Sweetbay Supermarket Gainesville Store

Marketing Recommendations

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Executive Summary

The University of Florida Marketing Retail Project class was assigned an analysis of Sweetbay Supermarkets’ marketing and asked to make recommendations for possible store improvements. Our mission was to provide evidence to support our recommendations to the corporate office through observations, survey, focus groups and external research. Our goal was to increase revenue by increasing customer awareness of the store and increase items per customer.

Our research methods included observations, a survey and a focus group designed to collect data from local Gainesville residents and store customers. Through this research, we have split our recommendations into four main components; cross merchandising, produce, traffic flow and advertising.

Cross Merchandising
Our first recommendation will focus on improving the cross-merchandising and end-cap displays throughout the store. We will make focused and cohesive displays of complementary items and easy meals that will entice customers to buy more items per visit to the store.

Traffic Flow
Our next recommendation is to alter the traffic flow by directing customers toward the produce department. This will make it more challenging for the customer to walk straight into the deli area upon entering through the deli entrance of the store. By routing them this way, we hope to increase the amount of people that enter into the produce department and encourage the purchase of more goods and more time spent in the store.

Produce
Our recommendations for the produce department include making the produce signage more visible to customers and redesigning the produce department layout. To do this, we recommend placing perpendicular signage in front of the store entrance and changing the layout of the produce department to make it more aesthetically pleasing and easier to navigate.

Advertising
Our final recommendation is to increase advertising for the Gainesville Sweetbay and the surrounding area. To do this, we recommend placing a billboard located on I-75, near Ocala. This location would be used because there are seven other Sweetbay Supermarkets in the area that will benefit financially from this advertising. Also, advertising on Facebook, the local student-run newspaper, and the Independent Florida Alligator, would focus on promoting the store’s convenient hours and football tailgating necessities.

Our four recommendations will help increase customers’ awareness of the store, enhance the likelihood of their visitation, and increase items bought per customer. These changes will increase the Gainesville Sweetbay’s sales revenue and profit.
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Sweetbay Supermarkets is a Florida supermarket chain owned by the Delhaize Group. In 2004, the Delhaize Group started converting Kash n’ Karry locations to new Sweetbay Supermarkets. Since 2004, they have been a dominant competitor in the Tampa market and represent fresh produce, meat, and superior quality and value. Their Gainesville, Florida location is located less than a mile from the University of Florida campus. Our goal is to bring new customers into the Gainesville store, as well as increase the number of overall items each customer purchases. The Gainesville Sweetbay faces unique challenges as well as opportunities because of the college-aged demographic located at the University of Florida.

Our group consists of four members who have been working diligently together for the last 15 weeks, researching, analyzing and making recommendations that will improve the overall experience of the Gainesville Sweetbay Supermarket. The group has focused its research into four main areas. The first area is cross merchandising, which we believe will increase the number of items that each customer purchases. This will allow Sweetbay to transform from a convenience store in the community to a grocery store. The second area our group focused on is researching and observing the Sweetbay customers and understanding the unique demographics that Gainesville residents possess. This research also includes developing and understanding traffic patterns of grocery stores and how they affect customers’ shopping habits. The group’s third main focus area is the transformation of the current produce department into a fresh design that will attract customers and allow for a more fluid flow through the store. The final focus area is the development of new advertising strategies for the Gainesville Sweetbay that will attract more customers, leading to increased foot traffic and driving up profit. Each member of our team has contributed their own unique skills to this project, leading to novel and thorough recommendations.

Some of the most crucial and informative research for this project incorporated the use of observations throughout the Gainesville Sweetbay. Observing customers and their individual shopping habits gave us great insight into the unique demographics and shopping patterns of Sweetbay customers. Other than observations, the utilization of surveys, focus groups and external research gave us insight into the mind of the typical Gainesville shopper. We have spoken with corporate officers of Sweetbay and managers of the Gainesville Sweetbay, as well as various business owners that contributed knowledge of the current strategies of Sweetbay and ways we could improve upon them. Following all of this extensive research, we have developed recommendations that will ultimately lead to higher foot traffic, customer satisfaction and an increase in the revenue of the Gainesville Sweetbay.

