

AYOUB'S PULSE

Internal Newsletter

THE WORK BEHIND THE RESULTS
A NOTE FROM THE PRESIDENT

HOW PREPARATION SHOWED UP IN DECEMBER
HOLDING STANDARDS DURING PEAK



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FROM THE PRESIDENT

To my team,

Thank you all for an incredible year. With the economy and costs rising everywhere, I'm genuinely grateful that we've continued to grow — and that we've still been able to invest in key initiatives instead of playing defence.

One of the biggest wins last year was opening Park Royal. We proved we can win in a mall concept, and that's a major milestone because it opens up a lot of new opportunities for Ayoub's going forward.

This year has some especially exciting (and challenging) projects ahead: a Victoria store and our first Seattle store. Both come with question marks we'll need to solve along the way — and that's exactly what makes it exciting. Amanda has been working hard to figure out and navigate the export process, and I want to thank her for pushing that forward. We all love a good challenge, and these are the kinds of steps that move the company into a new chapter.

We also have a lot happening on the product and innovation side. The Nutribowl project is coming together nicely, and Karla has been helping me with recipes. The new ice cream counter designs for this project are out — and they look amazing. Edyta has a lot of exciting merchandising work coming, and Aboozar will be shifting more focus toward chocolate products. Lots of good stuff, and lots of new opportunities.



And I want to say this clearly: I love how all of you are keeping the Five-Star mindset. I see it every day, in every store — in the way you greet customers, the pride you take in the product, the way you help each other, and the way you keep raising the standard. Believe me, this is an exceptional team. If we protect our culture and keep executing at this level, there's no limit to what we can build together.

At the start of this year, I also want to bring your attention back to the Pocketbook. We need to supercharge our culture — not because it's lacking, but because we must protect it, strengthen it, and pass it on as we bring new people into the company. This quarter, our focus will be learning how to be great retailers and keeping a laser focus on operational efficiency. I'm excited about the plans Alan has for the team, and I'm looking forward to what we'll accomplish together.

P.S. Ayoub's annual party will be held on February 13th — more details to come!

AMIR HOSH

CORRESPONDENCE



ALAN SALIH



GILLIAN BRADY



EDYTA ALFAWICKA



KAY MENDEZ

This issue of Ayoub's Pulse was shaped by insights and reporting from teams across the business. The perspectives shared here reflect ongoing work in operations, marketing, merchandising, inventory, and leadership.read it.

HOLDING STANDARDS DURING PEAK

What December revealed about preparation, coaching, and standards.

BY ALAN SALIH





COST PERFORMANCE AND SUPPLY CHAIN NOTES

From a cost perspective, December benefited from scale and improved purchasing conditions. “COGS (Cost of Goods Sold) improved in December as higher sales volumes, combined with lower COGP (Cost of Goods Purchased) from the warehouse, resulted in better overall cost performance.”

On supply chain and availability, December represented a step forward compared to last year’s peak season.

“Overall, the purchasing team did a great job ensuring product availability throughout December, representing a significant improvement compared to the Christmas 2024 season.”

Alan highlighted the online team’s progress compared to the previous year:

“Compared to 2024, they were ahead of their operations, which saved time and allowed orders to be fulfilled and shipped faster.”

Operational Priorities in Practice

December execution centered on a small number of clear priorities rather than complexity. Teams emphasized merchandising excellence—clear adjacencies, full displays, and depth on seasonal and gifting items—alongside inventory accuracy and availability on high-velocity products.

Operational consistency was also supported by reducing store-level complexity where possible, with increased use of centralized preparation and warehouse-driven mixes.

SOP UPDATES AND COMPLIANCE

One operational update rolled out this month focused on standardization and accuracy:

Labeling & Compliance Process (Updated): “Introduced clearer guidelines for product labeling and compliance to ensure consistency, accuracy, and regulatory alignment across all stores.”

STORE-LEVEL EXECUTION HIGHLIGHTS

One team stood out for sustained execution throughout the Christmas period:

Kitsilano Store Team (led by Hamza and Raha): “The Kitsilano team did an outstanding job preparing for the Christmas season, keeping the store well stocked and ensuring the gifting story was consistently and effectively presented throughout the entire store.”





“

DECEMBER PERFORMANCE REFLECTED WEEKS OF PREPARATION ACROSS TEAMS.

