

SMARTREVENUE



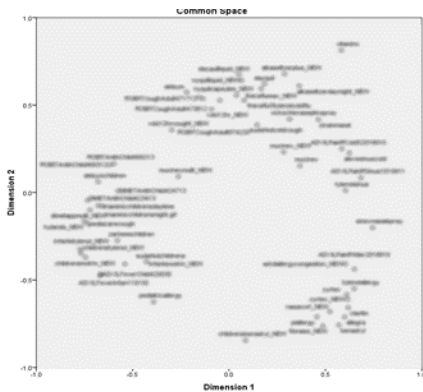
SMARTREVENUE'S PHILOSOPHY ON SHOPPING PRINCIPLES

2017

SMARTREVENUE's Shopper Models

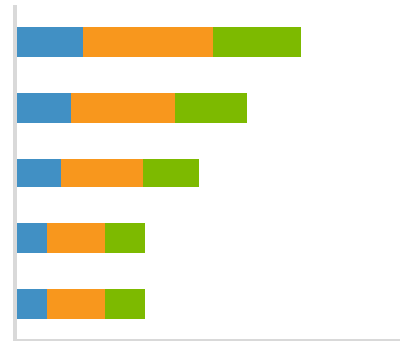
SmartRevenue uses its ethnographic lens to provide frameworks for identifying when and how to apply and integrate different models to provide actionable insights

MARKET STRUCTURE



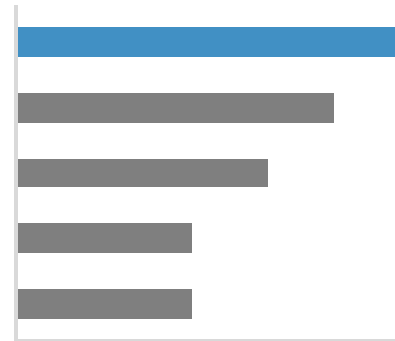
What are the principles for flowgrams and product adjacencies

NAVIGATION HIERARCHY



How do shoppers wayfind and locate their products in aisle and on screen

PURCHASE DECISION HIERARCHY



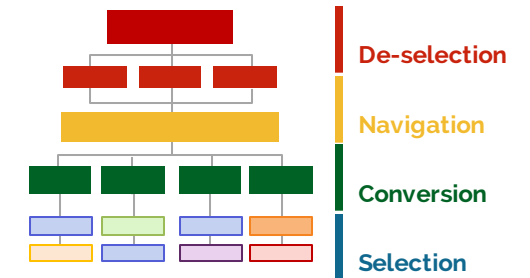
What factors determine why a shopper buys a particular brand and product?

SHOPPER SEGMENTS



How do purchase decision hierarchies segment into discrete tipping points?

DECISION TREE

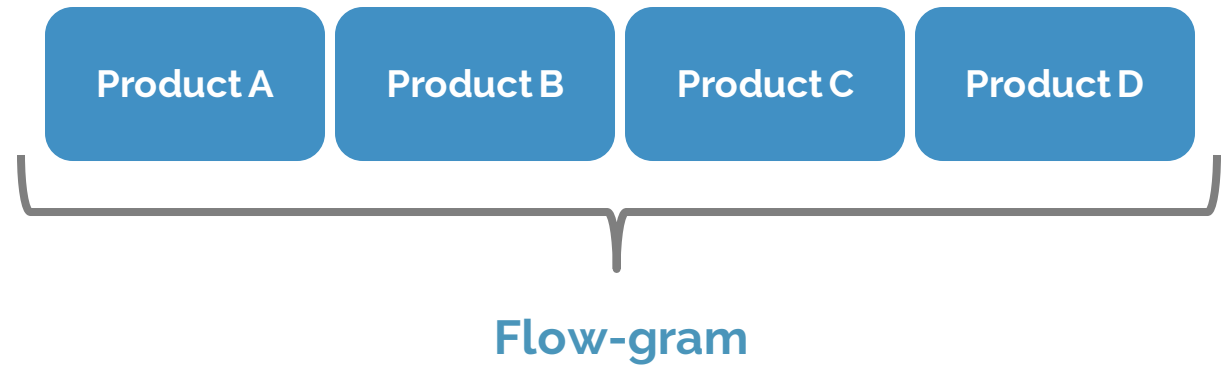
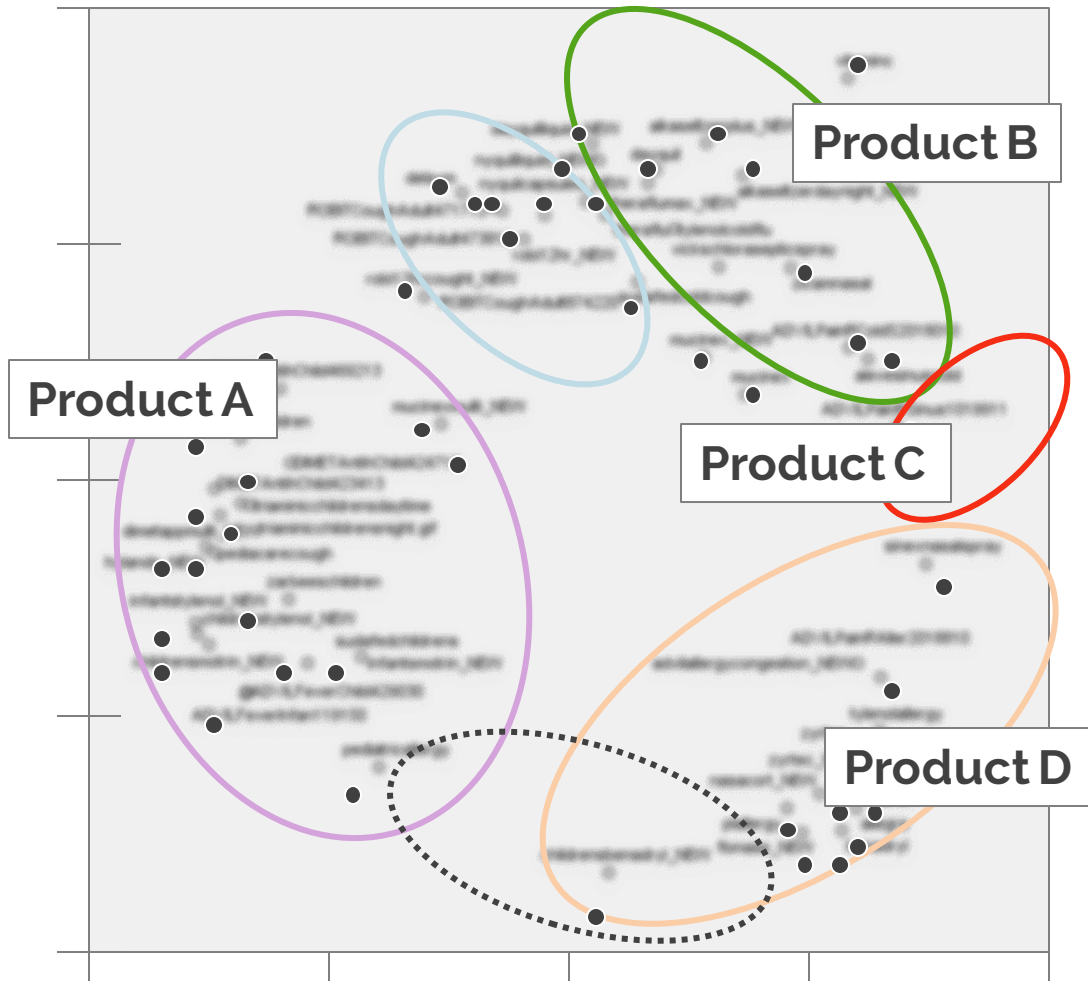


