

RETAIL NEWS INSIDER

THE BATTLE FOR AMERICA'S DINNER PLATE

E-Commerce vs. Brick-and-Mortar



The award-winning *Retail News Insider* offers a look at the trends, best practices and news affecting today's retail environment as it relates to private brand development, strategy and branding, sourcing and logistics, retail merchandising and consumer experience marketing.

As the flagship publication for Daymon, *Retail News Insider* provides insight on the trends that affect all levels of our business, practical tips for our field teams as well as the latest news from our own retail experts. Our team embraces the concept that the world of retail is an ever-evolving marketplace, and goes inside the stories to take a look at what's happening in the U.S. and across the globe.

Retail News Insider is proud to set the standard for excellence in communication across industries, as well as for our own organization. The publication has been awarded numerous industry honors, including:

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MarCom Awards

Best Digital Communication Vehicle

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Best Internal Publication

MarCom Awards

Best Employee Publication

International Academy of Visual Arts Communicator Awards

Best Newsletter

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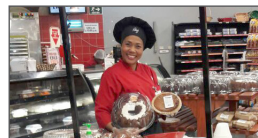
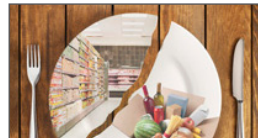
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FROM JIM'S DESK

A Letter from the CEO

Staying Relevant in Today's Rapidly Changing Retail Environment

In today's retail environment, shoppers have more than enough options for how they spend their hard-earned money. Technology has blurred the lines and made it possible for consumers to get on-demand goods and services unlike ever before.

This high-tech world we live in won't change, and the pace is only going to grow faster. The question we have to ask ourselves—for the retail partners and brands we work with, as well as for the general consumer—is whether faster equals better.

At Daymon, we live and breathe all aspects of retail. Everything from developing a brand's strategy and sourcing its supply, to packaging design and then building consumer awareness through experiences. We study consumer behaviors and analytics to help us understand what customers demand—not just what the industry thinks they need.

What we have learned is that while convenience, innovative services and products drive sales, customers are ultimately moved to make purchases when they feel that someone understands them. That may be achieved through engagement between an associate and a customer; or for today's socially aware consumer, it may be done through packaging that clearly states what a product consists of and where it was sourced.

This human element to doing business in retail sounds basic, but it can easily get lost in the high-tech shuffle. It doesn't have to be that way. In the pursuit of advancement, we can tie in the human elements to our business through the people and experts we work with.

At the core of Daymon is putting ourselves in the place of our clients and understanding what services will help their business grow, as well as engaging consumers in meaningful ways that build loyalty and drive sales. We couple our human approach with our experience in retail to build customized services that drive business, and we have made some very exciting partnerships where we can see this approach grow.

We hope you enjoy this issue—and please let us know how we can better serve you.



All the best,

Jim
Jim Holbrook
Chief Executive Officer
Daymon
JimH@daymon.com



Authenticity in Branding—Matching the Consumer Mindset



For many years, large national brands have been consumers' go-to items. The brand names and logos are well-known, and their marketing messages have one simple goal: encourage consumers to remain loyal. But over the last decade, the tide has turned. Consumers expect more from a brand than a recognizable name and marketing hype. They want authenticity—products that are real and reflect their values, culture and beliefs.

Authenticity isn't a new concept, says Lee Gobbi, Creative Director of Branding for Daymon. "It grew out of the health and naturals channels in the 1980s and 1990s. From a grocery perspective, organics were really the first mainstream example of how authenticity was perceived and believed in. Organic products started popping up in smaller specialty stores and health food sections in the 1990s. By the early to mid-2000s, they were everywhere."

Today, consumers' demand for authenticity extends well beyond organic. Gobbi explains that there are two key elements that consumers are looking for when it comes to authenticity: 1) does the product reflect me and speak my language; and 2) is it good for me in some way—whether that's healthy or local or sustainable.

Retailers and brands have multiple avenues through which they can drive authenticity—not just through the development of the product itself, but also through the packaging and branding, says Gobbi. "Without a doubt, the packaging, right down to what it's made of, can send a message of authenticity. The structure of packaging is moving to sustainable, recyclable and more efficient—telling the consumer 'we care about what you care about.'"

The package design can also help tell a story of authenticity. "When we're designing packaging for clients, we help drive authenticity through a combination of graphics, white space and typography," explains Gobbi. "For example, most people associate a lot of white space with being clean and real and authentic. It doesn't even have to be white—it can be earthy tones like a pale sage green.

"Also, rather than showing a staged photo of the final product, we try to find other ways creatively to communicate a more honest, authentic message—like hand-drawn illustration," Gobbi continues. "Instead of having a pasta sauce jar with a photo of spaghetti and sauce on the front, we'll create a hand-drawn design that shows fresh tomatoes and herbs and spices. This conveys the feeling that a product is fresh, wholesome and healthy. Typefaces that look like they're handwritten also help create a more authentic feel—as if the product was made and labeled right there in the store."

