

Home Meal Kit Delivery

The Good, The Bad, The Opportunity



Jonathan Quinn
Market Development Manager
October 18th, 2017

I am among the 79% of home meal
delivery kit subscribers who are....
what demographic?



Families with
kids at home
under the age
of 18

Meal kit delivery sales have grown more than 500% since 2014



Consumers' shift in preferences is the key

Convenience
Products & services that save time

Health & Wellness
Fresh meals, different flavors

Transparency
High quality ingredients

Meal kits solve more than the dinner dilemma

62%

Less food waste
by customers
using a meal kit
delivery service

5.5%

of Blue Apron food
product is wasted, vs
an average of 10.5%
at grocery stores

30%

of the food
supply in the
US goes
uneaten
(2010)

70%

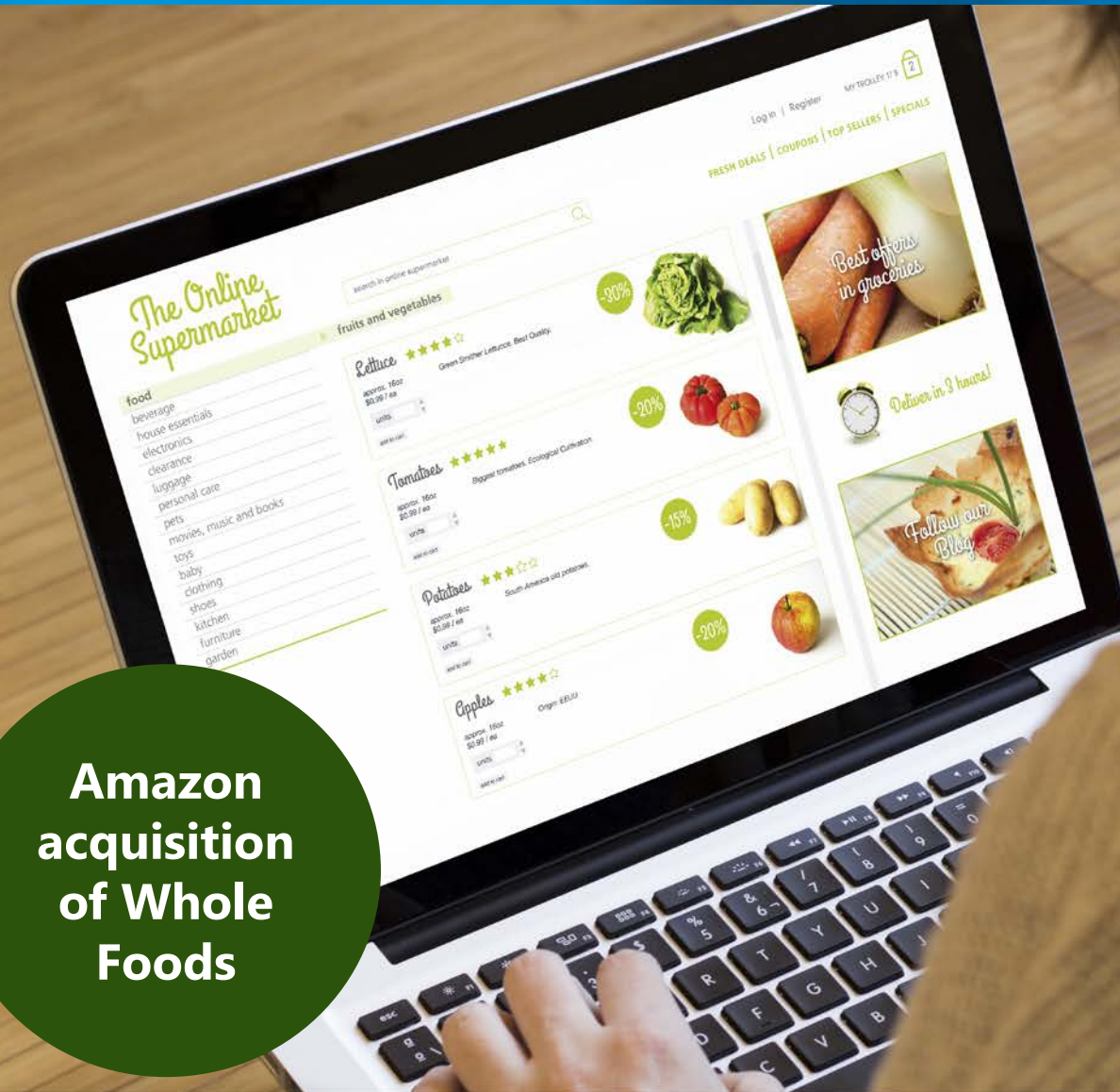
of uneaten
food is
wasted by
consumers

What about the LARGER grocery business?