After many hours of observations, meetings with management and research, our team has come up with the recommendations that will be most beneficial to the Gainesville Sweetbay store. Cross merchandising, produce, traffic flow, and advertising will be our areas of centralization. We have decided to focus on these four areas of the store because they have the most room for improvement, and yet would not have a significant implementation cost. Our suggestions are simple, yet will have a strong impact on the store’s sales.
Using a University of Florida online extra credit system, CB Central, we have surveyed 220 students currently living in Gainesville and the surrounding area. From the results of the survey completed, there are several notable aspects that will help us understanding the unique demographics of college student and their perception of Sweetbay and the competition. As evidenced by the first graph shown below, Figure 1.1, a possible problem for Sweetbay is a lack of advertising, as only 25% of the college market has been to the Gainesville Sweetbay. Publix is its biggest competitor as it is so well-known and well-liked, with 94% of the college market going there.

**Gainesville Sweetbay Survey Results**

Calculated with a Multi-Attribute Model (Weighted by Importance)

![Figure 1.1: Sweetbay Competitors](image)

Gainesville Sweetbay’s total rankings when compared to all of its competitors, mostly Publix. The graph was created using the survey data and applying a weighted average importance rating system. As shown, it lacks mostly in appearance and organization, but its totals are significantly lower than the totals of its competitors. Although all are areas for improvement, the organization and appearance are the main focuses of our recommendations, as well as the advertising to get students in the store.
The average Gainesville college-aged shopper, a demographic that represents about half of our survey participants, spend anywhere from $30-$59 on groceries per trip, as seen in the above graph. These trips occur two or three times per month, and the overwhelming majority of students (95%) drive in a car to get to the grocery store.

Figure 1.3, as seen directly above, shows that students’ total number of items purchased ranges anywhere from six to 40 on an average shopping trip. The most popular hours for shopping trips are from 2pm-10pm. The days of the week students shop most are summarized in Figure 1.4. The percentages total over 100 because there was an option on the survey to pick as many as possible. The weekend, however, is when most students shop, with 44% on Saturday and 61% on Sunday. In addition, 74% of students would shop at night for better prices. This information can be used to predict shopping patterns of Gainesville students and to help improve the Sweetbay store in general.
Cross Merchandising and End-Caps Displays

We see significant room for progress when it comes to cross merchandising products throughout the store and creating viable end-cap displays. These two areas cost almost nothing (except time) to implement, yet increase the items per customer and quality perception of the store exponentially.

Our survey results show that more than 80% of males and 75% of females would purchase items grouped together in an aisle display to create a full meal. Over 50% of respondents who create lists, versus those who identified themselves as non-planners, agree that they would purchase all of the items in a full-meal display. These are very strong results that show management several valuable opportunities for influencing impulse buying.

End-Caps

These percentages also indicate that the Gainesville Sweetbay is missing out on an opportunity to sell more items to customers during their visit by not utilizing the end-caps on aisles for cohesive displays. Currently, the end-caps display an assortment of items that are on sale, or items that the store just wants to draw attention to; they do not encourage customers to purchase more than what they came for (See Figure 2.1).

If Sweetbay created displays that were colorful and cohesive, customers would be more inclined to purchase all of the items and thus, spend more time and money in the store.

Implemented End-Cap Ideas

After meeting with Patrick Rogers, manager of the Gainesville Sweetbay, he heartily agreed with many of our group’s suggestions. He implemented the end-cap ideas about six weeks ago, and said that they have been doing great for sales in the store. Detailed below are the original ideas and their creation in the store:

1. A “Mexican Night” display including taco shells, fajitas, re-fried beans, Mexican rice, taco sauce, Tabasco sauce, ECT. Possibly even a sign that routes customers to the produce department to pick up fresh tomatoes and lettuce. Effective signage could make a big improvement in our store and in routing our customers to the places they want to go.

   Note: Patrick actually ended up splitting the “Mexican Night” into two displays. One is a “Fajita Meal” located right next to the produce department (Figure 2.2) and the other is a “Taco Night” located in the back of the store (Figure 2.3).

2. A “Simple Dessert” display was also implemented in the store. The original idea was to place Funfetti brand cake mix and icing as the main focus. Extras would include strawberry, chocolate and vanilla cake mixes and icing, baking tins and spatulas, and cupcake liners. This display will play on the
idea of “repetition”; that showing the same product (cake) in similar boxes of different flavors will imprint the product in consumer’s minds. Patrick set this display of Spring Funfetti mix next to the promotional section at the very front of the store (Figure 2.4). It was great strategic placement and is selling well for the store.