How do shoppers de-select, navigate, convert and select?

Market Structures

Market Structures are cognitive maps for product and brand positioning

How To Use: Product bundling and flow-gram principles for shelves/screens with multiple categories and product segments

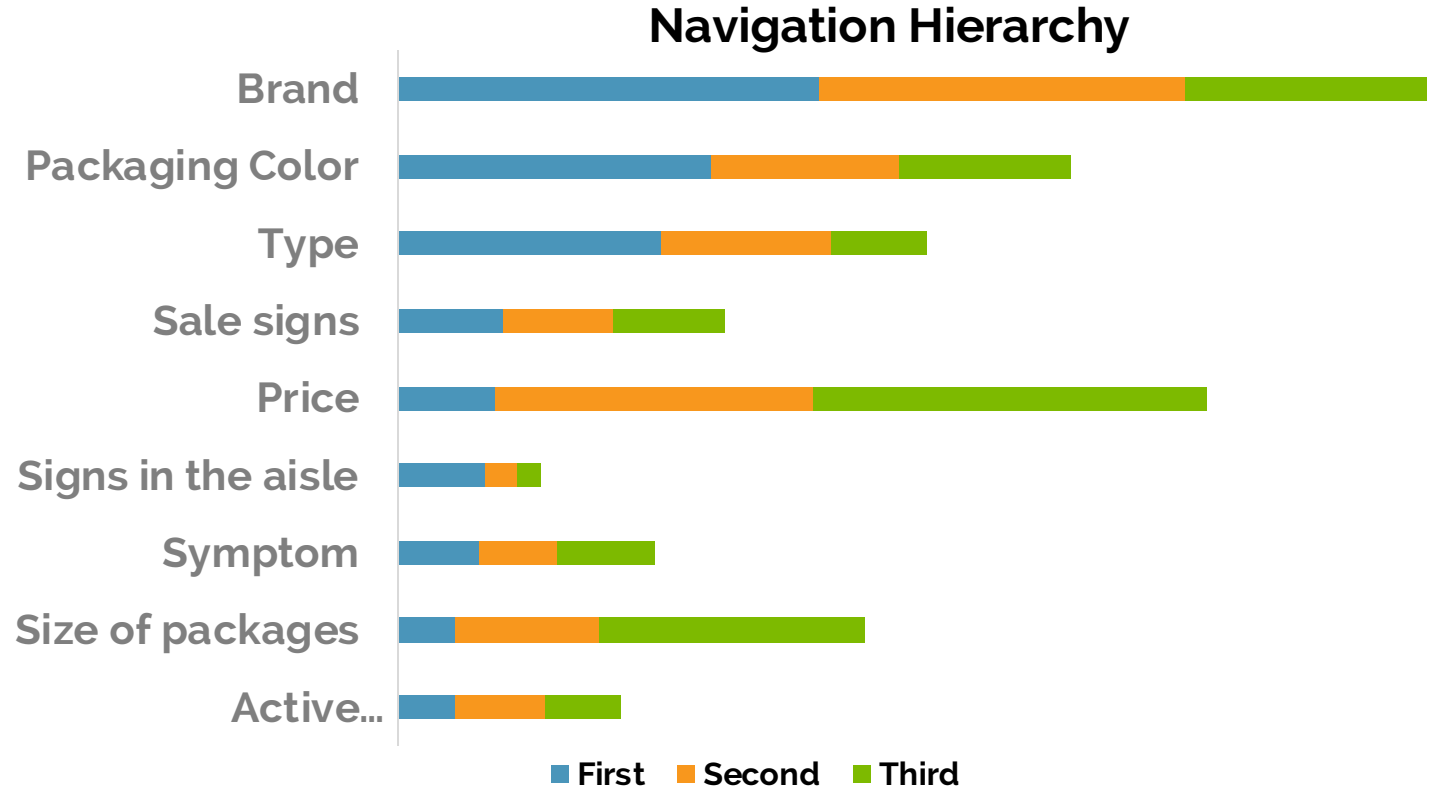


Implication

- Product B, C, and D are unique product segments
- Product C can serve as a bridge between Product B and D

Navigation Hierarchy

A navigation hierarchy describes how shoppers make their way to a desired product
How To Use: Provides principles for shelf layouts within a category



