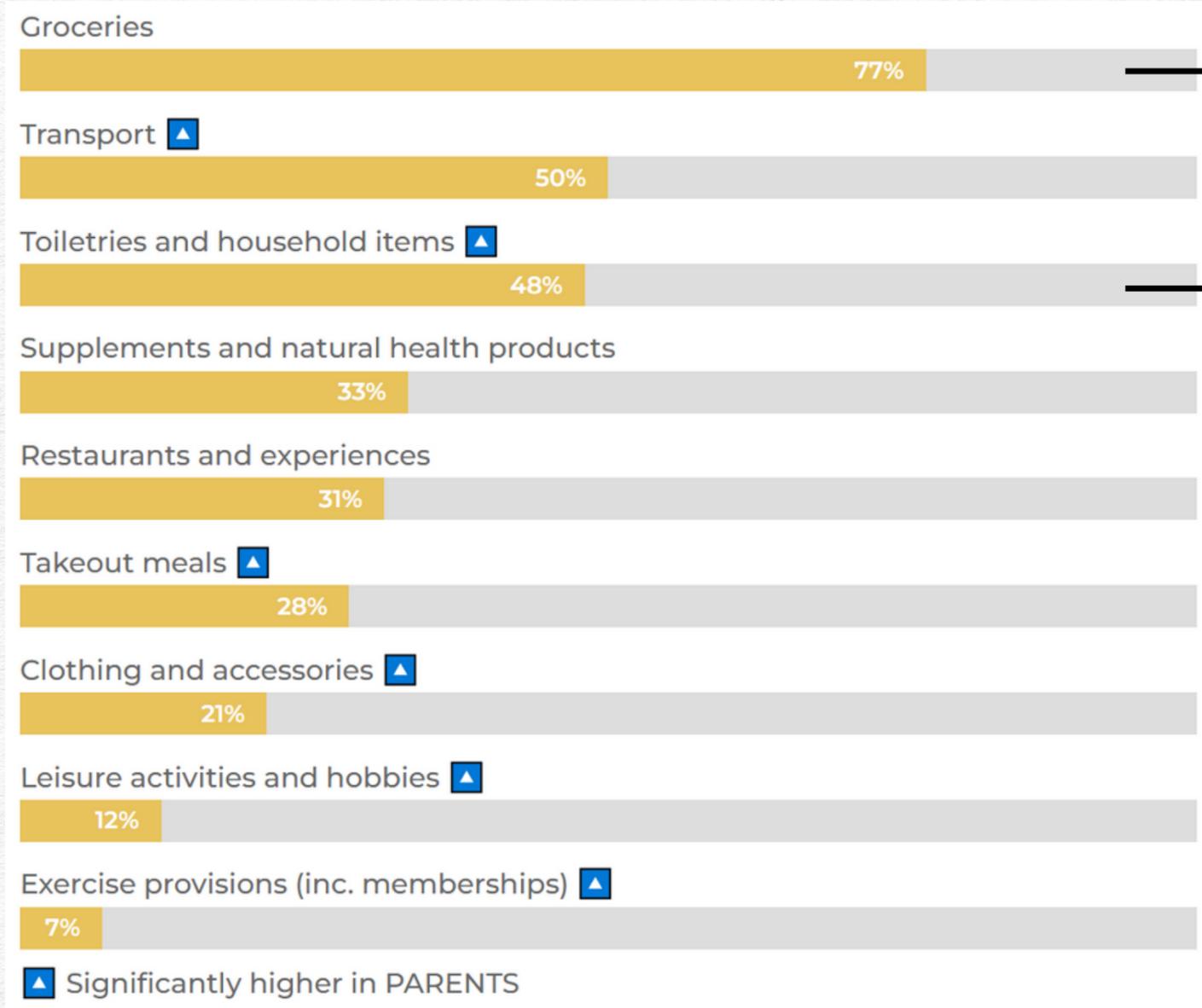
Having to spend more, but still comfortably within budget ▲▲



