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PB1735-How Many Businesses Can a County Support

The University of Tennessee Agricultural Extension Service

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HOW TO GET VALUE-ADDED PRODUCTS INTO LOCAL GROCERY STORES

**Analysis of Grocery Store Market Access Opportunities
for Small-farm and Value-added Products**



This project was funded in part under an agreement with the Tennessee Department of Agriculture and the USDA Federal-State Market Improvement Program.

Foreword

This publication is an important part of the *Center for Profitable Agriculture's* ongoing educational programs with individual farm families, value-added entrepreneurs and agricultural leaders across the state. A study was conducted to determine the requirements, criteria and grocers' preferences for the selection of food products sold in their stores. The results presented in this publication represent one of five objectives of the 2001 – 2003 Federal-State Marketing Improvement Program (FSMIP) project titled "Developing Target Markets for Value-Added Niche Products." Insights for value-added agri-entrepreneurs planning to market products through grocery stores are presented. Specific information that is helpful in the development of efficient marketing plans and in the development of applicable teaching resources for those seeking a better understanding of marketing value-added products are described. These results can assist agri-entrepreneurs and small farm agribusinesses in the development of new market opportunities for value-added products and enterprises, and can contribute to an improved overall understanding of the critical success factors and characteristics of market demand needed for successful value-added agribusinesses.

We are particularly appreciative of the cooperation and support of Dan Gutzman and nine retail sales counselors of the CB Ragland Company with this project. Their participation in the survey development and implementation phases of this project was valuable to the overall success. In addition, appreciation is expressed to Anne Dalton and Shasta Hubbs for their contributions in implementing the entire project; to Richard Maxey for publication layout and design; Joe Gaines and Dan McLemore for their assistance and leadership in the project's administration; David Eastwood, Stanley Trout and John Brooker for serving on the survey development team; and Charles Hall, David Eastwood, Wanda Russell and Stanley Trout for their participation in the peer review.

Additional information regarding this project may be obtained by contacting the *Center for Profitable Agriculture* at 931-486-2777 or <<http://cpa.utk.edu>>.

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HOW TO GET VALUE-ADDED PRODUCTS INTO LOCAL GROCERY STORES

Analysis of Grocery Store Market Access Opportunities for Small-Farm and Value-Added Products

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Project Background

FSMIP Grant

In March 2001, the *Agricultural Development Center* (the *Center's* name changed to *Center for Profitable Agriculture* in July 2002) submitted a proposal to the Federal-State Marketing Improvement Program (FSMIP) to develop five market development resource tools that would allow users to better evaluate market opportunities for value-added products and enterprises. One of the goals of the overall FSMIP project was to analyze market access opportunities for small-farm and value-added products with local grocery stores. Over the years, value-added entrepreneurs have found it very challenging to get their products on the shelves of local grocery stores. The Center often receives requests regarding the approach that should be taken with grocery store personnel to achieve greater success in getting the products on local grocery shelves.

The Project Teams

This publication presents the results of a survey conducted with management personnel of grocery stores. The survey (see Appendix) was developed to obtain information needed to evaluate how receptive local grocers are to carrying value-added products produced in Tennessee and to identify the primary steps/procedures/conditions that value-added agri-entrepreneurs should consider to best target local grocers. The entire grocery store survey project was accomplished through the cooperative efforts of several teams of contributing partners. Participants in each of the cooperating teams are presented below:

Survey Development Team

- John Brooker, Agricultural Economics, The University of Tennessee
- Anne Dalton, *Center for Profitable Agriculture*, The University of Tennessee
- David Eastwood, Agricultural Economics, The University of Tennessee
- Rob Holland, *Center for Profitable Agriculture*, The University of Tennessee
- Shasta Hubbs, *Agricultural Development Center*, The University of Tennessee
- Cynthia Kent, The Tennessee Department of Agriculture,
Market Development Division
- Stanley Trout, The Tennessee Department of Agriculture,
Market Development Division

Survey Implementation Team

- Anne Dalton, *Center for Profitable Agriculture*, The University of Tennessee
- Kevin Daugherty, CB Ragland Company
- Brian Fitzgerald, CB Ragland Company

