How Albertsons is boosting sales, loyalty through convenience

Article

Since the pandemic, <u>online ordering and delivery</u> have become table stakes for grocers. Retailers like Albertsons are developing tools and capabilities that provide added value for customers, focusing on creating a more convenient experience.

"Consumers think about food 226 times a day, that's a lot of cognitive load," Jill Pavlovich, senior vice president of digital shopping experiences at Albertsons Cos., said at last week's

[CommerceNext](#) event. "So we want to take the experience from a transactional one to a helpful set of tools that can help people manage this."

Albertsons leveraged customer data to identify areas for improvement across its website and [mobile](#) app.

- "We realized that 60% of what consumers buy week to week is the same," said Pavlovich. "That led us to release features [like Schedule and Save] that enable customers to grocery shop on autopilot, like a subscription service."

- With Schedule and Save, customers can sign up to receive their most frequently ordered products at a regularly scheduled cadence.

Albertsons also realized it could provide customers with more value by adding shoppable recipes to its app.

"Our meal plans and recipes tool now has over 9,000 proprietary recipes that can be filtered by dietary preference, food restrictions, or serving size," said Pavlovich. The tool's "cook mode" provides step-by-step instructions on how to prepare the recipes.

These insights were also helpful in improving the in-store experience, said Pavlovich, noting consumers wanted help accessing in-store services, finding deals, or navigating the store.

"So we launched in-store mode for our app, which is like a personal remote control for the store, giving customers access to everything that store has to offer, like counter departments, order-ahead capabilities, aisle location, and what's on sale."

These investments seem to be paying off.

- The grocer increased digital sales by 24% and [loyalty](#) members by 16% in Q4 2023.

- The Albertsons app has a 4.8 star rating in the app store and won a People's Voice Webby award.

Still, there's more work, said Pavlovich.

- "As we think about the future, it's about deepening the customer engagement where they want it," she said. For example, filtering the entire app experience around lifestyle or dietary preferences.

- As Gen Z takes on more of the grocery purchases for their household, their expectations will push grocers to make shopping even quicker and easier.

- "Younger consumers want to be online and expect convenience," said Pavlovich. "We have to make it super easy for them to build a basket, especially for their first time purchasing with us. And we want to make it as fast as possible."

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