



# 2023 CONSUMER PRODUCTS CHANNEL STRATEGIES



Tableware  
Party Basics

May 2022

# CP 2022 Big 6 Strategies

1.

**Drive  
Tableware  
& Party  
Basics**

Focus on new  
brand initiative  
w/optimized  
asst./POG options

2.

**Elevate  
Balloons**

Integrate Balloons  
into all strategic  
initiatives  
w/channel options

3.

**Return  
Specialty /  
Independent  
Party to  
Growth**

Focus on top  
existing product  
w/optimized  
asst./POG options

4.

**Explode  
Seasonal  
w/Displays**

Focus on off-shelf  
shopper programs  
to drive  
incremental  
business

5.

**Expand  
Halloween**

Focus on top  
wearables, décor,  
costumes, FOB,  
POGs

6.

**Open up new  
opportunities**

Drive growth  
through new  
opportunities by  
channel

# Vision & Value for Consumer Products

## VISION

BECOME A MARKETPLACE FOCUSED, VALUE-ADDED BRANDED ENTERPRISE THAT DELIVERS CONSISTENT AND SUSTAINABLE REVENUE GROWTH AND MARGIN EXPANSION TO BOTH OUR CUSTOMERS AND SHAREHOLDERS

2022  
Plan



**\$xxx MILLION**  
vs. \$xxxM LY ('21) +xx%



**\$xxx MILLION**  
vs. \$xxM LY ('21) +xx%

## VALUE OF SUCCESS

### GROWTH MANIFESTO – Big 6

Drive  
Tableware  
& Party  
Basics

Elevate  
Balloons

Return  
Specialty /  
Ind. Party  
to Growth

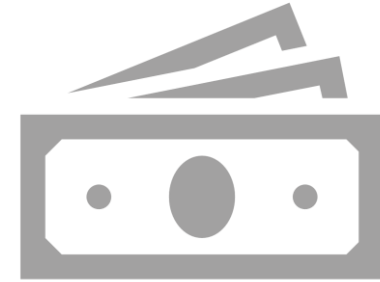
Explode  
Seasonal  
with  
Displays

Expand  
Halloween

Open up  
New  
Opportunities



# The retail marketplace for celebration products is massive and the category is expandable...



## Convenience or Routine Trip

The majority of channel outlets are used by shoppers as a Convenience or Routine Trip – reflecting an expandable category versus the Party channel (Destination)

## Awareness is Critical

Having a presence in every format is critical...Celebration Awareness!

## Huge Need for Insights

Many Retailers are not “managing” the Celebration category

## AMSCAN = Your “Go To” Partner

If Retailers are going to sell Party Supplies, Seasonal and Balloons, then Amscan should be your supplier!



# Consumers shop across multiple channels. Each channel fulfills a different set of needs on a given trip

**PartyCity**

Party Destination

Celebrations Expert

Assortment

**Food**



Convenient Location

Routine Trip

Pure Impulse

**Drug**



Convenient Location

Last-minute Need

Loyalty Programs

**Mass**



One-Stop Event Shop

Birthday destination

Value

**Online**



Availability

Assortment

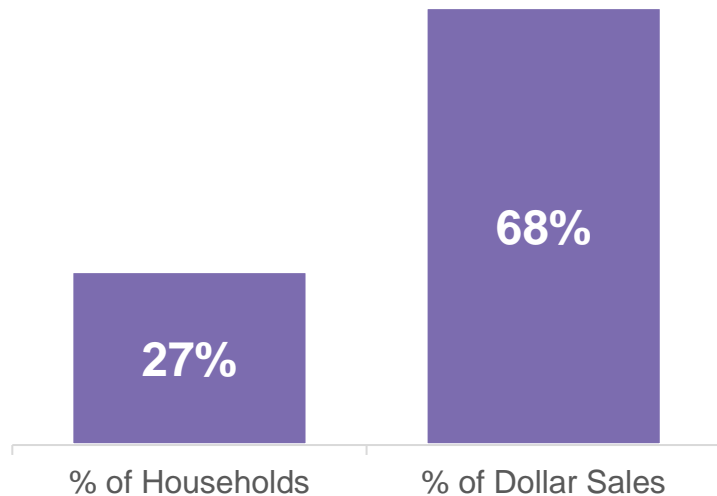
Value

To truly **Make Joy Easy**, PCHI must meet the shopper where she is –  
Across all channels during all trip types

# To continue growth, retailers should focus efforts on the most valuable celebrations category shoppers

## The most valuable shopper accounts for the majority of sales

The top 27% of households account for 68% of category sales



## She buys often and spends more per trip

Compared to all category shoppers, the most valuable shopper....

Makes more than **2X**  
**more trips** per year

**Spending 19%**  
**more** per trip

## She is a key demographic to attract and retain

Compared to all category shoppers, the most valuable shopper is more likely to be....

- Age 45-64
- Large Families
- High Income
- Holiday Shopper (greater shopping participation in all holidays except Passover and Hannukah)

Source: Numerator Insights, Food/Drug/Mass//Online – Annual 2021 , Tableware

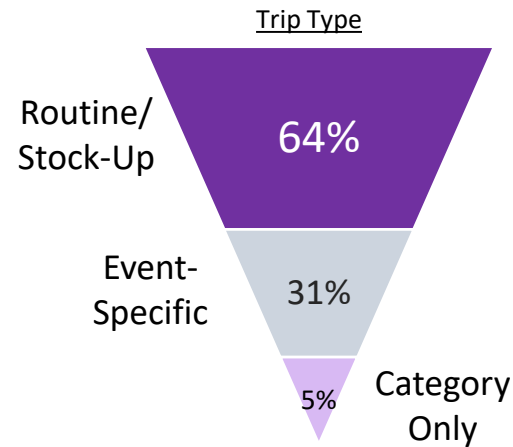
# In the Food Channel, Party Supplies is a basket builder, often purchased with food/beverage in the week of an event

