Influence of the crisis on the shopping behaviour

The current economic climate in Belgium again pointed out that 'the' shopper does not exist. For example, not all shoppers are sensitive to the crisis, or at least not for all products. Not all Belgian households always shop in Belgium. The increased interest in segmented shopper marketing is clearly justified, but it can be dangerous too.

Uptrading
In 2009 'less was more'. The number of shopping trips decreased and spending per trip went up. This was caused by an increased sensitivity to promotions. People tend to concentrate their purchases and buy larger volumes. They avoid extra shopping trips in order to keep their budget under control. Nevertheless, Belgian consumers are 'uptrading' more: they switch to more expensive premium products. This is in line with the trend of cocooning and cooking more in-home. People are buying more fresh vegetables and go shopping in France for more expensive wine.

Hard Discount stopped growing
Another remarkable phenomenon is the fact that hard discount stopped growing. In 2009 its market share declined -for the first time- from 18.1 to 17%. Turnover and number of customers went down. They still open new shops, but these start to cannibalize on the current ones. Many Aldi shoppers aren't exclusive anymore and also shop at Lidl, and vice versa. On the contrary, sales of private labels in the open market increased, mainly driven by the cheapest variants of private labels such as 365, Everyday Selection en Carrefour Discount. The A-brands slightly growed, thanks to their promotional activities.

Cross-border shopping more popular
Cross-border shopping generated 3.4% of the FMCG-expenses in 2009: an increase of more than 10%. Almost 29% of the Belgian households went cross-border shopping in 2009. Belgians mainly visit the French Auchan and Dutch stores like Jumbo to stock up cheaper products. These shops wisely adapt to this trend by communicating as far as Brussels and Ghent. Auchan even hires Flemish employees to make their Belgian customers feel welcome.

The danger of the same target group
Purchase behaviour differs per target group. After all, not all families are sensitive to the crisis. A good example is families with children and higher incomes. Despite the crisis, they further increase their spendings. They are an interesting target group for all retailers to aim at. But the danger of all retailers reaching for the same target is that a real battle of prices could arise.

3.7% growth in 2010
GfK predicts for 2010 a growth of 3.7% for the FMCG+fresh market, driven by inflation, demographic increase and the uptrading trend. The emergence of hard discounters stopped, the private labels of other retailers are now the new danger. Consumers switch more and more between private labels and brands. With risk avoidance in mind as an important driver for brand preference, the point for manufacturers is now to react to private labels with reassuring claims and benefits. Important is to maintain their credibility and the perceived price-quality proportion and to refine their target groups. The importance of an objective or subjective Unique Selling Proposition (USP) is at his highest level ever.