

HOW TO MAXIMISE PROMO EFFECTIVENESS



**Shopper
Intelligence**
Understand. Influence. Lead.

On the agenda for 2025

1. ✓ How to **Manage the Price Discussion**
2. ✓ How to **Build a Category Strategy**
3. ✓ How to **Prepare for a Range Review**
4. ✓ How to **Conduct a Merchandising Review**
5. How to **Maximise Promo Effectiveness**

Next: We're taking a break for summer

6. THE 2025 SHOPPER VIEW (10th SEPTEMBER)

7. How to **Get Your Product Listed**
8. How to **Balance Your Data & Insights Needs**
9. How to **Give Category a Voice with Leadership**
10. How to **Talk to Your Buyer**



**CATEGORY
HACKS**
LESS WORK,
MORE WINS!

Our Quarterly Survey Coverage – 225 Categories



PRE-STORE

Planning and mindset

CATEGORY ROLE

- Intentionality/Engagement
- Profit Booster
- Hero
- Trip Driver
- Basket Builder

PURCHASE INTENTION

- Levels of Planning
- Pre-store Triggers
- What Planned

SHOPPER MINDSETS

- Traffic Drivers
- Main Reason to Shop
- Loyalty
- Promotions
- KVI
- In home availability

PRIORITIES

- Most Important (17 attributes)
- Depth on Sustainability
- Depth on Quality
- Depth on Price

IN-STORE

Engagement / conversion

SHOPPER MINDSETS

- Spend Drivers
- Promotions
- Premium
- Innovation
- Temptation

PURCHASE INTENTION

- Levels of Impulse
- In-store Triggers
- Where bought in Store

SHOPPING MODE

- Engagement
- Grab & Go
- Browse

DECISION HIERARCHY

- Switch/Walk
- Brand
- Format
- Size

PROMOTIONAL IMPACT

- Bought on Promotion
- Incrementality
- Promotional Mindset (Promo Junkie, etc.)

POST-STORE

Shopper Satisfaction

SATISFACTION

- Overall Satisfaction
- Price
- Product
- Assortment
- Execution

DESIRED IMPROVEMENTS

- More/less Choice
- Pack Sizes
- Information
- Theatre/Signage
- Innovation/New

SHOPPER ATTITUDES

- Private Label attitudes
- Store Loyalty
- Full Demographics

OCCASION

- Occasion
- Breakfast
- Lunch
- Dinner
- Snacking/Treating

Our experts...



Chris Adkins



20+ Years FMCG Experience



Martin Baptie



25+ Years FMCG Experience



How to maximise promotional effectiveness

There are FOUR areas to consider:



1

RATIONALE

What are the reasons we use promotions

2

IMPORTANCE

How important are promotions to my category

3

IMPACT

What effect do promotions have

4

STRATEGY

What is the best promotional strategy to use

Promotional rationale

Why do we use promotions – to demonstrate value..

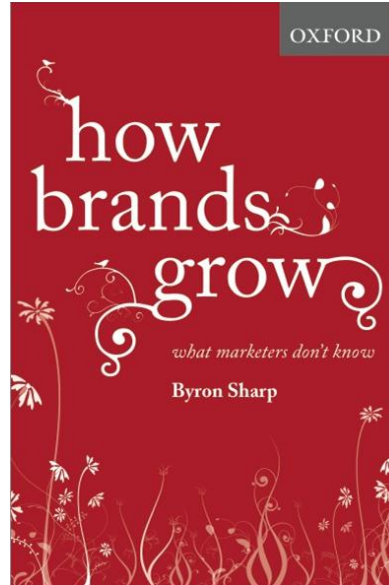


..But it's also about maximising penetration



- Physical availability – how easy is it to find your product, how present is it at the point where shoppers buy
 - Distribution
 - Shelf placement
 - Stock holding

..all of which can be helped by promotions



- Promotions will also be an effective tool to help attract light buyers to the category