## Shoppers who purchased Party Supplies in the Food Channel

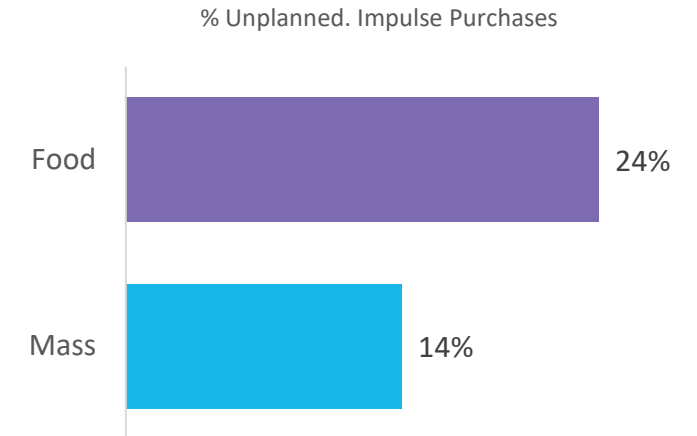
73% purchased within a week of the event



95% purchased other items on the trip



Impulse is more likely to drive purchase



# Including Party Supplies can Double the total basket size!

**Bakery, Deli and Alcohol are a few of the categories more likely to be in the basket together with Party Supplies.**

Average Basket Spend				
	Basket Affinity	Without Party Supplies	With Party Supplies	Difference
Bakery	229	\$64.58	\$163.53	+ \$98.95
Deli	209	\$76.44	\$163.87	+ \$87.44
Alcohol	113	\$61.83	\$159.31	+ \$97.48



# A Trip Mission is defined by the motivational factors that drive shoppers to shop, the context in which they shop and the shopping behaviors that drive their purchase decisions

## There are 4 Major Trip Missions in the Celebrations Category\*

### Planned for Product

Planned purchase, part of a routine trip or, occasionally, the only item in the cart.

More likely to be for a casual get-together with family at one's home.

### Event-Specific Stock Up

Planned purchase, part of a larger trip that includes other items for an event.

The event is often at one's home, with guests and over-indexes with birthday.

### Last Minute Run

Purchase is made within 48 hours of the event/occasion.

It is used in social events, over-indexing at someone else's home.

### Pure Impulse

Unplanned purchase.

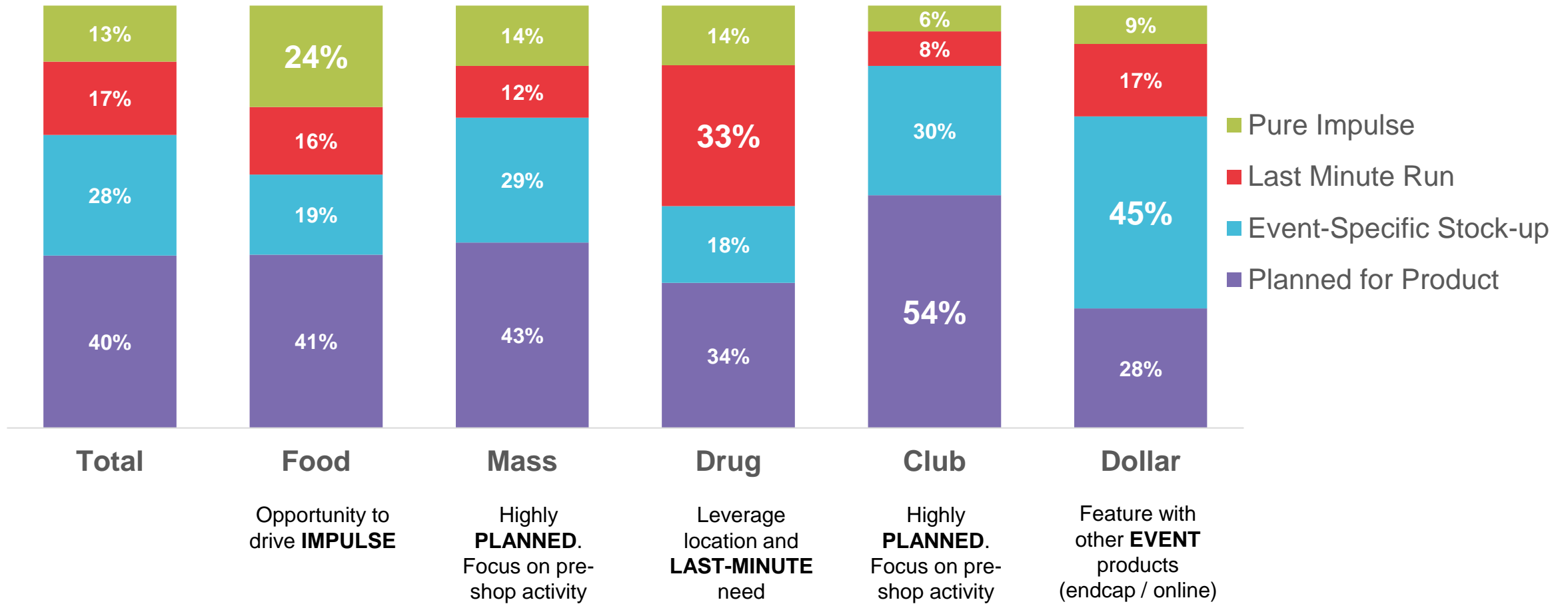
Often triggered by displays near other items that shoppers needed.

*\* Excludes Balloons, Channels = Food, Drug, Mass, Club, Dollar*

*Sources: Numerator proprietary PCHI path to purchase survey, Dec 2021*

# Understanding trip missions can help build channel-specific strategy

## Trip Mission by Channel






Source: proprietary Trip Driver research



**TABLEWARE**  
go brightly™

## go brightly™ is our Brand for FDMCC

The entire shopper experience for Celebration  
in FDM will be with go brightly!

