# Podhurst Associates, Inc. Quantitative Report Samples

A multivariate statistical technique called Cluster Analysis was used to segment category consumers based on their underlying attitudes. Input for the cluster analysis included ratings data from the set of 8 purchase considerations, 16 psychographic statements, 6 product features and 8 promotional offerings. The cluster analysis yielded the following five segments that are statistically distinct in their attitudes towards buying and using these products. Each segment will be examined and profiled on the following pages.
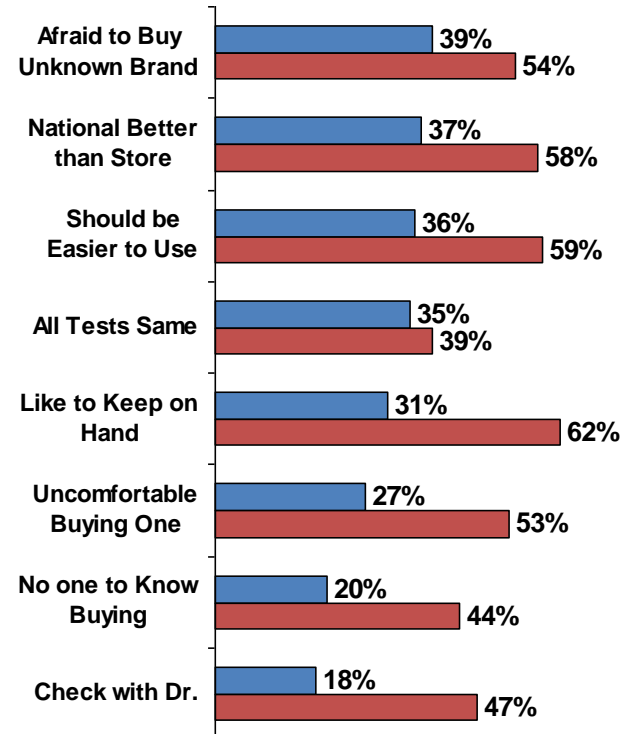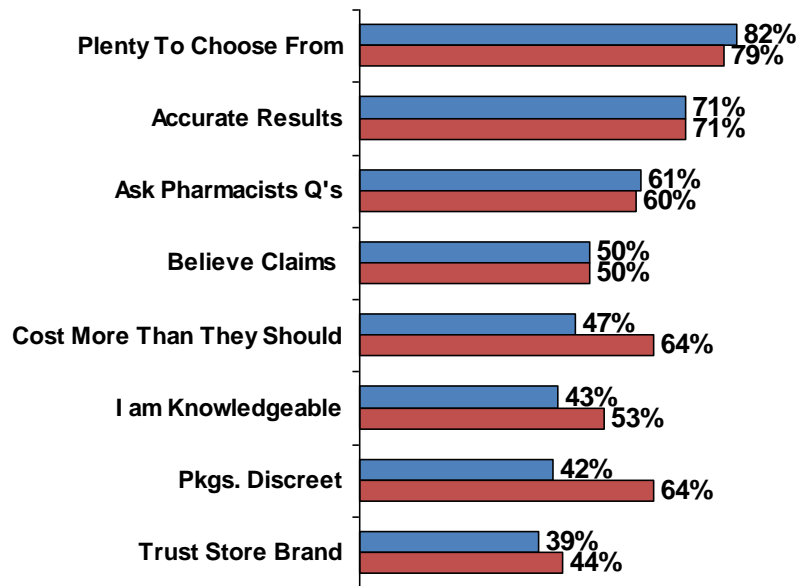
Attitudinal Segments