Other strategies that can help drive authenticity include telling the story of the product and appealing to consumers' origins—their hometown, culture or ethnicity, for example. "It's really about creating a consumer mindset," Gobbi explains.

While on the surface this may seem like just another trend, Gobbi asserts it's not a passing fad. "Authenticity is here to stay," he says. "The way that we message and market products might change, but retailers and brands, both large and small, are going to have to get more used to delivering healthier and more multicultural options and driving the sale of products from a local and global perspective."



To learn more about Daymon's branding and package design services, contact Lee Gobbi, Creative Director—Branding at lgobbi@daymon.com.

“Without a doubt, the packaging, right down to what it's made of, can send a message of authenticity. The structure of packaging is moving to sustainable, recyclable and more efficient—telling the consumer 'we care about what you care about.'”

—Lee Gobbi, Daymon Creative
Director of Branding

DELIVERING CROSS-FUNCTIONAL SOLUTIONS AND SUCCESS

Daymon Senior Vice President of Brand Development Dale Whitehill has a reputation for being a cross-selling guru. He champions the importance of knowing all aspects of the business in order to help deliver solutions that ease retailer and brand partners' pain points. We recently sat down with Whitehill to find out more about how he and his teams drive success.



DALE WHITEHILL
Senior Vice President—
Brand Development Group

RNI: You've been particularly instrumental in helping to expand Daymon's partnership with what is now one of the largest grocery chains in the United States. Can you tell us more about that?

Whitehill: Daymon began partnering with this retailer on private brand development about 15 years ago. Our brand development team works right on-site with the retailer, which has allowed us to learn about many aspects of their business. Over the years as Daymon's own services have grown, the team has been able to identify opportunities where our services could ease the retailer's pain points and provide needed solutions. First, our consumer experience marketing team developed a sensory taste-test program to gather shopper feedback on their private brand products. Then, in 2013, we were able to sell-in additional experience marketing services for grand openings and re-openings, as well as our retail execution services.

Based in large part on the successes of the grand opening and retail execution programs, we were successful in expanding both programs in late 2015 to include an in-store demonstration program and conversion from a managed to a dedicated retail execution program. All together, these services have helped lift sales, improve efficiency and allowed our retailer partner to put savings back into their business.

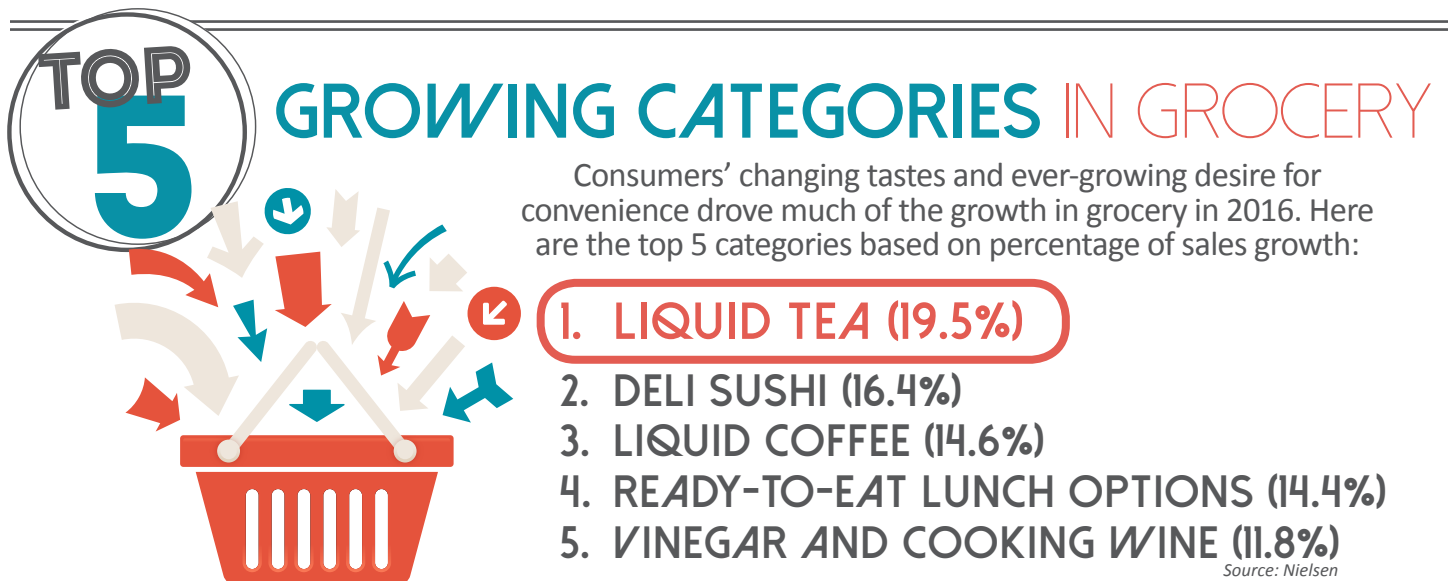
RNI: What would you say have been the key drivers of your and your team's success in cross-selling Daymon services?

