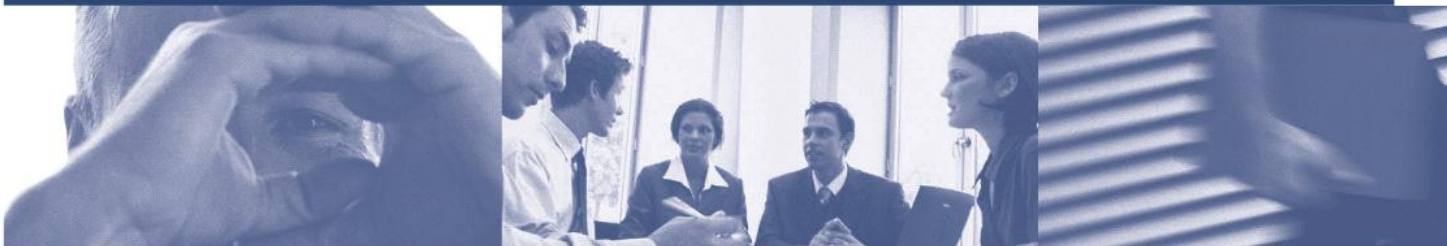




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GfK.Growth from Knowledge



RESEARCH PROPOSAL

Retail Study in Ukraine

Proposal as of 16.04.2010

From: GfK Ukraine

Contact person:

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1. Research goals and objective

Main research goal is to provide retail chains and FMCG producers with complete information on peculiarities and changes in shopping behavior of Ukraine's residents. The research is to answer the following questions:

- Where do Ukraine's residents buy different goods?
- Why do they prefer different shopping places and retail chains?
- How do they evaluate the work of different retail chains?
- How often do they buy different products in different shopping places?

In particular, the research aims to:

- analyze awareness of retail chains and reasons for choosing them¹;
- evaluate the importance of and satisfaction with different characteristics of retail chains' work;
- evaluate the loyalty to retail chains;
- analyze behavior of shopper groups singled out by household wellbeing.

2. Research design

- Survey method is telephone interviews.
- Date of surveying — November-December of 2009.
- Geography — cities of over 50 000 inhabitants throughout Ukraine.
- Sample — 1000 respondents selected randomly, quoted by age and gender.
- Respondent — a person in a household who is responsible for making everyday purchases.

Study analysis includes:

- analysis of distributions of respondents' answers by shopper groups;
- GfK Navigator® elements (to find out market niches and market segments where demand is not satisfied);
- GfK Loyalty Plus® elements (to measure shopper loyalty to different retail chains and importance of different characteristics of retail chains' work for loyalty).

¹ We consider the following main shopping places: hypermarket, supermarket, small self-service store, small counter service food store, open market, street trade, kiosk etc.

Report structure

Shopping places

- Main shopping places
- Main types of shopping places: (hypermarket, supermarket, small self-service store, discount, open market etc.) for FMCG
- Shopping frequency (by the main shopping place)

Retail chains' work analysis

- Satisfaction with different characteristics of stores'/retail chains' work
- Loyalty to retail chains
- Market niches (importance vs. satisfaction)

Purchases

- Purchase of private label products
- Receiving and usage of ad leaflets of retail chains
- Shopping for food by car

Behavior of shopper groups with different well-being status

- Main shopper groups: shopping behavior, social-demographic characteristics
- Reasons for choosing retail chains

3. Research outputs

Research outputs are as follows:

- Analytical report

Research outputs will be delivered via e-mail. Analytical report may be provided in English and Russian.

Research results may be presented in Kyiv upon request.

4. Research price

Research price is UAH 25 000 (without VAT).

5. GfK Ukraine terms of business

GfK Ukraine standing policy is that no project may commence without mutual consent in written form and the receipt of the required advance payment. The payment for the research is performed in 100% prepayment.

Kyiv, 16.04.2010



APPENDIX TO THE PROPOSAL

Retail Study in Ukraine

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6. Why GfK?

There are many reasons why GfK stands out from other market research institutes.

- **Customer orientation**

The needs of our clients are the drivers of our business, thus, we are always making efforts to understand the needs of our customers better. We precisely meet our clients' expectations by high quality methodologies, intense customer care, flexibility, on time delivery and cost efficiency. We have long-term business relations with our customers and contribute to their success.

