



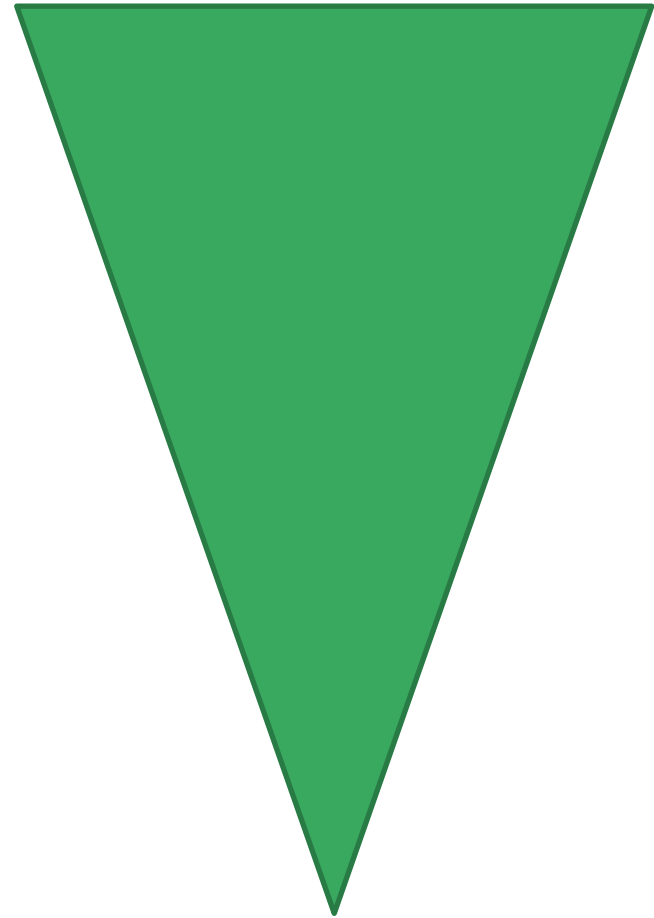
IS LOYALTY JUST AN ILLUSION?

By Andrew Foster
Expert Solutions Director,
Regional Centre Of Excellence, Kantar Worldpanel

We'd like our shoppers to be loyal...



THE PATH TO PURCHASE





LOYALTY IS HARDER TO GET

The four main loyalty behaviour types...