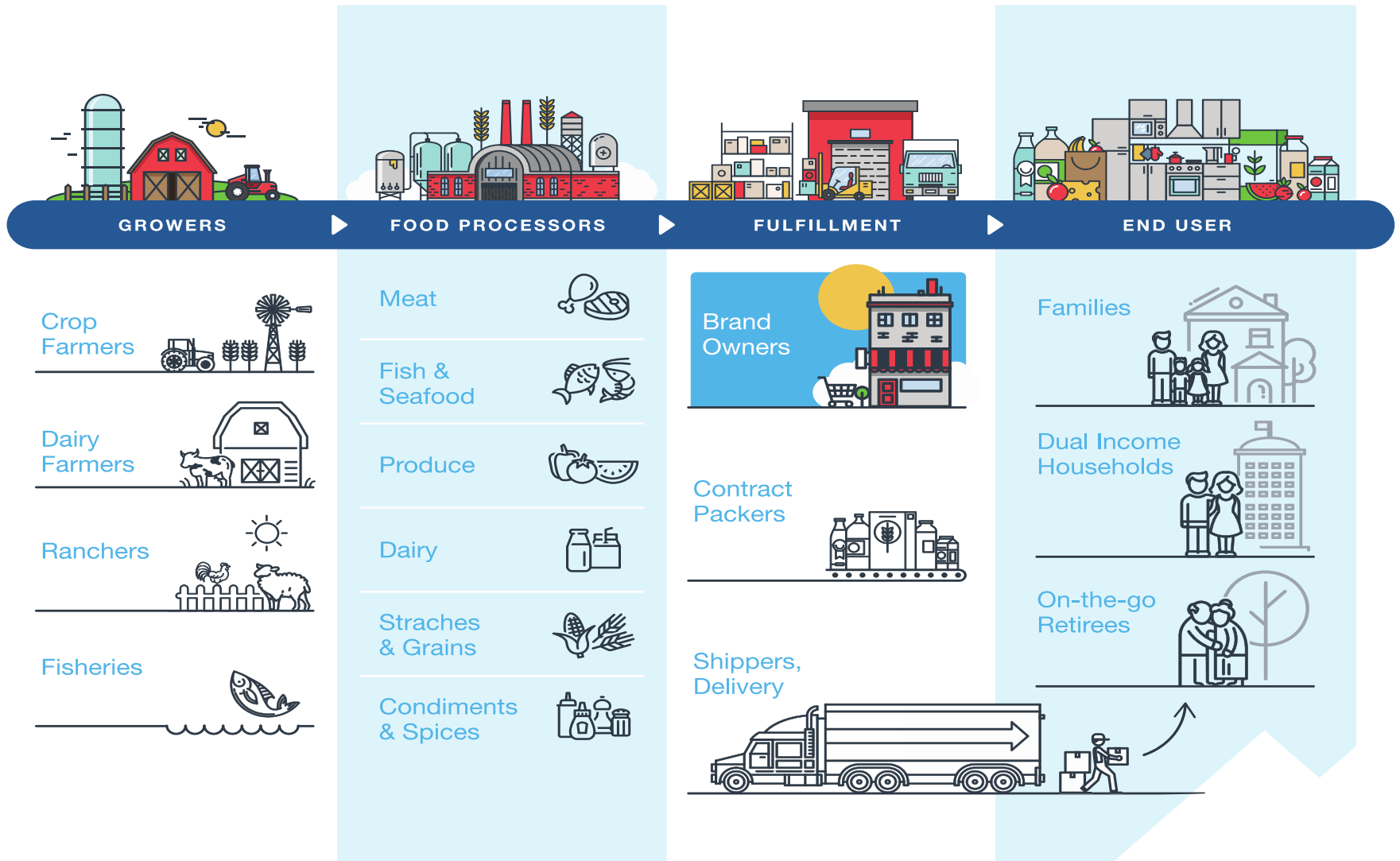
**\$100
Billion
market
by 2020**

**Amazon
acquisition
of Whole
Foods**

**B&M retail
grocery
forced to
play**



Similar supply chain a whole new set of challenges





Plated



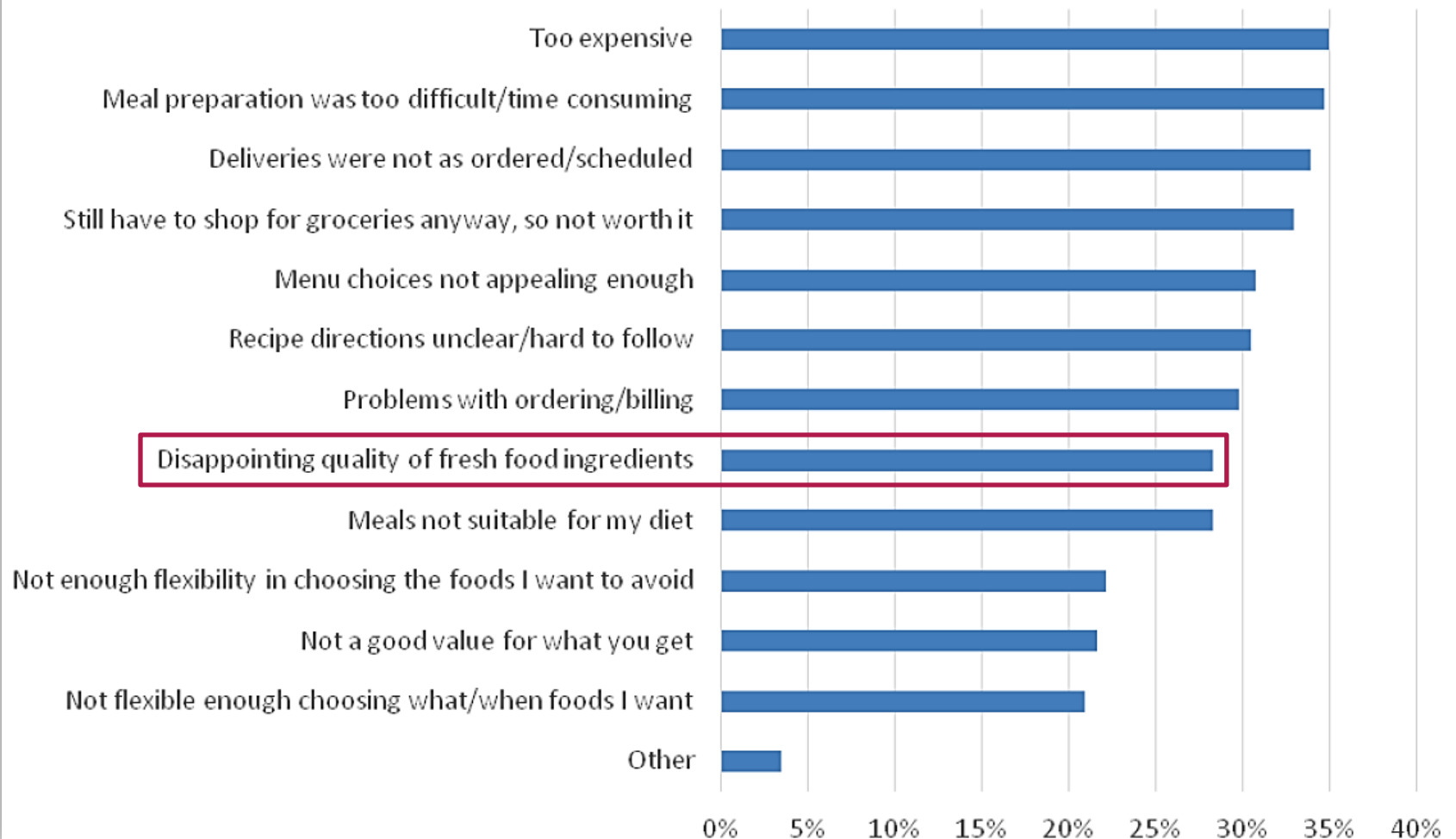
Blue Apron



Hello Fresh

Expense, time and effort main reasons for quitting meal-kit delivery service


"What were the main reasons you decided to stop using a fresh meal kit delivery service?"









The vessel used by Terra's Kitchen is an unmatched experience



Opportunities for flexible packaging in food e-Commerce



-  Transition to flexible primary packaging
-  High barrier capabilities for "safety first" packaging solutions
-  Tamper-evident & temperature-controlled properties for food safety
-  Thinner films for lighter weight and lower transportation costs
-  Ease of opening, leak prevention and maintaining freshness
-  Environmentally friendly packaging materials and focus on reducing waste

Meal kit delivery is projected to be a \$11.6B market by 2022

Online grocery sales projected to grow at 8.5% CAGR between 2017 and 2020

- 1.3% CAGR overall grocery market

Online food service sales projected at CAGR of 22.6% between 2017 and 2020

- 1.6% CAGR overall food service sales

9 in 10 U.S adults cook at home

- 70% of shoppers are cooking their meals from scratch 3+ times a week

33% of adults have had groceries, fresh meal kits, and/or prepared meals delivered

- 21% of them ordered groceries
- 17% ordered meal-kits





PERFORMANCE DRIVEN. CUSTOMER INSPIRED.

novachemicals.com



© 2016 NOVA Chemicals - All rights reserved.

The information contained herein is provided for general reference purposes only. By providing the information contained herein, NOVA Chemicals makes no guaranty or warranty and does not assume any liability, with respect to the accuracy or completeness of such information, or product results in any specific instance, and hereby expressly disclaims any implied warranties of merchantability or fitness for a particular purpose or any other warranties or representations whatsoever, expressed or implied. Nothing contained herein shall be construed as a license to use the products of NOVA Chemicals in any manner that would infringe any patent. Nothing herein shall be copied, reproduced, distributed or otherwise used without the express written permission of NOVA Chemicals.

NOVA Chemicals' logo is a registered trademark of NOVA Brands Ltd.; authorized use/utilisation autorisée.

Responsible Care® is a registered trademark of the Chemistry Industry Association of Canada (CIAC).