Implication

Shoppers in this category enter the aisle navigating first by brand/packaging color, and then type. Category should start with brand blocks and then type within brands

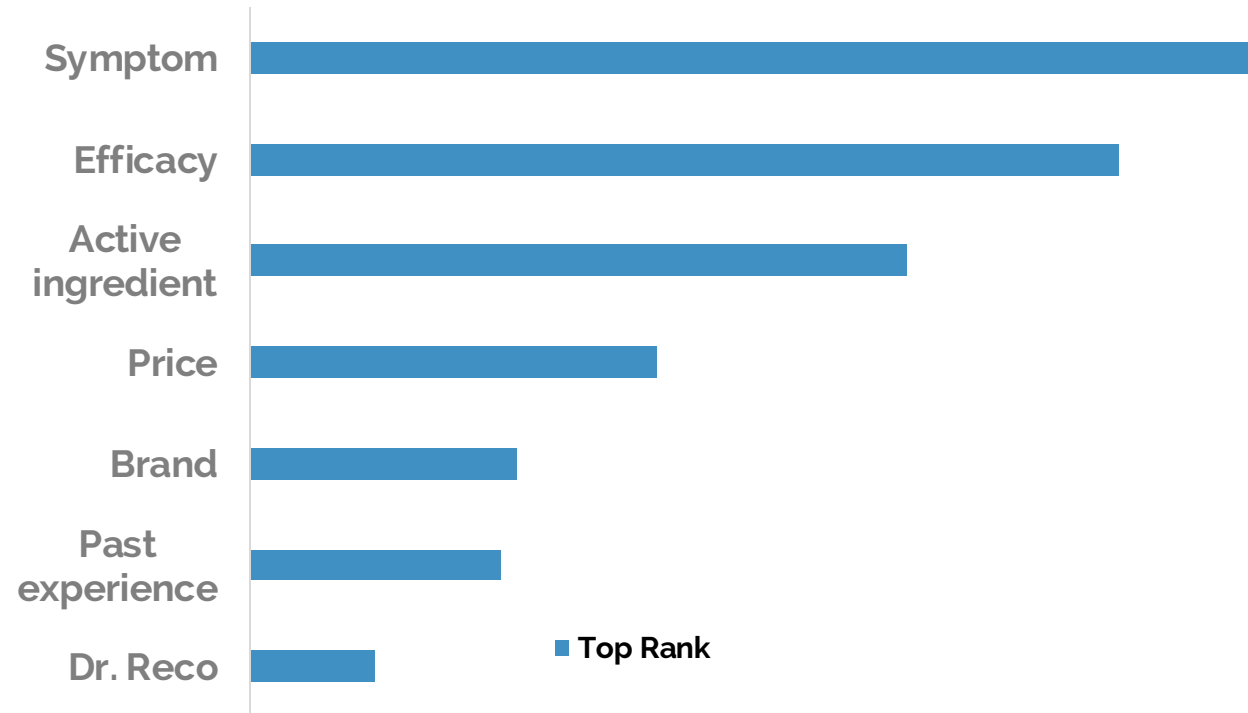
Purchase Decision Hierarchy

A purchase decision hierarchy establishes why a shopper BOUGHT a product

Implication: provides implications on packaging and brand communication, pricing and product innovation



Purchase Decision Hierarchy

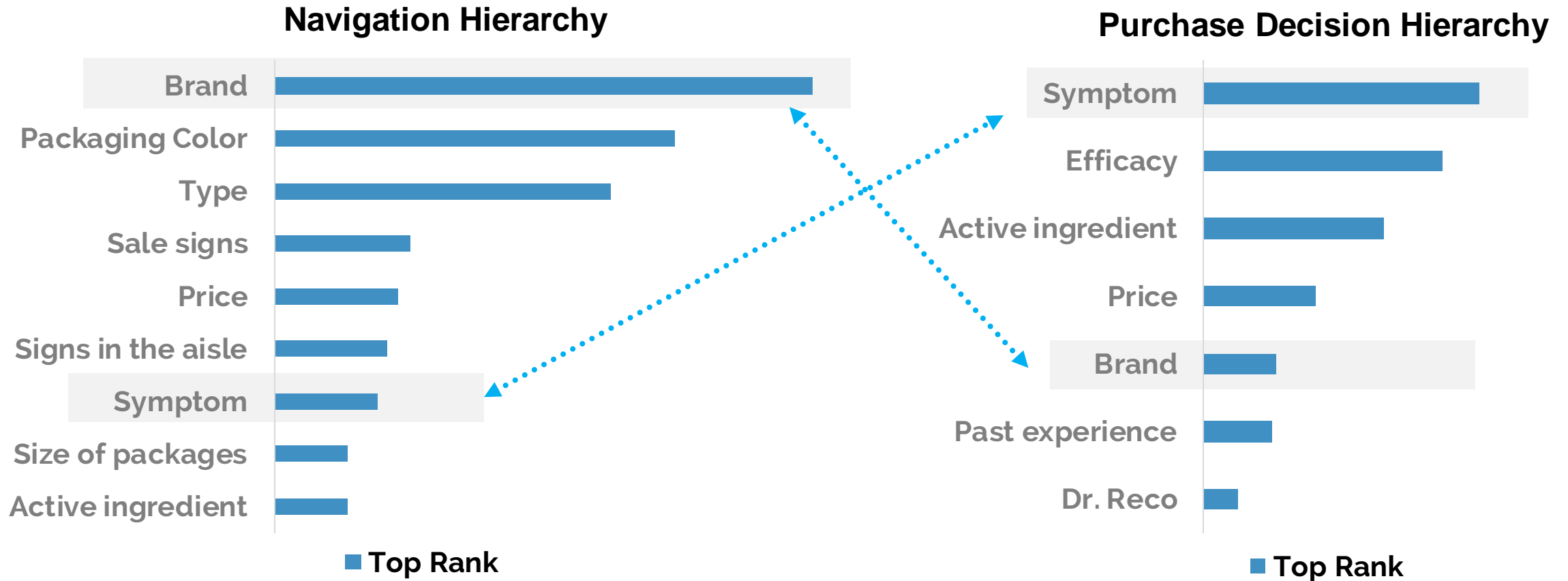


Implication

Symptom should be called out clearly and on front-of-package

How to Reconcile “Contradictory” Results

In some categories shoppers navigate and select by different criteria.
For example, in this OTC category, shoppers navigate by brand but select by symptom



Implication

Category should be organized by brand. Organizing by symptom causes shopper confusion.

