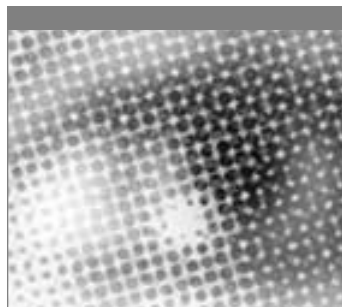


Business Insights

in association with



CONSUMER

Brand Success in Discounters:

Strategies for driving sales growth and new customer acquisition

Business Insights in association with AiMark and Europanel

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About the research partners

AiMark

AiMark is the center for Advanced International Marketing Knowledge. It is a non-profit cooperation between the academic world and business. AiMark is headed by Professor Jan-Benedict Steenkamp. Its network of leading academics in Europe, the Americas, and Asia-Pacific is organized around two central nodes, viz., the Kenan-Flagler Business School, University of North Carolina at Chapel Hill (U.S.) and Tilburg University (Europe). The Kenan-Flagler Business School and Tilburg University's School of Economics and Business Administration are consistently ranked among the top US (European) schools in terms of quality of education and research.

Europanel

Europanel is operated by the market research agencies GfK and TNS. It aims to provide in-depth knowledge of the consumer locally and internationally. Focused on consumer purchasing panels, the underlying principle is to provide the best available consumer information in every country. Today, between GfK and TNS, Europanel has consumer panels in 44 countries worldwide including 24 countries in Europe.

Tracking purchase behavior with panel data

The data is collected from GfK and TNS household panels. Market research panels are pre-recruited groups of individuals (or households) willing to participate in marketing research. Panel members might be a random sample, current customers, sales leads, prospective customers, or members of an identified target segment that an organization wishes to target. Panels can be used to solicit opinions, but also to collect information on behavior. The study was undertaken in 2006 and 2007.

Household panels are specifically designed to measure purchasing behavior as accurately as possible, and to do so consistently over time. To achieve this, a nationally representative (in terms of key demographics like age, income, location, social class) sample of households records all its grocery purchases. In most developed countries this happens via scanning technologies, whereas in countries that lack sufficient internet coverage panel members write down all purchases in diaries.

By gathering information about all grocery purchase acts of these households, one is able to answer questions like:

- ❑ Who are the people purchasing my brand (my competitors' brands, my category)?
- ❑ How many people purchase my brand (my competitors' brands, my category)?
- ❑ Where are they purchasing my brand (my competitors' brands, my category)?
- ❑ How do my buyers shop (frequency, loyalty, at what price, which sizes)?
- ❑ How do they react to promotions?
- ❑ Is the greatest driver to future growth likely to come from broadening the customer base or getting existing consumers to buy more?
- ❑ Which people are most prone to buy innovations?

These questions would be very difficult to answer by using simple surveys or observation. The biggest advantage of household panels is the continuity they provide; i.e. to be able to monitor behavioral changes over time and therefore to better understand drivers of behavior. Panels are not cheap to build and maintain effectively and so the number of research companies running household panels in FMCG is limited.

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