

Pointofview

Finding and Deciding: Making the Shopper Connection

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Ipsos Reid



At Ipsos, we talk about the two ways in which to grow a brand.

The first way is through brand marketing. That is, creating the desire for the brand in the consumer's mind. We call this desire for the brand its "attitudinal equity" or AE. We are able to measure AE and know that it is highly correlated with a brand's market share. It is not 100% correlated because we know there are reasons why we can't always buy a brand that we want to buy and this is where the shopper side comes in.

The second half of our research equation is about enabling shoppers to find and to buy your brands, whether in-store or online, and how you measure up. Shopper research focuses on this side of the equation.

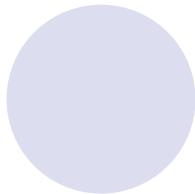
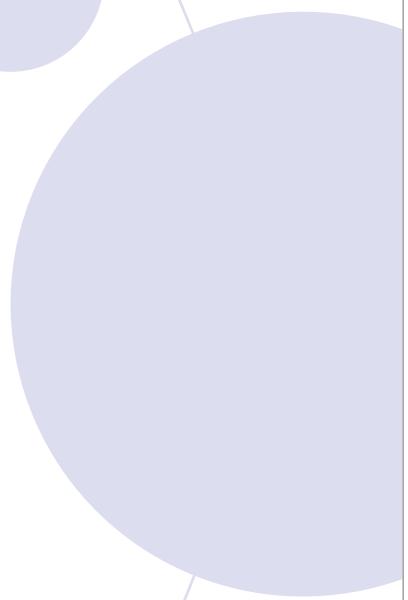
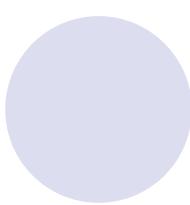
This is important because you need to know what shoppers think, believe and do before they even get to the store so that you can tailor your activities and programs to suit the various shopper types and missions once they are in-store. Essentially, shopper research is about how best to influence people on their shopping trip.

Consumers engage mostly with brands on a higher level, so building brand awareness and familiarity, as well as brand positioning, are key to maximizing consideration.

But a shopper already has a relationship with the brand and the retailer. The brand is still important, but so too are the promotional communications and the in-store/virtual accessibility and the brand cues.

Indeed, branding matters. The higher the brand equity, the more likely you are to buy that brand. And brands that have stronger AE are more likely to withstand competitive pressure at the shelf.

However, in-store promotions and changes to product placement can make even core consumers change their mind once they are shopping. Shopper Connections is our approach to diagnosing what is happening in-store and how to either take advantage of the environment or minimize the damage to the brand.



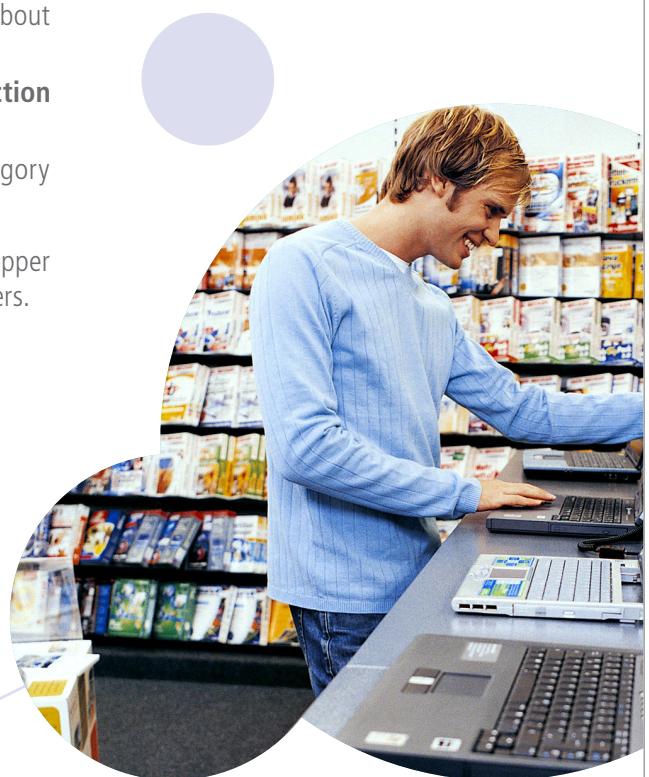
The Consumer Journey: The Path to Purchase

While each purchase has its own path, there are some fundamental aspects which we've found to be universally valid. That is, shoppers take a decision path that typically includes some self-informing or planning stage, pre-conceived ideas about the retailer or channel, an event that triggers the need to shop for the category, and how they manoeuvre through the purchase environment in-store.