No noticeable increase in spending

- ▲ Significantly higher in PARENTS
- ▲▲ Significantly higher in NON-PARENTS

Spending Increases in Last 6 Months



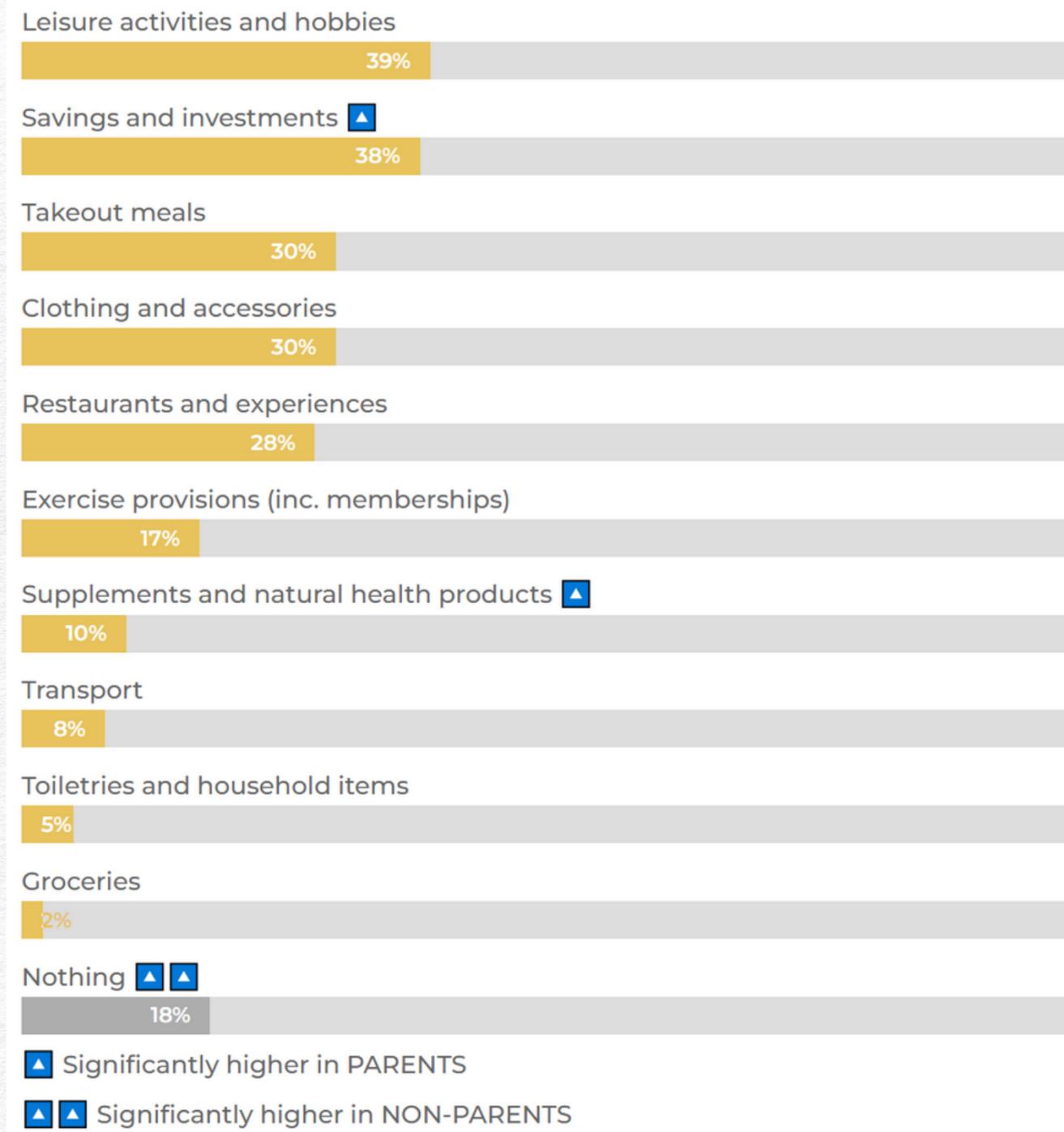
Spending, has recently increased the most in the areas of groceries and other essential products (i.e. transportation and toiletries).

Because inflation has
forced spending
increases in key areas,
over

80%

of consumers have
had to compromise or
reduce their spending
elsewhere.





Spending Compromises in Last 6 Months

Spending reductions are mostly for **optional items**, notably savings/investments and leisure activities.

