

Shelf Assurance

While much has been written about the importance of getting on the shopping list, this is only one of the hurdles a brand faces. Shoppers have lots of choices and point-of-purchase is still where the majority of purchase decisions are made.

Because of this, Johnson & Johnson sought to improve the in-store shopper experience in children's pediatric, over-the-counter medications through a better understanding of moms and their needs.

Johnson & Johnson makes shopping better for moms.

J&J began with an in-depth analysis to determine the competitive frame for pediatric over-the-counter medications. They were able to discern which products are alternatives to over-the-counter medications and which are complementary, like tissues or vapor rubs. This gave them insight into how moms made their decisions in-store.

The insights clearly indicated that the pediatric over-the-counter market was distinct and separate from the adult market for corresponding symptoms like cold, fever, and congestion. Historically, pediatric products had been shelved with the parallel adult ailment treatments as part of one big analgesic section with both pediatric and adult products all shelved together along with other segments like upper respiratory and digestive health.

By defining how and why the products were being used and purchased, it became clear that the pediatric market was very distinct and separate from

its adult counterpart. Shoppers were looking for a host of products when their child was sick, and would be better served if all over-the-counter pediatric products were shelved together.

Within children's and infant medications, J&J found that pediatric store shelves generally did not call out the symptoms/ailments that they addressed. When a child is sick, mom is looking for products to relieve their child's symptoms. If the child has a cough, she wants a cough medicine; for sneezing and congestion due to an allergy, mom wants a children's allergy product, and so on.

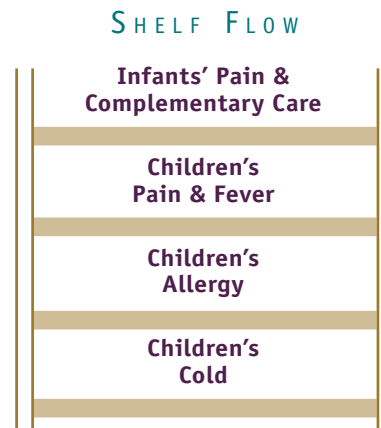
J&J also found that pediatric store shelves were often arranged by the active ingredients of the product, not by ailment relief. In addition, there was no distinct call-out between infant and children's products on-shelf. The net result of the consumer and shopper analysis resulted in three key changes to the product set:

- **Distinct pediatric and adult medicine shelf sets.** Separating adult from pediatric (and children's from infants within pediatric) provided moms with assurance that they were not going to accidentally pick up the adult alternative with a higher dosage.
- **Symptom-based shelf arrangements within both pediatric and adult medicine.** Arranging products by the symptoms they addressed resulted in a shelf set that matched the key benefit shoppers are seeking when shopping for medicine.
- **Streamlined assortments.** This simplified the shopping experience for both adult and pediatric shoppers by limiting the available choices in each of the sections.

Prior to moving forward with these findings, it was important to test this learning with shoppers to ensure that the insights made it easier to shop the

Shelving Principles

- 1 First separate pediatric products from adult
- 2 Then separate infants' from children's products
- 3 Arrange infants' products by ailment
- 4 Within children's products:
 - Arrange products by ailment
 - Within ailments, block products by age group



SOURCE: Henry Rak Consulting Partners

sections and to quantify the effect on category sales. To accomplish this, Decision Insight, a market-research firm, conducted an online, virtual shopping study in a variety of channels and retailers. "Not only could J&J get the reaction to different types of category configurations and their implications relative to purchase intent, but they could also get qualitative feedback about how this met shopper's expectations," said Alex Sodek, senior vice-president of Decision Insight.

According to Mike Pishvanov, associate director of shopper insights for J&J's McNeil Consumer Healthcare, the results, from across sample sets of six major customers, were positive for both retailers and shoppers. They showed that more than eight in 10 shoppers preferred the new merchandising scheme and that both the pediatric and adult sets could exhibit growth because of the simplified shelving arrangement.

Further supporting this, shoppers stated it was easier to shop stores and find their brands. "Most important, J&J could provide a better business solution for retailers and ensure the safety of children and infants," Mike said.

Many retailers have now started to provide in-store pediatric solution centers. These centers are dedicated to moms and their needs to fulfill childcare duties for the health and wellness of their children and infants. Some drug retailers have moved as far as providing in-store clinics to further fulfill that need.

Mike says that J&J has since taken its findings to its customers and, combined with subsequent research, recommended that they utilize improved signage at-shelf to better distinguish the infant versus children's products, and provide better callouts for the major segments in the market structure (*i.e.*, pain/fever, cough/cold/flu, allergy, and digestive health).

The results have been encouraging. Many customers have implemented J&J's suggestions either

across all stores, or in test stores. The sales results have been equally successful. For example, the new Pediatrics planogram that was implemented in two major customers resulted in double-digit growth to their pediatrics category and sub-categories.

The same approach is also being used with adult cold/flu solution-center displays in select retailers. Research shows that when shoppers are sick, they are looking to get in and out of the store quickly and are not interested in shopping the aisles for cold and flu medications. Retailers are catching onto this insight and providing cold and flu centers at the front of the store to give convenient access to ailing shoppers.

The process of mapping consumer needs with shopper behavior to gain insight does not just happen by luck. It requires a framework based on a precise understanding of consumers' needs, usage and purchase patterns.

It is important to start with underlying questions of why consumers use products and how they group products together to make their purchase decisions in-store. These insights then need to be translated into intuitive section signage to direct the shopper in-store and simplify the shopping experience.

The final step is an item assortment that does not overwhelm or discourage them. The result is a better in-store experience for the shopper and accelerated revenue growth for retailers and manufacturers. ■



PAUL THOMPSON is a managing director with **Henry Rak Consulting Partners**. Paul can be reached at pthompson@hrcpinsights.com or (817) 416-1759. To learn more about HRCP, visit www.hrcpinsights.com.