

Pets lap up the good life

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also growing the wet cat category as Coles and Woolworths drive their Purr and Selects brands respectively.

Treats is worth \$169 million and has had a slight increase on growth up to 3.5 per cent MAT versus a year ago. Treats has the slowest growth of all categories, although it has the highest CAGR over 10 years. Treats is one of two (the other being Accessories) expandable categories in pet care.

Schmako's continues to dominate the treats segment with a range of different formats targeting different usage occasions. "Treats are seeing huge growth in Occupier

(Rawhide) treats and functional (dental) treats," Mr Grant noted. Bow Wow is the stand out brand in the treats category, leading value percentage growth and gaining share year-on-year.

Within pet accessories, growth has slowed from previous years to 2.9 per cent in the last year, the category valued at \$85 million. This is an extremely

seasonal segment with value peaking in the summer months when flea and worming treatments are in highest demand. The dominant brands in this category are Total Care, Exelpet and Pet Life. TOTAL CARE is driving category growth with its range in Coles in 2009. Private label within pet care

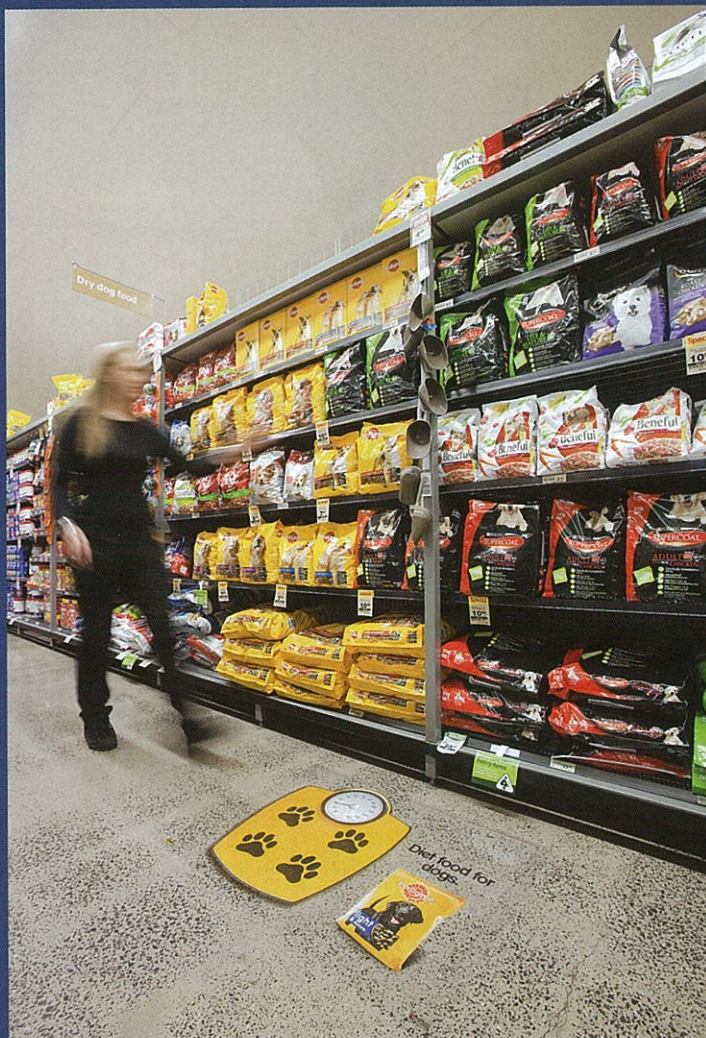
makes up 13.6 per cent of total grocery pet care MAT 04/07/10 (excl litter, small animal and chilled) with growth of 12.9 per cent versus previous year.

Shopper trends

Key consumer trends like wellness, convenience, indulgence, authenticity and premiumisation have had a



Stick with a good idea



Mars Petcare was faced with a competitor that dominated the light and mature dog food segment. At the start of 2010 the company used TV advertising and an integration with the Network Ten TV program 'The Biggest Loser' to associate its Pedigree Light & Mature brand with weight-loss and healthy eating for dogs and doubled its share of the segment.

The challenge was then to convert the wide exposure gained from the TV program, which pulled in an average audience of 1.58 million viewers for its finale, into sales in-store. To do this, Mars used floor media advertising from TorchMedia, positioning ads in pet food aisles (see image). The creative was designed to remind consumers of Pedigree's association with 'The Biggest Loser,' featuring a set of scales that shoppers stood on.

"When shoppers were standing at the shelf, they were standing on the scales. They'd look down and see the Light & Mature product," Pedigree Brand Manager, Ryan Buckle, explains. "It associates cleverly with the integration with 'The Biggest Loser.' It was a tactical way of demonstrating what we're trying to communicate."

Mr Buckle says shopper media can offer a reminder to shoppers at

the point of purchase by providing a link to the advertising they may have already seen through television or print media.

The use of colour in its floor media creative gave Mars the ability to further boost its retail presence.

"There's a real association between Pedigree and the colour yellow," Mr Buckle says. "It's our most distinctive asset, and to use that outside our packaging is great."

Mr Buckle says that while Pedigree's spend on shopper media was much smaller than its TV advertising spend, its effect was significant.

"You can't underestimate the role that floor media plays in tying the message together when you get in-store," he says.

Benchmarking analysis conducted for TorchMedia reveals that on average in-store floor media campaigns produce a sales uplift of nine per cent during the activity period. Post period analysis – sales are tracked for four weeks after the campaign has been removed – reveals that on average there is a five per cent sales uplift after the campaign.

"Our objective was to double our share of that light and mature segment, which was heavily dominated by a competitor," Mr Buckle says. "We were able to do that." 🐾