100% Loyals



Shifting Loyals



Split Loyals



Switchers

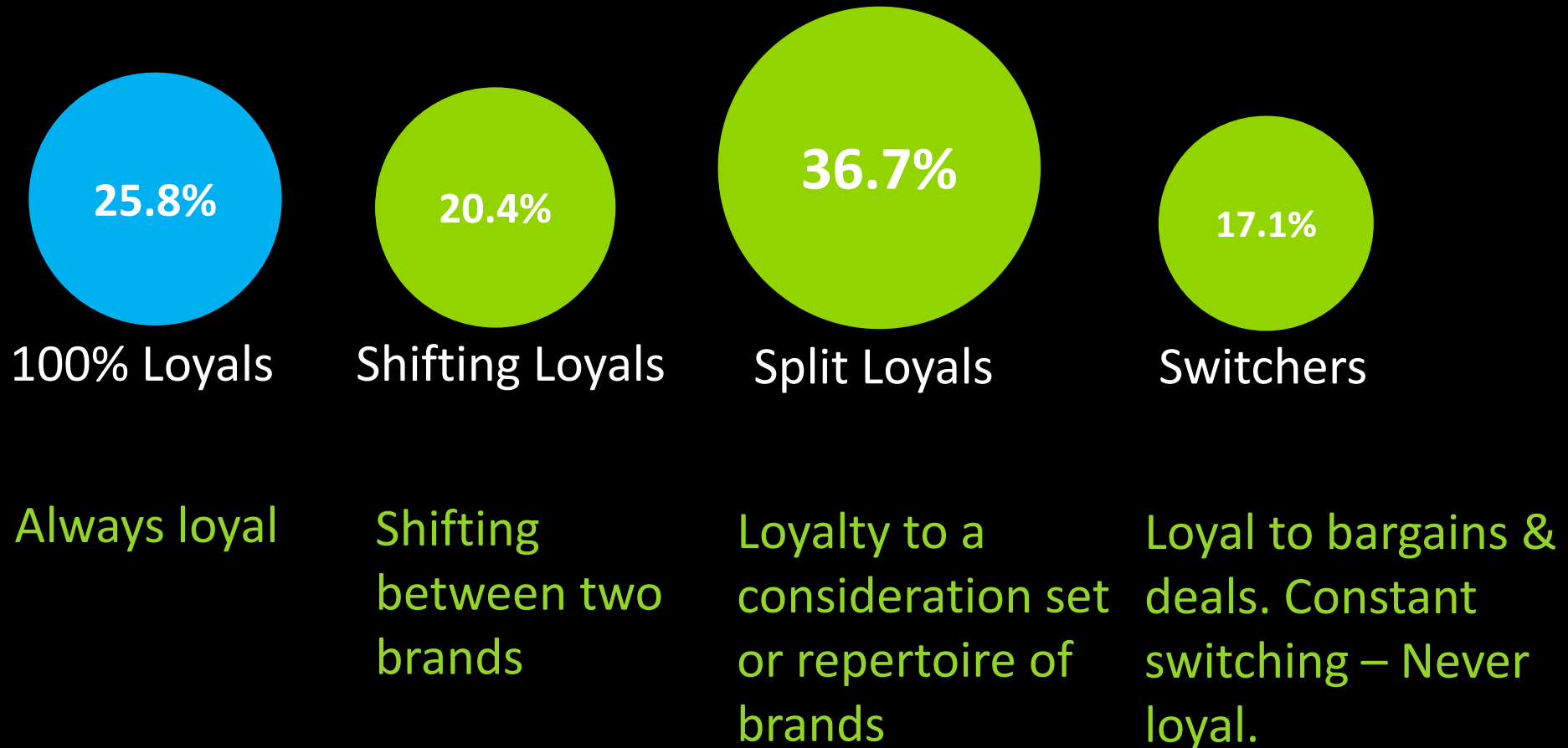




THE FOUR LOYALTY GROUPS – WITHIN CATEGORY BUYERS ACROSS ALL FMCG - INDONESIA

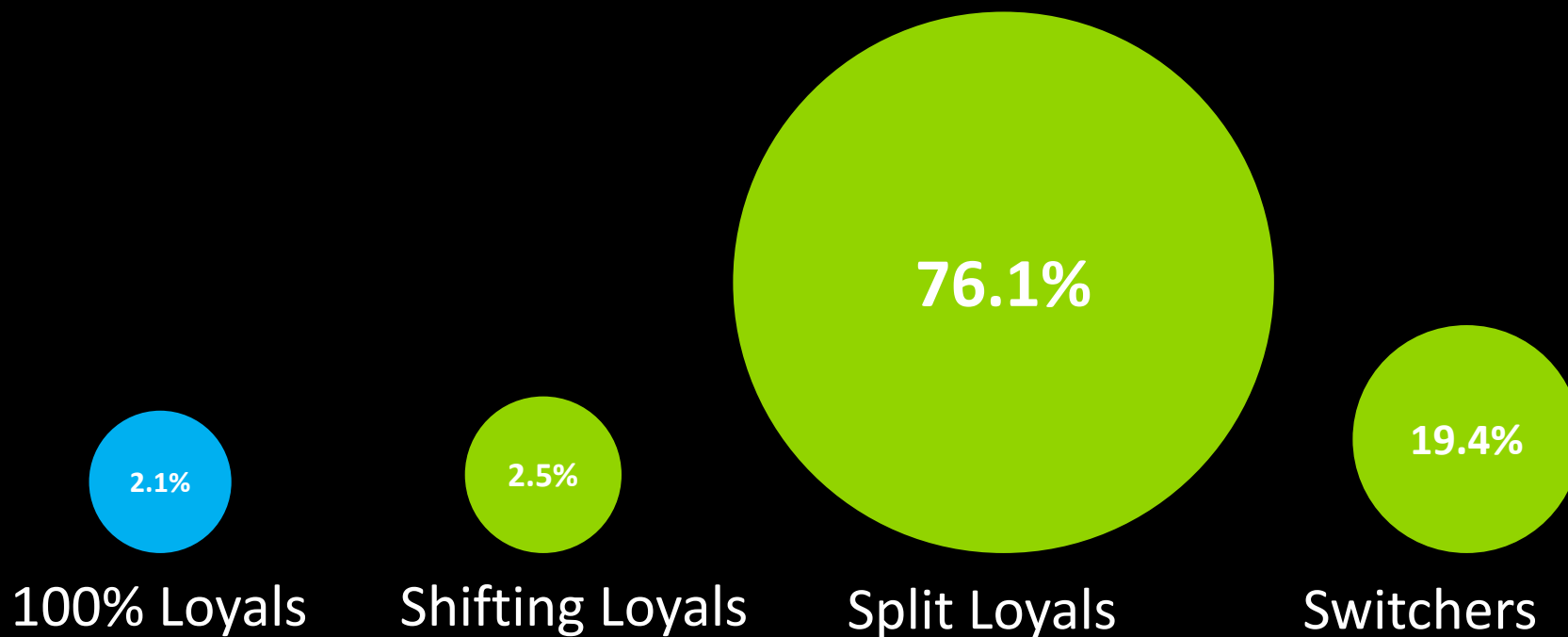


