

Alfred Levi - AholdDelhaize Retail media, the next marketers hope

Article by Evelien Wuyts of 4P square

Marketers face many challenges nowadays: technology is rapidly evolving, we receive more and more customer feedback (thanks to social media) than ever and moreover many marketers struggle with thinking about return on investment. Alfred Levi, Senior Vice-President Marketing and Media at AholdDelhaize, spoke about retail marketing at the BAM congress and showed how marketers from other sectors can learn, from a retail perspective, how to deal with contemporary marketing challenges.

To understand retail marketing, we first have to know what hot topics and key challenges in retail are today. According to Alfred Levi, the following developments make the most important challenges for retail marketing nowadays:

1. The discount versus price dilemma: customers want a good price, but they also search for added value in products. How can we, as marketers, make sure we can satisfy those two needs?
2. Blurring: we used to live in a society where people used to cook every day and paid daily visits to retail shop for fresh food. Nowadays there are more and more alternative options for cooking: ready-to-eat meals, competitors who deliver food at home like takeaway.com or 'Hello Fresh', ... The market is changing, how can we still make our (retail) shops successful?
3. E-commerce: customers like the option of home delivery, why would they still come to a retail shop?
4. Personalization: the more personalized products are these days, the more success they have. The problem is that personalization takes a lot of time for developers of products and ads. How can we personalize enough and still be profitable?

As a (retail) marketer, you must face these challenges but also make sure you are making profit. Therefore, Alfred Levi believes that retailers need to find new ways to make profit nowadays. That's way Levi thinks marketing becomes more and more important in retail. He proposes the '7 rules of retail media' to do marketing in retail, or other sectors:

1. Customer first: don't annoy your customer but make ads fun for your customer. In this way, you can improve customer engagement
2. Triple Win Strategy: a program or campaign will only work if it works for the customer, marketer and retailer
3. Be transparent: be honest to your customer, be clear. That's the communication style which will give you the most credibility
4. Fail and/or Scale test: try testing new ideas, but only if they are scalable (and you believe they can impact profits)
5. Marketing focused Inventory: make a split between merchandise and marketing tooling
6. Return on Investment (ROI): make sure to measure what you do and determine ROI for every campaign you do
7. Close the loop: set up a permanent cycle of learning and reapplying for your marketing process.

In short, Levi believes it is important for marketers to measure impact and ROI, communicate in a specific and personalized way, communicate as close as possible to the moment of purchase, use data and last

but not least base your marketing strategy on what consumers do. These insights are not only relevant when it comes to retail marketing, but every marketer should be aware of contemporary challenges and find ways to answer to them, and never forget to strive for a better ROI.

