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Jet president makes case for fresh

Grocery 'rinse and repeat' trip, but urban shopper requires unique assortment and merchandising

Jon Springer | Jun 02, 2017

Moms in Iowa and Moms in New York City are each looking to affordable online grocery to aid their harried lives, but their differing tastes, budgets and lifestyles require distinct assortments, merchandising and brands to meet them, Liza Landsman, president of Jet.com, said during a presentation as part of Wal-Mart Stores' annual Shareholders Week events

in Bentonville, Ark., Thursday.



Landsman (left), who was named president of Jet.com in February, said Jet — which quietly has begun offering online fresh grocery ordering and delivery to about 50% of the U.S. population — would serve to meet needs of affluent, urban shoppers that Walmart had struggled to serve until its acquisition of Jet last year.

“The focus is winning every shopping occasion, for two adjacent but unique customer bases,” Landsman explained. This has implications for merchandising and assortment online, with Jet’s urban shoppers likely to see premium brands

merchandised on the homepage and float to the top on searches in a contrast to a more “mainstream” approach at Walmart.com. This reflects that the urban customer is likely to have a smaller living space but larger bank account than her counterpart in Iowa, although both are seeking e-commerce for price and convenience.

“That mom is a target customer, a primary shopper on both sites, but on Jet we’re going to have more primary brands in beauty like Bliss and Butter London, whereas on Walmart.com we’ll have great brands targeted to that demographic, so you’ll find brands like Neutrogena and Maybelline more of the focus on that site,” she said. “The focus is on winning every shopping occasion, but the difference is in assortment.”

Grocery is a priority of Jet.com because it is a "rinse and repeat" shopping habit, she said.

And while basics are the same between both sites, Landsman said, “we [Jet] are trying to push into the things that really appeal to our consumer base, so we’ve got a broad selection of fantastic almond milk. We’ve got a great selection of in gluten-free and specialty... You’ll find artisanal cheese, premium meats and a great selection of frozen, and if you think about who our customers are, you’ll find a great selection of convenience products. We’ve started with meal kits because for that busy urban mom, it’s such a great timesaver.” Jet offers about 3,500 fresh grocery SKUs currently, a far cry from the millions of items available on Walmart.com.

Price — influenced at Jet by gamification offering discounts for options that allow the parent to reduce costs of fulfillment such as debit payment and discounts for items that can ship together — remains a hallmark of Jet and a distinction among its competitors, Landsman said. “People who are pulling down prices without lowering costs is something like saying you're going on a diet but really putting on Spanx,” she said.

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