

Case Study

Produce Is Center Stage For Grocery Shoppers

PHASE 1

Client Objectives

In support of a major initiative to provide best-in-class produce experiences for their grocery customers, a Fortune 100 national grocer came to TrendSource with a need to better understand their competitive position against other grocers in this space. With this objective in mind, TrendSource used the framework of Blue Ocean Strategy combined with the TrendSource QUEST for Trusted Insight to determine an approach to the research and consulting engagement.

PHASE 2

Program Development and Keys to Successful Implementation

Armed with the objectives of the initiative, TrendSource took the lead in establishing how to design the research to ensure an actionable result.

1. The most critical step in design of this competitive evaluation was to determine the key factors that contribute to customer perceptions of a best-in-class produce experience. Drawing on 25+ years in market research and industry-specific experience, TrendSource developed a rich list of competitive factors that are assessed by customers while produce shopping.

2. Next, TrendSource created a sampling approach that would provide this client with significantly reliable results that would be relevant and actionable. This approach incorporated the size of the sample, the frequency of data point collection needed, the timeframe of the data collection, and the data collection methodologies. In this case, it was determined that Mystery Shops, Merchandising Audits and Competitive Pricing Audits were needed to collect all of the necessary data points.

3. Lastly, TrendSource developed a questionnaire designed to assess produce assortment, merchandising, promotional/pricing strategy, and service/expertise of produce associates. A vital step in this process was to create the scoring methodology that would appropriately weight the most important aspects of the produce buying experience. In collaboration with the client, TrendSource finalized

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these questionnaires and scoring methodologies and got to work on collecting the data.

PHASE 3

Analysis and Results

Utilizing concepts from Blue Ocean Strategy by W. Chan Kim and Renee Mauborgne, TrendSource completed a factor analysis of select aspects of the produce customer experience.

Client Branded Retailers vs. Competitors - Average Score



This analysis clearly pinpointed the client’s competitive market position. To make the data actionable, a SWOT Analysis was completed to outline next steps in an easily digestible format. The opportunities outlined as part of this SWOT Analysis were key focus areas that the client then incorporated into the design of their upcoming initiative:

Pricing — Based on competitive position and the impact on customer perception, increasing prices would allow the client to address weaknesses and would not

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likely have a negative effect on the customer's overall satisfaction of the produce department.

Service Expertise – The results of the study showed that associate knowledge was a key driver of competitiveness. Improvement of produce associates training will increase employees' ability to address specific requests during customer interactions.

Specialty Offerings – Availability and marketing of locally grown and organic produce will lead to improved image of selection to customers.