Cereal Sales Performance: Inflation, Pricing, and Consumer Loyalty Insights

Strategic Business Intelligence Report

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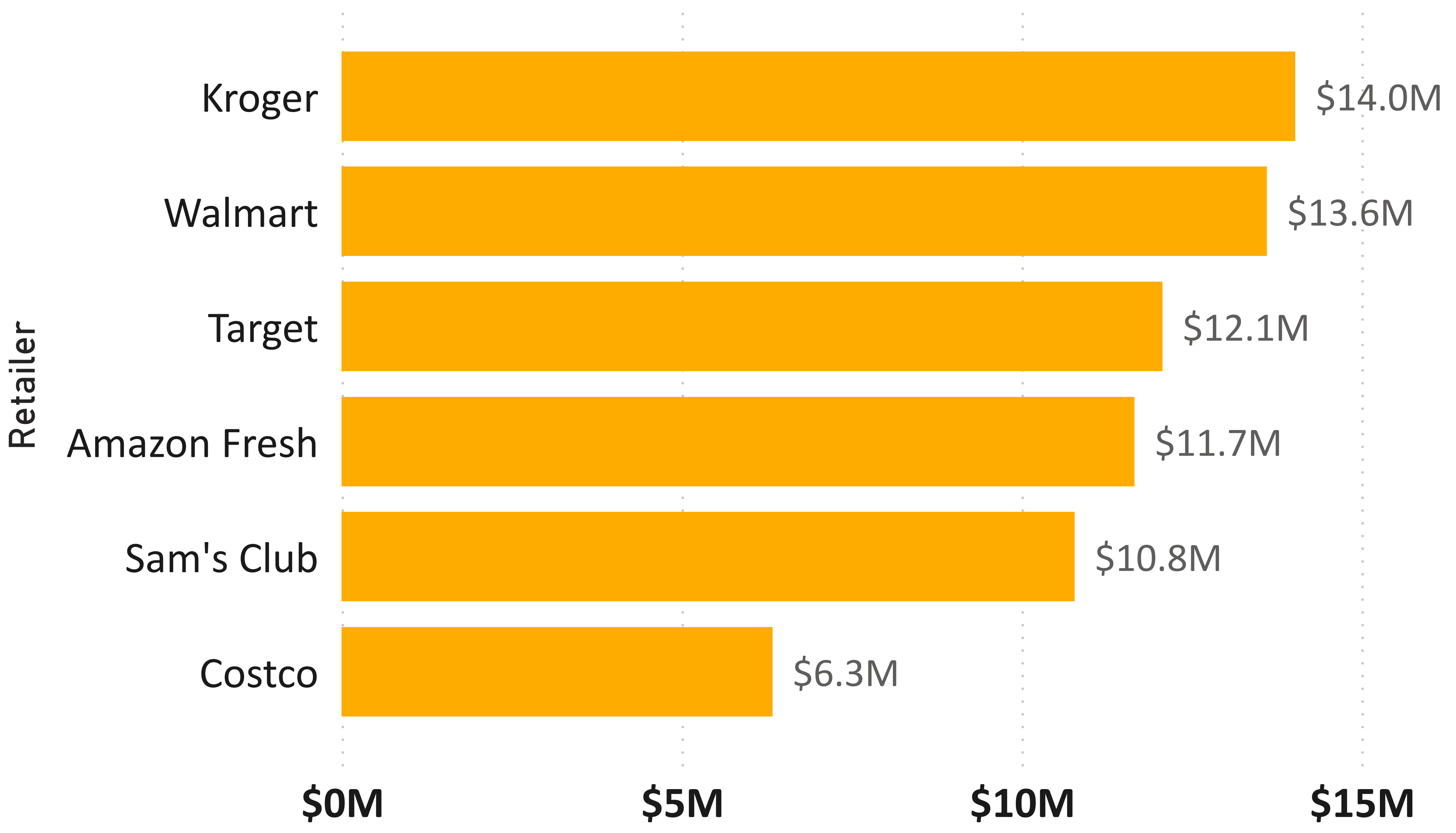
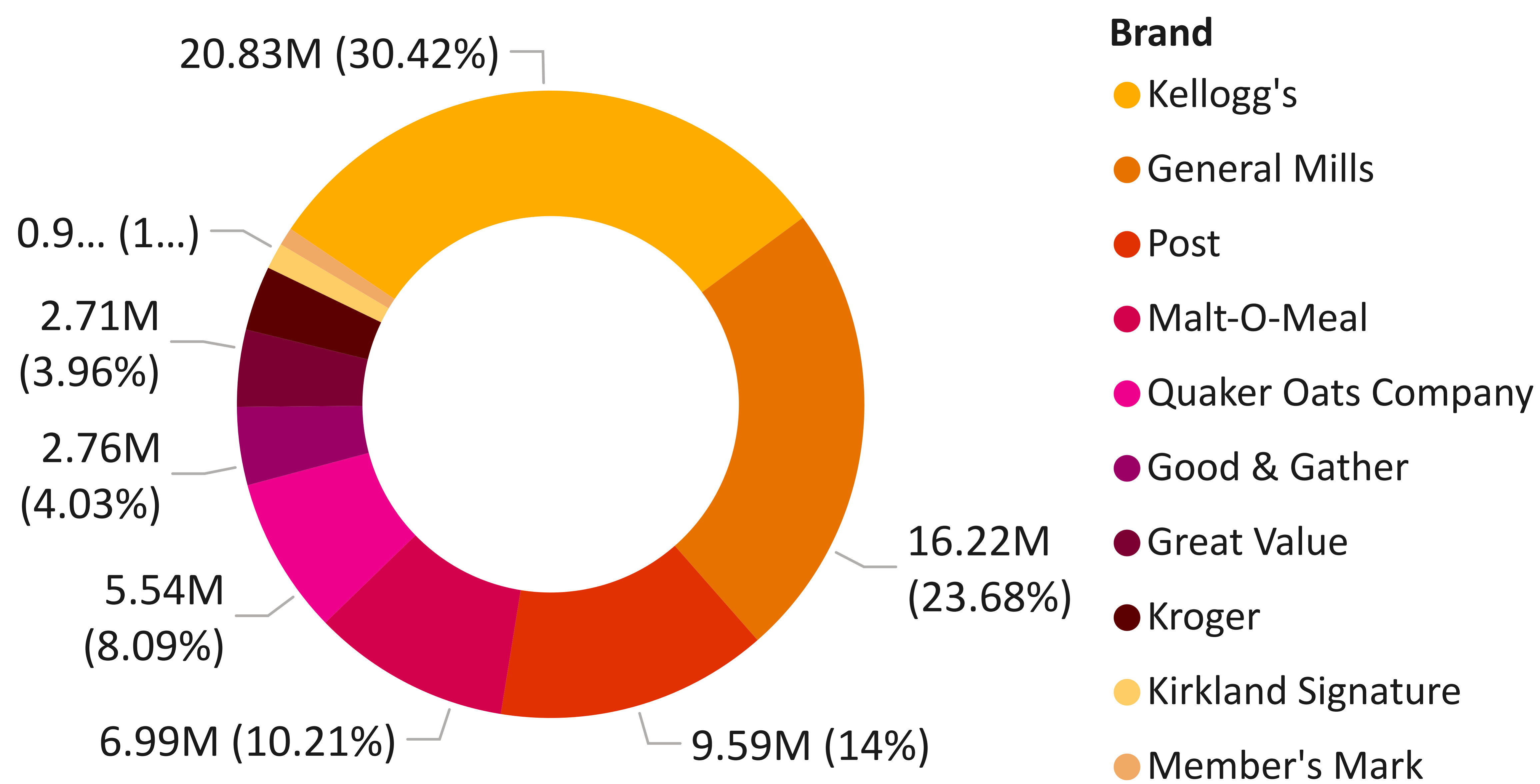
Total ($) Sales by Retailer



Total Sales $ by Brand 2020 -March 2025



Total ($) Sales Insights

Bar Chart: Kroger leads in Total Sales with **$14M** in sales across all brands from **2020 - March 2025**

Donut Chart: **Kellogg's** and **General Mills** dominate Total Sales by Brand for the reporting period accounting for **$20.9M** and **$16.2M** respectively

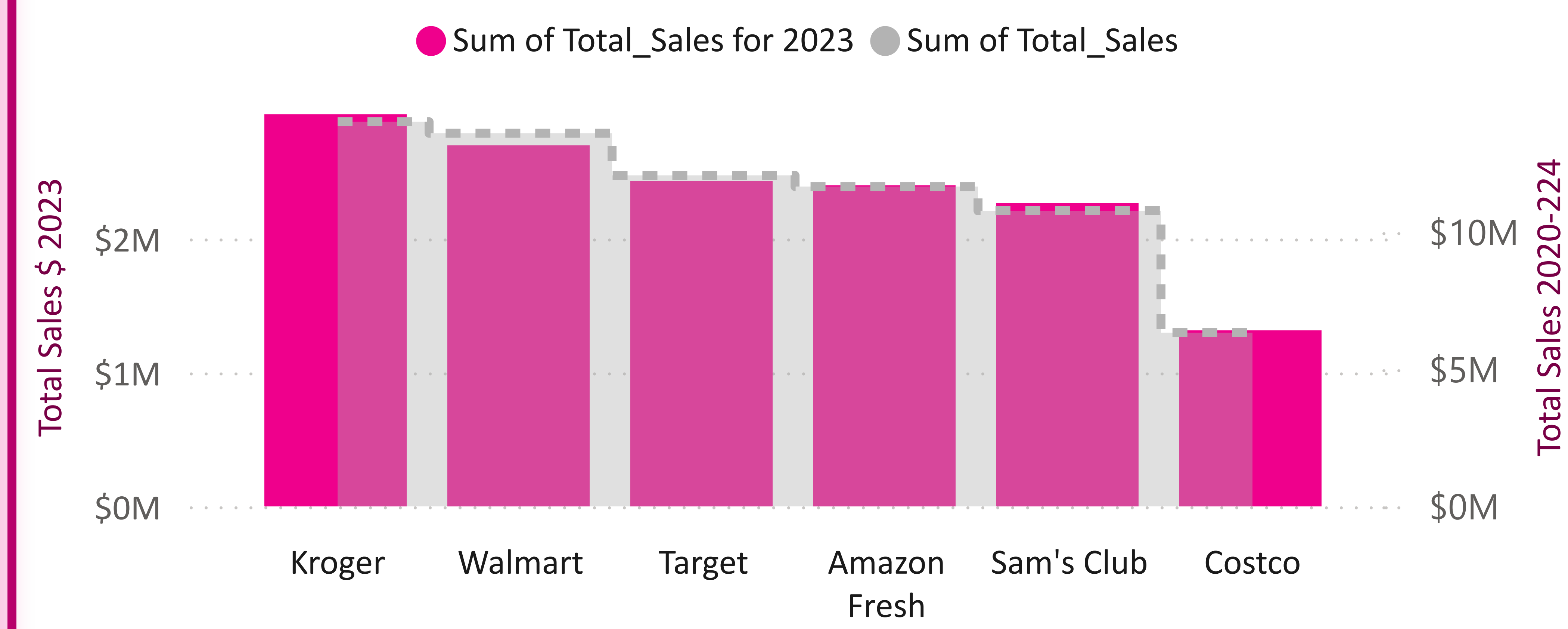
Column Chart: **Kroger**, **Walmart** and **Target** accounted for **$8M** in sales, leading in Retailer sales accounting for **19.4%** of all sales from **2020-March 2025**.

View Sales by Year

Select Year

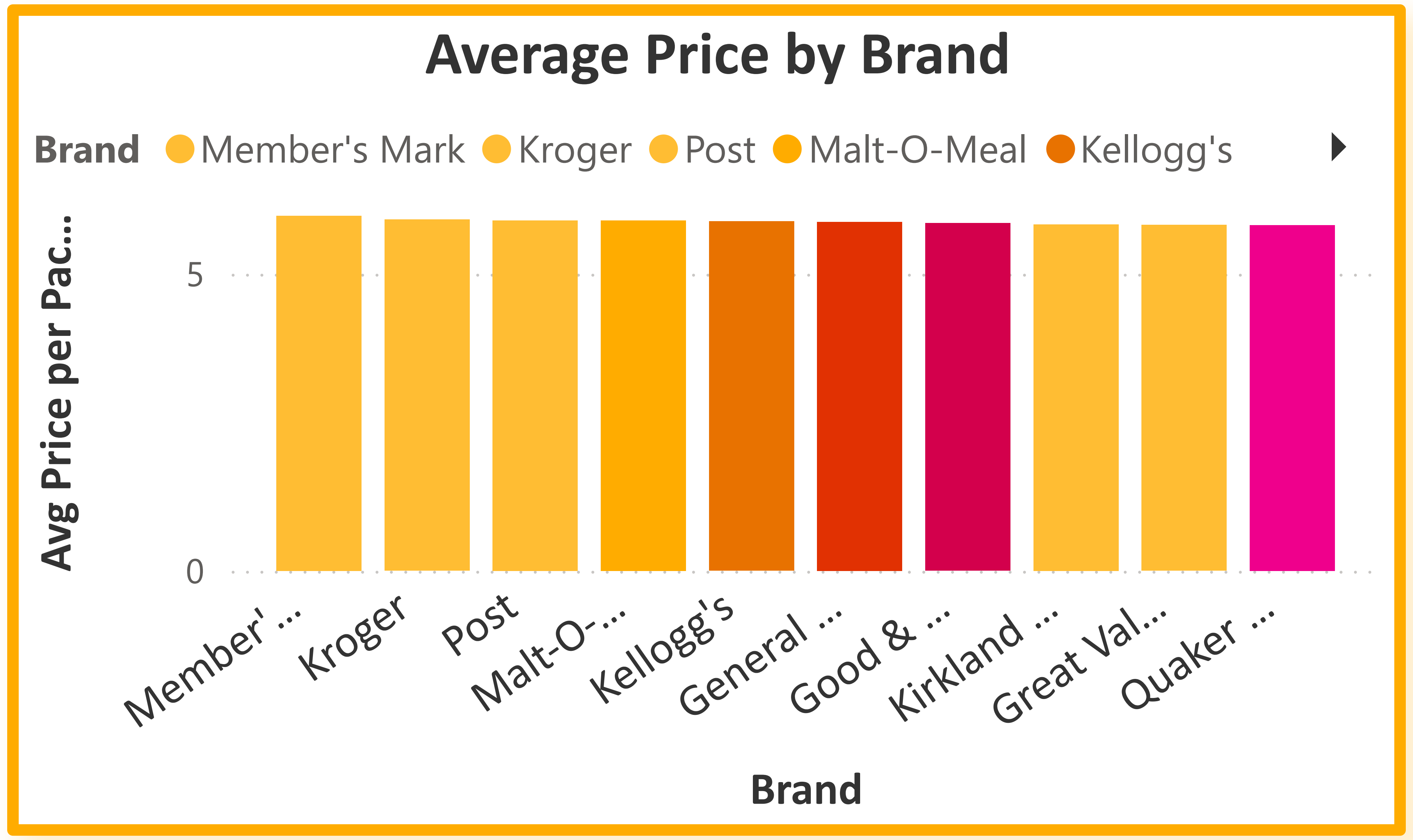
- ☐ 2020
- ☐ 2021
- ☐ 2022
- ☐ 2023
- ☐ 2024
- ☐ 2025

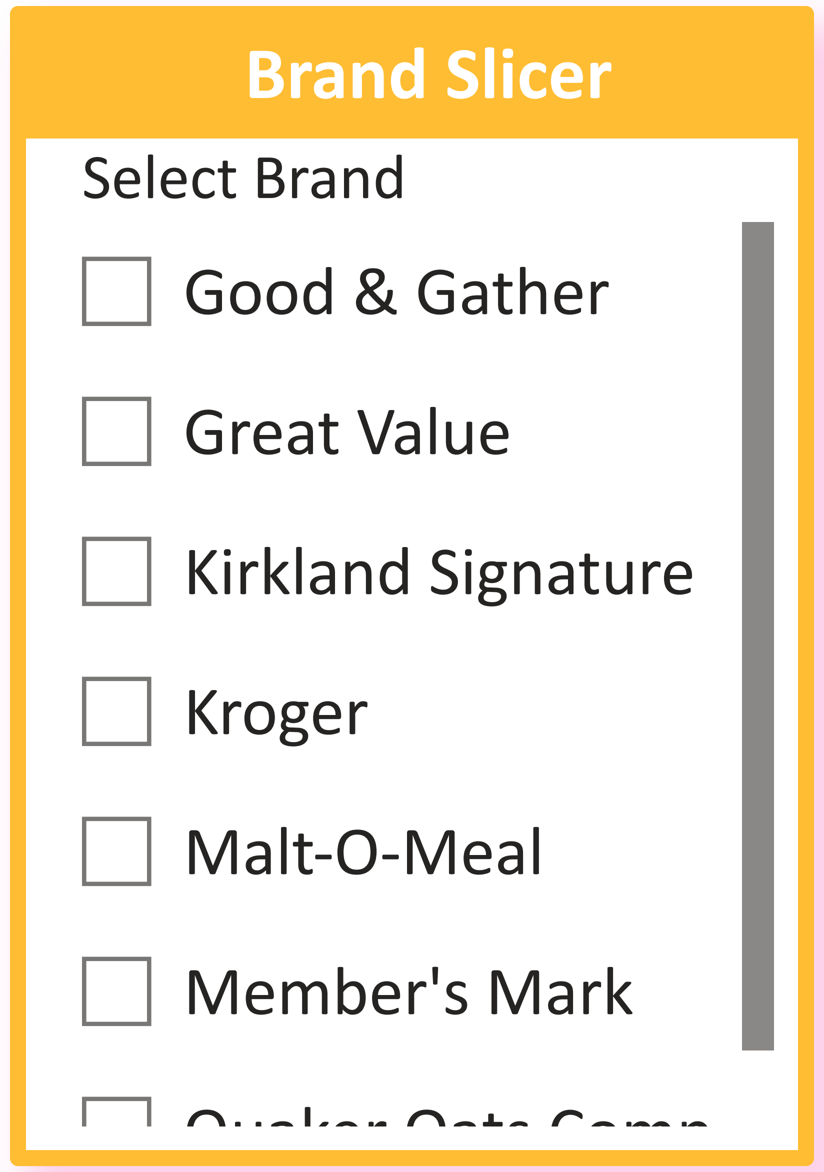
Total ($) Sales for 2023 and Total Sales by Retailer 2020 - March 2025

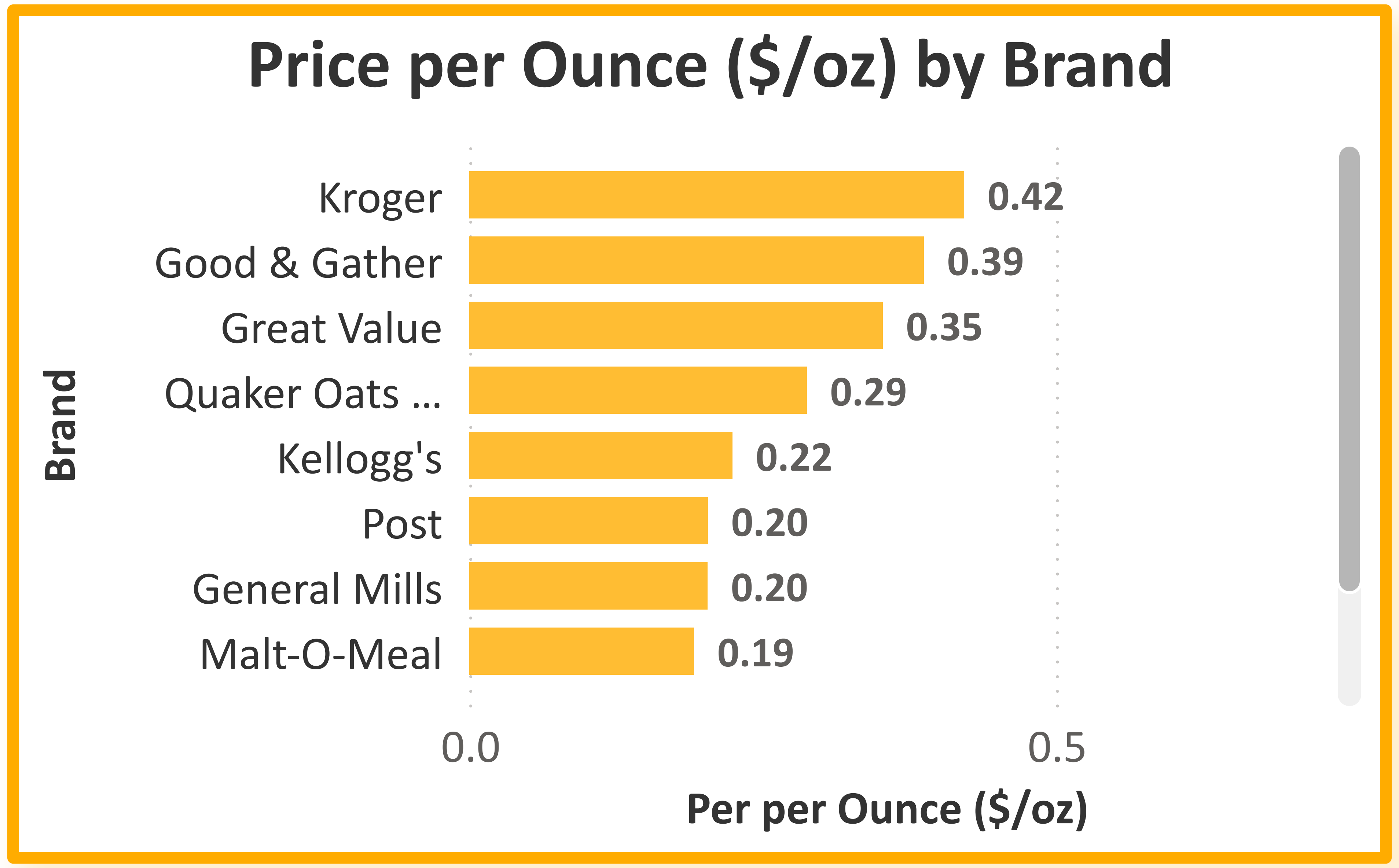


Dotted Line Represents Total Sales for 2020 - March 2025

Average Brand Price & Package Price per Ounce ($/oz)







