

# PROMO PLAN 2024

---

In 2023, shoppers have become increasingly price-conscious. Private label and hard discounters have gained significantly.

How to use promotions to recapture market share in 2024?

## 5 ways to regain market share in 2024





## INTRODUCTION

With shoppers having become increasingly price-conscious, private label and hard discounters have gained market share. To regain market share and run a successful promotion program in 2024, it is crucial to strike a balance that aligns with the retailer's strategy, supports your objectives of enhancing category value, and block consumers from making purchases with your competitors.

Here are five strategies to assist you in accomplishing that goal.



### 1. Align your plan with the retailer's strategy

Increasingly, retailers dictate the types of promotions they prefer and impose limitations on suppliers. Some retailers may focus solely on loyalty card promotions, eliminate multibuy offers, or require participation in category-wide promotions. Understanding retail strategies is vital for suppliers. While it is generally beneficial to

participate in retailer programs, there is often room to negotiate special arrangements. Factors such as a strong working relationship, being a significant supplier, category dominance, or offering a unique niche product can provide leverage for securing a tailored agreement.

Consider the example of Coca-Cola and Tesco in the UK. Tesco runs category promotions involving all major competitors.

For Coca-Cola, participating in this promotion is imperative to avoid missing out on the opportunity while rivals like Pepsi and Suntory are involved. In addition to the competitive category promotion, Coca-Cola also executes its own "category" promotions. With an extensive range of brands and pack sizes, Coca-Cola provides consumers with ample choice.

Consequently, alongside the category promotion, Coca-Cola runs its own multi-brand promotion at Tesco, implementing two strategies:


- Participating with the largest Diet Coke offering at the most competitive price within the category promotion.
- Introducing a more convenient pack size for Diet Coke exclusively within their own multi-brand promotion.

By strategically aligning with the retailer's strategy while leveraging unique offerings, suppliers like Coca-Cola can maximize promotional effectiveness and maintain a competitive edge in the market.

---

**Accuris developed its Source of Business® concept when working for the first time for Coca-Cola in 1998.**

---



## 2. Capitalize on Competitor Promotions

The primary advantage of running promotions as a branded supplier is to gain sales from competitors. The Accuris benchmark study consistently validates this fact. In its 2022 edition, Accuris revealed that approximately 68% of the uplift generated by a promotion is attributed to competitive stealing. In other words, over two-thirds of the additional sales resulting from a promotion come at the expense of competitors selling less. It is therefore crucial not to be absent when your competitors are promoting. Ensuring your presence in every category promotion offered by retailers is vital. Whenever there is an opportunity for competing brands to participate, you should proactively secure your spot. Failing to be present when your competitors are actively promoting can quickly lead to a loss of market share. Position yourself where your competitors are and offer a compelling product at a competitive price whenever your main rivals are running promotions. By actively engaging in category-wide promotional activities, you can protect market share and avoid losing out of shopper's attention for your brands.

