KICKFURTHER

THE STATE OF GROWTH

2025 CPG Annual Report by Kickfurther

January, 2025

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KICKFURTHER IN 2024

$88.1M
in inventory funded

19.94%
increase in funding from 11/23 to 11/24

250+
brands received funding in 2024

$200,577
average funding amount

MESSAGE FROM THE **FOUNDER**

Welcome to Kickfurther's inaugural CPG Annual Report for 2024! We are starting this guide to provide resources and a view of what is happening in the industry for product entrepreneurs in the US, so you can hopefully use our perspective to guide better business decisions in 2025 and beyond.

As the only consignment inventory funding marketplace serving small and medium product businesses, we have seen hundreds of millions of dollars worth of product inventory funded and sold in 2024. We hope that some of our observations and data from working with these businesses can help you navigate these trends.

Generally, we have seen that many of the supply chain shocks from a few years ago have worked themselves out. As those supply chains normalized, we saw that refurbished and used products gave way to new goods coming in from around the world. Inflation has remained elevated, indicating a strong ongoing demand for goods from consumers.

Heading into a new year we expect rates to decrease, which can potentially ease conditions for product entrepreneurs in what have been very challenging conditions to operate in over the last few years. At the same time, there are new tools and technologies coming online to support product businesses and e-commerce as the category continues to grow. The advent of artificial intelligence may ease the path for new entrepreneurs to create new businesses. Read on for our take on the state of the industry and what is coming online soon.

Sean De Clerq
CEO and Co-Founder, Kickfurther

2024 INDUSTRY
OVERVIEW

Introduction

Since 2020, the CPG industry has experienced significant growth, largely driven by strategic price increases in response to rising costs. As materials, energy, and labor costs surged, U.S. shelf prices for consumer goods jumped by approximately 30%, resulting in revenue gains despite a slight decline in sales volumes. CPG-delivered costs rose by around 25%, primarily due to the inflation peak in mid-2022, which saw ingredient and packaging prices climb sharply, coupled with higher energy and labor costs.

30%
Price increase for consumer goods

25%
Increase in CPG-delivered cost

By 2024, the economic landscape began to shift. Consumers, feeling the pressure of elevated prices, became more price-sensitive. This led to weakened brand loyalty, with private label brands regaining a notable portion of market share. In 2025, brands are navigating a more challenging pricing environment, with many opting to hold prices steady or even experimenting with price cuts as overall CPG costs stabilized at about 20% above pre-pandemic levels.

Top Challenges Faced

- **Inflation**
- **Natural Disasters**
- **Cyber Threats**
- **Safeguarding Customer Data**
- **Talent Gaps due to Workforce Attrition**

Over the past decade, the CPG landscape has undergone rapid transformation, fueled by the rise of e-commerce and direct-to-consumer (DTC) brands. Digital innovation and data analytics have disrupted traditional business models, compelling established players to rethink their supply chains and operational strategies to remain competitive. The urgency of innovation is widely recognized within the industry, yet IT leaders are grappling with significant barriers, such as compliance challenges, economic uncertainty, and resistance to organizational change, which threaten their innovation agendas.

Despite the push for innovation, many CPG companies have been constrained by economic challenges. Price hikes implemented in 2023 to combat cost inflation were a key driver of revenue growth but highlighted the fragility of relying too heavily on pricing strategy. Labor shortages, high production capacity, and rising interest rates have all limited flexibility for further cost adjustments. According to Bain & Co, approximately 75% of growth in 2023 stemmed from price increases rather than volume growth, with price hikes accounting for 95% of revenue growth in markets like the U.S. and Europe—a model that is unsustainable in the long term. *1*

Consumer behavior has also shifted markedly, with rising price sensitivity driving consumers toward private labels, especially as larger brands continue to increase prices without adding new value. As the industry looks ahead, maintaining market share and driving growth will require a focus on meaningful innovation, adapting to digital trends, and responding effectively to evolving consumer expectations and economic realities.

Top Achievements for CPG Brands in 2024

- **Award Recognition**
- **Brand Growth**
- **Securing Funding**
- **Sales/Revenue Milestones**
- **Market/Location Expansion**
- **New Product Launches**
- **Operational Improvements**
- **Retail Partnerships**

INSIGHTS BY ANNUAL REVENUE

<$Pre-Revenue-$1M: Focused on brand growth, retail partnerships, and sales

$1M+: Increasing emphasis on new product launches, retail partnerships, and market growth

1 https://www.bain.com/about/media-center/press-releases/2024/consumer-products-sector-at-a-crossroads-after-a-year-of-tremendous-growth-with-no-room-left-on-price-a-return-to-volume-growth-will-be-critical-in-2024/

2025 Growth Goals

- **Sales & Revenue Increases**
- **Marketing Inprovements**
- **Funding**
- **Operations & Supply Chain Optimization**
- **New Product Launches**
- **Market/Territory Expansion**
- **Retail Expansion**

INSIGHTS BY ANNUAL REVENUE

Pre-Revenue-$1M: Prioritizes sales growth, followed by retail and market expansion.

$1M+: Focus on diversifying growth strategies, particularly in operations and product launches

Top Sales Channels in 2024 for CPG Brands

eCommerce

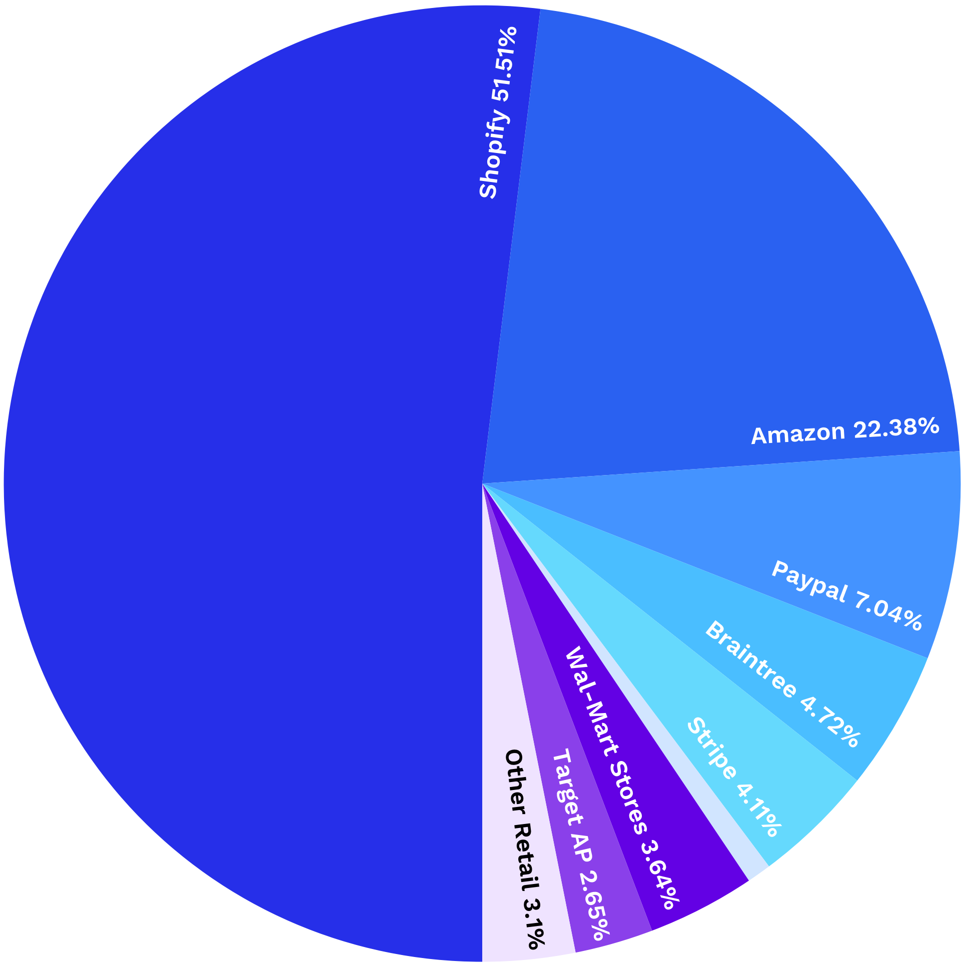
Shopify 51.51% | Amazon 22.38% | Paypal 7.04% | Braintree 4.72% | Stripe 4.11%

