Welcome to ShopperWatch, a partnership between Checkout and Behaviour & Attitudes (B&A). Every month, ShopperWatch tracks shopper opinions on retailer advertising, new product launches, and retailer and brand promotions. This month's edition examines where consumers are choosing to shop, and marks the continued rise of Aldi and Lidl.

The first aspect of the ShopperWatch feature asks over 500 shoppers for their opinions on what's hot on the shelves and on the screens each month.

TOP TV FOOD AND DRINK ADVERTS	TOP NEW PRODUCTS/ PACKAGING	TOP BEST PROMOTIONS OR OFFERS
1. Aldi: 'Unbelievable Value' / 'Unbelievable Dads'	1. McDonnell's Curry Sauces: New Range	1. Aldi 'Super 6'
2. Coca-Cola: 'Brotherly Love'	2. Mooju: High in Protein	2. Goodfella's Pizzas: Half Price
3. Lidl: 'Firemen's Calendar'	3. Fibre One: Cakes/Bars	3. Tropicana: Various Offers
4. Avonmore Supermilk: 'Little Heroes'	4. Chivers: Single Serve Jelly Pots	4. Pizza/Side/Dessert for €5: Tesco
5. McDonnell's Curry Sauce: 'India'	5. Sacla Pesto Shots (Single Serve)	5. €10 off €50: Multiple Outlets

*Results based on 519 online interviews with adults aged 16+ quota controlled in terms of gender, age, socio-economic status, region and grocery shopper. Fieldwork was conducted via B&A's Acumen Panel 2nd – 9th February, 2016. Shopperwatch questions are spontaneous in nature with open response questions.

'Unbelievable' Consistency From Aldi

Aldi's latest marketing campaign, built around the message of 'Unbelievable Value' is already showing signs of being as popular as last year's 'As Irish As...' commercials. The discounter's current effort, featuring a group of schoolchildren debating just what makes their respective fathers so great, takes the top spot in this month's Top TV Food & Drink Brand Adverts chart.

Rival discounter Lidl also scores highly for its comic effort featuring hunky firemen - one for the ladies, you would suggest. Also popular among viewers was Coca-Cola's 'Brotherly Love' commercial, the latest advert for Avonmore Supermilk, and the humorous 'India' commercial from McDonnell's Curry Sauce, which also tops the Best New or Never Before Noticed Products/Packaging chart.

Other new products catching the eye included Mooju, Fibre One cake bars, and single serve pots from Chivers and Sacla respectively.

On to the Best Promotion/Offer chart, and it says a lot about Aldi's staying power that the discounter boasts two number ones this month. Aldi's 'Super 6' promotion, which was one of the standout performers last year, reclaims its spot at the top for another month. Goodfella's Pizza and Tropicana also rate highly for their respective promotions. Also catching the eye is the '€10 off a €50 shop' promotion, which continues to be spearheaded by Dunnes Stores, as well as Aldi and Lidl - the latter two albeit to a lesser extent than last year. Dunnes continues to enjoy market share success on the back of this campaign - an indication that we shouldn't expect it to end anytime soon.

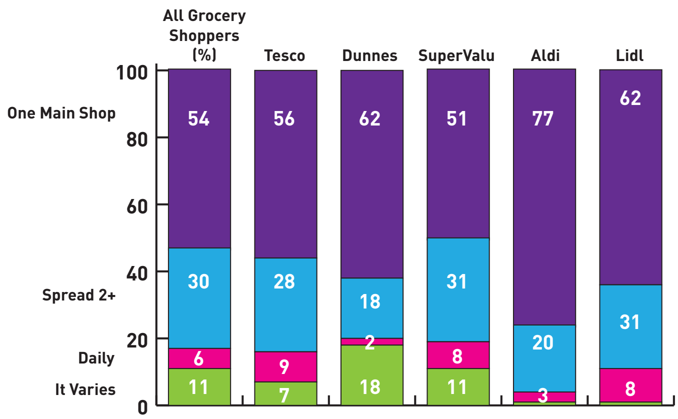
ShopperWatch B&A The Inside Track on Irish Shoppers

Measuring Changing Shopping Habits

This month's ShopperWatch *examines the changing habits of shoppers when it comes to the Ireland's Big Five grocers and looks at how the discounters' continued rise is influencing our store choices.*

