

# PROVING GROUND

**Our Retailer of the Year tests new ideas at its flagship store that's evolved to become its backyard test lab.**

**By Jim Dudlicek and Meg Major**

**F**rom click-and-collect grocery shopping to new foodservice ideas to emerging store-within-a-store concepts, Meijer's Knapp's Corner flagship store is where it all starts.

As the Michigan-based supercenter retailer's flagship store and well-oiled test bed, Knapp's Corner's proximity to Meijer's Grand Rapids headquarters — along with a seasoned and unflappable store management team — makes it an ideal setting for the company to try out and tinker with the most impactful ways to build and sustain

meaningful customer connections.

Radically remodeled as part of a \$160 million capital investment purse established in 2013, which included six ground-up supercenters and five major remodels, Knapp's Corner showcases a slew of new concepts and department redesigns, as well as a completely new exterior and an expanded fresh food area, all of which, in varying degrees, influence the look of Meijer's other new stores and future remodels.

"A supercenter, by default, makes it important for us to continually challenge ourselves about how to deliver great service," says Hank Meijer, company co-chairman.

While the rebuild didn't add square footage to Knapp's Corner's footprint, the redesigned interior layout has resulted in increased selling space. A full range of products across the full retail spectrum is integral to the Meijer shopping experience, but the fresh food presentation here is truly the centerpiece.

## **Screaming Fresh**

"You come in the food side, and it screams fresh," declares Mark DeVries, Knapp's Corner store director, a 40-year Meijer veteran.

Meat and produce are the primary support pillars of the fresh

PHOTOS BY VITO PALMISANO





**TEAM KNAPP'S CORNER**

From left: Mark Saczynski, fresh line leader; Emily Wood, bakery team leader; Mark DeVries, store director; Paul Mousseau, meat team leader.

## Store of the Month

Meijer Knapp's Corner



### LOVIN' THE OVEN

The in-store bakery offers custom and everyday cakes and cookies, and bakes fresh bread four times daily.



journey — as well they should be — as the store's top two departments. Featuring a single-tier Certified Angus Beef (CAB) program, the full-service meat department is staffed by in-store butchers providing custom cuts to bolster its shift to a more traditional butcher-shop environment.

“Part of being progressive is retaining and investing in areas that shoppers still want, which many have walked away from and where we feel we can make a difference, such as in fresh meat,” Hank says. “We’re still building a trade [occupation] for meat cutters.”

## Store of the Month

Meijer Knapp's Corner



# meijer

## Meijer Knapp's Corner

1997 E. Beltline N.E.  
Grand Rapids, MI 49525

**Grand opening:** Aug. 19, 1997

**Total square footage:** 233,000

**Selling area:** 178,303 square feet

**SKUs:** 350,000-plus

**Employees:** 200 to 250

**Checkouts:** 19 staffed, 18 self-scan

**Hours:** 24/7, closed only on  
Christmas Day



The grocer's fresh meat prowess is clearly paying off, as evidenced by Meijer's recent recognition as the CAB brand's 2015 Retailer of the Year.

### Vista of Freshness

The produce department features a brightly colored wall of produce and fresh-cut flowers, creating a vista of freshness, with some 600 varieties of fresh fruits and vegetables.

The in-store bakery boasts an assortment of custom and everyday cakes and cookies, and bakes fresh bread four times daily, while the service deli offers extensive choices, reflective of shifting customer demographics, alongside multiple solutions for family meals, which allow customers to purchase fresh, made-to-order sandwiches, sushi, pizza and more.

There's café seating inside and out, and the meal solution area features window views so shoppers can see product being made by hand, including meats, bread and pizza. Signage like "Dinner Made Easy" and "Fresh Food Every Day" further drives the message home.

