

A Work Project, presented as part of the requirements for the Award of a Master Degree in Management from the NOVA - School of Business and Economics.

**HOW TO POSITION “AMANHECER” AND SUCCESSFULLY COMMUNICATE IT
TO INCREASE ITS MARKET SHARE?**

Marta Moreno Sousa dos Santos, 30309

A Project carried out on the Master in Management Program, under the supervision of:

Catherine da Silveira

Lena Kemna

3rd of January 2019

HOW TO POSITION “AMANHECER” AND SUCCESSFULLY COMMUNICATE IT TO INCREASE ITS MARKET SHARE?

Abstract

This Work Project focuses on consumers’ behaviour towards convenience stores. Its main objectives are to understand how “Amanhecer” should position itself in the market and how it should be communicated. To address these objectives, first, secondary data was collected. Second, primary research was conducted, through in-store observations and in-depth interviews. Two main challenges were discovered: consumers’ distinct images of Amanhecer’s stores and the unclear positioning of the retailer in the market. To mitigate these challenges, “Amanhecer” should improve its brand identity and brand positioning, and adopt the recommendations made for the marketing and communications programs.

Keywords: Convenience Stores, Amanhecer, Positioning, Communication.

Acknowledgements

First and foremost, I would like to acknowledge the Marketing Department of Recheio Cash & Carry for giving me the chance to work in this project. A special thank you to Vanessa Silva, and Sara Pinto, from Recheio's Marketing department, for taking time to hear me in the beginning and helping me finding a topic for my Work Project. A big thank you to Teresa Amorim, responsible for the "Amanhecer" project, for all the help she gave me during the last months, for the availability she always showed in helping me and for the valuable information she provided me about "Amanhecer". Furthermore, I would like to thank you to my Work Project Advisors, Catherine da Silveira and Lena Kemna, for the help they have given me in conducting this Work Project. A big thank you to Lena Kemna, for the countless meetings we had to discuss the research, for all her patience in answering to my questions and doubts, and for giving her best to help me in achieving my own. I would also like to acknowledge my family for their support in these last months, and for giving me all the help they could give for making this Work Project possible. To my friends and colleagues, (university and work colleagues), thank you for contributing in some way to the success of my research, without them somethings would have been much more difficult. Last but not the least, to my boyfriend to whom I have not enough words to acknowledge. For all the times he stood by my side, in many different ways, during the execution of this Work Project, for all the help he gave me in every step of the research and for always pushing me to give my best.

Table of Contents

- 1. Introduction 1
- 2. Contextual Background..... 2
 - 2.1. Grocery Retailing Category 2
 - 2.1.1. Supermarket vs Convenience Store 2
 - 2.1.2. Convenience Stores Trend 2
 - 2.1.3. Convenience Stores in Portugal 3
 - 2.2. Amanhecer Overview 4
 - 2.2.1. About “Amanhecer” 4
 - 2.2.2. The Project Amanhecer 4
 - 2.2.3. Marketing Initiatives 5
- 3. Competitive Landscape 6
 - 3.1. Perceptual Maps & Reported Market Shares 6
 - 3.2. Main Competitors Overview 8
- 4. Current Brand Identity & Brand Positioning 9
 - 4.1. Current Amanhecer Brand Identity 9
 - 4.2. Current Amanhecer Brand Positioning..... 9
- 5. Addressing the Work Project Objectives 10
 - 5.1. Methodology & Sample..... 10
 - 5.2. Main Insights 11
- 6. Discussion and Conclusions..... 17
- 7. Main Recommendations to Amanhecer 20
- 8. Limitations 23
- 9. References 24
- 10. Appendix 28

1. Introduction

My internship at Recheio Cash & Carry began on July 2018, in the Export Direction. The retailer belongs to the group Jerónimo Martins and, today, it counts with over 40 years of experience and over 40 stores in Portugal, supplying professional consumers (people who own businesses in the catering, retailing and/or hospitality areas). In 2011, Jerónimo Martins launched the “Amanhecer” stores, combining the knowledge of modern distribution with the tradition of the neighbourhood commerce (Recheio n.d.). Based on conversations with Recheio’s marketing managers, I selected “How to position “Amanhecer” and successfully communicate it to increase its market share?” to be my research topic.

In recent years, consumers began to search for more convenience in their shopping (Dinheiro Vivo 2013). Sales in convenience stores have been growing, as well as the number of new outlets opened. “Amanhecer” has been growing alongside this trend, offering to its consumers the convenience they search for. However, the difficulties felt by the manager in finding the right positioning for the stores, the retailer’s current deficiency of communication, and the growing success of Amanhecer’s competitors, imposed the need to discover a rapid solution for these issues.

To address this topic, we first collected secondary research, in order to analyse the contextual background and the competitive landscape. Second, the current “Amanhecer” brand identity and brand positioning were presented. Third, primary research (in-store observations and in-depth interviews) was conducted, to learn about the consumers’ behaviour towards the category and towards “Amanhecer”. At a fourth stage, the main insights were discussed, and conclusions were presented, allowing for main recommendations to “Amanhecer” to be made. Finally, the main limitations felt during the Work Project were listed.

2. Contextual Background

2.1. Grocery Retailing Category

2.1.1. Supermarket vs Convenience Store

For the development of this Work Project distinct types of grocery stores were considered: Supermarket vs Convenience store; Traditional Grocery Store vs Big Brand Grocery Store.

Supermarket vs Convenience Store

We define supermarket as being a large retail market, which sells food and non-food products, in big volumes and high variety (Dictionary n.d.; Merriam-Webster n.d.). It is usually operated on a self-service basis (Dictionary n.d.). A convenience/proximity store can be defined as a small retail, which sells food, drinks, and other items, having wide opening hours (Cambridge Dictionary n.d.; Merriam-Webster n.d.).

Traditional Grocery Store vs Big Brand Grocery Store

For a better analysis of the research and to better understand the existing competitors in this market, convenience stores were divided in two types of stores: traditional and big brand grocery stores.

A traditional grocery store is an independently owned store, often with an old layout, which offers regional products in a small assortment (Author's definition based on in-store observations and on interviews with Jerónimo Martins' representatives). Sometimes it is in the owner family for some generations. A big brand grocery store is usually connected to a big retailer company, through franchise or another contract, like "Meu Super", "Amanhecer" and "Minipreço" (Author's definition based on in-store observations and on interviews with Jerónimo Martins' representatives).

2.1.2. Convenience Stores Trend

In 2013, Ana Paula Barbosa, retail services director at Nielsen, argued that people were starting to want convenience in their shopping, and that price was not a factor for them to change store,

but instead to change brand (Dinheiro Vivo 2013). Barbosa also pointed out the growing shift in consumers' buying habits, moving from big monthly purchases to small weekly, or even daily, ones (Dinheiro Vivo 2013). Despite last years' data showing an increase on convenience stores usage (explained in the next section), there are still some barriers for people to consider buying in these smaller outlets. According to a study conducted by Nielsen in the U.S.A, the main barrier for convenience consideration is not the in-store environment, but the perceived value and quality of the products. Only 4% of the respondents considered environmental factors (e.g. store format, customer service and waiting time) as barriers to use this channel (see Appendix 1) (Nielsen 2018).

2.1.3. Convenience Stores in Portugal

Sales in the grocery retailing category have been experiencing a smooth growth since 2012, presenting a 2% retail value growth in 2017. They are expected to grow an additional 8,9% until 2022 (see Appendix 2) (Euromonitor International 2018).

Sales in convenience stores have been growing in the last years, despite still being lower than supermarkets and hypermarkets, accounting with a 77,2% growth from 2012 to 2017, in opposition to the 11,6% growth in supermarkets sales and the 0,9% decrease in hypermarkets sales, in the same period (see Appendices 3 and 4) (Euromonitor International 2018).

From 2012 to 2017, the number of proximity stores increased by 21,6% (+333 new stores) while supermarkets and hypermarkets only grew 3,3% (+56 new stores) and 5,6% (+5 new stores), respectively (see Appendices 5 and 6) (Euromonitor International 2018).

Nowadays, key players in Portugal's retailing sector are starting to perceive the importance of proximity and preferring to open smaller outlets in residential areas (Euromonitor International 2018).

2.2. Amanhecer Overview

2.2.1. About “Amanhecer”

As a “product brand”, “Amanhecer” was launched in 2009, as one of Recheio’s private labels. It was presented as a brand of quality food products sold at competitive prices, directed to the HoReCa channel (Hotels, Restaurants, and cafes). “Amanhecer” was created with the mission of offering to Recheio’s customers products in which they could trust, to sell in their supermarkets or use in their restaurants (Amanhecer, n.d.).

