Maximize Your Share of Multicultural Growth

November 2, 2023

LONDON DRUGS®   ENVIRONICS ANALYTICS

IDENTIFY

ACTIVATE

MEASURE

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ENVIRONICS ANALYTICS

MARKET POTENTIAL
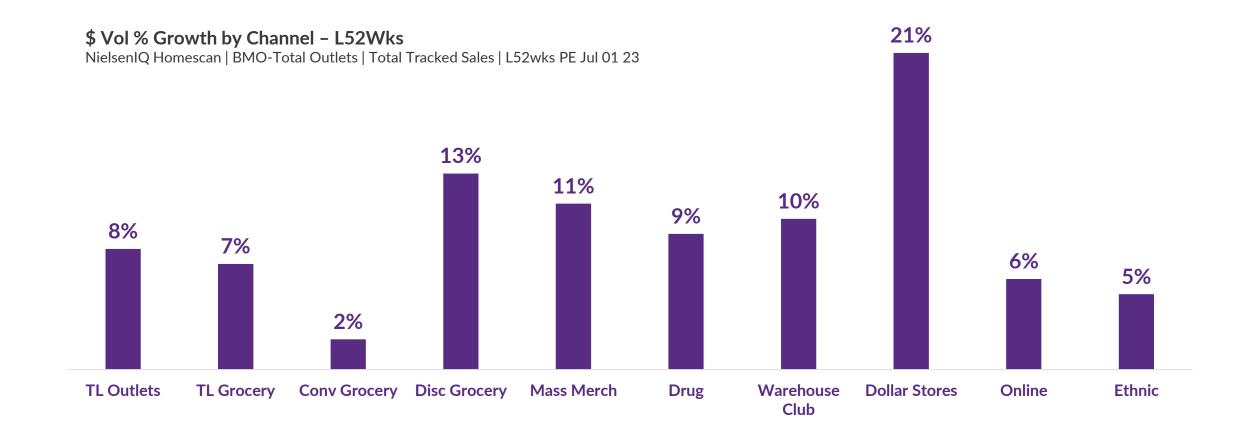
Volume, Revenue and Share within clearly defined pockets of growth
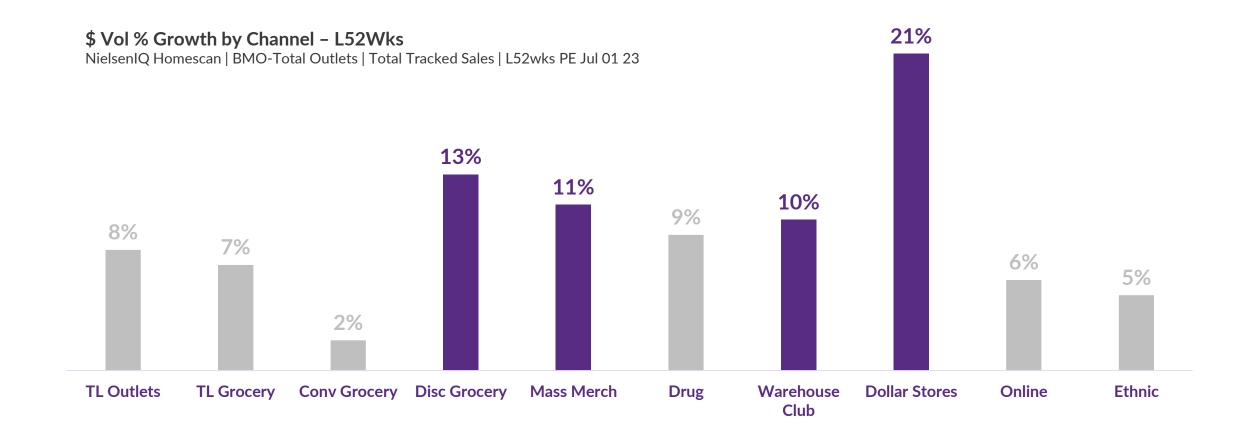
THE BAD ECONOMIC TIMES HAVE ONLY JUST STARTED

