



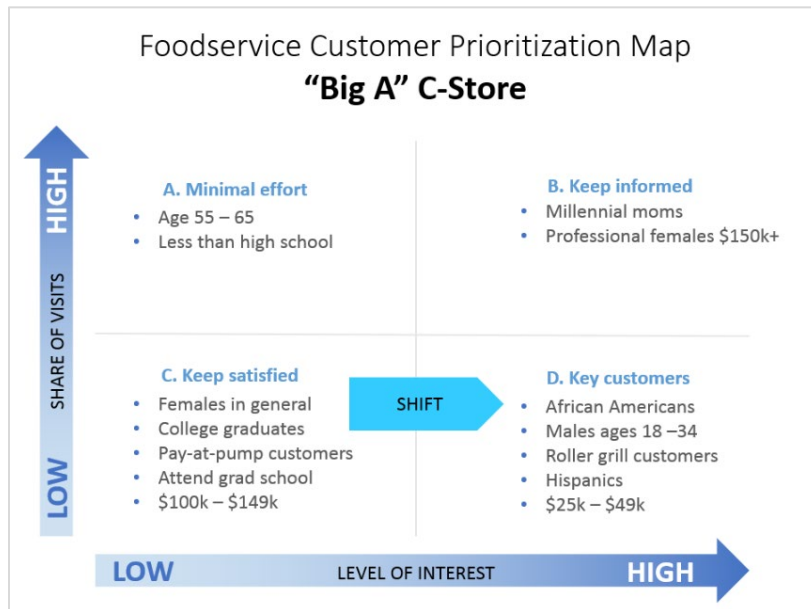
Driving Traffic with Customer Mapping

By Tim Powell, Managing Principal

For foodservice operators (both traditional and retail-centric), it is an ongoing challenge to determine the right mix of food and beverages to offer customers. The type of customers can vary widely by store, forcing retailers to constantly satisfy heavy users and not spend the resources satisfying other shopper and/or consumer segments.

As the line blur between restaurants and retailers offering prepared foods, identifying the customer segments that frequent stores through research and surveys is certainly a step in the right direction, but translating that information into something actionable can be time consuming, labor intensive and potentially cost-prohibitive especially without a trained analyst. One exercise that has proven successful is customer mapping. It serves as an output for quantitative data and also observable (or qualitative) insights.

As the figure below shows, a variety of demographics is plotted on the quadrant based on their share of a fictional retailer’s visits (i.e., the last 30 days) and level of interest (mostly observable, but with some factual insights.) This analysis is most useful when related to an assessment of a specific development, such as expanding foodservice, as illustrated in this example of “Big A” convenience store.



Source: FSIP Surveys; Parts adapted from A. Mendelow, 1991, Cambridge, Mass.

As plotted in the segment D box, “Key Customers” accept current foodservice options by their high level of interest and number of visits. Therefore, the group in this segment should be a major consideration during the formulation and evaluation of any new retailer strategies, such as new menu options, daypart expansion and/or product development.

Alternatively, consumers in box C are often the most difficult to satisfy and manage. While females, pay-at-the-pump and college graduates may show only a passive interest in purchasing foodservice, retailers can potentially reposition them into segment D by raising their interest. However, the caution for retailers is that those already occupying segment D are not ignored or alienated to make way for the new user segment.

Similarly, the needs of customers/prospects in segment B must be properly addressed – largely through information. Millennial Moms, professional females and high income consumers may not represent a large share of c-store visitors, yet they can be crucially important “allies” in influencing the attitudes of their peers. The caution here is that one bad experience can lead to a negative halo effect on Big A’s total retail experience.

Finally, consumers who fall into box A show minimal interest in c-store foodservice purchasing and may only visit a c-store occasionally. While the resources for the remaining three quadrants should be proportional to their share of visits and purchases, consumers in segment A should not be overlooked. This group still has a voice, and thus lobbying power, over groups in adjacent segments.

Applying insights and analytics to make informed business decisions and deliver against critical business objectives can be resource and labor intensive. However, using the mapping tool outlined in this piece will help retailers better manage, analyze and synthesize the information that can lead to key decisions and ultimately action. This visual tool may also remove some of the guesswork out of the “science” of shopper behavior that can help influence store aesthetics, visual merchandising and store shop-ability and increase traffic.

...using the mapping tool outlined in this piece will help retailers better manage, analyze and synthesize the information that can lead to key decisions and ultimately

For further information on strategic planning, please contact tpowell@foodserviceIP.com.