“Amanhecer” already counts with more than 200 product references, from many categories, including drinks, frozen and fresh food, grocery, personal care, and dairy products (Amanhecer, n.d.).

2.2.2. The Project Amanhecer

The beginning

The brand’s success over the years and the desire of helping traditional retailers to overcome the difficulties resulted from the financial crisis that was happening in Portugal led, in 2011, to the creation of “Amanhecer” stores. This project consists in establishing a partnership between Recheio Cash & Carry and small and medium independent groceries, which are already Recheio’s customers. The main goal is to develop the relationships with traditional retail customers, contributing to the sustainability of long-term sales, for both the company and its clients, in a win-win relationship. (Amanhecer n.d.)

Recheio offers the knowledge of a successful company in the retail market, the remodelations project and an exclusive discount in Amanhecer’s products, among other benefits (Amanhecer n.d.). From the stores’ owners side, they agree on carrying the remodelations costs, on buying a specific percentage of their assortment from the brand “Amanhecer”, and on meeting all the other contractual requirements (Amanhecer n.d.). Today (December 2018), Amanhecer counts with 329 stores in Portugal.

Stores Customization

When the project started, the plan was to customize each store according to the region in which it was inserted in. For instance, if the store was in a sea region, it would have anchors and shells. If it was in a more rural area, it would have other types of décor. However, this customization process was becoming too expensive for the company. Therefore, a general approach was adopted, using two photos of the owners, one photo from the region, and a message about the legacy/tradition of the store (see Appendix 7). Currently, the Amanhecer's team is trying to find a better alternative for the high price of the customization process.

2.2.3. Marketing Initiatives

Concerning communication and marketing initiatives, “Amanhecer” uses leaflets and a magazine. The communication done via the leaflets went through 3 stages, being the third, the current approach: (1) a price strategy; (2) a four-season strategy; and (3) a proximity strategy (see Appendix 8). The retailer started by communicating price as its competitive advantage. However, as time passed communication stopped making sense, since competitors were making similar prices. A four-season approach was adopted, in which “Amanhecer” claimed to have the best products for each season. However, this strategy was not suitable for periods like the return to school. Currently, the communication is based on the proximity with the consumer and with the neighbourhood each store supplies. A bimonthly magazine was additionally created, in order to increase consumers' awareness and interest towards the retailer. It is an informative magazine, with articles of different subjects, from Portuguese cultural events to hints about healthy recipes, for instance (see Appendix 9).

Nevertheless, competition is becoming fiercer and “Amanhecer” is having difficulties in clearly communicating to consumers its competitive advantage.

3. Competitive Landscape

According to the marketing manager, Amanhecer's main competitors are "Meu Super", "Spar" and "Coviran". However, to better assess its main competitors and in which the qualitative research should be focused on, we used perceptual maps and the retailers' market shares.

3.1. Perceptual Maps & Reported Market Shares

For the perceptual maps (see Appendix 10), we considered four variables: the price, the level of communication, the traditional/modern approach, and the retailer's orientation towards sustainability and/or social responsibility.

For the price level (high or low), we compared for each retailer the price of a bundle formed by five basic food products (bread, milk, water, butter, and sugar), using the most inexpensive brands (mainly each brands' private label) for each product.

The level of communication was measured comparing each retailer's presence on television, radio, outdoors and social media (Facebook and Instagram).

We measured the traditional/modern approach of the retailers through the layout and features of one or two stores from each retailer.

The retailer focus on sustainability and/or social responsibility was measured through its reference on its website and on its social media, any kind of advertisements made by the retailer about this subject, and any initiatives carried out to help the planet or the population.

Besides the usage of these four variables to design the perceptual maps, a segmentation of traditional stores was also made, based on the observation of different stores and on conversations with some store owners. In this way, we discovered three types of traditional grocery stores: the "Top Traditionals"; the "The Family Shops"; and the "Late Nighters" (see Appendix 11 for the description of each segment).

Based on the four variables presented, the positioning of different retailers was compared in three perceptual maps (PM) (1st PM: price vs traditional/modern approach; 2nd PM: price vs

level of communication; 3rd PM: sustainability/social responsibility orientation vs traditional/modern approach).

According to Euromonitor, in 2017, the market shares of the retailers considered as possible Amanhecer's competitors were the following (see Appendix 12 for the full list):

Minipreço – 3,3%

E'Leclerc – 2,2%

Continente Bom Dia – 1,2%

Meu Super – 0,9%

Pão de Açúcar – 0,9%

Jumbo Pão de Açúcar – 0,7%

Amanhecer – 0,6%

Tangerina – 0,6%

Coviran – 0,5%

Supercor – 0,4%

Sprint – 0,4%

Spar – 0,4%

BP Shop – 0,3%

By combining the information from the perceptual maps and the reported market shares, we selected three main competitors to perform the in-store observations (concept explained in sections below): “Meu Super”, “Spar”, and “Minipreço Express”.

Besides “Meu Super” being considered the number one competitor of “Amanhecer” by the marketing manager, the perceptual maps showed the proximity between the two (in the first and third maps). Additionally, the retailer presents a superior market share.

“Spar” is the closest competitor to “Amanhecer” in the three perceptual maps, and it is recognized by the manager as one of Amanhecer's main competitors. The difference between the market shares of both retailers is merely 0,2%.

“Minipreço Express” is not incorporated in the top 3 closest competitors to Amanhecer in any of the perceptual maps. However, DIA's new commitment to the proximity with the consumer and its increasing presence in Lisbon represent a significant threat to “Amanhecer”. Thus, Minipreço Express was considered a main competitor.

Initially, “Coviran” was considered a main competitor to perform the in-store observations. However, from the three chosen stores to visit (based on Coviran’s website), two were currently “Meu Super” and one was closed. This, in addition to the retailer’s low presence in Lisbon, made us disregard the first assumption.

3.2. Main Competitors Overview

“Meu Super” was launched in 2011 by Sonae, with a franchise business model, as the new proximity store concept of the group, selling all the private labels from “Continente” (see Appendix 13) (Meu Super, n.d.). Its mission is to be located in housing areas, with an appealing image whose product assortment is adjusted to the consumers’ needs (Meu Super n.d.). The message which “Meu Super” uses to differentiate its stores is “O melhor mora ao seu lado” (“The best lives next to you”). In the end of 2017, it already counted with 270 stores in Portugal (Euromonitor International 2018).

The first “Minipreço Express” opened in 2018, continuing the franchise model of the other Minipreço stores, owned by DIA (Distribuidora Internacional de Alimentación) (see Appendix 13). Currently, the retailer offers three private labels in various categories: Dia (grocery and dairy products); Vital (healthy food); and Delicious (Gourmet food). Minipreço Express’ mission is to offer added value to its customers (Grande Consumo 2018). It already opened more than 30 stores, principally in Lisbon.

“Spar” was founded in the Netherlands, in 1932, by Internationale Spar, and its first store in Portugal was inaugurated in 2007 (see Appendix 13). Spar’s current business model in Portugal is franchising like “Meu Super” and “Minipreço Express”, and it only offers one private label: Spar. The retailer’s mission is to be close to the consumer, communicating “A maior qualidade ao melhor preço” (“The best quality at the best price”) (Spar n.d.). Until the end of last year, it counted with 103 stores in Portugal.

4. Current Brand Identity & Brand Positioning

4.1. Current “Amanhecer” Brand Identity

To analyse the current brand identity of “Amanhecer”, we used the Kapferer’s Identity Prism, since it allows for a clear understanding of a brand’s identity. The model is composed by two parts: externalisation and internalisation (Kapferer 2012). The externalisation encompasses the brand’s exterior features, namely the Physical, the Relationship, and the Customer Reflection (Kapferer 2012). The internalisation includes the brand’s intrinsic features, in particular the Personality, the Culture and the Self-Image (see Appendix 14 for the complete explanation of the model) (Kapferer 2012). The current “Amanhecer” brand identity, according to the Kapferer’s Identity Prism, is presented in Figure 1.

