



MegaTrends

Early Reopening

Outliers

May 2021



A Letter From Our Founders

2020 was the year of spotting Covid-related shifts in consumer behavior.

We tracked major upticks in Gaming, Home Fitness, Streaming – among a handful of others.

And LikeFolio members benefited. In fact, the [Coronavirus Investor Shopping List](#) was one of our most successful trend reports to date, featuring names like Peloton, Zoom, Nike, and Starbucks.

Now, it's time to look at the other side of the coin. Our data is showing signs of Covid-behavior normalization, and some areas of long-term stickiness.

But not ALL companies in related industries are experiencing the same levels of consumer demand.

So we created a new OUTLIER GRID view. By analyzing how companies are performing vs. industry peers, we can spot potential winners in the next year.

Each company in this report is displaying **stand-out consumer demand growth AND high consumer happiness levels.**

These are the EARLY REOPENING OUTLIERS.

Enjoy,

Andy and Landon Swan



Early Reopening Outliers Overview

- **Gaming Outlier: RBLX.** As gaming mentions show signs of normalization in a post-lockdown world, Roblox user growth is far exceeding peers. Bolstered by comparative strength in PC gaming, the company displays long-term potential.
- **Fashion Outlier: RVLV.** Last year, society traded in jeans for yoga pants which weighed on traditional fashion-forward retailers. RVLV proved itself to be nimble, shifting into beauty and lounge-wear and flexing its eCommerce position to meet consumer needs. Now, demand for new clothes is bursting as social events resume, and RVLV is showing the most significant near-term strength vs. peers.
- **Sports Betting Outlier: PENN.** Multiple tailwinds are propelling Penn National Gaming: the return of live sports, the reopening of casinos, the resumption of leisure travel, and expanded access to all kinds of betting. While PENN is a smaller player in the sports betting world via its Barstool Sportsbook platform, data shows it is taking market share from the big guys. This combo of digital betting and brick and mortar locations has created serious momentum for PENN.
- **Recreation Outlier: ELY.** Consumers picked up golf last summer, and data shows new golfers are still coming to the table. Callaway provides consumers with golf equipment and apparel, as well as entertainment value through its Topgolf arm. Demand is building in 2021, and ELY has elevated itself as a premium entertainment option for consumers.
- **Discount Retail Outlier: FIVE.** Many consumers tightened their purse strings in the last year as economic uncertainty loomed, and this cost-saving behavior appears to have staying power. FIVE demand is building as consumers' desire for novelty items returns. Think parties, gifts, holidays. Additionally, Five Below Sentiment holds significant momentum vs. fellow discounters.

ROBLOX

RBLX

Roblox

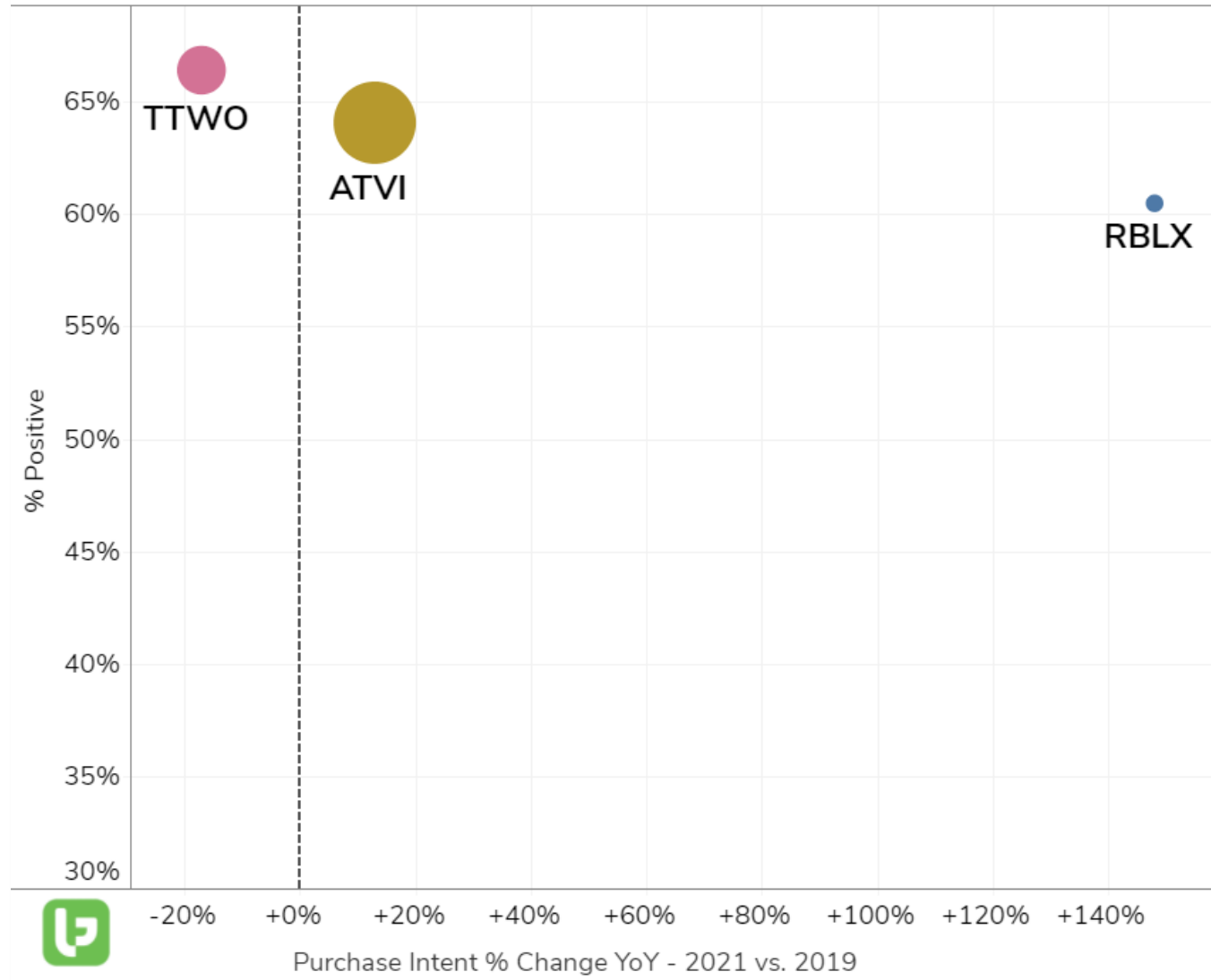
Purchase Intent: +38% YoY
+148% vs. 2019

Trend Watch: New to Gaming
-19% YoY, +64% vs. 2019

Sentiment: 61% Positive, -5% YoY

Gaming: RBLX is Outperforming

Purchase Intent vs. Sentiment, 90-day Moving Average



Swans Say...

Roblox was one of the most highly anticipated IPOs of the year.

After [delaying for a month](#), the company made a splash with a direct listing in March.

LikeFolio data recorded explosive user growth in 2020... And the impressive part? Demand is still extremely high – Mentions of consumers *playing the game* are even higher than they were in 2020.

Roblox boasts a very young consumer base – [more than half of its users are younger than 13](#) – so keep this in mind. At LikeFolio, we're largely capturing growth in a demographic old enough to tweet about it...

RBLX has been trading for a very short time, so near-term volatility is expected. However, the company has already given back most of its gains.

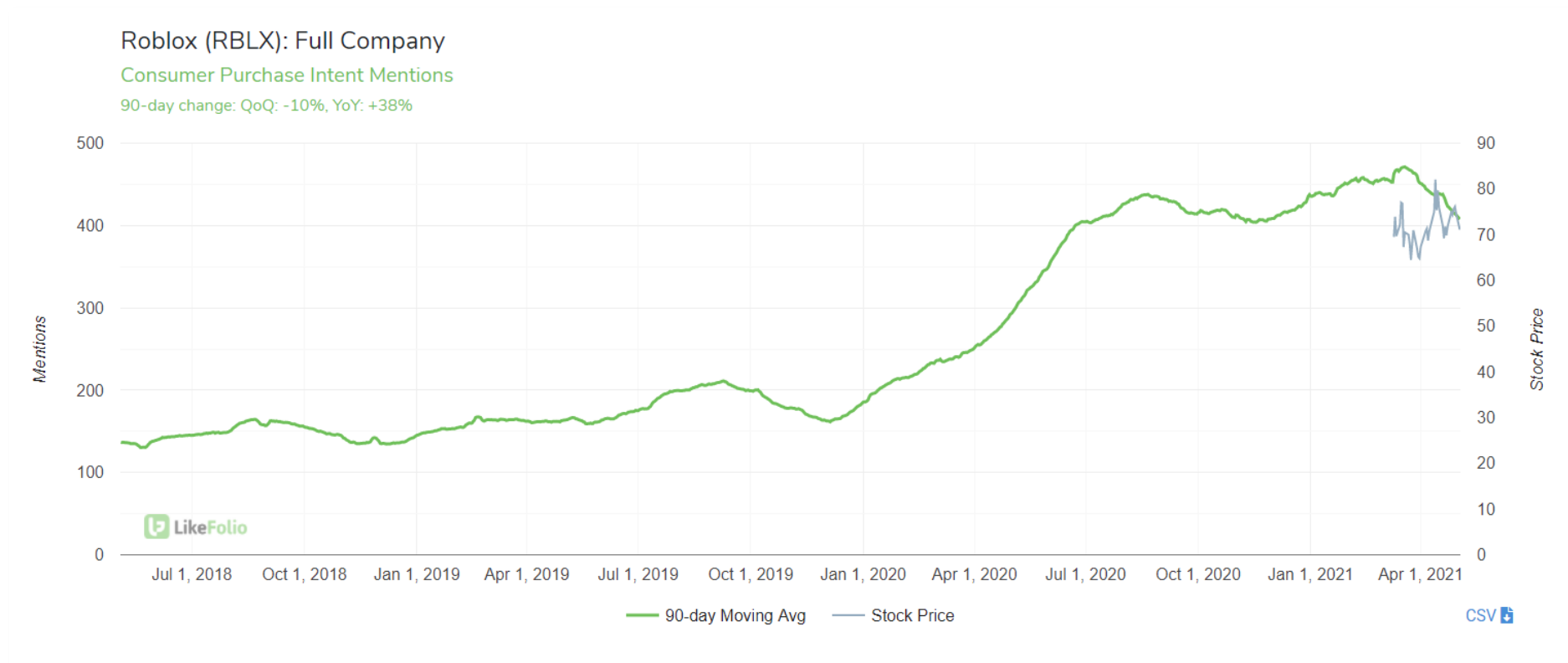
LikeFolio data also suggests the company may surprise investors on its first report. A slowdown in user growth is expected (and visible in our data), but it may not be as severe as Roblox initially guided.

As this company continues to exhibit growth potential, we're Bullish long-term and will consider any post-earnings pullback as an entry opportunity.

Consumer Demand:

- Consumer Mentions of downloading, installing, and signing up to play Roblox have increased +38% YoY.
- While this is a slowdown in user growth, overall demand remains near all-time highs. This is impressive, considering the massive shift in gaming adoption observed in 2020.
- Roblox gameplay-specific Mentions suggest retention. Mentions of playing Roblox have increased +76% YoY.

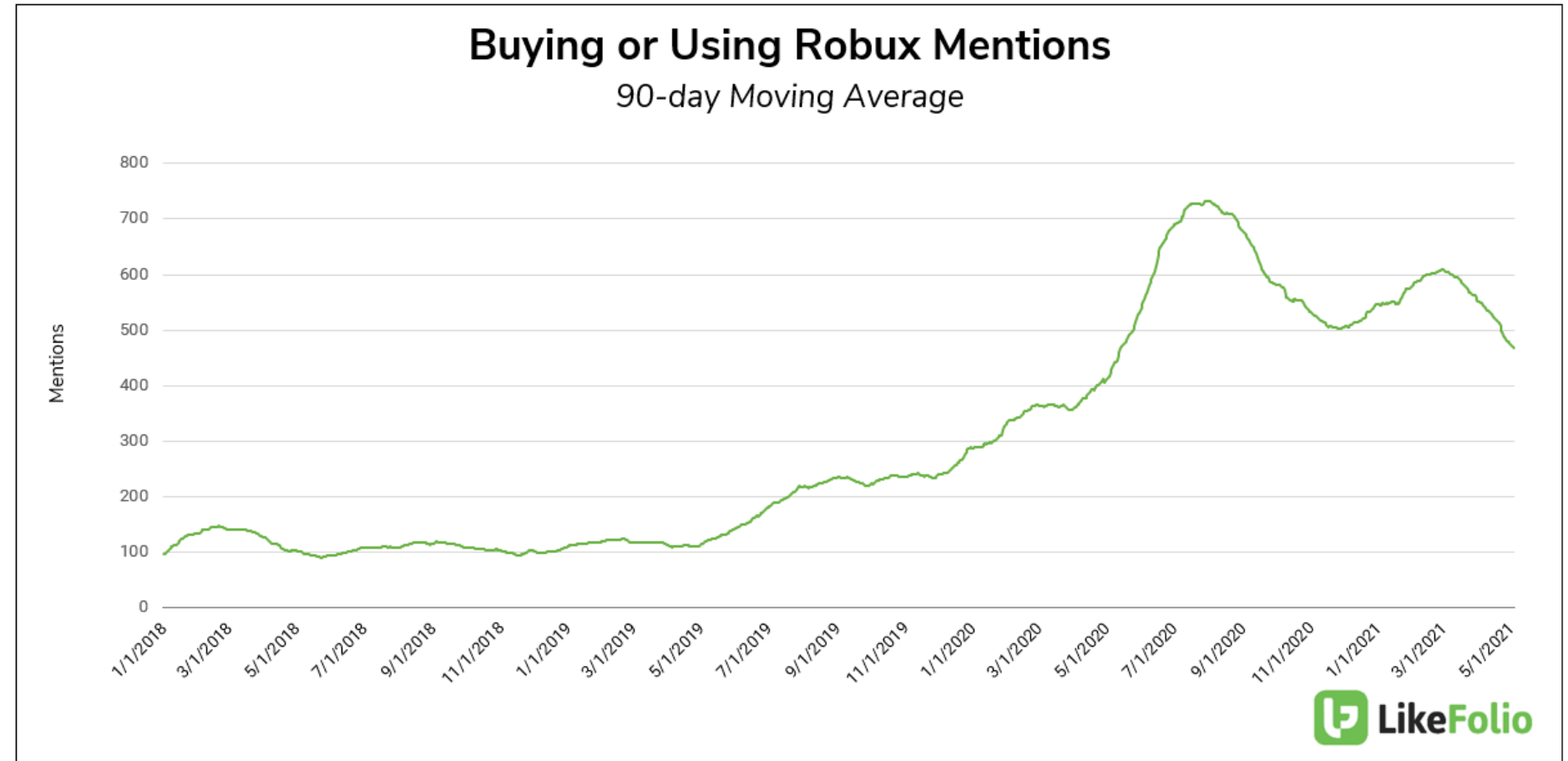
RBLX: User Growth is Slowing, but Strong



Consumer Demand:

- Roblox Bookings are driven by users and creators purchasing and using Roblox currency, 'Robux'.
- Mentions of purchasing Robux or using it in a game increased +13% YoY but have decreased vs. last quarter's Holiday high.