TIER	BRAND	CHANNEL
Best	TBD	Party City, Specialty Channel
Better		Party City, Specialty Channel
Good		Food, Drug, Mass, Club, Convenience
Value		Value/Seasonal

# 2022 Vision and CP Strategy: go brightly™

## VISION

GO BRIGHTLY WILL PROVIDE OUR RETAIL CUSTOMERS WITH A WAY TO DELIGHT SHOPPERS WITH SIMPLE PLEASURES THROUGH AN OFFERING OF A WIDE RANGE OF CROWD-PLEASING SOLUTIONS THAT WILL BRIGHTEN THE DAY AND MAKE EVERY CELEBRATION [GO] BETTER.

## FOCUS

Everything we do is driven by evolving shopper needs that results in innovative, best-practice solutions to deliver customer satisfaction

## 2022 PLAN

Insert 2022 Financial Plan

## 2022 STRATEGIES

GO BRIGHTLY  
SELL IN  
(2,400+  
STORES)

WIN NEW  
CUSTOMERS  
IN FDM  
(TOP 15)

MAINTAIN /  
GROW  
EXISTING  
CUSTOMERS

FAST TRACK  
PLAN (2-3  
CUSTOMERS  
IN Q4)

EXPLORE  
NEW WHITE  
SPACE  
CUSTOMERS

PRICING  
ACTION

# 2022 Growth Strategies: Managing multiple growth levers to build success with the new go brightly™ brand launch

## GO BRIGHTLY SELL IN (2,400+ STORES)

- Build Channel/Customer solutions to address key shopper segments and channels
- Continuous improvement on the Brand Sell In Story based on customer meetings
- Assist and support with sales/educational materials that offer unique tools needed by team

## WIN NEW CUSTOMERS IN FDM (TOP 15)

- Solidify top customers for initial sell in for Go Brightly and top 150 skus
- Customize solutions for customers
- Focus CP Team on best-in-class approaches
- Leverage ONE BOX materials for sell in

## MAINTAIN / GROW EXISTING CUSTOMERS

- Swap existing skus for go brightly™
- Comprehensive program including incentive to switch with minimal cost during transition
- Program to include new planograms for all formats
- Build support plan to drive awareness & trial

## FAST TRACK PLAN (2-3 CUSTOMERS IN Q4)

- Identify top 2-3 retailers for early start
- Utilize a rapid execution team for activating program in store at accelerated pace
- Identify process to execute (broker, etc.)
- Determine retail activation needs (in store)

## EXPLORE NEW WHITE SPACE CUSTOMERS

- In 2H22, identify white space opportunities in new channels (DIY, Craft, etc.) for 2023 activation
- Build compelling selling story that reflects category leadership and strong value proposition
- Offer curated assortment based on channel needs

## PRICING ACTION

- Executed global pricing action 4/1/22 (Amscan)
- Utilized new pricing structure for go brightly™ pricing for launch
- Evaluating commodity/labor inputs to determine if additional pricing action is required

# go brightly™ 4 Year Plan







- ACV = Store count
- Revenue Plan
- Profit

- SKU Count (YOY build)
- Initial Distribution (existing customers)
- New Distribution (new customers)
- Expand # Customers
- Expand # stores
- Drive New Innovation

	2023	2024	2025	2026
	x,xxx \$xx.xMM \$x.xMM	x,xxx \$xx.xMM \$xx.xMM	x,xxx \$xx.xMM \$xx.xMM	xx,xxx \$xxMM \$xx.xMM
	xxx	xxx	xxx	TBD
		<ul style="list-style-type: none"><li>• go brightly + (Premium)</li><li>• go brightly Balloons</li><li>• go brightly New Opportunities</li></ul>	<ul style="list-style-type: none"><li>• go brightly Balloons (new innovation)</li><li>• go brightly New Opportunities</li></ul>	<ul style="list-style-type: none"><li>• go brightly New Opportunities</li></ul>

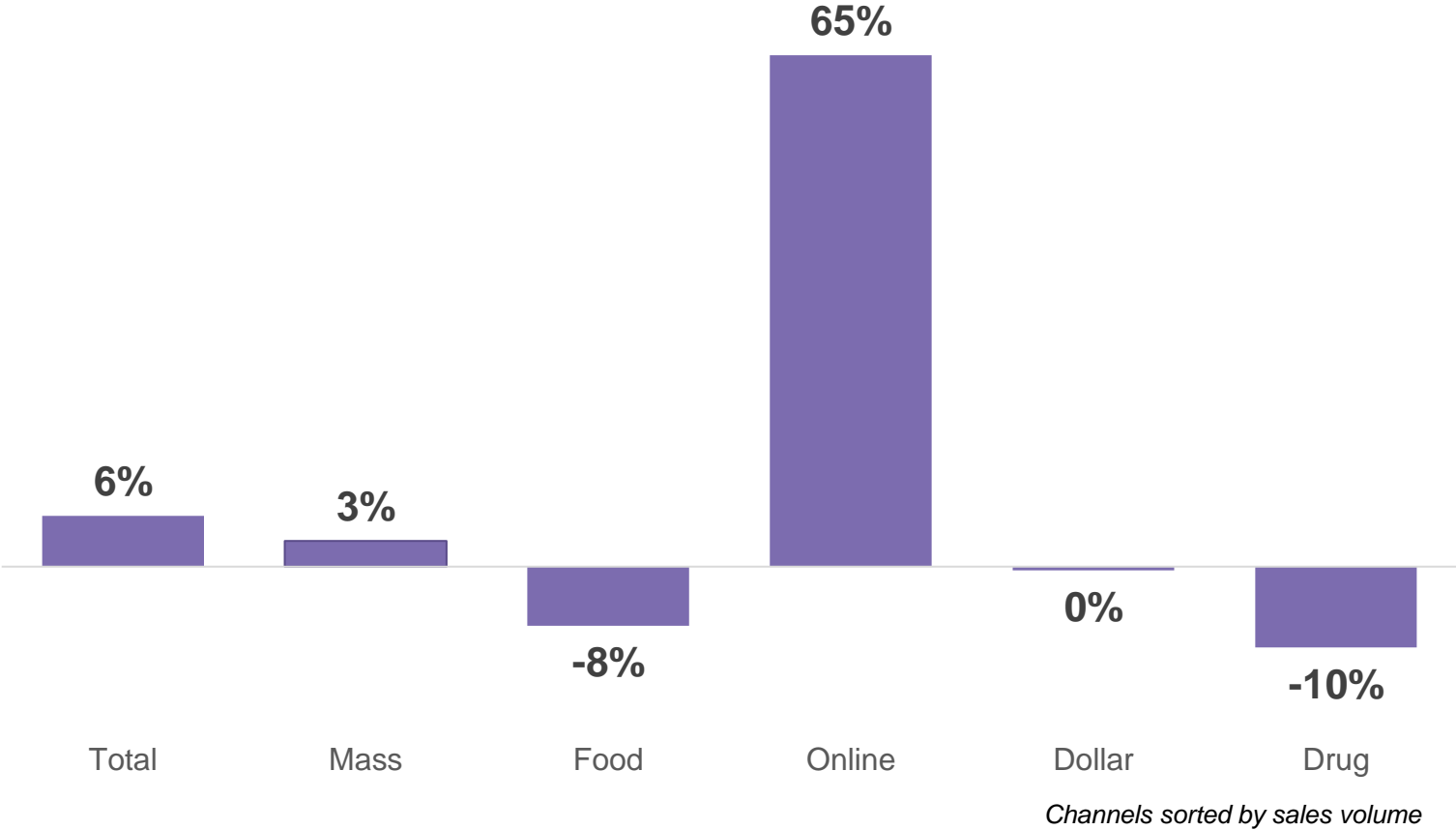
# Channel Strategies – Customer INITIATIVES (go brightly™)

