

# Shopper behaviour: how choices are made

Tony Durham, Shopper Based Design, P&G



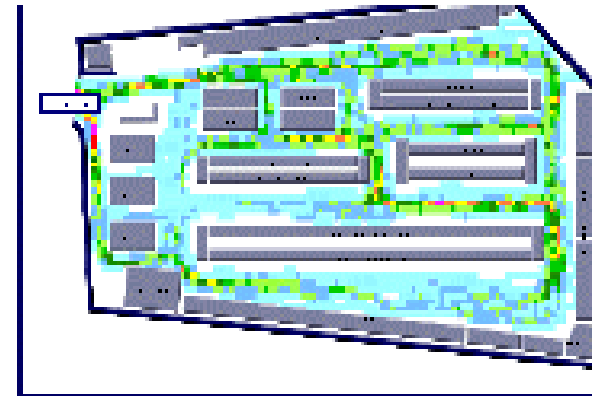
# Shopper Based Design – Western Europe

## How Shoppers Behave

- 6000+ hours of in-store filming
- Extensive P&G tailored research
  - Camera /eye mark analysis
  - Focus groups
  - Decision tree research
  - Segmentation studies
  - Adjacency research
  - Virtual reality cave research

## Why

- Research with multiple universities



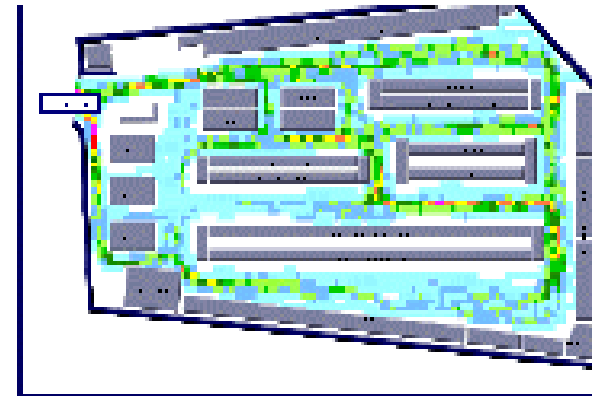
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A large proportion of shopping is done on auto-pilot.  
Few Shoppers are using shopping lists (18% on average).  
82% + of purchases are from memory

So how do shoppers find the products they want to buy?

Learn as many sets of the three letters as you can

**NDF**

**JMB**

**BBC**

**CAP**

**TDS**

**PMG**

**DOG**

**RFS**

**PFT**

**XJW**

**GKQ**

**MUM**

**HAT**

**ZTH**

**PGL**

**CMK**

- Write down as many sets of the three letters as you can remember
- Don't let the person next to you copy your answers

Check how many you got right

**NDF**

**JMB**

**BBC**

**CAP**

**TDS**

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Which ones did you write down?

NDF

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You didn't learn, you re-remembered things you knew already

Shopper Have a Limited Ability to Focus

$$13+6=$$



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$$69+37=$$

# Shopper Have a Limited Ability to Focus

$$13+6=$$

$$69+37=$$

$$139+978=$$

# Shopper Have a Limited Ability to Focus

$$13+6=$$

$$69+37=$$

$$139+978=$$

$$13,677+38,946=$$





















# Shopper Have a Limited Ability to Focus

- Shoppers have a limited attention span- 5 things
- The brain tries to keep things simple and uses colour and shape as a search mechanism rather than brand names
- We recall best the colours and shapes we know already
- Academic research of every type supports this

Shoppers process colour, shape, pictures more than words

Recall of pictures is better, processed first in adverts

Memory **error rate** is 10 times higher for words

# Packaging drawn from memory





Similar pairs



Less similar "control" pairs



- Private label doesn't need to copy the brand leaders as you can see from the picture of two soap powders on the right hand side compared to the two on the left
- In this test with Bold only 19% will buy Bold when shown next to Active but 27% will buy it when shown next to Ultima.
- This copying of the colour and shape fools shoppers even though the brand names are different giving the private label parasite "Active" an undeserved 8% extra purchases



Could there be a link between the retailers requirement for 6 months notice of all pack changes and the miracle that some packs look remarkably similar to big brands



Copying can be systematic, with the original brand re-designing to sustain distinctiveness, only to be copied again each time.

1990s



2000s



2010









The balance of power in retailer relationships  
Javier Berasategi, Berasategi & Abogados