..and we know these are critical for growth

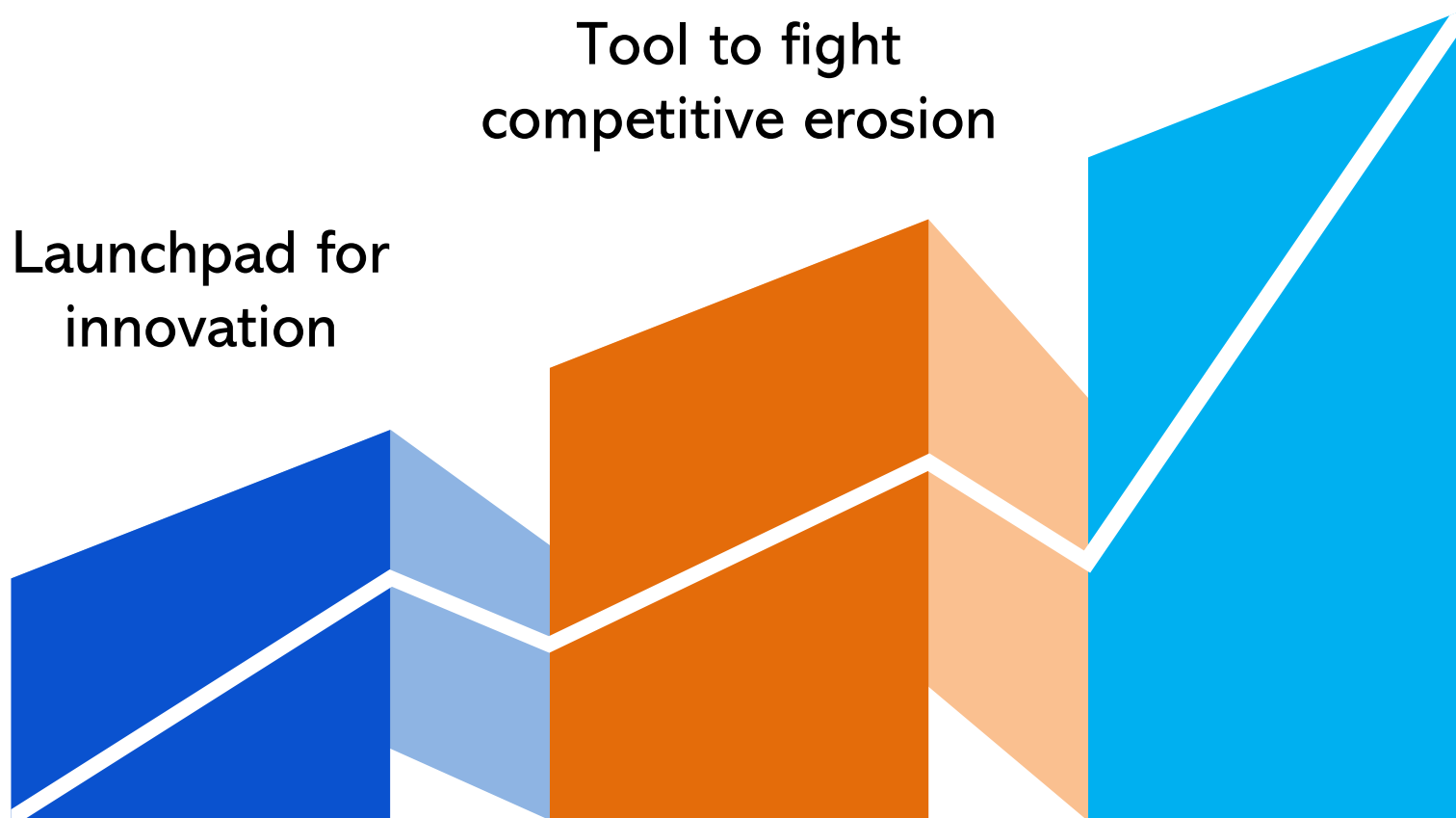
And, promotions are part of the long-term growth strategy



Trigger to link to
new occasions

Tool to fight
competitive erosion

Launchpad for
innovation



Promotional importance

The big question is do shoppers want promotions!

