

-Week Ending 10/29/10-

Below is the list of articles you will find for the week ending 10/29/10 edition of Retail Industry News.

- **Sansolo Speaks: “Lessons from Margaritaville”**
- **Gift Cards Now Being Utilized For Charitable Giving**
- **New Initiative To Develop Front-of-Package Nutrition Labeling**
- **Supervalu Offers New ‘Living With Diabetes’ Program**
- **FastNewsBeat**
- **The MNB Wal-Mart Watch**
- **Executive Suite**



Thanks to MNB
for this selection of
articles.

Sansolo Speaks: “Lessons from Margaritaville” *by Michael Sansolo*

Brand power in all its forms is one of the most discussed topics in business today, but the simple truth is there are few simple truths. Everything comes with complexity and nuance, which is why a clear brand position of any product, store, service or individual is so hard to attain. It's why the mythical “elevator speech” - the simple one paragraph explanation - is so hard to build, but it's also why we keep trying.

Luckily, the world possesses a perfectly clear brand model. His name is Jimmy Buffett, the singer, songwriter and performer with a brand so simple, so clear and so easy that it can almost instantly be understood, enjoyed and passed on to others. Jimmy Buffett, to use his own words, is the endless summer vacation.

Think of what that conjures up. Summer vacation in my youth was the time that always went by too fast, full of fun and free of care. It's something we can all relate to and Buffett's brand sits exactly in that space. In that is a huge lesson.

Let me explain this epiphany. Truth be told, I knew only a little of Buffett's music. I've been to a Margaritaville restaurant, tried many of the name-sake drinks and eaten many cheeseburgers. And I knew a little bit about the legendary concerts filled with devoted fans dressed in varying degrees of tropical wear.

But really I knew nothing. That is, until last week when Kevin Coupe took me to a Buffett concert in Portland, Oregon. I entered as maybe the only non-fan in the crowd of 14,000 and I left changed. What I experienced was more than fun. It was energetic, enthusiastic and silly. It was summer vacation.

If you have never seen Buffett in concert, be warned: this is not a concert in the traditional sense. For long stretches it seems meaningless that Buffett and his band are playing hard on stage. While many devoted fans religiously sing along while watching their favorites perform, Buffett's fans go many steps further. They sing, dance and act out almost in unison around a chock full NBA arena. Buffett gleefully leads them.

The concert is a party in every way and at the center of it all is Buffett, now in his 60s and clearly having a great time performing for his fans in a t-shirt, shorts and barefoot. It's the endless summer vacation for a man who found a talent that enabled him to live a dream life.

The reality is that Buffett's fans don't have his talent or his charmed life. Their lives are filled with work, mortgages, bills and even jam-packed rail cars and roads to leave the concert. They can't approach every day looking for a salt shaker to make margaritas, but in their minds, Buffett can take them there briefly. Buffett's brand keeps giving and giving, reinforcing itself as it goes.

A day later as I waited for my bag to show up at another airport, I realized I was humming a Buffett song and the brand came back to me. It occurred to me that marketing classes should be taken to a Buffett concert because there

-Week Ending 10/29/10-

on display is a great brand with simple clarity. Buffett concerts aren't about the quality of music, stage sets, costumes or lighting. His concerts are about summer vacation. The experience delivers on its promise and does so with passion that oozes off the stage.

What's more, it's a brand that allows devotees like Kevin to confidently bring a neophyte like me knowing the result is sure to please. That's the truest test of the brand.

So ask yourself if your fans/customers feel the same way about your product, your store or your service? Do you and your associates understand what customers come looking for each and every time? If the answer isn't an emphatic yes to both questions, get to work. Margarita time comes later.

Michael Sansolo can be reached via email at msansolo@morningnewsbeat.com. His new book, "THE BIG PICTURE: Essential Business Lessons From The Movies," co-authored with Kevin Coupe, is available [by clicking here](#).

Gift Cards Now Being Utilized For Charitable Giving

The *San Francisco Chronicle* reports that Safeway's Blackhawk Network, which markets gift cards in a wide variety of retailers, is working with Causes, described as "a for-profit company that lets Facebook Inc.'s users give money to charities."

According to the story, "Co-founded three years ago by former Facebook President Sean Parker, the Berkeley company has raised more than \$16 million in financing ... Causes' Facebook application connects 119 million people to a range of charities, making it easy to donate small amounts."

The story says that "Causes' new \$25 and \$50 gift cards, which will be available in Safeway and Vons supermarkets in California, let people donate online to their choice of thousands of charities ... The gift cards are helping build awareness of the Causes brand outside of Facebook, according to Parker."

New Initiative To Develop Front-of-Package Nutrition Labeling

The Food Marketing Institute (FMI) and the Grocery Manufacturers Association (GMA) announced yesterday that they have "joined forces ... in the fight against obesity and announced their commitment to develop a new front-of-package nutrition labeling system. The unprecedented consumer initiative will make it easier for busy consumers to make informed choices when they shop.

"This program will add important nutrition information on calories and other nutrients to limit to the front of the packages of many of the country's most popular food and beverage products. To appeal to busy consumers, the information will be presented in a fact-based, simple and easy-to-use format."

