

From: Jeffrey Sleete
Sent: Monday, June 5, 2023
Subject: Express Checkout 6/5/23

Mondays: Express Checkout

Links to the previous weeks most pertinent business category news that are easily digestible and can be used as seeding material for clients and prospects; conversation starters for sales calls; category targeting and more! Article titles are listed, and you decide what to read and when/file/pass - assign to your sales team

Confidence slips in May; consumers 'gloomy'

<https://chainstoreage.com/confidence-slips-may-consumers-gloomy>

U.S. consumer confidence fell to 102.3% in May, the lowest level since last November, according to The Conference Board. The Index now stands at 102.3, down from an upwardly revised 103.7 in April. Consumers also became more downbeat about future business conditions. The *Expectations Index* has now remained below 80 (the level associated with a recession within the next year), every month since February 2022, with the exception of a brief uptick in December 2022. Although consumers also became more downbeat about future business conditions, which weighed on the expectations index, expectations for jobs and incomes over the next six months held relatively steady.

Holiday sales surprise: Here's how 6 retailers found Memorial Day

<https://www.furnituretoday.com/retailers/sales-and-surprises-heres-how-6-retailers-found-memorial-day/>

Retailers were hoping that a good Memorial Day weekend could generate sales and momentum and springboard them into a strong second half of 2023. Most were hopeful that they could at least come close to 2022's figures, while others thought they could come out ahead. Overall it was a good holiday event.

Tesla Had the World's Top-Selling Car for the First Time

<https://www.businessinsider.com/tesla-worlds-top-selling-car-first-time-q1-2023-5>

Tesla's Model Y outsold all other vehicles in the first quarter this year. That's according to estimates from firm JATO Dynamics, as reported in enthusiast publication Motor1. For the first time, an electric car was the top-selling vehicle around the world in the first quarter.

According to JATO and Motor1, this is how the estimates stack up:

Vehicle model	Q1 Global Sales
Tesla Model Y	267,200
Toyota Corolla/Levin/Allion/Lingshang across body-types	256,400
Toyota Hilux	214,700
Toyota RAV4/Wildlander	211,000
Toyota Camry	166,200

Survey reveals online restaurant and alcohol ordering trends habits

<https://chainstoreage.com/survey-reveals-online-restaurant-and-alcohol-ordering-trends>

The surveys revealed the following trends in online restaurant and alcohol orders:

- In 2023, low fees rose to the top as the most important feature when choosing a restaurant delivery method, compared to a good ordering experience in 2022.
- Menu selection (55%) and menu pricing (51%) are the top two things respondents look for when trying out a new restaurant for delivery, takeout, or pickup.

- Almost one in five (18%) respondents are ordering on-demand alcohol delivery to save money. Among respondents who order alcohol delivery, nearly seven in 10 order alcohol online at least monthly.
- Going to a third-party app or website takes the top spot (34%) when it comes to the process of selecting somewhere to order food for delivery or takeout, beating out online search (16%) or going directly to a restaurant's app/website (22%).
- The most popular time to order alcohol online for delivery or pickup is 6 p.m. local time. Fridays and Saturdays are the most popular days to order alcohol for pickup and delivery.
- Most orders for restaurant delivery are during lunch (11 a.m. - noon) and dinner (5 - 7 p.m). However, the biggest growth in orders within all timeframes year-over-year is late night/early morning (midnight to 5 a.m.).

Restaurants expect strong sales this summer. Consumers aren't so sure
<https://www.cnbc.com/2023/05/29/restaurants-see-strong-summer-sales-while-consumers-fear-inflation.html>

- Restaurants are expecting a boom in sales this summer, but consumers are still concerned about inflation.
- Last year, restaurant sales in May, June and July were tepid as higher gas prices and concerns about the economy weighed on consumers.
- Roughly a third of consumers surveyed by Datassential plan to dine out less over the next month, and about half plan to maintain their current restaurant-spending habits.