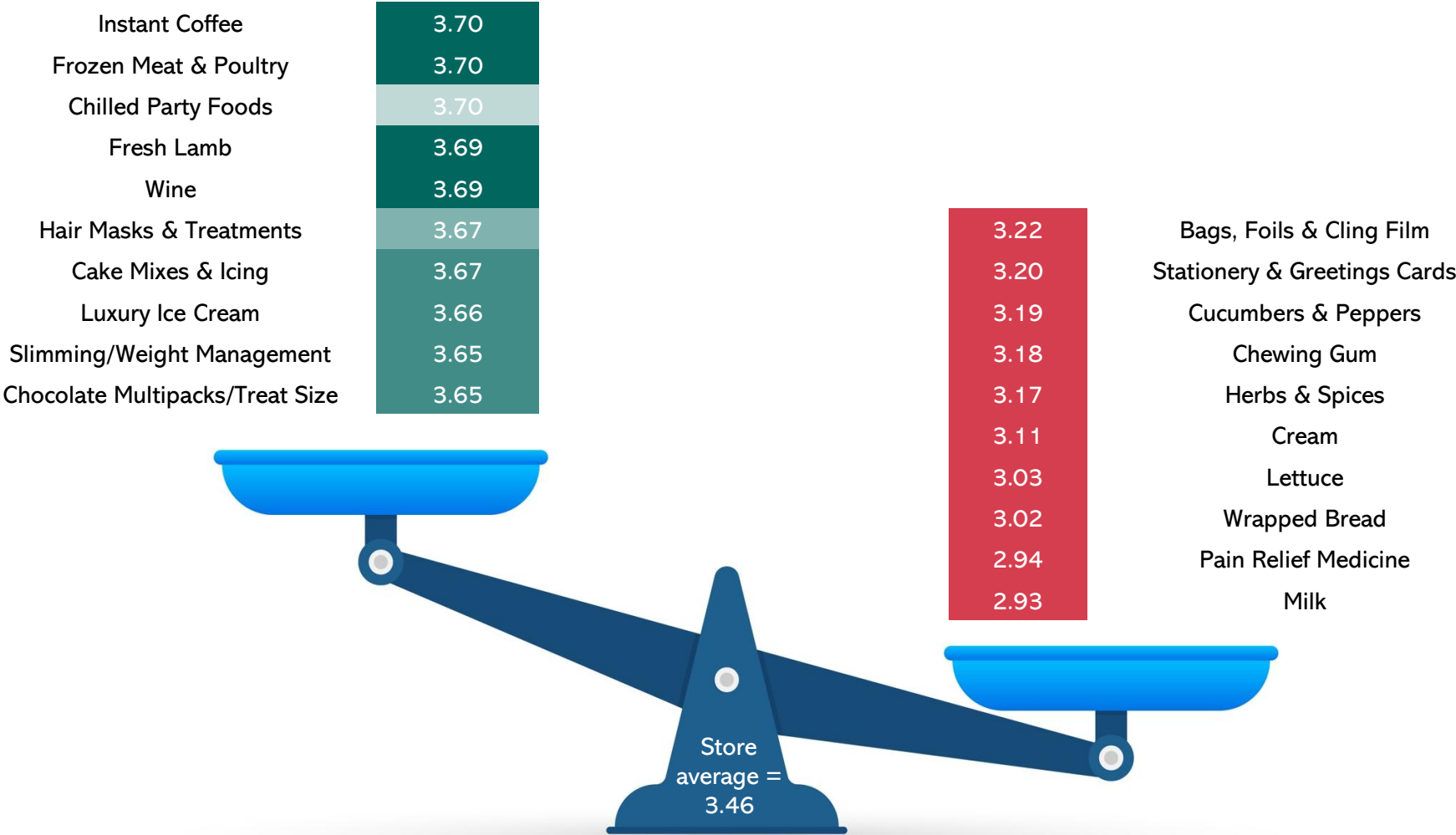


The obvious answer is yes, but it's not that straightforward – here's where context become extremely valuable!

In reality, promotions aren't relevant everywhere, or at least they won't have the same impact

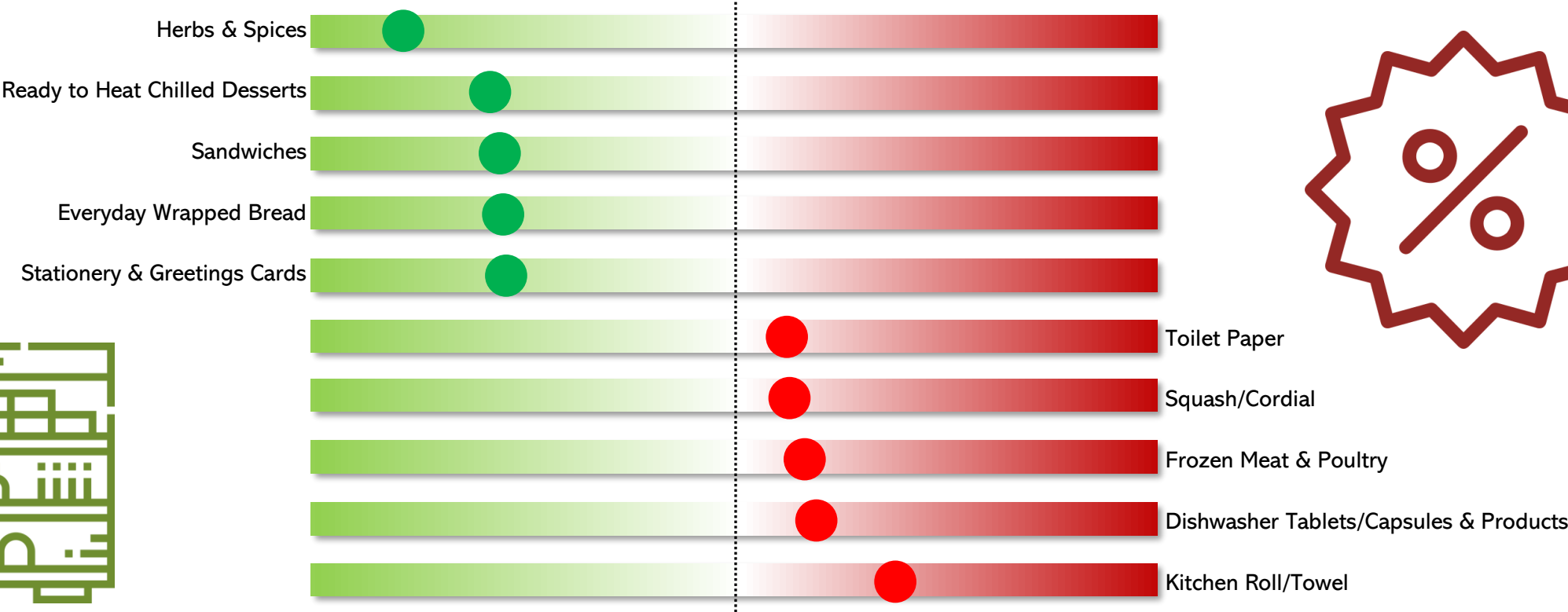
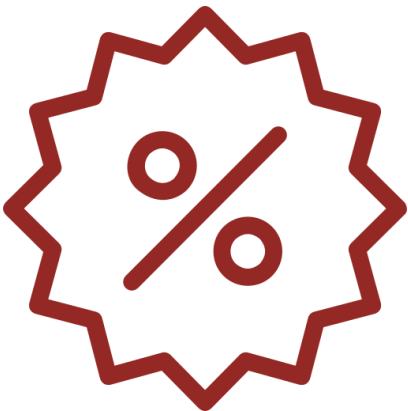


