
ECR Ireland
Efficient Consumer Response
www.ecrireland.ie
ANNUAL CONFERENCE 2010
REACHING THE NEW
IRISH SHOPPER
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B&A
BEHAVIOUR & ATTITUDES

FIRST A VERY BRIEF REVIEW OF 2009

All in all, a pretty miserable year

Even the weather had it in for us!

With even the traditional routes to escapism tinged with poignancy

Some new heroes, others lost or tarnished

BEHAVIOUR & ATTITUDES

With our initial shock and anger converting to a creeping anxiety

"Can I afford an iPod?"

"Where is the Taoiseach?"

"Will the teachers strike?"

"Who will replace Pat Kenny?"

"Should I emigrate?"

"Will I lose my job?"

"Is that sneeze swine flu?"

"Will Irish team go to South Africa?"

…. Some questions remain unanswered

Coalescing around a number of key themes which will influence the consumers' attitudes towards shopping, and his/her choice of retailer and brand during 2010.

Life Goes On	Despite everything, people are getting on with things pretty well, adapting their behaviours to cope with the new economic realities.
Fear & Loathing	Faith in our institutions is at an all-time low, and it is important for the retailers in particular to avoid being categorised as 'part of the establishment'.
Authentic Experiences	More than ever we need things we can trust, and this extends to the brands and retailers we use, and the extent to which they are seen to act as partners in helping us navigate the challenges ahead.

So how have these broader themes impacted the Behaviour & Attitudes of the Irish grocery shopper?

B&A BEHAVIOUR & ATTITUDES

Consumer Shopper Behaviours

Some Opening Thoughts

The c. 2.2m Irish grocery shoppers nationwide…

Make on average 3.1 grocery shopping trips in an average week

With total no. trips spread fairly evenly across the seven days of the week

Across all times of the day 9am – 9pm

Spending on average 26 minutes in-store

And €124 per week on all grocery items

All in all, grocery shoppers during 2009 were making marginally more shopping trips per week, spending a couple of minutes longer in-store, yet spending €18 less per week.

B&A BEHAVIOUR & ATTITUDES


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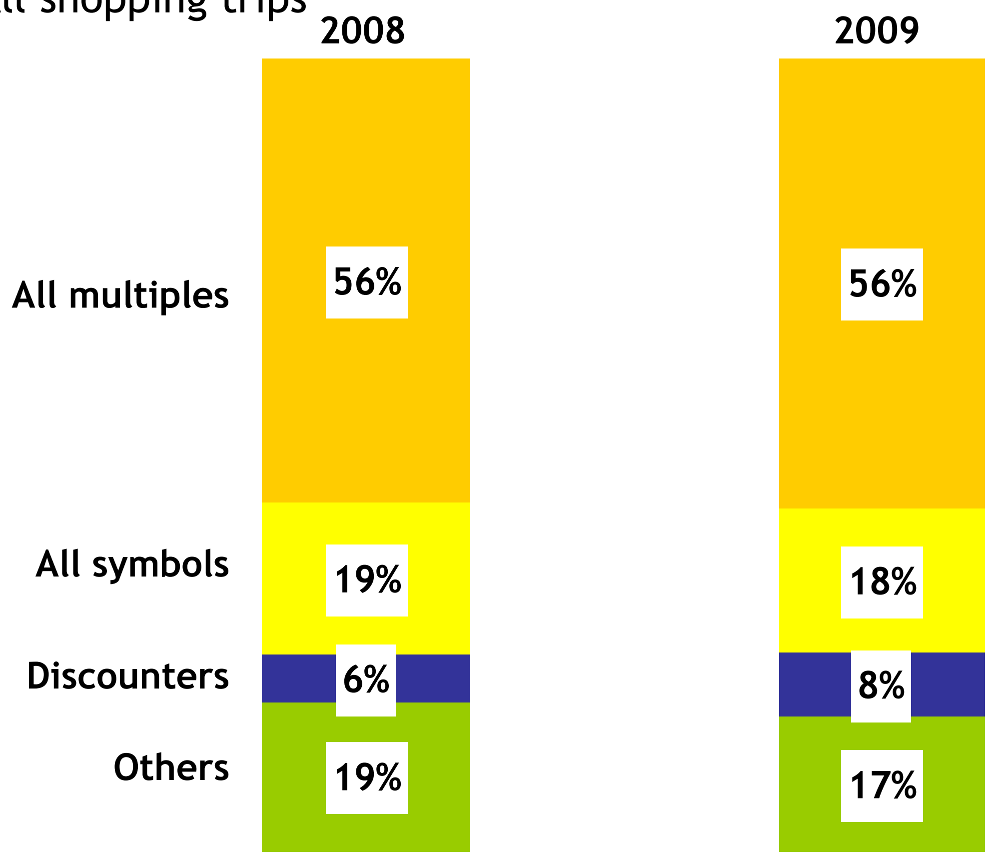
Shopping:

Consumer Shopper Behaviours

OUTLET TYPE

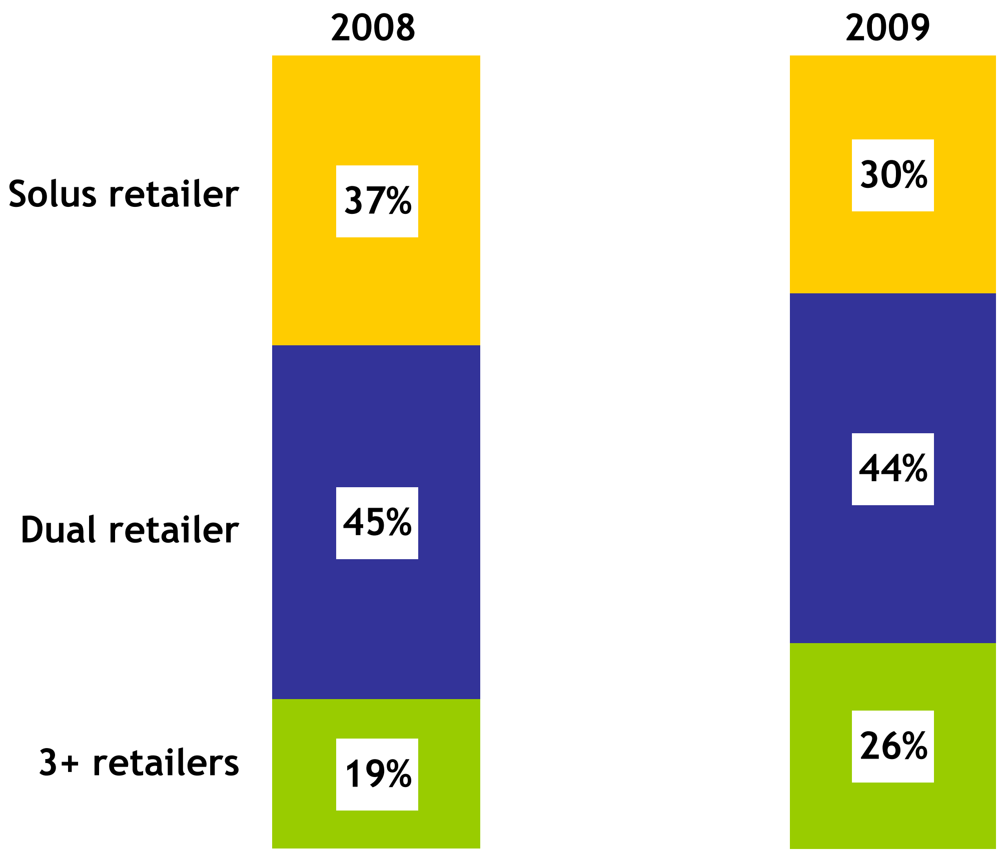
Base: All shopping trips



While Multiples have held their share of shopping trips year on year, the Discounters have registered a 2 percentage point increase in footfall.

