Understanding Consumers
*The Nielsen Perspective...*

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 Nielsen Consumer Data Collection

- **Store Receipts (Scanner)**
- **Store Visits (Observation)**
- **Household Purchases (Panel)**
- **Ads & Coupons (Causal)**
ScanTrack:
Measuring Consumers Through Retail Scanning Data

- Items scanned at Checkout
- Price, Quantity, UPC Item Description Recorded
- Scanner Tape Sent to ACNielsen or via Modem

Nielsen Data Processing

Displays
Collected by store auditors once a week

Features
Centrally collected & coded daily

Sample Projected to stores selling $2MM+

Nielsen Applications

Client Applications
Homescan Panel: Measuring Consumer Purchases in Home

**Objective:**

- A panel of households that continually provide information about their purchases

- Homescan Panelists use in-home scanners to record all of their purchases (from any outlet) intended for personal in-home use
How many Households are in the Homescan Panel?

- 100,000 Households in US
- Largest static sample
- Geographically dispersed & demographically balanced
- Projectable at the national, regional, & market level
- Continuous reporting at UPC level across all outlets
Scanner and Panel Data: Optimal Uses of Each

**Scanner**

What is happening in the store:
- Sales Tracking (Volume)
- Distribution
- Price
- Promotions (Merchandising)
- Base vs Incremental

**Panel**

What is driving Store Sales:
- How many HH's buy
- Purchase Frequency
- Purchase Size
- HH Spending
- Buyer Demographics
- Loyalty
- Coupons
- Repeat Purchasing
Components of Consumer Volume

• How many consumers? How much is each spending?

<table>
<thead>
<tr>
<th>Buyers / Shoppers</th>
<th>Buying / Spending Rate</th>
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<tbody>
<tr>
<td>(called penetration when expressed as a percentage)</td>
<td></td>
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<tr>
<td>Penetration</td>
<td>Oz per Buyer</td>
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</tbody>
</table>

• How much each household is spending is generated by:
  • How often they spend; How much they spend each time

<table>
<thead>
<tr>
<th>Purchase / Shopping Frequency</th>
<th>Purchase / Basket Size</th>
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Thank You