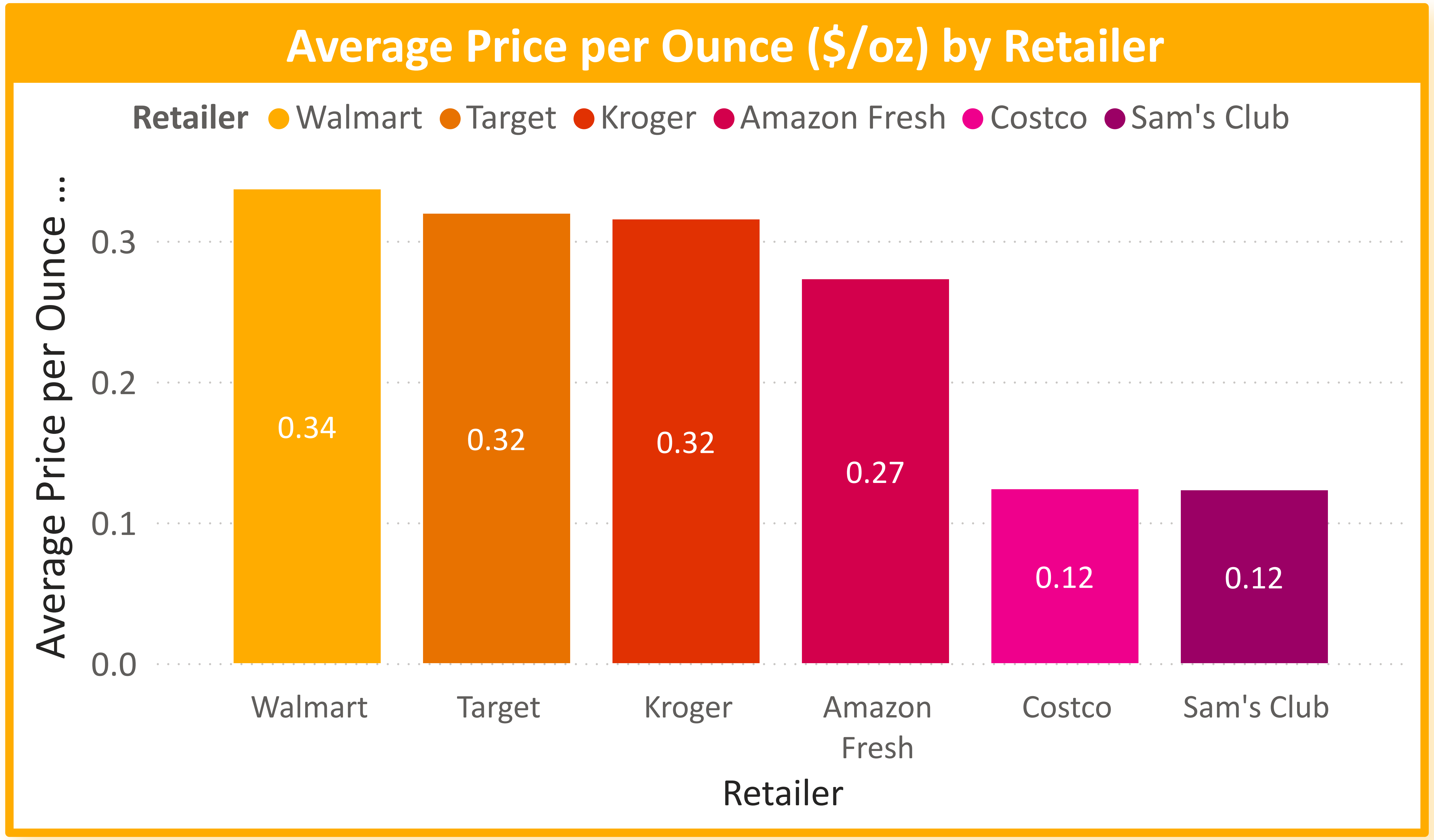
Insights: Price per Ounce ($/oz)

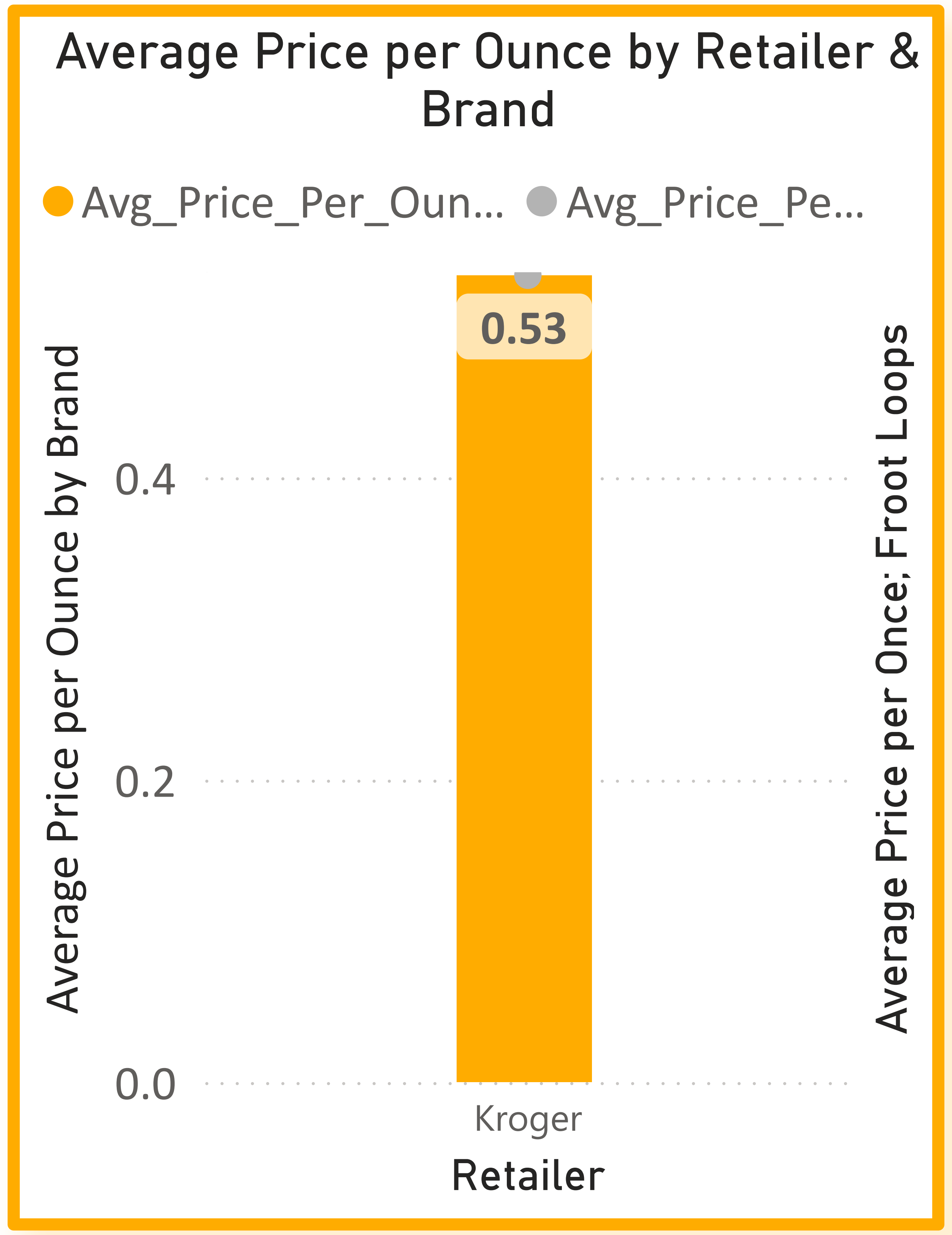
Price Per Ounce & Brand-Level Pricing Insights

- **Price per ounce reveals a different value story** than shelf price alone.
- **Kroger Private Label** leads major retailers in price per ounce at **$0.42/oz**, followed by **Good & Gather (Target) at $0.39/oz** and **Great Value (Walmart) at $0.35/oz**.
- **Quaker Oats Company** has the **highest price per ounce ($0.29/oz)** among national brands, despite having the lowest average shelf price
- **Malt-O-Meal bagged cereals ($0.19/oz) and Club Store Private Labels ($0.17-$0.19/oz)** offer the lowest per-ounce costs, emphasizing bulk savings.

Retailer Influence on Price Per Ounce:

- **Kroger led in price per ounce distribution**, accounting for **20.3% of all records in this dataset**.
- **Despite Walmart's lower private label $/oz, Sam's Club's Member's Mark offers a lower $/oz than Great Value**, indicating price segmentation between its





Select Year

Year

- [ ] 2020
- [ ] 2021

Product Name

Product

- [ ] Froot Loops

Select Brand

Brand

- [ ] General Mills
- [ ] Good & Gather

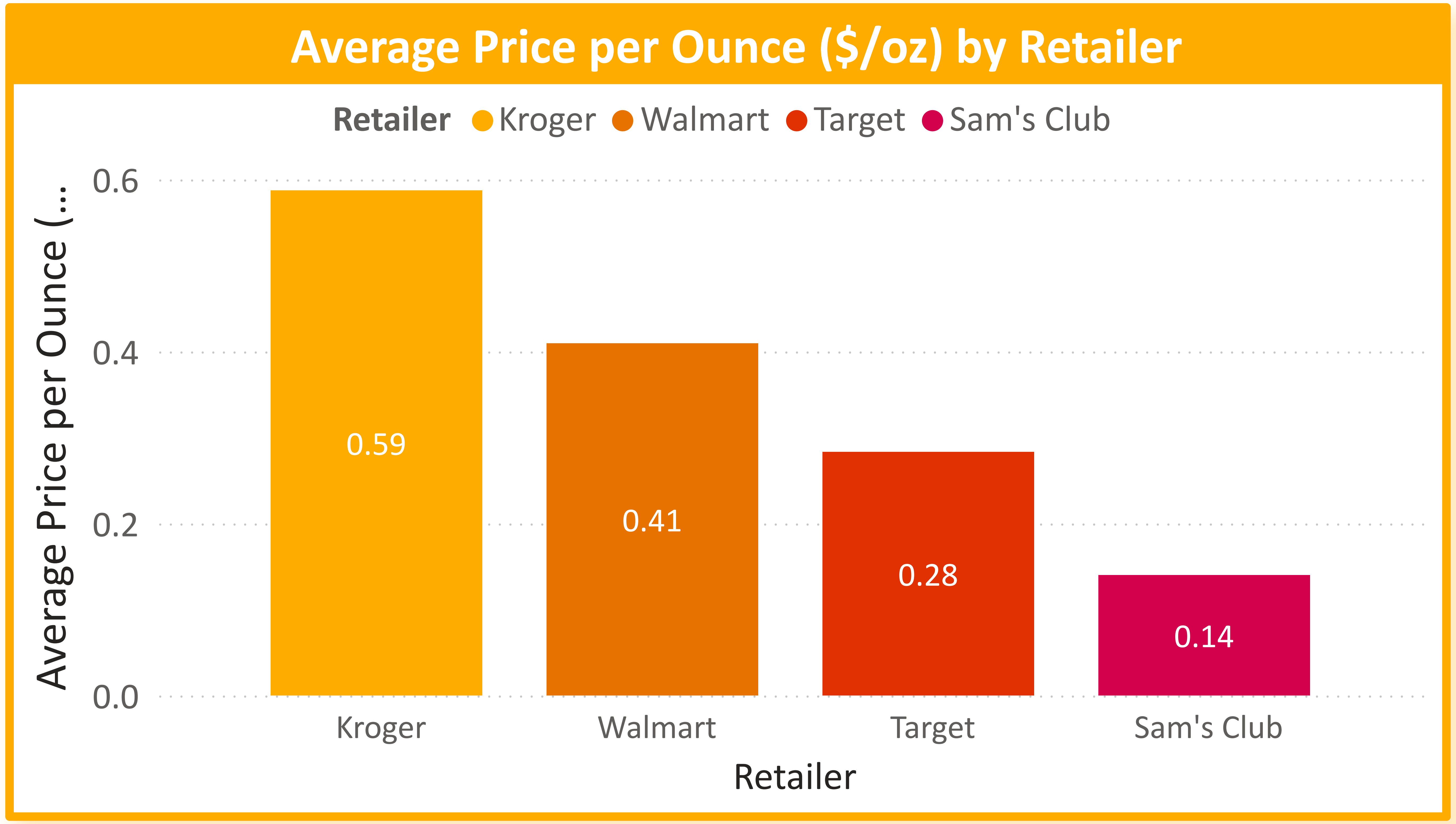
Insights: The Perception and Psychology Behind Price vs. Value

By 2025, store brands like **Kroger, Great Value, and Good & Gather** reached **$0.41–$0.48 per ounce**, outpricing many national brands despite lower shelf prices. This pricing model leverages **perception over value**—anchoring affordability through low up-front costs (like $2.97), while concealing higher unit pricing. ***The column chart above reflect the average price per ounce ($/Oz.) for all years reporting 2020-March 2025.***

So why do shoppers reach for them?

Anchoring bias plays a key role. The low shelf price signals savings, creating a perception of value. In fast-paced grocery trips—driven by tight budgets and trust in store brands—**decisions are made quickly and intuitively**.

But **the data tells a different story**: What feels affordable in the moment can quietly cost more over time. **Higher per-ounce prices** add up across repeat



Select Year

Year

- ☐ 2020
- ☐ 2021

Product Name

Product

- ■ Froot Loops

Select Brand

Brand

- ☐ Kellogg's

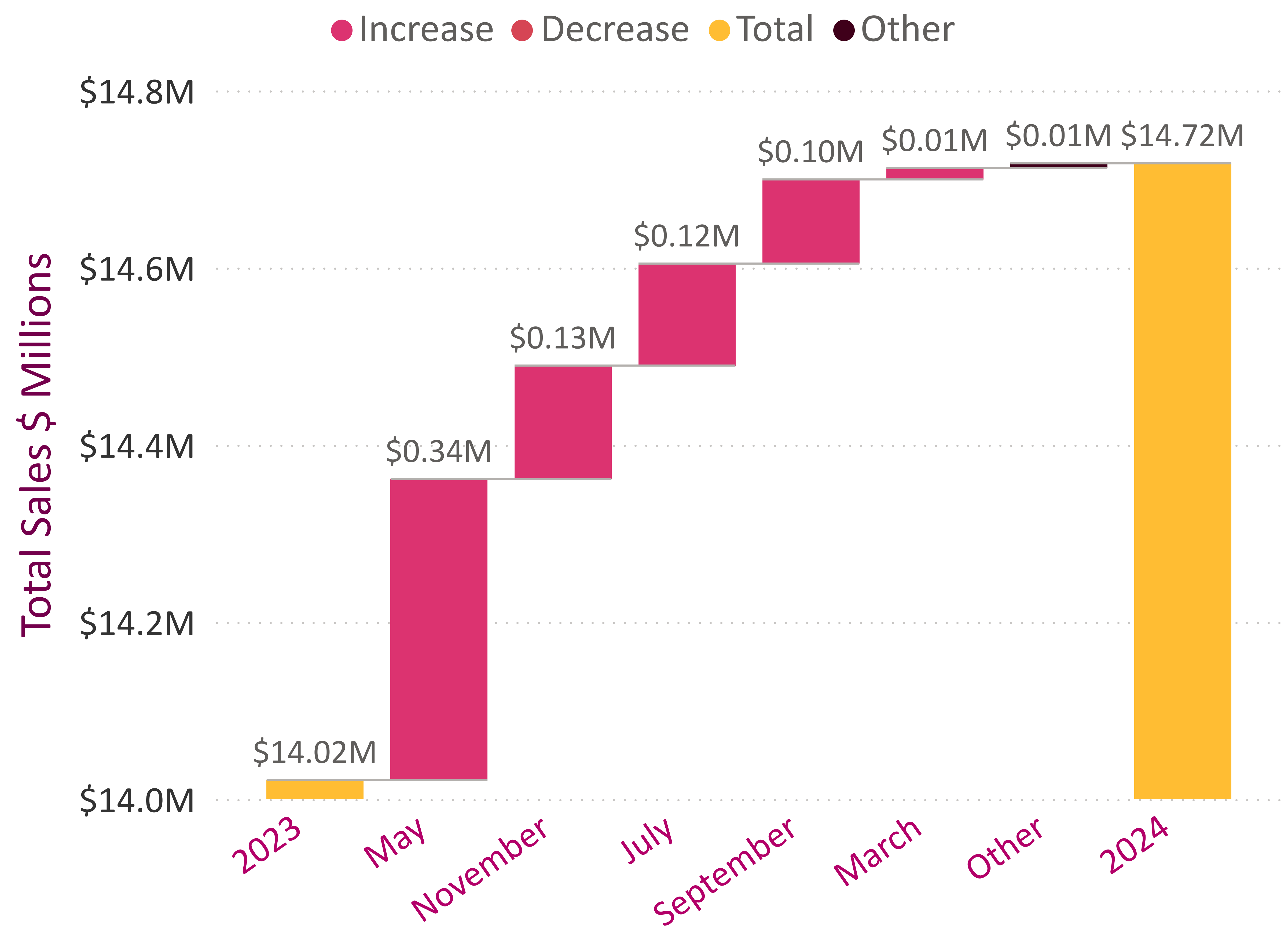
Insight: Froot Loops Pricing Surges at Kroger (2021–2025)

Froot Loops (Kellogg's) sold through Kroger revealed one of the **most aggressive price-per-ounce escalations** across the entire dataset resulting in a **+31.9%** increase over four years signals a collaborative brand-retailer strategy to raise margins on a familiar, high-trust product. Power BI flagged Froot Loops as the strongest driver of price distribution, validating its outsized impact on average $/oz across Kroger's cereal category. Froot Loops reached its highest average price per ounce in **Q! 2024 at $0.62/oz.**

Strategic Implication:

Consumers remain loyal to nostalgic staples, even as per-unit pricing climbs quietly in the background — a playbook worth analyzing across other legacy SKUs.

