CEEMEA up[2]date
GfK. Growth from Knowledge

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Consumer Goods

Contents

Dear Readers,

We would like to welcome you to another edition of our CEEMEA Newsletter.

The recession has led to a »forced rationalization« of consumer behavior in the CEE region. Expenditure on consumer durables, travel and clothes has suffered dramatically whilst FMCG categories have been less affected, partly due to the shift from out-of-home to in-home consumption.

Macroeconomic figures have mostly improved but not consumer confidence so shopping and consumption in 2010 still suffered from consumers´ fears about their jobs and financial future. They are not ready to experiment, focusing strongly on price, supported by heavy promotional activities on the part of retailers. Value for money products, private labels and discounters continue to benefit from the pessimistic market sentiment.

But there are clear signals that quality offers and premium products will grow substantially once consumer confidence is back to pre-crisis levels. The recession has not changed the fundamentals of marketing: the focus on brand value and USP, with a deep understanding of consumer needs remain the main success factors for brand manufacturers.

GfK's CEE network Consumer Goods experts will be happy to provide category or brand specific consumer and shopper insights.

Yours sincerely

Tobias Schediwy, GfK Austria, General Manager, Consumer Tracking CEE
Vera Grasl, GfK Austria, Head of Consumer Goods & Retail, Custom Research

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

Austria

Austria in Christmas fever

70 % already know what they are going to give their loved ones for Christmas. Games/toys, books and magazines (subscriptions) are top of the pops for 2010.

Mr and Mrs Austria are in full agreement in 2010: Christmas is wonderful. This year, on average, they will spend 396 Euro on presents. Women, above all, have already thought about what they want to give as presents this Christmas. The absolute hits on the list of presents for Christmas 2010 are games/toys (31 %), books and magazines (as subscriptions) (30 %) and vouchers (28 %). In comparison to 2009, vouchers are of much less significance. These are the results of a representative on-line survey on the subject of Christmas, carried out by GfK Austria between the 18th and 24th November with 500 respondents.

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Czech Republic

Consumer Goods Markets in the Czech Republic

The shopping habits of Czechs are changing: The trend is towards more responsible consumption and seeking quality for a good price.

Developments in the market for fast-moving consumer goods in the Czech Republic show that, whilst Czech households are trying to keep their expenses under control with regard to the long-term, when the major traditional holidays come along this attitude relaxes somewhat and their spending is above average. An important factor here is the growing popularity of purchases being made during promotional events – a technique being used since last year by retail chains to maintain consumption levels and which strengthens the positions of super and hypermarkets. Since the beginning of this year, however, there have been very strong warnings against a »promo trap«, set by the retail chains themselves.

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Shortcut

Serbia

December shopping in Serbia

Although Orthodox Serbs celebrate Christmas on January 7th, the holiday and shopping fever starts well before that day. Due to the numerous holy days in December (especially St. Nicolas), shopping patterns show significant peaks. Which product categories benefit most from the festivities and what are the effects on turnover?

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Hungary

Stagnating FMCG Market in Hungary

Hungary is still waiting for dynamic growth in its fast moving consumer goods market. Hungarians are not spending more on fast moving consumer goods than last year and, at the same time, the amount spent on clothes, travelling and culture has decreased further this year – this is what the latest results of a survey conducted by the GfK Hungária Market Research Institute amongst 2,000 households show. The Hungarian fast moving consumer goods market is stagnating despite the fact that household monetary wealth is, at the same time, on the increase. However, this growth is not being realized as an increase in retail trade turnover since Hungarians are spending a lot more on repaying debts and creating safety reserves as a result of a restructuring of household spending. Customers are still seeking offers with a better price-value ratio, and pay a lot more attention to leaflets.

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Poland

Baby Panel introduced to GfK Polonia offer

Consumer Tracking is the only means of obtaining single source information in Poland and provides information on the market in the context of the changes in household shopping habits on the basis of figures collected on a continuous basis.