FMI and GMA said that it will take a few months to finalize "the specifics of the initiative, including the technical and design elements. In addition, details will be finalized on how to provide consumers with information on nutrients needed to build a 'nutrient-dense' diet and on 'shortfall nutrients' that are under-consumed in the diets of most Americans."

Supervalu Offers New 'Living With Diabetes' Program

Supervalu yesterday announced "the launch of a comprehensive, whole-store health and wellness program called 'living healthy with my diabetes.' The program offers a variety of resources to make life easier for customers living with diabetes, including educational materials, health screening tests, group and individual diabetes education and training programs, medication management consultations, nutrition information, dietary tools, products and other services."

FastNewsBeat

- The *Olympian* reports that WinCo Foods has three new store openings planned for Sunday, November 7 - in Lacey and Everett, Washington, and

-Week Ending 10/29/10-

Tracy, California - which will bring the chain's fleet of low-cost supermarkets to 76.

- The *New York Times* reports that D'Agostino supermarkets in New York City is rolling out the carpet for its shoppers - redoing its floors with "a vinyl-backed commercial nylon broadloom carpet that lends a wall-to-wall plushness to an otherwise ordinary shopping expedition."

The carpet is similar to that used by Sendik's in Milwaukee, as well as by Byerly's in Minnesota and D&W Foods in Michigan, the story notes. Not only do customers seem to like it, but the *Times* notes that while they require a different kind of upkeep and maintenance than hard floors, they also reduce the costs associated with breakage.

- The *New York Times* reports that while it isn't even November yet, a number of chains suffering from "tepid sales" are already starting to publicize "Black Friday" specials that normally would be reserved for the day after Thanksgiving, the traditional beginning of the end-of-year holiday shopping season.

In fact, it isn't just retailers like Walmart and Sears that are trying to reverse recent sales declines. Retailers such as Amazon.com also are using the tactic - because they know they need to compete aggressively for the limited dollars that consumers have to spend this year.

- ShopRite announced that it is adding what it calls "relevant and credible health and wellness content and health widgets" to its website, designed to "inform shoppers of the latest health recommendations, provide shopping ideas, and recommend products for health and wellness goals."

The widget program was developed by Aisle 7.

The MNB Wal-Mart Watch

- The *St. Louis Business Journal* reports that the 220-unit, fast casual restaurant chain Fazoli's will open its first location inside a Walmart early next year.

The location, in St. Louis, will be 2,000 square feet and seat about 50 people. It also will offer a take-out menu.

- *Bloomberg* reports that Walmart CEO Mike Duke said yesterday in a New Delhi press conference that he is "optimistic" that the Indian government will eventually relax restrictions on foreign ownership of retail chains there.

"The opening of dialogue the ministry has initiated is very productive, and I view that as progress," Duke said, adding that he believes that "easing the rules on foreign investment in retail will help curb inflation and may lead to the creation of 3 million jobs in India."

Walmart currently operates wholesale cash-and-carry units in India with Bharti Enterprises.

Bloomberg also notes that "Duke's trip to India comes ahead of President Barack Obama's first state visit to the country. The U.S. president will address a conference sponsored by the U.S.-India Business Council Nov. 6 in Mumbai, India's financial capital ... Obama is expected to bring the largest U.S. business delegation to India and the Obama administration will probably push for greater access for foreign retailers."

- *Crain's Chicago Business* reports that Walmart seems to be getting its Groupon.

According to the story, "In a post on its Facebook page, the largest global retailer launched the deals app Crowdsaver, which unlocks a discount once enough consumers opt in -- much like the group deals phenomenon the start-up Groupon has made popular in recent months.

"In less than 24 hours, Walmart reached the deal threshold of 5,000 'likes,' which triggered a discount of 18% off a nearly \$500 plasma TV with wall mount."

-Week Ending 10/29/10-

The *Crain's* story goes on: "With this group buy-in model for local deals, Chicago-based Groupon has grown exponentially over the last year to more cities. Hinting that the service could also work for national businesses, Groupon launched what was arguably its highest-profile deal with Gap in August. The half-off coupon grossed \$11 million, a sum that was shared between Groupon and the clothing retailer. At the time, the service said it added 500,000 users per week on average and hit 750,000 additions after the Gap promotion."

- *Reuters* reports that Walmart may scale back its plans for a \$4 billion takeover of South African retailer Massmart, and could simply acquire a stake of 50 percent or more. The possible shift comes after what Massmart said was discussions with its shareholders and stakeholders, and would, according to the story, "still make Wal-Mart the first major international retailer in South Africa" and give Walmart a launching pad for growth on the continent.

- The *Financial Times* reports that Walmart-owned Asda Group in the UK is testing the concept of in-store kiosks that will allow in-store shoppers to order goods from a kiosk connecting to an online catalog. The test is being conducted at three stores in northern England, and is being called Asda Extra.

Executive Suite

- The Kroger Co. announced that Jeffrey D. Burt, the company's Vice President of Deli/Bakery Merchandising and Procurement, has been promoted to Group Vice President of Perishables Merchandising and Procurement.