Fundamentally Faithful
17%

Perks & Prizes
21%

Nervous Nellies
22%

Simple Sallies
19%
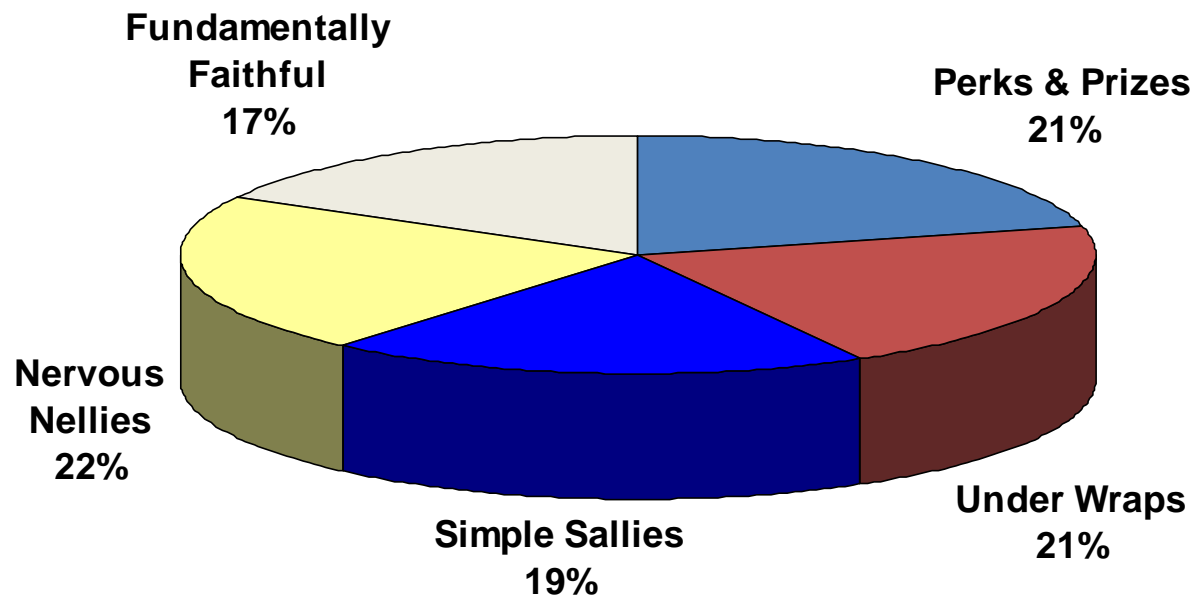
Under Wraps
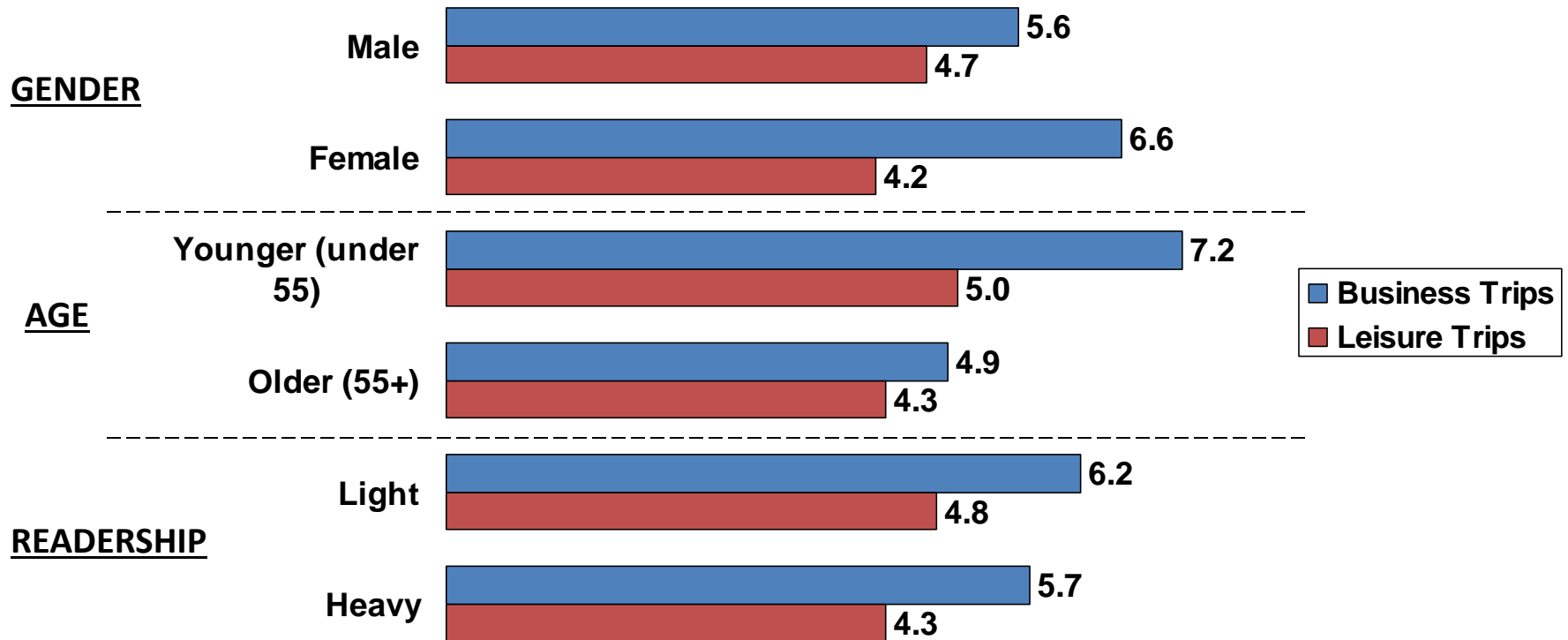21%