Very few natural health consumers are willing to reduce their supplement and NHP budget.



CHANGES TO GROCERY SPENDING

73%

have had to deploy
some form of
cost saving strategy
in recent months to
stay within their
budget.



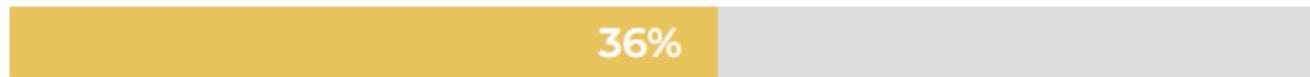
Have been stricter with sticking to a list



Stopped purchasing certain items



Started purchasing cheaper alternatives



Have made their groceries last longer



Have been purchasing LESS groceries



Have been shopping at more affordable stores



COST SAVING STRATEGIES FOR GROCERY

“

I've noticed that my weekly grocery bill has increased by close to \$75! To help our family get back into budget, I've made shifts including: meal planning all dinners for the week, preparing a thorough grocery list based on exactly when is needed for the plan, and switching to online shopping (with delivery) to cut out impulse purchases.



Nancy, 34
Mother of Two

MEAL PLANNING & STICKING TO A LIST

“

I'm much more thoughtful about when I'm buying--rather than purchasing a variety of fresh fruit to feed my kids, I stick to one or two items, or a prepackaged alternative, knowing this way we will consume it instead of having half end up in the compost - a waste of dollars.



Tyler, 47
Mother of Three

PLANNING TO REDUCE WASTE



I bought a roast chicken yesterday and used the bulk of the meat for family dinner. I then made chicken salad sandwiches for lunches the next day and used the remnants to make a chicken broth for soup. I've never been this away of my food choices, and inflation has definitely driven me to be more thoughtful.



Melinda
Mother of Two

MAXIMIZING INGREDIENTS



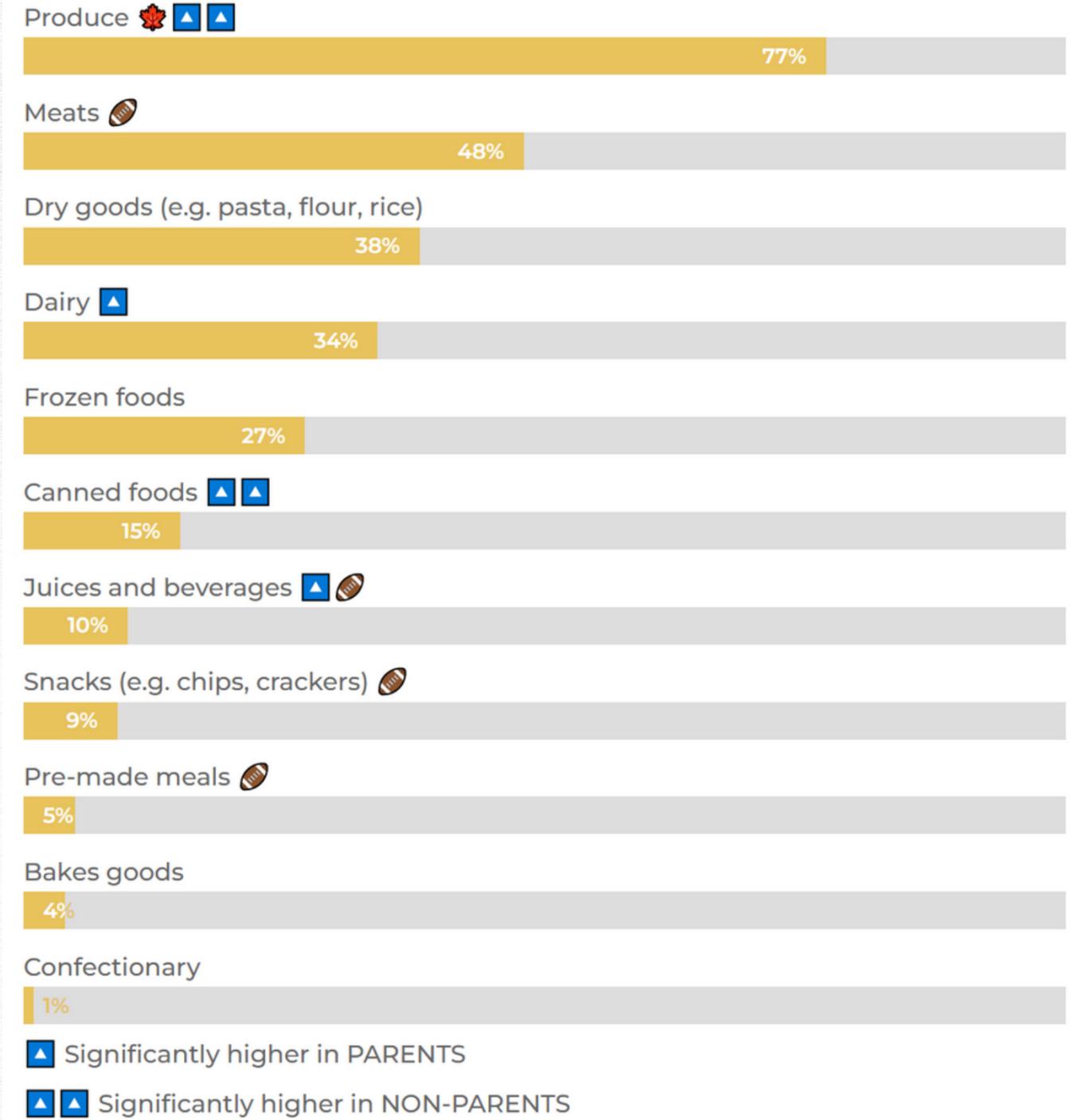
I've given up my special treats, in an effort to reduce my grocery spend. I'm no longer buying protein bars, or specialty ice creams, unless here is a really obvious additional benefit.