- Lynn Goring, CB Ragland Company
- Dan Gutzman, CB Ragland Company
- Joel Harris, CB Ragland Company
- Rob Holland, *Center for Profitable Agriculture*, The University of Tennessee
- Shasta Hubbs, *Agricultural Development Center*, The University of Tennessee
- Randy Kelly, CB Ragland Company
- Mike Mcquire, CB Ragland Company
- Jason Morris, CB Ragland Company
- Hugh Qualls, CB Ragland Company
- Keith Sullivan, Tennessee Grocers Association
- Kevin Whittaker, CB Ragland Company

Publication Team

- Anne Dalton, *Center for Profitable Agriculture*, The University of Tennessee
- David Eastwood, Agricultural Economics, The University of Tennessee
- Charles Hall, Agricultural Economics, The University of Tennessee
- Rob Holland, *Center for Profitable Agriculture*, The University of Tennessee
- Shasta Hubbs, *Agricultural Development Center*, The University of Tennessee
- Richard Maxey, Marketing and Communications, The University of Tennessee
- Dan McLemore, Agricultural Development Center, The University of Tennessee
- Wanda Russell, Marketing and Communications, The University of Tennessee
- Stanley Trout, Chief of Marketing Services, The Tennessee Department of Agriculture

The survey development team identified grocers in Tennessee and gave ideas and suggestions on administering the survey. The team also brainstormed potential survey questions, formats and methods and identified the target audience of the survey. Due to the expected low response rate of a mailed questionnaire, the team suggested and arranged for the delivery of the survey questionnaires to grocery stores by retail sales counselors of the CB Ragland Company.

CB Ragland Company is a food wholesaler that supplies approximately 200 independently owned and operated retailers, no chain stores, in the southeast region of Tennessee, Georgia, Alabama, Kentucky and North Carolina with a full line of groceries, produce, meat, deli and non-food items. Relationships already existed between the sales counselors and the grocery store personnel, and the counselors could assist with interpreting the questionnaire as needed. The survey participants were, therefore, limited to those served by the CB Ragland Company, and this potential bias has been considered in the analysis of the survey results, primarily in the section titled “how products are acquired.”

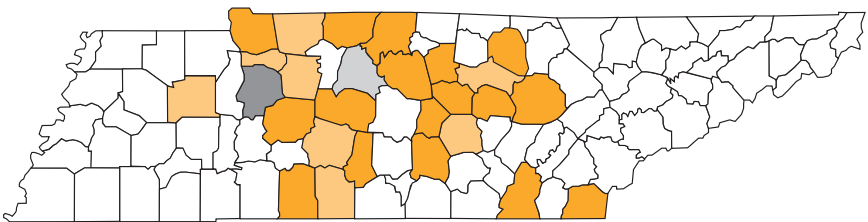
The survey implementation team cooperated in the preparation, distribution, completion and return of the questionnaires. Retail sales counselors with the CB Ragland Company were provided survey implementation packets containing questionnaires, return envelopes and a check-list of implementation procedures. The counselors were given 96 questionnaires and asked to duplicate or request additional forms as needed. Postage-paid addressed envelopes were prepared and accompanied the questionnaires for easy return to the *Agricultural Development Center* for analysis.

Results of Survey

The Respondents

A total of 47 questionnaires were returned from 47 management personnel of 47 individual grocery stores within CB Ragland’s Tennessee and Kentucky territory. At the time of the survey, CB Ragland was serving 196 stores; therefore, the 47 returned questionnaires represent a 24 percent response rate. The stores represented in the survey are located in 23 Tennessee counties, reaching from Polk County in the east to Carroll County in the west, and two counties in Central Kentucky. The largest geographic concentration of responses was from Middle Tennessee, with 87 percent of the participants located within 70 miles of Nashville. The location of Tennessee grocery stores represented in the survey is provided in the following map.

Location of Grocery Store Participants in Survey



Key:

- 1 Survey = Orange
- 2 Surveys = Light Orange
- 3 Surveys = Gray
- 9 Surveys = Light Gray

Note: 2 additional surveys from Kentucky

A majority (79 percent) of the grocery store personnel completing the questionnaires was male, while 21 percent was female. Almost three-fourths (74 percent) of the personnel were between the ages of 31 and 50. A distribution of the respondents by age category is presented in Table 1.

