



THE OXFORD RESEARCH AGENCY

SEEING FURTHER. THINKING DEEPER.

FMCGe News Article

**Seeing Further, Thinking
Deeper: Looking beyond the
headlines**

Wednesday 13th May 2009

Seeing Further, Thinking Deeper: Looking Beyond the Headlines

BRC reported the largest year on year increase in retail sales figures for the past three years, not evidence that the economy is back to normal.

Earlier this week the British Retail Consortium (BRC) reported the largest year on year increase in retail sales figures for the past three years. Cue nationwide celebrations and scores of investment bankers strolling through central London with their heads held high!

Of course you need to look more closely at the figures to see that, whilst this isn't the worst news of the year, it also isn't evidence that the economy is back to normal. The problem is that comparing year on year data is meant to eliminate seasonality issues; however, in March and April this never quite seems to be the case. This year we are comparing an April including Easter with an April last year with no Easter. We also enjoyed one of the driest and warmest ApriIs on record this year, which followed a wet and miserable winter. So this is undoubtedly good news, but let's not get too excited just yet.

At The Oxford Research Agency we always greet headline news with some caution (whether this is NPD, customer satisfaction or shopper insight). Quite understandably, the economic situation has impacted evaluation of shopper behaviour and trends, but in some quarters this seems to have been taken too far; it surely won't be long until someone claims that MPs were forced by economic pressures to claim a second home allowance on properties 100 miles outside of their constituencies.

Recently the rise of the discounter has been firmly positioned as an indicator of consumers reacting to the economic pressure and down-trading. Whilst the recession has clearly helped the likes of Lidl and Aldi, they were already undergoing growth and expansion long before the economic downturn. It would be wrong (and indeed dangerous) to assume that this trend is purely down to economic factors and that an increase in economic stability and growth will see shoppers naturally migrate back to their old brands and retailers. The ambitious expansion plans of these discount retailers certainly don't suggest that they see this as a short term situation. The Oxford Research Agency retail team has been highlighting the growing trend for ABC1 shoppers to visit these discounters for a number of years (and indeed the rise in more affluent members of society looking for bargains can be seen from the early days of car boot sales through to the more recent success of clothing retailers such as Primark).

We believe that now is not the time for retailers to turn their backs on research (and indeed suggest that this is a period when more than ever it is important to understand their shoppers) to ensure that they are in the best position to take advantage of the economic upturn when it happens. However, we also understand the pressures being put on our clients to reduce budgets and save money wherever possible.

With this in mind The Oxford Research Agency is introducing its

£5k Retail and Shopper Insight Temperature Check.

This will identify what your customers think of your brand, your store environment and/ or the service provided by your staff - at every channel and interaction touchpoint where your brand is experienced. We will then use our vast experience in this field and our knowledge of the retail environment to help build a clear picture of where you are and where you need to be.

Seeing Further, Thinking Deeper doesn't have to cost more!

If you would like to find out more about how The Oxford Research Agency can help you better understand your shoppers, what they think of your brands and how this is potentially going to change in the future, please contact our retail and shopper insight team (**Steve King, steve.king@tora.co.uk or Noreen Kinsey, noreen.kinsey@tora.co.uk or call 01865 728272**).