TikTok 0.41% | Ebay 0.28% | Etsy 0.13%

Retail

Wal-Mart Stores 3.64% | Target AP 2.65%

Publix 0.88% | H.E.B. 0.83% | Costco 0.80% | Walmart 0.45% | Lowes 0.12% | Walgreens 0.04% | TJX 0.01%



2024 Growth by Industry

50%+ Growth

HIGH GROWTH INDUSTRIES

Home Goods

Beauty/Personal Care/Hygiene

Growth in these sectors is likely driven by evolving consumer preferences, increasing interest in health and wellness, and lifestyle-focused products, all of which continue to gain traction.

25%-49% Growth

MEDIUM GROWTH INDUSTRIES

Manufacturers/Suppliers

Consumer Electronics

Accessories

While still profitable, these industries may face challenges such as market saturation, supply chain constraints, or increased competition.

Negative Growth

DECLINING GROWTH INDUSTRIES

Distributors

Toys

These industries may be grappling with shifting consumer preferences, market disruption, or seasonal slowdowns, leading to reduced sales and overall performance.

2025 Funding Sources: What's In and What's Out?

WHAT'S OUT?

Short-Term Loans	Traditional Lines of Credit	Early Stage Equity Dilution
High interest rates and inflexible repayment terms make these less appealing.	Limited scalability as brands grow.	Founders are more reluctant to give up equity too early in their growth journeys.
Often misaligned with inventory and cash flow cycles.	Cumbersome approval processes and strict requirements.	Focus shifting to retaining control while securing flexible capital

WHAT'S IN?

Revenue-Based Financing	Inventory Financing	Non-Dilutive Capital
Aligns repayments with revenue cycles.	Tailored for product-based businesses, support inventory and production needs.	Focus on retaining ownership while accessing working capital.
Flexible and scalable as brands grow.	Helps brand meet seasonal or surging demand without tying up cash.	Grants, partnerships, and cash-flow-driven lending models are gaining traction.

What Brands Look for in a Funding Partner

Accessibility · Flexibility · Partner Support · Low Risk · Favorable Terms · Trust

TRENDS BY REVENUE

<$400K: Increased focus on flexibility and accessibility

$1M+: Terms "partner support," & "trust" dominate decision-making.

THREATS TO **GROWTH IN 2024**

Supply Chain

A 2021 McKinsey study found that 93% of CPG companies aimed to diversify their supply chains geographically to avoid disruptions, yet challenges persist. Major ports worldwide continue to face significant logjams, particularly in China, which are some of the worst recorded. Interestingly, these disruptions don't impact all CPGs equally—many CPG supply chains are more regionalized and less global compared to other industries. However, ongoing and potential future lockdowns, such as the recent Western Canadian labor dispute, still have widespread consequences across the board.

Resilinc have identified five major supply chain megatrends for 2024: geopolitics, climate change, cyber attacks, ESG, and labor disruptions. Disruptions in the first half of 2024 rose by 30% compared to the same period in 2023, based on their EventWatchAI data.

21% ▼
Decrease in factory fires

37% ▲
Increase in hurricane/typhoon alerts

185% ▲
Increase in regulatory challenges

43% ▲
Increase in legal actions

While some high-risk areas like factory fires have seen a decline—down 21%—other disruptions have surged. Regulatory changes increased by 185%, and legal actions grew by 43%**.** As hurricane season progresses, Resilinc has already recorded the highest number of hurricane/typhoon alerts (63) in the first half of the year—a 37% rise from last year and an astonishing 425% increase compared to H1 2019. *2*

Meanwhile, pressure is building on CPG companies to make their supply chains more socially responsible. With consumer expectations rising and regulations tightening, the demand for accountability has never been higher. Half of global consumers now consider sustainability as one of their top four factors when shopping, and many are willing to pay up to 10% more for sustainable products. Meeting these expectations is no longer optional—it's essential for brands that want to grow and thrive. *3*

2 https://www.resilinc.com/blog/supply-chain-risk-management-2024-tom-linton/
3 https://nielseniq.com/global/en/insights/analysis/2024/the-impact-of-supply-chain-disruptions-on-cpgs/

Regulatory Compliance

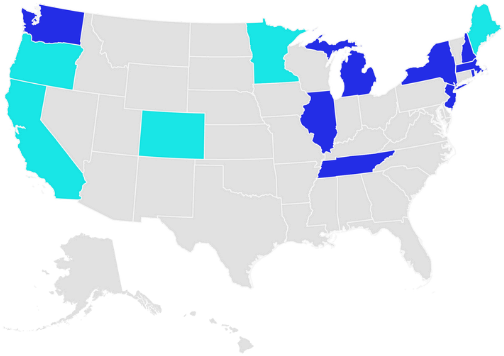
Numerous regulations are front of mind for CPG executives, affecting organizations differently across this diverse industry:

PACKAGING

Extended Producer Responsibility (EPR) is a policy that holds producers accountable for the environmental impact of their packaging throughout its life cycle. EPR for packaging and paper products is gaining attention in the United States. There are well-established EPR regulations for packaging in other regions of the world, particularly in the European Union and Canada. Although EPR programs exist in some states for products such as paint and electronics, there are no current regulations for packaging. However, movement on this type of legislation is accelerating, and more stakeholders are joining the conversation. Bills to create EPR programs for packaging have been introduced at the state and federal level. *4*

5 EPR for packaging bills have passed in the U.S.

10 States have introduced legislation on EPR for packaging in 2024



DATA REGULATIONS

Many companies that handle consumer data are facing increasing pressure to comply with complex and costly data security mandates, such as the proposed American Data Privacy and Protection Act (ADPPA) in the United States and the California Consumer Privacy Act. These regulations directly impact data-driven personalization efforts, which are crucial for success in an omnichannel world. Additionally, businesses expanding their use of AI to enhance customer experiences must navigate emerging technology regulations to stay compliant while remaining innovative.