In order to diagnose what's happening in the shopper journey, we look at these four items:

- What are the **triggers** for the category of interest?
- To what degree do shoppers **plan or get informed** about the purchase?
- What is the rationale behind the **retailer or channel selection** for this purchase?
- To what degree is the **purchase** planned at the category or brand level?

The answers to these questions are critical for informing shopper strategy development around in-store touchpoints and influencers.



Finders and Deciders

Two elements that influence whether or not a brand is selected are where the shopper decision to purchase the **category** is made and where the shopper decision to purchase the **brand** is made. And within that, we find two kinds of shopper – the **Finder** and the **Decider**.

Finders are those shoppers who decide on which brand to purchase before entering the point of purchase, and end up buying the same brand. These shoppers tend to be less influenced by in-store influences.

Deciders are those shoppers who decide which brand to buy or consume at the point of purchase, and would be heavily influenced by store influences at the point of sale.

Based on how shoppers decide on the category and brand, we see four paths-to-purchase:

- **Planned finder** – they know exactly what they want and have made both the category and brand decision before entering the point of purchase.
- **Unplanned finder** – they have a brand preference selected before arriving at the point of purchase but category isn't decided upon until they are in the store.
- **Planned decider** – they arrive with a category in mind, but do not select a brand until in-store.
- **Unplanned decider** – they make both category and brand purchase decisions when in the store.

The retail strategy for planners is typically to ensure that key brands are stocked, and that there is easy access to grabbing these brands off the shelf.

For other brands trying to get noticed in the category or to get attention of in-store deciders, the focus would often be on special displays, in-store communications, promotions and new shelf plans, or secondary placements to shake up the category.

We do find cultural differences in finding/deciding behavior, as well. The shopper types – that is, finders and deciders – also vary by brands within the same category. This is most **likely** due to the difference in brand building activities for each brand, as well as the difference in in-store marketing conducted by these brands.

But finders and deciders also differ by the type of retailer. Factors such as SKU availability, promotions, pricing, sales promoter staff, etc. differ across retailers and this, in turn, seems to lead to a difference in brand purchase decisions. Also, the shopping mission (be it regular grocery shopping, browsing, quick refill trip, etc.) differs by type of retailer and this impacts the shopper type.

Understanding the shopper types – **Finders** and **Deciders** – is just one part of the purchase process. As seen so far, these shopper types differ by:

- Markets
- Categories
- Brands within the same category
- Retailer type

What this means to you is that your shopper marketing plan needs to be customized for each of your markets and also by the different types of retailers. One blanket strategy for shopper is unlikely to be very effective. By having a better understanding the various types of shoppers and their particular needs and perceptions, you can help make your brand stand up and stand out among the multitude of competitive shopper influences.

About Ipsos Reid

Ipsos Reid is Canada's market intelligence leader, the country's leading provider of public opinion research, and research partner for loyalty and forecasting and modelling insights. Staffed with seasoned research consultants with extensive industry-specific backgrounds, Ipsos Reid offers syndicated information or custom solutions across key sectors of the Canadian economy, including consumer packaged goods, financial services, automotive, retail, health and technology & telecommunications. Ipsos Reid is an Ipsos company, a leading global survey-based market research group.

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Carla Flamer, Executive Vice President, Ipsos Reid Corporation. Carla began her research and marketing career with Procter &Gamble Inc., working in most of the company's product areas over a six year period. Following her tenure at P&G, Carla was Vice President and co-owner of Marketing Initiatives, where she provided market research and market consulting to a variety of clients. Carla made the move to Ipsos 20 years ago, and has held both local and global responsibilities.

Carla currently manages MarketQuest Canada, focused on business strategy, branding, Shopper and cross-market businesses – in sectors such as consumer goods, retail, and financial services. Carla is the contact for Canadian research on Shopper.

Carla's academic background includes an MBA from York University, and a BSc in Psychology/Anthropology from the University of Toronto.



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