



# How to fight the big boys ... Be different

The city of Cagliari in Sardinia, Italy, is not very big. Just over 400 000 residents live within the metropolitan area of Cagliari which spreads over 20kms covering 17 municipalities.

The large-scale food distribution picture for the city is quite crowded and includes two Conad superstores, an Iper Pan, a Nonna Isa and all the discounters, whose focus is mainly around price and promotion strategies.

One exception to this rule is the new Tuttigiorni (translation 'Everyday') store, recently opened by the Abbi Group, a member of the Crai Group. Crai is a co-op society of food retailers formed in 1973 and today is listed amongst the top ten Italian food outlets (2 300 stores and 1 100 drug stores).





The new store is based on an omnichannel strategy that combines digital presence and a physical store. The Abbi Group has converted its e-commerce strategy into a 'social commerce' strategy, as will be outlined later in this article.

The 'social commerce' concept defines two areas of emphasis ...

- the digital store, where customers can use an electronic portal designed to add value to the user's experience, with many suggestions for healthy and good food and everyday convenience. The site encourages direct communication with local producers, thanks to a substantial number of QR codes that connect the user to the producer's website for social dialogue.
- the physical store, with every day low prices, throughout the year without promotional leaflets nor short-term special offers with expiring dates.



“ Crai is a co-op society of food retailers formed in 1973 and today is listed amongst the top ten Italian food outlets. ”

Images courtesy of Tuttigiorni Cagliari

The sales area is 1 000 square metres and stocks 7 900 SKU's. The store has many private label products which include in-house exclusive brands such as Crai cold meats (1 500 SKUs), Italian Pleasures – premium products that

reflect flavours from the whole of Italy (300), Heart of the Island – Sardinian specialities (200), Rose of Taste – bakery products, including bread baked on ovens fired with wood (250) and Leader Price KVIs (150).





The service areas have been carefully stocked with big sellers for the area, such as the butchery (150 SKUs); the deli (250), the bakery (50) and the sushi counter (50).

Only 50% of the store assortment consists of nationally branded products.

**Special services ...**

- The best marketing tool that differentiates this store from others is the availability of a 'store director' (in our parlance, probably the store manager) who is available every morning from 09:00hrs to 10:00hrs for coffee with customers, aimed at the exchange of ideas and suggestions. One cannot get more personal than this.
- Another service offered, is that customers can book a time for a meeting with an expert nutritionist to receive tips for healthy and proper nutrition.
- An eco-compactor is provided for plastic bottles in a drive towards recycling and respect for the environment. Home deliveries and the use of a loyalty Everyday card complete the offering.



“ The store manager is available for an hour every morning for coffee with customers, aimed at the exchange of ideas and suggestions. ”

Images courtesy of Tuttigiorni Cagliari

- Finally, an invitation to the shoppers – for each bag brought from home, the customer will receive a refund of 5 cents and the first 5c will be donated by the store to a worthy environmental cause.

The store is estimated to produce Euros 15m (that's over R21m per month) – not bad for a store of 1 000m<sup>2</sup>. **SR**