Customer	Initiative	Objective	Progress to Date	Barriers to Progress	Expected Outcome	Timeline	Help Needed?
							
							
							
							



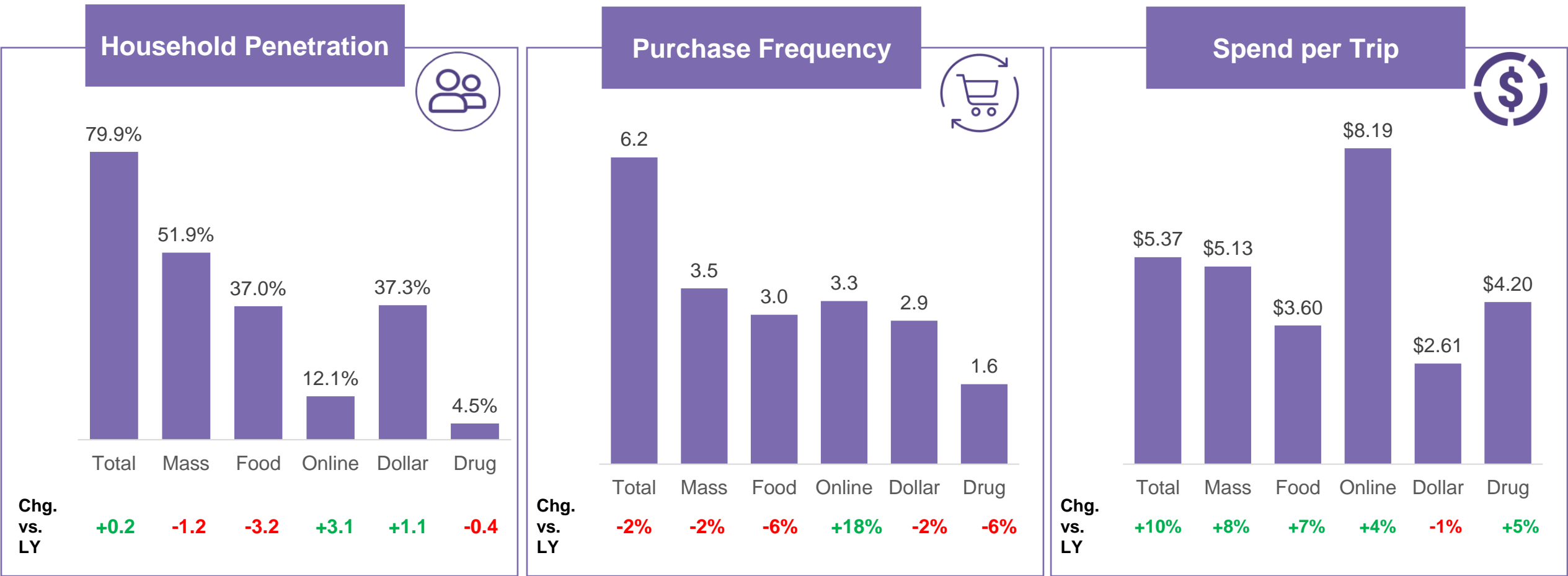
# FMDC Tableware sales grew +6% vs. last year

Online accounted for more than 80% of the dollar gains.  
Removing online, Total Tableware sales would have been flat



# Fewer households making fewer trips resulted in softer brick & mortar sales

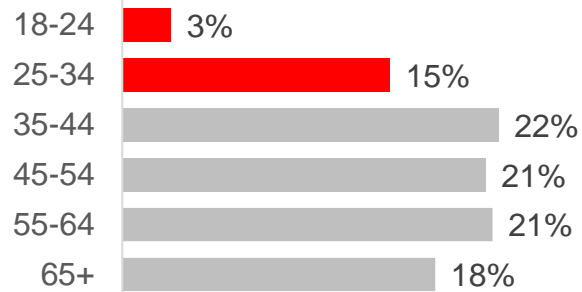
Online may have lower penetration but households and trips are migrating there, driving overall sales growth.