Importance of promotions



In many cases other aspects are more important..

Offers more important than range



Range more important than offers



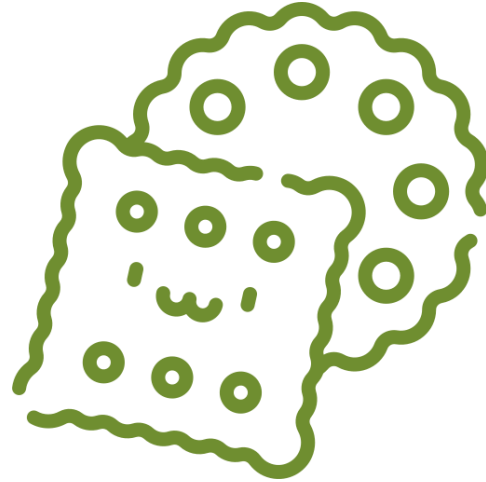
..and let's not forget, we should also seek to understand if promotions actually deliver for shoppers anyway?



Promotions high
importance

BUT

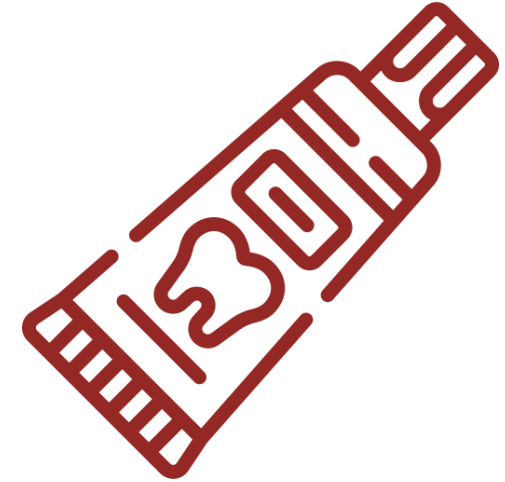
satisfaction is poor



Promotions average
importance

