

Turkey

Turkish retail market...deep dive on traditional channels understanding

- The rising share of organised retail and discount markets has had a considerable effect on traditional stores in Turkey over the last few years. The discount market is growing, especially in the wake of economic recession, and the shoppers have moved to making more frequent trips, following the promotions and attractive offers they identify via leaflet advertising. The share of traditional retail was 67% in 2005 but by 2010 it had decreased to 45%.
- A total of 21 focus group discussions, 6 in-depth interviews and 4 Shop-Alongs were made with the traditional stores and 136 store owners have participated in qualitative research projects with GfK Türkiye during the past year to try to understand the dynamics of the traditional channels. The studies showed that:
 - Grocery shop owners are quite unhappy about the effect of the rising numbers of discount stores & local market chains in towns. They feel hopeless, believing that their sales can grow only if
 - the local chains & discount stores will move out of town
 - the producing companies offer the same pricing conditions to the grocery shops as they do to supermarkets/hypermarkets.
 - Shopping from grocery shops is need-based, just for REPLENISHMENT:
 - convenience – closeness to home is the most important reason
 - there is considerable “on credit” payment – the grocery shop owner keeps a ‘black notebook’ for each client, the client pays the debt when he/she has the means
 - timing – finishing the shopping in a short time matters because of the rush in the big city
 - On the other hand, Turkish consumers still buy tobacco, snacks, beverages and dairy products from grocery shops, so that such companies have shown more interest in the traditional channels in the last year. It also seems that these companies will show more interest in these stores in the future and look for ways in which they can support them so they can survive. In this context, as qualitative and quantitative researchers we will have to develop new methods of research in order to keep track of the traditional stores and their shoppers.



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