

Commercial Excellence Academy

by  Asbiverse Group

Optimizing Route to Shopper® Capability for Winning in Retail

www.commercialexcellence.academy

Route to Shopper®

A Strategic Framework for
Integrated Shopper-based Value
Creation in the Baked Goods
Industry

Route to Shopper® Framework for Baked Goods Industry

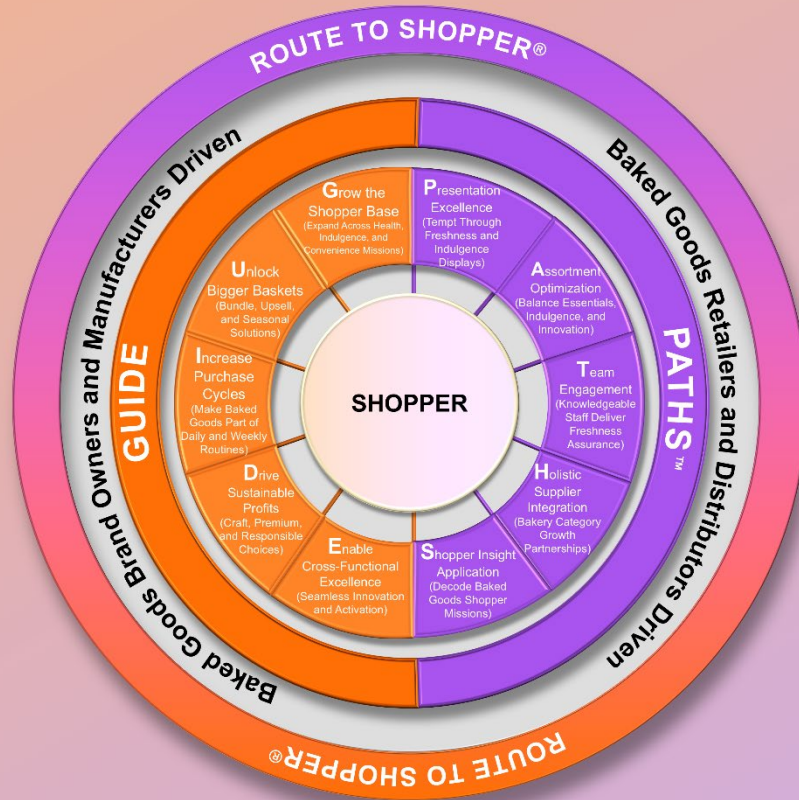
Strategic Capability Building for Sustainable Growth in the Baked Goods Industry

A Commercial Excellence Academy position paper for Marketing Directors, Category Heads, Trade Marketing Leaders, Commercial Excellence Heads, and Channel Strategy Teams

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The Route to Shopper® Framework incorporating GUIDE – PATHS™ for Baked Goods Industry



Strategic Context

What does it really take to win a shopper's consideration in a world of endless options?

The baked goods industry stands at a critical inflection point where traditional category management approaches fall short in addressing rapidly evolving shopper behaviours and market dynamics. The **Route to Shopper®** Framework positions forward-thinking organizations to win by transforming every commercial touchpoint into a shopper-centric growth driver.

Why Route to Shopper® Now?

The baked goods category faces unprecedented challenges that demand a new approach:

- **Health and Wellness Revolution:** Shoppers seek better-for-you options without sacrificing taste
- **Indulgence Evolution:** Premium, artisanal, and permissible indulgence reshape the category
- **Private Label Threat:** Retailers elevate own brands with premium and health-focused offerings
- **Supply Chain Complexity:** Fresh products demand agile, efficient distribution
- **Value Imperative:** Economic pressures intensify shopper focus on value across all tiers

The Shopper Mission Paradigm

Today's success requires mastering diverse shopper missions:

- "Everyday Essentials" - Daily bread and breakfast items
- "Affordable Indulgence" - Accessible treats for small moments of joy
- "Better-for-You Treats" - Health-conscious alternatives
- "Premium Gifting" - Special occasions and celebrations
- "On-the-Go Solutions" - Convenience-driven choices

