

Chad Fox on Marketing in an Evolving Retail Space | Transcript

[00:00:00] Chad Fox: I think curiosity is key. I would say that curiosity and knowing what's going on out there have a point of view. I think having a point of view is very important in making recommendations. And that's so often people come with problems and they point out what they don't like, but they don't have a point of view. And I know you're big on that one from our past life together. I'd say accountability. Accountability is one. And these are things that I think people need to start learning now. But keep score and hold yourself accountable.

[00:00:36] Andy Murray: Hi, I'm Andy Murray. Welcome to It's a Customer's World podcast. Now more than ever, retailers and brands are accelerating their quest to be more customer centered. But to be truly customer-centric it requires both a shift in mindset and ways of working, not just in marketing, but in all parts of the organization.

[00:00:56] In this podcast series, I'll be talking with practitioners, thought leaders and scholars to hear their thought on what it takes to be a leader in today's customer centric world.

[00:01:07] Hello everyone. Today I have the distinct pleasure of chatting with my longtime friend, Chad Fox. Chad is the CMO of Dollar General who shares a similar career journey that crosses agency and CPG, but in Chad's case over 15 years in retail. Let's face it today's CMO jobs, especially in retail can be the most challenging roles to hold.

[00:01:38] Given the speed of the game, the breadth of complexity and the constant change coming at you in all directions. Chad and I talked. All these challenges in depth and how seeing the role from these various vantage points creates empathy and an opportunity with the varying stakeholders for co-creation.

[00:01:56] Chad also goes into more detail about their new retail media network DGM, and what makes it one of the more innovative and unique networks being offered today. I hope you enjoy our conversation as much as I did.

[00:02:17] Hi, Chad. It's so great to see you. Thanks for coming on the show today. And it's always a pleasure to get to talk with you again, we've worked together for some time in different roles and boy, what a pleasure to get to hear your thoughts on so many cool topics we're gonna discuss today.

[00:02:34] Chad Fox: Thank you, Andy. Thank you for having me on I'm looking forward to catching up again and being with you today.

[00:02:39] Andy Murray: You've been in this role since April of 2019, and, we all go into different roles with preconceptions about what they're gonna be like or what the company's like or what the customer base is like. What surprised you about entering into Dollar General now that you've had two or three years to sink in a little?

[00:02:58] Chad Fox: Yeah, no great question. In my initial conversations with the company I was blown away at the customer centricity of the company. The customer is truly at the center of everything that we do here at Dollar General. And I heard that over and over again, no matter who I was talking to with the company and that's what, what drove me here. As I was having those conversations.

[00:03:21] And as I started to get deeper into the company, I realized this company was a purpose based brand before purpose was cool. Going back to the founding family of the mission of serving others and serving the communities in which we operate and serving each other. And that's just it's just really, amazing to be here.

[00:03:39] And then as time went on, I realized. Not only those two things, but it's such a strategic company. We are very thoughtful and strategic in everything that we do. The success that you've seen, with

Dollar General over the last decade or so is by design. And then lastly I'd say discipline.

[00:03:57] It's a very disciplined approach in the way that we run the business and the way that we go to market. So overall, I will tell you after three years, it, it feels like it's only been about a month. But I'm excited to be here and excited about all the great things that you know, that we're doing as a company and the opportunity to be part of it.

[00:04:15] Andy Murray: Oh, that's fantastic. It's cool to get in a spot where you feel comfortable and excited. And with the average tenure of a CMO today being about 18 months, you've doubled that already. So you must be doing something right. That's great. It's interesting. Ironically, I had podcast interview be coming out with a Dr. Chris Gray, who's a shopper psychologist, and I asked him what were some of the epiphanies he's done through research that surprised him. And interestingly, he described an experience he's done hundreds of shop alongs shopper intercepts as part of his work. And he described a Dollar General example as his career highlight where he had these biases about what the Dollar General shopper was like and so on and so forth. And in an exit interview, he said, was talking to this woman and he was expecting to hear well, I'm on a tight budget and, crimping on things of that nature. But actually what she said was I love

shopping at Dollar General because my kids, I can give 'em a couple bucks.

[00:05:07] They can get a couple toys. It's such a fun experience. And it is a moment for, it was a moment for her family. That was really. An experiential moment and something that he completely caught him off guard, but it just shows you, we can get misconceptions about a lot of different retail formats and different things and why people shop and how they shop. And is that some of the learnings that parallel some of the learnings you've had about the Dollar General consumer?

[00:05:34] Chad Fox: Yeah, no, I would say that's right. It's it's guilt free shopping. It's that affordable joy. And they're value driven customers. And some of them are value driven out of necessity, and some of them are value driven out of principle, but they come to us to, as the most convenient option to stretch their dollar on the things they need and the things that they love.

