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MARIBOR

COMPARING SUPERMARKET STRATEGIES IN MARIBOR REGION

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GRATITUDE/THANKS

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SUMMARY

Nowadays, the business world is developing very quickly in all areas. It is extremely important to adapt rapidly and use promotion appropriately to increase sales and, as a result, increase the profit of the organization, too. Therefore, the effective functioning of an organization requires two factors, firstly, a well-planned and implemented strategic marketing process and secondly, an appropriate marketing strategy.

In this diploma thesis, Slovenian supermarkets are going to be the objects of research. The main idea of the research is to define the differences in the marketing approaches among the three targeted supermarkets. The first one is Mercator, which is originally a Slovenian company in operation since 1949. This is the biggest retail chain in Slovenia with over 450 shops around the country. The second supermarket is a discounter, Hofer. Being the subsidiary company of the German Aldi, it operates in Slovenia since 2005 and has more than 80 stores. The third is E. Leclerc, a French supermarket. Even though the first such supermarket was opened twenty-one years ago, this retail chain only has two supermarkets in Slovenia.

The differences between the supermarkets are noticeable at first sight. According to the research, the difference in the online presence of the three target supermarkets was huge. Surprisingly, the leader in this field is Hofer. The German discounter leads with an impressive advantage, having an average of five times more followers. The biggest representative of the studied supermarkets, Mercator, came second on each studied social network. During the interview, Mercator's marketing manager explained that Internet promotion is not their main goal, although it has potential. Innovativeness is more considered as a way to improve the supermarkets. E. Leclerc shows much less interest in online presence. It was confirmed by the marketing manager of E. Leclerc that they prefer traditional ways of promotion.

After performing the research and the interviews, the key differences in the marketing strategies of the three supermarkets were identified. Mostly, they are connected to the popularity of the supermarket chain, the origin of the supermarket, possibilities available to the supermarket and openness to digital development as well as to fast adjustment to influencing external factors.

Keywords: marketing, supermarket, strategy, promotion, development, advertisement, plan, Mercator, Hofer, E. Leclerc, digital, Internet, social network.

POVZETEK

Danes se poslovni svet zelo hitro razvija na vseh področjih. Izjemno pomembno je, da se podjetja hitro prilagodijo novim razmeram in se ustrezno promovirajo, da povečajo prodajo in posledično dobiček organizacije. Učinkovito delovanje organizacije zatorej zahteva dva dejavnika, prvič, dobro načrtovan in izveden proces strateškega trženja in drugič, ustrezno strategijo trženja.

V diplomski nalogi bodo predmet raziskovanja slovenski supermarketi. Glavna ideja raziskave je opredeliti razlike v pristopih trženja med tremi ciljnim supermarketi. Prvi je Mercator, ki je prvotno slovensko podjetje in deluje že od leta 1949. To je največja trgovska veriga v Sloveniji z več kot 450 trgovinami po vsej državi. Drugi supermarket je diskontna trgovina, Hofer. Kot hčerinsko podjetje nemškega Aldija deluje v Sloveniji od leta 2005 in ima več kot 80 trgovin. Tretji je E. Leclerc, ki je francoski supermarket. Čeprav je bil njihov supermarket odprt pred enaindvajsetimi leti, ima ta trgovska veriga v Sloveniji le dva supermarketa.

Razlike med supermarketi so opazne na prvi pogled. Glede na raziskavo je bila razlika v spletni prisotnosti treh supermarketov velika. Na tem področju je presenetljivo vodilni Hofer. Nemška diskontna trgovina vodi z impresivno prednostjo, saj ima v povprečju petkrat več sledilcev. Največji od preučevanih supermarketov, Mercator, je na vsakem preučenem družbenem omrežju zasedel drugo mesto. Med intervjujem je vodja trženja Mercatorja pojasnil, da promocija interneta ni njihov glavni cilj, čeprav ima potencial. Inovativnost se obravnava predvsem kot način za izboljšanje supermarketov. E. Leclerc kaže veliko manj zanimanja za spletno prisotnost. Vodja trženja E. Leclerc je potrdil, da imajo raje tradicionalne načine promocije.

Po opravljeni raziskavi in intervjujih so bile ugotovljene ključne razlike v trženjskih strategijah treh slovenskih supermarketov. Večinoma so povezani s priljubljenostjo verige supermarketov, nastankom supermarketov, možnostmi, ki so supermarketu na voljo, ter odprtostjo za digitalni razvoj, pa tudi s hitrim prilagajanjem na vplivne zunanje dejavnike.

Ključne besede: trženje, supermarket, strategija, promocija, razvoj, oglas, načrt, Mercator, Hofer, E. Leclerc, digitalno, internet, socialno omrežje.

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1 INTRODUCTION

1.1 Description of the area and definition of the problem

Today, the business world in all areas is developing rapidly. Due to constantly changing trends, the “rules” of a marketing play and unforeseen external factors companies are facing continue to change the market. Therefore, it is essential to know how to respond to these changes quickly. Only in this way companies and supermarkets, in particular, can be successful in dealing with an active movement in the field of marketing whose basic task is to persuade customers to use their offers, accelerate and increase their sales and consequently increase the profits of the organization, too. The effective functioning of an organization, therefore, requires two factors: firstly, a carefully planned and implemented strategic marketing process and secondly, an appropriate marketing strategy. In today’s rapidly developing marketing field, it is important to simultaneously maintain the directions of diverse marketing activities – it is important to maintain the basics and follow modern emerging strategies, to research and use them to achieve the planned goals.

Strategic marketing represents the way a firm effectively differentiates itself from its competitors by capitalizing on its strengths (both current and potential) to provide a consistently better value to its customers than its competitors. Although in principle, it is simple as that, it also means a lot more than simply getting creative with the marketing mix.

Armed with a thorough understanding of the company's capabilities and aspirations, the customer market and the competitive landscape, the goal of strategic marketing (and the job of the strategic marketer) is to maximize a company’s positive differentiation over the competitors’ in the eyes of its target market. It does this by answering three key questions: where, how and when the business should compete. In understanding this, it is no surprise that a strategic marketing plan will often lay a framework for fundamental change in the way a company operates and how it engages its markets (Davies, 2011).

1.2 Purpose, objectives and basic claims

The objectives of my diploma thesis are to review the relevant literature in the field of strategic marketing and marketing strategies of supermarkets. The main goals of this work are to analyze the processes of strategic marketing in the targeted Slovenian supermarkets. Based on this research, we will identify the main obstacles in strategic marketing processes in the researched Slovenian supermarkets as well as identify similarities between theoretical findings and strategic marketing planning in practice on concrete cases. After we have obtained our results, we will be able to introduce concrete solutions for an effective strategic marketing process.

In order to follow the purpose of the diploma thesis, we have drafted a list of questions and formulated working hypotheses that will guide us in conducting the research.

In the diploma thesis, we will answer the following basic research questions:

1. What is the difference in the development of strategic marketing plans and tools among Slovenian supermarkets and which factors limit it the most?
2. Do the studied companies prefer to use innovative and modern ways of marketing planning?

Based on the above-listed questions, we will put forward the following hypotheses:

- Key differences in the development of strategic marketing plans and tools among Slovenian supermarkets are mainly connected to the popularity of the supermarket chain, the origin of the supermarket, possibilities available to the supermarket, their openness to digital development and fast adjustment to influential external factors.
- A talented marketing strategist is a person who can bring out of the box ideas and is a good negotiator and leader. Also, nowadays, it is especially important to be developed digitally as well as to be flexible and adaptive to changing trends and technologies.

1.3 Assumptions and restrictions

The limitations we expected in the process of writing this diploma thesis were mainly related to the duration of data collection. An additional limitation was the fact that the results of the data collected might turn out insufficient and there would therefore be no possibility to present them fully. Data selection was also a limitation for the diploma thesis since there was no possibility to find all the data we were interested in due to commercial confidentiality.

1.4 Used research methods

The first goal is to find the answer to a research question "**What is the difference in the development of strategic marketing plans and tools among Slovenian supermarkets?**". It requires research of the strategic marketing plans of the companies and defines the difference in the approach to marketing plans; define advantages and disadvantages of the marketing tools used. Also, the research requires evaluating the success of these companies. From the financial point of view, this can be achieved by calculating received revenue and the number of clients obtained due to performed marketing activities. Additionally, it can be checked with customers if they can tell the difference between the different plans of particular shops.

