

EXECUTIVE SUMMARY

This paper provides four recommendations, with actionable items, for Canadian grocery retailers to best handle the consumer consumption changes that came due to COVID-19. To understand the value in this report, background information has been provided which focuses on the consumer trends before, during, and after the pandemic, as well as a market scan. Key trends are then highlighted to strengthen the understanding of value. The two key trends this paper focuses on include sustainability growth and the shift in buying channels. There are several key takeaways from each key trend. From sustainability, it is noted that consumers are willing to spend more on locally sourced items, they actively look to shop for non-plastic packaging, and most Canadians buy organic products weekly and are willing to pay more for it. The key takeaways with regards to the shifting buying channels include the fact that there is a \$5 billion online market to secure, and that the younger generations are more likely to use online buying channels. Finally, the recommendations and actions have been developed to show what the next steps entail. The four recommendations this paper provides are as follows:

1. Grocery retailers should invest and place a greater emphasis on increasing the sustainability of products sourced, and rethink operations throughout the supply chain.
2. In-store, grocery retailers should more prominently market sustainable products to customers and focus on setting achievable packaging goals.
3. Invest in e-commerce buying channels through operations and digital platforms to support and take advantage of the rapid growth in this market.
4. Grocery retailers should invest in and embrace technology to create a faster and more integrated shopping experience.