---

**68% of the uplift of a promotion is competitive steal**

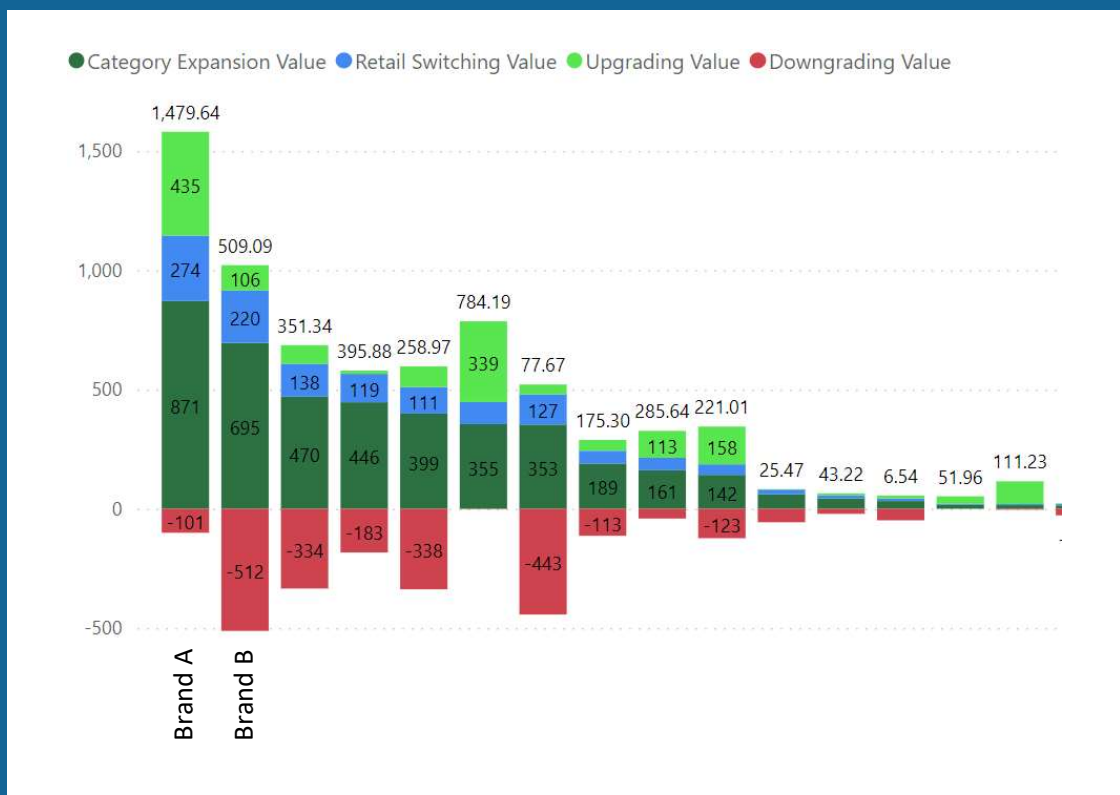
Source: Accuris benchmark study 2022

---

Continuous on page 8.

## Creating category value through shopper upgrading and category expansion

With Accuris, you gain the ability to quantifiably measure how shoppers increase their spending within the category. We provide you with the means to demonstrate to retailers that your brands contribute to their growth and add value to the overall category. Unlike other agencies, Accuris utilizes standard scanning data to calculate product-level switching, enabling us to track and analyze how shoppers upgrade or downgrade their spending patterns. We also quantify retail switching and measure the



incremental value your activities generate within the category.

Let's examine the results: Brand A demonstrates a significantly higher rate of shopper demand upgrade (depicted in light green) compared to Brand B, indicating a stronger appeal and propensity to attract higher spending. While Brand A occasionally experiences shopper demand downgrade (shown in red) when offering products at a lower price than competitors, this occurrence

is relatively limited. Moreover, Brand A excels in generating additional demand within the category (shown in dark green and labeled as "category expansion"), surpassing the capabilities of Brand B. Furthermore, Brand A has successfully executed strategies that drive retail switching to its customer, surpassing the performance of Brand B in this regard as well. Ultimately, Brand A generates substantially more value for its customer, amounting to almost €1.5 million, compared to Brand B's achievement of only half a million.

With Accuris as your partner, you have access to a unique methodology that allows you to showcase your brand's superior performance, substantiate its contribution to retailer growth, and highlight the added value it brings to the category as a whole.

---

**Accuris measures shopper upgrading, shopper downgrading, and sales generated by shoppers switching between retail stores and shoppers increasing their consumption in the category**

---

### 3. Embrace the Era of Mini Prices

Inflation rates in Western markets have reached levels unseen for decades, creating ongoing challenges for many consumers to manage their budgets. While inflation is projected to be lower in 2024 compared to 2023, many individuals will still face financial constraints. In response, retailers are consistently emphasizing the allure of what we labeled "Mini Prices." Tesco in the UK sells well-known toothpaste for a mere 80 pence - a truly Mini Price. Leclerc in France promotes items for €1 with a few additional cents or even for €0 with a few cents, all in the name of Mini Prices. Albert Heijn in the Netherlands entices customers



---

“Mini Prices”:  
Retailers are consistently conveying messages centered around low absolute price points

---



with over 100 products priced below €1 - once again, Mini Prices take the spotlight.

As a supplier, it is essential to incorporate a super-accessible offering within your portfolio. Consider options such as smaller sizes of your flagship brand, limited-time offers on secondary brands, introductory deals on new packaging or flavors, or strategically introducing a specific product price-matched with hard discounters. By embracing the concept of mini prices, you position yourself favorably in the market and meet the evolving demands of cost-conscious consumers. Stay competitive and capture their attention with irresistible affordability.