SMARTREVENUE's Shopper Segment Model

identifies tipping points in the purchase decision hierarchy

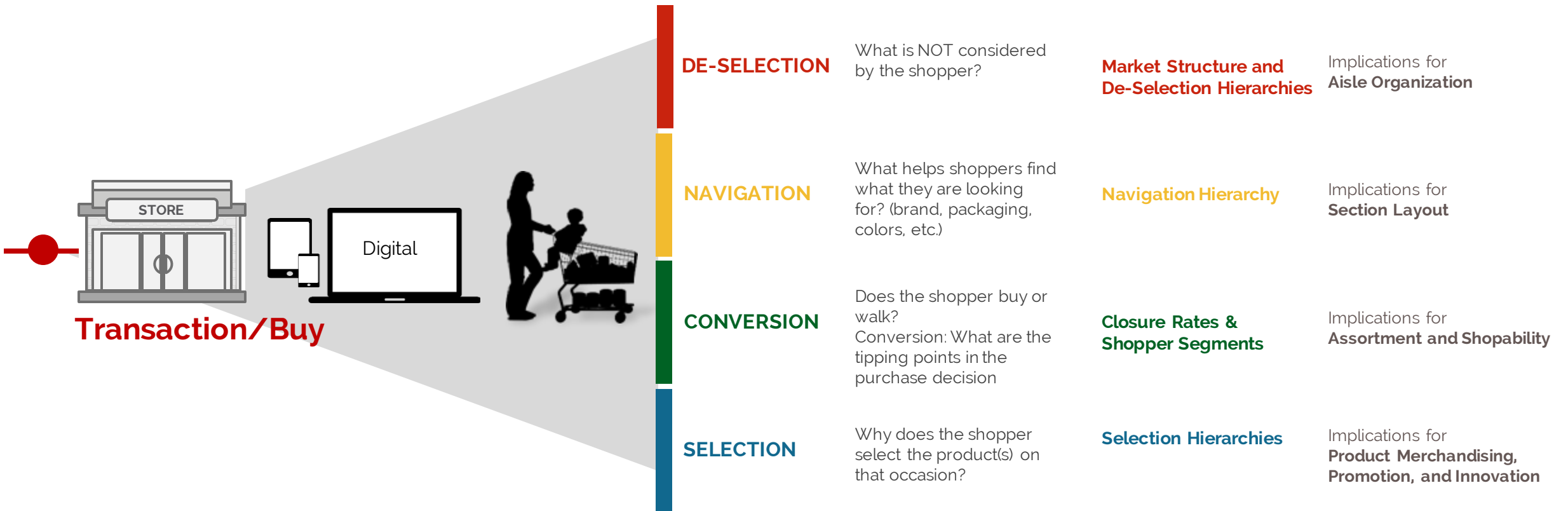


Shopper Segments Identify Pre-store And In-store Touchpoints And Corresponding Messaging

		Brand Driven	Symptom Driven	Price Driven	Reco Driven
Pre-Store Influencers	Dr. Recommendation	103	65	53	165
	Coupons from the newspaper	101	86	146	35
	Store/Club Circulars/Flyers	132	110	158	41
In-Store Influencers & Merchandising	Use In-Store Circular	68	115	141	34
	Influence of In-aisle display	64	136	99	44
	Influence of End aisle display	145	145	108	86
In-Store Price & Packaging Influencers	Price	51	110	136	87
	In-Store Promotion	62	112	152	92
	Size of Package	100	102	130	96
	Package Claims	48	152	128	146
	Pharmacist Reco	46	85	61	156



SMARTREVENUE's Proprietary Decision Tree Integrates These Tool



SMARTREVENUE's Proprietary Shopper Decision Tree Model

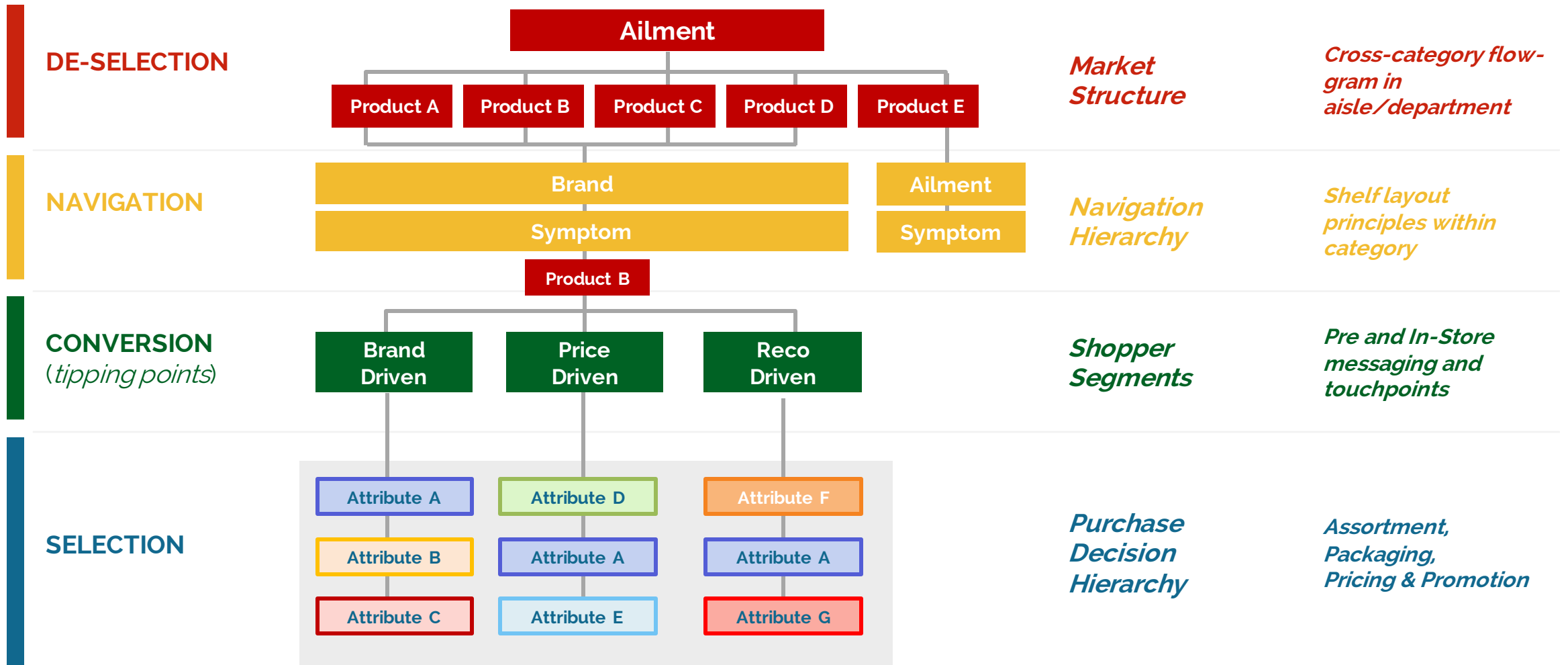
Integrates these tools and provides principles for flow-grams, shelf layout, assortment, and product communication for pre/in-store marketing strategies

