



dunnhumby
essential customer genius

Understanding what the customer wants

Norfolk Farming Conference 2008

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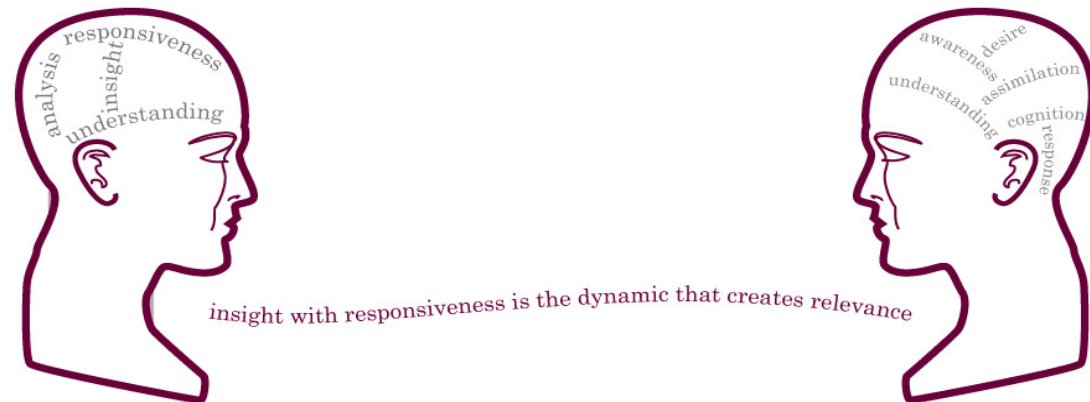
020 8832 9222

So what is dunnhumby?

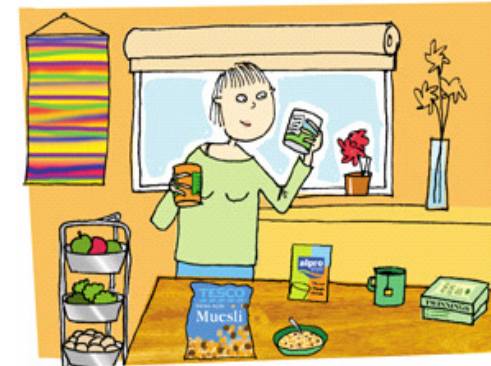
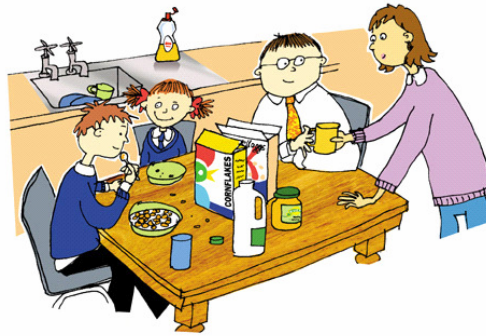
Know your customers

How they **think** or **feel**, gauging their opinions and attitudes
combined with knowing how they **actually** behave.

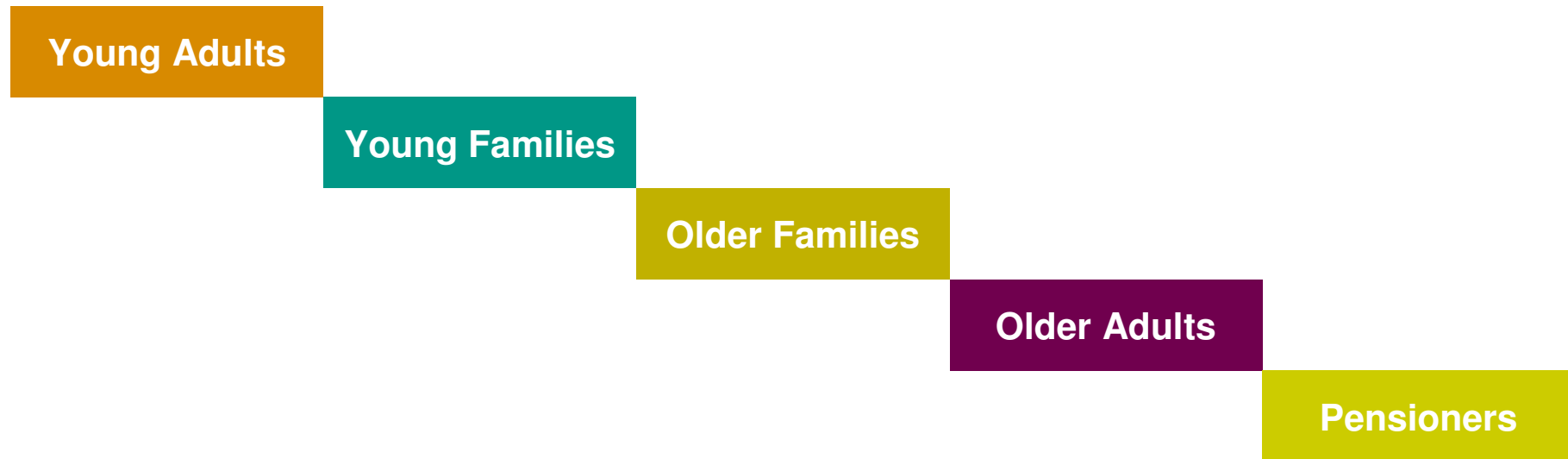
Continuously
building valuable insight



Tesco Lifestyles



Tesco Lifestage



Understanding what the customer wants...