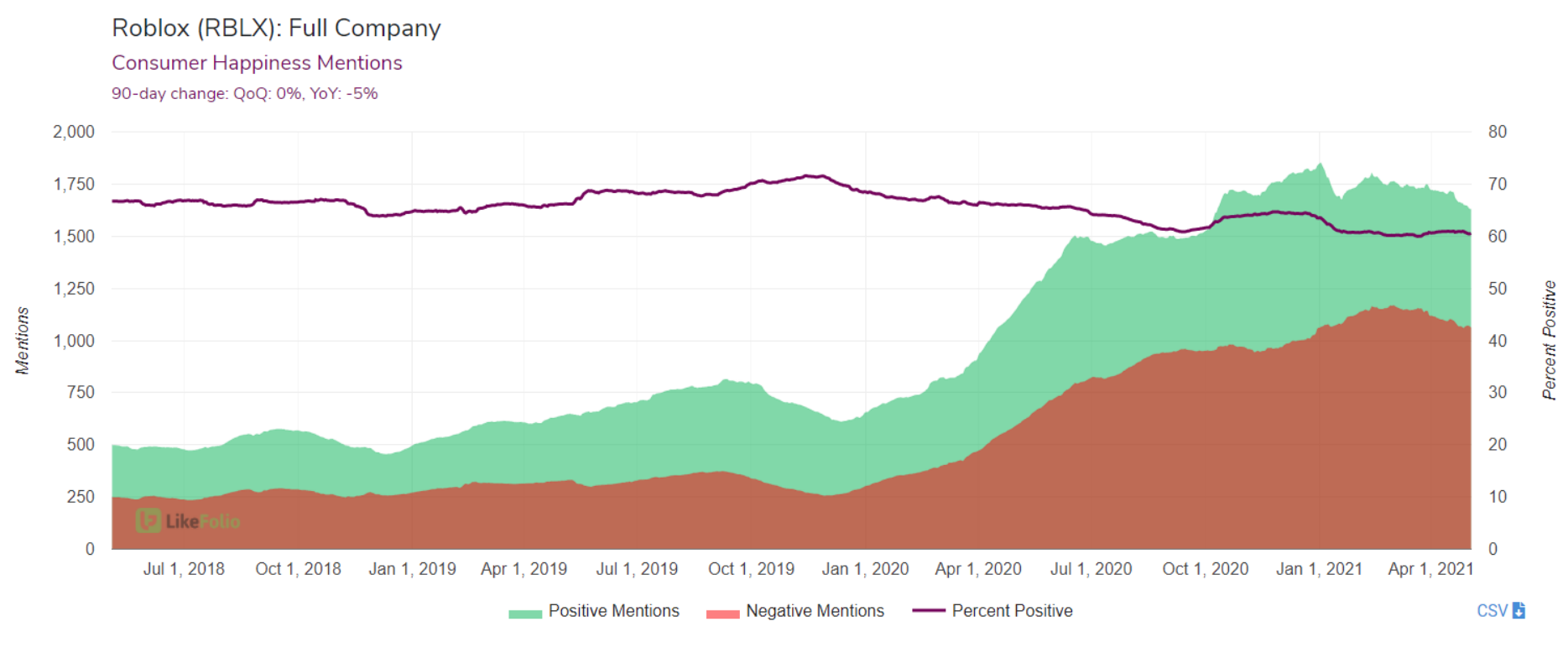
RBLX: In-Game Currency Purchase, Usage




Consumer Happiness:

- Consumer Happiness is dropping: -5% on a YoY basis.
- The top Negative Sentiment drivers are related to security issues.
- Mentions of Roblox accounts being hacked, stolen, or scammed have increased substantially since platform adoption exploded in 2020.

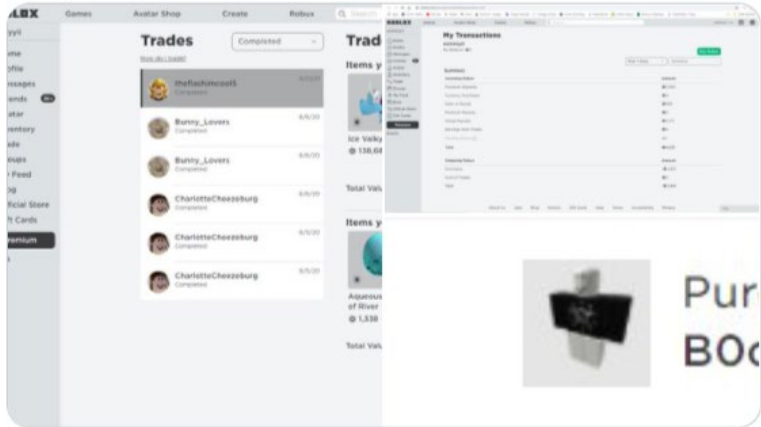
RBLX: Growing Pains



RBLX: Sentiment Drivers

 **emy** @_eemmyyii · Apr 28

I was recently hacked and **scammed** out of everything I had, I already contacted **roblox** through customer support but it seems even though i have my one time use ticket, I am unable to have my items or robux restored for reasons that weren't clearly explained in any email.



6 4 5

[Show this thread](#)


 **no** @prorobloxandmo1

Replying to @Bloxy_News

when your website security is so bad the OFFICIAL ROBLOX ACCOUNT GETS HACKED i think it's time to improve the security ngl

9:57 PM · Apr 30, 2021 · Twitter Web App

4 Likes

 **enzo** @enzo_enchiladas · Apr 3

someone **hacked my roblox** account and took all my robux... don't text

4 2 19

 **Comfy Ruby** @RubyRos57946493

MY DECADE OLD ROBLOX ACCOUNT IS NOW BEING USED FOR SCAM LINKS I WANNA DIE NOW.

12:12 AM · May 1, 2021 · Twitter Web App

1 Like

 **natalie/ray**  @marcannereal · Apr 28

Somebody **hacked my roblox** account

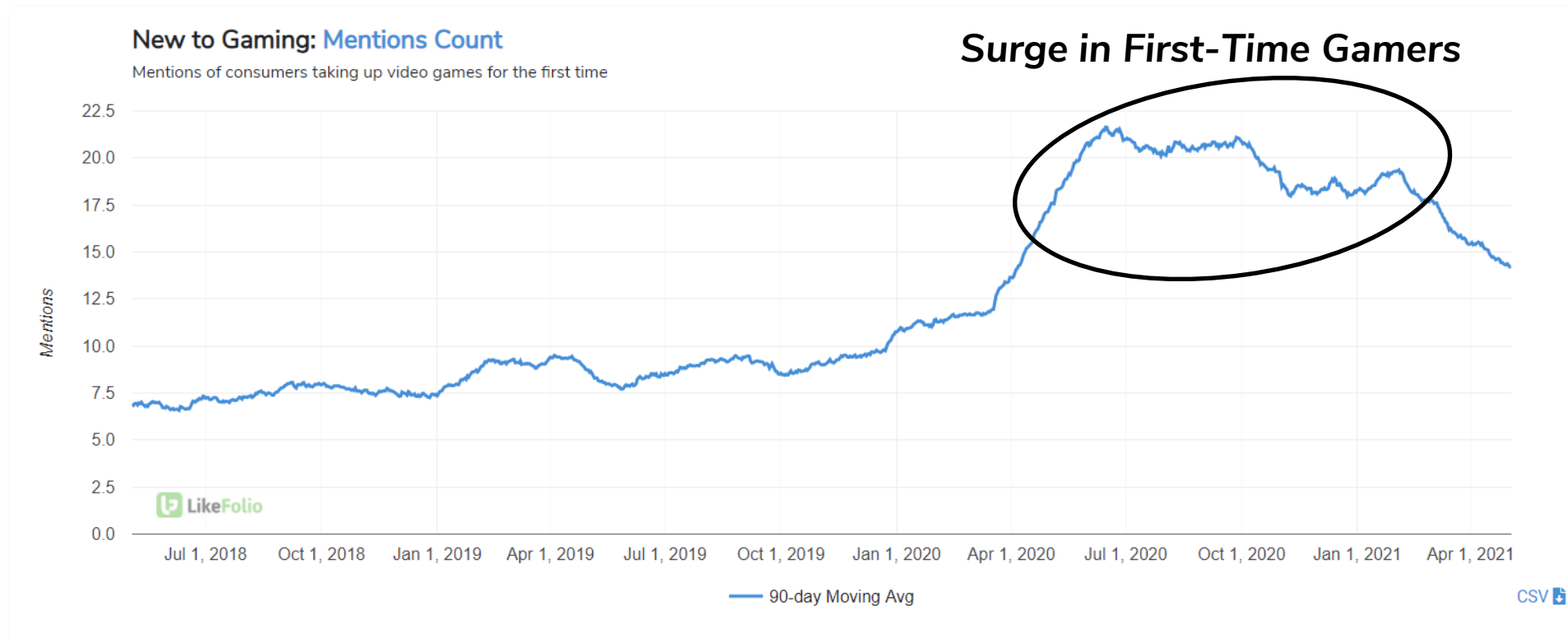


2 1

Macro Tailwind:

- Covid brought many first-time gamers to the table, and Roblox was one of the largest beneficiaries according to LikeFolio data.

Trend Watch: More Gamers at the Table

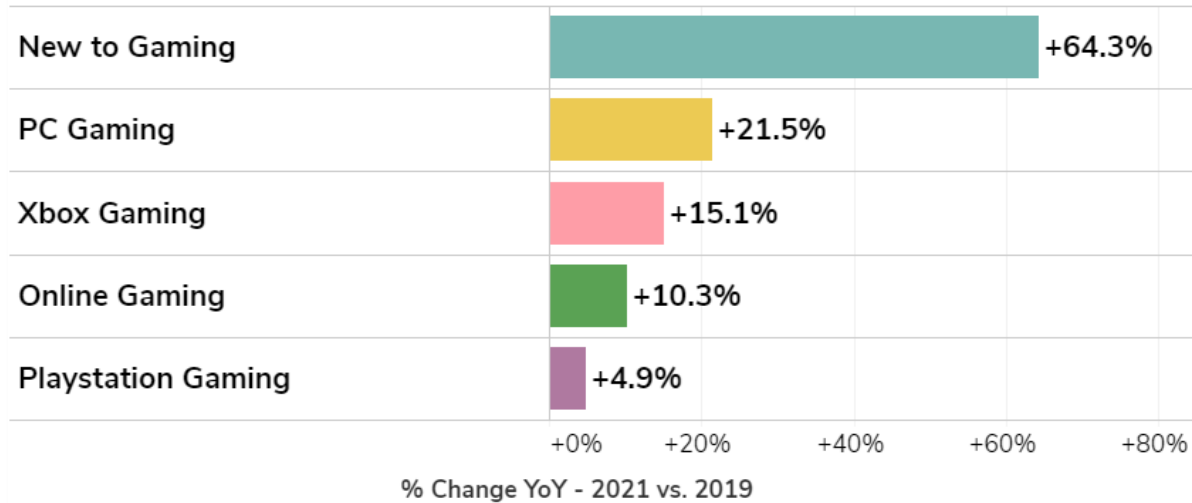


Trend Watch:

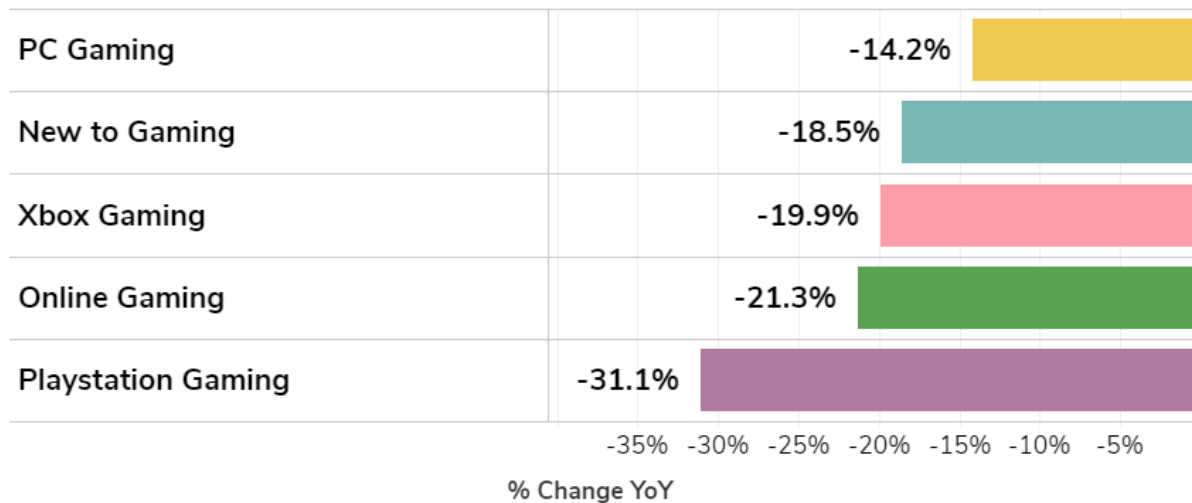
- Gaming trend Mention growth has not kept pace with the levels recorded in 2020. However, all gaming trends tracked are higher vs. 2019.
- Note the relative strength of PC gaming vs. consoles, an area where Roblox excels.