Claire, 29
Living with Partner

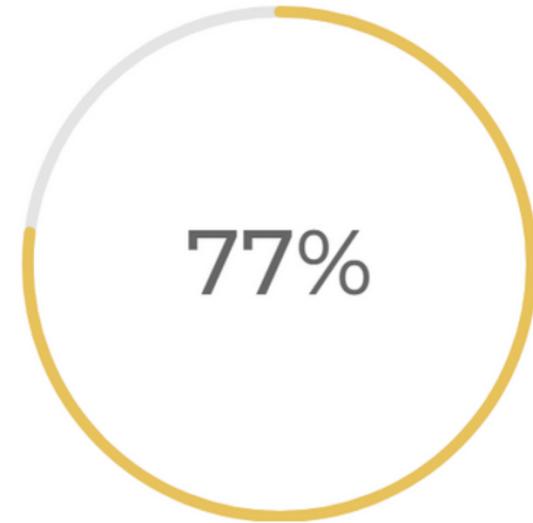
GIVING UP CERTAIN ITEMS

PRIORITY ITEMS WHEN GROCERY SHOPPING

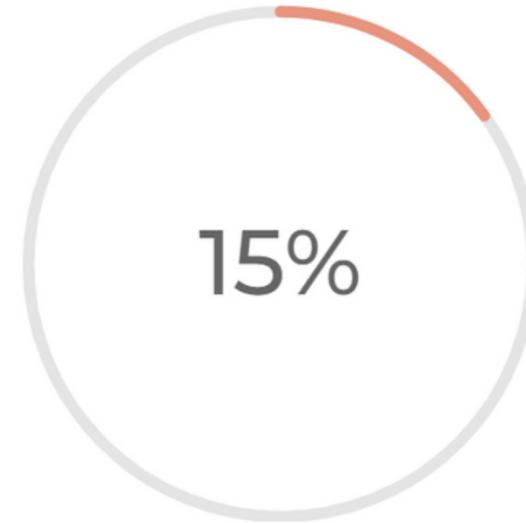


PANTRY LOADING

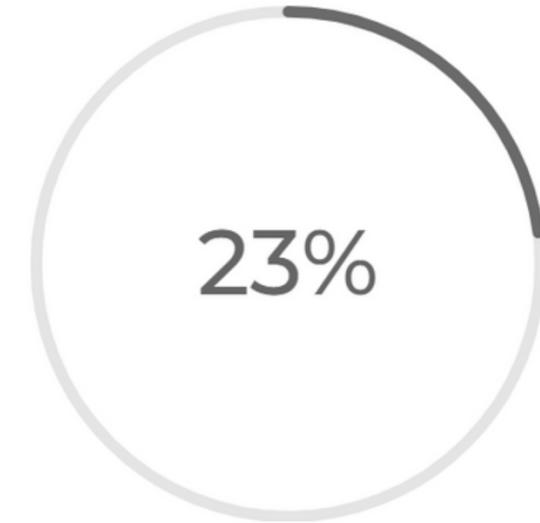
Pantry loading habits



NET regularly conducts pantry loading ▲



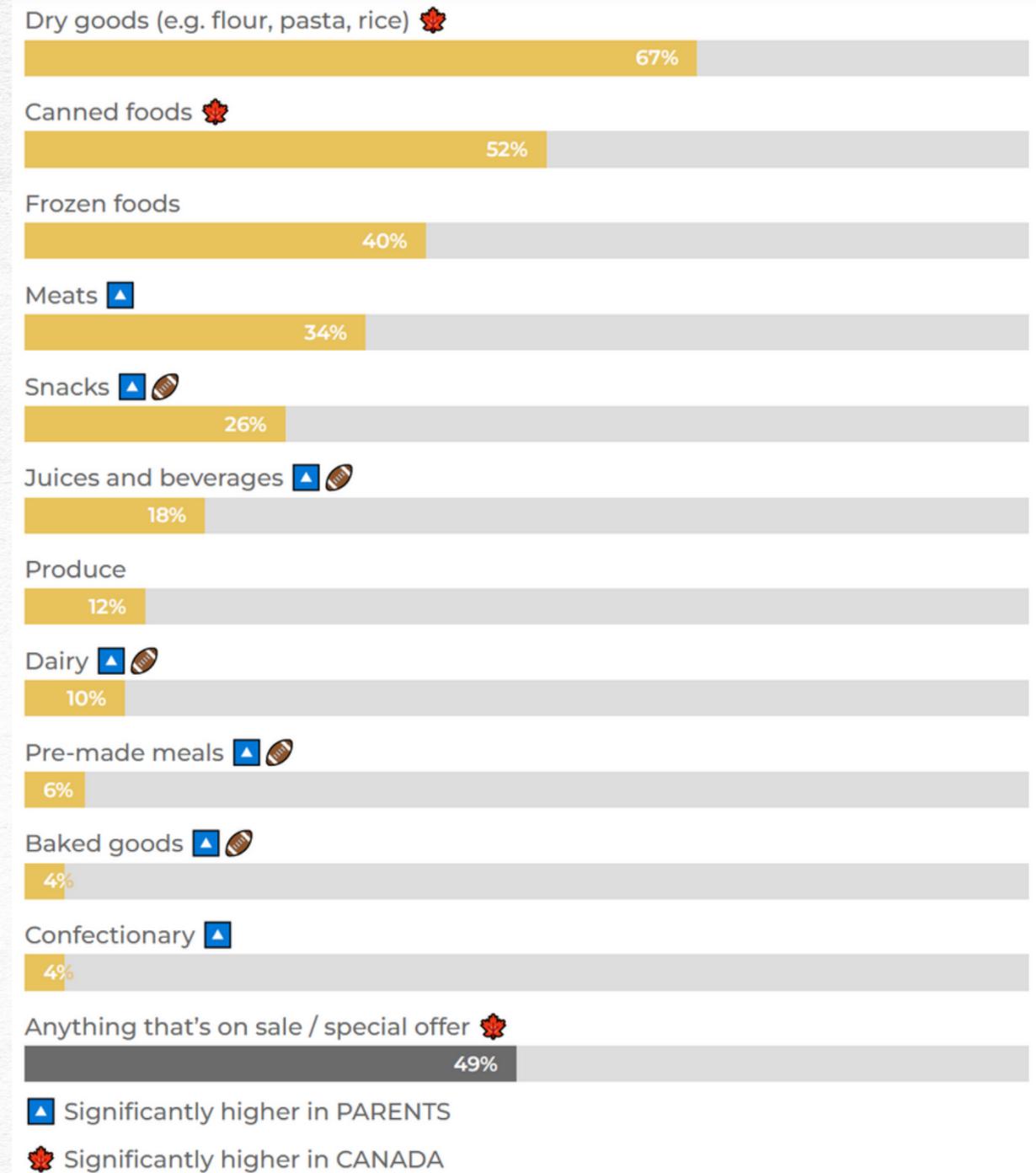
Regularly conducts pantry loading – New habit (past 6 months)



Doesn't do any pantry loading

▲ Significantly higher in PARENTS

PANTRY LOADING: MOST COMMON ITEMS



When investigating grocery shopping habits, one major variable that needs to be accounted for is **parental status**. While parents shop similarly to non-parents when it is just for themselves, how they purchase for their children is very different.