NUMBER OF DIFFERENT RETAILERS USED PER WEEK

Base: All shopping trips



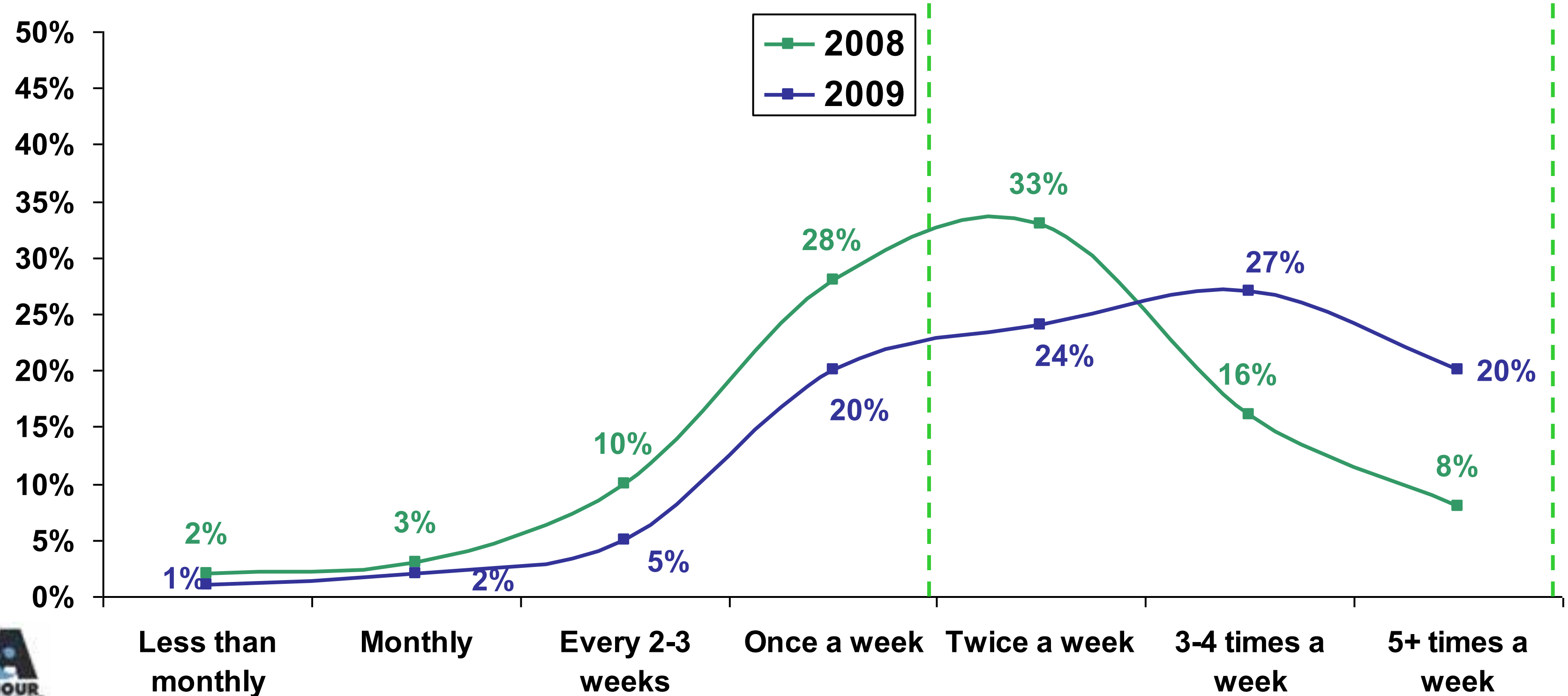
As people shop around for better value, the proportion of trips habitually conducted at the same retailer each week drops dramatically in 2009, with a quarter now spreading their business across three or more different retailers each week.

BEHAVIOUR & ATTITUDES

Consumer Shopper Behaviours

WITH MOST SHOPPERS VISITING THE SAME GROCERY OUTLETS TWICE A WEEK OR MORE

Base: All shopping trips



Consumer Shopper Behaviours

SO HOW ARE THESE SHOPPING TRIPS SPREAD ACROSS THE WEEK?

Base: All shopping trips

	TOTAL		OF ALL SHOPPING TRIPS						
	08	09	7am-9am	9am-10am	11am-1pm	1pm-3pm	3pm-6pm	6pm-9pm	9pm+
	%	%	%	%	%	%	%	%	%
Monday	15	17	20	19	19	15	14	17	11
Tuesday	15	14	14	14	13	15	14	15	15
Wednesday	15	15	18	15	12	16	17	15	13
Thursday	16	16	20	16	16	13	17	21	12
Friday	15	16	14	16	14	14	15	22	12
Saturday	16	13	11	15	16	17	13	6	19
Sunday	8	8	3	5	10	10	10	4	18

Irish shopping activity still well spread across all times of the week, with some evidence of a drift away from Saturday shopping as people have more time on their hands?

Consumer Shopper Behaviours

IS THE TOTAL VALUE OF GROCERY SALES AS EVENLY SPREAD ACROSS THE WEEK?

Base: Total value of all grocery shopping trips

	Total 09	7am-9am	9am-10am	11am-1pm	1pm-3pm	3pm-6pm	6pm-9pm	9pm-11pm	11pm-6am
	%	%	%	%	%	%	%	%	%
Monday	13	14	16	16	11	10	12	3	38
Tuesday	11	14	12	9	12	10	11	14	-
Wednesday	10	17	8	7	10	12	13	3	2
Thursday	17	14	19	18	13	18	19	9	59
Friday	22	21	22	20	17	19	34	7	-
Saturday	19	19	18	23	26	20	7	42	-
Sunday	8	1	5	8	11	11	4	22	-

While the total number of trips evenly spread across various times, the greatest bulk of sales accounted for by Thursday-Saturday shopping, with most of that between 9am-6pm.