Total Sales by Year and Month



Total Sales by Year and Promotion

Retailer

- Amazon Fresh
- Costco
- Kroger
- Sam's Club
- Target

Brand

- General Mills
- Good & Gather
- Great Value
- Kellogg's
- Kirkland Signature

Region

- Midwest/South
- National
- South/Midwest
- West/National

Promotion

- 10% Off
- BOGO
- Clearance
- No Promotion

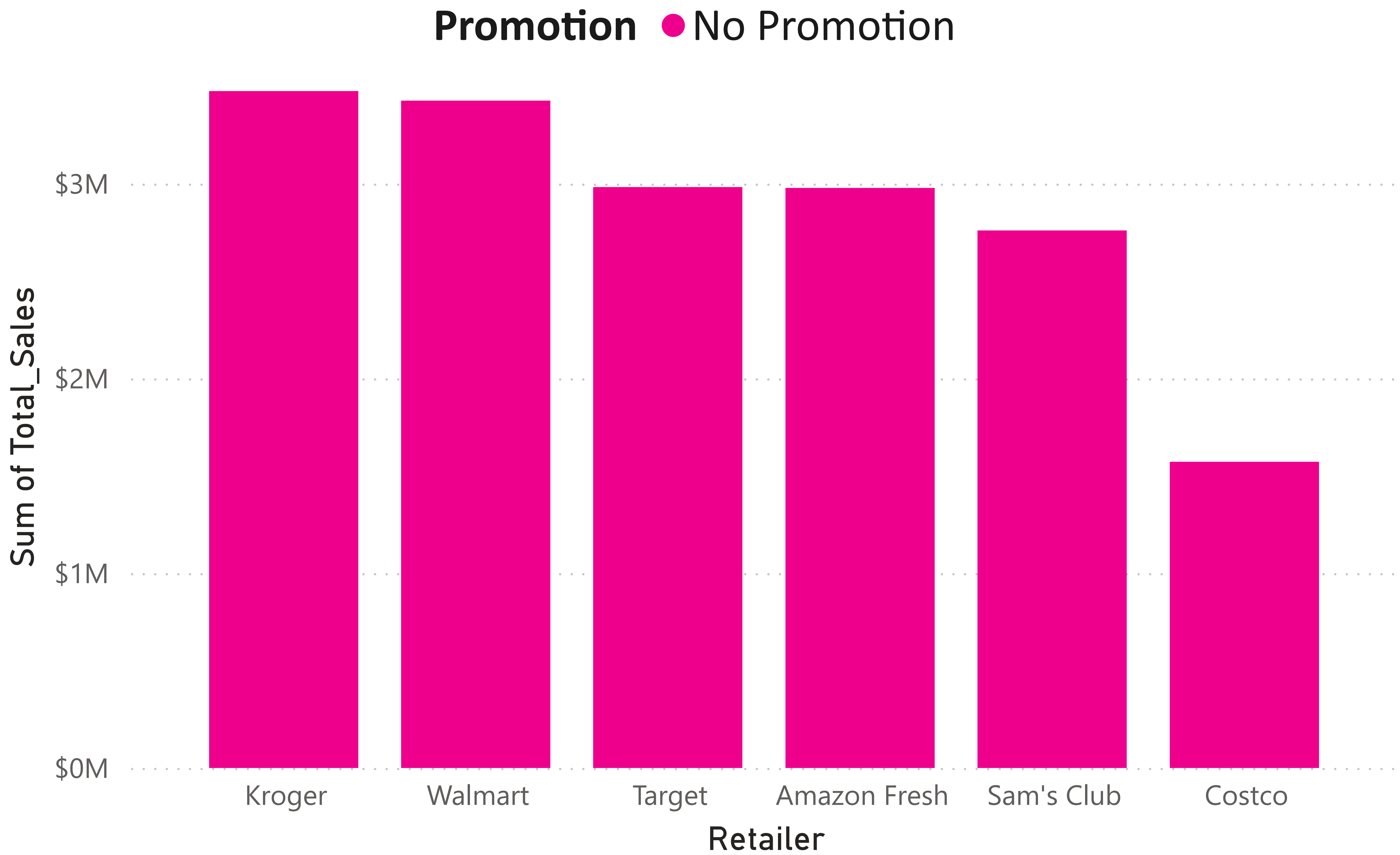
Total Sales by Year, Month and Promotion 2023-24

May and **November** contributed the largest increase in total sales with **340K** and **128K** respectively.

BOGO and **No Promotion** selling periods saw the largest increases in total sales.

Consumer Behavior: No Promotion Sales Insights

Total Sales by Retailer and Promotion



Promotion by Retailer - No Promotion

Retailer	Brand	Promotion	Sum of Total_Sales
Amazon Fresh	General Mills	No Promotion	$873,883.41
Amazon Fresh	Kellogg's	No Promotion	$1,057,322.27
Amazon Fresh	Malt-O-Meal	No Promotion	$585,552.70
Amazon Fresh	Post	No Promotion	$460,501.86
Costco	General Mills	No Promotion	$651,444.77
Costco	Kellogg's	No Promotion	$429,774.42
Costco	Kirkland Signature	No Promotion	$249,967.86
Costco	Post	No Promotion	$239,660.37
Kroger	General Mills	No Promotion	$789,034.26
Kroger	Kellogg's	No Promotion	$917,249.43
Kroger	Kroger	No Promotion	$608,096.38
Kroger	Malt-O-Meal	No Promotion	$440,894.68
Total ($) Sales			**$17,191,205.25**

No Promotion

Select Brand

- ☐ General Mills
- ☐ Good & Gather
- ☐ Great Value
- ☐ Kellogg's
- ☐ Kirkland Signature

No Promotion

Select Year

- ☐ 2020
- ☐ 2021
- ☐ 2022
- ☐ 2023
- ☐ 2024

Total Sales by No Promotion Insights

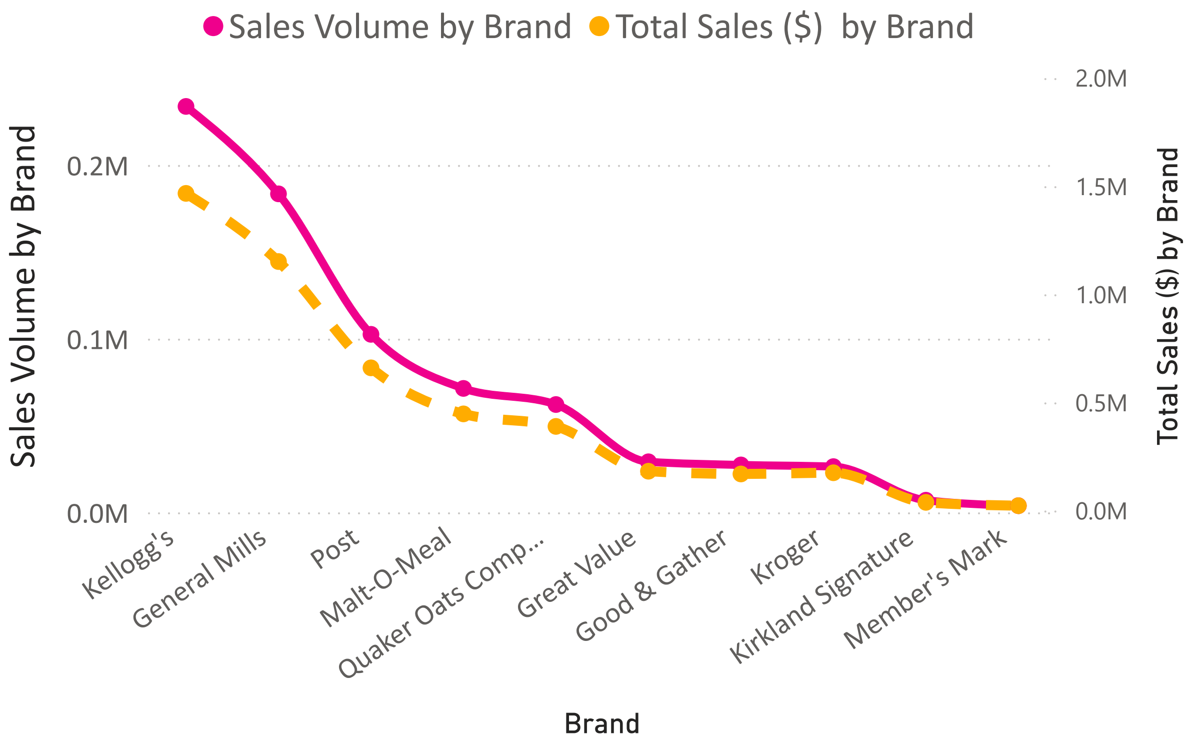
No Promotion periods **drove the highest total sales** despite inflation and discount availability. **Kroger ($3.48M) and Walmart ($3.43M) led all retailers**, reinforcing their dominance in full-price sales.

Both retailers saw **private labels compete closely with Kellogg's**, showing strong consumer trust in store brands even without discounts.

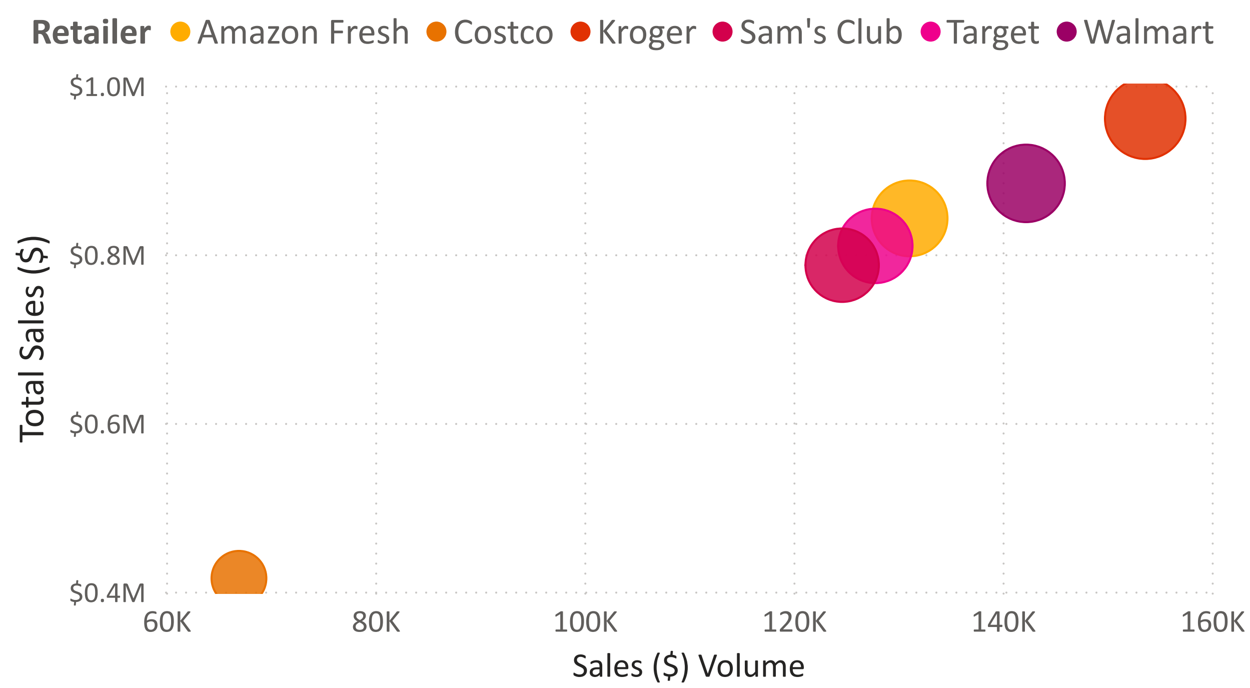
This trend suggests **consumers prioritize availability and routine purchases over promotions**, influenced by **inflation, loyalty programs at Kroger, and Walmart's everyday low-price perception.**

What Promotions Reveal About Brand & Retailer Behavior

Sales Volume & Total Sales ($) by Brand



Sales ($) Volume, Total Sales ($) By Retailer & Year



Select Year

Year

- [ ] 2020
- [ ] 2021

Select Quarter

Quarter

- [x] Q1
- [ ] Q2

Select Promotion

Promotion

All

Brand Sales Volume & Total Sales

Brand	Sales Volume	Promotion	Sum of Total_Sales
Quaker Oats	17638	10% Off	$113,902.33
Total	**746456**		**$4,700,082.70**

Select Brand

Brand

All

Promo Behavior Insights: What Brands & Retailers Reveal

Promotion Response Profiles: Comparing Brand vs. Retailer Dynamics

Brands and retailers respond differently to promotions.

Kellogg's and General Mills maintain strong performance even without aggressive discounts, signaling **loyalty-driven sales**.

Private labels like Great Value and Member's Mark depend more on **volume spikes during promotions**.

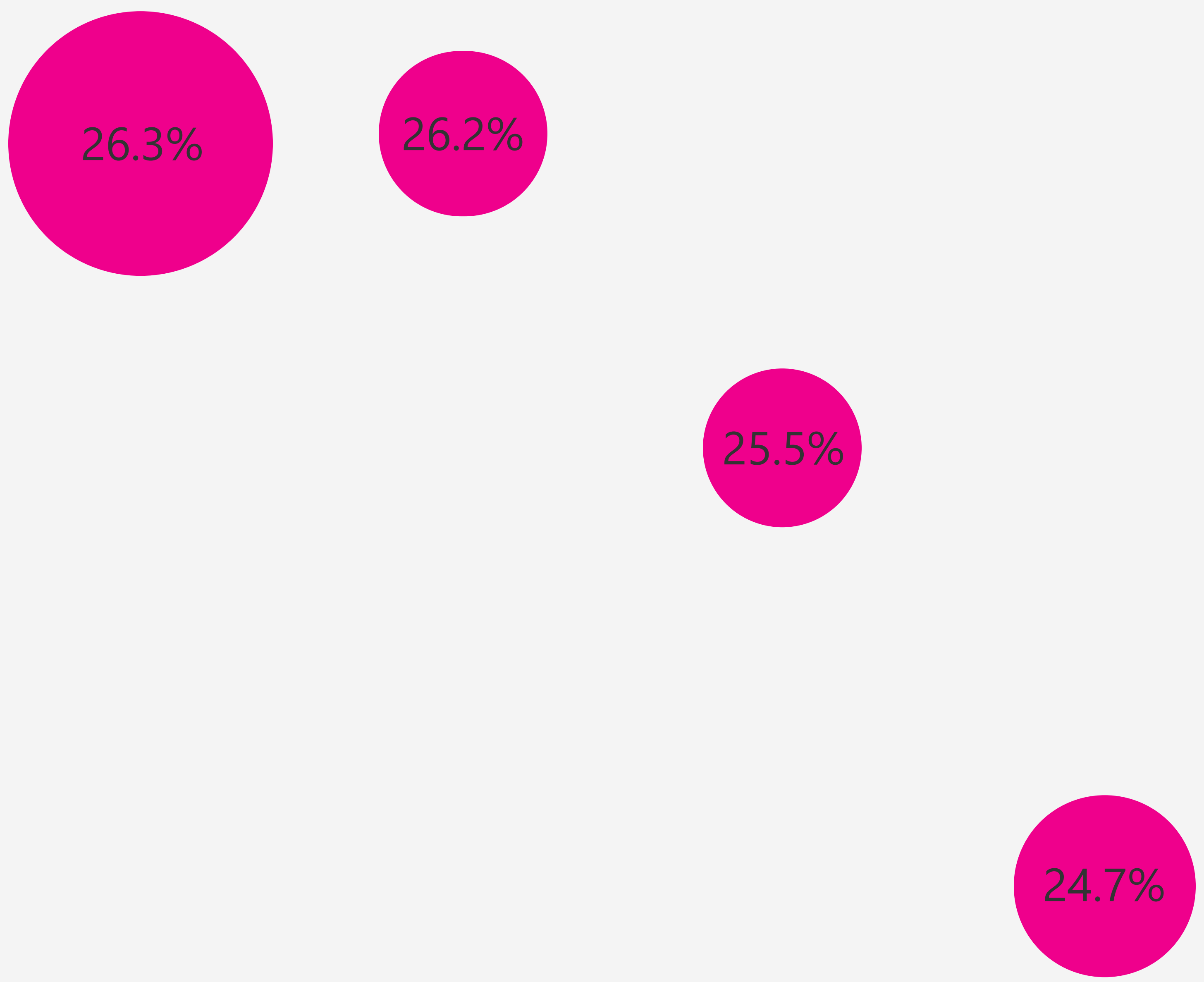
On the retailer side, **Kroger and Walmart** show steady gains across all promo

Key Influencers Segmentation - BOGO

Key influencers | Top segments

When is Promotion more likely to be BOGO ?

We found 4 segments and ranked them by % Promotion is BOGO a...

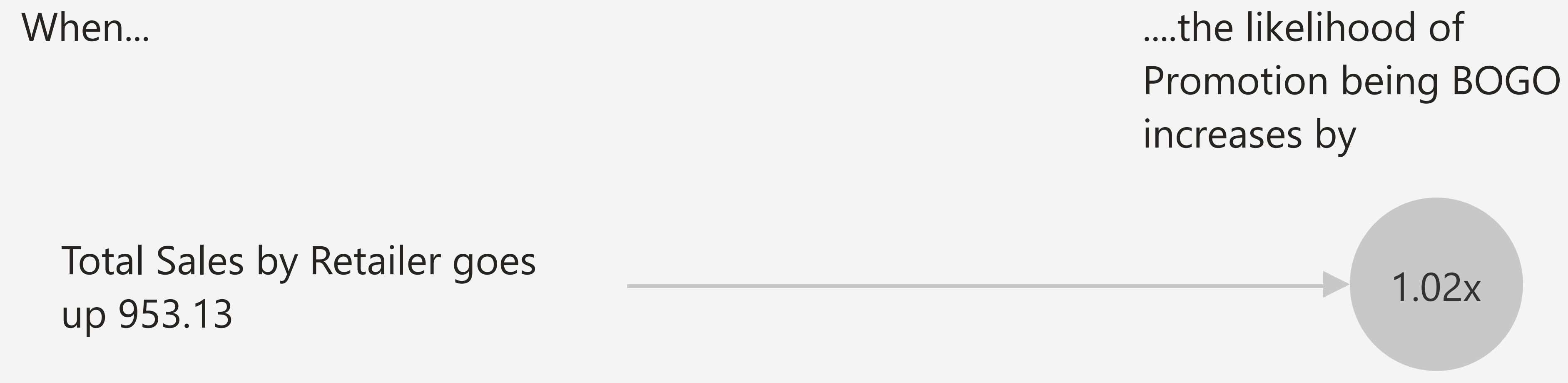


	Segment 1	Segment 2	Segment 3	Segment 4
% Promotion is...	26.3%	26.2%	25.5%	24.7%
Population count	4181	2410	2274	2681

Key Influencers - BOGO Probability Lift

Key influencers | Top segments

What influences Promotion to be BOGO ?



When retailer sales exceed $953.13,

the likelihood of a **BOGO promotion being triggered** increases by **2% (1.02x lift)**.

This suggests a **mild yet meaningful correlation** between higher sales and the use of BOGO strategies.

Unlocking Q1 2023: Brand Behavior & Promotion Performance

Q1 2023 Promotion Impact Insight

Total sales in **Q1 2023** reached **$4.7M**, the highest-performing quarter of the period. Kellogg's drove $1.47M alone, outperforming all brands across both promotion and non-promotion strategies.

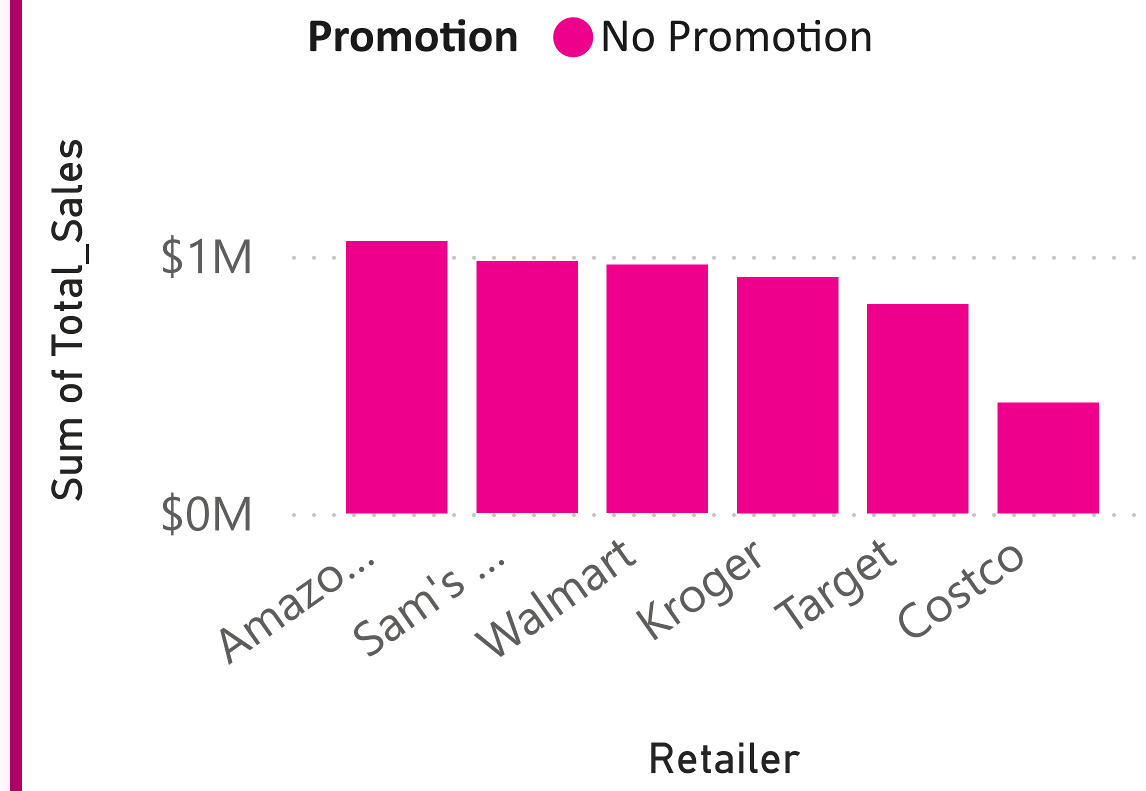
Key Callouts:

- No Promotion continued to show strong revenue performance across Post, General Mills, and Kellogg's, particularly at Sam's Club.
- **BOGO** was highly effective for Kellogg's at Amazon Fresh, rivaling **10% Off** in volume, but with stronger dollar efficiency.
- **10% Off** continued to demonstrate **limited revenue lift**, echoing prior behavioral and perceived-value concerns.