The second research question is "**Do studied companies prefer to use innovative and modern ways of marketing?**". The research of the strategic marketing plans of the companies can help to define which tools they use in their marketing and evaluate how innovative and useful/profitable this way is. The campaigns of these companies are compared depending on the novelty of the campaign and positive outcomes received: profit, new customers, society reaction, etc.

The first hypothesis is "**Key differences in the development of strategic marketing plans and tools among Slovenian supermarkets are mainly connected to the popularity of the supermarket chain, the origin of the supermarket, the possibilities available to the supermarket, their openness to digital development and fast adjustment to influential external factors.**" The methodology of this hypothesis implies an evaluation of the strategic marketing plans and tools of the supermarkets online and offline. The online part of the research requires estimation of companies' marketing plans and tools from their advertisement, website, social media presence, etc. The offline part is meant for interviewing the marketing managers of the companies. After these steps, the differences between their plans should be evaluated: if they are connected to popularity, origin, openness to digital development.

The second hypothesis is "**A talented marketing strategist is a person who can bring out of the box ideas and is a good negotiator and leader. Also, nowadays, it is essential to be digitally developed and to be flexible and adaptive to changing trends and technologies.**" A candidate should have a high level of technological skills, be open to today's world, purposeful and able to find a common language. The candidates can be checked through technological tests, interviews and probations.

2 MARKETING OF SUPERMARKETS

2.1 What are supermarkets

A **supermarket** is a self-service store or independent retail market offering a wide variety of food and household merchandise, organized into departments. It is larger with a wider selection than a traditional grocery store while being smaller than a hypermarket or superstore (Gove & Merriam-Webster, 1993)

Generally speaking, supermarkets sell any kind of goods; mainly food, household goods, cosmetics, clothes, furniture and medicine. Typically, supermarkets are chain stores that are supplied by distribution centres of their parent company and contracted companies. Due to existing agreements and contracts, supermarkets buy goods at a lower price in bulk and commonly pay for them at least thirty days after they had received them. The merchandise arrives at the supermarket already packed and just needs to be placed on the shelves. As a matter of fact, the layout of a supermarket and product placement in the shop plays a huge role in terms of selling strategy and are used as one of the marketing tools applicable in supermarkets.

2.2 Marketing concepts (4P, 7P...)

According to Phillip Kotler and Gary Armstrong's «Principles of Marketing» (2010), a marketing concept (marketing mix) is a set of controllable tactical marketing tools that the firm blends in order to produce the response it wants in the target market. There are two main marketing concepts existing; these are 4P and 7P concepts whereby every P stands for the essential element of marketing. (Phillip Kotler, 2010)

Price

Price is the amount of money that a customer pays for a product. Usually, markets set prices for their goods depending on the product's real value and received value. Also, while setting the price, companies have to consider supply costs, seasonal preferences and discounts as well as the prices of their competitors. The price may also vary: for example, the price can be reduced so that more customers can try the product and buy it later; or, on contrary, the price can be increased to make the product look like a high-class product.

Place

Place is another important element in the whole working process as it serves as a communicational channel between the seller and the customer. Location plays a vital role because it partly depends on the location if customers come to the place. On contrary, the company has to move towards the potential customer by making the buying process easier and more available to him. Also, it is not only important to make the location convenient for customers, but for the company's suppliers as well.

Promotion

Promotion is a set of different types of activities aimed at increasing the popularity of the product of a company and revealing to customers why they need to buy it for the set price. Promotion includes different types of advertisement, promotional strategies and public relations. Through the promotion, the company gives information about their offers and aims to target and attract customer's attention and interest, thereby increasing the motivation of the buyer to make a purchase.

There are four main elements of promotion – Advertising, Public Relations, Personal Selling, Direct Marketing and Sales Promotion –, which influence the process of promoting the most.

Advertising – it is a way of promotion which is usually paid. Typically, this promotion mode is closely connected to the mass media as companies use television, newspapers, magazines and the internet to promote their goods. Except for those already named channels of advertisement, there are others, too, for example, billboards, posters, pamphlets and catalogues.

Public Relations (PR) – is a mode of promotion aimed at increasing positive opinion about the product in society and influential mass media. PR includes TV shows, newspapers, social media and product placement in films/TV series/music videos. Often, companies try to influence social opinion by contacting influencers who can test the product and leave a positive public opinion/feedback about the product. This action can attract and bring in new customers who follow the influencer but may not be familiar with the company's product.

Direct Marketing – is a channel of marketing that specifically aims at a person or company to make a deal. This method gives a great opportunity to build a personal relationship with the customer or partner company. Usually, this happens through customized letters, emails or messages.

Sales Promotions – these are short-term selling activities created to attract customers' attention and encourage them to buy the product and increase the company's sales. Normally, these promotions are directly connected to seasonal features, current events or holidays, such as decreasing the price for a short period of time or setting up a contest with prizes to win, offering sample trials etc.

2.3 Marketing of supermarkets

Main marketing activities held by big Slovenian supermarkets can be divided into two main directions – firstly, marketing outside of the supermarket and secondly, marketing inside of the supermarket. We will briefly introduce both of them.

2.3.1 Inside marketing

Inside marketing is everything that has been done by a company and its team to make customers satisfied and willing to return. The main goal of inside marketing is to create a suitable environment in the supermarket so that customers leave the place satisfied. There are different existing factors and details which influence the success of marketing performance inside the shop. It all starts with the entrance and first impression – the name of the supermarket, its logo, design – it all matters. The creation of a comfortable atmosphere is one of the key elements to get closer to the customer. For instance, it can be achieved by maintaining employees' interest in customers' satisfaction. Employees are valuable tools to affect a customer's decision to buy or not to buy a product. What is more, the relationship between the customer and buyer can afterwards work as a marketing opportunity.

Successful purchases can serve as an advertisement for a supermarket. In order to gain this success, it is important to have employees who are not only sales-minded but also customer-oriented.

Not many people realize how many small and crucial details the marketing game inside of supermarkets consists of. For example, the layout and placement of everything inside a store are important. The schematic arrangement of shelves and design of the store both play an important role in increasing the interest of the buyer and, consequently, the company's sales. In the article "The importance of store layout", Hernani Ribeiro (2016) describes four main purposes of supermarket layout:

1. "Customer flow. One of the main purposes of the layout is undoubtedly a smooth customer flow throughout the store. To achieve this, it is important to create the right balance between fast and smooth (customer) flow on the one hand and provision of space on the other hand. Creating a smooth (customer) flow is necessary for stores that have a high frequency of customer visits. Well-organized routing and sufficiently wide aisles can achieve this."
2. "Prevention. The layout also has a preventive task. The more poorly organized a store is, the more opportunities shoplifters have to take advantage of their disorganization. When developing the layout, precautions can and should be taken to prevent shoplifters to steal goods from the store. Examples are: not to install shelves as a poorly organized maze, adjusting the height of the shelves or placing theft-sensitive goods within the sight of employees."
3. "Logistics. A good layout cannot completely reduce the costs, however, it can make them more controllable. Short supply routes, wide aisles where necessary and adjusting the warehouse build-up to the store are important factors that can result in an improvement of the cost structure."
4. "Flexibility. Depending on the type of business and the sales formula, there is an ever-growing need for increased flexibility. Product ranges change more and more frequently and you want to be able to respond rapidly to seasonal changes. A good layout allows for this. Flexibility is key where the need for space, the margin in the market and presentation are concerned." (Ribeiro, 2016)

To increase the duration of the customer's presence in the store, it is recommended to arrange the most important products, such as milk, bread and meat, as far as possible from the entrance. Rebecca Rupp (2015) describes this idea in her article "Surviving the Sneaky Psychology of

Supermarkets". "On a larger scale, the supermarket is designed to inveigle customers into spending as much time as possible within its doors. Dairy departments are almost invariably located as far from the entrance as possible, ensuring that customers – most of whom will have at least one dairy item on their lists – will have to walk the length of the store, passing a wealth of tempting products – a route to the milk, eggs, cheese and yoghurt. Especially popular items are routinely located in the middle of aisles so that even the most single-minded buyer has a chance to be distracted by alternatives. Mid-aisle positioning is intended to sideline the so-called boomerang effect, in which some shoppers (notably men) simply head for the item they need, then return the way they came." (Rupp, 2015)

