

# Price marked packs

What are retailers concerns and views on PMPs right now?

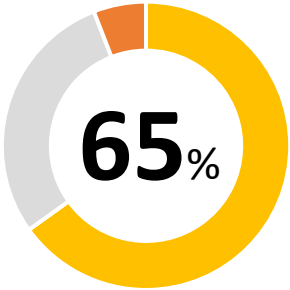
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**twc**

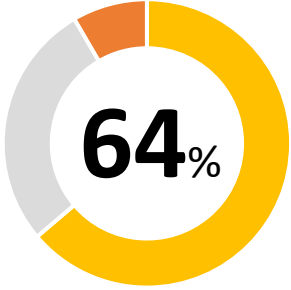
Harnessing data

Empowering wholesale  
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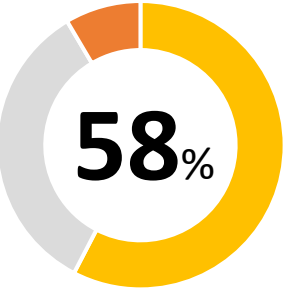
# Consumers like PMPs because they provide vital reassurance of value.



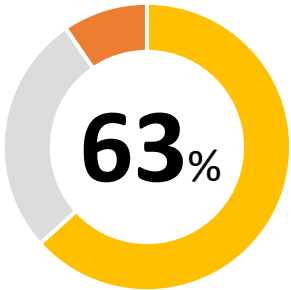
“I like price marked packs (PMPs)”



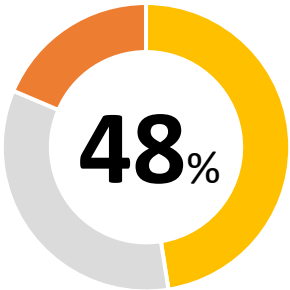
“I like PMPs but I don't know if the product is actually cheaper”



“There is usually a promotion or discount which is why the price mark is there”



“I think PMPs mean I am not being over-charged”

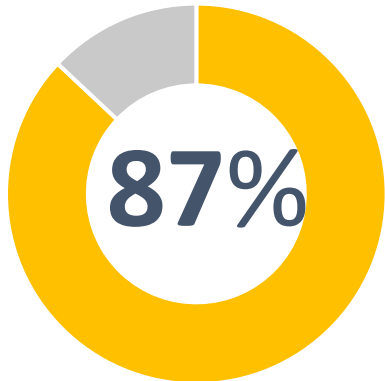


“I tend to shop in places with lots of PMPs”

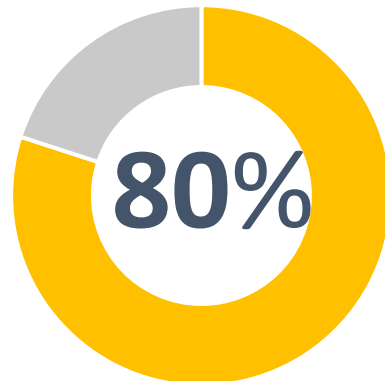
Agree    Neither agree or disagree    Disagree

# Independent retailers are worried about rising costs, [declining] margins and the cost-of-living crisis

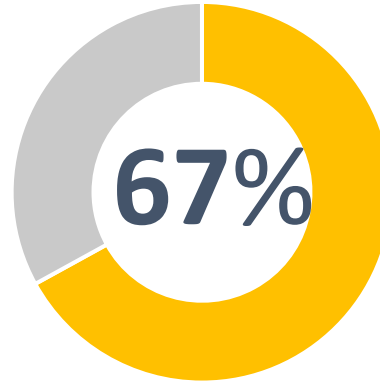
*How worried are you about the following:*



Cost of living crisis affecting your shoppers



Rising business costs to run your store



Margins on the products you sell

## Considered mitigating actions

### OPERATIONAL:

- Shorter opening hours
- Reduced staff recruitment / more loan working
- Change recruitment 'mix' (> younger / inexperienced / cheaper staff)
- Turn off chillers at night
- Store closures


### PRODUCTS:

- Sell higher margin lines (without taking rate of sale into account)
- Delist 'low margin' lines
- Ignore 'core range'
- Implement their own planograms based on SKUs with better margins
- **Avoid PMPs**

# PMPs communicate value and shoppers like them – and it appears the price itself matters less

## Retailers' views on PMPs:



 Retailers believe it is the price flash – rather than the specific price – that triggers a lot of PMP sales. TWC agrees.

62% of retailers think that shoppers would still buy PMPs even if the price increased.

Suppliers need to consider the 'shared margin' on PMPs

← Only **10%** of retailers 'disagree'

Source: survey of 200 independent retailers (Aug/Sep 2022)

# Have you heard retailers' views on PMPs?



## Link to retailer vox pops conducted August 2022

With thanks to David Visick of The FWD for editing/creating the video montage

<https://www.dropbox.com/s/vydho46dqixzwun/TWC%20%20PMPS%202.mp4?dl=0>

# Sasi's view (Go Local retailer) on PMPs/shared margin

Interview conducted in mid August



'I'm giving PMPs less space on my shelves'

'Listen to us shopkeepers – we are speaking to consumers everyday'

'Everyone (consumers) is expecting price increases'

'if you don't increase prices you're being stupid and naïve - increase prices now while the expectation is there'

'Turn your prices up by 10p – protect the margins for ourselves, protect the margins for yourselves'

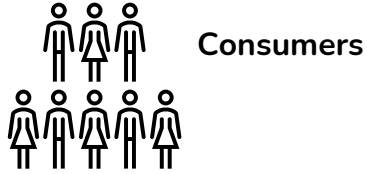
'If you (suppliers) don't do it we will stop supporting PMPs'

'We'll go for non PMPs and make up our own margins. If we do this we'll probably all lose out'

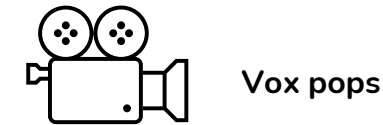
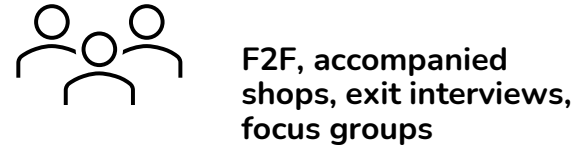
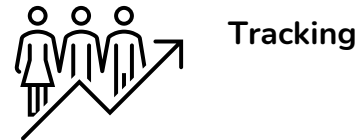
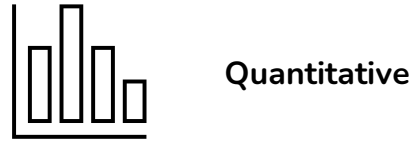
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We can design and execute bespoke B2C or B2B research projects for you to unlock route to market insights

## WHO we can speak to



## HOW: Types of research

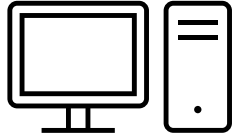


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- Tap into our vast network
- Detailed understanding of route to market to execute channel-specific analysis
- We know what works and what doesn't in the channels
- Impartial guidance
- We can support short-term projects as well as provide ongoing consultancy

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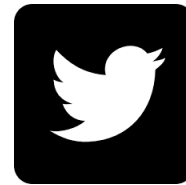


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