

Lindenwood University

Digital Commons@Lindenwood University

Theses

Theses & Dissertations

1992

The Foodland International Employee Service Award and Image Marketing Plan

Vesper L. McDonald
Lindenwood University

Follow this and additional works at: <https://digitalcommons.lindenwood.edu/theses>



Part of the [Business Commons](#)

Recommended Citation

McDonald, Vesper L., "The Foodland International Employee Service Award and Image Marketing Plan" (1992). *Theses*. 279.

<https://digitalcommons.lindenwood.edu/theses/279>

This Thesis is brought to you for free and open access by the Theses & Dissertations at Digital Commons@Lindenwood University. It has been accepted for inclusion in Theses by an authorized administrator of Digital Commons@Lindenwood University. For more information, please contact phuffman@lindenwood.edu.

**THE FOODLAND INTERNATIONAL
EMPLOYEE SERVICE AWARD AND IMAGE
MARKETING PLAN**

Vesper L. McDonald, B.A.

An Abstract Presented to the Faculty of the Graduate
School of Lindenwood College in Partial
Fulfillment of the Requirements for the
Degree of Master of Business Administration

1992

ABSTRACT

This expository applied learning study evaluated The Foodland International Corporation's role in the food chain, industry and retailer competition and needs. The research was used to design a Foodland marketing support program, with a flyer as the primary sales aide. The program was designed and implemented to offer a combination of The Foodland International Corporation's employee service award and image items to licensed Foodland affiliates.

The Foodland International Corporation is a wholly owned subsidiary of Wetterau Incorporated, a major U.S. food wholesaler, headquartered in Hazelwood, MO. Its licensed affiliates consist of other Wetterau-owned corporations (known as divisions), and outside corporations who are independently owned. These affiliates are corporations who run wholesale warehouses that service numerous independent and/or company-owned retail grocery supermarkets. The wholesale warehouse operations stock and ship many different consumer products under many labels, but are specifically licensed to purchase and resell the controlled Foodland labels. It is Foodland

International's responsibility to see that only licensed affiliates receive and sell the controlled label products, and that the stores where consumers purchase the controlled labels meet the Foodland International standards of appearance, size, and conduct. It's mission also includes enhancing the Foodland image to ultimately sell greater amounts of its product to the end consumer. To accomplish the overall mission Foodland International offers various support programs to the wholesalers that service the retailers. The employee service award and image marketing program fulfills a portion of that commitment.

The project began with a study of the U.S. food chain, Foodland International's role within it, and a study of current retailer marketing needs. A survey to the Foodland wholesale affiliates indicated their perceived needs. From this combined research the marketing plan and its components were designed. To evaluate the results, personal interviews were then conducted with three upper management Wetterau Incorporated executives who are experienced in the national voluntary group role of Foodland International. Their comments were generally favorable, and confirmed that this marketing plan is needed and should be continued. In addition they

offered some possible improvements, i.e. expansion of the marketing plan's primary sales aide, a fold-over flyer, to a larger format that could offer more items, methods through which both the customer and the product vendors might be included in the retailer promotion of the product, and more extensive use of the HOTLINE newsletter to pull the various items through the retailer organization as they are created and presented.

The study concluded with an analysis of the entire project; detailed its limitations which included budget restraints at all levels, lack of specific measurement data, and the specific role of Foodland International in the food chain; and suggested ways in which future studies of this nature might be improved.

**THE FOODLAND INTERNATIONAL
EMPLOYEE SERVICE AWARD AND IMAGE
MARKETING PLAN**

Vesper L. McDonald, B.A.

A Culminating Project Presented to the Faculty of
the Graduate School of Lindenwood College in
Partial Fulfillment of the Requirements for the
Degree of Master of Business Administration

1992

COMMITTEE IN CHARGE OF CANDIDACY:

Assistant Professor, Dan Kemper
Chairperson and Advisor

Adjunct Assistant Professor, Joe Ancona

Adjunct Assistant Professor, Patrick Akers

TABLE OF CONTENTS

List of Figures	iv
I. Introduction	1
Marketing in the U. S. Food Industry	1
The Food Chain	3
The Foodland International Corporation	10
II. Literature Review	21
Market Segment and Competition	21
Current Marketing Climate	26
Independent Retailer Concerns	28
Problem Statement	38
III. Methods and Evaluation	43
Subjects	43
Instrument	48
Materials	48
Procedure	50

IV.	Results	53
	Closed-Answer Personal Interview Question Results	53
	Open-Answer Personal Interview Question Results	54
	Surveys	54
	Brochure	56
	Ideas for Expansion of Marketing Plan	58
V.	Discussion	65
	Summary	65
	Limitations	68
	Suggestions for Future Implementation and Research	71
	Appendix A	73
	Appendix B	76
	Works Cited	104
	Vita Auctoris	107

List of Figures

Figure I.	Consumer and Industrial Marketing Channels	4
Figure II.	How a Distributor Reduces The Number of Channel Transactions	5
Figure III.	The U. S. Food Chain	6
Figure IV.	The Foodland International Corporation	12
Figure V.	Supermarkets Outdo Competition ...	25
Figure VI.	Consumer Expectations in 1990	27
Figure VII.	Survey - The Foodland Employee Service Award and Image Program	82
Figure VIII.	Results of Survey Form	84
Figure IX.	Announcing Foodland Support Program	96
Figure X.	Foodland Brochure	97
Figure XI.	Foodland Wholesaler and Retailer Price/Order Formats	99
Figure XII.	Foodland Wholesaler Price/Order Form for Logoed Uniform Items ...	101
Figure XIII.	Advertisement in HOTLINE	103

Chapter 1

INTRODUCTION

Marketing in the U.S. Food Industry

Marketing in the United States food industry is an exciting and multi-faceted technique. Mastering the art of marketing is inherent in the success of the companies who are involved in the attempt to actually place an item in the hands of the consumer. Philip Kotler and Gary Armstrong explain the concept in their marketing textbook.

Companies must do more than make good products -- they must inform consumers of product benefits and carefully position products in consumers' minds. To do this they must skillfully use the mass-promotion tools of advertising, sales promotion, and public relations. (Kotler and Armstrong 434)

Many different media exist through which manufacturers can inform, educate and influence the consumer to look for and purchase their products. A few of the best known are, of course, the television and radio commercial, advertisements or public relations articles in consumer oriented magazines, trade and industry magazines and publications, newspapers, newsletters and direct mail catalogs and flyers.

But the stories and advertisements that the consumer sees or hears are only the surface of a combined marketing effort. At other levels of the food chain there are trade promotion tools. "Trade promotion can persuade the retailers or wholesalers to carry a brand, give it shelf space, promote it in their advertising, and push it to consumers" (Kotler and Armstrong 453). Food processors and/or packers may offer volume discounts, extra free cases when a certain number are ordered, free advertising for their products, or straight discounts off the price of the purchase invoice to promote orders through lower pricing. Vendors, wholesalers and brokers often work together to set up trade shows where sales representatives can meet with buyers to promote their brands and obtain product orders (Kotler and Armstrong 453,454). It is clear there are many marketing and promotion methods available from which to choose.

No where is the diversity of marketing techniques more dramatic than in the food chain. The food chain is composed of many levels, and different marketing techniques are needed at each one. Coordination and integration with the public relations, marketing and advertising campaigns of multi-vendors and/or other associated companies in the food chain requires a clear understanding of each one's role and purpose, of legal restrictions, and of the primary objective --

that of ultimately reaching the consumer in an effective manner.

Therefore, to obtain an understanding of which marketing processes are applicable, and to explore what will work and what will not at a particular level in the food chain, it is important to begin with a discussion of the food chain itself.

The Food Chain

The food chain in the United States of America is an interesting, complex and efficient coalition of many independent companies, groups and industries. While similar to, and sometimes overlapping with the distribution chain of manufactured products, the food chain has its own set of major components.

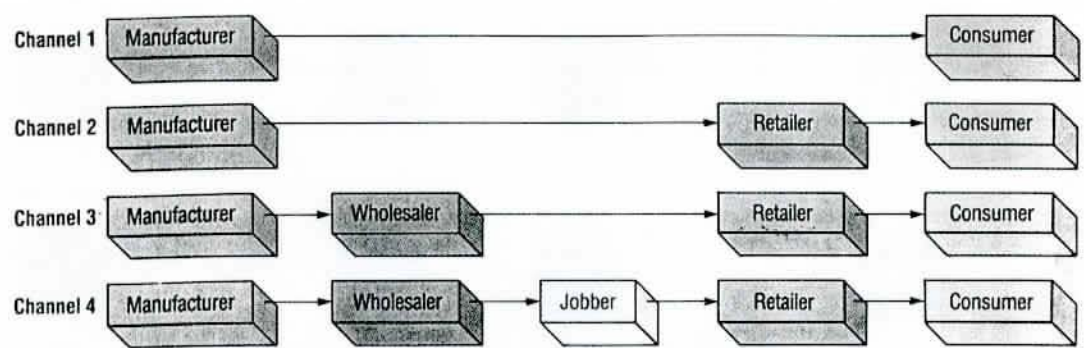
For clarification and comparison purposes, a Kotler and Armstrong illustration of consumer and industrial marketing channels which begin with man-made goods, and the various ways in which a distributor may reduce the number of channel transactions, are shown in Figure I and Figure II, respectively. According to Kotler and Armstrong:

Distribution channels are more than simple collections of firms tied together by various flows. They are complex behavioral systems in which people and companies interact to accomplish individual, company and channel goals. Some channel systems consist of only informal interactions among loosely organized firms; others consist of formal interactions guided by strong organizational structures. And channel systems are not static -- new types of

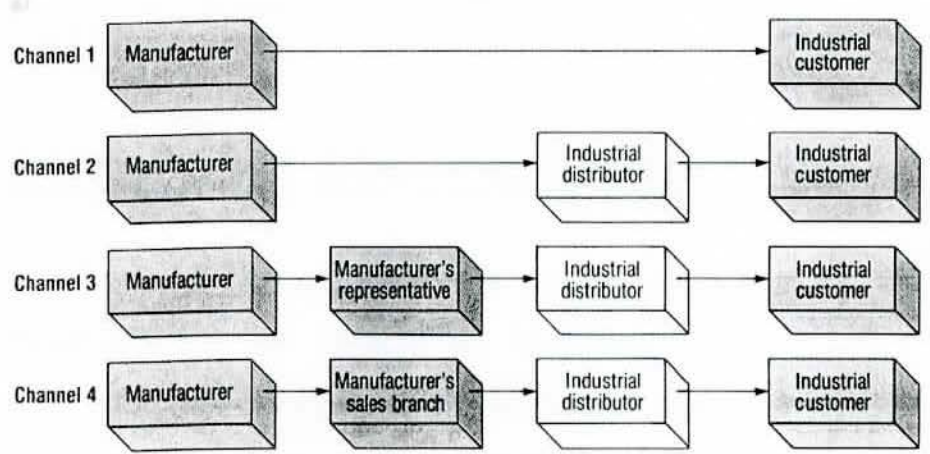
middlemen surface and whole new channel systems evolve. (Kotler and Armstrong 353, 354)

Figure I

Consumer and Industrial Marketing Channels



A. Customer Marketing Channels

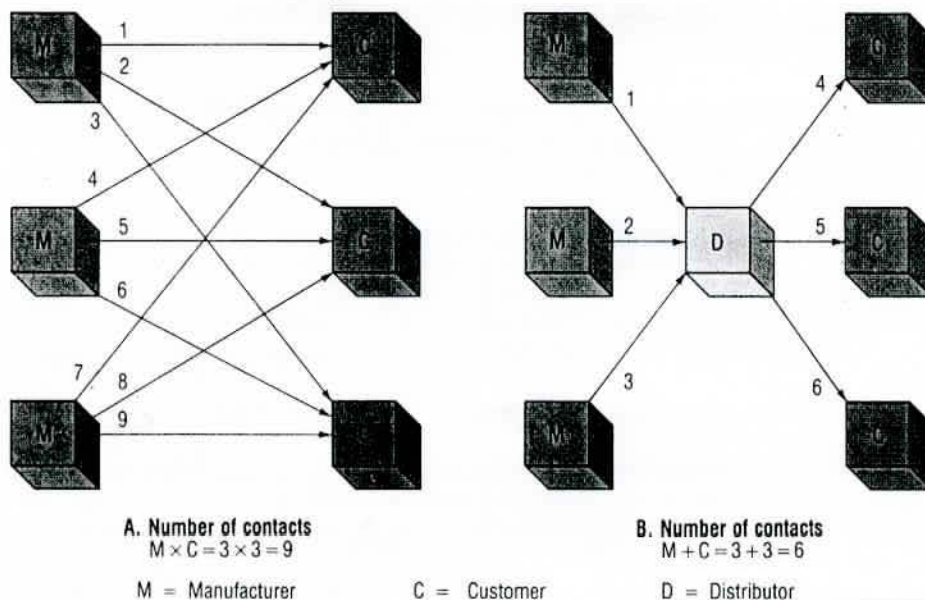


B. Industrial Marketing Channels

Reproduced from Principles of Marketing, by Philip Kotler & Gary Armstrong (352)

Figure II

How a Distributor Reduces The Number of Channel Transactions



Reproduced from Principles of Marketing, by Philip Kotler & Gary Armstrong (351)

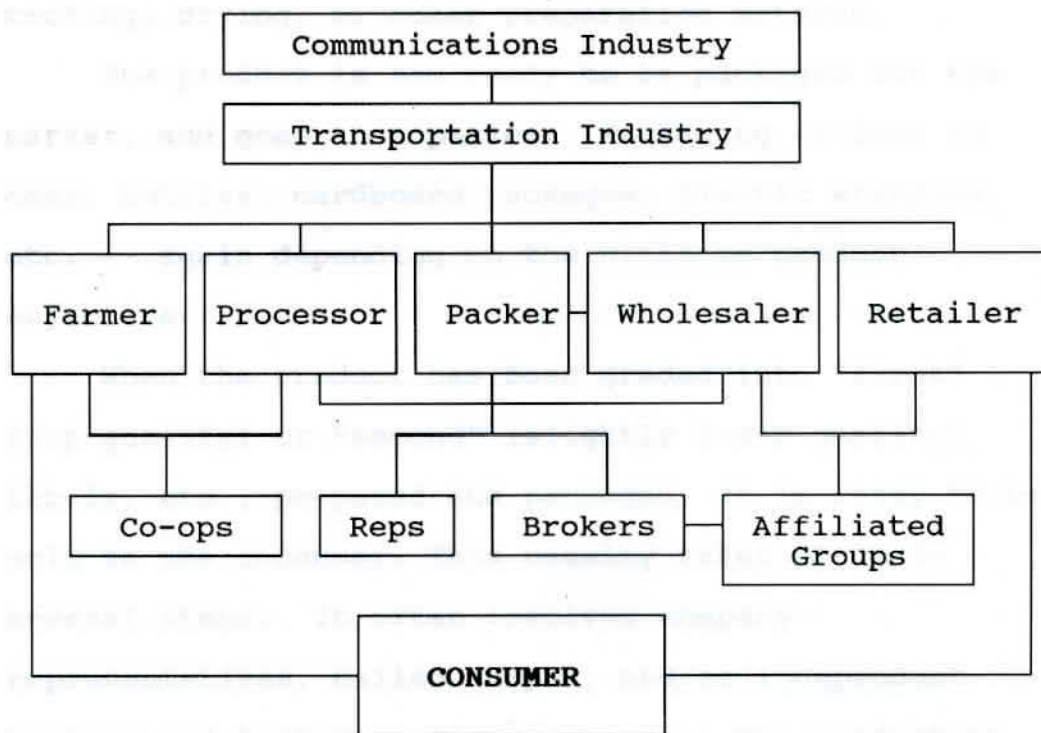
Figure III illustrates the major channels of the U.S. food chain. It should be understood, however, there are many smaller, niche positions not shown in this illustration, not all products go through every step, and some companies combine several of the steps.

The entire system is held together by the transportation industry, consisting of planes, trains, trucks, and ships. Products at all levels are on the move daily, and the communications industry through which buy and sell, transportation, and related

arrangements are handled daily by phone, fax and mail is an integrated part of the food chain system.