Peter Armstrong · CBC News · Posted: Sep 24, 2023

Shift to Discount Channels
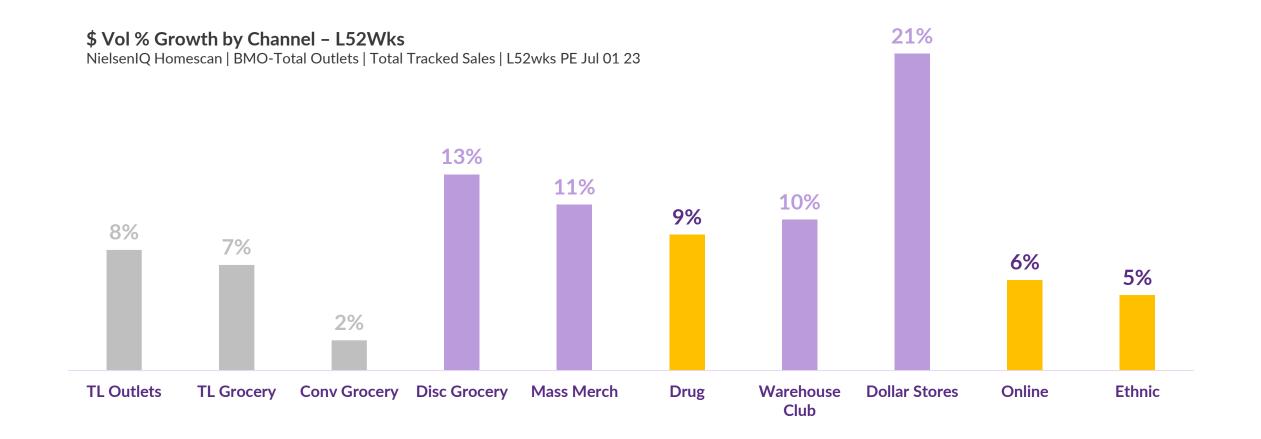
$ Vol % Growth by Channel – L52Wks
NielsenIQ Homescan | BMO-Total Outlets | Total Tracked Sales | L52wks PE Jul 01 23

Channel	Growth
TL Outlets	8%
TL Grocery	7%
Conv Grocery	2%
Disc Grocery	13%
Mass Merch	11%
Drug	9%
Warehouse Club	10%
Dollar Stores	21%
Online	6%
Ethnic	5%

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Shift to Discount Channels

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ADDRESSING POCKETS OF GROWTH

Walmart Canada Flyer Sept 21 through Sept 27, 2023

IDENTIFY

NEEDS & PREFERENCES

PURCHASE BEHAVIOUR

MARKET POTENTIAL

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TRADITIONAL & RETAIL MEDIA

FLYER

IN-STORE SPACE & DISPLAY

MEASURE

TARGET GROUP GROWTH

IMPACT ON OVERALL VOLUME AND SHARE

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Canada's Population **40,000,000**
25% are 1st Generation Canadians