An aptly set wine display offers pairing suggestions near the staffed cheese island, where a sign encourages shoppers to "Ask Our Cheese Steward" for advice on an array of specialty items from around



**WASABI LOBBY**  
The sushi station helps to address shopper demand for more diverse menu choices.

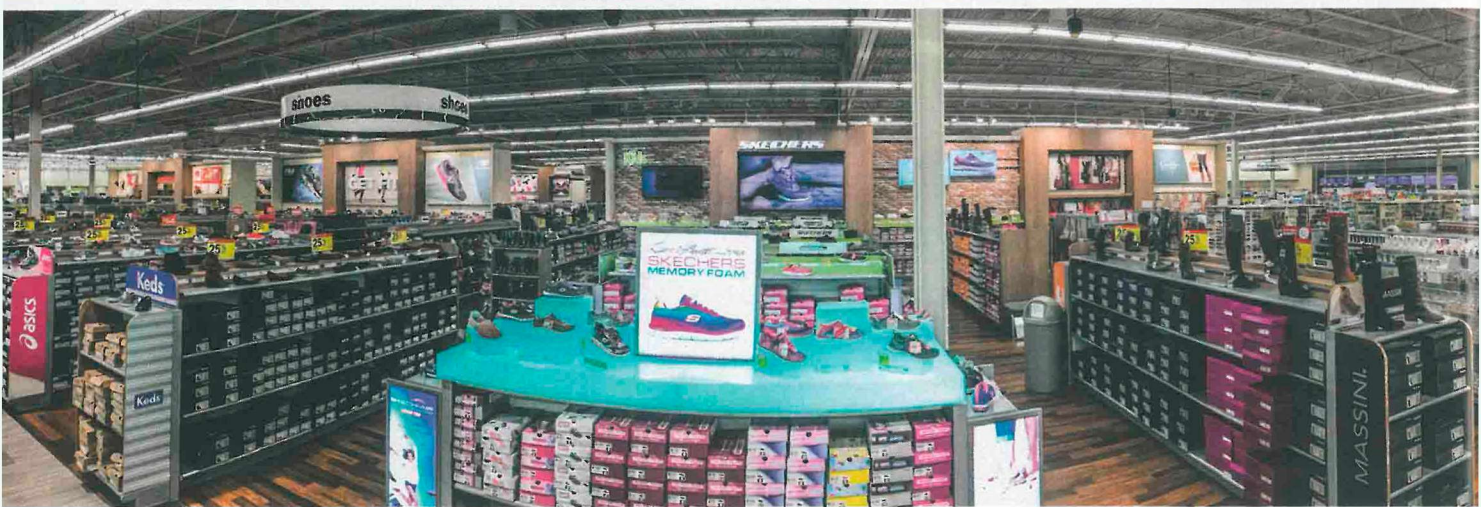
the world. Nearby, a bar of olive oil and vinegar selections enables customers to taste selections and fill their own bottles.

### Differentiation Begets Motivation

Upgrades to the health, beauty and wellness department include wider aisles, lower illuminated shelving and enhanced signage.

The pharmacy features two drive-up windows and an expanded interior to accommodate an enhanced consultation room with frosted doors, additional windows, and larger waiting and pharmacist consultation areas. Additionally, a hearing center assists customers who are purchasing hearing aids





#### PROGRESSIVE CONCEPTS

Knapp's Corner reflects Meijer's commitment to specialty cheese (above left), a fresh pizza program for prepared foods, and a store-within-a-store partnership with Sketchers.

and allows them to meet with a specialist who will check their hearing and related devices.

Enhanced customer interaction is a key focus of Meijer's pharmacy operations. "An important part of where we're different is the investment we make to every department as its own business, particularly those that have high household penetration, such as pharmacy," affirms Hank. This includes the retailer's free prescription program, as well as clinical services and immunizations designed to promote family health.

"The basic motivation for all that we do begins with food and drug, which really drives trips," he adds. "But we also strive for differentiation in general merchandise departments, with quality and value."

The home area boasts a boutique design with vibrant displays of towels, bedding and housewares, while the apparel departments feature a "shop" concept with 12-foot walls and special lighting to highlight products, along with updated fitting rooms.

#### Sketching Bright Progress

Knapp's Corner features the retailer's first Sketchers store-within-a-store shoe department. The 804-square-foot concept shop, piloted here to enhance

the shoe-buying experience, is rolling out this fall to four other Meijer stores in Greenwood, Ind.; Midland, Mich.; Marysville, Ohio; and Grafton, Wis.

