what's in store?

consumer views on grocery shopping

General Consumer Council
for Northern Ireland

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introduction

Within the last few years major changes have taken place in food and grocery retailing in Northern Ireland. Many of the former Northern Ireland supermarket groups have been replaced or taken over by the large multiples.

Prior to their arrival research carried out by the General Consumer Council[1] showed that the majority of Northern Ireland consumers (67%) approved of the large national supermarket chains entering the local marketplace.

This report shows how consumers view the situation now, three years later. It reveals whether consumers believe they are better or worse off now than they were prior to the arrival of the large supermarkets. It also shows how shopping patterns have changed, what influences consumers most in their purchasing decisions and levels of satisfaction with key aspects of food and grocery shopping.

1 Ulster Marketing Surveys Omnibus Survey for GCCNI, December 1995

figures and tables

executive summary

Impact

The arrival of the large supermarket chains has had a major impact on the nature and structure of local food retailing. The speed at which this has happened has been revolutionary rather than evolutionary and further change seems inevitable as many of the large multiples are already committed to a programme of further investment and development. In parallel with these developments many of the smaller supermarkets and symbol stores are expanding or upgrading their own operations. It is also possible that one or more of the specialist discount operators may decide to enter the Northern Ireland retail market.

The speed and scale of the change in Northern Ireland has not been without controversy. Concern has been voiced about the sourcing policies of the large supermarkets and their long term effect on the local agri-food industries. There is concern also about the continuing decline of the small corner or neighbourhood shop. Planning policy has been questioned in relation to out-of-town development which is seen by some as a threat to the commercial viability of town and city centres.

The consumer interest

The debate about these and other issues looks set to continue. As industry and commercial interests argue their case it is important that the preferences, priorities and views of consumers are not overlooked and are properly taken into account.

Findings

- *Changes in shopping patterns [pages 10 – 11]*

Around seven out of ten consumers now do their main food and grocery shopping in a supermarket or symbol store. Only a minority still do so in a traditional specialist outlet or neighbourhood corner shop.

Products such as fresh fruit, vegetables and meat which used to be bought in small specialist shops such as greengrocers and butchers are now much more likely to be purchased in a supermarket or symbol store.

- *Choosing where to shop [pages 12 –13]*

Convenience is the single most important influence on where consumers choose to shop and the majority of consumers do their main grocery shopping in supermarkets and shops which are near their homes. Perceived value for money and a good variety and choice of goods are important influences also.

Most grocery shopping is now done in shopping centres. These can be located in the local area, at edge of town or at out of town developments. Less than one third of consumers now do their main grocery shopping in town centres or the traditional high street.

Around 70% of consumers use the family car or have access to a neighbour's car to do their main grocery shopping. This adds to the convenience and has the added attraction that, unlike city and town centres, car parking at most shopping centres is free.

Almost one in five consumers still walk to do their main grocery shopping. Relatively few consumers use public transport which suggests that it is inconvenient or unsuitable.

- *The most important factors when grocery shopping (page 14)*

For the majority of consumers quality, price, in-store hygiene, cleanliness and variety and choice are the most important considerations when doing their main grocery shopping.

Less important in terms of overall shopping priorities are environmental concerns, animal welfare and where products are made.

- *Attitudes to Northern Ireland produce (pages 15 – 17)*

The vast majority of consumers, over 90%, want to have the choice of being able to buy Northern Ireland products and believe that the large supermarkets have a duty to support local produce.

In practice, however, less than one third regularly make a point of looking for Northern Ireland products. This further emphasises the fact that, for most people, value for money takes precedence over where products are made. To succeed, therefore, Northern Ireland products must first compete in terms of price, quality and choice.

A significant number of consumers (35%), said they found it difficult to identify local products. This is likely to discourage those who might otherwise wish to buy Northern Ireland products.

- *Are consumers better or worse off now? (page 18)*

The majority of Northern Ireland consumers (67%) believe that the arrival of the new supermarkets has been beneficial. Around one in four, however, remain unconvinced and take the view that the arrival of the large supermarkets has made no difference (13%) or, in some cases, that consumers are worse off (12%).

- *Perceived changes (page 19)*

Among the favourable changes mentioned most frequently by consumers are; shop layout, better choice of food, better value for money and lower prices and better displays.

Others perceive no change at all and in some cases believe there is less value and higher prices. This is consistent with the earlier finding whereby around 25% of consumers take the view that the arrival of the large supermarkets has not brought any real benefit.

- *Satisfaction with key aspects of food and grocery shopping (pages 20 - 21)*

Overall, consumers are satisfied with most aspects of food and grocery shopping. Those features of modern shopping which score highest in terms of satisfaction are opening hours, in-store hygiene, trolley availability, staff helpfulness and other in-store arrangements such as customer care, layout and information.

