

# Shopper Marketing: Reload for shopper innovation!

Dmitry Barashkov

The logo for Procter & Gamble, featuring the letters 'P&G' in a bold, blue, serif font.

175 years of  
innovation



# About myself: Dmitry Barashkov Think BIG!

- 15 years in FMCG Marketing
- Associate **Marketing Director P&G** Eastern Europe
- Previous assignment CEEMEA HQ, Switzerland
- Brand building experience: Gillette, Fairy, Pampers, Tide, Ariel, Comet, Mr. Proper, Ambi Pur, Blend-A-Med, Oral-B,
- Sales experience with top National Accounts
- 2 acquisitions experience
- Prior to P&G worked in leading BTL agencies at executive level
- **PHD of Economics**, graduated from Moscow State University

## About Procter & Gamble:

- Touching life, improving life
- Over 175 years history, 22 years in Russia
- 83,7 bln \$ turnover
- 24 Billion Dollar brands, 1<sup>st</sup> brand to exceed \$10bln
- Innovation in FMCG: Laundry Detergent, Baby Diaper, etc
- Innovation in business management: Inventor of Brand Management



# Why shopper knowledge is important?

**5 Пятёрочка**

Сенсационное предложение!

**БЕСПЛАТНО +1**

МАЛОНЕЗ МЯСНОЕ, Провансаль, 4,7%, 420 г

**БЕСПЛАТНО 1+1**

ДЕТСКОЕ ПЕЧЕНЬЕ, Радис Вкусный, с витаминизированным маршмэллоу, 100 г