[00:05:52] Andy Murray: It's interesting. I worked in the UK for four years in grocery retail at a larger grocery chain and Aldi, which is similar in to Dollar General in some ways in the UK. But we would hear in focus groups. What I like about shopping at an Aldi or limited assortment type hard discounter is that I'm weak and I get into a big ASDA store and I just buy all kinds of stuff and they help me edit my

choices, which is something that's really helpful versus being tempted into buying things you don't really want. .

[00:06:22] Chad Fox: Yeah, no, I think that's right. I think, our curated assortment is certainly part of our convenience proposition.

[00:06:28] So it's not just location and easy to get in and out of in the size of the box, but it's that curated assortment. But once you start walking those four foot sections, you realize that. It's everything you could possibly need. It's just, a limited assortment of each one of those things.

[00:06:44] Andy Murray: Yeah, and I, and this is not a dig against Amazon, the everything store I've always thought who has time for everything.? And we do need, I think at some level help on curation and it does simplify our life, yeah. Simplifies our time budgets. And so it's a wonderful proposition before I get into some of the other things I wanna talk about with Dollar General I'd love for you to talk about your background, you and I share some similar paths.

[00:07:07] We both have worked, started in CPG and then spent time in agency and then spent time in big retail. How has those three experiences influenced your approach in thinking today? .

[00:07:22] Chad Fox: Yeah, I would say that it has certainly given me a perspective that, not everyone has a more global perspective an empathy for a lot of the, the different people that have to come together to do this job that we call marketing and a view of how all the different pieces of the puzzle go together.

[00:07:39] I Andy, you know this, but the way that I got into this was quite different than a lot of other folks. I joined the Marine Corps when I was 17 years old and college wasn't quite something I even had in mind. I thought I was gonna be work on jets for American Airlines. I learned to be a jet mechanic in the Marine Corps, but then I went on to college and, class after class I fell in love

[00:08:01] with marketing, but because I was starting later than everyone else, I went straight to grad school and coming out of coming outta grad school, I went into the agency business which is quite different than most other people. But I did it, it was a, it was an intentional choice. And because what the agency business gave me was a postgraduate education where I got exposure to multiple brands, multiple industries, multiple ways of doing things and really learned the anatomy of branding and marketing and advertising and media. And then from there, I went into CPG and I took my first associate brand manager job after five, nearly six years on the agency side, which was it, I had a much different perspective than the other

folks in brand management because of, what I'd seen and where I came from, I still had a lot to learn and I learned a ton while doing that, but there was a certain speed of business and a thrill that I got in the agency business. And that I wasn't quite getting in CPG. And so when I moved into retail, I just completely fell in love. Retail felt like it was the place to take those two experiences and really bring them to life.

[00:09:10] Working with agencies, working with the CPGs. And and really starting to put it all together. And then as my time, my time in retail I've done almost every job in the marketing department at multiple levels, and even spent a little bit of time, in merchandising, which which was a whole nother experience within retail to, to, to bring that perspective and that empathy in and start to put it all together.

[00:09:33] And I think it's that collection of experiences that I've had over the last 23 years, and I draw on every one of those every single day and, making decisions and teaching folks and putting plans together.

[00:09:46] Andy Murray: Wow you mentioned the idea of speed and that, as that came to the top of the list, and that came into retail much later in my career journey, and it was a bit of a culture shock in terms of the speed of the game that really is underappreciated and the cadence and discipline required. And the weekly, like the world lives in a much more compressed timeframe, which I found to be very

entrepreneurial. It felt like an entrepreneurial experience, even though it was a massively big company because of the speed.

[00:10:15] And it sounds like you've had a similar kind of epiphany through that.

[00:10:18] Chad Fox: Yeah. And the speed is, not everybody appreciates that as much as I do. And you do. And I will tell you, DG moves at a whole different speed than what I've seen in my past, which is even better.

[00:10:29] There's a little bit of that. What they, one of the key things they teach you in the Marine Corps is this idea. No good battle plans survives first contact with the enemy, but, improvise and overcome and, being able to operate in the fog of war, so to speak and that's fine.

[00:10:44] And that's what retail is really I mean you good enough is perfect.

[00:10:50] Andy Murray: Yeah exactly. What I also think in retail, it's helpful to have those multiple perspectives because you've got in a fog you've gotta see, or at least assume where the canvas is that you're the territory. And have that perspective. And if you've had those multiple views, you can really probably see around the edges and

corners a bit better than if you didn't have those experiences. And it leads me to my next point, which I think is your background has really probably aided you in this, but you guys have recently announced.

[00:11:18] That you're entering into that retail media network space. And given that is a different type of ecosystem that touches agencies touches CPG suppliers and retail, and that collaboration required. I've got to believe your experience across those three, have given you a bit more confidence in this space than you might have not had if you just saw the lens through, one look.

[00:11:41] Chad Fox: Yeah, no, I think that's exactly right, Andy. And it goes back to, that, that empathy and understanding what each person's objectives are in finding that shared success model. And for us, we're, we're an 83 year old company, but we're in growth mode.

