

Broad Street Naturals and Aldi

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Objectives

- To further define Aldi's customer base (by using four key segmentation variables) and establish overlap with Broad Street Naturals' product offerings
- To identify key branding, positioning, and differentiation opportunities for Broad Street Naturals within Aldi
- To create a unique Broad Street Naturals promotional campaign for use within Aldi and pinpoint the best marketing channels for success

Agenda

The Aldi Customer Base And Broad Street Naturals

Branding Opportunities For Broad Street Naturals Within Aldi

- Positioning statement
- Differentiation tactics
 - General concepts and packaging

Promotional Campaign For Use Within Aldi

Final Recommendations And Conclusions

Aldi - Review

Aldi

- Discount grocery store that stocks 90% private label products
- No overarching focus on organic or natural products
- One similar competitor offering - Philly Gourmet (beef only, not private label, health shortcomings)
- 3rd most-used store for groceries
- \$19 billion in sales (2019) - projected to grow 6.7% through 2024

New vendor requirements

- Provide product information through Aldi's website
- Less stringent quality standards than Whole Foods
- Production facilities must be GFSI certified and warehouse facilities must be GMP certified

[Statista](#) - Grocery Stores: Aldi Brand Report
[IBISWorld](#) - Supermarkets & Grocery Stores in the US
[Aldi's website](#)

The Aldi Customer Base

The Aldi Customer Base

Geographic

- 1,900 stores across 36 states (eastern U.S. and California)
 - Approx. 25 stores within a 20 mile radius of Montclair, NJ
- Breakdown of where customers live
 - Towns and rural communities (< 1 million citizens) - 60%
 - Cities and urban communities (> 1 million citizens) - 40%

[IBISWorld](#) - Supermarkets & Grocery Stores in the US

[Aldi's website](#)

[Statista](#) - Grocery Stores: Aldi Brand Report - Based
on an online survey of 1,127 customers

The Aldi Customer Base

Demographic

- Gender
 - Male - 54%
 - Female - 46%
- Age
 - 18-34 - 41%
 - 35-54 - 45%
 - 55+ - 14%

Demographic

- Household size
 - 1-2 - 41%
 - 3-4 - 45%
 - 5+ - 14%
- Income (based on average monthly gross income)
 - Top third - 34%
 - Middle third - 33%
 - Bottom third - 33%

The Aldi Customer Base

Psychographic (lifestyle)

- 81% of customers buy meat
- 62% of customers prefer high quality products
- 51% of customers follow a no/low carb diet
- 49% of customers prefer products that are easy to prepare
- 48% of customers prefer natural ingredients
- 35% of customers avoid artificial flavors/preservatives
- 48% of customers order groceries online

All percentages are above industry averages

Behavioral (non-Aldi statistics)

- The average household goes grocery shopping 1.6 times a week
- 40% of households go shopping once a week
- 32% of households go shopping twice a week
- The average household purchases meat once every 2 weeks

[Statista](#) - Grocery Stores: Aldi Brand Report
Based on an online survey of 1,127 customers
[Statista](#) - Food Shopping Behavior in the US
Based on online surveys of 1,786 and 1,455 customers

The Aldi Customer Base

Overall, the Aldi customer base is quite well-rounded, with many of its psychographic statistics in-line with Broad Street Naturals' product offerings.

Furthermore, because these product offerings have the ability to appeal across all geographic and demographic components, Broad Street Naturals will be able to fit in seamlessly within any of Aldi's stores.

Branding Opportunities For Broad Street Naturals Within Aldi

Positioning

The first step in the marketing process

Must be completed before any other marketing or advertising activities take place

Serves as a guide for the marketing and advertising processes

Develops the reasons why a customer will choose and trust a brand

Allows a brand to reach its full potential in any given marketplace

Positioning Statement For Aldi's Customer Base

To Aldi customers of all ages who are looking for a healthy, versatile meat product that brings loved ones together and fosters new relationships. Broad Street Naturals is a brand known for its high quality puck-shaped beef and chicken products, which can be quickly prepared and utilized in a number of different recipes.

From a health perspective, Broad Street Naturals is all natural, GAP-certified, and has no antibiotics, added growth hormones, or carbohydrates. From a lifestyle perspective, it is convenient, has multiple uses, can be cooked from frozen within minutes, and has been a family tradition since 1971.