Strategic Takeaway:

Invest in promotion strategies that yield real behavioral and margin impact. Consider amplifying "**No Promotion**" value messaging, optimizing **BOGO t**iming, and reevaluating **10% Off** as a default promo approach.

Total Sales by Retailer and Promotion



Select Promotion

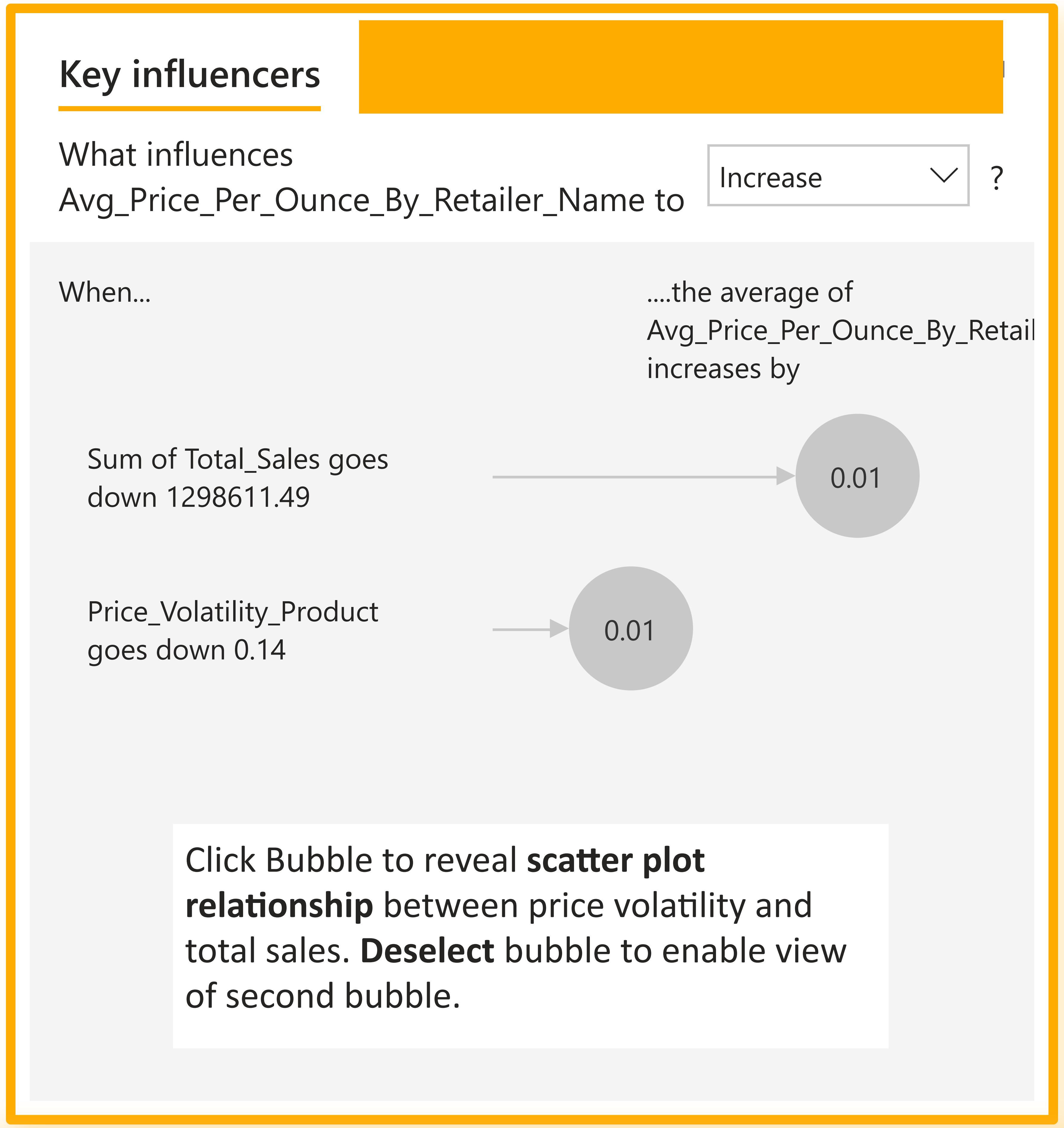
Promotion

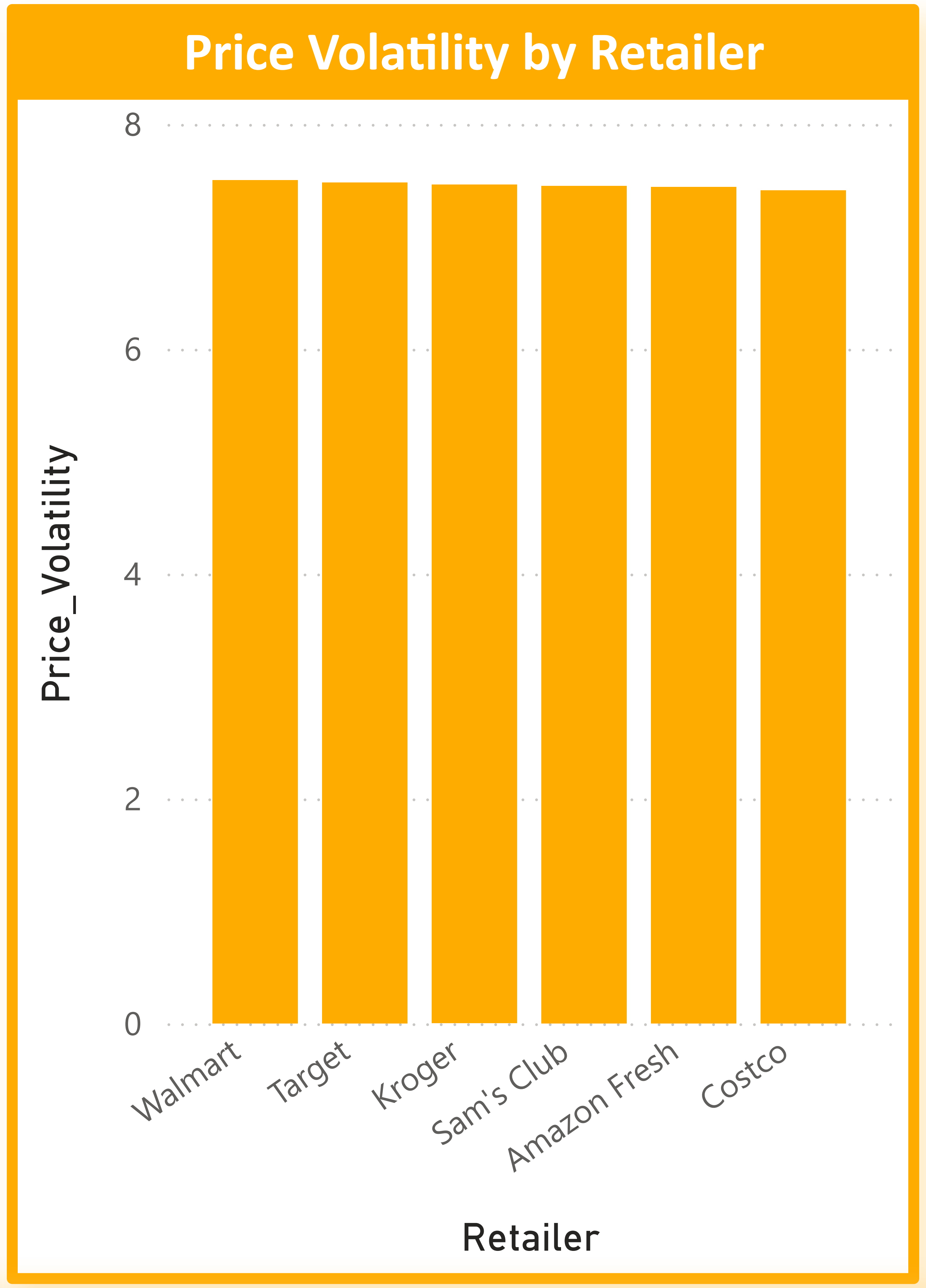
- [ ] 10% Off
- [ ] BOGO

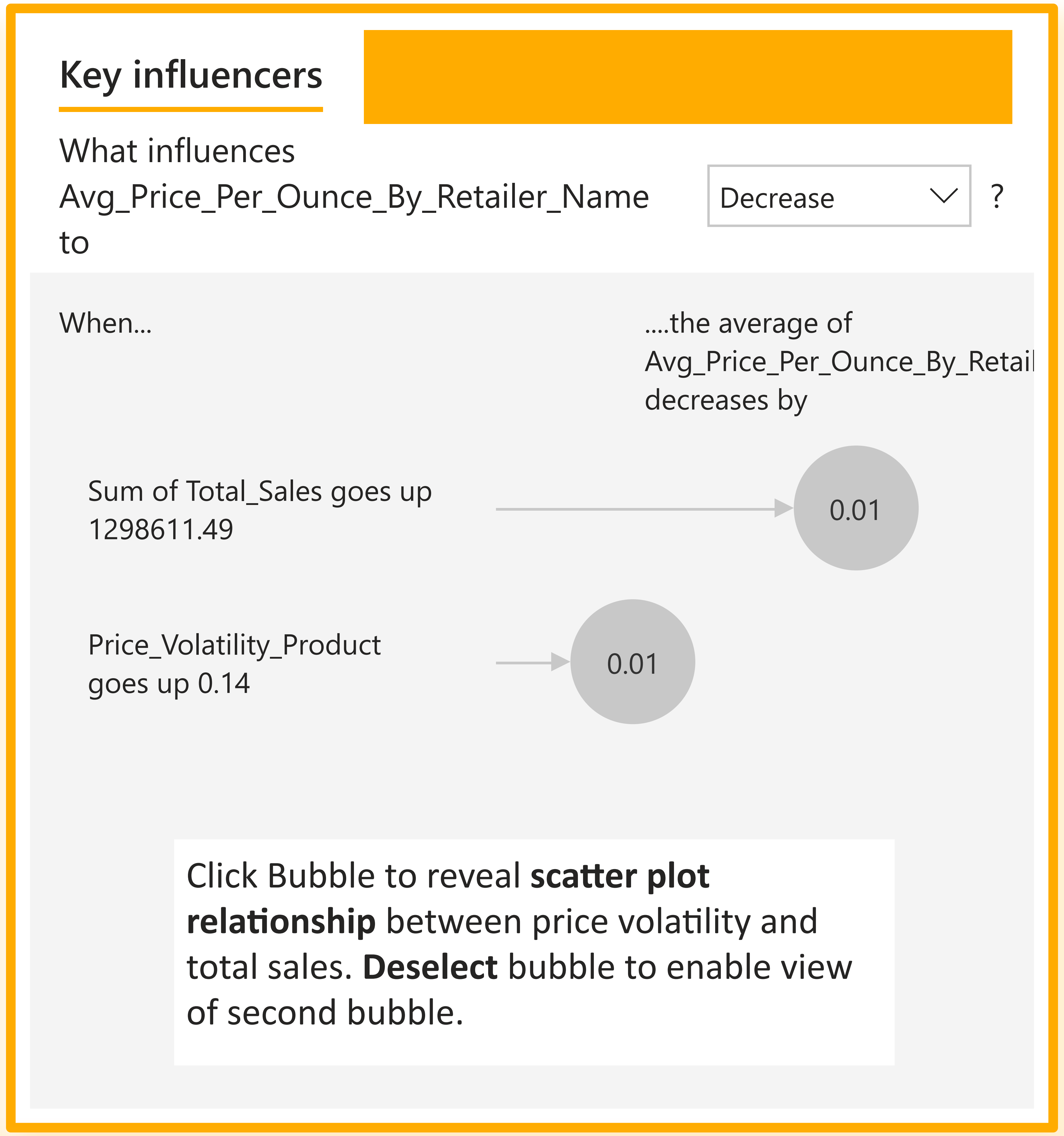
No Promotion

Select Brand

- [ ] General Mills
- [ ] Good & Gather







Insight: Price Volatility, Sales Volume & Consumer Cost

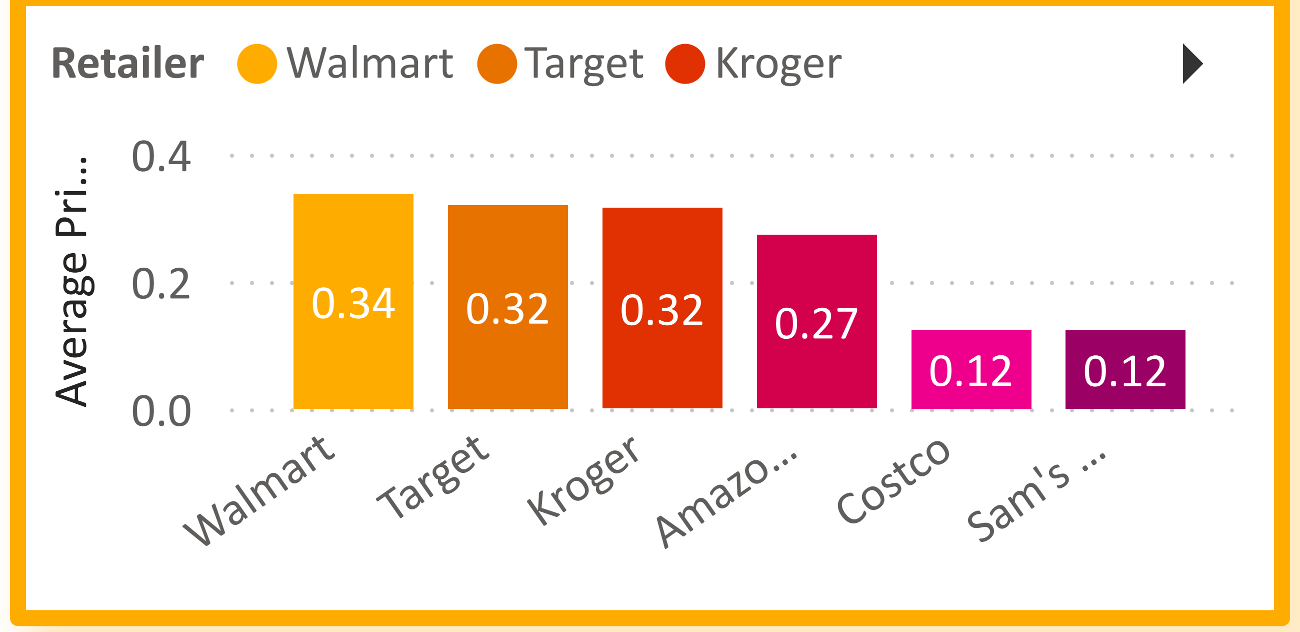
This analysis reveals a hidden consumer cost:

As total sales decrease and price volatility drops, the average price per ounce tends to increase.
Even when prices appear “stable,” consumers may pay more per unit. Retailers like **Costco**, known for consistent pricing, showed the **lowest volatility but among the highest $/oz** for certain products.
Meanwhile, **Walmart**, with the highest price volatility, still offered slightly more competitive per-ounce pricing due to frequent adjustments and promotions.

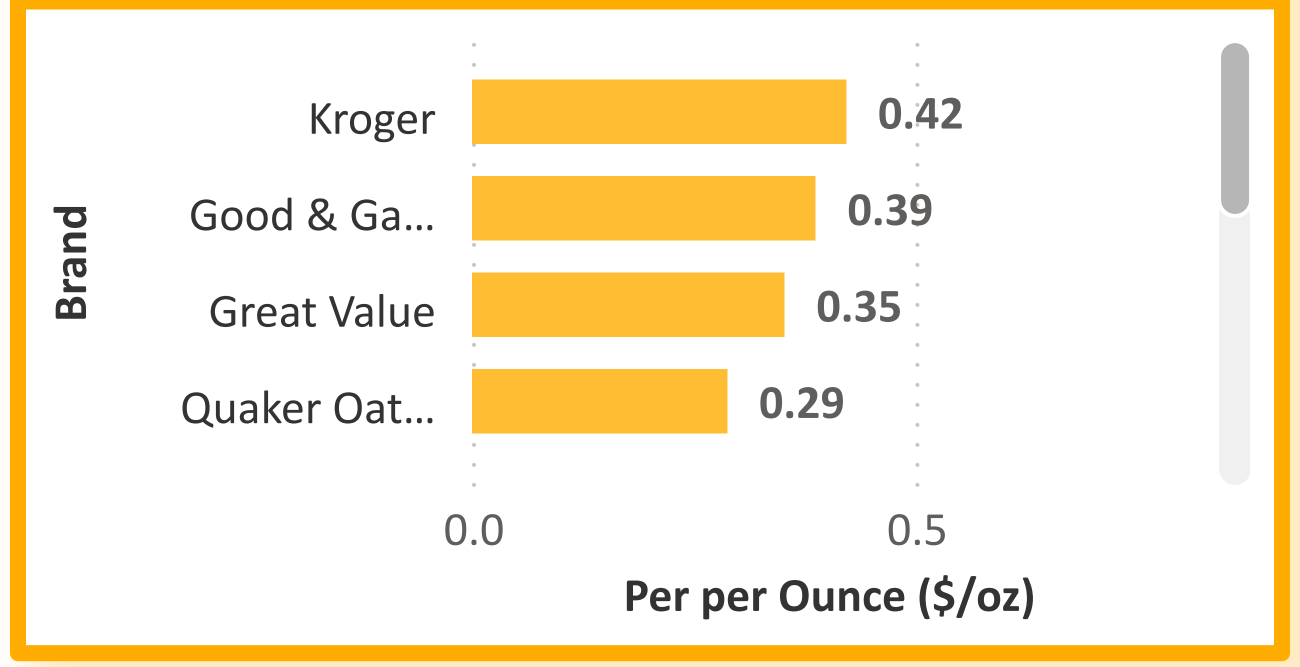
🧠 **Key Takeaway:**

Price_Volatility by Retailer

Average Price per Ounce ($/oz) by Retailer



Price per Ounce ($/oz) by Brand



Narrative Insight: The Volatility Paradox

When Sales Drop, Price Per Ounce Rises

At first glance, the average price volatility between retailers appears minimal. Each hovers around the **7.4–7.5** range, making the price volatility bar chart seem relatively flat and uneventful. But the Key Influencers chart tells a deeper story.

