

# RETAILERS TEST DAIRY PROGRAMS

**They'll test five dairy merchandising solution concepts tied to meal solutions.**

**S**lected stores of Brookshire's, Harris Teeter, Food City, Roche Bros., Save Mart and Weis Markets are testing five dairy merchandising solution concepts in conjunction with the Innovation Center for U.S. Dairy, Rosemont, Ill.

The concepts, which leverage consumer testing that identifies grocery shopping needs as they pertain to meal creation, are:

—**Breakfast Zone:** A section within the dairy department highlighting quick, satisfying breakfast recipes for easy weekday preparation.

—**Fuel Your Day:** A snacking

area highlighting nutritious, hunger-satisfying options for between or with meals, including protein-packed dairy products.

—**What's for Dinner:** An endcap that creates one-stop-shopping for a creative, family-pleasing dinner that's easy to prepare.

—**Chef's Creation:** A merchandising area that showcases restaurant-quality meal solutions for the adventurous home chef.

—**Perfect Pairings:** A place that cross-merchandises complementary dairy products in the produce section to provide well-balanced snack options.

Over a three-month period, the program is tracking sales lifts and consumer reactions to the concepts. Initial research tested 16 go-to meal solution concepts, centering on breakfast, dinner and snacking occasions. Consumer input helped identify the six strongest concepts for pilot testing.

Accounting for 19% of store true profit with just 3% of store space, the dairy department is one of the strongest contributors for grocery retailers, according to the Innovation Center. It adds that for every \$1 invested in inventory, dairy yields \$16 in annual profits.

The Innovation Center was established in 2008 under the leadership of America's dairy farmers through Dairy Management Inc., the non-profit organization that manages the producer checkoff program. It works with the industry to aid in the marketing of dairy products.

"The dairy merchandising solution concepts build upon Dairy Department Reinvention best practices that are proven to drive sales," says John Stephens, research and insights committee chair of the Innovation Center for U.S. Dairy. "They position dairy and complementary products together to increase sales by addressing shopper needs at various meal occasions." ■