Simply, the brand character focuses on animal welfare, provides a healthy, easy-to-prepare, flexible option, and promotes a unique, fun, family-filled experience.

Differentiating Ideas For Broad Street Naturals Within Aldi And Against Philly Gourmet

Bring the first*

- Compared to Philly Gourmet, BSN would offer the first healthy, puck-shaped cheesesteak products within Aldi

How the product is made*

- Unlike Philly Gourmet, the BSN products possess a number of health-based credentials

Heritage

- Unlike BSN, Philly Gourmet displays no family history or brand story on its packaging or website

Hotness*

- BSN would be able to capitalize on current consumer preferences for natural products and small brands

Packaging Objectives (Part 1)

Identify the brand

- Aided by the brand story on the package

Convey descriptive and persuasive information

- Add “Non-GMO” to the packaging - 30% of shoppers look for this

Facilitate product transportation and protection, and assist at-home storage

Aid product consumption

- Eliminate the pucks/paper dividers freezing together - takes away from the “convenience” of the preparation process

Marketing Management - Page 390
Statista - Share of Consumers Influenced by Food Labels in the U.S. between 2018 and 2019
Based on a survey of 1,012 shoppers

Packaging Improvements - Color (Part 1)

Color Associations

- Black - classic, strong, balanced
- Yellow - the sun, warmth, joy, happiness
- Green - nature, health, growth, freshness
- Blue - dependability, trust, competence, integrity
- White - purity, innocence, cleanliness
- Red - excitement, energy, passion, boldness



Recommendations

- Switch to a white bag
- Change yellow border on the chicken to blue
- Change the health fact text to red



“Drop The Puck” With Broad Street Naturals

A Promotional Campaign

“Drop The Puck” With Broad Street Naturals

Background - Inevitably, sports will one day return to the United States and the rest of the world. When they do, viewership is expected to spike, with fans not only tuning in to watch their favorite sports, but seeking out and consuming any live event that is being broadcast on TV.

Campaign Goal - Relate BSN’s differentiating puck shape to a hockey puck and create a campaign centered around welcoming back hockey with BSN’s product offerings

Besides the puck shape, why hockey?

- Exposure - approx. 25% of people across all age groups consider themselves fans of hockey
- aligns well with the emphasis and even distribution of Aldi’s “18-54” customers
- High stakes - when the regular seasons resumes, it is expected that it will be shortened to give way to the postseason. This added level of excitement will help to create a larger spike in viewership

Key Messaging and Offering Points

Main message* - Coming together with family and loved ones to welcome back hockey with a puck-shaped meat

What to highlight

- BSN's family focus
- Health aspects - important to Aldi's customers
- Versatility - can use the products to prepare every dish for your party

Which Aldi demographics to target**

- 18-54 year olds, 1-4 person households
- Anyone who wants to celebrate...
 - With the members of their household (parents and children)
 - With their immediate family and friends
 - With their significant other (couples)
 - By themselves

*Assuming that a return of sports will coincide with a relaxing of social distancing rules, allowing for small groups of people to convene

**86% of Aldi's customers are between 18-54 and 86% of customers live in a 1-4 person household

Recipes That Can Utilize The Puck Style/Shredded Meat (Part 1)

- Casseroles
- Empanadas
- Fajitas
- Flatbreads
- **Lettuce wraps**
- Nachos
- Pasta
- “Pulled” sandwiches
- Rice Bowls
- Salads
- Stir fry
- Soups/stews
- **Tacos**
- Wraps



Recipes compiled from the Philly Gourmet (Aldi), Bell & Evans (Whole Foods) (pictures as well), and Naked Truth (Whole Foods) websites

Key Marketing Channels For Aldi's Customer Base

In order to reach Aldi's core age demographic (18-54, 86%), we suggest using a well-rounded advertising approach

Social media

- 63% of customers see Aldi ads on social media
 - 31% of customers “like” company posts
 - 27% of customers “follow” companies
 - 20% of customers share company posts

Online

- 53% of customers see Aldi banner ads
- 50% of customers see Aldi ads on YouTube

Traditional media

- 75% of customers see Aldi ads on TV
- 56% of customers hear Aldi ads on the radio

In-store

- 47% of customers come across Aldi ads within the stores

Additional Marketing Ideas

Minor league hockey (when crowds can return)