Figure III

The U. S. Food Chain



The USA food chain begins with the **farmer, rancher or producer** of the raw product. This product is then "taken to market" which can mean a number of things depending on the type of product and its handling requirements. Some products, such as fruits and vegetables, are sold through farmer co-ops so that farmers may pool their produce and market it at the best price available at the time of harvest. Others

are sold by brokers, through the commodity markets, or directly to the processors.

The **processor** accepts or buys the raw product, refines and grades it according to quality. The produce is then prepared for consumer use through cooking, drying, or other preparation methods.

The product is now ready to be packaged for the market, and goes to a **packer**. Packaging is done in cans, bottles, cardboard packages, plastic wrapping, etc. -- again depending on the ultimate product objective.

When the product has been graded into "first" (top quality) or "second" (slightly lower quality) labels, etc., prepared and packaged, it is ready to be sold to the consumer. This usually takes place in several steps. It often involves **company representatives, called "reps", and/or independent brokers and brokerage firms**, who sell the product to wholesalers. Representatives and brokers never handle nor see the product itself, taking care of the paperwork only on the buy and sell transactions.

When the sale has been made, the product is shipped directly from the processor or packer, to the warehouse of the **wholesaler**. The wholesaler's purpose is to buy single items in large quantities, thereby obtaining volume pricing. They buy and warehouse the product until it is sold and delivered to many different retail stores.

Sometimes in the area of controlled brands the wholesaler procures the product and designates a specific packer who labels and distributes the grocery product. In this case the flow is reversed between these two components of the food chain, and there may not be any brokers nor reps involved.

Retail stores are "serviced" by the wholesale warehouses, and regularly order the product needed to fill the shelves for the consumer. Grocery stores do not warehouse large amounts of food -- the vast majority of inventory in a grocery store is on the shelves where consumers may see and buy it. Thus shipments come in, usually by truck, to the back of the grocery store on a daily basis. An item must go out the front door just as regularly as it comes in the back, or it is no longer offered by the store.

Thus it is the **consumer** that makes the final decisions, which then quickly wind back down through the food chain to change any product, packaging, preparation process, technique, procedure, or pricing that does not contribute to a successful consumer item. To sum it up, "When customer service is the single element against which all decisions are measured, your company becomes like an immune system: 'toxic to pests' that erode your customer base" (Goldzimer 197).

The success of an item in the consumer market does not depend only upon its quality, preparation and

packaging, but also upon the efficiencies that got it to market. There are transportation charges and profit taking at each step of the food chain that brought the item to the consumer's table. If any one is out of line and the retail product is priced too high, consumers have consistently displayed their displeasure by refusing to buy the product, at which time the process is adjusted or the items disappear from the grocery store shelves.

U.S. economic times also affect the type of marketing that is effective. The recent recession has been an excellent example. The April, 1991 edition of Progressive Grocer, a leading food industry publication, points out that:

If the [economic] squeeze is on wholesalers and retailers, manufacturers can expect to share the pressure... Executives, particularly wholesalers, always say their companies are very likely to push for better deals, use more forward buying and demand better cash terms. In addition, they look to manufacturers for more merchandising cooperation. The difference this year is that these actions dominate executives' agendas. (23)

Another major industry publication echoes this opinion, but believes more than just price is involved. In Supermarket News it is pointed out that a direct result of the recession is likely to be the growth of private label. "Consumers buy private label initially because of savings. However, as they become aware that the quality meets their expectations they

continue to buy" (Turcsik 16). Then the third factor, customer service, completes the picture.

...as important a factor as price is, the trend of the 90s will be service. This is the primary prerequisite at both the wholesale and retail levels. Customers and consumers alike are requiring and demanding service. (16)

The Foodland International Corporation fits into the U.S. food chain, illustrated in Figure III, as an "affiliated group." Because it must deal with several different levels of the food chain from an auxiliary position, a complete understanding of how and with whom the company functions is vital to the creation of an effective marketing plan. Therefore, The Foodland International Corporation is the next area of study.

The Foodland International Corporation

The Foodland International Corporation, headquartered in Hazelwood, Missouri, is the type of organization commonly known in the U.S. as a national voluntary group. The Foodland International Corporation owns several registered trademarks and logos, such as Foodland and Clover Farm. These logos and trademarks may be used by affiliate companies licensed to promote and/or display them on store signs, store uniforms, in advertisements, etc. The combination of uniform standards, appearance, and use of the registered logo and product labels creates an image among the Foodland affiliates which can be

readily recognized by the consumer. This public image is shared by the affiliated companies who are licensed to use the Foodland logo, display and sell the Foodland product and its related private label brands. Separate wholesale warehouse corporations are licensed by The Foodland International Corporation to buy and resell the private label products to affiliated retail stores. The mission of the Foodland International Corporation is to safeguard the integrity of the Foodland name and registered logos; develop, update, coordinate and maintain Foodland programs to promote growth; provide services; and fulfill licensing obligations to its affiliates, both at the wholesale and the retail levels of the food chain.

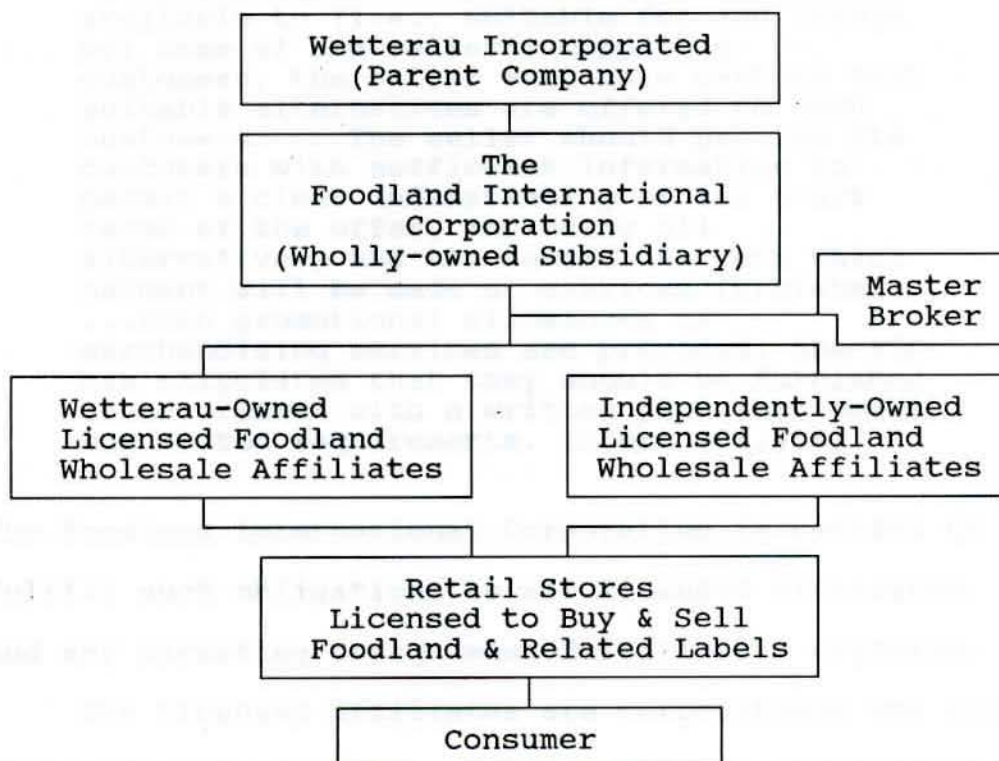
Because Foodland International Corporation is a wholly owned subsidiary of Wetterau Incorporated and is officed at its headquarters, it is important to also understand this large parent company. Many of the Foodland support programs are made possible through the parent. Wetterau is a major U.S. food wholesaler listed in the Fortune 500 (Fortune 286). A Wetterau employee assigned as the General Manager of The Foodland International Corporation has the task of coordinating the Foodland International headquarters activities with related services handled through appropriate Wetterau departments. The Foodland International financial statements become part of the consolidated Wetterau Incorporated reporting, and The

Foodland International Corporation is listed under the Corporate Group heading in the Wetterau Incorporated annual report (Wetterau 1991 46). Wetterau Incorporated, traded across the board on NASDAQ, reported \$5.6 billion in net sales for the fiscal year ended March 30, 1991 (Wetterau 1991 27).

Figure IV demonstrates the relationship (but not the flow of products) between the individual legal entities that are most closely associated with The Foodland International Corporation.

Figure IV

The Foodland International Corporation



Because The Foodland International Corporation's licensed affiliates consist of other Wetterau-owned corporations (known as divisions), and outside or independent corporations which are not Wetterau-owned, the corporation must consider existing U.S. legal requirements in offering its marketing services uniformly to all its licensed affiliates.

Certain stipulations have been made regarding adherence to Sections 2(d) and 2(e) [of the Robinson-Patman Act]. Among them are the following: ... The seller must design a promotional program in such a way that all competing buyers can realistically implement it. ...the seller should take action designed to inform all competing customers of the existence and essential features of the promotional program in ample time for them to take full advantage of it. ...If a program is not functionally available to (i.e., suitable for and usable by) some of the seller's competing customers, the seller must make certain that suitable alternatives are offered to such customers. ...The seller should provide its customers with sufficient information to permit a clear understanding of the exact terms of the offer, including all alternatives, and the conditions upon which payment will be made or services furnished. ...When promotional allowances or merchandising services are provided, the FTC has stipulated that they should be furnished in accordance with a written plan that meets the listed requirements. (Stern 455,456)

The Foodland International Corporation is careful to fulfill such obligations to all licensed affiliates, and any marketing design must fulfill this criteria.

The licensed affiliates are corporations who run wholesale warehouses to service numerous independent and/or company-owned retail food stores. Although the

wholesale warehouse operations stock and ship many different consumer products under many labels, they are specifically licensed by Foodland International to purchase and resell the controlled Foodland labels. It is Foodland International's responsibility to see that only licensed affiliates receive and sell the controlled label products, and that the stores where consumers purchase the controlled labels meet the Foodland International standards of appearance, size, and business conduct.

Foodland International's mission also includes the enhancement of the Foodland image to ultimately sell greater amounts of the product to the consumer. To accomplish the overall mission, Foodland International offers various support programs to the wholesalers that service the retailers. It's long history must now be combined with modern trends to sustain its viability.

According to a Wetterau Incorporated Annual Report: "In 1926, Foodland International, today the nation's second largest voluntary group, began as the Clover Farm Stores Corporation, a co-op owned by 14 small wholesalers" (Wetterau 1989 I-8). In 1929 the Fox Grocery Company joined the Clover Farm group, and in 1974 Fox Grocery acquired Clover Farm and renamed the group Foodland. By 1981 the Fox Grocery Company was "the country's 14th largest voluntary food wholesaler serving nearly 300 retailers in six states"

(Wetterau 1989 I-18). It was acquired by Wetterau Incorporated, and at that time it was renamed The Foodland International Corporation. Today the group of Foodland affiliates consists of seven Wetterau owned affiliates and eight independently-owned affiliates, who collectively service approximately 450 licensed retail stores.

The Foodland International Corporation was originally formed by a group of independent retailers to enhance volume buying and profits, to meet competition, and to share marketing expertise and ideas. It continues to follow those objectives. A consistent upgrade is made of its policies and support programs to meet current trends and provide solutions to marketing challenges for today's conventional supermarkets. High quality standards for both the branded product and the Foodland-licensed establishments are stressed as set forth in The Foodland International policies. At the same time care is taken to maintain competitive pricing within the trade area served.

To summarize, The Foodland International Corporation must formulate a practical marketing program that will accomplish three objectives simultaneously:

- . offer quality private label merchandise at competitive prices;

- . present the Foodland image to the public in an appealing and positive manner through store appearance as well as the appearance and attitude of the employees who serve the public; and
- . provide a map for management to obtain greater efficiency and resulting profits at both wholesale and retail levels.

Because Foodland International's purpose is to coordinate and promote the use of the Foodland name and image, and its own private label products, its entire marketing thrust must focus on the private label industry (although continuing to be aware of manufacturer brands from a competitive viewpoint). Private label products are believed to have increasing value in the supermarket's future, making a review of the private label trends an important part of formulating an effective marketing plan.

Growers and packers have found that they can command a higher price for their products if they can place a highly recognizable name on the goods. ...the concept is moving to the next step where the customer is presold or preconditioned to recognize a brand of produce as superior to unbranded and, therefore, worth more. (Chirtea 67)

Progressive Grocer also cites the continuing consumer shift to branded products: "Emphasis on private label is rising sharply, while national brands and non-foods are both de-emphasized." (Heller, "Outlook" 23)

In addition to the price advantage, chains and wholesalers are very concerned with quality control.

Chains and wholesalers spend a great deal of time assuring themselves that they are receiving the best product available. This is an expensive process, many times involving field inspections, loading checks and consistent follow-up. Successful branded produce starts before the point of harvest and goes through to the retail display so the packer can be assured that the product quality lives up to his brand name. This quality control, which takes a great deal of the burden off the chain or wholesale buyer, will be welcomed with open arms. For this reason alone, we will see an expansion of branded produce in the years ahead. (Chirtea 69)

Although there are a number of minor brand categories such as regional brands and branded generics, the private label fits into a major three-tier system of branded selling: i.e.

- . **Generics** -- usually offered with plain black and white or black and yellow labels, they are designed to tell the customer that the price is lower, but possibly the quality is second-line also. Although consistency of quality is usually lacking in generic lines, they often provide good nutrition at a lower retail price (Chirtea 71).
- . **Private label** -- usually designed to provide product that is at least equal in quality to the similar national brands, but at the same time offers a lower price (Chirtea 71).

National brands -- recognized manufacturer brands which usually carry a higher retail price than the private label brands (Chirtea 71).

The products offered by The Foodland International Corporation fit into the private label category, and this fact establishes competition considerations and pricing parameters which directly affect promotional efforts decisions.

Having the right private label, however, is not enough. An efficient method for getting the wholesaler to purchase it, who in turn must convince the retailers that the item should be on their supermarket shelves, is an integral part of the process.

The coordination of the wholesale affiliates purchase orders for brands owned by Wetterau Incorporated and Foodland International brands has been assigned to a national "master broker". Continental Distribution and Marketing (CDM) is headquartered in Concord, California, but also has offices located at strategic points around the country to service contracted customers such as Wetterau Incorporated and The Foodland International Corporation. This system offers all wholesale affiliates specialized purchasing assistance and combines purchasing volume to achieve the best possible pricing from the vendors. All wholesale affiliates are offered the opportunity to use the

services of CDM at no extra charge. Wholesale affiliates have the choice of contacting CDM direct to place their orders or of calling the Foodland International headquarters office for assistance. If a wholesale affiliate has a need or desire to use another brokerage firm, providing control of the private label and its buying power can be maintained for the good of all the wholesale affiliates, ordering procedures are worked out to accommodate these special ordering requests.

Because the hands-on, day-to-day buying interface with the vendors is centered around the master broker, it is often CDM who sets up special buying promotions and coordinates with Wetterau Incorporated and The Foodland International Corporation for implementation to the wholesale affiliates. Any Foodland marketing program, therefore, must be designed to complement, and not conflict with, the broker services.

The foregoing review has dealt with: general marketing within the food industry, the components of the food chain within the USA, The Foodland International Corporation and its relationship to that chain, the Foodland logos, mission and image, plus the private label products and related systems and companies that impact its marketing thrust. With this background information, successful marketing interactions may now be evaluated.

The purpose of this paper is to research, design and provide a marketing plan that will contribute to the overall success of the Foodland International Corporation. This project will involve evaluation of appropriate sales aides and support programs for the Foodland wholesale affiliates, who in turn will use them for promotion purposes with their licensed retailers. The desired end result is greater product sales to the consumer at the retail level of the food chain.

Chapter II

LITERATURE REVIEW

With an understanding of the food chain in the United States, and the position of The Foodland International Association within it, the remaining component is the retail store industry where the Foodland controlled brand ultimately meets with success or failure based on consumer buying decisions. Problems encountered here, decisions made by the store managers and their employees, and the factors that influence them, all have a direct impact on these all-important consumer decisions. A successful marketing plan, initiated at any level of the U.S. food chain, must take this final link in the food chain into careful consideration. Just as in the other levels of the food chain, the retail industry offers a wide variety of grocery stores and markets. A Foodland International marketing plan must, therefore, define the market segment in which its products can be most effectively sold.