Cross Merchandising

Our group also felt that in addition to improving the end-caps of the store, there was untapped potential for cross merchandising. Successful cross merchandising encourages customers to pick up an extra product or two that corresponds with the original item they came in the store for.

Our main cross merchandising ideas are as follows:

1. Placing granola by the yogurt display
2. Adding balloons, cards and chocolates to the end of the flower display in the produce department
3. Putting marinades and grilling spices by the steaks and meats. This idea was also implemented in the Gainesville store. (Figure 2.5)
4. Putting a coupon for Texas Toast garlic bread by the spaghetti and sauce aisle
5. Placing microwaveable bacon and fresh bread by the lettuce and tomatoes

We believe that these small and simple improvements in merchandising will fare well for the Gainesville store by increasing the number of items that each customer purchases, and also change the “convenience store” perception by making the store appear like an actual grocery store.
Traffic Flow and Traffic Patterns

Upon the group’s first visit to the Sweetbay store, one of our first observations was the presence of two entrances and exits. The traffic flow was disrupted, as patrons could enter one of two ways and begin shopping (or just pick items up) any way they wanted. After the initial visit to the Gainesville Sweetbay, we decided to conduct more formal observations to clearly observe traffic patterns and determine recommendations for improvement.

The purpose of our observations was to gauge traffic patterns of the Gainesville store and observe the clientele Sweetbay is catering to, as well as witness the general behavior of Sweetbay shoppers firsthand. To gain a consistent view of the traffic patterns, we held six, hour-long observation periods on a weekday and a weekend in the afternoon, evening and at midnight. Two group members were stationed outside both of the entrances of Sweetbay and wrote down previously decided upon observations. The collected observations consisted of basket/cart use, the amount of time spent in the store, the door the customer entered through, the demographics of the customer, which direction the customer walked when they entered the store, and brief general observations about the items the customer purchased. The results are summarized below.

Two hundred ninety-two observations were conducted. As this consisted of groups of people as well as individuals, there were a total of 392 people observed during this period. The race demographics are as follows: 63.52% white, 27.3% black, 4.3% Indian, 3.3% Hispanic, and 1.5% Asian (Figure 3.1). This challenges the managers’ notion that the second-largest market that shops at Gainesville Sweetbay is the Hispanic market.

![Observation Demographics - Ethnicity](image)

**Figure 2.1: Observation demographics based on ethnicity**

Out of 392 people, only 1.5% were children. This shows that child-friendly displays in the Gainesville store are not relevant and should not be incorporated into the store design. However, only 1.02% of customers picked up a store circular on the way into the store. A recommendation, based on observation, is to move the flyers further from the door. The flyers are placed too close to the door, and
the display is not attractive enough to catch the customer’s eye. Evidence of this can be seen in the “dead zone” article, in which it is discussed that anything placed within 15 feet of the entrance of a grocery store is not apparent, as the shoppers’ attention is directed toward the body of the store. One hundred three shoppers were timed when they entered the store. The average total shopping time was 7.1 minutes. This number needs to be increased dramatically in order to expulse the notion that Sweetbay is a glorified convenience store. Most of these shoppers used Sweetbay for alcohol, and 4.8% used Sweetbay for cigarettes.

Out of 292 observations, 12.67% picked up a cart, 19.52% picked up a basket and 67.81% shopped with nothing. This can be seen more clearly in Figure 3.2.

![Customer Shopping Method Observations](image)

**Figure 3.2: Customer shopping method observations**

Our suggestion is to have baskets stationed around the store to make it more convenient for shoppers to pick up more items while grocery shopping, which would likely to increase the amount of shoppers with a basket or cart. It is necessary to dramatically increase the use of baskets and carts, as shoppers can only fit so much in their arms. Out of 292 observations, 69.17% entered through the deli and 30.82% entered through the produce department (Figure 3.3).