ДЕСЕРТ ТВОРОЖНЫЙ ЧУДО, в шоколаде, 4,2%, 100 г

**БЕСПЛАТНО 1+1**

**Чудо**

**БЕСПЛАТНО 1+1**

**Чудо**

**17,52**

**12,27**

**БЕСПЛАТНО**

распродажа

**-50%**

одежда, обувь, товары для дома

**СТОКМАНН**

**ЭТО НЕ ИГРА! ЭТО - ШОК ЦЕНА!**

МОЛОКО ПРОСТОКВАШИНКО, пастеризованное, 2,3%, 900 г

**33,90**

**-30%**

КОТ НАТУР ОХЛОД

МЯСО ИЗ П

**179,00**

**-30%**

ИЖРА, лососевый рыб, 140 г

**356**

**179,00**

**-30%**

ПРЕЗЕРВНОЕ УПОТРЕБЛЕНИЕ ПИВА ВРЕДИТ ВАШЕЙ ЗАДОРЬЮ

**17,90**

**27,90**

Пиво «Балтика №3» 4,8% алк. 0,5 л, Россия

**179,00**

**289,00**

Креветки королевские 1 кг, Тайланд

**89,90**

**129,00**

Персики, нектарины 1 кг, Испания

**159,00**

**259,00**

Сыр «Голландский» 1 кг, Украина

**25%**

**98,00**

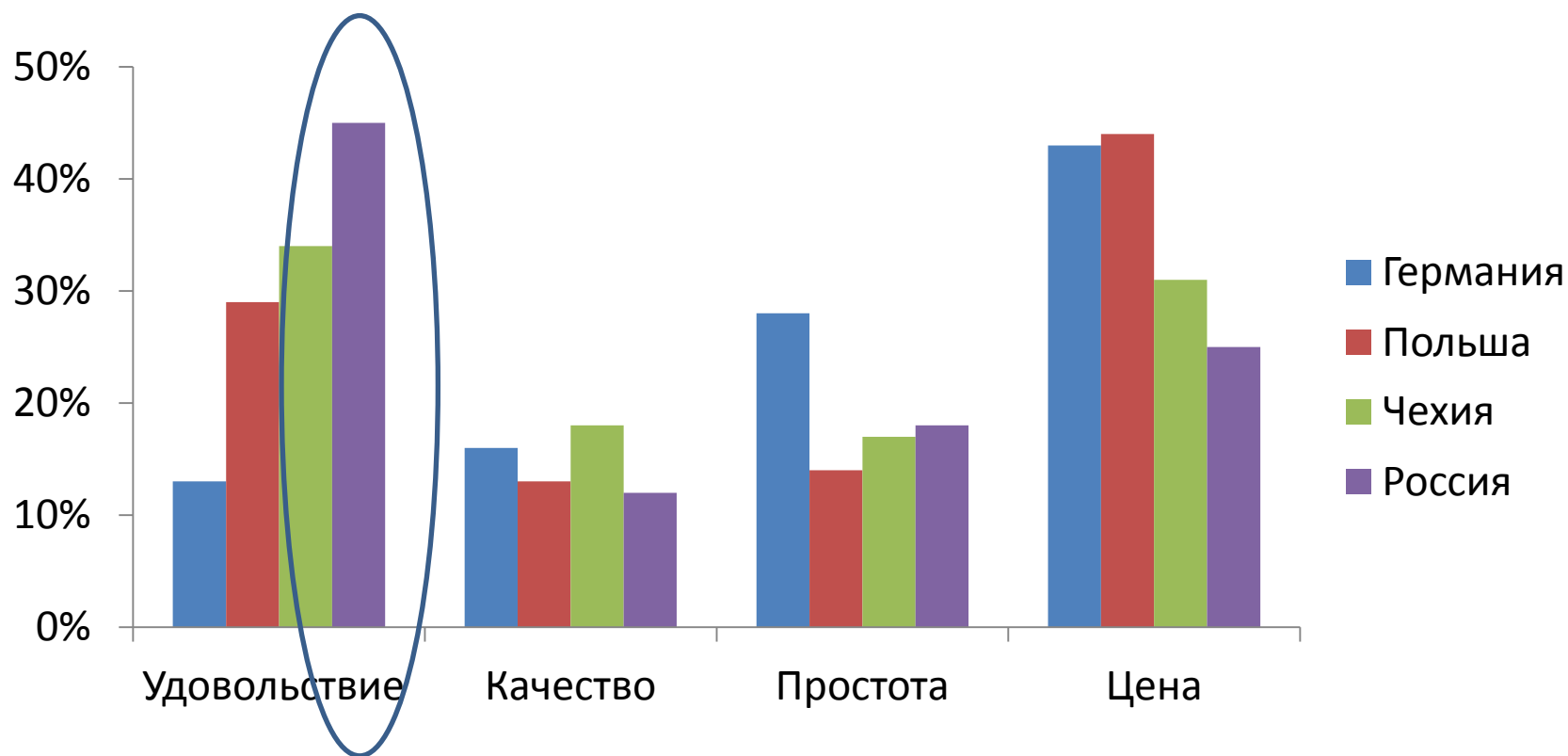
**67,99**

Цены указаны в рублях и действительны с 23 мая по 07 июня 2011 года. Количество товара ограничено. Акция действительна во всех магазинах сети «Семейный Копейщик» в Москве и Московской области. Изображения товаров могут отличаться от представленных в магазине. На товары, участвующие в акции, скидки не распространяются!

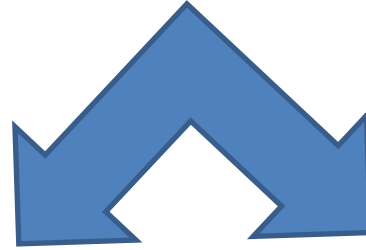
# Why shopper knowledge is important?

