

STORE CHOICE

A CANADIAN PERSPECTIVE
MAY 2007

About the Survey

The Nielsen Global Omnibus surveys more than 26,000 Internet users around the world every six months - representing a global online population of close to one billion consumers. The survey gathers opinions over 47 countries across 15 time zones.

“Good value for money” is the most important factor for Canadian consumers in choosing where they spend their grocery dollars, according to a recent survey conducted by The Nielsen Company. American and Global consumers also reported value for money as their top priority in determining where they did their grocery shopping, with United States consumers reporting it as of slightly more importance than Canadians did.

Canadians ranked “better selection of high quality brands and products” as the second priority, very closely followed by “the closest store”. Global and American consumers both gave quality brand selection a higher ranking than did Canadian consumers. However, more than half of the Canadian respondents gave high importance to a good selection of high quality brands demonstrating that when we shop, we often “want it all” – great bargains and premium items plus a convenient location.

Canadians and Americans were less concerned about location and parking convenience than Global respondents, and the use of recyclable bags and packaging was the lowest priority for both North American and Global consumers.



In deciding what stores offer good value for money, how important are the following:
% of respondents rating as very or somewhat important

	Canada	United States	Global
The prices published in the store flyer	71	71	62
Price reductions offered to their store card holders	51	63	57
The store has a reputation for being cheaper than competitors	72	72	70
The store runs a lot of promotions and regular price discounts	75	80	75
Friends tell me where to get the best value	48	43	50
The store promises to have everyday low prices	66	70	57
I reasearch and compare prices across retailers	61	59	60
The store carries a lot of private label products that are cheaper	52	53	54

For North American and Global consumers, lots of promotions and regular price discounts were the most important “good value” defining factor, especially for United States shoppers. This was closely followed by the stores reputation for having cheaper prices and then the prices actually published in the store’s flyer. North American consumers pay more attention to price information in flyers than do their Global counterparts, with a much higher proportion of respondents ranking them as an important source of information. The advice of friends was least likely to be ranked as an important source of store value information, both in North America and Globally.

Canadians look for promotions, they read the flyers and they pay attention to the reputation of a store’s pricing policy when deciding where to shop. With the continued channel blurring and increasingly competitive retail environment it will be important for retailers to continue their focus on understanding and responding to, the consumer’s definition of “value.”



Reasons for Grocery Store Choice

% of respondents ranking reason as important (4 or 5 on importance scale)

	Canada	United States	Global
The one closest	54	52	54
The most convenient/easy parking	33	36	46
Better selection of high quality brands and products	56	62	63
Good value for money	85	88	84
Uses recyclable bags and packaging	27	24	28

So value for money is clearly a worldwide priority, but how do consumers determine if a retailer is delivering value? Nielsen asked all of the consumers who had ranked “good value for money” as their most important store choice consideration to rank the importance of a variety of items which could be seen as providing value.