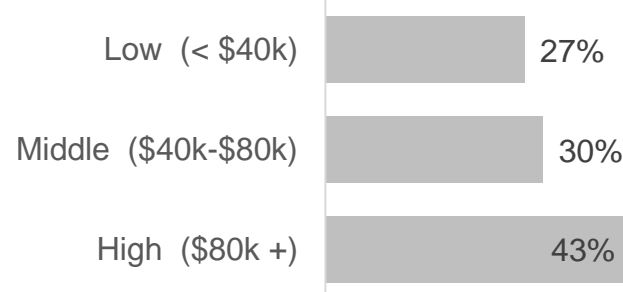
# Profile of FDMC Tableware Shopper: Who They Are

## % Tableware Shopper Households and Index to Total Shopper Households

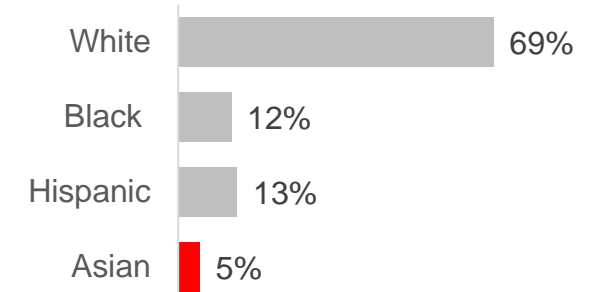
### Age



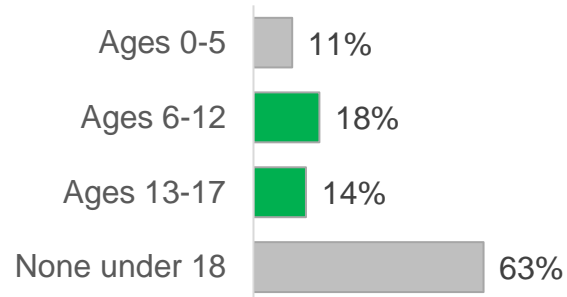
### Income



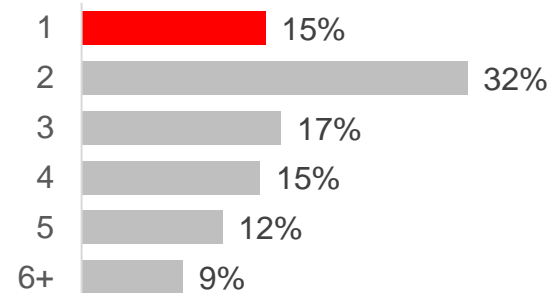
### Ethnicity



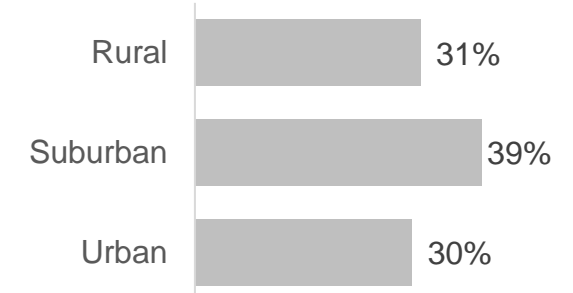
### Presence/ Age of Children



### Number of People in Household



### Urbanicity

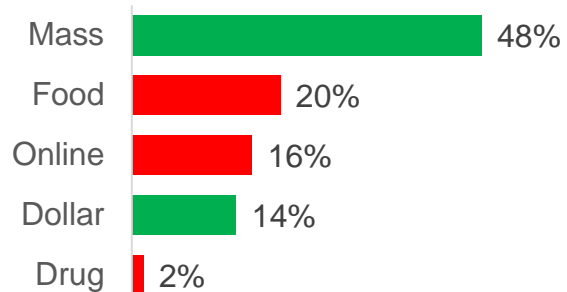


Over-index(110+) Under-index(<90) At Par

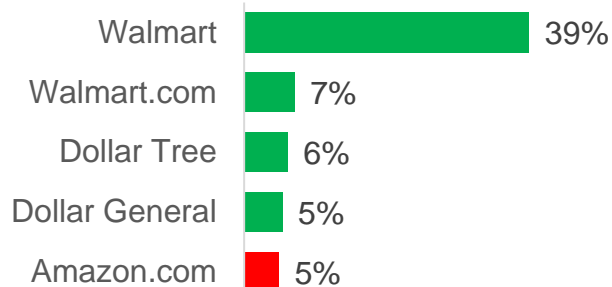
# Profile of FDMC Tableware Shopper: How They Shop