Supermarkets also use a sneaky trick to place the cheapest products on the lower shelves so that the higher-priced products are at the level of the shopper's eyes. The placement on the shelves is a crucial strategic move to do because every shelf has a hidden purpose. So, generally, there are four zones: stoop level, touch level, stretch level and eye level. This is how the purposes of each are described on the website of Shelving Shop Group (2018):

1. The Stoop Level. The lowest shelf is called the stoop level, simply because of the action involved in reaching out for the items. This is where most lower margin merchandise is found. To peruse the stoop level shelves, customers would have to crouch or kneel while viewing or inspecting the products. Most of the time, products on the stoop level are ignored because they are not within the shoppers' field of vision.
2. The Touch Level. The second level is the touch level where products are easily within reach. Many supermarkets use these shelves for sweets, snacks, toys and other products catered to children. When items are placed on these shelves, they attract kids who are more likely to ask their parents to buy them.
3. The Stretch Level. Two levels higher than the touch level shelves is the stretch level. Using the same reasoning for stoop level shelves, items that are placed here are also low margin because this area receives little attention from shoppers. Customers usually miss this spot on the shelves because they have found what they needed on the lower shelves and looking upwards takes a bit of effort. What makes the stretch level different from the stoop level is the weight of the items. Supermarkets avoid stocking heavy items on this level to prevent any potential injuries.

4. The Eye Level. Inarguably, the most important shelves in a supermarket are at eye level. 'Eye level is buy level', as some people have coined it. Products on eye-level shelves get 35 % more attention than other shelves, making them perfect for products with a high-profit margin. At this level, consumers can easily view and read the product information without even holding it. This is also the first set of shelves adult shoppers see once they walk through grocery aisles, making the items here very memorable. (Group, 2018)

Additionally, to increase the duration of the customer's stay in the store, the layout sometimes gets changed and goods are replaced from one place to another. There are also different reasons for supermarkets to do this. Neil Kokemuller (2012) gives four main reasons for rearranging merchandise in his article "Why Do Retail Stores Rearrange Merchandise?"

1. Repeat Customers. One of the most basic reasons why companies rearrange merchandise is to give their stores a fresh look. This keeps current customers coming back to the store. Instead of a lot of new products, rearranging merchandise presents a new look that causes regular customers to think they are getting a new experience.
2. Sales Promotions. Retailers periodically hold sales promotions in certain departments or for particular products to get rid of excess inventory or to drive more traffic. This may require rearranging merchandise to better display the sale items. End caps and special displays are common places where sale items are merchandised. Once the sale items sell, the products get rotated again to their prior setting or to promote another new sale.
3. Brand Image. Some retailers rearrange merchandise routinely as part of rebranding or maintaining their existing brand image. In her article "Can JCPenney's New CEO Revive Business With New Strategy?", Laura Murphy (2012) discusses the rebranding efforts of JCPenney. The company's new CEO Ron Johnson was trying to breathe life into the struggling chain. Monthly rearranging of merchandise and transitioning of colour schemes were integral to building a fresher, more appealing style to go along with the company's emphasis on value pricing. Turning over merchandise and having trendy products are common to some retail brands.
4. Seasonal. Many retailers sell seasonal products that only have a high demand temporarily. Back-to-school sales take place a couple of months before the start of each school year. Retailers display school supplies together in one area. Holiday sales are another

constant. Some retailers carry clothes that are only in demand during warm or cold seasons. The retailers rearrange merchandise to prominently display these hot items when they are in demand and reset other merchandise when the season ends. (Kokemuller, 2012)

Apart from the placement in the shop, there are such factors as pricing and discounts. The right pricing is also a tool to compete for customers' attention and that is why enough attention should be paid to it. Prices are set by counting several factors: cost prices, competitor's prices, uniqueness of goods or offers on the market and current season. Depending on the current situation in the region, events and different holidays, companies usually arrange sales and prepare special offers for customers. This category also includes a discount program and special conditions for club cardholders. Usually, this card is an indicator of customer's loyalty to the supermarket. Usage of the club card provides a win-win situation for both sides – customers can have their products at discount and the supermarket knows that the customer will return.

Incidentally, a special event could be another opportunity to cooperate with suppliers and arrange a joint offer. It could be such acts of cooperation like various stands with products of the advertised company only and free samples of foods. Various studies confirm that people are often embarrassed to take food or other goods for free and, therefore, after trying a free sample, they somehow feel the need to buy something to give something in return. As an example, there was a company producing chocolate in the USA, called Ethel M Chocolates. They have created a campaign of giving free samples of chocolate to every customer who entered their chocolate store. These are the findings from this research. "After 300 customers were unobtrusively observed over a three-day period, it was found that free samples indeed had a positive impact on immediate sales of the product. Of greater interest, however, are the findings that this effect was restricted to those consumers who subsequently made rather small purchases and to the purchase of non-sampled types/varieties of the product.". "Sampling significantly increased the immediate sales of chocolates. However, this positive effect was restricted to small purchases (up to \$5) and the purchase of chocolate varieties other than the variety sampled". (Lammers, 1991)

Cooperation with other companies can be beneficial for supermarkets not only when it is visible to the buyer. For example, if the relationship with the supplier is established, the supermarket can receive goods at a reduced price.

It would not be marketing if there were no sneaky tricks that induce customers to purchase and affect their behaviour. Supermarkets use various techniques to keep their customers in the store as long as possible. One of these techniques is the rubberized floor covering which sometimes makes it difficult to push the shopping cart. This is done solely in order to slow down the movement of the buyer through the store and make his stay as long as possible so that he starts to look around for various goods that will soon go into his shopping cart. Speaking of carts used in the store, some researches show that over time, these carts are becoming bigger and bigger as customers use them as a measure of time spent in the store. Therefore, it often happens that a buyer – when he sees that his cart is not yet filled or filled just a little bit – thinks that he can afford more products and continues to look for additional goods to buy, even if the customer only wanted to purchase a couple of products. Also, one of the marketing tricks is slow music. Such music puts the customer in a good mood and slows down the pace of his walking, which contributes to a longer stay in the store.

2.3.2 Outside marketing

Outside marketing implies the advertisement and promotion of the supermarket outside of the supermarket. This means advertisement of the supermarket and its offers, for example, on television. These ways of advertising still cover a huge amount of possible clients and show your presence on the market. Television is one of the two biggest and most influential information horns used by people of all ages, genders, nationalities, interests and desires, and that is why this channel of advertising gives a big chance to find a buyer. As regards television promotion, it is crucial to be remembered, usually accomplished through short promotion videos informing about coming offers. This possibility can also be used as a chance to make something outstanding and different from competitors' advertisements, that is to stand out of the pile of alike advertisements and be remembered by the audience and potential clients.

Promotion through newspapers and radio is slowly losing the power it had before. In the digital era and due to constantly developing technologies, these two promoting channels have become less and less actual and useful. But still, they are being used by a group of people who are used

to them, and this has to be respected. Older people's habits do not change easily and that is why paper advertisement is still used, although on a smaller scale.

Nowadays, it has become more and more valuable to be digitally present. That is why there is a digital advertisement, which means promoting the company via social media, search engines and applications. Since we live in a digital era with an enormous quantity of new technologies coming, supermarkets have to use this possibility in all ways. For example, being aware of the impact of the constantly growing social media markets and shops, they have to integrate social media in their daily life, and thus expand "digital possibilities" to their customers. First of all, since our planet has been affected by the new virus, a lot of companies have just started to move in the direction of online shopping, although this field was well-developed even before the coronavirus crisis. Only because of these circumstances, new companies and shops began to evolve it – large brands and holdings have had this option for a long time, but not small places. In my mind, nowadays, this is a compulsory feature that must exist in every working system for a number of reasons:

- creating a new application for mobile stores to share all of the offers is very affordable today;
- it will bring the supermarket closer to their customers as they can find a piece of information fast just by using their smartphones, they are “one click away” from the newest information;
- nowadays, it is a must-have to stay on the radar of your customers and to be there for possible new customers.