[00:11:57] And so everything is about growth. It's our growth and it's the growth of our vendors through DG, and for us, this was just another way another unlock of that next generation of growth. I will tell you we've been in the retail media space since late 2018, but the way that we got into it was more of a, it was really building off of the work that we've done with DG digital coupons since 2013.

[00:12:23] And that deterministic data that we collected and and we had a partner still do have a partner in that space that helped us get

into retail media. But over that period, we've been in the background kind of building out, building it out ourselves and just trying of how do we take it to the next level.

[00:12:42] And most of that started with knowing our customer. We've known our customer for 83 years, but there's a whole nother level, a whole nother depth of knowing about that customer through data. And their engagement and understanding in them in that way. So we've made big investments as a company in first party data.

[00:13:00] And I mean it have grown that first party data, both, horizontally and vertically in a really big way. We are now at over, we have over 85 million unique customer profiles for DG customers and its rich profiles as well, over 1400 derived attributes that can be appended to each one of those profile.

[00:13:20] And so that's not just retail media. We clearly, we use that to run the business, whether that's merge analytics or promo optimization or our personalization efforts or our own paid media efforts. It just so happens that it also works for retail media and gives our vendors, our manufacturing partners, an opportunity to tap into that insight, tap into those audiences and help grow their businesses at DG as well.

[00:13:45] And so we've approached it in that way. We've approached it with the agencies in mind. We've approached it with the manufacturers and mine. And of course, with DG in mind,

[00:13:53] Andy Murray: And the audience you're talking about is one, that's probably not as rich in understanding for most CPG because you've got more of a rural audience that gets underserved. Is that, do I have that right?

[00:14:06] Chad Fox: No, that's exactly right. We've got over 18,000 stores in the franchise and throwing off about 2 billion transactions a year, but you're right. The really unique piece of that footprint is that 75% of those stores are in markets of 20,000 people or less.

[00:14:23] And so that's a customer that tends to be not just underserved geographically and underserved financially. They tend to be underrepresented in the syndicated world and the customer insights world and the digital media world. So getting to them and really understanding them is difficult, but in the world of digital media, And again, we learn this on our own in, in the world of performance marketing and digital media, you tend to optimize into customers that are more efficient and more effective.

[00:14:56] And there's a strong correlation to those being in densely populated areas. And so these customers are hard to reach and

they're hard to measure. And even if you do figure out how to reach 'em because you can't measure 'em, you're optimizing out of them. And so what we have found is because of that, people are optimizing out of, small town in rural America.

[00:15:17] They're optimizing out of roughly 30% of the country. And they're optimizing out of the core customer of the fastest growing brick and mortar retailer in the US. And so for us, what DGMN is all about is being able to bring them extended, unduplicated reach with an audience with a media program that is additive to their existing plans.

[00:15:40] Andy Murray: It's interesting. I don't wanna put words in your mouth, but it feels to me like, the marketing different roles, but there's local marketing, which has never really been efficient for big national retailers. It was always around store openings maybe, or, remodels done.

[00:15:54] Because there was no national media to really connect in that would scale and be efficient in your media portfolio as you've described. But it feels a bit like to me, you are offering something that almost gives you access to a local marketing capability or mindset with the retail media network at scale, because you've got a more efficient way to reach that audience.

[00:16:16] Chad Fox: That's right. And it can be local in that we can geo target around certain stores. And we, even, again, we even do that with our own money in terms of the way that, that we go to market with our paid digital media. But it is the ability to geo target. But it's also the ability to have an audience first approach.

[00:16:34] And so the balance of those two things, again to make sure that you've got coverage of 18,000 stores, and you're not optimizing into a core set, but do that in an audience first sort of way. And, in leveraging our deterministic first party data to do that.

[00:16:50] Andy Murray: When you look at the retail media network landscape, and there's a lot of press going on about that space right now.

[00:16:56] Of course, it seems like there's a new retail media network comes up like mushrooms after the rain. But you've really taken a different approach. You've taken a bit more unique approach to that. What gave you confidence to, to say, okay, let's go big here. Now's our time.

[00:17:12] Chad Fox: Yeah, no. So great question.

[00:17:13] And again, it goes back to that. It's all about reach and you've been in marketing for a long time. I've been in marketing for a

long time and we know that reach is one of the ghosts that we're always chasing. And, for us to be able to say, Hey, here's 30% of the country that you don't have today.

[00:17:29] There's something there. And and it's that small town, rural nature of it. It's something that. That no one else is really talking about. So when we do think about that value proposition, we have conversations with our manufacturing partners all the time that, and their agencies, don't homogenize us.

[00:17:47] Don't think of us like you do all the other retail media networks out there, and that's not just a. It's not just a sales pitch. It's really the case. In terms of, there's the audience approach and we tend to go to market more as an audience provider than it is about eyeballs on in our app and on our site, that is certainly part of a media plan that we put together for our advertisers.

[00:18:11] But the vast majority of the media that we deliver tends to be offsite. It tends to be offsite, and programmatic in nature, but based on our audiences.

