

Case Study

Increasing same-store sales despite a tough economy and intense competition

Background

Locally owned and operated since 1969, ABC Co. is a grocery store chain with multiple locations spread throughout southern New England. In addition to offering a full complement of grocery, produce, meats, and seafood, ABC Co. is also a purveyor of prepared foods, baked goods, and catering services. Its emphasis on providing attentive service and everyday value has established it as a household name in the communities it serves.

For years, ABC Co. had placed the majority of its focus on internal operations, store build-outs and product selection. This emphasis on providing value was its greatest marketing asset. However, its lack of emphasis on marketing placed it at a distinct disadvantage. What little marketing ABC Co. did was handled by an internal marketing “point person” — and was limited to standard weekly newspaper inserts, occasional email communications, in-store signage and basic website maintenance.



— Challenges

Cutting through the clutter to increase sales and share.

Competition in the retail grocery business is nothing short of fierce. This crowded marketplace has a full spectrum of outlets including discount chains, convenience stores, big-box supercenters, and high-end organic/specialty markets. All are vying for the consumer's limited shopping dollars while dealing with razor-thin margins, high inventory costs, and rigorous health and safety regulations. ABC Co. found itself squeezed between the big chains and the specialty retailers. It not only found it difficult to stand out in the consumer's mind, but its marketing budget paled in comparison to the large publically-held companies with massive marketing war chests.

Knowing the company needed to strengthen its marketing efforts, ABC Co's leadership team had three viable options:

1. Hire a traditional ad agency. The problem was, their recent subpar experience with a traditional agency proved to be very expensive for the minimal impact provided.
2. Build out an internal marketing department. This would not only be an expensive undertaking, it would take time to find appropriate talent. Going forward, ABC Co. would also be limited by the abilities of this internal team.
3. Outsource the marketing function. This would enable ABC Co. to enlist experts with in-depth experience who could work closely with its internal point person.

ABC Co. leadership chose to enlist TribalVision as an outsource solution. This would enable them to rely on TribalVision's team of experts to fully lead and implement the company's marketing function. It also freed the leadership and operational teams at ABC Co. to stay focused on their core competencies.



Approach

Carving out a unique position in a crowded field.

The TribalVision team rolled up its sleeves, dug in, and immersed itself in ABC Co's business reality. Key segments of this discovery process included:

- Structured conversations with ABC Co. senior management, in-store staff, suppliers and customers.
- A thorough assessment of the company's current messaging and marketing assets. These included online assets, social-media properties and email activities.
- A detailed look at its current brand profile and in-store experience.
- An examination of the company's recent promotional efforts, including initiatives for both new business and community outreach.
- Comparative research on ABC Co's competitors.

This extensive information and valuable perspective enabled TribalVision to form a better sense of ABC Co's position in the market — and to find an opportunity to differentiate it from the sea of grocery retailers in the competition for share-of-wallet.

Solutions

A comprehensive and actionable roadmap to increase revenue.

The key deliverable that resulted from our discovery process was a robust 100-slide marketing strategy. This would serve as a marketing roadmap for ABC Co. for the following year and beyond. The highly detailed plan was broken into a number of distinct sections including; Messaging, Competitive Positioning, Customer Retention, In-Store Experience, Website, Social-Media and Online Initiatives.



A highly detailed tactical calendar for day-to-day execution.

The plan culminated with a detailed monthly calendar, highlighting the sequence and timing of all upcoming projects to be completed. This exhaustive marketing plan was developed in just six weeks, from the initial meeting with senior management to the formal in-person presentation. As a result, ABC Co. was empowered to act quickly and decisively to approve and implement the plan.

Key initiatives highlighted in the marketing plan included:

- Positioning the company as the affordable-alternative grocer to high-end competitors, while still stressing the everyday value it offered versus lower-end, low-price competitors.
- Transforming the existing website from a static “online brochure” to a dynamic e-commerce experience — featuring a wealth of engaging videos, checkout capabilities, and a more contemporary design.
- Developing a social media strategy to leverage both Facebook and Pinterest in order to increase customer engagement beyond the walls of their stores.
- Building out an email outreach campaign to increase in-store traffic. Tactics included the use of promotional coupons, electronic distribution of a weekly product flyer, and updates for in-store cooking demonstrations and events featuring prominent national and regional chefs.
- Strengthening the ABC Co. in-store shopping experience through a major rebranding effort. Elements of the effort included redesigned signage, shopping bags and promotional materials, along with broadcasting of product-specific videos throughout the store.

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Results

A 5% increase in year over year same-store sales.

With the TribalVision team driving the daily tactical execution, within a year ABC Co. achieved a 5% increase in same-store sales. In the retail grocery business, known for having razor thin margins and declining same-store growth, this is an enormous success. In addition, this was accomplished in midst of difficult economic times and the aforementioned aggressive competition.

With the guidance and support of TribalVision, ABC Co. continues to build a stronger, more resilient brand by finding new ways to engage with customers — and by providing a more robust and enjoyable shopping experience.



About TribalVision

As an outsourced marketing department for hire, TribalVision's mission is to help companies grow. This is achieved by combining intelligent strategy with tactical execution in a hands-on, results-driven manner. TribalVision utilizes its clients' marketing budgets as efficiently and intelligently as possible — ensuring that each dollar spent maximizes awareness and generates new business. TribalVision's unique marketing model is designed to fully align interests with client outcomes — guaranteeing an objective, client-first partnership. This is demonstrated in the firm's fee-based compensation structure, "roll up your sleeves" mindset, metrics-driven approach, and role as a trusted marketing resource tasked to help navigate organizations to higher grounds. To learn more about TribalVision, visit www.TribalVision.com.