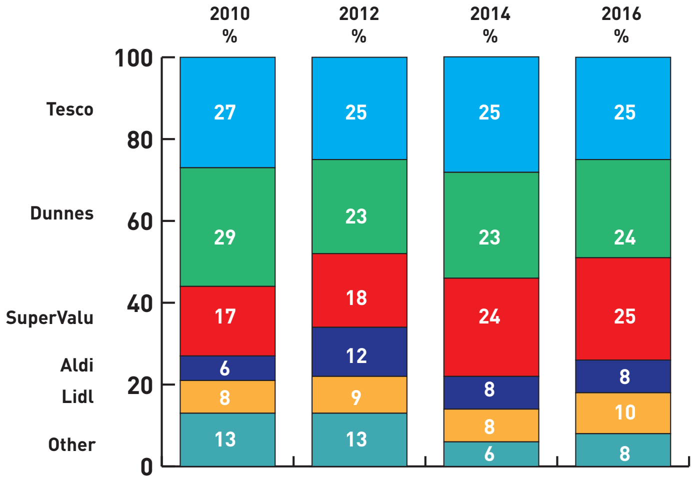
While it appears that consumers are tentatively moving away from the austerity mindset when it comes to the wider retail sector, the grocery industry is still a very promotion-heavy environment, and competition is still widespread among Ireland's Big Five grocers: SuperValu, Tesco, Dunnes, Aldi and Lidl.
This month's *ShopperWatch* examines the lay of the land when it comes to the Irish grocery landscape in 2016 and what emerging trends are influencing where we choose to do our shopping.
The survey reveals that most of us still conduct a big weekly shop, with 54% adopting this approach. This is the same level as it was in 2012, indicating little change in consumer habits, despite the economy returning to growth. There has been an increase, however, in the percentage of respondents who say that their weekly shopping varies, with 11% adopting this approach.
In terms of how much the market has changed, back in 2002, at the height of the boom, almost two thirds (64%) of shoppers did one big weekly shop.

APPROACH TO MAIN GROCERY SHOPPING [N: 519]



Interestingly, this slide indicates that those who conduct their main shop in Aldi are the most likely to have the traditional 'one main weekly shop' approach (77%). Lidl, too, boasts a high percentage of 'one weekly shop' consumers (62%), which perhaps goes against the common belief that thrifty customers use discounters like Aldi and Lidl for only a handful of products, visiting several supermarkets to complete their shopping.
Some 62% of Dunnes shoppers also identify themselves as carrying out one weekly shop at the retailer, compared to 56% at Tesco and 51% at SuperValu. Interestingly, SuperValu boasts the highest percentage of shoppers who conduct two or more supermarket visits per week (31%), followed by Tesco (28%). This could indicate that increased numbers of shoppers are choosing to shop in these supermarkets to purchase specific fresh items, such as fresh meat or seafood, to supplement their purchases elsewhere.

WHERE PEOPLE SHOP NOWADAYS: MAIN SHOP [N:519]

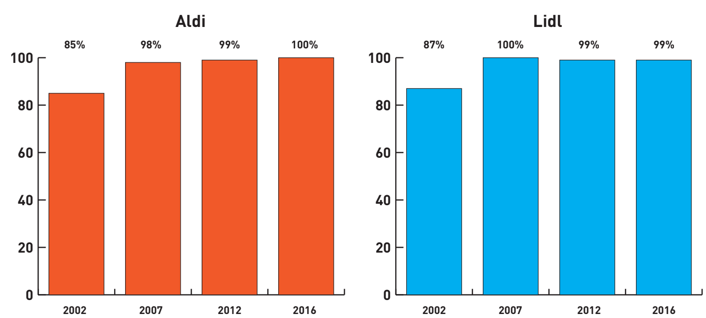


In terms of where consumers like to carry out their main shop, our data confirms that Tesco (25%), SuperValu (25%) and Dunnes (24%) encompass three quarters of the total grocery market share between them.
The improvement in SuperValu's figures since 2012 can largely be attributed to its takeover of Superquinn in 2014, whereas the rest of the figures have remained fairly static throughout the years. This highlights the intense competition in the sector, as – despite aggressive promotions such as Dunnes' Shop & Save voucher system and Aldi and Lidl's increased marketing drive – winning new customers continues to prove a difficult task.

WEEKLY GROCERY SPEND [N:602]

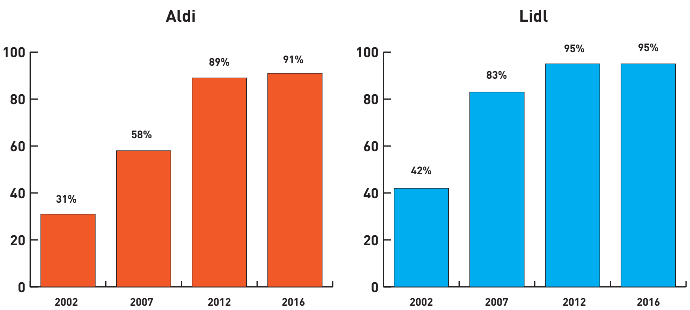
Weekly grocery spend continues to decrease from its high of €136 in 2007 and now stands at €101. This is down 11% from its 2012 level of €113, meaning that it could fall below €100 in the near future. Again, the influence of the discounters and aggressive promotions is seen in these figures, and recent CSO data reinforces this, with the value of sales in the grocery sector decreasing in 2015, even as the volume of sales increases.

