

Shopper Marketing and Brand Salience at the Point-Of-Purchase: an empirical study

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Abstract of Doctoral Research

"Shopper Marketing and Brand Salience at the Point-Of-Purchase: an empirical study"

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1. Research problem and objectives

The present investigation is intended to be an applied research on shopper marketing, based on the following research problem: "Does the brand salience at the point-of-purchase (POP) influences the behaviour of shoppers and the results?" Thus, the overall objective is to empirically analyse the impact of the brand salience at the POP, studying its influence on shoppers and on the relationship between retailers and manufacturers. In other words, it is intended to conclude about the relevance of the shopper marketing approach for manufacturers and retailers, in particular on the relevance of aspects related to brand salience at the POP.

Under this main objective, some specific objectives are defined:

- A. To theoretically study the concept, principles, elements, importance, benefits and difficulties of the shopper marketing approach, particularly those related to the brand salience at the POP issue.
- B. From the previous objective, inter-relate concepts and build an integrated theoretical framework to support the empirical study.
- C. Arising from A and B, and focusing on a business sub-sector in Portugal (yet to be defined), to empirically examine the impact of brand salience at the POP, with regard to perception and behaviour of shoppers and to the relationship between retailer and manufacturers:
 - C.1 To characterize the status of implementation of shopper marketing in Portugal (evolution and level of exploitation, driving factors, future prospects, advantages, obstacles, critical issues, tools, best practices).
 - C.2 To characterize the main brand salience instruments at the POP.
 - C.3 To analyse the benefits, impacts and difficulties associated with managing the brand salience at the POP for the sub-sector study.
 - C.4 To evaluate how effective the various instruments of brand salience at the POP are, and their ability to influence the shopper for the sub-sector studied
 - C.5 To study what factors and conditions are more relevant in order to obtain positive effects of brand salience activities at the POP in the context of sub-sector study.

2. Literature review

Shopper marketing is a recent concept (Shankar et al, 2011) and there already several possible definitions. Nevertheless, shopper marketing can be understood as the planning and execution of all marketing activities that might influence a shopper along the entire path-to-purchase, from the moment at which the motivation to shop first emerges to purchase, consumption, repurchase, and recommendation (Shankar, 2011). Therefore, the shopper marketing concept is closely connected with the management of marketing stimuli at the POP and several studies indicate that marketing investments at the POP have been increasing, assuming an increasing importance for shopper marketing and POP action (Gutierrez, 2009; GMA/Deloitte, 2007 and 2008; Neff, 2007).

The main reason for this increased investment is that a considerable percentage of purchase decisions are made by the shopper at the POP (Chandon, Hutchinson, Bradlow & Young, 2009). As a result, Gutierrez (2009) points out the following factors as evidence of the growing popularity of marketing communications at POP:

- It is increasingly difficult to attract the attention of potential buyers and consumers in a context in which they are busier and in an over-communication environment outside the store. For this, a part of the communication should occur near the location of purchase, to ensure that the communication is relevant to customers.
- Buyers and consumers have been developing ways to block stimulus they are exposed to outside the store (eg tv zapping).
- When exposed to media outside the POP, the potential buyers and consumers generally are in mental mood related to entertainment and leisure and not buying. Simultaneously, the marketing communications at POP have the ability to contact the potential buyer when he is at a "moment of truth", because he is more sensitive and interested in buying (ie, in a shopping and buying mood).

This increasing investment at the POP is turning the store much more towards a communication/touchpoint to interact with customers, and not only a distribution and sales channel (Chandon, Hutchinson, Bradlow & Young, 2009; Thornton, 2005). Therefore, communication should be performed at the POP in order to build the reputation and image of brands, not only to distribute products. In addition to the financial investments, the time dedicated to POP marketing tools and its sophistication has also been growing, especially in what regards shelf and layout management. (Chandon, Hutchinson, Bradlow & Young, 2009 and 2007; Groeppel-Klein, 2005). However, there may be other visual marketing stimulus at the POP (eg signage, brochures, show windows), and there are few academic studies on the relevance of these other stimuli (Meyers-Levy & Zhu, 2008; Dulsrud & Jacobsen, 2009). So, it is crucial to understand what are the driving forces behind the shopper decisions and how they actually behave at the POP (Inman, Winer & Ferraro, 2009 ; Larson, Bradlow & Fader, 2005 and 2006; Underhill, 2008). Understanding these aspects (also known as shopper insights) has been recognized as a trend of development in the fast moving consumer goods (Karolefski & Heller, 2005). It should be noted that the understanding and study of the shopper is different from the analysis of the consumer (Araújo et al, 2004), because even if the buyer is the final consumer, his needs, attitudes and behaviours are specific to the role of a shopping mode (Sorensen, 2008 and 2009; Pincott, 2010). In this context, the coherence and integration between the POP and the brands sold are essential elements (Sylväniemi, 2010; Desmedt, 2010; Harris, 2010; Desrochers & Nelson, 2006 ; Karolefski & Heller, 2005).

Despite the relevance and timeliness of shopper marketing, few studies were found addressing the issue of brand salience at the POP. However, the concept of visual marketing is intrinsically linked to brand salience at the POP and its relevance is widely recognized (Kerfoot, Davies & Ward, 2003; Janiszewski, 2008; Wedel & Pieters, 2008). The studies found generally address one component of brand salience - the position, facings and location of products in shelves. The studies analysed are related to retail food or apparel and do not report to the situation in Portugal.