[00:18:22] Andy Murray: Yeah, that's really helpful. And one of the things that I learned the hard way, perhaps in the early days of shopper marketing was the newness of it disrupted a lot of roles internally. We had to create separate brand development funds for

shopper marketing. So it didn't just go into off invoice, understanding it wasn't just taking the packaging art and driving it in store and expecting, a really relevant shopper experience cuz it's different.

[00:18:46] And so there ended up being a lot of education required on both inside of CPG, from a marketing and commercial team to really get on the same page and align that. And I'm finding there's another wave coming of education required for retail media networks, because they do tend to blur the lines between marketing and the sales teams inside of CPG.

[00:19:06] Given you've walked those trails being on the CPG side, gives you some understanding to, why those roles are getting blurred and is getting more difficult. Has that helped you understand and work through positioning of these and some of those challenges?

[00:19:22] Chad Fox: It certainly has. And as I, I think about it is the opportunity to put the peanut butter and the chocolate together and be a full funnel marketer.

[00:19:29] And I think for years, the brands may have seen whether it's shopper marketing and now it's retail media as more of a tax, something that they have to do. Getting them to embrace and go, holy smokes I've never had access to true conversion. How do I work that full funnel from building brand equity all the way down to conversion

through, through a specific retailer? So that's certainly how we talk to them about it and how we think about it, especially

[00:19:56] with those manufacturers, where they have brands where DG really over indexes, with that product where we may be their number two retail customer. So that's certainly how we think about it. And I think, I've talked to CMOs in the CPG, I've talked to different people every week and that's where they're starting to go is this is my upper funnel team.

[00:20:16] This is my lower funnel team. How do I connect it together? So that, we're not dependent upon models to determine which half of our media is working, but we can actually measure everything with one to one closed loop, attributable store cells and incrementality.

[00:20:32] Andy Murray: Yeah, it feels like the technology and what you guys are doing re too many networks is ahead of our language and models because it's disrupting that.

[00:20:40] And I've I've always felt that the upper funnel, lower funnel just doesn't service well in this kind of world it's much more like Shoots and Ladders. You've got, you can drop in and go down pretty quickly with this space. And so perhaps the language we use, the models that we've been using traditionally need to evolve a bit faster.

[00:20:58] Understand how seamless this can be and how it can accomplish both. Because, you get this in your head. It has to be this or that. . And the power of and is hard for a lot of people to grasp.

[00:21:08] Chad Fox: When we debate this all the time, do we still talk about things in the world of the funnels, it more of a nonlinear approach that, you know, but at the end of the day, I think it's two different things.

[00:21:18] I. I think there is a customer journey there that is nonlinear and it's multidimensional and we think a lot about comms planning and, what are all the different touchpoints? What role does the platform play in that touchpoint? What should our message be at that point? And it certainly is more complicated than a funnel, but whenever you think about there's still a lot of merit to thinking about the funnel in my mind, in terms of the types of advertising or the types of communication that you're doing. And being able to grab onto that angle of that customer and pull 'em all the way through conversion. And it may, there may be some side to side in there as well, but that's certainly how we think about it.

[00:21:59] Andy Murray: You taking this approach you have is not an easy path to start in. A lot of people come in. I can just speak for my own experiences in retail with, selling space in store and adding it in to that in the UK. It's a bit more developed. People buying car park

banners and bollard sleeve covers all part of a retail media, but and it's really focus just on the owned assets. You've come at it with an external audience, which is maybe cuz of the nature of the stores and how things are set up. But I admire that because it's a bigger, it's a bigger opportunity. And yet it's also a pretty big tech challenge to, to jump into that space.

[00:22:38] And so how have you approached that to, to get over those hurdles? Because you guys are really coming at it at the top end of where these networks are today.

[00:22:47] Chad Fox: Yeah. And, we're the way that we think about DG media network. We're certainly selling bollard sleeves and signs and stuff in the store, but you're right.

[00:22:57] The nature of our stores with 7,500 square feet of retail space. And so we don't have an action alley. We don't have a cart rail. We, if you've been spent much time at our stores we don't have that many end caps. And so again, it goes back to don't homogenize us with all other retailers as well, because that's not what shopper marketing, means or in retail media is a big piece of that. And so for us, we have a a go talk about brand story to tell, and our manufacturing partners play a huge role in. And the more awareness we can build outside of the store of the fact that we carry their brands, their portfolio of brands that starts to position that drives consideration

and positions DG as the retailer of choice, which results in more traffic to the stores results in more terms of the merchandise, more POs more sales, et cetera.

[00:23:51] And so it's getting our manufacturing partners to not just think about it as a conversion opportunity at the aisle or in the aisle, but an opportunity to bring people in and then convert them and start to drive that lifetime value from a tech standpoint, I'll go back to, what we've done and how we've built our first party data set and like I said, it is bigger for us than just retail media. We use it in multiple ways. So we've built our entire MarTech stack on top of that. And so we've got one unified MarTech stack that really works for every way that we're using that first party data. And then our ad tech partners are, partnerships, strategic partnerships are very similar.