## Russia shopper profiles vs. other countries

- Pleasant shopping experience is key for Russian shoppers



# P&G differentiates trade & shopper marketing



## **Trade Marketing:**

Brand/ categories national support with by detailed plans by trade channels

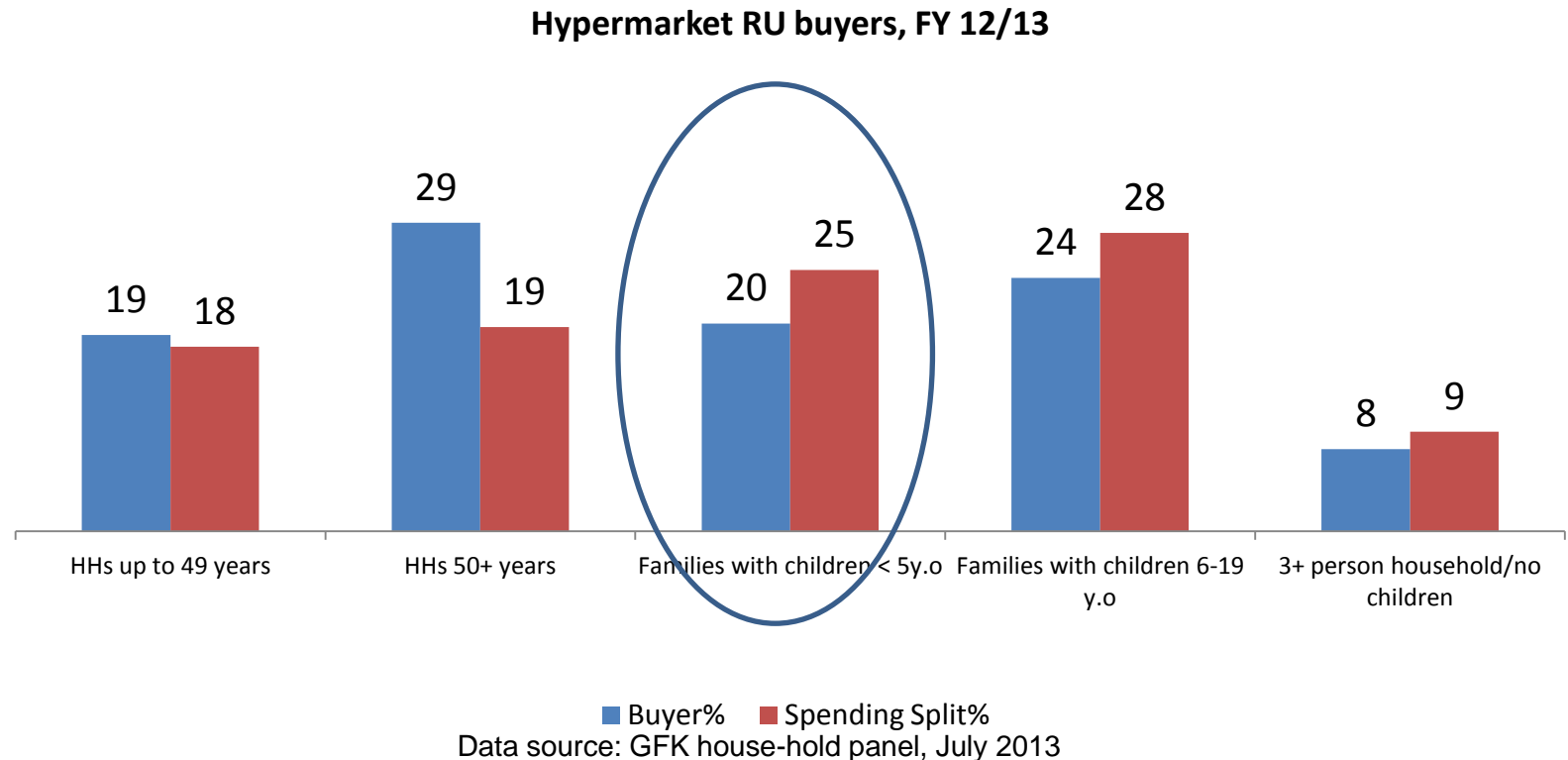
## **Shopper Marketing**

Unique shopper knowledge/ opportunities/ plans, that are used to mutual advantage of P&G and retailer

# Example 1: How P&G shopper Marketing works

## Retailer X Young Moms opportunity

- Families with children below 5 y.o. are disproportional spenders in Hypermarkets
- Baby Care category is destination for this target group



## SHOPPER PROFILE

Woman of 26-35 with 1 baby. She used more than 6 diapers per day (more than usual in Russia). She is a heavy spender (> 3000 RUR on baby per month). She is a loyal Store X shopper (more than 4 visits per month), but also visits baby stores and pharmacies. Usually she buys diapers herself and uses a car to get to the store. She lives not far from the store about 25 min to get there. She often takes her child to the store for shopping.

### CO- Marketing program with retailer X:

- Category management, navigation, adjacencies for Baby Diapers
- Loyalty program with partners (baby toys, books, pediatricians. etc)

