

November '25

Success Story

Salty Snacks Commercial Building Blocks to Growth

Note: Disguised Brand Case Study



Project Objective: Roadmap for Salty Snacks future vision

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Our Salty Snacks Vision

- Our vision is to grow our brand revenue by 15 % in the next 3 years

Project Objectives

- Develop a Salty Snacks roadmap for growth, clearly defining the opportunity spaces, the size of prize, and what needs to be true to realize the opportunities

Approach

- Bottoms up benchmarking & feasibility analysis was done against category leaders at market x channel x pack level
- Driver opportunities: **Existing Pack Distribution, Velocity, and Premiumization** as well as **White Space for New Packs**
- Filtered based on major themes and market knowledge/context



The Challenge: A significantly different pack mix vs. the category

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% of Retail Sales by Market (Salty Snacks)

Brand A

Small				Medium				Large				Multi	
0g-32g	32g-60g	60g-80g	80g-100g	100g-120g	120g-140g	140g-160g	160g-180g	180g-250g	250g-350g	350g-450g	450+ g	Multi Pack	
0%	1%	12%	0%	0%	3%	57%	0%	6%	0%	0%	0%	21%	
0%	0%	1%	0%	0%	4%	65%	0%	17%	0%	0%	0%		
0%	4%	2%	0%	0%	1%	0%	15%	78%	REGION 1– Misses out on large sharing pack sizes				
0%	0%	0%	0%	0%	0%	0%	6%	93%	REGION 2– Pack Sizes are centered around larger pack sizes, while the category has a much higher mix among smaller medium + small packs				
0%	1%	REGION 3– Under-indexes the category in small pack sizes				6%	21%	77%					
0%	0%	0%	1%	73%	23%	3%	0%	0%	0%	0%	0%		
0%	42%	12%	0%	0%	43%	1%	0%	2%	0%	0%	0%		
0%	38%	0%	2%	59%	0%	0%	REGION 4– >50% of Brand A mix is in medium, whereas the category is mostly small				0%	0%	
0%	42%	0%	2%	53%	0%	2%					0%	1%	

Salty Snacks Category

Small				Medium				Large				Multi	
0g-32g	32g-60g	60g-80g	80g-100g	100g-120g	120g-140g	140g-160g	160g-180g	180g-250g	250g-350g	350g-450g	450+ g	Multi Pack	
1%	2%	8%	5%	3%	2%	6%	3%	23%	17%	10%	6%	14%	
1%	1%	2%	7%	5%	10%	6%	5%	53%	18%	4%	3%	4%	
2%	15%	7%	4%	1%	3%	14%	6%	9%	1%	0%	0%	39%	
0%	1%	8%	11%	5%	10%	6%	28%	24%	4%	0%	1%	2%	
0%	2%	4%	6%	7%	13%	7%	12%	36%	6%	1%	2%	6%	
1%	16%	32%	23%	10%	3%	6%	8%	0%	1%	0%	0%	0%	
3%	35%	25%	6%	5%	2%	3%	8%	7%	3%	1%	0%	0%	
2%	41%	30%	5%	8%	4%	6%	4%	0%	0%	0%	0%	0%	
13%	50%	16%	1%	10%	0%	3%	0%	0%	0%	0%	0%	7%	

Markets disguised

Insight: To achieve our ambition, we fundamentally need to change the shape of our portfolio

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Current Pack Mix:

Future Pack Mix:

