Are MEN from Mars & WOMEN from aisle 3?

Overview

In 2008 the American economy was buffeted by economic headwinds the likes of which have not been experienced since the 1930s according to many economists. To understand the impact on the American shopper, Miller Zell undertook execution of a shopper behavior survey to look at how current economic conditions are impacting the shopping behaviors of men compared with women. The survey also sought to understand how shoppers felt their buying behaviors would change in the next six months.

We've long known that men and women shop differently; our objective was to understand how these differences are manifested in challenging economic conditions. The results of this survey will provide insight for retailers who understand the need for change during this economic downturn. It will also provide actionable insight for store designers, buyers and store visual merchants to help them better influence shopper decision-making.

Survival in retail will be directly related to the ability to understand, precisely, the shoppers state of mind, deliver solutions that serve their interests and effectively execute shopper marketing programs.

Methodology

Objective:

To determine if the economy is impacting female & male shopping behaviors differently

Timing:

Week of December 22, 2008

Methodology:

801 On-line Surveys

Respondent attributes:

52% male, 48% female,

Average Age: 46

Average HH Income $65K

Key Insights

- The general trend across age, gender and income was to reduce spending, trade down and brand switch to private label product.
- Females were far more likely than males to be more cautious about economic conditions, trade down products and shopping locations (e.g. national brand to private label brand or premium retailer to discount retailer) and reduce overall home expenditures than males.
- The survey indicated that females are driving tighter fiscal discipline in the household including the reduction of family night out
- Unexpectedly, wage earners exceeding $100K were far more negative about the economy than all other wage earning categories
- Pre-planning is way up. This coupled with big increases in internet research indicate shoppers are coming to the retail store more armed than ever with knowledge of pricing, product capabilities and competitor products.
- Interestingly, all gender, age and wage categories indicated greater optimism (as represented by increased expected future spend) six months from now than currently.

Implications

As economic conditions continue to erode rapidly, it is important that retailers and manufacturers continue to have their finger on the pulse of changing shopper behavior. Our survey identified unexpected divergence in shopping behavior by gender and wage as well as expected divergence based on age.

Retailers and manufacturers will have to improve in-store and mass media communications related to their value proposition. These initiatives will need to target females and higher income wage earners especially. Integration of in-store and out-of-store messaging will hold great importance for how retailers and manufacturers build brand image, drive demand and convert shoppers to buyers. Increased shopper pre-planning and research will require marketers to provide enhanced product information in order to avoid de-selection.

See results on next aisle →

Results

Shopper Consumption & Spending

Questions

Which of the following categories* are you currently shopping more or less?

- Have you eliminated one or more of the following categories* from your shopping trips over the past six months?

- Do you plan on spending more or less over the next six months in the following categories*?

50% Are spending less over all categories

61% Are spending less in electronics

64% Are spending less in apparel

62% Are spending the same or more in grocery

*Categories: Grocery . Apparel . Electronics . Furniture . Software & Gaming . Home Improvement

Shopper Experimentation

Questions

Have you traded "down" over the past six months in any of the following categories*?

- Which of the following dining occasions** are you bringing into the home?

- Have you "brand switched" ***from a national brand to a store brand in the past six months which you would have not considered previously?

68% Staying in vs. eating out or entertainment out

½ Of grocery shoppers are moving from premium to discount retailers

87% Switched brand in grocery

5of**10** Have brought special occasions or family nights into the home

1/3 Switched to store brand apparel

*Eating out to Eating in. Outside the Home to Inside the Home Entertainment. Premium priced Grocery to discount Grocery. Premium price Mass Merchandiser (ex: Target) to value Mass Merchandiser (ex: Wal-Mart). Specialty Retailer to Mass Merchandiser (ex: Wal-Mart). Mainstream Department Store (ex: Macy's) to value based Department Store (ex: JC Penney, Sears) . Premium Department Store (ex: Nordstrom) to mainstream Department Store (ex: Macy's)

** Girls night out . Guys night out . Family night. Special occasions

***Categories: Grocery . Apparel . Electronics . Furniture. Home Improvement

Shopper Decision Making

Questions

Are you pre-planning your shopping trips more or less today versus one year ago?

- Are you conducting on-line research more or less today versus one year ago?

- Are you making more or less joint purchase decisions with a partner or spouse in the following categories*?

60% Are planning more

42% Of men and **45%** of women are doing more on-line research

Joint shopping decision making **2X higher** in high ticket items, furniture, home improvement, and electronics

*Categories: Grocery . Apparel . Electronics . Furniture . Software & Gaming . Home Improvement

Miller Zell

Miller Zell is a leader in strategic retail consulting specializing in retail design, shopper marketing, shopper insights research & analysis, and store implementation, serving some of the world's best known brands. Headquartered in Atlanta, Georgia. for over more than 30 years, Miller Zell designs and builds award-winning selling environments across retail sectors including grocery, financial institutions, dealer-based businesses, restaurant chains, consumer products, and mass merchandise.

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