Table 1: Percentage of Survey Responses by Age Category

<i>Age Category</i>	<i>Responses</i>
20 to 30	4%
31 to 40	38%
41 to 50	36%
51 to 60	18%
61 to 70	2%
70 and older	2%

Half (50 percent) of the respondents described their roles/positions in the grocery stores as “store owner,” while 16 percent were described as “manager,” 13 percent as “department manager” and 2 percent as “other.”

How Products Are Acquired

Almost all of the personnel indicated that food items are acquired for their grocery store from a food wholesaler. This was not surprising, because the participating stores were identified and selected by a wholesale supplier. While more than 97 percent of the stores acquire products from a wholesale supplier, this is not their only supplier of food products. Seventy-seven percent of the stores also acquire food products from direct-store-delivery vendors, 38 percent of stores acquire food products directly from small food producers (including farmers and entrepreneurs) and 4.3 percent of the stores acquire products from large national manufacturing companies. Only 21 percent of the stores indicated that they acquire food products for their store from only one supplier.

Although 97 percent of the stores acquire food products from wholesalers, only 76 percent of the food items in their store are acquired from wholesalers. A comparison of the percent of stores that use specific sources of food products and the percent of food acquired through each source is presented in Table 2.

Table 2: The Percent of Stores That Use Specific Sources of Food Products and the Percent of Food Acquired through Each Source

<i>Percent of Stores That Acquire Food Products from Certain Sources</i>	<i>Source of Food Products</i>	<i>Percent of Food Items in the Store Acquired from a Certain Source</i>
97.8	Wholesalers	76.0
4.3	Large, National Manufacturers	0.2
77.0	Direct-Store-Delivery Vendors	22.0
38.0	Direct from a Small Food Producers (including farmers and food entrepreneurs)	1.8

It is interesting that 38 percent of the grocery stores indicated that they acquire products directly from small food producers, farmers and food entrepreneurs; however, the amount of food products in the stores from this group is relatively small (less than 2 percent).

The characteristics of the grocery stores that do acquire food products from small food producers are not significantly different from the characteristics of the entire sample. When the stores that acquire food products from small food producers were asked to describe their preferred way for small food producers to pitch products to them, the majority (88 percent) indicated that a visit to the store was the best way to introduce the product. In addition, 70 percent of the stores indicated that a sample of the product is also an important part of getting a new product considered. Three respondents indicated that an introductory letter and a sample of the product should be sent to the store rather than a personal visit. While some stores indicated that a phone call to discuss the product was preferred, one respondent specifically said “no phone calls.” Additional sales promotion tools for small food producers to consider when pitching their product to a grocery store included providing a free case of the product, providing free point-of-purchase displays or shelf-talkers for the products and guaranteeing a minimum level of sales.

Sixty-two percent of the stores indicated that they do not acquire food products directly from small food producers. However, 81 percent of them indicated that they would consider this option.

Deciding Which Products to Carry

Among a list of 12 criteria, survey participants indicated that “shelf space,” “customer recommendations/requests” and “proven sales history” are the most important criteria they use to decide whether or not to place a new food product in their store. In addition, “promotion help,” “new products,” “ability to restock” and “product category” were also considered important criteria. Sixty-two percent of the stores indicated that “shelf-space” is one of the most critical criteria to product placement. However, as shown in Table 3, when asked for the single most important criteria, “shelf space” ranked fourth, falling behind “customer recommendations/ requests,” “sales history” and “promotion help.”

Table 3: Percent of Stores Indicating a Specific Criteria as One of Their Top Three Most Important or the Single Most Important Criteria

<i>Percent of Stores Indicating a Specific Criteria as One of Their Top Three Most Important</i>	<i>Criteria Used to Decide Which Food Products Will Be Placed in the Store</i>	<i>Percent of Stores Indicating a Specific Criteria as the Single Most Important</i>
62	Shelf Space	15
57	Customer Recommendations/ Requests	41
50	Sales History	26
30	Promotion Help	18
26	New Product	
19	Ability to Restock	
15	Product Category	
11	Option to Consign	
11	Price	
6	Supplier Recommendation	
2	Label in Spanish & English	

Among a list of 11 possible requirements that all food products must meet to be eligible to be sold in a grocery store, respondents most often indicated the following minimum product requirements:

- “evidence that a product meets all government standards”
- “amount of gross profit”
- “product must have a bar code”
- “evidence of the product’s previous sales”

The percent of stores indicating a specific requirement as the single most important are presented in Table 4.