[00:24:38] And so whenever you take that fir we talk about this small town, this rural customer, where 75% of our stores are that are very hard to reach. They're hard to reach and they're hard to measure. And so our first party data set enables us to get them so we can provide that audience.

[00:24:54] But then it's partnerships like the trade desk and and having that ability from a programmatic media standpoint to not just deliver the contracted impressions in that media plan, but deliver them

to the right profiles within those audiences that are gonna deliver them the highest return on ad spend.

[00:25:12] And so that, that is a big partnership that, that we are in where our unique things that we each bring to the table. Our centers of gravity coming together is really powerful. And then another partnership that we have is with the folks at Live Ramp and specifically with Safe Haven with their clean room capability.

[00:25:33] And that enables us to offer what once was only available to pure play e-comm retailers that one to one closed loop attributable store sales and incrementality. Now we can measure that when the vast majority of our cells are still brick and mortar and and continues to grow like crazy. And so what the clean room enables us to do is to be able to take those folks who were exposed to those impressions match, 'em back up to our profiles and then be able that are appended on an ongoing basis with in-store with in-store behavior.

[00:26:07] And to be able to deliver them, attribution and incrementality, which is, again, it, it's not modeled, it's not extrapolated. It's one to one.

[00:26:15] Andy Murray: Yeah. That makes a lot of sense. I've seen a lot of CPG approach Retail Media networks as a strictly in a more narrow lens of a performance marketing play or a programmatic play.

[00:26:27] But if you really get into it and understand it the mindset I think is just me speaking, but is a more shopper marketing mindset. To think about the total customer journey opportunity, go beyond the KPIs of just performance marketing and look at, how you can look at the total customer journey, find those key insights around what might influence purchase behavior and have a more insight driven approach than a performance just pure data. That still has a role, but the overarching mindset would be better served if they looked at as an extension or compliment to shopper marketing thinking.

[00:27:03] Chad Fox: Yeah, no, I think that's exactly right. And and we, we don't sit as a separate unit off from, the rest of the organization. Not only are we one marketing department, we're one, operations group. We sit with merchandising, marketing, supply chain, global sourcing, private brands. We're all in this together, store operations.

[00:27:24] And so we're just another lever in the demand generation portfolio. You think about our relationship with the merchants and with the sales folks on the CPG side. Our team is sitting in those JBP meetings. And so whenever you've got a goal to get from here to here over the next three years, and you're looking at a waterfall or that, that bar chart on all the different levers you're gonna pull to get.

[00:27:46] DGMN is one of those levers. So it really is about growth. And it's about accelerating that growth, for the manufacturers.

[00:27:54] Andy Murray: I think that's brilliant. And I've personally experienced having the retail media team kind of sitting on the side and not integrated to the merchant strategies and plans and JBPs.

[00:28:05] And when I talk about a shopper marketing mindset, I'm talking about when those factors start to come together inside a retailer, where you can look at programming that is, not just drives your individual skew or item, but thinks about the category for the retailer space. And you could mutually work together to grow a category.

[00:28:22] And for that to happen, you have to have really strong partnership with merchandising and operations. It's not something that can sit over there and just, turn on its own where those plans seem so disconnected from, what's on the mind of the key merchant.

[00:28:36] Chad Fox: It really is it's using media and the insights that are derived from that data and those audiences either on the front end or the back end to solve problems.

[00:28:46] And so when you're in the data and you're looking at, at share opportunities or, if we could close that share gap by 50% over

the next six months, here's what it does you can then look at the segmentation that helps to that of the customers that you would look at to go after that becomes an audience and you can use media to go solve that problem, or at least a portion of that problem. And so it is a, it's a business tool. And so I think it's a different way of looking at it.

[00:29:13] Andy Murray: Yeah. And you know what, and to get that insight of you just described, you almost have to have had I'll put my, a CPG hat on of a stint in the commercial side of the business, as well as in the traditional brand marketing, because some of the things you're describing that holistic way to look at it, it's beyond any one function.

[00:29:31] And if you just had done shopper marketing and you were only in a commercial side of that you miss the nuances of what a brand media person's trying to accomplish. You don't talk about CPM as much in a shopper marketing space. You talk about ROI. Yeah. And yet this starts to bring those worlds together.

[00:29:48] One of the challenges I see in the industry is just lack of of skill development in this to really learn those different components you've had the good fortune of moving your career through those learning environments, but where do you see the industry right now? And just having people that could sit in these roles and really see those different components and get past those blind spots.

[00:30:10] Chad Fox: Yeah it's a great question. So I do think that people's careers are gonna be a collection of experiences, but to your point, how do you accelerate that? Cuz not everybody can wait 23 years to put all those together. I think that as a marketer, we need to start thinking about or over time.

[00:30:26] What we've started thinking about is really, it goes back to the four. And getting beyond just the poetic words and the pretty pictures, which as I've had stints in my career where that was my primary mission. And and I've also been guilty early on in my career.

