

## Case Study 2: **Category Layout**



### The client issue

The client – a confectionery manufacturer – was seeking to develop **merchandising solutions** that would help convenience store retailers **improve sales** within the confectionery category.

To improve sales the client wanted to understand:

- how point of sale material and packaging could be used to stimulate impulse purchasing
- how non-purchasers could be encouraged to buy
- how the confectionery shelf could be best laid out to suit the needs of shoppers.

### The TNS approach

TNS proposed a 3 stage approach. First, a sample of shoppers were interviewed to understand attitudes towards buying confectionery in convenience stores. Second, shoppers were observed in-store to track their movement through the store and their behaviour at the confectionery fixture. Finally, a proposed new layout was assessed through a controlled store merchandising test.

This 3 stage approach enabled the client to **gain new insights on barriers to purchase** and how shoppers might be better encouraged to buy. The controlled store test enabled the impact of recommendations to be quantified and any amendments made as necessary.

TNS found that most point of sale material focused on price, but that **price had a minimal effect** on the purchase decision in convenience stores. Further, **most shoppers didn't notice the point of sale material!** More than one-third of shoppers who visited the confectionery fixture did not make a purchase, and half of these non-purchasers said there was too much variety. Most **impulse buyers** of confectionery visited the store to buy a beverage.

### The outcome

#### TNS conclusions and recommendations

- Point of sale should speak to shoppers about craving and indulgence and less about price
- Signage should be on shelf, rather than above shelf
- Confectionery aisle should be placed on route to the beverages fixture
- Number of SKUs should be reduced with more focus on high volume lines
- Sectors within confectionery should be displayed vertically to reduce shopper confusion.

#### Next steps

The recommendations were implemented in a **controlled store test** and resulted in a **sales uplift** in excess of **+5%**.

The client then promoted the solution to their customers within the convenience sector.

For more information please contact:

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