First- or Second-Generation Immigrants make up

80%
of Toronto CMA Population

72%
of Vancouver CMA Population

First- or Second-Generation Immigrants make up

37%
of Kelowna CMA Population

35%
of Regina CMA Population

15

OVER THE NEXT 3 YEARS, CANADA WILL WELCOME
1.3 TO 1.5 MILLION IMMIGRANTS

IMMIGRATION WILL ACCOUNT FOR
100% OF POPLUATION GROWTH BY 2032

1.3 TO 1.5 MILLION IMMIGRANTS

$40+ BILLION
IN DISPOSABLE INCOME ANNUALLY

$30+ BILLION
IN DISCRETIONARY INCOME ANNUALLY

$8+ BILLION
IN FOOD AND PERSONAL CARE SPEND ANNUALLY

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ENVIRONICS ANALYTICS

IDENTIFY

NEEDS & PREFERENCES

PURCHASE BEHAVIOUR

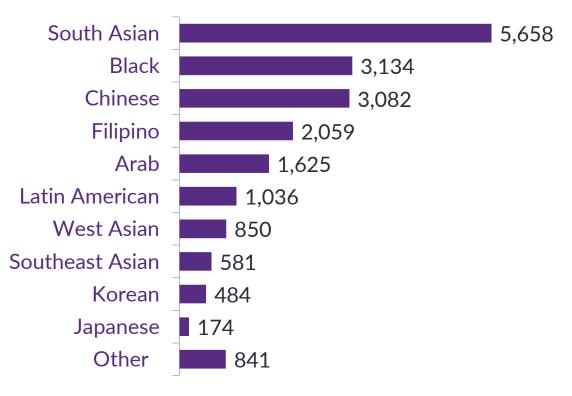**MARKET POTENTIAL**
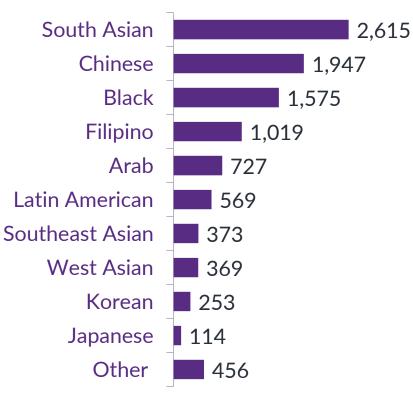
Regions of Focus
Preferences and Purchase Behaviour

Racialized Population Groups May Double to 20M by 2041

Projected Total Population of Racialized Population Groups

2021 10,017 ('000)

Group	Population
South Asian	2,615
Chinese	1,947
Black	1,575
Filipino	1,019
Arab	727
Latin American	569
Southeast Asian	373
West Asian	369
Korean	253
Japanese	114
Other	456

2041 19,524 ('000)

Group	Population
South Asian	5,658
Black	3,134
Chinese	3,082
Filipino	2,059
Arab	1,625
Latin American	1,036
West Asian	850
Southeast Asian	581
Korean	484
Japanese	174
Other	841

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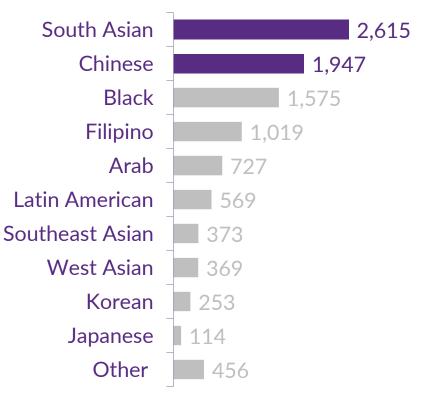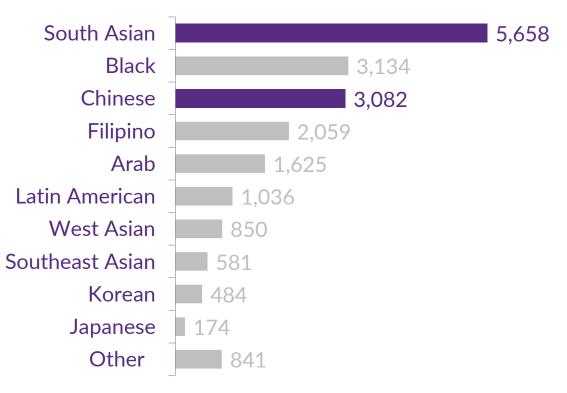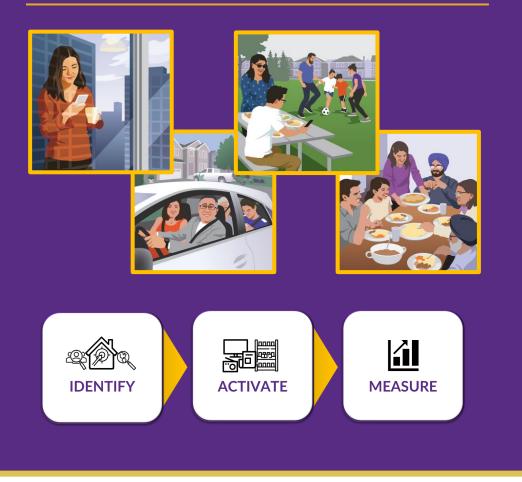Source: Statistics Canada 2022 Projections of Diversity Analytics Reference Scenario

Let's examine 2 of the largest groups...