[00:30:41] When I'm sitting in front of the media agency, And it's a two inch deck that they wanna present to me going can I just see the flow chart? Over a decade ago and I've evolved. I now will spend, I spend more time with our digital media agency than I do with our creative agency.

[00:30:55] And so I think, that's become a much cooler and sexier part of the job and needs to be probably the center of gravity of how people think now. And so there is a critical thinking. There's a problem solving ability. There's a there as a marketer now just really understanding and appreciating data and analytics and the insights that can be, derived and that, that manifest out of that data.

[00:31:20] But what, what will never go away is you've gotta balance that with brand. I still think that, as a young marketer, you still need to learn to appreciate design and in that way of thinking and because it's a combination of how it all works together. Yeah. So as I think about our marketing department, we talk about stewarding an unmistakably Dollar General brand.

[00:31:44] We talk about generating demand through programs and through media. And we talk about being the voice of the customer and those three things I think will always matter in marketing, but that demand generation now is a much more analytical and data driven, approached, and what, and technology driven approach and what it was in the past.

[00:32:07] Andy Murray: Yeah. And I think there's a misnomer that the world was only gonna belong to the data scientist as we look at it from a marketing perspective, but as you've just pretty well articulated, there's no substitute for good marketing fundamentals in understanding marketing principles about how you build a brand that doesn't go away, actually a compliments.

[00:32:26] The current necessity to be really strong in data and analytics.

[00:32:30] Chad Fox: Yeah. We've always talked about segment target position, that still exists today. It's just, we have more refined tools to be able to do it.

[00:32:38] Andy Murray: Yeah. One of the misnomers I feel in anybody that works in rural environments is there's a lack of sophistication, but as you've just pointed out, it's just the opposite with Dollar General specifically.

[00:32:49] And I've found that to be true in Aldi and some of the other. Retailers is actually it's a misnomer. And I think we get these biases about where the sexy stuff is. This actually ends up being pretty sexy stuff. When you start to work across these different areas in some unchartered areas that you're doing now.

[00:33:06] Chad Fox: Yeah, no I agree. And again, It as I think about a marketer's career it's how do you get this collection of experiences or put more arrows in your quiver? And I had an experience where I headed up and advertising and in my past life and. We were super focused on television and it was a, this, we worked together.

[00:33:27] And it was a fun job, but I looked up and I noticed that I was at risk of being a dinosaur and the industry was moving extremely fast. And I asked to leave that job and make a move into another position. That enabled me to jump on that wave. And and I will tell

you, I went into an accelerated learning on it and it hasn't slowed down.

[00:33:47] I mean that it's moving so much, but are so fast. But it's so interesting and it's been a lot of fun.

[00:33:54] Andy Murray: Let's talk about that learning bit because you, a lot of your learning style is self-directed you've got a passion for learning and staying abrupt and you've made career changes, not because you were told to, because you saw it happen and you knew what was going on.

[00:34:07] We get a lot of audience members for this podcast at our students at times, or just early into their career. What advice do you have for someone that is just about to graduate or is graduating college today in terms of how to build career experiences that might give them a one up down the road competitively?

[00:34:27] Chad Fox: Yeah there's a very linear journey that I think you'd see so many folks in this industry take and my 18 year old son is heading to Indiana to start business school here in a couple of months. So he and I have this conversation quite often.

[00:34:39] And he is gonna study marketing, which his mom is not all that happy about, but

[00:34:44] Andy Murray: your dinner conversations are gonna change forever.

[00:34:47] Chad Fox: Yeah. But I will tell you, I, I steered him towards going back to what we talked earlier, more of that data driven, analytical approach, and to start, approaches undergraduate studies in that way versus all the, spending too much time in all the creative classes.

[00:35:03] But I would say that curiosity is something that I think, people need to either naturally be that way or they need to try to adopt that way of thinking. Because being a student, of marketing being the student of the customer, being a student of retail, that will be a lifelong or a career long practice.

[00:35:24] And so I think curiosity is key. I would say, that, curiosity and knowing what's going on out there have a point of view. I think having a point of view is very important in making recommendations. And that's so often people come with problems and they point out what they don't like, but they don't have a point of view.

[00:35:42] And I know you're big on that one from our past life together. I'd say accountability. Accountability is one. And these are things that I think people need to start learning now but keep score

and hold yourself accountable. I tell my team all the time we are they. Stop talking about they, we are they. And and so be accountable.

[00:36:01] And and then I said this earlier, don't be a dinosaur, stay fresh, stay on top of what's going on out there and collect new experiences and new learnings. The final thing I would say on that one. You and I both know Steve Bratspies. Steve said to me, several, probably a decade ago, we had a lot of new people starting with the company, young MBAs.

[00:36:23] Coming straight outta grad school. And they all wanted to know, all right what do I do? What's the order of things that I do. I need this job, then this job, should I go over to merchandising? Should I go over to operations? What are these different? And his point was always learn how to do something first, learn how to do something.