Noting that dedicated ambient lighting and sound help immerse shoppers in the experience of a stand-alone shoe store, Hank says the Sketchers concept shops — which feature four video screens to present product information and lifestyle news — "strengthen our commitment to customers and give families a convenient place to shop for shoes together."

Another bright spot amid Meijer's transformative in-store offerings is its partnership with East Cleveland, Ohio-based GE Lighting to help shoppers navigate the many light bulb options currently available.

Indeed, with incandescent light bulbs being phased out, there's much more involved in the customer purchase decision than choosing light bulbs based on wattage alone. As such, Meijer sought to help enhance the customer experience for a category that's become much more technologically advanced.

As the first retailer in the country to partner with GE on this type of program — which required a complete remodel of the lighting aisle — the brilliant collaboration has helped make



### SPIRITED SUCCESS

Beverage alcohol has been an area of significant investment for Meijer — so much so that the company is the largest retailer of beer and wine in the state of Michigan. The store features numerous varieties of home-state products, as well as single batches of some liquors created exclusively for Meijer.

Meijer's lighting aisle experience simpler and more intuitive. Not only can customers choose among halogen, covered CFL, CFL and LED models, they also have access to detailed information through displays and TV monitors to help them make a decision on the right option for them in a "good, better, best" framework.

"It's an exclusive partnership that represents a point of discovery for the shopper, as well as being mutually beneficial for both Meijer and GE, as it provides opportunities for us to grow together," Hank points out. "As a midsize retailer, we're still large enough to move scale, particularly in the late fall. Daylight Saving Time is one of the most popular seasons for light bulbs at Meijer stores, which traditionally see category sales increase by up to 40 percent in the weeks surrounding the end of the time period."

### Seasonal Backing

Seasonal selling events are major for Meijer, because of their ready-made ability "to provide a way to take fresh into GM and apparel with visual cues such as colors, fabrics and themed assortments," explains Hank.

## Local Motion

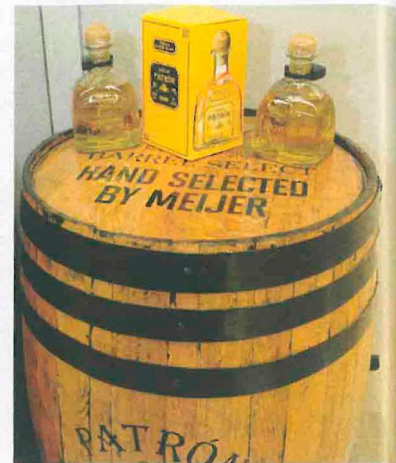
Meijer is dedicated to the products of its home state and the regions in which it operates, spending up to \$100 million with local growers, mostly in Michigan and Ohio.

The Grand Rapids, Mich.-based grocer works with more than 125 local growers — up 25 percent during the past two years alone — within its six-state footprint, and of those, more than 70 are in Michigan.

For example, Meijer annually sources more than 1 million pounds of Michigan asparagus and nearly 4 million pints of Michigan blueberries. The company also sources Michigan-grown on-the-vine tomatoes during all four seasons of the year, and sweet peppers nearly year-round.

In addition, Meijer partners with the Michigan State University Product Center for Food-Ag-Bio. In 2015, 16 small businesses with Michigan-made grocery items will appear on the chain's shelves state-wide.

This year's lineup will include strawberry syrup by Jessica's Natural Foods in Birmingham; walnut and almond granola from Pure Blend Granola in Clawson; hot salsa from Mrs. Pruitt's Cha-Cha Salsa in Detroit; ginger teas from Foods for Thought in Honor, and from Sweetwaters in Ann Arbor; and multigrain flatbread and pizza crusts by Easy Artisan Bread in Tecumseh.



On the day of PG's visit in late August, the store was beginning to wind down its annual back-to-college selling event, and was in the thick of its back-to-school selling season, both of which are integral to Meijer's autumn in-store efforts.

With back-to-school factoring as one of its key seasonal campaigns, Meijer hosts more than 20 Meijer Mania events for colleges and universities across Michigan, Illinois, Ohio, Indiana and Kentucky. The retailer's partnership with a variety of local institutions of higher learning aims to help ease the transition for incoming college freshmen. From mid-August through early September, the chain brings students from campuses to local Meijer stores for the late-night events, which include contests, prizes, free samples, DJs and photo booths.