Market Segment and Competition

According to The Food Marketing Institute (FMI), retail stores may be classified according to size. A 1989 study revealed that, while store size may vary,

typical measurements include conventional supermarkets with a middle range of 9,850 sq. ft. to 31,500 sq. ft., super stores with a middle range of 37,250 sq.ft. to 50,000 sq. ft., superette stores with a middle range of 3,713 sq. ft. to 6,875 sq. ft. and warehouse stores with a middle range of 38,250 sq. ft. to 51,500 sq. ft. (FMI 81, 93, 103, 127, 135).

Size, of course, is not the only criteria for identification of store type. Progressive Grocer, a major magazine publication in the food industry, defines a supermarket as: "Any full-line, self-service grocery store with an annual sales volume of \$2 million or more" (Bailey 7). This publication also differentiates between chain stores, defined as "an operator of 11 or more retail stores... [and independents defined as] an operator of fewer than 11 retail stores" (Bailey 7).

In today's competitive market there are other emerging store types such as the combination superstores, who now offer food and related household items. There are at least three nationally recognized discount giants sharply affecting the grocery store industry: Wal-Mart, K-Mart and Target. These discount companies compete heavily among themselves. For example, in 1990 Wal-Mart operated in 35% to 40% of K-Mart's markets. By 1995 there is expected to be an overlap of 75%. These three giants control 70% of discount department store business and by 1995 are

expected to overlap in about 40% of their market areas (Saporito 51). As the discount giants continue to expand their markets, even into small towns and rural areas, and compete aggressively among themselves, local independents who do not have their volume buying ability are unable to match their prices. Wholesale club stores, such as Sam's Wholesale, Price, and Costco have also joined the supermarket competition (Toth 9 and Saporito 50).

Even the U.S. military now constitutes a competitive threat to many independent grocers. The Army and Air Force Exchange Service (AAFES) states their retail mission is to supply the troops worldwide at competitive prices. In order to do so, AAFES is also actively competing with stores such as Wal-Mart. In 1990 AAFES reported \$7.4 billion in sales and \$316.1 in earnings. It does not pay taxes, as do the independent grocers. AAFES operates approximately 17,000 facilities that range from shopping malls to small retail stores in outpost locations. While these figures include department store merchandise, the commissaries at which the military do their grocery shopping is a major element (Wilson 21, 22).

This kind of competition means that independent supermarkets must find their own competitive niche by concentrating on multiple ways to attract and hold their customers. It creates the need among independent retailers for voluntary associations such

as Foodland International, who can assist by combining volume for improved purchasing costs, and by supplying a recognizable group name, plus other image advantages.

Another competitor making steady gains in the food industry is the fast-food restaurant. As more single parents and two-income families juggle tight schedules, less home cooking tends to result. This same indicator of consumer patterns brings another major competitor to the food industry, the small convenience store (C-store). In 1957 there were only about 500 C-stores doing approximately 75 million dollars per year. Sales for 1987 were reported by Convenience Store News to have reached a total of 65.9 billion generated from 76,000 locations. Of those 76,000, 10,000 had opened within the last two years. It has been predicted that this growth will continue, and by the year 2,001 there will be over 110,000 C-stores across the United States (Chirtea 44).

C-stores and fast food restaurants mean that consumers spend less at the supermarket. A Progressive Grocer survey of how consumers believed they were spending their food dollars indicated an overall decline of 3% at food stores, although it still exceeds 50% of their food dollars. The results of the survey indicated the average shopper believed they had spent more than 53% at a food store, 14% had spent less, and 33% believed they spent about the

same. These same shoppers indicated they spent 73% of those food store dollars at their primary store, and only 27% at other stores. In addition, at that time, supermarkets continued to outdo convenience stores, fast-food restaurants, and mass merchandisers, as shown in Figure V (Heller et al, "Consumer" 55).

Although supermarkets appear to be holding their own in the war for consumer food dollars, it is an ongoing, aggressive threat that must be continuously addressed. The food industry in the U.S. is growing at the rate of about 1% a year and the population is expanding at that rate. Many people, however, are consciously reducing their calorie intake which means changing food buying habits (Sellers 169).

Figure V
Supermarkets outdo competition

Outlet	% shopping	Average among shoppers	
		Weekly trips	Weekly spending
Supermarket	100%	2.3	\$72.65
Convenience store	41	2.3	12.86
Fast-food restaurant	67	1.9	16.17
Mass merchandiser	64	1.4	26.25

Reproduced from: Progressive Grocer, April, 1991: 60.

The competition must be recognized and understood because it directly affects the development and success of any marketing plan. However, it is an

external environmental factor that cannot be controlled by the independent merchant. For the purpose of this marketing project the target market was narrowed to the types of retail stores affiliated with The Foodland International Corporation.

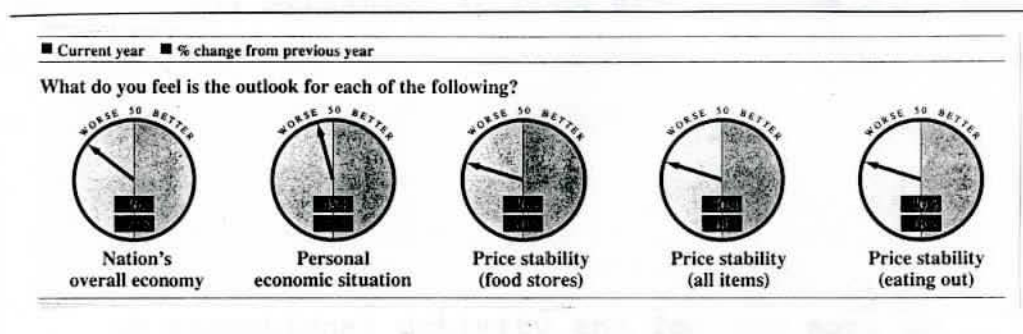
The Foodland International licensed retail affiliates can be divided into two categories of independent merchants. Stores licensed to display the Foodland sign on the front of their buildings generally fall into the conventional independent supermarket category. Smaller markets licensed to display Clover Farms, Best Mart, and Kwik-way signs on their store fronts generally fit into the superette and convenience store profiles. (Foodland, Clover Farm, Best Mart and Kwik-Way are trade names registered to The Foodland International Corporation [Wetterau Retail 1, 7, 12, 17]). It is toward these two industry segments, therefore, that an effective Foodland International marketing plan must be targeted.

Current Marketing Climate

Another external environmental factor that directly affects marketing efforts is the state of the national economy. Just as the current news affects the stockmarket so does it affect the consumer at the checkout counter of a grocery store. A U.S. consumer survey made by the Progressive Grocer for their 58th

annual report on the grocery industry, as shown in Figure VI, indicates that consumers expectations in 1990 were pessimistic (Heller et al, "Consumers" 59).

Figure VI
Consumer expectations in 1990



Reproduced from: Progressive Grocer, April, 1991: 59.

It was predicted by some that the recession of 1991 would affect restaurants more than supermarkets. But the 1991 Nielsen review as reported by Progressive Grocer indicates that, as of October, 1991, this had not happened. Instead, "food-away-from-home sales grew at a healthier pace than food-at-home" (Nielsen 39). The survey showed that,

... supermarket sales rose only 2.25% through the first half of the year, trailing the entire food-at-home segment ... [What's more, supermarket sales were] running below food price inflation (3.8%) which indicates erosion in real unit movement. (Nielsen 39)

Prices, as well as consumer habits, have been affected by the recession.

Between January and May [1991], food-at-home prices rose only 3.8%, compared

to 7.0% during the same period in 1990. And the news in July was even more startling: food-at-home prices dipped 1.2%, the largest monthly decline in 38 years, according to the Department of Labor. (Nielsen 40)

Thus the supermarket industry has actually been experiencing deflation in some areas. This situation has created a favorable market for private labels such as those offered by Foodland International.

With the recession already holding consumer spending down, retailers could ill-afford to turn away consumers with steep price increases. If anything, many have stepped up promotional activity and focused more on private label and generic brands. (Nielsen 40)

Following a review of Foodland International's market segment, its retailers' competition, and the effects of the current recessionary market climate, a detailed analysis of the grocery retailers operating problems remains.

Independent Retailer Concerns

Like other businesses, the independent grocery retailer must also understand what has been termed the driving forces of change. Robert Tucker describes these forces in his new book, Managing The Future, 10 Driving Forces of Change for the 90s. He describes "driving forces of change" ... [as] deep-seated shifts that will dramatically impact every business in the

1990s" (11). The ten driving forces he describes are: speed, convenience, age waves, choice, lifestyle, discounting, value-adding, customer service, techno-edge, and quality (11,12).

It is relatively easy to apply most of these to the independent supermarket's operations. The modern shopper wants it all -- a clean and pleasant appearance, product quality, selection variety, low price, quick but friendly service, and convenience as well. The question for the independent supermarket operator is how to combine all of this competitively into a profitable enterprise.

The economic factors indicate good timing for an aggressive Foodland marketing and promotion private label campaign, but such a marketing plan must carefully consider the cost effect of the economic times upon supermarket efficiencies. The purchasing adjustments required to stock the shelves with items that will give the retailer a quick inventory turn-over, and provide both cash flow and a net profit from low prices, and in many cases reduced consumer purchases, must be recognized. To do this, the retailer's operating costs must somehow be cut, but cut without reducing customer service and convenience. This can be a very difficult assignment. Nevertheless, there are areas that can be explored for savings. Energy costs is an example. Energy costs now range from 1.1% to 1.4% of sales so just installing energy

efficient light bulbs and fixtures can sometimes make a noticeable difference. Repairing and improving refrigeration units, using solar heat, and use of computerized thermostats are among other suggestions offered (Thayer 21).

The heavy competition for the reduced amount of consumer dollars means that independent grocery stores must provide a combination of price, quality, service, convenience, and an appealing overall store appearance, to woo and retain increasingly cautious and well informed shoppers. Store appearance is an ingredient that simply must not be overlooked if a retailer is to successfully compete in today's climate. Progressive Grocers points out that:

Grocers who forsake clean floors for tidy shelves might want to look down. According to a survey of supermarket shoppers, 42% of customers polled consider cleanliness, especially floors, their No. 1 reason for choosing a store. ("Aisle Chatter" 11)

To attract and hold customers against the competition, some retailers have tried new methods. Allowing the use of major credit cards is one such effort. Based on the influence of major chains already doing this, hundreds of chain retail stores have added this customer convenience. Whether they can really afford to do so, however, is another matter. Whether the independent supermarket operator can afford it is still another. But the major credit card companies are eager for expanded business and

have lowered their rates to the banks. Some of these banks serve the supermarkets.

By lowering [the] rate to 1% from 1.25%, Visa has given those supermarket-serving banks...an incentive to lower the "discount rate" they charge grocers every time a shopper pays with a Visa card. It's this discount rate -- a percentage of the take -- that has prevented many supermarkets from accepting credit cards in the past. After all, grocers, with their razor-thin margins, can ill-afford to give up another slice of the pie. (Garry 55)

In return the banks have lowered their discount rates "from about 1.59% to between 1.15% and 1.2%" according to Carlene A. Thissen, president of Retail Systems Consulting in Chicago. The Safeway store chain now has approximately 220 stores offering its customers the convenience of credit card shopping (Garry 55). However, it may not be economically feasible for the independent grocery retailer to do this.

But there are some positive aspects for the independent supermarket operator. One such factor is the ability to know the local consumer well. Being independent and local, the total store presentation can be concentrated on a specific customer profile. By concentrating on narrow consumer demographics, less square footage and resulting expense may be required to serve a specific market segment. With proper use of space and a strong, consistent and loyal customer base, smaller stores can sometimes produce better results than their larger counterparts.

Included in a local consumer profile is the "age waves" referred to by Tucker. He says, "American business in the 1990s will be rocked by three successive age waves: the mature market, the baby boom and the baby bust" (Tucker 66). He goes on to explain that the fastest growing segment in the U.S. population are people over sixty-five. This is emphasized by the fact that in 1990 25% of the U.S. population was over 50 years of age. They controlled "two-thirds of all the net worth of all U.S. households ... [and accounted for] 40% of consumer spending" (67). By the year 2,000, however, Tucker projects,

the number of households headed by those between thirty-five and fifty-four will grow by 50% ... [and that the U.S.] will experience a sharp decline in the twenty-to-twenty-nine age group, from 32% to 21%. (67,68)

What this means to the local merchant is that he must constantly reassess his consumer profile, and react quickly to external changes.

With the local demographics accurately evaluated, customer loyalty can be obtained in a number of ways. While selection variety, lowest prices, and different convenience gimmicks may help, the independent retailer can use other methods that fit his market niche well. One is through a personal, friendly, neighborhood-involvement approach. Community service not only allows an independent to become visible

enough to attract new customers and elicit consumer loyalty, it also helps him stay informed about changes in the local consumer profile. Supermarket News points out that, "Retailers who become actively involved in their neighborhoods and use creative advertising will weather the recession with ease" (Turcsik 11).

Once the customer is in the store, however, another major factor takes over. This is the atmosphere and attitude of service, friendliness, and eager helpfulness that consumers like to experience. Shoppers want their loyalty and support to be recognized and returned. Particularly in rural areas, they like to feel they are included and involved in what is being done. One enterprising independent grocery retailer turned this to a mutual advantage. When local bankers refused to advance an improvement loan for his store, Maynard Forbes, co-owner of the Monterey General Stores in Monterey, Mass. worked out a better plan. In this tiny town of 900 occupants, he raised \$5,000 for his store improvement by printing his own currency. He sold these "notes" for \$9.00 each, and then redeemed them on customers' purchases for \$10.00 each. Another retailer, Frank Tortoriello, raised \$4,500 by selling "deli dollars" to relocate his delicatessen in the Great Barrington, Mass. area. Upon seeing this type of customer loyalty, a local

bank was encouraged enough to loan him the \$25,000 needed to complete his move (Michels, 32).

In addition to unusual promotions, just daily, routinely friendly, efficient, and courteous service can help the independent. Here are a few suggestions:

- . Constant training and retraining of employees to think more about the customer's convenience than their own.
- . Train the employee to consciously think of the impression being made on the customer, whether by phone or in person.
- . Be sure your staff is knowledgeable enough to answer customer questions quickly.
- . Organize in such a manner that the customer needs a minimum number of contacts to obtain answers to questions or complaints.
- . The person in charge needs to be accessible to customers, in person, by phone or by mail.
- . The customer's after-sale experience should be handled as efficiently as the sale itself (Tucker 58).

In order to carry out these suggestions, the independent grocer must arrange the busy schedule of a supermarket to train his people with minimum time and expense, not just once but in an on-going manner.

The appearance, as well as the expertise and actions, of the supermarket employees also makes an

impact on the customer. An overall clean appearance of the store must be complemented by the clean, neat appearance of the store personnel. In addition, the store manager must have an accurate idea what his specific set of customers expect. "The key to good service is knowing what it means to your particular customer and then delivering it. Always" (Caminiti 98).

In the grocery industry where turnover is very high, this can be another difficult assignment. U.S. business is speeding up work and cutting costs to meet the recessionary pressures, but some companies may find they defeat their purpose by simply wearing out their employees. The grocery business is labor intensive and its profitability relies on human output (Stewart 121).

A good example is Food Lion, one of the fastest growing supermarket chains in the U.S. Its CEO, Tom E. Smith, instituted a system called effective scheduling. This system "allocates the labor hours a manager can 'spend' each week, based on anticipated sales and on the number of items scanned at the cash register the week before" (Stewart 124). Through centralization of many routine chores, like filling order forms, it tries to focus the store manager on staff and service. This system can seem very inflexible to the employees.