Consumer Shopper Behaviours

MAIN WEEKLY TRIPS (22% OF ALL TRIPS) CENTRED AROUND THUR-SAT

Base: All shopping trips

	Total 08	Total 09	Main weekly household shopping trip	Top up shopping trip, in addition to main weekly trip	One of a number of equal shopping trips I made throughout the week	A rare visit to that store for minor top-up purchases	A less frequent 'bulk buying' trip to that outlet	Other
	%	%	%	%	%	%	%	%
Monday	15	17	11	18	21	18	22	20
Tuesday	15	14	10	17	16	17	7	8
Wednesday	15	15	8	19	16	17	7	11
Thursday	16	16	17	16	18	16	13	12
Friday	15	16	25	12	16	10	19	12
Saturday	16	13	21	10	7	11	28	22
Sunday	8	8	8	8	5	12	4	15
Don't Know	1	1	0	1	1	1	1	-

Although top up shopping (47% of trips) an all-week affair

Consumer Shopper Behaviours

EVERYDAY INDULGENCE/TREATS TAKE HOLD AS THE BIG OCCASION INDULGENCES BECOME LESS AFFORDABLE

Base: All shopping trips

	TOTAL 08	TOTAL 09	SEX		SOCIAL CLASS			AREA		COUNTRY OF BIRTH		ENJOYMENT INDEX		
			Male	Female	ABC1	C2DE	F	Urban	Rural	Ire	Other	High	Med	Low
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Something for that day's main meal	37	44	46	42	45	42	45	43	45	43	50	43	45	41
Things for a special occasion with spouse/partner/close friends	6	7	7	7	7	7	9	7	8	7	6	9	7	5
Indulgent things for myself	9	16	22	13	14	18	13	17	13	16	15	15	16	18
Things to stock up on	43	52	48	53	50	54	48	52	51	52	46	50	54	50
Things for a number of main meals that week	30	35	36	34	34	34	43	35	35	35	33	36	35	31
Things for kids' treats	9	14	12	15	13	15	15	14	14	14	14	15	15	12
Things for snacks	13	22	21	22	23	22	14	23	20	21	23	20	23	21
Other	4	9	9	9	9	9	8	9	9	9	11	12	8	7
Don't Know	1	0	1	0	0	0	-	0	1	0	1	0	0	0

A significant increase in the range and variety of consumption occasions catered for by the average grocery shopping trip, as people spend more time eating and entertaining at home

Consumer Shopper Behaviours

METHOD OF TRAVEL x OUTLET TYPE x NO. OF RETAILERS USED

Base: All shopping trips

	TOTAL		OUTLET				NO. RETAILERS USED		
	08	09	All Multiple	All Symbol	Discounters	Others	Solus	Dual	Three +
	%	%	%	%	%	%	%	%	%
Walked	22	19	18	29	9	18	22	19	16
Car as driver	68	67	67	65	74	68	65	67	71
Car as passenger	7	9	10	5	13	8	9	9	9
Public transport	1	2	2	0	3	4	2	2	2
Taxi	0	0	1	0	-	0	1	0	0
Other	1	2	2	1	1	2	1	2	1

As shoppers expand their repertoire of retailers, the numbers walking to and from declines

BEHAVIOUR & ATTITUDES

Consumer Shopper Behaviours

GROCERY PRODUCTS PURCHASED

Base: All shopping trips

	TOTAL 08	TOTAL 09	OUTLET TYPE				NO. RETAILERS USED		
			Multiples	Symbols	Discounters	Others	Solus	Dual	Three +
	%	%	%	%	%	%	%	%	%
Fresh fruit/veg	60	57	67	33	77	41	65	56	51
Fresh meat	46	44	53	26	36	37	52	43	37
Fresh bakery	56	50	54	49	38	40	52	52	43
Deli counter	24	22	25	21	13	20	21	22	23
Frozen foods	29	30	38	11	46	13	32	30	26
Chilled foods	41	44	49	36	55	30	42	47	41
Dry/packaged foods	36	40	48	25	57	22	40	40	40
Toiletries	34	33	43	13	52	16	37	32	31
Cleaning products/detergents	27	27	34	8	49	14	30	27	24
Other homecare products	19	21	28	5	32	10	22	21	20
Non alcoholic drinks	33	33	38	26	36	25	36	34	29
Alcoholic drinks	13	13	17	5	22	6	12	13	15
Other	10	15	12	20	10	24	11	17	17

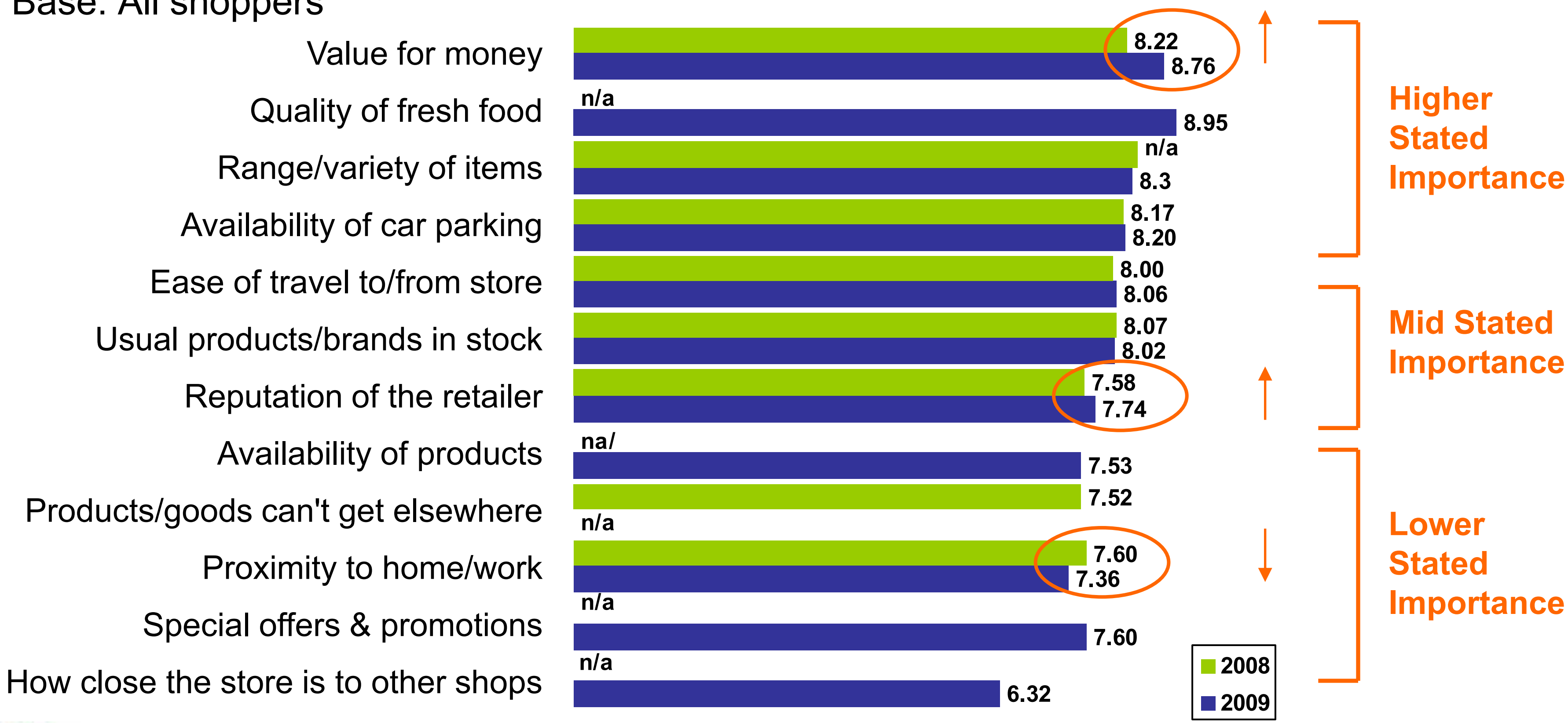
B&A BEHAVIOUR & ATTITUDES

As shoppers struggle to make ends meet, we witness an increase in dry/packaged (bulk buying?) and chilled (stay at home convenience?) foods.