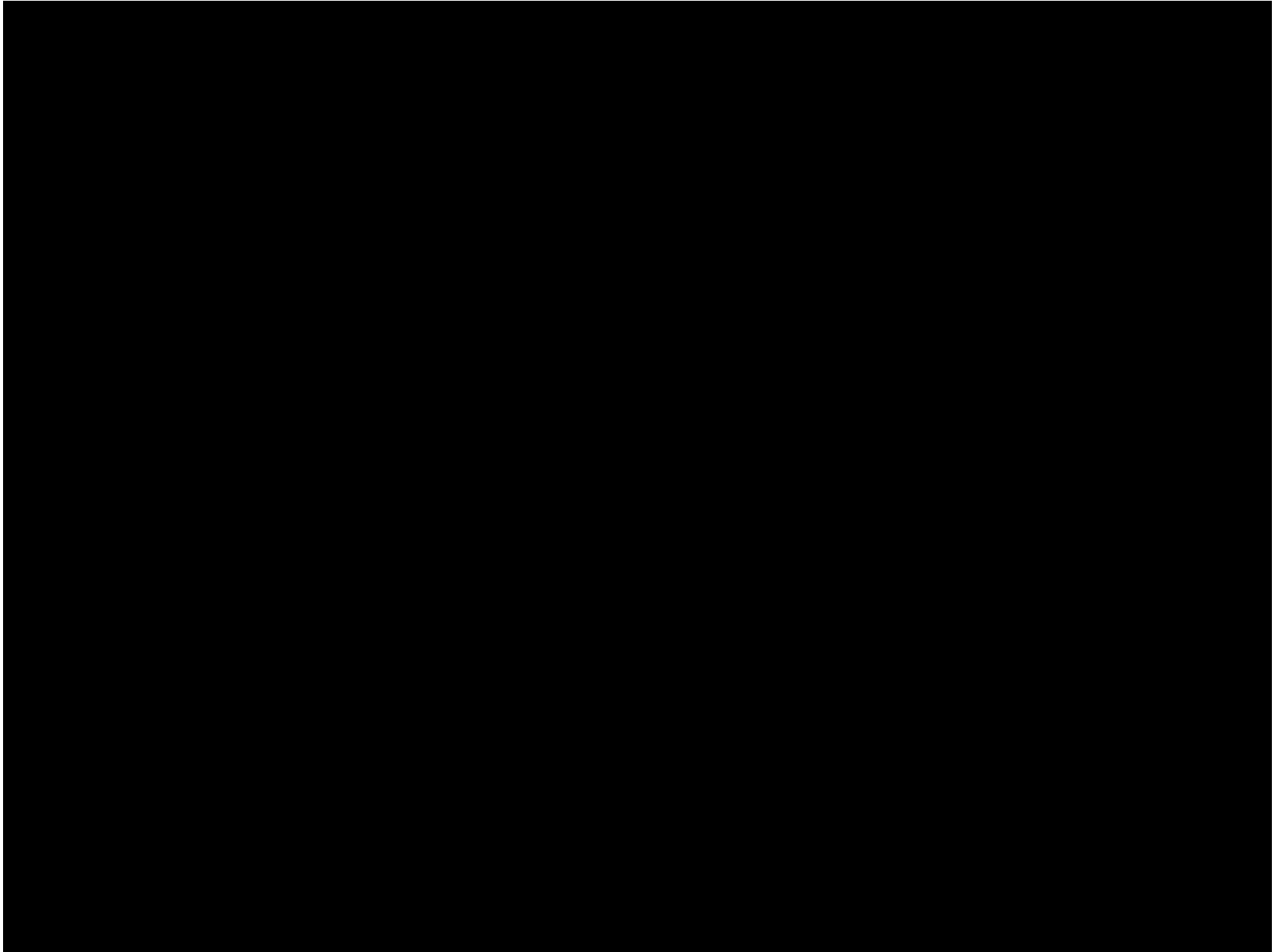
### How program changed her shopping attitude:



- **34,5 %** – I began to come more often to Store X for all purchases => **program drive # of visits**
- **24,4%** - I began to come to Store X more often instead of competitors => **program help to switch from competitors**
- **22,5 %** - I start to buy more Diapers for one trip => **program grow consumption**



## Example 2: Shopping on auto-pilot, low attention



# P&G Shopper Marketing Results

## Reload for shopper innovation!

- P&G is #1 Globally in recent shopper MKT ranking

### Top Marketers in Hub Apr. 2013 Rankings

1. Procter & Gamble Co.
2. Campbell Soup Co.
3. Kimberly-Clark Corp.
4. Clorox Co.
5. Hillshire Brands

- multiple sales growth over last 2 years in Russia
- P&G corporate value share growth is several ppts higher where Shopper Marketing programs done
- Higher growth of categories vs. country average in top programs
- More understanding between retailers & supplier



# DB tips for the industry

- Discounts and price cut is not shopper marketing 😊
- In shopper MKT you need to integrate 3 vs. 2 parameters in classical brand management:
  - What shopper needs
  - What your products can offer to her (wider portfolio helps)
  - What is strategic for retailer
- Shopper Marketing is very resource intensive if done with right shopper understanding
- Use Shopper MKT for industry & markets development not redistributing market shares, as retailer is not interested
- Shopper Marketing is about innovations

# Thank You!

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