Under Wraps-21%:   Psychographics

Members of this segment differ from other category consumers on a host of attitudinal parameters. They tend to favor caution and discretion and are concerned with reliability.

	Total (n=501)	Under Wraps (n=107)
Plenty To Choose From	82%	79%
Accurate Results	71%	71%
Ask Pharmacists Q's	61%	60%
Believe Claims	50%	50%
Cost More Than They Should	47%	64%
I am Knowledgeable	43%	53%
Pkgs. Discreet	42%	64%
Trust Store Brand	39%	44%
Afraid to Buy Unknown Brand	39%	54%
National Better than Store	37%	58%
Should be Easier to Use	36%	59%
All Tests Same	35%	39%
Like to Keep on Hand	31%	62%
Uncomfortable Buying One	27%	53%
No one to Know Buying	20%	44%
Check with Dr.	18%	47%

Rated 8-10 on 10-point scale, 10 being agree completely.

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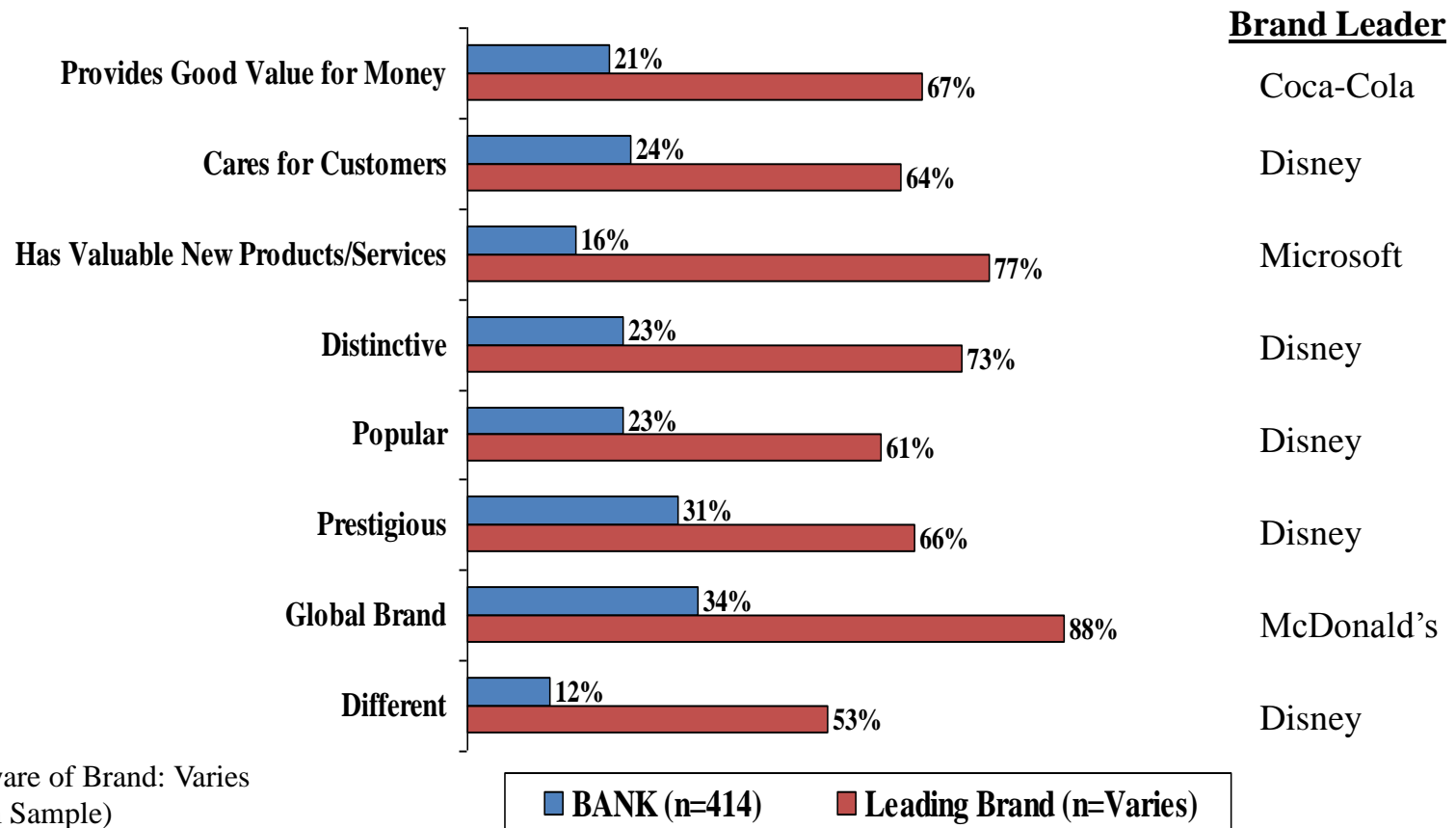Marketing Research Consulting

