THE BUSINESS CHALLENGE

Turkey, ham, salami, liverwurst, bologna—they’ve been staples of the American diet for decades. And while typically associated with the “lunch” occasion, one person’s deli meat lunch can differ drastically from another’s.

A Black Forest ham sandwich might be eaten over a work desk to ward off hunger until dinnertime, while a low-sodium turkey breast wrap may be bagged for a lazy afternoon snack at the beach. Or, consider an antipasti tray of salami and Italian fixings that’s picked over at a Sunday graduation party. These are just a few of the occasions at which Americans eat deli meat. And these occasions have implications for marketing, advertising, and even product development.

Our client, a food manufacturer, turned to us to better understand the various meal occasions and situations in which people were eating deli meats, and how they had changed over time. These insights would enable the client to implement targeted marketing strategies and identify new opportunities to expand its portfolio.

HOW WE HELPED

With a little data science and a lot of creativity, we used our segmentation solution to build a bridge between our client’s existing segmentation scheme (created based on a combination of demographics and situational dynamics) and our National Eating Trends® (NET®) survey, which monitors thousands of individuals’ food and beverage consumption habits each year. One goal was to define our client’s segments within NPD’s database. That way, the client would know how effective it was at reaching targeted segments across meal occasions. A second goal was to figure out whether we could accurately define and predict these segments longitudinally using NPD data (without having to continually contact survey respondents after conducting a one-time test).

The combination of these two would enable us to look across all of NPD’s consumption behavior and trend information to pinpoint opportunities for the client’s business.

HOW IT WORKS

“Our client, a food manufacturer, turned to us to better understand the various meal occasions and situations in which people were eating deli meats, and how they had changed over time.”

This is an illustrative case study, inspired by our actual work with clients, but fictionalized to protect client confidentiality.
HOW SEGMENTATION HELPED
A FOOD MANUFACTURER SELL MORE DELI MEATS

Our analysis and recommendations zoomed in on three major occasion segments that were responsible for nearly 90 percent of the client’s portfolio: fun family lunches at the table, after school/work snacks, and healthy solo lunches on the go.

Our client used these data-driven insights to inform its marketing/branding strategy, inspire future product innovations, and educate its retailers over the next two periods. And the client continues to benefit from ongoing tracking of these segments and its portfolio performance.

The result? The manufacturer won better shelf space for two of its deli meats at its top retailer account, tailored its brand positioning to the key meal occasions, and enjoyed a 14-percent increase in market share over the next fiscal period.

![Diagram showing segmentation results]

<table>
<thead>
<tr>
<th>1 Fun Family Lunches at the Table</th>
<th>2 After School/Work Snacks</th>
<th>3 Healthy Solo Lunches on the Go</th>
</tr>
</thead>
<tbody>
<tr>
<td>Client Tailored Brand Positioning to Key Meal Occasions</td>
<td>Top 2 Deli Meats Won Better Shelf Space</td>
<td>Market Share Increased</td>
</tr>
</tbody>
</table>

+14%

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NPD’s Analytic Solutions Group includes a team of senior leaders with extensive experience developing and delivering analytic solutions that address strategic marketing, sales, and planning issues. By investing in its information infrastructure and establishing new retailer partnerships, NPD now collects and delivers more granular information. And by combining its unique data assets and industry expertise with state-of-the-discipline research techniques and proprietary solutions, NPD is equipped to answer clients’ most pressing business questions.

LEARN MORE

Contact your NPD account representative, call 866-444-1411, or email contactnpd@npd.com.