

Edition MAY 2011

Retail



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Dear Readers,

We are pleased to welcome you to the new edition of our CEEMEA Newsletter, this time focusing on retail and shopper related projects.

The growing importance of this sector can be demonstrated by the record number of contributions you can find in this issue. Some of them touch on the areas of changing shopping habits and spending patterns in various countries across the region, some deal with the retail supply development trends and with particular market segments. The remarkable rise of shopper marketing has not been omitted either.

The results of some syndicated surveys (which are still very much appreciated by the clients) are presented as well as several interesting ad-hoc projects and also some news about developments in the regional GfK network. This time the contributions for the Newsletter have been collected from 14 countries: Austria, Bulgaria, Croatia, the Czech Republic, Hungary, Poland, Romania, Russia, Slovakia, Slovenia, Serbia, Turkey, Ukraine and also from the United States.

Wishing you a relaxing summer vacation,

▶ **Tomas Drtina, INCOMA GfK, Managing partner**

You can find further information about the findings of our studies under ▶ www.gfk.at or via the links from this site to the web sites of all the GfK companies in Central and Eastern Europe. ▶ [e-mail us](#)

▶ GfK Austria	▶ GfK BH	▶ GfK Czech	▶ GfK Kazakhstan	▶ GfK RUS	▶ GfK Slovenija
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▶ GfK Belgrade	▶ GfK Croatia	▶ GfK Hungaria	▶ GfK Romania	▶ GfK Slovakia	▶ INCOMA GfK (CZ)



Bulgaria

Purchasing behaviour in the DIY market

All members of the household are involved in the purchasing process for DIY goods. 50 % of the interviewees state that in this sector they share the decision-making process equally with another member of the household. Men are more inclined to make joint decisions whilst women are more likely to make a decision on their own without consulting other members of the household.

A decline in the buying of furniture and DIY goods is being seen in 2011. The biggest drop, of more than 10 %, has been found in the segments of lighting and other electrical products, textiles, small home appliances and bath sanitary products. People are still being influenced by the economic instability and are postponing purchases of DIY products to a more favourable time.

[▶ read more \(pdf\)](#)

Croatia

How much have we changed?!

If we look at ourselves as buyers and consumers, we can see that we have changed significantly in comparison to 10 years ago or even, for that matter, 5 years ago. If we look at the period of the last two years, i.e. since the beginning of the crisis, we can see that the changes are not so great although new behaviour patterns that have become stronger have changed the previous image of buyers and consumers.

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Czech Republic

Nine out of ten inhabitants in the Czech Republic live within the catchment area of a hypermarket

The retail countryside in the Czech Republic is becoming »denser.« An illustration of this is the growing number of hypermarkets (large stores with a wide range of products and an area of more than 2500 m² of SFS). There is already a total of 268 hypermarkets operating in the country. According to the INCOMA GfK survey »HYPERMARKET 2011«, nine and a quarter million inhabitants, i.e. 88 % of the Czech population, live within 20 km of a hypermarket. Thereby, the hypermarket network and its catchment areas have covered almost the whole country. An exception is formed by the sparsely populated areas where the opportunities for positioning a hypermarket are limited by the lack of suitable places.

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Event

Save the Date

Retail in Detail/Shopper Marketing 2011 conference

After the successful launch in 2010 (250 participants!), the preparations for the 2011 conference are on-going at full speed.

The event will take place in Prague on September 27, 2011. Several top speakers have already confirmed their participation, amongst others the Czech GfK companies. Incoma-GfK will co-present a shopper insights case study with TESCO and GfK Czech will introduce its Listing Impact Analysis, using data from the household panel. The hot topic: should brands list in the discounters?

[▶ more information \(link\)](#)

Hungary

Last year, the average household went shopping to nearly nine different retail chains

A slow consolidation process started last year in the Hungarian retail trade. The performance of the various retail channels developed differently over the year.

Hypermarkets and chains of small shops showed the highest growth rate whilst fewer households went shopping to supermarkets. The restructuring continues in the discount chain market and drug stores continue to be successful in selling fast moving consumer goods. Cross use between shops was high but customers spent less in the individual shops.

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Poland

Variance in prognoses for retail in Poland in 2011

The GfK Retail Mood Barometer for small-scale stores in Poland has remained low since 2009. It is currently at 13 points and remains unchanged in relation to last year. In the large-scale store sector the opposite is true – the indicator is currently at +25 points and is a sign of optimism in those distribution channels. The GfK Retail Mood Barometer is a synthetic tool that measures the mood and pros-

People



Russia

New colleague:
Vangelis Matthaopoulos

Vangelis Matthaopoulos is a Retail, Shopper Insight and ECR market research expert who has recently joined GfK to strengthen the Retail and Shopper Insights team in Russia. Vangelis has worked across Europe, the CEE region and the Middle East over a period of 11 years, consulting with major blue chip FMCG manufacturers and retailers.