THE FOUR LOYALTY GROUPS – WITHIN CATEGORY BUYERS ACROSS ALL FMCG - MALAYSIA



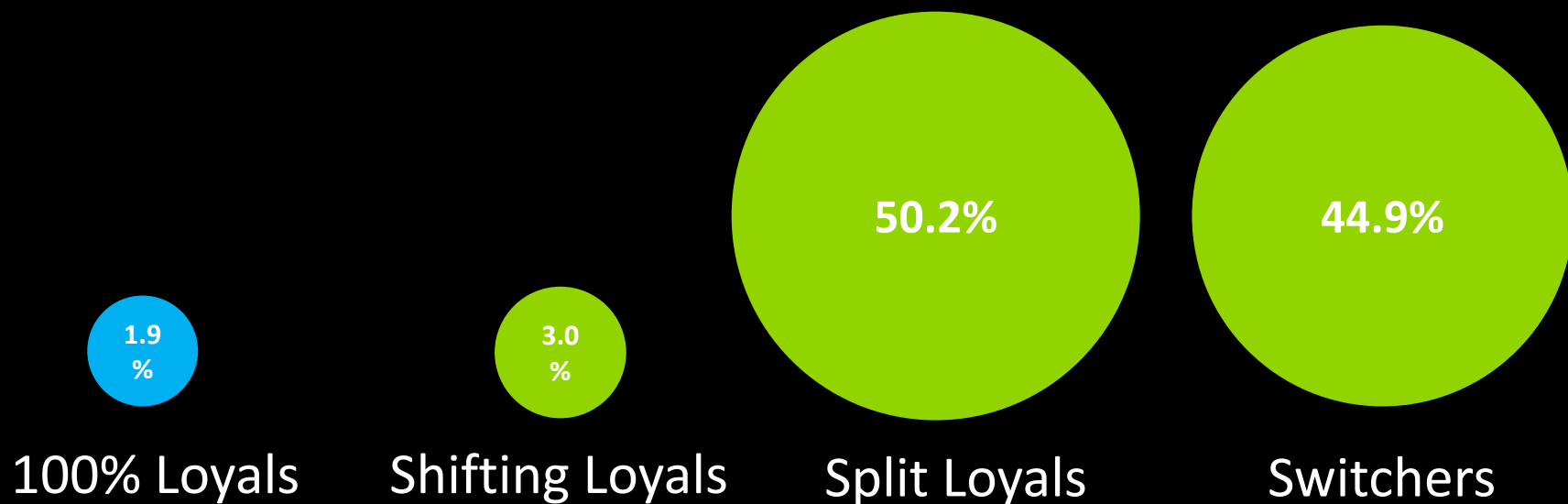


Instant Noodles

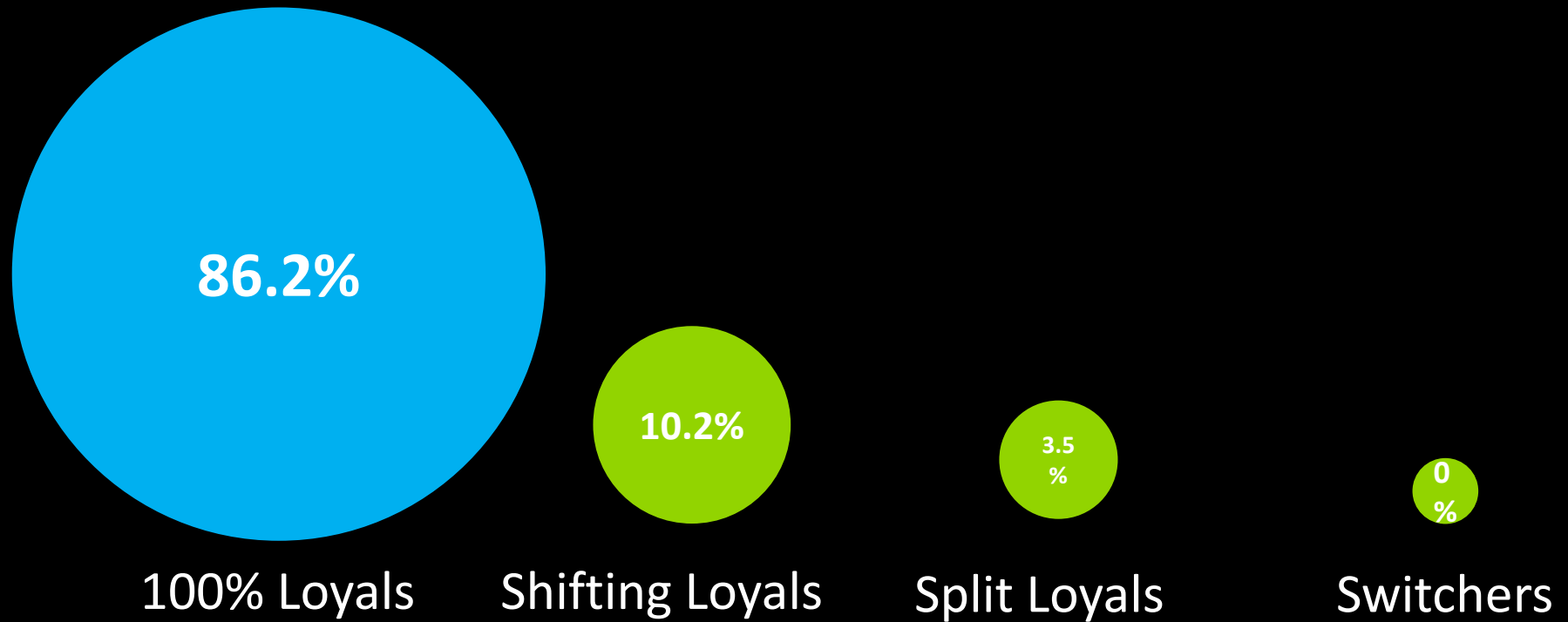




Instant Coffee

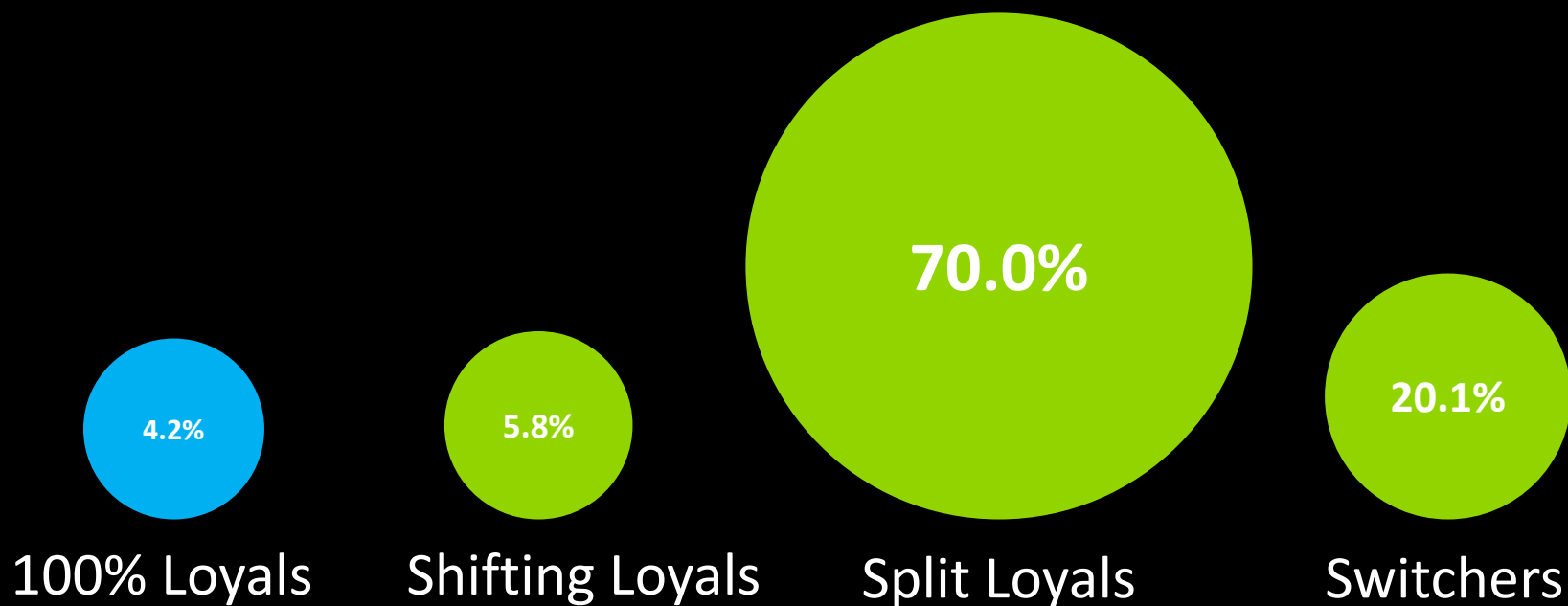