But not only having its own website and updating it with new and fresh information is vital. It is crucial to communicate with customers, be closer to them and stay in touch. For this particular goal, supermarket companies have to be present in the centre of people's lives and opinions – on social media. The influence of social media these days is hard to overestimate. People use favourite applications and update their profiles more and more often with each day coming. The scale of influence and opportunities that open up for supermarkets is enormous and endless if they start to use them in the right way. For example, even small push notifications from the supermarket's application including current offers can remind a customer about the shop and

might plant an idea in his head to visit it. Additionally, there are such social networks as Instagram, Facebook and Twitter through which any company can be promoted. By the way, it is important to understand their main characteristic features. If a PR department of a shop knows these features and is able to use them in the right way, it can, without a doubt, increase the number of its followers, and therefore potential customers.

Except for all the named ways of promotion, there are still advertisement tools which surround us every day and could be used for promotion. This is an advertisement around the city where the supermarket is located. These are billboards, posters, mobile advertisements on buses and brochures. Always staying in sight, these ads remind people of the supermarket's existence and may force them to buy, too.

2.4 Marketing talents

Supermarkets need to constantly improve their marketing strategies, their approaches to conquering the market and their image. This is the main reason why the management of supermarkets always seeks to find a person who can bring them fresh ideas and raise the standard. Of course, companies of Mercator's, Hofer's and E. Leclerc's size cannot afford to hire an incompetent worker for such an influential and important position. Before hiring, they have to formulate their needs and goals to understand in which direction they want to move. It is complicated to define the characteristics of your desired marketing manager if the goals are not clearly set.

Here is a list of distinctive features of a talented and prospective marketing manager:

1. Sales-minded. First of all, the position of a marketing manager implies sales. A good marketing manager thinks about the different ways to sell the products and always makes a decision.
2. Creativity. A talented marketing manager should be able to do something that will be different from other brands and will remain in people's memory. The person should have a good imagination to produce new campaigns, which will keep the interest of customers alive.
3. Adaptability. This quality is necessary for marketing workers for several reasons. As soon as there are a lot of different traditions, preferences and desires in different cities

and countries, the worker has to know and use them for promotion. The ability to adapt to emerging issues and solve them, in the end, is much appreciated.

4. Innovative. It seems impossible to overestimate the influence of technologies and social networks these days. A talented manager sees unlimited potential and uses this marketing tool to promote the brand, to get closer to customers and provide them with different possibilities of shopping experience.
5. Good person. A talented marketing manager has to be a good person both to the working team and customers. Being a team player, a talented marketing manager is able to create an atmosphere of imminent success. The manager's confidence in the effectiveness of the plan can convey to the entire team, leading to a greater probability of success. Being good with customers will help establish better relationships and make them satisfied.

3 SLOVENIAN SUPERMARKETS

The market of supermarkets in Slovenia consists of various brands differing from each other in their types, directions, origins and durations of market presence. We will consider three of them – Mercator, Hofer and E. Leclerc.

3.1 *Mercator*

Mercator is a Slovenian retail corporation, founded in 1949 as “Živila Ljubljana”. Four years later, it was renamed for the first and the last time to Mercator. Nowadays, Mercator is a multinational company operating in six countries – Slovenia, Serbia, Bosnia and Herzegovina, Montenegro, Croatia and North Macedonia.



Picture 1: Mercator logo

Source: (https://zasrce.si/wp-content/uploads/uvoz/dejavnosti/Mercator_Najboljsi_sosed_logo_1.jpg)

According to the annual report of Mercator Group for 2020, Mercator has 1005 retail stores and 169 franchise stores around Europe. As of the end of 2020, the number of employees of Mercator Group was approximately 21 000. The Slovenian part of Mercator retail chain is considered the biggest as it brings 58.5 % of revenues and has 46.4 % of all hired employees. In 2020, Mercator Group's revenue amounted to €2,170.0 billion, which is an increase of 1.6 % while retail revenue rose by 3.7 %. On Slovenia's market, its largest market of operation at the level of retail as the Group's core activity, revenue growth was even higher, reaching 5.1 % relative to 2019. In Slovenia, Mercator is considered as the main national representative on the market. Thanks to the development of a vast retail network and convenient location to almost any citizen, Mercator is the main choice for most Slovenian families. Most of the customers marked

the breadth of the choice of local products and the usefulness of the loyalty card Pika, which gives them special discounts and offers. By the end of 2020, Mercator declared about 726.000 cardholders in Slovenia. (Mercator, 2019)

3.1.1 Business strategy of Mercator

Vision: Mercator is the best local retailer, offering cutting-edge store concepts in every market of its operations.

Mission: Mercator's future growth will be built on winning business models that include offers that are relevant and appealing to customers, long-term partnerships with local and regional suppliers, new store concepts and enhanced operating excellence as well as cost efficiency across the businesses

Strategy: At the end of 2020, Mercator Group renovated a long-term strategy and started to consistently implement it across all key processes at the Mercator Group. The strategy was developed for the period until the year 2025.

3.1.2 Marketing of Mercator

In 2020, the marketing of Mercator retail chain was especially focused on the differentiation of the brand. This differentiation strategy was based on the broadest offer of local and regional brands, the best customer loyalty program, the introduction of new store formats and innovation. Undoubtedly, the online shopping field has become more demanded and it was critically important to meet customers' needs under the strong impact of emergency circumstances. It required fast adjustment, application of relevant measures and several changes in the communication. The question of quick digitalization and appropriate management was the main one, and Mercator Group team has done a great job:

- online store sales have doubled on average, while at the peak sales were 10 times higher;
- most of the orders were delivered the next day after placing an order;
- the orders were also delivered on Saturday when usually all the shops are closed;

- they established their own hotline for online customers and organized a customer support service.

Except for digital development, Mercator has held several marketing campaigns:

- We Love Local – this activity took place to support the local micro-economy. The essence of the project was to bring the audience closer to local suppliers. In special flyers, which were created weekly, Mercator showed their customers new offers of smaller Slovenian companies. In the previous year, Mercator sold 1.1 billion worth of goods by local and regional suppliers, which is 61.5 % of total Mercator Group retail revenue.
- Good Choice – the program was created to promote a “healthier” type of food. Mercator has established connections with brands developing less sugar, less fat products, bio-focused good without preservatives, and then prepared a special offer for an interested audience.
- Vivo glasses – a half-digital campaign of collecting e-stickers using a mobile application. Customers could receive special stickers for every 10 EUR spent in the supermarket, and after collecting a certain quantity of stickers they were able to get special prizes from partners of the campaign.

3.2 Hofer

Hofer is a Slovenian supermarket chain, which is a subsidiary company of Aldi Süd, a German supermarket chain of over 10.000 stores in 30 countries and a combined turnover of €50 billion. Hofer operates in Slovenia since 2005 and according to the website of the company, it has more than 80 stores around the country. The model of Hofer is different from the first-mentioned supermarket as Hofer is recognized as a discounter. (Hofer, 2021)



Več kot fer. HOFER.

Picture 2: Hofer logo 1

Source: (<https://odpiralnicasi.com/photos/079/323/HOFER-big.jpg>)

3.2.1 Business strategy of Hofer

Vision: Hofer helps their customers to live richer life for less and offers the best products for the lowest price.

Mission: Hofer's present and future are mainly based on fair relationships – with customers, employees, suppliers, society and the environment. By a constant development of all of these fields, the company creates significant savings and economy which are the main characteristics of the discounter.

3.2.2 Marketing of Hofer

The marketing activities of Hofer are not so various and numerous. Being a discounter is not an elementary role and, unfortunately, there is not a big space for making experiments. This means that every Hofer's movement towards promoting should be well-structured, developed

and undoubted. Thus, recently Hofer started to master digital space for making promotions. During the last year, Hofer decisively started to develop their social media to get closer to their customers and to find new ones as well. One of them, i.e. YouTube channels of Hofer, has had a huge success in Slovenia. According to the statistics of the channel, their promotion videos reached more than 2 million views in the last year. The variety of video genres is quite impressive:

- there you can find the dancing video challenge. Customers could record dancing videos close to their favourite shop using special Hofer's song. The winners of the competition were posted on the main page and additionally, they got special prizes. This challenge got more than 100.00 viewers on the YouTube channel.
- Po Hofer Ceni (by Hofer's price) – it is a promotional song written by Hofer's team. The song is done in local style and full of Slovenian specialities – jokes, costumes and language. Thanks to the catchy tune and funny words, this song became relatively famous among Slovenian people. According to their YouTube channel, this song got approximately 1.5 million views, which is a real success for the Slovenian market.