How are customers buying into the potato market and **who** are they?

To what degree is there shopper **movement** across the market?

To do this we will be looking at the market in four sectors:

Value (Tesco Value)

Standard (White, Baking, Baby)

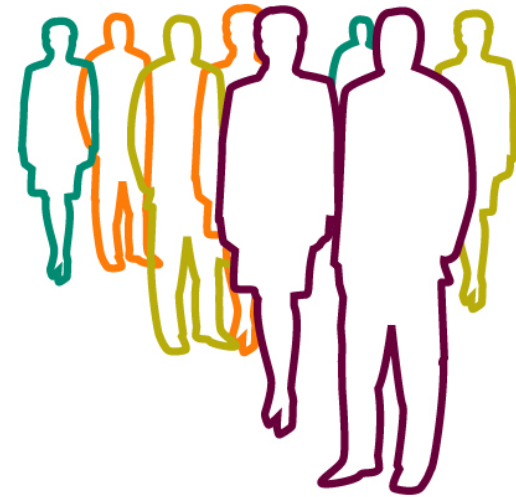
Standard Plus (Jersey Royal, King Edward, Vales Sovereign, Marris Piper)


Finest (Tesco Finest* / Organic)



The potato market is relatively **fragmented** in terms of shopping habits.

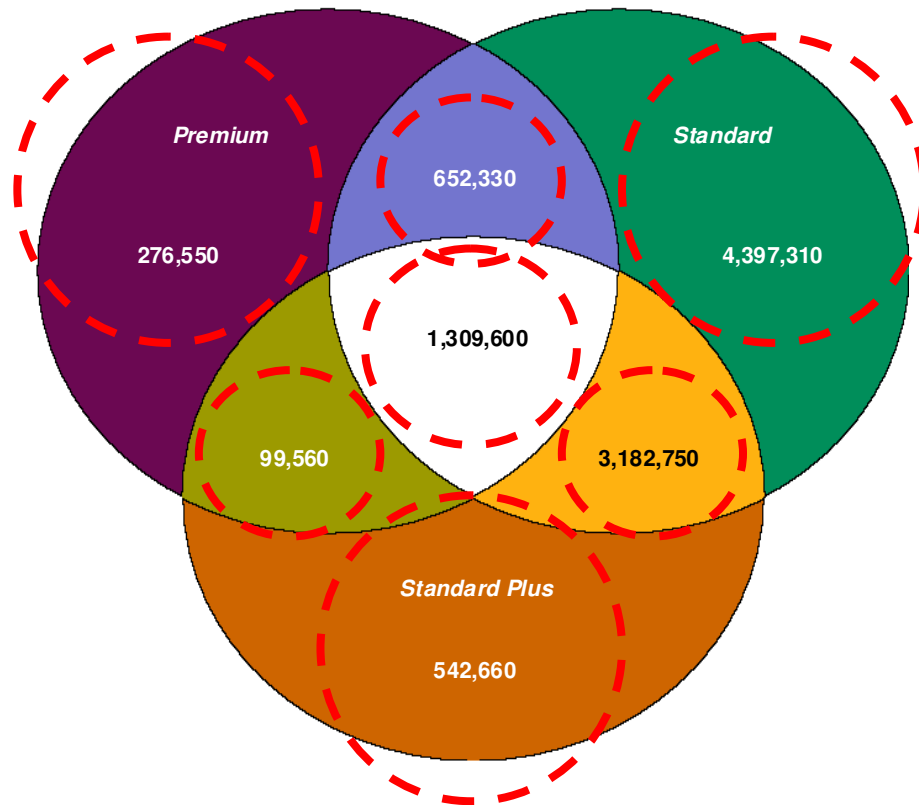
Nevertheless there is a **degree of loyalty** to specific areas as well as **movement** towards premium and regional lines



A close-up photograph of a woman's eyes, heavily tinted with a vibrant purple color. Her dark hair is visible at the top, and her long, dark eyelashes are prominent. The overall mood is intense and focused.

How are customers buying into the potato market and who are they?

