

I love you, but...

By  [Danette Breitenbach](#)

8 Nov 2018

Despite retailers widening their repertoire, baskets are shrinking as tough times for shoppers dictate more planning and less impulse shopping. This is impacting on how shoppers take advantage of promotions which can have dire consequences for brands.



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With 88% of shoppers finding that money is tighter than a year ago, the trend is saving money and reducing debt. "This translates into a shopper who is very aware of what things cost and what they are spending. The biggest shift is that consumers are planning and planning more and more and adding in extra items to their baskets less and less," says Jacqui Le Sar Fourie, MD, Inperspective.



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Chain switching

Consumers are consulting broadsheets more than ever. "Broadsheets usage has increased from 30% to 40% and this is on a par with the huge shift of shoppers being increasingly price-aware. Of shoppers, 80% know the price of the products they are shopping for before they get to the store," she says.

But by far the shopper behaviour emerging out of the tough times that is the most challenging for retailers is chain switching. "Chain switching is when consumers shop for the best deal on brands in their repertoire. The risk for retailers is that they are primarily just shifting volumes around in reaction to shoppers shopping around to get the best deal," Fourie says.

Not only does this put margins under pressure, but gains by a promotion are also negated by the volume lost by a brand across the other retailers. "Only a limited number of shoppers are stocking up on a promotion or buying on impulse when viewing the promo. Shoppers are only stocking up on promotions when they need it, so growth is limited," she says.

Price and proposition

“It is less a case of what I feel like and more a case of what I need, so promos have become quite clinical with emotion becoming less of a driver. Price and proposition (value) are more likely to influence choice,” she explains.

This means it does not matter that they love a brand, but it does place brands at risk of losing their relationship with consumers and their relevance as consumers are shifting and choosing the cheapest brand.”

A promo can give a brand a short-term spike, but it will not drive long-term growth and it erodes equity. “The greatest growth potential lies on our ability to put value and equity back into brands through shopper-centric strategies.”

Fourie was presenting at the recent Shopper Insights SA 2019, presented by Marketing Mix at the Bryanston Country Club in Bryanston, Gauteng.

ABOUT DANETTE BREITENBACH

Danette Breitenbach is a marketing & media editor at Bizcommunity.com. Previously she freelanced in the marketing and media sector, including for Bizcommunity. She was editor and publisher of AdVantage, the publication that served the marketing, media and advertising industry in southern Africa. She has worked extensively in print media, mainly B2B. She has a Masters in Financial Journalism from Wits.

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