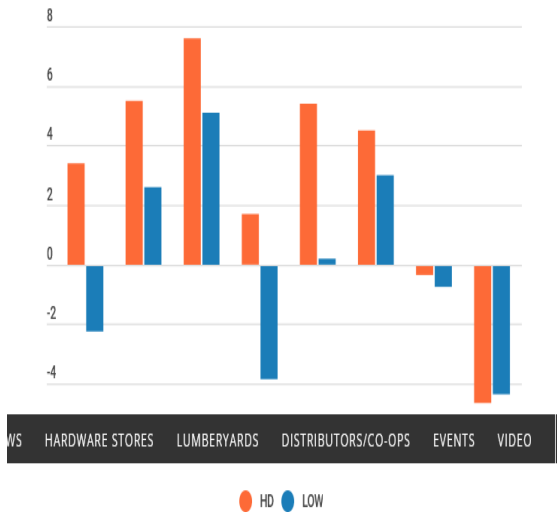
Inflation is moderating but consumers remain very price sensitive, Circana says
<https://www.cstorediver.com/news/inflation-price-hikes-large-slowing-circana/651501/>

The increase in the cost of items in convenience stores slowed down in the first quarter of 2023 for the first time in almost two years, according to the U.S. C-Store Landscape Q1 2023 report from Circana. Still, consumers remain highly price sensitive after more than a year of record inflation rates, with more than three quarters of those polled by Circana saying they plan to buy more value brands in the next six months. Private label sales continued to see gains, up 7% quarter over quarter, but that lagged the growth among national brands for the same three months. It's the first time in over a year that private label has grown slower than national brands, the report showed.

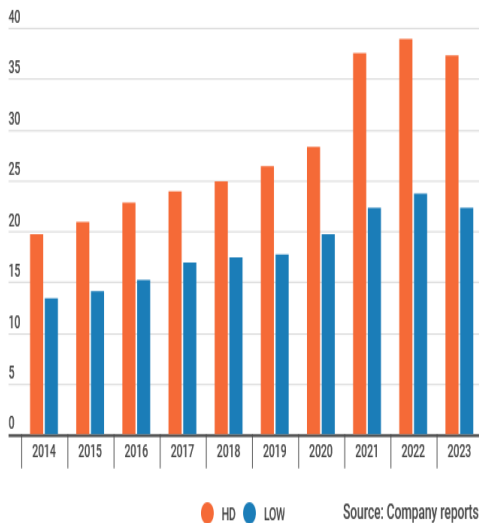
Home Depot vs. Lowe's: Q1 recap
<https://tinyurl.com/3sz95ut4>

HD vs. LOW: Q1 performance

A dip in comparable-store sales



A decade of first-quarter sales (in \$billions)



Survey: Luxury spending focus shifts to travel, savings

<https://chainstoreage.com/survey-luxury-spending-focus-shifts-travel-savings>

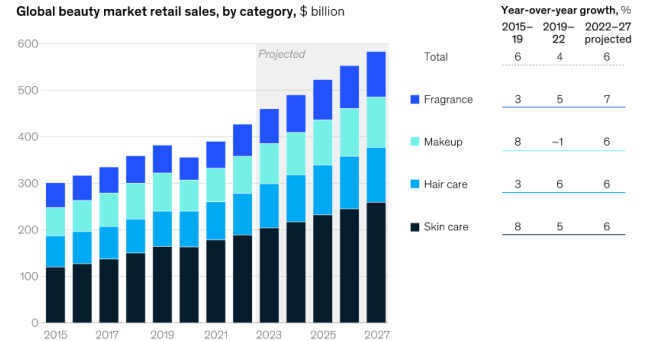
Consumers are prioritizing savings and travel amid concerns about the economy. That's according to the latest *Saks Luxury Pulse* survey, which found that

respondents feel concerned (60%) about the overall economy, yet optimistic (67%) about their personal financial situation.

The beauty market in 2023: A special State of Fashion report

<https://www.mckinsey.com/industries/retail/our-insights/the-beauty-market-in-2023-a-special-state-of-fashion-report>

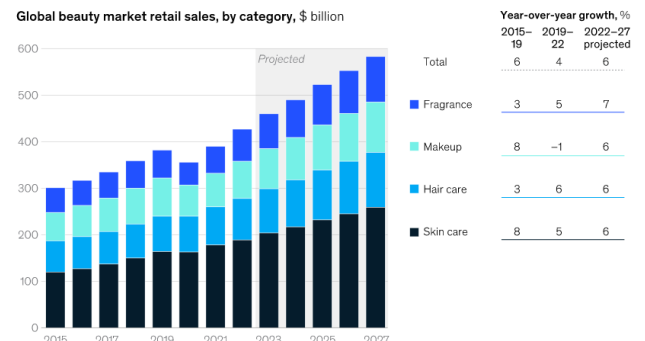
The four main beauty categories are projected to grow in the next few years.