## % Tableware Shoppers and Index to Total Shopper

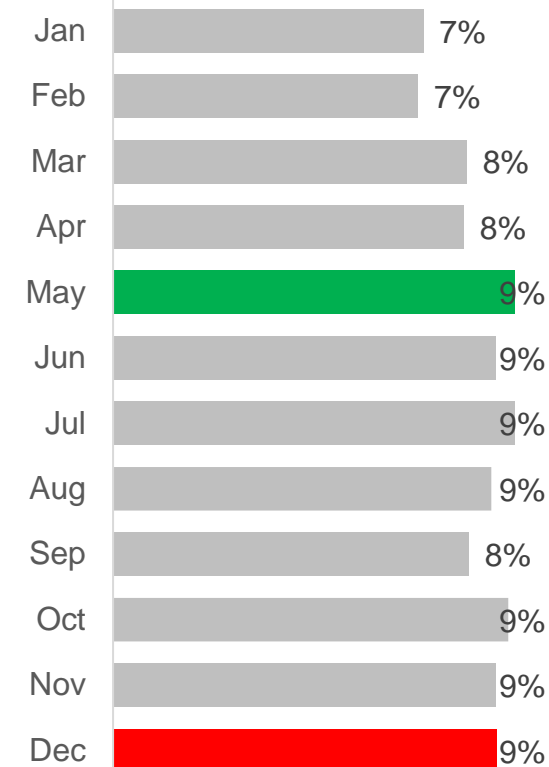
### % Spending by Channel



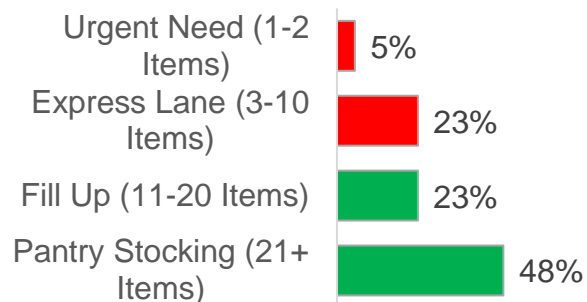
### % Spending by Top 5 Banners



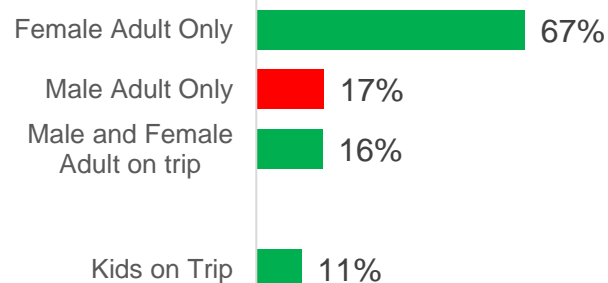
### % Spending by Month



### % Spending by Trip Type



### % by Who Present on Trip

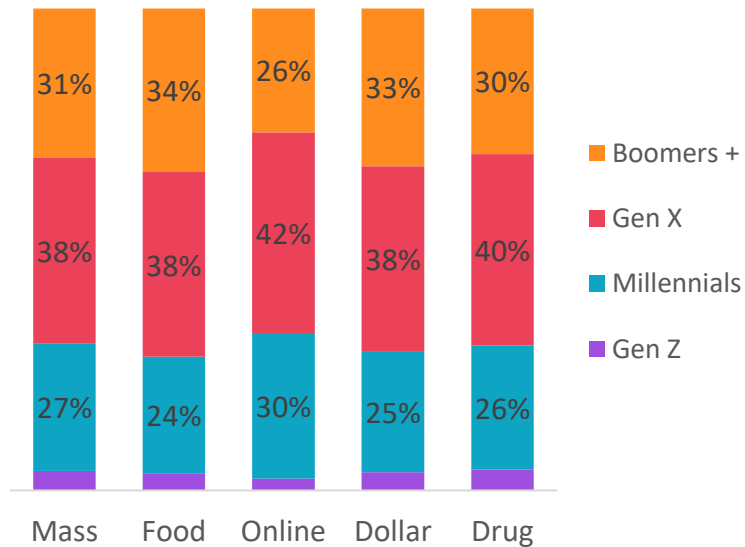


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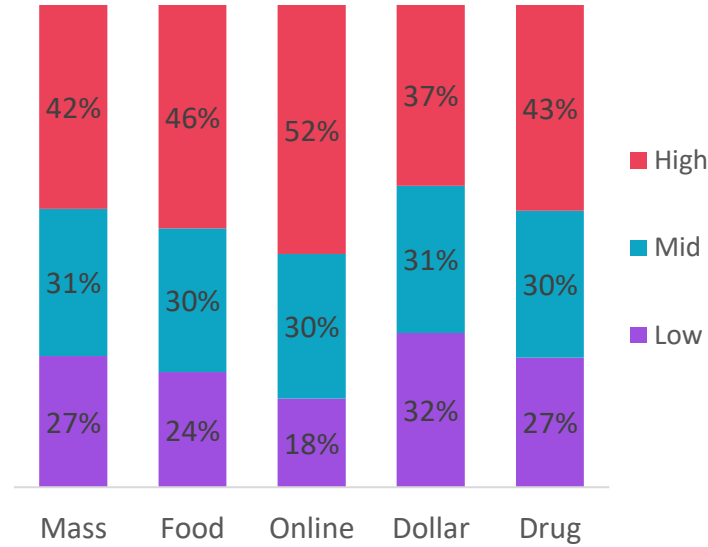