Aspects which are least satisfactory include help with packing, the availability of child-trolleys, in-store seating, bus services and child-care facilities. Not everyone, of course requires access to these services or facilities.

summary of conclusions

1. Consumers welcome the developments which have taken place in food retailing as evidenced by the high levels of satisfaction with most aspects of modern shopping.

2. Convenience is a key factor in food and grocery shopping with the majority of people now using the family car. This partly explains the popularity of shopping centres which combine the convenience of one-stop shopping with relatively easy car access and parking facilities.

3. It is ultimately a matter for Government to decide the parameters of planning policy. This must, however, take into account the preferences and the needs of today's consumers and their changing lifestyles. Planning policy should therefore have the following objectives:

- ensuring a wide range of shops and facilities;
- maintaining an efficient and innovative retail environment;
- providing conditions in which competition can flourish;
- facilitating consumer choice and convenience by permitting a balance of appropriate different locations;
- providing easy access with, wherever possible, access by public transport.

4. To reflect the needs of those who are dependent on public transport, the planning authorities, the developers and the transport undertakings should ensure that public transport facilities are an integrated part of future retailing development.

5. Most consumers want the choice of being able to buy Northern Ireland produce and products. Supermarkets should therefore provide consumers with this choice. If consumers are to buy Northern Ireland products, the goods must first compete in terms of price, quality, variety and choice.

6. The Northern Ireland food industries should ensure that local products on the supermarket shelves are more readily identifiable.

7. A significant minority of consumers are sceptical of the changes that have taken place and have perceived no real benefit. Supermarkets should address those aspects of services and facilities which are least satisfactory.

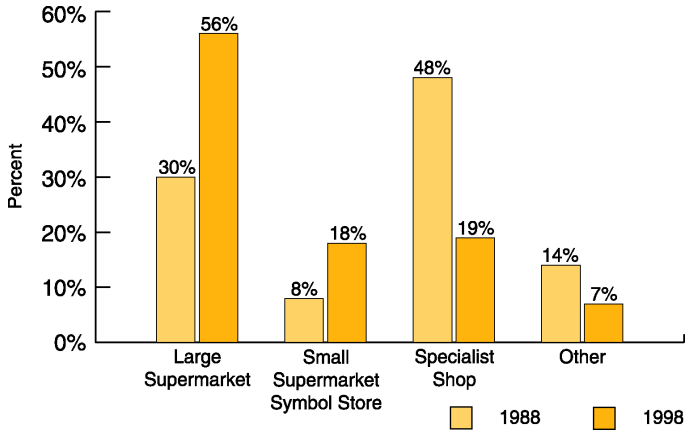
1. changes in shopping patterns

Trends

Figs 1-4 illustrate the trend away from the smaller specialist shops in favour of the large supermarkets. Figures shown are for a number of key product categories and cover the period 1988 to 1998.

Example 1. Fruit and Vegetables

Fig 1: In which type of outlet do you buy fruit and vegetables?

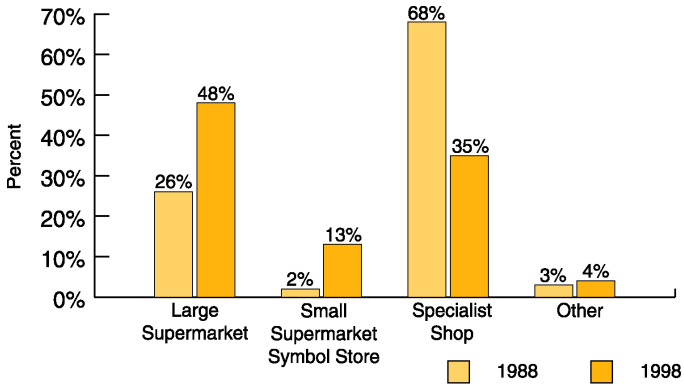


The number of consumers who now buy their fresh fruit and vegetables in the large supermarkets has almost doubled from 30% to 56% during the last ten years. The same applies to the smaller supermarkets and symbol stores where the numbers have risen from 8% to 18%.

Correspondingly, the number of consumers using specialist shops has fallen. Whereas in 1988 62% of consumers bought their fruit and vegetables in a specialist greengrocery or other small outlet, by 1998 that figure had fallen to just 26%.

Example 2. Fresh meat

Fig 2: In which type of outlet do you buy fresh meat?