Key Shopper Triggers

WHAT ARE THE KEY FACTORS DRIVING THE CONSUMER TOWARDS/AWAY FROM MY OUTLET? (10 POINT SCALE)

Base: All shoppers

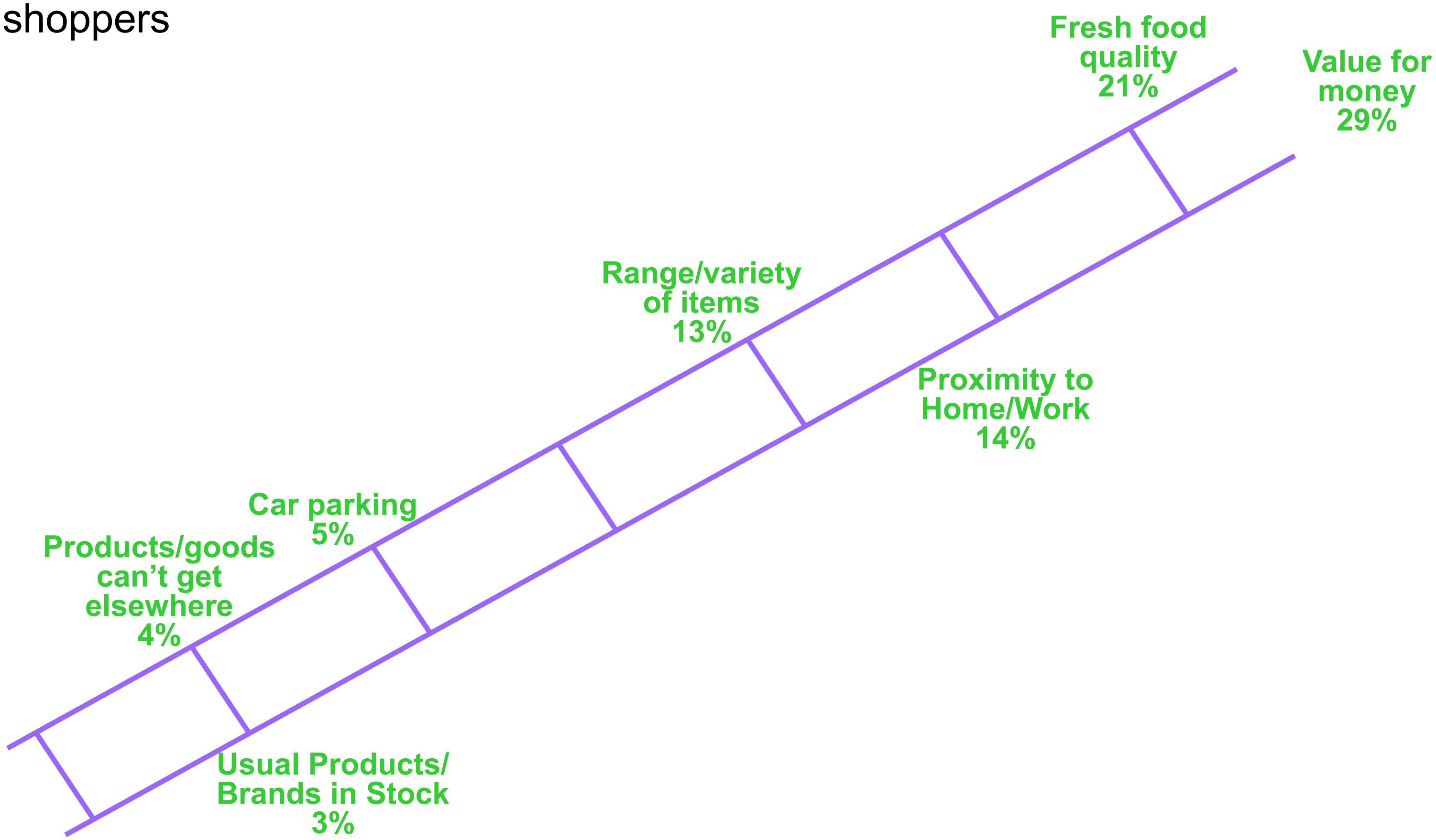


Not surprisingly, value for money rises in importance, although the quality of fresh food (when purchased) also a key motivator.

Key Shopper Triggers

WHEN THE CHIPS ARE DOWN, WHICH FACTORS REALLY COUNT IN CHOICE OF OUTLET? (MOST IMPORTANT "FORCED")

Base: All shoppers



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BEHAVIOUR & ATTITUDES

Shopper Decision Motivators

AND NOW THE SHOPPER IS IN-STORE, WHAT THOUGHT PROCESSES COME INTO PLAY?

Base: All shoppers

OF ALL SHOPPING TRIPS CONDUCTED, THE FOLLOWING ARE THE LEVELS OF CONTRIBUTION OF KEY IN-STORE MOTIVATING FACTORS;

2008: 4% 12% 25% 58%

BEHAVIOUR & ATTITUDES

Evidence that while more shoppers are utilising a list to try to keep control of spending, they are more likely than this time last year to respond to in-store specials.

Shopper Decision Motivators

WHAT ARE THE MORE DEEPLY-HELD MOTIVATORS GUIDING THE SHOPPER TO SPECIFIC BRANDS IN-STORE?

Base: All shoppers

10-POINT SCALE IMPORTANCE RATING

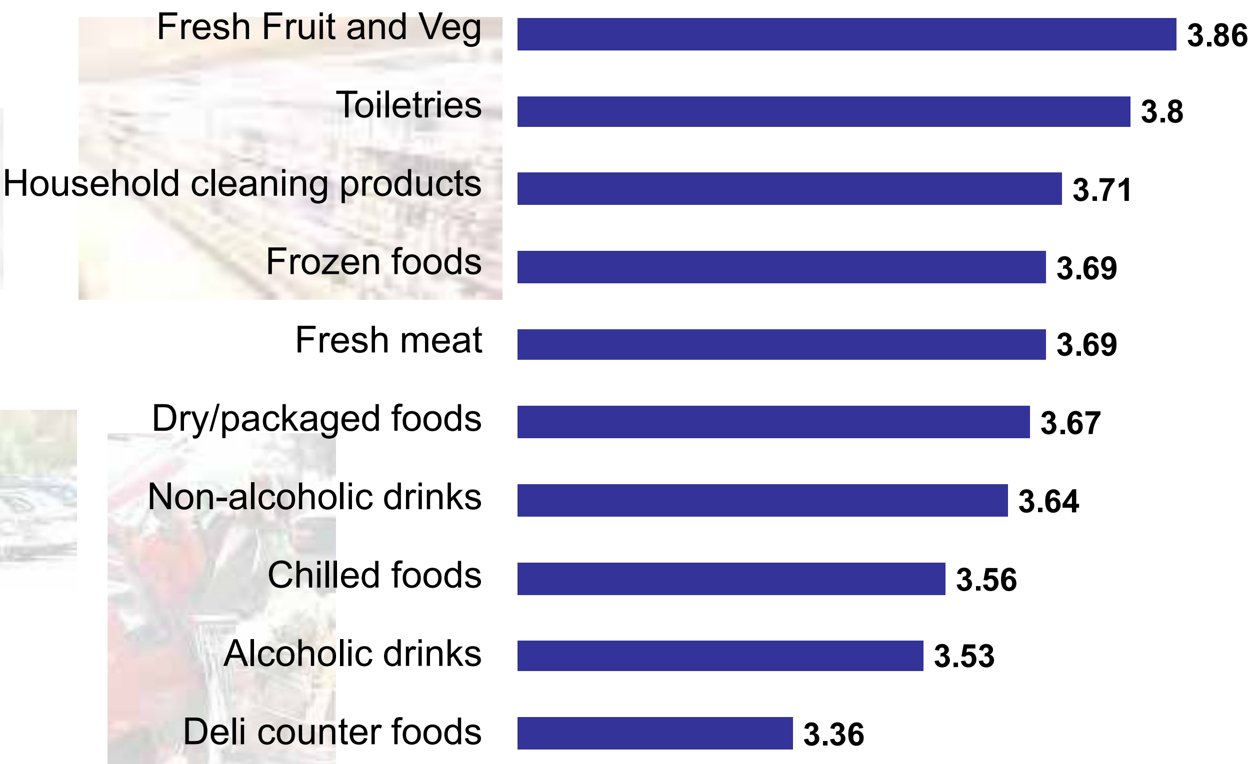
( ) 2008

Not surprisingly, role of price, special offers and promotions in brand choice decision gain in importance year on year