# Profile of FDMC Tableware Shoppers by Channel: Who They Are

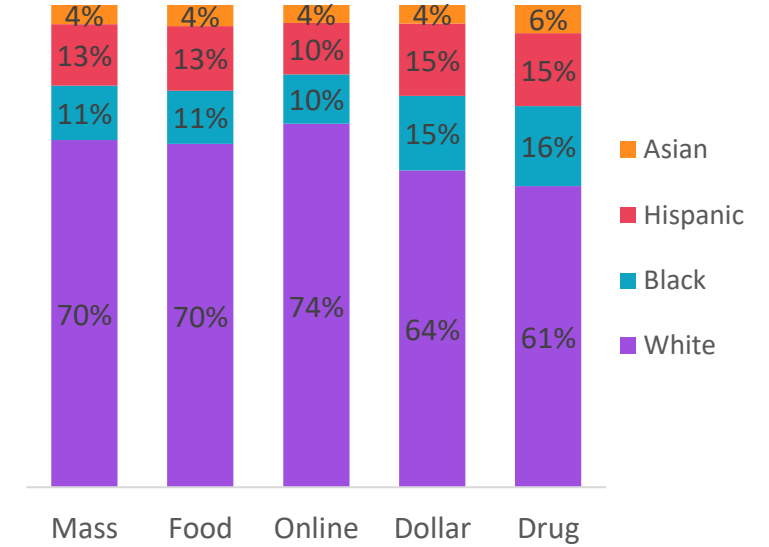
## Generation



## Income



## Ethnicity

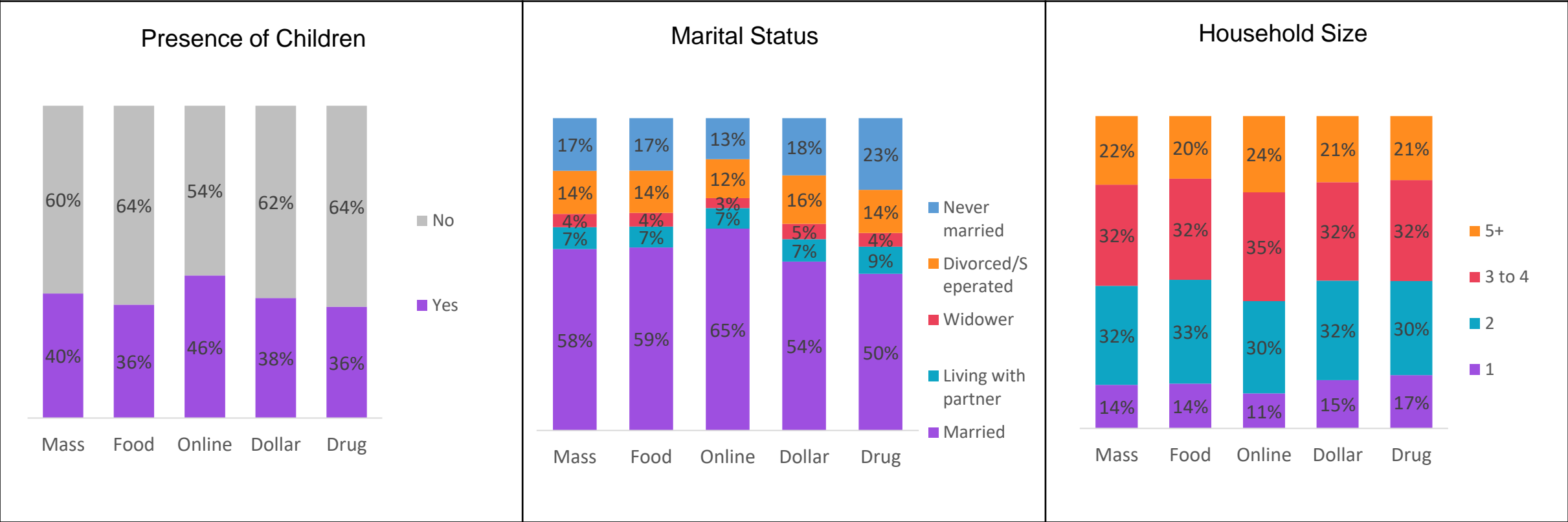


- Gen X is the largest % OF households across all channels.
- Online skews slightly younger, specially 35-44

- Higher income (\$80K+) is the largest % of households for all channels except Dollar.
- Online, in particular skews High income

- Dollar and Drug have more Black and Hispanic households shopping for tableware.

# Profile of FDMC Tableware Shoppers by Channel: Household Makeup



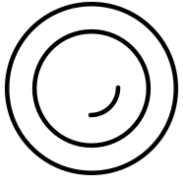
- Online shoppers are more likely to have children across all age groups.
- Drug channel shoppers are especially unlikely to have children under age 6.
- While married is largest for all channels, online, in particular, skews married
- Dollar shoppers are more likely to be widowed or divorced/separated.
- Online shoppers skew slightly larger households
- Drug shoppers skew smaller households – tied to marital status of widowed or divorced/separated.

# Amscan understands what the shoppers wants and needs

## What She Wants

## Products that Deliver

## How We Compare



Paper Plates

- Sturdiness and Affordability
- Depth and size for a big meal

- Deep Mold
- Deep die designed for structure

- Equal or better board weight
- Higher rigidity (resistance to bending & buckling) than competition



Cutlery

- Strength, Comfortability, Heavy weight
- A higher ratio of forks

- Sturdy cutlery
- Double counts of Forks in assorted packs

- Heaviest weight
- “Strongest”: best bend resistance
- Dishwasher safe

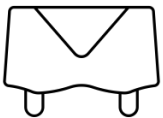


Table Covers

- Quality and Value
- Sizing to fit 8' standard folding table

- Good quality
- All sized to 108"

- Heaviest weight



# We learned that respondents really like the go brightly™ packaging!



- 65% said go brightly brand will make their celebrations easier
- 66% said they were more likely to shop in the same store for both party supplies and party food & beverages if the go brightly brand were offered

**92%**

Purchase  
Intent

**69%**

Design  
Appeal

**94%**

Easy to  
Understand



**ONE STOP  
SHOP**





# The Planogram Recommendations



4'	8'	12'
7 Colors and Patterns for Tableware	12 Colors and Patterns for Tableware	15 Colors and Patterns for Tableware
Strong color/pattern blocking with plates and napkins grouped together		
Table covers, cups, cutlery finish the table setting	Inclusion of general entertaining ... say <i>something about numerator data</i>	Wider array of cutlery to complete the tabletop
Basic selection of balloons, party banner, streamers and candles help build the basket	Added matching table decorating kits and “add the age” banners, balloons that match all patterns and more favor cups	Additional accessories like confetti, even <u>more</u> balloons, add the age buttons, and birthday candles to match each juvenile pattern

# Displays in secondary locations will drive impulse, build baskets, and create consideration for future trips

## Bakery



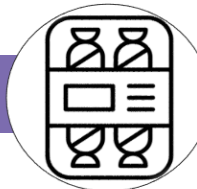
### Bakery growing in food

**More Households** 79.6% households, +1.4pts.<sup>1</sup>

**Making More Trips** 7.4 trips per year, +4%<sup>1</sup>

**Spending More Per Trip** \$5.39 per trip, +5%<sup>1</sup>

## Deli/Prepared Foods



### At-home meals growing

At-Home eating increased during COVID and will continue with 58% eating at home more.<sup>2</sup>

### Shoppers want convenience and inspiration

33% are pressed for time in preparing meals.<sup>3</sup>

Fresh-prepared foods reaches \$25 billion in the US, annually<sup>4</sup>

## Alcohol



### Alcohol purchased in-store

Almost 90% of alcohol purchases were made in-store.<sup>5</sup>

### #1 planned category and destination aisle

9 in 10 shoppers planned purchase before entering store<sup>6</sup>

When alcohol is purchased, it is usually the primary trip driver.<sup>6</sup>

Source: 1- Numerator, Food Channel, Bakery Sweet Goods, Annual 2021 vs. 2020  
4- ChaseDesign survey 2020 6-Ipsos Shopper Journey, 2020

2- 84.51 February Consumer Digest

3- Acosta's 'COVID Dining Journey' report

4- Supermarket Guru 2021



**We have modern designs  
and patterns to match any  
occasion...**



**...including everyday  
solids and patterns**

<https://gobrightlynow.weebly.com/>

# Shelf-ready Packaging = Strong Point of Differentiation

- All **go brightly** Plates and Napkins come in shelf-ready packaging
- Perforated tabs for easy case top removal on plates; Napkin lids simply lift off
- In-store efficiency and labor savings
- Cleaner, easier merchandising on shelf