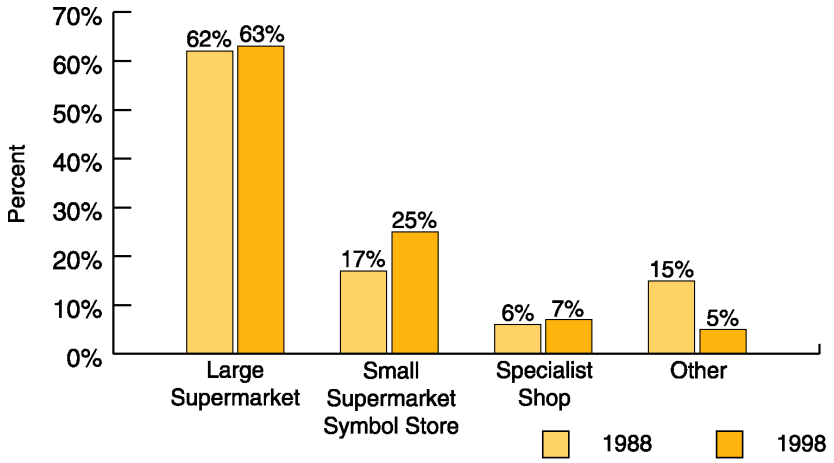


The number of consumers using specialist shops such as butchers has almost halved since 1988. Only 39% now shop for fresh meat in local butcher shops or other smaller outlets compared with 71% ten years ago.

The combined number of consumers shopping in the large supermarkets or symbol stores has risen from 28% in 1988 to 61% in 1998. As a result supermarkets are now the main suppliers of fresh meat.

Example 3. Wrapped Bread

Fig 3: In which type of outlet do you buy wrapped bread?
(Data refers to the standard 800g loaf only.)

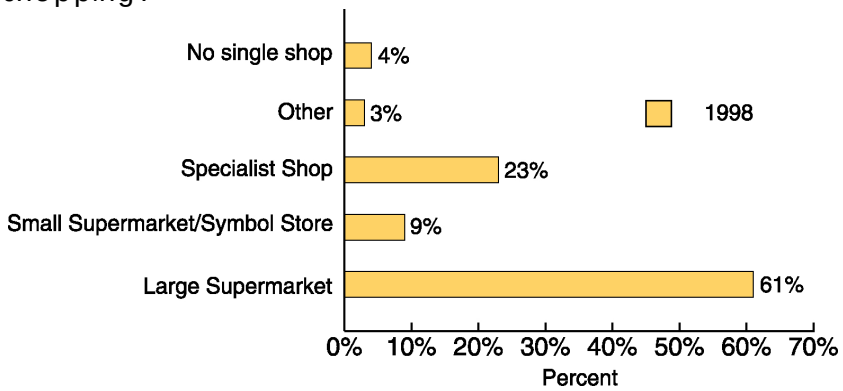


Between 1988 and 1998 the number of consumers who purchase their wrapped bread in supermarkets and symbol stores increased from 79% to 88%. This does not, however, take into account unwrapped or other speciality breads or cakes.

The trend in favour of supermarkets has meant that the number who currently buy their wrapped bread in the traditional smaller outlets has fallen . Whereas in 1987 21% bought bread in home bakeries and corner shops by 1998 this figure had fallen to just 12%.

Overall

Fig 4: In which type of outlet do you do your main grocery shopping?

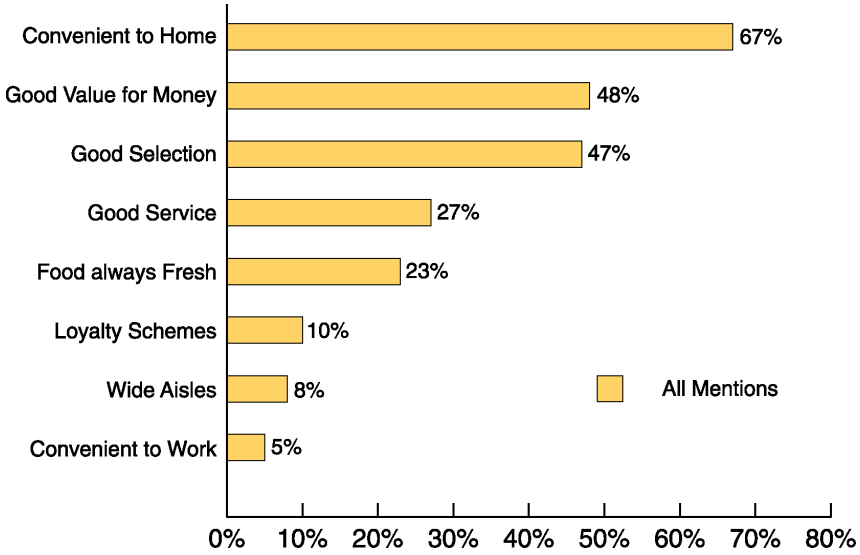


Around 70% of consumers now do their main grocery shopping in one of the large supermarkets (61%) or symbol stores (9%). Only around 25% use the traditional specialist grocers or a small corner shop.

