

Shopfair Supermarkets Harvard Case Solution & Analysis

What about health foods?

- Who? Who buys healthy foods?
- What? What are healthy foods?
- When? When are healthy foods purchased?
- Where? Where are healthy foods purchased?
- Why? Why purchase healthy foods?




The Shopping Cart

- Designed so that the consumer can "fill it up"
- 1938 invention



Check-out

The most profitable area of the store is the check-out line. This is where after a few minutes in line you'll encounter the temptation of the candy rack and a magazine you've been looking through. Store owners use a ploy because the customer might purchase something else while waiting.



Endcaps they grab consumers' attention but they are not always the "best deal".



Near the Front Door

- Sprinkles are high
- Bakery or floral displays - "sensory centers"
- "Tuff home" - Consumers don't need but want



Prevent your shoppers card for some "deals", the supermarket wants to know your purchasing history.

Other Supermarket "Tricks" to keep the consumer shopping...

Most stores move customers from right to left. Due to this flow and the practice of driving on the right side of the road, the items you are most likely to buy tend to be on the right hand of the aisle.




Research reports that consumers prefer "shiny" things

This is one of the reasons why products in displays with color and light attract attention and are sold more quickly.



Dairy and other needs in the back

Must walk through the store to get those items



The Aisles

- Narrow Aisles - the party can't leave - makes them squeeze through
- Wide aisles - the superstore's get their best customers
- Endcaps - the superstore items that make the difference
- Slatings fees - stores pay them and make \$ from product placement




What do supermarkets want? To make \$ or

- The average amount of products carried by a typical supermarket today has increased from 15,000 in 1960 to 50,000 (McGraw-Hill)
- Each year 100,000 new items are introduced in supermarket shelves. Only those items that are successful are maintained past the initial introduction.

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Endcaps they grab consumers' attention but they are not always the "best deal".




Near the Front Door

- Spirits are high
- Bakery or floral displays - "sweet spots"
- "Full house" - Consumers don't need but want



Present your shoppers card for some "deals", the supermarket wants to know your purchasing history.

Other Supermarket "Tricks" to keep the consumer shopping...

Most stores move customers from right to left. Due to this flow and the practice of driving on the right side of the road, the items you are most likely to buy tend to be on the right hand of the aisle.



What do supermarkets want? To make \$ of course!

- The average amount of products moved by a typical supermarket today has increased from 15,000 in 1980 to 50,000 (McLaren Neale)
- Each year 9000+ new items are sent out on supermarket shelves. Only 30 new items that are successful get restocked past the initial introduction.

Basic strategies that consumers prefer "buy" things

This is one of the reasons that products in contact with water that come through the plastic wrap around a number of products.




Dairy and other needs in the back

Must walk through the store to get these items.



The Aisles

- Store owners - don't care how it goes - looking for the most profit
- They will place all eye level for customer attention - the eye level is the most profitable area and the eye level is the most profitable area and the eye level is the most profitable area
- Look for the "hot spot"

Clothing lines - stores pay them and make \$ from product placement.



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-
- Each year 9000+ new items are introduced on supermarket shelves. Only those items that are successful are continued past the initial introduction.



You **Tube**

The image shows the exterior of an 'Always Food Center' at night. The building is constructed of brick and features a large, illuminated sign for 'Always' in a red, cursive font above a sign for 'Food Center' in a red, sans-serif font. The entrance is marked with 'ENTER', 'OPEN 24 HRS', and 'EXIT' signs. Several people are walking towards the entrance, and a shopping cart is visible on the right. A teal circular graphic on the right side of the image contains the text 'Warm colors for the outside and cool colors inside.'

Always®

Food Center

Warm colors
for the outside
and cool colors
inside.

The Shopping Cart



- Designed so that the consumer can "fill it up"
- 1938 invention

Near the Front Door

- Spirits are high
- Bakery or floral displays - sweet scents"
- "Fluff items" consumers don't need but want



Research reports that consumers prefer "shiny" things

This is one of the reasons that produce is sprayed with water mist...even though this practice may speed up spoilage of produce