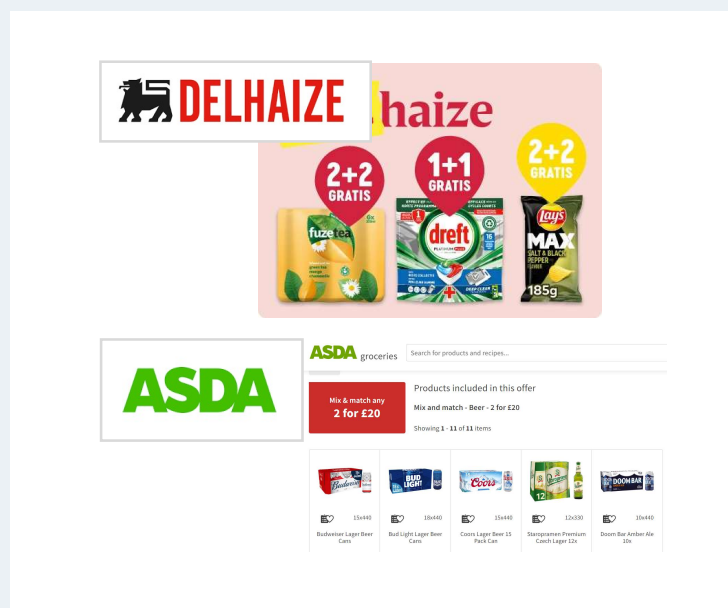


#### 4. Large Quantity Offers

As escalating prices force many households to seek alternative options like private label products or hard discounters, national brands find themselves grappling with the challenge of preserving sales. While innovation and brand building are the long term solution, they may not provide immediate relief. Competitively pricing well-known brands becomes increasingly challenging amidst rising cost of goods and heightened price sensitivity among shoppers.

However, a compelling strategy exists that can help safeguard profit margins and recapture market share. It revolves around amplifying the effort required by shoppers to access exceptional prices. Imagine this: to unlock a fantastic discount, purchase two or even three times the quantity you had originally planned! Enter the realm of large multibuy promotions or enticing offers on substantial quantities of products. These offers encourage consumers to significantly increase their consumption of your brands while blocking sales from your competitors for months. Let's explore a few noteworthy examples:

- Kaufland in Germany entices customers with an extra-extra large pack of a dairy drink priced below 4 euros.
- Leading manufacturers like Coke and P&G go beyond traditional "buy one get one free" offers and present irresistible deals like "2 + 2 free" exclusively at Delhaize in Belgium.



Large quantity promotions encourage shoppers to spend more and block competition

- Selected brewers offer enticing promotions like "buy 2 for £20" on 18-pack cans of lager, demonstrating that large ticket prices, beyond the realm of "mini prices," can still captivate consumers in today's inflationary markets.

By embracing these strategies and captivating consumers with compelling large quantity offers, you can safeguard market share while re-establishing your brand's dominance. In a landscape defined by rising prices, large quantity promotions serve as a beacon of value, ensuring your brands remain irresistible to consumers.



## 5. Maintain your Premiumization Strategy

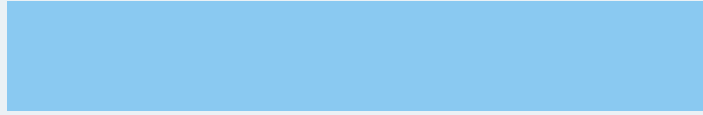
It is estimated that approximately one-fourth of households are currently facing significant financial constraints. These are the shoppers who are actively seeking more affordable alternatives, adopting a cost-conscious mindset, and adjusting their shopping behaviors to spend less per trip while making more frequent visits. However, it's important to note that three-fourths of households are not necessarily under increased budget pressure compared

to before 2022. Despite this, with the abundance of retailer communications and media coverage highlighting high prices and inflation, it is evident that most households are paying closer attention to food prices than ever before. Among them, a considerable number still seek attractive deals on brands they value, remaining open to upgrading their spending for premium products.

If you have a segment of your product portfolio that caters to the premium market, it is highly recommended to continue supporting it through well-crafted promotions. Many shoppers will be enticed to elevate their spending and pay a premium for superior products, especially when presented with attractive offers that allow them to stock up on beloved premium brands. Consumers continue to socialize, celebrate special occasions, and partake in activities like barbecues and picnics, where they desire quality brands. Promotions such as Coke's buy 5 for a special price on their small 150ml cans, Heineken's Birra Moretti and Beavertown beers, or L'Oréal's skincare offers exemplify brands that persistently run promotions targeting price-insensitive consumers. These strategies result in increased shopper expenditure and add value to the overall category.

By maintaining a focus on premiumization and capitalizing on consumers' desire for quality, you can tap into the market's potential and foster elevated spending habits. It is through targeted promotions

that you can not only drive revenue growth but also enhance the perceived value of your brand within the category.



ACCURIS provides a customer-centric perspective on your brand's performance. By partnering with us, you gain valuable insights into how shoppers, consumers, and retail customers respond to your promotions, pricing and assortment changes.