3.3 *E. Leclerc*

E. Leclerc is a French supermarket chain, headquartered in Ivry-sur-Seine. It was founded in 1949 in France and after 72 years of successful operating, it has more than 721 stores in France and 83 locations all over Europe – in Poland, Portugal, Spain, Italy, Slovenia, etc.



Picture 3: E. Leclerc logo 1

Source: <https://www.compassioninfoodbusiness.com/media/7441820/e-leclerc-logo.jpg>

The first supermarket of E. Leclerc in Slovenia was opened back in 2000 in Ljubljana. Seven years later, the second store in Maribor was opened. As stated on the website of E. Leclerc, all the shops follow the main principle on the chain in the world – to adopt its prices to consumers' purchasing power. To maintain the support of this idea, it is important to constantly monitor all market changes and developments, prepare a specific offer and present it to the customers. E. Leclerc also declares that 80 % of the supermarket products are local to support local producers and the local economy. (Leclerc, 2021)

3.3.1 Business strategy of E. Leclerc

Mission: Over the past 70 years, E. Leclerc follows the same goal: to simplify consumption and provide as many people as possible with access to all products and services.

Vision: Accessibility is mainly and primarily a question of price. Prices that must remain the cheapest, whatever the product.

Strategy: For E. Leclerc, accessibility is also a question of openness to customers and information. To offer new markets such as jewellery, pharmacy garden supplies and culture, E. Leclerc has to fight against obsolete laws, break monopolies and develop new technologies.

3.3.2 Marketing of E. Leclerc

The marketing of E. Leclerc differs from the marketing activities of their competitors in some ways. First of all, E. Leclerc is the only supermarket on the list which is not Slovenian or was not renovated for the new market. On the contrary, it saved its original name, took over the main features and continued the development course of the parent company. Thanks to this fact, the French supermarket has a huge advantage – a breadth of the choice. While supporting local producers, E. Leclerc also uses their opportunity to sell products of their parent company. Thus, customers can find hundreds of French products and goods from different European countries on the shelves of E. Leclerc. More than that, E. Leclerc also has their food brand named "Eco+", which offers lower-priced products available to everyone. Another attractive element of E. Leclerc's marketing is its loyalty card. Customers receive cashback on their cards if they buy certain products. After accumulating the desired quantity of bonuses, a buyer can use the bonus and pay for the purchase, fully or partially.

Also, E. Leclerc runs different interactive activities and reward games:

- In 2021, a French supermarket held two reward games with decent prizes. The first game was dedicated to the Football European Cup. Customers had an opportunity to participate in a reward game after buying a product from the prepared list after they had received the special "prediction" card with which they could predict the winner of the tournament to get the prizes.
- The second reward game connected two stated countries. During the famous bicycle race Tour de France, customers of E. Leclerc could participate in a themed raffle and win different prizes – bicycle, special t-shirts and accessories.
- In E. Leclerc they organize charity days in the supermarket. They have scheduled days for charity collection. It could be dedicated to low-income families to help children, to local pet shelters or just to people who need help. Usually, it is organized in a way of a voluntary transfer of products bought in E. Leclerc. As a start, there is a shopping cart which is half-filled with the goods by the company. It works as an invitation for the customers who can participate in the campaign.

4 RESEARCH

4.1 Methodology and how the research was performed

The research of the marketing plans and actions of these three Slovenian supermarkets was based on the method of comparison. To achieve the most appropriate data for making such a comparison, we have decided to conduct three interviews with three marketing managers of the targeted supermarkets. Moreover, to make the difference between their strategies and approaches even clearer, we have decided to ask the same list of questions:

1. How would you describe the general strategy of your supermarket?
2. Comparing your supermarket to the competitors' ones, what are your main advantages?
3. What do you find most innovative in your company?
4. Which marketing campaign was most successful for you in the last 3 years?
5. Do you find digital or traditional media more efficient?
6. What's your attitude towards technology? Do you follow and use the modern tools available?

(The list of questions is a base for an interview. As the discussion took place, different questions were added to the list.)

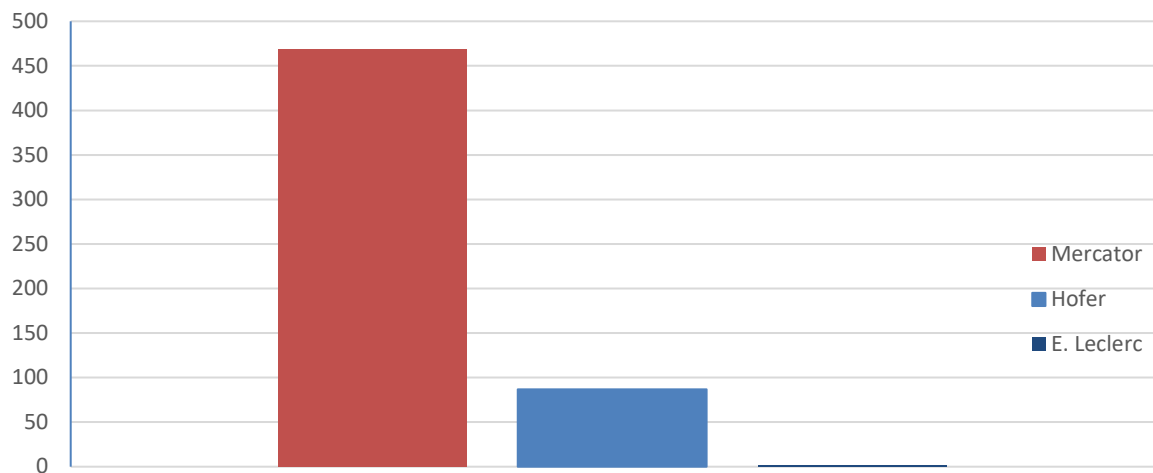
By asking these questions, we can understand better the direction of the marketing development within the company. Also, thanks to revealing the details of their strategies, we can analyze the attitude to modern (digital) ways of advertising. All the interviews were performed anonymously due to the companies' privacy policies.

4.2 Findings from secondary resources

Before organizing the interviews with the representatives, it was crucially important to make a pre-research of the companies to understand the initial differences between them, define their strengths and weaknesses and analyze the data they provided.

The first important thing to understand is the number of shops. It plays a role because the whole marketing strategy could be based on the number of markets. For example, if there is only one existing supermarket, this could raise the uniqueness of the place and marketing could be built

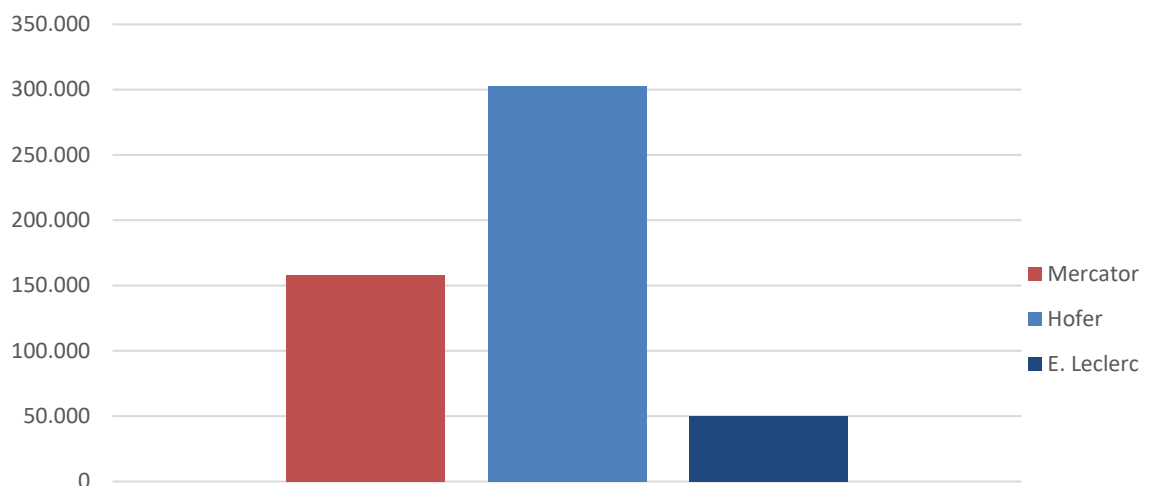
on it. On the contrary, a large number of shops could create an atmosphere that this exact shop is always near to you, that it is your neighbour.



