

Consumer Staples

Canada

Sector Overview

Executive Summary > Overview

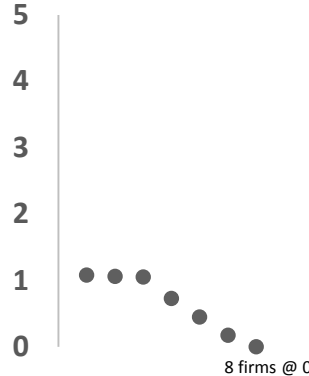
Top 3 Strengths

- Evidence of basic interest from retail
- Messaging exists (charity flavoured)
- Evidence of access efforts (AODA)

Top 3 Weaknesses

- Lack of detailed consumer research
- Retailers not focused on experience
- Talent/recruiting efforts are poor

TABLE A – Staples Sector Peer RoD Results



Executive Summary

There are 14 Consumer Staples firms that qualify for our Canadian universe of 301 firms. 4 of these companies rank in the top 50 in Canada.

The primary players in this space in Canada are ‘grocery’ retailers – largely driven by weak compliance efforts. Not only are these efforts missing consumer demand for a positive branded experience, they generally fail to provide much coverage should regulators decide to enforce current laws.

Messaging is evident from a few of the largest firms, but it tends to adopt a ‘charity’ flavour, often using imagery of ‘cute’ kids with disabilities to elicit an emotional response. While intended as Corporate Social Responsibility, these type of messages do little to bond the Disability market to brands, and may end up having the opposite effect – repelling most folks with a patronizing tone that fails to acknowledge the consumer demands of this emerging cohort.

One firm in this sector has a loyalty program specific to People with Disabilities (PWD). It is unclear what impact this program has, as it appears to be in response to prior mis-steps surrounding accessible facilities.

Few of these firms have serious recruiting efforts aimed at PWD. Of the handful that do, the jobs tend to be focused in specific operations, representing a small percentage of the overall talent base.

Overall, opportunity exists to build significant value in PWD markets by reaching out to customers and engaging in activities to grow market share.

Overall Result



Customer Result



Talent Result



Productivity Result



Sector Minimum

Sector Average

Sector Maximum

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The RoD Model > Capturing Shareholder Value

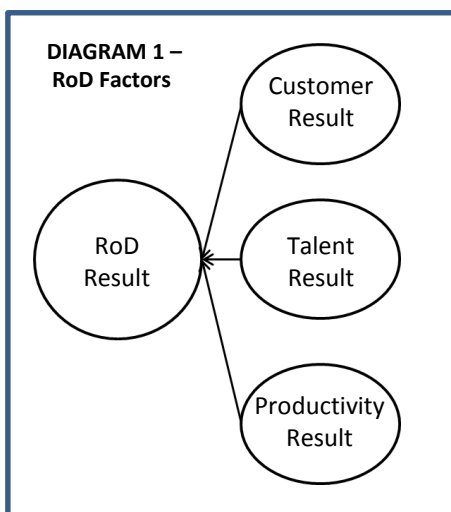
Cambridge Dictionaries defines shareholder value as “the total worth of a company to its shareholders”. Many things can increase shareholder value, such as new products and services, entering a new market, and streamlined operations. The basis of the Return on Disability model is to measure those activities relative to disability that add to shareholder value. Specifically, we identify actions that:

- 1) add to net revenue and/or
- 2) reduce ongoing operational costs

The 20 disability-related KPIs that RoD measures within organizations ultimately impact one of these two fundamental building blocks of value creation. We focus on value for one simple reason: to shift the disability paradigm from ‘added cost and effort’ to ‘added value’ by demonstrating the shareholder value of disability.

Customer – *Delighted Customers Lead to New and Enhanced Revenue Opportunities*

For most established brands, finding a new way to talk to a mature market is the Holy Grail. From a purely demographic point of view, 53% of the entire consumer marketplace is touched by disability. The value-add comes from the ‘halo effect’ of talking about inclusion, empowerment and innovation that comes from a focus on disability. Consumer-facing firms drive top-line growth by leveraging insights from PWD, refining messaging, and incorporating insights from disability to enhance the customer experience.



Talent – *Finding Great People and Keeping Them at Their Best*

The war for talent is real, and PWD represent a new pool to tap as part of the talent acquisition strategy. While the pool is real, it requires some effort to address. Understanding the space and connecting talent to core business goals are good first steps. Diversity recruiting has taught practitioners a few things: a) robust pipelines precede hiring; b) PWD must be attracted to the firm through brand appropriate messaging, and, c) done properly, the firm must be aligned internally on the rationale in hiring PWD. It is critical for companies to open their employee base to PWD in a robust way, which initially will be a high touch effort. Data and experience shows that this approach results in high productivity, higher quality and higher returns.

Productivity – *Leveraging Insights from Disability to Drive Efficiency*

Innovation is born from extreme environments, solving for a set of demands outside the norm. PWD do things in ways that “Joe Average” just does not think about. They are extreme users of technology and infrastructure. If one can solve for ‘extreme users’, one innovates applications for the average user. By empowering a line worker with one hand; who happens to have low vision, to reduce a 100 step process to 23 (simply because it is easier for her), it just became easier for all while removing complexity and cost from the operation. Firms acting in this area today are seeing efficiency gains in the area of 20%. This can also be applied to product development.