Product A Region 1:
Diversify small packs and expand into large packs

	Product A Region 1 Pack Mix	Product A Rest of World Pack Mix	Salty Snacks Global Pack Mix
0-32g Single	0%	0%	1%
32-60g Single	1%	8%	8%
60-80g Single	11%	1%	11%
80-100g Single	0%	0%	6%
100-120g Single	0%	13%	4%
120-140g Single	3%	5%	3%
140-160g Single	58%	1%	6%
160-180g Single	0%	9%	5%
180-250g Single	7%	62%	20%
250-350g Single	0%	0%	12%
350-450g Single	0%	0%	6%
450+ g Single	0%	0%	4%
Multi Pack	21%	0%	12%
0-32g Single	0%	0%	
32-60g Single	0%	11%	
60-80g Single	18%	5%	
80-100g Single	0%	3%	
100-120g Single	0%	11%	
120-140g Single	2%	8%	
140-160g Single	32%	2%	
160-180g Single	0%	5%	
180-250g Single	7%	51%	
250-350g Single	16%	0%	
350-450g Single	0%	0%	
450+ g Single	0%	0%	
Multi Pack	25%	2%	

Product A Rest of World:
Shift towards smaller pack sizes

We identified \$2.1B in total opportunity

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Global Opportunity

Markets disguised

White		Price	
Existing	Space	Velocity	Premium
\$104	\$416	\$569	\$65
\$9	\$7	\$	\$
\$106	\$43	\$24	\$
\$	\$52	\$42	\$
\$	\$38	\$213	\$31
\$	\$32	\$42	\$
\$14	\$16	\$	\$
\$50	\$37	\$	\$
\$56	\$38	\$	\$

Global Opportunity – By Channel

Markets disguised

Modern	\$733	\$396	\$66	\$51
HFS	\$357	\$122	\$2	\$122
Traditional	\$	\$	\$35	\$9

“The Pachinko™ Model helped us **disaggregate drivers of growth in ways we hadn't seen before**. It opened our eyes to **new ways we could drive growth** for one of our biggest brands while serving as a foundation for the size of the prize. We've used the results as an input to **help shape our long-term strategy** for this brand.”