Graph 1: Number of stores

Source: (own source)

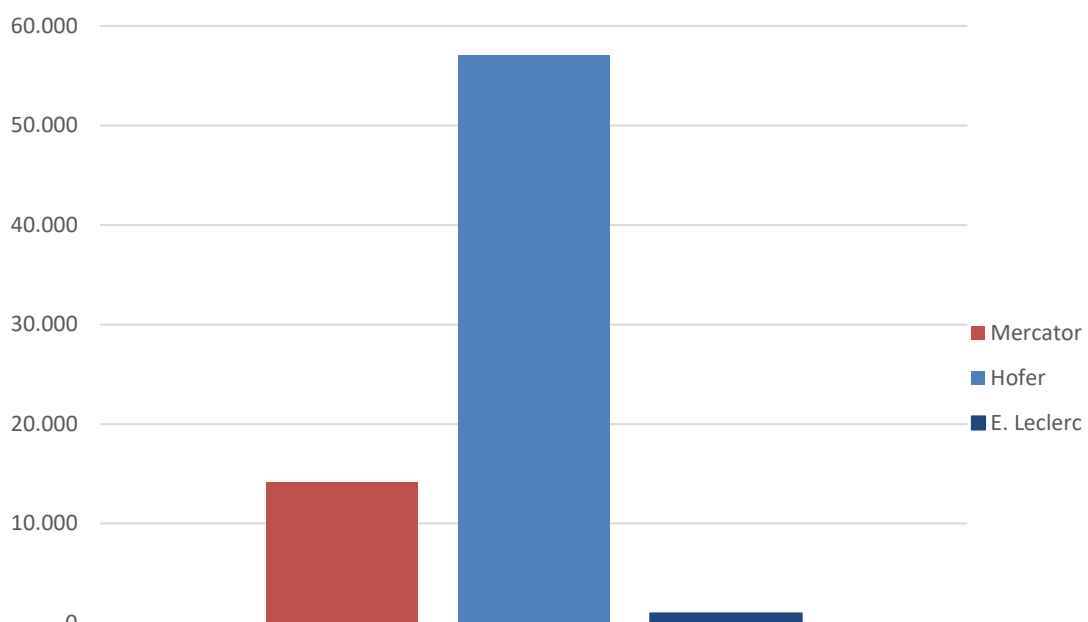
Other than that, contemporary marketing presupposes a digital presence if you want to follow actual trends. Nowadays, digital presence does not only mean having a website with the actual information about the supermarket. Today, it is useful, profitable and rewarding to be present on social media. Companies interact with their customers, promote their offers and share the news of the shop. Therefore, on the next graph, we present the analyzed data of the leading Slovenian supermarkets' main social media: Facebook, Instagram and YouTube.



Graph 2: Facebook followers

Source: (own source)

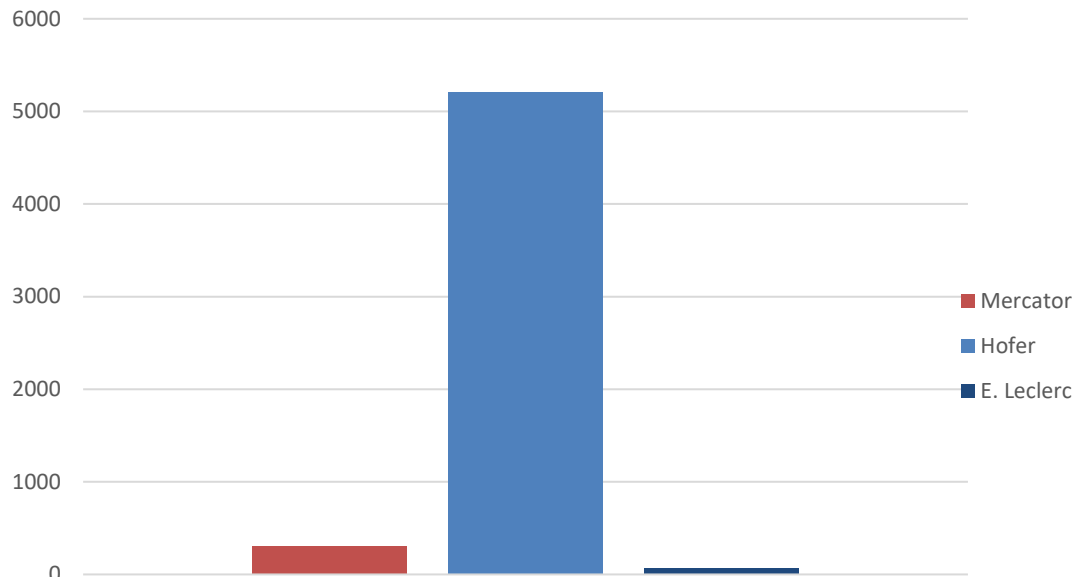
Facebook is the biggest and the most used social network in Europe and Slovenia, in particular. It is used by customers of all types, ages and interests, therefore it is extremely important to be present there in order to promote current offers, to push the brand's popularity higher and attract a larger audience. Here on the graph, we can see that all the stated supermarkets are present and operating on the platform with pretty decent numbers. This fact shows us that the companies understand the importance of the platform. Surprisingly, as the biggest representative of the list, Mercator is not the leader; Hofer has two times more followers than the Slovenian giant and six times more than the French supermarket. Here, the positions which the supermarkets occupy in social networks are beginning to be traced.



Graph 3: Instagram followers
Source: (own source)

Instagram is not the main platform to promote the brand for several reasons. First of all, the audience of Instagram is smaller than Facebook's. It is clearly seen on the graph that fewer customers use it to follow the news of their favourite supermarkets. Facebook is more used on a daily basis, so it is easier to get news from the supermarket without registration to other social networks. Secondly, the content is mainly based on photography, video filming and animation. This means that the company has to have a special contribution to be successful in this market: camera, operator and SMM team to create appropriate content for Instagram. Additionally, different specificity and discovering another social media could be difficult for an older generation who is not used to new modern tools. Nevertheless, the situation in the Slovenian social media market has not changed: Hofer is still the leader with regard to the number of followers by a

wide margin. They have 57 000 followers against 14 000 from Mercator and E. Leclerc's modest 980 followers. The tendency stays the same.



Graph 4: YouTube followers

YouTube is probably the most complicated platform for supermarkets to be present at. It is based on videos, trends and current happening events. Usually, supermarkets do not have a lot of ideas for promotion on YouTube because of the different specificity. Nonetheless, as we can see on the graphs, the difference is huge. Even on the platform which demands certain efforts and constant financial support, Hofer leads, but their competitors are again far away. Not only judging by the number of followers, but the statistics of all the views on these YouTube channels makes the difference clear. Since the creation of the channels, Hofer has 15 000 000 views while Mercator and E. Leclerc have 920 000 and 56 200 relatively.

4.3 Findings from interviews

4.3.1 Mercator

During the interview, the representative of Mercator made it clear that Mercator is not only a supermarket – it is the largest retail chain with 400 markets, 45 supermarkets and 23 hypermarkets and 169 franchises in Slovenia. They emphasize that the USP of the company is to be the “best neighbour” and the most local in the wider sense. It is not a surprise as the quantity of the shops is the biggest not from the researched list but in the whole of Slovenia. According to their ideas, Mercator shops and supermarkets have to be the first shop coming to a customer’s mind when he thinks about shopping. Also, it is important that customers find Mercator sooner than the competitor’s shop since buyers might change their minds due to their unwillingness to walk further. This is why the locations of Mercator’s stores are important in their strategy. Another interesting topic which was discussed is advantages. They state several advantages over their competitors: location, breadth of choice of domestic products, having the best delicacies and bakery departments and the best loyalty card program, which is adapted for both types of shopping, wholesale and everyday shopping.

Talking about the innovativeness of their approach, they declare that Mercator was the first Slovenian retailer to introduce its webshop, first self-check-out counters, mobile scan, mobile purse, and its web content platform M Soseska.

