

BRANDS ARE LIKE PEOPLE. IN ORDER TO BE EFFECTIVE, THEY NEED TO COMPARE THEIR SELF-IMAGE WITH EXTERNAL PERCEPTIONS AND, ON THIS BASIS, DETERMINE HOW AND IN WHAT DIRECTION TO DEVELOP FURTHER.

MARKET PLAYERS SURVEY THE PERCEPTION AND ATTITUDE OF THEIR TARGET AUDIENCE. THE INFORMATION THEY COLLECT PROMPTS THE COMPANY TO CREATE NEW PRODUCTS AND SERVICES. THE SURVEY RESULTS ARE COMPARED WITH INTERNAL ANALYSES IN ADDITION TO MARKETING AUDITS AND LATER SERVE AS THE BASIS FOR STRATEGIC BUSINESS PLANNING.

ANTOSHKA SEES ITSELF AS THE LEADER ON THE UKRAINIAN MARKET FOR THE RETAIL OF CHILDREN'S MERCHANDISE. THE CHAIN'S GROWTH AS WELL AS THE GROWTH OF THE CORPORATION ITSELF HAS CREATED A NEED TO SEEK OUT NEW WAYS TO DEVELOP THE CHILDREN'S RETAIL MARKET. A SURVEY OF ACTUAL AND POTENTIAL ANTOSHKA CUSTOMERS PROVIDED RETAIL DEPARTMENT MANAGERS WITH THE KNOWLEDGE THEY NEEDED TO MAKE STRATEGIC DECISIONS. THANKS TO THE SURVEY, CUSTOMER EXPECTATIONS WERE VOICED AND TAKEN INTO CONSIDERATION AND AN IDEAL IMAGE OF A PLACE WHERE PARENTS WOULD HAPPILY COME TOGETHER WITH THEIR CHILDREN WAS GENERATED.



The survey was conducted among 1,200 parents aged 18 to 65 on the streets of Kiev, Odessa, Lvov, Dnepropetrovsk and Kharkov as well as at Antoshka department stores. The survey thus reflects the views of those who frequent children's stores in general and loyal Antoshka customers in particular.

In large cities with a population exceeding 1 million such as Kiev, Odessa and Kharkov, nine focus group discussions were organized (three in each city among different age groups).

The focus group method studies people's preferences and opinions in a specially organized discussion. The open atmosphere of the discussion allows the focus group participants to develop a common opinion on given issues while a moderator guides the discussion. Focus group discussions are where hidden motives are revealed: when people know that their opinion is being taken into consideration, they speak about their experiences in depth and reveal details that are of equal importance for both the surveyors and the consumers.



In three of the cities (Kiev, Odessa and Kharkov), the focus group discussions were attended by mothers divided into groups based on the age of their children: 0-3 years, 3-10 years and 10-14 years. One of the essential conditions of the survey was that each discussion group includes loyal customers of both the Antoshka chain and its main competitors.

The female participants in the discussion provided a general assessment of the major market players and also shared their feelings about Antoshka in particular.

Using their imaginations, they developed a collective model of “**the ideal children's supermarket.**”

WHAT SHOULD BE IN THE IDEAL SUPERMARKET?

(multiple choice, 1,200 respondents in all cities, % vs. all respondents)



“I very much enjoy going to the children's store myself – otherwise it is impossible to bring back one's childhood”

This model highlights the particular importance of the pleasant sensations that the store's atmosphere should conjure up (“*bright, colorful, ...big and light; ...some balloons, some catalogues, ...big blocks; ...warm, something fluffy; ...a big bright house, children's music from cartoons is playing*”). There are also many festive associations connected with “the ideal children's store” (“*...a fairy tale, ...a holiday, ...fun, ...a child's dream come true, ...happy associations, and children always love and enjoy it, ...joy, excitement*”).

As it turns out, joy and festivities, and not necessarily an optimal quality-price ratio, are what makes a good children's store. With the use of colors and emotions, this is how these mothers described the ideal place to visit with their children, have a good time, buy a lot of everything and come back again and again.