Malted /Chocolate Drinks



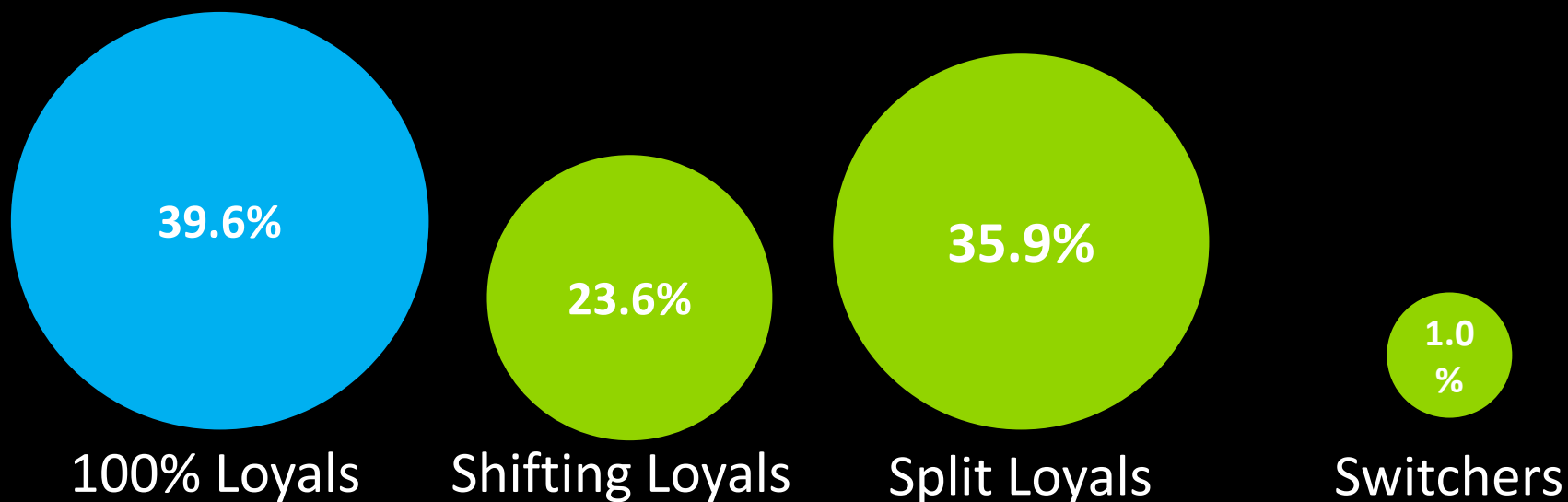


Laundry Detergent



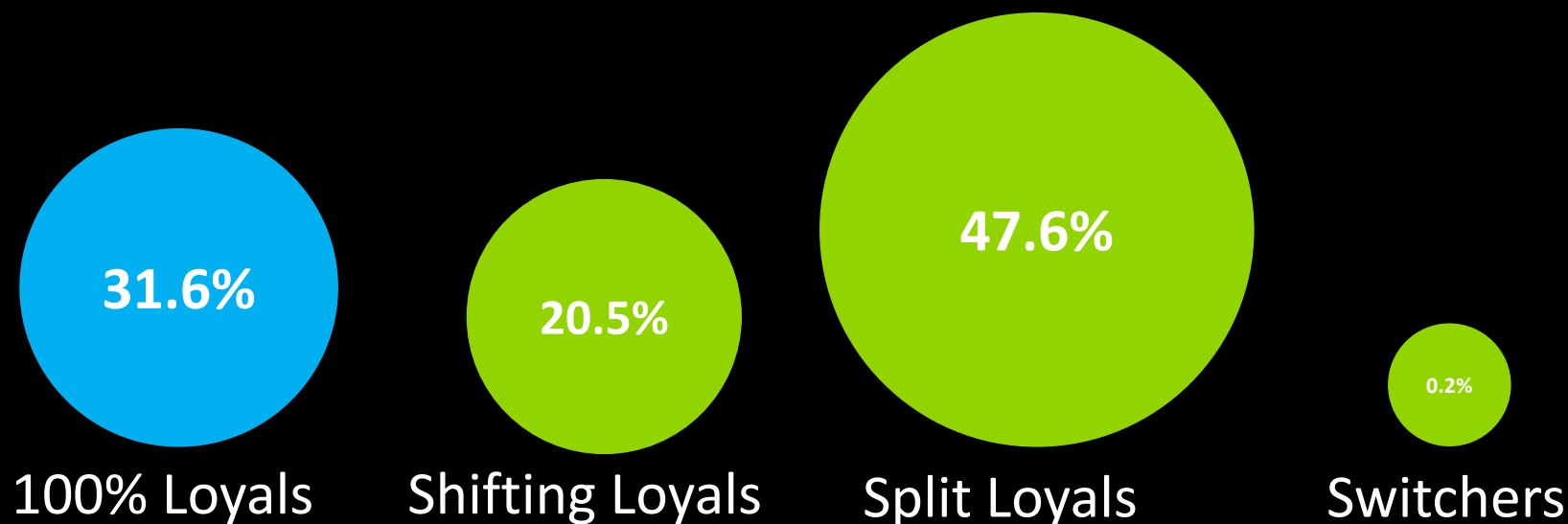


Growing up Milk powder



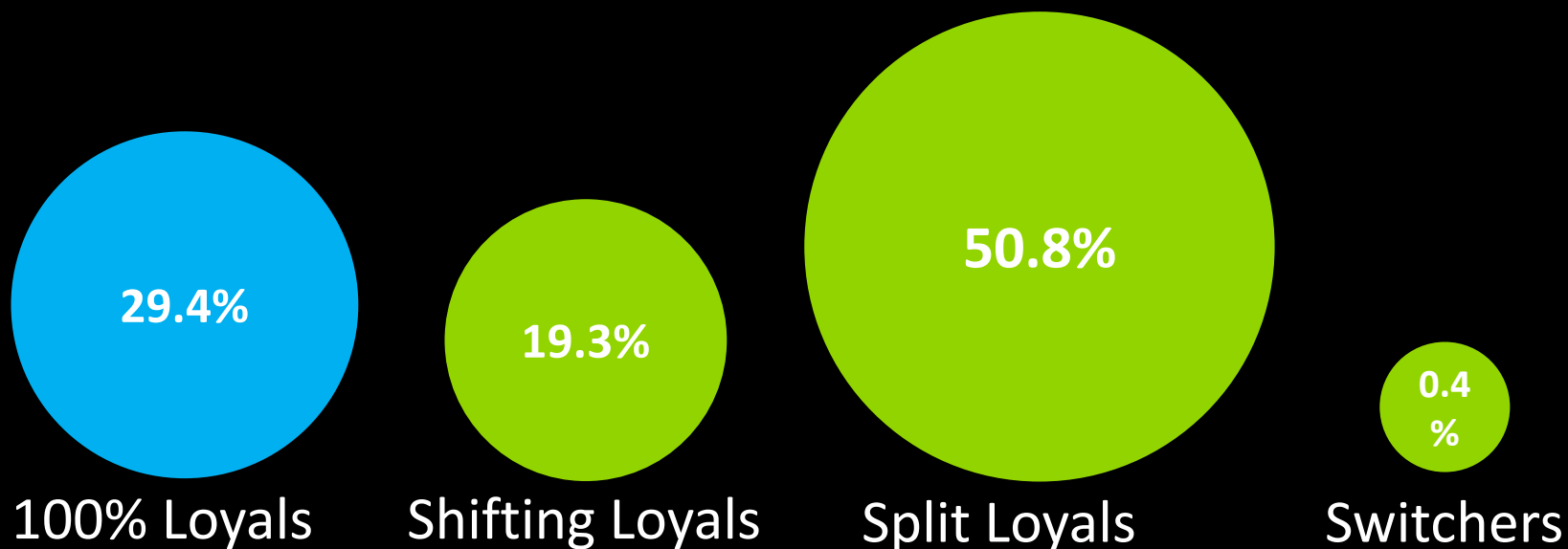


