

Bloommark

Optimizing Your CPG Multipack Portfolio

Erwin Chang, CEO

Table of Contents

1 | Introduction

2 | Multipack Market

3 | What the MPAC is

4 | MPAC Analysis

5 | Other Considerations

6 | Q&A

Introduction

- 1 **Virtually every shopper buys multipacks!**
- 2 **Some CPG categories are based on multipacks.**
- 3 **Multipacks are an essential part of any CPG marketing plan.**





Multipack Benefits

Sell More + Create Loyalty

- 1 **Less interruptions**
- 2 **No switching brands**
- 3 **The higher the quantity, the higher the rate of consumption**



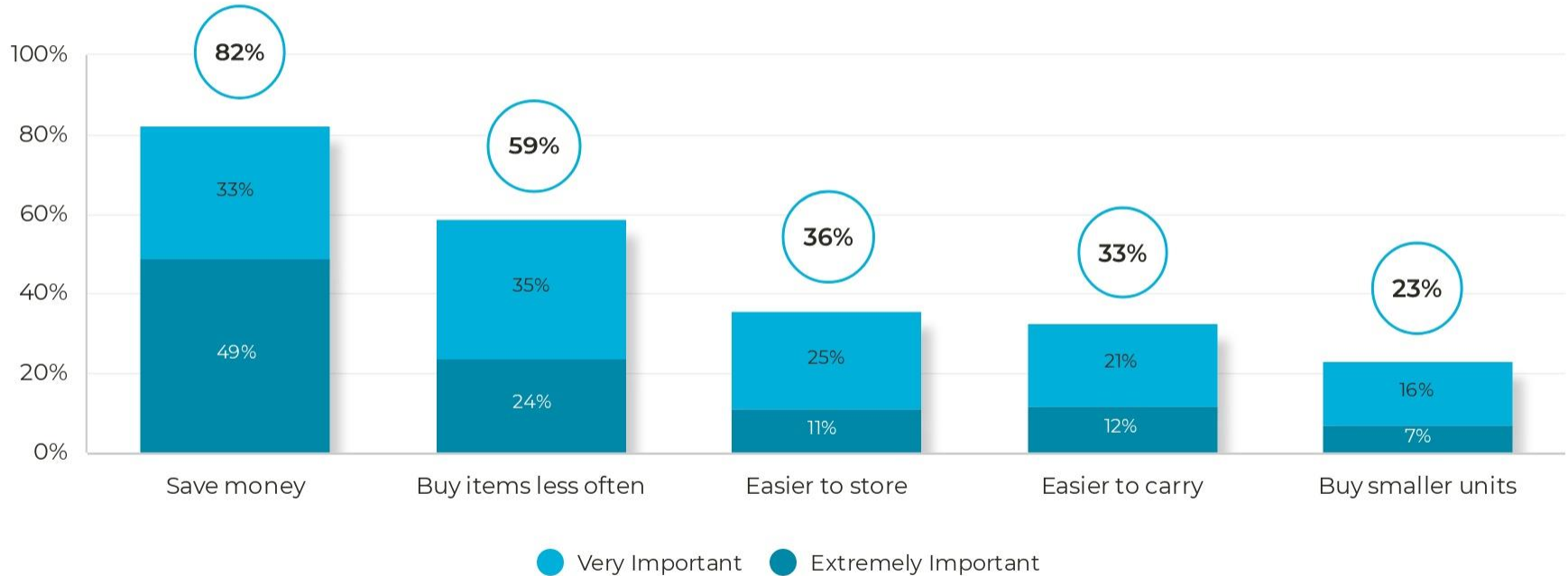
The Multipack Market

48%

Nearly half of all shoppers buy multipacks!

Reasons to Buy Multipacks

How important are the following reasons when you buy multipacks instead of various individual units?



What is the MPAC?

Multisize Product Analysis for Consumer Goods

The MPAC answers questions about how many multipacks to include in a portfolio or set and which multipack sizes (number of units per multipack) to offer.

The MPAC uses statistical analysis as its foundation to reach and satisfy the largest customer base.

