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WHOLE HEALTH

SPRING 2010



NATURAL BORN LEADER

WHOLE FOODS AND 30 YEARS OF HEALTH AND WELLNESS

A SUPPLEMENT TO **SN**

FRONT-END ADJUSTMENTS • BEST DAIRY PRACTICES • NEW VENDING COMPETITION

CATEGORY CLOSEUP

Best Practices for Improved Dairy Sales

The dairy department generates superior returns: It's been determined that it can total 19% of store profit, using 3% of store space. A new report shows that an updated dairy aisle can increase dollar sales by 1.6% and dairy unit sales by 2% to 3%. By optimizing space and creating a more shopper-oriented rather than operations-driven department, retailers can maximize new product potential, improve cross-merchandising opportunities and drive significant growth in sales and profits.

Based on the findings of the report, "The Future of the Dairy Department is Now," researchers created a list of eight best practices that should be part of any reinvention process:

- **Establish a dairy department vs. just another aisle** — Make it clear to the shopper when entering and leaving the department.
- **Make the department easier to shop** — Make it easier to move through this high-traffic department by eliminating elements that create congestion and bottlenecks.
- **Utilize a broader array of methods to "personalize" the engagement of the shopper** — Use kiosks, offer meal solutions or provide

information about consumer benefits on danglers to slow the shopper down with useful and relevant information.

- **Build stronger emotional connections leveraging health and wellness** — Help shoppers better understand the role that dairy can play in living a healthier lifestyle for them and their families.
- **Leverage more meaningful merchandising** — Assist shoppers in locating the various categories more effectively, as categories often blur together in a long-running aisle format.
- **Offer stronger freshness cues** — Freshness guarantees, proper lighting, keeping the department looking and smelling fresh, and inviting signage all create shopper trust and engagement.
- **Foster interaction and engagement** — Change the dairy space from linear to three-dimensional.
- **Inspire shoppers** — To maintain shopper interest, consistently update messaging and solutions. Provide messaging that educates shoppers about new items and new usage occasions.

SOURCE: Excerpted from "The Future of the Dairy Department is Now!", Dairy Management Inc., Kraft Foods, the Dannon Co.