Trend Watch: Gaming Normalization

2 Year % Change, 90-day Moving Average



YoY % Change, 90-day Moving Average



RBLX: Reports and Business Updates

- **Roblox is a social gaming and development platform powered by user generated content.** RBLX [shares gained following the company's direct listing](#) in March. In April 2021, the stock traded as much as +27% higher from its initial opening price of \$64.50 and significantly higher than its [reference price](#) of \$45.00 (where private shares were sold during a financing round in January).
- **The company [issued guidance](#) ahead of its public debut, noting a slowdown in growth is expected:** Bookings are expected to increase +10% YoY in 2021. For comparison, bookings increased +171% and Daily Active Users (DAUs) increased +85% in 2020 as schools and social activities were closed.
- **Roblox is betting on the [metaverse](#), a fully virtual universe where people can work and play.** CEO and founder Dave Baszucki has [called his team](#) at Roblox “shepherds of the metaverse”, and [described an environment](#) where users meet in virtual worlds to have shared experiences BEYOND playing a game, like watching movies or even learning a new skill.
- **The global virtual reality market size is expected to more than double in the next 3 years, reaching \$12 billion [by 2024](#).**

RBLX: Reports and Business Updates

- **Roblox operates on a [freemium model](#).** Games are free to play, but users can access specialized features and customizations by paying for them via Robux, an in-game currency. Roblox also collects revenue from advertising, licensing, and royalties.
- **Roblox developers can exchange Robux for real-world currency.** In 2020, over 1,250 developers earned \$10,000 or more, with another 300 developers and creators earning at least \$100,000 in Robux. The Developer Exchange rate is 1 Robux to \$0.0035 as of December 31, 2020.
- **Users can [purchase Robux](#) in bundles** ranging in price from \$4.99 to \$19.99, with monthly subscribers receiving more Robux for the purchase price: “Robux Premium”.



REVOLVE

RVLV
Revolve Group

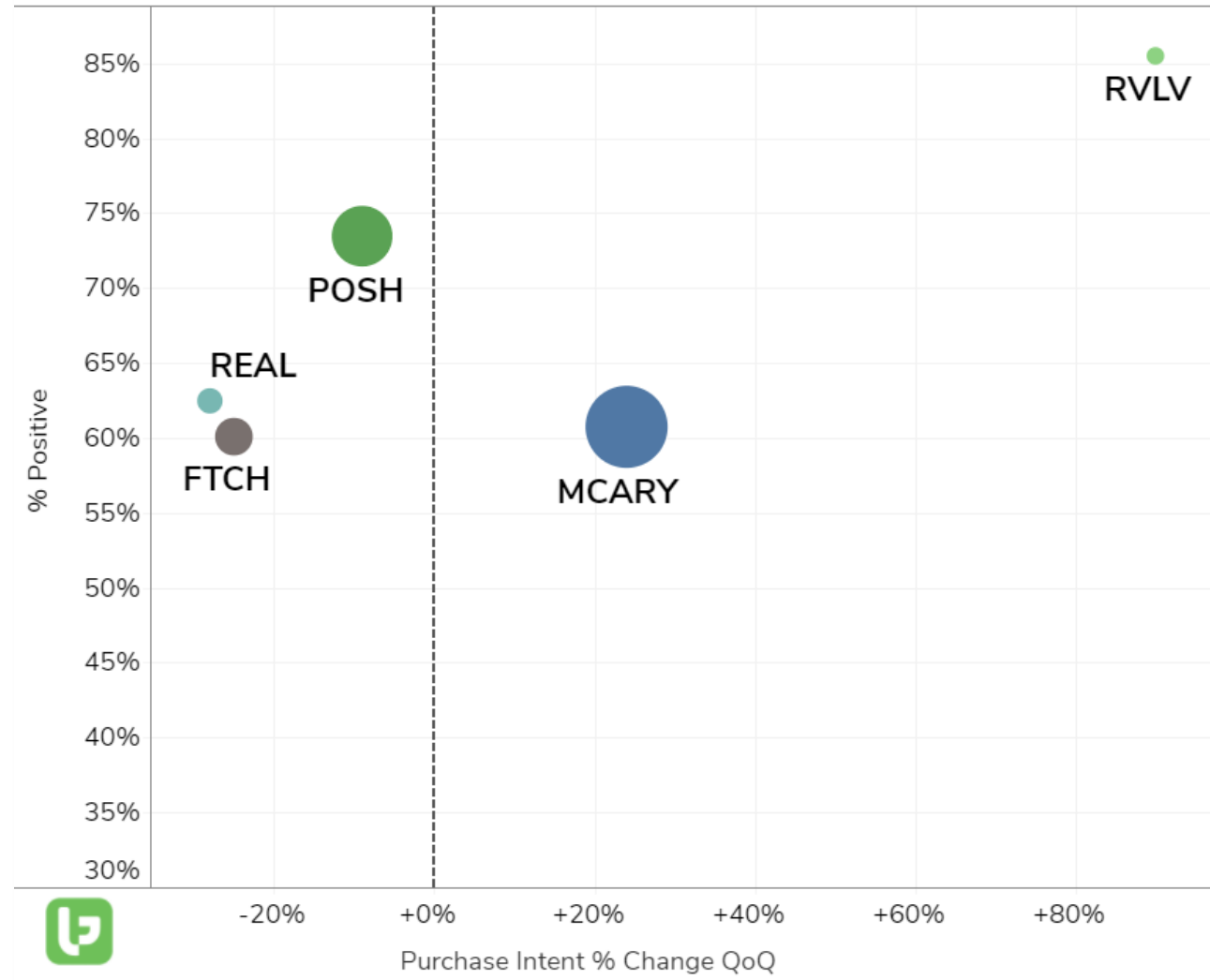
Purchase Intent: +40% YoY, +85% QoQ

Trend Watch: Shopping for New Clothes
+23% YoY

Sentiment: 86% Positive

Fashion: RVLV Gaining Strength

Purchase Intent vs. Sentiment, 90-day Moving Average



Swans Say...

Revolve group may be the purest reopening play on this report.

The company is driven by event and occasion-based fashion, yet somehow managed to [grow its operating profit](#) by +27% last year, remaining profitable even as revenue fell -3%.

Revolve [hinted at signs of recovery](#) in the first seven weeks of 21Q1 (the results of which were not available at the time of this report's creation): "We are optimistic about the opportunity for recovery in occasion wear trends as we anniversary the COVID outbreak in March and even more so as consumers around the world are vaccinated in the coming months and start socializing in person again."

LikeFolio data shows that consumers ARE buying new clothes...and Revolve appears to be one of the top eCommerce beneficiaries.

Consumers aren't just upgrading from athleisure – A completely [new fashion cycle is emerging](#)...a nice setup for trend-setting retailers like Revolve.

As stimulus payments roll in and social events heat up, we're expecting continued strength from this name.

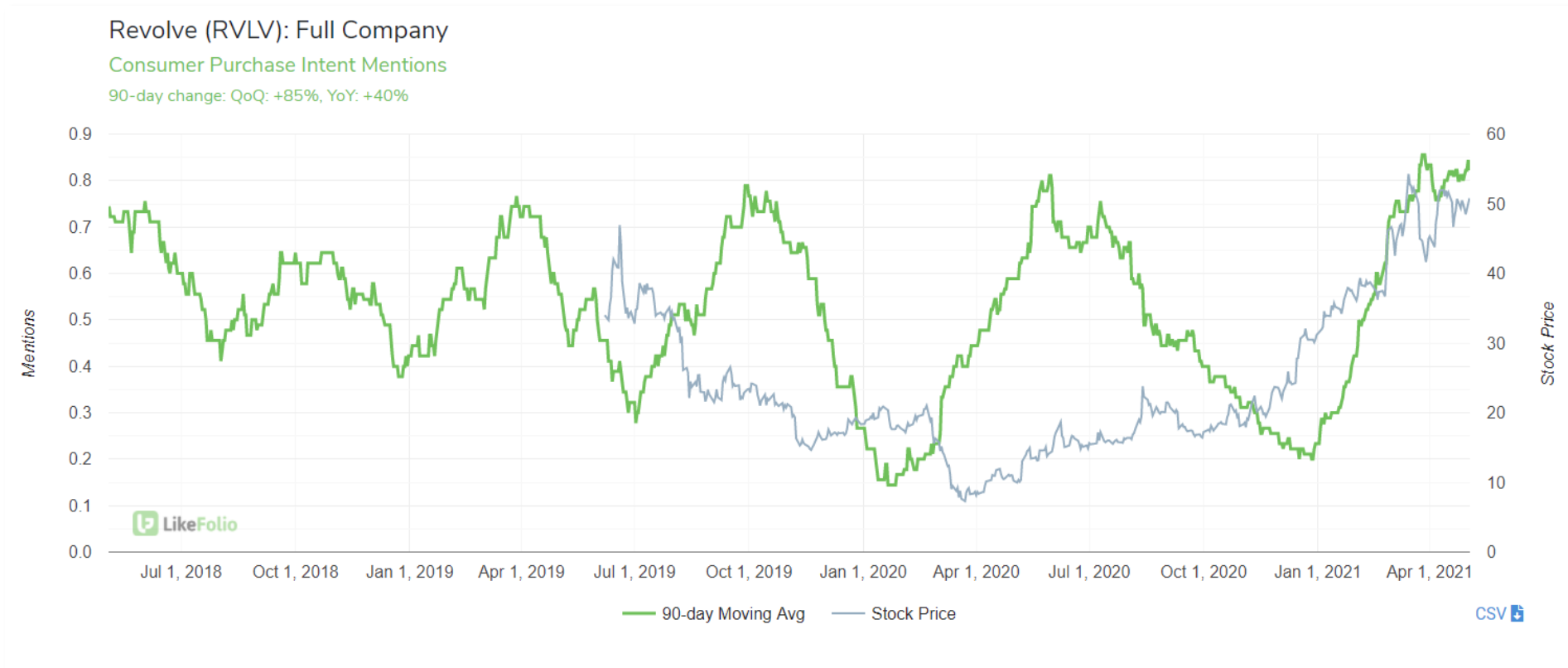
We're leaning Bullish long-term, especially following any short-term corrections due to tough margin comps in 20Q1.



Consumer Demand:

- Revolve Demand is rebounding this Spring. Purchase Intent mentions have increased +40% YoY, and +85% QoQ.
- RVLV's product-specific Mentions show rejuvenated interest in fashion items like dresses, tops, and denim. These product Mentions have increased +55% QoQ.

RVLV: Demand at All-Time Highs



RVLV: Demand Drivers



ياس
@yassjoon

I just bought 4 cute ass dresses from revolve 😍

6:46 PM · Feb 3, 2021 · Twitter for iPhone

11 Likes



Ashley Sayegh 🇸🇪 @ashley_sayegh · Feb 3

Replying to @yassjoon
Revolve is the cutest 😍



TheCongolesePrincess
@LaBelleTracy

@REVOLVE I NEED y'all to restock the @FaraiLondon Skye dress asap! I need to look 🔥🔥🔥 in a couple of weeks. Thank you in advance 😊

7:01 PM · May 2, 2021 · Twitter Web App

1 Quote Tweet 1 Like



Erica Szpylczyn
@eszpy

You ever swipe up on an influencer link on their outfit and they're always from revolve and \$200-300 😬

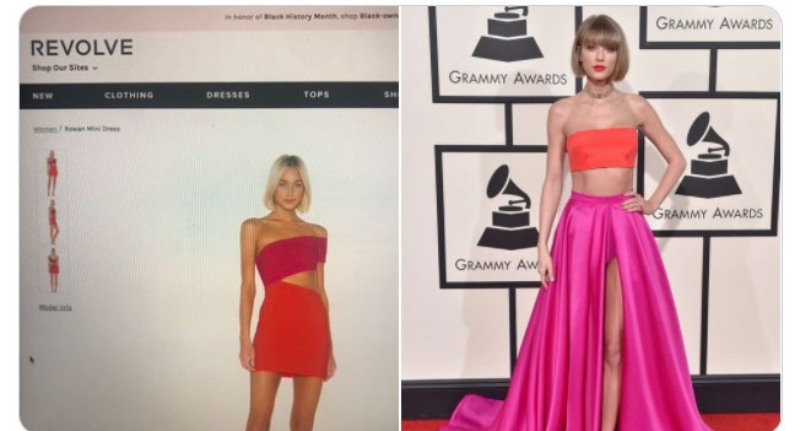
2:03 PM · Apr 28, 2021 · Twitter for iPhone

