

The Fresh Competitive Advantage

NCGA to build perishables department support programs

BY CHRIS RYDING

Forty-six percent of grocery shoppers are cooking more and eating out less," according to the Food Marketing Institute, and there is an increasing interest and emphasis on consumers' part for making these home-cooked meals fresh and flavorful. Additionally, a recent report by the industry research firm Technomic shows restaurants losing market share at a rate not seen since the 1990-91 recession, finding that diners are now turning to prepared food options in supermarkets as a way to weather the current economic climate. This means more consumers are looking for more affordable meal solutions—such as healthy ready-to-eat and heat-and-serve options—that meet their needs for speed and convenience.

These trends place renewed importance on high quality fresh foods departments: produce, meat/seafood, and deli (bakery, prepared foods, and cheese). These perimeter areas of the store are expected to continue to grow, and will have a greater impact not only on internal margins but also on a store's public image.

In response to the rising strategic importance of fresh departments, National Cooperative Grocers Association (NCGA) will be developing programs in 2009 to help our member cooperatives boost their "fresh" competitive advantage and help ensure long-term success.

NCGA's approach to supporting these departments will focus on two primary strategies:

- * professional development of department staff; and
- * coordinating marketable events across fresh departments.

Professional development

Stemming turnover and building depth of talent at the department level is an important part of consistent, high-performing departments. Toward this end, NCGA's fresh plan will include department-specific and cross-department management trainings, including the following:

Introductory workshops: Based on the popularity of the "Introduction to Deli Management" workshops, basic operational workshops for produce, meat/seafood, and deli will be hosted annually. These workshops will be targeted toward new department management and potential future leaders. The workshops will allow interaction among peers of similar experience levels while creating awareness of the resources available to them, including NCGA and CoCoFiSt tools.

Perishables department conference: These meetings will feature tracks on advanced operational skill sets—including such items as merchandising and pricing trends, new resources and team development—and are targeted at more seasoned department managers in any perishable department.

On-the-job trainings: In order to ensure there is opportunity to cross-pollinate best practices in a "learning by doing" atmosphere, NCGA anticipates developing a resource list of prequalified, high-performing member departments which can provide on the job training to other members' staff.



Self study: Department-specific resources, forms, and other materials will be available through the NCGA website.

Marketing the fresh departments

We intend to help our member co-ops execute sales-driven fresh foods programs by providing turnkey materials such as recipes and incorporating fresh departments into events such as the Eat Local America challenge. Other opportunities to promote fresh departments may include developing a monthly promotions calendar to complement the CAP flyer and coordinating seasonal specials.

NCGA's culinary team—which currently includes chefs/cooks, bakers, cheese buyers, and beverage specialists—will also be expanded to include representation from meat/seafood and produce departments in order to promote networking and gain alignment on preferred sales strategies.

Summary

Strong, vibrant perishable departments which are built on a foundation of solid systems, controls and talented staff are crucial to competing effectively in today's marketplace. Consumers are shopping the perimeter departments like never before, presenting co-ops with the opportunity to further differentiate and become consumers' preferred shopping destination. Now is the time to step up our fresh department focus and execution! ■

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