Toothpaste





Condensed Milk



Consideration set process

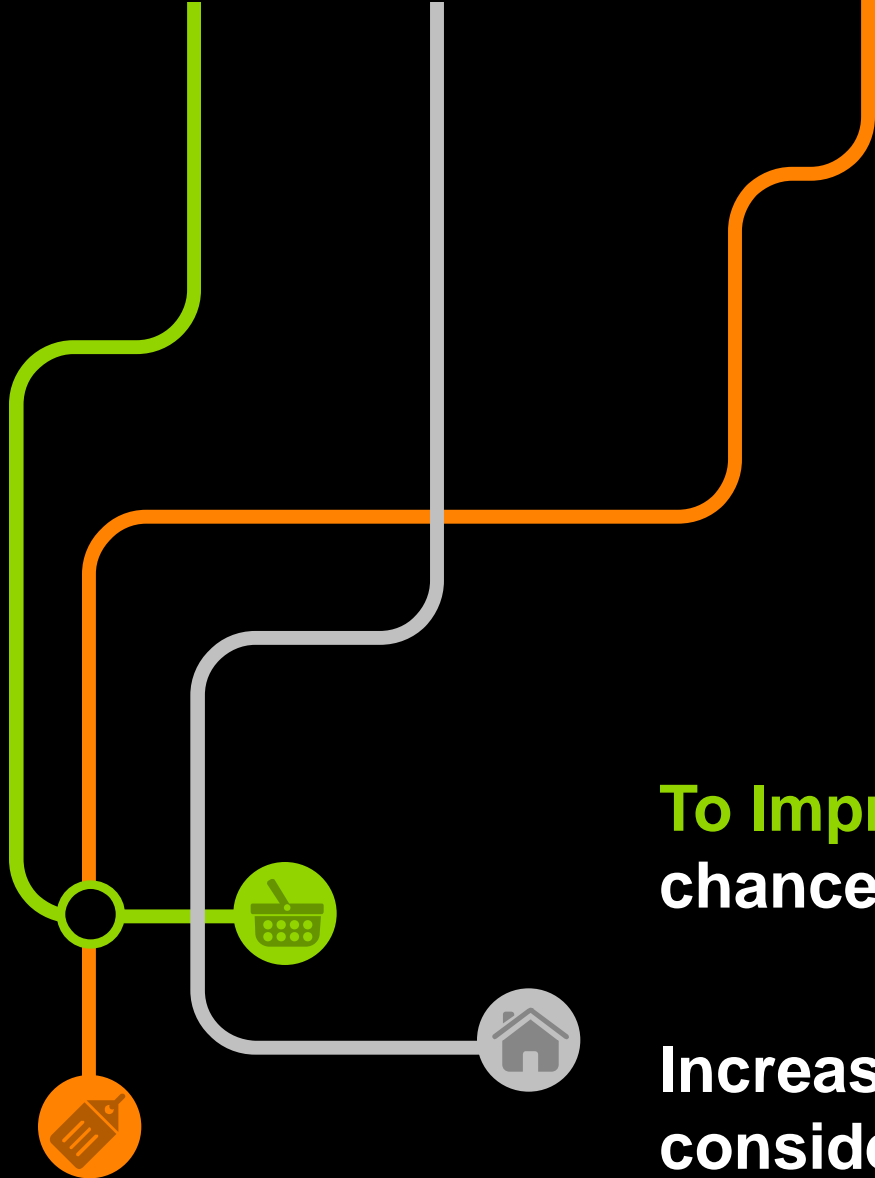
All Brands Awareness Set Rejected Set Consideration Set



Shifting or divided split loyalty is the new normal shopper behaviour.