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South Asian and Chinese Canadians

South Asian

Chinese

CANADIAN AVERAGE
(100 INDEX)

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ENVIRONICS ANALYTICS

South Asian and Chinese Canadians

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CANADIAN AVERAGE
(100 INDEX)

■ South Asian
■ Chinese

Higher Income

Average Household Income

- South Asian: 112
- Chinese: 113

Total Household Expenditure

- South Asian: 123
- Chinese: 119

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ALL OF THE GROWTH WILL COME IN MAJOR URBAN CENTRES . . . RIGHT?

Fastest growing multicultural populations are in smaller CMA and CAs

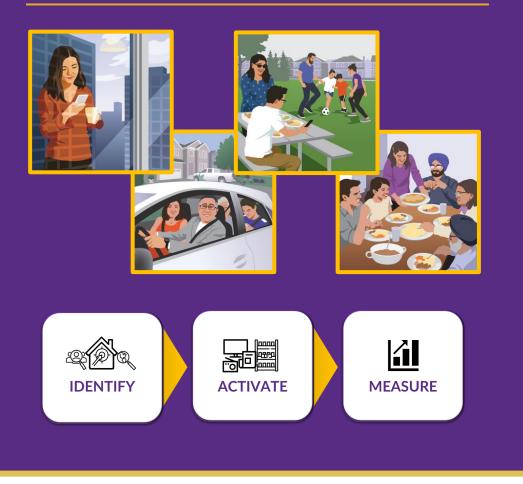**Projected Growth of Population in Racialized Groups 2023 - 2033**
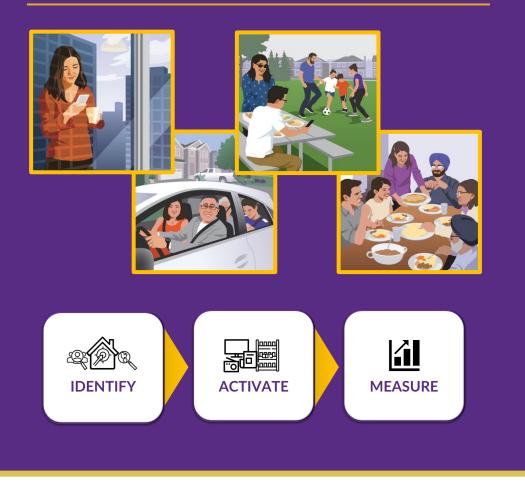Western Canada CMA / CA

Calgary, AB	+43%
Vancouver, BC	+22%

Regina, SK — 94%
Saskatoon, SK — 90%
Okotoks, AB — 65%
Brandon, MB — 60%
Red Deer, AB — 57%
Grand Prairie, AB — 57%
Winnipeg, MB — 55%
Lethbridge, AB — 55%
Edmonton, AB — 48%
Wood Buffalo, AB — 45%

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ALL OF THE GROWTH WILL COME IN THE DISCOUNT CHANNEL . . . RIGHT?

South Asian and Chinese Canadians

CANADIAN AVERAGE (100 INDEX)

■ South Asian
■ Chinese

Online, Click & Collect Shoppers

Purchased groceries online at least once in the past 6 months

South Asian: 120
Chinese: 121

Online grocery preference - Ordering online and picking up in-store

South Asian: 141
Chinese: 120

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ENVIRONICS ANALYTICS

South Asian and Chinese Canadians

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CANADIAN AVERAGE
(100 INDEX)

South Asian
Chinese

Seeking Meal Solutions

Food purchased from restaurants

South Asian: 120
Chinese: 127

Food Delivery Services - Personally Used

South Asian: 131
Chinese: 127

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ENVIRONICS ANALYTICS

South Asian and Chinese Canadians

South Asian
Chinese

CANADIAN AVERAGE
(100 INDEX)

Alternative Diets

Vegan/Plant Based Products - Used [Pst Mth] - 5+ times

South Asian: 123
Chinese: 122

Vegan/Plant Based Products - Used Most Often - Milk Alternatives

South Asian: 109
Chinese: 115

Vegan/Plant Based Products - Used Most Often - Meat Alternatives

South Asian: 128
Chinese: 120

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MULTICULTURAL IS **NOT** JUST AN OPPORTUNITY FOR 'DISCOUNT' OR 'URBAN' LOCATIONS

OPPORTUNITY TO BE CAPTURED
ACROSS CANADIAN RETAIL

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Roadmap for Engagement and Implementation

Market Potential Analysis

Understand a group's market potential in a specific market. Learn if you are attracting more of a specific group, and which you need to grow.