The potato category is a complex marketplace

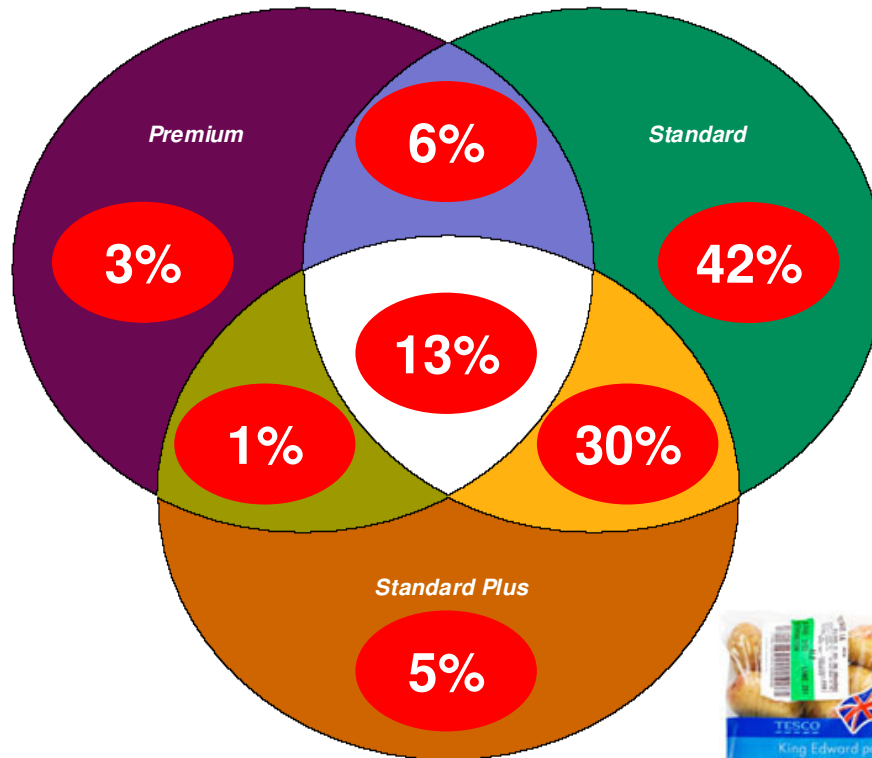


50% of shoppers in the potato category have only bought into one of these areas in the latest six months...

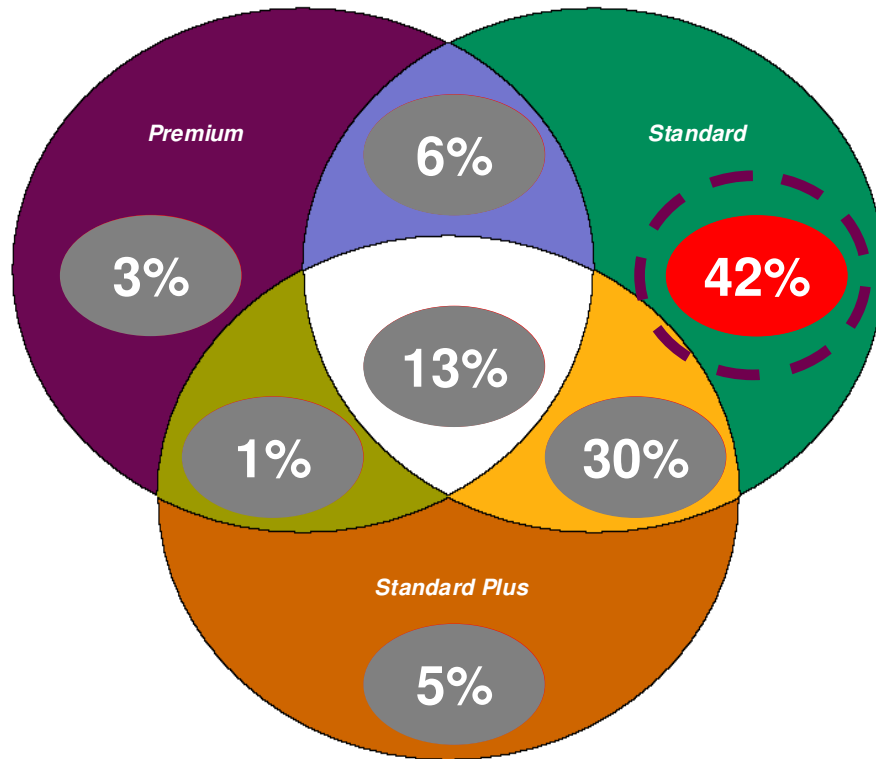
...38% of shoppers are happy to shop across two of these sectors...