DISCOUNTER BRAND AWARENESS IS NOW UNIVERSAL [N:519]



As this graph indicates, the shopping public is almost universally aware of the discounters, as 100% of those surveyed said that they were aware of Aldi, while 99% said that they were aware of Lidl. Both discounters have achieved near-universal recognition since 2007, meaning that Aldi and Lidl have been firmly established here for almost a decade. Previously, in 2002, just 85% of those surveyed were aware of Aldi, with 87% being aware of Lidl.

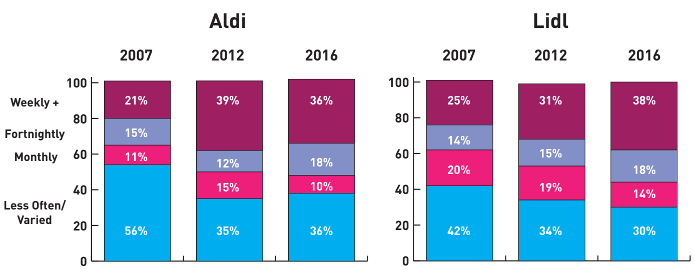
LOCAL AVAILABILITY OF ALDI AND LIDL STILL INCREASING [N:519]



While both Aldi and Lidl now boast universal awareness, it has taken slightly longer for both to achieve a level of market penetration to support this. A comprehensive opening drive over the past few years, however, has ensured that most communities are now supported by at least one of the discounter groups. Some 95% of respondents have a Lidl in their vicinity, compared to 91% who have an Aldi.

This is up from the 83% who said that they had a Lidl nearby in 2007, and 42% in 2002, while just 58% of respondents said that they had an Aldi close to them in 2007, and just 31% in 2002.

FREQUENCY OF SHOPPING IN ALDI/LIDL [N:519]



With both discounters now achieving a high level of penetration, this graph shows how often the customers of each retailer shop there. Some 36% of Aldi's shoppers use the supermarket weekly, down from a 2012 high of 39%, but still up from its 2007 level of 21%. Lidl, on the other hand, is going from strength to strength, with 38% of its shoppers now using the supermarket weekly, up from 31% in 2012 and 25% in 2007.

Indeed, all of Lidl's figures in this category are moving in the right direction, with weekly and fortnightly users increasing, while less frequent visitors decrease. The survey does not ask participants for the reasons behind these trends, but whatever Lidl is doing, its customers are responding well and visiting more often.

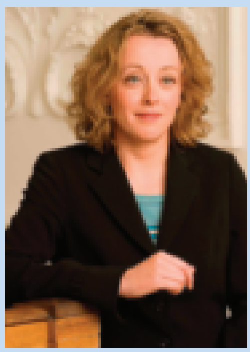
Are Aldi And Lidl Near The Summit?

BY STEPHEN WYNNE-JONES
EDITOR, CHECKOUT

As this month's ShopperWatch indicates, both Aldi and Lidl boast almost universal recognition among consumers, and have the store count to back that up - some 95% of respondents to this month's survey say that they have a Lidl outlet in the vicinity of their home, compared to 91% that have an Aldi.

Both discounters are also masters at the marketing game, with Aldi's latest 'Unbelievable Value' commercial being acknowledged as the most recalled TV campaign of the past month, and its 'Super 6' promotional offer still the most popular in the market - see page 65. In addition, Lidl's 'Ladyball' launch was arguably the most talked about viral campaign since the start of the year.

But the question should be asked as to just how much presentation both Aldi and Lidl are seeking to achieve, and whether new store openings in certain areas are actually warranted, or could potentially cannibalise stores that are already in place: for example. as Checkout recently reported, a soon-to-be-opened Lidl outlet in Dun Laoghaire, Co. Dublin, will mean that the discounter now boasts three stores a short stroll from each other. The level to which Aldi and Lidl are posting market share gains, while still high, has tapered off slightly as well - according to the latest Kantar Worldpanel market share data for the 12 weeks to 31 January, Aldi's market share now stands at 7.9%, which is down from the 8.0% it recorded over the same period last year. Lidl, on the other hand, has grown from 7.4% to 8.0%. Both discounters will likely be eager to surpass the symbolic 10% mark in the coming year, which would mean that both combined would be on a par with the biggest retailers in the country. But they will also be conscious of the need to adopt a measured approach to said growth.



'One Main Shop' Still In Fashion

BY MARTHA FANNING, DIRECTOR, BEHAVIOUR & ATTITUDES

This 'deep dive' into the shopping habits of Irish consumers tells us a lot about what has changed since the worst years of the downturn - and the answer is not as much as you might think.

Some 54% of respondents continue to do a 'big shop' each week - still the most prevalent approach to grocery shopping - with 30% spreading their shopping over a couple of trips. Shoppers in Aldi, Lidl and Dunnes are the most traditional in their approach, with more than three-quarters (77%) of Aldi shoppers conducting one main shop at the retailer each week.

It's unsurprising too, that Aldi and Lidl have achieved near-universal recognition, but it's worth bearing in mind that there is still a gap between visiting these stores and shopping in them.