- **Our employees**

Our employees are our most important resource. Their development by qualified training, exchange of ideas, as well as comprehensive practical experience is essential for our success. We encourage personal initiative and commitment. Internal expert teams assure that all methodologies and tools applied to your project designs are always state-of-the-art.

- **Innovation**

We consider the continuous innovation of processes and tools to be crucial to meet our clients' needs. It is our goal to be a leader in all business sectors. The drivers of our innovative potential, besides our clients' needs, are newly developing markets and technologies, as well as the ideas and experiences of our employees worldwide.

- **Global know-how, local competency**

We respect local business practices and cultures and learn from them. We are an internationally structured company offering its multi-national customers globally comparable services including international teams, as well as concerted tools and products.

- **Growth**

We want profitable growth to improve our development potential. As individuals, teams and business units we are well aware of the scope of our decisions and actions on all levels. We use financial, as well as non-financial criteria to measure our performance and continue to optimize it.

7. Project management

GfK Ukraine projects in location research are conducted by Services Research Department. Tetyana Yablonovska, Senior Researcher in Services Research Department, will be responsible for carrying out this project. Hlib Vyshlinsky, Head of Services Research Department, will supervise.

Tetyana Yablonovska, Senior Researcher in Services Research Department:



Tetyana has 4 years of experience in research. Since September 2008 she works at GfK Ukraine while earlier she was employed in International Center for Policy Studies and *Expert* Ukrainian business journal. Professional responsibility — retail research, location studies and regional surveys.

Hlib Vyshlinsky, Head of Services Research Department:



Hlib Vyshlinsky has 13 years of experience in research and consultancy. He joined GfK in 2003 after five years with the International Centre for Policy Studies, an economic policy think tank and consultancy. In 1993-98 he worked for the different printed media as economic journalist and editor.

Hlib is Head of Services Research Department and Custom Research Director in GfK Ukraine.

8. GfK Ukraine team

There are over 170 specialists from different spheres working for GfK Ukraine full-time, including sociologists, psychologists, economists, and also specialists in marketing, statistics, programming, and mathematics.

Most of them were specially trained abroad (taking part in ESOMAR, GfK and other leading Western companies trainings).

GfK Ukraine has a nation-wide network of interviewers (more than 900) supervised by 28 regional representatives. Interviewers are routinely trained. All supervisors are specially instructed before the project on questionnaires, sample, and survey procedures.

9. Our Clients

Deep knowledge of the local market and orientation toward the international standards makes an excellent combination, which is appreciated by actual and potential clients of GfK Ukraine in different fields of business.



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Among our clients are:

Large international companies operating in Ukraine:

AES, Auchan, Aventis Pharma, BASF, Coca Cola, DTZ, JTI, Kraft Foods, Mars, McDonald's, METRO Cash & Carry, Microsoft, Nestle, Philip Morris, ProCredit Bank, PZU, Raiffeisenbank, Real, Renault, Siemens, SUN Interbrew, Suntrade, Unilever, Western NIS Enterprise Fund etc.

Ukrainian companies (B2B and services):

ABV-Tehnika, Aerosvit, Astelit, ATB-Market, Everest, Golden Telecom, INGO Ukraine, Magistr and Partners, Novyy Proect, SCM, Ukrposhta, Utel etc.

Banks and insurance companies

Alfa-Bank, Aval, Brokbisnesbank, First Ukrainian International Bank, HVB Ukraine, Index-bank, ING Bank Ukraine, INGO Ukraine, Kredobank, Micro Finance Center, Oshchadbank, OTP Bank, PBN/Ukreximbank, PPF, ProCredit Bank Ukraine, Privatbank, PZU Ukraine, Raiffeisen Bank ROSNO Ukraine, TAS Commercebank, UkrSibbank, Uksotsbank, UniCredit Bank, VAB Bank etc.

State and international institutions:

Committee of entrepreneurs of Lviv, State Tax Administration of Ukraine, Ministry of Labour and Social Policy of Ukraine, National Bank of Ukraine, World Bank, UNDP, IFC, EBRD, Johns Hopkins University, Educational Training Foundation, BBC, IRI, IFES, IOM, Internews etc.

GfK Ukraine

GfK Ukraine is the member of GfK Group, the leading research group in the Eastern Europe in terms of revenues. GfK Ukraine is the largest market research company in Ukraine with yearly turnover of UAH 75 million (2009).

The company was founded in 1995, in 1998 it was acquired by GfK Group.