Power BI's AI-driven analysis reveals a striking insight: **when total sales decline, the average price per ounce increases.** This is counterintuitive to conventional consumer logic. We're often told that prices rise due to high demand. But here, the data shows that **even in times of decreased demand and sales, prices go up.**

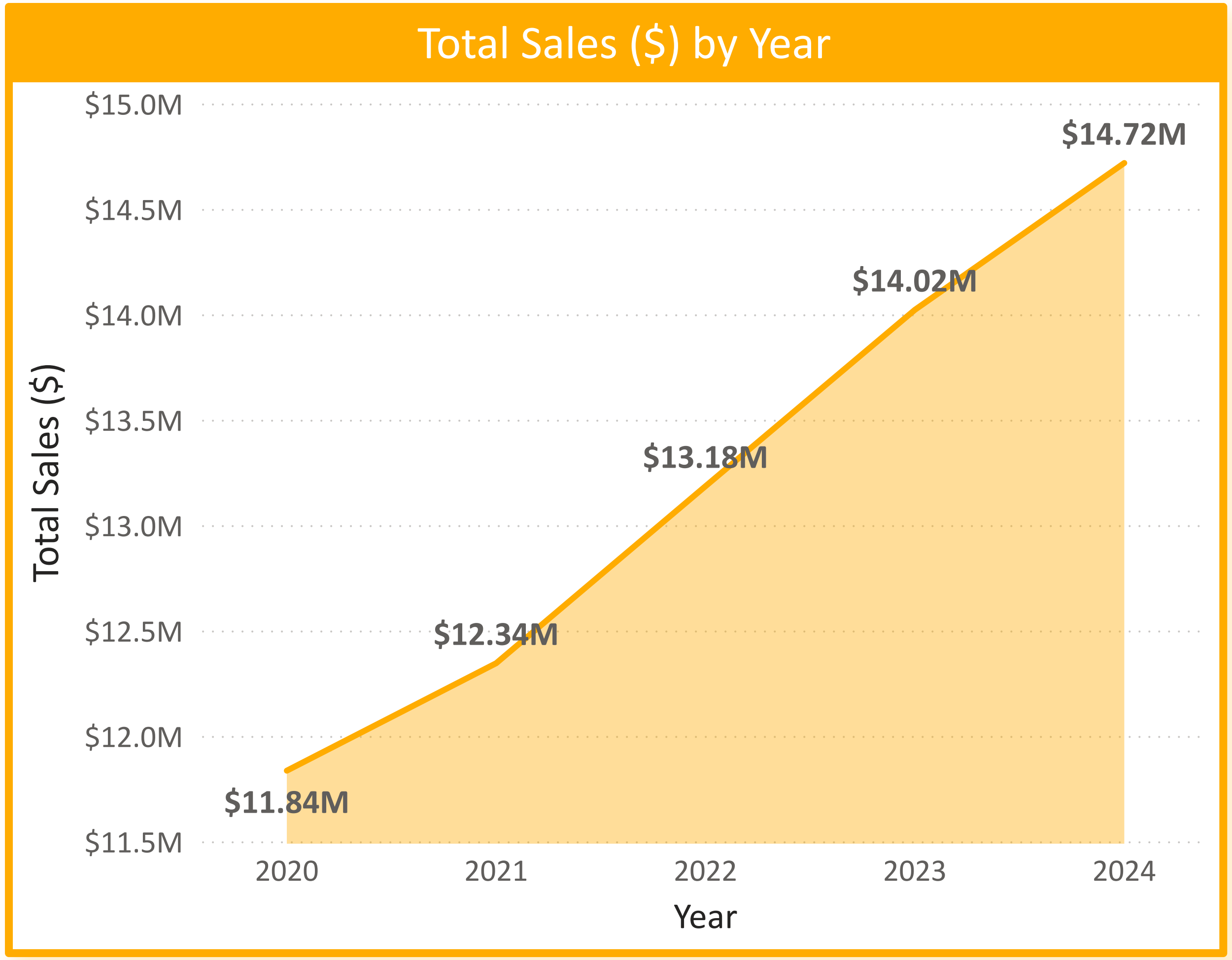
In fact, the Key Influencer model found that:

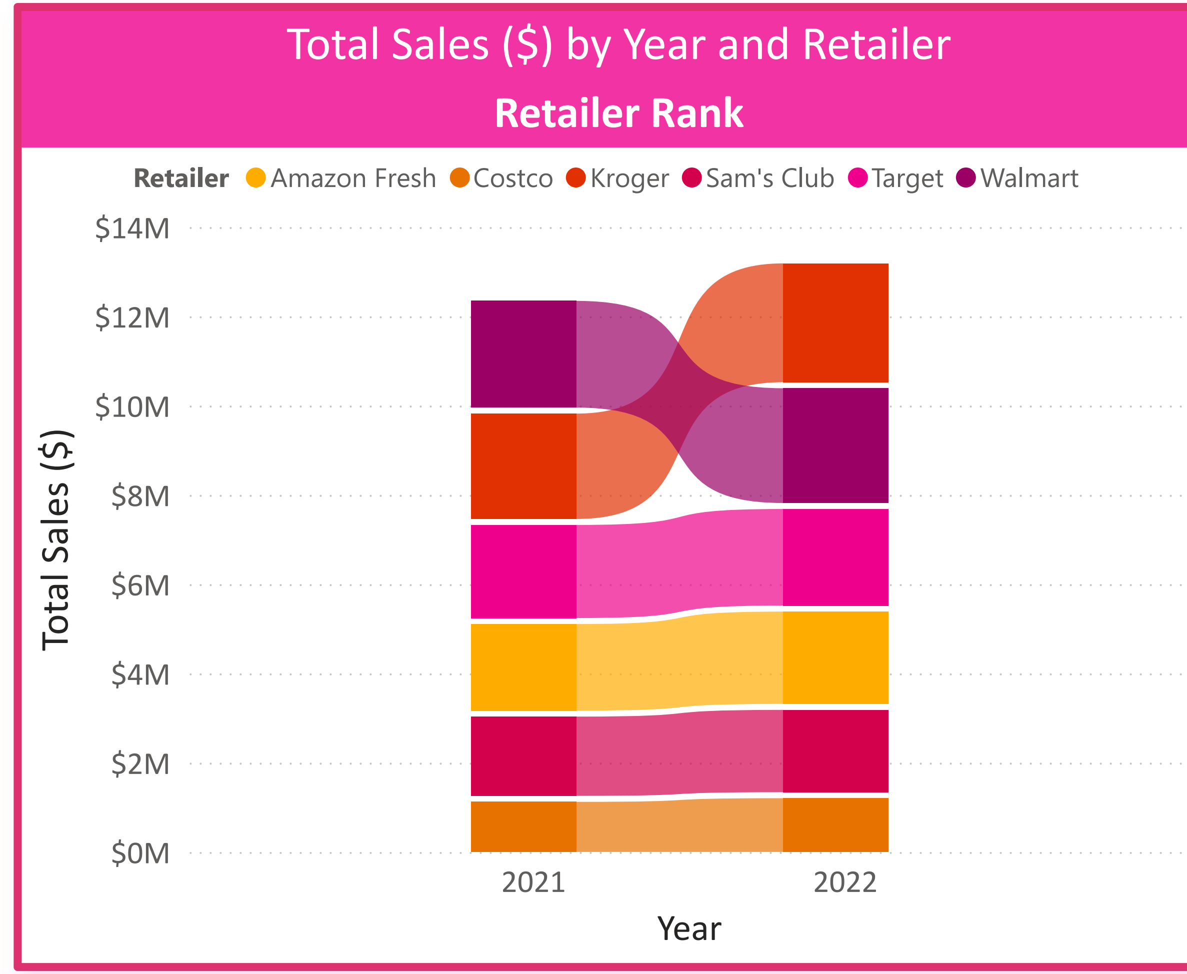
- A **drop of $1.29 million in total sales** correlates with an **increase of $0.01 per ounce** in average price.
- A **decrease in product-level price volatility** is also associated with an increase in price per ounce.

So what does this mean?

This pricing behavior suggests a form of **demand-agnostic pricing power**—a strategy where prices are raised not just in response to demand spikes, but also **as a means to offset losses when demand is low.**

It also reinforces the power dynamic retailers hold in shaping perception: when shoppers buy less, companies still protect margins—**not by reducing price**, but by subtly r**aising the unit cost.**
This insight transforms the flat bar chart on volatility into a foundational layer that supports a more



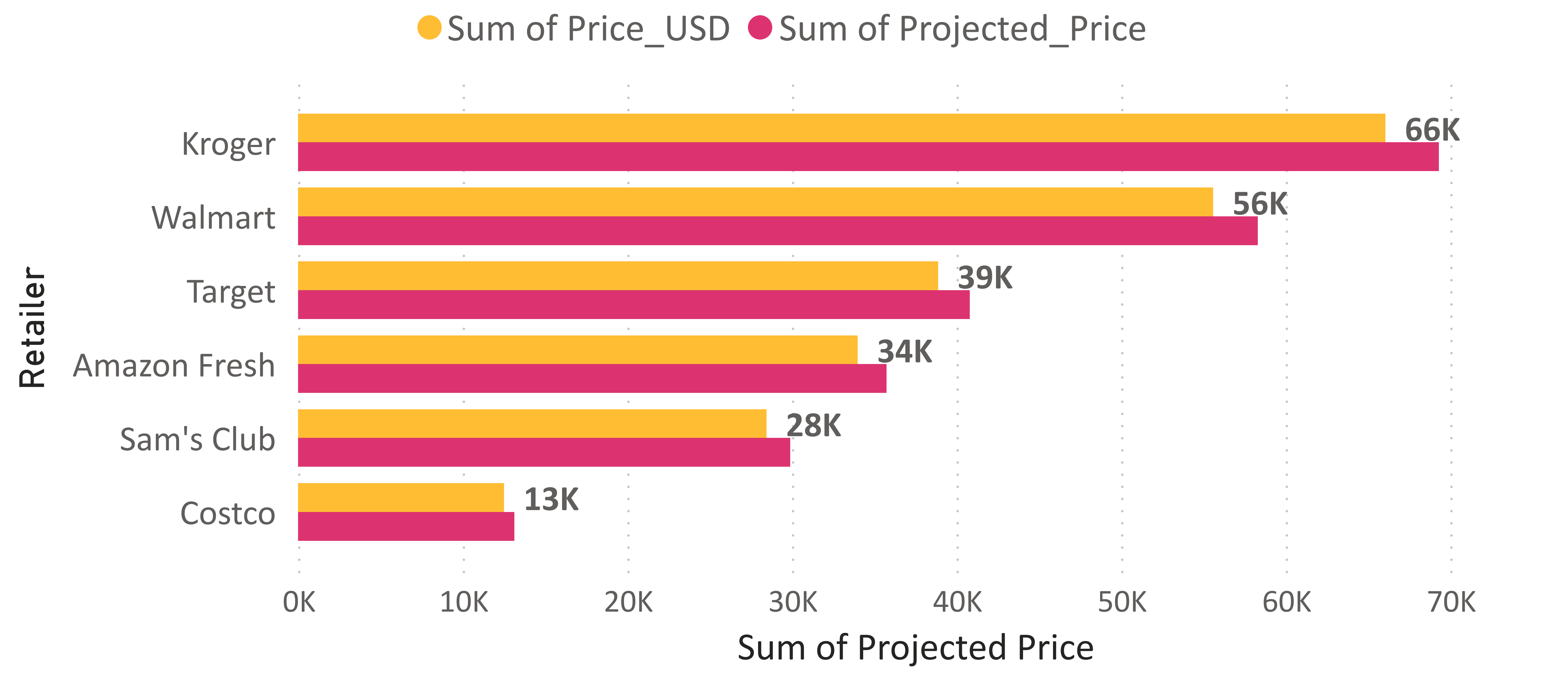


Retailer Rank Volatility: Insights

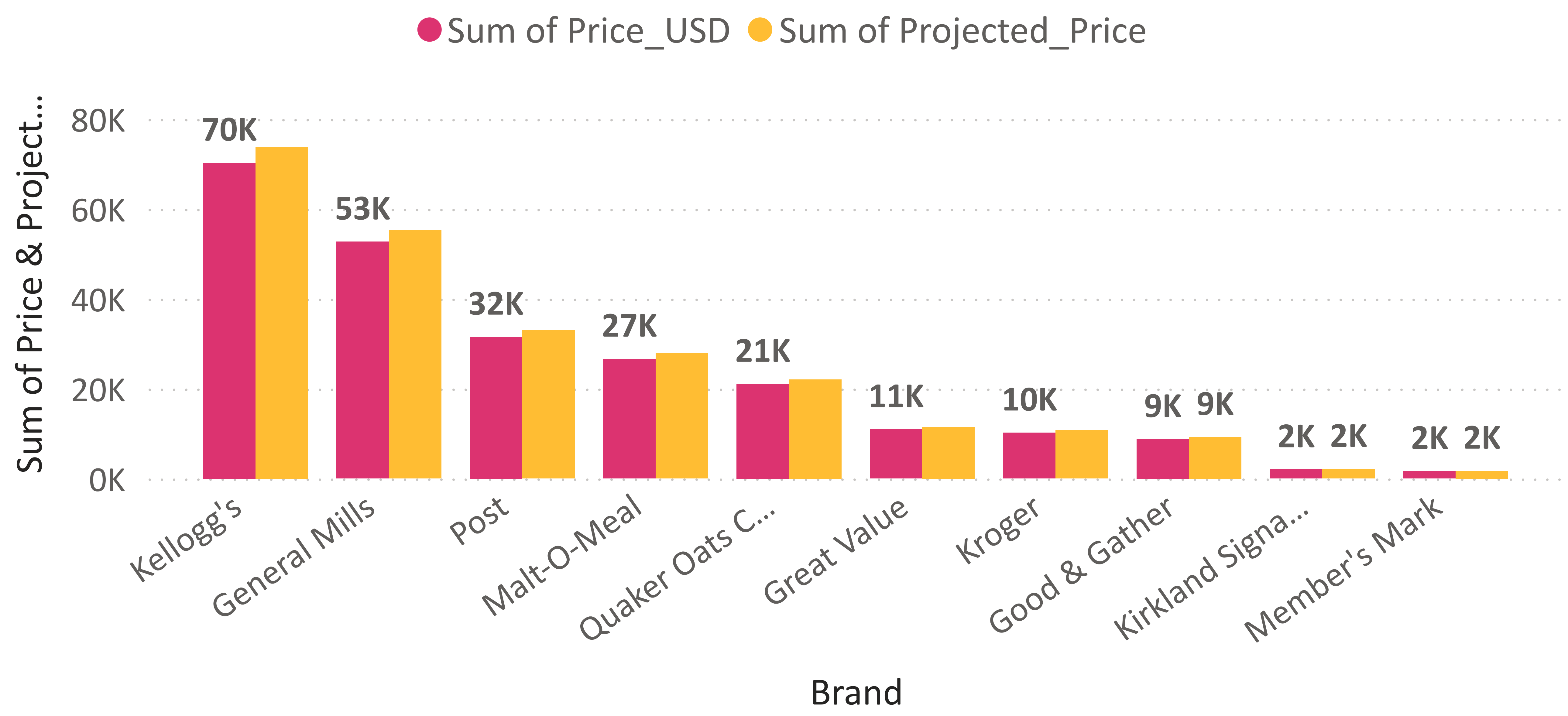
Between 2020 and 2025, **Kroger** consistently led in Total Sales ($) across all years **except 2021**, when **Walmart briefly overtook the lead** with **$2.52M** vs. Kroger's **$2.49M.**

This *temporary flip in rank* may reflect **promotional shifts, regional spikes, or brand availability**—but Kroger quickly reclaimed the top spot by 2022 and maintained it through 2025.

Sum of Price USD ($) and Sum of Projected Price ($) by Retailer



Sum of Price USD ($) and Sum of Projected Price by Brand



Key Insight: Pricing Parity Reflects Strategic Intent

- Across all retailers, **actual pricing (Sum of Price USD)** consistently underperformed compared to **AI-projected pricing**, signaling intentional restraint in pricing strategies.
- **Kroger** had the **largest gap** between projected and actual pricing at the retailer level (~$3.2K), but its **private label (Kroger Brand)** showed strong alignment, with only a ~$540 gap — indicating strategic containment of national brand pricing while optimizing store-brand competitiveness.
- **Walmart and Sam's Club** followed a similar pattern: larger retailer-level price gaps (~$2.7K and ~$1.4K), yet **Great Value** and **Member's Mark** maintained near-parity with projections.
- **Target's Good & Gather** had the **tightest pricing alignment** among private labels — a subtle but powerful insight suggesting brand positioning as a premium yet inflation-conscious alternative.
- Overall, **warehouse clubs (Costco, Sam's Club)** demonstrated **tighter price discipline** than traditional retailers, especially at the store-brand level (Kirkland Signature had the **smallest price difference** of all brands).

***Interpretation**: Retailers may be leveraging behavioral economics by keeping national brand prices below projection to nudge consumers toward high-margin store brands.*

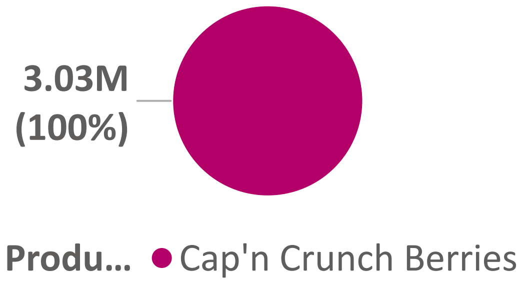
Sum of Price USD ($) and Sum of Projected Price ($) by Retailer

Insights: Regional Price vs. Projection Trends

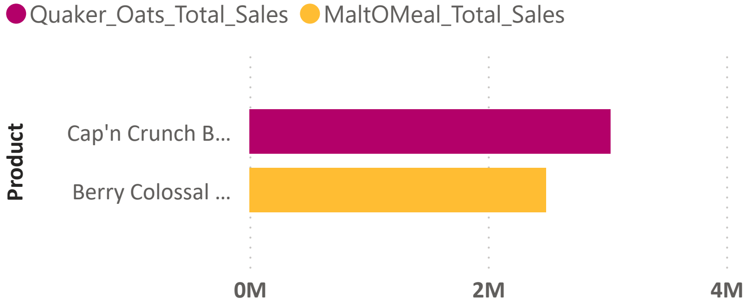
- **Price vs. Projected Price gaps vary by region**, with **Midwest/South** and **West National** showing slightly **closer alignment** than other regions.
- **Costco shows near-perfect pricing parity** across all regions, highlighting a **disciplined, consistent strategy**.
- **Kroger and Amazon Fresh** maintain wider gaps in multiple regions, suggesting more **strategic pricing variability**.
- Differences may reflect **localized demand**, **supply chain costs**, or **price anchoring strategies**.

💡 *AI projections act as a benchmark — but regional execution reflects each retailer's unique pricing playbook.*

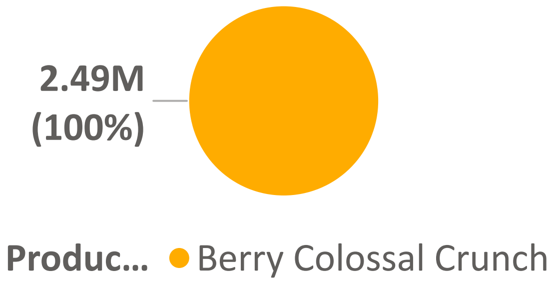
Quaker Oats Total Sales & Average Switch Frequency by Product



Quaker Oats & Malt-O-Meal Total Sales by Product



Malt-O-Meal Total Sales & Average Switch Frequency by Product



Retailer

- Kroger
- Target
- Walmart

Year

- 2020
- 2021
- 2022
- 2023
- 2024

Product	Total Sales	Sales Volume
Cap'n Crunch Berries	3,030,711.18	517150
Total	**3,030,711.18**	**517150**

Product	Total Sales	Sales Volume
Berry Colossal Crunch	2,489,676.62	421500
Total	**2,489,676.62**	**421500**

Quaker Oats Company

Brand	Product Name	Promotion	Total Sales
Quaker Oats Company	Cap'n Crunch Berries	10% Off	709,411.89
Quaker Oats Company	Cap'n Crunch Berries	BOGO	711,556.54
Quaker Oats Company	Cap'n Crunch Berries	Clearance	759,060.47
Total			**3,030,711.18**

Malt-O-Meal

Brand	Product	Promotion	Total Sales
Malt-O-Meal	Berry Colossal Crunch	10% Off	568,738.78
Malt-O-Meal	Berry Colossal Crunch	BOGO	629,570.42
Malt-O-Meal	Berry Colossal Crunch	Clearance	626,273.04
Malt-O-Meal	Berry Colossal Crunch	No Promotion	665,094.38
Total			**2,489,676.62**

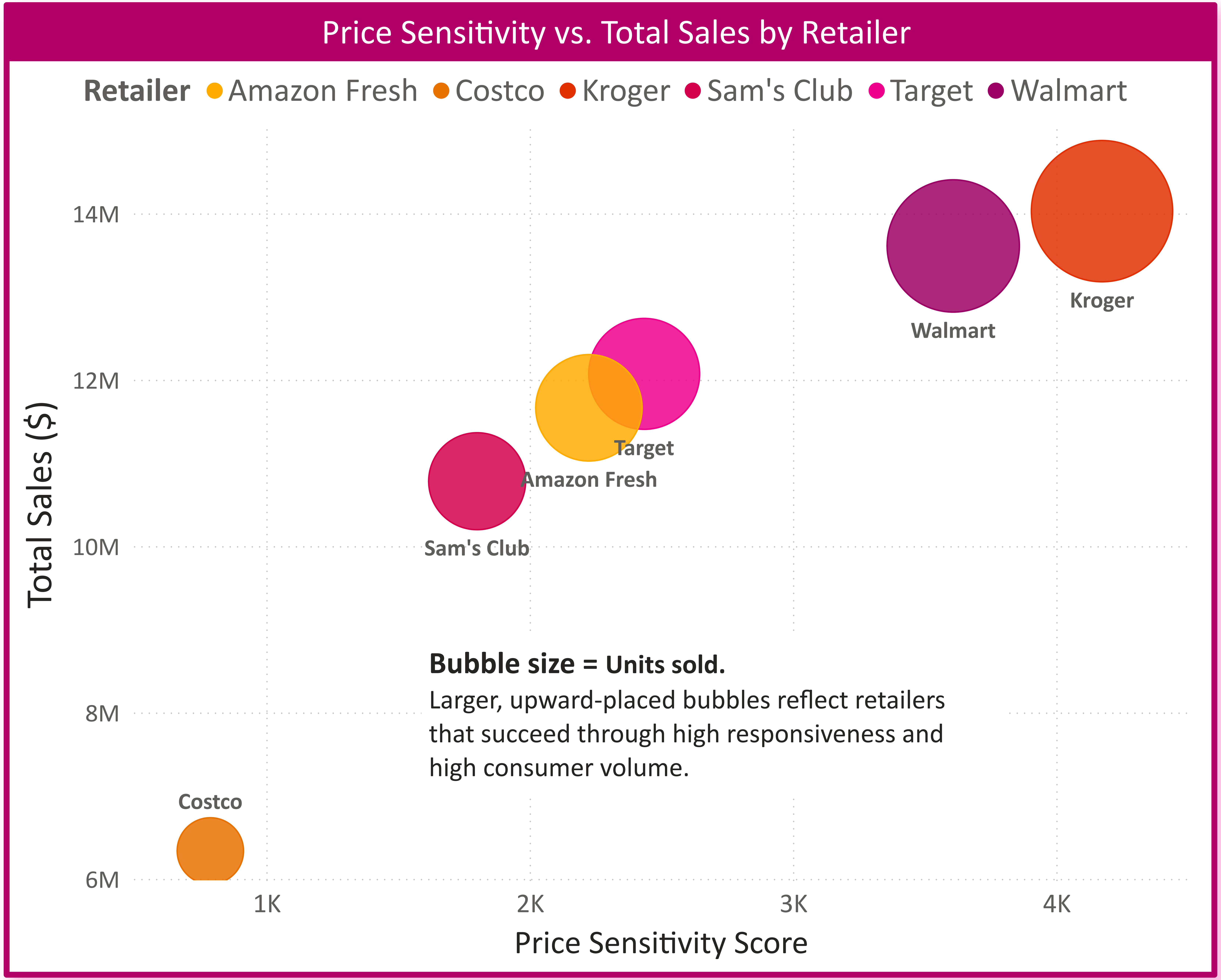
Quarter

- Q1
- Q2
- Q3
- Q4

Insight: Quaker Leads — But Value Competition Is Creeping In

Quaker's Cap'n Crunch Berries continues to lead Malt-O-Meal's Berry Colossal Crunch in both sales and volume — but **MOM's lower unit cost** and comparable flavor may be quietly shifting consumer behavior. In Q4 2024, MOM briefly overtook Quaker in sales, hinting at pressure ahead.

