Exchanges, commissaries brainstorm ideas for more joint sales events, promotions to bolster military resale benefit

Exchange and commissary shoppers will see more opportunities to save on the installation as military resale officials continue planning more joint sales.

Sharing ideas on improving on-base shopping benefits was the centerpiece of discussion for senior marketing representatives from the <u>Army and Air Force Exchange Service</u> (AAFES), the <u>Defense Commissary Agency</u> (DeCA), <u>Coast Guard Exchange</u> (CGX) the <u>Marine Corps Exchange</u> (MCX), and the <u>Navy Exchange Service Command</u> (NEXCOM) in an annual meeting hosted by DeCA, Feb. 12-13, at Fort Lee, Virginia.

This marketing conference came less than two weeks after the military resale chief executive officers signed a joint purchasing alliance agreement to maximize resale's combined buying power for items sold by two or more of the organizations.

These collaborative events have become the norm for exchanges, commissaries and their industry partners as they "work together to create events and promotions to drive military families back to the installation and improve their quality of life," said Ana Middleton, president and chief marketing officer for AAFES.

"We had phenomenal success through seven collaborative events during 2018," she said. "The military resale community is working on continuing the excitement during 2019. Our crossagency working groups meet several times a month to plan promotions, bringing the best of what we have to offer to the military community."

The commissary and exchanges partnership is a work in progress, where the resale outlets are applying lessons learned to fine tune opportunities for military patrons, said Hector Granado, DeCA's marketing director.

"We are digging deeper into our sales and transactional data to see what we can improve, what programs are working, which ones aren't, and if they're not working we're making changes," he said. "This year we are determining a new path forward with our joint promotions, and we are getting more targeted, more focused, to deliver a better shopping experience."

Strength in numbers and the ability to innovate by learning from each other were key underlying themes for the resale marketers during their conference, said Richard Honiball, NEXCOM's chief merchandising and marketing officer.

"Last year, we developed a promotions calendar, we worked together, we broke the ice and we're here today," Honiball said. "Now, we have learnings and analytics to draw from, and we're looking even deeper at where we're going and what resources we have to coordinate major events across the military resale spectrum."

During their meeting, the military resale marketers addressed the following actions to bolster patron shopping opportunities:

- Communicate the resale channel's role as a force multiplier for healthy living and how that benefits military readiness
- Finalize the 2019 joint promotional calendar for major annual events such as Month of Military Child in April, Military Appreciation Month in May, the Healthy Lifestyle Festival in June, Back to School events in August and September, and holiday shopping from October through December
- Communicate the benefits of the MILITARY STAR card and educating patrons on how to use credit responsibly
- Improve the connection to troops at the start of their military career
- Share best practices on data related to sales performance, marketing promotions and shopping trends

Leading off their meeting, the resale marketers heard from military health and wellness advocates such as Capt. Kimberly Elenberg, a member of the Public Health Service Corps and director of DOD's Operation Live Well. She discussed how the commissaries and exchanges can assist the Department's efforts to improve service members' fitness, especially those who are called on to deploy overseas.

"We need to make sure that we have service members who are strong and fit," Elenberg said during her presentation. "By working together we help continue to drive them over to the commissaries or the exchanges to identify the [health and wellness] programs that you have set up, the [healthy lifestyle] things that advertise what you have on sale that week, and tell them how to put that all together on a budget to save money."

Scott Poteet, director of marketing for the Coast Guard Exchange, represents the smallest patron base in military resale. But for them, the benefits of collaborating are immeasurable, he said.

"When we collaborate we are leveraging all of this experience and buying power," Poteet said. "Our patrons enjoy the added savings from the joint buying group, the value and convenience of the Military Star card, and the exciting giveaways and promotions we provide as a group – all of those things are exceptional for the Coast Guard."

Ultimately, the resale conference promoted an *all for one* mentality for exchanges and commissaries that helps them better serve military members and their families, said Sandra Bates, MCX's chief marketing and innovation officer.

"The biggest takeaway from this marketing conference is that we are all on the same team," Bates said, "and by working together we can improve the experience for our customers –

and if they shop with us, shop on base, we can keep the benefit alive."