



Competitive Retaliation Strategy Research

**Packaged Goods Manufacturer
(Salty Snacks)**

**A Brand Positioning
Case Study**

M/A/R/C[®] Research

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How M/A/R/C[®] helped a leading salty snack manufacturer win back customers who had been wooed away by a competitive brand.

The competitive brand had grown increasingly popular to the detriment of the market leader.

The Business Issues

A key competitor had emerged as a formidable player in the potato chip category. The competitive brand had grown increasingly popular among teens, while equity for the market leader's brands had declined among this group. Competitive advertising was attacking the market leader's brands, portraying them as more oily/greasy and enabling the competitive product to enjoy a halo effect as a "better for you" product. In order to create leveragable opportunities among current competitive users, the market leader needed to define attributes perceived as significantly more favorable for its brands vs. the competitive product.

The Research Objectives

To create a hierarchy of attributes driving competitive success, several questions had to be answered:

- What criteria do category users believe to be important in selecting which potato chip brand to buy?
- What criteria do category users actually use in making their brand selection?
- How do consumers perceive each of the relevant brands perform on these criteria?
- In the consumer's mind, what attribute differentiates each of the market leader's brands from the new competitive brand?



M/A/R/C created a design to address the research issues that was easy for the consumers to participate in and provided in-depth and actionable feedback for creating a solution.

To determine the hierarchy of attributes driving the competitor's success, M/A/R/C provided a multifaceted analysis.

The Solution

M/A/R/C created a design to address the research issues that was easy for the consumers to participate in and provided in-depth and actionable feedback for creating a solution. Consumers provided the following information:

- Brand and category usage
- Overall satisfaction with each brand used
- Importance of specified criteria in potato chip brand selection
- Ratings of relevant brands
- Choice set exercise: For each of 16 combinations of brands, prices, packages and chip types, which one the consumer would buy.
- Demographics

To determine the hierarchy of attributes driving the competitor's success, M/A/R/C provided a multifaceted analysis, which included the following steps:

- Deriving importance of purchase decision criteria by identifying how individual attribute ratings related to overall satisfaction.
- Mapping derived vs. stated importance, along with competitive performance to group criteria as to whether they were:
 - Entry Tickets
 - Key Drivers
 - Value Adds
 - Low Yield
- Plotting brand preference to determine areas of strength/weakness for each brand.
- Constructing a choice based conjoint model to assess importance of package, product, price and brand on competitive selection.



The Results and Actions Taken

M/A/R/C's investigation revealed that consumers purchased the competitive brand as part of a variety seeking routine. Unique taste emerged as a key selection driver. M/A/R/C provided the market leader with direction for improving its products and messages to meet the needs of these variety seekers and provide more product protection than current franchise products offer. These dimensions were different from what we expected to be critical before the research began.

The research also identified that the market leader's brands had positive social advantages which the new competitive entry did not offer. We pointed out the importance of retaining these perceptions in the current offerings and in any line extensions that might be offered. The salty snack manufacturer now had specific direction for reclaiming consumers it had lost.

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