

Pick n Pay rebrand a big numbers game

By [Lauren Cohen](#)

28 Nov 2007

If you are one of those people who always sticks to their shopping list and does one big buy a month, you're the Joe Soap of the retail shopping world.



This is one of the retail trends which Y&R Brands chairman Yossi Schwartz and his team had to consider as they drove Pick n Pay's R110- million facelift.

Schwartz says the responsibility of revamping a shopping brand, which has been embraced by South Africans for decades, has left him exhausted.

He gestures energetically while explaining the strategic thinking and advertising lore behind the job. Extensive research, which included hours of interviews with Pick n Pay customers, revealed that:

- People in Living Stands Measure (LSM) 8 to 10 make up the bulk of the group's customers;
- Most people do one big shop a month for groceries;
- Customers spend just over 50% with their primary shop;
- Grocery shopping has an emotional attachment, seen by many to be provision for the family and an enjoyable task;
- Convenience shopping accounts for more than 80% of visits, but only 25% of total spend;
- People in LSM 10 spend five times more (R2550) on their grocery shopping than those below LSM 5;

All income groups had shopped at five retailers in the past month, with the LSM 9 and 10 group shopping at more.

"People said they want convenience, they want easier parking, better till-points, better pricing and consistency in products," Schwartz said.

"It was clear that Pick n Pay had lost ground when it came to fresh produce and convenience meals."

Y&R, using 120 staff members, spent 18 months working on the total brand makeover, which will see 400 stores rebranded over the next 24 months, new and repackaged lines introduced, and new top management positions created.

This is all to ensure that Raymond Ackerman's 40-year-old start-up remains at the top of the local retailing food chain.

One of the new management positions, General Manager of Group Procurement, will see Leeds-based Steve Hoban, import development director for retailer Wal-Mart, joining Pick n Pay next year.

He will assist in driving the new brand strategy from a global procurement perspective.

"It will be a totally new role. I'll start by looking at the shape of the business, so it's difficult to say what my goals will be," Hoban told Business Times.

"I will look at procurement strategy, where we are buying from, supply strategies and partnerships and how we drive the business."

Hoban will be based in Cape Town, with his wife and 18-month-old daughter.

"I'm excited on two fronts. Moving to Cape Town feels like a bit of a dream. Family and friends are sad, but excited and surprisingly interested in coming to visit in 2010!"

From a professional standpoint, Hoban admires Pick n Pay's "fantastic heritage and strong business foundation".

Putting together a corporate identity for a company like Pick n Pay was an "enormous task", Schwartz said.

"It's not about colours, look and feel or funky graphics. It's about the brand line and keeping the same values."

The 2006 AC Nielsen Shopper Trends report showed that shopping is a female-dominated game, influenced by men and young people.

Source: *Sunday Times*

Article via [I-Net-Bridge](#)

For more, visit: <https://www.bizcommunity.com>