

Whole Foods Magazine
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HOW WILL YOU COMPETE IN 2019?

By Jay Jacobowitz

At the beginning of the year, you must decide where to focus your time and money for the best return. And this year may feel the most challenging yet. Should you invest in raising your social media profile? Should you expand your fresh and prepared foods departments? Should you attempt to offer delivery and/or pickup options for your customers?

At the December SENPA/SOHO natural products trade show in Kissimmee, Florida, I asked the audience of independent retailers if they were seeing an increase in millennial customers. To my pleasant surprise, most attendees raised their hands. When asked why, there was a clear trend that those gaining new, younger-generation shoppers were reaching out on social media platforms. The most popular platform appeared to be Facebook, and its subsidiary, the photo- and video-sharing website, Instagram. While it takes planning and time to think of and post fresh content online, the rewards appear to be fairly direct and immediate.

Third-party platforms are not your only digital resources. Regularly updating your website with current news, new products, recipes, and events will encourage online browsers to regularly revisit your site to see what's new.

And, simple email may be one of your most effective forms of outreach. In its November quarterly investor conference call, Natural Grocers by Vitamin Cottage revealed that it had increased its emails to customers from twice per week to six times per week, with good results. The company made a point of saying that the content of the emails could be very short and simple, such as a new recipe. When it comes to digital communications, the old adage, "A picture is worth a thousand words," holds true today more than ever. And keeping text short and to the point will increase chances viewers will actually read, absorb and remember your message.

If you are considering starting a prepared foods program, be careful! Perhaps your customers have been requesting it. But, there can be a large gap between what customers say they want, and what they are willing to spend on it, and how often. It's worth probing a bit to find out precisely what your shoppers would be interested in; sandwiches, soups, coffee, or something more complex. And, what price point are they willing to afford, and what meal periods—lunch, dinner? If you decide to move ahead, it is worth finding professional help to design the menu and spec the equipment.

Should you offer a delivery or pickup service? If you *don't* have prepared foods, the answer is probably no. Most delivery demand from food stores is for fresh foods for immediate consumption. Customers are likely to have much less interest in you delivering pancake mix and face wash.

As you move into 2019, take a look around at your physical site. When was the last time you updated your flooring, ceiling, lighting, or refrigeration? Paying attention to the feel of your store can pay big dividends as your customers realize you care about the quality of their shopping experience. **JJ**