

Category: *Vision Care, Lenses*

Methods: *Choice Task, Optimization, Eye Care Professionals*

Summary

A manufacturer of lenses wanted to gauge how their current eye care professional customers would react if the manufacturer's brands became available in other competitive channels.

Strategic Issues

For many years, the lens manufacturer had focused on only one channel in the market, which represented about half of the total market. Expanding to the other half of the market would increase opportunities and could substantially grow the business. Given the close relationship the manufacturer had with their customers, they wanted to assess current customers' reactions about potentially losing exclusive access to the manufacturer's brands.

Research Objectives

This research was conducted in order to:

- Determine if channel expansion should move forward.
- Assess specific strategies for entering the new market.
- Establish the best way to communicate with current customers about the expansion and ensure that customer relationships would continue without negative effects.



Research Design and Methods

Over 400 eye care professionals (ECPs) from a client-provided customer list participated in a 25-minute online survey. Direct questions addressing reactions to the channel expansion and their impact on impressions of the manufacturer were asked. A choice-task followed where ECPs were asked to allocate their future lens recommendations on screens showing varying brands and channel availability. Choice modeling was used to assess the change in customer behavior due to expanding channel availability, (down to the brand and store level).

Results

Although there were some initial negative feelings, the research indicated that actual recommendation behavior of the manufacturer's brands would not be negatively impacted. Further, several strategies were uncovered to offer additional support and resources to current customers that would neutralize the negative feelings and reinforce the manufacturer's commitment to their success. Thus, the manufacturer was able to move ahead with their channel-expansion strategy, increasing sales potential to the other half of the market while retaining their current standing with customers.