

## Tractor Supply exec on how an omnichannel strategy serves its niche audience base

## Article



Tractor Supply Co. serves a different audience than your typical suburban box store.





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"Generally, our customers live outside city limits, have over five acres of land, and sometimes animals, too," said Rick Lockton, SVP ecommerce omnichannel and master data.

With its network of brick-and-mortar stores, Tractor Supply serves a widespread audience that includes farmers, ranchers, homeowners, contractors, and horse owners. Through its digital channels, the retailer can reach a younger, more suburban audience.

Ahead of his keynote session at this year's **CommerceNext event** on June 11-13, Lockton shared how Tractor Supply leverages its physical and digital channels to connect with the retailer's varied audience and how retail media brings it all together for an omnichannel experience.

**What's in-store:** Most of the Tractor Supply's brick-and-mortar shoppers are members of rural communities purchasing from the CUE category (consumable, usable, and edible).

"Customers in our stores are generally buying food products for their animals [and other essentials for their] property and that gets them in there pretty frequently," said Lockton.

- The in-store <u>customer experience</u> also plays a role in bigger-ticket purchases.
- "We sell golf carts and ATVs and all sorts of big-ticket items that most people aren't experts on," said Lockton. "Our team members generally live in the community, they normally own land or animals. So they're the experts that can walk you through what you need."

**The online opportunity:** On the digital side, Tractor Supply's website helps it reach a wider set of customers beyond in-store shoppers.

"Our online platform allows us to attract and introduce the brand to a lot of customers that historically just haven't known us," said Lockton, noting that the demographics that shop the retailer's site tend to be younger, more female, more affluent, and more suburban.

**Together is better:** With <u>retail media</u>, Tractor Supply. can leverage its connection with rural customers through digital ad formats, giving advertisers a way to reach untapped audience segments outside of the physical store.

"Many of our supplies, like the pet food companies, are selling to other mass merchants, so they're already knowledgeable about retail media," said Lockton. "They've been the ones most aggressively investing in it."

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Other suppliers require education. "A lot of the categories we operate in, there's only one or two big suppliers," said Lockton "They haven't traditionally had to worry about standing out among 10 other competitors."

For these suppliers, Tractor Supply focuses on the <u>bottom-of-the-funnel</u> benefits of retail media, highlighting how it helps put brands in front of customers closer to the point of purchase.

**An evolution:** Tractor Supply is ready to make the jump from what Lockton called "low-hanging fruit" on-site to off-site and in-store.

Currently, Tractor Supply's in-store efforts center around TV screens and a radio station that plays across the store, but there's lots of room for growth, Lockton said, from in-store signage to the retailer's tentpole events like its Spring Black Friday sale (taking place through April 21) or Cyber Week deals.

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