



Retail engagement in Lebanon

Improving the shopping experience for all

The World Food Programme (WFP) knows that in many contexts, populations can be served better through markets than with in-kind food. WFP's supply chain unit works with shops in Lebanon to remove market inefficiencies, improve access to shops, lower prices and improve shopping experiences. Those changes are made not just for recipients of WFP's food assistance, but also for every shopper in Lebanon. WFP's retail engagement strategy has three areas of focus:

INCREASING PURCHASING POWER

By giving shops a mandatory price range, introducing them to preferred wholesalers where retailers aggregate demand to leverage negotiation power, and through a smartphone app – Dalili – which provides food prices in nearby shops, WFP is able to increase the purchasing power of all customers visiting WFP-contracted shops.

USING ITEMISED DATA

WFP collects sales through the points of sale in almost all contracted shops in order to monitor consumer behaviour, track high demand items and monitor prices. A constant feedback loop to WFP allows rapid adjustments and real-time feedback for shopkeepers.

DEVELOPING THE RETAIL SECTOR CAPACITY FOR SUSTAINABILITY REASONS

WFP provides one-to-one capacity building visits to shops, encouraging shopkeepers to elevate their standards and increase their competitive advantage with the end goal of influencing their customer service standards. That is achieved by encouraging lower food prices, increasing hygiene and security, and proposing better quality products. Those changes remain for all customers and contribute to WFP's long-term #ZeroHunger vision where food is more accessible for all.

LOYALTY PROGRAMME

In early 2019, WFP gave 180 families who receive WFP assistance a loyalty card. For every LBP 1,000 that was spent, the card-holder earned one point. With 200 points, the cardholder could redeem an additional LBP 5,000 of extra free purchases of food and non food items.

Early indications highlight a 16 percent increase in sales as a result of the incentive and an additional asset for smaller shops competing with larger chains. Additionally, loyalty card holders reported a 2.5 percent increase in their purchasing power.

ACHIEVEMENTS TO DATE

- Over 2,000 capacity building visits to shops, helping them to elevate their retail standards.
- 95% of shops provide itemised sales data.
- Prices are over 6% lower than average market prices.
- Over 2,100 promotions are available on Dalili with an average 35% price difference.