

# Chain Drug Review

Reporter for the Chain Drug Store Industry

## IRI sheds light on 'trip missions'

LAS VEGAS — Where consumers choose to shop often depends on the kind of "trip mission" they are on, according to Information Resources Inc. (IRI).

Retailers and manufacturers should keep those missions in mind when putting together their merchandising and marketing plans, Valerie Skala Walker, the market research firm's vice president of business and consumer insights, said at the recent IRI Summit 2007 conference here.

Skala Walker explained that IRI looked at more than 8 million shopping trips taken by members of its household panel over a two-year period, assessing total trip expenditure, how many unique products were in the basket, and how many store departments and merchandise categories were reflected in the purchases.

From that data, the company determined that shopping trips could be classified in terms of 31 distinct types, which have a dramatic impact on where consumers shop, what paths they take through the store, how sensitive they are to price and promotions, and what they ultimately buy.

Those 31 trip types can be broadly grouped into four shopping "missions," IRI says — quick trips aimed at filling an immediate need and typically resulting in the purchase of one to five items, for a basket ring of about \$10; special purpose trips that focus on a narrow set of products, such as liquor, apparel, pet food or hardware and account for nearly one-fifth of consumer packaged good (CPG) sales; fill-in trips in which con-

sumers are likely to be price and deal sensitive and take advantage of competitive pricing and promotions; and pantry stocking trips, which represent just 15% of shopping excursions but generate roughly 40% of CPG sales.

Nearly three-fourths of drug store visits are quick trips, according to IRI.

An IRI survey shows that about one-fourth of drug store quick trips are motivated by the need to pick up a prescription and another one-fourth are prompted by the need to buy an over-the-counter health care product.

In her presentation, Skala Walker used internal analgesics to demonstrate the way an understanding of trip missions could apply to the marketing of a particular product category.

"The first thing we found out is that 4% of all shopping trips to drug stores include a pain reliever," Skala Walker said. "So it's a pretty important category for drug retailers."

She went on to note that 73% of all drug store visits are quick trips, with consumers picking up just one or two items.

However, drug store visits that include an internal analgesic differ somewhat from the typical trip. Only 50% of trips that include an internal analgesic are quick trips.

Skala Walker said that one-third of pain reliever purchases in the trade class occur on fill-in trips, which are large for a drug store, typically generating a \$50 to \$80 basket ring.

"The interesting thing is that when we drilled down to the 31 trip types," Skala Walker noted, "there was one trip type where the average internal

analgesic purchase was \$21."

That spending reflected the fact that there are some consumers who experience chronic pain and therefore make multiple internal analgesic purchases in a given trip. They may buy more than one bottle of a given product, so they can keep some at home and at the office, for example, and they may buy different forms of the product such as a daytime and nighttime formulation.

"Retailers should look at how they cross promote across forms in the category, so that people know that this store is the place to buy their multiple forms and their multiple units," remarked Skala Walker.

"The other thing we want to look at is product synergy," she added. "Because one of the best ways to increase basket size is to show consumers that we understand them. And we know that the woman who buys Sunsilk shampoo does not need Aleve for arthritis. A woman who buys Aleve for her arthritis wants a different brand of shampoo that is made for older hair. So we want to promote bundles of products that will prompt a consumer to make those additional purchases."

The key is to adjust marketing and merchandising strategies to maximize sales for each trip, according to Skala Walker.

"The point of IRI's trip typology study is to help marketers and retailers determine which type of trip is most important for a particular type of shopper, type of store and type of product," she said.