---- Nostalgia wins hearts, but value wins baskets.

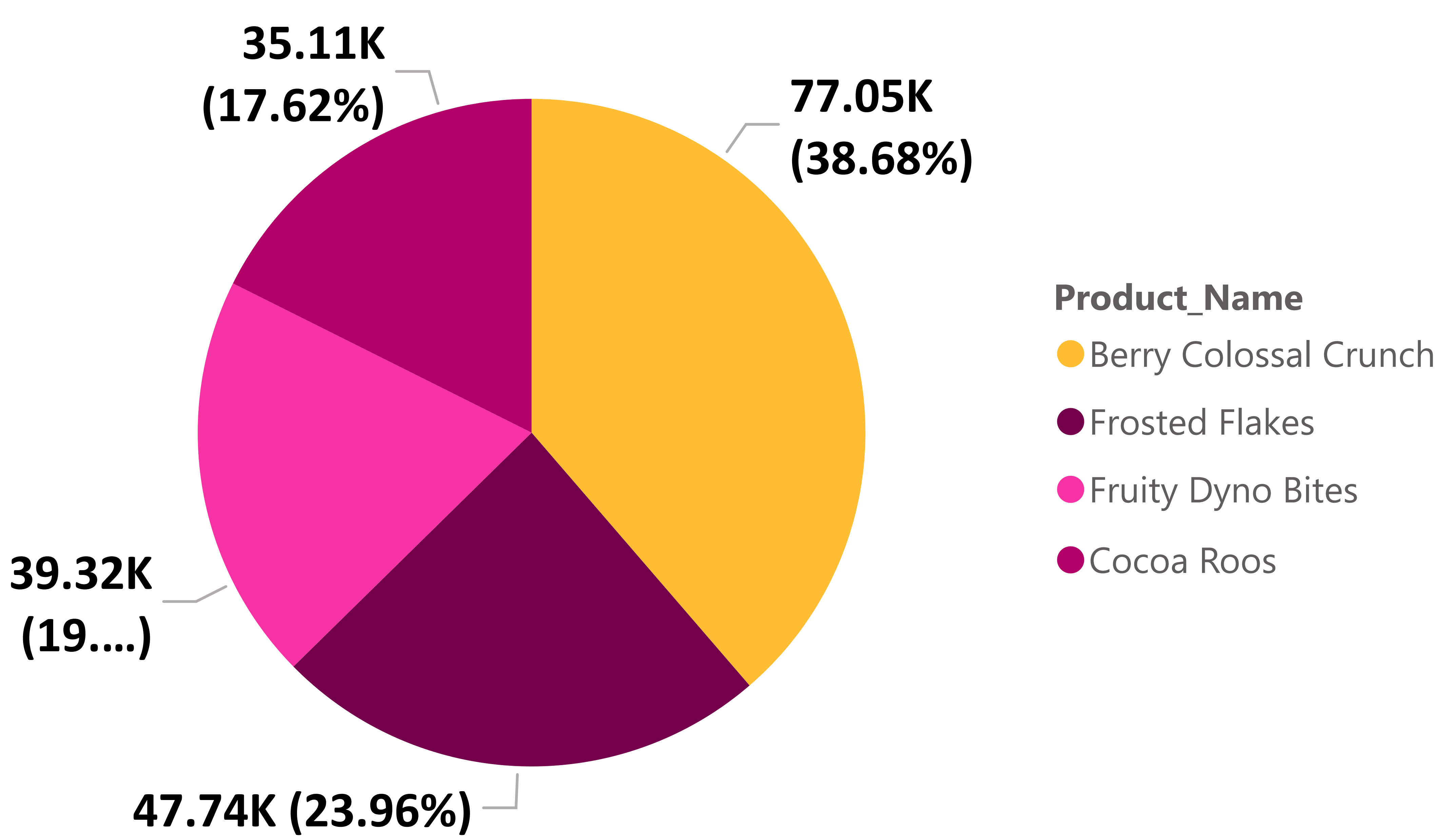


nsight: Price Sensitivity Drives Strategic Sales Positioning

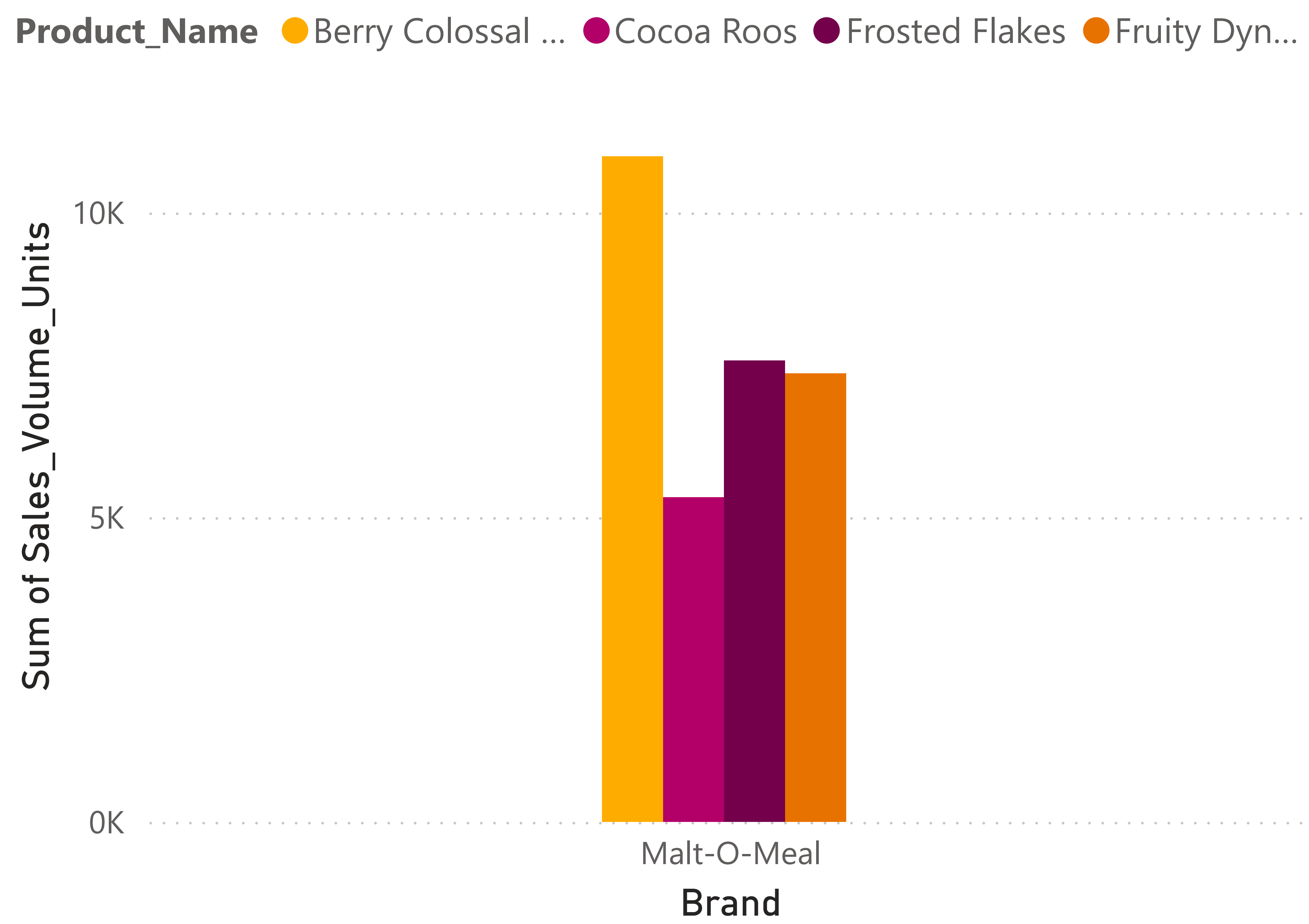
- Retailers with **higher Price Sensitivity Scores** generally see **higher total sales**, suggesting that **strategic responsiveness to pricing** is a growth driver when backed by volume.
- **Walmart and Kroger** dominate the upper-right quadrant — demonstrating that **high sensitivity + high sales volume** yields market leadership.
- **Target and Amazon Fresh** hold competitive mid-ground positions, balancing price strategy with brand equity.
- **Costco**, positioned far left, maintains **low sensitivity but solid performance**, reflecting its **bulk-value pricing model** that resists frequent price adjustments.
- The **diagonal slope** of the bubble trajectory reveals a **clear correlation**: Retailers that actively **adjust to price sensitivity signals** tend to **outperform in total sales.**

Intra-Brand Rotation: A Signal of Strategic Loyalty

Malt-O-Meal Total Sales ($) by Product



Preference Patterns Across Malt-O-Meal Products by Sales ($) & Loyalty



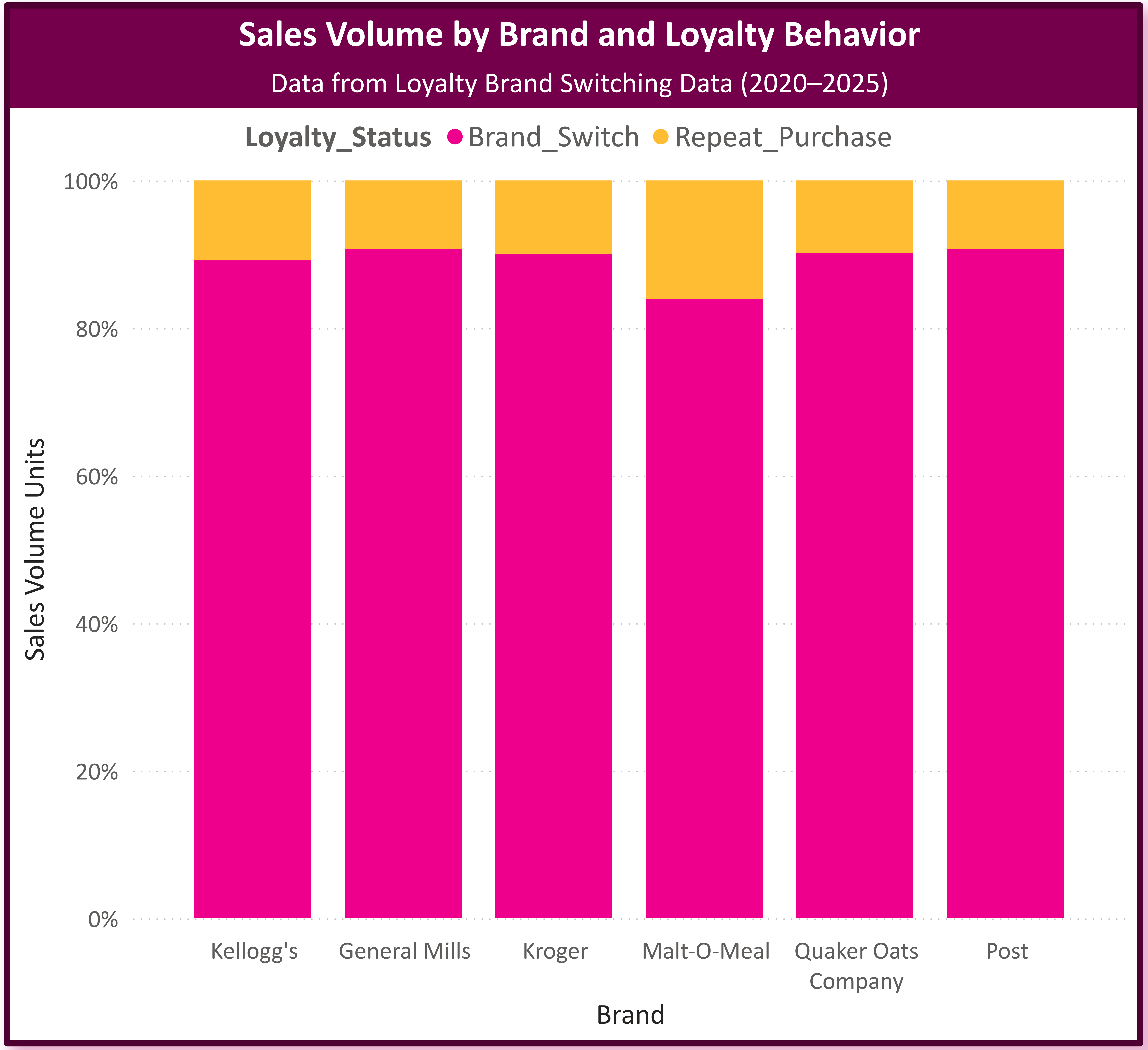
Select Year

- [ ] 2020
- [ ] 2021
- [ ] 2022
- [ ] 2023
- [ ] 2024

Insight Malt-O-Meal Customers and Brand 'Stickyness'

An average Switch Frequency Score of **0.49–0.50** at the **product level** reflects *flexible preference*, not disloyalty. From Cocoa Roos to Berry Colossal Crunch, this behavior reveals a brand perceived as **consistently valuable**, **cost-conscious**, and **flavor-diverse.**

Even as shoppers pivot between products, they're staying anchored to the brand. That's not loss—**that's strategic loyalty.**



Select Retailer

- Amazon Fresh
- Costco
- Kroger
- Sam's Club
- Target

Brand

- General Mills
- Kellogg's
- Kroger
- Malt-O-Meal
- Post

Region

All

Year

2024

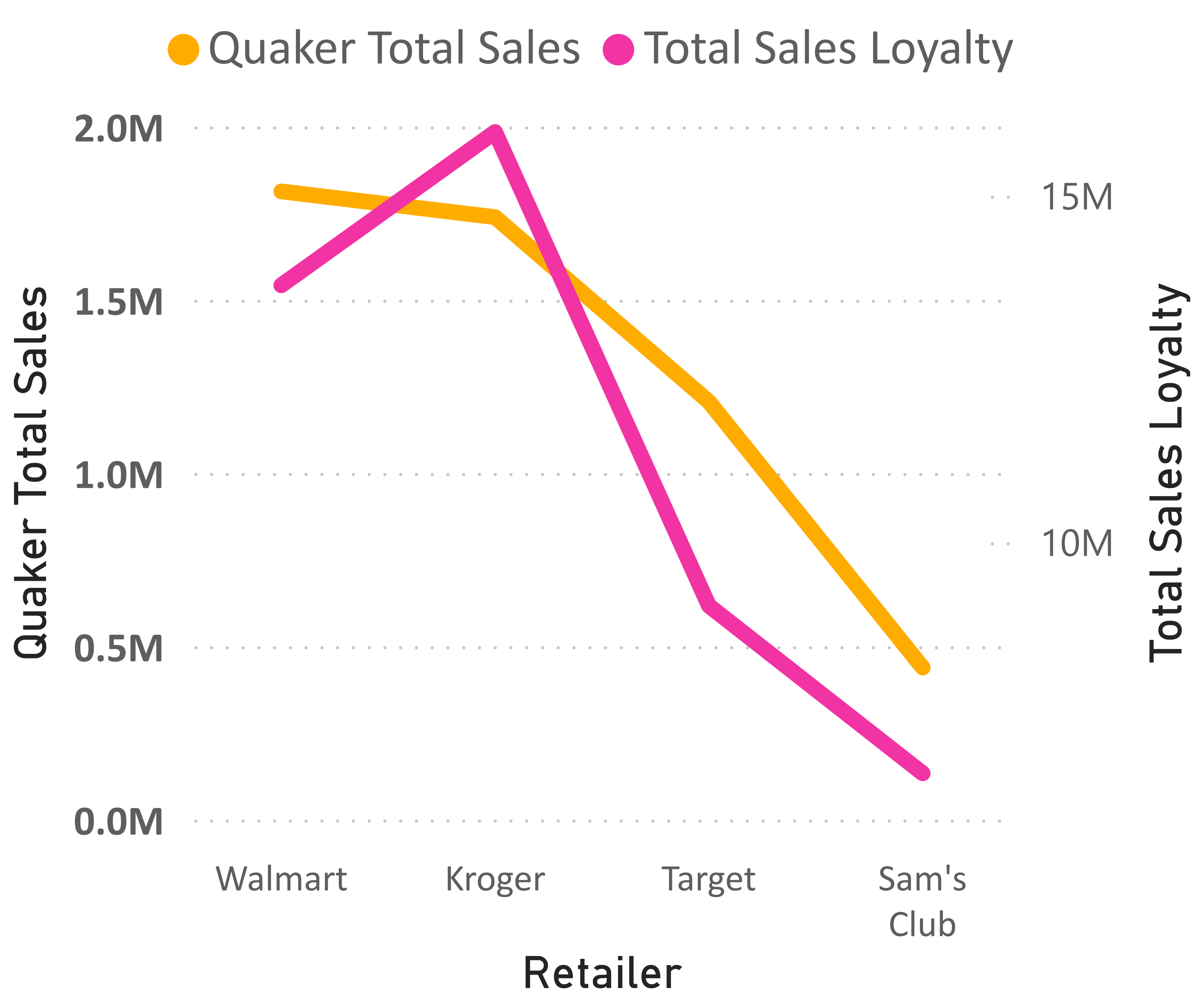
Insights: High Loyalty, Low Cost: Malt-O-Meal's Hold on Kroger Customers

Kroger customers showed the highest brand loyalty to Malt-O-Meal, with a **repeat purchase rate of 16.09% in 2024** — nearly **7% higher than the national average across all retailers.**

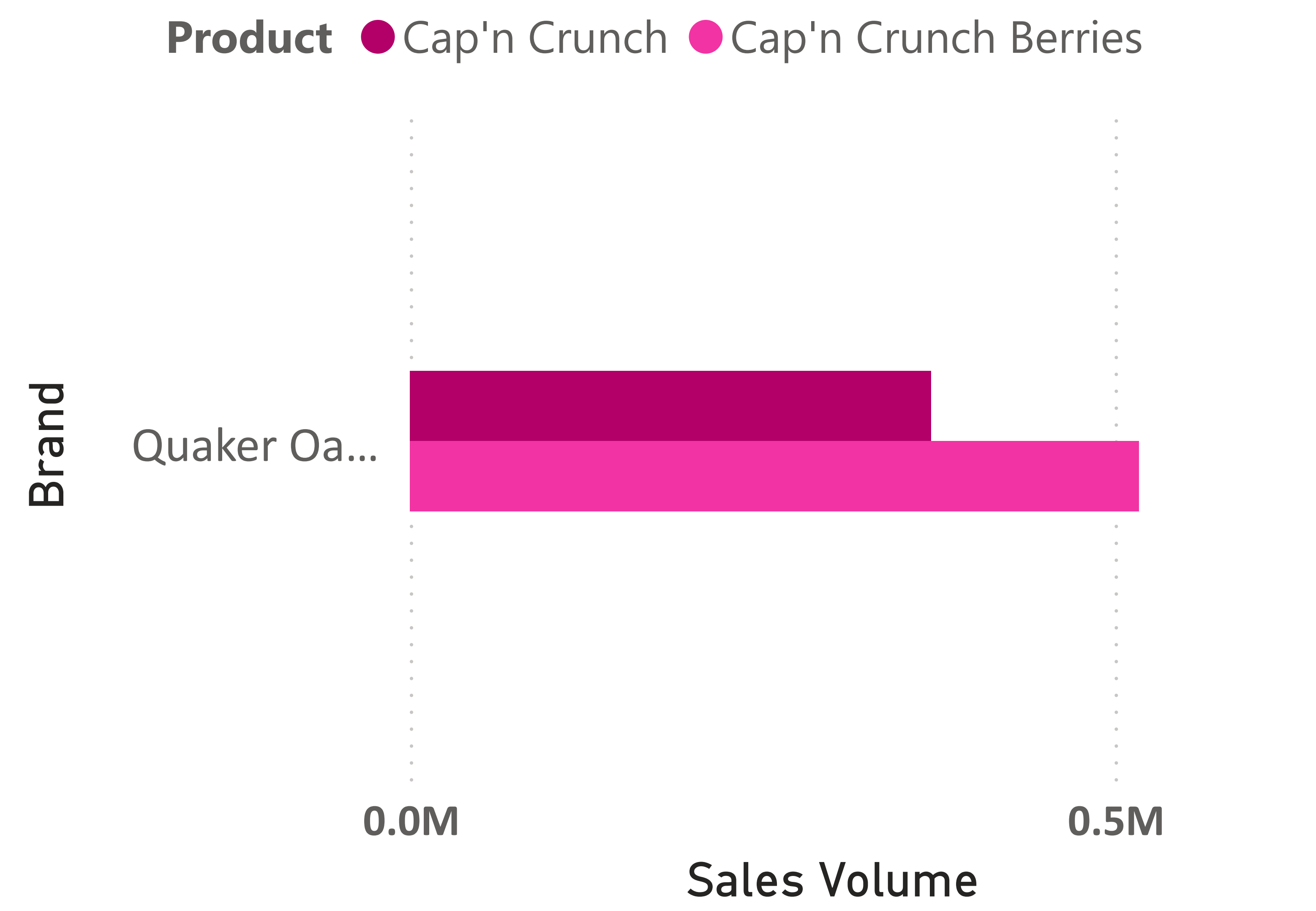
This suggests that Malt-O-Meal's **affordable bagged cereals** may hold unique appeal among Kroger shoppers, especially during periods with **no promotions**, where loyalty was strongest.