![Customer Entrances](image)

**Figure 3.3: Customer entrances**
In order to direct customers toward the produce area and to make the experience of shopping at Sweetbay more like that of a normal grocery store, we plan to block off the left side of the store, which is already done at night. This will free up floor space and direct customers to specific areas. This will also make night traffic patterns the same as day traffic patterns. Of those that used carts, 62.16% entered through the deli. 37.84% entered through the produce department. Of those that used baskets, 61.4% entered through the deli, and 38.59% entered through the produce department (Figure 3.4). These numbers may not be as helpful as originally thought, as most of shoppers enter through the deli regardless of what they have in their hands.

![Figure 3.4: Percentage of shoppers with basket and cart](image)

Out of 241 observations, 16.18% entered through the produce department and walked left. Other shoppers, 15.35%, entered through the produce doors and ventured right. Through the deli entrance, 38.17% entered and went left, and 30.29% entered through the deli and went right. We observed most college-aged people buying alcohol at Gainesville Sweetbay, which makes up of approximately 60% of the people that entered through the deli entrance and walked left (Figure 3.5). When speaking with the corporate officers, they believed that the Gainesville store was a “right to left” store; however, our observations show this is not the case. The implementation of our recommendations will make Sweetbay more of a “right to left” store than it is currently.

![Figure 3.5: Entrance and direction tendencies](image)
Later, the group conducted a second set of observations to further our recommendation that the deli area should be blocked by merchandise in order to direct customers toward the produce department. These observations were methodically conducted with two group members standing at either entrance for a half hour. Thirty-three people were observed, with 19 entering through the deli entrance and 14 through the produce doors. Five out of 19, 26.32%, walked straight to the produce department with shopping carts. When customers went to the produce department first, the average time in the store was 13.44 minutes, and the average time they spent in the store when they ventured directly into an aisle or to the frozen goods was only 5.02 minutes. Most patrons exited through the door they originally entered, and the group consistently observed fuller bags and more bags when the customers started in the produce department. The conclusions from the second observations are as follows:

- People purchased more items and stayed in the store longer if they went to the produce department first
- Only \(\frac{1}{4}\) of those entering through the deli went directly to the produce department, already following our suggested traffic pattern
- It would be extremely beneficial to the Gainesville Sweetbay to follow their night pattern of directing customers towards the produce department

The only possible problem our group foresees is that when analyzing the results, it might be a factor of reverse causation, and that more people that stay in the grocery store longer might shop in the produce department first. When evaluating the results of these observations as well as the previous set, the problem of reverse causation seems unlikely.

Upon careful analysis of data, the one clear recommendation suggested is to direct customers towards the produce area by making it more challenging for the customer to walk directly into the deli area when entering through the deli doors. This blockading of the deli area is already done at night; our recommendation would make this permanent (Figure 3.6). Not only would this reduce theft, as there is no clear path out through the deli entrance/exit, but it would also give more floor space to promote sales, as more products could be displayed in the space that customers currently walk through. In addition, this would make Sweetbay appear more like a grocery store and less like a convenience store. On the longer path in which to get to items such as frozen food, the customer is more likely to stop at the eye-catching end-caps that he or she may have missed if they walked directly into the frozen food section. This would, in turn, give a greater probability that the consumer will buy more goods and spend more time in the store.

![Figure 3.6: Night traffic display](image-url)
Another recommendation from casual observation is to have baskets stationed throughout the store for easier shopping. As already implemented in Publix, this recommendation is for shoppers that are attracted to enticing displays and choose to purchase the items shown there, but may not have a basket in which to carry these items. There were several people approaching the checkout counter with items in their arms; the potential for them to purchase more items could be harnessed and capitalized on with baskets in multiple locations throughout the store.
**Research Methods**

During our observations and research, we have concluded that the best way to market produce to University of Florida students is through word-of-mouth communication. This conclusion is based on the fact that the Gainesville Sweetbay does very little advertising to directly market to University of Florida students, yet because of its strong reputation of fresh produce, the produce department has increased over 10% in the last year.

Another important statistic regarding the Gainesville Sweetby’s produce department is the fact that 81% of University of Florida students said they were ‘very likely’ or ‘somewhat likely’ to switch their preferred grocery store to another in order to purchase better produce. Considering produce is the second highest characteristic in changing grocery stores behind price, we feel that focusing on this concept will have huge gains, and by making simple changes we can improve the customer experience and therefore increase the word-of-mouth communication among college students.