...while only 13% will shop across all three

Standard potatoes have a loyal following



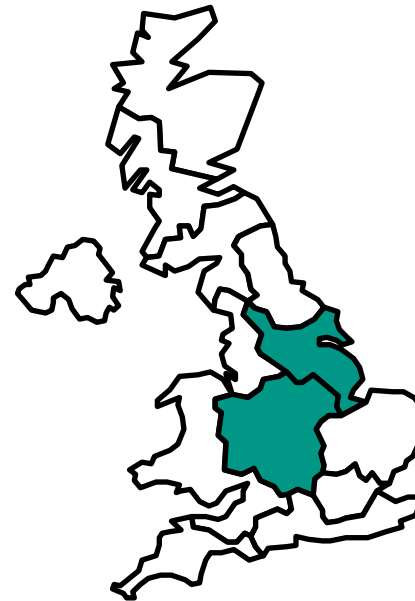
Biggest sector, biggest spend



Compared with our typical Tesco customer the solus standard sector shopper is:

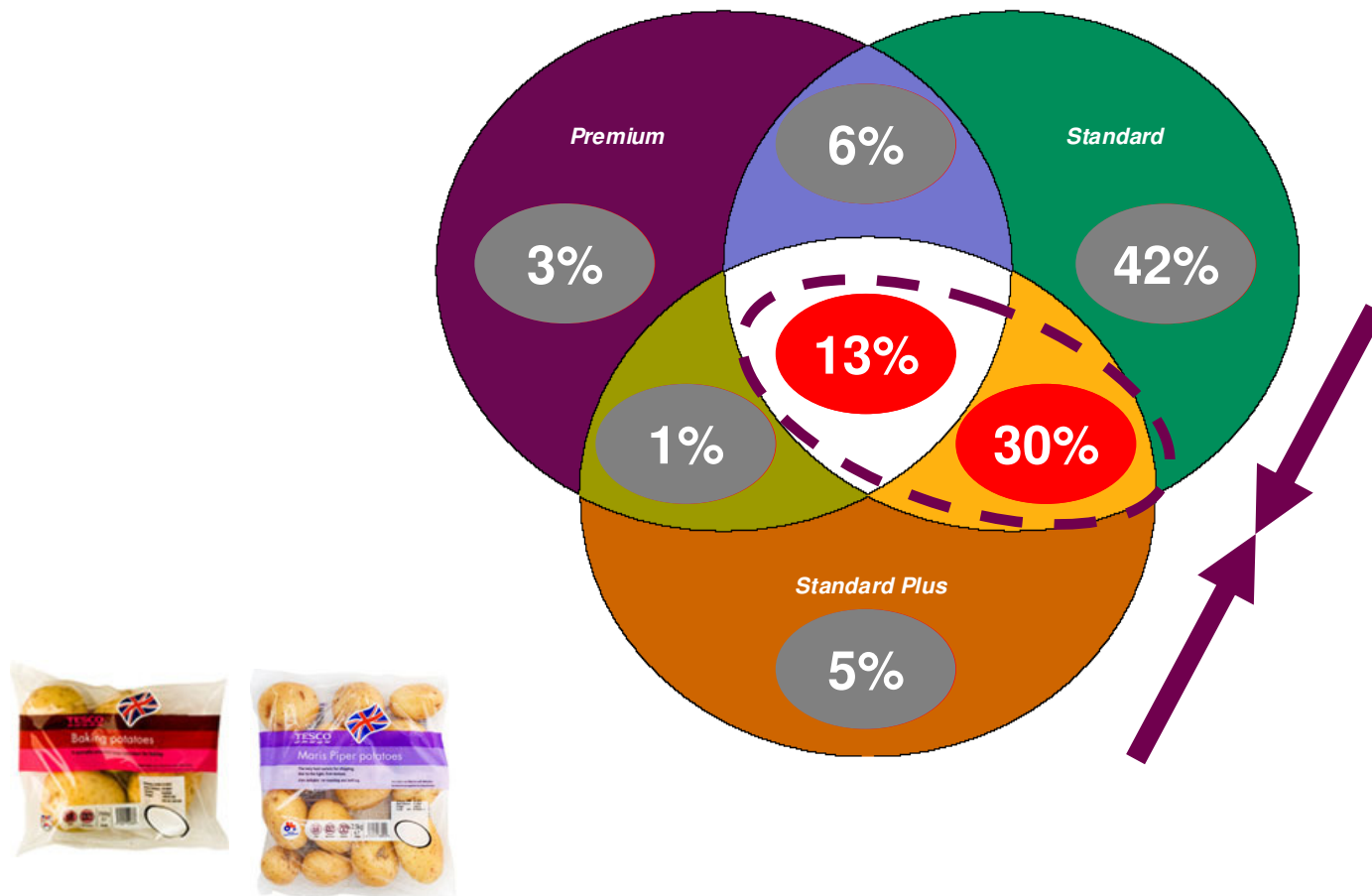
Price Sensitive

Younger

