Thoughts from the Top

featuring

Jason Goldberg
Chief Commerce Strategy Officer

Jason is a 4th generation retailer who has been lucky enough to have a front-row seat to the digital disruption of commerce. He joined the Publicis team 8+ years ago, and currently serves as the Chief Commerce Strategy Officer. He has partnered with over 100 clients on the Internet Retailer 500. Jason is located in the Greater Chicago Area.

What have been some trends that you have seen within the grocery space due to the impacts of COVID?

If you look at the grocery industry, historically there was minimal to no digital disruption in North America or Western Europe. With the shifting environment, there has been a drastic change from historically only 2-3% of all sales being ecommerce, moving to currently 12-15% of all sales being ecommerce. These changes have a lot of repercussions and ramifications on the system overall. First, digital grocery is not as profitable as brick and mortar. When ecommerce was only a very small portion of sales, no one put much thought into how to improve it, however, now that it is eating away at profits, grocers need to think about investments in digital. We have seen investments in automation, micro-fulfillment, product picking efficiency and delivery alternatives such as curbside pickup and geocoding.

Another challenge grocers face is opportunities for serendipitous discovery. When customers buy online, they often buy from a tailored list that has been curated through a multitude of micro-moments, reducing the likelihood of unplanned purchases. The other challenge is that due to COVID, many grocery chains that had previously relied on in-store samples to highlight new products, no longer have the ability to do so. These grocery chains are now working on ways to enhance the digital discovery experience to help close this gap. Using consumer data and AI to give samples and pre-packaged sample size items are just two ways grocers have started to adopt this new method of enhancing the likelihood of serendipitous discovery.

We are also seeing the in-person experience change as a result of digital disruption.

Consumers who are going to the store still want all of the digital amenities they have become used to online such as supply chain information, rich attributes, list management, and convenient payment and checkout options.

You can get insight into the scale of this transformation by comparing it to other categories of retail that have already been disrupted. Twenty years ago, no one would have believed that we would all be downloading movies and books directly to our devices, yet today that's the primary way we get those products. Grocery stores will need to make investments in digital in order to stay relevant as the industry evolves – what used to take 10 years to evolve is now happening in 10 minutes.
Do you see Salesforce solutions playing a role in this transformation?

Grocers used to outsource digital to a few third-party vendors with a small percentage of sales going through the channel. It was a great strategy to test and learn how to go digital and dip your toes into this channel. Now that it’s making up a significantly larger portion of revenue and is the front door to the shopping experience, most retailers are working to bring it in-house and create their own expertise.

If you are going to do digital grocery, you are going to need to be proficient at merchandising all of your products and your digital shelf. Previously, grocery stores did not have ecommerce sites and product inventory available online. Unlike other categories of retail which might have a single product detail page per item, every grocery store within the same chain may have a different inventory and assortment of products, therefore you are essentially maintaining thousands of sites. Also, in comparison to traditional retail ecommerce, there is a significantly higher churn as the inventory is more dynamic and perishable.

Bringing these in-house, you are looking not only at an ecommerce platform solution, but you are also looking at other factors. For example, driving increase impulse purchases with Einstein recommendations based on Sales Cloud and DMP to know about past behaviors and know what products to expose the customer to and what free samples to put in the bag. Then you are also looking at Marketing Cloud to get them to reorder the list and communicating with them in between visits. This creates a need for not one Salesforce product but all of the Salesforce stack to work together.

How have we supported clients in closing some of the gaps that you mentioned above when transitioning to digital?

We currently own the marketing communications across many large and multinational brands within the grocery and retail space. As they all have started the transition to digital, it is imperative to make sure each touchpoint drives value to the customer.

Leveraging technologies across their marketing tech stack including Salesforce Audience Studio, brands are able to find unique opportunities to connect with their customers.

We also need to make sure that we are advertising relevant things to support the business’ profitability. At the beginning of the year, buy-online-pickup-in-store was a value differentiator, now it does not need to be actively marketed as people are seeking it out. Now we have to use that space to create more value for the shopper and profit for the company through other offerings.

When thinking about how we are solving for some of the gaps created by going digital, think about the example of a seasonal product such as Pumpkin Oreos. If someone has Fudge Oreos on their list, they may go to the store and see the Pumpkin ones next to them and try those instead. That entire experience is lost when it moves to digital. So, we work to aid our clients in finding alternative channels to promote new and/or seasonal products to increase awareness and purchases.

What is the best way for Salesforce to engage with Publicis Sapient?

One thing that we have had success with is jointly pitching with Salesforce. I think it’s something we could be doing more of, as it is incredibly successful. With a large majority of our PS clients, we are looking to answer business problems where Salesforce has the capabilities to support in the solution. By creating that plan and pitching together, we can jointly contribute to the overall success of the client’s business.

What about the “Salesforce Ohana” and culture that sticks out in your mind?

The focus on quality of life for the Salesforce employees, partners and customers that is very apparent. It is not about short-term ROI or about a particular deal but instead about the health and happiness of the long-term relationship. The focus of long-term success really shows in how employees engage with the larger ecosystem.

GET IN TOUCH
To learn more about how we partner with Salesforce, contact Jason Goldberg at Jason.Goldberg@publicissapient.com

© 2021 Publicis Sapient Corporation.