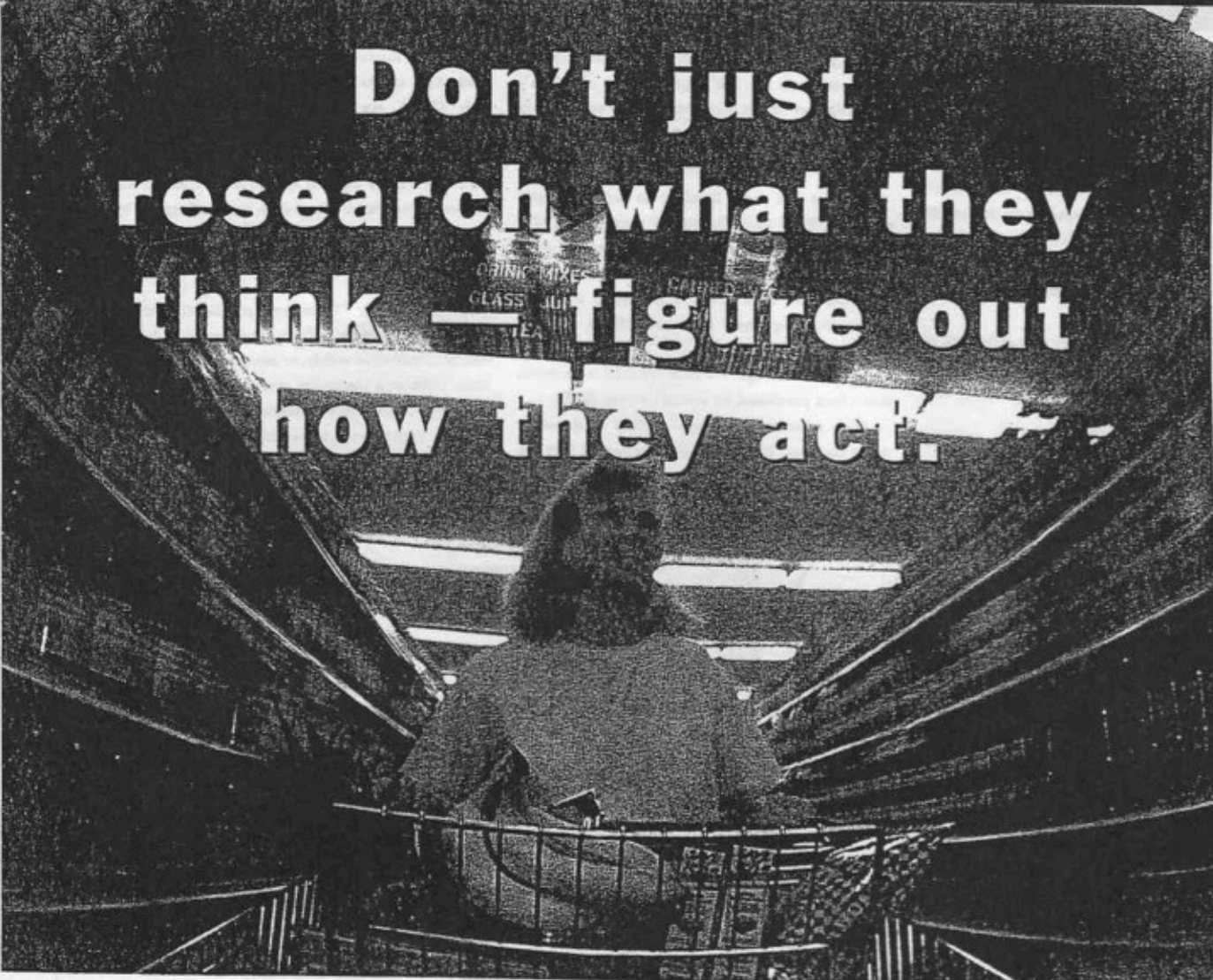


**Don't just
research what they
think — figure out
how they act.**



A different approach to consumer research explores who influences meal purchases across different family and personality types and what marketing tools are the most effective at reaching these targets. Sarah Davis reports.

In May this year, Good Business Sense (GBS) — the marketplace analyst group — completed research into the eating habits of different family types in Australia, and the influence of children on food and meal purchasing.

The Study, which was sponsored by Westfield Shopping Centres, involved 1,000 participants in three States (NSW, VIC, QLD), and also received input from a number of government authorities and food companies, including Arnott's.

Most significantly, the research provided food manufacturers, retailers and marketers with a valuable insight into who influences meal purchases across different family and personality types. Another part of the study looks at what mix of marketing tools is the most effective when trying to reach the maximum

number of these influencers.

In a more traditional research vein, the study revealed family food spend is up 6.5% on 1997, high schoolers are spending 28% more on fast food than last year, one third of children skip breakfast, and three-quarters snack more than twice a day.

In a crowded research marketplace loaded with such figures, Good Business Sense stands out because of its non-traditional research methodology.

The analyst has developed a "second generation" methodology to make a link between thought and action. It not only looks at standard personality types: intellectuals, drivers, expressives and amiables; it also examines how these types act.

This is achieved by identifying a further four characteristics or "conative powers" (how people will act):

Researchers, Organisers, Livewires and Empiricists (ROLE).