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pects in Polish retail according to representatives of FMCG retail distribution. The best climate and mood can be found among the representatives of large-scale stores, amongst whom the representatives of the discount stores see the best prospects (indicator +32 points).

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Romania

The most important criteria for our orientation when shopping

For half of Romanians the most important criterion by which they choose the shop where they spend most money on fast moving foods and non-foods is its proximity to their home or place of work together with the time required to reach the shop.

These factors have a stronger influence amongst people aged 45 to 55 years old or those with higher education, and are of especial importance for the people in the capital city.

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Slovakia

Slovaks miss Slovak fruits and vegetables in shops

Roughly one in three Slovak consumers is not able to distinguish Slovak foodstuffs from those imported from abroad. The vast majority do often check for the country of origin when buying groceries and would appreciate having more Slovak products in stores. They most often complain about the lack of Slovak fruit, vegetables, meat and dairy products and a significant number even say that >>

Russia

»The GfK Retail Experience«

Over the last decade the Russian retail market has seen major changes in its retail environment. Ever larger and more varied retail channels have opened up and the ranges of products available to the shoppers have multiplied exponentially. Along with the rise of new technologies in terms of information sources, social media and communication media, shoppers have become more demanding and knowledgeable about their purchases. As a result of this near perfect flow of information towards the shoppers, there has been a levelling of the playing field for both brands and stores. Furthermore, retailers have entered the online channel and brands are also increasingly opting to go direct via online stores. Now, more than ever, it is imperative that a holistic approach to the purchase process and the shopper be adopted. GfK Rus has listened to its client's needs and has initiated the »GfK Retail Experience«.

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Serbia

Results from the Shopping Monitor

According to Shopping Monitor data – the annual survey which GfK Belgrade conducts on a nationally representative sample for Serbia – 60% of the population predominantly uses mini-markets and supermarkets as their main place for shopping. The term »predominant« in this case means the place where most of the food and other basic groceries required are bought or, in other words, it is the place where the majority of spend on food and basic groceries is made.

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Flashing News

Czech Republic

GfK Czech celebrated its 20th anniversary with its clients and colleagues from abroad.

We remembered years gone by (has it really been 12 years since the Matrix came out and GfK Czech started using the eye camera in its research? And did we really drink »houba« (red wine and cola) and Blue Curaçao twenty years ago?!), we thought about the future (NeuroMarketing is already here, but when will online forecasting become popular in research instead of online reports?), we raised our glasses to our continued success, and we all enjoyed ourselves because market research in the Czech Republic is slowly getting back on track, with clients no longer caring only about price but mainly about quality. To victory!

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Multi-client solutions still very much appreciated by clients

The sales of INCOMA GfK multi-client solutions were successful in maintaining their turnover even during the economic downsizing years of 2009 and 2010. In 2010 our multi-client solutions added up to a record level of 45% of the total INCOMA GfK turnover!

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Czech consumers no longer attracted solely by price, but now also by quality

Numerous sources have documented the considerable and long-term impact of the economic crisis on consumer behaviour in the Czech Republic. Consumers are shifting from a straight focus on price to a search for products that offer BOTH quality and a good price.

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they would be willing to pay more for a Slovak product and would not mind if it were more expensive than a similar product from abroad. GfK Slovakia conducted a representative survey as a partner in the project entitled »Quality from our Regions« under the auspices of the Slovak Association of Commerce and Tourism. The phone survey was conducted in April 2011 on a sample comprising 650 respondents.

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Slovenia

Household income and expenditure

In our February omnibus, people responsible for the running of the household (housekeepers, N=589) answered questions on household income and expenditure. In January 2011, the average monthly household income was estimated to be just under 1,500 euros. Households were also asked to estimate the amount needed to cover the basic necessities and this figure amounted to 1,260 euros on average. This means that an average of 240 euros is left over for any additional purchases or to be saved.

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Turkey

Turkish retail market ... deep dive on traditional channels understanding

The rising share of organised retail and discount markets has had a considerable effect on traditional stores in Turkey over the last few years. The discount market is growing,

Flashing News

US

The remarkable rise of shopper marketing

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Cracking the code:

unlocking the power of shopper marketing

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especially in the wake of economic recession, and the shoppers have moved to making more frequent trips, following the promotions and attractive offers they identify via leaflet advertising. The share of traditional retail was 67% in 2005 but by 2010 it had decreased to 45%.

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Ukraine

Kyiv residents are fond of sports brands

People in Kyiv prefer sports or casual brands when buying clothes and shoes. These are the results of the survey that GfK Ukraine conducted for Colliers International.

44 % of Kyiv residents mainly make their purchases of clothing and shoes in shopping centres. Open markets are in second place, with 31 % of respondents choosing them as a place of purchase. Specialist shops for clothes and shoes serve as the primary place of purchase for 16 % of Kyiv dwellers.

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Comments

If you would like to make any comments about our Newsletter or if any other colleagues in your company are interested in our E-Mail News please let us know.

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