While the number of leisure trips does not vary much by reader segment, younger readers, females and light readers report more frequent business trips than others.

Average Number of Trips Taken In Past 12 Months

Segment		Business Trips	Leisure Trips
GENDER	Male	5.6	4.7
	Female	6.6	4.2
AGE	Younger (under 55)	7.2	5.0
	Older (55+)	4.9	4.3
READERSHIP	Light	6.2	4.8
	Heavy	5.7	4.3

BANK falls far short of leading nationally recognized brands on each of these selected characteristics. The fact that fewer than a quarter of all consumers rate BANK highly for value and customer care, two of the "top tier" selection factors, is cause for concern.

Specific Imagery of the BANK and Other National Brands - Total Sample
(Percent Describing Brand: Rated 5-7 on a 7-point Scale)

Brand Leader

Characteristic	BANK	Leading Brand	Brand Leader
Provides Good Value for Money	21%	67%	Coca-Cola
Cares for Customers	24%	64%	Disney
Has Valuable New Products/Services	16%	77%	Microsoft
Distinctive	23%	73%	Disney
Popular	23%	61%	Disney
Prestigious	31%	66%	Disney
Global Brand	34%	88%	McDonald's
Different	12%	53%	Disney

Base: Aware of Brand: Varies
(Random Sample)

☐ BANK (n=414) ☐ Leading Brand (n=Varies)

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Attitudes Towards Pre-mixed Insulin Products

- Physicians were in broad consensus that the features they most liked about pre-mixed insulin products were their convenience (46%) and ease of administration (40%). Some physicians characterized these products as very accurate (14%), and a few mentioned that they were good for non-compliant patients.

- At the same time, most physicians (72%) acknowledged that pre-mixed insulin products offered less flexible dosing than other options. A small number (13%) also considered them ineffective.

- While physicians largely agreed as to what they most liked/disliked about pre-mixed insulin products, there was less consensus as to what patient types were most suitable for these products. However, the underlying intent of the various responses was to identify patients who might most benefit from the ease and convenience offered by these medications. Types of patients included those who have trouble mixing (24%), elderly patients (22%), and any type II patient (22%). Other patients considered most suitable for pre-mixed insulin, each mentioned by 6%-8% of the physicians, included those who failed orals, uneducated patients, non-compliant patients, compliant patients, visually impaired patients, patients who needed post-prandial control, and patients whose diabetes was uncontrolled.