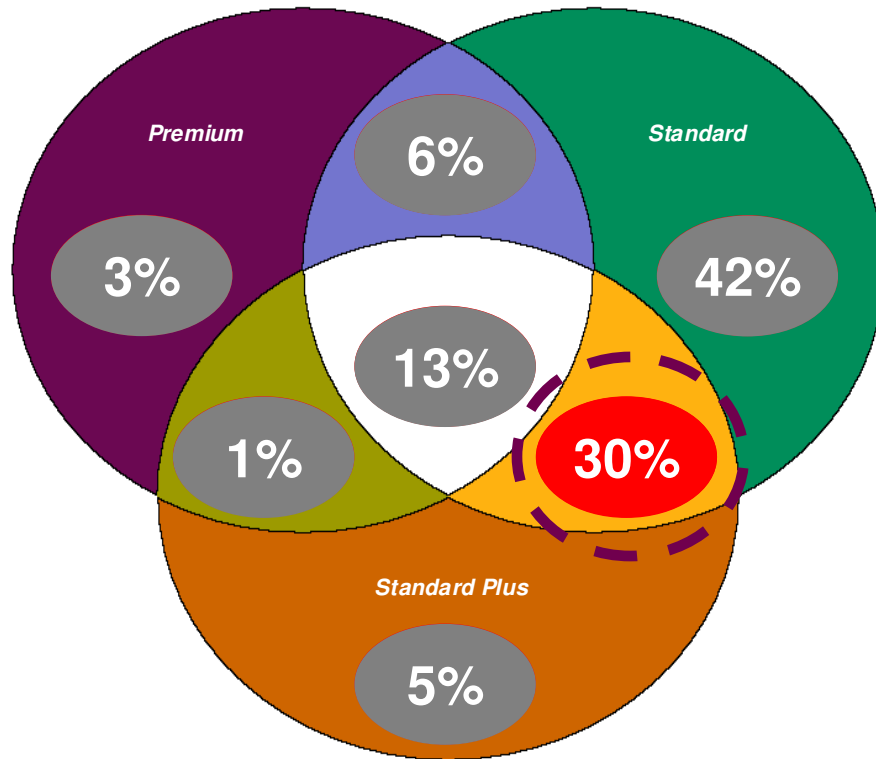


And more likely to come from Yorkshire and the Midlands

Standard and Standard Plus – one in the same?

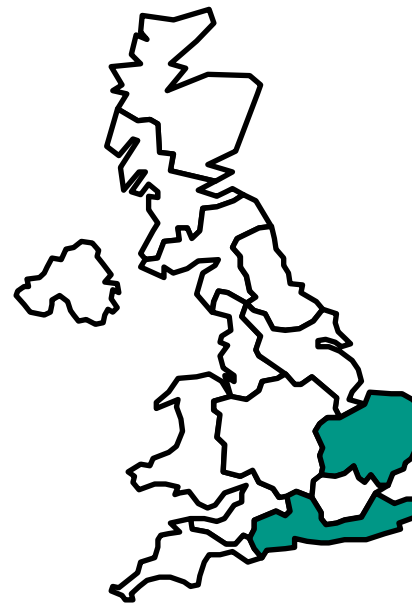


No - Families and the south



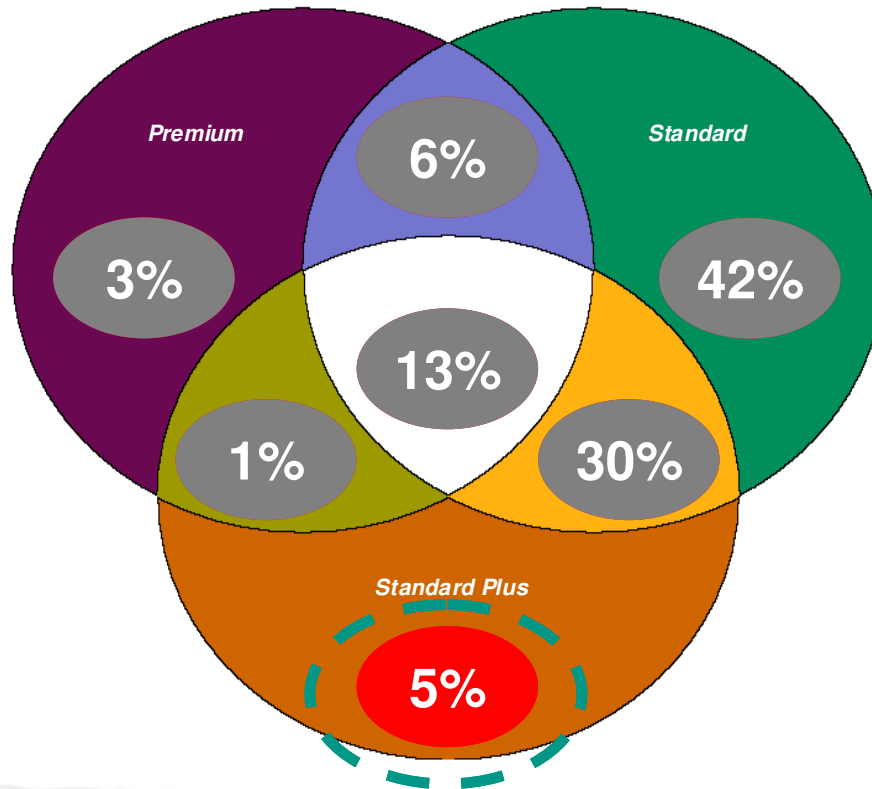
When shoppers shop across these two sectors they are likely to be:

- Families
- Traditional



And more likely to come from the East of England and the South

So who is the Standard Plus solus shopper?

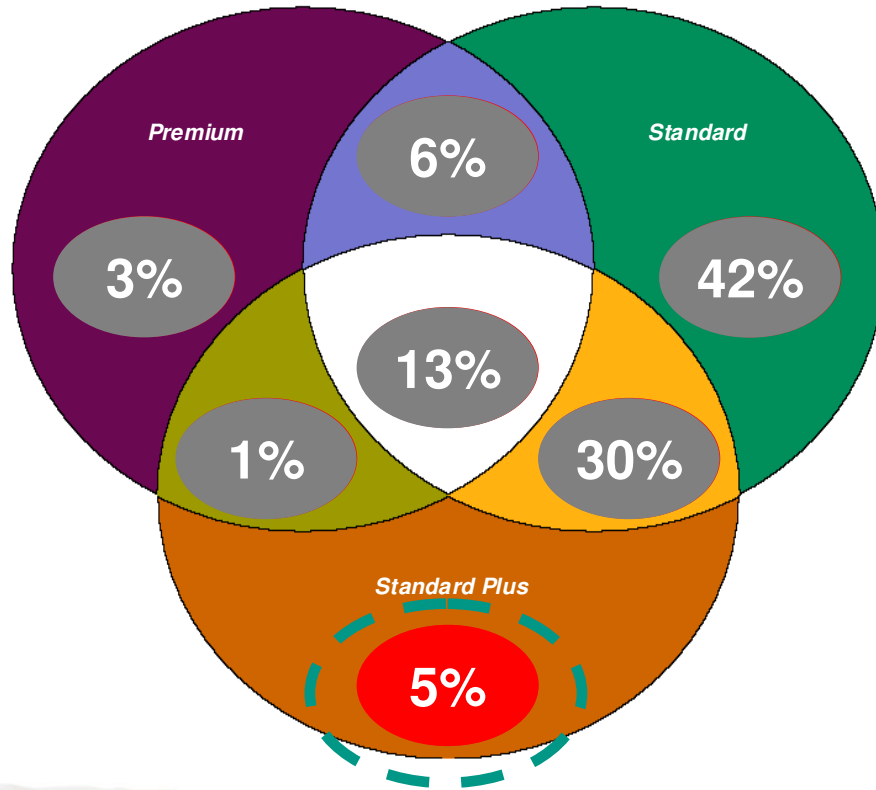


The Standard Plus shopper is not particularly loyal – they are most likely to shop alongside the Standard sector

Regional varieties have added a new twist to this sector



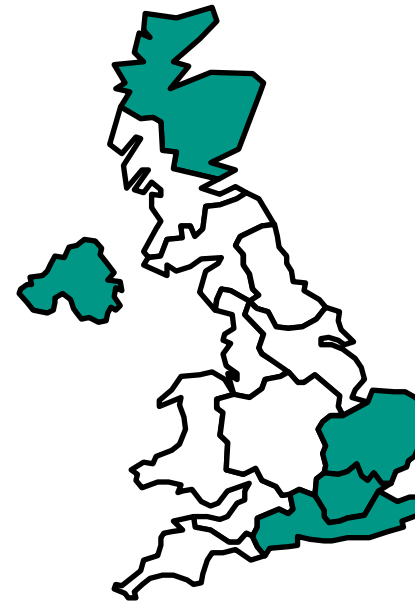
More upmarket shoppers



The Standard Plus shopper is more likely to be:

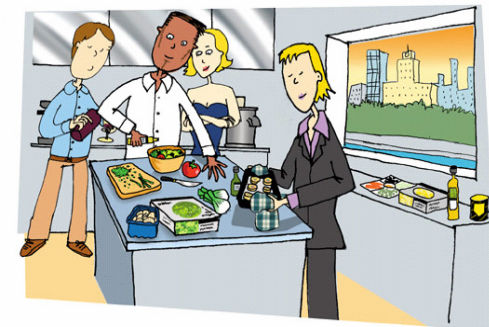
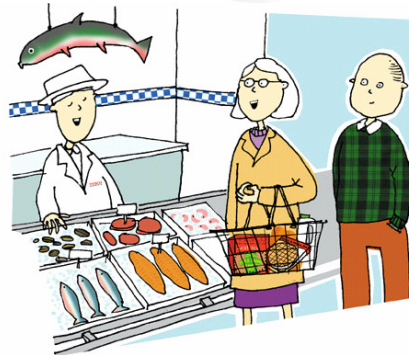
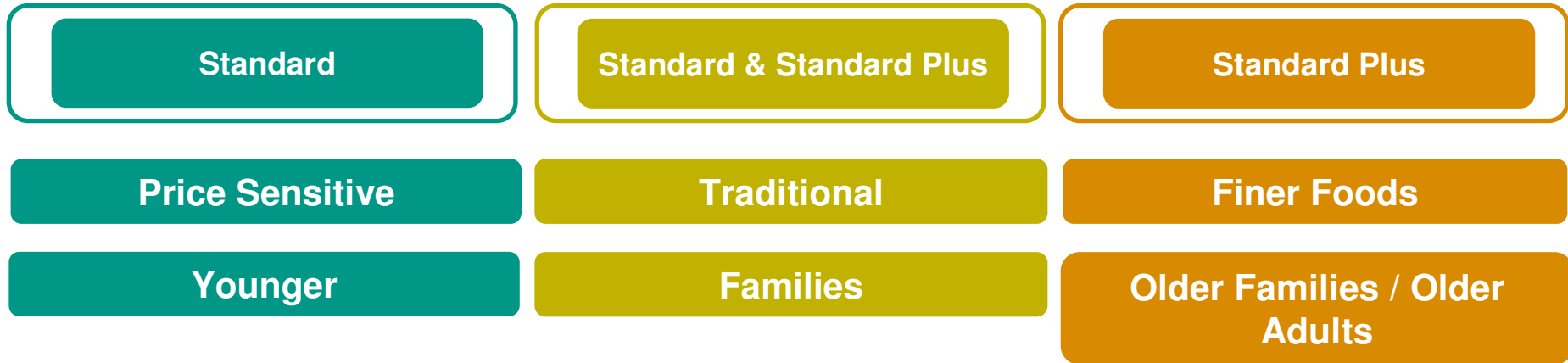
Finer Foods


Older Families / Older Adults



And more likely to come from the South, NI or N. Scotland

So all of our sectors play a distinct role





To what degree is there shopper
movement across the market?

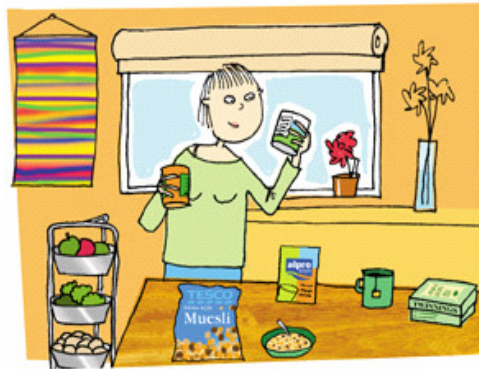
Is the Premium sector trading shoppers up?

Those who have added Premium to their shop in the latest six months are likely to be:

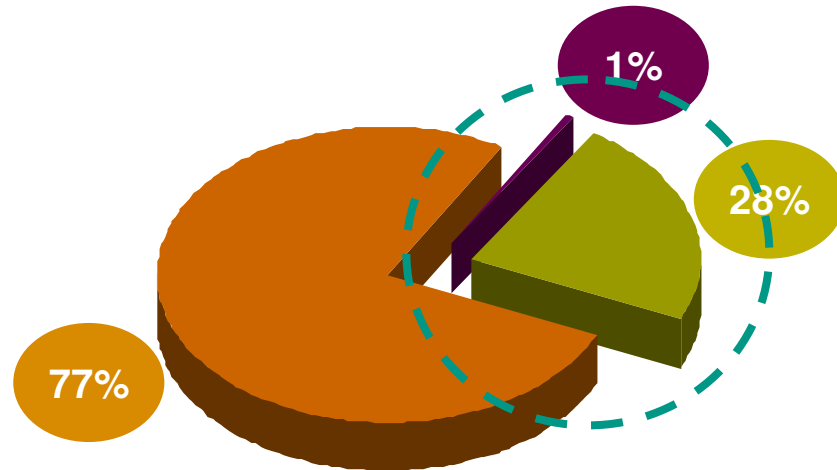
Young Families

Healthy

Price Sensitive



Total Premium



■ New Customers ■ Added to Repertoire ■ Existing Customers

Standard (ex. Regional)