Source: Euromonitor; McKinsey analysis; McKinsey Global Institute analysis

McKinsey & Company

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Source: Euromonitor; McKinsey analysis; McKinsey Global Institute analysis

McKinsey & Company

The Real Reason Your Groceries Are Getting So Expensive

<https://www.nytimes.com/2023/05/29/opinion/inflation-groceries-pricing-walmart.html>

Big retailers are exerting financial control over suppliers to hobble smaller competitors. The effect is a retail and food environment of inflated prices, high profits, and often unhappy consumers.

Larger fresh assortments take center stage at remodeled stores

<https://www.grocerydive.com/news/larger-fresh-assortments-take-center-stage-at-remodeled-stores-1/651533/>

Boosting fresh assortment and marketing fresh has become a major focus for grocery remodels and new store builds in recent years.

Report: Bidders reportedly interested in BuyBuy Baby

<https://chainstoreage.com/report-bidders-reportedly-interested-buybuy-baby>

In addition to an unknown bidder, the interested parties in BuyBuy Baby include online baby registry Babylist, which will open its first permanent brick-and-mortar store this summer, in Beverly Hills, Calif. Babylist CEO Natalie Gordon confirmed to CNBC that the company wants to buy BuyBuy Baby's trademark and domain. The unknown bidder, according to the CNBC report, wants to purchase the brand as a going concern and keep about 75% of its stores open.

America's quit boom is over

<https://www.axios.com/2023/05/31/great-resignation-quitting-boom>

What they're saying: "We are pretty much back to a strong, robust labor market, but one that is no longer overheating," says Julia Pollak, an economist at ZipRecruiter. "One that isn't plagued by widespread labor shortages that are wreaking havoc across the economy, and causing firms to offer off-cycle wage increases and dispense of all hiring requirements. The deck isn't totally stacked in jobseekers' favor anymore."

Affluent investors offer opportunities for wealth management

<https://www.financial-planning.com/news/affluent-investors-offer-opportunities-for-wealth-management>

For obvious reasons, wealth managers tend to focus on high net worth clients. But in the future, there may be more opportunity in pursuing a different kind of investor: the rich but not superrich. New research shows that while the world's ultrawealthy population is shrinking, the moderately wealthy are growing.

Lack of Existing Inventory Boosts Builder Confidence to Key Marker

<https://www.nahb.org/news-and-economics/press-releases/2023/05/lack-of-existing-inventory--boosts-builder-confidence-to-key-marker>

Limited existing inventory, which has put a renewed emphasis on new construction, resulted in a solid gain for builder confidence in May even as the industry continues to face several challenges, including building material supply chain disruptions and tightening credit conditions for construction loans.

Political Paper Clip:

Presidential Primary Spending Analysis: Comparing 2020 and 2024

AdImpact

The political landscape for the 2024 Presidential race looks incredibly different than it did in 2020, despite the great possibility it will feature a rematch between Donald Trump and Joe Biden. The 2020 Presidential election saw over \$3B, making it the most expensive American election in history. While it may be tough for the 2024 race to ultimately beat it out, Presidential spending is already outpacing that of last cycle. Democrat and Republican advertisers are using different messaging and spending strategies than they did in 2019. We have already seen \$49.5M in Presidential spending this year.

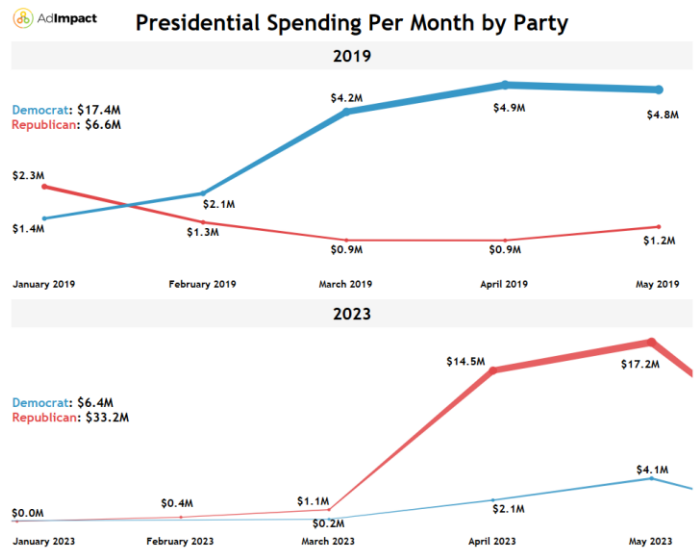
The odd year preceding a presidential election is crucial for the party not in power. By May 2019, there were seven Democrat candidates who had already spent over \$1M on advertisements. At the time, more than twelve Democrat candidates had announced their candidacy. So far this year, there are nine Republican candidates who have announced with an unclear frontrunner. Several other announcements are pending. Former President Donald Trump and Florida Governor Ron DeSantis are currently the top contenders for the RNC nomination, which is shaping up to be a grueling battle in the months leading up to the primaries. The upcoming election will be one of, if not the most, expensive election in American history.