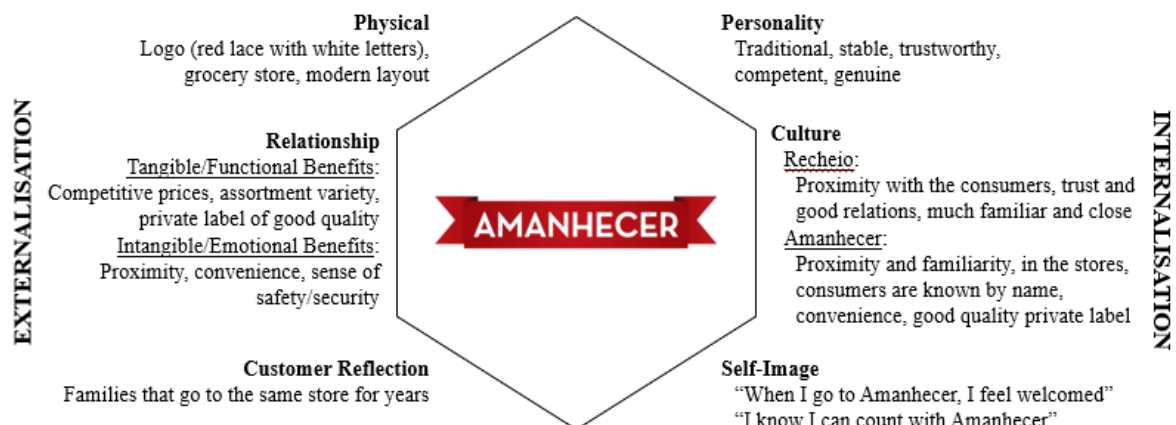


Figure 1 – Current Amanhecer Brand Identity (WP’s Author based on Kapferer 2004)

4.2. Current “Amanhecer” Brand Positioning

To define the current “Amanhecer” brand positioning, we employed the Keller’s model, since it considers five key elements: the target, the main competitors, the points of difference (POD), the points of parity (POP) and the reason to believe in the PODs (see Appendix 15 for the complete explanation of Keller’s brand positioning model) (Keller, Aperia e Georgson 2012).

Brand Positioning Elements	Current “Amanhecer” Brand Positioning
Target	The aspirational target of “Amanhecer” is families, who have little time to do grocery shopping, and want convenience in their daily routine.

Main Competitors	As said in section 4, the brand manager considers “Meu Super”, “Coviran” and “Spar” as the main direct competitors. Additionally, “Amanhecer” faces indirect competition from other convenience stores [Product Type Level]; from grocery retailers in general [Product Category Level]; from all store-based retailers [Product Class Level]; and from everything that can offer the same benefits of convenience/proximity and relationship between a retailer and a consumer [Benefit Level].
Points of Difference (POD)	The points of difference of “Amanhecer” are considered to be the offer of a good private label, an appealing store image (the store organization and décor), and a good supply of products.
Points of Parity (POP)	In the grocery market, it is possible to find some competitive POPs, including in the “Amanhecer” stores, namely the self-service bakery and a coffee shop space, where consumers can eat something quickly. As category POPs, the frozen food and fresh fruit and vegetables stations have become necessary store features, in order to consumers consider a store to do their grocery shopping.
Positioning Statement	The current “Amanhecer” brand positioning statement is: For families that have little time to do their grocery shopping and want convenience in their daily routine (target), Amanhecer is a convenience store that offers distinct types of services and assortment (Frame of Reference/Points of Parity), having appealing stores, with a good supply of quality private label products (Points of Difference), because of its long experience in retailing, both from Recheio Cash & Carry and Jerónimo Martins (Reason to Believe).

Table 1 - Current Amanhecer Brand Positioning (WP's Author based on Keller, Aperia e Georgson 2012)

5. Addressing the Work Project Objectives

5.1. Methodology & Sample

To address the work project objectives, we decided to conduct some primary research, in addition to the secondary research presented in the earlier sections.

As primary research is concerned, we conducted 1) some qualitative interviews to a top manager of “Amanhecer”, to assess the brand’s identity and positioning; 2) in-store observations, to assess consumer’s behaviour when shopping; and 3) in-depth interviews, to assess consumers’ brand image towards “Amanhecer”.

The **in-store observations** consisted on going to some stores of “Amanhecer” and main competitors (i.e. “Meu Super”, “Minipreço Express”, “Spar” (see **section 3**)) to observe the consumers’ behaviour when doing shopping. During the observations, the researcher (i.e.,

myself) remained unnoticed and there was no interaction with the consumers. An observation grid was used (see Appendix 16). In total, 135 observations were performed in 18 stores, completing a total of 7h30min of observation time. The majority of the observed consumers were female, adults (between 27 and 60 years old) and were shopping alone.

For the **in-depth interviews**, we first conducted a pre-recruiting questionnaire, to discover which people fulfilled the prerequisites to be interviewed (see Appendix 17). Interviews involved a projective technique, commonly used in qualitative research, to better understand respondents’ deeper feelings about the retailer. 30 interviews were performed, being the majority female, between 18 and 24 years old, all Portuguese, and with bachelor’s degree. Most respondents lived with their family (4 or more people in the household) in the Lisbon district.

5.2. Main Insights

With the in-store observations and the in-depth interviews conducted, we reached to some key findings. The insights of one confirm the ones from the other. The analysis of the consumers behaviour towards retailers was done using the Consumer Decision Journey (CDJ) (McKinsey Quarterly 2009). The respondents’ brand image of “Amanhecer” and the projective technique insights were additionally analysed.

Consumer Behaviour Towards Retailers

CDJ Stage	Main Insights	Quotes
0. Trigger	Respondents’ basic need of buying food, home care and personal hygiene products drives them to go to a supermarket or to a convenience store.	<p><i>“I do not have food at home, so I necessarily need to go buy groceries.” (Pingo Doce & Continente, Operations Intern, 18-24)</i></p> <p><i>“When I need for the house. I am not much of that type of people who goes shopping at the beginning of the month for the rest of it. I do as I need it.” (Pingo Doce & Continente, Student, 18-24)</i></p>

1. Consider	<p>Once the need is presented to respondents, the consider stage takes place almost immediately. The majority of respondents buy groceries more than once a week, considering the closest stores, i.e., the ones which do not implicate a detour from their normal work-home path. Usually, respondents do not contemplate many options, only two or three stores, both supermarkets and convenience stores, depending on the occasion and type of products needed. The vast majority of respondents mentioned location as the principal reason to consider a particular store. Therefore, at this stage, location is the key factor.</p>	<p><i>“It depends on the proximity, it is more about the location.” (Pingo Doce/ Continente/ Small grocery store, Female, Export Manager, 25-35)</i></p> <p><i>“The fundamental criterion is the proximity (...) the maximum criterion and always decisive is the one which is closer.” (Pingo Doce, Operations Manager, 36-50)</i></p>
2. Evaluate	<p>Most respondents make their choice principally based on the price and discounts that each store offer in a particular moment. Some specifically mentioned they would go to a store over another due to the discounts that the first was carrying out (however, this scenario happens between two stores that the respondent considers as equally good).</p>	<p><i>“I see the kind of products I need to buy, I see the leaflets and I make the comparison between the prices and then I choose.” (Pingo Doce & Continente, Administrative, 25-35)</i></p> <p><i>“Pingo Doce and Continente always have those leaflets with big discounts. For example, one week I want something that is on promotion in Pingo Doce and not in Continente and I go there, or vice versa.” (Pingo Doce & Continente, Operations Intern, 18-24)</i></p>
3. Choose/Buy	<p>After evaluating all the options and weighing all the factors, respondents select one store. Based on the respondents’ insights, we can infer their top choices for two types of occasions: 1) weekly (groceries are bought just once on the weekend) and/or daily purchases, and 2) emergency purchases. For the weekly and/or daily purchases, the majority of respondents prefer to go to either Pingo Doce or Continente, depending on their preference in that moment. A smaller group is used to go to “Late Nighters”, “Family Shops” and big brands grocery (only one person stated to go to “Amanhecer” to do his/her grocery shopping). A few respondents use convenience stores only for emergencies or if they forgot to buy something in the supermarket, due to their proximity.</p>	<p><i>“During the week, I go to Meu Super for a matter of proximity and because it is quick. To Pingo Doce I go shopping on the weekends for a matter of price and private label quality.” (Meu Super & Pingo Doce, Operations Manager, 36-50)</i></p> <p><i>“Usually I go to Pingo Doce. To the traditional grocery store I go very rarely, and it is just to buy quickly something that is missing at home, like bread or butter, or something that is needed with much urgency, but nothing of big purchases.” (Pingo Doce, Category Manager, 25-35)</i></p>
4. Loyalty Loop	<p>All respondents were questioned about what make them return to a store, to understand on which pillars their loyalty lays on. We could infer that respondents tend to give a lot of value to (1) the availability, quality, and variety of the products; (2) to the customer service; and (3) to the price and discounts. Firstly, stores can gain consumers’ loyalty through the supply of good quality products and the insurance of their constant availability and high variety, since the need to buy groceries is their</p>	<p><i>“I go to Continente because my brother has the card, so every week it accumulates money in the card, and it turns out to be cheaper.” (Pingo Doce & Continente, Operations Intern, 18-24)</i></p> <p><i>“It is the feeling of leaving the store happy with the products that</i></p>

	<p>principal reason to go to a store. If respondents leave the store unhappy with the freshness of the products, like fruit and vegetables, or if they cannot do their groceries due to a constant lack of stock, the probability of no return is very high. The customer service is also much valued by respondents, principally by those who shop in convenience stores, since they value the proximity of the store with the consumer, the workers sympathy, and the familiar environment, where their preferences are already known.</p> <p>Although price and discounts are the most relevant factors for the options' evaluation, they are additionally mentioned as a reason to return to a store. In this case, discount cards, such as the ones from Continente and Pingo Doce, have a direct influence on the consumers' return to the stores.</p>	<p><i>were in the shelves, their quality and freshness, namely the fruit, vegetables, fish and meat.” (Meu Super & Pingo Doce, Operations Manager, 36-50)</i></p>
--	--	--

Table 2 - Consumer Decision Journey Insights (WP's Author based on McKinsey Quarterly 2009)

Respondents' Brand Image of "Amanhecer"

Overall, respondents recognize and/or perceive the quality of "Amanhecer" products as well as their affordable prices. Some enhanced their appreciation for the stores layout, the organization, the attention to detail and their cared customer service.