2. reasons for choosing where to shop

What influences consumers most in terms of where they shop? Those who did the bulk of their grocery shopping at one particular supermarket or shop were asked why they shopped there.

Fig 5: Main reasons for choosing supermarket or food store



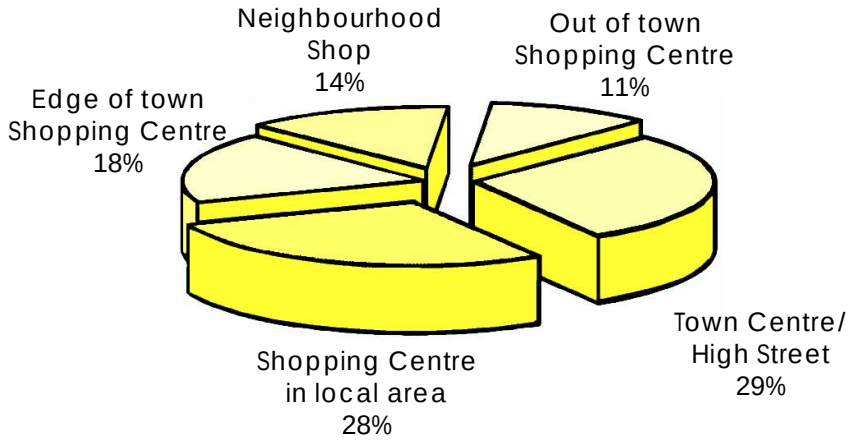
Convenience to home is the single most important influence on where consumers choose to shop. Perceived good value for money and a good selection of goods are the next most frequently mentioned reasons for shopping in a particular store. Consumers are also influenced by good service and the freshness of the food on sale.

Relative to these, few consumers are influenced by inducements such as loyalty cards and schemes.

Location of stores where main shopping is done

The trend away from corner and neighbourhood shops has meant a change in where people actually go to do their shopping. Consumers were asked where their main food and grocery shopping store was located [Fig 6].

Fig 6. Where is your main food shopping store located

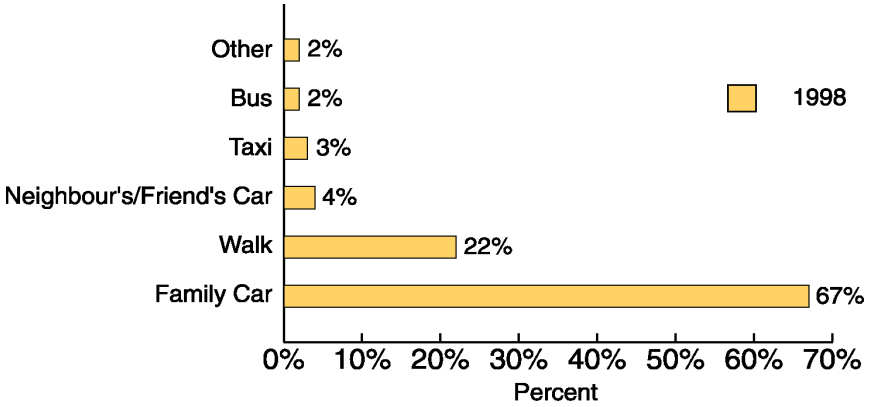


Over half (57%) of consumers now do their main food and grocery shopping in a shopping centre either in their local area (28%), at edge of town (18%) or at an out of town location (11%). Less than one third (29%) now do so in town centres or in the traditional high street. Only around one in ten (14%) do their main grocery shopping in the immediate neighbourhood.

Choice of Transport

Choosing where to shop is influenced by the choice and availability of suitable transport. Consumers were asked how they normally got to the supermarket or shop where they did their main shopping (Fig 7).

Fig 7. How do you normally get to the supermarket or store where you do your main grocery shopping.