Whitehill: It comes down to three main things: ownership, collaboration and execution.

Ownership is about taking responsibility for cross-selling, having a basic understanding of Daymon's key services and being an active listener, so you can identify a retailer's or brand's pain points. Then comes collaboration—where you create an opportunity and audience to bring in subject matter experts from other business units. Daymon's business units then work together to develop a customized solution that's right for a particular retailer or brand. Finally, our reputation requires that we execute with excellence. We have to deliver a high-quality service and meet our partners' expectations if we hope to grow any business.

RNI: Is there an added benefit for retailers in working with a cross-functional company?

Whitehill: At the end of the day, from a retailer perspective, it's really about who can bring the best solution and deliver the results they're looking for. A cross-functional company, like Daymon, can offer customizable end-to-end solutions to meet a retailer's unique needs, whether it's one service or multiple services. And once a retailer has experience with one service, it offers a proven track record for executing to expectations—building a reputation that affords opportunities to provide additional services.



THE BATTLE FOR AMERICA'S DINNER PLATE

E-Commerce vs. Brick-and-Mortar

By Retail News Insider



The grocery store, as we know it today, turned 100 years old in 2016.

For much of that time, the brick-and-mortar model we're all familiar with stood largely unchallenged. But those glory days are over. In just the last five years, the number of e-commerce grocery competitors has grown at unprecedented rates. And now it's not just grocery that online innovators are after. E-commerce takeout and delivery services are also on the rise and threatening to further eat into what was once brick-and-mortar's domain.

Why is e-commerce placing such a big bet on America's dinner plate? According to Carl Jorgensen, Director of Global Thought Leadership—Wellness for Daymon, it's part of a larger trend toward convenience. "Consumers' expectations around what is convenient has changed because of their online experiences," he says. "Everything from paying bills to sending a birthday card has become fast and easy. With the advent of same-day delivery in many cities around the world, the definition of convenience has become 'right now.' Grocery and food retailers now have no choice but to meet these new expectations."

Are traditional retailers and brands ready to compete for their share of the pie? To find out, *Retail News Insider* put three growing services to the test.

Grocery Delivery Goes Head-to-Head

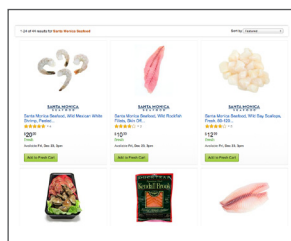
The Online Innovator: AmazonFresh

The Premise: Groceries ordered and delivered from one of the world's largest e-commerce retailers, Amazon.

The Cost: \$99 per year or \$14.99 per month for Amazon Prime members. (Amazon Prime membership is \$99 per year.)

The Experience: Ordering through the Amazon website was simple and intuitive (you can also use the app). We got started by reserving a delivery time, choosing a 3-hour unattended delivery window. We were then able to complete our shopping list by browsing categories or searching by product name. Products that were out of stock or not available until a certain date were labeled as such, giving us the option to change our delivery window.

On the delivery day, the order was delivered via the U.S. Postal Service well within the delivery window. The order was packed in reusable, temperature



controlled AmazonFresh-branded totes. All items were received in good condition and exactly as ordered.

The Brick-and-Mortar Alternative: Local Supermarket Grocery Delivery

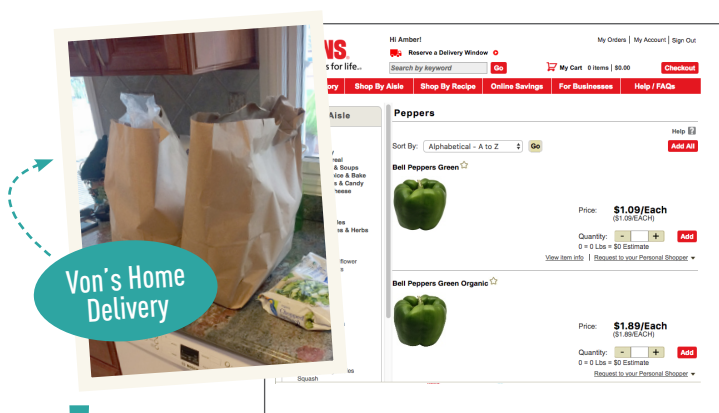
The Premise: Groceries ordered online and delivered from Von's, a local supermarket chain in Southern California.

The Cost: \$12.95 for orders under \$150 and \$9.95 for orders over \$150. Special discounts and free shipping promotions offered regularly.

