

SHOPPER MARKETING RESEARCH

CONSUMER LOYALTY FICKLE THE RECESSION

Money-off coupons, whether on- or in-pack, are still the main reason that consumers continue to buy a particular brand rather than switching to a rival, according to new research conducted for Promotional Marketing.

But while a third of shoppers (34%) said such coupons would keep them loyal, that figure is significantly lower than a year ago, when online research specialist fast.MAP asked the same question on behalf of Promotional Marketing – back then, it was 53%.

In fact, all of the promotional mechanics covered by the survey are apparently now having less effect than they were a year ago.

Even the one that held up best – a donation made to charity with each purchase – went down from 27% to 24%. The technique which saw the greatest drop was ‘save tokens for a special deal’, which fell from 33% a year ago to only 18% now. This promotional mechanic, however, is likely to have been heavily affected by the meteoric rise of ‘social deal’ websites such as Groupon.

David Cole, managing director of online research specialist fast.MAP, says that the relatively strong showing by promotions linked to charitable donations “echoes the findings of other surveys carried out by fast.MAP in 2011, which show that younger

people in particular are likely to want to support charities.”

Cole also points out that response levels will also be affected by fluctuations in the number of promotions using the various promotional techniques the survey covers.

IPM research has shown that

FMCG brands have been forced by the major retailers to put far more of their marketing spend into price promotions which, with the exception of money off coupons on or in pack, are not covered by this survey.

The IPM research emphasises that the over-use of price

promotions will destroy brand values in the mid- to long-term and erode margin, while not necessarily leading to real volume sales increases. Other research strongly suggests that constant price promotions effectively train consumers to be deal hunters.

Thinking about promotions that have influenced you to remain faithful to a brand you buy regularly, rather than sample something new or change to a different brand which is being promoted in your local store...	What rewards/promotions have caused you to stay loyal to a brand in the past?		What rewards/promotions would influence you to stay loyal to a brand in the future?	
	March 2011	March 2010	March 2011	March 2010
A one-off gift collection scheme e.g. “save tokens for a free book/ toy/ gadget/mug”	16%	24%	15%	22%
An ongoing token collection scheme with a variety of gifts on offer	20%	28%	23%	32%
An on- or in-pack coupon for money off your next purchase	34%	53%	31%	49%
The item presented in an branded, re-useable home-storage tin or container for a limited period at no extra cost	22%	30%	23%	29%
Small collectables in pack e.g. card/ coin/ figure sets of sportspeople, wild animals etc	9%	15%	8%	10%
A donation made to charity with each purchase	24%	27%	25%	28%
A schools/ charity token collection scheme, to enable you to contribute towards a bigger socially-motivated project	20%	36%	19%	30%
Prizewinning tickets e.g. for holidays, randomly distributed in-pack	14%	18%	14%	25%
Save tokens for a free treat/event e.g. swimming session	10%	19%	10%	18%
Save tokens for a special deal e.g. two-for-price-of-one meal deals; free wine with meal for two etc	18%	33%	17%	32%
None of the above	39%	24%	37%	25%

Source: Promotional Marketing magazine/fast.MAP

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