PRIORITIZING CHILDRENS' HEALTH

“My children get more organic and sustainable foods. I am not concerned about organic labels during my shopping.”

“The difference in groceries I’d buy for my children compared to myself is I get [my children] organic items with minimal ingredients... Compared to myself, where the number of ingredients listed really doesn’t make a difference.”

What does all of this mean to you?

THE REALITY

- 01** Shoppers are feeling inflationary pressure.
- 02** Growing awareness of price.
- 03** Planning is paramount.
- 04** Loyalty shake-up continues.

McKinsey & Company

"The steepest drop in consumer sentiment was among high-income consumers, a group that frequently traded up to more-expensive products and brands in 2020 and 2021 but that might soon moderate what it buys.

Companies will need to figure out the value equation that high-income consumers find most compelling: Will they continue to spend but start to trade down more than they did in 2020 and 2021? Will they shift more of their spending to channels providing better value?"

Source: "How US consumers are feeling, shopping, and spending - and what it means for companies"

THE RESPONSE...

...FILL THE GAP

HOW TO FILL THE GAP



FILL THE GAP

- 01** Create the Experience.
- 02** Value + Values.
- 03** Education with Storytelling.

01 CREATE THE EXPERIENCE

Identify **GAPS** in areas where people are making compromises... and offer a more affordable alternative that accomplishes a similar experience.

01 CREATE THE EXPERIENCE

COMPROMISE: Cutting restaurant and takeout expense and focusing on eating at home.

GAP: Missing the luxury & convenience of the experience.

SOLUTION: Position your product as a takeout or restaurant alternative. All the luxury and convenience - at a lower price point. Shift the perspective.

02 VALUE + VALUES

VALUE:

Short-term, immediate, added value differentiator.

What **gap** does your product address compared to the alternative?

02 VALUE + VALUES

VALUES:

Long-term brand preference rooted in values alignment.

