

CATEGORY MANAGEMENT LEARNING FORUM

TOPIC #11: SHOPPER MARKETING

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For years, the shopper has been missing in the retailer-supplier category management formula. By identifying the retailer's most important shopper segments, understanding the different purposes for their shopping trips, and tying those pieces in to the shopper's "path of purchase", retailers and suppliers can influence shoppers at the point of purchase. How is this done?

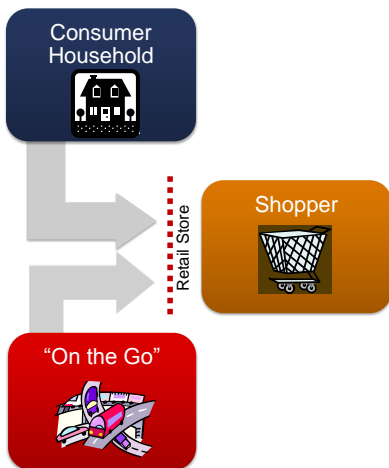
First, you need to understand the target shopper. Once you scratch below the surface, to really understand a shopper's household dynamics, you can begin to appreciate how different the shopping behaviors are going to be in the store. For example, think about a shopper who is a single mother who has a child with severe allergies. Or an active senior with a spouse in a full-care facility, who spends much of her time alone at home. Or a large ethnic family of six, who is also supporting their family overseas, with the hope of getting them to immigrate. Each of these shoppers have significantly different priorities, budgets and shopping preferences. Things like financial concerns or money, and family and personal matters, including divorce, custody, disability and illness, can have a significant impact on how shoppers shop.

It's also important to realize that not all shoppers have equal value to a retailer or to a category. Some shoppers buy only once, some buy a few times, and there are others who may make significantly more purchases over the course of a year. Reaching and meeting the needs of the heavy and most loyal buyers and/or those of the light buyer will be much different. With today's information and technology, light, medium and heavy purchase groups can be identified, targeted and measured for their performance, through a combination of loyalty card data, panel data and market research. Retailers can segment their shoppers and define the most important target shopper groups coming in their stores.

Once the target shopper is defined, the next step is to understand the shopping mission types that drive shoppers to purchase – from the immediate "must-have" perspective to a leisurely browsing shopping experience. Their mission will change based on the retailer that they are shopping at, and the purpose for their visit. Different shopping missions are associated with typical behavioral characteristics. One way to classify these different types of shopping trips is as "immediate need", "immediate want", "indulge myself" and "impulsive". For example, an immediate need shopping trip may entail a focused agenda, shopping lists and the desire for very little interaction with the store. The shopper on an immediate need shopping trip will want to know exactly where everything is in the store and won't have time for in-store demos, coupon machines, or in-store televisions. Each mission type will have the shopper behaving differently in the store, and requires different marketing in-store.

Lastly, it's important to understanding the shoppers "path to purchase". The path starts in the consumer household, with those who use or consume the products, also known as the consumers. This includes adults, kids, pets, and so on. Then there's the "on the go" shopper, when they are at work, in school, participating in activities or socializing. And finally, there's the shopper – the individual who goes to the store to shop – for themselves and for others in their household. This person becomes a shopper once they enter the store. The objective for the retailer and suppliers is to convert this shopper into a buyer, once they are in the store. The potential for shopper marketing exists in this "path to purchase" for the shopper - at home, on the go, and in the store. And the marketing messages need to be consistent at all points along the path.

The power and landscape have shifted because of shopper marketing. Retail stores have become the new marketing media tool for shoppers. Retailers need to become marketing experts in this new landscape, in order to truly understand and develop shopper marketing programs. Suppliers are now playing in the retailer's arena, and each retailer is different. They need to align with each unique retailer's marketing priorities, based on where their biggest opportunities are. Traditional brand marketing approach needs to be flexible enough to accommodate each retailer's unique requirements. Retailers and suppliers must work together to maintain consistent communications to consumers, shoppers and buyers.



If you like this tip, you may be interested in CMKG's related eLearning courses. Click on the respective course title for more information about CMKG's accredited [Store Clustering Through Store Level and Geodemographic Data](#) or ["Understanding and Marketing to Your Shopper"](#) eLearning courses, available for \$99 each. These two courses will give you a deeper understanding of targeting and clustering the shopper, and how to market to the shopper. They will benefit anyone in category management, sales or marketing.