

## Competitor Analysis Research and Mystery Shops Help Grocery Build Omnichannel Service



### Background and Client Objectives

A national grocer came to TrendSource looking to evaluate the competitive success of a recently developed omnichannel sales platform, in which customers placed orders online and picked them up in store. This being a relatively new service in the industry, the client lacked an understanding of how to appropriately measure its success relative to the competition, as well as a clear idea of who—region by region—the competition actually was. Thus, they came to TrendSource not only looking to evaluate their recently developed program, but also to determine how best to benchmark and evaluate it.

### Program Development

Before TrendSource could measure the client's successes and failures relative to the competition, TrendSource had to identify what, in this new market, counts as success in the first place. Said simply, before TrendSource could evaluate the client, they had to develop analytical criteria by which to measure the service.

TrendSource thus crafted a two-stage process to determine *how* to identify the client's competitive position within the market, customers' satisfaction with the service, and possible directions for future development.

## **Methodology**

First, TrendSource developed a competitor analysis market research program—one cannot measure themselves against the competition without understanding who that competition is. For this relatively new omnichannel service, a market assessment was necessary to determine what competitors offered the service, in what form, and how consumers had already responded to it. Some competitors offer it in particular regions but not others, some only offer a stripped-down version of it, and some do not offer it at all. Thus, TrendSource engaged in a national competitive research program, compiling a list of competitors within each region against which the client could benchmark their service.

Having identified the competitive landscape, TrendSource moved forward on the program's second phase—omnichannel mystery shops. Though mystery shopping is not the newest methodology in a market researcher's toolkit, it has grown with the times and now seamlessly combines online and in-store evaluations. In order to maintain consistency specific program parameters were designed to ensure the best quality data output. Recruiting Field Agents from multiple demographic backgrounds, TrendSource ensured both consistency and diversity of perspective. To further add qualitative depth, Agents also submitted five-minute video testimonials, telling the client what they liked about the service, what they didn't, what improvements they would like to see and which of the banners they liked the best.

## **Results and Analysis**

Most importantly, the research program helped the client understand how customers evaluate the service. Consumers expect an end-to-end user experience that is accurate and effortless. Based on TrendSource's analysis, the client was able to visualize a customer journey that was clearly marked by activities in three stages: pre-planning, shopping and post-shopping. While the client can claim several clear wins according to this criterion, this earliest wave of competitive benchmarking also revealed that they also finished behind their competitors in several key areas.

Far more interestingly, however, TrendSource determined that, for the most part, the client was not differentiated from its closest competitors. Indeed, many of the Field Agents reported little to no discernable difference between the services, meaning that the client, as TrendSource pointed out, has a serious opportunity for winning market share.

## **Conclusion**

Oftentimes, clients approach TrendSource looking for a prefabricated market research program—a client that is asking questions TrendSource has already solved for with its qualitative and quantitative methodologies. That does not mean to say, however, that when a client comes with a new research question, TrendSource isn't up to the task; custom-building primary research solutions is a cornerstone of TrendSource's promise and appeal.

In this case, the team developed an entirely new methodology to investigate a relatively new service—omnichannel grocery shopping—by combining tried and true research methodologies like competitive assessments and mystery shopping. Helping the client understand how to precisely measure and understand competitive successes within this market, TrendSource prepared them for the evaluative

phase. The data did not provide a black-and-white answer, but rather suggested exciting future possibilities in terms of acquiring market share by leveraging knowledge about the opportunities in the current market offering