1 Quote Tweet 1 Like



Hannah 🌟 she/her
@spell1ngisfunn

LOOK AT THIS DRESS I FOUND ON REVOLVE I FREAKED OUT



10:22 AM · Feb 18, 2021 · Twitter for iPhone

3 Likes

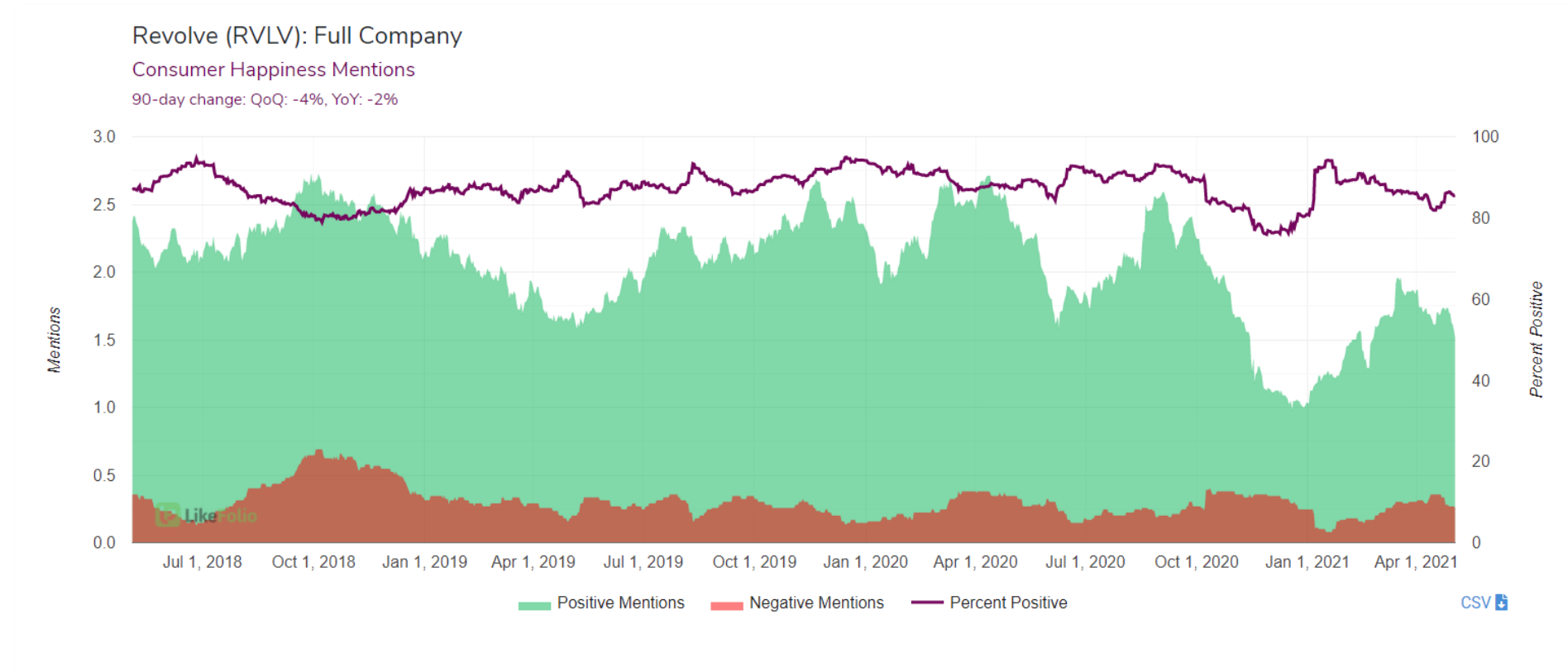
Consumer Happiness:

Consumer Happiness for Revolve's platform is extremely high at 86% positive.

This places it higher vs. eCommerce peers:

- RVLV: 86% Positive
- POSH: 73% Positive
- REAL: 62% Positive
- MCARY: 61% Positive
- FTCH: 60% Positive

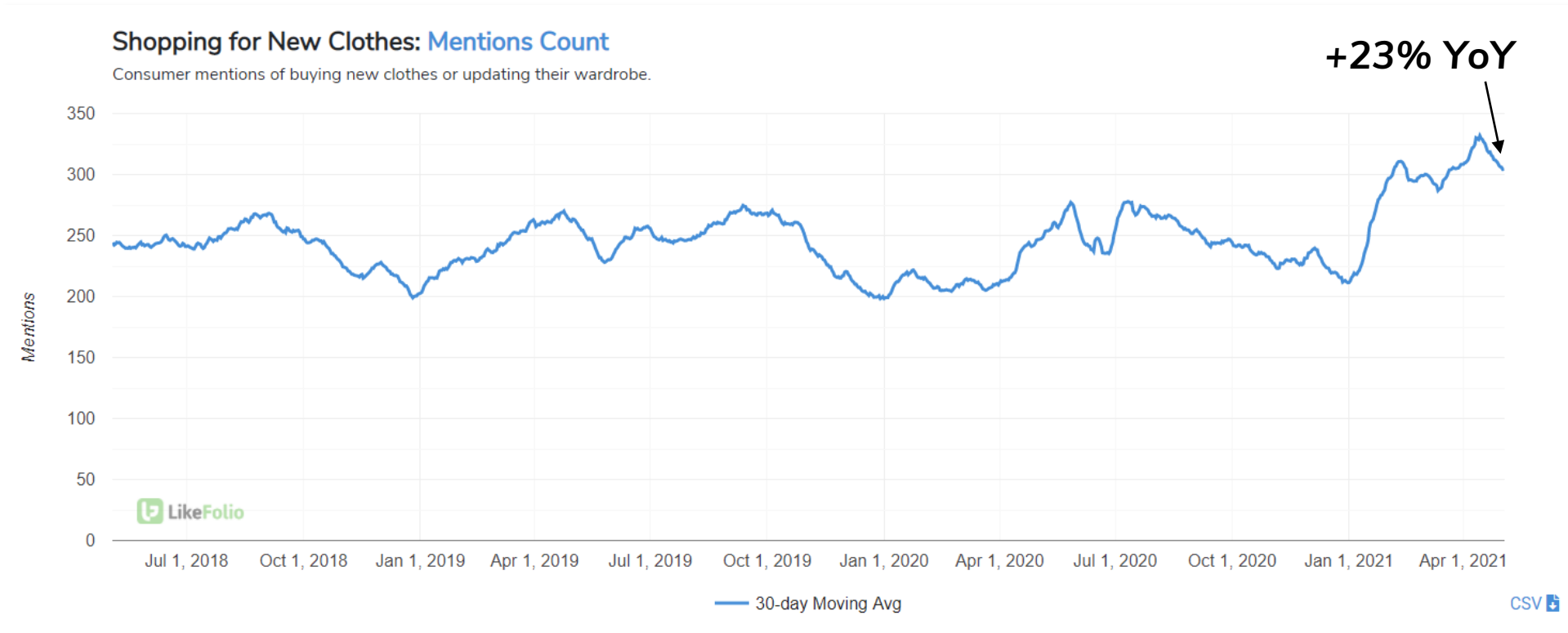
RVLV: Industry-Leading Sentiment



Macro Tailwind:

- After a year of yoga pants and loungewear, consumers are getting back out and in need of a new wardrobe.
- Mentions of buying new clothes have increased +23% YoY, exhibiting non-seasonal strength to kick off 2021.

Trend Watch: Shopping for New Clothes



RVLV: Reports and Business Updates

- **Revolve Group is an eCommerce platform which caters to Millennials and Gen Z consumers.** It leverages influencers and social connections to drive sales of premium brands and also carries beauty products and fashion accessories.
- **In [20Q4](#), Revolve exceeded earnings expectations, sending shares higher.** Net Sales fell -5% YoY amid a “challenging Covid environment”. However, gross margin was 56.0%, the highest-ever reported for a fourth quarter, and a YoY increase of 305 basis points. This was attributed to improvements in inventory management and a decrease in depth of markdowns.
- **International Sales are leading recovery.** International net sales increased +24% YoY in Q4 and outperformed struggling domestic net sales (-10% YoY). The company views the International market as a growth opportunity moving forward. This segment comprised 22% of total net sales in 20Q4 vs. 17% in 19Q4.

RVLV: Reports and Business Updates

- **A return to in-person social events is expected to be a major driver of new customer acquisition.** During a presentation for [B of A Securities Consumer and Retail Technology Conference in March](#), RVLV Co-Founder and Co-CEO, Michael Mente, noted the company is watching for the resumption of social gatherings to increase platform awareness and overall fashion demand:

“The other aspect not super obvious but that we’re really missing [are] the social events that our customers are having with each other. And I think our customers really are our greatest advocates... Word of mouth is top one or top two, depending on the time period, greatest source of customer acquisition....And that is really hard to do in a socially distanced world.”

- **Revolve is investing in owned brands.** While the company scaled back to manage inventory amid uncertainty in 2020, on the [20Q4 conference call](#) RVLV management expressed plans to further expand its collection: “Owned brands continue to be core to our long-term strategy...They drive traffic, attract new customers, generally have higher gross margins than comparative third-party products and add to the uniqueness of our merchandise offering.”



**PENN NATIONAL
GAMING, INC.**

PENN

*Penn National
Gaming*

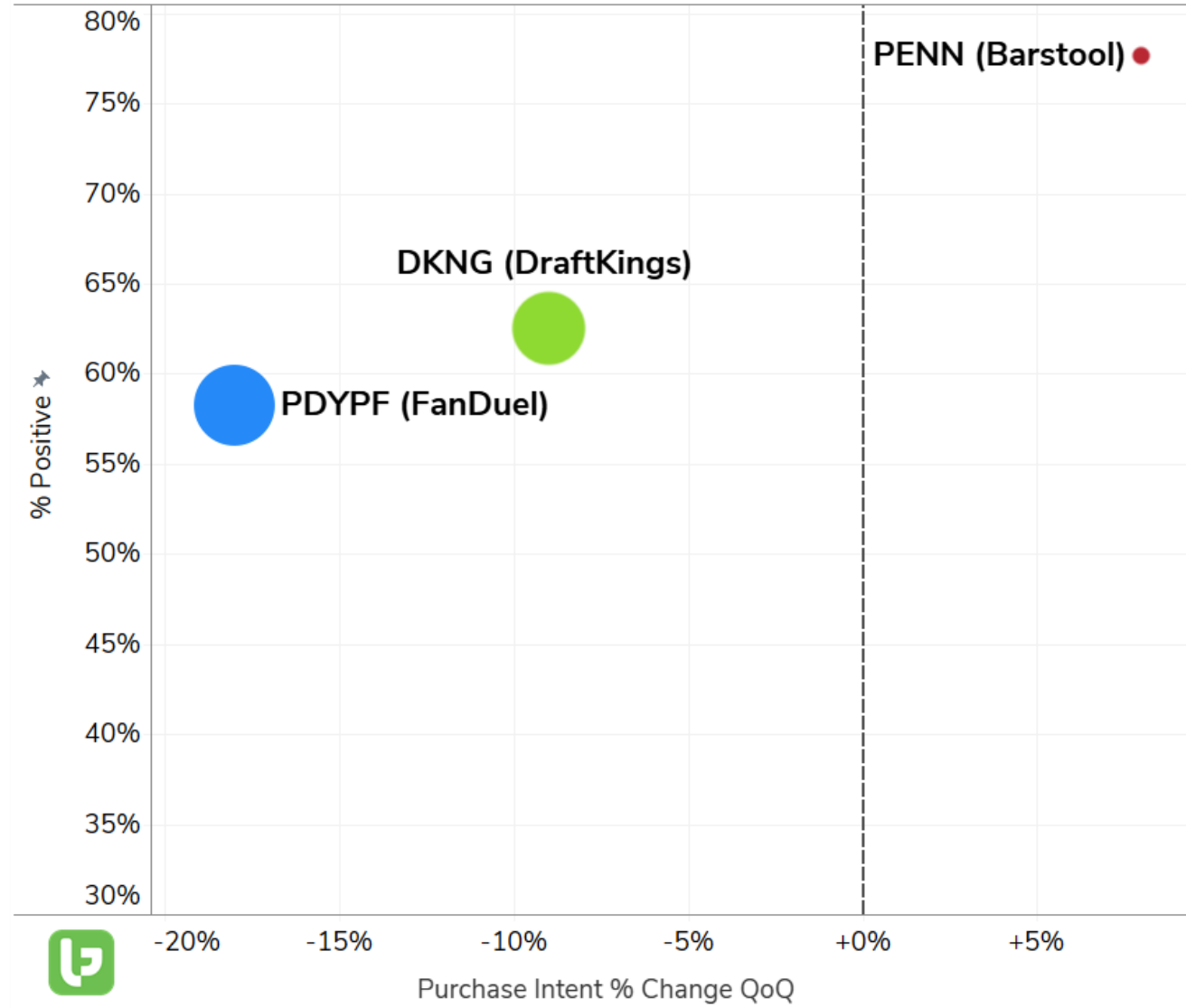
Purchase Intent: +7% QoQ, +2% YoY

Trend Watch: Sports Betting
+31% YoY

Sentiment: 78% Positive, +9% YoY

Sports Betting: PENN is Catching Up

Purchase Intent vs. Sentiment, 90-day Moving Average



Swans Say...

We've had our eye on Penn National Gaming since the company announced its minority stake in Barstool Sports early last year.

Why? Because we know consumers crave content.

Our data suggests PENN is being propelled by major tailwinds:

- Consumers are returning to Casinos and Racing Events
- Sports Betting is Expanding across the Nation, State-by-State
- Barstool Sports (and Sportsbook) is serving as a powerful funnel for new customer acquisition and existing customer cross-selling

PENN shares sold off after its most recent report, largely because Q1 revenues remained lower than pre-Covid levels.

However, Mentions suggest this company is gaining momentum, and strategic investments in online Casino gaming and Sports Betting will serve as fuel for future growth.

We're leaning bullish, and think recent weakness may provide long-term investors with a more favorable entry.

Consumer Demand:

- Consumer Demand is returning for Penn's casino and racetrack venues.
- From Jan.1 – March 31, Penn National Gaming Purchase Intent Mentions increased +47% YoY.
- Demand shows continued strength, increasing +7% QoQ on a 90-day moving average.