BEHAVIOUR & ATTITUDES

PERCEIVED IMPROVED VALUE FOR MONEY VERSUS LAST YEAR

Base: All shoppers

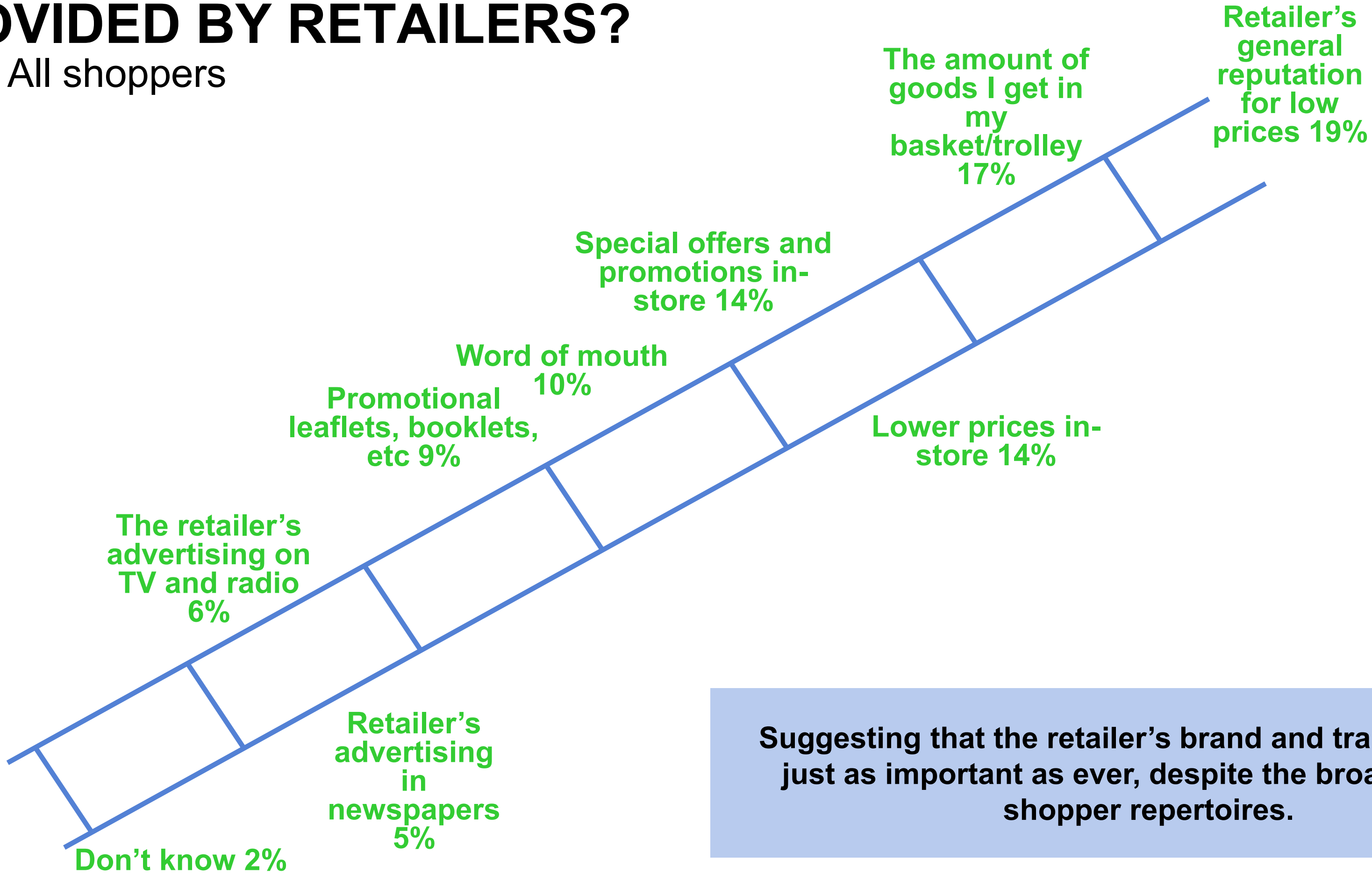


Greatest perceived improvement in value of fruit & veg and toiletries

BEHAVIOUR & ATTITUDES

FACTORS HAVE THE GREATEST INFLUENCE ON PEOPLE'S VIEW OF THE OVERALL VALUE FOR MONEY PROVIDED BY RETAILERS?