The Experience: Like Amazon, we had the option to order through the Von's website or a dedicated delivery app. We used the website and again began by reserving a delivery time. All options were for attended delivery and we chose a one-hour window. Similar to Amazon, it was easy to shop by aisle or category, or by searching for keywords. There was no clear stocking information, and upon checking out, we were asked to select a substitution preference (different brand, different size or no substitution) for each item in our order.

On the day of delivery, a refrigerated Von's grocery delivery truck arrived near the end of the reserved one-hour window. The friendly and courteous driver brought the items to the front door in large plastic bins, then unloaded them into the kitchen. Before leaving,

he requested a signature and provided an itemized receipt, which noted a couple of substitutions as well as two out-of-stock items that could not be delivered.



Von's Home Delivery



The Verdict: We found the services to be comparable, each with their own pros and cons. For example, Von's had significantly more options to choose from in many categories (such as 36 options for cat litter vs. Amazon's 14), but lacked real-time availability information so we didn't have the chance to search for alternatives on items that were out of stock. While AmazonFresh provided stock details, it didn't offer all categories of products (such as fresh bakery items, and beer and wine). In sum, we'd call this one a draw.

Meal Kit Matchup

The Online Innovator: Blue Apron Meal Delivery Service

The Premise: An online service delivering all of the ingredients to prepare three seasonally-inspired recipes at home each week.



Blue Apron

The Cost: \$59.94 for three meals for two people, per week. (Subscription required.)

The Experience: We were given six meals to choose from for delivery the following week. Options included three vegetarian recipes and three containing meat or seafood. Not all combinations of meals were available together, however. In the end, we chose all three "omnivore" recipes.

The shipment arrived on the prescheduled date, delivered to the doorstep in a polystyrene cooler. All ingredients were fresh and well packaged. The first recipe we tried out was for spicy shrimp & Korean rice cakes. The estimated cook time on the recipe card was 25-35 minutes. But given the number of ingredients to assemble and prep, in reality, it took us about 40-45 minutes from start to finish.

Though the final dish was tasty, the portions felt a bit small. We were also left wanting more vegetables to offset the somewhat salty sauce. The two other meals, cooked on subsequent nights, were more satisfying.

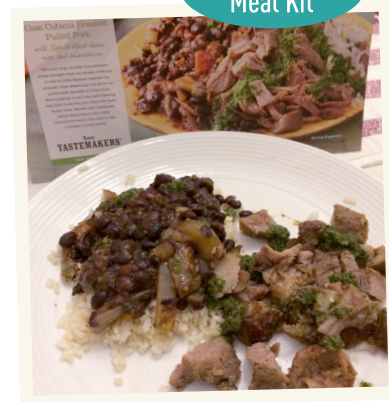
The Traditional CPG Alternative: Tyson Meal Kits

Tyson Meal Kit

The Premise: All-in-one meal kits available directly from your favorite retailer.

The Cost: \$9.99-\$19.99 for a meal for two to four, depending on the product chosen.

The Experience: We chose a meal from the Tyson Tastemaker line, available through AmazonFresh—and the only retailer or CPG meal kit we could find in our area. (Though research confirms that Tyson, Campbell Soup Co., ConAgra and other well-known CPGs do offer similar kits at retailers in other areas of the United States.)



There were seven meals to choose from. We went with the Casa Cubana Roasted Pulled Pork, which was \$19.99 for a two-to-three serving kit. Upon opening the box, we were pleasantly surprised to find all of the ingredients neatly in their own pouches and already prepped for cooking. The instructions were simple and easy to follow, and much of the estimated 60-minute cook time turned out to be wait time, so we were able to do other tasks.

Both diners enjoyed this meal and felt the portions were ample. We even had a small serving of leftovers for the next day.

The Verdict: For this showdown, the Tyson meal wins our vote. Even though the cook time was longer, it was easier to prepare overall. With the sauces in pouches and the vegetables already chopped, there were fewer dishes to wash, as well. We'd like to see more local retailers offer these types of options. Blue Apron felt more like too much of a commitment for a busy weeknight meal. However, one area where they may have an advantage is in variety, as its recipes change weekly.



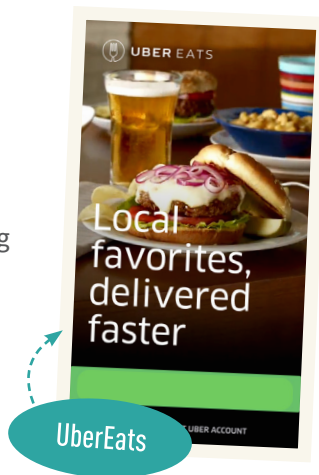
Bonus Round: Takeout and Delivery Services

Our goal with this final part of our investigation was to compare an online takeout ordering and delivery service to one offered by a well-known chain of brick-and-mortar restaurant. However, even though we live in a large metropolitan area, we were unable to find any large chains (other than pizza) willing to deliver. Strike one, brick-and-mortar! Undeterred, we decided to compare two online services to see how they stacked up to each other—and what those big chain restaurants might be able to learn from them.

