

-Week Ending 8/13/10-

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**Thanks to MNB
for this selection of
articles.**

The Opportunity Of "Calculated Consumption"

Fascinating story over the weekend in the *New York Times* about the notion of "calculated consumption," which might be another way in which the post-recession, so-called "new normal" reflects shifts in consumer behavior.

The *Times* writes: "The practices that consumers have adopted in response to the economic crisis ultimately could - as a raft of new research suggests - make them happier. New studies of consumption and happiness show, for instance, that people are happier when they spend money on experiences instead of material objects, when they relish what they plan to buy long before they buy it, and when they stop trying to outdo the Joneses.

"If consumers end up sticking with their newfound spending habits, some tactics that retailers and marketers began deploying during the recession could become lasting business strategies. Among those strategies are proffering merchandise that makes being at home more entertaining and trying to make consumers feel special by giving them access to exclusive events and more personal customer service. While the current round of stinginess may simply be a response to the economic downturn, some analysts say consumers may also be permanently adjusting their spending based on what they've discovered about what truly makes them happy or fulfilled."

Raley's To Convert One Of Its Stores To Discount Format

The *Sacramento Business Journal* reports that "for the first time ever, Raley's Inc. is converting one of its Raley's format supermarkets into another one of its formats — its low cost Food Source banner ... Operating since 1993, the Raley's on Stockton Boulevard in Elk Grove will become a Food Source at a date still undisclosed ... Word on the street is that the Raley's on Stockton Boulevard was underperforming. And consumers have embraced discount supermarkets during the difficult economy. Raley's was a little vague on the question of why the store is trading banners."

Meijer Makes Room For The New

The *Grand Rapids Press* reports that Meijer has closed down the first store that it operated as a supercenter, at the corner of Kalamazoo and 28th Street SE in Grand Rapids, replacing it with a new, \$15 million, 156,000-square-foot store just next door that will open in October.

The old unit, which has been in operation for more than a half-century, will be torn down to make room for new parking spaces that will serve the new store.

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Sansolo Speaks: "Making a List"

by Michael Sansolo

The best part of having a column like this is I pretty much get to say what I want. Sometimes, people listen. That can be the hard part.

Last week I wrote about looking at your own management style from both sides. That is, consider how you liked to be managed earlier in your career vs. how you manage now. My suggestion was this: make a list of the best and worst traits you experienced and remember to use the best list far more than the *worst*. And someone wrote and asked for my personal list.

It was shockingly easy to write, which makes me feel worse about never doing this before, but I guess that's inspiration also. Here goes:

The best managers gave feedback often and straight. Now, I had a job that made such feedback easy. The process of writing and editing is constant and a good editor will always tell you *why* they are changing your prose in hopes that you won't make the same mistake twice. Thanks to really good editors I think I became a better speller, writer, interviewer and more. Their feedback educated, inspired and helped.

Of course, I also had managers whose feedback was strange, impossible to understand, random and completely indefensible. (I'm betting this translates to your experience too.) Good editors changed my writing to make it better; bad editors changed it to show they were doing something. Good managers taught; bad manager confused. Good managers knew that positive feedback is incredibly important and needs to come more often than the negative. The bad never figured this out.

My best managers knew how to inspire me by explaining the importance of the job and my role. By doing so they got me to try harder. My best managers set lofty goals, challenging me to improve, learn and grow. They seemed to find a way to push me and, better yet, get me to push myself. And they made an entire team try harder by aiming for that goal, *not* by thinking others had to lose for me to win.

The best managers I had led with fairness toward the entire team, even though we all required somewhat different handling. The rules were simple and straightforward and everyone knew them. Even the stars were held to the same standards of basic behavior. Lastly, my best managers supported my goals to get ahead. They viewed my success as a reflection of their coaching and applauded a promotion, even if it meant I was leaving their team.

And, sadly, it wasn't always that way.

In addition to useless or negative feedback, my worst managers tended to micro-manage, making it harder for me to do my own work and always leaving me wondering if they had enough to do. The tactic made me feel useless and incompetent. Training is important and feedback matters, but there's an ocean between that and micro-managing.

Poor managers played favorites and it was always obvious. The rules somehow seemed different for everyone on the team. These managers let both the stars and the slackers get away with murder. The former seemed to get by on past accomplishments and the latter never seemed to do enough work. And in both cases, all it did was cause the rest of us to count the minutes until we were out of there.

Worst of all, poor managers depressed rather than inspired. Their words were too often negative, unhelpful and confusing.

Reflecting on all this, I know I can't say I navigated my management list the right way each time. One thing I tried to do was learn from my staff. For instance, I learned a ton about how to do better, more informative and fact-based employee evaluations from Ernie Monschein, a long-time member of my staff at FMI. He's an independent management consultant now and he challenged me to write this article.

By doing so, he kept me learning.

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new book, "THE BIG PICTURE: Essential Business Lessons From The Movies," co-authored with Kevin Coupe, is available [by clicking here](#).

Publix Takes Second Shot At E-Grocery Business

Seven years after it shut down its Publix Direct online shopping service, Publix Super Markets said yesterday that it is testing a new e-grocery service - Publix Curbside - in one of its Atlanta stores, with plans to also test it in a Tampa unit "soon."