Baggers learn to pack with two hands, stockers are expected to reload shelves at the rate of 50 cases an hour. If a manager runs out of allocated hours, she might have to pitch in herself. The idea: to make sure that "there's an hour's worth of work for an hour's worth of labor ..." (Stewart 124)

This type of retail chain management response to the current pressures on operating costs may mean more work done by fewer employees. It may also mean the independent has an opportunity to compete by showing customers greater friendliness and service. A less rigorous system might also allow the independent to keep trained employees happier and on the roles longer. Allowing employees to help redesign jobs so they can work smarter may produce the same cost effectiveness in a manner they are willing to accept and support.

Recruiting new workers at a time when a labor shortage is predicted, and the retraining of existing workers, are obviously important factors for the independent grocer. Five strategies have been pointed out by Coca-Cola Retailing Research Council (a group of industry executives) to help the retailer create a better work environment:

1. Act on facts: Custom design human resource policies around timely, accurate information about employees.
2. Closely manage the critical first week: Immediately pair a new hire with a trusted, solid performer. Make sure the employee receives sufficient

training to perform some aspects of the job by the end of the first week.

3. Build a strong family team: Create a family-like atmosphere by designating a visible leader.
4. Encourage people-builders: Train managers to develop and teach people-building skills. Compensate them for good performance.
5. Repackage jobs: Market employment positions to applicants, just as products are marketed to customers (Wold 116).

Supermarkets traditionally experience a high rate of turnover because many part-timers are used. High school and college students, as well as a growing number of senior citizens, are employed. On a part time basis, the retailer does not have to furnish all the employee benefits required for full-time employees, thus holding his costs down. At the same time, however, the employee attitude and training problem accelerates. A new owner, Wally Meiners, understood this when he bought an inner-city store in Kansas City, MO. First Meiners emphasized the service aspect of the business to his employees, and then tackled the employee morale problems. "I tried to make them feel like they were part of the store," he said (Petreycik 34). "I spent some time with them and I began to delegate responsibilities" (34). He paid attention to special efforts and rewarded them with promotions. To cut down the boredom of a specific department, he allowed employees to help out in other

areas as needed. Cross training not only helped solve the impact of employee absenteeism, but contributed to a feeling of interest and team work. Another store owner, Marsh Townley, in Sunbury, Ohio emphasized training. "Proper training helps employees feel more at ease in performing their jobs" (Petreycik 36). In addition, he motivates his employees through an enhanced benefits package that includes a 401(k) plan and a year-end bonus. Key employees have even been awarded overseas trips (36). Again the cost of labor must balance out against a thin profit margin. With a thin margin, increased volume is essential. Contributing strongly to increased volume is employee training, attitude and a neat, clean appearance. It appears to be an endless cycle.

These are only a few examples of the complexity of management in today's independent supermarket. To summarize, the independent retail grocer must find a way to compete with major chains by meeting the needs of both customers and employees in a harmonious blend that will produce a profitable business.

Problem Statement

The U.S. Food Chain, The Foodland International Corporation and how it fits into that food chain, its mission and private label products, and its market segment, have now been reviewed. In addition the effects of the current recessionary environment on the

retail grocery business where Foodland International's private label products are placed in the hands of the consumer, and a number of the factors which the independent grocery retailer must overcome to compete and effectively market these private label products, have been discussed. Against this background information, a review of the existing marketing program of The Foodland International Corporation will now be undertaken for the purpose of improving its effectiveness in meeting the challenge of today's marketing environment.

There are many areas in which the retailer must make the difference, and where The Foodland International Corporation can have little impact from its auxiliary position in the food chain. There is, however, a relatively inexpensive and effective area in which The Foodland International Corporation can help the retailer through its wholesale affiliates. Foodland International can offer support programs that a retailer can use to keep his Foodland store competitive and healthy. These programs are in the areas of store appearance, and employee training, appearance and attitudes. The retailer must implement the programs, and the wholesaler must offer and encourage their use to the retailer, but The Foodland International Corporation can create and make them available at a reasonable price. This includes training and image tools, explanations of easy

methods, and current information to assist in the retailer's store presentation.

Of course it will be necessary to convince the wholesaler that these methods will help his product movement, and therefore his bottom line. Offering a well-rounded support program can also be effective in helping the wholesaler become a primary supplier to more retailers. In this way the wholesaler can expand both his retailer base and his annual sales volume. Finally, it is important to make the methods and tools offered inexpensive, simple, quick and easy -- but denote quality and image -- so the retailer can and will take advantage of them. It is a three-fold selling project for The Foodland International Corporation: to the wholesale affiliate, the retail affiliate, and indirectly to the all-important consumer.

The Foodland International Corporation is an old company, with numerous changes and mergers occurring during its long history. To serve its licensed affiliates and successfully continue marketing its private label in today's changing environment, a complete evaluation of its marketing approach is needed. As Fortune so aptly pointed out in its article, "A Boring Brand Can Be Beautiful," an old label need not simply wear out. Instead, it can combine the magic of its history, and the trust factor already built, with innovative marketing techniques to

rejuvenate its sales volume in a changing world. Steve Sanger, president of General Mill's \$1.8 billion cereal division, said, "Our first job is to keep our established brands healthy" (Sellers 170). It is apparent that Foodland International must do the same through its affiliated network of licensed wholesalers and retailers.

The next step, then, is to effectively integrate the research information into an updated marketing plan, specifically designed to accomplish The Foodland International Corporation's mission, and increase its private label product sales volume. The research has shown that in order to effectively do this, The Foodland International marketing plan will need to pull, as well as push, the product through the food chain system, which means a marketing plan must include some type of contact at retailer level as well as the wholesaler level. At the same time, constraints imposed by the auxiliary function of The Foodland International Corporation, must be honored. The marketing plan also needs a design that will not conflict with, but rather will complement, the marketing efforts of the independent as well as the Wetterau-owned wholesale affiliates, numerous independent vendors, the master broker, and the marketing promotions of the retailers themselves.

Therefore, this study will detail the methods through which a marketing plan will be designed and

implemented, including a description of the project and its evaluation.

[Faint, illegible text block]

Subject:

[Faint, illegible text block]

Chapter III

METHODS AND EVALUATION

Based on the research described in Chapters One and Two, it was decided The Foodland International Corporation should create an updated name recognition and image marketing plan which its wholesalers might offer to their affiliated Foodland retailers. The resulting Foodland Employee Service Award and Image support program, described in the Appendices, is thought to be compatible with The Foodland International Corporation's mission and, therefore, must be available to Foodland affiliates. Further it is believed that proper implementation offers a good opportunity to enhance and promote the Foodland image, which in turn should produce a positive effect on its private label sales volume. Therefore, a Foodland support marketing plan was designed and implemented as described in the Appendices.

Subjects

The Foodland Employee Service Award and Image Program marketing plan has been reviewed and evaluated by three parent company executives. The selection of these three evaluators was based on their experience and areas of expertise as detailed below.

George Chirtea, Senior Vice President of Wetterau Incorporated, and President of Support Services for Wetterau Incorporated

Mr. Chirtea was chosen as an evaluator to obtain an overall management perspective. In his current positions, Mr. Chirtea is responsible for all Wetterau services to both company-owned and independent food stores. These services include training, accounting, market research, advertising, store development and operations support.

His career in the food industry spans thirty-five years and includes prior associations with Kroger, Thriftway Supermarkets and Allied Supermarkets. Mr. Chirtea held the position of President of both Hill's Supermarkets in New York and Pueblo Supermarkets, Inc. in Puerto Rico. In addition he previously owned and operated a chain of limited assortment stores in Atlanta, GA.

His extensive knowledge of the industry is reflected in a book he authored, entitled Supermarketing 2001 "A Look at the Future". His book was used as one of the source materials for this study.

Mr. Chirtea, who holds a B.S. degree in Business Administration from Miami University and an M.B.A. in Food Distribution from Michigan State, joined Wetterau Incorporated in 1983.

**R. Gregory White, Vice President, Assistant Director
of Sales and Procurement, Food Distribution Group for
Wetterau Incorporated**

Mr. White was chosen to be an evaluator primarily for his expertise in the procurement and private label area of the food industry, which interacts heavily with the manufacturers and vendors. However, his experience encompasses a much broader range. In November, 1990, he assumed his present position, shown above, at Wetterau headquarters. In this capacity he coordinates both sales and procurement staffs to develop corporate-wide programs in grocery, meat, produce, deli and non-food areas. He is also involved with the development of Wetterau's military sales program, and is in charge of development of Wetterau's international sales network. In addition, he is well acquainted with Foodland International programs and serves as the immediate superior to Foodland's General Manager.

Before joining Wetterau Incorporated, Mr. White gained food industry experience as a training manager with Southern Oil Company of New York, a convenience store division of Ashland Oil Company, and with P&C Food Markets in Syracuse, New York, a major 95-store chain operating in the upper East Coast area. Before leaving P&C Food Markets, he served as Manager of Grocery Merchandising of the New England division where he gained extensive buying experience.

In 1985 Mr. White's career with Wetterau Incorporated began in the Reading Pennsylvania division where he developed their Controlled Brands sales program. In September, 1987, he joined the Wetterau headquarters staff in St. Louis as Corporate Director of Controlled Brands. Here he coordinated the efforts of Wetterau's 16 food divisions to develop their controlled brands sourcing network and improve sales, profits and product quality.

It was June 1989 when Mr. White was promoted to the position of Vice President, Controlled Brands. During his tenure in this position, Wetterau received the private label industry's highest honor in the food wholesaler category, "the PLMA Salute to Excellence Award."

Mr. White holds a Bachelor of Science degree with a Business Administration, Management Major, from the State University of New York, College at Oswego.

Robert Buehrle, III, Vice President, Independent Retail Operations, Wetterau Support Services Group.

Mr. Buehrle was selected as an evaluator due to his knowledge of independent retailers, the same market segment targeted by the Foodland International marketing plan. In addition his position immediately prior to that shown above, was Vice President and General Manager of Foodland International. This gives him a working knowledge of the role Foodland

International holds in the food chain, its objectives, and its marketing limitations.

Mr. Buehrle joined Wetterau Incorporated in 1974 as a Business Counselor in a Wetterau division. Prior to becoming Vice President and General Manager of Foodland International at Wetterau headquarters in 1989, a title he held until June, 1991, he acquired extensive experience dealing with independent retailers from a wholesalers position in several of the Wetterau divisions. There he held such titles as Sales Manager, Director of Merchandising, Director of Retail Services, and Director of Warehouse Store Operations. Upon joining the Wetterau headquarters staff, his career continued with titles of Director of Franchise Operations on the Corporate Retail staff and Vice President, Store Development on the Food Distribution Group staff, a position which led to the Foodland International role.

It was felt that Mr. Buehrle's knowledge of both the wholesaler and retailer aspects of operations, combined with his Foodland International experience, makes him ideally suited to be an evaluator of the Foodland International marketing plan.

In summary the three evaluators comprise a pool of extensive knowledge and expertise in the areas of overall management, interaction with manufacturers and vendors, the private label segment of the market, wholesaler and retailer operations, and Foodland

International's role. It is believed this range of competence provides a comprehensive source of evaluation for the Foodland marketing plan.

Instrument

The instrument selected for evaluation of the Foodland Employee Service and Image marketing plan was a personal interview to be conducted individually with the three evaluators.

To provide a consistent structure, a personal interview form, Appendix A, was constructed and used in each of the personal interviews.

Materials:

The research for this study indicated that a marketing plan for Foodland employee service and image items would benefit both retail and wholesale Foodland affiliates.

This marketing plan was designed to:

- provide an aide to positive customer image perception at the retail supermarket level,
- provide standardization of image among the Foodland affiliates,
- assist in customer recognition and resulting purchase of Foodland controlled brand products sold in the supermarkets,
- assist in generating team spirit among employees both at retailer and wholesale levels.

In designing this plan it was recognized that the diversity of the large marketing area, independently owned retailers, and both independently and Wetterau-owned wholesalers required a flexible plan if it was to be useful to all Foodland affiliates. In designing this flexibility, however, protection and control of the Foodland registered trademarks required equal attention. Furthermore, from its auxiliary position in the food chain, The Foodland International Corporation could not dictate pricing nor demand usage of the items it offered. This meant persuasion at both the wholesale and retail levels must be included in the design.

To meet these needs, and design a marketing plan based on this criteria that would be both workable and desirable, research of perceived needs was done through surveys to the servicing wholesalers. Existing components were reviewed, new components added, and a final list of items to be offered to both retail and wholesale affiliates was decided upon.

A promotional piece was designed to combine the final list of logoed Foodland items into an attractive yet inexpensive, simple to use, brochure. Flexibility was achieved by excluding any price or name on the brochure itself. The brochure was developed in fold-over panels designed to fit into a #10 sized envelope.

When the promotional piece was printed, the marketing plan provided free introductory brochures for every retail affiliate, along with forms that each wholesale affiliate could customize with its own name, address, contact information, and pricing to the retailers it serviced.

To pull it through the retailer organization as well as push it through the wholesalers, the Foodland HOTLINE quarterly newsletter was used as a means of communication.

By combining these aspects into the marketing plan it was hoped that both retailers and wholesalers would learn of the availability of the logoed Foodland items offered, recognize their usefulness, and voluntarily order and use the items as an inexpensive but effective solution to promoting their Foodland image and the controlled brand Foodland products sold through their establishments.

Procedure

To review the qualifications of the executives being considered as potential Foodland marketing plan evaluators, biographies of each of the candidates were obtained. The project was then explained to each one by telephone and the request for a personal interview made. Each request was granted, thus the first three choices became the marketing plan evaluators.

Chapters One and Two, plus the marketing plan as described in the Appendices, and a summary of marketing plan design concepts as described earlier under "Materials," were given to the evaluators prior to the interviews. This provided an opportunity for them to become acquainted with the research and conclusions, and to study the resulting marketing plan design at their leisure.

To complete the process, personal interviews were then planned around the busy schedules of these executives.

The first interview took place on June 2, 1992, with Mr. George Chirtea. It was conducted over lunch at a quiet restaurant located close to the Wetterau headquarters. This arrangement avoided office interruptions and allowed the opportunity to begin with the structured interview format, followed by a less formal discussion period. The entire interview lasted approximately one hour.

The second interview was with Mr. Gregory White and was handled in the same manner as the first. It took place on June 18, 1992.

The third and last interview was conducted with Mr. Robert Buehrle, also over lunch away from the office environment, on June 25, 1992.

Although unsolicited, in addition to the verbal evaluations given in the personal interviews, each of the three evaluators offered additional industry

reference materials and/or sample items that could be used to generate new ideas, provide competitor information, and assist with successful implementation of the marketing plan as designed.

Chapter IV

RESULTS

The evaluation interviews for the Foodland Employee Service and Image marketing program, conducted individually with three Wetterau executives, began with the structured format design as shown in the Personal Interview Form (Figure VII).

Closed-Answer Personal Interview Question Results

The results of the closed-answer questions, one through three, are as follows:

Question One: "Have you had the opportunity to review the research and resulting marketing plan for the Foodland Employee Service and Image program?"

Answers were unanimously "yes."

Question Two: "Did the research indicate to you that a Foodland image support program should be provided, in some form, to the Foodland affiliates?"

Answers were unanimously "yes."

Question Three: "Do you think the overall design of the marketing plan chosen was a good choice?"

Answers were unanimously "yes." Comments indicated that the marketing plan design reflected in the brochure does protect trademarks by the notation, "available only to licensed stores," under Foodland logoed items, and by copyright of the brochure. It

promotes standardization, image and appearance. It was also pointed out that use of the image items tends to foster a team feeling among store employees, and in this way is useful in lowering the turnover rate prevalent in this industry. The evaluator's experience indicated that solidifying store employees into a "store culture" or team, has proven to make a hard job more interesting and improves over-all store production.

Open-Answer Personal Interview Question Results

Question Four was the first of two open-answer questions, leading to the informal discussion portion of the interviews. Question Four asked: "How would you improve the Foodland Employee Service and Image program marketing plan?" The discussion was directed toward overall design, implementation of the marketing plan, and/or specific areas such as the survey, the brochure, and an expansion of the marketing plan.

