



# Article Summary

Supermarkets are using **CX** to differentiate themselves in competitive industry.

Customers have a **single favorite** store where they do bulk of their shopping.

4 behaviors cause shoppers to **look past** preferred stores.

- Stock-up strategy.
- Specialty item visits.
  - Unique items/brands specific to one location.
- Pursuit of quality.
- Need it now shopping.



# Article Summary

**Customer experience** is the most important part of any marketing campaign.

“If you **put the shopper first** in all of your marketing, operations and merchandising efforts, you have the best chance of winning in today's environment.” - Karen Sales Former Albertsons VP of Marketing.

Trader Joe's is rated highest on **American Customer Satisfaction Index** due to strong experience, store decoration, staff dress code, variety of goods.



# The Marketing Mix



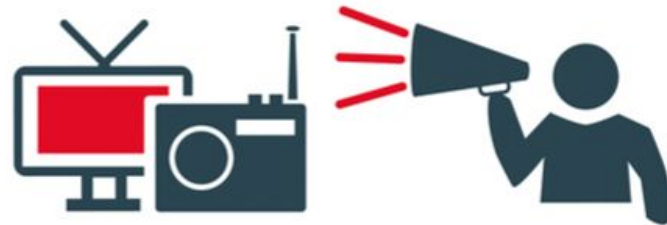
**PRODUCT**



**PRICE**



**PLACE**



**PROMOTION**

# Product - Creating Value

## 4 types of visits:

- **Stock-up Strategy:** Replenish household staples that lasts for 2 weeks to a month.
  - Warehouses or Discount stores (Costco).
- **Specialty Item Visits:** Unique items and brand in one location.
  - Trader Joe's.
- **Pursuit of Quality:** Premium produce.
  - Whole foods.
- **Need It Now:** Basic item from most convenient location.
  - Seven Eleven.



# Place

- Friendly.
- Local.
- Personalized.
- Good Value.



# Price

- Hard Discounters are seen as the **Main Disruptors**.
  - Cheapest & no extra services.
  - **Fast & easy** check-out.
  - No bakeries or delis.
- Increased private label quality.
  - Retailers operating near Lidl stores must drop prices on private labels by ~10% to remain competitive.
- Aldi has become the preferred bulk retailer.
  - No membership fees.
  - America's largest grocer by 2022 (2,500 locations).



**DISCOUNT**

# Promotion

- Games.
- Recipes.
- Influencers.
- Loyalty programs.
- **Value-based marketing.**
  - Unique assortment.
  - Extra service.
  - In-store experience.
  - Curbside pickup.





# Thank you!

LEMON FRESH  
DISHWASHING  
LIQUID  
1 LIT.  
**99¢**

GIPPSLAND  
GOLD  
BUTTER  
250g  
**69¢**

AIM  
TOOTH  
PASTE  
90-110g  
\$ **1.69**

THIRSTY  
SPECIAL!  
SCHWEPPE'S  
SOFT  
DRINKS  
1.5 LIT.  
\$ **1.19**

DAIRY  
SPECIAL!  
GOLDEN  
BOUNTY  
MARG.  
500g  
**79¢**



# Future of the Industry

- Online shopping has yet to meet past projections.
  - Too much of a hassle to find all items.
  - Delivery issues: hard to preserve freshness.
- Biggest game changer over the next few years:
  - Scale provided by technology, cost of equipment and Wi-Fi solutions along with e-commerce.