Between January and May 2019, Democrat candidates and PACs spent a total \$17.4M in ads. The top spenders during that time were Elizabeth Warren (\$2M), Kamala Harris (\$1.7M), Bernie Sanders (\$1.4M), and Joe Biden (\$1.3M). Spending from issue groups was relatively minimal. The highest spender was Act Now on Climate with \$700K on ads supporting Jay Inslee. On the Republican side, Donald Trump spent \$2.1M on ads and his affiliated PAC, the Trump Make America Great Again Committee, spent \$4.3M. Most of Trump's ads were digital advertisements on Facebook and Google.

In 2023, there has been significantly more spending from the party seeking the White House. Republican groups and candidates have spent a total \$33.2M, totaling \$15.8M more than Democrat advertisers spent in 2019 (January-May). The two top spenders are the Trump-backed MAGA Inc. PAC with \$15.7M and Never Back Down, a PAC supporting Ron DeSantis (before his official announcement), with \$10.8M. The two PACs make up nearly 80% of 2023 spending on the GOP side. Incumbent

President Joe Biden has seen about \$6.2M in support from his campaign, a coordinated buy with the DNC, the Biden Victory Fund, and several other PACs.

In the first five months of 2019 and 2023, the party with contested primaries saw significantly more spending than the party holding the presidency:



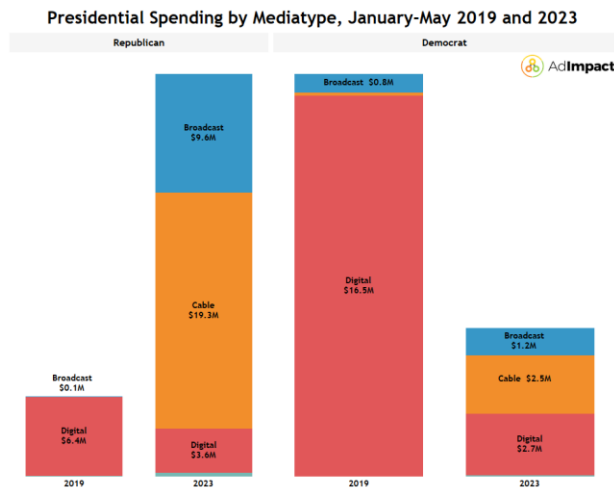
Between January and May 2019, Democrats and Republicans both prioritized digital advertising over traditional media (broadcast, cable, radio, and satellite). Democrats spent \$16.5M on digital advertisements (primarily on Facebook and Google) and about \$800K on broadcast ads during that time frame. Nearly 94% of Democrat total ad spend was on digital. Similarly, digital advertising made up 97% of Republican Presidential spending.

Through May 2023, both parties seem to be utilizing different advertising strategies than last cycle. Republicans and Democrats are more heavily investing in traditional media this year, particularly with ads on cable. While there is significantly more total spending thus far this cycle, digital ads make up only 10% of total

Republican Presidential spend, and 42% for Democrats.

Cable advertisements have been the most popular media type for 2023 Presidential spending, with nearly 58% of Republican ads and 39% of Democrat ads placed on cable. Of the nearly \$22M spent on cable, over 83% was purchased at the network level, meaning the ads aired nationally.

Below is a breakdown of media types used by both parties in 2019 and 2023:



So far, ad messaging in this cycle is very different compared to 2019, especially on the Republican side. Trump’s recent advertisements on Facebook have primarily focused on his indictment in New York, claiming the “Radical Left Democrats have been engaged in a witch hunt to destroy our movement”. This ad targeted the entire US and was shown the most in Texas, Florida, and California. On cable and broadcast, ads from MAGA Inc. have solely focused on attacking DeSantis. There has been minimal messaging about policy or national issues going into 2024 from the former President. In May 2019, Trump’s digital ads focused largely on the border and building a wall.