Customer switching was lowest here, and the **Average Switch Frequency Score dropped to 0.43**, indicating a stronger stickiness to the brand — even in a competitive, inflation-conscious market.

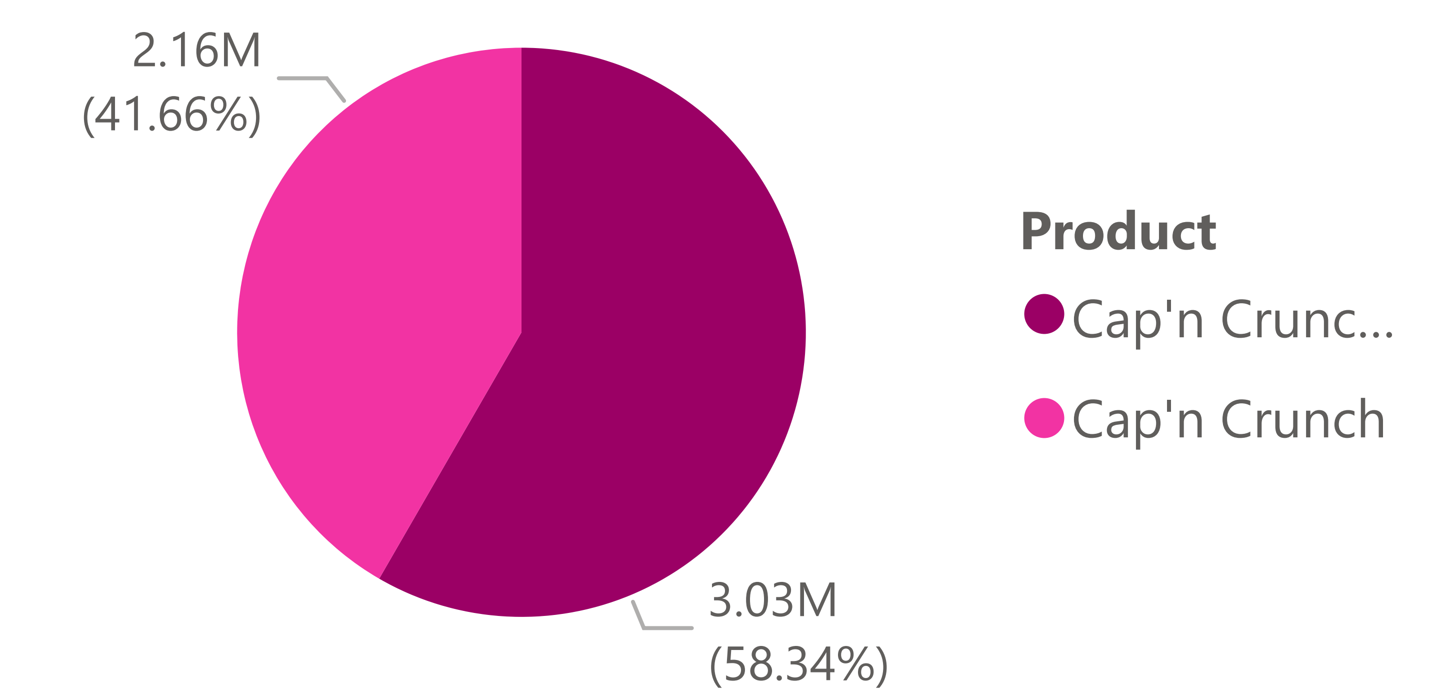
Quaker Total Sales ($) Loyalty & Retailer



Sales Volume, First Previous Purchase Brand & Average of Switch Frequency Score by Brand & Product



Quaker Total Sales by Product Name



Retailer	Brand	Product	Total Sales
Kroger	Quaker Oats Company	Cap'n Crunch	886,639.95
Kroger	Quaker Oats Company	Cap'n Crunch Berries	851,528.25
Sam's Club	Quaker Oats Company	Cap'n Crunch Berries	438,519.45
Total			**5,194,819.97**

Select Retailer

Retailer

- [ ] Amazon Fresh
- [ ] Kroger
- [ ] Sam's Club

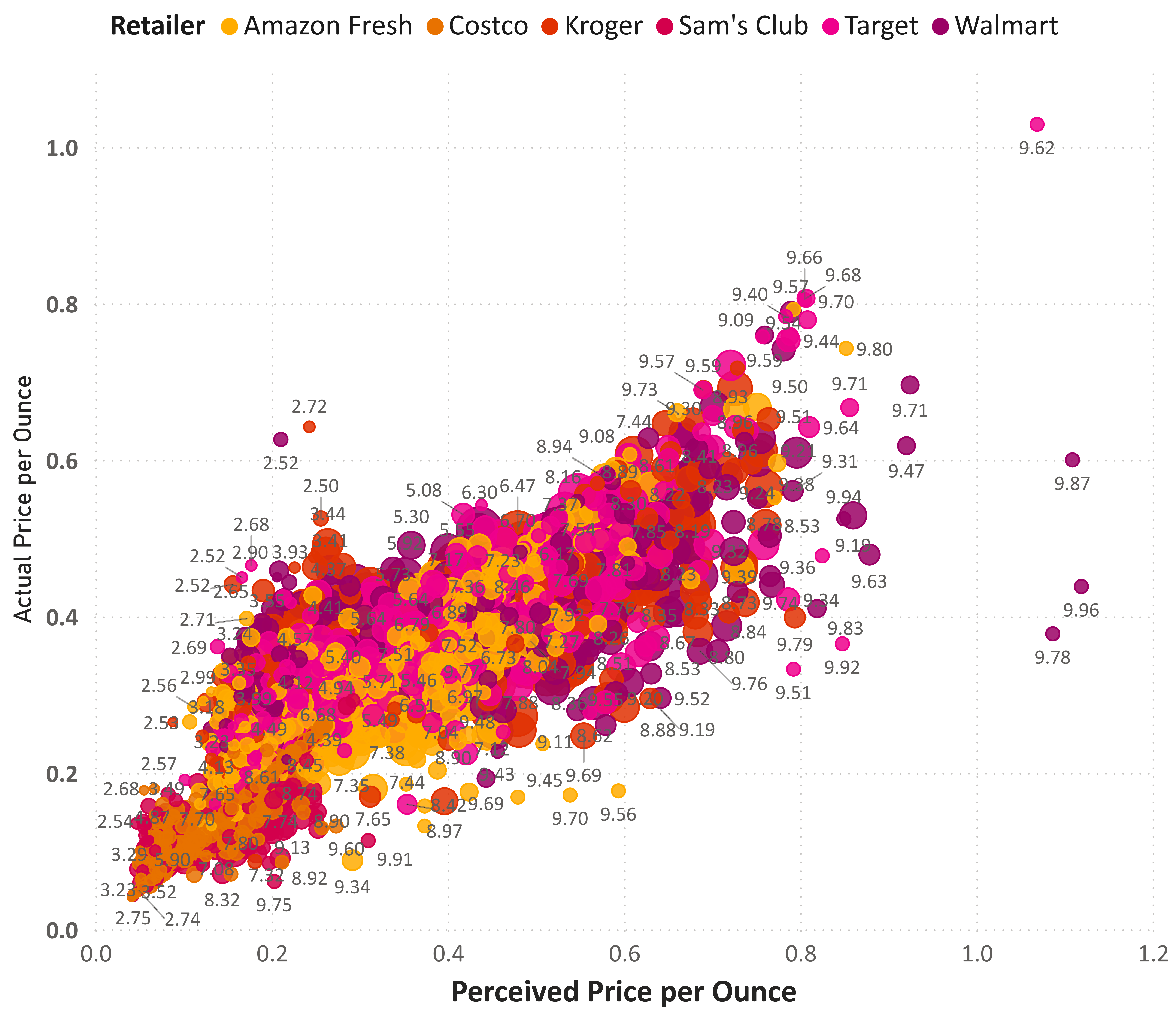
Insight: Cap’n Crunch Loyalty Holds—But There's Pressure Ahead

Quaker Oats’ Cap’n Crunch Berries consistently outperforms its original counterpart in both **sales volume** and **total revenue**, holding a **58.34% product share** within its own portfolio.

◆ **2024 marked Quaker’s strongest sales year**, with Walmart driving the highest revenue at $1.81M.

◆ However, **loyalty is moderate**, with average switch scores hovering around **0.49–0.51**. With only two core products in the cold cereal category, and performance gaps between retailers, Quaker may need **innovative packaging, promotional clarity, or portfolio expansion** to remain competitive.

Where Perception Deviates: Price per Ounce by Brand & Retailer



Select Retailer

- [ ] Amazon Fresh
- [ ] Costco
- [ ] Kroger
- [ ] Sam's Club
- [ ] Target
- [ ] Walmart

Select Brand

- [ ] General Mills
- [ ] Good & Gather
- [ ] Great Value
- [ ] Kellogg's
- [ ] Kirkland Signature
- [ ] Kroger

Behavioral Insight: Consumer Perception

Consumer perception does not always align with reality—many products priced competitively on a per-ounce basis are ***perceived*** as more expensive. This suggests strong psychological anchors at play, especially for lifestyle brands and bulk packaging.

Retailers and brands alike can harness this divergence to refine messaging, shelf strategy, and value communication.

Perception vs. Promotion: How Price Signals Shift at Costco

A behavioral pricing analysis using Kellogg's Frosted Flakes and Cinnamon Toast …

Select Brand

- ■ General Mills

Select Promotion

- ■ BOGO

Select Retailer

- ■ Costco

Select Product

- □ Cheerios
- ■ Cinnamon Toast Cr…

Cinnamon Toast Crunch 99oz BOGO Deal Skews Consumer Cost Perception

At first glance, a **99oz** Cinnamon Toast Crunch seemed implausible at **$2.53.**

But upon closer inspection, the **true price was $5.06** — revealed only when analyzing **BOGO mechanics across duplicated pack sizes** (49.5oz x 2).

This highlights the subtle price compression impact of club store promotions.

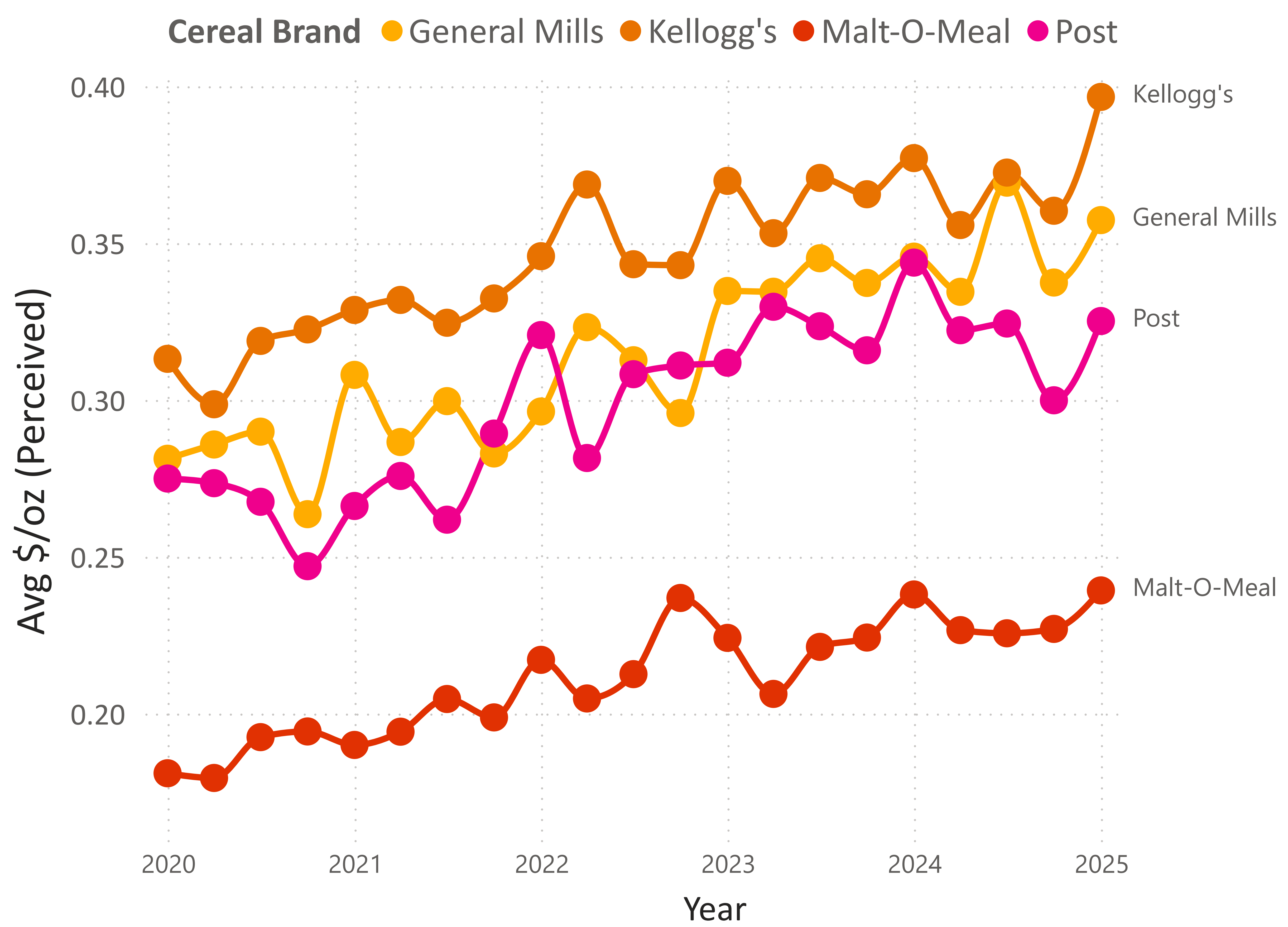
Frosted Flakes

Frosted Flakes 61.9oz BOGO Shows Clearer Price Perception

Even under **BOGO,** the **61.9oz** Frosted Flakes offer at **$2.79** aligns closely with perceived value. Unlike Cinnamon Toast Crunch's duplicated size distortion, this **single-pack BOGO maintains cost clarity** — illustrating how bulk deals can preserve trust when packaging is straightforward.

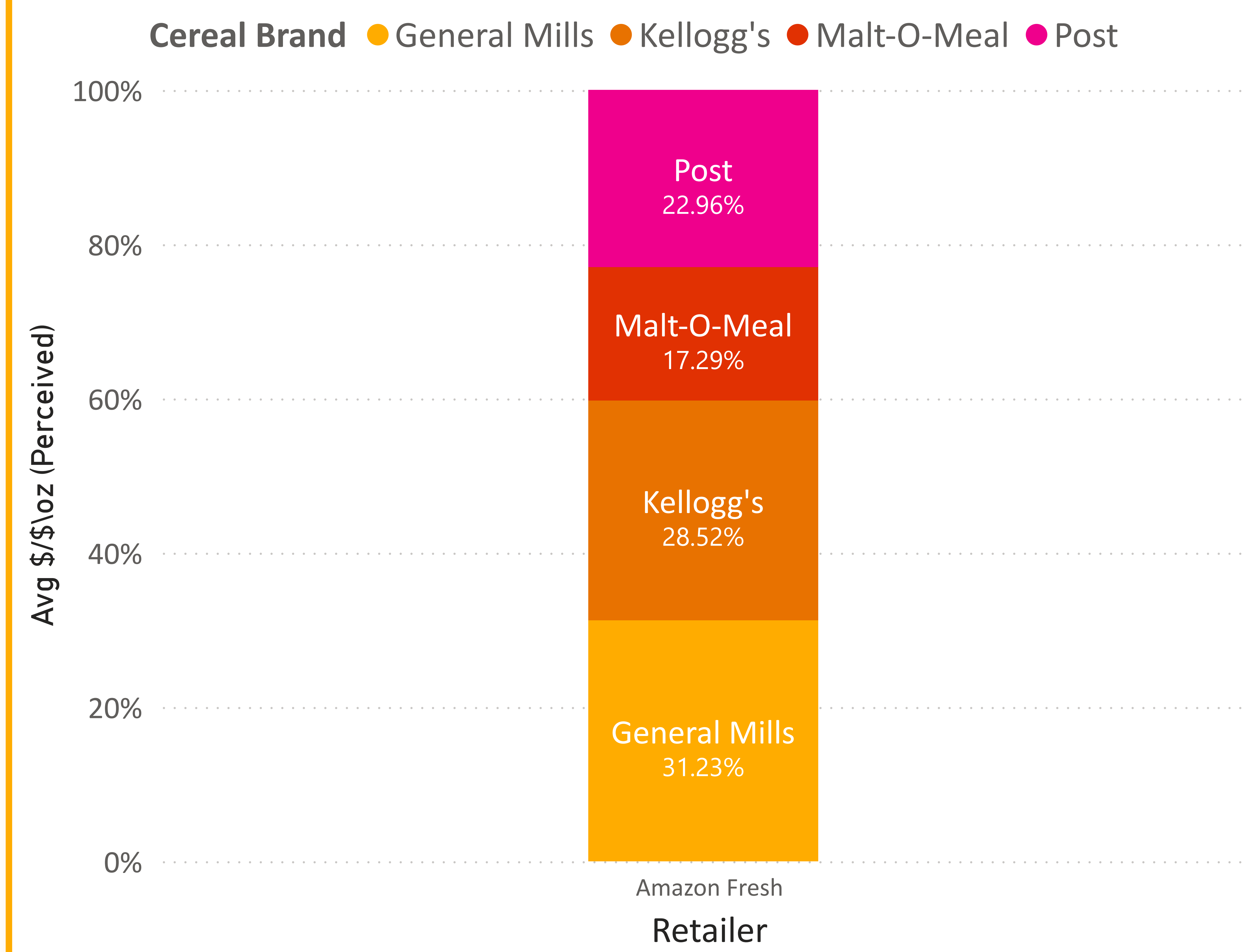
Perceived Price per Ounce Over Time by Brand

How Consumers Perceive Price: Brand Trends by Year



Brand-Level Cereal Price Perception Mix - Amazon Fresh

Perceived $/oz Breakdown by Brand



Retailer

- [ ] Amazon Fresh

Select Brand

- [ ] General Mills
- [ ] Kellogg's
- [ ] Malt-O-Meal

Select Product

- [ ] Apple Crunch
- [ ] Apple Jacks
- [ ] Banana Nut Granola

Select Promotion

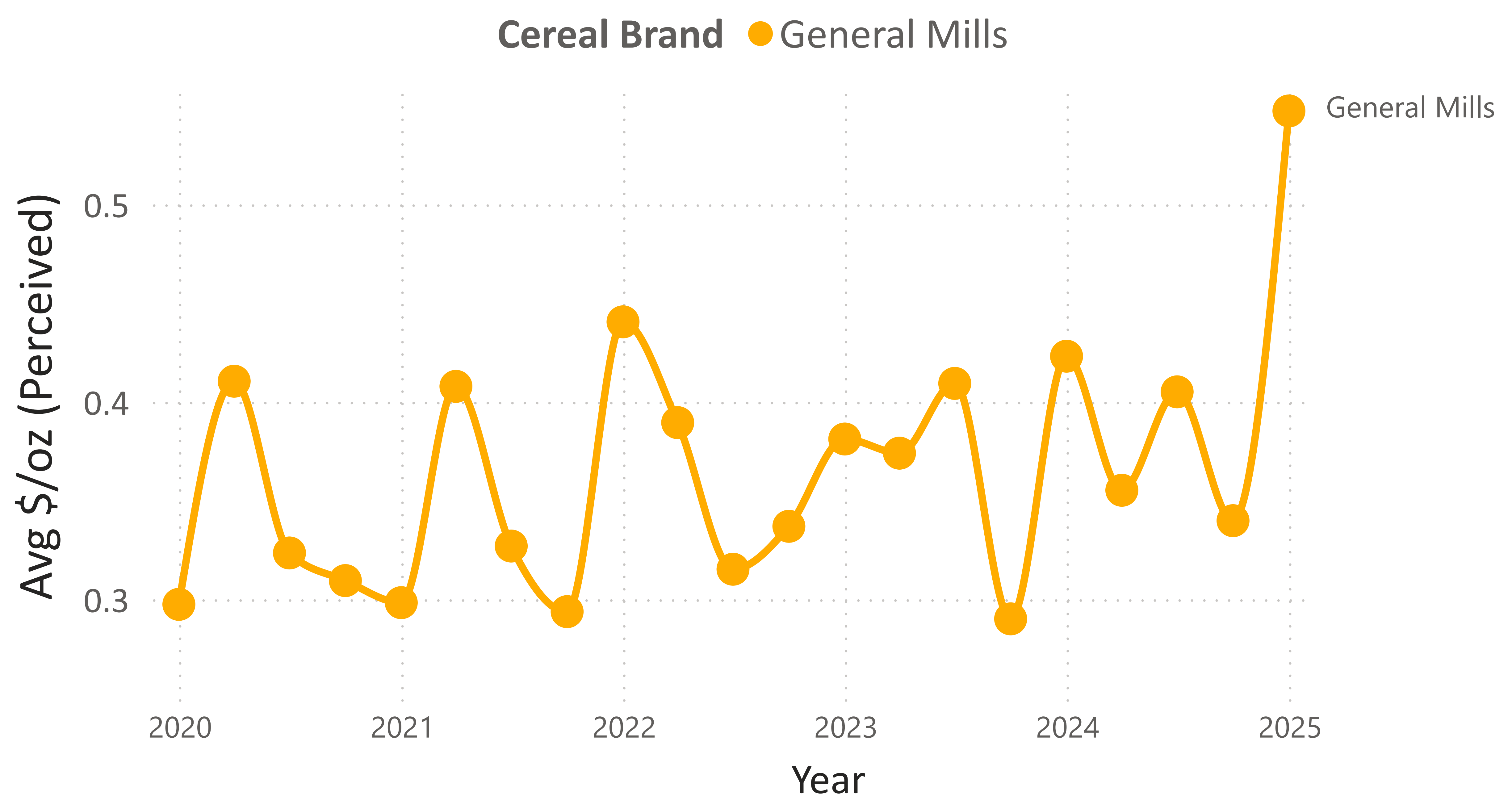
- [ ] 10% Off
- [ ] BOGO
- [ ] Clearance

Insights

See following visuals for deeper strategic, psychological, and behavioral insights by brand and promotion.