Surveys

Comments were in strong agreement with the use of a survey to determine wholesaler interest. However, it was pointed out that this approach did not necessarily assure us of retailer interest, although the retailer is the ultimate user. To remedy this lack of factual information, it was suggested that the flyer be inserted in the center of the next Foodland HOTLINE, the quarterly newsletter which is mailed

directly to the retail organization as well as to the wholesalers. Combined with instructions to call their wholesaler for pricing and ordering information, this method assures that the retailers will be aware of all items available to them, without usurping the prerogatives of the wholesalers.

It was further suggested that the same HOTLINE issue that includes the full-color brochure also contain a retailer opinion survey. This opinion survey would ask questions with answers to be completed by the retailer and mailed directly back to The Foodland International headquarters. To make the retailer's reply easy, a self addressed postcard format with return postage was suggested. The opinion survey might include questions such as:

- . Do you believe a total Foodland image program helps increase your Foodland product sales volume?
- . Do you believe employee incentive awards will assist you with your employee relations?
- . Do you currently use any of the items shown in the Foodland Employee Service Award and Image brochure?
- . If so, which items are most helpful to you?

An incentive would be offered by Foodland International for each completed opinion survey received from a retailer. A compilation of the data received in this manner would then be sent to each of

the Foodland affiliated wholesalers. This would include them in the project, and assist them in utilizing whatever might enhance the movement of Foodland products through their warehouses, as indicated by the results of this survey. Summarized data might also be included for the retailers in subsequent HOTLINE issues to provide incentive to Foodland retailers not yet using the Foodland employee service and/or image items. Retailer testimonials from those who already use the brochure items successfully is another way to encourage the less aggressive retailers.

Brochure

The brochure itself contained a few errors that had already been noted, and could easily be corrected in the next printing.

1. A printer error omitted color on the front panel of the flyer.
2. At the time the initial flyer went to press, the lapel pins which used only stone settings instead of a year imprint, were not complete. A new picture of that item is needed.
3. Actual photographs of the Foodland Anniversary and Grand Opening Kits should be included, as well as the optional items such as Foodland balloons, etc. rather than just the descriptive text used in the present brochure.

- . In the description of other optional items available to enhance store promotion kits, the word, pennant, is misspelled.

The size of the brochure which allows it to fit into a #10 sized envelope for easy mailing while providing individual panels on which to present image items, was approved by the evaluators as a good design. However, it was pointed out that if in the future more items are offered, a larger piece might be necessary.

The evaluators concurred that separate order and pricing forms solve the need to allow individual wholesaler pricing to their retail affiliates over the large and diverse Foodland marketing area. In addition to making the brochure "neutral," it also adds a longer "life" to the brochure, reducing flyer production costs. Such an approach, however, can break down if the wholesaler loses the separate order forms provided by Foodland International. Although the wholesaler can easily call Foodland International on a free 800 telephone number for pricing, to place orders for these items, or to ask questions about the items, it means one more step that a busy wholesaler may not get done. Ease of use is an essential ingredient to any successful marketing plan in this labor intensive industry.

Another evaluator comment noted that the descriptive text under each of the item pictures in

the brochure is concise and factual. While this is good for clear understanding and the limited print space available in this compact mailing piece, the text offers no information to the reader as to how the items can be used or why their use is important. If dynamic sales language could be added, it might persuade retailers who are not yet using these items to try them.

Ideas for Expansion of the Marketing Plan

Although the three evaluators felt the Foodland Employee Service and Image marketing plan was an excellent start to a necessary program, it was during this portion of the interviews that some helpful ideas for expansion of the project were presented by the Wetterau executives. These ideas included:

1. If resulting orders from the brochure indicate adequate interest, the mail piece could be expanded into a catalog form in which a greater selection might be offered. A copy of the "Wetterau Image Zone" catalog was presented as an example.
2. Retailer Awards could be designed and offered for presentation at a "Retailer Annual Convention" to provide incentive to the affiliated retailers to make use of a total image Foodland program.
3. Wholesaler Awards could also be designed and offered in an expanded piece, as an inducement for the wholesaler to actively promote a total

Foodland image program among its Foodland retailer group.

One of the evaluators pointed out that the shoppers themselves could be included in the effort to convince the retailer of image importance. A "shopper comment" card that retailers could lay at check out stands where shoppers complete them while waiting in line, with a drop-box nearby, would allow the retailer to assess numerous important aspects of his operations. His employees' friendliness and appearance, his store appearance, his selection and quality of items, his service could all be monitored on an on-going basis. This is not a new idea, and retailers who have tried it get the traditional negatives from habitual grumblers. It also requires an organized followup system to reply to the shoppers who take the time to complete the survey card. What it does accomplish, however, is it sends a message to the customer that they are important to the store, and after a period of use definite answer trends can be detected by the retailer. Employee incentives for good appearance and friendly customer service can be tied to this project also by letting the shoppers "vote" for their favorite store employee.

An idea offered by one of the evaluators addresses the image aspect at the retailer level. This idea is to provide "buttons" that each employee wears. As an example, a button was provided by the

evaluator which says: "Get what you came for?" There are numerous such buttons available, and a careful selection of three or four that address the most important image aspects could be included in the Employee Service Award and Image Brochure. Spot checks by store management in which each employee who is wearing the button is handed a dollar bill, and those who are not get a "better luck next time" comment, make this an even more effective program to involve both shoppers and store employees in upgrading total store image.

Two of the evaluators pointed out that this particular brochure offered materials to be used primarily by the retailer. It was thought that the overall use of this marketing plan might be enhanced if the brochure were expanded to include items the affiliated wholesaler personnel could use as well. Possibly this would make the wholesaler's people who interact with the retailer organizations more interested in the program and therefore more likely to suggest its use to the retailer.

It was suggested that the brochure might present items which the wholesaler could include in its own divisional promotion programs with its Foodland group of retailers. Items currently in the brochure of which wholesaler personnel might make use are the Foodland ties, shirts and baseball caps. Additional items suggested which the wholesalers could use as

incentive gifts or awards for retailers, or which the retailers could use as customer incentives or promotional give aways are Foodland duffle bags, Foodland key chains, or Foodland pens.

Another suggestion was to include items that would tie the use of the brochure items directly to an increase in the sales volume of the Foodland private label product through store promotions where check-out receipts or Foodland labels are used as the customer's "ticket" to drawings or awards. One idea was to offer something like Foodland plastic bottles with drinking spouts that could be used with store fitness promotions where the store would promote healthful supermarket items, i.e. fruits and vegetables, fruit juices, Foodland milk, eggs or bread, or new Foodland items being introduced with low cholesterol, low fat, low salt, etc. This type of use would offer the incentive of increased Foodland product movement to both the wholesaler and the retailer.

Another promotion suggested, to be offered through the HOTLINE quarterly publication in the same manner already suggested for the Foodland Employee Service Award and Image Brochure, is a larger project that combines the marketing interests of the vendors and/or manufacturers, as well as the wholesaler and the retailer. Through the parent company of Wetterau Incorporated, a full-color 8-1/2" x 11" flyer and specially designed mini-cars are already available.

The flyer shows different colored mini-cars painted with different emblems as examples, and includes a Foodland car. The mini-car has been advertised by retailers who have already successfully used it in store promotions as having a retail value of approximately \$1,000.00. This price is based on similar mini-cars shown in a major department store chain catalog. However, its cost is not that high.

Coordination between the vendor, wholesaler and retailer can cover the cost when monies to equal the total cost of the mini car are contributed by appropriate vendors of the products to be promoted. Interests of the vendors are also served when logo decals of these contributing vendors are placed on the car itself. The car may be displayed in the supermarket either atop, or surrounded by, a display of the product being promoted. Thus the Foodland retailer who sells the product, the wholesaler who stocks and delivers the product, and the manufacturer/vendor who produces the product all profit from the increased sales volume the promotion generates with grocery store customers. At the same time the shoppers, from among whom there will be a winner of the mini-car, become involved in the promotion. This creates good will and publicity for the supermarket.

The discussions generated by Question Four have obviously provided a wealth of ideas for improving and

expanding the Foodland Employee Service Award and Image program.

The second of the two open-answer questions was Question Five, the final question on the Personal Interview Form. This question asked for suggestions on measurement methods that might be used to evaluate results of the marketing plan, and recommendations for appropriate timelines to be used in such measurements.

The ultimate purpose of the marketing plan as defined at the end of Chapter Two is to increase the Foodland controlled brand sales volume, although there are other integrated objectives such as customer good will for the supermarket, cohesiveness of the Foodland voluntary retailer and wholesaler groups, a standardized Foodland image, and protection of Foodland registered logos and trademarks.

The three evaluators agreed that the Foodland Employee Service Award and Image Program marketing plan did positively address these areas. Because of many variables, however, an accurate measurement of its impact on the private label sales volume is difficult. Something that can be measured is the increase in number of items contained in the brochure which are ordered. The suggestion that was given for a retailer opinion survey in the HOTLINE quarterly newsletter would provide another avenue for measurement of retailer use of the program. A followup survey among the wholesale affiliates would

offer similar data. And, finally, the fact that the Foodland product sales volume does show a definite upward trend following the introduction of this program, indicates it may have contributed in a positive manner.

Measurement timeline suggestions varied from six-months to a year following introduction of the program. After the flyer is included in a HOTLINE publication assuring retailer awareness of the program, another comparison to previous volume of image item orders would be a useful indicator. This time period could again fit into a six-month or twelve-month period.

Regardless of timeperiods or measurement indicators of the program, it was agreed among the three evaluators that the reasons for offering this type of program to the affiliated Foodland wholesalers and retailers are many and valid. Therefore, the marketing plan should be monitored on a continuing basis with consistent upgrades and improvements to keep it as dynamic and current as possible.

The final chapter of this paper will summarize results; discuss the effectiveness of the marketing plan to increase both Foodland private label sales volume and the positive interaction of Foodland International with its approved suppliers, affiliated wholesalers and retailers; and analyze ways in which this entire study might have been improved.

Chapter V

DISCUSSION

Summary

The Foodland Employee Service Award and Image marketing plan received good reviews for its developmental approach, format, composition, and implementation. It was acknowledged that this was a basic program done on a limited budget, but with good expansion possibilities. However, the program was deemed completely necessary by all evaluators to fulfill an important aspect of the Foodland International's mission, that of increasing Foodland's private label movement through Foodland-affiliated retailer excellence. Employee training, customer service, image and team spirit, as well image standards and appearance of the supermarkets themselves contribute to this overall objective.

It can be seen from the interview results that a recurring emphasis was on two areas which must be considered in providing strong incentives to make use of the Foodland Customer Service and Image Award Program: the wholesaler and the retailer organizations. The fact that Foodland International deals primarily with the wholesaler organizations, and only indirectly with the retailers, makes this more

challenging. It was agreed among the evaluators that while the marketing plan must be consistent with the wholesaler programs, it must also be pulled through the retailers to assure their awareness and use of the program. To accomplish this objective the program may also be expanded to involve the shoppers and the vendors for a complete program, as described in the mini-car promotion, the supermarket employee's buttons, and the shopper comment card ideas.

An important outgrowth of the expansion ideas obtained in the interviews are methods that would tie the Foodland Service Award and Image program directly to the increased purchase of the Foodland private label product, as described in the idea to use Foodland product labels as entries into giveaways or for product price incentives. This is an important aspect in terms of measuring the marketing plan's success.

During the personal interviews with each of the three Wetterau executives, care was taken not to direct the input of the evaluator by explaining input received from the other evaluator(s) in previous interviews, until after that particular evaluator had offered his comments. If a comment given corresponded to one received previously, the previous comment was then offered for discussion. In this manner the agreements or disagreements found in the analysis of the resulting data are deemed valid, but use of the

broad range of expertise among the three evaluators for expansion ideas was not limited.

In future studies, to avoid the potential of bias, if possible it might be desirable to locate executives outside the parent company with the necessary specialized expertise and willingness to participate, to act as evaluators. However, the individual personal interviews with parent company executives proved to be very beneficial. It is believed that based on the need for a thorough understanding of all the complex marketing plan aspects, this was the best method available for evaluation of the marketing plan design and implementation. The range of expertise among the three executives selected represents a broad range of knowledge of the interactions at different levels of the food chain, which the marketing plan must consider.

The evaluation may have been improved, however, by including an advertising executive to comment on the effectiveness of layout, color, and presentation within the brochure itself.

Interviews with retailers who are using image items presented in the brochure might also have added another dimension, although this would have required coordination through the servicing wholesaler to avoid conflicts.

Limitations

A primary limitation in design and implementation of the Foodland Employee Service Award and Image program was Foodland International budget constraints, as well as budgets considerations at both wholesaler and retailer levels.

The production cost of the brochure was partially overcome by personally doing as much of the brochure design and layout as possible, by using descriptive text available from the vendors who supply the articles being included in the brochure, and vendor participation in providing free sample items and photographs for the production of the brochure. Greater vendor participation in the production costs may be possible if an expanded program, using something like a catalog format, is merited by wholesaler and retailer response.

The selection of items included in the brochure were sharply limited by cost factor as well. As the initial research in this study indicates, the retailers work on a low profit margin and must be extremely cost conscious in all operating costs. Current industry competition and economic conditions are exacerbating this aspect making the retailer carefully weigh the benefits of employee service award, image, or store promotion items against their

cost. Therefore, large cost items were simply not included.

A small, concise mailing brochure, while important for ease of use, limited space available for dynamic sales language to promote each item's use. Thus the results depend partially on the enthusiasm of the wholesaler's personnel in promoting the image items to the retailer. The size also limited the range of items that could be presented.

Implementation of the brochure's use was necessarily done with the wholesale affiliates. If the wholesaler did not take the time or have the desire to implement the program, it did not reach the retailer. Because the parent company is very large, purchase order feedback of the brochure image items from Wetterau-owned wholesale divisions do not come directly to Foodland International, although the purchase order information from the independently owned affiliated wholesalers does. Thus it is difficult to obtain accurate, combined purchase order information as a measurement or evaluation tool.

Limitations on conducting the study itself include the availability of evaluators who could offer the expertise and knowledge of the national voluntary group's specialized role in the food chain, and the unique marketing considerations this role creates. Because a well-informed evaluation of all aspects of the marketing plan to include every implication and

consideration was deemed most important, executives from the parent company were chosen even though this may have introduced some bias into the results. This level of expertise outside the company would most likely be found in competitor companies, which would again constitute a possible bias while creating an impractical situation in which to obtain interviews.

Further, it was agreed among the evaluators that measurement of the marketing plan's success is difficult particularly as it relates to an increased volume in sales of the Foodland private label products. There are many contributing factors that cannot be isolated nor measured. For example, customers may not like store or employee appearance but do not say so. They simply find a different supermarket. New competition in the neighborhood may contribute to reduced sales. Severe weather or economic conditions may curtail or alter the pattern of customer purchases. The retailer may not properly display or promote the product. Accurate records may not be maintained by the busy retailer. Special buying "deals" which provide lower prices on certain promotion items, where the wholesaler passes the lower pricing from vendors onto the retailers, who in turn offer "specials" to the shoppers, may contribute to increased sales volume. These are only a few of the many variables that may impact movement of the Foodland private label product.

Suggestions for Future Implementation and Research

Changes in the Foodland Employee Service Award and Image brochure itself are needed.

- . The Foodland banner pricing has proven too high, and a different supplier should be used to bring the price into range.
- . Although the separate price/order forms allow a neutral flyer that can be used over a long period of time, apparently the price/order forms are easily lost. The wholesalers call to see what the pricing is, or to request duplicates. Thought needs to be given to a better price/order format.
- . The content and front page color printing errors as previously described in the "Results" section of this study, will be corrected on further reprints.

Use of the Foodland HOTLINE quarterly newsletter, which is mailed by Foodland International directly to the affiliated retailer organizations as well as the wholesalers, will be used more extensively to identify and promote productive Foodland marketing plan employee service, image and promotional items. As suggested by the evaluators, a brochure will be inserted into the middle of the next HOTLINE issue as well as a return postcard for a retailer opinion survey. In addition personal interviews will be

arranged from time to time by Foodland International with select retailers who are using the items, with consent of the servicing wholesaler. Thus retailer opinions and/or testimonials will become available through the HOTLINE newsletter to all affiliated retailers and wholesalers.