Senior Director Strategy, Fortune 500 Food Company

Example of Opportunity: Large Sharing and Multi Packs

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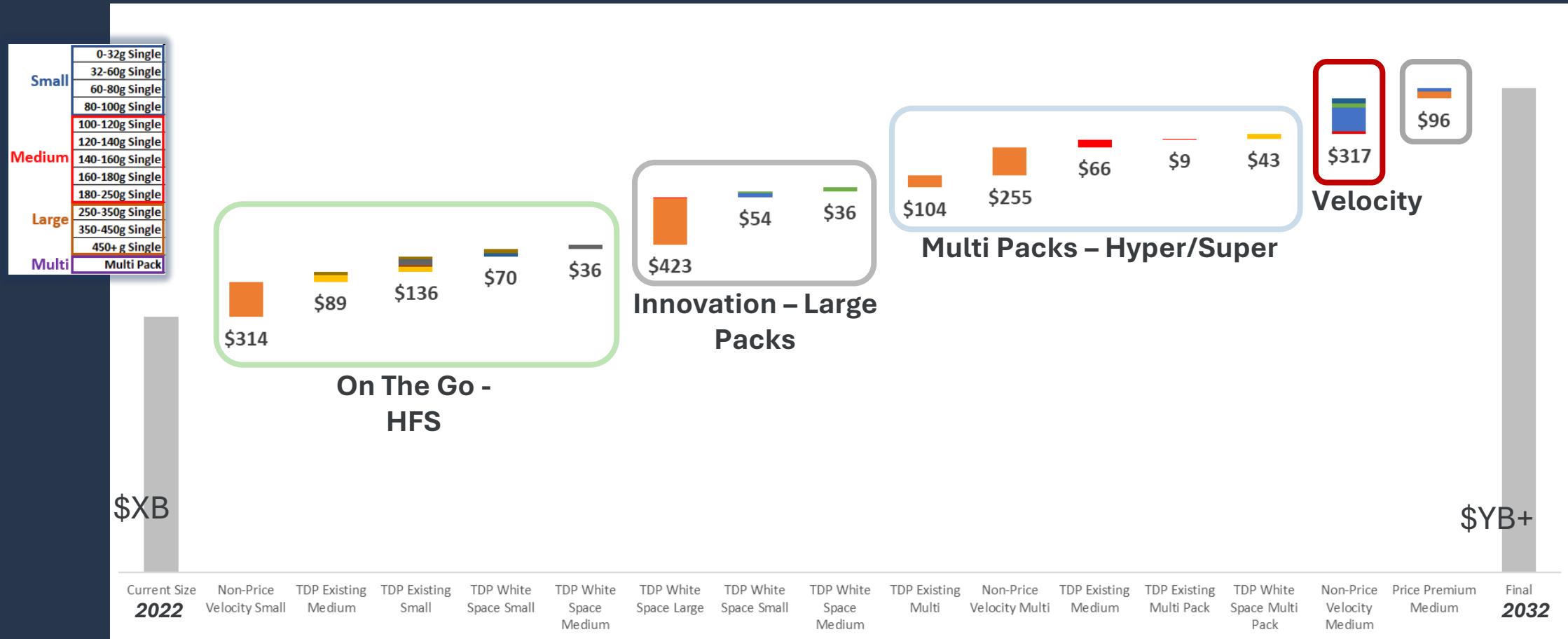
Opportunity \$	Market	Pack Size	Driver	Type	Reasons to Believe
XXX	XXX	Large (250-350g)	TDP White Space	Transformative	Large Packs (8.8-15.9+ oz) is 1/3 rd of the category. Product A's current pack mix does not satisfy this part of the market. We've identified opportunities in the Food and Mass channel for these sizes, particularly 8.8-12.3 oz and 12.3-15.9 oz.
XXX	XXX	Multi Pack	TDP Existing	Runway	The benchmark Multi Pack brand, Product B, dominates this space. Product A is well suited to take advantage by increasing distribution in the Food channel, as well as further increasing the mix of multi-flavor packs
XXX	XXX	Multi Pack	TDP White Space	Transformative	Multi Pack is 39% of the category, yet Product A doesn't offer it. Huge retail opportunity and current flavor mix is well-aligned with the multi packs of the category
XXX	XXX	Multi Pack	TDP Existing	Runway	13% of Product A's mix is in multi packs, Product C is the benchmark brand with much higher distribution among these packs. 2/3 of the opportunity comes from discount. Benchmark brand's multi packs are >90% variety packs
XXX	XXX	Large (350-450g)	TDP White Space	Transformative	25% of Category plays in Large Packs (250-450+ g), Product A has no current packs to meet this need. Flavors well-aligned to take advantage

The team's "big bets" reflected in a global growth scenario

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Retail Opportunity \$ Millions

Global Product A Opportunity Drivers



2 Years Later...

Dive Brief

Product A leads the pack as Company A touts sales growth

The snacking company's CEO John Doe told investors the chip brand is driving volume improvements in North America

Published Aug. 2, 2024

Company A's volumes in North America improved 2% in its most recent quarter, which Doe attributed largely to Product A. The company's move to increase distribution and shelf availability of the chips paid off, he said.

Product A-Maker Beats Quarterly Sales, Profit Estimates on Steady Demand

By Reuters | Oct. 31, 2024, at 9:26 a.m.



Popping the lid on Product A's playbook



"Since acquiring the Product A brand, the business has more than doubled," Doe said. "Net sales for the brand now top \$3 billion ... and the rate of growth has accelerated. If you look at the cycles here from low single digit, during our integration years, and mid-single-digit pre-pandemic, and more recently, double-digit growth rates.

"To the extent that a \$4 billion milestone is now very much in our sights and that did not happen by accident. We've made intentional choices to invest in fueling that growth through brand building and innovation through distribution and the capacity to create that growth momentum."

And of course...

Company B agrees to buy Product A maker in \$x billion deal

By Hanna Zlady, CNN

2 minute read · Updated 8:50 AM EDT, Wed August 14, 2024