ROLE has been applied for years in child psychology but GBS is the first to apply it through marketplace analysis to business.

GBS found that the influence of children on family purchasing is largely dependent on the type of family they belong to. It has therefore designed a further tier of analysis called TEAM:

- Tactical — Open for discussion but parents still in control
- Easy Going — Parents agree with child most of the time
- Autocratic — Parents have authority and power
- Malleable — Children get what they want if persistent enough

Commenting on the methodology, EBS Managing Director Anne Roze said, "There are strong implications here for manufacturers and marketers.

"Food manufacturers will only be able to deliver what consumers actually want, and marketers will only reach the maximum number of their audience, if they take a holistic view of their market," she said.

"The problem today is that most business decisions are based on the findings from traditional research methods, but, with their origins in psychology, these stop at observation and assessment. Business needs to know how thought and feelings transfer to action (purchasing)."

Good Business Sense's approach has attracted industry interest. Specialising in the measurement, tracking and improvement of market positioning for customers in food manufacturing, retail, entertainment and local government, the company's clients include the likes of Sydney Turf Club, Stockland Trust, Harbourpark (Manly), Mirvac Group, Prudential/Martin Place Shopping Circle, and Harris Farm Markets.

The findings of its latest research are grouped according to five categories: spend trends; who buys and does what; the snacking population; influences on purchase decisions; and the marketing of food.

Spend Trends

Good Business Sense found that parents spend an average \$141.09 per week on food, up 6.5% on last year.

While parents spend 28% less on fast food than they did a year ago, high schoolers in 1998 are

spending 28% more than their parents did in 1997.

Of concern is the finding that children's knowledge on health food increased by only 1% (to 7% compared with parents at 90%).

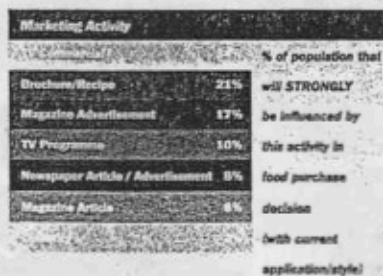
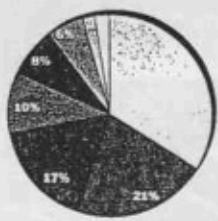
Who Buys and Does What?

Mothers are most involved in buying weekly groceries (84%) and cooking the main meals (88% weekdays, 75% weekends). 87% are also the most health-conscious food purchasers in the family.

Fathers are most involved in buying fast food (41%), choosing where to eat out (38%), and just 21% cook on weekends.

Children of all ages are most involved in decisions about food purchased for school lunches (41%).

High schoolers are more involved in decisions about fast food (40%) and primary school kids are



Findings from GBS Research: The Eating Habits of Families in Australia and the Influence of Children on Food Purchasing

most involved in decisions about breakfast food (34%). Only a third of children have any influence over the purchase of health food.

Six to ten year-olds are 5% more influential in food shopping than in general shopping decisions, while under five-year-olds are 13% less influential in food than in general shopping decisions.

94% of families have Sunday dinner together, and 90% have weekday dinners together, but 85% no longer lunch together during the week, and 45% never breakfast together.

The Snacking Population

GBS found that one third of children skip breakfast, largely because of a lack of time, and over three quarters (83.5%) have at least two snacks per day.

Families spend \$35.34 per week on snack foods, but children also purchase a quarter of all snacks in Australia. 71.5% of children with an income/allowance spend their pocket money on snacks, with the average high schooler spending \$10.27 per week.

The research highlighted an interesting disparity between parents' and children's views on snacks.

Parents' demand is for more nutritional snack foods: high on the snack list provided by parents are fruit (34%), ice cream/ice blocks (18%) and bread/toast (17%), but high schoolers preferred chips/other salty snacks (34%), fruit (32%), chocolate (25%) and ice cream/ice blocks (23%). Primary school respondents were more influenced by their parents and eat fruit (49%) and ice cream/ice blocks (33%), but 31% also tend to eat chips/salty snacks.

Ms Roze said, "These and additional findings suggest that parents typically don't provide handy snacks of sufficient variety, or completely understand their children's desire for savoury snacks, or even know how often their kids snack."

"One consequence is that children eat their lunch during mid-morning break and subsequently skip lunch. There is an opportunity for educational campaigns directed towards parents here," she said.

"The research has enabled us to develop strategies for a number of potentially huge business opportunities for food manufacturers — such as variety packs or individually wrapped savoury biscuits — which will deliver the convenience and range our younger respondents demanded, while addressing parents' concerns re cost, health, etc."

Influences on Purchase Decisions and the Marketing of Food

GBS found that parents are "always" influenced in their purchasing decisions by value for money (57%), quality (50%) and taste/flavour (46%), whereas they are "less likely to be" influenced by money-back guarantees/cash back offers (29%).

This can be contrasted with high school children, who are "always" influenced in their purchasing decisions by taste/flavour (50%), value for money (37%) and quality (32%), and are "sometimes/often" influenced by giveaways or money-back guarantees/cash back offers (36% and 34% respectively).

According to Good Business Sense, the data indicates there are untapped opportunities for promotional companies.

The study draws some startling conclusions about the influence of radio and celebrity-based advertising and in-store promotions — but that is the subject of another story.

Sarah Davis is a freelance journalist specialising in food and beverage marketing.