Promoting the Case for Eggs

Increase Traffic
Build Incremental Sales
Drive Profits Storewide
Increase Storewide Sales

- Used in cooking a variety of meals or prepared on their own, eggs are versatile and used in conjunction with many other items.
- Eggs generate impulse sales — even if they hadn’t planned an egg purchase consumers will buy eggs on sale.

<table>
<thead>
<tr>
<th>The Breakfast Basket</th>
<th>Retail</th>
<th>Margin%</th>
<th>Profits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spices</td>
<td>1.99</td>
<td>33</td>
<td>0.66</td>
</tr>
<tr>
<td>Bacon</td>
<td>4.99</td>
<td>25</td>
<td>1.25</td>
</tr>
<tr>
<td>Orange Juice</td>
<td>3.79</td>
<td>29</td>
<td>1.10</td>
</tr>
<tr>
<td>Cheese</td>
<td>3.59</td>
<td>29</td>
<td>1.04</td>
</tr>
<tr>
<td>Salsa</td>
<td>2.99</td>
<td>27</td>
<td>0.81</td>
</tr>
<tr>
<td>Frozen Potatoes</td>
<td>2.59</td>
<td>35</td>
<td>0.91</td>
</tr>
<tr>
<td>Bread</td>
<td>2.49</td>
<td>35</td>
<td>0.87</td>
</tr>
<tr>
<td>Butter</td>
<td>4.99</td>
<td>22</td>
<td>1.10</td>
</tr>
<tr>
<td>Mushrooms</td>
<td>1.89</td>
<td>35</td>
<td>0.66</td>
</tr>
<tr>
<td>Total</td>
<td>$29.31</td>
<td>29%</td>
<td>$8.40</td>
</tr>
</tbody>
</table>

Seven out of 10 consumers purchase additional items, most of which are high margin products.

Promoting Eggs Promotes Profits

Supermarkets can maximize eggs’ profit potential through aggressive promotion programs. A recent study developed for the American Egg Board by Wisner Retail Marketing makes the case for promoting eggs.

Attract New Customers

- Over half of customers buy eggs on sale. They shop where eggs are advertised, compare egg prices and change their purchase based on price.
- 95% of U.S. households buy eggs, primarily from supermarkets. Eggs reach more consumers and are one of the most popular categories in the store!

<table>
<thead>
<tr>
<th>Non-Egg Customers</th>
<th>$21.17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egg Customers</td>
<td>$42.54</td>
</tr>
</tbody>
</table>

Egg purchasers spend over 100% more storewide than non-egg customers. Eggs attract the highest spending shoppers!

High-spending customers, increased incremental sales and higher
Drive Incremental Sales

- Egg promotions do not merely shift sales from one item to another. Non-sale items retained 88% of their normal volume when eggs are on sale.
- Whether the promotion is a price reduction, multiple purchase offer, BOGO purchase or coupon, the result is the same: an average category increase of 79%.
- Eggs return to a level as high as or higher than pre-sale norms in the two weeks following an egg promotion.
- Frequent egg promotions do not diminish the impact of the promotions.

Drive Extra Profits

- Eggs outperform many other key categories on promotion, such as chilled orange juice and branded laundry detergent.
- Strategic egg promotions drive sales and profits for the entire store.

Average gross margins on eggs have nearly doubled in the past five years, allowing retailers to run promotions and retain high margins.
Egg Promotions are your Best Promotions

Eggs are more than a commodity—they are a hot category with extraordinary profit potential. Frequent, strategic and efficient promotions result in increased sales and revenues for your entire store.

Promoting Eggs

• Attracts new and high-spending customers
• Increases sales throughout the store
• Generates incremental sales
• Drives greater retail profits

Promote, Promote, Promote!

Promote a Variety of Egg Items

• Stage at least six “hot” lead features each year.
• Promote every size and type of eggs at least once a year.
• Promote eggs a minimum of once a month.

Stage Seasonal Promotions

• Eggs are strong sellers throughout the year but during certain periods, such as after Easter and during summer, take advantage of seasonal events and promotional opportunities to drive sales.
• Work with your egg supplier to create exciting promotional programs.

Cross-Promote Eggs with Other Items

• Eggs in the cart mean other items in the cart, so cross merchandise eggs with produce, cheeses, breakfast meats, baking ingredients and other complementary—and typically high-margin—items.

Sell Eggs for Goodness Sake!

• Consumers now understand the health benefits of eggs, so help them discover their versatility and nutritional value. Provide meal suggestions, recipes, nutrition information and research to help pique their interest and boost sales.

For more information on promoting, merchandising and selling eggs, visit the American Egg Board at www.aeb.org, or call 847-296-7043.

The incredible edible egg®