Table 4: Percent of Stores Indicating a Specific Requirement as the Single Most Important	
<i>Requirements of Food Products Eligible to be Sold in Grocery Stores</i>	<i>Percent of Stores Indicating a Specific Requirement as the Single Most Important</i>
evidence that a product meets all government standards	72
amount of gross profit	62
product must have a bar code	57
evidence of the product’s previous sales	53
promotional help	45
supplier must guarantee a specific delivery schedule	40
supplier must be responsible for restocking	23
must have liability insurance	17
evidence of delivery volume capabilities or a minimum amount of inventory	17
supplier must agree to furnish a display	15
other ¹	11

¹ Other requirements include “my determination of whether it will sell,” “quality,” “if my supplier carries it” and “guarantee that the product will be fresh and good quality.”



Selecting New Products to Carry

Each store in the survey added an average of just under 100 new food products each year, ranging from 2 to 420. However, of the 96 new products added, only 44 are still on the shelves in one year. That is, only 46 percent of new food products placed in grocery stores are still in the store one year later. Survey participants indicated that “price,” “image” and “taste” were the primary reasons that new products generated enough sales during their first year to remain on the shelf. Similarly, respondents indicated that “price,” “image” and “taste” were the primary reasons that new products did not achieve a level of sales high enough for them to remain on the shelf after one year.

Products Grocers Would Like to Feature

When asked to identify “specific” products that are not currently available to the grocery stores but that they would like to be featured in the store, four products were mentioned in multiple instances and eight products were mentioned once. Of the products mentioned more than once, “more local products in general” was mentioned 37 percent, “bakery items” 27 percent and “molasses/sorghum” and “pies” were each mentioned 18 percent of the time. The following products were mentioned once:

- jams and jellies
- specialty hams
- bread
- candles
- fresh donuts
- more sugar-free items
- flowers (seasonal)
- locally produced dairy products

How to Get Products to Grocers

The following responses were given when store personnel were asked to describe the process a small food producer should expect once the grocery store had decided to carry his/her product.*

- Pricing must be consistent with similar items; producer must be able to back the item.
- Set up a delivery schedule and the process for reorders, cost and retails would be determined and guidelines for shelf placement, point-of-sale materials, price changes, etc. would be set up.
- As long as the price is right, the producer would have to handle every aspect of this process – from shipping to stocking on shelves.

* In some cases, comments have been paraphrased for clarity.

- An in-store demonstration/sampling day of some sort is helpful.
- Continued available inventory, stable pricing and good acceptance from consumers are necessities.
- We contact our wholesale supplier and ask them to try to carry it.
- The product must be advertised to the customers.
- Delivery to the store will have to be by the producer, a delivery truck or from our wholesaler.
- Either get the product from my wholesale supplier or the producer should have a delivery schedule to bring product directly to the store.
- Vendor must approve credit and provide evidence they can deliver sufficient quantities on schedule.
- Run an advertisement with a good price.

The following comments were provided when the survey participants were asked what specific advice they would give an entrepreneur who was trying to get a value-added agricultural product in the grocery store.*

- Start small; don't try to make a million dollars on the first go-round.
- Be diligent but not pushy, understand that even a little shelf space is better than nothing; always be prepared to take care of damaged merchandise.
- Make sure pricing is always right and be on a regular delivery schedule.
- Call the store for an appointment, bring product sample to the store manager, explain the type of business and how you will promote the product.
- Plan to make store visits and guarantee the product.
- Convince store personnel that the product is needed, that you will deliver on a schedule to meet the store's needs, that the product will always be fresh and sanitary and that the product meets the required inspections.
- The product should have the "Pick Tennessee Products" label, and the product should not be overpriced.
- The product label should be attractive, should catch the buyer's attention and should have a UPC code.
- Make product samples available.
- Be honest; do what you say you will do.
- Tell the grocery store "Let's try it. If it doesn't work, I'll credit you for it and we'll try something else."
- Success will come from long-established working relationships/partnerships with the grocery store.