- Reflecting the positive features of pre-mixed insulin products cited above, physicians were apt to describe this category as filling unmet needs primarily related to convenience (31%) and easier administration (22%). More specific comments included better control of dosing (12%), better control for patients unable to mix their own insulin (12%), easier for the elderly (12%), better accuracy (8%) and better patient compliance (7%).

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Introducing TEST PRODUCT into the current product mix, physicians anticipate that they would prescribe it for about one-quarter of their AECB patients. While a good portion of this would cannibalize from CURRENT PRODUCT, there would be a significant net increase for the franchise.

The addition of TEST PRODUCT *and* the generic into the current mix changes the dynamic considerably. In this scenario, CURRENT PRODUCT use would drop sharply and the overall net effect on the franchise would be to break even.

Prescribing For AECB

Mean Percentage of Last/Next 100 Patients	Before Presentation (Last 100 Patients)	After Presentation (Next 100 Patients)
TEST PRODUCT	-	26%
Augmentin XR	6%	5%
Biaxin/Biaxin XL	15%	10%
Cephalosporins	11%	9%
Ketek	6%	6%
Quinolones	21%	13%
Zithromax	22%	10%
Generics	19%	20%
All other antibiotics	1%	2%
Net Change for Franchise = +14 points		

Mean Percentage of Last/Next 100 Patients	Before Presentation (Last 100 Patients)	After Presentation (Next 100 Patients)
TEST PRODUCT	-	13%
Generic	-	18%
Augmentin XR	8%	6%
Biaxin/Biaxin XL	12%	6%
Cephalosporins	11%	9%
Ketek	7%	6%
Quinolones	24%	19%
Zithromax	18%	4%
Generics	18%	15%
All other antibiotics	2%	2%
Net Change for Franchise = -1 point		

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FAs with over 20 years of service place less importance on various attributes of investment planning and advice compared to their peers.

Importance Of Investment Advice And Planning Attributes

Mean Rating On 7-point Importance Scale; 7=Very Important, 1=Not At All Important