Consideration will be given to expansion of the compact brochure into a larger mailing piece that would require a 9" x 11" mailing envelope. An 8-1/2" x 11" multiple page brochure could fit into future HOTLINE issues as well.

With an expansion of available print space, the dynamics of language describing the purpose and benefits of each item offered can be improved.

Ongoing evaluation of this Foodland International support program will be done to assure it remains current with changing industry challenges. If possible this evaluation will include retailer as well as wholesaler input.

It is generally agreed among the evaluators, and strongly supported by the research for this study, that the Foodland Employee Service Award and Image program is a necessary and useful marketing plan. Therefore it will become a permanent part of the Foodland International's support program to the affiliated network through whom its private label product reaches the consumer.

APPENDIX A

PERSONAL INTERVIEW FORM

Personal interview conducted by Vesper McDonald on:

(date) _____, at (time) _____, with:

(Name) _____ (Title) _____

Question One (closed answer):

"Have you had the opportunity to review the research and resulting marketing plan for the Foodland Employee Service and Image program?"

___ Yes ___ No

(If no, ask if time allows a review now, or reschedule the interview.)

Comments: _____

_____.)

(If yes, review the Foodland International objectives as stated in the research by saying:

"Thank you for taking the time to do that. You'll recall the Foodland International objective as stated in the research is:

'The Foodland International Corporation must formulate a practical marketing program that will accomplish three objectives simultaneously:

- . offer quality private label merchandise at competitive prices
- . present the Foodland image to the public in an appealing and positive manner through store appearance as well as the appearance and attitude of the employees who serve the public; and
- . provide a map for management to obtain greater efficiency and resulting profits at both wholesale and retail levels. (15-16)'

Obviously, the Foodland Employee Service and Image support program is only the initial part of a broader program needed to fulfill the overall objective.

With your permission, our interview will concentrate on the

narrow segment of research, design and implementation of a marketing plan that will contribute to the overall success of The Foodland International Corporation through a sales aides and support program, offered to the Foodland wholesale affiliates, for use with their Foodland-affiliated retailers." Go to Question Two.)

Question Two (closed answer):

"Did the research indicate to you that a Foodland image support program should be provided, in some form, to the Foodland affiliates?"

Yes No

(If "no", ask for specific reasons, and request alternatives.)

Comments: _____

Based on comments given, decide if the interview should terminate here, or go to Question Four with the preface: **"Even though you don't believe this plan is needed in this particular context, would you help me with an evaluation of the marketing plan design itself?"**)

(If "yes", go to Question Three.)

Question Three (closed answer):

"Do you think the overall design of the marketing plan chosen was a good choice?"

Yes Yes, with some exceptions No

(If "no," ask if the objection is to specific parts of the program and/or implementation of the marketing plan. Try to obtain a complete explanation. The remainder of the interview will be composed of open questions raised by the comments made. Then go to concluding remarks.)

Comments: _____

(If "yes" or "with exceptions," go to Question Four.)

Question Four (open answer):

"How would you improve the Foodland Employee Service and Image program marketing plan?" (Review overall design, implementation of the marketing plan, and/or specific areas such as the survey, flyer, etc.)

Comments: _____

Question Five (open answer):

"Do you have suggestions for measurement methods that might be used to evaluate results of this marketing plan, and what timelines would you suggest?"

Comments: _____

Closing remarks:

Summarize and confirm that any feedback which the person being interviewed may have requested will be given.

Offer sincere appreciation for the time and thought given.

APPENDIX B

THE FOODLAND INTERNATIONAL EMPLOYEE SERVICE AWARD AND IMAGE MARKETING PLAN

The research for this study indicated that certain aspects must be considered and incorporated into the Foodland marketing plan. A summary of these concepts is listed below.

- . There is a need to achieve a standardized Foodland look throughout the diverse and independently owned Foodland retailers, which are serviced by both Wetterau and independently-owned wholesale affiliates.
- . An evaluation of Foodland image items that have been used in the past is needed, as well as consideration of new image items, which will best serve the current supermarket environment.
- . Cost factors must be low enough to allow the wholesaler to offer and deliver the image items to the retailer, while keeping the price to the retailer reasonable.
- . The system design must be simple, fast and easy if it is to be used by busy retailers and wholesalers.

- . The system must be flexible to allow for differences among wholesaler programs offered to the Foodland retailers they service.
- . For maximum effectiveness, the system design should include a method to "pull" the use of the image items through the retailers, as well as "push" it through the wholesalers, without conflicting with wholesaler prerogatives.
- . Although wholesaler programs vary based on regional considerations, the marketing plan must meet legal requirements of equal availability to all affiliates.
- . The Foodland registered trademarks must be protected throughout the system.

To design such a marketing plan for Foodland employee service and image items, the following steps were taken.

Step One:

An evaluation of existing Foodland marketing tools was made to determine whether or not the list of items offered was complete and/or still fit today's market environment.

It was found there were only a few Foodland image items still being offered to the Foodland-affiliated wholesalers. Because there is no direct contact between The Foodland International Corporation and the affiliated retailers, the available data was limited

to the occasional orders which were being received from only several of the affiliated wholesalers. These image item orders covered only a few items, each ordered separately, and at sporadic intervals. There appeared to be no centralized image items program in place, nor was there any indication of consistent wholesaler awareness of what was available. This meant the items were probably not being offered to the affiliated Foodland retailers, except for several of the wholesalers who had implemented their own regional programs.

The few items still available were:

- . a service award tie tac/lapel pins with a stylized "F", but these needed to be reordered
- . door decal sets for a supermarket which consisted of "Welcome to Foodland", "Thank You for Shopping at Foodland", "In", and "Out", and a two-sided decal for Clover Farm Markets
- . Foodland name badges for store personnel
- . store personnel uniforms were occasionally requested but the only printed piece on hand to show available items was a Wetterau Incorporated piece which included other logos not available to our independent Foodland wholesalers and retailers
- . balloons with an imprinted Foodland
- . rolls of Foodland tickets for store promotions

- . two retail store promotion kits which were designed to coincide with the spring and fall product promotions

Step Two:

A review was made of existing parent-company marketing tools that might be used or adapted to the Foodland International project.

Telephone calls and/or personal interviews with appropriate persons in the following departments revealed the following.

- . Wetterau's Creative Management Institute (CMI) did not incorporate availability of Foodland image items into their training programs.
- . Wetterau's Human Resources department offered a Wetterau brochure of employee service awards for Wetterau, but had nothing for Foodland.
- . Wetterau's corporate Grocery Procurement department dealt with Wetterau-owned wholesalers, but not with independently-owned. Therefore, while they did offer a store uniform program, it was known to the Wetterau-owned affiliates only. Because the brochure contained other logos in addition to Foodland and Clover Farm, which were not available to independent Foodland wholesale affiliates, it could not be used for the independently-owned Foodland wholesale and/or retail affiliates. The program offered nothing

- other than the store uniforms. In addition the program was in the process of being revamped.
- . Name badges, Foodland door decals, and lapel pins were inventoried by Foodland International for the independently owned Foodland wholesalers. These inventories were old and were in short supply.
 - . If these Foodland and Clover Farm image items were being offered to the retailer by the other affiliated wholesalers, it was being done at wholesaler level with no control by Foodland International for a standardized look or control of the registered trademark.

In each instance, because The Foodland International Corporation dealt with both Wetterau-owned and independently-owned affiliates, because most of the employee image and employee service awards would actually be used only at the retail level but must be offered through the wholesaler, and because items would be customized only with the Foodland and Clover Farm logos, other existing Wetterau programs were not applicable. What was available was separate pieces of the total Foodland program that was thought to be needed, but all aspects did not exist, and there was no cohesive, integrated approach. It appeared there was a need to create a new approach that would simultaneously update and combine the various items into a wholistic, simple, cost-conscious, yet

effective, Foodland International image support program.

Step Three:

The wholesale affiliates' interest and perceived needs were explored. This was done through two different methods.

- . First, telephone calls were made to the Foodland program manager of the independent wholesalers to ask them what Foodland image items were requested by retailers, what they offered, and what they thought was useful. Comments were solicited as to what they felt would constitute an improvement.
- . Secondly, a survey form, shown in Figure VII, was created and mailed to all Foodland-affiliated wholesalers, both Wetterau and independently owned. The form was mailed to advertising personnel, marketing managers, and store development personnel of both Wetterau-owned and independent wholesale affiliates. After one telephone and/or one mailed followup with wholesale affiliates who had not yet returned their completed survey, data from the completed surveys received was summarized as shown in Figure VIII.

Figure VII

Survey to Affiliated Foodland Wholesalers

To: Foodland Wholesale Affiliates

From: Vesper McDonald

Subject: Foodland Employee Service Award & Image Program

In a continuing effort to provide program support to our Foodland group, the Foodland Employee Service Award and Image Program is being reviewed and updated.

We would appreciate your feedback on what is important to you and your store management to help us offer a program well suited to your needs.

Please complete the following survey and return it to us in the enclosed self-addressed envelope:

- A. We are developing a **full-color, fold over flyer that will fit into a #10 sized envelope**. It will include:
1. a separate order form with Foodland prices to the wholesale affiliate.
 2. a second separate order form that can be customized to reflect the wholesaler's own name, address, and retail price information, which you may send with the flyer to your stores.
- B. Please tell us if you would be interested in including each of the following items:

Yes No

- | | | |
|---|---|--|
| — | — | 1. customized Foodland lapel/tie tac pins for service award purposes -- for 5, 10, and 15 years (or more) of employee service. |
| — | — | 2. gold bordered, parchment paper certificates that can be filled in with the employee and employer's name in recognition of employee service for whatever number of years is appropriate. |
| — | — | 3. Foodland customized apparel that can be used both for image and for service awards: i.e. baseball caps, men's ties, men and women polo shirts, men and women's blazers. |
| — | — | 4. Foodland customized store apparel: i.e. ladies smocks, unisex aprons, and Foodland name badges. |

- — 5. A Foodland "anniversary" sales promotion kit for stores that want to celebrate their own anniversaries with a promotion at any time throughout the year. (Wholesalers can help their stores plan ahead with product specials for such an event during our Foodland sales events.)
- — 6. Foodland balloons, drawing tickets, and plastic banners for your stores' special events.
7. Other: _____

C. Would you like to have The Foodland International Corporation make one initial mailing of the flyer (without an order form) to each of your stores to introduce the new program?

___ Yes ___ No ___ Prefer to do it ourselves.

D. The flyer itself will be neutral, with prices shown on a separate form, so it will not go out of date. Thus, Foodland International can produce the flyer in quantities that will allow a lower cost, which will be passed on in bracketed-pricing lot quantities.

1. Would you be willing to buy and stock the flyer at a reasonable cost?

___ Yes ___ No

2. Would you want to sell the flyers to your stores or would you offer them free as your own sales aide since the flyer would enhance and facilitate sales and handling of these store needs?

___ Would sell them
___ Would furnish them free as a sales aide

3. How many flyers would you anticipate ordering? (Your answer to this question carries no obligation.)

4. Would you want us to customize your retail order forms, or would you prefer to have them printed locally?

___ Foodland printed ___ Local printing

5. Would you plan to stock items offered in the flyer (other than apparel that requires sizing)?

Yes, all items ___ Yes, some items ___ No ___

E. Suggestions or recommendations: _____

Survey Form completed by:

Name _____ Title _____

Date: _____ Company _____

Name: _____

Please place the completed survey form in the postage-paid self-addressed enclosed envelope, and place it in the mail by April 1, 1991. We sincerely appreciate your time and interest.

Figure VIII

Results of Completed Survey Forms

22 copies were originally mailed to 15 Foodland-affiliated divisions on March 13, 1991.

A tracer to the divisions who had not responded was mailed 4/16/91.

Completed surveys returned:

8 surveys representing 7 divisions = 47% of divisions, 36% of copies mailed

 Questions:

B. Please tell us if you would be interested in including each of the following items:

1. customized Foodland lapel/tie tac pins for service award purposes -- for 5, 10, & 15 years (or more) of employee service.

Yes - 6 responses

No - 1 response

No answer - 1 response

2. gold bordered, parchment paper certificates that can be filled in with the employee and employer's name in recognition of employee service for whatever number of years is appropriate.

<table border="0"> <tr><td style="border: 1px dashed black; width: 100px; height: 15px;"></td></tr> <tr><td style="border: 1px dashed black; width: 10px; height: 15px;"></td></tr> <tr><td style="border: 1px dashed black; width: 10px; height: 15px;"></td></tr> <tr><td style="border: 1px dashed black; width: 10px; height: 15px;"></td></tr> </table>					Yes - 6 responses No - 1 response No answer - 1 response

3. Foodland customized apparel that can be used both for image and for service awards: i.e. baseball caps, men's ties, men and women polo shirts, men and women's blazers.

<table border="0"> <tr><td style="border: 1px dashed black; width: 100px; height: 15px;"></td></tr> <tr><td style="border: 1px dashed black; width: 10px; height: 15px;"></td></tr> <tr><td style="border: 1px dashed black; width: 10px; height: 15px;"></td></tr> <tr><td style="border: 1px dashed black; width: 10px; height: 15px;"></td></tr> </table>					Yes - 6 responses No - 1 response No answer - 1 response

4. Foodland customized store apparel: i.e. ladies smocks, unisex aprons, and Foodland name badges.

<table border="0"> <tr><td style="border: 1px dashed black; width: 100px; height: 15px;"></td></tr> <tr><td style="border: 1px dashed black; width: 10px; height: 15px;"></td></tr> <tr><td style="border: 1px dashed black; width: 10px; height: 15px;"></td></tr> <tr><td style="border: 1px dashed black; width: 10px; height: 15px;"></td></tr> </table>					Yes - 7 responses No answer - 1 response

5. A Foodland "anniversary" sales promotion kit for stores that want to celebrate their own anniversaries with a promotion at any time throughout the year. (Wholesalers can help their stores plan ahead with product specials for such an event during our Foodland sales events.)

	Yes - 8 responses
--	-------------------

6. Foodland balloons, drawing tickets, and plastic banners for your stores' special events.

	Yes - 8 responses
--	-------------------

7. Other: (write-in suggestions)

- 1 - Side Walk Sale Signs
- 1 - Service award for women - stick pins, pen & pencil sets
- 1 - Sweaters
- 1 - Grand Opening Kit in Foodland colors
- 1 - Noted that items 3 & 6 above where "no" was shown would be considered if desired by the stores.
- 3 - offered no suggestions

- C. Would you like to have The Foodland International Corporation make one initial mailing of the flyer (without an order form) to each of your stores to introduce the new program?

Yes - 5 responses
 No - 0 response
 Prefer to do it ourselves - 3

- D. The flyer itself will be neutral, with prices shown on a separate form, so it will not go out of date. Thus, Foodland International can produce the flyer in quantities that will allow a lower cost, which will be passed on in bracketed-pricing lot quantities.

1. Would you be willing to buy and stock the flyer at a reasonable cost?

Yes - 7 responses
 No - 1 response

2. Would you want to sell the flyers to your stores or would you offer them free as your own sales aide since the flyer would enhance and facilitate sales and handling of these store needs?

Sell them - 0 responses
 Offer them free - 8 responses

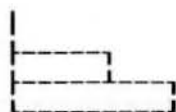
3. How many flyers would you anticipate ordering? (Your answer to this question carries no obligation.)

100 - 4 responses
 500 - 1 response
 10 - 2 responses
 0 - 1 no response

4. Would you want us to customize your retail order forms, or would you prefer to have them printed locally?

Foodland printed - 6 responses
 Local printing - 2 responses

5. Would you plan to stock items offered in the flyer (other than apparel that requires sizing)?



Yes, all - 0 responses
 Yes, some - 3 responses
 No - 5 responses

E. Suggestions or recommendations:

- 1 - service awards for women: stick pins, pen & pencil sets
- 6 - no response
- 1 - service small number of Foodland stores, not sure of their interest in an award program

The results of these two steps indicated sufficient interest to proceed with the image item marketing plan design. Therefore, the project entered its second phase: that of research and design to determine specific objectives, components, its most effective presentation and implementation. Based on the research described in Chapter Two, it was decided to incorporate a combination of sales psychology and practicality into such a program.