* In some cases, comments have been paraphrased for clarity.

- Always use a friendly approach and be willing to demonstrate the product.
- Make a good presentation, have product samples and then guarantee the product.
- Most of the best-selling products are carried by our wholesaler, so there is not a problem for us to get it; their product must be in the warehouse book.
- Look neat and clean and present good, fresh, clean merchandise.
- Be flexible and willing to work with store.
- Get an understanding of the products, make sure the price is competitive with other name-brand products and plan to cater to the needs of customers.
- Prepare to provide samples and display fixtures.
- Make a good guarantee on the product and make the first case free to the store.

Identifying Tennessee Products and the “Pick Tennessee Products” Logo

The Tennessee Department of Agriculture (TDA) has operated a promotion program for Tennessee products since 1985. The logo associated with the promotion program has evolved over the years, and the current logo has been used since 1998.

The logo was developed to help consumers identify and select Tennessee-produced and/or processed products and has become the emblem of the state’s overall “Pick Tennessee Products” (PTP) Market Development Program. Although there is no fee for joining the PTP program, the TDA Market Development division oversees and authorizes the use of the logo through an application-approval process. When a Tennessee firm or product is approved for the PTP program, it will be included in the TDA Website directory and in numerous related consumer and buyer directories. Also included in the program is the right to use the “PTP” logo in promotions and on product labels. Products bearing the PTP logo must be high-quality agricultural products produced or processed in Tennessee. Changes in logo composition or colors must be approved by the market development division. All products bearing



the logo must meet or exceed U.S. government and/or state of Tennessee standards where applicable.

Just over three-fourths (76 percent) of the survey respondents indicated that Tennessee products are identified in their stores with 84 percent of the identification made, in some way, for individual products. This individual identification could be from shelf stickers or signs identifying products or from individual products that bear the PTP logo. Sixteen percent of the identification of Tennessee products is from a combination of individual product identification and from a specific section or display in the store identifying the products. Of the stores that do not currently identify Tennessee products, 95 percent indicated they would consider doing so.

Grocery store personnel appear to be very familiar with the PTP logo, with 98 percent of the Tennessee respondents and 94 percent of all respondents (including those from Kentucky) indicating that they are familiar with the logo. Seventy-eight percent of the respondents indicated that the PTP logo contributes to increased sales of Tennessee products. However, there appears to be a direct relation between the state in which the grocery store is located and a grocer's perception of whether or not having the PTP logo on a product results in increased sales of the product. One hundred percent of the Kentucky grocers said that the PTP logo does not contribute to increased sales, while only 18 percent of Tennessee grocers said that the PTP logo does not contribute to increased sales. Fifty-seven percent of the survey participants indicated that the inclusion of the PTP logo on a product makes them more willing to carry the product in their store, while 40 percent said the logo does not affect their decision to carry the product.

Conclusions

To improve the economic viability of agricultural operations, farmers and agri-enterprises are processing, packaging and marketing farm commodities in different ways than has been done historically. End-products that result from value-added enterprises often require the implementation of non-traditional marketing techniques. The results presented in this publication provide information that will be helpful for farmers and agri-entrepreneurs planning to market value-added products through local grocery stores.

According to the results of the study, which are summarized in this publication, wholesalers are the most frequently used suppliers of products to grocers, and small food producers (including farmers and entrepreneurs) supply the smallest percent of products to grocery stores. Therefore, value-added entrepreneurs should consider working with/through wholesalers to get products to local grocery stores.

“Shelf-space,” “customer recommendations/requests” and “a proven sales record” were indicated as the most important criteria used by grocers to decide whether or not to accept a new product. Because there are so many products that compete for limited shelf space in grocery stores, small food producers should consider ways for their product to compete for this limited space. For example, the size, shape, amount and type of packaging and use of shelf space options such as hanging racks should be considered. In addition, customer comments should be solicited during sampling opportunities or through alternate marketing opportunities that substantiate positive customer reaction. The comments should be summarized and communicated to the grocer. Small food producers should also document and communicate to the grocer evidence of a strong sales history, including number of units and/or gross sales over a specific time period. This might be accomplished through the use of effective brochures and charts.

