

CASE STUDY: FROZEN SEAFOOD

Major Frozen Seafood Company Puts Valpak® To The Test



MARKETING OBJECTIVE

A leading frozen seafood company was utilizing Free Standing Inserts to drive traffic to stores to purchase their products. The targeting options presented by Valpak direct mail were put to the test to measure response and a lift in sales.

TEST STRATEGY

CTM Research, with the help of MASI International, developed a post-analysis initiative, establishing a test and control area surrounding stores in a particular grocery chain in selected California markets.





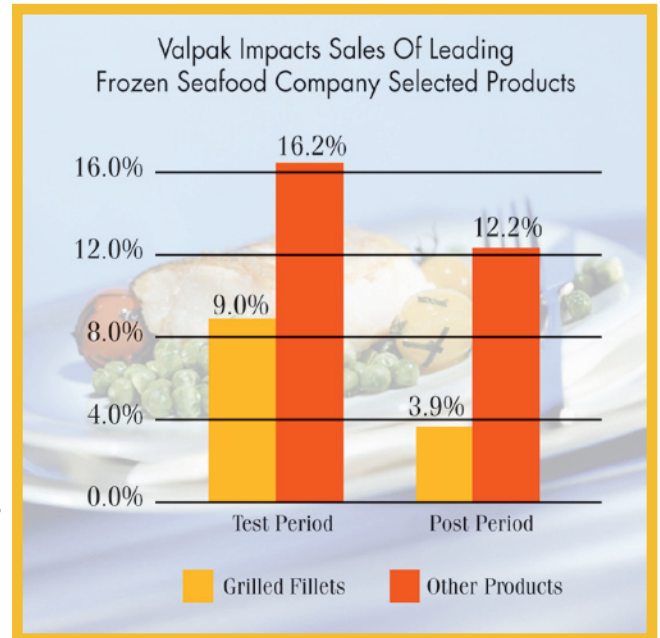
THE VALPAK CAMPAIGN

Valpak mailing test areas were selected by proximity to the store, as well as a Simmons-based PRIZM profile. The profile was based on consumers who chose the manufacturer's brand most often and had children in their household.

The campaign mailed to 150,000 households in October 2002. The glossy three-panel, full-color piece featured client recipes and photos of the client's frozen products, as well as two offers: 75 cents off any of the company's core product line and 60 cents off any one package of grilled fillets. Expiration date was 12/31/02.

RESULTS

- The Valpak coupon advertising program resulted in a noticeable sales increase of the client's products.
- During the test period, the grilled fillets product sales increased by 9% in the test stores compared to the control stores. All other selected products increased by 16%.
- Sales of the competitor's selected products declined by 4% during the test period.



- In the post period, the grilled fillets product sales increased by 4% in the test stores. All other selected products increased in sales by 12%.
- Interestingly enough, there was almost no difference in the sales of the selected competitor's products between the test and control stores after the promotion.

CONCLUSION

The outcome of the analysis verifies the Valpak program significantly increased sales of the client's products. In addition, the Valpak program appears to have negatively impacted a major competitor's sales in the test period.

INDUSTRY FACTS

The frozen dinner and entrée category continues to be the largest within the frozen food market with more than \$5.9 billion in annual supermarket sales*. Frozen meat/seafood and frozen novelty categories have experienced the largest growth in recent years. At more than \$40 billion* in annual sales, frozen foods represent roughly one-third of total food service sales. Evidence continues to mount that strongly validates the health benefits of eating more fish. The frozen seafood industry has responded with increased healthy alternatives such as grilled fillet entrees and shrimp bowls.

Source: American Frozen Food Institute online, August 2003