SUPPLY CHAIN REGULATIONS

In the U.S., the Biden administration's Executive Order on America’s Supply Chains has put a spotlight on supply chain transformation and sustainability. This focus is amplified by the growing demand for environmental, social, and governance (ESG) accountability from customers, employees, and investors. Many CPG and retail companies are under pressure to demonstrate their commitment to sustainability, driven by consumer expectations for responsibly sourced products and practices that align with social values.

4 https://epr.sustainablepackaging.org/

FDA REGULATIONS

The FDA has introduced new regulations impacting CPG industries, including updates on food labeling to specify allergen information, notably sesame, which has been declared a major allergen. This change requires significant labeling updates to ensure consumer safety. In addition, certain states are enforcing new food additive bans, which affect approximately 38,000 product formulas. For example, the California Food Safety Act targets additives like BVO, potassium bromate, propylparaben, and red dye 3, with enforcement beginning in 2027. The cosmetics industry is also facing regulatory shifts under the Modernization of Cosmetics Regulation Act (MoCRA), requiring changes in allergen labeling, producer addresses, and ingredient transparency.

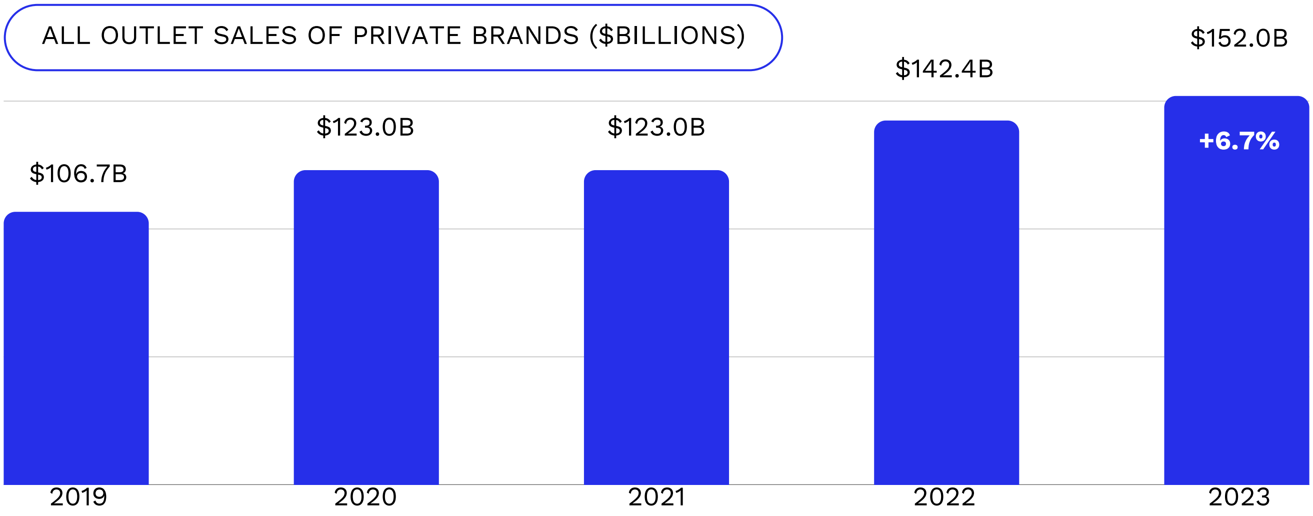
Cost Pressures

Few industries have felt the effects of inflation more than the CPG sector. It’s no surprise that in surveys executives have cited economic challenges, particularly inflation, as their top risk for 2024, followed by workforce-related issues. Changes in the interest rate environment are also a major concern. Since 2022, the Federal Reserve's efforts to curb inflation through interest rate hikes have made borrowing and growth more difficult for companies. Although rate increases slowed in 2024, many business leaders worry the Fed may not reverse course if inflation stays high. For CPG and retail companies, interest rates are now a significant risk factor, ranked as the seventh biggest concern for 2024.

According to Circana, the anticipated gains of private brands amid high inflation have been realized. Total dollar sales of private brands increased 6% in 2023, and units increased 0.9%. Private label gained share from name brands, increasing from 24.7% of total unit sales in 2022 to 25.5% in 2023. Sales were higher for PL F&B, 6.7% compared to nonedible 5.1%. *5*

Shifting to private brands is among the strategies consumers employ during uncertain times. *6*

ALL OUTLET SALES OF PRIVATE BRANDS ($BILLIONS)



5 https://www.circana.com/wp-content/uploads/2024/03/Circana-Inspire-CPG-Private-Brands-Update-2024.pdf
6 https://nielseniq.com/global/en/insights/analysis/2024/the-impact-of-supply-chain-disruptions-on-cpgs/

Labor

The CPG and retail industries are currently facing significant labor challenges. Employees are increasingly prioritizing work-life balance, better benefits, flexibility, and mental health support, prompting many to leave their jobs in search of these improvements. These labor difficulties are compounded by broader economic uncertainties. In the U.S., the CPG sector provides jobs for 2.3 million individuals, while the retail industry remains the largest private employer, supporting 52 million roles. Despite a resilient labor market, the National Retail Federation projects a slowdown in job growth as economic activities cool and credit conditions become more restrictive

Meanwhile, the cost of labor continues to rise. The Bureau of Labor Statistics says wages and salaries increased 4.2 percent for the 12-month period ending in June 2024 and increased 4.6 percent for the 12-month period ending in June 2023. According to PwC wages in CPG have risen by about 30% since 2019. 7

2.3M
Jobs provided by the CPG sector

52M
Jobs provided by the retail industry

30%
Rise in CPG wages since 2019

30-50%
Labor costs reduced by automation

To tackle labor shortages, CPG companies are increasingly investing in automation solutions. Technologies such as robotic automation, co-bots, and automated guided vehicles are becoming crucial tools, helping to reduce labor costs by 30%-50%. As the workforce challenges persist, these technological investments are essential to maintain operational efficiency and ensure business resilience.

Competition

The future of customer loyalty and buying patterns remains uncertain. Consequently, CPG and retail respondents rated sustaining customer loyalty and retention as high risk for 2024. The abundance of options and channels to connect with consumers is among the reasons why companies find it harder to maintain customer loyalty. Loyalty between brands and consumers is being tested as mergers and acquisitions disrupt the marketplace.