Targeted Marketing

Identify where in the market you can find these groups to allow for targeted marketing efforts for maximum return.

Media Planning

Understand which media channels are more likely to be used by your groups.

Partnership Opportunities

Identify partnership opportunities through their interest, retail, and restaurant preferences.
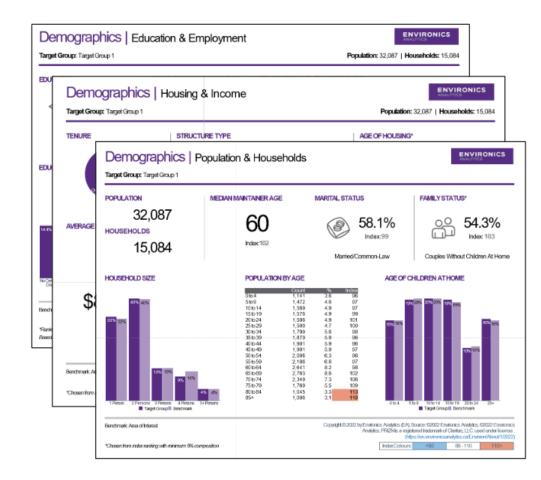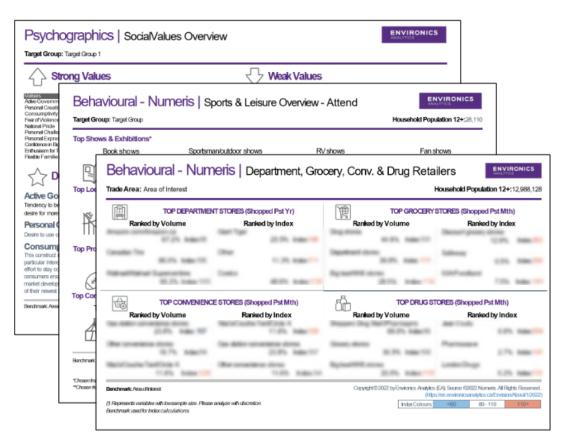
Measure Results

Tracking of group engagement or a recent campaign can be done quickly using pre-defined PRIZM groups

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London Drugs

Veganuary

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London Drugs

What's Next?
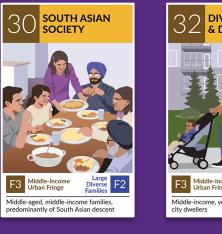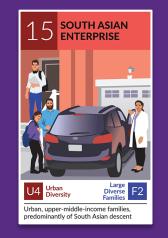
IDENTIFY → ACTIVATE → MEASURE

IDENTIFY → ACTIVATE → MEASURE

BRINGING IT TOGETHER

IDENTIFY
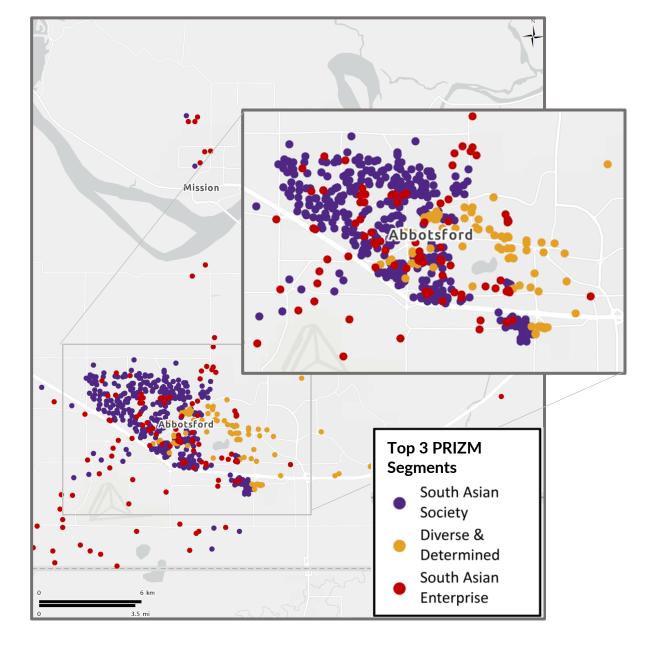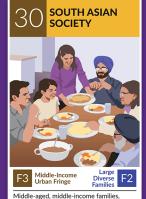
Abbotsford, BC
High Value Households

