

Convenience Store Product Assortment Optimization

Case History

Category: CPG—Beverages

Methods: TURF

Summary

A dairy product company was interested in determining the optimal assortment of coffee creamer flavors to maximize reach and usage frequency in the convenience store channel.

Strategic Issues

Depending on the volume of coffee sold, between 4 and 8 creamer flavors are typically available in a convenience store. However, the presence of creamer flavors that consumers want can influence purchase decisions and volume. Therefore, the company had a critical need to identify which flavors should be available in convenience stores in order to drive interest and volume.



Research Objectives

The main objective of this research was to assess the optimal assortment of coffee creamer flavors among convenience store-coffee buyers who use creamers in the store. Additional objectives included:

- Identifying current coffee and creamer-purchasing habits, future intentions, and convenience store-visit habits.
- Measuring the impact of the creamer brand on purchase decisions.

Research Design and Methods

A 10-minute online survey was conducted nationwide with more than 600 consumers. The sample was balanced to ensure a mix of targeted demographics, such as gender, age, geography, ethnicity, and income. Each consumer evaluated all coffee creamer flavors by indicating their likelihood to use each flavor and the impact it would have on their frequency of purchasing coffee. TURF analysis was used to optimize the reach of possible creamer-flavor combinations, based on interest in the available flavors.

Results

The research revealed the number of flavors that would have the optimal reach and which flavor varieties were included in the optimal combination and in alternate optimal combinations. Reach among the different demographic groups was also determined.