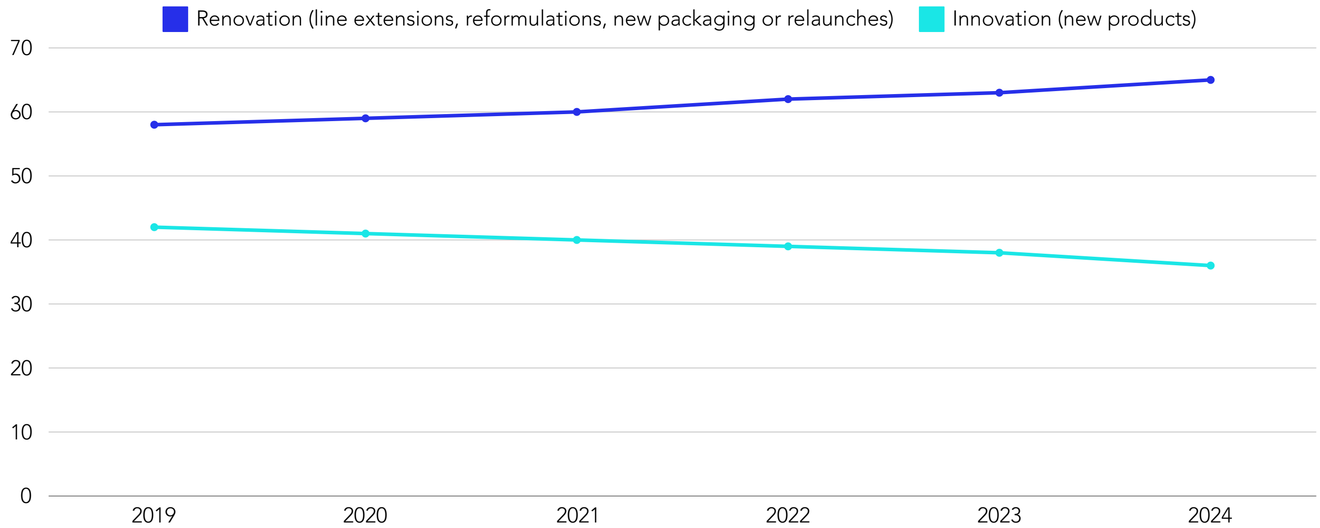
Meanwhile, Mintel's Global New Product Database (GNPD) reveals a troubling trend: CPG innovation is at a record low.

7 https://www.pwc.com/us/en/industries/consumer-markets/library/cpg-pricing-strategy.html#:~:text=During%20the%20same%20period%2C%20CPG,by%20about%2030%25%20since%202019

> *In the first five months of 2024, only 35% of global CPG launches were genuinely new products—the lowest rate since Mintel began tracking in 1996.*

The rest, 65%, were 'renovations' like line extensions, reformulations, new packaging, or relaunches.

GLOBAL PERCENTAGE (%) OF CONSUMER PACKAGED GOODS LAUNCHES, JAN 2019 - MAY 2024



The decline is widespread, but North America is especially impacted. In the U.S., only 29% of launches were new products, well below the global average.

This dip in innovation comes as many major brands have raised prices without adding value, pushing consumers towards private-label alternatives. In May 2024, nearly one-third (31%) of U.S. adults reported buying more store brands in recent months.

As digital transformation accelerates, 'innovate or die' has never been more relevant. Big brands are falling behind faster-growing challenger and private-label brands. Without renewed innovation, this gap will widen throughout the late 2020s. AI and eCommerce have lowered entry barriers, allowing smaller brands to build an online presence, understand their customers, and grow brand loyalty before moving into physical retail. AI is leveling the playing field, helping smaller brands drive innovation, marketing, insights, and customer service with agility.

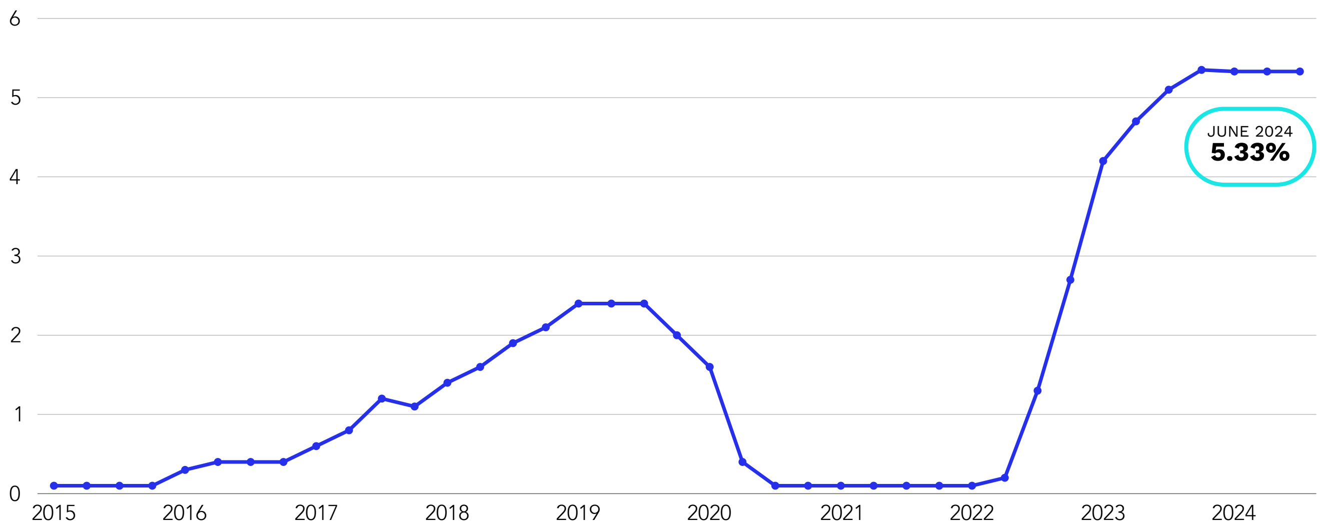
> *Mintel's Global New Product Database (GNPD) shows that for the first five months of 2024, just 35% of global CPG launches (i.e. across food, drink, household, health, beauty, personal care and pet care) are genuinely new products.*

This is the lowest proportion of innovation Mintel has recorded since it began tracking new products in 1996. It means that so far in 2024, 65% of launches are 'renovation' i.e. line extensions, reformulations, new packaging or relaunches.

