

Like for like product matching

Underlying principles for non-fresh-food groceries

Assumptions:

1. There are three tiers of supermarket products: good/budget, better/standard/premium, best/super-premium.
2. ALDI products, Woolworths Select products, You'll love Coles products and IGA-branded products are in competition with and comparable to leading brands; all these fall into the better/standard market segment.
3. Some brands are in the good/budget end of the market; these brands are competing with Woolworths Home Brand, Coles SmartBuy, Franklins No Frills, IGA Black & Gold products. ALDI does not offer a product range in this tier.
4. Some manufacturers and retailers offer a best/super-premium product. In this space are GJ Coles and ALDI premium varieties of some foods.

Product matching strategy:

1. ALDI, Woolworths Select, You'll love Coles and IGA-branded products are matched to each other and to the leading brand(s).
2. Woolworths Home Brand, Coles SmartBuy, IGA Black&Gold and Franklins No Frills are matched to each other and any leading budget brands that are identified.
3. Leading brands are selected based on the top-selling 5000 supermarket groceries as determined by FreshLogic. Where the product is not represented in this list, the market leaders as listed in Retail World's Grocery Guide (by volume) will be used.
4. Products are matched for size: the size range of matched products is no greater than 30% of the modal size; depending on the number of products, if there is no mode, then the median size, or in the case of only two sizes, the smallest size, will be used.
5. Products are matched for number of items per pack where the product is primarily purchased by count, not weight or other measure (for example, toothbrushes, plastic bags). Note: for some products, such as plastic bags, further parameters such as dimensions of bag may need to be taken into account).
6. Products are matched for food composition & processing: matched foods fall within the same basic food standard (for example, whole fresh milk matches with other whole fresh milks, but not whole UHT milk, or fat/protein modified fresh milk).
7. Products are matched for nutrition composition: using the terms defined in the Code of Practice for Nutrient Claims, products are matched for low & reduced fat; low and reduced salt, light, low-joule, diet, etc, where these hold significant nutritional meaning (for example, low-salt tomatoes does not match regular tinned tomatoes).

8. Products are matched for meaningful quality terms, for example standard olive oil does not match with extra virgin olive oil, three-ply toilet paper does not match with two-ply, alkaline batteries do not match with non-alkaline. A list of the terms considered meaningful and used for this purpose will be developed.
9. Products will be matched for flavour/variety where this is highly relevant and possible. Flavoured and unflavoured milk, or scented and unscented baby wipes do not match, but where there are a wide range of flavours/fragrances, for example flavoured tunas, scented fabric softeners, the most similar will be matched where possible, but differing flavour/fragrance will not preclude a match.

choice

57 Carrington Road Marrickville NSW 2204
Phone 02 9577 3333 Fax 02 9577 3377 choice.com.au