Survey participants indicated that “price,” “image” and “taste” were the primary reasons for products remaining on the shelf after the first year. In addition to developing products that are price-competitive, appealing to the eye and pleasing to the palate, small food producers should make sure their products’ attributes are effectively communicated to potential consumers and grocers through consistent promotional activities, free sampling, effective packaging and labeling and educational materials.

Survey participants also indicated that their decision to carry a product is influenced by the entrepreneur’s ability and willingness to assist with or carry out such tasks as delivery, stocking, inventory, promotion and advertising. Therefore, in addition to producing value-added products, the entrepreneur should consider taking an active role in various marketing tasks. For example, the value-added entrepreneur might assist grocers with advertising expenses, do demonstration/in-store product sampling and/or provide the grocer the first five cases of the product free. The entrepreneur might also take the responsibility of maintaining an inventory of the shelves and/or stockroom product level and even agree to a next-day delivery when product levels are low.

More than three-fourths of the survey participants indicated that the Pick Tennessee Products (PTP) logo contributes to increased sales of Tennessee products, and more than half indicated that the inclusion of the PTP logo on products makes them more willing to carry the product in their store. Therefore, small food producers should carefully consider including the PTP logo on the labels on products sold in Tennessee stores. However, because of the response of the grocers in Kentucky, the use of the logo outside the state of Tennessee should be carefully evaluated.

Implications for Future Studies

The results of this study set the stage for a variety of future studies that would further the understanding of and opportunities for marketing value-added products through grocery stores. Some specific opportunities for future studies include:

- Investigating and evaluating the requirements, criteria and preferences of wholesale food suppliers used for the selection of food products carried.
- Real-product evaluation screenings with grocery store managers and wholesale food suppliers to evaluate the use of specific selection criteria with actual products.
- Evaluating the effectiveness of actual product advertising and promotion activities such as point-of-purchase displays, samples/demonstrations, price discounts and shelf-space allocation/location.
- Determining characteristics of grocery stores that acquire a larger portion of their food products from small food producers (including farmers and entrepreneurs) than the participants in this study.
- Evaluating requirements, criteria and preferences of grocery store managers who acquire a larger portion of their food products from small food producers (including farmers and entrepreneurs) than the participants in this study.
- Determining the time frame of the initial product evaluation period.
- Investigating the difference in grocers' willingness to consider and their likelihood to carry food products supplied by small food producers.
- Investigating how demographic variables affect a grocery store manager's willingness to consider carrying food products from small food producers.

Appendix

DEVELOPING MARKETS FOR TENNESSEE AGRICULTURAL PRODUCTS

A Survey Conducted by

The University of Tennessee Agricultural Extension Service *Agricultural Development Center*

Your voluntary participation in this survey is greatly appreciated. The purpose of this study is 1) to evaluate how receptive local grocery stores are to carry value-added products made in Tennessee and 2) to identify the primary steps/procedures/conditions that the farmer/producer must consider to best target local grocers. Your answers to the questions in this survey will not be disclosed; only aggregated responses will be used in summarizing the study. As the person who makes the purchasing decisions for your store, please answer each question according to your knowledge and understanding of the situation presented.

1. **Excluding meat and produce**, which of the following sources do you currently use to acquire food items/products for your store? (Please check all that apply.)

- a food wholesaler
- a large, national manufacturing company
- a direct store delivery vendor (DSD)
- decision made at headquarters
- directly from a small food producer (including farmers and small food entrepreneur businesses)

2.a. **Excluding meat and produce**, what percentage of the food items/products in your store is supplied by the sources you marked in question 1 above?

- % supplied by a food wholesaler
- % supplied by a large, national manufacturing company
- % supplied by a direct store delivery vendor (DSD)
- % decision made at headquarters
- % supplied directly by a small food producer (including farmers and small food entrepreneur businesses)

b. If you obtain any food products direct from a small food producer, please describe the most preferred way for them to pitch a product to you (such as a store visit, phone call, direct letter, product sample).

c. If you do not obtain any food products directly from small food producers, would you consider doing so in the future? Yes: _____ No: _____

3.a. Which of the following are the **three** most important criteria used to decide which food products will be placed on the shelves in your store? (Select only **three**.)