[00:36:38] And in this case learn how to be a marketer. And I think there's a lot of there's a lot of truth in that. I made the decision again, coming outta grad school to go work on the agency side. I do vividly remember one of my professors saying you're dragging down the starting salary of the entire class.

[00:36:58] Andy Murray: That's rough.

[00:36:58] Chad Fox: Because I took a job as an account executive and, but I saw it as postgraduate education. I wanted to go get my PhD, so to speak. In marketing in branding. And and I think that is, that's really important. And I did at the director level, I made the move over to merchandising and but I felt, like I was taking a perspective as a marketer into that role.

[00:37:25] And it was time for me to go, I'd learned how to do something. It was time for me to go. What I didn't realize is, or maybe I didn't realize it enough is how much I did love marketing. And I've got a lot of, I've got a boss, that's a merchant, I've got a lot of merchants around me. But what I learned from my one year in merchandising it's much, I love marketing, but I will tell you, it goes back to perspective. Andy. I came back into marketing. As an even better marketer. Yeah. Because of that experience in merchandising it and the empathy that I've developed for what the merchants do and what the vendors do. I saw a different side of the vendors or the manufacturer partners in that role. And it was another, experience that made me a better marketer. I wanna believe there's something in there that would help students.

[00:38:08] Andy Murray: That's super helpful. I've been a CMO at a retail and I've seen a lot of CMOs through that space. And it seems to me, there's a couple of things there that happen that can where it can get derailed.

[00:38:19] One is if the CMO is really super brand centric. And, just doesn't really appreciate the merchandising challenges and the fact that there has to be a balance or they're so merchandising centric, they don't appreciate the brand building importance and to walk that fine line and have conviction and a point of view, but at the same time, knowing what the culture can assimilate, knowing you know how you bring people along is the secret in longevity and I think outcomes, over time. Yeah. And so how do you thread that, that needle, if you think that it's the same dynamic.

[00:38:55] Chad Fox: Yeah. So I, I think you, you have to listen. You have to seek to understand other's points of view and understand what winning looks like to them and what they need.

[00:39:05] And and then how can you help them solve those problems and then help seeing that, help them see that from their side as well. Whenever it comes to what you're trying to do. I mean at the end of the day, we have to do both. As marketers, you need to steward a brand that customers wanna love and that customers feel like is a brand for them.

[00:39:25] And that they, want to spend time with. But at the same time, we as marketers exist in the organization to generate demand. Our job, especially in retail marketing is to, it is to drive traffic to the

stores. And if we're not doing that, then we're not fulfilling, everything, that we've been hired to do.

[00:39:45] Andy Murray: A hundred percent. I don't think people realize how difficult some of the competing voices can be in retail marketing. When you know, comps are low, you get, sometimes you can get pressure from merchants to say, we just need to shout louder about price or whatever that might be. And there might be some truth in that.

[00:40:01] But you have to have a point of view about where does that become noise to the consumer, and when is it effective or not? And they really look to you for that leadership on that balance and expect you to hold your own on your point of view, then just going wherever the wind blows, because there's so many winds coming at you with different competing objectives, you have to be able to sort that out in a way that keeps everybody on side and moves forward.

[00:40:25] And so it, my advice to. People learning their way into this marketing career is, spend time developing your skills and collaboration. Co-creation bringing people along those are just really important skill sets to have, as you get later in your career and higher in the organization.

[00:40:42] Chad Fox: Yeah, no, I think that's exactly right. And again I mentioned empathy earlier. I think that's a big piece of that is just understanding where others are coming from. And the good thing, I go back to this digital marketing and digital media world that we live in is now we're able to measure so much and we're able to tell what's working and what's not working.

[00:41:02] And the let the data be the truth and the truth will set you free and a good idea can come from anywhere. And sometimes I wanna believe that you never should be shouting at the customer, but there are times to talk about item price, and there are times to talk about, other big equity building ideas that.

[00:41:23] And it's understanding when is the right time to do what, depending on where you are in that customer's journey. And what's gonna keep pulling them down towards, converting at your store.

[00:41:34] Andy Murray: And I love your point about spending spend a year in merchandising. If you do go into retail marketing, just to get that other side of the perspective and build that empathy for the challenges merchants are under and how their measurement systems really work. And you'll be a much better marketer for it. Chad, as we wrap this up and you look to the future, what's happening with marketing, I've got a couple questions.

[00:41:54] One, if you were to parse out a percentage of your time, how much of it, how much do you look at and say, this is learning time, where you're just constantly trying to stay on top and keep on your game. Cause I think sometimes people underestimate how much learning has to continually happen. No matter what level you are in your career.

[00:42:13] Chad Fox: Yeah, no, that's a great question. So I'm not I'm probably not very good at setting office hours or learning times and really setting that aside. It's much more of an organic thing for me. I think, I like you, Andy I'm fortunate that what I've done been doing for a living for the last 23 years I love it.