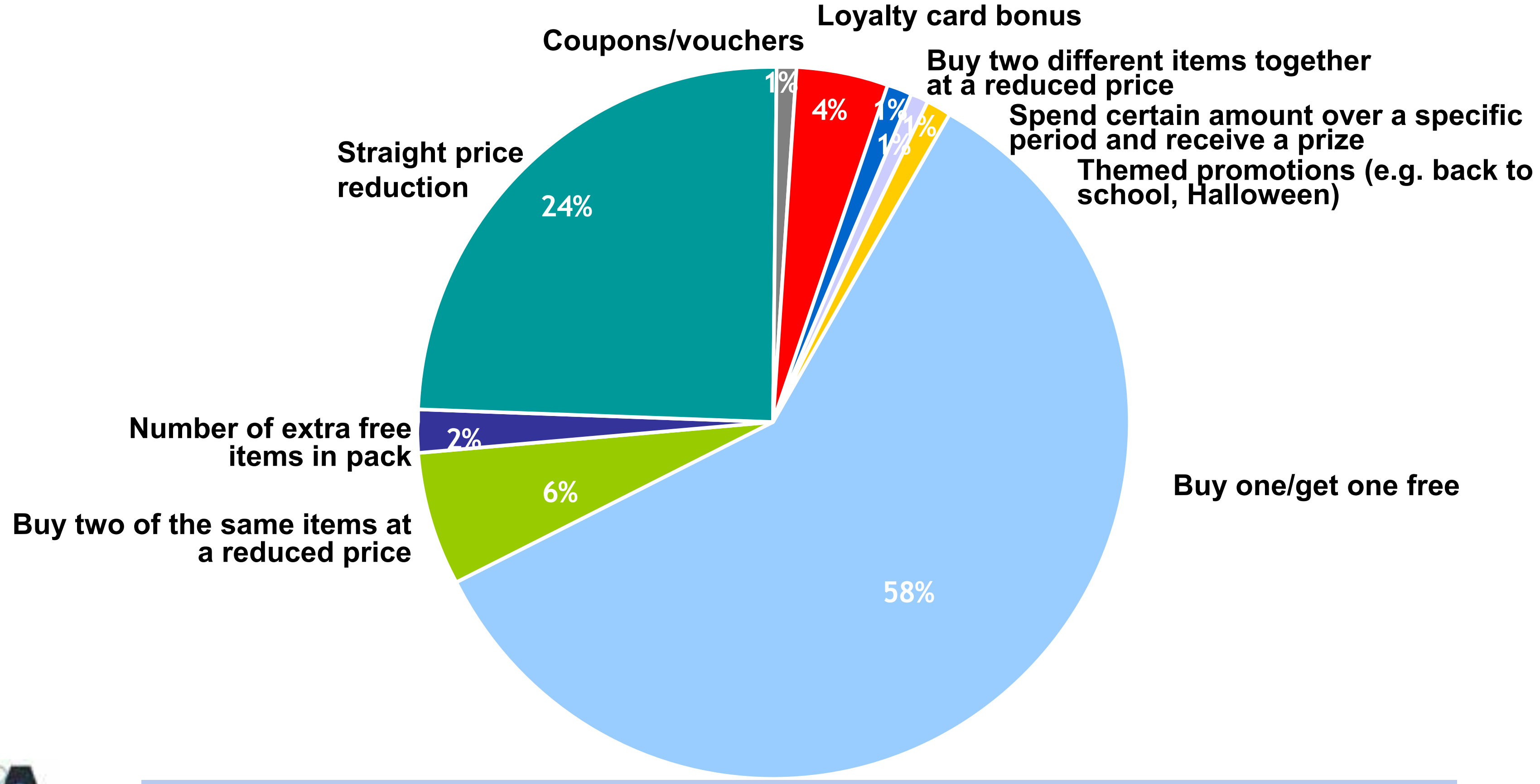
Base: All shoppers



Suggesting that the retailer's brand and track record is just as important as ever, despite the broadening of shopper repertoires.