Step Four:

After researching the Foodland image items being offered by both Wetterau-owned and independently owned wholesale affiliates, a supplier's listing was created to see where the items had been obtained in the past, and to explore cost factors.

It was found that the different items must necessarily continue to come from different suppliers. In most cases if volume discounts could be utilized through a centralized ordering point, costs could be

decreased. Therefore, the items were researched one by one to decide on the most cost efficient way to obtain them.

An arrangement to order the store uniform items was made with Wetterau's Grocery Procurement department, so that both independently-owned and Wetterau-owned wholesale affiliates could utilize the volume pricing.

For flexibility and ease of use for both the Wetterau-owned and the independently-owned affiliated wholesalers and retailers, the ordering system for these uniforms included two options. The wholesaler could either have a representative of the supplier visit his retailers to perform the customer service functions and procure the uniform orders to be drop-shipped directly to the retailer, or the wholesaler could order them through the Foodland International headquarters, for drop shipment to the retailer, but with the wholesaler's representatives fulfilling the customer service function.

Step Five:

During the above steps, a list of what Foodland image items should be included in an updated image program, how and where they fit, was made.

A decision was made to combine the employee service award items, the store promotion items, the

store image items, and in-store training aides into one centralized Foodland sales system.

- . Service Award items consisted only of the lapel pin. The pins were more expensive, and were most often used for special occasions such as an employee's five year or ten year anniversary. Therefore, a parchment Employee Service Award certificate, suitable for framing, which could be filled in by each retailer and used for any and every employee was designed and printed.
- . The surveys had indicated that Foodland anniversary and grand opening kits were needed in addition to the spring and fall promotion kits which had been offered in the past. Thus, these were placed on the list of items to be offered.
- . Store banners which could be used inside or outside for special promotions had been offered through other wholesaler departments if requested, but this item was considered important enough to include as a supplement to the store promotion kits.
- . Other items previously used, such as name badges, door decals, etc. were retained.
- . To be sure Foodland retailers serviced by both independent and Wetterau owned wholesalers had easy-to-use and up-to-date training tools to help the Foodland retailers be most effective with their customers, the in-store training videos

offered by CMI were included on the list even though they were not Foodland specific.

- . Large items, such as the outside Foodland store building sign, which as a registered trademark should be standardized and controlled, were NOT included in this list because the wholesale affiliate is the primary decision maker in granting the retailer his affiliation. The sign often ties into the wholesale affiliate's total retailer program, and because it is a large-cost item it did not fit into this segment of the Foodland image program.

Step Six:

The next step was to design a point of purchase brochure that would combine into one flyer the Foodland image items which the previous research and marketing plan steps had shown were likely to achieve the image objective at retail store level, together with implementation steps so wholesale and retail affiliates alike could easily know what was available.

The point-of-purchase brochure was designed to be attractive but inexpensive, easy to use, flexible enough to fit into the different wholesale affiliate programs, sized to fit into a #10 mailing envelope, neutral enough to be used by both Wetterau and independently owned wholesalers using their own corporate names, addresses, telephone numbers and

persons to contact, but with protections for the Foodland registered trademarks. It was deemed important to offer suggested retail pricing but allow each affiliated division to set it's own retailer price. Therefore, brochure design did not include pricing nor names other the logo names. This design also meant the brochure would not quickly become outdated. The flexibility needed was achieved by creating separate price/order forms that were sized to slip into the folded brochure when it was placed into a #10 sized envelope. A blank retailer order form format was provided for the wholesaler to print with that wholesaler-specific pricing, name, address, etc. A second similar form was created for the Wholesaler, so he could simply fill in the order blanks and telephone, mail or fax the order to the Foodland International. The Wholesaler could specify drop shipment to the retailer, or to the wholesaler's facility, but in all cases Foodland International billing would be rendered to the wholesaler.

Because there were two options for ordering the Foodland image store uniform items, and uniform sizing information was needed, this became a separate two-sided order information/price form.

Foodland International's own costs of producing the brochure, and whether or not the wholesale affiliates should participate in the costs, were considered.

At this stage, the Foodland image marketing plan was presented to the parent company superiors to obtain suggestions and/or approvals. The presentation included costs, suggested pricing, margins and a proposed implementation procedure. With approvals in place the project continued.

Step Seven:

The creation, printing and funding of the point-of-purchase brochure followed.

It was decided that in order to be effective, the flyer must be full color and printed on glossy paper stock, light enough to maintain minimum postage but heavy enough to prevent printing ink bleed through. The full color printing cost was offset by obtaining existing pictures and item descriptions of most items, personally designing the brochure layout, and creation of a brochure mockup for the printer. This included an order number assigned to each item and appropriate copyright information. Initial costs were thus confined to typesetting, printing, and the several new items that had to be ordered and then photographed by an independent photographer. Because this brochure was neutral without price or wholesaler name, a sufficient quantity could be ordered to achieve a volume discount rate.

The separate price/order forms were created and copied in-house onto different colored paper to

quickly identify wholesaler vs. retailer forms, etc., thereby saving typesetting and printing costs on potentially changeable forms. Because these forms would be going only to the wholesale affiliates, a limited number would be needed.

An independent printer was used for typesetting, full color overlay artwork, printing and folding.

Step Eight:

When the new Foodland Employee Service Award and Image Program brochure was delivered to The Foodland International Company by the printer, the previously approved introduction program to the wholesale affiliates was implemented. The introduction mailing consisted of:

- . A one-page cover page, created in-house, and copied onto colored paper, announced the flyer as a new Foodland support program, as shown in Figure IX.
- . This flyer detailed features of the brochure, explained how to implement the wholesale affiliate could implement the program with their Foodland retailers, how to place and receive orders.
- . In addition a one-time offer was made for a free initial mailing of the new Foodland brochure to each of the wholesaler's retail affiliates, at Foodland International's expense. (If the

wholesaler preferred to introduce the new brochure to their Foodland retailers themselves, sufficient free copies were made available to the Wholesaler for this purpose. In most cases, the wholesalers chose this method.)

- . Multiple copies of the newly-printed Foodland Employee Service Award and Image Program brochure, shown in Figure X, were enclosed.
- . Copies of the separate price/order forms were included: i.e. Wholesaler Price/Order Form, format for Retailer Price/Order Form, as shown in Figure XI, and the separate store uniform price/order and sizing information form, shown in Figure XII.

Step Nine:

A descriptive advertisement in the HOTLINE, a quarterly newsletter distributed by Foodland International directly to both wholesale and retail affiliates, was used to make the availability of the new point of purchase brochure, and the items it offered, known at both levels. In this manner, the support program could be "pulled" through the retailers as well as "pushed" through the wholesale affiliates. The advertisement is shown in Figure XIII.

Step Ten:

A followup analysis to determine effectiveness and recommend adjustments to the program is continuing. Initial response has indicated an increase in retailer use of these items, both wholesale and retail affiliate's awareness of the image items is evident, and it appears that the program has enhanced the overall Foodland perception. Additional items, upgrades on some items currently offered, and suggestions for better pricing/suppliers have been offered by those using the brochures. A thorough reevaluation and update will be done prior to reprinting of the initial brochure.

ODLAND

LOYEE SERVICE AWARD
AND IMAGE
PROGRAM



THE LIFE OF AN ENTERPRISE
LIES IN ITS PEOPLE

Announcing a new

FOODLAND SUPPORT PROGRAM

to help your retailers take advantage of the Foodland competitive edge!

Enclosed are complimentary copies of the new Foodland Employee Service Award and Image Brochure. Additional copies may be ordered from Foodland International at cost. (See Wholesaler Order Form)

Features of the Brochure

- * Neutral-no name, no pricing
- * Fits a regular #10 envelope
- * Light -- standard postage
- * Full-Color pictures with complete descriptions
- * Separate, insert order-form to customize with your division name and pricing

How to Implement This Program with Your Retailers

- * Request printing, at cost, of your own customized retail order form through The Foodland International Corporation; or print locally.
- * Mail the flyer with your retail order form insert to all your retail stores.

That's it -- it's that easy!

How To Fill Your Orders

- * Store uniform items may be ordered through the SPC program by simply listing SPC on the order form (see enclosed example).
- * Other items may be ordered through The Foodland International Corp.
 - . You may wish to inventory selected items
 - . You may wish to order as needed, allowing extra time for shipment
- * To help you get started at reasonable costs, Foodland International has for you an initial inventory of:
 - Employee Service Award Certificates
 - Foodland Service Award Lapel Pins
 - Foodland Full-Color Brochures

TIME OFFER: FOODLAND INTERNATIONAL WILL MAKE AN INITIAL FREE MAILING TO ALL YOUR FOODLAND RETAIL STORES AT YOUR REQUEST. JUST CALL!

2 — 38" x 50" Window Banners
 100 — 7" x 11" Shelf Talkers
 100 — 4" x 6" Shelf Talkers
 100 — 10" x 11" Shelf Talkers

(Custom themes available to franchise MKs.)
 Customized window banners with store name and/or sale event.
 Customized mobiles with store name and/or sale event.
 Balloons, Drawing tickets, 100' Multi-colored plastic pendants.
 Call for information

EMPLOYEE SERVICE AWARD AND IMAGE PROGRAM



5-year FOODLAND Service Award Lapel Pin with no stone
 10-year FOODLAND Service Award Lapel Pin with ruby
 15-year FOODLAND Service Award Lapel Pin with two spinels
 FOODLAND Service Award Lapel Pin with three stones (no year shown — available with spinels, golden sapphires, blue sapphires, rubies or emeralds)
 All pins feature 1/10-10 kt. Gold-filled stylized F on black pin, with 3/8" post, quality and plastic box.

#F07 — FOODLAND DOOR DECAL SET:
 Each set contains 1 each of 4 self-stick decals with red print on white background — "Thank you for shopping FOODLAND", "Welcome to FOODLAND", "IN", and "OUT". *(Available only to licensed stores.)*



#CF2 — CLOVER FARM DOOR DECAL:
 Two-sided door decal — side one with oval emerald-green background, and clover leaf/flower, says "CLOVER FARM markets" in white lettering; side two with black lettering on an oval silver background, says "Thank You for Shopping CLOVER FARM". *(Available only to licensed stores.)*



FIGURE X



#F08 — FOODLAND BANNER: Sturdy white vinyl with red FOODLAND and black WE KNOW WHAT YOU LIKE, can be used indoors or out, over and over. Comes equipped with ropes and grommets for easy hanging. Size: 3 Ft. x 10 Ft. *(Available only to licensed stores.)*



FOODLAND Service Award Certificates
 on fine parchment paper, the red FOODLAND combined with black lettering, gold and border, plus space for the individual's name and years of service, represents a worthy award that may be used for every employee.

(Foodland awards available only to licensed stores)

VISTA IN-STORE TRAINING

- Videos for In-Store Training Applications
 Produced and Distributed by CMI, Hazelwood, MO
- C101 — (7 minutes) Money Handling
 - C102 — (9½ minutes) Shoplifting Prevention
 - C103 — (19 minutes) Proper Bagging Techniques
 - C201 — (18½ minutes) Proper Price Marking
 - C202 — (9 minutes) Sign Making
 - C203 — (13 minutes) Shelf Stocking & Conditioning
 - C204 — (10 minutes) Shelf Merchandising
 - C205 — (12 minutes) Display Building
 - C206 — (8½ minutes) DSD Receiving
 - C301 — (25 minutes) Salad Bar Merchandising
 - C302 — (38 minutes) Fruit Basket Construction
 - C303 — (29 minutes) Deli Operations
 - C304 — (21 minutes) Floral Operations
- Call for a complete list of additional available titles.



THE LIFE OF AN ENTERPRISE LIES IN ITS PEOPLE

FOODLAND LOOK

FOR THE WHOLE TEAM



#N1100 FOODLAND BASEBALL CAP: Red back, white panel with puff imprint in red, red visor, poly front/mesh back. One size fits all — adjustable.



#031 POLO STYLE SHIRT: 65% polyester/35% cotton, knit collar and cuffs, long back tail, side vents, and genuine pearl buttons.

#102 GOLF STYLE SHIRT: 75% polyester/25% cotton, 2-piece hard collar, double stitched tailoring, pointed 4-button placket, square patch pocket, hemmed cuff sleeves, and side vents.
 Sizes: S—2XL. Colors (*available in 2XL): blue purple, bright blue, burgundy, coral pink, eggshell, emerald green, portland blue, sand, *black, *lemon yellow, *light blue, *navy, *red, *slate grey, *turquoise, *white.



APRONS — #107 SHORT, #106 MEDIUM, #105 LONG: 65% polyester/35% cotton, three pocket, bib front, neck ties and waist ties.
 Measurements: #107-short 30" x 29", #106-medium 34" x 29", #105-long 38" x 29". One size fits all.
 Colors: red, navy, tan, medium blue, white.



#636 MAN'S VEST: 65% polyester/35% cotton, four button front, one chest pocket. Sizes S—2XL. Colors: red/navy piping, red, navy, tan, medium blue, white.



#CF20 CLOVER FARM NAME BADGES: Clear plastic pin-on with safety clasp, featuring green and white lettering on a white and red background, that says "WELCOME TO CLOVER FARM MAY I HELP YOU". A slot is provided for the employee's name.

#F40 FOODLAND NECKTIES: 45% polyester/55% rayon, with embroidered logo included. One size fits all. Colors: red, navy.

STORE APPAREL



#614 MANAGER'S JACKET/SMOCK: 65% polyester/35% cotton, long sleeve, three button front, notched collar, three pockets. Sizes: 34-52 (even). Colors: red, navy, tan, medium blue, white.



#1070 MEN & #5070 WOMEN OXFORD SHIRTS: 60% cotton/40% polyester, long sleeve, button-down collar. Ladies sizes: 4-24 (even) Men's sizes: 14-16 1/2 w/sleeve 31", 14-17 1/2 w/sleeve 32", 14-19 1/2 w/sleeve 33", 14-21 w/sleeve 34", 15-19 1/2 w/sleeve 35", 15-21 w/sleeve 36". Colors: white, blue, pink, yellow, tan, grey.



#F01 FOODLAND NAME BADGES: White plastic pin-on with safety clasp, featuring red FOODLAND, and a slot for employee's name.



#597 LADIES TOPPER: 65% polyester/35% cotton, short sleeves, separating zip front, two pockets. Sizes: XS-3XL. Colors: red, navy, tan, medium blue, white.



#100 COBBLER SMOCK: 65% polyester/35% cotton, round neck, pullover, belt at waist ties in back, three deep pockets. Size: one fits all. Colors: red, navy, tan, medium blue, white.



#WPI UNISEX DELI HAT & #1972 LADIES SMOCK: Deli Hat — one size fits all. Color: white. Ladies Smock — 65% polyester/35% cotton, 3/4 length, roll-up sleeves, four button front, two pockets. Sizes: XS-3XL. Colors: red, navy, medium blue, tan, white.



#594 LADIES ALL-PURPOSE SMOCK: 65% polyester/35% cotton, short sleeves, button-front, two large patch pockets and wide collar. Sizes: XS-3XL. Colors: red, navy, tan, medium blue, white.

FOR THE

FOODLAND

IMAGE

Note: Other-than-pictured logos, emblems and store names are available. Ask your contact shown on the order form. Foodland and Clover Farm name/logos available only to licensed stores.

THE FOODLAND INTERNATIONAL CORPORATION
 8920 Pershing Ave. Hazelwood, MO 63042
 314/595-1603 or 1/800-845-6370

99

SHIP the order shown on the reverse side to:

Special Instructions:



TO OUR WHOLESALE AFFILIATE:

As part of its support program, The Foodland International Corp. is pleased to present the enclosed brochure on Foodland and Clover Farm employee service award and image items, store promotion and training tools.

Retail Order Form:

The sample retail order form entitled HOW TO PLACE YOUR ORDER has a blank spot for your company name, address, telephone and contact person. Your retail pricing may be used on your customized order form, which you may print, or request us to print for costs involved.

Full Color, Neutral Brochure:

Please indicate below how many brochures you wish to order for use in your organization. The applicable amount, plus postage, will be billed at time of shipment.