We also carried out observations and timed the Sweetbay customers as they made their way around the store. Our research suggests that customers spend approximately eight minutes more in the store if they visit the produce department during their shopping trip. One of the most troubling results was that only 26.32% of customers actually visited the produce department. By increasing the number of customers that visit the produce department, we will not only increase the revenue in the produce department, but also increase the revenue in the entire store, which is the mission of this project.

Our overall goal in order to accomplish this mission is to funnel the customers through the produce department and increase the number of customers who actually visit the department so that customers will perceive Sweetbay to be a high quality supermarket. To do this, we recommend creating more effective signage and a more efficient, customer-friendly layout and store entrance.

**Produce Signage**

*Observations*

As customers enter the Gainesville Sweetbay from the northern entrance, there is no signage informing them that the produce department is to their right. According to the Spanish marketing firm that provided us with a professional grocery store analysis, “Visual elements should be placed PERPENDICULAR to the ‘sense of the circulation’ of the Client of Store and by ‘Visual Level.’”

*Recommendation*

Using the concept, we recommend placing a sign directly in front of the store entrance, perpendicular to the current sign, informing the customer where the produce department is as soon as they enter the store. As shown in Figure 4.2, we had our interior design specialist create a sign that embodies the idea of freshness that Sweetbay Supermarkets conveys to its customers. This sign hangs outward, facing the door, and is perpendicular to the other sign that is facing toward the checkout counters. We feel that making this small change will help accomplish our task of raising the amount of

![Figure 4.2: Perpendicular produce sign](image)
people that visit the produce department, therefore increasing the revenue generated by the produce department as well as the entire store.

**Produce Layout and Entrance**

*Observations*

As customers enter the Gainesville Sweetbay from the northern entrance, there is a funneling effect that leads them past the produce department. We want to highlight the entrance to the produce department because “typically the produce department is the first major department shopped by supermarket customers upon entering the store” (Peak and Peak 203).

Our research shows that most customers shop from right to left in a grocery store, and our observations indicate that the large front produce stand and the entrance promotional display both guide the customer to the middle of the grocery store while bypassing the produce department altogether. As seen in Figure 4.3, this large obstruction in front of the produce not only funnels the customer into the store instead of into the produce department, but also blocks off the view of the produce itself.

*Figure 4.3: Northern entrance of store*

*Figure 4.4: Original produce layout with traffic flow in red*
**Recommendation**

To remedy this funneling observation, we recommend redesigning the layout to create a more aesthetically pleasing entrance. The layout redesign would restructure the produce aisle to use space more efficiently and to create a more appealing entrance. We recommend moving the produce stands around so that the space is more open and faces the customer as they walk in. This will display the rich colors and enticing greenery of the entire produce department better and will give the impression of a larger, more open produce department. We will keep the banana stand in the middle but move the large front produce stand to the corner. We also recommend placing the more decorative stands, the tomato cart and the tropical cart, on the most visible side of the produce department. By rearranging the aisles and placing the more attractive displays closer to the customers and the larger, bulkier ones to the back we hope to create a more appealing produce department that will allow customers to see the produce freshness and equate it to the freshness and cleanliness of the entire store.

We also think that with the redesigned layout customers will be able to see more of the fresh produce, and be able to navigate between the produce stands easier. The produce department is a very important aspect of Gainesville Sweetbay. We feel if customers feel positively towards this department, especially students, it will increase the amount of ‘word of mouth’ advertising for the local Sweetbay and transfer to their impression of the entire store.

**Figure 4.5: Modified produce layout**
Advertising

One of the biggest challenges the Gainesville Sweetbay store faces is the competition for customers from nearby supermarkets. As there is only one Sweetbay in Gainesville, and due to the fact that it originates from the Tampa area, many students arrive at the University of Florida without ever hearing of Sweetbay Supermarkets. At the beginning of this paper, we stated one of our main goals is to increase foot traffic through the store. The main way to increase the number of customers is with the use of direct and aggressive advertising strategies. From speaking with the corporate office, we learned that the Gainesville store is not allocated much money for advertising due to its small market share, and its being the only Sweetbay in the area. After using the various researches our group was privileged to utilize, we found that we could not increase foot traffic without developing a new advertising campaign. Therefore, we have made recommendations for four different forms of advertising for Sweetbay that are cost efficient as well as effective; they include billboards, Facebook, the Alligator newspaper, and mailing coupons.