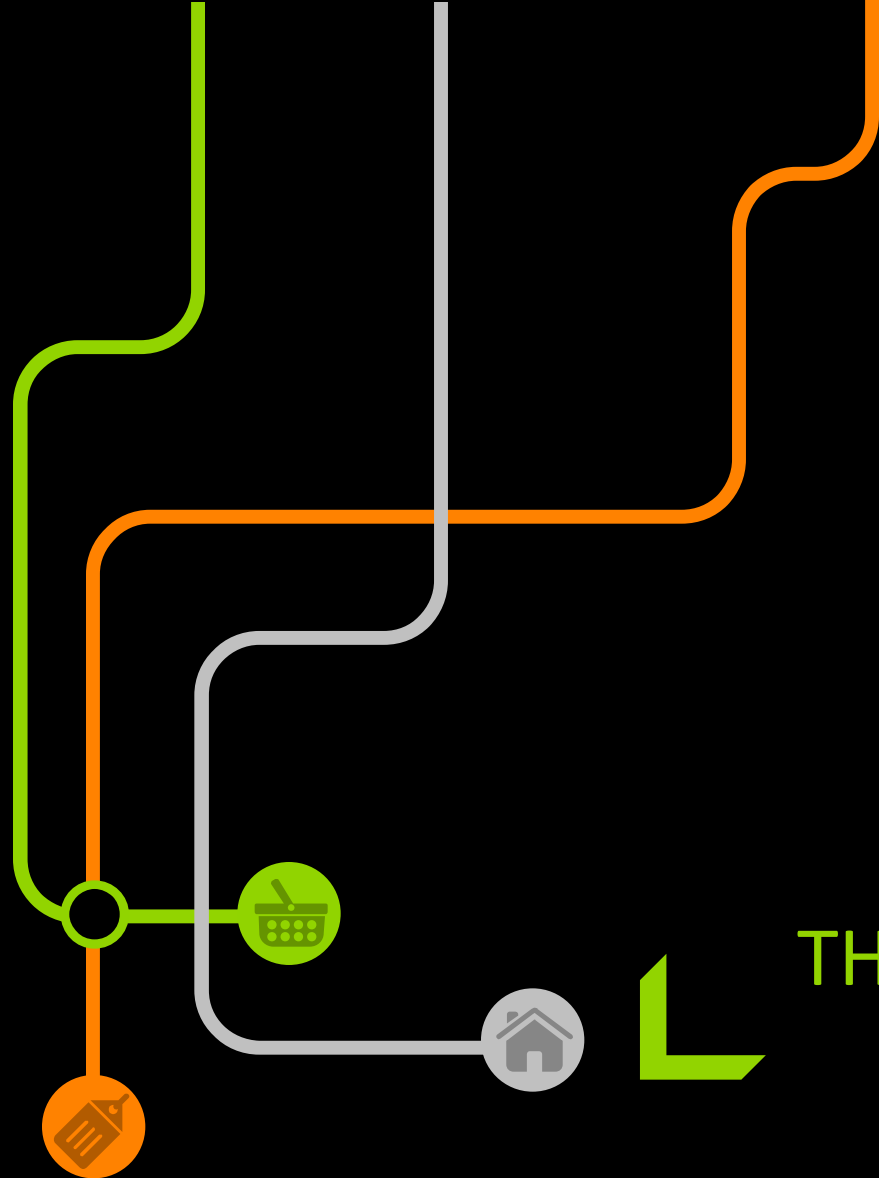
You can't stop people leaving – you can only keep attracting buyers into considering your brand. Most of the same things that attract a consumer to a brand will keep them with the brand.

Successful brands look at all initiatives in terms of their ability to drive trial and become a part of a considered loyal choice set.

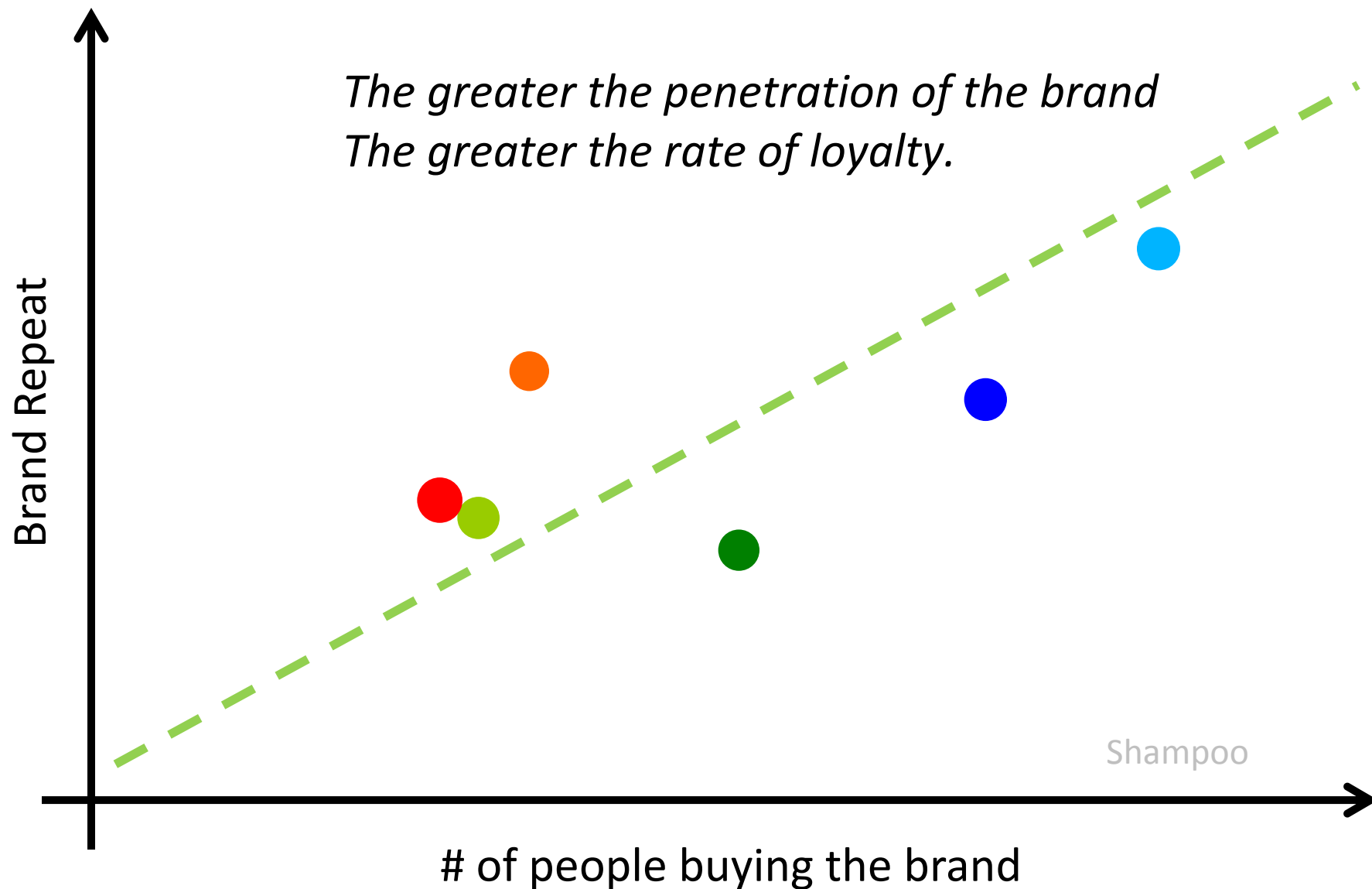


**To Improve Loyalty = Increase
chances of being considered**

**Increased chances of being
considered = Increase penetration**



THE LOYALTY LAW











HOW CAN I INCREASE THE CHANCES OF
BEING CONSIDERED?

TOP 6 SUGGESTIONS

HOW CAN I INCREASE THE CHANCES OF BEING CONSIDERED?