The choice between traditional and digital media depends on the coming project, they say. “For each campaign, we develop a comprehensive media plan with an appropriate mix of traditional and digital media involvement.” Additionally, they admit that traditional and non-digital ways of advertising are becoming obsolete: catalogues, brochures, flyers and advertising stands are less and less in demand with time going. On the contrary, digital promotion is growing and developing. Mercator claims that television is still the main media for general advertising. They especially note that the most successful campaigns were performed being integrated into popular Slovenian TV shows such as Mali Chef Slovenije. Also, Mercator created several contests requiring social media. As this field is constantly growing, Mercator needed to adjust fast and because of that Mtik tok academy was created. The idea is to attract a new, younger audience to participate in different challenges for great prizes. Therefore, the attitude of Mercator towards

new coming is pretty simple: Mercator follows all the latest technologies in retail but uses technology appropriately – meaning that they do not introduce new technology for its own sake, but according to the buyers' needs and preferences.

Speaking about characteristics of a talented marketing manager, in Mercator they noted the importance of following the trends, know the audience of the company and being creative to arrange diverse campaigns in the future.

4.3.2 Hofer

Compared with Mercator, Hofer has several differences such as origin (non-Slovenian), type of supermarket (discounter) and in marketing development, as well. Obviously, this could not influence the chosen strategy of Hofer. “The main advantage of a discounter type of supermarket is availability for customers. After different development approaches and a rapid technological breakthrough, we decided to focus on a direction with similar characteristics. As well as the availability of discounters, we want to use enormous space of the Internet to stay in touch with our loyal customers and attract as many new customers as possible”, says the marketing manager assistant of Hofer in Maribor.

The main advantages of Hofer over competitors are inherent in discounter. At Hofer, they offer products at lower prices than a usual supermarket. The assortment they have is approximately the same: the main and the most demanded products of the local population are kept, but minor food products are replaced by more affordable and convenient prices. Additionally, Hofer offers mobile operator service. A special mobile application was created for users of the operator to track the data and prolongation of the package. “Hofer’s mobile operator is a good choice for our customers because of the packages’ content and prices, attractive design of the application where you can manage all the needed data. For the comfort of the users, the packages are available both in the application and in our supermarkets.”

Usage of the Internet in the promotion of the brand seems the most profitable and appropriate these days. They admit that in the last few years they have made a huge effort in terms of digital development and finding their audience via the most progressing marketing tool. “Our approach to promotion should be flexible and constantly adapt to the needs and interests of our clients. Nowadays, there is an obvious urgent need to maintain communication with customers via electronic media. Also, it is necessary to keep up with the latest technologies and use them to offer

the customer a product. Realizing the importance and influence of social networks and Internet platforms, we decided to lean towards digital development.” This decision was clearly successful considering the statistics of the leading Slovenian supermarkets.

In Hofer, they pay attention to online promotion and innovative features, this is why they require this from a talented marketing manager. Also, this person has to have the imagination to use the current events in the promotion and have a feeling of upcoming trends.

4.3.3 E. Leclerc

As a unique representative of the list, the French supermarket chain has a slightly different track in the development of the Slovenian market. E. Leclerc seeks to firmly establish itself and find their audience. According to E. Leclerc's marketing manager, they are constantly working on building the right relationships with their customers whose loyalty is their main goal. They manage to achieve this by continuously researching different markets and offering the customers a wide choice of products. Also, they note that in the past few years they were focused on creating a better atmosphere in their supermarkets. It is important for them to refresh the visual design and to arrange sales zones more comfortable for the customers.

Regarding their advantages over the competitors, they name the assortment of the products they offer. They admit that the emphasis which they put on the variety of offered products is intentional. Since E. Leclerc has a small number of stores in Slovenia, they need to find a different way to get their loyal customer. Therefore, this is their way to compete: they offer the products that competitors do not have. As E. Leclerc is originally French, it becomes easier for them to organize supplies from France. Products of E. Leclerc's brands form a huge part of the offered products. By making researches on Slovenian and European markets, they find different suppliers to offer new goods.

The main campaigns performed by E. Leclerc were mainly connected to current local and world events. It can be motivated by national holidays, seasonal features, football tournaments or French bicycle race Tour de France. Usually, it has been successful because due to the structure of the campaign. Customers are invited to participate in a prize drawing. To participate in this contest, they need to buy a product from the listed items. Traditionally, customers also receive a part of the product's price back on their loyalty card.

E. Leclerc demonstrates a different attitude towards technologies and media in general. First of all, they prefer traditional media and promoting methods more than modern and digital media. They argue that it is easier to send paper catalogues of new offers directly to loyal customers by post. It is done for the convenience of the buyer – they can check the new catalogue and decide what they are going to buy. Obviously, they recognize the importance of online presence nowadays and admit the struggle of online promotion. In fact, they have accounts on social media, but unfortunately, they cannot find an appropriate way to increase the audience on these platforms.

Regarding the characteristics of a talented manager, in E. Leclerc they mark the importance of being adaptive and kind to customers. As E. Leclerc is more focused on internal improvement, they always try to make shopping a better experience for their customers. If a customer is satisfied, it means that the deal went successfully. Also, they constantly search for new products to expand their assortment. At this point it is necessary to understand the tastes of the local population and be able to adapt the product to their preferences.

4.4 Conclusions from the research

Summing up the research and the results of the interviews, we can observe three different approaches to promotion. Mercator, as the biggest supermarket on the list, uses all the tools and ways of advertising without leaning towards one direction. They organize promotion activities online and offline, covering both fields to reach a wider audience. Due to the greater popularity and prevalence in Slovenia and Maribor, they need to carefully plan every marketing campaign. For Mercator, it is important to support different ways of promotion: to follow the trends, develop the digital promotion, which has outstanding potential and maintain the usage of traditional and habitual tools of advertising and connection with customers.

Unlike the strategy of Mercator, Hofer has a certain difference. Besides using basic offline advertising tools, they are more focused on digital development. This field opens an enormous space for promotion and cooperation with customers. Social media are incredibly influential at the moment, but it has a huge potential. Hofer expects that their early start of digital development will bring them success because they have mastered it already. By the presence in social networks, Hofer seems to be the supermarket that uses online development as the main market-

ing tool. In every social media where all three supermarkets are present, Hofer has an overwhelming advantage. Although they are already leaders of the digital field in Slovenia by numbers, they do not have plans to stop Internet development. They plan to use the endless possibilities provided by the Internet in order to expand, search for new customers and arouse the interest of loyal customers.

On the other hand, there is E. Leclerc which has a different strategy from the first two supermarkets. Due to the much smaller number of supermarkets, the management of French supermarkets has decided to pay more attention to inside development, but not to outside marketing. Despite the comment of the marketing manager of E. Leclerc that they are actively present on social media, it is obvious that they have the weakest development of digital promotion. Compared to their competitors, E. Leclerc does not contribute to the development of this field as their numbers of followers are significantly lower. On the contrary, the decision E. Leclerc has taken is to put more effort into the improvement of the inside environment of the supermarket, to make it more comfortable for customers. This is done especially by a constant improvement of the buying experience of the customers. In terms of cooperating with them, E. Leclerc adheres to the old-fashioned strategy without involving modern technologies.

5 CONCLUSIONS

Before performing the research and interviews, we had two main goals to explore.

Goal: What is the difference in the development of strategic marketing plans and tools among Slovenian supermarkets?

Based on the data provided by the interviewed marketing managers, we can conclude differences in the approaches in the development of marketing plans. The main difference is in the approach to promotion.

Mercator has selected a strategy of uniform development in all areas. Every campaign performed by Mercator's team has a comprehensive plan of promotion using media, technologies or offline activities.

Different from that, there is Hofer which mainly uses the possibilities of the Internet to stay closer to their customers. They are convinced that this field has the potential and appears to be much more profitable in terms of lower costs of campaigns and being close with customers.

The third supermarket from the list, E. Leclerc, differs in its approach as they seek to improve the internal side of their marketing much more than the external. The social networks ran by E. Leclerc are not developed, they do not have an advertisement on the Internet. Instead of improving their online presence, they are much more focused on creating a better atmosphere for their customers inside of the supermarket.

