

Aligning manufacturer and retailer strategy in Cat Food

Executive summary

A manufacturer and a retailer were debating how to grow the Cat Food category. The retailer favoured pushing Segment A to increase purchase frequency and volume market share, while the manufacturer favoured Segment B because it had higher added value and stronger profitability potential.

Shopper Intelligence brought objective shopper evidence into the discussion. By clarifying the role of each segment, the manufacturer and retailer were able to move towards a mutually beneficial strategy based on facts rather than competing assumptions.

Segment B stronger traffic and basket growth lever	Facts aligned retailer and manufacturer priorities	Expertise supplier demonstrated category knowledge
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At a glance

Market	France
Category	Cat Food
Client type	FMCG manufacturer
Retail context	HM/SM retailer
Business issue	Retailer underperformed in the category; supplier and retailer were not aligned on objectives and strategy
Shopper Intelligence role	Understanding the respective roles of the category and its segments to support objective decision making
Main commercial result	Supplier demonstrated category expertise and aligned with its client on working directions

The business context

A key retailer was underperforming in the Cat Food category and was discussing growth strategies with the category captain.

The retailer wanted to promote Segment A to increase purchase frequency and volume market share. The supplier, however, wanted to invest in Segment B because it offered higher added value and a clearer route to profitability by encouraging impulse purchase and premiumisation.

The Challenge

Each party had a different commercial objective and favoured a different strategic option. The challenge was to bring objective shopper evidence into the conversation so the decision could be made on facts rather than opinion.

The supplier needed to show which segment could best support both retailer market share growth and manufacturer profitability.

What Shopper Intelligence proved

1. Frequency of purchase was not the issue

Shopper Intelligence showed that Cat Food is considered highly essential by shoppers. It is a highly planned and regular purchase, because shoppers cannot afford to miss it at home and do not see it as easily substitutable.

This meant the main opportunity was not simply to increase frequency within the category. A retailer could still grow market share, but the stronger route was to drive trips to its stores better than competitors and win more shoppers.

2. Segment B was the stronger traffic contributor

Shopper Intelligence showed that Segment B was a better contributor to traffic than Segment A. Segment B shoppers were more engaged, differentiated more between retailer assortments and execution, and were more likely to react positively to promotions.

Segment B therefore had a stronger impact on trip and store selection. Segment A was more likely to be seen as a commodity, perceived as being the same everywhere, and less likely to respond to promotions.

3. Segment B also supported basket growth

Segment B was also a stronger lever for basket growth in both value and quantity. Shoppers in Segment B were more likely to buy bigger quantities when promotions were available and more willing to pay more for premium options.

The source document highlights Sub segment B1 as particularly strong on both dimensions, whereas Segment A was a weaker lever for both quantity and value growth.

How the insight was used

The shopper evidence was used to improve category knowledge and demonstrate the supplier's category expertise to the retailer.

It provided a factual base for a more constructive discussion about the levers that could meet both partners' expectations: the retailer's need to grow market share and the supplier's need to protect and improve profitability.

The Result

Shopper Intelligence showed that both partner objectives could be achieved at the same time. The analysis proved that Segment B was the stronger candidate to drive traffic to the store while also growing the average value of the category.

- The supplier demonstrated stronger category expertise to its client.
- The retailer and supplier aligned on working directions based on shopper facts.

Client perspective

“Shopper Intelligence is a wealth of information, a real means to strengthen our category expertise with our clients. [We had] a very warm welcome from our client X. It was a great moment of exchange that allowed us to identify working directions on the levers and deliver messages on our key segments. This innovative survey is a true way for us to reinforce our category knowledge, differentiate in the eyes of our customers, and identify development opportunities on category levers.”

National Account Manager

The takeaway

This case shows how Shopper Intelligence helps put the shopper at the centre of retailer and manufacturer conversations. By understanding the role of the category and its segments, the supplier was able to move the discussion from competing objectives to a fact based strategy.

The insight helped the supplier demonstrate category expertise and identify a route that could support both retailer market share growth and manufacturer profitability.

Want to understand what is really driving shopper behaviour in your category?

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