TOP 6 SUGGESTIONS







-  **Be available everywhere** (Channels, stores, regions)
-  **Be in the right place** (in store location and shelf position)
- 
- 
- 
- 



Be available everywhere and be in the right place - available in all stores and standing out on shelf.

HOW CAN I INCREASE THE CHANCES OF BEING CONSIDERED?

TOP 6 SUGGESTIONS

-  **Be available everywhere** (Channels, stores, regions)
-  **Be in the right place** (in store location and shelf position)
-  **Assess launches on incrementality, not volume**
- 
- 
- 

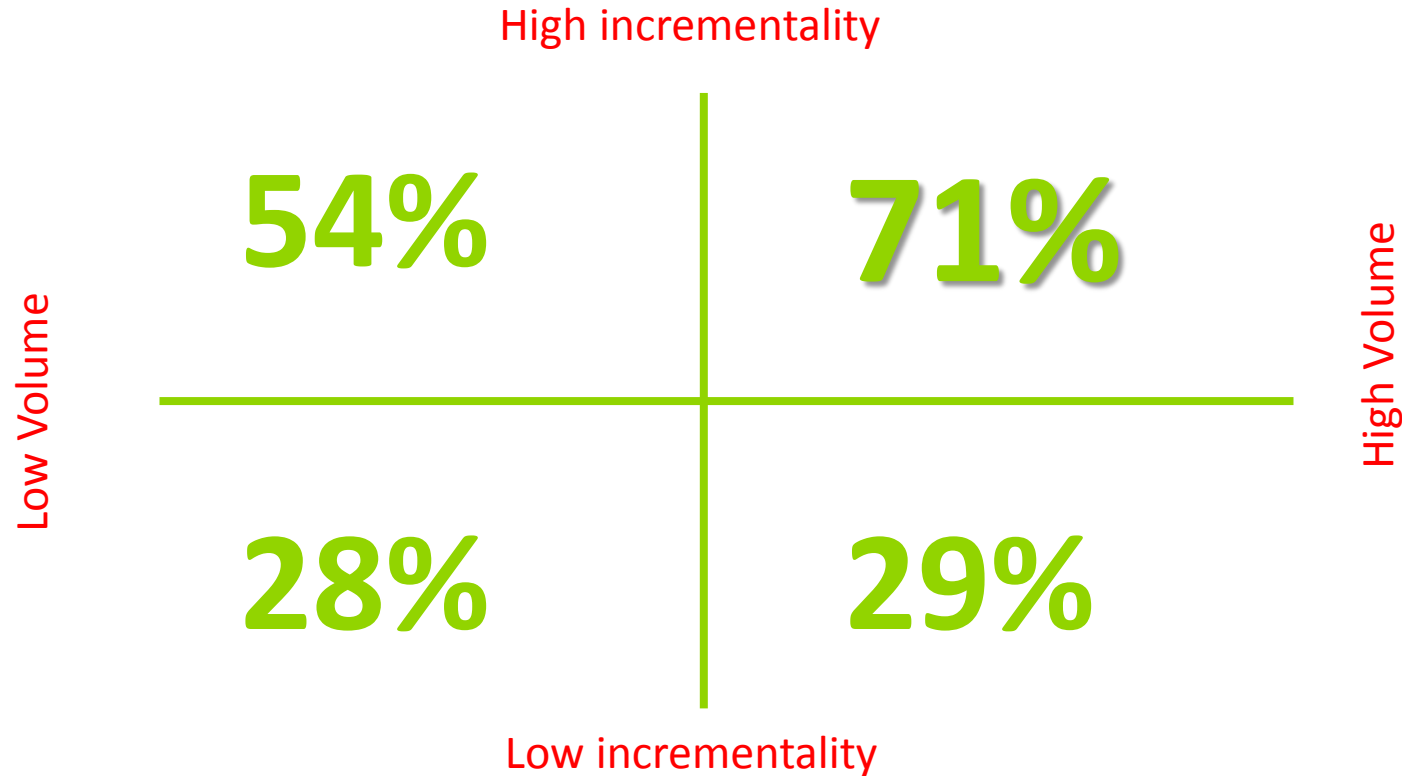
600 launches

45% success rate



UK Launch success project: TNS and Worldpanel

Probability of success doubles if a launch delivers high incrementality









% of launches in each group that were 'successful'
(parent brand grew and launch survived)



HOW CAN I INCREASE THE CHANCES OF BEING CONSIDERED?