*"The type of store, the layout and even the little details, like the names on the employees' shirts, it's a bit the store image, it's **distinctive** facing other stores like Meu Super." (Amanhecer, Student, 18-24)*

*"I saw that it had products at a **good price and I wasn't expecting that**, I thought they would raise the prices, but I thought it was nice, sort of familiar." (Pingo Doce & Continente, Operations intern, 18-24).*

However, some respondents do not recognize "Amanhecer" stores when passing by them, and some confuse Amanhecer's logo with Continente's logo. This may be result of what some believe to be a bad project, due to the brand's non-clear positioning in the market and an unsuccessful merging of an old traditional grocery store with a modern layout. This situation intensifies the difficulty of having two similar stores, increasing consumers' confusion and their inability of easily recognize an Amanhecer store.

*“[Amanhecer logo] It **looks like Continente’s logo.**” (#4, Female, Student, 18-24)*

*“A person gets to an Amanhecer and that is a **mix of retails**, because it is a joint of an old grocery store to which was put on a different communication, some new products and some signs saying Amanhecer. And I think they **fell a bit in the middle**, where they are neither a grocery store nor a supermarket.” (Continente, Manager, 25-35)*

Respondents associate the good image of an “Amanhecer” store and its correct functioning to the regular presence of the owners. More than one person mentioned that, in the beginning, the “Amanhecer” stores are very organized, clean, and have a good assortment, however as time passes, their image tends to decline. This situation makes respondents who have “Amanhecer” stores nearby to not consider them for their grocery shopping.

*“The stores **start really well**, there is an Amanhecer here in Lumiar, but you go there, and it is **awful**, it has nothing, it is all disorganized, and the store has a bad appearance. So, in the beginning when they open is all very pretty, it is all well-organized. After a while, it is all messy. I do not like it, **it does not appeal to me.**”*

(Pingo Doce, Assistant, 51-65)

Two other problems were discovered, namely the deficiency of communication undertaken by the retailer – any respondent recalled having seen or heard about communication initiatives from “Amanhecer” – and the low awareness of the retailer’s magazine and the mascot Aurora cow.

Projective Technique

To better infer respondent’s image of “Amanhecer” and understand how they compare it with its competitors, we used a projective technique, which consisted in asking to respondents to describe “Amanhecer” and two other mentioned retailers as if they were a person. We were able to define a profile for “Amanhecer”, “Meu Super”, “Pingo Doce” and unbranded traditional grocery stores.

Regarding “Amanhecer”, respondents described it as being a nice caring person, although shy (due to the retailer’s lack of communication). Innovative but yet with some traditional features and organized. Respondents who compared it with “Pingo Doce” mentioned they see “Amanhecer” as a younger person than “Pingo Doce”, due to the time interval of their appearance in the market.

*“A person with **my grandmother’s spirit**, but younger, traditional but innovative at the same time, who cares with family.” (Spar, Student, 18-24)*

*“I see Amanhecer between the **20 and 35 years old**, and Pingo Doce between **30 and 45 years old**.” (Pingo Doce, Manager, 36-50)*

“Meu super”, although being seen as a nice person, is described as being simply an acquaintance, with whom they do not have any kind of intimacy. It is just someone they know. The retailer is also described as a communicative person, due to the its level of communication, despite not being memorable. Respondents who go to “Meu Super” stores said it was just because it is the closest store to their homes.

*“[Meu Super] Someone suspicious, with whom you just talk when you need something, a friend of the “good morning”; **an acquaintance**.” (Pingo Doce & Continente, Student, 18-24)*

*“Nicer [than traditional stores], **more communicative**, but still not memorable.” (Amanhecer, Student, 18-24)*

The majority of respondents described “Pingo Doce” as an elderly person (as mentioned above, elder than “Amanhecer”), trustworthy and confident. These last two characteristics were mentioned mainly due to its private label, which is commonly seen by respondents as having high-quality products, and the retailer’s growing success. Nevertheless, it is seen by some as a competitive person.

“30 years old, 30 something, because it is Pingo Doce managers’ usual age, and the brand ends by being associated with the people who represent it.” (Continente, Manager, 25-35)

“Someone full of energy, confident and very focused on the future.” (Pingo Doce, Manager, 25-35)

Many respondents defined unbranded traditional grocery stores as being a badly dressed elderly person, who despite being seen as nice is untrustworthy. This description is based on respondents’ belief that these stores are mainly owned by simple elderly people, who sometimes mislead customers through pricing. When comparing with “Amanhecer”, all mentioned that unbranded traditional stores would be older than it.

“Untrustworthy, because I’m always afraid they are stealing me, like putting a finger in the balance to give more weight.” (Continente, Student, 18-24)

*“Amanhecer was the young and the grocery store would be an **older person**, with more experience.” (Pingo Doce, Administrative, 25-35)*

Amanhecer Issues & Opportunities

Issues

The lack of an appropriate supervision of the stores by the owners causes an image deterioration, making them unappealing to the consumer. As previously mentioned, respondents recognize the need of having the owners present in the stores, for a correct functioning of the same. Concerning the recognition of the stores as being from “Amanhecer”, some people when passing by one, do not notice it as being from the retailer, they believe it is a traditional grocery store. As we previously said, a few claimed that the logo from “Amanhecer” is relatively similar to the one from “Continente”, leading them to not accurately remember if they bought “Amanhecer” products or just from “Continente”. All respondents mentioned the lack of communication from the brand. Some only remembered the leaflets as a

marketing initiative from “Amanhecer”. This clearly is an issue, since people need to be informed about the existence of these stores, where to find them, and how “Amanhecer” is different from its competitors.

Opportunities

As mentioned in the consumer decision journey’s analysis, respondents care much about the products that the stores offer, namely their availability, quality, and variety. It is something that deeply influences their return to a store since it is the reason for them to go there.

6. Discussion and Conclusions

Amanhecer’s brand identity should be stronger in all its elements. The retailer’s current most salient features are normal grocery stores’ characteristics, and do not convey to the consumer any difference from the other retailers. What “Amanhecer” currently offers to consumers is similar to what its competitors are offering and communicating. The retailer should offer something that appeals to consumers and is in some way distinct from what the other stores are offering, being reflected in the self-image. The current customer reflection – “Families that go to the same store for years” – concerns a small part of the population, in particular in Lisbon. It is not accurate with the way most consumers shop in this area nowadays. It should include other group of consumers. Amanhecer’s personality and culture should additionally include more modern outlines regarding consumers’ needs.

We reached to the conclusion that Amanhecer’s positioning is weak. The target should not only be families, since nowadays they are not the unique group of consumers searching for convenience and proximity. As previously mentioned in the Competitive Landscape section, “Coviran” is considered a main competitor of “Amanhecer” by the marketing manager. However, it was not further considered as one, due to its low presence in Lisbon and the fact that two stores are currently from “Meu Super” and one is closed. From the Consumer Decision Journey’s insights analysis, we can infer that a fierce competitor has been neglected, i.e., “Pingo

Doce”. Most respondents see the retailer as the best store to go, due to its private label quality and quality-price relationship. To successfully differentiate from competitors, “Amanhecer” current points of difference are not sufficient, and one is not strong, namely the appealing image. What makes the positioning even poorer is the reason to believe. A lengthy experience in retailing due to Amanhecer’s relationship with Recheio and Jerónimo Martins is not a solid reason in the eyes of the consumers since many do not properly recognize these organizations. The used Consumer Decision Journey follows five steps: (0) Trigger; (1) Consider; (2) Evaluate; (3) Choose/Buy; and (4) Loyalty Loop (Enjoy, Advocate, and Bond) (McKinsey Quarterly 2009). First, the need appears to consumers, which can happen in diverse ways. Then, to satisfy that need, the consumer considers different options, which he/she is going to evaluate, based on key factors. After selecting one store, consumers will go to it and enjoy the experience. If consumers leave the store happy, with the sense of having had a valuable experience, they will increasingly advocate that store, creating a bond with it. In the future, they will no longer go through the entire process, skipping instantly to the buy/choose stage once the trigger happens, developing a loyalty loop.