Goal: Do studied companies prefer to use innovative and modern ways of marketing?

As well as with the previous goal, here we have the same three attitudes from the studied companies.

Mercator follows all the latest technologies which can be applied in retail, but uses technology appropriately – it is important not to introduce new technology for the sole purpose of introducing it, but to use it to create a better buying experience for customers.

Hofer is the supermarket that uses innovativeness as a main tool of marketing. Besides the success in social networks, Hofer develops their mobile operator service and technologies inside of the supermarkets.

Unlike the first two supermarkets, E. Leclerc does not show an outstanding desire to use modern ways of marketing. They have the lowest number of followers in every social network, but for them, it does not play a huge role as they are more focused on offline development.

At the beginning of the diploma thesis, we formed a hypothesis that **the key differences in the development of strategic marketing plans and tools among Slovenian supermarkets in the main are connected to the popularity of the supermarket chain, the origin of the supermarket, possibilities which are available for the supermarket and openness to digital development and fast adjustment to influencing external factors.**

After researching the supermarkets and their main distinguishing features, we can make a conclusion. When they develop a marketing plan in Mercator, they take into account the fact that the supermarket is the most popular and widespread supermarket in the region. The origin of the supermarket also plays a huge role. The Slovenian supermarket has more influence on the market, therefore they also have bigger risks while planning the strategy. Also, thanks to the size and brand recognition, Mercator has more connections, more suppliers and more possibilities to improve according to their preferences. Regarding digital development, Mercator is one of the fastest to adapt to external factors. In pandemic times, they were the first supermarket to introduce an online shop.

Hofer's development differs from Mercator's in terms of possibilities. The difference starts from the origin of the supermarket. As Hofer is a subsidiary company of the German retail chain, they need to adjust to local peculiarities. It is important to explore the market so that the supermarkets offer the demanded products. Due to the discounter type of supermarket, Hofer cannot offer the same products at the same prices as Mercator. This means that Hofer needs to adjust and operate having different possibilities. They need to arrange the assortment in such a way to differ from the other supermarkets as well as follow the discounter properties. Hofer is the leader of the Slovenian supermarkets by openness to digital development; starting with technological development inside of the supermarkets (self-service checkouts, order in their bakeries

with tablets) and ending with the biggest internet campaigns performed by Slovenian supermarkets.

E. Leclerc has several primal differences, which affect their marketing activities. First of all, E. Leclerc is originally a French supermarket chain. This retail chain is not common in Slovenia and Maribor, so this is why they have more time to adapt and start to operate at their level. They need to set contacts with Slovenian suppliers and to study the preferences of the local population. On the other hand, it can be a special characteristic feature that can be used properly in marketing. E. Leclerc has much more possibilities in terms of constant replenishment of the assortment and offering their customers the products that competitors do not have. Regarding the openness to digital development, E. Leclerc does not use it as the main tool. They are present online with an official website and pages on social networks, but the management of the French supermarket leans more towards offline development.

Summarizing the data presented above, we can confirm the hypothesis that the key differences in the marketing development of the studied supermarkets are mainly connected to the popularity of the supermarket chain, the origin of the supermarket, possibilities which are available to the supermarket and openness to digital development and fast adjustment to influencing external factors.

The second hypothesis is that **A talented marketing strategist is a person who can bring out of the box idea, is a good negotiator and leader. Also, nowadays it is especially important to be developed digitally and to be flexible and adaptive to changing trends and technologies.**

This hypothesis has been confirmed by current marketing managers of the leading Slovenian supermarkets. In Mercator, they noted the importance of creativeness and the ability to bring new ideas. Hofer emphasizes the influence of the digital world on the real world and pays attention to openness to today's world. E. Leclerc marks out the relationship between the supermarket and its customers. For their strategy, this person has to be a good team leader, needs to welcome and be friendly to customers.

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7 ATTACHMENTS

1. How would you describe the general strategy of your supermarket?

Mercator: Mercator is not only a supermarket – it is the largest retail chain with 400 markets, 45 supermarkets and 23 hypermarkets and 169 franchises in Slovenia, with its Mercator companies in Serbia, Montenegro and Bosnia and Herzegovina it operates 1000 stores in the region. Mercator is a part of the Fortenova group and so the largest retail chain in the region. Mercator's USPs are: "Best neighbour" and most local in the wider sense. We try to be as close to our customers as possible.

Hofer: We are focused on digital promotion and follow the trends to stay in touch with our customers. The internet gives all the possibilities to make any idea real and present the offer at its best. Also, we pay attention to traditional ways of promotions, but we cannot deny and refuse to use the opportunity provided by social networks.

E. Leclerc: We would like to keep our existing customers loyal and, of course, to invite as many new customers as possible. We have a very wide range of items, and over the last two years, we have been trying to create the atmosphere in the store (making the store visually nicer and, most of all, sales zones). We want to offer our customers the goods at the most favourable prices.

2. Comparing your supermarket to the competitors' ones, what are your main advantages?

Mercator: Mercator stores are the nearest to most buyers and offer the widest range of domestic products. Mercator is also an innovator and is best in the omnichannel presence (web, mobile, social). It offers excellence especially in delicacy and bakery, has the best loyalty card program, with different formats is adapted for big and smaller everyday shopping.

Hofer: Since Hofer is a discounter, we have the advantage of lower prices and our customers know that in Hofer supermarkets they buy products at the lowest prices. Also, the statistics show that our social media are more popular than competitors' ones.

E. Leclerc: A very wide range of items. The customers come to us for new items because "if they do not have them at E. Leclerc, no one has it". Import from France. We're looking for new items and constantly expanding the assortment. We try to offer our customers products that they

cannot find in our competitors' supermarkets. We are working with the largest Slovenian suppliers as well as with many small suppliers. The E. Leclerc card, which partially saves money when a client purchases items from an actual catalogue.

3. What do you find most innovative in your company?

Mercator: Mercator is the oldest retailer in Slovenia but is also the most innovative. Mercator was first to introduce its own webshop, first self check-out counters, mobile scan, mobile purse, its own web content platform M Soseska.

Hofer: Hofer's social media and the progress we achieved on the Internet. Judging by the metrics of followers on social networks, we are far ahead of our competitors. This only makes us work harder and develop this field.

E. Leclerc: We're trying to widen the number of customers using Facebook and Instagram. Although we are not in the first place, we are actually not so focused on conquering social networks. As long as we have only two supermarkets in Slovenia, we need to arrange everything there at first and make these two places the best ones to visit for our customers.

4. Which marketing campaign was most successful for you in the last 3 years?

Mercator: Mali chef Slovenije - integrated marketing and Tv Show, childrens' loyalty campaigns (Flying friends, Merry waves,...)

Hofer: We are proud of our YouTube success in the last few years. The reason is quite simple. This social network is far from supermarkets and it seemed that there was nothing to create to get our customers interested. Also, there was no supermarket in Slovenia to be successful there, but some of our videos have more than 500 000 views.

E. Leclerc: The most successful period is always December. It's a time of giving gifts for Christmas. A lot of customers come to our supermarkets to find unique products for their families and friends before the big holiday.

5. Do you find digital or traditional media more efficient?

Mercator: Depending. For each campaign, we develop a comprehensive media plan with an appropriate mix of traditional and digital media involvement. Tv is still the main media for general advertising, but for several of our content, digital is the best media (M Soseska, Mtik tok academy, etc.)

Hofer: Digital, of course. We can see how things are changing with time going, this makes us adapt to the conditions. The last two years are good proof that everything goes online.

E. Leclerc: Traditional media. We believe that our goal is to inform our customers about our new arrivals. So, we prefer to send actual catalogues to our customers' homes.

6. What's your attitude towards technology? Do you follow and use the modern tools available?

Mercator: Mercator follows all the latest technologies in retail, but uses technology appropriately – meaning that we do not introduce new technology for its own sake, but according to the buyers' needs and preferences.

Hofer: This is the key to success in the future, so we try to be as much prepared as possible. This is why Hofer pays a lot of attention to the development of our online presence.

E. Leclerc: We support the usage of technologies, but at E. Leclerc we use them to improve the inside parts of our supermarkets: digital price tags, modern cashiers and pleasant decoration. Regarding social media, we are present there.

(The list of questions is a base for an interview. As the discussion took place, different questions were added to the list.)