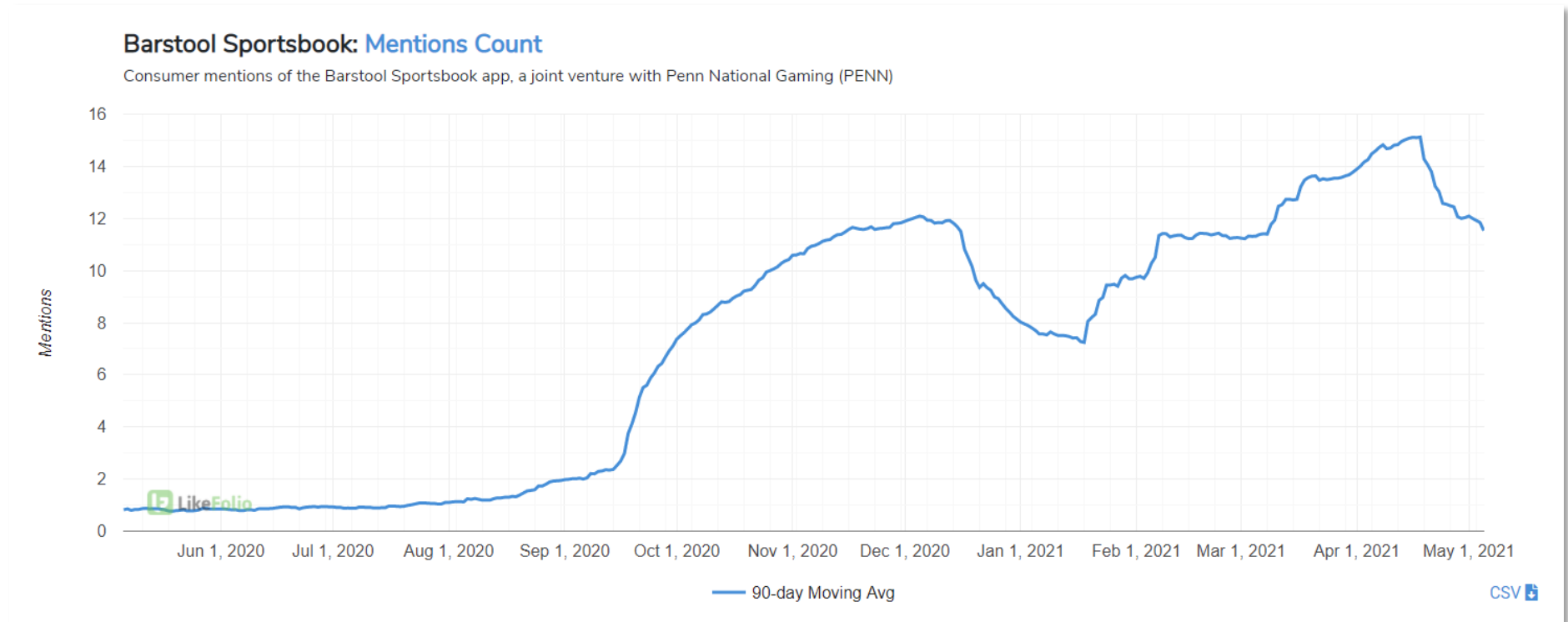
PENN: Venue-Based Demand is Returning



Consumer Demand:

- In January of 2020, Penn National Gaming announced an investment in Barstool Sports, giving the company a 36% equity stake.
- This “media” acquisition quickly transitioned into the Sports Betting market. Penn is leveraging Barstool’s expansive audience reach to funnel users into its new virtual Sportsbook and to Penn’s brick and mortar casinos.
- Barstool Sportsbook usage mentions have increased +16% QoQ.

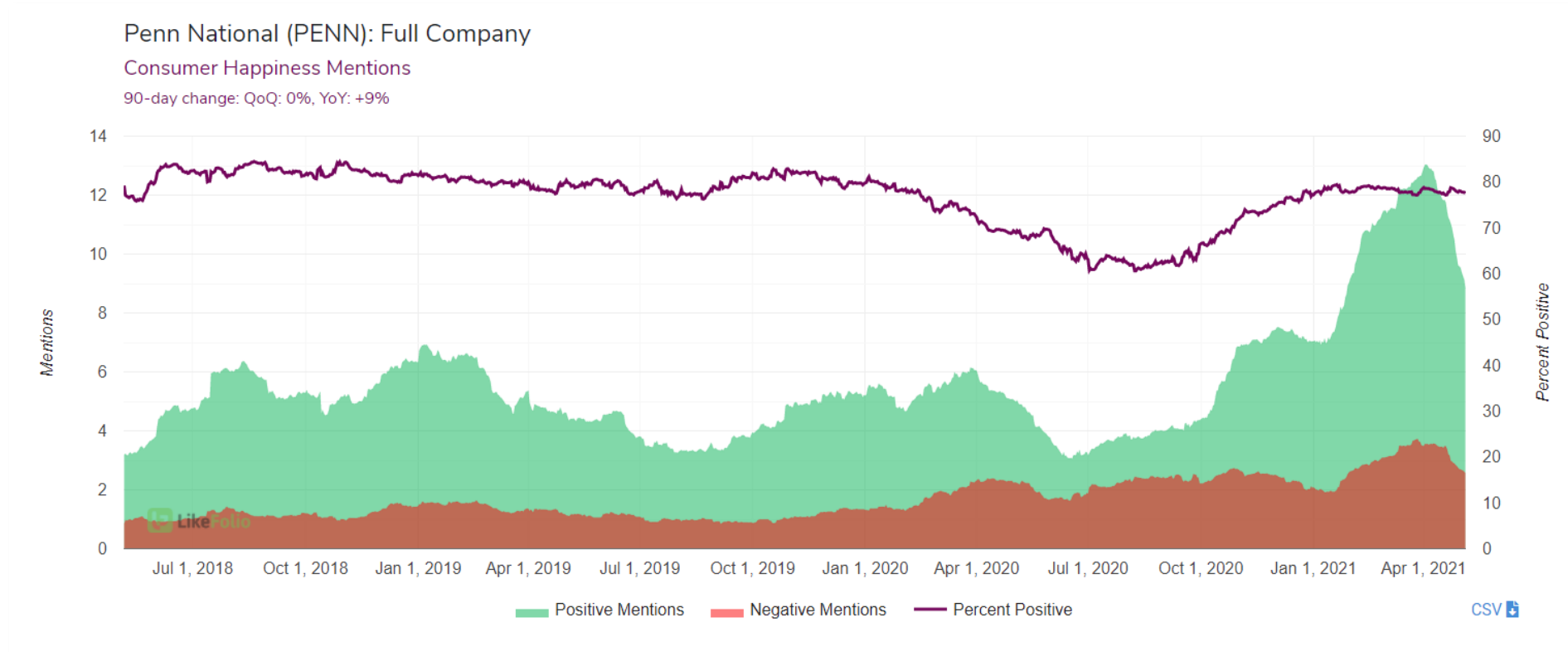
PENN: Bet on Barstool is Paying Off



Consumer Happiness:

- Penn National Gaming Happiness has improved by 9 points YoY, with Sentiment Mentions currently measuring 78% positive.

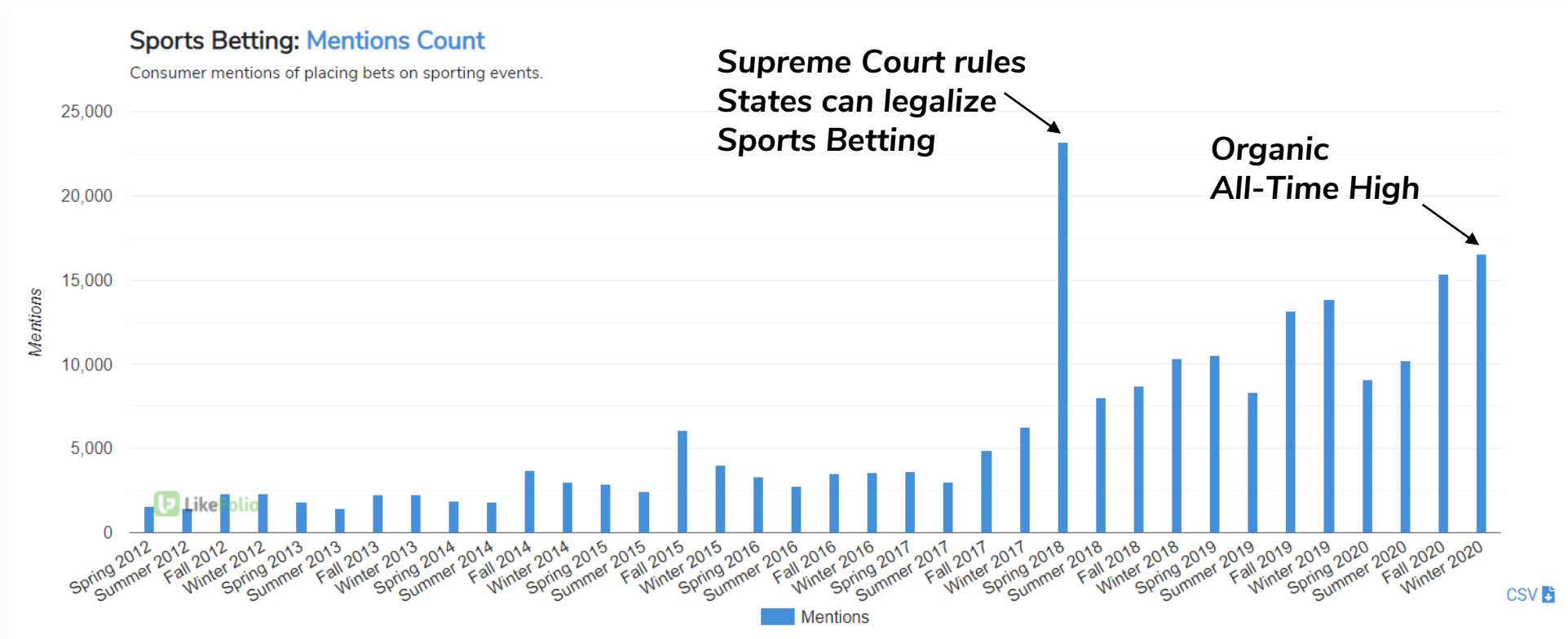
PENN: Happiness is High and Rising



Macro Tailwind:

- Consumer Mentions of betting on sporting events have steadily increased since the Supreme Court ruled that States could legalize the activity.
- These Mentions recorded an organic all-time high through March, bolstered by events including the Super Bowl and March Madness.
- Sports Betting Mentions are currently pacing +31% YoY.

Trend Watch: Sports Betting



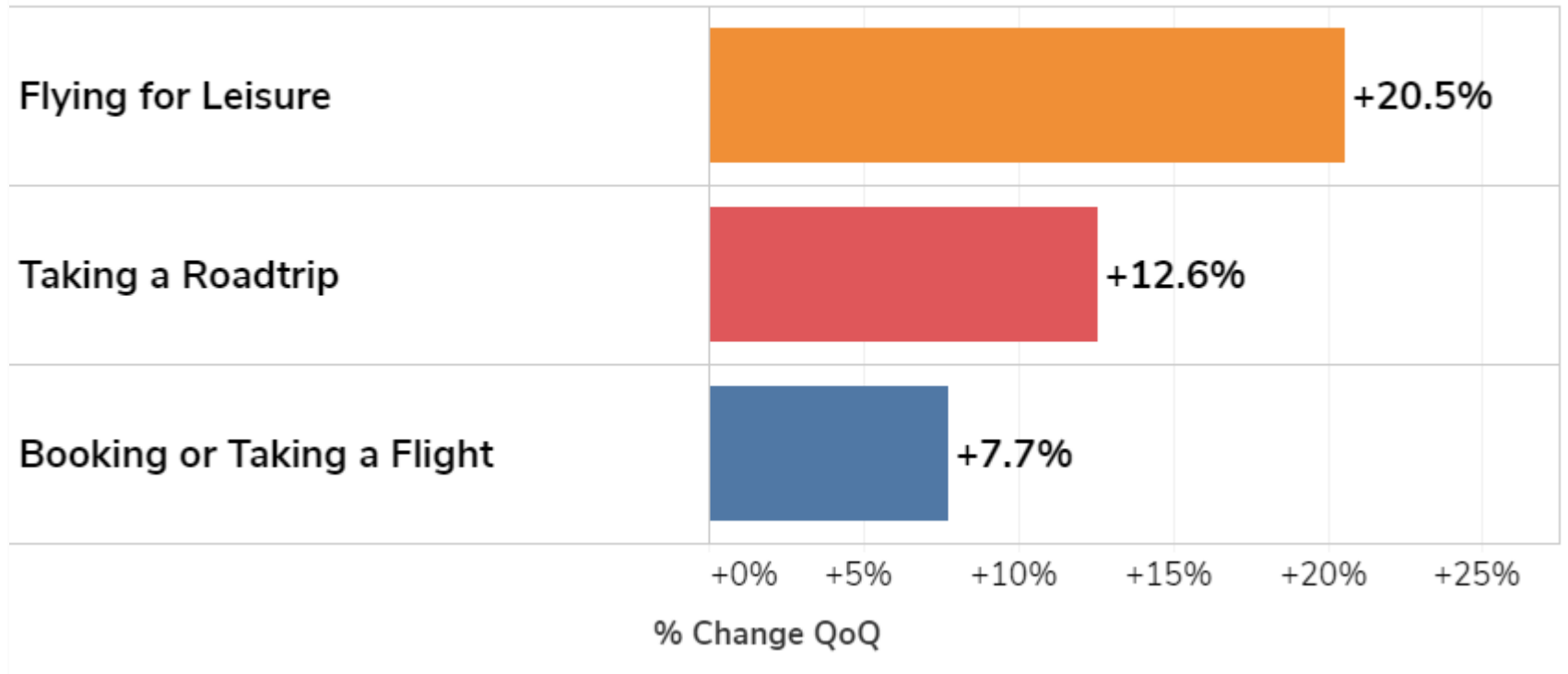
Macro Tailwinds:

- PENN operates more than 41 casinos and racetracks across 19 states.
- These locations suffered temporary pandemic-related closures in the last year.
- LikeFolio data shows consumers are resuming travel, including flying for leisure.
- These mobility indicators serve as positive tailwinds for the destination-based casino and racing venues.



