

# Breaking News

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## ACNielsen predicts the face of retail in 2010

*ACNielsen experts predict future of retail*

*FMCG and retail executives offered survival tips to rise above competition*

**18 May 2006, Palm Desert, California**  
**- More than ever, the future of the always changing retail landscape is in the hands of consumers. Factors such as high gas prices have forced people to alter their shopping habits, in turn forcing retailers to re-shape the industry by thinking outside the box.**

According to experts at ACNielsen, this challenging retail situation is here to stay. At the company's recent Consumer 360 Conference, the premier marketing information conference for the consumer packaged goods industry, ACNielsen analysed the past, present and future of retailing.

Todd Hale - senior vice president of ACNielsen's Consumer Insights - presented the following predictions about the face of retail in 2010:

- Radio Frequency Identification will be widely applied to track in-store shopping patterns, stock merchandise, and measure consumption. Self-checkout will be greatly simplified as 'EZ-Pass'-style devices hit retailing
- Wal-Mart sales will reach the half trillion dollar mark as the store becomes a leading source for immediate healthcare
- Stores will offer valet parking
- Metal detectors will greet shoppers at store entrances
- Private Label will reach a 20 percent dollar share
- Grocers will go big, go value, go niche...or go away
- High gas/heating costs will continue to reduce shoppers' disposable income and will cause channel evolution. ▶



Today's **hectic lifestyles** have changed the way people shop

Todd Hale - Senior Vice President, ACNielsen Consumer Insights

“Today’s hectic lifestyles have changed the way people shop,” said Hale. “What used to be a rather leisurely activity has turned into a rushed, stressful nuisance for some shoppers. Retailers that acknowledge this, stay one step ahead of the game. These days, retailers are looking for ways to keep customers happy by selling them unique products, getting them in/out of stores quickly, smothering them with good service, and/or saving them money.”

Hale encouraged retailers to keep their customers satisfied by altering business practices to focus on personalisation, value and convenience. He shared the following ‘Survival tips’ designed to teach retailers to maximise their growth potential in the face of consumers’ tightened purse strings:

- Benchmark and monitor shopper dynamics both by category and across the entire store
- Think outside traditional channel categories by understanding pricing, assortment and promotion strategies
- Leverage manufacturer expertise to stay ahead of consumer trends
- Be quick to accept and quick to discontinue new products

- Happy associates make good shopper engagements
- Use email to contact shoppers
- Develop premium, exclusive brands: Private Label doesn’t always have to be a low-price alternative
- Translate frequent shopper programs into loyalty programs.

Consumers are not only brand-loyal, but also store-loyal.

Todd Hale - Senior Vice President, ACNielsen Consumer Insights

Those retailers that incorporate Hale’s ‘Survival tips’ into their game plans will see immediate results. Frequent shopping trips and customer loyalty are signs of success retailers can count on, both in the present retailing situation and in the future.

“Many consumers are not only brand-loyal, but also store-loyal. If they feel a store goes out of its way to make their shopping experiences more pleasant and less stressful, consumers will show their appreciation with more frequent shopping trips and bigger sales totals” advised Hale. ■

## About ACNielsen

ACNielsen, a VNU business, is the world’s leading marketing information provider. Offering services in more than 100 countries, the unit provides measurement and analysis of marketplace dynamics and consumer attitudes and behavior. Clients rely on ACNielsen’s market research, proprietary products, analytical tools, and professional service to understand competitive performance, to uncover new opportunities and to raise the profitability of their marketing and sales campaigns.

ACNielsen uses Six Sigma methodologies to continually improve the quality of the services it provides to its clients. Six Sigma is a rigorous, data-driven, continuous and breakthrough improvement program focused on achieving the highest levels of quality.