

Nielsen Smartstore: Keeping up with shoppers today and tomorrow

By  Danette Breitenbach

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Shoppers are changing at such a rapid pace, and while there are many methodologies to understand shoppers, a tool to help us move with the rapidly changing shoppers is needed.



Smartstore from Nielsen is a digital solution that captures insights in a virtual immersive environment that allows us to build scenarios for the future. Presenting the tool in South Africa, Kim Reddy, consumer insights lead at Nielsen South Africa explains: “We also need to test for the future, now more than ever before, but this is not easy to do because of the complexity and speed of change.”

“It breaks the traditional barriers of research to provide new insights that combine both qualitative and quantitative research to give a holistic understanding into the shopper. This tool needs to allow us to measure the quantitative and the qualitative to get the maximum benefit in understanding shoppers,” she adds.



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Store planning, merchandising and marketing

Also, at the presentation, Erin Feeny, consumer insights global client solutions leader, Nielsen (US), says that the solution combines store planning, merchandising and marketing research into one and will allow clients to see their research results translate into sales lift. “The tool can customise any store, or part of a store that you want. It is flexible in this which allows multiple store types or only part of an aisle. Any stimuli you need can be layered in, for example, point of sale material.”

Smartstore does not rely on the internet and can be set up anywhere at any location. It is not confined by location. “The tool was built by a small tech startup, and we wanted the technology to lead the way for us, and not be stuck in what we know,” she explains.

The benefit of Smartstore is that it is faster and allows for more research in small increments, allowing you to make quick decisions. It is also cost-effective as opposed to instore research which requires resources and is expensive.

The tool is not a virtual immersive tool as much as it is an immersive tool, Feeny explains. “It operates in the same way as gaming does, drawing gamers into a world that they see as real. In the same way shoppers will immerse themselves in the store as it will 100% from the visual and the audio represent a store.”

Smartstore overcomes many of the difficulties manufacturers face when doing in-store research while it assists retailers to do research without disrupting the store and their shoppers and away from competitor's eyes.



SA consumer outlook

South Africa is only the sixth market out of the 100 plus markets globally where Nielsen operates where the tool has launched. The tool has not yet launched in the United States (US) and the United Kingdom (UK) 100 plus markets Nielsen operates in.

In South Africa, despite high inflation and negative GDP growth, consumers still have a positive outlook, with shoppers starting to enjoy grocery shopping again, which was not the case a few years ago, says Reddy, as she gave some insight into local shopper trends.

“Despite this optimism, shopper behaviour has still changed, as consumers have had to adapt to the economy. While shoppers are still shopping off a list, and are not indulging in impulse shopping, they are open to discounts and promotions while in store. This said, shoppers are still risk adverse, sticking to the brands they know. A new product would need to be very compelling for them to purchase it,” she expands.



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Consumers are more price conscious than ever before, with 69% of consumers knowing the price of products. This is also driving deal seeking she adds. “Consumers will shop on broadsheets, etc., to see what is on promotion before going to the store. Despite budget shopping and looking for deals, consumers are still quite brand loyal. This is not surprising in the light of their current risk adverse mindset. Value for money and convenience are still key in their choice of channel.”

Shoppers are also taking more trips to the store, visiting multiple channels multiple times in a month. These trips occur across different formats and places from single purchase trips to grocery shopping from a grocery store to a garage convenience store. “Consumers might not consider purchasing a coffee as a specific trip and so they are underclaiming the number of trips they make,” she says.

“Younger urban shoppers do four trips a day. On the way to work they stop for coffee, at work they buy lunch and then in the afternoon they might purchase a snack. On the way home, they will go to the store to buy for their evening meal. This is their longest shop,” she expands.

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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