According to the Consumer Decision Journey’s insights, location is the key consideration factor. For the weekly and/or daily purchases, respondents prefer to go to supermarkets and/or convenience stores near their homes or in their work-home path, which allows them to save time. After a retailer guarantees its place in the consumers’ consideration set, by strategically position itself in the neighbourhoods, it needs to invest in its brand image and brand preference to fulfil all the main evaluation factors - price and discounts – in order to be selected. Additionally, retailers must invest in the quality of the products they supply, since it is the principal reason for consumers to return to a store. Although location is the key driver for consumers to consider a store, the trigger is always the need to buy supplies for the house. Thus, buying food is the ultimate intrinsic reason for consumers to go to a store. Discount cards were

a feature much mentioned by respondents as a factor to select one store over another. They seem to have a direct influence in respondents' decision to return to a store.

The insights from respondents' brand image of "Amanhecer" allow for some conclusions to be drawn. Respondents who knew Amanhecer's stores and products had different opinions upon the retailer. Some respondents perceive the "Amanhecer" project as having been badly accomplished, i.e., the attempt to cross traditional grocery stores with a modern layout and management was not successful, since Amanhecer's positioning in the market is unclear and it is neither a supermarket nor a traditional grocery store. It is somewhere in the middle. This has direct consequences in the consumers' brand image, namely the confusion of Amanhecer's logo with Continente's logo and the nonrecognition of Amanhecer's stores when respondents pass by them (e.g. a few respondents mentioned they have passed for many years alongside the Amanhecer's store "Mercearia do Metro" in Sete-Rios and only during the interview they understood it was from "Amanhecer". Before, it was a traditional grocery store inside the metropolitan). However, some respondents clearly recognize the retailer's stores and are their advocates, in terms of the quality of their products and their layout and organization. These differences in the respondent's opinions is another consequence of the way the project was constructed. Each store has different owners, which automatically creates differences in the stores' management. According to the insights collected, respondents believe that the store's image is directly influenced by the owners' regular presence in the store. Stores with regular visits from the owners present a better image (i.e., better organization and cleanliness, and a good assortment) than the stores that owners rarely visit (i.e., present a poor organization and cleanliness and have lack of stock).

In the perceptual maps drawn, Amanhecer presented a low level of communication. This assumption is confirmed by the insights collected. Any respondent recalled communication

from “Amanhecer”. Nevertheless, they highlighted its importance for the awareness of the stores and the products.

7. Main Recommendations to Amanhecer

From the discussion of the insights gathered and the conclusions drawn, we can suggest some main recommendations to Amanhecer, namely 1) for its brand identity; 2) for its brand positioning; 3) for the project “Amanhecer”; 4) the recommended Marketing program; and 5) the recommended Communications program.

Recommended Brand Identity

The recommended brand identity for “Amanhecer” is presented in figure 2, where in green are the features that should be added and in light strikethrough grey the features which should be eliminated.

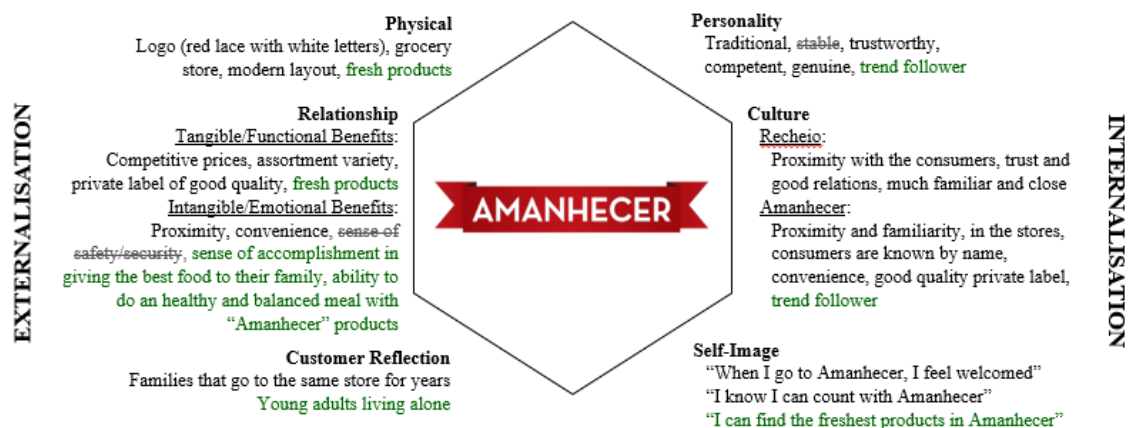


Figure 2 – Recommended Amanhecer’s Brand identity (WP’s Author based on Kapferer 2004)

Recommended Brand Positioning

Brand Positioning Elements	Recommended brand positioning to “Amanhecer”
Target	The new target should be “families and young adults living alone who have little time to do grocery shopping, but search for the freshest products, and want convenience in their daily routine”.
Main Competitors	“Amanhecer” should eliminate “Coviran” as a main competitor and consider “Pingo Doce” as one since it is the primarily choice of the majority of respondents to do their weekly and/or daily grocery shopping (see Section 5.2. Main Insights).
Points of Difference (POD)	Due to consumer’s search for fresh products of high quality, “Amanhecer” should include in its points of

	difference, for instance, “fresh national products”, considering cooperating with national farms to supply the freshest products that consumers are searching for.
Points of Parity (POP)	The points of parity, both competitive and category, remain the same (see Section 4.2. Current “Amanhecer” Brand Positioning).
Reason to Believe	Respondents recognize the quality of Pingo Doce’s private label and some go specifically to its stores to buy its products. Since the products of “Amanhecer” and “Pingo Doce” private labels are the same, the retailer should turn this fact into a reason to believe in its points of difference, as well as, the collaboration with national farms (this would only be a reason to believe if “Amanhecer” decided to collaborate with national farms, as previously recommended).
Positioning Statement	The new positioning statement would be: For families and <u>young adults living alone</u> who have little time to do grocery shopping, <u>but search for the freshest products</u> , and want convenience in their daily routine (target), “Amanhecer” is a convenience store that offers distinct types of services and assortment (Frame of Reference/Points of Parity), owning appealing stores, with a good supply of quality private label and <u>the freshest products</u> (Points of Difference), due to its relationship with “Pingo Doce”, and collaboration with national farms (Reason to Believe).

Table 3 – Recommended Amanhecer’s Brand Positioning (WP’s Author based on Keller, Aperia & Georgson 2012)

“Amanhecer” Project Recommendations

As previously mentioned, location is the principal factor for consumers to consider a store. Based on these insights, “Amanhecer” should search for potential partners, located in strategic areas of Lisbon, in order to be present in the consideration set of stores of a wider range of consumers.

In the Discussion and Conclusions section, the differences in respondents’ image of “Amanhecer”, due to the distinct levels of stores’ supervision by the owners, were approached. To resolve this issue, the “Amanhecer” team at Recheio should increase the stores supervision, in order to assure their correct management, in terms of product assortment, organization and general image, as established in the agreement terms.

Recommended Marketing Program

“Amanhecer” should invest in the evaluation stage of the Consumer Decision Journey, by focusing on the brand image and on the brand preference objectives. The first step would be to improve some of Amanhecer’s brand elements. The logo should be updated since it is not memorable and is too simple. A memorable characteristic, like the “M” in Minipreço’s logo, and the elephant in Jumbo’s logo, should be added. The slogan “Os melhores sabores no coração do seu bairro” (“The best flavours in the heart of your neighbourhood”) could be changed for one that conveys the message that Amanhecer’s stores offer the freshest products (maybe using the collaboration with national farms if that occurs in the future). Secondly, initiatives to improve the brand image and the brand preference should be made. The majority of respondents recognized the good quality of Pingo Doce’s private label, wherefore it would be beneficial to relate it with Amanhecer’s private label. To increase consumers’ consideration for Amanhecer’s stores, the retailer should increase its efforts in promoting the mascot “Vaca Aurora” (Aurora cow), in order to reach to the children, and to their parents. The promotion should be done slowly, starting by introducing the mascot in the retailer’s communication (the recommendations for the communication program will be explained next) and, in the future, perhaps do some initiatives like the ones from “Pingo Doce” (Super Animais) and “Lidl” (Gang dos Frescos). Based on the insights collected and discussed in the earlier section, the creation of a discount card should be considered. This feature was advocated by the owner of the Amanhecer store “Loja da Baixa”, during the interview performed to him.