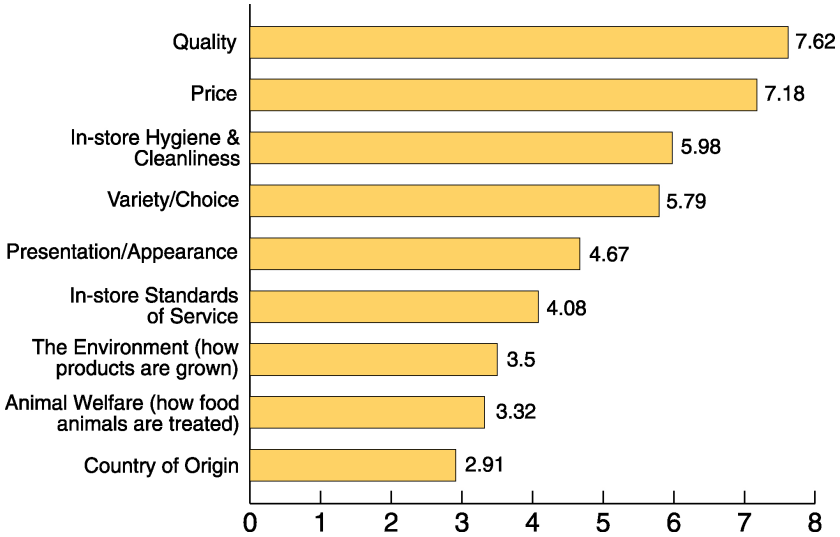


For the majority of people the car has become the principal method of transport when doing their main grocery shopping. Almost seven out of ten consumers (67%) use the family car, while a further 4% have access to a friend or neighbour's car. Around one in five (22%) still walk with only a few using public transport by way of buses (2%) or taxis (3%).

3. the most important factors when grocery shopping

What do consumers look for when doing their main grocery shopping and what influences their purchasing decisions most. Consumers were asked to rank on a scale of 1 to 9 (1 = least important; 9 = most important) a number of key factors relating to shopping. The average ranking for each factor is shown in Fig 8.

Fig 8: How important to you are the following factors when shopping?



Quality (7.62) and price (7.18) are the most important considerations for consumers when grocery shopping. These are followed by in-store hygiene (5.98) and the variety and choice of goods available (5.79).

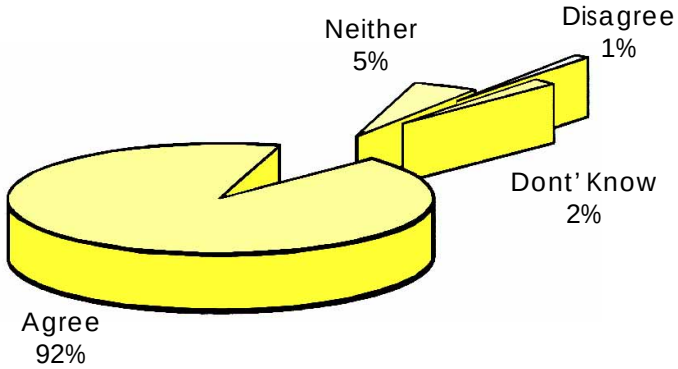
Less important are where products come from. Relative to the others, country of origin was listed as the least important factor with an average score of 2.91. Animal welfare (3.32) and environmental considerations (3.5) also feature lower in terms of what influences shopping decisions most.

4. attitudes to "northern ireland" produce

Consumers were asked a number of questions relating specifically to Northern Ireland produce.

Choice of Northern Ireland products

Fig 9: Should consumers be given the choice of buying local products?

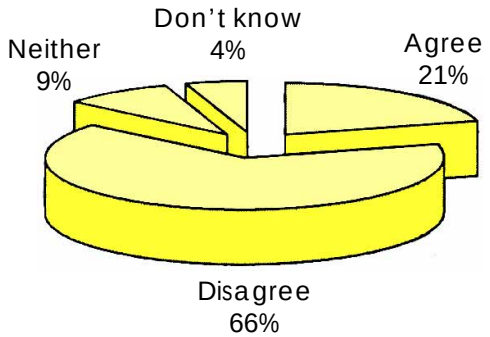


An overwhelming majority of consumers (92%) agreed with the statement that *"consumers should be offered the choice of buying Northern Ireland products".* Only 1% disagreed, with a further 7% undecided or having no strong views one way or the other.

Supporting Northern Ireland produce

Consumers were asked if the large supermarkets were under any obligation to support Northern Ireland products?

Fig 10. The large supermarkets have no responsibility to support local Northern Ireland produce.

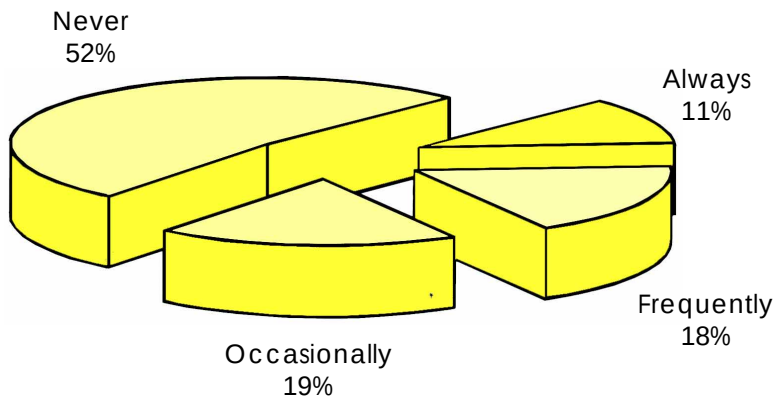


A clear majority of consumers believe that the large supermarkets do have a responsibility to the local agri-food industry. Two thirds (66%) disagreed with the statement that *"the large supermarkets have no responsibility to support Northern Ireland food industries".* Only 21% agreed with this statement.