AND

satisfaction is average



Promotions low importance

AND

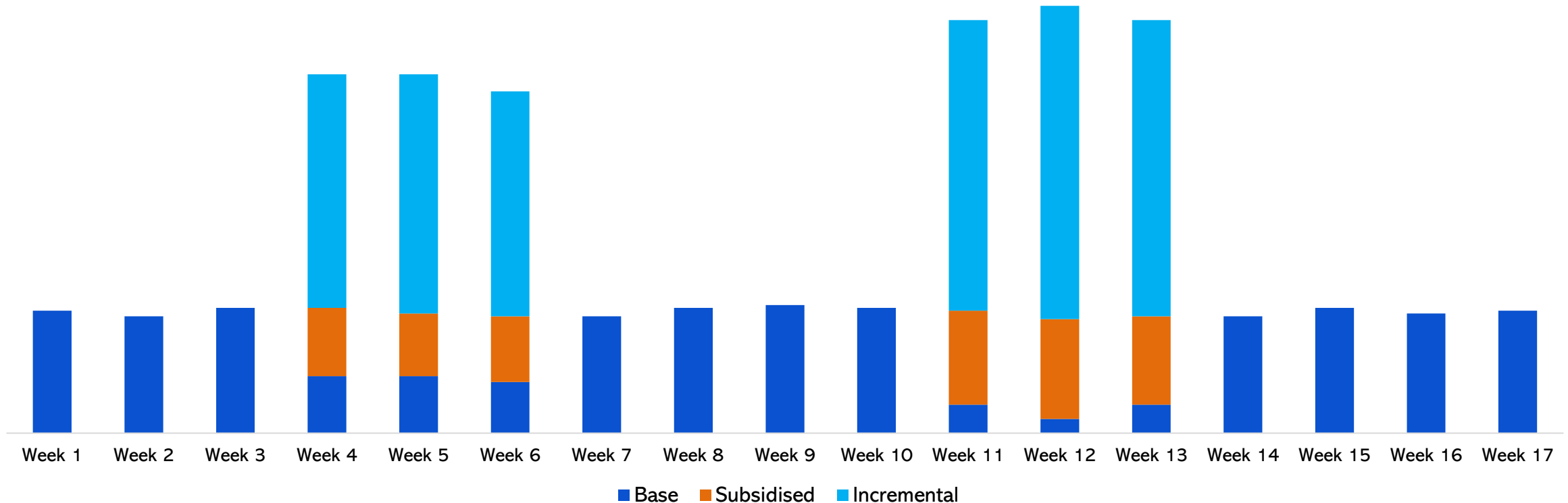
satisfaction is good

Promotional impact

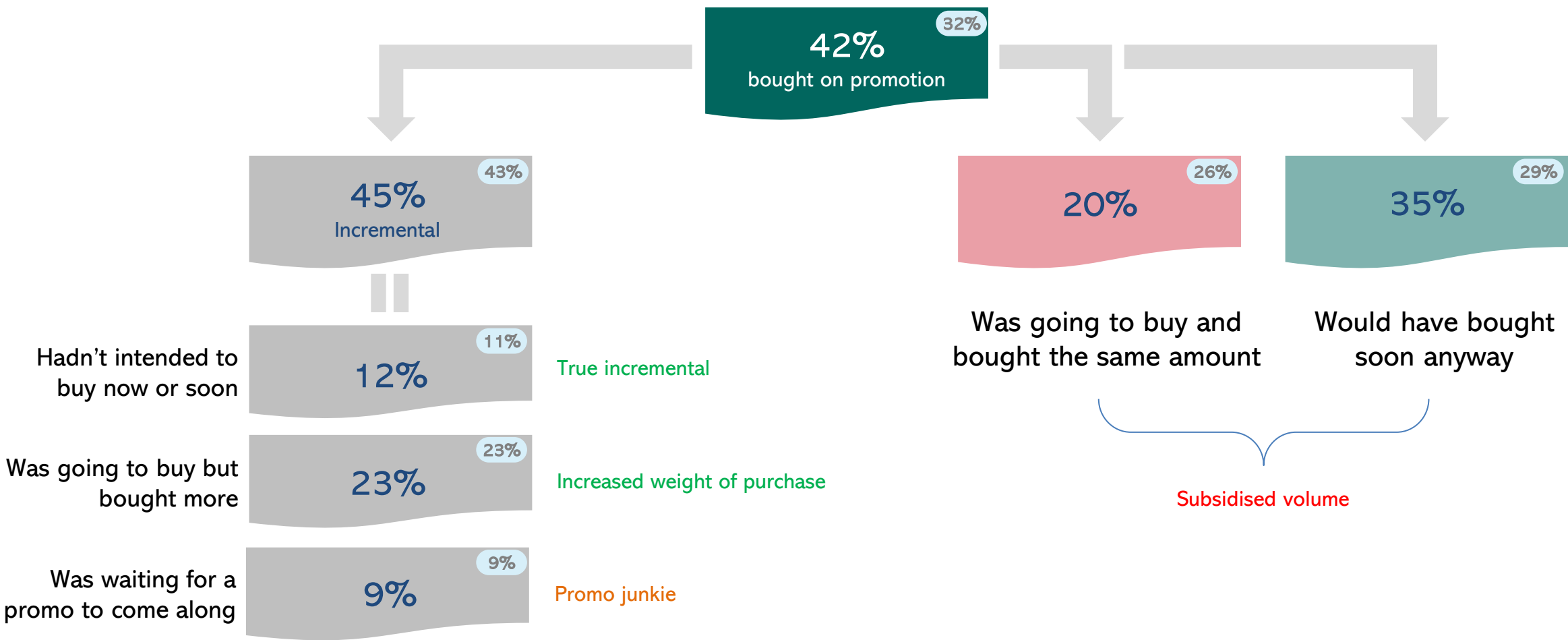
Let's understand how promotions typically work

Promotions leads to a short-term spike in sales, but a proportion of base sales is essentially subsidised volume

After the promotion sales will typically revert back to normal levels..