LEADERSHIP FOCUS DURING THE HOLIDAYS

Leadership efforts in December centered on readiness and execution rather than new initiatives. The emphasis was on planning ahead, maintaining standards, and supporting teams on the floor during peak periods. Leaders were coached on clear role assignment, floor coverage, and staying close to their teams to maintain both execution quality and customer experience.

TRAINING IN REAL TIME

Rather than formal classroom sessions, leadership development happened in-store and in the moment. “Leadership development this month focused on on-the-floor coaching, pre-shift huddles, and real-time feedback during peak periods.” Coaching prioritized merchandising standards, replenishment discipline, and customer engagement during high-volume days.

LEADERSHIP SPOTLIGHT

One store leader was highlighted for maintaining fundamentals under challenging conditions:

Denman Store – Zaid: “Zaid demonstrated strong leadership while managing without an assistant manager. With support from Saida (Kitsilano) and through his dedication, he successfully led a junior team and ensured core store fundamentals were consistently covered.”

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DEVELOPMENT FOCUS GOING FORWARD

As the business moves into the next period, leadership development will shift toward performance metrics and operational efficiency.

“This month’s development focus will be on coaching teams around the 2026 KPIs, with continued emphasis on elevating sales performance, increasing average dollar sale (ADS), and strengthening lean inventory management practices.”

DEVELOPMENT FOCUS GOING FORWARD

With traffic easing, the emphasis returns to depth of service rather than speed.

“As traffic winds down this month, the focus will be on coaching teams to deliver excellent, high-touch customer service.”

Alan underscored the expectation that every interaction matters:

“Teams should spend more time with each customer, deeply understand their needs, and confidently introduce them to new products. Every interaction should be treated as an opportunity to deliver a high-level, world-class service experience.”

THE WORK BEHIND THE RESULTS

BY ALAN SALIH



How preparation translated into performance.

December closed as a strong operational month across the store network, driven by preparation, discipline, and consistency during the busiest period of the year. According to Alan, the results reflected how well teams executed the fundamentals under pressure.

“December was overall a strong and successful month, and I want to sincerely thank the team for their hard work and diligence in pulling this through.”

Across stores, operational focus areas—prep, replenishment, and merchandising—held up through peak demand, supporting both sales performance and customer experience.

“Across the network, stores executed very well on prep, replenishment, and merchandising, and this strong operational execution clearly showed in the results we saw.”

KEY METRICS THAT MATTERED

Several operational indicators stood out in December, pointing to both top-line performance and improved efficiency:

Average Dollar Sale (ADS) continued to improve, driven by “strong merchandising, gifting mixes, and effective add-on execution.”

Sales vs. Last Year (Comp Sales) finished ahead of December 2024, despite mixed traffic trends, underscoring the impact of execution over volume alone.

In-Stock Rate and Replenishment Effectiveness remained strong through peak weeks, supported by disciplined prep and availability on core products.

Online Order Fulfillment Time improved versus last year, reflecting better pre-planning and readiness.

MARKETING: DECEMBER RESULTS AND WHAT'S COMING NEXT

BY GILLIAN BRADY

December marketing activity focused on a single, tightly scoped promotion that delivered strong year-over-year gains.

From December 17 through end of day December 26 (excluding Christmas Day), a 25% off gift card promotion ran across channels. Compared to last year, the campaign showed significant improvement in both engagement and revenue. "YOY, the gift card promo saw strong growth, with redemptions up 94% (147 → 285) and total sales up 89% (\$17.1K → \$32.5K)."

Overall, the promotion outperformed the prior year across key measures.

"Overall, this year's promo significantly outperformed last year in both engagement and revenue."

There were no standout content pieces to highlight this month, with updates expected in the next issue.

Focus for the Month Ahead

As customer behavior shifts following a high-spend December, marketing efforts are refocusing on everyday relevance and approachability. Current campaigns center on promoting nuts & nibbles in-store offers online, with messaging designed to align with post-holiday routines.

"Our focus will be on meeting customers where they are after a high-spend December—leaning into simple, comforting snacks, routine purchases, and low-pressure offers that feel approachable rather than promotional."

In-Store Engagement

From an in-store perspective, the immediate priority remains building owned channels, with more to come soon.

"As always - sign up for the newsletter!"

An additional customer engagement test is planned.