Buying Northern Ireland products

Consumers were asked how often they themselves looked for and bought Northern Ireland products.

Fig 11: How often do you deliberately look for and then buy Northern Ireland products?



Although consumers would like the choice of being able to buy local products and believe that the supermarkets have a duty to support local industry they do not always look for Northern Ireland produce on the shelves.

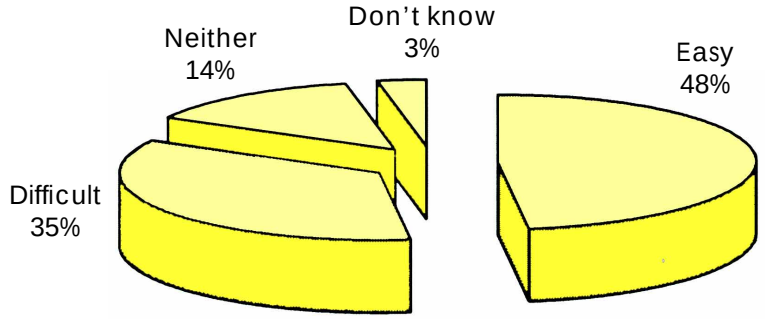
Only around one in three local consumers (29%) said that they always, or frequently, looked for and bought Northern Ireland products. The vast majority (71%), however, stated that they never or only occasionally did so.

Younger consumers, those aged 15-24, are less likely to look for Northern Ireland products. Sixty per cent (60%) stated that they never do so compared to 43% of those in the oldest age bracket, aged 65+.

Identifying Northern Ireland products

For those consumers who wish to buy Northern Ireland products it is important that those products are easily identified and recognised. Consumers were asked how easy or how difficult they found this.

Fig 12. How easy or how difficult do you find it to identify Northern Ireland products?

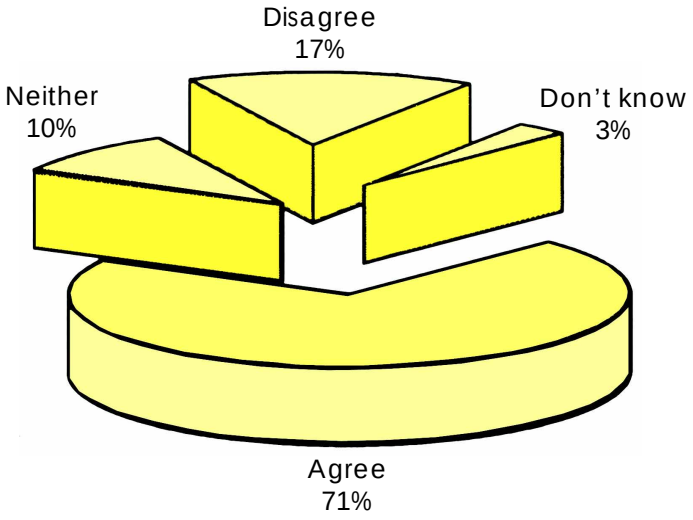


Less than half (48%) of consumers find it easy to identify Northern Ireland products on supermarket shelves. One in three (35%) said that they found it difficult.

"Value for Money" versus "Origin"

In an effort to explore purchasing attitudes further consumers were asked to agree or disagree with the statement "Value for Money is more important to consumers than where products are made".

Fig 13: Value for money is more important than where products are made?

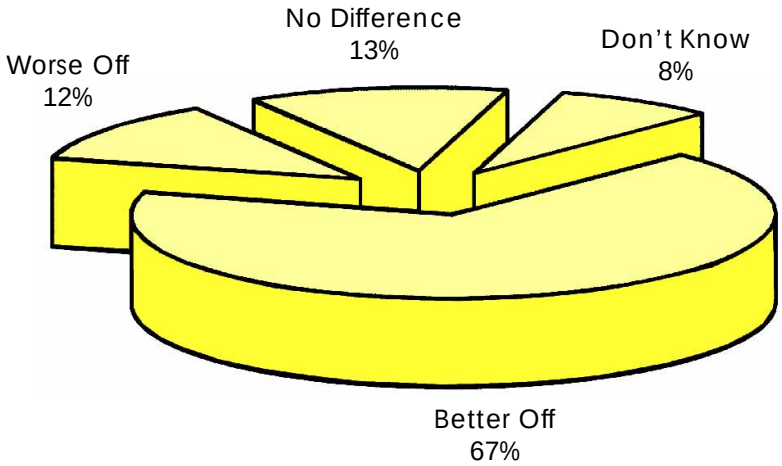


Seven out of every ten (71%) consumers take the view that value for money is more important than where products are made. Less than 1 in 5 (17%) disagree. This is consistent with the earlier findings in relation to those factors which influence consumers purchasing decisions most [Fig 8, page 14]. It confirms that, for the majority of consumers, quality, price, choice and variety are relatively more important than where goods are actually produced.