Parents are, as it turns out, much like children themselves. Even though they grew up a long time ago, they are still nostalgic for their childhoods and visit stores that give them feelings of holidays and magic: “*I very much enjoy going to the children's store myself – otherwise it is impossible to bring back one's childhood*”; “*...as I think back on my childhood, I regret that I did not have anything of this sort*”; “*... a place where you can see the toys that we did not have.*”

Customers themselves provide hints about the format for a successful operation, an idea which marketing specialists would call “lovemark”.

The model created during the focus groups was supported statistically by the survey results.

Describing the key features of “the ideal children's supermarket,” the survey participants said it should be “big, light, cozy, comfortable, convenient,” it should have “a nice, bright, attractive design,” “a comfortable, cheerful atmosphere including pleasant music,” “a convenient arrangement of departments and goods,” and provide “the ability to examine and touch goods before buying them.”

The fact that these parameters outweigh the more reasonable ones, such as “an optimal quality-price ratio” or “promotional events, discounts and sales,” is revealing. This was particularly highlighted among the Lvov respondents whose perception of “the ideal image” largely coincides with the perception of the actual Antoshka chain.

Read about the investigation of “*the Lvov phenomenon*” in the next chapter of this issue.



“...I used to say this is it, I will never have any more children! But when I come to Antoshka, I think to myself that if my husband agrees, I'll get pregnant right away just so we can buy everything here!”

Some of the opinions expressed during the focus group sessions called for Antoshka to become a kind of fantasy world, a place where dreams come true. The respondents also said those working for Europroduct retail should set the goal of making sure such vision are a reality:

“...I used to say this is it, I'll never have any more children! But when I come to Antoshka, I think to myself that if my husband agrees, I'll get pregnant right away just so we can buy everything for the child here!” (Kiev, 3-10 years)

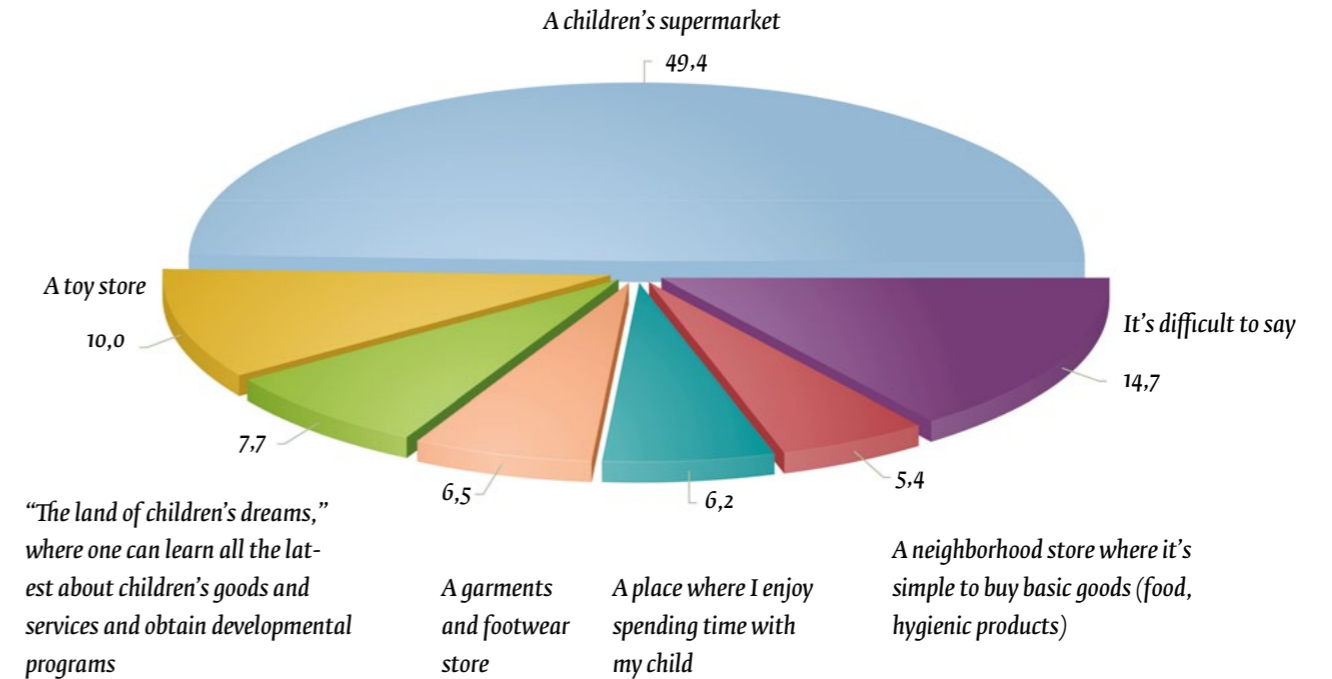
“...as these Antoshka department stores started to appear – these huge children's stores – you would come there before even having children and think: My God! How beautiful it is here! These children's beds with canopies are wonderful! And you would think to yourself: when I have a child, this will be the only place I go. Sure enough, as soon as you go inside, all your wishes come true!” (Kiev, 3-10 years)