Perceived Price per Ounce Over Time by Brand

How Consumers Perceive Price: Brand Trends by Year



Brand-Level Cereal Price Perception Mix - Amazon Fresh

Perceived $/oz Breakdown by Brand

Retailer

- [x] Amazon Fresh

Select Promotion

- [ ] 10% Off
- [ ] BOGO

Select Brand

- [x] General Mills
- [ ] Kellogg's
- [ ] Malt-O-Meal

Select Product

- [ ] Cheerios
- [ ] Honey Nut Cherrios
- [ ] Lucky Charms

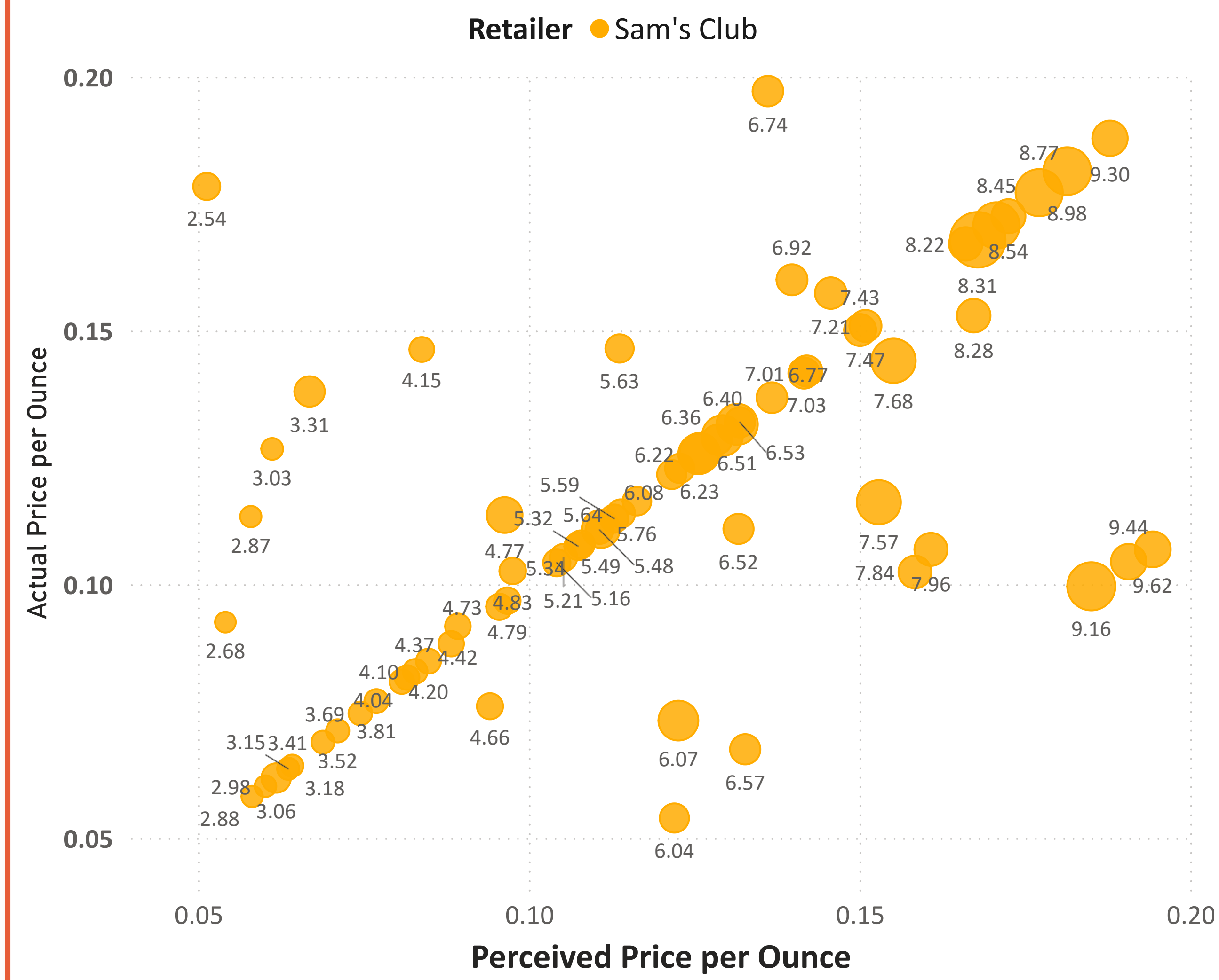
Insights

General Mills shows repeated price spikes **without promotions**, suggesting strong brand perception and consumer urgency.

Despite **no discount**, perceived price per ounce rose in **three separate years**—indicating potential inflation anchoring, brand trust, or necessity-driven purchases. **Perceived value ≠ promotional dependency.** This highlights the **power of perceived necessity** over promotional cues.

Warehouse Price Psychology: How Perceived Value Deviates Under Promotion Pressure

Price Perception vs. Reality: The Cinnamon Toast Crunch Case at Sam's Club



Select Brand

- ■ General Mills

Select Retailer

- ■ Sam's Club

Select Product

- ☐ Cheerios
- ■ Cinnamon Toast Cr..
- ☐ Honey Nut Cheerios
- ☐ Lucky Charms

Select Promotion

- ☐ 10% Off
- ☐ BOGO
- ■ Clearance
- ☐ No Promotion

Outlier Alert – Clearance Pricing Distorts Perception

Cinnamon Toast Crunch 99oz Clearance Deal Creates Perception Skew. This clearance deal ($2.54 for 99oz) appears attractively priced on shelf, but creates a significant **perception misalignment**—with actual price per ounce at $0.18 vs. perceived at just $0.05. Despite identical unit pricing to other 99oz SKUs, the **promotion type (Clearance)** leads to **visual outlier behavior** and weakens regression alignment.

__Insight__*:* Clearance signals may mislead cost perception when applied to large, duplicated package deals.

Strategic Pack-Size Alignment Rebuilds Trust

Higher-Priced 99oz Option ($9.16) Aligns with Consumer Perception

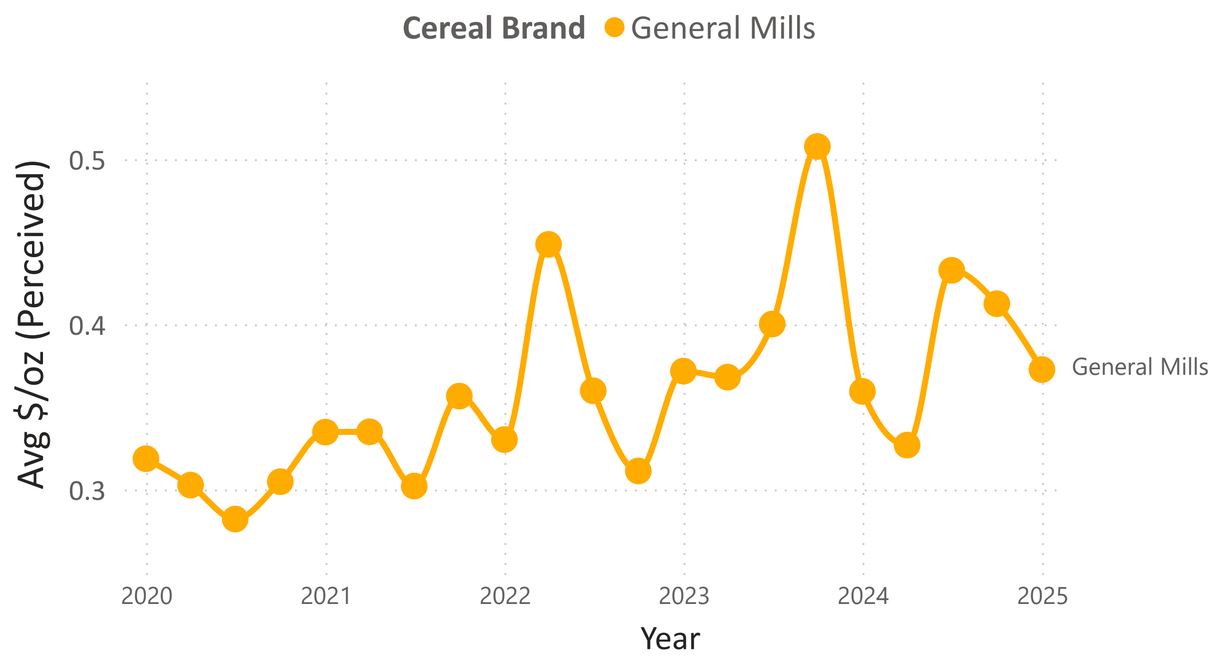
Unlike its clearance counterpart, a separate Cinnamon Toast Crunch SKU priced at $9.16 for 99oz (0.10/oz) **closely aligns with consumer-perceived pricing** (0.19/oz). Despite the bulk size, the price transparency supports **cost trust and strategic margin retention**.

__Insight__*:* Strategic pricing on large-format SKUs can enhance perception accuracy without deep discounting.

Visual distortions don't just happen on shelves—they happen in the mind. Promotion framing can reshape price expectations more than actual price shifts.

Perceived Price per Ounce Over Time by Brand

How Consumers Perceive Price: Brand Trends by Year



Brand-Level Cereal Price Perception Mix - Amazon Fresh

Perceived $/oz Breakdown by Brand

Retailer

- [x] Amazon Fresh

Select Promotion

- [ ] 10% Off
- [ ] BOGO
- [x] Clearance

Select Brand

- [x] General Mills
- [ ] Kellogg's
- [ ] Malt-O-Meal

Select Product

- [ ] Cheerios
- [ ] Honey Nut Cherrios
- [ ] Lucky Charms

Clearance created the largest perception advantage for General Mills at Amazon Fresh.

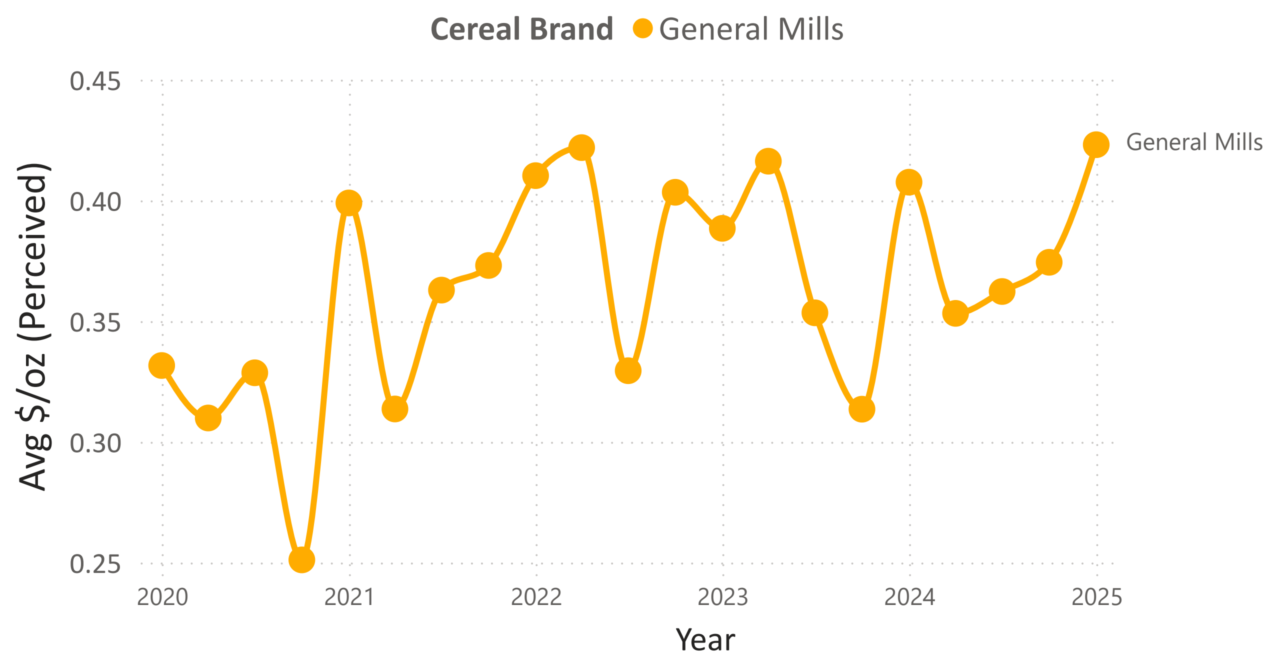
This implies a unique margin-preserving opportunity: amplify consumer deal sensitivity *without sacrificing price*. If used selectively, this could be part of a broader **price signaling strategy**, leveraging psychological cues instead of financial incentives to maintain performance.

With actual price only modestly reduced, this gap shows how clearance cues at Amazon can simulate value perception. It opens the door for pricing teams to test strategic framing over deeper discounting to achieve similar consumer impact.

<u>**Note:**</u> The exact depth of clearance discount unknown — further analysis could validate whether perception was driven by framing alone or by actual markdown magnitude.

Perceived Price per Ounce Over Time by Brand

How Consumers Perceive Price: Brand Trends by Year



Brand-Level Cereal Price Perception Mix - Amazon Fresh

Perceived $/oz Breakdown by Brand

Retailer

- [x] Amazon Fresh

Select Promotion

- [ ] 10% Off
- [x] BOGO

Select Brand

- [x] General Mills
- [ ] Kellogg's
- [ ] Malt-O-Meal
- [ ] Post

Select Product

- [ ] Cheerios
- [ ] Honey Nut Cherrios
- [ ] Lucky Charms
- [ ] Reese's Puff Cereal

Perceived Value Without the Price Cut : Simulated Savings, Real Impact

Despite identical perceived and actual price per ounce values across three separate **BOGO** periods, price perception differences (PPDs) for General Mills at the brand level varied significantly.

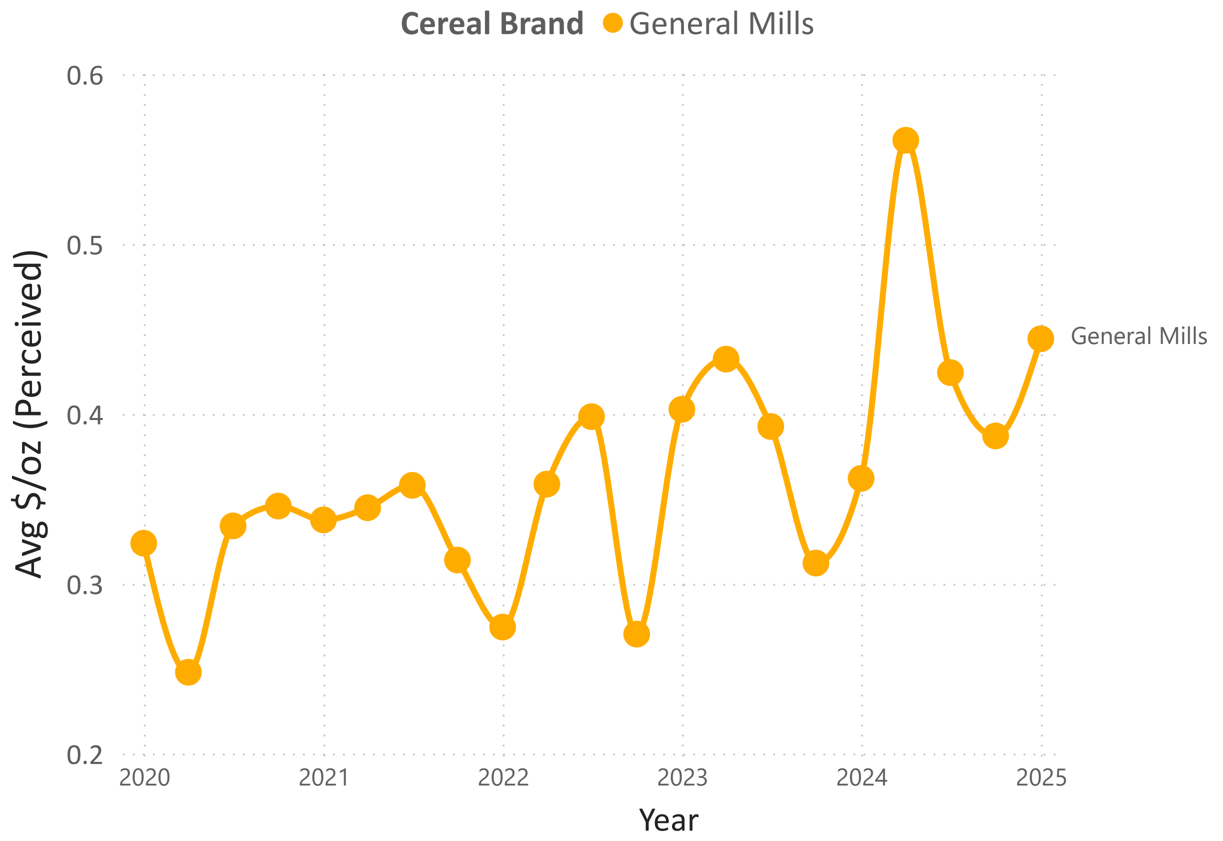
- In **2025 Q1**, the PPD of **-0.12** suggests strong consumer price satisfaction—opening margin expansion potential.
- In **2023 Q2**, a positive PPD of **+0.26** may reflect heightened deal sensitivity or evolving expectations.
- In **2022 Q2**, the mild **-0.10** gap indicates moderate elasticity within a lower expected price environment.

Strategic Implication: BOGO offers may appear stable at the surface, but consumer interpretation is time-sensitive and influenced by broader price expectations.

Actionable Takeaway: Use this variation as a strategic testbed to fine-tune promotional messaging, calibrate expected price anchors, and assess margin protection thresholds without altering face-value discounts.

Perceived Price per Ounce Over Time by Brand

How Consumers Perceive Price: Brand Trends by Year



Brand-Level Cereal Price Perception Mix - Amazon Fresh

Perceived $/oz Breakdown by Brand

Retailer

- ■ Amazon Fresh

Select Promotion

- ■ 10% Off
- ☐ BOGO

Select Brand

- ■ General Mills
- ☐ Kellogg's

Select Product

- ☐ Cheerios
- ☐ Honey Nut Cherrios

10% OFF Promotions Show Low Consumer Impact

Promo Weakness Detected

Despite a $0.78 savings, perceived price remained flat (PPD = 0.11).

Discount impact likely diluted or psychologically unnoticed.

Recommendation: Reevaluate promotion depth or consider bundling for stronger value signaling.