5. are consumers better or worse off?

What are the overall impressions now that the large supermarkets are firmly established? Those in the survey were asked if they felt Northern Ireland's consumers were better off now following the arrival of the large supermarkets [Fig 14].

Fig 14. Are consumers better or worse off since the large supermarkets opened in Northern Ireland?.



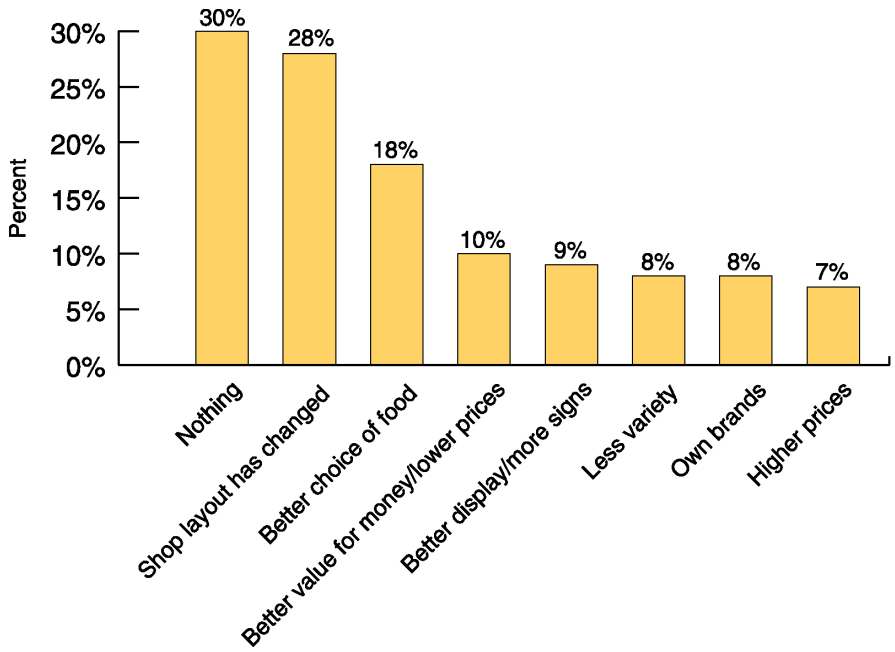
Two thirds (67%) believe that, overall, Northern Ireland consumers are better off now than they were prior to the arrival of the large supermarket chains. However, around a quarter (25%) are of the opinion that their arrival has made no difference (13%) or that consumers are actually worse off (12%).

Those most impressed with the new supermarkets tend to be younger consumers. Seventy-two per cent (72%) of 15-24 year olds and 73% of 25-34 year olds believe they are better off now. This compares with 59% of those aged 55-64 and 56% of those aged over 65.

6. what have been the major changes?

Consumers were asked what changes they had noticed most in the supermarket they used for their main grocery shopping.

Fig 15: What changes have you noticed in your main shopping store over the past three years.