Trend Watch: Travel for Leisure

QoQ % Change, 90-day Moving Average



PENN: Reports and Business Updates

- **PENN shares fell after releasing 21Q1 results** that beat estimates but featured revenues below pre-pandemic levels.
 - Revenue fell -6% YoY
 - Net Income Growth: +7% YoY
 - Record Adjusted EBITDAR margins: 35%
- **The company reported increased spend-per-visit, digital traction among younger consumers, and foot-traffic acceleration from the 55+ age group:** “Today, we’re still seeing spend-per-visit that is much higher than it was pre-COVID, and visitation is at or near 2019 levels in most of our markets, which is a great combination. Importantly, the younger demographic continues to choose gaming as a viable entertainment option while the 55+ age group has been returning to our casinos as vaccines continue to roll out.”
- **Penn is acquiring HitPoint Studios to accelerate the development of exclusive online casino content for Penn Game Studios:** “We will now have the ability to create exclusive content for our audiences, further leverage the Barstool Sports brand and our database of 20 million Mychoice customers, and create cross-marketing opportunities with our brick and mortar facilities.”

PENN: Reports and Business Updates

- **Barstool Sportsbook app:**
 - Available in 3 states (Pennsylvania, Michigan, and Illinois)
 - +400,000 registered users
 - [Generated \\$660 million, \\$61 million](#) in handle, gaming revenue respectively
- **Contributions from the online Barstool Sportsbook and iCasino platforms helped to offset Covid-related closures in January.**
- **The introduction of Barstool branding is [driving new customers into Penn's ecosystem](#).** The company plans to have 10 Barstool-branded sportsbook locations by the end of 2021. Barstool's unique content and promotional activities have helped to increase market share in key geographies including Pennsylvania and Michigan and allow for low customer acquisition cost.
- **Sports bettors are likely to utilize other Penn gambling products.** Cross-selling is evident in the success of Penn Games Studio. More than half of sports betting average monthly users in Michigan also placed a bet on iCasino. This omnichannel approach leads to increased customer spend across the board.

ELY

Callaway Golf

Callaway
▼

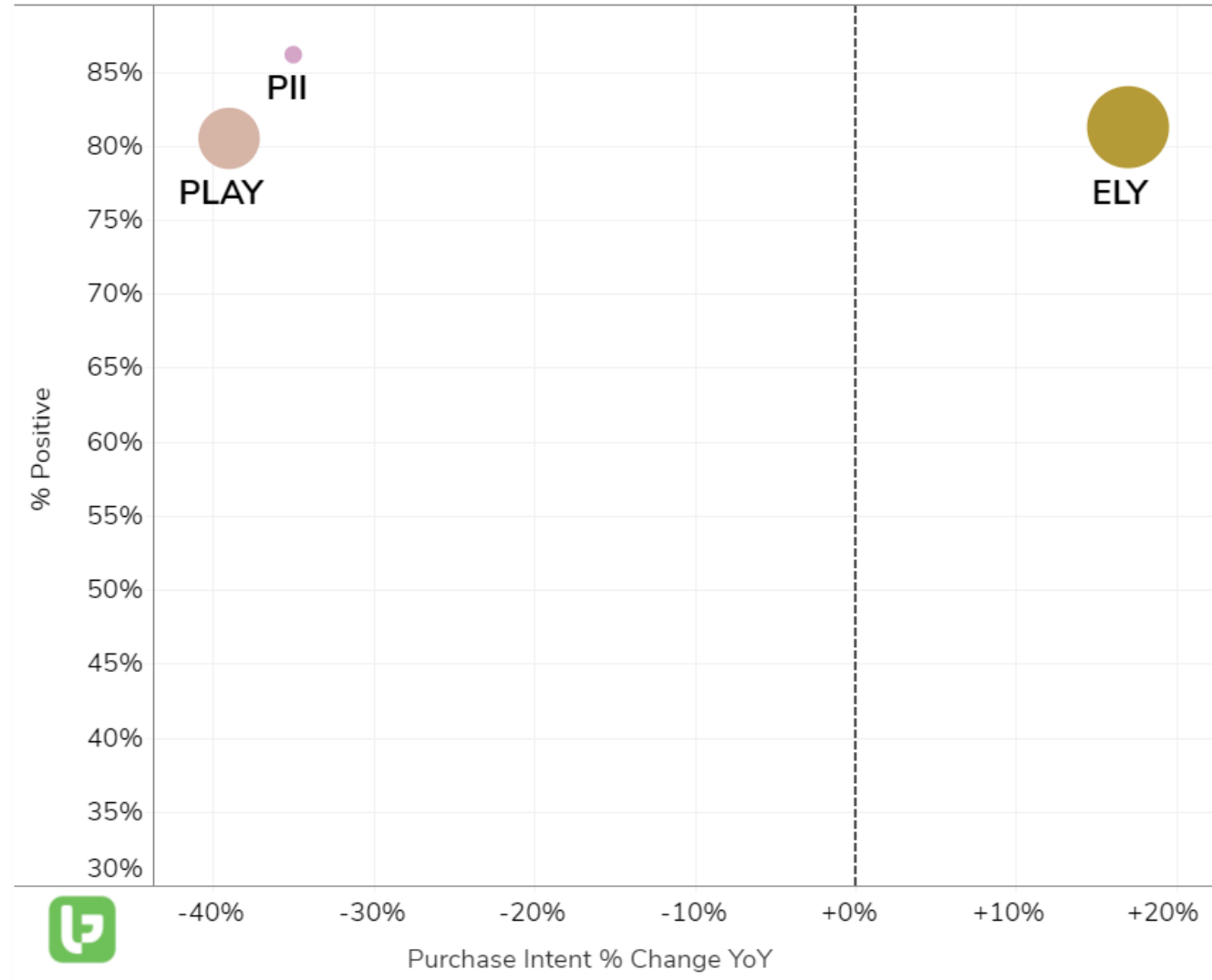
Purchase Intent: +17% YoY

Trend Watch: Playing Golf: +23% YoY
Learning to Golf +22% YoY

Sentiment: 81% Positive

Recreation: ELY Gaining Steam

Purchase Intent vs. Sentiment, 90-day Moving Average



Swans Say...

LikeFolio data reveals consumers are learning to love golf. To which we say, welcome to the party!

Callaway is the market leader in golf clubs and has demonstrated Demand growth in the last year.

In addition, **the company is doubling down on its relationship with golf entertainment venue, Topgolf.**

Topgolf Demand is picking up as Covid restrictions lift and consumers resume social activities.

This isn't a surprise. Have you ever been to a Topgolf?

Investors will be listening for merger-related ramifications on the company's next call, and we expect guidance to be bright.

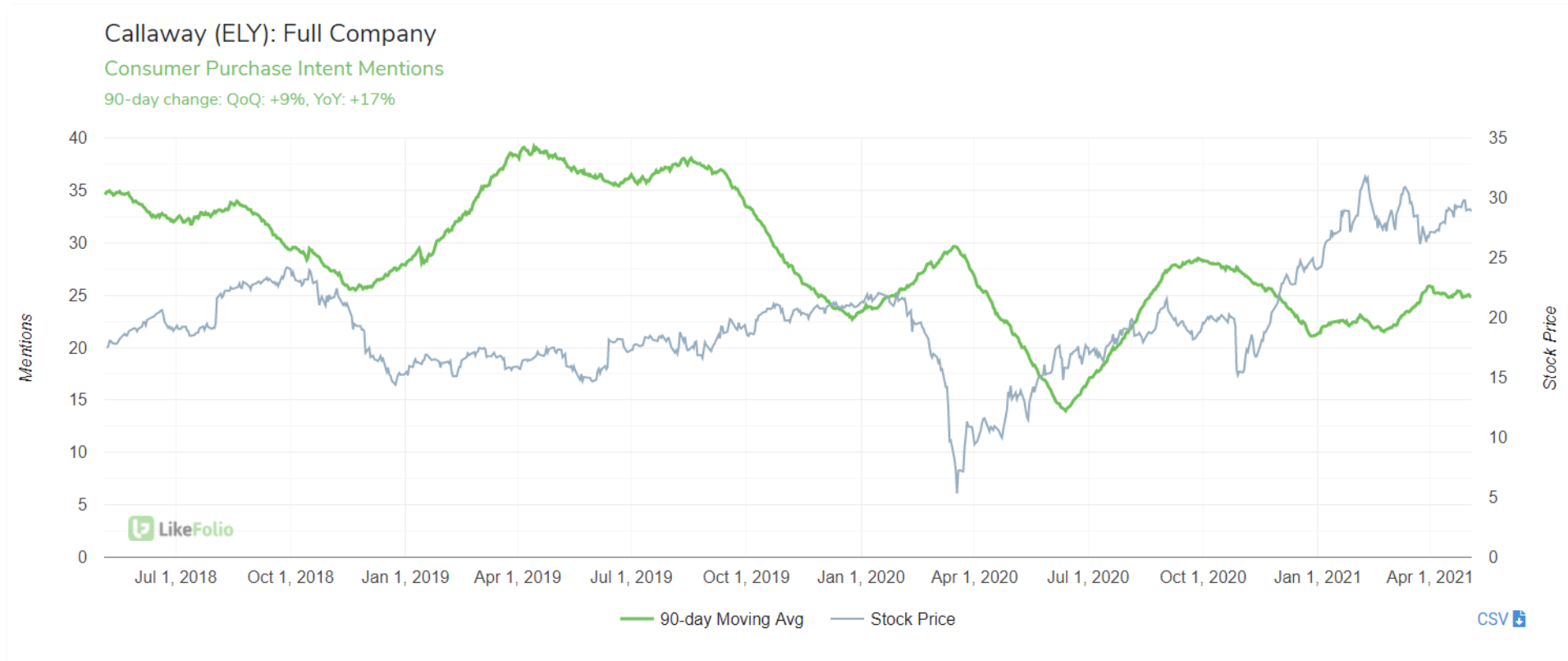
We're also seeing signs of returning Demand for apparel like Jack Wolfskin, a prior point of weakness.

We're leaning Bullish as Demand continues to grow, and apparel shows signs of improvement.

Consumer Demand:

- Demand for Callaway products and experiences is on the rise: +17% YoY

ELY: Demand is Building

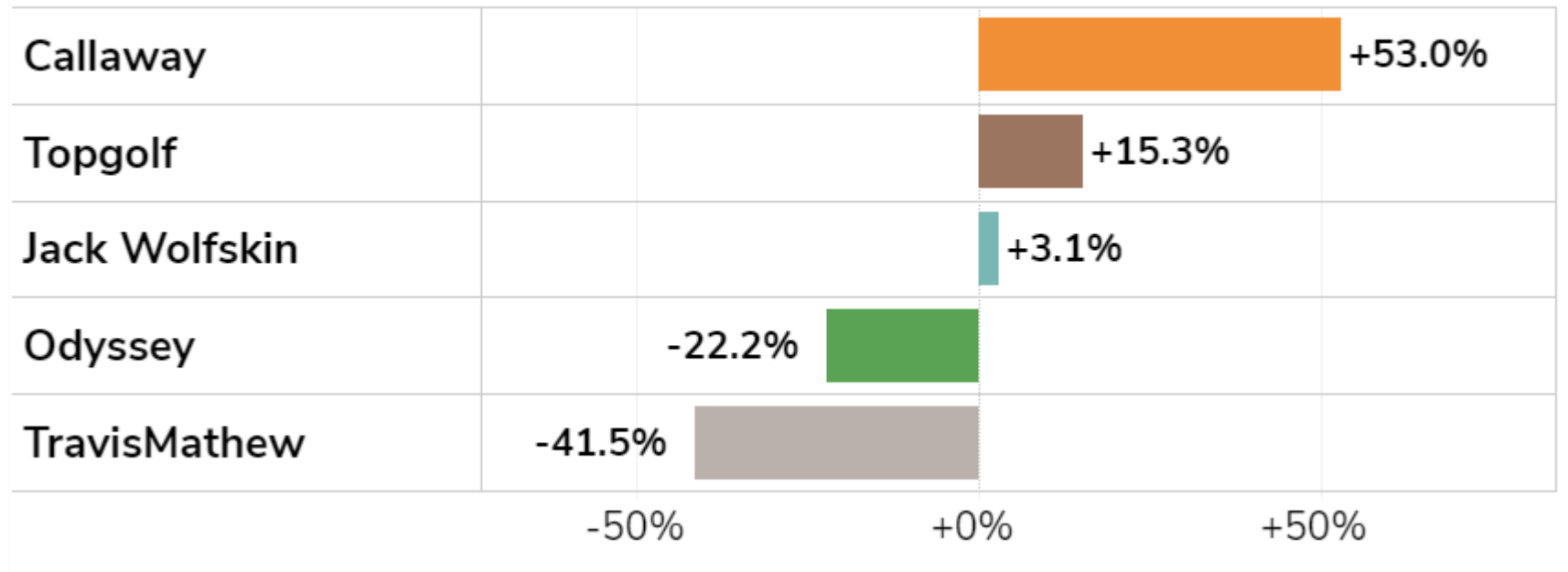


Consumer Demand:

- A brand breakdown reveals significant YoY strength for the flagship Callaway brand, featuring the Epic and Apex premium clubs.
- Topgolf is a likely beneficiary of warmer weather and the reopening of localities.
- Topgolf Demand Mentions have increased +15% YoY after struggling in 2020.

