



Planning Ahead

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Hannaford Supermarkets, Lowes Foods and Giant Eagle are enhancing online tools to appeal to the 73% of shoppers who make lists

Next month, Hannaford Supermarkets will update its MyHannaford Shopping List tool to appeal to a broader range of shoppers.

Accessible at www.hannaford.com, the tool that's geared toward the health-conscious and those with special dietary needs will also help users in search of bargains. The Scarborough, Maine-based retailer hopes savings features will interest a larger number of shoppers than the 20,000 who've already tried the two-year-old version of MyHannaford. Today, shoppers can search store-specific inventories of product, filtering out items achieving zero Guiding Star and/or those that contain restricted ingredients like high fructose corn syrup or gluten.

"We'll look to more tools for people interested in finding value on the products they're buying," Hannaford spokesman Mike Norton told *SN*. "That's who we've yet to delight with this."

At a time when nearly three in four consumers (73%) are using lists to plan their shopping excursion — up from 50% in the beginning of last year, according to SymphonyIRI — the retailer is hitting the bull's-eye. Along with clipping coupons and shopping around for the best price, sticking to a list has been a popular means for keeping grocery budgets in check.

"Shoppers have needed to be much more careful how they spend their money and one of the tools they've used to budget more effectively, and to be more on top of what they're spending, is a list," noted Tim Ressmeyer, vice president of shopper marketing for Chicago-based SymphonyIRI.

Planning behaviors will persist through at least the next 12 months — a period through which consumers expect to pay more for gas, utilities, food and other necessities, according to Ressmeyer.

While polling members of SymphonyIRI's Consumer Network Panel, he learned that today's plan-oriented shoppers have moved beyond mapping how they'll navigate the store, to include notes about which retailers will fulfill which of their grocery needs least expensively.

"They're very much being selective in not only what they'd like to buy, but also where they are going to buy it," Ressmeyer said.

The lists have likely become longer now that more than half of shoppers (55%) visit 10 or more retailers for their consumable needs — starkly contrasting close-to-home, one-stop-shopping missions embarked on by shoppers when gas prices were at their peak 18 months ago. Where in the past consumers were compelled to pick up frozen dinners, chips and other groceries while shopping for HBC products at the drug store, today's shopper is willing to travel around town for the lowest price.

"Shoppers are shopping at more and more different retailers through the course of a week, or a month, to get their total CPG shopping done," said Ressmeyer.

A number of factors are influencing these missions. The most common, cited by 64% of Kantar Retail's Retail Forward ShopperScape panel, is convenience to home, work or other stores, followed by lower everyday prices than competitors (48%), better sales or promotions (23%) and better able to one-stop shop for many categories/services (23%).

With so many channels vying for consumer loyalty, value-add tools that help maximize the shoppers' experience — along with basket size during less frequent trips — are setting traditional food retailers apart. Since supermarkets are where about three out of five (59%) primary grocery shoppers prefer to do their food shopping, according to Kantar Retail, they're at an advantage when it comes to preempting purchases at supercenters (25%) and warehouse clubs (6%).

"You need to really ratchet up per-capita sales to preclude people from needing to go to club, mass or wherever they might load their pantry," Jim Wisner, president of the Wisner Marketing Group, Libertyville, Ill., told *SN*.

Last month, Lowes Foods, Winston-Salem, N.C., took a step in the right direction when it introduced a meal-planning widget that consumers can access on www.lowesfoods.com or install on their Facebook, Twitter, iGoogle or other home page. Users browse recipes in categories like Quick & Easy Meal Solutions, Main Dish, Appetizers and Brunch, and with a mouse click populate a shopping list with ingredients. The list can be emailed or printed.

Powered by Qponix, the tool's next phase of implementation could include information related to items on sale or those for which coupons are available. The features are currently being used with the Meijer Mealbox, also powered by Qponix, said President and Chief Executive Officer Corbin de Rubertis.

About 20,000 shoppers have downloaded Meijer Mealbox to their home page. Viral marketing has made the tool so popular that 5%-10% of users aren't even Meijer shoppers — usually because they don't live in its operating areas.

An especially popular feature, called Value Meals, compares thousands of recipes against items on sale at the user's local Meijer, and presents the 25 recipes with the most ingredients on sale. Making last week's list was a taco salad recipe with discounts on seven ingredients.

"People really like it," de Rubertis told *SN*. "It includes both weekly ads of items on sale and any coupons that are applicable."

Recipe tools that allow shoppers to build a list often lead to incremental purchases of items positioned alongside ingredients in Center Store, noted Wisner.

A Wisner Marketing test of an in-store recipe kiosk powered by Aisle7 revealed that shoppers who used the finder that sorts recipes by gluten-free, ideal for diabetics and other categories spent \$30 more than shoppers who didn't use the tool.

"Providing an opportunity for recipes to be customized to the shopper generates a significant amount of additional sales," noted Wisner.

The same is true at Meijer where the deal on meal ingredients such as the Cream of Mushroom Soup in "Yummy Chicken Lasagna" requires multiple purchases at four cans for \$5. Other ways to drive basket rings are by building displays that tie items that have made it to a shopper's list with complementary products or by linking items through cross-couponing, according to Wisner. "The trick for retailers is, 'How do I get more items on the list,'" he said.

Pittsburgh-based Giant Eagle may have contemplated that very question. After the December repositioning of its "My Shopping List" function that allows shoppers to populate lists with recipe ingredients and past purchases, usage of the tool has increased by 14%.

"By improving the presentation and placement of the shopping tool, it's become much more intuitive and makes the experience more relevant to the customer," Linda Wakim, senior director of customer relationship management, online and interactive for Giant Eagle, told *SN*.

YOU Technology in the News

On the chain's "roadmap" for the next 12 to 18 months are plans to incorporate Giant Eagle's eOffer digital coupon offers with the "My Shopping List" tool. About 12,000 Gianteagle.com registered users have automatically linked eOffers, powered by YouTechnology, to their Giant Eagle Advantage card since September.

By allowing shoppers to not only create lists, but easily search and link offers, Giant Eagle hopes to strengthen its relationship with shoppers.

"By helping the customer plan and optimize their savings and the ability to shop for their families, we are seen as a resource to them," said Wakim.

SEARCH FOR SAVINGS

Savings tools are influencing more shoppers this year than in 2009

	2009	2010
Coupons from home	55%	65%
Newspaper circulars from home	47%	55%
Item price	83%	86%
In-store fliers	48%	55%

Source: Food Marketing Institute Economic survey, IRI AttitudeLink



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