“Create one or eventually use the Poupa Mais card [the Pingo Doce discount card] in our store, or then as I said, create one just for Amanhecer,” (Store Owner, Loja da Baixa)

Recommended Communication Program

To resolve the lack of communication felt by respondents and to contribute for its brand image and brand preference's improvement, "Amanhecer" should use 1) traditional media advertising (television); 2) on-line advertising (interactive online ads); 3) social media; and 4) out of home advertising (muppies and communication in the POS). In television, with a commercial featuring its new points of difference, namely the fresh products, through the partnership with national farms. On-line, with interactive online ads, taking advantage of its mascot to create buzz. In social media, namely Facebook and Instagram, to reach to both families and young adults, respectively, as a single brand (not using individual pages for each store, like one or two currently own). Muppies in the areas where stores are inserted in should be implemented. The communication in the POS (Point of Sale) should be improved, by increasing the visibility of the name "Amanhecer" at the entrance of the store or consider removing the individual names of the stores and adopt only "Amanhecer" as the name for every store.

The first sections of recommendations are more specific for the situation of "Amanhecer". Nevertheless, the recommended communication program can be adapted to other retailers and markets, like the Fast-Moving Consumers Goods market.

8. Limitations

While developing this Work Project, some limitations were felt. It was difficult to find people to perform the in-depth interviews who had already gone to an "Amanhecer" store. Furthermore, some difficulties were felt in finding consumers who had gone and bought something from the retailer. Another limitation arisen from the fact that the in-store observations and the in-depth interviews were merely performed in Lisbon and to people who predominantly live in this area. Both limitations can be tackled by covering a wider geographical area, in a longer period of time, in future researches.

A few limitations arose due to the nature of the “Amanhecer” project. The different owners and the diverse backgrounds imply the non-existence of two similar stores, in terms of management standards, indoor features, and others. These originated some issues in achieving the general picture of the retailer, and in assessing respondents’ image of Amanhecer as one, since who knew the stores, knew different ones. This limitation can be addressed by increasing the sample number of the in-depth interviews.

Since I am currently working at Recheio Cash & Carry and I have a direct and/or indirect relation with the brand, sometimes it was difficult to remain impartial and create distance from it.

A final note should be done to highlight the fact that the priority of the recommendations given can change according to the business model used by the retailer.

9. References

Amanhecer. n.d. “O que fazemos” Accessed October 2. <https://www.amanhecer.pt/>

Cambridge Dictionary. n.d. “Convenience Store” Accessed December 2.

<https://dictionary.cambridge.org/dictionary/english/convenience-store>

da Silveira, C. 2018. Brand Management Lecture, Nova SBE. (Appendices 14 and 15)

Dictionary. n.d. “Supermarket” Accessed December 2.

<https://www.dictionary.com/browse/supermarket>

Dinheiro Vivo. 2013. “Nielsen. Lojas de proximidade estão a ganhar terreno a hiper e supermercados.” Accessed September 20. <https://www.dinheirovivo.pt/buzz/nielsen-lojas-de-proximidade-estao-a-ganhar-terreno-aos-hiper-e-supermercados/>

Euromonitor International. 2018. Retailing in Portugal.

- Grande Consumo. 2018. “Minipreço Express testado em Portugal, validado em Espanha.” Accessed October 2. <http://www.grandeconsumo.com/noticia/20570/minipreco-express-testado-em-portugal-validado-em-espanha>
- Kapferer, Jean-Noel. 2012. *The new strategic brand management: creating and sustaining brand equity long term*. London: Kogan Page.
- Keller, Kevin Lane; Aperia, Tony; Georgson, Mats. 2012. *Strategic Brand Management: a European perspective*. Harlow: Prentice Hall.
- McKinsey Quarterly. 2009. “The Consumer Decision Journey”. Accessed December 2. <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/the-consumer-decision-journey>
- Merriam Webster Dictionary. n.d. “Convenience store”. Accessed December 2. <https://www.merriam-webster.com/dictionary/convenience%20store>
- Merriam Webster Dictionary. n.d. “Supermarket”. Accessed December 2. <https://www.merriam-webster.com/dictionary/supermarket>
- Meu Super. n.d. “Quem Somos” Accessed October 1. <https://www.meusuper.pt/pt/content/13-quem-somos>
- Nielsen. 2018. Total Consumer Report. US: Nielsen Company.
- Recheio. n.d. “Quem Somos” Accessed December 20. <https://www.recheio.pt/quem-somos/>
- Spar. n.d. “A Spar” Accessed October 2 <https://www.spar.pt>

A Work Project, presented as part of the requirements for the Award of a Master Degree in Management from the NOVA - School of Business and Economics.

**HOW TO POSITION “AMANHECER” AND SUCCESSFULLY COMMUNICATE IT
TO INCREASE ITS MARKET SHARE?**

Marta Moreno Sousa dos Santos, 30309

A Project carried out on the Master in Management Program, under the supervision of:

Prof. Catherine da Silveira

Lena Kemna

3rd of January 2019

Table of Contents

Appendix 1 Barriers to Convenience Store Consideration – Nielsen Study..... 28

Appendix 2 Sales of Grocery Retailers from 2003 to 2022. 28

Appendix 3 Sales in Grocery Retailers by Channel: Value 2012-2017 29

Appendix 4 Sales in Grocery Retailers by Channel: % Value Growth 2012-2017 29

Appendix 5 Grocery Retailers Outlets by Channel: Units 2012-2017..... 29

Appendix 6 Grocery Retailers Outlets by Channel: % Unit Growth 2012-2017..... 30

Appendix 7 Amanhecer Initial and Current Store Customization: Examples 30

Appendix 8 Amanhecer Leaflets’ Approaches (1st in the right; 2nd in the middle; Current in the right) 30

Appendix 9 Examples of Amanhecer Magazine Covers 31

Appendix 10 Perceptual Maps 31

Appendix 11 Traditional Stores Segmentation 32

Appendix 12 Grocery Retailers GBN Brand Shares: % Value 2014-2017..... 34

Appendix 13 Amanhecer Main Competitors: Store Photos 34

Appendix 14 Kapferer’s Identity Prism Model..... 35

Appendix 15 Keller’s Brand Positioning Model..... 35

Appendix 16 In-Store Observation Grid 37

Appendix 17 Pre-Recruiting Questionnaire 37

10. Appendix

Appendix 1 Barriers to Convenience Store Consideration – Nielsen Study.

BARRIERS TO CONVENIENCE STORE CONSIDERATION

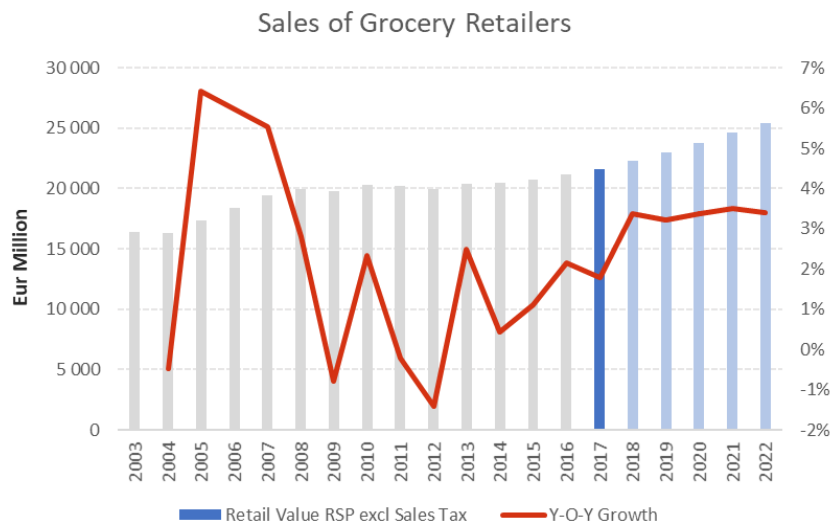
It's perceived value and quality, and not in-store environment

% RESPONDENTS - TOP BARRIERS



Source: Nielsen, Convenience Store Choice Drivers, 2017

Appendix 2 Sales of Grocery Retailers from 2003 to 2022.