At Accuris, we offer a comprehensive suite of services, including our consulting expertise and an advanced online analytical software powered by Microsoft Power BI. This powerful combination enables you to effectively measure the impact of your sales and marketing campaigns. Not only can you track the incremental revenue and profit generated, but you also gain visibility into the specific sources contributing to your revenue growth.

### All data in one place

Sales, marketing, financial data in one glance. Accessible from anywhere.

### Performance by customer

Promo, price, assortment changes evaluated by retailer

### Performance by brand

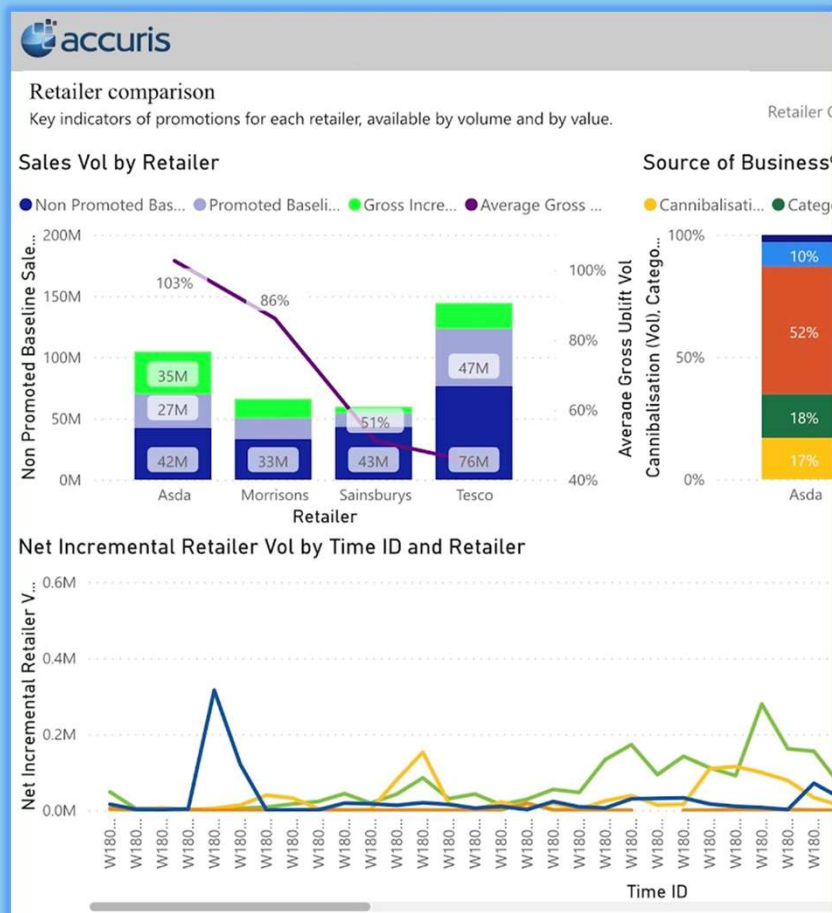
How do your campaigns affect your brands?

### Export to Excel

Easily cut the report that you want to analyse and export to Excel for a deep-dive.

### PowerPoint with a click

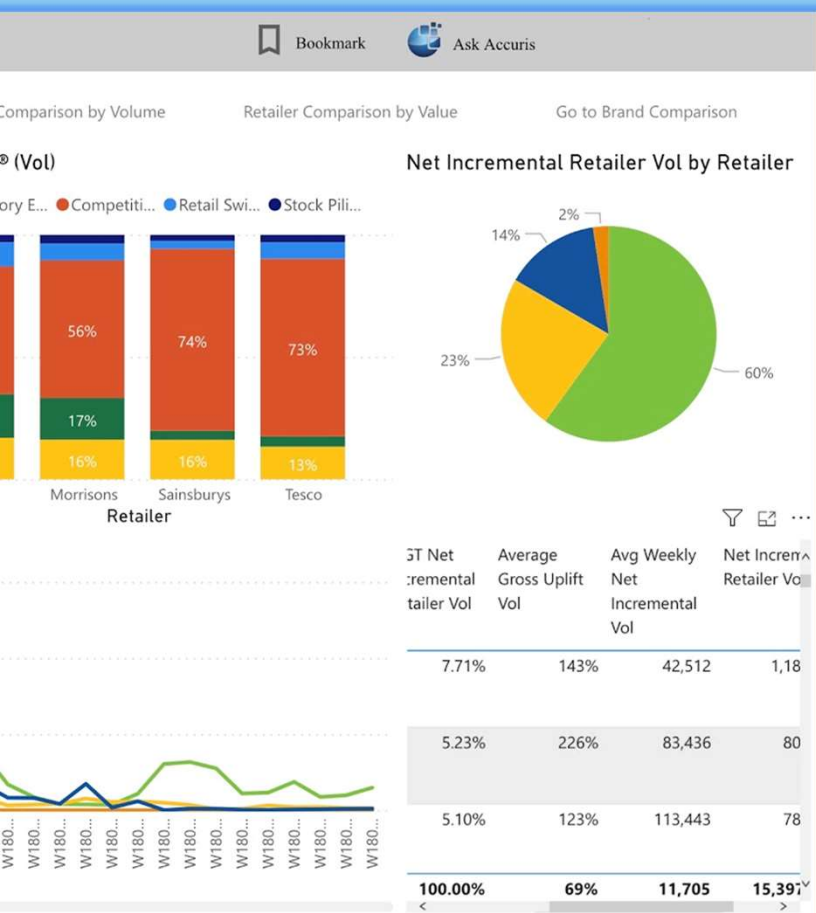
Analyse the data and create your own PowerPoint slide set with just a few clicks.