Branches

Decision Tree

Tools

Implications



Selection and De-Selection Hierarchies

measure conscious and unconscious decision making processes

Selection Hierarchies

reflect top-of-mind attributes that shoppers explicitly consider when making a purchase.

They are typically measured by:

Stated Importance methods

Rating and ranking questions and direct open end questions

- 'Why did you buy X?
- On a scale of 1 to 7 how important were the following...
- Which was the most important factor, second most important, etc.



Why shopper buys the product?

De-Selection Hierarchies

often reflect unconscious or implicit drivers that only become apparent if an element, attribute or product is removed

They are typically measured by:

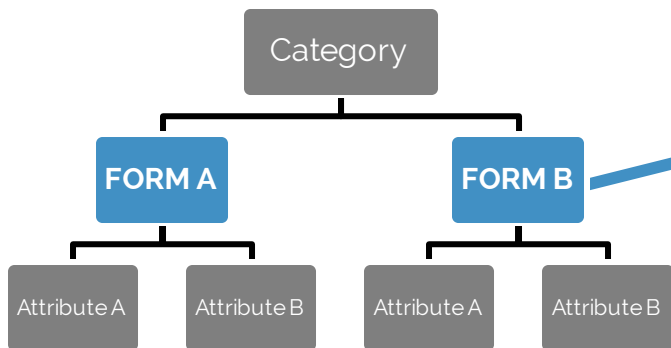
Derived Importance methods

- Substitution-based analysis
- Hierarchical cluster analysis
- Derived importance analysis

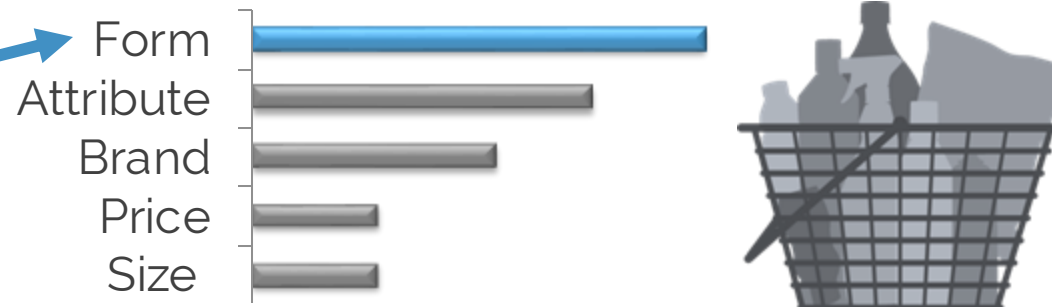
SMARTREVENUE's Guardrails For Shelving Principles

If a market structure or Product Decision Hierarchy (PDH) aligns with the shopper navigation hierarchy you can organize the shelf by the top partition

Market Structure or PDH

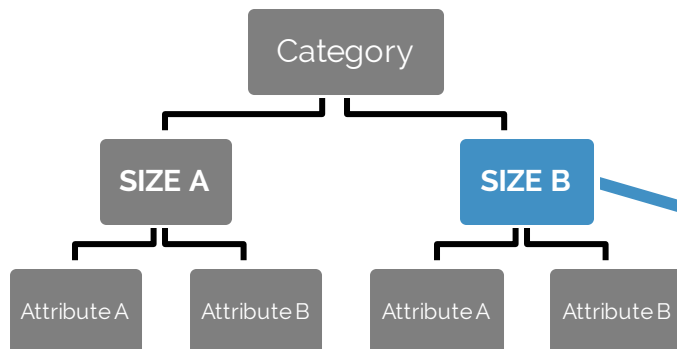


Navigation Hierarchy

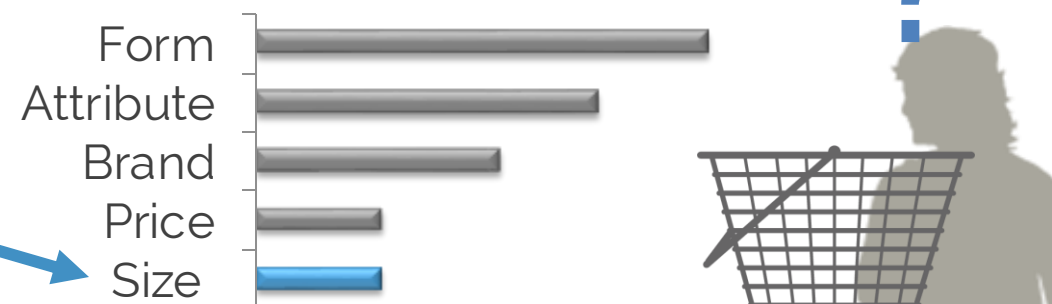


When there is a misalignment, however, organizing the shelf by the market structure alone entails shopability risk