[00:42:35] I, it's not just a job. It is just part of who I am and what I do. And because of that, I'm able to make that a more organic part of what I do. Yeah. So whether that is, just reading about things reading books, reading about things on the internet, listening to podcast or whatever that may be.

[00:42:52] I enjoy listening to that stuff. Just like I would enjoy watching a movie, which is, I don't know if that's healthy or not, but that's that's the way that it is. The other thing I would say is, I have learned to take the time to have conversations with strategic partners about this stuff. And that it's not always sleeves rolled up in the muck about the day to day, do purposely carve out time to, talk to your ad,

spend time talking to ad tech partners about where they're going about their roadmap, about what they're seeing about what they see other people innovating. Same thing with your digital media agency. I joked earlier about, I used to just show me the flow chart. I gotta go. And now, I spend probably an hour or two every month with our digital media agency, just talking about what's going on out there. And that could be the latest and greatest thing going on in the world of SCM or privacy or paid social or programmatic or legislation, it could be a lot of different things, but just taking the time to have conversations with people and learn.

[00:43:59] From what they're a subject matter expert at. And and just, think of it, like being the student.

[00:44:06] Andy Murray: Well, for those that are working in agency roles, I from now being on the retailer side and looking back I think the thing I would tell them is that don't underestimate the value of having those conversations with your client about the future, they're dying for it. Having someone in your organization, that's not just day to day, but is looking out and bringing that perspective forward because you, you almost feel malnourished in that space because the retail jobs are so scheduled and fast moving, it's precious time to be able to do that and say, Hey, let's take a few minutes and look at where we're going.

[00:44:39] Boy, if I was back in an agency role, I would've been more proactive on trying to be that consigliere to my client for the future, because it is a valued piece to look through that. One last question. Chad, as you look to the future, lots of things going on out there, lots of things happening in culture and different changes in media and digital and everything else.

[00:45:00] But what gives you hope as you look forward and stay optimistic and try to plan your future out the future of DG, especially, but as you look out two to three years what gives you hope?

[00:45:11] Chad Fox: Yeah. And so what I would say, what gives me hope Andy is that, the next generation of really, what's coming in marketing and in media.

[00:45:19] And and that there's just so much change and change for the better, it's, when you think about things like cookie deprecation or privacy or all those things that I think have a lot of people scrambling for us, we see it as an opportunity to get closer to our customer.

[00:45:36] I go back to what I said at the beginning of this conversation about our investment in first party data. We truly do believe that we exist to serve others. That is our purpose. That is our mission as a company. And the more that we know that customer, the deeper our knowledge of the customer, the better we can serve them.

The more we can save them time, the more we can save them money, and the more we can position ourselves as a brand for them and as a retailer for them. And from that standpoint, I think that the changes that we see happening in marketing and in media, and even though it's moving extremely fast, it's just going to make us be better marketers.

[00:46:14] It's going to make us be more customer centric marketers. And, as a retailer and in running a retail media network, being able to help our manufacturing partners and their marketing departments in that way and giving them access to that insight and that knowledge and being able to help them connect more, not with their consumer, but connect better with our customer. To me that's where we've been talking about marketing going for a long time.

[00:46:42] And with this digital stuff that we started talking about over two decades was supposed to be all about. And yeah, so for me, that's really exciting.

[00:46:50] And man I wish I had another 20 years that I could spend in the business and be part of that.

[00:46:55] Andy Murray: I feel the same way, Chad. I think this is a huge unlock to get to a place that will be better for the consumer. And

that's what we're trying to do is improve shopper's lives, improve consumer's lives at the end of the day.

[00:47:06] And I too wish I had another 20 years to go or be 20 years younger in today's environment because I do think it's gonna be a great time of innovation. I don't think we've seen yet the kind of innovation that can be built on the technology and infrastructure that's now starting to emerge, thanks to cookies, cookieless world, which seen as a bad thing, but actually could be a real unlocked to creativity and innovation and insight.

[00:47:28] Hey, thank you so much for your time, Chad, you've been great. You have an amazing career story, a great mentor to so many different people, and I just really appreciate your time and insights and spending their time with me.

[00:47:39] Chad Fox: No same to you, Andy. It was good to catch up and see you again. And really I see you as a mentor thank you for everything you've done today, but also what you've done for me, through my career and advice and experiences that you've given me along the way, I really appreciate you.

[00:48:03] Andy Murray: I had a great time speaking with Chad. I really enjoyed his advice for up and coming practitioners to pursue continuous learning from all aspects of the marketing industry. Chad's

career long focus on empathy and his passion for learning is something that marketers at all levels can learn from.

[00:48:22] That's it for this episode of It's a Customer's World. If you found this helpful and entertaining, I would be so grateful if you could share our show with your friends and I'd be super happy if you subscribe so you can be updated as we publish new episodes. And if you really want to help leave us a five star rating and a positive review on apple podcast or wherever you listen.

[00:48:42] It's a Customer's World podcast is a product of the University of Arkansas's Customer Centric Leadership Initiative, and a Walton college original production.