ELY: Premium Clubs, Topgolf Drive Demand

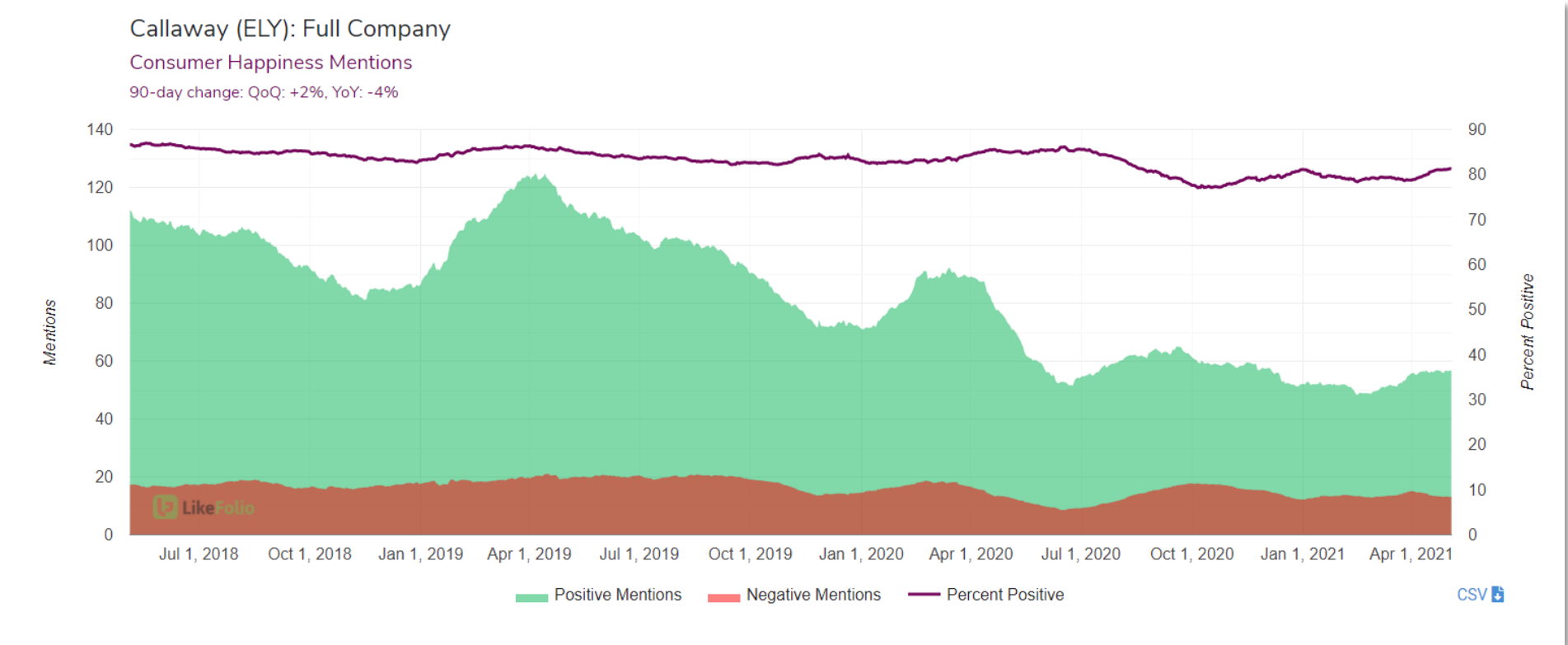
YoY Change in Total Mentions, 90-day Moving Average



Consumer Happiness:

- Consumer Happiness for Callaway products and services is strong: 81% positive.
- Consumers rate Callaway clubs very high, with club-specific mentions averaging 90% positive.

ELY: Happiness is High



Macro Tailwind:

- Mentions of Playing Golf surged in 2020, bucking a multi-year downtrend. These mentions are currently pacing +23% YoY on a 365-day Moving Average.

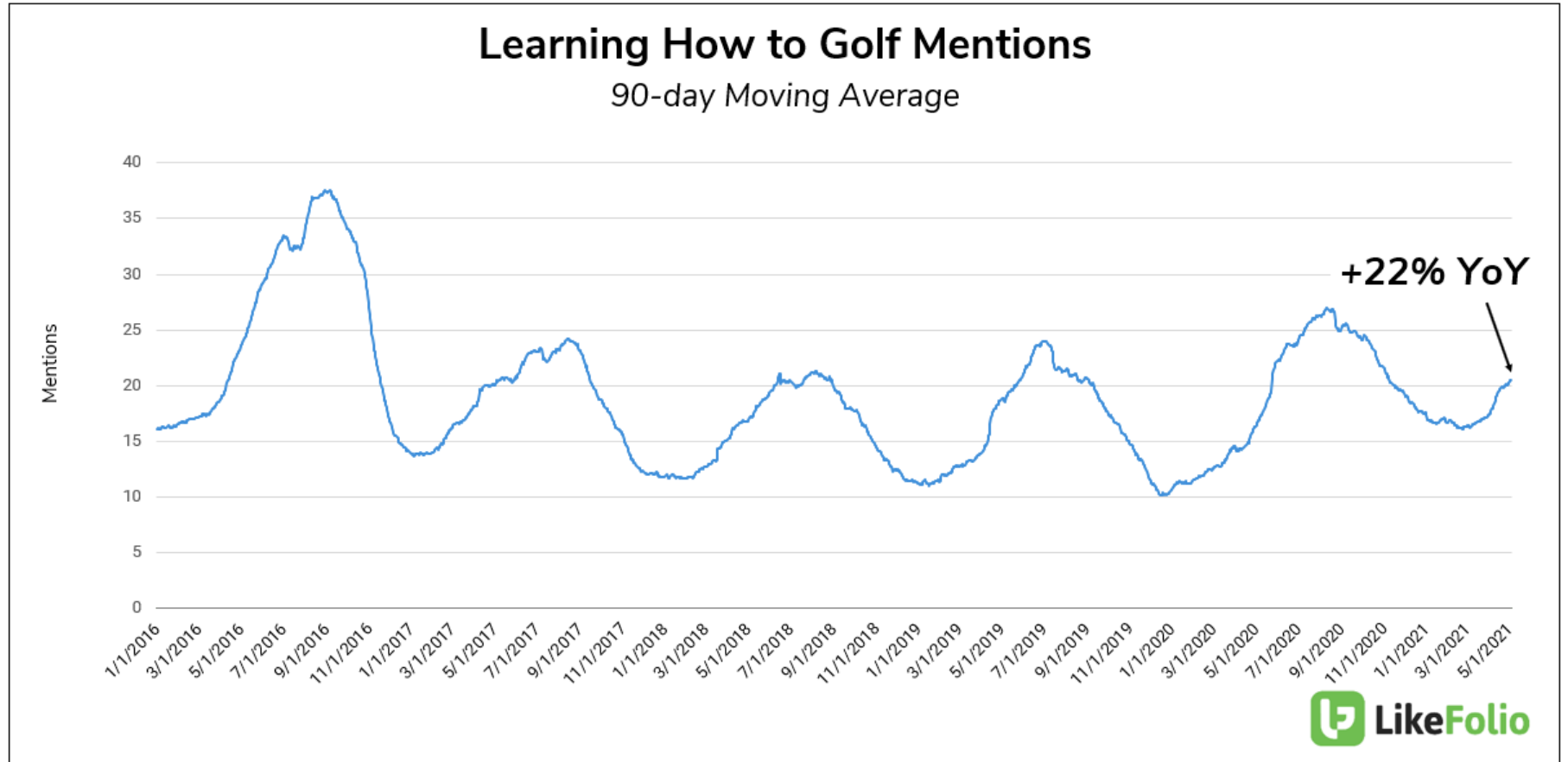
Trend Watch: More Rounds of Golf



Macro Tailwind:

- Consumer Mentions of learning how to golf suggest longer-term renewed interest in the sport: +22% YoY.

Trend Watch: New Golfers Support Growth



ELY: Reports and Business Updates

- **Industry data shows renewed interest in Golf in the last year.** According to the [National Golf Foundation](#):
 - **3 million people played golf for the first time** in 2020, a record number of beginners
 - The total number of **people playing golf increased +8% YoY**
 - Golfers played **60 million more rounds** vs. 2019
- **Callaway net sales increased +20% YoY in 20Q4, driven by a +40% increase in the golf equipment segment.** The company's gross margin decreased 460 basis points to 37.1% , attributed to inventory reduction in soft goods, increased operational costs due to Covid protocols, and increased freight costs.
- **ELY boasts itself as the [global market share leader](#) in clubs** and finished Q4 as the top hardwoods brand in the Japan (the first time ever for a non-Japanese brand).

ELY: Reports and Business Updates

- In March, [Callaway and Topgolf completed merger](#), creating a single company offering consumers golf equipment, apparel, and entertainment. Prior to merger completion, Callaway owned 14% of Topgolf. [Now](#), Callaway shareholders own 51.3% of the combined company and former Topgolf shareholders own 48.7%.
- **Topgolf suffered from Covid restrictions, but walk-in traffic is improving.** In the first 9 months of 2020, Topgolf posted revenue of \$485,500, a significant drop from \$794,100 in the same period the year prior. On its last earnings call, the company noted: “Despite 2021 starting out with more COVID restrictions than we expected, strong walk-in traffic is allowing this business to continue to perform at a level consistent with achieving our total venue full-year same venue sales target of 80% to 85% of 2019 levels.”



five BELOW[®]

FIVE

Five Below

Purchase Intent: +13% YoY

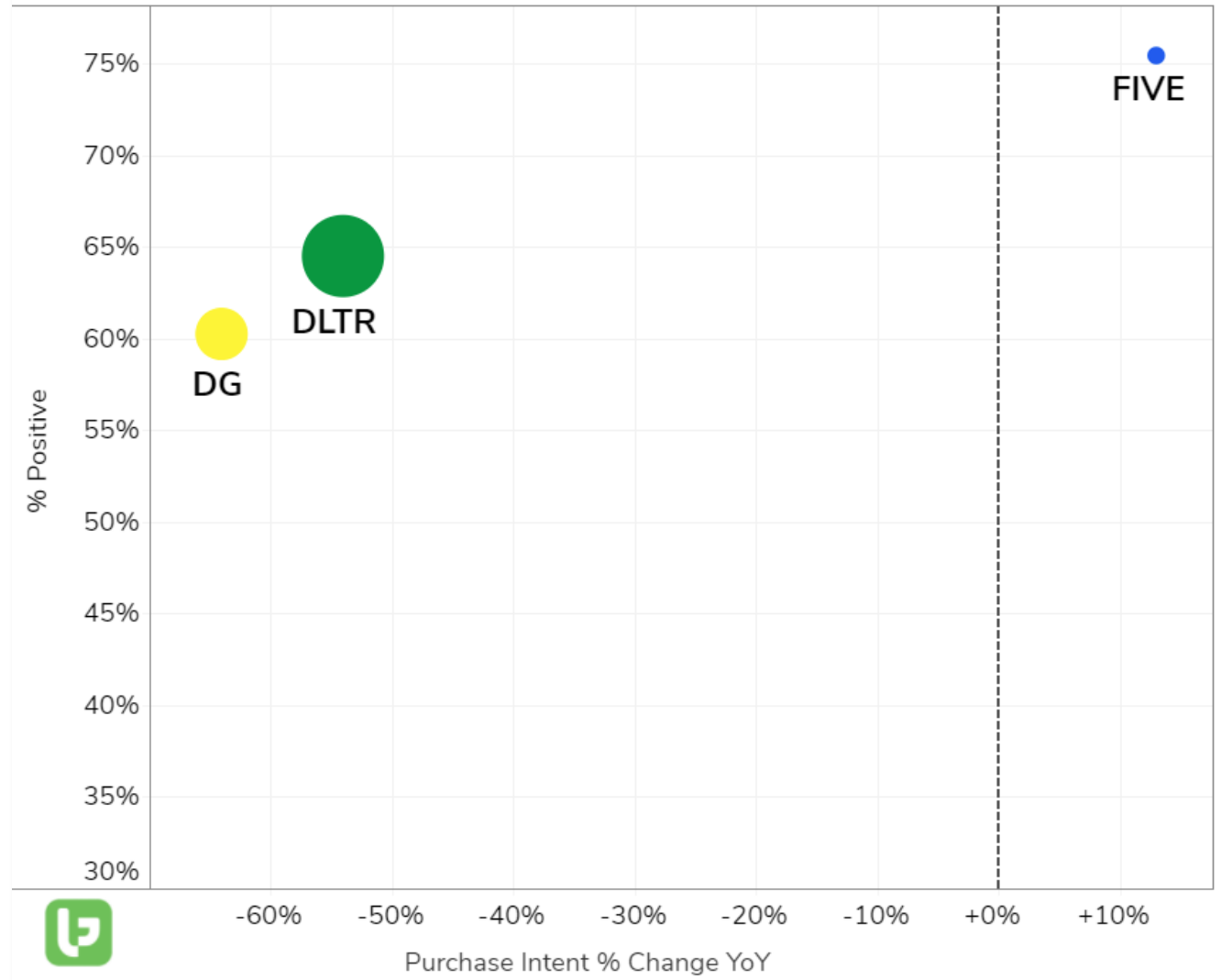
Trend Watch: Deal Discovery

+4% YoY

Sentiment: 76% Positive

Discount Retail: FIVE is Flexing

Purchase Intent vs. Sentiment, 90-day Moving Average



Swans Say...

Five Below is all about deal discovery. If you've ever been inside a store, you know what we mean. And if there's not one in your area, [there could be soon.](#)

Five Below's store format and product offerings are helping to boost Consumer Sentiment for the retailer well above that of its peers.

In addition, Five Below is finally [making strides to beef up its digital game.](#)

A key factor in the near-term? The return of events as social distancing regulations are lifted.

Five Below excels at providing novelty items parents (and kids) need for birthdays, Easter egg hunts, graduations, pool parties, and other special events.

It's no surprise to see continued Demand growth as events like this return.