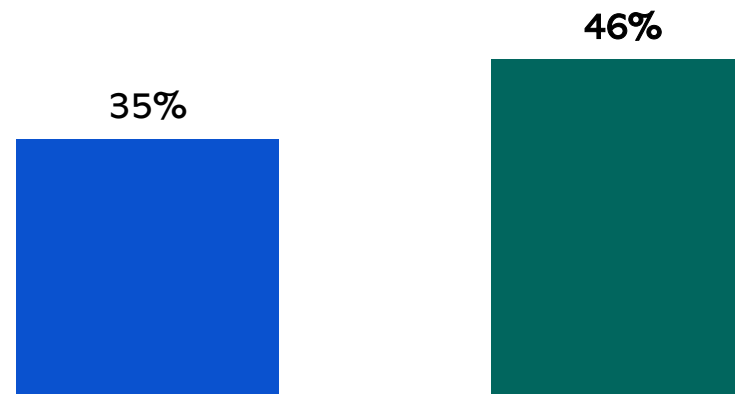
Shopper data can help us understand what's happening within the promotional purchase:



There are other effects that promotions have which are worth considering too



Promotions encourage shopping



A well communicated strong offer, has the potential to drive traffic to store and help one retailer gain share

Promotions can also effectively drive brand share

But there are risks for retailers here – are we moving shoppers into lower margin products for example...

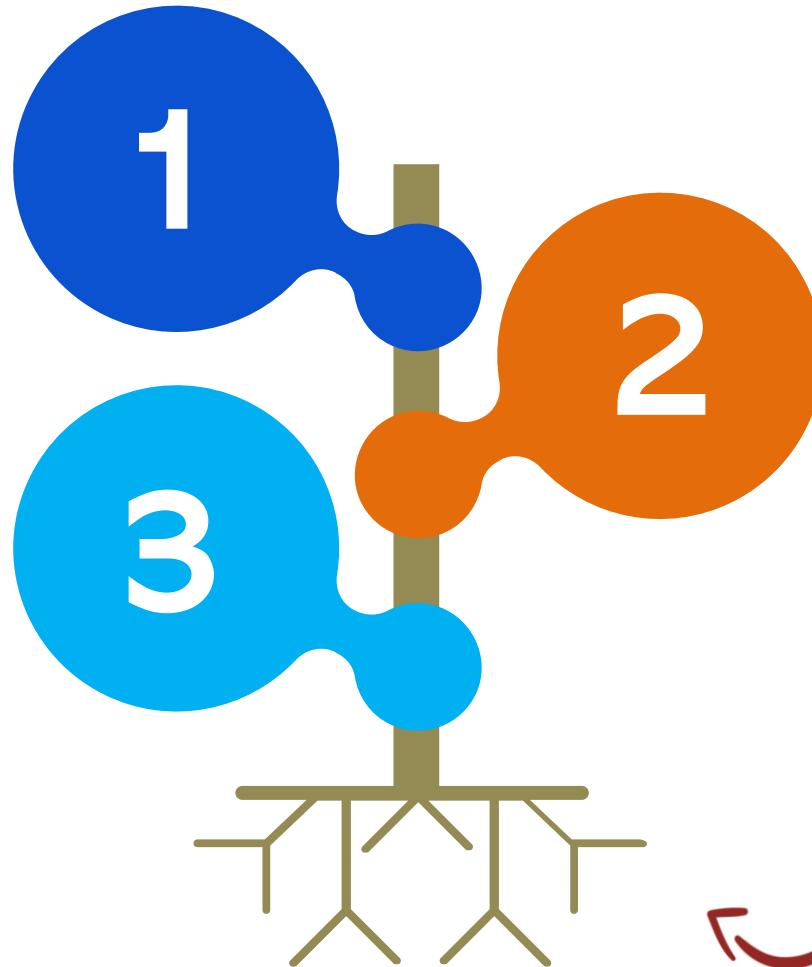


There's also the shopper impact when promotions are so prevalent they become expected



Makes it harder to drive premium/trade-up

Impacts frequency of purchase as shoppers stockpile



Becomes the planned behaviour – looking for deals

All of this devalues long-term category growth

Promotional strategy

Use category role to help decide what the best mechanic for promotions is likely to be



PROFIT BOOSTER

"Tempt me to spend a bit more on the little extras"

These categories are there to tempt shoppers and they are open to buying

High/low strategy to attract and influence impulse behaviour

HERO

"Give me a reason to choose this store"

These categories can drive the trip and shopper loyalty long term

Promote pre-store to drive trip for deeper discounts, don't over promote

Shoppers do regularly buy these categories but need a prompt/reason when in-store