According to the U.S. Bureau of Labor Statistics, consumer prices for all items rose 3.4 percent from December 2022 to December 2023 following a 6.5% increase in the 2022. As prices continue to rise brands need to do more to retain customers. *8*

Economics

RISE OF INTEREST RATES (%) ON BORROWING



The cost of borrowing for U.S. businesses has been relatively high over the past few years, primarily due to a series of interest rate hikes implemented by the Federal Reserve in response to inflation. By mid-2024, the Federal Reserve began signaling a potential slowdown or pause in rate hikes as inflation showed signs of easing. However, the borrowing costs still remain elevated compared to pre-pandemic levels, and the overall environment is likely to remain relatively expensive for businesses seeking to take out loans.

With the Federal Reserve cutting rates by 50 basis points in September 2024, borrowing costs on business loans and credit lines are set to drop, making it more affordable for businesses to access funding. This decrease in borrowing expenses could spur economic activity, support job growth, and stimulate business expansion, all while balancing inflationary pressures.

The federal funds target rate is expected to stabilize at around 4.4% by the end of 2024, within a range of 4.25% to 4.50%.

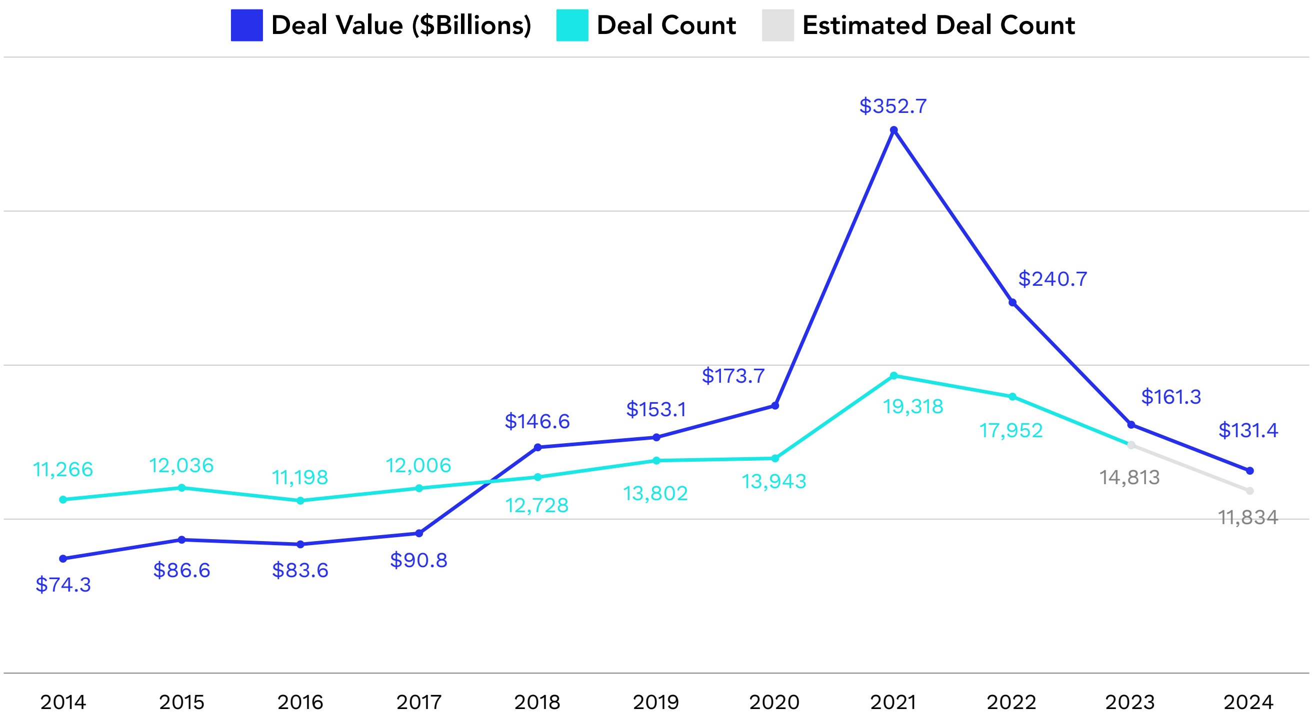
> *By 2025, projections suggest the rate will fall to about 3.5%, with further easing expected by June 2026, bringing it down to approximately 3.0%.*

The Fed now views the slowing labor market as a greater risk than inflation, prompting a focus on fostering economic growth.

8 https://www.bls.gov/opub/ted/2024/consumer-price-index-2023-in-review.htm

Like other asset classes, venture capital continues to feel the impact of broader macroeconomic conditions. Lingering factors such as gradually declining interest rates, persistent inflation, cautious investor sentiment, and low IPO activity have contributed to funding challenges. Startups are experiencing the ripple effects—layoffs, reduced valuations, and increased scrutiny—which have dampened the overall investment landscape. Although there was notable deal activity in early 2024, including some large transactions, overall VC investments remain at a five-year low. With IPO activity at its lowest point since 2016, many startups are still waiting for late-stage funding, while investors hold out for liquidity events. The Fed's September 2024 rate cut is a positive move for businesses and investors hoping for more market stability and a revival of activity.

OUTSIZED DEALS ELEVATE TOTAL DEAL VALUE



International Tariffs

International trade tariffs have a significant impact on the CPG sector, affecting various aspects such as pricing, supply chain management, profitability, and market competitiveness.

Overall, international tariffs have exerted significant pressure on the U.S. CPG sector by driving up costs, disrupting supply chains, and reducing competitiveness both domestically and abroad. Companies have had to innovate and adapt in order to remain profitable, but these adaptations often come at a cost, affecting everything from pricing strategies to market expansion plans. This environment of increased costs and strategic challenges is likely to continue as long as tariffs remain a significant factor in international trade policies.

Donald Trump has pledged to significantly raise tariffs on foreign goods entering the U.S. upon his return to office. His proposed tariffs could reach up to 20% on imports from various countries, with a specific target of 60% on all goods from China. He has even mentioned a possible 200% tax on certain imported cars.

The 2017 tax act lowered corporate tax rates from 35% to 21%, bringing them more in line with other OECD countries. This reduction made the U.S. a more competitive market, allowing retailers to reinvest in their operations rather than losing funds to taxes.

> *However, the Peterson Institute for International Economics estimates that current tariffs cost U.S. households between $1,500 and $3,000 annually—a number that could exceed $4,000 per household under a second Trump term.*

As retailers plan for 2025, questions around tariffs and other business policies will remain uncertain.

GROWTH OPPORTUNITIES **FOR 2025**

Innovation

Since the pandemic, CPG and retail companies have significantly increased their focus on innovation, pushing to digitize and optimize how they connect with customers. This transformation is all about keeping up with rapid eCommerce growth, embracing omnichannel strategies, and meeting changing consumer demands.