UberEats

The Cost: \$4.99 booking fee (plus tip).

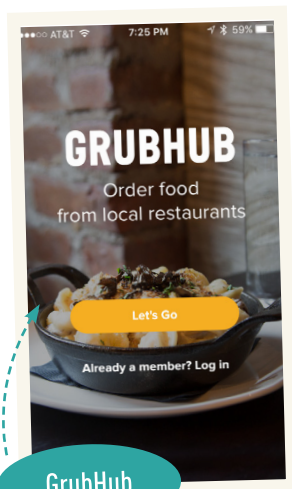
The Experience: Navigating the website online was easy. They did a nice job of displaying the various restaurants, the meal options and prices. We didn't find any minimum order requirements, which made it simple. You order what you want and no more.



We chose to order from a new-to-us restaurant with good online reviews. As soon as the order was placed, we were kept informed of the progress with an online tracker. The order arrived just a few minutes before it was due. The only negative with this option was that we couldn't include tip for the driver when the order was placed. (Fortunately we had cash!)

GrubHub

The Cost: Varies depending on the restaurant chosen—ranging from free delivery, a flat \$3.99 fee or 15 percent of the order.



The Experience: As with UberEats, GrubHub can be accessed online or through an app. The selection process was also similar, though GrubHub had a greater variety of restaurants, ranging from fast food burger joints and sandwich shops to more upscale local eateries. However, unlike UberEats, most restaurants had minimum orders—ranging from \$10 to \$25.

The payment process was straightforward and easily tracked online. Delivery was nearly exact to the estimated time. The food itself was delicious and the portions quite large, although this was somewhat expected given the order minimums.

The Verdict: These services both offer a welcome alternative to the pickup-only options that seem to dominate at chain restaurants in our area. Still, users will need to spend a bit of time exploring their options, as many may be lesser known or up-and-coming local eateries versus well-known hot spots.

The Final Word

As our experiences revealed, there are some areas where online innovators are leading the way and others where traditional retailers or brands still have a thing or two to teach them. This ability to dabble in both the online and offline worlds is a must in today's market, says Jorgensen.

"It's true that we exist in a physical world and like to examine products in person, which is a built-in advantage that brick-and-mortar retailers should take advantage of. However, they cannot rest on that advantage," he warns. "Advances in virtual reality and augmented reality will enable online retailers to continuously elevate the shopping experience. Ultimately we may see a blending of online and brick-and-mortar retailing, with the best of both worlds benefiting the consumer."

The retailers and brands that survive will be the ones that are willing to learn from their online or offline counterparts and seamlessly integrate both worlds.

MARKET WATCH CALENDAR

January
Internet of Things and Security

February
Betting on Retail

March
The Store of the Future

April
The Forgotten Male Shopper

May
The New Participatory Shopper

June
Personalized Retail

July
Pop-Up Shops

August
The Role of Wearables

September
Anticipatory Retail

October
Evolution of Private Brands

November
Redefining Convenience

December
2018 Trends

2017

Daymon Announces First Dedicated Retail Merchandising Program with Wholesale Partner



After years of pursuing the retail merchandising business of SpartanNash, a Midwestern wholesale distributor and retailer, SAS Retail Services, the merchandising execution division of Daymon, successfully landed a bid at the end of 2016. But there was no time to rest on their laurels. With the launch of the program scheduled for mid-January, the team immediately began ramping up operations. In just eight short weeks, they hired and trained approximately 200 new associates to be responsible for executing all retail set work in over 375 of the wholesale distributor's home-store participants, including 166 of the company's corporate retail stores, as well as 235 of its wholesale partners' stores throughout the Midwest.

Though still in its early days, the program has already garnered positive feedback from the wholesale distributor, says Regional Vice President Tom Dennis. He explains that having an existing private brand partnership with the wholesaler has been a boon to the new business. "We worked in close collaboration with Tom Boyle, Daymon Director of Business Development, and the on-site private brand team to land the new business and successfully bring in our merchandising services."

The new program represents a particularly unique opportunity. It offers tremendous room for expansion, given that SpartanNash has over 1,900 independent grocers in its network. In addition, this is an industry-leading venture into a dedicated wholesale retail execution program, which paves the way for new ventures with other wholesale leaders.

"It's so exciting to collaborate with our retailer, supplier, and now wholesaler partners to create the most effective and efficient execution in the industry. This has really been the result of the collaboration with our Global Business Development partners," says Michael Bellman, President of SAS Retail Services. "It's further evidence of the power and benefit of leveraging all Daymon business units to provide solutions to our retailer partners."