Appendix 3 Sales in Grocery Retailers by Channel: Value 2012-2017

EUR million	2012	2013	2014	2015	2016	2017
Convenience Stores	425.6	513.0	603.8	676.6	723.8	754.3
Discounters	1,951.3	2,005.2	2,003.7	1,995.7	2,065.9	2,161.0
Forecourt Retailers	333.3	345.2	358.2	377.2	391.0	406.1
- Chained Forecourts	289.2	302.5	317.1	339.4	354.2	370.1
- Independent Forecourts	44.2	42.7	41.1	37.8	36.8	36.0
Hypermarkets	3,366.7	3,376.1	3,256.5	3,235.6	3,299.2	3,337.8
Supermarkets	10,275.7	10,634.2	10,861.4	10,986.3	11,262.3	11,465.2
Modern Grocery Retailers	16,352.7	16,873.7	17,083.7	17,271.5	17,742.1	18,124.4
Food/Drink/Tobacco Specialists	2,035.1	2,053.6	2,026.3	2,096.1	2,099.1	2,102.7
Independent Small Grocers	976.9	945.3	854.7	829.3	811.9	802.7
Other Grocery Retailers	558.9	545.8	540.8	536.8	526.2	526.7
Traditional Grocery Retailers	3,570.8	3,544.7	3,421.9	3,462.2	3,437.2	3,432.0
Grocery Retailers	19,923.5	20,418.4	20,505.5	20,733.7	21,179.4	21,556.4

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Appendix 4 Sales in Grocery Retailers by Channel: % Value Growth 2012-2017

% current value growth, retail value rsp excl sales tax

	2016/17	2012-17 CAGR	2012/17 Total
Convenience Stores	4.2	12.1	77.2
Discounters	4.6	2.1	10.7
Forecourt Retailers	3.9	4.0	21.8
- Chained Forecourts	4.5	5.1	28.0
- Independent Forecourts	-2.2	-4.0	-18.5
Hypermarkets	1.2	-0.2	-0.9
Supermarkets	1.8	2.2	11.6
Modern Grocery Retailers	2.2	2.1	10.8
Food/Drink/Tobacco Specialists	0.2	0.7	3.3
Independent Small Grocers	-1.1	-3.9	-17.8
Other Grocery Retailers	0.1	-1.2	-5.8
Traditional Grocery Retailers	-0.2	-0.8	-3.9
Grocery Retailers	1.8	1.6	8.2

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Appendix 5 Grocery Retailers Outlets by Channel: Units 2012-2017

outlet	2012	2013	2014	2015	2016	2017
Convenience Stores	1,543.0	1,614.0	1,649.0	1,765.0	1,840.0	1,876.0
Discounters	836.0	869.0	858.0	845.0	853.0	876.0
Forecourt Retailers	1,102.0	1,134.0	1,188.0	1,250.0	1,282.0	1,320.0
- Chained Forecourts	916.0	954.0	1,011.0	1,077.0	1,113.0	1,155.0
- Independent Forecourts	186.0	180.0	177.0	173.0	169.0	165.0
Hypermarkets	90.0	91.0	92.0	93.0	94.0	95.0
Supermarkets	1,683.0	1,690.0	1,688.0	1,702.0	1,726.0	1,739.0
Modern Grocery Retailers	5,254.0	5,398.0	5,475.0	5,655.0	5,795.0	5,906.0
Food/Drink/Tobacco Specialists	16,587.0	15,862.0	15,240.0	14,792.0	14,667.0	14,692.0
Independent Small Grocers	6,469.0	6,155.0	5,891.0	5,773.0	5,688.0	5,554.0
Other Grocery Retailers	8,434.0	8,105.0	7,829.0	7,735.0	7,588.0	7,510.0
Traditional Grocery Retailers	31,490.0	30,122.0	28,960.0	28,300.0	27,943.0	27,756.0
Grocery Retailers	36,744.0	35,520.0	34,435.0	33,955.0	33,738.0	33,662.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Appendix 6 Grocery Retailers Outlets by Channel: % Unit Growth 2012-2017

% unit growth	2016/17	2012-17 CAGR	2012/17 Total
Convenience Stores	2.0	4.0	21.6
Discounters	2.7	0.9	4.8
Forecourt Retailers	3.0	3.7	19.8
- Chained Forecourts	3.8	4.7	26.1
- Independent Forecourts	-2.4	-2.4	-11.3
Hypermarkets	1.1	1.1	5.6
Supermarkets	0.8	0.7	3.3
Modern Grocery Retailers	1.9	2.4	12.4
Food/Drink/Tobacco Specialists	0.2	-2.4	-11.4
Independent Small Grocers	-2.4	-3.0	-14.1
Other Grocery Retailers	-1.0	-2.3	-11.0
Traditional Grocery Retailers	-0.7	-2.5	-11.9
Grocery Retailers	-0.2	-1.7	-8.4

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Appendix 7 Amanhecer Initial and Current Store Customization: Examples



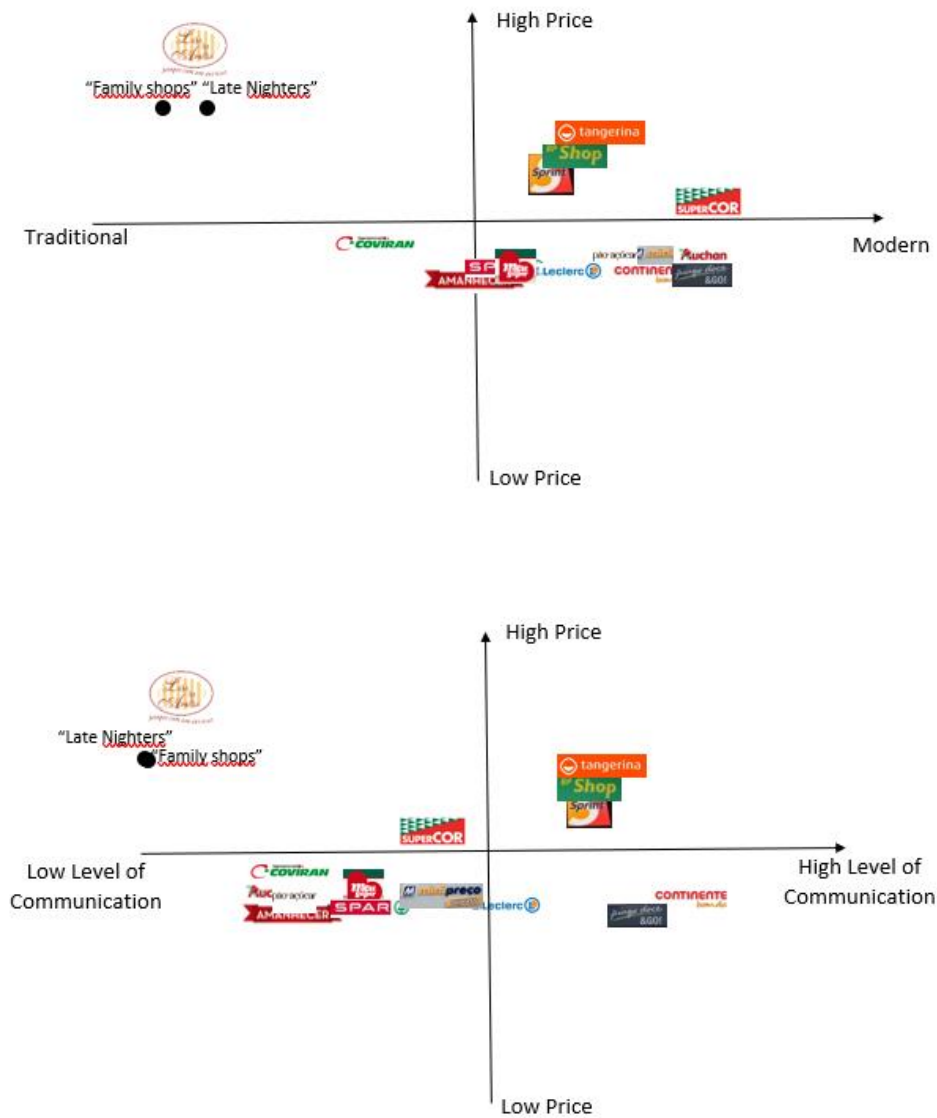
Appendix 8 Amanhecer Leaflets' Approaches (1st in the right; 2nd in the middle; Current in the right)