Utilizing Data

Digital leaders have a unique edge in the coming years. They are positioned to use vast data reserves and evolving AI technologies to create new revenue streams and boost internal efficiency. The benefits are clear- automation could save up to 40% of labor time. While some companies are building advanced capabilities, others still need to prioritize upgrading their ERP systems to stay competitive. Visibility and transparency into data are crucial for making informed cost-cutting decisions. So companies also are investing time and resources into automation to improve operational efficiencies and data analytics to gain better visibility into all aspects of operations.

Cost Optimization

The economic uncertainty and inflationary pressures are also forcing CPG and retail companies to explore different ways to cut costs. It's a sink-or-swim situation for many, especially smaller companies that have limited purchasing power and ability to negotiate lower cost with suppliers. With margins compressing, companies are reassessing working capital and cash flow management, reducing inventory in warehouses and negotiating pricing with suppliers, among other cost optimization measures.

Sustainability

Consumers have become more health-conscious, environmentally aware, and focused on sustainability. The rise of clean-label products, plant-based alternatives, and transparent supply chains has forced companies to innovate rapidly. CPG companies increasingly allocate time, attention, and resources to instil environmental and social responsibility into their business practices. They are also making claims about environmental and social responsibility on their product labels. A study by McKinsey and Neisen within the CPG sector found that products making ESG-related claims averaged 28 percent cumulative growth over the past five-year period, versus 20 percent for products that made no such claims. The study revealed, in many categories, a clear and material link between ESG-related claims and consumer spending.

Automation

In the supply chain, investments in advanced manufacturing controls, digital simulation models (i.e., digital twins) and robotics are helping to drive major improvements. For instance, digitizing a food plant increased throughput by 40%, while improving controls on a personal care line helped cut downtime by 90% and utility consumption by 30%. Robotic automation, including co-bots and automated guided vehicles, is reducing labor costs by 30%-50%, making these investments even more critical as labor availability tightens.

Improve Product Availability

Despite the end of pandemic-era supply chain challenges, retail out-of-stock rates for fast-moving consumer goods remain in the 5%-10% range, causing lost sales and reduced brand loyalty. For some CPGs, overcoming this challenge is now seen as one of the critical drivers of future growth. Making progress starts with understanding the root causes of out of stock, which are often a combination of planning, reliability, inventory management, ordering and fulfilment practices.

2024 GROWTH **STORIES**

CRUNCHCUP

Food & Beverage

How Crunch Cup Fulfilled Large-Scale Orders from Target, Kroger and Walmart

In 2024, Crunch Cup, a growing CPG brand known for its unique dual-chambered tumbler for cereal enthusiasts, faced significant financial and logistical challenges in fulfilling large-scale orders from major retail giants like Target, Kroger, and Walmart. These challenges stemmed from rapid growth in demand, presenting both a promising opportunity and a formidable hurdle. This report outlines the critical obstacles Crunch Cup encountered and highlights how Kickfurther's flexible funding solutions enabled the brand to meet demand, optimize cash flow, and sustain its growth trajectory.

CHALLENGES

- Managing large purchase orders
- Cash flow constraints
- Unfavorable terms with other lenders
- Missed growth opportunities due to operational stress and lack of flexible payment terms

THE OUTCOME

- Nine funding deals worth over $750k in inventory
- Successfully completed and fulfilled large-scale orders for major retail partners
- Streamlined inventory management
- Capitalized on market opportunities without straining internal resources
- Avoided stockouts and met customer demand
- Negotiated better terms with suppliers

ABOUT CRUNCH CUP

Crunch Cup allows you to enjoy your cereal anywhere with a dual-chambered, reusable, dishwasher safe tumbler made of durable, BPA-free Tritan.

Kevin Meyer
Co-Founder
Crunch Cup Tech

Kickfurther's funding allowed us to finance larger purchase orders without straining our cash flow,

giving us the flexibility to grow, expand into new markets, and streamline our inventory. Now, we can confidently meet demand, avoid stockouts, and focus on what matters most—scaling our business.

BASEBALL LIFESTYLE 101

Apparel

How Baseball Lifestyle Grew 190% in 6 Months Using Kickfurther

In 2024, Baseball Lifestyle, a brand committed to bringing baseball enthusiasts together through unique apparel and accessories, faced critical challenges typical of rapidly growing CPG brands. Increased customer demand, the need for timely inventory replenishment, and the expansion of product lines were all driving forces behind Baseball Lifestyle's growth. However, these same factors also strained its cash flow, threatening to stall its momentum. Through a strategic partnership with Kickfurther, Baseball Lifestyle secured the inventory funding necessary to overcome these obstacles, setting the stage for an impressive 190% growth in just six months.

CHALLENGES

- Capital Allocation
- Imperfect Inventory Levels
- Meeting a growing customer demand
- Ordering Delays
- Cash constrained growth
- Lead time between manufacturing and revenue

THE OUTCOME

- Eight funding deals worth over $700k in inventory
- 190% growth in 6 months
- Volume order discounts and a lower cost of goods sold last year improved overall profitability
- Product Expansion
- New warehouse space acquired to accommodate growing inventory and staff

ABOUT BASEBALL LIFESTYLE

Baseball Lifestyle 101 is a community connecting baseball lovers throughout the world with dynamic apparel and accessories to rep off the field.