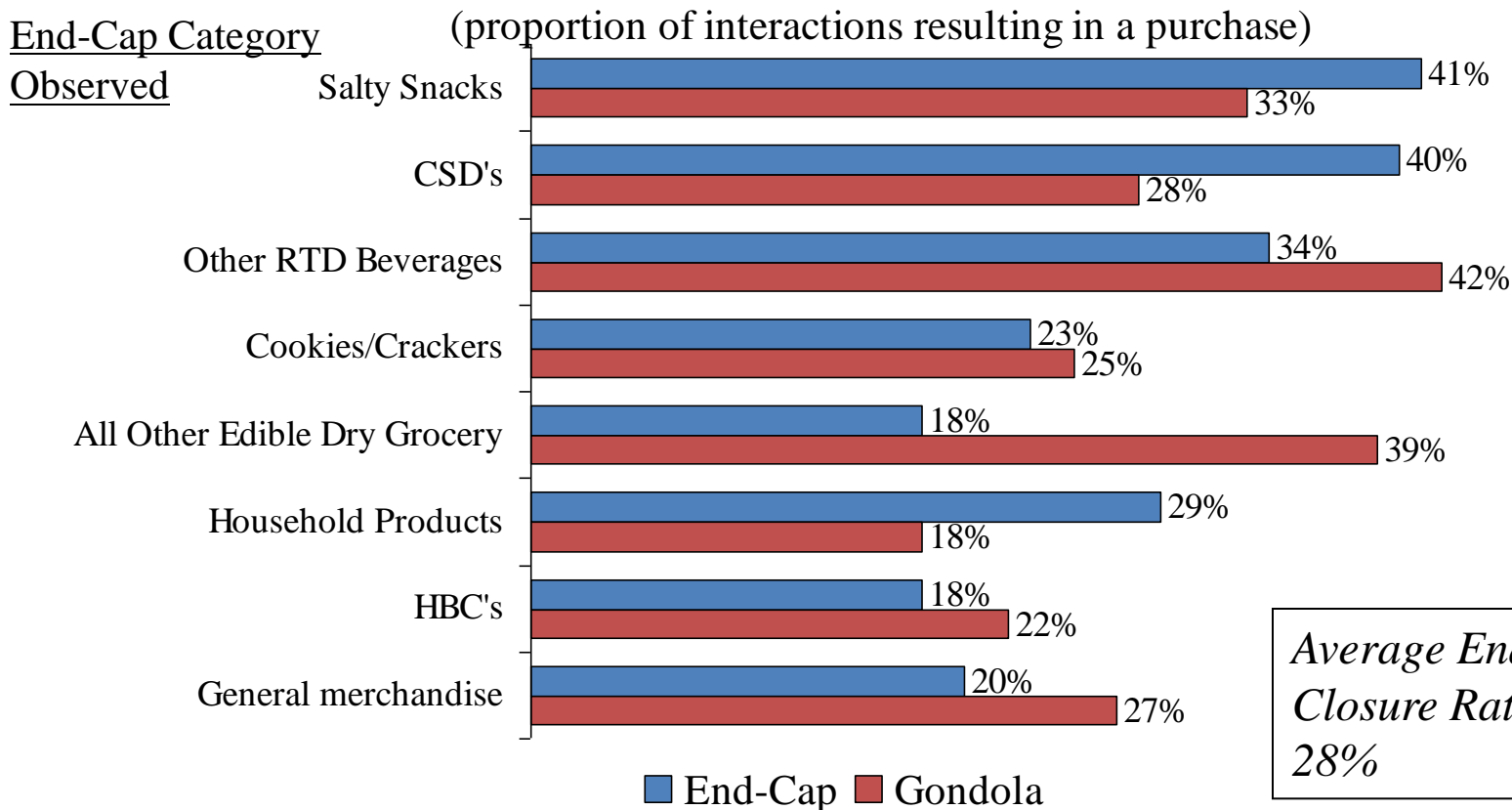| Length Of Service	0-5 Years [D]	6-9 Years [E]	10-19 Years [G]	20+ Years [H]
Retirement Planning	6.7 H	6.6	6.6	6.5
Providing Advice To Manage Market Risk	6.5 H	6.4	6.5	6.3
Retirement Income Projections	6.5 H	6.4 H	6.3 H	6.0
Estate Planning	6.0	6.1	6.1	5.9
Implementing Tax Advantaged Strategies	5.9	5.9	6.0	5.8
Diversifying A Concentrated Position	5.1	5.2	5.1	5.0
Credit And Borrowing Strategies	5.3 H	5.2 H	5.2 H	4.6
Selecting Alternative Investments	5.0 G	5.0 GH	4.7 H	3.8
Education Planning	5.1 H	4.8	5.0	4.7
Providing Advice On Exercising Stock Options	4.3 H	4.3 H	4.3 H	3.8

[DEGH] denotes that number is significantly greater than those in the columns) indicated.

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Closure rate measures the ability that a particular end-cap has to directly drive sales. In three categories - salty snacks, CSD's and household products - displays appear to be doing a good job of generating sales that might otherwise not occur. End-Cap displays for other categories do not appear to be doing a good job in this critical regard.

Closure Rate
(proportion of interactions resulting in a purchase)

End-Cap Category Observed

End-Cap Category	End-Cap	Gondola
Salty Snacks	41%	33%
CSD's	40%	28%
Other RTD Beverages	34%	42%
Cookies/Crackers	23%	25%
All Other Edible Dry Grocery	18%	39%
Household Products	29%	18%
HBC's	18%	22%
General merchandise	20%	27%

■ End-Cap ■ Gondola

Average End-Cap Closure Rate: 28%

Base: Total end-cap/gondola interactions

We've learned that consumers put a lot of weight on a store's physical characteristics.