<u>Quantity</u>	<u>Amount</u>
In lots of:	
— 25 @ \$.75/ea.	\$ 18.75
— 50 @ \$.55/ea.	\$ 27.50
— 100 @ \$.45/ea.	\$ 45.00
— 500 @ \$.35/ea.	\$175.00
— 1000 @ \$.25/ea.	\$250.00
— @ \$.25/ea.	\$ ____.

PLEASE SEE REVERSE SIDE FOR THE WHOLESALE PRICE AND ORDER FORM.

Delivery times vary with item.
 Call for information.
 Terms: Net 10 days from invoice.

Orders may be faxed to:
 314/595-1620

Phoned to:
 800/845-6370
 314/595-1603

Or mailed to:

THE FOODLAND INTERNATIONAL CORP.
 8920 Pershall Rd, Hazelwood, MO



HOW TO PLACE YOUR ORDER:

1. Complete the order form on the reverse side. Be sure to fill in all information requested. Include the ship to street address and zip code. (UPS cannot be used to a P.O. Box number.)
2. If you have any questions, please call us at the number shown below.
3. Place the order form in your business envelope.
4. Mail to:
5. To order additional copies of this brochure, call the number shown above.

Please allow four to six weeks for shipment of your order. Additional time may be required for optional items.

APRONS - #107 SHORT, #106 LONG. 65% polyester/35% cotton front, neck ties and waist ties. Measurements: #107-short 30" x 34" x 29" #105-long 38" x 29" Colors: red, navy, tan, medium blue.



#N1100 FOODLAND BASEBALL CAP: Red back, white panel with puffing and red visor, adjustable. One size fits all.



Please ship the following order to:
 Store Name _____
 Street Address _____
 City, St, Zip _____
 Attn: _____

Qty.		\$ Total
Service Award Certificates:		
50	\$ each	\$
100	\$ each	\$
500	\$ each	\$
1,000	\$ each	\$

Foodland Tie Tack/Lapel Pins:
 5-year pin \$ _____ ea. \$ _____
 10-year pin \$ _____ ea. \$ _____
 15-year pin \$ _____ ea. \$ _____

Other Pins: Call for price quote.

Foodland Store Promotion Aides:
 Foodland Banner \$ _____ ea. \$ _____
Retail Promotion Kits:
 Grand Opening \$ _____ ea. \$ _____
 Anniversary \$ _____ ea. \$ _____

Options: call to order
 Customized Kits, Foodland Balloons,
 Drawing Tickets, Plastic Pendants

Name Badges:
 Foodland Name Badges
 50 @ \$ _____ each \$ _____
 100 @ \$ _____ each \$ _____
 500 @ \$ _____ each \$ _____

Clover Farm Name Badges
 50 @ \$ _____ each \$ _____
 100 @ \$ _____ each \$ _____

Door Decal Sets:
 Foodland (set/4) \$ _____ ea. \$ _____
 CloverFarm (set/3) \$ _____ ea. \$ _____

Must submit store name(s) with decal order.

Vista In-Store Training Videos:
 C101, C102, C103, C201,
 C202, C203, C204, C205
 C206, C301, C302, C303,
 C304

Total Qty @ \$50 each \$ _____
 30-day Rental @ \$ _____ \$ _____

Total Order Amount \$ _____
Call to order Foodland apparel:
 Name _____ Phone _____
Order placed by:
 Name _____ Title _____
 Telephone: (____) _____
 P.O.Nbr. _____ Date _____

*Prices and availability of items subject to change without notice. Shipping charges will be added.

Please ship the following order to:
 Company _____
 Street Address _____
 City, St, Zip _____
 Attn: _____

Qty.		\$ Total
Service Award Certificates:		
50	\$2.00 ea.	\$
100	\$1.50 ea.	\$
500	\$1.00 ea.	\$
1,000	\$.75 ea.	\$

Foodland Tie Tack/Lapel Pins:
 5-year pin \$10.95 ea. \$ _____
 10-year pin \$12.95 ea. \$ _____
 15-year pin \$14.95 ea. \$ _____

Others: Call for price quote.

Foodland Store Promotion Aides:
 Foodland Banner \$80.00 \$ _____
Retail Promotion Kits:
 Grand Opening \$39.00 \$ _____
 Anniversary \$39.00 \$ _____

Options: call to get prices & order
 Customized Kits, Foodland Balloons,
 Drawing Tickets, Plastic Pennants

Name Badges:
 Foodland Name Badges
 50 @ \$1.45 each \$ _____
 100 @ \$1.35 each \$ _____
 500 @ \$1.25 each \$ _____

Clover Farm Name Badges
 50 @ \$1.98 each \$ _____
 100 @ \$1.88 each \$ _____

Door Decal Sets:
 Foodland (set/4) \$10 ea. \$ _____
 CloverFarm (set/3) \$10 ea. \$ _____

Must submit store name(s) with decal order.

Vista In-Store Training Videos:
 C101, C102, C103, C201,
 C202, C203, C204, C205
 C206, C301, C302, C303,
 C304

Total Qty @ \$50 ea: \$ _____
Total Order Amount \$ _____

Call to order Foodland apparel:
 SPC:1-800-SPC-CORP (Customer Service)
Order placed by:
 Name _____
 Company: _____
 Telephone: (____) _____
 P.O.Nbr. _____ Date _____

*Prices and availability of items subject to change without notice. Shipping charges will be added.

ALL-PURPOSE polyester/35% lycra, button-front, pockets and wide hem blue, white. Colors: red, navy, tan, medium blue, white.

X-DEU HAT & #1972 JCK: Dill Hat - one color: white. Ladies % polyester/35% lycra, roll-up sleeves, front, two pockets. Colors: red, navy, tan, white.



STORE APPAREL

THE FOODLAND INTERNATIONAL CORPORATION
 8920 Pershall Road, Hazelwood, MO 63042
 314/595-1603 or 1/800-845-6370

SHIP the order shown on the reverse side to:

Special Instructions:

Name _____
 Street Address _____
 City, State, Zip _____
 Attention: _____

BILL the order shown on the reverse side to:

Name _____
 Street Address _____
 City, State, Zip _____
 Order placed by: _____
 Telephone number: (____) _____
 P.O. Number _____ Date _____

Terms: Net 10 days
 Carrier: Best Way/F.O.B.
 Requested Ship Date: _____
 Foodland Control Nbr. _____

Ladies' Long and Short Sleeve Dress Shirts Size Scale

If measurement falls between sizes, order next larger size.											
ORDER SIZE	4	6	8	10	12	14	16	18	20	22	24
IF BUST MEASURES	31	32	33½	35	36	37½	39	40½	43	45	47
IF HIPS MEASURE (or smaller)	33	34	35½	36½	37½	39	40½	42	44	46	48

Men's Dress Shirt Size Scale

Long or short sleeves, order by neck size	14	14½	15	15½	16	16½	17	17½	18	18½	19	19½	20½	21½
SLEEVE LENGTH:	31	31	31	31										
Note: Shirts with 36" 38" 40" sleeves also have 4" longer body	32	32	32	32	32	32	32	32						
	33	33	33	33	33	33	33	33	33	33	33	33		
	34	34	34	34	34	34	34	34	34	34	34	34	34	34
			35	35	35	35	35	35	35	35	35	35		
			36	36	36	36	36	36	36	36	36	36	36	36
				38		38		38		38		38	38	38
				40		40		40		40		40	40	40

Ladies' Suit Jacket, Blazer and Vest Size Scale

ORDER SIZE	4	6	8	10	12	14	16	18	20	22	24
IF BUST MEASURES	31	32	33½	35	36	37½	39	40½	43	45	47
IF WAIST MEASURES (or smaller)	23	24	25	26	27	28½	30	32	34	36	38
IF HIPS MEASURE (or smaller)	33	34	35½	36½	37½	39	40½	42	44	46	48

Men's Suit Jacket and Blazer Size Scale

To size Men's Blazers and Vests, measure around body and arms at chest; deduct 7" to determine size.

SHORT 5'3"-5'7"		36	37	38	39	40	41	42	43	44	46				
REGULAR 5'7"-5'11"	35	36	37	38	39	40	41	42	43	44	46	48	50	52	54
LONG 5'11"-6'3"			37	38	39	40	41	42	43	44	46	48	50	52	54
X-LONG over 6'3"						40		42		44	46	48			

Men's Vest Size Scale

REGULAR	36	38	40	42	44	46	48	50
LONG		38	40	42	44	46	48	

THE FOODLAND INTERNATIONAL CORPORATION
WHOLESALE AFFILIATE APPAREL PRICE LIST & ORDER FORM

Please complete both sides of this form.

Brochure Nbr.	Item Description	Logo and Position	Color	Size	Quantity	Wholesale Affiliate Cost(Each)	\$ Total Order	Suggested Retail Price
N1100	Baseball Cap	As Shown		OneSize		\$ 3.00	\$	\$ 3.95
#031	Polo Style Shirt					\$13.65		\$14.95
#102	Golf Style Shirt					\$13.65		\$14.95
#107	Apron - Short			30"x29"		\$ 5.20		\$ 5.60
#106	Apron - Medium			34"x29"		\$ 5.50		\$ 5.95
#105	Apron - Long			38"x29"		\$ 5.75		\$ 6.25
#636	Man's Vest					\$12.00		\$13.10
#614	Manager's Jacket/ Smock					\$14.50		\$15.90
#1070	Men-Oxford Shirt (List Sleeve Length & Size)					\$15.40		\$16.80
#5070	Women-Oxford Shirt (Long Sleeve)					\$15.40		\$16.80
F40	Foodland Necktie	As shown		OneSize		\$ 6.75		\$ 7.50
#WPI	Unisex Deli Hat	N/A	White	OneSize		\$ 3.50		\$ 3.95
#1972	Ladies Smock					\$13.70		\$14.95
#597	Ladies Topper					\$15.10		\$16.50
#594	Ladies All- Purpose Smock					\$12.55		\$13.70
#100	Cobbler Smock					\$ 9.15		\$10.00
TOTAL ORDER							\$	

All prices include the selected logo. Names in script may be added for \$1.25 each. See reverse side for garment measurements. Please complete all columns. Pricing and availability subject to change without notice. Shipping charges will be added at 4% of total (\$5.00 minimum). For information, call: 1/800-845-6370.

FOODLAND THE COMPETITIVE EDGE

(Continued from Page 5)

WETTERAU—PITTSBURGH DIVISION

Produce Training Seminar...

PRODUCE TRAINING SEMINAR, held by Wetterau-Pittsburgh Divn. Another one of a series of Produce Training Seminars was held on Wednesday, September 25, 1991, 8:30 a.m. to 12:30 p.m. at the Pittsburgh Division of Wetterau. The objective was for store owners to send their responsible perishable personnel for in-depth training. These people then return to the store to train others in their departments. The purpose of the seminars is two fold: (1) to assist in training of new



Produce Training Seminar

employees, and (2) to upgrade current employees' knowledge of the department. The seminar was conducted by Paul Blackner and Jaymie Odorcich, Produce Specialists. Forty store employees attended this session.

WETTERAU-PITTSBURGH

(Continued from Page 1)

BRADSHAW SQUARE FOODLAND, Ed Radzyniak, Owner and Calcutta Foodland, Henry Nemenz, Owner, participated in the first Liverpool Women's Home Show held on Tuesday, September 24, 1991. 800 ladies attended this program which consisted of cooking instructions and other household hints. Samples of Sloppy Joe sandwiches, potato salad, and donut dessert were provided for all participants. Foodland personnel built a large display of harvest time items, which included items such as pumpkins, apples, etc. tying in with the Fall Harvest theme.

Calcutta Foodland— A Brand New Store



L to R: Bob Tannehill, Ted Wetterau, Conrad Wetterau, Tom Kwasny, Andy Blassie, Henry Nemenz, Mark Wetterau during the Grand Opening of Calcutta Foodland, (OH), Sunday, Sept. 15, 1991.

FOODLAND INTERNATIONAL NEW FOODLAND EMPLOYEE AWARD AND IMAGE PROGRAM FLYER

The Foodland competitive edge. Ask your Foodland wholesaler for the brand new flyer available to Foodland retail stores. They'll show you how to order 5, 10 and 25 year Foodland Service Award Pins and Foodland Service Award Certificates for all your employees; plus store uniforms with the Foodland logo and Foodland name badges; plus store promotion kits, banners, and decals; plus in-store training videos for your employees; and more. Here's an easy way to make the Foodland competitive edge work for you!



Calcutta's endless-variety Produce Department

Works Cited

- "Aisle Chatter." Progressive Grocer, September 1990: 11.
- Bailey, Marci, Managing Editor, et al. Progressive Grocer's 1990 Market Scope - The Supermarket Share Guide to Syndicated Markets. Progressive Grocer's Trade Dimensions, Divn. of Maclean Hunter Media, Inc., Stamford, CT 06901: 1990.
- Caminiti, Susan. "The new champs of retailing." Fortune, September 24, 1990: 85-100.
- Chirtea, George. Supermarketing 2001 "A Look at the Future". Wetterau Incorporated, Hazelwood, MO: 1988.
- Garry, Michael. "The Credit Boom." Progressive Grocer, October, 1991: 55-60.
- Heller, Walter H. et al. "Consumers: Recession-Wearry Shoppers Stay Loyal to Supermarkets." Progressive Grocer 58th Annual Report, April 1991: 58-63.
- Heller, Walter H. et al. "Outlook: Recession Darkens the Industry's Mood." Progressive Grocers 58th Annual Report April 1991: 14-25.
- FMI. Operating Results of Independent Supermarkets 1989. Food Marketing Institute, Washington DC 20006: 1990.
- Goldzimer, Linda Silverman. 'I'm First' Your Customer's Message to You. Rawson Associates, New York: 1989.
- Kotler, Philip and Gary Armstrong. Principles of Marketing, Fourth Edition. Prentice Hall, Englewood Cliffs, New Jersey 07632: 1989.
- Michels, Antony J. "Funny Money in Massachusetts." Fortune, July 1, 1991: 32.

- Nielsen Marketing Research. "First look at a tough year." Progressive Grocer, October, 1991: 39-48.
- Petreycik, Richard M. "Employee Relations." Progressive Grocer, March, 1991: 32-37.
- Stern, Louis W. and Thomas L. Eovaldi. Legal Aspects of Marketing Strategy -- Antitrust and Consumer Protection Issues. Prentice-Hall, Inc., Englewood Cliffs, N.J. 07632: 1984.
- "The 500 Largest Service Corporations." Fortune, June 3, 1991: 260-286.
- Toth, Adrienne, Managing Editor, et al. Progressive Grocer's 1991 Marketing Guidebook - The Book of Supermarket Distribution Facts. Progressive Grocer's Trade Dimensions, Divn. of Maclean Hunter Media, Inc., Stamford, CT 06901: 1990.
- Saporito, Bill. "Is Wal-Mart Unstoppable?". Fortune, May 6, 1991: 50-59.
- Sellers, Patricia. "A Boring Brand Can Be Beautiful." Fortune, November 18, 1991: 169-179.
- Stewart, Thomas A. "Do You Push Your People Too Hard?" Fortune, October 22, 1990: 121-128.
- Thayer, Warren. "5 ways to cut your energy bill." Progressive Grocer, January, 1991: 21-26.
- Tucker, Robert B. Managing The Future, 10 Driving Forces of Change for the 90s. G.P. Putnam's Sons, New York, NY: 1991
- Turcsik, Richard. "Recession Creates More Competition." Supermarket News, June 24, 1991: 16.
- Turcsik, Richard. "Retailers Must Tailor Store to Area." Supermarket News, June 17, 1991: 11.
- Wetterau Incorporated. Annual Report 1991.
- Wetterau Incorporated. 1989 Annual Report. Wetterau Incorporated 120 Years of Progress 1969-1989.
- Wetterau Retail Development. Wetterau Store Formats. Wetterau Incorporated, St. Louis, MO 63402: 1990.
- Wilson, Marianne. "AAFES Storms Retail Mission." Chain Store Age Executive, June, 1991: 21-24.

Wold, Marjorie. "Motivating the masses." Progressive Grocers, July 1991: 113-116.