- | | |
|--|---|
| <input type="checkbox"/> available shelf space | <input type="checkbox"/> label printed in English and Spanish |
| <input type="checkbox"/> product category | <input type="checkbox"/> customer recommendation/request |
| <input type="checkbox"/> sales history | <input type="checkbox"/> supplier recommendation |
| <input type="checkbox"/> new product | <input type="checkbox"/> packaging |
| <input type="checkbox"/> ability to re-stock | <input type="checkbox"/> option of consignment sales |
| <input type="checkbox"/> promotional help | <input type="checkbox"/> other (please list) _____ |

b. Go back to the three criteria selected in #3a and **circle the one** that you consider to be the **single** most important? (Circle only **one**.)

4. Which of the following are requirements that all food products must meet to be eligible to be sold in your store? (Only check things that are **required** and check all that apply.)

- evidence of product's previous sales
- evidence that the product meets all government standards
- supplier must guarantee that a specific delivery schedule can be met
- evidence of delivery volume capabilities or a minimum amount of inventory

- supplier must be responsible for restocking
- product must have a bar code
- must have liability insurance
- amount of gross profit
- supplier must agree to furnish a display
- promotional help
- other (list) _____

- 5.a. Approximately how many new food products are placed on the shelves in your store in a given year? _____
- b. Approximately how many of these new food products are still available in your store 12 months after being added? _____
- c. Assume for a moment that the reason products remain on the shelf for a year is due to high sales. What is the **one** characteristic that these products have in common that contributes to their high sales? (Check the **one** that applies.)
- | | |
|--|--|
| <input type="checkbox"/> price | <input type="checkbox"/> taste |
| <input type="checkbox"/> packaging | <input type="checkbox"/> brand image |
| <input type="checkbox"/> location in store | <input type="checkbox"/> other (please list) _____ |
- d. Assume that the products not remaining on the shelf after a year is due to a low volume of sales. What do you think is the **one** characteristic that these products have in common that most prevented higher sales? (Check the **one** that applies.)
- | | |
|--|--|
| <input type="checkbox"/> price | <input type="checkbox"/> taste |
| <input type="checkbox"/> packaging | <input type="checkbox"/> brand image |
| <input type="checkbox"/> location in store | <input type="checkbox"/> other (please list) _____ |

6. Now, assume that a small food producer has pitched a product to you and you are interested in carrying it in your store. Describe the process of getting the product on your shelves that the small food producer should expect.

7. What are some food products that currently are not available to you that you would like to feature in your store? (Ex. fresh apple cider, bakery items, local farm products, etc.)

8.a. Do you identify Tennessee grown or processed products in your store in some way?
 Yes: _____ No: _____

b. If yes, what method do you use to identify the products?
 a specific section in the store individual identification both

c. If no, would you consider identifying Tennessee products? Yes: _____ No: _____

9.a. Are you familiar with the "Pick Tennessee Products" logo (seen at right)?
 Yes: _____ No: _____



b. Do you feel the use of this logo increases the sale of Tennessee products?
 Yes: _____ No: _____

c. How does the inclusion of the "Pick Tennessee Products" logo on a product label affect your willingness to carry the product?
 more willing no change less willing

10. If you were counseling an entrepreneur on how to get a product in your store, what advice would you give him/her? _____

Please provide the following demographic information.

1. What is the city and ZIP Code for your store? City: _____ ZIP Code: _____
2. Which of the following best describes your position/role in the store?
____ store owner ____ store manager ____ dept. manager ____ other (describe) _____
3. Which of the following best describes your age? (optional)
____ under 20 ____ 20 to 30 ____ 31 to 40 ____ 41 to 50 ____ 51 to 60 ____ 61 to 70
____ over 70
4. What is your gender? (optional) Female: _____ Male: _____
5. How long have you been employed in your present position at the store? _____

This study is being conducted by Rob Holland and Anne Dalton with The University of Tennessee Center for Profitable Agriculture. If you have questions, contact them at 865-974-3824 or by e-mail through the CPA Web site at <www.utextension.cpa.utk.edu>. The mailing address for the CPA is 307 Morgan Hall, Knoxville, Tennessee, 37996-4521.

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