Multi-buy to drive basket spend/weight of purchase

BASKET BUILDER

"Cover all the bases so I don't have to go elsewhere"

These are core categories that we regularly buy and will be on the shopping list

Keep promotions low level, focus on everyday value

TRIP DRIVER

"Get it right on the basics"

High Engagement

Low Engagement

Low Intentionality

High Intentionality

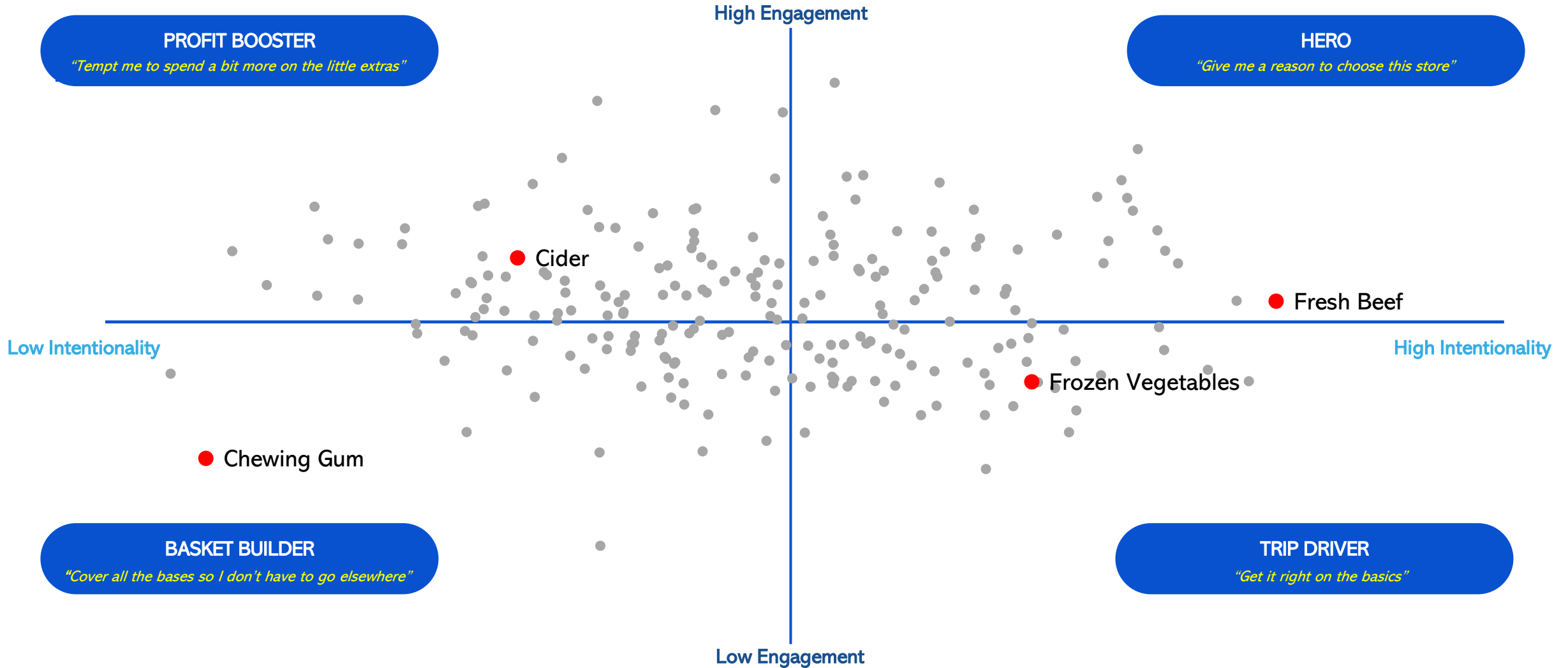
Example categories..

PROFIT BOOSTER

"Tempt me to spend a bit more on the little extras"

HERO

"Give me a reason to choose this store"



BASKET BUILDER

"Cover all the bases so I don't have to go elsewhere"

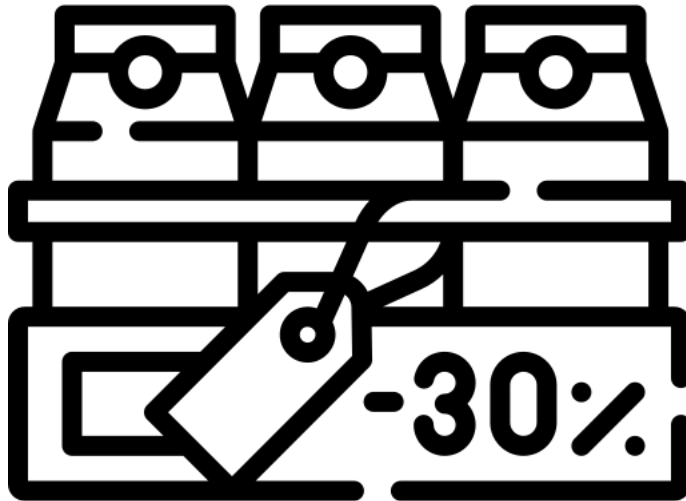
TRIP DRIVER

"Get it right on the basics"

Should promotions be supported by theatre/display – do they trigger purchases?