The issue of price competition is not relevant when Antoshka is viewed in this way. Customers

would like to see Antoshka as a place where they can come and experience cheerful emotions. Such a perception moves the issue of competition from the price sphere, where Antoshka cannot always compete with small retailers, to the sphere of impressions. In other words, management should focus a positioning strategy on “value” instead of “price.” Building a brand is above all connected with customers' emotions. As it proceeds to create the image of “the ideal supermarket,” the Antoshka brand will gradually be able to turn into that very “land of children's dreams,” and visiting it will mean having fun rather than just going shopping.

“The land of children's dreams” (“Merezha dyt'achyh mriy”), or the motto of the Concern's children's retail division, is a phrase that was included in a list of descriptions from which the survey participants had to choose the most precise expression of what Antoshka means to them.

THE IMAGE OF ANTOSHKA SUPERMARKET
(1,200 respondents in all cities, % vs. all)



Almost half of the 1,200 respondents associated the name Antoshka with “a children's supermarket.” Only 7% viewed Antoshka as “the land of children's dreams,” and almost 15% found it difficult to associate Antoshka with any of the suggested descriptions.

The parents polled in the survey indicated there was a disparity between the images of “the ideal supermarket” and the children's store that they generally prefer. The ideal image was characterized by several associations with the concept

of “the land of children's dreams”, with rational parameters ranking lower in the scale of values than they would at their “favorite store.”

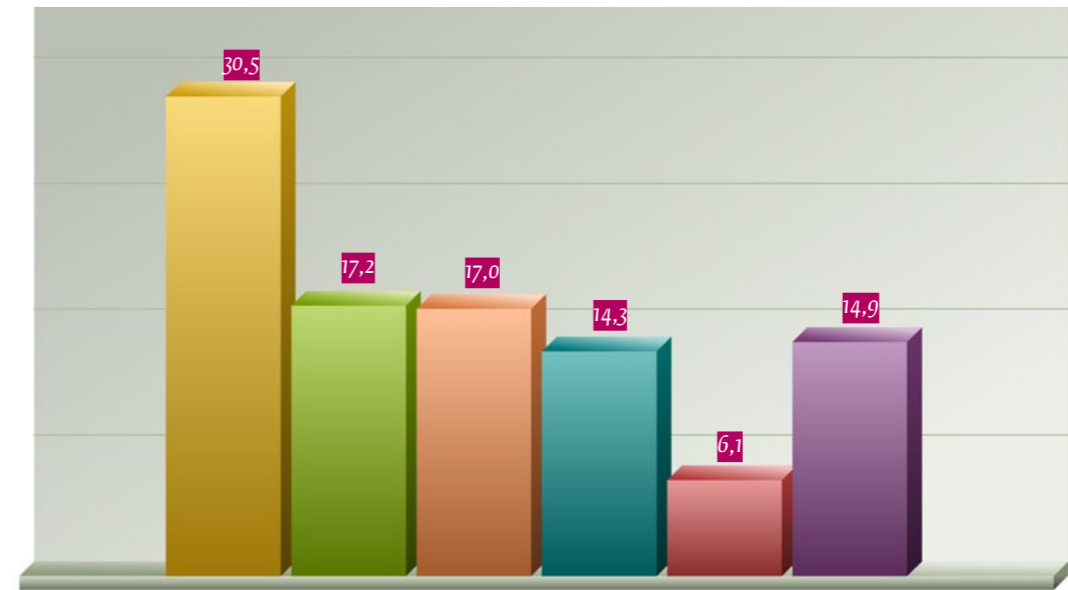
Creating an emotional advantage in favor of Antoshka as compared to other players on the children's market should eventually result in consumers' associations with the chain shifting from “a children's supermarket” to the image of “the land of children's dreams” and the subsequent growth of this description in the next survey.