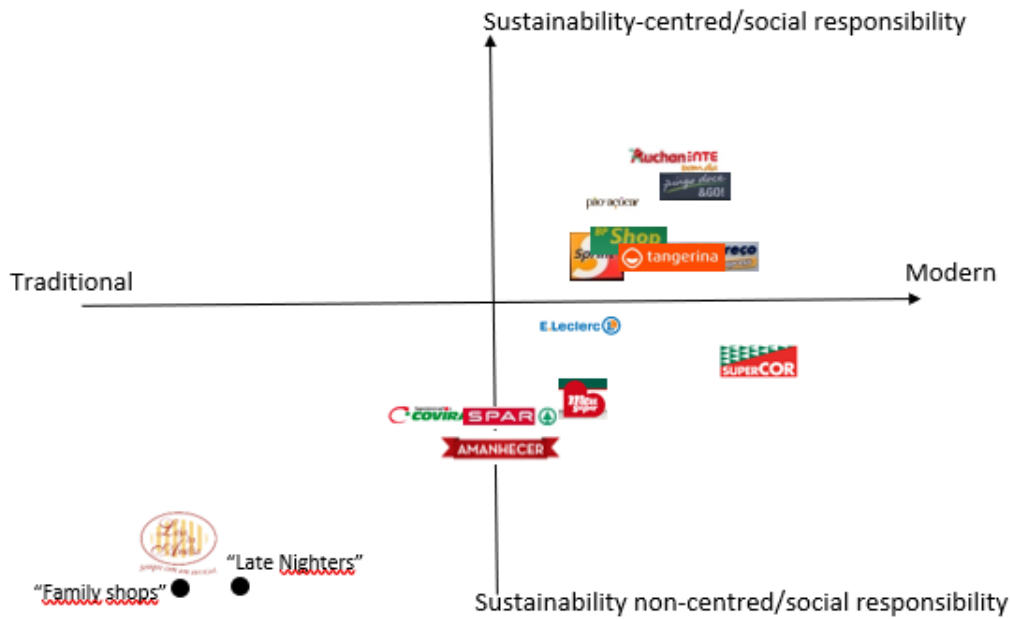


Appendix 9 Examples of Amanhecer Magazine Covers



Appendix 10 Perceptual Maps





Appendix 11 Traditional Stores Segmentation

1. “Top Traditionals”

- a. Traditional stores
- b. Higher prices
- c. Sell famous regional products and others not usually seen in supermarkets/other stores – has a more gourmet and bio approach.
- d. Good atmosphere (clarity, traditional look, organized shop, nice workers)
- e. Every type of consumers goes to these stores (tourists; youngsters; elderly people; etc).
- f. E.g. Loja da Amélia, Ericeira.



2. “Family shops”

- a. Owned by independent family people.
- b. They usually are small grocery stores.

- c. Heavy atmosphere (the store's inside is dark; the assortment is not organized as a supermarket).
- d. Some have opened many years ago; regular customers are elderly people that know the owners.



3. "Late nighters"

- a. Usually found in touristic centres, e.g. downtown Lisbon, Cascais, etc.
- b. Sell from food (usually short assortment) to souvenirs and alcoholic drinks.
- c. Heavy atmosphere (they are darker, and they tend to have heavy smells).
- d. Main customers are tourists and youngsters to buy alcohol at night.



Appendix 12 Grocery Retailers GBN Brand Shares: % Value 2014-2017

% retail value rsp excl sales tax Brand	Company (GBO)	2014	2015	2016	2017
Pingo Doce	Jerónimo Martins SGPS SA	15.8	16.4	16.8	17.0
Continente Modelo	Sonae SGPS SA	8.6	8.6	8.6	8.6
Continente	Sonae SGPS SA	6.6	6.5	6.5	6.4
Intermarché	ITM Entreprises SA	6.5	6.5	6.5	6.4
Lidl	Schwarz Beteiligungs GmbH	5.7	5.7	5.7	5.9
Jumbo	Auchan Group SA	5.4	5.3	5.3	5.3
Minipreço	Distribuidora Internacional de Alimentación (Dia) SA	3.6	3.4	3.3	3.3
E Leclerc		2.3	2.2	2.2	2.2
Continente Bom Dia	Sonae SGPS SA	0.9	0.9	1.2	1.2
Meu Super	Sonae SGPS SA	0.6	0.7	0.9	0.9
Pão de Açúcar	Auchan Group SA	0.3	0.4	0.6	0.9
Aldi	Aldi Group	0.5	0.6	0.7	0.8
Jumbo Pão de Açúcar	Auchan Group SA	0.7	0.7	0.7	0.7
Amanhecer	Jerónimo Martins SGPS SA	0.4	0.6	0.6	0.6
Tangerina	Galp Energia SGPS SA	0.5	0.5	0.5	0.6
Supermercados Covirán	Covirán SCA	0.5	0.5	0.5	0.5
Supercor	El Corte Inglés SA	0.5	0.5	0.5	0.4
Sprint/ RepShop/ Basic	Repsol SA	0.4	0.4	0.4	0.4
Spar	Internationale Spar Centrale BV	0.3	0.3	0.4	0.4
BP Connect/BP Express/BP Shop	British Petroleum Co Plc, The	0.4	0.4	0.4	0.3
Others		39.7	38.8	37.7	37.1
Total		100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Appendix 13 Amanhecer Main Competitors: Store Photos

Meu Super



Minipreço Express



Spar



Appendix 14 Kapferer's Identity Prism Model

The Kapferer Identity Prism is formed by two main parts: externalisation and internalisation.

The externalization part of a brand's identity concerns on what can be observed by other people and, in turn, encompasses three features: The Physical, the Relationship, and the Customer Reflection. The Physical is about the most salient brand features (e.g. logo, colours). The Relationship part includes all what the brand can offer to consumers, from tangible/functional benefits to intangible/emotional ones. Once we know the brand's main features and what it can offer, there is the need to learn on the brand's desired target (Customer Reflection) (da Silveira, 2018).

The internalisation side concerns on intrinsic features, divided in three parts: Personality; Culture and Self-Image. The Personality corresponds to the brand's emotional characteristics, i.e., what kind of person would the brand be. The Culture is the set of values that define the brand, making its core, both the commercial and the corporate brands. Finally, the Self-Image consists on what the aspirational target should feel when using the brand (da Silveira, 2018).

Appendix 15 Keller's Brand Positioning Model

The Keller's approach does not base the brand's positioning on its identity. This model is about finding the proper "location" in the minds of a group of consumers or market segment, so they think about the brand in the "desired" way to maximize potential benefit to the firm (da Silveira, 2018). Thus, it is important to underline that a brand's positioning is purely aspirational.

According to the customer-based brand equity (CBBE) model, to position a brand it is necessary to define the target consumers, the main competitors and how the brand should be different and similar from these competitors. It is important to highlight that a brand's positioning is purely aspirational (da Silveira, 2018).

A brand may have direct competitors (those who compete directly in the same market with the same features) and/or indirect (those that operate in different categories, for example, but for consumers they are seen as substitutes of the brand). As indirect competitors, we can consider four distinct levels: product type level, product category level, product class level and benefit level (da Silveira, 2018).

The differences between brands are called points of difference (POD), which are described as positive attributes or benefits that consumers strongly associate with the brand, believing they could not find them to the same extent with a competitor (e.g. best quality, unique product features) (da Silveira, 2018). However, when choosing its POD, the brand must follow certain criteria based on the POD relevance (it must be understood by the target consumers as relevant and important), distinctiveness (it must be understood by the consumers as distinctive and important) and believability (the brand must offer credible reasons for choosing it over the other options – this is called reason to believe) (da Silveira, 2018).

On the other hand, the similarities between brands are called points of parity (POP). The POP can be divided into category POP, which are necessary (but not sufficient) conditions for choosing the brand, and competitive POP, which are associations designed to deny the competitor's POD. In fact, a competitive POP is a former POD of a brand that the other brands adopted, to catch up the first brand and not be considered inferior at the consumer's eyes (da Silveira, 2018).

So, the positioning statement is composed by the target, the points of parity, the points of difference and the reason to believe in these differences.

Appendix 16 In-Store Observation Grid

PERSON	DEMOGRAPHIC							SERVICES										PURCHASING					Personal observations EXTRA COMMENTS	
	GENDER		AGE			CONSUMER - #people		Coffee Place	Fish Station	Meat Station	Fresh Fruit & Vegetables	Take-Away	Frozen Food	Self-Service Area	Other	Shopping cart	Basket	None	Items			Payment		
	F	M	YOUNGSTER (16-25)	ADULT (26 - 59)	ELDER (+60)	ALONE	WITH KIDS												WITH ADULTS	Few	Medium	Many		ATM
1																								
2																								
...																								

Appendix 17 Pre-Recruiting Questionnaire

1. Have you lived in Portugal for the last 5 years?

Yes: Continue

No: Stop

2. Which of the following stores do you know, at least by name?

Know Amanhecer: Continue

Does not know Amanhecer: Stop

3. Which of the following stores did you go, at least one time?

Went to Amanhecer: Continue

Did not go to Amanhecer: Continue