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Understanding Market Coverage and Data Integration

Some of the critical questions relating to coverage that drive your business today include:

“How can I gain market share in growth?”

“Where are my loyal customers shopping and what motivates them?”

“How can I better understand channel incrementality?”

“In what categories are my competitors hurting my business?”

The underlying solution to your questions lies with the seamless alignment of your business intelligence across all existing databases.

What’s happening in the marketplace today is the following: consumers are increasingly moving targets; channels are growing less conventional every day; retailers are becoming increasingly innovative and quick to market.

It all boils down to achieving greater ROI on your channel marketing dollars. It’s about driving more customer loyalty. You want to lower your costs while increasing your market share.

Here are two strategies that may help:

1) **Manage customer relationships, not just products and stores.** Before category management, retailers managed their business around vendors. When category management became a standard practice, people started managing their business around categories. Now what we’re saying is that you’ve got to start managing your business around customers. The category management folks for shampoo, for example, are not going to be judged on whether they increased shampoo sales; but did they increase shampoo sales with the customers that the client was going after? Did they get more of their dollars? Are they retaining them more? Did they get more cost selling opportunities? If they are really going to start looking at these customer dimensions, then they can start managing and monitoring how well they’re doing.

2) **Augment or enhance your loyalty card data with information that gives you greater understanding of your customers’ demographics and lifestyles and purchase behavior outside your stores.** The issue that most retailers face today is that their own data that they collect doesn’t have enough information to allow them to segment their loyal customers.

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At ACNielsen, we've been working with Spectra to match loyalty card data with lifestyle and lifestage demographics so retailers can see that their loyalty households: have "x" number of children; participate in specific kinds of activities; and have a certain level of income—all the things that retailers are going to need later on, but they're able to profile in segments that they want to go after now.



Years ago, retailers just looked at their own scanning data. Then we brought them market share measurement. Today, what we're providing are insights that not only tell the retailer what it is that the card members are doing inside their stores, but what share of consumer wallet they represent, so they can turn them into buyers in more of their categories.

ACNielsen Homescan's data and analytical content will be enhancing Spectra's current Loyalty Marketing capability to create a new "share of wallet" that continues to innovate in a new class of offerings that more directly integrate Homescan consumer insights with our clients' marketing execution. To illustrate, "share of wallet" analyses enable clients to prioritize those specific households and categories within households with the greatest potential to increase sales. In addition, these same metrics are loaded on retailers' frequent shopper files, enabling them to leverage this information for individualized promotional offerings and communications that reflect the household's unique needs, preferences and family circumstances.

As retailers look for innovative approaches to the challenges of a competitive retail landscape, developing a stronger bond with their loyal shoppers and converting switchers into loyal shoppers are enormous opportunities with direct financial benefits. "Share of wallet" is an invaluable tool for retailers because it can help them establish a direct connection between their strategic objectives and the financial results they require to drive their business.

At ACNielsen, we customize and integrate consumer views every day to provide the best measure of your business. We are the leaders in measuring consumer behavior because we consistently provide gold-standard scanning and panel-read information. We continually deliver the fastest data and insights in the industry. Not only is our coverage deep, but we maintain robust major markets in ALL channels. We offer the best available solutions for addressing "low-scanning" channels like convenience.

And finally, we pride ourselves on our superior category management solutions such as CBP,[™] Category Business Planner.

The next wave of integrated views will combine POS, panel, shipment and internal data for the makings of even more accurate decisions in the future. Stay tuned for more innovation. 