- Most minor league hockey teams are based in smaller cities (aligns with 60% of Aldi's customers living in cities of < 1 million people)
- Minor league sports thrive and survive on sponsorship revenue
 - Create BSN signage for minor league hockey arenas
 - Use BSN products as prizes in games/contests

Repositioning the competition-based campaign

- “Casting a negative light on the competition in order to show your positives”
- Create a campaign that attacks Philly Gourmet’s flat steaks as being “flat” not only in shape, but in flavor, emotion, and inspiration

Final Recommendations and Conclusions

Final Recommendations

Additional focus group findings

- Make the pucks bigger or provide an additional puck in each bag
 - Most respondents found that one puck was not enough to create a filling cheesesteak
 - Would allow BSN to better compete in Aldi with Philly Gourmet, which offers more meat for less money (see appendix)
- Switch to recyclable packaging (22% of shoppers look for this)

Increase the overall emphasis on the versatility of the products

Develop BSN's social media presence and tailor its website to reflect any packaging redesigns

See appendix for Part 1 questions and additional supportive material

[Statista](#) - Share of Consumers Influenced by Food Labels in the U.S. between 2018 and 2019
Based on a survey of 1,012 shoppers

Final Conclusions

Aldi has a diverse, well-rounded customer base (across all segmentation variables), which will surely allow BSN to carve out its own niche within this space.

BSN has key attributes that separate it from Philly Gourmet and will help to increase its standing with Aldi's customers. Be sure to weave this narrative into your positioning and differentiation tactics.

If positioned through a campaign that emphasizes family experiences, health, and product versatility, we believe that Broad Street Naturals can gain significant exposure, develop strong brand recognition, and be a standout selection in Aldi's chain of stores.

Questions?

Appendix

Questions From Part 1

“Regarding the beef and pork consumption trends...were they per capita numbers or total consumption numbers? The target customer demographic is hard to identify if that was from research and facts or just best guess by the team.” (Slide 11)

- The only per-capita number on this slide is the “per capita consumption” percentage under the chicken column. All of the other numbers are based on key totals (revenue, wholesaling, and profit margins) across both the chicken and beef industries. Unfortunately, IBISWorld does not break out the demographics of the customers of these industries.

Questions From Part 1

“Discussions regarding the price point only take into consideration the ring price and not the amount of product you get for the price point. Aldi customers are going to assess how much they get for the price and not just the ring, aren’t they? How much was the Philly Gourmet product per lb.?”

- The Philly Gourmet product has 1.3125 pounds (21 ounces) of meat per package, while both Broad Street Naturals products have 1 pound of meat per package. Therefore, based on the prices that these products were listed at in Aldi and Whole Foods, we can calculate the price per pound of each.
 - Philly Gourmet (\$6.79) - \$5.17 per pound
 - BSN (Beef) (\$7.99) - \$7.99 per pound
 - BSN (Chicken) (\$6.99) - \$6.99 per pound

Social Media Marketing - Actionable Steps (1)

- Competitor benchmarking
- Keyword research
- Visitor and conversation tracking and reporting
- Build an online reputation and traffic by utilizing a blog and content strategy
- Link building - links to review sites and competition tracking
- Become an industry authority by gaining high ranking in search engines
- Tailor ads based on goals and strengths, weaknesses and improvements, and current situations
- Base ads on demographics, location and audience, brand message, and ad frequency
- Post-performance analysis - examine available metrics

Social Media Marketing - Actionable Steps (2)

1. Hire a social media marketing company or do it in-house
2. Create the ad - image, video, etc.
3. Filter to the target audience. Recommendations:
 - a. Location - U.S. - Filter to the North Atlantic and Mid-Atlantic if available (places where Aldi has the largest presence and where you want to penetrate)
 - b. Age - 18-54 - This captures 86% of Aldi customers and the age group most likely to be using social media frequently
 - c. Gender - All - Aldi's is split almost 50-50
 - d. Details - Try to get the audience size under 1 million
 - i. Meat eaters
 - ii. Preference for natural foods
 - iii. "Like" Geno's or Pat's Steaks (57K and 35K Facebook followers respectively)
 - iv. Hockey fans (if pursuing the hockey campaign)
4. Post your ad

Social media marketing is useful because of the ability to target very specific audiences. Facebook knows I like coffee and Star Wars, and pushed me this add. This is what you want to accomplish (I bought this because of how effective the advertising was).

