

Translating Shopper Insights Into Strategy And Solutions

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In today's retail world, observing and quantifying shopper insights are key tools in running a profitable and successful store. Years ago, it was easier to gain the consumer's attention and reach targeted shoppers. Today, a widely diverse media accessible 24/7 allows consumers to view detailed information on products, resulting often in delayed buying decisions in the shopping process.

Each of us is a consumer, an individual shopper with different needs, wants, likes and dislikes. Retailers and suppliers need to analyze what decisions consumers are making pre-store and what decisions are being made in-store. The more the retailer is in sync with the manufacturer, the more efficiently the manufacturer can drive trips and increase basket size, create a proper media mix both pre-store and in-store, quantify the shopper's decisions and turn that analysis into a profitable outcome for all.

In addition, because each shopper has his or her own view on category importance, companies must be aware of which purchases are planned at store level and brand level, and which purchases are not planned at all. Most pre-store decisions are brand driven: The shopper has purchased the product in the past and will continue to do so in the future. In-store decisions, however, are often based on perceived value, merchandising and packaging. As a result, promotions and displays are a good investment.

Aisle and shelf organization also play a big role in purchasing decisions. It makes sense to organize shelves by brands, but the products should be merchandised in the least confusing way possible. For example, a health-conscious shopper who buys based on ingredients and preparation will seek brands that meet that need. The more time it takes a customer to compare prices and double check the product's benefits, the more money the store loses.

By studying shopper insights, retailers and manufacturers can understand and address the difference between product consideration and product closure. Was packaging a consideration? Was the first choice out-of-stock? Was price a deciding factor?

Collecting and analyzing shopper insights clearly helps increase profitable sales. Retailers and manufacturers that devote resources to shopper insights can expect the investment to not only show a quick payback, but also are likely to gain a more engaged shopper base.

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