

Delightful Shopping  
By Jeanne Lakso  
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Using cross-functional store teams to plan promotions can be a simple way to create effective promotional programs that are fun and engaging for your customers, position the co-op as an exciting destination, and communicate your values to the community. That's what we'll explore in this article: the how and why of integrated promotional planning. An integrated promotional plan is one that encompasses all store departments, enhances teamwork, creates an outstanding experience for shoppers, and increases sales.

### **Taking a "whole store" approach**

Well-planned promotions that incorporate fresh produce, meat and seafood, dairy, bulk, grocery, wellness, general merchandise, and prepared foods can accomplish a number of things:

Improve internal communications and teamwork

Identify and capitalize on opportunities for cross-merchandising, product demos, and consumer education (such as spotlighting suppliers or providing seasonal recipe and menu ideas)

Highlight products that support the co-op's values (local, Fair Trade, seasonal) or are tied to a particular occasion

- Enhance price image
- Differentiate your store from competitors
- Increase sales
- Create a sense of excitement for existing customers
- Attract new shoppers
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When everyone on staff is headed in the same direction, there's a greater likelihood that products will be ordered and stocked; that signage and other promotional support materials, such as recipes and coupons, will be available; and that, ultimately, consumers will know about the promotion and make purchases.

### **Cross-functional planning at Outpost**

Outpost Natural Foods (Milwaukee, Wis.) marketing team members Lisa Malmarowski and Diana Schmidt outlined their co-op's plan for cross-departmental promotions in a presentation entitled "Sell More, To More People, More Often," which they shared at NCGA's recent conferences for -grocery, wellness, and marketing staff.

Since 2005, Outpost's promotional strategy for its three Milwaukee stores has evolved from concentrating on value and center store departments to making fresh departments the stars and maintaining a positive price image. Driven by a desire to differentiate themselves from competing grocers and specialty stores (both Whole Foods Market and Trader Joes had moved to town), and looking to recover from a period of flat or decreasing sales, Outpost's collaborative, cross-departmental promotions provide an exciting model for other co-ops of any size.

With a finely tuned mix of five complementary promotional programs, Outpost has seen increases in basket totals, customer counts, and co-op membership. Bi-weekly Co+op Deals focus on grocery and wellness products, as does "Get Local," which features owner-only sales on locally sourced items. "Get Fresh" showcases Outpost's perishable departments in a weekly sales flyer, distributed in-store and online. "Big and Cheap" is not an official program name, but it is the staff's affectionate moniker for Outpost's weekly fresh department door-buster specials, advertised via large window posters. The centerpiece is the "Fresh Focus" display, which cross-merchandises seasonal perishables with complementary center store sale items in highly visible "bunker" cases in each store's produce aisle.

To keep all the plates spinning, Outpost's promotions team—the directors of store operations, brand and marketing, community relations, purchasing and category

management, prepared foods and produce, and merchandising and promotions—meets monthly to review and critique past promotions, plan upcoming themes, and assign responsibility for next steps. Another key to continued success is Outpost's audit team, which engages store managers, department managers, and staff in assessing how well each promotion is executed.

According to Malmarowski, Outpost's promotional strategies are having a positive impact in multiple ways. Planning complementary promotions and using shorter sales cycles (one or two weeks instead of monthly) allows the co-op to lower prices on essentials by doing more forward-buying, increases turns and profit margins, brings shoppers in more frequently, and differentiates the store from competitors through a strong focus on fresh, seasonal, and local products—which builds customer loyalty.

### **Turning inspiration into action**

After learning about Outpost's promo programs at the Marketing Matters conference, Annie Hoy, outreach/owner services manager at Ashland Food Co-op (Ashland, Ore.), presented a proposal to her co-op's management team, suggesting they move in a similar direction. Titled "Joyfully Working Together Makes the Most of Store Promotions," her proposal posits that by working together to plan promotions, Ashland Food Co-op's staff can achieve its mission and vision for both internal and external customer service.

When asked what she hopes a new planning strategy will achieve, Hoy stated, "We'll actually have cohesive promotions. We have sales in all departments, but we've never really followed any thought-out themes or tried to actually cross-promote products according to season, event, or theme. It happens haphazardly, and without other departments knowing about it. By thinking about what to do as a group, we can all plan together. Hopefully that will cut down on the territorial nature of our product department managers.

"We also hope that co-planning and coordination will hold us all more accountable to each other...to do what we say we're going to do. Because when someone doesn't do what they promised, it'll be way more obvious than it is now," she said. Hoy's colleagues have responded enthusiastically to the idea. "We're probably the only commercial operation of our size that doesn't do this. It's about time we did!" said Kelly McNamara, specialties manager.

Deli manager Michelle O'Connor spoke to the potential for better teamwork, saying, "This could be the missing link to pulling us all together."

Hoy is ready to take the next steps, with the active participation of the store's managers. "Since 2012 is both the International Year of Cooperatives and our 40th anniversary, we are beginning our planning now. We'll come up with an umbrella theme

and then work out the year's themes from there," she said. "We are planning to hire a demo coordinator who would take on much of the responsibility of carrying out the coordinated promotions. Our monthly plans will be fleshed out six weeks before the beginning of the month, so we'll have plenty of time to prepare."

### **Where to start**

Shifting to a new and more collaborative mode is not without challenges. While I was the marketing manager at Linden Hills Co-op (Minneapolis, Minn.), I worked with the store's general manager and other managers to institute quarterly promotional team meetings and plan thematic and cross-merchandised displays. Based on that experience, here's my best advice:

- Get the right people involved, and set clear expectations.
- Start small, and have measurable goals in mind. Rather than a year's worth of plans, focus on a single holiday or occasion (say, Thanksgiving, New Year's, or the Super Bowl).
- Have an agenda for meetings; stick to it— and appoint a note-taker who will circulate notes afterwards.
- Brainstorm a list of products from all departments that could be included in the promotion. Be sure to include items available via Co+op Deals or other promotional programs, broker specials, and deals your buyers can obtain from local suppliers.
- Use NCGA's annual promotional calendars, "What's Fresh?" quarterly newsletters, and monthly marketing strategy papers to help generate ideas for seasonal, thematic, and holiday cross-promotions—especially ones that showcase deli, meat/seafood, produce, and cheese.
- Tap into your store's marketing and merchandising resources to ensure promotions are supported with demos, newsletter articles and POS materials, recipes, displays, and advertising. Check NCGA's website for ready-to-print recipes, signage, and newsletter copy, also.
- Identify appropriate high-traffic, visible areas for cross-promotional displays. Repeat thematic elements throughout the store: posters, shelf-talkers, smaller displays to supplement main display area, table tents, signs at checkout, etc.
- Make sure each meeting concludes with a clear action plan with next steps, deadlines, and responsible parties.

Once tasks are assigned, monitor and reward progress. Outpost's audit teams ensure displays and signage are completed on time and maintained throughout the promo period. Tracking sales from individual displays is also a great way to measure success. Finally, be sure to keep your big-picture goal in mind. The subtitle of Hoy's presentation says it well: "A strategic and integrated approach to promotions can save time and make shopping more delightful." Here's to more delightful shopping!