Billboard

Due to the current state of the economy, it is necessary to consider the cost benefit of how we spend every one of our precious dollars. In the world of advertising, we must think of the most effective way to reach the largest amount of people. One of the best available ways to market our services and show our message is with the use of outdoor advertising. Throughout the Tampa region, we have seen billboard advertising for Sweetbay Supermarkets. The problem that we have noticed is that there are no Sweetbay billboards for any other locations except for those throughout the Tampa area. As there is such little marketing and advertising taking place throughout the Gainesville area, a billboard placed on I-75 after the merge with the Turnpike would significantly increase awareness of the Gainesville Sweetbay and of all the Sweetbays throughout Florida. There are seven different Sweetbays that would benefit from the placement of one Sweetbay Billboard on 1-75. Combined with the amount of students who commute from South Florida to school all over the state, that is a lot of exposure for Sweetbay, especially to those who may not be aware of its existence.

Figure 5.1: Map of northern Sweetbay locations
Some of the advantages of using a billboard versus a television or newspaper advertisement include that the billboard is available for people to see 24 hours a day, compared to a 30 second television ad, which most people may not see because of TiVo or not watching a certain program. An additional billboard is very practical for Sweetbay, because it allows the colorful, eye-catching logo to be seen and used effectively. Whether or not the billboard is near a Sweetbay store is unimportant, as one of the Sweetbay’s biggest weaknesses is the lack of brand awareness; the more people who see the logo and realize its great deals and savings will ultimately get more people in the supermarkets.

After speaking with managers at our local Gainesville Sweetbay store, the necessity of a billboard was further recognized. They have agreed with and been very outspoken about the need for a billboard. We have also been in contact with Devon Levy, the Marketing Manager of Sweetbay, who was very interested in the idea of a billboard along I-75, and also informed the group that their billboards are usually focused around one campaign. In relation to our other advertising campaigns, we have developed a Gator Football Billboard Campaign.

With the help of Lamar Advertising, the premier owner of Billboards throughout Florida, and one of the largest outdoor advertising companies in the country, we have come up with 18 possible locations for the Sweetbay Billboard. (Figure 5.2)

All of these 18 Billboards have their own 4-week rate, and are facing Gainesville bound drivers. The billboards closest to Gainesville, such as number 11, would be most advantageous towards the Gainesville store, while billboard locations 3, 4, or 6 would benefit the other Sweetbay stores located nearby, as well as the Gainesville Sweetbay.

Attached in the Appendix is the complete list of locations and descriptions all 18 Billboard locations.

Figure 5.2: Locations of I-75 Billboards

Facebook and Social Networking Sites

Another advertising option is to place advertisements on Facebook. One of the Seth and Randall’s “Strategies for Success” is to find “new ways of segmenting and serving customers” (316). Since Facebook is the social networking site of choice for college students, there is no better way to
reach your target market ahead of your competitors. The Facebook advertising option allows you to pick your demographics, so Sweetbay can target the students living on 20th and closest to the store. Also, using ‘pay per click’ purchasing pays Facebook, so we are guaranteed to stick within our budget each year.

The first recommendation is to start off with a small, 10 or 20 day campaign, while utilizing the tools on Facebook to track the progress of the ad and the clicks on it. It is advised to start running this ad during the beginning of the fall semester when new students are in town looking for a new place to shop. With a daily budget of $10 you could get 40,000 views per day, or with a $5 daily budget 20,000 views per day. These ads can run continuously or during preferred dates. A sample of the ad would be this size, and look similar to the one above.

There are other features on Facebook that would allow users to create profiles or special events; followed by sending out messages to people they are “Facebook friends” with. For example, if the culinary cruiser came up for a football game, we can create the event and send it to all our “friends” online. In just a few hours, the event could reach thousands of college students- for free.