Meijer began throwing in-store parties for freshmen about a decade ago to give students a chance to get to know their peers in a fun environment, and to introduce the Meijer brand to those who may not have grown up shopping at the Midwest supercenter — some of whom may learn how to pronounce the retailer's name for the first time.

The high-energy events generate ample interest among students, who are known to showcase their creativity and school spirit on social media.

In total, an estimated 40,000 students — about 1,700 freshmen per event — will bus from campus to their local Meijer store location for a night of festivities. Typically, a DJ will get the crowd pumped up while students participate in interactive games and contests, snap pictures in the photo booth, and stock their carts with snacks and school supplies. Meijer also provides samples and coupons, and occasionally hosts big-ticket giveaways.

### Trend Factory

Last April, the Knapp's Corner store piloted Meijer Curbside, a click-and-collect service that has been revamped based on customer feedback.

More than 40,000 of the most commonly



shopped-for items are available on Meijer.com through this service, which offers the convenience of online ordering and drive-through pickup. The service enlists specially trained team members to hand-select every item in a customer's order and shop according to special instructions and personal preferences.

With more than 75 percent of weekly orders

coming from repeat customers, Meijer plans to roll out a program expansion soon.

Knapp's Corner is home to other innovations as well. It was constructed to LEED-compliant standards, which included reclaiming the steel and concrete that was removed from the existing building and will be recycled. Additionally, the refrigeration compressor racks will be replaced with a new,



**BRIGHT IDEA**

The GE Lighting destination aisle helps shoppers navigate evolving bulb technologies.



more energy-efficient system.

Meijer was an early adopter of self-service check-out; there are 18 self-scan lanes at Knapp's Corner. "This represents exceptional service for some customers and limited service for others," Hank notes, "but we took the time from the outset to invest and help customers become comfortable with the technology," which he says will remain a work in progress, not only for Meijer, but for all retailers, given the fast pace of technology and ever-changing customer preferences.

Overall, Meijer has kept its shopping experience on trend for customers, with Knapp's Corner serving as a shining example for the company's other 220-plus stores.

Of course, some things really never change, like the basics of what people want from their local retailer: good selection, good quality and a good value.

Comfort food helps, too. As Hank remarks, "While trends come and go, we still sell a lot of doughnuts." **PG**

## Simply Give Hits New Milestone

Meijer's fall Simply Give campaign generated more than \$3 million for food pantries throughout the Midwest — the most in the program's history.

The grocer's customers donated more than \$809,000 during the fall Simply Give campaign that began in late July during the second annual Meijer LPGA Classic presented by Kraft. That commitment to supporting hungry families, combined with a donation from Meijer, raised the fall campaign total to more than \$3 million, making it the most successful campaign since Simply Give began in November 2008.

"We cannot thank our customers, team members and food pantry partners enough for continuing to rise to the challenge and help us feed hungry families in the communities we serve," says Co-chairman Hank Meijer. "It's inspiring to see this level of engagement."

The Grand Rapids, Mich.-based retailer began its Simply Give program as a way to help local food pantries throughout

the Midwest achieve their mission of feeding hungry families.

Thanks to the fall campaign, which ended in mid-September, Simply Give has generated more than \$18.6 million for those partners to restock their shelves and feed hungry families. The total includes an estimated \$750,000 donation from the Meijer LPGA Classic to the Simply Give program.

But more importantly, those donations stay local, according to Janet Emerson, Meijer's EVP of retail operations. "We know how important it is to our customers that their generous donations remain local," Emerson notes. "That's why each of our stores partners with a food pantry in their community during the Simply Give campaigns."

During each of Simply Give's three annual programs, customers are encouraged to purchase a \$10 Simply Give donation card upon checkout. Once purchased, the donation is converted into a Meijer Food-Only Gift Card and donated directly to a local food pantry selected by the store.

"Hunger is a problem that continues to increase in all of our communities," Hank says. "The Simply Give program gives everyone a chance to work toward ensuring no one has to live without food."