Josh Shapiro

CEO/Co-Founder

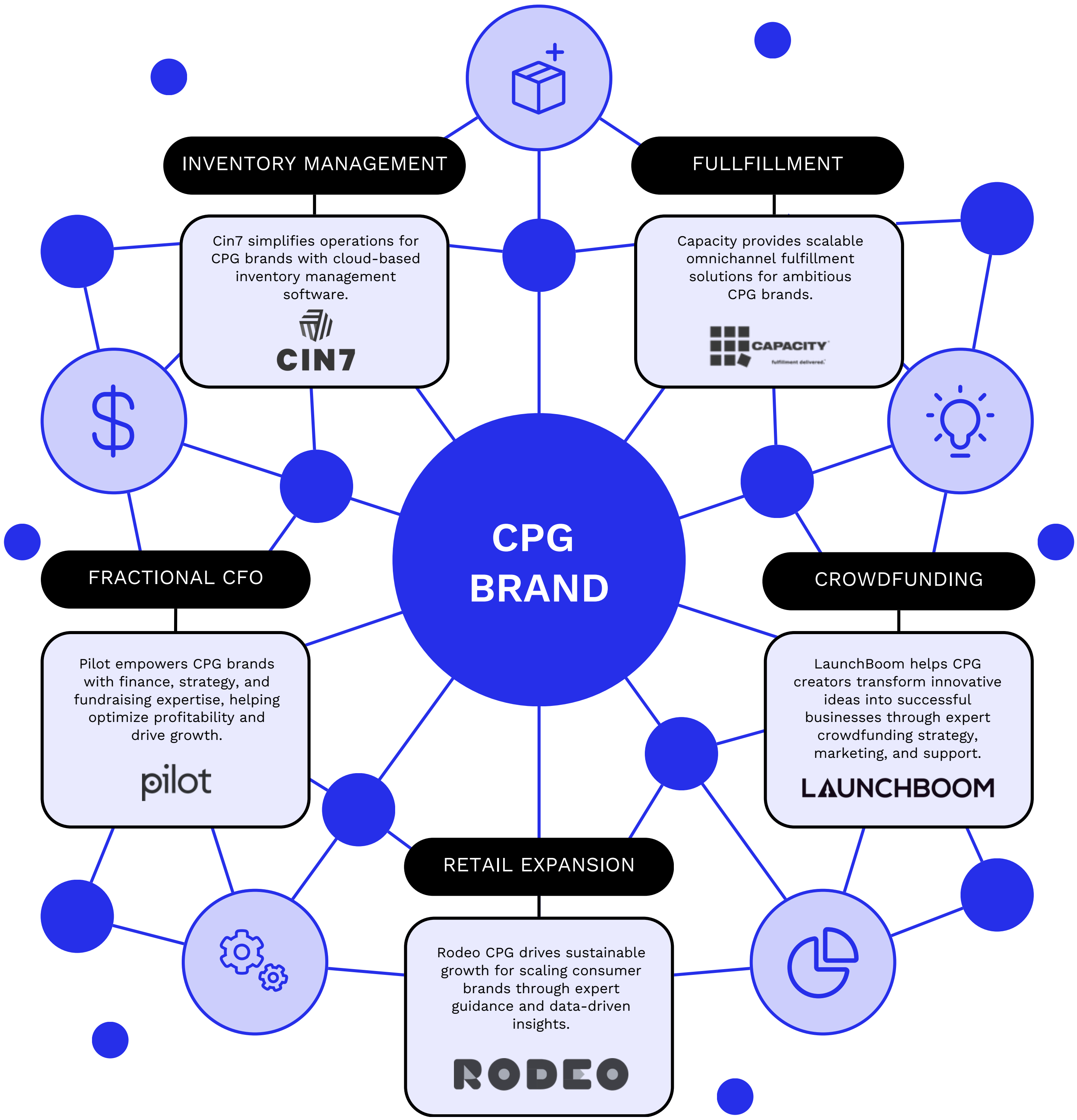
Baseball Lifestyle

Partnering with Kickfurther has been a game-changer *for our business, allowing us to meet customer demands efficiently and achieving 190% growth in 6 months.*

KICKFURTHER

PARTNERS IN **GROWTH**

Service Areas of Focus in 2025



Fulfillment as a Growth Catalyst for CPG Brands

Fulfillment plays a pivotal role in brand growth by creating seamless customer experiences, optimizing operations, and fostering customer loyalty. In today's competitive landscape, consumers expect fast, accurate, and reliable order processing. Brands that meet these expectations consistently earn trust, encourage repeat purchases, and increase their market share.

HOW FULFILLMENT DRIVES GROWTH

- **Enhanced Customer Experience:** Accurate, timely deliveries and efficient reverse logistics build customer trust and satisfaction, directly impacting retention rates.
- **Operational Efficiency:** Effective inventory and supply chain management allow brands to minimize costs and reduce errors, increasing overall profitability.
- **Scalability:** Fulfillment partners provide the infrastructure and expertise to handle surges in demand, seasonal fluctuations, and multi-channel distribution, enabling brands to focus on innovation and growth.

SUPPORTING STATISTICS

82%

of shippers agree that partnering with a 3PL improves customer service quality. *9*

68%

of shippers credit 3PLs for introducing new, innovative logistics solutions that improve operational effectiveness. *9*

66%

of consumers factor sustainability into purchasing decisions, making efficient fulfillment solutions increasingly critical

Fulfillment isn't just a backend operation; it’s a strategic advantage that empowers brands to scale confidently. By outsourcing to a reliable partner like Capacity, CPG brands can focus on what they do best—innovating, building their brand, and delivering exceptional products—while leaving the complexities of logistics to the experts.

About Capacity

Capacity empowers ambitious CPG brands with omnichannel fulfillment solutions designed to scale. Specializing in D2C, retail, and B2B, Capacity combines cutting-edge technology and human expertise to deliver enterprise-grade fulfillment tailored to brand needs. Learn more at www.capacityllc.com.

9 2025 Third-Party Logistics Study, https://www.3plstudy.com/
10 McKinsey & Company

Strategic Financial Management Is the Backbone of Sustained Growth for CPG Brands

Fractional CFO and outsourced accounting services empower businesses by providing expert financial guidance, operational efficiency, and access to growth-enabling tools and insights without the burden of full-time hires.

KEY BENEFITS OF FRACTIONAL CFO SERVICES

- **Strategic Expertise:** A fractional CFO brings broad financial acumen, offering support in critical areas such as M&A, fundraising, and growth strategy. For early-stage brands, this expertise can be the difference between stagnation and scale.
- **Data-Driven Insights:** Services like KPI and sales dashboards, board reporting, and channel profitability analysis provide actionable insights to improve efficiency and profitability.
- **Scalability and Cost Efficiency:** By outsourcing, brands gain access to an entire team's expertise, avoiding the overhead of building an in-house finance team.

TRENDS IN ACCOUNTING FOR 2025

- **Market Efficiency Focus:** A continued emphasis on efficiency in 2025 is anticipated, with brands prioritizing measured growth and cost-effective operations.
- **AI Integration:** AI will increasingly influence financial analysis, delivering deeper insights at lower costs and helping brands identify growth opportunities faster.
- **Sustainability and Transparency:** With 66% of consumers valuing sustainability (McKinsey & Company), financial strategies will increasingly align with these priorities, ensuring long-term brand loyalty.

WHY CHOOSE FRACTIONAL CFO SERVICES FOR GROWTH?

The most common reason brands outsource is the need for a strategic thought partner that can scale with their growth. Fractional CFOs provide not just the skillset of a single hire but the expertise of an entire team, delivering a level of support that matches the evolving needs of dynamic CPG businesses.

About Pilot CFO Services

Pilot supports ambitious brands with finance, strategy, and fundraising expertise. From building KPI dashboards to optimizing channel profitability, our team empowers businesses to maximize efficiency and growth. With Pilot, brands gain access to a scalable financial partner that grows alongside them. Learn more at www.pilot.com.

Crowdfunding as a Launchpad

Crowdfunding has become a transformative strategy for brands with innovative product ideas, enabling them to launch successfully, grow sustainably, and reduce the financial risks typically associated with bringing new products to market. Platforms like Kickstarter and Indiegogo provide creators with more than just funding—they offer a springboard to validate ideas, build brand awareness, and create a loyal community of early adopters.