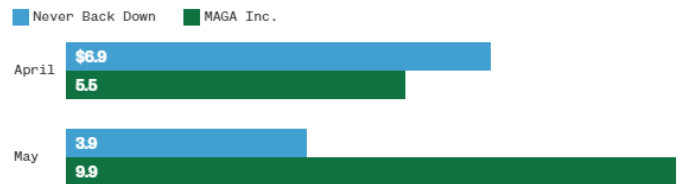
To date, Trump has seen \$18.6M in support, DeSantis \$11.2M, and Tim Scott \$8.5M.

As the 2024 primaries quickly approach, the standing question is who will face Joe Biden next November. Although Trump and Biden rarely agree, they both recognize the threat of Ron DeSantis’ candidacy. DeSantis has risen to stardom within the Republican Party and poses a serious threat to Trump’s RNC nomination. DeSantis officially announced his candidacy on May 24th. Spending from MAGA Inc. and Never Back Down have dominated spending in this race so far, outspending any Democrat candidate or PAC in January through May 2019 by millions. We will surely see millions more poured into the presidential race by these two PACs.

●

Pro DeSantis super PAC ad spending has slowed in recent weeks

The pro-DeSantis Never Back Down has been outspent by another group backing Trump in recent weeks.



Notes: Numbers in the millions
Source: AdImpact • [Download image](#)

Bonus: Here are some new location announcements that may impact you. Worth a scope...

H&H Bagels extends reach outside of New York – here’s where

<https://chainstoreage.com/hh-bagels-extends-reach-outside-new-york-heres-where>

The newest locations, which will be a combination of company-owned and franchised stores, are planned for Florida,

California, Washington, D.C., Virginia, Illinois and Connecticut

An Applebee's franchisee is buying Corner Bakery for \$15M

<https://www.restaurantbusinessonline.com/franchising/applebees-franchisee-buying-corner-bakery-15m>

SSCP Management, owner of Roy's and a co-owner of Cici's, won a bankruptcy auction for the fast-casual bakery/café chain.

Nick the Greek Proudly Reaches 60-Store Milestone and Tracks Toward 80 Restaurants by End of 2023

<https://www.restaurantnews.com/nick-the-greek-proudly-reaches-60-store-milestone-and-tracks-toward-80-restaurants-by-end-of-2023-053023/>

Nick the Greek proudly maintains 50+ locations throughout California, along with restaurants in Nevada, Arizona, Texas, Kansas and Utah. As the brand grows strategically in the Western United States, its sights are set on Missouri as its next state debut, with additional development activities currently underway in many existing markets.

Salad and Go Opens 100th Store

<https://www.qsrmagazine.com/news/salad-and-go-opens-100th-store>

Salad and Go, with stores now spanning Arizona, Texas, Oklahoma and Nevada, is on track to have more than 135 locations open by the end of 2023.

Mighty Quinn's Launches Franchising Initiative

<https://www.qsrmagazine.com/news/mighty-quinns-launches-franchising-initiative>

As the brand sets sights on new horizons, the New York-born concept known for delivering unforgettable wood-smoked barbeque plans

to grow its culinary phenomenon in states such as New York, Maryland, Florida, Boston, Virginia, Atlanta and Tennessee. The brand is projected to open approximately seven to ten new locations by the end of 2024.

Pinstripes bowling and bistro concept lands investment from Granite Creek Capital

<https://www.restaurantbusinessonline.com/franchising/pinstripes-bowling-bistro-concept-lands-investment-granite-creek-capital>

The Northbrook, Ill.-based chain has not added new locations since 2019, according to Technomic data. But it is currently building six that are expected to open within the next 12 months. The undisclosed funding from Granite Creek will help finance the expansion.

'Cook-it-yourself' Asian chain GEN Korean BBQ plans an IPO

<https://www.restaurantbusinessonline.com/franchising/cook-it-yourself-asian-chain-gen-korean-bbq-plans-ipo>

GEN hopes to keep building new restaurants. It opened three locations last year and has deals for nine other locations, in Hawaii, Florida, Arizona, Texas, Seattle, Dallas and California. It is also eyeing other markets including Oregon, Georgia, Virginia, Utah and the District of Columbia.

New Build-A-Bear partnership will add 4 water park locations

<https://www.ksdk.com/article/news/local/business-journal/build-a-bear-workshop-to-open-4-water-park-stores/63-1a96c84e-4622-4ff2-b67e-c01721277c78>

The new Build-A-Bear stores will open at the end of the month in each of Kalahari's four resorts: Wisconsin Dells, Wisconsin; Sandusky, Ohio; Pocono Manor, Pennsylvania; and Round Rock, Texas