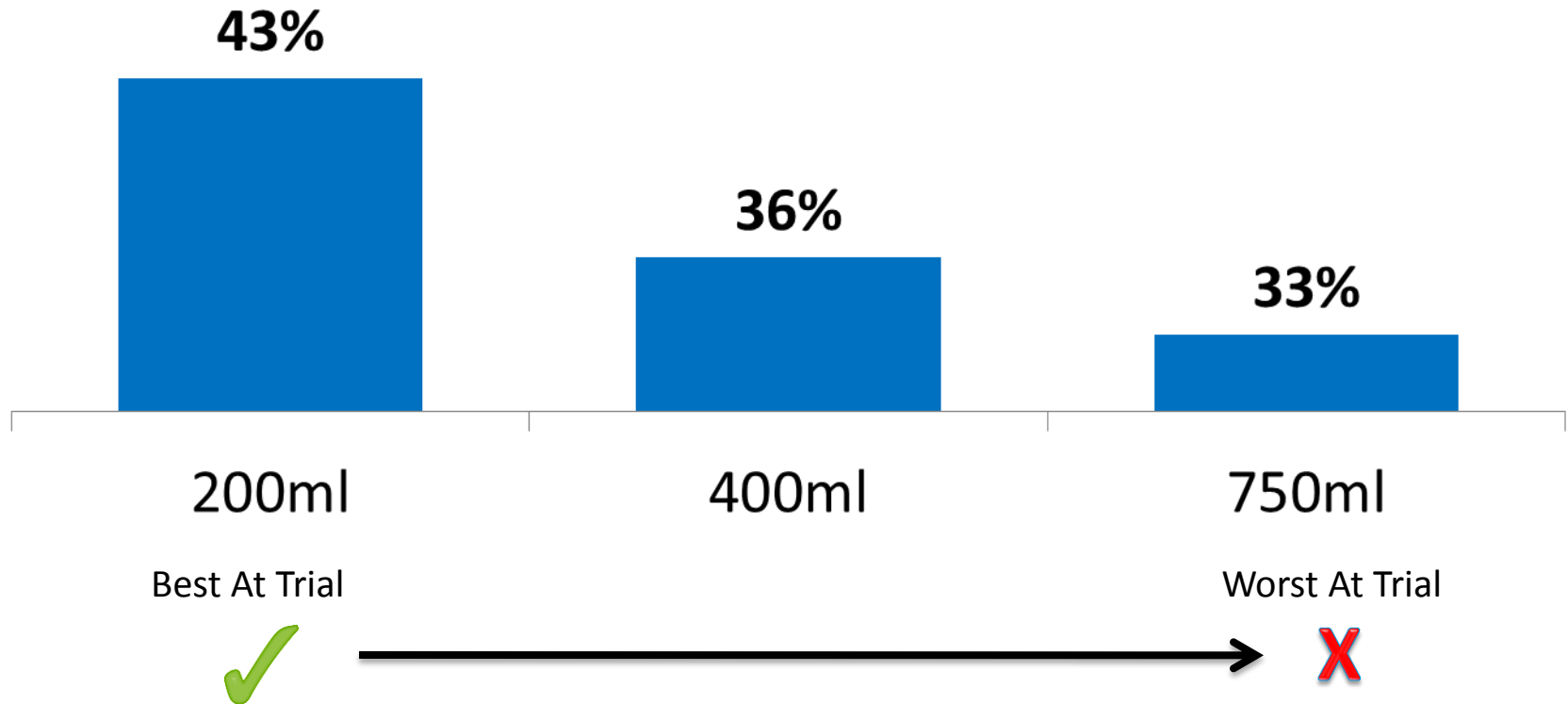
TOP 6 SUGGESTIONS

-  Be available everywhere (Channels, stores, regions)
-  Be in the right place (in store location and shelf position)
-  Assess launches on incrementality, not volume
-  Know the trial entry point for your category and brand
- 
- 

Shampoo trial purchases will happen more at smaller pack sizes – To succeed new launches need to factor this

TOTAL SHAMPOO

% Vol Contribution From Trialists – 52 W/E 2012 P11









HOW CAN I INCREASE THE CHANCES OF BEING CONSIDERED?

TOP 6 SUGGESTIONS

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- Be in the right place (in store location and shelf position)
- Assess launches on incrementality, not volume
- Know the trial entry point for your category and brand
- Communicate with the aim of increasing **awareness** – not to persuade
-

HOW CAN I INCREASE THE CHANCES OF BEING CONSIDERED?

6 SUGGESTIONS

-  Be available everywhere (Channels, stores, regions)
-  Be in the right place (in store location and shelf position)
-  Assess launches on incrementality, not volume
-  Know the trial entry point for your category and brand
-  Communicate with the aim of increasing awareness – not to persuade
-  Avoid reasons to get rejected.

If it ain't broke
don't fix it !



Avoid the
controversial !









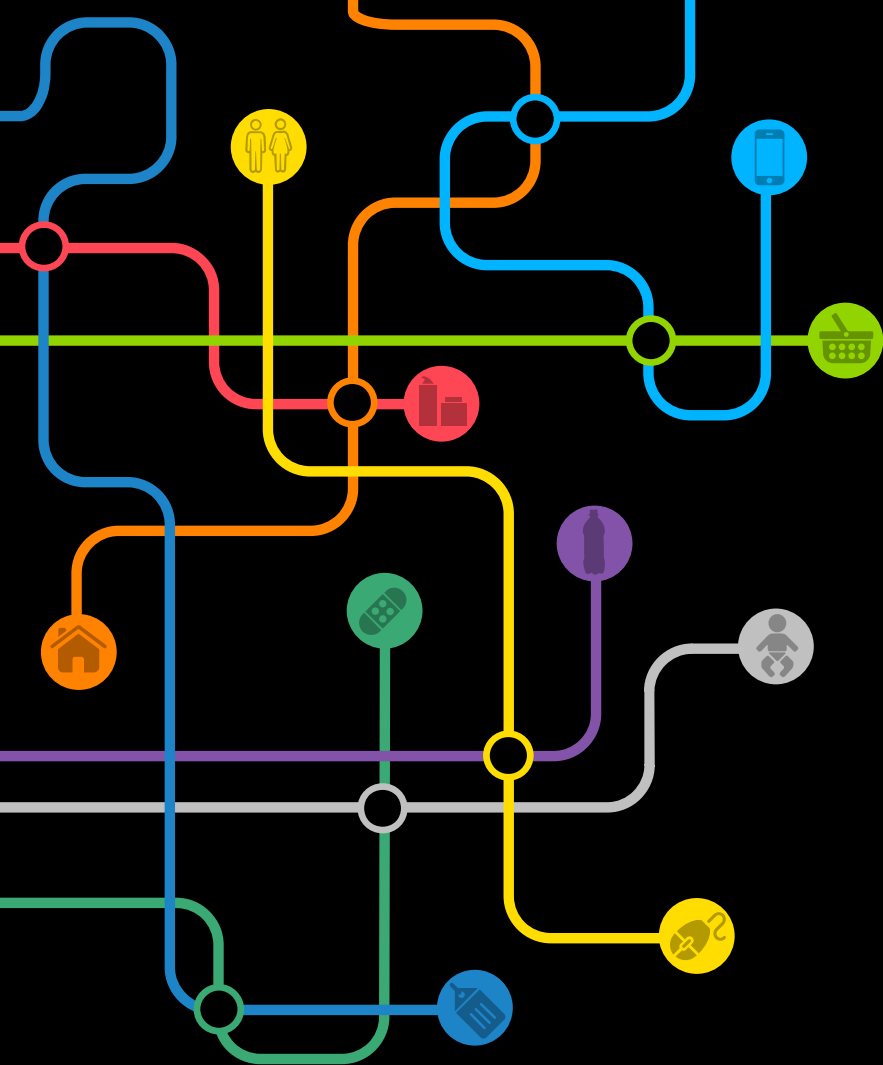
If brand has broad
appeal don't narrow
it !



HOW CAN I INCREASE THE CHANCES OF BEING CONSIDERED?

TOP 6 SUGGESTIONS

-  **Be available everywhere** (Channels, stores, regions)
-  **Be in the right place** (in store location and shelf position)
-  **Assess launches on incrementality, not volume**
-  **Know the trial entry point for your category and brand**
-  **Communicate with the aim of increasing awareness – not to persuade**
-  **Avoid reasons to get rejected.**



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