INSIGHT REPORT

ON THE MONEY?

- Discounters



Preface

The fortunes of discount retailers are riding high as the migration of both shoppers and market share continues. But as these once disruptive retailers become the new mainstream, Shoppercentric managing director, Danielle Pinnington, believes this unique environment must be fully understand to ensure shoppers and brands aren't left feeling short-changed in-store.

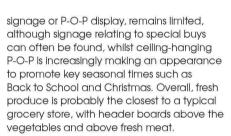


Guiding the shopper

Netto's UK return – a joint venture with Sainsbury's – promised more "friendly and bright" store environments when it opened its first store at the end of last year. But do discount retailers guide the shopper once instore? The honest answer in most stores is no, not really. In the main, shoppers are left to find their own way around the store. The use of signage in-store, whether overhead, aisle







But perhaps it's too easy to appear critical. It is important to take a step back and understand that this lack of signage reflects the voyage of discovery a typical discount shopper is expecting. They expect a series of surprises when they visit a store – products that they aren't looking for which appear in seemingly random places, and one-off lines that they wouldn't have expected to see in-store, and typically only available for a week.

Inspiring the shopper

Whilst Aldi doesn't use the typical approach of P-O-P displays and freestanding display units to inspire shoppers, it does it by surprising and delighting shoppers. That is the fun of the discounters – they aren't neat and tidy, but because of that they are more interesting places to shop. Despite the apparent chaos, 31% of UK shoppers





describe shopping in discounters as being more fun than in regular supermarkets. Often, the juxtaposition of products bears no resemblance to typical grocery planograms, but that means there is a sense of discovery about a trip to the store. Shoppers may not be inspired in the traditional sense, but they are encouraged to have a good look, to take nothing for granted, and to see just what they can find – knowing they will get a bargain.

Making a difference

Discount retailers work to a very different agenda and they successfully persuaded UK shoppers that their approach has a role in the grocery sector. For retail marketers working with Aldi and the like, in-store success means potentially stepping out of the comfort zone and re-thinking the best ways to support their brands. For example, the use of SRP may be more pivotal in getting a brand noticed when there is no clear category demarcation. These are not environments for rigid brand guidelines, or the faint hearted, but they are an important part of the UK retail landscape so don't assume there aren't plenty of opportunities in-store for those who take the time to get it right.