To learn more about retail merchandising services with Daymon, contact Michael Bellman, President of SAS Retail Services, at michaelbellman@daymon.com.



EIGHT MONTHS AFTER LAUNCH

Where Does Amazon Stand with Private Brands?

Not only is Amazon trying to increase its share of the grocery game through online delivery and now its brick-and-mortar Amazon Go stores, it has also recently entered into the world of private brand consumables. When the news was first announced in the spring of 2016, reaction was one of robust concern—and raised many questions. What was their strategy? How would it affect brick-and-mortar retailers? What did it mean for the future of private brands in grocery as a whole?

Just over eight months later, “the entry that analysts thought would make waves has created little more than a splash,” says Jean Ryan, Director of Brand and Marketing Strategy for Daymon. According to an analysis by Daymon, by the end of 2016, Amazon had launched just about 40 products under four private brand labels.

Happy Belly, which focuses primarily on nuts, trail mixes and organic coffee (with a recent addition of cage-free eggs for AmazonFresh customers), is the largest of Amazon’s private brand labels so far. Available only to Amazon Prime members, pricing and packaging cues indicate the brand is aimed at shoppers open to purchasing premium goods, says Katie Burkhardt, Manager of Brand and Marketing Strategy for Daymon. “Though Amazon is treating Happy Belly as an independent brand, it is also indirectly promoting the brand by driving traffic to its product pages through banner ads and search results,” she says.

Amazon’s Mama Bear line, which targets eco-conscious mothers and currently includes laundry detergent and a few baby foods, is also treated as an independent brand. However, unlike Happy Belly, Amazon has taken a much more cautious approach to its promotion, says Burkhardt. “While the brand does have a landing page, typing ‘Mama Bear’ into the search bar on Amazon.com does not yield a Mama Bear ad. Rather, one must type in ‘Mama Bear detergent’ to find an actual product. It’s clear that at this initial stage, Amazon is keeping its distance from the brand,” she explains.

Similar to Mama Bear, Presto! is also aimed at the eco-conscious consumer. The brand’s only offering is a bio-based liquid laundry

detergent free of dyes, fragrances and artificial ingredients. Like Happy Belly, Presto! has its own landing page as well as banner ads when searched on Amazon.com.

Rounding out Amazon’s family of private brands is Wickedly Prime. This newest brand debuted in December with four gourmet snack products, including flavored popcorn, shelled almonds and two varieties of tortilla chips. Burkhardt explains that unlike the three other brands, there are two clues that clearly link Amazon to Wickedly Prime. First is the use of the word “Prime” in the name. Second is the use of a playful arrow underscoring the Wickedly Prime logo—a clear reference to the parent Amazon logo. “Amazon also drives traffic to the brand through banners and search results,” she adds.

Though Amazon’s private brand introduction has been slower than expected and its promotion inconsistent, both Ryan and Burkhardt warn against counting Amazon out. “While Amazon is still in the process of building the type of private brand line that traditional retailers already have, one shouldn’t assume that they’ll always be behind,” says Burkhardt. “In many ways already, they’re going above and beyond—for example, offering only organic coffee in the Happy Belly line, rather than starting with a core line and adding an organic version as the premium.”

“We suspect Amazon’s foray into private brand is intended to add one more piece to their ecosystem of solutions,” adds Ryan. “The vast number of trademarks they’ve applied for, their history of success with private label in the batteries category, and their access to an abundance of data and supplier partners builds a strong case for their ability to succeed.” Ryan says traditional retailers and brands should continue to keep a close eye on Amazon’s approach to private brand, and be prepared to act on the lessons that can be learned from the e-commerce leader’s experience.

To learn more about Daymon private brand development and strategy services, contact Aimee Becker, Vice President of Strategic Services, at abecker@daymon.com.

GROWING MARKETS: *Daymon Expands Reach of In-Store Demonstration Programs in Latin America*

As Daymon launches new in-store demonstration programs in Latin America, it's customizing the strategies used by its Sales Advisors to address the tendencies of local shoppers in Brazil. "Samples are still prepared on a cart, but instead of standing behind it and calling customers over, as is customary in the United States, our Sales Advisors interact with shoppers in front of the cart. We find this is a more effective approach to engaging with local shoppers, who would otherwise be less likely to come over to the cart," says Alexandre Mendes, Daymon's Senior Director for Latin America.

This customized approach was first tested through pilot programs developed for two Brazilian retailers in 2016. In the short time the pilot programs ran, the success of the approach was quickly proven, delivering an impressive 300 percent sales lift during demonstration events, and 40 percent sales increase seven weeks after the events.

Seeing these results, one of the retailers committed to launching an on-going program at the start of this year, and the other has also expressed interest in continuing the partnership. The new programs will expand upon the pilots, bringing in-store demonstrations to more than three dozen stores in Brazil. The events are staffed by Daymon Sales Advisors, who rotate between several stores each week. The in-store demonstrations focus on food items and run five days a week for eight hours each day—again to meet the needs of local shoppers.