With Accuris' Source of Business<sup>®</sup> analytics, you can assess the effectiveness of your strategies. Did your initiatives lead to increased market share, expanded your loyal customer base, or drove sales shifts between retailers? Did your efforts inadvertently cannibalize your own product portfolio, or did you successfully drive shopper upgrades and category expansion? Our in-depth analysis allows you to delve into the granular details, examining revenue sources on an event-by-event, product-by-product, and week-by-week basis.

Armed with this comprehensive understanding, you can optimize your marketing and sales programs, fine-tuning them to achieve maximum results. By leveraging Accuris' insights, you gain the ability to make data-driven decisions, refine your strategies, and drive continuous growth for your brand.

Partner with Accuris to unlock the full potential of your sales and marketing initiatives, and gain a competitive edge in the market.



**Source of Business<sup>®</sup>**  
Where do sales come from?

**Media effectiveness**  
Which (mass) media drove sales most and which campaigns contributed?

**Simulate your optimised plans**  
Create a scenario for optimised promotions, pricing, assortment and simulate results.

**Analytics built-in**  
Price optimisation, promotion evaluation, assortment analysis

# REDUCE YOUR WORKLOAD, INCREASE CAPABILITIES WITH ACCURIS

Accuris offers a comprehensive array of services and solutions that empower marketing, sales, and revenue management. Our offerings span from data integration, modeling, and software solutions to consulting services and monthly performance tracking.



DATA  
INTEGRATION

## All your marketing, sales and financial data, easy accessible in one place.

- Save time making datasets compatible
- Avoid inefficiency of working with data sources that do not match
- Focus on interpretation, not integration of your data
- Nielsen, IRI, Kantar, BrandView, DunnHumby, SAP ERP and many other sources



MODELLING

## Evaluate the effectiveness of your strategy: pricing, promotions, assortment

- Price and promo elasticity
- Source of Business® for all your campaigns: where do you get your revenue from? Cannibalisation, competitive switching, retail switching, stock piling, category expansion
- Impact on category, customer, brand and product



REPORTING

## Easy to use, yet powerful data visualisation

- Fast access to all your marketing, sales and financial data
- Flexible dashboards and reports
- Easy as Excel
- Built in Microsoft Power Bi



CONSULTING

## Learn from benchmarking and industry best practices

- Definition of Must Win Battle, Big Bet and Turf Defending strategies
- Workshops with customer and category teams
- Benchmarking database with in-depth results of over 40 categories



MONTHLY  
TRACKING

## Monthly performance tracking and continuous improvement

- Monthly effectiveness report on all your campaigns
- Retail customer performance tracking
- Monitor competition and learn what works for them
- Recurring evaluation and optimisation
- What-if scenario building and results tracking





## Accuris – Analytics for Revenue Management

Accuris provides consulting, services and tools to help suppliers and retailers track and optimize the effectiveness of their marketing and commercial plans and strategies.

Clients are consumer goods companies across Great Britain and Europe, including many local champions and two thirds of the top 10 FMCG multinationals.



© 2023 Accuris N.V. and/or its affiliates. All Rights reserved. Reproduction and distribution of this publication in any form without prior written permission is forbidden.

18 / 2 Westland Place, London N1 7TT  
+44 20 8144 9500  
[www.accuris.com](http://www.accuris.com)  
Email: [rgm@accuris.com](mailto:rgm@accuris.com)