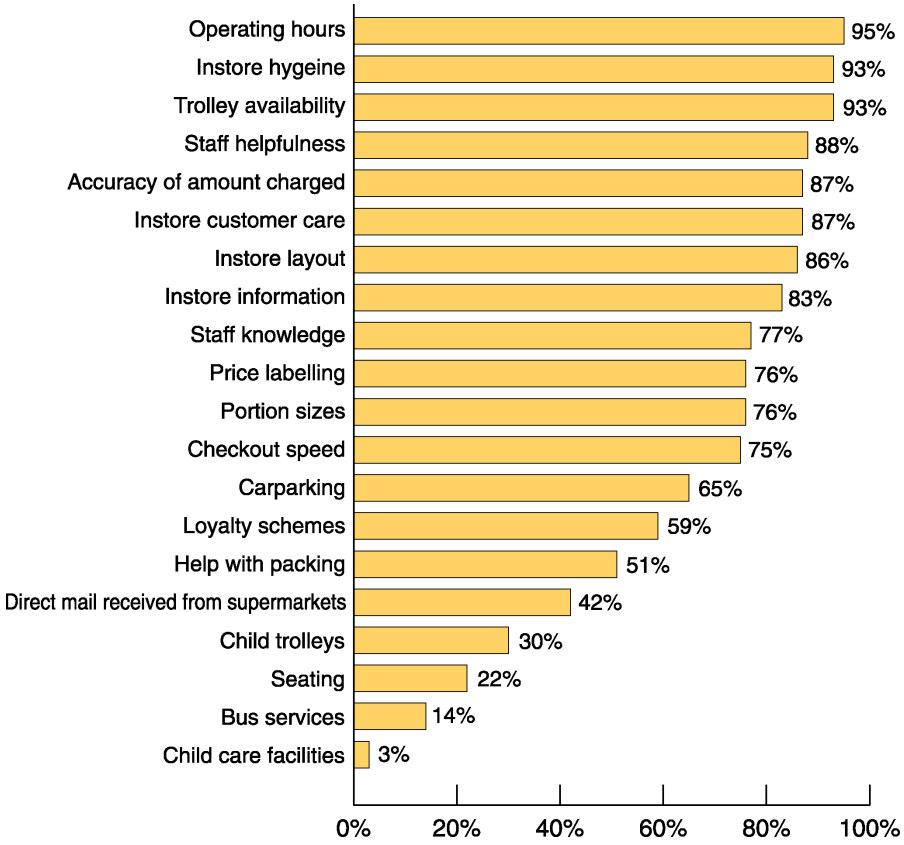
Among the favourable changes mentioned most frequently were shop layout, better choice and better value for money. The less favourable mentions referred to most frequently were those that suggested there had been no real change, with less value now and higher prices.

Again this is broadly consistent with the earlier findings that, while a majority feel that consumers have benefited from the arrival of the large supermarkets, a significant number either feel that little has changed or that they are worse off.

7. satisfaction with food and grocery shopping

How satisfied are consumers with modern food and grocery shopping? Fig 16 shows overall levels of consumer satisfaction with the services and facilities provided by the shop or store where they currently did their main grocery shopping. Since not all services and facilities apply to all outlets or to all consumers the percentages shown refer only to those who responded to each question.

Fig 16: Net satisfaction* with services and facilities



*Net satisfaction = level of satisfaction minus level of dissatisfaction.

The services and facilities which score highest in terms of satisfaction include opening hours, in-store hygiene, and trolley availability. Satisfaction is high also with staff helpfulness and accuracy in charging. Consumers are also generally well satisfied with in-store arrangements such as customer care, layout and information.

Aspects of food and grocery shopping which consumers find less satisfactory include help with packing and direct mail. For those affected satisfaction is lowest with the availability of child-trolleys, in-store seating, bus services and child-care facilities.

Satisfaction with quality, price variety and choice

Given the importance of these in terms of choosing where to shop and on their purchasing decisions consumers were asked how satisfied were they with quality, price, variety and choice in relation to where they did their main grocery shopping (table 1).

Table 1: Satisfaction with Quality, Price, Variety and Choice

	Level of Satisfaction (%)		
	Quality	Price	Variety and Choice
Milk	94%	80%	87%
Wrapped Bread	93%	80%	91%
Eggs	90%	78%	88%
Fresh Vegetables	89%	75%	88%
Fresh Fruit	88%	73%	87%
Fresh Poultry	88%	72%	85%
Fresh Meat	86%	69%	84%

Satisfaction with quality, variety and choice is generally high. Although somewhat lower, satisfaction with price is still quite high. Least satisfaction is with the price of fresh meat. Satisfaction with the quality of eggs, poultry and meat suggests that recent problems with Salmonella and BSE are neither the immediate nor the main concerns of consumers when shopping.

research methodology

Initially, a pilot study was carried out involving the General Consumer Council's "consumer network'. This is a group of individual consumers throughout Northern Ireland who provide feedback on various issues from time to time. The results of the pilot identified a range of key issues for grocery shoppers. This prompted the Council's decision to follow up with a much larger scale survey.

Following competitive tender the Council commissioned a quantitative opinion survey. This involved a representative sample of 1000 adults throughout Northern Ireland. Fieldwork was carried out in September 1998.

All research and data analysis was undertaken by Market Research Consultancy (MRC) Ireland Limited. The results of the MRC survey formed the basis of this report.

about the council

our aim

To promote and safeguard the interests of consumers and campaign for the best possible standards of service and protection.

our purpose

- to improve standards
- to give consumers a voice
- to promote awareness of rights
- to influence public policies
- to be an effective organisation

what we do

Backed by law, our role is to bring about changes which benefit consumers. We carry out research, publish reports, seek to influence both the public and private sectors, and campaign for a fair deal. In addition to our specific duties in relation to energy, transport and food, we investigate and speak out on the important consumer issues of the day. We handle individual complaints about transport, coal and natural gas.