MPAC Questions

- 1 If you were to purchase multipacks of [CATEGORY and/or BRAND] at [STORE TYPE if applicable], what is the IDEAL number of [UNIT TYPE/PRESENTATION] that you would like the multipacks to contain?
- 2 If you were to purchase multipacks of [CATEGORY and/or BRAND] at [STORE TYPE if applicable], what is the MINIMUM number of [UNIT TYPE/PRESENTATION] that you would like the multipacks to contain?
- 3 If you were to purchase multipacks of [CATEGORY and/or BRAND] at [STORE TYPE if applicable], what is the MAXIMUM number of [UNIT TYPE/PRESENTATION] that you would like the multipacks to contain?





Survey Design

1 Target

- Brand base -> Large brands, large markets
- Category base -> Small brands, new brands
- Likely shoppers / Non-rejectors -> Small brands, new markets

2 Points of Sale

- E.g.: Warehouse clubs vs. Convenience stores

3 Purchase Purpose

- Home consumption
- Parties -> Beer multipacks
- Holidays -> Candies in Halloween



MPAC Characteristics

- 1 Suitable for any type of data collection method**
 - CATI, PAPI, CAWI, etc.
- 2 No preconceived options**
 - Find sizes that were not considered before
- 3 Not conditional on purchase intent**
 - More accurate

MPAC Analysis

1 Net Reach Maximization Analysis

- Find the right multipack sizes for your portfolio

2 Portfolio-Size Optimization

- Determines how many multipacks you should offer

Net Reach Maximization Analysis

Ranking	Multipacks Sizes						Net Reach	Ideal %	BC
	1st MP	2nd	3rd	4th	5th	6th			
1	2-pack	4	6	12	24	36	96.2%	65.6%	-0.076
2	4	6	12	24	36	80	96.2%	64.4%	-0.056
3	4	6	12	24	36	75	96.2%	63.8%	-0.060
4	4	6	12	24	36	96	96.2%	63.8%	-0.063
5	4	6	12	24	36	90	96.2%	63.5%	-0.050
6	4	6	12	24	36	88	96.2%	63.5%	-0.052
7	4	6	12	24	36	84	96.2%	63.5%	-0.055
8	4	6	12	24	36	78	96.2%	63.5%	-0.057
9	4	6	12	24	36	76	96.2%	63.5%	-0.059
10	2	4	6	12	20	36	96.2%	49.8%	-0.119
11	4	6	12	20	36	80	96.2%	48.6%	-0.099
12	4	6	12	20	36	75	96.2%	47.9%	-0.102

MPAC & Customer Satisfaction

1 The Ideal Point

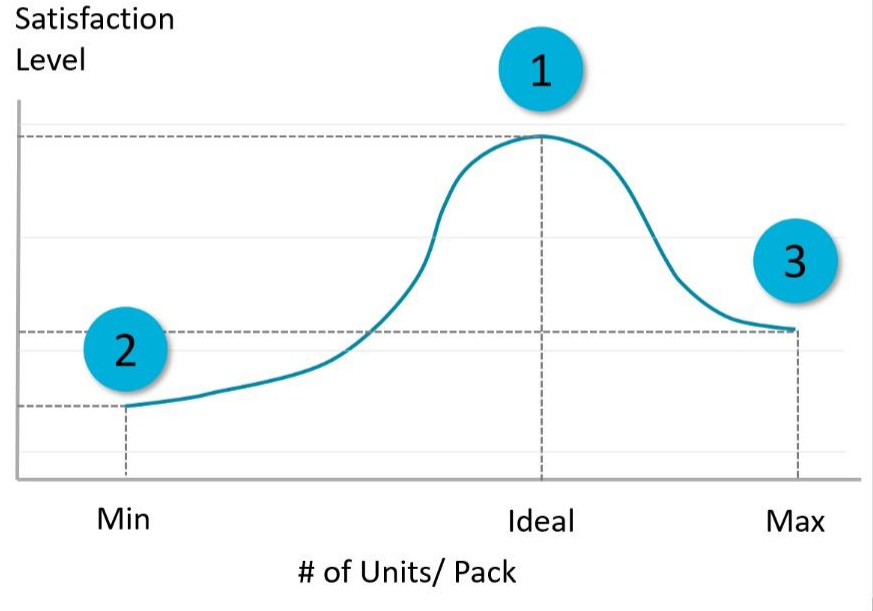
- It presents the highest level of satisfaction

