



## Shopper Segmentation Scoping July 2014

- **What the project is**
- **Why NIs should do it**
- **How: suggested scoping approach**

# What is the Shopper Segmentation project?

## Objective:

To provide a  
common denominator  
shopper segmentation for  
retailers, manufacturers and  
market research

## Project Members

- Austria, Spain

## Considering

- Belgium, Czech & Slovak, Greece, Ireland, Poland.

➤ Based on model developed by ECR Austria and GfK together with ECR working group with representatives from 25 retailers and manufacturers.

- Statistically based model, local focus.



# Segmentation based on buyer behaviour + attitudinal data

## - identifying segments, their size and their spend

**Buying behaviour**

- Buyer parameter
- Shopping Mission
- Distribution Typ
- Brand Choice
- Loyalty
- Fresh, Bio/Organic
- Price Promotion, Loyalty Card



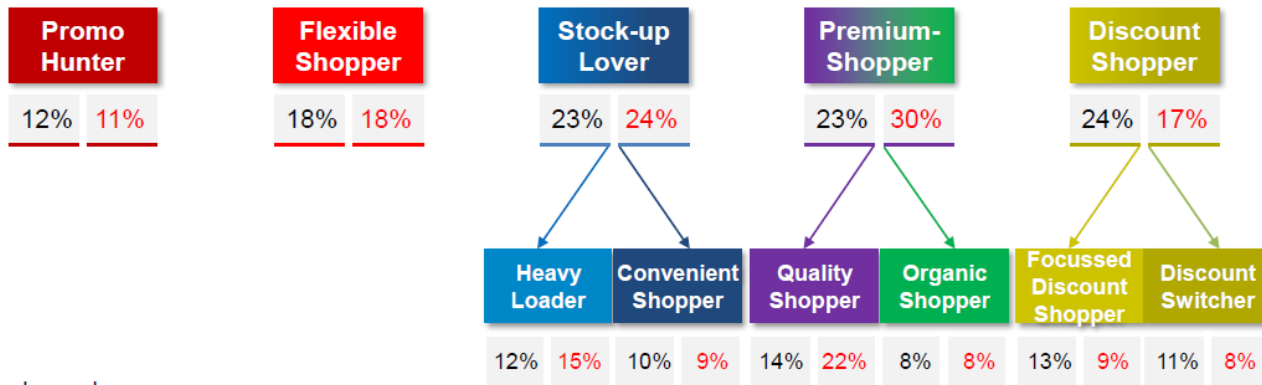
**Attitudes**

- Shopping enjoyment
- Time pressure
- Leaflet, buying list
- Advertising
- Innovation
- Origin of the Product

ECR INFOTAG 2013 | DIE NEUE WELT DER KONSUMENTEN

### ECR Shopper Types

Austrian Segmentation:



Legend

% of Households	% turnover
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# To Understand Shopper Types along the Consumer & Shopper Journey

## Description of Shopper Types along the "Consumer & Shopper Journey"

Approach  
Food habits?

Which products?  
Behavior at POS



Planning of the purchase?  
Influence?  
Shopping mission

Distribution typ?  
Which retailer

# To understand Who is the shopper, how they shop, where they shop, what they like to buy etc



# Methodology & Data Source: Household Panel



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## Attitudes

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### ➤ Household Panel data (GfK / Kantar)

- Panel of shoppers scanning in their grocery shopping
  - Grossed up to universe of households.

### ➤ Attitudinal Survey with household panel

- Online survey of sample of Household Panellists
  - Grossed up to universe of households.



**Cluster Analysis**  
To provide  
**Country level Shopper Segmentation**

# Why Should ECR do this Project?

1. It helps achieve one of ECR's aims: Meeting Consumer Needs Better.
2. It enables 'like for like' comparisons to be made of segment size, growth and opportunity across categories and retailers
  - and possibly European countries also if segments the same.
3. It provides synergy and efficiencies,
  - particularly for international retailers and manufacturers.
4. It enables better understanding of segments,
  - particularly for retailers who currently have to deal with various segmentation models from their suppliers.
  - should in turn lead to that retailer better meeting consumer needs.
5. It would give an insight into store repertoire behaviour across different retailers for retailers who currently have a segmentation model based on their purchase data only.
  - particularly relevant in the current times when most households have a wide repertoire of stores.
6. It would provide a segmentation model for smaller companies who cannot afford to do their own segmentation models.



# Barcode level data won't be included but Model can be merged with other Segmentation models to some extent

- **No barcode level data:**
  - **Need to cover all categories**
  - **Household penetration lower so accuracy wouldn't be guaranteed**
  
- **Can be used in conjunction with manufacturers or retailers own bespoke segmentation models**
  - **It won't necessarily replace them.**
  - **Bespoke models can be used also for more produce level detail.**
  
- **A model can be drawn up for each segment to identify segment households within a retailer's own data.**
  - **Can be used at a broad level.**



## Suggested Steps for Local NI Scoping of Interest

Talk to GfK /  
Kantar

Get Retailers on  
Board

Get Key Suppliers  
on Board

Is there demand  
for this type of  
project?

Does GfK / Kantar  
want to get  
involved?

- Approach ECR Retailer contacts to assess their interest in project.
- Smaller retailers likely to accept segmentation as less likely to have their own models.

Approach  
Key ECR supplier  
contacts to assess  
their interest.