30 SOUTH ASIAN SOCIETY	**32** DIVERSE & DETERMINED	**15** SOUTH ASIAN ENTERPRISE
F3 Middle-Income Urban Fringe / Large Diverse Families F2	F3 Middle-Income Urban Fringe / School-Age Families F1	U4 Urban Diversity / Large Diverse Families F2
Middle-aged, middle-income families, predominantly of South Asian descent	Middle-income, younger and middle-aged city dwellers	Urban, upper-middle-income families, predominantly of South Asian descent

Higher Income   110

- 39% of households have an income over $100k   Index of HHLD Income VS Canada
- 20% of households have an income over $150k

Younger   93

- 62% of the population is under the age of 44, which is a   Index of Avg Age VS Canada
  113 index to Total Canada

Large Households   129

- 439 Index of Multiple Family Households   Index of Avg # Persons per
                                                   Private HHLD VS Canada

High Expenditure   111
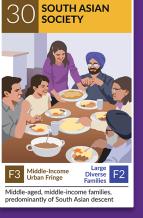
- HHLDs in these segments spend 11% more than the   Index of TL HHLD
  average Canadian Household   Expenditure VS Canada

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IDENTIFY
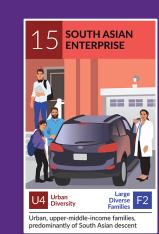
Abbotsford, BC
Personal Care

30 SOUTH ASIAN SOCIETY
F3 Middle-Income Urban Fringe | Large Diverse Families F2

Middle-aged, middle-income families, predominantly of South Asian descent

32 DIVERSE & DETERMINED
F3 Middle-Income Urban Fringe | School-Age Families F1

Middle-income, younger and middle-aged city dwellers

15 SOUTH ASIAN ENTERPRISE
U4 Urban Diversity | Large Diverse Families F2

Urban, upper-middle-income families, predominantly of South Asian descent

Vegan/Plant Based   113

Index of Use Vegan / Plant Based Products VS Canada

Personal Care   115

Index of Personal Care Expenditures VS Canada

Cosmetics
Trips 112
$ Spent 130

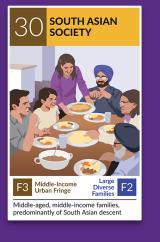Index of Make-Up Trips and Spend VS Canada

Grooming
Trips 108
$ Spent 111

Index of Face/Body Skincare Trips and Spend VS Canada

OPPORTUNITY
Amplify your presence in personal care and alternative diets in order to drive incremental sales and to increase your share of Abbotsford Multicultural Shoppers

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ACTIVATE

Apply multicultural insights to adjust merchandising activation to maximize penetration, conversion and measure the impact on trips, inferred baskets and share.

Assortment Mix and Space

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Store #XXXX

Multicultural Importance Index	127
Current Multicultural Space	16'
Recommended Multicultural Space	20'

Multicultural Space Mix Recommendation

■ South Asian ■ Asian ■ Middle Eastern ■ All Other

64%	22%	8%	6%

Merchandising Offers

Retail Media / Media Offers

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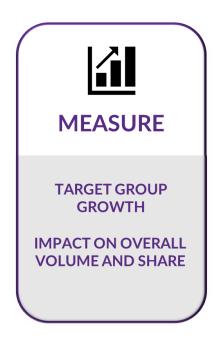
MEASURE

Measure the impact of activation on trips made by the target group along with inferred baskets, total store volume and share.

MEASURE

TARGET GROUP GROWTH

IMPACT ON OVERALL VOLUME AND SHARE

Measure Impact

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Multicultural Segment : South Asian Society

Areas of Focus

Trip Share Index	XX%
Chg v Previous Period	+X.Xppts
Est. Revenue Impact	$XX.XMM

30 SOUTH ASIAN SOCIETY

F3 Middle-Income Urban Fringe | Large Diverse Families F2

Middle-aged, middle-income families, predominantly of South Asian descent

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Questions?

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