2 The Min Point

- It presents the lowest satisfaction level within the Min/Max Range

3 The Max Point

- Closer to the Ideal Point in terms of number of units and satisfaction level



Balance Coefficient

Respondent 1

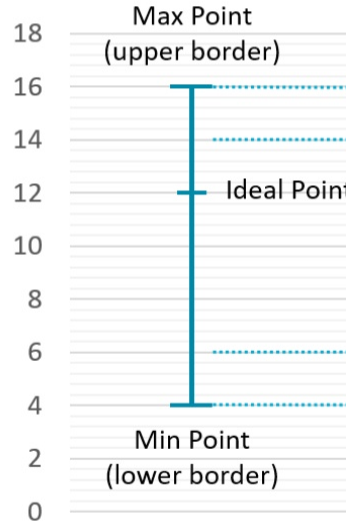
1. If you were to purchase multipacks of ABC, what is the IDEAL number of units that you would like the multipacks to contain?
2. If you were to purchase multipacks of ABC, what is the MINIMUM number of units that you would like the multipacks to contain?
3. If you were to purchase multipacks of ABC, what is the MAXIMUM number of units that you would like the multipacks to contain?

12

4

16

Units per
Multipack



If the best multipack option (closest to the ideal point) for respondent 1 is a:

16-pack, then **BC = +1**

14-pack, then **BC = +0.5**

12-pack, then **BC = 0**

6-pack, then **BC = -0.75**

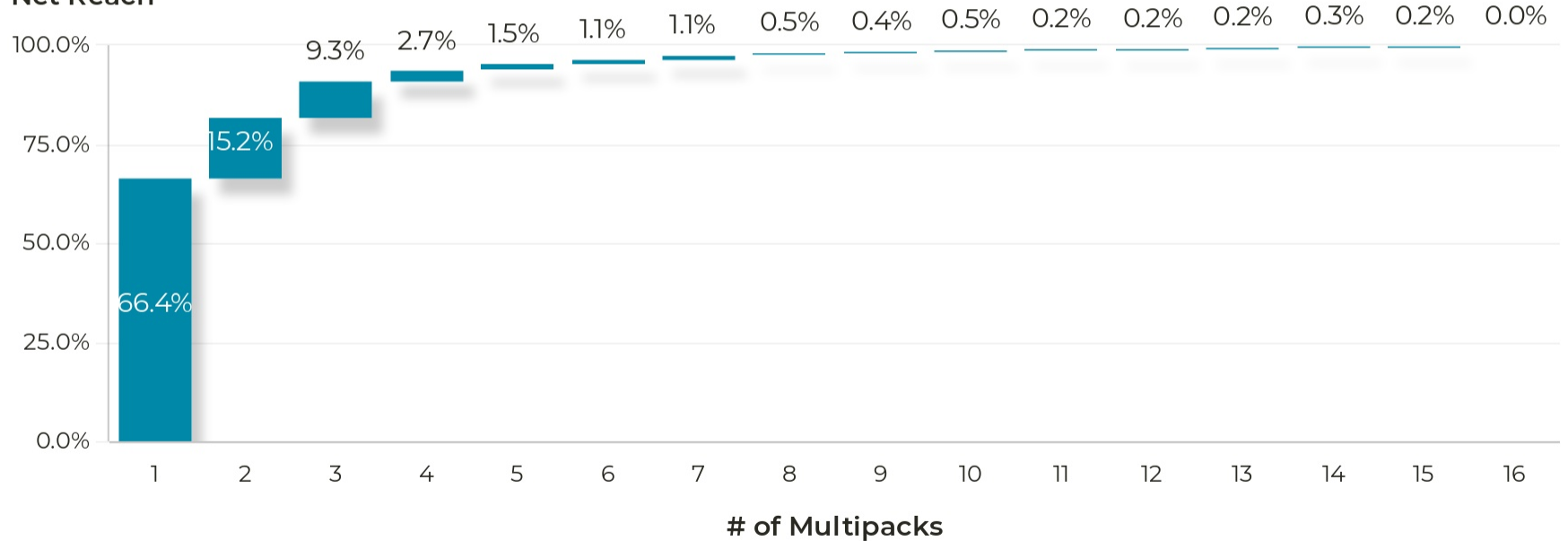
4-pack, then **BC = -1**

Respondent 1

Min/Max Range Chart

Marginal Net Reach Gain

Net Reach





Other Considerations

1 Pricing

- Is the multipack price competitive?
- Price is the TOP reason to buy multipacks!

2 Distribution

- Can I place various multipacks on the shelves?

3 Packaging Design

- Does my packaging attract shoppers?

4 Manufacturing Capabilities

- Can I produce this multipack?



Q&A