Channel Agility Imperative

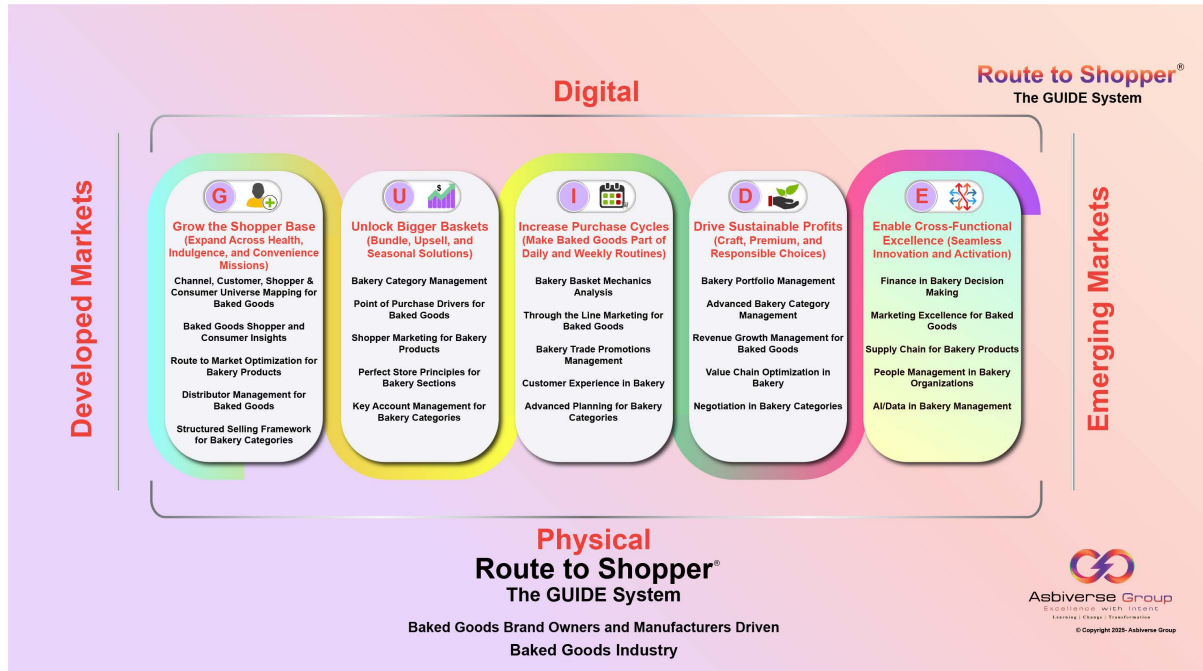
Winners deploy integrated strategies across:

- Traditional retail requiring local market mastery
- Modern trade demanding sophisticated category management
- E-commerce emphasizing personalization and convenience

- Quick commerce meeting urgent indulgence needs

GUIDE – PATHS™: The Integrated Framework Advantage

GUIDE Framework: Brand/Manufacturer Strategic Excellence



G: Grow the Shopper Base

Expand beyond current limitations by targeting new occasions, missions, and segments:

- Target untapped consumption moments (mid-morning boost, afternoon pick-me-up)
- Develop products for specific life stages and dietary needs
- Create occasions around cultural and lifestyle moments

U: Unlock Bigger Baskets

Drive transaction value through strategic bundling and cross-category innovation:

- Link baked goods with complementary categories (coffee, spreads, beverages)
- Develop meal solution bundles (breakfast kits, party packs)
- Create occasion-based gift assortments

I: Increase Purchase Cycles

Embed baked goods into shopper routines:

- Build daily consumption habits through subscription models
- Create seasonal rituals and celebrations
- Develop loyalty through flavour rotations and limited editions

D: Drive Sustainable Profits

Balance volume and value through strategic portfolio management:

- Premiumize through artisanal and craft positioning
- Optimize price/pack architecture across channels
- Innovate with margin-accretive ingredients and formats

E: Enable Cross-functional Excellence

Break down silos to create seamless shopper experiences:

- Align R&D with shopper insights for demand-driven innovation
- Integrate marketing and sales for consistent activation
- Connect supply chain with commercial strategy for agile response

PATHS Framework: Retailer/Distributor Execution Mastery



P: Presentation Excellence

Create irresistible shopping environments across touchpoints:

- Design tempting displays that trigger impulse purchases
- Leverage sensory marketing (aroma, visuals, sampling)
- Optimize digital shelf presence for e-commerce

A: Assortment Optimization

Curate ranges that match shopper missions and channel dynamics:

- Balance everyday staples with seasonal innovation
- Tailor assortments to store format and shopper demographics
- Enable quick range adaptations for trending demands

T: Team Engagement

Empower frontline teams as brand ambassadors:

- Train staff on product stories and shopper triggers
- Enable recommendation skills for cross-selling
- Build passion for category through product knowledge

H: Holistic Supplier Integration

Create win-win partnerships through collaborative planning:

- Joint business planning aligned to shopper missions
- Synchronized forecasting for freshness optimization
- Co-created promotional strategies

S: Shopper Insight Application

Transform data into actionable shopper strategies:

- Segment shoppers by mission, not just demographics
- Personalize promotions based on purchase patterns
- Optimize touchpoints for mission fulfilment

The Critical Shopper vs. Consumer Distinction

Understanding the Dual Influence

- **Shopper:** The decision-maker selecting products (parent, gift-giver, office manager)
- **Consumer:** The end-user enjoying the product (child, recipient, colleague)

Strategic Implications

- Purchase decisions often driven by shopper missions rather than consumer preferences
- Marketing must influence both shopper selection criteria and consumer satisfaction
- Category strategy must balance shopper value perception with consumer experience

Framework in Action: Hypothetical Applications

Example 1: Everyday Bread Innovation

Challenge: Growing health consciousness threatens traditional bread consumption

Route to Shopper® Solution:

GUIDE Framework Application:

- **G (Grow the Shopper Base):**
 - Launch protein-enriched sandwich breads targeting fitness enthusiasts
 - Develop gluten-free bread variants for dietary restriction shoppers
 - Create portion-controlled mini-loaves for single households
- **U (Unlock Bigger Baskets):**
 - Bundle bread with premium spreads and functional toppings
 - Create breakfast solution kits (bread + eggs + avocado spread)
 - Develop cross-promotional tie-ins with protein bars and health drinks
- **I (Increase Purchase Cycles):**
 - Introduce subscription models for weekly fresh bread delivery
 - Launch "Bread of the Month" innovation program
 - Create loyalty rewards for frequent purchasers

- **D (Drive Sustainable Profits):**
 - Optimize ingredient costs through functional flour blends
 - Premium pricing justified by nutritional enhancement
 - Extend shelf life through natural preservation techniques
- **E (Enable Cross-functional Excellence):**
 - R&D develops proprietary protein bread formulation
 - Marketing creates health credential communication
 - Sales teams trained on nutritional benefit selling

PATHS Framework Execution:

- **P (Presentation Excellence):**
 - Create "Better-For-You Bakery" destination sections
 - Implement educational signage on protein benefits
 - Design fresh-baked aroma zones to attract shoppers
- **A (Assortment Optimization):**
 - Balance traditional with functional bread offerings
 - Tailor health range by store demographics
 - Seasonal rotation of specialty health breads
- **T (Team Engagement):**
 - Train staff on nutritional benefits storytelling
 - Develop bread pairing recommendations
 - Enable product sampling programs
- **H (Holistic Supplier Integration):**
 - Joint forecasting for ingredient supply
 - Collaborative promotion planning
 - Shared performance metrics and targets
- **S (Shopper Insight Application):**
 - Segment shoppers by health consciousness levels
 - Track purchase patterns of fitness enthusiasts
 - Personalize offers based on dietary preferences