"We will be testing an in-store whatsapp list soon also, so more to come on that :)"



MERCHANDISING: HOLIDAY FOCUS AND THE SHIFT AHEAD

BY EDYTA ALFAWICKA



December merchandising focused on seasonal gifting and entertaining.

“Holiday gifting & entertaining were the primary focus.”

Gift baskets, cookies, chocolates, and premium baked goods performed well as easy, last-minute gifts, supported by festive presentation and indulgent, shareable assortments such as gathering trays with fruits and nuts.

“Gift baskets, cookies, chocolates, and premium baked goods performed as easy, last-minute gifts.” Following Christmas, Boxing Week messaging emphasized value-driven offers.

“Boxing Week messaging followed closely with value-driven offers.”

Visual Merchandising

In-store execution emphasized clarity and conversion. Sampling was tied directly to active promotions, while promo tables and endcaps were kept full, clean, and clearly signed.

“Tie sampling directly to active promotions to drive conversion.”

Stores led with a rotating focus to simplify choice.

“Lead with a ‘Category of the Week’ to simplify customer decision-making.”

Price cards were kept clear and consistent—using red to indicate promotions—while displays were refreshed frequently to maintain a premium, abundant look. Cross-merchandising supported add-on purchases, including cookies paired with tea and gift items placed near checkout.

Looking Ahead

Merchandising is transitioning into New Year positioning focused on lighter, everyday favourites.

“Transition into New Year / lighter & everyday favourites positioning.”

Upcoming work includes testing simpler gifting options, smaller-format treats, potential new packaging and display formats, and early preparation for Valentine’s gifting concepts centered on sweets and shareable treats.

“Preparing early for Valentine’s gifting concepts (sweets, shareable treats).”

INVENTORY: PRESSURE POINTS, SYSTEM GAPS, AND NEXT STEPS

KAY MENDEZ

Inventory levels were generally stable this month, with a few notable constraints and system-related challenges during peak operations.

Shelled pistachios were the most immediate issue.

"This month we are tight on shelled pistachios."

The shortage is tied to a supplier change and new CFIA requirements, which extended import timelines.

"We are buying from a new supplier in California, and with the new CFIA requirements it took me longer to gather documents needed for import."

As a result, pistachios were temporarily out of stock.

"Pistachios will be hopefully ready for pick-up on January 9th, and will arrive next week. We are out of stock of them this week."

Stock Balance Snapshot

Several items were identified as overstocked.

"Overstocked products are okra chips, veggie chips, chubby pumpkin seeds, organic cashews."

Outside of these categories, overall inventory remained steady.

"The rest are generally balanced."

Top-selling items this month included organic cashews, pistachio premium, California almonds, and

black-and-white sunflower seeds.

Stockouts and System Gaps

A visibility issue emerged after store mixes were introduced.

"Last month we started doing mixes for all stores and in doing so we ran out of California Almonds."

Although inventory was still in the warehouse, it wasn't flagged correctly.

"The system didn't show low stock and we ended up running out of almonds for roasting for a week."

Substitutions created a knock-on effect.

"At the end of December we ran out of Spanish almonds because it was used for kernel mixes. It all went in a chain."

Priorities Ahead

Looking forward, forecasting remains the top focus.

"My number one is forecasting, I'm still struggling on ordering some items on time especially iranian shipments."

Data accuracy is also a priority.

"Measurements affected our inventory count at the end of the year, it needs to be fixed and prioritized."



Supply & Stock Overview

EMPLOYEE SPOTLIGHT: CELEBRATING SUCCESS

AMANDA GUERRERO



Department / Store: Operations Supervisor

Recognition highlight:

Amanda works quietly in the background supporting overall operations across stores, online, and the warehouse. She consistently goes above and beyond to support the team and ensure tasks are completed efficiently and accurately.

Leadership note:

Amanda's reliability, dedication, and willingness to step in wherever needed make a meaningful impact on our operations every day. We truly appreciate everything you do, Amanda.

EACH MONTH, WE RECOGNIZE ONE TEAM MEMBER WHOSE WORK REFLECTS OUR STANDARDS, VALUES, AND COMMITMENT TO EXCELLENCE.

Internal Newsletter



- EACH ISSUE BRINGS TOGETHER THE WORK, INSIGHTS, AND PRIORITIES SHAPING AYOUB'S MONTH TO MONTH.

AYOUB'S PULSE