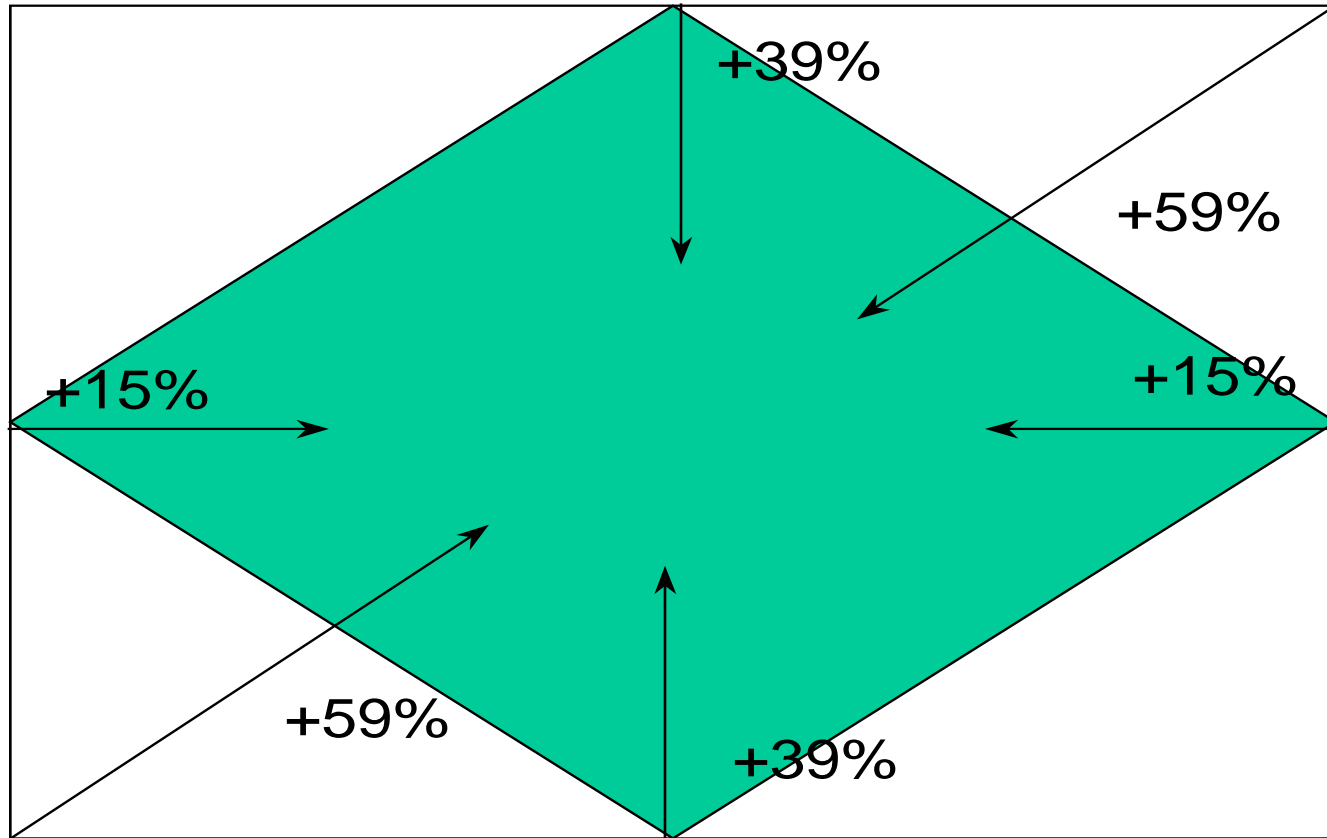
Grocery stores manipulate the in-store purchasing decisions of consumers through several strategies:

1. The packaging of grocery stores' PL products is frequently designed to mimic that of the leading brands. Placed beside the genuine brand, consumers purchase these 'copycats' either by accident or because of a false association of quality.
2. Grocery stores frequently position their PL products in more prominent positions and allocate more shelving space to these products than the PL products' market share warrants.

Survey evidence suggests that such discriminatory shelf-positioning affects consumers' purchase decisions.

# THERE ARE DIFFERENT QUALITIES OF SHELF SPACE

## CHICAGO UNIVERSITY RESEARCH



Moving from worst to best position increases sales by up to 59%

More shoppers consider items in center of diamond than other parts of shelf (up to 39% variation).

<b>% Noting</b>	<b>1st foot long section</b>	<b>2nd foot long section</b>	<b>3rd foot long section</b>	<b>4th foot long section</b>	<b>5th foot long section</b>
<b>5th Shelf</b>	16%	20%	24%	19%	13%
<b>4th Shelf</b>	23%	35%	43%	32%	21%
<b>3rd Shelf</b>	28%	45%	52%	36%	23%
<b>2nd Shelf</b>	27%	38%	40%	31%	24%
<b>Lowest Shelf</b>	16%	22%	23%	16%	15%



**Results:** 2/3 of time noting items is spent in diamond.  
Time noting items in center up to 9Xs higher than corner.

<u>% Time</u>	1st foot long section	2nd foot long section	3rd foot long section	4th foot long section	5th foot long section
5th Shelf	3%	3%	4%	3%	2%
4th Shelf	3%	5%	7%	4%	3%
3rd Shelf	4%	6%	9%	6%	3%
2nd Shelf	4%	5%	7%	4%	3%
Lowest Shelf	2%	3%	4%	2%	1%



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<b>5th Shelf</b>	3%	3%	4%	3%	2%
<b>4th Shelf</b>	3%	5%	7%	4%	3%
<b>3rd Shelf</b>	4%	6%	9%	6%	3%
<b>2nd Shelf</b>	4%	5%	7%	4%	3%
<b>Lowest Shelf</b>	2%	3%	4%	2%	1%

So retailers have the ability to not only copy the colour shape and design of the main brands but also control the shelf space so they can place their parasite copies where they are seen first



# COMMERCIAL PRACTICES WHICH ARE IN ALL CIRCUMSTANCES CONSIDERED UNFAIR

- Promoting a product similar to a product made by a particular manufacturer in such a manner as deliberately to mislead the consumer into believing that the product is made by that same manufacturer when it is not.

Unfair Commercial Practices Directive, 2005