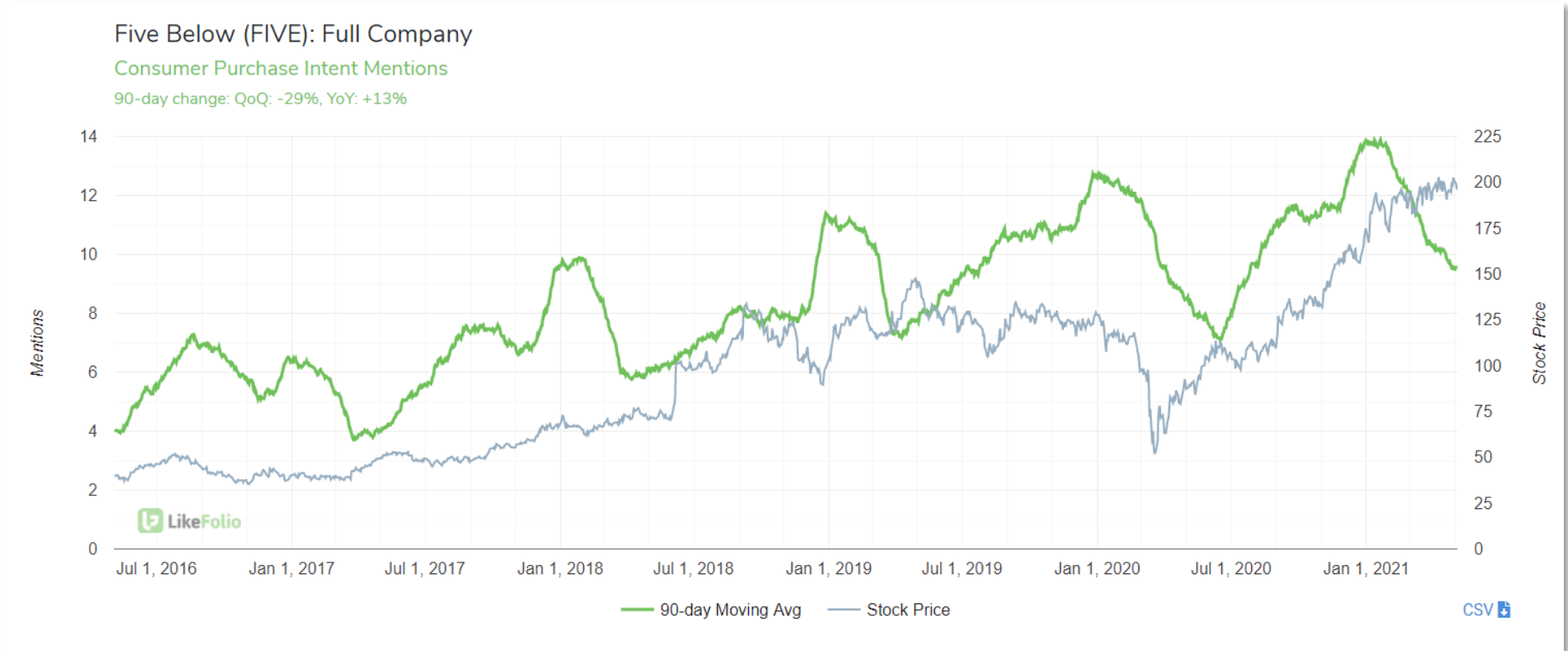
Also keep in mind, stores were *closed* for more than a month last year.

We're leaning Bullish as Five Below shows signs of outperformance in the discount retail sector.

Consumer Demand:

- Mentions of shopping at Five Below are continuing an upward trajectory. After a strong Holiday Season, Demand Mentions remain elevated: +13% YoY.
- The current quarter (Jan. 31 – May 1) presents an opportunity for improved YoY comps, considering Five Below closed stores on March 20, 2020 in response to the Pandemic.

FIVE: Comparative Demand Strength



FIVE: Events, New Stores Driving Demand

 **kai** @tropiconightmar
gonna go to five below for the first time ever today cause they finally have it in my state 🤔🤔🤔
3:35 PM · May 5, 2021 · Twitter for iPhone
2 Likes

 **Mama Rai** 🍀 @ForesttMama
A new five below is opening near me Friday so clearly Saturday I have to try and get there
9:03 PM · Apr 13, 2021 · Twitter for iPhone
4 Likes

 **Ve- intermission** @skinniVenus · Apr 23
this is the snack haul i got for my brothers birthday, he really likes spice and sour and these are all his favorite snacks and a few new things to try. it's all from **five below!**



2 3 6

 **Maya Angelique** 🌟 @moneymaya · Apr 16
Throwing my niece an (at home) spa party for her birthday tomorrow. Any suggestions? Lol
36 10 287

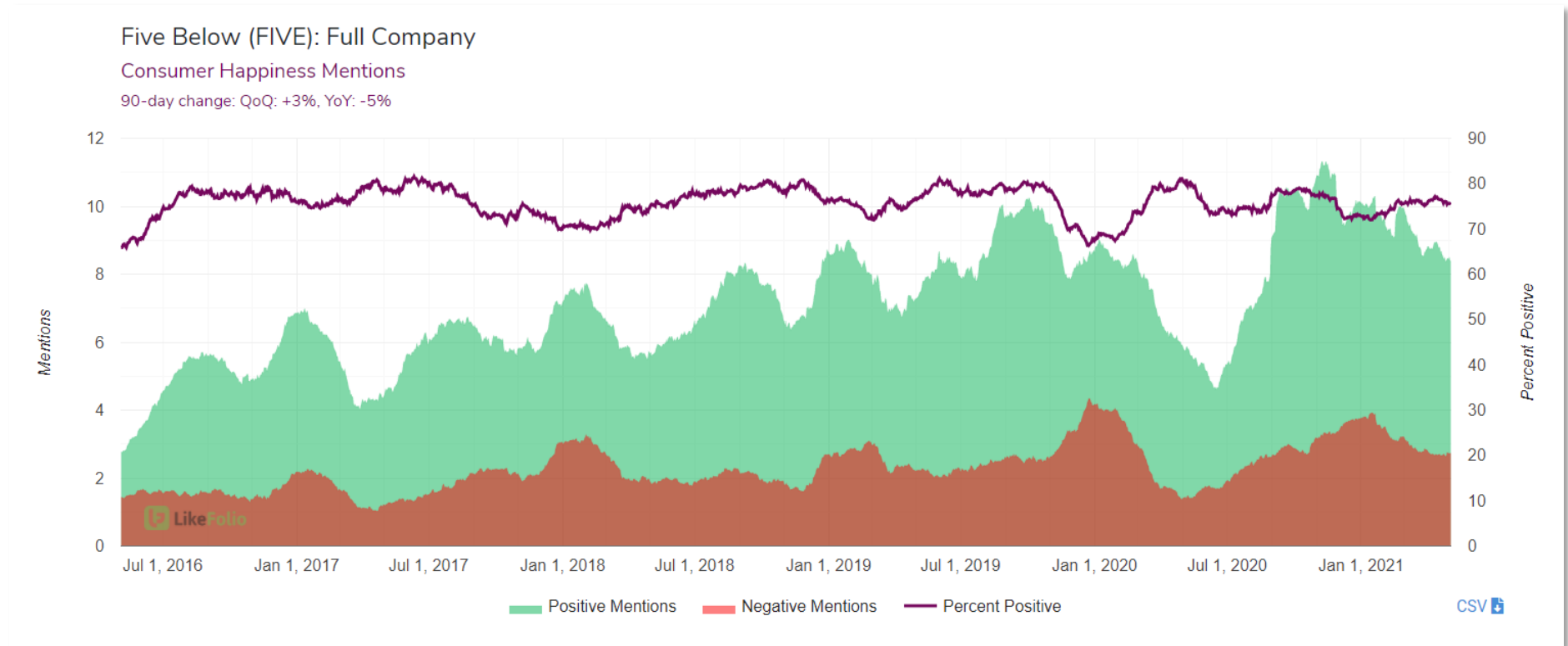
 **young william eyelash** @ohjasminee
Replying to @moneymaya
Hit up a Five Below!! There's so much cute party stuff there. You can get candy, nail polish and a few gifts for nothing. Whole function for \$50.
4:25 PM · Apr 16, 2021 · Twitter for iPhone
1 Like

 **ultrapunch** @UltraPunch
Every Easter is just baskets filled with everything I could grab from Five Below in a Supermarket Sweep style dash before my kids wake up.
11:44 AM · Apr 4, 2021 · Twitter for iPhone
3 Retweets 24 Likes

Consumer Happiness:

- Five Below is a Happiness leader among discount retailers, with Sentiment levels at 76% positive.
- This is more than 10 points higher than peers DLTR and DG.

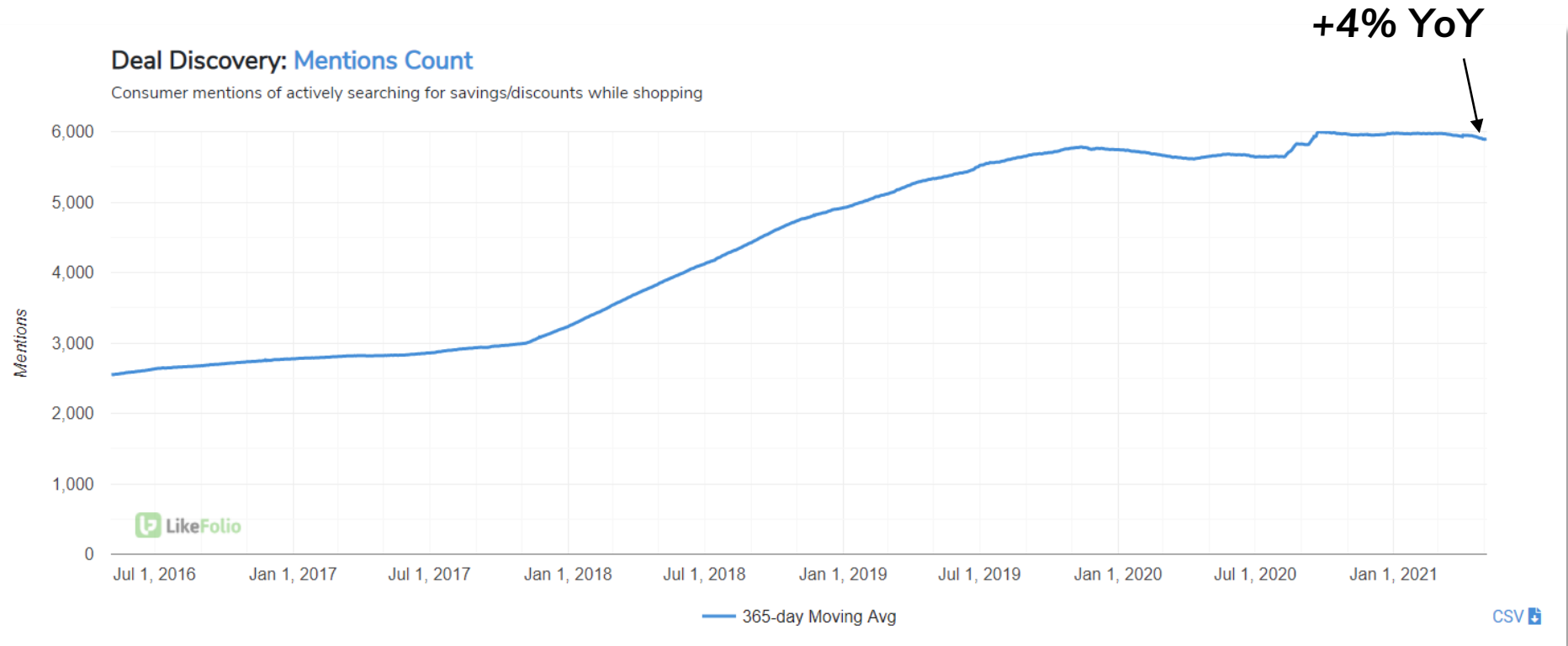
FIVE: Happiness is High



Macro Tailwind:

- Deal hunting Mentions reveal a long-term trend propelling Five Below.
- Mentions of consumers actively seeking savings and discounts have steadily increased since 2017, currently pacing +4% YoY.

Trend Watch: Deal Hunting



FIVE: Reports and Business Updates

- **Five Below shares gained after the company [exceeded investor expectations](#)** for profit, revenue, same-store sales, and outlook on its 20Q4 report.
 - Net Sales: +24.9% YoY
 - Same-Store Sales: +13.8% YoY
- **FIVE is expanding its retail footprint.** [As of its last report](#), Five Below operated 1,020 stores in 40 states. The company plans to open 170-180 new stores in 2021, with 60 new store openings in the first quarter.
- **The company is expanding its “Five Beyond” section** (previously available in 140 stores) to 30% of its retail locations by the end of 2021. This permanent section is located at the back of Five Below stores and features higher end products (like gaming accessories) and brand partnerships.
- **Five Below’s [partnership with Instacart](#) is facilitating same-day delivery.** FIVE unveiled this partnership in December, and now offers the service at more than [350 locations](#). Same-day delivery is the fastest growing delivery trend in the LikeFolio universe. Consumer Mentions of utilizing same-day delivery have increased +28% YoY, reaching all-time highs in December. Other digital upgrades by the company include: expanded self-checkout capabilities, curbside pickup, and app improvements.

MegaTrend Summary: Reopening Outliers

2020 was the year of spotting Covid-related shifts in consumer behavior.

Gaming, Streaming, Remote Work, Home Fitness, and eCommerce boomed, and savvy investors capitalized on massive gains.

Now, the market is shifting. And so are consumer priorities. Our data is showing signs of Covid-behavior normalization, and some areas of long-term stickiness.

The key: not ALL companies are experiencing the same return (or purge) of Consumer Demand.

By analyzing how companies are performing vs. industry peers, we can create a tremendous view to spot potential winners in the next year.

Each company in this report is displaying **stand-out consumer demand growth AND high consumer happiness levels.**

These are the EARLY REOPENING OUTLIERS.

Disclaimers

The material in this presentation is for informational purposes only and does not constitute an offer to sell, a solicitation to buy, a recommendation or endorsement for any security or strategy, nor does it constitute an offer to provide investment advisory or other services by LikeFolio, SwanPowers, LLC, or its employees.

This information is not investment or tax advice.

SwanPowers, LLC and LikeFolio is not an investment advisor or a broker dealer.

Investing in securities involves risks, and there is always the potential of losing all your money.

Before investing in any strategy, consider your investment objectives and speak with a professional.

Past performance does not guarantee future results, and the likelihood of investment outcomes is hypothetical.





LikeFolio

Copyright 2021, SwanPowers LLC