

Ukraine

Kyiv residents go shopping to supermarkets and hypermarkets

The vast majority of Kyiv residents (70%) prefer to do their shopping in supermarkets and hypermarkets. The Silpo chain of supermarkets enjoys the greatest popularity, with 26% of people in Kiev considering them to be their main place for shopping. Amongst the main reasons given by Kyiv residents for the choice of their main shopping venue are the proximity to home or work, the wide range of products and acceptable price levels. These are the results of the fifth wave of the Kyiv Retail Study carried out by GfK Ukraine in 2007.

Large retail chains are the main shopping venues for Kyiv residents

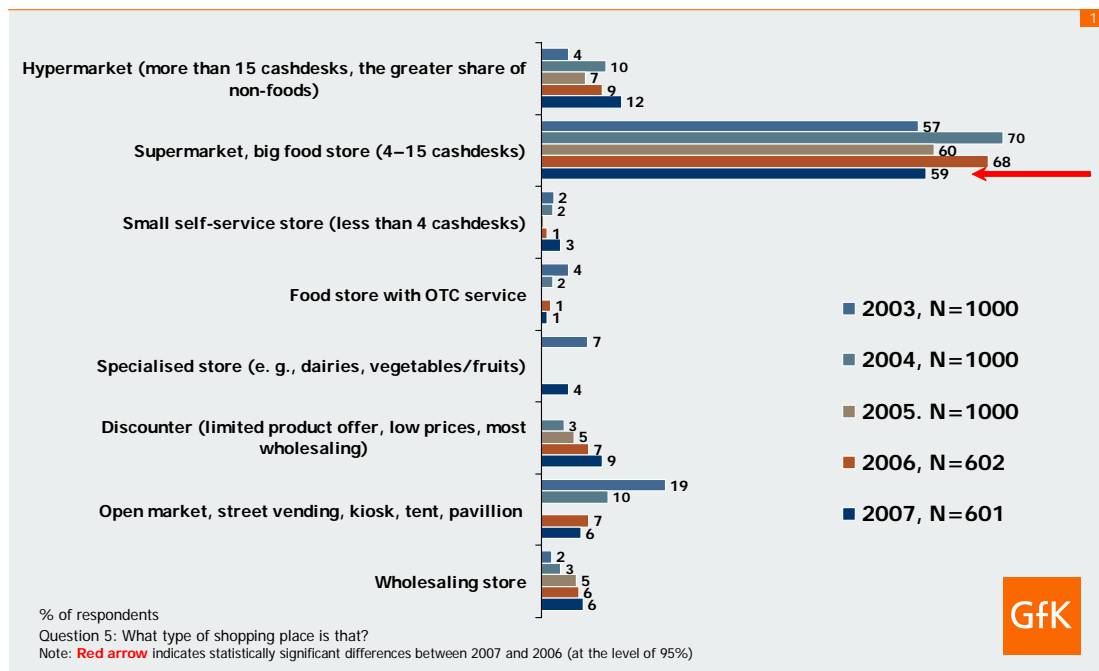
In 2007, the top position for the retail chain/stores where Kyiv residents do most of their shopping is still held by the Silpo retail chain (26%), which improved its indicator compared to 2006, though only minimally. The Velyka Kyshenia chain of supermarkets was claimed as their main shopping venue by 16% of respondents (5% less than in 2006), with other figures being Furshet 11%, Fora 8% and Megamarket 7%. The traditional market/bazaar remains the main place to do their shopping for 6% of Kyiv residents (down from 8% in 2006).

Overall, more than 70% of Kyiv residents said that supermarkets and hypermarkets were their main food shopping venues in 2007. Compared to 2006, this figure has fallen by 6% due to a drop in the number of respondents who regard supermarkets as their main place for shopping (59% compared to 68% in 2006). At the same time, discounters and specialized food stores have become more popular with Kyiv residents. Compared to 2006, shoppers claimed hypermarkets as their main shopping venue somewhat more often whilst, in contrast, markets/street vending were mentioned less often.

GfK Ukraine

Kyiv retail study 2003-2007

Leading shopping places by intensity of food shopping (main shopping place)



The number of respondents who have never come across private labels produced by retail chains fell from 53% in 2006 to 47% in 2007. Nearly a third of respondents said they had bought such products.

How Kyiv residents evaluate performance of retail chains

Among the main reasons behind the choice of the main shopping venue mentioned by shoppers were (1) proximity to home or work (cited by 72% of Kyiv residents), (2) wide range of product offer (48%) and (3) acceptable price levels (35%).

The criterion "Proximity to home or work" is equally important for all groups of respondents when classified by level of income. A wide range of products is far more important for the respondents with "above-average and high" income levels than it is for those with low income levels. At the same time, acceptable price levels are of greater importance for the less well-off groups of respondents.

There is a significant increase in the share of Kyiv residents who are "very satisfied" or "fairly satisfied" with the quality of service in the Billa supermarket chain (87% compared to 76% in 2006). This is what has brought Billa to the top of the satisfaction ratings for service quality in the biggest retail chains in Kyiv. Billa is followed by Karavan and Megamarket (82% of respondents), and Velyka Kyshenia (77%).

Reference information

The study is based on a survey amongst Kyiv residents. The first wave of the survey was carried out in October 2003; the second in November 2004 and January 2005; the third in November 2005 and the fourth and fifth in December 2006 and October 2007, respectively.

1,000 respondents chosen at random were interviewed during each of the first three waves, and the fourth and the fifth waves were with 600 respondents in each case.

Respondents were defined as the person in a household responsible for the daily purchase of food and non-food fast moving consumer goods.

The survey method was CATI (Computer-Assisted Telephone Interview). The results are obtained for the weighted data base (with the number of households serving for weights).

Elements of the following techniques appeared in the analysis: **GfK*Loyalty Plus** – to evaluate shopper loyalty to the main place of shopping and to measure the effect of different indicators of stores performance on the loyalty level; **GfK*Navigator** – to identify gaps and niches in the supply of services by retail chains (priority matrix for stores performance characteristics).



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