This time around, Publix is working with an outside company - MyWebGrocer - to provide the technological backbone of the service, while picking orders from the individual stores and providing in-store pickup for a \$7.99 fee, though the chain is waiving the fee for first time customers as an introductory offer. There is no minimum offer required, and delivery is not an option at this time.

(Full disclosure: MyWebGrocer is a longtime sponsor of MorningNewsBeat.com.)

"As we continue to provide our customers with the service they have grown to expect, we need to provide new and more advanced ways to meet the needs of their growing and changing families," said Maria Brous, Publix director of media and community relations, in a prepared statement. "Publix Curbside is a natural extension of our service commitment, especially for time-starved families."

In the press release announcing the test, Publix said that "conducting a test in two different markets will afford the company an opportunity to review data, look for similarities and study the differences."

No minimum order amount is required and a \$7.99 service fee per Curbside order will be added to the total. As an introductory offer, the \$7.99 service fee is waived for first time users. The site will allow for multiple shopping lists to be saved under the customer sign-in for subsequent purchases.

Casey's Completes Private Placement

Casey's General Stores, the Iowa-based convenience store company that has been the subject of a hostile acquisition bid launched by Canada's Alimentation Couche-Tard, announced yesterday that it "has completed a private placement for \$569 million of 5.22% senior unsecured notes due 2020 ... The Company intends to use the net proceeds from this offering to finance its previously announced recapitalization plan," which is its way of spurning Couche-Tard's entreaties.

Food Deserts Issue In Chicago Gets Addressed By...Walgreen

The *Chicago Tribune* reports that Mayor Richard Daley and executives at Walgreen have come to an agreement that will have the drug store chain "adding fresh fruit and vegetables at four stores by next week, bringing to 10 the number of such outposts on the city's South and West sides. Those impoverished areas of Chicago have been plagued by the lack of grocery stores after major chains closed some locations over the years."

The stores "will offer more than 750 new food items, such as fresh fruits and vegetables, frozen meat and fish, pasta, rice, beans, eggs and whole-grain cereals," the paper writes.

"I want to thank Walgreens for its commitment to making Chicago a better place and helping Chicagoans to live healthier lives," Daley said at a press conference outside one of the stores.

Mark Wagner, Walgreens executive vice president of operations and community management, added: "Walgreens has taken great pride in meeting the needs of Chicago communities since opening our first store on the city's South Side 109 years ago. Today, we couldn't be more pleased to provide additional basic staples that will inevitably help improve health outcomes for many in these previously underserved communities."

The move by Walgreen comes as Walmart has brokered a deal with the unions and the city that will allow it to build dozens of stores in different formats around the city.

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FastNewsBeat

- Price Chopper Supermarkets announced its partnership with Hudson, N.Y.-based Local Ocean and, in doing so, the company said, "became the first supermarket retailer in the nation to provide customers with the opportunity to purchase the progressive company's sustainable, 'locally grown' sea bream."

Lee French, Price Chopper's Vice President of Seafood Merchandising, said, "The sea bream will be delivered fresh from Local Ocean's facility to our stores in less than 24 hours, which further clarifies Price Chopper's deep commitment both to sustainability and to providing the 'Best in Fresh' and locally grown products to our customers."

- In California, the *Press-Enterprise* reports that Stater Bros. Holdings "will hold off on opening new stores until the economy improves, but the company is digging its heels into existing markets by remodeling or rebuilding some stores and sacrificing profits to keep prices in check."

In a conference call with analysts, "Phillip Smith, executive vice president and chief financial officer for Stater Bros., said sales continue to be affected by intense competition and a tough economy, particularly in the Inland region, where unemployment hovers near 15 percent. Customers are coping by trading down on grocery items to manage a limited food budget -- for example, by opting for whole fryers instead of boneless skinless chicken breasts, he said. And the company is sacrificing short-term profits in order to retain customers through the downturn by maintaining consistent prices and service."

The MNB Wal-Mart Watch

- The *Wall Street Journal* this morning reports that "Sam's Club is making a big bet on Internet-connected television sets—and hopes that providing free Wi-Fi in its stores will help draw customers to the new technology ... By providing Wi-Fi, Sam's Club says it hopes to help customers better understand such products, which are still relatively new to the market. 'This will allow a member to walk up to a Samsung LCD Internet-enabled TV and see how to find his Facebook page or stream video from Vudu,' said Sam's Club Chief Executive Brian Cornell in an interview. 'It is an intimidating category with lots of complexity'."

Wi-Fi access also will allow Sam's Club customers to check the competition's prices on similar or identical items, the *Journal* writes, which Sam's believes will work in its favor.

Executive Suite

- Publix announced the promotion of Charles B. Roskovich Jr. (Chuck) to Senior Vice President of Product Business Development effective Jan. 1, 2011; he will be responsible for overseeing the customer service, manufacturing and product business development operations.

Roskovich began his Publix career in 1975 as a front-service clerk and spent much of his early career in the meat department. He became a store manager in 1993, district manager in 1995 and regional director in 2000. He has been the Atlanta Division Vice President since January 2008.