Market Structure or PDH

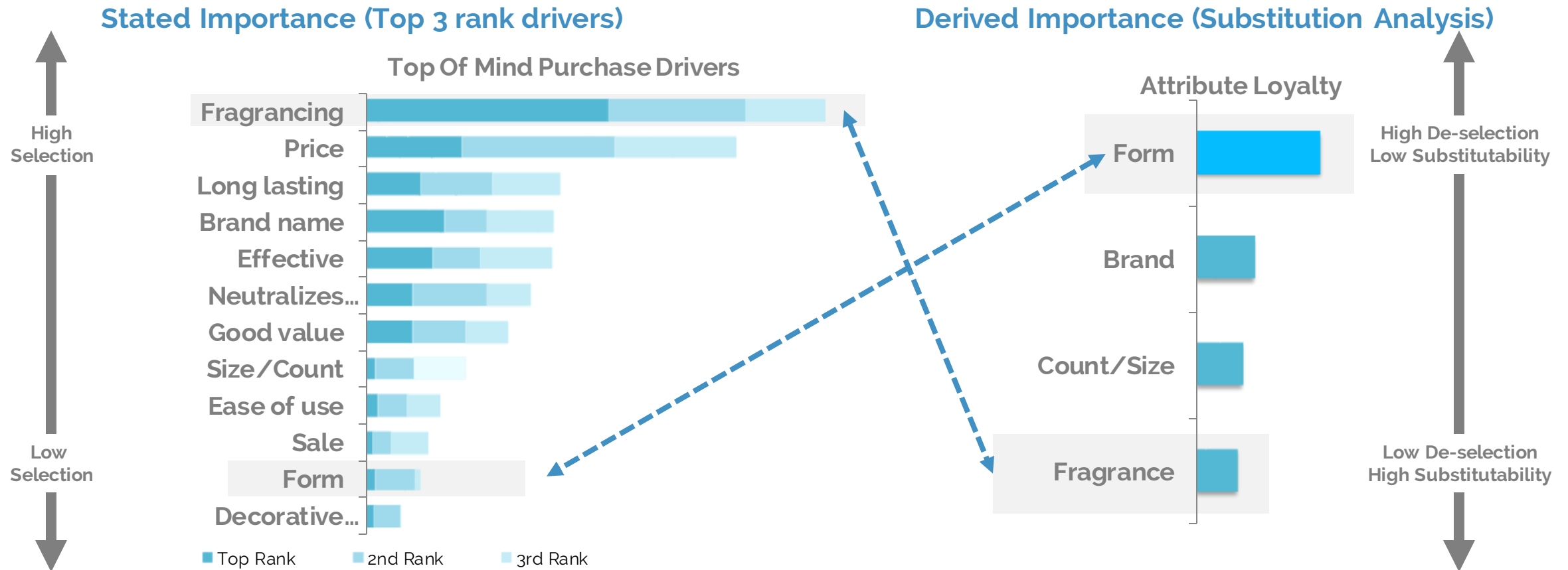


Navigation Hierarchy



How Selection and De-Selection Principles Look in Practice

In this category, form is de-selected but back of mind whereas fragrance is top of mind but highly substitutable.