"The typical shopper here goes to the store more than once a week, so by working in multiple stores and on multiple days, our Sales Advisors are able to maximize the number of customers they interact with, thereby maximizing the return on investment for our retailers and suppliers," explains Mendes.

Between these recent successes in Brazil and a similar in-store demonstration program being executed for a retailer in Panama, the Daymon Latin America team hopes to capitalize on its growing experience and knowledge to further expand operations and business opportunities throughout the region.

To learn more about Daymon business opportunities in Latin American, contact Senior Director Alexandre Mendes at amendes@daymon.com.

GLOBAL STRATEGIC SOURCING: SPOTLIGHT ON SOUTH AMERICA



VIPON KUMAR
Chief Sourcing and Trading Officer

Ever wonder how the latest new “superfruit” or spice makes it from a little-known foreign country to your local supermarket? You have strategic sourcing to thank. Though it’s a complex process, there are six main steps that strategic sourcing practitioners use to bring everything from everyday staples to new and unique products to store shelves. These steps include the **discovery** of potential new sources, **qualification** of providers, **on-boarding**, **facilitating connections** with retailers and brands, **negotiation** of pricing and terms, and finally, **supply chain mapping**. According to Vipon Kumar, Chief Sourcing and Trading Officer for Daymon, discovery is a particularly critical part of the process—and one that must be continually underway.

“At Daymon, we take a long-term approach to considering options for sourcing beyond national borders,” explains Kumar. “Our strategic sourcing experts are continuously scanning the globe for long-term strategic sourcing hot spots.”

South America is one of these key sourcing hot spots that Kumar says Daymon’s global sourcing experts are currently focusing on. This month, Kumar shares the countries, categories and products his team has identified:



BRAZIL—The second largest economy in the Western Hemisphere and fifth largest nation in both land area as well as population, Brazil is the 12th largest trading partner of the United States. Bilateral trade in goods totaled about \$59 billion in 2015. Brazil enjoys a year-round stable climate with multiple growing seasons across several crops. According to Kumar, the largest categories of interest to Daymon’s retail partners include coffee, spices, sugar, kitchenware, paper, plastic, poultry, meat, eggs, cashews, and fresh and processed fruit products.



COLOMBIA—Bilateral goods trade with Columbia totaled \$31 billion in 2015, making the country the 25th largest consumables goods trading partner of the U.S. Key categories for import include coffee, cane sugar, tea, live trees and plants, fruit, nuts, coconut oil and basic textile production.



CHILE—The 28th largest consumables goods trading partner of the U.S., bilateral goods trade with Chile totaled approximately \$24 billion in 2015. The largest categories of imported retail goods from Chile include edible fruit and vegetables (apples, grapes, blueberries and artichokes), fish (Pacific salmon and sea bass), wood and wood products.



PERU—The U.S. and Peru shared bilateral goods trade totaling approximately \$14 billion in 2015, making Peru the 35th largest consumables goods trading partner of the U.S. The largest retail import categories from Peru include edible fruit and nuts (grapes and avocados), cocoa beans, coffee, knit apparel and vegetables (asparagus and artichokes).



ARGENTINA—The 38th largest consumables goods trading partner of the U.S., bilateral goods trade reached \$13 billion in 2015. Argentina is one of the world’s major agricultural producers, ranking among the top producers in most of the following categories: beef, citrus fruit, grapes, strawberries, honey, corn, sorghum, soybeans, squash, olives and olive oil, wheat, pasta, yerba mate, cane sugar, wine, honey, and soybean and sunflower seeds, meal and oil.

According to Kumar, Daymon’s expertise in discovering and securing sourcing in new areas like those above are thanks in large part to its unique global presence. “We have offices in many countries and we are able to go see many factories ourselves. This gives us the invaluable advantage of first-hand knowledge and experience and enables us to be a full-service sourcing partner, handling all aspects of the process from discovery through mapping of supply chain,” he explains.

To learn more about Daymon global sourcing solutions, contact Vipon Kumar, Chief Sourcing and Trading Officer at vkumar@daymon.com.

Making Valentine's Day Happy & Healthy



February is the month of hearts and love, and not just because of Valentine's Day. It's also American Heart Month—an annual reminder to take good care of our hearts so we can be with our loved ones for a long time to come. As a Sales Advisor, you can combine the two celebrations of the heart by showing shoppers that Valentine's Day can be both happy and healthy!

Candy has always been a natural fit for Valentine's Day. And in moderation, it can still be healthy. Encourage shoppers to go for antioxidant-packed dark chocolate. Paired with fresh or frozen berries and red wine, it can make for an indulgent, romantic—and heart-healthy—Valentine's Day dessert.