3. Methodology

In order to provide an answer for the research question established, a theoretical study will be performed, complemented by an empirical study. As mentioned, the empirical study has the general objective of empirically investigate the impact of brand salience at the POP, framed by the shopper marketing philosophy, with regard to the perception and behaviour of shoppers and the relationship between retailer and manufacturer (the product categories and distribution channels to be empirically studied are yet to be defined). In order to accomplish that, the empirical study includes two sequential sub-studies, examining the main actors involved in shopper marketing, in order to obtain a perspective cross-sectional study of the problem:

- Collection of "expert opinions" in order to characterize the implementation status and best practices of shopper marketing in Portugal.
- Collection of feedback from retailers and manufacturers of the sector/categories in analysis, in order to characterize the perception that these operators have about relevance and effectiveness of brand salience at the POP.
- Gathering of descriptive shopper data, to deduce about the influence of visual stimuli in their shopping behaviour.

To provide support for the design of the empirical methodology of the present research, methodologies of past empirical studies on brand salience were analysed, as summarised in table 1. After reflection about the studies summarized in table 1 and considering the systematization of data collection methods presented by Silberer, Büttner and Gorbach (2009), the methodologies for the collection of empirical data of this project are as follows:

- Collection of expert opinions, through semi-structured face-to-face interviews. This qualitative data collection seeks to address the research objective C.1 (ie, to characterize the status of implementation of shopper marketing in Portugal).
- Collection of retailer and manufacturer judgements, through semi-structured face-to-face interviews. The collection of this information will also be qualitative, using semi-structured face to face interviews. This data collection is intended to meet the research objectives C.2, C.3 and C.4 and C.5.
- Conduction of a quantitative survey and observation of shoppers at the POP, intending to collect data to deduce about the influence of visual stimuli in their shopping behaviour. The collection will be conducted through a

structured questionnaire and observation form built from scratch. If possible, this data will be enriched with secondary data of store sales. This data collection is intended to meet the research objectives C.4 and C.5.

Table 1 - Summary of empirical methodologies about shopper marketing and brand salience

Authors	Date	Methodolgy
Bell, Corsten & Knox	2011	Descriptive quantitative study, with shoppers interviews and self-report panel data.
Suher & Sorensen	2009	Descriptive quantitative study, with mechanical observation of shopper behaviour in terms of traffic across the store. with affixed radio frequency identification tags.
Inman, Winer & Ferraro	2009 ; 2004	Descriptive quantitative study, with data based on POPAI store intercept survey of shoppers, with purchase intentions measured prior to entering the store and register tapes collected upon checkout.
Ti	2009	Experimental laboratory study, with structured interviews to potential shoppers.
Sorensen	2009 ; 2008	Studies on the location of products at the POP, analysing sales volumes and shopper traffic.
Chandon, Hutchinson, Bradlow & Young	2009 ; 2007	Experimental and quantitative studies, with data collected from mechanical observation with eye tracking devices, analysing eye movements.
Underhill	2008	Studies conducted at POP, with follow-up interviews with shoppers during the process and/or exit, combined with observations analysing behaviours and motivations.
OgilvyAction	2008	Descriptive study with shopper interviews at the POP, analysing decision trees and impulse purchases.
Desrochers & Nelson	2006	Experimental study in a laboratory environment, analysing the expected location of products through learnings from past customers.
Larson, Bradlow & Fader	2006 ; 2005	Quantitative descriptive studies, with mechanical observation of supermarket shopper travelling patterns, through affixed radio frequency identification tags.
Sinha & Uniyal	2005	Quantitative descriptive study with personal observation of shoppers at the POP
Araújo et al.	2004	Descriptive study with observations and interviews with shoppers at the POP, interrelating them with interviews at home and sales volumes from stores.
Kerfoot, Davies & Ward	2003	Exploratory study with qualitative techniques of data collection using semi-structured interviews at home, analysing consumers analysing attitudes, preferences and intentions on visual stimulus of in-store marketing stimulus.
Chandon, Hutchinson & Young	2002	Experimental and quantitative studies, with data collected from mechanical observation with eye tracking devices, analysing eye movements.
Pieters & Warlop	1999	Experimental study in a laboratory environment using mechanical observation with eye tracking devices.
Kahn & Schmittlein	1989	Quantitative study with secondary data analysis based on IRI Academic Research Data Base, about shopping trip behaviour.

4. Empirical results

At present, a critical literature review on shopper marketing has been done and the undergoing phase of the investigation is the conduction of the field work for the first empirical sub-study - collection of expert opinions in order to characterize the implementation status and best practices of shopper marketing in Portugal.

Concerning this sub-study, nine semi-structured face-to-face interviews with experts have already been conducted and two more are planned, following a snow-ball sampling technique. The qualitative data analysis is in a preliminary phase, using thematic content analysis. This preliminary analysis seems to show consistency among the shopper marketing situation in Portugal and the main themes found in the literature review. In fact, the concept, relevance, benefits, barriers and critical issues in shopper marketing activities pointed out by the experts in Portugal are referred in literature.

The next steps of the investigation are: finishing the expert opinions field work; integrated analysis of all expert interviews; choosing the product categories and distribution channels for the next sub-study; designing the semi-structured interview form for the interviews with retailers and manufacturers of that industry; conducting the interviews with those retailers and manufacturers.

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