Result: 15% category growth, 25% premium mix improvement, 40% repeat purchase rate

Example 2: Premium Artisanal Biscuits Launch

Challenge: Commodity biscuits face margin pressure

Route to Shopper® Solution:

GUIDE Framework Application:

- **G (Grow the Shopper Base):**
 - Target gifting occasions (birthdays, holidays, corporate gifts)
 - Attract premium shoppers seeking quality ingredients
 - Expand into café and gourmet food channels
- **U (Unlock Bigger Baskets):**
 - Create gift sets with premium tea and coffee
 - Develop celebration bundles for special occasions
 - Bundle with artisanal jams and preserves
- **I (Increase Purchase Cycles):**
 - Launch seasonal limited editions (Holiday Spice, Summer Berry)
 - Create collector tin series encouraging repeat purchase
 - Develop biscuit-of-the-month clubs
- **D (Drive Sustainable Profits):**
 - Use premium ingredients (Madagascar vanilla, Belgian chocolate)
 - Implement luxury packaging with gift-ready presentation
 - Create exclusive channel distribution strategies
- **E (Enable Cross-functional Excellence):**
 - R&D develops artisanal recipes with heritage appeal
 - Marketing crafts premium brand storytelling
 - Sales secures placement in upscale retail locations

PATHS Framework Execution:

- **P (Presentation Excellence):**
 - Design elegant displays bridging bakery and gift sections
 - Create premium fixtures with mood lighting
 - Implement sampling stations with tea pairings
- **A (Assortment Optimization):**
 - Curate limited SKU range for exclusivity
 - Rotate seasonal flavours quarterly
 - Maintain core heritage recipes year-round
- **T (Team Engagement):**
 - Train staff as brand ambassadors with product stories
 - Develop gift recommendation expertise
 - Enable personalized gift message services
- **H (Holistic Supplier Integration):**
 - Collaborate on premium ingredient sourcing
 - Joint development of seasonal promotions
 - Exclusive retail partnerships for launch
- **S (Shopper Insight Application):**
 - Identify gifting occasion triggers
 - Track premium shopper preferences
 - Analyse cross-purchase with other premium foods

Result: 35% higher margins, new gifting occasion penetration, 60% premium shopper retention

Example 3: Urban Millennial Snack Cakes

Challenge: Declining relevance among younger shoppers

Route to Shopper® Solution:

GUIDE Framework Application:

- **G (Grow the Shopper Base):**
 - Target urban millennials seeking convenient indulgence
 - Expand into coffee shops and convenience stores
 - Attract Instagram-savvy consumers with photogenic products
- **U (Unlock Bigger Baskets):**
 - Bundle with premium coffee for afternoon treats
 - Create variety packs for office sharing
 - Develop pairing suggestions with craft beverages
- **I (Increase Purchase Cycles):**
 - Launch "Afternoon Pick-Me-Up" positioning
 - Create workday ritual marketing campaigns
 - Develop mobile app with daily offers
- **D (Drive Sustainable Profits):**
 - Premium positioning for single-serve indulgence
 - Efficient portion control reduces waste
 - Urban distribution focus optimizes logistics
- **E (Enable Cross-functional Excellence):**
 - R&D creates Instagram-worthy designs
 - Digital marketing targets social media
 - Sales focuses on urban convenience channels

PATHS Framework Execution:

- **P (Presentation Excellence):**
 - Design grab-and-go displays near checkout
 - Create social media photo opportunities in-store
 - Implement digital menu boards in cafés
- **A (Assortment Optimization):**
 - Focus on trending flavours (matcha, salted caramel)
 - Rotate limited editions monthly
 - Optimize pack sizes for individual consumption

- **T (Team Engagement):**
 - Train baristas on pairing recommendations
 - Develop social media content creation skills
 - Enable mobile ordering assistance
- **H (Holistic Supplier Integration):**
 - Quick response to trending ingredients
 - Joint social media campaigns
 - Collaborative new product development
- **S (Shopper Insight Application):**
 - Track consumption occasions via mobile app
 - analyse social media engagement patterns
 - Personalize offers based on purchase timing