“We came to the mutual conclusion that Antoshka can not simply be a children's store, even one with a unique variety of goods that includes everything children need from birth until they reach the age of 14,”



SERGEY BARANNIK, director of the retail department, said in comments on the research carried out jointly with the Motto agency.

THE IMAGE OF ANTOSHKA SUPERMARKET
(1,200 respondents in all cities, % vs. all)



A chain of department stores in my city *A store in my city* *A chain of department stores in large cities* *A chain of department stores in all regional centers* *An interna- tional chain* *It's difficult to say*

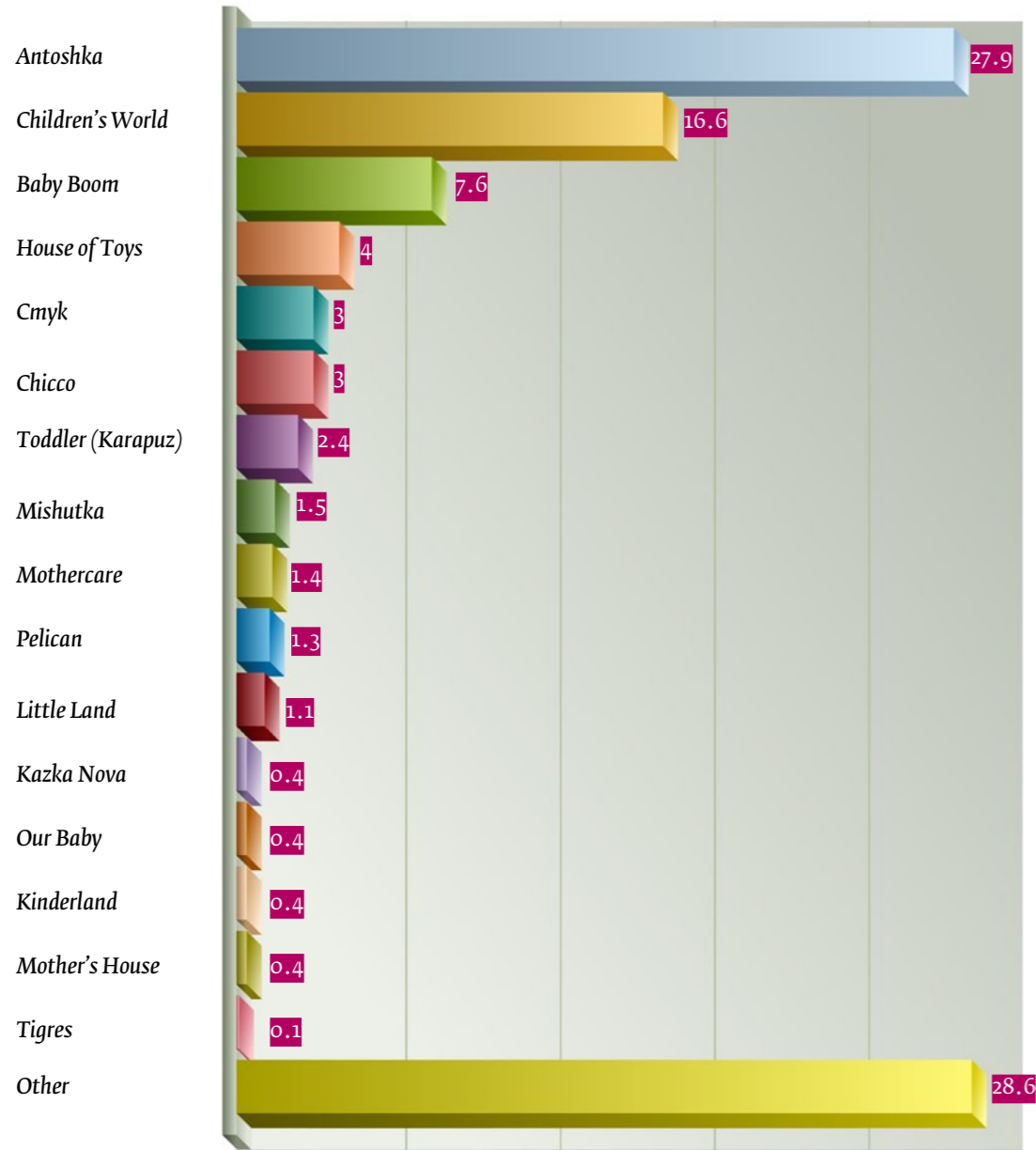
The image of “the ideal supermarket” was virtually identical in all the cities where the survey was conducted. The name of a retail chain with locations in different cities should likewise evoke the same perceptions in addition to an understanding of the scale of this retail chain's presence. This is how the principle of global expectations of quality and service that is inherent in successful brands works.

