

## Customer Intelligence- A New Approach to the Aisle



## PathWerk Points

a home improvement focused commentary  
on applying marketing research

January 2018

Volume 4

## Customer Intelligence - A New Approach to the Aisle

---

From about the beginning of the practice of marketing, the purchase funnel has been taught and learned as a tool to understand consumer's decisions. It was first discussed in 1898 and typically started with a customer's awareness, leading to consideration, then research and finally a decision to buy. All along the way, the number of options being considered dwindled down to that one product that was purchased. However, we are now in an age where the purchase funnel that has existed for hundreds of years is morphing into a new path. This new path impacts the home improvement channel as much as other consumer goods in retail.

Given the multitude of shopping channels, and the overload of information... specifications, ratings, reviews, tweets and blog posts, the linear purchase funnel has shifted to a dynamic journey or decision path. This new decision journey loops around with consideration, evaluation, experience and purchase. In a recent McKinsey Quarterly article, it is described as a, "circular journey with four battlegrounds where marketers can win or lose: initial consideration, active evaluation, closure and post-purchase."

Along this journey, consumers are opting-in or opting-out of the information deluge. Some categories lead to less research pre-purchase, however, there are consumers with a pre-disposition to conduct research even in commodity type categories. Whether the consumer comes into the aisle armed with data or not, the shelf presence of the product confirms the prior data or provides additional insights that drive consumer choice. The McKinsey article found, "that up to 40% of consumers change their minds because of something they see, learn, or do" - in-store packaging, placement, or interactions with salespeople.

With an influence emphasis in aisle, it is critical to understand what your customer expects from your product and from competitors. A small tweak in packaging, claims, or messaging based on customer insights might be enough to grab their attention on the aisle and drive the decision to purchase your way. Or, you may be able to offer a simpler approach to the decision journey. Consumers are overwhelmed and are looking for help to evaluate choices. A recent Harvard Business Review Article stated, "For items costing more than \$50, a quarter of customers report that most of their effort is spent on product research. Of this group, 20% say that most of their effort is spent on comparison shopping." Often more information is not what the customer needs, they need help to be confident in their decision. By understanding their needs based on research, you can tailor your marketing to provide tools that identify and evaluate the features that are most important to them. DeBeer's use of the '4Cs' provides the best example of simplifying a consumer decision process - a simple way to compare a diamond based on cut, color, clarity and carat.

There are many examples of customer intelligence that can drive a new approach to the home improvement retail aisle. The insights from customer research are critical to lead marketing efforts that that make sense to customer. PathWerk focuses on marketing research to drive results with in the home improvement market. PathWerk knows how to effectively and efficiently bring the customer's voice to your product, marketing, messaging decisions.

[McKinsey Quarterly, *The consumer decision journey* June 2009 | by David Court, Dave Elzinga, Susan Mulder, and Ole Jørgen Vetvik [http://www.mckinsey.com/insights/marketing\\_sales/the\\_consumer\\_decision\\_journey](http://www.mckinsey.com/insights/marketing_sales/the_consumer_decision_journey) ]

[Harvard Business Review, *To keep your customers, keep it simple* May 2012 | by Patrick Spenner and Karen Freeman <https://hbr.org/2012/05/to-keep-your-customers-keep-it-simple/ar/1> ]

For more examples of how customer research can help you, please contact us.

[Shelli@pathwerk.com](mailto:Shelli@pathwerk.com)