Result: 20% frequency increase, expanded daypart consumption, 45% social media engagement

Example 4: Value Biscuits for Mass Market

Challenge: Private label erosion in everyday segment

Route to Shopper® Solution:

GUIDE Framework Application:

- **G (Grow the Shopper Base):**
 - Target budget-conscious families
 - Expand in traditional trade and discount channels
 - Attract multi-generational households
- **U (Unlock Bigger Baskets):**
 - Create family meal deal bundles
 - Develop multi-pack promotions (buy 2 get 1 free)
 - Bundle with everyday beverages (tea, milk)
- **I (Increase Purchase Cycles):**
 - Position as daily tea-time essential
 - Create weekly shopping list reminders
 - Develop family loyalty programs
- **D (Drive Sustainable Profits):**
 - Optimize recipes for cost efficiency
 - Leverage scale for ingredient savings
 - Focus on high-velocity SKUs
- **E (Enable Cross-functional Excellence):**
 - R&D optimizes formulations for value
 - Marketing emphasizes family traditions

- Sales maximizes distribution breadth

PATHS Framework Execution:

- **P (Presentation Excellence):**
 - Prominent placement in value zones
 - Clear price communication
 - Family-sized packaging displays
- **A (Assortment Optimization):**
 - Focus on top-selling traditional flavours
 - Maintain consistent availability
 - Optimize shelf space for high turnover
- **T (Team Engagement):**
 - Train staff on value proposition
 - Develop family-sized recommendations
 - Enable bulk purchase assistance
- **H (Holistic Supplier Integration):**
 - Volume-based pricing agreements
 - Efficient replenishment systems
 - Joint value promotions
- **S (Shopper Insight Application):**
 - Track family purchase patterns
 - Identify price sensitivity thresholds
 - Optimize promotion timing

Result: Market share defence, improved household penetration, 30% increase in multi-pack sales

Transformational Outcomes

Organizations deploying **Route to Shopper®** achieve:

- **Enhanced Shopper Penetration:** 10-15% increase across multiple missions
- **Strengthened Brand Equity:** Clear differentiation from private label
- **Optimized Channel Strategies:** 20-30% improvement in range efficiency
- **Elevated Portfolio Profitability:** 3-5% margin enhancement
- **Accelerated Innovation Success:** 2x faster time-to-market with aligned execution

Digital & AI Enablement

Route to Shopper® leverages technology for competitive advantage:

Predictive Assortment Planning

- AI-driven forecasting based on shopper missions
- Dynamic range optimization by store cluster
- Automated seasonal adjustment recommendations

Smart Promotional Optimization

- Machine learning for offer personalization
- Real-time promotion performance tracking
- Occasion-based campaign automation

E-commerce Excellence

- Freshness-driven marketing algorithms
- Urgency triggers for quick commerce
- Personalized subscription recommendations

Commercial Excellence Academy Partnership

We enable your success through:

Strategic Capability Building

- Shopper-centric growth methodology
- Cross-functional alignment workshops
- Executive strategy sessions

Practical Implementation Support

- Custom playbooks and frameworks
- Hands-on execution training
- Performance measurement tools

Continuous Evolution

- Regular capability diagnostics
- Framework updates and enhancements
- Best practice sharing networks

Your Path Forward

The future belongs to organizations that master shopper-centric growth. We invite senior commercial leaders to:

- **Adopt Route to Shopper® as Your Foundation**

Transform fragmented efforts into integrated excellence

- **Move Beyond Price and Promotion**

Build sustainable advantage through shopper mission mastery

- **Equip Your Teams for Success**

Develop the mindset and skills to win across occasions and channels

Contact

To begin a strategic dialogue on implementing the **Route to Shopper®** Framework in your organization, please contact:

Strategic Partnerships Team

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