The survey results showed that Antoshka is viewed as a department store chain but the perception of its size varies, with 30.6%

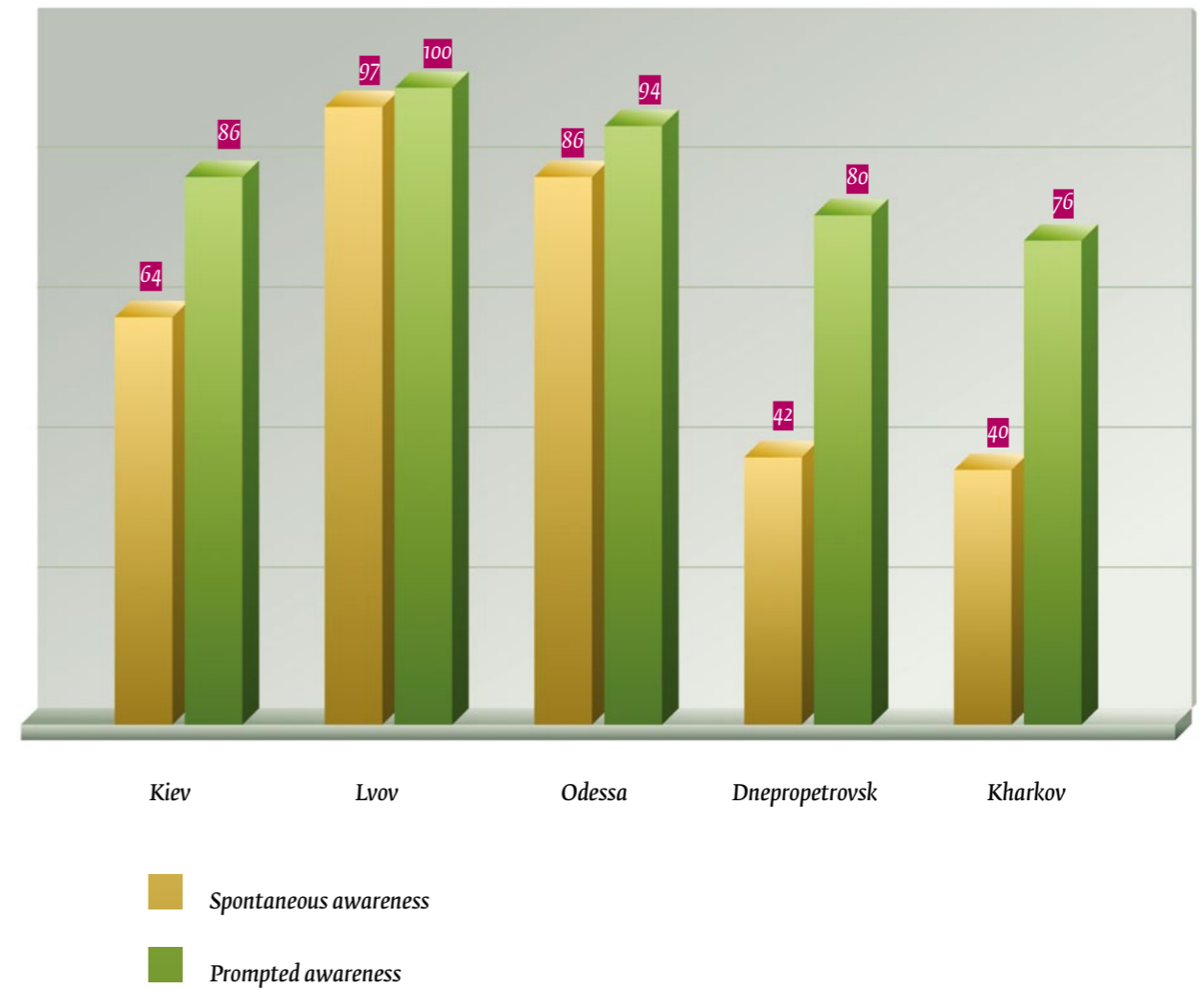
of respondents calling it “a chain in my city,” 17% describing it as “a chain in large cities,” 14.3% calling it “a chain in all regional centers,” and 17.2% simply viewing it as “a store in my city.”