**Newspaper Advertisements- The Independent Florida Alligator**

From our survey results, we recognized the popularity of newspaper ads for Gainesville shoppers. Only 45% of people surveyed that shopped at Sweetbay respond to newspaper ads positively, while 55 percent of those respond negatively. According to Progressive Grocer, newspaper advertising should rank in the 55th percentile in terms of success. Our results and those of Progressive Grocer may be different due to the differences in demographics in the Gainesville area. A recommendation our group would like to make is to purchase a small advertisement in the school newspaper, ”The Alligator,” which reports that 93% of the student populations are loyal readers of this newspaper; this small advertisement would receive lots of exposure at a minimal cost. The Alligator prints 35,000 newspapers daily, distributes to over 350 locations, and circulates an area with 80,000 individuals involved with the colleges around Gainesville. Gainesville has the highest percentage of people between the ages of 18-34 of any market in Florida, which is the primary age of the typical Gainesville Sweetbay shopper. According to the Alligator, their readers spend $39 million on monthly expenditures, with $10.3 of that going to groceries. This is a significant amount of money, and Sweetbay needs to make an effort to gain its own share.

Our suggestion is for Sweetbay to run an ad during football season that advertises its great selection of food and beer for tailgating and football parties. This ad would reach an enormous amount of college students, as well as brand Sweetbay with 24/7 conveniences and a wide selection of popular football products. The newspaper ad can even work in conjunction with the billboard in I-75, in terms of imagery, that way customers are getting a consistent image of the store.

**Mailing Coupons**

Our next survey observation dealt with receiving mailings and discount coupons in the mail. The results of this data showed that only 26% of people surveyed enjoy receiving mailing advertising.
while 73% of that same group surveyed enjoyed receiving coupons and special deals in the mail. This proved to our group that using mailing as a form of advertising works, but must be paired with a form of a coupon to entice customers to enter the store and save money. We have begun to research businesses that will fulfill our goal of driving customers to our Sweetbay store, through direct mailing of coupons and discounts. Targeting local students who live on 20th Avenue could be a great area of focus for the store. Move in day is only a few months away, and a coupon to welcome new customers could turn first time residents into lifetime Sweetbay customers.

One such local business that works to distribute mailing coupons is *Valpak*, an advertising franchise, who is owned by Cox communications. *Valpak* distributes to over 60,000 people in Gainesville, at the cost of $0.03 per house, totaling to $2,000. We have began to work with the deli group to incorporate a coupon that would benefit their sub shop, as a bonus to increasing foot traffic. These coupons will not only have a discount on it, but also will provide information about the store, thus increase brand awareness and knowledge.
Conclusion

After extensive research, observations, and surveys, we know that the four recommendations for Gainesville Sweetbay will be both feasible and highly beneficial to the store.

Improving cross-merchandising and end-cap displays will raise customer perception of the store. It will also encourage customers to think beyond their shopping list and pick up extra item on each visit to the store. Encouraging customers to create meals, rather than shop for individual items, will help shoppers see Sweetbay as a local grocery rather than a 24/7 convenience store.

Shifting traffic patterns will also raise customer perception of Sweetbay as a grocery store. Routing customers through produce will encourage them to spend more time in the store as well as allow them to experience the fresh produce Sweetbay prides itself on. Since produce is such an important aspect of the customer shopping experience, getting them hooked on Sweetbay’s will lead to loyal shoppers.

However, if we want customers to have a high-perceived quality of the produce section, we must also make changes within the section. Improving signage will raise the visibility of the section throughout the rest of the store. Also, shifting the display carts from a left to right diagonal will give the entire area a much more open and inviting look to shoppers. It will allow shoppers to instantly see the bright colors and freshness of the entire section. These small changes will continue to help brand the quality of the store in customer’s minds.

Finally, advertising plays a big role in the Gainesville Sweetbay market. If customers are not aware of the store there is no chance for it to gain a bigger market share against Publix. By placing a billboard on I-75, running Facebook ads, and implementing ads in the Alligator, Sweetbay will raise its visibility among the desired University of Florida market. To reach college students, they must place their name in front of them, and these three routes are the most direct and visible ways to do so.

By raising visibility of the store among the college market, foot traffic is bound to increase. Once in the store, customers will be routed to the fresh produce where they will be drawn in and enticed by the open and colorful atmosphere. They will find themselves picking up easy meals that they didn’t intend to from cohesive and organized end-caps and purchasing more items upon each visit to the store. All these things will help increase profitability in the store and make Sweetbay and more viable competitor in the Gainesville market.
References

# Appendix

Billboard Advertising Prices:

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