% purchases where display was key trigger



Luxury Ice Cream
Craft Beer
Total Stone Fruit
Fruited Bakery Snacks

26%
25%
22%
21%

Colas
Dried Pasta
Pet Food
Wrapped Bread

4%
3%
3%
2%

It's also worth considering occasion links..

As a way to inform signage

..but also, as a potential cross-category strategy for promotions

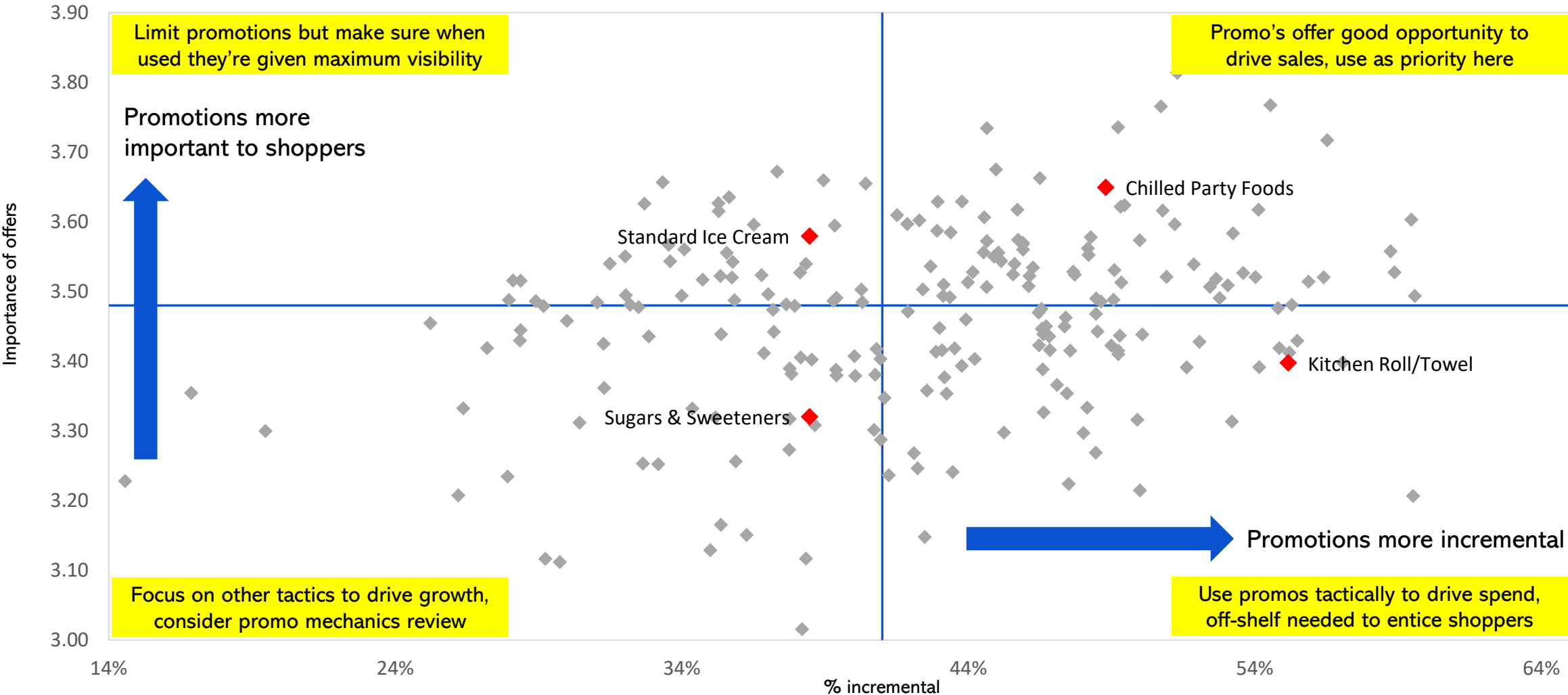
Family Meals Event

Create crowd-pleasing dishes with top offers on great ingredients and meal kits

Shop and save >



Ultimately a number of factors will help inform promotional strategy, the key is to ensure the shopper is at the heart of the process





Good luck...and don't
forget we can help!

Next time...

Next date for your diaries



The 2025 Shopper View

10th September 2025

11am



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