An understanding of the chain's global positions and its global leadership on the market needs to be drilled into customers' minds. The perception of Antoshka as a global chain of department stores will make it possible to change traditional views on its category, services and formats.

WHICH CHILDREN'S SUPERMARKET IS VISITED MOST FREQUENTLY
 (% of respondents visiting supermarkets other than Antoshka)



AWARENESS OF ANTOSHKA BRAND
 (1,200 respondents in all cities, % vs. all)



“A strategic goal in the future will be to create a ‘predesigned’ brand, one that actively unifies the perception regardless of area, location or region. With an ‘idea’ positioning, the Antoshka brand will be able to expand to different categories that are, in one way or another, connected with such concepts as ‘the world of childhood’ or ‘the land of children’s dreams’, including cafes, children’s studios and amusement parks,”



MARK KESTELBOYM, Motto's creative director, said in comments on the survey results.

THE DEVELOPMENT OF THE ANTOSHKA BRAND

			
Business concept:	Store	Shopping and entertainment center	Land of children's dreams (Brand)
Customer benefits:	for parents: a companion that helps in child rearing; for children: a friend that provides wonder and happiness	for a family: enjoy family recreation and shopping	for a family: travels in a virtual land; for children: make dreams a reality
Positioning:	rational: sale of goods	rational: sale of services and goods	emotional: involvement, sale of impressions
Involvement in the brand:	low	medium	high

Antoshka could move away from the categories of “children’s stores” and “shopping and entertainment centers” where it currently resides along with other market players. With its own entertainment network and holiday offers, Antoshka should develop a unique format based on the concept of “the land of children’s dreams.” Individual stores and all displays of the Antoshka brand will be aligned with this primary idea without exception. This will form the consistency and integrity of the perception.

“In practice, this signifies a the new awareness of market, market leadership, competitive environment and our market share, which involves establishing a unique net-

work format of sales and entertainment,” MARK KESTELBOYM stressed.

This will not only result in new chances and new opportunities, but in a new reality as well. Now Antoshka’s scope of competition will not only include supermarkets and children’s stores but also children’s cafes, entertainment centers, early development schools and creative children’s studios.

The main thing is not to be afraid of change or moving forward. The one who anticipates expectations and creates a new culture – a culture of communication with the customer — will eventually win out. ■