GfK Polonia conducts three consumer panels: ConsumerScan, the Individual Panel and the Baby Panel. The introduction of the Baby Panel has enabled GfK Polonia to join the small group of countries in which this type of panel is conducted. In the first part of 2010 there was intensive work to set up the tool: the decision about the method of data collection, recruitment, motivation, preparing printed material, etc. Having completed this part, GfK were able to start to collect the data. The first reporting period was June 2010.

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Shortcut

Going Digital at GfK

How do you reach your customers effectively in the Digital Age?

Marketers from Microsoft, Coca-Cola and others, together with GfK's experts, addressed this critical question at »The Digitally Connected Consume«.

Our view of the digital world

… is themed around research into new digital markets and lifestyles and digitally enabled research techniques. We provide a full range of integrated GfK solutions delivering comprehensive insights.

watch the videos

Romania

The Romanian consumer – back to basics

After the shock and panic triggered at the start of 2009 by the worldwide crisis, in 2010 Romanian consumers have become accustomed to the new environment, having adjusted and shifted their living standards, priorities and values.

The values that started to form in 2009 have been confirmed and reinforced in 2010 and have enhanced the traditional »content« such as family, safety and control while the pressure of image presented has decreased.

Consumers are not willing to take any risks and they search ahead of time for specific information in order to be well informed about their purchase. At the same time they learn from other people's experiences so that the power of »word of mouth« propagation has become a more obvious trend.

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Slovakia

The Slovakian attitude to fake goods

Only approximately one in three persons in Slovakia adopts a markedly negative attitude to fake branded goods whilst an equal share would never buy this kind of product. Most Slovaks, however, are slightly inclined to a potential future purchase of fakes and the majority would not mind wearing something »not genuine« as long as the people around them were not aware of it. These goods most commonly include sportswear

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People

Macedonia

New member of GfK Skopje Consumer Goods Team: Tanja Popovska

GfK Skopje extends a warm welcome to Tanja Popovska – a new member of our Consumer Goods team who joined us in November 2010. Tanja has previously worked in retail, tourism and finance and her experience is crucial in the explanation and interpretation of results at the consumer level.

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Slovakia

Martina Mjartanova

Martina Mjartanova joined GfK Slovakia on the 1st September 2010 as the Consumer Goods & Retail Sector Leader, being responsible for marketing consultancy in the Retail, Consumer & Industrial Goods, Automotive and Energy segments. Martina draws on wide experience in market research and marketing.

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brands and premium clothing brands from famous fashion designers. These are some of the findings of an online survey conducted by GfK Slovakia on a sample comprising 765 respondents.

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People in Slovakia like to indulge themselves

Brightening up your life with small delights is »in«, especially in this period after people have significantly changed their consumer patterns as a result of the crisis and have often tended to give up some of their favourite activities or commodities for financial reasons. Although retailers encounter a rationalisation of customer consumption in an effort to economise, the emotional side of shopping is returning to the fore as people simply want to indulge or treat themselves from time to time. This also poses a challenge for companies and their marketing strategies to make people smile and improve their mood – because these days this is exactly the value that sells and is able to attract customers.

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Ukraine

Crisis forced the Ukrainian consumer to be more cautious and rational

In Ukraine, the key trend in consumer behaviour for 2009 was switching from spending to saving. In spite of a significant growth in prices, FMCG consumption almost did not change at all. The motto for 2009 was: »If I can't afford a new fridge, at least the old one should be full«. However, the crisis changed consumer preferences – consumers practise »cocooning«, concentrating their activities at home. The share of regular, traditional products in the shopping basket increased while »secondary groups« decreased. The position of the premium brands weakened slightly and that of private labels improved (but their share was still small in Ukraine compared to other CEE countries).

Purchasing behaviour also changed – consumers went shopping far less often but bought more when they did. The trading structure remained almost the same – hypermarkets and discounters continued to grow at a high pace but their share is still small.

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Events

CEE Region

Consumer Team Meeting held in Warsaw
November 25th–26th

35 participants from 18 CEE countries gathered together in Warsaw this year as a follow-up to last year's Team Meeting in Budapest.

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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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Impressum:
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