



SKUFood Trends 2023

1. Calm focus on the priorities: Everyone has endured 2-3 years of upheaval and challenges to get products produced. Retailers are looking to work with suppliers who are focused on how they can get it done as opposed to the reasons why they can't.
2. Sales growth is key: With consumers returning to food service, retailers are facing negative comparable sales. Any supplier who delivers positive year over year growth will be ahead of many.
3. Stability in product cost: Food inflation is a big issue and retailers are eager to work with suppliers who find a way to keep their costs in line and deliver stability.
4. Local products that sell: Retailers have allocated more space and resources to regional and local brands. Now they need to see them deliver sales.
5. Sustainability matters: Sustainable packaging, reduced food waste and your environmental footprint all matter. They can be a path to the shelf or your route off the shelf if someone else in your category figures it out.
6. Next generation of plant-based products: It has been enough to be plant-based, now the products need to taste good and sell. There are opportunities for products that perform like the products they are designed to replace. Plant-based is not enough anymore.
7. Reduce logistics costs: Products need to get from where they are produced to the shelf and it is costing more all the time. Retailers might entertain creative solutions such as fewer deliveries of more products, to share some benefits.
8. Accountants will have more input: Retailers are facing higher interest rates like everyone else. The cost of inventory and when it is paid for will be under more focus and pushed to the limits.
9. Communication is evolving: Some retailers are back with in person meetings and others prefer video. Keep an open mind. Remember they are all different.
10. Watch your category: With sales declines in retail, food inflation and focus on inventory, a lot might change. There could be a lot of pressure to drive private label, reduce SKUs and focus on items that sell. Spend time in the stores and talk to your customers about how to deliver sales growth.