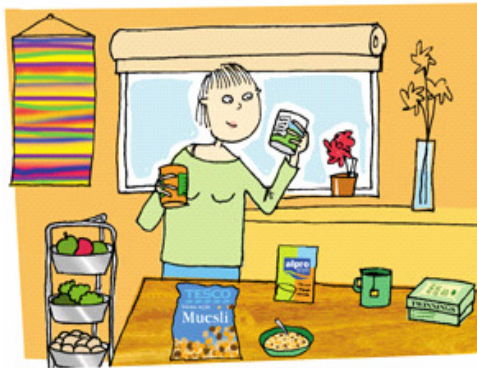
Premium

Who is buying organic and why?

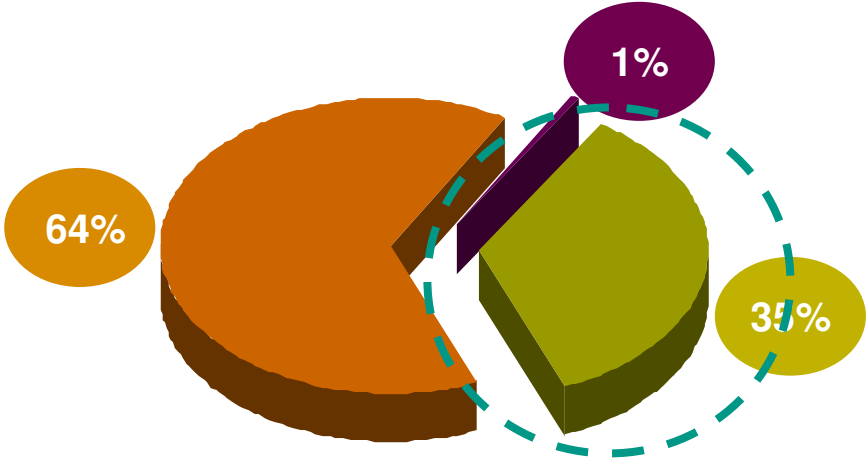
Shopper trade off driving growth in Organic? Balance of quality, health and environmental factors.

Healthy

Families



Premium Organic



■ New Customers ■ Added to Repertoire ■ Existing Customers

Standard



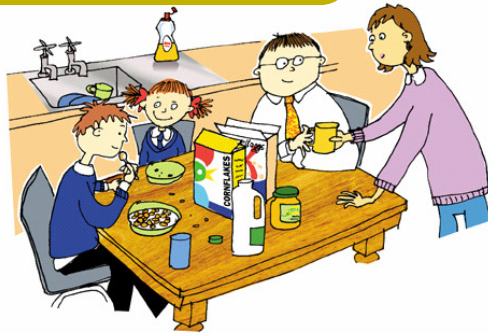
Premium Organic

What about Regional varieties?

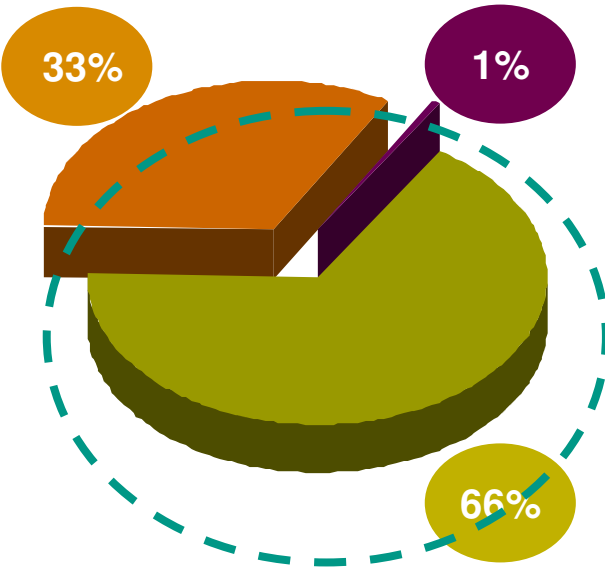
Regional lines have similar shoppers to those who would normally purchase Standard:

Mainstream

Families



Standard Regional



■ New Customers ■ Added to Repertoire ■ Existing Customers

Other Standard



Standard Regional

So what have we learnt... ...and what does this mean?

42% of all potato shoppers only ever buy standard

It appears that there is a different shopper buying Standard, Standard Plus and those who will cross-shop between the two

There looks to be a high level of interaction between Standard and Premium / Organic lines but this does not include regional varieties