You can also help shoppers think beyond the candy box. For example, a home-cooked meal can be an especially thoughtful way to say "I love you." Remind shoppers that seafood makes for a great special occasion dish—and it's good for you, too! Share your favorite recipes for baked or broiled fish high in omega-3s, such as salmon, tuna, mackerel, sea bass and trout.

In addition to romantic partners, many shoppers will be looking for gifts for children, pets and coworkers, too. Encourage them to share the heart-health love. For example, whole grain pancakes made in the shape of hearts and topped with strawberries instead of syrup can be a sweet (and nutritious) gift for children. A fresh fruit basket or box of assorted coffee pods can be a welcome treat for the office. Remind shoppers that great taste doesn't have to come at the expense of good health!

[From the Front Lines]

Building Shopper and Store Relationships

The job of a Sales Advisor or Brand Ambassador is to engage consumers and educate them about a product in hopes of driving a sale. But there's a lot more that goes into the role than simply talking with shoppers and offering them a sample. True success is built on a foundation of positive relationships with shoppers and store staff. According to Brand Ambassador Glenn Pritchard, there are three keys to developing those relationships: trust, respect and professionalism.

When it comes to engaging with shoppers, Glenn aims to build trust with shoppers by treating them like valued friends. "Communicate with shoppers like they're your new friend and you're letting them know about a new product, rather than trying to use a hard sell method," he suggests.

Glenn also emphasizes the importance of respecting shoppers by being kind and honest. "A heartfelt smile does wonders to connect with shoppers, including folks who appear to be not interested," he says. Once you have a shopper's attention,

avoid being phony or fudging facts to try to sell a product. If you don't know the answer to a shopper's question, be honest and try to help them find a resource that can provide the answer.

Respect and professionalism are also important for developing relationships with store personnel, says Glenn. "As Brand Ambassadors, we're representing not only Daymon and the product, but also the retailer. So it's valuable to have a good working relationship with store personnel. That means remembering that you're there to help the store sell whatever product you're demonstrating and to be professional no matter who you're interacting with."



Glenn Pritchard
Brand Ambassador

Waste Not,
Want Not,



Turning Scraps and Ugly Produce into Culinary Treasures

Over 3.2 trillion pounds of food goes to waste each year,

with the average European and North American shopper tossing over 200 pounds each, according to the Food and Agriculture Organization of the United Nations. That adds up to nearly one-third of the total amount of food produced around the globe. But as consumers look to make eating and purchasing decisions that are better for the earth, the reduction of food waste is getting a lot more attention. As a result, things like vegetable scraps, “ugly” fruit and previously unloved cuts of meat are being turned into new culinary gems.

Like many culinary trends, the move to reduce food waste gained much of its popularity thanks to innovative chefs in the restaurant space who have begun using previously discarded food scraps to create whole new offerings. For example, some chefs are replacing the classic (yet rarely eaten) parsley sprig or radish ribbon with garnishes like pickled watermelon rinds and gremolata made from carrot top greens.

In a 2016 “Taste the Waste Food Challenge,” the Colorado Restaurant Association and Denver Department of Environmental Health teamed up to encourage chefs from the United States to push the creativity even further—creating whole dishes made from at least 50 percent scraps or other waste they would normally toss out. The grand prize winner was an apple cobbler made with avocado-pit streusel, salted apple core caramel, with potato and apple skin pastry.



Home cooks are also getting in on the action—using lesser known cuts of meat like beef shank and pork sirloin, and repurposing cauliflower stems to make “steaks” and “rice,” for example. Even those who aren’t ready to get that creative in the kitchen are looking for ways to cut back on the amount of food they toss out. According to market research firm Mintel, 80 percent of U.S. shoppers agree that reducing food waste is just as important as reducing packaging waste (a trend that’s also been growing over the last several years). Similarly, 70 percent of consumers in the United Kingdom see food waste as a serious environmental problem, according to a study by environmental charity Waste and Resources Action Programme. As a result, many are looking for smaller, portion-controlled packages of foods and recipes with minimal waste. (Hello meal kits!)

Several grocery retailers are also getting into the game by introducing programs that offer “ugly” fruits and vegetables to consumers at a reduced cost. For example, a large East Coast grocery retailer in the U.S. launched a “Produce with Personality” program in early 2016, offering fruits and vegetables with cosmetic imperfections at a 20 to 25 percent discount. In the U.K., supermarket chain Asda began a similar program, selling a “Wonky Veg Box” that contains over 10 pounds of misshapen produce for the equivalent of about \$5.



Consumers aren’t just talking about their ideals when it comes to food waste; they’re also willing to put their money where their mouths are. According to Mintel, 54 percent of consumers say they’d pay more for products that come in portion-controlled packaging and more than 40 percent would pay more for fresh vegetables that come in single-serving packages. Even more consumers would be willing to buy imperfect fruits and vegetables—79 percent, according to a recent survey by polling company Harris Poll. The future for the former misfits of food seems bright.



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