Percent naming factor as a
consideration in deciding where to shop

	Clean	Store layout	Shelf layout	Neat & well organized
C-store	94%	78%	76%	81%
Drug Store	97%	61%	50%	67%
Supermarket	98%	87%	69%	76%
Discount Store	91%	81%	62%	64%

Brand marketers and P.O.P. producer/suppliers can bring a strong sell-in story to the retail trade regarding their display programs. Our normative data base indicates that about one fifth of all packaged goods products purchased in the supermarket are bought off of a display. Moreover, supermarket shoppers acknowledge the direct impact that displays have on their purchase behavior.
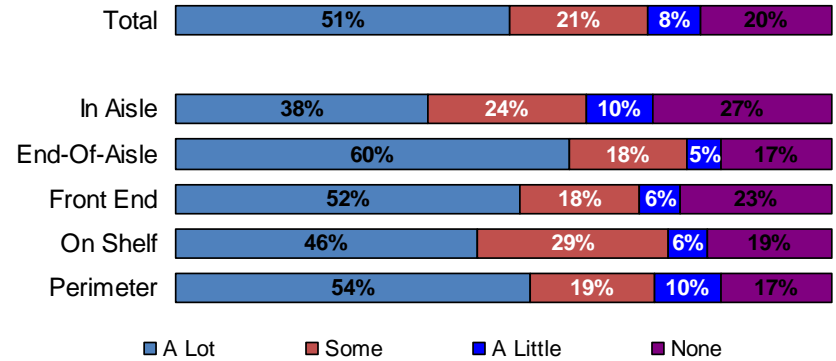
More than three-fourths of display shoppers claimed that the display influenced their brand decision. Fully half said the display had a lot of influence. Shoppers at end aisle locations were particularly likely to say that the display influenced their decision.

The vast majority of shoppers agree that displays directly impact their purchase behavior by:
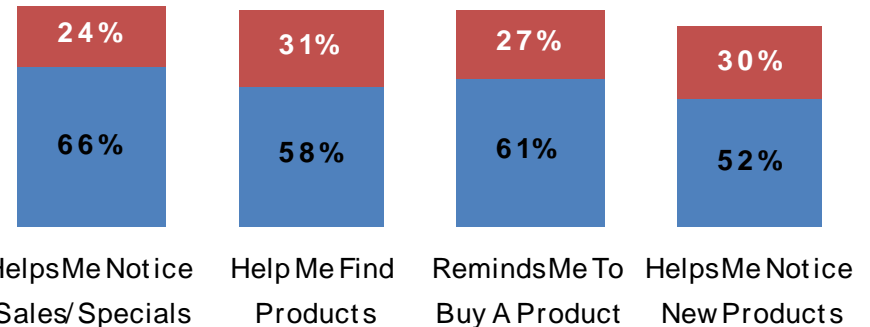
- helping them notice sales and specials

- helping them find products

- reminding them to buy products

- helping them notice new products

In fact, shoppers are more likely to stop at a particular display because it helped them notice a sale or special or because it reminded them to buy a certain product than for any other reason.
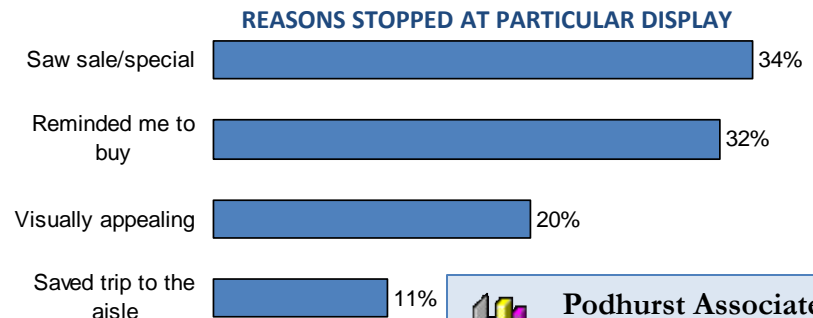
CLAIMED INFLUENCE OF DISPLAY ON BRAND PURCHASE DECISION

	A Lot	Some	A Little	None
Total	51%	21%	8%	20%
In Aisle	38%	24%	10%	27%
End-Of-Aisle	60%	18%	5%	17%
Front End	52%	18%	6%	23%
On Shelf	46%	29%	6%	19%
Perimeter	54%	19%	10%	17%

AGREEMENT WITH STATEMENTS REGARDING PRODUCT DISPLAYS IN GENERAL

	Helps Me Notice Sales/Specials	Help Me Find Products	Reminds Me To Buy A Product	Helps Me Notice New Products
Agree Somewhat	24%	31%	27%	30%
Agree Completely	66%	58%	61%	52%