OFFERS CONSIDERED TO BE BEST VALUE

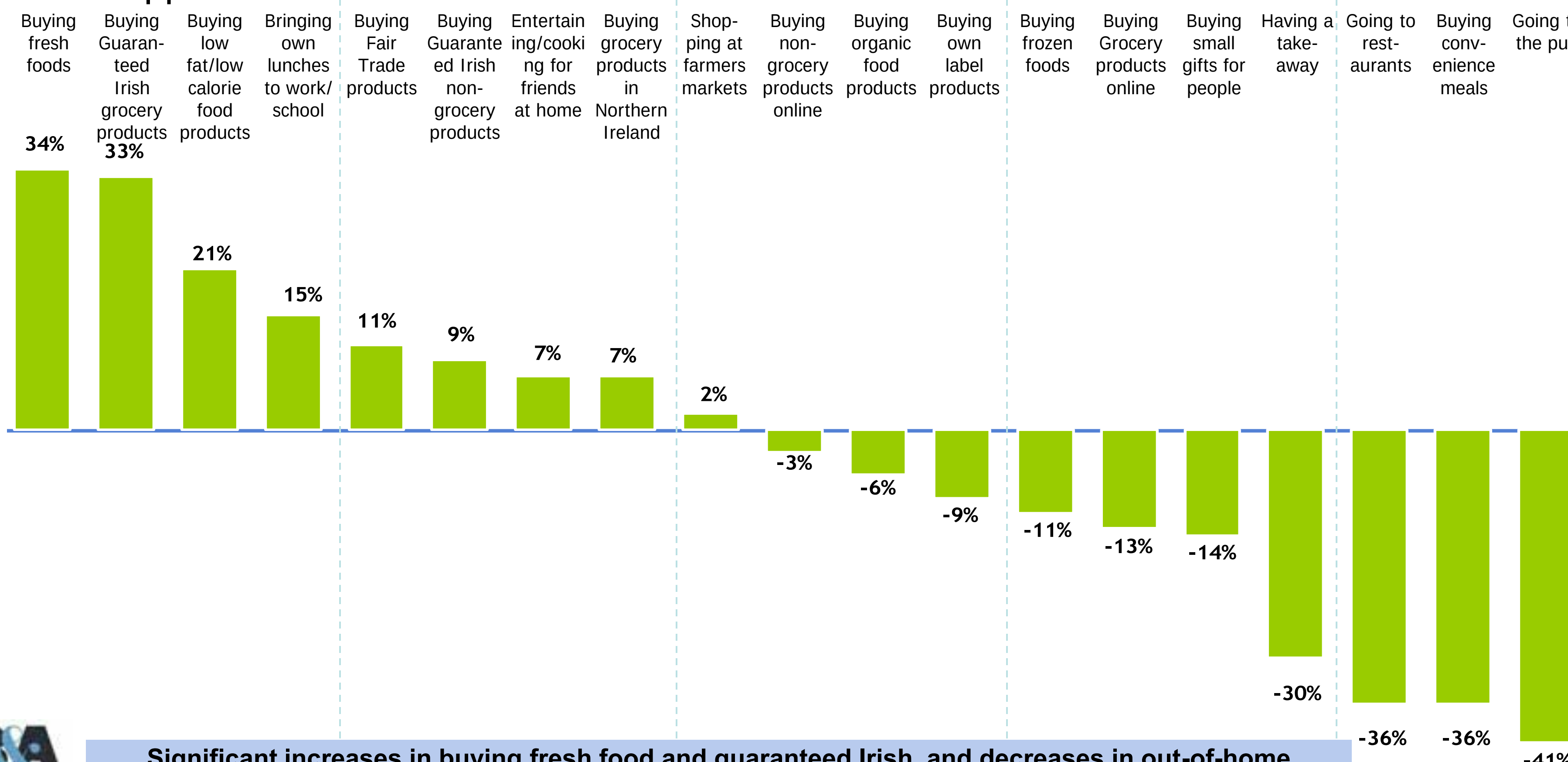
Base: All shoppers



BOGOFs by far the greatest perceived value for money

DIFFERENCES IN GROCERY-RELATED BEHAVIOUR IN THE PAST 12 MONTHS

Base: Shoppers

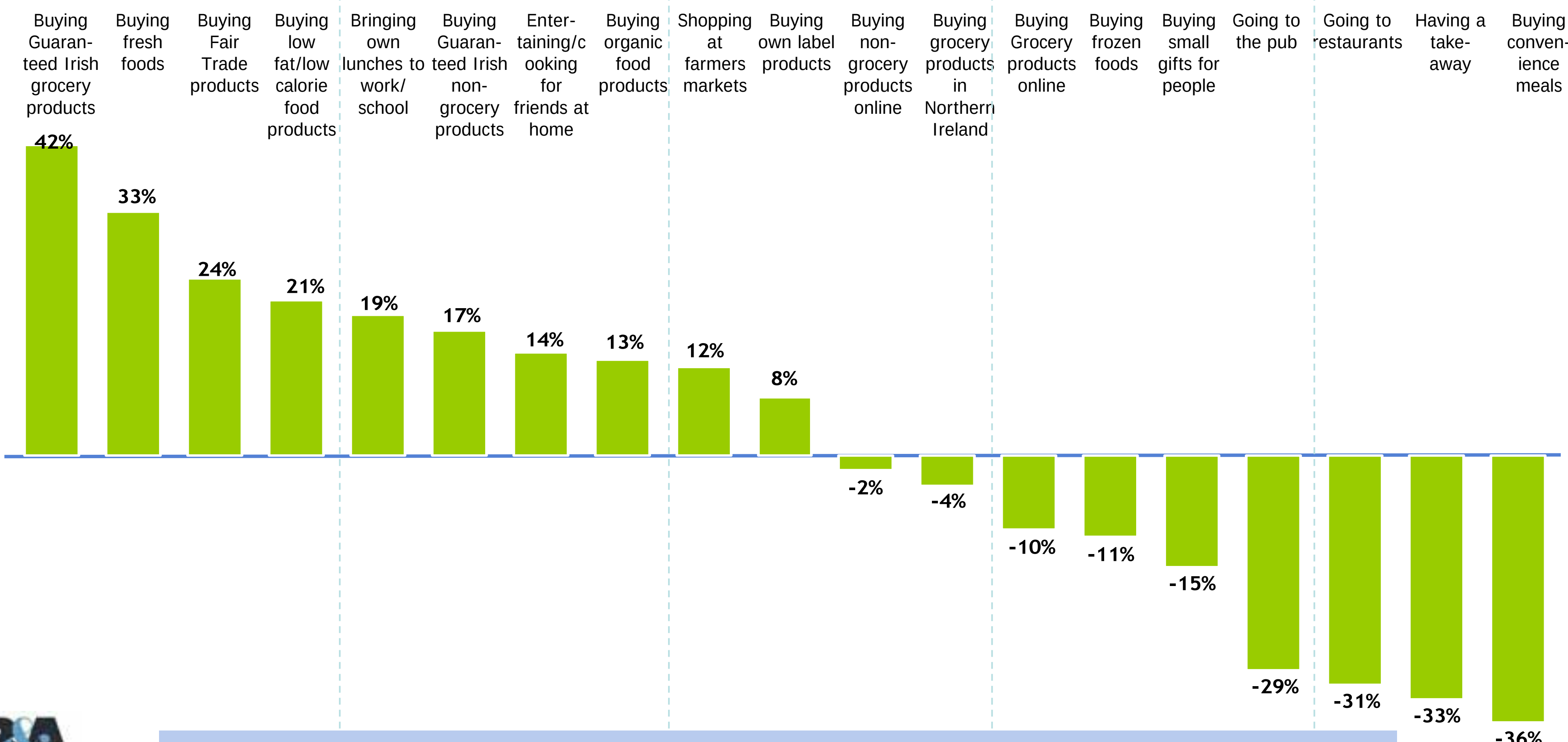


Significant increases in buying fresh food and guaranteed Irish, and decreases in out-of-home consumption

REACHING THE NEW IRISH SHOPPER

LIKELY DIFFERENCES IN BEHAVIOUR OVER NEXT 12 MONTHS

Base: Shoppers



Greater predicted increases in buying guaranteed Irish and fair trade

SHOPPED IN NORTHERN IRELAND FOR ANY GROCERY PRODUCTS AT ALL OVER THE LAST TWELVE MONTHS

Base: All shoppers

	TOTAL	S E X		SOCIAL CLASS			REGION				AREA	
		Male	Female	ABC1	C2DE	F	Dub	RoL	Muns	Conn / Uls	Urban	Rural
	%	%	%	%	%	%	%	%	%	%	%	%
Yes	23	19	24	26	22	9	32	23	3	35	27	16
No	77	80	75	74	77	91	67	77	96	64	72	84
Don't Know	1	1	1	1	1	-	1	0	1	0	1	0

A quarter of all shoppers have grocery shopped in Northern Ireland in the past 12 months, rising to a third of those in Dublin and Connaught/Ulster

FREQUENCY OF CONDUCTING ANY TYPE OF GROCERY SHOPPING IN NORTHERN IRELAND

Base: Shopped in NI over past 12 months

	TOTAL	SEX		SOCIAL CLASS			REGION				AREA	
		Male	Female	ABC1	C2DE	F	Dub	RoL	Muns	Conn/Uls	Urban	Rural
	%	%	%	%	%	%	%	%	%	%	%	%
Every week	5	4	5	3	5	30	1	3	-	13	3	8
Every two weeks	4	4	3	3	3	17	2	1	-	9	3	6
Every 3-4 weeks	12	15	10	9	16	-	8	11	10	19	11	14
Every 2-3 months	20	22	19	23	18	-	16	23	20	24	18	24
Every 4-6 months	25	24	25	24	27	-	23	29	36	21	25	25
Once a year on average	34	28	36	35	31	53	48	32	27	14	38	22
Don't Know	1	2	1	3	-	-	2	-	8	-	2	-
Mean	6.79	7.13	6.63	5.38	7.27	20.39	3.89	5.50	3.57	12.79	5.73	9.68

