



## **Launch of Retailer Promotional Review Summer 2015**

OBK Accountants/The Food Accountants are delighted to launch, in conjunction with Checkout Magazine, the results of their Summer Promotional review for 2015 of the publicly available promotional material from the major Irish Retailers. The report, as always, is produced purely from a Branded Food viewpoint.

The key findings are as follows

- Branded Food is at 36% (down from 37% in last report) of items listed still the most popular category. Most of the retailers have had periods of promoting their Private Label offerings and also placed emphasis on themes like “Steak and Wine” or “French”
- Was/Now remains the most popular promotional mechanism, though Single Price Point continues to grow, perhaps continuing evidence that the improving economic conditions mean the Retailers aren’t having to stress the discounts as much.
- The average depth of Was/Now remains very high at 41%(down from 42%) in the previous report. The depth of promotion remains a critical factor for businesses in determining the viability of offerings and this is particularly true when we advise young businesses who need to ensure their business model is sustainable at varying rates of discount.
- It doesn’t seem to matter which season it is but Confectionery continues to lead the way in categories though there was some movement underneath as the previous report was impacted heavily by Christmas.
- Whilst the major brands being promoted (Birds Eye, Cadbury, Nestle and Kelloggs leading the way) are largely unchanged the New Year saw Weightwatchers have their annual surge and noticeably there has been a continued growth in the Free From/Has No ranges of products which are becoming more mainstream and more and more consumers adopt a “flexitarian” lifestyle.

Overall there is plenty of activity out there which is good for consumers though the feeling is that the depth and clarity of promotions may not be as strong as in past years.

The Report was compiled following a survey of over 7,000 promotions appearing in publicly available promotional material between 1 January 2015 and 24 June 2015.

### **Results**

The comparatives are taken from a similar report produced by OBK Accountants/The Food Accountants in the previous Quarters of 2014. Full results of all of our surveys are available on our web site [www.obk.ie](http://www.obk.ie) or from [aidan@obk.ie](mailto:aidan@obk.ie).

<b>Broad Category</b>	<b>Summer 2015</b>	<b>Q4 2014</b>
<b>Branded Food</b>	<b>36%</b>	<b>37%</b>
<b>Non Food</b>	<b>22%</b>	<b>20%</b>
<b>Off Licence</b>	<b>19%</b>	<b>18%</b>
<b>Private Label</b>	<b>11%</b>	<b>13%</b>
<b>Fresh/Bakery/Deli</b>	<b>13%</b>	<b>12%</b>

<b>Main Branded Categories Promoted</b>		<b>Q4 2014</b>
<b>1. Confectionery</b>		<b>(1)</b>
<b>2. Frozen Meat/Fish/Chicken</b>		<b>(5)</b>
<b>3. Deli Meat/Fish/Chicken(7)</b>		
<b>4. Yoghurts/Desserts</b>	<b>(6)</b>	
<b>5. Frozen Potato/Vegetables</b>	<b>(8)</b>	
<b>6. Crisps/Snacks</b>	<b>(3)</b>	
<b>7. Frozen Ice Cream</b>		<b>(-)</b>
<b>8. Biscuits</b>	<b>(2)</b>	
<b>9. Juice/Cordials</b>	<b>(9)</b>	
<b>10. Condiments</b>		<b>(-)</b>

Home Baking (always high at Christmas) and somewhat surprisingly Drinks/Fizzy dropped out of the Top 10 categories. A number of categories (Biscuits, Crisps/Snacks) dropped when compared to the previous report which included Christmas.

Promotional Mechanism	Summer 2015	Q4 2014
Was/Now	48%	53%
Single Price Point	39%	33%
Multibuy	9%	10%
50% Extra Free	1%	2%
100% Extra Free/BOGOF	1%	1%
All Others	2%	1%
Total	100%	100%

#### Depth of WAS/NOW promotions

The depth of Was/Now promotion remains high with the average exceeding 40% for the fourth report in a row albeit slightly down on the last Report in Winter 2014

	Summer 2015	Q4 2014	Summer 2015 Excl Half Price	Q4 2014 Excl Half Price
All Branded Food WAS/NOW promotions	All 41.14%	All 42.28%	32.08%	32.88%

In the Top 10 promoted categories the average WAS/NOW discount was as follows

<b>1. Confectionery</b>		<b>43.07%</b>
<b>2. Frozen Meat/Fish/Chicken</b>		<b>46.20%</b>
<b>3. Deli Meat/Fish/Chicken</b>		<b>36.27%</b>
<b>4. Yoghurts/Desserts</b>		<b>36.59%</b>
<b>5. Frozen Potato/Vegetables</b>		<b>41.79%</b>
<b>6. Crisps/Snacks</b>	<b>37.38%</b>	
<b>7. Frozen Ice Cream</b>		<b>42.10%</b>
<b>8. Biscuits</b>	<b>40.52%</b>	
<b>9. Juice/Cordials</b>	<b>37.10%</b>	
<b>10. Condiments</b>		<b>35.69%</b>

### Top 20 Featured Brands

As would be expected the brands with the broadest offering across different categories feature prominently in our survey.

Ranking	Brand	Q4 2014	All 2014
1	Birds Eye	2	2
2	Cadbury	1	1
3	Nestle	4	3
4	Kelloggs	7 =	4
5	Weighwatchers	N/A	17 =
6	Mars/Galaxy	11	9
7	Muller	14 =	14
8	HB/Walls	5	5
9	McVities	3	6
10	Knorr	7 =	12
11	Denny	7 =	11
12 =	Yoplait	N/A	15
12 =	Goodfellas	20	10
14	Green Isle	7 =	8
15	Donegal Catch	N/A	N/A
16	Hellmanns	N/A	20
17 =	Tayto	12 =	N/A
17 =	Jacobs	12 =	17 =
19	Dolmio	N/A	N/A
20	Flora	N/A	N/A

## **Author**

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OBK Accountants/The Food Accountants can provide tailored solutions for all your Accounting, Taxation and Consulting requirements at competitive rates and are also licensed to provide Personal Insolvency Services.

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