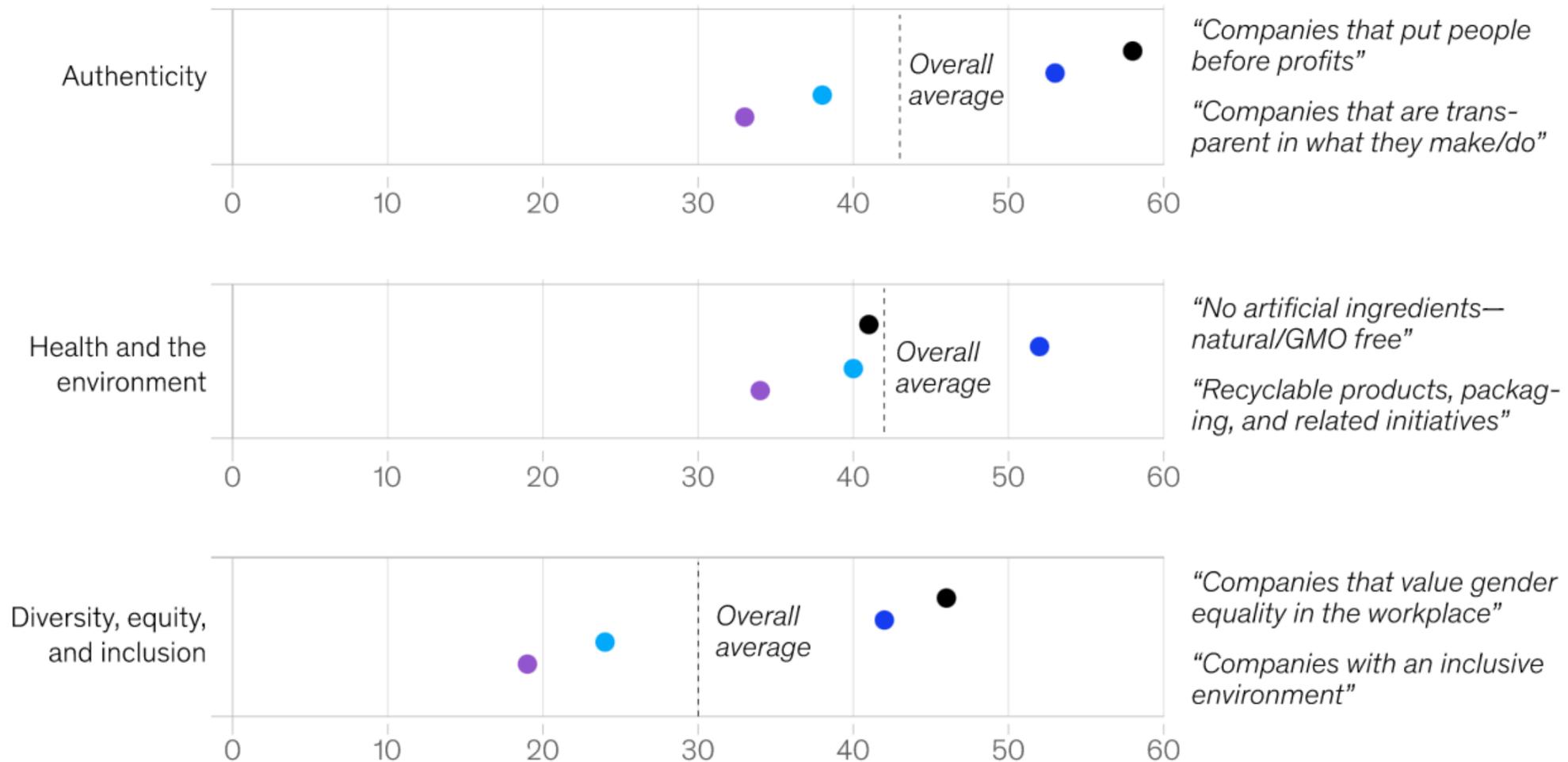
What **gap** in values do you represent that the alternative does not?

While value is paramount now, values (environmental, social, and governance issues) still matter.

Importance of purpose in consumer purchase decisions,¹ % of respondents indicating “very important”

● Gen Z (n = 176) ● Millennials (n = 719) ● Gen X (n = 483) ● Baby boomers² (n = 782)

Respondents’ top environmental, social, and governance statements



02 VALUE + VALUES

VALUE + VALUES



Reason to choose your product + Reason to keep choosing your product.



LOYALTY!

03 EDUCATE WITH STORYTELLING

4 out of 5

community members says that a brands' story or mission influence their purchase decision.

03 EDUCATE WITH STORYTELLING

1 out of 5

community members will actively seek out a brands' story or mission.

03 EDUCATE WITH STORYTELLING

What the community wants to know about your brands:

1. Ingredient Quality
2. Testing
3. Environment/Sustainability



SUMMARY



“

Responding to a tremendous sense of "loss of control" in our overall lives, drove people to focus on areas that they could control... *like their health.*



“
Our community is more
invested, and educated,
than ever before... despite
inflationary pressure, there
is continued demand for
natural health & wellness
products.”

“

Shoppers are making compromises rooted in awareness, but are still looking for pleasures... without feeling frivolous.



YOUR NEXT STEPS

- ✓ Acknowledge reality
- ✓ Recognize the opportunity
- ✓ Fill the gap



FILL THE GAP

- 01 Create the Experience.
- 02 Value + Values.
- 03 Education with Storytelling.

Nina Wagner

VP, Publishing & Operations

Alive Publishing Group Inc.

1.800.663.6580



604.655.2682



nina.wagner@alive.com



apg.alive.com

LET'S STAY CONNECTED!



JOIN THE CONVERSATION AS
WE GROW NATURAL HEALTH.

Scan. Join. Plant.



Join now to have **10 trees**
planted on your behalf!
Plus, get your store name
listed on *alive.com* as a
tree-planting partner.