HOW CROWDFUNDING FUELS GROWTH

- **Revenue Without Inventory Risk:** Brands only need a prototype to launch a crowdfunding campaign. By pre-selling products, they secure revenue upfront to fund manufacturing and delivery, typically within 3 to 12 months post-campaign.
- **Market Validation:** Generating pre-sales provides confidence in product demand, enabling brands to manufacture at scale without overproducing or misjudging market interest.
- **Access to Early Adopters:** With platforms like Kickstarter boasting a community of nearly 24 million backers, brands gain access to engaged audiences, driving 20-40% of campaign sales from platform communities alone.

WHY BRANDS CHOOSE CROWDFUNDING

- **Risk Mitigation:** Pre-sales eliminate the need for substantial upfront investment, allowing brands to test ideas and pivot if needed without significant financial losses.
- **Scalable Strategy:** Many innovative brands use crowdfunding repeatedly, pre-funding each new product launch and scaling through e-commerce post-campaign.
- **Marketing Boost:** Crowdfunding campaigns double as marketing efforts, creating buzz and early momentum that often carry over to e-commerce and retail channels.

INDUSTRY INSIGHTS AND TRENDS

Since 2013, LaunchBoom has supported over 1,000 product creators, driving more than $150 million in revenue for new product launches on Kickstarter and Indiegogo. Crowdfunding platforms are evolving rapidly, introducing new features and marketing tools to better support creators. This innovation trend, spurred by new leadership and investment in platform capabilities, is expected to accelerate in 2025.

About LaunchBoom

LAUNCHBOOM

LaunchBoom is the go-to crowdfunding partner for ambitious product creators. By providing strategic guidance, marketing expertise, and a proven track record, LaunchBoom helps turn innovative ideas into profitable businesses. Since 2013, we've helped creators achieve crowdfunding success and build lasting brands. Learn more at www.launchboom.com.

Leveraging Data to Thrive in Retail

Data has become the cornerstone of success for scaling consumer brands in retail. By adopting data-driven strategies, brands are optimizing operations, maximizing margins, and making informed decisions that drive sustainable growth. Rodeo CPG partners with rapidly growing brands to transform them into data-savvy organizations, equipping them with the tools and expertise to succeed in the ever-evolving retail landscape.

HOW DATA EMPOWERS RETAIL GROWTH

- **Organizing First-Party Data:** Brands are increasingly investing in organizing their product information, promotions, purchase orders, and sales growth plans. These foundational datasets enable better forecasting and strategic decision-making.
- **Analyzing Third-Party Data:** Through platforms like Rodeo's proprietary Pitchable Analytics, brands gain insights from syndicated category data, distributor partners, and retail partners, breaking down traditional data silos.
- **Actionable Insights:** Data-driven strategies help brands pinpoint which retail partners to prioritize, manage inventory to reduce spoilage and stockouts, and optimize promotional timing and ROI.

TRENDS SHAPING 2025

- **Private Label and Value Options:** Consumer demand for affordable and high-quality products is driving growth in private label and value-focused offerings, particularly in consumables.
- **Health and Wellness:** Natural and clean-label products continue to see increased demand, while premium products without added health benefits face competitive pressure from value alternatives.
- **Data-Driven Tools:** Innovations in data software are making advanced analytics accessible even to smaller teams within \$5–\$50M scaling brands, further enhancing decision-making capabilities.

KEY TO SUCCESS IN RETAIL

Unemotional, data-driven decision-making is the hallmark of successful brands. Brands that embrace reality, even when it involves tough choices like ending unprofitable relationships, discontinuing underperforming SKUs, or incentivizing supply chain partners, are best positioned for long-term growth.

MACROECONOMIC IMPACTS IN 2025

- **M&A Activity:** A rise in mergers and acquisitions is expected to rejuvenate venture capital interest in the consumer space. However, investors will prioritize strong business fundamentals and shorter paths to liquidity.
- **Consumer Spending:** Despite higher baseline grocery prices, consumers have absorbed price increases well in natural retail channels, continuing to buy more units at higher price points compared to 2023.

About Rodeo CPG

Rodeo CPG helps scaling consumer brands achieve operational excellence through data-driven insights. Our team of experts and Pitchable Analytics software enable brands to optimize margins and drive sustainable growth. Partner with Rodeo CPG to take your brand to the next level. Learn more at www.rodeocpg.com or connect with us at hello@rodeocpg.com.

A Game-Changing Solution for Inventory Management

Cin7 provides innovative cloud-based inventory management software that offers CPG brands a comprehensive and automated view of their inventory lifecycle. From purchasing and production to warehouse management and multi-channel sales, Cin7 empowers brands to streamline operations, reduce errors, and scale faster. With over 700 integrations, including Shopify, Amazon, and QuickBooks, as well as advanced AI-powered forecasting tools, Cin7 helps businesses thrive in today's competitive landscape.

HOW INVENTORY MANAGEMENT SOFTWARE SUPPORTS CPG GROWTH

- **Channel Expansion:** Cin7 facilitates seamless eCommerce integration and retailer EDI connections, enabling brands to enter new sales channels effortlessly.
- **Operational Efficiency:** Automation reduces errors, allowing brands to process more orders efficiently. Brands using Cin7 report a 30% improvement in order fulfillment rates.
- **Demand Forecasting:** AI-driven insights ensure brands stock the right products at the right time, achieving 99% product availability and minimizing stockouts.
- **Supplier and SKU Management:** Cin7 simplifies adding new suppliers and SKUs, enabling brands to expand product offerings and boost revenue.

BENEFITS OF INVENTORY MANAGEMENT SOFTWARE

- **Seamless Multi-Channel Integration:** Cin7 connects with over 700 platforms, including Shopify, Amazon, and QuickBooks, enabling brands to sell effortlessly across eCommerce and retail.
- **Automation & Error Reduction:** By automating inventory processes, brands improve accuracy and efficiency, with many seeing a 30% boost in order fulfillment rates.
- **AI-Powered Forecasting:** Advanced demand planning tools ensure up to 99% product availability, reducing stockouts and capturing more sales opportunities.
- **Scalable Supplier & Warehouse Management:** Easily onboard new suppliers and add SKUs to expand customer offerings and grow revenue.

TRENDS IN INVENTORY MANAGEMENT FOR 2025

- **Localized Supply Chains:** With global disruptions continuing, more brands are sourcing locally to ensure supply chain stability and resilience.
- **Innovative eCommerce Tactics:** Strategies like post-purchase upselling and bundling are driving profitability for CPG brands, with these trends expected to gain momentum.
- **Retail Success for Small Brands:** Smaller CPG companies are thriving in big-box retail, leveraging strong branding, mission-driven initiatives, and personalized consumer engagement.

About Cin7

CIN7

Cin7 provides cloud-based inventory management software designed to simplify operations and empower brands to scale. From AI-powered forecasting to extensive integrations, Cin7 delivers the functionality growing businesses need to succeed. Learn more at www.cin7.com.