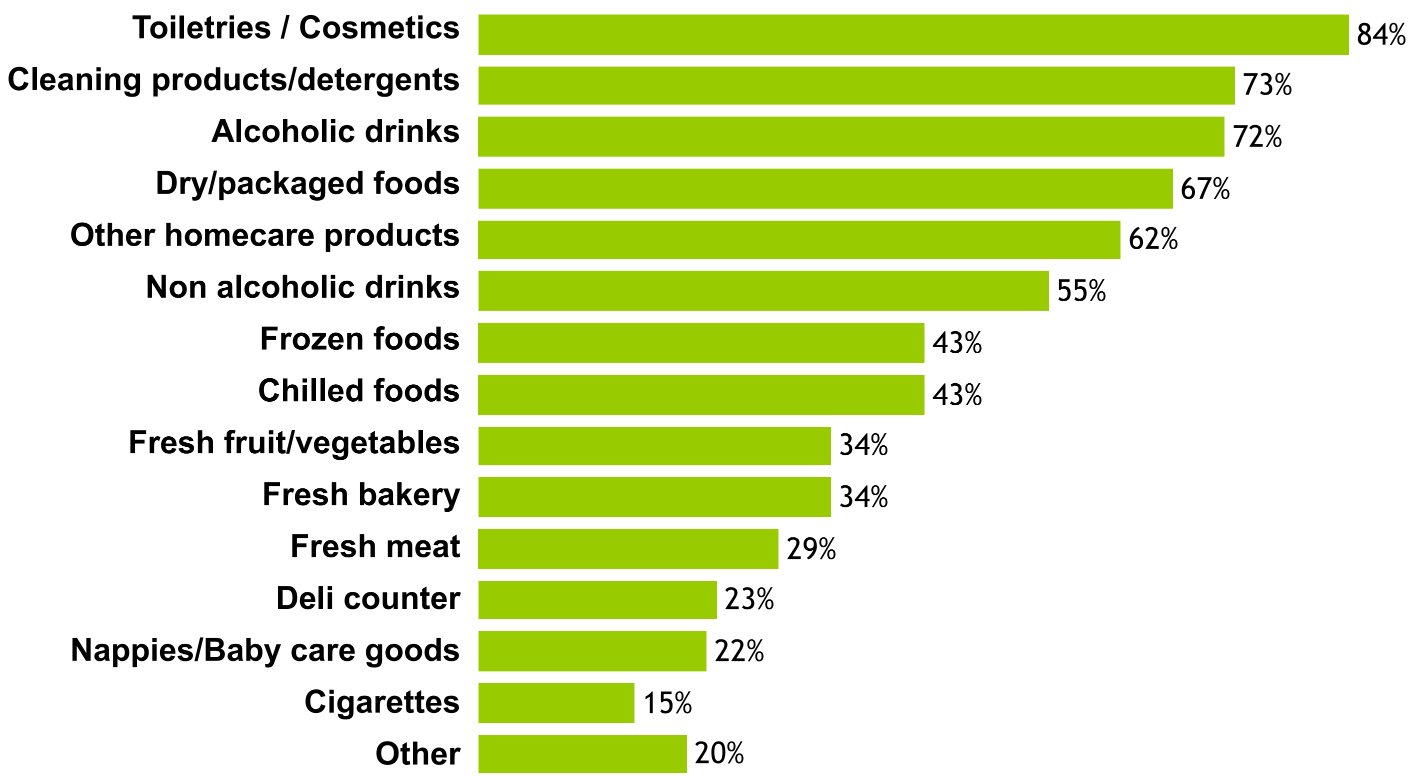
B&A BEHAVIOUR & ATTITUDES

By far the greatest levels of NI shopping in Border areas

Consumer Shopper Behaviours

TYPES OF GROCERY PRODUCTS MOST LIKELY TO BUY WHEN SHOPPING IN NORTHERN IRELAND

Base: Shopped in NI over past 12 months

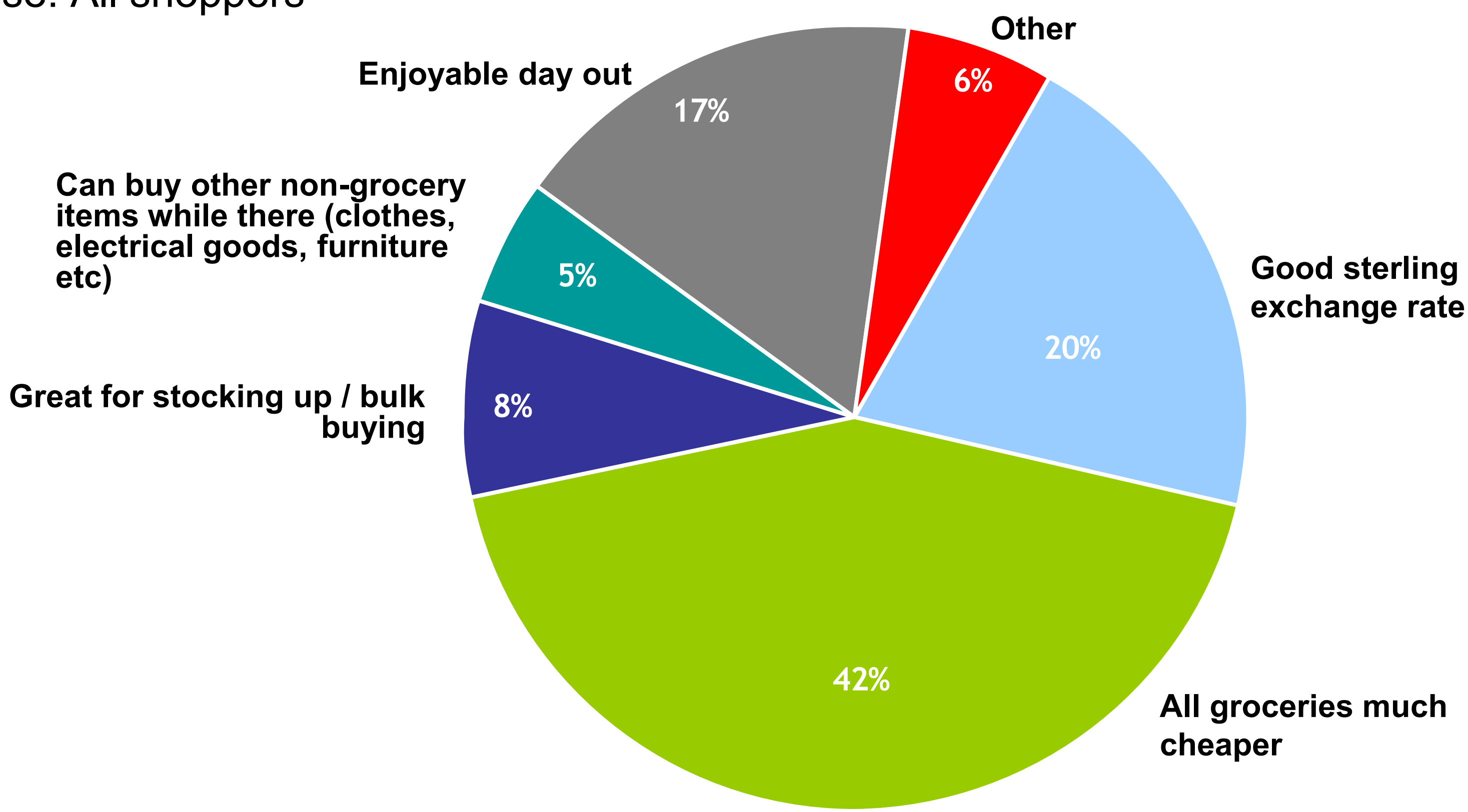


BEHAVIOUR & ATTITUDES

Non-food items the greatest draws to Northern Ireland

MAIN REASON FOR SHOPPING FOR GROCERY PRODUCTS IN NORTHERN IRELAND

Base: All shoppers



Cheaper prices, a good exchange rate and a great day out explain the overall attraction

Shopping:
Northern Ireland Shopping

SUMMARY 'TEASERS'

While shoppers are making marginally more weekly shopping trips this year versus last year (over three trips per week on average), their average expenditure per trip is down 11% (from €48 per trip to €43).

Quality of fresh food is almost as strong a driver of store choice (21%) as is Value for Money (29%).

57% of all grocery shoppers tell us their household income has decreased year-on-year, by an average of 22%

As people shop around for better value, the proportion of trips habitually conducted at the same retailer each week drops dramatically in 2009, with a quarter now spreading their business across three or more different retailers each week.

While multiples have held their share of shopping trips year on year, the discounters have registered a 2% increase in footfall.

2009 sees some evidence of a drift away from Saturday shopping as people have more time on their hands

BEHAVIOUR & ATTITUDES

SUMMARY 'TEASERS'

In 2009 shoppers are more inclined to stock up at the weekend for a number of meals throughout the week.

The vast majority of main weekly shopping trips are still conducted Thursday - Saturday

2009 has also seen a significant increase in the frequency with which shoppers visit their grocery outlets.

As shoppers expand upon their repertoire of retailers, the number walking to shops declines.

The importance of the reputation of retailers as trusted providers of value grocery products has increased.

There is corresponding evidence that shoppers are prepared to travel greater distances in order to visit a greater variety of retailers

We have also seen that the shopper has become slightly less brand sensitive over the last 12 months.

BEHAVIOUR & ATTITUDES

SUMMARY ‘TEASERS’

We have also seen that while more shoppers are utilising a list to try to control spending, they are also more likely than last year to respond to in-store specials

The retailer’s general reputation for low prices has the single greatest influence on shoppers’ views of retailer value

Bogofs are considered to be by far the best value for money of all retailer offers.

A quarter of all shoppers have grocery shopped in Northern Ireland in the past 12 months, conducting on average 7 cross-border trips.