# go brightly™ Shelf & Floor Displays



984090



984091



984092



981037








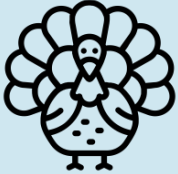


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# Must Win Moments

## Top selling moments in celebrations category

### Importance of Seasonal Moment to the Party Shopper

Superbowl	Graduation	Patriotic (Memorial Day/ July 4 <sup>th</sup> )	Football	Halloween	Thanksgiving	Christmas	New Year's Eve
20% made a purchase for Superbowl	Top selling occasion after Halloween and Christmas	43% made a purchase for a Patriotic holiday	#1 professional sport and #1 college sport to watch	39% made a purchase for Halloween	52% made a purchase for Thanksgiving	64% of made a purchase for Christmas	25% of made a purchase for New Year's Eve
							

# Top Seasons/Occasions by Month

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
New Year's (5)												2
Black History Month		2										
Valentine's Day		1										
Lunar New Year												
St. Patrick's Day			1									
Easter (6)			2	1								
Memorial Day				2								
Graduation (4)						1						
Pride						4						
Summer (2)						3						
July 4 <sup>th</sup>						2	1					
Labor Day								2	1			
Football								1	2			
Fall								3	3	3		
Halloween (1)									4	1		
Thanksgiving										2	1	
Christmas/Hanukkah (3)											2	1
Diwali										4		

# 2023 Vision and CP Strategy: Tableware (Go Brightly)

## VISION

GO BRIGHTLY™ WILL PROVIDE OUR RETAIL CUSTOMERS WITH A WAY TO DELIGHT SHOPPERS WITH SIMPLE PLEASURES, THROUGH AN OFFERING OF A WIDE RANGE OF CROWD-PLEASING SOLUTIONS THAT WILL BRIGHTEN THE DAY AND MAKE EVERY CELEBRATION [GO] BETTER.

## FOCUS

Launch a new brand (go brightly) in the Celebration category with a focus on Grocery/Drug/Mass solutions leveraging a new Tableware & Party Basics Program

## 2023 PLAN

REVENUE

\$xx.xMM

Growth  
Margin

\$xx.xMM

Excl. Slotting  
& MD

CAGR  
'22-'25

++++ growth

## 2023 STRATEGIES

LAUNCH  
GO BRIGHTLY  
PHASE 2:  
EXTENDED  
CUSTOMERS

LAUNCH  
GO BRIGHTLY  
PHASE 2:  
EXTENDED  
ASSORTMENT

LAUNCH GO  
BRIGHTLY  
PREMIUM

LAUNCH GO  
BRIGHTLY  
FAVORS

BUILD &  
EXECUTE  
GO BRIGHTLY  
PROMO  
CALENDAR

PRICING  
ACTION



# 2023 Growth Strategies: Build upon 2022 brand launch foundation

## LAUNCH GO BRIGHTLY PHASE 2: EXTENDED CUSTOMERS

- At an additional 30 new Grocery/Drug/Mass customers, gain distribution of min top 150 skus
- Continue to increase share at existing customers
- Achieve/exceed Fair Share of SKUs
- Completely replace incumbent Brand

## LAUNCH GO BRIGHTLY PHASE 2: EXTENDED ASSORTMENT

- Build on current # of skus at current customer base
- Swap poor performing for new skus and add incremental skus to the category
- Provide compelling insights story for expanding the category
- Build new planograms with new assortment

## LAUNCH GO BRIGHTLY PREMIUM

- Build Channel/Customer solutions to address key shopper segments for Premium line of skus
- Secure incremental space, no swap outs
- Test & Learn optimal shelving solutions
- Tagline: ELEVATE YOUR PARTY

## LAUNCH GO BRIGHTLY Expanded Opportunity (Favors, Balloons)

- Build Channel/Customer solutions to address key shopper segments for Premium line of skus
- Secure incremental space, no swap outs
- Test & Learn optimal shelving solutions
- Include Favors with Birthday solution.
- Feature party favors in digital content.

## BUILD & EXECUTE GO BRIGHTLY PROMO CALENDAR

- Build on any 2022 strategy (Amscan/Go Brightly)
- Test & Learn applied to channel-specific approaches
- Offer a comprehensive annual plan for Promos
- Develop Category Leadership model promotion evaluation modeling

## PRICING ACTION

- Continue with 2022 strategy
- Evaluating commodity/labor inputs to determine if additional pricing action is required

# go brightly™ Premium images and info

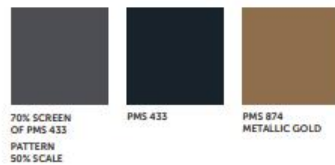
## “Elevate Your Party”



- Sell in late 2H22 to 1Q23
- Launch Nov 2023
- Higher-priced than base go brightly
- ~40 skus

## More premium product offering across ~40 skus

- Heavy duty product used instead of China
- Quality white ware
- More reusable items & higher quality paper
- Some designs that leverage metalized silver/gold
- Stronger cutlery in silver and gold
- Leverage the “wall” of go brightly to build awareness
- Need final package design (August 2023 launch)



## Summary – Tableware (go brightly™)

- In Consumer Products (FDM), 2022 will be a critical year for selling in the go brightly brand across the top 10-15 retailers (including existing customers). 2023 will expand the customer base, sku counts and incremental categories.
- In the Specialty Channel, we will continue to drive strong volume with Amscan product.
- Key initiatives with strategic customers on test & learns will generate new levels of market share on multiple fronts (i.e. Rite Aid/Giant Eagle SWAS).
- FDM success will be dependent on key strategies focus of full distribution at top customers (locked in this year, activation 1/1/23. Teams to follow MAPS to execute with excellence.
- Solving for key usage occasion solutions by channel in Seasonal activation, can unlock new growth. Primary focus on the big 4 events (Super Bowl, Grad, Patriotic, Christmas) by Sales/Brokers.
- Insights will be the foundation of all interactions on go brightly (internal and external)
- Evolution of our go-to-market will position CP as the category leader in these channels by leveraging our Broker partners.