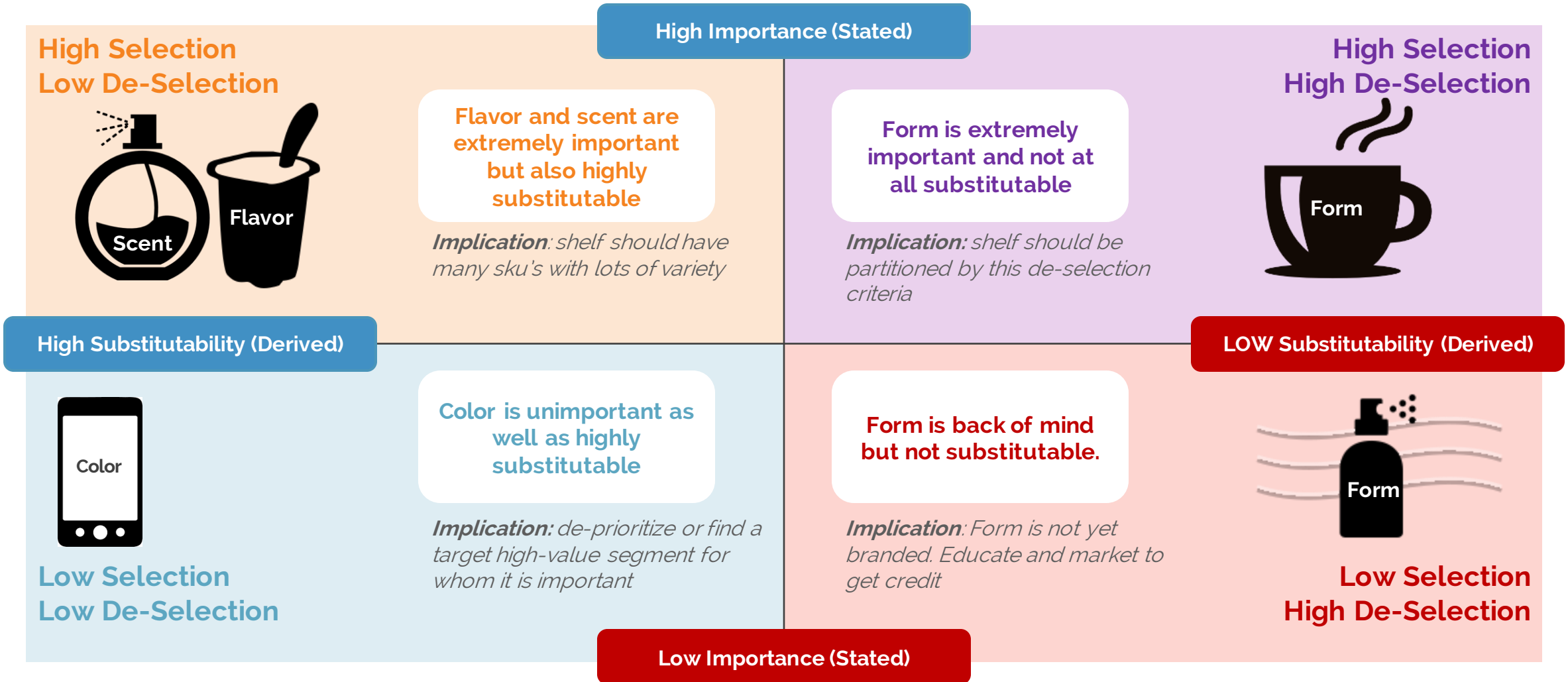


Implication

- Shoppers will walk if desired form is unavailable. However, shelves with a range of fragrance options will win return trips – drive loyalty
- If aisle has limited fragrances shoppers will still buy, they may not return for future purchases - lost loyalty

SMARTREVENUE's Purchase Decision Hierarchy Frameworks

identify how and when to use selection and de-selection hierarchies to uncover actionable insights



The Video Illustrates The Principles Of De-selection, Navigation, Selection And Conversion In The Coffee Category Decision Tree

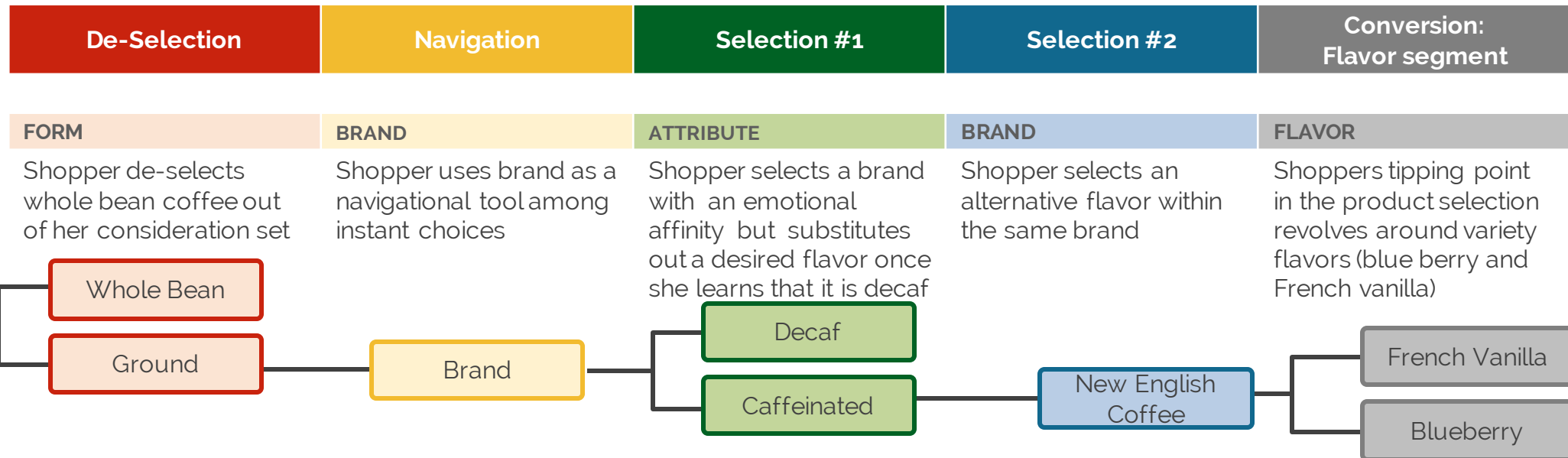


START



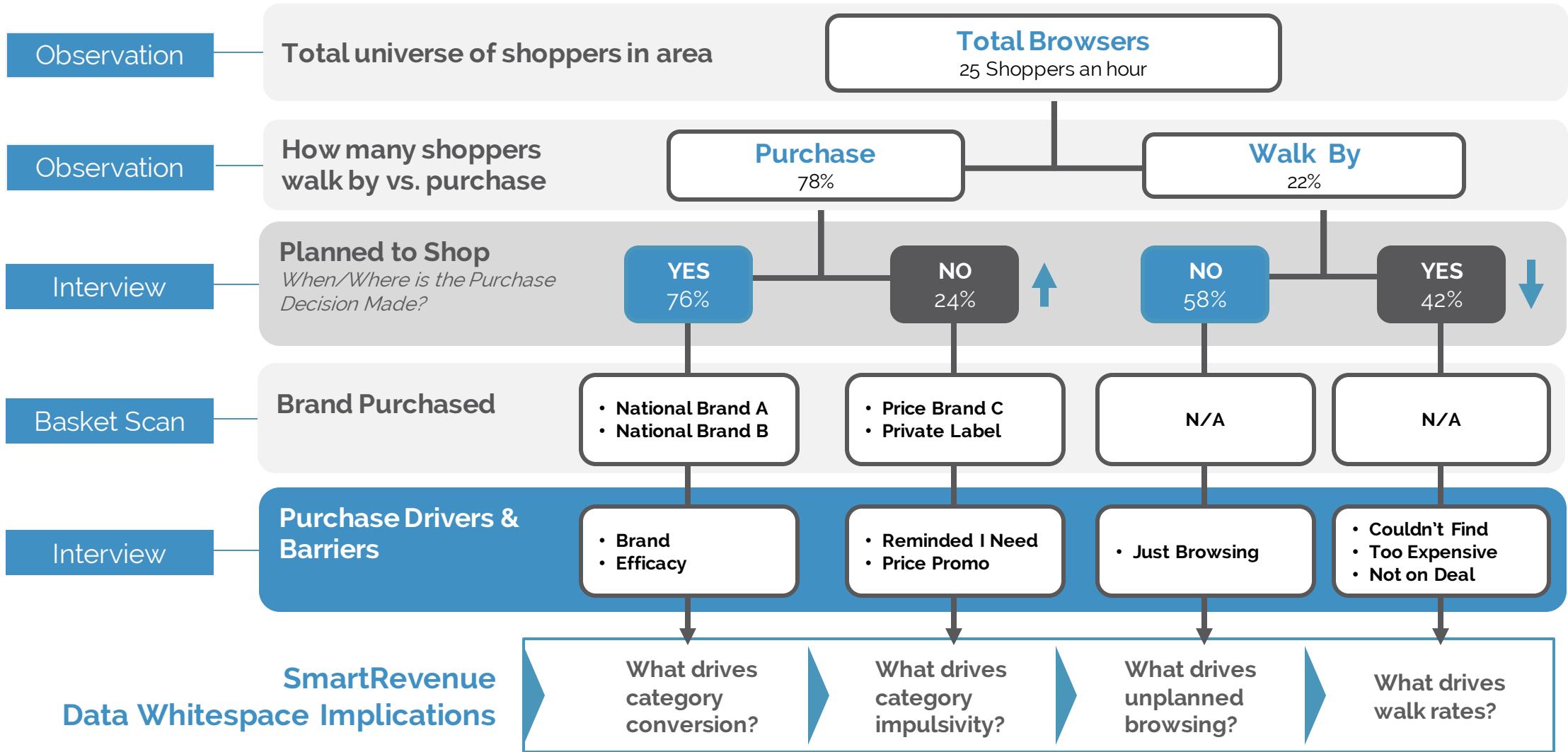
Video Link:

http://www.smartrevportal.com/video/Shopping_for_Coffee.wmv



SMARTREVENUE's Proprietary Data Whitespace Model

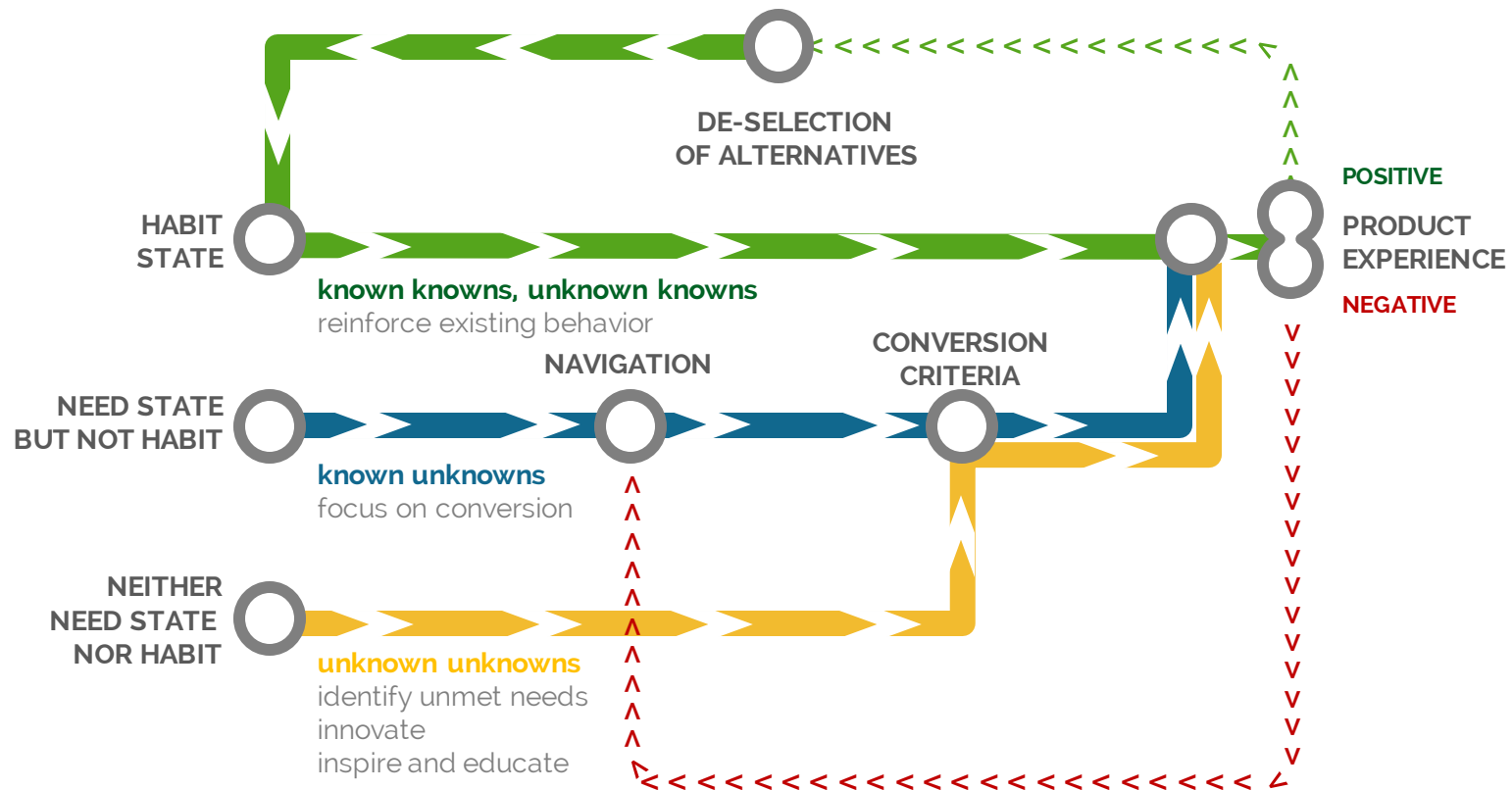
Identifies drivers of category conversion, impulsivity, unplanned browsing and walk-rates



SMARTREVENUE's Proprietary Shopper Circuitry™ Model

Identifies habit-states and habit-transformations along the path to purchase

SHOPPER CIRCUITRY MAP



SMARTREVENUE CONTACTS

SMART REVENUE



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