■ **Agree Completely** ■ **Agree Somewhat**

REASONS STOPPED AT PARTICULAR DISPLAY

Saw sale/special	34%
Reminded me to buy	32%
Visually appealing	20%
Saved trip to the aisle	11%

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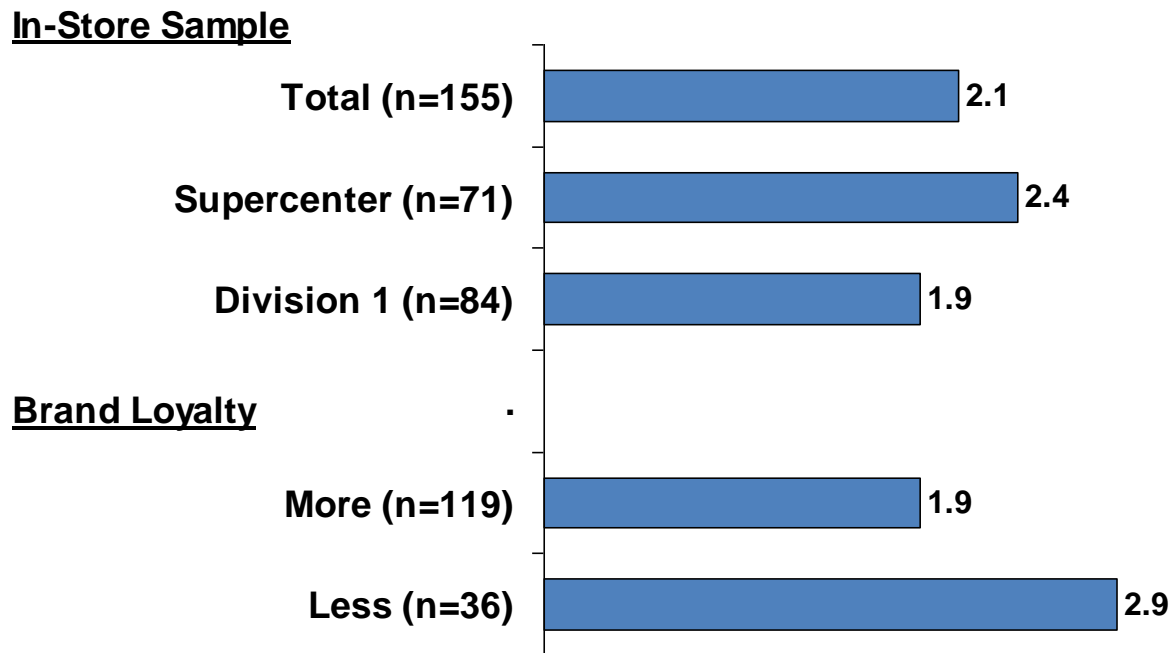
Observed Behavior At The Hair Color Shelf

Shoppers spent about two minutes, on average, making their selection. Supercenter shoppers and those professing to less brand loyalty tended to spend more time in the section than others.

Average Length of Time (in minutes) Spent in Hair Color Section

In-Store Sample

Category	Value
Total (n=155)	2.1
Supercenter (n=71)	2.4
Division 1 (n=84)	1.9

Brand Loyalty

Category	Value
More (n=119)	1.9
Less (n=36)	2.9

Overall interest in trying PRODUCT is fairly positive.

- Nearly half (43%) of the respondents claim they would definitely (15%) or probably (28%) try PRODUCT. Just 15% say they would definitely/probably <u>NOT</u> try PRODUCT.

- There are few differences in PRODUCT interest across subgroups. Exceptions are:
  - There is greater interest among those without a college degree (47% vs. 37%, top 2-box).
  - Those whose cholesterol is under 200 express more interest than others in trying PRODUCT (53% vs. 38%, top 2-box).
  - Those who see their doctor one or no times a year are slightly more likely to *reject* the idea of trying PRODUCT than are those who have 3 or more annual visits. (19% vs. 11%, bottom 2-box).

Likelihood to Try PRODUCT

Might/
Might not
42%

Probably
Would
28%

Definitely
Would
15%

Probably
Would Not
11%

Definitely
Would Not
4%