

Consumer Food Gifting: Commercial Effectiveness

Conducted customer segmentation study as a basis for informing new channel, product portfolio and marketing strategies necessary to accelerate growth in food gifting business

Project Overview

Deliverable Examples

Client Context

- Client is a branded food gifting retailer with a very seasonal portfolio
- Decrease in mall traffic adversely affecting future growth for Client's pop-up-retail kiosks found around the holiday season
- Ultimately, Client wanted a go-to-market growth strategy that combats the changing market dynamics and focuses on growth opportunities into new products, occasions and channels

Approach

- Developed clear and actionable consumer and occasion-based segmentation:
 - National online survey as well as direct pulls from the existing customer's database
 - Research and subsequent working sessions led to alignment behind six consumer gifting segments with distinct needs, attitudes and behaviors
- Established more grounded understanding of headroom for growth and key commercial levers via market size and competitive landscape analysis
- Prioritized go-to-market playbook and key initiatives based on market attractiveness and Client's right to win

Outcome

- Identified \$1.8B of accessible headroom in target segments with 75% falling outside of legacy focus areas
- Grounded organic and inorganic roadmap for doubling both revenues and profits over a five-year period
- Delivery against aggressive growth targets in year 1 post engagement; on track for year 2

Consumer Segmentation & Segment Playbooks

	BRICK & MORTAR BRAND LOYALISTS 19%	RELUCTANT IMPULSE PURCHASERS 14%	SHOWY IMAGE SHOPPERS 16%	ECLECTIC ECONOMIZERS 15%	PREMIUM CYBER SHOPPERS 19%	ONLINE SAVINGS SEEKERS 16%
GIFTING AFFINITY	♥ LOVES GIFTING	👎 HATES GIFTING	👉 GIFTING A CHORE	♥ LOVES GIFTING	♥ LOVES GIFTING	♥ NEUTRAL
WILLINGNESS TO PAY	\$\$\$\$\$	\$\$\$	\$\$\$\$\$	\$\$\$\$\$	\$\$\$\$\$	\$\$\$\$\$
BRAND IMPORTANCE	BUYS NAME BRANDS THEY KNOW/TRUST	PREFERS WELL-KNOWN NATIONAL BRANDS	BRAND NOT ALWAYS A KEY DECISION DRIVER	SEEKS NEW / UNIQUE BRANDS	BUYS NAME BRANDS THEY KNOW/TRUST	BUYS NAME BRANDS THEY KNOW/TRUST
VARIETY IMPORTANCE	PREFERS VARIETY	PREFERS MORE LIMITED SELECTION	PREFERS MORE LIMITED SELECTION	LOVES VARIETY	LOVES VARIETY	PREFERS VARIETY
NEED FOR SALES ASSISTANCE	SOME WHAT NEED	SOME WHAT NEED	HEAVILY DEPENDENT	SOME WHAT NEED	DON'T NEED	DON'T NEED
BRAND PERCEPTION SKEWS	Tasty, Trusted, High Quality	Cheap, Old Fashioned, Boring, Masculine	Good Value, Variety of Food Types	Masculine, Old Fashioned	Easy To Order, Authentic, Heritage, Trusted	Old Fashioned, Boring, Cheap
CHANNEL PREFERENCE	96% RETAIL	91% RETAIL				
MOST PURCHASED FOODS						
ADDTL PRODUCT TYPE SKEWS						
TYPICAL GIFT PRICE POINTS	\$20 - \$75	\$10 - \$50				
UNDER INDEX BRANDS						
AGE (Med.)	43 YEARS OLD	37 YEARS OLD				
% FEMALE	56%	50%				
INCOME (Med.)	\$62K	\$62K				

Premium Cyber Shoppers - Online

Short Term	Med Term	Long Term	Growth Initiatives	Initiative Detail
2017	→	2021	What specific initiatives will drive near-in quick wins and longer-term sustained growth	Important attributes of each growth initiative
█	█	█	• Birthday Campaign	Year-round engagement
█	█	█	• Targeted digital marketing campaign	Tailored messaging to PCS
█	█	█	• Premiumization of the art direction	High End perception online
█	█	█	• Competitive Online Experience	Competitive shipping and optimize user experience
█	█	█	• Targeted catalog	Consistent with online branding
█	█	█	• Focus on generation of positive reviews	Favorable customer experience
█	█	█	• Test selling new categories to this segment	Including shipping costs
█	█	█	• Brand Refresh	Online content market that appeals to lifestyle
█	█	█	• Expand Product Categories	Incorporate additional products
█	█	█	• Tailor assortment to a sophisticated taste profile	Match products to fit the premium nature of the segment
█	█	█	• Optimize online strategy	Advance web-based partnerships to grow direct business segment

Note: Full case studies available upon request
Names & Numbers Modified to Maintain Confidentiality

