

# SHOPPERS COMPARE WALMART & MEIJER

**Price is the No. 1 reason shoppers choose Walmart and Meijer, with neither chain showing an edge. But Meijer comes out ahead on selection, quality, service and key departments.**

BY DIANNE KREMER

**L**ow prices continue to be one of Walmart's competitive advantages in the grocery arena, but Meijer shoppers are equally as likely to shop Meijer based on price. Meijer shoppers, however, are more likely than Walmart shoppers to also cite selection, quality, and fresh produce as reasons why they shop Meijer most often.

This suggests that Meijer's prices are deemed competitive for the higher level of perceived quality that the store offers. Further, Meijer scores higher than the national average in selection, quality, and freshness.

While both Walmart and Meijer benefit from being one-stop shopping destinations, Walmart scores higher in this area (and much higher than the national average). With its market-leading position in other product categories, Walmart will continue to attract shoppers looking to save money on gas by consolidating shopping trips.

Despite this though, Walmart struggles with a grocery Net Promoter Score that is below the national average. Meijer, on the other hand, boasts a score that is well above average. Beyond price and one-stop shopping, what really seems to differentiate these two retailers is width of selection, and perceived quality.

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## MEIJER HAS STRONGER FANS

Meijer comes out well ahead on the question, "How likely is it that you would recommend this store for groceries to a friend or colleague?"

Meijer has a Net Promoter Score nearly 9 points above the average for a supermarket, indicating strong shopper loyalty — well ahead of Walmart.

To arrive at the Net Promoter Score, customers are asked to rate, on a scale from 0 (not at all likely) to 10 (extremely likely) the probability they would recommend their store of choice to friends.

10 and 9 responses indicate Promoters; 8 and 7 responses are Passives; and 0 through 6 are Detractors. The Net Promoter Score is calculated by subtracting the percentage of Detractors from the percentage of Promoters.

Price is generally the key differentiator here, but Walmart and Meijer came to a dead heat in that category. Although Meijer is ahead on several important general attributes, it was way ahead of Walmart when it came to

produce — another key differentiator. In fact, in interviews with market sources, the high quality of Meijer's produce came up again and again. Meijer's perceived superior selection was another attribute mentioned frequently by market observers.

| Scoring Group       | Adults 18+ | Walmart | Meijer |
|---------------------|------------|---------|--------|
| Detractors (0-6)    | 20.3%      | 23.9%   | 13.2%  |
| Passives (7-8)      | 28.1%      | 26.9%   | 33.7%  |
| Promoters (9-10)    | 51.6%      | 49.2%   | 53.2%  |
| Net Promoter Score* | 31.3%      | 25.3%   | 40.0%  |

\*Net Promoter, NPS and Net Promoter Score are trademarks of Satmetrix Systems, Inc., Bain & Company, and Fred Reichheld.

## WHY THEY CHOOSE

Responses by shoppers of Walmart and Meijer, when asked why they buy their groceries where they do. Tinted numbers show where Meijer scores ahead of Walmart.

| GENERAL                 | Avg. of Adults 18+ | Walmart | Meijer |
|-------------------------|--------------------|---------|--------|
| Price                   | 73.1%              | 91.2%   | 91.2%  |
| Selection               | 54.9%              | 58.2%   | 72.9%  |
| Location                | 70.5%              | 69.0%   | 70.3%  |
| Quality                 | 45.5%              | 32.2%   | 47.0%  |
| Service                 | 26.5%              | 16.6%   | 21.3%  |
| Advertising             | 12.6%              | 7.7%    | 16.5%  |
| One-Stop Shopping       | 30.7%              | 57.1%   | 46.1%  |
| DEPARTMENTS             |                    |         |        |
| Bakery                  | 15.7%              | 15.8%   | 11.9%  |
| Deli                    | 17.2%              | 16.5%   | 17.4%  |
| Ethnic Foods            | 5.4%               | 4.3%    | 4.8%   |
| Fresh Produce           | 31.8%              | 24.7%   | 42.6%  |
| Meat/Seafood Department | 25.1%              | 17.5%   | 22.0%  |
| Organic/Whole Foods     | 7.6%               | 5.0%    | 6.8%   |
| Prepared Meals          | 8.0%               | 9.9%    | 5.2%   |

| SERVICES                | Adults 18+ | Walmart | Meijer |
|-------------------------|------------|---------|--------|
| Double Coupons          | 13.1%      | 4.0%    | 20.5%  |
| Knowledgeable Employees | 11.3%      | 6.7%    | 8.5%   |
| Trustworthy Retailer    | 21.1%      | 16.2%   | 17.1%  |
| Open 24/7               | 19.0%      | 43.2%   | 41.8%  |
| Store Appearance        | 20.2%      | 15.7%   | 22.7%  |
| Store Layout            | 21.3%      | 20.2%   | 24.7%  |
| Unique Products         | 6.4%       | 5.2%    | 4.4%   |
| Wide Aisles             | 12.9%      | 14.4%   | 16.2%  |

\*The sum of the % totals may be greater than 100% because the respondents can select more than one answer.

## DEMOGRAPHICS OF RESPONDENTS

|                      | Adults 18+ | Walmart | Meijer |
|----------------------|------------|---------|--------|
| Male                 | 48.7%      | 48.3%   | 45.8%  |
| Female               | 51.3%      | 51.7%   | 54.2%  |
| Household income     |            |         |        |
| Less than \$15,000   | 12.7%      | 16.3%   | 10.6%  |
| \$15,000 to \$24,999 | 13.5%      | 16.2%   | 9.2%   |
| \$25,000 to \$34,999 | 13.8%      | 17.1%   | 12.3%  |
| \$35,000 to \$49,999 | 16.0%      | 16.8%   | 22.2%  |
| \$50,000 to \$74,999 | 20.3%      | 17.5%   | 22.0%  |